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FIRST SESSION

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## SENATE—*Friday, December 5, 1969*

The Senate met at 9:30 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, in whom we live and move and have our being, we thank Thee for this moment when we lift our hearts to Thee.

When the burdens are heavy, give us strength to carry them. When the pressures are great, grant us inner peace. When the days are long and duties irksome, give us a poise and power to think clearly and act wisely for the Nation's welfare.

O Father, give us grace to bear the wounds of criticism, the hurt of misunderstanding, the pain of misjudged motives, and the monotony of daily toil.

In the turbulent days in which we live, grant to us a steadfast faith, an enduring hope, and the will to seek the Kingdom of God and His righteousness, in the sure knowledge all else will be in order. Amen.

### THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, December 4, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### COMMITTEE MEETINGS DURING SENATE SESSION—OBJECTION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

Mr. GRIFFIN. Mr. President, I am sorry, but I must object, upon request.

The ACTING PRESIDENT pro tempore. Objection is noted.

### EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination on the calendar.

There being no objection, the Senate proceeded to consider executive business.

### U.S. MINT AT DENVER

The ACTING PRESIDENT pro tempore. The nomination will be stated.

The legislative clerk read the nomination of Hildreth Frost, Jr., of Colorado, to be Assayer of the Mint of the United States at Denver, Colo.

The ACTING PRESIDENT pro tempore. Without objection, the nomination will be considered; and, without objection, it is confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be so notified.

### LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

### ORDER FOR ADJOURNMENT TO 9 A.M. TOMORROW, SATURDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 o'clock tomorrow morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### REVISION OF THE CRIMINAL LAW AND PROCEDURE OF THE DISTRICT OF COLUMBIA

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of Senate bill 2869, which will be considered for not more than 30 minutes.

The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2869) to revise the criminal law and procedure of the District of Columbia, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

TITLE I

SEC. 101. The second sentence of section 14–305, District of Columbia Code, is amended to read: "The fact of conviction of a crime which reflects either on honesty or veracity shall be admissible in evidence to affect his credibility as a witness, either upon the cross-examination of the witness or by evidence aliunde, and the party cross-examining him is not bound by his answers as to such matters; the fact of conviction shall not be admissible to affect his credibility as a witness, however, as to any crime where a period of more than ten years had elapsed since the date of the release of the witness from confinement resulting from conviction of said crime, or since the expiration of the period of his parole, probation, or sentence, resulting from such conviction, whichever is the later date.".

SEC. 102. Paragraph (b) (2) of District of Columbia Code, section 14–307, is amended by inserting after the phrase "where the accused raises the defense of insanity", the following: "or where the court is required under prevailing law to raise the defense sua sponte".

SEC. 103. (a) The analysis of title 16 of the District of Columbia Code is amended by inserting, after the reference to chapter 9, the following new reference:

"10. Proceedings Regarding Intrafamily Offenses ---------- 16–1001".

(b) Title 16 of the District of Columbia Code is amended by inserting after chapter 9 the following new chapter:

"Chapter 10.—PROCEEDINGS REGARDING INTRAFAMILY OFFENSES

"Sec.
"16–1001. Intrafamily offense.
"16–1002. Complaint of criminal conduct; referrals to Family Division.
"16–1003. Petition for civil protection.
"16–1004. Petition; notice; temporary order.
"16–1005. Hearing; evidence; protection order.
"16–1006. Dismissal of petition; notice.

"§ 16–1001. Intrafamily offense

"(a) An intrafamily offense is an act, punishable as a crime or offense, committed:

"(1) by one spouse against the other;

"(2) by a parent, guardian, or other legal custodian against a child; or

"(3) by one person against another person with whom he shares a mutual residence and is in a close relationship rendering the application of this chapter appropriate.

"(b) References in this chapter to the 'complainant' or 'family member' include any individual in the relationship described in subsection (a).

"§ 16–1002. Complaint of criminal conduct; referrals to Family Division

"(a) Upon the complaint of any person of criminal conduct or the arrest of a person charged with criminal conduct, where it appears to the United States attorney that the conduct involves an intrafamily offense, he shall notify the Director of Social Services.

"(b) The Director of Social Services may investigate the matter, attempt to effect conciliation by counseling, and make such recommendations to the United States attorney as he deems appropriate. Any statement made, and information secured as a result of such statement, in an investigation by or other discussion with the Director of Social Services, however, shall be inadmissible in evidence in a criminal trial over the objection of the person who made the statement.

"(c) The United States attorney may file a criminal charge based upon the conduct and may consult with the Director of Social Services concerning appropriate recommendations for conditions of release taking into account the intrafamily nature of the offense.

"(d) Where the United States attorney has

not earlier filed a criminal charge based upon the conduct, he may refer the matter to the Corporation Counsel for the filing of a petition for civil protection in the Family Division. Prior to any such referral, the United States attorney shall consult with the Director of Social Services concerning the appropriateness of the referral. A referral to the Corporation Counsel by the United States attorney shall not preclude the United States attorney from subsequently filing a criminal charge based upon the conduct, if he deems it appropriate, but no criminal charge may be filed after the Division begins receiving evidence pursuant to section 16–1008.

"§ 16–1003. Petition for civil protection

"(a) Upon referral by the United States attorney, or upon application of any person or agency for a civil protection order with respect to an intrafamily offense committed or threatened, the Corporation Counsel may file a petition for civil protection in the Family Division.

"(b) In any matter referred to him by the United States attorney in which the Corporation Counsel does not file a petition, he shall so notify the United States attorney.

"§ 16–1004. Petition; notice; temporary order

"(a) Upon filing of a petition by the Corporation Counsel, the Division shall set the matter for hearing, consolidating it, where appropriate, with other matters before the Division involving members of the same family.

"(b) The Division shall cause notice of the hearing to be served on the respondent, the complainant, and, if appropriate, the family member endangered (or, if a child, the person then in physical custody of the child), the Director of Social Services, and the Corporation Counsel. The respondent shall be served with a copy of the petition together with the notice and shall be directed to appear at the hearing. The Division may also cause notice to be served on other members of the family whose presence at the hearing is necessary to the proper disposition of the matter.

"(c) If, upon the filing of the petition, the Division finds that the safety or welfare of a family member is immediately endangered by the respondent, it may, ex parte, issue a temporary protection order of not more than ten days duration and direct that the order be served along with the notice required by this section.

"§ 16–1005. Hearing; evidence; protection order

"(a) Members of the family receiving notice shall appear at the hearing. In addition to the parties, the Corporation Counsel may present evidence at the hearing. Statements made, and information secured as a result of such statements, in an investigation by or other discussion with the Director of Social Services, however, shall not be admissible until the Division has made its finding (under subsection (c)); but, thereafter, the Director of Social Services may report to the Division, and such statements and information shall be cognizable by the Division, prior to the issuance of the order.

"(b) In a hearing under this section, one spouse shall be a competent and compellable witness against the other, and may testify as to confidential communications notwithstanding the provisions of section 14–306 of this Code; but testimony compelled over a claim of a privilege conferred by section 14–306 shall be inadmissible in evidence in a criminal trial over the objection of a spouse entitled to claim that privilege.

"(c) If, after hearing, the Division finds that there is good cause to believe the respondent has committed or is threatening an intrafamily offense, it may issue a protection order—

"(1) directing the respondent to refrain from the conduct committed or threatened and to keep the peace toward the family member;

"(2) requiring the respondent, alone or in conjunction with any other member of the family before the court, to participate in psychiatric or medical treatment, or appropriate counseling programs;

"(3) directing, where appropriate, that the respondent avoid the presence of the family member endangered; or

"(4) directing the respondent to perform or refrain from other actions as may be appropriate to the effective resolution of the matter.

"(d) A protection order issued pursuant to this section shall be effective for such period up to one year as the Division may specify, but the Division may, upon motion of any party to the original proceeding, extend, rescind, or modify the order for good cause shown.

"(e) Any final order issued pursuant to this section and any order granting or denying extension, modification, or rescission of such order shall be appealable.

"(f) Violation of any temporary or permanent order issued under this chapter and failure to appear as provided in subsection (a), shall be punishable as contempt.

"§ 16–1006. Dismissal of petition; notice

"(a) The Division may dismiss a petition if the matter is not appropriate for disposition in the Division.

"(b) If a petition dismissed under subsection (a) was originated by referral from the United States attorney, and the dismissal was prior to the receipt of evidence pursuant to section 16–1005, the Division shall notify the United Satets attorney of the dismissal.".

SEC. 104. The Act of March 3, 1901 (31 Stat. 1189), as amended, is further amended by adding after section 907 the following new section:

"SEC. 907A. (a) Whenever the court—

"(1) finds that a person who stands convicted in the District of Columbia of a felony has previously been convicted of two or more felonies, as provided in subsections (b) and (c) of this section, and

"(2) in view of the history, character, and mental state of the defendant, as well as the nature and circumstances of his criminal conduct, furthermore determines that the rehabilitative impact of incarceration pursuant to a sentence authorized other than under this section (for the crime of which the defendant stands convicted) would be substantially and unusually unavailing, and that extended incarceration and lifetime supervision will best serve the interests of the public and of the defendant, the court may, in lieu of any sentence otherwise authorized for the crime of which the defendant stands convicted, impose a sentence of imprisonment for an indeterminate number of years up to life as determined by the court: *Provided,* That no sentence may be imposed pursuant to this section unless (A) the court first orders that the defendant be examined by two persons, one of whom shall be a licensed psychiatrist, and the other of whom shall be qualified to the court's satisfaction in the field of clinical psychology and experienced in psychological diagnosis and therapy with respect to persons convicted of crime, (B) the results of such examination, as reported to the court by such examining persons within fifteen days after issuance of the examination order (pursuant to (A)), support the requisite determination aforementioned (in (2)), and (C) the Court gives due consideration to any contrary information, including independent examination results, submitted by the defendant or his counsel.

"(b) A previous felony conviction is a conviction of a felony in a court of the District of Columbia or of the United States, or of a crime in any other jurisdiction, which was classified as a felony under the laws of that jurisdiction and was punishable by imprisonment for more than one year: *Provided,* That

"(1) the defendant was adjudged guilty of that crime prior to the commission of the present felony; and

"(2) the defendant was not pardoned on the ground of innocence.

"(c) For the purpose of determining whether a person has two or more previous felony convictions, the initial sentencing of such person for one of said previous felony convictions must have preceded the commission of the acts which led to another of said previous felony convictions."

SEC. 105. District of Columbia Code, section 23–204, is amended to read as follows:

"§ 23–104. Appeals by United States and District of Columbia

"(a)(1) The United States or the District of Columbia may appeal an order entered before the trial of a person charged with a criminal offense, which directs the return of seized property, suppresses evidence or otherwise denies the prosecutor the use of evidence at trial, if the United States attorney or the Corporation Counsel conducting the prosecution for such violation certifies to the judge who granted such motion that the appeal is not taken for purpose of delay and the evidence is a substantial proof of the charge pending against the defendant.

"(2) A motion for return of seized property or to suppress evidence shall be made before trial unless opportunity therefor did not exist or the defendant was not aware of the grounds for the motion.

"(b) The United States or the District of Columbia may appeal an order dismissing an indictment or information or otherwise terminating a prosecution in favor of a defendant or defendants as to one or more counts thereof, except where there is an acquittal on the merits.

"(c) The United States or the District of Columbia may with leave of the trial court appeal a ruling, made during the trial of a person charged with a criminal offense, which suppresses or otherwise denies the prosecutor, on the ground that the evidence was invalidly obtained, the use of evidence which is a substantial proof of the charge being tried against the defendant: *Provided,* That the United States attorney or the Corporation Counsel conducting the prosecution for such violation shall certify to the trial court that the appeal is not taken for purpose of delay. The trial court shall adjourn the trial until the appeal shall be resolved—except that, if the decision on appeal has not been rendered within forty-eight hours of said adjournment, the trial shall resume on the next day of regular court business following the expiration of said forty-eight-hour period, and the appeal shall be deemed void and without effect.

"(d) Any appeal taken pursuant to this section either prior to or during trial shall be expedited. If an appeal is taken pursuant to subsection (c) during trial, the appellate court shall hear argument on such appeal within twenty-four hours of the aforementioned adjournment of trial, shall dispense with any requirements of written briefs other than the supporting materials previously submitted to the trial court, shall render its decision within twenty-four hours of argument on appeal, and in so rendering may dispense with the issuance of a written opinion. Such appeal and decision shall not affect the right of the defendant, in a subsequent appeal from a judgment of conviction, to claim error consisting of a reversal by the trial court on remand of a ruling previously appealed from during trial.

"(e, Pending the prosecution and determination of an appeal taken pursuant to this section, the defendant shall be detained or released in accordance with chapter 207, of title 18, United States Code.".

SEC. 106. (a) The analysis of chapter 1 of title 23, District of Columbia Code, is amended by adding the following reference at the end thereof:

"23–111. Proceedings to establish previous convictions.".

(b) Chapter 1 of title 23, District of Columbia Code, is amended by adding the following new section at the end thereof:

"§ 23–111. Proceedings to establish previous convictions

"(a) No person who stands convicted of an offense under the laws of the District of Columbia shall be sentenced to increased punishment by reason of one or more previous convictions, unless—

"(1) prior to the entering of a plea of guilty or otherwise prior to trial, the United States attorney or the Corporation Counsel separately informed such person in writing of the said previous convictions to be relied upon;

"(2) a copy of such information with respect to previous conviction was at the same time also filled with the court where the instant offense was tried; and

"(3) the person, if the increased punishment which may be imposed is imprisonment for a term in excess of eighteen months, was charged by or waived indictment for the instant offense.

"(b) In any case where a person stands convicted in the District of Columbia of an offense, and the prosecutor, in conformity with subsection (a) of this section, has served on the defendant and has filed an information alleging previous convictions that would subject the person to increased punishment, the courts shall inquire of him whether he affirms or denies that he has been previously convicted as alleged in the information, and shall inform him that any challenge to a previous conviction which is not made before sentence is imposed may not thereafter be raised to attack the sentence.

"(c)(1) If the person denies any allegation of the information of previous conviction, or claims that any conviction alleged is invalid, he shall file a written response to the information. A copy of the response shall be served upon the prosecutor. The Court shall hold a hearing to determine any issues raised by the response which would except the person from increased punishment. The hearing shall be before the court without a jury, and either party may introduce evidence. The prosecuting authority shall have the burden of proof beyond a reasonable doubt on any issue of fact except as otherwise provided in paragraph (2) of this subsection. At the request of either party, the court shall enter findings of fact and conclusions of law.

"(2) A person claiming that a conviction alleged in the information was obtained in violation of the Constitution of the United States shall set forth his claim, and the factual basis therefor, with particularity, in his response to the information. The person shall have the burden of proof by a preponderance of the evidence on any issue of fact raised by the response. Any challenge to a previous conviction, not raised by response to the information before an increased sentence is imposed in reliance thereon, shall be waived unless good cause be shown for failure to make a timely challenge.

"(d)(1) If the person files no response to the information, or if the court determines, after hearing, that the person is subject to increased punishment by reason of previous convictions, the court shall proceed to impose sentence upon him as provided by law.

"(2) If the court determines that the person has not been convicted as alleged in the information, or that a conviction alleged in the information is invalid, or that the person is otherwise not subject to an increased sentence as a matter of law, the court shall, at the request of the prosecutor, postpone sentence to allow an appeal from that determination. If no such request is made, the court shall impose sentence as provided by law. The person may appeal from an order postponing sentence as if sentence had been pronounced and a final judgment of conviction entered.".

SEC. 107. (a) Paragraphs (5) and (6) of District of Columbia Code section 23–521(f) are amended to read as follows:

"(5) Where the judicial officer has found cause therefor, including one of the grounds set forth in paragraph (1) of section 23–522 (c), an authorization for execution at any time of the day or night; or, otherwise, a direction that the warrant be executed during the hours of daylight;

"(6) Where the judicial officer has found cause therefore, including one of the grounds set forth in paragraph (2) of section 23–522(c), an authorization that the executing officer enter premises or vehicles to be searched without giving notice of his authority and purposes; and".

(b) Subsection (f) of District of Columbia Code section 23–521 is amended by adding the following renumbered paragraph at the end thereof:

"(7) A direction that the warrant and an inventory of any property seized pursuant thereto be returned to the court on the next court day after its execution.".

SEC. 108. Subsection (c) of District of Columbia Code section 23–522 is amended to read as follows:

"(c) The application may also contain:

"(1) A request that the search warrant be made executable at any hour of the day or night, upon the ground that there is probable cause to believe that (A) it cannot be executed during the hours of daylight, (B) the property sought will be removed or destroyed if not seized forthwith, or (C) the property sought will not be found except at certain times or in certain circumstances.

"(2) A request that the search warrant authorize the executing officer to enter premises to be searched without giving notice of his authority and purpose, upon the ground that there is probable cause to believe that (A) the property sought may and, if such notice is given, will be easily and quickly destroyed or disposed of, or (B) the giving of such notice will immediately endanger the life or safety of the executing officer or another person.

"Any request made pursuant to this subsection must be accompanied and supported by allegations of fact of the kind prescribed by paragraph (3) of subsection (b).".

SEC. 109. (a) Subsection (a) of District of Columbia Code section 23–524 is amended to read as follows:

"(a) An officer executing a warrant directing a search of premises or a vehicle shall, except as herein provided, give, or make reasonable effort to give, notice of his authority and purpose to an occupant thereof before entering therein.

"No notice need be given if:

"(1) The warrant expressly authorizes entry without notice;

"(2) The officer does not deliberately conceal his authority or purpose and is freely admitted; or

"(3) Circumstances, either unknown to the applicant or which the applicant did not have reason to know when applying for the warrant, but known to the executing officer at the time of execution, give the officer probable cause to believe that (A) the property sought may and, if such notice is given, will be easily and quickly destroyed or disposed of, or (B) the giving of such notice will immediately endanger the life or safety of the officer or another person.

"If the officer is not admitted upon such notice, or if there are circumstances excusing notice, he may forcibly enter and may use against any person resisting his entry or search such force as is necessary to execute the warrant.".

(b) Subsection (e) of District of Columbia Code section 23–524 is amended to read as follows:

"(e) An officer or agent executing a search warrant may seize:

"(1) any property enumerated in the warrant; and

"(2) any other property, which said officer or agent discovers by observation incident to and as an inadvertent consequence of said execution as to enumerated property, and only if he has probable cause to believe such other, unenumerated property to be subject to seizure pursuant to section 23–521 (d). No additional warrant shall be required to authorize seizure pursuant to this paragraph if the property is fully set forth in the return.

"Seizure pursuant to this subsection may include taking physical or other impressions, or performing chemical, scientific, or other tests or experiments, to such extent as is reasonable under all of the circumstances.".

SEC. 110. Paragraph (3) of District of Columbia Code section 23–581(a) is amended by inserting the following before the semicolon at the end thereof: ", as well as any offense for which an officer may make such arrest (without a warrant and upon probable cause) pursuant to some other express provision of law".

SEC. 111. (a) The analysis of chapter 5 of title 23, District of Columbia Code, is amended by adding the following new reference at the end thereof

"23–582. Arrests without warrant by other persons".

(b) Chapter 5 of title 23. District of Columbia Code, is amended by adding the following new section at the end thereof:

"§ 23–582. Arrests without warrant by other persons.

"(a) A special policeman shall have the same powers as a law enforcement officer to arrest without warrant for offenses committed within premises to which his jurisdiction extends, and may arrest outside the premises on fresh pursuit for offenses committed on the premises.

"(b) A private person may arrest another:

"(1) whom he has probable cause to believe is committing in his presence—

"(A) a felony, or

"(B) an offense described in paragraph (3) of section 23–581(a); or

"(2) in aid of a law enforcement officer or special policeman.

"(c) Any person making an arrest pursuant to this section shall deliver the person arrested to a law enforcement officer without unreasonable delay.".

## TITLE II

### DEFINITIONS

SEC. 201. As used in this title:

(a) "Wire communication" means any communication made in whole or in part through the use of facilities—

(1) employed for the transmission of communications by the aid of wire, cable, or other like connection between the point of origin and the point of reception; and

(2) furnished or operated by a communication common carrier.

(b) "Oral communication" means any oral communication uttered—

(1) by a person exhibiting an expectation that such communication is not subject to interception; and

(2) under circumstances justifying such expectation.

(c) "Contents", when used with respect to any wire or oral communication, includes

any information concerning the identity of the parties to such communication or the existence, substance, or meaning of such communication.

(d) "Intercepting device" means any device or apparatus that can be used to intercept a wire or oral communication other than—

(1) any telephone or telegraph instrument, equipment, or facility, or any component thereof,

(i) furnished to the subscriber or user by a communications common carrier in the ordinary course of its business and being used by the subscriber or user in the ordinary course of its business; or

(ii) being used by a communications common carrier in the ordinary course of its business, or by an investigative or law enforcement officer in the ordinary course of his duties; and

(2) a hearing aid or similar device being used to correct subnormal hearing to not better than normal.

(e) "Intercept" means aurally acquire the contents of any wire or oral communication through the use of any intercepting device.

(f) "Person" means any officer, agent, or employee of the Government of the United States or of the District of Columbia, or any individual, partnership, association, joint stock company, trust, or corporation.

(g) "Aggrieved person" means a person who was a party to any intercepted wire or oral communication, or any person against whom the interception was directed.

(h) "Court" means the United States District Court for the District of Columbia or any judge thereof, the Superior Court of the District of Columbia or any judge thereof, any judge of the United States Court of Appeals for the District of Columbia Circuit, or any judge of the District of Columbia Court of Appeals.

(i) "Investigative or law enforcement officer" means any United States marshal or deputy United States marshal, any officer or agent of the United States Capitol Police, Federal Bureau of Investigation, Park Police, or White House Police, or any officer or agent of the Metropolitan Police Department of the District of Columbia, who is empowered by law to conduct investigations of, or to make arrests for, any offense enumerated in subsection (c) of section 206 of this title, and any attorney authorized by law to prosecute or participate in the prosecution of any such offense.

(j) "Communication common carrier" means any person engaged as a common carrier for hire in the transmission of communications by wire or radio.

(k) "United States attorney" means the United States attorney for the District of Columbia or any of his assistants designated by him or otherwise by law to act in his place for the particular purpose in question.

INTERCEPTION, DISCLOSURE, AND USE OF WIRE OR ORAL COMMUNICATIONS PROHIBITED

SEC. 202. (a) Except as otherwise specifically provided in this title, any person who in the District of Columbia—

(1) willfully intercepts, endeavors to intercept, or procures any other person to intercept or endeavor to intercept any wire or oral communicaton;

(2) willfully discloses or endeavors to disclose to any other person the contents of any wire or oral communication, or evidence derived therefrom, knowing or having reason to know that the information was obtained through the interception of a wire or oral communication; or

(3) willfully uses or endeavors to use the contents of any wire or oral communication, or evidence derived therefrom, knowing or having reason to know, that the information was obtained through the interception of a wire or oral communication;

shall be guilty of a felony and shall be fined not more than $10,000 or imprisoned not more than five years, or both; except that paragraphs (2) and (3) of this subsection shall not apply to the contents of any wire or oral communication, or evidence derived therefrom, that has become common knowledge or public information.

(b) It shall not be unlawful under this section for—

(1) an operator of a switchboard, or an officer, agent, or employee of a communication common carrier, whose facilities are used in the transmission of a wire communication, to intercept, disclose, or use that communication, in the normal course of his employment while engaged in any activity which is a necessary incident to the rendering of his service or to the protection of the rights or property of the carrier of such communication. No communication common carrier shall utilize service observing or random monitoring except for mechanical or service quality control checks;

(2) a person acting under color of law to intercept a wire or oral communication, where such person is a party to the communication, or where one of the parties to the communication has given prior consent to such interception; or

(3) a person not acting under color of law to intercept a wire or oral communication, where such person is a party to the communication, or where one of the parties to the communication has given prior consent to such interception, unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the Constitution or laws of the United States, any State, or the District of Columbia, or for the purpose of committing any other injurious act.

POSSESSION, SALE, DISTRIBUTION, MANUFACTURE, ASSEMBLY, AND ADVERTISING OF WIRE OR ORAL COMMUNICATION INTERCEPTING DEVICES PROHIBITED

SEC. 203. (a) Except as otherwise specifically provided in subsection (b) of this section, any person who in the District of Columbia—

(1) willfully possesses an intercepting device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication;

(2) willfully sells an intercepting device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication;

(3) willfully distributes an intercepting device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication;

(4) willfully manufactures or assembles an intercepting device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication; or

(5) willfully places in any newspaper, magazine, handbill, or other publication any advertisement of,

(i) any interception device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication;

(ii) any intercepting device where such advertisement promotes the use of such device for the purpose of the surreptitious interception of a wire or oral communication;

shall be guilty of a felony and shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(b) It shall not be unlawful under this section for—

(1) a communication common carrier or an officer, agent, or employee of, or a person under contract with a communication common carrier, in the usual course of the communication common carrier's business; or

(2) a person under contract with the Government of the United States, a State or a political subdivision thereof, or the District of Columbia, or an officer, agent, or employee of the Government of the United States, a State or a political subdivision thereof, or the District of Columbia;

to possess, sell, distribute, manufacture or assemble, or advertise any intercepting device, while acting in furtherance of the appropriate activities of the United States, a State or political subdivision thereof, the District of Columbia, or a communication common carrier.

CONFISCATION OF WIRE OR ORAL COMMUNICATION INTERCEPTING DEVICES

SEC. 204. Any intercepting device in the District of Columbia—

(1) possessed;
(2) used;
(3) sold;
(4) distributed; or
(5) manufactured or assembled;

in violation of sections 202 and 203 of this title may be seized and forfeited to the District of Columbia.

IMMUNITY OF WITNESSES

SEC. 205. Whenever, in the judgment of the United States attorney, the testimony of any witness, or the production of books, papers, or other evidence by any witness, in any trial, hearing, or proceeding before any grand jury or court in the iDstrict of Columbia involving any violation of this title, or any conspiracy to violate this title, is necessary to the public interest, the United States attorney may make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this section, and upon order of the court such witness shall not be excused from testifying or from producing books, papers or other evidence relating to any violation of this title, or any conspiracy to violate this title, on the basis that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. No such witness shall be prosecuted or subjected to any penalty or forfeiture for, or on account of, any transaction or matter concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence. No testimony so compelled shall be used as evidence in any trial, hearing or proceeding against such witness. No such witness shall be exempt under this section from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this section.

APPLICATIONS FOR AUTHORIZATION OR APPROVAL OF INTERCEPTION OF WIRE OR ORAL COMMUNICATIONS

SEC. 206. (a) The United States attorney may authorize, in writing, any investigative or law enforcement officer to make application to a court for an order authorizing the interception of any wire or oral communication, when such interception may provide evidence of any offense enumerated in subsection (c) of this section.

(b) The United States attorney may authorize, in writing, any investigative or law enforcement officer to make application to a court for an order of approval of the previous interception of any wire or oral communication, when the contents of such communication—

(1) relate to an offense other than that specified in an order of authorization;

(2) were intercepted in an emergency situation; or

(3) were intercepted in an emergency situation and relate to an offense other than that contemplated at the time the interception was made.

(c) An application for an order of authorization as provided in subsection (a) of this section or of approval as provided in paragraph (2) of subsection (b) of this section may be authorized only when such interception may provide or has provided evidence of any of the following offenses—

(1) any offense specified in the following sections of the Act of March 3, 1901, as amended: section 798, 800, or 802 (relating to murder) (D.C. Code, sec. 22–2401, 22–2403, or 22–2205), section 812 (relating to kidnaping) (D.C. Code, sec. 22–2101), sections 863, 866, or 869e (relating to gambling) (D.C. Code, secs. 22–1501, 22–1505, 22–1513), and section 826 (relating to grand larceny) (D.C. Code sec. 22–2201);

(2) any offense involving bribery, obstruction of justice, extortion, or threats to kidnap or injure a person or damage his property punishable under section 861, Act of March 3, 1901, as amended (D.C. Code, sec. 22–701), Act of July 1, 1902 (32 Stat. 590, 591), as amended (D.C. Code, sec. 22–702), section 862, Act of March 3, 1901, as amended (D.C. Code, sec. 22–703), Act of February 26, 1936 (D.C. Code, sec. 22–704), section 819, Act of March 3, 1901 (D.C. Code, sec. 22–2305), and sections 1501 and 1502, Act of June 19, 1968 (D.C. Code secs. 22–2306 and 22–2307); and

(3) any offense involving manufacturing, compounding, selling, prescribing, administering, dispensing, or otherwise purveying, or maintaining a common nuisance in connection with the use of, any narcotic or other dangerous drug, prohibited by sections 2 or 16, Act of June 20, 1938, as amended (D.C. Code, secs. 33–402 or 33–416) and section 203, Act of June 24, 1956 (D.C. Code, sec. 33–702).

PROCEDURE FOR AUTHORIZATION OF INTERCEPTION OF WIRE OR ORAL COMMUNICATIONS

SEC. 207. (a) Each application for an authorization to intercept a wire or oral communication, or for approval of the previous interception of any such communication, shall be made in writing upon oath or affirmation and shall state—

(1) the authority of the applicant to make such application;

(2) the identity of the investigative or law enforcement officer for whom the authority to intercept a wire or oral communication is sought and the identity of whoever authorized the application;

(3) the facts, with particularity, relied upon by the applicant, including,

(i) the identity of the particular person, if known, committing the offense and whose communications are to be or were intercepted;

(ii) the details as to the particular offense that has been, is being, or is about to be committed;

(iii) the particular type of communication to be or which was intercepted;

(iv) the character and location of the particular wire communication facilities involved or the particular place where the oral communication is to be or was intercepted;

(v) the period of time for which the interception is required to be maintained, and, if the character of the investigation is such that the authorization for interception should not automatically terminate when the described type of communication has been first obtained, facts establishing probable cause to believe that additional communications of the same type will occur thereafter; and

(vi) facts showing that other investigative procedures have been tried and have failed or reasonably appear or appeared to be unlikely to succeed if tried or to be too dangerous; and

(4) where the application is for the extension of an order, particular facts showing the results thus far obtained from the interception, or a reasonable explanation of the failure to obtain such results;

(5) the complete facts concerning all previous applications, known to the individual authorizing and to the individual making the application, made to any court for authorization to intercept or for approval of the previous interception of a wire or oral communication involving any of the same facilities or places specified in the application or involving any person whose communication is to be or has been intercepted, and the action taken by the court on each such application.

(b) The court may require the applicant to furnish additional testimony or documentary evidence in support of the application.

(c) Upon such application, the court may enter an ex parte order, as requested or as modified, authorizing or approving the interception of a wire or oral communication, if the court determines on the basis of the facts submitted by the applicant that there is or was probable cause for belief that—

(1) the person whose communication is to be or was intercepted,

(i) is engaging or was engaged over a period of time as a part of a continuing criminal activity; or

(ii) is or was committing, has or had committed, or is or was about to commit at a specific time;

an offense as provided in subsection (c) of section 206 of this title;

(2) particular communications concerning such offense may be or have been obtained through such interception;

(3) normal investigative procedures have been tried and have failed or reasonably appear or appeared to be unlikely to succeed if tried or to be too dangerous; and

(4) the facilities from which, or the place where, the wire or oral communications are to be or were intercepted are or were being used, or are or were about to be used, in connection with the commission of such offense, or are or were leased to, listed in the name of, or commonly used by, such individual.

(d) If the facilities from which a wire communication is to be or was intercepted are or were public, no order of authorization or approval shall be issued unless the court, in addition to the matters provided in subsection (c) of this section, determines that there is or was a special need to intercept wire communications over such facilities.

(e) If the facilities from which a wire communication is to be or was intercepted are or were being used, or are or were about to be used, or are or were leased to, listed in the name of, or commonly used by, a licensed physician, a licensed attorney at law, or practicing clergyman, or if the place where an oral communication is to be or was intercepted is or was a place used primarily for habitation by a husband and wife, no order shall be issued unless the court, in addition to be matters provided in subsection (c) of this section, determines that there is or was a special need to intercept wire or oral communications over such facilities or in such place. If the place where an oral communication is to be or was intercepted is or was a place used primarily for his own professional purposes by a licensed physician, a licensed attorney at law, or practicing clergyman, no order of authorization or approval of such interception shall be issued under this title. No otherwise privileged wire or oral communication intercepted in accordance with, or in violation of, the provisions of this title, shall lose its privileged character.

(f) Each order authorizing or approving the interception of any wire or oral communication shall specify—

(1) the jurisdiction of the court issuing the order;

(2) the identity of, or a particular description of, the person, if known, whose communications are to be or were intercepted;

(3) the character and location of the particular communication facilities as to which, or the particular place of the communication as to which, authority to intercept is granted or was approved;

(4) a particular description of the type of the communication to be or which was intercepted and a statement of the particular offense to which it relates;

(5) the identity of the investigative or law enforcement officer to whom the authority to intercept a wire or oral communication is given or was approved and the identity of whoever authorized the application; and

(6) the period of time during which such interception is authorized or was approved, including a statement as to whether or not the interception shall automatically terminate when the described communication has been first obtained.

(g) No order entered under this section shall authorize or approve the interception of any wire or oral communication for a period of time in excess of that necessary under the circumstances. Every order entered under this section shall require that such interception begin and terminate as soon as practicable and be conducted in such a manner as to minimize or eliminate the interception of such communications not otherwise subject to interception under this title. In no case shall an order entered under this section authorize or approve the interception of wire or oral communications for any period exceeding thirty days. Extensions of such an order may be granted for periods of not more than thirty days. No extension shall be granted unless an application for it is made in accordance with this section, and the court makes the findings required by this section.

(h) Whenever an order authorizing an interception is entered, the order may require reports to be made to the court which issued the order showing what progress has been made toward achievement of the authorized objective and the need for continued interception. Such reports shall be made at such intervals as the court may require.

PROCEDURE FOR APPROVAL OF INTERCEPTION OF WIRE OR ORAL COMMUNICATIONS

SEC. 208. (a) An order of approval of the interception of any wire or oral communication relating to an offense other than that specified in the order of authorization may be issued where the court finds on an application for an order of approval as provided in section 207 of this title that such interception was otherwise made in accordance with this title. Such application shall be made as soon as practicable.

(b) Notwithstanding any other provision of this title, any investigative or law enforcemen officer, specially designated by the United States attorney, who reasonably determines that—

(1) an emergency situation exists with respect to conspiratorial activities characteristic of organized crime that requires a wire or oral communication to be intercepted before an order authorizing such interception can with due diligence be obtained; and

(2) there are grounds upon which an order could be entered to authorize such interception;

may intercept such wire or oral communica-

tion if an application for an order approving the interception is made in accordance with section 207 of this title within twelve hours after the interception has occurred, or begins to occur. Such interception shall immediately terminate when the communication sought is obtained or when the application for the order is denied. In the event such application for approval is denied, or in any other case where the interception is terminated without an order having been issued, the contents of any wire or oral communication intercepted shall be treated as having been obtained in violation of this title, and an inventory shall be served as provided for in section 210 of this title.

(c) An order of approval of the interception of any wire or oral communication may include the approval of the interception of a wire or oral communication in an emergency situation as described in subsection (b) of this section where the communication relates, however, to an offense other than that contemplated at the time the interception was made, if the court finds that such interception was otherwise made in accordance with this title. Such application shall be made as soon as practicable; except that this subsection shall not be construed to supersede the provisions of subsection (b) of this section.

(d) In addition to any other right of appeal, the United States shall have the right to appeal from a denial of an order of approval made under this section if the United States attorney shall certify to the court that the appeal is not taken for purposes of delay. The appeal shall be taken within thirty days after the denial was made and shall be diligently prosecuted.

MAINTENANCE AND CUSTODY OF RECORDS

SEC. 209. (a) Any wire or oral communication intercepted in accordance with sections 207 and 208 of this title shall, if practicable, be recorded by tape or wire or other comparable method. The recording shall be done in such a way as will protect it from editing or other alteration. Immediately upon the expiration of the period of the order or extensions thereof, the tapes or wire recordings or other records shall be transferred to the court issuing the order and sealed under its direction. Custody of the tapes or wire recordings or other records shall be maintained whenever the court directs. They shall not be destroyed except upon court order and in any event shall be kept for ten years.

Duplicate tapes or wire recordings or records may be made for disclosure or use pursuant to subsection (a) of section 211 of this title. The presence of the seal provided by this section, or a satisfactory explanation for its absence, shall be a prerequisite for the disclosure of the contents of any wire or oral communication, or evidence derived therefrom, under subsection (b) of section 211 of this title.

(b) Applications made and orders granted under sections 207 and 208 of this title shall be sealed by the court. Custody of the applications and orders shall be maintained wherever the court directs. They shall not be destroyed except on order of the court and in any event shall be kept for ten years. They may be disclosed only by court order upon a showing of good cause.

(c) Any violation of the provisions of this section may be punished as contempt of the issuing or denying court.

INVENTORY

SEC. 210. Within a reasonable time but not later than ninety days after the termination of the period of the order or extensions thereof or the date of the denial of an order of approval, the issuing or denying court shall cause to be served on the person named in the order or application, and such other parties to the intercepted communications as the court may determine in its discretion to be in the interest of justice, an inventory which shall include—

(a) notice of the entry of the order or the application for a denied order of approval;

(b) the date of the entry of the order or the denial of the application for an order of approval;

(c) the period of authorized, approved, or disapproved interception;

(d) a statement of whether, during the period, wire or oral communications were, or were not, intercepted. The court, upon the filing of a motion, may in its discretion make available to such person or his counsel for inspection such portions of the intercepted communications, applications, and orders as the court determines to be in the interest of justice. On an ex parte showing of good cause to the court, the serving of the inventory required by this section may be postponed.

AUTHORIZATION FOR DISCLOSURE AND USE OF INTERCEPTED WIRE OR ORAL COMMUNICATIONS

SEC. 211. (a) Any investigative or law enforcement officer who, by any authorized means and in conformity with this title, has obtained knowledge of the contents of any wire or oral communication, or evidence derived therefrom, may disclose or use such contents or evidence to the extent that such disclosure or use is appropriate to the proper performance of his official duties.

Any person who, by any authorized means and in conformity with this title, has obtained knowledge of the contents of any wire or oral communication intercepted in accordance with sections 207 and 208 of this title, or other lawful authority, or evidence derived therefrom, may disclose the contents of such communication or evidence while giving testimony under oath or affirmation in any criminal trial, hearing, or proceeding before any grand jury or court,

(c) The contents of any intercepted wire or oral communication, or evidence derived therefrom, may otherwise be disclosed or used only by court order upon a showing of good cause.

PROCEDURE FOR DISCLOSURE AND SUPPRESSION OF INTERCEPTED WIRE OR ORAL COMMUNICATIONS

SEC. 212. (a) The contents of any wire or oral communication intercepted in accordance with sections 207 and 208 of this title, or evidence derived therefrom, shall not be disclosed in any trial, hearing, or proceeding before any court or other authority of the United States or the District of Columbia unless ten days before the trial, hearing, or proceeding—

(1) the inventory as provided in section 210 of this title has been served; and

(2) the parties to the action have been served with a copy of the order and accompanying application under which the interception was authorized or approved.

The service of inventory, order, and application required by this subsection may be waived by court order where a court finds that the service is not practicable and that the parties will not be prejudiced by the failure to make the service.

(b) (1) Any aggrieved person in any trial, hearing, or proceeding in or before any court or other authority of the United States or the District of Columbia may make motion to a court to suppress the contents of any intercepted wire or oral communication, or evidence derived therefrom, on the grounds that,

(i) the communication was unlawfully intercepted;

(ii) the order of authorization or approval is insufficient on its face;

(iii) the interception was not made in conformity with the order of authorization;

(iv) service was not made as provided in subsection (a) of this section; or

(v) the seal provided in subsection (a) of section 209 of this title is not present and there is no satisfactory explanation for its absence.

The motion shall be made before the trial, hearing, or proceeding unless there was no opportunity to make the motion or the moving party was not aware of the grounds for the motion. The court, upon the filing of such motion by the aggrieved person, may in its discretion make available to the aggrieved person or his counsel for inspection such portions of the intercepted communication, or evidence derived therefrom, as the court determines to be in the interests of justice. If the motion is granted, the contents of the intercepted wire or oral communication, or evidence derived therefrom, shall not be received in evidence in the trial, hearing, or proceeding.

(2) In addition to any other right to appeal, the United States or the District of Columbia shall have the right to appeal from an order granting a motion to suppress if the United States attorney or, where applicable on behalf of the District of Columbia, the Corporation Counsel shall certify to the court that the appeal is not taken for purpose of delay. The appeal shall be taken within thirty days after the date the order was entered and shall be diligently prosecuted.

AUTHORIZATION FOR RECOVERY OF CIVIL DAMAGES

SEC. 213 (a) Any person whose wire or oral communication is intercepted, disclosed, or used in violation of this title shall—

(1) have a civil cause of action against any person who intercepts, discloses, or uses, or procures any other person to intercept, disclose, or use, such communication; and

(2) be entitled to recover from any such person;

(i) actual damages, but not less than liquidated damages computed at the rate of $100 a day for each day of violation, or $1,000, whichever is higher;

(ii) punitive damages; and

(iii) a reasonable attorney's fee and other litigation costs reasonably incurred.

(b) Good faith reliance on a court order or legislative authorization shall constitute a complete defense to an action brought under this section.

(c) As used in this section, "person" includes the District of Columbia, and the District of Columbia shall not assert any governmental immunity to avoid liability under this section. Judgment against the District of Columbia shall not constitute a bar to action against any other person.

REPORTS CONCERNING INTERCEPTED WIRE OR ORAL COMMUNICATIONS

SEC. 214. (a) Within thirty days after the expiration of an order or an extension entered under sections 207 and 208 of this title or the denial of an order of approval, the issuing or denying court shall report to the chief judge of the District of Columbia Court of Appeals and the Commissioner of the District of Columbia—

(1) that an order or extension was applied for;

(2) the kind of order or extension applied for;

(3) if the order or extension was granted as applied for, was modified, or was denied;

(4) the period of the interceptions authorized by the order, and the number and duration of any extensions of the order;

(5) the offense specified in the order or application, or extension of an order;

(6) the identity of the applying investigative or law enforcement officer, and agency making the application and the person authorizing the application; and

(7) the character and location of the facilities from which and the place where communications were (and were to be) intercepted.

(b) In January of each year the United States attorney shall report to the Congress of the United States, the chief judge of the District of Columbia Court of Appeals, and the Commissioner of the District of Columbia—

(1) the information required by paragraphs (1) through (7) of subsection (a) of this section with respect to each application for an order or extension made during the immediately preceding calendar year;

(2) a general description of the interceptions made under such order or extension, including,

(i) the approximate character and frequency of incriminating communications intercepted;

(ii) the approximate character and frequency of other communications intercepted;

(iii) the approximate number of persons whose communications were intercepted; and

(iv) the approximate character, amount, and cost of the manpower and other resources used in the interceptions;

(3) the number of arrests resulting from interceptions made under such order or extension;

(4) the offenses for which the arrests were made;

(5) the number of trials resulting from such interceptions;

(6) the number of motions to suppress made with respect to such interceptions;

(7) the number of motions to suppress granted or denied;

(8) the number of convictions resulting from such interceptions;

(9) the offenses for which the convictions were obtained;

(10) a general assessment of the importance of the interceptions; and

(11) for purposes of comparison, the information required by paragraphs (2) through (10) of this subsection with respect to orders and extensions obtained in other preceding calendar years.

(c) In April of each year the Commissioner of the District of Columbia shall make public a complete report concerning the number of applications for orders authorizing or approving the interception of wire or oral communications and the number of orders and extensions granted or denied during the immediately preceding calendar year. Such report shall contain a summary and analysis of the data required to be filed with the Commissioner by subsections (a) and (b) of this section. The District of Columbia Council is authorized to issue binding regulations dealing with the content and form of the reports required to be filed under this section.

RELATION TO FEDERAL LAW ON WIRE INTERCEPTION AND INTERCEPTION OF ORAL COMMUNICATIONS

SEC. 215. (a) Section 204 of this title shall be subject to the operation of section 2513 of title 18, United States Code.

(b) Sections 202, 203, 205, 211, 213, and 214 of this title shall be construed to supplement and not to supersede or otherwise limit, the provisions of chapter 119 of title 18, United States Code (relating to wire interception and interception of oral communications).

(c) Sections 206, 207, 208, 209, 210, and 212 of this title shall be construed not to supersede or otherwise limit the provisions of said chapter 119 of title 18, United States Code, except in cases of irreconcilable conflict.

TITLE III

SEC. 301. If the provisions of any part of this Act or the application thereof to any person or circumstance be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

Mr. TYDINGS. Mr. President, S. 2869, which is on the calendar this morning, is an important part of the President's crime proposals for the District of Columbia. It is a bill which revises the criminal law and procedure of the District of Columbia. It is a bill on which extensive hearings were held; in which all segments of the law enforcement community, as well as the community of Washington, D.C., testified. It is a bill on which much time was spent with representatives of the Department of Justice in preparation for committee markup.

It is a bill which has received the scrutiny not only of our committee, but of the distinguished Senator from Arkansas (Mr. MCCLELLAN), a leading advocate of measures to lower the rate of crime and violence in this country. It has also been the subject of scrutiny by the distinguished senior Senator from Nebraska (Mr. HRUSKA), who has been one of the leading advocates of strong measures to curtail the rising crime rate in this Nation, as well as in the District of Columbia.

When it is passed today, the Senate will have completed action on approximately 90 percent of the President's crime proposals with relationship to the District of Columbia. The only measure recommended by the President which we will not have acted on is the measure providing a new juvenile code for the District, and our committee is having a markup session on it a week from next Wednesday. Hopefully, we will have that proposal, as well as some proposals of my own, reported from the District of Columbia Committee in less than 2 weeks.

Yesterday it was agreed, by unanimous consent, that there was to be a colloquy this morning between me, the distinguished Senator from Arkansas (Mr. MCCLELLAN), and the distinguished Senator from Nebraska (Mr. HRUSKA), with respect to certain amendments to and questions regarding Senate bill 2869.

Mr. HRUSKA. Mr. President, the Senator from Maryland is surely to be congratulated on the expeditious way in which he has processed the bills relating to the control of crime in the District of Columbia. A bill was sent up by the administration which I had the privilege of cosponsoring. This bill was all-encompassing in its nature, including not only a restructuring of the judicial system in the District of Columbia, but also features carried in the present bill relating to crimes and criminal procedures.

It was the opinion of the Senator from Maryland that the administration's bill should be split; that there was enough of the controversial in the bill we are now considering that it might be a deterrent to quick action on the judicial system reorganization. Originally, I felt that this was a mistake in judgment; but, as time went on, I was glad to accept the wisdom of the Senator from Maryland, and now, in my judgment, it is fully justified. We made haste by going a little bit slower than we would have had we tried to process the whole package in one bill.

The bill, S. 2869, although pertaining to criminal laws was processed in the District of Columbia Committee under the rules of the Senate, and with that I have no quarrel. However, there is an overlapping, as we all recognize, in the judicial system as it is created and administered in the District of Columbia, with the work we perform in the parent Judiciary Committee for the entire judicial system in the country.

There are several provisions of S. 2869 with which the Senator from Arkansas (Mr. MCCLELLAN) and the Senator from Nebraska, are troubled. I should like to propose an amendment which would have to do with one of these provisions. The Senator from Arkansas, in due time, will have two or three additional amendments that he would also like to bring up and discuss.

As now drafted, S. 2869 would authorize law-enforcement officers, in carefully defined circumstances in the execution of search warrants, to break and enter buildings and vehicles without a prior announcement of authority and purpose. While I support this aspect of the proposed legislation, I am seriously concerned that as it is presently drafted it does not adequately respond to the legitimate needs of a police officer in the performance of his duties. S. 2869, for example, applies only to the execution of search warrants; it does not deal with arrest situations.

In addition, it narrows existing law by requiring that the police officer secure prior judicial approval before utilizing no-knock authority. Finally, it would apparently restrict an officer's discretion to secure entry without announcement by the use of a trick.

Mr. President, it is not my intention to offer a substitute for the provisions of S. 2869 which would materially vary what I understand to be the present law. The Supreme Court, in its most recent decision in this area, *Sabbath* v. *United States*, 391 U.S. 585 (1968), explored the law in this area in detail.

I ask unanimous consent that the text of that opinion be printed at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. HRUSKA. What I have done is to examine this decision and draft substitute language for the provisions of S. 2869 which would permit police officers, in carefully defined circumstances, to act in a manner consistent with the Constitution and yet, where exigent circumstances are present, enter without a prior announcement. (See 112, U. Pa. Law Rev. at 562.)

Mr. President, I send to the desk a copy of my amendment to S. 2869 and ask unanimous consent that it be printed in the RECORD immediately following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 2.)

Mr. HRUSKA. Mr. President, my amendment, in contrast to the provisions of S. 2869, would apply to both arrest and search situations. It would, like present arrest warrant practices, give the law enforcement officers discretion to act either pursuant to a warrant or on reasonable cause. Finally, it would codify each of the exceptions now recognized in this area and provide flexibility for future judicial developments in the law.

I now offer my amendment.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

Mr. HRUSKA. I ask unanimous consent that the reading of the amendment be waived, and that it be considered as having been read. It is being printed at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HRUSKA. The Supreme Court stated in the Sabbath case at page 591:

> Exceptions to any possible constitutional rule relating to announcement and entry have been recognized . . ., and there is little reason why these limited exceptions might also apply to Section 3109 (which is the statute governing the execution of search warrants) since they existed at common law, of which this statute is a codification.

The exigent circumstances existing at common law include entry without notice when, as stated as early as 1843 in *Aga Kurboolie Mohomed* v. *Queen* case, 4 Moore P.C. 239, 13 Eng. Rep. 293: First, the officer's identity or purpose is already known to the person on the premises. Other cases have recognized exigent circumstances when, second, such notice would result in the destruction or concealment of the evidence; third, such notice would increase the likelihood of bodily peril to the officer or anyone aiding him; and fourth, the notice would permit the party to be arrested to escape.

EXHIBIT 1

SABBATH *v.* UNITED STATES—CERTIORARI TO THE U.S. COURT OF APPEALS FOR THE NINTH CIRCUIT

(No. 898. Argued May 2, 1968.—Decided June 3, 1968)

One Jones was apprehended crossing the border from Mexico with cocaine, allegedly given to him by, and to be delivered to, "Johnny" in Los Angeles. Customs officers arranged for Jones to make delivery. Shortly after Jones entered "Johnny's" apartment, customs agents, without a warrant, knocked on the door, waited a few seconds, and, receiving no response, opened the unlocked door and entered. They arrested petitioner, searched the apartment, and found the cocaine and other items. The cocaine was introduced over objection at petitioner's trial for knowingly importing and concealing narcotics, and he was convicted. The Court of Appeals held that the agent did not "break open" the door within the meaning of 18 U.S.C. § 3109, which provides in part that an "officer may break open any outer or inner door or window of a house . . . to execute a search warrant, if, after notice of his authority and purpose, he is refused admittance or when necessary to liberate himself or a person aiding him," and that they were therefore not required to make a prior announcement of "authority and purpose." *Held:*

1. The validity of an entry of a federal officer to effect a warrantless arrest "must be tested by criteria identical to those embodied in" 18 U.S.C. § 3109, which deals with an entry to execute a search warrant. *Miller* v. *United States,* 357 U.S. 301; *Wong Sun* v. *United States,* 371 U.S. 471. Pp. 588–589.

2. Section 3109, a codification of the common-law rule of announcement, basically proscribes an unannounced intrusion into a dwelling, which includes opening a closed but unlocked door. Pp. 589–591.

3. Whether or not exigent circumstances would excuse compliance with § 3109, here there were none, as the agents had no basis for assuming petitioner was armed or that he might resist arrest, or that Jones was in danger. P. 591.

380 F. 2d 108, reversed and remanded.

*Murray H. Bring,* by appointment of the Court, 390 U.S. 935, argued the cause and filed briefs for petitioner.

*John S. Martin, Jr.,* argued the cause for the United States. On the brief were *Solicitor General Griswold, Assistant Attorney General Vinson, Beatrice Rosenberg,* and *Kirby W. Patterson.*

MR. JUSTICE MARSHALL delivered the opinion of the Court.

The issue in this case is whether petitioner's arrest was invalid because federal officers opened the closed but unlocked door of petitioner's apartment and entered in order to arrest him without first announcing their identity and purpose. We hold that the method of entry vitiated the arrest and therefore that evidence seized in the subsequent search incident thereto should not have been admitted at petitioner's trial.

On February 19, 1966, one William Jones was detained at the border between California and Mexico by United States customs agents, who found in his possession an ounce of cocaine. After some questioning, Jones told the agents that he had been given the narcotics in Tijuana, Mexico, by a person named "Johnny," whom he had accompanied there from Los Angeles. He said he was to transport the narcotics to "Johnny" in the latter city.

Also found in Jones' possession was a card on which was written the name "Johnny" and a Los Angeles telephone number. On the following day at about 3 p.m., Jones made a call to the telephone number listed on the card; a customs agent dialed the number, and with Jones' permission, listened to the ensuing conversation. A male voice answered the call, and Jones addressed the man as "Johnny." Jones said he was in San Diego, and still had "his thing." The man asked Jones if he had "any trouble getting through the line." Jones replied that he had not. Jones inquired whether "Johnny" planned to remain at home, and upon receiving an affirmative answer, indicated that he was on his way to Los Angeles, and would go to the man's apartment.

At about 7:30 that evening, the customs agents went with Jones to an apartment building in Los Angeles. The agents returned to Jones the cocaine they had seized from him, and placed a small broadcasting device on him. The agents waited outside the building, listening on a receiving apparatus. Jones knocked on the apartment door; a woman answered. Jones asked if "Johnny" was in, and was told to wait a minute. Steps were heard and then a man asked Jones something about "getting through the line." Because of noise from a phonograph in the apartment, reception from the broadcasting device on Jones' person was poor, but agents did hear the word "package."

The customs agents waited outside for five or 10 minutes, and then proceeded to the apartment door. One knocked, waited a few seconds, and, receiving no response, opened the unlocked door, and entered the apartment with his gun drawn. Other agents followed, at least one of whom also had his gun drawn. They saw petitioner sitting on a couch, in the process of withdrawing his hand from under the adjacent cushion. After placing petitioner under arrest, an agent found the package of cocaine under the cushion, and subsequently other items (*e.g.,* small pieces of tin foil) were found in the apartment; officers testified at trial they were adopted to packaging narcotics.

Petitioner and Jones were indicted for knowingly importing the cocaine into this country and concealing it, in violation of § 2 of the Narcotic Drugs Import and Export Act, as amended, 35 Stat. 614, 21 U.S.C. §§ 173 and 174. Petitioner was tried alone. The narcotics seized at petitioner's apartment were admitted into evidence, over objection. On appeal, following the conviction, the Court of Appeals for the Ninth Circuit ruled that the officers, in effecting entry to petitioner's apartment by opening the closed but unlocked door, did not "break open" the door within the meaning of 18 U.S.C. § 3109 and therefore were not required by that statute to make a prior announcement of "authority and purpose." 380 F. 2d 108. We granted certiorari, 389 U.S. 1003 (1967), to consider the somewhat uncomplicated but nonetheless significant issue of whether the agents' entry was consonant with federal law.[1] We hold that it was not, and therefore reverse.

The statute here involved, 18 U.S.C. §3109,[2] deals with the entry of federal officers into a dwelling in terms only in regard to the execution of a search warrant. This Court has held, however, that the validity of such an entry of a federal officer to effect an arrest without a warrant "must be tested by criteria identical with those embodied in" that statute. *Miller* v. *United States,* 357 U.S. 301, 306 (1958); *Wong Sun* v. *United States,* 371 U.S. 471, 482–484 (1963).[3] We therefore agree with the parties and with the court below that we must look to § 3109 as controlling.

In *Miller* v. *United States, supra,* the common-law background to § 3109 was extensively examined.[4] The Court there conducted, *id.,* at 313:

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[1] The Government contends in this Court that petitioner did not adequately raise at trial the issue of the agents' manner of entry, and therefore that it did not have sufficient opportunity to indicate the full circumstances surrounding the entry and petitioner's arrest. However, petitioner's trial counsel, in the course of objecting, clearly stated there were no facts "sufficient to justify this officer's breaking into" the apartment, and his objection was truncated by a ruling of the trial judge. In any event, the Government met the issue on the merits in the Court of Appeals, and apparently did not there contend the record was inadequate for its resolution; and the Court of Appeals decided the issue on the merits. In these circumstances, we are justified in likewise doing so.

[2] "The officer may break open any outer or inner door or window of a house, or any part of a house, or anything therein, to execute a search warrant, if, after notice of his authority and purpose, he is refused admittance or when necessary to liberate himself or a person aiding him in the execution of the warrant."

[3] See also, *e.g., Ng Pui Yu* v. *United States,* 352 F. 2d 626, 631 (C.A. 9th Cir. 1965); *Gatlin* v. *United States,* 117 U.S. App. D.C. 123, 130, 326 F 2d 666, 673 (C.A.D.C. Cir. 1963); *United States* v. *Cruz,* 265 F. Supp. 15, 21 (W.D. Tex. 1967).

[4] See also *Ker* v. *California,* 374 U.S. 23, 47–59 (1963) (opinion of BRENNAN, J.).

"The requirement of prior notice of authority and purpose before forcing entry into a home is deeply rooted in our heritage and should not be given grudging application. Congress, codifying a tradition embedded in Anglo-American law, had declared in § 3109 the reverence of the law for the individual's right of privacy in his house."

It was also noted, *id.*, at 313, n. 12, that another facet of the rule of announcement was, generally, to safeguard officers, who might be mistaken, upon an unannounced intrusion into a home, for someone with no right to be there. See also *McDonald* v. *United States*, 335 U.S. 451, 460–461 (concurring opinion).

Considering the purposes of § 3109, it would indeed be a "grudging application" to hold, as the Government urges, that the use of "force" is an indispensable element of the statute. To be sure, the statute uses the phrase "break open" and that connotes some use of force. But linguistic analysis seldom is adequate when a statute is designed to incorporate fundamental values and the ongoing development of the common law.[5] Thus, the California Supreme Court has recently interpreted the common-law rule of announcement codified in a state statute identical in relevant terms to § 3109 to apply to an entry by police through a closed but unlocked door. *People v. Rosales*, 68 Cal. 2d 299, 437 P. 2d 489 (1968). And it has been held that § 3109 applies to entries effected by the use of a passkey,[6] which requires no more force than does the turning of a doorknob. An unannounced intrusion into a dwelling—what § 3109 basically proscribes—is no less an unannounced intrusion whether officers break down a door, force open a chain lock on a partially open door, open a locked door by use of a passkey, or, as here, open a closed but unlocked door.[7] The protection afforded by, and the values inherent in, § 3109 must be "governed by something more than the fortuitous circumstances of an unlocked door." *Keiningham* v. *United States*, 109 U.S. App. D.C. 272, 276, 287 F. 2d 126, 130 (1960).

[5] While distinctions are obvious, a useful analogy is nonetheless afforded by the common and case law development of the law of burglary: a forcible entry has generally been eliminated as an element of that crime under statutes using the word "break," or similar words. See R. Perkins, Criminal Law 149–150 (1957); J. Michael & H. Wechsler, Criminal Law and Its Administration 367–382 (1940); Note, A Rationale of the Law of Burglary, 51 Col. L. Rev. 1009, 1012–1015 (1951). Commentators on the law of arrest have viewed the development of that body of law as similar. See H. Voorhees, Law of Arrest §§ 159, 172–173 (1904); Wilgus, Arrest Without a Warrant, 22 Mich. L. Rev. 798, 806 (1924):

"What constitutes 'breaking' seems to be the same as in burglary: lifting a latch, turning a door knob, unhooking a chain or hasp, removing a prop to, or pushing open, a closed door of entrance to the house,—even a closed screen door . . . is a breaking . . ." (Footnotes omitted.)

See generally Blakey, The Rule of Announcement and Unlawful Entry, 112 U. Pa. L. Rev. 499 (1964).

[6] See, *e. g.*, *Munoz* v. *United States*, 325 F. 2d 23, 26 (C. A. 9th Cir. 1963); *United States* v. *Sims*, 231 F. Supp. 251, 254 (D.C. Md. 1964); cf. *People* v. *Stephens*, 249 Cal. App. 2d 113, 57 Cal. Rptr. 66 (1967). See also *Ker* v. *California*, 374 U.S., at 38.

[7] We do not deal here with entries obtained by ruse, which have been viewed as involving no "breaking." See, *e. g.*, *Smith* v. *United States*, 357 F. 2d 486, 488 n. 1 (C.A. 5th Cir. 1966); *Leahy* v. *United States*, 272 F. 2d 487, 489 (C. A. 9th Cir. 1959). See also Wilgus, n. 5, *supra*, at 806.

The Government seeks to invoke an exception to the rule of announcement, contending that the agents' lack of compliance with the statute is excused because an announcement might have endangered the informant Jones or the officers themselves. See, *e.g.*, *Gilbert* v. *United States*, 366 F. 2d 923, 931 (C.A. 9th Cir. 1966), cert. denied, 388 U.S. 922 (1967); cf. *Ker* v. *California*, 374 U.S. 23, 39–40 (1963) (opinion of Clark, J.); *id.*, at 47 (opinion of BRENNAN, J.). However, whether or not "exigent circumstances," *Miller* v. *United States*, supra, at 309, would excuse compliance with § 3109,[8] this record does not reveal any substantial basis for excusing the failure of the agents here to announce their authority and purpose. The agents had no basis for assuming petitioner was armed or might resist arrest, or that Jones was in any danger. Nor, as to the former, did the agents make any independent investigation of petitioner prior to setting the stage for his arrest with the narcotics in his possession.

The judgment of the Court of Appeals is reversed, and the case is remanded for further proceedings consistent with this opinion.

*Reversed and remanded.*

MR. JUSTICE BLACK dissents.

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EXHIBIT 2

On page 60, line 13, strike out "paragraph".

On page 60, line 14, strike out all through the comma, and insert in lieu thereof, "subsection (c) of section 23–522,".

On page 60, line 19, strike out all through the comma, and insert in lieu thereof, "graphs (1), (2), (3), and (5) of section 23-590(c),".

On page 60, line 21, strike out "authority" and insert in lieu thereof, "identity".

On page 61, strike out lines 5 through 25, and insert in lieu thereof the following:

"'(c) The application may also contain a request that the search warrant be made executable at any hour of the day or night, upon the ground that there is probable cause to believe that (A) it cannot be executed during the hours of daylight, (B) the property sought will be removed or destroyed if not seized forthwith, or (C) the property sought will not be found except at certain times or in certain circumstances. Any request made pursuant to this subsection must be accompanied and supported by allegations of fact of the kind prescribed by paragraph (3) of subsection (b).'.".

On page 62, strike out lines 3 through 24, and insert in lieu thereof the following:

"'(a) An officer executing a warant directing a search of a dwelling house, other building, or a vehicle shall, except as provided in section 23–590, give, or make reasonable effort to give, notice of his identity and purpose to an occupant thereof before entering therein.'.".

Paragraph (1) of section 23–561(b), District of Columbia Code, is amended by adding at the end thereof the following: "If the complaint establishes reasonable grounds to believe that one of the conditions set out in paragraphs (1) through (5) of section 23–590(c) will exist at the time and place at which such warrant is to be executed, the warrant may contain a direction that it be executed as provided in subsection (a) of section 23–590.".

The analysis of chapter 5 of title 23, District of Columbia Code, is amended by adding at the end thereof the following:

"'SUBCHAPTER VI—AUTHORITY TO BREAK AND ENTER UNDER CERTAIN CONDITIONS

"'23–590. Authority to break and enter under certain conditions.'.".

Chapter 5 of title 23, District of Columbia Code, is amended by adding at the end thereof the following:

"SUBCHAPTER VI—AUTHORITY TO BREAK AND ENTER UNDER CERTAIN CONDITIONS

"SEC. 23–590. AUTHORITY TO BREAK AND ENTER UNDER CERTAIN CONDITIONS

"(a) Any officer authorized by law to make arrests, or to execute search warrants, or any person aiding such an officer, may forcibly break and enter any outer or inner door, or window of a dwelling house or other building, or any part thereof, or any vehicle, or anything within such dwelling house, building, or vehicle, or otherwise enter to execute search or arrest warrants, or to make an arrest where authorized by law without a warrant, or where necessary to liberate himself or a person aiding him in the execution of such warrant or in making such arrest.

"(b) Forcible breaking and entry shall not be made until after such officer or person makes an announcement of his identity and purpose and admittance to the dwelling house, building, or vehicle is expressly or impliedly denied or unreasonably delayed.

"(c) An announcement shall not be required prior to such forcible breaking and entry if the warrant expressly authorizes entry without notice, or where such officer or person reasonably believes—

"(1) his identity or purpose is already known to any person in the premises;

"(2) such notice would result in the destruction or concealment of evidence subject to seizure;

"(3) such notice would increase the possibility of bodily peril to such officer, the person aiding him, or a third party;

"(4) such notice would permit the party to be arrested to escape; or

"(5) such notice would otherwise be a useless gesture.

"(d) Whoever, after notice is given under subsection (b), or after entry where such notice is unnecessary under subsection (c), destroys, conceals, disposes of, or endeavors to destroy, conceal, or dispose of, or otherwise prevents or endeavors to prevent the seizure of evidence subject to seizure shall be fined not more than $5,000 or imprisoned for not more than 5 years, or both.

"(e) As used in this section, 'forcibly break and enter' includes any use of physical force or violence or other unauthorized entry but does not include entry obtained by trick or strategem.

"(f) With regard to the execution of a warrant directing a search of a person under section 23–524(b), or a warrant directing the arrest of a person under subchapter IV of this chapter, and with regard to an arrest authorized by law without a warrant under subchapter V of this chapter, the notice requirements of this section are applicable only where it is necessary to enter a dwelling house, building, or vehicle to effect such a search or arrest.".

[8] Exceptions to any possible constitutional rule relating to announcement and entry have been recognized, see *Ker* v. *California*, *supra*, at 47 (opinion of Brennan, J.), and there is little reason why those limited exceptions might not also apply to § 3109, since they existed at common law, of which the statute is a codification. See generally Blakey, n. 5, *supra*.

Mr. HRUSKA. One of our primary concerns in this field is in the area of enforcing the laws having to do with the control of narcotics, and it is there that we find many situations where these exigent circumstances could arise, and where, in fact, they do arise with regularity. This is my concern and the reason for my amendment.

Mr. TYDINGS. Mr. President, I thank the distinguished Senator from Nebraska. I have reviewed his innovative amendment, and recognize immediately

that parts of it have considerable merit. His objective and my objective—providing all possible assistance to law enforcement officers in their work—are the same. As the Senator knows, also, we held lengthy hearings on this proposal, and heard many differing views.

In the interest, now, of expediting the enactment of this tremendously important crime legislation for the District, I respectfully request that the Senator not press his amendment at this time. Otherwise, it might be necessary that we hold further hearings. I request that he withdraw his amendment and receive my assurances that in the conference between the House of Representatives and the Senate—and there will surely be a conference on this legislation—the amendment will receive most sympathetic treatment so far as I am concerned. There are a number of aspects of the Senator's amendment, as he knows, which I think are highly commendable. But in the interest of the expedition of this legislation, in getting it to the House of Representatives and to final enactment, I ask that the distinguished Senator from Nebraska not press his amendment at this time.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. TYDINGS. I am happy to yield.

Mr. HRUSKA. Is it the Senator's position that the bill which we have before us in this respect is narrower than the statute and case law as it exists now, as a result of Sabbath and other court decisions?

Mr. TYDINGS. Certainly S. 2869 is narrower than it would be if the amendment of the distinguished Senator from Nebraska were attached. It is a question of some judgment whether it is narrower, or not, than the present case law and statutory law. So I do not really think I could answer the question directly. But certainly it is narrower than it would be with the Senator's amendment attached.

Mr. HRUSKA. I ask this question so that when the Senator does go to conference and take up this issue with the House, he will have the concerns I have expressed in mind. I consider it very important to ascertain whether or not it would be better policy to widen the present bill—all within constitutional limitations—for the use of this "no knock" procedure, which we feel very strongly should be widened in the interest of effective law enforcement.

Mr. TYDINGS. I certainly will bear that in mind. As I have indicated before to the Senator, both elsewhere and in the colloquy here, our objectives are the same. There is a great deal of merit in substantial parts of his amendment, and under ordinary circumstances I would not ask that you withdraw it. Under the circumstances, however, I do not want to go back and have further hearings, and slow down the progress of this legislation.

Mr. HRUSKA. Mr. President, I am in full sympathy with the Senator's program to expedite matters. The reason for this colloquy is that I do not have the honor of being a member of the District of Columbia Committee.

Mr. TYDINGS. We would be delighted to welcome the Senator at any time.

Mr. HRUSKA. I know of the Senator's experience as a prosecutor and as a person experienced in law enforcement. I have every confidence that he will pursue this point in conference. I shall not be a member of the conference committee. Nevertheless, I am willing to express the confidence I have that the Senator, in those conference meetings, will bring out this point and explore to the utmost what can be done in order that we will have some progress in this direction.

With the assurance given by the Senator from Maryland well in mind, and knowing his integrity to follow through on that basis, Mr. President, I ask unanimous consent that I be permitted to withdraw the amendment which is before the Senate.

The ACTING PRESIDENT pro tempore. The amendment is withdrawn.

Mr. TYDINGS. I thank the distinguished Senator from Nebraska for his cooperation, and not only that, but for his help and counsel during our deliberations from the time we started on the first package—the court reorganization package, the first major part of the President's crime bill. I look forward to his continued counsel on these matters as long as I am on the committee.

Mr. HRUSKA. Our relations have been happy, both professionally and politically, in matters of this kind, and I look forward to continued cooperation when we come to the proposition of considering S. 30, which has to do with organized crime control, and meets many of the same problems considered in the instant bill.

Again I thank the Senator from Maryland.

Mr. TYDINGS. I thank the Senator from Nebraska.

I yield to the distinguished Senator from Arkansas.

Mr. McCLELLAN. Mr. President, those of us who live in Washington, D.C., are concerned about the relentless increase in the last 2 or 3 years in this city's rate of serious crime. On a number of occasions I have expressed concern on the floor of the Senate about this deplorable situation. Today the Senate will have an opportunity to take action in this regard.

The distinguished senior Senator from Maryland is to be congratulated for the expeditious way in which he has processed the District of Columbia crime proposals. The way his committee reported and the Senate passed the recent court reorganization bill is a testimonial both to his leadership and to the concern of the Senate that something be done to improve the administration of justice in the Nation's Capital.

S. 2869, the pending bill, is a continuation of that effort. It is not a bill with which I am in agreement in each of its provisions, but in general it is a good bill. It represents a delicate balance of many viewpoints. And it is on this basis that I can support it, although I hope it may be strengthened in certain particulars before it is finally enacted. There are certain clarifying amendments, however, that I would like to offer at this time to the bill.

As the distinguished senior Senator from Maryland will recall, I reported to the Senate on August 11 concerning the results of a survey taken by the staff of the Subcommittee on Criminal Laws and Procedures of the first year's operation of title III of last year's Omnibus Crime Control Act, which deals with electronics surveillance.

As a result of that survey, we learned that a number of telephone companies were sincerely and seriously concerned that, should they cooperate with the Federal law enforcement officers, even though the officers were acting under court order, they might subject themselves to civil or criminal liability under State law.

In enacting title III, it was our intention that good faith cooperation with law enforcement officers would be an absolute defense to civil or criminal liability, State or Federal.

I recognize, however, that the language of title III on this point may be somewhat ambiguous and that the relevant language contained in title II of S. 2869, which we are considering at the moment, suffers a similar ambiguity, no doubt because it was modeled on title III.

Consequently, I should like now to offer an amendment that would make congressional intent, both under title III of last year's act and title II of the pending bill unequivocal: that good faith cooperation by a telephone company or other individual with law enforcement officials would not subject such an individual or company to criminal or civil liability under the Federal or State law, either statutory or decisional. The amendment would also explicitly except such activity from the criminal provisions of title XVIII and S.2869 and empower a court specifically to authorize and direct telephone companies to cooperate with law enforcement officers.

Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk proceeded to state the amendment.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with. I have stated the general objective of the amendment. And I think the distinguished chairman of the District Committee is familiar with the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment reads as follows:

On page 92, after line 25, add the following:

"AMENDMENTS TO TITLE 18, UNITED STATES CODE

"SEC. 216. (a) Section 2511 (2) (a) of title 18, United States Code, is amended (1) by inserting '(i)' immediately after '(2) (a)'; and (2) by adding at the end thereof the following:

"'(ii) It shall not be unlawful under this

chapter for an officer, employee, or agent of any communication common carrier to provide information, facilities, or technical assistance to an investigative or law enforcement officer who, pursuant to this chapter, is authorized to intercept a wire or oral communication.'.

"(b) Section 2518 (4) of title 18, United States Code, is amended by adding at the end thereof the following new paragraph:

" 'An order authorizing the interception of a wire or oral communication shall, upon request of the applicant, direct that a communication common carrier, landlord, custodian or other person shall furnish the applicant forthwith all information, facilities, and technical assistance necessary to accomplish the interception unobtrusively and with a minimum of interference with the services that such carrier, landlord, custodian, or person is according the person whose communications are to be intercepted. Any communication common carrier landlord, custodian or other person furnishing such facilities or technical assistance shall be compensated therefor by the applicant at the prevailing rates.'

"(c) The last sentence of section 2520 of title 18, United States Code, is amended to read as follows: 'A good faith reliance on a court order or legislative authorization shall constitute a complete defense to any civil or criminal action brought under this chapter or under any other law.'."

On page 68, line 25, strike the period and insert in lieu thereof a comma and the following: "or to provide information, facilities, or technical assistance to an investigative or law enforcement officer who, pursuant to this chapter, is authorized to intercept a wire or oral communication.".

On page 80, between lines 13 and 14, insert the following new paragraph:

"An order authorizing the interception of a wire or oral communication shall, upon request of the applicant, direct that a communication common carrier, landlord, custodian or other person shall furnish the applicant forthwith all information, facilities, or technical assistance necessary to accomplish the interception unobtrusively and with a minimum of interference with the services that such carrier, landlord, custodian, or person is according the person whose communications are to be intercepted. Any communication common carrier, landlord, custodian or other person furnishing such facilities or technical assistance shall be compensated therefor by the applicant at the prevailing rates."

On page 89, line 8, strike the period and insert in lieu thereof a comma and the following: "or other law.".

Mr. TYDINGS. Mr. President, I am familiar with the amendment. I am also familiar with the excellent survey and expertise of the Senator from Arkansas and his very fine subcommittee in this area.

There is no question that the original legislative intent of title III of the Safe Streets Act of last year was to protect telephone companies or other persons who cooperate under court order with law enforcement officials.

Mr. President, I accept the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, I thank the distinguished Senator from Maryland. Again I express for the record my appreciation for the valuable assistance he rendered to us last year in the enactment of title III of the Omnibus Crime Control Act.

It would be ridiculous for us to authorize electronic surveillance or wiretapping and then leave exposed to criminal or civil liability those who cooperate in good faith with the officers in carrying out an order of the court to make such surveillance. It is on this basis, therefore, that I think the amendment is proper. I believe it will strengthen the pending bill and also clarify title III of the Omnibus Crime Control and Safe Streets Act of last year.

Mr. President, there are two other short amendments that I would like to offer.

As now drafted, S. 2869 authorizes electronic surveillance in an emergency situation, but requires the officer to secure judicial ratification within 12 hours.

I am concerned that this period of time is not long enough for the officers to complete the necessary paperwork that would be entailed in preparing these applications. My amendment would require the officer to initiate his application for approval within 12 hours, but would allow him to complete it within 72 hours. This would mean that it would be possible for him, for example, to telephone the judge to whom he intended to submit the application within 12 hours and then forward to him the final papers within 72 hours. To do it all within 12 hours might not be convenient. To reach a judge, in that short time, who might not even be available, I believe, places too great a burden on the law enforcement here, which might become quite an obstacle in the execution and administration of this particular provision of the bill.

I can see no harm in giving the officer additional time within which to complete the application of, within 12 hours, the officer making the emergency surveillance contacts a judge and informs him of the action taken and then within 72 hours files his full application.

I would hope that the Senator would accept the amendment. I cannot help believing that if we leave in the 12-hour provision, we might place a barrier here on law enforcement that would in many instances defeat our objective.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HRUSKA. Mr. President, is it not true that with the passage of the law having to do with national holidays, for example, falling on weekends, starting usually at Friday noon or Friday evening at 5 o'clock and lasting until Tuesday morning, the 12-hour rule would certainly immobilize law enforcement during such national holidays, and there are several of them during the course of the year, let alone an ordinary weekend in which 12 hours means nothing.

Mr. McCLELLAN. The Senator is correct. As I have pointed out, on many occasions it is over the holiday weekend when the crimes may be planned and executed. And some provision along the line I am suggesting, in my judgment, is needed here.

I hope the distinguished Senator from Maryland will look with favor upon the amendment.

Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

On page 82, line 7, strike "made" and insert in lieu thereof "initiated".

On page 82, line 9, immediately before "after" insert "and is completed within 72 hours".

(At this point Mr. EAGLETON assumed the chair.)

Mr. TYDINGS. Mr. President, the Senate District Committee was especially concerned that ample safeguards be provided in the case of an officer who is intercepting acts without prior court authority. The Committee was convinced that, in this uniformly urban jurisdiction, a judge could certainly be reached, regardless of the hour or circumstances, within 12 hours.

The amendment would require the officer to initiate his application within 12 hours, but gives him an additional period of time up to a total of 72 hours to complete the paperwork and other processing of the application for an order of approval as such.

As the Presiding Officer knows, from his long experience as an attorney general, in many instances where search warrants are sought, it is necessary, because of the paperwork, to spend many hours, sometimes even days, perfecting the affidavits in such a manner that the commissioner or judge will finally issue the warrant or necessary order.

In my own experience as U.S. attorney, in the prosecution of certain organized crime cases, we spent almost 2 days reworking and bringing in new witnesses for a show-cause proceeding to get a search warrant in connection with gambling raids.

This amendment provides the same initial protection to the public—that the officer must contact the court within 12 hours—but gives him an additional reasonable period of time to complete the paperwork and the application, subject to a judge's approval.

I have no objection to accepting this amendment. I recognize it to be a helpful addition, especially if the affidavits and other documents comprising the application for an order of approval are to provide meaningful protection and assist realistically in court supervision.

Mr. McCLELLAN. I thank the Senator. I have one other amendment, and I have a question or two.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, S. 2869, the bill now under consideration, contains an immunity provision which will be of great aid in enforcing the criminal provisions prohibiting unlawful surveillance. As I am sure the distinguished Senator from Maryland is aware, however, the Committee on the

Judiciary now has under consideration the recommendations of the National Commission on the Reform of Federal Criminal Law. The commission has recommended what is generally regarded as model immunity legislation in this area. With this in mind, I should now like to substitute for the immunity language in S. 2869 language which would make its provisions consistent with the recommendations of the Commission.

I might add, too, Mr. President, that S. 30, a bill dealing with organized crime which has now been reported by the Subcommittee on Criminal Laws and Procedures to the full Judiciary Committee, contains similar language. We hope, as urged by the majority leader, to get this bill reported, to get it on the calendar, and to get action on it before we recess for the holidays, before the end of this session. Nevertheless, I think it would be wise if we could have this language uniform in the District of Columbia bill now. I offer this amendment with that in mind.

I am not condemning the language in the pending measure. The point is that I think it would be well for us to have similar language applicable to the District of Columbia as well as to the rest of the country, if we can do it.

This language is in keeping with the recommendations of the National Commission on Reform of Federal Criminal Law, which has made a very thorough study of the immunity problem. I offer this amendment not in criticism of the language in the bill at present, but with the hope of having a uniform language applicable in both the District of Columbia and the rest of the Nation as well.

I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 72, beginning with line 6, strike out all through line 4 on page 73 and insert in lieu thereof the following:

"SEC. 205. (a) Whenever a witness refuses, on the basis of his privilege against self-incrimination, to testify or provide other information in a proceeding before a court or grand jury in the District of Columbia involving any violation of this title and the person presiding over the proceeding communicates to the witness an order issued under this section, the witness may not refuse to comply with the order on the basis of his privilege against self-incrimination. But no testimony or other information compelled under the order issued under subsection (b) of this section, or any information obtained by the exploitation of such testimony or other information, may be used against the witness in any criminal case, except a prosecution for perjury, giving a false statement, or otherwise failing to comply with the order.

"(b) In the case of any individual who has been or may be called to testify or provide other information at any proceeding before a court or grand jury in the District of Columbia, the court before which the proceeding is or may be held shall issue, upon the request of the United States attorney, an order requiring such individual to give any testimony or provide any other information which he refuses to give or provide on the basis of his privilege against self-incrimination.

"(c) A United States attorney may, with the approval of the Attorney General or the Deputy Attorney General, or any Assistant Attorney General, designated by the Attorney General, request an order under subsection (b) when in his judgment—

"(1) the testimony or other information from such individual may be necessary to the public interest; and

"(2) such individual has refused or is likely to refuse to testify or provide other information on the basis of his privilege against self-incrimination."

Mr. TYDINGS. Mr. President, in the interest of uniformity in this very complex area of immunity, I am willing to accept the amendment of the Senator from Arkansas.

Mr. McCLELLAN. I appreciate that very much. It is offered without any criticism of the provisions in the pending bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. McCLELLAN. I appreciate very much the cooperation and the willingness of the distinguished Senator from Maryland in accepting these amendments, which I believe will strengthen the bill. I believe they are in keeping with better practices and procedures.

I have two other items. I should like to discuss these briefly with the distinguished Senator from Maryland.

I do not think an amendment is required if my interpretation of the bill is correct.

I am somewhat concerned that the list of offenses for which wire tapping and electronic surveillance can be employed may be too restrictive. While I recognize, for example, that most robbery, burglary and fencing here in the District does not have organized crime overtones, I know, too, that some do, and I am concerned that the authority we grant to the District of Columbia police be broad enough to allow them to respond to this problem.

Title II would now permit the police to use these investigative techniques in other situations; for example, where grand larceny was involved. Since an offense like grand larceny would be a lesser included offense in most important robbery, burglary, or receiving stolen property cases, would it be improper, in the chairman's view, for members of the robbery squad, for example, to investigate a particular robbery under the aegis of grand larceny under the statute?

Mr. TYDINGS. In response to the distinguished Senator's inquiry, I point out that, on the one hand, the District Committee took cognizance of the fact that most robberies and burglaries in the District—contemptible though they may be—do not involve concert so as to make wiretapping a useful tool for apprehension. On the other hand, it is a fair reading of title II of this bill that whenever there is probable cause as to facts constituting a case of grand larceny, then title II may operate, regardless of what other offense may be apparent and regardless of what the eventual charge might be. Title II of S. 2869 was not meant to give ground to any technical defense, any technical argument, alleging a subterfuge search or interception.

So, in response to the Senator's inquiry, the answer would be that an interception for grand larceny would be sufficient even if the case was otherwise or developed into one of robbery or an offense which was considered or not considered specifically under title II.

Mr. McCLELLAN. Mr. President, with this assurance—that a defendant would not be armed with an argument that a subterfuge search had been illegally undertaken in this sort of situation—I feel that no amendment should be offered. I think that this discussion will be adequate and with this history of our interpretation of these provisions at the time of their enactment in the Senate, no problem should rise.

Next, I would like to ask the distinguished chairman if he could indicate to me the committee's intent in another area. Title II now authorizes a police officer to get an order of approval in an emergency situation for the interception of evidence of an offense other than that contemplated at the time the interception was made. I recognize, of course, that the officer will in all cases have to secure ratification for the emergency search itself, but I am concerned about those situations where he intercepts information that is not at that time intelligible to him and does not become intelligible for some time thereafter, that is, when he overhears it, he does not then see its relevance to another crime. Would it be permissible for him, some months later, when its relevance does become clear, to secure a retroactive authorization at that time for this incidentally intercepted information?

Mr. TYDINGS. The answer to the question of the distinguished Senator is "Yes." As was suggested in the report on this bill, the language of title II is simply designed to make clear that application for approval of intended emergency interceptions must still be initiated within 12 hours, even though, as you suggest, the additional application for approval of an unintended interception may be made later, perhaps several months later—that is, as soon as practicable.

Mr. McCLELLAN. Mr. President, I thank the Senator. I think the court would have a desire and responsibility to ascertain if the officer had acted in good faith all the way through. If so, I think it should be approved retroactively.

Mr. TYDINGS. That was the intent.

Mr. McCLELLAN. Mr. President, again I want to thank the distinguished Senator from Maryland and commend him for his dedication, and for his diligent and hard work in this fight against crime that is prevalent in our country today. The Senator is one of the stalwarts in the battle we are waging. I commend him, and I am proud to support the legislation

his committee has worked out. I hope the amendments I have offered have made some contribution to strengthening the pending bill.

Mr. TYDINGS. I thank the distinguished Senator.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. HRUSKA. Mr. President, the events of this morning demonstrate once again that good faith exists and a conscientious effort is being made to advance the legislation which the country desperately needs and particularly in this locality, to combat crime and the growth of crime.

It was my privilege to have been given the opportunity to review in advance the amendments which were offered this morning by the Senator from Arkansas, not on the basis of any superior knowledge but on the basis of the idea that we—the Senator from Maryland, the the Senator from Nebraska—jointly participated in the passage of the omnibus crime control bill last year, and these amendments, in part clarify that law. I find myself in complete accord with the purpose of the amendments, and necessity and desirability for their being considered and enacted today.

I join the Senator from Arkansas in support of the bill as thus amended and I join him in the commendation he extended to the Senator from Maryland for his consistent and persistent efforts to get the legislation to this point.

Mr. TYDINGS. Mr. President, I thank the distinguished Senator from Nebraska and I appreciate the help, cooperation, and counsel that both he and the Senator from Arkansas have extended.

I wish to make one brief report to the Senate with respect to the legislation in connection with the President's program on crime.

In connection with the District of Columbia, we received the court reorganization bill in the Senate on July 11. Hearings were held, there was a committee markup, and the bill was passed by the Senate by September 18. We received the President's public defender bill on July 11, and it was passed by the Senate on November 21. We received the criminal law and procedure recommendation on July 11. Hopefully Senate bill 2869 will be passed in a few minutes on this day, December 5. We received the administration's new juvenile code on September 26, and hopefully it will be passed in less than 2 weeks. We received the bail agency bill on July 11, but on July 3 my bill in that connection had been passed.

We have many narcotics proposals now under consideration in committee. We have a pretrial detention proposal which is now under consideration by the committee.

I wish to stress to the Senate that we have cooperated at each stage with the Department of Justice and the President, and we have made considerable progress.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 2869) was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TYDINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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## GRAND JURY REPORTS AND TITLE I OF S. 30, THE ORGANIZED CRIME CONTROL ACT OF 1969

Mr. McCLELLAN. Mr. President, on November 20, the Subcommittee on Criminal Laws and Procedures completed its consideration of S. 30, as amended, the Organized Crime Control Act of 1969, and reported the bill favorably to the full Judiciary Committee.

Title I of S. 30, as amended, is based on the recommendations of the President's Commission on Law Enforcement and Administration of Justice, and it promises to strengthen the grand jury as an instrument for the control of organized crime and corruption. Included in the powers of the grand jury under title I is an authorization to issue, under careful safeguards, grand jury reports dealing with, first, governmental misconduct; second, organized crime conditions; and third, proposals for legislative action. Where reports dealing with governmental misconduct are critical of named individuals, elaborate safeguards are provided, including notice, opportunity to present evidence, and judicial review prior to publication. The other types of reports may not be critical of named individuals.

These provisions of S. 30 reflect the law or practice of a number of States, including New York and New Jersey. In this connection, I would like to draw the Senate's attention to a copy of the Union County grand jury report filed on November 24, 1969, which I recently received from the Honorable Walter L. Hetfield, of the Superior Court of New Jersey, Elizabeth, N.J. This grand jury report is a model of the sort of report dealing with organized crime conditions and making legislative recommendations that the provisions of title I envision.

Mr. President, the Union County grand jury investigated an allegation of possible extortion or bribery involving an organized crime figure's infiltration into a legitimate union and the construction business in New Jersey. The grand jury concluded, however, that although the information that came to its attention indicated reprehensible conduct, it did not, under existing New Jersey law, warrant criminal action. The grand jury, therefore, filed its presentment, which drew these facts to the attention of the people of New Jersey and called for remedial legislative action.

Mr. President, opposition has been expressed to the inclusion of the report-writing provisions of title I in S. 30. Fear has been expressed that Federal grand juries might abuse the power of writing reports. I suggest that this fear is unwarranted and that the sort of responsible report prepared by the Union County grand jury is a case in point to refute that fear. Indeed, we have not gone as far in this area as the law of some States. The report-writing powers of the New Jersey grand juries are broader in certain respects than those which the provisions of title I would accord Federal grand juries. This report, since it identified private individuals, would be improper under title I, but it could have been prepared under title I had it left the private individuals unnamed. What I am suggesting, in short, is that we have taken every precaution in drafting title I fairly to balance the public need for disclosure with the individual's need for anonymity.

Mr. President, if we are serious about organized crime, we must restore to Federal grand juries the power to act against corruption, inefficiency, and the forces of organized crime through its ancient report-writing powers. Restoring to Federal grand juries this power is essential. I can think of no better answer to the fears expressed against the power to write such reports than the comments of Chief Justice Vanderbilt in *In Re Presentment by Camden County Grand Jury*, 10 N.J. 23, 41, 89 A. 2d 416, 434 (1955):

> A practice imported here from England three centuries ago as a part of the common law and steadily exercised even since under three successive State constitutions is too firmly entrenched in our jurisprudence to yield to fancied evils.

Mr. President, I ask unanimous consent that the presentment of the Union County grand jury appear in the RECORD immediately following my remarks.

There being no objection, the presentment was ordered to be printed in the RECORD, as follows:

SUPERIOR COURT OF NEW JERSEY, UNION COUNTY LAW DIVISION, CRIMINAL

PRESENTMENT NO. P–1 M–68

(In the matter of an investigation of organized crime in Union County, N.J.)

To: The Honorable Walter L. Hetfield, III, assignment judge, Superior Court of New Jersey, Union County.

The Union County Grand Jury, May Stated Session, Panel No. 2, 1968 Term, respectfully submits and presents the following:

*Introduction*

During the last few months, this Grand Jury has conducted an investigation of the activities of alleged members of organized crime in Union County. Our attention was directed specifically to the conduct of the late Nick Delmore, and his successor, Simone (Samuel) Rizzo De Cavalcante, in the garden apartment construction industry.

Delmore and later De Cavalcante conducted a plumbing and heating contracting business in Kenilworth, New Jersey, under the firm name of Kenworth Corp. With knowledge of the activity in apartment construction in the area they offered their services as "labor consultants" to builders in fear of work stoppage on their projects because of their employment of non-union labor.

The testimony centered around the construction of a 702-unit garden apartment complex in Parsippany, New Jersey, known as Mount Pleasant Village, and built by Riverside Estates, Inc., a New Jersey corporation. Construction began in 1963.

The Grand Jury heard testimony from three of the principals of the corporation, three other builders active in garden apartment construction, and persons connected with the construction of Mount Pleasant Village; both mason contractors, the plumbing and heating contractor, the carpenter, the superintendent of construction for the principals, an officer in the Parsippany Police Department, and the business agent for one of the Unions that had pickets on the line.

*Findings*

1. The principals first met Delmore at an office party in January, 1963, when Delmore approached the principals and "introduced himself".

2. Delmore indicated to them (a) he was a plumbing and heating contractor, (b) he knew they were about to build in Parsippany, (c) he would like to bid for the plumbing and heating work, and (d) he was a labor consultant, and if any labor problems arose "perhaps he could be of some assistance".

3. The principals contracted out the different stages of construction on the apartments, such as excavation, masonry, carpentry, plumbing, heating, electrical wiring, sheet rocking, etc. Some of the contractors were "union" (employing only union labor) and others were non-union.

4. Construction began a few months later, but a heating contractor other than Kenworth got the job.

5. The picket line, according to the principals, appeared shortly after meeting Delmore.

6. One of the principals (by odd coincidence, the attorneys who formed Kenworth) informed his partners that Delmore was the person who could settle the strike, and the principals met with Delmore at the Kenworth office, where they told Delmore of the picket line. Delmore said he would see what he could do.

7. The picket line disappeared shortly thereafter, and Delmore contacted the principals and advised them the matter had been resolved and that his fee in this matter would be one hundred dollars per unit for each unit, which would have amounted to $70,200 based on the planned number of units.

8. From that time, and until Delmore's death in early 1964, the principals paid between $10,000 and $12,000, always in cash as requested by Delmore. No receipts were obtained or even requested.

9. After Delmore's death, De Cavalcante contacted the principals and requested a meeting, at which meeting De Cavalcante advised them that he was Mr. Delmore's successor, that he had assumed all of Mr. Delmore's business, and that he was aware of the fact that they had arrangements with Mr. Delmore, and that there was money due to Mr. Delmore, and he (De Cavalcante) wanted to collect the money.

10. Thereafter, one of the principals (not the attorney) met with De Cavalcante and a settlement of $25,000 was agreed upon, which was paid in six payments and, as with Delmore, always in cash and without receipts.

11. Each of the principals contributed equally toward the payments which were made up of personal funds. One principal used the funds he received from the corporation for services rendered as its attorney; another would cash a personal check, made payable to himself or to cash; and another principal would cash the salary checks he received from the corporation.

12. Despite the fact that the principals regarded the payments as legitimate expenses of doing business, they never declared these payments as business expenses or claimed a deduction therefor. To avoid being questioned by the Internal Revenue Service on the cash disbursements, they even went so far as to treat the amounts they paid to Delmore and De Cavalcante as income to themselves and they paid income tax thereon.

13. The corporation was able to complete construction of the 702 units without fear of a picket line and with non-union labor on most of the construction.

14. The cost of construction of a garden apartment unit was approximately $10,000. By using non-union labor, the principals could save $2,000 per unit. Thus, by paying Delmore and De Cavalcante $100 per unit to insure labor peace and by using non-union labor, the principals reduced their cost of construction $1,900 per unit, or a total of over 1.3 million dollars.

*Conclusions*

1. The Grand Jury is highly disturbed of the apparent ability and power of reputed members of organized crime to guarantee labor peace and the cooperation of business men in paying tribute to reputed criminals. Such cooperation renders our criminal laws against extortion and bribery of union officials ineffective. The Grand Jury did not vote an indictment under either *N.J.S.* 2*A*:105–3 (extortion) or 2*A*:93–7 (bribery of a labor representative), because there was no proof, as required by the statutes, that the principals were in fear or had received threats, or that Delmore or De Cavalcante was a "duly appointed representative of a labor organization."

2. The Grand Jury regards as disgraceful the Delmore-De Cavalcante masquerade as labor consultants. It is inconceivable that a contractor such as Delmore (and later De Cavalcante), who employed non-union labor, could so represent himself and be accepted as such by the principals of the corporation involved here.

3. The Grand Jury condemns the principals of Riverside Estates, Inc., and others similarly situated, who engage in an unholy alliance with reputed members of organized crime. The principals behavior is further condemned as being totally selfish and in disregard of the rights of both union and non-union workers. The Grand Jury regrets that our present statutes do not deal forcefully with such unconscionable conduct.

4. The Grand Jury condemns any union leader who permits himself to be dominated by reputed members of organized crime or is willing to cooperate with reputed criminals in victimizing the working members of his union. It would appear that only an internal housecleaning within the ranks of the construction unions can remove the dishonest officials who collaborate with organized crime to barter the rights of members for profit. We know of no legislative action that can take the place of courageous and resolute action on the part of such disadvantaged and disenfranchised union members in order to regain control of their organizations.

*Recommendations*

The Grand Jury respectfully recommends:

1. That the Assignment Judge of Union County permit copies of the transcript of the hearings to be made available to the Attorney General of New Jersey for presentation of certain matters contained therein to the State-wide Grand Jury.

2. That the Assignment Judge of Union County permit copies of the transcript of the hearings to be made available to the State Commission of Investigation in order that certain matters be explored on a State-wide basis.

3. That the Legislature of the State of New Jersey enact legislation which prohibits the use of personal funds of officers, directors, shareholders or attorneys of a corporation, for corporate expenditures, except as loans that are recited in detail in the corporate records.

4. That the Legislature of the State of New Jersey enact legislation which requires the registration of any person who acts as, or holds himself out to be, a labor relations adviser, mediator or consultant, said legislation also to require the reporting of income thus derived.

5. That copies of this Presentment be forwarded to:

The Governor of the State of New Jersey;
The Attorney General of the State of New Jersey;
The members of the Senate of New Jersey;
The members of the General Assembly of New Jersey;
The Commissioner of Labor of New Jersey;
The Secretary of Labor of the United States;
The United States Attorney General;
The United States Attorney for New Jersey;
United States Senator Clifford P. Case;
United States Senator Harrison A. Williams, Jr.;
Congresswoman Florence Dwyer;
Congressman Cornelius Gallagher;
The State Commission of Investigation of New Jersey;
The Federal Bureau of Investigation;
The Internal Revenue Service;
The National Labor Relations Board;
The A.F. of L.–C.I.O.;
The Building Trades Council; and
The Press.

Dated: November 24, 1969.

LAURIE SALERNO,
*Foreman, May Stated Session 1968 Term Grand Jury, Panel No. 2.*

Attest:

JEANNE K. SCHER,
*Clerk of Grand Jury.*

## AMERICA'S DRUG ABUSE PROBLEM

Mr. SPONG. Mr. President, this week's Governor's Conference on Narcotics and Drug Abuse should focus national attention on the menacing spread of this problem and, I hope, mark the beginning of a comprehensive effort to erradicate it. Drug abuse is a problem which should concern every American for no community is immune from its corrosive advance.

Only a few years ago, drug traffic was almost exclusively a problem of the innercity. Today, some of the most startling increases in drug arrests are in middle- and upper-middle income suburban areas. Even more disturbing is the growing number of juvenile offenders.

Police records in Fairfax County give some indication of how widespread the problem has become. In 1966, there were 16 arrests for violations of the drug laws. No juveniles were involved. By 1967, the figure had risen to 34 arrests including six juveniles and in 1968 to 86 arrests involving 38 high-school-age youngsters.

Through the first 11 months of this year, there have been 198 drug arrests in Fairfax County, or more than the 3 previous years combined. The number of juveniles arrested was 82 also more than in the 3 previous years.

In the neighboring county of Arlington, the picture is much the same. Drug arrests have increased 700 percent in 2 years—from 29 in 1967 to 201 so far this year. Comparable statistics are reported by some suburban Maryland jurisdictions.

Appalling as they are, these figures reflect only a small part of the illegal drug use—only those who get caught. Informed officials estimate that from 5 to 8 percent of high-school-age young-

sters in some Washington suburbs smoke marihuana on a regular basis. As many as one-half are thought to have tried it at least once.

While marihuana remains the most prevelant drug problem, there is evidence that a growing number of users are graduating to more potent and more dangerous drugs. Heroin, unheard of a few years ago in most suburban areas, is becoming a commonplace. Recently, seven arrests for heroin violations were made in 1 day in Fairfax County and all of the suspects were under age 21. That was a larger number of arrests on heroin charges than the county had experienced in the entire decade before.

Police in another northern Virginia community report they recently arrested a 13-year-old girl who had been a heroin addict for more than a year, presumably without her parents suspecting it.

LSD, which suffered a temporary decline in popularity following a national educational campaign against its use, is beginning to make a major comeback in parts of the Washington metropolitan area. Other drugs of the speed and barbiturate family are appearing with increasing frequency.

Clearly, this epidemic of drug abuse testifies to the inadequacy of our present drug laws and programs, and perhaps, too, to our understanding of the basic forces at work. We urgently need an all-out law enforcement effort to deal with those who supply these drugs, and we need better treatment, educational and research programs to help those who have been victimized by them. Perhaps most difficult of all, we need to look long and hard at ourselves and our communities and ask why.

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## TAX REFORM ACT OF 1969

The PRESIDING OFFICER. Pursuant to the previous order, the Chair lays before the Senate the unfinished business which the clerk will state.

The LEGISLATIVE CLERK. H.R. 13270, the Tax Reform Act of 1969.

The Senate resumed consideration of the bill.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. Is there a division of time between the distinguished Senator from Minnesota (Mr. MONDALE) and the chairman of the committee, the Senator from Louisiana (Mr. LONG)?

The PRESIDING OFFICER. Pursuant to the previous order, there is. A vote on the amendment will come at 11 o'clock a.m. Pending is the amendment of the Senator from Minnesota (Mr. MONDALE).

Who yields time?

Mr. MONDALE. I yield myself such time as I may need.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. MONDALE. Mr. President, the amendment sponsored by myself and other Senators is designed to eliminate from the pending tax bill a proposal which we believe would destroy one of the most remarkably creative and unique institutions in American life; namely, the private foundation.

We do not oppose reform. Indeed, we welcome it. We believe that criticism of the private foundation has resulted in several important and long overdue reforms which are imbedded in the tax bill proposals, and which we support.

What we oppose is the wholesale and indiscriminate 40-year death sentence which the Senate committee recommends be adopted. That is what it is.

The private nonoperating foundations would be uniquely singled out—all of them, the good and the bad—and be subject to a host of taxes which would require their discontinuance at the end of 40 years, and to dispose of their assets to charity, which would mean their dissolution. That is what the Finance Committee says is its intention.

After 40 years, a nonoperating foundation could convert to an operating foundation, as in the case of the Red Cross, or it could establish a hospital. But it could not carry on the work for which it was created and continue some of the magnificent work we have seen developed by the grant-making foundations.

It could also become a business corporation, and if it did, repay all tax benefits received during the life of the foundation—which is, in effect, a confiscation of its assets; or it could continue and pay all the income taxes normally assessed upon business corporations, while at the same time remaining subject to all limitations upon foundations.

Mr. President, we have heard the distinguished Senator from Tennessee (Mr. GORE) and the able chairman say, last night, that the effective tax rate would be about 7½ percent. That would be true only if a foundation's entire assets consisted of corporate stock.

Taxes on foundations over 40 years old, under the bill, could include not only effective corporate rates on dividends received from stocks, but also much higher taxes up to 50 percent on other forms of income such as interest on corporate bonds, Treasury bonds, savings accounts, royalties, and all the rest.

In those States where foundations must be set up under trust laws, such as in Pennsylvania, they are treated as individuals and pay income tax rates up to 70 percent. In addition, they would, of course, pay the regular capital gains tax on stocks sold by the foundations. Thus, the effective tax rate in many cases would range upward from the 7½ percent figure cited, to an average of 25 percent, or 30 percent, or even 70 percent.

The net result would be the end of these private foundations. For they would be wiser to do what the committee report advises. That is to use their assets directly for charitable purposes and close up shop.

There are some who believe that these foundation functions should be performed exclusively through government.

I have long been a strong supporter of increased public commitment to the human problems in this country, and continue to be; but I believe in pluralism, and I believe in the private, voluntary effort which helps create competition. It also creates innovative and extraordinary types of research and effort in all fields of education, health, agricultural research, in every conceivable area—community involvement, and the rest. I hope those interested in the worthy contribution of foundations will review the record. I included a number of examples in my remarks last night.

Out of this dynamic interplay between the public and the private sectors, we have created an approach which is uniquely American which, in my opinion, if destroyed, would rob this country of one of its most dynamic forms of worthwhile institutions.

Mr. President, for these reasons, I hope that our amendment will be adopted and the 40-year proposal deleted from the bill.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 6 minutes.

Mr. LONG. Mr. President, one thing that I think should be made clear, those of us who favor the 40-year life on the tax-exempt status for private foundations are not opposed to charity as such. As a matter of fact, the basic purpose of this amendment is to encourage private foundations to get their funds out into the midstream of charity where they are really used rather than being held back where charity perhaps only gets the use of the income from the funds.

Peter G. Peterson, Chairman of the Commission on Foundations and Private Philanthropy, who testified at length before the Finance Committee emphasized above everything else the pressing needs of education, medicine and health, arts and science for a substantial increase in funds in the immediate period ahead. In virtually all of these fields his studies indicated that the needs for funds in the period immediately ahead could be expected to grow at a rate substantially in excess of the rate of growth in the gross national product. In fact, 57 percent of the organizations interviewed indicated that by 1975 their organizations would be facing a real budget crisis unless major new sources of funds are developed. Another 26 percent expressed real concern about rising costs and increasing charitable needs. The payout of the funds held by the private foundations is the best way, and perhaps the only real major new source of funds available to the charitable organizations in the period ahead.

Undoubtedly this is why the Peterson Commission recommended to your committee a required payout rule of 6 percent to 8 percent of the value of the assets—substantially over the 5 percent provided by the committee bill. The distribution of funds of the private foundations is another way of achieving much the same results.

There are other aspects of this which also need to be considered. If foundations are permitted a permanent tax-exempt life, their economic power can increase to such an extent that they have an undue influence both on the private economy and on government decisions.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GORE. What would the Senator say about lobbying of foundations with respect to the pending bill?

Mr. LONG. I have heard from the offices of a great number of Senators that they are hearing now from long lost friends—young lawyers who worked here back in the days when they were living on less than $20,000, many of whom have not been heard from for 10 to 15 years, in the case of senior Senators. They have all returned like distant relatives who show up when grandfather is on his deathbed to see if there is anything there for them. In this case they have returned from all parts of the country to come to Senators' offices.

If a Senator thinks he has had lobbying on this foundation provision, he should have served on the Finance Committee. We have had contacts with the truly first-class people in this country, some people I never thought I would have the privilege of meeting, some of the most powerful and influential people in this country, who had not even deigned to pay attention to the Finance Committee for a great number of years.

Mr. GORE. Perhaps the Senator can give me a little credit for that.

Mr. LONG. I am sure the Senator had a great deal to do with that.

We certainly do not want to eliminate private foundations, but we are concerned if they should grow to such an extent as to completely dominate the economy, both private and governmental. I cannot believe that they should be either the basic formulators or deciders of public policy. I think this should be left to the people and the people's representatives.

Still another aspect of this needs to be considered. Income, estate, and gift tax deductions were granted for amounts given to these foundations on the basis that the funds would be used for educational, charitable, and religious purposes. It seems reasonable that after at least a 40-year period, the donated funds themselves should actually be used for these purposes rather than merely the income from the funds being used for educational, charitable, or religious purposes. Since the income itself is exempt from taxation in the hands of the foundation, the expenditure of the income really only satisfies the obligations associated with the income tax exemption of the foundation. There still remains to to satisfied the obligation of using the capital donated to the foundation for charitable purposes, since charitable contributions deductions were available for these funds.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield myself 3 additional minutes.

As we indicated in the debate last night, even the penalty, if you want to call it that, imposed on these foundations at the end of the 40-year period is not severe. Actually, in the case of a foundation receiving most, or all, of its income from dividends, all we are requiring is the payment of approximately 7½-percent tax—in other words, no more even in this case than the House bill would have provided for private foundations generally, when the bill is fully effective.

Let me show you how this works. The foundations are subject to tax under this bill, the same as ordinary corporations, and an ordinary corporation receiving a dividend from another corporation is entitled to an 85-percent dividends-received deduction. In other words, it is subject to tax on only 15 percent of its dividend income at a tax rate of 50 percent on 15 percent of its income, which equals 7½ percent. Senators will recall that this is the tax that the House bill was going to impose on foundations, generally, and impose it right now, not 40 years from now. I just do not see how anyone can say under these circumstances that we are imposing a death penalty on private foundations. That certainly was not said about the House bill, and we are doing no more to the private foundations even after they have been in existence for 40 years than the House bill would have done right away.

So I submit that, as a practical matter, the Senate Finance Committee has been most generous to foundations. We have moderated, moderated, and moderated until there is practically nothing in it that affects foundations in a real way except to require, as the House provided in one of its provisions, that there be some payout, and even that is phased in.

If the Senate wants to strike this provision from the bill, I would think that all that could be said would be that whereas the House acted in a very effective way, the Senate, as a result of pressure being put on some of us with regard to the foundations, whittled away the overwhelming bulk of what the House of Representatives had done. Had the House prevailed—as it did in supporting its Ways and Means Committee—it would have meant the passage of a bill which would have acted effectively in what is clearly one of the biggest fields of tax avoidance—and in some respects involves some of the most unjustifiable tax avoidance that can be seen.

Make no mistake about it, this rollcall will be regarded by many as a vote in the Senate by Senators who wanted to do something about the abuses in the foundation field and by Senators who wanted the abuses to continue without taking a close look at them.

I think we are going to act eventually in this area, if not now. Those who think more should be done in this field will persist. We will continue to uncover instances of abuse, misuse, and failure to use funds as was intended, and evidence of private greed, instead of charity, in the use of foundation funds. As those indications continue, I suspect that Senators who voted to do so little about the foundation problem will find cause to doubt that their vote was wise under the circumstances.

I believe this vote in the Senate will indicate who of us in the Senate want to move effectively to see to it that those who claim to be in the foundation business for charitable purposes actually have to carry out those kinds of activities to achieve the tax advantages that Congress have voted for them.

Mr. MONDALE. Mr. President, I yield 2 minutes to the Senator from Nebraska (Mr. CURTIS).

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## CALL OF THE ROLL

Mr. CURTIS. Mr. President, I ask unanimous consent that I might suggest the absence of a quorum, that a live quorum be called, that it not be charged to either side, and that it not diminish the length of time for this debate.

Mr. LONG. Mr. President, I object. The reason I feel constrained to do so is this. I would probably be glad to yield to the Senator a reasonable amount of time from the time in opposition to the amendment. I fear it might take a considerable time to get a live quorum here. It is all right with me for the Senator to ask for a quorum call, and call it off, after something like 5 minutes, or a reasonable time; but I dislike to consume a great deal of time in opposition to the amendment on a quorum call.

Mr. CURTIS. It is my request that it not be charged to either side.

The PRESIDING OFFICER. Is there objection?

Mr. LONG. Then, I will not object.

A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. LONG. Reserving the right to object, if this request is agreed to, will it prejudice the other agreements that we have? In other words, have specific times been set for later votes?

The PRESIDING OFFICER. Everything will be postponed down the line.

Mr. LONG. Will it postpone the vote at 11 o'clock?

The PRESIDING OFFICER. Yes, it will. If the time is not charged to either side, the time for the vote will be postponed.

Mr. LONG. Then, I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[Roll No. 173]

| | | |
|---|---|---|
| Byrd, Va. | Hansen | Saxbe |
| Byrd, W. Va. | Hartke | Smith, Ill. |
| Cotton | Jordan, Idaho | Talmadge |
| Curtis | Long | Tydings |
| Eagleton | Mansfield | Williams, Del. |
| Gore | Mondale | |
| Griffin | Pastore | |

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HATFIELD) and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

| | | |
|---|---|---|
| Aiken | Gravel | Murphy |
| Allen | Gurney | Muskie |
| Allott | Harris | Nelson |
| Baker | Hart | Packwood |
| Bayh | Holland | Pearson |
| Bellmon | Hollings | Pell |
| Bennett | Hruska | Percy |
| Bible | Hughes | Prouty |
| Boggs | Inouye | Proxmire |
| Brooke | Jackson | Randolph |
| Burdick | Javits | Ribicoff |
| Cannon | Jordan, N.C. | Russell |
| Case | Kennedy | Schweiker |
| Church | Magnuson | Scott |
| Cooper | Mathias | Smith, Maine |
| Dodd | McCarthy | Spong |
| Dole | McClellan | Stennis |
| Eastland | McGee | Stevens |
| Ellender | McGovern | Tower |
| Ervin | McIntyre | Williams, N.J. |
| Fannin | Metcalf | Yarborough |
| Fong | Miller | Young, N. Dak. |
| Fulbright | Montoya | Young, Ohio |
| Goodell | Moss | |

The PRESIDING OFFICER. A quorum is present.

## COMMITTEE MEETING DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Communications of the Committee on Commerce be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. MANSFIELD. Mr. President, the unanimous-consent agreement made on yesterday provided that there be a full hour allocated to debate on the pending amendment. I ask how much time remains to both sides.

The PRESIDING OFFICER. The Senator from Minnesota under that proposal would have 23 minutes remaining. The Senator from Louisiana would have 21 minutes remaining.

Mr. MANSFIELD. So we will get to a vote at approximately 20 minutes to 12.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. And time is running.

The PRESIDING OFFICER. Time is running.

The Senator from Minnesota had yielded 3 minutes to the Senator from Nebraska.

Mr. STENNIS. Mr. President, may there be order in the Chamber. The Senator is entitled to be heard.

The PRESIDING OFFICER. There will be order in the Chamber. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, the Finance Committee included a provision in the bill that would end the life of a foundation as such in 40 years. The amendment that I have sponsored, along with the distinguished Senator from Minnesota and others, would strike that out. And it ought to be stricken out.

Let us not permit anyone to persuade us to do otherwise by saying that we must support the committee. This was a photo finish vote in the committee. We started with a proposal to end their lives in 25 years. That went to 30, 35, and finally to 40 years. Then it was done. It was reported in the committee afterward.

When the information was given to the press, the press for the first time was astounded because this was done without any hearings and without any notice. It was just said that, because a few foundations have had some experience or have performed some acts that should not have been performed, all of them should be killed off at the end of 40 years. What kind of justice is that?

Why is the Senate about to go on record as saying that the life of a foundation is 40 years, when in 43 States of the Union a corporation runs in perpetuity? That corporation can be organized for the purpose of selling liquor; it can be a corporation organized for the purpose of conducting a burlesque theater or anything else. It goes on and on. But in the case of a foundation dedicated to doing good, the Senate is asked to kill it at the end of 40 years. It is wrong; it is unfair. It is wrong to punish the good foundations for the offenses of a few. It is unwise to do such things until we have had a year or two of the auditing by the Treasury, until we have had a year or two of reporting under provisions of the amendment adopted the other day.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. May I have 3 additional minutes?

Mr. MONDALE. I would like to yield 3 minutes to the Senator, but there have been so many requests for time that I will yield the Senator 1 additional minute.

Mr. CURTIS. Mr. President, not all foundations are tax shelters. I hold in my hand the account of a foundation, and I know it well—a long list of colleges to which it has given money. It was created by the donor because he did not want his children to inherit more money. Because it has a life and can carry on, it has given to good causes that have saved the Senators' tax money and the tax money of the people they represent two and a half times of the original gift.

There is a good old American custom, and that is that the hearing should precede the hanging. In this case there never has been a hearing. It is a vicious attack, an unfounded attack, and it should not be done, in the interest of justice.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield myself 3 minutes.

Mr. President, the proposal that the Committee on Finance agreed upon does not put a death sentence on foundations. All this says, as a practical matter, is that they will be paying a 7½-percent tax in 40 years. So 40 years from now they will pay the same tax that the House voted this year. It goes into effect next year.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. I will yield in a moment. Let me explain.

This provision says that these foundations would be taxed as a corporation after 40 years.

Most of these foundations are holding stock, and when the dividends are declared on the stock they are entitled to corporate dividend deductions, which is an 85-percent deduction; so they only pay a 50-percent tax on the remaining 15 percent. That is how the House arrived at their 7½-percent tax on the foundations, which would start next year.

We hear Senators who are upset shouting about a death sentence when all that is being talked about is mustering up courage to vote the tax on those foundations 40 years from now which the House voted to put on next year.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GORE. To be exact, the House voted to tax foundations 7.5 percent beginning January 1, 1970. What the Senate committee has done is to say that after being in existence 40 years, they can then be taxed as corporations, which presently means not $7.50, but at a 48-percent rate. It means that out of each $100 from dividend distribution they would pay $7.20—not even a current interest rate.

Mr. LONG. The Senator is correct.

What Senators are so upset about is the prospect of the Senate mustering the courage to do something 40 years from now, when most of us will be gone. If any of us are left, it will be thanks to the merciful Creator. If the present youngest Member of this body will be around, he will be a very old man 40 years from now. In the year 2009 we would be doing what the House voted to do next year. That takes a great deal of political courage. [Laughter.]

Mr. CURTIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield myself 5 minutes.

Mr. CURTIS. Let us get it straight. They would pay the same tax as any other corporation. Any other corporation would get an 85-percent dividend credit, and they would pay the same tax.

Also, the entire argument of the distinguished Senator from Tennessee was for the purpose of ending the life of a

foundation. He did not want the hands of a dead man to go on and on and control things.

Mr. LONG. Mr. President, I am willing to yield for a question, but not for a speech against my position, on my time.

Any one of these foundations can put its portfolio into the same kind of assets that most of them are holding now. Half of them were created—in fact, some of the largest were created—just for the purpose of maintaining family control over a corporation after the man who organized the corporation and built it up passed away, so that the family voting control could be maintained. Some of these foundations have not used any of that money to make any worthy contribution to charity, even to this day. This is a case in which corporate stock was placed in a foundation on the theory that it was to go to charity, and in many instances charity has been waiting many years and has not received any benefit as yet.

We tried to do something about that in this bill. But should not there come a day, sometime, when we ask, "What kind of good works has this outfit done? Does it deserve tax exemption in perpetuity? Does it deserve immortality? Has it done the kind of good work that entitles it to a tax-exempt status forever?" If it has not done that, why should it not pay some tax for failing to do the kinds of things we hoped the foundations would do when they were created?

Mr. MONDALE. I yield 3 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, if the whole tradition of charitable foundations is an evil in our American society, we should eliminate it completely. But I am one of those who feel that the inspiration for private giving in America is the very foundation of our democratic process.

In my State we have foundation after foundation that have dedicated requirements, under their charter provisions, that at least one shall give its entire distribution to the United Fund appeal.

With this idea today, that we should treat them as private corporations, what are we doing? We are stifling the one thing that is the nobility of our society, and that is the element of private giving. If we want to get into a dole state, if we want to begin to tax a charitable foundation as we tax any other corporation, then we would be spelling the death knell.

I am not impressed with the argument that 40 years from today I will not be here. But my grandchildren will be here, and the grandchildren of other Senators will be here.

So I say to my colleagues that they should not do this, because it would eliminate the element of private giving in America, and that is the worst thing that could beset this society.

It is becoming bad enough for our universities to receive endowments. For example, I am a trustee of Brown University, and we receive some handsome contributions from the Ford Foundation and other foundations. We have the Rhode Island Charity Foundation, which has to give every nickel of its distribution to the United Fund appeal.

Yes; there have been abuses. But you do not throw out the baby with the wash water, and you do not burn down the barn just to catch one mouse. That is what is being contemplated today. If there are abuses, let us eliminate the abuses.

If their accounts have to be audited and they must pay for it, let them pay for it, but do not crucify them and do not eliminate them, because you will be removing from society a tradition that is noble and fine.

Several Senators addressed the Chair.

Mr. LONG. Mr. President, I yield 5 minutes to the Senator from Tennessee.

Mr. GORE. Mr. President, my distinguished friend from Rhode Island has waxed warm, but not very factually. What is the record? The record shows that foundations are largely conduits. The testimony before the Committee on Finance showed that almost 94 percent of foundation contributions went to other tax-exempt organizations.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. No, please.

Mr. PASTORE. The Senator mentioned my name; he said I was not factual. Why does not the Senator yield?

Mr. GORE. I yield. What facts does the Senator have?

Mr. PASTORE. Does the Senator pretend that he knows the situation in Rhode Island better than I?

Mr. GORE. I pretend to know the situation about foundations better than the Senator.

Mr. PASTORE. But not about Rhode Island foundations.

Mr. GORE. I expect I do.

Mr. PASTORE. I expect you are absolutely wrong. [Laughter.]

Mr. GORE. Let us set a day and find out.

Mr. PASTORE. Do not try to talk for my State; and I shall not talk for your State.

Mr. GORE. We are not, or should not be, talking about Rhode Island or Tennessee. We are talking about tax-exempt privileges for private foundations, not public foundations.

The record shows, according to testimony before the Peterson Commission, that in overwhelming proportions and instances foundations are created for the purpose of tax avoidance, to extend economic benefits to members of the creator's family and to continue family ownership and control of property.

Let us take one of the good ones: Kellogg. It was created approximately 40 years ago for charity. What has happened? The corpus has increased—and here is the report—from $41 million to $408 million. Not one dime of this increase has gone to charity; some of the income has. Here is a 168 page report. And what is the purpose? To advertise Kellogg, Kellogg, Kellogg. Can you see it? Kellogg, Kellogg, Kellogg.

It perpetuates and immortalizes the name of the Kellogg family, advertises the Kellogg Co., and brand name of its products and to keep some tax-exempt funds.

Those are some of the facts to which the Senator from Rhode Island did not refer.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. No; I do not yield.

Mr. PASTORE. Will the Senator yield?

Mr. GORE. No; I do not yield. I have only 5 minutes.

Mr. President, how long can we permit this to continue? Is 40 years too long? Maybe we should make it 140 years? But the Senator from Minnesota wants to continue it in perpetuity. How long is forever? Every time, or almost every time, a man becomes a millionaire now he begins to look for a tax lawyer to set up a foundation to avoid taxes and to perpetuate family ownership of property.

One of the strangest anomalies in our history is that my liberal friends somehow think this is a liberal cause for which they are fighting. They are fighting for the vested interest of this country, for the vested wealth of this country, to be tied up in perpetuity for the descendants of a few people who have waxed rich—sometimes by chance or inheritance from this society of ours.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. YARBOROUGH. When the foundations are exempt from taxes, who pays the tax to make up for the tax they do not pay?

Mr. GORE. The people the Senator and I represent, who earn wages and salaries.

Mr. President, I have spoken long enough to join the issues of this matter. What the committee has done has been to provide some reasonable time limitation on tax exemption. I think it should have been shorter than 40 years. Our successors can devise a formula through which the good can emerge, but unless we have some plan, some formula, some guide, some rule, or some limit, then they can go on ad infinitum, proliferating by the thousands everywhere, to avoid taxes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield 2 additional minutes to the Senator.

Mr. President, I would like to ask the Senator a question.

Mr. GORE. I yield.

Mr. LONG. Does the Senator recall when Mr. John D. Rockefeller III was before our committee? I asked Mr. Rockefeller this question: "Mr. Rockefeller, would you agree with me that if one is to have immortality he should earn immortality?"

Mr. Rockefeller's answer was, "Yes."

I agree with that. I hope he had in mind what I had in mind. I think the Rockefeller Foundation has done a lot of good work. Some people were concerned to find the overhead is 18 percent. We thought it would be less; that expenditures for charity and education would be more than 82 percent and the overhead less than 18 percent. But we had accepted it as one of the foundations of this country that has done a great deal of good. Most people would have the view it has been a fine responsible organization and it is one of the ancient foundations of this country, one

of the historic big ones. Mr. John D. Rockefeller III agrees that if one should have immortality he must earn immortality.

The Rockefeller Foundation question will come to us 25 years from now and say, "We want Congress to extend our tax-exempt privileges for another 40 years."

Mr. GORE. Or become a public foundation.

Mr. LONG. Or become a public foundation. But that would create no problem. But I am well aware of some of these foundations. I have been asked to serve as a trustee on some of them where some fellow who never gave the first evidence that he has one drop of human kindness sets it up for tax avoidance, sets it up for his children and grandchildren to use for the economic muscle involved in that money, without giving any of it for charity.

I have heard some persons say that one of these days Congress is going to debate the laws about this and they say, "We better get organized as fast as we can in order to come under any grandfather clause that might be effective at that time." I heard that 20 years ago when I came to Congress.

Mr. GORE. In an off-the-record session, we were told of two foundations. I am not sure that I could verify this, but we heard it. It is certainly possible under the law.

Citizen A created his foundation, foundation A. Citizen B created a foundation, foundation B. I am leaving out the names. The foundations were created for the worthy and charitable purpose of assisting in the education of worthy young men and women. Citizen A, through the funds of his foundation, educated the children of citizen B, and citizen B, through the funds of his foundation, educated the children of citizen A. Funds in both cases were tax exempt, of course.

Mr. LONG. A home-and-home arrangement.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. No; I do not yield just now. The Senator has me worked up. I want to continue. How long does the Senate think this could continue—for 40 years? 140 years? or forever?

We argued here for days about raising the personal exemption for a man's child from $600 to $800, and it was, some said, going to bust the budget. But now we come here to give a tax exemption in perpetuity for the rich to invest their wealth in personal foundations, private foundations to avoid taxes and perpetuate their names, perpetuate family ownership in property, whether they are able to manage the business or not, in perpetuity. Bust the budget? Perish the thought.

Mr. PASTORE. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. No; I say to my good friend, because—well, yes, I will yield. [Laughter.]

Mr. PASTORE. All right. Thank you, Senator.

Mr. GORE. I love my friend from Rhode Island.

Mr. PASTORE. Does the Senator want me to get him a drink of water.

Mr. GORE. I love my esteemed friend from Rhode Island. I cannot resist the temptation of being kind.

Mr. PASTORE. Does the Senator want me to fetch him a drink of water?

Mr. GORE. At this time of day, yes. [Laughter.]

Mr. LONG. Let me say to the Senator from Tennessee that I want to have 3 minutes at the end.

Mr. PASTORE. Well, if we must quibble over time——

Mr. LONG. I have only 3 minutes left.

Mr. PASTORE. Yes, but the Senator is all steamed up.

Mr. GORE. I need far more than 3 minutes when I am steamed up.

Mr. LONG. Mr. President, I ask unanimous consent to extend the time to 10 minutes on this amendment, with 5 minutes being allocated to each side.

Mr. MONDALE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Who yields time?

Mr. MONDALE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. 19 minutes.

Mr. MONDALE. Mr. President, how much time do the proponents of the committee bill have?

The PRESIDING OFFICER. Three minutes.

Mr. MONDALE. Mr. President, I yield 5 minutes to the distinguished Senator from Illinois (Mr. PERCY).

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. PERCY. Mr. President, as a cosponsor of the Mondale-Percy-Curtis-Hollings amendment, I very much urge its adoption.

I have had some 15 years of experience working with a number of foundations and I should therefore like to be as objective as I possibly can. I would like to make it clear that there have been abuses by foundations, abuses which have actually been brought about sometimes by lack of surveillance by the Government.

The committee has done a fine job in plugging the loopholes that have been used by some foundations. It has stamped out, with the legislation before us, some of the abuses that have been perpetrated. That is a good thing and all good foundations support what the committee has done in this regard. But if ever I have seen an example where we are trying to kill the goose that lays the golden egg, here is that case. If anyone feels that a university can be set up and say it shall be taxed as a corporation after 40 years, how can it continue to get by on contributions to carry on in the future as it has in the past, and carry on its good work? That would be absolutely impossible.

Mr. President, the tax reform measure, reported by the Finance Committee would impose a 40-year life on private, nonoperating foundations.

In fact, the committee has imposed a death sentence on these foundations. This was done without justification.

Our country today faces a critical challenge in meeting the needs of our society. A gap exists between what our needs are and our ability to meet these needs. In the areas of environmental pollution, crime control, drug abuse, health, education, jobs, mass transportation, and other urban and rural ills, we have a gigantic job to do. Hundreds of billions of dollars will be required to even begin to resolve these problems. Government—Federal, State, or local—cannot begin to meet this challenge. Aside from lack of revenue, adequate and skilled personnel will not exist nor frequently will that degree of innovative quality and incentive which are so vital to a dynamic society. Foundations can carry on creative innovative experiments more freely than Government. Greater flexibility can also be exercised in responding to special needs.

Each year some $16 billion in private wealth is given for charitable purposes. Of this, private foundations give $1.5 billion or about 7½ percent of their total assets. In comparison to the overall expenditures for our social needs, this sum may seem of only limited importance. Nothing could be further from the truth.

Medical education and research, population studies and family planning, public television, education at all levels, revenue sharing, conservation, scientific breakthroughs, pollution control, family assistance innovations, culture and the arts—these and many other areas of our daily life have been helped or inspired by grants from private foundations. In fact, all of us can think of many major discoveries and achievements that have occurred as a result of foundation grants. Many foundations have had the freedom, courage, independence, foresight, and wisdom to risk funds in innovative and creative ways.

The heart of foundation giving, however, is not generally the glamorous, pioneering variety described above. Instead, grants are made year-in and year-out to the YMCA, Boys Clubs, the Cancer Society, the Girl Scouts, education institutions and hospitals, symphonies, museums, welfare agencies, and the myriad of other institutions which contribute to the development of a better society.

These institutions are not only valuable for the work they do but also in the benefit they and, in turn, society receive through voluntary assistance.

The social costs are rising rapidly. In this service-oriented line of endeavor, personnel costs constitute the major financial burden. The Commission on Foundations and Private Philanthropy under the able direction of Mr. Peter G. Peterson has recently reported that 64 percent of the costs of Chicago charities in 1968, consisted of personnel costs. I am sure charitable institutions in other areas of the country experience similar expenses. Salaries of hospital interns are up 81 percent in the past 5 years. During the same period, nurses salaries are up 50 percent and social and case workers up 42 percent. Due to these and other costs loads upon charitable, cultural, educational, and other institutions, the fees that many agencies have had to charge have arisen or the assistance they have been able to render has declined. But, the

impact would have been far worse if it had not been for the contribution of voluntary assistance which helps to keep these institutions running as do the financial contributions of private foundations.

Projection made by the Peterson Commission show that 50 to 60 million Americans annually engage in full-time or part-time volunteer activity for nonprofit institutions. If this assistance were costed out at the low figure of $3 an hour, the financial burden would be impossible to bear. Even with continued generous contributions by foundations, however, as well as by other traditional means, these institutions could not be able to carry on at their present levels. And, we surely know that Government cannot assume the burden. Federal, State, and local governments are unable to support their present social obligations—let alone take on new ones.

It is essential, then, that we not only preserve private giving, as exemplified by the contributions of private foundations, but seek to encourage greater giving. Why, then, are we seeking to pass a death sentence on private foundations as the committee bill seeks to do? In all honesty I do not know. I suspect, however, that this desire to destroy foundations is due to irritation by many over the wrong doings of a few foundations and bitterness by a few over the progressive activities of a number of foundations. The latter attitude cannot be met undoubtedly without destroying the will and purpose of most foundations. The former, however, has already been taken care of by other provisions in the tax reform bill. A liberal payout of income must be made each year, detailed auditing will be required periodically; partisan political activities or lobbying are to be prohibited; and self-dealing, tax avoidance, and anticompetitive practices are prevented.

The 40-year rule does nothing to correct abuses; it only destroys valuable institutions—after reforms have been instituted. This makes no sense at all.

Foundations are created for many reasons; the desire to perpetuate a name, an interest in helping to meet certain categories of social need, an intention to reduce personal administrative inconvenience or to insulate oneself from direct appeals for contributions, and admittedly in many instances to obtain a tax benefit. But, what is wrong with these reasons. In the long run, as well as the short, the public benefits. Not only do we preserve a pluralistic society where social needs are met through private as well as public assistance, but we also continue in operation on innovative and dynamic force which challenges the public sector.

As John Gardner recently warned:

> A society that deadens the individual cuts off its own sources of revenue and cements over the seedbed of its future growth.

Mr. President, we must not let this happen. Therefore, I urge the adoption of this amendment which the administration fully endorses.

Mr. MONDALE. Mr. President, I yield 3 minutes to the distinguished Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.

Mr. COTTON. Mr. President, I believe I can say in 2 minutes what I want to say.

I am in complete accord with the Senator from Rhode Island in every word. The foundations, if they need regulating, should be regulated; and if Internal Revenue does not succeed under its authority in doing that, then I am confident the able gentlemen who are members of the Senate Finance Committee can frame the kind of legislation or create the kind of quasi-judicial body necessary so that any abuses are stopped.

In my State of New Hampshire, like the State of Rhode Island, we have many small foundations, and they are doing excellent work. Every cent is being spent for the purpose of the foundation, and the purpose is not to favor any family or maintain rich men's sons. They are being used to educate poor boys and girls. They are being used in many of the necessary philanthropic activities in our State.

At best, government charity is a pretty cold proposition. In this country, we are fast getting to the point of we are saying, "The Government is my brother's keeper."

I do not care whether we call it making them a corporation or taxing them, or whether we call it putting them to death. This blunderbuss approach of saying ing "sometime in the future, at such a date," if some Congress is not wise enough to change it and face up to its duty, that foundations shall be ended as foundations, that, in the opinion of this Senator, is wrong.

Therefore, I shall certainly support the amendment because I support it in the name of foundations of which I am familiar in my State, just as the Senator from Rhode Island is familiar with them in his State.

Mr. MONDALE. Mr. President, I yield 2 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 2 minutes.

Mr. HOLLINGS. Mr. President, the nobility of giving in America as proposed by my amendment and described so vividly by our distinguished colleague from Rhode Island is the very reason I support it. I think the argument has gotten out of kilter. The Senator from Tennessee has mentioned Kellogg. He contends it has not spent one dime on charitable purposes; that it has built itself up from $40 million to $400 million, and spent nothing for charity.

If this were true, it would not qualify as a foundation. To build from $40 to $400 million is a successful operation. You can still maintain the corpus and be allocating millions from income—with the corpus growing all the time.

Now, all this talk as between the poor and the rich, and where the taxes will come from—that which is not paid by foundations that it will come from the poor people. It so happens that the experience in South Carolina has been that this money does go to charity, and that it does go to the poor.

The Duke Foundation, for example, gives $1 for every welfare patient in every hospital, particularly in the rural sections of South Carolina—$1, whether white or black, and also $1 for each orphan in the orphanages. Self-foundation; Duke has supported all of the hospitalization, the welfare, and the rural programs in South Carolina.

To quote my distinguished colleague from North Carolina (Mr. JORDAN) you can shear a sheep every year, but you can skin him but once. I am afraid that what we are about to do is skin and ruin the sheep.

Senators talk about foundations that are not supporting charitable endeavors. If they have never paid out funds as charitable foundations, as they should under the law, then they should be removed from their tax-exempt status as provided for by law.

We now are concerned with the abuses which the Senator from Georgia spoke about so vehemently and persuasively yesterday. I support the cures, I want to correct the abuses, but I do not want to give a cure and a death sentence at one time.

Mr. MONDALE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes remaining.

Mr. MONDALE. Mr. President, I yield myself 5 minutes.

The key issue is whether we wish to destroy one of the most creative and dynamic and unique institutions in American life—the private foundation. If the issue were one of reform, if the issue were one of self-dealing, if the issue were one of public disclosure, I think many of us in this Chamber would agree on the need for those reforms.

As a matter of fact, the tax committee has recommended several reforms which I wholeheartedly endorse—reforms requiring, for example, that 5 percent of the foundation's assets be paid out annually for charitable purposes; reforms that prohibit self-dealing, or control of family corporations, reforms that strictly limit the nature in which corporate donors may use the assets of the corporation for public maneuvering; public disclosure provisions, which we just voted to strengthen only yesterday, reforms that prohibit nepotism and favoritism, reforms that would restrict jeopardizing the foundation's assets or making unproductive use of them.

I stand by those measures because I think reform is needed. I think some of the criticisms against foundations are well taken and that those reforms should take place. I am surprised that we hear so much about abuses in the debate on my amendment because I think the committee has wisely included provisions to deal effectively with that problem.

What we are talking about here is not reform, but a death sentence. This is a proposal to eliminate—not reform—private nonoperating foundations in American life. And, if we eliminate these, why not other tax-exempt organizations?

Is that what the Senate wants? Do we want to support a proposal which would have killed the Rockefeller Foundation

at its 40th year—the foundation which developed miracle varieties of wheat and rice which today offer the only hope of eliminating world starvation? When I am asked if I support the Rockefeller Foundation as a liberal institution, I say "Yes."

Last night we heard complaints about the fact that foundation moneys had been used to make it possible for some poor people to attend the White House Conference on Hunger. I happen to believe that if there is to be a conference on hunger, it is a good idea to have a couple of people on it who have been hungry and know something about it.

The complaints were that tax-exempt foundation money should not be used for that purpose. There were no complaints made against the fact that most of the delegates were corporate officers, corporation presidents, chainstore leaders, processors, and the rest who were taking tax deductions for their expenses. Do not forget that business corporations also have charters that are in perpetuity.

Although reform is needed, I believe the record of the private foundations in this country is such that we ought to support them and stand behind them in their magnificent work. All of us know that many of the creative ideas with which we deal here in Government, which we see in our country, are derived from the splendid work of these worthy foundations.

In health, in education, in the cultural field, in social welfare, in noncommercial television, in adult education, in legal rights for the poor and the consumer, in civil rights, in social sciences, in the national merit scholarship program, in population problems—wherever we look, the cutting edge of the liberal, dynamic thought in this country today is being supported by the private foundation field.

I think anybody who wants to cut off that dynamic and creative and competitive area of life threatens to diminish and reduce the vitality of our Nation.

I am proud, as a liberal Democrat who has stood shoulder to shoulder with the Senator from Tennessee on great humanitarian programs, to stand here as well today and say this is a measure important to the vitality and the objectives of this country that we must further.

Mr. President, I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, the real essence of this debate is that this is not a tax reform question but rather a sociological decision for the Nation. Even at the end of 40 years any one of these foundations can turn its assets over to an operating foundation or charitable foundation and thus pay no tax. So no money is involved. It is not a tax reform to right some inequity. It is just an issue that at the end of 40 years we are going to decapitate any private foundation without any regard to its performance standard. Therefore, it is a sociological decision. There is no method for evaluating the standards by which the foundations would have performed. There is no determination that some foundation should not exist for even 40 years while others should exist for far longer. Therefore, this would just be a sudden death proposition, no matter how desirable the operations of the foundation were that it had carried on. Therefore, I think we would be carrying out, in this tax reform bill, a major change in American society.

This is why the foundations and the recipients of the foundations' charity have been up in arms. Perhaps someone can analyze for them that no part of the bill is going to trouble him seriously in his lifetime, but they say it is a sentence of death or of disapproval by the Senate of the United States of the whole concept of philanthropic giving. That is what alarms them so much. That is why I criticize it this morning. I regard this as the central, most critical amendment with regard to the foundation that perhaps has faced us in the time we have served.

I thank the Senator for yielding to me.

Mr. MONDALE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. MONDALE. I yield 1 minute to the Senator from Oklahoma (Mr. HARRIS).

Mr. HARRIS. Mr. President, I rise in support of the pending amendment. The questions which have been raised here in opposition to the amendment seem to me really irrelevant to the amendment. The Senate Finance Committee, together with the bill which came to us from the House, has already voted rather serious restrictions and limitations on private foundations. It proposes to place a tax on them. It proposes to require rather rigid disclosure rules. It prohibits self-dealing in a great deal of detail. It prohibits political activity. It requires a payout regularly each year of a certain percentage of the foundation's assets. It seems to me those are rather serious steps we are taking.

Then, on top of all that, we come along with what is for those who advocate it from their position actually a meaningless provision saying that 40 years from now, after being on probation, you will be executed. We will have time to do that later on if we want to do so. We have done enough. I think the amendment should be adopted.

Mr. MONDALE. Mr. President, I yield 1 minute to the Senator from Utah (Mr. Moss).

Mr. MOSS. Mr. President, I rise to support the amendment because I believe it would be intolerable to pass what amounts to a death sentence on our great foundations. I recognize that the foundation method has been used and abused by some who have used it as a tax dodge in various ways. I think we ought to do everything we can to make sure that we do not permit anyone to abuse the immunity from taxes given to the foundations, but I say, Mr. President, that the great foundations, those that were spoken of by the Senator from Minnesota, are indeed furnishing leadership in this country that we cannot afford to dispense with, and I therefore support the amendment.

The PRESIDING OFFICER. The Senator from Louisiana has 2 minutes remaining.

Mr. LONG. Mr. President, I yield myself 30 seconds.

All this provision of the committee bill says is that these foundations would start paying, 40 years from now, the same tax that the House of Representatives has voted that they would start paying next year. We take 40 years to put on the tax that the House mustered the courage to put on these tax-exempt organizations starting next year.

That is no death sentence. It amounts to a 7½-percent tax. As far as I am concerned, if they could show, 10 years from now——

The PRESIDING OFFICER. The Senator's 30 seconds have expired.

Mr. LONG. I yield myself 30 seconds more. If they could show, 10 years from now, that they had done the kind of work that would justify continued tax exemption, I would be willing to vote to continue their tax-exempt status. But to say that they shall unconditionally enjoy tax exempt status forever is unreasonable, and I am sure the more Senators think about it, the more unreasonable they will see it is.

I yield my remaining time to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee has 1 minute.

Mr. GORE. Mr. President, we have said little about how this provision in the committee bill could act as a brake upon the proliferation of so-called private charitable foundations by the thousands per year. The Treasury cannot even give us a reliable estimate, within 10,000, of how many there are now. One effect of the provision of the Senate bill will be to call a halt to this process, by establishing for private foundations a rule against perpetuity.

This, throughout western history, has been a liberal cause. Yet my liberal friends are worked up by the power of the foundation lobby into thinking that somehow, by fighting for perpetuity for vestment and control of wealth, they are fighting for a liberal cause. Mr. President, they are misled.

The Peterson Commission report, as presented to your committee, showed that the principal reason for setting up foundations is to keep control of a family corporation, tax avoidance through gifts of appreciated property, and perpetuation of the family name.

It is sometimes argued that private foundations are freer to engage in experimental and controversial areas than is the Government. However, the Peterson Commission testimony itself showed that this is not the case. The testimony was that only 12 percent of the foundations had made any gifts at all in the last 3 years that might be considered innovative, experimental, or out of the ordinary. Less than 1 percent had supported any projects that might be considered controversial. Therefore, the foundation claim that they are an innovative force in society is destroyed by the foundations themselves.

The fact that regular corporations are

granted perpetual life is no argument against 40-year rule. Corporations that have perpetual existence are taxed every year. The 40-year rule simply says that private foundations can be tax exempt for 40 years and, for the rest of their perpetual existence, unless an additional provision is enacted, they will be taxable like all other perpetual corporations.

Mr. DOLE. Mr. President, foundation grants play a very significant role in helping Kansas institutions. A cursory check of current activities indicates that the Carnegie Corp. is assisting the University of Kansas in developing its honors program, one that has attracted much national attention. The Ford Foundation and the Carnegie Corp. are providing major aid to both the University of Kansas and Kansas State University in training staff for work in Latin America and the Far East. The Kansas City Association of Trusts and Foundations supports a number of programs at the University of Kansas Medical Center, including significant parts of research activities of the cardiovascular laboratory as well as direct services to handicapped children at the Children's Rehabilitation Unit operated by the University of Kansas Medical School. The Ralph L. Smith Foundation supports a number of important projects at the Menninger Foundation in Topeka and at the Institute of Logopedics at Wichita. The Kenneth A. Spencer Foundation is providing a large part of the cost of the new science building under construction at the University of Kansas—$2,300,000.

It would be a great loss to the State if the level of foundation support were to be diminished by legislation limiting either the life or the range of action of American foundations.

Mr. McINTYRE. Mr. President, as a cosponsor of the Mondale-Curtis-Percy-Hollings amendment to eliminate the 40-year "death sentence" rule against private philanthropic foundations, I wish to state briefly my deep views on this question:

First, foundations have historically been and continue to be institutions that operate for the public good. We should be preserving them and encouraging them. But the 40-year rule, together with the proposed new treatment of gifts of appreciated property will ultimately completely eliminate the private philanthropic institution from American life.

Second, the record of foundations in New Hampshire, my home State, suggests how important that loss would be. They have supported public as well as private higher education, at the New Hampshire State University and at Dartmouth College, Hanover, N.H. They have helped to advance the arts. They have assisted general charity by grants to community funds. They have helped responsible State agencies address the problems of drug addiction and rehabilitation.

Third, if there are abuses by a minority of foundations, we should not tolerate them for 40 years. In fact, we do not need to, because the amendment before us will tighten the law and stop the practice of using foundations as tax shelters, instead of as full-time sponsors of charity. Provisions to limit financial self-dealing, limit stockownership and require prompt, high annual charitable distributions.

Fourth, the 40-year rule undermines our desire for reform. It strikes the good as hard as it hits the bad. Indeed, it has the effect of giving the bad a 40-year reprieve. It also has the effect of demoralizing the responsible, fruitful foundations and their staffs. All of us here know the psychological edge that is lost when the future is foreordained or foreclosed, as would be the case for foundations if this hastily developed proposal becomes law.

For these reasons. I ask every Senator to join me in voting for the Mondale-Curtis amendment, which would delete the 40-year rule ending the tax-exempt status of private foundations.

I ask unanimous consent that a listing of foundation activity in New Hampshire reported to the Internal Revenue Service for the fiscal year 1967 be printed in the RECORD.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

*A listing of foundations in New Hampshire reported to IRS for fiscal year 1967*

| | |
|---|---|
| Ford Foundation: University of New Hampshire, Durham | $67,498 |
| Fuller Foundation: Fuller Foundation of New Hampshire | 50,000 |
| General Foods Fund: Dartmouth College School of Business, Hanover | 10,000 |
| Gulbenkian Foundation: Dartmouth College, Hanover | 4,000 |
| Inland Container Corp. Foundation: Cardigan Mountain School, Canaan | 15,000 |
| Markle (John and Mary R.) Foundation: Dartmouth Medical School, Hanover | 12.000 |
| Merrill (Charles E.) Trust: | |
| Crotchet Mountain Foundation, Manchester | 15,000 |
| Edward MacDowell Association, Petersborough | 15,000 |
| New Haven Foundation: | |
| Visiting Nurse Association, New Hampshire | 18,400 |
| New Hampshire Festival of Arts | 7,000 |
| New Hampshire Symphony Orchestra | 18,800 |
| New Hampshire Rehabilitation Center | 8,200 |
| New Hampshire Halfway House | 8,100 |
| United Fund of New Hampshire | 65,600 |
| United Fund of New Hampshire | 16,300 |
| Urban League of New Hampshire | 13,500 |
| New Hampshire Legal Assistance | 6,000 |
| Research Corp.: Dartmouth College, Hanover | 7,000 |
| Rockefeller Foundation: Dartmouth College, Hanover | 130,000 |
| Sloan (Alfred P.) Foundation: Dartmouth College, Hanover | 105,065 |
| Spaulding-Potter Charitable Trusts: New Hampshire Commission on the Arts | 5,000 |
| Walton (Rachel Mellon) Foundation: St. Paul's School, Concord | 25,000 |
| Total | 662,463 |

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Minnesota (Mr. MONDALE). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY (when his name was called). Present.

Mr. BYRD of West Virginia (after having voted in the negative). Mr. President, on this vote I have a pair with the senior Senator from Alabama (Mr. SPARKMAN). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. McCARTHY (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from California (Mr. CRANSTON). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri (Mr. SYMINGTON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HATFIELD), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 69, nays 18, as follows:

[No. 174 Leg.]

YEAS—69

| | | |
|---|---|---|
| Aiken | Gurney | Nelson |
| Allen | Hansen | Packwood |
| Allott | Harris | Pastore |
| Baker | Hartke | Pearson |
| Bayh | Holland | Pell |
| Bellmon | Hollings | Percy |
| Bible | Hruska | Prouty |
| Boggs | Hughes | Proxmire |
| Brooke | Inouye | Randolph |
| Burdick | Jackson | Ribicoff |
| Case | Javits | Saxbe |
| Church | Jordan, N.C. | Schweiker |
| Cooper | Mansfield | Scott |
| Cotton | Mathias | Smith, Maine |
| Curtis | McGee | Smith, Ill. |
| Dole | McGovern | Spong |
| Eagleton | McIntyre | Stevens |
| Ervin | Metcalf | Tower |
| Fannin | Mondale | Tydings |
| Fong | Montoya | Williams, N.J. |
| Goodell | Moss | Yarborough |
| Gravel | Murphy | Young, N. Dak. |
| Griffin | Muskie | Young, Ohio |

NAYS—18

| | | |
|---|---|---|
| Bennett | Fulbright | McClellan |
| Byrd, Va. | Gore | Miller |
| Cannon | Hart | Russell |
| Dodd | Jordan, Idaho | Stennis |
| Eastland | Long | Talmadge |
| Ellender | Magnuson | Williams, Del. |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Byrd of West Virginia, against.
McCarthy, against.

ANSWERED "PRESENT"—1

Kennedy

NOT VOTING—10

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Cook | Hatfield | Thurmond |
| Cranston | Mundt | |
| Dominick | Sparkman | |

So Mr. MONDALE'S amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONDALE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 265

Mr. MANSFIELD. Mr. President, on yesterday we considered the Cannon amendment, amendment No. 265. All time has expired, and I call for a vote now on that amendment.

The PRESIDING OFFICER. The question is on agreeing to the Cannon amendment.

The amendment was rejected.

AMENDMENT NO. 371

The PRESIDING OFFICER. Pursuant to the previous order, the pending business is now amendment No. 371 of the Senator from New York, as modified. The clerk will report.

The legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment, as modified, will be printed in the RECORD.

The amendment, as modified, ordered to be printed in the RECORD, is as follows:

On page 5, line 10, insert the following new subsection:

"(a) PRESIDENTIAL COMMISSION ON PHILANTHROPIC ACTIVITIES.—

"(1) STATEMENT OF PURPOSE, AND INTENT OF CONGRESS.—The Congress finds that philanthropic and other tax exempt institutions have demonstrated flexibility and innovation in meeting a wide range of human, social, and scientific needs, and that the activities of such institutions should be preserved and encouraged. Therefore, the Congress proposes to encourage and preserve these activities consistent with the concept that tax liability should not be inequitably avoided. In pursuance of this objective, the Congress finds it to be in the public interest to undertake a study of (i) whether the national interest requires philanthropy and similar tax-exempt activity; and (ii) the effect of appropriate provisions of the Federal income tax, gift tax, and estate tax laws on such activity.

"(2) ESTABLISHMENT OF THE PRESIDENTIAL COMMISSION ON PHILANTHROPIC ACTIVITIES.—

"(A) For the purpose of carrying out the provisions of this Act, there is hereby created a commission to be known as the Presidential Commission on Philanthropic Activities (hereinafter referred to as the "Commission").

"(B) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

"(3) MEMBERSHIP OF THE COMMISSION.—

"(A) NUMBER AND APPOINTMENT.—The Commission shall be composed of twenty-five members, appointed by the President, without regard to political party affiliation, as follows:

"(i) Two Members from the Senate;

"(ii) Two Members from the House of Representatives;

"(iii) Twenty-one members from outside the Government.

"(B) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

"(C) CONTINUATION OF MEMBERSHIP UPON CHANGE OF STATUS.—A change in the status or employment of any person appointed to the Commission pursuant to subsection (A) of this paragraph shall not affect his membership upon the Commission.

"(4) ORGANIZATION OF THE COMMISSION.—The Commission shall elect a Chairman and a Vice Chairman from among its members.

"(5) QUORUM.—Thirteen members of the Commission shall constitute a quorum.

"(6) COMPENSATION OF MEMBERS OF THE COMMISSION.—

"(A) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

"(B) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

"(7) STAFF OF THE COMMISSION.—The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended.

"(8) EXPENSES OF THE COMMISSION.—There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this subsection.

"(9) DUTIES OF THE COMMISSION.—

"(A) INVESTIGATIONS, ANALYSIS, AND RECOMMENDATIONS.—It shall be the duty of the Commission—

"(i) to analyze philanthropic and similar tax-exempt activities to determine whether tax liability is being inequitably avoided;

"(ii) to analyze the Federal income, gift, and estate tax laws to determine whether such laws preserve and encourage philanthropy and other desirable tax-exempt activity consistent with the concept that tax liability should not be inequitably avoided;

"(iii) to analyze those areas of the Tax Reform Act of 1969 referred to it by Congress, to include but not limited to limitations on tax-exempt life, limitation on foundation activities, excess business holdings, and methods of making and disbursing charitable contributions, and to determine whether such provisions preserve and encourage philanthropy and other tax-exempt activity consistent with the concept that tax liability should not be inequitably avoided; and

"(iv) to formulate and make recommendations for administrative and legislative action determined to be necessary and desirable for the best interests of philanthropic activities.

"(B) REPORT.—The Commission shall report to the President and the Congress its findings and recommendations as soon as practicable and in no event later than June 30, 1971, and may make interim reports. The Commission shall cease to exist sixty days following the submission of its final report.

"(10) POWERS OF THE COMMISSION.—

"(A) HEARINGS AND SESSIONS.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this subparagraph, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena, or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued over the signature of the Chairman of the Commission, or such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

"(B) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman."

Page 24, line 6: Add the following new subsection:

"(b) REVIEW OF AUDIT FEE.—It is the intent of Congress that the audit fee imposed by subsection (a) reasonably approximate the cost associated with the audit contemplated hereby. The Secretary of the Treasury shall regularly review the costs associated with such audit and report and recommend to the Congress the rate of audit fee which shall reasonably approximate the costs of such audit."

Page 148: delete lines 20 through 25, inclusive; pages 149 through 188, inclusive: delete; page 189: lines 1 through 14, inclusive: delete and insert in lieu thereof the following:

"Section 170(b)(1) is amended to read as follows:

"(b) PERCENTAGE LIMITATIONS.—

"(1) INDIVIDUALS.—In the case of an individual, the deduction provided in subsection (a) shall be limited as provided in the succeeding subparagraphs.

"(A) GENERAL RULE.—Any charitable contribution to—

"(i) a church or a convention or association of churches,

"(ii) an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on,

"(iii) an organization the principal purpose or functions of which are the providing of medical or hospital care or medical education or medical research, if the organization is a hospital, or if the organization is a medical research organization directly engaged in the continuous active conduct of medical research in conjunction with a hospital, and during the calendar year in which the contribution is made such organization is committed to spend such contributions for such research before January 1

of the fifth calendar year which begins after the date such contribution is made,

"(iv) an organization which normally receives a substantial part of its support (exclusive of income received in the exercise of performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501(a)) from the United States or any State or political subdivision thereof or from direct or indirect contributions from the general public, and which is organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a college or university which is an organization referred to in clause (ii) of this subparagraph and which is an agency or instrumentality of a State or political subdivision thereof, or which is owned or operated by a State or political subdivision thereof or by an agency or instrumentality of one or more States or political subdivisions.

"(v) a governmental unit referred to in subsection (c)(1),

"(vi) an organization referred to in subsection (c)(2) which normally receives a substantial part of its support (exclusive of income received in the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501(a)) from a governmental unit referred to in subsection (c)(1) or from direct or indirect contributions from the general public,

"(vii) a private foundation described in subparagraph (E), or

"(viii) an organization described in section 509(a)(2) or (3),

shall be allowed to the extent that the aggregate of such contributions does not exceed 50 percent of the taxpayer's contribution base for the taxable year.

"(B) OTHER CONTRIBUTIONS.—Any charitable contribution other than a charitable contribution to which subparagraph (A) applies shall be allowed to the extent that the aggregate of such contributions does not exceed the lesser of—

"(i) 20 percent of the taxpayer's contribution base for the taxable year, or

"(ii) the excess of 50 percent of the taxpayer's contribution base for the taxable year over the amount of charitable contributions allowable under subparagraph (A).

"(C) UNLIMITED DEDUCTION FOR CERTAIN INDIVIDUALS.—Subject to the provisions of subparagraph (D), the limitations in subparagraphs (A) and (B), shall not apply, in the case of an individual for a taxable year beginning before January 1, 1975, if in such taxable year and in 8 of the 10 preceding taxable years, the amount of the charitable contributions, plus the amount of the charitable contributions, plus the amount of income tax (determined without regard to chapter 2, relating to tax on self-employment income) paid during such year in respect of such year or preceding taxable years, exceeds the transitional deduction percentage (determined under subparagraph (D)) of the taxpayer's taxable income for such year, computed without regard to—

"(i) this section,

"(ii) section 151 (allowance of deductions for personal exemption), and

"(iii) any net operating loss carryback to the taxable year under section 172.

In lieu of the amount of income tax paid during any such year, there may be substituted for that year the amount of income tax paid in respect of such year, provided that any amount so included in the year in respect of which payment was made shall not be included in any other year.

"(D) PARTIAL REDUCTION OF UNLIMITED DEDUCTION—

"(i) IN GENERAL.—If the limitations in subsections (b)(1)(A) and (B) do not apply because of the application of subsection (b), (1)(C), the amount otherwise allowable as a deduction under subsection (a) shall be reduced by the amount by which the taxpayer's taxable income computed without regard to this subparagraph is less than the transitional income percentage (determined under subparagraph (C)) of the taxpayer's ajusted gross income. However, in no case shall a taxpayer's deduction under this section be reduced below the amount allowable as a deduction under this section without the applicability of subsection (b)(1)(C).

"(ii) TRANSITIONAL DEDUCTION PERCENTAGE.—For the purposes of applying subsection (b)(1)(C), the term 'transitional deduction percentage' means—

"(a) in the case of a taxable year beginning before 1970, 90 percent and

"(b) in the case of a taxable year beginning in—

| | |
|---|---|
| 1970 | 80 percent |
| 1971 | 74 percent |
| 1972 | 68 percent |
| 1973 | 62 percent |
| 1974 | 56 percent. |

"(iii) TRANSITIONAL INCOME PERCENTAGE.—For purposes of applying subparagraph (A), the term 'transitional income percentage' means, in the case of a taxable year beginning in—

| | |
|---|---|
| 1970 | 20 percent |
| 1971 | 26 percent |
| 1972 | 32 percent |
| 1973 | 38 percent |
| 1974 | 44 percent." |

(E) DENIAL OF DEDUCTION IN CASE OF CERTAIN TRANSFERS IN TRUST.—No deduction shall be allowed under this section for the value of any interest in property transferred after March 9, 1954, to a trust if—

(i) the grantor has a reversionary interest in the corpus or income of that portion of the trust with respect to which a deduction would (but for this subparagraph) be allowable under this section; and

(ii) at the time of the transfer the value of such reversionary interests exceeds 5 percent of the value of the property constituting such portion of the trust.

For purposes of this subparagraph, a power exercisable by the grantor or a nonadverse party (within the meaning of section 672 (b)), or both, to revest in the grantor property or income therefrom shall be treated as a reversionary interest.

Renumber remaining sections and references accordingly.

Mr. LONG. Mr. President, is the Senator willing to agree on a time limitation on his amendment?

Mr. JAVITS. Mr. President, I should like to continue for about 5 minutes first.

The PRESIDING OFFICER. The Senate will be in order. We will not proceed until the Senate is in order.

The Senator may proceed.

Mr. JAVITS. Mr. President, I think the amendment can be very quickly explained and dealt with by the Senate.

The amendment proposes the appointment of a Presidential commission on philanthropy and other tax-exempt activities, to study these matters at a very high level, very much like the Hoover-type commission. It would be subject to confirmation by the Senate and we would turn over to that commission all the remaining major items in respect to charitable foundations which remain in the pending bill. The commission will study these items plus the entire area of philanthropy and other tax-exempt activity by June 30, 1971, and advise us authoritatively as to the whole question of our approach as a society to charitable foundations, philanthropic giving and other tax indulgence, and the extent to which it ought to be indulged in under the tax law.

A sheet of paper has been distributed to each Senator. It is headed, "Summary of Javits Philanthropy Amendment." It specifies exactly what would be deleted from the pending bill in the event the amendment is agreed to, and expresses the general commitment which will be made to such a high level Presidential commission in order to determine what ought to be our general policy and our tax policy with respect to those areas of the tax reform bill which deal with foundations and charitable contributions.

We have dealt with two very important aspects of foundation activity. One relates to the life of the foundation, which we have just decided, and the other relates to voter registration drives, which we decided yesterday. What remains for decision now is the whole question of the audit fee tax, which my amendment continues, but explains that it is based upon the actual cost of the audit activity which it is intended to finance. Hence, if we express the intention that private foundations pay an audit fee, and obviously it does not cost that much to administer that intention, Congress should be able to reduce the fee—although my amendment does not introduce automaticity into it but merely provides for a regular review and report by the Secretary of the Treasury regarding the cost of the audit and the amount of revenue being generated by the audit fee.

Mr. CURTIS. Mr. President, will the Senator yield for an inquiry?

Mr. JAVITS. Yes.

Mr. CURTIS. I have every confidence that the audit fee may be changed on the floor of the Senate to a lesser amount.

Mr. JAVITS. I am very glad to hear that. There is much that can be said in favor of that as well as in favor of abolishing it entirely.

Mr. CURTIS. In that case, what is the application of the Senator's amendment?

Mr. JAVITS. The application of my amendment would not stop a reduction in the audit fee.

Mr. CURTIS. What is the application of the Senator's amendment to the 40-year limitation on certain aspects of foundations which was not in the House bill, and now is not in the Senate bill?

Mr. JAVITS. I am most pleased that the Senate rejected that. I therefore have not dealt with the 40-year provision, because it has been dealt with by a separate amendment. I had proposed to deal with it in exactly the same manner, but I struck it out of this amendment because it has already been dealt with.

Mr. CURTIS. One other very important provision in the House bill and in the Senate bill is the requirement that foundations must divest themselves of certain business holdings. This is the one remaining issue that, in my opinion, is very crucial. Is that covered in the Senator's amendment?

Mr. JAVITS. No, it is not. My amendment does not deal with the stockownership limitation. That is shown on the chart, under the line, if the Senator will look at it. I am, however, very much concerned with that provision and the Commission will be studying that.

Mr. CURTIS. In other words, the creation of this committee would not go into that subject?

Mr. JAVITS. The Commission would go into every subject relating to tax exemptions and tax deductions including this question and the entire philanthropy question. The Commission would go into the whole fundamental question of whether foundations, philanthropic giving and other tax-exempt organizations, should be exempt from the taxes and, if so, to what extent. The Commission therefore would cover the whole field.

My amendment does not seek to delete from the bill the provisions with respect to abuses, as it were, and that is one of the things alleged to be an abuse. Therefore, my amendment does not try to take it out of this bill. It leaves the Senate bill as it is. If other Senators wish to amend it, they may, just as two Members have amended other provisions regarding charitable foundations. But I do not actually excise the business holdings limitations from the Senate bill. In other words, a subject need not be excised from the Senate bill in order to have it considered by this high level, or blue ribbon, Presidential Commission. It can be left in the bill and considered, also.

Mr. CURTIS. In the opinion of the junior Senator from Nebraska, this divestiture clause is one of the worst features in the bill. It will promote conglomerates. It will give an opportunity for the raiders to grab up companies. It is put in there without any evidence whatever that it is related to abuses. In fact, in situations where foundations are the sole owners of a business, there can be no self-dealing. It is my hope that if a high-level commission is created, that would be one of the things they would look into.

Mr. JAVITS. It is exactly one of the things the Commission would look into. But I do not excise it from the bill. I leave it there for any Member to strike it out of the bill, if he wishes. That does not change the fact that the Commission will consider it and Congress can act on it. What I actually delete from the bill are the inhibitions on charitable giving.

Mr. CURTIS. This is the worst inhibition possible, because no new foundations will be created. Individuals create foundations by giving that which they have. What is it? All or part of their own business. So the foundation starts out with more than 20 percent. This is the birth control measure to kill foundations.

Mr. JAVITS. I assume that the Senator from Nebraska will, in due course, move to strike it from the bill which I support and my amendment would not inhibit him or change that opportunity in any way. It is just more of a responsibility than I wanted to take on in this amendment. That is the only reason why I omitted it. I do delete, for example, those provisions affecting charitable contributions of appreciated property, the 2-year charitable trust rule; gifts of the use of property; charitable contributions by estates and trusts, charitable remainder trusts, and so forth. These areas are in my judgment vitally important in encouraging charitable giving.

If the Senator feels that this provision—that is, with respect to the amount of stock which a trust or a foundation can own—needs to be excised, he is at perfect liberty. My amendment in no way inhibits him from excising it. But I do affirm that the commission I am proposing would study that question, whether or not it is excised from the bill.

Mr. CURTIS. But after it has become law.

Mr. JAVITS. I will probably vote with the Senator on his amendment, but I am just not including it in mine.

Mr. CURTIS. It is a question whether or not it can be sustained.

Mr. JAVITS. I know that.

Mr. CURTIS. And the reason why it cannot be sustained is that many foundations are not affected by it, and therefore they have shown no particular interest in it.

Mr. RIBICOFF. Mr. President (Mr. GRAVEL in the chair), will the Senator yield?

Mr. JAVITS. I yield.

Mr. RIBICOFF. Mr. President, I think the Senator from New York has proposed a most worthwhile suggestion. There is no question in my mind that the the Finance Committee, in dealing with foundations, acted hastily and without a thorough study of the problem. The entire problem of foundations is so complicated and so important to the American way of life, in my opinion, that we should have a thorough study.

I should like to ask a question concerning the third item in the Senator's summary. I note that he keeps the one-fifth of 1 percent in the Finance Committee bill. That audit fee was not supposed to be a tax, but the cost of actually auditing foundations. The one-fifth of 1 percent would bring in some $50 million, and the audit cost would be some $25 million. It would seem to me that we should not charge a foundation the extra $25 million, and I wonder if the Senator from New York would accept an amendment to his amendment, to make that one-tenth of 1 percent, which is the actual cost of the audit.

Mr. JAVITS. I value very highly the Senator's feeling about what is the fundamental thrust of this amendment. But I do not deal in any way with the question of the amount. Even if my amendment is adopted, the Senator still could come back, because I do not deal with it, and move to reduce that amount.

All I do is to include a new provision, and I beg the Senator to bear with me on this.

I ask the Senator to look at page 8, line 3, of my amendment. It is amendment No. 371. It reads, "Review of audit fee." I do not delete the audit fee. Therefore, just as with the proposition of the Senator from Nebraska (Mr. CURTIS), any Member would be free to offer his own amendment with respect to the audit fee. The reason why I did not do it is that I did not want to take on more of a burden than I needed to take on in respect of what I think is a very desirable central proposition—to wit, this Presidential commission.

I do provide under the new paragraph that:

> It is the intent of Congress that the audit fee imposed by subsection (a) reasonably approximate the costs associated with the audit contemplated hereby. The Secretary of the Treasury shall regularly review the costs associated with such audit and report and recommend to the Congress the rate of audit fee which shall reasonably approximate the cost of such audit.

Initially I will accept for the moment the committee determination as to the amount of the audit fee. But I would give the Secretary of the Treasury the duty to study this and report to the committee so that it will be regularly apprised of the audit fee's status and make the changes those facts require.

Mr. RIBICOFF. Would it be the Senator's interpretation that his section (b), line 4, would apply to the actual cost of the audit this year, or would the audit be one-fifth of 1 percent?

Mr. JAVITS. No. If the Treasury came in with this estimate, the committee could make such change in the audit fee. I do not think there will be any problem about it. The only thing I did not want to do was to superimpose my judgment as to the amount of that fee on the committee.

Mr. RIBICOFF. Mr. President, I would like to make a parliamentary inquiry as to whether the adoption of the amendment offered by the Senator from New York would foreclose the vote on an amendment to change the present audit fee of one-fifth of 1 percent to one-tenth of 1 percent.

The PRESIDING OFFICER. On page 8?

Mr. RIBICOFF. Page 8 of the Senator's amendment.

Mr. JAVITS. Page 8, line 3.

Mr. RIBICOFF. The question is whether the adoption of the amendment offered by the Senator from New York would foreclose another amendment to be submitted which would change the audit fee from one-fifth of 1 percent to one-tenth of 1 percent.

The PRESIDING OFFICER. It would not preclude amendment of parts of the bill not touched by the pending amendment. The pending amendment itself could also be amended in one more degree.

Mr. JAVITS. Mr. President, as I understand the parliamentary situation, should the Senator desire to submit an amendment to my amendment, his amendment would be voted on first; if he would like that question determined in advance of the determination of this amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. The important point I make is—because I thought the idea of a commission was strong enough to carry itself—I did not desire to load my amendment with substantive things which were not immediately germane to the purpose of the amendment.

The PRESIDING OFFICER. The Chair rules that the adoption of this amendment would not preclude amendment of parts of the bill not touched by this amendment.

Mr. RIBICOFF. Mr. President, a private ad hoc commission, headed by Mr. Peterson of Bell & Howell, made a thorough and constructive study of the problem of foundations. Unfortunately, the report of the Peterson committee came to the Committee on Finance after it had completed its hearings. The members of the Peterson Commission were most constructive in pointing out the strengths and weaknesses, and there are many strengths and weaknesses.

It is my feeling if the Committee on Finance adopted the recommendations of the Peterson committee we would have a better idea as to the position of foundations in America and what they should be in the future. I believe the suggestion of the Senator from New York, which would follow along the lines of the Peterson Commission, would be a contribution to the role of foundations in society.

Mr. JAVITS. I am grateful to the Senator. Some of the major questions which would be considered, aside from the specifics, such as those raised by the Senator regarding the amount of stockownership or corporate control which could be exercised by the foundation, among other things, would be to analyze all tax exempt activities to determine whether tax liability is being inequitably avoided. For example, what activities should be carried on by foundations and other tax-exempt organizations in order to earn or qualify for tax exemptions? What are the desirable limits for legislative and political activity for tax-exempt organizations? Is it desirable to permit taxes of individuals to be reduced by making gifts to organizations which engage in philanthropy, whether private or otherwise? Should tax-exempt organizations be taxed on unrelated business income? What is the total cost to the Government to provide comparable services compared to the cost of providing these services through a series of tax concessions and what are the relative benefits to society?

These are all profound questions. The whole issue and its desirability has been raised by this endeavor to regulate. So my amendment goes to these fundamental propositions as well as to foundations and their justification. It deals with situations beyond contributions to the foundations by individuals, asking that that whole question be examined with the greatest care before we arrive at the point where we take away some rights of contribution, or which will inhibit contributions very materially, and which have been carried on by givers as one of the noblest activities of our Nation.

It seems to me—and the Senator from Connecticut, who is a member of the Committee, has stated it very eloquently and admirably—that at the very least we should have a deliberate understanding on the highest level. The commission I have in mind would have two Members from the Senate, two Members from the House of Representatives, and 21 members from outside the Government appointed by the President without regard to political party affiliation, and with regard to the highest talent available in the Nation for such a job. There is no reason why we cannot have the best available brains on this subject. We will have some really authoritative concepts as to whether we are doing the right thing in the entire tax-exempt field as well as whether there is any justification for exemptions for philanthropic contributions.

In closing, I would like to emphasize from the chart which I have submitted to the Senate that even though there are items which I do not ask by my amendment to be deleted they are nonetheless items which the commission will be seized to study and to give us a judgment of what we should do about those issues, which have been brought so sharply into question today. My amendment deletes those inhibitions on giving. It does not deal with all questions of alleged excesses, but leaves them in the bill as they are.

I hope this commission would be seized of the basic sociological questions our country faces with respect to this particular matter.

Mr. President, I wish to ask how many Senators are required to request the yeas and nays.

The PRESIDING OFFICER. Eighteen.

Mr. TOWER. Mr. President, will the Senator defer that request?

Mr. JAVITS. Yes.

Mr. TOWER. Mr. President, would the Senator from New York give some consideration to perhaps dividing the amendment and voting separately?

Mr. JAVITS. Very well. The Senator, of course, could bring that about but I think he is very gracious in suggesting it. I would suggest, if the Senator would like a division, that we vote on the commission in one vote and then deal with the question of any changes in the bill in another vote. Would the Senator from Texas think that was fair?

Mr. TOWER. That would be a wise course to pursue.

Mr. JAVITS. Mr. President, I ask unanimous consent that the amendment be divided for the purpose of the vote, so that the vote first occur on the material contained from page 1, line 1, to page 7, line 22, inclusive; and then I ask unanimous consent that the other amendments may be considered en bloc.

The PRESIDING OFFICER. Is there objection to the requests of the Senator from New York?

The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I ask for the yeas and nays on the first vote only.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, now, with the division which the Senator has brought about on the amendment, for which I am very grateful, we will vote only on the matter of whether a really high level Presidential commission will take a look at the whole philanthropic and tax-exempt field.

What individual Members may wish to do about the individual aspects of the bill, will then be free and open.

I represent to the Senate now that if the first vote carries, I will withdraw the others, because I think that would be fair and intelligent, because we then would have a commission which would be seized of the whole field, and whatever is taken out of the bill that a Member feels doubtful about would be considered and resolved by the commission so that it will not go down the drain.

I think that is a helpful proposition, that there will be a basket, as it were, so that anything dropped out of the bill that we are doubtful about will be considered by the commission, including the 40-year limitation. There is no reason why it should not consider the question of the life of any foundation and how long it should persist or why there should not be a permanent body which would continually review tax-exempt status which could move to terminate such status.

In common law, as we lawyers know—and most Senators here are lawyers—the rule against perpetuities for noncharitable trusts is, "lives in being, plus 21 years." There is no limitation on lawyers—the rule against perpetuities for charitable trusts that they may exist forever. There may be something to the argument that foundations should not be in being forever. I said that I do not favor the 40-year proposition because it is arbitrary. There is no basis for 40 years, 30 years, 20 years, or 102 years. That is the fundamental point which the Senator from Connecticut (Mr. RIBICOFF) has highlighted with respect to his proposition, for which I am very grateful to him. We are persuaded in this field, which is critical to the future of the Nation and really without any fundamental fact basis except for the highly commendable Peterson Commission report, that we need a report in the nature of a great national document, which would be the purpose I have in mind in my Presidential commission.

Mr. RIBICOFF. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. RIBICOFF. I cannot be too high in my commendation of Mr. Peterson. He came into the office. I had never met him before. He brought a copy of his report with him. I took it home and read it very carefully. I found that it was really a charter for a very sound program for foundations. While many members of foundations wanted the Peterson Commission to come into existence, the Peterson report was critical of many aspects in the foundation field. The Peterson report did call forth great debate among foundations many of which were unhappy about it. But as I read the Peterson report, I was struck with the fairness of its exposition by Mr. Peterson and the members of his commission in trying to bring sense into the whole field of foundations.

Some of his suggestions, I think, were much better than the suggestions of the committee when it came to reform.

Even those people who do not like foundations, I think could get some comfort out of some of the constructive criticisms and suggestions in the Peterson Commission report.

I am very glad that the Senator from New York has accepted the recommenda-

tions of the Senator from Texas because there is much in the Senator's amendment that I could not agree with, but I do believe that we are in pressing need of a commission, and I would hope that the Senate would adopt the commission concept. It is my understanding that the remainder of the Senator's amendments will be withdrawn——

Mr. JAVITS. That is correct, if the first vote carries, I intend to withdraw the rest.

Mr. PERCY. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. PERCY. I appreciate the Senator presenting the amendments in this way, because it gives a clear-cut opportunity to vote on whether it would be desirable to take a good, hard, high level look at the whole role of philanthropy in American life. I believe that this has been the great value of the Peterson Commission report.

I should like to supplement the comments just made by the Senator from Connecticut by saying that the Peterson report is a great report because of the integrity of its Chairman and every member on the Commission.

Mr. President, I cannot be objective about it, I am afraid, because Mr. Peterson, years ago, came to my attention, and I worked with him intimately for a number of years.

One of the best decisions I ever made in my life was to bring him into the Bell & Howell Co., and then was able to turn over authority and responsibility to him until such time as he could replace me as chief executive officer of that company, which made it possible for me to go into public life.

The way he has gone about this study and the fact that he would not accept any grants from any foundation, or accept any funds from tax-exempt organizations to pay for his work on this commission mean that he would not be under any pressure to be other than objective. This is exemplary conduct. In his testimony before the Senate Finance Committee, he was one of the most perceptive critics of abuses in foundations. In fact, it was his own personal conclusion that it would even be a good thing for foundations to be required to pay out more than the Senate committee has prescribed. In other words, more than 5 percent of the gross assets of foundations. This would give foundations the incentive and the requirement to place their investments in liquid assets that would appreciate or have good income, so that they would not be biting too deeply into assets each year.

It was his feeling that foundations should grow at a 10 percent a year rate, and that the payout should be higher—6 percent, instead of 5 percent.

I believe that creating a Presidential commission would add dignity and importance and certainly give the study of foundations a more thorough opportunity to take a perceptive look at how America is organized. I think this look that the Peterson Commission has given, in the relatively few months it has been established, is probably one of the best jobs done about America since De Tocqueville came over from France in 1832 and wrote a most perceptive analysis of what makes America what it is.

What I am so afraid of is that we do not appreciate what we have. Any country would give anything to have the attitude toward philanthropy that exists in this country, because it is built on incentives for voluntary association and giving.

I think that is the value the Peterson Commission has rendered to date. It could well be that the Presidential commission will contribute even more to the understanding of what makes America and its people as great a country as they are.

We must make certain we take no action that will destroy what we have taken centuries to build up. I cannot think of anything more valuable as a contribution to this debate, and then to the action of this body, than to adopt the amendment now being offered by the Senator from New York.

Mr. JAVITS. Mr. President, how very kind of the Senator. I am deeply, deeply appreciative to him.

I, too, would like to join my colleagues in commending Mr. Peterson who succeeded our own colleague from Illinois to the presidency of the distinguished Bell & Howell Co., and who has rendered such a very noble public service in making this report.

Mr. TOWER. Mr. President, I should like to add my words of commendation to those which have been voiced here.

It is a splendid idea to establish a commission on philanthropy and other tax-exempt activities. I cannot understand why it has not been done earlier. I really cannot conceive of our attempting to write tax legislation affecting such enterprises without having some kind of thorough study.

I am hopeful that the commission, whenever it is established, will, first, try to determine the difference between those institutions that are generally philanthropic, and second, those which sometimes are a little bit political in character.

We must take a hard look at them. Certainly we should not throw out the baby with the bath. We should not do anything that would inhibit the philanthropy which has distinguished the United States of America for so many years.

I serve on the board of directors of two church-related colleges. They have great difficulties these days competing with well-funded, well-financed State universities. I can see that there will be great difficulties ahead if too many inhibitions are placed on contributions of educational and charitable organizations.

Mr. JAVITS. I thank the Senator from Texas.

I yield now to the Senator from New Jersey (Mr. CASE).

Mr. CASE. Mr. President, I thank the Senator for yielding, and even more for taking this initiative. As a cosponsor of the proposal for the commission, I want to express appreciation also to the perceptive and very wise colleagues who have just spoken in support of the measure. As the Senator from Illinois has pointed out, and as the Senator from Texas, in his colorful language has pointed out, it deals with a very basic aspect of American life—a unique aspect of American life. Nowhere in the world is charity as we know it the same as it is in America—the role of charity, not just charity in the sense of a dole for the poor or a crust for the fellow who is starving, but charity in the broadest sense of individual initiative for the solution of great problems affecting mankind. For us to deal lightly with a unique American institution which is indigenous to this country and has sprung up, I suggest, from its inner needs, would be utterly unthinkable. I am very happy to stand shoulder to shoulder with the Senator from New York on this matter.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PERCY. Mr. President, we should not let this occasion pass, because it happens so seldom on the floor, without noting that when the distinguished Senator from Texas (Mr. TOWER) and the distinguished Senator from New York (Mr. JAVITS) join together in enthusiastically supporting this amendment, it is a historic and monumental moment in the history of the Senate. I hope on the other side we can have the same kind of so-called liberal-conservative effort.

Mr. TOWER. Perhaps the Senator did not hear what was described by the distinguished majority leader on the floor of the Senate some time ago as the "Tower-Javits axis."

Mr. JAVITS. Mr. President, I ask unanimous consent that the names of Senators CASE, GOODELL, RIBICOFF, PERCY, TOWER, and HATFIELD be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, if I may have the attention of the Senator from Louisiana (Mr. LONG) for a moment, let me say that I yield to no one in my faith and confidence in and admiration for the committee. One argument which could be made against the amendment, now that it has been stripped down to the bare essential of a commission, would be, What do we need a commission for? We have a great committee that will do it.

There are two answers to that question. One is the unbelievable distraction of all of us and the almost impossibility of being where we are supposed to be, anyway, for something to be gone into in depth and in as contemplative a way as this matter. The second is the enormous amount of pressures Senators are under. We have been tugged and hauled and pulled from pillar to post on this measure.

I am the ranking Republican member of the Joint Economic Committee, which hears the views of some of the most distinguished people not only in the United States but the world. I am devastated that I cannot be there every moment, not only because of what I might learn, but because it is a great pleasure to be there. But I just cannot be there when I should.

The British and Canadians have

adopted the concept of a royal commission appointed by the executive. Sometimes our President does that. But when we appoint something in legislation, then it seems to have a cachet, a quality of standing before the country, that makes us as well as the country sit up and take notice.

This subject is so deep and important that I hope the Senator will understand that in suggesting a commission, it is with knowledge of the power of the committee. I have great admiration for the committee. It is one of the committees, for example, that acts without subcommittees. That is very unusual and very commendable. In the Labor and Public Welfare Committee, on which I serve, that cannot be done. There is just too much work.

I hope the Senator will understand that in proposing the amendment in this way, I am trying to marshal the finest brains, under the best conditions, to give us the benefit of their judgment on really basic social questions which has been raised—quite properly—by this whole body of the United States. We have taken these areas for granted too long—in fact I believe that there has not been a study as comprehensive as this in the 50 years we have had income tax legislation. Now I want to really dig into it, and this is the best way to do it, in my judgment.

Mr. LONG. Mr. President, if the Senator will yield, I was concerned that the amendment as originally offered would have stricken from the bill many provisions that the committee and the staff regarded as some of the most meritorious proposals that both the House and the Senate committee have proposed with regard to abuses in the charitable foundation field. I understand the Senator does not expect to offer that part of the amendment if this part of the amendment is agreed to.

Mr. JAVITS. Yes; I will withdraw it.

Mr. LONG. My thought about the commission the Senator has in mind is that the President can always establish a group to study the matter. We have no objection to his setting up a group to make a study and recommendations in this field, but the Senator from Louisiana has been planning for some time the appointment of a subcommittee of the Finance Committee to make a very thorough study in the foundation area. I would also want that subcommittee to look into other matters involved in the charitable contribution field.

I really have no objection to the President's setting up a commission, but I have some question as to whether we ought to call upon the President to appoint a commission or leave it to his judgment whether he will want to do it.

The Senator does not provide in his amendment for adequate time to use the information that would be required. For example, the commission would report on June 30, 1971, and the information required would be made available in March 1971. That really would not give a commission much time to assemble the information and examine what they were working from.

I wonder what the Senator's reaction to that suggestion is.

Mr. JAVITS. The 1971 date was tied to the idea that I was exercising some provisions from the bill. Then I felt we had to have a fairly early report date because we might want to legislate on some matters which had been taken out of the bill. In the absence of legislation which would delete matters from the bill, I would have no particular objection to proposing a reasonable date, perhaps December 31, 1971, or June 30, 1972.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. RIBICOFF. I think the chairman of the committee has made a very cogent point. In my opinion, the Commission will not be able to have a sufficient amount of facts from which to submit a conclusion until it first obtained an audit by the Treasury Department. The difficulty the Peterson Commission had in assembling its facts and making its conclusions was that nowhere was there information to determine just what the foundations in this country were and where they were, because they were so diffused and so diverse. Neither the Internal Revenue Service nor the Treasury Department had that information.

In order for the Commission to propose a recommendation, I think it would need the first audit by the Treasury Department provided for in the bill to have enough facts from which to draw its own conclusions.

So under those circumstances, it would be advisable for the Senator to modify the date for requiring the committee to report beyond June 30, 1971.

Mr. JAVITS. What would the Senator suggest? Would December 31, 1971, appeal to the Senator?

Mr. RIBICOFF. I think, in all fairness to the Commission, if we are to expect the Commission to do a good job, they would need, in my opinion, until June 30, 1972.

Mr. JAVITS. Would the Senator from Louisiana object if I made that modification?

Mr. LONG. No; I would not object.

Mr. JAVITS. I ask unanimous consent that my amendment be modified, on page 6, line 11, by striking "1971" and inserting in lieu thereof "1972".

Mr. FULBRIGHT. Mr. President, reserving the right to object, I ask the Senator from New York this question: Is it his view that if this amendment were adopted, it would preclude the chairman of the Finance Committee—not legally, of course, but that the spirit of it would preclude him from designating a subcommittee which, with the assistance of the joint committee staff, could go into this matter?

Mr. JAVITS. Not even remotely. Not at all.

Mr. FULBRIGHT. I think the committee staff, and the committee itself, have shown a good deal of interest in this matter. I would not want the Senator's amendment to be considered as saying that the committee itself will not look into it. I think the chairman, as he has already indicated his intention to do, should appoint a subcommittee, and they ought to proceed. Some of these Presidential committees function properly and some of them are set up only to be a facade, to lend agreement and endorsement to someone's special views. I want it understood that the committee will proceed as the chairman has indicated it would and it ought to proceed.

Mr. JAVITS. Mr. President, I say to my own chairman, first, of course, as I have already stated, there is no preclusion; second, I cannot think of anything that would better stimulate the Commission to more activity than the fact that it would have a Senate subcommittee to test its ideas on.

The Commission will be deeply concerned with the basic social questions of tax exemptions, as I said earlier. I do not know whether the Senator from Arkansas was here at the time.

Mr. FULBRIGHT. Yes, I heard the Senator's statement.

Mr. JAVITS. There are so many basic social questions that most of us do not have time, energy, and disposition adequately to study and yet this is so critically important. The House and Senate have raised the whole issue, and this will give us some kind of a concrete base from which to deal with it.

Mr. FULBRIGHT. I have no objection.

Mr. RIBICOFF. Mr. President, will the Senator yield at that point?

Mr. JAVITS. I yield.

Mr. RIBICOFF. I have listened to the colloquy, and do not see any way in which the matter would be precluded from the work of the Senate Finance Committee or the Joint Committee staff. I agree with the Senator that there is no more knowledgeable and competent staff in Congress than the Joint Committee staff, under the leadership of Dr. Woodworth.

But whatever the Commission would come out with, in my opinion, would still be controversial. There would be many people in favor of their findings, and many against them, and the Finance Committee would still have to pass on legislation that might be needed as a result of the Commission's findings. I foresee the necessity for a great deal of work on the part of the Finance Committee after the Commission would make its findings, because I cannot at all imagine Congress accepting the Commission's findings without working its own will, having hearings, and having a chance to debate its recommendations on this floor and that of the other body.

Mr. JAVITS. I thank my colleague very much.

The PRESIDING OFFICER. The amendment will be modified accordingly.

(The first part of the amendment, as modified, is as follows:)

On page 5, line 10, insert the following new subsection:

"(a) PRESIDENTIAL COMMISSION ON PHILANTHROPIC ACTIVITIES.—

"(1) STATEMENT OF PURPOSE AND INTENT OF CONGRESS.—The Congress finds that philanthropic and other tax exempt institutions have demonstrated flexibility and innovation in meeting a wide range of human, social, and scientific needs, and that the activities of such institutions should be preserved and encouraged. Therefore, the Congress pro-

poses to encourage and preserve these activities consistent with the concept that tax liability should not be inequitably avoided. In pursuance of this objective, the Congress finds it to be in the public interest to undertake a study of (i) whether the national interest requires philanthropy and similiar tax-exempt activity; and (ii) the effect of appropriate provisions of the Federal income tax, gift tax, and estate tax laws on such activity.

"(2) ESTABLISHMENT OF THE PRESIDENTIAL COMMISSION ON PHILANTHROPIC ACTIVITIES.—

"(A) For the purpose of carrying out the provisions of this Act, there is hereby created a commission to be known as the Presidential Commission on Philanthropic Activities (hereinafter referred to as the "Commission").

"(B) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

"(3) MEMBERSHIP OF THE COMMISSION.—

"(A) NUMBER AND APPOINTMENT.—The Commission shall be composed of twenty-five members, appointed by the President, without regard to political party affiliation, as follows:

"(i) Two Members from the Senate;

"(ii) Two Members from the House of Representatives;

"(iii) Twenty-one members from outside the Government.

"(B) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

"(C) CONTINUATION OF MEMBERSHIP UPON CHANGE OF STATUS.—A change in the status or employment of any person appointed to the Commission pursuant to subsection (a) of this paragraph shall not affect his membership upon the Commission.

"(4) ORGANIZATION OF THE COMMISSION.—The Commission shall elect a Chairman and a Vice Chairman from among its members.

"(5) QUORUM.—Thirteen members of the Commission shall constitute a quorum.

"(6) COMPENSATION OF MEMBERS OF THE COMMISSION.—

"(A) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

"(B) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

"(7) STAFF OF THE COMMISSION.—The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended.

"(8) EXPENSES OF THE COMMISSION.—There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this subsection.

"(9) DUTIES OF THE COMMISSION.—

"(A) INVESTIGATIONS, ANALYSIS, AND RECOMMENDATIONS.—It shall be the duty of the Commission—

"(i) to analyze philanthropic and similar tax exempt activities to determine whether tax liability is being inequitably avoided;

"(ii) to analyze the Federal income, gift, and estate tax laws to determine whether such laws preserve and encourage philanthropy and other desirable tax-exempt activity consistent with the concept that tax liability should not be inequitably avoided;

"(iii) to analyze those areas of the Tax Reform Act of 1969 referred to it by Congress, to include but not limited to limitations on tax-exempt life, limitation on foundation activities, excess business holdings, and methods of making and disbursing charitable contributions, and to determine whether such provisions preserve and encourage philanthropy and other tax-exempt activity consistent with the concept that tax liability should not be inequitably avoided; and

"(iv) to formulate and make recommendations for administrative and legislative action determined to be necessary and desirable for the best interests of philanthropic activities.

"(B) REPORT.—The Commission shall report to the President and the Congress its findings and recommendations as soon as practicable and in no event later than June 30, 1972, and may make interim reports. The Commission shall cease to exist sixty days following the submission of its final report.

"(10) POWERS OF THE COMMISSION.—

"(A) HEARINGS AND SESSIONS.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this subparagraph, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued over the signature of the Chairman of the Commission, or such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

"(B) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman."

Mr. LONG. Mr. President, I am willing to take this amendment, as modified by the Senator, and go to conference with it; and for that reason I do not believe the yeas and nays are necessary. I do not believe there is any objection to the amendment. I ask unanimous consent that the order for the yeas and nays be rescinded.

Mr. JAVITS. Mr. President, if the Senator will yield before he does that, I have the greatest confidence in what has just been stated, and I intend to accept it, but I would like to ask the Senator from Louisiana, in all fairness to me, to tell me whether, if he does take the amendment, it is with the serious purpose of doing his and the conferees' utmost to sustain it in conference; because sometimes we just take something to get rid of it, and that is the end of it.

Mr. RIBICOFF. Mr. President, if the Senator will yield, I know the chairman of our committee, and I can say for him that when the Senator from Louisiana takes an amendment, whether he agrees with it or not, he takes his duties most seriously, and he fights to the utmost extent for the Senate's position. Whether he can prevail or not depends on how the conference develops; but I personally would never question the good faith of our chairman in fighting for a Senate position. If the Senator says he will take it to conference, he will do his utmost to have the Senate position prevail.

Mr. LONG. Mr. President, I would expect to urge the House conferees to accept it. May I say to the Senator from New York that the only reservation I have in mind is that I would hope that, in seeking information, only one information request would be sent to the various people who would be asked to provide information, rather than one for the Senate committee and one for the commission, to avoid a lot of unnecessary paperwork. I know how people become weary and tired and irritated at being asked to fill out several forms, each of which asks for similar information. I hope there would be no overlapping of requests for information. That is the only problem that occurs to me.

Mr. JAVITS. I thank the Senator; and I state, as author of the amendment, so that the legislative history will be clear, that, assuming this becomes a part of the law and that we have such a commission, it is my intent, and I would expect, that the Commission would not originate questionnaires or paperwork. It would call witnesses and hear experts, but essentially it would initiate its request as to the information it felt was required to be gathered by so-called paperwork with either the committee, the Treasury, or whatever other governmental authority was conducting the search for the factual ascertainments which would be required by the commission. I assure the Senator of that, because I fully agree.

Mr. TOWER. Mr. President, I would like to address myself to the problem of what to do about private foundations. I have been concerned, as have many others, about the apparent abuses of trust perpetrated by some of the larger and better known foundations. However, I believe that in the main, private foundations are a very important part of our national fabric and should be encouraged to continue their outstanding work. Indeed, in many instances, private foundations offer for many projects the only alternative to Government financing, which brings with it the inevitable red-tape, funding delays, and sometimes unacceptable control.

There are many reasons that some foundations may choose not to make in any given year a certain amount of disbursements; they may be financial, administrative, or simply that they find a worthwhile project lacking or not yet

mature enough to deserve support. I can see no reason to harshly penalize a legitimate foundation for making a reasonable decision. What we need in the way of regulations in this area is to encourage foundations to make disbursements wherever feasible and encourage them to seek ways to make such disbursements. What we should avoid, and what is encompassed in the proposed bill, is a provision that on a practical basis makes mandatory such disbursements or the facing of great loss of funds through taxation. This could lead to unwise decisions by foundations merely to avoid such tax losses.

What I am suggesting, Mr. President, is a Presidential commission to study the problem. The complexities arise in trying to find a way to prohibit the undesirable activities of the foundations created, while preserving their positive, and innovative activities. This Presidential Commission should follow up on the Peterson report and come up with probable feasible solutions which we in the Congress can then consider in depth.

I would like for this Commission to make an explicit study of the ways to prevent these tax-exempt structures from engaging in political activity of any nature. It is certainly against the public policy of the Nation to allow lobbying in a tax-exempt status. Likewise, other activities that tend to favor one point of view over another, should be curtailed and hopefully eliminated. What we need, in essence, is for the foundations to engage only in truly philanthropic activities and academic responsibilities while staying explicitly neutral in using their powers to influence the activities and structure of the governing process.

I am pleased to join with the distinguished senior Senator from New York in urging adoption of this amendment creating the described Commission. We need more time and information to deal with this complex problem; the exigencies of the present moment simply do not permit this. I might also suggest that the foundations involved might use this extra time to examine their own activities and put their own house in order; this could greatly simplify our job here in Congress.

The PRESIDING OFFICER. Without objection, the order for the yeas and nays is vacated, and the question is on agreeing to the amendment of the Senator from New York (Mr. JAVITS), as modified.

The amendment, as modified, was agreed to.

Mr. JAVITS. I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. Mr. President, I withdraw the remainder of the amendment (No. 371).

AMENDMENT NO. 315

Mr. MANSFIELD. Mr. President, in line with a commitment made by the leadership, yesterday, I call up amendment No. 315 on behalf of my distinguished colleague, the Senator from Montana (Mr. METCALF).

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Montana (Mr. METCALF) proposes amendment No. 315, as follows:

On page 189, beginning with line 16, strike out all through line 7, on page 195, insert the following:

"SEC. 211. FARM LOSSES.

"(a) IN GENERAL.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding after section 277 (added by section 121(b)(3) of this Act) the following new section:

"SEC. 278. LIMITATION ON DEDUCTIONS ATTRIBUTABLE TO FARMING.

"'(a) GENERAL RULE.—In the case of a taxpayer engaged in the business of farming, the deductions attributable to such business which, but for this section, would be allowable under this chapter for the taxable year shall not exceed the sum of—

"'(1) the adjusted farm gross income for the taxable year, and

"'(2) the higher of—

"'(A) the amount of the special deductions (as defined in subsection (d)(3)) allowable for the taxable year, or

"'(B) $15,000 ($7,500 in the case of a married individual filing a separate return), reduced by the amount by which the taxpayer's adjusted gross income (taxable income in the case of a corporation) for the taxable year attributable to all sources other than the business of farming (determined before the application of this section) exceeds $15,000 ($7,500 in the case of a married individual filing a separate return).

"'(b) EXCEPTION FOR TAXPAYERS USING CERTAIN ACCOUNTING RULES.—

"'(1) IN GENERAL.—Subsection (a) shall not apply to a taxpayer who has filed a statement, which is effective for the taxable year, that—

"'(A) he is using, and will use, a method of accounting in computing taxable income from the business of farming which uses inventories in determining income and deductions for the taxable year, and

"'(B) he is charging, and will charge, to capital account all expenditures paid or incurred in the business of farming which are properly chargeable to capital account (including such expenditures which the taxpayer may, under this charter or regulations prescribed thereunder, otherwise treat or elect to treat as expenditures which are not chargeable to capital account).

"'(2) TIME, MANNER, AND EFFECT OF STATEMENT.—A statement under paragraph (1) for any taxable year shall be filed within the time prescribed by law (including extensions thereof) for filing the return for such taxable year, and shall be made and filed in such manner as the Secretary or his delegate shall prescribe by regulations. Such statement shall be binding on the taxpayer, and be effective, for such taxable year and for all subsequent taxable years and may not be revoked except with the consent of the Secretary or his delegate.

"'(3) CHANGE OF METHOD OF ACCOUNTING, ETC.—If, in connection with a statement under paragraph (1), a taxpayer changes his method of accounting in computing taxable income or changes a method of treating expenditures chargeable to capital account, such change shall be treated as having been made with the consent of the Secretary or his delegate and, in the case of a change in method of accounting, shall be treated as a change not initiated by the taxpayer.

"'(c) CARRYBACK AND CARRYOVER OF DISALLOWED FARM OPERATING LOSSES.—

"'(1) IN GENERAL.—The disallowed farm operating loss for any taxable year (hereinafter referred to as the "loss year") shall be—

"'(A) a disallowed farm operating loss carryback to each of the 3 taxable years preceding the loss year, and

"'(B) a disallowed farm operating loss carryover to each of the 5 taxable years following the loss year,

and (subject to the limitations contained in paragraph (2)) shall be allowed as a deduction for such years, under regulations prescribed by the Secretary or his delegate, in a manner consistent with the allowance of the net operating loss deduction under section 172.

"'(2) LIMITATIONS.—

"'(A) IN GENERAL.—The deduction under paragraph (1) for any taxable year for disallowed farm operating loss carrybacks and carryovers to such taxable year shall not exceed the taxpayers' net farm income for such taxable year.

"'(B) CARRYBACKS.—The deduction under paragraph (1) for any taxable year for disallowed farm operating loss carrybacks to such taxable year shall not be allowable to the extent it would increase or produce a net operating loss (as defined in section 172(c)) for such taxable year.

"'(3) TREATMENT AS NET OPERATING LOSS CARRYBACK.—Except as provided in regulations prescribed by the Secretary or his delegate, a disallowed farm operating loss carryback shall, for purposes of this title, be treated in the same manner as a net operating loss carryback.

"'(d) DEFINITIONS.—For the purposes of this section—

"'(1) ADJUSTED FARM GROSS INCOME.—The term "adjusted farm gross income" means, with respect to any taxable year, the gross income derived from the business of farming for such taxable year (including recognized gains derived from sales, exchanges, or involuntary conversions of farm property), reduced, in the case of a taxpayer other than a corporation, by an amount equal to 50 percent of the lower of—

"'(A) the amount (if any) by which the recognized gains on sales, exchanges, or involuntary conversions of farm property which, under section 1231(a), are treated as gains from sales or exchanges of capital assets held for more than 6 months exceed the recognized losses on sales, exchanges, or involuntary conversions of farm property which under section 1231(a) are treated as losses from sales or exchanges of capital assets held for more than 6 months, or

"'(B) the amount (if any) by which the recognized gains described in section 1231(a) exceed the recognized losses described in such section.

"'(2) NET FARM INCOME.—The term "net farm income" means, with respect to any taxable year, the gross income derived from the business of farming for such taxable year (including recognized gains derived from sales, exchanges, or involuntary conversions of farm property), reduced by the sum of—

"'(A) the deductions allowable under this chapter (other than by subsection (c) of this section) for such taxable year which are attributable to such business, and

"'(B) in the case of a taxpayer other than a corporation, an amount equal to 50 percent of the amount described in subparagraph (A) or (B) of paragraph (1), whichever is lower.

"'(3) SPECIAL DEDUCTIONS.—The term "special deductions" means the deductions allowable under this chapter which are paid or incurred in the business of farming and which are attributable to—

"'(A) taxes,

"'(B) interest,

"'(C) the abandonment or theft of farm property, or losses of farm property arising from fire, storm, or other casualty,

"'(D) losses and expenses directly attributable to drought, and

"'(E) recognized losses from sales, exchanges, and involuntary conversions of farm property.

"'(4) FARM PROPERTY.—The term "farm property" means property which is used in the business of farming and which is property used in the trade or business within the meaning of paragraph (1), (3), or (4) of section 1231(b) (determined without regard to the period for which held).

"'(5) DISALLOWED FARM OPERATING LOSS.—The term 'disallowed farm operating loss' means, with respect to any taxable year, the amount disallowed as deductions under subsection (a) for such taxable year, reduced, in the case of a taxpayer other than a corporation, by an amount equal to 50 percent of the amount described in subparagraph (A) or (B) of paragraph (1), whichever is lower.

"'SPECIAL RULES.—For purposes of this section—

"'(1) BUSINESS OF FARMING.—A taxpayer shall be treated as engaged in the business of farming for any taxable year if—

"'(A) any deduction is allowable under section 162 or 167 for any expense paid or incurred by the taxpayer with respect to farming, or with respect to any farm property held by the taxpayer, or

"'(B) any deduction would (but for this paragraph) otherwise be allowable to the taxpayer under section 212 or 167 for any expense paid or incurred with respect to farming, or with respect to property held for the production of income which is used in farming.

For purposes of this paragraph, farming does not include the raising of timber. In the case of a taxpayer who is engaged in the business of farming for any taxable year by reason of subparagraph (B), property held for the production of income which is used in farming shall, for purposes of this chapter, be treated as property used in such business.

"'INCOME AND DEDUCTIONS.—The determination of whether any item of income is derived from the business of farming and whether any deduction is attributable to the business of farming shall be made under regulations prescribed by the Secretary or his delegate, but no deduction allowable under section 1202 (relating to deduction for capital gains) shall be attributable to such business.

"'(3) CONTROLLED GROUP OF CORPORATIONS.—If two or more corporations which—

"'(A) are component members of a controlled group of corporations (as defined in section 1563) on a December 31, and

"'(B) have not filed a statement under subsection (b) which is effective for the taxable year which includes such December 31, each have deductions attributable to the business of farming (before the application of subsection (a)) in excess of its gross income derived from such business for its taxable year which includes such December 31, then, in applying subsection (a) for such taxable year, the $15,000 amount specified in paragraph (2)(B) of such subsection shall be reduced for each such corporation to an amount which bears the same ratio to $15,000 as the excess of such deductions over such gross income of such corporation bears to the aggregate excess of such deductions over such gross income of all such corporations.

"'(4) PARTNERSHIPS.—A business of farming carried on by a partnership shall be treated as carried on by the members of such partnership in proportion to their interest in such partnership. To the extent that income and deductions attributable to a business of farming are treated under the preceding sentence as income and deductions of members of a partnership, such income and deductions shall, for purposes of this chapter, not be taken into account by the partnership.

"'(5) TWO OR MORE BUSINESSES.—If a taxpayer is engaged in two or more businesses of farming, such businesses shall be treated as a single business.

"'(6) RELATED INTEGRATED BUSINESSES.—If a taxpayer is engaged in the business of farming and is also engaged in one or more businesses which are directly related to his business of farming and are conducted on an integrated basis with his business of farming, the taxpayer may elect to treat all such businesses as a single business engaged in the business of farming. An election under this paragraph shall be made in such manner, at such time, and subject to such conditions as the Secretary or his delegate may prescribe by regulations.

"'(7) SUBCHAPTER S CORPORATIONS AND THEIR SHAREHOLDERS.—

"'For special treatment of electing small business corporations which do not file statements under subsection (b) and of the shareholders of such corporations, see section 1380.

"'(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section.'

"(b) SUBCHAPTER S CORPORATIONS.—Subchapter S (relating to election of certain small business corporations as to taxable status) is amended by adding after section 1379 (as added by section 531(a) of this Act) the following new section:

"'SEC. 1380. ELECTING SMALL BUSINESS CORPORATIONS ENGAGED IN BUSINESS OF FARMING.

"'(a) SEPARATE APPLICATION TO FARMING INCOME AND DEDUCTIONS.—Under regulations prescribed by the Secretary or his delegate, an electing small business corporation which is engaged in the business of farming during its taxable year (other than a corporation which has filed a statement under section 278(b) which is effective for such taxable year), and the shareholders of such corporation, shall apply the provisions of sections 1373 through 1378, separately with respect to—

"'(1) income derived from the business of farming by such corporation and deductions attributable to such business, and

"'(2) all other income and deductions of such corporation.

In computing the taxable income and undistributed taxable income, or net operating loss, of such corporation with respect to the business of farming, no deduction otherwise allowable under this chapter shall be disallowed to such corporation under section 278.

"'(b) SHAREHOLDERS TREATED AS ENGAGED IN BUSINESS OF FARMING, ETC.—For purposes of section 278—

"'(1) each shareholder of an electing small business corporation to which subsection (a) applies shall be treated as engaged in the business of farming,

"'(2) the undistributed taxable income of such corporation which is included in the gross income of such shareholder under section 1373 and is attributable to income and deductions referred to in subsection (a)(1), and dividends received which are attributable to such income and deductions and are distributed out of earnings and profits of the taxable year as specified in section 316(a)(2), shall be treated as income derived from the business of farming by such shareholder, and

"'(3) the deduction allowable (before the application of section 278) to such shareholder under section 1374 as his portion of such corporation's net operating loss attributable to income and deductions referred to in subsection (a)(1) shall be treated as a deduction attributable to the business of farming.

"'(c) SPECIAL RULES OF SECTION 298(e) APPLICABLE.—For purposes of this section, the special rules set forth in section 278(e) shall apply.'

"(c) CLERICAL AND CONFORMING AMENDMENTS.—(1) The table of section for part IX of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"'Sec. 278. Limitation on deductions attributable to farming.'

"(2) Section 172(1) is amended by adding at the end thereof the following new paragraph:

"'(3) For limitations on deductions attributable to farming and special treatment of disallowed farm operating losses, see section 278.'

"(3) Section 381(c) is amended by adding at the end thereof the following new paragraph:

"'(24) FARM OPERATING LOSS CARRYOVERS.—The acquiring corporation shall take into account, under regulations prescribed by the Secretary or his delegate, the disallowed farm operating loss carryovers under section 278 of the distributor or transferor corporation.'

"(4) The table of sections for subchapter S is amended by adding at the end thereof the following new item:

"'SEC. 1380. Electing small businesses corporations engaged in business of farming.'

"(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969, except that for purposes of applying section 278(c) of the Internal Revenue Code of 1954 (as added by subsection (a)) with respect to disallowed farm operating losses of any taxpayer for taxable years beginning after such date—

"(1) such amendments shall also apply to the 3 taxable years of such taxpayer preceding the first taxable year beginning after such date, and

"(2) in the case of a taxpayer to whom section 1380(b) of such Code (as added by subsection (b)) applies for any of his first 3 taxable years beginning after such date, section 1380 of such Code shall apply with respect to the electing small business corporation of which such taxpayer is a shareholder for the 3 taxable years preceding each such taxable year of such taxpayer, but only with respect to any such preceding taxable year for which the corporation was an electing small business corporation."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Maryland (Mr. MATHIAS) without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

## CHOOSING THE BEST FIGHTER PLANE

Mr. MATHIAS. Mr. President, just briefly, I wish to associate myself with the remarks made earlier today by the distinguished Senator from Arkansas (Mr. MCCLELLAN), in which he called attention to the necessity for choosing the best fighter plane that can be bought when we end the current competition for design of a new fighter to replace the Phantom F–4.

The U.S. Air Force is currently facing a major test. It is not a test of combat, although the Air Force's combat effectiveness will be deeply affected. Nor is it a test of personnel, although the lives of U.S. pilots will depend on the result.

Rather it is a test of the integrity and acumen of our political and administrative processes at home.

The outcome, unfortunately, is not a foregone conclusion. The last time such a challenge arose, the Air Force—and the American people—as well as the national security were all losers. The TFX fighter-bomber—the F–111 weapons system—was to be the foundation of our tactical airpower during the late 1960's and 1970's. The test came in the contractor selection process. The source selection board recommended a contractor and its decision was four times upheld on review by the highest ranking Air Force and Navy officers. The civilian leadership, however, overruled these authorities and chose the contractor rejected by the board.

The result was not an advanced new airplane assuring tactical air superiority to both services for decades to come. The result was scandal. After 7 years of abortive effort, the Navy got no plane at all, while the Air Force received one-third of the anticipated number at more than three times the unit cost and far below performance specifications.

Meanwhile the Soviet Union has produced large numbers of new tactical aircraft. While it does not have a TFX, its Mig–21 fighters are holding their own over Vietnam against the best comparable American plane, the Phantom F–4, and there are several more advanced aircraft in production in the Soviet Union. The Phantom F–4 is a superb plane; but it is a product of mid-fifties technology. Its proposed replacement—the competitor for the newer Soviet models—is the F–15.

An air-superiority plane designed to combat enemy fighters in the air, the F–15 is envisaged as being much more maneuverable, with far greater range and acceleration than any other fighter in the U.S. Air Force—or the world. It is essential that the very best design be chosen for this aircraft. Neither our pilots, nor our security, can easily afford a new TFX affair.

The Air Force is now in the final selection process for the F–15. There are three competitors—Fairchild-Hiller Corp., the North American Rockwell Corp., and the McDonnell-Douglas Corp. Laymen in the Congress and in the country have no way of choosing among them. But we insist that the best of them be chosen. For the plane that is built will have to serve in various contingencies for some 20 years. The Phantom F–4, for example, is approaching its mid-twenties and will have to suffice until the F–15 is deployed.

Early last month, the distinguished Senator from Arkansas (Mr. McCLELLAN), one of the leading critics of the TFX at the time its "second best" design was chosen, spoke on the floor of the Senate on the F–15. I quote his words:

> We must not select any more "second best" candidates for air superiority. The F–111 program showed us what can happen when extraneous factors are substituted for military excellence as guides to the placement of aircraft development contracts.
>
> I trust that we have learned a valuable lesson from the TFX procurement, and that the serious mistakes that have cost us so much in effort, time, money, and loss of weaponry in that program will not be repeated in this procurement.
>
> I have faith in the competence, experience, and technical knowledge of the aviation experts who are now judging the three competing designs in order to evaluate them. They should recommend the proposal which will best enable our Air Force to hold air superiority in combat skies. I also have faith in the established procedures of the Source Selection Board.
>
> I have great confidence in Secretary of Defense Laird. I know that it is his intention to give us the very best procurement program possible, but it is imperative that the civilian officials of the Pentagon select the aircraft among the three which is best suited to do the combat job required, and that no considerations of any kind other than merit and capability of performance be used to determine the award winner.

I feel very strongly that we can afford nothing but the best in this area, and I join the distinguished Senator from Arkansas in insisting that the best plane be chosen. This time I think we have to give our pilots a fighter, and not a fiasco.

## MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on December 2, 1969, the President had approved and signed the following acts and joint resolution:

S. 92. An act for the relief of Mr. and Mrs. Wong Yui;

S. 2000. An act to establish the Lyndon B. Johnson National Historic Site; and

S.J. Res. 26. Joint resolution to provide for the development of the Eisenhower National Historic Site at Gettysburg, Pa., and for other purposes.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of James H. Walsh, of Florida, to be U.S. attorney for the middle district of Florida, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

AMENDMENT NO. 315

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I have discussed the Fannin amendment with the sponsor of that amendment, and he is willing, in order to accommodate Senators, that the action and vote on that amendment be deferred.

It was intended that the amendment of the Senator from Montana (Mr. METCALF) would be the next amendment acted upon, pursuant to a unanimous-consent agreement. However, in order to accommodate Senators, so that the social security amendment may be voted on in the early part of this afternoon and so that Senators will have an opportunity to vote on that issue, I ask unanimous consent that amendment No. 367, the amendment on social security offered by the Senator from Louisiana and others, be considered next and that amendment No. 315 offered by the Senator from Montana (Mr. METCALF) be temporarily set aside and be considered following the social security amendment.

Mr. METCALF. Mr. President, my amendment would be temporarily set aside for the social security amendment.

Mr. LONG. The Senator is correct.

Mr. GRIFFIN. Mr. President, reserving the right to object, a number of Senators have gone to lunch and are away from the Chamber relying on the schedule announced earlier. I do not think there would be any question that at this stage, at least, I would have to respectfully object.

Mr. METCALF. Mr. President, in order to accommodate the committee, I withdraw my amendment and ask that the Senator from Louisiana be recognized so that he might offer his amendment. I will call up my amendment later.

The PRESIDING OFFICER. The amendment of the Senator from Montana (amendment No. 315) is withdrawn. The second part of his request is unnecessary because pursuant to the order of yesterday, the amendment of the Senator from Louisiana is automatically laid before the Senate again.

AMENDMENT NO. 367

Mr. LONG. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment (No. 367) ordered to be printed in the RECORD, was to add at the end of the bill the following new title:

TITLE X—INCREASE IN SOCIAL SECURITY BENEFITS

SECTION 1. That this title may be cited as the "Social Security Amendments of 1969".

INCREASE IN OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

SEC. 2. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

| I (Primary insurance benefit under 1939 act, as modified) | | II (Primary insurance amount under 1967 act) | III (Average monthly wage) | | IV (Primary insurance amount) | V (Maximum family benefits) |
|---|---|---|---|---|---|---|
| If an individual's primary insurance benefit (as determined under subsec. (d)) is— | | Or his primary insurance amount (as determined under subsec. (c)) is— | Or his average monthly wage (as determined under subsec. (b)) is— | | The amount referred to in the preceding paragraphs of this subsection shall be— | And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be— |
| At least— | But not more than— | | At least— | But not more than— | | |
| ---------- | $16.20 | $55.40 or less | ---------- | $76 | $64.00 | $96.00 |
| $16.21 | 16.84 | 56.50 | $77 | 78 | 65.00 | 97.50 |
| 16.85 | 17.60 | 57.70 | 79 | 80 | 66.40 | 99.60 |
| 17.61 | 18.40 | 58.80 | 81 | 81 | 67.70 | 101.60 |
| 18.41 | 19.24 | 59.90 | 82 | 83 | 68.90 | 103.40 |
| 19.25 | 20.00 | 61.10 | 84 | 85 | 70.30 | 105.50 |
| 20.01 | 20.64 | 62.20 | 86 | 87 | 71.60 | 107.40 |
| 20.65 | 21.28 | 63.30 | 88 | 89 | 72.80 | 109.20 |
| 21.29 | 21.88 | 64.50 | 90 | 90 | 74.20 | 111.30 |
| 21.89 | 22.28 | 65.60 | 91 | 92 | 75.50 | 113.30 |
| 22.29 | 22.68 | 66.70 | 93 | 94 | 76.80 | 115.20 |
| 22.69 | 23.08 | 67.80 | 95 | 96 | 78.00 | 117.00 |
| 23.09 | 23.44 | 69.00 | 97 | 97 | 79.40 | 119.10 |
| 23.45 | 23.76 | 70.20 | 98 | 99 | 80.80 | 121.20 |
| 23.77 | 24.20 | 71.50 | 100 | 101 | 82.30 | 123.50 |
| 24.21 | 24.60 | 72.60 | 102 | 102 | 83.50 | 125.30 |
| 24.61 | 25.00 | 73.80 | 103 | 104 | 84.90 | 127.40 |
| 25.01 | 25.48 | 75.10 | 105 | 106 | 86.40 | 129.60 |
| 25.49 | 25.92 | 76.30 | 107 | 107 | 87.80 | 131.70 |
| 25.93 | 26.40 | 77.50 | 108 | 109 | 89.20 | 133.80 |
| 26.41 | 26.94 | 78.70 | 110 | 113 | 90.60 | 135.90 |
| 26.95 | 27.46 | 79.90 | 114 | 118 | 91.90 | 137.90 |
| 27.47 | 28.00 | 81.10 | 119 | 122 | 93.30 | 140.00 |
| 28.01 | 28.68 | 82.30 | 123 | 127 | 94.70 | 142.10 |
| 28.69 | 29.25 | 83.60 | 128 | 132 | 96.20 | 144.30 |
| 29.26 | 29.68 | 84.70 | 133 | 136 | 97.50 | 146.30 |
| 29.69 | 30.36 | 85.90 | 137 | 141 | 98.80 | 148.20 |
| 30.37 | 30.92 | 87.20 | 142 | 146 | 100.30 | 150.50 |
| 30.93 | 31.36 | 88.40 | 147 | 150 | 101.70 | 152.60 |
| 31.37 | 32.00 | 89.50 | 151 | 155 | 103.00 | 154.50 |
| 32.01 | 32.60 | 90.80 | 156 | 160 | 104.50 | 156.80 |
| 32.61 | 33.20 | 92.00 | 161 | 164 | 105.80 | 158.70 |
| 33.21 | 33.88 | 93.20 | 165 | 169 | 107.20 | 160.80 |
| 33.89 | 34.50 | 94.40 | 170 | 174 | 108.60 | 162.90 |
| 34.51 | 35.00 | 95.60 | 175 | 178 | 110.00 | 165.00 |
| 35.01 | 35.80 | 96.80 | 179 | 183 | 111.40 | 167.10 |
| 35.81 | 36.80 | 98.00 | 184 | 188 | 112.70 | 169.10 |
| 36.41 | 37.08 | 99.30 | 189 | 193 | 114.20 | 171.30 |
| 37.09 | 37.60 | 100.50 | 194 | 197 | 115.60 | 173.40 |
| 37.61 | 38.20 | 101.60 | 198 | 202 | 116.90 | 175.40 |
| 38.21 | 39.12 | 102.90 | 203 | 207 | 118.40 | 177.60 |
| 39.13 | 39.68 | 104.10 | 208 | 211 | 119.80 | 179.70 |
| 39.69 | 40.33 | 105.20 | 212 | 216 | 121.00 | 181.50 |
| 40.34 | 41.12 | 106.50 | 217 | 221 | 122.50 | 183.80 |
| 41.13 | 41.76 | 107.70 | 222 | 225 | 123.90 | 185.90 |
| 41.77 | 42.44 | 108.90 | 226 | 230 | 125.30 | 188.00 |
| 42.45 | 43.20 | 110.10 | 231 | 235 | 126.70 | 190.10 |
| 43.21 | 43.76 | 111.40 | 236 | 239 | 128.20 | 192.30 |
| 43.77 | 44.44 | 112.60 | 240 | 244 | 129.50 | 195.20 |
| 44.45 | 44.88 | 113.70 | 245 | 249 | 130.80 | 199.20 |
| 44.89 | 45.00 | 115.00 | 250 | 253 | 132.30 | 202.40 |
| | | 116.20 | 254 | 258 | 133.70 | 206.40 |
| | | 117.30 | 259 | 263 | 134.90 | 210.40 |
| | | 118.60 | 264 | 267 | 136.40 | 213.60 |
| | | 119.80 | 268 | 272 | 137.80 | 217.60 |
| | | 121.00 | 273 | 277 | 139.20 | 221.60 |
| | | 122.20 | 278 | 281 | 140.60 | 224.80 |
| | | 123.40 | 282 | 286 | 142.00 | 228.80 |
| | | 124.70 | 287 | 291 | 143.50 | 232.80 |
| | | 125.80 | 292 | 295 | 144.70 | 236.00 |
| | | 127.10 | 296 | 300 | 146.20 | 240.00 |
| | | 128.30 | 301 | 305 | 147.60 | 244.00 |
| | | 129.40 | 306 | 309 | 148.90 | 247.20 |
| | | 130.70 | 310 | 314 | 150.40 | 251.20 |
| | | 131.90 | 315 | 319 | 151.70 | 255.20 |
| | | 133.00 | 320 | 323 | 153.00 | 258.40 |
| | | 134.30 | 324 | 328 | 154.50 | 262.40 |
| | | 135.50 | 329 | 333 | 155.90 | 266.40 |
| | | 136.80 | 334 | 337 | 157.40 | 269.60 |
| | | 137.90 | 338 | 342 | 158.60 | 273.60 |
| | | 139.10 | 343 | 347 | 160.00 | 277.60 |
| | | 140.40 | 348 | 351 | 161.50 | 280.80 |
| | | 141.50 | 352 | 356 | 162.80 | 284.80 |
| | | 142.80 | 357 | 361 | 164.30 | 288.80 |
| | | 144.00 | 362 | 365 | 165.60 | 292.00 |
| | | 145.10 | 366 | 370 | 166.90 | 296.00 |
| | | 146.40 | 371 | 375 | 168.40 | 300.00 |
| | | 147.60 | 376 | 379 | 169.80 | 303.20 |
| | | 148.90 | 380 | 384 | 171.30 | 307.20 |
| | | 150.00 | 385 | 389 | 172.50 | 311.20 |
| | | 151.20 | 390 | 393 | 173.90 | 314.40 |
| | | 152.50 | 394 | 398 | 175.40 | 318.40 |
| | | 153.60 | 399 | 403 | 176.70 | 322.40 |
| | | 154.90 | 404 | 407 | 178.20 | 325.60 |
| | | 156.00 | 408 | 412 | 179.40 | 329.60 |
| | | 157.10 | 413 | 417 | 180.70 | 333.60 |
| | | 158.20 | 418 | 421 | 182.00 | 336.80 |
| | | 159.40 | 422 | 426 | 183.40 | 340.80 |
| | | 160.50 | 427 | 431 | 184.60 | 344.80 |
| | | 161.60 | 432 | 436 | 185.90 | 348.80 |
| | | 162.80 | 437 | 440 | 187.30 | 350.40 |
| | | 163.90 | 441 | 445 | 188.50 | 352.40 |
| | | 165.00 | 446 | 450 | 189.80 | 354.40 |
| | | 166.20 | 451 | 454 | 191.20 | 356.00 |
| | | 167.30 | 455 | 459 | 192.40 | 358.00 |
| | | 168.40 | 460 | 464 | 193.70 | 360.00 |
| | | 169.50 | 465 | 468 | 195.00 | 361.60 |
| | | 170.70 | 469 | 473 | 196.40 | 363.60 |
| | | 171.80 | 474 | 478 | 197.60 | 365.60 |
| | | 172.90 | 479 | 482 | 198.90 | 367.20 |
| | | 174.10 | 483 | 487 | 200.30 | 369.20 |
| | | 175.20 | 488 | 492 | 201.50 | 371.20 |
| | | 176.30 | 493 | 496 | 202.80 | 372.80 |
| | | 177.50 | 497 | 501 | 204.20 | 374.80 |
| | | 178.60 | 502 | 506 | 205.40 | 376.80 |
| | | 179.70 | 507 | 510 | 206.70 | 378.40 |
| | | 180.80 | 511 | 515 | 208.00 | 380.40 |
| | | 182.00 | 516 | 520 | 209.30 | 382.40 |
| | | 183.10 | 521 | 524 | 210.60 | 384.00 |
| | | 184.20 | 525 | 529 | 211.90 | 386.00 |
| | | 185.40 | 530 | 534 | 213.30 | 388.00 |
| | | 186.50 | 535 | 538 | 214.50 | 389.60 |
| | | 187.60 | 539 | 543 | 215.80 | 391.60 |
| | | 188.80 | 544 | 548 | 217.20 | 393.60 |
| | | 189.90 | 549 | 553 | 218.40 | 395.60 |
| | | 191.00 | 554 | 556 | 219.70 | 396.80 |
| | | 192.00 | 557 | 560 | 220.80 | 398.40 |
| | | 193.00 | 561 | 563 | 222.00 | 399.60 |
| | | 194.00 | 564 | 567 | 223.10 | 401.20 |
| | | 195.00 | 568 | 570 | 224.30 | 402.40 |
| | | 196.00 | 571 | 574 | 225.40 | 404.00 |
| | | 197.00 | 575 | 577 | 226.60 | 405.20 |
| | | 198.00 | 578 | 581 | 227.70 | 406.80 |
| | | 199.00 | 582 | 584 | 228.90 | 408.00 |
| | | 200.00 | 585 | 588 | 230.00 | 409.60 |
| | | 201.00 | 589 | 591 | 231.20 | 410.80 |
| | | 202.00 | 592 | 595 | 232.30 | 412.40 |
| | | 203.00 | 596 | 598 | 233.50 | 413.60 |
| | | 204.00 | 599 | 602 | 234.60 | 415.20 |
| | | 205.00 | 603 | 605 | 235.80 | 416.40 |
| | | 206.00 | 606 | 609 | 236.90 | 418.00 |
| | | 207.00 | 610 | 612 | 238.10 | 419.20 |
| | | 208.00 | 613 | 616 | 239.20 | 420.80 |
| | | 209.00 | 617 | 620 | 240.40 | 422.40 |
| | | 210.00 | 621 | 623 | 241.50 | 423.60 |
| | | 211.00 | 624 | 627 | 242.70 | 425.20 |
| | | 212.00 | 628 | 630 | 243.80 | 426.40 |
| | | 213.00 | 631 | 634 | 245.00 | 428.00 |
| | | 214.00 | 635 | 637 | 246.10 | 429.20 |
| | | 215.00 | 638 | 641 | 247.30 | 430.80 |
| | | 216.00 | 642 | 644 | 248.40 | 432.00 |
| | | 217.00 | 645 | 648 | 249.60 | 433.60 |
| | | 218.00 | 649 | 650 | 250.70 | 434.40". |

(b) Section 203(a) of such Act is amended by striking out paragraph (2) and inserting in lieu thereof the following

"(2) when two or more persons were entitled (without the application of section 202(j)(1) and section 223(b)) to monthly benefits under section 202 or 223 for January 1970 on the basis of the wages and self-employment income of such insured individual and at least one such person was so entitled for December 1969 on the basis of such wages and self-employment income, such total of benefits for January 1970 or any subsequent month shall not be reduced to less than the larger of—

"(A) the amount determined under this subsection without regard to this paragraph, or

"(B) an amount equal to the sum of the amounts derived by multiplying the benefit amount determined under this title (including this subsection, but without the application of section 222(b), section 202(q), and subsections (b), (c), and (d) of this section), as in effect prior to January 1970, for each such person for such month, by 115 percent and raising each such increased amount, if it is not a multiple of $0.10, to the next higher multiple of $0.10;

but in any such case (i) paragraph (1) of this subsection shall not be applied to such total of benefits after the application of subparagraph (B), and (ii) if section 202(k)

(2)(A) was applicable in the case of any such benefits for January 1970, and ceases to apply after such month, the provisions of subparagraph (B) shall be applied, for and after the month in which section 202(k)(2)(A) ceases to apply, as though paragraph (1) had not been applicable to such total of benefits for January 1970, or".

(c) Section 215(b)(4) of such Act is amended by striking out "January 1968" each time it appears and inserting in lieu thereof "December 1969".

(d) Section 215(c) of such Act is amended to read as follows:

"Primary Insurance Amount Under 1967 Act

"(c)(1) For the purposes of column II of the table appearing in subsection (a) of this section, an individual's primary insurance amount shall be computed on the basis of the law in effect prior to the enactment of the Social Security Amendments of 1969.

"(2) The provisions of this subsection shall be applicable only in the case of an individual who became entitled to benefits under section 202(a) or section 223 before January 1970, or who died before such month."

(e) The amendments made by this section shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969 and with respect to lump-sum death payments under such title in the case of deaths occurring after December 1969.

(f) If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act for December 1969 and became entitled to old-age insurance benefits under section 202(a) of such Act for January 1970, or he died in such month, then, for purposes of section 215(a)(4) of the Social Security Act (if applicable), the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under section 215 (c) of such Act) instead of the amount in column IV equal to the primary insurance amount on which his disability insurance benefits is based.

INCREASE IN BENEFITS FOR CERTAIN INDIVIDUALS AGE 72 AND OVER

SEC 3. (a)(1) Section 227(a) of the Social Security Act is amended by striking out "$40" and inserting in lieu thereof "$46," and by striking out "$20" and inserting in lieu thereof "$23".

(2) Section 227(b) of such Act is amended by striking out in the second sentence "$40" and inserting in lieu thereof "$46".

(b)(1) Section 228(b)(1) of such Act is amended by striking out "$40" and inserting in lieu thereof "$46".

(2) Section 228(b)(2) of such Act is amended by striking out "$40" and inserting in lieu thereof "$46", and by striking out "$20" and inserting in lieu thereof "$23".

(3) Section 228(c)(2) of such Act is amended by striking out "$20" and inserting in lieu thereof "$23".

(4) Section 228(c)(3)(A) of such Act is amended by striking out "$40" and inserting in lieu thereof "$46".

(5) Section 228(c)(3)(B) of such Act is amended by striking out "$20" and inserting in lieu thereof "$23".

(c) The amendments made by subsections (a) and (b) shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969.

MAXIMUM AMOUNT OF A WIFE'S OR HUSBAND'S INSURANCE BENEFITS

SEC. 4. (a) Section 202(b)(2) of the Social Security Act is amended to read as follows:

"(2) Except as provided in subsection (q), such wife's insurance benefit for each month shall be equal to one-half of the primary insurance amount of her husband (or, in the case of a divorced wife, her former husband) for such month."

(b) Section 202(c)(3) of such Act is amended to read as follows:

"(3) Except as provided in subsection (q), such husband's insurance benefit for each month shall be equal to one-half of the primary insurance amount of his wife for such month."

(c) Sections 202(e)(4) and 202(f)(5) of such Act are each amended by striking out "whichever of the following is the smaller: (A) one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based, or (B) $105" and inserting in lieu thereof "one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based".

(d) The amendments made by subsections (a), (b) and (c) shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969.

ALLOCATION TO DISABILITY INSURANCE TRUST FUND

SEC. 5. (a) Section 201(b)(1) of the Social Security Act is amended by—

(1) striking out "and" at the end of clause (B);

(2) striking out "1967, and so reported," and inserting in lieu thereof the following: "1967, and before January 1, 1970, and so reported, and (D) 1.10 per centum of the wages (as so defined) paid after December 31, 1969, and so reported,".

(b) Section 201(b)(2) of such Act is amended by—

(1) striking out "and" at the end of clause (B);

(2) striking out "1967," and inserting in lieu thereof the following: "1967, and before January 1, 1970, and (D) 0.825 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1969,".

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that my name also be listed as a cosponsor of the amendment of the Senator from Louisiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, the pending amendment provides for a 15-percent increase in social security benefits for 25 million current beneficiaries, effective with the January 1970 benefits.

The minimum benefit would be increased from $55 to $64 a month. The eventual maximum benefits would be increased from $218 to $250.70 a month for a single worker, and from $323 to $376 for a married couple.

For those age 72 or over, the special payments would also be increased 15 percent from $40 to $46 a month for a single person and from $60 to $69 for a married couple

The 15-percent increase would be financed from the actuarial surplus of 1.16 percent of taxable payroll. Additional payments from the 15-percent increase in fiscal year 1970 would be $1.7 billion. For the fiscal year 1971, it would be $4.4 billion.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a tabulation I have had prepared showing that the fund, without any further tax increase, can stand a 15-percent increase in benefits on an across-the-board basis, and that it would still be in actuarial balance after such an increase.

There being no objection, the tabulations were ordered to be printed in the RECORD, as follows:

ACTUARIAL BALANCE OF OASDI TRUST FUND

[Percent of taxable payroll]

| | |
|---|---|
| Present law | +1.16 |
| Benefit increase of 15 percent | −1.24 |
| Actuarial balance under bill | −0.08 |

BALANCE OF OLD-AGE AND SURVIVORS TRUST FUND

[In billions of dollars]

| Year | Contributions | Benefits | Balance at end of year [1] |
|---|---|---|---|
| 1967 | $23.2 | $19.5 | $24.2 |
| 1968 | 24.1 | 22.6 | 25.7 |
| 1969 | 28.5 | 24.2 | 30.2 |
| 1970 [2] | 30.1 | 28.7 | 31.8 |
| 1971 [2] | 34.5 | 30.2 | 36.6 |
| 1972 [2] | 36.5 | 31.4 | 42.4 |

[1] Reflects administrative expenses, interest, and railroad retirement finance charge in addition to contributions and benefits.
[2] Under the Long amendment.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HARRIS. Mr. President, first I commend the distinguished Senator from Louisiana for offering his amendment, which I support.

I know that the House action on social security does not do this, but I ask the Senator what he would think about making sure that at the time we grant a 15-percent increase in social security benefits, there also be some increase out of the funds that the State would otherwise have as a result of the social security benefit increase, for an increase for some 3 million additional people on welfare who would not otherwise be helped by the amendment but who could be helped, at least to some degree, without additional Federal contribution.

Has the Senator given that matter any thought?

Mr. LONG. Mr. President, the kind of thing the Senator advocates has a great deal of appeal to the Senator from Louisiana. On some occasions I have offered amendments of that nature myself. I have rather consistently supported amendments seeking to achieve the result that welfare payments not be reduced by the same amount that social security benefits are increased. The idea

of the Senator from Oklahoma—and that of his predecessor, former Senator Kerr—was that those in need should not have their social security increases entirely offset by a reduction in their public welfare checks, as has happened in some instances.

It is my judgment, however, that such a provision should not be put in the pending bill. If we seek to do so, I believe that the House of Representatives would take the view that it is sending us a social security package that will include the consideration of amendments of the sort the Senator is discussing at the moment. When we get into those matters, we will find a great number of meritorious amendments to the social security and welfare programs that are justified. I doubt very much that the House is going to be willing to accept on this bill anything other than its own handiwork. I think it might take some doing to prevail upon them even to accept their own bill as an amendment to this tax bill, because they have some pride of authorship, and they studied this matter while we were working on this tax bill. I think the Senator is aware of that.

I would hope we could simply agree to an amendment which is identical with that proposed by the Ways and Means Committee, to see that we enact a 15-percent benefit increase before Christmas, and that we postpone consideration of the many other meritorious things that can be done in connection with the social security bill until we have a chance to take a good look at those measures and study them thoroughly.

I am sure the Senator realizes that we will be evaluating many matters such as the one he has in mind. The Senator wants us to require that the States make certain changes in their welfare laws, and this might be worthwhile, but it would undoubtedly receive opposition from some of the States. They should be entitled to make their presentation, to show what their problem would be, prior to our acting on such a proposal.

Mr. HARRIS. Mr. President, will the Senator yield further?

Mr. LONG. I yield.

Mr. HARRIS. The Senator recalls that in prior years—I believe the last time we had a social security increase—we put in a provision that $7.50 of it would not be chargeable against welfare. A million and a half people receive some welfare payment and some social security payment. If the social security payment goes up, their welfare payment is generally decreased by the same amount. So that while we are improving the social security recipient's situation, one and a half million people who are on partial social security and another million and a half who are on welfare totally are likely to receive no increase at all.

It seems to me—and I think the Senator will agree with this principle—that if it is important, as I think it is, to improve the position of social security recipients by Christmas, it is equally important that we do that for 3 million or so others who may be—who probably are—in worse economic condition.

Mr. LONG. Let me mention to the Senator something that comes into play here. We are told that it takes some time for the Department of Health, Education, and Welfare to adjust their computers in order to send out checks that are 15 percent higher to 25 million beneficiaries. The Social Security Administration tells us that it will require until April 1 to change over and to put this new schedule of payments into effect.

Assuming that we could pass a 15-percent benefit increase and make it effective before the first of the year, it would nevertheless take until April 1 for the beneficiaries to actually receive the higher benefits. Thus a person now receiving a $100 monthly social security check would receive a check in the amount of $145 in early April—a $115 new benefit amount plus $30 in back payments for January and February. I should think that by April the members of the Finance Committee could do justice to a legislative proposal along the lines the Senator has suggested, that welfare checks should not be reduced by the amount of the social security increase. That way the States would have an opportunity to be heard, rather than our just telling the sovereign States that they must do something, without their having opportunity to present their case.

Something else should be considered in connection with this matter. I suspect that one of these days the Federal Government is going to preempt the field of social welfare for the needy and blanket under Social Security those persons who presently must rely upon State welfare payments, relieving the States of the very heavy burden they presently bear in connection with providing benefits to meet the essential needs of needy persons.

Assuming that we proceed in the fashion that I have suggested, we would have time to act on a measure of the sort the Senator from Oklahoma has suggested before the first social security increase checks actually reach those persons. I do not think that the welfare departments should be allowed to reduce welfare payments to persons on account of social security increases that have accrued to them but that they have not actually received. And by the time they get the social security increase, I would hope that we could act to consider the kind of amendment the Senator from Oklahoma has suggested.

Mr. HARRIS. Mr. President, I believe that we should federalize the welfare system. I am in the process of trying to draft workable legislation which would do that.

In the meantime, I think there is an immediate problem in this bill, and that is the retroactive feature of the social security payment when it comes, unless something is written into the law. It seems to me that three things might be done in this bill which would be relatively noncontroversial and would not require additional Federal contribution in order to pass along some increase to those on welfare or partial welfare.

First, it seems to me that a provision might be written into this bill that when the social security increase comes, the retroactive payment under social security not be considered as part of the resources available to public assistance recipients during that period. I think the amount of trouble the welfare departments would have in checking back, and so forth, would not make it worthwhile. Furthermore, these people are entitled to that. That is No. 1, the retroactive feature, and its effect on welfare recipients.

Second, it seems to me that we might increase in this bill the provision we once put in the law, providing that $7.50 of the social security increase would not be considered in connection with reducing the welfare assistance of those who are on partial social security and partial welfare. We might increase that to 15 percent. That would do something, then, for the 1½ million people who are on part welfare and part social security.

Third, for the other people, it seems to me that we might write into this bill that the balance of the money that the States would realize and which could be used as they pleased, because they would not need to spend as much for welfare because of this increased social security that they should use it in trying to meet budgeted but unmet public assistance needs, or through some kind of blanket or general increase in public assistance.

Some of my staff people are meeting presently with the staff of the Finance Committee with respect to one or two ways I think one might go at doing what I am talking about. Basically, I am not talking about something that would be controversial, to the extent that it would require additional Federal contribution. I do not know that we can get ready in time—we only learned yesterday this matter was going to come up today—to draft and secure sufficient support for an amendment applicable to all welfare recipients. It is going to be tough enough, if we can do it at all, to accomplish what I have discussed. Full welfare reform and more humane levels I hope will follow soon.

I am very pleased about what the Senator has pointed out—that we would have some time between now and April, perhaps, to do some of these things. But I would hope that before final action would be taken on the Senator's amendment, I might have the opportunity to offer an amendment to it. My staff people are presently talking with the staff of the Finance Committee, to see whether an amendment such as that I have discussed could be drawn in simple enough form and noncontroversial enough form that it might be adopted. In no event do I want to take away from or differ with what the distinguished Senator is trying to do with regard to social security.

Mr. LONG. May I say to my good friend from Oklahoma, who has repeatedly demonstrated his great interest in meeting the needs of the needy, the less fortunate, and those who have very modest means, that the adoption of the amendment I have offered does not prejudice the Senator's right to offer the amendment he has in mind. I am sure the Senator agrees with that.

There are some Senators who would like to vote for this increase in social security benefits on an across-the-board

basis. I think the Senator from Oklahoma himself would be the first to agree that it would be desirable to act on the 15-percent increase and to act favorably upon it; and that this would not at all affect the rights of Senators to offer amendments such as the one he has suggested. They could be offered either immediately after this amendment or they could be offered almost at any point in the bill. It is simply a matter of amending the basic social security and public welfare laws, if that is what the Senator seeks to do. The adoption of my amendment at this time would not foreclose him from offering his amendment later.

Mr. HARRIS. I thank the Senator for yielding so that we might have this discussion. I think the discussion is very helpful in connection with this matter and especially with respect to what we might do next year if we do not do something in connection with this bill. I will get together with the staff later this afternoon.

I thank the Senator for yielding to me.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HUGHES in the chair). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment to the amendment of the Senator from Louisiana. The amendment is offered on behalf of the Senator from Utah (Mr. BENNETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Iowa (Mr. MILLER), the Senator from Idaho (Mr. JORDAN), the Senator from Arizona (Mr. FANNIN), and the Senator from Wyoming (Mr. HANSEN), and myself.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and without objection, the amendment will be printed in the RECORD.

The amendment to the amendment of the Senator from Louisiana, ordered to be printed in the RECORD, was, beginning on line 7, page 1 of amendment No. 317, strike out all down to and including line 11, page 9, and in lieu thereof insert the following:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Social Security Amendments of 1969".

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Sec. 6. Increase of earnings counted for benefit and tax purposes.
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INCREASE IN OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

SEC. 2. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

| "I | II | III | | IV | V |
|---|---|---|---|---|---|
| (Primary insurance benefit under 1939 act, as modified) | (Primary insurance amount under 1967 act) | (Average monthly wage) | | (Primary insurance amount) | (Maximum family benefits) |
| If an individual's primary insurance benefit (as determined under subsec. (d)) is— | Or his primary insurance amount (as determined under subsec. (c)) is— | Or his average monthly wage (as determined under subsec. (b)) is— | | The amount referred to in the preceding paragraphs of this subsection shall be— | And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be— |
| At least— / But not more than— | | At least— | But not more than— | | |
| ---------- $16.20 | $55.40 or less | ---------- | $76 | $61.00 | $91.50 |
| $16.21 16.84 | 56.50 | $77 | 78 | 62.20 | 93.30 |
| 16.85 17.60 | 57.70 | 79 | 80 | 63.50 | 95.30 |
| 17.61 18.40 | 58.80 | 81 | 81 | 64.70 | 97.10 |
| 18.41 19.24 | 59.90 | 82 | 83 | 65.90 | 98.90 |
| 19.25 20.00 | 61.10 | 84 | 85 | 67.30 | 101.00 |
| 20.01 20.64 | 62.20 | 86 | 87 | 68.50 | 102.80 |
| 20.65 21.28 | 63.30 | 88 | 89 | 69.70 | 104.60 |
| 21.29 21.88 | 64.50 | 90 | 90 | 71.00 | 106.50 |
| 21.89 22.28 | 65.60 | 91 | 92 | 72.20 | 108.30 |
| 22.29 22.68 | 66.70 | 93 | 94 | 73.40 | 110.10 |
| 22.69 23.08 | 67.80 | 95 | 96 | 74.60 | 111.90 |
| 23.09 23.44 | 69.00 | 97 | 97 | 75.90 | 113.90 |
| 23.45 23.76 | 70.20 | 98 | 99 | 77.30 | 116.00 |
| 23.77 24.20 | 71.50 | 100 | 101 | 78.70 | 118.10 |
| 24.21 24.60 | 72.60 | 102 | 102 | 79.90 | 119.90 |
| 24.61 25.00 | 73.80 | 103 | 104 | 81.20 | 121.80 |
| 25.01 25.48 | 75.10 | 105 | 106 | 82.70 | 124.10 |
| 25.49 25.92 | 76.30 | 107 | 107 | 84.00 | 126.00 |
| 25.93 26.40 | 77.50 | 108 | 109 | 85.30 | 128.00 |
| 26.41 26.94 | 78.70 | 110 | 113 | 86.60 | 129.90 |
| 26.95 27.46 | 79.90 | 114 | 118 | 87.90 | 131.90 |
| 27.47 28.00 | 81.10 | 119 | 122 | 89.30 | 134.00 |
| 28.01 28.68 | 82.30 | 123 | 127 | 90.60 | 135.90 |
| 28.69 29.25 | 83.60 | 128 | 132 | 92.00 | 138.00 |
| 29.26 29.68 | 84.70 | 133 | 136 | 93.20 | 139.80 |
| 29.69 30.36 | 85.90 | 137 | 141 | 94.50 | 141.80 |
| 30.37 30.92 | 87.20 | 142 | 146 | 96.00 | 144.00 |
| 30.93 31.36 | 88.40 | 147 | 150 | 97.30 | 146.00 |
| 31.37 32.00 | 89.50 | 151 | 156 | 98.50 | 147.80 |
| 32.01 32.60 | 90.80 | 156 | 160 | 99.90 | 149.90 |
| 32.61 33.20 | 92.00 | 161 | 164 | 101.20 | 151.80 |
| 33.21 33.88 | 93.20 | 165 | 169 | 102.60 | 153.90 |
| 33.89 34.50 | 94.40 | 170 | 174 | 103.90 | 155.90 |
| 34.51 35.00 | 95.60 | 175 | 178 | 105.20 | 157.80 |
| 35.01 35.80 | 96.80 | 179 | 183 | 106.50 | 159.80 |
| 35.81 36.40 | 98.00 | 184 | 188 | 107.80 | 161.70 |
| 36.41 37.08 | 99.30 | 189 | 193 | 109.30 | 164.00 |
| 37.09 37.60 | 100.50 | 194 | 197 | 110.60 | 165.90 |
| $37.61 38.20 | $101.60 | $198 | $202 | $111.80 | $167.70 |
| 38.21 39.12 | 102.90 | 203 | 207 | 113.20 | 169.80 |
| 39.13 39.68 | 104.10 | 208 | 211 | 114.60 | 171.90 |
| 39.69 40.33 | 105.20 | 212 | 216 | 115.80 | 173.70 |
| 40.34 41.12 | 106.50 | 217 | 221 | 117.20 | 176.80 |
| 41.13 41.76 | 107.70 | 222 | 225 | 118.50 | 180.00 |
| 41.77 42.44 | 108.90 | 226 | 230 | 119.80 | 184.00 |
| 42.45 43.20 | 110.10 | 231 | 235 | 121.20 | 188.00 |
| 43.21 43.76 | 111.40 | 236 | 239 | 122.60 | 191.20 |
| 43.77 44.44 | 112.60 | 240 | 244 | 123.90 | 195.20 |
| 44.45 44.88 | 113.70 | 245 | 249 | 125.10 | 199.20 |
| 44.89 45.60 | 115.00 | 250 | 253 | 126.50 | 202.40 |
| | 116.20 | 254 | 258 | 127.90 | 206.40 |
| | 117.30 | 259 | 263 | 129.10 | 210.40 |
| | 118.60 | 264 | 267 | 130.50 | 213.60 |
| | 119.80 | 268 | 272 | 131.80 | 217.60 |
| | 121.00 | 273 | 277 | 133.10 | 221.60 |
| | 122.20 | 278 | 281 | 134.50 | 224.80 |
| | 123.40 | 282 | 286 | 135.80 | 228.80 |
| | 124.70 | 287 | 291 | 137.20 | 232.80 |
| | 125.80 | 292 | 295 | 138.40 | 236.00 |
| | 127.10 | 296 | 300 | 139.90 | 240.00 |
| | 128.30 | 301 | 305 | 141.20 | 244.00 |
| | 129.40 | 306 | 309 | 142.40 | 247.20 |
| | 130.70 | 310 | 314 | 143.80 | 251.20 |
| | 131.90 | 315 | 319 | 145.10 | 255.20 |
| | 133.00 | 320 | 323 | 146.30 | 258.40 |
| | 134.30 | 324 | 328 | 147.80 | 262.40 |
| | 135.50 | 329 | 333 | 149.10 | 266.40 |
| | 136.80 | 334 | 337 | 150.50 | 269.60 |
| | 137.90 | 338 | 342 | 151.70 | 273.60 |
| | 139.10 | 343 | 347 | 153.10 | 277.60 |
| | 140.40 | 348 | 351 | 154.50 | 280.80 |
| | 141.50 | 352 | 356 | 155.70 | 284.80 |
| | 142.80 | 357 | 361 | 157.10 | 288.80 |
| | 144.00 | 362 | 365 | 158.40 | 292.00 |
| | 145.10 | 366 | 370 | 159.70 | 296.00 |
| | 146.40 | 371 | 375 | 161.10 | 300.00 |
| | 147.60 | 376 | 379 | 162.40 | 303.20 |
| | 148.90 | 380 | 384 | 163.80 | 307.20 |

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

| "I | | II | III | | IV | V |
|---|---|---|---|---|---|---|
| (Primary insurance benefit under 1939 act, as modified) | | (Primary insurance amount under 1967 act) | (Average monthly wage) | | (Primary insurance amount) | (Maximum family benefits) |
| If an individual's primary insurance benefit (as determined under subsec. (d)) is— | | Or his primary insurance amount (as determined under subsec. (c)) is— | Or his average monthly wage (as determined under subsec. (b)) is— | | The amount referred to in the preceding paragraphs of this subsection shall be— | And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be— |
| At least— | But not more than— | | At least— | But not more than— | | |
| | | $150.00 | $385 | $389 | $165.00 | $311.20 |
| | | 151.20 | 390 | 393 | 166.40 | 314.40 |
| | | 152.50 | 394 | 398 | 167.80 | 318.40 |
| | | 153.60 | 399 | 403 | 169.00 | 322.40 |
| | | 154.90 | 404 | 407 | 170.40 | 325.60 |
| | | 156.00 | 408 | 412 | 171.60 | 329.60 |
| | | 157.10 | 413 | 417 | 172.90 | 333.60 |
| | | 158.20 | 418 | 421 | 174.10 | 366.80 |
| | | 159.40 | 422 | 426 | 175.40 | 340.80 |
| | | 160.50 | 427 | 431 | 176.60 | 344.80 |
| | | 161.60 | 432 | 436 | 177.80 | 348.80 |
| | | 162.80 | 437 | 440 | 179.10 | 352.00 |
| | | 163.90 | 441 | 445 | 180.30 | 356.00 |
| | | 165.00 | 446 | 450 | 181.50 | 360.00 |
| | | 166.20 | 451 | 454 | 182.90 | 361.60 |
| | | 167.30 | 455 | 459 | 184.10 | 363.60 |
| | | 168.40 | 460 | 464 | 185.30 | 365.60 |
| | | 169.50 | 465 | 468 | 186.50 | 367.20 |
| | | 170.70 | 469 | 473 | 187.80 | 369.20 |
| | | 171.80 | 474 | 478 | 189.00 | 371.20 |
| | | 172.90 | 479 | 482 | 190.20 | 372.80 |
| | | 174.10 | 483 | 487 | 191.60 | 374.80 |
| | | 175.20 | 488 | 492 | 192.80 | 376.80 |
| | | 176.30 | 493 | 496 | 194.00 | 378.40 |
| | | 177.50 | 497 | 501 | 195.30 | 380.40 |
| | | 178.60 | 502 | 506 | 196.50 | 382.40 |
| | | 179.70 | 507 | 510 | 197.70 | 384.00 |
| | | 180.80 | 511 | 515 | 198.90 | 386.00 |
| | | 182.00 | 516 | 520 | 200.20 | 388.00 |
| | | 183.10 | 521 | 524 | 201.50 | 389.60 |
| | | 184.20 | 525 | 529 | 202.70 | 391.60 |
| | | 185.40 | 530 | 524 | 204.00 | 393.60 |
| | | 186.50 | 535 | 538 | 205.20 | 395.20 |
| | | 187.60 | 539 | 543 | 206.40 | 397.20 |
| | | 188.80 | 544 | 548 | 207.70 | 399.20 |
| | | 189.90 | 549 | 553 | 208.90 | 401.20 |
| | | 191.00 | 554 | 556 | 210.10 | 402.40 |

| "I | | II | III | | IV | V |
|---|---|---|---|---|---|---|
| (Primary insurance benefit under 1939 act, as modified) | | (Primary insurance amount under 1967 act) | (Average monthly wage) | | (Primary insurance amount) | (Maximum family benefits) |
| If an individual's primary insurance benefit (as determined under subsec. (d)) is— | | Or his primary insurance amount (as determined under subsec. (c)) is— | Or his average monthly wage (as determined under subsec. (b)) is— | | The amount referred to in the preceding paragraphs of this subsection shall be— | And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be— |
| At least— | But not more than— | | At least— | But not more than— | | |
| | | $192.00 | $557 | $560 | $211.20 | $404.00 |
| | | 193.00 | 561 | 563 | 212.30 | 405.20 |
| | | 194.00 | 564 | 567 | 213.40 | 406.80 |
| | | 195.00 | 568 | 570 | 214.50 | 408.00 |
| | | 196.00 | 571 | 574 | 215.60 | 409.60 |
| | | 197.00 | 575 | 577 | 216.70 | 410.80 |
| | | 198.00 | 578 | 581 | 217.80 | 412.40 |
| | | 199.00 | 582 | 584 | 218.90 | 413.60 |
| | | 200.00 | 585 | 588 | 220.00 | 415.20 |
| | | 201.00 | 589 | 591 | 221.10 | 416.40 |
| | | 202.00 | 592 | 595 | 222.20 | 418.00 |
| | | 203.00 | 596 | 598 | 223.30 | 419.20 |
| | | 204.00 | 599 | 602 | 224.40 | 420.80 |
| | | 205.00 | 603 | 605 | 225.50 | 422.00 |
| | | 206.00 | 606 | 609 | 226.60 | 423.60 |
| | | 207.00 | 610 | 612 | 227.70 | 424.80 |
| | | 208.00 | 613 | 616 | 228.80 | 426.40 |
| | | 209.00 | 617 | 620 | 229.90 | 428.00 |
| | | 210.00 | 621 | 623 | 231.00 | 429.20 |
| | | 211.00 | 624 | 627 | 232.10 | 430.80 |
| | | 212.00 | 628 | 630 | 233.20 | 432.00 |
| | | 213.00 | 631 | 634 | 234.30 | 433.60 |
| | | 214.00 | 635 | 637 | 235.40 | 434.80 |
| | | 215.00 | 638 | 641 | 236.50 | 436.40 |
| | | 216.00 | 642 | 644 | 237.60 | 437.60 |
| | | 217.00 | 645 | 648 | 238.70 | 439.20 |
| | | 218.00 | 649 | 656 | 239.80 | 442.40 |
| | | | 657 | 666 | 241.00 | 446.40 |
| | | | 667 | 676 | 242.00 | 450.40 |
| | | | 677 | 685 | 243.00 | 454.00 |
| | | | 686 | 695 | 244.00 | 458.00 |
| | | | 696 | 705 | 245.00 | 462.00 |
| | | | 706 | 715 | 246.00 | 466.00 |
| | | | 716 | 725 | 247.00 | 470.00 |
| | | | 726 | 734 | 248.00 | 473.60 |
| | | | 735 | 744 | 249.00 | 477.60 |
| | | | 745 | 750 | 250.00 | 480.00." |

(b) Section 203(a) of such Act is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) when two or more persons were entitled (without the application of section 202(j)(1) and section 223(b)) to monthly benefits under section 202 or 223 for March 1970 on the basis of the wages and self-employment income of such insured individual and at least one such person was so entitled for February 1970 on the basis of such wages and self-employment income, such total of benefits for March 1970 or any subsequent month shall not be reduced to less than the larger of—

"(A) the amount determined under this subsection without regard to this paragraph, or

"(B) an amount equal to the sum of the amounts derived by multiplying the benefit amount determined under this title (including this subsection, but without the application of section 222(b), section 202(q), and subsections (b), (c), and (d) of this section), as in effect prior to March 1970, for each such person for such month, by 110 percent and raising each such increased amount, if it is not a multiple of $0.10, to the next higher multiple of $0.10;

But in any such case (i) paragraph (1) of this subsection shall not be applied to such total of benefits after the application of subparagraph (B), and (ii) if section 202(k)(2)(A) was applicable in the case of any such benefits for March 1970, and ceases to apply after such month, the provisions of subparagraph (B) shall be applied, for and after the month in which section 202(k)(2)(A) ceases to apply, as though paragraph (1) had not been applicable to such total of benefits for March 1970, or".

(c) Section 215(b)(4) of such Act is amended by striking out "January 1968" each time it appears and inserting in lieu therof "February 1970".

(d) Section 215(c) of such Act is amended to read as follows:

"PRIMARY INSURANCE AMOUNT UNDER 1967 ACT

"(c)(1) For the purposes of column II of the table appearing in subsection (a) of this section, an individual's primary insurance amount shall be computed on the basis of the law in effect prior to the enactment of the Social Security Amendments of 1969.

"(2) The provisions of this subsection shall be applicable only in the case of an individual who became entitled to benefits under section 202(a) or section 223 before March 1970, or who died before such month."

(e) The amendments made by this section shall apply with respect to monthly benefits under title II of the Social Security Act for months after February 1970 and with respect to lump-sum death payments under such title in the case of deaths occurring after February 1970.

(f) If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act for February 1970 and became entitled to old-age insurance benefits under section 202(a) of such Act for March 1970, or he died in such month, then, for purposes of section 215(a)(4) of the Social Security Act (if applicable), the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under section 215(c) of such Act) instead of the amount in column IV equal to the primary insurance amount on which his disability insurance benefit is based.

INCREASE IN BENEFITS FOR CERTAIN INDIVIDUALS AGE 72 AND OVER

SEC. 3. (a)(1) Section 227(a) of the Social Security Act is amended by striking out "$40" and inserting in lieu thereof "$44," and by striking out "$20" and inserting in lieu thereof "$22.".

(2) Section 227(b) of such Act is amended by striking out in the second sentence "$40" and inserting in lieu thereof "$44".

(b)(1) Section 228(b)(1) of such Act is amended by striking out "$40" and inserting in lieu thereof "$44".

(2) Section 228(b)(2) of such Act is amended by striking out "$40" and inserting in lieu thereof "$44", and by striking out "$20" and inserting in lieu thereof "$22".

(3) Section 228(c)(2) of such Act is amended by striking out "$20" and inserting in lieu thereof "$22".

(4) Section 228(c)(3)(A) of such Act is amended by striking out "$40" and inserting in lieu thereof "$44".

(5) Section 228(c)(3)(B) of such Act is amended by striking out "$20" and inserting in lieu thereof "$22".

(c) The amendments made by subsections (a) and (b) shall apply with respect to monthly benefits under title II of the Social Security Act for months after February 1970.

AUTOMATIC ADJUSTMENT OF BENEFITS

SEC. 4. (a) Section 215 of the Social Security Act is amended by adding after subsection (h) the following new subsection:

"COST-OF-LIVING INCREASES IN BENEFITS

"(i)(1) For purposes of this subsection—

"(A) the term 'base quarter' shall mean the period of 3 consecutive calendar months ending on September 30, 1969, and the period of 3 consecutive calendar months ending on September 30 of each year thereafter.

"(B) the term 'cost-of-living computation quarter' shall mean the base quarter in which the monthly average of the Consumer Price Index prepared by the Department of Labor exceeds, by not less than 3 per centum, the monthly average of such Index in the later of: (i) the 3 calendar-month period ending on September 30, 1969 or (ii) the base quarter which was most recently a cost-of-living computation quarter.

"(2)(A) If the Secretary determines that a base quarter in a calendar year is also a cost-of-living computation quarter, he shall, effective for January of the next calendar year, increase the benefit amount of each individual who for such month is entitled to benefits under section 227 or 228 and the primary insurance amount of each individual, specified in subparagraph (B) of this paragraph, by an amount derived by multiplying such amount of each such individual (including each such individual's primary insurance amount or benefit amount under section 227 or 228 as previously increased under this subparagraph) by the same per centum (rounded to the nearest one-tenth of 1 per centum) as the monthly average of the Consumer Price Index for such cost-of-living computation quarter exceeds the monthly average of such Index for the base quarter determined after the application of clauses (i) and (ii) of paragraph (1)(B). Such increased primary insurance amount shall be considered such individual's primary insurance amount for purposes of this subsection, section 202, and section 223.

"(B) The increase provided by subparagraph (A) with respect to a particular cost-of-living computation quarter shall apply in the case of monthly benefits under this title for months after December of the calendar year in which occurred such cost-of-living computation quarter, based on the wages and self-employment income of an individual who became entitled to monthly benefits under section 202, 223, 227, or 228 (without regard to section 202(j)(1) or section 223(b)), or who died, in or before December of the calendar year in which occurred such cost-of-living computation quarter.

"(C) If the Secretary determines that a base quarter in a calendar year is also a cost-of-living computation quarter, he shall publish in the Federal Register on or before December 1 of such calendar year a determination that a benefit increase is resultantly required and the percentage thereof. He shall also publish in the Federal Register at that time a revision of the benefit table contained in subsection (a), as it may have been revised previously, pursuant to this subparagraph. Such revision shall be determined as follows:

"(i) The amount of each line of column II shall be changed to the amount shown on the corresponding line of column IV of the table in effect before this revision.

"(ii) The amount of each line of column IV shall be increased from the amount shown in the table in effect before this revision by increasing such amount by the per centum specified in subparagraph (A) of paragraph (2), raising each such increased amount, if not a multiple of $.10, to the next higher multiple of $.10.

"(iii) If the contribution and benefit base (as defined in section 230(b)) for the calendar year in which such benefit table is revised is lower than such base for the following calendar year, columns III, IV, and V shall be extended. The amount in the first additional line in column IV shall be the amount in the last line of such column as determined under clause (ii), plus $1.00, rounding such increased amount to the nearest multiple of $1.00. The amount of each succeeding line of column IV shall be the amount on the preceding line increased by $1.00, until the amount on the last line of such column shall be equal to one-thirty-sixth of the contribution and earnings base for the calendar year succeeding the calendar year in which such benefit table is revised, rounding such amount, if not a multiple of $1.00, to the nearest multiple of $1.00. The amount in each additional line of column III shall be determined so that the second figure in the last line of column III shall be one-twelfth of the contribution and earnings base for the calendar year following the calendar year in which such benefit table is revised, and the remaining figures in column III shall be determined in consistent mathematical intervals from column IV. The second figure in the last line of column III before the extension of the column shall be increased to a figure mathematically consistent with the figures determined in accordance with the preceding sentence. The amount on each line of column V shall be increased, to the extent necessary, so that each such amount shall be equal to 40 per centum of the second figure in the same line of column III, plus 40 per centum of the smaller of (I) such second figure or (II) the larger of $450 or 50 per centum of the largest figure in column III.

"(iv) The amount on each line of column V shall be increased, if necessary, so that such amount shall be at least equal to one and one-half times the amount shown on the corresponding line in column IV. Any such increased amount that is not a multiple of $.10 shall be increased to the next higher multiple of $.10."

(b) Section 203(a) of such Act is amended by striking out the period at the end of the first sentence and inserting in lieu thereof ", or" and adding the following new paragraph:

"(4) when two or more persons are entitled (without the application of section 202(j)(1) and section 223(b)) to monthly benefits under section 202 or 223 for December in the calendar year in which occurs a cost-of-living computation quarter (as defined in section 215(i)(1)) on the basis of the wages and self-employment income of such insured individual, such total of benefits for the month immediately following shall be reduced to not less than the amount equal to the sum of the amounts derived by multiplying the benefit amount determined under this title (including this subsection, but without the application of section 222(b), section 202(q), and subsections (b), (c), and (d) of this section) as in effect for December for each such person by the same per centum increase as such individual's primary insurance amount (including such amount as previously increased under section 215(i)(2)) is increased and raising each such increased amount, if not a multiple of $0.10, to the next highest multiple of $0.10.".

(c)(1) Section 202(a) of such Act is amended by striking out "(as defined in section 215(a)).".

(2) Section 215(f)(4) of such Act is amended by adding at the end before the period the following: "(including a primary insurance amount as increased under subsection (i)(2))".

(3) Section 215(g) of such Act is amended by striking out "primary insurance amount" and inserting in lieu thereof "primary insurance amount (including a primary insurance amount as increased under subsection (i)(2))".

LIBERALIZATION OF EARNINGS TEST

SEC. 5. (a)(1) Paragraphs (1) and (4)(B) of section 203(f) of the Social Security Act are each amended by striking out "$140" and inserting in lieu thereof "$150 or the exempt amount as determined under paragraph (8)".

(2) Paragraph (1)(A) of section 203(h) of such Act is amended by striking out "$140" and inserting in lieu thereof "$150 or the exempt amount as determined under paragraph (8)".

(3) Paragraph (3) section 203(f) of such Act is amended to read as follows:

"(3) For purposes of paragraph (1) and subsection (h), an individual's excess earnings for a taxable year shall be 50 per centum of his earnings for such year in execess of the product of $150 or the exempt amount as determined under paragraph (8) multiplied by the number of months in such year. The excess earnings as derived under the preceding sentence, if not a multiple of $1, shall be reduced to the next lower multiple of $1."

(b) Subsection (f) of section 203 of such Act is amended by adding at the end thereof the following new paragraph:

"(8)(A) On or before October 1 of 1972 and of each even-numbered year thereafter, the Secretary shall determine and publish in the Federal Register the exempt amount as defined in subparagraph (B) for each month in the two taxable years which end after the calendar year following the year in which such determination is made.

"(B) The exempt amount for each month of a particular taxable year shall be whichever of the following is the larger:

"(i) the product of $150 and the ratio of (I) the average taxable wages of all persons for whom taxable wages were reported to the Secretary for the first calendar quarter of the calendar year in which a determination under subparagraph (A) is made for each such month of such particular taxable year to (II) the average of the taxable wages of all persons for whom wages were reported to the Secretary for the first calendar quarter of 1971; such product, if not a multiple of $10, shall be rounded to the nearest multiple of $10, or

"(ii) the exempt amount for each month in the taxable year preceding such particular taxable year; except that the provisions in clause (i) shall not apply with respect to any taxable year unless the contribution and earnings base for such year is determined under section 230(b)(1)."

(c) Clause (B) of Section 203(f)(1) of the Social Security Act is amended to read as follows:

"(B) in which such individual was age 72 or over, excluding from such excess earnings the earnings of an individual in or after the month in which he was age 72 in the year in which he attained age 72, with the amount (if any) of an individual's self-employment income in such year being prorated in an equitable manner under regulations prescribed by the Secretary,".

(d) The amendments made by this section shall apply with respect to taxable years ending after December 1970.

INCREASE OF EARNINGS COUNTED FOR BENEFIT AND TAX PURPOSES

SEC. 6. (a)(1)(A) Section 209(a)(5) of the Social Security Act is amended by inserting "and prior to 1972" after "1967".

(B) Section 209(a) of such Act is further amended by adding at the end thereof the following new paragraphs:

"(6) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $9,000 with respect

to employment has been paid to an individual during any calendar year after 1971 and prior to 1974, is paid to such individual during any such calendar year;

"(7) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to the contribution and earnings base (determined under section 230) with respect to employment paid to an individual during the calendar year with respect to which such contribution and earnings base effective, is paid to such individual during such calendar year;

(2) (A) Section 211(b) (1) (E) of such Act is amended by inserting "and prior to 1972" after "1967", by striking out "; or" and inserting in lieu thereof "; and".

(B) Section 211(b) (1) of such Act is further amended by adding at the end thereof the following new subparagraphs:

"(F) For any taxable year ending after 1971 and prior to 1974, (i) $9,000, minus (ii) the amount of the wages paid to such individual during the taxable year; and

"(G) For any taxable year ending in any calendar year after 1973, (i) an amount equal to the contribution and earnings base (as determined under section 230) effective for such calendar year, minus (ii) the amount of the wages to such individual during such taxable year, or".

(3) (A) Section 213(a) (2) (ii) of such Act is amended by striking out "after 1967" and inserting in lieu thereof "after 1967 and before 1972, or $9,000 in the case of a calendar year after 1971 and before 1974, or an amount equal to the contribution and earnings base (as determined under section 230) in the case of any calendar year with respect to which such contribution and earnings base was effective".

(B) Section 213(a) (2) (iii) of such Act is amended by striking out "after 1967" and inserting in lieu thereof "after 1967 and prior to 1972, or $9,000 in the case of a taxable year ending after 1971 and prior to 1974 or the amount equal to the contribution and earnings base (as determined under section 230), in the case of any taxable year ending in any calendar year after 1973, effective for such calendar year".

(4) Section 215(e) (1) of such Act is amended by striking out "and the excess over $7,800 in the case of any calendar year after 1967" and inserting in lieu thereof "the excess over $7,800 in the case of any calendar year after 1967 and before 1972, the excess over $9,000 in the case of any calendar year after 1971 and before 1974, and the excess over an amount equal to the contribution and earnings base (as determined under section 230) in the case of any calendar year after 1973 with respect to which such contribution and earnings base was effective".

(b) (1) (A) Section 1402(b) (1) (E) of the Internal Revenue Code of 1954 (relating to definition of self-employment income) is amended by inserting "and before 1972" after "1967", and by striking out "; or" and inserting in lieu thereof "; and ".

(B) Section 1402(b) (1) of such Code is further amended by adding at the end thereof the following new subparagraphs:

"(F) for any taxable year ending after 1971 and before 1974, (i) $9,000, minus (ii) the amount of the wages paid to such individual during the taxable year; and

"(G) for any taxable year ending in any calendar year after 1973, (i) an amount equal to the contribution and earnings base (as determined under section 230 of the Social Security Act) effective for such calendar year, minus (ii) the amount of the wages paid to such individual during such taxable year; or".

(2) (A) Section 3121(a) (1) of such Code (relating to definition of wages) is amended by striking out "$7,800" each place it appears and inserting in lieu thereof "$9,000".

(B) Effective with remuneration paid after 1973, section 3121(a) (1) of such Code is amended by (1) striking out "$9,000" each place it appears and inserting in lieu thereof "the contribution and earnings base (as determined under section 230 of the Social Security Act)", and (2) striking out "by an employer during any calendar year", and inserting in lieu thereof "by an employer during the calendar year with respect to which such contribution and earnings base was effective".

(3) (A) The second sentence of section 3122 of such Code (relating to Federal service) is amended by striking out "$7,800" and inserting in lieu thereof "$9,000".

(B) Effective with remuneration paid after 1973, the second sentence of section 3122 of such Code is amended by striking out "$9,000" and inserting in lieu thereof "the contribution and earnings base".

(4) (A) Section 3125 of such Code (relating to returns in the case of governmental employees in Guam, American Samoa, and the District of Columbia) is amended by striking out "$7,800" where it appears in subsections (a), (b), and (c) and inserting in lieu thereof "$9,000".

(B) Effective with remuneration paid after 1973, the second sentence of section 3125 of such Code is amended by striking out "$9,000" where it appears in subsections (a), (b), and (c) and inserting in lieu thereof "the contribution and earnings base".

(5) Section 6413(c) (1) of such Code (relating to special refunds of employment taxes) is amended—

(A) by inserting "and prior to the calendar year 1972" after "after the calendar year 1967".

(B) by inserting after "exceed $7,800" the following: "or (E) during any calendar year after the calendar year 1971 and prior to the calendar year 1974, the wages received by him during such year exceed $9,000, or (F) during any calendar year after 1973, the wages received by him during such year exceed the contribution and earnings base (as determined under section 230 of the Social Security Act) effective with respect to such year," and

(C) by inserting before the period at the end thereof the following: "and before 1972, or which exceeds the tax with respect to the first $9,000 of such wages received in such calendar year after 1971 and before 1974, or which exceeds the tax with respect to the first amount equal to the contribution and earnings base (as determined under section 230 of the Social Security Act) of such wages received in the calendar year after 1973 with respect to which such contribution and earnings base was effective".

(6) Section 6413(c) (2) (A) of such Code (relating to refunds of employment taxes in the case of Federal employees) is amended by—

(A) striking out "or $7,800 for any calendar year after 1967" and inserting in lieu thereof "$7,800 for the calendar years 1968, 1969, 1970 and 1971, or $9,000 for the calendar year 1972 or 1973, or an amount equal to the contribution and earnings base (as determined under section 230 of the Social Security Act) for any calendar year after 1973 with respect to which such contribution and earnings base was effective".

(c) The amendments made by subsections (a) (1) and (a) (3) (A), and the amendments made by subsection (b) (except paragraph (1) thereof), shall apply only with respect to remuneration paid after December 1971. The amendments made by subsections (a) (2), (a) (3) (B), and (b) (1) shall apply only with respect to taxable years ending after 1971. The amendment made by subsection (a) (4) shall apply only with respect to calendar years after 1971.

AUTOMATIC ADJUSTMENT OF EARNINGS BASE

SEC. 7. (a) Title II of the Social Security Act is amended by adding at the end thereof the following new section:

"AUTOMATIC ADJUSTMENT OF EARNINGS BASE

"SEC. 230. (a) On or before October 1 of 1972, and each even-numbered year thereafter, the Secretary shall determine and publish in the Federal Register the contribution and earnings base (as defined in subsection (b)) for the two calendar years succeeding the calendar year following the year in which the determination is made.

"(b) The contribution and earnings base for a particular calendar year shall be whichever of the following is the larger.

"(1) the product of $9,000 and the ratio of (A) the average taxable wages of all persons for whom taxable wages were reported to the Secretary for the first calendar quarter of the calendar year in which a determination under subsection (a) is made for such particular calendar year to (B) the average of the taxable wages of all persons for whom taxable wages were reported to the Secretary for the first calendar quarter of 1971; such product, if not a multiple of $600, shall be rounded to the nearest multiple of $600, or

"(2) the contribution and earnings base for the calendar year preceding such particular calendar year."

(b) That part of section 215(a) of the Social Security Act which precedes the table is amended by striking out "or" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof "or the amount equal to his primary insurance amount upon which such disability insurance benefit is based if such primary insurance amount was determined under paragraph (5); or", and by inserting after paragraph (4) the following:

"(5) If such insured individual's average monthly wage (as determined under subsection (b)) exceeds $750, the amount equal to the sum of (A) $54.48 and (B) 28.47 per centum of such average monthly wage; such sum, if it is not a multiple of $1, shall be rounded to the nearest multiple of $1."

(c) So much of section 203(a) as precedes paragraph (2) is amended to read as follows:

"SEC. 203. (a) Whenever the total of monthly benefits to which individuals are entitled under sections 202 and 223 for a month on the basis of the wages and self-employment income of an insured individual exceeds the larger of: (I) the amount appearing in column V of the table in section 215(a) on the line on which appears in column IV such insured individual's primary insurance amount, and (II) the amount which is equal to the sum of $180 and 40 per centum of the highest average monthly wage (as determined under section 215(b)), which will produce the primary insurance amount of such individual (as determined under section 215(a)(5)), such total of monthly benefits to which such individuals are entitled shall be reduced to the larger amount determined under (I) or (II) above, whichever is applicable; except that—

"(1) when any such individuals so entitled would (but for the provisions of section 202(k)(2)(A)) be entitled to child's insurance benefits on the basis of the wages and self-employment income of one or more other insured individuals, such total benefits shall not be reduced to less than the larger of:

"(A) the sum of the maximum amounts of benefits payable on the basis of the wages and self-employment income of all such in-

sured individuals, but not more than the last figure in column V of the table appearing in section 215(a), and

"(B) the amount determined under clause (II) for the highest primary insurance amount of any insured individual (if such primary insurance amount is determined under section 215(a)(15))."

(d)(1) Section 201(c) of the Social Security Act is amended by inserting before the last sentence the following sentence: "The report shall further include a recommendation as to the appropriateness of the tax rates in sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, which will be in effect for the following calendar year; this recommendation shall be made in the light of the need for the estimated income in relationship to the estimated outgo of the Trust Funds during such year."

(2) Section 1817(b) of such Act is amended by inserting before the last sentence the following sentence: "The report shall further include a recommendation as to the appropriateness of the tax rates in sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954, which will be in effect for the following calendar year; this recommendation shall be made in the light of the need for the estimated income in relationship to the estimated outgo of the Trust Fund during such year."

(e) The amendments made by subsections (b) and (c) shall apply with respect to monthly benefits for months after December 1973 and with respect to lump-sum death payments under such title in the case of deaths occurring after 1973.

CHANGES IN TAX SCHEDULES

SEC. 8. (a)(1) Section 1401(a) of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income for purposes of old-age survivors, and disability insurance) is amended by striking out paragraphs (1), (2), (3), and (4), and inserting in lieu thereof the following:

"(1) in the case of any taxable year beginning after December 31, 1969, and before January 1, 1975, the tax shall be equal to 6.3 percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1974, and before January 1, 1977, the tax shall be equal to 6.9 percent of the amount of the self-employment income for such taxable year; and

"(3) in the case of any taxable year beginning after December 31, 1976, the tax shall be equal to 7.0 percent of the amount of the self-employment income for such taxable year."

(2) Section 3101(a) of such Code (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (1), (2), (3), and (4) and inserting in lieu thereof the following:

"(1) with respect to wages received during the calendar years 1970, 1971, 1972, 1973 and 1974, the rate shall be 4.2 percent;

"(2) with respect to wages received during the calendar years 1975 and 1976, the rate shall be 4.6 percent;

"(3) with respect to wages received during the calendar years 1977, 1978, and 1979, the rate shall be 4.8 percent;

"(4) with respect to wages received during the calendar years 1980, 1981, 1982, 1983, 1984, 1985, and 1986, the rate shall be 4.9 percent; and

"(5) with respect to wages received after December 31, 1986, the rate shall be 5.0 percent."

(3) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (1), (2), (3), and (4) and inserting in lieu thereof the following:

"(1) with respect to wages paid during the calendar years 1970, 1971, 1972, 1973 and 1974, the rate shall be 4.2 percent;

"(2) with respect to wages paid during the calendar years 1975 and 1976, the rate shall be 4.6 percent;

"(3) with respect to wages paid during the calendar years 1977, 1978, and 1979, the rate shall be 4.8 percent;

"(4) with respect to wages paid during the calendar years 1980, 1981, 1982, 1983, 1984, 1985, and 1986, the rate shall be 4.9 percent; and

"(5) with respect to wages paid after December 31, 1986, the rate shall be 5.0 percent."

(b)(1) Section 1401(b) of such Code (relating to rate of tax on self-employment income for purposes of hospital insurance) is amended by striking out paragraphs (1), (2), (3), (4), and (5) inserting in lieu thereof the following:

"(1) in the case of any taxable year beginning after December 31, 1969, and before January 1, 1971, the tax shall be equal to 0.60 percent of the amount of the self-employment income for such taxable year; and

"(2) in the case of any taxable year beginning after December 31, 1970, the tax shall be equal to 0.90 percent of the amount of the self-employment income for such taxable year."

(2) Section 3101(b) of such Code (relating to rate of tax on employees for purposes of hospital insurance) is amended by striking out paragraphs (1), (2), (3), (4), and (5) and inserting in lieu thereof the following:

"(1) with respect to wages received during the calendar year 1970, the rate shall be 0.60 percent; and

"(2) with respect to wages received after December 31, 1970, the rate shall be 0.90 percent."

(3) Section 3111(b) of such Code (relating to rate of tax on employers for purposes of hospital insurance) is amended by striking out paragraphs (1), (2), (3), (4), and (5) and inserting in lieu thereof the following:

"(1) with respect to wages paid during the calendar year 1970, the rate shall be 0.60 percent; and

"(2) with respect to wages paid after December 31, 1970, the rate shall be 0.90 percent."

(c) The amendment made by subsections (a)(1) and (b)(1) shall apply only with respect to taxable years beginning after December 31, 1969. The remaining amendments made by this section shall apply only with respect to remuneration paid after December 31, 1969.

AGE-62 COMPUTATION POINT FOR MEN

SEC. 9. (a) Section 214(a)(1) of the Social Security Act is amended by striking out "before—" and by striking out all of subparagraphs (A), (B), and (C) and by inserting in lieu thereof "before the year in which he died or (if earlier) the year in which he attained age 62,".

(b) Section 215(b)(3) of such Act is amended by striking out "before—" and all of subparagraphs (A), (B), and (C) and by inserting in lieu thereof "before the year in which he died or, if it occurred earlier but after 1960, the year in which he attained age 62.".

(c) Section 215(f) of such Act is amended by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) In the case of an individual who is entitled to monthly benefits for a month after December 1971, on the basis of the wages and self-employment income of an insured individual who prior to January 1972 became entitled to benefits under section 202(a), became entitled to benefits under section 223 after the year in which he attained age 62, or died in a year after the year in which he attained age 62, the Secretary shall, notwithstanding paragraphs (1) and (2), recompute the primary insurance amount of such insured individual. Such recomputation shall be made under whichever of the following alternative computation methods yields the higher primary insurance amount:

"(A) the computation methods of this section, as amended by the Social Security Amendments of 1969, which would be applicable in the case of an insured individual who attained age 62 after December 1971, or

"(B) under the provisions in subparagraph (A) (but without regard to the limitation, 'but after 1960' contained in paragraph (3) of subsection (b)), except that for any such recomputation, when the number of an individual's benefit computation years is less than 5, his average monthly wage shall, if it is in excess of $400, be reduced to such amount."

(d) Section 223(a)(2) of such Act is amended by—

(1) striking out "(if a woman) or age 65 (if a man)",

(2) striking out "in the case of a woman" and inserting in lieu thereof "in the case of an individual," and

(3) striking out "she" and inserting in lieu thereof "he".

(e) Section 223(c)(1)(A) is amended by striking out "(if a woman) or age 65 (if a man)".

(f) The amendments made by the preceding subsections of this section shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1971 and with respect to lump-sum death payments made in the case of an insured individual who died after such month.

(g) Sections 209(i), 216(i)(3)(A) and 213(a)(2) of the Social Security Act are amended by striking out "(if a woman) or age 65 (if a man)".

ENTITLEMENT TO CHILD'S INSURANCE BENEFITS BASED ON DISABILITY WHICH BEGAN BETWEEN 18 AND 22

SEC. 10. (a) Clause (ii) of section 202(d)(1)(B) of the Social Security Act is amended by striking out "which began before he attained the age of 18" and inserting in lieu thereof "which began before he attained the age of 22".

(b) Subparagraphs (F) and (G) of section 202(d)(1) of such Act are amended to read as follows:

"(F) if such child was not under a disability (as so defined) at the time he attained the age of 18, the earlier of—

"(i) the first month during no part of which he is a full-time student, or

"(ii) the month in which he attains the age of 22,

but only if he was not under a disability (as so defined) in such earlier month; or

"(G) if such child was under a disability (as so defined) at the time he attained the age of 18, or if he was not under a disability (as so defined) at such time but was under a disability (as so defined) at or prior to the time he attained (or would attain) the age of 22, the third month following the month in which he ceases to be under such disability or (if later) the earlier of—

"(i) the first month during no part of which he is a full-time student, or

"(ii) the month in which he attains the age of 22,

but only if he was not under a disability (as so defined) in such earlier month."

(c) Section 202(d)(1) of such Act is further amended by adding at the end thereof

the following new sentence: "No payment under this paragraph may be made to a child who would not meet the definition of disability in section 223(d) except for paragraph (1)(B) thereof for any month in which he engages in substantial gainful activity."

(d) Paragraph (6) of section 202(d) is amended by striking out "in which he is a full-time student and has not attained the age of 22" and all that follows and inserting in lieu thereof "in which he—

"(A) (i) is a full-time student or (ii) is under a disability (as defined in section 223(d)), and

"(B) had not attained the age of 22, but only if he has filed application for such reentitlement. Such reentitlement shall end with the month preceding whichever of the following first occurs:

"(C) the first month in which an event specified in paragraph (1)(D) occurs; or

"(D) the earlier of (i) the first month during no part of which he is a full-time student or (ii) the month in which he attains the age of 22, but only if he is not under a disability (as so defined) in such earlier month; or

"(E) if he was under a disability (as so defined), the third month following the month in which he ceases to be under such disability or (if later) the earlier of—

"(i) the first month during no part of which he is a full-time student, or

"(ii) the month in which he attains the age of 22."

(e) Section 202(s) of such Act is amended—

(1) by striking out "before he attained such age" in paragraph (1) and inserting in lieu thereof "before he attained the age of 22"; and

(2) by striking out "before such child attained the age of 18" in paragraphs (2) and (3) and inserting in lieu thereof "before such child attained the age of 22".

(f) The amendments made by this section shall apply only with respect to monthly insurance benefits payable under section 202 of the Social Security Act for months after December 1970, except that in the case of an individual who was not entitled to a monthly benefit under such section for December 1970, such amendments shall apply only on the basis of an application filed after September 30, 1970.

ALLOCATION TO DISABILITY INSURANCE TRUST FUND

SEC. 11. (a) Section 201(b)(1) of the Social Security Act is amended by—

(1) striking out "and" at the end of clause (B);

(2) striking out "1967, and so reported," and inserting in lieu thereof the following: "1967, and before January 1, 1970, and so reported, and (D) 1.05 per centum of the wages (as so defined) paid after December 31, 1969, and so reported,".

(b) Section 201(b)(2) of such Act is amended by

(1) striking out "and" at the end of clause (B);

(2) striking out "1967" and inserting in lieu thereof the following: "1967, and before January 1, 1970, and (D) 0.7875 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1969,".

WAGE CREDITS FOR MEMBERS OF THE UNIFORMED SERVICES

SEC. 12. (a) Subsection 229(a) of such Act is amended by—

(1) striking out "after December 1967," and inserting in lieu thereof "after December 1970";

(2) striking out "after 1967" and inserting in lieu thereof "after 1956"; and

(3) striking out all of paragraphs (1), (2), and (3), and inserting in lieu thereof "$300".

(b) The amendments made by subsection (a) shall apply with respect to monthly benefits payable under title II of the Social Security Act for months after December 1970 and with respect to lump-sum death payments in the case of deaths occurring after December 1970, except that, in the case of any individual who is entitled, on the basis of the wages and self-employment income of any individual to whom section 229 applies, to monthly benefits under title II of such Act for December 1970, such amendments shall apply (A) only if an application for recomputation by reason of such amendments is filed by such individual, or any other individual, entitled to benefits under such title II on the basis of such wages and self-employment income, and (B) only with respect to such benefits for months after whichever of the following is later: December 1970 or the twelfth month before the month in which such application was filed. Recomputations of benefits as required to carry out the provisions of this paragraph shall be made notwithstanding the provisions of section 215(f)(1) of the Social Security Act; but no such recomputation shall be regarded as a recomputation for purposes of section 215(f) of such act.

PARENT'S INSURANCE BENEFITS IN CASE OF RETIRED OR DISABLED WORKER

SEC. 13. (a) Paragraphs (1) and (2) of section 202 (h) of the Social Security Act are amended to read as follows:

"(1) Every parent (as defined in this subsection) of an individual entitled to old-age or disability insurance benefits, or of an individual who died a fully insured individual, if such parent—

"(A) has attained age 62,

"(B) was receiving at least one-half of his support, as determined in accordance with regulations prescribed by the Secretary, from such individual—

"(i) if such individual is entitled to old-age or disability insurance benefits, at the time he became entitled to such benefits,

"(ii) if such individual has died, at the time of such death, or

"(iii) if such individual had a period of disability which continued until he became entitled to old-age or disability insurance benefits, or (if he had died) until the month of his death, at the beginning of such period of disability,

and has filed proof of such support within two years after the month in which such individual filed application with respect to such period of disability, became entitled to such benefits, or died, as the case may be,

"(C) is not entitled to old-age or disability insurance benefits, or is entitled to such benefits, each of which is (i) less than 50 percent of the primary insurance amount of such individual if such individual is entitled to old-age or disability insurance benefits, or (ii) less than 82½ percent of the primary insurance amount of such individual if such individual is deceased, and if the amount of the parent's insurance benefit for such month is determinable under paragraph (2)(A) (or 75 percent of such primary insurance amount in any other case),

"(D) has not married since the time with respect to which the Secretary determines, under subparagraph (B) of this paragraph, that such parent was receiving at least one-half of his support from such individual, and

"(E) has filed application for parent's insurance benefits,

shall be entitled to a parent's insurance benefit for each month, beginning with the first month in which such parent becomes so entitled to such parent's insurance benefits and ending with the month preceding the first month in which any of the following occurs—

"(F) such parent dies or marries, or

"(G)(i) if such individual is entitled to old-age or disability insurance benefits, such parent becomes entitled to an old-age or disability insurance benefit which is equal to or exceeds one-half of the primary insurance amount of such individual, or (ii) if such individual has died, such parent becomes entitled to an old-age or disability insurance benefit which is equal to or exceeds 82½ percent of the primary insurance amount of such deceased individual if the amount of the parent's insurance benefit for such month is determinable under paragraph (2)(A) (or 75 percent of such primary insurance amount in any other case), or

"(H) such individual, if living, is not entitled to disability insurance benefits and is not entitled to old-age insurance benefits.

"(2)(A) Except as provided in subparagraphs (B) and (C), such parent's insurance benefit for each month shall be equal to—

"(i) if the individual on the basis of whose wages and self-employment income the parent is entitled to such benefit has not died prior to the end of such month, one-half of the primary insurance amount of such individual for such month, or

"(ii) if such individual has died in or prior to such month, 82½ percent of the primary insurance amount of such deceased individual;

"(B) For any month for which more than one parent is entitled to parent's insurance benefits on the basis of the wages and self-employment income of an individual who died in or prior to such month, such benefit for each such parent for such month shall (except as provided in subparagraph (C)) be equal to 75 percent of the primary insurance amount of such deceased individual;

"(C) In any case in which—

"(i) any parent is entitled to a parent's insurance benefit for a month on the basis of the wages and self-employment income of an individual who died in or prior to such month, and

"(ii) another parent of such deceased individual is entitled to a parent's insurance benefit for such month on the basis of such wages and self-employment income, and on the basis of an application filed after such month and after the month in which the application for the parent's insurance benefits referred to in clause (i) was filed,

the amount of the parent's insurance benefit of the parent referred to in clause (i) for the month referred to in such clause shall be determined under subparagraph (A) instead of subparagraph (B) and the amount of the parent's insurance benefit of the parent referred to in clause (ii) for such month shall be equal to 150 percent of the primary insurance amount of such individual minus the amount (before the application of section 203(a)) of the benefit for such month of the parent referred to in clause (i)."

(b) Section 202(q) of such Act is amended by—

(1) inserting in paragraph (1) after "husband's," the following: "parent's," and by striking out in such paragraph (1) "or husband's" and inserting in lieu thereof ", husband's, or parent's";

(2) inserting in paragraph (3) after "husband's," wherever it appears the following: "parent's," and by striking out in such paragraph (3) "or husband's" wherever it appears and inserting in lieu thereof "husband's, or parent's";

(3) inserting in paragraph (6) after "husband's," wherever it appears the following: "parent's,"; and by striking out in such paragraph (6) "or husband's" wherever it appears and inserting in lieu thereof "husband's, or parent's";

(4) inserting in paragraph (7) after "husband's," the following: "parent's," and by striking out "or husband's" and inserting in lieu thereof "husband's, or parent's"; and

(5) adding at the end thereof the following new paragraph:

"(10) For purposes of this subsection, 'parent's insurance benefits' means benefits payable under this section to a parent on the basis of the wages and self-employment income of an individual entitled to old-age insurance benefits or disability insurance benefits."

(c) Section 202(r) of such Act is amended—

(1) by striking out "or Husband's" in the heading and inserting in lieu thereof, "Husband's, or Parent's"; and

(2) by striking out "or husband's" each time it appears in paragraphs (1) and (2) and inserting in lieu thereof, "husband's, or parent's".

(d) Section 203(d)(1) of such Act is amended by striking out "or child's" wherever it appears and inserting in lieu thereof "child's, or parents's" and by striking out "or child" and inserting in lieu thereof "child, or parent".

(e) Subparagraph (C) of section 202(q)(7) of such Act is amended—

(1) by striking out "wife's or husband's increase benefits" and inserting in lieu thereof "wife's, husband's, or parent's insurance benefits", and

(2) by striking out "the spouse" and inserting in lieu thereof "the individual".

(f) Section 222(b)(3) of such Act is amended—

(1) by striking out "husband's, or child's" wherever it appears and inserting in lieu thereof "husband's, parent's, or child's", and

(2) by striking out "husband, or child" and inserting in lieu thereof "husband, parent, or child".

(g) Where—

(1) one or more persons were entitled (without the application of section 202(j)(1) of the Social Security Act) to monthly benefits under section 202 or 223 of such Act for December 1970 on the basis of the wages and self-employment income of an individual, and

(2) one or more persons are entitled to monthly benefits for January 1971 solely by reason of this section on the basis of such wages and self-employment income, and

(3) the total of benefits to which all persons are entitled under such section 202 or 223 on the basis of such wages and self-employment income for January 1971 is reduced by reason of section 203(a) of such Act, as amended by this Act (or would, but for the penultimate sentence of such section 203(a), be so reduced), then the amount of the benefit to which each person referred to in paragraph (1) of the subsection is entitled for months after December 1970 shall be increased, after the application of such section 203(a), to the amount it would have been if the person or persons referred to in paragraph (2) were not entitled to a benefit referred to in such paragraph (2).

(h) The amendments made by this section shall apply only with respect to monthly insurance benefits payable under section 202 of the Social Security Act for months after December 1970 and only on the basis of an application filed after September 30, 1970.

(i) The requirement in section 202(h)(1)(B) of the Social Security Act that proof of support be filed within two years after a specified date in order to establish eligibility for parent's insurance benefits shall, insofar as such requirement applies to cases where applications under such subsection are filed by parents on the basis of the wages and self-employment income of an individual entitled to old-age or disability insurance benefits, not apply if such proof of support is filed within two years after the date of enactment of this Act.

INCREASED WIDOW'S AND WIDOWER'S INSURANCE BENEFITS

SEC. 14. (a) Subsection (e) of section 202 of the Social Security Act is amended as follows:

(1) Paragraphs (1) and (2) of such subsection are amended by striking out "82½ percent of" wherever it appears.

(2) Paragraph (5) of such subsection is amended by striking out "60" and inserting in lieu thereof "65".

(b) Subsection (f) of section 202 of such Act is amended as follows:

(1) Paragraphs (1) and (3) of such subsection are amended by striking out "82½ percent of" wherever it appears.

(2) Paragraph (6) of such subsection is amended by striking out "62" and inserting in lieu thereof "65".

(c)(1) The last sentence of subsection (c) of section 203 of such Act is amended by striking out all that follows the semicolon and inserting in lieu thereof the following: "nor shall any deduction be made under this subsection from any widow's insurance benefit for any month in which the widow or surviving divorced wife is entitled and has not attained age 65 (but only if she became so entitled prior to attaining age 60), or from any widower's insurance benefit for any month in which the widower is entitled and has not attained age 65 (but only if he became so entitled prior to attaining age 62).".

(2) Subparagraph (D) of section 203(f)(1) of such Act is amended to read as follows:

"(D) for which such individual is entitled to widow's insurance benefits and has not attained age 65 (but only if she became so entitled prior to attaining age 60), or widower's insurance benefits and has not attained age 65 (but only if he became so entitled prior to attaining age 62), or".

(d) Subsection (q) of section 202 of such Act, as amended by this Act, is further amended as follows:

(1) That part of paragraph (1) of such subsection which precedes subparagraph (C) is amended to read as follows:

"(q)(1) If the first month for which an individual is entitled to an old-age, wife's, husband's, parent's, widow's, or widower's insurance benefit is a month before the month in which such individual attains retirement age, the amount of such benefit for each month shall, subject to the succeeding paragraphs of this subsection, be reduced—

"(A) for each month of such entitlement within the 36-month period immediately preceding the month in which such individual attains retirement age, by

"(i) five-ninths of 1 percent of such amount if such benefit is an old-age insurance benefit, twenty-five thirty-sixths of 1 percent of such amount if such benefit is a wife's, husband's, or parent's insurance benefit, or thirty-five seventy-seconds of 1 percent of such amount if such benefit is a widow's or widower's insurance benefit, multiplied by

"(ii) the number of such months in (I) the reduction period for such benefit (determined under paragraph (6)(A)), if such benefit is for a month before the month in which such individual attains retirement age, or (II) the adjusted reduction period for such benefit (determined under paragraph (7)), if such benefit is for the month in which such individual attains retirement age or for any month thereafter, and—

"(B) for each month of the 24-month period for which a widow, or widower, is entitled to a widow's or widower's insurance benefit immediately preceding the month in which such individual attains age 62, the amount of such individual's widow's or widower's benefit as reduced under subparagraph (A) shall be further reduced by—

"(i) five-ninths of 1 percent of such reduced benefit, multiplied by

"(ii) the number of such months in (I) the reduction period for such benefit, if such benefit is for a month before the month in which such individual attains age 62, or (II) the adjusted reduction period for such benefit (determined under paragraph (7)), if such benefit is for the month in which such individual attains retirement age or for any month thereafter.

"A widow's or widower's insurance benefit reduced pursuant to the preceding sentence shall be further reduced by—".

(2) Paragraph (2) of such subsection is amended by striking out "paragraphs (1) and (4)" and inserting in lieu thereof "paragraphs (1), (3), and (4)".

(3) Paragraph (3) of such subsection is amended by—

(A) striking out subparagraph (F), and

(B) redesignating subparagraph (G) as subparagraph (F), striking out of such subparagraph "(when such first month occurs before the month in which such individual attains the age of 62)", and striking out "age 62" and inserting in lieu thereof "age 65".

(4) Paragraph (9) of such subsection is amended to read as follows:

"(9) For purposes of this subsection, the term 'retirement age' means age 65.".

(e) Subsection (r) of section 202 of such Act, as amended by this Act, is further amended as follows:

(1) by striking out "Husband's, or Parent's" in the heading and inserting in lieu thereof "Husband's, Parent's, Widow's, or Widower's,"; and

(2) by striking out "husband's, or parent's" each time it appears in paragraphs (1) and (2) and inserting in lieu thereof "husband's, parent's, widow's, or widower's.".

(f) In the case of an individual who is entitled (without the application of section 202(j)(1) and 223(b)) to widow's or widower's insurance benefits for the month of December 1970, if such individual's entitlement to such benefits began with a month after the month he attained age 62, the Secretary shall redetermine the amount of such benefits under the provisions of this section as if these provisions had been in effect for the first month of such individual's entitlement to such benefits.

(g) The amendments made by this section shall be effective for monthly benefits for months after December 1970.

Mr. WILLIAMS of Delaware. Mr. President, the amendment I have offered is the administration bill as introduced in September. I shall discuss briefly the major differences between the administration bill and the measure which is pending before the Senate at this time.

I regret the way in which the circumstances have developed. I regret that we have a situation where we have to enact a measure of such importance on the floor of the Senate without committee hearings; and I also regret very much that we are considering social security along with a bill which started out to be a major tax reform bill—a tax reform which is long overdue. I wish very much we would have been able to confine this bill strictly to major tax reforms and then to have come along later to deal with social security after we had these matters settled. The same statement could be made in connection with some of the proposed tax reductions. I am fearful we are getting too far away from our original objective, which was tax reform.

Nevertheless, we have a social security

measure before us. It is a fact of life. All we can do is cope with that situation.

Therefore, on behalf of the minority members of the committee I am submitting the administration bill. The major differences in the proposals are as follows. As the Senator from Louisiana pointed out just a few moments ago, the proposal he introduced is comparable to the bill reported by the Ways and Means Committee, and it provides for a flat 15 percent.

Mr. BYRD of West Virginia. Mr. President, may we have order? I cannot hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Delaware may proceed.

Mr. WILLIAMS of Delaware. Mr. President, the provision in the proposal offered by the Senator from Louisiana is for a flat 15-percent increase across the board effective January 1, whereas the administration bill provides for a 10-percent increase effective in March. The payments could begin to be made in April of 1970, and, as with the earlier effective date on the measure of the Senator from Louisiana, there would be a retroactive feature for January and February included.

As to the method of financing the measure which is before us, the measure I have submitted does provide adequate financing for the benefits that are added to the bill.

I might say that historically it has always been the policy, more or less the unwritten law, of the Ways and Means Committee and the Committee on Finance that they would never support a social security bill providing for increases unless those increases were accompanied by methods to finance the benefits being approved at that time.

As I understand, there is no precedent for an action such as the measure that is before us today where there would be a major increase in Social Security benefits with no method of financing. It is merely postponing the day of reckoning.

My measure would finance the benefits in this manner: Beginning in 1972 it would raise the wage base from $7,800 to $9,000, but at the same time it had as an offset a reduction in the rates against this wage base increase. Under existing law, beginning in 1971 and 1972 the wage rates would be 10.4 percent on the $7,800, but since we are raising the base we would drop those rates to 10.2 percent. This is a combined rate for both the employer and the employee, or 5.1 percent for each.

In 1972 and 1973 under the existing law the rate would be 11.3 percent on the $7,800 base. Our bill would drop that rate to 10.2 percent with this higher wage base.

In 1974 and 1975 it would drop the rate from 11.3 to 11 percent; and in 1976 under existing law it goes to 11.4 percent. We drop it to 11 percent.

The net effect would be higher taxes to pay for the benefits under the bill.

Now, in order to have 10-percent benefits across the board this amendment also provides something that is very important to those who live on social security pensions, something they have been advocating for a long time; and that is built-in permanent cost-of-living increases so that as the cost of living goes up 3 percentage points the social security automatically would go up 3 percentage points.

Since the last social security increase the cost of living has gone up slightly over 9 percent, which means that had this provision been in effect retroactively those persons today would be enjoying an increase of 9.1 percent in benefits.

Mr. BYRD of West Virginia. Mr. President, will be Senator from Delaware yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. BYRD of West Virginia. Did I correctly understand the Senator to say that under the perfecting amendment which he is offering, the increases in social security payments would be automatically tied to the cost-of-living increase?

Mr. WILLIAMS of Delaware. That is correct. Somewhat comparable to the manner of the civil service and other retirement funds.

Mr. BYRD of West Virginia. What is the overall increase?

Mr. WILLIAMS of Delaware. It is 10 percent.

Mr. BYRD of West Virginia. By what amount is the minimum payment increased?

Mr. WILLIAMS of Delaware. It is 10 percent. Just the same as in the other bill—it is increased 15 percent.

Mr. BYRD of West Virginia. I thank the Senator from Delaware.

Mr. WILLIAMS of Delaware. But there are other benefits which are in the administration bill to which I call attention in addition to the automatic cost-of-living increase.

For example, the income retirement test under existing law is $1,680. With an individual under existing law who is earning above $1,680 and drawing social security, on earnings between $1,680 and $2,880 they take back $1 for every $2 he earns and after that $2,880 figure is reached, they take back all a man's earnings until they recover the full social security benefits.

Under my amendment the earnings test is raised from $1,680 to $1,800, and the same one for two rule applies but without the cutoff in the $2,880, which makes it less harsh as to recapture. That is part of the additional cost of the bill, all of which is compensated in the increased wage base——

Mr. BYRD of West Virginia. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. BYRD of West Virginia. At the present time, the minimum paid is $55 for a single individual, is that not correct.

Mr. WILLIAMS of Delaware. That is correct.

Mr. BYRD of West Virginia. Under the perfecting amendment being offered by the Senator from Delaware, as I understand it, the minimum payment would be increased by 10 percent?

Mr. WILLIAMS of Delaware. Yes; 10 percent.

Under the bill offered by the Senator from Louisiana it would be increased 15 percent.

Mr. BYRD of West Virginia. I thank the Senator from Delaware.

Mr. WILLIAMS of Delaware. In addition, the hospital insurance under present law is inadequately financed, a situation recognized as such by all concerned. This pending amendment provides proper financing by raising the eventual tax rate from six-tenths of nine-tenths percent. Under existing law it goes to nine-tenths of 1 percent at some date in the projected future. We move to that nine-tenths of 1 percent immediately because it is needed in order to keep the fund solvent now.

There is also an additional benefit under the bill which is not embraced in the Long amendment, which provides 15 percent across the board. Under existing law a widow's benefits are reduced to 82½ percent of the pension that her husband was receiving. This amendment would change that and allow a widow as the survivor to get 100 percent of the benefits her husband was drawing. The increased widow benefits and the increase in the retirement test, as well as the escalation clause, in my opinion far outweigh much of the difference in the 5 percent variation.

But what is equally if not more important is that we have a bill here which is properly financed, so that those on social security today can look forward, knowing that the fund is being adequately financed by Congress and that they are guaranteed that amount for the remainder of their lives.

It seems to me that is very important to those living on retirement pensions. It is also important that the amount of the pensions they are receiving will be increased, yes; but what is even more important is that they will be given assurance that that which they are drawing today they can expect for the remainder of their lives, whether they live to be 75, 80, 90, or 100 years old.

Certainly the assurance that this fund is being kept actuarially solvent and that Congress will not tinker with it for political or any other reasons by voting an increase which is not properly financed seems to me to be an assurance that is worth more than any false hope that they are getting an increase.

The benefit to widows, as I said, and the increased earnings test offset much of the differential, but above all it would be well for Congress, if we are going to raise social security benefits, that we stand by the principle that has been in effect ever since the first day social security was enacted; that is, that whenever Congress raises benefits at the same time and in the same bill, there will be provided the increased taxes in whatever amounts are necessary to finance the benefits that have been approved.

That sound policy has been recommended by every administration that has been in power heretofore.

Sound financing has been recommended by every Secretary of Health, Education, and Welfare that has ever testified before a committee, including the able Senator from Connecticut (Mr. RIBICOFF), who is recognized as one of the most able Secretaries of Heath, Education, and Welfare. All of them have insisted, when they were before committees, that under no circumstances should Congress vote benefits for which it is not willing to pay. We should stand by that principle. I hope that this substitute will be adopted.

Therefore, I and other members of the committee have said that we had hoped we could include provisions in a social security bill that would correct some of the discovered abuses in the medicare program, but I have not attempted to deal with those here. I do not think that we could propose them here on the Senate floor. There is no difference of opinion, I might say, on the part of myself and the chairman of the committee or any other members of the committee but that this is an area that does need our attention, and it is going to get the attention of the committee. I am confident that no matter what we can do on this bill it will still be given our attention at a later date. Since we are going to have to vote today I think the very least we can do is to approve an actuarially solvent benefits plan, one which will give benefits where they are needed the most, and that is in the low income brackets. They are the ones hit by this income test. Of course, the widows, likewise, are benefited.

I am not arguing or trying to argue that there is not a difference; certainly the 15 percent is more attractive than the 10 percent. There is no argument about that. Twenty percent is more attractive than 15 percent, and 25 percent is more attractive than 20 percent.

But there is a limit as to what we can do. I think, whether it be 15 or 10 percent, or whatever percentage it is, those who vote for it should at least include the method to pay for it; otherwise, we are only holding out a false promise.

Mr. PROUTY. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. PROUTY. I am sorry that I cannot support the Senator. I appreciate how sincere he is. I should like to point out—and I will do it more in detail later on—that the surplus in the social security fund at the end of fiscal year 1969 was $32 billion. At the end of fiscal 1970, the income will be $35.2 billion. The outflow, $2.85 billion, the gain, $6.7 billion. The surplus will be, at the end of June 30, 1970, $38.7 billion. And when we get up to 1973, we will have a surplus of $75.3 billion.

All the actuaries have told us that this is perfectly proper and sound financing. I have offered an amendment which is now at the desk, which I do not intend to call up at this time, which provides for a $90 minimum and a 10-percent across-the-board increase.

Mr. WILLIAMS of Delaware. Could I answer that point first, because it seems the Senator wants to make a speech. The figures he quotes are figures that are based upon assumptions which will not develop under the proposal of the Senator from Louisiana.

Mr. PROUTY. They were given to me by the social security actuaries.

Mr. WILLIAMS of Delaware. But that is based upon the assumption which I will explain to the Senator; namely, the assumption that they will accept the recommendations of President Johnson and President Nixon providing an increase in the wage base to increase the tax. What the Senator has done is take the figures that would result from those increases, but his amendment has eliminated the increases. The Senator is living in a dream world.

Mr. PROUTY. Well, I will discuss that in more detail later.

Mr. WILLIAMS of Delaware. I respect that, but nevertheless the distinguished Senator is taking credit for taxes which are not proposed in his bill.

Mr. PROUTY. As a matter of fact, the cost of the Long amendment is 1.24 of that—that is payroll—under the Williams amendment it is 1.25; and the one which I shall offer later, if the amendment of the Senator from Delaware fails—would raise the minimum through 1970 at 1.30.

Mr. WILLIAMS of Delaware. The Senator is correct as to the cost, but the point is that in the amendment which I have offered we have included a tax to cover that cost. The point I am making is that in the amendment offered by the Senator from Louisiana and the Senator from Vermont no tax provision has been included. A tax is not any good until it is provided for in the bill, and it is not a part of the amendment of the Senator from Louisiana now pending.

If it is put on a pay-as-you-go basis today's wage earners are being charged for benefits to be passed on to those who retired before. If that is what Senators want to do, let us face it, and tell these young men and women in the 28-, 30-, and 40-year-age brackets that we are spending their money as fast as they are putting it in the trust fund. That is the point I am making.

The committee heretofore has tried to maintain some degree of solvency under the social security system. It was a rule—although there is no law to that effect—that for safety reasons there should be a reserve adequate to pay the benefits for 4 to 5 years. In other words, the fund should be maintained to provide the equivalent of four to five times the annual benefits. Right now the fund is down to the point where it is barely adequate to pay benefits for 12 months. That is a dangerously low level.

The reason why it is a dangerously low level is that we may run into a period of recession. We have had them before, and we may have them again; and we will certainly have them again if we continue such irresponsible actions as we have had in Congress in the last few days. In a period of recession, rising unemployment will result in fewer contributions to the trust fund because it is based on contributions from wage earners. As unemployment increases the contributions from wage earners decrease; but more people who are eligible go into retirement, and the outgo increases. So in a period of any kind of recession the outgo will increase substantially, and the income will drop. That is why we have to have some reserve.

Mr. PROUTY. Nobody disagrees with the need for having a reserve, but we are building up a tremendous reserve. By 1973 we will have a surplus of $75.3 billion.

Mr. WILLIAMS of Delaware. We will not have a surplus of $75.3 billion.

Mr. PROUTY. I have to rely on the actuaries. I am not relying on my own figures.

Mr. WILLIAMS of Delaware. I do not know which actuaries.

Mr. PROUTY. Mr. Myers, the chief actuary for the Social Security Administration, and another actuary who has been working closely with the Finance Committee of the Senate and the Ways and Means Committee of the House.

Mr. WILLIAMS of Delaware. I never heard of those figures being presented to the committee.

Mr. JORDAN of Idaho. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. JORDAN of Idaho. The Senator's amendment provides for a 10-percent increase, plus an adjustment tied to the increase in the cost of living. Is that correct?

Mr. WILLIAMS of Delaware. That is correct.

Mr. JORDAN of Idaho. As contrasted with the amendment which the Senator from Delaware would amend of a straight 15-percent increase, with no escalator clause tied to the increase in cost of living.

Mr. WILLIAMS of Delaware. That is correct. In addition to that the amendment which we had submitted also raises from $1,580 to $1,680 the amount of outside earnings allowed.

It also increases a widow's benefits from 82½ percent to 100 percent of what the husband was drawing.

Mr. JORDAN of Idaho. Did I understand the Senator to say that since the last increase in benefits under the social security system living costs have gone up over 9 percent?

Mr. WILLIAMS of Delaware. That is correct.

Mr. JORDAN of Idaho. Is it not entirely possible that a 10-percent increase with an escalator clause tied to the cost of living may be better than a straight 15-percent increase with none of the ancillary benefits the Senator has enumerated?

Mr. WILLIAMS of Delaware. Yes, it would be better because in addition to the side benefits I have mentioned it also provides for an automatic cost-of-living increase. It is soundly financed into the future because as the automatic cost-of-living increase is triggered into effect in the future, while it is going to mean an

extra cost for the fund, there is also triggered into effect an increase in the tax rate.

In other words, future increased benefits are tied into the increased cost of living, but there is also tied into it a permanent system of financing it, because when the cost of living goes up 3 percent and the benefits are accordingly increased 3 percent, there is triggered into effect an increased tax rate to finance the cost. Therefore, those under the social security system would know that not only are the benefits we are granting them today adequately financed but also the increased costs projected into the future are also financed.

We have also provided for financing of hospital insurance, which is underfinanced by all estimates.

Mr. JORDAN of Idaho. If the escalator provision had been in effect under the present social security law, recipients would be getting nearly 10 percent more than they are presently getting, and they would have had increases in their payments tied to the cost-of-living increases.

Mr. WILLIAMS of Delaware. Yes. As the cost of living increases 3 percent it would trigger into effect increased benefits of 3 percent.

Mr. President, I ask unanimous consent to have printed in the RECORD the message of the President relating to the social security bill.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING PROPOSED REFORMS IN THE SOCIAL SECURITY SYSTEM, SEPTEMBER 25, 1969

*To the Congress of the United States:*

This nation must not break faith with those Americans who have a right to expect that Social Security payments will protect them and their families.

The impact of an inflation now in its fourth year has undermined the value of every Social Security check and requires that we once again increase the benefits to help those among the most severely victimized by the rising cost of living.

I request that the Congress remedy the real losses to those who now receive Social Security benefits by increasing payments by 10 per cent.

Beyond that step to set right today's inequity, I propose that the Congress make certain once and for all that the retired, the disabled and the dependent never again bear the brunt of inflation. *The way to prevent future unfairness is to attach the benefit schedule to the cost of living.*

This will instill new security in Social Security. This will provide peace of mind to those concerned with their retirement years, and to their dependents.

By acting to raise benefits now to meet the rise in the cost of living, we keep faith with today's recipients. By acting to make future benefit raises automatic with rises in the cost of living, we remove questions about future years; we do much to remove this system from biennial politics; and we make fair treatment of beneficiaries a matter of certainty rather than a matter of hope.

In the 34 years since the Social Security program was first established, it has become a central part of life for a growing number of Americans. Today approximately 25 million people are receiving cash payments from this source. Three-quarters of these are older Americans; the Social Security check generally represents the greater part of total income. Millions of younger people receive benefits under the disability or survivor provisions of Social Security.

Almost all Americans have a stake in the soundness of the Social Security system. Some 92 million workers are contributing to Social Security this year. About 80 per cent of Americans of working age are protected by disability insurance and 95 per cent of children and mothers have survivorship insurance protection. Because the Social Security program is an essential part of life for so many Americans, we must continually re-examine the program and be prepared to make improvements.

Aiding in this Administration's review and evaluation is the Advisory Council on Social Security which the Secretary of Health, Education and Welfare appointed in May. For example, I will look to this Council for recommendations in regard to working women; changing work patterns and the increased contributions of working women to the system may make present law unfair to them. The recommendations of this Council and of other advisers, both within the Government and outside of it, will be important to our planning. As I indicated in my message to the Congress on April 14, improvement in the Social Security program is a major objective of this Administration.

There are certain changes in the Social Security program, however, for which the need is so clear that they should be made without awaiting the findings of the Advisory Council. The purpose of this message is to recommend such changes.

*I propose an across-the-board increase of 10% in Social Security benefits, effective with checks mailed in April 1970, to make up for increases in the cost of living.*

*I propose that future benefits in the Social Security system be automatically adjusted to account for increases in the cost of living.*

*I propose an increase from $1680 to $1800 in the amount beneficiaries can earn annually without reduction in their benefits, effective January 1, 1971.*

*I propose to eliminate the one-dollar-for-one-dollar reduction in benefits for income earned in excess of $2800 a year and replace it by a one dollar reduction in benefits for every two dollars earned, which now applies at earnings levels between $1680 and $2880, also effective January 1, 1971.*

*I propose to increase the contribution and benefit base from $7800 to $9000, beginning in 1972, to strengthen the system, to help keep future benefits to the individual related to the growth of his wages, and to meet part of the cost of the improved program.* From then on, the base will automatically be adjusted to reflect wage increases.

*I propose a series of additional reforms to ensure more equitable treatment for widows, recipients above age 72, veterans, for persons disabled in childhood and for the dependent parents of disabled and retired workers.*

I emphasize that the suggested changes are only first steps, and that further recommendations will come from our review process.

The Social Security system needs adjustment now so it will better serve people receiving benefits today, and those corrections are recommended in this message. The system is also in need of long-range reform, to make it better serve those who contribute now for benefits in future years, and that will be the subject of later recommendations.

THE BENEFITS INCREASE

With the increase of 10%, the average family benefit for an aged couple, both receiving benefits, would rise from $170 to $188 a month. Further indication of the impact of a 10 per cent increase on monthly benefits can be seen in the following table:

[In dollars]

| | Present minimum | New minimum | Present maximum | New maximum |
|---|---|---|---|---|
| Single person (a man retiring at age 65 in 1970) | 55.00 | 61.00 | 165.00 | 181.50 |
| Married couple (husband retiring at age 65 in 1970) | 82.50 | 91.50 | 247.50 | 272.30 |

The proposed benefit increases will raise the income of more than 25 million persons who will be on the Social Security rolls in April, 1970. Total budget outlays for the first full calendar year in which the increase is effective will be approximately $3 billion.

AUTOMATIC ADJUSTMENTS

Benefits will be adjusted automatically to reflect increases in the cost of living. The uncertainty of adjustment under present laws and the delay often encountered when the needs are already apparent is unnecessarily harsh to those who must depend on Social Security benefits to live.

Benefits that automatically increase with rising living costs can be funded without increasing Social Security tax rates so long as the amount of earnings subject to tax reflects the rising level of wages. Therefore, I propose that the wage base be automatically adjusted so that it corresponds to increases in earnings levels.

These automatic adjustments are interrelated and should be enacted as a package. Taken together they will depoliticize, to a certain extent, the Social Security system and give a greater stability to what has become a cornerstone of our society's social insurance system.

REFORMING THE SYSTEM

I propose a series of reforms in present Social Security law to achieve new standards of fairness. These would provide:

1. *An increase in benefits to a widow who begins receiving her benefit at age 65 or later.* The benefit would increase the current 82½% of her husband's benefit to a full 100%. This increased benefit to widows would fulfill a pledge I made a year ago. It would provide *an average increase of $17 a month to almost three million widows.*

2. *Non-contributory earnings credits of about $100 a month for military service* from January, 1957 to December, 1967. During that period, individuals in military service were covered under Social Security but credit was not given for "wages in kind"—room and board, etc. A law passed in 1967 corrected this for the future, but the men who served from 1957 (when coverage began for servicemen) to 1967 should not be overlooked.

3. *Benefits for the aged parents of retired and disabled workers.* Under present law, benefits are payable only to the dependent parents of a worker who has died; we would extend this to parents of workers who are disabled or who retire.

4. *Child's insurance benefits for life,* if a child becomes permanently disabled before age 22. Under present law, a person must have become disabled before age 18 to qualify for these benefits. The proposal would be consistent with the payment of child's benefit to age 22 so long as the child is in school.

5. *Benefits in full paid to persons over 72,* regardless of the amount of his earnings in the year he attains that age. Under present

law, he is bound by often confusing tests which may limit his exemption.

6. *A fairer means of determining benefits payable on a man's earnings record.* At present, men who retire at age 62 must compute their average earnings through three years of no earnings up to age 65, thus lowering the retirement benefit excessively. Under this proposal, only the years up to age 62 would be counted, just as is now done for women, and three higher-earning years could be substituted for low-earning years.

CHANGES IN THE RETIREMENT TEST

A feature of the present Social Security law that has drawn much criticism in the so-called "retirement test," a provision which limits the amount that a beneficiary can earn and still receive full benefits. I have been much concerned about this provision, particularly about its effect on incentives to work. The present retirement test actually penalizes Social Security beneficiaries for doing additional work or taking a job at higher pay. This is wrong.

In my view, many older people should be encouraged to work. Not only are they provided with added income, but the country retains the benefit of their skills and wisdom; they, in turn, have the feeling of usefulness and participation which employment can provide.

This is why I am recommending changes in the retirement test. Raising the amount of money a person can earn in a year without affecting his Social Security payments—from the present $1680 to $1800—is an important first step. But under the approach used in the present retirement test, people who earned more than the exempt amount of $1680, plus $1200, would continue to have $1 in Social Security benefits withheld for every $1 received in earnings. A necessary second step is to eliminate from present law the requirement that when earnings reach $1200 above the exempt amount, Social Security benefits will be reduced by a full dollar for every dollar of added earnings until all his benefits are withheld; in effect, we impose a tax of more than 100% on these earnings.

To avoid this, I would eliminate this $1 reduction for each $1 earned and replace it with the same $1 reduction for each $2 earned above $3000. This change will reduce a disincentive to increase employment that arises under the retirement test in its present form.

The amount a retired person can earn and still receive his benefits should also increase automatically with the earnings level. It is sound policy to keep the exempt amount related to changes in the general level of earnings.

These alterations in the retirement test would result in added benefit payments of some $300 million in the first full calendar year. Approximately one million people would receive this money—some who are now receiving no benefits at all and some who now receive benefits but who would get more under this new arrangement. These suggestions are not by any means the solution of all the problems of the retirement test, however, and I am asking the Advisory Council on Social Security to give particular attention to this matter.

CONTRIBUTION AND BENEFIT BASE

The contribution and benefit base—the annual earnings on which Social Security contributions are paid and that can be counted toward Social Security benefits—has been increased several times since the Social Security program began. The further increase I am recommending—from its present level of $7800 to $9000 beginning January 1, 1972—will produce approximately the same relationship between the base and general earnings levels as that of the early 1950s. This is important since the goal of Social Security is the replacement, in part, of lost earnings; if the base on which contributions and benefits are figured does not rise with earnings increases, then the benefits deteriorate. The future benefit increases that will result from the higher base I am recommending today would help to prevent such deterioration. These increases would, of course, be in addition to those which result from the 10% across-the-board increase in benefits that is intended to bring them into line with the cost of living.

FINANCING

I recommend an acceleration of the tax rate scheduled for hospital insurance to bring the hospital insurance trust fund into actuarial balance. I also propose to decelerate the rate schedule of the old-age, survivors and disability insurance trust funds in current law. These funds taken together have a long-range surplus of income over outgo, which will meet much of the cost. The combined rate, known as the "social security contribution," already scheduled by statute, will be decreased from 1971 through 1976. Thus, in 1971 the currently scheduled rate of 5.2% to be paid by employees would become 5.1%, and in 1973 the currently scheduled rate of 5.65% would become 5.5%. The actuarial integrity of the two funds will be maintained, and the ultimate tax rates will not be changed in the rate schedules which will be proposed.

The voluntary supplementary medical insurance (SMI) of title XVIII of the Social Security Act, often referred to as part B Medicare coverage, is not adequately financed with the current $4 premium. Our preliminary studies indicate that there will have to be a substantial increase in the premium. The Secretary of Health, Education, and Welfare will set the premium rate in December for the fiscal year beginning July 1970, as he is required to do by statute.

To meet the rising costs of health care in the United States, this Administration will soon forward a Health Cost Control proposal to the Congress. Other administrative measures are already being taken to hold down spiraling medical expenses.

In the coming months, this Administration will give careful study to ways in which we can further improve the Social Security program. The program is an established and important American institution, a foundation on which millions are able to build a more comfortable life than would otherwise be possible—after their retirement or in the event of disability or death of the family earner.

The recommendations I propose today, move the cause of Social Security forward on a broad front.

We will bring benefit payments up to date.

We will make sure that benefit payments stay up to date, automatically tied to the cost of living.

We will begin making basic reforms in the system to remove inequities and bring a new standard of fairness in the treatment of all Americans in the system.

And we will lay the groundwork for further study and improvement of a system that has served the country well and must serve future generations more fairly and more responsively.

RICHARD NIXON.

THE WHITE HOUSE, *September 25, 1969.*

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BROOKE. Mr. President——

Mr. BYRD of West Virginia. Mr. President, will the Senator from Massachusetts yield, with the understanding that he will not lose the floor.

Mr. BROOKE. I yield.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that all time on the amendment be limited to 40 minutes, to be equally divided between the manager of the perfecting amendment (Mr. WILLIAMS of Delaware) and the manager of the bill (Mr. LONG).

Mr. BROOKE. Mr. President, reserving the right to object——

Mr. HOLLAND. Mr. President, reserving the right to object, my colleague and I are scheduled to attend a very vital conference, from which we cannot be back quite that soon.

Mr. PASTORE. The Senator from Louisiana (Mr. ELLENDER) has to catch a plane.

The PRESIDING OFFICER. Is there objection?

Mr. BROOKE. Mr. President, reserving the right to object——

Mr. HOLLAND. I am ready to vote right now.

Mr. WILLIAMS of Delaware. Mr. President, I suggest that the Senator go ahead with his speech while we try to work this out.

The PRESIDING OFFICER. The Senator from Massachusetts may proceed.

Mr. BROOKE. Mr. President, I wish to add my strong endorsement of the amendment introduced by the distinguished chairman of the committee (Mr. LONG) providing an increase in social security benefits.

The plight of the elderly has long been apparent to all of us. Many of our older people, who have worked all their lives, find that upon retirement their social security benefits are insufficient to maintain even a minimum standard of living. I have had heartrending letters, and I know most of my colleagues have also, from elderly people who have found upon retirement that they must give up their homes, live in dreary and unheated apartments, reduce both the quality and quantity of their meals, forego medical attention, and deny themselves the simple pleasures to which their retirement should entitle them. Yet these people have helped to build America, and to make it great. Surely we can and should do a far better job of enabling them to enjoy the rest and relaxation which they have earned in their retirement years.

Several important steps have been taken in recent days to make this goal a reality. Yesterday, this body adopted an excellent amendment introduced by my colleague, Senator MURPHY, providing that medical and drug expenses incurred by persons over 65—or their spouses—shall be fully deductible for income tax purposes. At the same time, it allowed persons under 65 to deduct in full such payments on behalf of dependent parents aged 65 and over. Since medical expenses are often among the highest costs incurred by our older citizens, this amendment will be helpful indeed.

In another development yesterday, I am pleased to report that a number of Senate amendments to the Housing Act

of 1969 were tentatively approved by the conference committee. Included were several amendments which I had sponsored providing for minimum payments by very-low-income persons living in public housing projects. If this bill becomes law, no person in this category will be required to pay more than 25 percent of his income for housing. Assistance payments provided by the Federal Government will make up the difference. The significance of these provisions should be clear when it is realized that of the 215,000 families who are presently paying more than 25 percent of their monthly income for public housing, 55 percent of them are over 65 years of age. And finally in this regard, it should be noted that the conference committee also tentatively agreed to the Senate recommendation of $80 million in direct loans for housing for the elderly and the handicapped.

All of these steps, coupled with the recommendations of the chairman of the Finance Committee that social security benefits be increased 15 percent, effective January 1, should provide some much needed relief to our older citizens. In my State, alone, it will mean roughly $120 million in additional income for three-quarters of a million people.

This is still not enough, by any means. I, for one, would like to see amendments adopted which would increase social security benefits to 20 percent, remove the earnings limitation and provide for a cost-of-living increase. But these measures will surely be considered in the next session of Congress, where through hearings and committee recommendations the most equitable solution may be found for all concerned. In the meantime the first measure of relief is at hand. I wholeheartedly support the pending Long amendment and strongly urge its adoption.

Mr. CURTIS. Mr. President, the beneficiaries of social security are entitled to this. They are entitled to a raise, and they are entitled to assurance that if the cost of living increases, they will not have to wait for a measure to pass both the House of Representatives and the Senate, be agreed to in conference, and be signed by the President. So many times a meritorious measure gets tied up with controversial legislation. One of the very commendable things about the Williams substitute is that it would write into the law the principle of automatic raises due to increases in the cost of living.

Here is something else, Mr. President: Inflation will not go away just by our deploring it. Perhaps there are many causes of inflation, but financial irresponsibility is one of them. Congress has never heretofore, to my knowledge, increased social security benefits without at the same time increasing the taxes. We should do that now.

We talk about the fact that there is a lot of money in the trust fund. By and large, over a period of years, the trust fund has contained about enough money to pay the benefits for 1 year. Sometimes the trust fund will get over that amount, and then again it will dip down. The reason for that is that we cannot change the tax too often; it makes it confusing for taxpayers. And we cannot always anticipate the outflow; it depends upon the economic well-being of the country.

If we vote for the proposal of the distinguished chairman of the Committee on Finance, we will be going on record as voting for a social security increase without providing the revenue. We will be going on record, in my opinion, as voting for a paper benefit for the old people and other beneficiaries of social security. We will be voting for a provision that accepts the idea that in spite of our debts and our deficits, we can vote money out of the Treasury without putting some back in.

Mr. President, that is not the way to serve the elderly. It is not the way to serve the widows and the orphans who will be the beneficiaries under this measure. The administration proposal, in the long run, will provide more real benefit than the Long amendment, for two basic reasons: One is that it writes into the law automatic increases when the cost of living goes up. Second, it adheres to the principle of no increase in benefits without a corresponding increase in revenue. That is important at all times, but particularly in times of inflation.

Our votes should be cast for the Williams substitute, not alone because it is an administration measure, not alone because it provides for the financing. Our votes should be cast for the Williams substitute because it is better, and will provide benefits with more purchasing power for the recipients, in the long run, than will a departure from the long-established principle that you cannot vote benefits out of the thin air without increasing taxes, and thereby help anyone. It will just delude them. It may help people a little while, but before long, its effect will be felt in our economy.

Mr. President, the way to serve the beneficiaries of social security is to adhere to the principle that when benefits are increased, taxes must be increased. It is also important that we save the beneficiaries from the agony of waiting for an increase when it is necessary because of inflation. They would receive it automatically.

Mr. President, I urge a favorable vote on the Williams substitute. I yield the floor.

Mr. MILLER. Mr. President, I am pleased to be a cosponsor of the pending amendment. Inflation in the cost of living is best measured by the amount of increase in the consumer—retail—price index. During 1968 this price index rose from 118.6 to 123.7.

This, of course, means that the purchasing power of the dollar has gone down. Based upon a 1939 dollar worth 100 cents, the dollar had fallen to 46.6 cents by December 1960. By December 1968, it was down to 39 cents. Preliminary estimates show that cost of living inflation for 1968 amounted to over $37 billion; and erosion in the value of bank deposits, savings, pension and life insurance reserves, and Federal and corporate bonds amounted to another $38 billion. In short, inflation for 1968 took away more purchasing power from the people than the individual income tax collected during 1968.

Congress has not been entirely unmindful of the impact of inflation on social security pensions and has periodically increased them. But, there has usually been a timelag of several years during which the pensioners have suffered from a drop in their purchasing power. Since the last increases were effective under both the Social Security Act and the Railroad Retirement Act in February 1968, the consumer price index rose 4 percent through December 1968. Prompt help should be available to pensioners under these acts when they are hit by the loss in purchasing power of the dollar. They should not have to wait 1, 2, or 5 years for such relief through general amendments to the Social Security and Railroad Retirement Acts. This is especially so when such increases often fail to compensate fully for changes in living costs.

Our older people on social security have had $3 billion in purchasing power taken away by inflation from their pensions alone since 1965. Even with the 7-percent increase in social security pensions in 1965 and the 13-percent increase of last February, most social security pensions today are worth less than they were in 1958.

I direct your attention to a table which shows increases in social security pensions legislated by Congress in order to enable pensioners to maintain their purchasing power in view of decline in value of the dollar.

The example is a worker having a $3,000 annual income base, single at retirement and fully covered. The 1940 year figure is for a worker retired under the 1935 act. Other figures are for a worker retired under successive act for years indicated:

| Year | Annual pension | Purchasing power of dollar compared to 1939 dollar worth 100 cents (in cents) | Real value of pension |
|---|---|---|---|
| 1940 | $499.20 | 99.2 | $495.20 |
| 1950 | 870.00 | 57.8 | 502.86 |
| 1952 | 930.00 | 52.3 | 486.39 |
| 1954 | 1,062.00 | 51.7 | 549.05 |
| 1958 | 1,140.00 | 48.1 | 548.34 |
| 1965 | 1,220.00 | 44.0 | 537.00 |
| 1966 | 1,220.00 | 42.7 | 510.94 |
| 1967 | 1,220.00 | 41.6 | 507.52 |
| 1968 | 1,367.00 | 39.9 | 545.43 |

Mr. President, there is ample precedent for doing what the pending amendment would do for the pensioners. In the Federal Salary Reform Act of 1962, Congress did something about the situation insofar as retired civil service employees are concerned. As now contained in title 5 of the United States Code, section 8340, there is provision for an automatic increase in civil service retirement annuities when there has been an increase of 3 percent in the Consumer Price Index for 3 consecutive months over the

price index for the base month. Because of this provision, civil service retirees will receive a 3.9-percent annuity increase effective March 1. The annuity increase was triggered by the Bureau of Labor Statistics data released on January 28 showing that living costs had risen 3.9 percent since the last Federal retiree hike in May of 1968. Furthermore, under title 10 of the United States Code, section 1401a, military retirees receive automatic adjustments in their retired pay based upon increases in the cost of living. This provision is very similar to the civil service provision, and under it military retirees have been guaranteed a 4-percent increase, to be reflected in their March 1 checks.

There is much to be said for the fairness of such a change in the law. After all, if a majority of the Members of Congress persist in deficit spending, why should not the Congress provide for an automatic offset against the hardship the resulting inflation brings on?

Mr. TOWER. Mr. President, I feel that the proposal to raise the social security benefits to 15 percent, as opposed to the administration's proposal of 10 percent, would be an undue encouragement of inflation in a time when we are taking extreme pains in Congress to slow down the dangerous rate of inflation. The administration feels that a 10-percent increase in benefits is necessary to bring those individuals on social security up with recent cost-of-living increases. But it does not appear financially sound at this time for Congress to try to do much more than keep the benefits in line with cost-of-living increases.

It is in the best interests of the elderly and retired, who largely live on fixed incomes, that Congress and the administration bring inflation under control as soon as possible. For this purpose we have cut back expenditures for the coming year on such items as very needed flood control and reservoir projects, military installations, and general Federal construction. I do not feel that Congress should legislate increases in the current levels of Federal payouts that are not absolutely essential. The extra 5 percent of this proposal is nonessential.

I therefore support a 10-percent increase in social security benefits but will oppose the 15-percent proposal.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware in the nature of a substitute. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia (when his name was called). On this vote I have a pair with the senior Senator from Alabama (Mr. SPARKMAN). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Oregon (Mr. HATFIELD), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from Kentucky (Mr. COOK) would each vote "yea."

The result was announced—yeas 34, nays 56, as follows:

[No. 175 Leg.]

YEAS—34

| | | |
|---|---|---|
| Aiott | Goodell | Pearson |
| Baker | Griffin | Percy |
| Bellmon | Gurney | Saxbe |
| Bennett | Hansen | Scott |
| Boggs | Hruska | Smith, Maine |
| Cooper | Javits | Smith, Ill. |
| Cotton | Jordan, Idaho | Stevens |
| Curtis | Mathias | Tower |
| Dole | McClellan | Williams, Del. |
| Dominick | Miller | Young, N. Dak. |
| Fannin | Murphy | |
| Fong | Packwood | |

NAYS—56

| | | |
|---|---|---|
| Aiken | Hart | Moss |
| Allen | Hartke | Muskie |
| Bayh | Holland | Nelson |
| Bible | Hollings | Pastore |
| Brooke | Hughes | Pell |
| Burdick | Inouye | Prouty |
| Byrd, Va. | Jackson | Proxmire |
| Cannon | Jordan, N.C. | Randolph |
| Case | Kennedy | Ribicoff |
| Church | Long | Russell |
| Dodd | Magnuson | Schweiker |
| Eagleton | Mansfield | Spong |
| Eastland | McCarthy | Stennis |
| Ellender | McGee | Talmadge |
| Ervin | McGovern | Tydings |
| Fulbright | McIntyre | Williams, N.J. |
| Gore | Metcalf | Yarborough |
| Gravel | Mondale | Young, Ohio |
| Harris | Montoya | |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Byrd of West Virginia, for.

NOT VOTING—9

| | | |
|---|---|---|
| Anderson | Goldwater | Sparkman |
| Cook | Hatfield | Symington |
| Cranston | Mundt | Thurmond |

So the amendment of Mr. WILLIAMS of Delaware in the nature of a substitute was rejected.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. PROUTY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROUTY. Mr. President, on behalf of myself and the distinguished Senator from New Hampshire (Mr. COTTON), I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk proceeded to read the amendment.

Mr. PROUTY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. MANSFIELD. Mr. President, I would like to know what the amendment provides.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The table appearing on pages two through three of amendment No. 367 is amended by striking out all the figures contained in columns I through V, down to and including the line which contains the following figures: "19.25 20.00 61.10 84 85 70.30 105.50", and inserting in lieu of the matter stricken the following:

"---- 20.00 61.10 -- 85 70.30 105.50".

Mr. PROUTY. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. SAXBE in the chair). The Senate will be in order. The Senator from Vermont has the floor.

Mr. PROUTY. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PROUTY. Mr. President, on Wednesday, I had ordered printed an amendment to the tax reform bill, which would have provided an emergency social security benefit increase of 10 percent across the board while boosting the minimum benefit level from $55 to $90. This amendment would have provided increases beginning January 1 and ending June 13, 1970. My rationale for the 6-month life of the increase was simple. I wanted Congress to have time to review and study the need for a comprehensive revision of our social security system.

As I was ordering my amendment printed, the chairman of the House Ways and Means Committee announced that his committee had ordered reported a bill to provide an across-the-board benefit increase of 15 percent.

Mr. President, I commend the chairman of the Ways and Means Committee for his action. Likewise I commend the Senator from Louisiana (Mr. LONG) for offering his amendment. However, I believe that neither the bill reported to the other body nor the Long amendment goes far enough. I would consider each only a stopgap measure seeking to repair the ravages of inflation on social security benefits.

As such, they are responsive to a compelling need. But an across-the-board increase ignores a greater need at the bottom of the social security benefit scale.

Mr. President, the amendment that I and the Senator from New Hampshire (Mr. COTTON) offer to the amendment of the Senator from Louisiana (Mr. LONG) is simple. One might call it the six-dollar-and-thirty-cents amendment. For that is the additional in-

crease over and above that provided by the amendment of the Senator from Louisiana which my amendment would provide to social security recipients now receiving the meager minimum benefit.

Mr. President, the amendment offered by the Senator from Louisiana, embodies the provisions similar to the social security bill reported Wednesday to the other body. It applies benefit boosts of 15 percent at each benefit level. I agree that for now this increase of 15 percent is right for every benefit level but those at the lowest end of the scale.

Currently, the minimum benefit is $55. A 15 percent increase, rounded off, would boost this figure to $64. My amendment to the Long amendment would raise the minimum to $70.30. The difference is $6.30.

Six dollars and thirty cents a month: To most Americans in these affluent times, that seems a trifling amount. But we are not discussing those caught up in affluence, we are considering those Americans bypassed by current riches.

Six dollars and thirty cents a month to those older Americans now eking out an existence on the minimum benefit of $55 is, indeed, a large sum.

Six dollars and thirty cents a month: How long will it take for this small sum to vanish in the inflationary spiral?

A review of recent history does not portend well for this sum. In December 1967 when Congress enacted the 13-percent benefit increase, the Consumer Price Index was 118.2. By October of this year, the Consumer Price Index had risen to 129.2. In other words three-quarters of the last benefit increase has already been eroded by inflation. While this erosion of benefits is shocking in itself, it is even more tragic when we recall that the 1967 benefit increase was in itself insufficient replacement of buying power.

Inflation, the cruelest tax of all, batters the income of all Americans and erodes the benefits of all social security recipients. It is, however, my contention that the cruelty of inflation is proportionately greater at the lowest levels of fixed income.

Mr. President, I ask Senators to consider these cruel facts.

At present, at least 1.1 million social security beneficiaries are forced to be on the welfare rolls in order to meet their basic needs.

At present, some 6 million recipients continue to be classified in the category of abject poverty.

Mr. President, I believe that it is intolerable that such a situation exists in our country. The contrast between the "haves" and the "have-nots" is becoming more and more vivid.

The Senate has not sat idly by while this contrast became more vivid.

In December 1967, our Nation acted to alleviate to some extent the hardship facing older Americans. At that time, the Senate passed a major social security bill which would have provided a minimum benefit of at least $70 a month.

Mr. President, I remember well the evening that the Senate passed that bill. It gave me momentary satisfaction, because year after year, from 1961 on, I proposed bill after bill and amendment after amendment to provide a $70 minimum monthly benefit.

I regret that our efforts and intent did not prevail in conference with the other body.

I point to the precedent set by the Senate in approving a $70 minimum benefit. I have spoken of the plight of our older Americans. I realize that precedent and plight must be accompanied by an appraisal of the cost of this amendment to the taxpayer.

Before I give the cost figures, I want to point out that, at the present time, the social security system is heavily overfinanced. In his most recent estimates, Mr. Myers, the Chief Actuary of the Social Security Administration, projects an actuarial surplus of 1.16 percent of payroll. What does this mean?

First, it means that there is a reserve of more than $38 billion in the social security trust fund account at this very minute. Under the present benefit structure, that surplus will reach almost $80 billion by the end of 1974.

Mr. President, when we project the surpluses into the year 2025, we find that the reserve in the OASI trust fund will be $953.1 billion. Quite frankly, I for one, cannot justify such a large surplus.

I ask unanimous consent that an explanation I had prepared showing income into the social security trust fund, outgo from the social security trust fund, and the ever-increasing surplus in the fund be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER (Mr. SCHWEIKER in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROUTY. Mr. President, the amendment offered by my good friend from Louisiana (Mr. LONG) would have a level cost of 1.24 percent of payroll. My amendment to his amendment would increase the cost to 1.30 percent of payroll. In dollar terms, my amendment would bring the cost of the Long amendment to $4.5 billion for calendar year 1970. Without my amendment, the cost would be $4.2 billion over the same period. In other words, for less than $300 million the Senate can follow the precedent that was set in the last Congress in providing a minimum social security payment of $70.30 a month.

Mr. President, at the outset, I said that my amendment to the Long amendment is a simple one. But this is not to say that the problems of our elderly are to be simply solved. The entire social security system needs careful review and study aimed at comprehensive reforms. I am sure that the distinguished chairman of the Finance Committee agrees that such review will be necessary in the near future.

But for now, I urge Senators to accept the amendment that the Senator from New Hampshire (Mr. COTTON) and I offer.

It will provide an extra measure of relief to those who in their old age share so little in our affluence.

It provides an additional ¢6.30 a month, or $75.60 a year, to 3½ million older Americans.

It is too little for the recipients, but surely it is not too much to ask of the Senate.

EXHIBIT 1

EXPLANATION OF PROUTY-COTTON AMENDMENT TO THE LONG SOCIAL SECURITY INCREASE PROPOSAL

The Prouty-Cotton amendment to the Long Social Security benefit increase amendment would have the following effect:

Increase the minimum monthly benefit under the Long Amendment from $64.00 to $70.30. (Under present law the monthly minimum is $55.)

All other features of the Long Amendment are retained.

3½ million older Americans are affected by increasing the minimum monthly benefit to $70.

REASONS FOR THE AMENDMENT

1. Inflation has continued to erode the buying power of those receiving social security benefits.

2. Congress enacted a 13 per cent social security benefit increase in December 1967. However, the consumer price index has increased from 118.2 at that time to 129.2 in October, 1969, indicating that over three quarters of the last increase has already been eroded by inflation.

3. People age 65 or over make up 18.1% of the poor. Nearly 8 million can be classified as living in poverty.

4. There are presently at least 1.2 million Social Security beneficiaries who are forced to be on welfare in order to meet their basic needs.

5. There is an actuarial surplus in the Social Security Trust Fund of 1.16% of payroll.

6. In dollar terms the following chart demonstrates the short-range prospects for the Social Security Trust Fund:

[In billions]

| | Income | Outgo | Gain | Surplus |
|---|---|---|---|---|
| Fiscal year: | | | | |
| 1969 | | | | $32.0 |
| 1970 | $35.2 | $28.5 | $6.7 | 38.7 |
| 1971 | 38.6 | 29.6 | 9.0 | 47.6 |
| 1972 | 43.1 | 30.8 | 12.3 | 59.9 |
| 1973 | 47.1 | 32.0 | 15.1 | 75.3 |

7. The long range anticipated buildup of reserves or surplus in the Social Security Trust Fund is even more startling. Under the present law in the year 2025 there will be a surplus of $953.1 billion dollars in the Trust Fund. The following table clearly illustrates the buildup of tremendous surpluses:

[*OASI reserve in billions of dollars*]

| Year: | |
|---|---|
| 1980 | $119.6 |
| 1985 | 168.0 |
| 1990 | 215.3 |
| 1995 | 268.0 |
| 2000 | 338.4 |
| 2025 | 953.1 |

8. Cost Comparison:

| Long amendment | Prouty-Cotton amendment | Difference |
|---|---|---|
| 1.24 percent payroll | 1.30 percent payroll. | +0.06 payroll. |
| $4,200,000,000 | $4,500,000,000 | +$300,000,000. |

Mr. CURTIS. Mr. President, will the Senator from Vermont yield?

Mr. PROUTY. I yield.

Mr. CURTIS. I commend the Senator from Vermont. While I continue my criticism against the idea of a social security increase without a corresponding increase in taxes, I do want to say that

the points raised by the distinguished Senator from Vermont are well taken. There are many reasons for that. The cost of social security is borne by the economy generally. The employers' tax is added to the cost of the goods we buy. If that were not so, employers would have been out of business long ago. A considerable amount of the employees' tax is, likewise, passed on because of the demand for more wages, which they get, and which in turn increase the cost of the production of goods and other items which people buy. So the social security costs are carried by the economy generally.

If we are to tax the American people to provide benefits for a certain segment, who has the best claim on those benefits? The people least able to provide for themselves.

The most generous benefits should go to the people receiving the least. Why are their benefits low? Because the benefits are based upon average wage rates. We are dealing with a group of people who struggle along and work and earn, but do not earn very much. They have little opportunity to lay by for their old age.

Social security schedules are so arranged that the individual who has had the best opportunity to provide for his old age gets the greatest amount, even though it is paid for by the taxpayers; while those who have the least opportunity to provide for their old age get the least benefits, even though they are provided for by the taxpayers.

Our social security benefit schedules should be revised in favor of those who draw the least amounts.

I, therefore, commend the distinguished Senator from Vermont in doing so, although I do not waive my previous criticism of the proposal before us, which would increase benefits without a corresponding increase in taxes, because the projected surpluses in funds are based upon the fact that Congress will never again change the law—and that will never happen. But I commend the Senator and expect to vote for his amendment.

Mr. PROUTY. I am grateful to the Senator from Nebraska. I appreciate the objectivity with which he is approaching this matter.

I should point out that President Nixon, in his old-age assistance recommendations, suggested $90 a month as a minimum under old-age assistance.

I feel a little guilty, and I feel certain that the distinguished Senator from New Hampshire (Mr. COTTON), a cosponsor of the amendment, also feels a little guilty, to have to hold this figure down to $70. However, we do not want to propose such a great benefit that the already high social security tax would have to be increased.

It was in 1967 that I was able to offer an amendment to the 1966 Tax Adjustment Act which provided needed benefits to more than 1 million elderly persons who did not qualify for social security. As it passed the Senate, it was $40 a month. After it went to conference, it came back at $35 a month. Now, under the proposal of the distinguished Senator from Louisiana, it will be $43 a month.

Even though that seems like such a small amount, I received thousands of letters from elderly persons all over the country expressing deep appreciation for the $40 a month.

How they can be grateful for so little is beyond me, but they are. It is money they desperately need.

Many household pets receive better food and shelter than many of the elderly people of this country.

I think it was Arnold Toynbee who once said, "History will judge a society or civilization by the concern it expresses for its elderly citizens." I think that is true, and I often wonder how our society will measure up on this score.

We have not done enough for older Americans, but I think as a practical matter the $70 minimum monthly benefit is as far as we can go at the present time.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. PROUTY. I yield.

Mr. COOPER. I have just heard the distinguished Senator from Nebraska speak on the Senator's amendment, which he covered well. I want to associate myself with what he said and also with what the Senator from Vermont, Senator PROUTY, has been saying. I remember very well when the Senator from Vermont initiated his program to help those with the lowest income, those who are really poor. I commend the Senator from Vermont and I will support his amendment.

Mr. PROUTY. I thank the Senator.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. PROUTY. I yield.

Mr. ALLOTT. I appreciate the Senator's yielding to me. I am going to support his amendment.

I asked the Senator to yield because I think the people of America, particularly the older people, should realize how dedicated he has been, not just in the last few minutes or just in the last year, but for many years, in behalf of the elderly people of this country in trying to provide an adequate social security income for them.

He is entirely right when he says that probably most of the pets in this country are fed on better diets and live in better circumstances than do our older people. When we stop to realize that, I think it is a condemnation of our society that we have provided better for our pets than we have provided for elderly people.

I want to applaud the Senator and say that not only do a great many elderly people in this country, but also here in the Senate we appreciate his efforts in this very vital area.

Mr. PROUTY. I am grateful to the Senator from Colorado. I certainly know he has been most helpful and as concerned as I with the problems of our elderly people.

For the benefit of Senators, I may say that I have had placed on the desk of each Senator a statement showing the buildup in the social security fund from a surplus of $32 billion at the end of fiscal 1969 to $953.1 billion in the year 2025.

If anyone studies those figures, he will understand that the fund is amply financed at the present time. Moreover, the tax rates and taxable base will increase under existing law. This fact alone will create even a larger surplus.

Mr. LONG. Mr. President, it is my understanding that the House Ways and Means Committee, where this amendment is being considered along with many other measures, has been conducting very lengthy hearings and has concluded that measures of this sort should await consideration in the context of a more detailed bill which might involve an increase in social security taxes.

If this amendment is added to the bill, additional tax revenues will be needed if the social security trust fund is to be actuarially sound.

Mr. President, the House of Representatives, ably represented in conference by the senior members of the Ways and Means Committee, has consistently refused to accept any Senate increase in social security benefits requiring increased taxes, unless the Senate bill also provided for the necessary financing. In the past, it has been futile for the Senate to vote for any increased benefits if we did not provide for the revenues needed to pay for those benefits.

I am sure the Senator from Vermont feels that his amendment is meritorious, but there are also good arguments for other amendments to increase social security benefits in other ways.

To illustrate that increasing the minimum benefit substantially is a complicated problem, I would point out that increases in minimum benefits apply to many people who have worked in employment covered under the social security program for only brief periods of time and who receive annuities from other retirement programs. If we look into the matter more closely, we might well find persons who have more need for benefit increases of a different sort than an increase in the minimum as is proposed here.

I bring this up to demonstrate that this is the sort of problem that really should be studied by the Senate Finance Committee, so that the merits of the Senator's proposal may be weighed against other suggestions which could be made for the most appropriate benefit structure under social security.

For example, the President of the United States has suggested that the earnings limitation should be raised so that people could earn somewhat more money without getting their social security benefits reduced. Many other amendments could be suggested as additions to the bill.

If the Senate wants to vote the amendment of the Senator from Vermont into the bill, it ought to be aware of the fact that, desirable though it may be to provide a higher minimum benefit, no tax is being provided to pay for this benefit, and the social security program will not be in long-range fiscal balance. It will be actuarially out of balance in the event the amendment of the Senator from Vermont is approved. For this reason, I believe the House conferees will insist, as they have done repeatedly in prior conferences, that they will not accept provisions for additional benefits that do not also provide the financing needed to pay for them.

The philosophy of the House proposal, as provided in the Long amendment, is that a 15-percent social security increase should be voted now and that other measures, such as that suggested by the Senator from Vermont, should await further consideration and should be part of a bigger bill that would come before us next year.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RANDOLPH. Is it not true that the 15-percent increase under the amendment to be offered would be actuarially sound?

Mr. LONG. Yes, and I might point out that 25 members out of the 25 members of the Ways and Means Committee, I am told, voted to support that position. The actuaries in the Social Security Administration agree that the 15-percent benefit increase is actuarially sound. It was on that basis that the House Ways and Means Committee voted the measure out.

Mr. RANDOLPH. That action, if approved in the House and here today, hopefully, under the leadership of the chairman, would be effective as of January 1970. Is that correct?

Mr. LONG. That is right.

Mr. RANDOLPH. This action would go beyond the 10-percent increase recommended by President Nixon, which would not be effective until April. Is that correct?

Mr. LONG. Yes, that is correct. The President's 10-percent benefit increase would be effective as of March 1970, meaning that the first check with the higher benefit would be mailed out early in April. Thus if a person today is drawing $100 in monthly social security benefits, he would then receive a check for $110 early in April.

What is being proposed by the Senator from Louisiana is the Ways and Means bill, which would provide a 15-percent benefit increase, effective January 1970. Since it would take some time for the Social Security Administration to actually put the increase into effect, they tell us that the first check reflecting the increase in my amendment would be sent out early in April. That would mean that the April check would be for $145, including $30 in retroactive benefits, rather than the $110 under the President's proposal.

Mr. RANDOLPH. And, as I understand it, the present minimum would be raised from $55 to $64?

Mr. LONG. Yes.

Mr. RANDOLPH. I thank my able chairman. I am privileged to join him as a cosponsor, and I believe the Senate will act affirmatively in providing a necessary increase.

We should, I repeat, enact into law additional relief for our elderly citizens living on fixed incomes.

Our efforts to insure this substantial increase in social security payments is fair and equitable—and we owe it to those aged persons who are the most adversely affected by the rising cost of living. There has been a 12-percent increase in the cost of living since the last adjustment in social security benefits which was in February 1968. The increase proposed today will not mean a significant rise in the standard of living of those on social security. It will, however, restore the standard of living effected in 1968.

Our Special Committee on Aging, on which I am privileged to serve, is conducting a continuing study of problems of the aged. Our results clearly reveal that this Nation is faced with a crisis situation in coping with the problems of elderly citizens. Certainly the social security system is a fast and effective way to deliver income assurance to them. But the means must become the commitment to provide timely and adequate social security payments.

Mr. LONG. Mr. President, the Senate will work its will with regard to this amendment. However, if the proposal of the Senator from Vermont is made a part of my amendment, I believe the Senate should be well aware of the fact that it may very well be an exercise in futility, because the House conferees are likely to take the same view they have in years past about providing a benefit without providing the necessary tax to pay for it. In years gone by, the House conferees have been firm almost to the point of being rude in telling us that if there was no tax to pay for such a benefit they were not even going to consider it.

The House Committee on Ways and Means has already voted out unanimously this proposal for a 15-percent across-the-board increase, which I hope they will be willing to accept as an addition to this income tax bill.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PROUTY. I should like to point out that the only difference in cost between the Senator's amendment and my perfecting amendment to his amendment is $300 million.

Mr. LONG. That is the first year cost. The cost goes up after that.

Mr. PROUTY. I might say to the Senator from West Virginia (Mr. RANDOLPH) that my proposal raises the minimum monthly social security benefit to $70. Under the amendment of the Senator from Louisiana the minimum monthly benefit would be $64.

Mr. LONG. Yes. But when you add the amendment that the Senator is offering to the amendment that I have pending here, and I am sure that the Senator is well aware of this fact, the proposal will increase the cost by perhaps a half billion dollars a year, and that this will present us with a deficit. I am sure the Senator is aware of the attitude that the House Ways and Means Committee has taken in such matters. They simply will not consider a Senate amendment that puts us in a deficit position, without adequate tax revenues.

Mr. PROUTY. Well, in any event, if we go to conference with this proposal and they turn it down, there is nothing we can do about it. Nevertheless we will have shown our deep interest in the elderly people who are faced with grave economic problems. I am ashamed that the amount is only $70. I offered one amendment to provide $90. That is what I prefer, and what the President recommends as a minimum for old-age assistance for welfare recipients.

Mr. LONG. Mr. President, I believe I have made my position clear. I am prepared to respect the judgment of the Senate. I do feel that I should advise the Senate about the actuarial problem involved here, and what our experience has been when we have gone to the House of Representatives with an increase in benefits which we did not have sufficient taxes to pay for. We have had relatively little success in making them even seriously consider that type of increase, if we did not have the financing to pay for it.

I have high hopes, however, that we will be able to make the House conferees recognize their own handiwork, and agree to what the Committee on Ways and Means has unanimously recommended to the House of Representatives, and which I believe will pass the House by an overwhelming majority when it comes to a vote over there.

Mr. PROUTY. Mr. President, I am ready to vote. Let me say simply that I was amazed that the House Ways and Means Committee recommended even a 15-percent increase. I believe they realize the seriousness of the plight of many of our elderly citizens.

With that in mind, I do not believe the members of that committee, or the Members of the other body, or the Members of the Senate, are going to say that $70 is too much to provide for people 65 years of age and older.

We have taken pretty good care of the oil industry and other enterprises, right down the line. Now we are talking about the elderly people who need our help, and we are going to do what we can to see that they get it.

Mr. LONG. Mr. President, on this bill we have taken care of the oil industry with a $555 million tax increase, on top of the increase in the capital gains tax and other increases. So they have been taken care of with a very big tax increase on this bill.

I fear we will have difficulty with the Senator's proposal for the reasons that I have undertaken to express; namely, that the House of Representatives is going to say that the financing is not there to provide for it. But I will do the best I can, if the Senate insists on adding this proposal to the bill.

Mr. MANSFIELD. Mr. President, I am ready to vote also, but I yield first to the distinguished Senator from West Virginia (Mr. BYRD).

Mr. BYRD of West Virginia. Mr. President, I thank the able majority leader. I send to the desk a perfecting amendment to the Long amendment, and I ask that it be stated for the information of the Senate.

The PRESIDING OFFICER. The clerk will state the Senator's perfecting amendment.

The legislative clerk proceeded to read the amendment.

Mr. BYRD of West Virginia. I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

Strike out page 2 and insert in lieu thereof the following new page:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

| "I | II | III | IV | V |
|---|---|---|---|---|
| (Primary insurance benefit under 1939 act, as modified) | (Primary insurance amount under 1967 act) | (Average monthly wage) | (Primary insurance amount) | (Maximum family benefits) |
| If an individual's primary insurance benefit (as determined under subsec. (d)) is— | Or his primary insurance amount (as determined under subsec. (c)) is— | Or his average monthly wage (as determined under subsec. (b)) is— | The amount referred to in the preceding paragraphs of this subsection shall be— | And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be— |
| At least— But not more than— | | At least— But not more than— | | |
| ---------- $30.36 | $85.90 or less | ---------- $141 | $100.00 | $150.00 |
| $30.37---- 30.92 | 87.20 | $142 146 | 100.30 | 150.50 |
| 30.93---- 31.36 | 88.40 | 147 150 | 101.70 | 152.60 |
| 31.37---- 32.00 | 89.50 | 151 155 | 103.00 | 154.50 |
| 32.01---- 32.60 | 90.80 | 156 160 | 104.50 | 156.80 |
| 32.61---- 33.20 | 92.00 | 161 164 | 105.80 | 158.70 |
| 33.21---- 33.88 | 93.20 | 165 169 | 107.20 | 160.80 |
| 33.89---- 34.50 | 94.40 | 170 174 | 108.60 | 162.90 |
| 34.51---- 35.00 | 95.60 | 175 178 | 110.00 | 165.00 |
| 35.01---- 35.80 | 96.80 | 179 183 | 111.40 | 167.10 |
| 35.81---- 36.40 | 98.00 | 184 188 | 112.70 | 169.10 |
| 36.41---- 37.08 | 99.30 | 180 193 | 114.20 | 171.30 |
| 37.09---- 37.60 | 100.50 | 194 197 | 115.60 | 173.40 |
| 37.61---- 38.20 | 101.60 | 198 202 | 116.90 | 175.40 |
| 38.21---- 39.12 | 102.90 | 203 207 | 118.40 | 177.60 |
| 39.13---- 39.68 | 104.10 | 208 211 | 119.80 | 179.70 |
| 39.69---- 40.33 | 105.20 | 212 216 | 121.00 | 181.50 |
| 40.34---- 41.12 | 106.50 | 217 221 | 122.50 | 183.80 |
| 41.13---- 41.76 | 107.70 | 222 225 | 123.90 | 185.90 |
| 41.77---- 42.44 | 108.90 | 226 230 | 125.30 | 188.00 |
| 42.45---- 43.20 | 110.10 | 231 235 | 126.70 | 190.10 |
| 43.21---- 43.76 | 111.40 | 236 239 | 128.20 | 192.30 |
| 43.77---- 44.44 | 112.60 | 240 244 | 129.50 | 195.20 |
| 44.45---- 44.88 | 113.70 | 245 249 | 130.80 | 199.20 |
| 44.89---- 45.60 | 115.00 | 250 253 | 132.30 | 202.40 |
| | | | | |
| | | | $116.20 | $254 $258 $133.70 $206.40 |
| | | | 117.30 | 259 263 134.90 210.40 |
| | | | 118.60 | 264 267 136.40 213.60 |
| | | | 119.80 | 268 272 137.80 217.60 |
| | | | 121.00 | 273 277 139.20 221.60 |
| | | | 122.20 | 278 281 140.60 224.80 |
| | | | 123.40 | 282 286 142.00 228.80 |
| | | | 124.70 | 287 291 143.50 232.80 |
| | | | 125.80 | 292 295 144.70 236.00 |
| | | | 127.10 | 296 300 146.20 240.00 |
| | | | 128.30 | 301 305 147.60 244.00 |
| | | | 129.40 | 306 309 148.90 247.20 |
| | | | 130.70 | 310 314 150.40 251.20 |
| | | | 131.90 | 315 319 151.70 255.20 |
| | | | 133.00 | 320 323 153.00 258.40 |
| | | | 134.30 | 324 328 154.50 262.40 |
| | | | 135.50 | 329 333 155.90 266.40 |
| | | | 136.80 | 334 337 157.40 269.60 |
| | | | 137.90 | 338 342 158.60 273.60 |
| | | | 139.10 | 343 347 160.00 277.60 |
| | | | 140.40 | 348 351 161.50 280.80 |
| | | | 141.50 | 352 356 162.80 284.80 |
| | | | 142.80 | 357 361 164.30 288.80 |
| | | | 144.00 | 362 365 165.60 292.00 |
| | | | 145.10 | 366 370 166.90 296.00" |

On page 9 after line 11, add the following new section:

"SEC. 6(a) Notwithstanding any other provision of law, beginning with years beginning after December 31, 1972, the earnings counted for benefit and tax purposes under titles II and XVIII of the Social Security Act and appropriate sections of the Internal Revenue Code shall be increased from $7,800 to $12,000.

"(b) The Secretary of Health, Education, and Welfare is directed to modify the table in section 215(a) of the Social Security Act to include benefits, consistent with the formula underlying the benefits in section 215(a), for average monthly wages greater than $650 but less than or equal to $1,000."

Mr. PROUTY. Mr. President, a parliamentary inquiry. What does the amendment do?

Mr. BYRD of West Virginia. I shall attempt to explain it.

Mr. MANSFIELD. It is coming up later, anyway.

Mr. LONG. The Senator cannot call it up now. He can explain it.

Mr. POUTY. Mr. President, a parliamentary inquiry. Is it in order for my distinguished friend to explain his amendment at this time?

The PRESIDING OFFICER. The Chair will state that it is in order for him to discuss it, but the perfecting amendment of the Senator from Vermont is still pending.

Mr. PROUTY. The amendment is not being offered at this time?

The PRESIDING OFFICER. No.

Mr. BYRD of West Virginia. Mr. President, the pending question before the Senate is with respect to the perfecting amendment offered by the able Senator from Vermont (Mr. PROUTY) to the Long amendment. Under the Prouty perfecting amendment, there would be a 15-percent across-the-board increase in social security payments, with an increase in the minimum benefits to $70 per month.

As the able chairman of the Committee on Finance has stated in his remarks in opposition to the Prouty perfecting amendment, the perfecting amendment offers no method for defraying the additional cost of the benefits which would accrue under that amendment. As the chairman of the committee has also very appropriately stated, to go to conference with additional benefits that will not be offset by additional increases in the tax, or an expansion of the tax base, would be a futile effort.

Mr. President, I think we all want to see an increase in the minimum benefits. Under the Long amendment, the increase would be 15 percent across the board including the minimum benefit. The minimum payment at the present time is $55 a month. Fifteen percent of that would be about $8.25, which would mean that the total minimum benefit under the Long amendment would amount to something like $63.25, as against $70 under the Prouty perfecting amendment.

I should like to see an increase in the minimum benefit. The able majority leader would like to see an increase in the minimum payment. As I have stated, I think all Senators would like to see an increase. For that reason, I have offered a perfecting amendment to the Long amendment, which will be called up after the vote on the Prouty amendment. This perfecting amendment, which I have offered in behalf of myself and the able majority leader, would provide for a minimum payment of $100 per month to a single individual, or $150 a month to a man and wife. So we would provide a larger minimum benefit, one that is more in keeping with the increase in the cost of living; but at the same time, it is not our intention to do a vain and futile thing.

We are also going to provide the means whereby the increased benefits would be offset. This would be done by expanding the tax base from $7,800 a year to $12,000 a year. So, we would provide an increase in the minimum payment for a single individual that would be $30 above the amount provided in the Prouty amendment. And we would also provide a way to pay the bill, so that when the chairman of the committee goes to conference with the House he will be able to present a fiscally responsible plan whereby the trust fund will not be endangered by the increase in benefits.

The 15-percent increase in itself is actuarially sound, as the chairman has stated. However, to increase the minimum to $70 would result in a drain upon that fund.

The majority leader and I, and those who would support us, want to provide a larger minimum benefit than $70, one that is in keeping with the increase in consumer prices and, at the same time, we want to provide the increased income with which to pay the increased benefits.

For this reason, we are advocating that the earnings base be increased from $7,800 a year to $12,000 a year. The increase in the tax base will not take effect under the amendment offered by the majority leader and me until 1973.

This delay is possible without endangering the fund.

As a matter of fact, I am advised that

the fund under the Long amendment would experience an increase in surplus from $32 billion in 1970 to $37 billion in 1971.

So, even with the increase of 15 percent across the board, the surplus in the fund would be increased over and beyond the amount necessary to offset that 15-percent increase in payments.

We can easily wait until 1973, without jeopardizing the trust fund, before we put into effect the increase in the tax base to offset the increase in minimum benefits.

However, under the amendment, the increase in the tax base will take effect in 1973.

This is a brief explanation of the amendment which the majority leader and I have offered.

After the vote on the Prouty amendment—and I hope the Prouty perfecting amendment will be rejected—we will then call up our perfecting amendment, and I hope that it will be agreed to.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. Mr. President, I yield.

Mr. PROUTY. Mr. President, I make the comment that I believe I have started something.

Mr. MANSFIELD. No. We have been thinking about this for some time.

Mr. PROUTY. On this very floor I have tried for 8 or 9 years to get meaningful social security benefits. The amendment offered by the distinguished majority leader and the distinguished Senator from West Virginia (Mr. BYRD) takes us all by surprise. Nevertheless it is a pleasant surprise as far as the benefit increase goes.

However, you would not raise the tax base until 1973. Is that correct?

Mr. WILLIAMS of Delaware. Mr. President, if the Senator will yield, we will not raise the base in taxes until after the 1972 election.

Mr. PROUTY. Mr. President, if the fund is not solvent enough to support a $70 monthly minimum, it certainly would not be able to support a $100 monthly minimum. I am afraid the Ways and Means Committee of the House of Representatives would never accept the amendment.

ADDITIONAL COSPONSOR

Mr. COTTON. Mr. President, I ask unanimous consent that the name of the Senator from South Carolina (Mr. HOLLINGS) be added as a cosponsor of amendment No. 342.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I would not suggest for a moment that there is any politics being played on the floor of the Senate today. However, it seems to me that this exercise in one-upmanship demonstrates quite clearly why we should not even be considering social security legislation in connection with the tax reform bill.

Social security legislation is very important and very serious legislation. As we all know, it means a great deal to a great many people.

We are dealing with a very important subject, a very technical subject, a very difficult subject, and one that ought to have adequate hearings and adequate consideration in committee.

One of the points that concerned me as the distinguished Chairman of the Finance Committee offered his amendment was the fact that there have been no hearings on the legislation that he himself has offered.

There is no reason and no need in connection with the pending tax bill to consider social security increases. The House is proceeding in an orderly way. As we know, the Ways and Means Committee of the House, after holding hearings, has reported a bill.

That bill will be on the House floor next week, and presumably some form of social security legislation will pass the House. The bill will then come to the Senate.

It is only appropriate, it would seem to me, that the Senate consider such legislation separately and in the manner in which it ought to be considered.

Surely we have no business rewriting the social security law here on the floor of the Senate in this manner.

I, for one, will vote against it. As much as I respect and admire the Senator from Vermont (Mr. PROUTY) for his great leadership in this field—and I know how sincere he is, and I know how dedicated and sincere the sponsors of the next amendment are in their devotion to the objectives of social security—I shall vote against both amendments in the interest of orderly procedure.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I will agree with the acting minority leader about the bad precedent we are establishing here in trying to add major legislation on the floor of the Senate. However, I point to the bad precedent that was started a few months ago when under the orders of the Democratic policy committee, the Finance Committee was given a limited time in which to report a major tax reform bill.

We had some committee consideration by means of having day-and-night sessions. Yet we are now having the entire bill rewritten on the floor of the Senate. I wonder if it would not have been as well to abolish the Finance Committee procedure and to have brought the bill to the Senate floor. The Senate has rejected practically all the reforms that the Finance Committee proposed and have converted this bill into a major Christmas tree bill. Who says there is no Santa Claus?

I am not unmindful of the fact that as we do our Christmas shopping very often it is done on credit cards. Christmas packages are passed around to our friends and relatives; however, after New Year's Day we get the bills and the statements.

The same point is true here today. I point out that for a long time the American people will be paying the bill for all that has taken place on the Senate floor this December, and they will be laboring a long time to pay for it.

Mr. GRIFFIN. Mr. President, I thank the Senator for his contribution. I do not think there is any doubt that all Members of the Senate want to increase the social security benefits. It seems to me that they want to do it before the next election.

I think we have a better chance of achieving that objective if we consider social security legislation separately and in its proper order.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. MANSFIELD. Mr. President, it is hard to imagine a social security recipient or any other person in this day and age getting by on $55 a month. I would point out that the administration itself has advocated an increase of 10 percent—thus increasing the minimum to $60.50. The House Ways and Means Committee, I understand, unanimously reported a bill—scheduled for House action next week—that would increase benefits by 15 percent.

I think the minimum benefits under all these plans are totally inadequate for any person who relies upon social security for subsistence. Those in this Chamber who say that a proposal that increases the minimum benefits to $100 and increases the benefits across the board by 15 percent are playing politics, ought to be aware of one thing—that since the last increase in social security benefits to pensioners, the cost of living has increased in the neighborhood of 10 percent. So, the social security pensioners are getting no windfall.

I would like to hear anyone challenge the difficulty that exists for those who attempt to get by on $55 a month with prices going up as they are and the cost of living increasing at such a rapid rate.

You can make fun about next year being an election year and about 1972 being a presidential election year, but you cannot make fun of the people in need. These people are in need. The inflation that has occurred during this past calendar year has been the greatest in recent times. The social security pensioner—living on fixed income—is the hardest hit. To say that our amendment which raises these benefits is playing politics elevates that charge to a very high level of respectability.

The pending amendment offered by myself and Senator BYRD more than pays for itself. It raises the base of the tax but does not increase the tax rate. In fact, the amendment produces a slight surplus to the social security trust fund.

I would hope that the Senate would adopt this amendment so that these most needed adjustments in social security benefits can be enacted prior to January 1, 1970—when they shall go into effect.

Mr. WILLIAMS of Delaware. Mr. President, I concur. One of the major causes for the people being in need of increased social security benefits is the inflation we have experienced in the last few years which has destroyed the purchasing power of what little they had.

I hope that sometime we can join hands across the aisle to eliminate some of the causes which are further fanning the fires of inflation. I think that is the real problem with relation to their need. I think the solution that is needed is the knowledge that purchasing power will remain stationary.

At the present rate we are taking it away from them through inflation faster than we can vote the benefits on the floor of the Senate.

Mr. MANSFIELD. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN (when his name was called). On this vote I have a pair with the Senator from Kentucky (Mr. COOK). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. HANSEN (after having voted in the negative). On this vote I have a pair with the junior Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

The assistant legislative clerk concluded the call of the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The respective pairs of the Senator from Kentucky (Mr. COOK) and that of the Senator from Arizona (Mr. GOLDWATER) have been previously announced.

The result was announced—yeas 44, nays 46, as follows:

[No. 176 Leg.]

YEAS—44

| | | |
|---|---|---|
| Aiken | Fong | Moss |
| Allen | Goodell | Murphy |
| Allott | Gore | Packwood |
| Baker | Gurney | Percy |
| Bellmon | Hart | Prouty |
| Boggs | Hatfield | Proxmire |
| Brooke | Hruska | Saxbe |
| Burdick | Jackson | Schweiker |
| Case | Javits | Scott |
| Cooper | Jordan, Idaho | Smith, Maine |
| Cotton | Magnuson | Smith, Ill. |
| Curtis | Mathias | Stevens |
| Dole | McGee | Tower |
| Dominick | McIntyre | Young, N. Dak. |
| Fannin | Montoya | |

NAYS—46

| | | |
|---|---|---|
| Bayh | Eagleton | Holland |
| Bennett | Eastland | Hollings |
| Bible | Ellender | Hughes |
| Byrd, Va. | Ervin | Inouye |
| Byrd, W. Va. | Fulbright | Jordan, N.C. |
| Cannon | Gravel | Kennedy |
| Church | Harris | Long |
| Dodd | Hartke | Mansfield |
| McCarthy | Pastore | Talmadge |
| McClellan | Pearson | Tydings |
| McGovern | Pell | Williams, N.J. |
| Metcalf | Randolph | Williams, Del. |
| Miller | Ribicoff | Yarborough |
| Mondale | Russell | Young, Ohio |
| Muskie | Spong | |
| Nelson | Stennis | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Griffin, against.
Hansen, against.

NOT VOTING—8

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Cook | Mundt | Thurmond |
| Cranston | Sparkman | |

So Mr. PROUTY's amendment was rejected.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was ageed to.

Mr. BYRD of West Virginia. Mr. President, I call up my amendment which is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from West Virginia (Mr. BYRD) proposes an amendment for himself and the Senator from Montana (Mr. MANSFIELD) as follows:

Strike out page 2 and insert in lieu thereof the following new page:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

| "I | | II | III | | IV | V |
|---|---|---|---|---|---|---|
| (Primary insurance benefit under 1939 act, as modified) | | (Primary insurance amount under 1967 act) | (Average monthly wage) | | (Primary insurance amount) | (Maximum family benefits) |
| If an individual's primary insurance benefit (as determined under subsec. (d)) is— | | Or his primary insurance amount (as determined under subsec. (c)) is— | Or his average monthly wage (as determined under subsec. (b)) is— | | The amount referred to in the preceding paragraphs of this subsection shall be— | And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be— |
| At least— | But not more than— | | At least— | But not more than— | | |
| ---------- | $30.36 | $85.90 or less | ---------- | $141 | $100.00 | $150.00 |
| $30.37 | 30.92 | 87.20 | $142 | 146 | 100.30 | 150.50 |
| 30.93 | 31.36 | 88.40 | 147 | 150 | 101.70 | 152.60 |
| 31.37 | 32.00 | 89.50 | 151 | 155 | 103.00 | 154.50 |
| 32.01 | 32.60 | 90.80 | 156 | 160 | 104.50 | 156.80 |
| 32.61 | 33.20 | 92.00 | 161 | 164 | 105.80 | 158.70 |
| 33.21 | 33.88 | 93.20 | 165 | 169 | 107.20 | 160.80 |
| 33.89 | 34.50 | 94.40 | 170 | 174 | 108.60 | 162.90 |
| 34.51 | 35.00 | 95.60 | 175 | 178 | 110.00 | 165.00 |
| 35.01 | 35.80 | 96.80 | 179 | 183 | 111.40 | 167.10 |
| 35.81 | 36.40 | 98.00 | 184 | 188 | 112.70 | 169.10 |
| 36.41 | 37.08 | 99.30 | 189 | 193 | 114.20 | 171.30 |
| 37.09 | 37.60 | 100.50 | 194 | 197 | 115.60 | 173.40 |
| 37.61 | 38.20 | 101.60 | 198 | 202 | 116.90 | 175.40 |
| 38.21 | 39.12 | 102.90 | 203 | 207 | 118.40 | 177.60 |
| 39.13 | 39.68 | 104.10 | 208 | 211 | 119.80 | 179.70 |
| 39.69 | 40.33 | 105.20 | 212 | 216 | 121.00 | 181.50 |
| 40.34 | 41.12 | 106.50 | 217 | 221 | 122.50 | 183.80 |
| 41.13 | 41.76 | 107.70 | 222 | 225 | 123.90 | 185.90 |
| 41.77 | 42.44 | 108.90 | 226 | 230 | 125.30 | 188.00 |
| 42.45 | 43.20 | 110.10 | 231 | 235 | 126.70 | 190.10 |
| 43.21 | 43.76 | 111.40 | 236 | 239 | 128.20 | 192.30 |
| 43.77 | 44.44 | 112.60 | 240 | 244 | 129.50 | 195.20 |
| 44.45 | 44.88 | 113.70 | 245 | 249 | 130.80 | 199.20 |
| 44.89 | 45.60 | 115.00 | 250 | 253 | 132.30 | 202.40 |

| "I | | II | III | | IV | V |
|---|---|---|---|---|---|---|
| (Primary insurance benefit under 1939 Act, as modified) | | (Primary insurance amount under 1967 Act) | (Average monthly wage) | | (Primary insurance amount) | (Maximum family benefits) |
| If an individual's primary insurance benefit (as determined under subsec. (d)) is— | | Or his primary insurance amount (as determined under subsec. (c)) is— | Or his average monthly wage (as determined under subsec. (b)) is— | | The amount referred to in the preceding paragraphs of this subsection shall be— | And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be— |
| At least— | But not more than— | | At least— | But not more than— | | |
| | | $116.20 | $254 | $258 | $133.70 | $206.40 |
| | | 117.30 | 259 | 263 | 134.90 | 210.40 |
| | | 118.60 | 264 | 267 | 136.40 | 213.60 |
| | | 119.80 | 268 | 272 | 137.80 | 217.60 |
| | | 121.00 | 273 | 277 | 139.20 | 221.60 |
| | | 122.20 | 278 | 281 | 140.60 | 224.80 |
| | | 123.40 | 282 | 286 | 142.00 | 228.80 |
| | | 124.70 | 287 | 291 | 143.50 | 232.80 |
| | | 125.80 | 292 | 295 | 144.70 | 236.00 |
| | | 127.10 | 296 | 300 | 146.20 | 240.00 |
| | | 128.30 | 301 | 305 | 147.60 | 244.00 |
| | | 129.40 | 306 | 309 | 148.90 | 247.20 |
| | | 130.70 | 310 | 314 | 150.40 | 251.20 |
| | | 131.90 | 315 | 319 | 151.70 | 255.20 |
| | | 133.00 | 320 | 323 | 153.00 | 258.40 |
| | | 134.30 | 324 | 328 | 154.50 | 262.40 |
| | | 135.50 | 329 | 333 | 155.90 | 266.40 |
| | | 136.80 | 334 | 337 | 157.40 | 269.60 |
| | | 137.90 | 338 | 342 | 158.60 | 273.60 |
| | | 139.10 | 343 | 347 | 160.00 | 277.60 |
| | | 140.40 | 348 | 351 | 161.50 | 280.80 |
| | | 141.50 | 352 | 356 | 162.80 | 284.80 |
| | | 142.80 | 357 | 361 | 164.30 | 288.80 |
| | | 144.00 | 362 | 365 | 165.60 | 292.00 |
| | | 145.10 | 366 | 370 | 166.90 | 296.00" |

On page 9, after line 11, add the following new section:

"SEC. 6. (a) Notwithstanding any other provision of law, beginning with years beginning after December 31, 1972, the earnings counted for benefit and tax purposes under titles II and XVIII of the Social Security Act and appropriate sections of the Internal Revenue Code shall be increased from $7,800 to $12,000.

"(b) The Secretary of Health, Education, and Welfare is directed to modify the table in section 215(a) of the Social Security Act to include benefits, consistent with the formula underlying the benefits in section 215

(a), for average monthly wages greater than $650 but less than or equal to $1,000."

Mr. BYRD of West Virginia. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. The Senator from West Virginia is recognized.

Mr. BYRD of West Virginia. Mr. President, I have already explained the perfecting amendment which I have offered on behalf of myself and the able majority leader, the Senator from Montana (Mr. MANSFIELD). But for the benefit of Senators who were not here when it was explained, briefly, the amendment would provide as follows.

This is a perfecting amendment to the Long amendment. The Long amendment provides a 15-percent across-the-board increase in social security payments. This would mean that for the minimum payment, which is now $55, there would be an increase of 15 percent, or something near $8.25. This would mean a total minimum benefit of about $64, as against $55 as of now.

Under the perfecting amendment offered by the majority leader and me, the minimum benefit would become $100, and we also propose the means for financing the increase. This is a fiscally responsible amendment. As the chairman has said so many times, it is futile to go to conference with increases in various benefits that would amount to a drain on the funds. This amendment is actuarily sound in that we are paying our own way.

We propose to increase the wage base from $7,800 annually to $12,000 annually, to take effect in 1973.

Mr. CURTIS. Mr. President, will the Senator from West Virginia yield for a brief question?

Mr. BYRD of West Virginia. I yield.

Mr. CURTIS. Is it not true that the entire cost of the program would be borne by those people who are getting more than $7,800 and less than $12,000?

Mr. BYRD of West Virginia. Well, those individuals in that range will pay an additional tax, but in the long run they will get higher benefits because an individual who pays a tax on a $12,000 base, in the long run is going to get increased benefits.

Mr. CURTIS. What is the answer to my question?

Mr. BYRD of West Virginia. I thought that was the answer to the Senator's question.

Mr. CURTIS. The answer is yes? The Senator says that we pay our way, that the costs of the increase the Senator proposes would be borne solely and exclusively by those people whose wages and salaries are not less than $7,800 and not more than $12,000.

Mr. BYRD of West Virginia. But they will also be the beneficiaries, in the long run, along with others in the lower income ranges. Of course, the employer also pays.

Mr. BENNETT. If the Senator will yield at that point, is it not true that people who have salaries at $7,800 are now getting more than $100, so that by raising this up to $100 the Senator will be benefiting a different group of people than those who will pay for the added benefit?

Mr. CURTIS. The Senator is getting the idea. [Laughter.]

Mr. BYRD of West Virginia. Those single persons who now receive more than $100 will receive a 15-percent increase——

Mr. BENNETT. But they receive that under the bill, not under the Senator's amendment.

Mr. BYRD of West Virginia. That is true. The question here boils down to this. Do we want individuals who are now getting a minimum of $55 a month to have only a 15-percent increase which will add up to a paltry $64 a month, or do we want them to have at least $100 a month?

That is the question.

Mr. BENNETT. If the Senator will yield further, has he estimated the drain on the social security fund before the additional funds come in, the drain for fiscal years 1971 and 1972?

Mr. BYRD of West Virginia. In answer to that question, there would be no drain on the trust fund—none whatsoever. As a matter of fact, the balance in the trust fund will increase. In 1970, there will be a $32 billion balance in the fund. In 1971, there will be a $37 billion balance in the fund, even with the 15-percent increase brought about by the amendment of the Senator from Louisiana (Mr. LONG). Thus, there will not be a drain. The balance in the fund will continue to increase and the fund will remain actuarially sound.

Mr. BENNETT. Would it not increase by $2 billion more each, over the 2 years 1971 and 1972? Is there not an actual drain on the fund for those 2 years because of the Senator's amendment, on the $2 billion balance, and then we begin to catch it up in 1973?

Mr. BYRD of West Virginia. The cost would be $4½ billion for the 15-percent increase alone. For the additional increase up to $100 in the minimum payment for a single individual and $150 for a married couple, yes, the cost would be $2 billion. Now, that additional cost would be more than offset by the proposed increase in the earnings base effective in 1973.

Mr. BENNETT. So it is not really fiscally responsible. The Senator will be saying, because there is a surplus in the fund, let us spend it now, rather than reserving it for the people in the future.

Mr. BYRD of West Virginia. No. Mr. President, we are not saying that at all. We are saying that there is a balance in the fund. We are saying, "Let us raise the minimum payment to an amount which is in conformity with the increase in the cost of living. Give the recipient at least $100 a month."

Not only is there now a $32 billion balance in the fund, but the balance in the fund will grow over and above the additional cost resulting from the $100 minimum. In order to meet that cost, we propose to expand the wage base from $7,800 to $12,000 in 1973. In reality, we could go beyond that year and still be actuarially responsible.

Mr. BENNETT. Are not the obligations under the social security system in terms of their responsibility to pay out social security benefits later? Are they not also growing? So that the Senator will be drawing against the future for at least $2 billion for those 2 years?

Mr. BYRD of West Virginia. They are growing, but we are providing for that growth, over and above that, by making the expansion in the earnings base effective in 1973.

Mr. BENNETT. In other words, spend now and pay later.

Mr. BYRD of West Virginia. No. Spend now and pay now. I wish to emphasize the fiscal soundness of this amendment. In fact, the cost of the 15-percent increase without any provision for financing would be 1.24 percent of payroll. The present surplus in the fund is 1.16 percent. The Mansfield-Byrd amendment would cost 1.66 percent of payroll and the increase in the payroll would be 0.53 percent plus the existing 1.16 percent. Thus, this amendment would produce a surplus of 0.03 percent to the trust fund as opposed to a 0.08 percent deficit in the pending Long amendment.

Mr. SAXBE. If the Senator will yield, how much will this cost a wage earner making $12,000 a year?

Mr. WILLIAMS of Delaware. If I may interject there, $475 a year, which does not take effect until after they have voted in 1972.

Mr. HOLLAND. Mr. President, we could not hear that. Would the Senator from Delaware repeat his statement?

Mr. WILLIAMS of Delaware. $475 for the individual to raise the extra tax, but it conveniently would not take effect until after he has voted in 1972.

Mr. SAXBE. If the Senator from West Virginia will yield again——

Mr. BYRD of West Virginia. The Senator from West Virginia has the floor.

The answer is, I am advised, to the Senator's first question, about $250.

Mr. SAXBE. Well now, this is the bracket of most of the shopworkers today in my State. They are making more than the $7,800 that they are now being charged for, and on up. The skilled workers and most of the shopworkers in my State pay on that wage base. This will come off their withholding, beginning in 1972, I take it. My experience with these people is that they are saying, that is all they can afford out of their salary checks on social security at the present time, and I do not think this will be very popular with those people.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from West Virginia yield?

Mr. BYRD of West Virginia. Mr. President, by increasing the earnings base to $12,000, the benefits for individuals so affected will be, accordingly, increased when it comes time for them to retire.

Mr. PASTORE. Mr. President, will the Senator from West Virginia yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. PASTORE. Is it not true, under the present base, that the terrific strain is on those earning up to $7,800 a year, and what we are doing is lifting them up to $12,000 so that we can give some of these people $100 in order just to live,

and what they pay will be matched by the employer as well. That is what it amounts to, is that not correct?

Mr. BYRD of West Virginia. The Senator is correct.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I cannot support the amendment, but I do wish to compliment the distinguished Senator from West Virginia and the majority leader for offering it, because it is a fiscally responsible approach, since it would raise the money it takes to pay for the additional benefits.

But I feel I should point out that this amendment—and the same would be true of the Prouty amendment—has very little to do with need.

Many people would benefit from a $100 minimum who cannot claim justification on the basis of equity or need. Many people who draw minimum social security benefits today did not spend much of their time working under social security coverage.

For example, some years ago I tried to make it optional for the firemen in my State of Louisiana, city by city, to come in under social security. They sent their representatives up here to say that they wished to be taken out from under such coverage, because they felt they had a better retirement program in Louisiana than under social security.

But if one of those firemen retired after a few years—and some of our firemen and policemen can retire after 20 years of service, even though they are still relatively young—and then went to work for the relatively short period necessary to qualify for the minimum under social security, he would receive these benefits even though he was drawing a generous retirement based on the work he did originally as a policeman or a fireman. Many persons now receiving the minimum social security benefit are not needy and could not qualify on the basis of their limited earnings under social security for any increase. But they would have an increase under the proposed amendment that would bring their benefits up to $100 from the present $55.

This would be true of a great number of State and local employees, and also of some of our Federal civil servants. Even a Senator who has spent a small period of time in work that entitled them to social security coverage might draw the minimum amount. Even though the Senate has a generous retirement program, and a Senator might be drawing $12,000 a year in Senate retirement benefits, if he was receiving a minimum social security benefit we would be increasing his social security check from $55 to $100.

To take another example, some doctors and dentists who were only recently covered under the social security program, might be drawing minimum social security benefits. Some of them may have been benefited by the provisions of H.R. 10, for which the Senate voted. Some of them are drawing retirement benefits by virtue of various private retirement arrangements which will provide generous annuities for the remainder of their lives.

I bring this up so that Senators are not misled into the belief that those benefited by increasing the minimum are only needy people or people whose only income is their social security. Some of those people getting minimum social security benefits have little need for a substantial increase.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. DOLE. Who is eligible for the $100 monthly payments for single persons and $150 payments for families? What are the eligibility requirements? The Senator has indicated that many are not in need. Would the Senator inform us who would be eligible?

Mr. LONG. Anyone fully insured under the social security program would be eligible. Eventually a person will have to have 10 years of work in employment—covered under social security in order to be fully insured, although a number of persons are now fully insured with less than 10 years of coverage. In any case, anyone fully insured would receive a minimum benefit of $100 under the amendment.

As I said, many of these people at the minimum have coverage under other retirement systems, such as the Federal civil service retirement system or private pension plans, even though they have worked long enough to have become fully insured under social security.

Mr. DOLE. The question I ask is, Do we have any way of knowing, as far as numbers are concerned, how many of these people may be in the so-called poverty level or are people who do not need social security benefits?

Mr. LONG. Unfortunately, I cannot answer the question in precise numbers for the reason that we have not had an opportunity to study this question in the Finance Committee.

Mr. DOLE. I wonder if the Senator from West Virginia could answer.

Mr. BYRD of West Virginia. The same question might be asked with regard to those people who are now drawing $55 a month as a minimum. We may as well do away with those, on that basis.

Mr. DOLE. That begs the question.

Mr. BYRD of West Virginia. No, it does not beg the question.

Mr. DOLE. What are we voting for now? To give $100 a month to millionaires, or to people who get little or nothing?

Mr. BYRD of West Virginia. What difference does it make? They have all paid their own way. There is no means test in the social security program.

Mr. LONG. Mr. President, if I might further respond to the question of the Senator from Kansas, there are about 3½ million people in the category to be benefited by the amendment. It is my understanding that if we raised the minimum to $100, only about one-third of the additional benefits would go to persons in the poverty category. Two-thirds would go to persons who do not fall in the poverty category.

Mr. DOLE. So we are voting to spend I do not know how many millions of dollars for people who do not need the money. I think perhaps we might call the amendment the "Political Security Amendment of 1969."

Mr. LONG. I would not so categorize it. However there would be many people who could not qualify for a minimum benefit of $100 on the basis of need, although there are many who could.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RIBICOFF. Mr. President, I think we are getting into a very complex situation. The objectives of the Senator from West Virginia and the Senator from Montana are certainly worthy. I do not think anyone can argue that anyone in the United States should have an income of less than $100, but we are doing this in a very complex tax bill, without any idea of what we are doing to the social security fund.

The proposal of the Senator from Louisiana was a sound proposal because it was done after an examination of all the figures, after careful consideration by the House Ways and Means Committee, which insures the integrity of the social security fund.

The President of the United States has suggested a proposal of a minimum family allowance as an amendment to the welfare law. The House Ways and Means Committee has already had hearings on the question. My understanding is that it will be the first order of business when they return after the first of the year. That means the Senate Finance Committee, within a period of 3 or 4 months, will have before it clarifications and basic amendments of the social security law and what we do for minimum family allowances.

At that time, after full and complete hearings on a complex subject, it could very well take the United States into new directions in the whole field of social security and welfare.

I personally do not think we should try to write at this moment, in this complex bill, what the Senator from West Virginia and the Senator from Montana are proposing. I believe the Senate can wait another 3 or 4 months, after the completion of full and complete hearings on this complex subject, before we act on this proposal. I believe we will arrive at a sound, balanced program that will assure every family in this country a minimum of $100 a month. I think we are acting very hastily in trying to adopt a proposal of this kind.

Mr. LONG. I appreciate what the Senator has said.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LONG. I will yield in a moment.

I appreciate what the Senator from Connecticut, who is a former Secretary of Health, Education, and Welfare, has said about this matter. The reason why I offered the 15-percent increase amendment I have offered is that there is no doubt whatever in my mind that this Congress sometime within the next 2 months will grant at least a 15-percent across-the-board benefit increase. But when we get to those other proposals,

meritorious though they may be, they will require very careful consideration.

Seven thousand pages of hearings have been accumulated in 5 weeks of committee consideration of the tax reform bill. We do know about the House tax reform bill and the amendments added to it. If we were given the opportunity to conduct hearings of half that length, we would be able to advise the Senate precisely about social security; which people would be benefited by what kind of amendment, who has the greatest need for benefit changes, and what people would benefit from increases even though they have less need for it.

A substantial increase in the minimum benefit, in my judgment, should await further study. The House Ways and Means Committee, having conducted lengthy hearings, and having all that information at their disposal, still says that we ought to wait until next year until they try to draft a bill to take into account the various questions such as that suggested in the amendment.

I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I thoroughly approve the position taken by the distinguished Senator from Louisiana and the distinguished Senator from Connecticut. I ask the Senator if it is not true that insurance—and that is what this is—would be drawn for 3 years by some 3 million persons at an increased amount, despite the fact that the funds necessary to support the payment of insurance benefits at that rate will not begin to be paid in until 1973.

Mr. LONG. The Senator is correct in what he has stated, although I must say to my friend from Florida that from an actuarial point of view, the amendment is sound.

Mr. HOLLAND. Perhaps it is, but we do not know, because we do not have that testimony before us.

The point I am making is that beneficiaries would be drawing insurance—and that is what this is—on a basis on which it is necessary to levy higher contributions from both employees and employers, 3 years before those contributions are to be paid in. I could never support anything which is said to be insurance, and is designed to be insurance, which is to be paid on a basis much more generous than the present and continuing rate of payments would support for 3 years.

Mr. LONG. The Senator is completely correct in what he has stated, although I should point out that over the long run, this amendment would be actuarially sound.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, the point made by the Senator from Ohio is very well taken, because there is no question but that the lower middle-income groups are facing a very heavy burden with this increased taxation. It could very well be, and it probably will, that if the President's proposal for a minimum family allowance is accepted by Congress, much of these payments will come through general revenues, and not the social security system, and it will not necessarily cover merely people on welfare, but those who are below a minimum income, and the type of individuals that the Senator from West Virginia and the Senator from Montana seek to make the beneficiaries here will be the beneficiaries out of general revenues that will be paid by all taxpayers, corporations, and higher income taxpayers, and we will not necessarily be placing the burden on the wage earner.

The objective, may I say again, which the Senator from West Virginia and the Senator from Montana seek to achieve, is an objective to which we all must repair. I do not think we should seek to repair to it on the floor of the Senate at the present time, without hearings, on a very complex subject that will cover the official, and economic thinking, because that is what we will be facing next spring or next summer, and I do not think we should try to do it at this time.

Mr. LONG. I thank the Senator.

Mr. SAXBE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. SAXBE. I should like to pursue that point just a moment.

We think of a man who is earning between $7,800 and $12,000 as being a big earner. But I point out that with sweepers earning $4.50 an hour in automotive plants and most other manufacturing plants, and with all of the building trades people earning from $5 an hour upward, this would throw the great mass of regular wage earners into a large increase in a payment that most of them are complaining about already. When that $22.50 a month waltzes across that payroll, we will hear some louder screams than we are beginning to hear already.

I agree with the Senator from Connecticut that we have a responsibility to these older people, who thought they were buying a secure insurance policy when social security was started, and are now not getting that. We have relegated those people to a poverty standard today, and I certainly agree that we do owe them a minimum of $100 a month on a net basis, because we are not living up to the contract we wrote to those people when they bought this insurance out of depression dollars, when they were earning $25 to $50 a week, rather than $150 to $200.

Nevertheless, I think that before we put this burden on the 25-year-old man, who is paying for a house and trying to raise a family and never has enough money to go around, we had better think twice about it.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GURNEY. The Senator from Ohio has brought out the fact that this is a considerable added burden as far as wage earners are concerned. It has often been mentioned, particularly by people who are interested in small business, that the backbone of private enterprise in this country is the small business people, those who are self-employed. How much out of the hides of those self-employed people would this plan propose to take?

Mr. LONG. I do not have the exact figure, but assuming a self-employed person is making $12,000 a year or more, starting in 1973 his tax would be upward of $300 a year more than under present law.

Mr. GURNEY. The point I am trying to make is that the amount of the increase in the wage earner's tax is about $250 a year, but for the small businessman it is considerably greater. My own information is that, instead of $300 per year, the increase would be about $358. Believe me, that is a crushing burden on some of these small business people who are the backbone of American private enterprise, and make something like about $7,800 to $12,000 a year. I believe they have enough burdens without our imposing this additional burden upon them.

Mr. LONG. The increase in the taxes for the self-employed person would be about $321 in 1973.

Mr. PROUTY. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield.

Mr. PROUTY. In view of the fact that the distinguished chairman of the Committee on Finance expresses considerable doubt that the House conferees would consider an increase to $70, does he believe now that there is any remote possibility of the other body agreeing to the proposition which has just been advanced?

Mr. LONG. I cannot assure the Senator at all that they would accept it. All I can say to the Senator is that they would not be turning us down for the reason that they have turned us down repeatedly in the past, namely on the grounds that the proposal did not have a tax to pay for it. That is one type of case where they have consistently said, "No," in such emphatic terms that we had to pretend we had not been insulted to arrive at the conclusion that we had not been. That is the type of attitude they have taken whenever we have insisted on an amendment to the Social Security Act that is not self-financing.

Mr. PROUTY. That was my thought, but I felt they might accept the $70. I am faced with a real problem, because I feel that this is an appropriate level, and I may vote for the amendment, though by doing so I know I shall be wasting a vote, because nothing will ever happen.

Mr. PERCY. Mr. President, today I have supported the President's social security proposals which would have increased social security benefits 10 percent across the board. I also supported the Prouty amendment which would have increased benefits 15 percent financed out of the surplus in the social security trust fund.

However, I cannot support proposals whose benefits to certain beneficiaries are outweighed by the cost in inflation to many more in our society. Particularly affected by such measures are those who can afford it least—the poor, the retired, and those living on fixed incomes.

I intend to vote against any legislation whose benefits in my judgment are overshadowed by costs to many through inflation and/or increased taxes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia (Mr. BYRD) and the Senator from Montana (Mr. MANSFIELD). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS (when his name was called). On this vote I have a pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH) and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

On this vote, the Senator from Kentucky (Mr. COOK) is paired with the Senator from Illinois (Mr. SMITH). If present and voting, the Senator from Kentucky would vote "yea" and the Senator from Illinois would vote "nay."

The result was announced—yeas 48, nays 41, as follows:

[No. 177 Leg.]

YEAS—48

| | | |
|---|---|---|
| Aiken | Hollings | Moss |
| Bayh | Hughes | Muskie |
| Bible | Inouye | Nelson |
| Brooke | Jackson | Pastore |
| Burdick | Javits | Pell |
| Byrd, W. Va. | Kennedy | Prouty |
| Cannon | Magnuson | Proxmire |
| Case | Mansfield | Randolph |
| Church | McCarthy | Russell |
| Dodd | McClellan | Schweiker |
| Eagleton | McGee | Smith, Maine |
| Fulbright | McGovern | Spong |
| Gravel | McIntyre | Tydings |
| Hart | Metcalf | Williams, N.J. |
| Hartke | Mondale | Yarborough |
| Hatfield | Montoya | Young, Ohio |

NAYS—41

| | | |
|---|---|---|
| Allen | Ervin | Miller |
| Allott | Fannin | Murphy |
| Baker | Fong | Packwood |
| Bellmon | Goodell | Pearson |
| Bennett | Gore | Percy |
| Boggs | Griffin | Ribicoff |
| Byrd, Va. | Gurney | Saxbe |
| Cooper | Hansen | Scott |
| Cotton | Harris | Stennis |
| Curtis | Holland | Talmadge |
| Dole | Hruska | Tower |
| Dominick | Jordan, N.C. | Williams, Del. |
| Eastland | Jordan, Idaho | Young, N. Dak. |
| Ellender | Long | |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Stevens, for.

NOT VOTING—10

| | | |
|---|---|---|
| Anderson | Mathias | Symington |
| Cook | Mundt | Thurmond |
| Cranston | Smith, Ill. | |
| Goldwater | Sparkman | |

So the amendment of Mr. BYRD of West Virginia and Mr. MANSFIELD was agreed to.

Mr. BYRD of West Virginia. Mr. President, I move to reconsider the vote by which the amendment was adopted.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRIS obtained the floor.

Mr. GRIFFIN. Mr. President, will the Senator yield to me so that I may make an inquiry of the majority leader?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Michigan for that purpose, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. GRIFFIN. Mr. President, while the Members are in the Chamber, I take this time to ask the majority leader whether he can give us some information as to what we might expect during the remainder of today and for tomorrow.

Mr. MANSFIELD. I will be glad to respond to the question of the distinguished acting Republican leader by saying that we hope to be able to have three, four, or five more votes today. We are coming in at 9 o'clock tomorrow morning. We are going to stay on the tax bill. Hopefully, we may be able to finish it tomorrow night. I think the chances are fair, if not excellent.

I have been informed by several Senators that they really mean business, that if there are no amendments available, we will go to third reading.

I am therefore glad to give this information in open to all the Senators: that there will be votes tomorrow—hopefully, many—that there is a possibility that the bill will be finished tomorrow night, and that so far as the appropriation bills are concerned, we can let them wait for a while.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I concur in what the majority leader has said. I think the Members should be advised that if they have amendments they should be here and offer them. We are going to act on them as expeditiously as possible, and we hope that everyone has a chance to offer his amendment.

But when we reach the point that there are no other amendments I expect to call for a third reading and final passage. I think the Members should be on notice to have their amendments ready.

After all, there are only 16 more shopping days between now and Christmas, and we are dealing with a Christmas tree bill. We had better get busy and get the ball rolling. [Laughter.]

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Rhode Island without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, could we be given an idea as to how many amendments there are?

Mr. MANSFIELD. I would say there are probably 30 at the desk, but, as always, not all will be called up. But we have the amendment of my distinguished colleague from Montana on deck. We will have one from the distinguished Senator from Oklahoma. We have one from the distinguished Senator from Connecticut, and one from the distinguished Senator from Michigan.

Mr. PASTORE. Could we not get a unanimous-consent agreement? Could we not get a unanimous-consent agreement to finish this bill?

Mr. LONG. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Louisiana without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that debate on further amendments be limited to 1 hour, to be equally divided between the sponsor of the amendment and the manager of the bill, and that the time on the bill be limited to 3 hours.

Mr. ALLOTT. I object, Mr. President.

Mr. METCALF. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HARRIS. Mr. President, I believe I have the floor.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Montana without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, I have been trying to bring up a complicated amendment, and many Senators on both sides of the aisle have asked for an opportunity to speak on it. I feel that an hour is not sufficient in which to adequately debate the amendment and to adequately allow the various Members to talk about the position they are going to take. I therefore object.

Mr. HARRIS. Mr. President, I have an amendment on which I am willing to agree to a time limitation. It is a perfecting amendment to the pending Long amendment.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Montana without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REQUEST FOR AUTHORIZATION FOR SUBCOMMITTEE ON HEALTH TO MEET ON MONDAY AND TUESDAY, DECEMBER 8 AND 9, 1969

Mr. MANSFIELD. Mr. President, I believe this has been cleared all around. I ask unanimous consent that the Sub-

committee on Health of the Committee on Labor and Public Welfare be permitted to meet on next Monday and Tuesday, in executive session, on the matter of population problems. This request is made because many witnesses are coming in from all parts of the country, and if the request is not granted, they will have to be notified not to come.

Mr. JAVITS. Mr. President, I have no knowledge of the meeting. It is fine with me.

Mr. MANSFIELD. The Senator from Missouri (Mr. EAGLETON) raised the question.

Mr. JAVITS. I am not aware of it.

Mr. MANSFIELD. If the Senator does not want it, I will be glad to withdraw the request.

Mr. JAVITS. No.

May I ask that the Senate do this: We are trying to get out the education bill, and we are meeting on Monday at 6 p.m., and the Senate may still be in session at that time. Could we have unanimous consent to do that on Monday?

Mr. DOMINICK. I cannot be here on Monday evening. I will have to be away.

Mr. MANSFIELD. We will try to do what we can. At this time, this is because of the unusual circumstances.

Mr. DOMINICK. This is the Subcommittee on Health of the Committee on Labor and Public Welfare?

Mr. MANSFIELD. Yes.

Mr. DOMINICK. I have not heard about this, and I am the ranking minority member of that subcommittee.

Mr. MANSFIELD. Mr. President, I withdraw the request.

I thank the distinguished Senator from Oklahoma for yielding to me.

## MESSAGE FROM THE HOUSE— ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett one of its reading clerks, announced that the Speaker had affixed his signature to the bill (S. 118) to grant the consent of the Congress to the Tahoe regional planning compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes, and it was signed by the President pro tempore.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Louisiana without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that debate on the Harris amendment be limited to 40 minutes, the time to be equally divided between the manager of the bill and the Senator from Oklahoma.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. I object.

Mr. HARRIS. Mr. President, I send to the desk two amendments which are related to each other and which are a part of the same thing. They are perfecting amendments to the Long amendment. I ask unanimous consent that they may be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. HARRIS. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments, ordered to be printed in the RECORD, are as follows:

At the appropriate place in Amendment No. 367 add the following new section:

"DISREGARDING OASDI BENEFIT INCREASES TO THE EXTENT ATTRIBUTABLE TO RETROACTIVE EFFECTIVE DATES

"SEC. —. Notwithstanding any other provision of law, there shall be excluded in determining the income of any individual or family for purposes of title I, IV, X, XIV, or XVI of the Social Security Act (in addition to any other amounts so excluded or disregarded) any amount paid to such individual in any month under title II of such Act (or under the Railroad Retirement Act of 1937 by reason of the first proviso in section 3(e) thereof), otherwise than as the regular monthly payment due such individual for the preceding month, to the extent that such payment is attributable to an increase under this Act or a subsequent Act (resulting from the enactment of a retroactive general increase in primary insurance amounts under such title II) in the amount of the monthly benefits payable under the old-age, survivors, and disability insurance system for one or more months before the month in which such payment is received."

At the proper place in the bill, insert the following:

"DISREGARDING OF INCOME IN DETERMINING NEED FOR PUBLIC ASSISTANCE

"SEC. —. (a) In addition to the requirements imposed by law as a condition of approval of a State plan to provide aid or assistance in the form of money payments to individuals under title I, X, XIV, or XVI, of the Social Security Act, there is hereby imposed the requirement that—

(1) in determining need of any adult individual for such aid or assistance, the State agency administering or supervising the administration of such plan shall disregard $7.50 per month of income of such individual, and

(2) (A) each individual receiving such aid or assistance for any month shall realize an increase in the amount of his benefit in the form of money payments of $7.50 per month, whether increase is brought about by reason of the application of clause (1) or otherwise, and

(B) in the administration of any such plan, there shall be used for the purpose of providing the increased benefits required by subclause (A), an amount equal to any savings realized in the provision of such benefits by reason of the amendment, in this Act, of any provision increasing the amount of monthly benefits payable to individuals under title II of the Social Security Act.

(b) If, as a result of the application of the requirements imposed in clauses (1) and (2) of subsection (a), any State incurs in the operation of its State plan (referred to in subsection (a)) for any calendar quarter, expense in excess of the amount of expense it would have incurred if such requirements had not been applied, then, it shall be entitled to be paid, out of any money appropriated by the Federal Government to assist the State in carrying out such plan, an additional amount equal to the amount of such excess.

(c) Any additional amount to which a State is entitled under subsection (b) with respect to a State plan (referred to in subsection (a)) shall be made in accordance with the same methods, and otherwise in like manner, as are the payments which such State is entitled to receive with respect to such plan under other provisions of Federal law.

Mr. HARRIS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly?

Mr. HARRIS. I yield to the Senator from Montana.

Mr. WILLIAMS of Delaware. Mr. President, may we have the amendments read?

Mr. HARRIS. I think I can explain them quickly to the Senate.

Mr. BYRD of West Virginia. Mr. President, the Senator can explain the amendments if he can be heard. Will the Chair please enforce order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

## ORDER FOR RECOGNITION OF SENATOR HOLLAND TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the prayer tomorrow the distinguished Senator from Florida (Mr. HOLLAND) be recognized for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM FOR TOMORROW

Mr. MANSFIELD. Mr. President, for the information of the Senate there will not be a morning hour or a period for the transaction of routine morning business tomorrow. After the Senator from Florida concludes his remarks we will proceed directly to the consideration of the amendments on the bill.

## TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. HARRIS. Mr. President, I think Senators will support this amendment. If I may have the attention of Senators I can explain it briefly.

The effect of this amendment, which is in two parts, is to pass along to the aged, blind, and disabled, a $7.50 increase in assistance, which we can do without additional funds.

If I may have the attention of the

distinguished Senator from Delaware I can explain the amendment briefly.

Mr. WILLIAMS of Delaware. I am trying to find out how many millions are involved in the Senator's amendment.

Mr. HARRIS. I just told the Senator there are no millions involved as far as additional Federal contributions are concerned. But since the Senator asked for the explanation I would be glad to explain it.

Mr. WILLIAMS of Delaware. I would be glad to have the Senator explain it but I will get the information on my own.

Mr. HARRIS. The Senator from Delaware is quite able to get his own information but I was trying to be helpful to him, inasmuch as I had asked unanimous consent that the amendment not be read. Is there objection to that? If there is no objection I can go ahead and explain it, Mr. President.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and the Senator may proceed.

Mr. HARRIS. Mr. President, this amendment is in three parts and each part is very simple.

The first part has to do with the fact that the social security increase of 15 percent, which is contained in the Long amendment, will not be paid to social security recipients until April of next year. There are some 1.5 million people in America who receive some social security and some welfare assistance by reason of being aged, blind, or disabled. The first part of the amendment would provide that, when they receive that social security payment in April, a part of which will be retroactive, the welfare department in the particular State will not consider the increase in social security which they will be receiving retroactively as resources available to the welfare recipient and go back and figure that in and deduct that amount from money the welfare recipient received prior to April.

I think the Social Security people and the welfare departments of the various States would say to Senators, the same as some of them have said to me, that it would cause all sorts of difficulty, more than it is worth, if they had to go back and deduct that amount of money already paid because of retroactive social security payments that we are about to vote on in the Long amendment. That is the first part of the amendment. It is very simple.

The second part of the amendment provides that the 1.5 million people who are aged, blind, or disabled, and who receive some social security and some welfare assistance—who otherwise in most of the States under the Long amendment would receive no increase because their welfare assistance payments would simply be reduced by the amount of money their social security payment is increased—will receive an additional $7.50 by the provision in the amendment which states that the first $7.50 received by such welfare recipients through the social security increase will not be counted as income to be deducted from what they would otherwise get from welfare.

Mr. President, the third part of the amendment is similar. It deals with a different and an additional 1.5 million people who are aged, blind, or disabled and who are receiving no social security. This part of the amendment provides that those 1.5 million people would receive, through this amendment, an additional $7.50 a month, the same as the other people; the effect would be that those who are receiving only public assistance because they are aged, blind, or disabled would receive the same kind of increase that the social security recipients are going to receive if, as I hope we do, we adopt the Long amendment.

That portion of the amendment will be funded in this manner: The welfare department in a State will receive a windfall by the passage of the Long amendment; by increasing social security payments, their funds required to match Federal assistance would be reduced; and the amendment provides that they will take that savings realized through the social security increase and use it to pass along at least $7.50 as an increase to welfare recipients, who are aged, blind or disabled.

The amendment provides, to be sure we are not going to require a State to put up more money than it is now, if the realized saving is not sufficient, the difference will be made up by Federal contribution. However, I am informed by the staff of the Committee on Finance that, first of all, there will be a negligible additional expenditure required by the States, if any, and to the degree the Federal contribution is required, that will come out of money the Federal Government is now spending from the general fund for welfare which it will not have to spend because of increased payments out of the social security trust fund.

Mr. President, all of that sounds complicated but the fact is that there are 3 million Americans who are aged, blind or disabled and who, by the passage of the 15-percent increase in the social security payments, will in large part receive no increase whatever, despite the fact that those 3 million Americans probably are in greater need, or at least in as much need, as those who would receive an increase in social security.

I hope the amendment is agreed to.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. HARRIS. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. In the Senator's amendment is there provision to insure compliance by the State welfare departments by the withholding of Federal welfare contributions or in some other manner so that his amendment will be complied with by the State departments?

Mr. HARRIS. Yes. The language for the amendment was drawn with the help of the staff of the Committee on Finance. We have a precedent for this action. The last time we voted a social security increase we had a $7.50 pass-along and this amendment would again provide for that $7.50 pass-along.

I have heard from the director of the welfare department of my State that this is a fair thing to do. There are some 81,000 Oklahomans who will get this pass-along increase under this amendment. I think this is only equity. There is a careful discussion of this matter, printed in yesterday's CONGRESSIONAL RECORD by Representative PHIL BURTON, of California, with whom I have talked about it.

The distinguished Senator from Texas (Mr. YARBOROUGH) joins with me in the presentation of this amendment and is very interested in it.

I almost forgot one other point. If we do not do this now and if we wait until we come back and do it in April, it will be too late in most of the States because most of the States will probably have made up their budgets. and would have already figured into them the savings they will have under the proposed social security increase. So, if we do it, we need to do it now in conjunction with the social security increase.

Mr. COTTON. I am entirely in sympathy with the objective of the Senator's amendment. It only occurred to me and I recall the last time we did that, there was a provision that States that did not see fit, if they failed to comply with this admonition; namely, not to withhold welfare funds because of the accumulated social security, that there would be a withholding of Federal contributions to the welfare funds and that assured compliance by the States. No doubt most States would comply willingly and voluntarily, but I do not say that we could be sure unless in the Senator's bill itself, or the appropriation bill we bring in from HEW, or somewhere along the line, there is some policing provision so that the States cannot disregard this admonition.

Mr. HARRIS. I assure the Senator that they cannot, that that has been carefully worked out and worded in the amendment. I invite his attention to the actual words.

May I state further to the Senate that this provision does not apply to other forms of assistance. I wish we could have gotten something together soon enough so that all forms of assistance might receive some increase. However, I learned only yesterday that this 15-percent social security increase would be considered today. I think that if we made this amendment too inclusive, too controversial, or too complicated, we would not be able to get it adopted. We have a good chance to get this adopted and then, hopefully, after the first of the year, as has been mentioned by the distinguished Senator from Connecticut (Mr. RIBICOFF), we can make a wholesale review and revision of the entire welfare system.

In the meantime, if we are going to do equity by Christmas to the social security recipients by giving them, as we should, a 15-percent increase, we should also do equity to the 3 million other aged, blind, or disabled Americans who would not otherwise, probably, get an increase under the Long amendment.

Mr. LONG. Mr. President, I am in sympathy with what the Senator from Oklahoma is seeking to achieve. I understand what he has in mind. He wants to try to reach the objective of seeing to it that those who get the social security in-

crease will not have their welfare checks cut to the extent of the social security increase. It is a frustrating experience for anyone to hear that Congress has voted an increase in his social security benefits, only to find that, if he is on welfare, the welfare department, having heard about the increase in social security benefits, has cut his check before he receives the increase in his social security.

The Senator from Oklahoma wants to assure that that does not happen.

That will be difficult to do because it is complicated and brings in other problems, like difficulties of administration, and so forth. But the purpose is worthy, even though it will be complicated by adoption of the Byrd-Mansfield amendment which increases the minimum payment up to $100.

Personally, I would be willing to go to conference with the amendment to see what we can work out, and I would do the best we can to perfect the amendment in conference, if the House is willing to consider it. I would personally not be opposed to the amendment and would be happy now to yield time to anyone opposing it.

It would create technical and administrative problems, but if they can be worked out—and perhaps we can do that in conference because I believe the Senator has a very noble purpose in offering his amendment—I am sure the amendment will undoubtedly do some good in preventing cutbacks which need not occur where the States are able to continue their present level of welfare.

Mr. President, I would be happy to yield time to Senators who would be in opposition to the amendment; otherwise, I am ready to yield back the remainder of my time.

Mr. HARRIS. Mr. President, I yield back the remainder of my time.

Mr. LONG. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Oklahoma.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The result was announced—yeas 77, nays 10, as follows:

[No. 178 Leg.]

YEAS—77

| | | |
|---|---|---|
| Aiken | Gurney | Murphy |
| Allen | Harris | Muskie |
| Baker | Hart | Nelson |
| Bayh | Hartke | Packwood |
| Bellmon | Hatfield | Pastore |
| Bible | Holland | Pearson |
| Boggs | Hollings | Pell |
| Brooke | Hughes | Percy |
| Burdick | Inouye | Prouty |
| Byrd, Va. | Jackson | Proxmire |
| Byrd, W. Va. | Javits | Randolph |
| Case | Jordan, N.C. | Ribicoff |
| Church | Jordan, Idaho | Russell |
| Cotton | Kennedy | Schweiker |
| Dodd | Long | Scott |
| Dole | Magnuson | Smith, Maine |
| Dominick | Mansfield | Spong |
| Eagleton | McClellan | Stennis |
| Eastland | McGee | Stevens |
| Ellender | McGovern | Talmadge |
| Ervin | McIntyre | Tydings |
| Fannin | Metcalf | Williams, N.J. |
| Fong | Miller | Yarborough |
| Fulbright | Mondale | Young, N. Dak. |
| Goodell | Montoya | Young, Ohio |
| Gore | Moss | |

NAYS—10

| | | |
|---|---|---|
| Allott | Griffin | Tower |
| Bennett | Hansen | Williams, Del. |
| Cooper | Hruska | |
| Curtis | Saxbe | |

NOT VOTING—13

| | | |
|---|---|---|
| Anderson | Gravel | Sparkman |
| Cannon | Mathias | Symington |
| Cook | McCarthy | Thurmond |
| Cranston | Mundt | |
| Goldwater | Smith, Ill. | |

So Mr. HARRIS' amendment was agreed to.

AMENDMENT NO. 380

Mr. STEVENS. Mr. President, I send to the desk an amendment, and ask that it be printed.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. STEVENS. Mr. President, I am submitting an amendment to the Tax Reform Act to retain the 7 percent tax credit for taxpayers who make investments in depressed areas that create new jobs. The credit is limited to an amount which is directly proportional to the number of new jobs the investment will create.

My amendment is designed to operate separately from the amendment of the Senator from Indiana (Mr. HARTKE) for small business investment, which the Senate adopted Wednesday, but contains safeguards to assure that my amendment cannot be used to get a credit on property already receiving a credit under Mr. HARTKE's amendment.

Chronic unemployment in certain areas still persists in our country today. In 1968, that last year for which complete figures are available, the Department of Labor classified some 490 areas as depressed areas having chronic unemployment above 6 percent. A total of 434,000 people are now unemployed in depressed areas. In my State of Alaska the entire State suffers from unemployment at a staggering 9.1 percent in the summer and 12 percent in the fall and winter months. And this does not account for some 12,000 persons that are not even included in the work force.

One major contributor to high unemployment in many areas is the outmigration of the farm population to depressed areas. For that reason, my amendment defines depressed areas to include both areas in which the unemployment rate exceeds 6 percent and areas in which the farm population has declined substantially. In this way, my amendment will provide an incentive to create jobs in areas of high unemployment and in farm areas that might otherwise contribute large numbers of unemployed persons to these already depressed areas. Thus, my amendment is designed to correct the problem of unemployment in depressed areas and simultaneously create new jobs in areas which have been a principal source of unemployed persons in the past.

The administration has already indicated that it is dedicated to getting America back to work. Its family assistance program is designed to encourage unemployed and underemployed persons to seek more income. But direct Government assistance can only do so much, and the real solution lies in the creation of new jobs in the private sector.

My amendment will offer an incentive to the private sector to create jobs and is so designed that it will cause essentially no net loss of revenue to the Treasury.

In order to accomplish this end of so limiting the credit to assure my amendment would be noninflationary and to tie the total amount of the investment that would be eligible for the credit to the number of new jobs created, it was necessary to determine how much investment is required to create one new job. Two approaches were used.

In the first approach, the total cost in 1968 dollars of the American manufacturing plant and equipment was divided by the total number of employees in the manufacturing industry. The figure that resulted was $15,000. In other words, if we built a manufacturing plant equal in size to the total U.S. manufacturing industry and thus created the number of jobs that existed in that plant in 1968, the cost per job created would be $15,000.

The second method is more complex. We began with the total investment made in 1967 by the manufacturing industry. The Office of Business Economics, Department of Commerce, which supplied all these figures, estimates that roughly half of the investment was used to expand facilities. The remainder replaced existing older equipment. Dividing that part of the investment representing expansion by the number of new jobs in manufacturing that resulted in the ensuing year, we arrived at a figure of $27,000. Approximately one-third of the investment represents property not

eligible for credit under present rules. This leaves $18,000 of credit eligibility per new job created.

My amendment uses the lower figure of two derived. It requires the taxpayer to project the number of new jobs that will be created by his investment. He then multiplies that number by the $15,000 figure to determine the maximum value of property that will be eligible for the credit. Thus, if a taxpayer invests $200,000 in plant expansion which would be eligible for the credit under existing qualifying rules and which would create 10 new jobs, $150,000 of the investment will be eligible for the credit.

Accordingly, the Department of Labor indicates that in 1968 there were approximately 434,000 unemployed persons located in areas defined in my amendment as depressed areas. If the entire tax credit that would be available under my bill was in fact used, the total tax credits available would be $455.7 million—434,000 times $15,000 times 7 percent.

But, in order for this credit to be available, 434,000 new jobs would have been created. The revenues that result from the increased employment must, therefore, be offset against the revenue loss resulting from the credit. The two main sources of revenue are increased personal income taxes and reduction in Federal outlays under the family assistance benefit program.

Labor Department statistics show that 28.6 percent of the unemployed have head-of-the-household status. This means approximately 124,000 of the 434,000 unemployed in depressed areas would be entitled to benefit under the family assistance program recommended by President Nixon. If these people were employed, the Federal Government would save approximately $198.4 million in benefits.

In addition, 434,000 new taxpayers would be created. Assuming an average income of $6,200 per employee—the national average—and calculating their taxes by using demographic statistics obtained from the Department of Labor, the increase in tax revenues would be $246.7 million. Thus, these two factors alone would reduce the loss of revenue from the credit to $10.6 million, and this does not take into account other revenue benefits which follow increased employment generally.

Thus, my amendment would provide an incentive to the private sector to create jobs in areas of high unemployment, without creating a significant loss in revenue and perhaps even a net gain. I urge Senators to give this amendment favorable consideration.

I ask unanimous consent to have printed in the RECORD a table showing how my amendment would work if all unemployed persons in areas having 6 percent unemployment or greater were employed as a result of investments eligible for the credit.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1

| | Number | Average income [1] | Tax [2] | Revenue gain (+) or loss (−) |
|---|---|---|---|---|
| Total unemployed in areas having 6 percent or more unemployment | 434,000 | | | |
| Heads of households (average 2 adults and 2 dependent children) | 124,000 | $6,200 | $327 | +$40,500,000 |
| Married with no dependent children | 119,000 | 6,200 | 577 | +68,700,000 |
| Unmarried persons | 191,000 | 6,200 | 720 | +137,500,000 |
| Total family assistance benefit saved (124,000 × $1,600) | | | | +198,400,000 |
| Total qualified investment possible (434,000 × $15,000) | $6,510,000,000 | | | |
| Maximum credit that could be taken (7 percent of $6,510,000,000) | $455,700,000 | | | −455,700,000 |
| Net cost of my proposed amendment | | | | [3] −10,600,000 |

[1] Assuming they were employed at the average income of employed persons.
[2] Assuming $800 exemption and 10 percent standard deduction.
[3] This figure would be the maximum revenue loss. Since the credit available is in direct proportion to the number employed, fewer new jobs would mean proportionately less revenue loss.

AMENDMENT NO. 367

Mr. GURNEY. Mr. President, I wish to go on record in support of the amendment offered by the distinguished Senator from Louisiana (Mr. LONG). Amendment No. 367 would provide an increase of 15 percent in social security payments.

Mr. President, today approximately 20 million Americans are over the age of 65, and there is another group of approximately 8 to 9 million Americans who are now between the ages of 60 and 65. It is estimated that approximately 71 percent of this 20 million, roughly three out of four, are living on incomes of less than $2,000 per year. Many of our citizens in this age group went to work for the first time during the years preceding and following the first World War. Very many of these citizens have been making contributions to the social security system since its inception in 1935. They are now retired and living on fixed incomes. They are the victims of an inflationary spiral which they did not cause and have nothing to do with. The social security system was intended initially as an additional cushion for the retirement years, but many of our older people have come to regard it as the only source of their subsistence. For generations since World War II, the current working generation, there are many plans for company pensions and retirement programs, separate and apart from and in addition to social security. But for the older citizens, the presently retired citizens, it is too late. It is not however, too late for the Congress of the United States to do something about their plight. The problem should be attacked on several levels: We should, I think, remove the restrictions which now prevent a man from collecting social security if he earned an income in excess of $1,680. We can I think, key the future benefits of the social security to the increases in the cost of living as they occur, automatically without waiting for separate congressional action on each increase. This, of course, is in line with the President's proposals on social security.

Turning to the measure which we have before us today, I think that a 15-percent increase is not out of line in any way. It is estimated that this increase will cost approximately $4 billion but it will not require an additional tax on payroll. It will be paid for out of actuarial surpluses Old Age and Survival Trust Fund.

We hear a lot of talk today about priorities. This, in my view, should be given a high level priority. The figures on inflation nationwide are indisputable. We cannot expect our older citizens, our citizens who no longer have the capacity to enter the labor market, to absorb these increases out of savings. Very often there are no savings. But the increases in the cost of living must be met by these citizens as by everyone else. It seems to me to be the duty of the Congress to act to help these people at this time. They have turned to us because we are their only hope: We can allow them to live in dignity and with self-respect. We can afford to bear the additional cost. In my judgment, Mr. President, we cannot let these people down. I would urge all my colleagues to give favorable consideration to this amendment.

Mr. HARTKE. Mr. President, I am happy to express my support for the amendment submitted by the distinguished chairman of the Finance Committee. As he knows, I have long shared his concern for the problems of our senior citizens.

For many Americans today retirement means poverty. Because of the patent inadequacy of the social benefits we now pay, many elderly experience true poverty for the first time when they try to subsist on their social security payments. A man works hard and well, and his reward for a lifetime of effort is humiliation, deprivation, and a constant fear that his benefits will not suffice to meet even his most basic needs. It is a sad fact, but true, that many elderly Americans today fear this economic insecurity much more than they fear death itself.

This problem of extremely low incomes is further aggravated by the fact that more Americans are spending more years in retirement periods of uncertain lengths than ever before thus causing a mounting strain on their already limited resources.

Yet as serious as the situation is today, it will deteriorate even more dramatically in the years ahead unless something is done—and done quickly. A rise in earnings of 4 percent annually—not an unrealistic figure in this era of the wage-price spiral—means that consumption levels will approximately double in the next decade, thereby placing those on fixed incomes at an even more serious disadvantage in the marketplace.

This disadvantage is seriously heightened by the present inflation which continues to rage unabated. Last year the cost of living rose more than 5 percent, a clearly unacceptable figure, yet econo-

mists predict that it will be even higher this year. Since 1965, our elderly citizens have been robbed of $3 billion in purchasing power by inflation. Inflation has already robbed social security recipients of the 13-percent increase in benefits most recently approved by Congress.

If we consider the steady rise in the Consumer Price Index, we realize that the benefits to retirees have barely kept up with the increase in the cost of living. It is clear that unless there is a sudden stabilization of prices—which is unlikely—these retirees will lag again in purchasing power in the near future.

In March 1969 the consumer index stood at 125.6; by September 1969 it had increased dramatically to 129.3. Now if we look at the total increase in the Consumer Price Index since Congress last acted on social security benefits, we see that the index has gone up 11.1 points, which translates into a 9.4-percent increase in prices. By projecting the level of the Consumer Price Index into 1970 on the basis of past increases, we are forced to conclude that a 10-percent increase in benefits would hardly get retirees through the spring; and that even a 15-percent benefit would be neutralized by July or August. These conclusions are not the product of my imagination, but of cold, hard, irrefutable mathematical facts. I am not guessing when I say that with a 10-percent increase the retiree would be receiving benefits that are just about $3 more than the amount that will be needed to maintain parity with prices in March 1970.

Unless the effort is made to grant the needed increase in social security benefits, there can be no doubt that by the end of the year the Government will be deeply in debt to millions of senior citizens. Such a situation would be unacceptable to the American people, and I am sure, to the Members of Congress.

So certain was I that this systematic pauperization of our elderly cannot be allowed to continue, that on October 29, I introduced an amendment—No. 256—to H.R. 13270 which provides for an immediate across-the-board increase in social security benefits of 15 percent.

This amendment was then considered in executive session of the Senate Finance Committee where it was defeated by a vote of 9 to 4 with the Senator from Virginia (Mr. BYRD), the Senator from Oklahoma (Mr. HARRIS) and the Senator from Minnesota (Mr. MCCARTHY) joining me in support of it. It was defeated even though it had been admitted by the Social Security Administration that such an increase would not necessitate any increase in the social security payroll tax. This is the case since the social security fund presently has a surplus well in excess of $4 billion or about 1.16 percent of payroll.

I am painfully aware that in Congress, progress, if it comes at all, usually comes as the result of slow and laborious effort. I am heartened, therefore, that there appears to be so much support here in the Senate for this 15-percent increase.

It appears to be the consensus now that lengthy hearings on the need for a dramatic increase in social security benefits would only belabor that which is already painfully obvious: three out of 10 Americans 65 and older now live in poverty whereas only one out of 10 younger Americans are poor. In simple terms millions of elderly Americans do not become poor until they become old.

This injustice—this inequity—must be stopped and it must be stopped now. It is the right—I repeat, right—of every elderly American to live out his remaining years in modest dignity and comfort. If he does not have the personal resources to provide such a life for himself, it must be provided for him. Certainly, the true test of a Nation's greatness is to be found in its treatment of those "who are about to leave the fair." I am confident, therefore, that this Congress will not fail to immediately meet the crisis which now faces the elderly American by approving a 15 percent increase in benefits. I am likewise confident both the Senate and the House will then move on to consider the substantive social security reform legislation now pending before the two Houses. For as important as this 15 percent increase is it will be quickly eaten away by inflation unless a determination is made to tie all future increases in benefits to increases in the cost of living.

As I have mentioned previously, I had planned to discuss on the Senate floor my proposal to increase social security benefits by 15 percent across the board. In anticipation of that debate, Frank Crowley of the Legislative Reference Service, prepared some tables which I think are still helpful in our consideration of the proposal before us. Table 1 gives an approximate estimation of the increased payment to each State under a 15 percent benefit increase. Table 2 shows the effect of a 15 percent increase on the trust funds. Table 3 shows the long-range financing of 15 percent social security benefit increase. This table clearly demonstrates that such an increase is possible without any increase in the tax rate or base and also that such method of financing would be actuarially sound. Tables 4 through 6 set out the effect of a 15 percent increase for various groups. It is my belief that these charts conclusively demonstrate the need for action now. I ask unanimous consent that tables 1 through 6 be inserted in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—ESTIMATED MONTHLY SOCIAL SECURITY BENEFITS, BY STATE, PAYABLE UNDER PRESENT LAW AND UNDER HARTKE AMENDMENT

[In millions]

| | Present law | Hartke amendment |
|---|---|---|
| Alabama | $30.3 | $34.8 |
| Alaska | .9 | 1.0 |
| Arizona | 16.5 | 19.0 |
| Arkansas | 20.3 | 23.3 |
| California | 186.1 | 214.0 |
| Colorado | 18.1 | 20.8 |
| Connecticut | 31.6 | 36.3 |
| Delaware | 5.0 | 5.8 |
| District of Columbia | 5.9 | 6.8 |
| Florida | 88.5 | 101.7 |
| Georgia | 33.9 | 39.0 |
| Hawaii | 4.9 | 5.6 |
| Idaho | 7.2 | 8.3 |
| Illinois | 115.0 | 132.3 |
| Indiana | 53.7 | 61.8 |
| Iowa | 33.7 | 38.8 |
| Kansas | 24.8 | 28.5 |
| Kentucky | 32.4 | 37.3 |
| Louisiana | 27.5 | 31.6 |
| Maine | 11.5 | 13.2 |
| Maryland | 29.8 | 34.3 |
| Massachusetts | 63.7 | 73.3 |
| Michigan | 91.1 | 104.7 |
| Minnesota | 39.3 | 45.2 |
| Mississippi | 18.5 | 21.3 |
| Missouri | 52.5 | 60.4 |
| Montana | 7.4 | 8.5 |
| Nebraska | 16.8 | 19.3 |
| Nevada | 3.2 | 3.7 |
| New Hampshire | 8.3 | 9.5 |
| New Jersey | 77.0 | 88.6 |
| New Mexico | 7.2 | 8.3 |
| New York | 213.9 | 246.0 |
| North Carolina | 41.0 | 47.2 |
| North Dakota | 6.5 | 7.5 |
| Ohio | 106.9 | 122.3 |
| Oklahoma | 26.4 | 30.4 |
| Oregon | 24.4 | 28.1 |
| Pennsylvania | 138.0 | 158.7 |
| Rhode Island | 10.9 | 12.5 |
| South Carolina | 19.6 | 22.5 |
| South Dakota | 7.6 | 8.7 |
| Tennessee | 34.4 | 39.6 |
| Texas | 88.0 | 101.2 |
| Utah | 8.2 | 9.4 |
| Vermont | 4.8 | 5.5 |
| Virginia | 35.9 | 41.3 |
| Washington | 34.1 | 39.2 |
| West Virginia | 22.6 | 26.0 |
| Wisconsin | 50.0 | 57.5 |
| Wyoming | 3.1 | 3.6 |

Note: Due to rounding, figures are not additive nor may they be used to compute annual amounts.

TABLE 2.—ESTIMATED PROGRESS OF THE OLD-AGE AND DISABILITY INSURANCE TRUST FUNDS

[In billions]

| | Income | | Outgo | | Net income in trust funds | |
|---|---|---|---|---|---|---|
| | Present Law | Hartke amendment | Present law | Hartke amendment | Present law | Hartke amendment |
| Fiscal year: | | | | | | |
| 1970 [1] | $35.2 | $35.2 | $28.4 | $30.5 | $6.8 | $4.7 |
| 1971 | 38.6 | 38.6 | 29.6 | 34.0 | 8.9 | 4.6 |
| 1972 | 43.1 | 43.1 | 30.8 | 35.4 | 12.3 | 7.7 |
| 1973 | 47.4 | 47.4 | 32.0 | 36.8 | 14.4 | 10.6 |

[1] Assumes provision effective for January 1970.

TABLE 3.—*Long-range financing of a 15-percent social security benefit increase*

| | |
|---|---|
| Present Program | |
| (Percent of taxable payroll) | |
| Level Cost of Benefits | 8.72 |
| Level Equivalent of Income | 9.88 |
| Balance | +1.16 |
| Proposed Program | |
| (Percent of taxable payroll) | |
| Level Cost of Benefits, Present law | 8.72 |
| 15% increase | 1.24 |
| Total | 9.96 |
| Level Equivalent of Income | 9.88 |
| Balance | −0.06 |

NOTE.—According to the Chief Actuary of the Social Security Administration, the program is soundly financed if the actuarial deficit is not more than −0.10% of taxable payroll.

TABLE 4.—AVERAGE SOCIAL SECURITY BENEFITS

| | Present law | Hartke amendment |
|---|---|---|
| Retired workers | $100 | $115.00 |
| Aged couples | 168 | 193.20 |
| Aged widows | 87 | 100.10 |
| Widowed mother with 2 children | 255 | 293.30 |
| Disabled workers | 112 | 128.80 |
| Disabled workers with wife, and 1 or more children | 238 | 273.70 |

TABLE 5.—BENEFITS FOR WORKERS RETIRING AT AGE 65

| Average monthly earnings (after 1950) | Monthly benefit | |
|---|---|---|
| | Present law | Hartke amendment |
| $200 | $101.60 | $116.90 |
| $400 | 153.60 | 176.70 |
| $600 | 204.00 | 234.60 |
| $650 | 218.00 | 250.70 |

TABLE 6.—BENEFITS FOR A COUPLE RETIRING AT AGE 65

| Average monthly earnings (after 1950) | Monthly benefit | |
|---|---|---|
| | Present law | Hartke amendment |
| $200 | $152.40 | $175.30 |
| $400 | 230.40 | 265.00 |
| $600 | 306.00 | 351.90 |
| $650 | 323.00 | 371.50 |

Mr. HARTKE. Mr. President, by way of conclusion, let me once again thank the eminent chairman of the Finance Committee for his gracious endorsement of my proposal to increase benefits immediately. I am confident that his acceptance of my proposal has enhanced its chances of passage and has thus insured that the elderly of this country will receive the immediate relief which they so desperately require.

Mr. TALMADGE. Mr. President, I fully support the amendment of the distinguished chairman of the Finance Committee, to increase social security benefits to a more realistic and livable level.

As we all know inflation is rampant in the country today. It has been steadily accelerating since 1965, and last year and in recent months the problem has become even worse. The Consumer Price Index from August to September 1969 showed a 6-percent rate of change, and the seasonally adjusted price of food reflected an even greater increase. Compared to a year ago, general consumer prices were up 5.8 percent, meat prices 11.7 percent, home ownership costs 10.5 percent, and medical care 8.8 percent.

As we pointed out in a recent report of the Subcommittee on Fiscal Policy of the Joint Economic Committee, the damage done by inflation is insidious. It robs the saver of the purchasing power he or she has put aside for future use. It deprives the aged of the value of their retirement incomes. It can make the poor even more impoverished.

One of the worst aspects of inflation, Mr. President, is that inflation in recent years has reduced the buying power of those in society who are least able to afford it. I mean our elderly citizens, the senior members of our society, men and women who have retired from work or become disabled. And I mean widows and children whose livelihood is dependent upon survivors' benefits.

Such has been the inflationary trend in this country in recent years and the decline of the purchasing power of dollars that these citizens—numbering almost 25 million men, women, and children—have had to tighten their belts in order to get by. Faced with rising costs of basic necessities, of food, housing, clothing, and medical expenses, they have been caught in an intolerable economic vise. Worse yet, they can do nothing about it. They do not get regular salary increases. They are unable to employ themselves. Their income is fixed by law, even though the Government may merrily go on its way spending far beyond its means for programs of dubious value, even though prices are forced higher and higher throughout all the economy, and regardless of how bad inflation gets.

According to the Department of Health, Education, and Welfare, the average old-age benefits paid last year to a retired worker with no dependent was $94 a month. The average worker and wife's benefit was $166 a month. The average monthly benefit for an aged widow was $86.

It is folly to even think that these sums can be considered a livable income in today's sky-high society.

These citizens are helpless victims of the Nation's economy.

The Congress would be remiss in its duties and responsibilities if it did not address itself to this problem. We can and we must provide the means for easing the burden of America's senior citizens.

I have received figures from the Social Security Administration and the Library of Congress on the situation in my own State of Georgia. There are approximately 500,000 recipients of social security in Georgia, receiving monthly benefits amounting to some $35 million. The increase proposed here today would mean an estimated $60 million annually to all these beneficiaries, who need it very badly, and who are fully entitled to it.

Mr. President, a 15-percent increase in social security benefits is the bare minimum. Much greater liberalization of these benefits will be necessary during the coming years. Over the past 2 years, inflation has taken an enormous bite out of already inadequate social security benefits.

The President has indicated his intention to provide a minimum standard of living to the poor of this Nation. We cannot afford to do less for our senior citizens who have supported themselves throughout their working careers. These individuals have paid taxes and have earned their retirement benefits. They deserve a decent standard of living during their retirement years.

Next year the Congress will have an opportunity to make comprehensive reforms in the social security, medicare, and medicaid programs. In the meantime, however, we must increase social security benefits as much as possible.

I hope that the amendment of the Senator from Louisiana will be adopted.

THE NEED FOR INTERIM ACTION IN MODERNIZING SOCIAL SECURITY

Mr. MONTOYA. Mr. President, I support the amendment offered on December 4 by the distinguished Senator from Louisiana (Mr. LONG), recommending a simple 15 percent across-the-board increase in social security payments.

This is the same recommendation voted upon by the House Committee on Ways and Means and it seems to me to be a much more realistic measure than the administration's proposed 10-percent increase.

I believe it is crucial that we act now, in the final days of this first session of the 91st Congress, to enact a 15-percent increase in benefits to cover the cost-of-living increases that have occurred since the last increase in February of 1968. Then, when Congress reconvenes in January of next year, we should immediately begin to consider the badly needed reform of social security coverage so as to provide more extensive benefits.

That changes are necessary if social security is to provide a reasonable income to 24.5 million retired workers, disabled workers, their dependents, and the survivors of deceased workers is something that Senators on both sides of the aisle have agreed upon. The cost of living has constantly been rising faster than benefit increases, and a retired couple now needs at least $3,000 annually to live in a modest manner in a big city, and $2,500 in a smaller community. Faced with these costs, which are still continuing to rise, the aged couple has been receiving benefits of only some $1,704.

The report of the trustees of the social security trust funds shows that there is money to pay for the costs of these increases, and I see no reason for not making arrangements for increased benefits before we go home.

I believe the passage of such a measure is the natural development of the social security program in our socio-economic climate. The great achievement of the program has been to prevent people from slipping into poverty when a worker retires, becomes disabled, or dies. I feel confident that the Senate will continue to carry forward, as it has in the past, the goals of the social security program in our dynamic society, and that it will work its will by passing this measure before adjourning this session.

Mr. DOLE. Mr. President, it is with great reluctance but grave concern that I rise in opposition to Senator LONG's amendment to provide a 15-percent increase in social security benefits.

As the President stated in his message on social security sent to the Congress on September 25:

> This Nation must not break faith with those Americans who have a right to expect that social security payments will protect them and their families.

However, there is a vast difference between the legislation proposed by President Nixon and the amendment presently before the Senate. The President proposed a 10-percent across-the-board benefits increase to offset the tremendous increases in the cost of living that have taken place in the past 2 years. He fur-

ther proposed to take social security out of the political arena by passage of legislation that would automatically adjust future benefits to increases in the cost of living. One of the most significant of President Nixon's proposals was his request for an increase from $1,680 to $1,800 in the amount beneficiaries can earn annually without a reduction in benefits. Additional reforms would have insured more equitable treatment for widows, recipients about age 72, veterans, and for the disabled.

Mr. President, all Americans have a stake in the soundness of the social security system. For this reason, I must oppose this amendment. Rather than seeing thorough consideration of the effects of this legislation, we are witnessing a patent attempt to play on the legitimate desire of the American people for meaningful tax reform for crass political advantage. Instead of writing sound legislation, we see an effort to pay off political debts.

The Mansfield-Byrd amendment, providing a minimum payment of $100 to $150 without a means test, will create an increased tax load without improved benefits. By increasing the contribution and benefit base from $7,800 to $12,000, beginning in 1973, we are burdening the very taxpayers we have set out to help.

My only hope is that if these amendments pass, the Senate will resolve to return next year to write comprehensive social security legislation that will truly be of benefit to all Americans.

Mr. BYRD of West Virginia. Mr. President, I support a 15-percent across-the-board increase in social security benefit payments because I believe this is the least we can do for our retired citizens.

For too long, too many have been forced to retire on too little.

The hard fact of life is that for millions of elderly Americans, social security is the only source of income. Disaster, disability, and unemployment, can, in a short time, financially wipe out millions of low- or moderate-income citizens who have tried to scrape together meager savings for their retirement years.

We owe our elderly citizens too great a debt to be insensitive now to their economic plight. A generation or two ago, theirs were the strong young backs on which the progress of our Nation depended.

The Consumer Price Index has risen 9.1 percent since the last social security benefit increase took effect in February of 1968 and the cost of living is continuing to climb. What the Senate needs to do, then, is give a long overdue increase to the elderly so that they will have at least a fighting chance to survive the protracted battle against inflation.

A 15-percent increase would pump about $45 million in additional social security benefit payments into West Virginia during the calendar year 1970 and about $49 million the following year. It should not only give our older citizens a much-needed boost in their fixed income, but should also strengthen and invigorate West Virginia's economy.

The 15-percent increase in itself would not necessitate any increase in the payroll tax on the employer or the employee and would be actuarially sound insofar as the trust fund is concerned.

The increase in minimum benefits, previously voted, would, of course, require additional funding, and this has been provided for.

Incidentally, Mr. President, even though the social security recipients would probably have to wait until about March, due to logistical delays, to begin feeling the impact of the increase, the payments would be made retroactive to January 1, 1970, the effective date. So the net result would be the same as if they were to receive the increase immediately following the effective date.

I hope that the Senate will vote overwhelmingly in favor of this increase, and I also hope that the other body will agree to the Senate action in conference.

Mr. LONG. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana (Mr. LONG), as amended. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. SYMINGTON) and the Senator from Alabama (Mr. SPARKMAN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS) and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The result was announced—yeas 73, nays 14, as follows:

[No. 179 Leg.]

YEAS—73

| | | |
|---|---|---|
| Aiken | Cooper | Harris |
| Allen | Dodd | Hart |
| Baker | Dominick | Hartke |
| Bayh | Eagleton | Hatfield |
| Bellmon | Eastland | Holland |
| Bible | Ellender | Hollings |
| Boggs | Ervin | Hughes |
| Brooke | Fannin | Inouye |
| Burdick | Fong | Jackson |
| Byrd, Va. | Fulbright | Javits |
| Byrd, W. Va. | Goodell | Jordan, N.C. |
| Case | Gore | Jordan, Idaho |
| Church | Gurney | Kennedy |
| Long | Muskie | Smith, Maine |
| Magnuson | Nelson | Spong |
| Mansfield | Packwood | Stennis |
| McClellan | Pastore | Stevens |
| McGee | Pell | Talmadge |
| McGovern | Prouty | Tydings |
| McIntyre | Proxmire | Williams, N.J. |
| Metcalf | Randolph | Yarborough |
| Mondale | Ribicoff | Young, N. Dak. |
| Montoya | Russell | Young, Ohio |
| Moss | Schweiker | |
| Murphy | Scott | |

NAYS—14

| | | |
|---|---|---|
| Allott | Griffin | Percy |
| Bennett | Hansen | Saxbe |
| Cotton | Hruska | Tower |
| Curtis | Miller | Williams, Del. |
| Dole | Pearson | |

NOT VOTING—13

| | | |
|---|---|---|
| Anderson | Gravel | Sparkman |
| Cannon | Mathias | Symington |
| Cook | McCarthy | Thurmond |
| Cranston | Mundt | |
| Goldwater | Smith, Ill. | |

So Mr. LONG's amendment, as amended, was agreed to.

Mr. JAVITS. Mr. President, when I was out of the Chamber engaged in a telephone conversation, the vote was taken on the social security increase amendment. I did not have the opportunity to have a colloquy with the Senator from Louisiana on the amendment.

It is a fact that there are pension plans, private business pension plans, which reduce the amount the pensioner receives if there is a social security increase. And there is considerable complaint by workers that all they get is a washout.

Mr. President, I was going to submit an amendment to the bill to deal with the problem. I realize that there is no real basis in the facts before the Senate at this time. Yet we have this information from correspondence and complaints.

Mr. President, I ask unanimous consent that the amendment to which I have just referred may be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 512, between lines 18 and 19, add the following new section:

"SEC. 901A. SOCIAL SECURITY BENEFIT INCREASES.

"Add the following new paragraph to section 401(a):

"'(11) No decrease in benefits shall become effective in consequence of any increase in the benefits payable under the Social Security Act on or after January 1, 1970; Provided, That any plan containing a provision for such a decrease may avoid disqualification under this paragraph if such decrease is rescinded within one year after the effective date of this Act.'"

Mr. JAVITS. Mr. President, I ask the Senator from Louisiana whether he has heard of the matter in the committee and whether or not at the next go-around of the committee or perhaps in the conference the members will make some effort to get abreast of the problem, see how serious it is, and what ought to be done.

Mr. LONG. Mr. President, it is my understanding that there is a lot of complaint from some labor circles about the type of private pension arrangement under which companies reduce their company pension payments by the amount of the Social Security increases. The problem is parallel to that which was

voted on in the Harris amendment. However, there would undoubtedly be a great deal of complaint from management if we sought to correct it as labor feels it should be corrected.

It is a problem that really should be studied and looked at in connection with the social security bill which will come to us from the House, having in mind not the 15 percent across-the-board increase in benefits, but the bill that seeks to go in depth into the social security program.

I have discussed it with the Senator and have urged that he not offer his amendment at this time, but give us an opportunity to study the matter and invite those who are affected by it to be heard and then recommend to the committee what we think the appropriate answer should be.

It is a complicated problem. There are very strong arguments to be made on both sides.

I would like to have the committee have an opportunity to consider the matter.

Mr. JAVITS. I thank the Senator.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations and withdrawing a nomination were communicated to the Senate by Mr. Leonard, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of William R. Ford, of Michigan, to be an Assistant Director of the Office of Economic Opportunity, which nominating messages were referred to the Committee on the Judiciary.

(For nominations this day received see the end of Senate proceedings.)

## ORDER OF BUSINESS

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. RIBICOFF. Mr. President, I yield without losing my right to the floor.

## COMMITTEE MEETING DURING THE SESSION OF THE SENATE ON MONDAY AND TUESDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent again that the Health Subcommittee of the Committee on Labor and Public Welfare be authorized to hold hearings on the population problem next Monday and Tuesday during the sessions of the Senate.

Mr. GRIFFIN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. I yield to the Senator from Arkansas without losing my right to the floor.

## S. 3217—INTRODUCTION OF A BILL REQUIRING THE SECRETARY OF DEFENSE TO SUBMIT REGULAR REPORTS WITH RESPECT TO THE KINDS AND AMOUNTS OF INFORMATION RELEASED FOR DISTRIBUTION TO THE PUBLIC BY THE DEPARTMENT OF DEFENSE

Mr. FULBRIGHT. Mr. President, on the second page of the "Army Information Officers' Guide" there appears the following:

> Much of the Army's information program is based on the following concept:
>
> If the Army is good, the story will be good—and public relations will be good. If the Army is bad, the story will be bad and the result bad. In the end, public opinion about the Army reflects what the Army itself is. This is the whole secret of Army public relations.

After reading the mass of material on Army public information programs supplied to me by the Chief of Information—and recalling past and present stories about Army activities—I am forced to observe that the "secret of Army public relations" goes much further than letting stories—good and bad—develop on their own. With the money and manpower available in the public information field, the Army, like its sister services cannot seem to stay away from self-promotional activities.

Even the Army's own regulations governing information policies show ambiguity between the desire just to inform the public and an equal desire to use information activities as a means of getting public support for Army programs and weapons.

That ambiguity even appears in the stated objectives of the Army information program as carried in Army Regulation 360–5:

> To keep the public fully informed concerning the Army and thereby—
>
> a. Develop public esteem and respect for the Army and Army personnel.
>
> b. Gain public understanding and support of the Army's role in a sound national military program.
>
> c. Inspire public confidence in the Army's ability to accomplish its mission now and in the future.

With those goals in mind, it is a short jump from public information to public relations, and a survey of the Army programs show that they definitely are in that mold.

According to the Chief of Information, the Army in fiscal year 1969 employed 442 military personnel and 170 civilians and spent $4.9 million on its public affairs program. This total is about half that acknowledged by the Air Force and the Navy. The Army informed me it has not included personnel or costs associated with its internal command information program.

However, a portion of this internal information program is made available—and in some cases directed—at the civilian population and thus in part or in full should be added to the Army spending total.

I ask unanimous consent that there be printed in the RECORD at this point a letter from Maj. Gen. Wendell J. Coats, Chief of Information, Department of the Army, concerning the nature and scope of the Army's public affairs activities.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> DEPARTMENT OF THE ARMY, OFFICE OF THE CHIEF OF INFORMATION,
> *Washington, D.C., August 29, 1969.*
>
> Hon. J. W. FULBRIGHT,
> *Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.*
>
> DEAR MR. CHAIRMAN: The following data is provided in response to your letter request of 2 July 1969 for information concerning the nature and scope of the Army's public affairs activities.
>
> The succeeding paragraphs respond to and are numbered in the same sequence as the numbered paragraphs of your letter. Where the data or material furnished is bulky, it will be cited in the pertinent paragraph, but attached as an inclosure.
>
> 1. The estimated basic overall cost of the total army-wide public affairs [1] program for FY 1969 is:

| | Military personnel appropriation | Operations and maintenance, Army | Total |
|---|---|---|---|
| Total, Army | $2,611,000 | $2,320,000 | $4,931,000 |
| Chief of Information and metropolitan field offices | 367,000 | 113,000 | 480,000 |
| Major commands | 608,000 | 1,632,000 | 2,240,000 |
| Army components unified commands | 1,636,000 | 575,000 | 2,211,000 |

> 2. The estimated number of officers, enlisted men and civilians whose principal responsibilities are directly attributable to the Army's public affairs program is:

| | Military personnel | | Civilian personnel | Total |
|---|---|---|---|---|
| | Officers | Enlisted | | |
| Army total | 142 | 300 | 170 | 612 |
| Chief of Information and metropolitan field offices | 33 | 3 | 12 | 48 |
| Major commands | 39 | 52 | 127 | 218 |
| Unified commands | 70 | 245 | 31 | 346 |

> 3. a. Officers, enlisted men and civilians working for the Office, Chief of Information (OCINFO) in Washington and elsewhere are:

| | Officers | Enlisted | Civilians | Total |
|---|---|---|---|---|
| Total | 47 | 6 | 46 | 99 |
| OCINFO | 40 | 0 | 42 | 82 |
| Metropolitan field offices | 7 | 6 | 4 | 17 |

> b. The approximate costs for operating these offices are:

[1] The Army does not use the term public affairs in its organizational structure. The term as used herein is defined as Public Information and Community Relations activities. It does not include Command Information which is defined as a command activity to develop in all military personnel an understanding of the Department of the Army and their role in the Army in order to increase their motivation for service.

| | Military personnel appropriation (MPA) | Operations and maintenance, Army (O. & M.A.) | Total |
|---|---|---|---|
| Total | $488,275 | $717,000 | $1,205,275 |
| OCINFO | 442,275 | 432,000 | 874,275 |
| Metropolitan field offices | 46,000 | 285,000 | 331,000 |

(Data in paragraph 3.a and b include Command Information; paragraphs 1 and 2 above include only Public Information and Community Relations).

c. The functions of OCINFO and its subordinate elements are described in the Chief of Staff Regulation 10–29 attached as Inclosure 1. Details and specific examples within the last twelve months of the activities of OCINFO divisions are as follows:

(1) *Community Relations Division (CRD):* The Community Relations Division has two subordinate branches—the Projects Branch and the Field Support Branch. The division has the overall responsibility for policies, plans and programs relating to Army-civilian community relationships.

(a) *Projects Branch.* This branch maintains liaison with and supports, on request, veterans organizations, military-oriented civilian organizations, and unit associations. The branch is the Army point of contact for requests and actions from veterans organizations referred by the Assistant Secretary of Defense (Public Affairs). Requests range from providing personnel-type information about veterans and personnel in service, to the provision of color guards, bands and speakers to support annual conventions, to explanation of Army policy on a given subject. Liaison with divisional associations such as the 1st Infantry Division is provided to respond to requests for assistance and to help these organizations maintain their bonds with the Army. A majority of requests received pertain to personnel matters such as hardship cases, recognition ceremonies for returning servicemen, etc. Numbers of actions pertain to members of veterans organizations who desire to visit military installations and observe training and scheduled demonstrations.

The branch, as the Army point of contact, forwards input provided by the Army staff to the Defense Industry Bulletin which is published by the Assistant Secretary of Defense (Public Affairs).

The branch operates the Department of the Army speaking program which furnishes Army speakers on request to civilian organizations. Requests range from military-oriented organizations such as the National Defense Transportation Association through civic groups such as the Kiwanis to church groups. The branch also evaluates and makes recommendations on invitations to senior officials of the Department of the Army.

(b) *Field Support Branch.* The Field Support Branch coordinates Army participation at Department of the Army level in major public events and authorizes troop and equipment support. Numerous inquiries and requests are handled concerning participation in fairs, festivals, and public and civic sponsored celebrations. For example, some major events during the last year included participation in the Barnum Festival, Golden Spike Centennial, commemoration activities of the 25th Anniversary of D-Day, Presidential Inauguration, State Fair Oklahoma, Hemis-Fair '68, Annual Dogwood Festival, Panhandle South Plains Fair, California State Exposition and Festival of Progress. Color Guards, equipment, marching units and representation are regularly provided to events such as centennials, special celebrations, civic organization activities and public building dedications. During the last year, for example, the branch handled approximately 1200 actions concerning Army band appearances.

The branch schedules public performances of the US Army Field Band which conducts two nationwide tours annually, schedules and coordinates public appearances by the US Army Parachute Team "The Golden Knights," (See Inclosures 2 and 3 for sample schedules) and develops policies, provides guidance, and assists in the scheduling of the exhibits of the US Army Exhibit Unit. The branch also assists in band tour planning for the WAC Band.

The Field Support Branch also coordinates Army participation in recurring special events including Armed Forces Day, Army Birthday, Memorial Day, Veterans Day, Fourth of July and similar national holidays, government sponsored tours, foreign journalist tours, and individual and group visits to Army installations. Participation in all events is contingent upon operational requirements of the particular unit requested. Other matters handled on a recurring basis are Army support to the President's Youth Opportunity Program, and other youth group activities such as Army equipment support to the Boy Scout National Jamboree; Army participation in civilian sports events; color guards, patriotic music; Army aviation participation in the civilian events; requests for US Army exhibits and equipment displays and providing, upon request, information of support to servicemen serving overseas.

In addition, the branch serves as contact between Army elements and the Assistant Secretary of Defense (Public Affairs) in regard to Army participation and involvement in activities in the public domain and monitors Army Regulations dealing with community relations; incorporating policy changes as they occur. Fact Sheets and policy letters are prepared and sent to subordinate commands as needed to assist in community relations matters.

The Defense Industry Bulletin is a Department of Defense publication prepared, printed and distributed under Office, Assistant Secretary of Defense auspices. Community Relations Division, OCINFO, has no part in the publication except to forward articles when received from Army commands and to provide information on public activities of Army leaders. (See Inclosure 4 for the last twelve issues).

(2) *Command Information Division (CID):* The Command Information Division is organized in three branches; Training Materials Branch, Plans Branch and Information Services Branch. Following is a summary and examples of specific CID activities during FY 1969 by branch:

(a) *Training Materials Branch.* During FY 1969:

*1.* Prepared five DA pamphlets, 22 Command Information Fact Sheets, 34 anniversary messages from the Chief of Staff and three issues of Command Information Training Materials Bulletin. (See Inclosure 5 for a sample of each of these publications).

*2.* Assisted in the revision of seven pamphlets, the proponents of which were outside OCINFO.

*3.* Originated two posters, copies of which are at Inclosure 6.

*4.* Prepared 250 letters including replies to letters to the President, The Secretary of Defense, The Secretary of the Army, and The Chief of Staff, Army.

*5.* Coordinated with the Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs on training materials for inter-service use.

(b) *Plans Branch.* During FY 1969:

*1.* Prepared the annual Command Information Annual Support Plan and four quarterly guidance letters (See Inclosure 7). It reviewed quarterly Command Information Reports and coordinated CID actions based on that report. Plans Branch reviewed several regulations and directives prepared by other Department of the Army staff agencies, (i.e., the Police Recruiting Program, and Benefits for Retired Military Personnel).

*2.* Made 17 visits to military installations to coordinate with and assist local Command Information officers. A two hour course of instruction, "Military Information—A Hard Skill of Leadership," was presented to classes of officers at four service schools on 10 separate occasions.

*3.* Prepared and presented briefings for the Chief of Staff and for civilian secretaries appointed by the new administration.

*4.* Assigned an officer to the Department of the Army survey team which visited Army Personnel Centers twice during FY 1969. Plans Branch coordinated the production, shipment and installation of photomurals for each of four personnel centers as a result of recommendations by the Department of the Army survey team.

*5.* Was action agency for revising AR 360–81, Command Information—General Provisions.

*6.* Coordinated with Department of Defense, other Services, Army Digest and Army News Features on materials to support the Army Command Information program.

(c) *Informational Services Branch.* During FY 1969:

*1.* Monitored all editions of 590 Army newspapers to assure that they were being published in accordance with AR 360–81. (See Inclosure 8).

*2.* Provided guidance and assistance for 100 AM and FM radio outlets and 18 television outlets operated by the Army.

*3.* Hosted the annual Department of the Army Broadcast Radio and Television Conference.

*4.* Maintained an Information display on the Pentagon concourse for the benefit of Army Military and civilian personnel working at the Pentagon. This display consists of televised newscasts, presentations of "Big Picture" films and a televised newswire service.

*5.* Administered the Army portion of the Thomas Jefferson awards competition among the Armed Forces newspapers and radio/television stations.

*6.* Participated in the Department of Defense feasibility test/study of automating Armed Forces Radio stations.

*7.* Visited eight installations to coordinate Command Information matters and assist local Information Officers.

(d) *Command Information Unit (CIU).* During FY 1969:

The Chief of Command Information Division exercises staff supervision over the Command Information Unit. CIU produces the following materials:

*1.* The Army Hour is a weekly 25-minute taped radio show distributed to all Armed Forces radio stations. The Army Hour is distributed to civilian radio stations on their request. The cost of Army Hour for the past 12 months was:

| | |
|---|---|
| Recording contracts and tape | $23,000.00 |
| Salaries (including military) | 36,447.58 |
| Travel (for interviews) | 5,200.00 |
| Flyers—material and labor | 216.73 |
| Total | 64,864.31 |

At Inclosure 9 is a list of 1,243 civilian radio stations which request and receive the Army Hour.

*2.* The "Big Picture" is a feature film in color and is produced for use in the Army's command Information program. Fifty-five segments have been produced during the past two years. The "Big Picture" is shown on overseas American Forces Television and in the United States on 313 commercial stations and 53 educational stations. It is furnished to these 366 stations at their request and is shown as a public service. A listing of films and stations receiving the "Big Picture" are listed at Inclosure 10. The annual costs of producing the "Big Picture" are:

| | |
|---|---|
| Production and distribution | $881,000.00 |
| Personnel salaries | 20,466.00 |
| Flyers—including material | 1,063.34 |
| Total | 902,529.34 |

3. "World Wide" is a twice weekly 5-minute radio program distributed to all Armed Forces radio stations and to 1,059 civilian radio stations at their request. At Inclosure 11 is a list of stations receiving "World Wide" and a sample tape of a program. Both "World Wide" and "The Army Hour." are produced by the same personnel. Therefore, costs for travel and salaries are combined for the two productions. The annual additional costs of "World Wide" are:

| | |
|---|---|
| Recording contracts, fiscal year 1969 | $6,600.00 |
| Flyers—material and labor | 75.95 |
| Total | 6,675.95 |

4. The Army Reports is a film series produced as needed for the internal military audience. No issues of The Army Reports were produced during the past 12 months.

5. Mostly Music is a weekly 5-minute radio program produced for the US Army Reserve. Ten were produced during the past year at a total cost of $20.00. The only cost to the Command Information Unit is the price of one reel of tape per program.

(3) *Policy and Plans Division (PPD):* Policy and Plans Division, as the name implies, coordinates information policy within the Department of the Army and develops programs and plans in support of Department of the Army activities. A less obvious function is that of maintaining personnel, educational, and training actions involving those individuals in the information program. Specific functions are listed in Inclosure 1. The division consists of three branches whose activities for the past year are outlined below:

(a) *Policy Branch.* Revised and published Army information directives, such as Army Information Officers' Guide and maintained up-to-date files on Army and Department of Defense Information directives. Provided Congressmen information upon which they might base replies to mobilized Reservists and National Guardsmen and their families requesting information about the 1968 mobilization. Responded daily to written and telephonic requests for guidance from Army Information Officers worldwide on such matters as visits to stockades, returning Prisoners of War, on-post demonstrations, and underground newspapers. (See Inclosures 12 and 13).

(b) *Plans Branch.* Plans Branch is the point of contact for the Army staff for all information matters. For this reason the branch devotes a great deal of its time in planning, preparing, coordinating, and providing input for staff actions which have information implications. Examples of this type of effort are at Inclosures 14 and 15. The impact of the Reserve callup necessitated the preparation of the fact sheet shown at Inclosure 16. This was provided to the Army staff to assist in responding to the multitude of letters written by reservists and others. During the fiscal year the now defunct Sentinel program was active. Following Congressional approval of the program, a formal plan, Inclosure 17, was prepared to coordinate the support of the various interested Army agencies. This plan was later rescinded. The return of the mobilized reservists began to occupy the branch attention towards the latter portion of 1968. The message at Inclosure 18 was the first of a series of directives and releases that led up to the return of the 3d Battalion, 60th Infantry and subsequent units from Vietnam.

(c) *Operations Branch.* The Operations Branch, Policy and Plans Division, is a support element for the Office, Chief of Information and has no public information function. Its primary mission is to provide administrative support to the five field activities of OCINFO. The branch personnel function as the "next higher headquarters" for all administrative and logistic problems of the field activities. In addition, the branch personnel operate the Information and Editorial Civilian Career Program which provides career management opportunities, worldwide, for Department of the Army civilian employees engaged in public affairs matters.

Among the varied activities carried on by the branch are: answering correspondence from personnel about to enter the Army concerning a career in Army Information; providing liaison to the Defense Information School on all matters affecting Army Information; providing the previously mentioned support to OCINFO field activities; and handling the internal OCINFO Mobilization Designee program which provides a highly trained nucleus of Reserve Officers immediately available to fill positions within OCINFO in the event of mobilization.

(4) *Public Information Division (PID):* Is responsible for developing short-range public information plans and policies; coordinating, supervising, and evaluating Army public information activities worldwide; providing information on Department of the Army programs and policies through public communication media; staff supervision of the US Army Home Town News Center; providing staff officers as required in connection with domestic disturbances or emergencies and events of national news significance; and providing guidance to subordinate commands concerning current events of national news significance.

(a) *News Branch.* The News Branch within the Public Information Division prepares material on Department of the Army programs and policies for release to the public of material forwarded by subordinate commands (See examples at Inclosures 19 and 20); coordinates with the Department of the Army staff proposed responses to press queries (See example at Inclosure 21); coordinates and supervises the execution of public information portions of Department of the Army plans; arranges and monitors interviews by news media representatives with members of the Department of the Army staff (See example at Inclosure 22); plans, supervises, and escorts press tours (See example at Inclosure 23); maintains biographical files on general officers and senior Department of the Army civilian officials (See example at Inclosure 24); monitors news conferences of the Office, Assistant Secretary of Defense (Public Affairs); serves as point of contact for the Department of Defense on magazine and book matters; and prepares and coordinates responses to individual citizens and Members of the Congress (See example at Inclosure 25).

(b) *Special Projects Branch.* The Special Projects Branch within the Public Information Division coordinates public information activities (except speaking engagements and participation in public events) involving the Secretariat and the Office of the Chief of Staff.

(c) *Audio-Visual Branch.* The Audio-Visual Branch provides audio-visual information, cooperation, and materials on Department of the Army programs and policies for release to audio-visual media; screens caption sheets on stock motion picture footage on Department of the Army activities by the Signal Corps to determine which footage is appropriate for public release and forwards footage to Department of Defense for release (See example at Inclosure 26); assists audio-visual media in screening unclassified still and motion picture files for material of interest to the media; evaluates and recommends action to requests for Department of the Army cooperation with television and commercial motion picture producers (See example at Inclosure 27); and reviews and coordinates Department of the Army clearance of audio-visual materials for public non-profit exhibition and for sale to the public under pertinent regulations (See example at Inclosure 28).

Summarizing statistical activities of the Public Information Division reveals that about 10,000 media queries have been answered during the past year ending 30 June 1969, ranging from simple questions answerable in a few seconds of telephone conversation to complex series of questions requiring extensive research and staff coordination. Some 6,000 other inquiries from citizens of this country and foreign nations and from Members of Congress were handled, again ranging from such a simple matter as providing a copy of a biography to explaining the rationale of Army tactical operations in Vietnam. Many of these public inquiries were from high school students and college students requesting assistance in preparation of term papers and theses. Others were from teachers and school librarians asking for information or materials useful to them in school projects.

In FY 1969 approximately 400 releases were cleared for issue by subordinate commands. Some 220 national releases were prepared and forwarded to Department of Defense for release, and national announcements of about 1,200 contract awards involving amounts of more than one million dollars were made through Department of Defense. Arrangements were made for about 170 interviews by media representatives with members of the Department of the Army staff, including about 50 with the Secretary of the Army, Chief of Staff, and Vice Chief of Staff.

In the Audio-Visual area, cooperation was extended in approximately 100 television and radio productions, with assistance ranging from providing simple responses to questions about the Army to arranging for screening of motion picture footage already available at the Army Pictorial Center.

Advice or cooperation was given in half a dozen feature commercial motion picture productions and in the course of the year about 180 motion picture films produced by the Army for training or other internal uses were cleared for public non-profit exhibition upon request. Approximately 80 of these were medical professional films or videotapes cleared for exhibition to professional medical groups.

4. There is a record of one motion picture project for which approval was requested under paragraph 16, AR 360–5. Copy of supporting information is attached at Inclosure 29. There have been no television films, live television programs, videotapes, and programs, and kinescope recordings produced by the Army intended primarily for public release during the last two years.

5. All requests for the use of Army themes and productions in commercial advertising for the past two years under paragraph 15, AR 360–5 are listed at Inclosure 30.

6. Copies of each major command's monthly reports of non-local travel for community relations purposes as required by paragraph 27b, AR 360–5 for the past two years, are included at Inclosure 31.

7. Within the past two years, and under the provisions of paragraphs 28 and 29, AR 360–5 there is record of one instance in which the Army authorized non-local travel of a newsman for public information purposes. Leibert Coppola of the Buffalo Evening News was authorized by the Department of Defense to accompany a Nike Hercules air defense artillery unit enroute by air from New York State to Fort Bliss, Texas, for its annual firing exercises. No copy of the after-action report is available in the Department of the Army.

8. The Army Community Relations reports for the past three years are attached as Inclosure 32.

9. Army News Features, Army News Photo Features, Army ANF Radio Features, Army News Graphclip, and ANF Special News releases are produced by the Command Information Unit as an official news and features service for internal news media. (Copies are provided external media upon their request.)

a. Army News Features (ANF) and Army News Photo Features (ANPF) clipsheets are distributed weekly as a unit to Army newspapers and other newspapers on request. They contain news, photographs and feature material on the roles, missions, events, and activities of the Army. The total cost of ANF and ANPF for FY 1969 was $57,244.00.

b. Army News Graphclip is a monthly stencil of black and white line art available to mimeograph Army newspapers. The annual cost is $1,096.00.

c. ANF Special News releases supplement the weekly clipsheets. Normally, they are released to disseminate special stories or those breaking after the clipsheet deadline. There were 18 releases during FY 1969 at a cost of $467.00.

d. ANF Radio News Features was discontinued in August 1968. It was produced for Armed Forces Radio Stations in Europe and the Pacific.

A list of civilian enterprise newspapers and radio stations to which material is sent is attached at Inclosure 33.

10. The FY 1969 costs of the One Army Newsletter were $1,515.34 for seven issues. The last 12 copies, at Inclosure 34, were published over a period of 17 months. Addressees are 2,866 non-active Army recipients in the following categories:

[One copy each]

| | *Addressees* |
|---|---|
| Sector and subsector commands | 773 |
| Reserve general officer commands | 64 |
| CINFO mobilization designees | 44 |
| Retired general officers | 1,695 |
| Reserve general officers | 95 |
| National Guard general officers | 195 |
| Total | 2,866 |

11. The annual cost of "Speechmaker" is $5,003.27. This is based on cost experience since no new Speechmakers have been prepared since October 1967. The above cost was for revising six Speechmakers and making reprints of seven others. At Inclosure 35 are copies of Speechmakers distributed during the past two years.

12. The annual costs for producing the Army Hour are discussed in paragraph 3c (2) (d) *1* above. A list of commercial stations that air the program is at Inclosure 9.

13. The annual costs for producing the "Big Picture" are discussed in paragraph 3c(2) (d) *2* above. Segments produced in the last two years are listed at Inclosure 9. Commercial and educational stations which request and receive the "Big Picture" are listed at Inclosure 10.

14. The annual costs of "World Wide" are discussed in paragraph 3c(2) (d) *3* above. A tape of a sample program and a list of the commercial stations that carry the program are at Inclosure 11.

15. Copies for the past two years of the Command Information reports forwarded by major Army commands as required by paragraph 46, AR 360–81 are attached as Inclosure 36.

16. The approximate annual costs for the Army Exhibit Unit, including personnel and Operations and Maintenance, Army, is $906,000.00. The exhibits designed and built during the last two years are listed at Inclosure 37. The schedule of exhibit tour for the last two years is shown at Inclosure 38.

17. The approximate annual cost, including personnel and Operations and Maintenance, Army, of the Army Home Town News Center is $565,000.00. The US Army Home Town News Center, under provisions of AR 360–83, provides at a minimum cost, news about the individual soldier to his home town media. The center receives and edits home town news and feature stories, photographs, and tape-recorded and filmed releases from Army commands worldwide. Releases are made to hometown media that have indicated in writing their interest in receiving material from the center about soldiers from their community. Average processing time for editorial releases is one day; for photographs, two days; and for tape-recorded or filmed releases, one to three days. The center serves approximately 1700 dailies, 8300 weeklies, 2700 radio stations, 550 television stations, 470 trade journals, 150 fraternal publications, and 875 college publications.

Sample editorial materials are attached along with sample comments from media receiving Home Town News Center service (Inclosure 39) which indicate the center not only provides a needed service to the media, but contributes to the morale and welfare of soldiers and their families.

Sincerely,

Maj. Gen. WENDELL J. COATS,
*Chief of Information.*

[39 inclosures as previously stated not printed in RECORD.]

Mr. FULBRIGHT. Mr. President, to illustrate how supposedly internal Army command information programs reach the general public, consider the Army's "Big Picture" program. This is a 30-minute feature film, in color, supposedly produced for the command information program. Its cost, per year, runs over a figure not too far out of line for a commercial documentary TV program—$900,000. Some 55 segments have been produced over the past 2 years. I would note that 17 of these 55 "Big Picture" films deal directly with the Vietnam war.

The "Big Picture" is only one part of the complex and active Army audio-visual program.

According to Army sources, "The Big Picture" is currently being shown to the public regularly over 313 commercial television and 53 educational stations around this country.

The film is given free to these stations and shown as part of their public service time. The Army stresses that it is only supplied when requested, yet anyone who has attended a broadcasters' convention has seen promotion material suggesting to television station owners that "The Big Picture" is available.

As for it being primarily an internal command information film, the Army's own "Information Officers' Guide" refers to it as "the Army's official documentary television effort" designed to picture Army "activity of potential national appeal."

I ask unanimous consent to have printed a list of "Big Picture" films released during 1968 and 1969 along with the stations that currently are carrying the program.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SYNOPSIS OF BIG PICTURE FILMS RELEASED DURING PAST 2 YEARS (1968–1969)

TV 763, NATO

The North Atlantic Treaty Organization. The Big Picture examines the history and organization of the North Atlantic Treaty Organization: NATO. This timely film provides a close scrutiny of the major force which deters aggression in Europe. Color-Released 68–69 Season.

TV 762, D–DAY ANNIVERSARY

A 25th anniversary look at the sights and sounds of the famous beaches of Normandy. This Big Picture replays the drama and battle action of the period leading up to the historic landings and the fierce combat to overcome the wall of "Fortress Europe" in June of 1944. Black and White—Released 68–69 Season.

TV 761, U.S. ARMY EUROPE

Following World War II, U.S. Army Europe was given the mission of helping to protect the borders of the West against possible aggression. Despite tensions and conflicts elsewhere in the world, Europe remains a critical area and a constant challenge to peace. In this issue of the Big Picture, you will see some of the ways in which the men of U.S. Army Europe perform their mission as an important element of the NATO forces guarding the peace. Color—Released 68–69 Season.

TV 760, YOUR ARMY REPORTS NO. 16

The Big Picture cameras travel to Fort Hood, Texas to attend a double anniversary celebration for the First and Second Armored Divisions, and to the 1968 conference of the Association of the United States Army. Color-Released 68–69 Season.

TV 759, CALL ME MISTER

The highly qualified men and women of the U.S. Army who wear the insignia of the Warrant Officer perform a vital role. These officers, with a warrant provide special talent in such fields as photo-mapping, automotive maintenance, flying Army aircraft, nuclear power plant operations and many others. Big Picture cameras look at some of these activities and some of the training provided by the Army in the Warrant Officer program. Color-Released 68–69 Season.

TV 758, RANGER

The small unit leader of the modern U.S. Army must be a highly resourceful individual capable of directing operations under many types of geographic and climatic conditions. The Big Picture visits Fort Benning, Georgia where selected officers and non-commissioned officers are trained to develop their leadership skills to the ultimate degree and earn the coveted "Ranger" shoulder tab. Color-Released 68–69 Season.

TV 757, KOREA REVISITED

In the summer of 1950 the forces of communism unleashed an attack upon the Republic of Korea causing death and destruction. The United Nations answered the attack with a multi-nation fighting force which drove out the enemy and set up a shield behind which the people could rebuild. The Big Picture presents a look at the Republic of Korea today to show the progress and development of the nation and its people. Color-Released 68–69 Season.

TV 756, THE SILVER RIFLES

Many symbols recognize excellence and valor in the nation's armed forces. Among the most prized is the Combat Infantryman's Badge. The meaning and traditions behind the award of these Silver Rifles is the subject of this "Big Picture" episode. Narrated by Fess Parker. Color-Released 68–69 Season.

TV 755, THE VOICE OF COMMAND

The U.S. Army is on duty in every corner of the globe. To function effectively, it must have a highly developed communications system, a vital network that can unite these widely dispersed army elements into a single cohesive force, instantly responsive to our nation's needs. The Big Picture tells the story of the globe-spanning communications chain which carries to the ends of the earth, "The Voice of Command." Color-Released 68–69 Season.

TV 754, THE SOLDIER'S HERITAGE

Through all of this nation's wars, the American soldier has distinguished himself by bravery and determination. He has estab-

lished a heritage of which all Americans can be proud. To preserve and portray this enduring record, the Big Picture presents the historical summary of these accomplishments from the Revolutionary War to the present in "The Soldier's Heritage." Color-Released 68–69 Season.

TV 753, SEEK AND STRIKE

The modern armor soldier moves to battle on mounts of increasing mobility and firepower to seek and strike the enemy. The Big Picture takes you to the U.S. Army Armor Center at Fort Knox, Kentucky for a look at the historical development of mobile armor and examines the training of the tanker as he learns to move, shoot and communicate from aboard the latest combat vehicles. Color-Released 68–69 Season.

TV 752, THE ARMY AIR MOBILITY TEAM

Modern combat operations demand an immediately responsive fighting force. Previously, armies have been bound to earth in transporting men and supplies to and from battle. Today our highly mobile U.S. Army soldiers have the most modern vertical and short take-off aircraft to support them in combat operations. The Big Picture, "The Army Air Mobility Team" examines how men and Army aviation function in the difficult terrain in Southeast Asia. Color-Released 68–69 Season.

TV 751, EQUAL TO THE ENVIRONMENT

Wars must often be won by conquering a hostile environment as well as an enemy Army. The United States Army has often been forced to conduct operations in steaming tropical jungles, on sub-arctic coasts, towering mountains, in sub-zero cold and bleak deserts. The Big Picture "Equal to the Environment" tells how lessons learned, and history, are used as a basis for training our fighting men in ways and means of combating the dangers and problems of climate and terrain. Color-Released 68–69 Season.

TV 750, WEST POINT—THE ARMY CHALLENGE

Duty, Honor, Country—the West Point motto, which motivates the lives of all who join the long gray line. THE BIG PICTURE documents the story of a young man who enters the U.S. Military Academy and completes the four years of study to qualify for a commission as a Second Lieutenant, United States Army. Color-Released 68–69 Season.

TV 749, LOGISTICS IN VIETNAM

No soldier has been as well supplied as the U.S. soldier on duty in Vietnam. For a look at the magnitude of the support and supply activities, U.S. Army camera crews covered the action for this episode of the BIG PICTURE. "Logistics In Vietnam" documents the activities and facilities which provide medical, transportation, engineer, supply and other services to the American fighting men. Color-Released 68–69 Season.

TV 748, FIRST AIR CAVALRY DIVISION

The famous "First Team" became airmobile in July 1965. Shortly afterward, its new power was trained on the aggressive forces in Vietnam. This is the story of how that new power, air-mobility, is helping the 1st Cavalry win the battle for freedom in Southeast Asia. Color—Released 68–69 Season.

TV 747, THE BIG GREEN LAB

In the tropics jungle heat and humidity can destroy man and deteriorate his weapons. And so in the forests of Panama the "BIG GREEN LAB" of the Army Materiel Command's Test and Evaluation Command wage a constant battle against the ravages of environment. Color—Released 68–69 Season.

TV 746, NINTH DIVISION

In North Africa, in France and Germany, the 9th Division was unbeatable. Today, "The Old Reliables" meet a new challenge in Vietnam and add new victories to their battle record. Color—Released 68–69 Season.

TV 745, SOLDIER'S CHRISTMAS

No matter where the soldier is stationed, in a remote Arctic outpost or the steaming jungles of Vietnam, the spirit of Christmas finds its way to our servicemen. Color—Released 68–69 Season.

TV 744, TO SERVE A SOLDIER

The soldier with high morale is a tough man to beat. Special Services has the responsibility of providing morale support activities and services to the soldier, wherever he may be stationed in the world. THE BIG PICTURE presentation "To Serve A Soldier" documents the important mission of Special Services. Color—Released 68–69 Season.

TV 743, YOUR ARMY REPORTS NO. 15

Presents brief features of Army activities world-wide. In this issue: The "Missile Mentor" that helps protect our country from surprise attack; the U.S. Army Orthopedic Clinic in Boston; the Demilitarized Zone in Korea. Color-Released 68–69 Season.

TV 742, MEETING THE NEED

To assure that our soldiers will be the best equipped, fed and clothed fighting men in the world, the U.S. Army Natick Laboratories provide research, development and testing of foods, clothing and equipment. The BIG PICTURE "Meeting the Need" takes a comprehensive look at the scientists and facilities of the Natick Labs. Color-Released 68–69 Season.

TV 741, MEN WITH A MISSION

The Big Picture traces the history of the U.S. Army Reserve and its present mission of providing the backup force to the active Army in times of emergency. Narrated by Efrem Zimbalist Jr., this film shows the men of the Army Reserve training to maintain their high state of readiness. Color-Released 68–69 Season.

TV 740, POLICING THE FRONT

The role of the Military Policeman has always been important but never so vital as in the present war in Vietnam. The men who wear the MP armband are shown in a variety of activities as they handle the complex problems of law enforcement and security against the background of a war with no conventional frontlines. Narrated by Jack Webb. Color-Released 68–69 Season.

TV 739, SOLDIER-AT-LAW

The responsibility for U.S. Army judicial and legal activities lies with the Judge Advocate General. The BIG PICTURE "Soldier-At-Law" shows the training which qualifies the civilian attorney as a judge advocate or military lawyer. The film emphasizes how individual rights, which are protected by the civilian judicial system, are also guarded by the military judicial system. Color-Released 68–69 Season.

TV 738, USARPAC

One of the U.S. Army's largest areas of activity is spread the length and breadth of the blue Pacific. This command, known as U.S. Army Pacific or USARPAC, includes responsibility for men and missions in Vietnam, Korea, Okinawa, Japan, Thailand, Taiwan and Hawaii. The Big Picture, "USARPAC", takes a look at missions of our soldiers in the Far East. Color-Released 68–69 Season.

TV 737, THE BRIDGE

The soldier and his family can always count on the spiritual services of the Chaplain. For a look at the U.S. Chaplain Corps through history and the dedication of these clergymen in uniform, John Daly hosts a visit to the Chaplain's School at Fort Hamilton, New York and some of the duty stations where Chaplains serve. Color-Released 68–69 Season.

TV 736, VIETNAM CRUCIBLE

"Vietnam Crucible" is a report to the American soldier of Army activities in Vietnam. This Big Picture presentation portrays the civilian as well as the military situation in the Republic of Vietnam. Color-Released 67–68 Season.

TV 735, THE FIGHT FOR LIFE

The war in Vietnam is fought in a hostile environment against an elusive enemy. As in any war, the sick and wounded require immediate medical assistance. The Big Picture documents the work being done by the men and women of the U.S. Army Medical Services as they help the soldier win, "The Fight for Life." Color-Released 67–68 Season.

TV 734, YAR #14

The men of the United States Army Reserve have an important mission to fulfill in defense of America. To meet this mission they must be well trained in the latest techniques of modern warfare. "Your Army Reports, #14" features the training activities of the 205th Infantry Brigade (Separate) of the U.S. Army Reserve as its prepares to meet its mission in defense of America. Color-Released 67–68 Season. WITHDRAWN FROM TV.

TV 733, PLATOON LEADER

It takes men of leadership to lead a platoon of men in battle, men who can quickly assess the situation and make the right decision at the right time. The story of these men and the training they receive in the Army is depicted in the Big Picture presentation. Color-Released 67–68 Season.

TV 732, THEY CLEAR THE WAY

Part of the job of the U.S. Army Engineers is to build the bridges, airfields and roads which bring mobility to the combat forces. The Big Picture presentation, "They Clear the Way," depicts the story of these difficult and challenging missions in Vietnam. Color-Released 67–68 Season.

TV 731, THE SENIOR SOLDIER

In today's modern and complex Army the role of the noncommissioned officer has greatly expanded. He has become part of a highly technical, creative, and resourceful middle management team. "The Senior Soldier" is the story of this team and the men who provide the fact-to-face leadership which gets the job done. Color-Released 67–68 Season.

TV 729, YAR #13

The Army Chief of Staff, General Harold K. Johnson, decorates Warrant Officer Jerome R. Daley for gallantry in action in this edition of "Your Army Reports." Army combat photographers move forward with the 1st Cavalry Division and Vietnamese troops during an amphibious landing and search for the Viet Cong. And finally, "Your Army Reports #13" depicts the important mission of harbor pilots in the busy Port of Qui Nhon. Color-Released 67–68 Season. WITHDRAWN FROM TV.

TV 728, THE ARMY TRIANGLE

Three things dear to the heart of the soldier are food, mail and pay. The story of how these important items are processed and delivered to the soldier is detailed in this Big Picture documentary film. Color-Released 67–68 Season.

TV 727, CONARC, HQ OF THE U.S. SOLDIER

The weapons of warfare are not enough to defend America in today's complex international community. It takes organization and men of vision; men capable of seeing the Big Picture. "Continental Army Command-Headquarters of the U.S. Soldier" is the story of these men and how they are organized and trained to defend America. Color-Released 67–68 Season.

TV 726, THE ARMY'S CIVILIANS

The Army Civilian plays an important role in the defense of America. Highly skilled, and completely dedicated to his country, he serves America well at home and abroad; in peace and in war. The Big Picture presentation, "The Army's Civilians," depicts the story

of these men and women and their service to our country. Color—Released 67–68 Season.

TV 725, SONG OF THE SOLDIER

Throughout history soldiers have gone to war with a song. Their songs express pride in country, belief in cause, and determination to win the battle and return home. You are invited to join the United States Army band and chorus in the Big Picture presentation, "The Song of the Soldier," as they sing the songs of the American soldier, from the Revolutionary War to Vietnam. Color—Released 67–68 Season.

TV 724, READY TO STRIKE

The "Tropic Lightning" 25th Infantry Division has a distinguished history beginning in World War II. The exploits of this division in Vietnam as a combat unit and a nation building force are portrayed in the Big Picture "Ready to Strike." Color—Released 67–68 Season.

TV 723, WHEN THE CHIPS ARE DOWN

A major portion of the nation's strength in reserve lies in the National Guard. Bob Hope uses his light touch to narrate this Big Picture presentation which shows the training and readiness of the citizen soldiers. Color—Released 67–68 Season.

TV 722, YAR NO. 12

The Army Chief of Staff, General Harold K. Johnson, speaks at the Annual Convention of the Association of the United States Army in this edition of "Your Army Reports." Then it's off to Vietnam to visit with Vietnamese civilians working with the United States Army, and a special feature on the Army Combat Photographer. Color—Released 67–68 Season. WITHDRAWN FROM TV.

TV 721, PHYSICAL FITNESS

The future of America's fighting force is invested in the Physically Fit; the men and women with the strength and courage to protect her interests. Therefore, the Army places a great deal of emphasis on physical training in developing the soldier. This training is the theme of the Big Picture, "Physical Fitness." Color—Released 67–68 Season.

TV 720, THE SKY SOLDIERS

Since its arrival in Vietnam in 1965 the 173rd Airborne Brigade has played an important role in war and in peace . . . the 173rd landed at Vung Tau to secure and defend the airfield; . . . the 173rd mounted a large scale attack against the enemy in the heavily fortified Bien Hoa area and the 173rd undertook the mission of protecting the rice harvest for a hungry people under operation "New Life." THE BIG PICTURE presentation "The Sky Soldiers" shows the 173rd Airborne Brigade in Vietnam in a role of courage and sacrifice. Color-Released 67–68 Season.

TV 719, ARMY TRANSPORTATION—KEY TO MOBILITY

Transportation has always played an important role in deciding the victory in warfare. The Spanish Armada of 1588, for instance, never accomplished its mission, and the Spanish Army never reached the battlefield. In the American Army today, delivering men and equipment to the battlefield is the job of the Army Transportation Corps. This challenging job is handled by highly trained professionals. "Army Transportation—Key to Mobility" is the story of these professionals and their training in the Army Transportation Corps. Color-Released 67–68 Season.

TV 718, YOUR ARMY REPORTS

The helicopter pilot has a big job in the Army, and this job gets even bigger when he arrives in Vietnam. For the helicopter lends mobility in difficult terrain, as it transports men and equipment to the battlefield. "Your Army Reports No. 11" spends a day with a helicopter pilot, and then joins a Chaplain who uses the helicopter to bring religious services to men of the Special Forces in Vietnam. Finally, this edition of "Your Army Reports" travels to Europe for firepower demonstrations at the Seventh Army Senior Commander's Orientation. Color-Released 67–68 Season.

TV 717, READY 'ROUND THE WORLD

In the cold realism of war you are either ready or you're dead. There is no second chance. This is true of nations as well as individual soldiers. A nation must be ready to meet any action another nation may initiate. Its strength and ability must discourage nations of hostile intent. "Ready 'Round the World" is a film which depicts America's strength in the complex international world of the sixties. It is a film which speaks of men on guard around the world protecting the American way of life. Color-Released 67–68.

TV 716, THE BIG RED ONE IN VIETNAM

In World War II the First Infantry Division landed on Omaha Beach. After securing the beach they drove inland toward Hitler's Germany, and became a legend in their own time. Twenty-one years later a new threat to free men arose, and "The Big Red One" returned to the battlefield in Vietnam. "The Big Red One in Vietnam" is the story of this battlefield and one of America's most colorful units. The story of men bringing hope and security to people who have known only disillusionment and fear. Color-Released 67–68 Season.

TV 715, THE O.C.S. STORY

Thomas Jefferson expressed a basic attitude of the American people, when he said: "I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of men." This fundamental belief in the individual has met the test of the 20th century, as the American Army has met the challenge of Fascism, Nazism, and Communism. The Army is welded together by leadership; by men who inspire others and lead them to victory. "The O.C.S. Story" introduces young American men and the special training they receive in the United States Army to become Second Lieutenants. Color-Released 67–68 Season.

TV 714, SCREAMING EAGLES IN VIETNAM

The 101st Airborne Division earned a place in history with its gallant fight during the battle of the bulge. General McAuliffe's reply to the German surrender ultimatum was "Nuts" and this aggressive spirit made the division an incomparable fighting team. Twenty years later, a new generation of soldiers, with the same esprit-de-corps, took the battlefield in southeast Asia. Their dynamic exploits are recorded in "The Screaming Eagles in Vietnam." Color-Released 67–68 Season.

TV 713, YOUR ARMY REPORTS NO. 10

This issue of "Your Army Reports" travels to Virginia and the Institute of Heraldry, where a group of specialists design and develop a variety of heraldic insignia for agencies of the Federal Government. Then a story from Thailand where United States Army Engineers assist the government in constructing houses, bridges and roads. And finally "Your Army Reports" goes to Vietnam where infantrymen search Viet Cong tunnels for arms and information. Color-Released 67–68 Season.

TV 712, THE PERSHING—SEVENTH ARMY BLACKJACK

In 1958 it became evident that a smaller, lighter and more mobile solid propellant ballistic missile was needed to replace the Redstone. An Army rocket team was assembled to work with Martin Aircraft Company on the project. This combined team developed the Pershing Missile; a supersonic, surface-to-surface missile with a four hundred mile range. The film "The Pershing—Seventh Army Blackjack" tells the story of this mission. Color-Released 67–68 Season.

TV 711, THE "I" IN INFANTRY

A young man entering the Army is trained to be an Infantry Soldier. It doesn't happen overnight. It takes time. He has to learn how to control his fear, to handle his weapons, and more important he must find himself. He must learn where he fits into his infantry unit. And he must learn that his unit, and his comrades are depending on him—the individual. The "I In Infantry" is the personal story of a young man's development as an infantryman. Color-Released 67–68 Season.

TV 710, SHOTGUN RIDER

The Shotgun Rider, protecting the stagecoach, blasted a colorful trail through the pages of American history. Today he still plays a colorful role, for the war in Vietnam has put the shotgun rider back in business. Not aboard a stagecoach, but in a helicopter. His weapon is no longer a shotgun, but a machine gun. His mission, however, is the same; to protect the interest of a free people as he stretches from his helicopter firing at enemy targets. The film "Shotgun Rider" is the story of these men, and their important mission in Vietnam. Color-Released 67–68 Season.

TV 709, IT'S UP TO YOU—BASIC COMBAT TRAINING

A military unit needs well-led, intelligent, rugged and skilled soldiers. This is the function of Army training; to shape the men who are the Army. The eight weeks of basic combat training are shown in this film as a new trainee learns the skills from seasoned veterans and progresses from civilian to soldier. Color-Released 67–68 Season.

TV 708, STAY ALERT STAY ALIVE

To stay alive, the soldier must stay alert. Training in the United States readies him for his job but new lessons are learned every day. To pass this information on to newly arriving soldiers at the 1st Brigade of the 101st Airborne Division in Vietnam, an intense, rugged school is conducted by men who have stayed alert and stayed alive. This film shows how this training program operates on the scene in Vietnam. Color-Released 67–68 Season.

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COMMERCIAL AND EDUCATIONAL TELEVISION STATIONS REQUESTING THE BIG PICTURE

FIRST U.S. ARMY

(First run, station, location, day, and time)

WPIX–TV, New York, N.Y., Saturday, 1230.
WKBN–TV, Youngstown, Ohio, Saturday, 1730.
WHCT–TV, Hartford, Conn., Saturday, 1430.
WBZ–TV, Boston, Mass., Saturday, 0630.
WJAC–TV, Johnstown, Pa., Sunday, 1330.
WLWC–TV, Columbus, Ohio, Thursday, 1300.
WCAX–TV, Burlington, Vermont, Sunday, 1300.
WPTZ–TV, Plattsburgh, N.Y., Sunday, 1030.
WDBJ–TV, Roanoke, Virginia, Saturday, 1430.
Athens Community–TV, Athens, Ohio, Saturday, 1900.
WATR–TV, Waterbury, Conn., Tuesday, 1700.
WSBA–TV, York, Pa., Sunday, 1200.
WXEX–TV, Richmond, Va., Saturday, 0700
WDTV–TV, Bridgeport, W. Va., Sunday, 1430.
WRFT–TV, Roanoke, Va., Sunday, 1830.
KDKA–TV, Pittsburgh, Pa., Saturday, 0630.
WBGU–TV, Bolling Green, Ohio, Friday, 1900.
WSBK–TV, Boston, Mass., Sunday, 2315.
WPAY, Portsmouth, Ohio, Wednesday, 1700.

(Second run, station, location, day, and time)

WLTV–TV, Bowling Green, Ky., Sunday, 1430.
WABI–TV, Bangor, Maine, Saturday, 1600.

WOKR–TV, Rochester, N.Y., Sunday, 1200 every other week.
WNYC–TV, New York, N.Y., Sunday-Saturday, 1900–2100.
WTAR–TV, Norfolk, Va., Sunday, 1200.
WBLG–TV, Lexington, Ky., Thursday, 2200 some weekend afternoons.
WGSF–TV, Newark, Ohio, Tuesday, 2130.
WHRO–TV, Norfolk, Va., Monday-Wednesday, 2230–2300.
WCMC–TV, Wildwood, N.J., Tuesday, 1800.
WLVT–TV, Bethlehem, Pa., Wednesday, 2230.
WLW–D, Dayton, Ohio, Sunday, 1000.
WYAH–TV, Portsmouth, Va., Wednesday, 1700.
WSWO–TV, Springfield, Ohio, Saturday, 1600.
WPHL–TV, Philadelphia, Pa., Wednesday, 1030.
Meadville Master Antenna, Meadville, Pa., Monday-Tuesday, 1800 Alternate Weeks; Friday, 1800 Every week.
WIIC TV, Pittsburgh, Pa., Sundays, 1300.

(Third run, station, location, day, and time)

Chillicothe Telcom Inc., Chillicothe, Ohio, Thursday, 1830.
WICU–TV, Erie, Pa., Saturday, 1330.
WMET–TV, Baltimore, Maryland, Sunday, 2230.
WFBG–TV, Altoona, Pa., Saturday, 1930.
WGTE–TV, Toledo, Ohio, Monday, 1930.
WFMJ–TV, Youngstown, Ohio, Saturday, 1730.
Southern Tier TV Cable Co. Inc., Portsville, New York, Sunday, 0800.
WSKG–TV, Binghamton, N.Y., Monday, 2230.
WFPK–TV, Louisville, Ky., Friday, 2130.
WMZR–TV, Manchester, N.H., Sunday, 2430.
WHIS–TV, Bluefield, W. Va., Saturday, 1730.
WSVI–TV, U.S. Virgin Islands, Saturday, 1830.
Tri-Cities Cable TV, Inc., Petersburg, Va., Saturday, 1100.

(Fourth run, station, location, day, time)

WRGB–TV, Schenectady, N.Y., Weekend, Standby.
WSYR–TV, Syracuse, N.Y., Standby.
WNBF–TV, Binghamton, N.Y., Standby various times & days.
WKTV–TV, Utica, N.Y., Standby.
WWNY–TV, Watertown, N.Y., various Sundays.
WAGM–TV, Presque Isle, Maine, Weekends, between 1 & 4 Standby.
WWLP–TV, Springfield, Mass., Standby.
WAVE–TV, Louisville, Ky., Weekend, Standby.
WLKY–TV, Louisville, Ky., Standby.
WOAY–TV, Beckley, W. Va., Standby.
WMHT–TV, Schenectady, N.Y., Standby.
WTAE–TV, Pittsburgh, Pa., Standby.
WHNB–TV, West Hartford, Conn., Weekend, Standby.
WTPA–TV, Harrisburg, Pa., Standby.
WPSD–TV, Paducah, Ky., Weekend, Standby.
WARD–TV, Johnstown, Pa., Weekends, With sports Standby.
WYTV–TV, Youngstown, Ohio, Standby.
WHYN–TV, Springfield, Mass., Standby.
WLYH–TV, Lebanon, Pa., with sports Standby.
WLEX–TV, Lexington, Ky., Standby.

(Fifth run, station, location, day, and time)

WNHC–TV, New Haven, Conn., Standby.
WSPD–TV, Toledo, Ohio, Standby.
WHP–TV, Harrisburg, Pa., Weekends, Standby.
WTVR–TV, Richmond, Va., Sunday, Various.
WBJA–TV, Binghamton, N.Y., Standby.
WLVA–TV, Lynchburg, Va., Standby.
WGAL–TV, Lancaster, Pa., Standby.
WBRA–TV, Roanoke, Va., Standby.
WTVN–TV, Columbus, Ohio, Standby.
WJZ–TV, Baltimore, Maryland, Standby.
WNEP–TV, Avoca, Pa., Standby.
WBOY–TV, Clarksburg, W. Va., Weekend, Standby.
WMAR–TV, Baltimore, Md., Weekend afternoon, Standby.
WHIZ, Zanesville, Ohio, Standby.
WCHS–TV, Charleston, W. Va., Standby.
WCAU–TV, Philadelphia, Pa., Standby.
WVIA, Scranton, Pa., Standby.

Special station, location, day and time

WCBS–TV, New York, N.Y., Standby.
WBNB–TV, U.S. Virgin Islands, Thursday, 1630.
WINR–TV, Binghamton, N.Y., Monday, Wednesday, Friday, 0930.
WLIW–TV, Long Island, N.Y. Once a month.

THIRD U.S. ARMY

(First run, station, location, day, and time)

WSB–TV, Atlanta, Ga., Wednesday, 0610.
WRAL–TV, Raleigh, N.C., Sunday, 0630.
WRDU, Durham, N.C., Sunday, 0700.
WTVT–TV, Tampa, Fla., Used as stand-by.
WCTV–TV, Tallahassee, Fla., Weekend stand-by.
WBBJ–TV, Jackson, Tenn., Sunday, 1730.
API–TV, Auburn, Ala, Saturday, 1030.
WBRC–TV, Birmingham, Ala., Sunday, 0530.
WCSC–TV, Charleston, S.C., Used as standby.
WNOK–TV, Columbia, S.C., Sunday, 1300.
WDCN–TV, Nashville, Tenn., Friday, 1800.
WJHL–TV, Johnson City, Tenn., Saturday, 1300.
WKNO–TV, Memphis, Tenn., Monday-Thursday, 1530–0930.
WSJS TV, Winston-Salem, N.C., Sunday, 1200.
WFBC–TV, Greenville, S.C., Saturday, 1300.
WEAT–TV, West Palm Beach, Fla., Sunday, 1830.
WAIM–TV, Anderson, S.C., Sunday, 1830.

(Second run, station, location, day, and time)

WAPI–TV, Birmingham, Ala., Sunday, 0600.
WMSL–TV, Huntsville, Ala., Wednesday, 1530.
WOWL–TV, Florence, Ala., Saturday-Sunday, 1400–1130.
WKRG–TV, Mobile, Ala., used as a standby.
WEAR–TV, Pensacola, Fla., Sunday, as needed.
WEDU–Tampa, Fla., Monday-Tuesday, 1030–1830.
WETV–TV, Atlanta, Ga., Sunday, 1030.
WDAM–TV, Hattiesburg, Miss., Sunday, 1730.
WCCB–TV, Charlotte, N.C., used as standby.
WITN–TV, Washington, N.C., Sunday, 0800.
WBTW–TV, Florence, S.C., used as standby.
WUSN–TV, Charleston, S.C., Sunday, as needed.
WOLO–TV, Columbia, S.C., Saturday, 1430.

(Third run, station, location, day, and time)

WEIQ–TV, Daphne, Ala., used as stand-by.
WKAB–TV, Montgomery, Ala., Saturday, 0700.
WTHS–TV, Miami, Fla., used as stand-by,
WDBO–TV, Orlando, Fla., Tuesday, 0600.
WAAY–TV, Huntsville, Ala., Sunday, 0600.
WSUN–TV, St. Petersburg, Fla., Sunday, 1600.
WNCT–TV, Greenville, N.C., Sunday, 1130.
WECT–TV, Wilmington, N.C., Sunday, 1230.
WTWV–TV, Tupelo, Miss., Saturday, 1200.
WUSN–TV, Charleston, S.C., Sunday, 1600.
WCBI–TV, Columbus, Miss., Saturday–Sunday, 1200–1200.
WLBT–TV, Jackson, Miss., Saturday, 1730.

(Fourth run, station, location, day, and time)

WUFT–TV, Gainesville, Fla., used as standby.
WPTV–TV, Palm Beach, Fla., Sunday, 1200.
WFSU–TV, Tallahassee, Fla., Friday, 0700.
WGTV–TV, Athens, Ga., Monday, 1200.
WJBF–TV, Augusta, Ga., Monday, 0600.
WABG–TV, Greenwood, Miss., Monday, 1700.
WUNC–TV, Chapel Hill, N.C., Wednesday, 1600.
WNBE–TV, New Bern, N.C., weekends as needed.

(Fifth run, station location, day, time)

WTVY–TV, Dothan, Ala., Sunday as needed.
WUBC–TV, Greensboro, N.C., Saturday, 1330.
WJKS–TV, Jacksonville, Fla., as stand-by.
WCFT–TV, Tuscaloosa, Ala., Sunday, as needed.
WUSF–TV, Tampa, Fla., Friday, 2030.
WRBL–TV, Columbus, Ga., weekends as needed.
WMAZ–TV, Macon, Ga., used as stand-by.
WLOX–TV, Biloxi, Miss., used as stand-by.
WATE–TV, Knoxville, Tenn., Sunday, 0900.
Greenville Cab Vis Co., Greenville, Ala., Friday, 1730.

(*Sixth run, station, location, day, and time*)

WALA–TV, Mobile, Ala., Tuesday, 0625.
WHTV–TV, Meridian, Miss., Sunday, 1430.
WGIQ–TV, Clayton, Ala., Sunday, 1400.
WHKY–TV, Hickory, N.C., Sunday, 1730.
WRCB–TV, Chattanooga, Tenn., Saturday as needed.
United Transmission Inc., Kingsport, Tenn., Saturday as needed.
WSJK–TV, Knoxville, Tenn., used as standby.
WTVX–TV, Fort Pierce, Fla., Sunday, 0800.
WATU–TV, Augusta, Ga., Monday, 0630.
WTUX–TV, Fort Pierce, Fla., Sunday, 1300.
CS TV, Smyrna, Ga., Saturday, 0930.
WBTV–TV, Charlotte, N.C., stand-by.

FOURTH U.S. ARMY

(First run, station, location, day, and time)

KLRN, Austin, Texas, Tue & Sun, 2230 & 1730.
KROD, El Paso, Texas, Sun, 0900–1300.
KCEN, Temple, Texas, Sun, 1330.
KWTX, Waco, Texas, Sat, 1330.
KAIT, Jonesboro, Ark., Sun, 0730.
KOSA, Odessa, Texas, Sat, 1500.
WYES, New Orleans, La., Wed, 0600.
KRIS, Corpus Christi, Texas, Sat, 1230.
KNME, Albuquerque, N.M., Wed, 1800 (Sep thru May, also Thur 1400).
KSWO, Lawton, Ok., Sun, 1200.
KFSA, Fort Smith, Ark., Sun, 1230.

(Second run, station, location, day, and time)

CATV, Brownsville, Texas, Sun & Mon, 2300.
KENW, Portalles, New Mexico, Thurs, 1930.
KRLD, Dallas, Texas, Sun, 0800.
CATV, Las Vegas, N.M., Tue, 2030.

(Third run, station, location, day, and time)

KZTV, Corpus Christi, Texas, Sat, 1400.
KSAM, Brooke Air Force Base, Texas, Fri, 1300.
KALAB, Alexandria, Louisiana, Sun., 1600.

(Fourth run, station, location, day, and time)

KTHV, Little Rock, Arkansas, Sun, 1200.
KLTV, Tyler, Texas, Thurs, 1700.
KXII, Sherman, Texas, Sat, 1600.
KTXT, Lubbock, Texas, Tue, 1830.

(Fifth run, station, location, day, and time)

KAUZ, Wichita Falls, Texas, Mon, 0630.
KRGV, Weslaco, Texas, Sat, 1600.
CATV, McAllen, Texas, All week days 1730.

(Sixth run, station, location, day, and time)

CATV, Kerrville, Texas, All week days, 1730.
KGNS, Laredo, Texas, Suns, 1400–1600.
KTEN, Ada, Ok.

(Seventh run, station, location day, and time)

KOB, Albuquerque, New Mexico.
KHFI, Austin, Texas.
KDTV, Dallas, Texas.

(Eighth run, station, location, day and time)
KBIM, Roswell, New Mexico.
KNOE, Monroe, Louisiana.
KRBC, Abilene, Texas.
KGTO, Fayetteville, Arkansas.

(Ninth run, station, location, day and time)
WOAI, San Antonio, Texas.
KTRE, Lufkin, Texas.
KTXS, Abilene, Texas.
KATC, Lafayette, Louisiana.

(Tenth run, station, location, day, and time)
KCTV, San Angelo, Texas.
WBAP, Fort Worth, Texas.
KTVE, El Dorado, Arkansas.
KGBT, Harlingen, Texas.

FIFTH U.S. ARMY

(First run, station, location, day, and time)
KMTC–TV Springfield, Mo.
WHO–TV, Des Moines, Iowa, Sunday, 1000.
KCSD–TV, Kansas City, Mo., Wednesday, 1930.
KMTV–TV, Omaha, Neb., Standby Sat-Sun.
KKTV–TV, Colorado Springs, Colo., Sunday, 1200.
KYTV–TV, Springfield, Mo., Saturday, 1500.
WDAY–TV, Fargo, N.D., Saturday, 1130.
KDPS–TV, Des Moines, Iowa.
WMSB–TV, East Lansing, Mich., Standby.
KFEQ–TV, Saint Joseph, Mo., Saturday, 1100.
WVTV, Milwaukee, Wis., Saturday, 1530.
WMTV–TV, Madison, Wis., Sunday, 1100.
WTAF–TV, Marion, Ind., Saturday, 2230.
WKOW–TV, Madison, Wis., Sunday, 1400.
WLXT–TV, Aurora, Illinois.
KOAM–TV, Pittsburg, Kans., Sunday, 1130.
KTIV–TV, Sioux City, Iowa, Sunday, 1430.
KHAS–TV, Hastings, Neb., Saturday, 1700.
WCMU–TV, Mt. Pleasant, Mich., Friday, 1900.
KYNE–TV, Omaha, Neb.

(Second run, station, location, day, and time)
KETV, Omaha, Neb., Saturday, 0700.
KTTS–TV, Springfield, Mo., Sunday, 0700.
WKNX–TV, Saginaw, Mich., Sunday, 1230.
WANE–TV, Fort Wayne, Ind., Standby.
KTWO–TV, Casper, Wyo., Standby.
WEAU–TV, Eau Claire, Wis., Sunday, 1000.
KCRG–TV, Cedar Rapids, Iowa, Standby.
WSBT–TV, South Bend, Ind., Sunday, 1200.
KRSD–TV, Rapid City, S.D., Saturday, Afternoon.
WMVS–TV, Milwaukee, Wis., Friday, 2000.
KFME–TV, Fargo, N.D., Standby.
KUSD–TV, Vermillion, S.D., Standby.
WOC–TV, Davenport, Iowa, Standby.
WOOD–TV, Grand Rapids, Mich., Saturday, 1400.
WPTA–TV, Fort Wayne, Ind., Standby.
WICS–TV, Springfield, Ill., Standby.
KTSB–TV, Topeka, Kans.
KXMB–TV, Bismarck, N.D., Saturday, 1300.

(Third run, station, location, day, and time)
KROC–TV, Rochester, Minnesota, Sunday, 1130.
KFVS–TV, Cape Girardeau, Mo., Sunday, 0630.
KQTV, Fort Dodge, Iowa.
KFYR–TV, Bismark, N.D., Standby.
KXMC–TV, Minot, N.D., Standby.
KUON–TV, Lincoln, Neb., Thursday, 1730.
WDSM–TV, Duluth, Minn., Standby.
WNEM–TV, Saginaw, Mich., Saturday, 0700.
KUMV–TV, Williston, N.D., Standby.
WFAM–TV, Lafayette, Ind., Saturday, 1700.
KPLR–TV, Saint Louis, Missouri, Sunday, 1130.
WSIU–TV, Carbondale, Ill., Tuesday, 1800.
KGLO–TV, Mason City, Iowa, Saturday, 1630.
WISH–TV, Indianapolis, Ind., Standby.
WKZO–TV, Kalamazoo, Mich., Standby.
KOA–TV, Denver, Colo., Saturday, 1400–1600.
KVTV, Sioux City, Iowa.
KFBC–TV, Cheyenne, Wyo., Standby.
WILX–TV, Jackson, Mich., Saturday, 1200.
CATV, Liberal, Kansas.

(Fourth, run, station, location, day, and time)
KOAA–TV, Pueblo, Colo., Standby.
KNOP–TV, North Platte, Neb., Wednesday, 1530.
KAYS–TV, Hays, Kans., Standby.
KRDO–TV, Colorado Springs, Colo., Standby.
WHBF–TV, Rock Island, Ill., Saturday, 1300.
KREX–TV, Grand Junction, Colo., Standby.
KHOL–TV, Kearney, Neb., Sunday, 1730.
KTVO, Ottumwa, Iowa., Standby.
WAND–TV, Decatur, Ill.,
WCIA, Champaign, Ill., Standby.
WMBD–TV, Peoria, Ill., Standby.
WWTV, Cadillac, Mich., Standby.
KWRB–TV, Thermopolis, Wyo., Standby.
WLBC–TV, Muncie, Ind., Standby.
WTHI–TV, Terra Haute, Indiana.
KSOO–TV, Sioux Falls, S.D., Standby.
WISN–TV, Milwaukee, Wis., Standby.
WOI–TV, Ames, Iowa, Standby.
KETC–TV, Saint Louis, Mo., Standby.
WIBW–TV, Topeka, Kansas, Saturday, 1230.

(Fifth run, station, location, day, and time)
KELO–TV, Sioux Falls, S.D., Standby.
WFRV–TV, Green Bay, Wis., Standby.
WTVO–TV, Rockford, Ill., Sunday, 1300.
WSAU–TV, Wausau, Wis., Standby.
COLUMBUS CATV, Columbus, Neb., Friday, 1930.
WMT–TV, Cedar Rapids, Iowa, Standby.
WVUT–TV, Vincennes, Ind., Friday, 1630.
WJRT–TV, Flint, Mich.
KFIZ–TV, Fond Du Lac, Wisc.
KORN–TV, Mitchell, S.D., Standby.
KOTA–TV, Rapid City, S.D., Saturday, 1130.
WPBN–TV, Traverse City, Mich., Saturday, 1600.
WKJG–TV, Fort Wayne, Ind., Standby.
WTVP–TV, Decatur, Ill., Standby.
KTVH–TV, Wichita, Kans., Standby.
KMOS–TV, Sedalia, Mo., Standby.
KTHI–TV, Fargo, N.D., Standby.
KCTV, Rock Springs, Wyo.
KTVC–TV, Ensign, Kans., Standby.

(Sixth run, station, location, day, and time)
KXAB–TV, Aberdeen, S.D., Standby.
KTVS, Sterling, Colo., Standby.
WDSE–TV, Duluth, Minn.
KTWU–TV, Topeka, Kans.
WQAD, Moline, Ill.
CATV, Colorado Springs, Colo.
MULTI VIEW TV, Grand Island, Neb.
KTCA–TV, St. Paul, Minn.

SIXTH U.S. ARMY

(First run, station, location, day, and time)
KLXA, Hollywood, Ca., Sunday, 1430.
KPIX, San Francisco, Ca., Sunday, 0630.
KTVW, Tacoma, Wash., Saturday, 1530.
KCSM, San Mateo, Ca., Tue/Thur.
KWCS, Ogden, Ut., Tuesday, 1130.
KEYT, Santa Barbara, Ca., Sat/Sun.
KOOK, Billings, Mt., Sunday, 1100.
KORK, Las Vegas, Nv., Mon/Thur, AM.
KXTV, Sacramento, Ca., Thursday, 0700.
KMST, Monterey, Ca., Sat/Sun, PM.

(Second run, station, location, day, and time)
KWHY, Hollywood, Ca., Sunday, 1930.
KLOC, Modesto, Ca., PM.
KBYU, Provo, Ut., Fri./Mon., PM.
KTLE, Pocatello, Id., PM.
KAET, Tempe, Az., Thursday, 1930.
KGVO, Missoula, Mt., Sat./Sun., PM.
KMED, Medford, Or., Sat./Sun. PM.
KCOY, Santa Maria, Ca., Sun./Wed., PM.
KUID, Moscow, Id., Friday, PM.

Third run, station, location, day, and time.
KBOI, Boise, Id., Sat./Sun.
College of the Desert, Palm Desert, Ca., Tue./Thur.
KMJ, Fresno, Ca.
KBAK, Bakersfield, Ca., Saturday, 1600.
KBLU, Yuma, Az., Saturday, 1600.
KIEM, Eureka, Ca., Saturday, 1700.
KHSL, Chico, Ca., Tuesday, 0700.
KHBV, Henderson, Nv., Sat./Sun., 1630.
KUAT, Tucson, Az.
KOMO, Seattle, Wa., Sat./Sun., PM.

(Fourth run, station, location, day, and time)
KPTV, Portland, Or., 1 per month.
KTPS, Tacoma, Wa., Thursday.
KCRL, Reno, Nv., Saturday 1500 alt weeks.
KNDO, Yakima, Wa., Sat/Sun PM.
KIFI, Idaho Fall, Id., Sunday 1230.
KIVA, Yuma, Az., Saturday PM.
Tahoe Cable, Bijou, Ca., Wed/Thur PM.
KOGO, San Diego, Ca.
Com Antenna, Reno, Nv., Friday PM.

(Fifth run, station location, day, and time)
KPLM, Palm Springs, Ca., Sun/Wed 1330.
KCFW, Kalispell, Mt., Fri/Sat 1230.
KTLE, Pocatello, Id.
KORK, Las Vegas, Nv., Mon/Fri PM.
KTXL, Sacramento, Ca., Sat/Mon 0900.
KMIR, Palm Springs, Ca., Sat/Sun PM.

Mr. FULBRIGHT. The manner in which this program operates illustrates how the military services can quietly develop their extensive public relations capability with little public or congressional knowledge or interference.

In the Army, the official source of still or motion picture coverage for public information or public relations is the Signal Corps. All Army audiovisual activities are under the command of the Assistant Chief of Staff for Communications-Electronics who thus controls the budget financing those activities outside the information field.

According to Army regulations, there is to be one photographic facility at each installation. The "Army Information Officers' Guide" states that the "amount of photographic support for information activities varies with the size of the—Signal Corps—photographic laboratory facilities, the number of photographers available, transportation to cover assignments." The Guide further states:

> If the commander is convinced the need exists, the information office may purchase cameras, film and film processing equipment through nonappropriated funds.
>
> The need for darkroom space close to the information office may also be justified. Thus, it is possible out of nonappropriated funds to establish a photographic support capability within the information office similar to any modern newspaper

The Army's photographic operation recently has been expanded to include the Department of Army Special Photographic Office. According to the Army Regulation 108–5, this office was established to work overseas "for the purpose of obtaining filmed documentation of U.S. Army activities in the cold war with a primary emphasis on counterinsurgency."

This preoccupation with the "cold war" is repeated in the same regulation when, among the types of photographic coverage to be carried on by Army units it lists " 'Cold War.' Photographic coverage in support of cold war activities."

A motion picture team from this Special Cold War Photographic Office is on duty in Korea. According to a 3-month report of the Eighth Army Command Information program for the third quarter of fiscal year 1969, it shot 32,112 feet of motion picture film and 1,341 still photos, including color 16-milimeter footage of such things as Republic of Korea Armed Forces Day ceremonies; bridges, roads,

rail throughout Korea; and the "Focus Retina" joint airborne exercise with United States and Korean forces

According to information given to me, "about 180 motion picture films produced by the Army for training or other internal uses were cleared for public nonprofit exhibition upon request. Approximately 80 of these were medical professional films or videotapes cleared for exhibition to professional medical groups."

This would mean that no less than 100 Army films in 1 year are made available to the public.

Another public relations program carried on by the Army is that of its Exhibit Unit. This organization had an annual cost of $906,000, according to information supplied me by the Army. According to the semiannual report of the Army's Community Relations Branch, some 13.5 million persons viewed the 22 Army exhibits that traveled the country in the last 6 months of 1968.

I ask unanimous consent to have printed at this point in the RECORD a list of the exhibits constructed since 1967 and the exhibit schedule for Army exhibits from January 1, 1968, to June 30, 1969.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

EXHIBITS DESIGNED OR DESIGNED AND BUILT BY U.S. ARMY EXHIBIT UNIT JULY 1, 1967 TO JUNE 30, 1969 (DOES NOT INCLUDE REFURBISHING OR UPDATING OF TOURING EXHIBITS)

"Fibers of Faith—A Source of Strength" (Completed July 1967) U.S. Army Chaplaincy Exhibit: The exhibit presents, through art and artifacts, the role of the chaplaincy in the history of the U.S. Army.

"U.S. Army Soldiers at Law" (Completed October 1967) Judge Advocate General Exhibit: An indoor exhibit which features the legal services and responsibilities of the Judge Advocate General Corps. Photomural panels and accompanying text spotlight the Corps, its history, legal activities, and advanced educational opportunities. The exhibit is intended to introduce the Army's Corps of lawyers to members of the bar, law students and specialized audiences.

"U.S. Army—Modern and Efficient" (Completed March 1968) Chicago Museum of Science and Industry Exhibit: Located semipermanently in the Chicago Museum of Science and Industry, this exhibit is devoted to the theme "Modern Materiel for a Modern Army." The exhibit features actual equipment and audience participation devices.

"DOD Information Center" (Completed August 1968) Pentagon Concourse: This display is designed to acquaint visitors with the Department of Defense and the Pentagon. Through tapes and photos, the exhibit explains some of the interesting facts about the Pentagon, organization and missions and activities of the Department of Defense and introduces the viewer to the leaders of the armed services and the Department of Defense.

"OCINFO Concourse Display" (Completed August 1968): This panel display helps keep Pentagon visitors and workers up-to-date on current events and on the Army's activities around the world.

"U.S. Army, Vietnam—Building and Defending" (Completed September 1968): This exhibit describes the Army's role in Vietnam. The display presents background information on Vietnam, a brief outline history of the conflict, and a sampling of the Army's civic action projects to help the people of Vietnam. The message is presented by means of color photomurals, artwork, slides and transparencies.

"U.S. Army, Alaska" (Completed October 1968): This exhibit outlines the purpose of the Army in Alaska. It shows the strategic location of the state, the effectiveness of cold-weather training and the usefulness of the rugged conditions in testing new equipment. A film, slides, backlit color transparencies and animated artwork convey the exhibit's message. The display consists of three free-standing modules surrounding a central module. It is currently being exhibited under the auspices of USARAL at Fort Richardson.

"Communist Equipment in Use in Vietnam" (Completed January 1969): This modular-type exhibit displays infantry weapons and personal equipment currently in use by the North Vietnamese Army and the Viet Cong in Vietnam.

"U.S. Army—Forward March" (Completed March 1969) Basic Combat Training Exhibit: This indoor, walk-through exhibit tells the story of the new soldier's first training experience. A variety of audio-visual techniques take the viewer from the trainee's arrival at a U.S. Army Reception Station through his phases of training to his graduation from basic combat training 8–9 weeks later.

"U.S. Army—Outline for Progress" (Completed June 1969) 4M Exhibit: The 4M theme illustrated by this exhibit summarizes in a set of key words—mission, motivation, modernization and management—the Army's philosophy and goals. The exhibit consists of four modules each giving in broad outline the tasks and goals summarized by one M. Copy, photographs, backlit color transparencies and artwork are used to present the theme. In addition, the exhibit uses several animated panels, audience participation devices and a slide presentation with a taped narration.

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EXHIBIT SCHEDULES, JANUARY 1, 1968 TO DECEMBER 31, 1968

ADAPTING TO LIVING IN THE NUCLEAR AGE

March 10–17, Hollywood, Fla.
March 21–23, Gadsden, Ala.
March 27–30, Salisbury, N.C.
April 1–6, Fayetteville, N.C.
April 8–13, Raleigh, N.C.
April 16–19, Richmond, Va.
April 22–24, Hazlet, N.J.
April 26–28, Belmar, N.J.
May 3–5, Belleville, N.J.
May 7–9, Tom's River, N.J.
May 11–12, Roselle, N.J.
May 17–20, Carmi, Ill.
May 21, Cahoki, Ill.
May 23–25, Alton, Ill.
May 27–29, Edwardsville, Ill.
May 30–June 4, Granite City, Ill.
June 5–7, Edwardsville, Ill.
June 8–9, Highland, Ill.
June 10–11, East Alton, Ill.
June 12–13, Livingston, Ill.
June 14–16, Tremont, Ill.
June 20–23, Pontiac, Mich.
June 25–29, Salem, Ore.
July 3–7, Rushville, Ill.
July 9–11, Matoon, Ill.
July 13, Quincy, Ill.
July 14, Morris, Ill.
July 18–19, Evanston, Ill.
July 25–28, Wheaton, Ill.
July 31–August 4, Baraboo, Wis.
August 6–11, Wausau, Wis.
August 13–21, Indianapolis, Ind.
August 25–31, Minot, N.D.
September 5–13, San Antonio, Tex.
September 16–21, Amarillo, Tex.
September 23–28, Lubbock, Tex.
October 1–5, Waco, Tex.
October 8–12, Angleton, Tex.
October 14–20, Beaumont, Tex.
October 24, Little Rock, Ark.
November 1–15, Cleveland, Tenn.

CAPTURED COMMUNIST EQUIPMENT NO. 1

March 12–16, Columbia, S.C.
March 18–20, Savannah, Ga.
March 25–26, Jacksonville, Fla.
March 28–30, Waycross, Ga.
April 3–6, Sanford, Fla.
April 9–12, Panama City, Fla.
April 22–25, Mobile, Ala.
April 30–June 5, Cleveland, Tenn.
May 8, Hampton, Va.
May 11, Wayne, Pa.
May 13–17, Hershey, Pa.
May 19–24, Akron, O.
May 27–June 2, Cleveland, O.
June 7–9, Rock Falls, Ill.
June 11–16, Keene, N.H.
June 19–22, Painesville, O.
June 24–29, Richmond Heights, O.
July 3–9, Portsmouth, N.H.
July 11–14, Concord, N.H.
July 16–20, Portland, Me.
July 22–27, Brookfield, N.Y.
August 3–4, Erie, Pa.
August 6–10, Pittsburgh, Pa.
August 13–15, McKeesport, Pa.
August 17–24, Greensburgh, Pa
August 27–September 2, Syracuse, N.Y.
September 5–8, St. Clairsville, O.
September 10–14, York, Pa.
September 16–17, La Vale, Md.
September 20–29, Richmond, Va.
October 2–5, Greenville, S.C.
October 8–12, Winston-Salem, N.C.
October 15–16, Jacksonville, Fla.
October 19–26, Mobile, Ala.
October 29–November 3, Tallahassee, Fla.
November 5–9, Bushnell, Fla.
November 11, Madison, Fla.
November 13–19, Tampa, Fla.
November 23–December 1, Roanoke, Va.

CAPTURED COMMUNIST EQUIPMENT NO. 2

March 8–13, Pittsburgh, Pa.
March 17–23, Chicago, Ill.
March 29–31, Kennedy, Minn.
April 4–6, Wheaton, Ill.
April 15–17, Vint Hill Farms, Va.
April 19–22, Richmond, Va.
April 24–28, Norfolk, Va.
May 3–5, Atlanta, Ga.
May 8–10, Kennedy Space Center
May 13–18, Ft. Stewart, Ga.
May 29–June 2, Pensacola, Fla.
June 5–14, Cleveland, Tenn.
June 17–18, Lexington, Ky.
June 21–22, Viroqua, Wisc.
June 24–26, La Crosse, Wisc.
June 28–29, Minneapolis, Minn.
July 1–5, St. Cloud, Minn.
July 8–10, Crookston, Minn.
July 11–13, Grand Forks, N.D
July 15–17, Devils Lake, N.D.
July 19–22, Minot, N.D.
July 25–28, St. Paul, Minn.
July 30–August 4, Hibbing, Minn.
August 9–18, Milwaukee, Wisc.
August 21–22, Grand Rapids, Mich.
August 25–27, French Lick, Ind.
August 29–September 1, Louisville, Ky.
September 4–6, Dresden, Tenn.
September 9–14, Concord, N.C.
September 17–19, Barnesville, Ga.
September 26–October 5, Birmingham, Ala.
October 7–13, Charlotte, N.C.
October 15–16, Greenville, S.C.
October 18–19, Charleston, S.C.
October 22–24, Nashville, Tenn.
October 28–31, St. Louis, Mo.
November 2–3, Waterloo, Iowa.
November 6–9, Fergus Falls, Minn.
November 11–14, Fargo, N.D.
November 30–December 13, Birmingham, Ala.
December 16–31, Little Rock, Ark.

CHAPLAINS (SHO-COACH)

March 22–30, Louisville, Ky.
April 2–4, Lawrenceburg, Tenn.
April 7–14, Montgomery, Ala.
April 17–22, Atlanta, Ga.
April 25, Orangeburg, S.C.

April 27–29, Charlotte, N.C.
May 2–4, Winchester, Va.
May 6–11, Greenville, S.C.
May 13, Macon, Ga.
May 15–16, Anderson, S.C.
May 18, Ft. Gordon, Ga.
May 20–25, Birmingham, Ala.
May 27–31, Huntsville, Ala.
June 3–6, Beckley, W. Va.
June 9–16, Uhrichsville, O.
June 19–22, Sandusky, O.
July 11–13, Bradenton, Fla.
July 16–17, Hattiesburg, Mass.
July 19–20, Jackson, Miss.
July 23–26, Little Rock, Ark.
July 30–August 3, South Bend, Ind.
August 5–9, St. Louis, Mo.
August 12–17, Mammoth Springs, Ark.
August 19–24, Carlisle, Pa.
August 26–27, Wilmington, Del.
August 31–September 4, Cleveland, O.
September 7–14, Allegan, Mich.
September 16–18, Highland Park, Ill.
September 21–27, Louisville, Ky.
September 30–October 5, Fayetteville, N.C.
October 8–12, Winston-Salem, N.C.
October 15–17, Ft. McPherson, Ga.
October 20–25, Morristown, Tenn.
October 28–30, Washington, D.C.
November 2–5, Allentown, Pa.
November 9, Midland Park, N.J.
November 13–15, Ft. Meade, Md.
March 17–28, Cleveland, Tenn.
April 2–12, San Antonio, Tex.
April 16–19, Oklahoma City, Okla.
April 22–25, Colorado Springs, Colo.
April 28–May 4, Prairie View, Tex.
May 8–9, Amarillo, Tex.
May 11, Amarillo, Tex.
May 14–18, Dallas, Tex.
May 22–30, Little Rock, Ark.
June 3–7, Kansas City, Mo.
June 8–15, Overland, Mo.
June 18–23, Louisville, Ky.
June 22–29, Charlotte, N.C.
July 1–5, Greenville, N.C.
July 10–13, Fairhaven, Mass.
July 17–23, Washington, D.C.
July 27–August 4, New Haven Conn.
August 6–9, Portsmouth, N.H.
August 12–17, Pittsburgh, Pa.
August 29–September 5, Evansville, Ind.
September 9–14, Abilene, Tex.
September 15–18, Tulsa, Okla.
September 21–29, Oklahoma City, Okla.
October 9–12, Anniston, Ala.
October 15–17, Ft. McPherson, Ga.
November 4–8, Grand Forks, N. Dak.
November 13–15, Ft. Meade, Md.
March 4–9, Harrisburg, Pa.
March 13–18, Norfolk, Va.
March 22–23, Charleston, S.C.
March 26–29, Athens, Tenn.
April 2–15, Michigan City, Ind.
April 18–22, Lexington, Ky.
April 25–26, Charleston, W. Va.
April 29–May 3, Fayetteville, Ark.
May 8–15, Minot, N. Dak.
May 17–21, Anoka, Minn.
May 23–31, St. Paul, Minn.
June 3–6, Brookfield, Wis.
June 9, West DePere, Wis.
June 14–22, Downers Grove, Ill.
June 25–July 5, Bridgeport, Conn.
July 9–14, Cherry Hill, N.J.
July 17–22, Erie, Pa.
July 26–27, Gary, Ind.
July 31–August 2,, Ft. Dodge, Iowa
August 5–10, Lawrenceburg, Kan.
August 13–18, Omaha, Neb.
August 20–26, Bellvieue, Neb.
August 29–September 1, St. Louis, Mo.
September 4–8, Ames, Iowa.
September 10–13, St. Joseph, Mo.
September 16–21, Amarillo, Tex.
September 23–28, Lubbock, Tex.
October 7–10, Gainsville, Ga.
October 14–20, Pensacola, Fla.
October 24, Florence, Fla.
November 5–8, Hagerstown, Md.
December 5–14, Washington, Pa.

HOW THE U.S. ARMY MEETS THE THIRD CHALLENGE

March 11–18, Atlanta, Ga.
March 21–23, Greenville, S.C.
March 26–30, Lakeland, Fla.
April 3–8, Metairie, La.
April 11–15, Alexandria, La.
April 19–28, Shreveport, La.
May 2–3, Columbus, Ga.
May 6–11, Macon, Ga.
May 12–16, Athens, Ga.
May 18, Montgomery, Ala.
May 19–25, Birmingham, Ala.
May 30–June 1, Alton, Ill.
June 5–8, Greece, N.Y.
June 10–15, Buffalo, N.Y.
June 17–20, Erie, Pa.
June 21–22, Wellsboro, Pa.
July 7–9, Grand Rapids, Mich.
July 11–13, Hallock, Minn.
July 17–22, Minneapolis, Minn.
July 24–28, Faribault, Minn.
August 4–10, Davenport, Iowa.
August 13–18, Rapid City, S.D.
August 29–September 2, Salem, Oreg.
September 5–7, Portland, Oreg.
September 9–14, Seattle, Wash.
September 16–22, Seattle, Wash.
September 25–30, Yakima, Wash.
October 5–20, Dallas, Tex.
October 24–29, Columbia, Mo.
November 1–4, Kansas City, Mo.
November 7–9, Fayetteville, Ark.
November 15–19, Jacksonville, Fla.
November 23–28, New Orleans, La.

MEDAL OF HONOR

July 14–18, Oklahoma City, Okla.
July 24–26, Phoenix, Ariz.
July 30–August 3, Costa Mesa, Calif.
August 7–10, Hayward, Calif.
August 14–18, Enumclaw, Wash.
August 21–26, Kelso, Wash.
August 29–September 2, Monroe, Wash.
September 5–6, Portland, Oreg.
September 13–29, Pomona, Calif.
October 26, Ventura, Calif.
October 10–13, Seattle, Wash.
October 17–19, Bozeman, Mont.
October 23–28, Provo, Utah.
November 1–11, Phoenix, Ariz.
November 23–30, Corpus Christi, Tex.
December 17–18, Reidsville, N.C.
December 21–24, Anniston, Ala.
December 27–31, Montgomery, Ala.

SERVING WITH PRIDE AND DIGNITY

March 26–3, West Palm Beach, Fla.
March 6–8, Washington, D.C.
March 11–15, St. Joseph, Mo.
March 19–27, Wichita, Kans.
April 1–7, Englewood, Colo.
April 12–19, Lincoln, Nebr.
April 26–30, Cedar Rapids, Iowa.
May 4–10, Duluth, Minn.
May 13–17, Green Bay, Wisc.
May 21–26, Rockford, Ill.
June 25–4, Ft. Wayne, Ind.
June 8–14, Chicago, Ill.
June 17–20, Toledo, O.
June 25–30, Rochester, N.Y.
July 1–2, West Point, N.Y.
August 18, Valley Forge, Pa.
September 2–6, Bangor, Me.
September 9–16, Portsmouth, N.H.
September 18–25, Natick, Mass.
September 28–October 3, Warwick, R.I.
October 5–11, Armherst, Mass.
October 13–18, Springfield, Mass.
October 20–26, New Haven, Conn.
October 27–30, Washington, D.C.
November 5–11, Akron, O.
November 15–21, Huntington, W. Va.
November 25–30, Hagerstown, Md.

SHAPING THE ARMY'S FUTURE

February 22–26, High Point, N.C.
February 29–March 3, Greensboro, N.C.
March 13–17, Charlotte, N.C.
March 21–23, Hillsboro, N.C.
April 27–2, Harrisonburg, Va.
April 5–7, Salisbury, Md.
April 10–12, Altoona, Pa.
April 15–19, Reading, Pa.
April 24–May 2, Pittsburgh, Pa.
May 5, Chillicothe, O.
May 9, Olean, N.Y.
May 12, Toledo, O.
May 16–19, Dansville, Ky.
May 22–25, Lowell, Mass.
May 28–30, Peabody, Mass.
June 1–8, Natick, Mass.
June 10–12, Manchester, Conn.
June 15–21, White Plains, N.Y.
June 24–July 1, Wakefield, Mass.
July 23–27, Peoria, Ill.
July 28–29, Juliet, Ill.
August 1–5, Woodstock, Ill.
August 8–11, Montevidio, Minn.
August 19–25, Painesville, O.
August 30–September 2, Chatham, N.Y.
September 6–7, Cleveland, Tenn.
September 9–14, Jackson, Tenn.
September 21–29, Oklahoma City, Okla.
October 3–6, Pensacola, Fla.
October 11–20, Beaumont, Tex.
October 24–29, Baton Rouge, La.
November 1–3, Gainesville, Fla.

THE AIRMOBILE SOLDIER

March 15–21, Evansville, Ind.
March 25–29, St. Louis, Mo.
April 2–7, Cleveland, Tenn.
April 10–17, Birmingham, Ala.
April 20–21, Columbia, Tenn.
April 25–28, La Porte, Ind.
May 2–5, Ames, Iowa
May 8–10, St. Joseph, Mo.
May 13–18, Temple, Tex.
May 24–31, New Orleans, La.
June 3–7, Jacksonville, Fla.
June 10–15, Pensacola, Fla.
June 18–22, Keokuck, Iowa
June 26–30, Dubuque, Iowa
July 3–8, Mentor, O.
July 12–14, Beaver Falls, Pa.
July 19–27, Reading, Pa.
July 30–31, Pittsburgh, Pa.
August 4–10, Jackson, Mich.
August 13–18, Michigan City, Ind.
August 21, Kendallville, Ind.
August 23–September 2, Detroit, Mich.
September 5–10, McConnellsville, Mich.
September 14–22, Trenton, N.J.
September 25–27, Petersburg, Va.
September 30–October 5, Charlotte, N.C.
October 7–12, Greenwood, S.C.
October 15–16, Raleigh, N.C.
October 21–25, Philadelphia, Pa.
October 27–November 5, McKeesport, Pa.
November 13–14, Burlington, Vt.
November 16, Chestnut Hill, Mass.
December 1–6, Roanoke, Va.
December 11–13, Macomb, Ill.

TODAY'S VISION—TOMORROW'S VICTORY

March 12–16, Biloxi, Miss.
March 18–20, Baton Rouge, La.
March 22–23, Lafayette, La.
March 26–28, Baton Rouge, La.
April 4–8, Albuquerque, N. Mex.
April 13–17, Las Vegas, Nev.
April 20–23, Bakersfield, Calif.
April 26–27, San Luis Obispo, Calif.
May 2–5, Venatchee, Wash.
May 8–10, Salem, Oreg.
May 13–18, Seattle, Wash.
May 21–26, Lake Oswego, Oreg.
June 1–7, Boise, Idaho.
June 11–12, Salt Lake City, Utah.
June 18–22, Richardson, Tex.
June 26–28, Wichita, Kans.
July 3–7, Greenfield, O.
July 10–14, Dayton, O.
July 16–21, Hillard, O.
August 1–3, Bismarck, N.D.
August 11, Sentinel Butte, N.D.
August 14–18, Grand Rapids, Minn.
August 23–September 2, St. Paul, Minn.
September 5–8, St. Clairsville, O.
September 12–14, Elletsville, Ind.
September 18–22, Ardmore, Okla.
September 25–28, Liberty, Tex.
October 1–6, Little Rock, Ark.
October 9–16, Jackson, Tenn.
October 19–20, Mobile, Ala.

October 29–November 3, Jacksonville, Fla.
November 7–8, Millidgeville, Ga.
November 11, Cleveland, Tenn.
November 14–19, Chattanooga, Tenn.
November 22–24, Athens, O.

U.S. ARMY AIRBORNE

March 18–26, Tulsa, Okla.
March 29–April 5, Oklahoma City, Okla.
April 11–12, Albuquerque, N.M.
April 16–25, Commerace, Calif.
May 3–4, Newport, Ore.
May 7–10, Tillamook, Ore.
May 13–18, Salem, Ore.
May 20–27, Tacoma, Wash.
May 31–June 9, Portland, Ore.
June 13–21, Stockton, Calif.
June 26–July 7,* Delmar, Calif.

VIETNAM EXHIBIT

Sept. 9–13, Washington, D.C.
September 18–21, Richmond, Va.
September 25–28, Raleigh, N.C.
October 9–12, Augusta, Ga.
October 23–26, Jackson, Miss.
October 30–November 2, Biloxi, Miss.
November 6–9, Little Rock, Ark.
November 27–30, Fairmont, W. Va.

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EXHIBIT SCHEDULES, JANUARY 1 TO JUNE 30, 1969

SHAPING THE ARMY'S FUTURE

January 8–11, Winston-Salem, N.C.
January 15–17, Charlotte, N.C.
January 24–February 2, West Palm Beach, Fla.
February 4–15, Tampa, Fla.
February 19–23, Kissimmee, Fla.
February 25–March 8, Orlando, Fla.
March 12–15, Wichita Falls, Texas.
March 17–26, Dallas, Texas.
March 31–April 6, Shreveport, La.
April 9–15, Miami, Fla. (Cancelled)
April 17–19, Owensboro, Ky.
April 21–23, Paducah, Ky.
April 24–26, Vicennes, Ind.
April 28–30, Jasper, Ind.
May 1–14, in-house.
May 17, Columbia, S.C.
May 24–25, Bridgeton, N.J.
May 27–30, Sanford, N.C.
June 2–6, Baltimore, Md.
June 9–14, Philadelphia, Pa.
June 18–21, High Point, N.C.
June 23–25, Lexington, N.C.
June 27–30, Asheboro, N.C.

TODAY'S VISION—TOMORROW'S VICTORY

January, in-house.
February 1–14, in-house.
February 17–19, Chattanooga, Tenn.
February 20–22, New Orleans, La.
February 26–March 9, San Antonio, Texas.
March 15–16, Yuma, Ariz.
March 19–23, Tucson, Ariz.
March 26–30, Yuma, Ariz.
April 3–7, Alamogordo, N.M.
April 10–12, Decatur, Texas.
April 16–22, Clarksdale, Miss.
April 26–29, Charleston, W. Va.
May 2–9, Fort Lee, Va.
May 14, Frederick, Md.
May 17, Huntington, W. Va.
May 22–24, Houghton, Mich.
May 26–June 10, in-house.
June 11–14, Hopewell, Va.
June 16–18, Petersburg, Va.
June 21–28, Greenville, S.C.

CHAPLAINS SHO-COACH

January 1–16, in-house.
January 18–25, Pulaski, Va.
January 28–February 1, Raleigh, N.C.
February 4–8, Columbia, S.C.
February 14, Charleston, W. Va.
February 17–21, Cambridge, Ohio.
February 25–March 1, Nashville, Tenn.
March 5–8, Chattanooga, Tenn.
March 10–15, Birmingham,
March 20–27, Kansas City, Mo.
April 1–2, Omaha, Nebr.
April 5–10, Sioux Falls, S.D.
April 14–18, Morehead, Minn.
April 21–26, Robindale, Minn.
May 1–3, Ames, Iowa.
May 5–10, Des Moines, Iowa.
May 13–17, Fort Leonard Wood, Mo.
May 22–24, Pineville, Ky.
May 28, Ironton, Ohio.
June 2–7, Thurmont, Md.
June 10–15, Uhrichsville, Ohio.
June 17–20, Canton, Ohio.
June 23–28, Middlesboro, Ky.

SERVING WITH PRIDE AND DIGNITY

January, in-house.
February 3–7, Pittsburgh, Pa.
February 10–15, Harrisburg, Pa.
February 17–21, Philadelphia, Pa.
February 26–28, Atlanta, Ga.
March 4–7, Tampa, Fla.
March 13–15, Lafayette, La.
March 18–26, Montgomery, Ala.
March 28–April 4, Jackson, Miss.
April 7–15, Birmingham, Ala.
April 18–24, Jacksonville, Fla.
April 28–30, Louisville, Ky.
May 5–16, Chicago, Ill.
May 20–23, Buffalo, N.Y.
May 26–29, Syracuse, N.Y.
June 3–10, New York, N.Y.
June 13–15, Wilmington, Del.
June 19–27, Petersburg, Va.

AIRMOBILE SOLDIER

January 3–8, Rockford, Ill.
January 11–16, Columbus, Ohio.
January 20–26, Virginia Beach, Va.
January 29–31, Greensboro, N.C.
February 3–12, Clifton Heights, Pa.
February 13–22, Horsham, Pa.
February 25–28, Flint, Mich.
March 3–8, Ann Arbor, Mich.
March 10–15, Waukegan, Ill.
March 18–22, Eau Claire, Wis.
March 24–26, Grand Forks, N.D.
March 28–30, Kennedy, Minn.
April, in-house.

BASIC COMBAT TRAINING

January–April, in-house.
April 7–11, Pentagon Concourse.
April 12–19, in-house.
April 21–25, Newport News, Va.
April 28–May 4, Fayetteville, N.C.
May 12–15, St. Petersburg, Fla.
May 20–22, Gainesville, Fla.
May 26–June 6, Atlanta, Ga.
June 10–20, Macon, Ga.
June 23–27, Baltimore, Md.

CAPTURED COMMUNIST EQUIPMENT IN USE IN VIETNAM

January–February, in-house.
March 3–8, Harrisburg, Pa.
March 11–14, Bridgeport, Conn.
March 17–22, Baltimore, Md.
March 24–29, Richmond, Va.
April 3–10, Charlotte, N.C.
April 14–18, Atlanta, Ga.
April 22–25, Auburn, Ala.
April 29–30, Tallahassee, Fla.
May 5–9, Minden, La.
May 12–17, Temple, Tex.
May 20–27, El Paso, Tex.
June 2–5, Tucson, Ariz.
June 9–13, San Diego, Cal.
June 14–15, Pueblo, Colo.
June 19–21, Grand Junction, Colo.
June 25–30, Medford, Ore.

CHAPLAINS (INDOOR)

January, in-house.
February 1–13, in-house.
February 15–19, Dayton, Ohio.
February 22, Lafayette, Ind.
February 24–28, Columbus, Ohio.
March 4–8, West Point, N.Y.
March 12–15, Wilmington, N.C.
March 18–21, Charlotte, N.C.
March 25–28, Cleveland, Tenn.
April 2–5, Anniston, Ala.
April 8–10, New Orleans, La.
April 14–18, Tulsa, Okla.
April 21–25, Wichita, Kan.
April 28, May 4, Topeka, Kan.
May 7–9, Leavenworth, Kan.
May 11–19, Fort Riley, Kan.
May 22–28, St. Louis, Mo.
June 2–6, St. Louis, Mo.
June 9–20, Fort Benjamin Harrison, Ind.
June 22–26, Indianapolis, Ind.
June 29–July 5, Pittsburgh, Pa.

CAPTURED COMMUNIST EQUIPMENT NO. 2

January 2–22, Oklahoma City, Okla.
January 26–February 2, Fort Worth, Tex.
February 7–16, San Antonio, Tex.
February 18–25, Little Rock, Ark.
February 28–March 4, Kansas City, Mo.
March 7–9, Booneville, Mo.
March 12–15, Tupelo, Miss.
March 19–24, Cleveland, Tenn.
March 27–29, Greenville, S.C.
April 1–5, Raleigh, N.C.
April 8–10, Winston-Salem, N.C.
April 12–17, Pine Bluff, Ark.
April 19–20, Columbia, Tenn.
April 25–26, Philadelphia, Pa.
May 6–8, Murfreesboro, Tenn.
May 11–13, Milledgeville, Ga.
May 17–21, Columbus, Ohio.
May 21–29, Columbus, Ohio.
June 2–6, Erie, Pa.
June 10–14, Kenosha, Wis.
June 16–19, Brookfield, Wis.
June 21–22, Viroqua, Wis.
June 26–July 2, Waukegan, Ill.

HERITAGE OF FREEDOM

January 3–9, Evansville, Ind.
January 13–16, Owensboro, Ky.
January 20–23, Louisville, Ky.
January 27–30, Lexington, Ky.
February 4–6, Murfreesboro, Tenn.
February 8–April 12, in-house.
April 14–19, Greece, N.Y.
April 26–May 3, Mt. Pleasant, Mich.
May 8–11, Olean, N.Y.
May 13–14, Allentown, Pa.
May 17, New Cumberland, Pa.
May 22–26, Bloomington, Ill.
May 29–June 1, Charleston, Ill.
June 6–7, Manhattan, Kans.
June 12–14, Springville, Utah.
June 16–20, Salt Lake City, Utah.
June 24–28, Tacoma, Wash.
June 30–July 1, Seattle, Wash.

VIETNAM EXHIBIT

January 1–10, in-house.
January 13–15, Milledgeville, Ga.
January 20–25, Louisville, Ky.
January 28–February 8, Altoona, Pa.
February 10–12, Johnstown, Pa.
February 15–19, Moorstown, N.J.
February 24–28, Chicago, Ill.
March 3–5, Ripon, Wis.
March 7–11, Milwaukee, Wis.
March 24, Chicago, Ill.
March 27–30, in-house.
April 3–8, Rocky Mount, N.C.
April 10–13, Wilmington, N.C.
April 16–21, Montgomery, Ala.
April 24–28, New Orleans, La.
May 1–8, Topeka, Kan.
May 12–18, Overland Park, Kan.
May 21–25, Kansas City, Mo.
May 27–June 1, St. Joseph, Mo.
June 4–11, Omaha, Neb.
June 14–18, Fort Dodge, Iowa.
June 23–27, Burlington, Iowa.
June 30–July 5, Hammond, Ind.

MEDAL OF HONOR

January 4–8, Jacksonville, Fla.
January 10–22, Jacksonville, Fla.
January 26–February 1, West Palm Beach, Fla.
February 6–18, Miami, Fla.
February 21–27, Titusville, Fla.
March 1–5, Oklahoma City, Okla.
March 6–15, Oklahoma City, Okla.
March 18–23, St. Louis, Mo.
March 28—April 4, Michigan City, Ind.
April 7–12, University Park, Pa.
April 16–19, Columbus, Ohio.

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* Tour canceled as of July 7, 1968.

April 25–26, Philadelphia, Pa.
April 28–May 1, Reading, Pa.
May 4, Chillicothe, Ohio.
May 6–8, Harrisburg, Pa.
May 10, Wayne, Pa.
May 12–21, Camden, N.J.
May 23–31, Morristown, N.J.
June 4–8, Lima, Ohio.
June 12–13, Cleveland, Tenn.
June 16–19, Ozark, Ala.
June 21–22, New Orleans, La.
June 26–July 6, Cedar Rapids, Iowa.

Mr. FULBRIGHT. Mr. President, another semiannual report, dated 1 year earlier, noted the exhibits had been displayed in 34 States and more than 120 cities. It added:

A total of 508 minutes of television coverage was received along with well over 3,000 minutes on the radio and more than 4,000 column inches of news coverage in local newspapers.

A report, I would suggest, any public relations man would be happy to show his client.

Another aspect of the Army program with basic public relations impact is the Hometown News Center. With an annual budget—for the center—of $565,000, this program supplies news or newsfilm supplied by field unit information officers about an individual soldier or group of soldiers to his hometown media. Though there can be no doubt these films and stories perform a morale service, they also by their nature—officers or enlisted men interviewing other members of their own units—are designed to promote the positive side of the Army's activities.

I ask unanimous consent to have printed at this point in the RECORD illustrative stories sent me by the Army that were carried through the hometown service as well as comments by those of the media using this material.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CIVIC ACTION

NHA TRANG, VIETNAM (AHTNC)—Big sister is much concerned as baby brother has a head sore examined by Army Specialist Six Richard L. Wallace, of El Paso, Tex., in a small village near Nha Trang, Vietnam.

Spec. Wallace, son of Mr. and Mrs. Dean Wallace, 2103 Otillia Drive, Utica, N.Y., is a senior field medical assistant in the 25th Medical Detachment of the 17th Combat Aviation Group. As part of the Army's Medical Civic Action Program (MEDCAP), the unit provides medical and dental care for two Vietnamese villages and a Montagnard refugee camp in its area.

Spec. Wallace entered the Army in 1964 and was stationed in Germany prior to arriving in Vietnam last March.

He is a graduate of Utica Free Academy and attended Utica College.

The specialist's wife, Shirley, lives at 9316 Vicksburg Drive, El Paso, Tex.

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MEDAL OF HONOR

WASHINGTON, D.C. (AHTNC)—A "Green Beret" Special Forces soldier, who risked his life attempting to rescue a pilot from a burning helicopter in Vietnam, was presented the Medal of Honor in a ceremony at the White House, Washington, D.C., March 7.

Sergeant First Class Fred W. Zabitosky, a native of Trenton, N.J., received the nation's highest award from President Richard M. Nixon. Attending the ceremony were the sergeant's wife, Carrie; seven-year-old son Edward; and mother-in-law, Mrs. Stella Zabitosky, of Pembroke, N.C.

Sgt. Zabitosky, a communications instructor at the U.S. Army John F. Kennedy Center for Special Warfare, Ft. Bragg, N.C., was cited for conspicuous gallantry in action on Feb. 19, 1968. On that date he was serving as assistant team leader of a nine-man reconnaissance patrol that had become pinned down by an enemy ambush.

The patrol slowly maneuvered to a helicopter landing zone while Sgt. Zabitosky exposed himself to the hostile fire to provide encouragement and assistance for his comrades. During the fighting, he personally killed or wounded 10 or 12 enemy soldiers.

When two helicopters landed to extract the team, Sgt. Zabitosky was the last man to leave the area. Boarding the second aircraft, he continued to fire at the enemy troops.

As the sergeant's helicopter took off, it suddenly turned violently and threw him out to the ground. The crippled aircraft then plunged down in flames.

Although suffering several crushed ribs, Sgt. Zabitosky rushed to the ship and pulled the mortally wounded pilot out. Then went back to resuce more men, only to be driven off by the intense heat and exploding ammunition.

He returned to the pilot and carried him through a barrage of enemy fire to the other rescue ship which had landed nearby. He also guided the injured co-pilot of the crashed ship to safety.

Zabitosky, a Green Beret since 1963 and a veteran of nine years service, was on his third tour of duty in Vietnam when the incident occurred.

His other decorations include the Distinguished Service Cross for extraordinary heroism, a Bronze Star Medal for heroism and another Bronze Star for meritorious service, the Air Medal, two Army Commendation Medals, the Combat Infantryman's Badge, and the Vietnamese Gallantry Cross with Bronze Star.

Sgt. Zabitosky attended Trenton (N.J.) High School.

A brother, Michael R. Zabitosky, lives at 445 Tiller Avenue, Beachwood, N.J. Three sisters, Mrs. Colleen Archer, Linda Lee Zabitosky, and Sharon Zabitosky, live at 1588 Riverdrive Drive, Holly Hill, Fla.

The sergeant and his wife reside on the post at Ft. Bragg.

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IDAHO COUNTY FREE PRESS,
*January 4, 1969.*

COMMANDING OFFICER,
*U.S. Army Home Town News Center*
*Kansas City, Mo.*

DEAR SIR: I congratulate you and your organization on the fine job you are doing in keeping family and friends of men in the Army informed of their progress through your regular releases. I feel these small items are of great value and use all of them pertaining to men of this area.

Your regular Photo Feature is also well received although they sometimes fail to carry subjects of sufficient interest to warrant their use in our publication. Here I might make the point that we are receiving three copies of your Photo Feature. Realizing the cost incurred in preparation of these, I am sure you will want to check your mailing list and strike duplications.

While not aware of your method of selecting subjects for your Photo Feature, I would like to select one subject which, I assure you, would receive extensive use in Idaho.

The 116th Engineer Battalion (Combat), the only National Guard unit to be called to active duty and subsequently sent to Vietnam, is made up of young men from throughout Idaho. Company D contains some 100 men from this county alone.

In view of this unique situation I submit this as a request for a photo feature on the unit.

Information received regarding the 116th through normal channels is almost nonexistant. Most of our information is gleaned from letters sent to family and friends. Realizing that this information may often be incorrect or exaggerated, we are careful of its use.

There is a real need for such a story on this unit and any assistance you may offer in obtaining one would be greatly appreciated. May I suggest that, in the event such a story is made available, it carry a release date which falls on a Thursday. This would give weeklies an even break with the dailies.

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RADIO STATION WRUN,
*Utica, N.Y., March 4, 1969.*

ROBERT L. BECHDOLT, Jr.,
*LTC, Inf.,*
*Commanding,*
*U.S. Army Home Town News Center,*
*Kansas City, Mo.*

DEAR COLONEL BECHDOLT: It may be a little late, but I would like to respond to the Thanksgiving and Christmas messages from Army personnel away from home.

For the past two years, I have used the material with tremendous success. We put dramatic music behind the voice tracks and give it an introduction and closing. Depending upon the number of local soldiers available, we schedule them throughout the day, be it Thanksgiving or Christmas. Last Christmas, there were about ten area families that were alerted in advance to listen for their son at specific times. All of the cuts were repeated at least three times, and some as many as five times. "Military Greetings From Overseas" were scheduled twice an hour on WRUN. In addition to the warm words of praise from the families of the soldiers involved, we received many calls from families of other area soldiers of whom we had no tape. They, of course, were hoping to hear their son, too.

The only criticism I can think of is to say there were a couple of tapes that had to be edited because of long pauses or because the soldier made a mistake and repeated himself. I fully realize, however, that you have thousands of greetings to process and time is of the essence when the material is dated. I would rather receive the material and have to edit it myself than to get it late, but in perfect condition. The most important suggestion I can think of is to get the tapes to the stations at least a week or two before the day we are to air it. Last Christmas, we received it only two or three days before Christmas. In commercial radio, the Christmas period is perhaps the busiest time of the year, and we had to work quite late processing the messages in order to give it the air play it deserved.

Once again I say 'thank you'. We are always happy to use the greetings.

Sincerely,

ROBERT F. LUX,
*AM Program Director.*

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THE ARAB TRIBUNE,
*Arab, Ala.*

U.S. ARMY HOME TOWN NEWS CENTER,
*Kansas City, Mo.*

GENTLEMEN: We appreciate very much the news of servicemen we receive from your office, and we run a weekly column of articles concerning the men in our area who are serving with the Armed Forces.

However, due to limited space, we print only the items about men from this immediate community. We received the enclosed copy with pictures about men from distant states, and felt perhaps that it was sent to us by mistake. Since we usually receive only items about men from this vicinity, we decided to return the information.

If it should be that these men did at one time reside here and have requested the Tribune for their home town paper, we will be more than happy to use the items; but would like to know where their connection with our area is.

We have found that our Servicemen's column is read with wide interest, and many of our boys in Viet Nam receive the Tribune and write us. Please accept our thanks for your service, and our appreciation for the well written articles.

Yours truly,

MADELINE JACKSON,
*Off. clerk.*

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U.S. ARMY HOME TOWN NEWS CENTER,
*Kansas City, Mo.*

Here is a home town release featuring a U.S. Army Soldier from your market area. If selected for broadcast, you may wish to notify the soldier's family. Afterwards, please offer them the material (a franked label is enclosed for mailing). Any comments you have on this release will help us improve service to you and your audience.

Name—SP4 Thomas R. East, Ref #: 88–8.

Unit address—20th Arty. 1st Inf. Div., Quan Loi, Vietnam.

Family listed—Mr. & Mrs. Thomas East (parents).

Address—Rt #1 Box 176, Seymour, Mo.

Telephone—468–3539.

Running time—0:55.

Aired (X)—Not aired ( ) Comments: 16mm silent film.

Can use any clips like this of area men you send. Have had real good response from viewers.

Please send all clips to "KYTV news," Bill Avery, News Director, Station call letters KTVY–TV, Springfield, Mo.

Drop card in mail—no postage required.

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U.S. ARMY HOME TOWN NEWS CENTER,
*Kansas City, Mo.*

RADIO STATION COMMENTS REPORT

(Fourth Quarter, FY 1969)

FIRST ARMY

(Fort Eustis)

KLIP, Fowler, Calif. "If you send tapes in Spanish such as above listed, they will get full coverage. 8 hours prime time is 8 hours Spanish. Please mail immediately to KLIP RADIO."

WEVE, Eveleth, Minn. "Aired, 1:35, April 30, 1969. Parents appreciate these. We were able to locate the parents and forwarded tape after airing same. Could we get these on a more regular basis?"

WGOL, Goldsboro, N.C. (100th Transportation Company). "Improve quality background . . . over rides announcer and interviewee."

KWAI, Weiser, Idaho (2nd School Battalion). "KWEI greatly appreciates receiving these tapes and the parents of the sevicemen also enjoy having the tapes. We air them on our newscast devoted to local news."

WMAN, Mansfield, Ohio (2nd School Battalion). "WMAN airs all of these and gets excellent response from relatives."

WDSR, Lake City, Fla. (2nd School Battalion). "Aired, Feb. 24, 1969 at 12:15 PM and 6:10 PM and Feb. 25, 1969 at 8:15 AM, Parents heard all airings and were very pleased."

WPRS, Paris, Ill. (2nd School Battalion). "Wife notified . . . tape given to her . . . this is good public relations."

THIRD ARMY

(Fort Bragg)

WOBM (FM), Toms River, N.J. (U.S.A. Special Warfare School). "Used excerpts on newscasts . . . good interview . . . let Z speak for himself . . . good timing on release date."

FIFTH ARMY

(Fort Riley, Kans.)

KSDR Watertown, SD (R.O.T.C.). "Recording quality poor . . . content good.

KEYZ Williston, ND (R.O.T.C). "Not bad. Could use a little more conversation about the cadet and his plans. And about his home state."

KOLY Mobridge, SD (R.O.T.C.). "Good local interest in these interviews. We broadcast each one received."

KTTR Rolla, Mo. (R.O.T.C.). "Very poor quality."

KASI Ames, Iowa (R.O.T.C.). "Very good interview . . . we appreciate receiving these."

KLPM Minot, ND (R.O.T.C.). "Minot not in our area. Should go to Grand Forks."

KDSJ Deadwood, SD (R.O.T.C.). "Excellent tape. Good quality."

SIX ARMY

(Fort Ord, Calif.)

KNND Cottage Grove, Ore. "Keep them coming. The whole town listens when these are sent to us. We would like to receive more."

KNDK Langdon, ND. "Aired several times. Really appreciated by relatives. Good public relations for us. Keep them coming. We'll use them all."

GERMANY

WASH Washington, D.C. (3rd Infantry Division). "SP Pearson's style is excellent. His questions don't much tell our listeners when his job is important."

KHVH Honolulu, Hawaii (3rd Infantry Division). "Would appreciate much, much more of this. We are an all news station."

U.S. ARMY FORCES SOUTHERN COMMAND

(Fort Clayton)

WAFI Middlesboro, Ky. (20th Infantry, Canal Zone). "Excellent public affairs broadcast. We would like to get as many as possible. However, we prefer interviews to personal messages."

(Fort Kobbe)

WVCH Chester, Pa. (5th Infantry Battalion, Canal Zone). "Not enough lead . . . approximately 2 feet required; otherwise, the interview was of good quality. Parents notified and the tape was given to Mrs. C. upon her request. Thank you."

(Fort Clayton)

WTTR Westminster, Md. (20th Infantry, Canal Zone). "Tape mailed to the family. Family very appreciative. Our station enjoys giving pleasure to servicemen's families."

U.S. ARMY, PACIFIC

(Okinawa)

KUPD Tempe, Ariz. (29th Army Band). "Not received until Sat. 5–10. We need more time to properly notify relatives. Also, program using these tapes is broadcast only once weekly; so, we need them earlier if they are to be used."

(Korea)

KLEA Lovington, N. Mex. (7th Infantry Division). "This item aired several times in hourly newscasts . . . it is this station's policy to use voice reports in local newscasts, and we appreciate receiving them . . ."

WLFH Little Falls, N.Y. (7th Infantry Division). "We used this tape on Fri. (9th) & Sat. 10th) and Sunday, Mother's Day! I informed the C. family first, then sent the original to them by mail. Would appreciate more of this type of tape if possible! Thanks again."

WAZL Hazleton, Pa. (7th Infantry Division). "The reaction . . . excellent! Keep up the good work and keep them coming; regardless of the holiday."

WASH Washington, D.C. (2nd Infantry Division). "Used to show that troops in Korea are working hard, too. Very good tape and good quality. Good questions by Sp. Sloan . . . sent tape to parents."

KOXR Oxnard, Calif. (2nd Infantry Division). "Ramirez & Padilla are Mexican Americans. I think it would sound good to say a short, 'Mello', in Spanish to the parents. Thanks."

JAPAN

KAYL Storm Lake, Iowa (Stratcom Signal Group). "This is wonderful for both the service boy and the recipient. We, the parents, certainly do appreciate this thoughtfulness. We have only seen our son once in 2½ years. Thank you so much." (Comment sent to station from a grateful parent.)

VIETNAM

WAYN Rockingham, N.C. (9th Infantry Division). "The families of these servicemen have expressed appreciation for these tapes to: WAYN for broadcasting them and to the Army for providing them."

WKLM Wilmington, N.C. "Send us more!!! It helps our recruiter who gets our total cooperation . . . it helps the Army's image, too, I think."

WAYE Baltimore, Md. (Reliable Academy). "WAYE and Read's Drug Stores sent Mrs. C. a box of candy and told her it was on behalf of her husband."

WELO Tupelo, Miss. (9th Infantry Division). "Excellent service . . . we aired this twice and read a letter from the mother and wife, thanking us for airing it. Thank you."

WKKD Aurora, Ill. (4th Infantry Division). "Should be of longer duration, otherwise, good!"

WMAJ State College, Pa. (5th Infantry Division). "This station will use audio tracks of this type whenever possible."

WRMI–FM Morris, Ill. (9th Infantry Division). "Home folks thrilled to hear the greeting and want tape for a keepsake to have re-played again. This should be a great idea for birthdays, also."

WZOE Princeton, Ill. (U.S. Army Support Command). "Report was just great. It would help us smaller stations if you could put an open and close on the tape. Don't stop sending these fine reports from our guys just because of this."

WKLY Hartwell, Ga. (9th Infantry Division). "Was aired several times . . . much appreciated . . . bass response of tape was too high, otherwise, good quality."

WTOC Savannah, Ga. (9th Infantry Division). "I spent 9 months with the 1st Cav. doing the same thing so send all you can. You send them we will play them."

KSUB Cedar City, Utah (9th Infantry Division). "We feel this is a very fine service for service men and their families. Thank you."

WLAK Lakeland, Fla. (9th Infantry Division). "Appreciate packaging labels, etc. Marvelous idea. We could've used more of them. Quality could stand improvement . . . messages should remain brief but not quite so impersonal."

WAYE Baltimore, Md. (9th Infantry Division). "WAYE and Read's Drug Stores sent Mrs. B. a box of candy for Mother's Day. We told her it was on behalf of her son."

WLOI La Porte, Ind. (4th Infantry Division). "Aired on telephone talk program 'Sound-off' with parents notified ahead of time. Tape mailed to parents afterwards. Look forward to any other tapes of fellows from our area."

KASY Auburn, Wash. (1st Logistical Command). "Message was aired on Mother's Day and the mother was notified in advance. She was thrilled and KASY wishes to add our thanks to hers for a very fine service."

KBJM Lemmon, S.D. (9th Infantry Division). "I think these tapes are a great idea. The parents sure did appreciate this Mother's Day greeting and we enjoy cooperating in airing these. We'll be more than happy to put interviews on the air as they are available to us."

WASH Washington, D.C. (1st Signal Brigade). "Good comparison between arrival and a standard day in Vietnam."

WHLT Huntington, Ind. (9th Infantry Division). "Thank you for bringing a contact home from Vietnam."

WOAY Oak Hill, W. Va. (1st Logistical Command). "I heard my son on Mother's Day. It's beyond words to express how wonderful it made me feel. Please continue these for other mothers thru the years. It's a won-

derful idea. You have my compliments and sincere thanks."

WRUM Rumford, Maine (4th Infantry Division). "These tapes are drawing a good response from our listening audience. Please keep them coming!"

WCNU Crestview, Fla. (9th Infantry Division). "Thank you very much for the tape on our local army man."

KFH Wichita Kan. (9th Infantry Division). Very good. We appreciate these tapes. More talk about soldier's family, and less regarding their actual job would perhaps be more interesting to the general listener."

WFYC Alma, Mich. (4th Infantry Division). "Good quality, but interviewer has wrong pronunciation of Alma."

WAZL Hazelton, Pa. (II Field Force). "The parents were happy, his friends were happy and so are we. Can use any and all from our area over in Vietnam. Aired on 5 different newscasts over two days. Keep up the good work."

WCMB Harrisburg, Pa. (II Field Force). "A bit on the muddy side but legible. Have sent tape to family."

WFAD Middlebury, Vt. (U.S. Army, Vietnam). "This is an excellent service. We would appreciate getting more home town live interviews. This is the best public relations the army has and should be utilized more."

WTTN Watertown, Wisc. (25th Infantry Division). "Just a couple of words of thanks for the tape. It was great. PFC C.'s parents were most pleased. WTTN used the tape on all major newscasts throughout the day."

KRSC Othello, Wash. (25th Infantry Division). "Good report! But from technical aspect. The men are too close to microphone and record volume too heavy . . . tape badly distorted. Used anyway."

WNEA Newnan, Ga. (1st Logistical Command). "We run these several times a day in our record shows. We've had excellent response from our listeners. These interviews are very good."

WVOS Liberty, N.Y. (I Field Force). "Tape aired on 3 news shows with favorable comment from listeners. It was a good quality tape, with good editorial comment . . . and just the right length. Keep 'em coming. You're doing a fine job and it gives me pleasure to use this sort of thing. Tape given to family."

WRJH Racine, Wisc. (9th Infantry Division). "Fidelity very bad! Send more!"

WGBF Evansville, Ind. (1st Logistical Command). "Not aired because of people on vacation and time pressures peculiar to the time of receipt. Please include us for future mailings."

WNCO Ashland, Ohio (II Field Force). "We always use these tapes because of our large coverage area. It is such a delight for the families of the serviceman involved. This particular tape was of good quality and was lengthy enough to make a good report."

KMMJ Grand Island, Neb. (9th Infantry Division). "It's unfortunate that many of these tapes are of very poor quality, and some unsuitable for broadcast. Having had experience in the field with portable tape recorders (Korea '51), I'm sure that stricter quality control of the type of recorders used, and the techniques in recording and dubbing would improve this important service tremendously. I know through experience that this *could* be accomplished regardless of adverse conditions in the field."

KUNO Corpus Christi, Tex. (1st Logistical Command). "KUNO is a full time Spanish station. When recording, perhaps the soldier would be willing to make part of the tape in Spanish—I realize this poses a problem since tapes are recorded for all stations, but it might be worth giving it a thought."

WOMP Bellaire, Ohio (9th Infantry Division). "This was especially good, since this soldier is one of four that a Congressman is attempting to get out of the combat zone in Vietnam."

KAYT Rupert, Idaho (9th Infantry Division). "Very poor broadcast quality . . . bassey sound. Would appreciate getting more on the spot reports such as this."

WDAE Tampa, Fla. (II Field Force). "Too long for our purposes, but we, as usual, were happy to forward to the mother for her use."

WMVO Mount Vernon, Ohio (II Field Force). "We did cut a small cut from this tape, but it was too long for our interviews! Excellent interview . . . wish we had time to use it."

WLMD Laurel, Md. (9th Infantry Division). "Quality not airable; very hard to understand . . . glad to use them when airable."

WORG Orangeburg, S.C. (II Field Force). "Thanks for the tape. Prefer interview type tapes, unless you have a series of voices of hometown men offering greetings, rather than just one."

WASH Washington, D.C. (25th Infantry Division). "It is obvious that the interviewer is reading the questions. Destroys the value of the tape."

WASH Washington, D.C. (I Field Force). "People don't know what IFFV is. 'What was your first reaction to Vietnam?' is getting to be an old question. I used it when I was 71R over there in 1967. SP L.'s other questions were good."

FIRST ARMY

(Fort Eustis, Va.)

KEYC Mankato, Minn. "Your cooperation is much appreciated in furnishing both the film clips and the phone numbers of relatives. We make it a point to contact them prior to use. Thank You!"

FOURTH ARMY

(Fort Sam Houston, Tex.)

WKZO Kalamazoo, Mich. "Films have good audience appeal. This time had three films all from Fort Sam—was able to edit them together to make one 41-second film covering three men from our area—most advantageous . . . If you could arrange to send films of our area men in groups, it would be helpful."

U.S. ARMY ALASKA

(Fort Richardson)

WFGA Jacksonville, Fla. "Better than most 'home towners' because film team went on location to show soldier doing something."

KMJ Hollywood, Calif. "We seldom can use silent film. I forwarded the film to Mr. M., father."

WROC Rochester, N.Y. "Appreciated film. Notified family in advance. Used as special feature segment of 6 p.m. news."

VIETNAM

WSAV Savannah, Ga. (1st Signal Brigade). "No hard news value."

KBLU Yuma, Ariz. (IV Corps, Vietnam). "Very good—Thanks."

WHAS Louisville, Ky. (U.S. Army, Vietnam). "Sent to wife."

WTVY Dothan, Ala. (U.S. Army, Vietnam). "How about some films of area men getting some type of service award, Purple Heart, etc."

KVCR San Bernardino, Calif. (9th Infantry Division). "We aired the night of 5/16/69 on our evening newscast. Please forward any other local material to us."

WTVN Columbus, Ohio (9th Infantry Division). "No place for the film. Hope to have spots in the future, however."

Mr. FULBRIGHT. Mr. President, I would point out that the material dealing with Vietnam understandably presents only the positive side of our presence—a situation not completely consistent with today's newspaper reporting from that country.

Operation Understanding is a program sponsored by the Army Air Defense Command. It consists of the Army flying groups of civilians to tour air defense facilities, such as the NORAD underground combat operations center at Colorado Springs, Colo., or the Command Center at Fort Bliss, Tex. Let me read a description of this program from the December 1967 Department of the Army semiannual community relations report:

Operation Understanding: ARADCOM (Army Air Defense Command) continued its highly successful Operation Understanding flights and tours. The program aims at acquainting influential members of local communities with the operation of ARADCOM units. During one of the reporting quarters, approximately 500 Operation Understanding visitors representing industry, county and state governments, educational institutions and the professions visited the U.S. Army Air Defense Command Center at Fort Bliss, Texas. Visitors were briefed on the missions and activities of the center and witnessed scheduled missile firings.

If the ultimate purpose of this operation is lost on anyone in this body, let me read this one additional comment from an earlier Army community relations report:

One group from Ohio reported after their tour "Operation Understanding was educational and thought provoking . . . an outstanding performance . . . we entreat the support of the Congress of the United States on behalf of the U.S. Army Air Defense."

I ask unanimous consent to have printed in the RECORD a list supplied me by the Army of Operation Understanding trips and participants from January 1968 through June 1969.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

FEBRUARY 13, 1968.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Attn: Chief, Media Accreditation and Tours.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes; Reports Control No. DD-PA (M) 591.

In accordance with the Department of Defense Instruction No. 5435.2, dated December 13, 1963, the attached reports are submitted for the month of January.

Col. W. H. APPLEGATE,
*Chief, Policy and Plans Divisions,*
(For the Chief of Public Information).

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: Hq ARADCOM, Information Section, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership; and purpose]

16–20 Jan 68, Nebraska, to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, C–54 (ANG), Operation Understanding.

BENJAMIN A. SPILLER,
*Colonel, GS,*
*Information Officer.*

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NEBRASKA OPERATION UNDERSTANDING, JANUARY 18–20, 1968

1. Mr. Jack Anderson, Jack Anderson Film Productions, Omaha, Nebraska.

2. Mr. J. R. Campbell, Post Commander, American Legion Post No. 3, Lincoln, Nebraska.

3. Mr. Gary Carpenter, General Manager, Terry Carpenter, Inc., Scottsbluff, Nebraska.

4. * * *

5. Mr. Loran Cottrell, Post Adjutant, American Legion Post No. 3, Lincoln, Nebraska.

6. Senator Donald Elrod, Nebraska Legislature, Grand Island, Nebraska.

7. Senator Richard Ely, Nebraska Legislature, Guide Rock, Nebraska.

8. Mr. Eugene Frese, Administrative Assistant to Mayor of Omaha, Omaha, Nebraska.

9. Mr. Richard Goeglein, Science Teacher, Aerospace Education, Lincoln, Nebraska.

10. Dean Henry H. Grether, College of Law, University of Nebraska, Lincoln, Nebraska.

11. Mr. Neal Hafemeister, Social Studies Consultant for the Public Schools, Lincoln, Nebraska.

12. Senator C. W. Holmquist, Nebraska Legislature, Oakland, Nebraska.

13. Mr. John Jacobson, Department of Administrative Services, Lincoln, Nebraska.

14. Mr. James R. Jones, Attorney, Lincoln, Nebraska.

15. Senator John E. Knight, Nebraska Legislature, Lincoln, Nebraska.

16. Senator Rudolf Kokes, Nebraska Legislature, Ord, Nebraska.

17. Colonel James E. Kruger, Superintendent, Nebraska State Patrol, Lincoln, Nebraska.

18. Mr. Harold D. Lantz, Principal of Pound Junior High School, Lincoln, Nebraska.

19. Senator Roland A. Luedtke, Nebraska Legislature, Lincoln, Nebraska.

20. Senator Harold T. Moylan, Nebraska Legislature, Omaha, Nebraska.

21. Mr. Earl Nelson, Owner, Aurora Telephone Company, Lincoln, Nebraska.

22. Mr. Frederick Art Reed, Vice President, Latsch Brothers, Inc., Lincoln, Nebraska.

23. Mr. Ralph Reed (Colonel, USAFR), Agriculture, Lincoln, Nebraska.

24. Mr. George Round, Director, Public Relations for University of Nebraska, Lincoln, Nebraska.

25. Senator Arnold Ruhnke, Nebraska Legislature, Plymouth, Nebraska.

26. Mr. John Scott, Realtor, Lincoln, Nebraska.

27. Mr. Roy A. Sheaff, General Manager, Umbergers Mortuary, Inc., Lincoln, Nebraska.

28. Senator Harold D. Simpson, Nebraska Legislature, Lincoln, Nebraska.

29. Judge Harry A. Spencer, Nebraska Supreme Court Justice, Lincoln, Nebraska.

30. Senator David Tews, Attorney, Lincoln, Nebraska.

31. Mr. Denny Thomas, Jack Anderson Film Productions, Omaha, Nebraska.

32. Senator Elmer Wallwey, Nebraska Legislature, Emerson, Nebraska.

33. Major General Lyle A. Welch, The Adjutant General, Lincoln, Nebraska.

34. Senator Ramey C. Whitney, Nebraska Legislature, Chappell, Nebraska.

ESCORTS

1. Colonel Edward C. Binder, State Maintenance Officer, Nebraska Army National Guard, Senior Escort.

2. Major T. C. Knoell, Operations and Training Officer, Nebraska Army National Guard, Assistant Escort.

3. Major Robert Geiger, Logistical Staff Officer, Hq, 2d Region, ARADCOM Escort.

4. Captain William E. Whitney, RADES Maintenance Officer, Nebraska Army National Guard, Assistant Escort.

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MARCH 22, 1968.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Attn: Chief, Media Accreditation and Tours.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes; Reports Control No. DD–PA (M) 591.

In accordance with the Department of Defense Instruction No. 5435.2, dated December 13, 1963, the attached reports are submitted for the month of February.

Col. W. H. APPLEGATE,
*Chief, Policy & Plans Division*
(For the Chief of Public Information).

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: Hq ARADCOM, Information Office, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

1–3 Feb 68, New Jersey to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, C–131, Operation Understanding.

8–10 Feb 68, Wisconsin to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 2, C–131, Operating Understanding.

29 Feb–2 Mar 68, Alabama to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 3, C–131, Operation Understanding.

29 Feb–2 Mar 68, Illinois to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 4, T–29, Operation Understanding.

Col. BENJAMIN A. SPILLER,
*Information Officer.*

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NEW JERSEY OPERATION UNDERSTANDING, FEBRUARY 1–3, 1968

1. Mrs. Dagny A. Ahrens, President & Treasurer, Robvon Backing Ring Company, Scotch Plains, New Jersey.

2. Mrs. Adelaide P. Avella, Wife of Director, Selective Service of New Jersey, Trenton, New Jersey.

3. Mrs. Lucille H. Burkhardt, Wife of Secretary, State of New Jersey, Trenton, New Jersey.

4. Mrs. Judith P. Cooper, Wife of Commissioner, Brunswick, New Jersey, Brunswick, New Jersey.

5. Mrs. Bessie Doty, Broker-Realtor, Triple E Realty Company, Baskell, New Jersey.

6. Mrs. Harriet R. Doyle, Personnel Manager, Associate-Dental Operations, Orange, New Jersey.

7. Mrs. Elizabeth Fisher, Department President, Legion Auxiliary of New Jersey, Flemington, New Jersey.

8. Mrs. Margaret S. Goheen, Wife of the President, Princeton University, Princeton, New Jersey.

9. Miss Anna L. Hagstrom, Postmistress, U.S. Post Office, Wanaque, New Jersey.

10. Mrs. Marlene V. Howard, Wife of U.S. Congressman, Spring Lake, New Jersey.

11. Mrs. Doris R. Hunt, Wife of U.S. Congressman, Pitman, New Jersey.

12. Mrs. Josephine M. Johnson, President, Welton V. Johnson Engineering Company, Inc., Summit, New Jersey.

13. Mrs. Susanne A. Madden, National Executive Committeewomen, American Legion Auxiliary, Woodbury, New Jersey.

14. Miss Emma C. McGall, Partner, Law Firm of Beard & McGall, Westfield, New Jersey.

15. Mrs. Peggy K. McNeil, President, Trenton Times Newspapers, Lawrenceville, New Jersey.

16. Mrs. Betty W. Menard, Library Technical Assistant, Ewing Township Board of Education, Trenton, New Jersey.

17. Mrs. Theresa V. Minish, Wife of U.S. Congressman, West Orange, New Jersey.

18. Mrs. Mary R. Nevius, Wife, Vice President of Nevius-Voorhees, Flemington, New Jersey.

19. Mrs. Florence C. Niemiec, President, Ladies Auxiliary, Veterans of Foreign Wars, Department of New Jersey, Somerville, New Jersey.

20. Mrs. Anna Q. Patten, Wife of U.S. Congressman, Perth Amboy, New Jersey.

21. Mrs. Anne Patterson, President, New Jersey Nurses' Association, Wayne, New Jersey.

22. Mrs. Jean E. Perkins, Wife of Professor & Chairman, Department of Aerospace and Mechanical Sciences, Princeton University, Princeton, New Jersey.

23. Mrs. Marianna H. Rodino, Wife of U.S. Congressman, Newark, New Jersey.

24. Mrs. Irene G. Roman, Director of Customer Relations, Wheeling Warehouses, Westfield, New Jersey.

25. Mrs. Lillian M. Schwartz, Secretary-Assistant Treasurer, New Jersey Turnpike Authority, Highland Park, New Jersey.

26. Mrs. Joan B. Scott, Vice President, Scott Printing Company, Jersey City, New Jersey.

27. Mrs. Patricia Q. Sheehan, Mayor, City of New Brunswick, New Brunswick, New Jersey.

28. Mrs. Anne M. Thomas, Secretary, Hunterdon County Democrat, Inc. and Woman's Page Editor, Hunterdon County Democrat, Inc., Flemington, New Jersey.

29. Mrs. Evelina V. M. Thompson, Wife of U.S. Congressman, Trenton, New Jersey.

30. Mrs. Mary R. Towers, Assistant Personnel Director, Wheeling Transportation, Inc., Orange, New Jersey.

32. Miss Dorothea H. Wingert, President, New Jersey Daily Newspaper Women, Inc., Atlantic Highlands, New Jersey.

ESCORTS

1. Major General James F. Cantwell, Chief of Staff, Department of Defense, State of New Jersey, HHD, New Jersey Army National Guard, Trenton, New Jersey, Escort.

2. Colonel Raymond J. Hill, State Air Defense Officer, HHD, New Jersey Army National Guard, Trenton, New Jersey, Assistant Escort.

3. Major Robert K. Krosen, Information Officer, Department of Defense, Trenton, New Jersey, Assistant Escort.

4. Captain Virginia I. Estes, Information Office, Headquarters, 1st Region, ARADCOM, Stewart Air Force Base, New York, ARAD COM Escort.

5. CWO W–2 William H. Stephens, Administrative Assistant to the Director of Personnel, Department of Defense, State of New Jersey, HHD, New Jersey Army National Guard, Trenton, New Jersey, Assistant Escort.

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WISCONSIN OPERATION UNDERSTANDING, FEBRUARY 8–10, 1968

1. Dr. George R. Balling, Assistant Superintendent for Federal and State Relations, Chicago Public Schools, Chicago, Illinois.

2. Mr. Bruce Bishop, Administrator, Division of Civil Defense and Disaster Control, Madison, Wisconsin.

3. Mr. Steve Boyle, Executive Office, State Capitol, Madison, Wisconsin.

4. Mr. Nickolas Braun, Director, Racine County Civil Defense, Racine, Wisconsin.

5. Mr. Robert Brigham, Attorney, Madison, Wisconsin.

6. Mr. Roger Debenham, Manager, Industrial Relations, Gisholt Machine Company, Madison, Wisconsin.

7. Mr. Milo Flaten, Attorney, Madison, Wisconsin.

8. Mr. James Gruentzel, Deputy Administrator, Division of Civil Defense and Disaster Control, Madison, Wisconsin.

9. Mr. Marshall Hughes, Industrialist, Eau Claire, Wisconsin.

10. Dr. Herman F. Karreman, Professor, Mathematics Research, University of Wisconsin, Madison, Wisconsin.

11. Mr. Harold W. Meyer, State Patrol Civil Defense Coordinator, Madison, Wisconsin.

12. Mr. Bruce Mitchell, Assistant to Director, Museum of Science and Industry, Chicago, Illinois.

13. Mr. Arthur Padrutt, Chairman, Public Service Commission, Madison, Wisconsin.

14. Honorable Robert Rand, Mayor of Manitowoc, Manitowoc, Wisconsin.

15. Mr. Robert Rennebohm, Executive Director, University of Wisconsin Foundation, Madison, Wisconsin.

16. Dr. Douglas S. Ritchie, Superintendent of Schools, Madison, Wisconsin.

17. Mr. Norvel Rollins, Chief of Police Communications, Madison, Wisconsin.

18. Professor Cley Shoenfeld, Professor, Wildlife Ecology and Journalism, University of Wisconsin, Madison, Wisconsin.

19. Mr. James Welsh, District Commercial Manager, Wisconsin Telephone Company, Madison, Wisconsin.

ESCORTS

1. Colonel Gordon A. Moon II, Information Officer, Fifth U.S. Army, Fort Sheridan, Illinois, Escort.

2. Colonel John R. McLean, Professor of Military Science, University of Wisconsin, Assistant Escort.

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ALABAMA OPERATION UNDERSTANDING, FEBRUARY 29–MARCH 2, 1968

1. Mr. Agnes W. Baggett, State Treasurer, Alabama, Montgomery, Alabama.

2. Mrs. Myra B. Bailey, Dean of Women, Huntingdon College, Montgomery, Alabama.

3. Mrs. Idelle S. Brooks, Women's News Director, WCOV TV, Montgomery, Alabama.

4. Mrs. Elizabeth R. Broxton, President, Wetumpka Business & Professional Women, Wetumpka, Alabama.

5. Miss Katharine C. Cater, Dean of Women, Auburn University, Auburn, Alabama.

6. Miss Bethel Fite, Director, Department of Library Extension & Program Services, University of Alabama, Tuscaloosa, Alabama.

7. Mrs. W. Harry Isbell (Evelyn), President, Montgomery Federation of Garden Clubs, Inc., Montgomery, Alabama.

8. Mrs. Clarence Kennedy (Marjorie), Wife of Chief of Staff, 5th Region, ARADCOM, Montgomery, Alabama.

9. Mrs. Susan C. Lott, Women's Academic Counselor, University of Alabama, Tuscaloosa, Alabama.

10. Mrs. Agnes Mills, Immediate Past President, Alabama Federation of Business and Professional Women, Montgomery, Alabama.

11. Mrs. Margaret Murrell, President, Service League of Prattville, Prattville, Alabama.

12. Miss Margaret R. Sturgis, Member, National Legislative Committee, American Association of University Women, Montgomery, Alabama.

13. Mrs. Nancy L. Thomas, Information Office, 5th Region, ARADCOM, Montgomery, Alabama.

14. Mrs. Laura Watts, Past President, Alabama Federation of Business and Professional Women, Montgomery, Alabama.

15. Mrs. Janice G. Whorton, Administrative Assistant, Montgomery Area Chamber of Commerce, Montgomery, Alabama.

16. Mrs. Joy R. Williams, Reporter, Women's Department, The Birmingham News, Birmingham, Alabama.

17. Mrs. Paul B. Wolff (Grace), Wife of Deputy Commander, 5th Region, ARADCOM Montgomery, Alabama.

ESCORTS

1. LTC Iona S. Connolly, Third Army WAC Staff Advisor, Fort McPherson, Georgia, Escort.

2. Captain Mildred M. Christian, Acting Assistant Adjutant General, 5th Region, ARADCOM, Gunter Air Force Base, Alabama, Assistant Escort.

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CHICAGO-MILWAUKEE DEFENSE OPERATION UNDERSTANDING, FEBRUARY 29–MARCH 2, 1968

1. Mr. Jack Azcona, Civil Defense Director, City of Gary, Gary, Indiana.

2. Mr. James Campbell, Zone Service Manager, Chevrolet Division, General Motors, Milwaukee, Wisconsin.

3. Mr. Ray F. Greving, Vice President, Federal Sign & Signal Corporation, Chicago, Illinois.

4. Mr. John T. Janszen, Chairman of the Board, Arlington Heights Chamber of Commerce, Arlington Heights, Illinois.

5. Mr. Edward Keegan, President, Arlington Heights Chamber of Commerce, Arlington Heights, Illinois.

6. Mr. Douglas Madden, Engineer, American Telephone & Telegraph Company, Chicago, Illinois.

7. Mr. Claude J. Robinson, Vice President, Safety Steel Products, Milwaukee, Wisconsin.

8. Mr. William Ruby, President, Ruby Chevrolet, Milwaukee, Wisconsin.

9. Honorable Raymund L. Termunde, Village President, Village of Alsip, Alsip, Illinois.

10. Honorable Lilburn J. Titus, Mayor, City of Hobart, Hobart, Indiana.

11. Mr. Dan D. Vaughn, President, Valparaiso Chamber of Commerce, Valparaiso, Indiana.

12. Mr. Curtis Volkamer, Chief Fire Marshal, Chicago Fire Department Training Academy, Chicago, Illinois.

ESCORTS

1. Colonel William E. Holmes, Commanding Officer, 45th Artillery Brigade (Air Defense), Arlington Heights, Illinois, Escort.

2. 2d Lieutenant Richard J. Marcotullio, Information Officer, 45th Artillery Brigade (Air Defense), Arlington Heights, Illinois, Assistant Escort.

AMCIN–CR (16 Apr. 68) 1st Ind.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

HQ, U.S. Army Materiel Command, Washington, D.C. 20315, 19 April 1968.

To: Chief of Information, Department of the Army, ATTN: Chief, P&P Div., Washington, D.C. 20310.

Forwarded in compliance with paragraph 27(b), AR 360–5.

For the Commander:

WILLIAM H. MESSENGER,
*Chief, Community Relations*
*Information Office.*

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DEPARTMENT OF THE ARMY,
RED RIVER ARMY DEPOT,
*Texarkana, Tex., April 16, 1968.*

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS, CINFO–25).

To: Commanding General, U.S. Army Materiel Command. Attn: AMCIN, Washington, D.C. 20315.

Reference paragraph 27(b), AR 360–5, use of military transportation for nonlocal travel to Colorado Springs, Colorado, for community relations purposes was scheduled as follows during the month of April:

a. Trip date: 11–13 Apr 68

b. Origin: Texarkana, Arkansas

c. Destination: U.S. Army Air Defense Command, Colorado Springs, Colo.

d. Name and occupation of individuals invited and affiliations:

(1) Honorable Joe J. Fisher, U.S. District Judge, Eastern District of Texas, Beaumont, Texas.

(2) Honorable George Rozzell, Mayor of the City of Wake Village, Wake Village, Texas.

(3) Honorable T. C. Chadick, Chief Justice, Court of Civil Appeals, Sixth District, Texarkana, Texas.

(4) Dr. Frank King, realtor, Texarkana, Texas.

(5) Mr. Connor W. Patman, Attorney, Texarkana, Texas.

(6) Mr. Guy Jones, Attorney, Texarkana, Texas.

(7) Mr. W. N. Harkness, Attorney, Texarkana, Texas.

(8) Mr. Sidney Lee, Attorney, Texarkana, Texas.

(9) Mr. Dick Gates, Administrator, Titus County Memorial Hospital, Mt. Pleasant, Texas.

(10) Mr. Roy W. Davis, Realtor, Texarkana, Texas.

(11) Mr. H. L. McAdams, Division Manager, Southwestern Electric Power Company, Texarkana, Tex.-Ark.

(12) Mr. Bill Bryan, Assistant Cashier, State First National Bank, Texarkana, Ark.

(13) Mr. Wilver E. Drummond, Owner, Ragland Cigar Company, Texarkana, Texas.

(14) Mr. George Quillin, Sales Representative, Ragland Office Equipment Company, Texarkana, Texas.

(15) Mr. W. B. McCulloch, President, McCulloch Electronics Company, Texarkana, Texas.

(16) Mr. Albert F. Rehkoph, Owner, Rehkoph Foodland, Wake Village, Tex.

(17) Mr. J. C. Reavis, President, McWilliams Stationery Company, Texarkana, Texas.

(18) Mr. Trumand Arnold, Wholesale Distributor, Conoco Petroleum Products, Texarkana, Texas.

(19) Mr. Sam Westbury, Owner, Acme Equipment Company, Tyler, Texas.

(20) Mr. James R. Hubbard, Attorney, Texarkana, Texas.

e. Type of carrier and service ownership: C–47 (Army).

f. Purpose: "Operation Understanding" tour to U.S. Army Air Defense Command Headquarters and North American Air Defense Command facilities, located at Colorado Springs, Colorado.

For the Commander:

B. J. BREWER,
*Information Officer.*

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*April 23, 1968.*

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Attn: Chief, Media Accreditation and Tours.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes; Reports Control No. DD–PA (M) 591.

In accordance with the Department of Defense Instruction No. 5435.2, dated December 13, 1963, the attached reports are submitted for the month of March.

For the Chief of Public Information:

*April 3, 1968.*

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

To: Chief of Information, Department of the Army, Washington, D.C. 20310.

1. Reference AR 360–5, Change 1, dated 12 March 1964, subject as above.

2. Major R. William Dunne and Captain John C. Hodge, requesting officers, for the U.S. Army R.O.T.C. Instructor Group, Eastern Kentucky University, Richmond, Kentucky, utilized the following vehicles to transport material and cadets:

(Equipment, origin, destination, and date)

Truck 2½ ton, Richmond, Ky to Richmond, Ky., 1 Mar 68.

Truck 2½ ton, Richmond, Ky., to Berea, Ky., 9–10 Mar 68.

Buses (2), Richmond, Ky., to Morehead Ky., 10 Mar 68.

Buses (2), Richmond, Ky., to Wright-Patterson AFB, Ohio, 22–24 Mar 68.

3. Major Claude H. Warren, requesting officer, for the U.S. Army R.O.T.C. Instructor Group, University of Kentucky, Lexington, Kentucky, utilized the following vehicle to transport cadets:

(Equipment, origin, destination, and date)

Carryalls (2), Lexington, Ky, to Lexington, Ky., 6–7 Mar 68.

4. Mr. Ralph E. Murrell, requesting officer, for the U.S. Army Reserve Area Supply Office, Lexington, Kentucky, utilized the following vehicle to transport TOE equipment:

(Equipment, origin, destination, and date)

Truck 2½ ton, Lexington, Ky., to Columbus, Kent, and Toledo, Ohio, 18–20 Mar 68.

For the Commander:

MARVIN W. LASSEN,
*Major, SigC*
*Director for Administration.*

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: Hq ARADCOM, Information Office, Ent AFB, Colo.

(Trip date, origin, destination, type individual, type carrier and ownership)

7–9 Mar 68, Connecticut to Fort Bliss, Tex., White Sands, N.M. Ent AFB, Colo., Incl 1, C–54 (ANG).

14–16 Mar 68, New York to Fort Bliss, Tex., White Sands, N.M., Ent AFB, Colo., Incl 2, C–97 (ANG).

21–23 Mar 68, Ohio to Fort Bliss, Tex., White Sands, N.M., Ent AFB, Colo., Incl 3, C–54 (ANG).

21–23 Mar 68, Missouri to Fort Bliss, Tex., White Sands, N.M., Ent AFB, Colo., Incl 4, C–97 (ANG).

BENJAMIN A. SPILLER,
Colonel, GS
*Information Officer.*

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CONNECTICUT OPERATION UNDERSTANDING, MARCH 7–9, 1968

1. Mrs. Virginia R. Acker, Member, Eastern Star, West Hartford, Connecticut.
2. Mrs. Muriel J. Byrne, Secretary with United Aircraft Corporation, Middletown, Connecticut.
3. Mrs. Elizabeth M. Colton, Member, Avery Heights Homeowners Association, Wapping, Connecticut.
4. Mrs. Hannah B. DeSio, Member, Norwich City Club, Norwich, Connecticut.
5. Mrs. Geraldine F. Ellis, Chairman, Cancer Crusade for Devon, Devon, Connecticut.
6. Mrs. Judith L. Finch, Secretary-Treasurer, Rose Garden Club of Monroe, Devon, Connecticut.
7. Mrs. Irene M. Fournier, Member, General Electric Employees Association of Middletown, Middletown, Connecticut.
8. Mrs. Anne K. Gelormine, Secretary, Ladies Circle Club of Ansonia, Ansonia, Connecticut.
9. Mrs. Amelia K. Guerini, Bridgeport, Connecticut.
10. Mrs. Margaret E. Johnson, Member, National Education Association, Wapping, Connecticut.
11. Mrs. Patricia A. Karvelis, Chairman, Ladies Auxiliary Manchester Chamber of Commerce, Manchester, Connecticut.
12. Mrs. Florence B. Levesque, New Britain, Connecticut.
13. Mrs. Bonnie A. Manning, Secretary, Arts & Crafts Club of Stratford, Stratford, Connecticut.
14. Mrs. Joan K. Picard, Member, Ansonia Parent-Teachers' Association, Ansonia, Connecticut.
15. Mrs. Albertine Picard, Representative, Emhart Corporation, New Britain, Connecticut
16. Mrs. Ruth C. Poulin, Committee Member, Community Chest Fund Drive of Cromwell, Meriden, Connecticut.
17. Mrs. Joan E. Reidenbach, Member, Parent-Teachers' Association, Bridgeport, Connecticut.
18. Mrs. Margaret A. Reidenbach, Project Officer, Beautification of Ferndale, Bridgeport, Connecticut.
19. Mrs. Elza D. Richardson, Member, Parent-Teachers' Association, Gildersleeve School System, Portland, Connecticut.
20. Mrs. Florence D. Rioux, Member, American Legion Auxiliary, Forestville, Connecticut.
21. Mrs. Deborah M. Rogers, Secretary, Nursing Auxiliary of Ansonia, Ansonia, Connecticut.
22. Mrs. Hannelore A. Seely, Representative, Hartford National Bank, Hartford, Connecticut.
23. Mrs. Lucille E. Sterbach, Member, Parent-Teachers' Association, Stratford, Connecticut.
24. Mrs. Barbara J. Swinson, Member, Ladies Circle Club, Ansonia, Connecticut.
25. Mrs. Ann Y. Veilleux, East Hartford, Connecticut.
26. Mrs. Robina B. Werner, Treasurer, DAR of Derby, Connecticut, Ansonia, Connecticut.
27. Mrs. Margaret D. Wing, Chairman, Heart Fund Association, Portland, Connecticut.

ESCORTS

1. Colonel Paul J. DeSio, Air Defense Officer, State of Connecticut, HHD CONNARNG, Hartford, Conn., Escort.
2. Captain Virginia L. Estes, Information Office, Hq, 1st Region, ARADCOM, Stewart Air Force Base, New York, Assistant Escort.
3. WO W–1 Martin J. Rioux, Administrative Assistant to State Air Defense Officer, Military Department, State of Connecticut, HHD, CONNARNG, Hartford, Conn., Assistant Escort.
4. Mr. Joseph P. Tierney, Public Relations Officer, Military Department, State of Connecticut, Assistant Escort.

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NEW YORK ARMY NATIONAL GUARD OPERATION UNDERSTANDING, MARCH 14–16, 1968

1. Brigadier General John C. Baker, Vice Chief of Staff to the Governor, Albany, New York.
2. Mr. Norman R. Baker, Editor and Vice President, The Journal News, Nyack, New York.
3. Mr. William J. Beuler, Engineering Manager, Graham Manufacturing Company, Batavia, New York.
4. Mr. Roswell E. Brett, Office of General Services, Albany, New York.
5. Mr. William F. Brown, Jr., President and Manager, Radio Station WBTA, Batavia, New York.
6. Mr. Thomas Castelli, Director of Occupational Education, Rockland County Center of Occupational Education, West Nyack, New York.
7. Mr. Eugene P. Devine, Attorney and Albany County Treasurer, Albany, New York.
8. Mr. Raymond P. Griffiin (Capt USAR), Supervisor, Town of Grand Island, Grand Island, New York.
9. Mr. Harold K. Grune, Attorney, Stony Point, New York.
10. Mr. Donald J. Guiry, Investigator, New York State Police Department, Albany, New York.
11. Mr. Douglas A. Haeffner, Vice President, Tinker National Bank, Rocky Point, New York.
12. Mr. Roger C. Hipp, Manager of Manufacturing, Remington Rand Division, Sperry Rand Corporation, Tonawanda, New York.
13. Mr. Eugene Johnson, President, Applied Design Company, Inc., Kenmore, New York.
14. Mr. Owen Kaufman, Assistant Supervisor, Town of Babylon, Lindenhurst, Long Island, New York.
15. Mr. Stanley J. Keysa, Attorney, Lancaster, New York.
16. Mr. J. Dick Leser, Test Range Coordinator, Grumman Aircraft Corporation, Galverton, New York.
17. Mr. Donald R. MacCollum, Vice President, Rochester Gas & Electric Corporation, Rochester, New York.
18. Mr. Kenneth J. McIlraith, President, Scott Aviation Division, Automatic Sprinkler Corp., Lancaster, New York.
19. Mr. Elmer C. Miethaner, Comptroller, Western Savings Bank, Buffalo, New York.
20. Mr. Maynard L. Parker, Production Manager, Industrial Chemical Division, Hooker Chemical Corporation, Niagara Falls, New York.
21. Mr. C. King Rabineau, President, C. King Rabineau, Inc., Food Brokers, Albany, New York.
22. Mr. Sherwood P. Richards, Attorney, Woodhaven, New York.
23. Mr. Joseph H. Sackett, Real Estate Broker, Woodhaven, New York.
24. Colonel Bernard Saul, Detachment Commander, 152d Tactical Air Control Group, New York Army National Guard, Rosyln, New York.
25. Mr. Robert M. Silver, Manager of Contractual Relations, Sylvania Electronics System, Williamsville, New York.
26. Mr. Edward N. Spink, Resources Management Officer, Erie County Civil Defense, Canajoharie, New York.
27. Hon. Duncan Sterling, Jr., Mayor of Bayville and Senior Partner, Sterling, Grace and Company, Investment Brokers, New York, New York.
28. Mr. James A. Thomson, Supervisor, Remington Rand Division, Sperry Rand Corporation, Tonawanda, New York.
29. Mr. Daniel W. Vooys, President, Central National Bank, Canajoharie, New York.
30. Dr. Robert A. Werner, Dentist and Associate Professor, University of Buffalo, Kenmore, New York.
31. Mr. Thomas M. Whalen, III, Attorney, Albany, New York.
32. Mr. Robert T. Winding, Manager, Security National Bank, Rocky Point, New York.

ESCORTS

1. Colonel Charles J. McClure, State Air Defense Officer, Division of Military and Naval Affairs, Albany, New York, Escort.
2. Lieutenant Colonel Milton K. Campbell, 1st Region, ARADCOM, Stewart Air Force Base, New York, ARADCOM Escort.
3. Lieutenant Colonel Raymond F. Joyce, Information Officer, Division of Military and Naval Affairs, Albany, New York, Assistant Escort.
4. Major Henry E. Close, Jr. 2d Bn (NH) 209th Artillery, New York National Guard, Lancaster, New York, Assistant Escort.
5. Major Francis J. Horgan, Commanding Officer, 1st Bn (NH) 244th Artillery New York Army National Guard, Roslyn, New York, Assistant Escort.

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OHIO NATIONAL GUARD OPERATION UNDERSTANDING, MARCH 21–23, 1968

1. Mr. Edwin L. Arnold, Jr., Manager of Planning & Development, Standard Oil Company of Ohio, Columbus, Ohio.
2. Mr. Donald E. Babb, Owner, Babb Sheet Metal Company, Wilmington, Ohio.
3. Mr. Carroll J. Carr, President, B & C Electric Company, Wilmington, Ohio.
4. Mr. Alvin D. Close, President, National Coin Laundry, Columbus, Ohio.
5. Mr. Donald D. Cook, Director. Ohio Department of Liquor Control, Columbus, Ohio.
6. Mr. Norman Crabtree, Chief of Aviation, Department of Commerce, State of Ohio, Columbus, Ohio.
7. Mr. Robert W. Greer, Executive Secretary-treasurer, Columbus-Franklin County AFL–CIO, Columbus, Ohio
8. BG Paul E. Hoover, Ohio Air National Guard, Columbus, Ohio.
9. Mr. William C. Jenney, Supervising Engineer (Defense), Ohio Bell Telephone Company, Westlake, Ohio.
10. Colonel William L. Klare, Deputy Director, Selective Service, State of Ohio, Worthington, Ohio.
11. Mr. Paul Massa, Columnist-Feature Writer, Columbus Dispatch, Granville, Ohio.
12. Mr. Warren C. Nelson, Director, Ohio Department of Highway Safety, Lebanon, Ohio.
13. Mr. Dean Phillips, Director of Personnel and Public Relations, North American-Rockwell Corporation, Columbus, Ohio.
14. Honorable Richard G. Reichel, Ohio House of Representatives, State of Ohio, Massillon, Ohio.
15. Colonel Harry E. Richter, Ohio Air National Guard, Columbus, Ohio.
16. Mr. Kline L. Roberts, President, Columbus Area Chamber of Commerce, Columbus, Ohio.
17. Mr. Anthony Ruppersburg, Jr. (Col. Ret.), Surgeon and Faculty Member, Medical College, Ohio State University, Columbus, Ohio.
18. BG Frederick P. Wenger, Assistant Adjutant General for Air, State of Ohio, Worthington, Ohio.
19. Mr. Denver L. White, Director, Ohio Department of Public Welfare, Columbus, Ohio.

ESCORTS

1. Colonel Ned E. Ackner, Hq 1st Region, ARADCOM, Stewart AFB, New York, Escort.
2. Colonel Thomas A. Herzog, Air Defense Officer, State of Ohio, Assistant Escort.
3. LTC Joseph E. P. McCann, Chief of Administrative Services, The Adjutant General's Department, State of Ohio, Assistant Escort.
4. CW3 Ray E. Swerlein, Air Defense Office, The Adjutant General's Department, State of Ohio, Assistant Escort.

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MISSOURI ARMY NATIONAL GUARD OPERATION UNDERSTANDING, MARCH 21–23, 1968

1. Honorable William R. Antoine, State Representative, Independence, Missouri.
2. Mr. J. K. Bales, Vice President & Associate General Council, Business Men's Assurance Company of America, Kansas City, Missouri.
3. Honorable Sam C. Blair, Judge, Kansas City Court of Appeals (Ret), Jefferson City, Missouri.
4. Mr. Theodoric Bland, Postmaster & Regional Advisor, Kansas City, Missouri.
5. Mr. Oscar Chapman, Dean of Instruction, Lincoln University, Jefferson City, Missouri.
6. Dr. Max Cull, Clinton, Missouri.
7. Mr. Royce Dawson, Vice President, Missouri Power & Light Company, Jefferson City, Missouri.
8. Honorable Jack Gant, State Senator, Independence, Missouri.
9. Honorable Clarence H. Heflin, State Representative, Independence, Missouri.
10. Mr. Herman W. Huber, Attorney-at-Law, Jefferson City, Missouri.
11. Mr. Lincoln J. Lett, Resident Engineer, Missouri Highway Department, Maryville, Missouri.
12. Mr. Gerald R. Massie, Assistant Director, Missouri Division of Commerce, and Industrial Development, Jefferson City, Missouri.
13. Mr. Joel Montgomery, President, Montgomery Investment Company, Sikeston, Missouri.
14. Mr. Hal Robertson, Association of Land Banks, Sikeston, Missouri.
15. Mr. Robert J. Schnieders, Administrator, Blair Oaks High School, Jefferson City, Missouri.
16. Mr. Edward J. Schuelein, General Manager, KRCG–TV & KMOS–TV, Jefferson City, Missouri.
17. Mr. Wendell E. Sears, Director, State Training Schools, Jefferson City, Missouri.
18. Mr. Henry L. Thomas, Assistant Coordinator and Administrative Office, Civil Defense, Jefferson City, Missouri.
19. Dr. I. J. Twiehaus, Owner, Countryside Animal Clinic, Kansas City, Missouri.
20. Mr. Ray Wilson, District Construction Engineer, Missouri Highway Commission, St. Joseph, Missouri.

ESCORTS

1. Colonel K. D. Goldblum, Deputy Commander, 2d Region, ARADCOM, Richards-Gebaur Air Force Base, Missouri, Escort.
2. Colonel Walter C. Wilson, State Air Defense Officer, Jefferson City, Missouri, Assistant Escort.
3. CW3 Karl Bennett, Director of Finance and Facilities, AGMo, Jefferson City, Missouri, Assistant Escort.

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MAY 6, 1968.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Carriers for Public Affairs Purposes.

The inclosed reports, subject as above, are submitted in accordance with Section IX, DOD Directive 5435.2 for the month of May 1968, under the provisions of RCS DD–PA (M) 591.

For the Chief of Information:

W. H. APPLEGATE,
*Colonel, GS, Chief, Policy and Plans Division.*

[AJAIN–C]

DEPARTMENT OF THE ARMY, HEADQUARTERS, THIRD UNITED STATES ARMY,
*Fort McPherson, Ga., May 27, 1968.*

Subject: Report of Nonlocal Travel for Community Relations Purposes (RCS CINFO–25).

CHIEF OF INFORMATION,
*Department of the Army,*
*Washington, D.C.*

1. Reference paragraph 27b, AR 360–5, dated 27 September 1967.

2. Seventeen faculty and students of Florida State University visited the United States Army Military Police School, Fort Gordon, Georgia, on 8 and 9 May 1968.

3. The AFC131 flight was requested by Mr. Truett A. Ricks, Instructor, Department of Criminology and Corrections, Florida State University, Tallahassee, who accompanied the group. LTC Frank Griffin, US Army, a student at Florida State University, was the senior military person with the group.

4. The purpose of the visit was to present the educators and their students, whose primary interest is criminology, an opportunity to see the criminology and civil disturbance training being conducted at the US Army Military Policy School, Fort Gordon, Georgia.

5. The names and positions of the faculty and students who made the trip are attached.

For the Commander:

CARL M. ABEL,
*Colonel, AGC, Assistant Adjutant General.*

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THE FLORIDA STATE UNIVERSITY,
*Tallahassee, Fla.*

All of the following are residents of Tallahassee and are in the Department of Criminology and Corrections:

Czajkosi, Eugene—Associate Professor, 903 Abbingale Drive.

Peizer, Shelton—Associate Professor, 3022 Brandemere Drive.

Venter, Kenneth—Instructor, 320 Lewis.

Marsh, Richard—Instructor, 2013 E. Indian Head Drive.

Ricks, Truett—Instructor, 310 Ash Court.

Herndon, Doyle—Graduate Student, 920 Maplewood, Ave.

Burkett, Walter—Graduate Student, 1545 Valley Road.

Griffin, Frank—Graduate Student, 2404 Miranda Ave.

Ehasy, Glenn—Graduate Student, 627 E. Park Ave.

Lauer, Dale—Undergraduate Student, 165–1 Cranshaw.

Collins, Stephen—Undergraduate Student, 306–8 Pennell Circle.

Bray, Gary—Undergraduate Student, 172–15 Brittain Drive.

Steadham, John—Undergraduate Student, 126 Valencia Drive.

Melsek, Rodney—Undergraduate Student, 507 Palm Court.

Coney, Gerald—Undergraduate Student, 3118 W. Tennessee St.

Conroy, John—Undergraduate Student, 342 Ridgecrest.

Fenwick, Jack—Undergraduate Student, 463 A. Nathaniel Salley.

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

2–6 April 68, Maryland to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 1, T–29, Operation Understanding.

Detroit to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 2, T–29, Operation Understanding.

1–5 April, Colo. Springs to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 3, C–131, Operation Understanding.

1–12 April, Texarkana, Texas to Colorado Springs, Incl 4, C–47, Operation Understanding.

16–20 April, Alaska to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 5, VC–118, Operation Understanding.

Minnesota to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 6, T–29, Operation Understanding.

23–27 April, Philadelphia to Fort Bliss, Texas, White Sands, N. Mex., Ent. AFB, Colorado, Incl 7, VT–29D, Operation Understanding.

California to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 8, T–29, Operation Understanding.

BENJAMIN A. SPILLER,
*Colonel, GS,*
*Information Officer.*

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WASHINGTON-BALTIMORE OPERATION UNDERSTANDING, APRIL 4–6, 1968, GUEST LIST

1. Honorable Stanley Blair, Secretary of State of Maryland, Whiteford, Maryland.
2. Honorable P. M. Brooks, Jr., Mayor of Chestertown, Chestertown, Maryland.
3. Mr. Fred Frederick, Owner, Chrysler-Plymouth Agency, Laurel, Maryland.
4. Honorable Robert S. Heise, Judge, Peoples' Court for Anne Arundel County, Annapolis, Maryland.
5. Mr. Emmett T. Loane, Defense Coordinator for Chesapeake & Potomac Telephone Co., Baltimore, Maryland.
6. Mr. Edward J. Rodowsky, Member, Board of Directors, Independent Retail Grocers' Assoc., Annapolis, Maryland.
7. Mr. Nathan R. Scarborough, Assistant Vice President, Century Savings & Loan Association, Abington, Maryland.
8. Mr. George W. Velenovsky, President, Annapolis, Maryland.

ESCORTS

1. Colonel Henry A. Lowe, 35th Artillery Brigade Commander, Escort.
2. 2d Lieutenant Richard A. Croner, S–3 Section, 35th Artillery Brigade, Assistant Escort.

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DETROIT OPERATION UNDERSTANDING, APRIL 4–6, 1968

GUEST LIST

1. Dr. Broadus N. Butler, Associate Director, Project PRESCAD, Wayne State University, Detroit, Michigan.
2. Mr. Irving A. Duffy, Civilian Aide to the Secretary of the Army, Detroit, Michigan.
3. Dr. Leon Fill, Obstetrics & Gynecology, Detroit, Michigan.
4. Mr. James E. Fitzgerald, Editor, Lapeer County Press, Lapeer, Michigan.
5. Mr. Mario Fontana, Commissioner, Michigan Aeronautical Commission, Detroit, Michigan.
6. Mr. D. J. Frayer, Division Commercial Manager, Michigan Bell Telephone Company, Detroit, Michigan.
7. Mr. Norman Hill, Chairman, Macomb Board of Supervisors, Macomb County, Michigan.
8. Mr. Peter C. McGillivray, Chief, Civil Defense, City of Detroit, Detroit, Michigan.
9. Mr. George W. Priehs, Priehs Department Store, Mt. Clemens, Michigan.
10. Mr. Albert J. Rhodes, President, Pontiac Board of Realtors, Pontiac, Michigan
11. Mr. Joseph B. Sullivan, Commissioner, Department of Purchase and Supplies, Detroit, Michigan.
12. Mr. Frederic C. Weiss, Mr. Clemens Rose Gardens, Mt. Clemens, Michigan.

ESCORTS

1. Colonel Edward H. Church, Commanding Officer, 28th Artillery Group, Escort.
2. Major Philip A. Goetzmann, Adjutant, 28th Artillery Group, Assistant Escort.

COLORADO SPRINGS OPERATION UNDERSTANDING, APRIL 1–5, 1968

GUEST LIST

1. Mr. Rex L. Bennett, Rancher, Colorado Springs, Colorado.
2. Mr. Harold L. Davis, Assistant Police Chief, Colorado Springs Police Department, Colorado Springs, Colorado.
3. Mr. Robert Fackler, President, USO, Colorado Springs, Colorado.
4. Mr. George H. Fellows, City Manager, Colorado Springs, Colorado Springs, Colorado.
5. Mr. Willis P. Fischer, President, Western National Bank, Colorado Springs, Colorado.
6. Mr. Jon W. Frost, Rancher and Owner, Frost Livestock Company, Colorado Springs, Colorado.
7. Mr. Howard J. Kunstle, Attorney-at-Law, Colorado Springs, Colorado.
8. Mr. Frank W. Ladwig, Director of Aviation, City of Colorado Springs, Colorado Springs, Colorado.
9. Mr. Edward V. Lohman, Vice President, Fort Carson National Bank, Colorado Springs, Colorado.
10. Mr. Andrew Marshall, Jr., City Councilman and Treasurer, Union Land & Grazing Company, Colorado Springs, Colorado.
11. Honorable Theodore R. Schubert, State Representative, House of Representatives, Ellicott, Colorado.
12. Mr. James R. Watson, Owner, Colorado Concrete Mfg. Company, Colorado Springs, Colorado.
13. Mr. Leon C. Wilmot, Administraive Executive, Broadmoor Hotel, Colorado Springs, Colorado.

ESCORTS

1. Lieutenant General Robert Hackett, Commanding General, ARADCOM, Host.
2. Colonel Benjamin A. Spiller, Information Officer, ARADCOM, Escort.
3. Lieutenant Colonel Carl G. Kaplanoff, Chief, Community Relations Division, ARADCOM, Assistant Escort.

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TEXAS OPERATION UNDERSTANDING, APRIL 11–12, 1968

GUEST LIST

1. Mr. Truman Arnold, Wholesale Distributor, Conoco Petroleum Products, Texarkana, Texas.
2. Mr. Bill Bryan, Assistant Cashier, State First National Bank, Texarkana, Texas.
3. Honorable T. C. Chadick, Chief Justice, Court of Civil Appeals, Sixth District, Texarkana, Texas.
4. Mr. Roy W. Davis, Realtor, Texarkana, Texas.
5. Mr. Wilver E. Drummond, Owner, Ragland Cigar Company, Texarkana, Texas.
6. Honorable Joe J. Fisher, United States District Judge, Eastern District of Texas, Beaumont, Texas.
7. Mr. Dick Gates, Administrator, Titus County Memorial Hospital, Mt. Pleasant, Texas.
8. Mr. W. N. Harkness, Attorney, Texarkana, Texas.
9. Mr. James R. Hubbard, Attorney, Texarkana, Texas.
10. Mr. Guy Jones, Attorney, Texarkana, Texas.
11. Dr. Frank King, Realtor, Texarkana, Texas.
12. Mr. Sidney Lee, Attorney, Texarkana, Texas.
13. Mr. H. L. McAdams, Division Manager, Southwestern Electric Power Company, Texarkana, Texas.
14. Mr. W. B. McCulloch, President, McCulloch Electronics Company, Texarkana, Texas.
15. Mr. Connor W. Patman, Attorney, Texarkana, Texas.
16. Mr. George Quillin, Sales Representative, Ragland Office Equipment Company, Texarkana, Texas.
17. Mr. J. C. Reavis, President, McWilliams Stationery Company, Texarkana, Texas.
18. Mr. Albert F. Rehkoph, Owner, Rehkoph Foodland, Wake Village, Texas.
19. Honorable George Rozzell, Mayor of Wake Village, Wake Village, Texas.
20. Mr. Sam Westbury, Owner, Acme Equipment Company, Tyler, Texas.

ESCORTS

1. Colonel Nathan I. Reiter, Jr., Commanding Officer, Red River Army Depot, Texarkana, Texas, Escort.
2. Major W. Jon Marshall, Executive Officer, Red River Army Depot, Texarkana, Texas, Assistant Escort.

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ALASKA OPERATION UNDERSTANDING, APRIL 16-20, 1968

GUEST LIST

1. Mr. Richard Albers, City Councilman, Anchorage, Alaska.
2. Mr. John M. Anderson, President, Euralaska Sales Company, Anchorage, Alaska.
3. Mr. John M. Asplund, Chairman, Greater Anchorage Area Borough, Anchorage, Alaska.
4. Dean Earl H. Beistline, University of Alaska College, Alaska.
5. Mr. Alvin O. Bramstedt, President & General Manager, Midnight Sun Broadcasting Company, Anchorage, Alaska.
6. Mr. Augie G. Hiebert, President & General Manager, Northern Television, Inc., Anchorage, Alaska.
7. Honorable Richard W. Kirkpatrick, Mayor of Seward, Seward, Alaska.
8. Mr. James A. Messer, Partner, Aurora Motors Company, Fairbanks, Alaska.
9. Mr. Frank M. Reed, Vice President, Matanuska Valley Bank, Anchorage, Alaska.
10. Brigadier General Clarence E. Reid, Assistant Adjutant General, Army National Guard, Anchorage, Alaska.
11. Dr. Frank King, Realtor, Texarkana, Texas.
12. Mr. Sidney Lee, Attorney, Texarkana, Texas.
13. Mr. H. L. McAdams, Division Manager, Southwestern Electric Power Company, Texarkana, Texas.
14. Mr. W. B. McCulloch, President, McCulloch Electronics Company, Texarkana, Texas.
15. Mr. Connor W. Patman, Attorney, Texarkana, Texas.
16. Mr. George Quillin, Sales Representative, Ragland Office Equipment Company, Texarkana, Texas.
17. Mr. J. C. Reavis, President, McWilliams Stationery Company, Texarkana, Texas.
18. Mr. Albert F. Rehkoph, Owner, Rehkoph Foodland, Wake Village, Texas.
19. Honorable General Rozzell, Mayor of Wake Village, Wake Village, Texas.
20. Mr. Sam Westbury, Owner, Acme Equipment Company, Tyler, Texas.

ESCORTS

1. Colonel Nathan I. Reiter, Jr., Commanding Officer, Red River Army Depot, Texarkana, Texas, Escort.
2. Major W. Jon Marshall, Executive Officer, Red River Army Depot, Texarkana, Texas, Assistant Escort.

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MINNEAPOLIS-ST. PAUL OPERATION UNDERSTANDING APRIL 18–20, 1968

GUEST LIST

1. Mr. R. Charles Alderson, Senior Staff Engineer, System & Research Division, Honeywell, Inc., Minneapolis, Minnesota.
2. Mr. Harold D. Beetsch, Purchasing Agent, City of Minneapolis, Minneapolis, Minnesota.
3. Mr. Robert O. Campbell, Manager, News & Information, Control Data Corp., Minneapolis, Minnesota.
4. Mr. James E. Gretz, Vice President, Bank of New Richmond, New Richmond, Minnesota.
5. Honorable Elgin Gunderson, Mayor, Village of Cambridge, Cambridge, Minnesota.
6. Mr. Gary Hiebert, Columnist, St. Paul Pioneer Press & Dispatch, St. Paul, Minnesota.
7. Mr. Vern E. Leas, Vice President, Defense Marketing & Systems, Inc., St. Paul, Minnesota.
8. Mr. James W. Millin, Applied Mathematics Department, 3M Center, St. Paul, Minnesota.
9. Mr. William L. Nunn, Director, University Relations, University of Minnesota, Minneapolis, Minnesota.
10. Mr. George T. Sathre, Director, Corporate Purchasing, Hoerner Waldorf Corporation, St. Paul, Minnesota.
11. Mr. Richard J. Slater, Vice President & Associate Division Manager, G. T. Schjedlahl Co., Northfield, Minnesota.
12. Mr. Robert Weiss, Manager, Advanced Foods Borough & Support Systems Division, Research and Development Labs, The Pillsbury Company, Minneapolis, Minnesota.

ESCORTS

1. Lieutenant Colonel Donal C. Wells, Deputy Commander, 50th Artillery Group (AD), Escort.
2. CW4 Jose Anorga, 50th Artillery Group (AD), Assistant Escort.

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PHILADELPHIA-NEW YORK-NEW JERSEY OPERATIONS UNDERSTANDING, APRIL 25–27, 1968

GUEST LIST

1. Mr. George S. Bergman, President, Blair Tool and Machine Company, Flushing Queens, New York.
2. Mr. Donald W. DeCordova, Morrison, Lloyd, and Griggs, Hackensack, New Jersey.
3. Dr. William I. Gefter, Chief of Medicine, Episcopal Hospital, Philadelphia, Penna.
4. Mr. James Jones, International Representative, International Steel Workers of America, District 7, Philadelphia, Penna.
5. Dr. Jean Paul Mather, President, University City Science Center, Philadelphia, Penna.
6. Mr. Paul Murphy, Editor, Sun Magazine, Philadelphia, Penna.
7. Mr. Daniel P. Noonan, Vice President, Communications, Greater Philadelphia Chamber of Commerce, Philadelphia, Penna.
8. Mr. Ted Otis, Vice President, American Banker, New York, New York.
9. Mr. Clyde M. Pratt, Administrator, Borough of Tenafly, Tenafly, New Jersey.
10. Dr. Kenneth D. Wells, Freedoms Foundation at Valley Forge, Valley Forge, Penna.
11. Dr. H. Todd Williamson, President of Kiwanis Club, Philadelphia, Penna.
12. Dr. Walter Wollam, Assistant Superintendent of Schools, Tenafly, New Jersey.

ESCORTS

1. Colonel Rex H. Hampton, Commanding Officer 52nd Arty Brigade (AD), Highlands AADS, New Jersey, Escort.
2. 1st Lieutenant William A. Ransom, Assistant Adjutant, 52d Arty Brigade (AD), Highlands AADS, New Jersey, Assistant Escort.

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CALIFORNIA-UTAH OPERATION UNDERSTANDING, APRIL 25–27, 1968

GUEST LIST

1. Mr. George B. Catmull, Commissioner of Streets & Public Improvement, Salt Lake City, Utah.
2. Honorable Bruce G. Egbert, Mayor of West Jordon, West Jordon, Utah.
3. Mr. Walter H. Giubbini, Assistant District Attorney, San Francisco, California.
4. Mr. Edwin Johnson, Vice President & Manager, Wells Fargo Bank, San Rafael, California.
5. Mr. Glen E. Kraft, Chairman, Town Council, Kearns, Utah.
6. Mr. Fullmer H. Latter, Member, Utah Coordinating Council of Development Services, Salt Lake City, Utah.
7. Mrs. Carl P. McCarthy (Grace), Member of City Council, Pacifica, California.

8. Mr. Robert T. Nahas, President, Oakland-Alameda Coliseum Complex Board, Oakland, California.

9. Mr. Richard P. Nave, President, Morin County Chamber of Commerce, San Rafael, California.

10. Mrs. Robert L. Otsea (Marion), Field Representative to Congressman William S. Mailliard, San Francisco, California.

11. Mr. Charles Paris, President, Town Council, Magna, Utah.

12. Mrs. James R. Winn (Eleanor), Wife of Commanding General, 6th Region, ARADCOM, San Francisco, California.

13. Mrs. J. Arthur Wood (Vi), Vice President, Utah Division American Cancer Society, Salt Lake City, Utah.

ESCORTS

1. Major General James R. Winn, Commanding General, 6th Region, ARADCOM, Escort.

2. Major Betty J. Benedict, Information Officer, 6th Region, ARADCOM, Assistant Escort.

3. 1st Lieutenant Leo J. Burrell, Jr., Aide-de-Camp to Commanding General, 6th Region, Assistant Escort.

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DEPARTMENT OF THE ARMY, OFFICE OF THE CHIEF OF INFORMATION,
*Washington, D.C.*

Memorandum For: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Carriers for Public Affairs Purposes.

The inclosed reports, subject as above, are submitted in accordance with Section IX, DOD Directive 5435.2 for the month of September 1968, under the provisions of RCS DD-PA (M) 591.

Col. W. H. APPLEGATE,
*Chief, Policy and Plans Division,*
(For the Chief of Information).

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

17-21 Sep 68, McGuire AFB, N.J., to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, C-121, Operation Understanding.

25-27 Sep 68, Harrisburg, Pa., to Colorado Springs, Colo., Incl 2, C-121, Operation Understanding.

BENJAMIN A. SPILLER,
*Colonel, GS*
*Information Officer.*

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VISITORS FROM NEW JERSEY,
SEPTEMBER 19-21, 1968

*Thursday, September 19, 1968*

5:00 p.m.—Guests arrive at Peterson Field.

5:00-5:30 p.m.—Guests travel to Antlers Plaza Hotel.

*Friday, September 20, 1968*

8:00-8:30 a.m.—Travel to NORAD Cheyenne Mountain Complex.

8:40-8:45 a.m.—Welcome by Colonel Benjamin A. Spiller, Information Officer, ARADCOM.

8:45-9:45 a.m.—NORAD briefing on: Mission, Threat and Organization; Current Operations; Future Requirements.

9:45-10:30 a.m.—NORAD briefing on the Combat Operations Center.

10:30-11:00 a.m.—Travel to Ent AFB, Room 2-157.

11:00-11:15 a.m.—Break.

11:15-11:45 a.m.—ARADCOM briefing by Major James E. Gleason.

11:45-12:00 noon—Question and discussion period by Lieutenant General George V. Underwood, Jr., CG ARADCOM.

12:00-1:30 p.m.—Luncheon at Skyline Officers Club hosted by General Underwood.

1:30-1:45 p.m.—Group pictures.

1:45-4:30 p.m.—Guests tour Garden of Gods and Air Force Academy.

*Saturday, September 21, 1968*

8:00 a.m.—Guests depart Peterson Field for home station.

ARADCOM Escort: Lt. Col. Carl G. Kaplanoff, Chief Community Relations Division.

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NEW JERSEY OPERATION UNDERSTANDING, SEPTEMBER 19-21, 1968

GUEST LIST

1. Mr. Nicholas C. Bonsanto, Vice President and Treasurer, Crescent Sportswear, Inc., Bordentown, New Jersey.

2. Honorable Ernest A. Buhr, Mayor, Township of Dover, Toms River, New Jersey, Toms River, New Jersey.

3. Mr. Peter L. Campisi, President, Automated Statements, Livingston, New Jersey.

4. Mr. Edwin L. Davis, Owner, Edwin L. Davis Agency (Real Estate and Insurance), Wrightstown, New Jersey.

5. Colonel Stephen A. Duane (AUS, Ret.), Sea Girt, New Jersey.

6. Mr. William G. Engelmann, Advertising Sales Manager, American Paint Journal Company, Belle Mead, New Jersey.

7. Mr. James M. Fitzgerald, State Commander, Department of New Jersey, Veterans of Foreign Wars, North Bergen, New Jersey.

8. Mr. George R. Freund, President, Lite Wate Corporation, Short Hills, New Jersey.

9. Honorable Philip J. Gallagher, Mayor, Township of Mount Holly, Mount Holly, New Jersey.

10. Honorable Harry J. Gaynor, Mayor, Boro of South Plainfield, South Plainfield, New Jersey.

11. Mr. Daniel L. Golden, Vice President, New Jersey State Bar Association, South River, New Jersey.

12. Mr. Herbert W. Hobler, President, Nassau Broadcasting Company, Princeton, New Jersey.

13. Mr. Eugene F. Hourihan, Sales Engineer, Joseph T. Ryerson & Son, New Providence, New Jersey.

14. Mr. Constantino Kafalas, President, Prototype Transformer Corporation, Livingston, New Jersey.

15. Mr. William M. Kelley, Jr., Sales Product Supervisor, Bethlehem Steel Corporation, Denville, New Jersey.

16. Mr. Warren Kennett, Military Writer, Newark Evening News, Newark, New Jersey.

17. Dr. John J. Komarek, Doctor of Chiropractic, Burlington, New Jersey.

18. Dr. John F. Kustrup, M.D., President, Medical Society of New Jersey, Trenton, New Jersey.

19. Mr. Charles M. McCullough, Commercial Staff Supervisor, New Jersey Bell Telephone Company, Trenton, New Jersey.

20. Mr. J. Robert McNeil, Retired, Lawrenceville, New Jersey.

21. Mr. George B. Moorhead, New Jersey State Forester, Department of Conservation and Economic Development of New Jersey, Trenton, New Jersey.

22. Mr. Williams D. Payne, Assistant Manager, Community Relations, Prudential Insurance Company, Newark, New Jersey.

23. Mr. Sheldon B. Robertson, Executive Director, Young Men's Christian Association, Levittown, Pennsylvania.

24. Mr. Nathan N. Schildkraut, Attorney-at-Law, Trenton, New Jersey.

25. Mr. Edmund J. Smith, President, Yardville Supply Company, Yardville, New Jersey.

26. Mr. Richard B. Standiford III, Administrative Analyst I (Engineering), Bureau of the Budget of New Jersey, Trenton, New Jersey.

27. Mr. Raymond L. Steen, President, The Broad Street National Bank of Trenton, Morrisville, Pennsylvania.

28. Mr. Herbert E. Stites, Customer Relations Supervisor, New Jersey Bell Telephone Company, Yardley, Pennsylvania.

29. Mr. Emil D. Tietje, Retired, Montclair, New Jersey.

30. Mr. Henry Welling, Retired, Princeton, New Jersey.

31. Honorable Arthur V. Wynne, Jr., Mayor, Township of Livingston, Livingston, New Jersey.

ESCORTS

1. Major General James F. Cantwell, Chief of Staff, Department of Defense, State of New Jersey, NJARNG, Trenton, New Jersey, Escort.

2. Colonel Raymond J. Hill, State Air Defense Officer, NJARNG, Assistant Escort.

3. Colonel John W. Ireland, Jr., NJARNG, Assistant Escort.

4. Colonel Robert L. Nicol, Commanding Officer, 112th Artillery Group, NJARNG, Assistant Escort.

5. 1st Lieutenant Billy McDaniel, Executive Officer, Btry A, 7th Bn, (HERC), 112th Arty, NJARNG, Assistant Escort.

6. CWO W-2 William H. Stephens, Administrative Assistant to Director of Personnel, Department of Defense, State of New Jersey, NJARNG, Assistant Escort.

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GUEST LIST, PENNSYLVANIA OPERATION UNDERSTANDING, SEPTEMBER 25-27, 1968

1. Honorable Herbert Arlene, Pennsylvania State Senator, Chester, Pa.

2. Mr. William E. Woodside, Attorney, Legal Assistance, State Senate, Millersburg, Pa.

3. Honorable Donald O. Bair, House of Representatives, Pittsburgh, Pa.

4. Honorable Clarence D. Bell, Pennsylvania State Senator, Media, Pa.

5. Mr. Harold E. Flack, Pennsylvania State Senator, Librarian, Wilkes-Barre, Pa.

6. Honorable Samuel W. Frank, House of Representatives, Allentown, Pa.

7. Colonel John E. Fullerton, Hq, Pennsylvania Air National Guard, Harrisburg, Pa.

8. Honorable James J. Gallen, House of Representatives, Shillington, Pa.

9. Mr. Harold Goldstein, Civic Leader, Chester, Pa.

10. Honorable Mark Gruell, Jr., Secretary, Pennsylvania State Senate, Harrisburg, Pa.

11. Honorable John H. Hamilton, House of Representatives, Philadelphia, Pa.

12. Honorable Robert K. Hamilton, House of Representatives, Ambridge, Pa.

13. Honorable Freeman P. Hankins, Pennsylvania State Senator, Chester, Pa.

14. Honorable H. Joseph Hepford, House of Representatives, Harrisburg, Pa.

15. Honorable Allan W. Holman, Jr., House of Representatives, New Bloomfield, Pa.

16. Brigadier General Nicholas P. Kafkalas, CG, 28th Infantry Division, Indiantown Gap Military Reservation, Annville, Pa.

17. Honorable H. Francis Kennedy, House of Representatives, Butler, Pa.

18. Mr. Frank P. Lawley, Jr., Deputy Attorney General, Harrisburg, Pa.

19. Mr. Frank P. Lawley III, Student, Harrisburg, Pa.

20. Honorable Clarence F. Manbeck, Pennsylvania State Senator, Fredericksburg, Pa.

21. Honorable Thomas P. McCreesh, Pennsylvania State Senator, Philadelphia, Pa.

22. Honorable Donald McCurdy, House of Representatives, Springfield, Pa.

23. Mr. George McManus, Executive Director, House of Representatives, Camp Hill, Pa.

24. Honorable Stanley A. Meholchick, House of Representatives, Ashley, Pa.

25. Honorable Martin P. Mullen, House of Representatives, Philadelphia, Pa.

26. Honorable Harvey L. Nitrauer, House of Representatives, Myerstown, Pa.

27. Honorable Stanley M. Noszka, Pennsylvania State Senator, Pittsburgh, Pa.

28. Honorable William G. Piper, House of Representatives, Reading, Pa.

29. Honorable Frank Polaski, House of Representatives, Erie, Pa.

30. Mr. Vincent Re David, Civic Leader, Chester, Pa.

31. Mr. Robert M. Scheipe, Assistant to the Chief Clerk, House of Representatives, Pottsville, Pa.
32. Honorable C. Timothy Slack, House of Representatives, Coatsville, Pa.
33. Honorable Orville E. Snare, House of Representatives, Huntingdon, Pa.
34. Honorable James E. Willard, Pennsylvania State Senator, Pulaski, Pa.

ESCORTS

1. Brig. General Richard B. Posey, Deputy Adjutant General, PANG, Harrisburg, Pa.—Escort.
2. Colonel John R. Oswald, Air Defense Officer, Allentown, Pa.—Assistant Escort.
3. Major Gerard P. Conva, Operations Training Assistant (MSCA), Camp Hill, Pa.—Assistant Escort.
4. SFC James R. Anderson, Administrative Specialist, Palmyra, Pa.—Assistant escort.

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Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purpose (RCS CINFO–25).

The inclosed reports, subject as above, are submitted in accordance with Section IX, DOD Directive 5435.2 for the month of September 1968, under the provisions of RCS DD–PA (M) 591.

LT. COL. LANE CARLSON,
*Deputy Chief, Policy & Plans Division,*
(For the Chief of Information.)

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OCTOBER 11, 1968.

To: Chief of Information, Department of the Army, Washington, D.C. 20310.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

HQ, U.S. ARMY MATERIEL COMMAND
*Washington, D.C.*

Forwarded per reporting requirement (RCS CINFO–25).

WILLIAM H. MESSENGER,
*Chief, Community Relations, Information Office,*
(For the Commander).

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OCTOBER 11, 1968.

To: Chief of Information, Department of the Army, Washington, D.C. 20310.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

HQ, U.S. ARMY MATERIEL COMMAND
*Washington, D.C.*

Forwarded per reporting requirement (RCS CINFO–25).

WILLIAM H MESSENGER,
*Chief, Community Relations, Information Office,*
(For the Commander).

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Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

Attention: AMCIN–CR.
COMMANDING GENERAL,
*U.S. Army Materiel Command,*
*Washington, D.C.*

1. Reference AMCR 360–5, dated 5 March 1968.

2. Lt. Commander L. M. Lavin, requesting officer, for the U.S. Naval and Marine Corps Reserve Training Center, Lexington, Kentucky (utilizing the following vehicles to transport personnel):
Equipment: Bus (2).
Origin: Lexington, Ky.
Destination: Winchester, Ky.
Date: 14–15 Sept. 68.

3. LTC Richard S. Webb III, requesting officer, for the 2d Battalion 8830th MP USAR, Lexington, Kentucky, utilized the following vehicles to transport cadets:
Equipment: Bus (3).
Origin: Lexington, Ky.
Destination: Lexington, Ky.
Date: 15 Sept. 68.

4. Major Edward Cihak, requesting officer, for Detachment #8, USAF, Richmond, Kentucky, utilized the following vehicle to transport visiting personnel:
Equipment: Carryall.
Origin: Richmond, Ky.
Destination: Cincinnati, Ohio.
Date: 26 Sept. 68.

LT. COL. JOHN P. FOLEY,
*Director for Administration,*
(For the Commander).

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DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF INFORMATION,
*Washington, D.C.*

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

The inclosed reports, subject as above, are submitted in accordance with Section IX, DOD Directive 5435.2, under the provisions of RCS DD–PA (M) 591.

Lt. Col. LANE CARSON,
*Deputy Chief, Policy and Plans Division*
(For the Chief of Information).

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HQ, U.S. ARMY MATERIEL COMMAND,
*Washington, D.C., November 13, 1968.*

To: Chief of Information, Department of the Army, Washington, D.C. 20310.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

Forwarded per reporting requirement (RCS CINFO–25).

WILLIAM H. MESSENGER,
*Chief, Community Relations,*
*Information Office*
(For the Commander).

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DEPARTMENT OF THE ARMY, HEADQUARTERS, LEXINGTON-BLUE GRASS ARMY DEPOT.
*Lexington, Ky.*

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

Attention: AMCIN–CR.
COMMANDING GENERAL,
*U.S. Army Materiel Command,*
*Washington, D.C.*

1. Reference AMCR 360–5, dated 5 March 1968.

2. Mr. Harold B. Barton, Adjutant for the Eastern Kentucky University R.O.T.C., Richmond, Kentucky, requested the following vehicles to transport supplies:

Equipment, Truck 2½ ton; origin, Richmond. Ky.; destination, Richmond, Ky.; date 4 Oct 68.

Equipment, Truck 2½ ton; origin, Richmond, Ky.: destination, Fort Knox, Ky.; date 18 Oct 68.

3. Major D. G. Mason, requesting officer, for the USMCR, Naval and Marine Corps Reserve Trianing Center, Lexington, Kentucky, utilized the following vehicles to transport personnel to Daniel Boone National Forest for field exercise:

Equipment, Bus (3); origin, Lexington, Ky.; destination, Stanton, Ky.; date, 18–20 Oct 68.

4. Colonel Howard C. Parker, requesing officer, for the Military Science Department, University of Kentucky, Lexington, Kentucky, utilized the following vehicle to transport personnel:

Equipment, Sedan; origin, Lexington, Ky.; destination, Louisville, Ky.; date, 18–20 Oct 68.

Lt. Col. JOHN P. FOLEY,
*Director for Administration*
(For the Commander).

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DEPARTMENT OF THE ARMY, OFFICE OF THE CHIEF OF INFORMATION,
*Washington, D.C., November 21, 1968.*

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of military transportation for public information and community relations purposes (RCS CINFO–25).

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

For the Chief of Information:
LT. COL. LANE CARLSON, GS,
*Deputy Chief, Policy and Plans Division.*

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

3–5 Oct 68, Floyd Bennet Fld, N.Y., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, T–29, Operation Understanding.

3–5 Oct 68, Hamilton AFB, Calif., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 2, C–131, Operation Understanding.

10–12 Oct 68, Pittsburgh, Pa., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 3, VT–29, Operation Understanding.

10–12 Oct 68, Miami, Fla., from Homestead AFB, Fla., Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl. 4, VT–29, Operation Understanding.

17–19 Oct 68, Highlands, N.J., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 5, T–29, Operation Understanding.

17–19 Oct 68, Columbus, Ohio, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 6, C–54, Operation Understanding.

24–26 Oct 68, Stewart AFB, N.Y., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 7, T–29, Operation Understanding.

4–26 Oct 68, O'Hare Fld, Ill., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 8, T–29, Operation Undertanding.

31 Oct–2 Nov 68, Logan Internat'l, Boston, Mass., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 9, T–29, Operation Understanding.

31 Oct–2 Nov 68, Jefferson City, Mo., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB Colo., Incl 10, C–97, Operation Understanding.

BENJAMIN A. SPILLER,
*Colonel, GS*
*Information Officer.*

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NEW YORK OPERATION UNDERSTANDING, OCTOBER 3–5, 1968

GUEST LIST

1. Mr. Richard Halversen, Free Lance Writer, New York, N.Y.
2. Mrs. Kae Hayes, Military Life, New York, N.Y.
3. Miss Thecla Holdane, True Magazine, New York, N.Y.
4. Miss Julie Johnson, This Week Magazine, New York, N.Y.
5. Mr. Henry Marrows, Technical Information Manager, Western Electric, New York, N.Y.
6. Mr. John F. Mason, Military-Aerospace Editor, Electronic Design, New York, N.Y.

ESCORTS

1. Colonel J. L. Sullivan, Assistant Chief of Staff, Hq 1st Region, ARADCOM, Escort Officer.
2. Captain V. L. Estes, Information Officer, Hq 1st Region, ARADCOM, Assistant Escort Officer.

SAN FRANCISCO OPERATION UNDERSTANDING, OCTOBER 3–5, 1968

GUEST LIST

1. Mr. Bowen Bridges, Primary Inspector, Marin County Sheriff's Department, San Rafael, Calif.
2. Miss Mary Broaddus, President, Oakland Chapter, Business & Professional Women's Club, Oakland, Calif.
3. Honorable Florence E. Douglas (Mrs.), Mayor, Vallejo, Calif.
4. Mrs. Delia L. Edge, Attorney, Bledsoe, Smith, Cathart, Johnson & Rogers, San Francisco, Calif.
5. Mrs. Gerlinde Emadin, President, Marin Business & Professional Women's Club, San Rafael, Calif.
6. Mr. Ben Farlatti, President, Chamber of Commerce, Tiburon, Calif.
7. Mr. J. Ellis Godfrey, Chairman, County Board of Supervisors, Fairfield, Calif.
8. Mr. David C. Hansen, President, Chamber of Commerce, Castro Valley, Calif.
9. Mrs. Albina Kaiser, Social Secretary to Mayor Florence Douglas, Vallejo, Calif.
10. Mr. Edward J. Meyers, Assistant Supervisor, Stock Control, Pacific Gas & Electric Co., Danville, Calif.
11. Mr. Edward M. Mills, President, Chamber of Commerce, Publisher, Mill Valley Record, Mill Valley, Calif.
12. Mrs. Ellouise Sherer, President, Lake Merritt Chapter, National Secretaries Association, Hayward, Calif.

ESCORTS

1. Colonel Thomas H. Tarver, Commanding Officer, 40th Artillery Brigade, Escort Officer
2. Major Betty J. Benedict, Information Officer, 6th Region ARADCOM, Assistant Escort Officer
3. Warrant Officer Terrence M. Connor, Aviation Operations Officer, 40th Artillery Brigade, Assistant Escort Officer

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PITTSBURGH OPERATION UNDERSTANDING, OCTOBER 10–12, 1968

GUEST LIST

1. Mr. Ernest U. Buckman, Oliver-Tyrone Corporation, Pittsburgh, Pennsylvania.
2. Mr. John W. Dameron, Executive Director and General Manager, Port Authority of Allegheny County, Pittsburgh, Pennsylvania.
3. Honorable Jules Filo, Member, House of Representatives, Commonwealth of Pennsylvania, West Mifflin, Pennsylvania.
4. Honorable Malcom Hay, Judge of Orphans Court, Pittsburgh, Pennsylvania.
5. Mr. Wilbert F. Huntley, Director of Blast Furnace Operations, Jones & Laughlin Steel Corp., Pittsburgh, Pennsylvania.
6. Mr. Carl S. McKee, President, International Staple & Machine Co., Butler, Pennsylvania.
7. Mr. Thomas R. Parry, Executive Manager, Western Pennsylvania Safety Council, Pittsburgh, Pennsylvania.
8. Honorable Gwilym A. Price, Jr., Judge, Court of Common Pleas, Pittsburgh, Pennsylvania.
9. Mr. Norman Rea, Redding, Blackston, Rea & Sell, Pittsburgh, Pennsylvania.
10. Mr. Robert E. Santon, President, Community Bank of Pittsburgh, Pittsburgh, Pennsylvania.
11. Mr. Anthony W. Saveikis, Tonidale Restaurant, President of Board of Trade, Oakdale, Pennsylvania.
12. Mr. Mark G. Shultz, Sheriff, Sheriff's Office of Greene County, Waynesburg, Pennsylvania.

ESCORTS

1. Colonel Walter M. Drozd, Deputy Commander, 31st Artillery Brigade (AD), Escort Officer.
2. First Lieutenant Gerald E. McCarthy, Assistant Adjutant, 31st Artillery Brigade (AD), Assistant Escort Officer.
3. First Lieutenant Frank J. Fabish, Commanding Officer, Headquarters Battery, 3d Battalion, 1st Artillery, Assistant Escort Officer.

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MIAMI OPERATION UNDERSTANDING, OCTOBER 10-12, 1968

GUEST LIST

1. Mrs. Jane Agey, President, Agey Advertising Agency, Miami Beach, Florida.
2. Mrs. Terry Campbell, Wife of President of International Lions Club, Miami Beach, Florida.
3. Mrs. Erma Crandell, Active in veteran and civic affairs, St. Petersburg, Largo, Florida.
4. Mrs. Marguerite Drummond, Past President, American Auxiliary in Florida, Col. Drummond (Ret.) is civilian aide to Sec. of Army, Fla., Bonifay, Florida.
5. Mrs. Nancy Evans, Wife of Brigadier General Evans (Ret.), Miami Beach, Florida.
6. Mrs. Betty Gallagher, Educational advisor in Miami School system, Miami Beach, Florida.
7. Mrs. Marcell Madero, Active in local civic affairs, Miami Beach, Florida.
8. Mrs. Joan McHale, Fashion Editor, Miami Herald, Miami Beach, Florida.
9. Mrs. Jamie Mehrtens, Wife of U.S. District Court Judge, Miami Beach, Florida.
10. Mrs. Evelyn Mitchell, Confidential private secretary to Arthur Vining Davis, prominent realtor (deceased), South Dade, Florida.
11. Mrs. Vera Neale, Active in civic affairs, Coral Gables, Florida.
12. Mrs. Carolyn Pearce, Member, Board of Regents, Florida State University System, Miami Beach, Florida.
13. Mrs. Mai Rogers, Active in Miami community civic affairs, Miami Beach, Florida.
14. Mrs. Christine Stebbins, Civic leader with Miami TV channel #2, Planning in Educational Programs, Miami Beach, Florida.

ESCORTS

1. Major Harvey C. Feimster, S–4, 13th Artillery Group (AD), Escort Officer.
2. Captain Virginia L. Estes, Information Officer, 1st Region, ARADCOM, Assistant Escort Officer.

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NEW JERSEY-NEW YORK OPERATION UNDERSTANDING, OCTOBER 17–19, 1968

GUEST LIST

1. Mr. Harrison Blair, Vice President (Retired), Chemical New York Bank and Trust, New York, N.Y.
2. Mr. Everett Frooks, Partner, Frooks & Frooks, New York, N.Y.
3. Honorable Willard B. Knowlton, State Senator, Bergen County, N.J.
4. Colonel Vincent A. Lane (AUS Ret), Member of New York Chamber of Commerce, New York, N.Y.
5. Mr. Hugh Malone, Director, Public Relations, Aviation Week and Space Technology, New York, N.Y.
6. Mr. Joseph A. Phelan, Artist-Illustrator, New York, N.Y.
7. Mr. David E. Van Iderstine, President, Marine Insurance Company, Red Bank, N.J.
8. Mr. Everett B. Vreeland, State Assemblyman, Morris County, N.J.
9. Mr. Curtis Winston, Legislative Aide, Trenton, N.J.
10. Mr. Peter Wojtul, Vice President, Continental Can Company, New York, N.Y.

ESCORTS

1. Colonel William T. Harris, Executive Officer, 52nd Artillery Brigade (AD), Highlands Army Air Defense Site, Highlands, N.J., Escort Officer.
2. 2nd Lieutenant Joel E. Steirman, Information Officer, 52nd Artillery Brigade (AD), Highlands Army Air Defense Site, Highlands, N.J., Assistant Escort Officer.

OHIO NATIONAL GUARD OPERATION UNDERSTANDING, OCTOBER 17–19, 1968

GUEST LIST

1. Mr. William H. Anderson, Vice President, F & R Lazarus Company, Columbus, Ohio.
2. Lieutenant Colonel Robert C. Clouse, Chief, Administrative and Personnel, Selective Service System for State of Ohio, Columbus, Ohio.
3. Honorable Calvin F. Conrad, Mayor of Oxford, Oxford, Ohio.
4. Mr. Brian G. Dailey, Executive Vice President, Snelling and Snelling Company, Columbus, Ohio.
5. Mr. Fred W. Fisher, President, Fisher Cheese Company, Wapakoneta, Ohio.
6. Mr. Lynn W. Georgia, Ass't Supervisor, Military Communication, Ohio Bell Telephone Company, Columbus, Ohio.
7. Mr. William W. Gilfillen, Architect, Columbus, Ohio.
8. Mr. J. Robert Hanesworth, Vice President, Huntington National Bank, Columbus, Ohio.
9. Brigadier General Paul E. Hoover, Commander, Hq, 121st Tactical Fighter Wing, Lockbourne AFB, Ohio.
10. Mr. Leon Landon, President, Columbia National Corporation, Columbus, Ohio.
11. Colonel Heber L. Minton, AUS, Director, Selective Service System for State of Ohio, Columbus, Ohio.
12. Mr. Fred E. Morr, Director, Department of Natural Resources, State of Ohio, Columbus, Ohio.
13. Dr. Richard D. Potts, Springfield Ohio.
14. Mr. A. N. Prentice, Vice President & General Manager, Ohio Power Company, Canton, Ohio.
15. Mr. Francis J. Quinn, Chairman of the Board, F. J. Quinn Company, Columbus, Ohio.
16. Mr. Melvin Rackoff, President, Rackoff Associates, Columbus, Ohio.
17. Mr. Joseph C. Sharp, Division Manager, General Telephone Company of Ohio, Portsmouth, Ohio.
18. Mr. Fran Stratman, General Manager, Radio Station WMWM, Wilmington, Ohio.
19. Mr. Robert W. Teater, Assistant Director, Department of Natural Resources, State of Ohio, Columbus, Ohio.
20. Colonel William G. Totman, Assistant Quartermaster General, Adjutant General's Department, State of Ohio Columbus, Ohio.
21. Mr. Richard C. Yocum, President, Yocum Realty Company, Lima, Ohio.

ESCORTS

1. Colonel Thomas A. Herzog, Air Defense Officer, The Adjutant General's Department, State of Ohio, Columbus, Ohio, Escort Officer.
2. Major Frank N. Cremer, Deputy Group Commander, 88th Artillery Group (AD), Wilmington, Ohio, Assistant Escort Officer.
3. CW3 Ray E. Swerlein, Air Defense Office, The Adjutant General's Department, State of Ohio, Columbus, Ohio, Assistant Escort Officer.

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NEW YORK OPERATION UNDERSTANDING, OCTOBER 24–26, 1968

GUEST LIST

1. Colonel Robert J. Beckwith, State of Connecticut, Veterans' Home and Hospital, Rocky Hill, Connecticut.
2. Mr. Richard H. Bullwinkel, Vice President, County National Bank, Newburgh, N.Y.
3. Mr. Jack Doyle, President, Newburgh Junior Chamber of Commerce, Newburgh, N.Y.
4. Mr. Andrew Ferreira, Enfield Wilding, Enfield, Connecticut.
5. Mr. William J. Johnston, Staff Assistant, Contact Division, Veterans' Administration, Hartford, Connecticut.
6. Mr. Eugene Kelly, Insurance Executive, Manchester, Connecticut.

7. Mr. G. Russell LeBeau, President, Bernstein & Co., Inc., Providence, Rhode Island.
8. Mr. John Lovell, Associate Professor, Political Science, Vassar College, Poughkeepsie, N.Y.
9. Dr. David R. Shapiro, Board of Education, Newburgh, N.Y.
10. Mr. John Sherman, Director, Newburgh Chamber of Commerce, Newburgh, N.Y.
11. Mr. Richard H. Stover, President, County National Bank, Newburgh, N.Y.

ESCORTS

1. Colonel Ned Ackner, Chief of Staff, Hq. 1st Region, ARADCOM, Escort Officer.
2. Captain V. L. Estes, Information Officer, Hq. 1st Region, ARADCOM, Assistant Escort Officer.

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CHICAGO OPERATION UNDERSTANDING, OCTOBER 24–26, 1968

GUEST LIST

1. Mrs. Catherine Charlton, Wife of Commander, 45th Brigade, Mt. Prospect, Illinois.
2. Mrs. Verna Corey, Wife of Administrative Ass't. to Mayor Daley, Chicago, Illinois.
3. Mrs. Billie Demler, Wife of Maj. Gen. Demler, Commander of Air Force Technical Training Center, Chanute AFB, Illinois.
4. Mrs. Ann Hanson, Wife of Village Manager, Arlington Heights, Illinois.
5. Mrs. Wanda Keegan, Vice President, Arrow Road Construction Co., Mt. Prospect, Illinois.
6. Mrs. Kathleen Meinzer, Wife of Pastor, Grace United Church of Christ, Milwaukee, Wisconsin.
7. Mrs. Carolyn Miller, Wife of Executive Vice President, Badger Meter Manufacturing Co., Milwaukee, Wisconsin.
8. Mrs. Catherine Peeples, Wife of Assistant Vice President, Marshall & Ilsley Bank, Milwaukee, Wisconsin.
9. Miss Marion Roche, U.S.O. Representative, American Women's Voluntary Services, Chicago, Illinois.
10. Mrs. Odette Simonson, Wife of Air Defense Officer, State of Wisconsin, Milwaukee, Wisconsin.
11. Mrs. Margaret Sopocko, Treasurer, American Women's Voluntary Services, Chicago, Illinois.
12. Mrs. Virginia Thomas, Clerk-Treasurer, City of Portage, Portage, Indiana.
13. Mrs. Mary Woods, Wife of Village President, Arlington Heights, Illinois.

ESCORTS

1. Colonel George F. Charlton, Commanding Officer, 45th Artillery Brigade, Escort Officer.
2. 2d Lieutenant Richard J. Marcotullio, Information Officer, 45th Artillery Brigade, Assistant Escort Officer.

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MASSACHUSETTS AUSA OPERATION UNDERSTANDING, OCTOBER 31–NOVEMBER 2, 1968

GUEST LIST

1. Honorable Thaddeus Buczko (Maj., USAR), The Auditor, Commonwealth of Massachusetts, Salem, Massachusetts.
2. Mr. Myron B. Harmon, Jr. (Cpt., Mass. ARNG), Manager, Myron B. Harmon & Associates, Ins. Agency, Arlington, Massachusetts.
3. Mr. Robert Hawes (Col., USAR, Ret.), Sales Manager, Pittsburgh Plate Glass Corp., Needham, Massachusetts.
4. Mr. John J. Higgins III, Pres., Middlesex Electronics Company, Sec. & Treas., Realty Trust Corp. of Middlesex County, Melrose, Massachusetts.
5. Mr. William McGonagle (BG, USAR, Ret.), Vice Pres., State Street Bank & Trust Company, Past Vice Pres., Mass. Bay Chapter, AUSA, Lexington, Massachusetts.
6. Mr. Robert Mishol, Assistant Treasurer, University of Massachusetts, Ludlow, Massachusetts.
7. Mr. Robert A. Nelson (Lt., U.S. Coast Guard Reserve), Founder & Partner, Robert Lawrence Productions, Inc., Manager, Scott Group, Brighton, Massachusetts.
8. Mr. Chester A. Parkhurst (Col., USAR, Ret.), General Contractor, Treas., Mass. Bay Chapter, AUSA, Georgetown, Massachusetts.
9. Mr. William Richards, Assistant Dean of Men, University of Massachusetts, South Deerfield, Massachusetts.
10. Mr. John Siegrist, Assistant Director of Placement and Financial Aid, University of Massachusetts, Amherst, Massachusetts.
11. Mr. Robert Smith, Director, Community Action Program for Cape Cod and the Islands, Former Admin. Ass't to the Pres. of Mass. Senate, Former Director of Labor Relations, U. of Mass., Osterville, Massachusetts.
12. Mr. Arthur Warren, University Food Service, Manager of Food Services Department, University of Massachusetts, Amherst, Massachusetts.
13. Mr. John J. West (Cpt., ANG, Mass.), Administrative Assistant, Massachusetts National Guard, Sec., Mass. Bay Chapter, AUSA, Melrose, Massachusetts.

ESCORTS

1. Colonel Charles A. Wilson, Jr., Deputy Commanding Officer, 52d Artillery Brigade (AD), Escort Officer.
2. 1st Lieutenant Richard R. Galaty, Commanding Officer, Headquarters & Headquarters Battery, 24th Artillery Group, Assistant Escort Officer.

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MISSOURI NATIONAL GUARD OPERATION UNDERSTANDING, OCTOBER 31–NOVEMBER 2, 1968

GUEST LIST

1. BG Robert E. Buechler, Attorney-at-Law, St. Louis, Missouri.
2. Mr. Donald L. Campbell, Vice President, Exchange National Bank, Jefferson City, Missouri.
3. Mr. Vincent J. Correnti, Attorney-at-Law, St. Louis, Missouri.
4. Mr. Kenneth Cruse, PIO, Civil Defense Office, Jefferson City, Missouri.
5. Mr. I. A. ("Ash") Goodson, Lumberman, Grant City, Missouri.
6. Mr. Jeff D. Lance, Attorney-at-Law, St. Louis, Missouri.
7. Mr. John J. Lynch, Auditor, Department of Revenue, St. Louis, Missouri.
8. Col. H. A. Meyers, Operations & Training Officer, Office of Adjutant General, State of Missouri, Jefferson City, Missouri
9. Lt. Col. William G. Patterson, Comptroller, Jefferson City, Missouri.
10. Rev. James L. Pennington (LtC, Chaplain, USAR), Pastor, Community Christian Church, Jefferson City, Missouri.
11. Honorable Jack P. Pritchard, Judge, Missouri Supreme Court, Jefferson City, Missouri.
12. Mr. Benjamin J. Pugh, Dean of Students, Lincoln University, Jefferson City, Missouri.
13. Mr. James L. Rackers, Principal, Helias High School, Jefferson City, Missouri.
14. Honorable Joe F. Rains, Missouri House of Representatives, Sedalia, Missouri.
15. Mr. Clifford L. Rates, Assistant Vice President, Kansas City Life Insurance Company, Kansas City, Missouri.
16. Lt. Col. William E. Schofield, 139th Military Airlift Group, St. Joseph, Missouri.
17. Mr. Gregory C. Stockard, Attorney-at-Law, Jefferson City, Missouri.
18. Lt. Col. Harry G. Thomson, Jr., 139th Military Airlift Group, St. Joseph, Missouri.
19. Mr. Harold G. VanSickle, Electrical Engineer, Robins Lightning Protection Co., Mayor of Maryville, Maryville, Missouri.
20. Mr. Milo H. Walz, Walz Furniture Company, Jefferson City, Missouri.
21. Mr. Jackson A. Wright, General Counsel, Missouri University, Columbia, Missouri.

ESCORTS

1. Colonel Walter C. Wilson, State Air Defense Officer, Escort Officer.
2. Major Russell E. Rhoads, Staff Administrative Assistant, 135th Artillery Group, MoARNG, Assistant Escort Officer.
3. CW3 Joseph D. Driver, Sr., Staff Administrative Specialist, Office of Adjutant General, State of Missouri, Assistant Escort Officer.

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Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Carriers for Public Affairs Purposes.

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

Col. LANE CARLSON,
*Deputy Chief, Policy & Plans Division*
(For the Chief of Information).

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

14–16 Nov 68, Newark, N.J., to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, VT–29, Operation Understanding.

14–16 Nov 68, McChord AFB, Wash. to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl, 2, C–131, Operation Understanding.

21–23 Nov. 68, New York to Fort Bliss, Tex., White Sands, N. Mex., Incl 3, C–97, Operation Understanding.

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NEW JERSEY-NEW YORK OPERATION UNDERSTANDING, NOVEMBER 14–16, 1968

GUEST LIST

1. Mrs. Irene Baker, Wife of Dr. Thomas Baker (Dentist), Yonkers, New York.
2. Miss Mary Anne Baker, Executive Secretary to President, CBS–TV, New York City, Yonkers, New York.
3. Mrs. Maria J. Dunham, Secretary and Treasurer, Dunham Tunnel and Excavation Corporation, New York, New York.
4. Mrs. Margaret Frooks, Lawyer, Frooks & Frooks, New York, New York.
5. Mrs. Ruth Hampton, Wife of Commanding General, 52d Artillery Brigade, Fort Hancock, New Jersey.
6. Mrs. Katherine Harrington, Women's Editor, Knickerbocker News, Albany, New York.
7. Mrs. Melissa Herrara, Wife of Director of Civil Defense, N.J. and Pa., Middletown, New Jersey.
8. Miss Consuelo Higuera, Assistant Vice President, Public Relations, Banco de Ponce. Bronx, New York.
9. Mrs. Grace McVey, Wife of Presbyterian Clergyman, Kingston, New York.
10. Mrs. Ruth Page, Wife of Vice President, New York Life Insurance Co., Exec. Director of N.J. Federation of Dist. Boards of Ed., Trenton, New Jersey.
11. Miss Margot Sherman, Senior Vice President and Assistant to the President, McCann-Erickson, Inc., New York, New York.

ESCORTS

1. Brigadier General Rex H. Hampton, Commanding General, 52d Artillery Brigade, Escort Officer.
2. Lieutenant Harold G. White, Aide-de-Camp, 52d Artillery Brigade, Assistant Escort Officer.

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SEATTLE OPERATION UNDERSTANDING, NOVEMBER 14–16, 1968

GUEST LIST

1. Major General George S. Cook (Retired), Attorney at Law, Cook, Flanagan and Berst, Vice President, Seattle Chamber of Commerce, Seattle, Washington.
2. Mr. Glen G. Courtney, Vice President,

National Bank of Commerce, Chairman, Armed Services Division, Seattle Chamber of Commerce, Seattle, Washington.

3. Mr. Donald K. Gallagher, Manager, Vashon Telephone Corporation, Member, Vashon Kiwanis Club, Burton, Washington.

4. Mr. Ralph R. Hearn, Deputy Manager, SENTINEL Implementation, Boeing Co., Boy Scouts of America, Bellevue, Washington.

5. Mr. Frank Ireton, President, Northshore First National Bank, Past President, Bothell Chamber of Commerce, Bothell, Washington.

6. Mr. Russell E. Jacobson, Deputy Fire Chief, Seattle, President, Magnolia Kiwanis Club, Seattle, Washington.

7. Mr. Roderick R. Kirkwood, Director of Engineering, John Graham & Company, Member, Seattle Chamber of Commerce, Seattle, Washington.

8. Mr. George R. Lee, Realtor, Jensen-Richards-Olhava, Real Estate and Insurance, Commander, Kingston Post, Veterans of Foreign Wars, Kingston, Washington.

9. Honorable Alfred E. Leland, Representative, State of Washington, Past Mayor, Kirkland, Washington, Redmond, Washington.

10. Mr. C. John Newlands, Attorney at Law, Eisenhower-Carlson-Newlands, Reha-Sinnitt, Former Director, Tacoma Chamber of Commerce, Tacoma, Washington.

11. Mr. Earl F. Reilly, Northwest Realty and Land Company, Member, Kingston Businessmen's Association, Kingston, Washington.

12. Mr. Charles A. Sparling, Jr., President, Ferrous Corporation, Past President, Bellevue Chamber of Commerce, Bellevue, Washington.

13. Mr. William R. Willingham, Owner and Manager, Vashon Drug Store, Past President, Vashon Kiwanis Club, Burton, Washington.

ESCORTS

1. Colonel Charles W. Ennis, Commanding Officer, 49th Artillery Group (AD), Escort Officer.

2. 1st Lieutenant Mark E. Smith, Adjutant, 49th Artillery Group (AD), Assistant Escort Officer.

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NEW YORK OPERATION UNDERSTANDING
NOVEMBER 21–23, 1968

GUEST LIST

1. Mr. John R. Alexander, Manager, Plant Facilities, General Electric Company, Schenectady, N.Y., Scotia, New York.

2. Major General John C. Baker, Vice Chief of Staff to the Governor, Division of Military & Naval Affairs, Albany, New York.

3. Mr. Clifford B. Campbell, Real Estate Broker, Jamaica, New York.

4. Mr. Oswald Chambers, Supervisor, Display Section, Advertising Department, Brooklyn Union Gas Company, Valley Stream, New York.

5. Honorable Louis DeSalvio, New York State Assemblyman, New York, New York.

6. Mr. Richard C. Dewey, President, R. C. Dewey, Inc., Dewey Bldg. Systems, Inc., Kenmore, New York.

7. Mr. James J. Drislane, Lawyer, Albany, New York.

8. Mr. Roger Fay, Assistant to Town Board, Town of North Hempstead, Manhasset, N.Y., Williston Park, New York.

9. Honorable William R. Fleischer, Mayor, Village of East Hills, East Hills, New York.

10. Commander Edward G. Gisburne, Assistant Executive Officer, Logistics, New York Naval Militia, Albany, New York.

11. Dr. Chester P. Glor, Jr., Dentist, Buffalo, N.Y., Tonawanda, New York

12. Honorable Stephen R. Greco, New York State Assemblyman, Buffalo, New York.

13. Mr. John J. Gustafson, General Manager, Keeler's Restaurant, Albany, New York.

14. Major Lloyd E. Haas, S–3, 1st Battalion, 244th Artillery, NYARNG, Roslyn, New York.

15. Mr. Hugh K. C. Hayward, Manager, Facilities Division, Union Carbide Corporation, Linde Division, Tonawanda, N.Y., Buffalo, New York.

16. Mr. John Hekker, Lawyer, Nyack, N.Y., Johnson & Hekker, South Nyack, New York.

17. Mr. John W. Houck, Assistant Vice President, Manufacturers & Traders Trust Company, Grand Island, New York.

18. Honorable Prescott B. Huntington, New York State Assemblyman, Smithtown, New York.

19. Mr. Jess Kaplan, President, MAL Development Corporation, New City, N.Y., Nanuet, New York.

20. Mr. Goodwin D. Katzen, Executive Director, Rockland County Center for the Physically Handicapped, New City, New York.

21. Mr. Wallace L. Kowalewski, Vice President, Colecraft Corporation, Lancaster, N.Y., Williamsville, New York.

22. Honorable Stanley Krause, Mayor, Inc. Village of Mineola, Mineola, New York.

23. Honorable Dalton R. Miller, Mayor, Hempstead, Hempstead, New York.

24. Mr. Arnie C. Mortensen, Assistant Superintendent of Schools, Kenmore, New York.

25. Mr. Alexander Mrozek, Operations & Training Officer, Consolidated Erie County Office of Civil Defense, Emergency Operations Center, Orchard Park, N.Y., Lancaster, New York.

26. Mr. William Schrauth, Attorney, Jamaica, N.Y., Rockville Centre, New York.

27. Mr. James A. Stiles, Vice President, Williams Press, Inc., Albany, N.Y., Loudonville, New York.

28. Mr. Donald E. Stone, President & Chief Executive Officer, Farmers National Bank, Malone, New York.

29. Dr. John H. Stone, Assistant Commissioner, New York State Department of Agriculture and Markets, Albany, New York.

30. Mr. Lewis A. Swyer, President, L. A. Swyer & Company, General Contractors, Albany, New York.

31. Dr. Fred A. Tuthill, Superintendent of Schools, Lancaster, N.Y., Depew, New York.

32. Lieutenant Colonel Floyd M. White, Air Defense Officer, Division of Military & Naval Affairs, Albany, New York.

33. Mr. Cliff Williams, Director of Purchasing, Town of North Hempstead, Manhasset, N.Y., Mineola, New York.

34. Mr. Allen Y. Zack, Reporter, Buffalo Evening News, Buffalo, N.Y., Depew, New York.

*Escorts*

1. Colonel Charles J. McClure, Deputy Chief of Staff, Headquarters, New York Army National Guard, Escort Officer.

2. Colonel John H. Cochran, Jr., G–4, 1st Region, ARADCOM, Stewart AFB, Assistant Escort Officer.

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U.S. ARMY MATERIEL COMMAND,
*Washington, D.C., December 6, 1968.*

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25)

To: Chief of Information, Department of the Army, Washington, D.C.

Forwarded per reporting requirement (RCS CINFO–25).

For the commander:

WILLIAM H. MESSENGER,
*Chief, Community Relations Information Office.*

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DEPARTMENT OF THE ARMY,
HEADQUARTERS, LEXINGTON-BLUE GRASS ARMY DEPOT,
*Lexington, Ky.*

Subject: Use of Miltiary Transporation for Public Information and Community Relations Purposes (RCS CINFO–25)

Attn: AMCIN–CR.

COMMANDING GENERAL,
*US. Army Materiel Command,*
*Washington, D.C.:*

1. Reference AMCR 360–5, dated March 5, 1968.

2. Mr. Harold B. Barton, Adjutant for the Eastern Kentucky University, R.O.T.C., Richmond, Kentucky, requested the following vehicles to transport equipment and cadets:

[Equipment, origin, destination, and date]

Truck 2½ ton, Richmond, Ky., to Ft. Knox, Ky., 7 Nov 68.

Bus, Richmond, Ky., to Cumberland, Ky., 9 Nov 68.

Truck 2½ ton (5), Richmond, Ky., to Richmond, Ky., 10 Nov 68.

Carryall, Richmond, Ky., to Harrodsburg, Ky., 11 Nov 68.

Truck 2½ ton, Richmond, Ky., to Ft. Knox, Ky., 19 Nov 68.

*Tractor w/flatbed, Richmond, Ky., to Richmond, Ky., 23 Nov 68.

*(This was utilized as a reviewing stand for Military Day activities.)

3. Lieutenant Commander L. M. Lavin, requesting officer, for the U.S. Naval and Marine Corps Reserve Training Center, Lexington, Kentucky, utilized the following vehicles to transport personnel:

[Equipment, origin, destination, and date]

Bus (2), Lexington, Ky., to Winchester, Ky., 9–10 Nov 68.

For the commander:

Lt. Col. JOHN P. FOLEY,
*Dir. for Administration.*

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Memorandum for: Assistant Secretary of Defense (public affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

For the chief of information:

Col. LEONARD P. DILEANIS,
*Deputy Chief,*
*Policy & Plans Division.*

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DEPARTMENT OF THE ARMY, HEADQUARTERS, 4TH U. S. ARMY,
*Fort San Houston, Tex.*

Subject: Nonlocal Travel for Community Relations Purposes (RCS CINFO–25).

CHIEF OF INFORMATION,
*Department of the Army,*
*Washington, D.C.*

1. Reference: Para 27b, AR 360–5.

2. The following report for January 1969 is submitted:

a. Marshall D. Hamilton, Hamilton Tire Service, Chairman, Military Affairs Committee; Al Jarrell, District Manager, Texas Power & Light Co.; Pennie Adkins, Grantham-Adkins Insurance; Carroll Davis, District Manager, Southwestern Bell Telephone Co.; Bill Houghton, co-publisher, Mineral Wells Index; Frank Myers, Vice President, City National Bank; Orval W. Shore, Shore-Hull Insurance; Carl Kessler, Ed Lee Chevrolet Co.; Perry Horton, President, City National Bank; Paul Schneider, President, Mineral Wells Savings & Loan Association; George O'Neal, O'Neal Distributing Co.; Bob Upham, Independent Oil Operator; Bill Echols, Rancher; Elwood Hamilton, Weatherford tire merchant.

b. Fort Wolters, Texas to Fort Rucker, Alabama and return.

c. C–47H, organic to Fort Wolters.

d. Operation Understanding tour for Military Affairs Committee members of Mineral Wells, Weatherford and Breckenridge Chambers of Commerce:

For the commander:

1st. Lt. B. A. GILES.

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MARCH 11, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

The inclosed report, subject as above, is submitted in accordance with Section IX,

DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

For the Chief of Information:

LEONARD P. DILEANIS,
*Colonel, GS, Acting Chief, Policy and Plans Division.*

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

30 Jan–1 Feb 69, Trenton, N.J., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, C–121, Operation Understanding.

13–15 Feb 69, Cincinnati-Dayton, Ohio, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 2, VT–29D, Operation Understanding.

13–15 Feb 69, Salt Lake City, Utah, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 3, C–131D, Operation Understanding.

27–28 Feb 69, Sacramento, Calif., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 4, 2 C–131's, Operation Understanding.

BENJAMIN A. SPILLER,
*Colonel, GS*
*Information Officer.*

NEW JERSEY OPERATION UNDERSTANDING, JANUARY 30–FEBRUARY 1, 1969

GUEST LIST

1. Mrs. Angeline Brigiani, Educator, Woodbridge School System, Woodbridge, N.J., Jamesburg, N.J.

2. Mrs. Mary B. Burch, Founder-Director, The Leaguers, Inc., Civic and Cultural Center, Newark, N.J.

3. Mrs. Lillian M. Carbin, Chairman, Federated Woman's Club of New Jersey, East Brunswick, N.J.

4. Mrs. Doris W. Dealaman, Freeholder, Somerset County Board of Chosen Freeholders, Somerville, N.J., Bernardsville, N.J.

5. Dr. Margery Somers Foster, Dean of the College, Douglas College, Rutgers, The State University, New Brunswick, N.J.

6. Mrs. Marion E. Glendinning, President, Department of N.J., Ladies Auxiliary, Veterans of Foreign Wars of the U.S., Trenton, N.J., Guttenberg, N.J.

7. Mrs. Fern A. Gordon, President, N.J., Congress of Parents and Teachers, Trenton, N.J., Bayonne, N.J.

8. Mrs. Adrienne M. Hayling, Member, Board of Directors, Helene Fuld Hospital, Trenton, N.J.

9. Mrs. Dorothy A. Hill, Wife of Colonel Raymond J. Hill, State Air Defense Officer, HHD, New Jersey National Guard, Trenton, N.J.

10. Mrs. Bessie Himmelstein, Secretary-Treasurer, Capitol Motors, Inc., Trenton, N.J.

11. Mrs. Dorothea T. Lamon, Secretary, Walter D. Lamon Co., Real Estate and Insurance, Cinnaminson, N.J., Riverton, N.J.

12. Miss Mildred C. Larason, County Clerk of Hunterdon Co., Flemington, N.J. Lambertville, N.J.

13. Mrs. Mary R. MacGibeny, Executive Assistant to the Chairman, Department of Health and Physical Education, Glassboro State College, Glassboro, N.J., Clayton, N.J.

14. Mrs. Gertrude P. McCafferty, Assistant Chief Nurse, American Red Cross Blood Mobile, Philadelphia, Pa., Glenside, Pa.

15. Mrs. Mildred McLean, President, N.J. Federation of Business & Professional Women's Club, Summit, N.J., Advertising Production Manager, Silver Burdett Co., Text Book Publishers, Morristown, N.J., Summit, N.J.

16. Mrs. Regina H. Meredith, Freeholder, Mercer Co. Board of Chosen Freeholders, Trenton, N.J., Pennington, N.J.

17. Mrs. Minerva Navatto, Surrogate of Hunterdon County, Flemington, N.J.

18. Dr. Evelyn M. Reade, Coordinator, Graduate Studies, Glassboro State College, Glassboro, N.J., Pitman, N.J.

19. Miss Nancy J. Robertson, Assistant Director, Public Relations, Middle Atlantic District, United States Steel Corp., Fairless Hills, Pa., Levittown, Pa.

20. Mrs. Helen D. Sickle, President, Dept. of N.J., American Legion Auxiliary, Long Valley, N.J.

21. Miss Ramona Smith, Correspondent and Reporter, Trenton Evening Times, Trenton, N.J.

22. Mrs. Mary Steen, Member, Morrisville Women's Club, Morrisville, Pa.

23. Mrs. Dorothy D. Sullivan, Secretary and General Manager, David B. Marshall Company, Real Estate and Insurance, East Brunswick, N.J.

24. Miss Agnes V. Thompson, Principal, A. Harry Moore Laboratory School of N.J. State College, Jersey City, N.J.

25. Miss Vivian M. Titus, National Vice President, Eastern Division, American Legion Auxiliary, Paterson, N.J.

26. Mrs. Constance Woodruff, Director of Community Relations, International Ladies Garment Workers' Union, Newark, N.J.

27. Mrs. Margaret I. Young, Wife of Colonel James E. Young, President, Army & Air Nat'l Guard Ass'n of N.J., Trenton, N.J., Spring Lake Heights, N.J.

ESCORTS

1. Major General James F. Cantwell, The Chief of Staff, Department of Defense, State of New Jersey, HHD, NJARNG, Escort Officer.

2. Colonel Raymond J. Hill, State Air Defense Officer, HHD, NJARNG, Assistant Escort Officer.

3. Colonel Donald H. McConnell, Senior Adviser, U.S. Army Advisory Group, N.J. Army National Guard, Assistant Escort Officer.

4. Colonel James E. Young, President, Army & Air Nat'l Guard Ass'n of N.J., Assistant Escort Officer.

5. Major Robert K. Kroesen, Information Officer, Department of Defense, State of New Jersey, Assistant Escort Officer.

6. Captain James F. Cantwell, Jr., Aide to Chief of Staff, Department of Defense, State of New Jersey, HHD, NJARNG, Assistant Escort Officer.

7. 2d Lieutenant Rodney A. McNelley, Executive Officer, Btry D, 7th Bn (HERC) 112th Arty, NJARNG, Assistant Escort Officer.

8. CWO W–2 William H. Stephens, Administrative Assistant to Director of Personnel, Department of Defense, State of New Jersey, HHD, NJARNG, Assistant Escort Officer.

CINCINNATI-DAYTON OPERATION UNDERSTANDING, FEBRUARY 13–15, 1969

GUEST LIST

1. Mr. David Adair, Owner, Adair Furniture Stores, Wilmington, Ohio.

2. Mr. Fred Bennett, President, Bennett Metal Products Company, Wilmington, Ohio.

3. Mr. Victor Cassino, President, Cassano Pizza Kings, Kettering, Ohio.

4. Mr. Andrew M. Cassells, Reporter-Photographer, WHID–TV, Dayton, Ohio.

5. Mr. John H. Elfring, Resident Plant Manager, Cincinnati Lathe and Tool Co., Wilmington, Ohio.

6. Mr. Jimmie D. Fawley, Vice President and General Manager, National Gear Corporation, Wilmington, Ohio.

7. Mr. Charles S. Helldoerfer, President, Helldoerfer-Castellini, Inc., Dayton, Ohio.

8. Mr. Bruce Miller, Owner, Aurora Shell Oil Company, Aurora, Indiana.

9. Mr. Henry G. Nanz, Partner, Southeastern Supply Co., Lawrenceburg, Indiana.

10. Mr. Alexander Raizk, President, Wilmington Iron and Metal Company, Wilmington, Ohio.

11. Mr. B. E. Schalnat, President, Wilmington Pattern Works, Wilmington, Ohio.

12. Mr. Donald Walston, Owner, Chrysler-Plymouth Dealership, Versailles, Indiana.

13. Mr. Burch Williamson, Vice President and General Manager, Wilmington Controls Division of Ledex, Inc., Wilmington, Ohio.

ESCORTS

1. Colonel Berkeley S. Gillespie, Jr., Commanding Officer, 88th Artillery Group, Escort Officer.

2. 2d Lieutenant Ronald A. Johnson, Information Officer, 88th Artillery Group, Assistant Escort Officer.

SALT LAKE CITY OPERATION UNDERSTANDING, FEBRUARY 13–15, 1969

GUEST LIST

1. Mr. B. Lue Bettilyon, President, Salt Lake Rotary Club, President, Bettilyon Construction and Mortgage Loan Co., Salt Lake City, Utah.

2. Dr. Melvin Cook, Assistant General Manager, IRECO Chemicals, Salt Lake City, Utah.

3. Mr. Loren D. Gergens, Utah Plant Manager, Mountain States Telephone Company, Salt Lake City, Utah.

4. Mr. Norman A. Green (M/Chief, USN–Ret.), Public Information & Procurement Specialist, Utah State Board for Vocational Education, Salt Lake City, Utah.

5. Mr. Robert Halliday, Reporter, Salt Lake City Tribune, Salt Lake City, Utah.

6. Mr. Oscar Hanson, Jr., Commissioner, Chairman, Salt Lake County Commission, Salt Lake City, Utah.

7. Mr. McCown E. Hunt, President and Chairman of the Board, Salt Lake County Civic Auditorium, Partner & Consulting Engineer, Folsom and Hunt, Salt Lake City, Utah.

8. Mr. Vernon F. Jorgensen, Director, City Planning Commission (representing Mayor), Salt Lake City, Utah.

9. Mr. J. Hal Knight, Science Editor, Deseret News, Salt Lake City, Utah.

10. Mr. Richard H. Schubach, President, Retail Merchants Association Salt Lake City, Co-owner, Standard Optical Company, Salt Lake City, Utah.

11. Mr. Elmer J. Smith, Manager, Regional Office, Veterans' Administration, Salt Lake City, Utah.

ESCORTS

1. Maj. Gen. James R. Winn, Commanding General, 6th Region, ARADCOM, Escort Officer.

2. Colonel Alan B. White, Deputy Commander, 6th Region, ARADCOM, Assistant Escort Officer.

3. Captain Vernon L. Conner, Aide-de-Camp to Commanding General, 6th Region, ARADCOM, Assistant Escort Officer.

CALIFORNIA OPERATION UNDERSTANDING, FEBRUARY 27–28, 1969,

GUEST LIST

1. Colonel Richard E. Adams, Commanding Officer, Office of the Senior Army Adviser, California Army National Guard, Sacramento, California.

2. Major Jack D. Aldridge, Military Department, State of California, Sacramento, California.

3. Mr. Bud Baird, Chairman, Aviation Committee, Fresno Chamber of Commerce, Owner, National Car Rental, Fresno, California.

4. Mr. Robert Baker, Director, Information Services & Special Events Section, Chief, Administrative Office, City of Los Angeles, Los Angeles, California.

5. Mr. John Black (CPT, USNR), President, Sacramento Chamber of Commerce, Sacramento, California.

6. Mr. Roy T. Brophy, Director of Sacramento Chamber of Commerce, Partner, Gannon-Brophy Developers, Fair Oaks, California.

7. Dean Harold R. Brumbaum, Rector, Christ's Church, Portola Valley, California.

8. Mr. Elmer Cranmer, Principal, DeWolfe School, Fresno, California.

9. Colonel R. H. Denison, Base Detachment Commander, Van Nuys Air Nat'l Guard Base, California Air National Guard, Van Nuys, California.

10. Mr. Merritt S. Dunlap, General Building Contractor, President, Glendale Community Chest, Glendale, California.

11. Lieutenant Colonel Robert S. Ford, Inspector General, Military Department, California Army National Guard, Sacramento, California.

12. Major General George W. Edmonds, Chief of Staff, California Air National Guard, Sacramento, California.

13. Colonel Milton R. Graham, Commanding Officer, 144th Air Defense Wing, California Air National Guard, Fresno, California.

14. Mr. Charles R. Greenstone, President, Lake Merced Country Club, Owner, Variety Store Chain, San Francisco, California.

15. Major Thomas R. Jennings, California Air National Guard, Sacramento, California.

16. Assemblyman Ray E. Johnson, California Legislature, Sacramento, California.

17. Mr. John P. Knox, Chief of Patrol Division, West Los Angeles County Sheriff's Department, Los Angeles, California.

18. Mr. Melvyn D. Lee, Chairman, Bd. of Economic Opportunity Commission, Chinatown, Vice President, Automatic Sprinkler Company, San Francisco, California.

19. Lieutenant Colonel Walter C. Leonardo, 144th Air Defense Wing, California Air National Guard, Fresno, California.

20. Mr. Billie Matthess, Owner, Matthess Men's Wear Store, Secretary of Republican Council for California, Sherman Oaks, California.

21. Assemblyman Ernest E. Mobley, California Legislature, Sacramento, California.

22. Mr. Charles Nobbe, Chairman, Military Affairs Committee, Fresno City-County Chamber of Commerce, Vice President, Crocker Citizens Bank, Fresno, California.

23. Chief Warrant Officer, Erik O. Petersen, Assistant Information Officer, Military Department, California Army National Guard, Sacramento, California.

24. Mr. Robert I. Rosen, Member, Defense and Space Committee, Los Angeles Chamber of Commerce, TRW Systems of Los Angeles, Los Angeles, California.

25. Assemblyman Peter F. Schabarum, California Legislature, Sacramento, California.

26. Senator Lewis F. Sherman, California Legislature, Sacramento, California.

27. Mr. William T. Shultz, Chairman, Defense and Space Committee, Los Angeles Chamber of Commerce, Garrett Air Research Corporation, Los Angeles, California.

28. Mr. Carl A. Slackman, Office of Administration, Military Department, California Army National Guard, Sacramento, California.

29. Mr. Albert J. Talkin, Vice Mayor of Sacramento, Sacramento, California.

30. Captain Robert C. Thrasher, Military Department, State of California, Sacramento, California.

31. Mr. Joseph E. Turnage, Board of Directors, Hollywood Chamber of Commerce, Vice President, Merchants Ass'n of Pasadena, Board of Directors, Pasadena Rotary Club, Pasadena, California.

32. Brigadier General Thomas K. Turnage, Deputy Adjutant General, Army Division, California Army National Guard, Sacramento, California.

33. Lieutenant Colonel Jack L. Walker, Chief, Materiel Branch, California Air National Guard, Sacramento, California.

34. Lieutenant Colonel Andrew G. Wolf, Jr., Information Officer, Military Department, California Army National Guard, Sacramento, California.

ESCORTS

1. Lieutenant Colonel Girven F. Erickson, State Air Defense Officer, California Army National Guard, Escort Officer.

2. Lieutenant Colonel Neil E. Allgood, Commanding Officer, 4th Battalion, 251st Artillery, California Army National Guard, Assistant Escort Officer.

3. Lieutenant Colonel Angelo C. Liberato, Commanding Officer, 1st Battalion, 250th Artillery, California Army National Guard, Assistant Escort Officer.

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APRIL 2, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

For the Chief of Information:

LEONARD P. DILEANIS,
*Colonel, GS, Deputy Chief, Policy and Plans Division.*

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM Information Office, Ent AFB, CO.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

6–8 Mar 69, Stewart AFB, N.Y., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 1, VT–29, Operation Understanding.

6–8 Mar 69, Niagara-Buffalo, N.Y., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 2, T–29, Operation Understanding.

6–8 Mar 69, Boston, Mass., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 3, T–29, Operation Understanding.

13–15 Mar 69, Ft. Monmouth, N.J., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 4, T–29, Operation Understanding.

20–22 Mar 69, Columbus, Ohio, to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 5, C–54, Operation Understanding.

20–22 Mar 69, Chicago, Ill., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 6, T–29, Operation Understanding.

BENJAMIN A. SPILLER,
*Colonel, GS, Information Officer.*

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NEW YORK OPERATION UNDERSTANDING, MARCH 6–8, 1969

GUEST LIST

1. Major General Melville Coburn (Host), Commanding General, 1st Region ARADCOM, Stewart AFB, Newburgh, New York.

2. Mr. Michael Peter Dillon, Vice President, Chestnutt Management Corporation, Greenwich, Connecticut.

3. Mr. Benjamin Feit, Vice President, Manufacturers Hanover Trust Company, New York, New York.

4. Mr. George Hibner, Business Manager, New York Telephone, Newburgh, New York.

5. Mr. Theodore Maurer, City Manager, Newburgh, Newburgh, New York.

6. Mr. Frank H. McIntosh, President, McIntosh Laboratory, Binghamton, New York.

7. Hon. George F. McKneally, Mayor, Newburgh, Newburgh, New York.

8. Mrs. David J. Morris (Frances), President, American Association of University Women, Cornwall, New York.

9. Mrs. Ira Newman (Isabella), Member, Citizens Advisory Council of Washingtonville, Washingtonville, New York.

10. Dr. Robert Rakov, President, Medical Society of Orange County, Maybrook, New York.

11. Mr. Dennis Richards, Program Director, Radio Station WINF, Manchester, Connecticut.

12. Mr. Francis U. Ritz, Assistant to General Manager for Community Relations, IBM, Poughkeepsie, Poughkeepsie, New Nork.

13. Mr. Louis Voerman, General Manager, IBM, Poughkeepsie, Poughkeepsie, New York.

ESCORTS

1. Major George E. Powell, Information Officer, 1st Region, ARADCOM, Escort Officer.

2. Captain, Timothy M. O'Mara, Aide-de-Camp to General Coburn, 1st Region ARADCOM, Assistant Escort Officer.

3. 1st Lieutenant Newell A. Miller, Jr., 1st Region, ARADCOM, Assistant Escort Officer.

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NIAGARA-BUFFALO OPERATION UNDERSTANDING, MARCH 6–8, 1969

GUEST LIST

1. Mrs. Ralph A. Boniello (Dorothea), Wife of member of law firm, Boniello, Gellman, McNulty, Halpern & Anton, Niagara Falls, New York.

2. Mrs. Charles R. Clark (Margaret), Free Lance Writer, Niagara Falls, New York.

3. Mr. Edgar Conant, Plant Manager, Stauffer Chemical Company, Niagara Falls, New York.

4. Hon. Donald L. Creasey, Mayor, City of Tonawanda, Tonawanda, New York.

5. Father Joseph G. Dunne, Executive Vice President, Niagara University, Niagara Falls, New York.

6. Mrs. Albert Elia (Ann), Wife of President, Elia Construction Company, Niagara Falls, New York.

7. Mrs. Anne McIlhenney Matthews, Feature Writer, Buffalo Courier Express, Buffalo, New York.

8. Hon. Jane B. Moxham, Judge, Town of Wilson, Wilson, New York.

9. Rev. Robert H. Rowsam, Minister, Emanuel Methodist Church, Lockport, New York.

10. Mr. John E. Runals, President, Niagara Falls Area Chamber of Commerce, Niagara Falls, New York.

11. Mrs. Oliver D. Street (Kathleen), Hostess for ladies, Wife of Commanding Officer, 18th Artillery Group, Lockport AFS, New York.

ESCORTS

1. Colonel Oliver D. Street, III, Commanding Officer, 18th Artillery Group (AD), Escort Officer.

2. 2d Lieutenant Harry Graham, Information Officer, 18th Artillery Group (AD), Assistant Escort Officer.

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NEW ENGLAND OPERATION UNDERSTANDING, MARCH 6–8, 1969

GUEST LIST

1. Mr. Arthur Brownell, Commissioner, Department of Natural Resources, Canton, Massachusetts.

2. Brigadier General William T. Burgoyne, Assistant Division Commander, 26th Yankee Division, Massachusetts Army National Guard, Malden, Massachusetts.

3. Mr. Edward Carlson, Selectman, North Reading, North Reading, Massachusetts.

4. Mr. James Fletcher, Road Commissioner, Town of Lynnfield, Lynnfield, Massachusetts.

5. Mr. Herbert L. Jackson, Counselor-at-Large, Malden, Malden, Massachusetts.

6. Hon. Walter Kelleher, Mayor of Malden, President of League of Cities and Towns, Malden, Massachusetts.

7. Mr. Jerry Francis Mahoney, Assistant Postmaster, Town of Ansonia, Ansonia, Connecticut.

8. Mr. Joseph Maney, Selectman, Lynnfield, Lynnfield, Massachusetts.

9. Mr. Richard E. Mastrangelo, Assistant Attorney General, Commonwealth of Massachusetts, Selectman, Town of Watertown, Watertown, Massachusetts.

10. Mr. J. Wesley Peck, Account Executive, WPRO Radio, Providence, Rhode Island, Seekonk, Massachusetts.

11. Mr. Donald Roberts, Owner, County Real Estate, Former Selectman, North Reading, North Reading, Massachusetts.

12. Mr. James Skinner, Vice President, Massachusetts Selectman's Association,

Chairman, Marblehead Board of Selectmen, Marblehead, Massachusetts.

13. Mr. Richard Taffe (LTC, USA-Ret.), Editor, Lowell Sun, Lowell, Massachusetts, Chelmsford, Massachusetts.

14. Mr. Harry Wendt, Selectman, Lynnfield, Lynnfield, Massachusetts.

ESCORTS

1. Colonel Harry D. Latimer, Commanding Officer, 24th Artillery Group (AD), Escort Officer.

2. 2d Lieutenant Robert E. Malicki, Information Officer, 24th Artillery Group (AD), Assistant Escort Officer.

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NEW JERSEY OPERATION UNDERSTANDING, MARCH 13–15, 1969, GUEST LIST

1. Mr. Edward M. Ambler, Manager, Coast Division, Jersey Central Power & Light Company, Interlaken, New Jersey.

2. Hon. Joseph Azzolina (LCDR, USNR), New Jersey Assemblyman (R-Monmouth County), Middletown, New Jersey.

3. Colonel John W. Ervin, Chief of Staff, U.S. Army Electronics Command, Fort Monmouth, New Jersey.

4. Mr. William I. Klatsky, Attorney-at-Law and Municipal Court Judge, Red Bank, New Jersey.

5. Major General William B. Latta, USA, Commanding General, U.S. Army Electronics Command and Fort Monmouth, Fort Monmouth, New Jersey.

6. Mr. Kendall H. Lee, Executive Director, Monmouth-Ocean Development Council, Vice President, Monmouth Electric Company (Mfr.), West Allenhurst, New Jersey.

7. Mr. Harry Luftman (LTC, USAR-Ret.), Real Estate Consultant, Former Director, New Jersey Housing Authority, Chairman, Board of Directors, Fort Monmouth Chapter, AUSA, Lincroft, New Jersey.

8. Mr. Kenneth J. Macdonald, Jr., Assistant Vice President, Monmouth County National Bank, Secretary, Fort Monmouth Chapter, AUSA, New Shrewsbury, New Jersey.

9. Mr. Richard C. Weisman, Manager and Director of Public Relations, Monmouth Shopping Center, Eatontown, New Jersey.

10. Hon. Herbert E. Werner, Mayor, Borough of Eatontown, Eatontown, New Jersey.

ESCORTS

1. Mr. Leonard Rokaw, Information Officer, U.S. Army Electronics Command, Board of Directors, Fort Monmouth Chapter, AUSA, Escort Officer.

2. Captain Lawrence L. Purcell, Aide-de-Camp to Commanding General U.S. Army Electronics Command, Assistant Escort Officer.

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OHIO OPERATION UNDERSTANDING, MARCH 20–22, 1969

GUEST LIST

1. Mr. Joseph Dahlstrom, Region Manager, General Mills, Inc., Cincinnati, Ohio.

2. Mr. Robert L. Evans, President, Bob Evans Farms, Inc., Route 2, Bidwell, Ohio.

3. Mr. Carl F. Graf, Vice President, Ohio National Bank, Columbus, Ohio.

4. Mr. Andy Holzapfel, Consultant Work Room Analyst (Self-employed) Columbus, Ohio.

5. Mr. Thomas J. Hunter, Editor-General Manager, Wilmington News-Journal, Wilmington, Ohio.

6. Mr. Walter F. Johnson, President, Johnson Candy Company, Kenton, Ohio.

7. Mr. Fred C. Kaiser, Chairman of the Board, Franklin Federal Savings and Loan Association, Columbus, Ohio.

8. Mr. William D. Litiano, President, Ohio Metallurgical Service, Inc., Elyria, Ohio.

9. Mr. Karl L. Livensparger, Assistant Vice President, The Ohio Bell Telephone Company, Cleveland, Ohio.

10. Mr. Herman L. Marte, President, Marte Pontiac, Inc., Columbus, Ohio.

11. Mr. Louis G. McGuire, Vice President and General Manager, Hugh White Chevrolet Company, Columbus, Ohio

12. Mr. Robert S. McKay, II, President, The Dean and Barry Company, Columbus, Ohio.

13. Mr. Frank E. Mianowski, Secretary of Police, City of Akron Police Department, Akron, Ohio.

14. Mr. Richard L. Payne, District Manager, Dayton Power and Light Company, Wilmington, Ohio.

15. Mr. Jean G. Peltier, Director of Commerce, State of Ohio, Columbus, Ohio.

16. Mr. Fred Rice, Registrar of Motor Vehicles, State of Ohio, Columbus, Ohio.

17. Mr. Harry Whiddon, Chief of Police, City of Akron, Akron, Ohio.

18. Mr. Joseph H. Wyman, Mayor of City of Grandview Heights, Ohio, Columbus, Ohio.

19. Mr. Howard R. Yocum, Vice President and Branch Manager, R. L. Yocum Realty Company, Lima, Ohio.

ESCORTS

1. Colonel Thomas A. Herzog, Air Defense Officer, The Adjutant General's Department, State of Ohio, Escort Officer.

2. Major Paul M. Grace, Deputy Group Commander, 88th Artillery Group (AD), Assistant Escort Officer.

3. CW4 Ray E. Swerlein, Air Defense Office, The Adjutant General's Department, State of Ohio, Assistant Escort Officer.

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CHICAGO-MILWAUKEE OPERATION UNDERSTANDING, 20–22 MARCH 1969

GUEST LIST

1. Mr. Ernest P. Cutro, Reporter, Chicago's American Newspaper, Chicago, Illinois.

2. Mr. Floyd C. Engebretson, CPT, Special Assignment Squad, Milwaukee Police, Milwaukee, Wisconsin.

3. Mr. Thomas A. Engels, Owner, J. E. Engels Chevrolet-Pontiac, Mineral Point, Wisconsin

4. Mr. A. Thomas Etcheson, President, Lake Shore National Bank, Chicago, Ill., Hinsdale, Illinois.

5. Mr. Cyril K. Fosse, Jr, Executive Supervisor of the National Food Stores, Vice President, Starr Container, Chicago, Illinois.

6. Mr. Timothy Galvin, Jr., President of Town Board, Munster, Indiana, Hammond, Indiana.

7. Mr. Harold E. Hands, Jr., Vice President, Marshall & Ilsley Bank, Milwaukee, Wisconsin

8. Mr. Gene Kieffer, Service Manager for Ruby Chevrolet, Inc., Mequon, Wisconsin.

9. Hon. Arthur H. Olson, Mayor, City of Portage, Portage, Indiana.

10. Mr James Page, President, Hoosier Realty, Munster, Indiana

11. Mr. George Sonnenleiter, General Supervisor of Special Recreation, Chicago Park District, Chicago, Illinois.

12. Mr. Hyman M. Spector, Board Chairman, Lava Simplex Internationale, Inc., Chicago, Illinois

13. Mr. Thomas Waterford, Director of Jackson Park, Chicago, Illinois.

ESCORTS

1. Lieutenant Colonel Wayne A. Mautz, Commanding Officer, 3d Battalion (HERC), 59th Artillery, Escort Officer.

2. 1st Lieutenant Richard J. Marcotullio, Information Officer, 45th Artillery Brigade, Assistant Escort Officer.

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JUNE 11, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of military transportation for public information and community relations purposes (RCS CINFRO–25).

The enclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

Foor the Chief of Public Information:

E. C. RALEIGH,
*Colonel, GS,*
*Chief, Policy and Plans Division.*

MAY 23, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of military transportation for public information and community relations purposes (RCS CINFRO–25).

The enclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

For the Chief of Public Information:

For L. P. DILEANIS,
*Colonel, GS,*
E. C. RALEIGH,
*Colonel, GS,*
*Chief, Policy and Plans Division.*

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, CO.

[Trip date, original, destination, type individual, type carrier and ownership, and purpose]

10–12 Apr 69, Homestead AFB, Fla., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, VT–29, Operation Understanding.

10–12 Apr 69, San Francisco, Calif., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 2, C–131, Operation Understanding.

17–19 Apr 69, New York-New Jersey, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 3, VT–29, Operation Understanding.

17–19 Apr 69, Los Angeles, Calif., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 4, C–131, Operation Understanding.

24–26 Apr 69, Selfridge AFB, Mich. (Detroit), to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 5, VC–131, Operation Understanding.

24–26 Apr 69, Providence, R.I. (New England), to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 6, T–29, Operation Understanding.

BENJAMIN A. SPILLER,
*Colonel, GS,*
*Information Officer.*

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MIAMI OPERATION UNDERSTANDING, APRIL 10–12, 1969

GUEST LIST

1. Dr. Jack H. Beckwith, Dental Surgeon, D.D.S., Miami, Florida.

2. Mr. E. Arthur Evans (General, USA-Ret.), President of the Board, Variety Children's Hospital, Miami, Florida.

3. Mr. William S. Frates, Attorney-at-Law, Frates, Fay, Floyd and Pearson, Miami, Florida.

4. Mr. Gerald W. Frawley, Executive Director, Variety Children's Hospital, Miami, Florida.

5. Mr. George C. Hoover, Executive Director, Variety Club International, South Miami, Florida.

6. Mr. J. S. Hudson, Assistant to the Vice President, Southern Bell Tel. and Tel. Company, Miami, Florida.

7. Mr. William M. Klein, Miami District Manager, Florida Power and Light Company, Miami, Florida.

8. Mr. William J. Miracle, Chapter Manager, American Red Cross, Miami, Florida.

9. Mr. A. M. Prado, Group Manager, South Florida Group, Sears Roebuck and Company, Miami, Florida.

10. Mr. John W. Prunty, Attorney-at-Law, Miami, Florida.

11. Mr. Jack S. Pyms, Pyms-Suchman Real Estate Company, Miami, Florida.

12. Mr. Wiley R. Reynolds, Jr., Executive Director, First National Bank of Palm Beach, Palm Beach, Florida.

13. Mr. William Singer, Member of the

Board, Royal Castle Restaurants, Miami, Florida.

14. Mr. Edward F. Swenson, Jr., Owner and Manager, Edward F. Swenson and Company, Miami, Florida.

ESCORTS

1. Colonel Frederick E. Roseman, Commanding Officer, 47th Artillery Brigade (AD), Escort Officer.

2. 2d Lieutenant James C. Donnelly, Information Officer, 47th Artillery Brigade (AD), Assistant Escort Officer.

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SAN FRANCISCO OPERATION UNDERSTANDING, APRIL 10–12, 1969

GUEST LIST

1. Mr. John A. Barthrop (Col., USA–Ret.), Vice President, States Steamship Company, San Francisco, California.

2. Mrs. Ester M. Dearth, Director, Visitors and Conventions Bureau, Marin County Chamber of Commerce, San Rafael, California.

3. Mr. Wayne H. Henninger, Vice President and General Manager, Red Kettle Pancakes and Steaks, Inc., San Rafael, California.

4. Honorable Clayton W. Horn, Judge, Superior Court, San Francisco, California.

5. Mrs. Thomas C. Lynch (Virginia), Wife of Attorney General, State of California, President, Democratic Women of the Bay Area, San Francisco, California.

6. Mrs. J. Eugene McAteer (Frances), Chairman, Sunday Heart Fund, San Francisco Heart Association, San Francisco, California.

7. Mr. Henry R. Morris, General Representative, Pacific Telephone and Telegraph Co. (Northern California), San Francisco, California.

8. Mr. Mel L. Morse, Executive Director, Marin County Humane Society, Novato, California.

9. Mrs. Florete White Pomeroy, Executive Director, National Council on Alcoholism, San Francisco Area, San Francisco, California.

10. The Reverend John S. Thornton, Rector, St. Stephen's Parish, Belvedere, California.

11. Mrs. James R. Winn (Eleanor), Wife of Commanding General, 6th Region, ARADCOM, Sausalito, California.

ESCORTS

1. Major General James R. Winn, Commanding General, 6th Region, ARADCOM, Escort Officer.

2. Major Betty J. Benedict, Information Officer, 6th Region, ARADCOM, Assistant Escort Officer.

3. Captain Vernon L. Conner, Aide-de-Camp to Commanding General, 6th Region, ARADCOM, Assistant Escort Officer.

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NEW YORK-NEW JERSEY OPERATION UNDERSTANDING, APRIL 17–19, 1969

GUEST LIST

1. Hon. Ralph P. Barone, Mayor of Woodbridge, Woodbridge, New Jersey.

2. Hon. William Allen Cobb, State Assemblyman, Morris County, New Jersey.

3. Mr. Philip O. Eisenberg, Counsellor at Law, New York, New York.

4. Hon. Harold C. Hollenbeck, State Assemblyman, Bergen County, New Jersey.

5. Mr. Mortimer J. O'Kane, 1st Vice President, Retired Officers Association, Woodside, New York.

6. Mr. Lee R. Rossbach, Broker, Gaines Reis, Inc., Wall Street, New York.

7. Dr. Joseph M. Teta (Ret.), Medical Doctor, Sands Point, New York.

8. Hon. Austin N. Volk, State Assemblyman, Bergen County, New Jersey.

9. Mr. Carl W. Werner, Restaurant Consultant, Roslyn Heights, Long Island, New York.

10. Mr. Herbert O. Winston, President, Winston and Keller, Inc., Morristown, New Jersey.

ESCORTS

1. Brigadier General Robert H. Safford, Commanding General, 52d Artillery Brigade, Escort Officer.

2. Lieutenant Colonel Charles R. Smith, Information Officer, Hq 1st Region, ARADCOM, Assistant Escort Officer.

3. 1st Lieutenant Jon F. Leider, Information Officer, 52d Artillery Brigade, Assistant Escort Officer.

4. 1st Lieutenant William B. Penzel, Aide-de-Camp to Commanding General, 52d Artillery Brigade, Assistant Escort Officer.

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LOS ANGELES OPERATION UNDERSTANDING, APRIL 17–19, 1969

GUEST LIST

1. Mr. Don Carpenter, Editor, *The Ledger*, Montrose, California.

2. Mr. Robert Foster, District Representative, Southern California Edison, Secretary, Dominguez-Carson Rotary Club, Long Beach, California.

3. Mr. Andrew A. Glaze, Travel Supervisor, Automobile Club of Southern California, Torrance, California.

4. Mr. B. Walter Hicks, Publisher, Hicks-Deal Publications, Inc., Wilshire Division, Los Angeles, California.

5. Mr. Ernest Howlett, Vice Mayor of Rolling Hills Estates, City Hall, Rolling Hills Estates, California.

6. Mr. John P. Kwasigroch, Accountant (Ret.), Campbell, California.

7. Mr. Stephen J. Lacie, Manager, United California Bank, San Pedro, California.

8. Mr. Edward L. Lawrence, Director, Marketing, Defense & Aerospace, Crucible Steel Corporation, Glendale, California.

9. Mr. John Marbut, Former Mayor, City of Carson, Principal, Dominguez Elementary School, Carson, California.

10. Mr. Donald C. Morency, Manager, Tactical Systems Requirements, Ryan Aeronautical Company, San Diego, California.

11. Mr. Dwight Oliver, Managing Editor, *Peninsula Breeze*, Palos Verdes Peninsula, California.

12. Mr. Anthony Perkov, Owner, Ante's Restaurant, San Pedro, California.

13. Mr. Max Schwartz, Aide to Mr. Hough, Pacific Telephone Company, Los Angeles, California.

14. Mr. Robert R. Wearange, Plant Manager, Continental Can Company, Member, San Pedro Chamber of Commerce, Terminal Island, California.

15. Mr. Albert Zoraster, Van Nuys Industrialist, Van Nuys, California.

ESCORTS

1. Lieutenant Colonel John F. Kwasigroch, Deputy Commander, 19th Artillery Group (AD), Escort Officer.

2. 1st Lieutenant Albert P. Rotola, Jr., Information Officer, 19th Artillery Group (AD), Assistant Escort Officer.

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DETROIT OPERATION UNDERSTANDING, APRIL 24–26, 1969

GUEST LIST

1. Mr. Mildred Dunnell, Active in National and State Republican Party, Mount Clemens, Michigan.

2. Mrs. Charles Farmer (Ruth), Wife of Judge Charles Farmer, Detroit, Michigan.

3. Mrs. John P. Garrity (Leona), Active in local and regional civic organizations, Member, Association of University Professors, Harper Woods, Michigan.

4. Mrs. Emory Genette (Ann), Active speaker, National Secretary, Citizens for Educational Freedom, East Detroit, Michigan.

5. Hon. Alice Gilbert, District Judge, Bloomfield Hills, Michigan.

6. Mrs. Philip A. Goetzmann (Mikki), Wife of Lt. Col. Philip A. Goetzmann, Executive Office, 28th Artillery Group, Bloomfield Hills, Michigan.

7. Mrs. Robert D. Knox (Patti), Vice Chairman, Democratic Party for Michigan, Detroit, Michigan.

8. Mrs. Victor Lim (Katie), Restaurateur, Victor Lim's Restaurant, Who's Who in American Women, Leader, Order of Eastern Star, Detroit, Michigan.

9. Mrs. James Lincoln (Kim), Wife of Judge Lincoln, Juvenile Court and Youth Home, Detroit, Michigan.

10. Mrs. Lucile McKee, Business leader; part owner of Macomb Daily, Mount Clemens, Michigan.

11. Mrs. Kenneth Peterson (Ruth), Member of Board, YWCA, Oakland County, Detroit coordinator of international visitors for International Institute, Recipient of Detroit Volunteer of the Year Award, Detroit, Michigan.

12. Mrs. Kathleen Roemer, Principal of Detroit School, Dossin School, Detroit, Michigan.

13. Mrs. Richard P. Sloan (Savilla), Chairman, Brimingham-Bloomfield Hills Republican Involvement Committee, Member, Junior League, Active as community speaker Orchard Lake, Michigan.

ESCORTS

1. Lieutenant Colonel Philip A. Goetzmann, Executive Office, 28th Artillery Group, Escort Officer.

2. 2nd Lieutenant Lyn A. Howard, Assistant Adjutant General, Hq 2d Region, ARADCOM, Assistant Escort Officer.

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NEW ENGLAND OPERATION UNDERSTANDING, 24–26 APRIL 1969

GUEST LIST

1. Mr. James Allen, Owner, Allen House, Ltd., Pawtucket, Rhode Island.

2. Mr. Paul C. Fay, Vice President, Keough-Kirby Associates, Inc. Woonsocket, Rhode Island, Dedham, Massachusetts.

3. Mr. Charles H. Gardiner, President, Gardiner and Whiteley, Pawtucket, Rhode Island, Warwick, Rhode Island.

4. Colonel Phillip S. Greene (USA, Ret.), Director of Guidance, Coventry High School, Coventry, R.I., North Kingstown, Rhode Island.

5. Hon. Stanley M. Jendzejec, President of Town Council of Coventry, Coventry, Rhode Island.

6. Hon. M. Joseph Manning, State Representative, Massachusetts, Milton, Massachusetts.

7. Hon. John A. S. McGlennon, State Representative, Massachusetts, Concord Massachusetts.

8. Mr. Joseph H. O'Donnell, Jr., Treasurer, Keough-Kirby Associates, Inc. Woonsocket, Rhode Island, Former Lieutenant Governor, State of Rhode Island, North Smithfield, Rhode Island.

9. Mr. Constantine Pappas, Proprietor, Niantic Grille and Hotel, Past Commander, VFW Post, Niantic, Connecticut, Niantic, Connecticut.

10. Mr. James V. Pedace, Retired Editor, The Norwich Bulletin, Norwich, Connecticut.

11. Mr. Edward J. Regan, Coordinator, The Connecticut Bank and Trust Company, Hartford, Connecticut.

12. Mr. Frederick J. Roback, Communications Manager, Southern New England Telephone Company, Hartford, Connecticut.

13. Hon. John L. Waterman, Chairman of the Board of Selectmen, Rehoboth, Massachusetts.

14. Hon. Stanley J. Zarod, State Senator, Massachusetts, Indian Orchard, Massachusetts.

ESCORTS

1. Colonel Harry D. Latimer, Commanding Officer, 24th Artillery Group (AD), Escort Officer.

2. 1st. Lieutenant James C. Hunter, Adjutant and Information Officer, 24th Artillery Group (AD), Assistant Escort Officer.

MAY 9, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

The enclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

For the Chief of Public Information:

E. C. RALEIGH,
*Colonel, GS, Chief, Policy and Plans Division.*

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DEPARTMENT OF THE ARMY, HEADQUARTERS, THIRD U.S. ARMY,
*Fort McPherson, Ga., May 2, 1969.*

Subject: Report of Nonlocal Travel for Community Relations Purposes, (RCS CINFO–25).

CHIEF OF INFORMATION,
*Department of the Army,*
*Washington, D.C.*

1. Reference paragraph 27b, AR 360–5, dated 27 September 1967.

2. Fifteen faculty members of Wofford College, Spartanburg, S.C., visited the Defense Information School, Fort Benjamin Harrison, Indiana, 20–22 April 1969, utilizing a guaranteed Community Relations flight.

3. The flight was requested by COL Harold G. Stover, Professor of Military Science, Wofford College, who accompanied the group. MAJ Edward Y. Hall, Assistant Professor of Military Science, also accompanied the group.

4. The purpose of the visit was to provide the educators an opportunity to study the teaching methods and techniques employed by the Defense Information School.

5. The names and positions of those making the trip are attached.

For the commander:

Maj. MARY E. MURPHY,
*Acting Assistant.*

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LIST OF PERSONS MAKING TRIP

Dr. Fred T. Adams, Chairman, Department of Sociology, 130 Sunset Drive, Spartanburg, S.C. 29302.

Mr. Donald R. Bailey, Professor of Sociology, 139 Woodhaven Drive, Spartanburg, S.C. 29302.

Mr. Aubrey E. Hartman, Professor of Physics, Route No. 1, Box 348C, Wellford, S.C. 29385.

Mr. Joseph H. Killian, Professor of History, 244 Nelson Avenue, Spartanburg, S.C. 29302.

Mr. Lawrence E. Moore, Professor of Chemistry, 109 Briarwood Road, Spartanburg, S.C. 29301.

Mr. William A. Parker, Professor of Physics, 394 Wannamaker Court, Spartanburg, S.C. 29302.

Mr. Marion B. Peavey, Director of Information Services, Greene Hall Apartments, Spartanburg, S.C. 29301.

Mr. Howard M. Pegram, Professor of Mathematics, 307 West Birnie Street, Gaffney, S.C. 29340.

Mr. William W. Scheerer, Chairman, Department of Physical Education, 109 Pineville Road, Spartanburg, S.C. 29302.

Mr. Joseph Secondi, Professor of English, 324 DuPre Drive, Spartanburg, S.C. 29302.

Mr. Edward B. Sydnor, Director of Special Educational Activities, 212 Lake Wood Drive, Spartanburg, S.C. 29302.

Dr. Thomas V. Thomoughman, Professor of History, 301 Springwood Drive, Spartanburg, S.C. 29302.

Dr. William P. Cavin, Professor of Chemistry, 704 Perrin Drive, Spartanburg, S.C.

Col. Harold G. Stover (Escort Off), Professor of Military Science, Wofford College, Spartanburg, S.C. 29301.

Maj. Edward Y. Hall (Escort Off), Asst. Professor of Military Science, Wofford College, Spartanburg, S.C. 29301.

APRIL 16, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

For the Chief of Information:

LEONARD P. DILEANIS,
*Colonel, GS, Acting Chief, Policy and Plans Division.*

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Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

Headquarters, U.S. Army Materiel Command, Washington, D.C. 20315, April 11, 1969.

To: Chief of Information, Department of the Army, Attn: Chief, Community Relations Division, Washington, D.C. 20310.

Report in basic letter above is submitted in compliance with paragraph 27b, AR 360–5, dated 27 September 1967.

For the Commander:

WILLIAM H. MESSENGER,
*Chief, Community Relations, Information Office.*

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DEPARTMENT OF THE ARMY,
*Lexington, Ky., April 7, 1969.*

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

COMMANDING GENERAL,
*U.S. Army Materiel Command,*
*Washington, D.C.*

1. Reference AMCR 360–5, dated 5 March 1968.

2. Mr. Harold B. Barton, Adjutant for the Eastern Kentucky University R.O.T.C., Richmond, Kentucky, requested the following vehicles to transport cadets:

[Equipment, origin, destination, and date]

Truck 2½ ton, Richmond, Ky., to Ft. Knox, Kentucky, 5 Mar. 69.

Truck 2½ ton, Richmond, Ky., to Richmond, Kentucky 7–8 Mar. 69.

Bus (2), Richmond, Ky., to Dayton, Ohio, 8 Mar. 69.

3. LTC Richard S. Webb III, requesting officer, for 2d Battalion, 8830th MP USAR TC, Lexington, Kentucky, requested the following vehicles to transport cadets:

[Equipment, origin, destination, and date]

Bus (2), Lexington, Ky., to Lexington, Kentucky 9 Mar. 69.

4. Major Melvin E. Hampton requesting officer, for 810th Convalescent Center, Lexington, Kentucky, requested the following vehicle to transport cadets:

[Equipment, origin, destination, and date]

Bus, Richmond, Kentucky, to Lexington, Kentucky, 15 Mar. 69.

5. LTC Thomas A. Harris, requesting officer, for Department of Military Science, Morehead State University, Morehead, Kentucky, requested the following vehicle to transport their R.O.T.C. Pershing Rifle Company to Ohio State University for a rifle meet:

[Equipment, origin, destination, and date]

Bus, Lexington, Ky., to Columbus, Ohio, 27–28 Mar. 69.

For the Commander:

JOHN P. FOLEY,
*LTC, SigC, Director for Administration.*

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JULY 22, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO–25).

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD–PA (M) 591.

For the Chief of Public Information:

LEONARD P. DILEANIS,
*Colonel, GS, Deputy Chief, Policy and Plans Division.*

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USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, CO.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

5–6 Jun 69, Colorado Springs, Colorado, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, T–39, Operation Understanding.

BENJAMIN A. SPILLER,
*Colonel, GS, Information Officer.*

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COLORADO SPRINGS OPERATION UNDERSTANDING, JUNE 5–6, 1969

GUEST LIST

1. Dr. Albert P. Bridges, Operations Manager, Kaman Nuclear, Colorado Springs, Colorado.

2. Mrs. Albert P. Bridges.

3. Mr. Richard Eckert, District Manager, Mountain States Telephone Company, Colorado Springs, Colorado.

4. Mrs. Richard Eckert.

5. Mr. William B. Elliott, President, Colorado Springs Equipment Company, Colorado Springs, Colorado.

6. Mrs. William B. Elliott.

7. Mr. Donald W. Heyse, Secretary-Treasurer, Heyse Sheet Metal & Roofing Company, Treasurer, Pikes Peak Chapter, AUSA, Colorado Springs, Colorado.

8. Mrs. Donald W. Heyse.

9. Mr. James L. Higday, Manager, Mountain Division, Public Service Company of Colorado, Leadville, Colorado.

10. Mr. Harry W. Hoth, President, Pikes Peak Broadcasting Company, President, Pikes Peak Chapter, AUSA, Colorado Springs, Colorado.

11. Mrs. Harry W. Hoth.

12. Mr. Harry A. Mallon, President, Shepard's Citations, Colorado Springs, Colorado.

13. Mrs. Harry A. Mallon.

14. Mr. W. H. Preston, President, Colorado Springs Rotary Club, Colorado Springs, Colorado.

15. Honorable Jack L. Roeser, County Court Judge, El Paso County, Colorado Springs, Colorado.

16. Mrs. Jack L. Roeser.

17. Mr. James R. Ross,, County Commissioner, El Paso County, Colorado Springs, Colorado.

18. Mr. William H. Schwabe, Manager, American Stores Packing Co. (Acme Markets), Past President, Pueblo Chamber of Commerce, Pueblo, Colorado.

19. Mr. Richard Spencer, Publisher, Western Horseman Magazine, Colorado Springs, Colorado.

20. Mrs. Richard Spencer.

21. Mr. Darrell D. Thomas, Attorney-at-Law, U.S. Commissioner, Colorado Springs, Colorado.

22. Mrs. Darrell D. Thomas.

23. Mr. Philip A. Winslow, President, Phil Winslow Volkswagen, Inc., Colorado Springs, Colorado.

ESCORTS

1. LTG G. V. Underwood, Jr., Commanding General, U.S. Army Air Defense Command, Escort Officer.

2. COL Benjamin A. Spiller, Information Officer, U.S. Army Air Defense Command, Assistant Escort Officer.

3. LTC Juan A. Colon, Deputy Information Officer, U.S. Army Air Defense Command, Assistant Escort Officer.

4. Major Robert L. Keller, Aide-de-Camp to Commanding General, U.S. Army Air Defense Command, Assistant Escort Officer.

5. 1st Lt. Walter B. Moore, Jr., Aide-de-Camp to Commanding General, U.S. Army Air Defense Command, Assistant Escort Officer.

Mr. FULBRIGHT. The final area I would like to discuss is that of Army speakers supplied to civilian audiences. There has been a dramatic and understandable escalation in the number of military men being supplied as speakers, particularly on Vietnam, to public audiences. This can be traced in the Army's own semiannual reports that have been supplied to me. In the 6 months ending December 1966, 350 Army speaking engagements were reported arranged by the Chief of Information.

By 1 year later, a report said:

All reporting commands indicated an active Army speakers program. . . . The demand for Army speakers on Vietnam has also increased during the period. An estimated 1000 (sic) speakers per month are scheduled and requested (throughout the country) to speak on Vietnam.

A further increase was reported in 1968 with some 1,200 engagements reported during the first 6 months.

Let me point out that this means that, on an average, tonight and for each night of the week, no less than seven Army speakers are appearing before public audiences, most of them to give the Army view of the war in Vietnam. How can those of us who seek to challenge the administration, and thus the Army's position in this most important matter, compete with that array of speakers? And, remember, this is just the Army alone. For, as I have already noted, the Office of Secretary of Defense, the Navy, and the Air Force all have their speakers.

The opportuntiy to shape the public's mind on Vietnam through those speakers is something that should be carefully considered.

I ask unanimous consent to have printed in the RECORD the semiannual community relations reports for the period January 1967 through December 1968.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Report Symbol DD–PA (SA) 656]

DEPARTMENT OF THE ARMY SEMIANNUAL COMMUNITY RELATIONS REPORT, JANUARY 1, 1967–JUNE 31, 1967

SECTION I: EXCEPTIONAL ACCOMPLISHMENTS

1. Identification with DA Mission with Public Interest:

(a) DA Support in Disasters and Civil Disturbances:

(1) Missouri Basin Floods: During the spring floods in the Missouri Basin, the Technical Liaison Offices of the Army Corps of Engineers furnished information to the press and general public on the flood situation. The Kansas, Missouri and Nebraska National Guards cooperated with the Corps, furnished helicopters and fixed wing aircraft for reconnaissance and photographic missions over the flooded areas. After the flood abated, information was furnished for wrap-up stories by the various news media, describing flood damages and emphasizing damages prevented by Corps projects.

(2) Southwest Forest Fire: Personnel from 1st Battalion, 33d Artillery, Fort Bliss, aided fire-fighting teams at Lincoln National Forest in New Mexico to help bring a 2500-acre fire under control.

(3) Fort Irwin Air Disaster: An Air Force F4C Phantom, from George Air Force Base, Victorville, California, crashed and burned at Fort Irwin during a formation flight. The pilot and commander of the aircraft both ejected and the commander was killed instantly. Prompt rescue action by Army helicopter pilot, CW 2 Michael Von Koepper, saved the life of the severely burned pilot, and was cited for his actions. Cooperation between the Army and Air Force and the heroic action of the helicopter pilot was played up by the Fort Irwin IO. The story was given headline coverage in most of the local newspapers.

(4) Other Support: Thirty-five enlisted reservists from the 352d General Hospital Unit, Oakland Army Base, California, participated in a civil defense exercise stimulating an earthquake disaster. The exercise was designed to test the ability of Herrick Memorial Hospital under disaster conditions. Outstanding pictorial and feature coverage was given by local news media.

(b) Civilianization Program:

(1) Civilian position vacancies are publicized regularly in the Fort Meade, Maryland post newspapers with excellent results in the way of applicants for job openings.

(2) An extensive publicity campaign within the command and local media of the Military District of Washington to assist the civilian personnel recruiting program during the past reporting period, employing such available resources as television, radio and newspaper coverage, as well as paid advertising.

(c) Base Closures: Headquarters XVI U.S. Army Corps Information Office reports that several news articles have appeared in local newspapers concerning the announcement that the Army will phase out XIV Corps headquarters in Omaha.

(d) Relocation of Headquarters: The relocation of Headquarters, Fifth U.S. Army from the former Army hospital building (Gardiner General Hospital) to Fort Sheridan, Illinois, was accomplished during the period 19 April to 19 May. The move proved to be an almost flawless performance and was duly noted by Chicago metropolitan and Fort Sheridan area news media.

(e) Good Neighbor Acts and Community Service:

(1) The Wilmington, North Carolina, and Savannah, Georgia, Districts of the Corps of Engineers received citations for their co-operation with conservation interests. The North Carolina Wildlife Federation in conjunction with the National Wildlife Federation and the Sears Roebuck Foundation, presented its 1965 Eastern regional award to Colonel Beverly S. Snow, Jr., Wilmington District Engineer, for what conservation interests in the state described as a "major break-through" in cooperation with fish and wildlife groups. Colonel William L. Barnes, Savannah District Engineer, received a citation from the Chattahoochee Valley Chamber of Commerce for "establishing and maintaining superior examples of good taste and beautification and for providing and maintaining good community relations in the Valley."

(2) Sport fish raised in the cooling pond at Fort Richardson, Alaska, were "planted" in various waters in the vicinity of Anchorage to provide new public fishing opportunities and to replenish salmon spawning runs which had diminished. In May, some 64,000 King Salmon fingerlings were released in Ship Creek which passes through Fort Richardson, Elmendorf Air Force Base, and Anchorage. In June, an additional 470,000 young King Salmon were placed in this creek and approximately 12,000 young Rainbow Trout were planted in 5 lakes in the Anchorage area.

(3) Over 100 soldiers from the 1st Battalion, 20th Artillery, Fort Lewis, Washington, assisted civil authorities in the search for the body of Steve Brumley, a logger who fell from his horse in the Nisqually River and drowned. In addition to the searchers, the Army contributed a helicopter, crane and bulldozer to aid in the search.

(4) Sixty-two men of the 1st Battalion, 59th Infantry Regiment, Phoenix, Arizona, donated blood to save the life of a 17-year-old high school senior.

(5) A group of women from the Women's Army Corps Detachment at Fort Bragg have banded together to form a choral group known as the "Angels in Army Green." They are now performing on and off post upon request and have won the USO's "Good Neighbor Award."

(6) The Army Community Service Program, Fort Lewis, Washington, has handled 54,000 separate cases during the past year. The service provided assistance in finances, housing, child care, marital and psychological problems and many other difficulties facing separated military families. In April, Channel 10, Olympia, Washington, presented two 30-minute programs on this community service work.

2. Media Support:

(a) The continued build-up of the Armed Forces in Vietnam brought an increased effort to assist the various media in their attempt to inform the American public. Articles on Army training and field action have appeared in all the major magazines and daily newspapers. Radio and television coverage of the "Army Story" has also received considerable support.

(b) All reporting elements mentioned an increased volume of Hometown News releases. During the fourth quarter Headquarters Fifth U.S. Army reported 18,333 Hometown news and picture releases, 2,095 Hometown radio tapes and 167 Hometown TV clips.

(c) First U.S. Army reported that it provided assistance to the National Educational Television (NET) network in the development of a one hour filmed program pertaining to the contributions which a community makes to national defense. The community selected was Charlottesville, Virginia. The completed program, entitled, "Homefront of 1967" was distributed in March to over 100 NET stations across the nation for showing in April.

(d) Special Forces units from Fort Bragg received widespread news coverage from visiting press and other media at their training area in northern New England.

(e) There was a continued emphasis in most local areas on soldiers returning from Vietnam. The Radio-TV section of Fort Hood, Texas, developed a new radio series entitled "Focus: Vietnam." The show utilizes the experience of men who have recently returned from Southeast Asia and highlights their personal experience with the war and the Vietnamese people.

(f) Arrangements were coordinated and an escort provided for newsman Phil Santora and a photographer of the *New York Daily News*, who spent four days at Fort Dix to interview and photograph Vietnam returnees. This resulted in a two-part feature with supporting photographs in the issues of 6 and 7 July (circulation: 2,097,570). This is one instance of many similar Army efforts to cooperate with newsmen.

(g) SFC Frank Barbee, an instructor in the Department of Specialist Training, appeared on the Alan Burke Show on WNEW–TV, Channel 5, New York City, on 4 March. His appearance, approved by DOD, was voluntary on his part to answer critics on a previous program who objected to Negroes, fighting in Vietnam because of alleged discrimination against them. SFC Barbee made his point with dignity, winning the respect of all participants on the show. The public's reaction was gratifying, and it is felt that by

his appearance, the public image of the Army was enhanced.

3. Speakers Program:

(a) Speaking engagements:

(1) Approximately 280 Army speaking engagements were arranged by OCINFO alone. There were countless other speaking engagements by Army and Civil Defense speakers that were not reported.

(2) There continues to be a large demand for Vietnam returnee speakers. Headquarters XIV Army Corps, U.S. Fifth Army, reported a "tremendous expansion" in its speaker's program due to a substantial increase in requests from business, veterans and religious organizations. Sixth Army reported an increase of 23 percent in the number of speakers provided for civic and military functions and attributed the increase to popular interest in Vietnam.

(b) Speechmaker Kits: The Command Information Unit continues to develop and distribute Speechmaker Kits. The kits include a prepared speech and a set of slides. They are designed for delivery by any Army spokesman to adult military and civilian groups of all kinds and cover a large number of topics ranging from Army training to research and development. During the reporting period 5 Speechmakers were revised and printed. One new one has been written but has not yet been cleared. The total number of Speechmakers is now 24.

4. Cooperation with Organizations: The Army, in coordination with and as approved by the Department of Defense, cooperates with certain selected national organizations.

(a) Thirteenth Annual Meeting of the Association of the United States Army (AUSA): The Department of the Army has begun its coordination with AUSA in connection with its annual convention to be held 9–11 October 1967 in Washington, D.C.

(b) Other Support to AUSA: U.S. Army posts, camps and stations throughout the country continued to give strong support to AUSA. An example of such was the meeting between 100 civilian leaders with former Georgia Governor Carl Sanders and MG Robert H. York, CG, Fort Benning to launch a membership drive for the Columbus-Phoenix City-Fort Benning Chapter of the AUSA.

(c) American Legion National Convention: The Army has been engaged in coordinating for the national convention of the American Legion to be held in Boston, Massachusetts during the period 25–31 August 1967.

(d) National Convention, Veterans of Foreign Wars: Army coordination and cooperation has been completed for the national convention to be held in New Orleans, Louisiana, during the period 18–25 August 1967.

5. Civilian Aides to the Secretary of the Army Program: The program of Civilian Aides to the Secretary of the Army serves as a means for two-way communication between the Army and the public. As an unpaid advisor to the Secretary of the Army and to local Army commanders, a Civilian Aide recommends and assists in ways of enhancing the understanding and cooperation between the Army and the civilian communities. The 13th National Civilian Aides Conference was held at Fort Gordon, Georgia during the period 21–23 May 1967. The event was a very successful one and received good media coverage.

6. Musical Support and Participation:

(a) Tours by Army Bands:

(1) The U.S. Army Field Band toured the Southeastern and Northeastern United States in the spring of 1967 appearing in 69 concerts and other performances before a total audience of over 93,000. During the last reporting period they have performed on 305 occasions before an audience of over 700,000 people.

(2) The Women's Army Corps Band conducted a 10-concert tour which included performances in Pennsylvania, Virginia, the District of Columbia and Tennessee.

(b) Military District of Washington:

(1) The Military District of Washington (MDW) continued to coordinate and support Armed Forces participation in ceremonies for dignitaries visiting the Washington, D.C. area. A total of 332 Full Honor ceremonies were held during the reporting period for such visitors as the Prime Minister of Britain and the King and Queen of Thailand.

(2) The United States Army Band and the 3d Infantry presented four Torchlight Tattoos during the month of June to capacity audiences. The Band's concerts (four at the Watergate and five at the Capitol Plaza) drew approximately 20% more attendees than last year. The series of concerts and tattoos will continue through the summer and conclude at the end of August.

(c) Other Bands: Other Army bands continued to support local civic events in communities throughout the United States. The 72d U.S. Army Band, Fort MacArthur, California, for example, participated in eight major parades during the third quarter alone for an estimated audience of 300,000 persons. Requests for bands has been particularly heavy during the last reporting period due to the various holidays and summer parades.

7. Parachute Demonstrations:

(a) U.S. Army Parachute Team: During the reporting period the U.S. Army Parachute Team "Golden Knights" appeared in 47 demonstrators before spectators totaling more than 2,056,000. The team now holds 93 of 128 world parachuting records in international competition. Despite a continuing shortage of personnel, the "Golden Knights" have been able to field teams for numerous airshows and fairs across the United States.

(b) Other Parachute Teams: In addition to the U.S. Army Parachute Team the sports parachute clubs of Fort Campbell, Kentucky, and Fort Hood, Texas, gave demonstrations for local civilian communities. Newspapers in the Fort Hood area carried a story about the Fort Hood Skydivers, who began the massive Easter egg hunt by dropping into the "egg hunt" zone of the Fort Hood 1st Armored Division area.

8. Orientation Tours and Open Houses:

(a) Operation Understanding: ARADCOM continued its highly successful Operation Understanding flights and tours. The program aims at acquainting influential members of local communities with the operations of ARADCOM units. Fort Bliss reported that its revitalized Operation Understanding tours brought the number of special visits to the post to an all time high during the reporting period.

(b) Other Tours:

(1) In addition to Operation Understanding, the CONUS Armies are conducting a number of orientation tours for United States civilians. In February, Fort Benning, Georgia, was host to 150 members of the Columbus Rotary Club for a briefing at the Officer Candidate School. Sixth Army reported that tours provided an exceptionally effective tool for good community relations. Approximately 20,000 people visited Army installations in that area during the third and fourth quarters. The Presidio of San Francisco placed considerable emphasis on tours for young people, especially those youngsters with physical handicaps.

(2) Tours for foreign visitors also received a great deal of attention during the period. The U.S. Army Engineer Center and Fort Belvoir in Virginia were host to 274 visitors representing 16 countries: Morocco, Denmark, Japan, Australia, Brazil, Canada Uruguay, Tunisia, Paraguay, Sweden, Sudan, Indonesia, Vietnam, Liberia and COPE CODECA (an organization of South American States). Highlights of the visit included an all day tour of more than 200 Canadian student officers. Fort Polk, Louisiana was host to five Indonesian Army officers for a four-day period in the fourth quarter. The foreign officers observed the processing of U.S. Army inductees, basic combat training, advanced infantry training and training in combat support skills. The John F. Kennedy School for Special Warfare at Fort Bragg, North Carolina, received numerous senior police officials from foreign nations. The 82d Airborne Division hosted a group of 23 students and three instructors from Chile's War Academy.

(3) Many reporting units indicated that tours were utilized successfully in connection with ROTC publicity programs.

(c) Open House: Open house is held continually at local posts, camps and stations. For example, during the period 6–9 June the 13th Annual National Strategy Seminar was held at the Army War College, Carlisle Barracks, Pennsylvania, when more than 120 prominent civilian and military makers from throughout the nation met with the 205 students to develop a national strategy through sharing knowledge gained in their particular occupation. Representatives from the fields of agriculture, labor, business, law, education, religion, government, science and arts participated in the 4-day session. Guest speakers included Richard Collins of the CIA, Honorable Robert R. Bowie, Counselor of the Department of State; Honorable Stanley R. Resor, Secretary of the Army; General Earle G. Wheeler, Chairman, Joint Chiefs of Staff; and General Harold K. Johnson, Army, Chief of Staff. Film of the seminar was made by the Information Officer and released to all local television stations.

9. Exhibitions:

(a) U.S. Army Exhibit unit:

(1) Twenty-four exhibits of the U.S. Army Exhibit Unit were displayed in the various parts of the United States before a total of some 7.4 million visitors.

(2) The following major exhibits were refurbished by the Unit during the period:

(a) Captured Communist Equipment—2 exhibit units.

(b) Adapting to Living in the Nuclear Age—an outdoor exhibit giving information pertaining to nuclear fall out and survival procedures during an enemy attack.

(c) Above and Beyond the Call of Duty—an indoor exhibit featuring the U.S. Army's Medal of Honor and its history.

(d) Man on the Moon—an indoor exhibit which points up those areas in which Army experience and research may provide answers enabling man to live, work and travel on the moon.

(e) Chaplains Showcoach—an outdoor van which tells the story of the Army Chaplain Corps.

(f) U.S. Army Trains for Leadership—an indoor exhibit explaining the Army's vast educational and training system.

(g) U.S. Army Airborne—All the Way—an indoor exhibit designed to familiarize the American public with the history and role of the U.S. Army Airborne forces.

(h) How the U.S. Army Meets the Third Challenge—an outdoor van exhibit which explains the Army's worldwide programs of stability of the United States and the Free World.

(i) U.S. Army—A Heritage of Freedom—an indoor display depicting the Army as a protector of freedom on the battlefield.

(j) The Airmobile Soldier—an indoor exhibit in the shape of a helicopter which highlights airmobile operations in Vietnam.

(k) Today's Vision, Tomorrow's Victory—an outdoor van exhibit which tells the story of the U.S. Army Combat Developments Command (USACDC).

(l) Serving With Pride and Dignity—an indoor exhibit which tells the story of the Women's Army Corps from its inception.

(3) The following new exhibits were constructed by the Exhibit Unit—

(a) Shaping the Army's Future—an indoor exhibit which features the Army's research and development program.

(b) U.S. Army Chaplaincy—Fibers of

Faith and Source of Strength—an indoor exhibit highlighting the history and memorabilia of the Army Chaplains Corps.

b. Other Exhibits: Fort Wainwright, Alaska, installed a new Jonathan M. Wainwright Museum which is now shown to visitors to the Fort. This facility contains an historic display prepared in U.S. Army Alaska headquarters concerning the Army's service in Alaska since 1867. During the reporting period Combat Developments Command designed and programmed for construction three exhibits for use by the command, with initial showing to take place during the Annual AUSA Meeting, 9–11 October 1967.

10. Support to Youth Groups:

(a) Boy Scouts of America: Army assistance to activities of the Boy Scouts continued on all levels of command. A Scout-O-Rama involving 3,300 scouts and 200 adults was held at Yakima Firing Center, Fort Lewis, Washington in May. Logistical and public information support was given to "Operation Camporee" held by 400 Boy Scouts from Burlington County, New Jersey. This annual winter camporee was held at the Lake-of-the-Woods Scout reservation at Fort Dix during the last weekend of January. Approximately 1,000 Boy Scouts from Ann Arundel County, Maryland, took part in a three-day camporee at Fort Meade in May.

(b) Other Youth Groups: The Army continues to cooperate with the Camp Fire Girls, Girl Scouts, Brownies, 4-H Clubs and other youth organizations. Extensive planning and coordination has been put into scheduling of service bands and choral groups for the Washington area during the summer, tempered particularly to the level that young people will appreciate.

11. Special Events:

(a) Dedication at Carlisle Barracks: On 29 April the new 5.5 million dollar academic building at Carlisle Barracks was dedicated at Root Hall. Prior to the ceremony a 30-minute concert was presented by the First U.S. Army Band. Guest speakers at the dedication were Major General Ulysses S. Grant, III (USA-Ret), Senator George N Wade of Pennsylvania, Lieutenant General William F. Train, CG, First U.S. Army and Major General Eugene A. Salet, Commandant of the Army War College. More than 1,000 military and civilian guests attended the outdoor ceremony.

(b) First Army Commanders' Rifle and Pistol Championships: The First Army Commanders' Rifle and Pistol Championships were held at Fort Meade, Maryland, in April. Over 700 competitors took part in the event. News releases and photographs were provided to local news media and to Associated Press and United Press International.

(c) San Antonio Fiesta: The Fourth U.S. Army gave full cooperation to the San Antonio Fiesta held during the week of April 21 in San Antonio, Texas. This event is a week-long patriotic and civic celebration commemorating the Battle of San Jacinto in 1836 and the winning of Texas independence. The Fourth U.S. Army Commander was the military coordinator for the 1967 observance with the Army Information Office directly responsible for the details of Armed Forces support.

(d) All-Army and Inter-Service Boxing Championships: The All-Army and Inter-Service Boxing Championships held at Fort Lewis in March received outstanding media coverage. The XX Conseil International du Sport Militaire (CISM) Boxing Championships at Fort Meade in June also received wide press and radio coverage.

(e) Memorial to Special Warfare Soldiers: A $75,000 memorial to Special Warfare soldiers killed in action was dedicated at the John F. Kennedy Center for Special Warfare, Fort Bragg, North Carolina.

(f) Dedication of Dams: Foster and Green Peter Dams on the Santiam River in Oregon were dedicated in June. Both dams were major projects of the Corps of Army Engineers. Principal speakers were Oregon's Governor Tom McCall, senior United States Senator Wayne Morse and Major General Frederick J. Clarke, Deputy Chief of Engineers.

(g) Anniversaries:

(1) An appeal for Civil War relics and mementos displayed at Fort Meade during its 50th Anniversary celebration May 20th received wide publicity in the area press and resulted in a number of items being offered for display in the 1st Army Museum at Fort Meade.

(2) The 50th Anniversary of Fort Story, Virginia, resulted in widespread coverage by area newspapers. The anniversary was used as a reason for a press day, in which representatives of all three media toured Fort Story, current activities and history.

(3) The observance of the U.S. Army Reserve birthday, 23 April 1967, afforded XX U.S. Army Corps the opportunity to tell the Army Reserve story. All reserve units were forwarded a fact sheet on the Army Reserve and a message in commemoration of the USAR birthday signed by the Corps Commander. Two hundred twenty-one news media in Ohio, Kentucky and West Virginia were sent radio and television spot announcements along with the history of the Army Reserve and a press release. Several units reported not only good coverage by the news media but also local radio and television stations conducted personal interviews of reservists in commemoration of the birthday.

(4) The 50th Anniversary celebration of Fort Dix, New Jersey, increased the interest of the local area press and the general public. As a result of this aggressive pre-publicity campaign, newspapers and WFIL–TV Philadelphia sent seven representatives to Fort Dix for "live" coverage of the activities.

(5) "Our Heritage—The Military Era" was adopted as the theme of the annual Daffodil Festival Parade, Tacoma, Washington. The floral parade, which is considered one of the nation's top ten, paid tribute to Fort Lewis' 50th Anniversary. MG Donald R. Pierce, CG, Fort Lewis, served as Grand Marshal of the parade which was reviewed by Governor Dan Evans, Washington.

(6) The Information Office, MDW, wrote and produced a radio show on MDW's 25th Anniversary and made distribution to all local stations, four of which carried the program.

12. Posthumous Awards:

(a) The nation's second highest combat award, the Distinguished Service Cross, was presented posthumously on 20 April to SP4 John W. Dahr of Dillsburg, Pennsylvania. His parents, Mr. and Mrs. Paul Dahr, Sr., received the award from Major General Eugene A. Salet during a retreat parade at Carlisle Barracks, Washington, D.C. They were also presented the Purple Heart for the fatal wounds their son received in action near Cu Chi on 8 January with the 25th Infantry Division in Vietnam. The awards ceremony was given wide publicity and a very large crowd attended.

(b) Military District of Washington coordinated press activities for the posthumous award of the Medal of Honor to the family of SP 4 Daniel Fernandez by President Johnson on 6 April and to the family of Lieutenant Robert J. Hibbs on 26 January.

(c) The presentation of the Distinguished Service Cross to the widow of Major Lewis D. Bell took place at Fort Wolters in February. Major Bell, an Army aviator, was killed in action in Vietnam.

(d) ARADCOM units continue to participate in burial and memorial services, posthumous award ceremonies for Vietnam dead, and award ceremonies for Vietnam dead, and award ceremonies for Vietnam veterans. In the 5th Region, the 6th Battalion, 65th Artillery, dedicated its four firing batteries to the memory of four Key West war dead. Most civilian and military dignitaries of the Key West area were present, in addition to approximately 300 other local residents. There was excellent coverage by newspapers and radio stations.

13. Reserve Components:

(a) The 59th anniversary of the Army Reserve was given widespread newspaper, TV and radio coverage throughout the United States. In the First U.S. Army area there was a rigorous campaign through Reserve units to proclaim U.S. Army Reserve Day by mayors of local cities. Such proclamations were issued by the Governor of Arizona and the mayors of San Francisco, Los Angeles, Fresno, Santa Barbara and other cities. In many cities open house was held at Reserve Centers.

(b) On March 16–19 approximately 1,200 men of the Active Army, National Guard and Army Reserve participated in a joint training exercise at Fort Rucker, Alabama.

(c) Recruiting jump by Army Special Services Reservists from Portland, Salem, Eugene areas of Oregon, received full page picture spreads in Oregon papers. The training jump was conducted to publicize the unit's need for additional men.

14. Army Reserve Officer Training: Intensified publicity of ROTC programs continued to develop during the period in response to the Army's need for new officers. A new program of two-year and four-year ROTC Scholarships received extensive publicity through the electronic media, newspapers and Army speakers. Fifth Army reported that its "Road to Freedom" radio broadcast series which stresses the ROTC theme added nine new stations to its distribution list for a total of 68.

15. Memorial Day Observance: Army support of Memorial Day observance took place on all levels of command. Fort Dix provided support for Memorial Day parades and ceremonies in 62 communities in New Jersey, Delaware, and the Philadelphia area, including troop units, military speakers, firing squads, buglers, and Army Bands. The Military District of Washington produced a 13-minute radio program centering on activities at Arlington National Cemetery for release on Memorial Day. This program was distributed nationally to approximately 800 interested independent stations. MDW also assisted WMAL–TV in Washington, D.C., in the production of a 30-minute program on the Arlington Cemetery. The presentation was broadcast on May 28 and 30 and brought favorable comments from the U.S. Army Chief of Staff, General Johnson, and *Variety Magazine*.

SECTION II: PROBLEM AREAS AND SOLUTIONS

1. Lack of Qualified Information Personnel: This continues to be a problem area with all installations during the reporting period. Headquarters First U.S. Army gave the following suggestion: "The need for good personnel is so great that commanders faced with the task of feeding, supply, and training the troops of necessity give such missions primary emphasis—only if information personnel are specifically earmarked is there assurance that they will be assigned to information positions. To get qualified personnel—of which there is a great supply now being inducted—CINFO should secure authorization to screen reception centers for enlisted personnel with information backgrounds and program their assignments upon completion of AIT. A civilian trained news media type will, in most instances be superior to a CINFO graduate and also eliminate the schooling time lag."

2. ROTC Furor: During January, nationwide publicity resulted from charges that Army ROTC instructors at the University of Washington had presented an orientation, under conditions secrecy, to cadets on dissident organizations and had directed the cadets to spy on fellow students and faculty members. *Sunday Ramparts* aired such charges attributed to individual faculty

members at the University of Washington in its 15–21 January Issue. The University of Washington *Daily* of 25 January carried a generally factual and fair story covering all sides of the controversy. This was picked up by the Seattle dailies and the Associated Press thus causing nationwide attention to the subject. Sixth Army headquarters in San Francisco handled scores of inquiries on the matter and reported that the over-all coverage of the incident was not unfavorable to the Army.

SECTION III

None.

SECTION IV: FORECAST, 1 JULY–31 DECEMBER 1967

Reoccurring types of programs reported in Section I will be continued. Listed herewith are programs which are out of the ordinary or aspects of which are other than routine.

1. Command Information: To tell the Army Story in the community, Command Information Division has written 39 speeches to be given to civilian groups; produced 15 Big Picture shows, all in color; produced 52 worldwide radio shows, 26 Army Hour radio shows; and answered letters to approximately 5,200 civilians desiring information about the Army.

2. Band Tours:

(a) The U.S. Army Field Band will conduct a 72-day concert tour of Western United States commencing 15 August 1967.

(b) The WAC Band will conduct a 12-day concert tour of Kansas, Colorado, Mississippi and Arkansas commencing 23 October 1967.

3. Cooperation with Organizations: The Army in coordination with and as approved by the Department of Defense cooperates with certain organizations. Support will be furnished to the national conventions of the American Legion and Veterans of Foreign Wars; as well as to the annual meeting of the Association of the United States Army; and the bi-annual meeting of the Medal of Honor Society.

4. Veterans Day Celebration: The greatest amount of support possible will be extended to various communities throughout the United States by the Army.

5. Speakers: Within the constantly increasing influx of Vietnam returnees, the Army hopes to continually increase the number of speakers it provides the civilian domain.

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DEPARTMENT OF THE ARMY SEMIANNUAL COMMUNITY RELATIONS REPORT, JULY 1, 1967–DECEMBER 31, 1967

SECTION I: EXCEPTIONAL ACCOMPLISHMENTS

1. DA Support in Disturbances and Civil Disasters:

(a) Hurricane Beulah: To battle the floods, damage and injuries resulting from Hurricane Beulah, Texas Guardsmen and many Regular Army units combined forces. Fort Sam Houston dispatched 500 blankets to Cuero, Texas while refugee centers were set up on post in anticipation of evacuated victims. Emergency food rations were dispatched to several areas of Texas via helicopters. Air National Guard units were busy around-the-clock flying supplies to flood ravaged areas. Ten-thousand units of typhoid vaccine were airlifted to the towns of Taft and Refugio by an Air Guard U19. Army units assisted in the construction of shelters for some 8,000 people in the Brownsville area. Over 2,200 hot meals were prepared by personnel of Fort Sam Houston to feed homeless victims of the disaster.

(b) Heflin Dam Overflow: Two units of the Alabama National Guard were called to state duty late in August to combat rising waters which threatened to overflow at the Heflin Dam. Two or three inches were overflowing when the troops arrived. Working continually all night over the entire 200-foot length, the Guardsmen stacked sandbags to prevent further overflowing. Several business establishments, and much livestock and crops along with 15 homes were saved by the prompt response of the Guardsmen.

(c) Sun Dance Mountains Fire: Fort Lewis, Washington provided 350 men to the state of Idaho and the U.S. Forest Service to help battle a disastrous forest fire which raged over 90,000 acres in the Sun Dance Mountains of Northern Idaho. Firefighters, trucks, pick-ups, jeeps, ambulances, kitchen units and a complete communications system, as well as a company of MP's, were among the assistance provided.

(d) Fairbanks Flood: The Corps of Engineers vigorously completed its mission of restoring flood-damaged public facilities at Fairbanks, Alaska, in advance of the freezing weather.

(e) Stranded Navajo Indians: Fort Sill, Oklahoma sent men and equipment including helicopters to assist in rescuing Navajo Indians as a result of heavy snows in New Mexico.

2. Good Neighbor Acts and Community Services:

(a) Operation Appalachia: This project was undertaken by local officials and members of the 636th Engineer Company of Warren, Ohio, to collect clothing and donations for underprivileged families in Kentucky. The 636th gathered nine five-ton truckloads of clothing for the project and transported the cargo to a pick-up point at Bellaire, Ohio. Reserve units then shuttled the goods to their final destination in Kentucky.

(b) Christmas Mail Rush: Fort Leavenworth, Kansas, loaned 14 Army vehicles to U.S. Post Offices in the area to assist in the delivery of Christmas mail.

(c) MARS Christmas Messages: The opportunity for folks at home to speak to their relatives in Vietnam was announced by the MARS station near Chicago. It received good response from the Metropolitan Chicago area.

(d) "Christmas Island": Christmas Island is constructed each year on Capitol Lake in Olympia, Washington. Originated many years ago by Fort Lewis, Christmas Island is that post's gift to the community. The Fort Lewis Band conducted opening ceremonies which led to 150,000 visitors during December.

(e) Operation Foresight: In August, the 56th Ordnance Detachment (ED) at Indiantown Gap Military Installation, Pennsylvania, sponsored Operation Foresight, a program which involved the collection of Civil War souvenirs of local residents for the purpose of determining whether or not the items are safe.

3. Media Support:

All reports from the contributing commands indicate that support given to and received by the various news media is maintaining a high level.

(a) Helicopter School: National news coverage was received by a UPI feature story on U.S.A. Primary Helicopter School, Fort Wolters, Texas. The film entitled "Fort Wolters is Saigon to Fledgling Army Pilots," also discussed the training program in general and was centered on the use of Vietnamese names for training sites.

(b) National Geographic: A photographer from the National Geographic Magazine photographed individuals processing to and from Vietnam at the Oakland Personnel Center and Travis Air Force Base.

The magazine plans to include these photos in a 40–50 page story entitled, "World-Wide Army," which will be featured in an early 1968 edition.

(c) Strong media support continued for Vietnam returnees during the reporting period. All national news media carried the awarding of the Medal of Honor to Sergeant David Charles Dolby by President Johnson at the White House.

(d) During the first reporting quarter, the information Officer at Fort Belvoir, Virginia, wrote, produced and broadcasted 64 daily radio programs which were broadcasted over WAVA radio. In addition, 20 "beepers" or special radio reports were made for special events at the Engineer Center.

(e) Major television coverage was given to riot control demonstrations held at Fort Belvoir on 4 October. Representatives of all major TV networks and news magazines were on hand to cover the event which was sponsored by the Provost Marshal General and hosted by the Commanding General, U.S. Army Engineer Center.

4. Speakers Program:

(a) All reporting commands indicated an active Army Speakers Program during the reporting period. The demand for Army speakers on Vietnam has also increased during the period. An estimated 1,000 speakers per month are scheduled and requested CONUS-wide to speak on Vietnam.

(b) During the reporting period, Fort Benning, Georgia, scheduled more than 30 speakers which reached an audience of more than 1,000 people.

(c) Fort Leavenworth, Kansas, reporting a lively speakers program, supplied more than 50 speakers to cover more than 10,000 listeners.

(d) Approximately 400 speaking engagements and public appearances of Army personnel have been scheduled through CINFO alone. There were countless speaking engagements CONUS-wide that were not reported.

(e) Speechmaker Kits: These kits are made-up and distributed by the Command Information Unit. During the reporting period, one kit was revised and almost 3,000 sets were sent to over 2,000 addresses. Eight additional speechmaker kits are presently under revision.

5. Cooperation with Organizations:

(a) The Signal School Information Office at Fort Monmouth, New Jersey, assisted Broadcast News, the house organ of RCA, in the preparation of an extensive article on educational TV at the Signal School.

(b) Operation Florida Sunshine: Army officials cooperated with local officials on the Operation Florida Sunshine program in Miami, Florida. This is a pilot program to honor hospitalized Vietnam returnees by providing them free vacations in Miami.

(c) The 122nd Quartermaster Command of the Alabama National Guard performed its annual field training along the military pipeline in Alaska. With the mission of planning, controlling and supervising the supply of petroleum products to a Theater Army in Alaska, the 70-man unit worked with the U.S. Army Alaska Support Command for the second straight year.

(d) Over 475 pints of blood were donated to Blood Centers in Northern California by 91 units of the 91st Division (Tng), USAR. Another 78 pints of blood were given by the 351st and 427th Civil Affairs Units. Many letters of appreciation were received.

(e) Student cooks of the 4th Brigade, Fort Ord, California, cooked and served a hearty Army-style breakfast for 1,400 guests attending the Monterey County Fair. This breakfast afforded the Army the opportunity to demonstrate its ability in mass feeding and provided excellent Army community relations.

6. Civilian Aides to the Secretary of the Army Program:

(a) The program of Civilian Aides to the Secretary of the Army serves as a two-way means of communication between the Army and the public. As unpaid advisors to the Secretary and to local commanders, a civilian aide recommends and assists in ways of enhancing understanding and cooperation between the Army and civilian communities. All reporting commands indicated a continuing liaison with civilian aides. The Fourth Army Area Civilian Aides Conference for 1967 was held at Fort Wolters and the Fort Worth-Dallas, Texas area. The principle sub-

jects presented were the training of helicopter pilots and the planning and execution of attendant training at Fort Wolters. The First Army conducted an area conference for civilian aides at Fort Monmouth, New Jersey on 12–14 November.

7. Musical Support and Participation:

(a) The U.S. Army Field Band: The U.S. Army Field Band made a total of 225 appearances at concerts, special engagements and parades during the reporting period and enjoyed a total of listeners in excess of 435,000 at separate appearances in almost 100 cities.

(b) The Sixth U.S. Army Band played for 100,000 people at the State Fair, Sacramento, California on 8 to 10 September. Thousands of others viewed an impressive military ceremony televised over major television networks at the close of the fair. The Sixth U.S. Army Band and Color Guard performed for 300,000 at 60 community events during one quarter of the reporting period.

(c) Military District of Washington: The MDW continued to coordinate and support Armed Forces participation in ceremonies for visiting dignitaries in the Washington, D.C. area. There were 1028 full honor ceremonies for such visiting dignitaries as Princess Alexandria of Great Britain, the Prime Minister of Japan, and the President of the United Mexican States. The U.S. Army Band and Chorus appeared at 367 ceremonies during the reporting period.

(d) Other Bands: Fort Campbell, Kentucky, reported 24 engagements for their Band during the period and 11 Band requests were filled by Fort Jackson, South Carolina, for the same period.

8. Parachute Demonstrations:

(a) The Golden Knights: During the reporting period, the U.S. Army Parachute Team, the Golden Knights, made 88 appearances throughout the country and jumped for a total audience which numbered in excess of 2,600,000 spectators.

(b) Other Parachute Teams: Press, radio and television coverage was given to the performance of the Fort Hood, Texas, Skydiving Club at the Heart O' Texas Fair in Waco during 3 to 7 October. Viewing the demonstration was approximately 350,000 spectators.

(c) Performing before an audience of 5,000 people, the Fort Ord, California, Parachute Club participated in the "Salute to Aviation" at Salinas, California.

9. Orientation Tours and Open Houses:

(a) Operation Understanding: ARADCOM continued its highly successful Operation Understanding flights and tours. The program aims at acquainting influential members of local communities with the operation of ARADCOM units. During one of the reporting quarters, approximately 500 Operation Understanding visitors representing industry, county and state governments, educational institutions and the professions visited the U.S. Army Air Defense Command Center at Fort Bliss, Texas. Visitors were briefed on the missions and activities of the center and witnessed scheduled missile firings.

(b) Other Tours: "Family Day" at the Presidio of San Francisco was attended by more than 1,000 members of the AUSA, families and guests. Exhibits, demonstrations, and audience participation activities were set up on the main parade field, bus tours were conducted and a fried chicken lunch was served.

(c) Groups totaling more than 400 toured the training and educational facilities at Fort Monmouth, New Jersey.

(d) Thirteen tours were conducted by Fort Jackson for 798 representatives of schools and local civic groups at Fort Jackson, South Carolina. Twenty-eight foreign and domestic military officers also visited the installation.

(e) Six Japanese reporters, on a State Department tour, were briefed on the mission, organization and capabilities of Fort Bragg, North Carolina. They were also given a tour of the installation.

10. Support to Youth:

(a) Boy Scouts: All reporting commands indicated a strong Boy Scout support program. Twenty-four on-post encampments and nine guided tours for Girl Scout and Cub Scout units were conducted by the Youth Activities Branch of Special Services at Fort Knox, Kentucky, for 689 scouts and 91 leaders.

(b) Approximately 400 Explorer Scouts from Northeastern Kansas counties attended the Annual Explorer Conference at Fort Riley, Kansas, on 18 to 19 November.

(c) Other Youth Support: On 19 August, a Bicycle Rodeo was held for 600 youngsters at Carlisle Barracks, Pennsylvania. Under the direction of the Post Safety Officer, the children received a safety talk and were given a trial-run on a test course and were scored on both riding and written exams. On 4 July, approximately 10,000 civilians and soldiers participated in the Youth Activities Carnival at Fort Benning, Georgia.

(1) Forty-two tours were conducted at Headquarters, Sixth Army, Presidio of San Francisco for 1,800 children from poverty and distressed areas in conjunction with Army support to summer welfare programs.

(2) Operation Santa Claus: Operation Santa Claus climaxed its 1967 campaign on 19 December with a toy-laden motorcade through Fort Bliss and El Paso, Texas. The caravan delivered approximately 26,000 toys for distribution to the needy by the Boys Club of El Paso.

(3) The children of a crowded tenement district in San Pablo, California, were provided with a wooden footpath which was constructed by the 820th Engineer Battalion, USAR. The footpath was used as an approach for a local playground.

11. Exhibits:

(a) U.S. Army Exhibit Unit: Twenty-two exhibits of the U.S. Army Exhibit Unit were displayed in 34 states and more than 120 cities throughout the country. A total of 508 minutes of television coverage was received along with well over 3,000 minutes on the radio and more than 4,000 column inches of news coverage in local newspapers.

(b) Other Exhibits: The 47th Brigade in California showed a total of 3,000,000 people a missile display during ten days of appearances in Southern California.

12. Special Events:

(a) The first of eight Army Warrant Officer orientation courses scheduled for Fort Sill, Oklahoma, was conducted with 156 students participating. The course was the first of its kind in the Army and received much favorable news coverage locally.

(b) New Heliport: The new heliport at the U.S. Army Helicopter Center, Fort Wolters, Texas, became operational on 15 December. The 3.8 million dollar heliport is located near Palo Pinto, Texas.

(c) Reactivation of 6th Infantry Division: The 6th Infantry Division was reactivated during the reporting period at Fort Campbell, Kentucky.

(d) At Fort Campbell, the departure of the 101st Airborne attracted much interest from national news media. NBC and CBS were among those covering the event.

(e) 2,000,000 Flying Hour: The 2,000,000 Flying Hour was recorded at the Primary Helicopter School, Fort Wolters on 31 July. Coverage was received from the Army Times and the Journal of the Armed Forces among other media.

(f) Anniversaries: Many Army installations celebrated their anniversaries during the reporting period.

(1) Fort Lewis, Washington, celebrated its 50th Anniversary on 15–16 September.

(2) The U.S. Army Intelligence Command (USAINTC) celebrated its 50th birthday at Fort Holabird during December.

(3) Fort Hood, Texas celebrated its 25th anniversary and received much local media coverage.

(4) Fort Sam Houston, Texas, celebrated its 88th birthday.

(5) In recognition of Fort Devens, Massachusetts 50th anniversary, a "Salute to Fort Devens" was planned and executed by local business firms.

(6) The Army Transportation School at Fort Eustis, Virginia, celebrated its 25th year with excellent media support.

13. Posthumous Awards:

(a) Decorations awarded for Vietnam service received favorable response from the news media as indicated by the contributing commands.

(b) Cold War Memorial plaques to Signal Corps personnel who have lost their lives in recent wars was dedicated at the U.S. Army Signal School by the Commanding General, USCONARC.

(c) OCINFO coordinated press activities for the posthumous awards of the Medal of Honor for First Lieutenant James A. Gardner (19 October); Captain Joseph X. Grant (30 November).

(d) Posthumous awards of the Medal of Honor for Sgt. James W. Robinson, Jr. (12 July) and SSgt. Jimmie G. Stewart (24 August) were also coordinated through OCINFO.

14. Reserve Components:

(a) The 489th Civil Affairs Company, Knoxville, Tennessee, exchanged their normal two weeks in the field for two weeks "on-the-job training" in the operation of the Metropolitan government in Nashville.

(b) Army Reserve Units from the XII Corps received maximum assistance during annual field training from the Information Office at their training site.

(c) The 339th U.S. Army Garrison of Chattanooga, Tennessee, was assigned to activate and operate Camp Shelby, Mississippi, for a three-week period of training from 9 to 29 July. This was a history making active training tour for the unit which provided all support elements for the 30th Armored Division (NG).

(d) The anual U.S. Army Corps Rifle and Pistol Matches were covered by 12 newspapers throughout the Pacific Northwest.

(e) All reporting commands indicated strong media support for Reserve and National Guard ANANCDUTRA. Much support was also given to ROTC summer camp activities throughout CONUS.

15. Other:

(a) News Releases: All commands reported a consistently high number of news releases for the reporting period. First Army alone reports approximately 50,000.

(b) Allied students in the U.S. Army Armor School, Fort Knox, Kentucky, engaged in 7 educational and cultural projects during this period. Activities included a three-day visit to New Orleans, Louisiana, and participation in the YMCA World Festival held in Louisville, Kentucky.

(c) Operation Appreciation: As an example of the growing support for Vietnam returnees, Laurel, Maryland, citizens initiated Operation Appreciation. The local officials and the Chamber of Commerce have supported the collection funds, materials and services from local residents to provide recognition to wounded servicemen who are now recuperating in local hospitals. Although, originally a local program, public interest has developed to such an extent that statewide support is received.

(d) Action Vietnam: The Evergreen Service Club at Fort Dix, New Jersey, sponsored the project "Action Vietnam" which resulted in more than 15,000 Christmas cards and letters being sent to servicemen in Vietnam. Thousands of toys and other gifts were also distributed to the children in a Vietnamese orphanage.

16. Problem Areas and Solutions:

(a) Lack of qualified personnel: This continues to be a problem area with most of the reporting installations during the reporting period. Since the departure of the 101st Airborne Division from Fort Campbell, the Information Officer is operating under a TD which does not provide sufficient personnel to do its job adequately. At Fort Rucker, the Information Officer lost one civilian and five military personnel going overseas.

17. Forecast, 1 January 1968 to 30 June 1968:

(a) Reoccurring types of programs reported in previous part of this report will be continued. All commands indicate that continued emphasis will be placed on community relations activities in their respective areas of responsibility.

(b) U.S. Army Field Band Tour: The U.S. Army Field Band will conduct a 69-day tour of the Northern Midwest United States. The Band and Chorus are scheduled to depart 15 April.

(c) Armed Forces Day Support: The greatest amount of support has been and will continue to be given to various communities and organizations in connection with Armed Forces Day celebrations and observances.

(d) Due to the tremendous increase of interest in Vietnam, a proportionate increase of requests for Army speakers is being handled with a maximum effort to fulfill all requests CONUS-wide.

16. (b) Funds: Fiscal funding reduction throughout the Army establishment have been of significant magnitude in Community Relations areas. These unforeseen and continued reductions have had an adverse impact on provision of CR assets at Government expense.

(c) Airlift for Community Relations: Airlift for Community Relations purposes continues to affect Army ability to support justifiable high-priority CR activities.

17. (e) Support for HemisFair '68 will come to fruition during this period.

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[Report Control Symbol DD–PA(SA)652]

DEPARTMENT OF THE ARMY SEMI-ANNUAL COMMUNITY RELATIONS REPORT, JANUARY 1–JUNE 30, 1968

1. Da Support in Disturbances and Civil Disasters:

Department of the Army, in its role of supporting the civilian community in time of emergencies and disasters whether on a local, regional or national level, stands ready to be of assistance whenever its help is needed.

During massive floods which inundated parts of four New England states on 18–19 March 1968, Army Engineers provided a constant flow of accurate and timely information to the public and the press media, and also gave technical advice to the distressed communities. Public appreciation was reflected both in many phone calls and letters to the Division Engineers.

2. Good Neighbor Acts and Community Service:

Countless good-neighbor acts and community service acts occur daily at all Army installations CONUS-wide which have liaison with the local communities. Most of these go unreported, while still others are considered to be standard operating procedure," that is, to cooperate and assist the civilian community whenever feasible or practicable.

Soldiers in the 8th Battalion, 7th Artillery, Fort Bliss, Texas, are spending their free time with "SERV" (Service to El Paso Reserve Volunteers), a program of service to the underprivileged children in El Paso. In March, the men secured assistance of a local department store in providing tennis shoes for some sixty children so that they could participate in athletic programs. In addition to many hours of volunteer work, the 7th Artillery personnel have contributed more than $700 to the projects undertaken by SERV. They have donated time and funds for the establishment of a new Boys' Athletic Center and are presently raising money to furnish the club with much-needed athletic equipment.

3. Media Support:

All reporting commands indicated a high level of cooperation with media representatives along with a high degree of interest on the part of the audio-visual media to publicize the Army in all aspects from the basic training level to the advanced, technical Army material.

A camera crew from WTIC–TV, Hartford, Connecticut, filmed the first 24 hours of an inductee at the Reception Station, U.S. Army Personnel Center, Fort Dix, New Jersey. Areas filmed included: haircuts, clothing issue, and in-processing. The crew returned three weeks later and spent three days filming all phases of basic combat training, and interviewed more than 100 trainees. The final product was an hour-long TV program shown during prime viewing time.

4. Speakers Programs:

Throughout CONUS, all reporting commands concerned reported a high level of requested and filled speaking engagements. The majority of speech topics was Vietnam. While a total of speaking engagements is impossible to ascertain, Third Army alone reported well over 200 speakers who reached an audience of over 30,000. The Army War College located at Carlisle Barracks, Pennsylvania, sent speakers to more than 15 communities on Memorial Day alone.

During the six-month period, 1200 speaking engagements and public appearances were reported to OCINFO, CONUS-wide.

5. Cooperation with Organizations:

Aside from support and cooperation with many national organizations, to include: Veterans, Boy Scouts, Red Cross, Combined Federated Campaigns and others, the many local commands reported such participation in many instances.

In cooperation with the San Francisco Unified School District, the Sixth U.S. Army Information Office furnished a program to keep children active in worth-while projects during the summer vacation. The 40th Brigade sponsored two Nike Hercules Site Tours for 100 underprivileged children. On another occasion, 50 school children were given a briefing and were shown the film "Warning Red," at the San Francisco Army Air Defense School.

6. Civilian Aides to the Secretary of the Army:

The program of Civilian Aides to the Secretary of the Army serves as a two-way means of communication between the Army and the civic community. As un-paid advisers to the Secretary and local Army commanders, the Aide recommends and assists in ways of enhancing understanding between the Army and civilian communities.

The Sixth U.S. Army at the Presidio of San Francisco, California, held its annual conference for Civilian Aides on 2 to 4 November 1967. Six Aides attended and were given tours of Sixth Army Headquarters and nearby installations and participated in many activities.

Civilian Aides' Conference:

The Commanding General, Military District of Washington, was host to the Fourteenth National Conference of the Civilian Aides to the Secretary of the Army, 28–30 April. Sixty-six aides from 50 states, Puerto Rico and the District of Columbia attended; other conferees included top Army commanders and selected officers of their staffs. The Deputy Information Officer served as the command project officer for the conference. Photographic support, available from within the command, was augmented by personnel from Army Photographic Agency; Army Security Agency and The Army Digest. The conference was successful, however, preparation was severely hampered by the April civil disturbances.

7. Musical Support and Participation:

Every reporting command which is assigned a band reported participation by their musical units in community relations functions throughout the reporting period.

The United States Army Field Band is the official Department of the Army touring musical organizations. As one of Army's most effective community relations representatives, the Field Band tours pre-determined segments of country twice each year in the spring and fall. During the reporting period, the Army Field Band played at 318 concerts, parades and special engagements to a total of more than 610,000.

The U.S. Army Chorus of the U.S. Army Band at Fort Myer, Virginia, extensively toured the New England states during April and May.

The April civil disturbances precipitated by the death of Doctor Martin Luther King, Jr., the Poor People's Campaign in May and June, and the death of Senator Robert F. Kennedy in June all tended to curtail routine community relations and public information activities at Military District of Washington Information Office and necessitated realignment and short term reorientation of the information effort in each instance. All personnel of the Military District of Washington Information Office participated in accomplishing all phases of information responsibilities related to these events. Despite the turmoil attending such crisis situations and the numerous unusual problems encountered, the overall program effectiveness was satisfactory.

The Information Officer, Military District of Washington, coordinated arrangements for The United States Army Band; the 257th Army Band of the District of Columbia National Guard; the 75th U.S. Army Band (Fort Belvoir); and the Fife and Drum Corps, 1st Battalion (Reinforced), 3d Infantry (OLD GUARD); to present seven concerts in disturbed areas of the city in late April. The concerts were presented at schools and recreation areas whose facilities had been made available for billeting or the comfort of deployed troops. Several of the school student bodies reciprocated by presenting entertainment for the troops in their vicinity. The long range effect of this program cannot be assessed this early, but the initial impact was gratifying.

8. Parachute Demonstrations:

Local Army parachuting organizations reported activity during the reporting period, including several appearances by the United States Military Academy Parachute Team.

The U.S. Army Parachute Team of Fort Bragg, North Carolina, performed at 65 public open-houses, fairs and festivals and thrilled a total audience of almost 2 million viewers.

9. Support to Youth:

As in the past, the United States Army supported organized youth programs and groups. Army installations CONUS-wide provided facilities for Boy Scout, Cub Scout and Explorer activities. Tours, marksmanship training, and instructional periods are among the areas of support provided.

The Department of the Army has given its full cooperation to organized groups of disadvantaged youth as outlined in the President's Youth Opportunity Program. This support has been in the form of transportation, tours, recreational programs, and loan of equipment and facilities.

10. Exhibits:

During the reporting period, exhibits under the jurisdiction of various CONUS commands participated in open-houses, civic functions, festivals and other events in the civilian domain.

The U.S. Army Exhibit Unit, Cameron Station, Alexandria, Va., is another of Department of the Army's most valuable tools for communicating the Army mission to the

public and promoting a clearer understanding of Army's goal. A total of 1100 touring days for as many as 22 exhibits seen all over the country by close to six million viewers attests to the value of such a community relations tool.

11. Problem Areas and Solutions:

U.S. Army Parachute Team: Requirement for air transportation and jump platform in support of the U.S. Army Parachute Team grows larger as time passes. As one of only a few community relations tools under Department of the Army, the U.S. Army Parachute Team is an elite and exceptional group of highly trained professionals who devote much of their time to gaining public understanding of the Army's mission and thus also benefiting the Department of Defense.

As popularity of the Army Parachute Team spreads—as it does quite rapidly—so do requests for its participation in both civilian and military events, fairs and open houses.

In order to fulfill its mission, the U.S. Army Parachute Team is in definite need of consistent air transportation and jump platform support.

To negate this deficiency, adequate permanently assigned aircraft to support the team is a necessity.

A definite need also exists for sufficient Special Air Mission (SAM) aircraft for use in support of the Army Community Relations effort in general.

Armed Forces Day Material: Many reporting commands reported that distribution of Armed Forces Day materials was received too late to effect practical use of the materials prior to planned Armed Forces Day activities (See Armed Forces Day Report dated 28 June 68).

12. Forecast, 1 July to 30 December 1968:

Reoccuring types of programs supported by the Army will continue. All commands indicate that continued emphasis will be placed on community relations activities in their respective areas of responsibility.

The United States Army Field Band will embark on its two-month Fall 1968 tour of the Northeastern United States and Canada.

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DEPARTMENT OF THE ARMY SEMI-ANNUAL COMMUNITY RELATIONS REPORT, JULY 1, 1968–DECEMBER 31, 1968

1. Exceptional accomplishments and results:

(a) Good neighbor acts and community service:

Countless good neighbor acts and community service acts occur daily at all installations CONUS-wide which have liaison with the local communities. Most of these go unreported, while still others are considered to be "standard operating procedure," that is, to cooperate and assist the civilian community whenever feasible and practicable.

Men of the 2d Battalion, 52d Artillery, 47th Artillery Brigade, who gave a Christmas party for children of the Homestead Home for Retarded Children, Homestead, Florida, have been supplying continuing labor, money, and time to the home for the past year. It is felt that this assistance has been a major contributing factor in the home's growth from a privately-owned institution caring for 24 children to a nonprofit organization helping 63 children.

A combined community relations and public information effort was made to obtain off-post areas in Central Texas for Fort Hood unit training exercises. This program has gradually overcome the opposition and ill-will from past experiences in this area. Partially educational, partially publicity, this program has made certain the land-owners understand why land is needed and also included a successful effort to thank them by inviting them to view the exercises.

A new method of honoring area ranchers who donate their land for use in the flight training program at Fort Wolters, Texas was initiated in December with the presentation of a gate plaque to rancher Bill Echols of Caddo. The plaque states that the recipient is "A Member of the Team."

The friendship of young soldiers for other members of their training company was demonstrated in a news release at Fort Polk, Louisiana about voluntary help given a private by 36 trainees and his company commander. During the first weeks Private Nathaniel Collins was in training, his father died, and his distress was compounded by his concern for his mother, who was left to manage a 125-acre farm alone. Private Collins requested a weekend pass to go help his mother as much as he could in that time. Learning of his trouble, his company commander and 36 members of Company C, 2nd Battalion, 1st Basic Combat Training Brigade, voluntarily gave up their weekend off duty time and went to Waterproof, Louisiana, to assist Collins and his mother with two days work on the farm.

Employ the Handicapped Week, October 6–12, was observed by Army Materiel Command installations throughout the country to pay tribute to its handicapped workers. This tribute furthered the Civil Service Commissions program of recognizing the outstanding accomplishments of these employees and to focus attention on opportunities for the handicapped in the Federal service. The Red River Army Depot in Texas, Umatilla Army Depot in Oregon, and the Atlanta Army Depot in Georgia were among the many agencies to inform the public that 10 percent or more of their work force are handicapped employees, and who "have outstanding records, performing effectively in varied assignments throughout the installation."

Carlisle Barracks, Pennsylvania held its annual Bicycle Rodeo for 600 dependent and community youth in August. Under the direction of the post safety officer, the children received a safety talk, were given a trial run on the test course and were scored both on riding and written exams.

The 36th Civil Affairs Group, Fort Lee, Virginia, conducted a summer program entitled "Operation Patriotism." Members of the Group acted as counselors for a retarded children's summer camp at nearby Camp Baker. Each Wednesday for eight weeks, members of the unit worked with crafts, took the boys on nature hikes, taught swimming and athletics, set up tents and other such activities. About 25 men from the Group participated each week. The Fort Lee Band (396th) also presented concerts at the camp.

Seaside, California High School students who were studying aviation science were thrilled when the Combat Developments Command, Fort Ord, California loaned the students a "Whirlymite drone." The one-third size mockup helicopter was used to acquaint the students with mechanical operations and flight characteristics of aircraft.

(b) Recognition to servicemen, awards and decorations:

On 23 November, for the third year in a row, the Chamber of Commerce of Tracy, California, in conjunction with a number of veterans organizations and private individuals (and with the active cooperation of the Public Affairs Director, Tracy Defense Depot) treated 10 patients from Letterman Army Hospital and 10 from the U.S. Naval Hospital, Oakland, California, to an all day outing including a pheasant shoot and steak dinner at Tracy's finest restaurant. Everything for the hunt was furnished, including weapons, ammunition, dogs, jeeps, and gun-bearers for the men on crutches. The patients brought down a great many birds which were dressed out and given them. Each patient was also given a souvenier hunter's hand warmer with his name engraved on it; color polaroid pictures of the occasion; and the best marksman (a Letterman amputee patient) was awarded a leather-covered wine decanter in the shape of a pheasant.

"Project Sleighbells," by which the families of a number of bed-ridden patients were flown to San Francisco from all over the United States to spend Christmas with their sons, husbands, and brothers, was successfully carried out for a third year. To make this possible at no expense to the families, money was contributed to the Letterman General Hospital Donated Fund by such organizations as the Veterans of Foreign Wars, the Presidio Society, and a number of private individuals. Many airlines coordinated air transportation and Mr. Paul Handlery of Handlery Hotels made a block of hotel rooms available to the families. In all, some 35 persons comprising the families of 16 patients participated in the project.

Several Army Materiel Command installations have developed a "shadow box" type of frame to showcase the medals posthumously awarded the soldiers and presented to survivors. The medals have usually been mounted on a red cloth background in a 16x20 inch shadow box framed with glass and an engraved brass plate with the name and rank of the deceased. In most cases the commanding officer of the agency concerned personally made the presentation. The CO or his representative at Frankford Arsenal in Pennsylvania presented 30 of these boxes during the period October-December. Similar ceremonies were conducted by the Commanding Officer of the Savanna Army Depot in Illinois, as well as by the Commanding General of the Tank-Automotive Command in Warren, Michigan.

Army Materiel Command's Electronics Command at Fort Monmouth, New Jersey, however, developed a different form of presentation. On direction of the Commanding General, the command has purchased leather covered albums which are engraved in gold lettering and contain two glassene windows. In one is an 8x10 inch color photo of the posthumous award ceremony and the other contains a personal letter from the Commanding General. Since the program was initiated in June 1966 to the present, the Commanding General has made more than 135 presentations. When both the widow and the parents attend such a ceremony, separate albums are sent to the widow and the parents.

(c) Support to youth:

A successful summer of participation in the President's Youth Opportunities Program was completed at Fort George G. Meade, Maryland. More than 1,800 disadvantaged children used the swimming pool, softball and picnic facilities on a five day a week basis for 10 weeks. The program also included temporary summer-hire in many offices on the post.

At Fort Ord, California, 258 students were hired under the Youth Opportunity Corps program in jobs ranging from clerical to firefighting. All students were in the 16–21 year group and had completed 9–15 years of schooling. Approximately 60 percent were members of minority groups.

The annual toy drive, "Operation Santa Claus," at Fort Bliss, Texas terminated with more than 30,000 toys collected and turned over to the Boys Club of El Paso for distribution to needy children of the area. This was the sixth year that Fort Bliss cooperated to supply the toys.

(d) Musical support in participation:

Army Bands assigned to it has reported ——

Every reporting command which has Army Bands assigned to it has reported participation by their musical units in community relations throughout the period. This participation included civic parades of the 4th of

July, Labor Day, Veterans Day and other community celebrations and, since the beginning of the school year, many local bands have presented school concerts.

The United States Army Field Band is the official Department of the Army touring musical organizations. During the reporting period, the Army Field Band conducted a 50-day tour in the New England area. It also presented a total of 180 concerts, parades, and special engagements both on tour and in the Greater Baltimore-Washington area during the period reaching an audience of more than 500,000 people.

During the reporting period, the United States Army Band and Army Chorus presented 13 weekly concerts at Watergate, East Capitol Plaza and participated in the Torchlight Tattoo at Jefferson Memorial. In December, the Army Band and Army Chorus also presented the annual Night of the Miracle pageant at Constitution Hall. Additionally, the Band and Chorus performed in 76 other engagements to include concerts, receptions and official ceremonies at the Pentagon, Fort Myer, Fort McNair, Arlington National Cemetery and at the White House.

(e) Speakers programs:

Throughout CONUS, all reporting commands reported an increased number of requests for speakers at the local level. The topic of Vietnam remained highest on the list.

(f) Exhibits:

During the reporting period, most of the major commands of the Army provided exhibits and displays for open houses, civic functions, festivals, conventions, professional meetings and other events in the civilian domain.

The U.S. Army Exhibit Unit, Cameron Station, Virginia, is the Army's formal and official exhibitor. A total of 1,443 touring days were recorded, as many as 22 exhibits were seen all over the country by close to 13½ million people during the reporting period.

2. Problem areas:

(a) Problems overcome:

Fourth U.S. Army, Fort Sam Houston, Texas, reports that the results of a story by von Hoffman about the alleged drug abuse in the Army and the temporary banning of the Esquire Magazine in which it appeared at Fort Hood could have been a problem. As Fort Hood and Fort Sam Houston were mentioned in the article, these installations, as well as the Fourth Army Information Office, had a number of queries from local and regional sources. The queries were directed toward determining the actual situation at the two installations, and the factual information furnished the media is considered to have prevented a potentially highly unfavorable story from developing.

Fifth U.S. Army, Fort Sheridan, Illinois, has converted a growing problem into a major achievement, one progressing in magnitude. "Question and Answer" columns in newspapers and similar features in radio and television broadcasts became increasingly popular, with the public touring to these sources of information for answers to all sorts of questions pertaining to the Army, Army personnel and dependents. An effective, mutually helpful pattern of cooperation was established between the Army Information Office and the columnists to better serve the public and eliminate duplicative effort. The volume of incoming letters during the reporting period approximated more than 60 per month, with telephone calls exceeding 150 in the same period. The public awareness of the assistance thus available has been most valuable. Most queries require extensive research and numerous telephone calls to other Army agencies in addition to composing answers and placing them in letter form. To solicit factual information often requires the services of a person of officer rank. Because of the good will generated by providing this service to the public it continues to be encouraged and sustained.

A commercial transport truck en route to Naval Ordnance Depot carrying 12 "Walleye" missiles overturned near Barstow, California, spilling its load along the highway. The 77th Ordnance Detachment, Fort Irwin, was assigned clean-up operations. In order to answer the numerous, immediate queries received, the Information Officer arranged for direct relay of progress from radio cars of the clean-up team through California Highway Patrol dispatcher to Fort Irwin. This system enabled immediate answer to queries and elimination of cause for alarm to the general public.

(b) National problems:

Local and national opposition to the proposed Sentinel anti-ballistic-missile sites continued to be a large problem throughout the reporting period. Information officers in the Chicago and Boston areas in particular had to maintain an almost round-the-clock monitor operation during the heaviest of the controversial periods.

(c) Problems requiring assistance:

The U.S. Army Parachute Team's requirements for air transportation and jump platform grow larger as time passes. The Parachute Team is an elite and exceptional group of highly trained professionals who devote much of their time to developing public appreciation of the Army and the Department of Defense. In order to fulfill its mission, the Army Parachute Team is in definite need of responsive air transportation and jump platform support. To negate this deficiency, adequate permanently assigned aircraft to support the team is needed. A definite need also exists for sufficient Special Air Mission (SAM) aircraft for use in support of the Army Community Relations effort in general.

FORECAST

All Army installations and activities report that they are well into planning for Armed Forces Day, Memorial Day, local civic celebrations and on spring community relations programs. Specific commands are planning for support of various celebrations as requested by OASD(PA) to include the 10th anniversary of the St. Lawrence Seaway and the Golden Spike Centennial.

Mr. FULBRIGHT. The Army, itself, has taken official recognition of the dangers inherent in having military men speak in areas of public controversy. Army regulation 360–5, which deals with general information policies, specifically states—

In public discussions, all officials of the Department of the Army should avoid discussion of matters which are the responsibility of other Government agencies, i.e., foreign policy is a responsibility of the Department of State.

In this connection, Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of a recent address by Maj. Gen. R. G. Ciccolella, entitled "The United States Role in Vietnam and Prospects for Peace."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY MAJ. GEN. R. G. CICCOLELLA

It is an ironic fact of history that the longest armed conflict in which the United States ever has engaged has become the most controversial issue facing the American people today. This is the epic struggle between the forces of freedom and the forces of imperialist communism being waged in the rice paddies and the jungles and the mountains and in the hamlets and villages of South Vietnam. It is a war about which I hold firm opinions, and it is an issue on which I have strong convictions.

I consider it a great privilege to meet with you and share with you my thoughts and my perspectives of Vietnam. My first perspective of the war is that of a professional soldier: I view this conflict in terms of the military situation but not unmindful of its vast political consequences. I view it also as a veteran of face-to-face negotiations with Communist officialdom, experienced at first hand with the duplicity, deceit and intransigence with which Communists pursue their objectives while conducting so-called negotiations. I think of Vietnam in deeply personal terms, for two of my sons—both young officers in the United States Army—have volunteered for combat duty there and a third son impatiently awaiting to join them as soon as he completes school. And, finally, I look at this war as an American citizen fully committed to the ideals which impel my country to spill her blood and spend her treasures on those distant battlefields. These are my perspectives.

It would have been easy for me to assemble facts and figures on Vietnam published by my Government and from these compile an address presenting official views of the United States involvement. However, I prefer to state my own personal views and opinions, and it is these which I have written for presentation to you today. Accordingly, I am speaking to you as an individual and not as an official representative of the United States or its army.

The armies of self-appointed experts on Vietnam seem to outnumber the armies fighting the war. If there are any experts on Vietnam, I believe that they can be found only in the ranks of those who have served there rather than in distant ivy-clad universities or in newspaper editorial offices or amongst office-seeking politicians or pontificating statesmen of so-called neutralist countries. I have not nominated myself to join the ranks of the self-appointed experts.

But I believe that I am competent to judge military aspects of our involvement and—on the basis of my experience and close observation—I believe that I am fully aware of communist ideologies and objectives which motivate our enemies and I feel that my desires and my hopes for peace—a just and honorable peace, not a peace at any price—are as great and as sincere as those of any American.

Recently, I visited Vietnam again, where some of my best friends are commanding United States forces actively engaged with communist units. I might add parenthetically that some of my best friends also have given their lives for the cause of freedom in South Vietnam. My military judgments reflect the judgments of American commanders in the field. These judgments, as you will note, are not necessarily the same as those of some elements of the press.

Before discussing the military realities of this war, I would like to mention the complexities of Vietnam, which long have received tremendous emphasis in the press, certainly there are complexities here; there are complexities in every armed conflict, and those of this war may well overshadow those of all previous conflicts. These complexities range all the way from fighting a major war with less than the applications of sufficient power to the establishment of a government, the building of a nation and the creation of conditions which will permit the nations of this region to live in peace and at a level of freedom of their own choice. However, many observers and critics have become so preoccupied with the complications that they have lost sight of the issues—if, indeed, they ever grasped the issues in the first place. Instead, these critics thrash about wildly

in their frustration to find solutions now to the long-range problems, while blindly ignoring the basic requirements which must evolve from the fundamental issues at stake. These people are much like the church-builders who want to put up the bell tower first before building the church proper.

When all the trappings of interpretive commentary are stripped away, one central reason for the United States involvement in Vietnam becomes clear. We are there to engage and defeat the invading forces of North Vietnam, actively supported and abetted by Communist China and the Soviet Union. We are there to prevent the conquest of a free Asian people and their forcible incorporation into a Communist state. This is the issue; there is no other. The resolution of this issue is fundamental to all the other problems and complexities involved.

Essentially, we are in South Vietnam for the same reason that we are in West Germany. We are there at the invitation and request of a friendly nation to help maintain the dimensions of the free world. The difference is that South Vietnam is under armed attack and West Germany is not—at least not now.

The outcome of the war in Vietnam is vital not only to the free nations of Asia, but to those of western Europe as well. The three worlds—the free world, the Communist world and the temporarily nonaligned world—are watching and are waiting on this outcome. At stake is the territorial integrity and security of free people all around the periphery of the Communist powers. At stake is whether there will be another Korea—another Vietnam; and at stake among the so-called neutrals and nonaligned is—whether or not they can continue neutral and nonaligned.

If we fail in South Vietnam, if the forces of communism win, then Asian nations that are now free will be forced into unfavorable accommodations with the Communist powers—and this includes the so-called neutrals and nonaligned. In such an eventuality the more militant and independent of the free Asian nations will be the targets and the victims of Communist armed aggression.

On the battlefields of South Vietnam, we have not failed. Insofar as the military aspects of this war are concerned, the Communists have been defeated. Their losses of manpower and materiel have been staggering. Their capability for substantial military action has been shattered. For more than a year they have been reduced to hit-and-run tactics against our military units and terrorist attacks delivered by stealth against unarmed civilians. Despite the hundreds of thousands of organized troops committed by the Communists to the struggle in South Vietnam—equipped with the latest and most modern weapons produced by the Communists' world arsenals—and despite all the propaganda, and ballyhoo accorded their every offensive venture, the cold bloody fact is that the Communists don't control a single city or village of any consequence in the whole of South Vietnam. Wherever he claims to be, we can go—wherever and whenever he chooses to stand, we can throw him out. Within the parameters enclosing our military effort in Vietnam we have decisively defeated the enemy. That we have defeated the military campaign of the enemy in Vietnam, there can be no question when one considers the inescapable fact that the Communist military forces were sent into Vietnam with the clear and evident intention to seize control of the country. Unfortunately, our military commanders cannot deliver the type of military victory our people have so long been accustomed to. This is due in large part to the limitations we have placed on the level of power permitted, the fact that U.S. commanders are not permitted to pursue the enemy to effect his total destruction, the sanctuaries we permit the enemy to operate from and the very nature of a guerrilla campaign. To expect, as do some of the critics, that military victory requires a total end to all sneak raids, murders and harassing mortar and rocket attacks is like asking for an end to all muggings, rapes and robberies in Washington, D.C. To bring this sort of lawlessness to an end requires a fuller participation by the citizenry and the organs of government—and this takes time.

But this type of lawlessness in Washington, D.C., does not mean that the gangsters have taken over and that we need to negotiate a settlement with them on their terms. By the same reasoning the fact that a communist underground exists in South Vietnam and this underground can kill civilians and the fact that their regular formations can operate like bandits capable of occasional sneak attacks on installations, it does not follow that the communists have any meaningful military capability to exercise control over any part of South Vietnam. Nor does it follow that we need to negotiate on their terms. Time has run out for the communists on the battlefields of Vietnam, and no one knows it better than the communists themselves.

But anyone who knows his ABC's about communist aggression will take little comfort from the knowledge that the communists have been defeated on the battlefields because he knows too well that communists wage total war. He knows that when the communists embark on an aggression they wage an integrated campaign with shifting emphasis on the military, political, propaganda, economic and psychological fronts.

The Communists have been defeated on the battlefields of Vietnam—they have now shifted to the roundtable in Paris. We, too, are in Paris. But we are there to negotiate a peace; the Communists are there to wage war. They are there to gain concessions, to win by propaganda, by duplicity—psychological entrapments—what they have not been able to win by their military efforts in Vietnam. Their objective—the capture, the communization of South Vietnam—has not changed. Only the emphasis of their total war effort has changed—it has shifted to Paris. All the time they are in Paris—waging war by propaganda and political duplicity—they will integrate into their efforts the maximum effort from their waning military capability in South Vietnam. South Vietnamese villagers, city dwellers, men, women and children will die as a result of explosives being hidden in theaters, busses, restaurants, churches, hotels and homes. They will mount whatever coordinated attacks they can muster against our forces and may even succeed in temporarily capturing a portion of one of the cities in Vietnam. They will be able to do these things because they are prepared to pay the price in human lives—and human lives are the cheapest commodity in the Communist arsenal. This is a powerful bargaining position they carry with them in Paris. But any such success will be fleeting and will cost them dearly, and any such endeavor will result in a clear military defeat.

The Communists, however, will not be deterred by any such reckoning of the consequences of their acts of desperation. They are far too confident of their political and propaganda capability to persuade the world and our own negotiators that their depredations—their sneak attacks, abortive attempts to capture a village or a portion of a city—are in fact evidence of their military capacity in South Vietnam. They will seek to use these defeats to gain concessions. Incredible as it may seem, these and other propaganda efforts of the Communists succeed to a remarkable degree. And it would be an error on the part of the free world to underestimate this capability of the enemy.

One measure of that success is the extent to which the Communist propaganda lines spill over into the non-Communist press.

In the Western-Oriented Nations and the United States itself, Communist propaganda can be judged successful if it creates confusion and doubt. In the so-called neutral and nonaligned countries, this propaganda succeeds to the extent that it weakens neutrality, wins support for North Vietnam and the Viet Cong, and brings about hostility toward South Vietnam and particularly the United States.

I do not mean to imply, nor do I believe, that the non-Communist press of the free world deliberately parrots the Communist line as a general practice. I do believe, however, that Communist reports, contrived and distorted for obvious propaganda purposes, sometimes influence the press—including some of its members who consider themselves so sophisticated and knowledgeable as to be immune to such influence. What happens in practice is that our press all too often highlights Communist claims and reports, giving them unwarranted prominence and importance. Communist claims and reports appear in our press, which obligingly repeats the euphemisms employed by the Communists—giving considerable credence and status to their claims. Only infrequently does one read that such claims are unconfirmed or—as reported by the Communist side and practically never as totally unsupported by fact and obviously Communist propaganda.

One of their principal offenders among the non-Communist press is our own *Stars and Stripes*. Note this headline in the February 24th issue—just three days ago—reporting on the latest Communist pretense to military effectiveness in Vietnam. "Red Guns Rip U.S. Viet Bases"—"Rubble Clogs Saigon's Central Market Area After Communist Rocket Attack on the Capital." One would surely gather from these headlines and picture that the Communists had indeed launched a major military offensive, our bases in Vietnam razed and in ruin and Saigon itself a mass of rubble. Nothing could be further from the facts. But the facts, also printed in the *Stars and Stripes*, are in far smaller print. If one reads the article carefully he finds that this Communist "offensive" amounted to seven rockets fired into Saigon, four national policemen and one civilian killed, eight civilians wounded—no American casualties. Hardly an offensive—and hardly worth mentioning at all. But what greater service can our own press provide Communist propaganda objectives than this type of headline reporting, unwittingly and certainly unintentionally, of course. It is getting so that when the Communist military forces freeze in Vietnam, the free world press catches cold. Another good example of what I am talking about is apparent in the press treatments of last year's Tet offensive as a great Communist victory, when in fact it was a great Communist disaster. So decisively defeated were the Communist forces in that abortive campaign that they have been unable to conduct anything other than hit-and-run bandit-type raids since then. Yet despite this defeat Communist propaganda, with its obvious influence in the non-Communist press, succeeded in creating a climate of opinion world-wide that they possess a powerful military capability in South Vietnam and that it was now necessary for the Allied powers to sue for peace.

Communist influence is apparent in press predictions of doom for the government and the military forces of South Vietnam. The press is replete with repeated charges of corruption and inefficiency in the government of South Vietnam. Segments of the press and prominent men—some in responsible and official positions—go so far as to demand the resignation of leading members of the duly elected government of the Republic of Vietnam. Now it is a curious anomaly, indeed,

to note that while this type of press treatment is being accorded to the duly elected government of the Republic of South Vietnam, we are beginning to read in the press about the representatives of the "National Liberation Front." The term "Viet Cong" is used less and less. Now it is the "National Liberation Front," and their representatives are being accorded titles of "Mr. Minister"—"Madame Minister"—"Premier." We are reading in our press about the beautiful lady representative of the National Liberation Front—diminutive, lovely, charming—a latter-day lady Robin Hood. Nowhere is it even suggested that this lovely "pearl of the Orient" in all probability, before arriving in Paris, was riding a motorcycle in Saigon tossing hand grenades into school busses and restaurants. Somehow it doesn't occur to our inquisitive and objective press or to the host of critics so concerned with corruption in the government of South Vietnam to ask these representatives of the National Liberation Front a few pointed questions such as—

Who are you?
Whom do you represent?
Who elected you?
Who appointed you?
Where is the seat of your government?
Where are your credentials?

Instead of arriving at the answers to these questions we find our press busily clothing these rascals with a status and dignity gratuitously and wholly undeserved.

The facts are that, far from being ineffective the South Vietnamese government is emerging as a strong, stable, responsible and responsive government that is daily increasing its effectiveness and that has clearly won the confidence and support of the great majority of the people in South Vietnam.

The South Vietnamese army is carrying its share of the combat load and daily increasing its share of the defense of the nation. The South Vietnamese army is fighting the war with skill and considerable courage.

Some of the press reports concerning South Vietnam have a familiar ring to me—they are reminiscent of the Korean war period and its aftermath. I became accustomed to reading that South Korea had no future; its government corrupt, unstable and hopeless; its army weak, lacking in fighting will and unable to stand except for American support. The world now knows how far wrong these assessments were. There is not the slightest question of doubt in my mind that the government of the Republic of South Vietnam and its armed forces—like those of Korea—will emerge strong, confident, stable and responsible. This view, I know, is shared by the top U.S. military commanders in Vietnam. It differs sharply from press reports—unquestionably influenced by Communist propaganda.

To appreciate more fully the effectiveness of Communist propaganda concerning Vietnam, one has only to note the changes in the attitudes of some of our old allies and in those of some neutral countries. Communist propaganda has been singularly successful in some neutral countries. Consider for example the conversion of Sweden from apparent neutrality to rabid partisanship for the Communist cause in Vietnam. Correspondent Joe Alexis Morris, Jr., writing for the Los Angeles *Times* from Stockholm, observes that anti-American demonstrations in Sweden related to our war effort in Vietnam have become routine. In a demonstration at the United States embassy, our President was burned in effigy and thousands of dollars worth of damage was done to the embassy. Although the Swedish Government later apologized, its government-operated television station featured a broadcast showing a Swedish reporter wiping his muddy boots on the United States flag. These outrages are symptomatic of the fact that, in Mr. Morris' words, "Neither the government nor the opposition parties are ready to risk political attacks by questioning the popular belief here that the Communist cause in Vietnam is just and the U.S. policy is totally wrong." Some of the rationale used to support this attitude is that the U.S.—a large power—is picking on a small country, North Vietnam. That Sweden has been taken in and strongly influenced by Communist propaganda there can be no question but the history of Swedish neutrality is a curious collection of contradictions. When Nazi Germany invaded Belgium and Denmark and Holland there was a notable lack of concern in neutral Sweden for the little fellow. In fact, the Swedes not only openly trafficked with Nazi Germany during that period, selling them war goods, but also permitted the German army's passage through Sweden to attack Norway and Finland.

During World War II Sweden refused to grant asylum for a number of German servicemen attempting to flee from Hitler and turned them back at the border. At the end of the war some 150 Baltic State citizens who had fought in Hitler's legions and were then in Sweden were forcibly deported to the Soviet Union where they were brutally murdered by Stalin's police. Today, by contrast, the Swedish Government overtly entices U.S. servicemen to desert the U.S. forces by offering them asylum in Sweden. There are about 200 U.S. deserters now in Sweden provided sanctuary by that neutral country.

Correspondent Morris tells us that "the Government decision January 10 to establish diplomatic relations with Hanoi was widely welcomed." With regard to this recognition, Mr. Morris observes pointedly that there is an economic factor. Ever on the lookout for export markets, he writes, Sweden could reap trade benefits from its decision to recognize Hanoi.

It would be inaccurate to say that Communist propaganda alone is responsible for the shifting stands taken by some neutral nations, such as Sweden, certainly the economic factors—the lure of monetary gains—plays an important role. We see this trend amongst other nations now rushing toward accommodations with the main Communist aggressor, Red China.

History is replete with numberless examples of Judas', Benedict Arnolds, Quislings and the like, who sold their souls for 30 pieces of silver and then lived to regret and repent. But it is a relatively new phenomenon to note this malevolent malfeasance manifested in whole nations.

Returning now to the war in Vietnam, we find that the main Communist effort has shifted to Paris. The question uppermost in everyone's mind now is what are the prospects for peace and what can we expect?

Before attempting an answer to these questions it would be well to keep in mind that the Communists are in Paris to wage war, not negotiate a peace. They are there to gain their ultimate objective—the forcible incorporation of South Vietnam into the Communist organization. Short of that they will seek concessions which will lay the groundwork to permit the accomplishment of the ultimate objective at a later time. They will seek to accomplish these objectives by obtaining a unilateral withdrawal of American forces and the integration of Communist Viet Cong elements into the legal government of the Republic of Vietnam. In return for these concessions which will assure attainment of their ultimate goal, the Communists will indicate a willingness to sign certain accords—of a promissory nature—secure in the knowledge and intention to break them or flagrantly violate their provisions whenever it suits their purpose. Backing up this campaign strategy will be a clear and evident display of Communist intransigence, refusal to discuss or address any other issues, and a brazen assertion that they are willing to continue the struggle for the next 20 years, if necessary. The full force of the world Communist propaganda apparatus will be brought to bear on both the free world and the so-called neutral, nonaligned world, picturing all Communist actions at Paris as sincere peace efforts and those of the U.S. and its allies as imperialistic measures to prolong the war. In Vietnam itself they will sacrifice their own men indiscriminately to create an illusion of military power and an atmosphere of despair and confusion.

It is of utmost importance that we have no illusions in this regard and understand clearly the nature of the conflict. We must conduct our negotiations at Paris with the clear objective of winning this phase of the campaign just as we have won the military campaign on the battlefields of Vietnam. To yield at the conference table in Paris is no less perilous than to yield on the battlefield of Vietnam. One step backward is followed by one step forward by the enemy.

Our determination to stick it out in Vietnam and in Paris must be no less convincing than the Communists. We must avoid conveying the impression that we are so anxious to negotiate a settlement that we are prepared to have concessions. This is the one major weakness the Communists are eagerly seeking and instantly prepared to exploit. We must reject out of hand any suggestions which would permit the Communists to subvert the legal Government of the Republic of Vietnam.

We must insist on the full and complete withdrawal of Communist forces from South Vietnam and from their sanctuaries in Cambodia and Laos.

We must expose Communist duplicity at the Paris peace talks and counter their propaganda. In this connection it would be well for the United States to take the lead in establishing an international organization with the sole mission of translating and interpreting Communist euphemisms and slogans. In order to negotiate with the Communists it is necessary to be able to communicate with them. It is also essential that the world at large understand the meaning of Communist statements and proposals, particularly as these relate to negotiations. This is why I would like to see an internationally-sponsored information agency set up to interpret Communist statements—for there is far more involved in such interpretations than mere translation from one language into another. Certainly the present practice of the non-Communist press parroting Communist euphemisms is clearly unsatisfactory. Here are some samples of the kinds of translations and interpretations with which this internationally-sponsored information agency would be concerned.

The Communist term—"People's Democratic Republic" actually in our language means an absolute Communist dictatorship in which the people are subjected to the unchallenged rule by a Communist Party hierarchy.

When the Communist side states it wants peace, this means that they want us to surrender.

When the Communists propose a mutual withdrawal of military forces, they mean a unilateral withdrawal of the military forces opposing them.

When the communists announce they are preparing to defend themselves, this means they are preparing to launch an attack.

When the communists ask for free elections, they mean rigged elections under unilateral communist supervision and control.

There are many others—I cite these merely as samples of what is needed for a clearer understanding of Communism.

If we do all these things, we will not lose in Vietnam and we will not lose in Paris, but unfortunately we also will not win with these measures alone.

My friends—fighting the communists on the battlefields and dealing with them at the conference table takes men who have courage and guts—men who can stand up under pressure and, most importantly, men who are not afraid to fight and who are willing to take risks. There is no place for weaklings, or cowards or compromisers or for traditional diplomats, no matter how clever and skillful they presume to be. The days of Metternich outfoxing his rivals and the clever repartees of Lloyd George and Clemenceau may bring back romantic memories of past successes but their application to today's realities would be akin to a child stepping into a cage of wild dogs carrying a kitten in her arms.

We can win in Paris and we can get concessions from the communists so as to arrive at a just and honorable peace, but only if we apply pressure. We need to apply the full range of pressures available to the free world—political, economic and military. In applying these pressures we need to present them in terms of alternatives with accompanying risks and penalties. The communist side must be confronted with the need to make hard choices with full recognition of risks involved. Unless the communists are made to weigh advantages and disadvantages and assess the risks and penalties associated with the options presented, we will not win in Paris—and the best we can hope for is another inconclusive arrangement such as in Korea with a continuation of tensions and a continuous confrontation of forces engaged in intermittent and sporadic fighting.

With Communist propaganda accelerating in response to Communist defeats on the battlefield, now is the time for the free world to close ranks—particularly the nations here in Asia, closest to the present danger area. Now is the time for the free nations to speak to the enemies of freedom with one voice. Unfortunately some of our friends are beginning to speak more loudly and more frequently about voluntary accommodations with Red China and the illusory advantages of trade with Communist states. Some of our friends are also talking loudly of loosening their bonds and dependence from the United States. While such pronouncements often have little more substance than political concessions to anti-American minorities, they do serve to encourage the Communists and make the achievement of a secure peace in Asia more difficult. A main objective of Communist propaganda is to alienate nations friendly to the United States. The propaganda war—the war for men's minds—goes on with increasing intensity.

In a world in which power prevails, the free world is more powerful than the world that lies under the yoke of Communism. Our power can bring peace and stability to this part of the world. But the achievement of such a peace demands that we stand together, loyal to our common cause, confident in our strength, and willing to use our strength whenever, wherever necessary to deter or stop communist aggression. Nothing short of this will guarantee peace in this part of the world.

Mr. FULBRIGHT. I put this address in the RECORD, although it is fairly long, because it is a good example of how some of the leading speakers of the Army ignore the policy statement I have just read from the regulations. Even speeches by civilians rarely go as far as this speech by Major General Ciccolella, who is the head of the U.S. Military Assistance Advisory Group in Taiwan. This speech is not only an all-out justification for the war in Vietnam but also for the cold war in general.

In Army regulation 360–61, which deals with Army information community relations, it states that Army "speakers will confine their remarks to discussion of subjects within the cognizance of the Department of Defense."

Furthermore, Department of the Army message 703436, dated February 1968, "Public Affairs Policy Guidance for Personnel Returning From Vietnam," deals specifically with subjects that should or should not be mentioned in public discussion. These included, according to an Army report supplied me, the specific admonition that "personnel should not speak on the foreign policy implications of the U.S. involvement in Vietnam."

We are not talking here of "muzzling the military"—that issue was fought out years ago. We are talking about military men using their position and their ability to travel around the country as a public relations tool designed to promote support of a political activity on which there is profound difference of opinions.

I ask unanimous consent to place in the RECORD at this point an article from the Washington Post of November 23 entitled "Major Held 5 Years by Vietcong Wages Fight on Doves in Congress."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAJOR HELD 5 YEARS BY VIETCONG WAGES FIGHT ON DOVES IN CONGRESS

(By Bernard D. Nossiter)

With the sponsorship of hawkish congressmen and the knowledge of the Pentagon an Army major who is a Vietnam hero is attacking antiwar legislators and certain newspapers and magazines.

In the last two weeks, Major James N. Rowe has filmed at least 20 television interviews and cut six radio tapes with as many representatives. These are then sent to the home stations of the congressmen or used in Army "information" programs.

In addition, the major has filmed a 30-minute show for the Republican National Congressional Committee which is being offered to legislators from both parties. This performance, however, is more muted.

The personable and articulate Rowe, who spent five years as a captive of the Vietcong, repeats essentially the same theme in all his appearances.

On several shows, he has questioned the patriotism of Sen. George McGovern (D-S.D.). Rowe has also said that his captors exploited the statements of Sens. J. W. Fulbright (D-Ark.), Mike Mansfield (D-Mont.) and former Sen. Wayne Morse (D-Ore.).

He regularly charges The Washington Post, The New York Times, the Associated Press, United Press International, Newsweek, Time, Look and Life with supplying material that breaks the morale of American prisoners. He repeatedly accuses the media of spreading misinformation about the war in Vietnam and of playing down the views of militant senators.

The outspoken major, who is on temporary duty in Washington while making his broadcasts, also airs his views on some of the larger issues involved in the war.

He warns that a quick withdrawal would lead to a "blood bath" in Vietnam and enable Communists to take over other Asian nations.

According to Col. Lloyd L. Burke, an Army legislative liaison officer and Rowe's immediate sponsor, the Army's Chief of Staff, Gen. William Westmoreland, "knows of all his (Rowe's) activity on the Hill and approves of it."

Westmoreland had a private, 15-minute interview with Rowe after the major was brought here from Ft. Sill, Okla.

The House Armed Services Committee was impressed with the major's story and arranged a meeting at the White House between Rowe and President Nixon on Nov. 12. They were closeted for 25 minutes.

Rowe said he told the President of his experiences and of "the support of all my colleagues at Ft. Sill for his stand on Vietnam."

Although Col. Burke and other officers helping Rowe are somewhat uneasy about whether the major is breaching the historic separation of the military from politics, Rowe professes no concern on this point.

"We are entering into an ideological conflict," he said in an interview last week, "where the political and the military are married into one."

"If somebody says you can't speak and stay in the military, I would resign. . . . The things is, you're going to have to choose sides."

When pressed as to the propriety of a uniformed officer, on active duty, criticizing elected officials, Rowe replies:

"It really doesn't matter to me. If someone is speaking under a Vietcong flag, he's on a different political side and that's it. It's hard for the military not to take sides when a Vietcong flag is flying."

Major Rowe poses in reverse the problem raised by servicemen who sign antiwar ads and march in peace parades. One central difference, however, is the high-level sponsorship Rowe enjoys.

The trim, slight, blue-eyed major is 31 and comes from McAllen, Tex. He graduated from West Point in 1960.

IN ADVISER ROLE

He went to Vietnam in July 1963 as a Special Forces officer, a Green Beret, and served as an adviser to a company of irregulars in the Mekong Delta.

In October, his unit was ambushed and he was taken captive. On his fourth try, last Dec. 31, he made his escape and was rescued by an Army helicopter.

A man with a mission, he is eager, intense and concerned. In each filmed interview with a congressman, all in color, he describes the rigors of his captivity and how his captors attempted to turn him against the war.

Until late 1967, the Vietcong political cadre used propaganda from Hanoi and this he says, was "not really effective."

QUOTED FROM PRESS

In one characteristic tape with Rep. Edgar Foreman (R-N.M.), the major said that "the most devastating thing to my morale" came when his captors switched to American sources.

He goes on to say that they quoted from the AP, UPI, Time, Newsweek, Life, Look, The Washington Post and New York Times about racial problems, war protests, riots and draft card burners in the United States.

Later in the interview, Rowe said of his return to the United States:

"There is so much misinformation . . . very few accurate reports of what is going on in Vietnam . . . I believe in what we are doing . . . People in the United States are prejudiced as to what is going on in Vietnam."

The major was more specific in another color show he filmed with Reps. Thomas D. Downing (D-Va.) and G. William Whitehurst (R-Va.).

"If you take a broad look at the news coverage in the United States . . . it is the most biased I have ever seen."

He complains that criticism of the war is on the front page but Sen. John Stennis (D-Miss.) and John Tower (R-Texas), both prominent hawks, "will get three lines on page nine."

For Rep. Mark Andrews (R-N. Dak.), Rowe describes his feelings about last week's antiwar march. He says he saw many people who have never been to Vietnam, "coming from a relatively sterile environment, protesting about something they didn't understand."

VC FLAGS AT MONUMENT

He notes that Vietcong flags were flying around the Washington Monument and says "I had friends of mine who died in Vietnam fighting that flag."

"One thing that stood out," he goes on, was Sen. McGovern's remarks at the rally that the protesters "cherish the flag."

"I wondered what flag did he cherish," Rowe says. "What flag do they cherish?"

With Rep. Larry Winn (R-Kan.), Rowe says:

"It was really something to come back to the United States and see what the VC cadre told us was true . . . to see the VC flag . . . to see the American flag with the peace symbol on it . . . to see Sen McGovern say we cherish our flag . . . I question what flag . . . Our flag was degraded"

For Rep. Sam Steiger (R-Ariz.), Rowe had to be prompted to name the legislators his captives had quoted to him. In that interview, he cites Fulbright, Mansfield and Morse as well as McGovern and says, "I heard them more than the others . . . I didn't believe people in our government could say things like that."

ON BROADER THEMES

"Then I began to wonder," he continues: "The one thing a POW can't do is wonder . . . Faith in a country . . . they can attack . . . that's their most effective weapon."

On broader political themes, the major has this to say:

To Rep. Page Belcher (R-Okla.), asking if the Paris talks were stalled because of a belief that Americans will yield:

"Concessions are a sign of weakness."

To Rep. Foreman:

"Precipitate withdrawal . . . would mean total victory for the Communists . . . it would be a slaughter of the troops left behind."

Thailand, Laos, the Philippines and Indonesia would all be threatened, he says. "If we don't stop them there, where will we stop them?"

The Army is understandably proud of Rowe who withstood great physical hardship and mental pressure to make a daring escape. But it is also, at least for public consumption, of two minds about the role he is playing.

Col. Burke, the legislative liaison officer, says "we slipped on one show, I think," in mentioning by name legislators whom Rowe dislikes. "It's a tactical error," the colonel says.

Big. Gen. Winant Sidle, Army Chief of Information, says that soldiers returning from Vietnam and speaking in public "must restrict themselves to what they know of their personal knowledge."

"They are not supposed to speak on foreign policy or the implications of the U.S. involvement in Vietnam."

The Army has no policy, he says, about criticism of media but is firmly against criticism of individuals, "especially members of Congress."

He declines to say whether Major Rowe has breached these guidelines.

Rowe says he talked with Gen. Westmoreland "in general terms" about his attacks. "I think I mentioned that antiwar politicians had a devastating effect," on prisoners, he says.

Westmoreland, he adds, wants him to make his first priority the book Rowe is planning to write about the Vietcong.

The more militant members of the House Armed Services Committee have no hesitations about the major and his public performance. One member, Rep. William Dickinson (R-Ala.), is credited with bringing Rowe to Washington.

Rep. Foreman, another Armed Services member, concluded his 30-minute tape with Rowe by telling him:

"We appreciate your kind of American . . . we want you to take your message to the people of the United States."

Mr. FULBRIGHT. Mr. President, the question of whether Major Rowe's activities—and those of other military speakers—follow the Army's own guidelines is one to which I hope the Secretary of Defense, and perhaps the pertinent committees of Congress will address themselves.

For myself, I will seek to remedy this situation as best I can through legislation that soon will be before this body.

Mr. President, 10 years ago the Congress removed the spending limit on Defense Department public relations activities. The military's spending on lobbying the public has skyrocketed ever since, from $2.7 million to an admitted $27 million last year. We will never know the true total, however. If all expenses were included, such as for operation of orientation flights and cruises, the total would undoubtedly be far higher. But, in any case, $27 million and a sales force of thousands adds up to a very impressive program for persuading the public to sacrifice more and more for the Army, Navy, or Air Force—as the case might be—and, of far greater significance, to garner support for the policies of the Commander in Chief in the White House.

Only Congress can bring the Defense Department's public relations program under control. As a first step, it should reinstate a fixed limit on spending for public relations. And as a second step it should see to it that the Congress and the public are kept informed about the Defense Department's public information programs.

I propose that public relations spending in the Department of Defense be limited to $10 million in the 1970 fiscal year, by adding the following limitation in the Defense appropriation bill:

"Sec. —. Funds provided in this Act for public information and public relations activities, including personnel costs, shall not exceed $10,000,000."

It may be argued that this reduction is too severe, that this program should be cut back more gradually. In the last 10 years the size of the Armed Forces has increased 36 percent, and the cost of living 25 percent. The limitation I propose would allow a 370-percent increase in spending for public relations above the 1959 legislative ceiling; a very generous increase. The Secretary of Defense has announced a cutback in the Armed Forces and the closing of a number of military installations; the public relations apparatus is an ideal area for severe pruning. I was happy to see that the House Appropriations Committee has also proposed additional cutbacks in this program.

As part of the reduction that I expect will be undertaken with this limitation—and to insure it—I will offer another proviso to eliminate the five service-funded camera crews now operating in Vietnam and the contracting services procured in the United States to turn out the V-Series newsfilms on Vietnam. This proposed proviso reads as follows:

SEC. —. None of the funds appropriated by this Act shall be used for the purpose of financing directly or indirectly the filming, production, or distribution of moving pictures of United States activities in Vietnam for use by commercal television media.

As a second step, I am introducing a bill today to require semiannual reports to the Congress giving the following details concerning the Defense Department's public information program:

First, a list and description of all films released to the public;

Second, a description of all material prepared for use of radio or television;

Third, a description of assistance rendered in the production of films for nongovernmental use;

Fourth, data on the number of press releases and photographs released to news media;

Fifth, a list of speeches made by high-ranking civilian and military officials of the Defense Department to public audiences; and

Sixth, a list of all civilians, except Government personnel and dependents, who receive free transportation in military planes or ships.

The bill would also require that copies of press releases, speeches, films, and other materials be kept available in a location convenient for public viewing. Finally, it would require that Defense Department films and speeches dealing with foreign policy or a foreign country be approved by the Secretary of State.

Mr. President, taxpayers are at a decided disadvantage at best in questioning programs their Government would thrust upon them. When unlimited resources are available to a Government agency for selling purposes, the public does not stand a chance. Today the Defense Department is engaged in a vast effort to sell the administration's Vietnam policy to the public, as it did to sell the Vietnam policy of the previous administration. This is only one step removed from using the public relations resources of the Military Establishment to rid the Congress of those who question executive branch policies. If the present trend continues, "1984" may arrive long before the next 15 years have gone by.

The Congress can do much to help insure that the taxpayer gets an even break in evaluating the programs and policies his Government tries to foist on him. My proposals are a start—but only a start—in that direction.

Finally, I think my proposals, if adopted by Congress, supplement what the Senate has already done in the national commitments resolution approved earlier this year. That resolution was a first step by the Senate to reassert its proper constitutional role in the development of our national commitments in the foreign-policy field. If we cannot control the vast publicly supported propaganda programs of the Department of Defense, which deals with major foreign policy matters, I think our efforts will be futile, and there will be nothing Members of this body can do to limit the enormous expenditure of public funds designed to influence their constituents

that is now being carried on by the Department of Defense.

Mr. President, I implore Senators to take seriously the evidence presented to the Senate in my remarks.

I introduce the bill for appropriate reference.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3217) to require the Secretary of Defense to submit regular reports to the Committees on Armed Services of the House of Representatives and the Senate with respect to the kinds and amounts of information released for distribution to the public by the Department of Defense and the military departments thereof, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Armed Services.

## TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

AMENDMENT NO. 313 (S.H.)

Mr. RIBICOFF. Mr. President, I call up amendment No. 313 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment (No. 313) ordered to be printed in the RECORD, reads as follows:

AMENDMENT NO. 313

SEC. 915. TAX CREDIT FOR CERTAIN EXPENSES OF HIGHER EDUCATION.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"SEC. 40. EXPENSES OF HIGHER EDUCATION.

"(a) GENERAL RULE.—There shall be allowed to an individual, as a credit against the tax imposed by this chapter for the taxable year, an amount, determined under subsection (b), of the expenses of higher education paid by him during the taxable year to one or more institutions of higher education in providing an education above the twelfth grade for himself or for any other individual.

"(b) LIMITATIONS.—

"(1) AMOUNT PER INDIVIDUAL.—The credit under subsection (a) for expenses of higher education of any individual paid during the taxable year shall be an amount equal to the sum of—

"(A) 100 percent of so much of such expenses as does not exceed $200,

"(B) 25 percent of so much of such expenses as exceeds $200 but does not exceed $500, and

"(C) 5 percent of so much of such expenses as exceeds $500 but does not exceed $1,500.

"(2) PRORATION OF CREDIT WHERE MORE THAN ONE TAXPAYER PAYS EXPENSES.—If expenses of higher education of an individual are paid by more than one taxpayer during the taxable year, the credit allowable to each such taxpayer under subsection (a) shall be the same portion of the credit determined under paragraph (1) which the amount of expenses of higher education of such individual paid by the taxpayer during the taxable year is of the total amount of expenses of higher education of such individual paid by all taxpayers during the taxable year.

"(3) REDUCTION OF CREDIT.—The credit under subsection (a) for expenses of higher education of any individual paid during the taxable year, as determined under paragraphs (1) and (2) of this subsection, shall be reduced by an amount equal to 2 percent of the amount by which the adjusted gross income of the taxpayer for the taxable year exceeds $15,000.

"((c) DEFINITIONS.—For purposes of this section—

"(1) EXPENSES OF HIGHER EDUCATION.—The term 'expenses of higher education' means—

"(A) tuition and fees required for the enrollment or attendance of a student at a level above the twelfth grade at an institution of higher education, and

"(B) fees, books, supplies, and equipment required for courses of instruction above the twelfth grade at an institution of higher education.

Such term does not include any amount paid, directly or indirectly, for meals, lodging, or similar personal, living, or family expenses. In the event an amount paid for tuition or fees includes an amount for meals, lodging, or similar expenses which is not separately stated, the portion of such amount which is attributable to meals, lodging, or similar expenses shall be determined under regulations prescribed by the Secretary or his delegate.

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means—

"(A) an educational institution (as defined in section 151(E)(4))—

"(i) which regularly offers education at a level above the twelfth grade; and

"(ii) contributions to or for the use of which constitute charitable contributions within the meaning of section 170(c); or

"(B) a business or trade school, or technical institution or other technical or vocational school in any State, which (i) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; and (ii) is accredited by a nationally recognized accrediting agency or association listed by the United States Commissioner of Education; and (iii) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subparagraph.

"(3) STATE.—The term 'State' includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(d) SPECIAL RULES.—

"(1) ADJUSTMENT FOR CERTAIN SCHOLARSHIPS AND VETERANS' BENEFITS.—The amounts otherwise taken into account under subsection (a) as expenses of higher education of any individual during any period shall be reduced (before the application of subsection (b)) by any amounts received by such individual during such period as—

"(A) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which under section 117 is not includible in gross income, and

"(B) education and training allowance under chapter 33 of title 38 of the United States Code or educational assistance allowance under chapter 35 of such title.

"(2) NONCREDIT AND RECREATIONAL, ETC., COURSES.—Amounts paid for expenses of higher education of any individual shall be taken into account under subsection (a)—

"(A) in the case of an individual who is a candidate for a baccalaureate or higher degree, only to the extent such expenses are attributable to courses of instruction necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

"(3) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) to the taxpayer shall not exceed the amount of the tax imposed on the taxpayer for the taxable year by this chapter reduced by the sum of the credits allowable under this subpart (other than under this section and section 31).

"(e) DISALLOWANCE OF EXPENSES AS DEDUCTION.—No deduction shall be allowed under section 162 (relating to trade or business expenses) for any expense of higher education which (after the application of subsection (b)) is taken into account in determining the amount of any credit allowed under subsection (a). The preceding sentence shall not apply to the expenses of higher education of any taxpayer who, under regulations prescribed by the Secretary or his delegate, elects not to apply the provisions of this section with respect to such expenses for the taxable year.

"(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) CLERICAL AMENDMENT.—The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 40. Expenses of higher education.

"Sec. 41. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1970.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

ADDITIONAL COSPONSORS

Mr. RIBICOFF. Mr. President, on behalf of the Senator from Colorado (Mr. DOMINICK) and myself, I ask unanimous consent that the names of the Senator from South Dakota (Mr. MCGOVERN), the Senator from Illinois (Mr. PERCY), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from West Virginia (Mr. RANDOLPH) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOODELL. Mr. President, will the Senator yield briefly?

Mr. RIBICOFF. I yield.

Mr. GOODELL. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER (Mr. SCHWEIKER in the chair). The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from New York (Mr. GOODELL) proposes an amendment to amendment No. 313, as follows:

On page 7, line 10, strike out "1970" and insert in lieu thereof "1971".

Mr. RIBICOFF. Mr. President, on behalf of the Senator from Colorado and myself, we accept the amendment.

Mr. GOODELL. I thank the Senator.

Mr. RIBICOFF. Mr. President, I wish to make a brief statement and then I shall yield to the Senator from Colorado.

Mr. President, the amendment before the Senate would create a tax credit to offset the growing expenses of higher education in America.

The time has come for this Nation to face the need for greater Federal assistance in meeting college costs.

Congress has had several opportunities to consider tax credits as a means to finance higher education. Most recently, in 1967, the Senate approved by better than a 2-to-1 margin such a proposal which I sponsored with the Senator from Colorado (Mr. DOMINICK).

Regrettably, the House of Representatives did not agree to this amendment.

Today, the need for Federal income tax credits is greater than ever before.

The American family is facing a financial crisis.

Tuition costs are soaring. Other costs of higher education—books, lodging, fees—are keeping pace.

Federal, State, and local taxes are combined to squeeze the average family unmercifully.

Seven million students are now working for undergraduate or graduate degrees. This is three times the number only 14 years ago but still considerably less than will be attending college in the next few years.

In 1975, college enrollment will jump to 9 million. In 15 years we can look forward to a student enrollment of about 11 million.

The pressure of this influx of students has inflated college costs. New facilities must be built. The advancing frontiers of knowledge place a premium on the most sophisticated and expensive new teaching concepts and equipment. More expensive postgraduate education is increasing.

A good education is becoming prohibitively expensive.

In the last 5 years, tuition costs at public institutions have risen by half. At private colleges and universities they have increased by 70 percent.

The average minimum cost of 1 year at college, including room and board but no other expenses, is $2,329 at private college and well over $1,000 at a public college.

Official estimates by the Office of Education show that tuition alone will increase by 25 percent at public institutions of higher learning and by 38 percent at private institutions in the next 10 years.

Today, it costs between $10,000 and $20,000 to obtain a bachelor's degree.

Ten years ago, colleges and universities spent $5.2 billion on higher education. Last year they spent over $17 billion. But in only 10 years the Carnegie Commission on Higher Education estimates that institutes of higher education must spend $41 billion in order to assure the same quality of education offered today.

The commission also estimates that private sources will have to bear one-half of this cost even if Federal assistance is increased four times in the next 10 years. If, of course, Federal assistance is not so increased the private sector will support a much larger burden.

Even now, the average family is hard pressed to send a son or daughter through 4 years of college.

The College Scholarship Service of the College Entrance Examination Board assists over 2,000 colleges and universities in setting guidelines for financial assistance. The service has made an authoritative study of what colleges must expect from students and their families toward covering the cost of education.

A family with one child in college and a pretax income of $10,000 is expected to pay a $1,570 toward a year's college expenses.

Under the Federal tax laws, as amended in the bill now before this Senate, this family in 1972 would be expected to pay about $1,400 in income taxes. An additional $300 might disappear in State and local taxes.

Likewise, the College Scholarship Service estimates that a family with two children, one of which is college age, and an income of $15,000, would be expected to contribute $2,080. This family's taxes would likely amount to $2,700 or $2,800.

In the cases I have cited, if the family contributions failed to match the entire cost of a college year, the difference would be made up through other forms of financial assistance.

Mr. President, a constituent of mine recently wrote with dignity and eloquence of the plight in which the soaring costs of education had placed his family.

One child has completed a year of college at the cost of several thousand dollars. Next year, twin sons will be of college age. One wants to be a veternarian.

Both parents work full time. The children work during the summers. Family income cannot be expanded. Available scholarships and loans seem to be exhausted. Educational expenses in tens of thousands of dollars must be paid in the next few years.

My constituent only asks one question, "How can I send my sons to college?"

Mr. President, our children's education is an investment in the future. We have made similar investments in the past, such as the GI bill, and the results have surpassed even our best expectations. We would do well to learn from these lessons.

As we face the necessity of finding solutions to the complex social problems facing this Nation we must recognize the essential role that education plays in our society. A better educated population is the strongest tool for the continued growth and development of our Nation.

This amendment proposed a maximum tax credit of $325 per student. The credit would be computed on the basis of 100 percent of the first $200 of qualifying expenditures for tuition, fees, and books; 25 percent of the next $300; and 5 percent of the subsequent $1,000. No credit would be allowed for student costs above $1,500.

The resulting credit would be allowed against the tax of any person who paid the expenses of education for himself or another person at a qualified educational institution. A qualified institution includes recognized colleges, universities, graduate schools, vocational and business schools.

Mr. President, the bill is drafted to relieve the heavy burden of educational costs now borne by the average American citizen. It would not benefit the wealthy individuals who can easily afford these costs.

The available credit would begin to be phased out when the taxpayer's adjusted gross income reached $15,000. Two percent of the amount by which a taxpayer's adjusted gross income exceeded $15,000 would be deducted from the credit available to that taxpayer. Thus, no taxpayer with an income above $31,250 would be eligible for a credit.

Mr. President, I ask unanimous consent that a table outlining the available benefits to various income groups be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

AVAILABILITY OF TUITION CREDIT BY AMOUNT OF QUALIFIED EXPENSES AND INCOME LEVEL

| Qualified expense | Adjusted gross income | | | | | |
|---|---|---|---|---|---|---|
| | $10,000 | $15,000 | $20,000 | $25,000 | $30,000 | $35,000 |
| $100 | $100.00 | $100.00 | 0 | 0 | 0 | 0 |
| $200 | 200.00 | 200.00 | $100.00 | 0 | 0 | 0 |
| $300 | 225.00 | 225.00 | 125.00 | $25.00 | 0 | 0 |
| $400 | 250.00 | 250.00 | 150.00 | 50.00 | 0 | 0 |
| $500 | 275.00 | 275.00 | 175.00 | 75.00 | 0 | 0 |
| $750 | 287.50 | 287.50 | 187.50 | 87.50 | 0 | 0 |
| $1,000 | 300.00 | 300.00 | 200.00 | 100.00 | 0 | 0 |
| $1,250 | 312.50 | 312.50 | 212.90 | 112.50 | $12.50 | 0 |
| $1,500 | 325.00 | 325.00 | 225.00 | 125.00 | 25.00 | 0 |

Mr. RIBICOFF. Mr. President, this tax credit legislation will markedly strengthen the ability of a family to finance the college education of a son or daughter.

In my own State, at the University of Connecticut, where tuition costs for a resident have increased 56 percent in 6 years to $390, this amendment would provide a credit of $247.50 or two-thirds of the cost.

At Yale University in Connecticut, where tuition has increased by almost 50 percent to $2,400 since 1963, this amendment would allow a family a credit of $325 or 13.5 percent.

Mr. President, this legislation has received strong support from all segments of society. The ability to meet the challenges of the future rests squarely on the strength of our educational institutions and the quality of education they can provide. This amendment will significantly strengthen the ability of millions of Americans to provide a quality education to their children.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Federal Assistance to Higher Education Through Income Tax Credits," and an article from the New

York Times of April 21, 1968, entitled "The Higher Cost of Higher Education."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FEDERAL ASSISTANCE TO HIGHER EDUCATION THROUGH INCOME TAX CREDITS

(By Roger A. Freeman*)

INTRODUCTION

At this year's expenditure level of $58.5 billion, education ranks as America's most ebullient growth industry. With only six percent of the world's population and between one-fourth and one-third of its developed resources, the people of the United States are now investing in education almost as much—and possibly as much—as all of the other nations combined. Nothing testifies more eloquently to the American faith in education than the priority which the people have granted it in financial terms: over the past twenty years educational spending multiplied eight times, business and private investment and personal consumption only three times. Allowing for the loss of one-third of the dollar's value over that period, we find that personal consumption slightly more than doubled (+111%) in constant value dollars while educational spending multiplied almost six times (+472%).[1] This magnificent record, which exceeds ever the fondest hopes of twenty years ago, disproves slanderous charges that the American people spend lavishly on themselves while treating their schools niggardly.

Higher education has advanced moneywise no less dramatically than education in general; spending by colleges and universities multiplied 8½ times over the 20-year period. Higher education more than tripled its share of the national income and product, pushing it from 0.7% of GNP in 1947/48 to 2.3% in 1967/68.

There are now some signs which suggest that financial needs may not grow as rapidly in the future as they have in the past. Higher educational enrollment is projected to increase only 36% in the next eight years, compared with a 93% jump in the past eight years.[2]

The baby boom of the past war period has now largely been absorbed. A steady and continuing decline in the number of births—which dropped 19% between 1960 and 1968—implies that enrollment pressures will subside and may disappear in the late 1970s and the 1980s. To some extent, however, diminishing births could be offset by further growth in the percentage of our young people who continue their formal education after graduating from high school.

On the other hand, even the tripling of their income during the 1960s appears not to have solved nor even eased the financial problems of colleges and universities. Paradoxically, the situation seems to be growing worse as the institutions' resources multiply at a faster rate. The Association of American Universities (AAU) declared in April 1968 (as it could have done ten or twenty years earlier with greater justification): "The most critical question facing higher education today is how to find sufficient resources."

Considering the growing wave of campus revolts in recent years, some of us may doubt that finding sufficient resources truly is "the most critical question facing higher education today." Finding leadership capable of coping with the violent uprising would be more crucial.[3] But there is much evidence to support AAU's further statement that higher education faces "a severe and worsening fiscal crisis." Ford Foundation President McGeorge Bundy even referred to an "imminent bankruptcy" of American higher education. With outlays rising faster than established sources of income, and with *planned* outlays exceeding prospective receipts, many colleges are indeed, as Duncan Norton-Taylor expressed it "living with a formula for bankruptcy."[4] If the colleges in *Fortune's* survey—Yale, Cal. Tech, Stanford, Pomona, Dartmouth, etc.—the country's wealthiest, are in trouble because donations and tuitions don't grow fast enough, most of the other 1400 odd private colleges must be even worse off. Nor do state institutions have an easy time getting their financial requests approved by governors and legislatures which find budgetary demands from all sides soaring beyond the willingness of their constituents to have their taxes raised. Small wonder the administrators of most IHL have become convinced that only the national government can deliver them from ruin. The national government has in fact responded to the plea in recent years, though not adequately.

GROWTH IN FEDERAL AID TO HIGHER EDUCATION

Federal aid to education came into its own during the 1960s. From $2 billion in 1960, the amount inched to $3.1 billion by 1964, then jumped steeply, reaching $8.8 billion in 1968. The President's Budget for 1970 proposes $9.8 billion to be disbursed through well over 100 programs of grants and loans, most of them of recent origin. But there still is no program of *general* support of IHL, just as there is none for elementary and secondary schools.

Federal funds for higher education totalled $4.4 billion in 1968 and are estimated at $5 billion in the President's Budget for 1970 as follows:

| | *Million* |
|---|---|
| Research | $1,530 |
| Facilities and equipment | 934 |
| Student aid | 1,935 |
| Teacher training | 92 |
| Current operations | 538 |
| Total | [5] 5,030 |

Aid to current operations consists mostly of support for medical and other graduate education, ROTC activities and for several other specified purposes. Only an insignificant fraction of the Federal funds is available for undergraduate instruction which used to be regarded as the colleges' primary task. Regular faculty and staff salaries and operating expenses (not including organized research) are still the biggest item in college budgets. They total over $10 billion a year nationally, are usually the hardest objective to raise funds for but receive almost no federal support.

This may explain why unmet needs and demands in higher education seem to increase rather than diminish as federal funds multiply: the government has been feeding cake to a man who is not hungry but dying from thirst and begging for water.

WHY IS THERE NO GENERAL FEDERAL SUPPORT OF HIGHER EDUCATION?

It is not because institutional spokesmen have not asked for it repeatedly. The chairman of President Kennedy's Task Force on Education, President Frederick L. Hovde of Purdue University, told the House Education Committee in 1961 that "the highest priority need of colleges and universities, both public and private, is for general support and particularly for faculty salaries." Similar pleas were made many times before and after. But no President ever recommended general grants for higher education nor did Congress ever consider such a plan. Educational administrators, however, did not change their tune: At a joint press conference in Washington, November 12, 1968, representatives of the nation's seven major higher education organizations declared that "*general* Federal financial support of colleges and universities is higher education's No. 1 unmet need." (emphasis supplied).

Why does the National Government appropriate no funds for the broad purposes of IHL, as the States are doing, to the extent of about $5 billion a year at the present time? For one, because Congress is always reluctant to make money available to anybody except welfare recipients without specifying in considerable detail how it is to be expended and without having the spending closely controlled by a federal agency. Restrictions and controls accompanying federal funds for research and other purposes have long been a thorn in the side of educational administrators. When faced with a choice between money *with* controls, or *no* money, however, they opt for the former.

A more difficult, and seemingly insuperable, obstacle to general support is the controversy over the interpretation of the First Amendment clause prohibiting the establishment of religion.

State appropriations go only to the 1037 IHL under (state or local) governmental control, not, with a few minor exceptions, to the other 1500 colleges and universities which are under private auspices.

This has already resulted in a growing imbalance between public and private IHL in enrollment, tuition, salaries, etc. To exclude private colleges and universities from a new and major Federal support program would sound the death knell for many or most of them within a few years.

About 900 of the private IHL are church-connected: 500 are Protestant, 381 Catholic and the remainder sponsored by other denominations. To include them in a general Federal aid program would violate deeply held beliefs of a large segment of the American people about the separation of church and state. Such a program would also probably not survive a Supreme Court test. But to deny those institutions the Federal benefits would face most of them with the alternative of either severing their religious ties and turning secular or withering until they are forced to close their doors. To declare private colleges ineligible as long as they maintain their religious connections would be tantamount to offering them an incentive premium for cutting their church ties and come close to imposing a penalty on the free exercise of religion.

This conflict of conscience divides the American public and neither side is able to compromise on principles held as dearly as freedom of religion and equal justice on one side and the "wall of separation" on the other.

Numerous and extended efforts to enact a program of general Federal support, for the elementary-secondary schools or for higher education, have consistently failed, for several decades, and the prospects of an acceptable solution look no more promising today than they ever did.

The forces backing church-connected IHL may not be able to have a program adopted to their liking. But they have been able to prevent a bill from passing which they believe would irremediably harm their institutions and discriminate against their faithful.

Some members of Congress will not vote for Federal aid to higher education if it *includes* private IHL and some won't vote for it if it *excludes* them. Because of this impasse only programs which are closely circumscribed, often minor or peripheral, have been able to find approval. No plan of *direct* institutional support appears possible for as far as we can see ahead.

However, *indirect* aid could be provided by helping those who now support higher education to finance it more adequately.

INDIRECT AID TO HIGHER EDUCATION

The three major non-federal sources for IHL are: states, students and donors. To aid states would solve little because they are blocked from subsidizing denominational IHL by the First Amendment and the Supreme Court as effectively as the national

Footnotes at end of article.

government. But students and their parents and donors can be assisted in financing the institutions more generously through a method which has found strong support among the public and in both political parties: Federal income tax credits for tuitions and gifts.

In sponsoring an educational tax credit proposal which I had presented to the Senate Labor and Public Welfare Committee ten days earlier, former Vice President Hubert H. Humphrey (then Assistant Senate Majority Leader) explained on the floor of the Senate:

"While this tax credit proposal would not solve all the financial problems related to higher education, it would represent a significant contribution well within our national means. It would provide this assistance in a manner that avoids any argument about federal control of education and also the nagging question of church-state relations. Moreover, it would provide this aid without having to expand the Federal bureaucracy to administer the program.

"Support in the Congress has been growing for this general approach to the problem of federal aid to higher education. I know the appropriate committees in both Houses are giving these proposals careful scrutiny and consideration. I hope that the Administration will consider seriously requesting such legislation from the Congress." [6]

There is ample evidence that the vast majority of the American people favors the tax credit approach. A national survey by the Opinion Research Corporation of Princeton, New Jersey, conducted for CBS–TV in 1966, disclosed that 70% of the public favors and 13% opposes educational tax credits. The highest support was found among persons in the $5,000 to $6,999 income bracket (88%) and among young people, between 18 and 29 years of age (80%).[7]

A nationwide questionnaire by *Better Homes and Gardens* (June 1968) showed that "almost three-fourths of these 300,000 consumers told us they think a family's college expenses are so basic that they should be deductible on individual Federal income tax returns." Numerous other polls have shown substantially similar results: support of educational tax credits by between 70% and 80% of the public. A questionnaire to the presidents and trustees of all public and private IHL by the Citizens National Committee on Higher Education brought a favorable reply from 90% of the respondents. Only one group showed a slight majority in opposition: the presidents—but not the trustees—of state universities and colleges. They believe that only government-owned, i.e., public, institutions should be aided by government.

PRESENT FEDERAL AID TO HIGHER EDUCATION

Before going into the details of educational tax credit plans I would like to discuss the virtues and the shortcomings of some of the major existing and proposed Federal programs in higher education.

*Research* funds have helped to advance academic knowledge, particularly in the natural and life sciences where they are concentrated, and have enabled some universities to add eminent scholars to their faculty at very respectable salaries—usually by hiring them away from less favored colleges. They have assisted in important tasks of the national government. But they have not aided the recipient IHL financially and should no more be labelled aid to education than the purchase of research from industrial or other organizations is called Federal aid.

A serious aspect of the Federal research grants is their concentration among a small number of big universities: more than 90% of the money goes to 5% of all IHL which leaves the remaining 95% of institutions relatively poorer off than they were before.[8] This has led to a "brain drain" from the medium and smaller institutions to the big, to an undue concentration of talent in a few places. It is making "the rich richer and the poor poorer," encourages a "flight from teaching," and causes grave imbalances and innumerable administrative difficulties within institutions and between the universities and federal departments.

Several congressional committees have investigated the problam in recent years and had some harsh words to say about the detrimental effect of the present system of allocating Federal research grants, in unbalancing the program of the small number of recipient institutions and weakening the overwhelming majority of American colleges. But they were no more able to agree on a politically feasible alternative than the academic community.

Scientists and university administrators complain bitterly about the obnoxious restrictions and controls to which Federal research grants subject them. But having partaken of the sweet taste of Federal cash they are no longer able to resist its lure, no matter what the price. They did voice dismay when research funds were cut late in 1968.

Only 13% of Federal outlays for research and development are channeled to IHL and that share is not likely to increase significantly in the next few years.

*Construction grants and loans,* initiated in 1963 and expanded in 1965, have proven helpful to IHL. They assist hundreds of institutions in building needed classrooms, libraries, laboratories, etc. But they offer no relief on current finances. Quite the contrary. The completion of each new building adds materially to the cost of operations and the need for general revenue. IHL almost never use current income for major construction purposes: public IHL depend for building funds on earmarked state appropriations and proceeds of state bond issues while private IHL rely on earmarked donations.

Moreover, with the enrollment curve flattening out, expansion of facilities should become less urgent as time goes on. In any case, construction seldom presents as pressing or difficult a financial problem as faculty salaries because building funds are usually easier to obtain than unspecified general revenues. This is why IHL do not borrow to finance academic buildings, in contrast to private business and individuals who commonly raise funds for major capital outlays through long term loans. It is not that IHL could not sell their bonds but they have for many years entered the money market as investors rather than as borrowers (except for "self-financed" residence and dining halls). Their reason: future principal retirement and interest would cut into current revenues and restrict general operating funds. College administrators and trustees are far more concerned about strengthening current fund income needed to pay faculty and other salaries than about construction money. They can have a great university in ancient or mediocre buildings—but not with a mediocre faculty. Whether we like it or not, the level of income that IHL are able to offer is a major—and possibly *the* major—factor in influencing the decisions of many of our most talented young men and women to choose an academic career rather than some other professional or business vocation. There is a positive correlation between faculty salaries and the caliber of professors in years to come. Buildings can be completed in two years or less but it takes close to a generation to build an eminent faculty. But, as I mentioned earlier, almost no Federal aid is available to pay the salaries of faculty in undergraduate instruction.

*Student aid,* at $1.8 billion in 1969, is an important item. Much of it is earmarked for graduate fellowships and training in a few specified professions, most of the rest for NDEA and guaranteed loans, veterans benefits, work-study, leaving about $130 million for the only program that might be called scholarships: educational opportunity grants to students with "exceptional financial needs." Fewer than 5% of all undergraduates participate in that program. Most students who need assistance are helped by loans, work-study and by scholarships available from private or state sources.

THE TUITION PROBLEM

The cost of attending IHL has been going up steadily though not as fast in public IHL as prices and more slowly than income in both public and private IHL:

| | Tuitions and fees | | Total cost (including room and board) | | Consumer prices | Personal income per capita [1] |
|---|---|---|---|---|---|---|
| | Public | Private | Public | Private | | |
| 1958–59 | $224 | $867 | $932 | $1,687 | 101.1 | $2,068 |
| 1968–69 | $299 | $1,380 | $1,092 | $2,326 | 124.2 | $3,421 |
| Increase (percent) | +34 | +59 | +17 | +38 | +23 | +65 |
| Projected, 1978–79 (1967–68) | $375 | $1,906 | $1,264 | $2,988 | | |
| Increase (percent) | +25 | +38 | +16 | +29 | | |

[1] Calendar years 1958 and 1968.

Source: Department of HEW, "The Chronicle of Higher Education," Oct. 28, 1968.

If income has been growing faster than the cost of attending college, why do many families have so much trouble financing their children's education? Because more of their children attend. College enrollment equalled 15% of the 18 to 21-year old population in 1940 and now runs at 48%, headed still higher. A family that formerly counted itself fortunate if it managed to put one son through college will now try to enable several or all of its children to acquire a higher education. And it must do so if those young men and women are later on to fill any but manual jobs. The impact on average family finances has thus become much harder, and in some cases disastrous.

At a cost of four years of undergraduate education between $10,000 and $20,000 *for each child,* higher education may cost more than the family home. It can be a far heavier burden than mortgage interest, state and local taxes, medical expenses or casualty losses—for which the tax law grants relief. Nonrecognition of college costs for tax purposes adds to the burden of higher education. It may have been justified in days when attendance was the privilege of a small well-to-do minority, but today it constitutes a grave injustice.

Sending its children to college of course imposes no financial hardship on a wealthy family. Nor is attendance an insuperable task for a student from a low-income family who, if otherwise qualified (and often even if he is not), is eligible for a scholarship, Federal, State or private.

But students from a middle-income background and their families can frequently raise the required funds only with great difficulty; they may be ineligible for Federal and other scholarships. Though they account for the majority of the student body at most institutions, they are hit the hardest by the inadequacies of the present system. Somehow, they seem to fall between two stools. An official study at the University of California

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at Berkeley in 1967 (conducted by David Bradwell & Associates) found that students from middle-income families are financially worse off than those from poor backgrounds.

Public IHL have been raising tuitions much more slowly than private IHL. They derive only between 10% and 20% of their income from fees because their requirements are met mostly by state appropriations. Private IHL have no such recourse and must cover the difference between their costs and donations largely from tuitions. Consequently the "tuition gap" has been widening. While the tuition ratio between public and private IHL used to fluctuate around 1:3 until the early 1950's, it now stands at 1:4.6 and is likely to exceed 1:5 within a few years.

The widening tuition gap has had many detrimental results. Enrollment which for many decades used to be divided about 50:50 between public and private IHL has since 1951 been shifting toward public IHL which now accommodate 70% of all students. About three of every four new students now enroll in a public IHL. If the tuition gap continues to grow, public IHL will, in the late 1970s, account for 80% or more of the student body. This is of course a very expensive proposition for the taxpayers who are shouldered with 80% to 90% of the cost of educating the students at public IHL. Moreover, if present trends continue, the situation in higher education several years hence will resemble the picture in the lower schools where the public schools account for 85% of the enrollment and enjoy a virtual monopoly in many areas, particularly in regard to children from families which are less than affluent.

The growing tuition gap prevents private IHL from raising their tuitions to a level sufficient to meet their needs. A few years ago Chancellor Lawrence A. Kimpton of the University of Chicago told an audience of state college administrators: "To put it in the crassest terms possible—and I know this will offend many of the brotherhood—it is hard to market a product at a fair price when down the street someone is giving it away."

Why should students at IHL pay only 10% or 20% of the cost of their education? Why should they place most of the burden on the general taxpayer when they will, as a result of their education, earn a much higher income throughout their working lives? Would it not be preferable to charge higher fees to all students and reserve part of the greater revenues to increase the number and amount of scholarships for students from low-income families? Most students at public IHL now spend much more for alcohol and cigarettes, not to mention automobiles, than on tuition to pay for their education.

Does it not give a student a completely wrong set of values if a college charges him full cost for room and board but only a small amount for his education? Would it not be preferable, *ceteris paribus*, to give him a discount (or even a waiver) on his board and room but charge him closer to full fare for his education?

In its 1956/57 annual report the Carnegie Foundation for the Advancement of Teaching suggested: "Private institutions may eventually have to charge the full cost of education in tuition. They can then go even further than they have to date in providing various forms of scholarship aid for those students who need it."

As long as public IHL keep their tuitions at a small fraction of cost, few private IHL can offord to follow that advice.

Private colleges pay their professors on the average about $1,000 less than state colleges,[9] and levels of compensation are likely to be reflected, sooner or later, in the caliber of the faculty. This will place private colleges in a precarious position. Who would want to pay five times as high a tuition to send his son or daughter to an inferior college?

These problems could be solved if public IHL were to raise their tuitions substantially while expanding their student aid funds. That would still give them large additional revenues for their general purposes. In turn this would make it easier for private colleges to boost their tuitions.

Would this not drive the cost of education beyond the capacity of a large number of most families? It might—unless government aided with the payment of the increased fees. Such aid could be provided, for example, in the form of broad-scaled ample scholarships or through a system of government vouchers which the students would give to their institutions, to be cashed by them.

Vouchers for college students would enable the institutions, public and private, to charge considerably higher fees without burdening the students or their families; the added revenues could be spent by each college for whatever it needs most.

While such a plan would overcome some of the shortcomings of the present system, it could be subject to constitutional challenge as litigation and several decisions on similar state or local plans in recent years suggest.

The only method of aiding sudents, and indirectly institutions, that is completely safe from constitutional challenge is tax credits: no money would flow from the national government either to an institution or a student. Individual taxpayers would *reduce* their payments to the government. Tax deductions for many purposes, including church support, have always been an integral part of our tax system and have as such never been questioned on constiutional grounds. Nor is it conceivable that they could.

Before discussing the various aspects of educational tax credits we probably should survey some of the major alternatives suggested by educational organizations.

### RECENT PROPOSALS FOR EXPANSION OF FEDERAL AID TO HIGHER EDUCATION

Some of the leading organizations in higher education have within the past year submitted plans for expanded Federal aid.

The National Association of State Universities and Land-Grant Colleges and the American Association of State Colleges and Universities have asked for more generous grants and loans for construction purposes and "poerating support for all accredited institutions that can participate. . . ."

The clause "that can participate" is a more sophisticated way of saying what used to be expressed in plain language until a few years ago: that private institutions, but most decidedly church-connected colleges, should not be eligible. In other words, that only public IHL should receive broad Federal support on an institutional basis. The associations approve of graduate fellowships and traineeships but "continue to oppose a general federal scholarship program in the absence of evidence that it would in fact assure college attendance for a substantial number of the highly talented who cannot now attend under existing public and private programs. . . ."

The two associations oppose tax relief for tuitions and fees and also object to an expanded student loan program with long terms of repayment (Educational Opportunity Bank) because it would require a student to "indenture" himself for most of his working life.

The Association of American Universities (AAU) advocates direct general-purpose institutional grants to all public and private IHL which meet recognized standards. How such grants to church-connected institutions could be protected from constitutional challenge the association fails to explain.

In the early 1950s, shortly after a presidential commission had recommended federal grants for operation and construction at public IHL, AAU sponsored a Commission on Financing Higher Education which after laboring for three years declared: "This Commission has reached the unanimous conclusion that we, as a nation, should call a halt at this time to the introduction of new programs of direct federal aid to colleges and universities." The Commission's Executive Director wrote as late as 1963 that "the conclusions of the Commission on Financing Higher Education have not been outdated either by events or by further analysis."[10] But as of 1968 the AAU recommended besides the mentioned institutional grants, expansion of federal scholarships and fellowships, student loans, facility, research and other categorical aid.

In a special report to the Carnegie Foundation for the Advancement of Teaching in December 1968, its Commission on Higher Education, chaired by former University of California President Clark Kerr, recommended for Federal action: a major expansion of scholarships, fellowships, work study, student loans with greatly lengthened terms of repayment, enlarged support of research and construction and of other categories such as medical education, libraries, international studies, developing institutions, etc. To supplement inadequate tuitions, the Commission suggests "cost of education supplements" paid directly to institutions. The question is not even mentioned how such payments should be made to church-connected institutions.

While the three groups agree in their demands for more Federal money and on more generous construction grants they disagree on almost everything else, although some dissents are covered up. In regard to general purpose aid the State IHL want it for themselves while the other two groups do not refer to the trap that has killed all such proposals in the past: aid to denominational IHL. Some of the institutional heads may hope to persuade Congress to enact a general aid program and from which institutions with church connections would then be dropped either during the legislative process or subsequently by judicial action.

Does this help to "reduce the rising tide of conflict between the [public and private] institution," as Clark Kerr suggested?[11] Quite the contrary; it is apt to aggravate and perpetuate it.

Would Congress and the American public face the disappearance of many or most of the 900 church-connected colleges and universities with the same equanimity and unconcern as the administrators of state universities? Not verly likely.

Many who are convinced that the financial problem in higher education cannot be solved without massive Federal aid might be willing to accept such an outcome if there were no alternative available. But there *is* an alternative—to permit Federal income tax credit for tuitions and other expenses and for donations to higher education.

### TAX CREDITS FOR TUITIONS AND OTHER EXPENSES IN HIGHER EDUCATION

Soon after the Commission on Financing Higher Education in 1952 recommended against the introduction of new programs of *direct* Federal aid to higher education, the American Council on Education, the American Alumni Council, and other groups sponsored plans for helping higher education by *indirect* means, through tax relief for tuitions. But the methods proposed—income tax deduction, additional exemptions or flat percentage credits—would have conferred most of the benefits to higher income brackets and to private IHL. Several hundred bills on tax aid to higher education were introduced but none brought congressional action because of the inequities involved.

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Disappointed by their failure, educational organizations in the early 1960s shifted their efforts toward securing direct grants. Bills for construction and student aid and various other purposes were enacted but no plan for institutional support was considered by Congress.

In 1963 when I was asked by the Senate Labor and Welfare Committee to testify on President Kennedy's recommendations for Federal aid to education I conceived of a method of aiding higher education that allocated the benefits more fairly: Federal income tax credits for tuitions and other educational expenses on a graduated or sliding scale. I testified and submitted the plan on May 27, 1963.[12] Ten days later the then assistant majority leader Senator Hubert H. Humphrey announced on the floor of the Senate that he had introduced a bill to implement the plan as a "sensible and workable system of Federal assistance."

"It is essential that an across-the-board tax credit program be initiated to assist every person currently facing the considerable expenses associated with higher education. . . .

"I have sponsored similar tax credit legislation for many years. However, the bill I introduce today is, in my opinion, a significantly improved measure over all earlier versions.

"Tax deductible, additional exemption, and tax credit bills share a common purpose: first, to assist persons financing a college education and second to provide indirect assistance to the institutions of higher education." [13]

Senator Humphrey then cited from my testimony before the Senate Committee on May 27 and continued:

"The sliding tax credit schedule provides a sensible and workable system of Federal assistance that helps every student, indirectly helps both public and private institutions, and does so in a manner that in no way interferes with individual or institutional freedom or policies. This bill, providing for a declining tax credit for expenditures on tuition, fees, books, and supplies mitigates the distortion found in the large majority of bills that rely on tax deductions, additional exemptions, or non-variable tax credit. . . ."

The graduated percentage tax credit plan rapidly gained sponsors in both political parties and soon commanded majority support in the Senate. During a debate on November 21, 1963, Senator Keating said:

"Perhaps the bill could properly be called the Ribicoff-Keating-Humphrey-Goldwater bill. Having said that, I should say that it ought to have widespread support in the Senate, if four Senators of different philosophies have stated their adherence to the sliding scale principle. We can, therefore, look forward to big things for this amendment.[14]

The plan came up for congressional action three times and commanded a clear majority on each occasion. But it was not enacted when "the Johnson Administration used every ounce of influence it could muster" and "snapped the whip and lashed Senators in line against the proposal" (citing reports from *U.S. News & World Report* of February 14, 1964, and the *Washington Star* of March 14, 1966). Key legislators were told by Presidential Assistant W. Marvin Watson "that 'they were through' at the White House if they backed the Ribicoff plan." Mr. Watson ". . . emphasized that he was speaking for the President who . . . was prepared to deal them out of all Federal patronage and projects if 'you cross him on this vote.'" (The *New York Herald Tribune*, March 10, 1966) Even some of the bill's sponsors were forced to reverse themselves and vote against it at Senate votes in February 1964 and March 1966 so that the plan could be defeated by a narrow margin. In 1967 the educational tax credit bill was sponsored by 47 Senators of both political parties and on April 14 of that year the Senate adopted the plan with a vote of 53–26. But again President Johnson succeeded subsequently in preventing enactment.[15]

WHAT WOULD TUITION TAX CREDITS DO?

The Ribicoff-Dominick plan—so named after its leading sponsors Senators Abraham Ribicoff and Peter Dominick—would permit anybody who pays for tuitions, fees, books and supplies for a student at an IHL (whether the payer be the student himself, his parents or a benefactor) a credit against his income tax liability, as follows: 75% of the first $200, 25% of the next $300 and 10% of the next $1,000. This means that expenses of $300 would allow a credit of $175 (58%), expenses of $1500 a credit of $325 (22%). The credit starts tapering off from an income of $25,000 on and vanishes at $57,500.

The Treasury Department estimated in 1964 that the Ribicoff-Dominick plan would cost $750 million a year, gradually rising to $1.3 billion, and that 62% of the credits would accrue to beneficiaries with an income between $3,000 and $10,000, 91% to persons with an income under $20,000.[16]

The claim was raised by the State universities that education tax credits would "help those who need it the least." This is simply not true and sounds particularly strange coming from an organization which for many years has steadfastly opposed the expansion of Federal scholarship programs. Most of the benefits of the tax credit plan would accrue to lower-middle and middle-income families which suffer more heavily from the burden of sending their offspring through college than any other economic group.

In other words, the tax credit plan offers little or nothing to the rich, little or nothing to the poor and aims at easing the future college burden of the vast majority of students who come from families "in between." Students from families with so low an income that they pay no or little income tax probably account for less than 10% of the enrollment. Most of them, as I mentioned earlier, are probably on a scholarship of one type or another.[17]

Senator Ribicoff explained:

"We must face squarely the need to provide tax relief to ease the heavy burden of college costs. It has been discussed for over a decade. Now we must decide if, as a nation, we are to treat education's costs as we do the interest on a home mortgage, or flood damage, or health expenses.

"This proposal is for the average family in America. It is for the people who constitute the backbone of America—the blue collar workers, the white collar workers, the wage earners, and salaried persons of the lower-and-middle-income group who are struggling to pay their bills, buy their homes, and educate their children. They work hard for their wages or salary—and it is all taxable.

"Our income tax is a graduated tax. It is based on ability to pay. If they pay a $1,000 medical bill, they get some tax relief. If a tornado or flood causes them $1,000 of damage, they get tax relief. But if they pay $1,000 a year for 4 years to send their sons and daughters to college, they bear that burden with no help from our tax laws." [18]

Senator Dominick defined the aim of the plan: to enable a student's family to use its *pre-tax* earnings to pay for his college education.

The granting of tuition tax credits would not only free more scholarships for students from a low-income background, it would also stimulate thousands of potential donors to offer scholarships to needy students for which they would receive credits on their income tax.

WHAT ARE THE OBJECTIONS TO EDUCATIONAL TAX CREDITS?

Some have declared tuition tax credits to be unfair because they would provide no direct benefits to persons who pay no income tax. That is like saying that for example the 1964 income tax deduction was unfair because persons whose income is so low that they are not taxable did not benefit from the cut; or that personal exemptions and deductions are unfair to persons whose income is wholly derived from social security, unemployment compensation or public assistance because they cannot take advantage of them.[19]

If, however, it were felt desirable to make direct benefits available to persons who pay no income tax, the tax credits could be made absolute, as I suggested to the Senate Labor and Public Welfare and Finance Committees in 1963: a potential recipient would compute his income tax including his tuition tax credit and if his return winds up with a final *net* credit it would be paid to him, like any other net credit on an income tax return.[20]

Some have even claimed that tuition tax credits would be unfair to persons who have no college expenses. That is like saying that deductions for medical expenses, casualty losses or state taxes are unfair to persons who incur no such outlays, or that granting exemptions for dependents is unfair to persons who have no dependents. I do not believe that such contrived and specious arguments deserve to be taken seriously.

You may have noted that I referred to benefits to students and their parents while earlier I was talking about helping the institutions. Opponents to educational tax credits have criticized the suggestion that both, institutions and students, would be benefited. Obviously, they say, it can be only one or the other.

But this is a misunderstanding. IHL have been steadily boosting their tuitions and if they continue to do—as they most certainly will—tax credits will enable them to receive substantial additional revenue without imposing a commensurate burden on their students. A significant share of the tuition increase will be borne by the Treasury and not by the students. Thus the benefits will in all likelihood be split between students and institutions. It is entirely irrelevant what the proportion will be. As long as a substantial part of the support of higher education is derived from fees, it is immaterial for the benefit question at what point in the stream the funds are added.

The Association of State Universities and Land Grant Colleges wrote in a circular letter dated February 27, 1963:

"While the plan has been 'sold' to many parents as a means of getting financial relief from the Federal treasury for the cost of sending children to college, it was in origin and is in its primary intent, a plan to siphon off substantial amounts from the federal treasury for support of colleges and universities."

Opponents in the 1964 and 1966 debates quoted repeatedly from my statements to the two Senate committees in 1963 in order to prove that what I really intended to do was to help institutions more than parents. I may as well admit that I do not regard the aim to aid colleges and universities at this point in time to be of a sinister nature nor a nefarious plot which needs to be unmasked. I can see nothing wrong with helping students and their families support the college of their choice. Aid to parents and to institutions are simply two sides of a coin which cannot be divided though some pretend that the one side they are looking at is the whole coin. It seems to me that the charge that a plan would "siphon off substantial amounts from the Federal treasury for the support of colleges and universities" comes in particular ill grace from groups which have long been

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leading a campaign to channel large Federal funds into higher education—provided that their member institutions and no others were the only beneficiaries.

Nobody has ever seriously asked whether the tax law permits the deduction of gifts for educational, charitable and religious activities because it wants to aid the donor or the activity. We take it for granted that it is the intent of the provision to help the giver give, to motivate and enable him to give more for a cause that is held to be in the public interest. Similarly, tuition tax credits are not intended to help the taxpayer as such but to help him support the college of his choice.

It is significant that the cost of tax credits and their impact on the U.S. budget deficit are being quoted as an argument by groups which advocate sharply increased Federal spending for purposes in which they have a stake. The budget deficit, it seems, is of concern only when it is occasioned by a reduction in revenues through tax credits, but irrelevant to the extent to which it is caused by direct federal expenditures.

Opponents say that institutions could benefit from tax credits only if they boosted tuitions and that higher tuitions would raise barriers for students from low-income backgrounds who would receive no benefits from the credits. The fact is of course that tuitions have been climbing steadily and will certainly continue to do so. The U.S. Office of Education prepared a projection—assuredly not based on the possible approval of tax credits—according to which average tuitions will rise from $1,380 in 1968/69 to $1,906 in 1978/79 at private IHL. Many families will find some of those boosts hard to bear unless they are granted relief in some form.

It is frivolous and nearly slanderous to charge—as some have—that boards of trustees would boost tuitions simply for the purpose of raiding the treasury, if income tax credits were made available. Boards approve tuition increases only when the financial needs of the institutions demand it—and often not even then. The question is whether students will have to bear the whole impact or only part of it. It is obvious that students from low-income backgrounds can be protected by being given a reduction or exemption from tuition boosts.

Some object to tax credits because they would open another loophole in the Internal Revenue Code. This would indeed be a valid argument if the federal income tax were otherwise comprehensive. The fact is, however, that in 1966 less than half of all personal income was taxable. Out of $587 billion personal income, $301 billion escaped taxation through deductions, exemptions, exclusions and credits to benefit literally hundreds of activities or to ease special burdens. Why should education be discriminated against and forever remain a stepchild of the tax code? Until at least a substantial share of the missing $301 billion is subjected to taxation it does not seem fair to single out education for the rough treatment while granting numerous other activities a favored status. To worry about endangering the integrity of our income tax through educational tax credits is like being concerned about imperiling the virtue of a prostitute by letting her read a sexy book.

President Charles Cole of Amherst College once made a cogent comment on the fairness of tuition tax credits: "Tax payments to states which finance public universities are deductible from income reported for Federal taxes, but if the payment for education is made to a private institution, no tax allowance is to be had." [21]

Investment credits, authorized in 1962 at President Kennedy's recommendation, proved to be a very effective stimulant for plant expansion and job creation. Similarly, tax credits could turn out to be a very profitable investment for the taxpayers. If such credits were granted and some students thereby enabled to attend a private IHL—while without the credit they could not afford to enroll at any but a low-tuition public IHL—the taxpayers would save $2,000 a year or more for a concession which is limited to $325 under the Ribicoff-Dominick Plan.

That plan is heavily slanted in favor of low tuition public institutions. A student who pays a tuition of $299 (the 1968/69 average) at a public IHL would have 59% of his payment wiped out by the credit; a student at an average private IHL (1968/69 tuition $1,380) would only get a credit equal to 23% of his cost. Dollarwise the credit of the student at the private IHL would be $138 higher—but his *additional* fees would amount to $1,038, or eight times as much.

One argument sometimes used against tax credits appears to be fact-based: tax credits would not enable the national government to increase its influence on the policies and practices of IHL while added programs of direct grants-in-aid to institutions would significantly strengthen the supervision and control which Federal Departments already exercise through some of the existing programs. Whether greater control of education by the central government is desirable or not is a question of political philosophy.

It is not surprising that the Association of American Colleges in 1964 with an overwhelming vote decided to endorse tax credits in higher education. President Nixon has also advocated educational tax credits during the presidential campaign, in keeping with the Republican platform adopted in August 1968.

Another form of tax credits can be at least as beneficial to IHL as tuition credits: credits for donations.

### FEDERAL INCOME TAX CREDITS FOR DONATIONS TO HIGHER EDUCATION

Donations to higher education are highly concentrated in two ways:

(a) The bulk of the gifts goes to well-known prestige institutions with the crumbs left for the others;

(b) Most of the total amount of gifts from individuals comes from wealthy persons and families. Small contributors account for only a small share of the aggregate.

This is probably inevitable under our present federal tax laws. The Internal Revenue Code permits an individual to donate to higher education, and to deduct from his income for tax purposes, up to 30% of his income, a corporation up to 5% of its profits. But most taxpayers give nothing to higher education and those who donate give only a small fraction of their allowable contribution except a few persons in the highest income brackets. Under our progressive income tax scale, with rates ranging from 14% to 70%, high-income persons can shift up to 70% of the cost of their gift to the U.S. Treasury. Moreover, by donating property which has gained in value over the years, they can avoid paying a capital gains tax. So their gift may in the end cost them little if anything.

But taxpayers in the lower brackets find that up to 86% of their donation comes from their own pockets. And since it is so much more expensive for them to donate, not many of them do. Only a small fraction of the ten million college graduates and of another ten million persons who attended college for from one to three years are regular contributors to their alma mater or to any other college—although they paid only part of the cost of their education while they attended and most derive substantial material benefits from the education they received or the degree they were given.

The undesirable consequences of the high concentration of voluntary giving—from a few wealthy individuals and families and to *name* colleges—are too obvious to require much explanation. It is much healthier for a college to get 10,000 contributions of $100 each, and get them on an annually recurring basis, than to receive a $1 million gift from a rich individual.

Voluntary support of higher education could be placed on a far broader foundation, with millions of new contributors making regular annual donations by a change in the tax law which has been repeatedly suggested in recent years but not yet been approved by Congress: to permit deduction of a donation from the income tax itself rather than merely from the tax base (adjusted gross income). A proposal to permit a 100% tax credit (i.e. a direct offset against tax liability) up to $100 to individuals and $5,000 to corporations was submitted to the Senate Labor and Public Welfare Committee on May 16, 1963, by President John A. Howard of Rockford College and President Landrum Bolling of Earlham College on behalf of an ad hoc committee of college and university presidents. Several bills to implement the plan were introduced in the 88th and succeeding Congresses but no further action has so far been taken.

If a donation up to a ceiling of $100 (or preferably a somewhat larger amount) were deductible from the Federal income tax liability itself it would give taxpayers the choice of sending $100 to the federal tax collector or to a college. This would cause millions of alumni and others to make regular annual donations to higher education and huge amounts of new money would flow to the colleges, public and private, for general operating purposes and for scholarships. Small colleges would then more equitably participate in the gifts and the existing imbalance would gradually be reduced. Federal income tax credits for donations to institutions of higher learning could well become the most significant advance in college finance and would help save many institutions which otherwise might not be able to survive.

### CONCLUSION

The urgency of current pleas for congressional authorization of sharply increased funds for IHL reflects a spreading fear that the institutions may shortly face a grave financial crisis. There are good reasons for this fear, although they are not necessarily the reasons most frequently cited by petitioners for funds. The mass riots, violence and wanton destruction that have occurred on college campuses across the nation, the forcible disruption of studies and of orderly administration that have been permitted to take place and to continue at institutions, large and small, public and private, have seriously eroded the respect, affection and genuine pride which the American people have traditionally accorded to higher education and its leaders. Nor have student—and even faculty—expressions of outright hostility to all programs that tend to strengthen the defensive capacity of the United States—through research, through ROTC and other forms of cooperation—done much to endear the academic world to the overwhelming majority of the American people. Recent polls suggest that a growing segment of the general public has become disenchanted with higher education, appalled and repulsed by many of its products.

Those sentiments are beginning to show in a diminished flow of incoming gifts, and in adverse votes on education issues on state and local ballots. Sooner or later they may also be reflected in the treatment that colleges and universities can expect from state

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legislatures which must shape their policies to conform with the wishes of their constituents.

The ire of State and national officials and of the American public is directed in part against students who, in the words of the Attorney General of the United States, have established a "minority tyranny on the nation's campuses." It is aimed even more at administrators, trustees and faculty who have defaulted on their duty to protect the right of the other students, an overwhelming majority, to pursue their education without being subjected to interruption or physical violence. The adverse, and in some cases destructive, impact of that sentiment on the support of higher education may last for many years and possibly for decades.

Not without reason do the heads of institutions fear that increases in donations and state appropriations may be harder to come by in the future than they have been in years past. That is why they petition Congress to grant them immunity from the impending backlash. Enlarged Federal grants to institutions could for a time protect academia from the people's wrath. But they could also lead to a lasting alienation between town and gown, coming ironically at about the time of the greatest democratization of higher education, at a time when many institutions in their eagerness to make everybody fit for college have made college fit everybody.[22]

Nor has the efficiency with which educational funds are being spent, augmented the confidence of erstwhile and would-be supporters. Any industry that utilized its skilled staff and costly facilities as wastefully as the average American college or university would have been bankrupt long ago. Such waste has become excessive and flagrant in recent years. One of our most experienced academic management experts, Harold B. Wess, recently posed the crucial question: "Is Efficiency Taboo in Academia?" as the title of an article that merits attention (*Educational Record*, Winter 1968).

In 1968 even the American Association of University Professors admitted that, in contrast to the rest of the economy, higher education has registered little or no increase in productivity through technology. The Association denied that soaring costs are the product of either inflation or inefficiency; but it did conclude that "ways will have to be explored to increase productivity of those engaged in the educational process" (*Annual Report of Committee Z*).

Greater efficiency and a better product are more likely to emerge on the American campus when the voice of the broad public, upon whose efforts and good will the support of higher education ultimately depends, is no longer drowned out by the strident cries of belligerents bent on the destruction of our society and its institutions. It might well be that the public voice can speak and be heard more clearly if tax credits are used to aid education rather than Federal grants which aim to shield colleges and universities from the popular will.

FOOTNOTES

*The author is Senior Staff Member, The Hoover Institution on War, Revolution, and Peace, Stanford University. Currently, he is serving as special assistant to President Nixon. Opinions expressed are his own and should not be attributed to any of the organizations with which he is or was connected.

[1] Educational data from: USOEd, *Digest of Educational Statistics, 1968* and *Statistical Summary of Education, 1947–48*. Economic data from: *Economic Report of the President*, January 1969.

[2] USOEd, *Projections of Educational Statistics to 1976–77*, 1968.

[3] Could the preoccupation of university authorities with the procurement of greater resources be somehow related to their inability to meet the challenge of campus unrest?

[4] Duncan Norton-Taylor "Private Colleges: A Question of Survival," *Fortune*, October 1967.

[5] *Special Analyses, Budget of the United States*, Fiscal Year 1970, Part 2 J.

[6] *Congressional Record*, June 6, 1963, p. 9677.

[7] *Congressional Record*, April 26, 1966, p. 8621.

[8] Those rates of concentration were somewhat reduced in the past few years.

[9] The situation is, however, reversed in universities.

[10] *Educational Record*, 1963.

[11] Clark Kerr, "The Distribution of Money and Power," *The Public Interest*, Spring 1968.

[12] *Education Legislation—1963*, Hearings of the Subcommittee on Education of the Committee on Labor and Public Welfare, U.S. Senate, 88th Congress, 1st Session, 1963, pp. 1265 ff, *Congressional Record*, May 27, 1963, pp. 8928 ff.

[13] *Congressional Record*, June 6, 1963, p. 9676.

[14] *Congressional Record*, November 21, 1963, p. 22594.

[15] A more extensive description of the Congressional proceedings is contained in my book *Crisis in College Finance?* Washington, D.C., The Institute for Social Science Research, 1965, Chapter 10. Adoption of the plan: *Congressional Record*, April 14, 1967, pp. S5222 ff.

[16] *Congressional Record*, February 6, 1964, p. 1733.

[17] Ninety-four percent of the students from the lowest quartile in family income now receive some form of Federal assistance. *Special Analyses, Budget of the United States*, Fiscal Year 1970, p. 124. This does not include students receiving state or private scholarships.

[18] *Congressional Record*, February 6, 1967, p. S1523.

[19] In 1966 about $10 billion in deductions (standard and itemized) and personal exemptions did not help reduce the tax liability of the persons who had submitted those returns because their deductions and exemptions exceeded their income by that amount. Those returns were not taxable even before applying the $10 billion deductions and exemptions to which the law entitled them. Does that mean that deductions and exemptions are unfair?

[20] Amendments to that effect were offered by Senators Hartke, Prouty, etc.

[21] *Higher Education in the United States: The Economic Problems*, Seymour E. Harris, ed., Harvard University Press, 1960, p. 15.

[22] According to a Gallup Poll, published March 13, 1969, 84 percent of the public wants federal aid withdrawn from campus lawreakers. On but few issues has public opinion been so clearly united as on this. But no college or university has obeyed the Federal prohibition against granting Federal funds to students convicted of campus disruptions. A further widening of the chasm between the campus and the community could lead to ruin of higher education.

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[From the New York Times Magazine, Apr. 21, 1968]

THE HIGHER COST OF HIGHER EDUCATION

(By Myron Brenton)

Recently, Julius Margulis, the owner of a thriving furniture and appliance store in Columbus, Ohio, conducted an exercise in masochism. At a visitor's request, he calculated roughly how much he would end up paying to give his five children the benefits of higher education. Since one daughter was already a Northwestern University graduate, a second had received her degree from Ohio State University and a son was midway through Wisconsin State University, Margulis had plenty of experience to draw on. Despite the fact that he is, as he put it, "comfortably upper middle class," the figures he so casually jotted down shocked him. He had already spent $18,500, and before the last of his brood proudly departs with his sheepskin, Margulis will have put out a total of $40,000. "More," he added in awed tones, "if any of them go on to graduate school."

Margulis is perhaps atypical in that he plans to give five children college educations and is single-handedly picking up the king-sized tab. As a man stunned to discover how really high the cost of education can be, however, he is quite representative. Not only successful appliance dealers from Ohio but parents by the hundreds of thousands, from all parts of the country and in all income brackets, are discovering each year the awesome facts of educational life.

They find themselves caught in what, over the past six years or so, has settled into a classic squeeze: (1) they have failed to prepare adequately for the financial demands of higher education or have been unable to do so; (2) they underestimate the costs or, more likely, overestimate their children's chances of obtaining hefty scholarships, and (3) their incomes—at least the portions available for discretionary purposes—fail to keep pace with college cost increases or have already been allocated for other purposes.

All indications from governmental educational and foundation sources are that things will get a lot worse before they get better. In fact, it is difficult to find any knowledgeable person who will speak hopefully about the finances of the college student's parents, and figures from the Department of Health, Education and Welfare provide no basis for glowing optimism. They shown that the average annual all-inclusive cost to a resident student at a private institution of learning was $1,850 in 1957 and $2,570 in 1967, and will be an estimated $3,280 in 1977. They indicate that the average annual cost to a resident student at a public college or university was $1,260 in 1957 and $1,640 in 1967, and will be $2,160 in 1977.

In other words, each school year heralds an inexorable rise of roughly 3 to 5 per cent. According to a study by the College Entrance Examination Board, to which over 850 colleges and universities belong, even a student who lives at home and commutes to a tuition-free college can expect to pay approximately $1,000 a year for books, supplies, fees, transporation and general living expenses.

Statistics such as these cause millions of parents whose incomes are adequate for most ordinary purposes to ask searching questions. One distraught mother wrote her Congressman, Rep. Charles S. Joelson of New Jersey: "My husband and I pay tax on about $9,000 income. Average middle-class American family. We have two children, a boy and a girl—again, average American family. Now both these children have reached their college years. Both children have above-average ability and potential and will, more than likely, go on to receive their doctorates. Lovely! Something, as parents, we are proud of. But, as parents, how do we pay for it?"

How do we pay for it? A plaintive cry heard not only from distraught parents and students but from the educational institutions themselves. They, too, are very much in a financial bind. The crucial matters for both are the population explosion and the changing socio-economic pattern of American society—as well as the rising expectations it reflects.

Forty years ago, only 8 per cent of all American families earned more than $8,000; today their number has quadrupled. Forty years ago, college was a way station for the well-to-do, with a sprinkling of lower-income students (many from immigrant families) whose parents scrimped and saved to

put them through. Today the broad middle class clamors at the university's gates, demanding to be let in, demanding quality education. Result: a bachelor's degree is very nearly an indispensable requirement for even moderate success in job or career, and the pressures of our technological age (as well as the quest for status) are making graduate work increasingly popular.

Though higher education is becoming less a privilege for the wealthy and more a right for everyone, it should be noted that the disadvantaged—despite scholarship and community-action programs designed to help them—are not in college in significant numbers. U.S. Office of Education statistics show that only 4.6 per cent of the campus population is Negro. At the moment, for groups with very low incomes, failure to be academically prepared and motivated for college is more of a problem than finding the money to pay for it.

Thus, its clientele drawn primarily from the middle classes. higher education is undergoing its own population explosion. Enrollment swells unchecked, with a 3-million increase in the past decade and a similar one expected in the next. This means more construction, more services, more instructors and spiraling costs all down the line. Paradoxically, as high as they are, tuition and fees pay a surprisingly low percentage of the total costs. Joseph Froomkin, Assistant Commissioner for Program Planning and Evaluation at the U.S. Office of Education, estimates that, on the average, the student pays only about 20 cents of every dollar it costs to educate him, even if he pays full tuition. This figure may be low, especially for the more expensive private institutions, but Froomkin insists that "college is still a bargain in that only a small percentage is being paid for by the student." It is a point worth making.

In another sense, though, a bargain is a bargain only if one is able to pay for it. To the family making, say, $10,000 a year before taxes, with two or more children away at college, even a low-cost state university proves exorbitant.

Shouldn't parents have been saving over the years for this contingency? Ideally, yes. But a survey commissioned by the College Entrance Examination Board shows that the majority of families whose sons and daughters will go on to college fail to, or aren't able to, plan adequately ahead. And even if money has been systematically put away for college, the sum frequently turns out to be painfully short of the mark because of unexpected tuition boosts. The same holds true for many insurance plans begun a couple of decades back.

Commonplace among parents who saved for their children's education is the New Jersey couple who years ago put aside $1,500 for each of their two children, thinking that this would cover most or all expenses. They now maintain both youngsters at private universities at a combined annual cost of $7,000; family earnings are $9,500 a year. The schools are prestigious, the children were readily accepted, the parents wanted their youngsters to take advantage of the opportunity; the family is now saddled with heavy long-term debt.

"We didn't really pay much attention to college costs, to the way they were taking big jumps," explained the mother in this unremarkable case history. "Not till Alan was in his senior year in high school and we had to come face to face with the thing. There had been other things to worry about—the house, the cars, vacations that cost us dearly. . . ."

House, cars, costly vacations. Add on, for some parents, payments on expensive furniture, stereo sets, country club fees and all the other appurtenances of the good middle-class life. Here is another aspect of the problem, one having to do with the philosophy of sacrifice. With even relative affluence, increasingly higher levels of comfort and aspiration become the norm. Almost subtly, as is so often said, former luxuries become necessities.

Given such circumstances, the quality and nature of sacrifice change. To be sure, some families still work day and night to send their kids to college, but for the most part it is no longer a question of giving up everything to accomplish this. The family struggling to pay off the mortgage and make car payments will hardly dispose of house and automobile and move into a two-room flat to pay college bills—and no sane person would expect them to. Other adjustments are made, other compromises sought. Cheaper vacations, for instance, or maybe just a few summertime weekend trips. One lets several extra years go by before trading in the car. Some husbands take second jobs, wives go to work or stay on the job longer than anticipated. Other expedients are also found: Julius Margulis, the Columbus furniture-store owner, recalls when money had to be withdrawn from the firm to meet college bills, "causing harm to the business."

In sum, one scrambles to maintain as nearly as possible one's accustomed way of life and to meet the extra expenses. For many parents, planned economies help only so much. A survey made for the New York State Board of Regents, startling in its implications, shows that, on the basis of 1963 income figures, little more than one-fourth of America's families can meet all college expenses, even when tuition is as low as $200. Only 4 per cent of American families can meet the entire cost of high-tuition institutions, the ones in the $3,000 range for resident students.

"Soon I will be spending—if I have to rob a bank!—some $10,000 a year with three children in costly schools," complained an angry Fort Lauderdale man who is clearly not in that 4 per cent. Addressing himself to Senator Abraham Ribicoff of Connecticut, who has been responsive to the plight of the student's family, he added, "I have bright kids. I only make a little over $15,000. Literally, I will have to sell the roof over our heads to do it!"

He will not rob a bank or get rid of his home, not really. If he follows the typical pattern, the first thing he will do is have his sons apply for scholarships. But according to financial aid officers, the scholarship realities offer a real shock to many parents. "Because their children are scholarship material," explains Sanford Jamison of the College Entrance Examination Board, "parents take it for granted substantial scholarships are going to be won. But need plays a very important part. Of course, the better potential student he is, the more chances he has of getting money."

It may be a measure of how expensive schools have become or how behind-the-times some families are that not even relatively substantial incomes deter them from seeking scholarships. "Even $30,000 parents are asking for financial aid," says Virginia Shaw, who is in charge of the aid office at Barnard College.

Of course, whatever the family's earnings, the chance for scholarships is much better for straight-A students and, in some schools, for applicants who are excellent basketball or football material. But the reactions of a very generous number of middle-income families are accurately mirrored in that of Milt Miller, a suburban New York newspaperman. Recalling that both his sons were in out-of-state institutions at the same time, Miller concluded: "The middle-income family is really in a bind. Not poor enough to qualify for scholarship, not rich enough to pay for the tuition costs—especially if there's an overlap of children going to school."

Actually, things aren't that rosy for low-income families, either. On the one hand, there has been a moderate but steady increase in available scholarship dollars over the past several years (though it is not necessarily a higher percentage of school budgets). For instance, in 1961 institutional funds available for scholarships, grants and work-loan programs totaled $275 million, and by 1967 the amounts had grown to $513 million. On the other hand, the demand for funds grows at a fare more rapid rate and scholarship funds are very limited, even for the sons and daughters of poor families. Many of these, too, find themselves unable to win grants. Applicants for Columbia University's Class of 1970, for example, included 84 needy students placed in the "Admit-Deny" category—admitted to the school, but denied financial aid. Only by raising the amount students were expected to supply themselves through jobs and loans could this category be eliminated in the following year's class. The money problem is becoming worse at many schools because of a cutback in Federal funds for a number of aid programs. Students with C-averages, those who are near the end of the scholarship line, tend to be hardest hit.

To bring order into what would otherwise be a chaotic and perhaps capricious situation, the College Entrance Examination Board's College Scholarship Service has set up guidelines widely used by school financial aid officers. The rules are based on a variety of factors, including family assets and liabilities, but fundamental to them are U.S. Department of Agriculture cost-of-living studies. The guidelines suggest the amounts parents can expect to contribute under varying circumstances. Though the tables recently were revised downward, they nevertheless reflect the basic assumption that higher education is a privilege of calling for a significant measure of parental sacrifice. A two-child family (with only one in college) earning $10,000 a year before taxes is expected to contribute $1,350 toward annual college expenses. If this family earned $15,000, it would be expected to contribute $2,300. These expectations are for "uncomplicated" cases, high medical bills, the necessity to support aged parents or other extenuating circumstances lower the amount parents are expected to contribute.

To stretch their limited scholarship funds, most schools supply "package aid," combining a grant, a loan and a job. Columbia's Director of Financial Aid, Harland W. Hoisington, cites the example of an A-minus student. The family earned $7,000 a year and was expected to contribute $900, while the student was given a $2,150 scholarship, a $200 loan and a $500 job.

Generally, needy students are expected to work during the summer and possibly also during the school year. The high percentage of undergraduates who hold jobs during the school term—whether under institutional plans, the Federal Work-Study Program or on their own—is another significant indication of the high cost of higher education. A survey by Northwestern Life Insurance Company's Family Economics Bureau shows that at many of the nation's most prominent schools, better than three-fourths of the male undergraduates earn at least part of their expenses by working. And while work may be a virtue, it is not too much of one given the extreme academic pressures in most colleges. In the official view, no full-time student should work more than 10 or 15 hours a week. But if the need is there, students will work many more hours than that. Describing two of her classmates who, despite scholarships, must work 25 hours a week and find it difficult to keep up their grades Barnard senior Sue Levine says: "I've never seen such valor in my life, but the squeeze is on those kids, and they may lose their scholarships. It's tragic."

Increasingly, families that can do so borrow the money to pay for education. Borrowing against life insurance policies is a

method recommended by some financial aid officers, but many families apply for commercial loans at banks, and savings and loan associations or finance companies, often repaying the money over a five-year or six-year period. Even that is proving a hardship in some cases, and eight-year plans are now in the works.

"Years ago, people resisted the idea of financing their children's educations with monthly payments, but when the Government got into the educational loan business it took the stigma away," reports Robert K. Keir, president of The Tuition Plan, a subsidiary of the far-flung C.I.T. Financial Corporation.

There is no stigma now, that is certain. The Tuition Plan illustrates one interesting phenomenon in education-financing—the emergence and growing prosperity of firms devoted solely to selling loans for schooling. Though founded in 1938. The Tuition Plan has, according to Keir, enjoyed particularly good fortune only in the past 10 years. In 1956 it had a handful of employes; now there are over 80. In 1956 only about 5,000 students were being covered by its finance plans; now the number exceeds 50,000. In the past decade, it has financed college educations for over 500,000 people.

A number of banks handle educational loans as they would any other consumer loan transactions, with charges running roughly from 9 to 11 per cent a year in simple interest, though the rate may be expressed in jargon that makes it sound much lower. Other banks offer educational loans at a lower-than-usual rate—as a public service—but a tight money market may help force a change. Educational loans cannot always be handled as economically as others. The specialized educational-loan firms charge the highest rates of interest, though exact fees are often hidden in a welter of "service," life insurance and other charges. A few years ago an independent firm of consulting economists made a study of programs offered by several educational loan companies. It said simple monthly interest ranged from 1.09 to 3.64 per cent. Though the cost is high, parents heavily committed to bank loans find the educational lenders especially useful because few applicants are turned down for credit reasons. Nonetheless, delinquencies tend to be low.

And what are the states and the Federal Government doing about the college cost squeeze? Some states do very little, others quite a bit; New York State the most. New York has the strongest scholarship program in the nation; it awards Regents Scholarships ranging from $250 to $1,000 to some 20,000 students each year; under its Scholar Incentive Program nearly every full-time undergraduate is given a stipend of $100 to $500, depending on need, for the payment of tuition. New York also operates the largest state guaranteed-loan agency in the nation.

The Federal Government, under the National Defense Education Act of 1959, has a guaranteed-loan program that allows needy undergraduates to borrow up to $1,000 a year, graduate students up to $2,500. Repayment is spread over 10 years at 3 per cent annual interest on the unpaid balance. For people going into teaching, as much as half the debt may be written off at the rate of 10 per cent a year.

Not surprisingly, there are plenty of problems. Participating schools must put up $1 for each $9 the Government contributes—and, as the demand rises, they are increasingly hard-pressed to produce the funds. Collections, which the schools must handle, add to the cost of maintaining the program. Though no official figures are forthcoming, the delinquency rate is proving to be alarming. "About five times as high as for the average commercial loan," estimates one informant in the educational loan field. He says borrowers tend to be more responsible about repaying private loans, possibly because of a concern over maintaining their credit ratings with the private lenders.

Under the Higher Education Act of 1965, the Government instituted a guaranteed loan plan aimed at middle-income and upper-income families, who have not been in articulate in conveying to lawmakers their chagrin about mounting college costs. Need is not a requirement. Seed money is given to states that want to administer their own guaranteed-loan agencies, and standby Federal funds are available for those that don't. Undergraduates may borrow up to $1,000 each year, graduate students up to $1,500. The money is borrowed from a bank or credit union. Repayment may begin up to nine months after the student leaves school and, in some instances, run for as long as 10 years. If the family's adjusted income (total income minus exemptions) is less than $15,000, the Government pays half the interest—6 per cent a year—during the repayment period and all of it while the student is in school.

Once again—problems. State legislatures didn't rush to sign up, and the paperwork proved more involved and expensive than anticipated. Though the banks, through the American Bankers Association, pledged unyielding loyalty to this new program, they were not overjoyed to receive it just when "tight money" was giving them difficulty. Furthermore, the banks quickly discovered that 6 per cent simple interest did not allow them to break even, much less earn a profit.

Thus, while theoretically any student could obtain a loan from any participating bank, in practice it has not worked out that way. Many banks allocate a certain sum to the program each year, and the well quickly runs dry; some banks see that guaranteed loans go only to children of regular clients. (Generally, this does not hold true for banks in New York State, possibly because the state's own program is so well-established.) There have been abuses on the part of students, too—for instance, using loan funds to purchase cars instead of education, or keeping a large bank balance—at 5 per cent interest—while borrowing college money at 3 per cent.

Authority for the Office of Education to set up new Federal guarantees expires at the end of June, and the House Special Subcommittee on Education is receiving testimony to determine what direction the program should take.

The Office of Education would like to see a broader insurance plan that would greatly expand the Government's role and risk in guaranteed loans. The banking community would like to see interest rates rise to 7 per cent. The United Student Aid Fund, a private, nonprofit guarantee agency that also operates 29 state programs, would like to see a number of reforms—among them, limits to Federal involvement and the extension of authority to school financial officers to determine need. Basic to the fund's objections seems to be the fear that Federal support will drive out state and private loan contributions.

This being a political year, observers in Washington foresee a final bill that continues the program for another few years without creating a need requirement of significantly expanding its scope, and that sweetens the pot for the bankers by raising interest rates of adding a special fee.

This is not likely to be the year, however, that Senator Ribicoff's efforts on behalf of parents and students make significant headway. Ribicoff has introduced legislation that would provide a tax credit for anybody—including the student himself—who finances college tuition fees books and supplies. The credit would be applied on a sliding scale and have a ceiling of $325. The proposal, twice voted down, has earned the Johnson Administration's implacable hostility because of Treasury Department estimates that it would cost the nation roughly $1.1-billion in the first year alone. Indeed, some observers note that the guaranteed loan program came into being partly as a way of shunting aside Ribicoff's proposal, which at present languishes in the House Ways and Means Committee. The Committee chairman, Wilbur Mills is reported to have said that the bill would pass over his dead body.

Any massive social problem—and the high cost of higher education is certainly becoming one—fosters its share of visionary proposals. One such suggestion, free higher education for everyone, has been advocated over the years by several leading educators. Among its drawbacks are the fact that many people are likely to reject the idea of total Federal subsidy and, of course, the problem of paying for it.

Possibly more tantalizing for some is the idea of an "educational apportunity bank," which was briefly mentioned by President Johnson in an economic message last year and has been endorsed by such educators as Yale's president Kingman Brewster Jr. In effect, the Government would finance through loans every student's higher education. The loans would be repaid out of earnings over a 40-year period in the form of specified income tax surcharges. Graduates entering low-income fields or suffering a run of bad economic luck later in life probably would not pay back all they owed. Those who became extraordinarily successful would no doubt demand a lump-sum payback option. These and other puzzlers—for instance, what to do about women who get married right after school and do not work—remain to be ironed out.

This proposal, admittedly visionary at present, triggered an angry response from the National Association of State Universities and Land Grant Colleges and from the Association of State Colleges. They talked about a "life indenture" for students—though the students would be self-sufficient adults by the time they began paying off their loans. Underlying the opposition seems to be the fear that state legislatures and private sources would greatly curtail their support of public colleges and universities if such a program were enacted, requiring even greater tuition boosts than would otherwise be necessary.

But tuition will keep on zooming in any event, and already the high cost of higher education is creating problems that go far beyond the heavy drain on family purses. Most educators applaud the idea of diversity in educational life, but rising tuitions are tending to do away with it. No school, public or private, can expect a good "socioeconomic mix" of students if tuitions are high and scholarships insufficient. Private schools cannot survive if the majority of students are forced to choose only low-cost, state-supported schools. The beginning of a geographical freeze—with its resultant provincialism—is becoming evident as the more popular state-run schools raise tuitions for out-of-state students above $1,000 and the pool of parents who can afford them is drastically reduced.

Apart from limitations on diversity, there is the issue of heavy student indebtedness. Increasing numbers of young people are beginning their careers heavily in debt, some with overlapping loans to be paid off. Consequently, many graduates are making their career choices on the basis of pay rather than long-range advantage or reward.

The problems are considerable; it may well turn out that the solutions will have to be of equally impressive dimensions.

Mr. GOODELL. Mr. President, the arguments for a tax credit for educational expenses are well known and have been developed at length in recent years.

What most impresses me is the impetus such a measure will inevitably give to

first, improving our educational system at both public and private institutions and second, broadening the opportunities available to the public for higher educational training.

The tax credit proposed by the distinguished Senator from Colorado (Mr. DOMINICK) and the distinguished Senator from Connecticut (Mr. RIBICOFF) 16 of my colleagues and myself will encourage the widest possible attendance at colleges and universities and help spread the benefits of higher educational training throughout our population.

Carefully directed use of tax relief is perhaps the most effective form of Government assistance to higher education. It does not require the creation of cumbersome and costly bureaucratic machinery. And it avoids controversy over Government determinations as to the institutional beneficiaries of Federal support.

There can be no charge that, by Government fiat, church-sponsored institutions are being favored, that secular institutions are being favored, that public institutions are being favored, or that private institutions are being favored. Institutions will benefit from the indirect support of the proposed tax credit solely to the extent they attract students. And the attraction for students will increase as educational opportunities improve.

I have been on record for favoring an educational tax credit of this nature since the early 1960's.

On October 3, I introduced a bill, S. 2992, which would establish such a tax credit for expenses for higher education. The provisions of the bill were analogous to those of Senators DOMINICK and RIBICOFF's—except that it would also have provided a 10-year carry-forward of unused credits for students working their way through college.

The Dominick-Ribicoff amendment is substantially similar to the educational tax credit that was passed by the Senate in 1967.

Mr. President, the amendment as offered would cost an estimated $1.9 billion a year.

Mr. RIBICOFF. Mr. President, will the Senator from New York yield at that point?

Mr. GOODELL. I yield.

Mr. RIBICOFF. The figure is $1.7 billion. The $1.9 billion would have been the amount as phased out at $47,500 but this, together with incomes now at $31,250, is phased out, which reduces the overall cost, so that the overall cost would be in the nature of $1.7 billion.

Mr. GOODELL. I thank the Senator from Connecticut for pointing out that change in the amendment. I know that the Senator agrees we are dealing with estimated figures, in any event. It is difficult to cost them out, but in response, the estimate is $1.7 billion a year.

The amendment would provide a tax credit of up to $325 to any taxpayer who paid the tuition and fees of another student or himself at any institution of higher learning offering courses above the 12th grade including business, trade, or vocational schools.

The credit would be computed on the first $1,500 of expenses for each student in the following manner: 100 percent of the first $200, 25 percent of the next $300, and 5 percent of the subsequent $1,000.

The available credit would be reduced gradually by subtracting from the credit 2 percent of the taxpayer's adjusted gross income in excess of $15,000. No credit would be available to the taxpayer with an adjusted gross income of more than $31,250.

The credit would cost the Treasury an estimated $1.7 billion a year.

Under the Dominick-Ribicoff amendment, the tax credit would go into effect in taxable year 1971.

This effective date was written under the assumption that the tax relief provisions of the bill would be those recommended by the Finance Committee. On that assumption, I would have supported the 1971 effective date.

Since that time, however, the Senate has chosen to drop the Finance Committee's tax relief provisions and adopt instead the $800 personal exemption proposed by the Senator from Tennessee (Mr. GORE).

This action—which I opposed because of its inflationary impact—will cost the Treasury about two-and-a-half-billion dollars more than the committee's tax relief proposal in taxable years 1970 and 1971.

We are facing an extremely serious inflation which may take as much 2 years to control. Mr. GORE's amendment will result in the entire tax bill's producing a net loss of more than $2 billion for taxable year 1971—the year that may prove to be the critical one in bringing this inflation under control.

The implementation of the educational tax credit for the taxable year 1971 would mean that the net loss to the Treasury would be increased by an additional $1.9 billion—as of close of business yesterday. Had the amendment been enacted at that point, this would means a total of over $4 billion.

A net loss of $4 billion for 1971 would make it virtually impossible, in my judgment, to take effective measures to bring inflation fully under control in that crucial year.

Accordingly, I propose that the effective date of the educational tax credit be postponed for an additional year—until taxable year 1972.

By taking this step, we can avoid placing a further burden upon the Federal budget until we have given the administration a reasonable time to put a halt to the inflation.

Mr. President, I am introducing my amendment to the Dominick-Ribicoff education tax credit amendment to try to promote a principle in which I believe very deeply; namely, that there should be a tax credit to relieve those who are carrying the burden of higher education and, at the same time, face responsibly the fiscal problems of our Government at this time.

My amendment would make the educational tax credit first take effect in the taxable year 1972, instead of the 1971 taxable year.

I believe that my amendment will enable us to achieve the beneficial results of an educational tax credit at a time when our economy is operating on a sounder basis than it is today. It will help us achieve our objective of broadening educational opportunities in a more fiscally responsible manner.

Mr. President, I emphasize that this is no criticism of the two chief cosponsors of the amendment as they drew it up. It is made on the assumption that the bill contained a revenue gain and a revenue loss along the lines of the committee bill. That is not the case today and I think this amendment, therefore, is an appropriate one, and I hope that it will be adopted.

Mr. DOMINICK. Mr. President, will the Senator from New York yield?

Mr. GOODELL. I yield.

Mr. DOMINICK. I appreciate the remarks of the Senator from New York, together with his help, because I know that he has been interested in this subject for a long time. We welcome his amendment and wish to incorporate it as a part of the proposal now before us, on the very ground which the Senator has so aptly put forth; namely, that the bill we are trying to amend has been so changed since it hit the floor that to postpone the effective date of this for 1 year will be a benefit as opposed to it being a deficit.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. (Mr. Moss in the chair). The Senator from Colorado will state it.

Mr. DOMINICK. Have the yeas and nays been ordered on this amendment?

Mr. RIBICOFF. The yeas and nays have been ordered.

Mr. LONG. Mr. President, if the Senator will yield, I do not know that it will be necessary to have the yeas and nays on this amendment. If the Senator's amendment is not accepted, he can then insist on the yeas and nays.

I have been listening to this colloquy and have been thinking about going along with the amendment and offering to take it to conference to do the best we can for the Senator there. We have been in conference with the amendment before. The problem is not here but in the House of Representatives.

Mr. DOMINICK. I understand that, and very much appreciate the comments of the Senator from Louisiana. I have served in the Senate only a short time compared to the distinguished Senator from Louisiana, but during that time I have always found that if one had a roll call vote to support his amendment, he would have a stronger position in conference than if he did not have one, and I more or less feel that way with this amendment.

I know that the Senator—and I am happy to note this—supported the amendment the last time on a roll call vote. I realize that he has a tough time as chairman of the committee doing this, but he was nice enough to say that during the process of consideration of the vote the last time we had it adopted, that he had, prior to that time, seen other amendments and tax bills costing more money than this, he was told this was a good approach, and he is supporting it.

Mr. LONG. We had a rollcall vote previously, but we could not hold it in con-

ference. So far as I am concerned, if the Senator wants to forgo a rollcall vote, we would be prepared to take the amendment to conference. I understand that the Senator modified the amendment so that it will start in 1972 and not in 1971, and that the revenue impact would not be felt immediately. That would be helpful, I am sure. Of course, if the Senator wants to have a rollcall vote, he has the right to insist on it.

Mr. DOMINICK. Mr. President, as I understand it, the Goodell amendment has been accepted by the Senator from Connecticut (Mr. RIBICOFF) and myself. Is that correct?

The PRESIDING OFFICER. The situation is that the yeas and nays have been ordered on the Ribicoff amendment and, therefore, it would take unanimous consent to modify the Ribicoff-Dominick amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that that may be so incorporated in the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I was under the impression that I had so stated that, on behalf of the Senator from Colorado (Mr. DOMINICK) and myself, previously. We have modified our amendment by accepting the amendment offered by the Senator from New York.

The PRESIDING OFFICER. The yeas and nays had been ordered, and it required unanimous consent to so modify.

The amendment has now been so modified by unanimous consent and the yeas and nays have been ordered on the amendment as modified.

Mr. DOMINICK. Mr. President, as has been amply pointed out by the Senator from New York and the Senator from Connecticut, the amendment now before the Senate contains virtually the same provisions which the Senator from Connecticut and I offered earlier this year, and which was cosponsored by almost half the Members of this body.

The present amendment is cosponsored by myself, the Senator from Connecticut (Mr. RIBICOFF), the Senator from New York (Mr. GOODELL), the Senator from Arizona (Mr. GOLDWATER), the Senator from Indiana (Mr. HARTKE), my colleague (Mr. ALLOTT), the Senator from Tennessee (Mr. BAKER), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from New Jersey (Mr. CASE), the Senator from New Hampshire (Mr. COTTON), the Senator from Nevada (Mr. CANNON), the Senator from Kansas (Mr. DOLE), the Senator from Florida (Mr. GURNEY), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from Maryland (Mr. MATHIAS), the Senator from South Dakota (Mr. MCGOVERN), the Senator from California (Mr. MURPHY), the Senator from Oregon (Mr. PACKWOOD), the Senator from Vermont (Mr. PROUTY), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Alaska (Mr. STEVENS), the Senator from Pennsylvania (Mr. SCOTT), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER), in addition to Senator MCGOVERN and Senator PERCY, whose names have been requested by the Senator from Connecticut to be added as cosponsors.

So we have a substantial number of Senators on both sides of the aisle who are endorsing this particular amendment. As I have said, we had almost 50 percent of the total Members of this body endorsing the first bill that we proposed earlier this year.

The beauty of this particular amendment is that it is an investment in people rather than machinery. I think it is the very best investment we can make for the future of our country; and as proof, all we have to do is look at the GI bill. Over and over and over again, the returns from the GI bill, in terms of revenue that will come back in the future because of the higher earning capacity of those who have had the ability to get additional training and additional education, which they otherwise might not have had, has been of inestimable value as far as this country is concerned. It has produced thousands of teachers, doctors, engineers, scientists, and business and managerial executives that we otherwise would not have had.

In my opinion, this amendment will do even more than the GI bill did, because it allows people freedom of choice.

Three or four lists have been spread around the Chamber by opponents of this concept, and we have a memorandum on every Senator's desk pointing out facts about the amendment, but I think, for the record, it would be worthwhile to point them out again.

Two-thirds of the benefits of this bill would go to families earning less than $10,000 a year. The provision we have had for reduction of the credit as income increases cuts out a person with an income of $31,250. So, two-thirds of it goes to those earning $10,000 or under, and yet it is stated that it is a "rich man's bill." I find this very difficult to absorb or to accept.

Second, the tuition tax credit as such would provide substantial lessening of pressures on existing scholarship funds and would encourage the giving of scholarships by individuals to designated deserving students.

As most of my colleagues know, this cannot be done at the present time. In other words, one cannot say that he likes John Smith down the road and he thinks his son is a deserving young man and would like to pay his tuition and get a tax deduction. That is not allowed under the tax laws either as they exist or under this bill, unless this amendment is adopted.

This proposal would allow someone who is a nonrelative to be able to pay tuition for someone else and get a tax credit, and thereby give more incentive for people to provide the mechanization by which other people can get an education.

Third, the tax credit formula has been very carefully weighted by the Senator from Connecticut, the Senator from Vermont, and myself in favor of the public and land-grant colleges, the low-cost institutions. This is because we say the first $200 of tuition, fees and book costs will receive a credit of 100 percent, there will be a credit of 25 percent on the next $300, but only 5 percent on the next $1,000 of such costs. Thus, the lower tuition schools get a higher percentage of benefits, but actually get more benefits, because the tax credit amounts to $252 on the $400 average costs, as opposed to a total of $325 that can be received at the higher cost non-public institution.

So the allegation that the private colleges are favored simply is not true. We are doing the reverse, although it also will give benefits to those going to private colleges, which I think is fair.

Fourth, tuition tax credit—which I think is important—allows the taxpayer to use a part of his own gross earnings in order to educate himself or his children.

When we have a national policy that education above the 12th grade should be encouraged and should become a national institution, it seems to me only proper that we should permit taxpayers as such to use a part of their own earnings to further that national policy.

That is why I have been working for a tuition tax credit for some 15 years, long before I even got into public service, and certainly long before I came to the Senate. The Senator from Connecticut and I have been working together on this ever since we came to the Senate in 1963, and I hope will continue until we finally put this point over and put that provision into effect.

Mr. President, I am not going to talk much longer. The college cost burden on people is staggering now. It requires an enormous amount of one's earnings to be able to put into education the amount of money that the institutions ask for in order to provide any kind of scholarship.

The cost of colleges, whether they be junior colleges or universities or vocational schools or business schools, is going up and up and up, along with all other forms of inflation. This measure will give some relief against those increased costs.

Since education is one of the foremost priorities of this Nation for the present and the future, what we should do at this moment is adopt this amendment and recognize that we are giving added incentive—not alternative incentive, but added incentive—so that people can have a better chance to get their children an education above the 12th grade.

Mr. WILLIAMS of Delaware. Mr. President, very reluctantly I have to oppose this amendment. I call the attention of the Senate to the fact that this Christmas tree is already getting loaded down with so many bright balls that I am afraid even the tree itself will collapse.

Since the bill was reported by the Finance Committee the Senate has reduced taxes and passed benefits for which no provision has been made to pay for their cost, a total of approximately $10 billion so far, over and beyond what was provided by the Finance Committee.

I will enumerate them.

In 1970 the Gore amendment provides for additional tax benefits of $2.3 billion.

The Hartke amendment cuts revenues further by $720 million.

The Murphy amendment cuts revenues $210 million.

The Fannin amendment cuts revenues $90 million.

Today a social security amendment was adopted for which no financing whatsoever was provided in the original amendment, to become effective before the 1972 elections. But we still have to pay the bills in between. That will increase the cost in 1970 by four and a half billion dollars.

The Byrd amendment adds a cost of $2 billion.

The Harris amendment adds a cost of $150 million.

So the benefits that have been provided for thus far amount to a reduced revenue of $9.995 billion, passed by the Santa Clauses in this Senate without even putting on their suits.

Now this pending amendment would reduce revenue further by $1.7 billion. I do not doubt that it will be agreed to, and I am not going to delay the vote. But I shall have one final amendment to offer. In fact, I think I shall put it in the form of a unanimous-consent request. I ask unanimous consent that the title of this bill be modified to label it the Christmas Tree Act of 1969.

Mr. DOMINICK. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMINICK. Mr. President, I shall not argue with my good friend from Delaware for long; but I just wish to point out that we have postponed the effective date of this amendment, in recognition of some of the problems of which he speaks, so that there will be no impact in 1970, 1971, or 1972. We will have the benefit of it in 1972, but it will not be deducted from our taxes until our tax returns of 1973. So I think we are looking down the road a considerable distance before the impact will occur.

Mr. WILLIAMS of Delaware. I realize that. I do not expect to be here after 1972; but in 1972 if we have the money to finance this I am sure the Senate will be willing to vote for further benefits. Why vote tax reductions today not to be effective until 3 years later.

It looks a little like a dream world when we vote benefits now for 1972. Why not 1973 and 1974? In fact, people in 1980 are going to want some benefits; why not vote them now so that in the future we will have automatic tax reductions, always to take effect at some time in the future?

I suppose we need a Christmas tree in 1972 just as much as this year. But I do not think we can afford a $10 billion Christmas tree. I am not even sure that amount will cover the cost of the benefits already voted. As is true so often around Christmas time, gifts are being bought now so that we can pass it out like good Santa Clauses, but we are projecting the price tag for next year and the year after and on, to future generations.

I think it is well to recognize that we do not have the money to finance these tax reductions. We are already operating this Government at a deficit averaging in excess of $500 million a month. If we pour this additional pressure on the economy we are simply going to fan further the fires of inflation until we create financial chaos.

I do not question the sincerity of those who support these amendments. I do not think there is anyone in Congress who wants a depression, but I say if anyone in this country wants to see a depression we could not take any surer steps than we are taking now to create one. I think Senators had better stand ready to face the chaos we are creating by voting for these large expenditures.

Mr. LONG. I hope the Senator does not feel that the 15 percent across-the-board increase that Congress would, in any event, have voted within the next several months, or a measure costing at least as much that which the President recommended, or at least as much as the House is recommending will create those problems.

In other words, my experience on these social security measures has been that when the President recommends an increase in benefits, the House of Representatives always votes to go beyond what the President recommends, and the Senate invariably increases it beyond what the House does. The Senator will admit that that is what usually happens, will he not?

Mr. WILLIAMS of Delaware. I will admit that the Senate claims to be the "upper" house, and I would not be surprised if we got that name because we are always "upping" every appropriation that comes before us.

Mr. LONG. I think in fairness that those who have said that the reform in this tax reform package was being whittled away by the Finance Committee ought to take a look at what has happened to the bill since it came to the Senate floor.

Mr. WILLIAMS of Delaware. I agree with that. The Finance Committee, I thought, did a fairly good job of holding to reform measures, but we are losing many of them here. We are losing those provisions that would have produced revenue; they are being eliminated from the bill and are being replaced with provisions which would cost money. We will end up with a bill which will wreck this country if it ever becomes law in its present form. If those who have voted for these amendments have done so with tongue in cheek, as if to say, "Now, you conferees take them out over there," I say that is sheer hypocrisy.

Mr. LONG. Mr. President, the obvious sincerity of the Senator from Delaware makes me feel that it is my duty to try to support his position. The Senator has inspired a return of conscience, and I shall support him in voting against the amendment.

Mr. HANSEN. Mr. President, I take this occasion to express my very deep regret at being unable to support the position of my cherished and distinguished colleague, the Senator from Colorado. I say that because I was a cosponsor, in the 90th Congress, of a similar bill. I think his amendment has great merit, and it certainly is with extreme regret that I find I cannot support it. The reasons why I cannot support it have already been most eloquently stated by the distinguished Senator from Delaware.

Because this bill has become so overloaded with goodies, I cannot vote to further add to the burdens that will be placed upon what we had hoped at one time might be somewhere near a balanced budget. As a consequence, I must say to my distinguished colleague from Colorado that I am going to have to vote in the negative on his amendment, which I think has great merit.

Mr. COTTON. Mr. President, I am extremely loath to say what I am compelled to say at this time. I am not even in a frame of mind to derive much amusement from the very apt quips and barbs about the Christmas tree.

I have, for 15 years in the Senate and for 8 years previous to that in the House of Representatives, never failed to support measures to relieve needy elderly people. I never expected to see a day when I would vote against a measure that contained such help. Yet today, for the first time in 23 years of service here, I was compelled to vote against the Long amendment, as amended. I had hoped that the Senator from Vermont (Mr. PROUTY) and I could get our amendment adopted, which benefited only those recipients in the very lowest bracket of social security, without increasing social security benefits all the way up the line and placing added burdens on the young men and women who today are striving to support their families, pay for their homes, and raise their children, by having more of their pay taken from them. I could not vote for an increase, that would go to retired bank presidents as well as to those who are trying to get by on a pittance of social security today.

In every session I have been a cosponsor of measures to help people with lower incomes get their sons and daughters through college, and to raise the educational standard in this country. Mr. President, I never expected that the day would come when I would have to renege, if that is the proper word, on my constant support of such measures. But, Mr. President, I do not remember when I have felt as sad and discouraged, during my service in this body, as I do tonight.

I think the bill that came from committee was an excellent one. I believe that the members of the Committee on Finance should be commended for the balanced and careful bill that, in a short space of time, they were able to bring in to the Senate. Undoubtedly it was not perfect in all its provisions; but on the whole, it was a remarkably good tax reform bill.

We have, as the Senator from Delaware phrased it in his inimitable way, loaded the bill down until there is about $10 billion in it now that will have to be paid. Some of it will not have to be paid this year. Some of it will not have to be paid until 1972. Some of it will not have to be paid until 1973. Who is there in the Senate tonight who has any idea of what the fiscal situation of this country will be in 1973?

I am apprehensive about what our

situation may well be. We are not immune to another recession or even another depression, in spite of all the safeguards that have been put up against those events since the days in 1929 and 1930 which some of us remember so well and with such vividness.

God knows, I want to vote for the amendment. I want to give all the help we can.

I have been sitting with the Senator from Washington (Mr. MAGNUSON) and the other members of the Subcommittee on Health, Education, and Welfare of the Committee on Appropriations day after day after day for the past 3 weeks listening to the educators of this country, listening to the needs of education, listening to the needs for fellowships and scholarships which we are providing.

I recognize that the amendment offered by my friend the distinguished Senator from Colorado (Mr. DOMINICK) is intended to relieve that pressure. Yet, I doubt that it would accomplish that objective. It would simply superimpose more pressure on top of it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. COTTON. I am very glad to yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I appreciate what my colleague, the Senator from New Hampshire, has said. The bill as it came from the committee was a good bill.

I felt that some of the amendments which were offered to it were good amendments. However, I have reached the point now that I do not think I can vote for any more amendments, because I have the feeling that if this Christmas tree is loaded up any more it will kill any tax reform at all.

I may be unduly suspicious, but I know that some of the sections of the bill are not satisfactory to certain segments of our economy or social structure. And I feel now that if we vote to load it up any more, we are voting to kill tax reform. There is no question about it.

Mr. COTTON. Mr. President, I apologize and express my regret to my friend, the Senator from Colorado, whose judgment I so greatly respect. Under ordinary circumstances I would be with him again if the things that happened yesterday and today had not happened.

REMOVAL OF COSPONSORSHIP

Mr. COTTON. Mr. President, I ask unanimous consent, with regret and apologies to the Senator from Colorado, to have my name removed from the list of cosponsors of his amendment. I will be compelled, reluctantly, to vote against it.

I apologize to the Senator for taking this time at this hour in the day. I again say that having found myself in the situation in which I have been compelled to vote two or three times in the past 2 or 3 days against measures that I have fought for over the years and finding myself in this position tonight, I cannot be flippant about it. I cannot be humorous about it. I am overwhelmed with sadness. And I have a feeling that the country would be better off if in the end the whole bill were rejected and we were to start all over again from the beginning and try to build more sanely and carefully on a sounder foundation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. MILLER. Mr. President, I commend the Senator from New Hampshire for speaking so eloquently in the direction in which I think most of us in our hearts really believe.

I cannot help recalling what I think is a parallel situation which occurred several years ago when the former distinguished Vice President Humphrey was the majority whip of the Senate and was the cosponsor of a bill which was very similar to the measure that is now pending in the form of an amendment. I do not think there was any other Senator who was more genuinely interested in education than was then Senator Humphrey. However, because of the action taken by a majority of the Senate in literally strapping the Treasury of the revenue needed to support such a measure, when it finally came before the Senate for a vote, he voted against it, even though he was a cosponsor of the measure. And when asked by the press afterward why he had voted against it, he said that it could not be supported because of the state of our Federal revenue.

I think this is exactly what has happened here. There are some in the Senate Chamber who voted for the Gore amendment. Granted that they were sincere, I think they made a choice as to whether we were going to have tax relief in the amount they voted first or put education second. And they decided to put education second.

The trouble is that we talk about priorities, but we do not put our talk about priorities into deeds.

To me, the proper priority would have been to have put education first and then put the matter of a reasonable tax cut for people second, instead of putting a large tax cut first and letting education take the hindmost. And that is exactly where we are tonight.

Mr. COTTON. Mr. President, I thank the Senator for his observations.

It seems to me this is not a matter of politics. There has been a good deal of talk back and forth across the aisle. This is too serious a matter on which to be partisan. It is a fallacy because of the means we have been pursuing. And I plead guilty on my part for having done things many times in the past in the interest of causes in which I believe.

As this bill came to the Senate there was a provision for low-income allowance and minimal standard deductions. That provision was provided to take care of those at the foot of the economic ladder. But no, we are not content with that. We have to increase the exemption. And when we increase the exemption, it goes all the way to the top.

More than that, a $100, a $200, or a $300 increase in exemption costs the Treasury revenue.

When the bill came before the Senate, it was not a soak-the-rich bill; it was a bill that attempted to take care of those who needed assistance the most. Now the bill has been changed in many respects—and I know it has been done inadvertently. But if I can analyze it at all, it has now become a bill that actually takes billions of dollars out of the Treasury for the benefit of higher income taxpayers.

If I live until I retire from the Senate, I will be entitled to the minimum amount of social security. I practiced law just long enough so that I could qualify for the minimum.

Why should we give ourselves a hundred dollars a month after we have provided an ample retirement income for every Senator who has served any appreciable time? It just does not make sense.

Mr. President, if the bill passes in its present form—and I see no prospect of it being greatly improved in conference because of the nature of the bill the House passed—I sincerely hope that the President will have the courage to veto it. If he does, here is one vote to sustain his veto.

Mr. DOMINICK. Mr. President, I do not want to let the RECORD stay this way. I have great respect for and have listened with great interest to my distinguished friend the Senator from New Hampshire, and he is a great friend.

I do not see the logic in saying that if the Senate has adopted what we think is a bad amendment, we should therefore reject what we think is a good amendment. This is too bad, because I think it is possible to winnow it out in conference. If one does not like some of the amendments that have been adopted—and I happen to be among them—I do not think that is any reason why he should not vote to adopt what he thinks is a good amendment. I hope the people will remember that.

I am ready to vote.

Mr. PROUTY. Mr. President, as a cosponsor of the Dominick-Ribicoff amendment, I would like to say that I am very pleased to see this measure come before the Senate. It incorporates many of the elements contained in a measure I introduced 2 years ago, as well as a number of features embodied in a previous Dominick-Ribicoff amendment, which I supported.

My feelings remain as strong today as they were 2 years ago that some tax credits are necessary to help meet the costs of college education. We all agree that advanced education is vital. If anything, the need and desire for advanced education is even greater today, and the proliferation of junior colleges, community colleges and advanced technical institutes is testimony to that fact.

When I first introduced the tax credit measure 2 years ago, I tried to make it benefit the middle- and low-income taxpayer. I felt then, that the Dominick-Ribicoff measure, although a good one, was not as beneficial in this area and provided more help than necessary to the upper income taxpayer. Therefore, I am most pleased to point out that the Dominick-Ribicoff measure before us now has incorporated many of the fea-

tures of my bill and thus is more oriented to the middle- and low-income American. In this day of increasing awareness that tax reform must eliminate the inequities that burdened the middle- and low-income taxpayer, I think it is most fitting to note this substantial change.

According to the present Dominick-Ribicoff proposal, the sliding scale for tax credits will allow a deduction of 100 percent on the first $200. This is the same provision that I offered 2 years ago, whereas the old Dominick-Ribicoff measure allowed only a 75-percent reduction. The present proposal, also, allows a 25-percent reduction on the next $300 as did the old Dominick-Ribicoff proposal, but returns to the Prouty idea of only 5 percent on the next $1,000. In essence, this gives more tax benefit to the low-income person by allowing greater reductions on the first $500 and less on the next $1,000.

Similar changes have been made on the credit reduction ration that affects the higher-income taxpayer. Whereas, the old Dominick-Ribicoff measure reduced the maximum amount of credit by 1 percent of the taxpayer's adjusted gross income over $25,000, this measure reduces it by 2 percent as I advocated, but increases the credit reduction base from $10,000 to $15,000. By having this maximum credit reduction affect only those earning more than $15,000, the low- and middle-income taxpayer will benefit. Similarly, the denial of tax credits to those in the upper income brackets has been changed from $57,500 to $31,250 which is much closer to the $24,000 maximum that I advocated.

In summation, then, the present Dominick-Ribicoff amendment gives proportionately less benefit to wealthy taxpayers and a greater benefit to low-income taxpayers who most need assistance. For these reasons, I intend to support this measure and seek the support of my colleagues in doing so.

Mr. TOWER. Mr. President, I strongly support amendment No. 313, to provide for a tax credit for expenses incurred in higher education. As a teacher in Texas, I became familiar with the worries of many families about the expenses of sending their children to college. Today this problem is a matter of even greater concern to parents with children of college age than it was 10 years ago. And the costs of education continue to climb.

This amendment would provide a tax credit to parents for tuition and fees incurred by their dependents attending college. The maximum credit allowance would be $325 with credit for tuition and fees allowed on this schedule:

First, 100 percent for the first $200; second, 25 percent of the next $300; and third, 5 percent of the next $1,000.

Now, Mr. President, this proposal has been widely discussed in the past and is well understood by Members of the Senate. And, I feel it is unnecessary for me to recount here the needs and requirements of American education in this age.

I remain unconvinced that the massive grant and loan program of aid to education represents the most satisfactory method of dealing with the needs of education. I regard the tax-credit approach as a better approach. And, I also know that many Senators believe that the tax-credit plan is at least necessary as a supplement to grants and loans.

Therefore, I urge the Senate to act favorably upon this amendment.

As a college teacher in our State, I was closely exposed to the worries of many families about the expenses of higher education. I certainly can say that this is a major problem right now of parents with youngsters in high school.

It is by no means certain that all of our talented high school students will get into college, for the costs of college education borne by American parents can range up to $4,000 a year these days.

If this amendment is incorporated in the new tax law, Americans will be able to figure up their income taxes, and then subtract from the tax due their costs for college tuition and fees—up to the sliding limits provided.

Under a tax credit, such as is proposed, a taxpayer's money payments for education expenses never would leave his control. His money never would be sent to Washington and then partially sent back to his schools, with lots of Federal strings attached.

Under a tax credit plan his education payments would stay in his pocketbook until applied directly by him in support of higher education.

I am not aware of any other subject upon which there are as many legislative proposals pending as there are for tax credits for education expenses. It would appear that there is substantial support for the idea on both sides of the aisle and in both bodies.

Perhaps the most attractive advantage of the tax-credit approach is that it would completely eliminate the church and state issue because there would be no connection between the Government and the educational institution. The relationship would only be between the Internal Revenue Service and the individual taxpayer.

The tax-credit plan also would eliminate the objections about Federal control of education, because tax credits would leave completely undisturbed the existing relationships in higher education.

Many variations of this plan have been discussed in past years and weeks. If we had a low percentage credit, as, for instance, 20 to 30 percent, with a high limit of, say, $2,000, then we would benefit institutions with high fees, or private institutions, and those taxpayers in the higher income brackets. If we had close to 100-percent credit with a low limit, we would benefit more directly public institutions and lower income families.

It has appeared obvious that a compromise system is necessary between those two extremes.

What is proposed here is a credit of 100 percent for tuitions and fees up to $200, 25 percent from $200 to $500, and 5 percent from $500 to $1,500. That means a maximum net tax credit of $325.

Such a rate system would amount to an average annual tax saving of around $750 million a year, of which educational institutions would recover a major portion through increases in tuition and fees. We must remember that the goal of this plan is not only to grant tax relief, but also to provide a method by which educational institutions may obtain additional revenue.

As an example, if the institutions recovered, say, $500 million a year, they could use the money to cover finance charges on bond issues of perhaps $5 billion and still have cash left over with which to augment scholarship and grant funds to needy students.

I have heard it said that some public institutions would not fully benefit since some are not allowed to charge tuition. I suspect that it would be possible for those schools to increase individual course fees so as to benefit. Also, if this program were in operation, States might well revise their laws to allow tuition charges. At any rate, most private and public colleges already charge both tuition and fees.

One continuing objection has been raised against this plan; namely, that it would be of no benefit to families who pay no Federal income tax. It seems to me that there is no validity to that objection.

At the present time virtually all families, in their productive years, pay Federal income tax. Six out of seven fathers of children reaching college age are between the ages of 38 and 58, which are the top earning years. I estimate that at least 90 percent of the families of students in college today do pay Federal income tax. So this plan would benefit directly almost all college students; and—important but often ignored—it would open the way to increased benefits for students in families that do not pay Federal tax.

If a benefit of this type were provided, many of the students of middle-income families, who at the present enjoy scholarships, could then forgo a scholarship, and those scholarships would be concentrated on families who have lower incomes and pay no Federal tax.

Thus, Mr. President, it is obvious that the tax credit for education expenses as provided in this amendment would operate to the benefit of every American who is concerned about the costs of higher education. And the tax-credit plan would administer those widespread benefits without the dangers of bureaucratic control of education and absolutely outside of the issue of separation of church and state.

Mr. President, seldom does the Senate have an opportunity to pass upon a program with such massive benefits and at a time when the granting of such benefits would be of such great assistance to our Nation.

I hope, as a former college educator and for the sake of improved college education in America, that the Senate will accept this amendment.

Mr. GRIFFIN. Mr. President, as far as I am concerned, this is one of the best proposals which has ever been introduced. I have cosponsored similar legislation for a number of years, and I wish very much that I could vote responsibly for the pending amendment.

If it were possible and I could do it, I would trade this for a number of other provisions already in the bill. Unfortunately, we cannot legislate on that basis.

The pending amendment provides more tax relief. It would reduce revenues significantly at a time when we simply cannot reduce revenues further.

I hope the time is not far off when this proposal can be enacted into law.

Mr. HOLLINGS. Mr. President, I strongly support Senator RIBICOFF's amendment. This is a method of income tax reform and relief which is well within our means to achieve. The future of our great Nation rests in the minds and abilities of our youth. In my judgment we cannot refuse to take a partial step toward helping some of the financial problems relating to the achievement of higher education. I believe that this move is an investment in the future and one that we cannot ignore or fail to take advantage of.

TAX RELIEF FOR THE COSTS OF HIGHER EDUCATION

Mr. DODD. Mr. President, I support the pending amendment which would provide a tax credit to offset the expenses of higher education.

I support this amendment wholeheartedly. In fact, I have introduced similar legislation myself a number of times, once as early as 1954, when I was a Member of the House of Representatives. Again, in 1961, I introduced a similar measure in the Senate.

In 1969, however, the need for such a provision has become even more acute.

Those of us with children know that education costs are a grim reality. The prospects are even more alarming, however, when we consider that while the price of a college education has mounted considerably over the past few years, no relief is yet in sight. It appears that tuition hikes and a general increase in other educational expenses are something with which we shall have to live for some time to come.

In light of this situation, I think it is a tribute to the American people that approximately 55 percent of our young people attend college today.

To all but the very wealthy, this represents a substantial sacrifice.

Furthermore, these parents and students who assume the burden of paying for education are serving more than their children and themselves. They are making a tangible contribution to the future of our country, a contribution of inestimable value.

We owe a debt of gratitude to these fine citizens who are struggling to insure our Nation's future welfare. But beyond this, we have a responsibility to help them out as much as we can.

As we have been considering the pressing aspects of tax reform, we have heard a number of compelling arguments for the various groups who need our assistance. We have worked for fairness, and, of course, for financial soundness.

All right then, let us be fair, for there is no group more deserving, or more in need, of relief than the parents of college-bound children.

We cannot make a sounder investment than to help educate those who will lead our country in the days ahead.

I urge passage of this amendment.

Its impact will be immediate, and its benefits will be durable.

Mr. HARTKE. Mr. President, higher education is no longer an intellectual retreat for wealthy young men, but rather a prerequisite for success in our very competitive world. In this age of technology, a secondary school diploma is inadequate for the complex problems that concern contemporary man. Today, young people must bring more than native intelligence and commonsense to their work. They must have minds sharpened by a precise understanding of specialized topics. If this Nation is to maintain its lead in such fields as business, space exploration, and medicine, it must make a greater commitment to those institutions of learning that serve the cause of progress. And it must endeavor to open the doors of those institutions to every deserving student—rich or poor. It seems to me that one condition and one need clearly indicates that only the tuition tax credit would be a general solution to the problem.

Other measures are good and necessary, but they cannot solve the problem. Certain Federal programs will always be necessary to meet special education like those of the disadvantaged, but there will never be enough revenue to meet all educational need. Other measures to turn the resources of the private sector have proven ineffective and cumbersome.

A clear investigation reveals that the tuition tax credit meets the needs of most Americans. The merits of the tuition tax credit are that:

First. Two-thirds of the benefits would go to families earning less than $10,000 a year. A special provision cuts out the wealthy entirely.

Second. The tuition tax credit would provide substantial lessening of pressures on existing scholarship funds and would encourage the giving of scholarships by individuals to designated deserving students.

Third. The tax credit formula is weighted in favor of the public and land-grant colleges. The credit is based on 100 percent of the first $200 of tuition fees and book costs; 25 percent of the next $300, but only 5 percent of the next $1,000 of such costs. Thus, the lower-tuition schools get a higher percentage of benefits.

Fourth. Tuition tax credit allows the taxpayer to use a part of his own gross earnings to pay for his own education or that of his children. Compared to a full scholarship at the average public university, the tax credit would provide the government education dollars at a 40-percent discount—that is, tax credit would pay only $252 of the average $411 cost today.

The increasing facts of education situation reveal the need for the credit.

First. The number of students working toward undergraduate or graduate degrees has tripled in the last 15 years. One of every two citizens between the ages of 18 and 21 is a student.

Seven million students are now in colleges or universities. By 1975 there will be 9 million students, and by 1985 there will be 11 million.

The cost of higher education is increasing rapidly. The following tables demonstrate this increase:

ESTIMATED AVERAGE CHARGES PER FULL-TIME STUDENT

| | Tuition and required fees | | | |
|---|---|---|---|---|
| | All | University | Other 4 years | 2 years |
| 1958-59: | | | | |
| Public | $191 | $220 | $143 | $75 |
| Nonpublic | 738 | 862 | 667 | 386 |
| 1968-69: | | | | |
| Public | 307 | 411 | 301 | 137 |
| Nonpublic | 1,417 | 1,673 | 1,346 | 1,003 |
| PROJECTED | | | | |
| 1977-78: | | | | |
| Public | 367 | 525 | 407 | 169 |
| Nonpublic | 1,855 | 2,186 | 1,805 | 1,443 |

Second. The cost of a college education has increased greatly in the past 15 years. Between 1958 and 1968, there was a 34-percent increase in the tuition rates at public institutions of higher education, and a 59-percent increase in the tuition rates at private institutions of higher learning. It is projected that during the next decade there will be another 25-percent increase in the former and a 38-percent increase in the latter.

Third. The financial burdens of college education are becoming greater each year, because families now hope to send all their sons—and even all their daughters—to college. In 1940, college enrollment totaled only 15 percent of the 18- to 21-year-old population. Now it is 49 percent. And at the rate of $20,000 for the college education of each student, families find higher education their greatest expense.

Fourth. Students from a middle-income background are hardest hit by the lack of Federal funds, because they cannot rely on personal wealth or the Federal scholarships that are often available for indigent students.

Fifth. Because private IHL are especially in need of funds, their tuitions have been rising far more rapidly than public IHL. A result has been an excessive burden placed on public IHL in terms of student population. By the late 1970's, 80 to 90 percent of the student population will have to be in public IHL which are paid for by taxpayers.

Sixth. Present Federal aid is inadequate. Ambitious programs are handicapped by the fact that it often implies that college academic freedom would be compromised by Government patronage.

Seventh. Present Federal funds to IHL are poorly distributed. About 90 percent of Federal funds go to only 5 percent of IHL.

Eighth. Tuition tax credits have won the support of large segments of the public. A nationwide poll in June of 1968 shows that educational tax credits are supported by about 80 percent of the public.

All these facts clearly demonstrate the need for the credit, and I am glad to be one of the sponsors of the investment tax credit.

Mr. DOLE. Mr. President, I rise in support of Senator DOMINICK's amendment, because it provides sound and appropriate relief of the burden of higher education in the United States. Higher education has become a widespread and vital element of our national experi-

ence. Our increasingly complex society continues to demand more and better educated citizens to meet the challenges of today and work toward the goals of tomorrow.

The costs of higher education have risen significantly in recent years, and some form of real relief is appropriate. Higher education should be encouraged, both on the institutional and individual levels. This amendment provides encouragement for individuals, and I am proud to give it my support.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). The question is on agreeing to the amendment of the Senator from Connecticut, as modified.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BENNETT (after having voted in the negative). On this vote, I have a pair with the junior Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "aye". If I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Texas (Mr. YARBOROUGH), are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON), is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

The result was announced—yeas 53, nays 32, as follows:

[No. 180 Leg.]

YEAS—53

| | | |
|---|---|---|
| Allen | Fong | Nelson |
| Allott | Goodell | Packwood |
| Baker | Gurney | Pastore |
| Bayh | Hart | Percy |
| Bellmon | Hartke | Prouty |
| Bible | Hatfield | Proxmire |
| Boggs | Hollings | Randolph |
| Brooke | Inouye | Ribicoff |
| Burdick | Jackson | Schweiker |
| Byrd, Va. | Jordan, N.C. | Scott |
| Byrd, W. Va. | Magnuson | Spong |
| Case | Mansfield | Stevens |
| Dodd | McCarthy | Talmadge |
| Dole | McGovern | Tower |
| Dominick | McIntyre | Tydings |
| Eagleton | Montoya | Williams, N.J. |
| Ellender | Moss | Young, N. Dak. |
| Fannin | Murphy | |

NAYS—32

| | | |
|---|---|---|
| Aiken | Harris | Miller |
| Church | Holland | Mondale |
| Cooper | Hruska | Muskie |
| Cotton | Hughes | Pearson |
| Curtis | Javits | Pell |
| Eastland | Jordan, Idaho | Saxbe |
| Ervin | Kennedy | Smith, Maine |
| Fulbright | Long | Stennis |
| Gore | McClellan | Williams, Del. |
| Griffin | McGee | Young, Ohio |
| Hansen | Metcalf | |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Bennett, against.

NOT VOTING—14

| | | |
|---|---|---|
| Anderson | Gravel | Sparkman |
| Cannon | Mathias | Symington |
| Cook | Mundt | Thurmond |
| Cranston | Russell | Yarborough |
| Goldwater | Smith, Ill. | |

So Mr. RIBICOFF's amendment (No. 313), as modified, was agreed to.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMINICK and Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the names of the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Oregon (Mr. HATFIELD) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 333

Mr. TYDINGS. Mr. President, I call up amendment No. 333, to H.R. 13270, for myself and Senators EAGLETON, HART, METCALF, MONDALE, MOSS, and YOUNG of Ohio, which provides for a carryover of basis on unrealized appreciation of assets transferred at death.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. TYDINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 333), ordered to be printed in the RECORD was on page 546, after line 12, insert the following new section:

SEC. 915. BASIS OF PROPERTY ACQUIRED FROM A DECEDENT.

(a) IN GENERAL.—Section 1014 (relating to basis of property acquired from a decedent) is amended:

(1) by redesignating subsections (b) and (c) as (b) and (e), respectively, and

(2) by striking out subsection (a) and inserting the following new subsections:

"(a) IN GENERAL.—Except as otherwise provided in this section, the basis of property in the hands of a person acquiring property from a decedent, if not sold, exchanged, or otherwise disposed of before the decedent's death by such person, shall be:

"(1) In the case of a decedent dying on or before December 31, 1970, the fair market value of the property at the date of the decedent's death, or, in the case of an election under either section 2032 or section 811 (j) of the Internal Revenue Code of 1939 where the decedent died after October 21, 1942, its value at the applicable valuation date prescribed by those sections, or

"(2) In the case of a decedent dying after December 31, 1970, the basis in the hands of the decedent or the person holding such property as of the date of the death of the decedent, increased as provided in subsection (b), except that if such basis (adjusted for the period before the date of the decedent's death as provided in section 1016) is greater than the fair market value of the property at the time of the gift, then for purposes of determining loss the basis shall be the fair market value of the property at the date of the decedent's death, or, in the case of an election under section 2032 its value at the applicable valuation date prescribed by that section. If the facts necessary to determine the basis in the hands of the decedent or another holder are unknown to the recipient of the property, the Secretary or his delegate shall, if possible, obtain such facts from the estate of the decedent or any other cognizant person. If the Secretary or his delegate finds it impossible to obtain such facts, the basis in the hands of the decedent or any other holder shall be the fair market value of such property as found by the Secretary or his delegate as of the date or appropriate date at which, according to the best information that the Secretary or his delegate is able to obtain, such property was acquired by such decedent.

"(b) INCREASED BASIS FOR DEATH TAXES PAID.—

"(1) The basis under subsection (a)(2) for determining gain shall be increased (but not above the fair market value of the property at the time of the decedent's death) by the amount of the tax imposed by section 2001 or section 2101, reduced by all allowable credits, and any estate, inheritance, legacy, or succession taxes paid to any State, to a possession of the United States, to the District of Columbia, or to any foreign country, except that all such taxes on property described in sections 2042 and 691 shall be excluded.

"(2) Subject to the provisions of paragraph (3) the taxes which increase basis under paragraph (1) shall be allocated among the property included in the decedent's taxable estate (exclusive of property described in sections 2042 and 691) in accordance with regulations prescribed by the Secretary or his delegate. Any such taxes which are otherwise allocable to any particular property in the taxable estate but do not increase the basis of such property because of the parenthetical limitation in paragraph (1) shall not be reallocated to any other property in the taxable estate.

"(3) To the extent the decedent provides by will the increase in basis under this subsection which would otherwise be allowable under paragraphs (1) and (2) shall be allocated first to stock which is redeemed under section 303 (relating to distributions in redemption of stock to pay death taxes).

"(c) INSURANCE PROCEEDS.—Notwithstanding subsection (a)(2), the basis of property described in section 2042 and acquired from a decedent shall be the fair market value of such property at the date of the decedent's death, or, in the case of an election under section 2032 its value at the applicable valuation date prescribed by that section."

(b) INFORMATION REQUIREMENT.—

(1) IN GENERAL.—Subpart A of part III of subchapter A of chapter 61 (relating to information concerning persons subject to special provisions) is amended by inserting after section 6039 the following new section:

"SEC. 6039A. INFORMATION REGARDING BASIS OF PROPERTY ACQUIRED FROM A DECEDENT.

"(a) IN GENERAL.—Every executor (as defined in section 2202) shall furnish with respect to the property of the decedent such information as the Secretary or his delegate may prescribe by regulations relating to—

"(1) the name and last address of the decedent;

"(2) the name and address of each person acquiring property from the decedent or to

whom the property passed from the decedent, and a description of each item of such property;

"(3) the adjusted basis (within the meaning of section 1011) of each such item in the hands of the decedent immediately before his death; and

"(4) any other information similar or related in nature to that specified in this paragraph.

If an executor is unable to furnish all of the information required under this paragraph with respect to an item of property, he shall include in his return as much of such information as he is able to, including a description of such item and the name of every person holding a legal or beneficial interest therein, and, upon notice from the Secretary or his delegate, such person shall be treated with respect to such item as if he were an executor for purposes of this section.

"(b) STATEMENTS TO BE FURNISHED TO PERSONS WHO ACQUIRE PROPERTY FROM A DECEDENT.—Every executor who is required to furnish information under subsection (a) shall furnish in writing to each person described in subsection (a)(2) such information with respect to each item of property acquired from the decedent or passing from the decedent to such person as is required under subsection (a) and which the Secretary or his delegate may prescribe by regulations."

(2) PENALTIES.—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"SEC. 6686. FAILURE TO FILE INFORMATION WITH RESPECT TO BASIS OF PROPERTY ACQUIRED FROM A DECEDENT

"(a) INFORMATION REQUIRED TO BE FURNISHED TO THE SECRETARY.—Any executor who fails to furnish information required under section 6039A(a) on the date prescribed therefor (determined with regard to any extension of time for filing) shall pay a penalty of 1 percent of the fair market value of the property described in section 6039A(a)(2), or $5,000, whichever is less, for such failure, unless it is shown that such failure is due to reasonable cause and not to willful neglect.

"(b) INFORMATION REQUIRED TO BE FURNISHED TO BENEFICIARIES.—Any executor who fails to furnish in writing to each person described in section 6039A(a)(2) the information required under section 6039A(b), unless it is shown that such failure is due to reasonable cause and not to willful neglect, shall pay (upon notice and demand by the Secretary or his delegate and in the same manner as tax) $50 for each such failure, but the total amount imposed for all such failures shall not exceed $1,000."

(3) DISCHARGE OF EXECUTOR FROM PERSONAL LIABILITY.—Section 2204 (relating to discharge of executor from personal liability) is amended by striking out "notified," where it appears in the second sentence of such section and inserting in lieu thereof "notified or on furnishing of a bond pursuant to section 6165 in circumstances in which the Secretary or his delegate is satisfied that such payment will be made,".

Mr. TYDINGS. Mr. President, one of the largest single loopholes or truck holes in our present tax law still exists. The amendment which I offer tonight would when fully effective increase the revenues of the Treasury by between $2.5 billion and $3 billion. The amendment failed in the Committee on Finance by a vote of 8 to 4, although the chairman of the committee supported it.

We have been voting on a great many amendments in the last 4 or 5 days which perhaps could be called tax reductions rather than tax reform. This is an opportunity for the Senate to be fiscally responsible; to close a major loophole which has been recommended by virtually every tax reform group in the last 10 or 15 years.

It has always been difficult to achieve meaningful reform of our Federal tax system. Only on several occasions since the Federal income tax was initiated in 1913 have circumstances combined to create the public climate and legislative momentum true tax reform requires.

Today we stand at one of those historic moments when reform is possible. If we squander this rare opportunity to restore the equity to our tax system the taxpayers are demanding and deserve, it is difficult to foretell when such propitious circumstances will arise again.

Mr. President, the loophole to which I refer presently permits between $15 billion and $20 billion of capital gains to go untaxed each year. This amount goes untaxed because it passes through an estate. Our capital gains law is not consistent with our gift tax law.

Under present law, when an individual sells a capital asset such as stocks or real estate which has increased in value, the appreciation is subject to a capital gains tax based on the difference between the cost of the property and its sale price. However, if the property is held until the original owner dies and it passes through the estate, the cost value is automatically accelerated and takes the value of the property as of the date of death. The heir receives a stepped up value for the purpose of capital gains when he or she finally disposes of the asset. My proposal would require that all capital gains transactions be treated the same regardless of whether they went through the estate, with one exception, if an estate tax were paid, the amount of the estate tax would be added on to the cost basis of the capital asset.

It is a reasonable provision. It is a provision which would yield, when fully effective, between $2½ billion to $3 billion a year for the Treasury.

For example, if an individual buys $200,000 worth of stock and sells it 5 years later for $300,000, he must pay a capital-gains tax on the $100,000 in appreciation or increased value.

However, if this stock is held until the owner dies, the $100,000 in increased value escapes capital-gains taxation completely. The heir receives a tax-free step up in basis; that is, he is only responsible for paying a capital-gains tax on the increase in value realized from the time he inherits the property until the time he sells it.

The result is a tremendous loophole through which escapes an estimated $2.5 billion a year in potential Federal revenue.

PREVIOUS ATTEMPTS TO PLUG THIS LOOPHOLE

Proponents of tax reform have sought to eliminate this loophole on numerous occasions. In February of 1963, President John F. Kennedy proposed that the law be revised to provide for the income taxation of accrued gains on assets transferred at death. At the same time, the Ways and Means Committee discussed a similar proposal calling for the carryover of a decedent's basis to his heir.

More recently, the U.S. Treasury Department in a document sent to Congress on February 5 of this year entitled, "Tax Reform Studies and Proposals," made the case for closing this loophole again:

Associated with the needed revision of the taxation of transfers of wealth at death or by gift is a much needed revision of the income tax treamtent of appreciated property so transferred. Under present law, accumulation of wealth from ordinary income—wages, salaries, dividends, business profits—is subject to the income tax as the wealth is accumulated. Similarly, when a taxpayer sells a capital asset which has appreciated, the gain is subject to income tax.

We call that a capital gains tax.

Continuing reading:

On the other hand, if a taxpayer holds an appreciated asset until he dies, the appreciation is not subject to the income tax.

As a result of this situation, there is obvious and gross inequality in the income tax treatment of people who accumulate their estates by means of untaxed appreciation or value as compared to those who accumulate out of currently taxable income.

In other words, as compared to those who earn their money day after day and week after week.

Continuing reading:

Vast portions of capital gains—$15 billion a year—fall completely outside the income tax system.

When tax liability is allowed to depend on whether or not an appreciated asset is sold or kept until death, not only is there a serious inequity in the tax law, but particularly in the case of older people, assets become immobilized. Investors become "locked in" by the prospect of avoiding income tax completely if they hold appreciated assets until death rather than selling them. This freezing of investment positions curtails the essential mobility of capital toward areas of enterprise promising the largest rewards.

*The Treasury recommends* taxation under the income tax, in a manner similar to that of other capital gains, of the appreciation in the value of assets transferred at death or by gift.

Several weeks ago, the distinguished chairman of the Senate Finance Committee—who has done such an extraordinarily able job of handling this incredibly complex piece of tax legislation before us both in committee and on the Senate floor—recommended in committee an approach to closing this capital gains loophole similar to the one embodied in the amendment I offer today.

So the proposal to prevent unrealized appreciation of assets transferred at death from escaping taxation is not a new one. It has a history stretching back to the beginning of this decade. It has undergone the gestation period most proposals must experience before being enacted into law. This being the year of tax reform, I am hopeful that if this is a genuine tax reform bill, we will close the largest single tax truckhole left. This is a loophole larger than the oil depletion allowance loophole, so frequently mentioned. This one is perhaps the largest loophole left in our system and eliminating it would certainly go a long way toward making this tax reform bill fiscally responsible.

HOW THIS AMENDMENT WORKS

Mr. President, the amendment I offer today would bring this $15 to $20 billion in capital gains which annually escape taxation back into the tax system by pro-

viding for a carryover of basis on unrealized appreciation of assets transferred at death. This is how it would work.

If an individual bought stock at a cost of $200,000 and passed it on to an heir at death at a fair market value of $300,000, the heir would inherit the original basis or cost of $200,000. He would not have to pay a capital gains tax on the appreciated value at that time. However, when he sold the property, say at a price of $400,000, he would have to pay a capital gains tax on the full $200,000 in appreciation since the stock's original purchase—the $100,000 in increase value accumulated during the decedent's lifetime and the $100,000 in appreciation realized while the heir held it.

In other words, this amendment would close this loophole by keeping the original cost of an asset as the basis for determining a capital gains tax when the asset is eventually sold, even though the asset passed through an estate.

To put it still another way, when an heir sold appreciated property he would have to pay a capital gains tax on the entire increase in the property's value including that which occurred when the decedent held the property as well as—as is now the case—on the increase in value which occurred while the heir held it.

To avoid the problem of double taxation, the amendment would reduce the amount on which an heir would have to pay a capital gains tax when he sold the property by the amount of estate tax paid on the appreciation when the property was inherited. This would be achieved by increasing the basis carried over at death by the amount of the estate tax paid on the appreciation when the property passed through the estate.

THE AMENDMENT WOULD SOLVE FOUR MAJOR PROBLEMS

Enactment of this amendment would solve four major problems created by the current loophole.

First, it would eliminate an important inequity in our tax system which greatly favors those who have large amounts of accumulated wealth to pass on to the next generation.

Second, it would go far toward curing an undesirable economic side effect produced by the present law which distorts investment decisionmaking. Today, many older investors who would normally sell assets and reinvest the proceeds hold on to them. For they know that at death, neither their estates nor their heirs will ever have to pay the capital gains tax on the appreciated value. Capital which would otherwise be free to flow into sound and productive investments is "locked in."

If this amendment were enacted, the law would be rendered neutral in this matter. There would be no special incentive to hold appreciated property until death. And market forces would be free to operate unencumbered.

Third, this amendment would bring the laws governing the transfer of appreciated property at death into harmony with the gift tax laws. Under present law, if an individual gives a gift of stock worth $5 million which he purchased 10 years ago for $1 million, the basis to the recipient is the donor's original basis, adjusted to reflect any gift tax paid. When the recipient sells the gift, he must pay capital gains tax on the $4 million in appreciation which occurred while the donor held the stock. But if the original holder dies and leaves this same stock to his heirs through his estate, the same $4 million in appreciated value is—except for the estate taxes—forever exempted from taxation.

This amendment would eliminate this anomaly in our tax laws.

Fourth, and this is why I believe it is particularly critical that we close this capital gains loophole now, the tax reform package before the Senate promises to run a long-term deficit of at least $2.5 billion. To begin with, this deficit represents a powerful inflationary force at a time when prices are continuing to spiral upward at a rate of 6 percent a year with no end in sight. To leave the tax package fiscally unbalanced given the present state of the economy is simply irresponsible.

More importantly, enacting a tax bill which grants $2.5 billion more in tax relief than it takes in through tax reform would constitute a cruel hoax on the American taxpayer. For it looks like he is getting something for nothing.

In fact, the taxpayers of this country will ultimately have to pay for that annual $2.5 billion deficit in the form of higher prices, reduced public services, or higher taxes. The only way to transform this $2.5 billion a year into real relief for the average hard-pressed taxpayer is to offset this deficit with an additional $2.5 billion in revenue raised by tax reform.

The amendment I offer today, when fully effective, will produce an additional $2.5 billion a year in tax revenue. Thus, by enacting this amendment, Congress can move toward providing the tax bill with the long-term balance fiscal responsibility demands.

WHY WE CANNOT WAIT

Now some have suggested that this amendment should be carried over into the next session so that the Ways and Means Committee can consider it. The committee has expressed an interest in studying this matter.

However, this call for delay overlooks several vital considerations. First, history has repeatedly shown that you have to push for tax reform when the time is ripe. If we are to enact meaningful reform, it will be this year. Next year is an election year, and I fear the momentum we now have will be lost. In short, I am skeptical of any claims that we can enact this amendment as easily next year or the year after as we can today.

Second, this proposal has been before the Congress for 7 years. Both the Finance Committee and the Ways and Means Committee have discussed it. The argument that there has not been sufficient time to consider this proposal is is simply inconsistent with the facts.

Finally, I believe we owe the taxpayers of this country the broadest reform of our tax system possible, and I believe we owe it to them now. We cannot wait.

Mr. JAVITS. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I am delighted to yield to the Senator from New York.

Mr. JAVITS. One thing that seems to trouble many people about this tax loophole is the question of privately owned companies, when the owner dies and has a large stock interest in a relatively privately owned company so that there may be great appreciation in it. How does the Senator deal with that problem? There may not be a ready buyer, in many cases.

Mr. TYDINGS. My amendments would not affect the situation which the Senator brings up. There is no capital gains tax owing on that stock until such time as the heir finally sells it. The point the Senator raises would be a problem if the capital gains tax were levied at the time of death. That has been recommended by some economists. However, I did not take that approach. My amendment would provide that there would be no capital gains tax until such time as ultimately the heirs decided to sell the asset.

Mr. JAVITS. Is there any consequence of the Senator's amendment that would bring pressure upon the heir so that he would have to sell because of the nature of taxes which would be due upon death, due to appreciation of the asset?

Mr. TYDINGS. I do not follow the Senator's question.

Mr. WILLIAMS of Delaware. If the Senator would yield to me for a moment on that point, I think that the Senator is slightly in error as I understand his amendment. Our committee did study it, and the Treasury Department did not recommend this unless there were a change in the rates at the same time. I shall tell the Senator why. Just assume for the moment that a man has an estate of $1 million and he had a $100,000 cost factor in that estate. The Senator from Maryland says he will pass that cost basis over to the heirs, plus whatever inheritance tax has to be paid and that this will be the new basis when it is sold.

But it has a strange mathematical result, as we shall see in this particular case. The inheritance tax on a $1 million estate is $325,700, which he has to pay the Federal Government, and they have got to sell this $325,700 in order to raise the money to pay their estate taxes. This does not include his State inheritance tax.

The cost basis, on this formula, would be the original $100,000 plus the $325,800 tax or about 40 percent. He has to sell a part to pay the estate taxes under existing law. Under the Tydings formula the cost he uses would be about 40 percent and the balance would be subject to capital gains.

In this example he would sell securities or real estate with a market value of $325,800, and he would use a cost basis of approximately $140,000, thus owing capital gains on $185,000. Under the Gore amendment, as it was approved as a part of this same bill, the capital gains could be taxed as high as 37½ percent, or approximately $65,000 capital gains tax on the securities he had sold to pay his inheritance tax. He would now sell $65,000 more securities to pay this capital gains tax, but on this lot of securities sold he would owe another capital gains tax, and

he would need to sell some more securities to pay this tax, and so on.

Mr. TYDINGS. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. TYDINGS. I would like to respond to the Senator from Delaware that it is not as complicated as the Senator from Delaware would have us believe.

Mr. WILLIAMS of Delaware. It is not complicated at all.

Mr. TYDINGS. Basically, it would mean that the heir of the decedent of the $1 million estate, when he sold sufficient stock to pay his estate taxes, would have to pay the same capital gain tax that anybody else would have to pay if he sold his stock during his lifetime. All we are asking is that he be given the same rate on capital gains, and not to be given some treatment which costs the Treasury of the United States between $2.5 billion and $3 billion.

Mr. WILLIAMS of Delaware. I agree with that.

Mr. TYDINGS. It is just not that complicated. It is asking the same treatment, basically, that the average workingman gets when he gets his capital gain during his lifetime.

Mr. WILLIAMS of Delaware. He pays the same capital gain, but in this case he must sell the $325,700, because that is the inheritance tax set under existing law. He sells it to pay the inheritance tax, but immediately he pays the capital gains tax on the appreciation or profit on the $325,700. Then he sells some more to pay this tax. The committee has been working on this problem. I agree completely that we need a revision of the estate tax laws. I have talked with the Senator from New York on this. But when that is done the rate structure must be adjusted; otherwise he could be taxed until there is confiscation.

We should not mention names, but the name was mentioned prominently of a man who served in the Defense Department, Mr. Packard. His case was cited as an example. It was said he had a net worth of about $300 million. It was said his basis was on very little cost. Let us assume the cost was zero, which is extreme. The article said he could pass the estate on to his children and grandchildren and when they sold they could use not his original cost but present-day market values. It was claimed that using present-day market values as a cost basis of about $300 million, with no capital gains tax was a tremendous loophole. What the article did not point out was that if he left the $300 million even if it had a zero cost, under existing law he would pay the Federal Government $231 million in estate taxes. If he lived in the State of Delaware—where he should be—he would pay several more million in estate taxes to the State of Delaware. Our present Federal inheritance tax rates run to 77 percent and State inheritance taxes are in addition thereto. Besides, the lawyers know how to get their fat fees handling these estates, and the Tydings amendment has no provision for including this as a part of the cost basis.

Mr. TYDINGS. Mr. President, I sympathize with Mr. Packard, but I do not think the tax laws of the United States should be set up and continued with a major loophole to benefit those who wish to transfer tremendous estates for the benefit of their heirs. All I ask is the same treatment on capital gains for all citizens.

As the Senator knows, commission after commission and reform group after reform group has recommended—even the Senator from Delaware has recommended—that this loophole be closed. The difference is that the Senator wants estate taxes to be lowered. I appreciate his position on that. We have before us a bill which is supposed to be a tax reform proposal on which Senators have voted innumerable times—as I have—to increase tax benefits and give tax reductions. Here we have a chance to close the largest single loophole in the tax system of our present tax laws, to recoup for the Treasury between $2.5 billion and $3 billion, at a time when the President of the United States says we need to do everything possible to tighten our belt. I think we will miss a great opportunity at tax reform if we do not adopt this amendment.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. TYDINGS. I am happy to yield.

Mr. JAVITS. I think the Senator was not following me exactly. I think I get the situation. I asked the Senator whether there was anything implied in his amendment which would put pressure on the inheritor of the stock to sell it. I think the Senator from Delaware has very adequately answered that question.

Would the Senator from Maryland be agreeable, either in his amendment or in the conferees, to seeing that some way is worked out to accommodate those who would be even further jeopardized by a forced sale because of the additional tax burden. I am not in favor of seeing this loophole continued and perhaps you could devise a system where an estate with this type of problem could have additional time in which to solve it.

Mr. TYDINGS. In response to the Senator from New York, I certainly would be agreeable. I think the chairman of the Finance Committee, who certainly is familiar with this problem and also familiar with this amendment, has indicated that the Senator's comment and request are certainly reasonable. As far as I am concerned, if the amendment is adopted, I would hope the conferees would take these facts into consideration.

Mr. LONG. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LONG. If the Senator's amendment is agreed to, the provisions to allow more time would not be in conference, but there would not be trouble in amending the bill while it is still before us to deal with this problem.

Mr. CASE. Mr. President, will the Senator yield to me for clarification?

Mr. TYDINGS. I yield.

Mr. CASE. The real problem, it seems to me, is not the proposal of the Senator from Maryland which causes people to sell property in order to raise taxes. That problem exists now. In the situation which the Senator from New York poses, on estate taxes, it is the inheritor, the fiduciary of the estate who pays the taxes. He has to get it now by selling the property, and the estate consequences take place now. I do not think the Senator would want to add to the enormity of the problems which already exist.

Mr. WILLIAMS of Delaware and Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland has the floor. To whom does he yield?

Mr. TYDINGS. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, it is very important to crystallize the issue, because we are all trying to get to the point. Is not a major part of the argument of the Senator from Delaware that the inheritance tax rates partially reflect that the tax on the capital gains may be avoided, and the Senator from Maryland argues that they do not, that the inheritance tax rates do not discount that capital gains may be avoided and therefore the capital gain should be paid in addition? Is not that the essence of the issue?

Mr. WILLIAMS of Delaware. Not entirely. I have talked with the Senator from New York about this. I point out that Mr. Surrey, who is quoted so much on the other side of the aisle as an authority on reform, agrees with me on this point. When such a change as this is made the rate structure must be changed. If it is not it practically adds up to confiscation. Estate taxes, attorneys' fees, and other costs have to be taken into consideration.

On a gift tax the basis of the donor is carried over, and the gift tax is added to that. That is the new basis, but the man who receives this gift is not confronted with a forced sale. Besides, gift taxes are at lower rates to compensate for the changed formula.

A man with an inheritance tax is confronted with a forced sale to pay the inheritance tax. My friend from Maryland and I have been trying to work this out together and were unable to get a formula in time. A suggestion has been made that we could allow a man to sell without a capital gains tax that portion of the estate which was necessary to pay the inheritance tax.

At first blush, that looked like an answer to it. Then the Treasury Department called to our attention that the man who inherited the estate could manipulate this around and sell that portion which had the largest capital gain, rather than a security with the highest cost basis, for example.

Then there is another point. Suppose a man dies and has a capital loss. I cite the case that came up in the discussion on this bill. It arose when we were discussing tax-exempt bonds. Much of this

discussion arose because there was a lady in the Midwest who had placed her entire fortune of about $60 million in tax-exempt bonds, which is permissible under today's laws, and she is paying no tax at all. The question was, How should we approach that situation?

The committee bill does not deal with tax-exempt bonds. But just take her case as a hypothetical case: We know that based on present market conditions she has at least a 30-percent loss in her bond portfolio. That is an example where a person has about a $15 million loss.

Unless we could work that problem out some way the Government would owe her money, because if under the Tydings amendment the Government is going to put them on a capital gains basis we have got to give them credit for capital losses. The man who is dead cannot use this as a carry-forward loss, and we have a built-in capital loss. That is another factor that the Treasury Department said we would have to work out.

The Senator from Maryland has put his finger on something that needs to be dealt with, and the House Ways and Means Committee is working on it. I would be delighted to work with the Senator and others on a formula to use actual cost as a carryover basis, to be meshed in with a new rate structure, not to achieve a tax reduction but simply to establish equity.

I hope the Senator from Maryland will withhold his amendment at the present time, because I could not support it now, though I agree completely with his objective. I think the chairman of the committee would concur that we would promise to put this subject at the top of the agenda of our committee next year and try to come back with some kind of a solution. I am afraid if we were to take the Senator's proposal to conference, working under the severe time limitation that we are, it would just be taken to conference and dropped and that would give it a negative reaction when, at the same time, I think the Senator has put his finger on something that needs to be dealt with. I do not think the amendment as drafted will accomplish the purpose, and it should be withdrawn or defeated.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I think the Senator from Louisiana will agree that we would put this at the top of the agenda next year.

Mr. TYDINGS. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, the Senator is unquestionably talking about the one big, glaring loophole about which absolutely nothing has been done in this bill. If the Senator would modify his amendment to say that if the property in question had not been taxed at all, if zero tax had been paid, you would not get a stepped-up base, it is hard for me to see how anyone could quarrel with that.

Let us say that the father, John, who bought it originally, pays $1,000 for something, and at his death he leaves it to his son, Sam. At that point, let us say, it is worth $50,000.

Sam paid nothing for it, and he inherits it, but $60,000 is exempt for estate tax purposes, so no tax has been paid.

When son Sam sells it, he then has a $50,000 base, if he sells it for $100,000, although nothing was ever paid for it but $1,000 to begin with. If Father John had never died, when he sold it, he would have had a $1,000 base, and if it were worth, say, $100,000, he would pay the capital gain on the $99,000. Why should the son have a tax advantage over his father, when not a thing has been paid in taxes anywhere along the line? Why should Son Sam receive any better tax treatment than Father John? Neither of them pays 5 cents in taxes on it; why should not that stock, let us say, bear the initial base rather than a stepped-up base, when no tax was paid anyway?

Mr. TYDINGS. Mr. President, let me comment, if I may, on the Senator's question.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Will the Senator from Maryland yield to the Senator from North Carolina for a question?

Mr. TYDINGS. All right, I yield.

Mr. ERVIN. If a man buys a property for $1,000, and it is worth $100,000 at the time of his death, he certainly has to pay an estate tax on that property; so the Senator from Louisiana is absolutely in error when he says that neither this man nor his son John have paid anything in taxes on the property.

Mr. LONG. I said assuming it was worth $50,000 at the time of the father's death, no tax would have been paid, because he had a $60,000 exemption from estate taxes.

But if that same situation had occurred, and the father had given his son the same property, it would work out just exactly the way the Senator is advocating. He would have a $1,000 base, plus any tax, if any tax had indeed been paid on it; but if no tax has been paid, all he would have would be the $1,000 base that the father had when he gave it to the son, and when he, then, proceeded to sell it later for $100,000, he would be taxed on the $100,000. If something has passed from one to another without any tax being paid, I cannot see why the full tax should not be paid on that transaction.

Mr. PELL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Rhode Island.

Mr. PELL. Mr. President, at first blush this amendment seems to have great merit. Then, as I read it, I find some troublesome questions.

First, it occurs to me that rather than increasing the mobility of capital, it would decrease it, because the heir will be locked into the property himself. So we would find that the tendency to unload the stock or the asset would be postponed, rather than otherwise.

Mr. TYDINGS. Does the Senator mean he would be locked in because he would have to pay the same capital gains tax as his father, the man who bought the asset to begin with? Does the Senator consider that being locked in, because you have to pay the normal capital gains tax?

Mr. PELL. He is just as locked in as his father.

Mr. TYDINGS. He is put in a better position than his father was.

Mr. PELL. Well, he is.

Mr. TYDINGS. That is the inequity, and it costs the taxpayers $2.5 billion a year.

Mr. PELL. I just wanted to point out that the property would be locked in for a longer, not for a shorter period. I would point out further that the tax would be regressive, because the heir of a rich man with an increased tax base will have a smaller capital gains tax to pay when he sells than would the heir of a poor man.

Mr. TYDINGS. No, he would not.

Mr. PELL. Yes, he would. Figure it out.

Mr. TYDINGS. I do not believe it would be correct.

Mr. PELL. The rich man leaves an estate worth a million dollars, and the value of a unit of property in the estate—is the same as that in the estate of a poor man. But because of the greater estate tax paid, the tax base cost for the rich man's heir would be less.

Mr. TYDINGS. Estate taxes are graduated. If you have a small estate, you pay a lower rate than if you have a large estate.

Mr. PELL. All right. But the heir of the rich man's estate would have paid the larger rate, and the difference in value between the acquisition-cost value and the actual value would be less for the rich man than for the poor man.

Mr. TYDINGS. No; the value will depend on the original cost basis.

Mr. PELL. Then this question comes to mind: His total assets are in a house. If his children inherit the house, and his estate pays the estate tax on it, and his children move to California, will they not then be in a position where they will have to pay a confiscatory tax on the house, and not be able to buy a house in California?

Mr. TYDINGS. No. When you sell your residence, under the present capital gains law, if you invest in another residence within a specified period of time, any capital gain is excluded, provided you reinvest it in another home.

Mr. PELL. The Senator is correct, and on that point I am incorrect.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CURTIS. As massive as this bill is—585 pages—it is totally impossible for it to deal with every tax problem that exists. Estate taxes need some attention, but they have to be considered as a package. Estate taxes, gift taxes, and capital gains taxes, as the distinguished Senator from Delaware has pointed out, have to be considered together, and an adjustment of one, without taking into account the others and an appropriate adjustment in rates, will lead to all sorts of problems.

Mr. TYDINGS. Mr. President, I agree with the distinguished Senator from Ne-

braska. But this is not an estate tax that we are talking about. I agree 100 percent with the Senator that an estate tax ought to be considered. However, we are talking about a part of the income tax structure known as capital gains.

Mr. CURTIS. But this is a part of the estate tax because it involves the total tax involved in the transfer of property from one generation to the other.

The American Bar Association Committee on Taxation and, I think, the Law Institute have been doing some work for a long time. It is about ready with its report on the whole area of gift and estate taxes. It is very much in need of reform. However, we cannot take one portion of it without creating more problems than exist now.

I hope the amendment will be rejected.

Mr. TYDINGS. Mr. President, the American people are looking to Congress to enact a tax reform measure. The President of the United States on at least two or three occasions within the last 2 or 3 weeks has urged Congress to report a fiscally responsible tax reform measure which does not result in a deficit cost to the Treasury of the United States.

We do not know what the Ways and Means and Finance Committees conferees will finally come up with. However, certainly if this amendment were agreed to and taken to conference, we would have a far better chance of living up to our responsibility and to the admonition of the President of the United States to report a fiscally responsible tax reform measure than we would if the bill were to go to conference without the amendment.

I concur with the sentiments of the Senator from Delaware that the area of the estate tax, the entire area of bequests, needs to be reconsidered and revised and studied. However, this is the first major income tax reform package we have had a chance to vote on in Congress for many years. And if we pass it by without voting to close this major loophole, I think we will be deficient in our responsibility.

I hope that the Senator from Delaware realizes the need to support the measure and will agree to take it to conference and see if the conferees cannot use it in conference to come back with a fiscally responsible tax measure and not wind up still having the largest single glaring tax loophole for the American people.

Mr. WILLIAMS of Delaware. Mr. President, the Senator has made an eloquent plea for the conferees to bring back a bill that is properly balanced. I wish I could have that confidence in the conferees. I only wish that speech had been made and listened to a little earlier when other votes were being taken.

The Senate has already, by its preceding votes, caused a loss in revenue to the Government of $10 billion in the fiscal year 1970. This is a result of Senate action compared with the bill reported by the committee.

We are not going to correct that deficiency here. That estimate of $10 billion does not take into consideration the Ribicoff amendment which would result in an additional $1.7 billion loss. That loss will not become effective for 2 years.

In 1970 we will lose, to be exact, $9.950 billion as a result of the action of the Senate in the last few days in passing amendments.

When we talk about fiscal responsibility it sounds very nice, but speeches have very little cash value.

Mr. TYDINGS. Mr. President, the Senator would agree that an additional $2.5 billion in the Treasury would help.

Mr. WILLIAMS of Delaware. I would agree on that. I wish the Senator could have been more enthusiastic on the other votes.

Mr. TYDINGS. I voted with the Senator on tax depletion.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. TYDINGS. I have voted with the Senator time and again.

Mr. WILLIAMS of Delaware. Mr. President, this may be an area that needs to be dealt with. However, it cannot be dealt with on the Senate floor, nor can it be handled in the conference, with all of the major problems that the conferees have, and get a bill back to the Senate in time to act before the end of the year.

I call attention again to a hypothetical case. Take the case of a man with a $1 million estate. Say that he has a $100,000 cost factor. When he dies he owes $325,700 in estate taxes. They have to sell a part of the estate to raise the money to pay the inheritance taxes.

They take the $325,700 and add it to the $100,000 as a new basis of cost. That brings them to $425,700, or a little more than 40 percent cost that they can carry forward.

When they sell $325,000 worth of securities to pay the inheritance tax they use a cost factor of about $150,000 against it, and he has $175,000 profit, or capital gains.

When the Senate agreed to the Gore amendment it raised the top capital gain rate to 37.5 percent. Under the Tydings amendment the heirs would be forced to sell more property in order to pay the capital gains tax on the property sold to pay the inheritance tax. They would then have to sell more of the estate to raise this extra money, thus creating an obligation for more capital gains tax. They have to sell more in order to pay that. That is near confiscation.

If that is what Senators want to do, then vote for the Tydings amendment.

Mr. President, I am ready to vote.

Mr. TYDINGS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN (when his name was called). On this vote I have a pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. MANSFIELD (after having voted in the affirmative). On this vote I have a pair with the distinguished Senator from Wisconsin (Mr. NELSON). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. STEVENS (when his name was called). Present.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MCCARTHY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. NELSON), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from North Dakota (Mr. YOUNG) is detained on official business.

If present and voting, the Senator from Illinois (Mr. SMITH) would vote "nay."

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

The result was announced—yeas 31, nays 47, as follows:

[No. 181 Leg.]

YEAS—31

| | | |
|---|---|---|
| Allen | Hart | Mondale |
| Bayh | Hartke | Moss |
| Bellmon | Hatfield | Muskie |
| Burdick | Holland | Pastore |
| Case | Hollings | Proxmire |
| Dodd | Hughes | Ribicoff |
| Eagleton | Javits | Schweiker |
| Ellender | Long | Spong |
| Fulbright | McGee | Tydings |
| Gore | Metcalf | |
| Harris | Miller | |

NAYS—47

| | | |
|---|---|---|
| Aiken | Ervin | Murphy |
| Allott | Fannin | Packwood |
| Baker | Fong | Pearson |
| Bennett | Goodell | Pell |
| Bible | Gurney | Percy |
| Boggs | Hansen | Prouty |
| Brooke | Hruska | Randolph |
| Byrd, Va. | Inouye | Saxbe |
| Byrd, W. Va. | Jackson | Scott |
| Church | Jordan, N.C. | Smith, Maine |
| Cooper | Jordan, Idaho | Stennis |
| Cotton | Kennedy | Talmadge |
| Curtis | Magnuson | Tower |
| Dole | McClellan | Williams, N.J. |
| Dominick | McIntyre | Williams, Del. |
| Eastland | Montoya | |

ANSWERED "PRESENT"—1

Stevens

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Griffin, for.
Mansfield, against.

NOT VOTING—19

| | | |
|---|---|---|
| Anderson | McCarthy | Symington |
| Cannon | McGovern | Thurmond |
| Cook | Mundt | Yarborough |
| Cranston | Nelson | Young, N. Dak. |
| Goldwater | Russell | Young, Ohio |
| Gravel | Smith, Ill. | |
| Mathias | Sparkman | |

So Mr. TYDINGS' amendment was rejected.

Mr. BENNETT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. WILLIAMS of Delaware. I move to lay that motion on the table.

Mr. MANSFIELD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, the tax reform bill presently before us contains a number of very significant provisions. Most have been thoroughly debated, and therefore the public is very much aware of them.

There is in the bill, however, a little noticed provision of immense importance to hundreds of small businessmen all over America.

I am referring to section 516 of the bill which adds a new section, section 1252, entitled "Transfers of Franchises, Trademarks, and Trade Names," to the Internal Revenue Code. That section clarifies the law with respect to the tax treatment to be accorded some of the payments made by small business franchisees for their franchises. Specifically, the bill explicitly provides that the contingent payments made by a franchisee under existing and future franchise agreements are deductible as ordinary and necessary business expenses. Identical treatment is afforded in the case of trademarks and trade names.

The business phenomenon of franchising has, as we know, given a tremendous boost to the whole area of small business in the United States. Franchising came into prominence only relatively recently, at a time when it appeared that the sole business proprietor, the "little man," had forever lost his opportunity to compete in a marketplace of growing business giants. Efforts to hold open the opportunity for individual Americans with limited capital to enter into businesses of their own deserve our encouragement, and this provision of the tax bill provides that kind of encouragement. It does so very simply—merely by clearing up the thrust of existing law which had been made uncertain by court decisions.

I think the necessity for the clarification of the law is well illustrated by the following example which appears as part of the testimony taken by the Senate Finance Committee in the course of developing this tax reform bill:

THE PROBLEM—AN ILLUSTRATIVE CASE

FACTS

Assume that Mr and Mrs. John Public, a retired but still vigorous couple who have accumulated a sum of money by diligent saving, respond to an advertisement in a financial journal stating that "a food franchising business with good income potential is available for a modest capital investment." They are contacted by the franchisor who shows Mr. and Mrs. Public the standard franchise agreement (which, in fact, is essentially like many existing franchise arrangements) pursuant to which they would be granted the exclusive right to prepare and sell spareribs under the trade name "Super Ribs" in a defined geopraphical area. Mr. and Mrs. Public's rights would continue as long as they maintained a certain quality standard and made an annual payment of 25 cents per pound of spareribs sold.

Mr. and Mrs. Public sign the agreement and in 1968 they sell 100,000 pounds of spareribs at $1.00 per pound. They pay the franchisor $25,000 and incur additional costs and expenses of $63,000 in 1968. Accordingly, Mr. and Mrs. Public report $12,000 ($100,000 less total costs of operation, $88,000) on their 1968 return as income from the operation of the franchise business.

Mr. and Mrs. Public's 1968 return as audited and the revenue agent disallows the deduction taken for the $25,000 franchise payment on the ground that the franchise agreement granted Mr. and Mrs. Public "all substantial rights" to the trade name "Super Ribs" in the specified territory. The agent maintains that such rights represent a capital asset having an indeterminate useful life and that, accordingly, the franchise payment of $25,000 represents a non-deductible capital outlay.

THE DECISION IN DUNN V. UNITED STATES

In September 1968 the Court of Appeals for the Tenth Circuit in *Dunn* v. *United States*, 400 F.2d 679, affirming, 259 F. Supp. 828 (D.C. Okla. 1966), a case involving payments of 28 cents per gallon of Dairy Queen mix used by a franchisee, upheld the Internal Revenue Service position. The gallonage payments were disallowed as a depreciation deduction with respect to the cost of the asset purchased thereby, viz., the franchise right to market under the Dairy Queen name, solely because the life of the franchise was of an unascertainable length (it could be ended by the franchisee by non-payment of the gallonage charges or by a voluntary surrender of the franchise, or by the franchisor upon violation of the terms of the agreement by the franchisee).

THE DISASTROUS ECONOMIC CONSEQUENCES OF THE DUNN DECISION

Let us examine the intolerable economic situation into which Mr. and Mrs. Public have been placed by the *Dunn* decision. Now their taxable income for 1968 has been increased to $37,000. Twenty-five thousand dollars of this $37,000 ordinary income represents an "investment" in an asset which has little or no resale value.* The remaining $12,000 earned by Mr. and Mrs. Public from the operation of their franchise will probably be barely sufficient to cover the income tax due on this alleged $37,000 income.** If the audit occurs in 1972 the situation is even more drastic since Mr. and Mrs. Public would be faced with having three taxable years in issue with a substantial interest payment to boot. It is not unlikely that this tax situation will force Mr. and Mrs. Public to business will have departed from the U.S. abandon their franchise—and another small scene.

Mr. President, by removing the doubts surrounding the tax treatment of the cost of acquiring a franchise, this tax bill will stimulate the growth of small business in America. Without the new section, the new vitality of American small business would begin to ebb once again. I look forward—and I am certain my colleagues do—to the passage of this bill and enactment of this new section before us into positive law.

*It is difficult to imagine that anyone would be willing to pay the franchise his cost basis for the franchise and, in addition, assume the burden of continuing the production payments to the original franchisor with no tax benefit in the form of a current deduction for any of the payments.

**The increase in state income taxes must also be taken into account.

AMENDMENT NO. 315

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of amendment No. 315.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 189, beginning with line 16, strike out all through line 7, on page 195, insert the following:

SEC. 211. FARM LOSSES.

(a) IN GENERAL.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding after section 277 (added by section 121(b)(3) of this Act) the following new section:

"SEC. 278. LIMITATION ON DEDUCTIONS ATTRIBUTABLE TO FARMING.

"(a) GENERAL RULE.—In the case of a taxpayer engaged in the business of farming, the deductions attributable to such business which, but for this section, would be allowable under this chapter for the taxable year shall not exceed the sum of—

"(1) the adjusted farm gross income for the taxable year, and

"(2) the higher of—

"(A) the amount of the special deductions (as defined in subsection (d)(3)) allowable for the taxable year, or

"(B) $15,000 ($7,500 in the case of a married individual filing a separate return), reduced by the amount by which the taxpayer's adjusted gross income (taxable income in the case of a corporation) for the taxable year attributable to all sources other than the business of farming (determined before the application of this section) exceeds $15,000 ($7,500 in the case of a married individual filing a separate return).

"(b) EXCEPTION FOR TAXPAYERS USING CERTAIN ACCOUNTING RULES.—

"(1) IN GENERAL.—Subsection (a) shall not apply to a taxpayer who has filed a statement, which is effective for the taxable year, that—

"(A) he is using, and will use, a method of accounting in computing taxable income from the business of farming which uses inventories in determining income and deductions for the taxable year, and

"(B) he is charging, and will charge, to capital account all expenditures paid or incurred in the business of farming which are properly chargeable to capital acount (including such expenditures which the taxpayer may, under this chapter or regulations prescribed thereunder, otherwise treat or elect to treat as expenditures which are not chargeable to capital account).

"(2) TIME, MANPOWER, AND EFFECT OF STATEMENT.—A statement under paragraph (1) for any taxable year shall be filed within the time prescribed by law (including ex-such taxable year, and shall be made and filed in such manner as the Secretary or his delegate shall prescribe by regulations. Such statement shall be binding on the taxpayer, and be effective, for such taxable year and for all subsequent taxable years and may not be revoked except with the consent of the Secretary or his delegate.

"(3) CHANGE OF METHOD OF ACCOUNTING, ETC.—If, in connection with a statement under paragraph (1), a taxpayer changes his method of accounting in computing taxable income or changes a method of treating expenditures chargeable to capital account, such change shall be treated as having been made with the consent of the Secretary or his delegate and, in the case of a change in method of accounting, shall be treated as a change not initiated by the taxpayer.

"(c) CARRYBACK AND CARRYOVER OF DISALLOWED FARM OPERATING LOSSES.—

"(1) IN GENERAL.—The disallowed farm operating loss for any taxable year (herein-

after referred to as the 'loss year') shall be—

"(A) a disallowed farm operating loss carryback to each of the 3 taxable years preceding the loss year, and

"(B) a disallowed farm operating loss carryover to each of the 5 taxable years following the loss year,

and (subject to the limitations contained in paragraph (2)) shall be allowed as a deduction for such years, under regulations prescribed by the Secretary or his delegate, in a manner consistent with the allowance of the net operating loss deduction under section 172.

"(2) LIMITATIONS.—

"(A) IN GENERAL.—The deduction under paragraph (1) for any taxable year for disallowed farm operating loss carrybacks and carryovers to such taxable year shall not exceed the taxpayers' net farm income for such taxable year.

"(B) CARRYBACKS.—The deduction under paragraph (1) for any taxable year for disallowed farm operating loss carrybacks to such taxable year shall not be allowable to the extent it would increase or produce a net operating loss (as defined in section 172(c)) for such taxable year.

"(3) TREATMENT AS NET OPERATING LOSS CARRYBACK.—Except as provided in regulations prescribed by the Secretary or his delegate, a disallowed farm operating loss carryback shall, for purposes of this title, be treated in the same manner as a net operating loss carryback.

"(d) DEFINITIONS.—For purposes of this section—

"(1) ADJUSTED FARM GROSS INCOME.—The term 'adjusted farm gross income' means, with respect to any taxable year, the gross income derived from the business of farming for such taxable year (including recognized gains derived from sales, exchanges, or involuntary conversions of farm property), reduced, in the case of a taxpayer other than a corporation, by an amount equal to 50 percent of the lower of—

"(A) the amount (if any) by which the recognized gains on sales, exchanges, or involuntary conversions of farm property which, under section 1231(a), are treated as gains from sales or exchanges of capital assets held for more than 6 months exceed the recognized losses on sales, exchanges, or involuntary conversions of farm property which under section 1231(a) are treated as losses from sales or exchanges of capital assets held for more than 6 months, or

"(B) the amount (if any) by which the recognized gains described in section 1231(a) exceed the recognized losses described in such section.

"(2) NET FARM INCOME.—The term 'net farm income' means, with respect to any taxable year, the gross income derived from the business of farming for such taxable year (including recognized gains derived from sales, exchanges, or involuntary conversions of farm property), reduced by the sum of—

"(A) the deductions allowable under this chapter (other than by subsection (c) of this section) for such taxable year which are attributable to such business, and

"(B) in the case of a taxpayer other than a corporation, an amount equal to 50 percent of the amount described in subparagraph (A) or (B) of paragraph (1), whichever is lower.

"(3) SPECIAL DEDUCTIONS.—The term 'special deductions' means the deductions allowable under this chapter which are paid or incurred in the business of farming and which are attributable to—

"(A) taxes,

"(B) interest,

"(C) the abandonment or theft of farm property, or losses of farm property arising from fire, storm, or other casualty,

"(D) losses and expenses directly attributable to drought, and

"(E) recognized losses from sales, exchanges, and involuntary conversions of farm property.

"(4) FARM PROPERTY.—The term 'farm property' means property which is used in the business of farming and which is property used in the trade or business within the meaning of paragraph (1), (3), or (4) of section 1231(b) (determined without regard to the period for which held).

"(5) DISALLOWED FARM OPERATING LOSS.—The term 'disallowed farm operating loss' means, with respect to any taxable year, the amount disallowed as deductions under subsection (a) for such taxable year, reduced, in the case of a taxpayer other than a corporation, by an amount equal to 50 percent of the amount described in subparagraph (A) or (B) of paragraph (1), whichever is lower.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) BUSINESS OF FARMING.—A taxpayer shall be treated as engaged in the business of farming for any taxable year if—

"(A) any deduction is allowable under section 162 or 167 for any expense paid or incurred by the taxpayer with respect to farming, or with respect to any farm property held by the taxpayer, or

"(B) any deduction would (but for this paragraph) otherwise be allowable to the taxpayer under section 212 or 167 for any expense paid or incurred with respect to farming, or with respect to property held for the production of income which is used in farming.

For purposes of this paragaph, farming does not include the raising of timber. In the case of a taxpayer who is engaged in the business of farming for any taxable year by reason of subparagraph (B), property held for the production of income which is used in farming shall, for purposes of this chapter, be treated as property used in such business.

"(2) INCOME AND DEDUCTIONS.—The determination of whether any item of income is derived from the business of farming and whether any deduction is attributable to the business of farming shall be made under regulations prescribed by the Secretary or his delegate, but no deduction allowable under section 1202 (relating to deduction for capital gains) shall be attributable to such business.

"(3) CONTROLLED GROUP OF CORPORATIONS.—If two or more corporations which—

"(A) are component members of a controlled group of corporations (as defined in section 1563) on a December 31, and

"(B) have not filed a statement under subsection (b) which is effective for the taxable year which includes such December 31,

each have deductions attributable to the business of farming (before the application of subsection (a)) in excess of its gross income derived from such business for its taxable year which includes such December 31, then, in applying subsection (a) for such taxable year, the $15,000 amount specified in paragraph (2)(B) of such subsection shall be reduced for each such corporation to an amount which bears the same ratio to $15,000 as the excess of such deductions over such gross income of such corporation bears to the aggregate excess of such deductions over such gross income of all such corporations.

"(4) PARTNERSHIPS.—A business of farming carried on by a partnership shall be treated as carried on by the members of such partnership in proportion to their interest in such partnership. To the extent that income and deduction attributable to a business of farming are treated under the preceding sentence as income and deductions of members of a partnership, such income and deductions shall, for purposes of this chapter, not be taken into account by the partnership.

"(5) TWO OR MORE BUSINESSES.—If a taxpayer is engaged in two or more businesses of farming, such businesses shall be treated as a single business.

"(6) RELATED INTEGRATED BUSINESSES.—If a taxpayer is engaged in the business of farming and is also engaged in one or more businesses which are directly related to his business of farming and are conducted on an integrated basis with his business of farming, the taxpayer may elect to treat all such businesses as a singled business engaged in the business of farming. An election under this paragraph shall be made in such manner, at such time, and subject to such conditions as the Secretary or his delegate may prescribe by regulations.

"(7) SUBCHAPTER S CORPORATIONS AND THEIR SHAREHOLDERS.—

"For special treatment of electing small business corporations which do not file statements under subsection (b) and of the shareholders of such corporations, see section 1380.

"(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) SUBCHAPTER S CORPORATIONS.—Subchapter S (relating to election of certain small business corporations as to taxable status) is amended by adding after section 1379 (as added by section 531(a) of this Act) the following new section:

"SEC. 1380. ELECTING SMALL BUSINESS CORPORATIONS ENGAGED IN BUSINESS OF FARMING.

"(a) SEPARATE APPLICATION TO FARMING INCOME AND DEDUCTIONS.—Under regulations prescribed by the Secretary or his delegate, an electing small business corporation which is engaged in the business of farming during its taxable year (other than a corporation which has filed a statement under section 278(b) which is effective for such taxable year), and the shareholders of such corporation, shall apply the provisions of sections 1373 through 1378, separately with respect to—

"(1) income derived from the business of farming by such corporation and deductions attributable to such business, and

"(2) all other income and deductions of such corporation.

In computing the taxable income and undistributed taxable income, or net operating loss, of such corporation with respect to the business of farming, no deduction otherwise allowable under this chapter shall be disallowed to such corporation under section 278.

"(b) SHAREHOLDERS TREATED AN ENGAGED IN BUSINESS OF FARMING, ETC.—For purposes of section 278—

"(1) each shareholder of an electing small business corporation to which subsection (a) applies shall be treated as engaged in the business of farming.

"(2) the undistributed taxable income of such corporation which is included in the gross income of such shareholder under section 1373 and is attributable to income and deductions referred to in subsection (a)(1), and dividends received which are attributable to such income and deductions and are distributed out of earnings and profits of the taxable year as specified in section 316(a)(2), shall be treated as income derived from the business of farming by such shareholder, and

"(3) the deduction allowable (before the application of section 278) to such shareholder under section 1374 as his portion of such corporation's net operating loss attributable to income and deductions referred to in subsection (a)(1) shall be treated as a deduction attributable to the business of farming.

"(c) SPECIAL RULES OF SECTION 298(e) AP-

PLICABLE.—For purposes of this section, the special rules set forth in section 278(e) shall apply."

(c) CLERICAL AND CONFORMING AMENDMENTS.—(1) The table of section for part IX of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 278. Limitation on deductions attributable to farming."

(2) Section 172(1) is amended by adding at the end thereof the following new paragraph:

"(3) For limitations on deductions attributable to farming and special treatment of disallowed farm operating losses, see section 278."

(3) Section 381(c) is amended by adding at the end thereof the following new paragraph:

"(24) FARM OPERATION LOSS CARRYOVERS.—The acquiring corporation shall take into account, under regulations prescribed by the Secretary or his delegate, the disallowed farm operating loss carryovers under section 278 of the distributor or transferor corporation."

(4) The table of sections for subchapter S is amended by adding at the end thereof the following new item:

"Sec. 1380. Electing small business corporations engaged in business of farming."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969, except that for purposes of applying section 278(c) of the Internal Revenue Code of 1954 (as added by subsection (a)) with respect to disallowed farm operating losses of any taxpayer for taxable years beginning after such date—

(1) such amendments shall also apply to the 3 taxable years of such taxpayer preceding the first taxable year beginning after such date, and

(2) in the case of a taxpayer to whom section 1380(b) of such Code (as added by subsection (b)) applies for any of his first 3 taxable years beginning after such date, section 1380 of such Code shall apply with respect to the electing small business corporation of which such taxpayer is a shareholder for the 3 taxable years preceding each such taxable year of such taxpayer, but only with respect to any such preceding taxable year for which the corporation was an electing small business corporation.

Mr. METCALF. Mr. President, I promised to yield to several Members. I say to the majority leader that I intend to make a statement about the amendment tonight, but I hope there will not be a vote on the amendment until sometime tomorrow.

Mr. MANSFIELD. That is correct.

Mr. President, will the Senator yield?

Mr. METCALF. I yield.

## ADDITIONAL SUPERGRADE POSITIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily and that the Senate proceed to the consideration of Calendar No. 556, S. 2325.

The PRESIDING OFFICER. Without objection, the pending business will be laid aside temporarily.

The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2325) to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment at the top of page 2, insert:

(e)(1) Section 5108(c) of such title is amended by striking out "and" at the end of paragraph (8), by striking out the period at the end of paragraph (9) and inserting "; and" in place thereof, and by inserting the following new paragraph:

"(10) The Secretary of the Smithsonian Institution, subject to the standards and procedures prescribed by this chapter, may place a total of eight positions in the Smithsonian Institution in GS–16, 17, and 18."

(2) Section 5315 is amended by inserting the following new paragraph after paragraph (91):

"(92) Assistant Secretary, Smithsonian Institution."

So as to make the bill read:

S. 2325

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 5108(a) of title 5, United States Code, is amended by striking out "2,577" and inserting in lieu thereof "2,727".

(b) Section 5108(b)(2) of such title is amended by striking out "28" and inserting in lieu thereof "44".

(c) Section 5108(c)(1) of such title is amended by striking out "64" and inserting in lieu thereof "90".

(d) Section 5108(c)(2) of such title is amended by striking out "110" and inserting in lieu thereof "140".

(e)(1) Section 5108(c) of such title is amended by striking out "and" at the end of paragraph (8), by striking out the period at the end of paragraph (9) and inserting "; and" in place thereof, and by inserting the following new paragraph:

"(10) The Secretary of the Smithsonian Institution, subject to the standards and procedures prescribed by this chapter, may place a total of eight positions in the Smithsonian Institution in GS–16, 17, and 18."

(2) Section 5315 is amended by inserting the following new paragraph after paragraph (91):

"(92) Assistant Secretary, Smithsonian Institution."

SEC. 2. Section 4 of the Act entitled "An Act to provide certain administrative authorities for the National Security Agency, and for other purposes", approved May 29, 1959, as amended (50 U.S.C. 402, note), is amended to read as follows:

"SEC. 4. The Secretary of Defense (or his designee for the purpose) is authorized to—

"(1) establish in the National Security Agency (A) professional engineering positions primarily concerned with research and development and (B) professional positions in the physical and natural sciences, medicine, and cryptology; and

"(2) fix the respective rates of pay of such positions at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

Officers and employees appointed to positions established under this section shall be in addition to the number of officers and employees appointed to positions under section 2 of this Act who may be paid at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule.".

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. STEVENS. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 1, line 5, strike out "2,727" and insert in lieu thereof "2,772".

On page 3, after line 10, add the following new section:

SEC. 3. Of the additional positions authorized to be placed in GS–16, 17, and 18 by the amendment made by subsection (a) of the first section of this Act, 45 positions shall initially be allocated by the Civil Service Commission to those positions which the Commission determines are identical or substantially identical to positions now classified in GS–16, 17, or 18, but which have not been identically classified because of the numerical limitations contained in section 5108(a) of title 5, United States Code, prior to the date of enactment of this Act.

Mr. STEVENS. Mr. President, I appreciate this opportunity to address the Senate concerning an amendment which is important to civil service employees in regional offices throughout the United States.

Unfortunately, I was in Alaska when S. 2325, a bill to create 150 new civil service supergrade positions, was considered by the Post Office and Civil Service Committee, and the amendment I am now offering was not considered at that time.

My amendment to S. 2325 will correct a major deficiency in the assignment of different salary grades to Federal regional offices having the same responsibilities. Due to a lack of supergrade positions, personnel in field offices are working in similar posts by description and responsibility but are not receiving the same pay scale. The amendment I propose will create 45 additional supergrade positions throughout the United States to eliminate this inequity. These positions will involve only field offices, not the central offices in Washington, D.C.

The administration's representative, the Hon. Robert E. Hampton, Chairman of the U.S. Civil Service Commission, testified in hearings held on July 9, 1969, before the Post Office and Civil Service Committee in support of such an amendment. He stated at that time that there are presently 45 inequities in supergrade-type positions primarily in the field service of Federal agencies that need to be corrected.

The Bureau of the Budget's representative, the Hon. Roger W. Jones, testified in favor of this amendment in hearing held on July 9, 1969.

At this time, then, I offer an amendment to S. 2325 which will eliminate the salary inequities in field office Civil Service positions by creating 45 additional supergrade posts. This amendment will insure comparable pay for comparable duties in the regional offices.

I urge the Senate to give full consideration to this legislation which will affect civil service employees in field offices throughout the United States.

I ask unanimous consent that a copy of this amendment and the statements of Mr. Hampton and Mr. Jones be included in the RECORD immediately following my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT OF MR. ROBERT HAMPTON'S STATEMENT

The Use of 45 Additional General-Quota Spaces to Overcome Existing Inequities, Primarily in the Field Service

There are now 45 inequities in supergrade-type positions, of which 15 are in the National Labor Relations Board. That agency has 30 Regional Directors whose positions are identical; 15 of these positions are classified in grade GS–16 but, because of the unavailability of spaces, the 15 positions are classified in grade GS–15.

Of the remaining 30 inequitable situations, 22 involve positions in the field services of various agencies. For example, of the 7 Regional Managers of the Defense Contract Audit Agency in the Department of Defense, 5 occupy positions which are classified in grades GS–16; but, for lack of spaces, the positions of the other 2 are classified one grade lower. Eight inequities involved "Headquarters" positions located in a number of agencies.

As I indicated during CSC testimony, we would be pleased if your Committee decides to make an additional allocation of 45 spaces to the general quota, over and above those spaces now proposed in S. 2315, for the purpose of eliminating these inequities. We recommend, however, that the 45 spaces not be legislatively earmarked for the specific positions. If the additional 45 spaces are provided, we will use them to eliminate the inequities set forth above, but we strongly feel that they should be as available for future Government-wide use to meet the changing needs of the Federal service as are the current quota of 2,577 supergrade spaces.

EXCERPT OF MR. ROGER JONES' STATEMENT

Senator STEVENS. Would you tell me one thing, Mr. Jones: Would the Bureau of the Budget have any objection to the final suggestion made by Mr. Hampton concerning the equalization of field positions and additional allocation of supergrades so that the field positions which have the same responsibility would be on the same level?

Mr. JONES. Quite the contrary; the Bureau has believed for some time that the field has been overlooked to some degree in the allocation of supergrade positions for a variety of reasons, most of which run to management doctrine as established by the heads of the departments themselves. Beginning some years ago and continuing with considerable rising action in the last 2 or 3 years and again very much in the forefront of the present administration's plans is a system for assignment of greater responsibilities to the field, the creation of a more logical, more rational, and more integrated field structure for agencies operating in like areas. With this delegation of additional authority for the field, there is an urgent and compelling case for assignment of more supergrade positions to the field installations.

Senator STEVENS. I would like to add to this bill a specific assignment of supergrades for the field allocations.

Mr. JONES. There would certainly be no objection from the Bureau of the Budget, and I am quite certain none from the Administration to such a move.

Senator STEVENS. My experience when I was downtown was, if we needed a supergrade, it was always easier to get rid of a job out in the field than in Washington. I don't have any other questions unless the staff has any.

Mr. MINTON. No questions.

Senator STEVENS. Thank you very much.

Mr. JONES. Thank you very much, Mr. Chairman; I appreciate the opportunity to appear.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. BYRD of West Virginia. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will be seated.

## ORDER OF BUSINESS

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

Mr. METCALF. Mr. President, I have yielded to the Senator from Alaska. In yielding, I want it understood that I have not lost my right to the floor.

Mr. MANSFIELD. Yes.

Mr. HANSEN. Mr. President, will the Senator from Montana yield to me?

Mr. METCALF. I am delighted to yield, if I have the floor.

The PRESIDING OFFICER. The Senator from Alaska has the floor under the unanimous-consent request that the tax bill be laid aside. The floor will then revert to the Senator from Montana.

Mr. STEVENS. Mr. President, on that basis, I yield to the Senator from Wyoming.

The PRESIDING OFFICER. Does the Senator withdraw his request for a quorum call?

Mr. STEVENS. Yes.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. HANSEN. Mr. President, I ask unanimous consent that the pending amendment be laid aside temporarily so that I may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HANSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

Page 427, after line 15, insert the following:

"(11) Works of improvement under the Watershed Protection and Flood Prevention Act.—Property placed in service by the taxpayer to implement a plan of a local organization for works of improvement (within the meaning of section 2 of the Watershed Protection and Flood Prevention Act, 16 U.S.C. sec. 1001 et seq.) shall be treated as pre-termination property, if application for Federal assistance with respect to such works of improvement was made under the Watershed Protection and Flood Prevention Act to the Secretary of Agriculture on or before April 18, 1969."

Mr. HANSEN. Mr. President, my amendment would modify the transition rules applicable to repeal of the 7-percent investment tax credit so as to prevent a taxpayer from being denied the investment credit for property placed in service to carry out plans under the Watershed Protection and Flood Prevention Act in cases where, prior to the April 19, 1969, credit cutoff date, such plans had been developed to the stage required to permit filing before that date with the U.S. Department of Agriculture of the required application for approval of the planned works project.

My amendment, as I indicated, would apply only to property that is placed in service to implement a plan for works of improvement of the kind described in section 2 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.). The works of improvement covered by that act include projects for flood prevention and for irrigation and other agricultural phases of the conservation, development, use and disposal of water.

The importance of such projects in my own State is indicated by the fact that at least 39 of them are now in various stages of progress in Wyoming. The importance of such projects to our Nation as a whole was recognized by Congress many years ago in its enactment in 1954 of the Watershed Protection and Flood Prevention Act. That act provides for cooperation by the U.S. Department of Agriculture and other Federal agencies with the States, with soil or water conservation districts, with flood control districts, and with other local agencies in carrying out projects to further the conservation and utilization of the Nation's land and water resources.

Under the Watershed Protection and Flood Prevention Act, the cooperation and assistance of the Federal Government in the improvement projects covered by it is conditioned, among other things, upon the development by a "local organization"—such as a local irrigation or flood control district—of a detailed and economically sound plan for the projected works of improvement. As further conditions to Federal assistance in such projects, the law requires the local landowners' organization to supply to the satisfaction of the Department of Agriculture the necessary land easements and rights-of-way, to assume responsibility for sharing in the cost of installing the works of improvement, to guarantee that the landowners have acquired all neces-

sary water rights, and to obtain agreements from owners of not less than 50 percent of the land in the drainage area that they will carry out recommended soil conservation measures and proper farm plans.

Once a plan has been developed by a local organization it must be submitted along with an application for assistance to the Department of Agriculture for approval by each of the several different authorities in that and other agencies of the Federal Government that are required under the law to review the project.

The development of such plans and the satisfaction of all the conditions of the law quite obviously can require local landowners to expend a great deal of money and effort and to make heavy commitments in connection with the development of plans for such works of improvement.

Because of this very substantial commitment that is required by the law to be undertaken by the local landowners' organization in connection with plans for works of improvement under the Watershed Protection and Flood Prevention Act, I think it only fair that we take the steps I here propose in my amendment to assure that repeal of the investment tax credit will not result in the credit being denied to a taxpayer for property he places in service to implement such plans. My amendment, like the transition provisions already in the committee reported bill as to other property, would preserve only such investment credits as the taxpayer would have been entitled to but for its repeal, and only for property that is placed in service before the end of the credit phaseout period on December 31, 1978.

Mr. President, my amendment has been reviewed by the staff of the Committee on Finance and I have discussed it with the distinguished chairman of that committee.

I therefore urge, Mr. President, that my amendment be approved by the Senate.

I would like to ask the chairman of the committee if he would be willing to accept the amendment.

Mr. LONG. Mr. President, the amendment applies only in a limited situation. I think it has merit. I have no objection. Does the Senator from Delaware have any objection?

Mr. WILLIAMS of Delaware. No.

Mr. HANSEN. Mr. President, I thank the chairman of the committee.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

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## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL SUPERGRADE POSITIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate resume the consideration of Calendar No. 556, S. 2325.

The PRESIDING OFFICER. Without objection, the pending business will be laid aside temporarily.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

Mr. FULBRIGHT. Mr. President, who is going to explain this matter? Is it an amendment or a bill?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska.

Mr. FULBRIGHT. Who is going to explain it?

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. McGEE. Mr. President, does the Senator from Alaska yield?

Mr. STEVENS. I am happy to yield.

The PRESIDING OFFICER. Does the Senator from Alaska ask that his two amendments be considered en bloc?

Mr. STEVENS. I do.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I appreciate my colleague from the Committee on Post Office and Civil Service yielding.

The purpose of the bill, which was reported by the committee by unanimous vote, is to increase the number of supergrades at the GS–16, 17, and 18 level as recommended by the last two administrations. This bill as reported is to authorize 150 additional positions at the supergrade level, which are badly needed.

It is my understanding the Senator's amendment would add another 44 positions. Is that correct?

Mr. STEVENS. Forty-five.

Mr. McGEE. Forty-five. The 45 were inadvertently omitted by the committee when we reported the bill. To clear the record, the committee was willing to accept the Senator's amendment, but failed to do so because of oversight. I would move the adoption of the bill with the amendment.

Mr. STEVENS. I thank the Senator.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. FULBRIGHT. I do not know how many supergrades or in what service. Are they in the Post Office? Where are they to be employed?

Mr. McGEE. These are throughout the top levels of the various agencies of the Government not confined to the Post Office Department. Only a portion are in the Post Office.

Mr. STEVENS. I apologize to the Senator from Arkansas. The purpose of my amendment is to add 45 supergrades that were agreed to by the Civil Service Commission and approved by the Bureau of the Budget. The matter was accepted by the committee. I was absent at the time the matter came up in the full committee. Therefore, by error, it was not included in the bill reported by the committee. The chairman agreed we might bring this to the floor of the Senate and have it accepted.

Mr. FULBRIGHT. I do not understand the facts. How many supergrades would the bill provide and how many does the Senator from Alaska propose?

Mr. STEVENS. The number in the committee bill is 2,727 and the amendment would add 45 to that, making 2,772 as the total number of supergrades that would be permitted after passage of the bill.

Mr. FULBRIGHT. 2,772 supergrades?

Mr. STEVENS. Presently 2,577 supergrades allowed in the Federal Government. My bill would put that up to 2,772. Had my amendment been adopted in committee it was intended to be 45 more than that—2,772.

Mr. FULBRIGHT. How much does the bill cost?

Mr. STEVENS. How much my amendment will cost?

Mr. FULBRIGHT. We have been talking about fiscal responsibility around here. There has been great criticism of what has been done on the other bill. How much would this cost the Federal Government?

Mr. STEVENS. That would be determined by the grades that would be utilized.

Mr. FULBRIGHT. Did not the committee estimate what it would cost? What does the report say, if there is any?

Mr. McGEE. If I may answer that, the committee report had to leave open-ended the level at which the supergrades might be made for administrative purposes namely, supergrades 17 or 18, at a range in the salary bracket of those grades, and that if they were all utilized, the cost would have to be determined by the actual filling of each position so that a firm figure could not be given, in all candor. These rates of pay run from about $25,000 up to $33,495, but the cost of filling these positions is relatively little because almost all are by way of promotion of a GS–15 employee already in the Federal service. A GS–15 with some years of service makes almost as much money as a GS–16 or GS–17. The annual difference between a 17 and an 18, for instance, can be as little as $645. So the relative cost is small. For all 150 positions, I would guess—just a guess—a quarter of a million dollars a year.

Mr. FULBRIGHT. Was there not even an estimate of $10 million, $50 million? The Senator has no idea, I take it?

Mr. STEVENS. This is an authorization bill to fill vacancies that would be created by the agencies——

Mr. FULBRIGHT. Just a few days ago the Pentagon "RIFFED." Mr. Fitzgerald in order to cut back on their expenditures. He was in a rather high-grade position. I thought the Government was beginning to try to save money, to balance the budget, and so forth. Why is this necessary?

Mr. McGEE. The Fitzgerald question was not at issue. It was not known at the time of our hearings, and was not con-

sidered at the executive session. This is merely on authorization. This was the only problem that the committee addressed itself to. The authorization was to raise the ceiling on the numbers of supergrades for administrative purposes.

They are shorthanded at these levels. There are 6 million civilian and military people in our whole Government, of whom 2,577 are administrative supergrade personnel.

Mr. FULBRIGHT. I am trying to find out where the supergrades are. How many of them go to AID, or could they be assigned to AID?

Mr. McGEE. It is the judgment of the chairman, if I may continue, Mr. President, that the designation of the administrative personnel is an administrative decision at the executive branch of Government level, that the need for additional personnel was clearly demonstrated and responsibility for those selections remains in executive hands.

Mr. FULBRIGHT. In what area is the need? Were hearings held?

Mr. McGEE. They were.

Mr. FULBRIGHT. In what area is there a need for these supergrade positions?

Mr. McGEE. Hearings were held on the bill. The authorization was the only issue at stake. The ceiling on the existing numbers of supergrades was the point of the controversy. We need more good people in responsible jobs. The last increase was in 1966. We have done much since then to increase the need for supergrades.

Mr. FULBRIGHT. What will be the salaries of these supergrades? How much will they be paid?

Mr. McGEE. The clerk at the desk can report the salaries. They are in grades 16, 17, and 18—whatever the new allocation is in those grades. They are automatic in the pay raise bill that this body passed. They are in the $25,000 to $33,000 ranges.

Mr. FULBRIGHT. These new ones are to be appointed by the President?

Mr. McGEE. These are Executive appointments, that is correct.

Mr. FULBRIGHT. If I understood it correctly, there are 45 new ones in the $30,000 range.

Mr. McGEE. Supergrades above 15.

The PRESIDING OFFICER. Is there any further discussion?

Mr. FULBRIGHT. Well, yes, Mr. President. After the Senator has yielded, I wish to be recognized.

The PRESIDING OFFICER. Does the Senator from Alaska yield the floor?

Mr. McGEE. We have an agreement that I have accepted the Senator's amendment, so that is now a part of the bill.

The PRESIDING OFFICER. The Chair would inform the Senator from Wyoming that the amendment has first to be approved by the Senate.

Mr. McGEE. Does the Senator from Alaska then wish action on his amendment on these 45 supergrade positions?

Mr. STEVENS. Mr. President, I would move adoption of my amendment. I understand that the Senator from Arkansas would prefer to speak on it in his own right; is that correct?

Mr. MANSFIELD. Mr. President, if this is going to be unduly delayed, I am going to have to request that it be laid aside, because I think that my colleague (Mr. METCALF) has been a most patient man. He has been waiting for the past 3 or 4 days to get recognized. I do not intend to let him hold the "sack" any more unless we act on this measure shortly, which I understood would be the case; otherwise I would not have brought it up, because it is not my intention to bring up anything controversial until this tax reform-tax relief bill is out of the way.

Mr. FULBRIGHT. Mr. President, will the Senator from Alaska yield?

Mr. STEVENS. I yield.

Mr. FULBRIGHT. I am not disposed to try to stand in the way of legislation which the committee has voted out unanimously as this one has. But a bill brought up at this late hour, in which there is nothing whatever given as to the cost involved in quite a large number of supergrades should be questioned. Very often we have bills come up for a few supergrades and we argue them at considerable length.

I must confess that I think there is very slight inclination here to inform the Senate as to what we are voting on. There is doubt as to the total cost. Usually, there is at least an estimate as to how much this will add to the budget. Just because this is a new administration and is recommended by this particular Budget Director does not seem to me to relieve the Senate of its duty to have some idea of what it is voting on.

This is a sort of pig in a poke. I think they do not have the slightest idea what this is going to cost, or where the supergrades will be assigned. If they are going to be assigned to the White House that might be one thing, or if they are going to be assigned to an agency such as the Department of Agriculture that would be another thing.

I submit, Mr. President, that this is a very meager record for Senators to come in and ask for an unknown amount of money to be paid out for new employees, particularly when we read recently that they are so strapped for funds they have to let a man like Mr. Fitzgerald go, that they cannot afford to keep a man like Mr. Fitzgerald—I do not know what his salary was, but I suppose it was around $30,000.

This all seems peculiar to me, I must say; but I am not going to make an objection. If the Senate wants to pass that kind of bill, it is all right with me.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. GRIFFIN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. STEVENS. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

## ORDER FOR RECESS UNTIL 9 O'CLOCK A.M. TOMORROW MORNING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 o'clock a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LIMITATION OF STATEMENTS DURING THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that later in the afternoon, on tomorrow, there be a morning hour for the conduct of morning business, with statements in relation thereto to be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

The PRESIDING OFFICER. The Senator from Montana (Mr. METCALF) has the floor.

Mr. METCALF. Mr. President, I am now going to proceed to discuss some of the facets of my amendment. I hope that Senators who are absent will read the remarks in the RECORD tomorrow.

The amendment I am submitting has been carefully studied, carefully worded, and refined.

For some years the problem of abuses of the special farm accounting principles has had my consideration. Over this period I have tentatively introduced several bills and consulted with tax experts. Some provisions of my first legislative proposals were the subject of valid objections. But late in the closing days of the 90th Congress, I introduced a revised and refined version of a legislative proposal to correct the abuses of the farm tax accounting system and at the same time preserve for all the legitimate farmer the benefits of these allowances. This bill was circulated among all the farm organizations, sent to a broad list of legislators from farm areas and to tax experts and tax specialists. As a result of composite efforts and many suggestions—on January 22 I introduced S. 500, with 26 cosponsors. Basically that bill is the amendment I am offering today.

I ask unanimous consent that a list of the cosponsors of S. 500 be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF 26 COSPONSORS OF S. 500

Senators Bayh, Bible, Brooke, Burdick, Cannon, Church, Eagleton, Harris, Hart, Hartke, Hatfield, Hughes, Inouye, Kennedy,

McCarthy, McGee, McGovern, Mansfield, Mondale, Montoya, Moss, Muskie, Nelson, Saxbe, Yarborough, Young (of Ohio).

Mr. METCALF. Mr. President, on November 25, I introduced amendment No. 315 to the current version of the tax-reform bill. On that date, I called attention to some examples of the type of advertising campaign currently being waged by cattle management firms to interest prospective clients in this particular tax loophole—CONGRESSIONAL RECORD, November 26, pages 35905–35906.

To repeat, the purpose of my amendment is to remove inequities between legitimate farm operators and taxpayers who are in the business of farming mainly because of the tax advantages that serve to put their nonfarm income in a lower tax bracket. The problem is that liberal tax rules designed for the benefit of the ordinary farmer are being abused by people who engage in farming for the purpose of creating artificial losses which can be used to offset substantial amounts of their nonfarm income.

The discussion of this problem in the committee report is an excellent analysis of the seriousness of the tax consequences that result from abuses of the special farm privileges.

Both the Senate Finance Committee and the House Ways and Means Committee recognized the need for correction of abuses. At the present time there are companies that advertise the tax shelter permitted by taking advanage of the special farm allowances and brazenly permit high-income taxpayers to get the benefit of the farm exemptions when the beneficiaries never need to see their cattle or indeed know enough about the cattle business to tell a Hereford from a Holstein.

Ronald A. Buel in the Wall Street Journal, March 19, 1969, quoted a parody of an old cowhand:

I'm a rich cowhand, of the Wall Street brand
And I save on tax, to beat the band
Oh I take big deductions the law allows
And I never even have to see my cows
Yippie--io-ki-ay!

However, despite good language in the committee report and despite pointing out the need for remedial legislation, the committee's proposal does not deal effectively with the problem.

The language of the committee report is significant.

I ask unanimous consent that the language be printed in the RECORD at this point.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

D. FARM LOSSES

*1. Limitation on deductions attributable to farming (sec. 211 of the bill and sec. 278 of the code)*

*Present law.*—Under present law, income or losses from farming may be computed under more liberal accounting rules than those generally applicable in the case of other types of business activities. In general, where a significant factor in a business is the production or sale of merchandise, the taxpayer must use an accrual method of accounting and inventories. The effect of these accounting rules is to postpone the deduction of the costs of the merchandise until the accounting period in which the income from its sale is realized. These rules need not be followed, however, with respect to income or deductions from farming. In other words, a cash accounting method may be used for this purpose under which costs are deducted as incurred. A taxpayer in the business of farming is also allowed to deduct expenditures for developing a business asset which other taxpayers would have to capitalize.

For instance, the expense of raising a breeding herd of livestock may be currently deducted. The same thing is true of expenditures to develop a fruit orchard. There also are certain other capital expenditures in connection with farming operations which a taxpayer may elect to currently deduct from ordinary income. The capital expenditures which qualify for this treatment are soil and water conservation expenditures (sec. 175), fertilizer costs (sec. 180), and land clearing expenditures (sec. 182). Under normal business accounting rules, these expenditures would be added to the basis of the farm property and, thus, would reduce the amount of capital gain realized when the property is sold. However, by allowing these expenses to be currently deducted, they reduce ordinary income rather than capital gain income.

Present law also provides that livestock held for draft, breeding, or dairy purposes for 12 months or more is eligible for capital gains treatment on its sale. Other livestock held for use in a trade or business (such as horses held for the purpose of racing) under rules generally applicable also may be eligible for capital gains treatment upon sale. The same is true of orchards held for the production of fruit crops.

*General reasons for change.*—The special farm accounting rules were adopted as a means of relieving the ordinary farmer of the bookkeeping chores associated with inventories and an accrual method of accounting. These rules, however, by combining the current deduction of expenses which are capital in nature with capital gains treatment on the sale of livestock or orchards have resulted in a tax abuse which the committee agrees with the House should not be allowed to continue. These rules have allowed some high-income taxpayers who carry on limited farming activities as a sideline to obtain a substantial tax loss (which does not represent an economic loss) which is then deducted from their high-bracket, nonfarm income. These tax losses often arise because of the deduction of capital costs which usually would reduce capital gains on the sale of farm property, but which instead are used to offset ordinary income when incurred.

The significance of this treatment can be illustrated by the example of a taxpayer who sells for $1,000 a product which cost him $800 of expenditures to produce. In this case, if the taxpayer can deduct these expenditures against other income, and if he is in the 50-percent bracket, his tax saving is $400, or if he is in the 70-percent bracket, it is $560. On the other hand, if his product when sold is eligible for the maximum capital gains tax treatment, his tax is $250. This means a net reduction in tax for this taxpayer of from $150 to $310 (depending on his tax bracket) despite the fact that actually a $200 gain was realized. In contrast, were the entire $800 to be treated as the cost basis for the $1,000 asset, even though the $200 gain still were taxed at capital gains rates, instead of receiving a tax reduction of from $150 to $310 the taxpayer would have an additional tax cost of $50. In other words, in these two cases there is a spread in tax consequences of from $200 to $360, depending on the taxpayer's tax bracket.

Thus, the combination of a current deduction against ordinary income for various farm expenditures which are capital in nature and the capital gains treatment granted on the sale of the asset to which the expenditures relate produce a significant tax advantage and tax saving for the taxpayer whose ordinary income is taxed in a high bracket.

The utilization of these tax advantages by high-income taxpayers is not merely a theoretical possibility. In recent years, a growing body of investment advisers have advertised that they would arrange a farm investment for wealthy persons. Emphasis is placed on the fact that aftertax dollars may be saved by the use of "tax losses" from farming operations. In addition, numerous partnerships and syndicates have been established for the purpose of allowing wealthy investors to make farm investments so as to obtain these tax advantages.

As a means of dealing with this problem, the House bill provided for the recapture of excess farm losses. Under this approach, if the taxpayer had more than $50,000 of nonfarm income, his farm losses in excess of $25,000 would be added to an excess deductions account. (These dollar limitations would only have applied to individual taxpayers.) Gains arising on the sale of farm property would be treated as ordinary income, rather than capital gains, to the extent of the amount in the taxpayer's excess deductions account. This approach to the problem of farm losses is relatively complex and one which would impose significant burdens on persons in the farming business as well as on the Government.

The basic problem which arises in connection with farm losses is that the deductions with respect to property, which gives rise to capital gain income when sold at a subsequent date, are currently deducted from ordinary income. In most cases, the effect of this is to give the deductions twice the value for tax purposes of the income to which they relate. Although the recapture approach of the House bill is one way to deal with this problem, the committee believes that a less complex and more direct approach is desirable. Accordingly, the committee has replaced the House provision providing for the recapture of excess farm losses with a limitation on the deduction of farm losses which has the effect of converting the tax value of farm losses back to the same proportion as the income to which they relate. In general, under the committee's amendments an individual with more than $50,000 of nonfarm income is to be allowed to deduct a farm loss in full to the extent it does not exceed $25,000, but is to be allowed to deduct only one-half of the loss in excess of $25,000. (A taxpayer whose nonfarm income is less than $50,000 may continue to deduct his losses in full.) These dollar limitations are to apply only to individual taxpayers and not to corporate taxpayers. The amount of the farm loss which cannot currently be deducted may be carried forward indefinitely and deducted in future years from net farm income in those years.

Mr. METCALF. Mr. President, in his testimony before the Senate Finance Committee on the 4th of September, Assistant Secretary of the Treasury Edwin Cohen made the following observation regarding the House-passed bill and I quote:

In its present form, this provision of the bill applies only to individuals with nonfarm adjusted gross income in excess of $50,000. Taxpayers with nonfarm income over $50,000 are permitted to exclude the first $25,000 of their farm losses each year from the operation of the EDA provisions. In practice, this exclusion renders the bill ineffective. (Senate Hearings, Part One, p. 574)

Although the Senate Finance Committee, in my opinion, takes a simpler and more effective approach to a solution of the problem of permitting simplified accounting procedures for legitimate farm-

ers, the present bill is subject to the same criticism Secretary Cohen directed toward the House bill.

The committee version of the bill applies only to individuals with nonfarm adjusted gross income in excess of $50,000. Just as under the House bill, these same taxpayers would be permitted to exclude the first $25,000 of artificial farm losses each year from the operation of the provision currently contained in the bill. In addition, these taxpayers could currently deduct one-half of the amount of their artificial farm loss which is in excess of $25,000 from their nonfarm income.

In other words, assume John Doe has adjusted gross nonfarm income of $51,000 in a given year and, in addition, has a paper loss from farming in the amount of $75,000. Under the current version of the bill, he could use $50,000 of his $75,000 paper loss from farming as an offset against his nonfarm income in the current year. This would leave Mr. Doe with an adjusted gross taxable income of only $1,000 that first year. With some advance tax planning perhaps this same taxpayer could have held his nonfarm income down to an even $50,000. If he had been able to do that then the committee's provision would not apply to him at all, since it only applies to individuals with nonfarm adjusted gross income in excess of $50,000.

When former Assistant Secretary of the Treasury Stanley S. Surrey testified before the Senate Committee on Finance on September 25, he commented that an appropriate revenue gain in this area would be $150 to $200 million. The annual revenue effect of my amendment has been estimated at $205 million and would affect in the neighborhood of 14,000 tax returns. Mr. Surrey concluded his testimony in the farm area by specifically recommending adoption of my amendment. I should point out that the anticipated revenue effect of the farm loss provision contained in the committee's bill has been estimated at about $15 million a year and would affect in the neighborhood of 3,000 returns, a far cry from the figures available on my amendment.

On February 5 of this year, the House Ways and Means Committee published a study of needed areas for tax reform conducted by the Treasury Department during the last 2 years of the Johnson administration. In discussing the effect that nonfarmers have on the farm economy the study pointed out that:

> When a taxpayer purchases and operates a farm for its tax benefits, the transaction leads to a distortion of the farm economy. The tax benefits allow an individual to operate a farm at an economic breakeven or even a loss and still realize an overall profit. For example, for a top-bracket taxpayer, where a deduction is associated with eventual capital gains income, each dollar of deduction means an immediate tax savings of 70 cents to be offset in the future by only 25 cents of tax. This cannot help but result in a distortion of the farm economy, and is harmful to the ordinary farmer who depends on his farm to produce the income needed to support him and his family.
>
> This distortion may be evidenced in a variety of ways: For one, the attractive tax benefits available to wealthy persons have caused them to bid up the price of farmland beyond the price which would prevail in a normal farm economy above the productive capacity of the land, and, therefore, is harmful to the ordinary farmer who must compete in the marketplace with these high-income tax farmers who may consider a farm profit—in the economic sense—unnecessary for their purposes.

My amendment would eliminate these distortions by limiting to $15,000 or to the amount of the "special deductions" listed in my amendment, whichever is higher, the amount by which a paper farm loss may offset a taxpayer's nonfarm income. The $15,000 figure is reinforced by the following observation contained in Treasury's 2-year study and I quote:

> If a taxpayer has more than $15,000 of nonfarm income, his primary source of livelihood is not likely to be his farming efforts, and thus, he is not the type of farmer for whom the special accounting rules were devised.

Generally, a farm loss would be the amount by which farm deductions exceed farm income in any given year. For this purpose, as the 1968 Treasury report suggested, the untaxed one-half of long-term capital gains attributable to farm property would not be included in farm income. Farm deductions would include all deductions that are attributable to the business of farming. If the taxpayer's nonfarm income is in excess of $15,000 in any given year, the limit on his deductible loss in that year would be reduced by $1 for each dollar of such excess. However, economic losses are protected by providing that the $15,000 loss limitation will be raised to the amount of the taxpayer's special deductions if that amount is higher than $15,000.

Mr. President, for 1967 there were in excess of 770,000 taxable individual income tax returns filed which reported a net loss from farming. My amendment would affect 14,000 returns or in other words slightly less than 2 percent of those returns. This points up the fact that distortions now present in the farm economy are being caused by a small but affluent segment of our population that is taking unfair advantage of farm accounting rules designed to ease the bookkeeping chores of legitimate farmers. The relative few who are now taking unfair advantage of these rules have succeeded in clouding the issue by suggesting that my amendment would force farmers to change their method of accounting.

Nothing could be further from the truth. As a matter of fact, it has been the legitimate farmers and ranchers of our great Nation that have been urging this legislation upon us for as long as I can remember. Such organizations as the following support the principle of the approach I am suggesting today: National Farmers Union, American Farm Bureau Federation, National Grange, National Farmers Organization, National Council of Farmers Cooperatives National Association of Wheat Growers, Cooperative League of the United States of America, National Association of Farmer Elected Committeemen, Farmland Industries, Midcontinent Farmers Association, National Catholic Rural Life Conference, AFL–CIO, and UAW.

Opponents testifying against this approach were: National Livestock Tax Committee, American National Cattlemen's Association, Oppenheimer Industries, American Hereford Association.

I find it interesting that those who oppose my bill have never once asked to sit down and discuss specific provisions or suggest an alternative solution that would provide a comparable inroad to this problem area. I find it even more revealing, however, when reading the annual report of Oppenheimer Industries, to learn that this particular cattle management firm, which specialized in advertising the advantages of this particular tax gimmick, admits to working hand in glove with such organizations as the National Livestock Tax Committee to retain, and I quote:

> The tax incentives encouraging urban risk capital to invest in American Agriculture.

The vote on this amendment will determine whether we will be satisfied to have merely acknowledged the existence of the problem or whether, instead, we will seize upon this opportunity to combine tax equity with tax reform. There has been a lot said about the longrun revenue loss that would result from the sum total of all the provisions in the bill. Here is an opportunity to scale down that revenue loss by at least $190 million a year.

I say "at least" because revenue estimates are only available for individual income tax returns. I would imagine that if it were possible to obtain similar figures for corporations, the gap between my amendment and the present provision now contained in the bill would widen even further.

Mr. President, the amendment I have offered, No. 315, is substantially S. 500, the bill I originally introduced on January 22. I have not corresponded or been in communication with the 26 cosponsors who sponsored S. 500 back in January. Most of them, however, have told me that they are still supporting the legislation. However, the Senator from Indiana (Mr. BAYH) especially asked me to have his name included as a cosponsor of amendment No. 315, which I ask unanimous consent to do.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, in conclusion, the amendment would eliminate distortions in farm losses. It would take away abuses in farm accounting principles.

I strongly suggest that my amendment be approved and urge its adoption.

I yield the floor.

Mr. BAYH. Mr. President, as one of the cosponsors of the original Metcalf amendment, I want to commend my distinguished colleague from Montana for his leadership in this effort to plug one of the most glaring "loopholes" in our tax law. It was the Senator from Montana who first brought to the public's attention the widespread tax dodging by wealthy nonfarmers seeking "loopholes" to offset high-bracket taxable income.

As Senators know, income or losses from farming can be computed under more liberal rules of accounting than for

other businesses where the production or sale of merchandise is involved. In general, these businesses are required to use the accrual method of accounting so that income can be accurately reflected in any given year—and this requires that costs be deducted in the same accounting period in which income from the sale is realized.

For reasons of simplicity and because of the particular nature of farming, farmers have been exempted from the general rule and are permitted to use the cash accounting method, deducting expenditures in the year incurred and ignoring yearend inventories. No one denies that this is a departure from sound accounting procedure, but it is necessary in order to spare the farmer from the massive bookkeeping chores involved in the accrual method.

In addition, farmers are permitted to use another liberal accounting rule. In contrast to most businesses, where the cost of developing an asset is regarded as a capital expenditure not deductible as incurred, farmers are permitted to deduct certain capital costs as they are incurred.

The problem is not with farmers using these liberalized rules because they were intended for that purpose. But a serious problem does arise when high bracket taxpayers deliberately engage in farming to create "paper losses." This not only produces economic distortions in the farm section, but results in a loophole through which millions of dollars flow back annually to these wealthy nonfarmers save millions of dollars annually.

The most serious distortion, of course, is the fact that in the marketplace ordinary farmers who depend upon their operations to produce income are forced into competition with gentlemen farmers who deliberately operate at the breakeven point or even at a loss. In addition, as the exploitation of the tax loss loophole has become more widespread, the price of farmland is being bid up to a point far beyond its ability to actually produce earned income. The result is that true farm operations are foreclosed from expanding because of exhorbitant and unrealistic land costs.

The revenue loss to the U.S. Treasury—and the gain to the handful of those wealthy individuals in the 70-percent-plus tax brackets—is clear in the case of a claimed deduction related to future capital gains income. In this case, each $1 of deduction represents an immediate tax savings of 75 cents—to be offset at the time of the sale of the asset by only 25 cents in tax.

Mr. President, the "tax loss" loophole is fact, not fancy. The best evidence of its existence is the amazing statistic that as adjusted gross income increase, so do farm losses. For example, returns with adjusted gross income from $50,000 to $100,000 showed net farm profits of $68 million and net losses of $67 million—a ratio of profits to losses of about 1 to 1. In the adjusted gross income bracket from $100,000 to $1 million, the ratio of losses to profits was 3 to 1. Is it possible that these wealthy nonfarmers are losing money on their farm operations because of poor management and lack of knowledge? Hardly. All one needs to do to understand the attraction to farming is to pick up the Wall Street Journal. There one can find some valuable investment advice explaining how wealthy individuals can save after-tax dollars through showing tax losses on farm operations while actually creating a valuable asset and offsetting taxable earned income with these paper losses.

The correct way to plug this loophole—and raise $205 million in needed revenue—is the method proposed in amendment No. 315: to deny wealthy nonfarmers the use of these "paper losses" as current deductions against earned nonfarm income above $15,000.

Mr. MILLER. Mr. President, I had arranged with the chairman of the Finance Committee to enable me to present a noncontroversial amendment to the bill. Therefore, I send to the desk an amendment and ask unanimous consent that the pending amendment by the Senator from Montana be temporarily laid aside so that we can consider the amendment which I am offering.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. MILLER. I ask that my amendment be stated.

The PRESIDING OFFICER. The amendment of the Senator from Iowa will be stated.

The assitant legislative clerk read the amendment, as follows:

On page 125, line 23, insert after the word "order" the phrase "or by a state"; and at the end of line 24 add the following: "(except in the case of a state educational institution)".

Mr. MILLER. Mr. President, the Finance Committee adopted a provision on page 125 of the pending bill in which we made clear that a television or radio station owned by an educational institution maintained by a religious order would not be subject to the unrelated business tax covered by the bill, under certain restrictive and specified conditions.

At the time we adopted this provision, it was not known that a television station is owned by one of my State's educational institutions. The purpose of this amendment is to make it clear that not only will this provision apply in the case of educational institutions maintained by a religious order, but also educational institutions maintained by a State.

I have discussed this amendment with my colleague from Louisiana (Mr. LONG) and also with my Republican colleague the Senator from Delaware (Mr. WILLIAMS), and I understand there is no objection to this technical amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Montana (Mr. METCALF), which is the pending business.

## ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate now proceed to transact routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of the Interior for "Resources management," Bureau of Indian Affairs, for the fiscal year 1970, had been apportioned on a basis which indicates a need for a supplemental estimate of appropriation; to the Committee on Appropriations.

REPORT OF FLYING PAY, U.S. AIR FORCE

A letter from the Secretary, Department of the Air Force, transmitting, pursuant to law, a report on flying pay, for the Air Force, as of October 31, 1969 (with an acompanying report); to the Commitee on Armed Services.

PROPOSED LEGISLATION IMPLEMENTING THE CONVENTION ON THE RECOGNITION AND ENFORCEMENT OF FOREIGN ARBITRAL AWARDS

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to implement the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (with an accompanying paper); to the Committee on Foreign Relations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need to strengthen procedures for managing certain delinquent borrower accounts, Farmers Home Administration, Department of Agriculture, dated December 4, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting pursuant to law a report on the effectiveness and administration of the Community Action Program under title II of the Economic Opportunity Act of 1964, Chicago, Ill., Office of Economic Opportunity, dated December 4, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on opportunities to improve the management of private research centers supported by the National Institutes of Health, Department of Health, Education, and Welfare, dated December 5, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of observations on AID's administration of the excess property program in Kenya and Pakistan, Agency for International Development, Department of State, dated December 5, 1969 (with an accompanying report); to the Committee on Government Operations.

PROPOSED MENTAL RETARDATION SERVICES AMENDMENTS OF 1969

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Mental Retardation Facilities Construction Act to extend and improve the provisions thereof, and for other purposes (with an

accompanying paper); to the Committee on Labor and Public Welfare.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest and requesting action looking to their disposition (with accompanying papers); to the Joint Committee on Disposition of Executive Papers.

The ACTING PRESIDENT pro tempore appointed Mr. MCGEE and Mr. FONG members of the committee on the part of the Senate.

## AIRPORT AND AIRWAYS DEVELOPMENT ACT OF 1969—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 91–565)

Mr. MAGNUSON. Mr. President, I ask unanimous consent to file with an amendment and individual views the report of the Senate Committee on Commerce on S. 3108, the Airport and Airways Development Act of 1969.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I have just filed the report of the Commerce Committee which accompanies S. 3108. S. 3108 is the Airport and Airways Development Act of 1969, and it is reported following a year-long study by the Aviation Subcommittee and the Senate Commerce Committee.

While S. 3108 contains provisions for airport and airways development, it does not contain provisions which provide the necessary user taxes with which the program is to be financed. The Commerce Committee does not have jurisdiction to report such tax legislation and therefore before the Senate considers S. 3108, it must be re-referred to the Senate Committee on Finance for its consideration and action in including tax provisions in this bill. While the Committee on Commerce does not have the authority to report tax legislation, the committee did hear extensive testimony regarding the appropriate level and type of user charges needed to support this legislation and studied the issue very carefully. In the report, the Commerce Committee recommends to the Finance Committee a schedule of user charges which we feel equitable and appropriate and urge the Finance Committee to give these recommendations careful consideration before attaching tax provisions to S. 3108.

I am well aware, as are my colleagues, of the tremendously busy calendar of the Senate Committee on Finance headed by the able Senator from Louisiana. The distinguished chairman has done an admirable job on one of the most difficult tasks before the Senate, guiding the important and complex tax reform package through his committee and to the floor of the Senate where it is now being debated. The schedule of the Finance Committee has been long and arduous and I think the Senate owes its gratitude to Senator LONG for a job he and his committee have done.

While I feel that passage of this aviation program this year is very important, I recognize that with the present burden on the Finance Committee it may not be able to take this issue up immediately. I know, however, that Senator LONG will give it careful consideration as soon as the committee's schedule permits.

I therefore ask unanimous consent that S. 3108 and the report accompanying it be referred to the Finance Committee for consideration and further action.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PUBLIC HEALTH CIGARETTE SMOKING ACT OF 1969 REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 91–566)

Mr. MAGNUSON. Mr. President, I ask unanimous consent to file with amendments and individual views the report of the Senate Committee on Commerce on H.R. 6543, the Public Health Cigarette Smoking Act of 1969.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REPORT OF COMMITTEE ON COMMERCE ON THE BILL H.R. 14465

Mr. MAGNUSON. Mr. President, for the information of my colleagues, in addition to S. 3108, I am also filing H.R. 14465 without amendments and without a written report. I have done this to place this bill on the Senate Calendar where it will remain until the Senate completes action on S. 3108. At such time as action is completed then, the language of S. 3108 will be attached to H.R. 14465 in order that we will then be able to go to conference with the House.

The PRESIDING OFFICER. The bill will be placed on the calendar, as requested by the Senator from Washington.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, with an amendment:

S. Res. 279. Resolution authorizing expenditures by the Select Committee on Nutrition and Human Needs for an additional period to study the food, medical, and other related basic needs among the people of the United States; referred to the Committee on Rules and Administration.

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 2619. A bill to amend section 5723(b) of title 5, United States Code, relating to length of service required by teachers in Bureau of Indian Affairs schools when travel and transportation expenses are paid to first post of duty (Rept. No. 91–567).

By Mr ALLOTT, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land (Rept. No. 91–568).

By Mr. HATFIELD, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 9477. An act to provide for the disposition of judgment funds of the Confederated Tribes of the Umatilla Indian Reservation (Rept. No. 91–569).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S. 2940. A bill to amend the Act of June 28, 1948, as amended, relating to the acquisition of property for the Independence National Historical Park (Rept. No. 91–571); and

H.R. 13767. An act to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes (Rept. No. 91–570).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 9163. An act to authorize the disposal of certain real property in the Chickamauga and Chattanooga National Military Park, Ga., under the Federal Property and Administrative Service Act of 1949 (Rept. No. 91–572).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

H.R. 210. An act to eliminate requirements for disclosure of construction details on passenger vessels meeting prescribed safety standards, and for other purposes (Rept. No. 91–573).

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GURNEY:

S. 3208. A bill for the relief of Clara Luisa Meyer y Canton Solaun; and

S. 3209. A bill for the relief of Lt. Col. Edwin B. Owens, U.S. Air Force; to the Committee on the Judiciary.

By Mr. FONG:

S. 3210. A bill to amend section 8340 of title 5, United States Code, to provide a 5-percent increase in certain annuities; to the Committee on Post Office and Civil Service.

S. 3211. A bill for the relief of Apolinario Lauro Cablay; to the Committee on the Judiciary.

By Mr. BENNETT:

S. 3212. A bill for the relief of Curtis Nolan Reed; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 3213. A bill for the relief of Michael Davis; and

S. 3214. A bill for the relief of George Hector; to the Committee on the Judiciary.

By Mr. PELL (for himself, Mr. JAVITS, Mr. NELSON, Mr. MURPHY, and Mr. CRANSTON):

S. 3215. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965 to provide for a permanent authorization for programs under such act; to the Committee on Labor and Public Welfare.

(The remarks of Mr. PELL, when he introduced the bill, appear later in the RECORD under the appropriate heading.)

By Mr. KENNEDY (for himself, Mr. MANSFIELD, Mr. YOUNG of Ohio, Mr. MONDALE, Mr. JAVITS, Mr. BROOKE, Mr. PELL, Mr. MOSS, Mr. YARBOROUGH, Mr. HART, Mr. GRAVEL, Mr. MCCARTHY, Mr. TYDINGS, Mr. CASE, Mr. DODD, Mr. INOUYE, Mr. GOODELL, Mr. NELSON, Mr. ANDERSON, and Mr. EAGLETON):

S. 3216. A bill to encourage cities and communities to develop intensive local programs to eliminate the health hazards of lead-based paint poisoning; to the Committee on Labor and Public Welfare.

By Mr. FULBRIGHT:

S. 3217. A bill to require the Secretary of Defense to submit regular reports to the Committees on Armed Services of the House of Representatives and the Senate with respect to the kinds and amounts of information released for distribution to the public

by the Department of Defense and the military departments thereof; to the Committee on Armed Services.

(The remarks of Mr. FULBRIGHT, when he introduced the bill, appear earlier in the RECORD under the appropriate heading.)

## S. 3215—INTRODUCTION OF A BILL PROVIDING FOR PERMANENT AUTHORIZATION FOR PROGRAMS UNDER THE NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES ACT OF 1965

Mr. PELL. Mr. President, I introduce for appropriate referral a bill to amend the National Foundation on the Arts and Humanities Act of 1965 to provide for a permanent authorization for programs under such act.

In 1965, when the National Endowment for the Arts and Humanities Act was first established, there was some misgiving about the need for and wisdom of placing a program of support of esthetic endeavor under the aegis of the Federal Government and, specifically, one Federal appointee who could wield much power. At this time I think it needless to go into a long litany as to the accomplishments of the National Endowment for the Humanities, under the chairmanship of Barnaby Keeney, and the National Endowment for the Arts, under the past chairmanship of Roger Stevens and the present chairmanship of Nancy Hanks. Suffice it to say, the intents of the original bill have been attained. Both endowments have recognized the goals to which they would orient their programs and, through a series of grants, aided and supported artists and institutions, to further the reason for the bill when it was enacted by the Congress.

During our hearings 2 years ago on the extension of the original act, it was clear that, not only was the program a success, but that the support for it was widespread. One simple illustration will bear this out: Before enactment of this program, only three States had State arts councils. At the present time, all the States and territories, except American Samoa, have organizations whose sole function is support of cultural activities.

The time for experiment, trial and error has passed. The endowments have proved themselves capable of enhancing the esthetic values and environment of our Nation.

The authorization for the Arts and Humanities Endowment Act will expire next June. At this time I am introducing a simple bill which will give to the foundation a permanent authorization. Such permanence will indicate to the cultural institutions in our Nation that there is in the Congress a long-term commitment for support and development of cultural activities.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3215), to amend the National Foundation on the Arts and the Humanities Act of 1965 to provide for a permanent authorization for programs under such act, introduced by Mr. PELL (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

## ADDITIONAL COSPONSORS OF BILLS

S. 2893

Mr. MOSS. Mr. President, I ask unanimous consent that, at the next printing of S. 2893 to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data, the name of the Senator from Texas (Mr. YARBOROUGH) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3163

Mr. GRIFFIN. Mr. President, at the request of the Senator from Arizona (Mr. FANNIN), I ask unanimous consent that, at the next printing, the name of the Senator from Wyoming (Mr. HANSEN) be added as a cosponsor of S. 3163, to provide for a White House Conference on Indian Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3181

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from Wisconsin (Mr. PROXMIRE), I ask unanimous consent that, at the next printing, the name of the Senator from Maryland (Mr. TYDINGS) be added as a cosponsor of S. 3181, to provide a program of pollution control in selected river basins and waterways of the United States through comprehensive planning and financial assistance to municipalities and regional management associations for the construction of waste treatment facilities.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 292

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from West Virginia (Mr. RANDOLPH), I ask unanimous consent that, at the next printing, his name be added as a cosponsor of Senate Resolution 292, to express the sense of the Senate with respect to troop deployment in Europe.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969—AMENDMENTS

AMENDMENT NO. 372

Mr. SCOTT submitted amendments, intended to be proposed by him, to the bill (H.R. 13270) to reform the income tax laws, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 373

Mr. BELLMON. Mr. President, on behalf of myself and the Senator from Kansas (Mr. DOLE), I submit an amendment, intended to be proposed by us, jointly, to the bill (H.R. 13270) to reform the income tax laws.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. BELLMON. Mr. President, most of us have been saddended by the specter of American citizens being forced to sell their homes or farms to governmental entities for use in construction of airports, highways, lakes, recreational areas, or other public service developments. We have all seen many examples of the hardships caused by such involuntary conversion. Unfortunately, progress demands that from time to time considerable amounts of private property be taken from its legal owners and converted to a public use.

Our right of eminent domain laws have been carefully drafted to protect the rights of citizens whose private property chances to lie in the path of progress. However, despite the protection these laws are intended to assure, injustices and hardships to private citizens continue to occur.

The unsettled economic conditions of our times and the fundamental changes occurring in our agricultural economy make this amendment necessary. Because property values are changing rapidly and because of high interest rates and tight money conditions, it is not always possible for owners of property who are forced to sell involuntarily to replace their homes or farms within the brief time limits presently allowed. Also, in many cases, farm families forced to sell cannot find economic farm units with suitable dwellings within present time limits, if at all. This amendment would allow an additional year for their search.

In addition, the amendment would allow property owners greater freedom in choosing the types of real property investment.

In many cases, farmers or businessmen who are forced to sell their property have reached the age or a health condition which makes the continuation of their previous business endeavor impractical after the delay and expense of relocation.

This amendment will relax the present requirement to reinvest in property of a like kind and allow reinvestment in any real property.

AMENDMENT NO. 374

Mr. PERCY submitted amendments intended to be proposed by him, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 375

Mr. HOLLAND submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and be printed.

AMENDMENT NO. 376

Mr. TYDINGS. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H.R. 13270) to reform the income tax laws.

This amendment would expand the provisions of section 704 of H.R. 13270 to provide that amortization for certified pollution control facilities shall be available for all of such facilities added after December 31, 1968, to any plant or property. The Finance Committee version of the bill would limit amortization of pollution control facilities which are added after December 31, 1968, to

plants or property which were in operation on that date. There would seem to be no justification for discriminating against a taxpayer by disallowing amortization for any pollution control facility which he adds to a new plant or property. The Finance Committee recognizes the problems environmental pollution which affects both the rural and urban sections of the country. Pollution abatement is one of the Nation's highest priority items.

Pollution control facilities do not increase earnings and many industries have not been as prompt in their installation as they should be. They are costly to maintain and operate and require funds that otherwise would be available for investments in productive plant and equipment. Thus, amortization for pollution control facilities should be available to facilites added to new as well as existing plants.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

AMENDMENT NO. 377

Mr. TYDINGS. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H.R. 13270) to reform the income tax laws. The amendment would amend section 704 of H.R. 13270 to provide for amortization of any certified pollution control facility regardless of its useful life. The Finance Committee version of the bill would permit amortization only for that part of the cost of the pollution abatement facility that is attributable to the first 15 years of its useful life. There would seem to be no justification for so limiting the amortization provision. A taxpayer who, because of the nature of his business, is required to add pollution control facilities with a useful life of, say, 20 years should be entitled to recover his capital investment in such facilities in the same manner as another taxpayer who, because of the nature of his business, is required to add a pollution control facility with a useful life of only 15 years. The determination of the useful life of any asset, including pollution control facilities, is at best only an estimate. Technological advances and obsolescence are most difficult to determine for any asset. By limiting the amortization of pollution control facilities to those with a useful life of 15 years could only cause taxpayers to attempt to bring their particular pollution control facilities within the 15-year period, thereby causing extended controversy with Internal Revenue agents. Thus, amortization for pollution control facilities should be available for any facility, irrespective of its useful life.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

AMENDMENT NO. 378

Mr. JAVITS submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 379

Mr. TYDINGS. Mr. President, I submit amendments, intended to be proposed by me, to the bill (H.R. 13270) to reform the income tax laws.

The first amendment would amend the provisions of section 703 of H.R. 13270 to provide that certified pollution control facilities will be treated as pretermination property for purposes of the termination of the investment tax credit and thus will continue to qualify for the 7 percent investment credit. The Finance Committee version of the bill provides several categories of pretermination property which continue to qualify for the credit. I believe that certified pollution control facilities should also be included as pretermination property because of the importance of providing incentives for private industry to accelerate capital expenditures for pollution abatement facilities. For Congress to repeal the investment tax credit for air and water pollution control facilities would be particularly unfortunate in the national efforts to curb industrial pollution. Such repeal would be incompatible with the action taken by Congress in 1966 in exempting investments in such facilities from the legislation suspending the investment tax credit. I urge my colleagues to continue the investment tax credit with respect to air and water pollution control facilities.

The second amendment would also amend section 703 of H.R. 13270. That amendment would provide that the investment tax credit shall be available for certified pollution control facilities irrespective of the date when they were placed in service. Under the Senate Finance Committee version of the bill, any property placed in service after December 31, 1978 would not qualify for the investment tax credit.

The third amendment would amend section 704 of H.R. 13270 to provide that the investment tax credit is to be available for certified pollution control facilities which are subject to amortization. Under the Senate Finance Committee version of the bill, the investment tax credit would not be available with respect to such facilities.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

AMENDMENT NO. 380

Mr. STEVENS submitted amendments, intended to be proposed by him, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 381

Mr. JAVITS submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 382

Mr. MATHIAS submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 383

Mr. YARBOROUGH. Mr. President, I submit an amendment intended to be proposed by me to the tax reform bill, H.R. 13270, and ask that the amendment be printed. The amendment would clarify an ambiguity in the proposed tax on debt-financed income of exempt organizations. This provision of the bill replaces the present tax on unrelated business lease income of exempt organizations. I understand that there is no intention to apply the new provision to rental income of exempt organizations that is exempt under present law because the leases are related to exempt purposes or functions of the lessor organizations. The amendment I am offering to section 121 of H.R. 13270 adds a sentence to section 514(b)(1) that provides this explicitly, resolving any possible ambiguity on the point in the present language of the bill.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

AMENDMENT NO. 384

Mr. RIBICOFF, for himself and other Senators, submitted amendments, intended to be proposed by him, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 385

Mr. HARTKE submitted an amendment, intended to be proposed by him, to House bill H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 386

Mr. HARTKE. Mr. President, on behalf of myself, Mr. SCOTT, Mr. SYMINGTON, Mr. HARRIS, Mr. MATHIAS, Mr. CASE and Mr. HATFIELD, I submit an amendment to the Tax Reform Act intended to be proposed by us, jointly. Its purpose is to insure that the act will not place unacceptable burdens on a vital part of America's system of higher education—specifically, a group of independent advanced-study, educational-and-research institutions not formally affiliated with any conventional college or university. The placing of such burdens on these institutions is directly contrary to our national policy of providing substantial support for education at all levels. It would, in view of the quality of the institutions affected, be a step sharply damaging to American education, and a step that is not required by any considerations of tax policy.

The highest level of American education is provided, to a significant extent, by a number of independent advanced-study and research institutions. Examples of well-known institutions in this group are the American Academy of Arts and Sciences, the Brookings Institution, the Carnegie Institution of Washington, the Center for Advanced Study in the Behavioral Sciences, the Institute for Advanced Study, the Marine Biological Laboratory, the National Bureau of Economic Research, the American Assembly and the Wistar Institute of Anatomy and Biology.

These institutions are engaged directly and actively in educational and scientific activities. Many of them have existed and made valuable contributions to our fund of knowledge for many decades. They have never been regarded as foundations and have never, to our knowledge, engaged in the abuses which the Tax Reform Act is properly designed to prevent.

In most important respects these institutions are similar to the graduate schools of colleges and universities. The differences—flexibility or absence of a formal curriculum or degrees, and increased emphasis on independent research in specialized and highly advanced fields of study—are adapted particularly to the special requirements of advanced study, which by its nature does

not lend itself to a pre-established curriculum. These differences, which are designed to increase the effectiveness of the educational process in these institutions, do not justify any substantially different treatment of these institutions by the Internal Revenue Code.

The proposed Tax Reform Act, however, in the definition of "private foundation," and in the definition of "educational organizations"—which is the same as the definition in existing law—fails clearly to treat these institutions like colleges and universities and to exclude them from the provisions of the bill applicable to private foundations. Although these institutions apparently would be "operating foundations" and therefore not subject to some restrictions imposed by the bill, they would nevertheless be subject to a tax burden that would, in view of their tight operating budgets, gravely handicap their continuing educational and scientific programs—since the proposed assets tax would be greater, for example, than the entire annual budget of some of their programs—and put these institutions at a critical disadvantage, as compared with conventional colleges and universities, in providing attractions—for example, salaries and physical facilities—for scholars and teachers.

Of equal or greater concern is the threat to these institutions' independence posed by the bill's "expenditure responsibility" rules that would apply—even to operating foundations—when they operate with grants from private foundations. The supervision and control over the use funds implicit in these new rules, as amplified at page 51 of the Committee Report, would impair the integrity of these institutions and create within them an atmosphere that teachers and scholars would be likely to reject in favor of the independence of colleges and universities. This threat to the integrity of these institutions is not mitigated by the suggestion in the Committee Report that they furnish an independent audit certifying that the grant was used in accordance with the limitations required to be imposed by the granting foundation.

Finally, if these institutions are classified as private foundations their financial support by grants from grant-making foundations may decline substantially. Grant-making foundations will tend to give their money to conventional universities and colleges or to other organizations where they will not have to bother with the "expenditure responsibility" rules and the other burdens and risks involved in making grants to private foundations.

At stake, therefore, is part of the future effectiveness of advanced-study institutions in America. The amendment we have proposed would treat these institutions like universities and colleges and include them specifically within the definition of "educational organization" in Code section 170(b)(1)(A)(ii). This would insure that they will be excluded from the provisions of the bill applicable to private foundations and be free to continue their present operations.

This amendment is essential if the act is properly to reflect the theoretical and practical differences between foundations on the one hand and educational institutions on the other hand. The amendment is five paragraphs long because it has been narrowly drafted to exclude from its coverage organizations that are not genuinely a part of our system of higher education. The term "advanced-study or research institution" added by the amendment to Code section 170(b)(1)(A)(ii) would be defined in Code section 7701, relating to definitions.

We believe this amendment is important, not merely to the institutions in question but to the country as a whole, and we strongly urge its adoption. Our views are shared also by the chairman of the Committee on Ways and Means who has explicitly approved the purpose of the amendment. After the Finance Committee reported this bill, he stated that he believed these institutions should not be classified as private foundations and that they could, consistently with the purposes of this legislation, be excluded by an appropriate provision.

We ask the Senate's support for this amendment.

I ask unanimous agreement that the proposed amendment and a technical explanation of it be printed in the CONGRESSIONAL RECORD at this time.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table; and, without objection, the amendment and technical explanation will be printed in the RECORD.

The amendment, intended to be proposed by Mr. HARTKE, for himself and other Senators, is as follows:

AMENDMENT NO. 386

On page 150, line 25 strike out the comma and insert: "or which is an advanced-study or research institution."

On page 186, after line 16 insert the following (and redesignate subsection (f) as subsection (g)):

"(f) Definition of Advanced-Study or Research Institution.—Section 7701(a) (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(35) Advanced-Study or Research Institution.—The term "advanced-study or research institution" means an organization, including a learned society, which is described in section 501(c)(3) and which—

"(A) expends substantially all of its income directly for the active conduct of scientific, scholarly, or educational activities;

"(B) maintains as the major part of its operations a faculty or one or more bodies or scholars or scientists (a significant number of the members of which hold advanced degrees) engaged directly, under conditions of academic freedom, in instruction or scholarly or scientific studies or research (exclusive of instruction, studies, or research for the primary purpose of commercial or industrial application);

"(C) makes available (or permits and encourages the scholars associated with it to make available) to the general public the results of its studies or research or furnishes directly to a significant number of individuals, selected objectively, programs of study or instruction or facilities for scientific, scholarly, or educational purposes;

"(D) is not controlled directly or indirectly by one or more disqualified persons (as defined in section 4946) who are not foundation managers; and

"(E) normally receives not more than one-third of its support in each taxable year from any combination of—

"(i) gifts, grants, or contributions from one or more disqualified persons (as defined in section 4946) other than organizations described in clauses (i) through (vi) of section 170(b)(1)(A) and private foundations not described in section 4946(a)(1)(H), or

"(ii) gross receipts (exclusive of tuition or enrollment fees) from performance of services under contract."

The material presented by Mr. HARTKE is as follows:

TECHNICAL EXPLANATION OF AMENDMENT

The Amendment would add to section 170(b)(1)(A)(ii) of the Internal Revenue Code, at page 150 of H.R. 13270, a new clause which would include within the definition of "educational organization" any organization which is an "advanced-study or research institution." The term "advanced-study or research institution" would be defined in a new paragraph (35) added by the Amendment to section 7701(a) (relating to definitions).

The definition of "advanced-study or research institution" would apply to section 501(c)(3) organizations which satisfy each of five tests set forth in the Amendment in subparagraphs (A) through (E). The five tests are designed to serve two related purposes: first, to be descriptive of the principal characteristics of these institutions; and second, to exclude from the new definition, and thereby leave subject to the Bill's provisions on private foundations, organizations which are not part of the system of higher education. Excluded from the new definition, for example, would be organizations which direct their efforts to research primarily for commercial or industrial application, and organizations which do not operate under conditions of academic freedom.

Paragraph (A) of the new definition requires that the institution be engaged, both actively and directly, in educational, scholarly or scientific activities; it further requires that the organization expend substantially all of its income in conducting such activities. A similar test is already used in the Code in section 170(g)(2)(B) (relating to the unlimited charitable contribution deduction) and in the Bill in new Code section 4942(j)(3) (relating to operating foundations). An organization would not qualify under this test if, for example, a substantial portion of its income were expended to finance such activities carried on under the auspices of one or more other organizations.

The test in paragraph (B) reflects the major distinguishing characteristics of these institutions. The organization must operate primarily through a group of individuals (a faculty or one or more bodies of scholars or scientists) who are themselves engaged directly in instruction or scholarly or scientific studies or research. An indication of higher-education status, a significant number of these individuals must hold advanced degrees, and their activities must meet both a procedure test and a purpose test. As to procedure, the activities must be conducted under conditions of academic freedom, which means freedom of the teacher or scholar to express the truth as he sees it without interference by any other authority or fear of loss of position. As to purpose, the activities must be pursued primarily to enhance the knowledge or capabilities of the individuals involved or of the public at large. Activities carried on for the primary purpose of commercial or industrial application are not indicative of an institution of higher education and will not qualify in meeting the test in paragraph (B).

Paragraph (C) adds a test that ensures that the organization and its works will be exposed to or involved with the general public to a significant extent. The test requires that the organization make available (by publication or otherwise) to the general public the results of its studies or research. However, since these organizations often do not themselves publish the results of their

scholars' work, this test will be satisfied it the organization permits and encourages its scholars' work, this test will be satisfied if their work. (This test is intended to codify the current practices generally followed already by institutions of higher education such as colleges and universities; an organization would not fail to meet this test, for example, merely because its works are of direct interest only to a limited segment of the general public or because it or the scholar involved does not make available the results of efforts that are deemed unsuccessful.) Alternatively or in addition, an organization would satisfy the test in paragraph (C) if it offers programs of study or instruction or facilities directly to a significant number of individuals for scientific, scholarly or educational purposes. The meaning of "significant" will vary depending on the field of study, the nature of the program and other factors such as available financial resources. The individuals in question must, in any event, be selected on an objective basis. Examples of "facilities" within the meaning of paragraph (C) are libraries or laboratories.

Paragraphs (D) and (E) are designed to ensue that the organization will be independent and not be controlled or influenced in its operations by a particular person, family, organization or group. In paragraph (D) the test is put in terms of direct or indirect control of the institution by disqualified persons other than foundation managers. (Foundation managers are excluded from the control restrictions in paragraph (D) even if they are also substantial contributors as defined in section 4946(a)(2); this exclusion is necessary because many officers and trustees of these institutions are substantial contributors (that is, contributors of over $5000 in any one calendar year) and is appropriate in view of the specific limitations in paragraph (E) on the amount of support that may be received from disqualified persons including foundation managers.) This test is already used in the Bill in new section 509(a)(3)(C) (pages 20–21 of H.R. 13270). The prohibited control for this purpose would include formal understandings or arrangements as well as formal voting control.

The test in paragraph (E) is designed to minimize the opportunity for control or influence stemming from financial support of the institution. Under this test, not more than one-third of an institution's support could be received from certain sources. These sources include disqualified persons who are individuals, business corporations, related foundations (as defined in section 4946(a)(1)(H)) and others. For example, an institution would not qualify under this test if it normally receives as much as one-third of its support from a private foundation which received substantially all of its contributions from the same individual who made (directly or indirectly) substantially all of the contributions to the institution in question. Further, to avoid outside parties' influence over the institution's activities and any impairment of its academic freedom, the support restrictions also apply to gross receipts from the performance of services under contract. Thus, under the test in paragraph (E), at least two-thirds of an institution's support must be derived from sources such as receipts from carrying on exempt activities (such as tuition fees and sales of publications), endowment income, contributions from "30-percent" organizations including the government, contributions from the general public (in amounts such that the contributors would not be disqualified persons), and contributions from unrelated private foundations.

AMENDMENT NO. 387

Mr. COOPER submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 388

Mr. BYRD of West Virginia, for himself and Mr. MANSFIELD, submitted an amendment, intended to be proposed by them, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

## NOTICE OF CHANGE OF DATE OF HEARINGS ON S. 2203

Mr. JORDAN of North Carolina. Mr. President, it was previously announced that the Committee on Agriculture and Forestry would hold hearings on S. 2203 on January 15, 1970. That date has been changed, and the Subcommittee on Agricultural Research and General Legislation will hold hearings on S. 2203 on January 20, 1970.

## WILL CONGRESS RECLAIM ITS WARMAKING POWERS

Mr. CHURCH. Mr. President, Mr. Merlo J. Pusey, a member of the editorial staff of the Washington Post, has written a very thoughtful article on the warmaking powers of Congress which I think deserves the attention of every legislator. In his article, Mr. Pusey points out, quite correctly I believe, that Congress has been remiss in asserting its constitutional prerogatives in this area.

Although he criticizes the Committee on Foreign Relations for failing to act on a resolution submitted by the junior Senator from New York (Mr. GOODELL), which is designed to bring an end to American participation in the Vietnam war, he does give credit to the committee for taking the initiative in securing enactment of the national commitments resolution by the Senate earlier this year.

Mr. President, I ask unanimous consent that Mr. Pusey's article be printed in the RECORD. I might add that the chairman of the Committee on Foreign Relations has announced that hearings will be held on all Vietnam resolutions beginning early next year.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 30, 1969]

WILL CONGRESS RECLAIM ITS WARMAKING POWERS?

(By Merlo J. Pusey)

Could Congress now intervene to stop the war in Vietnam? Having told the President through the Tonkin Gulf resolution in 1964 that he should use his own discretion as to what military measures were necessary in Vietnam, could Congress belatedly reverse itself and tell him to pull American troops out? At least one Senator, Charles E. Goodell, thinks so. But the ambivalent Senate Foreign Relations Committee has again postponed hearings on the Goodell resolution designed to cut off funds for fighting in Vietnam within a year.

It seems highly improbable that Congress will use this drastic weapon. The effect would be to force a pullout of American troops regardless of what the consequences might be. Congress has always been loath to take the responsibility for the extra casualties and chaos that might result from such an inflexible mandate. Yet the unrest in Congress over continuation of what is essentially a presidential war is steadily mounting.

Recent events have further dramatized the gravitation of the war power into the hands of the President. In his Nov. 3 address, President Nixon outlined his policy for ending the war—not a national policy reflecting the views of both the executive and legislative branches. When the peace demonstrators came to town, they were concerned only about making an impact on the White House. Congress itself was not in the limelight because it has been almost a cipher in the making of Vietnam policy

In their more contemplative moments the President and his advisers may reflect upon how much easier their present position would be if Congress had authorized the limited war in Vietnam and if Congress were now sharing the agony of trying to end it without disastrous consequences. But wishing does not roll back history. The fact is that the Nixon administration alone is reaping the whirlwind of an unpopular war, which it did not start, because of the peculiar warmaking pattern that has come to prevail in the United States in recent decades.

There is now great concern in the country about this pattern. Many individual legislators are deeply chagrined by the congressional abdication in the past even though they may not be willing to follow the lead of Senator Goodell.

It is interesting to speculate as to what might have happened in 1964 if Congress had then been as alert to the perils of presidential wars as it is now. Last spring the Senate passed the Fulbright-Cooper resolution which expressed the "sense of the Senate" that the United States cannot enter into commitments to assist other countries by means of armed forces or resources without the consent of Congress. In an illuminating report issued prior to enactment of the resolution, the Foreign Relations Committee also outlined various steps which could be taken to guard against presidential wars in the future.

One of these precautions was that Congress should debate any question of a future military commitment long enough to know what it is doing and to establish a record of congressional intent. There was no such debate in 1964. Another precaution recommended was that Congress actually *authorize* or *empower* the President to do what Congress might deem necessary instead of leaving the whole perilous business of going to war in his hands.

The third precaution recommended by the committee was that Congress specify "as explicitly as possible under the circumstances the kind of military action that is being authorized and the place and purpose of its use." In addition to this, the committee urged Congress to "put a time limit on the resolution, thereby assuring Congress the opportunity to review its decision and extend or terminate the President's authority to use military force."

If these sensible rules had been in effect in 1964, Congress might well be debating now whether or not to extend the authority of the President to use armed force in Vietnam. It seems highly improbable that, under such an arrangement, the President would ever be allowed to send troops into battle, without a declaration of war, for more than a year at a time. Congress insists on reviewing other lesser grants of authority (foreign aid, for example) every year. A time limit on his authority to use armed force in Vietnam would have compelled Congress to share responsibility for the war, and of course it would have given Congress substantial leverage in pulling American troops out long ago if it had cared to do so.

There is not much point in speculating as to whether the war would now be ended if Congress had retained this kind of checkrein. Sometimes Congress is more beligerent than is the President. The point of enormous moment is that when the Congress does feel that the national interest demands withdrawal from a military venture it should have readily at hand means of making its influence felt.

Some ardent nationalists will say that any

such restraint upon the President in the conduct of foreign policy could become a serious embarrassment. But is embarrassment of the President of greater concern than continuation of a war after it has lost support in Congress and presumably in the country?

There is plenty of history to show that Congress as well as the President has sometimes abused its authority. In a democracy, however, we instinctively feel more comfortable if grave issues involving life and death and the future course of the nation are hammered out in legislative debate instead of being left wholly to executive discretion. And it is reasonable to ask whether the President himself, in this time of agonizing decisions, would not be relieved if the Foreign Relations Committee formula were in effect, requiring Congress to say the last word, on the basis of his recommendations, as to how long the commitment of American forces to the defense of South Vietnam should continue.

## AN OUTSTANDING AMERICAN SOLDIER

Mr. HANSEN. Mr. President, the people of Cheyenne, Wyo., are honored that an outstanding American soldier makes that city his home.

Capt. M. C. Dunbar, Jr., at age 26, is among the most highly decorated men of the Vietnam war.

The Silver Star is the Nation's third highest award for valor. It is given for exceptional bravery in combat.

Few men are entitled to wear it, and those who are, wear it with justified pride.

From June 29 to July 21, 1969, while serving in Vietnam, Captain Dunbar won the Silver Star on four occasions.

We need say no more here because this record speaks for itself. I ask unanimous consent to have printed in the RECORD an article, published in the Wyoming State Tribune of December 2, concerning Captain Dunbar's achievements, which also include seven Bronze Stars, three Army Commendation Medals for valor, three Purple Hearts for wounds sustained in action, and three Air Medals.

Captain Dunbar is a career Army officer, and a credit to the Armed Forces of the United States.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VIETNAM HERO'S HONORS MARK SUMMER OF VALOR

From June 29 to July 21, slightly more than three weeks of this past summer, M. C. Dunbar Jr. was very, very busy.

Dunbar, 26, is a captain in the Army.

At the time, he was in Vietnam.

On four occasions in that 22-day period, Captain Dunbar won the Silver Star, the nation's third highest award for valor.

The Silver Star is not a rare award although it is given for exceptional bravery in combat; many American servicemen have won it at least once; some a second time.

But four such decorations in less than a month is exceptional indeed; and Dunbar, who resides here at 5130 Windmill Road, may be unique in the annals of the U.S. military.

But wait.

Not only does he hold four Silver Stars; Dunbar, a company commander in the Army's 9th Division in Vietnam for 12 months that ended just 10 days ago, also has seven Bronze Stars, three Army Commendation Medals for Valor, three Purple Hearts for wounds sustained in action, and three Air Medals.

But wait.

He also has four decorations pending: Two more Bronze Stars, the Soldier's Medal and the Vietnamese Medal of Honor.

All in all, Dunbar, a career Army officer who moved here nearly two years ago from San Antonio, Tex., to make his home, may be one of the most decorated veterans of this or any other war fought by Americans.

Dunbar's citations for the four Silver Stars alone are impressive; they're also repetitive—personal heroism in the face of the enemy.

A typical one is the second award of the Silver Star last summer as commander of Company D, 2nd Battalion, 60th Infantry, 9th Division. That was on July 3.

His outfit was engaged in a reconnaissance in force—that is, going out and looking for the enemy with the idea of having a fight if necessary—when Company D came under hostile automatic weapons fire.

The citation said Dunbar immediately "crawled to the lead element" of his company. "Spotting an enemy soldier, he boldly exposed himself to eliminate (the enemy) with accurate rifle fire," said the citation. Dunbar "remained at his exposed position to call in devastatingly accurate artillery fire within 20 meters (that's almost 22 yards, of his position." Then, with "total disregard for his own safety, moved in and helped extricate the wounded from the battlefield."

The other three incidents were similar; in one of them, when his company came under fire from the enemy, Dunbar using only a .45 automatic pistol "neutralized" the bunker killing one Viet Cong and capturing another. In all of the four incidents, Dunbar came under heavy enemy fire himself.

The area in which he and his outfit were operating was Long An province, 35 miles southwest of Saigon—the Mekong Delta country. The operations for the most part involved small units, platoon and company-scale searches for and engagements of the enemy.

Dunbar calls this a "jitterbug technique" which requires efforts to make contact with enemy forces and maintain them. Most of the assaults are carried out on an air mobile basis, from helicopters.

The first couple of hours of one of these operations, he says, "are fast and furious" which involve intensive combat by the unit involved followed up by employment of a "pile-on" technique which requires calling in support units to hammer an enemy force with everything available.

In a company-scale operation, Dunbar said, his platoons may be as far as five or six miles apart at times.

The Viet Cong and the North Vietnamese are pressured night and day although the enemy prefers nighttime operations to day. The enemy most often "live like rats," says Dunbar, either concealed in heavily fortified bunkers that can resist even the heaviest artillery rounds and bombs, or buried up to their noses in swamps.

Dunbar arrived home 10 days ago. Shortly after Christmas he and his wife, Pam, and their three-year-old daughter, Carrie, together will leave for a new military assignment—this time with the U.S. Army forces in Europe where he'll also be a company commander.

A native of San Antonio, where he graduated from St. Mary's University and received an Army commission through the ROTC, Dunbar intends to make his home here permanently. San Antonio, he says, is too big. And he and Pam like Cheyenne.

They've bought their own home here and intend to return to it from time to time. Dunbar's father, retired from his own military career in the Air Force, also lives here. He's now a civilian employe at Warren AFB.

As for the future of the U.S. in Vietnam, Dunbar sees it as most promising.

"There is no doubt about the fact that we are making progress," he says. "The (South) Vietnamese are taking more initiative, and branching out into things we were doing for them. This Vietnamization thing is working out quite well. So long as it progresses in this manner I'd say we're doing quite well over there."

## BLACK POWER IN THE BRIG

Mr. BYRD of West Virginia. Mr. President, an article originating in Charleston, S.C., and published in the Washington Post of yesterday, December 4, 1969, refers to charges by Representative L. MENDEL RIVERS that black prisoners in a Marine Corps prison at Camp Pendleton, Calif., were forcing white prisoners to perform menial tasks, undergo beatings, and submit to homosexual attack.

I note that the House Committee on Armed Services is looking into the matter in an effort to straighten out the situation. I wish to express the hope that the committee will thoroughly investigate the matter and see that appropriate action is taken to put an end to such activities and to punish prisoners who are guilty of such actions.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RIVERS ACCUSES BLACKS OF WHITE BRIG SLAVERY

CHARLESTON, S.C., December 3.—Rep. L. Mendel Rivers (D-S.C.) charged today that black prisoners in a Marine Corps prison at Camp Pendleton, Calif., had made "slaves" of white prisoners through a "kangaroo court."

Rivers, chairman of the House Armed Services Committee, said committee investigators turned up evidence of the prison terror and "we are going to assist the Marines to straighten out this situation."

The Charleston News and Courier quoted Rivers as saying that by tight organization under Black Panther-type leadership, a minority of Negroes at the major Marine prison had established "black supremacy."

He was quoted as saying kangaroo courts ordered beatings for whites who resisted, and that some white prisoners had been beaten "to the point of death."

"Under threat of beatings, the white 'slaves' are required to perform menial tasks and in some cases submit to homosexual attack," the newspaper said.

Investigators reported there had been five major disturbances at the prison since July of 1968, the story said.

Rivers said the preliminary report would be further investigated by a House Armed Services subcommittee, and the chaplain and brig doctor had been called to testify.

## PROPOSED APPROVAL OF SYNTHETIC OR ARTIFICIAL MILK

Mr. CURTIS. Mr. President, I invite the attention of the Senate to a warning which was issued recently by a Nebraskan in a series of radio broadcasts.

The warning comes from a dairyman whose industry was given only 60 days to answer a recommendation to the Food and Drug Administration for the approval of a synthetic or artificial milk.

It is hard to believe that such a complex nutritional question with equally complex potential economic effects should be decreed by a government agency to be dealt with in such short order. It is not only unrealistic, it is also dangerous.

I ask unanimous consent to have printed in the RECORD, for the benefit of all who may be concerned about such a development, a speech by Mr. J. Gordon Roberts, of Omaha, which was broadcast over radio stations in Omaha, Lincoln, Sioux City, Denver, and Washington, and Clearwater, Tampa, and Orlando, Florida.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

YOUR JOB AND YOUR HEALTH MAY BE AT STAKE IN FOOD REGULATION

(By J. Gordon Roberts)

Your rights as a citizen as well as your health may be vitally involved in the forthcoming White House Conference on Nutrition in Washington, D.C., December 2 through 4. Therefore, I suggest that you listen. Whether these comments are made by me or by John Doe is not important. But you, the listeners are important, and involved.

Unfortunately, the issues I must cover may not be summarized in one sentence because they concern proposed food regulations suggested by those in Washington with police power. These regulations are potentially so profoundly related to both the physical health and economic welfare of this nation that they must be explored thoroughly if they are brought up at all at the White House Conference. If regarded as routine resolutions these regulations could produce irreversible changes in this nation, the possible effects of which should be examined. Sometimes the importance of issues may not be fully recognized at the time.

For instance, in 1960, I attended a Conference on Youth in Washington, D.C. Oddly enough, the fundamental issue may be the same now as ten years ago, the rule of Pure Chance rather than Benevolent Force, universally.

In 1960, one issue was prayer in the schools. But this issue received little attention in advance of the conference. The conference, itself, was another matter. At the sessions I attended not only God but also the United States of America was banned from use in resolutions. "Patriotism" was clearly considered a dirty word.

Personally, I refuse to leave God out of my vocabulary or my life, Conference notwithstanding. For moral law is like gravity; invisible but inescapable.

Following the Conference in 1960, I had some comments which were reported, as I remember, in the Washington Post.

Specifically, it has been suggested by some in the FDA that imitation milk be offered the public which (and I quote verbatim) "may be superior in some respects to the dairy products they replace." Admittedly, the foregoing was offered as a consideration, not a claim.

Nevertheless, any such consideration by a private party as the foregoing would necessarily include provision for both animal and human research. Yet a recommendation is supposed to be answered within sixty days. The deadline is December 1. The Conference starts December 2.

What appears to constitute bypassing standards demanded of others by the FDA has already been recommended in advance of this Conference. In fact, such recommendation was included in the Federal Register, Thursday, October 8, 1969, regarding what was published October 1.

Imitation milk is to be made imitative of cows' milk rather than human milk, according to recommendation offered. Asses' milk would be more suitable, nutritionally, according to text books, if human milk is not to be used.

I am being scientific rather than sarcastic when I say that asses' milk or mares' milk would constitute a better standard if human milk for human beings is not to be used as a yardstick.

On the other hand, I agree wholeheartedly that a Conference should be held. I offer warning because of what I have seen and heard in the past, neither by reason of mere conjecture nor foreknowledge of evil. And I contend that if one species may not produce a better nutrient for its own kind than may another species, then maybe atheists should control our school system.

In making my case, I must admit at the outset that I have an economic interest in the regulation of nutrition. Therefore, I may not be completely objective. Objectivity is your responsibility as a listener. I point this out to avoid using a moral issue simply to promote my personal interest.

Inescapably, however, economics and moral law do relate, and often go hand in hand. Were this not true, in my opinion, I would not raise the moral issue. In 1932, for example, when I was finally released from college by graduation, I became involved in the Farm Holiday Strike at Sioux City, Iowa.

There I learned that one may be killed just as dead in a little war as a big one. The motivation, not the means of maiming or killing is what makes a war.

For years afterward, I studied the cause and cure of depressions in the United States.

Later, I ran a column five days weekly in the daily newspapers on this subject. Some of my listeners may remember reading this column.

In my studies, I discovered some common denominators among depressions. One pertinent factor consists of a chain reaction. A depression is not a childhood game where "all fall down" all at once.

Another factor consists of the condition that some small group may achieve inordinate power, for the sake of greed, or power for its own sake. Thus some other segment of society is done grave and irreparable injustice. And thus all of society is ultimately engulfed in disaster.

For example, in 1932, farm purchasing power represented 62% of the 1909–14 level, as estimated at the time. For those lucky enough to have jobs, the purchasing power of wages, comparatively, was 212%. Unfortunately, many people did not have jobs, and soup lines were in almost every town.

In 1932, milk sold for as little as 4c per quart out of grocery stores. Farmers were not paid adequately for their work.

Of course some people will always want food and circuses for free. Why not? And tyrants have taken advantage of this for thousands of years.

By establishing requirements for milk and imitation milk, apparently favoring an imitation product, what may constitute an injustice to dairy farmers, has been recommended. Such regulation could make the pricing structure of the early thirties a paragon of justice by comparison.

By regulation, dairy farmers throughout this nation not only *may* be but almost certainly *will* be bankrupt, with no recourse whatever for their investment of years, as well as money, if such regulation be upheld in present form. Nearly 2,000,000 Americans, almost one out of a hundred, are involved in the dairy industry, more than enough to start a depression. Presently these people are the backbone of stability in this nation.

There are some in this country who would delight to see rioting extended from cities to rural areas. If proposed regulation will not do this, then the Farm Holiday Strike of 1932 did not happen, after all, or else farmers have suddenly become willing to be stripped of their homes, without protest.

There are some who would like to see this nation paralyzed by a complex and crippling depression, as hard to undo as the damage from a nuclear explosion. And the best protection, now, as always, is truth. For the major requisites of economic cancer appear to be present.

If what be said here be untrue, let those who may contradict it with facts, by all means, do so. For there are those who would gag such protest as this, charging that the cost of defense against possible abuse of police power, should not be a deductible expense, Constitution notwithstanding.

To make clear my view of the proposed devastation to both the economic and physical health of the nation, I must review my version of the progress of the dairy industry since the turn of the century. Having attended dairy conventions since I was ten years old, I have had a ringside seat to watch the industry.

I must admit that my version of progress is necessarily subjective to the extent that I was part of it. However, my statements may be examined. They are public and open to review.

Since pasteurization, the major progress made has consisted of making cows' milk as nearly imitative of human milk as possible. If cows' milk could be made completely imitative of human milk, it might even provide protection against many diseases.

In 1933, I was involved, personally, in the introduction into milk of vitamin D extracted from cod liver oil. Others were using ultraviolet light to fortify milk. Still others later fed special feed to cows to offer such fortification. In the course of finding methods, irradiated ergosterol was introduced as a source of vitamin D.

Prior to the introduction of vitamin D milk, 80% of the infants in this country were reported to suffer from rickets to some degree. Through Vitamin D milk, rickets were eliminated almost entirely.

Following the line indicated by Divine Intelligence produced benefits far beyond what any mere human might predict. In my opinion, such line should be followed wherever possible.

Had vitamin D milk been introduced today, it would unquestionably have been outlawed, as may be demonstrated by example. Eighty per cent of the children in this nation would still have been suffering from rickets. The claim that all nutritional needs may be met in a well rounded diet would in itself have eliminated any possible argument, much less basis for research. Moreover, an infant's diet is necessarily limited.

Following the introduction of vitamin D milk in 1933, Roberts Dairy introduced homogenized milk in 1939. Others claim to have introduced it, too, and maybe they did. In 1938 I attended a national convention of leading dairymen. I was told that milk had always been sold on the depth of creamline, and always would be.

Had homogenization not produced a cows' milk more like human milk, I, personally, might have gone along with this argument. But cows' milk is suited for the four stomachs of the ruminant, not the single stomach of the human being.

The curd formed by cows' milk is about the size of a walnut, unless the milk be homogenized. With homogenization, cows' milk forms a curd about the size of a pea. Human milk forms a curd about the size of a BB.

At the time homogenization was introduced, various regulatory agencies attempted to interfere with it, just as regulatory agencies had endeavored to interfere with pasteurization at the turn of the century.

Regulators are just ordinary people, and should always bear this in mind.

The benefits of homogenization may not be measured as may vitamin D. But they are present; for milk is much more easily digested with a smaller curd.

The need for vitamin C in milk was brought up at the time that pasteurization was introduced, even though cows' milk contains very little if any vitamin C may be present in cows' milk.

The human being, however, is one of the few species on earth with a vital nutritional need for vitamin C. Most animals produce their own vitamin C, without need for an outside source.

The need of a cow for vitamin C may not be compared with human requirement. Therefore, cows' milk may not be compared with human milk, inasmuch as the two meet different needs. For one thing, cows' milk is designed to nurture the bovine brain, not the human brain.

Even so, some of you listening have used raw milk because of its vitamin C content, primarily. I know, because I solicited from door to door two decades ago. And for years, many health departments refused to ban the sale of raw milk because of vitamin C content. Some scientists today would indicate that maybe they're right.

For example, in the Omaha World Herald of November 6, 1969, is a story entitled, "Drink of Orange Juice May Help Curb Cancer."

Dr. J. U. Schlegel, chairman of the urology section of the department of surgery at Tulane University was quoted as saying that researchers gave test animals vitamin C in conjunction with chemicals known to produce cancer, but malignancies did not develop.

Dr. Schlegel emphasized in this article that vitamin C may not be considered a cure for cancer already developed.

Vitamin C appears to influence *collagen* beneficially.

Collagen is described as body cement. According to some scientists collagen is related in some fashion with aging, but more information should be forthcoming from research.

Smoking and drugs appear to reduce the amount of vitamin C assimilated, according to many scientists. And no scientific evidence has ever been presented, to my knowledge, of possible excessive use of this vitamin, because any excess is excreted.

The need for vitamin C is clear, beyond doubt, in any case. For years raw milk was sold, despite its alleged dangers, because of vitamin C, primarily. Yet today some in the Federal Government would ban the addition of vitamin C to milk, while permitting its use in imitation milk.

This would reverse the progressive trend of the dairy industry toward making cows' milk more imitative of human milk. But it would do far more.

Proposed regulation would permit the preservation of imitation milk with chemical preservatives. Imitation milk would not require refrigeration, presumably. Artificial coloring has even been suggested. Through offering a product not requiring refrigeration, fortified with vitamin C, the Federal Government would relegate milk to the role of butter in relation to margarine.

Now it is the opinion of at least some people interested in nutrition that the addition of any chemical not normally a nutrient may conceivably involve dangerous irritation, with daily use. Some even contend that the principal difference between cyclamates and other food chemicals which are not normal nutrients is that the damaging effect has been demonstrated in the one case, whereas research has not been conducted with regard to other chemicals.

In my opinion, such broad generalization may be extremely unfair going as far in another direction as restricting the right to improve the value of cows' milk. However, we should not assume that proposed devastation of the dairy industry may involve no more than sheer idealism. A cursory examination of a local grocery store produced 18 different products fortified with vitamin C and protected with chemical preservatives. It is just possible that at least some companies selling products of this kind might be interested in eliminating competition of milk fortified with vitamin C without preservatives.

Citrus juices have some remarkable properties, peculiar to themselves. Nevertheless, chemical concoctions imitative of fresh fruit juice are invading the fresh fruit market primarily by reason of vitamin C fortification. Now imitation milk has been proposed containing a tiny chemical fragment of milk to give it flavor and fortified with vitamin C. A fortuitous coincidence for someone.

It hardly appears in the public interest that an artificial product be permitted with a natural vitamin additive, thus suggesting superiority, whereas the use of such additive in milk may be unlawful, especially in light of cancer research. Certainly all wholesome combinations should be permitted, which may conceivably help in the prevention or cure of cancer. Cancer is not only a killer, but the most cruel on earth.

And sadly, the potential health improvement which may be realized through making cows' milk more imitative of human milk has hardly been touched. For one thing, mammals at different levels of intelligence produce milk of widely different content. In effect, one Conference did all it could to destroy the Soul of America. Let not another jeopardize its mind.

Human milk produces a different kind of bacteria in the stomach of a newly born infant than does cows' milk. A very similar bacteria, however, may be introduced into cows' milk, acidophilus culture.

What might happen with imitation milk, artificially preserved, no one knows. In the first place, a preservative clearly would make impossible the development of bacteria in the same manner as in natural milk.

Dr. Kem Shahani of the University of Nebraska is quoted in the press as showing that lactobacillus acidophilus cultures may show slight anti-cancer activity, as well as great antibiotic activity.

He is quoted as saying that the factor, acidiphilin is (quote) "very active and appears to inhibit both gram positive and gram negative bacteria." (unquote)

Acidophilus buttermilk is a wholesome source of antibiotics which have never demonstrated any hazard. The use of this product literally goes back into the dawn of history.

The significance of this is spelled out in another headline from the Omaha World Herald of November 9, 1969, (quote) "Child Doctor against 'Antibiotics Scatter.'" The foregoing headline tells its own story of warning against overuse of antibiotics which may not be harmless.

Other research indicates the possible effectiveness of acidophilus culture to offset the results of atomic radiation. Research in Bulgaria indicates the possible effectiveness of Lactobacillus Bulgaricus as an anti-tumor factor.

The possible use of milk to protect human health has barely been touched. Who knows, for example, what might happen to cancer if cows' milk could be made completely imitative of human milk?

The effect of proposed federal regulation would be to prohibit ever finding the answer to such a question. For some answers probably must come from statistics involving thousands or millions of people, something beyond a Conference of two or three days. Diets in more than one part of the world should be examined. A study of Atherosclerosis among zoo animals may be quite revealing.

Proposed regulation would even strip some milk products of present nutritional value. Our sale of low fat milk fortified with vitamin C indicates that people want milk containing this nutrient just as much today as in 1920. However, very little has been done in recent years to improve milk basically.

To attract customers, milk has been used as a traffic-building to the point that research has not been carried forward as it should be. Innovation may of course weaken monetary control of markets. Therefore, regulation beyond justification may only intensify monopoly.

Already the dairy industry is demoralized. Any further damage would amount to devastation. However, many major companies are widely diversified, and may not be concerned.

And this fact is not offered as a criticism. On the dairy farm, cows require attention at least twice every day irrespective of 40-hour weeks. Getting the cows milked at least twice a day, 7 days weekly, at a price the public is willing to pay, is becoming more and more of a national problem.

The milk processor faces the same problem as the wage earner in the early Thirties. The wage earner was then forced to explain one wage cut after another to his wife, wage cuts over which he had no control.

The milk processor is simply told by the Federal Government that his cost of raw product has gone up. His only part in this increase is to pay the bill and try to explain to the housewife why she should pay more money for milk.

Understandably, national companies are even more hesitant to attempt such explanations as are small companies because consumer boycotts may hit products other than milk. So the price of milk lags constantly behind its cost. Only those stock companies with diversification can afford to remain in the milk business.

In Nebraska, for example, the number of independent processors is down by about two-thirds since 1958.

In much of the United States, milk companies are barely breaking even at best. Almost no independent companies are left.

Meanwhile, the dairy industry, generally, is not producing enough profit to provide for its survival, much less subsidize the research necessary for progress.

In many cities, milk is priced from 1 to 5¢ per quart too low to meet needs for survival and progress.

By increasing the price to dairy farmers, the Federal Government is protected from possible embarrassment, politically. But this leaves the processor as the scapegoat.

Many have tired of vilification as the middleman and gone out of business. But the milk will not process and distribute itself.

On the other hand, an industry in which pricing chronically lags behind cost will neither attract capital nor the kind of talent required for progress. So what is probably the biggest single source of opportunity for health improvement is being neglected through lack of money, talent, and political responsibility. At some universities at least dairy science departments are being combined with food technology. In only a few states are Legislators willing to share in the pressure put on milk processors, to protect an industry vitally needed for public health.

And now an easy answer is offered through a proposed quickie regulation, which the industry is provided 60 days to answer, with only the assurance of more abuse, whatever its stand.

The issues are so varied and complex that they could not even be discussed adequately in 60 days by scientists, processors, or anyone else knowledgeable about the industry. For there appears no simple and easy answer.

In the immediate future there appears no ready answer to increases in the cost of raw

product. It is small wonder that imitation milk has been offered as a possible solution for both processors and enforcement officials. Here is an example of why much more study is needed. Maybe there are better examples, but this is one.

At least some medical literature would indicate that less units of vitamin D are required, as a natural part of human milk, than are required as fortification of cows' milk. Lactose in human milk appears to be a factor.

How would imitation milk compare with cows' milk or human milk as a preventive of rickets? I don't pretend to know. But the danger of restoring rickets as a crippling disease is very real.

I don't pretend to be a scientist or a medical man, either, but I do know that when vitamin D milk was introduced, a bitter argument was raised as to irradiated milk as compared to fortified milk. So the issue is not an idle one in connection with new and different products. And neither definitions nor assumptions are adequate; truth may not be established by pronouncement. Men of strongly prejudiced opinion are having a field day.

I feel that the regulation presented, has implications which are so broad that the regulation of the dairy industry for interstate commerce, should, and must properly remain, within the halls of congress, irrespective of how constructive, may be the comments, forthcoming from the Conference, shortly to be held.

Thank you for listening.

## SALUTE TO SCOTTY JACK ON HIS RETIREMENT

Mr. McGEE. Mr. President, the regional director of the Small Business Administration in Wyoming, William M.—Scotty—Jack, has been relieved of his post, which he had held since 1964. In the course of events, the new administration has decided to name its own candidate for the job. This is a circumstance which neither Mr. Jack nor I question.

But I do want to take a moment of the Senate's time to pay respects to Mr. Jack, whose long service in public and political life deserves recognition, and whose service for the SBA in the State of Wyoming has been outstanding. And I am sure his service is not ended, for as the Casper Star-Tribune editorially noted, Scotty Jack "is not an easy man to relegate to retirement."

Mr. President, I ask unanimous consent that the Star-Tribune's salute to Mr. Jack be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RETIREMENT OF SCOTTY JACK

William M. (Scotty) Jack, who recently was relieved of his post as regional director of the Small Business Administration, is not an easy man to relegate to retirement. As a member of the Governor's Commission on Reorganization, he is not left without important work to do that will be beneficial to Wyoming. Beyond this particular assignment, those who knew him well may expect that he will keep his hand in on a number of politico-economic chores.

There is no cause for criticism in the ending of his tenure as director of the regional office in Casper. Under a Democratic administration, he was appointed early in 1964. Now that the White House is represented by Republican leadership, it is the prerogative of that party to make its own selection. Nothing said here is to argue that point nor to suggest that Mr. Jack should have been kept on the job.

Scotty Jack has gotten along well with members of both political parties and he is one of those individuals whom it would be very difficult to peg in a particular partisan slot if he had not already declared himself. As a legislator, including speaker of the House, as a state auditor, secretary of state, and a member of the Public Service Commission, and in the administration of the SBA office, he has placed the interests of his state above political consideration.

For many years he was identified with the oil industry, and for part of that time he was executive secretary of the Rocky Mountain Oil and Gas Association. These connections naturally would influence him into some conservatism. This is not to imply that he is anything less than a loyal and dedicated Democrat. Both major political parties have on their rosters members who represent varying shades of opinion on particular questions.

As word of his pending retirement was circulated, Mr. Jack was the recipient of many complimentary letters from persons who had been associated with him in one way or another. Not the least of these was from Gov. Stan Hathaway, who expressed appreciation for the cooperation received. Some of the communications were from SBA officials, and a number were from bankers in Wyoming who had participated in financing enterprises which the agency had sponsored.

One of the last acts of his administration was to persuade the SBA in Washington to broaden the list of deprived area program counties in Wyoming. The change had been advocated also by the Wyoming Department of Economic Planning and Development and the University of Wyoming College of Commerce and Industry. The change makes 11 additional Wyoming counties eligible for SBA financial assistance.

## RAILROAD FREIGHT CAR SUPPLY

Mr. ALLOTT. Mr. President, for as long as I have represented the State of Colorado in Congress, we in the West have been faced with the problem of an inadequacy of the supply of freight cars to move our goods.

For 15 years, the Interstate Commerce Commission conducted controversial hearings and studies on car-hire rates and finally issued an order setting forth a complicated system of per diem rates based on a formula including both time and mileage. The Commission ignored protestations of 20 major railroads that this system would severely impair freight-car utilization and would cost the entire railroad industry large sums of money to implement. This order was challenged in the courts by a large majority of railroads and 21 States on the basis that the Commission had disregarded congressional intent in not considering the serious question of car supply. While the courts have now upheld the order of the ICC, the car utilization and cost-of-accounting issues were ignored by the court, and consequently its approval of the Commission's order reflected no real consideration of these issues.

The ICC time-mileage system will impair freight car utilization and will result in tremendous accounting expense to the railroad industry, an expense which could better be put to enlarging the freight car fleet.

The effect of a time-mileage system is double-barreled. The lower time factor is an inducement to hold a car cheaply for a load. The mileage factor is a virtual penalty to move a car empty to the home road.

In 1966, Congress amended the Interstate Commerce Act to give the ICC authority to prescribe incentive per diem rates. After more studies and hearings, it has concluded that the interim incentive rate authorized by the statute would neither induce railroads to invest in freight cars nor would it increase freight car utilization. Since 1966 the problem has worsened. The vital supply of freight cars necessary in the West still travel over a few eastern railroad lines because these railroads find it cheaper to pay rent under the ICC rules than to build or buy their own cars or return empty cars to the western originating carriers.

It is time for Congress to act again and to direct the ICC to follow a basic policy of setting per diem rates in a manner which would be equitable to all, would induce the large investment in freight cars which are needed and would induce a freer, faster interchange of cars.

The proposed bill, based upon a 4½-year study by an Association of American Railroads task force, provides for a stabilized system of rates based upon time only. The rates reflect fair car ownership costs and a realistic return on investment. They offer an inducement to railroads to make long-range investments in freight cars. A provision is included in the bill to relieve railroads in certain cases where hardship would result.

Being adequate and based upon time only, the rates will constitute an incentive to release cars and move them to where they are needed.

Mr. President, the basic policies embodied in the law should not be left to a regulatory agency to formulate but should be declared by Congress. For these reasons, I am happy to be a cosponsor of this measure and urge its early consideration and enactment.

## FREIGHT RATES AND THE ICC—TIME FOR A CLOSER LOOK?

Mr. CHURCH. Mr. President, there is increasing concern among farmers and other western rail shippers over the recent action of the Interstate Commerce Commission in granting, on November 17 of this year, a 6-percent across-the-board increase in freight rates.

This concern is fully justified. In the Western United States, materials and products must be shipped long distances to market. A rise in freight rates substantially increases the cost to the producer and has a serious effect upon the western economy as a whole.

Hard-pressed farmers, lumbermen, and other shippers are severely affected when freight rates rise. The increase recently granted was the third in 27 months and amounted to a 13-percent rise in rates in that period. It is said that the railroads may seek another 5-percent increase early next year.

The problem is obvious, Mr. President, and I think the manner in which these decisions have been reached and the justification for them should be studied thoroughly.

I ask unanimous consent that two articles, one published on November 7, 1969, in the National Farmers Union Washington newsletter prior to the granting of the most recent increase, and the other appearing in News Bulletin No. 26 of the Western Lumber Marketing Association, published after the increase was announced, be printed in the RECORD.

Western shippers deserve an answer to their questions about freight rate increases.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

THE RAILROADS ARE BACK FOR ANOTHER RATE INCREASE

No segment of corporate America quite equals the railroads for gall. They're back asking for another rate increase. They tried to by-pass a hearing and examination of the issues. It was too much even for the Interstate Commerce Commission which, judging from its rulings, has sometimes been indistinguishable from the railroads themselves. The ICC ordered a 30-day delay so others could be heard from. The Farmers Union filed a protest Tuesday. With Farmers Union in the protest were other farm organizations, including the National Council of Farmer Cooperatives, National Grange, Farm Bureau, and the United Fresh Fruit and Vegetable Association.

The railroads wanted a 6 percent increase effective Oct. 18. This would increase revenues, the railroads said, by $600 million a year. It would be the third increase in 27 months and would amount to $1.348 billion, an increase of 13 percent in that period. Farmers are the railroads' biggest customers, providing 23.7 percent of all the freight hauled. Many farmers, particularly in the West, are captive customers. Farmers are uniquely disadvantaged in dealing with railroads. They sell their products at the terminal price, less freight. As consumers, they buy their supplies and equipment at market price, plus freight. Transportation costs amount to about 10 percent of the total marketing costs for farm products, second only to labor costs. Farmers, unlike other customers, aren't in a position to pass on the rate increase to somebody else. The worst part about the attempt to rush the rate hike through is that farmers aren't even in position to get a refund if at some later date the increase should be found to be unjustified. Some middleman ordinarily holds the paid freight bill. The consumer, already having paid a higher price, wouldn't be able to claim a refund either.

The arguments presented by the railroads are shot through with inconsistencies, if not outright attempts to mislead. They projected operating costs for 1969 on the same number of operating hours in 1966. Since figures were available for the first 9 months of the year, one may well wonder why they didn't use them. There are good reasons to suspect their figures. When they asked for a 3 percent increase in 1967, they projected increased operating costs of $257 million. These turned out to be only $54.4 million. But their argument—false though it turned out to be—brought them an extra $298.6 million in revenue as a result of the 3 percent increase.

Back of the entire question is the fact that the American people bought and paid for the railroads in the first place. Nearly half of the land in some states was given to the railroads, which they sold or otherwise exploited, in order to capitalize their corporations. Since then, they have have plundered the enterprise of America with constantly increasing freight rates. In recent years, services have steadily declined. In fact, it has now become necessary to establish two entirely new transportation systems—an interstate highway system for trucks and passenger vehicles, and an airline system. Both have been subsidized—like the railroads—with vast amounts from the public treasury. Still, railroad services decline. It is not just passenger services. In 1947, railroads had 65 percent of the total inter-city ton miles. By 1966, their share had dropped to 43 percent; in 1968, 40.8 percent; and some believe that in 1969, it will be under 40 percent.

Yet the railroads are now branching out into conglomerate activities, engaging in all manner of business including farming, crying poverty in every breath. One wonders where they get the money. Are the enormous salaries of the executives of these varied companies being charged to railroad operating costs? This deserves study. Railroad management is grossly inefficient, yet draws enormous salaries. Its work force is demoralized, having been, since Chinese coolies and Irish peasants were imported to lay the tracks, systematically exploited. Each successive attempt by the railroads to gouge the American people brings the nation closer to the day when it must seriously examine the proposition of nationalizing the railroads.

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NEWS BULLETIN NO. 26 OF THE WESTERN LUMBER MARKETING ASSOCIATION

It is reasonable to forecast that the ICC and the railroads are in trouble; that a Congressional investigation of the relationship between the Commission and the carriers may not be far away.

Events of the past month or so have revealed an increasingly discriminatory posture of the rails . . . *and* the ICC it might be held . . . toward shippers in favor of carriers.

Points:

1. On Mon., Nov. 17, the ICC voted 6–3 to give carriers their 6% across-the-board freight rate boost. Railroads may seek *another* 5% raise in January, although the 6% will bring them an added $600 million a year in revenue (they'd expected to make $500–575 million this year, down from last year's $593 million).

2. The carriers, a few weeks ago, brought into play a new AAR rule (effective from Oct. 15 to Nov. 30) which requires (ostensibly to better apportion cars and obviate shortages) that shippers tell them, if known, the consignee, the routing, and the destination of shipments *at the time* they order cars. Needless to say, this poses problems for a small mill in Oakridge which may be selling cars to (or through) a wholesaler and which may not have such sophisticated information.

3. The ICC has postponed "indefinitely" its Ex Parte 241 order to make mandatory on carriers certain AAR rules . . . including an order for them to provide adequate cars on their own lines or face stiff fines. The ICC, as always, is "studying" the problem . . . while an immediate car shortage develops.

4. Regarding that car shortage, the ICC has been asked to issue a Service Order for faster return of cars to western roads, but no action as we issue this. Seems (at least until our action in opposing S.O. 1023) that it was simple for the ICC to whip-out Service Orders penalizing shippers, but not so simple to penalize carriers.

5. Anent the above, the U.S. Supreme Court planted a Mafia-like "kiss of death" on the forehead of the ICC, and the carriers, with its holding on Nov. 10 that the Commission's original order of Oct. 17, 1955, setting car rental rates between carriers, was o.k., as was its order of Jan. 17, 1968, *reducing* daily rental charges—which would tend to encourage eastern lines to hold cars longer than normal without incurring any serious penalty.

Apparently it's o.k. for the railroads to sock-it-to shippers who allegedly delay cars, with penalty charges, but not o.k. for carriers to penalize each other when *they* hold cars unnecessarily long.

It's almost enough to drive a strong man to drink.

But last Monday some people in high places began to get mad.

ICC Chairman Virginia Mae Brown was among them. She said: "No emergency exists to justify making these rates effective (the 6% hike) at this time", *without first holding full hearings* (quoting the L.A. Times of 11/18 . . . albeit that sounds a bit odd in view of the ICC procedure in 1023—no public hearings).

Mrs. Brown noted that this is the third round of general freight rate increases since 1967 and said that entertaining this 6% request in such a relatively short time after the last boost, in 1968, "taxes both credibility and logic". The Commission ordered a 7-month investigation of the rate increase, after which time, if it is found the increase was not in fact justified, railroads would be required to make rebates to shippers (sound familiar? the same thing would happen if WILMA's posture re 1023 is sustained by the courts).

Congressman Richard L. Ottinger of New York—who deserves a letter of support if you feel in the writing mood—called for a Congressional inquiry; said the ICC is "unduly" influenced by the railroads; labeled the ICC "a toothless watchdog"; alleged there is a "working economic and political" partnership between the ICC and the railroads, because ICC employees move on to jobs with the carriers after leaving government service.

So the picture of anti-shipper discrimination is becoming more distinct, not merely to us, but to men and women in government.

We hope the battle cry for equity will soon be taken-up in earnest in Washington.

We are sending a copy of this News Bulletin to all our Pacific Northwest Senators and Representatives in Washington. Perhaps seeing this story unfolded in one place will help focus attention on the ICC-railroad relationship.

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## OEO LAWYER OPPOSES U.S. PATRIOTISM PROGRAM

Mr. FANNIN. Mr. President, today I received a most incredible letter from W. B. FitzSimmons, superintendent of schools of the Gallup-McKinley County School District in New Mexico. Mr. FitzSimmons called to my attention a copy of a letter addressed to one of his school principals from a lawyer, Stephen B. Elrick, who works on the Navajo Reservation for the Office of Economic Opportunity.

I would quote one paragraph from this letter:

He asks the question:

Are you in agreement with the statement attributed to Mrs. Stanfield, (sic) who is quoted as saying: "We should *indoctrinate* every child with the idea of being loyal to country."? (My emphasis.) If so, I think that this is a sorry philosophy for a public school, which *should* be dedicated to the concept of free inquiry and exchange of ideas, as well as the presentation of *all* sides of disputed issues."

I digress to note that I am totally in agreement with the statement attributed to Mrs. Stanfield who is really Mrs. Stafford. Perhaps I would use the word "teach" in place of "indoctrinate," but there is not a great deal of difference in conventional usage. I want to make it unmistakable that I disagree with this OEO staff member who apparently thinks that loyalty to one's country is a "disputed issue."

Several other examples of faulty logic appear in this letter, notably the idea Mr. Elrick advances that in order to avoid "stimulating" establishment of the Christian—or Jewish—faith in public schools we must establish an even more intolerant standard of "stimulating" no faith whatsoever.

However the most important item is the awesome realization that this man is an employee of the United States of America, on the Government payroll, supposedly representing the legal needs of Navajo Indians in my State of Arizona.

Mr. FitzSimmons says:

I personally resent my taxes being spent for the salary of such an individual.

Mr. President, I do too. The apparently spontaneous outburst of antipatriotic sentiment, as expressed in this letter by Mr. Elrick, is an excellent example of the need for the amendment of the Senator from California (Mr. MURPHY)—S. 3016, pages 13 and 14—to the OEO appropriation allowing the Governor of a State to turn down the services of such people. If I were still Governor of Arizona and if it were within my power to do so, I should certainly see to it that Mr. Elrick did not continue his activities under Government sponsorship. I think most Governors must feel the same way. I know that our present Governor of Arizona shares this view.

During the current program year, OEO spends between $1 and $1.1 million for legal representation under the DNA program on the Navajo Reservation alone. There are about 120,500 Navajos, and the OEO has assigned some 84 employees to this legal aid program. That means an expenditure of around $84 per individual Navajo per year for legal aid, and the 84 employees of the OEO project require over $12,000 apiece, on the average, in salary and directly allocated expenses.

By any comparable standard, that is a pretty expensive, not to say extravagant, program. Then to pile on top of such a program the public attitudes of one of the staff members who would remove patriotic programs from the public schools is more than the taxpayer should have to bear.

In Arizona, we run the entire operation of the attorney general's office for the whole State for less than $400,000.

It is obvious to me that we are not only wasting a lot of money, because the Navajo tribal organization has representation under still another Federal grant, but are actually harming the best interests of the Indians by paying such anti-American bigots to run loose.

It is my intention to ask OEO for a full explanation of the justification of such expenditures for the propagation of this kind of ideology, and I suggest to my colleagues that they take a careful look at this example of the use of taxpayer's money. I further urge support of Senator MURPHY'S amendment.

I ask unanimous consent that the letters to which I have referred be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

GALLUP, N. MEX.,
*November 26, 1969.*

Hon. PAUL J. FANNIN,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR FANNIN: I am enclosing a copy of a letter one of my school principals received relative to a Veterans' Day Program held in a school whose enrollment is 99% Indian children.

At this program, two Vietnam casualty families were awarded medals, and various patriotic displays were in the school, including one bulletin board display that read, "God Bless America." This has been referred to in Mr. Elrick's letter as negating separation of Church and State. The Mrs. Stanfield referred to is a Mrs. Stafford who is a Negro.

The reason I am referring this to you at this time is that the writer, Stephen B. Elrick, is an attorney on the Navajo Reservation under the DNA legal services of the Office of Economic Opportunity.

I personally resent my taxes being spent for the salary of such an individual.

Very truly yours,

W. B. FITZSIMMONS,
*Superintendent of Schools, Gallup-McKinley County School District.*

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WINDOW ROCK, ARIZ.,
*November 12, 1969.*

Mr. CLAUDE HINMAN,
*Principal, Church Rock Elementary School, Church Rock, N. Mex.*

DEAR MR. HINMAN: I am writing to express my opposition in the strongest possible terms to the patriotism program underway at Church Rock, as described in tonight's Gallup *Independent*. You are quoted as saying: "These kids don't know the Star Spangled Banner. They ought to have an awareness of the greatness of their country". This is true, but they ought to have an awareness of the faults and errors of their country, as well, of which there have been, and are, many. It is especially appalling to realize that these are Indian children who are being forced to participate in this program, when it is their people who have been treated most shabbily of all by the United States.

Are you in agreement with the statement attributed to Mrs. Stanfield, who is quoted as saying: "We should *indoctrinate* every child with the idea of being loyal to his country."? (My emphasis.) If so, I think that this is a sorry philosophy for a public school, which *should* be dedicated to the concept of free inquiry and exchange of ideas, as well as the presentation of *all* sides of disputed issues.

I find it particularly offensive that you are apparently associating "patriotism" with support of the war in Viet Nam, which is, unquestionably, the most controversial war of our time, and, in the opinion of many, the most brutal and unjustified. Young children are subjected to enough pressures from the media, their parents, churches, etc. to hold the view "my country, right or wrong". The least you could do is to refrain from adding to the imbalance in presentation of viewpoints.

I note among the pictures appearing in the *Independent* some of drawings of soldiers with guns and several with the phrase "God Bless America". It is, indeed, unfortunate that you are encouraging these children to glorify war and all its attendant inhumanity. Likewise, it is deplorable for you to stimulate the express of what is, in effect, a prayer, in violation of the Supreme Court's ruling that public schools are to refrain from any such activities. There is simply no need to offend the sensibilities of some persons by indirectly stimulating the establishment of the Christian (or Jewish) faith among a people who have traditionally held conflicting religious beliefs. This does not even take into consideration these people who have no faith whatsoever, or who simply wish to have the business of religion and politics kept out of the schools.

I would also suggest that you take a good hard look at the sponsorship of the organization the *Independent* says your "Patriotism Committee" is affiliated with, the Freedom Foundation. I could be mistaken, but I believe that this organization is one of the extreme right, either affiliated with, or similar to, the Birch Society, Minutemen, or simsilar paramilitary and far-right groups.

If you are not willing to demonstrate that your program is a balanced presentation, and to remove any hint of religious exercises from the curriculum, I shall take whatever steps I can to investigate the matter myself, and, if necessary, institute legal proceedings.

Kindly show this letter to Mrs. Stanfield and any other interested parties.

Sincerely,

STEPHEN B. ELRICK.

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## POLICY STATEMENTS OF BUILDING AND CONSTRUCTION TRADES DEPARTMENT, AFL–CIO

Mr. WILLIAMS of New Jersey. Mr. President, the Washington, N.J., Bricklayers', Masons', and Plasterers' International Union, Local No. 1, has approved five legislative policy statements adopted by the 55th convention of the Building and Construction Trades Department, AFL–CIO. Among these approved policy statements are several which relate to proposed legislation now being acted upon by committees of the Senate. S. 1369, which I introduced last March, was reported from the Subcommittee on Labor to the Committee on Labor and Public Welfare just last week.

I ask unanimous consent that a letter from Carl Edolo, corresponding and recording secretary of Local No. 1, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BRICKLAYERS', MASONS', AND PLASTERERS' INTERNATIONAL UNION
No. 1,
*Washington, N.J., November 1969.*

Hon. HARRISON WILLIAMS,
*U.S. Senate Office Building,*
*Washington, D.C.*

DEAR MR. WILLIAMS: The Delegates of the 55th Convention of the Building & Construction Trades Department, AFL–CIO meeting in Atlantic City, New Jersey on September 24, 1969, adopted the following five policy statements relating to legislation to which we have a direct interest:

1. Statement urging Congress to enact (H.R. 1083 and companion bill S. 1109) which would extend the prevailing wage provisions of the Davis-Bacon Act to leasing arrangements entered into by the Post Office Department and other agencies of the Federal Government.

2. Statement urging the 91st Congress to include in the Labor Department Appropriations Bill adequate funds for administering the 1969 Construction Safety Act.

3. Statement urging Congress to enact (H.R. 860 and companion bill S. 1369) which would legalize the joint administration of Labor-Management Industry Promotion Funds.

4. Statement listing the Situs Picketing Bill (H.R. 100 and companion bill S. 1371) as the number one legislation issue of this Department and urging early passage of this legislation in the 91st Congress.

5. Statement urging Congress to appropriate adequate funds for the Bureau of Appenticeship and Training within the Department of Labor in order to retain the present level apprenticeship training representatives. Also urging Congress to allocate $800,000 within the budget of the Office of Manpower Administrator for the Seasonality study which was authorized by the 90th Congress.

The members of this local union approves of the adoption of the above statements.

Yours truly,

CARL EDOLO,
*Correspondence and Recording Secretary.*

## SENATOR SCOTT HONORED BY B'NAI B'RITH

Mr. SCHWEIKER. Mr. President, my distinguished colleague from Pennsylvania, the Republican leader (Mr. SCOTT), was presented the 1969 Humanitarian Award of B'nai B'rith at a dinner last night in Philadelphia. The 500,000 members of B'nai B'rith are celebrating the 125th year of service which their organization has given this Nation.

In his remarks following acceptance of the award, Senator SCOTT noted that Israel is "the only democracy in the Middle East" and he called for direct negotiations between the State of Israel and her Arab neighbors. The speech is another example of Senator SCOTT's concern for the welfare of Israel.

I ask unanimous consent that excerpts from Senator SCOTT's remarks be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCOTT

It is gratifying to know that the proceeds of this event will benefit B'nai B'rith Youth Services. The widespread activities of B'nai B'rith provide the kind of spiritual sustenance which can overcome a good deal of youthful disaffection.

Today's young people know of the Middle East events of 1957 only as history. Yet that history should teach all of us a lesson for today.

In 1957, after Israel won on the battlefield, the diplomats drew up an armistice which, rather than bringing peace, laid the groundwork for further conflict. The United States and the Soviet Union were equal partners in that error.

This week new "Big Four" talks began at the United Nations. I wish I could say that these talks will lead to peace. As a long-time supporter of Israel, however, I am not too sanguine about the prospect.

The Soviets and their Cairo friends have already refused to make even the smallest concessions in a series of private meetings with our representatives. If some agreement, any agreement, could come out of the New York talks there is hope that it could lead to direct Israeli-Arab negotiations on the status of occupied territory. But I am doubtful about the prospects of such an agreement.

The intransigence of the Russians, the economic interests of the British in Arab countries, and the political ambitions of the French all lead me to the conclusion that these talks may be a stalling tactic by those hostile to the interests of Israel. Meanwhile the Arab states continue to re-arm with Soviet help and the casualties from terrorism continue to mount.

So far, Israel's vigilance in protecting its territory and responding to isolated attacks has prevented full-scale war. Although Nasser has continued to violate the ceasefire since last March, at least he has been deterred from getting as carried away as in 1967.

The Nixon Administration has helped Israel maintain its deterrent strength by selling it F–4 Phantom jets which are a match for Nasser's Russian jets. Now I believe we should go further and reconsider the entire concept of an imposed settlement. So long as direct negotiations are stalled the Arabs will hope for favorable concessions and war will loom ever-larger on the horizon.

The real danger of continued Arab terrorism is not any direct threat to the existence of Israel. The Israelis would surely win a full-scale war in the foreseeable future. The cowardly Arab attacks which have recently killed and maimed young children are pathetic but not strategically important.

No, the real tragedy of terrorism is twofold. First, it embitters Jew against Arab and further delays peace in a part of the world where both sides have much to gain by cooperation. Second, it imperils more moderate Arab regimes which could be key factors in peace negotiations.

The award with which you have honored me tonight calls me a humanitarian. If I am worthy of that honor it is because I am concerned about *human welfare.* In the context of the Middle East, that means the welfare of both Jews and Arabs. That welfare can best be served by direct communication.

At present, Israel is the only democracy in the Middle East. It is also a showcase of technological advancement. Eventually the Arabs will realize that they can enjoy greater benefits if they channel fewer of their resources into machines of war. That day will arrive sooner if they are encouraged to sit down at the bargaining table with Israel.

Until the day of the plowshare supersedes the day of the sword, eternal vigilance must continue to be the watchword of Israel.

## HARD TIMES FOR THE WOOL INDUSTRY

Mr. McGEE. Mr. President, the wool industry in this country is on hard times, threatened by any number of adverse possibilities. Not the least of its problems is the question of foreign textile imports, which have cut deeply into its markets. Action must be forthcoming soon to relieve this pressure.

This week I received from the executive secretary of the Wyoming Wool Growers Association a preliminary report on the Wyoming sheep industry in this decade, prepared by the Agricultural Economics Division of the University of Wyoming. This report, which Robert P. Bledsoe summarized in his letter of transmittal, make several things painfully clear. First and foremost, perhaps, is the stress it lays on the absolute necessity for continuance of the wool incentive payments provided under the National Wool Act. Without them, liquidation of sheep inventories would have to proceed at a very rapid rate, and Wyoming, long the Nation's second largest producer of wool, might find itself almost out of the business. Even now, Mr. President, many growers are liquidating. Mr. Bledsoe's letter tells why, and I think it would be useful to have the facts more widely disseminated. I ask unanimous consent, then, that the letter of November 25, addressed to me by the executive secretary of the Wyoming Wool Growers Association, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WYOMING WOOL GROWERS ASSOCIATION,
*Casper, Wyo., December 1, 1969.*

Hon. GALE MCGEE,
*U.S. Senator,*
*Washington, D.C.*

DEAR GALE: We just received a preliminary report entitled *An Economic Analysis of Wyoming Sheep Industry—1960, 1964, 1968* prepared by Delwin M. Stevens, Professor, Agricultural Economics Division, University of Wyoming. A copy of the report is enclosed for your information.

The report contains some very pertinent information which should be beneficial to you as you discuss grazing fees, taxes, etc. with the various departments and bureaus, as well as other Senators. A few highlights of the report include: No. 1—The data was collected by personal interview with the wool grower himself; later, the interviewer, with the permission of the owner, went to his accountant to get the economic data on income and expenses of running the ranch in 1968.

No. 2: The sheep industry in Wyoming and throughout the western U.S. is having difficult financial problems. Despite a year of above average lamb prices, the Wyoming wool grower made a return of only about 3½ percent on his owned capital in 1968.

No. 3: Sheep production in Wyoming, the second leading state in numbers of sheep represents about 13% of Wyoming's agricultural income and agriculture represents about 20% of Wyoming's total economic activity.

No. 4: The average rancher in Wyoming had 4,961 sheep although woolgrowers in the Red Desert were much larger than those in the other areas studied.

No. 5: Some of the sheepmen were running as much as 20% cattle; in these cases it was necessary to prorate investment costs, as well as the operating and overhead expenses, between the two enterprises.

No. 6: Table 4 shows that the average sheep rancher in the State of Wyoming owned about 3.01 acres of deeded land per head and leased from private sources 1.03 acres, leased from the State .90 acres, and from grazing associations .74 acres per head. In addition, he had access to .70 AUM's grazing per head from the BLM and .66 sheep months per head on the national forests.

No. 7: Table 6 on page 18 shows the items which make up the annual costs of running range sheep. The costs per head ranged from $15.17 to $17.79 and averaged $16.15 for the State of Wyoming. The returns per head ranged from $18.50 to $21.80 and averaged $19.77. Subtracting the costs from the returns leaves a return to owned capital of $3.62 per head. This amounts to 3.60% on an investment of $100.44 per head. The ranchers in the northeast Wyoming averaged only 3.15% return, those in north central Wyoming 4.45%, and those in southwestern area 3.29%.

No. 8: The figure $7.79 per head income from wool and pelts for the average ranch in 1968 (Table 6) includes the incentive payment for wool of $3.17 per head. Assuming the incentive payments were omitted through termination of the program, and if the price of wool sales remained the same, the ranchers would have had a return of only $.45 for owners equity ($3.62—$3.17=$.45) which represents less than one-half of one per cent return on owned capital. If leases and permits for grazing on private, state and federal lands, instead of being $1.04 per head (Table 6) were raised 50%, the average rancher would have had a minus percentage return on owners equity.

No. 9: When the per head data are placed on a per month ranch basis, the average range sheep operator in Wyoming has a total investment of $528.759, a real estate debt of $62,761, leaving $465,999 as his own capital.

I believe it is very apparent from reading through the report that without wool in-

centive payments, the Wyoming sheep industry would be in dire economic straits and liquidation of sheep inventories would proceed at a more rapid rate than at present. Also, I believe the report very vividly points out what would happen if the grazing leases were raised 50%.

I certainly hope that this information will be of interest to you and that you can utilize it as you work with the many departments and bureaus. Warm personal regards.

Very truly yours,

ROBERT P. BLEDSOE,
*Executive Secretary.*

## RESPONSIVENESS BY AMERICAN CORPORATIONS TO MAJOR SOCIAL ILLS—ADDRESS BY HENRY FORD II

Mr. HART. Mr. President. Certainly, one of the most hopeful signs in our society is the responsiveness that many American corporations are showing toward our major social ills.

This responsiveness—though not universal—appears to be enjoying an encouraging growth. And it is superbly well illustrated by a speech given at the Harvard Business School December 2 by Henry Ford II, board chairman of the Ford Motor Co.

Mr. Ford, among industrialists, is perhaps unsurpassed in his willingness to "tell it like it is." He seldom makes any bones about his industry's occasional failings, and he is noted not only for proposing solutions, but for embarking upon them as well.

This is a thoughtful speech with a pleasant ring of candor about it. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY HENRY FORD II

One of the first rules of public speaking is to stick to subjects you know more about than your audience does. By that rule, I'm sure that no outsider should ever talk about business at Harvard Business School.

In order to keep myself on a reasonably even footing with this audience, I'm going to talk this afternoon about one aspect of business on which everyone is as poorly informed as everyone else. I'm going to talk, that is, about business in the future.

The one thing we can be sure about in discussing the future is that it will be different from the present. I don't know how many of you read the *Harvard Business Review*, but in the latest issue Peter Drucker observes that the changes between now and the year 2000 will be as great as the changes that took place between 1860 and 1914.

That's a fairly modest forecast. A few weeks ago, Dean William Haber of the University of Michigan told a group of Ford executives that the year 2000 will be as different from 1969 as 1969 is from the year 1500.

I believe Dr. Haber will prove to be a better prophet than Dr. Drucker. We are living in truly revolutionary times and it is difficult to imagine the magnitude, much less the nature, of the changes that will take place during the next three decades.

In my judgment, the most important of these changes, for business, will be those involving the relationship between business firms and the society they serve. As customers, as employes and as citizens, people are expecting many more things and much different things from business than they ever expected in the past.

The revolution in expectations has already come far enough to suggest how much farther it may go. It has already had a profound and varied impact on business costs and operations.

Let me give you a few examples from our recent experience at Ford Motor Company. We are now spending half a billion dollars a year in the United States and Canada to keep up with government standards and catch up with public expectations with respect to automotive safety and air pollution.

And that's just the beginning. Leaving safety regulations aside, concern over polluted air has led to proposals in Congress and in several state legislatures, including Massachusetts, to ban the internal combustion engine altogether, and surveys show that many people think this would be a good idea. The State of Illinois is suing the auto manufacturers to force them to install and pay for emission control devices on all the cars built since 1953. A similar suit has now been filed in New York State. However, these particular efforts turn out, it is abundantly clear that the auto industry needs to develop virtually emission-free vehicles as quickly as possible.

Another set of changes in public expectations is usually described under the heading of consumerism. For the auto industry, consumerism means, first of all, a rising tide of customer impatience with the cost and inconvenience of auto repairs and services.

Dissatisfied service customers are finding a sympathetic hearing in Congress, in state legislatures and in regulatory agencies. Recently, they have found another ally—the auto insurance companies, many of which are losing money in spite of rapidly rising premiums.

Again, the lesson is clear. The auto companies will have to find ways of making faster progress in reducing the need for and the cost of auto repairs and services.

Employes, of course, were the first of our many publics to organize effectively to put pressure on management in support of their expectations. We have been dealing with unions for many years, but even in this area the seeds of change are evident. The voice of monolithic unions is made uncertain by the demands of splinter groups which are unwilling to accept the will of the union majority.

In addition, our company, along with many others, has accepted a responsibility to modify employment practices in such a way as to help solve the national race crisis and help bring Negroes and other minorities into the mainstream of the economy. We are not only employing minorities in growing numbers, but are also implementing specific plans and programs to promote them as rapidly as possible and to help them to become successful dealers and suppliers as well as successful employes.

In the past, management has taken it for granted that there would always be an adequate supply of people willing to perform a hard day's factory work in return for a good day's wages. Now we are beginning to wonder. More and more employes and potential employes are deciding that they would rather accept less pay for easier and pleasanter work. The costs of absenteeism and turnover are rising steeply, and it is increasingly difficult to maintain plant discipline.

Even our dealers are joining the parade. They are having growing success in the courts and in state legislatures in restricting the ability of the manufacturers to influence their operations or to take corrective action when dealers fail to live up to their obligations under their franchise agreements.

The list of ways in which business costs and operations are affected by changing public expectations is almost endless. We are asked, among other things, to help control inflation, reduce the balance of payments deficit, contribute to the economic growth of the underdeveloped countries, subsidize the revival of public transit and get rid of junked cars.

There is, I believe, one basic reason why everyone expects more from us than ever before. We are the victims, primarily, of our own success. As the saying goes, "Man does not live by bread alone"—but he has to have the bread before he begins to think of other things. Modern industry has provided the bread in abundance, and so has made it possible for masses of people to think about what else life could offer.

As employes, people are wondering if they have given up too much of their time, their freedom and their dignity for the sake of the paycheck.

As consumers, people are realizing that affluence can be a burden. Their cars and appliances break down, their plumbing leaks, their lawns get weedy, and getting things fixed is troublesome, expensive or even impossible.

As citizens, people can see that their material possessions have been purchased at a high cost in environmental pollution—dirty air, dirty water, ugly landscape.

Modern industrial society is based on the assumption that it is both possible and desirable to go on forever providing more and more goods for more and more people. Today, that assumption is being seriously challenged. The industrial nations have come far enough down the road to affluence to recognize that more goods do not necessarily mean more happiness. They are also recognizing that more goods eventually mean more junk, and that the junk in the air, in the water and on the land could make the earth unfit for human habitation before we reach the 21st Century.

In short, the terms of the contract between industry and society are changing. Industry has succeeded by specializing in serving one narrow segment of society's needs. We have bought labor and material and sold goods, and we have assumed that our obligations were limited to the terms of the bargain. Now we are being asked to serve a wider range of human values and to accept an obligation to members of the public with whom we have no commercial transactions. We are being asked to contribute more to the quality of life than mere quantities of goods.

Of course, these changes have been building for a long time. They are reflected in the many restrictions on business activities already imposed by legislatures, regulatory agencies and the courts. Now, because of the unprecedented growth of affluence in recent years, the changes in people's values are pressing in on us more heavily than ever—and the danger of losing our business freedom is greater than ever.

How much freedom business will retain in the closing decades of this century depends on the quality of management's response to the changing expectations of the public.

Whether inside business or outside, and whether friendly to business or hostile, most people think about these changes by dividing the responsibilities of business into two competing categories. On the one hand, there there is the traditional responsibility of business to make a profit for the stockholders. On the other hand, there are the new responsibilities of business to the society at large. From this point of view, the question is, how much will business neglect one responsibility in order to serve the other.

Across the river in Cambridge, most Harvard people probably are convinced that business will never sacrifice enough profit to meet its social responsibilities adequately.

Meanwhile, some businessmen argue that the opposite is true; that business has learned to put social responsibility before profit. Sometimes businessmen, myself included, have tried to reconcile their two responsibilities by arguing that business must sacrifice profit in the short run in order to help build a healthy and grateful society

that will permit higher profit in the long run. But hardly anyone disputes the proposition that service to society requires at least a short run sacrifice of business profit.

This point of view may have been tenable in the past. As long as public expectations with respect to the social responsibilities of business were relatively narrow and modest, business could pass muster by sacrificing only a little of its short-run earnings.

Now that public expectations are exploding in all directions, we can no longer regard profit and service to society as separate and competing goals, even in the short run. The company that sacrifices more and more short-run profit to keep up with constantly rising public expectations will soon find itself with no long-run to worry about. On the other hand, the company that seeks to conserve its profit by minimizing its response to changing expectations will soon find itself in conflict with all the publics on which its profits depend.

There is, however, a third alternative, and that is to stop thinking about the pursuit of profit and the pursuit of social values as separate and competing business goals.

They are not the same sort of thing at all. One is a means and one is an end, and which is which depends on where you stand. From the standpoint of business, profit is the end and public service is the means. Business earns profits by serving public needs—but profit, not service, is the goal of business. From the standpoint of society and its members, on the other hand, service is the end and profit is the means. Society gets many of its tasks done by providing profitable market opportunities—but service, not profit, is the goal of society. Whichever way you look at it, the important thing is to stop thinking that the way to increase one is to reduce the other.

This, of course, is as elementary as economics one—but it has important implications for both business policy and government policy.

What it implies for business policy is that management should stop thinking about changing public expectations as new costs which may have to be accepted, but certainly have to be minimized. Instead, we should start thinking about changes in public values as opportunities to profit by serving new demands.

We have to ask ourselves, what do people want that they didn't want before, and how can we get a competitive edge by offering them more of what they really want? We have to think more like entrepreneurs and innovators, and less like administrators and problem solvers.

What this approach implies for government policy, is that the most effective way to encourage business to serve new public needs is to rely, when posible, on market incentives. When the marketplace does not automatically translate a public need into a market demand, then government action may be required to change market conditions.

The reduction of motor vehicle emissions is an excelent example of what I have in mind. Prior to the establishment of government emission standards, there was no market for emission control features. Although many people wanted cleaner air, individual customers would not have been willing to pay the extra cost of a low emission car because the benefits would have been imperceptible unless all customers were required to pay this cost.

When the need for abatement of air pollution was recognized, the government established realistic emission standards. By doing so, the government created a market and the auto industry has moved quickly to supply it. Within a few years, hydrocarbon emissions from new cars have been reduced by more than 80 per cent, and carbon monoxide emissions have been cut by two-thirds.

Although the present system has been highly successful, it still does not make the maximum use of market incentives. Ford and other auto manufacturers are working intensively to develop vehicles with still lower emissions, but the absence of any significant market for such vehicles is a handicap. Without a market, there is no fully realistic way to test the feasibility, the acceptability and the cost of improvements, and the constructive effect of competitive pressures is weakened.

A bill has recently been introduced in Congress that would help fill that void. It would require the Federal government to purchase for its own use, at a premium price, vehicles which surpass current emission standards by a specified margin. Without commenting on the details of the bill, I think that this is an excellent concept.

Such legislation would not, of course, provide an immediate answer to all the technical problems that still need to be solved. If properly drawn, however, it could create a market which does not now exist. It would thereby strengthen competitive incentives and provide a realistic opportunity to test the economic and technical feasibility of incremental progress in reducing vehicle emissions. This, in turn, will provide a better basis for orderly tightening of the standards governing vehicles sold to the general public.

It seems to me that the public will get much more value from government funds spent in this manner than it would from proposals to provide Federal funding for the development and construction of low-emission vehicles. I can promise you that when the bill is passed, and I believe it will be, Ford Motor Company will be competing vigorously in the new market it will create.

Business is always alert to market changes caused by shifts in consumer preferences. Now we face a new phenomenon—market changes caused by legislation and regulation. In the years ahead, we shall have to be as alert to these developments as we always have been to consumer desires. Whether the will of the people is expressed directly in the market, or indirectly through government, our responsibility is to earn profits by anticipating and supplying what people want.

It is clear that the American people want cleaner air, and want it very much. It doesn't take much imagination to see that before too many years have gone by, the only market left for motor vehicles will be the market for vehicles that are virtually emission-free. As a motor vehicle manufacturer, Ford's responsibility is to enhance its stockholders' investment by developing vehicles that provide the best possible combination of minimum emissions with all the other qualities people want in their cars.

Changes in the values and expectations of the public are now beginning to have an impact on automobile design that goes well beyond the addition of safety and emission control features. In the past, the American auto companies have responded to public taste by placing a heavy emphasis on styling changes and by offering steadily bigger, more luxurious, more complicated, more powerful and more costly cars.

In recent years, however, it has become apparent that these qualities have lost their appeal to a growing segment of car buyers. While many people continue to prefer big, powerful, complex cars and are willing to pay more for them, many others are more interested in maneuverability, fuel economy and low maintenance costs.

The Ford Maverick was designed to meet this shift in customer preferences, and its success demonstrates the extent of the shift. The Maverick is not just a small car with a low price. It was deliberately designed for reliability, durability, fuel economy, low maintenance and repair costs and error-free assembly in our plants.

The market for cars with precisely these qualities is large, growing and profitable. By contrast, with the public's interest in cleaner air, the public's interest in reliable, economical, trouble-free cars is automatically translated into market demand and therefore requires no special government action. We at Ford will be doing everything in our power to keep and extend the lead we have established in this segment of the market, and I have no doubt that our competitors will be doing everything they can to cut into our lead.

Time will not permit an extended discussion of the challenges we face in adjusting many other aspects of our business operations to fit the changing values and expectations of our publics, but I would like to make a few brief comments.

There is much truth in the charge that large organizations like Ford Motor Company, or Harvard University for that matter, have a built-in tendency to become impersonal, inflexible and unresponsive to the needs of individuals. The evidence is piling up, however, that people are less and less willing to tolerate the frustrations that normally arise out of their relationships with large organizations.

With growing affluence, people want more out of life than just money and goods. They want freedom and dignity and leisure. They want to be treated less impersonally, more equitably, more considerately. If those of us who manage large organizations want to get more out of the people who work for us and with us, we will have to give them more of what they want. We will have to improve our relations with people across the board. We will have to listen to them, pay attention to their hopes and grievances and respond promptly and fairly. We will need to be less impersonal, more flexible and more humane.

Among other things, we will certainly have to provide genuinely equal promotional opportunities not only for Negroes and other minorities but also for women, young people, and people without college degrees—all of whom are too often discriminated against in one way or another.

In the future, management will have to put more emphasis on what individuals *actually* can do, and less emphasis on such formal criteria as education, experience, age and sex which are intended to predict what they *probably* can do.

All of this adds up to one simple proposition: If management wants to get the most out of people, it will have to treat them as individuals. Twenty-three years ago, in one of my first public speeches, I said that if business could learn to manage people as intelligently as it managed money and facilities, American industry would enter a new era. We still have a long way to go in that direction and we have to hurry, because the people we manage are getting more and more impatient.

It should be clear to all of us that the environmental changes my generation has lived through are nothing compared to the changes that will come during your active careers. The company that looks upon those changes as problems to solve and as costs to cut will be overwhelmed by them.

The successful companies in the last third of the 20th Century will be the ones that look at changes in their environment as opportunities to get a jump on the competition. The successful companies will be those that anticipate what their customers, their dealers, their employes and their many other publics will want in the future, instead of giving them what they wanted in the past. The successful companies will be managed by men who regard themselves as entrepreneurs, and not merely as good administrators.

These are the companies that will earn the highest profits for their stockholders by discharging their highest responsibilities to the society.

## BICENTENNIAL OF UNITED STATES INDEPENDENCE

Mr. ALLOTT. Mr. President, the staff of the American Revolution Bicentennial Commission, which was established by law, has provided me with correspondence dealing with its efforts and those of the State Department in obtaining international approval for the winter Olympic games in my State of Colorado and the summer Olympics in Los Angeles, both in 1976. That year will be the 200th birthday of our country's freedom.

I ask unanimous consent to have printed in the RECORD, the correspondence dealing with this matter; namely, a cable to Yugoslavia by Dr. Sterling; a cable by Secretary of State Rogers to the American Embassy in Paris regarding the Bureau of International Expositions; and a letter to Secretary of Commerce Stans from Dr. Sterling.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

OCTOBER 24, 1969.

Mr. FRANKLIN L. ORTH,
Mr. AVERY BRUNDAGE,
*Hotel Excelsior,*
*Dubrovnick, Yugoslavia.*

Pleased to inform you that the following resolution of October nine, ninteen hundred and sixty-eight renewed by present commission. Quote the American Revolution Bicentennial Commission, an agency of the United States Government, as part of its responsibility for planning, encouraging, developing, and coordinating events in commemoration of the two-hundredth anniversary of the republic fully supports and endorses the United States olympic committee effort to have Los Angeles, California, and Denver, Colorado, designated respectively as the 1976 sites for the XIX Summer Olympiad and the XII Winter Olympiad unquote.

Dr. J. E. WALLACE STERLING,
*Chairman, American Revolution Bicentennial Commission.*

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To: American Embassy, Paris.
From: Department of State.
Subject: Bureau of International Expositions (BIE): Reservation of United States Bicentennial Date—1976.

As the Embassy knows, the subject of an international exposition to be organized in the United States in 1976 as part of the Bicentennial celebrations has been under active consideration by The American Revolution Bicentennial Commission (ARBC). The Commission, authorized by Act of Congress, is now developing plans for all aspects of the Bicentenary. Three formal sessions have been held since July, most recently on October 8–9. Additional sessions are planned at an early date.

As part of its work, the Commission has heard detailed presentations from three major cities—Boston, Philadelphia, and Washington, D.C.—which seek the privilege of holding the type of international exposition in 1976 that would qualify for sanction by the Bureau of International Expositions (BIE). At least one other city has requested the opportunity for a similar presentation. Meanwhile, the Commission is in communication with the Governors of the 50 states in order to coordinate all phases of the program and to insure that it will be thoroughly national in character.

Enclosure: 1. Letter of ARBC Chairman Sterling to Secretary of Commerce Stans dated October 15, 1969.

Due to unavoidable circumstances, the Commission has not been able to complete its study and recommendations on the important issue of an international exposition. However, as a result of the October meetings, the Commission has asked the Secretary of Commerce to have his United States Expositions Staff proceed with the necessary technical studies of the various exposition projects.

At the October meetings, the Commission was advised of previous diplomatic action taken by the Embassy in 1964, under guidance from the Department, to protect the Bicentennial dates with the BIE. As the enclosure indicates, the Commission also requested the Department to take whatever action is advisable to continue (or "renew") the United States reservation of 1976 for an international exposition of a nature appropriate to the Bicentennial.

The Embassy is, therefore, authorized to communicate with the BIE and to ask that this request be taken under official advisement by the BIE Classification Committee at its meeting of November 10 and by the BIE Administrative Council at its meeting of November 14, probably under Agenda item 12. The United States would hope by this action to set in motion the BIE's formal processes for clearance of the year 1976 for an international exposition of a universal category in this country.

The American Revolution Bicentennial Commission has indicated, in connection with the above actions, that it hopes to make its recommendation to the President on the exposition element of the Bicentennial as early in 1970 as possible. The Department will promptly forward to the Embassy for transmittal to the BIE the result of this executive decision and the supporting details as to the site, theme, timing and method of organization of the exposition project.

On such a schedule the United States would hopefully anticipate that formal considerations by the BIE might be concluded in time for affirmative action by its membership at the semi-annual Administrative Council meeting in May, 1970.

WILLIAM P. ROGERS,
*Secretary of State.*

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AMERICAN REVOLUTION BICENTENNIAL COMMISSION,
*Washington, D.C., October 15, 1969.*

Hon. MAURICE H. STANS,
*Secretary of Commerce,*
*Washington, D.C.*

DEAR MR. SECRETARY: I am sorry to be so long in replying to your letter regarding international expositions. As you know, it has been a very important item in Commission discussions during our past few meetings, and we would very much like to avail ourselves of the expertise of your staff. Specifically, I would like to request that Mr. J. William Nelson, his staff, and the representatives of other government agencies, which he may deem helpful in this task, study and evaluate the exposition proposals, not only those submitted by the three cities of Boston, Philadelphia, and Washington, D.C. but also those made by smaller groups such as the Cambridge Seven and Polis '76. It would be most helpful if he could correlate this material with past experience giving particular attention to defining the individual parts that comprise the total fabric of an international exposition.

At its October 9 meeting, the Commission also asked the State Department to renew a 1964 request to the Bureau of International Expositions to reserve the year 1976 for an international exposition in the United States of a nature appropriate to the Bicentennial. With the assistance of your staff, we hope to be able to make our recommendation to the President on this matter soon after the first of the year. I would like to take this opportunity to particularly commend the contributions made by Department of Commerce representatives at Commission meetings and to thank you for your continuing cooperation.

Sincerely,

J. WALLACE STERLING,
*Chairman.*

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## HUMAN RIGHTS CONFERENCES AROUND THE WORLD

Mr. PROXMIRE. Mr. President, the International League for the Rights of Man has recently issued a bulletin enumerating a number of human rights conferences that have been held around the world during this past year. Due to the nationalistic orientation of the world today, these conferences have had very little substantial impact. However, the educational value of these human rights conferences cannot be ignored. To educate the world in the need for consideration and incorporation of basic human rights conventions and accords is an extremely difficult and arduous task. The world is indeed fortunate that there are many responsible and capable individuals who are attempting to perform this important service.

Mr. Roger Baldwin, the current director of the International League for the Rights of Man, listed a number of these human rights conferences in the recent League bulletin. I think it important that this Chamber be aware of the continuing battle to see human rights affirmed throughout the world. Mr. Baldwin mentioned the following conferences:

The series of international conferences open to regional representatives continues as a major feature of the educational efforts of the U.N. The various conferences and seminars adopt no recommendations, though their discussions arrive at conclusions reflecting the trend of their debates. The circulation of their proceedings in the several languages of the U.N. doubtless has an effect on governmental policy in many countries.

One held in Rumania in August on the effects of scientific developments on the role of women was attended by Dr. Edith Krebs of the affiliated Austrian League for Human Rights.

A U.N. seminar on the exercise of human rights in developing countries where the concepts are often novel, was held in July in Nicosia, Cyprus, attended by African and Mediterranean delegates. Observers reported that the seminar was one of the liveliest and most productive of the many organized by the U.N.

A regional conference organized by the Organization of American States, not the U.N., to adopt a charter of human rights with a court to enforce them, was held in Costa Rica in November.

As can be seen from the above statement, human rights conferences and seminars are frequent occurrences. Their educational value is beyond doubt. All that is needed for these conferences to have their greatest value, however, is for the nations of the world to begin to incorporate into their international comments the various human rights conventions and accords that evolve from those worthwhile meetings. I therefore urge the Senate to take the initiative in this matter and begin by considering and ratifying the Human Rights Conventions on Political Rights for Women, on Forced Labor, and on Genocide.

## KANSAS NATIONAL GUARDSMEN RETURN HOME

Mr. DOLE. Mr. President, today, December 5, is a proud and happy date in Hays and Russell, Kans., for their soldier-citizens are coming home.

In May 1968 units of the Kansas National Guard were summoned to active duty following the *Pueblo* crisis. Across the State, Guardsmen responded to their Nation's need. They set aside civilian jobs and concerns, and donned the Army green. They said goodbye to loved ones and friends and went away with their comrades to serve America. Duty called, and these brave men answered.

Mr. President, I have had the privilege of personally knowing many of these men and their families for many years. The 995th Maintenance Company has its headquarters at Hays, Kans., and its ranks are filled with men from the surrounding area. I know firsthand what these 18 months have meant to them and their communities. Their sacrifice in terms of time, careers, and emotions has been profound.

The Nation owes a deep debt of gratitude as these men return to civilian life. This debt was not incurred only by what they gave up but by what they gave. While on active duty, the 995th distinguished itself through its dedication, its excellence, and its contribution to the Army's defense effort. Men who one day had been civil servants, businessmen, and laborers, the next day were first-rate, full-time soldiers. They gave real meaning to the National Guard's tradition of readiness.

I regret that our business in the Senate prevents my attendance at the welcoming ceremonies today. But I am also grateful that I may tell the Senate of these returning soldiers.

I wish to express my congratulations and appreciation for the job the 995th has done and to extend best wishes and warm regards as our men resume their civilian lives.

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## EDUCATION APPROPRIATIONS

Mr. MONDALE. Mr. President, on Monday of this week I had an opportunity to appear before the Labor-HEW Subcommittee of the Committee on Appropriations. I testified before this subcommittee on the tremendous unmet educational needs facing our Nation, and urged them to recommend substantial increases in funding for educational programs at all levels.

Funds for educational programs are sound investments in the quality of American life. I believe that Congress has a responsibility to invest heavily in the children of this country, and I believe that fuller and more adequate funding for vital educational programs is the place to begin.

I ask unanimous consent that the testimony I presented to the Appropriations Subcommittee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WALTER F. MONDALE

Mr. Chairman and Members of the Committee, I am honored to have this opportunity to present my views on needed increases in appropriations for vital education programs. The H.E.W. Appropriations Bill, as passed by the House of Representatives, contains a vitally needed increase of $1 billion over the Administration's budget request for education but still falls short of meeting the human needs of this nation. I recently made a statement on the Senate floor expressing my opposition to reductions in funds for medical research and related programs—a statement which reflected the deep distress felt by Minnesota's outstanding medical community concerning the drastic reductions in federal support of medical research and improved health delivery services. Therefore, I will focus today upon the need for appropriations increases for elementary, secondary and higher education.

I feel strongly that this nation is falling behind in its quest for quality education and adequate health services while frantically scrambling to escalate a questionable race toward higher and higher expenditures for military and space programs. The Senate must correct this imbalance, and the H.E.W. appropriations bill is the most appropriate vehicle for attacking this problem.

I would suggest that we may be asking the wrong question when considering appropriations for programs designed to meet human needs. We traditionally ask, "Can we afford to . . .?" I would suggest that we should ask, "Can we afford not to . . .?"

Or to state it another way, we look at human needs and do whatever we think we can afford at the time. In contrast, in our firm desire to reach the moon in the 1960's, we established a national goal and resolved that we would, without question, provide the resources to achieve that goal.

I am fully aware of the fiscal constraints we are facing as a nation. My point is that we are reacting to these constraints in the wrong way—in a manner which does not reflect the over-riding human needs of a nation in turmoil. I would hope that we in the Senate, and particularly those who serve on the Appropriations Committee, could view appropriations not in the light of what we can afford in the traditional sense, but in answer to a more critical question: What will be the ultimate cost to the individual and to the society of the unrealized potential of millions of under-educated children and adults; of years of inequality of educational, social and economic opportunity; of neglected dropouts; of poorly prepared teachers; of alienated youth?

Quality education is truly an investment and not an expense. At a time when the nation's school systems are facing a severe financial crisis, the federal government must respond. In this regard, I have taken two major steps within the Education Subcommittee of the Committee on Labor and Public Welfare in recent weeks. First, I have called for the creation of a prestigious National Advisory Commission on School Finance to study the school fiscal crisis. This Commission would be required to report to the President and the Congress within two years its recommendations concerning the proper federal role in financing education in partnership with state and local government. Secondly, I have introduced amendments to S. 2218, the bill to extend the Elementary and Secondary Education Act of 1965, which would increase annual authorizations for a number of selected ESEA programs. These include Title I (programs for the disadvantaged), Title II (library resources), Title III (innovative and exemplary programs), Title V (strengthening state departments of education), Title VIII (dropout prevention), and selected programs funded under the Vocational Education Act of 1963. I also supported enthusiastically amendments introduced by the distinguished Senator from Texas, Mr. Yarborough, which would increase annual authorizations for ESEA Title VI (programs for the handicapped) and ESEA Title VII (bilingual education).

Before commenting upon specific programs which I consider most deserving of appropriations beyond those provided in the House bill, I would like to stress three subjects of particular interest to educators in Minnesota. These include forward funding, full funding, and the illusion often created when we appropriate the same amount for a given program from one fiscal year to the next.

The uncertainty created by a lack of forward funding in most E.S.E.A. programs is undoubtedly one of the most frustrating aspects of federal aid programs. Little has to be said of the problem created for a local school district which does not know what federal funds it will have available until half of the school year has passed. The dilemma faced by the administrator attempting to attract staff to a federally funded project under these circumstances is self-evident. Minnesota educators for whom I have great respect, such as John Davis and Donald Bevis of Minneapolis and Gregory Waddick of the State Department of Education, have described the negative impact of our present uncertain funding pattern upon the recruitment and retention of personnel for federally-supported programs and upon sound long range planning. The ultimate losers are, of course, the children for whom federal funds are appropriated. On their behalf, and on behalf of the taxpayer seeking maximum return on his investment in education, I urge the Appropriations Committee to do everything within its power to place federal programs of aid to education on a forward funding basis. As you well know, this has been done to some extent with Title I with great success. The concept should be extended to as many programs as possible.

Another concern is the lack of full funding—the large gap between program authorizations and actual appropriations. This gap raises unrealistic expectations on the part of those who are looking to the Federal Government for assistance. Our failure to deliver what we promise creates widespread disillusionment and uncertainty concerning our will to implement the excellent authorizing legislation which now exists. I believe that the major shortcoming of the Congress in education has been our inability to fund programs at levels which even approach our own authorizations.

This problem is particularly severe, as you know, in education. Programs administered by the United States Office of Education have been funded at less than forty percent of authorization. In sharp contrast, our space program is funded at ninety-nine percent of authorization and military procurement at ninety-two percent. I ask that this Committee do all it can to close the appropriation-authorization gap in the fiscal 1970 budget.

My third concern is the false impression often created when programs are continued from one fiscal year to the next at the same appropriation level. In such instances, we are not maintaining the Federal commitment, as is often implied. In the face of rising costs and growing enrollment, programs funded at the previous year's level are, in fact, undergoing a marked reduction in operational capacity. In most programs, it takes an increment of from ten percent to fifteen percent to stand absolutely still. The appropriations bill passed by the House includes a number of examples of this reduction in our commitment to the schools of the nation.

Before turning to specific programs and

recommending increased appropriation levels, I would like to commend and support the action of the House of Representatives in adding nearly $1.05 billion to a totally inadequate Administration request for education funds.

VOCATIONAL EDUCATION AND IMPACT AID

I was particularly pleased to note the favorable House action which added $209.5 million to the Administration request for the critically important area of vocational education. These funds will enable our dedicated vocational educators to develop imaginative, relevant programs suited to the demands of a rapidly changing society. The unique Work Opportunity Center Program of the Minneapolis Public Schools demonstrates what can be achieved by creative vocational educators.

I was also pleased to note that additional funds were appropriated under the impacted aid program. Public Laws 815 and 874 provide badly needed financial support to many Minnesota school districts.

However, despite the House increases, appropriations for many other key programs are inadequate. Programs which I consider particularly deserving of further appropriations increases include the following:

ELEMENTARY AND SECONDARY EDUCATION

*Title I, ESEA.* I strongly endorse the action of the House in adding nearly $171 million to the request of the Administration for fiscal 1970. The resultant appropriation of $1,396,975,000, however, still stands in sharp contrast to the 1970 authorization of $2,359,554,470.

The Fourth Annual Report of the National Advisory Council on the Education of Disadvantaged Children had this to say about the level of Title I funding:

"The Council is distressed at what appears to be a weakening federal commitment to the education of disadvantaged children. This is best evidenced by the $68 million cutback in funding of Title I from $1.191 billion last school year to $1.123 billion this school year. *This cutback, combined with the continuing increase in the cost of education, results in an estimated $400 million less for disadvantaged pupils in local schools this year than was available in the first year of the program.*

We are deluding ourselves if we think we can make an impact on education of the disadvantaged without providing the necessary resources . . . *The Council, therefore, recommends that the Executive and Legislative Branches move as quickly as possible to close the gap between the Title I appropriation and the authorization . . .*"

I urge the Committee to fully fund Title I by adding $962.6 million to the House appropriation.

*Title II, ESEA.* I applaud the action of the House in adding $50 million to the Administration budget request, which included no funds at all for this program which has done so much to provide library and audio-visual resources for the schools of America. I urge the Committee to add $5 million to the House figure (which is identical to the 1969 appropriation) in order to sustain our commitment at last year's level of actual purchasing power.

*Title III, ESEA.* This program, which has sparked major educational innovations in thousands of school districts, deserves far greater support than that requested by the Administration or that provided by the House. The appropriation now stands at $164,876,000, identical to the 1969 figure. Again this appropriation stands in sharp contrast to a 1970 authorization of $566.5 million. At a time when our educational system faces unprecedented demands for change and renewal, Title III is one of the few sources of financial support for the imaginative and innovative educator. I urge the Committee to add at least $50 million to the House appropriation for Title III, an action which would still leave this Title funded at less than one half of its authorization.

*Title V, ESEA.* This program of aid to state departments of education has been funded by the House, in agreement with the Administration budget request, at the 1969 level of $29.75 million. The President's Task Force on Education stated:

"Along with any movement in the direction of 'designated block grants' should go the use of Federal resources to strengthen state departments of education. We therefore strongly recommend an increase in the funding of Title V of ESEA under which grants are made for this purpose."

If the Congress is seriously considering the possibility of shifting more administrative and program responsibility for elementary and secondary education programs to the states, it is incumbent upon us to help build a state capability to administer federally financed programs with maximum imagination and efficiency. I would therefore recommend that Title V be funded at $40 million, fifty percent of its $80 million authorization.

*Title VII, ESEA.* The House, in concert with the Administration budget request, has increased the 1970 appropriation for bilingual education programs to $10 million from its 1969 level of $7.5 million. I commend this action, but appeal for additional funds for expanding bilingual programs to serve American Indians and Mexican Americans and to develop programs of special language instruction for children living in deprived areas.

I urge the Committee to fund bilingual education programs at the full authorization level of $30 million.

*Title VIII, ESEA.* The Administration requested that $24 million of a $30 million authorization be appropriated for dropout prevention programs for fiscal 1970. The House drastically reduced this request to the 1969 level of $5 million. In view of the potential of this Title to deal with the frightening social implications of neglect of the school dropout, and in response to the many proposals which the Office of Education has been unable to fund, I urge the Committee to fund this program at the $24 million level initially requested by the Administration.

*Higher Education*

Two related activities deserving of increased appropriations are the Education Professions Development Act programs and the Teacher Corps. Commenting on the E.P.D.A. programs, the President's Task Force on education stated, "The Education Professions Development Act of 1968, of which Teacher Corps is a part, is an excellent piece of legislation. We recommend that other titles of it also be funded at a higher level." The report went on to say, "We believe that the Teacher Corps has demonstrated its value and are strongly in favor of seeing it continued at a higher level of funding."

Education Professions Development Act programs (exclusive of Teacher Corps) are supported at the 1969 level of $95 million by the House action in exact compliance with the Administration 1970 request. This program, designed to improve the quality of America's teachers and administrators, is authorized at a level of $445 million for 1970. Again, we see a stark contrast between authorization and appropriation—between promise and delivery—between what must be done and what we are willing to do. I urge the Committee to approve a $200 million appropriation for E.P.D.A. programs in 1970.

Teacher Corps, which has been an outstanding program—one which serves the disadvantaged while encouraging promising young persons to enter the teaching profession—will receive $21.7 million under the House bill in contrast to the Administration's budget request of $31.1 million and an authorization of $56 million. I urge the Committee to approve full funding of this outstanding program for fiscal 1970.

STUDENT ASSISTANCE PROGRAMS

*Undergraduate Student Assistance Programs.* As a member of the Education Subcommittee of the Committee on Labor and Public Welfare, I have been particularly interested in student assistance programs. Present programs, while very commendable in their intent, fail to meet the needs of thousands of young Americans who have the ability to attend our colleges and universities. Present appropriations fall far short of institutional requests and legitimate student need for assistance. Recent action taken by the Senate and House in approving the Conference Report on H.R. 13194, the Insured Student Loan Emergency Amendments of 1969, provided a federal subsidy to encourage the expansion of the guaranteed student loan program, and increased the authorization levels for several other important student aid programs. These new levels approximate very closely actual institutional requests and Office of Education estimates for 1970. I would, therefore, urge the Appropriations Committee to respond to this unquestioned need by appropriating funds in accordance with these new authorization levels.

Specifically, if each of these programs were fully funded, an additional $60 million would provide 125,000 more Educational Opportunity Grants; an additional $96 million would provide nearly 150,000 more National Defense Student Loans; and an additional $121 million would enable nearly 250,000 students to participate in the College Work Study Program.

SPECIAL STUDENT AID PROGRAMS FOR DISADVANTAGED STUDENTS—TALENT SEARCH, UPWARD BOUND, AND SPECIAL SERVICES IN COLLEGE PROGRAMS

These programs, all designed to encourage and assist disadvantaged students to take advantage of the educational opportunities which this nation makes available to the more affluent, are of major importance to the future of this nation and should be funded at the highest possible level. The authorization for these programs is $56.7 million. I believe these highly promising programs deserve full funding.

The Talent Search program, funded at a $4 million level in fiscal 1969, has been increased to $5 million by the House for fiscal 1970, in accordance with the Administration request. I recommend that this program receive an appropriation of $8.5 million for fiscal 1970—the Office of Education estimate to the Department and a figure which would represent a significant beginning in meeting our commitment to identifying the latent academic talent among our disadvantaged youth.

The Upward Bound program has been funded at $30 million in the House bill, representing a slight increase over the 1969 appropriation of $29.8 million. I urge the Committee to fund this program at a level of $35–$40 million.

The Special Services in College Program, which has never been funded, received an appropriation of $10 million in the House bill. I urge the Committee to support that appropriation level for this promising program.

*College Teacher Fellowship Program.* Despite a growing undergraduate and graduate enrollment in our colleges and universities, the Administration and the House have seen fit to decrease appropriations for this program from the 1969 level. The $70 million appropriated in 1969 has been reduced to $56.1 million by the House in the 1970 bill and is not being appealed by the Administration.

The President's Task Force on Education expressed deep concern about the supply of college teachers, pointing out that new starts in predoctoral fellowships had decreased dramatically in recent years. New starts in predoctoral fellowships totaled 15,000 in

1966–67; 13,913 in 1967–68; 10,950 in 1968–69; and an estimated 9,675 in 1969–70. The report stated, "Unless this trend is reversed immediately, the supply of Ph. D.'s in all fields but particularly science, four to six years hence may decline seriously. We urge the Administration to give this problem early attention."

I share this concern and urge the Committee to increase the appropriation for the College Teacher Fellowship program to $75 million, a figure which represents the departmental request to the Bureau of the Budget.

PROGRAM ASSISTANCE TO HIGHER EDUCATION

In a recent meeting with Minnesota college presidents and their representatives, I heard firsthand of the plight of the college and university as it attempts to absorb the impact of a burgeoning student enrollment.

Programs authorized by the Higher Education Act, which were singled out by Minnesota educators as particularly in need of increased appropriations were Title III (Strengthening Developing Institutions), Title VIA (Undergraduate Instructional Equipment and Resources), and Title X (Improvement of Graduate Schools). Each of these was identified as a program which required better funding if the institutions were to begin to meet ever-increasing demands.

The program for strengthening developing institutions, Title III, had an authorization of $35 million in 1969 and received an appropriation of $30 million. The House bill provides identical funding for 1970. But for 1970 the authorization for this program has doubled, and I urge the Committee to double the appropriations for this program as well —to a level of $60 million.

The Administration and the House have provided for no appropriation at all for the purchase of undergraduate instructional equipment and other resources under Title VIA. I find it difficult to believe that a program authorized at the level of $70 million by the Congress is deserving of absolutely no funding. Yet this is the situation as the appropriations bill now stands. This is particularly appalling in view of the growing importance of quality higher education. I urge the Committee to match the 1969 appropriation of $14.5 million.

Title X programs designed to improve graduate schools received no appropriation in 1969 and are apparently going to receive the same in 1970 according to the request of the Administration and the House bill. Again, we have a program authorized by the Congress (at a level of $5 million) which is not a reality because no funds have been appropriated. I urge the Committee to fully fund this program with an appropriation of $5 million.

Before closing, I wish to register my strong opposition to Section 407, the Student Unrest Rider to the H.E.W. Appropriations bill. I believe that Section 504 of the Higher Education Amendments represents a more adequate approach to student unrest and strongly recommend that it be given a fair test. Adopting repressive measures is not the answer—measures which would punish our institutions of higher learning through the extreme measure of cutting off Federal financial assistance.

I also oppose Sections 408 and 409 of the appropriations bill, the so-called Whitten Amendment. I believe that this amendment would seriously jeopardize the progress being made in school desegregation across the nation. The potential implications of this amendment, particularly in view of the recent Supreme Court decision prohibiting further delay in desegregating the schools, are frightening. Any legislative action which will impede progress in this area or which would further polarize America as it attempts to resolve its racial conflict should be rejected.

## ATTACK ON WARREN COURT BY U.S. LEFT

Mr. GURNEY. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Washington Post on December 3, 1969. The article, written by Joseph Alsop, is entitled "Warren Court Attacked Again, This Time by the U.S. Left." The article makes extremely entertaining reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WARREN COURT ATTACKED AGAIN, THIS TIME BY THE U.S. LEFT

(By Joseph Alsop)

Once again, the unspeakable has been spoken, the unmentionable has been mentioned, the unsayable has been said. This is a remarkable event; and if one looks ahead, it is probably a major political portent.

To be specific, the "Warren Court" was under bitter, sustained attack from the right from the time of the school desegregation decision, in 1954, until Chief Justice Earl Warren laid down his judicial robes. But now the Warren Court, and almost all its works and ways, have been sharply, cogently and powerfully attacked from the left.

The attacker is a brilliant contributing editor of "The New Republic," Professor Alexander Bickel of the Yale Law School. Furthermore, the two greatest monuments of the Warren Court, the school decision in Brown vs. Board of Education, and the so-called "one-man-one-vote" decision, are the principal targets of Bickel's criticism.

Bickel first spoke out when he recently delivered the Oliver Wendell Holmes lectures at the Harvard Law School. Vague reports of this remarkable lecture series thereupon caused a good deal of apprehensive flutterings in the inner dovecotes of American liberalism.

Far more widespread, acrimonious and public debate is bound to be touched off, however, by Bickel's forthcoming book, "The Supreme Court and the Idea of Progress." This is an expanded version of the Holmes lectures, complete with all the critical apparatus required by a major work of legal theory of the most serious possible character, which this book unquestionably is.

The thrust of the book is expressed in a single pungent sentence, as follows: "The Warren Court's noblest enterprise—school desegregation—and its most popular enterprise—reapportionment—not to speak of the school prayer cases and those concerning aid to parochial schools, are heading towards irrelevance, obsolescence, and, in large measure, abandonment."

A newspaper column is no place to try to recapitulate the kind of careful argument on which Professor Bickel bases the foregoing conclusion. It is enough to say, rather crudely, that Bickel finds that the school desegregation decision has not worked very well thus far, in a practical sense. And he further holds, obviously correctly, that Brown vs. Board of Education runs directly counter to the rising demand of black militant leaders for "black community control" of Negro schools.

As to the one-man-one-vote decision, Bickel's objections are even harder to summarize, in a few words. But one of them is certainly his opinion, again obviously correct, that the main beneficiaries of the resulting reapportionment are bound to be the ever-growing white suburbs, while the increasingly black center cities will lose leverage proportionally.

To the sentence already quoted, Bickel adds the observation that "if this assessment has any validity, it must be read as a lesson." The lesson he seeks to inculcate is that the courts in general, and the Supreme Court in particular, are most imperfect instruments of social and political reform—however desirable such reforms may be. He would therefore have them leave reform, in almost all cases, to the elected members of the state legislatures and the Congress.

This reporter is wholly unqualified to discuss, much less to pass upon, the complex and profound constitutional issues that Bickel has raised. They were already being raised, before his retirement from the court by Justice Felix Frankfurter. They are now being raised, in certain specific cases, by Justice Hugo Black. That is all a reporter can properly say about the issues themselves.

The political meaning of Bickel's book is something else again, however. Against the Warren Court and all its works, the ranks of the American rightwing have always been solidly arrayed, as above-noted. But this book represents the first significant break in the ranks of the American left. There is now division, just where the Warren Court always obtained its strongest support.

One must say "the first significant break" because, of course, the black militants' demands for "community control" were also a break of another kind. The arguments for the so-called demonstration school projects in New York City, for instance, might have been made to order to support George C. Wallace's approach to the school problem in the South.

But when a man of Bickel's stature openly breaks the former liberal-intellectual solidarity on this matter there is no foretelling the final outcome. It is only clear that a new phase has opened.

## RELEASE OF ISRAELI HOSTAGES BY SYRIA

Mr. WILLIAMS of New Jersey. Mr. President, I am happy to report to the Senate that the two Israeli civilians who have been held hostage by Syria for over 3 months, following the hijacking of a TWA flight last August, have been released. The Embassy of Israel has verified that they are on their way to Athens at this moment.

Although all the facts are not available as of this moment. I am sure all Americans join in expressing our warm "mazeltov" to these two Israelis and to their families. For them, a very trying 3 months has ended.

I also wish to share with Senators the joy expressed by Mrs. Joseph Dayan of Phillipsburg, N.J., sister of one of the hostages. When I met with Mrs. Dayan and the wives of the two hostages in October, I was deeply moved by their plea that the world not forget these two men.

Let us hope that their release reflects some possibility for peace in the Middle East.

## ASSESSMENT OF PRESENT STRENGTH OF VIETCONG

Mr. GURNEY. Mr. President, this morning's Washington Post contains an article, written by Joseph Alsop, which is most timely, interesting, and exciting. It deals with the present morale and effectiveness of the Vietcong guerrilla effort in the Vietnamese war. Alsop states that President Nixon sent the Englishman, Sir Robert Thompson, to Vietnam to assess the present strength of the Vietcong. Sir Robert was the man who directed the successful British defeat of

the Communist guerrillas in Malaya. Sir Robert has now reported to President Nixon, and his assessment, according to Alsop, is that the Vietcong is in bad shape.

As I say, this is one of the most intriguing and exciting developments of the war in Vietnam.

I would hope that the peace-at-any-price activists both in and out of Congress would make it a point to read Sir Robert Thompson's report carefully. A few voices, which have received little attention and have been overwhelmed by the din and clatter of "get out now," have made the point that the turning-point of the war has been reached and that if the United States has the fortitude and foresight to stick it out for a while longer, and continue on its job to effectively turn over the war to the South Vietnamese, our goal of containing communism in Southeast Asia will be reached.

I ask unanimous consent that this column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITON'S REPORT ON VIETNAM MUST HAVE HEARTENED NIXON

(By Joseph Alsop)

Within the U.S. government, there is still an enormous diversity of viewpoint, and even of factual reporting, about the present stage of the war in Vietnam. Some time ago, this drove President Nixon to adopt an expedient without past American precedent, so far as is known.

To get a more solid feel of the real situation, and more particularly the situation in the Vietnamese countryside, the President asked Sir Robert Thompson to go to Vietnam on his behalf. One may guess the President chose this distinguished Englishman as his on-the-spot observer for two linked reasons.

On the one hand, he wanted a man who was free of all entanglement in the debates of our bureaucrats, analysts and policy-makers, which so often reflect the debaters' vested interests. And on the other hand, he had to find a man with the solid experience to compare past and present, and therefore to measure progress—or the lack of it.

Sir Robert's qualifications were obvious. He was one of the masterminds of the successful British effort to defeat the Chinese Communist guerrillas in Malaya. In addition, he had intimate knowledge of Vietnam, where he served, from 1961 to 1965, as head of a British advisory mission. And his freedom from any optimistic bias had recently been proved by his decidedly gloomy book, "No Exit From Vietnam."

As an unobstrusive presidential emissary, Sir Robert therefore undertook a long journey in South Vietnam, covering key provinces from northern I Corps to the Delta in the south. As one must do to find the rice-roots realities, he did most of his investigating at the district level, where the rice-roots war is fought. And he took along expert assistants, well qualified to check upon and also to amplify the facts that he gathered.

Sir Robert then returned to Washington a few days ago, and "The Thompson Report," officially so-called by the insiders, was formally delivered to the President on Wednesday. What he heard from Sir Robert must have encouraged the President very greatly.

The truth is that Sir Robert found a situation so radically changed that he largely abandoned the pessimism implied by the "No Exit"—that ominous phrase—in the title of his recent book. He did not paint a purely rosy picture, to be sure.

He was far from satisfied, for instance, with the effort made to date to track down and eliminate the higher command groups of the Vietcong. And he warned that if peace came with these command groups still in being, though in refuge, they might later attempt to regenerate a Communist resistance movement.

On the other hand, Sir Robert also found that the entire Vietcong structure was being powerfully and quite rapidly eroded, all over South Vietnam. The rates and degrees of erosion naturally varied from province to province, and even from district to district; but the main features were everywhere the same.

The guerrillas and local force soldiers, who are the "enforcers" of the VC bosses, are everywhere defecting or falling in battle in great numbers; and they are not being successfully replaced. The VC recruiting base is everywhere shrinking drastically, owing to the solid extension of government authority. And in these ways, the VC are progressively losing their former authority over the people of the countryside.

What this means to Hanoi can be gauged from a remark that Gen. Vo Nguyen Giap made to a European correspondent some time ago. "I am not concerned," said Giap, "with the military successes of the US/GVN. I would only become concerned when the US/GVN began to destroy the VC political infrastructure."

That grave cause for concern now stares Gen. Giap in the face. For the command group, in their mountain and jungle refuges, are no more than the brains of this political infrastructure that Giap spoke of. Without their former apparatus of control of the countryside—above all, without guerrillas and soldiers to impose their will—the VC party secretaries are like Mafia bosses with no gunmen under their command.

Control of the countryside and its population is in fact the primary, most vital mission of this political infrastructure. This is why the VC structure in South Vietnam is Hanoi's primary, most vital asset. And the progressive erosion of this structure, reported by Sir Robert Thompson, is therefore a desperate matter for Hanoi—which probably explains the new infiltration figures that are the second part of the story.

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## A PROGRAM TO ABOLISH POVERTY

Mr. MONDALE. Mr. President, Dean Wilbur J. Cohen, University of Michigan School of Education, and former Secretary of the Department of Health, Education, and Welfare, has prepared an excellent article entitled "A 10-Point Program To Abolish Poverty by 1980," which will be published shortly in the Information Please Almanac of 1970.

I have had an opportunity to read this series of wide-ranging and provacative proposals. They constitute a well-thought-out blueprint for a coordinated attack on the persistent problem of poverty in the midst of plenty. The proposals, which range from ending racial discrimination, expanding educational opportunities, and improving social security to upgrading our health system, reforming the welfare program, and providing family planning and other social services reflect the breadth and depth of knowledge Dean Cohen has gained from a lifetime of commitment to programs designed to meet human needs.

I commend this thoughtful article to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A 10-POINT PROGRAM TO ABOLISH POVERTY BY 1980

(By Wilbur J. Cohen)

The United States is rich is material and human resources. In 1971, the annual gross national product will undoubtedly exceed $1,000 billion; the average annual income of families will be approaching $9,000. Moreover, abundance is growing.

Historically, poverty has been the result of inadequate production of goods and services. This situation still exists in most of Asia, Africa, and South America. By contrast, the abolition of poverty in the United States is no longer a problem of productive capacity.

The Nation has the material resources to eliminate poverty. In recent years, remarkable progress has been made toward the twin goals of the abolition of poverty and the provision of economic security for all. In addition, there are sufficient resources to assure the overwhelming majority of Americans whether at work or retired, whether widowed, orphaned, disabled, or temporarily unemployed) continuing incomes paid as a matter of right—incomes sufficient to assure a modest level of living, not just enough to meet the low standard that is used today to define poverty.

Although there are different standards of poverty, the Social Security Administration index is the most widely used. For an urban family of four persons, the poverty level was $3,412 for the year 1967 compared with $2,974 for 1959. These figures are adjusted for family size and price changes on this basis. In 1959, there were about 39.4 million people living in poverty; in 1968 the number was down to 25.4 million—a decline of 14 million persons. In 1959, 22.4% of the U.S. population was below the poverty level; in 1968 this figure had declined to 12.8% (See tables.)

We have, however, not only the resources but also much of the institutional framework to build upon to make poverty a thing of the past and to better the economic security of all Americans. With a comprehensive and coordinated plan, the job of eliminating poverty can be accomplished.

During the 1960's improvements in the social security program have brought higher benefit payments to a great majority or retired older people, widows and orphans, and the long-term disabled. Twenty-five million people—1 out of every 8 Americans receive a social security check every month. Because of their social security benefits, about two-thirds of these beneficiaries are able to maintain a level of living somewhat above the poverty level. Nevertheless, about 8 million social security beneficiaries still live in poverty, even with their benefits.

Yet, substantial progress has been made in reducing the number of the poor, in improving the level of living for people whose incomes are just above the poverty level, and even in improving the position of those who are still below the poverty criterion.

The striking reduction of poverty during this decade is attributable to economic growth, to the various measures taken to make it possible for more people to participate in the economy through job training, rehabilitation, and improved educational programs and to the major improvements that have been made in the social security program.

Nearly 30% of the poor live in households with an aged or disabled person at the head. Most of these people could be moved out of poverty through further improvements in the social insurance and assistance programs.

One of the greatest challenges comes in finding solutions for the rest of the poor—those who lived in households where the head worked all year but was still poor or could find work only part of the time or had no job at all. We can find solutions to this problem by a ten point coordinated program.

First: A successful national attack on poverty is dependent on continued economic growth and economic development:

We could reduce the poverty group from 25.4 million to about 15 to 20 million in the next 10 years with continued economic growth, and the expansion of employment in areas where underemployment now exists. This involves changes in tax policies, housing, and other programs.

Second: Opportunities for work—meaningful, productive, self-supporting work—must be expanded:

Economic security is perhaps best defined as a job when you can work and income when you can't. Most fundamental is the opportunity to work. Job opportunities must be made available for all who can work, and programs that improve the ability of the individual to earn must be expanded.

Well-planned and useful work, not made work, can be provided. There are over 5 million useful, public service jobs that could be developed—jobs in hospitals, and nursing homes, jobs that would contribute to improved roads, parks and recreation centers, jobs that would help relieve the pains and anxieties of children, the aged, and the disabled.

For those whose capacity to earn is low, and for those who have a potential capacity but are unable now to get a job, much can be done to improve programs that prepare them for full participation and full opportunity. Educational activities, job training, health and rehabilitation programs, manpower retraining and relocation, and special programs could enable the disadvantaged young to compete in the labor market.

Third: Racial discrimination—in jobs, in education, and in living—must be ended:

Justice and opportunity must become a reality for every American, regardless of race, creed, sex, or national origin. Every effort must be made to diligently carry out the constitutional obligations and statutory requirements of the Civil Rights Act so that equality for every boy and girl and every family in the Nation. In addition to its other insidious effects, discrimination is economically wasteful, costing the Nation about $30 billion a year in terms of the gross national product.

People might be equipped for full participation in our economy and in all aspects of American life because this is the only worthy goal of a free and democratic society. We must not buy our way out of facing the tough problems of providing opportunity by the acceptance of a permanent class of the disinherited, condemned to live on a dole when they want to be a part of society and equipped to move ahead. Jobs are basic to economic security and the first task is to see to it that everyone is given the chance to learn and to earn.

Fourth: Family planning services must be available, on a voluntary basis, to those with lower incomes and less than a college education as they are to the higher-income, college-educated person in the suburb:

In the period from 1960 to 1965, low-income women of child-bearing age had an annual fertility rate of 153 births per 1,000 women. The rate for the rest of the female population was 98 births per 1,000. This rate of 98 per 1,000 is consistent with an ultimate family size of about three children—considered to be the size that most Americans, regardless of race, economic status, or desire.

Thus it is considered likely that the poor would bear children at the same rate if they had access to the same family planning services available to the nonpoor. And, on that basis, it is estimated than in 1966, among 8.2 million low-income women of childbearing age, there were 450,000 births of what might be called unplanned-for children. Among these 8.2 million women, there were about 1 million receiving family planning services, and 4 million who were not but indicated they would if they were available. To provide family planning services to these 4 million women would cost about $120 million a year. This is an investment we could afford.

Fifth: Opportunities for education at all levels must be expanded:

The vitality and economic growth of our society depends, to a major extent, upon the effectiveness of American education. We must assure equal access to high-quality education from preschool through graduate studies. The cost of educating every American must be recognized as an investment in a stronger, more vital Nation. To raise the necessary funds, the property tax must be eliminated as a source of revenue for education, and the Federal government must contribute at least one-third of the total cost.

Quality preschool opportunities, for instance, are essential for disadvantaged children if they are ever to have the hopes of succeeding in regular classroom studies. Less than one third of the Nation's 12.5 million children age 3–5 are enrolled in nursery schools or kindergartens. The proportion of children from low-income families enrolled is even less than the average.

The need for modern and effective technical and vocational education is also self-evident. We need a vastly expanded and a strengthened vocational education system, as well as imaginative new ties between school and the world of work in agriculture, commerce, and industry.

Unless children born into poor families have the opportunity to learn and develop skills, they will not only be poor children but will face the high probability that they will be poor adults they themselves will raise poor children.

Sixth: The social security program should be improved:

A job today not only provides current income but carries its own insurance against the loss of that income. This social insurance device is an institutional invention of first-rate importance. It is based on the idea that since a job underlies economic security, loss of income from the job is a basic cause of economic insecurity.

Under social insurance, while a worker earns he contributes a small part of his earnings to a fund, usually matched by the employer. And then, out of these funds, benefits are paid to partly make up for the income lost when the worker's earnings have stopped. Under this "income insurance," the payments made are usually related to the amount of the earnings lost and are thus designed to maintain in part the level of living obtained by the worker while he worked. Cash payments are made under social insurance programs to make up in part for earnings lost because of retirement in old age, disability, and the death of the family breadwinner.

In the United States, the largest and most important of the social insurance programs is the Federal system popularly called social security. This program insures against the loss of earnings due to retirement, disability, or death and pays benefits to meet the great bulk of hospital and medical costs in old age.

This year 90 million people will contribute to social security. Ninety percent of our population aged 65 and over are eligible for monthly social security benefits. More than 95 out of 100 young children and their mothers are eligible for monthly benefits if the family breadwinner should die. And 4 out of 5 people of working age have income protection against loss of earnings because of the long-term severe disability of the breadwinner. When the Federal civil-service system, the railroad retirement program, and State and local government staff retirement systems are taken into account, nearly everyone now has protection under a government program against the risk of loss of earned income. In addition, many are earning further protection under systems that build on social security.

Social security provides a highly effective institution for income maintenance—one that is acceptable to the public, has a very low administrative cost, and is practically universal in application. But it needs improvement, particularly in the level of benefits.

Indicative of the need for higher benefit levels is the fact that the *average* social security benefit for retired workers is now about $100 a month; for aged couples it is about $170; for aged widows, $86; and for disabled workers, $112. Many people get lower amounts, and about 2.8 million beneficiaries get the minimum benefit. The minimum for a worker who goes on the benefit rolls at age 65 or later is only $55 a month.

In September, 1969, President Nixon recommended important changes in Social Security benefit and contribution structure. His proposal included a 10 percent increase in benefits, and the establishment of an escalator provision which would automatically gear future increases to the cost of living. He asked Congress to make changes in the financial structure, the most important of which is to increase the maximum contribution and benefit base from $7,800 to $9,000 a year by 1972. In addition, he recommended a change in the retirement test by an increase in the amount a beneficiary could earn before a reduction in benefits would take place from $1,680 to $1,800 a year, he also recommended several other changes.

While President's proposal does represent a liberalization of the program, it is far from adequate. To bring benefits and contributions up to adequate standards, the following proposal should be adopted:

1. *An increase in benefit levels.* As a first step, Congress should increase all social security benefits by at least 15 percent this year, and another 15 percent two years later, with an increase in the minimum progressively to $100 a month for the single retired worker or widow and to $150 for the couple.

2. *A method of keeping the system in line with rising earnings.* Benefits should be paid based on average earnings over a worker's 5 or 10 consecutive years of highest earnings, rather than on his lifetime average, so that the benefits will be more closely related to the earnings actually lost at the time the worker becomes disabled, retires, or dies.

3. *A way to make the program more effective as the basic system of income security for those who earn somewhat above the average, as well as for average and below-average earners.* The present ceiling on the annual amount of earnings counted under the social security program should be increased from the present $7,800, in stages, to $15,000. Then automatic adjustment of the ceiling should be provided, to keep it in line with future increases in earnings levels.

4. *Provide protection against the loss of earnings that arises because of relatively short-term total disability.* Disability benefits should be paid beginning with the fourth month of disability without regard to how long the disability is expected to last. Under present law, the benefits begin with those for the seventh month of disability and are payable only where the disability is expected to last for at least a year.

5. *Improve protection for older workers by liberalizing the definition of disability for workers aged 55 or over.* The revised definition should permit benefits to be paid to a worker aged 55 or over if, because of illness or injury, he can no longer perform work similar to what he has done in the past. Under present law, the definition of disability requires that the worker be unable to engage in any substantial gainful activity.

6. *Improve work incentives by liberalizing the retirement test provision under which a beneficiary's earnings reduces the benefits he receives.* At the present time an individual can receive his full benefits if his annual earnings are less than $1,680. This amount should be increased to $2,400. The reduction also should be limited to one-half the amount earned above the exempt amount, regardless of the total amount of earnings.

The increase in the earnings-base ceiling proposed would result in higher income for both the cash benefits and the Medicare parts of social security and would go a long way toward financing the proposed reforms.

If the cash benefit program were to remain entirely self-financed, the ultimate contribution rate paid by employees and the rate paid by employers for the total social security program would have to be increased somewhat to meet the cost of all the proposals outlined. General revenue financing could be used to meet part of the increased costs.

Ways to relieve low-wage earners from the burden of the higher rates should be explored. One way would be to amend the income-tax laws so that, for low-income people, a part of the social security contribution would be treated as a credit against their income tax or, if no tax were due, could be refunded.

These benefit increases and the other program improvements would help *all* workers and their families. Their most important effect would be to reduce the number of poor in the future and to provide a level of living somewhat above poverty for most beneficiaries. But the effect of these changes on today's poor would also be very significant.

Seventh: Our health services must be improved:

High-quality health care must be available to all—in the inner city as well as the suburb. We must reduce the high toll of infant mortality: a more effective method must be found for financing prenatal and postnatal care for mothers and children. We should also:

1. *Provide under Medicare for protection against the heavy cost of prescription drugs.*

2. *Cover disabled social security beneficiaries under Medicare.*

3. *Put the entire Medicare program on a social insurance prepayment basis so that medical and hospital insurance both would be financed from social security contributions and a matching contribution from the Federal Government.*

Eighth: We must improve other social insurance programs.

Other social insurance programs—unemployment insurance and workmen's compensation—although not administered by the Federal Government, require Federal standards. Coverage of both of these programs should be expanded, and benefit levels in many States should be substantially improved.

The introduction of Federal benefit standards into unemployment insurance, where there is already a Federal-State relationship, would not be structurally difficult. In workmen's compensation, which has been entirely a State matter, it would be necessary to establish some new device, such as a Federal program providing a given level of protection, which employers would not have to join if they presented evidence of membership in a private or State insurance arrangement with an equivalent level of protection.

Ninth: Our welfare system must be radically overhauled.

Drastic changes must be made in the existing welfare system—in the scope of coverage, the adequacy of payments, and in the way in which payments are administered.

Although work opportunities and improvements in social insurance can bring economic security to the overwhelming majority of people, they cannot do the whole job.

The Federal-State welfare programs have been confined to certain categories of recipients—the aged, the blind, the permanently and totally disabled, and families with dependent children when a parent is either missing from the home, dead, disabled, or unemployed. In addition, the States have been allowed to define the level of assistance provided in these programs, and many have set the level below any reasonable minimum, and payments vary widely among the States. General assistance for those not eligible under the Federal-State categories is entirely supported by State and local money and with few exceptions is very restrictive.

There are about 10 million persons receiving assistance payments—about 9 million under the federally aided programs, and about one million persons receiving general assistance not financed with Federal aid. This figure would be approximately double if the States took full advantage of the Federal eligibility standards and removed from State plans and administrative procedures the restrictions that now bar needy people from getting assistance. Moreover, because of the low level of assistance standards in many States a high proportion of those receiving assistance are still below the poverty level.

But criticism of existing public assistance programs is not confined to inadequate coverage or inadequate amounts. The list of criticisms is long, going to the nature of the program itself and its administration. The determination of eligibility for one is an unnecessarily destructive process, involving the most detailed examination of one's needs and expenditures and frequently prying into the intimate details of one's life. Moving from detailed budgeting to broad categories of allowances and to simplified determinations of income and resources would help to protect the dignity and self respect of the assistance recipient.

One problem that has haunted assistance and relief programs for years is how to provide adequate assistance without destroying economic incentive for those who can work. Reasonably adequate welfare payments, particularly to a large family, will sometimes turn out to be more than can be earned by a full-time worker with low skills.

Under aid to families with dependent children the Federal Government assists states to make payments to families with the father unemployed. In the 29 States that do not take advantage of this Federal offer and continue to provide aid only if the father is dead, disabled or absent from the home, the assistance program is correctly criticized on the grounds that is sets up an incentive for the unemployed worker to leave home.

Support for an assistance program that applies to all in need and that pays an adequate amount has been faced with hard going because of the incredible longevity of myths about those whom the programs are supposed to aid: that the poor live high on welfare handouts and that the poor are lazy and don't want to work.

The myths persist despite the fact that over 3 million of those on welfare are aged or disabled and over 4 million are children, and despite the fact that 80% of working-age men who are poor but not on welfare have jobs, and about 75% of them are in fulltime jobs.

President Nixon, in August, 1969, proposed a dramatic reform in the welfare system which included:

1. A federally financed and administered assistance plan to replace the aid to dependent children program which would pay each working and non-working family in the United States a minimum income. For a family of four without any income the amount paid would be $1,600 a year with $300 additional for each child.

2. States would be required to supplement existing Federal payments to families with dependent children.

3. A work-incentive provision which allows the family on assistance to keep first $60 a month earned and also 50 percent above $60 up to a maximum level set according to the size of the family.

4. A work component which requires all family heads to register with the state employment office and accept suitable jobs.

5. An expanded day-care program for the children of working mothers and a job-training program to enable the parents to prepare for full-time employment.

6. Federal minimum payment standards for the 3 million aged, blind, and disabled receiving welfare.

As in the case of Social Security changes, the proposal includes several needed revisions, but does not go far enough. For example, by maintaining some form of Federal-State cooperation in financing payments, the plan retains the state by state inequities prevalent under the present system. It does not include over one million poor people who do not have families and who are not covered under existing welfare programs.

Tenth: the services that will help people move out of poverty must be brought to the people—where and when they need them:

Family planning services, visiting-nurse services, day-care services for the children of working mothers, community action programs and consumer and legal aid must be available where needed. City Hall—and Washington—must be closer to the people they govern. There must be an adequate program of consumer and legal protection for the poor. There must be an end to practices that short-change the poor in the grocery store, in the welfare office, or the landlord, at the neighborhood department store, and in the courts—in short, in all the waystations that add up to life in the ghetto.

It is important, too, that credit union facilities be available to the poor and that credit unions take even greater responsibility for the consumer education of their members.

A DEMANDING TASK

The problems of poverty and economic insecurity in the United States do not lend themselves to easy, magic solutions. They require a combination of deliberate, carefully designed, wideranging approaches, for the problems themselves are not simple. Being poor means more than not having enough money. It often means poor in spirit, hope, health, and intellectual resources.

The abolition of poverty will require money—about $15 to $20 billion a year initially. This is only about 1½ to 2% of our gross national product. We can afford the money. But money must be accompanied by far-reaching, penetrating approaches, by bold and coordinated public and private programs that provide opportunities for the poor. For those who are able to work, greater emphasis must be placed on jobs, education, and training. For those who cannot or should not be expected to work, improvements must be made in the social security program, which, combined with private benefit plans constitute the most effective institutions for income maintenance. They cannot, of course,

do the whole job. The present welfare system must be drastically overhauled to adequately serve those whose needs are not met by other programs. Concomitant with improvements in existing programs, the search must continue for new and imaginative programs that will meet the demands of the decade ahead.

Setting the elimination of poverty as a national goal is a huge and complex undertaking. The nation has the economic capacity, the technological capability, and the intellectual resources to accomplish this goal before the end of the next decade. But the most difficult task will be sustaining the determined commitment of the nation to the American promise: Full and equal opportunity for all to share in the good life that can be offered by a dynamic, prosperous, democratic society.

TABLE 1.—NUMBER OF PERSONS IN U.S. BELOW POVERTY LEVEL, 1968

[In millions]

| Characteristic | Total | White | Nonwhite |
|---|---|---|---|
| All persons | 25.4 | 17.4 | 8.0 |
| A. In families | 20.7 | 13.6 | 7.1 |
| B. Unrelated individuals | 4.7 | 3.8 | .9 |
| C. Family members under 18 | 10.7 | 6.3 | 4.4 |
| D. Adults | 14.7 | 11.1 | 3.6 |

Source: Current Population Reports, Series P-23, No. 28, Aug. 12, 1969, U.S. Dept. of Commerce, Bureau of the Census.

TABLE 2.—PERCENT OF POPULATION IN U.S. BELOW POVERTY LEVEL, 1968

| Characteristic | Total | White | Nonwhite |
|---|---|---|---|
| All persons | 12.8 | 10.0 | 33.5 |
| In farm families | 18.8 | 15.9 | 58.9 |
| In nonfarm families | 9.5 | 7.5 | 27.1 |
| Family members under 18 | 15.3 | 10.7 | 41.6 |
| Unrelated individuals | 34.0 | 32.2 | 45.7 |

Source: See Table 1.

TABLE 3.—POVERTY LEVELS FOR VARIOUS FAMILY SIZES, 1967

| Size of family | Urban nonfarm male head | Urban nonfarm female head | Farm male head |
|---|---|---|---|
| 1 member | $1,750 | $1,632 | $1,476 |
| 2 members | 2,178 | 2,110 | 1,841 |
| 3 members | 2,674 | 2,573 | 2,264 |
| 4 members | 3,412 | 3,393 | 2,907 |
| 5 members | 4,022 | 3,984 | 3,431 |
| 6 members | 4,517 | 4,497 | 3,852 |
| 7 or more members | 5,562 | 5,433 | 4,720 |

Source: See Table 1.

## THE NEEDS OF EDUCATION

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the RECORD my statement made on December 3, 1969, before the Subcommittee on Labor, and Health, Education, and Welfare appropriations of the Committee on Appropriations on H.R. 13111.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR VANCE HARTKE, DEMOCRAT OF INDIANA, DECEMBER 3, 1969

Mr. Chairman, I greatly appreciate your courtesy and that of your colleagues on the Subcommittee for providing this opportunity for me to speak with you about the needs of education and the imperative necessity of providing from federal sources a fair federal share of the funding necessary to accomplish the objectives which have been set forth in the historic educational statutes enacted during my tenure in the Senate of the United States.

INTRODUCTION

Mr. Chairman, as a member of the Senate class of 1958, I take deep pride in the role that I have had an opportunity to play, in bringing into being these commitments of the national purpose to meet the educational needs of American citizens of all ages.

I know the high hopes we all entertained during the enactment of the Vocational Act of 1963 and of Higher Educational Facilities Construction Act.

I recall very well our floor debates in 1965 when the landmark education measures—the Elementary and Secondary Act, the Higher Education Act, and the International Act passed the Senate.

Our work on the Vocational Education Amendments of 1968, and the various extensions, improvement, clarification and expansion of these basic acts is still fresh in our memory. By these various measures, together with our colleagues in the House and the President of the United States, we have given a commitment of the nation's resources to this important area of our national life.

You have heard testimony, gentlemen, with respect to the need for the full funding of every educational statute on the books.

I would urge that you give heed to the voices that have been raised because I feel that the authorizations in these areas actually underestimate the needs that exist. The federal share ought to be more than the current 7% of an annual $60 billion educational expenditure. The $9 billion of authorized funding for education is a far cry from what we could and should in equity provide.

However, I know the pressure under which you must operate, and I realize that full funding is a goal that might not be reached this year. I hope, however, that we can come as close as possible to it.

FORWARD FUNDING

Mr. Chairman, as a beginning, I think it is beyond a doubt, that the floor of the Senate would support and accept, without decrease, the amounts for Office of Education programs now included in the bill you report. I present a table showing for the State of Indiana the effect of the House floor amendment.

The table referred to follows:

OBLIGATIONS IN THE STATE OF INDIANA

| Program | Actual, 1968 | Estimate, 1969 | Estimate, 1970 | Nixon estimate, 1970 | House-passed appropriation bill |
|---|---|---|---|---|---|
| OFFICE OF EDUCATION | | | | | |
| Elementary and secondary education: | | | | | |
| Assistance for educationally deprived children (ESEA I): | | | | | |
| Basic grants | $15,973,503 | $15,013,815 | $16,019,525 | $16,019,525 | $18,664,129 |
| State administrative expenses | 159,736 | 150,191 | 160,195 | 160,195 | |
| Grants to States for school library materials (ESEA II) | 2,534,729 | 1,286,642 | 1,080,789 | 0 | 1,282,958 |
| Supplementary educational centers and services (ESEA III) | 4,550,000 | 3,980,987 | 4,181,310 | 2,766,361 | 3,989,229 |
| Strengthening State departments of education (ESEA V): | | | | | |
| Grants to States | $540,191 | $664,602 | $655,566 | $655,566 | $655,566 |
| Grants for special projects | | | | 0 | 0 |
| Acquisition of equipment and minor remodeling (NDEA III): | | | | | |
| Grants to States | 1,946,443 | 1,950,699 | | 0 | 1,941,848 |
| Loans to nonprofit private schools | | 46,524 | | 0 | 0 |
| State administration | 49,541 | 48,185 | | 0 | 48,281 |
| Guidance, counseling, and testing (NDEA V) | 622,990 | 431,016 | 299,860 | 0 | 431,892 |
| Subtotal, elementary and secondary education | 26,377,133 | 23,572,661 | 22,397,245 | 19,601,647 | 27,013,903 |
| School assistance in federally affected areas: | | | | | |
| Maintenance and operations (Public Law 81-874) | 4,217,000 | 4,391,000 | 2,491,000 | 982,000 | 4,974,000 |
| Construction (Public Law 81-815) | | 157,900 | | 0 | 0 |
| Subtotal, SAFA | 4,217,000 | 4,548,900 | 2,491,000 | 982,000 | 4,974,000 |
| Education professions development: Preschool, elementary, and secondary: | | | | | |
| Grants to States (EPDA B-2) | | 349,257 | 477,138 | 477,183 | 477,183 |
| Training programs (EPDA, pts. C and D) | 3,286,966 | | | | 0 |
| Subtotal, education professions development | 3,286,966 | 349,257 | 477,183 | 477,183 | 477,183 |
| Teacher Corps | 507,039 | 244,449 | | 0 | 0 |
| Higher education: | | | | | |
| Program assistance: | | | | | |
| Strengthening developing institutions (HEA III) | 124,715 | | | 0 | 0 |
| Colleges of agriculture and the mechanic arts (Bankhead-Jones) | 260,822 | 257,471 | 260,870 | 260,870 | 260,870 |
| Undergraduate instructional equipment and other resources | 363,716 | 360,578 | | 0 | 0 |
| Construction: | | | | | |
| Public community colleges and technical institutes (HEFA I, sec. 103) | 2,991,611 | 2,031,939 | 1,050,631 | 1,050,631 | 1,050,631 |
| Other undergraduate facilities (HEFA I, sec. 104) | 4,606,774 | 3,386,105 | 2,213,649 | 0 | 844,564 |
| Graduate facilities (HEFA II) | 714,815 | | | 0 | 0 |
| State administration and planning (HEFA I, sec. 105) | 150,847 | 123,421 | 123,421 | 123,421 | 123,421 |

Footnotes at end of table.

OBLIGATIONS IN THE STATE OF INDIANA—Continued

| Program | Actual, 1968 | Estimate, 1969 | Estimate, 1970 | Nixon estimate, 1970 | House-passed appropriation bill |
|---|---|---|---|---|---|
| **OFFICE OF EDUCATION—Continued** | | | | | |
| Higher education—Continued | | | | | |
| Student aid: | | | | | |
| Educational opportunity grants (HEA IV–A) | $4,029,100 | $433,744 | $2,087,523 | $2,087,523 | $1,537,367 |
| Direct loans (NDEA II) | 5,726,806 | 5,407,627 | 4,295,200 | 4,295,000 | 6,155,565 |
| Insured loans: | | | | | |
| Advances for reserve funds | | 324,610 | | 0 | 0 |
| Interest payments | (1) | | | 0 | 0 |
| Work-study programs (HEA IV–C) | 2,041,745 | 3,352,294 | 3,511,927 | 3,512,652 | 3,512,652 |
| Special programs for disadvantaged students: Talent search | 57,000 | | | 0 | 0 |
| Personnel development: | | | | | |
| College teacher fellowships (NDEA IV) | 3,028,800 | | | 0 | 0 |
| Training programs (EPDA, pt. E) | 64,128 | | | 0 | 0 |
| Subtotal, higher education | 24,160,879 | 15,677,789 | 13,543,221 | 11,330,097 | 13,485,070 |
| Vocational education: | | | | | |
| Basic grants | 6,221,801 | 6,170,769 | 5,660,581 | 5,660,581 | 8,699,450 |
| Innovation | | | 261,231 | 261,231 | 261,231 |
| Work-study | 246,873 | | | 0 | 246,747 |
| Cooperative education | | | 285,876 | 285,876 | 285,876 |
| Consumer and homemaking education | | | 357,180 | 357,180 | 357,180 |
| Subtotal, vocational education | 6,468,674 | 6,170,769 | 6,564,868 | 6,564,868 | 9,850,484 |
| Libraries and community services: | | | | | |
| Grants for public library services (LSCA I) | 861,433 | 861,433 | 861,433 | 412,777 | 861,493 |
| Construction of public libraries (LSCA II) | 775,944 | 206,881 | 206,777 | 0 | 206,777 |
| Interlibrary cooperation (LSCA III) | 43,487 | 44,128 | 44,128 | 44,128 | 44,128 |
| State institutional library services (LSCA IV–A) | 38,000 | 39,509 | 39,509 | 39,509 | 39,509 |
| Library services for physically handicapped (LSCA IV–B) | 23,750 | 25,359 | 25,359 | 25,359 | 25,356 |
| College library resources (HEA II–A) | 498,929 | | | 0 | 0 |
| Librarian training (HEA II–B) | 630,727 | | | 0 | 0 |
| University community service programs (HEA I) | | 207,111 | 207,1110 | 207,110 | 207,110 |
| Adult basic education (Adult Education Act): | | | | | |
| Grants to States | 486,403 | 568,749 | 630,936 | 630,936 | 630,936 |
| Special projects and teacher education | 20,858 | | | 0 | 0 |
| Educational broadcasting facilities | | | | 0 | 0 |
| Subtotal, libraries and community services | 3,379,531 | 1,953,170 | 2,015,252 | 1,359,819 | 2,015,252 |
| Education for the handicapped: | | | | | |
| Preschool and school programs for the handicapped (ESEA VI) | 343,940 | 745,215 | 745,215 | 745,215 | 645,215 |
| Teacher education and recruitment | 463,072 | | | 0 | 0 |
| Research and innovation | 114,982 | 94,169 | | 0 | 0 |
| Media services and captioned films for the deaf | 42,493 | | | 0 | 0 |
| Subtotal, education for the handicapped | 964,487 | 839,384 | 745,215 | 745,215 | 745,215 |
| Research and training: | | | | | |
| Research and development: | | | | | |
| Educational laboratories | | | | 0 | 0 |
| Research and development centers | | | | 0 | 0 |
| General education | 523,919 | 107,602 | | 0 | 0 |
| Vocational education | 51,882 | 73,102 | 18,409 | 18,409 | 18,409 |
| Evaluations | | | | 0 | 0 |
| National achievement study | | | | 0 | 0 |
| Dissemination | | | | 0 | 0 |
| Training | 146,557 | | | 0 | 0 |
| Statistical surveys | | | | 0 | 0 |
| Construction | | | | 0 | 0 |
| Subtotal, research and training | 722,358 | 180,704 | 18,409 | 18,409 | 18,409 |
| Education in foreign languages and world affairs | 697,910 | | | 0 | 0 |
| Civil rights education | 42,140 | 55,608 | | 0 | 0 |
| Colleges for agriculture and the mechanic arts (2d Morrill Act) | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Promotion of vocational education (Smith-Hughes Act) | 193,488 | 193,488 | | | |
| Student insurance fund | | | | 0 | 0 |
| Higher education facilities loan fund | 9,474,000 | | | 0 | 0 |
| Total, Office of Education | 80,541,605 | 53,836,179 | 48,302,393 | 41,129,238 | 58,629,516 |

[1] Not available.

Mr. HARTKE. Mr. Chairman, secondly, authority exists in the substantive legislation for forwarding funding. I ask your permission to have inserted at this point in my presentation the citation granting the authority. I would urge you, therefore, for each program in H.R. 13111 that amounts be provided for fiscal year 1971.

I am fully aware that in certain circumstances the authorizing legislation has not yet been enacted but since in each case a measure extending the legislation has been passed by one body I believe that the authority may be exercised by adding to H.R. 13111 contingency language making the advance funding operative only upon the signature of the passed authorization measure or a similar measure.

The citation referred to follows:

"ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967 (P.L. 90–247)

* * * * *

*"Title IV—Provisions for Adequate Leadtime and for Planning and Evaluation in Elementary and Secondary Education Programs*

"Programs subject to this title

"SEC. 401. The provisions of this title shall apply to any program for which the Commissioner of Education has responsibility for administration, either as provided by statute or by delegation pursuant to statute. Amendments to Acts authorizing such programs shall not affect the applicability of this title unless so specified by such amendments.

"(20 U.S.C. 1221) Enacted Jan. 2, 1968, P.L. 90–247, Title VI, sec. 401, 81 Stat 814; amended Oct 16, 1968, P.L. 90–576, Title III, sec. 301, Stat. 1094.

* * * * *

"Advance funding

"SEC. 403. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, contracts, or other payments under any Act referred to in section 401 are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under any such Act will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"(20 U.S.C. 1223) Enacted Jan. 2, 1968, P.L. 90–247, Title IV, sec. 403, 81 Stat. 814."

Mr. HARTKE. The need for forward funding is self-evident. The essential ingredient of every operation of a business nature is a relative certainty of the receipt of the financing required to carry it on. School budgets

must be approved, in the overwhelming majority of cases by those charged with that authority, in the early spring of the school year for operations commencing the following September. Higher education when supported by State budgeting reflects the action of the appropriations processes in the State legislations and an even longer time element is involved. It has been necessary to finance educational programs through the medium of a continuing resolution already extended once and soon to be extended again. I hasten to assure the Subcommittee that I understand the reasons underlying and the necessity that impelled the delay, but I am also very much aware that our understanding is not shared by all the people. They feel that the federal Government is not living up to the implied commitments of the authorizing legislation and the democratic process.

We should not allow this situation in another year to recur. The best guarantee that we can give that it will not recur will be to report and pass H.R. 13111 with dollar figures for fiscal 1971 added for each of the programs.

CARRYOVER PROVISIONS

I would urge also that the Committee give the fullest consideration to providing language in the bill for the Office of Education programs permitting the sums appropriated to remain available for expenditure until actually expended. If this authority is provided, in my judgment there will be economies and efficiencies made possible, which without this provision, could be lost.

To illustrate let me point out that certain programs such as direct loans under Title II of the National Defense Education Act are predicated upon the amounts available to the institutions of higher education through a process which involves a number of panel reviews designed to assure that the money goes only to the neediest of students in an amount which covers his needs in spartan fashion. Funds up to now have been inadequate. This inadequacy may be demonstrated by a review of the data to be found in a table reproduced from page 94 of a committee print issued by the Senate Committee on Labor and Public Welfare under date of June 1969. The table sets forth for each of the institutions for higher education in my state the dollar amounts approved by a panel of evaluators on student needs, contrasting those amounts to the amounts actually available for allocation to each institution for the year in question.

Purdue University, for example, reported student needs for fiscal year 1969 at an aggregate amount of $1,196,100. Yet for fiscal 1969 Purdue University received for its students only the sum of $753,791.

In 1970 the faculty panel reported a student need of $1,012,500, but under the Nixon budget only $454,561 would have been made available to meet this need.

Mr. Chairman, I ask your consent that tables containing the information for each of the institutions in my State for the two years appear at this point in my remarks.

The tables referred to follow:

INDIANA

FISCAL YEAR 1969

| Congressional district | Institution | City and State | Panel approved amount | Allocation |
|---|---|---|---|---|
| 2 | Purdue University | Lafayette, Ind | $1,196,100 | $753,791 |
| 2 | St. Josephs College | Rensselaer, Ind | 56,700 | 35,733 |
| 2 | Valparaiso University | Valparaiso, Ind | 533,700 | 336,341 |
| 3 | Bethel College, Inc | Mishawaka, Ind | 58,860 | 37,094 |
| 3 | Goshen College | Goshen, Ind | 140,085 | 88,283 |
| 3 | Grace Theological Seminary and College. | Winona Lake, Ind | 53,100 | 33,464 |
| 3 | St. Mary's College | Notre Dame, Ind | 54,900 | 34,598 |
| 3 | University of Notre Dame | do | 461,700 | 290,967 |
| 4 | Fort Wayne Bible College | Fort Wayne, Ind | 34,515 | 21,752 |
| 4 | Huntington College | Huntington, Ind | 69,098 | 43,546 |
| 4 | Indiana Institute of Technology | Fort Wayne, Ind | 108,000 | 68,062 |
| 4 | Sams Technical Institute | do | (1) | (1) |
| 4 | St. Francis College | do | 54,367 | 34,262 |
| 5 | Manchester College | North Manchester, Ind | 94,500 | 59,555 |
| 5 | Marion College, Marion | Marion, Ind | 117,615 | 74,122 |
| 5 | Taylor University | Upland, Ind | 243,437 | 153,416 |
| 6 | Christian Theological Seminary | Indianapolis, Ind | 21,285 | 13,414 |
| 6 | Frankfort Pilgrim College | Frankfort, Ind | 4,320 | 2,722 |
| 6 | Franklin College | Franklin, Ind | 63,000 | 39,703 |
| 6 | Indiana Central College | Indianapolis, Ind | 69,120 | 43,560 |
| 6 | Marian College, Indianapolis | Indianapolis, Ind | $33,750 | $21,274 |
| 7 | Indiana State University | Terre Haute, Ind | 303,750 | 191,425 |
| 7 | Indiana University | Bloomington, Ind | 3,190,500 | 2,010,677 |
| 7 | Rose Polytechnic Institute | Terre Haute, Ind | 111,150 | 70,047 |
| 7 | St. Mary of the Woods College | St. Mary of the Woods, Ind. | 11,909 | 7,505 |
| 8 | Indiana State University, Evansville campus. | Evansville, Ind | (1) | (1) |
| 8 | ITT Business Institute | do | (1) | (1) |
| 8 | Oakland City College | Oakland City, Ind | 42,637 | 26,870 |
| 8 | St. Benedict College | Ferdinand, Ind | 37,260 | 23,481 |
| 8 | University of Evansville | Evansville, Ind | 209,880 | 132,268 |
| 8 | Vincennes University | Vincennes, Ind | 161,100 | 101,526 |
| 10 | Anderson College | Anderson, Ind | 254,610 | 160,457 |
| 10 | Ball State University | Muncie, Ind | 706,500 | 445,242 |
| 10 | Earlham College | Richmond, Ind | 97,200 | 61,256 |
| 11 | Porter College, Inc | Indianapolis, Ind | (1) | (1) |
| | Sams Technical Institute | Evansville, Ind | (1) | (1) |
| | do | Indianapolis, Ind | (1) | (1) |
| | South Bend College of Commerce | South Bend, Ind | (1) | (1) |

FISCAL YEAR 1970[2]

| | | | | |
|---|---|---|---|---|
| 1 | St. Josephs College, Calumet campus. | East Chicago, Ind | $136,620 | $61,335 |
| 2 | Purdue University | Lafayette, Ind | 1,012,500 | 454,561 |
| 2 | St. Josephs College | Rensselaer, Ind | 64,611 | 29,007 |
| 2 | Valparaiso University | Valparaiso, Ind | 573,000 | 257,248 |
| 3 | Bethel College, Inc | Mishawaka, Ind | 65,700 | 29,497 |
| 3 | Goshen College | Goshen, Ind | 131,085 | 58,850 |
| 3 | Grace Theological Seminary & College. | Winona Lake, Ind | 58,680 | 26,344 |
| 3 | St. Marys College | Notre Dame, Ind | 25,814 | 11,589 |
| 3 | University of Notre Dame | do | 594,900 | 267,080 |
| 4 | Fort Wayne Bible College | Fort Wayne, Ind | 41,850 | 18,788 |
| 4 | Huntington College | Huntington, Ind | 65,403 | 29,363 |
| 4 | Indiana Institute of Technology | Fort Wayne, Ind | 74,921 | 33,636 |
| 4 | St. Francis College | do | 45,500 | 20,427 |
| 5 | Manchester College | North Manchester, Ind | 164,250 | 73,740 |
| 5 | Marion College, Marion | Marion, Ind | 128,492 | 57,686 |
| 5 | Taylor University | Upland, Ind | 257,985 | 115,822 |
| 6 | Christian Theological Seminary | Indianapolis, Ind | 33,942 | 15,238 |
| 6 | Frankfort Pilgrim College | Frankfort, Ind | (1) | (1) |
| 6 | Franklin College | Franklin, Ind | $75,150 | $33,739 |
| 6 | Indiana Central College | Indianapolis, Ind | 63,112 | 28,334 |
| 6 | Marian College, Indianapolis | do | 68,272 | 30,652 |
| 7 | DePauw University | Greencastle, Ind | 315,000 | 141,419 |
| 7 | Indiana State University | Terre Haute, Ind | 447,300 | 200,815 |
| 7 | Indiana University | Bloomington, Ind | 3,169,800 | 1,423,079 |
| 7 | Rose Polytechnic Institute | Terre Haute, Ind | 100,800 | 45,254 |
| 7 | St. Mary of the Woods College | St. Mary of the Woods, Ind. | 16,769 | 7,528 |
| 8 | Indiana State University, Evansville campus. | Evansville, Ind | 90,000 | 40,405 |
| 8 | Oakland City College | Oakland City, Ind | 44,000 | 19,754 |
| 8 | St. Benedict College | Ferdinand, Ind | 31,194 | 14,004 |
| 8 | University of Evansville | Evansville, Ind | 216,000 | 96,973 |
| 8 | Vincennes University | Vincennes, Ind | 151,200 | 67,881 |
| 10 | Anderson College | Anderson, Ind | 219,600 | 98,589 |
| 10 | Ball State University | Muncie, Ind | 1,058,940 | 475,410 |
| 10 | Earlham College | Richmond, Ind | 67,995 | 30,527 |

[1] Not available.

[2] Allocation estimated.

Mr. HARTKE. Mr. Chairman, I have cited at some length, this material for two reasons. First, with respect to student assistance programs in general and NDEA loans in particular, my belief is that funding levels should be in excess of the amounts carried in the House bill of $159.6 million for educational opportunity grants and $154 million for college work study and $229 million for Title II loans. I urge that for Title II loans $275 million be allocated as a minimum, $175 million, as a minimum, for work study with $234 million as a minimum being appropriated for educational opportunity grants for fiscal year 1970, and that for fiscal year 1971, the amounts be raised to $359 million for educational opportunity grants, $250 million for work study and $375 million for NDEA direct loans.

My second reason for raising this, in the context of carry-over provisions, is that adoption of such language would provide a cushion to student loan officers in meeting adequately the needs of students entering next September.

It has been reported to me by responsible members of the educational community that had there been available $275 million NDEA Title II loans last September all of it could have been committed to the students who need it.

The sad truth of the matter is that a large number of young people last September were denied an educational opportunity for which they were qualified and prepared, solely because they did not have, nor could they obtain, the money needed to attend. Failure to obtain money for school in September meant that they did not apply for further loans in the winter and spring quarters. Therefore, if this year we should appropriate more than could be used in the second half of the fiscal

year, unless a carry-over provision language is provided, that money would revert to the Treasury. I would wish that it could be placed to greater advantage, in the hands of the student loan officials to supplement the funds made available for 1971, thus encouraging youngsters to apply to the college of their choice next fall. Many more would apply if they knew they would not be denied because of insufficient funds.

WORK-STUDY

Mr. Chairman, in this context I would urge that you and your colleagues on the Subcommittee replace the percentage amount allocated in the House bill—which earmarks one percent of the work study financing for cooperative education—with a dollar figure equivalent to that one percent. I believe there is a need for both programs, College Work Study and Cooperative Education. I do not believe we should rob Peter/College Work Study to educate Cooperative Education/Paul.

$1,000,750, which is what one percent of the work study funds would aggregate, is not a large item to add to the budget nor is the $2.5 million which is what I would recommend for fiscal 1971.

Based upon my own experience in listening to the highly-experienced educational and business authorities in the field, I am persuaded that cooperative education is an excellent approach to meeting, not only the needs of the students and the institutions they attend, but also the demands of society for trained and competent work performance. A little seed money in this Cooperative Education area will generate income which will permit participating students to finance their own education while at the same time contributing valuable services to the business and industrial communities.

I know that the Cooperative Education proposals, wherever they have been activated, have enjoyed the solid support of all who have participated in bringing them into being. I am confident that by starting to fund Cooperative Education now, on a very low capital investment basis, the system will engender tremendous support, effect economies, and lead to better job performance in the early years following completion of collegiate learning than now is possible.

Mr. Chairman, I applaud the action of the House in providing Vocational Education Act authorities funding of $14 million for cooperative education, even though this is less than half of the $45 million authorization. I would urge this figure for this program be increased by you and your colleagues, if only by a token amount, to demonstrate the continuing support that the Senate has given to this type of vocational education.

ADULT EDUCATION

Mr. Chairman, Public Law 89–750 Elementary and Secondary Education Amendments of 1966 contained as Title II, the Adult Education Act of 1966. I am very proud that I was able in that year, and in 1968 in connection with the enactment of Public Law 90–247, to play a leading role in support of enactment. I did so because of my conviction that the educational process has no necessary terminal date; that it can be engaged in by citizens of every age; and because of my strong persuasion that for those whose education was untimely terminated, avenues ought to be opened to provide, at least the equivalent of an eighth grade proficiency, and, almost as desirable, an educational capability of at least high school equivalency.

Without the basic skills of literacy and elementary arithmetic, it is almost impossible for a citizen to function with profit to himself and his community.

In very blunt terms, unless an individual can read and write, and understand what he is reading, he is unable to get a driver's license, and there are very few occupations that do not require this qualification.

The fact of the matter is that there are literally millions of adults who do not possess these basic proficiencies and thus are unable to function effectively as income producing members of our communities throughout the nation to the degree that their native talents and abilities would permit.

If I am correctly advised, of the 900,000 GI's being returned to civilian life each year, 20% of them, or 180,000, have less than an 11th grade education. 49% of those who come from the urban areas, and 40% of those who come from the non-urban areas, have high school education only. In my judgment data from the Veterans' Administration, if it were made available, would show that despite the educational programs given in the armed services, there still will be found in this group more than tens of thousands of American citizens returning to civil life with barely grade school proficiency, if this, in these essential skills.

Adult basic education has an eighty million dollar authorization for fiscal year 1970. It has a fifty million dollar funding authority in H.R. 13111. Last year it received an appropriation of forty-five million dollars. Offices of Education recommendations in the earlier budgetary history show that in the professional judgment of that agency at least $53,500,000 could have been expended usefully. Broken down into the separate category this would provide: $48.8 million for grants to the states; $8.2 million for special projects; and, $2.5 million for teacher education. By the time the recommendations reached the Hill, $2.8 million had been removed from grants to the states, $200,000 had been deleted from special projects; and $500,000 had been removed from teacher education.

I urge upon the Subcommittee funding, at least at the level that reflects the professional advice of the Office of Education. The success of this program to date may be found in the testimony of Assistant Commissioner Venn who stated on page 673 of the House Hearings, and I quote:

"I believe that the results we have had over the last three years indicate that developing basic school skills in these people makes them more employable. We have even had one who has gone on from a literacy program to a baccalaureate degree. Many of these people become eligible to be trained and do get trained. Then they become employed and put tax money into the economy of the nation. This program has had very great success in doing this.

"I think it is for this reason it did have this very, very slight expansion, although still far below what the Congress authorized."

I would also call to your attention the comment made by Congressman Shriver on page 679 of the House Hearings: "On page 5 of your statement you say you have reached 7% of the target group of the adult basic education program in five years. It is going to take a long time to fulfill the purposes, is it not, of this program."

Mr. Chairman, we are talking about 24,463,000 American adults, sixteen years and older, with less than eight years of formal schooling in the nation. Since this program started we have reached about 1.7 million or 7% of this target group. H.R. 13111 levels of funding will permit services to 533 thousand adult illiterates to enable them to enter into the economic, civic and social life of their communities to qualify for job training and skill development because they can now read.

We ought to be aiming at least double these numbers if we wish to make an impact on this group in time to realize the potential dividends of this kind of capital investment in our basic natural resources—the minds and bodies of our citizens. I have cited to you the Office of Education estimates of need, but I think the magnitude of the problem is such, and the importance of it is such, that far greater emphasis is warranted than has yet been placed upon this program.

PUBLIC LAW 815 FUNDING

Mr. Chairman, I would be remiss to the school districts in my State, were I to fail to call to your attention the backlog of approved P.L. 815 applications still awaiting the appropriation of money to meet the commitments made by that Act.

I am indebted to the Education Subcommittee of the Senate, under the Chairmanship of our distinguished colleague from Rhode Island, Mr. Pell, for having in the Elementary and Secondary Education Amendments of 1969 hearing record on pages 201 through 206 set forth on a state by state basis the degree to which we have fallen short. I ask your permission to have this material appear at this point in my statement:

The materials referred to follow:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION,
*Washington, D.C., August 29, 1969.*

Hon. CLAIBORNE PELL,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR PELL: Pursuant to the recent telephone request from Mr. Dick Smith of your staff, I am enclosing three lists which were prepared in July, and which show unfunded Public Law 81–815 applications filed in fiscal years 1967, 1968, and 1969.

The amounts shown on List I are relatively firm, subject to possible adjustment should considerable time elapse before funds are available and current data at such time indicate a marked decrease in federally connected membership. Three projects are checked which involve section 14 funds. The amounts of grants shown for these projects are subject to increase when costs are known.

List II includes applications some of which have been finally processed and some only tentatively processed for estimated entitlements, based on data in the applications. As a result of adjustments since the list was prepared, the total of List II as of August would be $35,586,642.

Applications on List III, which were filed for the June 25, 1969 cutoff date, have not been reviewed for completeness or tentative entitlement. As noted on the list, the amounts shown represent funds requested by the applicant school district. School districts request funds based on their estimates of the amount of funds for which the district will qualify. Based on past experience, when the applications are processed, the total requirements usually firm-up to approximately 75 percent of the total of the funds requested. The changes noted on List III increase the total of funds requested in applications filed during fiscal year 1969 to $142,335,840. This is anticipated to firm-up to a total of approximately $106.7 million.

If we can be of further assistance, please let us know.

Sincerely yours,

GERALD M. CHERRY,
*Director, School Assistance in Federally Affected Areas.*

REMAINING UNFUNDED PUBLIC LAW 815 APPLICATIONS FILED IN FISCAL YEAR 1967

| Application No. | Name of applicant school district | Congressional district | Public Law 815 grants [1] |
|---|---|---|---|
| Ala-67-C-1 | Huntsville City Board of Education | 8 | $558,600 |
| Alaska-67-C-1402 | Greater Juneau Borough School District, Juneau. | AL | 118,720 |
| Ariz-68-C-413 | Alchesay School District No. 30, White River | 3 | 225,000 |
| Airz-68-C-1102 | Rice School District No. 20, San Carlos | | [2] 225,532 |
| Calif-67-C-37 | Coronado Unified School District | 36 | 51,414 |
| Calif-67-C-42 | Seeley Union School District | 38 | 6,396 |
| Calif-67-C-47 | Victor Valley Jt. U.H.S.D., Victorville | 33 | 69,700 |
| Calif-67-C-57 | Chula Vista City School District | 37 | 91,020 |
| Calif-67-C-405 | Folsom Cordova Jt. Unif. S.D | 4 | 200,900 |
| Calif-67-C-804 | Milpitas I.S.D | 9 | 50,000 |
| Calif-67-C-1111 | Riverdale Jt. Union School District | 16 | 27,060 |
| Calif-67-C-1203 | Apple Valley School District | 33 and 38 | 9,840 |
| Calif-67-C-1304 | Manteca Unified School District | 15 | 206,000 |
| Calif-67-C-1409 | Buckeye Union Elementary School District, El Dorado Hills. | 2 | 10,660 |
| Calif-67-C-1513 | Sylvan Union S.D., Modesto | 15 | 90,200 |
| Calif-67-C-1514 | Walnut School District | 17, 19, 20-32 | 67,240 |
| Conn-67-C-604 | Town of Monroe School District | 5 | 87,360 |
| Kans-67-C-803 | Valley View Common S.D. No. 49, Overland Park. | 3 | 69,600 |
| Ky-67-C-4 | Hardin County Board of Education, Elizabethtown. | 2 | 135,660 |
| Md-67-C-1 | Board of Education of Harford County, Bel Air. | 2 | 413,600 |
| Md-67-C-8 | Board of Education of Prince Georges County, Upper Marlboro. | 5 | 2,980,536 |
| Mo-67-C-1502 | School District of Marshall | 4 | 56,115 |
| Mo-67-C-1504 | Lexington Reorganized S.D. R-U | 4 | 23,220 |
| N.J-67-C-1201 | Board of Education Evesham Township, Marlton. | 6 | 67,890 |
| N.J-67-C-1402 | Cherry Hill Township Public Schools | 1 and 6 | $400,000 |
| N. Mex-67-C-12 | Las Cruses School District No. 2 | 2 | 266,750 |
| N.Y-67-C-409 | Common S.D. No. 2, Towns of Blooming Grove, et al. | 27 | 39,537 |
| N.Y-67-C-1501 | Union Free S.D. No. 3, Twn. of Brookhaven | 1 | 159,390 |
| N. Dak-67-C-501 | Grand Forks Public S.D. No. 1 | 1 | 250,000 |
| Ohio-67-C-15 | Mad River Township Local School District, Dayton. | 3 | 181,697 |
| Ohio-67-C-1103 | Heath City School District | 17 | 27,930 |
| R.I.-67-C-2 | Town of N. Kingstown Sch. Dept | 2 | 33,440 |
| S. Car.-67-C-401 | Berkeley Co. S.D., Moncks Corner | | 82,792 |
| Tenn-67-C-13 | Rutherford So. Sch. Commission, Murfreesboro. | | 79,800 |
| Tex-67-C-80 | Burleson I.S.D | 6 | 54,500 |
| Tex-67-C-414 | Denison Independent S.D | 4 | 200,000 |
| Tex-67-C-504 | North East Independent S.D., San Antonio | 20, 21, 23 | 389,532 |
| Tex-67-C-509 | Pottsboro Common S.D | 4 | 6,376 |
| Utah-67-C-1 | Board of Education of Tooele Co., Tooele | 2 | 32,945 |
| Va-67-C-3 | Fairfax Co. Sch. Bd., Fairfax | 8 and 10 | 3,000,000 |
| Va-67-C-5 | County School Board, York | 1 | 168,990 |
| Va-67-C-501 | City of Newport News School Board | 1 | 1,258,266 |
| Wash-68-C-4 | Clover Park School District No. 400 | 6 | 1,498,540 |
| Wash-67-C-34 | Central Kitsap S.D. No. 401, Silverdale | 1 and 6 | 110,763 |
| Wash-67-C-1202 | Waitsburg Jt. S.D. No. 401-100 | 4 | 15,700 |
| Wash-67-C-1301 | Dayton School District No. 2 | 4 | 28,772 |
| | Grand total (44 school districts). | | 14,127,983 |

[1] Subject to adjustment when funds become available for tentative reservation.

[2] Estimated grant—processing not final.

PUBLIC LAW 815—1968 AND 1969 APPLICATIONS FILED FOR THE JUNE 24, 1968, CUTOFF DATE

| Application No. | Name of applicant school district | Congressional district | Public Law 815 grants |
|---|---|---|---|
| Ala-68-C-11 | Enterprise City Bd. of Ed | 3 | $140,000 |
| Alaska-68-C-5 | Anchorage I.S.D | AL | 1,100,800 |
| Alaska-69-C-1001 | Kake School District | AL | 64,500 |
| Ariz-68-C-10 | Avondale School District No. 44 | 3 | 86,818 |
| Ariz-69-C-16 | Yuma Co. S.D. No. 27, Parker | 2 | 97,897 |
| Ariz-68-C-202 | Tempe Elementary School District No. 3 | 1 | 454,857 |
| Ariz-68-C-501 | Sierra Vista C.S.D. No. 68 | 2 | 89,380 |
| Ariz-69-C-501 | do | 2 | 30,960 |
| Ariz-68-C-507 | Sunnyside H.S.D. No. 12, Tucson | 2 | 59,677 |
| Ariz-69-C-507 | do | 2 | 40,635 |
| Ariz-68-C-701 | Buena H.S.D. No. 40, Siemma Vista | 2 | 8,175 |
| Ariz-69-C-701 | do | 2 | 38,700 |
| Ariz-69-C-805 | Union E.S.D. No. 62, Tolleson | 3 | 12,706 |
| Ariz-68-C-1403 | Sacaton E.S.D. No. 18 | 2 | 4,905 |
| Calif-68-C-9 | Vallejo Unif. S.D | 4 | 333,667 |
| Calif-69-C-15 | Moreno Valley Unif. S.D., Sunnymead | 38 | 420,492 |
| Calif-68-C-34 | Oceanside U.S.D | 35 | 71,478 |
| Calif-69-C-34 | do | 35 | 127,836 |
| Calif-68-C-37 | Coronado Unif. S.D | 36 | 50,359 |
| Calif-69-C-40 | Barstow Unif. S.D | 33 | 1,198,261 |
| Calif-68-C-45 | S. Bay U.S.D., Imperial Beach | 37 | 65,835 |
| Calif-69-C-45 | do | 37 | 693,148 |
| Calif-68-C-47 | Victor Valley Jt. U.H.S.D., Victorville | 33 | 250,000 |
| Calif-69-C-47 | do | 33 | 46,230 |
| Calif-68-C-57 | Chula Vista City Unif. S.D | 37 | 242,820 |
| Calif-69-C-57 | do | 37 | 402,000 |
| Calif-68-C-58 | San Diego Unif. S.D | 35, 36, and 37 | 1,569,572 |
| Calif-68-C-61 | Vista Unif. S.D | 35 | 74,385 |
| Calif-68-C-203 | Oceanside-Carlsbad U.H.S.D | 35 | 87,979 |
| Calif-69-C-203 | do | 35 | 145,825 |
| Calif-69-C-209 | Long Beach Unif. S.D | 32 and 34 | 410,542 |
| Calif-68-C-234 | Livermore Valley Jt. Unif. S.D | 8 | 636,975 |
| Calif-69-C-234 | do | 8 | 376,875 |
| Calif-69-C-246 | San Francisco Unif. S.D | 5 and 6 | 1,396,311 |
| Calif-69-C-405 | Folsom-Cordova Jt. Unif. S.D | 4 | 241,000 |
| Calif-69-C-406 | Morongo Unif. S.C., Twentynine Palms | 33 and 38 | 601,291 |
| Calif-68-C-608 | Poway Unif. S.D | 35 | 18,810 |
| Calif-69-C-608 | do | 35 | 93,465 |
| Calif-69-C-635 | Travis Unif. S.D., Travis A.F.B | 4 | 381,900 |
| Calif-68-C-707 | Center Jt. S.D., N. Highlands | 2 | 215,952 |
| Calif-69-C-1101 | Oceanside-Carlsbad Jr. Col | 35 | 57,888 |
| Calif-68-C-1403 | Marysville Unif. S.D | 4 | 336,186 |
| Calif-69-C-1411 | Napa Jr. Col. Dist | 1 | 75,375 |
| Calif-68-C-1516 | Fountain Valley S.D., Fountain Valley | 35 | 88,065 |
| Calif-68-C-1602 | Arena U.E.S.D., Point Arena | 1 | 35,739 |
| Calif-68-C-1603 | Stony Creek Jt. Unif. S.D., Elk Creek | 4 | 57,370 |
| Calif-68-C-1604 | Escalon Unif. S.D | 15 | 116,280 |
| Calif-68-C-1605 | Needles Unif. S.D., Needles | 33 | 46,170 |
| Calif-68-C-1606 | Petaluma City E.S.D | 1 | 149,625 |
| Calif-68-C-1607 | Petaluma City H.S.D | 1 | 192,888 |
| Colo-69-C-3 | Colorado Springs S.D. No. 11 | 3 | 342,930 |
| Colo-69-C-12 | Harrison S.D. No. 2, Colorado Springs | 3 | 287,730 |
| Colo-68-C-505 | El Paso Co. S.D. No. 3, Security | 3 | 53,550 |
| Conn-68-C-3 | Town of Groton S.D | 2 | 241,490 |
| Conn-69-C-3 | do | 2 | 307,458 |
| Conn-68-C-406 | Town of Ledyard S.D | 2 | 52,000 |
| Fla-68-C-5 | Clay Co. Bd of Pub. Instr., Green Cove Springs. | 2 | 183,184 |
| Hawaii-68-C-201 | Hawaii State Dept. of Education | AL | 834,813 |
| Hawaii-69-C-201 | do | AL | 2,090,684 |
| Ill-69-C-1 | Mascoutah Comm. Cons. S.D. No. 10 | 24 | 74,128 |
| Ill-68-C-8 | O'Fallon Twp. H.S.D. No. 203 | 24 | 15,510 |
| Ill-69-C-8 | do | 24 | 19,890 |
| Ill-69-C-13 | N. Chicago E.S.D. No. 64 | 12 | 100,291 |

PUBLIC LAW 815—1968 AND 1969 APPLICATIONS FILED FOR THE JUNE 24, 1968, CUTOFF DATE—Continued

| Application No. | Name of applicant school district | Congressional district | Public Law 815 grants |
|---|---|---|---|
| Ill-69-C-601 | Mascoutah Comm. H.S.D. No. 18 | 24 | $163,863 |
| Ill-68-C-1505 | New Lenox S.D. No. 122 | 17 | 19,740 |
| Ill-69-C-1506 | Elem. S.D. No. 114, Manhattan | 14 and 17 | 21,420 |
| Ill-69-C-1601 | Bradley-Bourbonnais Comm. H.S., Bradley | 17 | 40,000 |
| Ill-68-C-1602 | Homer Comm. Cons. S.D. 33-C | 14 and 17 | 16,215 |
| Ill-68-C-1603 | Joliet Twp. H.S.D. No. 204 | 14 and 17 | 305,688 |
| Ill-69-C-1701 | Valley View E.S.D. No. 96, Romeoville | 14 | 229,500 |
| Ill-69-C-1702 | Custer Park S.D. 44C | 14 and 17 | 22,185 |
| Ill-69-C-1703 | Braceville E.S.D. No. 75 | 15 | 41,310 |
| Ill-69-C-1704 | U.S.D. No. 81, Joliet | 14 and 17 | 54,315 |
| Iowa-68-C-203 | Burlington Comm. S.D | 1 | 151,528 |
| Iowa-68-C-1101 | Lewis Central Comm. S.D. Council Bluffs | 7 | 18,995 |
| Iowa-69-C-1701 | Comm. S.D. of South Tama Co., Tama | 4 | 147,070 |
| Kans-68-C-3 | Derby Unif. S.D. No. 260 | 5 | 14,880 |
| Kans-69-C-3 | do | 5 | 838,295 |
| Kans-69-C-1501 | Unif. S.D. No. 449, Easton | 2 | 27,470 |
| Kans-68-C-1602 | Cons. Unif. S.D. No. 101, Erie | 5 | 113,460 |
| Kans-68-C-1603 | Unif. S.D. No. 247, Cherokee | 5 | 13,020 |
| Minn-68-C-5 | Circle Pines I.S.D. No. 12 | 3 | 191,595 |
| Minn-69-C-403 | I.S.D. No. 707, Nett Lake | 8 | 40,673 |
| Minn-68-C-1601 | I.S.D. No. 15, St. Francis | 3 | 94,500 |
| Miss-68-C-2 | Biloxi Mun. Sep. S.D | 5 | 166,582 |
| Miss-68-C-202 | Long Beach Mun. Sep. S.D | 5 | 77,700 |
| Mo-68-C-3 | Center S.D. No. 58, Kansas City | 4 and 5 | 150,750 |
| Mo-68-C-11 | Cons. H.S.D. No. 4, Grandview | 4 | 200,000 |
| Mo-68-C-213 | Cons. S.D. No. 1, Hickman Mills | 4 and 5 | 135,430 |
| Mo-68-C-407 | Excelsior Springs S.D. No. 40 | 6 | 16,750 |
| Mo-68-C-1505 | Hazelwood S.D | 2 | 148,740 |
| Mo-68-C-1601 | Fort Zumwalt S.D | 9 | 83,700 |
| Mont-69-C-8 | Harlem E.S.D. No. 12 | 2 | 363,185 |
| Mont-69-C-15 | Blaine Co. S.D. No. 50, Hays | 2 | 318,175 |
| Mont-68-C-404 | Lodge Grass S.D. No. 27 | 2 | 1,225 |
| Mont-68-C-405 | Heart Butte S.D. No. 1 | 1 | 207,166 |
| Mont-68-C-1601 | Lodge Grass H.S.D. No. 2 | 2 | 450,000 |
| Nebr-69-C-1 | S.D. of the City of Bellevue | 2 | 928,999 |
| Nebr-68-C-7 | S.D. No. 2 of Grand Island | 3 | 273,240 |
| Nev-69-C-404 | Humboldt Co. S.D., Winnemucca | AL | 172,956 |
| Nev-68-C-603 | Clark Co. S. D., Las Vegas | AL | 809,396 |
| Nev-69-C-603 | do | AL | 1,096,240 |
| Nev-69-C-605 | Mineral Co. S.D., Hawthorne | AL | 51,830 |
| Nev-69-C-701 | Elko Co. S.D., Elko | AL | 299,565 |
| NJ-68-C-202 | Bd. of Ed., Twp. of Ocean, Ashbury Park | 3 | 170,000 |
| NJ-68-C-1103 | Lenape Reg. H.S.D., Medford | 6 | 105,000 |
| NJ-68-C-1501 | Washington Twp. Pub. Schs., Sewell | 1 | 74,690 |
| NJ-68-C-1601 | Shore Reg. H.S.D., West Long Beach | 3 | 63,875 |
| N.Mex-69-C-1 | Alamogordo Mun. S.D. No. 1 | 2 | 971,608 |
| N.Mex-69-C-12 | Las Cruces S.D. No. 2 | 2 | 141,520 |
| N.Mex-69-C-402 | Gallup-McKinley Co. S.D. No. 1, Gallup | 2 | 744,810 |
| N.Mex-69-C-406 | Grants Mun. S.D. No. 3 | 2 | 331,596 |
| N.Mex-69-C-513 | Cuba Ind. Rural Schools | 1 | 271,755 |
| N.Mex-69-C-603 | Los Lunas Cons. Sch | 2 | 192,516 |
| N.Car-68-C-1 | Craven Co. Bd. of Ed., New Bern | 1 | 130,455 |
| N.Car-68-C-501 | Wayne Co. Bd. of Ed., Goldsboro | 3 | 156,780 |
| Ohio-68-C-9 | Mad River-Green Local S.D., Springfield | 7 | 81,600 |
| Ohio-68-C-508 | Pickerington Local S.D | 10 | 44,880 |
| Okla-68-C-13 | Moore I.S.D. No. 2 | 4 | 53,845 |
| Okla-69-C-13 | do | 4 | 79,335 |
| Okla-69-C-701 | Sasakwa I.S.D. No. 10 | 3 | 20,751 |
| R.I.-69-C-2 | Town of North Kingsotwn Sch. Dept | 2 | 350,000 |
| S.Car-68-C-1 | Summerville S.D. No. 2 | 1 | 132,810 |
| S.Dak-68-C-502 | East Charles Mix S.D. No. 102, Wagner | 2 | 85,800 |
| Tex-69-C-2 | Ysleta S.D | 16 | 359,900 |
| Tex-69-C-49 | Flour Bluff I.S.D., Corpus Christi | 14 | 348,041 |
| Tex-68-C-61 | Del Valle I.S.D. No. 910 | 10 | 169,344 |

PUBLIC LAW 815—1968 AND 1969 APPLICATIONS FILED FOR THE JUNE 24, 1968, CUTOFF DATE—Continued

| Application No. | Name of applicant school district | Congressional district | Public Law 815 grants |
|---|---|---|---|
| Tex-69-C-213 | Burk Burnett I.S.D | 13 | $503,565 |
| Tex-69-C-504 | Northeast I.S.D., San Antonio | 20, 21, and 23 | 749,890 |
| Tex-68-C-1502 | Crowley I.S.D | 6 and 12 | 30,240 |
| Utah-68-C-1401 | Duchesne Co. S.D | 1 | 110,038 |
| Va-68-C-5 | County Sch. Bd. of York Co | 1 | 133,931 |
| Va-68-C-12 | Prince George Co. Sch. Bd | 4 | 99,085 |
| Va-68-C-17 | Prince William Co. Sch. Bd., Manassas | 8 | 500,745 |
| Wash-69-C-1101 | Coulee Dam S.D. No. 401 | 5 | 130,200 |
| Wash-69-C-1203 | Pomeroy Pub. S.D. No. 110 | 4 | 136,920 |
| Wash-69-C-1701 | Grand Coulee S.D. No. 55-201-205J | 4 | 229,236 |
| Wyo-69-C-403 | Mill Creek S.D. No. 14, Lander | AL | 42,000 |
| Wyo-68-C-1601 | S.D. No. 6, Lyman | AL | 82,302 |
| Grand total (139 school districts) | | | 35,586,642 |

PUBLIC LAW 815—1969 AND 1970 APPLICATIONS FILED FOR THE JUNE 25, 1969, CUTOFF DATE

[The figures listed below represent amounts requested by applicants. It should be noted that, on the average, school districts' grants usually firm-up to approximately 75 percent of the funds requested]

| Application No. | Name of applicant school district | Congressional district | Public Law 815 funds (applicant's request) |
|---|---|---|---|
| Ala-69-C-11 | Enterprise City Bd. of Ed | 3 | $250,000 |
| Alaska-69-C-1 | Kodiak Island | AL | 507,530 |
| Alaska-69-C-1401 | Fairbanks-North Star Brough S.D., Fairbanks. | AL | 4,749,197 |
| Ariz-70-C-4 | Sunnyside E.S.D. No. 12, Tucson | 2 | 128,250 |
| Ariz-70-C-25 | S.D. No. 1, Tucson | 2 | 276,100 |
| Ariz-70-C-201 | Yuma Co. S.D. No. 1, Yuma | 2 | 845,400 |
| Ariz-70-C-413 | Alchesay H.S.D., Whiteriver | 3 | 263,152 |
| Ariz-70-C-414 | Tuba City E.S.D. No. 15 | 3 | 2,243,926 |
| Ariz-70-C-507 | Sunnyside H.S.D. No. 12, Tucson | 2 | 250,000 |
| Ariz-70-C-517 | Indian Oasis S.D. No. 40, Sells | 2 | 2,296,800 |
| Ariz-70-C-607 | Kayenta E.S.D. No. 27 | 3 | 1,037,000 |
| Ariz-70-C-702 | Tuba City H.S.D | 3 | 4,006,194 |
| Ariz-70-C-805 | U.E.S.D. No. 62, Tolleson | 3 | 102,000 |
| Ariz-79-C-902 | Whiteriver E.S.D. No. 20 | 3 | 298,002 |
| Ariz-70-C-1403 | Sacaton C.S.D. No. 18 | 2 | 575,000 |
| Ark-69-C-1201 | Ashdown S.D. No. 31 | 3 | 574,900 |
| Calif-69-C-19 | Muroc Unif. S.D., North Edwards | 18 and 27 | 217,131 |
| Calif-70-C-40 | Barstow Unif. S.D | 33 | 1,650,000 |
| Calif-69-C-42 | Seeley U.S.D | 38 | 160,000 |
| Calif-70-C-45 | South Bay U.S.D., Imperial Beach | 37 | 1,698,330 |
| Calif-70-C-47 | Victor Valley Jt. U.H.S.D., Victorville | 33 | 819,712 |
| Calif-70-C-57 | Chula Vista City S.D | 37 | 830,000 |
| Calif-70-C-58 | San Diego Unif. S.D | 35, 36, and 37 | 1,766,757 |
| Calif-69-C-63 | Oxnard S.D | 13 | 610,163 |
| Calif-70-C-227 | Adelanto S.D | 33 and 38 | 1,401,962 |
| Calif-70-C-234 | Livermore Valley Jt. Unif. S.D | 8 | 2,545,198 |
| Calif-70-C-246 | San Francisco Unif. S.D | 5 and 6 | 8,412,554 |
| Calif-69-C-401 | Wheatland E.S.D | 4 | 1,253,020 |
| Calif-70-C-401 | do | 4 | 1,329,406 |
| Calif-70-C-406 | Morongo Unif. S.D., Twentynine Palms | 33 and 38 | 929,000 |
| Calif-70-C-511 | Roseville Jt. U.H.S.D | 2 | 420,000 |
| Calif-70-C-623 | Ocean View S.D., Oxnard | 13 | 300,000 |
| Calif-70-C-635 | Travis Unif. S.D., Travis AFB | 4 | 499,700 |
| Calif-70-C-702 | Central U.E.S.D., Lemoore | 12 | 1,041,764 |
| Calif-69-C-811 | Wheatland U.H.S.D | 4 | 1,085,400 |
| Calif-70-C-811 | do | 4 | 1,571,820 |
| Calif-70-C-815 | Lemoore U.H.S.D | 12 | 154,809 |
| Calif-69-C-1403 | Marysville Jt. Unif. S.D | 4 | 324,210 |
| Calif-70-C-1403 | do | 4 | 237,180 |
| Calif-69-C-1502 | Washington U.S.D., Salinas | 12 | 41,000 |
| Calif-69-C-1516 | Fountain Valley, S.D | 35 | 1,501,120 |
| Calif-69-C-1605 | Needles Unif. S.D | 33 | 67,000 |
| Calif-69-C-1606 | Petaluma City, S.D | 1 | 112,000 |
| Calif-69-C-1702 | Kern Jt. Jr. College Dist., Bakersfield | 18 | 1,000,000 |
| Calif-70-C-1801 | China Lake Jt. S.D | 18 and 27 | 876,000 |
| Colo-70-C-3 | S.D. No. 11, Colorado Springs | 3 | 1,160,000 |
| Colo-70-C-12 | Harrison S.D. No. 2, Colorado Springs | 3 | 567,700 |
| Colo-70-C-505 | El Paso Co. S.D. No. 3, Security | 3 | 1,000,000 |
| Colo-69-C-505 | do | 3 | 700,000 |
| Colo-70-C-603 | Air Force Academy S.D. No. 20 | 3 | 442,275 |
| Colo-69-C-1701 | Summit S.D. RE-1, Frisco | 4 | 200,000 |
| Del-69-C-1701 | Magnolia S.D. No. 50 | AL | 150,000 |
| Fla-70-C-1 | Brevard Co. Bd. of Ed., Titusville | 4 and 5 | 2,182,228 |
| Fla-69-C-3 | Bay Co. Bd. of Ed., Panama City | 1 | 1,680,000 |
| Fla-70-C-4 | Santa Rosa Co. Bd. of Pub. Instr., Milton | 1 | 500,990 |
| Fla-69-C-5 | Clay Co. Sch. Bd., Green Cove Springs | 2 | 550,000 |
| Fla-69-C-7 | Okaloosa Co. Bd. of Pub. Instr., Crestview | 1 | 2,330,000 |
| Ga-70-C-11 | Cobb Co. Bd. of Ed., Marietta | 7 | 1,010,000 |
| Hawaii-70-C-201 | Hawaii State Dept. of Ed | AL | 5,126,400 |
| Idaho-70-C-201 | S.D. No. 193, Mountain Home | 1 | 613,000 |
| Ill-70-C-1 | Community Cons. S.D. No. 10, Mascoutah | 24 | 500,000 |
| Ill-69-C-3 | Savanna Community Unit S.D. No. 300 | 16 | 99,750 |
| Ill-69-C-4 | O'Fallon Community Cons. S.D. No. 90 | 24 | 300,000 |
| Ill-70-C-8 | O'Fallon Twp. H.S.D. No. 203 | 24 | 60,000 |
| Ill-70-C-13 | North Chicago E.S.D. No. 64 | 12 | 645,600 |
| Ill-70-C-17 | Wilmington Community Unit S.D. No. 209-U | 17 | 200,000 |
| Ill-70-C-20 | Reed Custer Twp. H.S.D. No. 206, Braidwood. | 17 | 35,500 |
| Ill-70-C-201 | Community H.S.D. No. 123, North Chicago | 12 | 232,500 |
| Ill-70-C-601 | Mascoutah Community H.S.D. No. 18 | 24 | 600,000 |
| Ill-70-C-602 | Rantoul Twp. H.S.D. No. 193 | 22 | 500,000 |
| Ill-69-C-701 | Joliet Pub. Schs | 14 | 1,300,000 |
| Ill-70-C-702 | Lebannon Community H.S.D. No. 8 | 24 | 25,000 |
| Ill-69-C-1101 | Wesclin Community Unit S.D. No. 3, Trenton | 23 | 222,200 |
| Ill-69-C-1103 | Gifford Community Cons. Grade S.D. No. 188 | 22 | 51,150 |

Footnotes at end of table.

PUBLIC LAW 815—1969 AND 1970 APPLICATIONS FILED FOR THE JUNE 25, 1969, CUTOFF DATE—Continued

[The figures listed below represent amounts requested by applicants. It should be noted that, on the average, school districts' grants usually firm-up to approximately 75 percent of the funds requested]

| Application No. | Name of applicant school district | Congressional district | Public Law 815 funds (applicant's request) |
|---|---|---|---|
| Ill-70-C-1103 | Gifford Community S.D. No. 188 | 22 | $55,025 |
| Ill-70-C-1502 | Thomasboro Community Cons. S.D. No. 130 | 22 | 115,000 |
| Ill-70-C-1505 | New Lenox S.D. 122 | 17 | 31,200 |
| Ill-70-C-1506 | E.S.D. No. 114, Manhattan | 14 and 17 | 41,000 |
| Ill-69-C-1508 | Bradley E.S.D. No. 61 | 17 | 106,400 |
| Ill-70-C-1508 | do | 17 | 60,000 |
| Ill-69-C-1510 | Community Cons. S.D. No. 110, East St. Louis. | 24 | 40,000 |
| Ill-70-C-1510 | do | 24 | 45,005 |
| Ill-69-C-1603 | Joliet Twp. H.S.D. No. 204 | 14 | 374,850 |
| Ill-70-C-1603 | do | 14 | 467,415 |
| Ill-69-C-1604 | Lincoln-Way Community H.S.D. No. 210, New Lenox. | 17 | 55,300 |
| Ill-70-C-1701 | E.S.D. No. 96, Lockport | 14 | 510,000 |
| Ill-70-C-1702 | Custer Park Community Cons. S.D. No. 44-C. | 14 and 17 | 77,000 |
| Ill-70-C-1703 | Braceville E.S.D. No. 75 | 15 | 70,000 |
| Ill-70-C-1704 | U.S.D. No. 81, Joliet | 14 | 40,000 |
| Ill-69-C-1705 | Central E.C.S.D. No. 104, O'Fallon | 24 | 50,000 |
| Ill-70-C-1705 | do | 24 | 80,000 |
| Ill-69-C-1706 | Gardner Community Cons. S.D. No. 72C | 15 | 17,150 |
| Ill-69-C-1707 | Okawville Grade S.D. No. 46 | 21 | 21,000 |
| Ill-69-C-1708 | Bourbonnais E.S.D. No. 53 | 17 | 60,000 |
| Ill-69-C-1709 | Herrin Community Unit S.D. No. 4 | 21 | 300,000 |
| Ill-70-C-1709 | do | 21 | 154,000 |
| Ill-69-C-1710 | Plainfield Community Cons. S.D. No. 202 | 17 | 180,480 |
| Ill-70-C-1801 | Naperville H.S.D. No. 107 | 14 | 150,000 |
| Ill-70-C-1802 | Naperville E.S.D. No. 78 | 14 | 200,000 |
| Ill-70-C-1804 | Oswego Community Unit S.D. No. 308 | 15 | 120,000 |
| Ind-69-C-1101 | Maconaquah Sales Corp., Becher Hill | | 1,490,308 |
| Ind-69-C-1701 | East Washington Sch. Corp., Pekin | 9 | 153,000 |
| Ind-69-C-1702 | Scott Co. S.D. No. 2, Scottsville | 9 | 75,000 |
| Ind-69-C-1703 | West Washington Sch. Corp., Campbellsburg | 9 | 75,000 |
| Ind-69-C-1704 | Scott Co. S.D., Austin | 9 | 1,300,000 |
| Ind-69-C-1705 | North Central Sch. Corp., Palmyra | 8 | 40,000 |
| Kans-70-C-3 | Derby Unif. S.D. No. 260 | 5 | 922,460 |
| Kans-70-C-206 | Ft. Leavenworth Unif. S.D | 2 | 1,043,542 |
| Kans-70-C-801 | Auburn-Washburn Un f. S.D. No. 437, Topeka | 2 | 336,060 |
| Kans-69-C-1701 | Osage City Unif. S.D. No. 420 | 5 | 23,450 |
| Kans-69-C-1702 | Unif. S.D. No. 503, Parsons | 5 | 179,560 |
| Kans-70-C-1802 | Unif. S.D. No. 337, Mayetta | 2 | 130,000 |
| Ky-69-C-1601 | Jefferson Co. S.D., Louisville | 3 | 3,400,000 |
| Me-70-C-1 | Limestone Sch. Dept | 2 | 750,000 |
| Md-69-C-1 | Bd. of Ed. of Harbord Co., Bel Air | 2 | 372,000 |
| Md-70-C-3 | Bd. of Ed. of Anne Arundel Co., Annapolis | 1 | 1,500,000 |
| Md-69-C-7 | Bd. of Ed. of St. Mary's Co., Leonardtown | 1 | 800,000 |
| Md-69-C-8 | Bd. of Ed. of Prince George's Co., Upper Marlboro. | 5 | 1,468,000 |
| Mass-69-C-605 | Town of Shirley Sch. Committee | 3 | 100,000 |
| Mass-69-C-1701 | North Andover Sch. Committee | 6 | 500,000 |
| Mich-70-C-217 | Oscoda Area Schs | 10 | 300,000 |
| Mich-69-C-416 | Rudyard Twp. S.D. No. 11 | 11 | 91,000 |
| Mich-69-C-1701 | Baldwin Community Schools | 9 | 120,000 |
| Mich-69-C-1702 | Oakridge Pub. Schs | 9 | 609,445 |
| Minn-69-C-5 | I.S.D. No. 12, Circle Pines | 3 | 144,963 |
| Minn-69-C-601 | I.S.D. No. 386, Baudette | 7 | 65,500 |
| Miss-70-C-202 | Long Beach Municipal S.D | 5 | 208,350 |
| Miss-69-C-701 | Jackson Co. Unit S.D., Pascagoula | 5 | 117,550 |
| Mo-69-C-18 | Oak Grove Reorganized S.D. R-VI | 4 and 5 | 61,920 |
| Mo-69-C-206 | Ft. Osage Reorg. S.D., Independence | 4 | 120,000 |
| Mo-70-C-206 | Ft. Osage S.D. R-1, Independence | 4 | 90,000 |
| Mo-69-C-801 | Harrisonville H.S.D. No. 1X | 4 | 80,000 |
| Mo-69-C-805 | Raymore-Peculiar S.D.-II | 4 | 32,400 |
| Mo-70-C-1801 | Richmond S.D. R-XIII | 6 | 92,000 |
| Mo-69-C-1505 | Hazelwood S.D | 2 | 660,000 |
| Mo-69-C-1601 | Ft. Zumwalt S.D., O'Fallon | 9 | 135,405 |
| Mont-70-C-501 | S.D. No. 16, Havre | 2 | 314,000 |
| Mont-70-C-1801 | Harlem H.S.D | 2 | 353,887 |
| Nebr-70-C-1 | S.D. of the City of Bellevue | 2 | 1,216,456 |
| Nebr-69-C-502 | Macy Pub. S.D | 1 | 595,400 |
| Nebr-70-C-801 | S.D. of Papillion | 2 | 200,000 |
| Nev-70-C-603 | Clark Co. S.D., Las Vegas | 1 | 2,543,800 |
| N.J-70-C-210 | Bd. of Ed., Boro. of Eatontown | 3 | 300,000 |
| N.J-69-C-511 | Linwood Bd. of Ed | 2 | 55,800 |
| N.J-69-C-601 | Burlington Twp. Bd. of Ed., Fountain | 6 | 170,000 |
| N.J-70-C-1104 | Monmouth Reorganized H.S.D | 3 | 375,000 |
| N.J-69-C-1501 | Washington Twp. Pub. Schs., Sewell | 1 | 361,770 |
| N.J-69-C-1701 | Somers Point Bd. of Ed | 2 | 65,000 |
| N. Mex-70-C-1 | Alamogordo Municipal S.D. No. 1 | 2 | 918,953 |
| N. Mex-70-C-407 | Town of Bernalillo S.D | 1 | 359,000 |
| N. Mex-70-C-501 | Clovis Municipal S.D. No. 1 | 2 | 324,788 |
| N. Mex-70-C-503 | Cloudcroft Municipal S.D. No. 1 | 2 | 273,146 |
| N.Y-70-C-804 | Central S.D. No. 1, Town of Highland | 27 | 500,000 |
| N. Car-60-C-4 | Cumberland Co. Bd. of Ed. Fayetteville | 7 | 347,090 |
| N. Dak-69-C-401 | St. John Public S.D. No. 3 | 1 | 219,228 |
| N. Dak-69-C-604 | Glenburn Public S.D. No. 3 | 2 | 22,605 |
| N. Dak-69-1102 | Oak Grove S.D. No. 12, Cannon Ball | 2 | 175,000 |
| N. Dak-70-C-1405 | Solen Public S.D. No. 1 | 2 | 127,000 |
| Ohio-69-C-429 | Southeast Local S.D., Ravenna | 11 | 152,000 |
| Ohio-69-C-901 | Jefferson Twp. Local S.D., Dayton | 3 | 200,000 |
| Ohio-69-C-1701 | North Olmsted City Schs | 23 | 120,000 |
| Okla-70-C-1 | I.S.D. No. 52, Midwest City | 4 | 655,649 |
| Okla-69-C-415 | Claremore I.S.D. No. 1 | 2 | 195,200 |
| Okla-69-C-436 | Vian I.S.D. No. 2 | 2 | 77,880 |
| Okla-69-C-609 | Noble I.S.D | 4 | 128,275 |
| Okla-70-C-906 | Hobart I.S.D. No. 1 | 4 | 157,440 |
| Oreg-69-C-13 | Jefferson Co. S.D. No. 509J, Madras | 2 | 283,240 |
| Pa-69-C-603 | Pocono Mountain S.D | 15 | 350,000 |
| R.I-70-C-1 | Town of Middletown School Committee | 1 | 1,000,000 |
| R.I-69-C-401 | Newport Sch. Sept | 1 | 2,500,000 |

PUBLIC LAW 815—1969 AND 1970 APPLICATIONS FILED FOR THE JUNE 25, 1969, CUTOFF DATE—Continued

[The figures listed below represent amounts requested by applicants. It should be noted that, on the average, school districts' grants usually firm-up to approximately 75 percent of the funds requested]

| Application No. | Name of applicant school district | Congressional district | Public Law 815 funds (applicant's request) |
|---|---|---|---|
| R.I–70–C–401 | Newport Sch. Sept | 1 | $3,000,000 |
| Tex–70–C–2 | Ysleta I.S.D., El Paso | 16 | 742,500 |
| Tex–69–C–64 | Northside I.S.D., San Antonio | 20, 21, and 23 | 1,500,000 |
| Tex–70–C–213 | Burkburnett I.S.D | 13 | 410,000 |
| Tex–70–C–504 | Northeast I.S.D., San Antonio | 20, 21, and 23 | 2,210,625 |
| Tex–70–C–803 | Iowa Park I.S.D | 13 | 210,000 |
| Tex–69–C–804 | Judson I.S.D., Converse | 20, 21, and 23 | 499,140 |
| Tex–69–C–1504 | Medina Valley I.S.D., Castroville | 23 | 67,500 |
| Tex–69–C–1701 | Sherman I.S.D | 4 | 300,000 |
| Tex–69–C–1702 | Northwest I.S.D., Justin | 13 | 65,000 |
| Tex–69–C–1703 | Lake Dallas I.S.D | 13 | 60,000 |
| Tex–70–C–1801 | United Cons. I.S.D., Laredo | 23 | 624,000 |
| Utah–70–C–3 | Weber Co. S.D., Ogden | 1 | 4,156,200 |
| Utah–70–C–4 | Bd. of Ed. of Davis Co., Farmington | 1 | $2,500,000 |
| Va–70–C–14 | Sch. Bd. of King George Co., King George | 8 | 146,520 |
| Va–69–C–17 | Co. Sch. Bd. of Prince William Co., Manassas. | 8 | 3,500,000 |
| Wash–69–C–34 | Central Kitsap S.D. No. 401, Silverdale | 1 and 6 | 400,000 |
| Wash–70–C–59 | South Kitsap S.D. No. 402 | 1 and 6 | 150,000 |
| Wash–69–C–513 | North Macon S.D. No. 403 | 3 | 40,000 |
| Wash–70–C–1701 | Grand Coulee S.D. No. 55–201–205J | 4 | 993,734 |
| Guam–69–C–601 | Dept. of Ed., territory of Guam | | 3,115,096 |
| Guam–70–C–601 | do | | 6,387,205 |
| | Grand total (191 school districts) | | [1] 140,902,190 |

[1] $140,902,190 at 75 percent $105,676,642. August—Changed to $142,335,840 at 75 percent equals $106,751,880.

THE NEED FOR FULL FUNDING OF PUBLIC LAW 874

(By Ellsworth S. Statler, Ph. D., Superintendent of Schools, Metropolitan School District of Lawrence Township, Marion County, Ind.)

THE SCHOOL DISTRICT

*Location and Organization.*—The School District is a part of the Indianapolis metropolitan area. It encompasses that part of Lawrence Civil Township lying outside the City of Indianapolis and is located northeast of the Ctiy.

The School District includes the territory of the original Lawrence School Township and is governed by a five-member board of education elected in a non-partisan election serving four-year staggered terms, receiving only nominal compensation. Its present board members are a housewife and business and professional men of good standing in the community. The School District is administered by a Superintendent of Schools with an administrative staff, using up-to-date business methods, including machine accounting.

*General Characteristics of the School District.*—The School District has an estimated population of 41,000 persons and covers 45 square miles. The School district is exceptionally well located with relation to highways, roads and available land for expansion in technical industrial and commercial use. Its major areas of concentrated use are served by the Sanitary District of the City of Indianapolis and by the Indianapolis Water Company, the Indianapolis Power and Light Company and Citizens Gas Company. It is intersected by main lines of the Penn Central and Norfolk and Western Railroads, by the original Indianapolis by-pass, U.S. 100, and by the new freeway by-pass I–465. I–69, now under contract, enters it from the northeast. Interchanges are well located for use of industry within the School District. It is also served by a substantial network of State and U.S. highways which the interstate highway system will relieve.

The School District contains major military establishments, including Fort Benjamin Harrison; the United States Army Finance Center, employing approximately 14,000 persons; the United States Army Adjutant General School.

The School District's tax base has not quite kept equal pace with its enrollment. This is partially due to the burden of educating—beyond fair share—the 1,143 Federally "related" pupils or some 12.6% of its pupil population who obtain from Fort Benjamin Harrison resident military and "off post" military and related personnel.

A conservative estimate places the dollar worth of Fort Benjamin Harrison at more than $70,000,000, equal to the taxable property or assessed taxable value of property in the remainder of the Township within the Metropolitan School District.

The employees, civilian, as well as armed services, have ready access to the schools of this Township. Currently there are 1,143 pupils whose family support is gained from their parents' employment or deployment on the military installation. Of these, 417 are residents on the "Post", 237 from military households, "off post" and 489 whose parents are employed as civilians on the Federal Property.

In 1968–69 the cost for educating each Metropolitan School District of Lawrence Township child was $634.00. The Federal Government, however, paid only $278.22 or forty-four per cent of the cost for educating the children who are in the schools because of relation with personnel of the military establishment. The other citizens of this township made up the difference, thereby subsidizing the Federal responsibility to the extent of 56 per cent. This is an unfair burden for a constituency that carries its present burden well because it is interested in education. Moreover the Federal Government has access to one of the fine, well managed quality educational systems for children of its dependents. It has, therefore, a decided interest in maintaining its fair share in order that quality education may be provided children of its dependents and in no way detracting from the quality to be maintained for other children.

The citizens of this Township are becoming increasingly oriented in the professional, technical, managerial occupations. The vast majority of new residences are in the forty-sixty thousand dollar bracket. The homes bring in more children than assessed value for taxation produces in revenue; the State makes up the difference.

While of high income capacity as property owners, they are near their limits on taxation and should not be expected (nor will they be likely to do this) overburden themselves. Their burden could be reduced and made more fair if the Federal Government would pay its fair share of its obligation for educating children of its personnel.

Numerous phenomena exert themselves regarding the military personnel at Fort Benjamin Harrison are characteristic evinced: they pay no income taxes to the State of Indiana. Thus the entire State of Indiana subsidizes further the education of these children in the School Foundation Program.

The attached sheets provide statistical data regarding the situation. A map shows the proportion of the Township which is embraced by Fort Benjamin Harrison.

The value of land potential for development is unusually high, for that of the Military Reservation would exceed $3,500 per acre at current "raw" land prices. The installations on the Fort are extremely valuable and if no other method can be derived for equalizing responsibility, the Congress and military services should permit the local taxing unit to assess the property at the one-third of "market value" the same as civilian installations or properties experiences.

*Conclusions and Recommendations.*—The present situation is analogous to others where the Congress has neglected its duty. For many years teachers in the dependency schools around the world were underpaid, making incomes grossly below the average for American city school systems. In fact the National Educational Association of the United States declared it unprofessional to accept positions in these dependency schools. Finally the Congress tended to equalize compensation and by similar token, now the Congress must accept its responsibility and it must bear the burden of educating those displaced at its pleasure and who impact and extend the normal of school systems such as that of Metropolitan School District of Lawrence Township.

The writer would be professionally and intellectually dishonest if he did not admonish that Government for which he has had the utmost respect and petition it to look more favorably upon education, the institution whose quality equates that of our other basic institutions, the family, the government, the economic, and the moral (or religious). Certainly the obligation of "paying up" on P.L. 874 is but a minute consideration in the total budget of our National Government.

Mr. HARTKE. Mr. Chairman, although Indiana fairs relatively better than do many other states, I believe the principle to be important, and I would urge that P.L. 815 be funded to provide full entitlement to the eligible districts as soon as they qualify. School Districts ought not to have to wait year after year for the Federal Government to pay its bills.

COLLEGE AND UNIVERSITY CONSTRUCTION NEEDS

Mr. Chairman, one of the major defects, in my judgment, in the budget as submitted, rectified only in a token manner in H.R. 13111, as it passed the House, was the failure to realistically provide for college construction needs.

The $33 million added for four-year undergraduate construction, I am informed, was based upon the fact that that amount was the same as had been appropriated in FY 1969. Overlooked was the fact that in FY 1969 there was available as carry-over money an additional $100 million.

To bring equity into the picture we should at the least therefore supply for this purpose an additional $100 million. But this is not adequate. It takes time from the assurance

of funding until a facility is open for occupancy. The college population potential steadily and predictably rises each year. There are more qualified and ready students seeking collegiate and graduate training each year. We have, as I am sure you have heard from other witnesses a facility deficit of growing proportions.

Mr. Chairman, inadequate funding of the Higher Education Facilities Act has been a drag on the potential progress of many colleges and universities in my own State of Indiana. In fiscal year 1969 alone the junior colleges of my state had unmet construction needs of over $2½ million while the comparable figure for four year institutions reached almost $3 million. Considering the fact that Indiana is but one of fifty states which desperately needs federal funding in order to meet the construction demands of its institutions of higher learning, the amounts which would be appropriated under both the administration budget and H.R. 13111 are pitifully inadequate.

The full funding of the authorization for two-year, four-year and graduate facility construction would involve only $936 million—certainly a very minor sum in an economy whose gross national product is approaching $3 trillion—and even a very minor sum in a federal budget of about $200 billion. Provisions of the full amount would scarcely affect even the most sensitive economic measuring devices we have established to guard against inflation. But I think that a valid argument can be made that this type of construction, devoted as it is to improving productivity of young people, can in the long run be actually considered as a disinflationary move since it enables the creation of real wealth.

I ask that you give very serious consideration to funding at a level of $525 million for FY 1970 and $986 million for FY 1971.

MAJOR PROGRAMS AND ESTABLISHED PROGRAMS

*Title I ESEA*

Mr. Chairman: The Superintendent of Public Instruction of the State of Indiana last April provided me with a breakdown of the allocation of funds to Indiana schools under Title I ESEA authorities for FY 1969. It is an impressive list, as is the funding provided institutionalized state agency education for efforts for handicapped, migratory, neglected and delinquent children.

It is for that reason that I strongly urge that Title I money be increased over H.R. 13111 to a FY 1970 level of $1.5 billion and in FY 1971 that this be increased to $1.750 billion. It would be my hope that the authorization bill now being readied for Senate floor action later this month will provide in its formula for entitlement substantial increase in the amounts generated through a liberalizing of the income factor. I say this because I am increasingly aware of the need to bring Title I benefits to many more schools than can now be accommodated. To do this will require for the future far more money than we have been willing to appropriate in the past. Yet the needs of our suburban communities for educational support are growing ever more imperative.

*Title II ESEA*

Perhaps the most appreciated aspect of P.L. 89–10 was the fact that the Congress and the President found a way under the Supreme Court holdings to bring an essential teaching tool to all of our children. Title II of ESEA, now funded in H.R. 13111 at $50 million was once—just a year or two ago—funded at $100 million. I suggest that we not regress and I urge that this larger sum be provided for FY 1970 rising in FY 1971 to $125 million. Since about half of the elementary schools of the country still lack a centralized library, there can be no question that an unmet need still exists in this area.

*Title III ESEA*

Supplementary Services and Centers under Title III ESEA, with an authorization for FY 1970 of $566.5 million is proposed to be funded in H.R. 13111 at only $164.8 million. Since this program has been stunted in the past, it has scarcely had a chance to show what benefits is could bring if adequately funded.

I ask $173 million for FY 1970 rising to $233 million in FY 1971.

IMPACT AID PROGRAMS

(Section 2, Title I, Public Law 874 and Section 4, Title 1, Public Law 874)

Mr. Chairman, I first call to the attention of the Subcommittee on non-funding in H.R. 13111 of two sections of P.L. 874.

Apparently these two rather important parts of the impact laws were left out inadvertently by the House. The total cost to put these two parts back in the bill is small, but some of the schools would suffer severely without these funds. I list below the school districts and the amount of money which would be lost.

*Section 4, title I, Public Law 874 applicants, school year 1967–68*

(Name of school district and entitlement)

| | |
|---|---|
| Colorado: | |
| Harrison School District No. 2, El Paso County | $98,323 |
| El Paso County School District No. 3 | 82,766 |
| Florida: Brevard County Building of Public Instruction | 688,419 |
| Kansas: Unified School District No. 37, Shawnee County | 95,543 |
| Nebraska: School District of Bellevue, Sarpy County | 305,314 |
| Total section 4 fiscal year 1968 entitlements, title I, Public Law 874 | 1,270,365 |

Public Law entitlements given above represents 100 percent estimated entitlements.

Proration required for fiscal year 1968: 98 percent.

*Section 2, title I, Public Law 874 applicants, school year 1967–68*

(Name of school district and entitlement)

| | |
|---|---|
| ARKANSAS | |
| White Hall School District No. 27, Jefferson County | $3,987 |
| Greenwood School District No. 25, Sebastian County | 25,450 |
| CALIFORNIA | |
| Hueneme School District, Ventura County | 52,951 |
| Deluz School District, San Diego County | 7,250 |
| Fallbrook Union High School District, San Diego County | 154,220 |
| Fallbrook Union School District, San Diego County | 205,200 |
| Oceanside Union School District, San Diego County | 702,405 |
| San Miguel Junction Union School District, San Luis Obispo County | 1,770 |
| Valle Lindo School District, Los Angeles County | 58,030 |
| Washington Union School District, Monterey County | 1,911 |
| San Antonio Union School District, Monterey County | 1,974 |
| Los Alamitos School District, Orange County | 131,729 |
| French Gulch-Whiskey Town USD, Shasta County | 8,159 |
| FLORIDA | |
| Walton County Board of Public Instruction | 34,362 |

*Section 2, title I, Public Law 874 applicants, school year 1967–68*—Continued

| | |
|---|---|
| GEORGIA | |
| Liberty County Board of Education | $18,648 |
| Clay County Board of Education | 7,337 |
| ILLINOIS | |
| Wilmington Comm. Unit S.D. No. 209U, Will County | 52,610 |
| Elwood Comm. Cons. S.D. No. 203, Will County | 14,300 |
| Giant City Comm. Cons. S.D. No. 130, Jackson County | 4,563 |
| Downers Grove School District No. 66, Du Page County | 4,748 |
| INDIANA | |
| Metropolitan School District, Charlestown Twp., Clark Co | 20,820 |
| Utica School Township, Clark County | 9,825 |
| N. Vermillion Comm. Sch. Corp., Vermillion County | 20,176 |
| Nineveh-Hensley-Jackson United Sch. Corp., Johnson Co | 20,511 |
| Percy Central Comm. Sch. Corp., Perry County | 4,032 |
| KANSAS | |
| Toronto CSD No. 3, Woodson County | 5,824 |
| Unified SD No. 475, Geary County | 11,246 |
| Unified SD No. 378, Riley County | 31,598 |
| Unified SD No. 324, Phillips County | 7,808 |
| Unified SD No. 272, Mitchell County | 20,844 |
| Elk Valley Unif. SD No. 283, Elk County | 282 |
| Unif. S.D. No. 343, Jefferson County | 6,387 |
| Unified SD No. 340, Jefferson County | 7,489 |
| Oskaloosa Unified SD No. 341, Jefferson County | 9,884 |
| Blue Valley Unif. SD No. 384, Riley County | 33,784 |
| Unified SD No. 277, Jewel County | 1,366 |
| Unified SD No. 379, Clay Center, Clay County | 18,752 |
| Eureka Unified SD No. 389, Greenwood County | 4,048 |
| KENTUCKY | |
| Trigg County School District | 36,822 |
| Wayne County School District | 13,799 |
| Russell County Board of Education | 28,056 |
| Lyon County Board of Education | 18,261 |
| MICHIGAN | |
| Alcona Community Schools, Alcona County | 6,446 |
| Watersmeet Township SD, Gogebic County | 37,307 |
| Marenisco School District, Gogebic County | 8,749 |
| MISSISSIPPI | |
| Hancock County Unit School | 10,230 |
| MISSOURI | |
| Center SD No. 58, Jackson County | 297,000 |
| Winona Public SD R–III, Shannon County | 691 |
| Benton County SD No. R–10 | 0 |
| NEBRASKA | |
| School District No. 1–C, Clay County | 3,593 |
| NEW JERSEY | |
| City of Burlington Building of Education, Burlington County | 51,516 |
| NEW YORK | |
| CSD No. 1, Towns of Antwerp, et al, Jefferson Co | 1,404 |

*Section 2, title I, Public Law 874 applicants, school year 1967–68*—Continued

OHIO

| | |
|---|---|
| Mad River Twp. Local SD, Montgomery County | $88,482 |
| Windham Exempted Village SD, Portage County | 31,739 |
| Southeast Local SD, Portage County | 58,586 |
| Maplewood Local SD, Trumbull County | 10,671 |

OKLAHOMA

| | |
|---|---|
| Haywood ISD No. 88, Pittsburg County | 2,230 |
| Canadian ISD, No. 2, Pittsburg County | 5,032 |
| Crowder ISD No. 28, Pittsburg County | 1,100 |
| Fanshawe ISD No. 39, Le Flore County | 4,555 |
| Le Flore DSD No. 16, Le Flore County | 3,593 |
| Eufaula ISD No. 1, McIntosh County | 9,445 |
| Hodgen DSD No. 14, Le Flore County | 1,374 |
| Locust Grove ISD No, 17, Mayes County | 8,354 |
| Fovil ISD No. 7, Rogers County | 2,295 |
| Longdale DSD No. 70, Blaine County | 5,423 |
| Stidham ISD No. 3, McIntosh County | 3,027 |
| Braggs ISD No. 3, McIntosh County | 4,476 |
| Little Axe Dep. No. 70, Cleveland County | 702 |
| Vian ISD No. 2, Sequoyah County | 2,562 |
| Woodville DSD No. 4, Marshall County | 1,575 |
| Reydon ISD No. 6, Roger Mills County | 3,487 |
| Chelsea ISD, No. 3, Rogers County | 2,610 |
| Crawford DSD No. 11, Roger Mills County | 1,452 |
| Colbert ISD No. 4, Bryan County | 2,720 |
| Tishmingo ISD No. 20 Johnston County | 6,118 |
| Cookson DSD No. 1, Cherokee County | 2,347 |
| Wister ISD No. 9, Le Flore County | 4,228 |
| Alluwe ISD No. 50, Nowata County | 14,003 |
| Blackgum DSD No. 33, Sequoyah County | 454 |
| Frue DSD No. 50, Osage County | 1,342 |
| Butler ISD No. 46, Custer County | 2,073 |
| Keystone DSD No. 15, Tulsa County | 3,614 |
| Osage DSD No. 49, Osage County | 2,127 |
| Falls DSD No. 31, Cleveland County | 1,732 |
| Nida DSD No. 58, Johnston County | 5,453 |
| Ravia ISD No. 10, Johnston County | 1,471 |
| Cobb ISD No. 1, Bryan County | 885 |
| Eagletown DSD No. 13, McCurtain County | 3,092 |
| Tanglewood DSD No. 20, Tulsa County | 956 |
| Enville DSD No. 7, Love County | 1,409 |
| Bowring SD No. 7, Osage County | 1,815 |
| Heavener ISD No. 3, Le Flore County | 2,869 |
| Keys DSD No. 6, Cherokee County | 595 |
| Gum Springs DSD No. 69, Sequoyah County | 1,749 |
| Keota ISD No. 43, Haskell County | 8,480 |

PENNSYLVANIA

| | |
|---|---|
| Centennial School District, Bucks County | 304,845 |
| Warren County School District | 28,692 |

SOUTH CAROLINA

| | |
|---|---|
| McCormick SD No. 4, McCormick County | |
| School District No. 4, Anderson County | 13,669 |

*Section 2, title I, Public Law 874 applicants, school year 1967–68*—Continued

SOUTH DAKOTA

| | |
|---|---|
| Pickstown ISD No. 96, Charles Mix County | $373 |
| Douglas CSD No. 3, Pennington County | 44,881 |
| Interior ISD No. 55, Jackson County | 1,924 |

TENNESSEE

| | |
|---|---|
| Stewart County Board of Education | 15,465 |

TEXAS

| | |
|---|---|
| Gatesville ISD, Coryell County | 9,407 |
| Zavella ISD, Angelina County | 3,629 |
| Speegleville ISD, McLennan County | 2,122 |
| Brookeland ISD, Jasper County | 7,520 |
| Comstock ISD, Val Verde County | 5,873 |
| Broaddus ISD, Rockwall County | 1,912 |
| Etolle CSD No. 10, Nacogdoches County | 736 |
| Total section 2, Public Law 874 payments, fiscal year 1968 | 3,013,324 |

Proration 1968: 98 percent.

Mr. Chairman, I urge the subcommittee to remove this inequity and to provide funding for these programs, which as you know relate to areas having a continuing burden of federally related students or who have suffered sharp and sudden increases in federally connected enrollments.

Further, since P.L. 874 is an entitlement based upon the numbers of children meeting the statutory requirements, I suggest that the area be fully funded at $650 million, rather than at the $587 million in H.R. 13111 for both FY 1970 and FY 1971.

TITLE IV: ESEA

The Cooperative Research Act in H.R. 13111 carries funds of about $85.75 million for educational research and training. Because there is no dollar ceiling in the authorization, I sometimes feel that the program has been short-changed. This was one area in which even the Nixon budget was sparse to the point of emaciation; even so, funding was cut by the House of Representatives in Committee and was not restored on the floor. I believe the Office of Education estimate to the Department of HEW of $161.7 million is realistic. Surely in private industry we would plow back into research and development 5% of our operational costs. For O.E. this would be about $200 million.

Mr. Chairman, in light of this, the request that you will have received from the spokesman for educational research and training for the inclusion of an item in the 1970 appropriations measure of the President's budget figure of $115 million is well warranted, as is the $161.755 million for fiscal 1971.

TITLE V: ESEA—STRENGTHENING STATE DEPARTMENTS OF EDUCATION

In the enabling legislation, the Senate has taken care to build into Federal support for the states a local system capability for evaluation and analysis of projects and programs. Such support at the state level to improve the planning capability of State Departments of Education in the interests of providing better services to local school districts is an investment in future economy which we neglect at our peril.

It is for this reason that I would urge a $5.25 million increase for fiscal 1970 over the $29.75 million figure carried in H.R. 13111. In this connection, of particular interest to me is that a portion of the planning money under the terms of the substantive legislation flows to the loca. school district and, therefore, when we support State departments of education by Title V, we are also giving an opportunity to our local school districts to improve their services. It is for this reason that I have no hesitancy in recommending to you for fiscal year 1971 a further increase in this item of $10 million, making a total of $45 million.

TITLE VI: ESEA—EDUCATION FOR HANDICAPPED CHILDREN

Mr. Chairman, as we turn to Title VI of the Elementary and Secondary Act, we enter an area that, ever since 1963, has been of special concern to the Senate. I refer to the programs designed to obtain equal educational opportunity for our young people with handicaps.

Special education is costly—unless it has the protection of earmarked funds, the temptation, I fear, is that because of its costliness per child, services in this area are curtailed. Yet these children have a special claim upon our sympathies and our affection, and it is for this reason that Title VI came into being. This authorization of $224 million is not much, but by comparison with the $36.8 million in H.R. 13111 the disparity between the goal and reality is glaringly apparent. We must not forget that the Carey Amendment, accepted on the House floor, provided no funds for state grants under Title VI.

I would, therefore, urge that you increase funding of the Title in FY 1970 to $57.61 million and that for FY 1971, under forward funding, we provide at least $114 million, even though this amount barely approaches the 50% authorization level of a program which is truly a capital investment. Unless we provide these handicapped children an opportunity, through education, to develop the limited potentials with which they are endowed, we surely will have to pay, in future years, a disproportionate cost in support and maintenance from public funds. Here, if anywhere, the ancient truism that "an ounce of prevention is worth a pound of cure" is valid.

So important is the planning and evaluation function in this area that I would urge increased funding of Section 402 of PL 92–247 from $9.25 million to $14 million in fiscal year 1970 and up to $20 million in fiscal year 1971.

It is for this reason also, Mr. Chairman, that I urge that the Early Childhood Education Act for Handicapped Children be increased from the $4 million fiscal year 1970 amount carried in H.R. 13111 to $10 million, and $12 million for fiscal year 1971.

TITLE VII: ESEA—BILINGUAL EDUCATION

Mr. Chairman, children who come from other than English speaking families face many difficult problems as they enter the school systems of our country. Our larger metropolitan centers are particularly aware of the acute need for special programs designed to cope effectively with their problems. These are programs which have tremendous support on the part of the parents of the children since they realize the need for this special educational assistance. I have been informed by some of my friends in the private educational sector that, following curtailment of bilingual programs in one of our major cities, the mood of the parents in the barrio was one of bewilderment and frustration.

Dr. Flemming, in his testimony has, I believe, indicated to you, as a former Secretary of HEW under President Eisenhower, his experience in working with the Urban Coalition the problems which will concern us if we do not realize and make good on the expectations we have aroused. I think we should heed his warning and accept his counsel. For this reason, I urge that the fiscal year 1970 funding level for this program be increased to $20 million, doubling in FY 1971 to $40 million.

TITLE VIII: ESEA—DROPOUT PREVENTION

Mr. Chairman, here again we have an area in which H.R. 13111 provides less funding than requested by the gaunt figures of the Nixon education budget. Dropout prevention is an area of major concern in our larger metropolitan communities. It is of particular relevance to me, as a Senator from Indiana, since I am aware of the need for adequate funding in order that the urban centers of my State may have an opportunity to participate in providing the quality education for disadvantaged students that is their birthright.

I, therefore, strongly suggest that for fiscal year 1970 we at least meet the Nixon budget figure of $24 million and that for fiscal year 1971 it be increased to $30 million.

TITLE VIII: EDUCATIONAL BROADCASTING—TITLE III OF THE COMMUNICATIONS ACT

Mr. Chairman, because of your responsibilities in the field of television, I know that I need not convince you of the merits of financing of public educational television under Title III of the Communications Act, but I would assure you of my support for any action on the part of the Subcommittee to provide full funding of $15 million in fiscal years 1970 and 1971.

This is a medium of public education of widespread appeal and growing influence. I know that television can be of tremendous help to each of us in our legislative duties through the information it can convey to the citizens of our communities. For that reason, I pledge to you my firm support for this budgetary area.

*National defense education programs*

Mr. Chairman, I have already covered Title II of NDEA. I would now like to discuss the other titles of that Act. For Title III, matching grants to the states for equipment purchase was increased by the House floor action from zero to $78.7 million for FY 1970. I have only the highest plaudits for this action. I would suggest to you that for FY 1971, this figure be raised to $170 million.

There is no question, Mr. Chairman, that despite criticisms which have been offered, this is a program with strong grass roots support. This support comes from, among others, the classroom teacher, for whose professional benefit the program is primarily designed. One has only to be privileged, as I was a year or so ago, to see what can be done by a master teacher equipped with the tools of his profession toward arousing and stimulating the interest of his students. Although the equipment and materials may occupy only 10 minutes of a 50 minute session, they enable the remaining 40 minutes to become incorporated into the child's understanding.

The recommendation that the FY 1971 appropriation be increased to $170 million was based, in part, on the hope that $75 million of that amount could be used to fund the new program which was added in recent revisions of the title. Here again we are dealing with a broadly based program of interest to those who are engaged in the teaching of all of our children in all of our schools.

TITLE IV: NDEA—FELLOWSHIP PROGRAM

Mr. Chairman, I believe what many economists have said about the investment in human capital represented by our graduate schools; this investment has been one of the chief contributors to the growth and extension of our society.

The training of teachers is vitally necessary and it is very expensive, but the return to our economy amounts to about 25% of the increase in our gross national product and thus makes it one of the best examples of capital investment that we can describe. It is for this reason that I would hope that $75 million could be allocated in FY 1970, and a like amount for FY 1971.

The development and strengthening of our graduate schools through assistance provided to the student has proved effective in the past, and, further, is one of our best hopes for the future. It is a program which should be continually developed and expanded if we are to be equipped with the societal tools to meet the challenges which the next two decades will place before our people.

TITLE VI: NDEA—LANGUAGE DEVELOPMENT

Mr. Chairman, as a world power, we must recognize the importance of developing understanding and communication with other countries and cultures. Certainly foreign language development is a requisite condition for international understanding and communcation.

Furthermore, foreign language training pays real dividends in making easier the task of our government, and all of our business and industrial organizations.

So far as I know, there is no opposition generated against this program, and I would, therefore, support a $5 million increase in fiscal year 1970, and a $30 million funding for this program in fiscal year 1971.

*International Education Act*

At the same time, Mr. Chairman, I would urge that a similar program, authorized under the International Education Act, be given an initial funding; $90 million is authorized for this program.

Although the Senate has traditionally approved funding for International Education, objections on the part of the House have resulted in its removal from the appropriations bill in conference.

Because it is a new program which ought to be started, I suggest that $3 million in the first year of funding would be sufficient to activate it, and that this be increased in FY 1971 to $10 million, so that it may develop.

Mr. Chairman, I feel certain that you and your colleagues will agree that it has been the semantics of the title of the Act which have been misleading. We should keep in mind that its primary purpose is the strengthening of our domestic graduate centers of excellence in all disciplines and areas of concern. If it is funded properly in future years, it could do more than any other of our measures to build a strong graduate school capability in each of our states.

I, therefore, strongly urge that your Subcommittee reaffirm the actions taken by your predecessors and supply this program with the funding needed. In this connection also, I would commend to you the liberalization of the Special Currency Program falling within the Office of Education functions. By restoring the money eliminated by the House Committee from the Nixon budget and by increasing it to $4 million for fiscal year 1970 and and by $6 million for fiscal year 1971. The amounts of blocked currency which could be made available for the use of scholars working in the five or six countries, particularly India, in which these counterpart funds are to be found, could be of major help to many academic disciplines.

VOCATIONAL EDUCATION ACT

I particularly urge the Committee to support all of the House increases in Vocational Education Act funding as contained in H.R. 13111. I would even hope that the Senate could demonstrate its support of this Act by providing for FY 1970 a token increase of $10 million above the House figure, and would certainly urge that for fiscal year 1971 the $870 million of the authorization be appropriated.

The changes we have made in the substantive statutes in the last year offer great promise if we provide adequate funding for these areas. In a similar fashion, I would hope that Part F of the Education Professions Development Act would be given specific visibility by the Subcommittee by providing $25.75 million for FY 1970, and $50 million in 1971.

SPECIAL PROGRAMS FOR DISADVANTAGED STUDENTS; TALENT SEARCH; UPWARD BOUND; SPECIAL SERVICES IN COLLEGE

Mr. Chairman, in our endeavor to open the doors of educational opportunity to all of our young people, programs are now under way in the Office of Education, and I refer to Talent Search, Upward Bound and Special Services in College, which yield a high return for the amounts invested. It is my hope that the Committee will accept the $45 million for FY 1970 which is in H.R. 13111, and that this amount will be increased in fiscal year 1971 to $75 million. By appropriating at the level suggested here, we can be sure that the money will be well spent.

HIGHER EDUCATION ACT OF 1965

(Title I—University and Community Services, and Continuing Education)

Mr. Chairman, from the foregoing you have, I know, been made aware of my interest in Adult Education through University Extension Programs. I wish to commend to you for funding at the highest levels upon which you can agree, the programs and services operated under the authorities of Title I of the Higher Education Act of 1965.

The authorization for this program is currently set at $50 million. I very much regret that we have been unable, in the past, to obtain more than $9.5 million for what could potentially become a most important channel for bringing the resources of our institutions of higher education to bear upon the problems of all of our communities, while at the same time meeting the higher education needs of young people who, by virtue of their work, cannot obtain higher education during the daytime hours. Furthermore, University Extension Programs help solve the problem of geographical isolation by providing correspondence courses to those people who do not live within easy reach of our institutions of higher education.

Here, again, Mr. Chairman, we have a concept that is potentially as productive as any other, but which has been strangulated by inadequate financing. I think we do a disservice to the smaller communities of our land, whose problems are many, pressing and varied, when we fail to underwrite this program. For good reasons, this program has the strong support of our great land grant colleges and affiliated organizations.

Title I has had bipartisan support, extending across the political spectrum, from its inception. What is needed now is the necessary funding to unleash the productive energies which could be devoted to this area. For this reason, I urge upon you that a FY 1970 appropriation of $25 million be provided, along with forward funding for FY 1971 of $50 million.

HIGHER EDUCATION ACT: TITLE II—LIBRARY ASSISTANCE, TRAINING, AND RESEARCH

Mr. Chairman, in the field of higher education someone once pointed out that the quality of an institution is measured by three variables "the faculty, the student, and the library; and the greatest of these is the library." There is more than some truth in the statement. If eager students can be provided the best that has been thought and said, through adequate library resources, then these students are well on their way to educating themselves.

The problem that we must all face is that the phenomenal increase in knowledge which has characterized the last fifty years has made it imperative that the library resources of our institutions of higher education be expanded and improved. The special skill, training, and research provisions of Title II can help us cope with this knowledge explosion. I, therefore, strongly urge that as a minimum the $24 million in H.R. 13111 for

these programs be increased in fiscal 1970 to $43.6 million and that there be a major increase for 1971 to $108.5 million.

HEA TITLE III: DEVELOPING INSTITUTIONS

The program authorized under Title III of the Higher Education Act of 1965 allows the strength of an established institution to be utilized in assisting a developing institution to gain those attributes which will permit it to make a full contribution to the education of young people. Such a program has obvious merit. I am particularly impressed with the devotion of young graduate fellows who, I am told, have done so much to bring to the campuses of the developing institutions the strength of their own colleges and universities. The complementary program whereby teachers in their middle years are given an opportunity on the campuses of the larger institutions to refamiliarize themselves with the developments in their disciplines is worthy of commendation. We cannot afford, Mr. Chairman, to let any of our institutions of higher education go by the board if we can, through a medium such as Title III—HEA, help to renovate and renew their intellectual fabric. It is a sound principle of conservation in general and of particular value in this instance. I would, therefore urge, Mr. Chairman, that you and your colleagues, in giving consideration to the meaningful needs in the educational areas, not overlook the contributions which can be made by the developing institutions if they are funded. It is for this reason that I would ask an increase of $10 million for fiscal year 1970 and full funding of $91 million in fiscal 1971 for these purposes.

HEA TITLE V: EDUCATION PROFESSIONS DEVELOPMENT ACT

(Part B—Teacher Corps, Part C—Fellowships, Part D—Training, and Part E—Higher Education Personnel)

Mr. Chairman, in reviewing the antecedents which led to the enactment of the Education Professions Development Act as Title V of the Higher Education Act, I recall the earlier years in which Title XI of the National Defense Education Act provided summer school training for our elementary and secondary school teachers, both public and private. These were programs which had the enthusiastic support of the disciplines involved and, in my judgment, conveyed material benefit to the children who were taught by those who attended. The in depth refresher courses of the year-long institutes was immeasurably effective. The fellowship programs of the original Title V of the Higher Education Act opened up horizons to many young teachers who, seasoned with a few years in the classroom, were able to bring into the teacher training institutions a sense of the needs of the elementary and secondary schools. This has helped to modify the graduate curriculum to make it more responsive.

All of these programs are now encompassed within the broader scope of the Education Professions Development Act. Since we are dealing in this area with the living core of the school system, whether it be the elementary-secondary, junior college or four year institutions, I think it highly desirable that adequate money be provided to meet the training and retraining needs of the education profession.

I have already given you my recommendations with respect to the teachers of vocational education and I would wish to supplement that at this time with the counsel that Part C, Fellowships, be funded at $40 million for fiscal year 1970 and $45 million for fiscal year 1971; further I suggest that the Training Programs of Part D be funded at $65 million for fiscal year 1970 and $80 million for fiscal year 1971; finally I would hope that Part E for Higher Education Personnel could be increased to $30 million for fiscal year 1970 and $35 million for fiscal year 1971.

Title V. Part B. of the Education Professions Development Act has a special claim upon our resources. The Teacher Corps Program, Mr. Chairman, is one which should be encouraged and expanded. Indiana in 1968 received $507,039; in fiscal year 1969 for Indiana this amount was reduced to $244,449. Under H.R. 13111, as it passed the House, there was insufficient money to provide a single dollar for this program in my State. The Nixon budget had requested $31.1 million but the House passed bill cut this program to $21.7 million.

I would very strongly urge, since this is a Senate originated program, that we affirm our support for this approach to teacher training and the improvement in elementary and secondary education by funding this program in excess of the $31.1 million of the Nixon budget for fiscal year 1970 and for fiscal year 1971 that we appropriate not less than $46 million.

HEA TITLE VI: UNDERGRADUATE EQUIPMENT

Mr. Chairman, in 1969, the colleges and universities of Indiana received slightly more than $360 thousand each year on a matching basis for the purchase of equipment used in the instruction of students. Under the Nixon budget and under the House passed bill no money is provided for this vital service. It is very difficult to make bricks with straw. It is very difficult in this technological age to furnish instruction without the use of teaching tools. I would highly recommend that Title VI be funded in fiscal year 1970 at $60 million and that full authorization of $70 million be appropriated for fiscal year 1971.

LIBRARY SERVICES AND CONSTRUCTION ACT

Mr. Chairman, the Library Services and Construction Act, under the Pryor amendment, increased Title I grants to Indiana from $412,777 to approximately $861,433.

In addition, for Title II of the Act, H.R. 13111 provided $206,777 for construction instead of the zero dollar recommendation of the Nixon budget. It was funded at approximately the fiscal year 1969 level of expenditure which, I might add, was but one-third of the $775,944 level of fiscal year 1968. These increases I heartily applaud. And, while I would like to have more for fiscal year 1970 for each of these programs, if this is not possible, I would urge that for fiscal year 1971 we build in increases to $47 million for Title I and to $18 million for Title II.

There are other titles in this Act which received no increase over the budget for fiscal year 1970 and I would urge you to give ear to the advice you will receive from other witnesses as to any increase which may be justified for these areas, because they are important for the adequate development of the public library system in my State.

For fiscal year 1971 I would ask that you provide, for Title III, $5 million; for Title IV, Part A, $3 million, and for Part B, Services to the Physically Handicapped, $2 million.

For the entire act this amounts to a total of $75 million, as opposed to the $46.9 million for fiscal year 1970.

SPECIAL EDUCATION PROGRAMS—TITLE III

(P.L. 88–164 and Title V; P.L. 88–164; P.L. 85–926; and P.L. 85–905)

Mr Chairman, as I have previously indicated in my discussion of ESEA, Title VI, claims for children who need special education deserve our support and every bit of help that can be given in realizing the objectives of bringing this group of children into a state of educational parity with their more fortunate playmates. I, therefore, would urge you, as you authorize your forward funding authorities, to expend the amounts provided in fiscal year 1970 so that in fiscal year 1971 the education of handicapped children under P.L. 85–926 might have funding opportunities of no less than $44 million. Research and demonstration projects of Title III of P.L. 88–164 should be funded at $18 million in order to insure the effectiveness of the program's operation.

Section 501 of P.L. 88–164 should be funded for not less than $2 million with $1 million being made available for Section 502; further we should increase the media services and caption films from $6.5 million to $9 million.

NEW PROGRAMS IN HIGHER EDUCATION

Mr. Chairman, the Higher Education Act of 1965, as amended, created the new Titles VIII through XI which have never been funded. This refusal to fund new starts seems to be a policy adopted in the other body last year. This is a shortsighted policy, in my view, and it would be my hope that the Subcommittee could provide each of these programs with a $3 million appropriation in order to enable them to get off the ground and to demonstrate their merit in operation.

I further hope that the Subcommittee would, in considering forward funding for fiscal year 1971, provide for Networks for Knowledge Title VIII, $15 million; for Education for the Public Service, Title IX, $13 million; for Graduate Education, Title X, $10 million; and for Clinical Training in the Law, Title XI, $7.5 million.

These new programs should receive the support of the Senate when they reach the floor. There is no argument which can be raised against the substantive merits of the proposals and they deserve the opportunity to provide the kinds and quality of the training they are designed to achieve. I ask, therefore, that in addition to supplying the money to put them into operation that, in conference, the Senate conferees hold fast and, if necessary, force the House managers to go back to the other body for instructions prior to deleting them from the conference report.

Here, I think is an area, Mr. Chairman, that is of real concern to the Senate. Far too often, in my judgment, through the veto power of the House manager of the Subcommittee, the will of the Senate has been set at naught. It is a most dangerous precedent and one that should be scotched. I, therefore, very strongly urge that serious consideration be given to bringing into being these programs, and for funding them upon their merits and in subsequent years on the basis of the results obtained from their use.

SALARIES AND EXPENSES

This has been a fairly exhaustive presentation, Mr. Chairman. I deeply appreciate the courtesy that you and those who serve with you have extended to us in the course of these hearings.

In closing, I will give you but one final reminder that probably too few will call to your attention, and that is, that if programs are to operate, the men and women of the Executive Branch who are called upon to administer them, need to have added to the Salaries and Expenditures item of the Office of Education at least $6 million more than provided in H.R. 13111. Because of the mechanics of the floor situation on the House side during the adoption of the Joelson, Carey and Pryor amendments, about $1 billion $42 million was added to the President's budget request. In doing so, however, this money was earmarked for the operational programs with no equivalent and necessary increases in staffing patterns to carry on the essential work involved in the expanding of the programs. I suggest to you that $6 million is a conservative figure for this item, but I trust that you will, in reporting H.R. 13111 to the floor of the Senate, not overlook this essential ingredient for the successful and economical operation of the Office of Education.

Thank you, Mr. Chairman.

## HEALTH BUDGET CRISIS HEALTH MANPOWER

Mr. KENNEDY. Mr. President, when I appeared yesterday before the Appropriations Subcommittee concerned with funds for health programs in the Department of Health, Education, and Welfare, I made a number of recommendations for increasing specific line item appropriations for health manpower over and above the administration's and the action of the House of Representatives. Briefly, the recommendations I made were as follows:

First. The Senate should fund the full authorization of $35 million for the health professions student loan program.

Second. The Senate should restore the $4.7 million cut in the health professions scholarship program.

Third. The Senate should restore $5.5 million in scholarship aid for nurses. It should also add an additional $4.6 million in loan money, so that the amount for loans will at least be equal to the loan money available in 1969.

Fourth. The Senate should fund the full authorization of $10 million for graduate public health traineeships, instead of $8 million—the budget request—which has remained the same since 1967.

Fifth. The Senate should fund the full authorization for the nursing and allied health traineeships.

Sixth. The Senate should fund the full authorization of $117 million for educational improvement grants, rather than accept the $101.4 million budget request.

Seventh. The Senate should fund the full authorization of $35 million for nursing institutional aid rather than accept the $7 million budget request.

Eighth. The Senate should fund the full authorization of all health manpower construction programs.

Ninth. The Senate should fund the full authorization of the allied health institutional aid program.

Tenth. The Senate should adequately fund formula project grants for schools of public health.

Mr. President, I made these recommendations because of the increasing severity of the health manpower situation in the Nation. As I said in my remarks before the subcommittee, when the Health Manpower Act of 1968 was passed, the committee reports indicated that we need 52,000 doctors now, but are producing only 9,000 a year. We need 141,000 more nurses today. We will need an additional 18,000 dentists by 1973. And the need for allied health personnel, given the advent of new medical technology, is almost overwhelming.

Our medical schools are in deep financial trouble. Our schools of nursing, urged by Congress to become more efficient and produce more nurses, have begun to do so, only to see their expectations disappointed and their Federal funds cut, rather than increased to meet the need. Equally serious, aid for allied health professions is almost nonexistent.

Mr. President, during my testimony I also placed in the hearing record several letters from associations of schools of the health professions. They show the probable drastic impact of the President's budget requests and the House action upon their schools and their students. Because of the importance of this matter, I now call them to the attention of my colleagues in the Senate.

In addition, I placed in the hearing record a series of tables which showed the severe impact of the budget requests for loans and scholarships on schools and students. What is truly remarkable is that in nearly every case—though school enrollments increase—the amount of loan and scholarship aid goes down.

In fact, fiscal year 1970 will find student loan support at its lowest ebb in the past 3 years. For example, in medical schools across the Nation in 1968, 37 percent of the students were assisted by loans, but in 1970 only 19 percent of them will be assisted, a reduction of almost 50 percent. Ironically, this decline is occurring at the very time when a major effort is being made to recruit disadvantaged students into all of our health professions.

Mr. President, the tables provide a school-by-school breakdown of the loan and scholarship crisis in our schools of medicine, dentistry, osteopathy, optometry, pharmacy, and veterinary medicine.

I ask unanimous consent that the tables be printed in the RECORD, as well as the group of letters I mentioned from the association of schools of the health professions.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

AMERICAN OSTEOPATHIC ASSOCIATION,
*December 1, 1969.*

Hon. EDWARD M. KENNEDY,
*U.S. Senate,*
*Washington, D.C.*

SIR: Today we are experiencing a contradiction in federal policy concerning health care needs in our country. On the one hand, we hear the federal cry for more health manpower to meet the growing health care needs in the United States; on the other, the very institutions that are trying to eliminate part of the problem are being handicapped by a cut in urgently needed funds.

We are concerned about the shortage of physicians in general, and family physicians, in particular, and the handicap which this places on our progress toward our national health goals.

According to a recent survey by H.E.W., our five osteopathic colleges graduated two times as many family physicians as the ninety-seven medical schools in the United States. It is this vital source of needed manpower that is being discouraged by a cut in funds.

The result of a recent study shows that a substantial portion of our osteopathic students come from the lower-middle and disadvantaged groups in our country. These groups who can least afford curtailment of funds are bearing the brunt of the recent cut in the student loan programs. More specifically, the number of students in each of our osteopathic schools affected: [1]

College of Osteopathic Medicine (Des Moines): 38 critically affected, 45 seriously (22% of student body).

Kirksville College of Osteopathy & Surgery: 177 students.

Kansas City College of Osteopathy & Surgery: 300 students.

Chicago College of Osteopathy: 100 students.

Philadelphia College of Osteopathic Medicine: 18 students critically affected, 100 students seriously affected.

Michigan College of Osteopathic Medicine: 15% of the entering class.

Each year our osteopathic colleges strive to increase enrollment, thus increasing health manpower in the United States. Yet, the funds are not available in proportion to our rate of growth. Last year, for example, Kansas City College had $203,300 in student loans available to its students. This year with a 10% increase in enrollment, the funds have fallen to $96,544 or a 60% decrease. Kirksville College suffered a reduction in funds of $170,738 last year to $101,967 this year.

Our schools generally find that banks, in spite of their federally authorized subsistence in interest rates, are reticent to make loans available to the students so affected. In some instances the acquisition of a loan is impossible unless the family or close friends will give them special help or have substantial funds in the banks where loans are sought.

This drastic curtailment in grants for construction and supplemental education puts three of our colleges in such severe financial straits as to seriously affect their accreditation status, because they will not be in a position to move ahead with required programs and construction commensurate with their additional student body.

We most urgently request your most careful attention to the solutions of these problems which are so vitally affecting the total program of medical education.

We are most grateful for this opportunity in making a statement for a last ditch effort in attempting to recoup the cut in funds which are so seriously affecting us all.

Very truly yours,

ROY J. HARVEY, D.O.

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AMERICAN ASSOCIATION OF COLLEGES OF PHARMACY,
*December 1, 1969.*

Hon. EDWARD M. KENNEDY,
*Old Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR KENNEDY: It is the purpose of this statement to provide information on the effects on schools of pharmacy of the proposed Federal funding for the health professions.

First, it should be stated that the effects of the proposed cuts in funding for health programs can be assessed only in the months ahead, just as the benefits derived from full funding can be determined only after a period of time. The full impact of the proposed decrease in the loan funds will not be known until the second half of the year. In many cases there have been sufficient funds to meet the needs of the students requesting funds in September, 1969, but it is expected that those who have a need for funds in the second semester will, in many instances, be unable to obtain them through the health professions program. The guaranteed loan program is not expected to fulfill the need.

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[1] "Critically affected" means that the students will probably be forced to leave school. "Seriously affected" means that the students will be able to complete their work only with serious efforts devoted to obtaining extra income. All other students will not receive funds, but will probably be able to find, with some difficulty, funds to continue. The total listed here are all those who requested funds, but will not receive them.

Three schools of pharmacy have construction projects approved but not funded and three other schools have projects pending review. These will require $2.2 and $6.2 million, respectively, in Federal funds. While these requirements are small, the significant fact is that they are a part of the total projects (those approved and unfunded and those pending review) from all health professions which require about $487 million of Federal funds against a proposed appropriation of $170 million.

Beginning with FY 1970, schools of pharmacy will be eligible for institutional and special project grants. Thus, for the first time our schools will be eligible to receive the broad Federal assistance provided by institutional funds and to compete for funds for special projects. These sources of assistance will provide funds urgently needed in strengthening the total program of the schools.

The proposed appropriation of $46.5 million for institutional grants will provide $9.8 million for pharmacy, and the $49.9 million for special project grants will provide about $38.8 million for continuation of grants previously made to schools of the health professions (this does not include schools of pharmacy or veterinary science) and only $12 million for new projects to all of the health professions.

The need for special project funds for pharmacy is evidenced by the fact that 64 of 73 schools have submitted applications, and the total request for the first year is expected to be at least $9 million. It is apparent, therefore, that the full funding of the program to the authorized $117 million rather than the proposed appropriation of $96.4 million is urgently needed to provide increased funds for institutional grants and special project grants for pharmacy and the other health professions.

There is a continuing need for National Institutes of Health research grant funds for pharmacy as well as for the other health professions. With about 75 per cent of all research funds for pharmacy being provided by Federal sources (primarily NIH), it is urgent that such funds continue to be provided at the 1969 level. This is a major source of funds for training graduate students who, in turn, staff the faculties of our schools and the research laboratories of industry. The fact that schools of pharmacy had about 120 staff vacancies in September, 1969, emphasizes the need for funds to assist in advanced training of personnel.

There is an increasing requirement for pharmacists as manpower output in other health disciplines is expanded. There were nearly 1.2 billion prescriptions filled in 1968, an increase of about 83 million over 1967. It has been estimated that pharmacists will be called on to fill 3.1 billion prescriptions by 1978.

The pharmacist to population ratio of 68:100,000 in 1951 has declined to 61:100,000 in 1968 in the face of increasing demands by the public for the delivery of health services. With a ratio of at least 61.2:100,000 deemed essential, there is a current need for 6,000 graduates a year, whereas in 1969 schools of pharmacy graduated but 4,255. Thus, every effort must be made to increase enrollments and to strengthen and expand both undergraduate and graduate programs. Full funding of the programs of the Bureau of Health Professions Education and Manpower Training is an essential first step to this end. This was expressed to Senator Warren G. Magnuson in a letter dated October 27, 1969.

Enclosed with this statement is a table giving the loan allocations and scholarship allocations made by the Bureau of Health Professions Education and Manpower Training for fiscal years 1968–1970.

Sincerely yours,

CHARLES W. BLIVEN,
*Executive Secretary.*

HEALTH PROFESSIONS STUDENT LOAN PROGRAM AND EDUCATION EXPENSE—PHARMACY

| Fiscal year | Amount requested | Amount allocated | Percent of request | Participating schools: Number | Participating schools: Enrollment | Number of students assisted | Percent of students assisted | Average loan | Educational expense[2] |
|---|---|---|---|---|---|---|---|---|---|
| 1968 | $1,972,803 | $1,810,357 | 91.7 | 48 | 10,025 | 2,105 | 21 | $771 | $3,601 |
| 1969 | 2,054,645 | 2,019,517 | 98.2 | 51 | 10,907 | 2,541 | 23 | 758 | 3,778 |
| 1970 | [1] 2,356,458 | [1] 1,797,219 | [1] 76.0 | 53 | 13,021 | 2,325 | 18 | 773 | 4,008 |

[1] Estimated.
[2] Tuition, fees, books and supplies, equipment, room and board, and personal expenses per student.

SUMMATION OF HEALTH PROFESSIONS STUDENT LOAN AND HEALTH PROFESSIONS SCHOLARSHIP ALLOCATIONS, FISCAL YEARS 1968–70—SCHOOLS OF PHARMACY

[Fiscal years]

| Name of institution | Enrollments 1968 | Enrollments 1969 | Enrollments 1970 | Loan allocations 1968 | Loan allocations 1969 | Loan allocations 1970 | Scholarship allocations 1968 | Scholarship allocations 1969 | Scholarship allocations 1970 |
|---|---|---|---|---|---|---|---|---|---|
| Auburn University | 226 | 225 | 245 | 0 | 25,920 | 8,640 | 31,909 | 56,700 | 48,500 |
| Stanford University | | | 260 | 0 | 0 | 25,650 | 0 | 0 | 34,200 |
| University of Arizona | 217 | 210 | 218 | 32,000 | 36,000 | 36,000 | 24,600 | 42,800 | 43,600 |
| University of Arkansas | 129 | 134 | 139 | 63,734 | 59,276 | 30,088 | 16,410 | 27,000 | 27,800 |
| University of the Pacific | 285 | 396 | 457 | 129,055 | 149,448 | 98,925 | 27,898 | 51,000 | 91,400 |
| University of California | 337 | 327 | 342 | 56,000 | 69,210 | 74,031 | 31,544 | 28,704 | 68,400 |
| University of Southern California | 417 | 411 | 412 | 170,000 | 199,424 | 89,184 | 36,467 | 63,467 | 80,000 |
| University of Colorado | 112 | 124 | 122 | 22,000 | 23,396 | 12,600 | 11,852 | 24,100 | 18,700 |
| University of Connecticut | 231 | 216 | 212 | 0 | 9,900 | 0 | 28,080 | 50,000 | 42,400 |
| Howard University | 110 | 204 | 210 | 0 | 13,176 | 12,136 | 29,721 | 24,000 | 14,060 |
| Florida A. & M. University | 64 | 74 | 101 | 18,000 | 36,000 | 21,862 | 12,764 | 19,000 | 20,200 |
| University of Florida | 237 | 214 | 245 | 0 | 0 | 23,933 | 43,761 | 58,800 | 49,000 |
| Mercer University | 193 | 212 | 216 | 20,000 | 30,000 | 32,750 | 24,980 | 30,200 | 32,850 |
| University of Georgia | 406 | 425 | 465 | 0 | 0 | 0 | 67,465 | 93,000 | 93,000 |
| Idaho State University | 106 | 109 | 131 | 15,000 | 24,960 | 28,356 | 14,040 | 23,800 | 26,200 |
| University of Illinois | 380 | 603 | 598 | 45,000 | 50,400 | 78,615 | 53,789 | 50,000 | 56,000 |
| Butler University | 105 | 112 | 132 | 0 | 0 | 0 | 15,499 | 24,500 | 26,400 |
| Purdue University | 311 | 451 | 450 | 31,000 | 14,670 | 6,750 | 41,938 | 64,000 | 76,500 |
| Drake University | 169 | 179 | 193 | 36,000 | 37,800 | 41,777 | 23,521 | 35,200 | 38,600 |
| University of Iowa | 178 | 278 | 305 | 58,000 | 24,219 | 12,753 | 24,433 | 38,000 | 38,000 |
| University of Kansas | 151 | 180 | 178 | 27,000 | 34,200 | 36,000 | 20,786 | 34,000 | 35,600 |
| University of Kentucky | 155 | 170 | 185 | 36,000 | 17,000 | 8,500 | 20,057 | 30,000 | 25,000 |
| Northeast Louisiana State College | 394 | 399 | 426 | 40,000 | 45,000 | 55,000 | 54,833 | 75,000 | 80,000 |
| Xavier University | 47 | 66 | 75 | 23,000 | 34,125 | 14,785 | 10,029 | 17,000 | 15,000 |
| University of Maryland | 143 | 154 | 168 | 18,000 | 15,300 | 12,600 | 17,322 | 29,800 | 10,000 |
| Massachusetts College of Pharmacy | 323 | 623 | 623 | 0 | 0 | 0 | 40,479 | 65,000 | 62,000 |
| Northeastern University | 145 | 297 | 312 | 29,000 | 45,630 | 30,960 | 22,245 | 33,000 | 61,950 |
| Ferris State College | 258 | 271 | 285 | 18,000 | 25,200 | 22,500 | 32,821 | 33,750 | 35,000 |
| University of Michigan | 91 | 173 | 197 | 13,000 | 11,340 | 12,150 | 11,305 | 7,500 | 16,000 |
| Wayne State University | 127 | 143 | 163 | 10,000 | 5,490 | 8,820 | 16,410 | 21,300 | 16,500 |
| University of Minnesota | 252 | 287 | 304 | 27,000 | 36,900 | 65,805 | 31,909 | 57,000 | 60,800 |
| University of Mississippi | 221 | 240 | 288 | 99,000 | 47,092 | 62,342 | 30,268 | 52,000 | 57,600 |
| St. Louis College of Pharmacy | 265 | 269 | 272 | 0 | 42,300 | 49,995 | 32,274 | 55,200 | 54,400 |
| University of Missouri | 120 | 183 | 195 | 32,000 | 35,047 | 42,210 | 15,681 | 24,600 | 24,800 |
| University of Montana | 101 | 92 | 117 | 0 | 0 | 0 | 14,952 | 20,000 | 23,400 |
| Creighton University | 104 | 138 | 150 | 18,000 | 18,000 | 27,000 | 16,046 | 23,600 | 30,000 |
| University of Nebraska | 176 | 236 | 236 | 0 | 0 | 0 | 29,174 | 15,000 | 7,401 |
| Rutgers, the State University | 138 | 282 | 340 | 0 | 0 | 0 | 20,969 | 15,000 | 23,400 |
| University of New Mexico | 95 | 113 | 120 | 0 | 0 | 0 | 12,764 | 18,724 | 21,570 |
| Columbia University | 177 | 199 | 210 | 0 | 0 | 0 | 25,527 | 36,600 | 42,000 |
| Fordham University | 137 | 173 | 120 | 0 | 0 | 0 | 20,057 | 29,000 | 24,000 |
| Brooklyn College of Pharmacy | 268 | 232 | 234 | 0 | 0 | 0 | 8,000 | 37,900 | 66,400 |
| St. John's University | 198 | 185 | 160 | 22,000 | 22,500 | 17,200 | 30,086 | 25,000 | 25,000 |
| Albany College of Pharmacy | 243 | 412 | 393 | 0 | 0 | 0 | 31,180 | 46,200 | 67,000 |
| State University of New York | 152 | 173 | 196 | 77,568 | 0 | 0 | 21,333 | 36,400 | 39,200 |
| University of North Carolina | 302 | 359 | 382 | 0 | 0 | 0 | 35,191 | 73,000 | 93,850 |
| North Dakota University | 240 | 421 | 500 | 90,000 | 90,000 | 21,404 | 37,379 | 49,500 | 48,510 |
| Ohio Northern University | 93 | 127 | 161 | 22,000 | 46,000 | 34,851 | 16,228 | 28,400 | 32,200 |
| Ohio State University | 179 | 173 | 198 | 16,000 | 16,200 | 4,500 | 25,163 | 41,000 | 39,600 |
| University of Cincinnati | 170 | 278 | 291 | 15,000 | 0 | 5,000 | 27,351 | 34,600 | 58,200 |
| University of Toledo | 81 | 98 | 117 | 13,000 | 12,300 | 600 | 11,305 | 14,600 | 11,000 |

SUMMATION OF HEALTH PROFESSIONS STUDENT LOAN AND HEALTH PROFESSIONS SCHOLARSHIP ALLOCATIONS, FISCAL YEARS 1968–70—SCHOOLS OF PHARMACY—Continued

[Fiscal years]

| Name of institution | Enrollments | | | Loan allocations | | | Scholarship allocations | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1968 | 1969 | 1970 | 1968 | 1969 | 1970 |
| Southwestern State College | 331 | 354 | 403 | 90,000 | 135,000 | 87,236 | 44,673 | 74,400 | 80,600 |
| University of Oklahoma | 155 | 227 | 240 | 0 | 0 | 0 | 27,351 | 46,000 | 48,000 |
| Oregon State University | 216 | 237 | 252 | 31,000 | 43,200 | 38,540 | 29,903 | 26,400 | 42,500 |
| Duquesne University | 99 | 107 | 105 | 11,000 | 15,840 | 12,600 | 13,311 | 21,000 | 21,000 |
| Philadelphia College of Pharmacy | 312 | 351 | 350 | 120,000 | 97,000 | 75,763 | 43,761 | 66,000 | 68,400 |
| Temple University | 183 | 197 | 222 | 25,000 | 47,326 | 48,054 | 30,086 | 42,400 | 44,000 |
| University of Pittsburgh | 149 | 166 | 176 | 6,000 | 21,915 | 9,450 | 22,792 | 31,000 | 26,000 |
| University of Rhode Island | 85 | 228 | 252 | 13,000 | 17,100 | 8,532 | 18,234 | 21,200 | 20,050 |
| Medical College of South Carolina | 96 | 82 | 90 | 3,000 | 2,985 | 6,435 | 13,128 | 19,200 | 18,000 |
| University of South Carolina | 135 | 196 | 200 | 0 | 0 | 22,500 | 19,145 | 27,940 | 40,000 |
| South Dakota State University | 168 | 174 | 184 | 0 | 0 | 0 | 3,000 | 10,400 | 10,500 |
| University of Tennessee | 275 | 294 | 294 | 0 | 0 | 0 | 35,738 | 56,600 | 58,800 |
| Texas Southern University | 153 | 164 | 180 | 0 | 0 | 0 | 22,792 | 34,000 | 36,000 |
| University of Houston | 334 | 323 | 410 | 27,000 | 67,500 | 74,250 | 39,385 | 71,400 | 82,000 |
| University of Texas | 412 | 386 | 386 | 0 | 0 | 0 | 31,909 | 43,200 | 55,000 |
| University of Utah | 163 | 191 | 205 | 0 | 0 | 0 | 20,057 | 35,000 | 35,000 |
| Medical College of Virginia | 210 | 234 | 195 | 18,000 | 22,050 | 34,200 | 26,074 | 32,000 | 33,000 |
| University of Washington | 201 | 221 | 239 | 0 | 0 | 0 | 22,792 | 37,000 | 37,600 |
| Washington State University | 123 | 127 | 146 | 0 | 0 | 30,591 | 15,134 | 18,000 | 29,200 |
| West Virginia University | 130 | 147 | 176 | 55,000 | 48,855 | 38,097 | 17,504 | 29,800 | 35,200 |
| University of Wisconsin | 397 | 455 | 485 | 36,000 | 65,700 | 53,100 | 53,789 | 57,500 | 56,000 |
| University of Wyoming | 64 | 64 | 78 | 0 | 0 | 0 | 8,388 | 15,200 | 15,600 |
| University of Puerto Rico | 189 | 213 | 229 | 34,000 | 31,623 | 14,402 | 27,351 | 30,403 | 35,540 |
| Total | 14,340 | 17,188 | 18,546 | 1,810,357 | 2,019,517 | 1,725,422 | 1,886,142 | 2,730,586 | 3,061,181 |

AMERICAN ASSOCIATION OF COLLEGES OF PODIATRIC MEDICINE,
*December 2, 1969.*

Hon. EDWARD M. KENNEDY,
*U.S. Senate, Old Senate Office Building, Washington, D.C.*

DEAR SENATOR KENNEDY: The American Association of Colleges of Podiatric Medicine and the American Podiatry Association are gravely concerned with the effects that the recent cutbacks in health appropriations will have on podiatric education and the other recognized health professions.

The attached fact sheet for student loans from the Health Professions Educational Assistance Act clearly points-up the severity of the problem. For the 1968–69 academic year, 304 students received $307,101, an average loan of $1,010 per student. For the 1969–70 academic year, 360 students will receive $156,286, an average loan of $483.13 per student. Further translated this year's loan funds for podiatry students represent a gross cutback of 49.1% or a 56.6% cut per student recipient.

In the 1968–69 academic year the colleges of podiatric medicine pointed out that, without the student loans, one-half of the student body would either have been totally unable to continue their podiatric education or would have been forced to seek less desirable forms of educational assistance. As the accompanying fact sheet reveals, the effect on podiatric education this year poses serious ramifications for podiatric education.

The American Association of Colleges of Podiatric Medicine urges the United States Senate to seriously evaluate the disastrous effects these cutbacks will have on providing the needed health manpower necessary to meet the health needs of our nation.

Very truly yours,

ROBERT W. OLIVER,
*Executive Director.*

H.P.E.A.A. STUDENT LOANS FACT SHEET

| College | 1968–69 requested | 1968–69 funded | Number of students | 1969–70 requested | 1969–70 funded | Number of students |
|---|---|---|---|---|---|---|
| Ohio | ($228,000) | $144,213 | 138 | ($198,000) | $73,165 | 165 |
| Pennsylvania | (120,134) | 75,790 | 62 | (140,800) | 38,097 | 64 |
| California | (130,000) | 87,098 | 104 | (141,480) | 45,024 | 131 |
| Total | (478,134) | 307,101 | 304 | (480,280) | 156,286 | 360 |

NOTES

1968–69: Requested $478,134 to support 304 students; received $307,101 (64.2 percent), averaging $1,010.20 per student.
1969–70: Requested $480,280 to support 360 students; will recieve $156,286 (32.5 percent), averaging $438.13 per student.
Total funds for 1969–70 equals 50.9 percent of those in 1968–69, equals 49.1-percent cut.
Dollar support per student for 1969–70 equals 42.4 percent of 1968–69 equals 56.6-percent cut per student.

AMERICAN VETERINARY MEDICAL ASSOCIATION,
*December 2, 1969.*

Senator EDWARD M. KENNEDY,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR: This is in response to your inquiry on the effects of the proposed Federal funding for health professions education and manpower training programs.

Education in the health professions is long and expensive. Without financial aid, only those students from well-to-do families can afford this education.

Veterinary medical students must complete a minimum of two years of preveterinary college training and an additional four years of professional training in a college of veterinary medicine to earn their Doctor of Veterinary Medicine degree. However, the average graduate veterinarian has studied more than seven years to earn his D.V.M. degree. It is not possible for the student to pursue a veterinary medical career unless he can call upon significant resources to defray his educational expenses. This situation is particularly severe for those students coming from the economically disadvantaged areas. Few of these potential students can hope to become veterinarians today unless low interest loan funds or scholarships are made available to them.

For a number of years, the American Veterinary Medical Association and Committees of the Congress have pointed out that the output of veterinarians is falling behind the minimum needs of the country. These same groups have formulated and supported programs to help alleviate this shortage. Funds are provided for the construction of facilities, for the improvement of training, for increasing enrollment, and for the conduct of research. These efforts must not be allowed to achieve less than their maximum productivity because of a shortage of funds for student support.

Community health, today, depends on the cooperative action of all disciplines in the health sciences. Added financial support of our undergraduate and graduate education programs must become available if we are to continue meeting even our minimum obligations. Recent studies conducted at several universities indicate that the cost of medical, dental, and veterinary education is identical.

Most students of the health professions are not searching for free gifts. They are, however, seriously looking for a source of funds that they can plan on having available during the required years of training, at interest rates and repayment schedules that will not seriously strain their abilities during their early career years.

Many veterinarians, at graduation, are approximately thirty years of age. Many are married and have children. If we are truly concerned with this segment of our society, and with the future strength of our medical science resources, the existing Health Professions Student Loan and Scholarship programs, as now constituted, must be continued and expanded.

The attached table indicates the effects of the proposed budget decreases in the veterinary student loan programs. The figures show that, for the three years in which veterinary colleges have been eligible for student loans, the number of veterinary colleges participating has increased, the number of students applying for help has increased, and the amount of money available has decreased.

Sincerely,

FRANK A. TODD, D.V.M.,
*Washington Representative.*

STUDENT LOANS

| Year | Number of schools applied | Enrollment |
|---|---|---|
| 1968 | 12 | 2,561 |
| 1969 | 14 | 3,774 |
| 1970 | 18 | 4,895 |

STUDENTS ASSISTED BY HEALTH PROFESSION LOANS

| Year | Percent | Average loan per student |
|---|---|---|
| 1968 | 31 | $1,184 |
| 1969 | 28 | 1,212 |
| 1970 [1] | 16 | 1,184 |

[1] Estimated.

| Year | Total requested | Total allocated | Percentage funded |
|---|---|---|---|
| 1968 | $1,291,900 | $1,154,786 | 89.3 |
| 1969 | 1,581,655 | 1,308,777 | 82.7 |
| 1970 | 1,703,333 | [1] 929,395 | 54.0 |

[1] Estimated.

| Year | Cost of veterinary education per student per year | Purpose |
|---|---|---|
| 1968 | $3,888 | Tuition, fees, board and room, books, supplies and equipment, and personal expenses. |
| 1969 | 4,087 | |
| 1970 | 4,253 | |

AMERICAN DENTAL ASSOCIATION,
*December 2, 1969.*

HON. EDWARD M. KENNEDY,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR KENNEDY: Attached is a brief statement relating to the urgent need for full-funding of the Health Manpower Act in order to alleviate the critical financial problems in dental education.

Sincerely yours,

HAL M. CHRISTENSEN,
*Director, Washington Office.*

STATEMENT OF AMERICAN DENTAL ASSOCIATION

This is a brief statement on the severe financial needs of this nation's dental schools and the consequent necessity for full-funding of the Health Manpower Act.

The statement presupposes a knowledge of the vast unmet need for dental care among lower income groups and the existing and projected shortage of professional and auxiliary dental manpower.

In the last two years two dental schools, St. Louis University (Mo.) and Loyola University (New Orleans) have announced the closing of their dental schools for financial reasons.

Six additional schools can be identified which are confronted with the possibility of closing in the near future unless additional financial support is forthcoming.

At least 20 other schools are in extremely serious financial difficulty. Most of these schools are other than public supported institutions.

Last year, dental schools had average operating deficits in the neighborhood of $1,000,000 representing the difference between tuition and clinic income and the actual cost of education.

In order to reduce these deficits and keep many of the existing schools in operation, increased funding for the institutional grant program under the Health Professions Educational Assistance Act is imperative.

The six schools referred to above represent a total of 365 first-year dental student places that are in danger of being lost at a time when the dentist to population ratio is declining and when millions of federal-state dollars are being spent to build additional new schools.

With respect to dental school construction funds, there is a current backlog of existing applications of about $51 million. The House bill appropriates $23.6 million.

The situation with regard to student assistance also is of serious proportions, particularly if the amounts requested by the administration and the House action are allowed to stand.

Fifty-two dental schools have requested $10.8 million for student loans in fiscal year 1970. Only $3.6 million will be available for dental students—34 per cent of the amount requested.

The $3.6 million will assist 2,900 dental students (19 per cent of enrollment) as against 6,375 students who received loan assistance in fiscal 1969.

It should be noted that the effect of the House action in transferring $4.8 million from scholarships to loans does not increase the number of students who can be helped but merely changes the mechanism of support. Moreover, the reduction of scholarship support falls most heavily upon freshman students from low-income families. The total effect of the House action could deny scholarship support to over 4,000 health professions students if the schools were to continue to assist students on the same basis as in fiscal 1969.

It should be obvious from the foregoing brief and cursory description of the problems just in dental education that failure of Congress to appropriate the full amounts authorized under the Health Professions Educational Assistance Act would be a grave and perhaps irretrievable mistake.

The manpower shortage is at the heart of this country's health care problem. Full-funding of authorized programs to relieve this shortage is the very least that Congress can and should contribute in the best interests of all our people.

AMERICAN OPTICAL ASSOCIATION,
*December 1, 1969.*

HON. EDWARD M. KENNEDY,
*U.S. Senate,*
*Washington, D.C.*

DEAR MR. KENNEDY: Attached, in accordance with your request, is a statement describing the impact on the schools and colleges of optometry of the House-passed HEW appropriations bill for Fiscal Year 1970.

I hope this information will be of interest to you.

Cordially,

SPURGEON B. EURE, O.D.,
*President, Association of Schools and College of Optometry.*

IMPACT OF HOUSE-PASSED APPROPRIATIONS BILL ON SCHOOLS OF OPTOMETRY

LOANS

Shock and dismay are the only terms adequate to describe the reactions expressed by members of the Association of Schools and Colleges of Optometry and the optometric community to the recent announcement of cutbacks in the student loan program authorized by the Health Professions Educational Assistance Act. The loan fund for health professions students will be reduced from $26-million in fiscal year 1969 to $15-million in fiscal year 1970. Allocations for fiscal year 1970 average only 31.8% of the amounts requested by schools and colleges of optometry.

Severe cutbacks in student loan allocations to schools and colleges of optometry come at the very time our schools are seeking methods of increasing by some 41% the number of students to be assisted by these loans. During fiscal year 1969, 739 students, or 33% of all optometry students, were aided by this program. Requests for fiscal year 1970 were based on the need for increasing to 1041 the number of students who could be helped toward completion of their courses of professional education. Imposition of the extreme reductions seriously impairs the student loan program for optometry students.

The attached table illustrates the severity of the loan fund cutback and the discrepancies between the amounts of loan assistance requested by each optometry school and the amounts allocated by the Department of Health, Education and Welfare.

The meager $4.8 million loan fund increase over the Administration request, if passed and eventually allocated, would still fall short of the amounts needed.

SCHOLARSHIPS

The House-passed bill, reducing by 30% the amount of the scholarship fund, would have a disastrously confusing effect on the financial assistance programs of the schools of optometry. The money has already been allocated to the schools by HEW and much of it has already been awarded to students in need of help. If the House-passed bill prevails, optometry schools could be forced to give back to the Federal treasury approximately $150,000.

CONSTRUCTION

The House-passed bill allows only $118,100,000 for construction assistance to health professions schools, including optometry schools, instead of the $170,000,000 authorized by the Health Manpower Act of 1968.

This very important program should not be under-funded, but should be utilized to the fullest. Since the inception of the construction assistance program, five schools of optometry have been awarded assistance in the total amount of $5,137,307 which provided for an increase of 157 first-year optometry students. Six more schools are expected to apply in the near future.

INSTITUTIONAL SUPPORT

In Fiscal Year 1969, eight optometry schools received Special Project Grants totaling $1,685,485. In Fiscal Year 1970, all 11 optometry schools have applied for Special Project Grants.

In Fiscal Year 1969, all ten schools received Institutional (Basic Improvement) Grants totaling $1,480,500. In Fiscal Year 1970, many more health professions schools will be eligible for these grants, and therefore, each school's proportion of the total amount will decrease.

For these reasons, it is important that the Institutional Support appropriation be fully-funded. The House-passed bill would appropriate only $101,400,000 of the $117,000,000 authorized for the health professions schools, including optometry schools.

SCHOOLS OF OPTOMETRY—LOANS

| Number of schools | Fiscal year | Amount |
|---|---|---|
| 9 | 1965 | $302,161 |
| 9 | 1966 | 493,362 |
| 10 | 1967 | 869,782 |
| 10 | 1968 | 856,113 |
| 10 | 1969 | 886,332 |
| 10 | 1970 | 515,581 |

| School | Fiscal year 1970 requested | Fiscal year 1970 allotted |
|---|---|---|
| Los Angeles | $135,400 | $51,302 |
| Berkeley | 70,020 | 38,097 |
| Illinois | 385,000 | 66,239 |
| Indiana | 149,490 | 43,076 |
| Massachusetts | 10,800 | 10,800 |
| Ohio State | 39,600 | 39,600 |
| Pacific | 106,700 | 52,384 |
| Pennsylvania | 414,000 | 93,946 |
| Southern | 260,000 | 72,732 |
| Houston | 49,500 | 47,405 |
| Total | 1,620,510 | 515,581 |

Note: Loan funds for the 1969-70 school year are allotted from the fiscal year 1970 budget.

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970

| Medical school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| Medical College of Alabama: | | | |
| Loans | $157,064 | $72,300 | −$84,764 |
| Scholarships | 50,000 | 69,800 | +19,800 |
| Total | 207,064 | 142,100 | −64,964 |
| University of Arizona: | | | |
| Loans | 30,461 | 27,708 | −2,753 |
| Scholarships | 12,800 | 25,600 | +12,800 |
| Total | 43,261 | 53,308 | +10,047 |
| University of Arkansas: | | | |
| Loans | 192,285 | 88,103 | +104,182 |
| Scholarships | 54,625 | 81,400 | +26,775 |
| Total | 246,910 | 169,503 | −77,407 |
| Loma Linda University: | | | |
| Loans | 175,151 | 81,609 | −93,542 |
| Scholarships | 46,800 | 61,000 | +14,200 |
| Total | 221,951 | 142,609 | −79,342 |
| University of California—Irving: | | | |
| Loans | 125,175 | 54,334 | −70,841 |
| Scholarships | 35,200 | 50,200 | +55,841 |
| Total | 160,375 | 104,534 | −55,841 |
| Stanford University: | | | |
| Loans | 158,492 | 76,846 | −81,646 |
| Scholarships | 40,800 | 57,400 | +16,600 |
| Total | 199,292 | 134,246 | −65,046 |
| University of California—Davis: | | | |
| Loans | 22,845 | 21,646 | −1,199 |
| Scholarships | 9,600 | 20,000 | +10,400 |
| Total | 32,445 | 41,646 | +9,201 |
| University of California—La Jolla: | | | |
| Loans | 22,845 | 21,430 | −1,415 |
| Scholarships | 9,600 | 19,800 | +10,200 |
| Total | 32,445 | 41,230 | +8,785 |
| University of California—Los Angeles: | | | |
| Loans | 186,574 | 97,410 | −89,164 |
| Scholarships | 64,400 | 90,000 | +25,600 |
| Total | 250,974 | 187,410 | −63,564 |
| University of California—San Francisco: | | | |
| Loans | 212,000 | 114,729 | −97,271 |
| Scholarships | 78,000 | 105,227 | +27,227 |
| Total | 290,000 | 219,956 | −70,044 |
| University of Southern California: | | | |
| Loans | 136,598 | 65,806 | −70,792 |
| Scholarships | 43,400 | 60,800 | +17,400 |
| Total | 179,998 | 126,606 | −53,392 |
| University of Colorado: | | | |
| Loans | 168,487 | 86,587 | −81,900 |
| Scholarships | 54,800 | 80,000 | +25,200 |
| Total | 223,287 | 166,587 | −56,700 |
| University of Connecticut: | | | |
| Loans | 14,277 | 13,637 | −640 |
| Scholarships | 6,000 | 12,600 | +6,600 |
| Total | 20,277 | 26,237 | +5,960 |
| Yale University: | | | |
| Loans | 167,535 | 78,578 | −88,957 |
| Scholarships | 52,600 | 68,800 | +16,200 |
| Total | 220,135 | 147,378 | −72,757 |
| Georgetown University: | | | |
| Loans | 218,939 | 103,039 | −115,900 |
| Scholarships | 70,000 | 95,200 | +25,200 |
| Total | 288,939 | 198,239 | −90,700 |
| George Washington University: | | | |
| Loans | 197,520 | 94,163 | −103,357 |
| Scholarships | 59,875 | 81,075 | +21,200 |
| Total | 257,395 | 175,238 | −82,157 |
| Howard University: | | | |
| Loans | 196,568 | 90,050 | −106,518 |
| Scholarships | 42,000 | 72,640 | +30,640 |
| Total | 238,568 | 162,690 | −75,878 |

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

| Medical school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| University of Florida: | | | |
| Loans | $112,525 | $54,118 | −$58,407 |
| Scholarships | 36,000 | 48,000 | +12,000 |
| Total | 148,525 | 102,118 | −46,107 |
| University of Miami: | | | |
| Loans | 159,920 | 78,578 | −81,342 |
| Scholarships | 48,000 | 68,000 | +20,000 |
| Total | 207,920 | 146,578 | −61,342 |
| Emory University: | | | |
| Loans | $135,000 | 65,373 | −69,627 |
| Scholarships | 46,000 | 60,400 | +14,400 |
| Total | 181,000 | 125,773 | −55,227 |
| Medical College of Georgia: | | | |
| Loans | 95,931 | 89,401 | −6,530 |
| Scholarships | 47,900 | 76,000 | +28,100 |
| Total | 143,831 | 165,401 | +21,570 |
| University of Hawaii: | | | |
| Loans | 24,887 | 16,235 | −8,652 |
| Scholarships | 11,600 | 15,000 | +3,400 |
| Total | 36,487 | 31,235 | −5,252 |
| Chicago Medical School: | | | |
| Loans | 43,966 | 49,710 | +5,744 |
| Scholarships | 43,600 | 61,200 | +17,600 |
| Total | 87,566 | 110,910 | +23,344 |
| Loyola University: | | | |
| Loans | 178,958 | 87,020 | −91,578 |
| Scholarships | 58,000 | 80,400 | +22,400 |
| Total | 236,598 | 167,420 | −69,178 |
| Northwestern University: | | | |
| Loans | 262,250 | 122,305 | −139,945 |
| Scholarships | 82,400 | 113,000 | +30,600 |
| Total | 344,650 | 235,305 | −109,345 |
| University of Chicago: | | | |
| Loans | 145,166 | 71,002 | −74,164 |
| Scholarships | 46,400 | 65,600 | +19,200 |
| Total | 191,566 | 136,602 | −54,964 |
| University of Illinois: | | | |
| Loans | 202,500 | 169,716 | −32,784 |
| Scholarships | 80,000 | 126,400 | +46,400 |
| Total | 282,500 | 296,116 | +13,616 |
| Indiana University: | | | |
| Loans | 375,531 | 193,318 | −182,213 |
| Scholarships | 120,000 | 178,000 | +58,000 |
| Total | 495,531 | 371,318 | −124,213 |
| University of Iowa: | | | |
| Loans | 236,549 | 107,151 | −129,398 |
| Scholarships | 74,000 | 98,000 | +24,000 |
| Total | 310,549 | 205,151 | −105,398 |
| University of Kansas: | | | |
| Loans | 230,362 | 108,235 | −122,127 |
| Scholarships | 65,000 | 90,000 | +25,000 |
| Total | 295,362 | 198,235 | −97,127 |
| University of Kentucky: | | | |
| Loans | 145,643 | 67,971 | −77,672 |
| Scholarships | 47,600 | 62,800 | +14,900 |
| Total | 193,243 | 130,771 | −62,472 |
| University of Louisville: | | | |
| Loans | 176,103 | 79,660 | −96,443 |
| Scholarships | 56,000 | 72,000 | +16,000 |
| Total | 232,103 | 151,660 | −80,443 |
| Louisiana State University—New Orleans: | | | |
| Loans | 251,303 | 112,997 | −138,306 |
| Scholarships | 78,000 | 104,400 | +26,400 |
| Total | 329,303 | 217,397 | −111,906 |
| Tulane University: | | | |
| Loans | 245,116 | 111,697 | −133,419 |
| Scholarships | 78,400 | 103,200 | +24,800 |
| Total | 323,516 | 214,897 | −108,619 |

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

| Medical school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| Johns Hopkins University: | | | |
| Loans | $178,006 | $83,557 | −$94,449 |
| Scholarships | 57,000 | 77,200 | +20,200 |
| Total | 235,006 | 160,757 | −74,249 |
| University of Maryland: | | | |
| Loans | 225,000 | 116,892 | −108,108 |
| Scholarships | 71,000 | 99,000 | +28,000 |
| Total | 296,000 | 215,892 | −80,108 |
| Boston University: | | | |
| Loans | 105,300 | 71,651 | −33,649 |
| Scholarships | 45,800 | 66,200 | +20,400 |
| Total | 151,100 | 137,851 | −13,249 |
| Harvard Medical School: | | | |
| Loans | 277,005 | 122,954 | −154,051 |
| Scholarships | 83,400 | 111,200 | +27,800 |
| Total | 360,405 | 234,154 | −126,251 |
| Tufts University: | | | |
| Loans | 91,159 | 106,070 | +14,911 |
| Scholarships | 70,400 | 98,000 | +27,600 |
| Total | 161,559 | 204,070 | +42,511 |
| Michigan State University: | | | |
| Loans | 30,600 | 18,832 | −11,768 |
| Scholarships | 15,600 | 17,400 | +1,800 |
| Total | 46,200 | 36,232 | −9,968 |
| University of Michigan: | | | |
| Loans | 384,099 | 174,694 | −209,405 |
| Scholarships | 121,600 | 160,000 | +38,400 |
| Total | 505,699 | 334,694 | −170,005 |
| Wayne State University: | | | |
| Loans | 254,635 | 120,573 | −134,062 |
| Scholarships | 81,800 | 111,400 | +29,600 |
| Total | 336,435 | 231,973 | −104,462 |
| University of Minnesota: | | | |
| Loans | 205,200 | 141,355 | −63,845 |
| Scholarships | 99,400 | 130,600 | +31,200 |
| Total | 304,600 | 271,955 | −32,645 |
| University of Mississippi: | | | |
| Loans | 152,780 | 71,218 | −81,562 |
| Scholarships | 48,800 | 65,800 | +17,000 |
| Total | 201,580 | 137,018 | −64,562 |
| St. Louis University | | | |
| Loans | 220,842 | 105,420 | −15,422 |
| Scholarships | 72,000 | 94,000 | +22,000 |
| Total | 292,842 | 199,420 | −93,422 |
| University of Missouri: | | | |
| Loans | 171,819 | 77,496 | −94,323 |
| Scholarships | 51,000 | 68,000 | 17,000 |
| Total | 222,819 | 145,496 | −77,323 |
| Washington University: | | | |
| Loans | 173,247 | 81,176 | −92,071 |
| Scholarships | 56,200 | 75,000 | +18,800 |
| Total | 229,447 | 156,176 | −73,271 |
| Creighton University: | | | |
| Loans | 139,500 | 67,105 | −72,395 |
| Scholarships | 48,200 | 62,000 | +13,800 |
| Total | 187,700 | 129,105 | −58,595 |
| University of Nebraska: | | | |
| Loans | 85,500 | 84,638 | −862 |
| Scholarships | 34,000 | 53,000 | +19,000 |
| Total | 119,500 | 137,638 | +18,138 |
| Dartmouth Medical School: | | | |
| Loans | 45,000 | 22,945 | −22,055 |
| Scholarships | 20,200 | 21,200 | +1,000 |
| Total | 65,200 | 44,145 | −21,055 |
| New Jersey College of Medicine: | | | |
| Loans | 157,541 | 66,240 | −91,301 |
| Scholarships | 46,800 | 61,200 | +14,400 |
| Total | 204,341 | 127,440 | −76,901 |

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

| Medical school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| Rutgers—The State University: | | | |
| Loans | $9,788 | $6,612 | ..... |
| Scholarships | 6,400 | 6,400 | ..... |
| Total | 16,188 | 13,012 | ..... |
| University of New Mexico: | | | |
| Loans | 47,118 | 24,677 | −$22,441 |
| Scholarships | 16,600 | 22,800 | +6,200 |
| Total | 63,718 | 47,477 | −16,241 |
| Columbia University: | | | |
| Loans | 127,000 | 108,451 | −18,549 |
| Scholarships | 76,000 | 100,000 | +24,000 |
| Total | 203,000 | 208,451 | +5,451 |
| Cornell University: | | | |
| Loans | 72,000 | 76,846 | +4,846 |
| Scholarships | 52,500 | 70,000 | +17,500 |
| Total | 124,500 | 146,846 | +22,346 |
| Mount Sinai School of Medicine: | | | |
| Loans | 23,797 | 26,842 | +3,045 |
| Scholarships | 10,000 | 24,800 | +14,800 |
| Total | 33,797 | 51,642 | +17,845 |
| New York Medical College: | | | |
| Loans | 242,260 | 114,079 | −128,181 |
| Scholarships | 79,200 | 105,400 | +26,200 |
| Total | 321,460 | 219,479 | −101,981 |
| New York University: | | | |
| Loans | 206,762 | 116,027 | −90,735 |
| Scholarships | 78,000 | 107,200 | +29,200 |
| Total | 284,762 | 223,227 | −61,535 |
| State University of New York—Brooklyn: | | | |
| Loans | 198,000 | 167,766 | −30,234 |
| Scholarships | 116,000 | 155,000 | +39,000 |
| Total | 314,000 | 322,766 | +8,766 |
| State University of New York—Syracuse: | | | |
| Loans | 138,600 | 87,886 | −50,714 |
| Scholarships | 56,700 | 71,800 | +15,100 |
| Total | 195,300 | 159,686 | −35,614 |
| Albany Medical College: | | | |
| Loans | 133,742 | 62,127 | −71,615 |
| Scholarships | 42,200 | 57,400 | +15,200 |
| Total | 175,942 | 119,527 | −56,415 |
| State University of New York—Buffalo: | | | |
| Loans | 193,712 | 89,185 | −104,527 |
| Scholarships | 61,400 | 82,000 | +20,600 |
| Total | 255,112 | 171,185 | −83,927 |
| University of Rochester: | | | |
| Loans | 133,900 | 66,672 | −67,228 |
| Scholarships | 45,200 | 61,600 | +16,600 |
| Total | 179,100 | 128,272 | −50,828 |
| Yeshiva University: | | | |
| Loans | 192,285 | 96,545 | −95,740 |
| Scholarships | 61,600 | 89,200 | +27,600 |
| Total | 253,885 | 185,745 | −68,140 |
| Duke University: | | | |
| Loans | 56,500 | 75,114 | +18,614 |
| Scholarships | 50,600 | 67,600 | +17,000 |
| Total | 107,100 | 142,714 | +35,614 |
| University of North Carolina: | | | |
| Loans | 66,600 | 54,000 | −12,600 |
| Scholarships | 42,000 | 59,000 | +17,000 |
| Total | 108,600 | 113,000 | +4,400 |
| Bowman-Gray School of Medicine: | | | |
| Loans | 108,993 | 53,467 | −55,526 |
| Scholarships | 34,400 | 49,400 | +15,000 |
| Total | 143,393 | 102,867 | −40,526 |
| University of North Dakota: | | | |
| Loans | 29,000 | 20,564 | −8,436 |
| Scholarships | 16,250 | 19,000 | +2,750 |
| Total | 45,250 | 39,564 | −5,686 |

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

| Medical school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| Ohio State University: | | | |
| Loans | $135,000 | $134,643 | −$357 |
| Scholarships | 92,800 | 124,400 | +31,600 |
| Total | 227,800 | 259,043 | +31,243 |
| University of Cincinnati: | | | |
| Loans | 140,000 | 92,648 | −47,352 |
| Scholarships | 62,600 | 85,600 | +23,000 |
| Total | 202,600 | 178,248 | −24,352 |
| Western Reserve University: | | | |
| Loans | 167,059 | 77,927 | −89,132 |
| Scholarships | 52,800 | 72,000 | +19,200 |
| Total | 219,859 | 149,927 | −69,932 |
| University of Oklahoma: | | | |
| Loans | 196,568 | 95,678 | −100,890 |
| Scholarships | 62,000 | 88,400 | +26,400 |
| Total | 258,568 | 184,078 | −74,490 |
| University of Oregon: | | | |
| Loans | 167,059 | 76,629 | −90,430 |
| Scholarships | 25,000 | 16,000 | −9,000 |
| Total | 192,059 | 92,629 | −99,430 |
| Hahnemann Medical College: | | | |
| Loans | 207,038 | 96,111 | −110,927 |
| Scholarships | 67,000 | 88,800 | +21,800 |
| Total | 274,038 | 184,911 | −89,127 |
| Jefferson Medical College: | | | |
| Loans | 344,114 | 159,539 | −184,575 |
| Scholarships | 111,000 | 147,400 | +36,400 |
| Total | 455,114 | 306,939 | −148,175 |
| Pennsylvania State University: | | | |
| Loans | 41,881 | 32,685 | −9,196 |
| Scholarships | 17,600 | 30,200 | +12,600 |
| Total | 59,481 | 62,885 | +3,404 |
| Temple University: | | | |
| Loans | 164,162 | 127,932 | −36,230 |
| Scholarships | 85,000 | 118,200 | +33,200 |
| Total | 249,162 | 246,132 | −3,030 |
| University of Pennsylvania: | | | |
| Loans | 157,500 | 118,624 | −38,876 |
| Scholarships | 78,000 | 109,600 | +31,600 |
| Total | 235,500 | 228,224 | −7,276 |
| University of Pittsburgh: | | | |
| Loans | 152,863 | 88,318 | −64,545 |
| Scholarships | 63,200 | 81,600 | +18,400 |
| Total | 216,063 | 169,918 | −46,145 |
| Womens' Medical College: | | | |
| Loans | 118,035 | 51,951 | −66,084 |
| Scholarships | 37,600 | 48,000 | +10,400 |
| Total | 155,635 | 99,951 | −55,684 |
| Brown University: | | | |
| Loans | 9,518 | 4,112 | −5,406 |
| Scholarships | 4,000 | 3,800 | −200 |
| Total | 13,518 | 7,912 | 5,606 |
| Medical College of South Carolina: | | | |
| Loans | 45,000 | 67,500 | +22,500 |
| Scholarships | 48,000 | 48,000 | |
| Total | 93,000 | 115,500 | +22,500 |
| University of South Dakota: | | | |
| Loans | 46,166 | 20,563 | −25,603 |
| Scholarships | 19,400 | 19,000 | −400 |
| Total | 65,566 | 39,563 | −26,003 |
| Meharry Medical College: | | | |
| Loans | 131,837 | 65,372 | −66,465 |
| Scholarships | 45,600 | 60,400 | +14,800 |
| Total | 177,437 | 125,772 | −51,665 |
| University of Tennessee: | | | |
| Loans | 0 | 0 | |
| Scholarships | 119,334 | 148,800 | +29,466 |
| Total | 119,334 | 148,800 | +29,466 |

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

| Medical school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| Vanderbilt University: | | | |
| Loans | $110,420 | $50,652 | −$59,768 |
| Scholarships | 35,200 | 46,800 | +11,600 |
| Total | 145,620 | 97,452 | −48,168 |
| Baylor University: | | | |
| Loans | 155,913 | 74,464 | −81,449 |
| Scholarships | 51,200 | 68,800 | +17,600 |
| Total | 207,113 | 143,264 | −63,849 |
| University of Texas—Galveston: | | | |
| Loans | 224,238 | 131,179 | −93,059 |
| Scholarships | 88,000 | 93,080 | +5,080 |
| Total | 312,238 | 224,259 | −87,979 |
| University of Texas—Dallas: | | | |
| Loans | 116,100 | 91,565 | −24,535 |
| Scholarships | 56,000 | 75,000 | +19,000 |
| Total | 172,100 | 166,565 | −5,535 |
| University of Texas—San Antonio: | | | |
| Loans | 46,080 | 49,570 | +3,490 |
| Scholarships | 20,800 | 45,800 | +25,000 |
| Total | 66,880 | 95,370 | +28,490 |
| University of Utah: | | | |
| Loans | 124,699 | 56,281 | −68,418 |
| Scholarships | 38,400 | 52,000 | +13,600 |
| Total | 163,099 | 108,281 | −54,818 |
| University of Vermont: | | | |
| Loans | 85,500 | 54,333 | −31,167 |
| Scholarships | 36,200 | 45,000 | +8,800 |
| Total | 121,700 | 99,333 | −22,367 |
| Medical College of Virginia: | | | |
| Loans | 168,300 | 99,790 | −68,510 |
| Scholarships | 64,000 | 88,000 | +24,000 |
| Total | 232,300 | 187,790 | −44,510 |
| University of Virginia: | | | |
| Loans | 63,000 | 63,000 | |
| Scholarships | 45,000 | 66,000 | +21,000 |
| Total | 108,000 | 129,000 | +21,000 |
| University of Washington: | | | |
| Loans | 122,159 | 74,031 | −48,128 |
| Scholarships | 49,800 | 68,400 | +18,600 |
| Total | 171,959 | 142,431 | −29,528 |
| West Virginia University: | | | |
| Loans | 26,100 | 58,012 | +31,912 |
| Scholarships | 38,800 | 53,600 | +14,800 |
| Total | 64,900 | 111,612 | +46,712 |
| Marquette University: | | | |
| Loans | 195,616 | 90,049 | −105,567 |
| Scholarships | 63,400 | 83,200 | +19,800 |
| Total | 259,016 | 173,249 | −85,767 |
| University of Wisconsin: | | | |
| Loans | 192,760 | 89,400 | −103,360 |
| Scholarships | 62,000 | 82,600 | +20,600 |
| Total | 254,760 | 172,000 | −82,760 |
| University of Puerto Rico: | | | |
| Loans | 104,225 | 65,155 | −39,070 |
| Scholarships | 41,000 | 60,200 | +19,200 |
| Total | 145,225 | 125,355 | −19,870 |
| Louisiana State University—Shreveport: | | | |
| Loans | | 6,926 | +6,926 |
| Scholarships | | 6,400 | +6,400 |
| Total | | 13,326 | +13,326 |
| Medical College of Ohio: | | | |
| Loans | | 7,576 | +7,576 |
| Scholarships | | 7,000 | +7,000 |
| Total | | 14,576 | +14,576 |
| Grand total: | | | |
| Loans | 14,240,726 | 7,924,353 | −6,316,373 |
| Scholarships | 5,292,984 | 7,225,822 | +1,932,838 |
| Total | 19,533,710 | 15,150,175 | −4,383,535 |

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO DENTAL SCHOOLS, FISCAL YEAR 1969-70

| Dental school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| University of Alabama: | | | |
| Loans | $101,377 | $45,124 | −$56,353 |
| Scholarships | 29,500 | 40,000 | +10,500 |
| Total | 130,877 | 85,024 | −45,853 |
| Loma Linda University: | | | |
| Loans | 113,275 | 56,281 | −56,994 |
| Scholarships | 31,000 | 40,000 | +9,000 |
| Total | 144,275 | 96,281 | −47,994 |
| University of the Pacific: | | | |
| Loans | 144,689 | 73,165 | −71,524 |
| Scholarships | 42,000 | 67,600 | +25,600 |
| Total | 186,689 | 140,765 | −45,924 |
| University of California—Los Angeles: | | | |
| Loans | 143,260 | 78,577 | −64,683 |
| Scholarships | 54,400 | 72,600 | +18,200 |
| Total | 197,660 | 151,177 | −46,483 |
| University of California—San Francisco: | | | |
| Loans | 138,025 | 64,506 | −73,519 |
| Scholarships | 43,400 | 59,600 | +16,200 |
| Total | 181,425 | 124,106 | −57,319 |
| University of Southern California: | | | |
| Loans | 211,322 | 100,441 | −110,881 |
| Scholarships | 67,600 | 88,000 | +20,400 |
| Total | 278,922 | 188,441 | −90,481 |
| University of Connecticut: | | | |
| Loans | 8,566 | 7,141 | −1,425 |
| Scholarships | 3,600 | 6,600 | +3,000 |
| Total | 12,166 | 13,741 | +1,575 |
| Georgetown University: | | | |
| Loans | 192,760 | 90,266 | −102,494 |
| Scholarships | 63,600 | 83,400 | +19,800 |
| Total | 256,360 | 173,666 | −82,694 |
| Howard University: | | | |
| Loans | 151,352 | 72,948 | −78,404 |
| Scholarships | 50,000 | 67,400 | +17,400 |
| Total | 201,352 | 140,348 | −61,004 |
| Emory University: | | | |
| Loans | −152,305 | 70,351 | −81,954 |
| Scholarships | 48,600 | 65,000 | +16,400 |
| Total | 200,905 | 135,351 | −65,554 |
| Medical College of Georgia: | | | |
| Loans | | 5,194 | |
| Scholarships | | 4,800 | |
| Total | | 9,994 | +9,994 |
| Loyola University: | | | |
| Loans | 193,236 | 94,812 | −98,424 |
| Scholarships | 64,000 | 87,600 | +23,600 |
| Total | 257,236 | 182,412 | −74,824 |
| Northwestern University: | | | |
| Loans | 148,020 | 70,784 | −77,236 |
| Scholarships | 48,200 | +65,400 | +17,200 |
| Total | 196,220 | 136,184 | −60,036 |
| University of Illinois: | | | |
| Loans | 171,342 | 81,824 | −89,518 |
| Scholarships | 40,000 | 72,150 | +32,150 |
| Total | 211,342 | 153,974 | −57,368 |
| Indiana University: | | | |
| Loans | 183,717 | 85,505 | −98,212 |
| Scholarships | 58,200 | 79,000 | +20,800 |
| Total | 241,917 | 164,505 | −77,412 |
| University of Iowa: | | | |
| Loans | 110,420 | 49,786 | −60,634 |
| Scholarships | 35,600 | 46,000 | +10,400 |
| Total | 146,020 | 95,786 | −50,234 |
| University of Kentucky: | | | |
| Loans | 89,001 | 43,508 | −45,493 |
| Scholarships | 30,600 | 40,200 | +9,600 |
| Total | 119,601 | 83,708 | −35,893 |

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO DENTAL SCHOOLS, FISCAL YEAR 1969-70—Continued

| Dental school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| University of Louisville: | | | |
| Loans | $108,992 | $51,302 | −$57,690 |
| Scholarships | 36,000 | 46,050 | +10,050 |
| Total | 144,992 | 97,352 | −47,640 |
| Louisiana State University: | | | |
| Loans | 14,276 | 12,987 | −1,289 |
| Scholarships | 6,000 | 12,000 | +6,000 |
| Total | 20,276 | 24,987 | +4,717 |
| Loyola University: | | | |
| Loans | 81,388 | 25,110 | −56,278 |
| Scholarships | 22,400 | 23,200 | +800 |
| Total | 103,788 | 48,310 | −55,478 |
| University of Maryland: | | | |
| Loans | 188,000 | 91,781 | −96,219 |
| Scholarships | 60,800 | 84,000 | +23,200 |
| Total | 248,800 | 175,781 | −73,019 |
| Harvard University: | | | |
| Loans | 27,128 | 13,419 | −13,709 |
| Scholarships | 8,600 | 12,400 | +3,800 |
| Total | 35,728 | 25,819 | −9,909 |
| Tufts University: | | | |
| Loans | 195,616 | 91,998 | −103,618 |
| Scholarships | 62,800 | 85,000 | +22,200 |
| Total | 258,416 | 176,998 | −81,418 |
| University of Detroit: | | | |
| Loans | 147,544 | 71,434 | −76,110 |
| Scholarships | 48,000 | 64,000 | +16,000 |
| Total | 195,544 | 135,434 | −60,110 |
| University of Michigan: | | | |
| Loans | 177,529 | 87,668 | −89,861 |
| Scholarships | 56,800 | 81,000 | +24,200 |
| Total | 234,329 | 168,668 | −65,661 |
| University of Minnesota: | | | |
| Loans | 201,600 | 92,214 | −109,386 |
| Scholarships | 65,200 | 85,200 | +20,000 |
| Total | 266,800 | 177,414 | −89,386 |
| St. Louis University: | | | |
| Loans | 84,243 | 14,719 | −69,524 |
| Scholarships | 25,200 | 13,600 | −11,600 |
| Total | 109,443 | 28,319 | −81,124 |
| University of Missouri: | | | |
| Loans | 226,077 | 109,749 | −116,328 |
| Scholarships | 72,000 | 101,400 | +29,400 |
| Total | 298,077 | 211,149 | −86,928 |
| Washington University: | | | |
| Loans | 98,045 | 46,540 | −51,505 |
| Scholarships | 29,545 | 39,945 | +10,400 |
| Total | 127,590 | 86,485 | −41,105 |
| Creighton University: | | | |
| Loans | 83,025 | 43,076 | −39,949 |
| Scholarships | 29,800 | 39,800 | +10,000 |
| Total | 112,825 | 82,876 | −29,949 |
| University of Nebraska: | | | |
| Loans | 53,000 | 48,488 | −4,612 |
| Scholarships | 30,000 | 44,000 | +14,000 |
| Total | 83,100 | 92,488 | +9,388 |
| Fairleigh Dickinson University: | | | |
| Loans | 84,500 | 46,323 | −38,177 |
| Scholarships | 29,800 | 42,800 | +13,000 |
| Total | 114,300 | 89,123 | −25,177 |
| New Jersey College: | | | |
| Loans | 86,623 | 41,561 | −45,062 |
| Scholarships | 29,200 | 38,400 | +9,200 |
| Total | 115,823 | 79,961 | −35,862 |
| Columbia University: | | | |
| Loans | 69,487 | 35,283 | −34,204 |
| Scholarships | 24,600 | 32,600 | +8,000 |
| Total | 94,087 | 67,883 | −26,204 |

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO DENTAL SCHOOLS, FISCAL YEAR 1969-70—Continued

| Dental school | Fiscal 1969 (actual) | Fiscal 1970 (budget requested) | Difference |
|---|---|---|---|
| New York University: | | | |
| Loans | $325,553 | $149,147 | −$176,406 |
| Scholarships | 104,000 | 137,080 | +33,800 |
| Total | 429,553 | 286,947 | −142,606 |
| State University of New York: | | | |
| Loans | 136,120 | 63,207 | −72,913 |
| Scholarships | 43,600 | 58,000 | +14,400 |
| Total | 179,720 | 121,207 | −58,513 |
| University of North Carolina: | | | |
| Loans | 97,569 | 46,756 | −50,813 |
| Scholarships | 30,000 | 42,000 | +12,000 |
| Total | 127,569 | 88,756 | −38,813 |
| Ohio State University: | | | |
| Loans | 270,000 | 128,797 | −141,203 |
| Scholarships | 91,000 | 119,000 | +28,000 |
| Total | 361,000 | 247,797 | −113,203 |
| Western Reserve University: | | | |
| Loans | 123,270 | 62,126 | −61,144 |
| Scholarships | 39,000 | 57,400 | +18,400 |
| Total | 162,270 | 119,526 | −42,744 |
| University of Oregon: | | | |
| Loans | 151,828 | 69,918 | −81,910 |
| Scholarships | 49,400 | 64,000 | +14,600 |
| Total | 201,228 | 133,918 | −67,310 |
| Temple University: | | | |
| Loans | 239,403 | 113,644 | −125,759 |
| Scholarships | 79,600 | 100,400 | +20,800 |
| Total | 319,003 | 214,044 | −104,959 |
| University of Pennsylvania: | | | |
| Loans | 264,629 | 123,386 | −141,243 |
| Scholarships | 86,000 | 114,000 | +28,000 |
| Total | 350,629 | 237,386 | −113,243 |
| University of Pittsburgh: | | | |
| Loans | 205,134 | 92,647 | −112,487 |
| Scholarships | 60,000 | 85,600 | +25,600 |
| Total | 265,134 | 178,247 | −86,887 |
| Medical College of South Carolina: | | | |
| Loans | 12,150 | 14,935 | +2,785 |
| Scholarships | 9,400 | 13,800 | +4,400 |
| Total | 21,550 | 28,735 | +7,185 |
| Meharry Medical College: | | | |
| Loans | $63,776 | $32,469 | −$31,307 |
| Scholarships | 21,600 | 30,000 | +8,400 |
| Total | 85,376 | 62,469 | −22,907 |
| University of Tennessee: | | | |
| Loans | | | |
| Scholarships | 61,800 | 82,600 | +20,800 |
| Total | 61,800 | 82,600 | +20,800 |
| Baylor University: | | | |
| Loans | 159,300 | 86,586 | −72,714 |
| Scholarships | 60,000 | 80,000 | +20,000 |
| Total | 219,300 | 166,586 | −52,714 |
| University of Texas: | | | |
| Loans | 36,000 | 45,000 | +9,000 |
| Scholarships | 58,000 | 77,000 | +19,000 |
| Total | 94,000 | 122,000 | +28,000 |
| Medical College of Virginia: | | | |
| Loans | 144,689 | 69,486 | −75,203 |
| Scholarships | 42,000 | 43,000 | +1,000 |
| Total | 186,689 | 112,486 | −74,203 |
| University of Washington: | | | |
| Loans | | 68,836 | +68,836 |
| Scholarships | 48,000 | 63,600 | +15,600 |
| Total | 48,000 | 132,436 | +84,436 |
| West Virginia University: | | | |
| Loans | 81,000 | 47,189 | −33,811 |
| Scholarships | 32,000 | 43,600 | +10,800 |
| Total | 113,800 | 90,789 | −23,011 |
| Marquette University: | | | |
| Loans | 224,173 | 101,522 | −122,651 |
| Scholarships | 70,400 | 93,400 | +23,000 |
| Total | 294,573 | 194,922 | −99,651 |
| University of Pureto Rico: | | | |
| Loans | 63,300 | 31,386 | −31,914 |
| Scholarships | 20,600 | 29,000 | +8,400 |
| Total | 83,900 | 60,386 | −23,514 |
| Grand tota.: | | | |
| Loans | 6,777,734 | 3,360,802 | −3,416,932 |
| Scholarships | 2,354,245 | 3,164,945 | +810,700 |
| Total | 9,131,979 | 6,535,747 | −2,606,232 |

SUMMATION OF HEALTH PROFESSIONS STUDENT LOAN AND HEALTH PROFESSIONS SCHOLARSHIP ALLOCATIONS, FISCAL YEARS 1968-70

SCHOOLS OF OSTEOPATHY

| Name of institution | Enrollments | | | Loan allocations | | | Scholarship allocations | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1968 | 1969 | 1970 | 1968 | 1969 | 1970 |
| Chicago College of Osteopathy | 279 | 296 | 304 | 164,303 | 141,356 | 65,805 | 28,080 | 46,000 | 60,800 |
| College of Osteopathic Medicine and Surgery | 333 | 334 | 340 | 189,318 | 160,871 | 73,599 | 31,544 | 50,000 | 68,000 |
| Michigan College of Osteopathic Medicine | 0 | 0 | 16 | 0 | 0 | 3,463 | 0 | 0 | 3,200 |
| Kansas City College of Osteopathy | 427 | 433 | 466 | 241,622 | 203,706 | 96,544 | 40,479 | 66,200 | 89,200 |
| Kirsville College of Osteopathy | 394 | 405 | 415 | 223,998 | 191,808 | 89,833 | 38,108 | 62,200 | 83,000 |
| Philadelphia College of Osteopathic Medicine | 379 | 406 | 438 | 225,704 | 195,139 | 94,812 | 38,838 | 63,200 | 87,600 |
| Total | 1,812 | 1,874 | 1,959 | 1,044,945 | 892,880 | 424,055 | 177,049 | 287,600 | 391,800 |

SCHOOLS OF OPTOMETRY

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Los Angeles College of Optometry | 168 | 171 | 237 | 60,000 | 64,100 | 51,302 | 21,880 | 35,000 | 47,400 |
| University of California | 134 | 150 | 176 | 67,000 | 58,500 | 38,097 | 16,593 | 24,600 | 35,200 |
| Illinois College of Optometry | 269 | 294 | 306 | 166,009 | 141,833 | 66,239 | 39,020 | 59,600 | 61,200 |
| Indiana University | 124 | 166 | 199 | 71,065 | 79,959 | 43,076 | 14,952 | 27,000 | 39,800 |
| Massachusetts College of Optometry | 160 | 161 | 172 | 130,000 | 12,735 | 10,800 | 15,499 | 25,600 | 32,000 |
| Ohio State University | 172 | 182 | 191 | 27,000 | 54,000 | 39,600 | 17,687 | 29,000 | 38,200 |
| Pacific University | 172 | 192 | 242 | 80,000 | 84,520 | 52,384 | 23,157 | 34,600 | 43,400 |
| Pennsylvania College of Optometry | 348 | 398 | 434 | 216,039 | 190,380 | 93,946 | 39,749 | 62,000 | 86,000 |
| Southern College of Optometry | 277 | 316 | 336 | 120,000 | 152,305 | 72,732 | 38,291 | 64,000 | 67,200 |
| University of Houston | 183 | 204 | 219 | 36,000 | 45,000 | 47,405 | 21,698 | 32,000 | 43,800 |
| New schools for fiscal year 1970: University of Alabama | | | 24 | | | 5,194 | | | 9,994 |
| Total | 2,536 | 2,234 | 2,512 | 856,113 | 883,332 | 520,775 | 248,526 | 393,400 | 509,194 |

SCHOOLS OF PHARMACY

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Auburn University | 226 | 225 | 245 | 0 | 25,920 | 8,640 | 31,909 | 56,700 | 48,500 |
| Stanford University | | | 260 | 0 | 0 | 25,650 | 0 | 0 | 34,200 |
| University of Arizona | 217 | 210 | 218 | 32,000 | 36,000 | 36,000 | 24,600 | 42,800 | 43,600 |
| University of Arkansas | 129 | 134 | 139 | 63,734 | 59,276 | 30,088 | 16,410 | 27,000 | 27,800 |

SUMMATION OF HEALTH PROFESSIONS STUDENT LOAN AND HEALTH PROFESSIONS SCHOLARSHIP ALLOCATIONS, FISCAL YEARS 1968-70—Continued

SCHOOLS OF PHARMACY—Continued

| Name of institution | Enrollments | | | Loan allocations | | | Scholarship allocations | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1968 | 1969 | 1970 | 1968 | 1969 | 1970 |
| University of the Pacific | 285 | 396 | 457 | 129,055 | 149,448 | 98,925 | 27,898 | 51,000 | 91,400 |
| University of California | 337 | 327 | 342 | 56,000 | 69,210 | 74,031 | 31,544 | 28,704 | 68,400 |
| University of Southern California | 417 | 411 | 412 | 170,000 | 199,424 | 89,184 | 36,467 | 63,467 | 80,000 |
| University of Colorado | 112 | 124 | 122 | 22,000 | 23,396 | 12,600 | 11,852 | 24,100 | 18,700 |
| University of Connecticut | 231 | 216 | 212 | 0 | 9,900 | 0 | 28,080 | 50,000 | 42,400 |
| Howard University | 110 | 204 | 210 | 0 | 13,176 | 12,136 | 29,721 | 24,000 | 14,060 |
| Florida A. & M. University | 64 | 74 | 101 | 18,000 | 36,000 | 21,862 | 12,764 | 19,000 | 20,200 |
| University of Florida | 237 | 214 | 245 | 0 | 0 | 23,933 | 43,761 | 58,800 | 49,000 |
| Mercer University | 193 | 212 | 216 | 20,000 | 30,000 | 32,750 | 24,980 | 30,200 | 32,850 |
| University of Georgia | 406 | 425 | 465 | 0 | 0 | 0 | 67,465 | 93,000 | 93,000 |
| Idaho State University | 106 | 109 | 131 | 15,000 | 24,960 | 28,356 | 14,040 | 23,800 | 26,200 |
| University of Illinois | 380 | 603 | 598 | 45,000 | 50,400 | 78,615 | 53,789 | 50,000 | 56,000 |
| Butler University | 105 | 112 | 132 | 0 | 0 | 0 | 15,499 | 24,500 | 26,400 |
| Purdue University | 311 | 451 | 450 | 31,000 | 14,670 | 6,750 | 41,938 | 64,000 | 76,500 |
| Drake University | 169 | 179 | 193 | 35,000 | 37,800 | 41,777 | 23,521 | 35,200 | 38,600 |
| University of Iowa | 178 | 278 | 305 | 58,000 | 24,219 | 12,753 | 24,433 | 38,000 | 38,000 |
| University of Kansas | 151 | 180 | 178 | 27,000 | 34,200 | 36,000 | 20,786 | 34,000 | 35,600 |
| University of Kentucky | 155 | 170 | 185 | 36,000 | 17,000 | 8,500 | 20,057 | 30,000 | 25,000 |
| Northeast Louisiana State College | 394 | 399 | 426 | 40,000 | 45,000 | 55,000 | 54,833 | 75,000 | 80,000 |
| Xavier University | 47 | 66 | 75 | 23,000 | 34,125 | 14,785 | 10,029 | 17,000 | 15,000 |
| University of Maryland | 143 | 154 | 168 | 18,000 | 15,300 | 12,600 | 17,322 | 29,800 | 10,000 |
| Massachusetts College of Pharmacy | 323 | 623 | 623 | 0 | 0 | 0 | 40,479 | 65,000 | 62,000 |
| Northeastern University | 145 | 297 | 312 | 29,000 | 45,630 | 30,960 | 22,245 | 33,000 | 61,950 |
| Ferris State College | 258 | 271 | 285 | 18,000 | 25,200 | 22,500 | 32,821 | 33,750 | 35,000 |
| University of Michigan | 91 | 173 | 197 | 13,000 | 11,340 | 12,150 | 11,305 | 7,500 | 16,000 |
| Wayne State University | 127 | 143 | 153 | 10,000 | 5,490 | 8,820 | 16,410 | 21,300 | 16,500 |
| University of Minnesota | 252 | 287 | 304 | 27,000 | 36,900 | 65,805 | 31,909 | 57,000 | 60,800 |
| University of Mississippi | 221 | 240 | 288 | 99,000 | 47,092 | 62,342 | 30,268 | 52,000 | 57,600 |
| St. Louis College of Pharmacy | 265 | 269 | 272 | 0 | 42,300 | 49,995 | 32,274 | 55,200 | 54,400 |
| University of Missouri | 120 | 153 | 195 | 32,000 | 35,047 | 42,210 | 15,681 | 24,600 | 24,800 |
| University of Montana | 101 | 92 | 117 | 0 | 0 | 0 | 14,952 | 20,000 | 23,400 |
| Creighton University | 104 | 138 | 150 | 18,000 | 18,000 | 27,000 | 16,046 | 23,600 | 30,000 |
| University of Nebraska | 176 | 236 | 236 | 0 | 0 | 0 | 29,174 | 15,000 | 7,400 |
| Rutgers, the State University | 133 | 282 | 340 | 0 | 0 | 0 | 20,969 | 15,000 | 23,400 |
| University of New Mexico | 95 | 113 | 120 | 0 | 0 | 0 | 12,764 | 18,724 | 21,571 |
| Columbia University | 177 | 199 | 210 | 0 | 0 | 0 | 25,527 | 36,600 | 42,000 |
| Frodham University | 137 | 173 | 120 | 0 | 0 | 0 | 20,057 | 29,000 | 24,000 |
| Brooklyn College of Pharmacy | 263 | 232 | 234 | 0 | 0 | 0 | 8,000 | 37,900 | 66,400 |
| St. Johns University | 193 | 165 | 180 | 22,000 | 22,500 | 17,200 | 30,086 | 25,000 | 25,000 |
| Albany College of Pharmacy | 243 | 412 | 393 | 0 | 0 | 0 | 31,180 | 45,200 | 67,000 |
| State University of New York | 152 | 173 | 196 | 77,568 | 0 | 0 | 21,333 | 36,400 | 39,200 |
| University of North Carolina | 302 | 359 | 382 | 0 | 0 | 0 | 35,191 | 93,000 | 93,850 |
| North Dakota University | 240 | 421 | 500 | 90,000 | 90,000 | 21,404 | 37,379 | 49,500 | 48,510 |
| Ohio Northern University | 93 | 127 | 161 | 22,000 | 46,000 | 34,851 | 16,228 | 28,400 | 32,000 |
| Ohio State University | 179 | 173 | 198 | 16,000 | 16,200 | 4,500 | 25,163 | 41,000 | 39,600 |
| University of Cincinnati | 170 | 278 | 291 | 15,000 | 0 | 5,000 | 27,351 | 34,600 | 58,200 |
| University of Toledo | 81 | 98 | 117 | 13,000 | 12,300 | 6,000 | 11,305 | 14,600 | 11,000 |
| Southwestern State College | 331 | 354 | 403 | 90,000 | 135,000 | 87,236 | 44,673 | 74,400 | 80,600 |
| University of Oklahoma | 155 | 227 | 240 | 0 | 0 | 0 | 27,351 | 46,000 | 48,000 |
| Oregon State University | 216 | 237 | 252 | 31,000 | 43,200 | 38,540 | 29,903 | 26,400 | 42,500 |
| Duquesne University | 99 | 107 | 105 | 11,000 | 15,840 | 12,600 | 13,311 | 21,000 | 21,000 |
| Philadelphia College of Pharmacy | 313 | 351 | 350 | 120,000 | 97,000 | 75,763 | 43,761 | 66,000 | 68,400 |
| Temple University | 183 | 197 | 222 | 25,000 | 47,326 | 48,054 | 30,086 | 42,400 | 44,000 |
| University of Pittsburgh | 149 | 166 | 176 | 6,000 | 21,915 | 9,450 | 22,792 | 31,000 | 26,000 |
| University of Rhode Island | 85 | 228 | 252 | 13,000 | 17,100 | 8,532 | 18,234 | 21,200 | 20,050 |
| Medical College of South Carolina | 96 | 82 | 90 | 3,000 | 2,985 | 6,435 | 13,128 | 19,200 | 18,000 |
| University of South Carolina | 135 | 196 | 200 | 0 | 0 | 22,500 | 19,145 | 27,940 | 40,000 |
| South Dakota State University | 168 | 174 | 184 | 0 | 0 | 0 | 3,000 | 10,400 | 10,500 |
| University of Tennessee | 275 | 294 | 294 | 0 | 0 | 0 | 35,738 | 56,600 | 58,800 |
| Texas Southern University | 153 | 164 | 180 | 0 | 0 | 0 | 22,792 | 34,000 | 36,000 |
| University of Houston | 334 | 323 | 410 | 27,000 | 67,500 | 74,250 | 39,385 | 71,400 | 82,000 |
| University of Texas | 412 | 386 | 386 | 0 | 0 | 0 | 31,909 | 43,200 | 55,000 |
| University of Utah | 163 | 191 | 205 | 0 | 0 | 0 | 20,057 | 35,000 | 35,000 |
| Medical College of Virginia | 210 | 231 | 195 | 18,000 | 22,050 | 34,200 | 26,074 | 32,000 | 33,000 |
| University of Washington | 201 | 221 | 239 | 0 | 0 | 0 | 22,792 | 37,000 | 37,600 |
| Washington State University | 123 | 127 | 146 | 0 | 0 | 30,591 | 15,134 | 18,000 | 29,200 |
| West Virginia University | 130 | 147 | 175 | 55,000 | 48,855 | 38,097 | 17,504 | 29,800 | 35,200 |
| University of Wisconsin | 397 | 455 | 485 | 36,000 | 65,700 | 53,100 | 53,789 | 57,500 | 56,000 |
| University of Wyoming | 64 | 64 | 78 | 0 | 0 | 0 | 8,388 | 15,200 | 15,600 |
| University of Puerto Rico | 189 | 213 | 229 | 34,000 | 31,623 | 14,402 | 27,351 | 30,403 | 35,540 |
| Total | 14,340 | 17,188 | 18,546 | 1,810,357 | 2,019,517 | 1,725,422 | 1,886,142 | 2,730,588 | 3,061,181 |
| **SCHOOLS OF PODIATRICS** | | | | | | | | | |
| California Podiatry College | 176 | 194 | 208 | 0 | 87,098 | 45,024 | 18,234 | 27,800 | 41,600 |
| Illinois College of Podiatry | 157 | 195 | 225 | 0 | 0 | 0 | 18,234 | 30,200 | 45,000 |
| J. Lewi College of Podiatry | 169 | 177 | 186 | 0 | 0 | 0 | 25,710 | 28,800 | 37,200 |
| Ohio College of Podiatry | 284 | 324 | 338 | 149,522 | 144,213 | 73,165 | 30,268 | 48,600 | 67,600 |
| Pennsylvania College of Podiatry | 131 | 154 | 176 | 85,278 | 74,723 | 38,097 | 16,410 | 24,600 | 35,200 |
| Total | 917 | 1,044 | 1,133 | 234,800 | 306,034 | 156,286 | 108,856 | 160,000 | 226,600 |
| **SCHOOLS OF VETERINARY MEDICINE** | | | | | | | | | |
| Auburn University | 382 | 383 | 392 | ---------- | 112,500 | 72,000 | 0 | 0 | 78,400 |
| Tuskegee Institute | 111 | 112 | 118 | 67,086 | 61,872 | 25,542 | 0 | 0 | 17,800 |
| University of California | 280 | 308 | 318 | 75,000 | 27,000 | 67,500 | 0 | 0 | 60,000 |
| Colorado State University | 276 | 281 | 296 | 155,775 | 29,015 | 64,074 | 0 | 0 | 58,000 |
| University of Georgia | ---------- | 250 | 251 | ---------- | ---------- | 18,000 | 0 | 0 | 50,000 |
| University of Illinois | 258 | 273 | 269 | 81,000 | 99,000 | 36,000 | 0 | 0 | 53,800 |
| Purdue University | 210 | 220 | 220 | 27,000 | 37,620 | 40,500 | 0 | 0 | 44,000 |
| Iowa State University | 285 | 290 | 300 | 141,796 | 136,120 | 64,939 | 0 | 0 | 60,000 |
| Kansas State University | 311 | 315 | 320 | ---------- | 150,400 | 69,268 | 0 | 0 | 64,000 |
| Michigan State University | 287 | 275 | 285 | 90,000 | 107,100 | 61,692 | 0 | 0 | 56,000 |
| University of Minnesota | 233 | 238 | 239 | 114,129 | 112,799 | 51,735 | 0 | 0 | 47,800 |
| University of Missouri | 186 | 220 | 230 | 81,000 | 100,800 | 37,800 | 0 | 0 | 46,000 |
| New York State College | ---------- | 231 | 232 | ---------- | ---------- | 18,000 | ---------- | 0 | 20,000 |
| Ohio State University | 316 | 316 | 333 | 72,000 | 108,000 | 63,000 | 0 | 0 | 66,600 |
| Oklahoma State University | 180 | 182 | 192 | 100,000 | 86,146 | 41,561 | 0 | 0 | 38,400 |
| University of Pennsylvania | 280 | 289 | 313 | 150,000 | 140,405 | 67,754 | 0 | 0 | 62,000 |
| Texas A. & M. University | ---------- | 379 | 384 | ---------- | ---------- | 45,000 | ---------- | 0 | 45,300 |
| Washington State University | ---------- | 187 | 203 | ---------- | ---------- | 43,942 | ---------- | ---------- | 40,000 |
| Total | 3,595 | 4,749 | 4,895 | 1,154,786 | 1,308,777 | 888,307 | 0 | 0 | 908,100 |

HEALTH PROFESSIONS STUDENT LOAN PROGRAM

PROGRAM SUMMARY

| Type of school | Number of participating schools | | | Total enrollment of participating schools | | | Number of students assisted | | | Percent of students assisted | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1968 | 1969 | 1970 [1] | 1968 | 1969 | 1970 [1] | 1968 | 1969 | 1970 [1] |
| Medical | 93 | 98 | 100 | 33,609 | 35,117 | 36,814 | 12,484 | 12,808 | 6,980 | 37 | 36 | 19 |
| Dental | 47 | 50 | 52 | 14,271 | 14,833 | 15,707 | 5,944 | 6,375 | 2,910 | 42 | 43 | 19 |
| Osteopathy | 5 | 5 | 6 | 1,819 | 1,876 | 1,959 | 977 | 1,050 | 425 | 54 | 56 | 22 |
| Optometry | 10 | 10 | 11 | 2,031 | 2,243 | 2,536 | 745 | 853 | 480 | 37 | 38 | 19 |
| Pharmacy | 48 | 51 | 53 | 10,025 | 10,907 | 13,021 | 2,105 | 2,541 | 2,325 | 21 | 23 | 18 |
| Podiatry | 2 | 3 | 3 | 425 | 643 | 722 | 211 | 303 | 150 | 50 | 47 | 21 |
| Veterinary medicine | 12 | 14 | 18 | 2,561 | 3,774 | 4,895 | 797 | 1,075 | 785 | 31 | 28 | 16 |
| Total | 217 | 231 | 243 | 64,741 | 69,393 | 75,655 | 23,263 | 25,005 | 14,055 | 36 | 36 | 19 |

| Type of school | Fiscal year 1968 amounts allocated | Fiscal year 1969 amounts allocated | Fiscal year 1970 [1] amounts allocated |
|---|---|---|---|
| Medical | $14,736,357 | $14,240,726 | $8,560,565 |
| Dental | 6,822,117 | 6,777,734 | 3,638,553 |
| Osteopathy | 1,044,946 | 892,880 | 459,576 |
| Optometry | 856,113 | 883,332 | 558,313 |
| Pharmacy | 1,810,357 | 2,019,517 | 1,797,219 |
| Podiatry | 234,800 | 306,034 | 169,379 |
| Veterinary Medicine | 1,154,786 | 1,308,777 | 929,395 |
| Total | 26,659,476 | 26,429,000 | 16,113,000 |
| Appropriation | (15,000,000) | (15,000,000) | (15,000,000) |
| Revolving fund | (11,659,476) | (11,429,000) | [2] (1,113,000) |

[1] Estimated.

[2] An estimated cash balance of $1,000,000 is on deposit. Should the amount of $957,000 requested in the fiscal year 1970 budget for payment of sales insufficiencies and interest losses be approved, this would free the cash balance in the fund to make a second allotment to schools. To date $15,000,000 has been awarded to the schools.

## HOW TO REVITALIZE THE RECLAMATION PROGRAM ADDRESS BY SENATOR LEN B. JORDAN BEFORE NATIONAL RECLAMATION ASSOCIATION

Mr. ALLOTT. Mr. President, during October the National Reclamation Association held its annual convention in Spokane, Wash. The distinguished Senator from Idaho (Mr. JORDAN), made a most important address. Senator JORDAN has consistently displayed his expertise and years of experience with important water matters in his work on the Committee on Interior and Insular Affairs.

In his Spokane address, Senator JORDAN points out that the reclamation program is more than simply an investment in water resources which produce economic benefits such as electric power and increased agricultural yields. It is an investment in people and the future. The added stability in the local economy resulting from such water resource developments is a stabilizing influence on the social fiber of the community.

Senator JORDAN reminds us that the reclamation program is 90-percent reimbursable, both for capital construction costs and for operation and maintenance. As such, reclamation investments are repaid to the Nation not only on a basis of returning the actual dollars invested, but also, and more importantly, by improving the quality of living in the immediate area.

Perhaps the most intriguing suggestion made in his address is to explore the potentialities for a greater Federal-State partnership role in water resource development. As States acquire greater engineering and administrative expertise, such a partnership can be expanded to the benefit of all concerned. There are several successful examples of this partnership, including the Boulder Canyon project.

Mr. President, I recommend Senator JORDAN'S imaginative address to Senators and to all others who are interested in water resource management.

I ask unanimous consent that his address, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HOW TO RE-VITALIZE THE RECLAMATION PROGRAM

(By Senator LEN B. JORDAN)

Many of you in my generation will remember reading a story, entitled, if I recall correctly, "Acres of Diamonds." The story concerns the experience of a man who searched the world for riches and then discovered, shortly before his death, that his own property at home was underlain with acres of diamonds.

I have had a similar experience during the past year, while trying to ascertain what we in the West can do to re-vitalize a sadly-sagging Reclamation program.

The decline of the Reclamation program, I am sure, will be thoroughly reviewed at this convention, so I will not bother to explore it further. Suffice it to say that this is a bipartisan problem that has surfaced during the past two years, and its arrest and solution requires the collective, non-partisan support of all of us.

During this agonizing re-appraisal of the problems facing public works programs, there has been considerable criticism of federal economy measures and the Bureau of the Budget. I rise in defense of my fellow economists and the Budget administrators who have to watch the temperature gauge on our economy and who have to make the hard decision on whether we as a Nation can afford prospective expenditures.

We need hard-nosed budget people. Without them, we today would be on the crest of a worsening inflationary spiral that, uncontrolled, could convert our currency into worthless paper and hurt all of us. Latest indications are that our heated-up economy is responding to the control program.

The decision made to curb expenditures, especially in the public works field, as an inflationary control, has caused all of us to re-examine our demands upon the Federal Treasury, and to review the Reclamation program and its economic justifications. Out of this re-appraisal—the first hard look at Reclamation since the 1930's—will come a new assessment of the regional and national benefits of this program, and a solid foundation for real advances during the decades ahead. Opportunity so frequently is found at the edge of trouble, if one is alert and persevering.

This opportunity lies in a proper appreciation and utilization of the Reclamation Fund in the authorization and funding of Reclamation projects. This Fund, in a sense, is the West's "acres of diamonds," an asset of tremendous value that has been relatively ignored by the advocates of a more adequate Reclamation program.

I daresay that there are few in this room who are aware that the annual revenues to the Reclamation Fund will reach $185,000,000 this fiscal year. Few also are aware that this Fund will reach an annual level of $330,000,000 in 20 years, and will return to the Treasury in those two decades about $5 billion, or an amount roughly equal to the authorized Reclamation construction backlog.

Based on this rate of growth, it appears to me that the Reclamation Fund has the potential of producing total revenues to the Treasury of nearly $20 billion over the next 50 years, the normal repayment period for Reclamation projects.

Some people have been advocating the creation of a West-wide Basin Fund for Reclamation, apparently without realizing that we already have such a fund with a built-in revenue capability of $20 billion, or nearly four times the present backlog of authorized Reclamation projects.

This $20 billion figure is merely an estimate. To get a true idea of the Fund's potential, we need to crank into a computer estimates of all sourcees of Reclamation Fund income, year by year for the next half of the century, and then revise the figures annually as revenues increase and new sources of income appear.

The Reclamation Fund receives revenues from public lands in the West, including a portion of the money derived from mineral land leasing in the States involved. This is the highest form of public thrift. It involves the utilization of revenues from a depleting resource to develop a renewable resource—water—which is absolutely basic to the economic development of the arid and semi-arid West. The Fund also includes revenues re-

ceived in the Treasury for repayment of the capital costs of facilities required to develop the water resources of the West. Some of the project returns to the Treasury, for example, represent the repayment of facilities built with revenues from the revolving Reclamation Fund that may have accrued originally several decades ago.

As a former Governor and a member of the Senate Interior Committee, I assert that we need to constantly remind the Congress of the present level of the annual returns to the Fund and the estimated total returns over the next 50 years of ensuing repayment periods.

The Congress is faced with demands for so many heavy one-way, out-of-pocket expenses that it looks favorably upon any program that requires reimbursability from its beneficiaries and can show returns over its repayment period greater than the obligations sought. Reclamation today is in that most favorable position, thanks to the foresighted 57th Congress which established the Reclamation Fund in 1902 and to subsequent Congresses which helped expand and maintain it.

Here then, are a few suggestions on what we can do to make better use of the Reclamation Fund, to better utilize what we have going for us in our relations with the Congress:

First, we must end discrimination against the Reclamation program.

It is ironic that the reductions made in public works spending in both Mr. Johnson's austerity budget and Mr. Nixon's revised budget cut disproportionately into the Reclamation program which not only is backed by a revolving fund, but also is reimbursable to a higher degree than any other federal water resource program.

I think a convincing case can be made that the minimum construction program of a Reclamation program should be at least equal to the annual revenues to the Reclamation Fund. By this yardstick, Reclamation appropriations for construction and rehabilitation in the fiscal year 1971 should be increased to $185 million which is $60 million over the 1970 budget and $44 million over the House Appropriations allowance for Reclamation construction this fiscal year.

In the same vein, I contend that all of us involved in the Reclamation program must stop labeling the interest-free aspects of the Reclamation programs as a "Subsidy." It is not a subsidy to decline to charge interest on appropriations advanced from a dedicated fund, on money that is already in the Treasury and does not have to be borrowed by the government. This policy was established by the Congress in 1902 when the Reclamation Fund was established and it has been followed ever since with regard to Reclamation appropriations allocated to irrigation development.

I recommend that reclamationists urge the proper Congressional Committees to take a critical look at the present use of Reclamation Fund revenues for project investigations, general administrative expense, and operation and maintenance—all standard allocations from the Fund in the annual Public Works Appropriations Acts. Funds for investigations and general administration of other federal water resource programs come out of the General Fund of the Treasury; but the reimbursable Reclamation program now takes these expenditures from its revolving construciton fund. This is discrimination. The revenues in the Reclamation Fund should be used as the Supreme Court has directed—for use in the construction of Reclamation facilities and continually invested and reinvested in the reclamation of the arid and semi-arid West.

Second, we should utilize the Reclamation Fund and its potential to increase Reclamation construction appropriations and reduce the impact of accelerating construction costs upon a reimbursable program.

The Reclamation program is 90 percent reimbursable, both for capital construction and operation and maintenance costs. Many otherwise commendable federal programs are financed by direct grants or their engineering works are built almost entirely at federal expense and the completed projects are operated and maintained at federal expense.

Without prejudging or depreciating these other programs, I think the federal government has an obligation to help keep costs to the minimum for reimbursable programs—and especially to the Reclamation Program which not only is reimbursable but also has the backing of an estimated $20 billion construction revolving fund.

To stretch out and defer construction of feasible and needed authorized projects adds materially to the ultimate repayable costs. At the presently accelerated construction cost rate, the total cost of a project can be increased by half in a relatively few years of delay. I would like to see the federal government avoid or reduce such cost increases in a reimbursable public works program by expediting construction.

The House Appropriations Committee last year took a look at the Reclamation project backlog and the current level of appropriations and recommended that the program be increased to $500 million annually until the backlog is eliminated. I think that suggestion has merit. Moreover, I think the Reclamation States can make a good case for a program on this level by showing that two-fifths of the supporting appropriations for a half-billion dollar annual program are already coming into the Reclamation Fund, and that the remaining $300 million annually could be regarded as advances against future Fund revenues, which can be plotted with great precision by modern computers.

An appropriation level of $500 million annually for the next decade could wipe out the existing Reclamation backlog of authorized projects, and that is the general level of operations the West should be demanding just as soon as economic and budgetary conditions warrant it.

Third, we must resist efforts to raid the Reclamation Fund by special interests seeking to finance other programs.

We in the Reclamation movement may not have recognized the real value of the Reclamation Fund, but other people have, and numerous suggestions have been made in recent years that resources of such funds be diverted to other uses.

I sincerely hope that 1969 can become known as the year we rediscovered the Reclamation Fund. I believe this is the largest resource development fund in the world. Certainly it is one of the oldest, and no other domestic program in this country has its counterpart for the development of water resources. It is a dedicated revolving tust fund, tested by adjudication and supported by annual Congressional actions over the past 67 years.

So much for what the Reclamation Fund is, how it came about and what we may expect from it in the future.

As reclamationists, it should be our purpose to make the best possible use of this fund for reclamation purposes. And this should not be construed to mean single purpose irrigation projects. We all know that a modern reclamation project is more likely to be a multi-purpose development in which many ancillary but separate benefits may be identified.

To be specific, the dam that impounds the water to supply the irrigation water delivery system for a reclamation project may be designed and built to serve other purposes as well. These other purposes include water for municipal and industrial use, power, flood control, navigation, recreation, fish and wildlife, and water quality control.

The several benefits may be further identified or classified as either being reimbursable or non-reimbursable.

Reimbursable project features have identifiable beneficiaries and economic planning assigns to these beneficiaries a proportional share of the project costs which may be allocated to that particular use. Reimbursable project benefits include irrigation water supply, power generation, and municipal and industrial water supply.

The non-reimbursable classification applies to project benefits so widespread as to not be readily assignable to any particular set of users. Into this category fall flood control, fish and wildlife enhancement, recreation, and water quality control. Navigation improvement, even though its beneficiaries may be identifiable, has always been included in this list of benefits which traditionally and with good reason, should be supported by general funds for the general welfare of all the people.

Let us return to those multi-purpose benefits which are reimbursable, namely irrigation, power, and municipal and industrial water supply. I see no reason why the specific beneficiaries of these uses might not join together in a joint venture and share the construction costs and the benefits of such a multi-purpose project.

This need not be totally or exclusively a federal project. Certainly the state in which such a project is located has a genuine interest. And what may be more important these days, the state may have a real advantage in obtaining construction funds in the securities market. Incidentally, I serve on the Finance Committee of the Senate where our chief present concern is writing up a tax reform bill. Even though the House bill that came to us had taken away the tax-exempt feature of municipal bond issues, it is my prediction that this position will not be sustained by the Congress. Our Senate Finance Committee has already agreed to retain the present status of municipals, a feature which will facilitate municipal and state borrowing.

Under the joint venture concept then, let us suppose that the state builds the dam, and that the entity, public or private, which has the power franchise for the area builds the mechanical equipment for the power generation and distribution. If the project is located in the West, the federal government could share in the effort by building, through the Reclamation Fund, irrigation canals and the distribution system. The federal government also would finance those non-reimbursable features which are for the common good.

This united effort would make a truly cooperative or partnership project, spreading the costs and the benefits among all the beneficiaries involved. From the standpoint of the Reclamation Fund, it stretches the money available for Reclamation development to the ultimate by bringing in other public and private entities to share the costs of the multiple-purpose development.

This type of a "partnership" approach to western resource development is not new. It goes back to the Boulder Canyon Project, the largest and most complex multiple-purpose water resource development in the world at the start of construction of Hoover Dam in the mid-1930's. Construction of this great dam was made possible when publicly-owned and privately-owned electric utilities agreed to finance, build and operate the generating plant and transmission system and guarantee a market for the power.

Another example is the State of California's $2 billion State Water Plan, currently under construction. The federal government advanced a flood control grant for the construction of Oroville Dam, and built the San Luis Dam and Canal for use jointly by the State and Federal Central Valley Project. This great California State project was emi-

nently eligible for construction as an extension of the Federal Reclamation project, but such authorization would have made demands on Reclamation financing equal to the entire Reclamation construction program during much of the past decade and beyond. This cooperative State-Federal project demonstrated that States now have ample sources of funds and engineering and administrative know-how to play a major role in resource development. This potentiality must be further explored and utilized and the end result will be accelerated construction of needed projects and a stretching-out of the benefits of Reclamation Financing.

An intriguing proposal of this type has been made in my State of Idaho. For many years we have been planning an extensive irrigation development in southwest Idaho. This proposed project, including a dam on the Snake River at the Guffey site, is presently in the investigation phase as a unit of the potential Southwest Idaho Water Development Project.

Without attempting to pre-judge a plan that is still under study by the State Water Resource Board, I believe that cooperative planning deserves careful consideration, not only by Idaho but also by other States of the Reclamation West. Here we have the making of a cooperative project, under which the State and local public and private entities can build the regulatory dams and hydropower plants, and the Bureau of Reclamation can build the irrigation system as part of its Southwest Idaho Water Development Project. This has the possibilities of reducing the demands by Idaho on the Reclamating Fund, accelerating a needed project in these days of federal public works cutbacks, and saving money for all the parties concerned. This, in my estimation, is sound area development of the type pioneered by Reclamation's Boulder Canyon Project, and I think it merits earnest consideration.

I firmly believe that a similar application of the partnership concept should be fully explored in the proposed Middle Snake development. Studies made by Idaho's Water Resource Board indicate beyond question that if Idaho is to realize its full reclamation potential, water must be imported to the Snake River Valley from other sources. That source is Idaho's own Salmon River.

Idaho is at the crossroads. Within three years Idaho must decide which direction to take—toward achieving high reclamation potential or settling for the status quo.

The stakes are high. Use of Salmon River water integrated with return flows from the Snake River by combination storage and pump back system could double the reclamation potential of Idaho.

Without Salmon River water, Idaho's reclamation will level off at less than 5 million acres. With supplemental water from the Salmon River in a fully "plumbed" system, Idaho's irrigated acreage could go as high as 10 million acres. It is for this reason that we in Idaho are so keenly interested in cooperative water development—efforts that will bring into force the resources of all economic interests and all levels of government.

With its wealth of water resources, its abundance of fertile farm land that requires only water to make it productive, and its progressive, hard-working people, Idaho faces a bright future in resource development. With its own resources, it has brought 2 million acres of land into production since Statehood. Aided by a reinvigorated Reclamation Fund—which has already contributed to the development of 1½ million irrigated federal project acres—it can help America grow and prosper in the challenging years ahead.

I believe that this partnership concept can be implemented without doing violence to another time-tested concept, namely, the use of power revenues to help water users meet allocated costs of a multi-purpose project which are beyond their repayment capability. The users of the energy derived from the falling water are also those who benefit from the development of needed water supplies. Hence this joint financing has long been recognized as mutually beneficial. And the fact that a partnership approach brings other resources into play enhances, rather than diminishes, the effectiveness of basin account operations.

In the mid-fifties I spent three years working on two of the most gigantic partnership water resource projects of all time. I refer to the St. Lawrence Seaway and Power Project and to the Columbia River Storage project. Each of these great projects involve a fine-tuned and hard-bargained joint venture that will serve as models of international cooperation in developing the greatest potential of international rivers for the joint benefit of two sovereign nations. Each of these projects was formalized by treaty. I am proud to have had a small part in these history making achievements. With this background is it any wonder that I believe in the partnership concept of resource development!

I recommend that we apply the lessons we have learned to further development of our land and water resources.

## VICE PRESIDENT AGNEW BREAKS THE ICE

Mr. DOLE. Mr. President, the Vice President's recent statements have received considerable attention on the editorial pages of the Nation's press. They have precipitated often vigorous debate in the Halls of Congress. Substantial treatment has been given Mr. AGNEW's remarks on television and radio. Many of these discussions have been devoted to the narrow short-range implications of the Vice President's comments, but an editorial published in the San Diego Union of November 26 brought a broad and clear focus to bear on the entire range of issues raised by these remarks and the responses they have generated.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VICE PRESIDENT BREAKS THE ICE

The Constitution of the United States of America does not say much about the duties of the vice president, except that he shall preside over the Senate and cast a tie-breaking vote.

Until recent years, history has set little precedent for practical conduct of the office.

When he was still a vice president, John Adams called it the "most insignificant office that ever the invention of man contrived or his imagination conceived." Congress actually considered paying Adams on a per diem basis for the days he presided over the Senate.

John Nance Garner called the vice presidency "almost entirely unimportant."

Harry S. Truman, who entered the presidency from the second highest executive post, said the vice presidency was "about as useful as a cow's fifth teat."

In more recent times, Vice President Spiro Agnew conceded initially that his name was not actually a household word. Earlier this year the Gridiron Club, an association of Washington reporters, depicted the vice president as a canary in a cage and satirically warbled: "He's only a bird in a gilded cage."

Many of the same newspapermen are singing a different song today. And Mr. Agnew is a household word on campuses, among the dissidents, politicians, pundits and the silent majority. Mr. Agnew's forthright assessments of the nation's problems has electrified and awakened the nation.

A number of subtleties and ironies are apparent in the wake of his comments.

Among the subtleties is the fact that President Nixon, who was a meaningful vice president under President Eisenhower, is determined to expand the importance of the office.

Among the ironies of the attacks upon Mr. Agnew for daring to speak up is the reaction of the vocal minority on the campus, which claims to be disaffected with the hypocrisy of adults and begs them to "tell it like it is." Mr. Agnew certainly is telling it like he thinks it is.

Even more ironic are the injured cries from the professional critics such as Senators Kennedy, McGovern and Fulbright who seem to have no revulsion for their own statements which tend to divide the nation. Senator Fulbright, who once said that the United States was drunk with the arrogance of power, has now even urged that the President stop Mr. Agnew from speaking out.

Or consider the visceral reaction to the vice president's remarks by the news media he has pinked with some pertinent insight. Newsmen, who have never hesitated to exercise their legitimate right to criticize public officials, now are lambasting Mr. Agnew simply for speaking up. The shoe on the other foot is a tight fit.

It is apparent in the last month that many of the words of the vice president are ideas whose time has arrived. He cannot be quieted by personal attacks nor will he disappear—which leaves critics with a major alternative.

Speak to the charges.

## ADDRESS BY FORMER SENATOR FRANK CARLSON AT MARYMOUNT COLLEGE, SALINA, KANS.

Mr. DOLE. Mr. President, I was recently visited by Sister Evangeline Thomas, of Marymount College, Salina, Kans. During our conversation, she mentioned the inspiring commencement address delivered at Marymount last year by the Honorable Frank Carlson, the distinguished former Senator from Kansas. Sister Evangeline has been kind enough to furnish a copy of Senator Carlson's remarks. I found them most timely and illustrative of the wisdom and insight he so devotedly brought to this body.

Mr. President, because I believe that Senators would find Senator Carlson's thoughts both welcome and rewarding, I ask unanimous consent that his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY SENATOR FRANK CARLSON, MARYMOUNT COLLEGE, SALINA, KANS., JUNE 1, 1969

Members of the 1969 graduating class of Marymount College, parents, faculty and friends:

I deeply appreciate this opportunity to participate in your commencement exercises. To me, it is a great privilege. I have always enjoyed meeting with graduates and their families on their red-letter day.

I enjoy it even more in this instance, in view of the unique and wonderful contribution that Marymount College has made to the State of Kansas and the nation.

I must mention that Marymount College is the outgrowth of the educational en-

deavors of the Sisters of Saint Joseph from Concordia—my hometown—in 1922.

Marymount was the first 4-year liberal arts college for women in Kansas and is now appoaching a half-century of devoted and dedicated service in the field of education.

Some years ago I was privileged to speak to the graduating class of Marymount and was introduced by the late Most Reverend Frank A. Thill, Bishop of Salina, who was not only a personal friend of mine but one whom I admired for his outstanding Christian example and service.

This is a proud and happy hour for those of you who are graduating. I hope that during this happy time you will take time to reflect on the future.

I want to talk with you very briefly about the challenges awaiting you and the opportunities that I sincerely hope that you will have to contribute to the making of a better nation and world.

Commencement addresses traditionally call for euphemistic and ringing statements about the bright future awaiting graduates —and the wonderful opportunities for leadership which are being placed in their hands. But, common sense tells us it is not that simple. We live in an era that poses massive problems and challenges for all of us. The actions that we take could well have fateful results for the future of this nation and the entire world.

The United States is today faced with tremendous problems. America is a nation in conflict—at home and abroad. Sometimes the way looks dark and the future looks black.

But—and here is an important fact to remember—our problems are those arising from success and not from failure.

It cannot be denied that we do face serious problems. We must face them with courage and solve them with wisdom. Only by so doing, can we bring this nation to its highest potential of greatness.

Only then, can our nation hope to fulfill its ultimate mission as the leader of freedom throughout the world.

Divisive elements are seeking our destruction. This we know, and we must be on our guard lest they be successful in setting neighbor against neighbor and brother against brother.

We need to remember that this is a growing and prosperous nation—and not a nation that is coming apart at the seams or on the brink of disaster.

Did you ever stop to think about what made the United States the truly great and powerful nation it is today? Few of us do, for we are so busy seeking the material blessings the nation provides and enjoying our luxurious standard of living that we do not take time to think where all those blessings came from.

Resources were an important element in the development of our nation and we have used them—developed them—and, hopefully, conserved most of them so they can be passed on to succeeding generations.

Perhaps climate was a factor in the development of a great nation on the North American Continent, but more important than either resources or climate have been the people of the nation.

The people represent the real key to the success and progress of the United States. Not just the people here today, but those who settled the nation and brought it through its first tedious years.

It was love of freedom that brought our first settlers to the nation and it was because our patriots loved freedom more than life itself that we were able to win the war for independence and establish our government within the framework of our Constitution.

It will be the love of freedom that will keep our nation great, for if individual Americans do not love freedom, we shall lose it. We know that every generation must rewin and preserve this heritage.

But even more than love for freedom, the key to our nation's greatness has been the development of a great spiritual awareness, love for—and worship of God.

As members of the class of 1969, you must assume responsibility for the preservation of this great heritage.

Two major challenges of this century must be met and conquered. One is the search for true peace. The other is the ultimate fulfillment of the national dream that is the basis for this nation's being—equality of opportunity for all of our citizens.

All of our other problems are either directly related to—or pale into insignificance—in comparison with these two. These are the areas in which both the challenges and the opportunities for leadership await you.

The immediate and overriding problem facing this nation—and indeed the entire world—is the issue of peace. Momentous questions of peace and war are with us and will be for some time to come.

For these are indeed fateful days. We are engaged in a world-wide struggle—without doubt the most widespread and crucial struggle that the world has ever known. This is a struggle which will ultimately determine whether man as an individual will retain his basic right of self-determination.

I firmly believe that what is at stake is the fate of civilization as we know it—if not the ultimate fate of the human race.

This struggle is a contest for men's minds. It is an ideological battle. It has its physical side—witness Vietnam—but more basically, it is a mental and spiritual conflict.

I would most fervently hope that the free world has learned one major lesson since the end of World War II—that is the fact that we cannot defeat Communism by force of arms alone—or even primarily. For communism is not simply a nation. It is not simply an army. It is not simply a nationalistic or political force. Rather, it is a system of ideas—an ideology [sic]—a philosophy of history.

We must, therefore, look upon our struggle with communism as an irreconcilable quarrel about the nature of man—of his universe—and of the God that created both. It is in this arena that we must fight and eventually win a lasting peace.

In many ways, this is a much more difficult battle to win that would be a direct military confrontation. It is a struggle in which our weapons must be primarily mental and spiritual.

This is a fantastically critical challenge which we pass on to you. But, your generation is our best hope—and what might be our last hope—to restore sanity to this world.

If I could have one wish granted, it would simply be this—that you young people could somehow, someway learn to live together in mutual understanding and respect with all of the people of this earth. [sic] This is the only sound road to peace. This has been the outstanding failure of the generations that have preceded you.

Now let us turn to the matter of achieving equality of opportunity for all of our citizens.

This nation can be rightfully proud of the way that it has accepted responsibility for leadership for the free world. Since World War II, we accepted and acted on the fact that we do indeed live in a world-wide community of nations. We have as a nation expended our time, our efforts and much in financial commitments to rebuild the ravaged nations after the war and to provide opportunity for the less fortunate and underdeveloped nations.

Now, recent events have forced us to look inward at problems within our own borders. Now a shocking question is being raised. Is the United States an underdeveloped nation? Most would immediately reply with a resounding No! This is the richest and most affluent nation that the world has ever seen. Just look at the evidence:

The nation's gross national product will top $900 billions this year.

We are rapidly approaching a median family income of over $8 thousand per year.

We own over 60 million automobiles—over 70 million television sets—over 600 billions in stocks.

How could anyone consider the United States an underdeveloped nation in the face of those facts?

However, there is another side to this picture. A side that we cannot avoid considering and that vitally concerns us all.

Within the framework of the astounding economic facts and figures which I listed, lies the following:

30 millions of our people are forced by their economic circumstances to live on incomes which are below the poverty level.

8.5 million dwellings in the U.S. are substandard by the most lenient of definitions.

Of our citizens over 25, one in 6 has less than an 8th grade education—one in 2 did not finish high school.

We face a massive task of rebuilding and revitalizing our cities—a job the experts tell us will take 20 years.

And we, who live in rural America, have been aware of severe economic problems for some time. Over 600,000 farmers left agriculture last year alone. The farmer's cost-price index is no longer a serious statistic, but representative of a real emergency. Many farmers are courting economic disaster.

The challenge that we face here is the development of a national mood and spirit in which each citizen is granted full equality of opportunity. And we cannot accomplish this through massive federal programs.

No one could deny the importance of governmental leadership to this problem. But, it is basically your job and my job. We will make real progress only when each of our citizens is treated by all others with the respect and dignity due each as a human being. This cannot be legislated. It can only be accomplished by action of individual citizens.

These then are the major challenges which your generation will be forced to meet. They must be met and solved. And, I repeat, your generation is the best hope that we have. As never before, you graduates are better equipped to meet the challenges laying ahead. As never before, you are well educated—well informed on major issues—and more concerned with the solutions which must be found.

And the opportunity for you to ascent to positions of leadership has never been better. The old guard is changing.

At an ever-increasing pace, the responsibility for leadership in this nation is placed in the hands of the young.

I must add one word of warning for the future. You will play a significant role in determining the direction of this leadership. I have recently been gravely concerned that we are moving in the direction of "government by demonstration". We have even had recent evidence that, as a nation, we may be turning to "government by violence".

If we cannot reverse this trend, I feel that we are in grave danger of losing our individual voice in our government.

We all know there is a better way. We all know that our system of government provides for better ways for citizens to redress their grievances. We must somehow return fully to our democratic processes.

And each of you will bear a heavy responsibility for the direction that the nation takes.

No matter what occupation or position you may aspire to, you as a citizen must bear a portion of the responsibility for providing leadership.

These then are the awesome challenges and responsibilities which my generation is pas-

sing on to you. I would sincerely hope that you learn from the mistakes that we have made in the past.

## REVENUE SHARING

Mr. BAKER. Mr. President, several days ago Dr. Richard P. Nathan, Assistant Director of the Bureau of the Budget, forwarded to me a copy of his address to the Council of State Governments in Lexington, Ky., on November 24.

Dr. Nathan's address deals primarily with the concept of revenue-sharing and with the Nixon administration's bill which I introduced several weeks ago with the co-sponsorship of 33 other Senators.

I have known Dr. Nathan for some time, now, and during his tenure at the Brookings Institution he was most helpful in counseling my staff and me on earlier revenue-sharing bills that I introduced, as well as on other matters. He is most intelligent, very able, and an excellent spokesman for the Nixon administration.

I ask unanimous consent that the text of his remarks, with which I am in total agreement, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REVENUE SHARING: CHANGING THE POLITICAL LANDSCAPE

(Address by Richard P. Nathan, Assistant Director, U.S. Bureau of the Budget, Council of State Governments, Lexington, Ky., November 24, 1969)

The idea of divided responsibility is fundamental to the American governmental system. The Nation's founders believed that the existence of more than one point at which a citizen can affect his government breathes life into our democracy and prevents any one institution from acquiring undue control over others.

Both the division of responsibility among the executive, legislative and judicial branches of the national government and the division of responsibilities among different levels of government have, over the years, assured a healthy pluralism in our national life.

Federalism—meaning the existence of different levels of government each responsible to the electorate—has three central virtues:

It provides opportunities for *participation* by individual citizens in governmental processes.

It permits *flexible action* to deal with different conditions and needs, consistent with the basic rights granted under the Constitution.

It allows scope for *innovation and creativity* at whatever level citizens apply their energy to the task of government.

A reassessment of American federalism is necessary today because recent trends have downgraded its importance.

### THE NEED FOR REFORM

The predominant direction of change in American government over the past three decades has been a movement toward central action. This can be traced to the need for a total national response to World War I, the depression of the '30's, and World War II.

Centralization has produced beneficial results in many fields. But in recent years this trend has become so powerful that other problem-solving alternatives have been virtually overlooked.

Former Senator Kenneth B. Keating of New York once characterized this pattern as *"the Washington reflex,"* which is ". . . you discover a problem, throw money at it, and hope that somehow it will go away." The net result of too many "Washington reflexive" actions has been the creation of problems of governmental rigidity and a loss of governmental flexibility.

Each narrowly targeted Federal grant program has its own interest group. And each group presses for support of its particular function, engaging the energies of administrators and legislators at all levels of government. Aptly termed "functional federalism," the resulting governmental arrangements have made it increasingly difficult for chief executives at the State and local levels to set and implement their own priorities. Functional federalism has brought with it:

A diminution in the initiating and innovative capacities of State and local governments;

A clouding of responsibility for action.

A decline in the interests in, and support for, local governing bodies, thus robbing them of the necessary spark for reform and self-renewal; and

Progressive incapacity to enforce priorities, at a time when resources are scarce and all institutions stand accused of lacking relevance.

The number of individual Federal grants, though not the best criterion for measuring complexity, is indicative of the almost frenetic legislative activity of the national government in the past five years. The number of activities receiving Federal aid increased from 239 (in 1964) to almost 400 in a two-year period. Current totals range from 500 activities receiving Federal aid to an astonishing, but not strictly comparable, 1,315.

The net result is a system which is unwieldy, difficult to monitor, confusing to recipients, and often inconsistent in application. It is difficult to adapt programs to State and local needs or to encourage grass roots innovation when decisions must be checked against detailed Federal regulations and cleared with Washington.

### MAJOR THEMES

To provide perspective on actions taken to overcome these problems, let me at this point summarize the unifying ideas of the domestic program of the Nixon Administration.

1. *Responsible decentralization.* The domestic policies of the Federal Government must be based on a current analysis of the appropriate roles of different levels of government and, in areas which are primarily State-local responsibilities, must support and strengthen leadership at the State and community levels in the solution of public problems.

2. *A strong concern with basic systems' reform.* The Administration has embarked upon basic reform in areas of government which are major responsibilities of the Federal Government—for example, welfare, the draft, the Post Office, and the tax system.

3. *An emphasis on the effective implementation of government policies.* Here, we are referring to management functions or to what might be defined broadly as the process of converting "good" intentions into good results.

### RESPONSIBLE DECENTRALIZATION

The first of these themes, *responsible decentralization,* is most pertinent to revenue sharing. The Nixon Administration came to office with a determination to strengthen leadership at *every* level of government.

Many citizens today, particularly the young, have lost confidence in the capacity of governmental institutions to give the individual an opportunity to speak his piece, to make a difference. Policies of the national government which reach out to strengthen the leadership and decisionmaking role of State and local governments can mean greater opportunities for the individual in his role as a citizen of a free society.

Revenue sharing is the keystone of responsible decentralization. Under President Nixon's proposed revenue sharing plan, Federal funds will flow to State and local governments to be used for purposes which they determine to be of highest priority. The President's proposal calls for revenue sharing with a first full-year effect of $1 billion, rising annually to $5 billion in the fifth year.

Revenue sharing is an economic as well as political reform. At the same time that it strengthens federalism by broadening the grant-in-aid system, it modifies the Nation's total tax system, placing greater reliance on the growth-elastic Federal income tax.

Consider these facts:

The traditional mainstays of State and local finances have been property and sales taxes. These taxes bear down most heavily on the poor and lag 40–50% behind the rate of growth in State-local expenditures.

The mainstays of the Federal Treasury are the personal and corporate income taxes. These taxes tend to be more equitable and grow rapidly, as much as 25–50% faster than the economy.

The cumulative impact of this pattern of taxation is illustrated by recent experience with State tax laws:

More than half of all State tax revenues during the 1950–67 period were the result of painful rate increases or the enactment of entirely new taxes.

Over 200 rate increases were required in major State taxes between 1959 and 1967.

More than four-fifths of the State legislatures which met early this year faced requests for tax rate increases.

### THE NIXON PROPOSAL

The new Administration devoted considerable effort in the early months of 1969 to developing its revenue sharing plan. A strong effort was made to secure the agreement of the principal supporters of the concept—States, cities, and counties, as well as members of the Congress.

Major features of the Nixon plan include:

1. *Predictability*—The amounts to be shared will be based on a specified percentage of the personal income tax base. This base (*not* "receipts"), displays almost uninterrupted and rapid growth in post-war years. Beyond that, the appropriation will be a "permanent, indefinite" one—the same kind used to pay interest on the public debt, symbolizing a national obligation of the highest order.

2. *Increasing scale*—Along with the natural growth in the base, the percentage applied to the base will grow in amount from one-sixth of 1% for the last half of fiscal year 1971, to 1% by fiscal year 1976. The absolute amounts will rise from $500 million for the last half of 1971, to over $5 billion by 1976. Payments will increase from roughly $2.50 per capita to about $23 per capita. (Table 1 shows the estimated growth in the total amount.) Thus, while the amount must be modest in the current fiscal setting, it will show impressive growth over time.

TABLE 1.—ESTIMATED FUNDING FOR REVENUE SHARING 1971–76

| Taxable income base (in billions) | Percentage for revenue sharing | Funds for revenue sharing (in billions) |
|---|---|---|
| $315 | 2/12 of 1 percent | $0.5 |
| $346 | 5/12 of 1 percent | 1.5 |
| $381 | 7/12 of 1 percent | 2.2 |
| $419 | 9/12 of 1 percent | 3.2 |
| $461 | 11/12 of 1 percent | 4.2 |
| $507 | 1 percent | 5.1 |

3. *Unfettered and objective*—The funds will not be tied to specific programs, processes, or requirements. The allocation of funds will be based on formulas prescribed by law and linked to data prepared on a

regular basis by the Bureau of the Census and the Office of Business Economics.

4. *Distribution on need and effort.* The amount to be shared with any given State will be based on State population, adjusted for relative tax effort. Tax effort is measured by the total amount of general revenues raised in the State by all governmental units as a percentage of personal income in the State. Thus, the basic allocation formula uses population as a measure of service need. It offers a bonus to States that demonstrate their willingness to meet their own needs. (Table 2 shows the State distribution of revenue sharing.)

TABLE 2.—STATE AND LOCAL SHARES UNDER ADMINISTRATION REVENUE SHARING PROPOSAL [1]

| State | Population July 1, 1968 (thousands) | Personal income 1967 (millions) | State and local (thousands) [2] | State area percentage | State area share [3] | Local revenues (thousands) [4] | Local pass through | Local share | State residual |
|---|---|---|---|---|---|---|---|---|---|
| Alabama | 3,566 | $7,656 | $937,084 | 0.017988 | $8,994,000 | $235,282 | 0.251078 | $2,258,196 | 6,735,804 |
| Alaska | 277 | 1,017 | 139,942 | .001571 | 785,500 | 44,002 | .314430 | 246,985 | 538,515 |
| Arizona | 1,670 | 4,444 | 664,054 | .010282 | 5,141,000 | 140,906 | .212190 | 1,090,869 | 4,050,131 |
| Arkansas | 2,012 | 4,130 | 499,306 | .010025 | 5,012,500 | 80,211 | .160644 | 805,228 | 4,207,272 |
| California | 19,221 | 70,204 | 9,507,432 | .107253 | 53,626,500 | 2,939,286 | .309156 | 16,578,954 | 37,047,546 |
| Colorado | 2,048 | 6,191 | 869,293 | .011850 | 5,925,000 | 214,309 | .246532 | 1,460,702 | 4,464,298 |
| Connecticut | 2,959 | 11,609 | 1,151,699 | .012097 | 6,048,500 | 570,101 | .495008 | 2,994,056 | 3,054,444 |
| Delaware | 534 | 1,095 | 245,701 | .002839 | 1,419,500 | 36,221 | .147419 | 209,261 | 1,210,239 |
| District of Columbia [5] | 809 | 3,366 | 450,613 | .004504 | 2,252,000 | 450,613 | 1.000000 | 2,252,000 | |
| Florida | 6,160 | 17,101 | 2,132,736 | .031657 | 15,828,500 | 622,737 | .291989 | 4,621,748 | 11,206,752 |
| Georgia | 4,588 | 11,458 | 1,348,435 | .022254 | 11,127,000 | 298,603 | .221444 | 2,464,007 | 8,662,993 |
| Hawaii | 778 | 2,415 | 365,072 | .004848 | 2,424,000 | 102,552 | .280908 | 680,921 | 1,743,079 |
| Idaho | 705 | 1,800 | 264,376 | .004268 | 2,134,000 | 56,104 | .212212 | 452,860 | 1,681,140 |
| Illinois | 10,974 | 40,850 | 3,866,247 | .042783 | 21,391,500 | 965,062 | .249612 | 5,339,575 | 16,051,925 |
| Indiana | 5,067 | 15,980 | 1,856,861 | .024265 | 12,132,500 | 406,122 | .218714 | 2,653,548 | 9,478,952 |
| Iowa | 2,748 | 8,558 | 1,148,892 | .015198 | 7,599,000 | 288,642 | .251235 | 1,909,135 | 5,689,865 |
| Kansas | 2,303 | 6,961 | 905,542 | .012348 | 6,174,000 | 275,105 | .303801 | 1,875,674 | 4,298,326 |
| Kentucky | 3,229 | 7,737 | 892,691 | .015356 | 7,678,000 | 188,334 | .210973 | 1,619,851 | 6,058,149 |
| Louisiana | 3,732 | 8,995 | 1,298,898 | .022209 | 11,104,500 | 225,771 | .173817 | 1,930,151 | 9,174,349 |
| Maine | 979 | 2,585 | 301,717 | .004708 | 2,354,000 | 129,205 | .428232 | 1,008,058 | 1,345,942 |
| Maryland | 3,757 | 12,595 | 1,415,075 | .017403 | 8,701,500 | 639,488 | .451911 | 3,932,304 | 4,769,196 |
| Massachusetts | 5,437 | 19,197 | 2,301,759 | .026866 | 13,433,000 | 1,187,565 | .515938 | 6,930,595 | 6,502,405 |
| Michigan | 8,740 | 29,151 | 3,458,890 | .042754 | 21,377,000 | 851,579 | .246200 | 5,263,017 | 16,113,983 |
| Minnesota | 3,646 | 11,162 | 1,599,758 | .021532 | 10,766,000 | 444,196 | .277664 | 2,989,331 | 7,776,669 |
| Mississippi | 2,342 | 4,453 | 619,015 | .013416 | 6,708,000 | 149,272 | .241144 | 1,617,594 | 5,090,406 |
| Missouri | 4,627 | 13,775 | 1,478,684 | .020460 | 10,230,000 | 358,930 | .242736 | 2,483,189 | 7,746,811 |
| Montana | 693 | 1,939 | 272,206 | .004010 | 2,005,000 | 103,144 | .378918 | 759,731 | 1,245,269 |
| Nebraska | 1,437 | 4,422 | 518,536 | .006947 | 3,473,500 | 156,369 | .301558 | 1,050,935 | 2,422,565 |
| Nevada | 453 | 1,591 | 223,324 | .002621 | 1,310,500 | 80,326 | .359683 | 471,365 | 839,135 |
| New Hampshire | 702 | 2,094 | 216,083 | .002986 | 1,493,000 | 73,136 | .338462 | 505,324 | 987,676 |
| New Jersey | 7,078 | 25,686 | 2,654,924 | .030161 | 15,080,500 | 1,051,267 | .395968 | 5,971,395 | 9,109,105 |
| New Mexico | 1,015 | 2,484 | 394,562 | .006643 | 3,321,500 | 66,898 | .169550 | 563,160 | 2,758,340 |
| New York | 18,113 | 68,916 | 10,020,084 | .108535 | 54,267,500 | 4,208,520 | .420008 | 22,792,784 | 31,474,716 |
| North Carolina | 5,135 | 12,267 | 1,405,187 | .024252 | 12,126,000 | 437,874 | .311612 | 3,778,607 | 8,347,393 |
| North Dakota | 625 | 1,589 | 282,501 | .004580 | 2,290,000 | 72,697 | .257333 | 589,293 | 1,700,707 |
| Ohio | 10,591 | 33,605 | 3,351,507 | .043516 | 21,758,000 | 922,402 | .275220 | 5,988,237 | 15,769,763 |
| Oklahoma | 2,518 | 6,594 | 856,946 | .013490 | 6,745,000 | 176,959 | .206499 | 1,392,836 | 5,352,164 |
| Oregon | 2,008 | 6,122 | 835,715 | .011296 | 5,648,000 | 160,746 | .192345 | 1,086,365 | 4,561,635 |
| Pennsylvania | 11,712 | 37,065 | 3,864,363 | .050342 | 25,171,000 | 934,110 | .241724 | 6,084,435 | 19,086,565 |
| Rhode Island | 913 | 2,995 | 311,399 | .003913 | 1,956,500 | 135,108 | .433874 | 848,874 | 1,107,626 |
| South Carolina | 2,692 | 5,752 | 655,445 | .012647 | 6,323,500 | 98,487 | .150259 | 950,163 | 5,373,337 |
| South Dakota | 657 | 1,745 | 262,870 | .004078 | 2,039,000 | 76,614 | .291452 | 594,271 | 1,444,729 |
| Tennessee | 3,976 | 9,316 | 1,050,148 | .018467 | 9,233,500 | 456,724 | .434913 | 4,015,769 | 5,217,731 |
| Texas | 10,972 | 29,822 | 3,273,793 | .049648 | 24,824,000 | 822,416 | .251211 | 6,236,062 | 18,587,938 |
| Utah | 1,034 | 2,667 | 380,486 | .006081 | 3,040,500 | 70,781 | .186027 | 565,615 | 2,474,885 |
| Vermont | 422 | 1,178 | 158,410 | .002339 | 1,169,500 | 29,370 | .185404 | 216,830 | 952,670 |
| Virginia | 4,597 | 12,719 | 1,326,686 | .019759 | 9,879,500 | 536,567 | .404441 | 3,995,675 | 5,883,825 |
| Washington | 3,276 | 10,871 | 1,444,803 | .017943 | 8,971,500 | 250,891 | .173650 | 1,557,901 | 7,413,599 |
| West Virginia | 1,805 | 4,197 | 502,148 | .008897 | 4,448,500 | 78,109 | .155549 | 691,960 | 3,756,540 |
| Wisconsin | 4,213 | 13,220 | 1,824,438 | .023960 | 11,980,000 | 519,687 | .284847 | 3,412,467 | 8,567,533 |
| Wyoming | 315 | 946 | 157,236 | .002158 | 1,079,000 | 37,589 | .239061 | 257,947 | 821,053 |
| U.S. total | 199,861 | 625,068 | 75,969,970 | 1.000003 | 500,001,500 | | | 150,045,810 | 349,955,690 |

[1] State and local general revenues from own sources for fiscal years ending between July 1, 1966, and June 30, 1967.
[2] Includes school and special districts.
[3] State share formula constant denominator 24,265,172.
[4] Excludes school and special districts.
[5] Revenue figure includes Federal payment.

Statistical source: Census Bureau, Governments Division.

5. *Guarantees funds for cities and counties*—To place a minimum guarantee on the share of funds that cities and counties would receive, the Administration's bill stipulates that States must "pass-through" the same relative share of the total State allocation that the local jurisdiction raised in its own revenues as a percentage of total revenue in the State. Beyond that, a State would be precluded from cutting back on its own payments unless it secured the approval for a different plan of: (a) the State legislature, and (b) more than half the local government jurisdictions, and (c) jurisdictions accounting for more than half the State population.

Finally, it should be noted that only *general purpose* units of local government are among eligible recipients. To make a special purpose unit, like a school district or port district eligible would amount to *de facto* earmarking, since these units may only spend for specified purposes.

OTHER GRANT-IN-AID REFORMS

Besides revenue sharing, the Administration has initiated a number of important steps for *reform of the existing grant-in-aid system.* This, too, is a part of responsible decentralization.

Examples of reform measures undertaken are:

1. The President's April 30 proposed legislation to permit him to consolidate existing grant-in-aid categories if Congress, within 60 days, does not overrule an Administration proposal.

2. Efforts through the budget and legislative processes to combine related grant-in-aid categories.

3. The issuance of a Presidential Order on joint funding April 13, 1969.

4. And the restructuring of the regional boundaries of the major domestic agencies in the field so that their headquarters cities are the same and the regions which they cover conform.

On March 27, 1969, the President directed the 10 Federal agencies represented on the Urban Affairs Council and the Bureau of the Budget to work together in a concerted effort to modernize the management of our complex Federal system of grants to States and communities.

The effort is called the Federal Assistance Review (FAR). It has as its objectives streamlining and simplifying grant-in-aid program processes and structures and decentralizing their administration. In pursuit of these objectives, detailed studies are being made of each Federal grant-in-aid program. Executive departments working in this effort will use these analyses to design, test, and implement new approaches to speed and simplify the delivery of Federal programs.

IMPACT OF REVENUE SHARING

Revenue sharing and other major domestic system reform proposals of the new Administration, particularly welfare and Food Stamps, will have a fundamental effect on American public finance. Projections of State and local expenditures for 1975 converge in the area of $200 billion. Federal grants in that year could reach $40 billion. It is estimated this would still leave a deficit of as much as $15 billion in the general funds of States and localities, assuming only natural growth in revenues. Revenue sharing of $5 billion by 1975 would absorb one-third of that deficit, that is, one-third of the required State-local tax increases that would be needed otherwise.

Based on these same calculations, revenue sharing would constitute 25% of the increase in Federal aid over that time period, bringing with it the needed leverage of flexible funds as opposed to more limited-purpose categorical aids.

The relationship of revenue sharing to the new Family Assistance Program is critical.

President Nixon specifically linked the two in his August 8 message on domestic program reform.

This tax-sharing proposal was pledged in the campaign; it has long been a part of the platform of many men in my own political party—and men in the other party as well. It is integrally related to the national welfare reform. *Through these twin approaches we hope to relieve the fiscal crisis of the hard-pressed State and local governments and to assist millions of Americans out of poverty and into productivity.* (Emphasis added.)

The tie between these two proposals is attributable to:

1. A philosophical kinship, involving the decentralization of power and initiative to lower levels of government and ultimately to individual citizens in need.

2. Fiscal complementary, with both programs providing relief from pressures on State and local budgets; and

3. Governmental systems reform, with revenue sharing strengthening political institutions and welfare reform ensuring the well-being of poor people.

Welfare is one of the largest and fastest growing areas of State and local expenditures, having risen 56% from 1965 to 1968. Removing welfare from the burner of State-local financial problem areas would, like revenue sharing, free both monetary and personnel resources to better cope with other problems.

Assuming State and local governments devote the same relative share of the resulting increase in funds to education as in the immediate past, it is reasonable to expect that roughly two-fifths of revenue sharing funds would find their way into education.

To summarize, the Administration's welfare reform, Food Stamp, and revenue sharing proposals in their first five full years of effect are designed to channel an estimated $40 billion to $45 billion of the Federal Government's growth dividend into the solution of the stubborn social problems of the poor and the alleviation of the fiscal problems of hard-pressed State and local governments.

Thus, I think it can be demonstrated that the Nixon Administration is committed to solving problems—not just talking about them. With your active support, we can look forward to:

More effective programs;

More responsive institutions; and

More involved citizens.

## TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

## ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, what is the pending business as the Senate prepares to recess?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Montana (Mr. METCALF).

## RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 36 minutes p.m.) the Senate took a recess until tomorrow, Saturday, December 6, 1969, at 9 o'clock a.m.

## NOMINATIONS

Executive nominations received by the Senate December 5, 1969:

NATIONAL HIGHWAY SAFETY BUREAU

Douglas William Toms, of Washington, to be Director of the National Highway Safety Bureau, vice William Haddon, Jr., resigned.

U.S. ATTORNEY

John L. Briggs, of Florida, to be U.S. attorney for the middle district of Florida for the term of 4 years, vice Edward F. Boardman, resigned.

William J. Schloth, of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years, vice Floyd M. Buford, resigned.

Eugene E. Siler, Jr., of Kentucky, to be U.S. attorney for the eastern district of Kentucky for the term of 4 years, vice George I. Cline.

U.S. MARSHAL

William M. Johnson, of Georgia, to be U.S. marshal for the southern district of Georgia for the term of 4 years, vice James E. Luckie, resigned.

U.S. CIRCUIT COURT JUDGE

John J. Gibbons, of New Jersey, to be a U.S. circuit judge, third circuit, vice Gerald McLaughlin, retired.

U.S. MARSHAL

Loren Wideman, of Florida, to be U.S. marshal for the southern district of Florida for the term of 4 years, vice Guy W. Hixon, resigned.

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade of lieutenant general under the provisions of section 8962, title 10 of the United States Code:

Lt. Gen. James W. Wilson, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

IN THE NAVY

Having designated Rear Adm. Eugene P. Wilkinson, U.S. Navy, for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, I nominate him for appointment to the grade of vice admiral while so serving.

Vice Adm. Arnold F. Schade, U.S. Navy, for appointment as Navy senior member of the Military Staff Committee of the United Nations pursuant to title 10, United States Code, section 711.

## WITHDRAWALS

Executive nominations withdrawn from the Senate December 5, 1969:

U.S. ATTORNEY

James H. Walsh, of Florida, to be U.S. attorney for the middle district of Florida for the term of 4 years, vice Edward F. Boardman, which was sent to the Senate on June 11, 1969.

OFFICE OF ECONOMIC OPPORTUNITY

William R. Ford, of Michigan, to be an Assistant Director of the Office of Economic Opportunity, vice William H. Crook, which was sent to the Senate on December 1, 1969.

## CONFIRMATION

Executive nomination confirmed by the Senate December 5, 1969:

U.S. MINT

Hildreth Frost, Jr., of Colorado, to be assayer of the Mint of the United States at Denver, Colo.

# EXTENSIONS OF REMARKS

## NEW SCHOOL HONORS MEMORY OF TWO CONGRESSMEN BATES

### HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. CONTE. Mr. Speaker, tributes continue to be paid to our late beloved colleague, the Honorable William H. Bates of Massachusetts. On Veterans Day, November 11, 1969, the cornerstone for the new Bates Elementary School was laid in appropriate ceremonies in his home city of Salem.

Not only does this school honor the memory of Bill Bates, whose death on June 22 last, deeply saddened all of us, but it also honors his distinguished father and former mayor of Salem, Congressman George J. Bates, whose sudden death in a plane accident here in Washington on November 1, 1949, led to his son's election as his successor.

I am advised that the Bates Elementary School is being constructed on Kernwood Avenue land donated to the city of Salem by the Kernwood Country Club. The $2,500,000 structure is scheduled for completion and dedication in September of 1970 and will be one of the most well-appointed schools in Massachusetts. Its 22 classrooms will provide for three kindergarten classes and 19 classes from grade one through grade six.

In addition, there will be several rooms for special type classes and guidance purposes, a large community hall-gymnasium, and another hall combined with a cafeteria lunch area. Indeed, it appears that this new Bates School will fulfill the hope expressed at the cornerstone laying, that it will be a "worthy monument" to the memory of two outstanding public servants, Congressmen George and William Bates.

Mr. Speaker, I feel the RECORD should include the following newspaper account of the Veterans Day ceremony at Salem, Mass.:

[From the Salem (Mass.) Evening News, Nov. 12, 1969]

MANY AT BATES SCHOOL CORNERSTONE PLACING

SALEM.—Despite turbulent weather a cornerstone ceremony for the new Bates Elementary School was held on Veterans Day with many members of the municipal family present.

The ceremony marked the first new school to be started in this city since 1962.

The family of the late Congressmen George J. Bates Sr. and William H. Bates were present for the event.

U.S. Rep. Michael J. Harrington and Mayor Francis X. Collins also turned out for the historic moment.

Keynote speaker was School Committeewoman M. Ruth Norton, who said that the placing of the cornerstone of the Bates School "will stand as an indication that Salem is not asleep in handling its educational needs."

Mrs. George J. Bates and Mrs. William H. Bates placed a sealed box in the cornerstone, while surrounded by members of their families.

(Miss Norton had compiled a scrapbook consisting of clippings from the Salem Evening News, School Department memos, pictures of the School Committee and specifications for the building which was placed in box.)

Miss Norton said:

"It is very gratifying to see so many here this morning joining with us in the cornerstone ceremony of the new Bates school.

"This is our first new school since the Bentley was opened in 1962. The new Bates school, when built, will stand as an indication that Salem is not asleep in handling its educational needs.

"Your school committee has as its goal, constant improvement of our education facilities and services. We are fortunate in Salem that Mayor Collins and our city council are aware of the importance of a good educational program and are willing to consider the requests and needs of our schools as presented by the School Committee.

"As we all know this school has come about through the cooperation of these two groups . . . The Salem City Council and the Salem School Committee.

"Indeed we are pleased that our new school honors two distinguished Salemites: Congressman George J. Bates Sr. and Congressman William H. Bates.

"Their untimely deaths, at the peak of their careers in public life, were the cause of much sorrow . . . our city, our state, and our nation lost two great men and many lost valued friends.

"This school is affectionately dedicated to them with the hope that it is a worthy monument to their memory."

Among those attending were: Capt. Raymond H. Bates, Mr. and Mrs. Francis Bates and son, Francis Jr., Mr. and Mrs. George J. Bates Jr., Mr. and Mrs. Edmund B. Stanton, Mrs. Catherine Bates Ginty, Theodore Simons of the Kernwood Club, Dr. May Berman, president, Kernwood Club Association.

School Committeemen present were: Miss Norton, Morley Piper, S. Steve Salvo, Dr. James P. Ryan, and Ronald G. Plante.

Representing the City Council were: Bruce J. McLaughlin, George F. McCabe, Louis A. Swiniuch, and Joseph R. Ingemi Jr.

School Department personnel included: Supt. Lawrence J. Fitzpatrick, Assistant Supt. Joseph Salerno, Business Mgr. John J. Grady, Principal Philip J. O'Donnell and Secretary to the Superintendent Dorothea Barry.

Architects John M. Gray Sr. and Francis Gray were present.

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## PINKVILLE: A LONE CITIZEN WRITES AND A TRAGEDY IS EXPOSED

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### HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. UDALL. Mr. Speaker, we have all heard many people say, "Don't waste your time writing to public officials—it does not do any good. Nothing will happen."

If young Ron Ridenhour of Phoenix, Ariz., had believed that, it is very unlikely the world today would have heard of Pinkville, the South Vietnam village of Mylai and scene, allegedly, of one of the most horrible massacres committed by American troops.

I was one of those who received a letter from Mr. Ridenhour dated March 29, 1969. In recent days I have received a great number of inquiries about the letter and I am taking the liberty of having it printed in the RECORD so it will not be lost to historians. I think anyone reading Mr. Ridenhour's account of what he suspected had happened at Pinkville will be struck by his caution and his sincerity. He did not know, for sure, what occurred. But his conscience dictated that he make an effort to have someone find out because the evidence indicated "something very black indeed" did occur.

He was not directly involved. He could have remained silent. That would have been the easy way. Let someone else worry about crime. He could have told himself, "Forget it, no one will listen" and thus salve his conscience as a citizen.

But instead he wrote to me, to some other Members of Congress, to the Joint Chiefs of Staff, and to several other parties. About 30 people, he told me, received the same letter and some of us responded by asking appropriate authorities to investigate the allegations he presented.

First, my staff immediately contacted Mr. Ridenhour to verify the authenticity of the letter and to get some measure of the man for these were very grave allegations. I then brought the matter to the attention of Defense Secretary Laird and Chairman RIVERS of the House Armed Services Committee. Both of them informed me the matter was being looked into.

From time to time in the succeeding weeks we talked to Mr. Ridenhour and to the Army investigators and to others to maintain an eye on the investigation. We were interested in thoroughness, not speed.

I do not know what the eventual outcome of Pinkville will be. But this much is certain: A letter from a citizen, a veteran of Vietnam, has spurred not only a worldwide outcry but, within many, a deep self-questioning about the nature of man, his institutions and his future.

Following is the text of Mr. Ridenhour's letter and some of the immediate correspondence which followed:

PHOENIX, ARIZ.,
*March 29, 1969.*

*The Congress of the United States:*

GENTLEMEN: It was late in April, 1968 that I first heard of "Pinkville" and what allegedly happened there. I received that first report with some skepticism, but in the following months I was to hear similar stories from such a wide variety of people that it became impossible for me to disbelieve that something rather dark and bloody did indeed occur sometime in March, 1968 in a village called "Pinkville" in the Republic of Vietnam.

The circumstances that led to my having access to the reports I'm about to relate need explanation. I was inducted in March, 1967 into the U.S. Army. After receiving various training I was assigned to the 70th Infantry Detachment (LRP), 11th Light Infantry Brigade at Schofield Barracks, Hawaii, in early October, 1967. That unit, the 70th Infantry Detachment (LRP), was disbanded a week before the 11th Brigade shipped out for Viet Nam on the 5th of December, 1967. All of the men from whom I later heard reports of the "Pinkville" incident were reassigned to "C" Company, 1st Battalion, 20th Infantry, 11th Light Infantry Brigade. I was reassigned to the aviation section of Headquarters Company 11th LIB. After we had been in Viet Nam for 3 to 4 months many of the men from the 70th Inf. Det. (LRP) began to transfer into the same unit, "E" Company, 51st Infantry (LRP).

In late April, 1968 I was awaiting orders for a transfer from HHC, 11th Brigade to Company "E," 51st Inf. (LRP), when I happened to run into Pfc. "Butch" Gruver, whom I had known in Hawaii. Gruver told me he had been assigned to "C" Company 1st of the 20th until April 1st when he transferred to the unit that I was headed for. During the course of our conversation he told me the first of many reports I was to hear of "Pinkville."

"Charlie" Company 1/20 had been assigned to Task Force Barker in late February, 1968 to help conduct "search and destroy" operations on the Batangan Peninsula, Barker's area of operation. The task force was operating out of L. F. Dottie, located five or six miles north of Quang Nhai city on Viet Namese National Highway 1. Gruver said that Charlie Company had sustained casualties, primarily from mines and booby traps, almost everyday from the first day they arrived on the peninsula. One village area was particularly troublesome and seemed to be infested with booby traps and enemy soldiers. It was located about six miles northeast of Quang Nhai city at approximate coordinates B.S. 728795. It was a notorious area and the men of Task Force Barker had a special name for it: they called it "Pinkville." One morning in the latter part of March, Task Force Barker moved out from its firebase headed for "Pinkville." Its mission: destroy the trouble spot and *all* of its inhabitants.

When "Butch" told me this I didn't quite believe that what he was telling me was true, but he assured me that it was and went on to describe what had happened. The other two companies that made up the task force cordoned off the village so that "Charlie" Company could move through to destroy the structures and kill the inhabitants. Any villagers who ran from Charlie Company were stopped by the encircling companies. I asked "Butch" several times if all the people were killed. He said that he thought they were, men, women and children. He recalled seeing a small boy, about three or four years old, standing by the trail with a gunshot wound in one arm. The boy was clutching his wounded arm with his other hand, while blood trickled between his fingers. He was staring around himself in shock and disbelief at what he saw. "He just stood there with big eyes staring around like he didn't understand; he didn't believe what was happening. Then the captain's RTO (radio operator) put a burst of 16 (M–16 rifle) fire into him." It was so bad, Gruver said, that one of the men in his squad shot himself in the foot in order to be medivac-ed out of the area so that he would not have to participate in the slaughter. Although he had not seen it, Gruver had been told by people he considered trustworthy that one of the company's officers, 2nd Lieutenant Kally (this spelling may be incorrect) had rounded up several groups of villagers (each group consisting of a minimum of 20 persons of both sexes and all ages). According to the story, Kally than machine-gunned each group. Gruver estimated that the population of the village had been 300 to 400 people and that very few, if any, escaped.

After hearing this account I couldn't quite accept it. Somehow I just couldn't believe that not only had so many young American men participated in such an act of barbarism, but that their officers had ordered it. There were other men in the unit I was soon to be assigned to, "E" Company, 51st Infantry (LRP), who had been in Charlie Company at the time that Gruver alleged the incident at "Pinkville" had occurred. I became determined to ask them about "Pinkville" so that

I might compare their accounts with Pfc Gruver's.

When I arrived at "Echo" Company, 51st Infantry (LRP) the first men I looked for were Pfc's Michael Terry and William Doherty. Both were veterans of "Charlie" Company, 1/20 and "Pinkville." Instead of contradicting "Butch" Gruver's story they corroborated it, adding some tasty tidbits of information of their own. Terry and Doherty had been in the same squad and their platoon was the third platoon of "C" Company to pass through the village. Most of the people they came to were already dead. Those that weren't were sought out and shot. The platoon left nothing alive, neither livestock nor people. Around noon the two soldiers' squad stopped to eat. "Billy and I started to get out our chow," Terry said, "but close to us was a bunch of Vietnamese in a heap, and some of them were moaning. Kally (2nd Lt. Kally) had been through before us and all of them had been shot, but many weren't dead. It was obvious that they weren't going to get any medical attention so Billy and I got up and went over to where they were. I guess we sort of finished them off." Terry went on to say that he and Doherty then returned to where their packs were and ate lunch. He estimated the size of the village to be 200 to 300 people. Doherty thought that the population of "Pinkville" had been 400 people.

If Terry, Doherty and Gruver could be believed, then not only had "Charlie" Company received orders to slaughter all the inhabitants of the village, but those orders had come from the commanding officer of Task Force Barker, or possibly even higher in the chain of command. Pfc Terry stated that when Captain Medina (Charlie Company's commanding officer Captain Ernest Medina) issued the order for the destruction of "Pinkville" he had been hesitant, as if it were something he didn't want to do but had to. Others I spoke to concurred with Terry on this.

It was June before I spoke to anyone who had something of significance to add to what I had already been told of the "Pinkville" incident. It was the end of June, 1968 when I ran into Sergeant Larry La Croix at the USO in Chu Lai. La Croix had been in 2nd Lt. Kally's platoon on the day Task Force Barker swept through "Pinkville." What he told me verified the stories of the others, but he also had something new to add. He had been a witness to Kally's gunning down of at least three separate groups of villagers. "It was terrible. They were slaughtering the villagers like so many sheep." Kally's men were dragging people out of bunkers and hootches and putting them together in a group. The people in the group were men, women and children of all ages. As soon as he felt that the group was big enough, Kally ordered an M–60 (machine-gun) set up and the people killed. La Croix said that he bore witness to this procedure at least three times. The three groups were of different sizes, one of about twenty people, one of about thirty people, and one of about forty people. When the first group was put together Kally ordered Pfc Torres to man the machine-gun and open fire on the villagers that had been grouped together. This Torres did, but before everyone in the group was down he ceased fire and refused to fire again. After ordering Torres to recommence firing several times, Lieutenant Kally took over the M–60 and finished shooting the remaining villagers in that first group himself. Sergeant La Croix told me that Kally didn't bother to order anyone to take the machine-gun when the other two groups of villagers were formed. He simply manned it himself and shot down all villagers in both groups.

This account of Sergeant La Croix's confirmed the rumors that Gruver, Terry and Doherty had previously told me about Lieutenant Kally. It also convinced me that there was a very substantial amount of truth to the stories that all of these men had told. If I needed more convincing, I was to receive it.

It was in the middle of November, 1968 just a few weeks before I was to return to the United States for separation from the army that I talked to Pfc Michael Bernhardt. Bernhardt had served his entire year in Viet Nam in "Charlie" Company 1/20 and he too was about to go home. "Bernie" substantiated the tales told by the other men I had talked to in vivid, bloody detail and added this. "Bernie" had absolutely refused to take part in the massacre of the villagers of "Pinkville" that morning and he thought that it was rather strange that the officers of the company had not made an issue of it. But that evening "Medina (Captain Ernest Medina) came up to me ('Bernie') and told me not to do anything stupid like write my congressman" about what had happened that day. Bernhardt assured Captain Medina that he had no such thing in mind. He had nine months left in Viet Nam and felt that it was dangerous enough just fighting the acknowledged enemy.

Exactly what did, in fact, occur in the village of "Pinkville" in March, 1968 I do not know for *certain*, but I am convinced that it was something very black indeed. I remain irrevocably persuaded that if you and I do truly believe in the principles, of justice and the equality of every man, however humble, before the law, that form the very backbone that this country is founded on, then we must press forward a widespread and public investigation of this matter with all our combined efforts. I think that it was Winston Churchill who once said "A country without a conscience is a country without a soul, and a country without a soul is a country that cannot survive." I feel that I must take some positive action on this matter. I hope that you will launch an investigation immediately and keep me informed of your progress. If you cannot, then I don't know what other course of action to take.

I have considered sending this to newspapers, magazines, and broadcasting companies, but I somehow feel that investigation and action by the Congress of the United States is the appropriate procedure, and as a conscientious citizen I have no desire to further besmirch the image of the American serviceman in the eyes of the world. I feel that this action, while probably it would promote attention, would not bring about the constructive actions that the direct actions of the Congress of the United States would.

Sincerely,

RON RIDENHOUR.

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HOUSE OF REPRESENTATIVES,
*Washington, D.C., April 4, 1969.*

Hon. L. MENDEL RIVERS,
*Chairman, Armed Services Committee.*

DEAR MR. CHAIRMAN: The enclosed letter from Mr. Ron Ridenhour of Phoenix, late of Viet Nam, is deeply disturbing.

He is not saying that he positively knows the bloody events as related did indeed take place. But the suspicion is very strong and certainly deserve to be looked into very closely. Would it be possible for your committee to look into this so we can get at the truth?

Sincerely,

MORRIS K. UDALL.

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HOUSE OF REPRESENTATIVES,
*Washington, D.C., April 4, 1969.*

Hon. MELVIN R. LAIRD,
*Secretary of Defense, The Pentagon, Washington, D.C.*

DEAR MR. SECRETARY: I'm told a copy of the enclosed letter from Mr. Ron Ridenhour has been sent to you.

Mr. Ridenhour's suspicions as to what happened in "Pinkville" deserve the most careful investigation.

I urge such an investigation to be made at once and please share with me the department's findings if such an investigation is conducted.

Sincerely,

MORRIS K. UDALL.

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U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
*Washington, D.C., April 14, 1969.*

Hon. MORRIS K. UDALL,
*House of Representatives, Washington, D.C.*

DEAR MR. UDALL: I wish to acknowledge receipt of your letter of April 4, 1969 enclosing correspondence received from Mr. Ron Ridenhour, of Phoenix, late of Viet Nam, regarding alleged events at "Pinkville" in Viet Nam.

I am taking the liberty of forwarding this correspondence to the Department of the Army, requesting that they investigate these allegations and furnish me with a report. Upon receipt of information I will be in touch with you.

Sincerely,

L. MENDEL RIVERS,
*Chairman.*

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DEPARTMENT OF THE ARMY, OFFICE OF THE SECRETARY OF THE ARMY,
*Washington, D.C., April 15, 1969.*

Hon. MORRIS K. UDALL,
*House of Representatives.*

DEAR MR. UDALL: The Secretary of the Army has asked me to make an interim reply to your inquiry addressed to the Department of Defense in behalf of Mr. Ron Ridenhour who wrote of alleged incidents occurring at "Pinkville".

Information has been requested from the appropriate field agency and upon receipt thereof you will be further advised.

Sincerely,

RAYMOND T. REID,
*Colonel, GS Office, Chief of Legislative Liaison.*

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DEPARTMENT OF THE ARMY, OFFICE OF THE SECRETARY OF THE ARMY,
*Washington, D.C., April 24, 1969.*

Hon. MORRIS K. UDALL,
*House of Representatives.*

DEAR MR. UDALL: The Secretary of the Army has asked me to make an interim reply to your inquiry addressed to the Secretary of Defense on behalf of Mr. Ron Ridenhour concerning actions alleged to have been taken by an Army unit in Vietnam in 1968 in the vicinity of the South Vietnamese village identified as "Pinkville".

As you were previously advised, the Commanding General, United States Army Vietnam, was requested to investigate the alleged circumstances and provide this office with appropriate information. We have now been advised that as the circumstances related in Mr. Ridenhour's letter concern events of a year ago, and as the people involved have since departed Vietnam and are now widely scattered, it is not possible for that command to provide a responsive reply. Faced with these circumstances and considering the gravity of the allegations, it has been determined that a complete investigation will be required. This matter, therefore, has been referred to The Inspector General for appropriate action.

Our final reply concerning this matter cannot be expected for some time inasmuch as investigations such as this one are extremely time consuming. You may be certain that as soon as the results of the investigation are available I shall provide you with a complete response to the allegations.

Sincerely,

RAYMOND T. REID,
*Colonel, GS Office, Chief of Legislative Liaison.*

On November 29, Tony Tselentis, assistant managing editor of the Tucson Daily Citizen, wrote an eloquent column which expresses the feelings of many of us. I commend it to my colleagues:

[From the Tucson Daily Citizen, Nov. 29, 1969]

THANKS TO THE MAN WHO REVEALED SONG MY

(By Tony Tselentis)

The continuing revelations about the massacre at Song My (also referred to as My Lai) are sickening.

The slaying of defenseless men, women and children by American soldiers in no way can be condoned or justified.

Ronald L. Ridenhour, the young man who was responsible for bringing about the investigation of the massacre and forcing it into public view, deserves our thanks.

This is not the sort of thing that can be shuttered away if America is to remain true to her ideals. Brutal and unnecessary killing—even during war—undermines the nation.

How much more pleasant Thanksgiving would have been if we didn't have to read or hear about Song My, many will say. Rot.

It was a better Thanksgiving Day if thoughts of Song My drove home the lesson of the brutalizing effects of war. And if citizens of this nation concluded that they must stand more firmly than ever against all war.

The White House statement issued Wednesday called the massacre "abhorrent to the conscience of all the American people."

Secretary of State William P. Rogers says that those responsible for Song My will be courtmartialed "to show the world that we do not condone this."

It is fitting that those responsible for the massacre should be called to account for their actions. And if there were attempts to cover it up, as charged, those responsible also should be held accountable.

It would be even more fitting if the system that made such an atrocity possible be called to account. Something went wrong terribly in the military climate that gave birth to Song My.

Awful tragedies occur during wars. But it's too easy to say, "That's part of the game—it can't be helped." This just won't do. Anyone who believes in the American concept of justice cannot abide the cold-blooded slaying of innocents.

For this very reason, the United States joined in the Nuremberg trials at the conclusion of World War II. It was just and proper to call Nazi war criminals to account.

Yes, North Vietnam and the Viet Cong will reap a good deal of propaganda value out of Song My. Those who seek to pull our system of government down already have rushed forth to compare Song My to Nazi atrocities. A news analyst gave the proper answer to such demogoguery:

"The Nazi atrocities," he said, "were carried out as national policy; what happened at Song My is directly contrary to the policy of the United States."

There is no way to equate the two.

The United States cannot accept in any way what happened at Song My. The day it does, all our victories will have been in vain.

## THE SILENT MAJORITY

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. CRANE. Mr. Speaker, I would like to have the following letter to the editor of the Chicago Tribune, written by Lt. Col. John H. Bickley, Jr., included in the CONGRESSIONAL RECORD:

THE SILENT MAJORITY

CHICAGO, November 13.—Last night I visited my best friend and his wife in Arlington Heights. It wasn't a happy occasion—they had just received word that their son had been killed in an ambush in Viet Nam.

As I left my car I noticed a flagpole in front of their home where one year earlier the family had raised our flag with pride to commemorate their son's entry into the armed forces. Every day since, they have flown that flag. Yesterday it was at half mast.

I was met at the door by the deceased's 20-year-old widow and another son, home on emergency leave from the army. I saw my friend, who 25 years before had been a tail gunner in the torpedo squadron Eight. After courtesies we sat down to dinner and my friend said grace and gave thanks. They talked about the plans that their son and daughter-in-law had made for his R&R leave, which was to commence on Nov. 17 in Hawaii. However, no one really knew what to say.

I was asked as the family lawyer as to my opinion about the trial of "the Chicago 8" and why people took part in moratoriums. "Didn't these well-meaning people have the common sense to realize they were aiding the enemy that killed their son?" All I could think of were politicians using the war issues for partisan gain, "effete snobs," and bleeding heart writers tearing down the very institutions that allow them to print their drivel in opposition to their country's stated policy.

As I left that evening their Cub Scout son took down the flag outside their home and folded it. My friend turned to me and asked, "John, do you really think there is a 'silent majority' in this country?"

After saying yes, I thought of the words in the telegram, "The secretary of the army regrets to inform you . . ." To whom was the telegram addressed? To one family who make up a part of the silent majority of this great nation. Thank God for them, and God bless them!

JOHN H. BICKLEY, Jr.,
*Lieutenant Colonel, USMCR, retired.*

## MAIL SERVICE IN RURAL AMERICA

### HON. ARNOLD OLSEN

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. OLSEN. Mr. Speaker, one of the main reasons I have opposed a complete transition of the Post Office Department to a postal corporation is the implied threat in the corporation bill to postal service for those who live in rural America.

This threat is especially dangerous to those of us who come from the great wide open spaces of the Rocky Mountain States. But the fear of diminished service under a corporation, I find, is prevalent in most rural areas of the country.

One letter I recently received from Scottsboro, Ala., contains the feelings of many rural Americans, and I commend it to my colleagues for their edification:

SCOTTSBORO, ALA.,
*Nov. 11, 1969.*

Hon ARNOLD OLSEN,
*House Office Building,*
*Washington, D.C.*

DEAR MR. OLSEN: I want to ask you to use your influence to try to defeat the Postal Corporation proposed by Mr. Blount. I do not think a corporation will be good for the American people, especially rural Americans. I fear postal service will be cut out for many rural people and that postage rates will be so high that many people can not afford them. Of course it would affect everyone but some would be hurt more than others. I see no reason for rural people to be deprived just so a few folks can get richer. There would be no limit to the graft that would result if the Post Office is converted to a corporation. And the next order of business for Congress would be an investigation of the corporation. If you will use your influence now perhaps this can be avoided. We need the Post Office kept under the control of Congress. Please do the American people a favor and vote against the Postal Corporation.

Sincerely,

Mrs. JAMES BRANDON.

## CHALLENGES TO HIGHER EDUCATION IN A TIME OF CHANGE

### HON. JOHN J. FLYNT, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. FLYNT. Mr. Speaker, I had the honor on Thursday, November 20, 1969, as the representative of the George Washington University, to participate in the inauguration of Arthur Gene Hansen as the new president of the Georgia Institute of Technology.

Dr. Hansen, in his address on that occasion, "Challenges to Higher Education in a Time of Change," seems to accurately assess the challenges which are of particular concern to the university system today. He offers an excellent analysis of the reasons for the existence of these challenges and guidelines by which he feels they can be met.

It is gratifying and rewarding to see a man with the ideas and positive attitude of Dr. Hansen become the president of the Georgia Institute of Technology, especially at a time when the role of the university in our society is rapidly changing and under such great scrutiny.

I feel confident of the continued success of this fine institution under his able leadership. I wish him great success as he attempts at Georgia Tech to meet the challenges to higher education which he has so clearly identified.

Dr. Hansen's remarks follow:

CHALLENGES TO HIGHER EDUCATION IN A TIME OF CHANGE

(By Arthur G. Hansen, president, Georgia Institute of Technology, Nov. 20, 1969)

It is doubtful that there is an institution of higher education in this land that does not look toward the future with some degree of concern. Today's plans, knowledge, and values may be inappropriate or irrelevant in the world of tomorrow where tomorrow is but a few brief years away. Perhaps, as never before, the university is faced with challenges that truly test its capacity for renewal and its ability to maintain the position of esteem and leadership it has so long enjoyed.

I would like to outline for you certain of the more important challenges to higher education as I see them and present what I hope will be one institution's response to these challenges.

The first challenge that I would describe is one faced not only by higher education but by every social structure in our land. I would designate it as *The Challenge of a Worried World.* To provide proper perspective for the basis of this challenge, let us go back in time.

At some point in the dim past, primitive man discovered the first tools and eased his labor. At another time, he wrapped himself with skins to protect his being. At still another time, he grew his food. Through these simple, yet extremely important, discoveries, his mode of existence on this planet was altered and improved—he had found ways to

satisfy his basic needs. This ability to satisfy his needs grew with the passage of time. Man increased his leisure. And with this leisure the creative powers inherent in man bore fruit. He pleased himself and others with art. He altered his environment further to provide comfort, and, with characteristic inquisitiveness, he sought to understand more completely his world. Perhaps this first conscious effort to comprehend the external world marked the beginning of man's true ascendancy.

As the external world and its governing laws were better understood and as man learned to channel the earth's abundant energy, the ability to create change increased.

With every addition to knowledge and with every discovery that reduced labor, the capacity for gaining new knowledge and causing further modification of man's physical environment grew.

Today the evidence seems clear. If we measure the growth of stored knowledge or measure by some standard man's technological advances or his utilization of the earth's energy, we find that the indices of measurement exhibit an exponential increase with time. Moreover, the rate of increase also shares this quality. Thus, it is almost trite to say that we are living in times of rapid change. However, we must be careful in using this word, "change." Man is a creature that adapts readily to change in a physical sense. It is not clear that he adapts with the same ease in an emotional or spiritual sense. In fact, the deep sensitivities of man, his emotional needs, and his basic sense of values seem to have a constancy. External change thus becomes disturbing to our souls.

The mood of our time and the impact of change has been the topic of many writers and assessments of this mood have appeared in current periodicals. Writing on "The Mood of America" in one popular magazine, reporter Fletcher Knebel recorded the opinions of a cross-section of the nation. Unfortunately, he found strong currents of pessimism. From his own point of view, Mr. Knebel had this to say:

"My own pessimism, deeper than that of most people with whom I talked, is linked to the machine's relentless march across the land, mutilating the green hills, paving the valleys, fouling the sweet air, contaminating the waters and forcing people to spend their working hours tending the very mechanical contrivances that are supposed to serve them. The machine does give something in return: comfort and convenience. And for these twin sirens, a nation's soul is being lost."

Against this backdrop of change, of a nation and a world restless and searching its soul for meaning, in a time of rising expectations that may or may not be fulfilled, we view the university with particular interest and concern. We view it in this manner because of the exalted position it has held and the claims that it has made to justify its existence. It claims to be the preserver of the finest of man's heritage and the instrument through which this heritage is transmitted to the future. It claims to be the critic of society and the pursuer of truth wherever it may lead. We do not doubt that it has been true to these claims within the limitations and inherent weaknesses of any human enterprise. But it has become more. It has become a significant agent of change. Through its discoveries, through the application of its knowledge, it has contributed significantly to the shaping of our present world. Its scholars are sought for advice in the highest levels of government. Its participation in the manifold activities of every phase of our national life has been thorough and significant.

But now a time for reflection is in order. Has the university contributed to the worry of the world or kept us from being even closer to the edge of despair? Has the university been more self-seeking than society-serving? Has the university clung to the outmoded values of the past, unwilling to change, or is it the leader in creating new values for the future? Has truth and its high pursuit been tempered by expediency or is the display of truth unrecognized for what it is? Is the mission of the university the same today as it was at the time of its creation? Does it have a new role and a new mission, not yet articulated, that once set forth will make it more able to serve a society searching for values, and a way of life commensurate with man's deepest needs and desires?

The answers to these questions are not simple. But I would propose that the questions be asked.

The university has cherished the need to be apart from the world—to provide the long view. The fact of the matter is that the university is now very much a part of the world and will continue to be so. This is the reason why *The Challenge of a Worried World* is one of great significance that must be recognized and met.

The next challenge to the university that I would describe are more in the nature of harsh realities. They must be recognized for what they are on the part of any university looking toward the future. I would categorize the first of these as *The Challenge of Numbers.*

There is little doubt that the average American feels a desire to send his daughter or his son to college. With growing affluence this desire is being realized within an increasing number of families. College enrollments have grown at a fantastic rate. The medium size universities of the 1940's have become multi-universities. Junior colleges and four-year colleges have sprung up in almost every center of population.

As disquieting as this growth in higher educational enrollments has been to those who must provide for it, the end may not be in sight. One cause is that the concept of higher education is changing. A vice-president of one of our large corporations commenting on this changing concept remarked:

"'College becomes the only gateway to rewarding jobs in the adult world. Some adults criticize student rebels on the grounds that these young people do not understand that a college education is a privilege. They are mistaken. They are thinking of a world in which they were brought up, not today's world. A college education is no longer a privilege. It is a necessity."

Whether or not you may agree with a college education being a privilege or necessity, the demands for greater educational service from the universities will exist in the years ahead.

*The Challenge of Numbers* goes beyond enrollment figures. There are other numbers that must be reckoned with and these numbers have dollar signs in front of them. In the last ten years, expenditures for higher education have risen by a factor of three and in the next five to ten years, proportional increases are anticipated. In the last eight years, state tax support of education has risen an incredible 214 percent to meet the rising costs. Still the picture looks bleak and certain experts viewing the future have stated that colleges and universities may very well be facing what they term a serious financial crisis.

In more specific terms, what will *The Challenge of Numbers* mean to us in higher education? First, we all suspect that a greater cross section of our taxpayers will want the benefits of a college education for their children. They will not be put off readily by claims that these children are not prepared for college because of inadequate preparation in elementary and secondary schools. Yet, colleges wishing to maintain admissions standards will be hard pressed to respond. They will be increasingly pressured to find answers to this problem, even though its causes may be beyond their direct control.

Whether the admissions problem will grow remains to be seen. But one fact is certain—the taxpayer will be asking hard questions. He will want to know the nature of value received from the tremendous expenditures being made. The public educational enterprise will be scrutinized as closely as other public agencies. The day when colleges and universities could stay aloof from continually demonstrating their worth to the people who underwrite their operation has passed.

I would like to call the third challenge that the universities are now facing, *The Challenge of Meaningful Service.* This challenge relates to the role of the university in producing new knowledge through research and then employing this knowledge to benefit society.

First, let us note that the universities have not had any lack of support for this activity. The rate of expenditures for research and development in the United States has, until recently, been higher than the growth rate of the gross national product. But unless all of our resources are to be used eventually for research and development, a time for leveling off must come. This is apparently beginning now and with it has come a very careful look at how available resources are being used. Can we predict at this point in time what the support for research might be like in the immediate future? Not easily, but I surmise that the emphasis on basic research will be reduced in favor of programs that relate to problems of immediate public concern. This seems especially evident as social problem areas multiply and funding becomes more limited.

Dr. James A. Shannon, Special Advisor to the President of the National Academy of Sciences, puts the matter like this:

"It seems likely that the period 1945–1965, particularly in the last decade, will be viewed in retrospect as the time when U.S. science reached the summit of broad uncritical public support—what might be called the 'Augustan Era' of American science."

In describing the tasks that currently face the scientific community, he goes on to say:

". . . The scientific community must devise means of fostering a broader understanding of the revolutionary technological forces that can be unleashed by vigorous science for the betterment of society."

Dr. Myron Tribus, recently appointed Assistant Secretary of Commerce for Science and Technology, echoes the same sentiment:

"People are the urgency. They have backed massive spending for research and development because technological change has enriched their life. They will turn against research and development if technological change begins to encroach on their health, their comfort and their pleasure in the environment. Technological change will encroach in these areas unless a new breed of engineer learns to design for compatibility between man, machine, and environment. It is that simple."

Thus, those educational institutions concerned with science and technology in particular should keep one primary thought in mind. Science and technology must serve for the betterment of mankind. Dr. René Dubos put it quite succinctly when he said:

"We must not ask where science and technology are taking us, but rather how we can manage science and technology so they can help us to where we want to go."

*The Challenge of Meaningful Service* will place strains on many university structures where research is often a personal activity conducted for the recognition of peers. It will put strain on the high walls between departments that have programs of a specialized nature. Clearly, problems that concern mankind cannot be put into neat compart-

ments. It will cause a reevaluation of basic research. We hope that this most important activity will not be seriously curtailed. But we may have a separation of the trivial from the essential and this, unquestionably, is overdue.

The final challenge I would touch on today is *The Challenge of the Students.* Discounting that relatively small group of students who feel that the educational establishment is an evil that must be destroyed, let up recognize that there is on our campuses a new breed of students. These students are voicing certain concerns that the universities should heed.

Let me preface these remarks by saying that a greater number of young people than ever before now reach the status of adulthood while still in the university environment. They share the concerns often voiced by the adult population. They have the capacity to be productive economically and are capable of responsible action relative to a family life or in service to society.

These capacities and capabilities were often realized by non-college youth of former times. For today's college population, the direct involvment in full adult life is limited by the university environment. The sense of direction and purpose often found in earning a living or raising a family is often lost in this envorinment. This loss is more keenly felt by youth who are being informed, more mature and better educated, and hence more capable of functioning in adult roles than youth in previous generations. It should not be surprising, therefore, that they feel resentment toward paternalistic control of lives by university authorities. It should not be surprising when students question the relevance of educational offerings. It should not be surprising when students who are concerned with justifying their way of life or who are seeking meaning and direction as young adults ask that a university define its goals and objectives.

Above all else, we now have a generation of students who are attempting to be honest and who ask candid questions that drive to the heart of basic issues. If a university is indeed a place where ideas are examined with objective rationality, where change is encouraged, and the status quo is open to critical analysis, then it should indeed be willing to engage in dialogue with its students. This does not mean abdication of responsibility, disregard for faculty wisdom, or change for the sake of change. It is simply a recognition of a new context and tone, an indication of a responsive attitude toward those whom it hopes to educate.

Thus, we have the four challenges: *The Challenge of a Worried World, The Challenge of Numbers, The Challenge of Meaningful Service* and *The Challenge of Students.* Looking at this particular institution, the Georgia Institute of Technology, are we meeting these challenges? The signs indeed are hopeful. There are activities in a number of quarters relating to ways of broadening student life. There are those on the campus who are trying to find ways of building spiritual anchor points and who are attempting to instill meaningful views of life in our students.

*The Challenge of Numbers* is being met by action to review the broad spectrum of educational activities in the State and to see how these activities might be coordinated to better serve a wider population. Planning for more efficient use of resources is under way and action is being taken to utilize the total strength of the educational community existing beyond the confines of our campus. *The Challenge of Meaningful Service* is being met through broad programs that have as their goal the improvement of our society.

*The Challenge of Students* is being answered through curriculum revision, student participation in service activities, and student involvement in planning. We will provide greater opportunities for our student to express his concerns. We will listen and respond. Fortunately, we are blessed with an exceptional, positively-oriented student body that adds to our total strength.

We have not met all of the challenges in a satisfactory manner. But, we are aware of their significance and are moving ahead to respond. We must and will demonstrate that we are capable of self-renewal and positive action.

Keeping in mind the need for growth and change, I would, nevertheless, voice a hope and a warning. I would hope that the universities of this land do not lose sight of their uniqueness and true mission. We must keep in mind that a university cannot be all things to all people. It is not a social agency capable on its own of resolving every social ill. It should not be so sensitive to its critics that it loses sight of its primary mission of education and its unique contributions in the realm of service and research that result from scholarly activity and reasoned inquiry. It must not become a willing whipping boy of the alienated and disenchanted members of our society. It must not allow itself to be wrenched from its position of prestige because it is particularly vulnerable to pressure. In spite of its obvious shortcomings, and I am surprised that there are not more, the university has been an island of free inquiry and debate for scholars. It has kept excellence in disciplines through the process of continual review and accreditation. It has preserved the freedom of the individual instructor through a carefully guarded tenure system. Higher education has allowed great flexibility of program choice through the offering of multiple degrees. It has encouraged the development of a variety of colleges and universities that have wide ranges in standards. Campus freedom has improved. The student newspaper, often extremely critical of an institution, has enjoyed the benefits of freedom of the press. In spite of the present turmoil, the university remains as an institution where the student who wishes to study and discipline his mind has the opportunity to do so.

My fear is that faculty, administration, and students may lose sight of the good that has been achieved over the past centuries. Perspective must be kept. To yield to every demand for the sake of "keeping peace," and to forget the basic principles by which any society lives and works together in a state of harmony will destroy all that has been gained.

Recognizing, then, the qualities that have merit and should be preserved, let the university restructure that which needs restructuring, plan with optimism, and have the courage to pursue objectives well-defined and relevant to our day and time.

And so to the faculty of this great institution, I would say, consider with care your personal commitment and its meaning. Think through thoroughly the nature of your educational programs. Are they indeed serving the best interests of our students? Ask yourselves how you will determine that these needse are being satisfied. Measure the significance of your scholarly output in a time that cries for meaningful contribution from every member of society. Reevaluate your relations to your students. Are you indeed willing to share with them, heed their needs for personal recognition, and be willing to work with them in ways that develop dignity, responsibility and independence?

To all of us who serve the public through the medium of education and receive its support, I ask that we keep uppermost the highest principles of stewardship. Let responsibility and honesty be perpetual watchwords in all that we do.

To the public I say, in turn, that it will be our purpose to satisfy many of the multiple needs that you have placed on our doorstep, yet respect our desire for excellence, our limited capacities to satisfy all demands as a single institution, and to meet every request with equal capacity and skill. We will be sensitive but steadfast in pursuing those endeavors that we do uniquely and best.

To our students I say that it will be our hope to give you the finest education possible and to make you competent, contributing members of society. We will often appear to be slow in our response for reasons that are not clear now but will become more clear to you as you fully participate in the world beyond the frontiers of college. We welcome you as partners and in doing so expect maturity of judgment, respect for reason, responsiveness to the demands of scholarly inquiry, and a willingness to have ideas tested in practice. When we, as fallible human beings, fail in following these same precepts, we hope that you will be our benevolent critics.

Above all else, I hope that many of you, as students, retreat from positions of extreme seriousness and pessimism. The pessimistic person cannot be a future leader of our society. Somewhere deep in the soul of this nation is an unquenchable ray of optimism. At the beginning of this talk, I referred to an article on the mood of America. More important than the sense of uneasiness discovered by the writer of this article, was the unshakable conviction that this nation has the capacity to solve its problems and move to higher ground. If we who educate do not impart this sense of optimism, do not temper despair with hope, do not in some way point out to you that the victory is worth the battle, and do not convey the thought that life has ultimate meaning and is empty without a sustaining faith, then all of our efforts will, in the final analysis, have been in vain. Education should make clear that each man has a high mission on this earth and that each of us must carry in his heart a dedication to serve with humility, reverence, and joy.

These are, after all, but my personal aspirations and admonitions. No college president can guarantee that they will fall on fertile ground and bear fruit. He is but one worker in the field. Together, with all working and sharing, the vision of what the Georgia Institute of Technology might be, free from doubt, receptive to change, committed wholly and completely to the resolution of the difficult problems that lie ahead, the ground shall bear fruit. Let this, our segment of the total society, never be characterized by disillusionment and despair. We have a job to do. With joined hands and lifted, willing spirits, let us be on with it.

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## PREVENTIVE DETENTION II: THE CRIME OF PUNISHMENT WITHOUT TRIAL

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### HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES


*Wednesday, December 3, 1969*

Mr. MIKVA. Mr. Speaker, Attorney General John Mitchell has long contended that the Nixon administration is committed to a war on crime, particularly street crime. Only criminals would disagree with that policy. How to fight that war, however, is another matter.

One of the primary weapons which Mr. Mitchell wants to employ in reducing crime is preventive detention. Masquerading as a crime-stopper, preventive detention is really a justice-stopper. In allowing the detention of accused persons before being adjudged guilty, this procedure itself perpetrates a "crime of punishment without trial."

I do not doubt that the Attorney General desires to reduce crime. What I do question are the methods he advocates to do this. So that my colleagues may have the benefit of different perspectives on the issue of controlling pretrial crime, I would like to insert three items.

The first is an article by Attorney General Mitchell which sets forth the administration's position in support of pretrial jailing of "dangerous" defendants. The second, a corresponding article by the Democratic Senator of North Carolina, SAM J. ERVIN, JR., argues against preventive detention as a threat to historic constitutional guarantees. These two articles appeared together in the Wall Street Journal on October 30, 1969. In response to this important exchange I wrote a letter to the Journal expressing my own opposition to preventive detention and arguing for the constitutional alternative of speedy trials and pretrial release conditions.

The respective items follow:

BAIL REFORM

(By John N. Mitchell)

This Administration is firmly committed to a vigorous and comprehensive action program to combat crime in America, particularly street crime.

As you know, the present law—the Bail Reform Act of 1966—was passed as part of a nationwide movement to eliminate the financial inequities in the money bail system. It was premised on the supposition that the financial condition of a criminal suspect should not be a consideration in the application of criminal justice. I fully support this policy. I believe that the indigent defendant and the rich defendant must be given equal treatment if our system of justice under law is to have any relevance in today's society.

The Bail Reform Act of 1966 modified the historic money bail system by permitting release on personal recognizance of any suspect whose character and community ties would reasonably assure that he would remain subject to the jurisdiction of the court and would not flee. We now have had three years of experience with the Bail Reform Act and we have come to the conclusion that there is sufficient evidence to warrant substantial modification.

The amendments we propose will apply to all Federal jurisdictions, but their primary impact will be in Washington. No other Federal judicial district faces the high volume of street crime that we face here in Washington and, although there are bail reform experiments in more than 125 cities, in no other city is the risk of flight used in practice as the *sole* criterion for release of suspected robbers, muggers, rapists, narcotics addicts and other street criminals. There is no doubt at all that a significant number of serious crimes are being committed by those released on bail although the exact number of these offenders is subject to wide divergence of opinion, depending on the studies undertaken.

In view of (the) enormous increase in reported crime, the limitation of pre-trial detention to capital offenses makes no sense at all. The addict-robber, the professional burglar, the confirmed rapist are all far more dangerous to the community than the husband charged with first degree murder of his wife. Though precise statistics on crime committed on bail are not available because of the very low arrest rate for violent crimes (under 10% of all crime) many law enforcement experts—judges, prosecutors and police investigators—believe that crime on bail is a major factor in all street crimes.

In light of all available evidence, I believe that the pre-trial release of potentially dangerous defendants constitutes one of the most serious factors in the present crime wave. I believe that danger to the community must be made a significant consideration in the ultimate decision to release a suspect. I believe that we need a more flexible approach which will offer a range of possibilities—pre-trial release without close supervision; pre-trial release with close supervision, and other conditions such as employment; and no pre-trial release at all for those suspects who clearly present a potential for committing another serious crime.

Under the proposal no one will be held in pre-trial detention unless (1) he comes within one of a group of carefully chosen categories of defendants who may pose a danger to society, (2) the judge finds that he cannot be released on any condition that would assure community safety, and (3) there is a substantial probability of his ultimate conviction.

There are four categories of detainable defendants in the bill. The first category covers certain dangerous crimes—robbery, burglary, rape, arson and drug sales. These are crimes of grave dangerousness, or, like drug sales, they are crimes that serve as breeding grounds for other and more violent crimes.

The second category covers the entire range of crimes of violence. The mere charge of a violent crime is, however, insufficient. In addition, the defendant must be out on bail on another charge of a crime of violence when arrested or have been convicted of such an offense within the last 10 years.

Narcotic addicts charged with a crime of violence comprise the third category. Probably no act is more predictable than the commission of a crime by an addict driven by his habit.

The final category covers those persons who, irrespective of the offense charged, obstruct justice by threatening witneses or jurors.

Only when the defendant fits into one of these categories may a motion for a pre-trial detention hearing be made by the U.S. Attorney. At this hearing the judicial officer has to find, on the basis of information available on the defendant and the facts of the offense charged, that there are no conditions or release which will reasonably assure the safety of the community.

Some have said that this finding makes the judge into a prognosticator of future behavior and that this is unprecedented and unreliable. The short answer to this is that our system has always called on the trial judge to make numerous predictions of future behavior from the first appearance after arrest until final sentencing. No one, for instance, has objected to the judge's predicting, under the Bail Reform Act, the likelihood of flight. When a capital offense is charged, the very same judge is directed by the Bail Reform Act to take danger to the community into consideration and thus predict whether the defendant will present a danger to the community if released.

Moreover, every time a judge imposes or suspends a sentence or grants or denies probation he makes a prediction of future behavior and the possibility of rehabilitation. If a judge can predict with some reliability without Constitutional prohibition in these areas he can also predict the dangerousness of a defendant before him.

The proposal also contains a number of strong procedural protections to safeguard the rights of the defendant. He will be entitled to an expedited trial and will not be held in pre-trial detention for more than 60 days unless the trial has started or he is delaying his trial.

The proposal I have outlined would thus amend the Bail Reform Act to establish selected pre-trial detention on a limited basis with strong safeguards against abuse. The bill will hold for pre-trial detention only those persons who appear to be so dangerous that their release pending trial would probably result in the commission of other crimes. It will provide our courts with a number of indispensable weapons and procedures to combat the scourge of crime in our streets. Crime on bail does exist and those who are faced with it on a day to day basis know that it is a major factor in the rising crime rate.

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BAIL REFORM

(By SAM J. ERVIN, JR.)

Initially, I want to make it clear that I am deeply concerned about the crime problem in this country and about the safety of our law-abiding citizens. The increasing rate of criminal activity in our land is appalling. I am especially disturbed by the crime problems besetting us each day here in the District of Columbia. The existence of these problems, however, should not prompt Congress towards enacting unconstitutional and unwise and deceptively appealing legislation. Rather, it should provide us with the opportunity to make those difficult legislative decisions which are essential if our courts and corrective systems are to cope with the demands of modern society.

I believe our search for a solution to the problem of crime on bail should begin with an acknowledgement of three facts. First, crime on bail, though the exact extent is uncertain, represents but a small part of the overall crime problem. Second, the problem, irrespective of its precise magnitude, could be substantially eradicated if trials were conducted between 30 and 60 days following arrest and release. Third, the Bail Reform Act of 1966 has been inaccurately and unfairly cited as the villain responsible for crime on bail.

The Eighth Amendment prohibits excessive bail. Clearly, if bails set at a higher level than necessary to insure appearance, it is excessive and is serving a function not consonant with its historical purpose. The result of excessive bail is pre-trial detention violative of the Eighth Amendment. In my judgment, the Eighth Amendment implicitly guarantees a right to bail in all non-capital cases. I am personally satisfied that preventive detention prostitutes the purpose of bail and runs afoul of the Eighth Amendment.

Fundamental to due process of law is the tenet that a man is presumed innocent until proven guilty beyond a reasonable doubt. Under our system of justice the Government cannot deprive a man of his liberty on the basis of a mere accusation or assumption that he has committed a crime or is likely to do so. In practical effect, preventive detention legislation convicts individuals of "probable" guilt and "dangerousness" and sentences them to 60 days' imprisonment without trial and conviction of a crime. Such flagrant violation of due process smacks of a police state rather than a democracy under law. It is reminiscent of similar devices in other countries which have proved all too useful as tools of political repression.

Preventive detention rests on an untested theory of predictability. A judicial officer must be able to pick out with precision the suspect who will commit new crimes while on bail. Yet there are no standards for determining dangerousness and no statistical guidelines on which to base the prediction which must be made under the proposed law. We should remember that only a small percentage and number of suspects actually commit crimes while on bail. When that fact is coupled with the fact that judges have nothing to guide them other than some enigmatic power of prophecy, the law will most assuredly result in the imprisonment without trial of many persons who are not dangerous and who are innocent of the charges.

If the preventive detention law is judged by its susceptibility to abuse, plainly it is an evil law.

The proposed solution would impose heavy additional administrative burdens on the already heavily backlogged courts. (It) would, in many instances, take as much time as would actual trial of the principal case. Court congestion would get worse. Delays in criminal trials, now running 10 to 12 months, would increase. The suspect will be in the streets eight to 10 months awaiting trial after his 60-day detention period is over. Thus we have the curious situation where our failure to give defendants and the public their Constitutional right to speedy trial has spawned legislation which will further burden the judges, and make speedy trials even less likely than at present. Yet the professed goal of protecting the public will still remain unrealized.

We should examine the impact upon the individual with the utmost care. It is obvious that 60 days' preventive detention will cost the detained individual his job. Loss of employment plus physical absence from his home will unquestionably have a detrimental effect upon his family. Probably the most serious blows to be dealt the individual will stem from his subjection to the physical and psychological deprivations and degradations of prison life. Criminal suspects in the District of Columbia will bear the brunt of the preventive detention law. The jails of this city are already a national disgrace. Yet the advocates of preventive detention would inject untold additional individuals, many of them innocent, into our problem-ridden, overcrowded prison system.

A period of 60 days or more of preventive detention in such a system is not likely to improve an individual's reputation. It will make securing employment difficult. It will, in all probability, exacerbate rather than reduce any existing criminal tendencies. And it will sharply detract from the defendant's ability to secure a fair trial, or a probationary or suspended sentence in the event of conviction.

In my judgment, the real answer to the immediate problem of crime committed by persons on bail, and, indeed, the solution to the general problem of crime, lies not in the preventive detention of individuals presumed innocent but in the speedy trial of the accused and the swift and sure punishment of the guilty. To attain that objective we must bring major improvements, long overdue, into our system of criminal justice. We must have more judges with adequate staffs and facilities, more prosecutors with sufficient supporting personnel, a more efficient system of defense for suspects financially unable to obtain counsel and a more enlightened aprach to penal reform.

Given the choice between a course of action fraught with Constitutional perils and one clearly Constitutional, let us choose the latter. Let us reject this facile and desperate detention device which repudiates our traditional concepts of liberty and pursue instead the goal of speedy trial of criminal suspects. That objective does not depend upon Constitutional affront but rather plainly preserves and enhances the rights of us all under the Constitution.

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NOVEMBER 5, 1969.

EDITOR IN CHIEF,
*The Wall Street Journal,*
*New York, N.Y.*

DEAR SIR: I commend the Wall Street Journal's policy of presenting both sides of the Administration's controversial preventive detention proposal by printing side-by-side the positions of Attorney General John Mitchell and Senator Sam Ervin. I am troubled, however, by Mr. Mitchell's presentation which is based on some rather facile assumptions about present bail practices and which seems to imply that there are easy answers to the problems of administering a fair criminal justice system in a free society.

As to the Bail Reform Act of 1966, Mr. Mitchell implies that the only recourse of a judge faced with a "dangerous" defendant in a non-capital case is to release him on his own recognizance without further controls. This is not true. The Bail Reform Act provided a whole arsenal of controls over a defendant released prior to trial including supervision by a person or organization into whose custody he is released, and "any other condition deemed reasonably necessary to assure appearance . . . including . . . *return to custody after specified hours.*" (Emphasis added) Thus the Bail Reform Act already provides a variety of measures which judges may use to control the pre-trial activities of defendants.

It is true that the statute permits these conditions to be used only to assure appearance. Mr. Mitchell argues that the District of Columbia is thus the only jurisdiction in which "the risk of flight [is] used in practice as the *sole-criterion* for release of suspected criminals." He also argues that there is little difference between predicting risk of flight and predicting "dangerousness." I believe he is wrong on both counts.

First, saying that only risk of flight and not "dangerousness" is considered by federal judges in determining pretrial release conditions ignores the fact that criminals who present a high risk of flight are often, if not always, the same as those who present a risk of danger to the community. No judge is unaware of the danger which a defendant released prior to trial may present to the community, and the same factors which make a man liable to flee are often those which make him dangerous. The difference is that if a judge considers only a defendant's "dangerousness," he flies in the face of both our legal traditions and the presumption of innocence. Moreover, although Mr. Mitchell cannot distinguish the differences between predicting risk of flight and "dangerousness," there *are* differences—historical, constitutional and practical—which any judge would recognize immediately, even if the Attorney General does not.

One may well ask if all these controls are available to the judge and if he probably does consider danger to the community in selecting among them, why is there still such a high incidence of pre-trial crime committed. In the first place, as Mr. Mitchell admits, no one really knows how much pretrial crime there is. (It is interesting to speculate, this being true, why there is "no doubt at all" that crime committed by men on bail is a significant problem.) One must be careful here to distinguish statistics on recidivism, which normally refer to crimes by persons *convicted* of prior crimes, not persons who commit crimes while on pretrial release.

But the question of why the pre-trial controls available to judges have not worked, to the extent that they have not, really brings us to the heart of the matter. The fact is that there are simply not enough resources for courts and judges to draw upon to insure that the pre-trial release conditions which they impose are really effective. For years we have starved our courts and corrections systems of resources while grossly overloading them with cases. Now we act surprised when they cannot do the job which the criminal justice system was designed to do. To deal with the problem of supervising defendants released prior to trial what is needed is speedier trials, more bailiffs, more marshals, pretrial release supervisors (which do not even exist in most jurisdictions), and money enough to make this whole system work. This is not as simple an answer as throwing "dangerous" defendants in jail before they are found guilty, but it is the only way to solve the problem while preserving our traditional motions of constitutional due process.

The question boils down to this: we have a criminal justice system which presumes one innocent until proven guilty in a jury trial; we surround the criminal defendent with safeguards to insure that he has a fair chance to prove his innocence; we have a Constitution which specifically guarantees a right to reasonable bail in non-capital cases and which mandates speedy trials. Now it is proposed that we adopt a measure which circumvents the careful safeguards of a criminal trial before we have even attempted alternatives such as pre-trial release conditions (backed with enough resources to make them effective), speedy trials (which would also increase the deterrent effect of the criminal sanction which is now almost totally lost because of pre-trial delays), and limited pre-trial custody such as is already authorized by the Bail Reform Act. We can choose preventive detention if we don't want to spend the money to make our criminal justice system work the way it was intended to. But we should know when we do so that we are making a choice which changes the fundamental nature of our system from what it has been for almost 180 years.

The way we determine a man's "dangerousness" in America has always been a trial, not a judge's pre-trial determination based on fragmentary information about the man and the act of which he is accused. We can take this determination away from a jury of citizens and give it to an official of the state if we want to, but I think it is a change in our system which most citizens will want to take only as a last resort, and only after we have thought long and hard about its implications for the kind of society in which we live.

Sincerely,

ABNER J. MIKVA.

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## THE TV DEBATE

## HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. ROUDEBUSH. Mr. Speaker, in an effort to obscure the accuracy and pertinence of Vice President AGNEW's criticism of network news coverage, the networks are trying to divert the American public's attention by distorting Mr. AGNEW's remarks.

In an excellent editorial, the Indianapolis News penetrates this network smokescreen and draws attention to the real issue cited in the Vice President's address to the people.

The editorial follows:

THE TV DEBATE

The lamentations of the TV network bosses and commentators over the recent remarks of Vice-President Agnew would be funny if they were not so deadly serious.

To hear the TV spokesmen tell it, they are being made to pay the price for "reporting" bad news, daring to criticize those in power, and being fearlessly independent. They will, they inform us, fight on for honest reporting and freedom of the press. As anyone can testify who has followed their labors in recent years—and as they have themselves on some occasions admitted—this is so much hogwash.

The issue at stake in this discussion, which the TV spokesmen are carefully avoiding, is not the right of TV or any other part of the press to criticize the President or anybody else in our government. Nor is it the

"reporting" of bad news, or the privilege of exemption from censorship. These are important issues but they are not the issues in the TV debate.

The real issue, quite simply, is the fact that the TV moguls and news commentators, wielding nationwide power in which realistic options to their views are excluded, have for years been busily at work stuffing the American public with liberal-left opinion. They have insistently played up liberal causes and left-wing personalities, and have just as insistently blocked out conservative opinion and conservative spokesmen.

What this means is that the "bad" news which gets reported, the fearless criticism being expounded, and the "talk shows" which get offered to the public come overwhelmingly from one direction—from the left. As Fred Freed of NBC has admitted, "this generation of newsmen is a product of the New Deal. These beliefs that were sacred to the New Deal are the beliefs that the news has grown on." Those sacred liberal views shape "news" reporting in all the national media, but nowhere more uniformly than in television.

It is relatively easy to name the obvious liberals who have appeared in recent years on network television—Edward P. Morgan, Howard K. Smith, Chet Huntley, Sander Vanocur, Edwin Newman, Eric Sevareid, and many others. Can anybody name a conservative newsman on network television?

It is this pervasive bias which needs discussion, and the effort of the TV brass to cry up their "independence" cannot conceal that fact. Angew's criticism on this score was all too obviously correct.

## PARNELL LEGION AUXILIARY SHOWS STRONG SUPPORT FOR MRS. NAUGHTON

### HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. SCHWENGEL. Mr. Speaker, I have received a letter signed by members of the Parnell, Iowa, Legion auxiliary, indicating their support for Mrs. Peggy Naughton, wife of Lt. Robert Naughton, who was shot down over North Vietnam. Mrs. Naughton has received no word as to the whereabouts or condition of her husband. This is a tragic story which has been repeated altogether too often by the cruel and heartless North Vietnamese captors. I am happy to join these good ladies from Parnell in expressing to Hanoi the indignation and outrage felt by all Americans on this point. I have gone one step further and cosponsored a resolution, House Concurrent Resolution 335, which expresses more formally the indignation of the Congress and condemns Hanoi for their action. The resolution urges the President to take diplomatic action to:

First. Identify prisoners whom they hold;

Second. Release seriously sick or injured prisoners;

Third. Permit impartial inspections of all prisoners of war facilities; and

Fourth. Permit the free exchange of mail between families and prisoners.

The text of the letter from Parnell follows:

PARNELL, IOWA,
*November 17, 1969.*

Hon. FRED R. SCHWENGEL
*Washington, D.C.*

DEAR MR. SCHWENGEL: In support of Mrs. Peggy Naughton we wish to join her letter writing campaign that she may learn of her husband's fate, Lieutenant Robert Naughton, shot down May 18, 1967 in North Vietnam.

We as members of the American Legion Auxiliary Vincent Carney Unit 369, Parnell Iowa are asking you to use your distinguished influence to let Hanoi know the American public is concerned about treatment of our Prisoners of War and through this same influence may you touch the organ that will reverse decision of the law to the extent that they will at least let our American wives know their husbands are still among the living.

We here at Parnell are particularly interested in Mrs. Naughton's plea since Lieutenant Naughton's father is a native of Parnell and his mother is a Williamsburg girl—Mr. and Mrs. Roland Naughton, Cedar Rapids, Iowa.

Thank you,

Hanora McDonald, Vera Spratt, Irene Wombacher, Alice McDonald, Coleen Weldon, Bridgie Kuddes, Teresa Donahoe, Rita Murphy, Katie McDonald, Maude Hall, Evelyn Weldon, Anna Weldon, Helen Leahy, Marguerite Lawler, Madge Wickham; the American Legion Auxiliary.

## VICE PRESIDENT RECEIVES VOTE OF CONFIDENCE

### HON. W. E. (BILL) BROCK

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. BROCK. Mr. Speaker, Clinton Research Services of Philadelphia recently conducted a poll seeking to find out how the public thinks Vice President AGNEW is doing his job.

For those of us who admire the Vice President for his courage and forthrightness, the results of that poll were most gratifying. I call them to my colleagues' attention:

VICE PRESIDENT RECEIVES VOTE OF CONFIDENCE

RNC Deputy Chairman Jim Allison announced on Friday the result of a poll that shows 64% of the American people approve of the way Vice President Agnew is handling his job. The telephone survey, conducted for the RNC by Chilton Research Services of Philadelphia, also showed that a dramatic 71% of those surveyed agreed with the VP that the news media should re-examine its standards of objectivity.

The Survey results were as follows:

(1) In general, do you approve or disapprove of the way Mr. Agnew is handling his job as Vice President?

| | Percent |
|---|---|
| Approve | 64 |
| Disapprove | 24 |
| Do not know | 12 |

(2) Have you read or heard about anything that Vice President Agnew has recently said about TV networks?

| | Percent |
|---|---|
| Yes | 65 |
| No | 33 |
| Do not know | 2 |

(3) The Vice President said the networks should separate their commentary from the news itself when they are reporting the news on TV. Do you agree or disagree with what he said?

| | Percent |
|---|---|
| Agree | 58 |
| Disagree | 29 |
| Do not know | 13 |

(4) He also said that the TV networks should reexamine their procedures for making sure their newscasts are objective and unbiased. Do you approve or disapprove of this statement by the Vice President?

| | Percent |
|---|---|
| Approve | 71 |
| Disapprove | 20 |
| Do not know | 9 |

## HARRY BROOKSHIRE GOES HOME

### HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. BROWN of Ohio. Mr. Speaker, Harry L. Brookshire ended a career in Washington of 30 years October 31 when he retired as House minority clerk and moved to a new home near Iberia, Ohio, near the scenes of his first political activities.

The major daily newspaper which circulates in the Iberia area is the Marion Star, published in the Seventh Ohio Congressional District. The Star recently printed an excellent feature article, chronicling Harry's life in politics. I include that article in the RECORD to be read and enjoyed by Harry's many friends in the House:

HARRY BROOKSHIRE FINISHES 30-YEAR CAREER IN CONGRESS

(By David Lace)

A political career which began in Marion in 1935 along with that of eventual Congressman Dr. Frederick C. Smith has ended after a solid 30-year "run" in Washington, D.C.

Harry L. Brookshire isn't "hopping" back to his Iberia home anymore from busy Congressional sessions.

This month Harry came home for keeps, retiring from the position of floor assistant to the minority, U.S. House of Representatives.

Mr. Brookshire had held the $28,000-a-year post since Feb. 3, 1958.

His wife, the former Ruth E. Adams, a native of Indiana who grew up and attended schools in Marion, had retired on June 30 of this year after a 30-year Washington career of her own. She had been an employee of the House Merchant Marine Committee since 1953 and prior to that had served in the late Dr. Smith's office.

Recent Congressional records have been well-dotted with references to Mr. Brookshire's long service.

Harry L. Brookshire was born June 2, 1902 in neighboring Hardin County at Forest where his father was a blacksmith. The Brookshire family moved to Kenton where Harry attended his first two years of grammar school.

The family moved to Marion where he continued in school until his sophomore year when his father died. He quit school to help support his family.

Young Harry went to work on the railroad, first as a helper and later worked his way up to a machinist's job.

The most vivid memory he has of Warren G. Harding is a tragic one. He was one of the men who helped drape the locomotive which carried the President's body back home to Marion.

Harry was over 21 when he returned to high school to complete graduation require-

ments after which he went on to Miami University at Oxford.

After two college years his mother died in 1926 and he dropped out of school for four more years. He returned for one final year of schooling but left before earning a degree.

Mr. Brookshire recalls today:

"I was offered a good job with the Osgood Steam Shovel Co. in Marion as a public relations man, so I took it."

"At that time—1935—the city of Marion was in bad financial shape. Taxes were high and so was bonded indebtedness.

"City Council was proposing the purchase of a water plant. One of the leading opponents to the purchase was Dr. Frederick Smith, who up to then had kept busy enough with his practice and private clinic. Council ignored Dr. Smith and his supporters and voted to buy the water plant.

"I'll never forget going to visit the doctor the next evening. He was sitting on his front porch, swinging back and forth and snorting. As soon as I stepped on the porch Doc started storming about how the new water plant couldn't go through.

"He said that the people have a right to vote on it. So I asked him how he was going to stop council's action. He said he'd run for mayor . . . he did and was elected."

And like that—on the spur of the moment—began two political careers that reached all the way to the U.S. Congress.

Before Dr. Smith walked into the "bear trap" that was the mayor's office in those depression days—$80,000 in unpaid bills filed away in bottom drawers—he persuaded the then 33-year-old Brookshire to work for his administration.

Mr. Brookshire recalls that he moved into city hall reluctantly but soon caught Mayor Smith's enthusiasm as one problem after another was tackled.

In 1937 Dr. Smith became the first Marion mayor to be re-elected in over 20 years.

In 1938, Mayor Smith became Congressman Smith. Harry went along to head up his Washington office. They remained a team until illness forced the congressman to exit the rigors of Washington life in 1949.

The Republican nomination race to fill Dr. Smith's seat saw Mr. Brookshire carry five of the six counties, but losing by a couple of hundred votes in the overall tally.

Next came service with Rep. Howard Buffet as administrative aide.

The 1952 Eisenhower presidential campaign was the busiest time of Brookshire's life as he acted as part of a two-man team of advance men for the campaign train of Dwight D. Eisenhower.

Brookshire recalls with a shudder:

"I was supposed to keep 10 days ahead of the train, but I'd wake up at night thinking I heard the train whistle blowing—some days I was 5 or 6 days ahead—when the campaign was over I was ready to fall into bed and stay there for a month."

But he was not allowed to take it easy as he was immediately drafted to work on the Eisenhower inaugural.

"I remember sitting in inauguration headquarters on New Year's Eve—holding the phone in my hand and trying to track down Republicans all over the natiion to confirm their hotel accommodations—or whatever it was I needed to talk to them about."

With the campaign and then the inauguration out of the way, Mr. Brookshire looked forward to taking some time off from the political wars.

He couldn't. He was named a confidential assistant in the Post Office Department and then he was appointed a special assistant to Postmaster General Arthur E. Summerfield. In October 1955 he became the postmaster general's executive assistant.

He recalled his advancement to the elected position of floor assistant to the minority in the House as "the toughest political fight I was ever involved in during 30 years in Washington."

However, he won and held the position since 1958 under three minority leaders.

His duties were to direct and coordinate activities of minority employes, and to be the control point on the House floor for all inquiries and requests that had to do with legislative matters and minority employes.

For a man who had little interest in politics as he grew up in a city that helped produce a president, Harry L. Brookshire, spent a virtual lifetime at the country's very heartbeat.

Minority leaders were shocked when they learned of Harry's decision to step down, even though the pay for the job was being raised $8,000 per year to $36,000.

"It was time to come home. We started building this home two years ago and it's ready to be lived in now. So here we are," he added.

From the hustle and bustle of Washington to life in Washington Township, one mile south of Iberia, is quite a change of pace.

Mr. and Mrs. Brookshire both agreed that the change was good and they were extremely happy to settle down next to their longtime friends, Rudolph "Rudy" and Jayne Forry, former Marionites who own the neighboring farm.

Miss Lela M. Brookshire of Marion, a teacher at Eber Baker Middle School, is Mr. Brookshire's sister.

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## BIG TRUCK BILL

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## HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. SCHWENGEL. Mr. Speaker, my editorials for today are from the Knoxville, Journal, the Nashville Banner, the Commercial Appeal of July 21, 1969, the Nashville Tennessean, the Commercial Appeal of July 14, 1969, the Memphis Press-Scimitar, and the Jackson Sun, in the State of Tennessee. The editorials follow:

[From the Jackson (Tenn.) Sun, Sept. 22, 1969]

NO TRUCK TRAINS, PLEASE

The trucking industry, engaged in a determined campaign for the last year or so to persuade the government to give even larger trucks the run of the nation's roads, has come up with a new argument.

Industry spokesmen asserted in congressional hearings that the size and weight hikes desired would actually contribute to highway safety.

Their reasoning is that by abandoning the present weight limit—73,280 pounds—for trucks on the interstate system and adopting instead an axle-spacing formula, weight distribution would be improved.

Trucks might be heavier—up to 92,500 pounds—and wider, but also better-balanced, and therefore less of a hazard to truckers, passenger car drivers, bridges and the roadways themselves, it is claimed.

There is no question that trucking is an important element in the transport system of a consumption-happy society or, perhaps, that there are valid arguments for bringing existing regulations into line with changing needs of the industry and public, improved technology and highway facilities.

But this is one that is likely to be difficult to sell to drivers who have had white-knuckled experience maneuvering around and among present width and weight trucks, or struggled to keep a car on the road in the gale-force winds frequently created by trucks.

Besides, the volume of traffic on the nation's highway system has already increased to such an extent that coping with other vehicles of reasonable size and length is task enough to require any motorist's most careful attention and driving skill—without the added danger and difficuty of having to contend with giant-sized "truck trains," as these highway behemoths are so well described.

The truck industry's argument about axles may be valid with respect to weight distribution, but it fails to solve the more important problem that truck trains would create—the problem of worrying and endangering the motoring public.

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[From the Knoxville (Tenn.) Journal, July 12, 1969]

BIG TRUCK SOPHISTRY

The trucking industry is now claiming that longer, heavier and wider vehicles will provide more safety not only for truck drivers but for motorists as well. To us this contention is incredible.

In Washington the House of Representatives public roads subcommittee heard testimony to that effect Thursday from William A. Bresnahan, managing director of the American Trucking Association. He was appearing before the group in support of a bill which would allow trucks using interstate highways to weigh up to 92,500 pounds loaded and to have six more inches of width and maximum length of 70 feet.

Bresnahan argued that the bill's formula for spacing axles would spread a truck's weight better on the road, resulting in a higher safety factor and also more protection of bridges. He said the extra width would give trucks more stability.

It is hard to see how the proposed specifications could yield much more safety for motorists except possibly in the sense that fewer truck wrecks would present fewer hazards to other traffic.

Wider trucks would be made difficult to see around from vehicles behind them. Longer trucks would be more difficult to overtake.

The trucking industry will answer that those considerations are not so important on the multiple-lane interstate highways.

Of course, the reply to that argument is that there is no practical way to allow longer, wider and heavier trucks on interstate highways and at the same time prohibit them from using other roads and streets. The monster trucks must deliver their loads either to consignees or to terminals off the interstate system.

The proposed legislation should be defeated. In our judgment it would add to hazards for the public on interstate highways and multiply the perils on lesser roads and city streets.

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[From the Nashville (Tenn.) Banner, July 16, 1969]

ON BIGGER HIGHWAY BOXCARS ANSWER STILL IS NO

Back and forth—between the state legislatures and Congress—the trucking industry goes continuously, pressing at each level for legal enlargement of weight and size for its vehicles. And it is no surprise to learn that it is angling at Washington again for federal authority to that end. As noted in the news columns, it was attempting last week to prove that the use of "truck trains" carrying gross weights of up to 108,000 pounds—nearly 36,000 pounds more than is legal in Tennessee—would improve traffic safety and cause less damage to highways and bridges.

Thanks to Reps. Fred Schwengel, R-Iowa, and Richard McCarthy, D-N.Y., the contention was sharply challenged in the House Public Works subcommittee, before which that pitch was made. Counteractive testimony was cited by Schwengel showing that

if the "big truck" bill is enacted, the life of highways will be shortened by 35 to 40 per cent; and McCarthy dwelt on the enlarged traffic hazard, along with the added construction and maintenance costs occasioned by heavier wear and tear.

Most States, at their own responsibility level, have recognized both aspects—and public opposition is clear at the grassroots level. That showed strongly in Tennessee at the 1969 session of the General Assembly when the trucking industry sought unsuccessfully to put through its measure for twin-trailer rigs, exceeding the present length and weight limitations. Though the proposal was simply left dangling, the opposition remains—and the same objection applies, whether the approach to legalization of longer, wider, heavier trucks is through state legislatures or the national law-making body.

Rep. Richard Fulton was speaking to that very point, and in the public interest Monday, in urging the Public Works Committee to kill the measure proposed.

That is something for Congress, hearing from home, to bear in mind. Members representative of district by district and state by state cannot, in reason disregard that obvious public objection.

Highway construction and maintenance are expensive enough without increasing that cost, present or future, needlessly. They are built for safety as well as convenience, and the public interest wants no encroachment on the safety factor. Mindful of these facts, Congress should have all the incentive it needs to reject this encroaching legislation.

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[From the Memphis (Tenn.) Commercial Appeal, July 21, 1969]

TRUCKS—THE SAME OLD STORY

This year's effort by owners of the biggest trucks on the highways to get congressional approval for states to accept longer, heavier and wider rubber-tired freight cars is mostly a continuation of last year's campaign.

The outcome should be the same as in 1968. After the Senate had approved, the public became aware of opposition by the American Automobile Association (AAA), and of warnings issued by qualified highway engineers, when newspapers took an intense interest in the trucker plans. Eventually both presidential candidates took note of the doubts and the House put the plan on a back shelf.

The main change in the truckers proposal this year is a 70-foot length limit. There was no limit in last year's proposal and visions of truck trains of three and four trailers alarmed the public. But the present limit in most states east of the Mississippi River is 55 feet, a length on which there is little reason to haul double bottoms. The added 15 feet would encourage tractor-and-two-trailer rigs. The proposal is also to leave present laws allowing longer lengths in Western states.

The truckers want a maximum width of 102 inches, six inches more than at present. Standard width of traffic lanes would remain, which means decreased space for passing.

This year's emphasis is on a maximum weight of 34,000 pounds for each tandem axle. But the gross weight limit of 73,280 pounds has been abandoned in favor of a weight that could group with the number of axles to 108,500 pounds on nine axles.

Two witnesses this year have made an extra impression. George F. Kachlein, executive vice president of the AAA, pointed to 1.8 billion dollars as the 10-year added cost of highway repairs due to the proposed allowance of 34,000 pounds on a tandem axle.

Newer is the testimony of Richard J. Boccabella of Belmont County (St. Clairsville), Ohio, president of the National Association of County Engineers. He told Congress that 71.4 percent of Ohio's county highways are unsafe for even the present vehicles, much less bigger ones.

This is another year but there is the same old attempt by owners of about 1.5 percent of the vehicles on the road to use still bigger trucks.

As to safety they are involved in 11.6 percent of the fatal accidents.

As to cost, they shorten the life of billions of dollars of pavements built with taxes, even though extra taxes have been put into surfaces that could be constructed at much less cost, such as parkways on which trucks are barred.

It's an old story and it needs the same ending it had last year.

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[From the Nashville Tennessean, Aug. 3, 1969]

PUBLIC DREADS 70-FOOT TRUCKS

The trucking industry lobby, which has been having less and less success in badgering state legislatures with special interest legislation, is asking Congress again for bigger trucks.

The truckers are proposing that they be given permission to operate trucks up to 70 feet on interstate highways, with an increase in the present maximum weight, which is already over 36 tons.

Tennessee now limits trucks to 55 feet, although the average motorist might question whether it is enforced. The legislature recently turned down truckers' requests for 65-foot twin trailer rigs on interstate highways.

The truckers, of course, argue that longer and heavier trucks would be safer and more economical. Opponents have told Congress bigger trucks will increase hazards to the average motorist and cost billions in road repairs.

After the completion of the interstate system, the states will take over the cost of maintenance, and the damage could be a substantial burden on already overloaded taxpayers.

But an even more compelling argument is the sheer terror of a motorist passing, or being passed by, or colliding with, such a monster. Congress turned the truckers down last year, and it is difficult to see how their proposal is any more in the public interest this time.

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[From the Memphis (Tenn.) Commercial Appeal, July 14, 1969]

BIG TRUCKS ARE FEW

The fact that only a few owners of heavy trucks oppose multitudes of automobile owners is gradually becoming known.

This is an opposition in which a frequent dispute is how much cost is added to highway building for benefit of trucks, or how much of the added cost should be paid by truck owners. The basic fact is that parkways, on which trucks are forbidden, can be constructed for a fraction of the cost of major highways.

But the number of trucks on the new highways give a false impression of frequency because they're concentrated on the most modern routes and because they run a 24-hour day.

When a legislature is in session there is another false impression of vast numbers because owners of big trucks have enlisted help of those who own the fleet of ordinary farm trucks, delivery vehicles and others of a weight that can easily be handled by pavements.

Now the Department of Transportation shows 101,048,000 motor vehicles registered last year. Counting all sizes, only 16,998,000 of these were trucks.

That is a fast increase from the 12,659,000 of five years ago and the rate of increase last year was greater than for automobiles.

But most of these were of sizes for which older pavements were designed. The pavement troubles, and the questions about protecting investment of tax dollars in highways, come from a smaller number of vehicles, the 1,153,000 tractor-semi-trailers on the roads when 1968 ended. They are only seven percent of the trucks.

Even this is a much too large indication of the number of trucks of doubtful size.

Combinations of five axles or more sold last year numbered only 216,000. That was a mere 1.36 percent of truck sales.

This is the little fragment of truck owners—the tiny sliver of automobile-bus-truck owners—that produces the constant pressure for longer, wider and heavier freight carriers on highways.

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[From the Memphis (Tenn.) Press-Scimitar, July 18, 1969]

THE TRUCK BILL AGAIN

Congress, which last year shelved a bill to permit longer, wider and heavier trucks on the interstate highway system, is engaged now in studying a somewhat modified version.

The new bill would lift the present 73,280-pound weight limit, extend the width limit from eight to eight-and-a-half feet and impose a length limit of 70 feet. This last provision was absent from last year's bill.

The trucking industry argues an axle-spacing formula set out in the next bill would permit more even weight distribution, thus easing the strain on bridges and highways despite heavier loads and greater length.

These factors, the truckers contend, also would promote safety by permitting improved braking ability for big rigs and better road visibility for their drivers.

The industry's primary interest in the bill, of course, is the greater "economic return" larger vehicles would provide for truckers and lower per unit hauling costs for customers—a legitimate interest, certainly.

But that interest must be weighed against the public's interest in the use of the interstate system—a $60,000,000,000 taxpayer-financed project—and the other highway arteries onto which it empties.

Executive Vice President George Kachlein of the American Automobile Association, which opposes the bill, charges the extra truck weights permitted (up to 108,500 pounds for a nine-axle truck) would cost $1,800,000,000 for road repairs in 10 years.

And even if the bigger rigs could operate safely on the interstate, millions of miles of feeder roads on which some of them would have to travel are far below the interstate's design and safety standards, Congress has been warned by the National Association of County Engineers, the National Association of Counties and other opponents.

Further, the improved safety factors of the bigger rigs are projected rather than proved. And the sight of passing trucks 15 feet longer and tens of thousands of pounds heavier than the 55-foot vehicles now permitted throughout most of the East, seems unlikely to steady the nerves of the average motorist.

On balance, the truckers' interests are outweighed by the public interest in safe and economic use of the highways. The new bill should join the old one on the congressional shelf.

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## ENVIRONMENT—ISSUE OF THE 1970'S

### HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. WALDIE. Mr. Speaker, much has been said recently regarding the activism of our youth toward efforts to preserve

and protect our planet's environment. This new activism on a relatively nonpolitical issue foretells that environmental protection and enhancement will indeed be the issue of the 1970's.

An example of the concern of youth for this issue was received by me just recently. Kent Hubbs, a freshman at Acalanes High School in Lafayette, Calif., sent me the following poem reflecting his views on this subject:

Look all ye men, at the miracles of life which God has laid before you.
He laid a carpet of green life over the barren hills.
He filled the seas with abundant fish.
He covered the earth in a blanket of crawling creatures.
He made Human Beings with a brain for them to use at their will.
Now look God, at the wonders which man, the creatures with the brains, has put before the Earth.
Men took lush, green hills and laid down ribbons of rock called asphalt. On this rock he put machines that eat more oxygen in twenty minutes than five million people do in one day.
Man dipped huge nets into the seas God made, and drained them of their life.
Man pulled the life out of the once-living Earth for no other creature but himself.
This—man calls Progress.

## ABM IS NOT THE ANSWER

### HON. HASTINGS KEITH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. KEITH. Mr. Speaker, while this House has completed authorization of the Safeguard ABM system for this fiscal year, the debate over the merits of an antimissile defense is by no means over.

The Standard-Times of New Bedford, Mass., has long been closely involved with the controversy over the ABM and has devoted much of its news and editorial space to an exploration of the pros and cons of this issue. Most recently, an editorial appeared in this newspaper commenting on just released secret debate on ABM in the other body. If, as the testimony on the Senate floor indicated, the Soviet's SS–9 missiles are aimed directly at our ICBM's, then, according to the Standard-Times, our proper course is to develop less vulnerable offensive weapons rather than seek the deployment of inadequate defensive missiles.

In light of this the Standard-Times concludes that our best course of action is to further the development of Polaris subs armed with Poseidon missiles. As the editorial states—

If we need a weapon, why not spend the money on a sure one—Polaris-Poseidon?

Mr. Speaker, I include the editorial in the RECORD at this point:

[From the New Bedford (Mass.) Standard-Times, Nov. 29, 1969]

ABM IS NOT THE ANSWER

Previously censored congressional debate and testimony, recently made public, are credited with having produced the administration's knife-edge victory for the Safeguard anti-ballistic-missile system last summer.

It now is revealed that ABM supporters contended the Soviet Union's SS–9 missiles, thought previously to be aimed in the general direction of U.S. Minuteman bases, actually are zeroed in on them.

This thesis, attributed to U.S. intelligence sources, added support to the claim by Defense Secretary Laird that the U.S.S.R. is trying to achieve a first-strike capability that would enable it to knock out U.S. offensive missile bases and prevent retaliation for an attack.

At about the same time, Lt.-Gen. A. D. Starbird, systems manager for the ABM, told a House subcommittee that U.S. intelligence experts believe that within five years, SS–9 with multiple warheads will be accurate within a quarter-mile. Presumably, this is a related evaluation, based on the same data, and the general presented it in arguing for expansion of the Safeguard program.

Assuming the intelligence information is correct, building an antiballistic missile system is no answer to the SS–9 threat against the Minuteman.

First, Safeguard will not work, according to some of the best authorities in the field that we have. At least 11 scientists of national reputation from Harvard and MIT, including Prof. Steven Weinberg, MIT physicist, have informed Congress that the Safeguard missile site radar—designed to track incoming missiles and aim the defensive missiles at them—would be housed in an exposed structure that could be destroyed by a nuclear explosion 2½ miles away.

Principally, this is because, unlike missiles, which can be housed in protected silos underground, the radar installations would be partly above ground.

Second, the sure answer to the Soviet SS–9 threat is stepped-up improvement of the Polaris-Poseidon missile-carrying submarine fleet. Although Secretary Laird, presumably to strengthen his ABM case, has expressed some doubts about the invulnerability of this effective U.S. deterrent, those most intimately familiar with it have not.

As recently as Nov. 24, in an interview with U.S. News and World Report, Admiral Thomas H. Moorer, chief of naval operations, implicitly responded to this doubt when he rated the Soviet Navy, including its submarine fleet, "the second-best in the world."

In an exclusive interview with James H. Ottaway Jr., publisher of The Standard-Times last May, Rear-Admiral Levering Smith, director of Navy strategic systems, was even more specific.

Admiral Smith said, "I am quite positive that Russian submarines cannot and are not following any of our Polaris submarines under water. I am also quite positive that the new generation of Russian submarines that are getting close to operational status, that are now being tested, will also not be able to follow our Polaris submarines."

If we need a weapon, why not spend the money on a sure one—Polaris-Poseidon?

## IRVING MACHIZ—FEDERAL TAX COLLECTOR HAS FAITH IN PEOPLE AND COMPUTERS

### HON. SAMUEL N. FRIEDEL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. FRIEDEL. Mr. Speaker, knowing of your interest and the interests of our colleagues in the Congress in the manner in which Government officials function, I wish to invite your attention to a truly outstanding man who is the District Collector of the Internal Revenue Service in Baltimore. This dedicated official is Irving Machiz, whose service to both the people and the Government has attracted wide notice in creating a very favorable impression of the people in the Federal Government. His aim is to help citizens, and in this worthwhile endeavor he has achieved success.

The Evening Sun of Baltimore, in an article which appeared on December 2, 1969, published an account of Mr. Machiz's faith in people and computers. Believing this to be of considerable national interest, I now insert it at this point in the CONGRESSIONAL RECORD.

The article is as follows:

MACHIZ, A TAX COLLECTOR WHO HAS FAITH IN PEOPLE AND COMPUTERS

(By Anne S. Philbin)

What manner of man is the modern-day tax collector?

In Baltimore he's a man with strong faith in people and computers.

Irving Machiz, director of District 11, Internal Revenue Service, has had nearly 35 years in government service to assess the nature of the American taxpayer.

Mr. Machiz has been a deputy collector internal revenue agent, group supervisor in the audit division, chief of field audit branch, chief of collection division, assistant district director, and district director since 1958.

"The voluntary compliance with income tax laws by 97 per cent of the American people is a tremendous tribute to the honesty of our citizens. It's the highest of any country in the world," he said.

SERVICE EMPHASIZED

A short man with graying dark hair, Mr. Machiz emphasizes the "service" in Internal Revenue Service.

"We're here to help people, not just collect taxes. During the filing period we handle 4,000 calls a day, plus hundreds of inquiries from people who walk in off the street.

"We have from 40 to 50 extra phone lines and extra help on the counter. There are always taxpayers' service representatives in our 11 offices in the Maryland-District of Columbia district.

"Between May 1 and October 31 we've answered 123,990 phone inquiries and 35,714 over-the-counter questions."

Mr. Machiz can always quote exact figures on any phase of his district's operation; his "desk companion" is a large yellow paper filled with up-to-the-day columns of statistics.

In IRS he's well-known for "getting around." He goes through "the plant" which covers much of six floors in the Federal Building, talking with the employes, most of whom he knows by name. At peak filing periods he'll often answer the phone himself to find out what questions taxpayers are asking most.

To him, all people including the 984 who work for him, are VIP's. The President of the United States is one of his district's taxpayers, too.

Mr. Machiz sees his "mission" like this:

"It's my job to encourage and improve voluntary compliance with the nation's income tax laws and to maintain the highest degree of public confidence in the integrity and efficiency of the department. I also like to think, in assessing my time here, that I've established a much better climate in terms of people understanding not only what they must pay but also what they're entitled to in the way of deductions and refunds."

As to his faith in computerized tax collection, Mr. Machiz says data processing has resulted in substantial improvement in the system and enabled IRS to do "a much better and more efficient job.

"In the filing period that ended April 15 computers found the nation's taxpayers

made $131 million worth of mathematical mistakes. This was returned to the taxpayers.

"On the other hand, computers also uncovered $267 million worth of errors favoring the government.

PLAYS TABLE TENNIS

"Computers have substantially diminished the number of non-filers, prevented duplicate refunds from being issued, and are bound to ensure everyone pays a fair share," Mr. Machiz said.

Born and educated in New York, Mr. Machiz obtained an accounting degree in Washington, and became a certified public accountant in Maryland in 1948. He is married and has three children, Stephen, an Air Force doctor, Edward, and Sharon.

He's a theater-goer, jogger, and plays table tennis, particularly enjoying those rare times when he can win a match from his young grandson.

Come the day after Christmas, you'll be hearing from the Internal Revenue Service with its new Form 1040. It's a one-page individual income tax return which replaces both old forms 1040 and 1040A, and to which schedules can be added to cover any particular tax situation.

If you need help, remember what Mr. Machiz said: IRS is here to help you.

## FATHER OF HERO PROTESTS MISUSE OF WAR DEAD

### HON. JOHN O. MARSH, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. MARSH. Mr. Speaker, 1st Lt. Garland D. "Skip" Whitmore was an armored combat platoon leader serving in the Army in Vietnam. He was killed in action September 1967. Posthumously, he was awarded the Bronze Star for valor, and other citations.

He was an outstanding young man in many ways and his death was deeply mourned by his friends and especially his family.

This young man was a resident of my congressional district and his surviving family make their home in Harrisonburg. His father has been a leader in our State against the misuse of the names of servicemen killed in action by those who protest and demonstrate against the American effort in South Vietnam.

In a poignant newspaper interview which appeared in the Daily News Record published in Harrisonburg, Va., on November 8, 1969, Ellen Layman gives the reader an insight to Mr. Don Whitmore and how he feels about using his deceased son's name in antiwar protests.

I call it to the attention of the other Members:

"If my boy had the courage to stand on the firing line in Vietnam, then I've got the courage to stand on the firing line at home."

And on the firing line stands a pleasant-looking man, late fortyish, with a graying crew cut and wearing a bow tie.

He might be any man proud of his son, but a gold star emblem in his lapel sets him apart. His oldest son died in Vietnam in September 1967.

In the closing days before the Oct. 15 moratorium, the man with the gold star stood on the firing line virtually alone.

Now with the second moratorium approaching next week, he's still there, but he's not by himself.

The governor of Virginia joined him just before the first moratorium. The President of the United States has written him a "very personal letter." Telephone calls, letters and telegrams identify others ready to stand with him on the firing line.

And now the Veterans of Foreign Wars and the American Legion are being asked to lend their support to his cause.

His cause is his opposition to having his dead son's name used as anti-war demonstrators hold moratorium ceremonies.

His stance on the firing line is one of determination for G. Don Whitmore of Harrisonburg. Since his plea for having his son's name removed from the list gained the support of Gov. Mills E. Godwin Jr., Mr. Whitmore has heard from about 100 other people—mostly those who have lost sons or husbands in the war.

"Many have paid high compliments to the governor for his stand," Mr. Whitmore says, "and many say there must be some way to stop it (the reading of the war dead).

"Since the October moratorium, their replies and the whole problem has just kept eating at me, just eating at me."

So Mr. Whitmore began contacting other people for their suggestions as to what he might do to make his opposition more effective. And he's launched a plan he believes will spread the campaign nationwide.

Friday, Mr. Whitmore, through a local VFW post, telegraphed the national VFW headquarters in Washington, D.C. asking for the organization's help in removing his son's name—1st Lt. Garland D. (Skip) Whitmore—from the lists of war dead used by protestors.

He's also extended an appeal to relatives of other servicemen killed in Vietnam to send wires to the national offices of either the VFW or American Legion—through local posts or by direct wire—and give the full name of the person killed, his rank, branch of service and address, requesting that his name not be used in the protests.

Other persons also can express their support of the program by wiring the two service organizations. Mr. Whitmore said.

As leader of the movement, Mr. Whitmore says he is "not being disrespectful" to the demonstrators with anti-war sentiments.

"Our boys are fighting for them to have the right to protest. And I feel I have the same right to ask them not to dishonor my son and my family."

He also plans to express his opposition to the moratorium by displaying the American flag at his home, keeping lights burning through the night and driving with the headlights on through the three-day moratorium period which begins Tuesday, Veterans Day.

Mr. Whitmore says his family supports the efforts he's taken during the anti-war demonstrations. "Of course it brings back sadness, but we sat down as a family and decided this had to be done."

He says his son Paul, a senior in the cadet corps at Virginia Tech, agrees with the stand, "believing as I do that they have no right to use his (Lt. Whitmore's) name. I've given no one my permission to use his name."

And the Whitmores' teenage daughter Kathryn has planned an anti-protest of her own. When other students wear black armbands on moratorium days, she and some of her friends have prepared red, white and blue armbands to show their support of the men fighting in Vietnam.

Mr. Whitmore wears his own symbol.

The gold star.

"I wear it with sorrow, but more and more I'm wearing it with pride. It keeps me conscious . . . makes me realizes what this all means."

## ALERTNESS OF WORTHINGTON PLANT APPLAUDED

### HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. NELSEN. Mr. Speaker, I wish to call attention to the fine public service performed by the employees and management of the Campbell Soup Co. packing plant located at Worthington, Minn.

According to an article in the Wall Street Journal of November 28, workers at the Worthington plant detected a number of turkeys that contained harmful pesticide impurities even though the birds had received the U.S. Government's stamp of approval. Had it not been for the self-policing policies of the Campbell plant in Worthington, it is entirely possible that these turkeys would have wound up on the dinner table.

The company's action in alerting the Agriculture Department's Consumer and Marketing Service of the source of contamination is most commendable. The incident illustrates the undeniable value of the food processing industry's own enormous effort to produce only the best and most wholesome things to eat. Certainly, this is an example of the kind of industry responsibility and cooperation that is fundamentally important to the successful operation of our Federal consumer protection programs.

I include the full text of the Journal article at this point in my remarks:

PESTICIDE AMOUNTS IN FOOD MAY BE HIGHER THAN U.S. TESTS HINT, TWO INCIDENTS SUGGEST

(By Burt Schorr)

WASHINGTON.—How much pesticide did *you* eat for Thanksgiving?

If you judge by the Government averages, any amounts of unwanted chemicals in those heaping servings of turkey were too small to worry about. Yet, two major incidents this year—one of them involving New York State chickens which has received scarcely any public notice—suggest there's more pesticide in our foods than Uncle Sam's random sampling methods might disclose.

Federal, state and local tests for pesticides do prevent quantities of milk and produce from reaching market. In one widely publicized case last April, the Food and Drug Administration seized 15,000 pounds of frozen Lake Michigan Coho salmon found to contain prohibited amounts of DDT. The incident was a factor in the Nixon Administration's subsequent announced intention to sharply curb DDT use.

Nevertheless, public health experts here agree that pesticide surveillance by government and industry remains far from foolproof, particularly for poultry.

Domesticated fowl may ingest only tiny amounts of pesticide with each peck of feed or soil. But DDT, dieldrin, heptachlor and other persistent chlorinated hydrocarbons can soon accumulate to undesirable levels in their skin and other fatty tissue. At the end of the food chain, Man, such "magnification" intensifies, especially if he dines on contaminated products several times in a short period.

There isn't any solid clinical evidence that continuing small doses of these long-lasting pesticides harm humans. Experiments with

laboratory animals suggest, however, that such chronic exposure could damage a human's nervous system, and could reduce the effectiveness of drugs he takes to cure disease.

PUBLIC GUARDIANS

Presumably on guard against such risks is the Agriculture Department's Consumer and Marketing Service, which shares food-wholesomeness responsibilities with FDA through its regulation of meat and poultry crossing state lines. This year, the eight CMS regional laboratories are expected to analyze about 3,000 poultry carcasses for pesticides. This sampling, however, when measured against the year's slaughter of 2.3 billion turkeys and chickens, is far too small to identify all local pesticide hotspots, CMS officials concede.

"The sampling they do isn't intended to locate particular birds with pesticide in them. It's more like sticking thermometers in rivers and lakes around the country and coming up with a national average water temperature," says Rod Leonard, who headed CMS during the Johnson Administration and pushed through several poultry-inspection reforms. Declares a Nixon man, Assistant Agriculture Secretary Richard Lying, "We should have a valid statistical sampling technique to give quality assurance in this area, and I'm going to find out why we don't."

Evidence of the present system's inadequacy surfaced three weeks ago when the Agriculture Department disclosed that for almost a month it had been investigating heptachlor epoxide contamination of turkeys, most of them originally destined for the nation's Thanksgiving tables.

At the outset of the turkey emergency, officials feared it might be nationwide. But a crash testing program, kept under wraps until the announcement, found that it involved only growers supplying a single slaughterer, Arkansas Valley Industries, Inc., Little Rock. Arkansas growers apparently spread heptachlor epoxide on their turkey ranges to hold down chiggers, despite label warnings that it could harm livestock. (Reportedly, when one grower was asked if he'd noted these warnings, he replied: "Hell, I ain't raising livestock. I'm raising turkeys.")

Heptachlor epoxide, a poison prescribed for use against fire ants, fleas, termites and other insect pests, is three to five times as powerful as DDT. The Agriculture Department requires the destruction of slaughtered poultry and poultry products containing one half part or more of heptachlor epoxide per million parts, on the ground that it's never been demonstrated why a higher level should be permitted. At latest count, about 350,000 Arkansas turkeys apparently exceeded this limit. Most of these birds contained one to three parts of the pesticide per million, but one shipment traced to Kansas City measured nearly 17 parts. (The total of contaminated turkeys includes 124,000 live birds being fed a special high-protein ration in the hope of purging the heptachlor epoxide from their bodies.)

U.S. "WHOLESOMENESS" STAMP

The Government is embarrassed about the quantity of carcasses at Arkansas Valley Industries that Federal inspectors unwittingly stamped "inspected for wholesomeness by the U.S. Department of Agriculture." If Campbell Soup Co.'s packing plant at Worthington, Minn., hadn't been among the consignees of Arkansas Valley turkeys, Uncle Sam might never have learned about the impurities—or might have found out too late to prevent the birds from reaching the table.

For nine years, Campbell has operated a "residue monitoring" system intended to detect chemical traces in the ingredients for its soups, frozen dinners and other products. Several food companies do the same, but many other concerns buying poultry apparently rely on the Federal stamp as assurance of wholesomeness. An Arkansas Valley official, noting that his company lacks such equipment, says he knows of only one laboratory in Arkansas able to conduct pesticide tests.

Another embarrassment arises out of the department's long-standing policy of withholding public information about incidents like this. Not until Arthur E. Rowse, a consumer columnist, got a tip and asked for an explanation did the department issue its Nov. 7 press statement—four weeks after Campbell alerted CMS that a large number of frozen Arkansas Valley turkeys exceeded Federal pesticide limits.

The food industry may find the department less tender in the future. "There's a tradition in the whole agricultural community, not just the USDA, of getting jobs like the turkey problem done without alarming the public," comments an aide of Agriculture Secretary Hardin who helps formulate pesticide policy. "But this is a different public. It has to be alerted," he says, promising that "there are going to be some changes."

However, the department still hasn't informed the public that, for a while last June, CMS thought as many as 630,000 laying hens in upper New York State might contain prohibitively high levels of the pesticide dieldrin in their fatty tissue. Many of these chickens, their egg-laying years over, had been sent to a Delaware food-processing plant where they were converted into nearly 57,000 pounds of chicken also used some of these birds inadvertently, but hasn't yet determined exactly how many pounds of its products it will have to destroy. The Government traced the shipments promptly and none of the contaminated meat reached retail stores.

## THE CONDITIONS IN RHODESIA

### HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. DIGGS. Mr. Speaker, discrimination in Rhodesia is intensifying. The practice of minority rule over the vast majority is a threat to peace which cannot and must not be ignored. If something is not done to change the direction of events in Rhodesia to make possible African advancement and social justice, those responsible will pay in blood for their indifference.

On October 16, 1969, the House of Commons in Great Britain debated the issue of Rhodesia. The statement of Mr. Frank Judd, Member of Parliament, succintly describes the current travesty in Rhodesia and outlines the necessary steps to insure freedom and equality for the people of Zimbabwe.

Mr. Judd's speech is of vital interest for all persons opposed to racial persecution and is particularly timely to bring to the attention of subscribers to the CONGRESSIONAL RECORD, since the Subcommittee on Africa, House Foreign Affairs Committee, which I am privileged to chair, has just completed hearings on United States-Rhodesian relations. Mr. Judd's speech follows:

STATEMENT OF MR. FRANK JUDD, MEMBER OF PARLIAMENT

At the time of this crucial debate, as we approach the fourth anniversary of U.D.I., I think it best, as my right hon. Friend has suggested, that we try to look at the immediate situation in Rhodesia in the perspective of developments over the past year.

The first point which I think we should accept is that we have clearly failed to reach our objectives in Rhodesia. The Smith regime still rides high; police State methods are still employed; many hundreds of people are detained without trial simply because of their political beliefs. There is political manipulation of the educational content in schools and universities; *apartheid*, with all its ghastly implications, is about to be written into the constitutional basis of the country, and getting on for 5 million people living within Rhodesia are still denied their elementary civil and political rights, while 250,000 people alone prepare to entrench supremacy on the basis of a ruthlessly exploited majority.

Perhaps one of the most serious criticisms of the Government is that, throughout the the Rhodesian crisis, they have failed to deploy effectively in terms of the education of British public opinion, the mass of detailed evidence available of the human stories, the human tragedies, involved for the ordinary people of Rhodesia in the system which is followed by the Smith régime. It is my conviction that, if we are to maintain in Britain the enlightened public attitudes which are essential to sustain the Government in their policy, we should use this information in simple terms to counter the distorted propaganda of the Anglo-Rhodesian Society and others.

We are not only faced with failure in the context of events within Rhodesia; we are also faced with a fundamental, qualitative change in the international situation. Immediately following U.D.I., it was possible to argue that, whatever the rather superficial emotional reaction of "good old Smithy" slogans among the white electorate of South Africa, there was reason to believe that the political leaders of South Africa were extremely embarrassed by Smith's declaration of independence, that the last thing which the political leaders of the Republic of South Africa wanted was to see their internal security problems strained by having to take responsibility for security in an area in which there were approaching 5 million Africans and only 250,000 Europeans.

But now, as a result of the vacuum created by our failure to deal effectively with the situation, Rhodesia finds itself, and we find Rhodesia firmly in the South African orbit. Economically, Rhodesia is underwritten by the Republic of South Africa. Militarily, she is firmly in alliance with the Portuguese authorities and the Government of the Republic. South African security forces, we know, are operating as far up as the Zambesi. Even if, initially, it was right to attempt to handle Rhodesia on its own, it is now impossible to have a viable policy toward it separate from policy toward Southern Africa as a whole. There are different forms of action which will be necessary toward different areas within Southern Africa, but all that action, different as it may be in differing areas, is inextricably inter-related.

First, let us examine for a moment the policy of sanctions in Rhodesia. It is clear from all the evidence available that, while sanctions have punished the people of Rhodesia—and one can argue about which section of the community they have punished more than another—they have not endangered, as yet, the Smith regime. They have also in certain respects been counter-productive, in that they have encouraged, for example, the development of import substitute industries. But it would be wrong, in my view, to suggest that the policy of sanctions as such has failed. What has failed has been the endeavour by the international commu-

nity to apply a full-blooded policy of sanctions. We have so far seen, at best, only a half-hearted attempt.

How can we strengthen this policy of sanctions? Much more could be done. First, we could do a great deal more to focus world public opinion on sanction breaking, wherever it is located. If we focus world opinion in this way, it will acutely embarrass those involved in the operaton and make their endeavours more difficult to fulfill.

Next, we should be pressing at the United Nations for an international inspectorate. It is quite clear from some of the episodes already reported in sanction breaking that Governments are reluctant to come into headlong conflict with important commercial interests within their territory if they are expected to take the initiative in locating sanction breaking. If an independent United Nations inspectorate were employed on this operation, Governments would be relieved of a great deal of their embarrassment, because they would then be following up the initiative of an objective international agency.

We should also be pressing for United Nations action to persuade member countries to make it illegal, as we have made it illegal, for ships carrying their flags to carry Rhodesian cargo. We should also press for international action to ensure that ships carrying suspect cargoes should be expected to produce evidence of where the goods were manufactured, copies of rail notes showing from where the goods were originally shipped and official certificates of origin.

We come now to the difficult question whether we should attempt to extend sanctions. I listened with great interest to the sound observations made by the right hon. Gentleman opposite on the extension of sanctions to communications, and I believe that the points he made are not to be dismissed lightly. What I have been sad to hear is the view expressed in this House, particularly from benches opposite, that it would somehow be inhuman to break family links between people in this country and white people living in Rhodesia. This is an emotional argument and completely irrelevant. We are concerned with the rights of 5 million people, oppressed and suppressed by a mere handful of 250,000 Europeans. There is one practical step which I believe we could take in the extension of sanctions, at this juncture, and that is to consider more effective ways of boycotting international airlines which are operating services to Rhodesia.

I want at this stage to say that I endorse the argument that sanctions of themselves are unlikely to secure fundamental change. At best, they will create an environment within which, sadly but inevitably, more drastic political upheaval can occur within Rhodesia itself. On the other hand, the consequences of dismantling sanctions would be disastrous. To embark upon such a policy would be a blow to the morale of enlightened liberal groups of all races within Southern Africa. It would lead inevitably to our increased economic involvement in the economic life of Rhodesia.

It would mean that we were increasingly finding ourselves with a vested interest as a nation in a political and economic system based on exploitation. It would lead inevitably to pressure, both in this country and abroad, for diplomatic recognition, and it would mean that, finally, we had become identified, and in the last resort—a sad but possible prospect—we might even be indirectly supporting a fight on the wrong side.

Meanwhile, there are much more positive things we could be doing. Nowhere is this better illustrated than in education and training for Rhodesians in exile. It is true that we have been doing a certain amount in this respect, but our efforts have been at best half-hearted. For example, one hears evidence of students who have been denied an opportunity to reach the A-level equivalent in Rhodesia, but who are perfectly able to reach that level if given an opportunity, being denied the chance to come to this country with support to get their A-levels in order to go on to higher education here. If we are committed to a programme of education and training for Rhodesians in exile, one of the things we should be considering is extending the range of educational opportunities which we are supporting within this country.

As I have already argued, Rhodesia cannot be seen in isolation. My conviction is that the Government, the British people and especially the House must decide whether they are opposed to racism, Fascism and exploitation or whether they are not. Prevarication and double-talk can do nothing but harm Britain's interests. If we are opposed, and if we accept our special responsibilities in Southern Africa because of Rhodesia, we must go on to recognise that in our post-imperial phase we cannot possibly envisage military engagement, at least alone, and that it would be very wrong to encourage anybody within Southern Africa to believe the contrary. This would have been possible in the case of Rhodesia immediately before or after U.D.I., but now it is too late. That does not mean that we are neutral. The main drive for political change must and will come from within the area itself. We for our part must identify with those forces of change.

A major tragedy in the story of Southern Africa is that our self-proclaimed impotence has made Communism synonymous with all the legitimate aspirations of subjected peoples. In approaching Southern Africa as a whole, one of the things which we must do is to think through the issue of our trading relationship with the Republic, because unless we do that, we cannot hope to be effective in our pressure on the Rhodesian issue itself.

The fact is that even if we cannot as of now envisage economic confrontation with the Republic, while it is one thing to accept that, it is quite another to go on to argue that we see increased trade and increasing economic relations with the Republic as a future pillar of our economic well-being. It is inevitable that if we increase our economic involvement in the Republic, we will increasingly find ourselves committed to a social and political system in the Republic which is based upon exploitation and increasingly identified with the wrong side in the context of Southern Africa as a whole.

In any case, there is no need for us always to be so passive and defensive. As my right hon. Friend the Prime Minister has said of Europe, some will say that South Africa needs us as much as we need her, but I say that South Africa needs us more than we need her.

Secondly, I am convinced that we must go on to exert whatever pressure is possible upon Portugal, our ally, supposedly, in N.A.T.O. and to make it absolutely plain that we cannot tolerate and allow within N.A.T.O. an ally engaged in wars of colonial repression, as is Portugal in Southern Africa.

We must also make it far more clear than we have in the past where we stand on the issue of South-West Africa. I was extremely sad to see the muted criticism which was forthcoming from the British Government at the time of the recent illegal trials of the freedom fighters in South-West Africa. We should speak more clearly on this issue.

I come now to the issue of the freedom fighters themselves. I have the most profound respect for many of my colleagues on this side of the House and for many of those in the Government who recoil from the concept of violence, from the concept of the use of force as a means of settling any dispute, but I ask Members of both sides of the House to consider whether there has ever been an area of the world in which passive resistance has been more patiently tried over decades than within Southern Africa. We have at least to understand and appreciate why, in absolute frustration, the political leaders of the majority are increasingly compelled to feel that there is now no alternative to violence.

I am not suggesting that as of now we should become engaged in military support for the freedom fighters, but that we have a direct responsibility for supporting civil administrations within the areas of the Portuguese territories which have been liberated by the freedom fighters.

Finally, in this programme of positive action I am certain that in the context of a debate on Rhodesia it is right to say that we cannot do enough as a nation economically to support the development of countries like Botswana, Lesotho, Swaziland, Zambia and Tanzania. This is essential if we are to have a viable policy towards South Africa of which Rhodesia is a part. For too long debates on Southern Africa have been dominated by the crude voice of vested interest on one side as represented by the Verkramptes and the Verligtes of the party opposite, and on the other side by the confused voice of well-meaning compromise. To save our self-respect, let alone our international reputation, we must decide where we stand and, having decided in the only way possible for a nation with the ideals on which we pride ourselves, we must follow consistently the policies which that decision dictates.

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## ADDRESS BY THE HONORABLE HENRY S. REUSS

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## HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. STEPHENS. Mr. Speaker, recently the Honorable HENRY S. REUSS was the featured speaker at the Small Business Investment Co.'s annual convention. On this occasion our colleague made very significant observations on this important segment of our economy as well as on general challenges facing America today.

I insert in the CONGRESSIONAL RECORD the full text of Mr. REUSS' address and commend it for study to all Members of Congress:

SMALL BUSINESS INVESTMENT COMPANIES IN THE 70'S

We teeter, tonight, midway between the 60's and the 70's, and midway between the first and the second decade of Small Business Investment Companies. I want to look back with you at the first decade, and forward to the second.

Of the 70's, I hope that they will be better for you than the 60's. Of the 60's, about all you tough old birds can say, when asked what you did during the decade, is what the Abbe de Sieyes said when asked what he did during the French Revolution: "I survived." As charter members of the only really new financial institution since World War II, you can tell your grandchildren with equal pride that you survived.

And not without difficulty.

You have been bountifully administered.

Since we in the Congress passed the Small Business Investment Act back in 1958, you have been administered by Administrators Barnes, McCallun, Horn, Davis, Foley, Boutin, Moote. As Chiefs of the Investment Division you have had Chiefs Read, Fine, Parris, Kel-

ley, Greenberg, Brown. All were fine men, and many stayed long enough to find out where the mail room was, and how to get a cup of coffee. But continuity of administration, to say the least, left something to be desired.

Another cross you've had to bear is capricious administration. It has been almost standard operation procedure for SBA to issue a regulation the industry would then object; thereupon, SBA would rescind or alter the regulation.

As the result of on-again off-again administration, some SBIC's were licensed with insufficient screening of the qualifications of the applicants. When the stock market broke in mid-1962, SBIC stocks took their share of the battering. In the period after 1962, a number of companies were liquidated, or turned back their licenses.

As the decade ends, the problem of putting SBIC's in possession of sufficient funds remains unsolved. The Small Business Investment Act Amendments of October, 1967, had a useful provision allowing SBA to make subordinated loans to SBIC's. Congress authorized two-to-one SBA lending to both smaller and larger SBIC's. We provided additional incentive loans to SBIC's which placed at least 65 percent of their funds in venture capital.

But almost immediately after the amendments became effective—on January 9, 1969—SBA ran out of money for its subordinated lending.

Two other proposals for getting lending capital into the SBIC's have been made. The idea of a capital bank was floated, with 17 co-sponsors, in the Senate early this year, but floundered on the rock of administration opposition.

Legislation now before the House Banking and Currency Committee would permit SBA guarantees of loans obtained by SBIC's from private financial institutions such as insurance companies. Hearings before the House Banking and Currency Committee have been scheduled for early December.

Whether by subordinated debentures, or by a capital bank, or by guarantees, SBIC's do need additional investment capital. If the principle behind the SBIC's is a good one in the first place—as I believe it is—we must find ways of putting SBIC's in funds, particularly in periods like the present of extremely tight money.

The industry, too, needs reconsideration of its system of taxation. Tax reform has occupied the time of the Congressional tax-writing committees this year. But I hope they will be able to come up for air in a few weeks, and I'm confident that the House Ways and Means Committee will give early attention to the SBIC tax measure—with particular reference to a statutory bad debt reserve and to certain technical corrections.

Amid all this tale of hope deferred, it is encouraging that SBIC's face the new decade in better array than ever before. Industry profit levels are at their highest, far out-performing small businesses generally. A number of weak-sister SBIC's have departed, and thus improved total performance. SBIC officials are better investment analysts and better management advisers. Since June, 1968, SBIC's have been full time operations, with regular offices, open at regular business hours and regular personnel.

If we profit by the lessons of the past, we ought to be able to produce the kind of environment in which SBIC's can thrive.

That kind of an environment would be characterized by growth. The Joint Economic Committee has estimated that we can attain a gross national product of $1.3 trillion by 1975. This would be at least one-third greater than our present GNP. This target assumes an annual growth rate from now to then of around 4.5 percent—quite a target, when you consider that our growth rate averaged only 3 percent during the long period from 1900–1966.

To hit the higher 4.5 percent growth rate figure requires that we achieve what we have never before quite achieved—full employment without inflation. The 1950's were characterized by at least three recessions and three serious inflations. The early 1960's saw a much improved employment picture, with unemployment moving down from around 7 percent of the work force to 3.3 percent; expanding growth; and stable prices. After 1966, unhappily, Vietnam plus bad fiscal management conspired to produce the inflation which still dogs us.

In fact, my 1975 prediction of a $1.3 trillion GNP, full employment, and a stable cost of living is altogether too rosy if we continue to practice our current economic policies. Instead of 4.5 percent annual growth, we are experiencing close to zero annual growth, and close to zero increases in productivity. Instead of price stability, we have had inflation at a rampaging 6 percent annual rate. Instead of a steady reduction of unemployment, we have kept some 400,000 workers from finding jobs, and unemployment is up from 3.3 percent to 3.9 percent of the work force.

The fact is: the Administration is on its way to achieving at one and the same time a continuing inflation and a recession. By its meat-axe, super-tight-money attack on inflation, it is not only failing to curb inflation, it is cutting so much deeper that it is seriously increasing unemployment. Instead of reducing the supply of new money to a modest level, the Administration has thrown the money supply into reverse. And President Nixon's new Federal Reserve Board Chairman, Arthur F. Burns, says "We will not budge."

The Administration justifies this meat-axe approach on the ground that it is necessary to call America's attention to the fact that the Administration is serious about fighting inflation. This recalls the farmer who, about to feed his mule, hit it a crashing blow on the nose with a two-by-four. "Good heavens, I thought you were going to feed your mule." "I am, but I have to get his attention first."

Deliberately causing unemployment and stagnation may get industry's and labor's attention. But, since it fails to indicate any real intention to combat inflation, business and labor go merrily on their way, each trying to get theirs before the inflationary bubble bursts.

If the Administration wants to convince business and labor that it is serious about fighting inflation, it should take serious steps. Instead of relying exclusively on fiscal-monetary measures, it should use its whole armory of weapons for fighting high prices—a price-wage-incomes policy, credit controls, increases in manpower training programs. Using the full complement of anti-inflationary weapons would permit a less restrictive fiscal-monetary policy—one that produced neither inflation nor deflation but just plain "flation", enough to contain price increases, but not so much as to stop economic growth and increase unemployment.

The Administration must get rid of its dogma and get on with the job given it by the Employment Act of 1946—maximum employment, maximum growth, and maximum price stability. The silent majority of Americans believe these goals can be attained. They will not be silent much longer.

So bringing inflation under control will remain a major problem. Extricating ourselves from Vietnam, and moving toward a civilian economy which produces goods that can be sold to consumers—and thus sop up purchasing power—is one way. Another is to adopt what almost every other industrialized country of the Western World has adopted—a wage-price-incomes policy, as a supplement to fiscal and monetary policies.

The private sector of the economy will probably account for an even greater proportion of the national product by 1975 than it does today. Federal revenues today take up about 20 percent of the national income. With national income increasing by some $60 billion a year, federal revenues should be growing by at least $12 billion a year. Dr. Walter Heller estimates that this should yield a "fiscal dividend" of around $35 billion a year in the mid-1970's—a "fiscal dividend" being the amount yielded by projected taxes and spending rates. The "fiscal dividend", of course, must be spent by someone—private persons, or some level of government, if the economy is to continue its forward momentum. Dr. Heller suggest a redistribution of the $35 billion with $10 billion in federal tax reduction, $20 billion for increases in federally funded programs, and $5 billion for revenue-sharing with the states and localities. One notes that this would diminish the present federal proportionate role.

Of course, every item in this project is subject to human intervention. Congress has already moved to set up its tax cuts for the 1970's. So I should think that that part of the prediction is conservative.

$20 billion for increased federal spending sounds like a lot, but in fact, the $20 billion is already over-subscribed. It would take $6 billion just to fund presently authorized programs in education, housing, pollution and health; it would take $4 billion for necessary cost-of-living increases. This would leave just $10 billion of the $20 billion. And a Cabinet Coordinating Committee for Post-Vietnam expenditures reported last December that there are some $40 billion of projected spending demands competing for this $10 billion.

I would hope that something could be saved for revenue-sharing, because I believe this could provide the necessary jar to nudge our federal system off dead center.

So we can look forward to a vastly larger economy, and probably to a greater private share within that economy.

SBIC's can thrive in the climate I envisage for the mid-70's. More than that, I believe they have an important role to play in bringing that climate about. It is necessary for small businesses to survive, for both social and economical reasons.

You must keep small business strong and growing, as a counterweight to the increasing bigness in our economy. There is no doubt that the big are getting bigger. In 1950 the top 200 companies of the nation controlled 46 percent of all assets. Today they control more than 55 percent, and the trend is continuing. In this same period, large firms added 1.5 million new jobs, while smaller plants lost nearly one million jobs; large manufacturers increased their sales and their before-tax earnings at double the rate of small manufacturers.

Today the large corporation, with assets of $10 million or more, holds 84 percent of all the industrial assets of the country, up from 70 percent ten years ago.

Bigness is something we are going to continue to have with us. But even if big business were always more efficient than smaller businesses—and it's clearly not—Americans still want to preserve a place for small business. Millions of Americans don't want to be simply a number on the corporate organization chart. They want to own their own business, to be fully responsible for its success or failure, to be their own man.

So there is a job for you.

You have survived the 60's. With a little luck, you can thrive in the 70's.

## SONGMY

### HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. RYAN. Mr. Speaker, the disclosure of the reported massacre of Vietnamese women and children in the hamlet of Mylai IV in the village of Songmy has shocked and disturbed the conscience of our Nation.

There must be a searching investigation which puts all of the facts before the American people.

However, the fixing of individual guilt will not resolve the question of the collective guilt which the Vietnam policymakers must bear for a war which has refuted the professed principles for which it is being fought.

I have urged that a Presidential Commission be appointed to investigate the events at Songmy and have called upon the President to appoint a high level independent commission to conduct a thorough and objective investigation not only of the actual events in Songmy, but also of the breakdown in command control and responsibility which could permit such atrocities to occur. Furthermore, it is essential to ascertain the reason for the prolonged delay in the Army's own investigation.

Such an investigation would not reflect in any way upon the patriotism and bravery of American servicemen who have served honorably and with dedication in this tragic war. Rather it is the only way in which the serious questions involved can be answered to the full satisfaction of the American people.

I am inserting in the CONGRESSIONAL RECORD two items dealing with the Songmy tragedy: an editorial from the November 27 New York Times entitled "Abhorrent to Conscience," and a column by Mary McGrory which appeared in the Washington Evening Star on November 25:

ABHORRENT TO CONSCIENCE

Restatement yesterday from the White House deploring the alleged massacre of Vietnamese civilians by American troops as "abhorrent to the conscience of the American people" expressed feelings universally shared throughout the United States. It would be even more appropriate, in view of the sickening evidence that has been brought forward by eye-witnesses and the profound impact and implications of these disclosures at home and abroad, for President Nixon personally to express his concern as Chief of State and Commander in Chief of the armed forces.

More important than public statements, however, will be the diligence with which the Government pursues its investigations not only into the events of March 16, 1968 at Songmy but into the circumstances which kept the facts hidden for so long. Americans must beware of prejudging individual guilt, but enough is known already to require a complete public accounting and prosecution of those responsible—at all levels of authority.

It should not be forgotten that, unforgivable as it is, the apparent face-to-face shooting of civilians in a village street by American foot-soldiers took place in the context of widespread slaughter of equally innocent civilians from a distance by air and artillery. Every war is terrible; and certainly the Second World War had more than its share of wholesale civilian destruction. But even more than most other modern wars, the Vietnam war has been particularly hard on civilians because of its essentially civil nature. At the time of the Songmy incident, civilian casualties from all causes were running at the rate of 9,600 a month, according to official South Vietnamese sources.

Granting that the innocent suffer in all wars and that the Vietnamese on both sides have shown far less concern for human life than have United States forces, this country still needs to ask itself whether the ends it seeks in Vietnam justify the terrible cost in human suffering. And if the investigation into Songmy bears out the present indications that an unconscionable atrocity has indeed taken place, it will only reinforce the deep-seated doubts of millions of Americans today that the stated goals of this war can ever be achieved when Americans can be reduced to such bestiality and American power results in indiscriminate destruction of the communities of the very people in South Vietnam whom we are trying to protect.

SILENCE GREETS VIET MASSACRES

(By Mary McGrory)

The reaction to reports of mass murder in a Vietnam village by American GIs has been outrage in London, silence in Washington and dismissal in Saigon.

In Britain, the alleged atrocities have created a government crisis and Harold Wilson summoned Ambassador John Freeman home to help him avert a debate on U.S. Vietnam policy in the House of Commons.

The Army announced that Lt. William J. Calley Jr. will face court-martial on charges of killing "109 Oriental human beings, occupants of the village of My Lai." The South Vietnamese government repeated its contention that "no massacre occurred."

The President gave out three Medals of Honor, and chatted with the returned astronauts. The Senate debated the tax bill and the House of Representatives talked about a subway system for the District of Columbia.

Two requests have been made for investigations by military committees of Congress. The public, busy writing letters in support of Vice President Agnew's attack on the press, has not been heard from.

The grisly story is being told in bits and pieces, as GIs around the country stand up to tell what they know about an event that was kept secret by the Army for 20 months.

Last night, a former GI named Paul Meadlo told a CBS audience that he had shot "about 15 or 20 villagers—and babies" under specific orders from Lt. Calley. He felt it was the right thing at the time because he had lost " a damned good buddy, Bobby Wilson," but later felt, after he had stepped on a land mine that God has punished him. It has been on his conscience.

The country's conscience, so far, has not been touched by these and other recitals. The indignation is all imported. It could be a case of "all passion spent." The last weeks have brought the President's speech, the peace demonstrations, the hardening of attitudes. Is the public resigned, callous or indifferent, to an incident that has been compared in the European press to the Nazi savagery at Lidice? Is it an inability or a refusal to believe that American GIs would kill women and children in cold blood?

Even the bare charges against Lt. Calley do some damage to the President's contention that our continued presence is imperative to avert a "bloodbath." Already the Sept. 26 boast that "we have reversed world public opinion" is eroded.

The Pentagon has withheld comment "to avoid prejudicing the lieutenant's case. But it withheld publication of the incident since March 1968. Its first investigation led to the current Saigon conclusion that it was artillery fire. Its second was precipitated by the personal inquiry of Richard Ridenhour, a Vietnam veteran now studying at California's Claremont College. Neither a participant nor a witness, Ridenhour interviewed other GIs who knew about "Pinkville" and reported his findings in letters to high government officials, including Defense Secretary Melvin R. Laird.

The story was broken by Seymour M. Hersh, a 32-year-old Washington free-lance writer, who was brought up in Chicago's "Front Page" school of newspapering. Hersh, a fast-talking, fast-moving former Pentagon reporter, was briefly Sen. Eugene McCarthy's campaign press secretary, and is the author of a book about chemical and biological warfare.

Hersh is against the war, but resents a London newspaper's designation of him as a "left-wing nut." He first heard of "Pinkville" through the tip of an old friend in the Pentagon who told him early in October merely that "the Army has a man in court-martial at Fort Benning, and they have accused him of killing 75 Vietnamese civilians."

Hersh was horrified, dropped work on a book about the Pentagon, "The Ultimate Corporation," and started out on the trail. He got the name of George W. Latimer, Calley's counsel, flew to Salt Lake City to talk to him.

He got no specifics from Latimer, only "a sense of the dimensions of the story." He applied for and got a $1,000 grant from the Philip M. Stern Foundation for investigative journalism and started flying around the country to find sources.

He went to Fort Benning and trudged around for two days before he found Lt. Calley, who in a lengthy talk told him, "I'm for the Army." He wrote his first account on Nov. 13. The next day, Ridenhour called the Los Angeles Times and told them he had much more information. Ridenhour had offered his story to Life and Newsweek which had turned it down. Hersh dashed to Los Angeles to talk to Ridenhour, who gave him the names of the GI's he had interviewed.

Meantime, Hersh also visited hawks on military committees on Capitol Hill—"doves are never told anything." They had heard of Pinkville and believed it, but advised him not to write anything because "it won't do much good for the Army."

Hersh had, from his Pentagon days, no trouble believing that the "Army could know about a case like this and was proceeding to do nothing about it."

"They were shipping nerve gas around like it was going out of style, running it through the countryside without telling people, at night, through cities. I thought it was an unspeakable act."

Hersh thinks that the country is suffering a delayed reaction to the horrors now unfolding, partly due to the official denials.

"But this is so clear," he says, "we're doing exactly the things we went into the war to stop."

## THE CRIME—POVERTY MYTH

### HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. ROUDEBUSH. Mr. Speaker, it is a proven fact that the crime rate in the United States during the great depres-

sion of the 1930's was vastly lower than today when we have considerable affluence and little unemployment in the United States.

Yet the National Commission on the Causes and Prevention of Violence concocted a report that blamed poverty for America's skyrocketing crime rate.

The more obvious and reasonable cause of crime is the fact that our lenient courts have decreased the probability of punishment as a deterrent to criminals.

In two penetrating editorials, the Indianapolis Star and the Kokomo, Ind., Tribune probe the real causes of crime in the United States and offer a rebuttal to the scrambled thinking of the National Commission, which has added to the problem by excusing criminals because of social conditions.

The editorials follow:

THE CRIME-POVERTY MYTH

The diagnosis of the National Commission on the Causes and Prevention of Violence that poverty has caused the United States to have the highest violent crime rate of all "modern, stable nations in the world" is wrong.

The commission reported this week that more than 5 million families, one-sixth of the nation's urban population, live in slums, and that most crime is committed in ghetto slums by persons at the lower end of the occupational scale.

This might seem to be convincing proof that "poverty causes crime." But consider the hard facts of the poverty-crime relationship.

In 1932, at the height of the Great Depression, more than 15 million breadwinners totaling more than one-third of the nation's work force were unemployed. Thousands of families were homeless. There was widespread hunger and poverty among some 40 million Americans—one-third of the nation at that time.

A comparison of the rates per 100,000 population of major crimes in 1932 and 1968, on a nation-wide basis, plus the percentage of increase of each from 1960 through 1968, follows:

| | 1932 | 1968 | 1960-68 increase (percent) |
|---|---|---|---|
| Murder | 5.7 | 6.8 | 36.0 |
| Rape | 5.5 | 15.5 | 64.9 |
| Robbery | 29.2 | 131.0 | 118.7 |
| Aggravated assault | 29.2 | 141.3 | 66.8 |
| Larceny | 178.4 | 636.0 | 125.3 |
| Auto theft | 37.3 | 389.0 | 114.3 |
| Burglary | 80.1 | 915.0 | 82.8 |

Aside from the questionable supposition that poverty could be a three-times multiplier in rape cases over the period, can it be said with any degree of honesty or integrity that 1932-68 increases from three to 10 times in the wide catalog of crimes listed are attributable to poverty?

Is it possible to say honestly or reasonably that depression-era poverty, with its lack of readily available relief and welfare funds—poverty from which there was practically no escape—was from three to 10 times better than current poverty?

More than $40 billion has been spent on welfare alone in the 1960s, providing a safety-margin against hunger and homelessness. The amount has risen steadily each year. Why, then, has violent crime risen 85 per cent and all crime 100 per cent in the 1960s?

Many responsible Indianapolis merchants are convinced that excessive leniency by the courts is to blame for much of the crime that is sometimes ruining their business. The same complaint is being made in major cities all over the nation.

Murder, rape, assault, robbery and other crimes have swung up sharply as penalties have been softened and prosecution has been hamstrung by the permissive rulings of the United States Supreme Court and by the often hair-splitting, logic-defying decisions of lower courts. The response of many conscientious jurists to such innovations was expressed by Justice Walter J. Fourt, Los Angeles District Court of Appeals, when he said:

"Many of the courts are lost in a fog of unreality. The Supreme Court of the United States and the Supreme Court of California have departed from their customary function and have become revolutionary in their seeming desire to uproot all that has been accepted in the past. They have turned upside down the legal concepts of constitutional interpretation and ventured into political and social areas beyond their jurisdiction. They have turned upside down the legal concepts of constitutional law. They have in many instances destroyed first lines of defense of the public against vicious criminals and have built a shelter for the guilty. Some of the absurd rulings have turned loose hardened, admitted felons to go out and prey on society again and again, all under the guise of newly-discovered or newly-found constitutional rights."

Evidence strongly indicates that the commission has conducted a narrow, unscientific, over-controlled investigation based on canons of a doctrinaire "liberalism" which found exactly what it intended to find by concentrating its attention on partial data and ignoring larger, more probing questions. If the prescription is to sluice more billions into the slums, the results can be expected to be the same as they have been throughout the decade—crashing failure.

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[From the Kokomo (Ind.) Tribune, Nov. 28, 1969]

REASONS FOR CRIME WAVE

The National Commission on the Causes and Prevention of Crime, in its latest report, says that there is a link between crime and poverty. The crime rate has skyrocketed, it holds, because of conditions in cities that breed crime.

Dr. Milton S. Eisenhower, chairman of the commission, says "the correlation is not of race with crime, but poverty with crime." The report declares that the United States leads the civilized world in violent crimes and that "our homicide rate is more than twice that of our closest competitor."

Poverty must be one cause of crime, if not the main one, for poverty breeds frustration and frustrated individuals often turn to violence.

But another body of opinion disputes the theory that economic deprivation spells crime. As these students of social disorder see it, the real reason for the zooming crime rate is that crime has been made easier to commit and get away with, and it has turned out to be an increasingly paying matter.

In other words, many individuals are turning to robbery, extortion, assault, etc., because deterrence has been eroded and they have found that crime is profitable with the risks being more and more minimized.

You can take your choice of the two theories. There is an element of truth in both of them, and probably more in the argument that it increasingly pays to break the law.

When punishment has softened to a great degree, as it has in America, the crime rate rises.

## PRESIDENT NIXON'S PROPOSED WELFARE AND SOCIAL SECURITY REFORMS

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### HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mrs. CHISHOLM. Mr. Speaker, there has already been a great deal of criticism of the President's proposed welfare and social security reforms. Much, if not most of the criticism, has been constructive in nature. I, too, desire to add my voice to the chorus of critics.

The most obvious fault one finds immediately in the reform proposals is their patent inadequacies. Indeed, Mr. Finch, in his statement of explanation of the bill said:

> For those who cannot work, there is a more adequate level of Federal support.

Mr. Finch, through his use of the words "more adequate," seems to concede that the proposals are, indeed, inadequate.

The President in his August 8 address to the Nation accurately noted "that it—the present welfare system—is failing to meet the elementary human, social, and financial needs of the poor." It is my contention that the proposed new reforms will continue, not ameliorate, our present problems. The true issue is whether or not we should provide an adequate income for both the working and the nonworking poor. We have only rarely hesitated to provide adequate subsidies for both domestic and foreign private business enterprise in order to insure economic health. Is it not reasonable, therefore, to provide adequate support for those private individuals, who for various reasons are unable to work?

It sounds as if the administration is preparing to allow the newly proposed welfare reforms to die in the same way that it allowed black capitalism to die.

If they were allowed to die it would not be a great disaster—except for the Southern and rural States that stand to benefit most by the proposal.

Let me try briefly to explain some of my oppositions to the proposed reforms.

First, as most of us already know, $1,600 is a patently inadequate amount. Forty-three States already pay more than that; recipients in only eight or 10 States, mostly Southern, would experience an increase in benefits.

Second, the compulsory work aspect smacks a bit of involuntary servitude; even more it would seem to be founded on nothing more than the assumption that welfare recipients do not want to work. That simply is not true.

In 1967, the research department of the City University of New York released a report entitled "Families on Welfare in New York City," authored by Lawrence Podell. The major findings of the report were that seven out of 10 welfare mothers indicated that given suitable employment or training, they would work; further two out of three indicated that they had definite plans to work in the future.

But there is more wrong with the work requisite factor in the proposal than the false assumption that it is based upon.

The Nixon proposal would provide some $828 per child per year for day-care facilities. That is $172 less than the minimum estimate of $1,000 per child advanced by some authorities. My own experience as a day-school administrator leads me to believe that even the $1,000 figure would not be sufficient to provide more than barely adequate care and facilities.

That, of course, means that the difference will have to be provided by the low-income family or recipient, as the case may be. The Nixon proposal does not seem to have considered that point and the possible eroding effect it would have on the families' income.

Also there is no doubt that the 150,000 new jobs that Mr. Nixon proposes is woefully inadequate. The recent rise in unemployment has removed at least that many old jobs from the economy already. And before the spring of 1970, it is estimated that the administration's tactics against inflation will produce some 1 million more newly unemployed. The official figure for nonwhites is expected to rise to about 8.5 percent while the figure for whites is expected to hold at a steady 4 percent.

Then consider the fact that New York State alone could use over 300,000 jobs for present welfare recipients and one begins to have some idea of the extent to which the administration's proposal misses the mark.

There is also the unanswered question of the food-stamp program that must be considered when evaluating the proposed reforms. Early this year, the administration proposed to extend the program; then the President's initial welfare reforms proposed to do away with it entirely; now administration officials are again proposing that it be retained.

They are now saying that a recipient family of four should be allowed $480 with which to purchase stamps which could be redeemed for $1,200 in food. That figure, $1,200, is presumably arrived at because USDA figures indicate that as a minimum for an adequate diet. The proposal does not seem to take into account at least two factors: First, food money is the only flexible item in the recipients' budget, and second, food as a budget item assessed by the Government figures would be 30 percent of the $1,600 minimum. On this point Senator McGOVERN has pointed out that the average family of four spends only 17 percent. As a result, we would be asking the recipient to spend 13 percent or almost half again as much as a nonrecipient. In short, it becomes in reality a way to further penalize the poor for being poor.

The final question one must raise in considering the scope and the impact of the proposed welfare reforms is the question of adequate income.

The U.S. Department of Labor considers a yearly income of $6,207 as necessary to maintain a low but acceptable standard of living for a family of four in an urban area.

In New York City the figure is held to be $6,201, slightly lower. The typical recipient family of four receives only $3,756 with sanctions against their attempting to maintain that necessary flooring while striving to raise to the "acceptable" lower standard based on $6,000. The Nixon proposal clearly does not begin to resolve this situation.

What it does, instead, is attempt to force the poor into accepting low-paying, dead-end jobs and as a consequence encourages industry to provide them.

Almost every one from Dr. George Wiley of the National Welfare Rights Organization to George Meany of the AFL–CIO has criticized the proposals, but, by and large, the criticism has been constructive in nature. The proposed reforms do represent a step in the right direction. But they just do not go far enough.

Similarly, neither do the manpower proposals. First of all, our minimum wage of $2 per hour produces only $4,160 per year; only some $404 per year above the welfare average in New York of $3,756 per year. From that perspective, it becomes inadequate as incentive.

Viewed from the perspective that it takes—according to the USDL figures already mentioned—$6,207 to maintain a decent standard of living in an urban area it must cause one to wonder whether or not we intentionally maintain a class of people we euphemistically tend to call "the working poor."

The basic strategy of the Nixon administration's manpower policy has been keyed to the State operation of most aspects of the manpower programs.

I am, and have been, against this strategy on the basis that the State programs have been traditionally more bureaucratized and intransigent to change. It has also been pointed out, and with some just cause, that they have traditionally provided a source of cheaper labor for business and industry. And finally, there is their traditional relationship with minority-group unemployed. Therefore, I consider the administration's position as a regressive one.

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## A LETTER ON PRESIDENT NIXON'S SPEECH

### HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. BROWN of Ohio. Mr. Speaker, the following is a letter to the editor from one of my constituents to an area newspaper in response to its editorial expressing a lukewarm reaction to President Nixon's November 3 speech.

What makes the letter so interesting is that it was written prior to the remarks of Vice President AGNEW about television and press coverage of the President and his administration. Mrs. Moore would seem to share Mr. AGNEW's concern for the preoccupation of the press with peripheral matters such as how the President looked or whether he gave a dramatic reading to the speech. Mrs. Moore did not say that "10 minutes of Roy Wilkins should be more highly regarded than 1 minute of Rap Brown," but she might well have expressed herself in that way just as the Vice President did.

Both Mrs. Moore and the Vice President—and in point of fact, even the newspaper editorial to which she referred—seem to be seeking the same result: More maturity and responsibility on the part of all Americans in the consideration of the great issues of today. It is a message we could all take to heart, and she and the Vice President both stated it eloquently in their own way.

The letter follows:

To the EDITOR:

I here make a plea that those news media as well as those individuals whose basic concern admittedly is to preserve, protect, and promote the welfare of this country, be more selective in their comments about President Nixon—in fact about anyone who occupies high office.

The case in point: your editorial, "The Unexciting Mr. Nixon", which appeared Wed., Nov. 5. I cannot help but wonder why your emphasis is on peripheral aspects rather than on the substance of his address. Why, at a time when disrespect for authority of all kinds is rampant, do you not, as a "shaper of public opinion", exhibit a greater respect for our highest of all offices—especially when the one who occupies it, in your own words, has "undeniable virtues", is "decent-minded" and has, again to quote you, followed "the solo course open to him now"?

Why, instead of employing such terms as "unexciting", "dull as dishwater", "stale", "uninspired", do you not extol those virtues of quietness, steadiness, and sobriety, which he has demonstrated in the handling of that keg of dynamite, the Vietnam War, handed to him at a point of escalative momentum? Should a good leader allow himself to be stampeded into a course of action he considers unwise for his country? I could not have confidence in the kind of person who vacillates under pressure.

This is not a time for recriminations, a time for bemoaning the fact that we're sick and tired of the war—which indeed we are. We must not forget, either, our corporate responsibility for permitting escalation during the previous Administration virtually without protest. It follows that President Nixon should not be made the scapegoat for a war he did not create, one which at present is of such size and momentum as to preclude easy solution. Instead, we should encourage him in every possible way as he seeks to end the war.

As to our "right . . . to expect . . . an act of leadership," we Americans *do* have this right, and that's exactly what we saw demonstrated in President Nixon's talk on Vietnam. He showed himself to be every inch the leader worthy of the great responsibility vested in him when he dealt with this explosive matter wisely, and in a calm and serious manner, stripped of emotionally flamboyant words and rhetoric, so that listeners might address their thoughts to the real issues involved. Is it right that we, the listeners, should expect entertainment and titillation from our leaders? To my mind, editorials which emphasize lack of these qualities *do* tend to so condition their readers. They cloud the real issues, and contradict the goal of a free press in a free country, which is to turn the light of truth upon situation as nearly as is within the power of the printed word, and to choose

words with careful restraint and with full cognizance of the awesome responsibility of the press in shaping public opinion.

I heartily agree with you that it is "exasperating to live in a world where deceit and vice are forever in colorful array whereas sincerity and rectitude are made to seem drab." Isn't the press responsibile in large part for this distortion?

The time has come when each of us—press and individual citizens as well—must think more deeply and responsibly about the far-reaching effect of our words, printed or spoken, upon our society and members thereof.

Because I have always decried those who only "talk against" people and things, I want now to commend you on the usually good content of your editorials. But I do urge all of us who call ourselves American to strive ever more diligently for truth in word and deed, and to avoid indulging in destructive pettiness.

## NATION'S FISHERIES IGNORED BY ADMINISTRATION'S FIVE-POINT PROGRAM

### HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. PELLY. Mr. Speaker, I am keenly disappointed that the marine activities announced by the President as a five-point program do not include a special program for fisheries.

Under Secretary of Interior Russel Train has told my House Merchant Marine and Fisheries Committee that the administration is committed to a fisheries program, but it certainly was not in the President's five-point program of coastal zone management: coastal laboratories; lake restoration; ocean exploration; and Antarctic environmental research.

Mr. Speaker, I offer no criticism of the program, as such, but if we are considering priorities and what may be of utmost importance to the American public in the future, then the fisheries should have been included as one of the first priorities in this report.

Meanwhile, Mr. Speaker, the oceanographic commission of Washington State has passed a resolution urging the administration to include fisheries as a priority item within the coastal zone management program.

For the information of my colleagues, the aforementioned resolution, without objection, appears at this point in the RECORD:

OCEANOGRAPHIC COMMISSION
OF WASHINGTON,
*December 1, 1969.*

Representative THOMAS M. PELLY,
*Rayburn House Office Building,*
*Washington, D.C.:*

Whereas the Office of the Vice President of the United States has enumerated the administration's five point program to strengthen the nation's marine activities, with which this Commission concurs, and,

Whereas fisheries are a fundamental part of our coastal zone management program, and,

Whereas the United States fisheries face increasingly serious problems which require urgent national attention, and,

Whereas food from the sea is potentially the greatest of all underwater wealth, and,

Whereas world population pressures indicate the increasing need for protein from the sea, which would require a major effort in fisheries ocean exploration,

Now therefore be it resolved that the Oceanographic Commission of Washington urges the administration to include fisheries as a priority item within the coastal zone management program.

JON M. LINDBERG,
*Chairman, Oceanographic Commission of Washington.*

## A COMMISSION TO PROMOTE THE STUDY OF MEXICAN-AMERICAN HISTORY AND CULTURE

### HON. JOHN V. TUNNEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. TUNNEY. Mr. Speaker, today I am introducing a bill that would establish a Presidentially appointed Commission of 11 experts in various fields who would conduct a comprehensive study of all aspects of preserving, collecting, and ultimately integrating evidence of Mexican-American history and culture into the mainstream of American history.

There is most clearly a need for such a Commission. For too long the history, culture and present plight of Mexican Americans has been ignored, misunderstood, or denigrated. The Commission which I propose would make a valuable contribution toward remedying this.

Some 6 million Mexican Americans live in the United States. Studies by the Bureau of Census, the U.S. Civil Rights Commission, and the Interagency Committee on Mexican American Affairs, among others, vividly show them to be worse off in nearly every respect than most other Americans. They are much poorer, their housing is much more crowded and dilapidated, their rate of unemployment is much higher. The jobs they do hold are often menial, and offer little promise for the future. Their educational level is sadly lower than the rest of the population, falling 2 years below nonwhites and 4 years below Anglo-Americans.

It is necessary to improve the quality of the housing, jobs, and education available to Mexican Americans, just as it is necessary to emphasize the unique contributions that the Mexican American has made to the culture and history of this country. These contributions have been neglected by the communications media and the schools, and are not adequately described and displayed in books and museums. Mexican Americans deserve our respect, not just our welfare.

An understanding of Mexican-American contributions would strengthen their sense of community, and would help eradicate false stereotypes and misinformation within the Anglo-American community. The U.S. Civil Rights Commission, in a paper entitled "The Mexican American," quoted a Los Angeles high school student as recently saying:

> The teachers negative opinion of Mexico would not bother me so much, except that this is the only image portrayed to us here in America of what we are. We look around for something to be proud of, we question our parents, but all they tell us, "just be proud you are Mexican," because they are too busy working or taking care of the little kids to tell us all we have to be proud of . . . all the thousands we have to be proud of. And since they cannot tell us these things, and the schools will not, we begin to think that maybe the Anglo teacher is right, that maybe we are inferior, that we do not belong to this world, that, as some teachers actually tell students to their faces, we should go back to Mexico and quit causing problems for America.

The curriculum in schools, the textbooks, and the mass media all neglect to inform both Anglo and Mexican American of the substantial contributions to the Southwest made by Mexicans and Mexican Americans, and the rich culture of the Mexican people. The U.S. Civil Rights Commission report quotes a school counselor in Los Angeles:

> They're told they're Americans and yet they're treated as Mexicans.

The Commission paper notes:

> Denied full status as Americans, the Mexican American students are also deprived of the chance to gain understanding and pride in their heritage.

Mr. Speaker, Mexican-American educators, parents, and students are asking for textbooks, courses, and media presentations which give a more balanced view of Mexican-American history and culture.

They are asking for literature, art, and sculpture in museums and libraries which is relevant to the Mexican-American community. Therefore, in addition to researching, collecting, and preserving historical materials, the Commission would examine the possibilities for establishing a museum or center of Mexican-American history and culture. The Commission would examine possible locations for such a center or museum, and investigate methods of financing. Finally the Commission would consider various techniques for disseminating information so that the Mexican American is more accurately depicted.

Mexican Americans have been one of the most exploited and neglected groups in this country. They are a proud people with a heritage and culture that is rich and unique. Now they are struggling for national visability, for recognition and a fair share of American life, which they have been denied for so long. Increasingly, young Mexican Americans are seeking to change their image and cultivate greater respect from both the Anglo-American community and their own community.

A number of expressions convey the change, such as the word "chicano" and phrases of racial solidarity such as "Viva la Raza." The Commission I propose would both further a balanced portrayal of Mexican Americans and enhance their pride. I urge strongly the creation of this Commission.

## SENATOR MURPHY ON EDUCATION

### HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. GIBBONS. Mr. Speaker, I am pleased to have inserted in the CONGRESSIONAL RECORD an interesting article on cooperative education by Senator GEORGE MURPHY. Senator MURPHY as a member of the Senate Subcommittee on Education, is an enthusiastic supporter of this fine "self-help" program. I commend the following article from the August issue of San Francisco Business to the membership of the Congress:

SENATOR MURPHY ON EDUCATION

About 70,000 specialized students in the United States will earn $125 million from American industry this year.

Too little of the background of these students, and the role played by our business community in this joint venture, has been told. The concept is called Cooperative Education and the 70,000 students engaged in such curricula attend 136 colleges, universities and community colleges throughout the United States.

More than one-third of these students work as assistants and aides to scientists and engineers in laboratories supported by the $20 billion our society will spend in 1969 on research and development. Other students work as assistants to teachers in public schools, libraries, in the field of health, and countless other areas.

Students today insist that curriculum be relevant and meaningful. And it is a time when we should realize that artificial barriers separating students from society must be reduced. It is also a time when education costs skyrocket as educational institutions strive to build facilities and acquire the necessary faculties to meet rising enrollments.

During the past few years, as a member of the Senate Subcommittee on Education, I have had an opportunity to observe and study the projects and processes by which we hope to better prepare our young people for a fuller, more meaningful life. I have concluded that certain qualities are most essential: pride in oneself, respect for others, and self-reliance.

Here is where cooperative work-study programs—which permit students to alternate periods of full-time study with periods of full-time employment—can fill an important role in society. By definition, cooperative education is that form of higher education which alternates classroom theory, discipline and study, with related work experience.

It is not a new concept. It was first inaugurated in 1906 at the University of Cincinnati. However, cooperative educational programs are still not widely known. Not enough colleges are convinced that industry can provide an important supplement to a college education and, in turn, not enough businessmen are aware of the material and intangible benefits available to them. In California, for example, only seven colleges or universities offer cooperative education programs. Nevertheless, just ten years ago, there were none.

Recently, I had the opportunity to co-host, with President Norman Topping of the University of Southern California, the first California Conference on Cooperative Education, organized by the National Commission for Cooperative Education. The conference was attended by many interested members of the business, financial, and academic communities of Southern Califofrnia. I feel this meeting did much to encourage the serious exploration of the potential of cooperative education by those who attended the symposium.

My interest in this subject results from personal experience working and going to school. As a boy whose parents died when I was quite young, I was faced with the usual problems of growing up—getting an education, and going out into the "cold, cruel world" to find a job and make a living. I attended good schools and a fine university, and I took odd jobs during the school year and in the summers to help pay my way. By the time I left college, I had plenty of work experience—in auto shops in Detroit, coal mines in Pennsylvania, selling real estate on Long Island, jerking sodas, waiting on tables, shilling for a tailor shop and even working as a bouncer in a dance hall.

I was not an exceptional student. But I was able to acquire quite a variety of job experiences and practical knowledge which I would not have traded for anything. And by the time I left the campus for good, that "cold, cruel world" looked a little warmer, a little more inviting.

So, too, will students in cooperative education programs see our so-called establishment a little differently when they return to the campus after working at a job.

Their jobs can move them up the career ladder. Ford Motor Company, for example, employs 800 co-ops from 30 colleges. Drexel Institute's 3,500 co-ops earned $7.5 million last year. Of the $125 million in total earnings, the co-ops pay at least ten per cent in taxes to the federal and state governments—a fact which I am certain is of special interest not only to members of Congress, but to all of us as individual taxpayers.

I do not want to neglect the reasons why cooperative education is so important to industry.

James Godfrey, as Coordinator of the Cooperative Education program of Lockheed, at Sunnyvale, made this very clear during an Oregon Conference on Cooperative Education when he stated the reason why Lockheed participates in this program:

*"We do it, somewhat perhaps, out of a feeling of benevolence, and perhaps this is the way we started. It is an idealistic view, and we still maintain that. . . . However, I think this is the main reason—we want these students back as fulltime professional employees when they graduate. And we get them in sufficient numbers and proportions to make it worthwhile for us. It's good business—especially in today's highly competitive professional manpower market. Also, we found the graduates of a co-op program are superior to the graduates of the normal four-year curriculum and are more productive; they are immediately productive; they are technically better qualified . . . they appear to have found their niche in life much sooner than the graduates of a traditional curriculum."*

We in the Congress think that expansion of the Cooperative Education Program can be extremely important. I am pleased to be the author of an amendment, now incorporated in the Vocational Education Amendments of 1968, which provides for federal financial assistance to the states, to encourage and expand cooperative vocational education programs. An amendment to the Higher Education Act of 1968 authorizes the U.S. Commissioner of Education to make grants to institutions of higher education for planning, establishment, expansion or carrying out by such institutions, a program of co-operative education which alternates periods of full-time academic study with periods of full-time public or private employment. This amendment, which I strongly supported, is intended to enable those institutions which find it desirable to consider restructuring their academic programs to establish cooperative education. Such institutions can apply for federal grant funds of up to $75,000 a year for three years to meet the cost of starting and operating a program. Support can also be provided to enable institutions with existing programs to expand them or to expand into new curricular areas. In enacting the amendment, Congress authorized $8,750,000 for the fiscal year ending June 30, 1970. If it is now adequately funded for a period of five to seven years, this amendment could enable more than 400 additional institutions to move vigorously into cooperative education programs. This would provide opportunities for an additional 250,000 students to take part. While I am not a member of the Appropriations Committee, I intend to work for adequate funds for this program.

I recently asked Robert H. Finch, the Secretary of Health, Education, and Welfare, to approve an application under the program authorized by my amendment, for cooperative education programs made by two Orange County and three San Mateo County junior colleges. The program would provide work-experience for 1,000 students in its first year and would increase at a rate of additional 1,000 students yearly. Both business and the California Junior College Association warmly endorsed the plan which I hope might help this important concept catch fire at the growing community college level.

So, the message is getting across. There's an old saying that "nothing is so powerful as an idea whose time has come." I believe honestly, that cooperative education is such an idea.

## OKINAWA—A NEGOTIATED VICTORY FOR COMMUNISM?

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. RARICK. Mr. Speaker, the national news media has been playing on the generosity and benevolence of Americans as if we have some kind of moral obligation to give Okinawa back to Japan.

Presumably, this act of generosity is prompted by the overwhelming sympathy and in gratitude for past favors to the United States from our friends, the Japanese.

Our Government leaders apparently vaccilate in a fog of "guilt sickness" for having once won a war.

We have other former enemies. Perhaps our leaders will want to atone to them as well for our past arrogance in having defeated them. What about the Germans and the Italians—should not we give them something also?

Will the news media and network commentators clamor for talks to negotiate with our new-found Soviet friends to give Germany back to Germany, and perhaps encourage negotiation to restore Germany's territorial losses such as Southwest Africa, German East Africa—which today comprises Kenya and Tanzania—Danzig and the Polish Corridor? Would not they wail to give Italy back Ethiopia and Libya? Never fear such an event. The clamor for the return of Okinawa which is nothing less than a euphemism for disarming the major bastion of freedom in the Pacific, is from the domestic left. It is part and parcel of the internationally orchestrated clamor for unilateral disarmament, unilateral withdrawal, and unilateral pledges not to use weapons such as CBW armaments.

Just ask a proponent of the return of Okinawa about the return of the Kuriles.

Mr. Speaker, I include several related news articles:

[From the Washington Post, Dec. 2, 1969]

SATO GIVES PRE-ELECTION PLEDGE ON OKINAWA

(By Selig S. Harrison)

TOKYO, Dec. 1—Prime Minister Sato inaugurated Japan's national election campaign today with a firm pledge that the United States would remove nuclear weapons before returning Okinawa—and a more guarded assurance that Japan would keep nuclear arms permanently off the island following its reversion to Japan by 1972.

Sato made a formal report on his recent Washington talks with President Nixon in an address opening a two-day special session of the Diet (parliament). Opposition leaders will be given time for speeches Tuesday but will not be able to cross-examine Sato in the brief plenary session preceding formal dissolution of the lower house.

The governing Liberal Democratic Party is seeking a fresh mandate on Dec. 27 in the first lower-house elections since January, 1967. Upper-chamber deputies are chosen for six-year terms at staggered three-year intervals and will not be up for election this year.

Opposition spokesmen charged today that Sato must have something to hide or he would not have "rigged" a lightning session with no time for questions on his Washington talks either in the plenary session or in committees. They point to the fact that the election has been scheduled during the busy year-end holiday season for the first time in Japanese parliamentary history as evidence that the Liberal Democrats hope to benefit from a low voter turnout.

DISCUSSION LATER

Liberal Democratic leaders respond that there will be plenty of time for discussion on Okinawa and security issues in the regular January Diet session after the election. Sato will tell the voters frankly that he plans to extend the Japan-U.S. Security Treaty following expiration of the current 10-year treaty term next June 23, his supporters say.

In his report today, Sato declared that the security treaty would be applied to Okinawa "in exactly the same way as in the homeland, without any modification." This can be interpreted in one way by the Japanese public and in quite another way by U.S. officials.

Most casual Japanese TV listeners may have gotten the impression that Sato was reaffirming his intention to extend the same ban on nuclear weapons now applying in the home islands of Okinawa. But strictly speaking, as opposition leaders point out, he simply said that Okinawa and the home islands would be governed by the same requirement for "prior consultation" with Japan if the United States ever sought to introduce nuclear weapons. He did not categorically rule out the reintroduction of nuclear weapons under all circumstances.

THE COMMUNIQUE

The joint communique issued by Sato and Nixon following their Washington talks 10 days ago indicated that the United States would remove nuclear weapons from the island prior to reversion, but that this would be "without prejudice" to the U.S. treaty right to seek Japanese approval for their reintroduction through the "prior consultation" machinery.

By referring twice to Japan's anti-nuclear "policy," key U.S. officials explain privately, the communique made clear that there was no law or treaty binding Japan and that the policy would change in the face of any future nuclear threat.

Sato has carefully avoided completely closing the door to possible U.S. requests for the reintroduction of nuclear arms in statements since his return, while at the same time seeking to neutralize the nuclear issue in the election campaign.

Pressed at his first post-Washington press conference here to explain why the "prior consultation" issue was mentioned at all in the communique, Sato replied that while this inevitably stirred suspicion "there would be equal basis for suspicion if it had not been mentioned."

In the absence of a clause clearly stating that Okinawa would be subject to "prior consultation," Sato declared, his critics could point to a loophole permitting the United States to sneak nuclear arms into the island. While stressing that Okinawa and the home islands would be on the same footing, however, Sato sidestepped statements explicitly ruling out reintroduction of nucelar arms under all circumstances. Now the opposition is grumbling that his statements could be taken to cover a uniform policy permitting nuclear entry in both Japan and Okinawa.

The speech today was notable for its omission of any mention of the nuclear nonproliferation treaty. American officials have expressed increased hope since the Sato visit that Japan will sign the treaty early next year after the elections and an expected cabinet reshuffle.

The Japanese Foreign Ministry is pushing for early signature as a gesture to Washington, arguing that Japan can seek revision of the contested clauses on peaceful atomic development as the price for ratification.

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[From the Manchester (N. H.) Union Leader, Nov. 19, 1969]

KEEP OKINAWA—BOUGHT WITH BLOOD

A ghastly total of 12,521 United States soldiers were killed while capturing the island of Okinawa from the Japanese in World War II. A total killed and wounded of 49,151, the loss of 763 aircraft, 36 ships sunk and 369 ships damaged was the price we paid for that island.

Okinawa was bought and paid for with American blood. It should not be turned back to a former enemy from whom we had to take it, following the attack on us at Pearl Harbor.

But, there are other pragmatic reasons for not turning Okinawa over to the Japanese.

Okinawa is essential to the defense of this nation. Today Okinawa is our most important single military base complex. Only last year, the United States government spent $260 million developing it.

If we give up Okinawa, we give up a very important military stronghold and retreat farther toward the United States and toward the eventual necessity of fighting for our liberty on the beaches of California.

It is all very well for us to want to keep the political situation in Japan stable and to keep a pro-United States administration in power. It is well recognized that the Communists in Japan can make a great deal of propaganda and trouble if Okinawa is not returned to the Japanese.

And, we have, as is well known by our citizens, a group of leaders both Republicans and Democrats, who always think of how trade treaties and such will benefit a foreign power. They are the greatest give-away artists in the history of the world.

Fortunately, Senator Harry Byrd of Virginia introduced a bill—it passed the United States Senate by a whopping 63 to 14 vote—which provides that any change in the Japanese peace treaty must first be presented to and ratified by the Senate.

It is to be hoped that President Nixon will take a more realistic view of the situation and not surrender our prime military base in the Far East. It is hoped also that he will consider the amount of American blood that was shed before the flag of the United States was raised on this island bastion.

VETERANS OF FOREIGN WARS OF THE UNITED STATES, OKINAWA MEMORIAL POST NO. 9723, NAHA, OKINAWA,

*November 6, 1969.*

Hon. JOHN R. RARICK,
*House of Representatives,*
*Washington, D.C.*

MY DEAR MR. RARICK: The VFW of U.S., Okinawa Memorial Post No. 9723, the largest VFW Post in the world with over 6500 members from every state and territory in the United States joins with the Okinawa Morning Star to furnish you with the local viewpoint of Americans on Okinawa.

For fifteen (15) years, Robert Prosser, Editor of the Okinawa Morning Star has written on the local problems with humor, compassion and understanding. His editorials form this fourth special issue of the Morning Star.

Much of the news which appears in the U.S. press concerning Okinawa has been filtered through a reporting process which records voices without evaluating or properly estimating the situation. The speakers in most cases frequently selfseekers and emotionalists who choose to ignore the basic reasons why the U.S. has found it necessary to remain on Okinawa.

We know that this local course of first hand information will be very helpful as background in preparing you for the upcoming U.S.-Japanese talks regarding the future of Okinawa.

Sincerely,

RALPH S. ALTMAN,
*Post Commander.*

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[From the Okinawa Morning Star]

DEFENSE CAN'T BE GUARANTEED BY JAPAN: ASIA ALLIES WORRY ABOUT POST REVERSION SECURITY

"Supposing Japan said 'no'," President Chung Hee Park of the Republic of Korea asked when being interviewed on the possibility of the Americans maintaining a military base on Okinawa under conditions similar to those under which American forces must operate in Japan.

The Korean president was adding his doubts to the already considerable skepticism which surrounds Japanese happy talk to the effect that the U.S. would have nothing to worry about if the Americans would only allow the Japanese Diet instead of the U.S. President and the American military institutions to direct the fate of American troops based on Okinawa. Militants from the Japanese Socialist and Communist parties have demanded that Okinawa be returned to Japan under the same circumstances that restrict American troops currently stationed in Japan under the U.S. Japan mutual defense treaty.

This would be something like making Mao Tse-tung military advisor to the Kremlin or giving Gamal Abdel Nasser the job of chairman of the joint chiefs of staff for the Israeli armies. It is not that the Japanese aren't lovely people but they do tend to become blinded by selfish interests when it is hinted that they might be nice if they would make a few sacrifices for the welfare or safety of their neighbors.

The chief executive of Yara-land perhaps expressed the views of the Japanese and the Okinawans both most vividly when he told a group of Japanese and American newspapermen that Okinawa is for itself and that the Okinawans don't care what happens to anyone else. Americans ask themselves uneasily what would happen if the Japanese had the same generous outlook on the day when the Americans needed permission to mount a military assault from Okinawa in order to save their own and possibly Japan's bacon in a future squabble in Asia.

Korea's President Park asked the $2,000 million question about Japan immediately after he had offered the South Korean island of Cheju to the U.S. as a substitute for the American military base on Okinawa. This is the $2,000 million question because that is the sum of American investment in the Ryukyus to date, an investment that would be worthless if the effectiveness of the American military base on Okinawa were to be negated.

Advocates of the "it only hurts when I laugh" school of reversion downplay a number of important and possibly dangerous side effects when they speak of the heady pleasures of the political fleshpots on Okinawa under the Japanese constitution. At present the Okinawans do not have access to the Japanese constitution, a document that is new in both theory and application to the Japanese themselves.

If Okinawa were to fall under the rule of the Japanese constitution the way would be opened for Okinawans to sue the Japanese to demand that Americans on Okinawa cease and desist, pay up or else or join the cultural revolution. Suing the government is all the rage in Japan today, a splendid example being the summons served on the Emperor the other day by a young man who claimed that his human rights had been violated because he flunked out of college. Lawyers contend that anything that is good for the law profession is good for mankind thus lawsuits are the breath of life for lawyers except on Okinawa. Okinawan lawyers, unfortunately, are not as equal before the law as Japanese lawyers because only a tiny minority of Okinawa's lawyers have qualified before the Japanese or any bar association. These unhappy bengoshis might be able to sue the government of Japan because of their status as second class citizens in their own country if Okinawa were under the Japanese constitution and providing, of course, they could find a good, cheap Japanese lawyer who would be willing to handle their case.

Considering all of the things that could happen if Okinawa were under the Japanese constitution including the Japanese government saying "no" to the Americans in case of an emergency, now might be the time for the Americans to say "no" before the situation becomes critical. The biggest "no" should be said when the advocates of reversion begin spieling about the advantages of having Okinawa under the Japanese constitution and Japanese administration.

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### How To Kill Two Birds With One Stone: Japan-Russia Security Pact Soviets' Dream Package

If Moscow's brand of brotherly love were ever in need of clarifying now might be an appropriate time. The Japanese might be just the audience that the merry Muscovites would require to get their newest sleight of hand and illusion show off to a fast start. First night audiences can be critical and it is best to give the initial performance away from home just in case the whole affair bombs.

According to diplomatic sources in Moscow, the Russians are hoping to form a mutual security pact among the Pacific nations. Both Japan and the United States would be eligible for this new alignment and just to show that they are particularly impartial the Russians are reported to be willing to let the Communist Chinese join the club. The main function of the organization, of course, would be to give the Russians a little extra leverage in containing the Commmunist Chinese and perhaps a few extra friends at court just in case the Russian-Chinese shooting war in Outer Mongolia becomes any more urgent.

The exact nature of the proposed pact has not been explained to the Japanese or to anyone else for that matter. The mutual security pact between the United States and Japan says that the U.S. will come to the aid of the Japanese in case they are attacked or menaced by a third party. The pact says nothing about the Japanese coming to the aid of the Americans in case we are attacked but that's the way that the old treaty bounces.

Of late the Japanese have been demanding concessions from the U.S. in the form of the return of Okinawa for the privilege of allowing the U.S. to continue to guarantee Japan's security. The U.S. could, of course, forfeit the right to protect Japan without suffering any great hardship or danger to the security of the U.S. This would have no bearing on the U.S. bases on Okinawa whose presence are guaranteed by the U.S.-Japan peace treaty, an agreement that was made by the two governments several years before the U.S. decided to subsidize Japan's industrial development by relieving her of the necessity of protecting herself.

Japan might kill two birds with one stone by listening to a Russian proposal for a mutual security pact. After all the loudest grumblers against the U.S.-Japan security treaty are the leftists and they should be pleased as Punch with a security pact with the Russians. They might be almost as pleased as the Czechoslovakians have been with their security arrangement with the Russians. It is true that you rarely hear any complaints in Czechoslovakia against the Russian security measures from the Czechs any more and if this isn't proof of a nation of satisfied customers then what is?

Of course, a mutual security pact with the Russians might bring criticism from the pro-Peking Socialists in Japan who might justly claim to have been as bitter about the U.S.-Japan security treaty as their rivals from Moscow. This would more than likely work up considerable bad feeling and perhaps a riot or two against the Russian-Japanese security treaty but then, you can't please everyone. If you don't think that this is true then check the record of diplomatic give and take between the U.S. and Japan.

There is another aspect of a mutual security pact between the Japanese and the Russians that has not yet been considered, let alone explored. If the Japanese and the Russians had a mutual security treaty which placed the Japanese heavily into the Russian debt then the Japanese could begin hounding the Russians for the return of Sakhalin and the Kuriles islands and territory to the north of Hokkaido which the Russians took from Japan at the end of their five-day war against the Japanese in 1945.

The Japanese have not yet been able to attract the attention of the Russians to this subject but if the Japanese can get the Russians to do them a few favors then what would be more natural than to demand that the Russians pay for the privilege?

Chances are, however, that the Russians wouldn't buy this arrangement. After all who would? Unless possibly it would be the Americans.

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### Leftist Clamor Over Reversion Takes Spotlight Off Reds' Feud

Whenever the Communists and the Socialists show signs of disgracing themselves in public through their vocal and physical belligerency they are rescued from shame by the world's best trained choral group. This human jamming system is made up of grass roots Communists and Socialists who direct attention away from the main arena by starting an argument about something else. Anything else. This season the return of Okinawa to Japan is the favorite subject for heroic oratory by the faithful who wish to distract the world from the spectacle of Soviet Russia accusing the Chinese Communists of preparing for a conventional and nuclear war against the Russians.

Unhappily for most of the participants in this vast propaganda affair, they don't realize that they are being used for purposes that are not in their best interests.

Soviet party leader Leonid I. Brezhnev recently appeared before a congress of Communist parties to denounce the Chinese Communist party which had denounced the Russian Communists at an earlier Communist conclave in Peking. Brezhnev accused the Chinese of planning both a conventional and a nuclear war. Brezhnev quoted from Chinese state operated newspapers which described China's "preparation to fight Soviet revisionism in conventional as well as the great unclear war." Patriotism in China today means going hungry in order to prepare for war against Russia, the Soviet quoted the Chinese government of having claimed.

The Chinese are further accused of teaching Chinese children that surrounding lands are really Chinese territory that is to be recovered through war in the near future. Chinese schoolbooks and maps are doctored to support these Chinese Communist claims.

While Moscow and Peking thunder at one another through their separate propaganda medium the two Communist-Socialist nations are shooting at each other across the river that separates their two territories in Outer Mongolia. Neither side can decide what to call the river and the territory where the shooting is taking place because the Russians insist on giving the terrain Russian names and the Chinese have their own nomenclature for the same area.

Under the circumstances it would seem that the various apostles of peace, both armed and unarmed, would be denouncing both the Chinese and the Russians for their warlike attitudes and for what the Russians claim is Communist China's preparation for war of conquest. But this has not happened. Instead the Communists and the Socialist have renewed their chorus for the immediate removal of the American military base from Okinawa and its return to Japan in a condition that would make it useless as a base from which to repel aggression from either Communist China or Russian. This is known as creating a diversion.

From his fueherbunker deep in the heart of beautiful downtown Naha the chief executive of the Ryukyus dutifully joins the chorus and helps to drown out sounds of discord from the Communists and the Socialists each time the concert masters in Tokyo need an extra voice. Japan's Socialists, who could induce a case of sleeping sickness into a man with chronic insomnia with their dreary arguments, begin talking of a new election for the Japanese Diet whenever the remainder of the performers begin to complain of sore throats in the service of diverting attention from the sounds of battle from the peace-loving Communists and Socialists.

A great deal of the flurry about Okinawa and the urgency of its return to Japan is emotional. The remainder is a calculated program of diverting the attention of the people of Japan and the rest of Asia from what is going on between Peking and Moscow. And what is going on between these two mortal enemies should reenforce the determination of both the U.S. and Japan to maintain a strong posture on Okinawa no matter what the chorus boys and girls from Peking and Moscow might say.

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### Slogan Versus Fact in Reversion Talk

The manufacturing of catch phrases and simple, instant solutions to complicated problems is a prime function of politicians. Japanese politicians, particularly, excel at this art. The catch phrase out of which the politicians are getting the most mileage these days is the one which describes the return of Okinawa to Japan as the greatest

single problem that faces both Japan and Okinawa.

To back up this statement Japanese politicians say that unless the United States sacrifices Okinawa to win the next election for Japanese Prime Minister Eisaku Sato, the dread leftists will come into power. The politician situation in Japan has been oversimplified so as to present the world with a yes-no answer revolving around Okinawa.

If the U.S. buys the elections for Sato by giving up Okinawa and a two billion dollar military base, according to the believers in political simplicity, the Japanese leftists will go back to their lairs and forget all of their future ambitions for taking over the government of Japan.

This is nonsense. Okinawa is but a single facet in the complicated plan that the Japanese leftists have to unseat the Liberal Democratic party from control of the Japanese Diet. If the Japanese leftists didn't have Okinawa as an excuse for attacking Sato they would find another excuse. Any excuse. And there are many.

Japan's leftists have no particular love for Okinawa nor do they have any immediate use for the Ryukyus other than to neutralize them as a military base in the defense of Japan and the free nations of the Far East including Free China and the Republic of Korea. In the past, any excuse, no matter how flimsy, has been sufficient for the leftists to attack the government of Japan. Trade with Communist China, the flying of the Communist Chinese flag, the price of train fares and the authority of the police to quell disturbances on the college campus have all provided Japanese with excuses for attacking the government with rocks, brickbats and staves. There are so many dissident groups at large and battling the police and the government in Japan today that printed programs setting forth the cast of characters are necessary before a riot can be truly appreciated. Okinawa's role in contributing to political unrest in Japan today is a politically inflated issue that the Japanese are using to give themselves extra leverage against the United States.

It is fine for the United States to attempt to take care of its friends and Japan's Prime Minister Sato is definitely a friend of the U.S. At least he is a friend of the U.S. until that friendship gets in the way of his political ambitions. Then he becomes a politician. No matter how badly the U.S. might like to help Sato, the U.S. can only do so much and the U.S. cannot eliminate all of Sato's political foes through American sacrifice.

The slogan makers have been busy over simplifying the issues which surround both Sato and Okinawa. In the process they have created a situation in which the slogan misses the truth by considerable distance.

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[From the Manchester (N.H.) Union Leader, Nov. 19, 1969]

SOVIET STAND ON KURILES EMPHASIZES IMPORTANCE OF STRATEGIC ISLE: OKINAWA BASE VITAL TO UNITED STATES

(By Henry J. Taylor)

Premier Eisaku Sato, arriving here to recover the island of Okinawa and thus bearing Japan's hottest political potato, is looking at Japanese politics. "I have staked my political future on this," Sato stated on leaving Tokyo. But Sen. Harry F. Byrd Jr., blessings be, has been looking at our Soviet threat and the best interests of the United States.

Senator Byrd disclosed to me that on Sept. 4, in Moscow, Soviet Premier Aleksei N. Kosygin secretly but scathingly rejected Japan's attempt even to discuss Tokyo's claims to four Kurile-chain islands Russia seized as a result of America's world War II Pacific victory.

The U.S.S.R. and Japan signed a declaration ending their technical state of war on Oct. 19, 1956—11 years after hostilities. And Byrd found that the Japanese negotiating in the Kremlin quote Kosygin as stating that the balance of power established after the war "is imperative for world peace today." Soviet-minded Kosygin gave the Japanese a toothy scowl and a total "No" before they were even warm in their chairs.

Byrd, although a strong supporter of better U.S.-Japan relations, questioned how this allows us to give up Okinawa safely while the Soviet does the reverse. "That's the fundamental question—and danger," he told me.

Moreover, Byrd is disturbed by the one-sided atmosphere symbolized when the Johnson Administration approved a project to erect a monument on Guam honoring the World War II Japanese soldiers who died there. Guam is an unincorporated territory of the U.S. Government and its people are U.S. citizens. Byrd questions how this travesty could be considered when there is no monument on Guam to the Americans who died fighting to defend the United States and to liberate the island.

On Okinawa, in the terrible battle that lasted 83 days, we suffered 49,151 casualties—12,521 Americans killed in action. We lost 763 aircraft; 36 ships were sunk and an additional 369 ships were damaged.

The present status of the strategic island, the largest in the 73-island Ryukyu group, was determined by our 1951 Treaty of Peace with Japan, effective April 28, 1952. Article 3 gives the United States complete administrative authority. And today Okinawa is our most important single military base complex in the entire Far East. We poured $260 million more into it only last year.

Beginning with President Eisenhower, each administration since 1952 has firmly maintained that Okinawa's unrestricted use is vital if we continue to have Far Eastern obligations.

"How can we support our Pacific guarantees, as we claim we will and also surrender our facilities?" is the agonized question Byrd asked. "If we didn't have the obligations, fine," he told me, "but we do have them and we do know what the Soviet is doing about the Kuriles."

WANTS GUARANTEES

On Secretary of State William P. Rogers' recent Far East visit, able Premier Sato acknowledged to him that with our gradual withdrawal from Vietnam Japan must pay more (and costly) attention to Japan's military responsibilities, especially if she gains sovereignty over Okinawa, thereby extending Japan's frontier 400 miles southward to embrace a million more citizens. But Premier Sato also told Mr. Rogers in advance that the Tokyo government wants us to continue to guarantee the safety of Japan, continue to guarantee Okinawa's safety and continue to spend hundreds of millions of our taxpayers' dollars on Okinawa.

Nevertheless, the Tokyo government seeks to remove the strategic island from our nuclear shield—a "nuclear-free" Okinawa—and have a veto over all U.S. actions affecting Okinawa. This outlaws our use of the vast, vital base for combat operations without prior consultation with Japan.

SENATE RESOLUTION

So, with the arrival of Premier Sato, Senator Byrd introduced a Senate resolution. It requires that any change in our Japanese peace treaty be first presented to, and ratified by, the Senate. He also coordinated an amendment to a House bill (HR 12964), expressing Congress's requirement that the President not agree to changes in any territory's status described in Article 3 without the advice and consent of the Senate.

The Byrd bill passed the Senate by the whopping vote of 63 to 14. And President Nixon's Okinawa negotiating hand is immensely strengthened in view of the fact that dangerous, Soviet-minded Kosygin laughed the Japanese Kurile negotiators right out of the ball park.

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## EARTH RESOURCES AND POPULATION

### HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. BUSH. Mr. Speaker, the New York Times of Sunday, November 1, 1969, carried an article of special interest to me as chairman of the House Republican task force on earth resources and population. This article describes a phenomenon which has impressed task force members during their visits with college-age youth. The problems of environment and the quality of life are fast becoming an issue of top priority among our Nation's youth.

This interest in the environment is a healthy and encouraging sign, for it is only when public awareness and understanding of the problem are increased that we can hope to have effective programs to achieve an ecological balance. Our Republican earth resources and population task force has been impressed during its study, not only with the enormity of the problem, but also with its complexity and the many interrelationships that exist between various environmental problems.

The challenge which the Congress and the youth, who are becoming increasingly concerned about this issue, must face is that we must not fall into the trap of excessive emotionalism and appealing slogans. Nor will we make progress by accepting simple though appealing solutions and spending our time looking for scapegoats. We are dealing with an extremely complex problem, and we must seek to deal with it in a manner that will encourage understanding and a problem-solving approach to the many faceted issue of improving our environment. The crusade to improve our environment must be a positive and constructive movement. I am confident Congress, the administration, and our citizens—particularly our young people—will approach the problem in this manner. I welcome youth's interest and involvement in this issue. Their interest and commitment merits the attention of all Members of Congress.

This country's fantastic industrial growth of the past 60 years, particularly the past 20, has provided our society with more jobs, bigger paychecks, more leisure time and affluence previously unknown to man. We are healthier. We live longer. We are better educated. Our esthetic values are changing.

Having achieved an abundance of material wealth at the expense of nature we need to search for a practical balance so that we can live within nature's ecological boundaries without sacrificing or destroying our economic means of survival.

I include Gladwin Hill's article, "Environment May Eclipse Vietnam as College Issue," in the RECORD:

ENVIRONMENT MAY ECLIPSE VIETNAM AS COLLEGE ISSUE

(By Gladwin Hill)

LOS ANGELES, November 29—"We want to stop the war, end pollution—and beat Stanford!" yelled a Berkeley pep leader at last weekend's big football rally.

The mention of pollution brought a roar of approval from a University of California crowd of 5,000 that almost drowned out the reference to the big game.

Rising concern about the environmental crisis is sweeping the nation's campuses with an intensity that may be on its way to eclipsing student discontent over the war in Vietnam.

This is indicated by interviews with students and faculty members from any campuses and with leading conservation authorities around the country.

There is a strong feeling on the campuses that the war will be liquidated in due course. Meanwhile, it is physically remote. And, in the wake of the big protest marches, many students feel Vietnam offers only limited scope for student action.

But the deterioration of the nation's "quality of life" is a pervasive, here-and-now, long-term problem that students of all political shadings can sink their teeth and energies into. And they are doing it.

A national day of observance of environmental problems, analogous to the mass demonstrations on Vietnam, is being planned for next spring, with Congressional backing.

From Maine to Hawaii, students are seizing on the environmental ills from water pollution to the global population problem, campaigning against them, and pitching in to do something about them.

"A ground swell of concern is starting, on everything from population and food supply to the preservation of natural areas," commented Dr. Edward Clebsch, assistant professor of botany at the University of Tennessee.

"I've been floored by the intensity of their actions and feelings," said Dr. Vincent Arp, a Bureau of Standards physicist close to the University of Colorado at Boulder. "The student group is going like a bomb."

"They can see it, they can feel it, they can smell it. And they think they can change it," said William E. Felling, a program officer of the Ford Foundation, which contributes to many conservation activities.

In Los Angeles a fortnight ago, a student bloc stole the spotlight from 1,000 older participants in a gubernatorial environmental conference. Last week in San Francisco, at a meeting of the United States National Commission for UNESCO, something similar happened.

WORDS AND DEEDS

In Massachusetts last week, Boston University students put on a two-day campaign of public education in ecology. In Seattle, the University of Washington Committee on The Environmental Crisis was staging a similar "learn-in".

Words are only the surface of the iceberg. University of Minnesota students, fresh from a mock funeral demonstration against the fume-belching automobile engine, were planning to dump 26,000 cans on the lawn of a beverage manufacturer to protest use of such packaging. Northwestern University students were campaigning against a controversial regulatory proposal of the Chicago Sanitary District, and against the waste discharges of a big drug manufacturer.

At Stanford and the University of Texas, law students were researching new courtroom stratagems against despoilers of the environment. University of Arizona students in semisecrecy, were collecting data on the fume emissions of copper smelting operations.

EFFORTS GET RESULTS

Already the student environmental front can point to many accomplishments. Student activists had significant roles in the campaigns to "save" San Francisco Bay and the northern California redwoods, and to block new dams on the Colorado River.

The University of Wisconsin's Ecology Student Association was active in the campaign against the recently truncated Project Sanguine, the Navy's high-power communications development; and provided important logistical support for the Environmental Defense Fund in the months-long Madison hearings on DDT.

At the University of Illinois at Champaign-Urbana, Students for Environmental Control sailed forth in freezing weather 10 days ago and extracted six tons of refuse from nearby Boneyard Creek. They persuaded city officials to follow up the effort, and are working on a beautification plan for the creek.

A University of Texas student is launching a state environmental newsletter. University of Washington students, on their own time, are preparing an 80-page report on ecological problems of Puget Sound. At the California institute of technology, students organized an intercollegiate summer research project in environmental problems that already has attracted nearly $100,000 in foundation financing.

On some campuses—Vassar, the University of Oklahoma, and the University of Nebraska are examples—there are no evidences of organized environmental concern. But they are far outweighed by the ferment elsewhere.

On the University of Texas campus at Austin there are at least six environmental groups, with interests ranging from water pollution to conservation law. One group, in the College of Engineering, has filed 58 formal complaints against the University itself for pollution of a nearby creek. At the University of Hawaii, there are close to two dozen groups, each organized around a particular cause.

ACTION IS KEYNOTE

Some groups, like Boston University's Ecology Coalition have as few as a dozen members. Others have hundreds. But with causes on every hand, mass membership and parliamentary formalities means less than action, which can be initiated by a handful of people. Then the causes gather their own following.

A few groups cherish the designation of "radical" and are indirect offshoots of the leftist movements like the Students for a Democratic Society and California's Peace and Freedom Party.

"Capitalism is predicated on money and growth, and when you're only interested to maximize profits, you maximize pollution. We need a system that takes maximum care of the earth," said Cliff Humphrey, the 32-year-old leader of Ecology Action, one of several groups at Berkeley.

But generally the aura of the environmental "new wave" is conservative, with coats and ties as conspicious as beards and blue jeans. "There's a role for everybody in ecology," said Keith Lampe, a cofounder of the Yippie movement, who puts out an environment-oriented newsletter from Berkeley. "People with widely different styles and politics can talk to each other with no more tension than a Presbyterian talks with a Methodist."

FEW ANARCHISTS

"I doubt if you'll find many anarchist ecologists," commented Steve Berwick, a 28-year-old Yale environmentalist. "Ecology is a system, and anarchy goes against that."

A typical group is Boston University's Ecology Action, whose 75 members are led by Bruce Tissney, a 20-year-old junior geology major. Edwardian rather than hippie in appearance, he has a trimmed red beard, wire-rimmed spectacles, and affects such sartorial accoutrements as a blue plaid vest and matching bow-tie, white shirt, and gold watch and chain.

Ecology Action's two-day educational program last week included "friendly" picketing of the state capitol, a pollution film festival, pamphleteering and lectures, and a mock award of a pollution prize to a local power company. The group has been conferring with state water pollution officials about doing spare time "watchdog" work, and is planning to set up dust-catching devices to monitor air pollution.

There have, across the country, been incidents, but mostly minor—such as the arrest last month of 26 University of Texas students who tried to block the felling of some trees for a campus building extension.

LOCAL ORIENTATION

Some of the campus groups are branches of national organizations such as the Sierra Club (which has just installed a campus coordinator at its San Francisco headquarters), the Wildlife Federation, and the newly established Friends of the Earth. But most of them are spontaneous local movements. Many tend to shun the established national organizations as being dedicated to old-line "conservation" rather than the environmental crisis. They also feel the older groups are wary of "direct action" for fear of losing the tax-exempt status that is their financial base. Ad hoc student groups don't have this problem.

"We don't want to be labeled as 'conservationists' or 'antipollution'," said Wes Fisher, a 26-year-old ecology student at the University of Minnesota. "Pollution and overpopulation are like a web, and pollution is just the symptom."

The students are employing the gamut of communications and political-pressure techniques—meetings, lectures, rallies, picketing, research, pamphleteering, letter-writing, petitions, legislative testimony, collaboration with public agencies and contacts with politicians.

Last month, Illinois' representative William Springer, Republican, felt student heat when conservationists from the University of Illinois picketed a testimonial dinner for him because he backed a controversial dam project.

IMPETUS IS RECENT

The environmental "new wave" gathered in California as far back as 1965, when Berkeley students staged a sitdown protest against a freeway and Stanford students became involved in campaigns for San Francisco Bay, the redwoods, and Point Reyes National Seashore.

But most of the organizing is recent, and is proceeding unabated. A Boston University group was sparked by a recent Ramparts magazine article by Stanford's Dr. Paul Ehrlich, the "population bomb" crusader. San Francisco State College students were galvanized by a speaker from the Planned Parenthood organization. Bob Hertz, an organizer of the University of Minnesota's Students for Environmental Defense, said his inspiration came from Zen Buddhism and its emphasis on the interrelationship of man and nature. A student group gathering strength at Ohio State was motivated by concern over the Army Engineers' Clear Creek Dam project in southern Ohio, which threatend to flood a pristine natural area used by science students.

In more instances than not, students are welcoming faculty collaboration and counsel. In some places, faculty members have taken the lead. At the University of Arizona in Tucson, a philosophy professor, David Yetman, and a recent law graduate, William Risner, organized "GASP" (Group Against

Smelter Pollution) to do battle with the copper companies. The group now includes students and townspeople.

ACADEMIC GROWTH

A University of Illinois engineering instructor, Bruce Hannon, has been a leader of the Committee on Allerton Park, opposing a $70-million Army Engineers dam project near Decatur. Students joined in a campaign that lead to the University's commissioning of an engineering firm to produce an alternative plan.

The environmental ferment caused Ohio State to establish a School of Natural Resources last year. Its original involvement of 180 has grown quickly to 300. An introductory conservation course that had 147 students last fall had 210 this fall. The college's perennial Biologists Forum, which used to draw 20 persons to its meetings, has been attracting hundreds. The University of Tennessee reports an enthusiastic reception for a new course in "Biology and Human Affairs." Colby College in Waterville, Me., has organized two special seminars in January and February on pollution problems and conservation law.

Students are taking the initiative in some environmental teaching. At Stanford, Jeff Bauman, a 22-year-old senior majoring in biology, this fall has been attracting 20 to 40 students to an informal after-dinner dormitory *seminar*.

OVERSHADOWING VIETNAM

There are differing indications on the campuses about how soon environment may overshadow Vietnam in student interest, but the trend is evident.

"A lot of people are becoming disenchanted with the antiwar movement," said Boston University's Bruce Tiffney. "People who are frustrated and disillusioned are starting to turn to ecology."

"I think environment is a bigger issue than the war, and I think people are beginning to sense its urgency," said Robert Benner, a 22-year-old geology student in the University of Colorado conservation movement.

"The country is tired of S.D.S. and ready to see someone like us come to the forefront," remarked Alan Tucker, a member of Ecology Activists at San Francisco State.

"Environmental problems will obviously replace other major issues of today," said Terry Cornelius, president of the University of Washington's committee on the environmental crises. "This is not just a social movement for Biafra or Vietnam, but for everybody and our closed system, Earth."

"Environment will replace Vietnam as a major issue with the students as the Vietnam phase-out proceeds," commented A. Bruce Etherington, chairman of the University of Hawaii's architecture department. "And it will not be just a political lever to be used by radicals."

Many of the over-30 environmentalists see the student movement as the catalyst, if not the main driving force, that will get environmental improvement rolling, and overcome the older generation's tacit resignation to the status quo.

"These kids are really remarkable in their understanding and maturity," said 52-year-old Dr. Barry Commoner, the prominent Washington University ecologist who has been addressing many student groups.

Campuses are seen as representing a greatly broadened base for the "conservation constituency" needed to jog bureaucrats and support the politicians through whom environmental reforms generally must clear."

Conservation lawyers look to campuses for the scientific expertise vital in pressing environmental battles in the courts, and for the energy necessary to raise funds for the usually expensive legal proceedings.

Indications are that coming months will see the student conservation tide swelling and manifesting itself in an arresting variety of ways.

Already students are looking forward to the first "D-Day" of the movement, next April 22—when a nationwide environmental "teach-in," being coordinated from the office of Senator Gaylord Nelson, Wisconsin Democrat, is planned, to involve both college campuses and communities.

Given the present rising pitch of interest, some supporters think, it could be a bigger and more meaningful event than the anti-Vietnam demonstrations.

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## APARTHEID IN SOUTH AFRICA

### HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. DIGGS. Mr. Speaker, South Africa's unyielding and intensified policy of apartheid is an open and continued denial of the principles of human equality. A courageous expose of the effects of the South African system of government on both white and black South Africans is contained in "Our Country, Our Responsibility" by Duncan Innes. Mr. Innes was president of the National Union of South African Students during 1968–69.

This essay presents responsible views on a topic that is important to every freedom-loving American. I include it herewith:

OUR COUNTRY, OUR RESPONSIBILITY

(By Duncan Innes)

(NOTE.—Duncan Innes was President of the National Union of South African Students in the year 1968–69.

(NUSAS has long been the most vocal of South Africa's student bodies. Student Representative Councils are affiliated to the Union, and its support lies in the English-language universities and training colleges as well as in African and Indian colleges. Through these Student Councils NUSAS represents some 25,000 South African students and is the largest non-racial organization in South Africa. Until his death in 1967 Chief Albert Luthuli was its Honorary President. For several years NUSAS has come under increasingly heavy pressure from the South African Government as well as from the Special Branch, and several of its supporters have had restrictions imposed on them or rights withdrawn.

(For example, Mr. Innes was refused a passport when he wished to take up a two-months travel bursary. Two Rhodesian members—one of whom was a Vice President—had their residence privileges withdrawn, and another who qualified for both Rhodesia and South African citizenship was deprived of the latter because he had travelled to Rhodesia on a Rhodesian passport. A former Vice President was placed under house arrest until finally he decided to leave South Africa on an exit permit, which denies him the right to return.

(This pamphlet is the text of a speech made by Mr. Innes at a NUSAS meeting earlier this year. We publish it because it is a courageous exposé of the effects of the South African system of government on both white and black South Africans.)

INTRODUCTION

Some people may wonder why I, as a student, have chosen a topic such as this for my talk today; these people may ask why as students we are concerning ourselves with our country and not concentrating on our studies.

To these people I would say that I believe firmly that a university can only reflect the aspirations of the society in which it exists, and thus to study the one without the other is to do only half the job. Each one of us here will shortly be leaving our university to take our places in our society, and it is, therefore, imperative that we are aware of the state and health of that society. Furthermore, with the present political trend in South Africa, students stand clearly in the political spectrum of our society and so a proper understanding of the society in which they operate is essential.

But first let us analyse briefly our own position—the position of the student in South Africa. For example, how many students are there studying at universities in our country?

In 1968 there were 74,330 enrolled students. Of these students the racial breakdown was as follows:

| | |
|---|---|
| Whites | 65,745 |
| African | 1,530 |
| Asiatic | 3,219 |
| Coloured | 3,836 |
| Total, nonwhites | 8,585 |

This means that of the total percentage of students studying at institutions of higher learning in South Africa only 11.5 per cent were non-white, and of that percentage 3 per cent were Africans.

Why is the rate of education of the non-White and particularly the African so low? The Government submits again and again that it is doing all it can to increase educational facilities for the non-White. They point to the establishment of the University College of Zululand, of the University College of the North, of the University College of the Western Cape, and they cry, "look what we are doing for the non-White!" And indeed, giving credit where credit is due, we will admit that the establishment of 3 non-White colleges, which are now almost fully-fledged universities is a fine record. But when we study the enrollment figures at some non-White institutions we see that:

| University college | Student enrollment 1960 | 1968 | Increase |
|---|---|---|---|
| Zululand | 41 | 368 | 327 |
| Western Cape | 161 | 669 | 508 |
| Fort Hare | 360 | 451 | 91 |

These figures we feel do not denote great progress, but giving the Government the benefit of the doubt, we presume that universities simply grow slowly, so we look at the White universities to see how they have increased their enrollment in the same eight years.

| University | Increase by 1968 |
|---|---|
| Natal | 2,008 |
| Witwatersrand | 3,081 |
| Cape Town | 2,058 |
| Potchefstroom | 1,547 |
| Pretoria | 4,103 |
| Stellenbosch | 2,735 |

It would seem that, from these figures, the Government is doing all it can to improve the opportunities for Whites to get a university education while neglecting the non-Whites almost entirely.

But Mr. Harry Lewis, newly-appointed Nationalist Party MP, tells us that this is not so. Almost confidentially he gives us the reasons. "You see", he says, "the Black man unfortunately just isn't up to university

standing. He can't absorb all that knowledge, poor chap. Just look at the school failure rates", he tells us. So like good South Africans, we look at the figures. We see that of all African children of school-going age, 78 per cent are attending schools. This, we agree, is impressive.

We see that in Sub A there are 580,533 African children. But by the time we reach Matric we see that there are only 2,075.

We look at the overall picture and we see that out of an African population of 12,750,000 in 1967 only 17.49 per cent were at school. That is 2 million children. Of these 2 million over 1 million, or more than half, are in Sub A, Sub B, Standard 1 and Standard 2. Why do so many African children fail to get any further?

The answer is very simple, Government sources inform us. They just cannot keep up. They just do not have the brain-power to match us Whites. But what the Government doesn't tell us is that the ratio in these classes is 1 teacher to 58.8 children. What we are not told is that the reasons why there are more children per teacher this year than there were last year is because an African teacher gets paid less than half the salary of a White teacher with equal qualifications. The Government does not tell us that a non-White artisan with a Junior Certificate can get a larger salary than a teacher with a Senior Certificate and 2 years' training. For the non-White, Mr. Chairman, where is the incentive to teach? This is why last year there were 1,750 teaching vacancies among non-Whites.

Our helpful Government sources forget to tell us that although books are free at Government Schools for White children, non-White children have to pay for theirs; and that the parents of most of these youngsters live in abject poverty so that they just cannot afford to let their children go on educating themselves. They have to go out and work or the family will starve.

Thus, although the Minister of Bantu Education can proudly claim that 78 per cent of African children receive schooling, he forgets to mention that less than 30 per cent ever get over Standard 2 and in fact that only 0.08 per cent reach Matric.

If, despite all these facts and figures, our learned Government source still tries to tell us that the Government is doing all it can for non-White education in South Africa, then we must ask one last question. How much money per pupil is spent on education?

In 1960, which was the last time the Government issued these comparative figures:

R144.57 was spent per White child.

R59.13 was spent per Coloured child.

R12.46 was spent per African child.

The education of the non-White, and particularly the African, in South Africa is a myth and a lie. It is something the Government can proudly point to when it is questioned in the United Nations, but when one delves into the intricate cobwebs of half-truths one is confronted with the painful fact: the Government does no want to educate the Black man.

Those who do manage an education, those who gain Matric, those who go on to get degrees and to become doctors are men and women whose courage and determination it is not easy to match. Like the medical student, who this year applied for a NUSAS scholarship: he had just completed his 2nd year; he had obtained 2 second class passes—a truly remarkable achievement. I asked him where he lived. He said he shared a one-room shack with a friend. Wasn't it awkward, I asked, if one of them wanted to work at night and the other wanted to sleep with a light shining in the room? There was no light, he said, they had no electricity. But how do you work at night, I asked? By candle-light, he said.

But now, we should ask ourselves why should the Government not wish to do all it can to educate the African and thus enable him to raise his own standard of living? Surely, we would expect any rational government to plough as much money as possible into the education of the poor so that in this way the poor may be better equipped to enter new and better jobs, thus earn larger salaries, raise healthier, better-educated families, and surely in this way, with more and more educated men and women entering our professions our whole society would be enriched and would prosper economically. But this is not the policy of our present Government and to understand why, we must look at the whole political situation.

THE HOAX OF SEPARATE NATIONS

The policy of South Africa at the moment is one where the White group has economic and political control of the country, and they do not intend to let it go.

Now the question arises, if the White group who have this power, do not intend to lose it, what are they going to do with the majority of the people? The White group feels that whatever it does with these people it must ensure three things: firstly, that the policy has some form of moral justification; secondly, that it is economically sound; and thirdly, that it won't involve any loss of power for the Whites. And with those three aims in mind, the late Dr. Verwoerd produced the doctrine of separate nations.

Dr. Verwoerd said we will give the Africans their own nations in which they can have full rights of citizenship. But obviously since we, the Whites, have already developed certain sections of South Africa for ourselves, we will give the Africans those sections that are still largely under-developed so that they can develop those sections for themselves.

Of course those sections that are still under-developed only amount to 13 per cent of the total land space of South Africa, but after all there are only 16 million of them and 4 million of us, he said. And anyway, we can't be expected to give up what we have developed.

But, said his critics, what will happen when these Black nations develop and grow economically and politically powerful? Won't they be a threat to us? I think Dr. Verwoerd just smiled. Because he knew it was all a mammoth hoax.

Dr. Verwoerd knew that the Bantustans were agriculturally semi-impoverished, industrially useless and economically unable to pay for themselves. He knew that the Bantustans could never ever hope to absorb all the Africans in the Republic. There could never be enough work. He said, and Mr. Vorster says, that the Africans will gradually return to the Bantustans as they develop and the need for more workers grows.

REALITIES OF A BANTUSTAN

But let us look at the Government's biggest showcase, the Bantustan which has already survived 5 years of so-called self-government—the Transkei.

The Transkei consists of 16,000 square miles. It has an African population of 1.4 million. Thirteen years after the Tomlinson Report—which was the first blueprint from which Dr. Verwoerd worked—13 years after this report claimed that in 25–30 years the Transkei would be able to support 10 million Africans, we find that it cannot even support 1.4 million. There are 3 factories in the Transkei and they employ less than 2,000 Africans. There are only 32,700 Africans employed in the Transkei and in another 12–17 years, according to the Tomlinson Report, employment must be found for 10 million. Today we learn that the Tomlinson Report is inaccurate. By the year 2000 there will be 9 million more Africans in South Africa than the Report bargained for.

But, we ask, what happens to those Africans who cannot find work in the Transkei and the other homelands? They return to the Republic as migrant labourers.

And so now we can see how the great scheme really works. The homelands can never become economically self-sufficient.

Last year the Transkei had a total budget of R20 million. From its own sources, the Transkei raised R4.5 million. The balance comes from our generous Government. I am sure that should Chief Mantanzima ever wish to do anything with which Pretoria were dissatisfied, Pretoria might discover that there were certain difficulties involved in handing over the R15.5 million so necessary for the Transkei's very survival.

Thus we see that the Bantustans, because they can never be economically self-sufficient, can never be politically independent. And, although they can have all the trappings of independence, such as a Prime Minister, a Cabinet and elections, they will never be able to acquire such natural rights of any nation, as for example an army, even for self-defence. As long as the Bantustans rely on the South African Government for their funds—which they must forever do—they can never support themselves, and therefore, they will never be politically independent. Thus, the Whites' third aim, that they should lose none of their power is realised, while their first aim that their policy should also have a seemingly moral justification is theoretically realised to the lazy or indoctrinated thinker—for "one day", we are told—not in his life-time, Mr. Vorster tell us—but one day, these nations will be free.

And, of course, we must not forget that the policy must be economically sound too, which was, you will recall, our second requirement. So we have an African population unable to find work in the homelands drifting back into the Republic and supplying a constant labour force for our mines and factories. And they will go on doing this because they need work for food and we will go on receiving cheap labour and our economy will grow and grow and requirement number two has been met. Of course, we do not allow these men to bring their wives and children because we do not need them to work, and if these men grumble about poor wages we simply sack them because our system is so sound that we know that there are millions more who are so hungry that they will work for any amount of money, no matter how small.

THE OUTCOME OF APARTHEID

Apartheid presents a depressing picture. It is a picture of a cunning system that is so evil and so selfish that one wonders that human beings could ever have evolved it.

It is a system that forces over 600,000 people in Soweto, an African township in Johannesburg, to live in 70,000 houses. That is, according to the official Government figures, 9 people per 3-roomed house.

It is a system which orders 33,000 Coloured people to be evicted from their homes in District 6 at a time when there is already a shortage of 30,000 Coloured homes in the Cape Peninsula alone—at a time when 15,000 Coloured people in the Cape are waiting for homes and 66,000 are inadequately housed. These are official Government figures.

It is a system which evicts these people from their homes because, in the words of the Minister of Community Development, Mr. Blaar Coetzee, he "wants it for a White luxury area".

It is a system which causes a man to say, "I do not weep for the non-White; I weep for the White".

It is a system which allows the homes of 170 Coloured people to be bulldozed down and then leaves them sitting for two weeks on the roadside . . . without shelter. A 90-year-old man and a 2-month-old baby, we read, shared a ditch.

It is a system which enables the homes of 1,746 Coloured people, to be bought by the Government and resold to Whites, with the Government gaining a total profit of R6.8 million—and this after official Govern-

ment sources inform us that 60 per cent of the Coloured people are poverty-stricken.

It is a system that allows in one year for 12,000 cases of malnutrition diseases among African babies, 700 among Coloured babies and 9 among Whites. According to population ratios, these figures should be Whites 9, Coloureds 4 and Africans 36.

It is a system that allows 50 per cent of all African children born alive to die before they reach their 5th birthday.

It is a system which allows the Minister of Community Development to stand up and say that the Indians in South Africa must branch out willingly from Commerce or the Government will force them out. "They must branch out into other occupations", he said, "and become clerks, roadworkers and fitters and turners. This will be done", he concluded, "not only in the interests of South Africa, but also in the interests of the Indian community."

LIMEHILL AND STINKWATER

It is the policy of the mass removals of Africans from White areas which has caused the horrors of Limehill and Stinkwater. This is a description of a Government resettlement camp. Stinkwater, which lies 35 miles from Pretoria, and into which the Government has forced thousands of Africans to move. It is written by one who was there, and it appeared in the *Rand Daily Mail:*

"It consists of corrugated iron shacks, mud huts and wooden houses. Hundreds of the slum dwellers have been infected with a scourge of skin diseases. Scores of children had bloodshot eyes accompanied by a discharge of tears. A medical practitioner said the children were showing symptoms of trachoma, which could lead to blindness. Other children had their heads covered with ringworm. Some of them found it difficult to play because of swollen limbs."

But in case you are feeling depressed, do not worry, because the report noted that "there is 1 nurse in the area," and as far as sanitation goes, "a borehole is open for 4 hours a day."

But what did this place look like, we wonder, when the Department of Bantu Administration and Development forced these people to move there and said "this is your homeland"? We do not know what it looked like then, but 6 months after these people had been there in the middle of winter, we know what it looked like. There were no schools, no stores and no clinic. The people lived in tents. There was one hand pump for water which was used by over 400 people.

It is only fair, however, to present the other side of the picture too, and 3 months later there had been improvements. There was half a school, an old shack for a store, a motor-driven pump, but still no clinic. That is progress.

Most of the men who live at Stinkwater work in the cities during the week, and only come home to see their families over the weekend. Those who do come home every day arrive home by bus at 9 p.m. and have to be up at 3 a.m. to catch the bus to the city at 4 a.m. The bus fare is 45 cents per day single and R4.40 a month. In addition, money is, of course, needed for clothes and food. There are no toilets provided at all.

Then there is Limehill, where many people have died. In October of last year an epidemic broke out there, and a letter was sent to the Minister of Health, Dr. Carel de Wet, asking for an inquiry as typhoid was suspected.

On December 10th, the Minister issued a statement saying conditions at Limehill were normal. In only 3 months, from September to December, out of a population of 6,000 only 19 people had died.

On December 21st, Archbishop Hurley visited the area and claimed that he had evidence that between October 1st and December 10th at least 45 people had died. He informed the Minister of Health. The Minister then issued a statement admitting that in 5 months 73 people had died, but this, he said, was also normal. If 19 deaths in 3 months is normal, and 73 deaths in 5 months is also normal, I shudder to think what the Minister would regard as abnormal.

At this stage dozens of pressmen were converging on the area to attempt to ascertain the truth. The Minister was quick to slap a ban on any pressmen visiting the area. But he could not stop members of Parliament going there, and he could not stop doctors going there.

Eventually, after 35 deaths had occurred in 2 weeks, the State ordered innoculations and set up medical "checkpoints". The Natal Regional Director for State Health issued the following statement: "We have established contact with the disease. The picture is not entirely clear, but it is apparently the result of insanitary conditions." A spokesman for the State Health Department said that between 15–20 per cent of the children at Limehill have contracted gastro-enteritis and the disease was spreading to adults. But he added "this is quite normal at this time of year because of the heat and the flies".

What really happened at Limehill, we will probably never know, for while people died, the Government banned the Press from going there; while people died the priests who tried to save them were interrogated again and again by the Special Branch; and while people died, White South Africa went about its business.

What we do have, though, is the report of four doctors who did voluntary medical work in the area before the Government went in and who delivered a "factual account" of their findings.

Between December 28th and January 19th, 760 patients attended one clinic. The size of the community which that clinic served was 2,000. Among the cases examined were: diarrhoea and vomiting (68), suspected typhoid (4), confirmed typhoid (8—1 death), pneumonia (9—2 deaths), tonsilitis (19), otitis media (8), eye infections (21), salpingitis (3), cystitis (43), pellagra (53), kwashiorkor (28), vitamin deficiency disease (20), scurvy (8), rickets (3), scabies (27), worm infestation (7), and suspected TB (5).

Fifteen of these patients were pregnant. What, we might ask, would have happened to those people if doctors had not voluntarily gone there to treat them?

One of the diseases mentioned was typhoid. Of this disease the doctors say "it spreads in conditions of poor hygiene . . . In a normal, healthy community the acceptable incidence of typhoid is nil. Thus in a community the size of Limehill, 8 confirmed and 4 suspected cases would in any medical sense be called very serious."

"Diarrhea," the doctors say, "was the commonest reason for consulting us. Just over 50 per cent of all patients who came had these complaints. It is most serious in babies and young children who form a very large percentage of the cases. Sudden deterioration and death may occur within hours."

The doctors continue: "From the disease we saw, it is self-evident that the water and waste disposal facilities were inadequate." They conclude: "We understand that the men are, to a large extent in other areas. We would indicate that this is unsatisfactory and a further factor in continuing the vicious cycle of disease, poverty, ignorance, disease."

This report was published before the Limehill debate began in Parliament. Let us see what occurred there. Dr. de Wet said that in one year there were 18 cases of typhoid and asked what was so abnormal about that. He went on to criticise the United Party, the Press and all those who had attacked Limehill as being "enemies of South Africa". Blaar Coetzee, replying to a barrage of Opposition questions, asked: "Does the U.P. want caviar for the people of Limehill?" Another Government spokesman, amid roars of Nationalist laughter, said that he thought everyone was making a mountain out of a Limehill.

But not all Nationalist comments were sickly witticisms. Sometimes they tried to defend it. There are 2 ambulances available which come in from outside, they cried, and a district surgeon visits the clinic once a week, and there is one district nurse on duty all the time. When their critics said there were 6,000–8,000 people there spread over many miles with no proper toilet facilities, only a pit system, and not one house, Government MP's claimed that these conditions were due to the fact that the people there have done nothing about them. They had, after all, been supplied with tents and equipment to dig pit latrines when they were originally dumped there. It was Dr. Radford, the United Party MP who pointed out that there were no men there—they were working in the cities. "Surely", he said, "you do not expect women with babies on their backs to dig 20-ft. latrines in the hard soil of Northern Natal?

Dr. Radford went on to say that of the many cemeteries in the area, he had only visited 2, and he had counted 40 graves, not 19 as the Minister had said. He had been shown 750 medical cards of children suffering from gastro-enteritis. And amid jeers and catcalls from Government benches, he added: "And if you want the names on the graves, I will show them to you."

And so the tragedy of Limehill was laughed out of Parliament and the Minister of Health refused to set up a commission to investigate it. We will never know how many people died there. Some people say they have seen hundreds of graves; the Minister has only seen 19. We will probably never know how many hundreds of other Limehills have occurred, are occurring, and are going to occur. Perhaps it is just as well, for as the Nationalist Party newspaper, *Die Transvaler* so aptly put it:

"Limehill was never presented as a utopia to the thousands of outcasts who were shifted there, although it undoubtedly must have seemed like one to many of them. The area offers reasonable living conditions and the residents are happy because their living conditions there are infinitely better than the places they come from."

Yes, it is true, the residents are happy. Their happiness is the eternal stillness of the grave. But their passing was not a happy one, their last desperate agonies were not happy, and their deaths have labelled South Africa with a terrible guilt.

The guilt for those deaths lies with the Nationalists who jeered and lied to smother the truth. The guilt lies with the public that didn't care. The guilt for those deaths lies with you and I who read the newspaper reports, shook our heads in horror, and then threw the newspaper aside. The guilt, fellow-students, is ours, because we have done nothing.

I have touched very lightly on the topic of apartheid. I have revealed certain horrors and certain injustices, but I have only scratched the surface. Beneath the surface lie a million further tragedies, human tragedies all of them. Tragedies of discrimination, of despair, of selfishness.

The tragedies of over 12 million Africans who must carry passes with them like dog licenses for fear that they, like dogs, will be impounded. The tragedies of 72,936 Africans who have been uprooted from their homes and forced into barren resettlement areas. The tragedies of 92.5 per cent of an Indian group of 99,000 who have been affected by Group Areas. And these are just the facts and figures. They are statistics. Government official statistics, and they cannot tell of the many other horrors that are caused by this system.

They cannot tell the terrible harm that malnutrition does to the mind and body; they cannot tell of the destruction of minds

and personalities which the horrors of Limehill perpetrate, they can only record the deaths. It is impossible to estimate the drunkenness, the poverty, the prostitution, and other vices which this system forces onto the people who are subjected to it. Our only knowledge that this sort of thing occurs is when we see the battered tramp in rags staggering drunkenly down our dirty streets only to be hurled brutally into the back of a waiting van. And then the reaction of the White population is as certain as ever: "You wouldn't want your daughter to marry one of those, would you?"

This is a story of a people with no rights and no future. This is the story of South Africa today. Behind this lamentable story lies a quiet philosophy: a philosophy which the rulers of our land have nurtured and long cherished. It is the philosophy which today steers South Africa on its present course. It is the philosophy which has entrenched itself in our society, our heritage, our way of life. For the last 15 years young South Africans have been subjected to Christian National Education, which pervades our school textbooks and governs the order of our thinking.

But what is it? What is this Christian Nationalism?

I could not define it better than did our own Prime Minister, Mr. B. J. Vorster, when after he had been appointed a general in the Ossewa Brandwag in 1942, he said:

"We stand for Christian Nationalism which is an ally of National Socialism. You can call this anti-democratic principle dictatorship if you wish. In Italy it is called Fascism, in Germany, German National Socialism (or Nazism), and in South Africa Christian Nationalism.'

THE STUDENT ROLE

South Africa is our country and our responsibility. If we are concerned for the future of our country, as I am because I do not believe she has a secure future, then we must ask ourselves what we can do for our country and for our future. We must ask ourselves what we, as students, as tomorrow's leaders, can do. We must ask ourselves what NUSAS can do.

This is a question which NUSAS leaders have asked themselves for many years. Some of their answers have not, I feel, been either sensible or realistic. One such answer was the one which the President gave five years ago. In 1964 Jonty Driver, speaking of NUSAS, said, "To be brutally frank and utterly honest, NUSAS is a front for the liberation movement in South Africa." Speaking in 1969, I must say to you that to be brutally frank and utterly honest, Jonty Driver was talking nonsense. NUSAS is not and cannot be any sort of subversive organisation, nor can we house or protect subversives. We are a national students' union and we must remember this. This is all we are and this is all we can claim to be. The duty of a national students' union must be to reflect the views of the students it represents and to carry out such functions as the students wish it to carry out. This is all we can do.

At the same time the views of these students will give the national body certain principles and a certain basic policy. That policy we might refer to in South Africa as our social conscience. That basic policy or guide has already been discussed, agreed upon, and accepted by the students within NUSAS. It is the internationally acclaimed Universal Declaration of Human Rights, a document signed by all the countries in the world except eight—South Africa, Portugal and some countries of the Communist Bloc. Not unexpectedly then, the basic thoughts of the Declaration stand directly opposed to the policies of the Government at present.

Our role then, as I see it, the role of NUSAS, the role of South African students, is to hold our basic policy before us as an ideal and to work with all our strength for the implementation of that ideal. Our role must be to point out the injustice of our society. This is our duty, to do both as citizens of South Africa and as members of the community of mankind. Let the South African people never be able to say, as the German people said after they had seen the mangled horrors of Auschwitz and Buchenwald, "We did not know this was happening." In 10 years' time, let this not be the pathetic cry of White South Africa. We know! We are aware of what is happening! It is our duty to make South Africa aware of what we know.

There are those who would say that all is peaceful in South Africa. Let them remember the thousands of banned men and women, who lead twilight existences in our land.

There are those who would say that the African is happy in South Africa. Let them remember Sharpeville.

There are those who would say that the African is well-treated in South Africa. Let them look to the filth of the African locations.

There are those who would say that South Africa is a sunny, healthy land. Let them look to the dead in Limehill.

And when they say to us, as they will: Why do you point out these things? Are you a Communist? Are you a Leftist? Are you an enemy of South Africa? Then reply to them that you are none of these things. Tell them that you are someone who believes that every man who is born has a right to life, that every man who is born has a right to develop himself to his full potential. Tell them that when you point out injustices in your country, you do so not because you wish to harm your country, but because you wish to remove the injustices and thus improve the image of your country.

There is much in this country that needs to be improved for in a land such as this, where the majority have no freedom, none of us can be free. If a Government can condemn one section of the population, there is no reason why it cannot condemn another. The African who struggles for equal rights and equal opportunities is condemned; the White man who defends the African's rights is also condemned. The 180-day law, bannings, passport removals, and deportations are the order of the day. And we must remember that because one person has lost a passport, all of our passports are in jeopardy. We must remember that because one man has been banned, all of us can suffer the same fate.

There is no criterion by which we may judge whether we are safe or not. The law can be no criterion because the courts are discarded by our rulers. You do not have to commit a crime to be condemned by our Government. You simply have to do something that these enlightened dictators do not like at one particular time. With that criterion no one is safe. Not even the verkramptes, or ultra-conservatives, who are harassed as much by the Special Branch as we are.

There are those who say that one can have freedom in South Africa just as long as one keeps quiet and does not say or do anything that will upset the Government. We must ask these people what sort of freedom do you think you have if you are scared to exercise it? What sort of freedom is it when people are scared to do what they wish to do for fear of losing freedom? This is no freedom. This is a pathetic malprocess which stunts the growth of the mind, the personality and the character of any human being who is subjected to it.

And what freedom do we, in South Africa, have today anyway?

Do we have the freedom to love whom we choose? No! It is against the law to love someone whose skin is of a different pigment to ours. We can only love those whom our rulers have by law approved. Do we have the freedom to go wherever we choose in our country or can we go only to those places which are marked by our Government for Whites only? If we are in a hurry, do we have the freedom to catch the first taxi or bus that arrives, or must we wait for one that is marked for Whites only?

Do we have the freedom to invite the MCC cricket team to visit our country or must we first dictate who their team is to be? Do our athletes have the freedom to compete internationally, and I mean all our athletes? Do we have the freedom to read great books and see great films or are we only allowed access to those our rulers deem fit for us?

These are but a few of our unfreedoms. They are only the beginning. There will be more unfreedoms for us to chalk up on our "Book of Rules".

We can, of course, sit back and accept all of this. We can argue that there is nothing we can do now, and that in time all these problems will sort themselves out. This is a fallacy. Time alone can change nothing. It is through our efforts now that time will eventually reflect change. But we must make the effort now!

We must look around us and ask ourselves what we can do. We do not have to look very far. At this very moment a drama is playing itself out, a drama that once again involves the futures of men and their destinies. I refer to the injustice of unequal pay for South African doctors.

The position is clear. Pay for doctors is not on a basis of merit or amount of work being done. It is on the basis of race. We have already seen that the South African non-White labours under far greater difficulties than the White to educate himself. Yet we see that when he eventually achieves this success, he is condemned to less salary than his fellow doctor who is White. Why? These doctors save the same lives, they heal the same sick, they work the same hours, yet they do not receive the same pay.

The Government tells us that it is because non-White doctors do not have the same needs as the White doctors. It is the right of the individual to decide what his needs are, and no Government has the right to decide for him.

At university at present, there are White and non-White medical students studying together. Their futures are involved here. And they are students. They are our fellow-students. The futures of some of them are tainted with injustice, and I believe that we have a duty to stand by our fellow students, and to defend their rights just as they would defend our rights.

At the end of May almost 200 doctors will resign from hospitals in South Africa, because of unfair treatment. I no not believe that we should encourage them to change their minds because their decision is uncomfortable for us. I believe that we should stand by them because they are right.

A few days ago, the NUSAS executive and Standing Committee of SRC Presidents issued a joint statement in which we expressed our concern at the present situation. We pointed out, as has Professor Chris Barnard, that it is unjust to pay a man according to the colour of his skin. We pointed out that this was of direct concern to NUSAS because there were thousands of medical students studying at centres affiliated to NUSAS and their futures would be affected by this. We pointed out further than NUSAS is the largest medical scholarship agency in the coun-

try, and thus we are even more concerned. In our statement we called on the Minister of Health, Dr. Carel de Wel, to take steps to rectify the matter immediately. That is what we have done so far.*

I have spoken at length on our country and our responsibility. I have spoken of our aims and our hopes. If at times we lose heart because we are not making the progress we would like to make then we take courage from the words of the late Senator Robert Kennedy, who said in 1966:

"Each time a man stands up for an ideal, or strike out against injustice or acts to improve the lot of others, he sends forth a tiny ripple of hope, and these ripples meeting each other from a hundred different centres of energy and daring will build a wave which will be so strong that it can sweep down the mightiest walls of oppression and hate."

Let us stand up for our ideals. Let us dare to struggle and let us dare to win. Let us dare to dream of a future in which all the people of South Africa will be able to join hands together and to cry out in the words of the old Negro spiritual:

"Free at last, free at last; thank God Almighty, we're free at last."

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## WHAT HATH GOD RUNG?

## HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. BINGHAM. Mr. Speaker, I have repeatedly attacked the reduction in interstate telephone rates which was announced jointly by the American Telephone & Telegraph Co. and the Federal Communications Commission on November 5, 1969, as placing an increased burden on users of local telephone service since there are requests pending in 16 States for local rate increases far in excess of the announced interstate long distance rate cut. New York State alone has a rate increase request before the Public Service Commission for hikes totaling $175 million.

It seems particularly disturbing that such local rate increases be requested in New York at a time when the quality of telephone service has declined to a well publicized all-time low. The December 5 issue of Life magazine contains an interesting article by Bill McWhirter entitled, "What Hath God Rung?" The article follows and I commend it to all readers of the RECORD:

*Non-White doctors withdrew their services in April 1969. A month later the Government announced salary increases: the salary scale for Indian and Coloured interns was doubled from R1380 to R2760 a year; the maximum scale for Indians and Coloureds—chief specialists and professors—was raised from R5400 a year to R7500. African interns would earn R2400 compared to R1260, while African chief specialists and professors would get R6900 compared to R5160. The salaries of White medical personnel were to be improved within the framework of the new scales for the professional division of the public service. In this case the minimum salary would be R2400 a year for the lowest ranks, rising to R10,800 for the highest ranks. The non-White doctors immediately resumed their posts.

### WHAT HATH GOD RUNG?

*(By William A. McWhirter)*

The symptoms began appearing some time ago. In disbelief, we kept them to ourselves, hoping vainly that it was only *our* dial tone, *our* busy signal, *our* repairman, *our* operator that was faulty, not everyone else's. Nor could we even be sure what was happening. *Its* faults often looked as if they were *our* faults. We dialed one number, reached another and assumed we were growing absent-minded.... We had no dial tone and assumed someone had left a receiver off the hook. . . . We received no calls and assumed no one was calling. . . . We called, the number was busy and we assumed someone was there and talking. . . . We called, the phone rang, no one answered and we assumed no one was there. We had our doubts, of course, when people later said they were there when their phones clearly said they weren't; or when entire insurance companies occupying 40 floors of office space did not answer; or when, one day, calling a cartoonist, we reached the mayor's home and, after staring at the dial, slowly turning each digit hole to the very end, promptly removing the finger so as not to let it drag back across all the other digits, and carefully watching as we did this seven times, we still got the mayor's home. It was, at times, like dialing M for Murder and getting C for Chicken Delight.

These were not the kinds of occurrences we felt compelled to share with anyone. Nor could we believe after years of telephone service unrivaled anywhere in the world that the worst would be confirmed. But with every passing day, we now know that the telephones are going out all over Manhattan—the suburbs, The Bronx and Staten Island too.

The dimensions of this breakdown are unlike any other. The New York Telephone Company, largest of the 24 operating companies of A.T. & T., the American Telephone & Telegraph Company, has some 80% of its total capacity concentrated in the metropolitan area. Here it handles some 43 million calls a day and services 2.9 million customers—nearly as many customers within New York City as the city itself has taxpayers.

New York, where A.T. & T. keeps its headquarters, has historically been the model city for the "Bell System." As early as the turn of the century. A.T. & T. preceded the rest of the country's growth and set its sights on becoming a city-centered company, leaving the backwater areas to the "independents." Today, it provides nearly 85% of all telephone service in the U.S. while confining its operations to only 15% of the land area. The cities made the Bell System into the world's largest private enterprise, with assets of $45 billion. With the most extensive franchise ever granted to an American corporation, A.T. & T. has complete control, without competition, over phone operations in its service areas from production by its wholly owned subsidiary, Western Electric, to sales, accounting, installation, maintenance and repair.

It is one of the more ironic effects of what has happened in New York that the company which had so much to do with shaping urban life should now be so harassed by it. It was in New York this year that customers began to complain in record numbers of service failures and incredible delays in response from the company. Phone traffic became so heavy that overloaded switching facilities simply broke down. One Manhattan exchange, PLaza 8, became infamous as it reached blackout conditions. But not only the prestige exchanges, the DIgby 4s and HAnover 1s of Wall Street and Madison Avenue, were affected. So was the common man. At the approach of winter this month, many New Yorkers were even unable to call the city's complaint office about another living condition—the lack of heat in their buildings.

New York Telephone has admitted it had been unable to forecast the demand adequately, and that neither its equipment nor its work force was able to cope with the snarl. On an emergency basis it reactivated 45-year-old switching equipment that had been retired only last year in PLaza 8 and other exchanges and brought 1,500 craftsmen into the city from other Bell companies. The state utilities commission convened a service investigation, the Federal Communications Commission has called in A.T. & T. representatives to discuss telephone service, and several members of Congress are considering an inquiry of their own.

The failure of telephone service in New York may have widespread effects throughout the Bell network. These repercussions extend to the type of companies both A.T. & T. and New York Telephone have become, the type of markets that are opening up for direct competition, the type of services the public is demanding, and the type of changing philosophy appearing within the regulatory commissions. The telephone company might have withstood any public challenge even after so massive a breakdown in service as New York's so long as it was big, a monopoly, and faced no competition. Today, the company is that big and a monopoly, but the difference is that it faces a number of challengers asking to compete. And it seems all too vulnerable because of the misadventures of trying to place a call in New York.

A suburban wife gives up trying to reach her husband by phone and calls a friend in an office blocks away from his to walk over an tell him to bring home 12 bratwurst for dinner. A mother calls her home and hears a stranger insisting that it may be her number, but he is in his house and it's also *his* number. A militant lady lawyer testifies that, considering her clientele, she expects to have her lines tapped, but she objects to having to listen to her tappers talk in the background. A New York State utilities commissioner hears how his doctor tried to call Syracuse, N.Y. only to be told to contact the overseas operator.

The results have often been more serious than semicomic. A well-known handbag manufacturer, in moving office locations, had his old phone disconnected, and while waiting weeks for his new one to be installed was without service. His customers, informed by a recording that the phone had been disconnected, began to worry; suppliers withheld their shipments and the rumor rapidly spread that he had gone out of business.

There is obviously more at stake in the New York crisis than handbags, and that is one of its most preculiar and perplexing aspects. Not only does the individual not always know what, if anything, is wrong, but no one has yet been able to detect just how wrong or widespread the troubles are. The company insists that the problems are, more or less, localized. Yet, at random, it seems that virtually everyone has been affected in some way by it. What it amounts to is a disquieting invisibility where none of us can any longer be sure what the instrument on our desks is doing to us at any given moment. Altogether, however, the incidents have created an embarrassing focus at a particularly sensitive time. New York Telephone is seeking a $175 million annual rate increase, which would raise phone bills an average of 10.50%.

The company would have preferred to explain its case in the bloated terminology that it affects at hearings and on other solemn occasions (a phone dial, for example, is identified as a "Network Control Signaling Unit"). Instead, it is being forced to answer to a lot of funny stories. That has hardly upheld its public dignity, which has traditionally resembled that of Benedictine monks, the chosen custodians of a vast mys-

tery whose inner workings are too wondrous to explain. This stance worked well enough when the telephone was *the* American invention. But the telephone is no longer the miracle of an age, and the company finds itself under increasing attack both by the public and by its peers in the space, computer and electronics industries.

It is unfair, perhaps, that so much of this should have been exposed by what has happened in New York. But New York has never been judged like other cities. Its ailments, much like its fashions, are not unique; they are simply seen here first. Just as the fads begin in California, so the problems surface here. Those are the rules, and no one knows them better than A.T. & T. itself, which has organized a top-level committee to review all aspects of the New York case—not only, it says, to correct what's happened in New York, but also to prevent it from occurring in other cities. LIFE correspondents, however, report troubles already appearing along the line, especially in Miami, Washington, Chicago and Los Angeles.

The A.T. & T. review committee, drawn from throughout the company and headquartered in the "think tank" Management Sciences Division, is headed by Henry M. Boettinger, a bow-tied author, structural analyst, assistant comptroller, spokesman and house philosopher. "There's more than a premonition in the Bell System that we're headed into troubled waters," he muses ruefully. "Do you know the adage about the reputation lost in an afternoon?"

The reputation, until now, had stayed remarkably immune from the other common ailments and breakdowns afflicting us. Nearly everyone, from its customers to the men who both managed and worked for the company, basked in its infallibility. When trains did not run, repairers did not repair and workmen did not work, the telephone became the last symbol of one lonely function doing what it was supposed to do.

No other piece of gear had ever assured us we could live miles from where we worked and even work in high, confined spaces hundreds of feet off the ground to which we rose and from which we fell once a day, all the while keeping in touch with friends, business associates and loved ones. As other things stalled, shorted and blew their fuses, it sustained us as much as heat and light, in their day, ever had. As physical movement of any sort became increasingly difficult, costly and sometimes hazardous, it became—even more than the automobile in Los Angeles—indispensable, the only instrument we could not truly do without. It traveled for us, walked, shopped and bought for us, conveyed our anxieties and paid our little social calls. It persuaded us actually to move around less than we ever had. The most prominent men among us, in fact, often moved not at all.

The proportions of this performance reached the area where reality often becomes myth—making believers, in this case, of both the men who worked for and ran the company and the public they served. "You have to understand the heroic ego," says Boettinger. "There's an unwillingness to admit there is anything we can't do."

Few companies these days are so small that an employee talks to the president or even the assistant vice president for employee relations. But then few companies have swelled as has the phone company to the size of a corporate state, with its own by-laws, ruling class, uplifting slogans and customs. In theory, workmen report to foremen and foremen report to supervisors and supervisors to district superintendents and district superintendents to divisional heads and divisional heads to assistant vice presidents and assistant vice presidents to operational vice presidents and operational vice presidents to the president, Cornelius W. Owens, whom few outsiders ever see. Mr. Owens, for such varying reasons as company precedent, a busy schedule and a death in his family, made no public appearance or statement or agreed to a single interview for four months during the New York breakdown. But even that was not viewed as very extraordinary within the company. "The interesting thing about the Bell System," explained a spokesman, "is that probably everyone knows as much about what is going on as the president. You'd like him quite a bit though. He's a very outgoing Scotsman, very hale, very frank."

The various offices of the New York Telephone Company are strewn apart like so many landholdings collected through the ages, their managers jealously at watch over their chunk of the empire. Visits between departments have all the niceties of an Open House Night on Embassy Row. The representatives greet each other giving name, branch and official purpose of the visit. The register book is signed, the inspection is begun, trooping the line of model workers. *Hmmm, very nice, I see, I see.* No secrets divulged. Handshakes all around.

Jobs have become so minced into specialties that installers trained on one-station phones are not always qualified to hook up five-button ones, and cable splicers who can work on one kind of cable cannot work on another. Still, the company likes to think of itself being as affably interconnected and goal-sharing as the combined choirs of some Fellowship of Man. The craftsmen have their union, which is large and powerful, but the company rebuffed a growing association of supervisors that began to look like a union and fired the organizers, claiming "all management people are already members of an 'association'—the management team."

Still, some team members feel the coaching has been a little heavy-handed. One sales manager resigned after being told to meet his quota of visits to A.T. & T. shareholders in his spare time. It became apparent two years ago, some employes say, that demand for the entire spectrum of phone services, from installation to repair, was already increasing beyond their ability to meet it. Yet repeated requests by foremen and supervisors for additional overtime and manpower went unheeded by the company. In February 1967, a 44-hour week was cut back in one plant, despite the job load, to 42 hours, and the allowances for service growth were lowered. "It's the old story," says a 40-year veteran of New York Telephone, "of sawdust being added to the meal for a horse and then more sawdust until finally the horse dies."

Despite the cutbacks in budget, the company still expected its departments to meet their performance objectives. Throughout New York Telephone, promotions and performance records are determined by grade and rating objectives. The goals are set impressively high—95% perfect service or better in most categories. Down the line, however, the figures are not taken very seriously. "Let's face it," a supervisor said, "numbers can always be taken care of." A former repair foreman was more explicit: "People in the local repair bureau can doctor the report. The company has a staff to audit these reports and sometimes it finds them wrong by as much as 40%—yet the company still goes on publishing the reported figures, not the audited ones."

A survey released by the company last month reports that in Manhattan 97.5% of all calls receive a dial tone in three seconds or less; on a call to Information, 91% reach an operator in 20 seconds or less; 98% of all numbers given out by information operators are correct; 98.3% of all attempts to place a call are effective, and 99.7% of bills are accurate. Because these surveys are submitted from a lower-management level, there is some feeling within the company that the senior officers were as taken aback by the seriousness of the breakdown as was the public. "If you had told me a year ago that we would have had this problem," says Walter K. MacAdam, vice president, engineering, "I would have told you that you were out of your mind." Somewhat belatedly they have begun the most massive recovery effort in the company's history.

The question still plagues the officers, however—a recovery from what? They compare the present crisis to the severe shortages following World War II—except that, this time, there is no world war to fall back on. It is as if they have been struck by a phenomenon as irrational as any act of God, an earthquake in which only the statistics collapse. "We have seen some social shifts beyond our own data," says Boettinger. "What this really indicates to me is that our insights into this have to be developed. Is there an objective reality beyond these subjective manifestations? Has the anxiety over crime created a blip?"

The day the New York Telephone Company lost its reputation might be fixed rather precisely with the appearance of an extraordinary advertisement last summer. After five weeks of having its switchboard nearly shut down, Benton & Bowles, the advertising agency, took a full-page ad in the New York *Times* of July 14. Over the names of its 801 employes was the headline: "These are the people you haven't been able to reach at PLaza 8–6200." The ad for the first time exposed that *their* troubles may, all along, have been *our* troubles, and our troubles everybody's.

Two weeks later New York Telephone announced it was bringing in the 1,500 out-of-town workmen, to help until service was back to normal; they will stay on, if the union consents, until at least mid-1970. Three weeks later, the state Public Service Commission announced that during the first 200 days of 1969 the telephone company had piled up 4,317 complaints—more than three times as many as had been received in 1968. The PSC then opened the first investigation into phone service—which would parallel its rate hearings—in the commission's history.

New York Telephone has labeled its emergency program the System Resources Operation (SRO). It has included heavy overtime demands, up to 80 hours a week; an intensive internal recruiting program—spearheaded by "People Make the Difference" committees and merchandise prizes; a stepped-up training program that has put its schools on a three-shift, 24-hour basis, while cutting course time in half; and a two-year "critical" production program at Western Electric that will push New York Telephone orders to the head of every possible assembly line. The company says that beyond the $1 million it is spending monthly for food and hotel expenses of the out-of-town workers, it has no idea how much the SRO program is costing. But its eight-month payroll has jumped 29% in the metropolitan area to $181 million.

The company has staked its hopes for recovery by the end of 1970 on the combined impact of all these measures. Its construction program, it forecasts, will result in an excess capacity for 317,131 telephones and it has expanded other projections accordingly. "It will be very unlikely that our new forecasts will be exceeded," says one vice president. "We're on a new track. We're determined—every one of us—that it won't happen again."

The SRO program, however, has already run into serious trouble; local telephone employes, miffed at the out-of-towners appearing to stay on indefinitely, made it a key strike issue last month. Western Electric does not yet know the effect New York's priority will have on equipment shortages in other major cities over the next two years. And desperately recruited, hastily trained employes have caused antagonism as deep within the company as outside it.

New operators, for example, nearly 75% of whom are no longer even from the New York area, are barely able to cope with the city,

its geography, its quick tempers and its bewildering array of accents. As a result, Directory Assistance (formerly Information) and Long Distance services have become a puzzlement of callers (the phone company refers to them as "subscribers") and operators literally unable to communicate with each other. Numbers once at tongue-tip cannot be found in an archaeological search and several spellings of Waldorf-Astoria. William G. Sharwell, vice president for operations, claims some new employes have never used a telephone directory or placed a long-distance call before. "You know we monitored one girl in Directory Assistance, blurted Mrs. Gladys Zaikowski, chief operator of the Bowling Green Director Assistance Bureau, "and to 10 different subscribers in a row she gave out the same number. Can you believe that?" In frustration, 59% of the company's New York City operators quit their jobs this year.

Among the craftsmen the instant admission of teen-agers and high-school dropouts into the coveted "top" crafts that once took years to reach may have done the worst injury of all. Technicians down the line feel their reputations are being lost in the avalanche of new orders from above and the mistakes of the newcomers being made below. "It causes me real mental anguish to hear about PLaza 8," says one cable splicer. Almost a third of the company's craft force has 20 years' service or more but fully another third has five years or less.

In the field, the school training is supposed to be touched up with close supervision by the foreman. But the foremen say they don't have time. "With this accelerated program," says Bill Meiner, a splicing foreman, "the way they're throwing these cables in here—they don't always do them right. They put one in yesterday, turn it on today, and start service tomorrow."

Edward Berberich, a splicing foreman with 18 years' service, took over one of the accelerated training classes. "You used to hang around for years, go through all the crafts, helper, frameman, lineman, repairman, installer—and these fellows jump all of them right off the streets. Where in the hell can you earn $145 a week and not know anything? I've only had one student out of 50 who's washed out—after he fell asleep 11 times."

New York Telephone has repeatedly referred to the breakdown as the result of a sudden, "unprecedented" and "unpredictable" demand for service. There have been, in fact, 10% more calls daily in 1969 than in 1968, and 24% more telephones installed monthly. Yet a Western Electric manager says that the first emergency requirements for the Wall Street area were obvious as far back as 18 months ago, and for the midtown area a year ago. The company's own records show that in 1968 it installed additional circuits for only 102,000 more phones when actual requirements were nearly 300,000.

For a company literally wired to as many elements of its own community as New York Telephone, its ability to understand or forecast the demands of that community has been badly out of focus. Its estimates for new service were too low by 22% in 1965, too high by 14% in 1966, too high by 19% in 1967, and too low by 20% in 1968. How public use of the telephone has changed and subsequently affected the demands on the system seems a central reason behind what has happened. The company does know that we are calling each other more than ever (the rate of increase in the number of calls last year was two or three times that of previous years). Yet it has not investigated the other usage factor—whether we are also talking longer. So far, it has only a cursory survey of some central offices in two boroughs (Brooklyn and Queens) that show conversation time has increased by no more than .03% since 1965.

The company has committed itself to "community action," sharply increasing its black recruitment programs in recent years. Yet it has badly failed to either understand or train its new force of operators, who are mostly black, or young craftsmen, a good many of whom are not. The company has just started a seven-week "sensitivity training" experiment combined with a remedial education course (called "The World of Work") for new operators. In the past, the company too often assumed that any involvement in its own community, like its investment in it, was risk-free. It could hire as many men as it needed, whenever it needed them, train them as it wished, and turn each one out as The Telephone Man. Nations and heiresses have made similar mistakes.

Just as it chose to ignore the fact that its management "team" is now the size of a small city, the company has steadily refused to look at other consequences of its growth. As long as there were men and cable, there would be telephones without limit; buildings could leapfrog into the sky with the promise that phone cords would follow fast behind, families could put phones in every room so as never to be more than a foot away from the next ring. Only in the midst of the breakdown in New York did the company reluctantly suspend its sales advertising, and it refuses, with heroic ego, to consider controlling the demand for new phones. The public, they say, wouldn't stand for it.

When the telephone company was much smaller, it was relatively painless to grow, as it did, fully 140% between 1902 and 1907. Now, each installation in New York has its own special agony. The once simple task of laying cable between a phone and a central switching office has become an arthritic labor pushing through manholes that are clogged to the choking point, some of them so full that crews can no longer climb down them. As a result the direct route from one place to another is no longer available and cable has to be carefully charted in underground chess patterns that cost more to plan and carry out. One supervisor says jobs may require two or three times the splices they once did; although a splicing machine was finally developed about four years ago, most manholes were already too cramped to use it.

Partially because any conversion requires planning in the dimensions of a troop movement, other traditional procedures have proved equally resistant. The changeover in New York to electronic switching (ESS) which reduces connection time by 50% is under way, but will take 30 years to complete. No Bell company will even have a centralized record-keeping system until sometime in the mid-'70s.

Under the present system, one employee collects the phone sets from a former customer at one address, another installs separate sets at the same address for the new customer. The duplication of what might easily be one job, if the orders could be coordinated, adds up: in the metropolitan area last year, 2,135,000 phones went in; 1,732,900 phones came out.

Cable pairs, which are the lines between a subcriber and a central office, are still assigned to each customer from massive, handwritten books. As a result, frequently cables listed as available are not, customers assigned cables already in use are randomly given another pair by the man in the field, the switch may or may not get recorded in the cable book, the errors roll on, and repairmen one day looking for customer troubles can't find them. The entire PLaza 8 exchange was so ensnarled this year that a complete central-office-to-customer survey of every connection had to be made just to find out who was being served by what, and how well. The books themselves are "scrawled, scribbled," says Gordon Thayer, director of the new computerized record-keeping system. "God, they're a mess. You'd hate to depend on them."

At lunch one day, two New York Telephone executives were trying to characterize the reasoning behind some of the practices. "The system has to sustain itself," one of them said, noting that he had never fired anyone in any department he had ever managed and did not know of any manager who had. The other executive also had never made a change in any of his departments in 16 years, saying, "It's a *feeling* corporation." Both of them agreed that not even the president had made any changes when he had taken over the company. One of his vice presidents, they remembered, did leave to become president of Michigan Bell. They were not sure whether anything was behind that and so they could not say if that had been a shakeup or not.

"It's not a company where you accomplish anything by tearing a system apart," said the second executive. "The character of a Bell executive is that he would lean on a department instead." The first executive agreed. "The president would say that himself. Yes, I've heard him say lean."

It seldom just happens these days that for a customer to get something from the telephone company, he has only to call up and ask for it. Still, most customers dutifully report their complaints, put in their requests and make their appointments. What else is there to do?

A few, however, have turned the tactics of fighting the phone company into an art. Their various systems are the closely guarded secrets of all successful men, but their approaches may be generally summed up in three classes:

*The lobbyist.* Firms known as "communications consultants" function primarily to advise large telephone customers on the kind of equipment they ought to have. They are often, however, of even greater service to their customers in helping them get it shipped, installed and repaired. Many of them employ former telephone men, whose success depends on working their way through equipment shortages and service delays by courting contacts still within the company. In the past few years, the consultants have grown from three to 20 in New York City alone and to perhaps 75 others across the country (the field is so new that one consultant checks on its growth by looking through the yellow pages in airports between planes). "I don't advertise. I don't do anything," says a consultant. "It's all word of mouth and it's getting more complicated all the time. It used to be we could settle things at the local level. Now we have to go right down to the executive suites. It used to be that someone you knew could help you. Now, he can only recommend you to someone who *might* help."

*The pressure group.* In May 1968, the Hospital Communications Association, consisting of about a dozen prominent Manhattan hospitals, was formed. It has become an inspiration for other professional and industrial groups whose sole purpose is to present their grievances collectively to the telephone company. The hospital association does not like to talk about exactly what it does or how it does it. "We've had to befriend some high officials in the telephone company," a spokesman vaguely admits after finally agreeing to outline the organization. "We've learned in detail what their obligations are. When they fall down, we invite the man who is responsible to come visit us. If that doesn't work, we invite one of the vice presidents. We've gotten preferences on some things. I suppose it's like putting oil on a squeaking wheel." The group meets once a month and the oil so far is reportedly $150,000 refunded by the phone company for services not rendered. Refunded? The group will not say more.

*The VIP.* Perhaps the most successful of this breed is Daniel J. Bernstein, whose firm is a member of the New York Stock Exchange with offices in the city and suburban Scarsdale. Bernstein says he began complaining about his service in 1955 and that conditions since have been so unreliable that the company finally provided him with his own di-

rect line to the repair bureau. "The only trouble," he says, "is that it is also out of order most of the time."

There have been attempts through the years to regulate the telephone company, none of them very successful. Immediately after the founding of the Federal Communications Commission, in 1934, a spectacular investigation was carried out under a congressional mandate. It lasted four years, cost $1.5 million and concluded: "Attempts at this late date to develop a strong, independent telephone system to compete with the Bell System would be futile." That investigation set the pace in both size and frustration for those who have tried to follow.

Last December a presidential task force issued a comprehensive report on U.S. communications policy that urged a pilot program to develop voice transmission by domestic satellite. Alan R. Novak, staff director of the task force, recalls that when they went to A.T. & T. for research, the reception was something usually given only to poachers and party crashers.

"We had to assemble our own base of information," says Novak. "There simply wasn't any data that didn't belong to the phone company. They were as antagonistic as hell. We couldn't have been in a leakier ship. As soon as we had so much as a rough draft finished, the phone guys had a copy. We thought they had to be running a Xerox in the basement."

The past failures of similar encounters have led some FCC staff members and several commissioners seriously to consider whether the phone company can be regulated at all. In addition, they say, the policy of consolidating virtually all communications services under a single "natural monopoly" may have already served its purpose. A.T. & T. is the primary source not only of voice transmission, but of television and the growing computer data field as well. The regulators are now willing to consider opening up the field of competition in these areas, and the outcome may mark the first period of genuine utility reform since the early 1900s.

Two of the most recent cases decided by the FCC finally ease restrictions that A. T. & T. has traditionally placed on the attachment of non-Bell (A.T. & T. calls it "foreign") equipment to its lines, and on the use of the lines themselves. As a result, competitors estimate by 1974 there will be a $500 million market for their telephone equipment against Western Electric's.

Last month one company filed with the FCC a proposal to create its own common carrier consisting of 36 major cities linked by a microwave network for the computer and data-processing market. This market has been growing by 100% annually, and by 1975 the information volume of data transmitted should exceed the volume of voice communications. Any such long-distance network will have to connect with A.T. & T. lines so that customers may use their phones to link up with it. Most of A.T. & T.'s past objections to such access—is based on the damage "foreign" equipment or transmitters might do to its circuit quality—have been overturned by the FCC. For the first time in history, the FCC has gone outside its own staff to create a 15-man panel, backed by the National Academy of Sciences, to consider A.T. & T.'s final barriers to unrestricted access.

The first authoritative study of a new era in communications, *Computers and Telecommunication: Issues in Public Policy*, by Stuart L. Mathison and Philip M. Walker, will be published in February. The era may release unparalleled choices that will allow virtually every public and private interest in the nation to arrange its own system, much as is might casually arrange a roomful of furniture today. "Obviously we all can't have 50 telephones on our desks," says an FCC economist, "but if IBM wants to build a communications system and G.E. wants to put up a satellite, let them."

When there are changes to be made, they are more likely to be made in Washington than in Albany, N.Y., headquarters of the New York State Public Service Commission. The commission is supposed to regulate all of New York Telephone's intrastate service—the source of about 75% of the company's revenues. The PSC battled the phone company 12 years ago during the last rate proceedings. But it has since allowed the company to earn anywhere from ½% to 1% annually above the maximum ceiling for earnings which was determined then. In return it asked little of the company, although it did at one point order the initial installation charges for color telephones reduced from $10 to $5.

The PSC has only two field inspectors and two engineers to patrol all of New York Telephone, as well as 62 other independent phone companies in upstate New York. Most of the commission staff and members heatedly defend themselves against charges that their surveillance of the phone company has been inadequate. They say they see no reason to change any of their practices. "This consumerism that's sweeping the country ought to concentrate on things other than the regulated industries anyway," says Thomas J. Brady, chief of the PSC Telephone Bureau.

Neither were they much stirred to concerned by their own service hearings. "You invite people to complain in the metropolitan area and you get a response," says John D. McKechine, director of the utilities division. "This flood of complaints helped nobody out. It involved a considerable amount of time." One commissioner, Ralph A. Lehr, even suggested the problem in New York has been due "to a lot of people leaving their phones off the hook when they go out, because of the crime situation."

At times, the regulators appear mystically happy and serenely reconciled to the infinite impossibilities of their task. They have adopted the naive fatalism of mountain villagers living at the mercy of a volcano, truly believing that no one will ever really control the telephone company. "To say that we could improve our efforts here implies that we could parallel what the company already has in the most preventive surveillance anywhere, and that we could find civil servants with more perception, more sensitivity and more aggressiveness than the phone company has," says Commissioner Edward P. Larkin. "And if you think that, then I'll spare you any further comment. We got a guy at $15,000 a year who's looking at a guy in the phone company making $50,000. What kind of answers is he going to get? It's inconceivable anyway that the world's coming to an end. Who amongst us has never made a mistake?"

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A STATEMENT FROM THE PRESIDENT OF NEW YORK TELEPHONE COMPANY

*(On the day this article went to press, Cornelius W. Owens, president of the New York Telephone Company, agreed to be interviewed. The following is his first public assessment of the situation.)*

*Q. Mr. Owens, some people have called the situation in New York a crisis or breakdown. Is that how you would describe it?*

A. Absolutely not. We've had some pockets of trouble in some critical areas, but that's about all. No question about it.

*Q. Where have the pockets been created? And why?*

A. In the Wall Street area we got into the 20-million-share days in the winter of 1968, and that put a tremendous burden on our offices. Then, the East Side of Manhattan has had its call rates increase markedly—about 15% or some figure like that. Then traffic went up in the marginal areas—the ghetto areas especially. Where we began to have full employment and the ability of people to have phones on welfare, the ghetto areas really took off. To put it bluntly, they started to use phones like everybody else.

Actually, you know, the New York Telephone Company, up until 1967, was really one of the most slow-growing in the Bell System. We were about 4% in annual growth until we hit this period lately. Everybody says we can see the buildings going up; why weren't we ready? But we don't see the alterations that go on—like the compressing of space because of high rents. Instead of expanding, an office with four girls on phones will just squeeze in two more.

*Q. The recent complaints against the phone company, however, have had to do with virtually all your services?*

A. What most people don't understand is how everything gets affected by demand. High demand has cut down all the margins that used to cushion our other areas. Before, for instance, you might get out there and find that the cable pair that was assigned to your customer was already in use, so you'd take another one. Now, there just might not be another one there. So you can't make the installation, and the customer may or may not find out about it or understand why, or a customer can't get a dial tone right away and doesn't want to wait, so he reports his phone out of order.

Our service orders pile up. When we have a margin, we have ability to maneuver. But when you're at capacity, you don't and you get slow testing, slow repairs.

*Q. When do you expect these margins to be returned and will they be sufficient to fully restore service?*

A. We were there two years ago and we will be there again. At least, with the money we're spending, we ought to be. Some places will be relieved in the next few months and some will be relieved in many, many months.

*Q. Have you seen in the past few months where the company made its mistakes?*

A. We've gone back in hindsight and asked what we could have done. Finally, we decided that with what we knew then, what we did was right. We were a flat company, year after year. As far back as you'd want to look, our construction budget was right around $400 million. When the surtax came in, we could have been much more bearish. Actually, we thought we were putting in plant that was sufficient. Now, we'll spend $740 million this year and $880 million next year and probably $10 billion in the next decade.

But I don't think we'll ever have this sharp a growth as we've had in the last couple of years again. With the picturephone and all the computer services coming in, we'll have a different demand for our services entirely in the 1970s, but I've been in this business a long time and nothing like this is ever going to happen again. Today, you have the railroads in trouble, and the power companies and all of a sudden we popped up. Let me tell you, we're popping down fast.

*Q. You mean this has only been an episode in the company's history and will not recur?*

A. Yes. Episode's a very good word.

*Q. In addition to increasing your construction budget, have you considered making any other changes in the company's operations in the next few years?*

A. I will say that when we get ourselves shaken down this year and next year, we'll be operating just the way we were before—only at a higher plateau. I ask myself if there is something that if I had known two years ago that I know now I would have changed about the company. The answer is no.

## UNLOCKING THE SECRETS OF AGING

### HON. WILLIAM H. AYRES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. AYRES. Mr. Speaker, Frances Spatz Leighton is one of this Nation's finest feature writers. We Ohioans are particularly proud of the prestige that she has brought to our State by her great constructive writing in this country's leading magazines.

Mrs. Leighton, formerly with the International News Service, is now writing for the Metropolitan Sunday Newspapers. She is author of many fine books—the latest on the bestseller list.

Just recently this outstanding Ohio author wrote a very thought-provoking story that appeared in the Sunday magazine of one of my home State's largest newspapers, the Columbus Dispatch, one of the Metropolitan Group.

All of us are constantly looking for ways to aid the aged. In her article, Mrs. Leighton points out methods that we may in the future take to slow up the aging process. The experiments that she refers to are being conducted by the National Institutes of Health.

I believe that this fine article will be of interest to all of my colleagues. It follows:

[From the Columbus (Ohio) Dispatch, Nov. 2, 1969]

UNLOCKING THE SECRETS OF AGING

(By Frances Spatz Leighton)

Fascinating facts are turning up as scientists probe the mysteries of aging. Researchers are learning that diet and body temperature have a lot to do with growing old, but only under certain conditions and at certain times in life. Also, though it has long been known that the body loses certain cells as it ages, doctors are finding out more about the rate of cell loss and how function diminishes because of it.

Since 1958, the Gerontology Research Center of the National Institutes of Health has been testing and keeping records on some 700 male subjects, ranging in age from late teens to over the century mark. Loss of function and effect of this loss are noted in volunteer subjects every 18 months by means of a rigorous series of tests. Through this program, and collateral studies on lower forms of life, scientists hope to offer a program for longevity that will give people a chance for 50 years more of active, healthy life.

"Very few people die of old age," says Dr. Nathan W. Shock, head of the Gerontology Center's new multi-million dollar facility in Baltimore, where over 125 experts are engaged in research on aging. "People tend to die from diseases or organic weaknesses due to progressive loss of vital cells."

In experiments with rotifers (minute multicellular aquatic animals) it was revealed that lowering the temperature 10 degrees could prolong the life span of a specimen by as much as four times its normal expectancy. Cutting in half its food intake could enable it to live three times longer than groups which were fed a full diet.

According to Dr. Charles H. Barrows, who is in charge of the rotifer study, "This would indicate that life is programmed, but you can run the film at different speeds. You can slow it down, you can speed it up. How these findings apply specifically to humans is too early to say, but at least we know that with rotifers, you can slow down deterioration in later life by means of temperature control. You can also slow its demise by nutritional control, but this has to be instituted early in the specimen's life."

Similar findings turned up in rats. Diet control when begun at an early enough age, prolonged a specimen's life, but when started at middle age, it proved ineffective.

In experimenting with mammals, it was found that lowering the external temperature required certain corresponding adjustments to be made in the body chemistry. Dr. Shock explains: "According to one theory of aging it is believed that collagen, a protein vital to connective tissue, undergoes chemical changes with age. These changes can be experimentally prevented in some cases by means of chemical agents.

"There is also some indication that within the cell similar transformations also occur, transformations that might be forestalled chemically. What we're trying to do is find out first of all what aging really is, how it takes place, what happens within the body and at what rate for various individuals. We want to know if there is a time clock within the body and, if there is, how it operates. Then we will be able to tackle the problem of how to slow down the clock. We don't want just to lengthen life, we also want to improve the quality of old age."

Although the biochemical study of life processes in tissue cells is still in its infancy, Dr. Shock foresees in the near future a full vigorous life at age 80 or 90 for most persons. He also foresees the day when most new organs will be artificial parts rather than transplants.

"Yet, this will present a problem. It isn't enough just to be alive. One must be alive to enjoy living. The future may present problems in hospitals concerning when to pronounce a patient dead. Artificial organs, like a heart for example, may continue to function, while the individual for all intents and purposes is really not there at all."

Dr. Shock then turns to the subject of what advice he has for today's elderly and middle-aged persons who want to get the most out of their remaining years. What can these people expect, for example, from exercise?

"To stimulate the growth of new blood vessels, you would have to exercise to the point of exhaustion," says Dr. Shock. "You couldn't expect to achieve such results by being only a Sunday cyclist. You would have to exercise every day and to the point where it actually hurts. You would have to feel muscle fatigue, but your heart may not be prepared to take this kind of punishment.

"If you're going to maintain an improved capillary system, you must develop it early in life and keep pushing. Capillaries disappear with disuse. Sometimes it's too late for such exercise."

Dr. Shock himself doesn't exercise and doesn't worry about it. He simply keeps busy. Five feet, 11 inches tall, and almost 63 years of age, he says he is in the pink of health. "I've maintained the same weight of 142 pounds about all my life."

What can one do to hold back the clock? Dr. Shock has a few tips for slowing the effects of aging:

1. Never get overweight. "In terms of longevity, even a few pounds make a difference. Keep protein intake as high as ever but cut carbohydrates and fats as you grow older. And avoid these deficiencies common to older people—calcium, riboflavin, iron and vitamin C."

2. Smoke very little, if at all. "The danger of cancer is only part of the story. Impaired oxygen supply ages the body."

3. Stay active physically and mentally. "Be a high achiever. The competitive person with goals and a will to live, outlives the others and enjoys life to the end. Some of our elderly test group who are retired are harder to pin down for appointments than those who hold jobs, they are so busy being consultants to companies or traveling for fun.

"We lost one of our oldest and most dynamic volunteers not long ago, a 98-year-old, but not because of sickness or old age. It was an accident. He fell out of bed."

FACTS ON AGING

Studies on 700 males, age 18 to 103, at the Gerontology Center have led to these broad findings:

*Mental Ability:* Memory starts to fade at 30. Yet, such abilities as vocabulary comprehension scarcely change with age. Scientists find that given enough time, the older person still comes up with the right answers in decision-making tests. Average weight of the brain actually shrinks from 3.03 pounds at age 30 to 2.72 pounds at age 90.

*Physical Powers:* Based on tests involving walking a treadmill, climbing steps and cranking a wheel while lying on his back, a 70-year-old's physical capacity has declined 30 per cent from age 35. As for short bursts of energy, peak performance drops almost 60 per cent between these two ages.

*Breathing Changes:* Between ages 20 and 80, there is a 40 per cent decline in the amount of air that can be pumped through the lungs in 15 seconds.

*Heart Function:* Between the ages of 20 and 90, the amount of blood pumped drops from about four quarts per minute, per square meter of body surface to almost half this amount—just over two quarts. Also, the older heart has more trouble speeding up its pace to cope with increased physical activity.

*Basal Metabolism:* Thyroid activity which regulates the basal metabolism continues to function about as well among the elderly as the young. The pituitary hormone continues its performance steadily into advanced years. This partially explains why old folks seem to do well as long as they are relaxing.

*Blood Sugar Level:* In older people the rate at which the system removes sugar from the blood drops to such an extent that under normal diagnostic tests, 50 per cent of the aged would be considered diabetic. Through work at the Center, new techniques are currently helping the nation's physicians to prevent misdiagnosis of diabetes in the elderly.

*Sense of Taste:* The number of taste buds per papilla of the tongue falls from about 245 at age 25 to 30, to a mere 88 taste buds at age 70 to 75, which helps explain picky eaters among the geriatric set.

*Kidney Function:* One of the wonders of the aging process is the difference in kidney function between individuals. Some 80-year-olds were found to have the same kidney efficiency as the average 50-year-old. Normally, by the age of 75, the average kidney receives only 42 per cent as much blood as it did at age 30, making it more difficult for the body to throw off waste.

## JUST WHO IS AMERICA'S SILENT MAJORITY?

### HON. WALLACE F. BENNETT

OF UTAH

IN THE SENATE OF THE UNITED STATES

*Thursday, December 4, 1969*

Mr. BENNETT. Mr. President, for a good many years, now, M. DeMar Teuscher, the Deseret News political editor, has written an interesting and succinct weekly column entitled "Speaking of Politics." His November 13 column in the Deseret News has just been called to my attention. I wish to quote one or two paragraphs from it. Mr. Teuscher said:

Dissent is, and always has been, a legitimate mode of expression under what has come to be hailed as "the American way." But has not dissent nearly always been the tool of the activist, vocal minority rather than that of the quiescent, silent majority? This has been the case whether the dissent has been legitimate and well-founded or irresponsible and loud.

Mr. Nixon, it would seem to me, was well within his rights in seeking a response from the "silent majority." But, it would also seem to me that now is the time for this majority—if it is truly a majority—to speak out. Silence is not always a virtue. Neither is vociferous clamor. In this day, when leaders need to hear the voices of all the people, silence can be misinterpreted—by both sides.

Mr. Teuscher has called on the silent majority to speak out and set forth its views. Even if it is a "silent majority," it still must and should be heard. I feel that this column should receive wide distribution, as it will get in the CONGRESSIONAL RECORD; therefore, I ask unanimous consent that it be printed in the RECORD. In addition, I commend Mr. Teuscher for this well written article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Salt Lake Deseret News, Nov. 13, 1969]

JUST WHO IS AMERICA'S SILENT "MAJORITY?"

(By M. DeMar Teuscher)

Last week, President Richard M. Nixon rested his Vietnam case with the jury of what he termed "the silent majority." The indications are that he is now hearing more, rather than less, affirmatively, from that jury.

He has already heard from what Vice President Spiro T. Agnew has chosen to call the "effete intellectual snobs"—a group the vice president, with some justification, has termed a "militant, vocal minority."

This entire question seems to pose some rather interesting questions about our democratic system which really is, as many Americans point out, a representative republic.

For instance, who is more snobbish—the "effete intellectuals" who militantly and actively speak out, or the "silent majority" who wait until circumstances force them to discard their chosen role as the quiet American?

In a country such as ours, forged in the crucible of revolution and dissent, wherein lies the virtue of silence? Or is this "virtue" really mainly composed of the vice of apathy?

Who is the "silent majority?" Is it the over 60 per cent of the citizens who stayed away from the polls a week ago in Salt Lake City's municipal election?

Is the "silent majority" composed of those who complain of things as they are or appear to be and who vocally long for things as they were—without doing much to promote effectively a change?

In the Salt Lake City election just concluded, roughly 40 per cent of the registered voters of the community made the decisions for the other 60 per cent—the majority. In this instance, the minority decision was clearly for the status quo.

If those who stayed home from the polls are the "silent majority" referred to by the President, did not their silence indicate satisfaction with the present city government and no real indication of a need for change?

Should this be a resonable assumption to draw from a study of the circumstances, who then were the better citizens, those who stayed home in silence, or those who registered their satisfaction—or lack of it—by going to the polls?

As I read history, those who advocated and led the violent overthrow of the British colonial government in the 1770's were, in reality, a minority. The majority either did not become involved or preferred to remain with the status quo.

However, once this nation was established, and its governing principles set forth—again by a representative minority—it was the majority who, time and time again, has been roused to either thought or deed to maintain these principles.

Dissent is, and always has been, a legitimate mode of expression under what has come to be hailed as "the American way." But has not dissent nearly always been the tool of the activist, vocal minority rather than that of the quiescent, silent majority? This has been the case whether the dissent has been legitimate and well-founded or irresponsible and loud.

Mr. Nixon, it would seem to me, was well within his rights in seeking a response from the "silent majority." But, it would also seem to me that now is the time for this majority—if it is truly a majority—to speak out. Silence is not always a virtue. Neither is vociferous clamor. In this day, when leaders need to hear the voices of all the people, silence can be misinterpreted—by both sides.

## PROPOSED REVERSION OF OKINAWA TO JAPANESE CONTROL

### HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Thursday, December 4, 1969*

Mr. BYRD of Virginia. Mr. President, Columnists Robert Allen and John Goldsmith have written a perceptive article about the proposed reversion of Okinawa to Japanese control and the role of the Senate in foreign policy. The column was published in the Farmville Va., Herald of December 3. Of particular significance are the views of the able and influential Senator RICHARD B. RUSSELL, of Georgia.

I ask unanimous consent that the column be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Farmville (Va.) Herald, Dec. 3, 1969]

JAPAN WANTS OKINAWA

(By Robert Allen and John Goldsmith)

WASHINGTON, December 2.—Those plans for returning Okinawa to Japan may still provoke a major controversy in the Senate, and President Nixon is well-aware of that.

No hint of trouble was discernible when Japanese Premier Eisaku Sato visited President Nixon here a couple of weeks ago. The atmosphere was one of friendship when the two leaders issued their joint communique which envisions reversion of Okinawa to Japanese control during 1972.

The communique, however, called for the 1972 deadline, subject to development of specific arrangements for the island's return "with the necessary legislative support." That is where the controversy could arise.

There is strong sentiment in the Senate for return of Okinawa—perhaps enough sentiment to assure approval for any reasonable blueprint to be developed by future consultations. There is, however, some feeling that the island, seized in 1945 by U.S. forces, should not be returned now.

There was a clear and public warning of trouble ahead before Sato arrived for his state visit. The Senate, by a convincing vote of 63 to 14, went on record that any agreement on a change of Okinawa's status should have the "advice and consent of the Senate."

That is language designed to require a treaty, of course, and ratification of a treaty requires a two-thirds vote in the Senate.

The warning of the 63 to 14 vote, on an amendment offered by Sen. Harry F. Byrd, D–Va., was not really that a two-thirds vote might not be forthcoming on the Okinawa issue. Some Senators who supported the Byrd amendment, as modified in Senate debate, strongly favor return of Okinawa to Japan.

The warning was that the Senate, seeking as never before to assert itself in such national security issues, expects to do so on the question of Okinawa.

Private Caution—Now it is reported that the President had received a private caution as well before he had his formal talks with Sato—a caution which questioned the wisdom of reversion on the 1972 schedule. That warning came early last month when the President sandwiched a private lunch with Senate leaders between impromptu speeches in the House and Senate.

On that occasion, according to informed sources, the President brought up the Okinawa question, and Sato's impending visit, over the luncheon table. The matter was then discussed briefly by the President and the other guests in the office of Democratic leader Mike Mansfield, Mont.

Sen. George D. Aiken, R-Vt., the respected GOP "dean" of the Senate, told the President he thought the Senate would support the return of Okinawa to Japan. The same view was expressed, according to our informants by Chairman J. William Fulbright, D-Ark., of the Senate Foreign Relations Committee.

However, Sen. Richard B. Russell, D-Ga., the influential chairman of the Senate Appropriations Committee, is reported to have taken a different view. Russell is said to have commented that Okinawa, with its vital bases, should not be returned to Japan while the United States is charged with responsibility for maintaining security in that part of the world.

The President, according to this account, replied—with some senatorial support—that the future of Premier Sato's government was irrevocably tied to securing the return of Okinawa.

Russell is said to have replied by suggesting that Mr. Nixon explore with Sato the response received by Japan when it tried to recover islands in the Kurile group which were given to Russia after World War II.

Meaning Clear—Russell's meaning was quite clear. While the United States has already ceded control of the Bonin Islands, including Iwo Jima, acquired the hard way during World War II, Russia is still hanging on to its acquisitions in the Kuriles.

Sato is reported to have asked, early this fall, that Russia begin talks looking toward the return of those islands. That request was "turned down cold," according to Senator Byrd.

The implication of the President's advance warnings, public and private, is that the final agreement on Okinawa should be submitted to the Senate as a treaty for ratification. Fulbright is now understood to be urging that course of action on the State Department.

Otherwise, it is argued that the issue of reversion of Okinawa could become further clouded by the Senate's new determination to play a role, with the President, in decisions which affect the foreign policy and security of the United States.

## MORE FAMILY-TYPE MOVIES

### HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. TAYLOR. Mr. Speaker, I call the attached letter from a 14-year-old boy to the attention of my colleagues in the hope that it somehow will encourage the

motion picture industry and movie theater operators to produce and show, especially on weekends, more family-type movies which are suitable for children and young people.

The letter follows:

DEAR SIR: I am complaining about the lack of decent movies in my town. It has gotten so that when a "G" rated movie comes on, which is very seldom, I have not the money to go. I'll then make up my mind to go the next week and start saving my money. When I finally have the money, I look in the paper with intentions of selecting a movie to attend. To my despair, I see "X", "X", "X", "R", and "M" rated movies. There is nothing on for one of my age or under.

People are always complaining because teenagers are always getting into something. But when they have nothing to do, and nowhere to go, what is there left for them to do? My parents won't allow me to go to some of the "teenage hangouts", so since I can't go to the movies, I stay home and die of boredom.

I'm sure that I'm not the only teenager trying to live a decent life, so therefore I am concerned not only for myself but for others as well.

Isn't it possible that the movie theaters could reach an agreement by which some could show "X", "R", and "M" rated movies and one could show a "G" rated movie?

Theaters also complain about losing money, but how can they help but lose money if only adults can go when they please? I am sure the majority of adults who have children won't go to the movies if they can't take their children along. I most certainly would not.

Very truly yours,

TERRY HARRELL.

## MARY CUSHING NILES

## HON. JOSEPH D. TYDINGS

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

*Thursday, December 4, 1969*

Mr. TYDINGS. Mr. President, internationalist, ex-management consultant, active Quaker and pacifist, author, grandmother, and wife, Mary Cushing Niles in an interview in Baltimore magazine of November 1969, sums up the driving force of her life: "I have had a passion for leaving the world a better place than when I found it."

She already has.

Always an innovator, Mrs. Niles is the chairman of the board of trustees of the Friends World College—a college dedicated to treating the entire world as its campus and to training students to solve the problems of the world. Her originality and uniqueness is not a recent development, for in 1917 she was one "of the first debutantes in Baltimore to drink wine and champagne in public because this was the end of an era."

Perhaps Mrs. Niles, with her husband Henry Niles, is most renowned for her continual fight against war, "the enemy that we wanted to destroy with our lives. Somebody has to develop some alternative to war or we're going to put an end to life on this planet."

Mary Cushing Niles is trying to find those alternatives. I ask unanimous consent that the interview, published in Baltimore magazine of November 1969, of one of Baltimore's most outstanding women be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

MARY CUSHING NILES

Mary Cushing Niles can speak critically about people over 60. She was born in 1900 into a family of physicians in Cleveland, Ohio. At a very young age she developed the sense of being a "professional woman," a fairly uncommon attitude for young girls in the early 1900's.

Her father's appointment as Assistant Commissioner of Health brought the family to Baltimore. Mrs. Niles received a certificate from Peabody Conservatory and a B.S. in economics from Johns Hopkins; she completed everything but her dissertation for a Ph.D. at Columbia. She has been married 46 years to Baltimore Life Insurance board chairman Henry E. Niles. (They have two married daughters and five grandchildren.)

From 1931 to 1939 Mr. and Mrs. Niles were partners in a management consulting business in Baltimore and Toronto. Mrs. Niles is the author of "The Essence of Management" and "Middle Management," and, with her husband, wrote "The Office Supervisor," the first book dealing with white collar supervision. The third edition of this book, coauthored with James C. Stephens, has been translated into Italian. Her books have also been published in India, Japan and Turkey.

During World War II Mrs. Niles served as Assistant to the Chairman of the Federal Personnel Council developing new policies for the nearly 4,000,000 civilians employed by the government at that time. She is a charter member and fellow in the Society for the Advancement of Management, and has been active in international management activities, especially in India where she traveled 30,000 miles meeting with management groups when the country was establishing its national management association in 1956.

In her own words, Mary Cushing Niles has always been an internationalist; as early as 1928 she organized the Connecticut Council on International Relations. A dauntless traveler, she has visited 54 countries and has made extensive journeys through India and Africa where, several years ago, she and two other women crossed the Sahara desert in a LandRover.

An active member of the Society of Friends since 1950, she has served as chairman of Overseers, secretary of the Trustees and chairman of the Social Order Committee at Baltimore's Stony Run Friends Meeting. She is currently chairman of the Policy Committee of the Friends Committee for National Legislation, which spent two years working on the principles of an assured annual income now taking the form of legislation.

For the last five years, Mrs. Niles has been a driving force in the establishment of the Friends World College, with the objective of treating the entire world as a university campus. Ultimately the school will have seven centers around the world—each admitting students who would go completely around the world in the course of their studies. Current headquarters are at Westbury, Long Island, with programs also actively operating in Latin America, Kenya, India and Japan. Groups have studied in western and eastern Europe, as well as in Russia. The college is directed toward taking a problem solving attitude to the great concerns of mankind, and as a long-time enemy of war and poverty, Mrs. Niles is very much in her element as chairman of the board of trustees of this unique new school.

MRS. Niles was interviewed for BALTIMORE magazine by Nancy B. Gabler.

*What are some of the basic ideological differences between Friends World College and a standard American university?*

It's something absolutely brand new under the sun that we're doing. We are directed toward problems of mankind and we're going to train our students to do problem solving—to take a problem solving point of view toward what they are studying, which is entirely different than a historical point of view or an aesthetic point of view. We feel that once the student has studied the same type of problem in three or four cultures he's going to get over his provincial attitudes that the solution we have here in Baltimore is the correct solution for Kamchatka or South Vietnam. He would get over that feeling and see that humans do have the same problems, but how they tackle those problems is going to depend quite a lot on their physical environment, their climate, and their culture, and that we can't just patly tell them that if you do so-and-so you get such-and-such a result, because it just isn't as simple as that.

*What need is the college actually fulfilling?*

Well, U Thant has recently cited the need for a world university; he's issued a very strong statement as to the need for world consciousness and looking at problems from a world point of view. Here, there, and the other place these programs are springing up. I believe that we are the first one to give a degree, but there are loads of American colleges now that offer a semester or a year abroad, so it's in the air. The need is to train people to look at the world, because actually, as we sit here, we are no further from New Delhi than Thomas Jefferson was from Washington when he was in Monticello. It took him two days by carriage to make that trip. It was a two-day trip from Philadelphia to Washington or from Philadelphia to New York. Now I can leave Baltimore at night, arrive in London in the morning, take a 10 a.m. flight from there and arrive in New Delhi that evening. So in a little over 24 hours you're half way around the world. Things are different. This is the change we're trying to catch up with. The 20th century has brought us so much that's new, and we've got to prepare the minds of the young to deal more effectively with it. It was hard enough years ago to get people to look at the whole United States. Now we're up against the problem of getting people to look at the whole world. Not too long ago, Africa was called the dark continent—not because it was inhabited by black people but because so little was known about it. As for Latin America, it has been very recently that we have come to recognize its importance. There are more people in India today than there are in Latin America and Africa combined, so knowing Asia has become crucial if we're going to think about problems that really face mankind. We never had to think about the problems that faced mankind before. It was enough for us to be British or American or German. We didn't have to think of the universe. So through these educational experiments we are trying to prepare the young people to live in this kind of a world, and it's pretty exciting. It was wonderful to sit at the first commencement and feel that a number of these kids had literally been around the world in the course of their studies. We don't know of any other college that has done that for students. This is a first.

*Can you really see a definite change in the students' outlook?*

Oh, yes. These people can never go back and be provincial. For better or worse, they think of things now in terms of continents. If we are ever going to have a strengthened United Nations it would have to come about by having a few million people that know these things through their senses, not just by reading a book; that's the world point of view.

*You mentioned the problem-solving method. What exactly is that?*

We've outrun the time when any one person can know all the information about anything. What we have to know when we have a problem is how to go about getting the

information and putting it together, who the people are with the experience in that problem, and go to them. Sooner or later you piece together an answer. It's a group product. We are training people to do that and it's just as important in the long run as the world approach. When we put the two together it's really a revolutionary concept, but not the type that uses guns. It's the type that uses minds and is peaceful in nature.

*What type of student is attracted to the college? Are they predominantly Quakers?*

There are generally a few Friends in every class, because they are interested in this sort of thing. Of course, we do have good contact with Friends schools which tends to give us rather more Friends than otherwise. We attract the more progressive students—the ones who are more adventurous, the ones who would come to us in the first place when we didn't have any charter permitting us to grant a B.A. They said, "Well, we want this, and if we don't get a degree that's all right; we'll manage." In other words, they were venturesome. We couldn't, in any event, take any who were going into medicine or engineering or the more formal disciplines because we don't have laboratories and that sort of thing. Then, to, practically all of our kids are conscientious objectors, and we even give courses to one boy who is in jail for resisting the draft for conscience sake. It is the student who has this kind of ideal who is appealed to by our experiment type of college

*What type of program or curriculum will this student find?*

The first six weeks are devoted to the biggest contemporary world problems. Human rights, race relations, environmental pollution, education, world peace, will each take approximately a week's discussion. This is the broad perspective of what the college is about: to solve the problems of mankind. We don't pick too many problems, just symptomatic ones. After that, the students choose individual projects and work on them for about two months; then they're ready to direct themselves toward the world and get ready to go to their next place.

*Where will that be?*

Most Americans go to Latin America. But some are going to Africa, some to Japan, and two or three to India. These latter are transfer students with previous college work. Some students began the program in Africa and Japan.

*With your student body spread throughout the world, how do you exercise scholastic control?*

The freedoms that we have are very large—many people think too large. There are no quizzes, no exams until the final oral exam, very few formal lectures. Our critics think that the student who doesn't know what he's doing spends too much time drifting because there's nobody to go and shove him into a class and say, "Here, you're supposed to be taking Spanish II." Nobody does that, so if he doesn't compel himself to learn Spanish, the chances are he can slide through the whole Latin American semester just learning to say 'good morning' and 'good night,' in which case he hasn't gotten very much out of his Mexican experience. On the other hand, if he's a painter and has been out in the desert painting the colors and the peasants and so forth, or if he has done construction work, as many of the students do—they go out and help the people build a schoolhouse or a barn—he won't learn much pure Spanish but he will learn an awful lot about how people live and how you can interact with people of another culture. We're really much more interested in this approach to culture than we are in turning out people who can do a perfect formal paper.

*What about the teaching staff? Are they a breed apart from what one would find on most campuses?*

Yes, I think so. In the first place, they have made substantial sacrifices, both in personal security and in salary. We can't pay market rates. We ask them, what their living requirements are and if we can pay it, we do. If not, we have to turn them down—$8,000 or $9,000 is a magnificent salary around our place. In India and Africa we're paying market rates, because the standard there is so low that you'd be ashamed to pay less. Our instructors have to give so much more time, especially in foreign countries—their time is almost continual. Some people psychologically just can't or won't do that. The instructors get to know each student intimately. If you're off in a far part of the world with students and someone knocks on your door late at night, you don't say "go away," you say, "come on in, what's on your mind." It takes an awful lot out of people.

*Can you borrow instructors from other schools just to teach specific subjects?*

We really have to have our own staff, because the job of the teacher in any given place is to interpret that culture and that set of problems of humanity. So while they may be the same old problems of not enough to eat, and too much population, and threat of war, and trouble with the next province, it looks different when it's in an Indian setting or a Mexican setting. We have to have people who can interpret why people feel the way they feel and what their traditions are, and what makes it hard to change things there. For example, an economist can teach economics chained to where he started, but if you're going to teach Indian philosophy, the students want to learn this when they're in India. When I was in India last year with a group of students, seven or eight of them studied under a yogi and began practicing yoga exercises. I did too, and I still practice them. But more important, they were exposed to Hinduism, Buddhism, Islam and Indian philosophy. If we're going to be a world college, we have to understand the things that are important to other cultures. So we must have a native staff in each of the locations, and we're getting quite an international staff at Westbury.

*You've been involved in so many projects, both vocational and as a volunteer. What area has been the most stimulating for you?*

I would say that my peak experience in "jobs" was the period that I was Assistant to the Chairman of the Federal Personnel Council. We were making policy in the personnel field for the entire federal government. This was the time that safety programs were beginning, employee relations programs, counseling, all of these things were just beginning. We were taking the practices of the very best of city, state and private businesses and interpreting these for use by the largest employer in the country during World War II, when federal employment mushroomed from under 1,000,000 to 3,770,000 civilian employees. We had 35 councils in all parts of the country: Army, Navy, Air Force, Internal Revenue, Post Office, Agriculture, the whole works. We were blazing new trails. People would think nothing of driving 200 or 300 miles to meet with me when I was in the field.

*Even with all the refinements in personnel practices that have taken place since the 1940's we still hear a lot about federal waste of manpower and resources. Do you think the government is able to give the same motivation to its employees as private enterprise?*

I think it's the same thing that you'll find in any big company—here in Baltimore or anyplace else. Most people are motivated because they have to make a living—they need a paycheck. But they also become attached to their fellow workers. They become a team if they're given half a chance. Most people have this need to associate with their fellows. Therefore they do their job not only because of profits, nor essentially because of their paycheck, but because they're part of a team.

*What generates this feeling of teamwork?*

Well, teamwork is the result of broadening the interest of the individual to include the whole group. It springs from satisfying relationships on the job, in the daily associations with coworkers and management. If these relationships are pleasant, cooperation is smooth and it is easy to get out the work. Most people not only meet economic needs through, but also fulfill many of their psychological and social needs through associations with their working companions.

*When you and Mr. Niles were in the management consulting business, this human approach to problems was somewhat unique, wasn't it?*

Yes, it was. We felt that if you think about the people doing the work and not just about cogs in a machine, you would get much better production. This hadn't been proven when I started out in management consulting. We thought it would be nice if people had more scope and were treated better, but we thought it would cost money, but far from it! We found that you can save money in a business by making jobs more worthwhile to people, because then they will do them better. It's simple really, but hard for the engineering minds to take in. They really feel, sometimes, that if you install a machine and leave the human relations out of it, things will work much better.

*How does a "gentlewoman" with a certificate from Peabody all of a sudden turn up as a management consultant circa 1930? What led to this transition?*

My official major *was* music, and I took a piano teacher's certificate from Peabody, but I also took a full major in economics and went on to three years of graduate work. You mention "gentlewoman" I suppose in the Baltimore sense. My father's family had several gentlewomen who left a very deep imprint on me. They were very attractive, cultured people, but they never did a day's work on anything. My mother had wanted to be a doctor as her father and uncle and three of her brothers had become, but things in her life prevented it. She had the talent and the drive to succeed as a professional woman and all that parked itself inside of me. My father chose my mother as his wife because she had all this talent and he was very excited about my developing mine.

*How, exactly, did your parents help develop this professionalism in you?*

The table talk at my childhood dinner table was a joy to the ear. My mother and father were very witty. They would spar with each other and we would laugh and joke. My father never ignored me. He always said, "Well, what did you do today that was interesting?" From the time my chin came to the edge of the table I was brought into this good conversation as a person of value who had experiences that other people would like to know about. I traveled a great deal with my family and was brought up as a world citizen. But the world was a different shape for those people. We lived, as it were, on an Atlantic lake; my family knew more about the eastern seaboard and Europe than about our own west. We were very much Europe-oriented. We were internationalists, and when World War I broke out my parents began reading extensively about the causes of it; we read aloud a great deal at home and I was listening.

*With this early knowledge of internationalism and world problems, why did you go on to major in economics rather than something like political science?*

I became very excited about the fact that in the '20's we had the makings of the first affluent society that had not been based on slavery or serfdom in some way. I got terribly interested in all of this affluence and also the under side of it—what happens when the business cycle breaks and you get the depressions and unemployment. I was going to study the labor movement, but I shifted to business cycles because I felt that if we could control the business cycle, then there would be enough for everybody. By this time I had been married a year or two, but this drive for an affluent society—that is a truly affluent society, in culture as well as in this world's goods—was really quite a moving passion with me and also with my husband who

had been in Europe during the year of the terrible inflation. War and poverty were the two enemies that we wanted to destroy with our lives. That's why my husband went into business. He was very torn, very eager to go into international affairs. Some people in international affairs said, "If you really want to have an impact on peace and war in your time, be a businessman, because that's where the power is in the United States."

*Wasn't it highly unpopular for someone in your socio-economic setting to be so liberal at that time?*

Well, my husband went into business with the idea of being a professional in business. We weren't out to keep up the family business; we didn't have some idea of a better mousetrap that we just had to polish off and sell. We were in business as professional people trying to do a good management job. I think you could say that we were a couple of young idealists with a very realistic bent. In other words, we weren't interested in building a utopia that nobody was ever going to live in. We were interested in taking the area where we were and seeing if we could improve it a few notches. These were the ideals that ran through everything we ever did.

*If you were 50 years younger today with these same ideals, do you think you would be classified as a hippie?*

I rather doubt it, because I had so much freedom as a child that I was under no need to rebel. For example, Baltimore girls didn't go to college in 1917, but some of us had deeply resolved that we *were* going and we hoped our parents would be nice and help us get there. We were determined to have an education. The next fall the United States went into the war and one of my friends heard that the Cotillon might be the last because all the young men were going into the armed forces. Her parents wanted her to make her debut and she wanted some of us to go along with her, so we did. We came home from college, bought dresses and went to the Cotillon and parties during vacation. Then we went right back to college and forgot all about this debutante business. At that time people were taking a year to do this. For us it was spare time activity, and we had fun. We were the first debutantes in Baltimore to drink wine and champagne in public, because this was the end of the world, the end of an era. Our boys were going to war, so it was "eat, drink, and be merry for tomorrow we die." It was a very curious psychology.

*Do you think we have somewhat of that psychology today with the young people?*

Yes, very much so. I knew security. My children knew a measure of security because when the atom bomb came they were already 14 and 18. My grandchildren know no security because when you're born after these things have happened, and you have never known a world which couldn't explode, there is a different kind of insecurity. This is why we have a "now" generation. If you can't through your own exertions carve out a little island of security for yourself, then what do you do if you're a thinking person? The easiest thing may be to say, "Well, I've got today, let me use it." If you're an optimist you may say that the world will have changed by the time you're 40, but then anything you are prepared to do now may be obsolete by then. This is a fact that people simply have not taken in. These bright youngsters *have* taken it in. I think that this is probably the first time in the history of mankind that young people finishing college know more about the world than their parents, because what they've got is fresher information, put together in a more realistic manner for today. They know more than their parents do, unless their parents have been in a place where they are very much in touch with what's new. This is something quite revolutionary and our young people have a right to ask for more responsibility and more voice because they know a great deal more about a lot of things than older people do. As for people over 60, if they are not keeping up, their opinions aren't going to be very valuable.

*As a person over 60 who has been keeping up, what's your opinion of the "now" generation?*

Well, I see things through a very sophisticated eye having lived with these college people over the last few years. One thing that bothers the older generation is this business of smoking pot. It would be an experience I would have had, too, if I had not chosen an alternative many years ago—meditation. I suppose it was about 1934 that I started this in an organized way, but it is through meditation or prayer that one can rise into a different atmosphere. Of course, many Quakers sooner or later get into meditation. I happened to get into it 15 years before joining the Friends.

*Then you weren't always a Quaker. What led you to formally join the Society of Friends?*

My husband and I had been interested in Quakerism for a number of years, but in our consulting period we moved so often that it was very difficult to be in one spot long enough to join. We came to Baltimore in 1940 when our country was virtually in the war. We were conscientious people. We had been pacifists for a great many years until 1937. The combination of the rise of Hitler and the Stalin purge of 1937, where he killed a million people, made us feel that there were some things worse than war. So we were not able to hold to the real pacifist position in those years. We have gone back to it because we feel that somebody has to develop some alternatives to war or we're going to put an end to life on this planet. Now we are in the long hard task of being pacifists and trying to find those alternatives—and it's a very slow business.

*Many people are familiar with Mr. Niles' group, the Business Executives Move for Vietnam Peace, but do you think that Quakers in general, being a leading pacifist group, are doing as much as they possibly could?*

Activists in any church are seldom more than 10%. I would say that there are easily 10% in the Society of Friends in the United States that are activists now, either on the war-peace issue or on the race issue, which are the two great issues of our time.

*Did you experience much discrimination against professional women during the early part of your career, or for that matter, does it still exist today?*

Oh yes, I felt discrimination right straight through and I continue to feel it. It continues to be a fact, but I think it is less. Women of ability and will have been able to smash through. Discrimination is everywhere, but I think we're pushing it back. Women have to work so much harder for things a man takes for granted. I'm not sure I would have fought as hard if I had had male children instead of girls. But with two girls coming after me I never missed an opportunity to stand up for women getting what they ought to have. Both of the girls are chips off the old block. The younger one is training draft counselors for the American Friends Service Committee in Chicago and is the author of "We Won't Go." The older daughter is managing director of the Delaware Valley Housing Association located in greater Philadelphia. I've found Baltimore to be a dismal environment for a woman to try to use her powers, but it's better now than it used to be. The thing that absolutely rolls me until I could die is this women's board thing. They have a men's board that runs the thing and then a women's board that dabbles in this and that. I wouldn't serve on a women's board for anything. In some ways we're still living in a feudal society here. I don't know whether I've had any influence on changes in this area or not, but I kind of think maybe I have.

*You've done so much in your life that I suppose you can't help but reassess it. What do you see for the future and what, if any, are your plans for retirement?*

I have had a passion for leaving the world a better place than when I found it. This has been a driving force all of my life. Historically, in management, I feel the thing that my husband and I did was to stress that human relations are always as important as organization and management. As to retirement, I do draw retirement pay from the federal government. But I guess I'm one of those horses who will drop in their tracks, and it looks as though my husband will be too. I imagine that we'll always find a thing or two to do.

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## WHY BEEF?

### HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. ZWACH. Mr. Speaker, for the past 6 months or so, there seems to have been quite a concerted campaign aimed at making the American housewife believe that the price of beef had been increased unfairly and very appreciably and that beef producers were reaping a harvest at the expense of the housewife's budget.

Some restaurants, as I recounted last week, even went so far as to raise the prices of their meals substantially and then note on the menu that the increase was caused by the increased cost of beef.

Mr. Speaker, I am a beef producer myself. I can tell you the producers are not sharing in this bonanza. In fact, I doubt if any bonanza exists.

It appears as though this campaign against the high cost of American beef was originated abroad and is aimed at securing a relaxation of American beef import regulations.

I am not the only one who has these thoughts. They were also expressed by Bill House, president of the American National Cattlemen's Association in an editorial in the American Beef Producer.

Mr. Speaker, with your leave, I would like to insert the editorial by Mr. House in the CONGRESSIONAL RECORD. I highly recommend its reading to all of my colleagues who have read about and are concerned about our beef prices.

The editorial follows:

WHY BEEF?

In a nation that in this year is spending $83 billion for leisure, a sum that is rapidly approaching the total food bill of the entire population, why should our industry be faced with sporadic outbreaks of boycotts zeroing in on the price of beef, and beef alone? These movements are led by women whose husbands are earning far more than the average farmer or rancher can possibly realize by feeding or raising cattle.

With interest rates up 30 percent in the last 12 months; with the biggest price rise in years posted for '70 model automobiles and trucks; with coffee up 4c a pound and restaurant managers predicting a 5c rise in the price of a cup; with 1970-model appliances being marked up 3 percent to 4 percent officially; with construction workers being awarded wage increases of 10 percent to 30 percent—why aren't the boycotters lining up in front of the banks, automobile

agencies, restaurants, appliance dealers, and union headquarters?

Did it all begin with a combined Australia-New Zealand campaign against meat import restrictions planned by Trade Minister McEwen of Australia? The sequence of events in the United States leading up to our present problem with consumers certainly points in this direction.

In the January 23 issue of the "Queensland Country Life," which announced the proposed McEwen campaign it is reported, "There is a long-term prospect of organizing American consumer opinion against restrictions." In March, officials of ANCA became aware of a drive by the Importers' Council to enlist the members of the National Restaurant Assn. in a campaign to lift import restrictions on beef. Interviews with NRA's lobbyist in Washington convinced us that there was a coalition already formed between the two groups and that they planned to attack the price of beef and enlist consumer assistance in driving it down.

This summer the formalized clip-on notices began to appear on the menus in restaurants across the nation calling attention to the price of beef and announcing increases of 50c to 75c for steaks, chops, and roasts, and promising to reduce the charge when beef decreased in price. Then came the "house-wife" boycotts, amply covered by newspapers and television, stirring trouble for the industry primarily along both coasts where the importer's representatives are most active.

The latest development goes back to Australia, their meat board and producer's organizations. Recognizing that 80 percent of their voluntary quota had been shipped already this year (trade papers say 90 percent) the Australian Meat Board as of August 11, ordered shipments to the United States curtailed. ANCA has just received a letter written September 1 by the Australian Beef Producers' Assn enclosing their request to Trade Minister McEwen to propose to President Nixon that the import quotas be raised or suspended entirely. They further are seeking the consent of ANCA officials for such a removal of the beef quotas so that shipments can continue in greater volume through November 15. In the letter to McEwen they are suggesting that we are short of beef in the United States, that our prices are too high, that we are alienating the consumers here and giving the importers reason to ask for a lifting of the barrier. Full Circle?

## USE OF WORDS "POSTAL PATRON" BY EXECUTIVE AGENCIES

### HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. WIGGINS. Mr. Speaker, yesterday I introduced a bill which would authorize the transmission of mail by executive departments and agencies of the Federal Government under a simplified form of address in emergency situations.

This bill, if enacted into law, would allow agencies to use only the words "postal patron" and the name of the city, rather than the now mandatory street number and city. This authority, to be used only in emergency situations, is similar to the privilege extended to Members of the House of Representatives.

The need for this type of legislation came to my attention during the recent effort to eradicate the destructive oriental fruit fly which had been discovered in several gardens in the El Monte, Calif. area. The U.S. Department of Agriculture, in cooperation with the county and State governments, wanted to send an important warning mailer to all El Monte residents. In order to do this they had to obtain mailing labels containing the names and addresses of all El Monte residents.

USDA went to the county registrar of voters and used their list. Unfortunately, the mailer went only to those households where there was a registered voter. Another problem encountered in the USDA mailing was that many people no longer lived at the address shown on the envelope, so the mail was forwarded. This meant that the new residents at the address did not have the benefit of a warning notice.

Another course open to the agency would have been to purchase a mailing list from a private supplier. This, of course, is expensive, and private lists for entire areas are not always available.

To assist agencies in these emergency situations, I believe it is important that we give executive departments the "postal patron" mailing privilege. It is true that the situations are few and far between when this type of mailing is needed; however, when the need does arise, it is important that our agencies be able to act quickly, accurately, and inexpensively.

## BIG TRUCK BILL

### HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. SCHWENGEL. Mr. Speaker, my editorials for today are from the El Paso Herald-Post, the Fort Worth Press, the Houston Chronicle, and the Big Spring Herald, in the State of Texas. The editorials follow:

[From the El Paso Herald-Post, July 18, 1969]

THE TRUCK BILL AGAIN

Congress, which last year shelved a bill to permit longer, wider and heavier trucks on the interstate highway system, is engaged now in studying a somewhat modified version.

The new bill would lift the present 73,280-pound weight limit, extend the width limit from eight to eight-and-a-half feet and impose a length limit of 70 feet. This last provision was absent from last year's bill.

The trucking industry argues an axle-spacing formula set out in the new bill would permit more even weight distribution, thus easing the strain on bridges and highways despite heavier loads and greater length.

These factors, the truckers contend, also would promote safety by permitting improved braking ability for big rigs and better road visibility for their drivers.

The industry's primary interest in the bill, of course, is the greater "economic return" larger vehicles would provide for truckers and lower per unit hauling costs for customers—a legitimate interest, certainly.

But that interest must be weighted against the public's interest in the use of the interstate system—a $60 billion taxpayer-financed project—and the other highway arteries onto which it empties.

Executive vice president George Kachlein of the American Automobile Ass'n, which opposes the bill, charges the extra truck weights permitted (up to 108,500 pounds for a nine-axle truck would cost $1.8 billion for road repairs in 10 years.

And even if the bigger rigs could operate safely on the interstate, millions of miles of feeder roads on which some of them would have to travel are far below the interstate's design and safety standards, Congress has been warned by the National Ass'n of County Engineers, the National Ass'n of Counties and other opponents.

Further, the improved safety factors of the bigger rigs are projected rather than proved. And the sight of a passing truck 15 feet longer and tens of thousands of pounds heavier than the 55-foot vehicles now permitted throughout most of the East seems unlikely to steady the nerves of the average motorist.

On balance, the truckers' interests are outweighed by the public interest in safe and economic use of the highways. The new bill should join the old one on the congressional shelf.

[From the Fort Worth Press, July 20, 1969]

THE TRUCK BILL AGAIN

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On balance, the truckers' interests are outweighed by the public interest in safe and economic use of the highways. The new bill should join the old one on the congressional shelf.

[From the Houston Chronicle, July 25, 1969]

TRUCKS ARE BIG ENOUGH

If the bill permitting even bigger trucks on our nation's highways is passed by this Congress, the space for passenger cars and buses on our nation's highways eventually could be denied. There simply must be a limit to the sizes of the motor vehicles which traverse our roads. And while not trying to hamper the growth of this important indus-

try, it must be noted that a practical limit has been reached.

The bill has been denounced as an "anti-safety bill" by the American Automobile Assn., but safety, however important, is not the only factor to be considered. The extra damage some 300,000 trucks larger than those presently plying the highways would do is significant. It has been estimated that the trucks would add $1.8 billion in repair and construction costs to the interstate highway system during the first 10 years. Even if the truckers are willing to pay the taxes to defray these costs, the inconvenience of constant repair to highways would be intolerable to the average motorist.

The bill before the House Public Works subcommittee would allow an increase in maximum width by six inches and contains a formula which would increase the maximum loaded width to almost 110,000 pounds from the present 73,000. The bill, for the first time, contains a length limit—70 feet—but testimony indicates that a "grandfather clause" in the bill would make this limit meaningless.

A similar bill passed the subcommittee and almost made it through Congress last year. It was stopped only by a public outcry at the prospect of non-commercial motorists fighting for a spot on the road with these projected behemoths.

President Nixon, during last fall's campaign, reassuringly promised to "take a hard new look" at the trucking bill to "make certain the interest of the traveling public and the life of our highways are protected." But rather than leave advocacy up to the Nixon administration, better the "traveling public" once again raise its voice and make its feelings known.

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[From the Big Spring (Tex.) Herald, Aug. 11, 1969]

WHAT OTHERS SAY

The trucking industry is back before Congress this year with a bill to permit the operation of heavier and bigger trucks on the nation's interstate highway system. Congress, as it did with a similar measure last year, should reject the proposed changes.

Foremost among the opponents of the legislation is the American Automobile Association, whose executives testified recently before the House Public Works Committee. The AAA's opposition is based on two points. The first is that bigger trucks will constitute a hazard on the highways because their bulk diminishes the visibility of the other drivers and their length makes passing more risky.

The second point the AAA stresses is that the increased weight of tractor-trailers and tractor-tow trailers will punish pavements and bridges and increase not only the costs of upkeep but also the construction of new roads built to withstand the heavier loads.

Highway costs warrant concern, but the argument Congress should find most persuasive is the likelihood of greater danger on the nation's already unsafe roads. A 70-foot truck, more than eight feet wide and weighing as much as 15 tons, is an intimidating object. To allow such snorting behemoths on the public roads is not in the public interest.—Boston Herald Traveler.

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## CHANUKAH

### HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. MINISH. Mr. Speaker, tonight, members of the Jewish community everywhere will mark the start of Chanukah, which in Hebrew means "rededication." This holiday can be traced back 21 centuries, to the time the Syrian King Antiochus defiled the temple at Palestine by stripping it of every vestige of Judaism, enthroning a likeness of Zeus within it, and ordering pagan incantations spoken instead of the customary psalms. The outraged Jews declared war, and after 3 years of fierce fighting, the untrained and outnumbered legion of the Jews overcame the mighty Syrian Army.

The final victory over the Syrians occurred to the eve of the Jewish festival of light, a rite which had been customary during the season of the winter solstice when cold and darkness prevailed. The Judeans would then say in their prayers, "Let us have light," and would kindle tapers in the eight-branched menorah of the Temple.

The Jews decided to rededicate their temple to Jehovah at the same time they would normally celebrate their feast of light. They had but one problem. The supply of oil needed to keep the lamps lit was insufficient to last the day, yet the lamps did not flicker or go out but lasted and blazed for 8 days. To the Jews, this was an impressive sign of God's concern for them.

Chanukah has meaning to all God's children that light, faith, and freedom must always be preserved and appreciated. The candles which will be lit tonight and for 7 days thereafter to mark Chanukah are an impressive symbol to the world that the light must be kept aglow to prevent darkness from prevailing. To which I say: "Amen."

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## THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1969

### HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. PATTEN. Mr. Speaker, although it sounds almost impossible to believe, more than 14,000 American workers are killed every year in occupational accidents. Over 2 million other workers are injured and the annual economic loss is also staggering. Workmen's compensation payments alone amount to $2 billion a year and billions more are lost in earnings, medical expenses, production, and time that can never be regained.

I am convinced that if legislation is enacted that would create Federal safety and health standards, many of these shocking and appalling injuries, deaths, and occupational diseases, would be prevented.

A bill that would establish such urgently needed standards was introduced by that able and courageous fighter for progress, the gentleman from Michigan (Mr. O'HARA), and is being cosponsored by many other Members, including myself. Hearings have been held and the measure is now being considerd by the Select Subcommittee on Labor headed by another brave champion of advance, the gentleman from New Jersey (Mr. DANIELS).

The goal of the bill is a challenging, but just one: To assure, as far as possible every working man and woman in the Nation safe and healthful working conditions.

Besides establishing mandatory occupational safety and health standards, the proposal would provide:

Effective enforcement of the standards.

Research relating to occupational safety and health.

Training programs to increase and improve personnel engaged in occupational safety and health areas.

Federal grants to States to help identify their needs and responsibilities in these fields, to develop plans, and to conduct experimental and demonstration projects.

Mr. Speaker, I hope a strong and effective bill will be passed this year that will finally give the workers of America the safety and health protection they deserve. This is a right every worker should have.

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## TAXPAYERS WILL LOSE BY WILLOW GROVE MOVE

### HON. R. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. COUGHLIN. Mr. Speaker, all of us concerned with effecting economy in Government recognize that our military expenditures must be trimmed if we are to meet our many other commitments. I think we all realize that we must also maintain a strong defense posture.

I am disturbed that some of the proposed economies bear no apparent relationship to the overall economic picture and do not effectively protect previous commitments to military establishments and personnel. I point specifically to the Air Force's proposed inactivation of the 913th Tactical Airlift Group at the Willow Grove Naval Air Station in Pennsylvania.

Pennsylvania, a major urban State, again finds itself tagged for "economy" measures. Whether it is the naval base and shipyard, Frankford Arsenal or Willow Grove, Pa., gets hit while other States with manpower and housing shortages, and already having huge concentrations of military installations and personnel, remain unscathed.

I am vitally concerned with the need for economy in Government.

I am equally vitally concerned that a coordinated, overall national program must not and should not diminish facilities and training in our populous and problem areas and transfer an overload to our "fat-cat" areas.

After a thorough study, I have concluded not only that the reserve training at an existing facility in Willow Grove is in the interest of economy in Government, but also that the proposed transfer and deactivation only compounds other national problems.

I wrote to the Secretary of the Air Force with my concerns. I today received a reply from an Air Force colonel which I find inadequate, perfunctory, and unsatisfactory.

Therefore, I submit for the CONGRESSIONAL RECORD my letter to the Secretary

of the Air Force which states the case against the proposed Willow Grove move which, thus far, has not been answered to any reasonable degree of satisfaction:

NOVEMBER 25, 1969.

Dr. ROBERT C. SEAMANS, Jr.,
*Secretary of the Air Force, Department of Defense Building, The Pentagon, Washington, D.C.*

DEAR SECRETARY SEAMANS: After carefully studying the Air Force's recent economy decisions, I am convinced that it is a mistake to relocate the 327th Tactical Airlift Squadron from Willow Grove and to inactivate the 913th Tactical Airlift Group and remaining Air Reserve units at Willow Grove.

My concern is that such action would be a false approach to the cause of economy and, in actuality, would be a shameful waste of taxpayers' money already expended by giving up dual-usage facilities that house a top-flight combat-ready unit.

Before analyzing the disadvantages or merits of the Air Force proposals, I acknowledge the need for economy—consistent with national defense—throughout the military and in all parts of government. I object, however, to "manufactured economy" which is practiced at the expense of certain areas of the Nation while other sections luxuriate in a proliferation of military installations, bases and expanded programs.

Let me be specific about my reasons for objecting to the proposal deactivation and transfer.

First, the 913th TAG at Willow Grove is "C–1" combat ready. I understand that this means the unit compares with regular military groups in combat ready status. Its capabilities have been cited many times over a period of years by both the regular Air Force and the Air Force Reserves. This kind of reserve units is providing national defense and defense training capability at the lowest possible cost.

Second, the deactivation coupled with other parts of the Air Force proposal means that Air Reserve training will be literally unavailable to men in the most populous part of our whole Nation. Reserves are an economical way of providing defense capability, and the deactivation and transfer represent neither economy nor good sense.

Third, the Willow Grove facility itself is used by both Navy and Air Force units at considerable cost saving to the Government. The Air Force facilities were built at the base at a cost of some $9 million. The transfer and deactivation will mean both abandonment of this investment which is suitable for C–130 use and under-utilization of the base itself which would still be maintained at taxpayers' expense. Transfer to the Air Guard is less than a meaningful justification.

Finally, it always appears that Pennsylvania, a state which needs payrolls and jobs, is one of the first hit by such reductions while other states with actual manpower shortages, Texas and California to name two, wallow in numerous reserve units.

I review for your consideration what has transpired in Pennsylvania over the past several years in eliminating Air Force Reserve units:

The Middletown Air Material Depot was closed and transferred to the western United States with millions of dollars in expenditures to house the facility at its new quarters.

The 912th Tactical Airlift Group at Willow Grove was transferred, reorganized and converted to another program in 1968.

The 512th Troop Carrier Wing headquarters in 1964 was transferred from Willow Grove to Texas, a state which, I respectfully submit, luxuriates in a profusion of military facilities.

The Air Reserve Sectors and Air Reserve Recovery Groups and Squadrons were deactivated and discontinued in 1965 with replacement programs.

Construction of facilities for the 911th Military Airlift Group at Pittsburgh is reportedly delayed and, should this unit be phased out, there would be not one Category "A" Air Reserve unit and facility remaining in Pennsylvania.

I hope you will consider carefully all the evidence available and reverse the decisions relating to the Willow Group units and facilities.

I would appreciate your response when you have studied my request. It is of vital importance to Pennsylvania generally and the Willow Grove area in particular.

With all best wishes.

Cordially,

LAWRENCE COUGHLIN.

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## LEGISLATION TO SET UP A NATIONAL DRUG TESTING AND EVALUATION CENTER

### HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. OBEY. Mr. Speaker, I should like to reintroduce—with 12 additional sponsors—a bill to set up a National Drug Testing and Evaluation Center to scrutinize new drugs submitted for premarketing approval.

I first introduced this bill on November 6 with 18 cosponsors, but I am reintroducing it today with the additional 12 cosponsors because of the considerable interest generated by introduction of the first bill.

This bill, identical to one introduced in the Senate by Senator GAYLORD NELSON of Wisconsin, would make the Secretary of Health, Education, and Welfare responsible for conducting all tests to determine whether these new drugs should be approved for commercial distribution.

At present, the Food and Drug Administration must attest to the safety and efficacy of a drug before allowing it to be marketed, but does this solely by evaluating information supplied by the company seeking to market the drug.

The proposed center within FDA could do some testing itself or contract out such studies to qualified individuals, organizations, or institutions. The sponsor of any drug submitted for testing or investigation would be liable for the expenses incurred, including a proportionate share of the cost of maintaining the center.

The sponsors of the bill are, in addition to myself, Messrs. BROWN of California, BURTON of California, MINISH, MOSS, HECHLER of West Virginia, DENT, HARRINGTON, Mrs. MINK, Messrs. FULTON of Pennsylvania, EDWARDS of California, FRASER, and CONYERS.

Previous sponsors of the bill, H.R. 14716, are Messrs. KLUCZYNSKI, BUTTON, PODELL, GIAIMO, BINGHAM, KOCH, ROONEY of Pennsylvania, TUNNEY, DINGELL, REES, SCHEUER, Mrs. CHISHOLM, Messrs. HELSTOSKI, ANDERSON of California, CORMAN, MATSUNAGA, FRIEDEL, and DANIELS of New Jersey.

## THE PLASTIC JUNGLE

### HON. ARNOLD OLSEN

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. OLSEN. Mr. Speaker, I have today introduced a bill which will require that credit cards be sent by registered mail.

Tony Benitez, of Tampa, Fla., was never able to use either of his unsolicited mailed credit cards. Tony cannot sign his own name. He is 5 years of age. If he had learned to sign his name, his cards could have been used to finance a trip to Europe or buy a new wardrobe. When his mother contacted the bank that sent him his credit cards, they told her that Tony had an excellent credit rating.

Roger Gelpey, of Marblehead, Mass., was able to use his unsolicited credit card, even though the bank turned him down when he and his father asked for a $300 loan. Roger went next door and bought a tie. He is 9 years old.

A Lima, N.Y., widow did not buy anything with her unsolicited credit card. She never received it. But she was billed for $1,661. Someone else had used her card. She is 96 years old and lives on a monthly pension of $114. She leaves her home once a month to cash her $114 monthly social security check.

The theft of unsolicited credit cards by organized crime has resulted in billings as high as $175,000 through the use of only 20 credit cards. Two brothers in Chicago were able to accumulate a profit of $500,000 with stolen airline credit cards.

Unsolicited credit card mailings which run into the millions have become a serious financial threat to thousands of homes. The unsolicited credit cards have fallen into the hands of alcoholics and adolescents, thieves and racketeers. When shocked homemakers receive bills and collection letters from credit card issuers, they often pay the bills to save their credit ratings and prevent garnishment proceedings. There have been estimates that 30 percent of such billings are paid.

Credit card issuers who indulge in this cheap huckstering defend the practice on the basis that this is the only way that they can get people to use their credit cards. Mailed requests for credit card applications have resulted in 1 percent favorable answers, while the mailing of unsolicited and unwanted credit cards has led to 19 percent use within a few months.

Money and credit cards do burn a hole in the pockets of consumers in an inflationary spiral when wages are demeaned by the high cost of living. Obviously the credit card companies could not care less what the results of their funny money financing does to the family budget. It is good business for them. They charge the storekeeper up to 7 percent for membership in their plans and at least an annual rate of 18 percent on the unpaid balance on bills run up on these credit cards. It is good business for them to involve families who can not afford credit

cards in credit card spending. People who can afford credit cards will not pay the 1½ percent monthly rate for an unpaid balance.

I think it is time to demand that credit card companies do their mailing of credit cards by registered mail in order to prevent theft in our larger cities from apartment house and other mail boxes. I think that it is time for the credit card companies to bear the cost of fraudulent use of credit cards from the time of loss until the time of notification of loss. After all, fraudulent checks are the responsibility of banks. The fraudulent use of the credit card is no different than the fraudulent use of the personal check by third parties. The bill I have introduced today will insure the safety of credit card mailings and save mail patrons from unsolicited, unwanted and unnecessary liability.

## TELL IT TO HANOI

### HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. GOODLING. Mr. Speaker, those who condemn our involvement in the Vietnam war and cry out for an immediate disengagement from that conflict are the ones who are very much in the news today.

We must be careful, however, lest we close our ears to other voices that also are speaking out on this important and delicate subject, voices that bring a message different than that of those engaged in the moratorium.

One of the most prominent organizations speaking with such a voice is the Young Americans for Freedom, which is made up of young men and women on the campuses of universities throughout our Nation. This organization points out that a desire for peace is paramount in all American hearts but that the implementation of peace requires some cooperation from the other side. The Young Americans for Freedom extend their full-hearted support to President Nixon, endorsing withdrawal from Vietnam on honorable and practical grounds and urging Hanoi to get down to brass tacks if it really wants to bring this conflict to an end.

On December 12 and 13, the Young Americans for Freedom are going to express their views on campuses throughout America, sponsoring speakers who will comment on some of the vital aspects of the Vietnam conflict. At that time, the organization also will circulate on 400 major campuses several million copies of Tell it to Hanoi, a tabloid which explains the reasons for our involvement in Vietnam, the consequences of an immediate withdrawal, and the need for students and all Americans to unite behind President Nixon at this time.

Mr. Speaker, I heartily support the efforts of the Young Americans for Freedom. Here is another voice in the chorus of voices that fill the air today, a voice that rings out loud and clear, speaking with strength rather than uncertainty. I am certain it will be anxiously listened to by a vast multitude across this land.

## SHALL I OR SHAN'T I?—IS THIS TO BE THE LAW?

### HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. WYMAN. Mr. Speaker, profound problems of the most vital significance to the system of military command worldwide are involved in the suggestion that military subordinates should have the subjective right—and even obligation—to decide for themselves whether a particular military command is right or wrong. Should such a precept be recognized in law—or should civilian law seek to override military law and discipline to impose civilian penalties both civil and criminal for obeying a military command subsequently determined to be unlawful—the foundation of military control will have been destroyed, for no subordinate from the lowliest private will be able to avoid asking himself "should I or shouldn't I?" Obviously you cannot fight a war that way, whatever may be the deplorable horrors of Mylai and its prototypes in the historical past or tomorrow's wars.

In this connection columns by Frank Getlein and William Buckley, Jr., appearing in the Washington Star of December 3, are significant.

The columns referred to follow:

KILLING CIVILIANS A MILITARY "POLICY"

(By Frank Getlein)

They gained entrance to the city by deception, put it to the torch, killed everyone they could, took the women as slaves and became the sources of the first great body of epic and dramatic literature in the West.

That was the Greeks at Troy.

They captured the city after a sustained hate campaign, sacked it, murdered the inhabitants, left not a stone upon a stone and sowed the site with salt to prevent a rebirth.

That was the Romans at Carthage, after which they went on to become the enduring Western model of civic virtue and civic architecture, as the buildings and the rhetoric of this city attest to this day.

Do we really think ourselves the moral superiors of these distant and revered forebears of ours? And if so, on what grounds?

From the White House to the smallest village, Americans are now said to be shocked by the revelation of the massacre of Vietnamese civilians by American troops. The President has denounced the alleged atrocity. Even the Pentagon, after carefully not having heard of the event in its command for 18 months, has moved to severe action of retribution and punishment.

Why the shock and horror? Presumably because the alleged murderers performed their act of alleged murder without a statement of Pentagon policy behind them and they did it face to face on a ratio of one bullet, one death. They saw the people they were killing and this, more than anything else, is what horrifies us all.

And yet, for the last quarter century or more, since about 1943, it has been the military policy of this country to kill women and children, old men and babies. We have killed untold thousands in each category and no one has really raised a serious protest.

The slaughter of civilians as a matter of policy was reintroduced into Western warfare by the Germans in the Great War with Big Bertha against Paris and the Zeppelins against London. These primitive efforts were refined in World War II against London, Coventry and Rotterdam, to name just the outstanding examples.

As is usual in these matters, the Germans won even while they lost, because in beating them, the Allies, including and especially the United States, became German to a degree, killing civilians, as a matter of policy, in Berlin, Dresden and elsewhere in Germany and—with our customary drive to do everything a little bit better—in Hiroshima and Nagasaki.

We are officially and unofficially horrified because a lieutenant, a sergeant and a handful of private soldiers went into a village and allegedly shot down somewhere between 100 and 400 civilian inhabitants. Yet our highest generals, our Air Force's beardless colonels and, yes, our commanders-in-chief have been killing women and children, old men and babies by the thousand, from the air, for years, and no one said a word.

The thing about death by air is that it is abstract. It only becomes real when an abstract painter, Picasso, makes one early incident in the bloody history very real through distortion and symbolism. But even Picasso couldn't keep up with what has been happening since Guernica. What for the Catalan artist was the unspeakable end of the long history of man's inhumanity to man was, for the rest of us, only the beginning.

The point of abstraction, in war as in art, is to protect us from the grime and the blood of reality. If a landscape is really an arrangement of cylinders, cubes and cones, what does it matter if some of these geometrical figures are removed from the equation? Obviously, not at all.

The trouble with the infantry is that its members remain inseparably linked to reality. When they kill people, they kill people. The act is killing and the victims are people. No doubt about it. It is blood and brains on the ground, it is broken bones and broken lives, burned villages and burned babies.

With death by air, we don't even call it death. We call it a certain number of "sorties," that grand, faintly elegant word, redolent of chivalry and Henry V at Agincourt. We don't call it death, we call it "tonnage," as if it were pig-iron production. It's all abstract and insulated from life and death.

We shall hang or shoot the infantrymen for the unforgivable crime of reminding us of reality. We shall continue to promote the beardless colonels to beardless generals, the joint chiefs to superchiefs, for their mastery of abstraction and their discretion in allowing us not to know what they know.

"War is hell," said Sherman, in a one-liner suddenly much in vogue. "Hell," said Dante, who thought about it more than anyone since, "is not what happens to the bodies of those killed but to the souls of those who kill, and most particularly to the souls of those who kill and kill their sense of what they do."

SONG MY RAISES HARD MORAL ISSUES

(By William F. Buckley, Jr.)

The slaughter at Song My (My Lai 4) raises those mind-numbing moral questions which strike one with special force on the eve of a visit to Saigon. I go there, by the way, on official business for the United States Information Agency, but—I take the time to put it into the record—the statute is plain on the matter, the advisory commission of the USIA on which I serve was intended to work in behalf of U.S. information policy, as distinguished from working for the USIA, a distinction which even those senators who accept contributions from labor unions and

then find Judge Haynsworth unfit to sit on the Supreme Court will perhaps recognize.

What should one especially look for in Vietnam? The question plagues the individual who has no pretensions to sophistication in military matters, and who resents efforts by others to reveal what are the roots of public sentiment in a complicated situation, after a short, or even a protracted, visit to a foreign country.

What, for instance, can be said at this point concerning the appalling situation at Song My? What are the principal questions that ought to be asked? James Reston suggests the difficulty of the problem by asking what is the moral logic of a situation that calls for giving medals to pilots who bomb civilians, and court-martialing infantrymen who kill the same civilians with rifles?

A few preliminary observations:

1. What makes a killing especially abominable is the question of the necessity for it. A pilot 30,000 feet high who is ordered to lambaste a city, village, or hamlet because it is a center of enemy activity and not otherwise neutralizable, proceeds with few moral scruples. In any event, those who ponder the deed, worry not about the soul of the pilot who drops the bombs, but about the soul of the general who told him to do so.

In Song My, it was different. There, or so the story goes, individual American soldiers squeezed triggers of rifles aimed at individual civilians who could not realistically be held to be a part of the enemy's war machine. For instance children. Under the circumstances, if we are still inclined to the presumption of innocence, we examine other possibilities.

2. Could it have been panic? What is it that causes panic? It is a commonplace that soldiers who are being shot at, who do not know whether they will live to see another day, who are tired and calloused and excitable, do things which their consciences would not justify when in cool working order. Is there palpable, in the anxiety to denounce the soldiers who took part in the massacre at Song My, that old anxiety to discredit the Vietnam war by any means?

The facts may, and yet may not answer convincingly that question. Thus far it looks like simple barbarism, like bloodlust sadism. The trouble with that explanation is that it does not easily reconcile with what we know about typical Americans.

Were these atypical Americans? Were they the kind of Americans who, if they had not found themselves in Vietnam with Vietnamese to fire at, might have found themselves in Chicago or New York or Los Angeles aiming their guns at bank tellers or enemies of the local syndicate?

3, and most important. Are we perhaps, in our common rage against these soldiers, engaged, however subtly, in a circle-squaring expedition? The same week that President Nixon expressed himself as quite properly horrified at what happened at Song My, he officially proscribed the use of biological weapons by the United States even in retaliation against their use by an enemy.

It seemed so simple, so wise, so humane, that few observers paused to wonder why, if it was so simple, so wise, so humane, it hadn't been done before? By, say, President Johnson? Well, not Johnson, because we all were taught that Johnson wanted to napalm little children. Well, John Kennedy? Why didn't he come to the same conclusion? Or, before that, Eisenhower the Good?

We are, it seems to one observer, engaged, somehow, in trying to make war tolerable—which it isn't, for reasons ontological. It does not follow that war equals the massacre of civilians. But it may follow that war makes inevitable the incidence of Song My—and Hiroshima, and Dresden. The prosecution of the guilty will, then, tell us a lot about them, and not a little about us; and about those who dream of wars fought from the turret of the good ship Lollipop.

## NIXON—FIRST YEAR

## HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. FINDLEY. Mr. Speaker, in all of the concern voiced during the past few weeks over allegedly inaccurate and misleading news reporting, many have lost sight of the truly outstanding job of reporting which has become a tradition among the vast majority of the press. If a few abuse their public trust, most members of the press accept that trust and are in turn justly relied upon by their readers.

Mr. Ray McHugh, the chief of the Washington bureau of Copley News Service, has just completed an analysis of the Nixon administration's first year in office. It is not a misleading, one-sided listing of the accomplishments of the first 100 days or the first 12 months. Nor is it a tirade against the absence of instant solutions to problems which have been years, decades, and even longer in the making. Rather, Mr. McHugh recounts the careful preparations which the President has made during his first year in office to launch a concerted and sustained attack upon the major social, political, and international ills of this decade and the next. Only time will tell whether these plans will yield the fruits of success; whether the innovative ideas of the Nixon administration are indeed the long awaited solutions to many of our problems.

What definitely has been accomplished by President Nixon is that most Americans have become convinced that a serious effort is being made. As Mr. McHugh concluded:

The problems remain unsolved, but they don't seem quite so frightening. Perhaps that was the President's biggest contribution to the country in 1969.

Mr. McHugh's article follows:

NIXON—FIRST YEAR

(By Ray McHugh)

WASHINGTON.—How does one grade the first year of a president?

Is he judged on his legislative record? His appointment? His international negotiations?

Or is he judged on less tangible things—the mood of a people, their response to his policies, their reaction to subtle changes in direction that are more sensed than seen?

Predictably, Richard M. Nixon's first year in the White House has been a time of preparation, rather than final accomplishment.

He has spoken to men on the moon, but he has only begun the painstaking process of communicating with the men in the Kremlin.

He has begun the withdrawal of troops from Vietnam, but not even he can forecast when the last American GI will say goodbye to Saigon.

He has trimmed a whopping $5 billion from the budget, including $3 billion from military outlays, but he has only kept pace with already enacted increases in welfare, social security, federal pay scales, interest payments on the national debt, etc.

He has supported the most sweeping tax reform program in 35 years and preached the evils of inflation, he has forced the bureau of the budget and the departments and agencies of government to face up to an aggressive belt-tightening program, but as 1969 fades away, the cost of living continues upward.

He has made a dramatic move to equalize the draft by resorting to a modified lottery system that will center on 19-year-olds, but even he admits it is only the first step in what must be a sweeping reform of selective service.

He has launched the controversial safeguard anti-ballistic missile system and he has opened preliminary strategic arms limitation talks with Moscow, but the course of both remains in question.

He has traveled around the world. His visit to Western Europe last February breathed new life into a faltering North Atlantic Treaty Organization. His visit to Asian capitals reinforced American interests in the Far East. His stop at Bucharest, Romania, was a dramatic gesture to the captive peoples of Eastern Europe and a bold test of the spirit of independence afoot in some satellite nations.

But these also were first steps on what must be long highways.

In Asia, Europe and Latin America, the president has placed a new emphasis on self-reliance. He has preached partnership and an accompanying lessening of the American presence, that while well-intentioned has sometimes been so massive that it has proved stifling in various parts of the world.

How well friends and allies adjust to this new American policy remains to be seen. It has been easy for many to complain about their dependence on the United States and to criticize Washington policies. It will be less easy for many to face the responsibilities Mr. Nixon is encouraging.

The President's first year in office could be compared to the opening chapters in a book. He has laid the plot and identified the characters, but it is too early to judge their course or fate.

These winter months mark the end of the Nixon beginning and the beginning of the true measure of his presidency.

It is significant that they coincide with a massive confrontation of public views on the Vietnam war. The "moratorium" strategy has been carefully devised to present the President with a continuing series of monthly, escalating crises.

"Quit Vietnam" is the slogan of the protestors, but tangled with the war issue are such continuing topics of civil rights, east-west politics, the revolt of the "new left," student activism, suspected subversive influences, the future role of the federal government in social and urban development.

Mr. Nixon has placed his hopes squarely on what he calls the "great silent majority." He, too, identifies his slogan with Vietnam, but its political scope is much broader.

The Democratic National Committee, urged along by Chairman Sen. Fred Harris of Oklahoma, has moved during the year to an ever closer association with anti-war elements and protestors. Some political observers see the movement as an attempt by Mr. Nixon's opponents to forge a liberal-urban-Negro-campus coalition that would dominate not only the Democratic Party, but would ultimately dictate the choice of a presidential candidate in 1972.

To counter this movement, the President during his first year in office has sought to broaden his own base of support in the moderate center and among conservatives.

The year's only statewide elections in New Jersey and Virginia indicated he is succeeding, both states elected Republican governors, ending long traditions of democrat rule. Mr. Nixon campaigned personally in both states, deliberately making his prestige a factor.

The GOP success, however, was tempered by the net loss of two congressional seats in special elections during the year.

The President is expected to intensify his

political efforts in 1970 in a bid to strengthen Republican ranks in both the house and the senate.

The deliberate, sometimes reluctant, fashion with which the Democrat-dominated house and senate has handled administration bills this year could trigger a 1970 campaign reminiscent of President Harry Truman's 1948 attacks on a "do-nothing" congress.

With the exception of the nomination of Judge Clement Haynsworth for the Supreme Court, Mr. Nixon has avoided most domestic-oriented political turbulence. His White House team put together an impressive performance in the Senate ABM battle. Starting with only 23 declared supporters, it won a hairbreadth 51–49 victory in the face of one of the best-organized, best-financed public relations efforts Washington has seen.

The President's attempt to win more time for hard-pressed southern school districts staring at the reality of desegregation was cut short abruptly by a Supreme Court order for "immediate" action, but the Nixon effort was not lost on concerned southerners.

There has been no noticeable improvement in the President's relations with the Negro community, but neither has there been a worsening. The country was spared a widespread recurrence of racial violence in 1969 and Negro citizens appeared willing to give Nixon programs time to assert themselves.

The President himself acknowledged in a news conference that he had little Negro support at the polls in 1968. He added, however, that he would not make extravagant promises to minority groups, but that he would demonstrate his concern with actions. These will be judged when proposed broad housing, medical, educational and job training programs take shape.

There is a temptation to grade Mr. Nixon's first year in the White House against the background of angry thousands parading on Washington's streets. Certainly his "silent majority" has mustered no counter spectacular of such proportions.

But that is the nature of most Americans. Street politics don't appeal to kind of people who would vote for a Richard Nixon.

His critics will label 1969 as a year of indecision or inaction or even indifference. But to those who support him, the first Nixon year has probably brought a measure of relief. Government is a less overwhelming force in the lives of most citizens. The White House is still a focal point of attention, but there seems to be less urgency, less tension than was associated with the days of Lyndon B. Johnson.

The problems remain unsolved, but they don't seem quite so frightening.

Perhaps that was the President's biggest contribution to the country in 1969.

## POLICE PROTECTION

### HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. BROYHILL of Virginia. Mr. Speaker, under consent to extend my remarks, I would like to call to the attention of my colleagues, a copy of a letter addressed to the Honorable Gilbert Hahn, Chairman of the City Council of the District of Columbia, which is quite similar to many I have received in which citizens and businessmen in the District of Columbia have expressed their concern and fear. In order to protect the signer of this letter from reprisals, I have had his name deleted prior to insertion into the RECORD but you can rest assured he speaks the sentiment of thousands of others. When will our political leaders wake up and acknowledge what is going on and respond effectively?

The letter follows:

Hon. GILBERT HAHN,
*Chairman, City Council,*
*District Building,*
*Washington, D.C.*

DEAR MR. HAHN: I heard you quoted this morning on WTOP Radio as awarding an accolade to Mayor Washington et al., for their wonderful handling of the crowd that was here for Mobilization.

Frankly, I am getting tired of hearing this. From where I sit, I don't think the police did very much except to direct traffic. During the daylight hours the marshals brought here by the various groups did do a good job in controlling their people, but when dusk fell and the Militants got busy, where were the police?

If there were police in the neighborhood, and there should have been, they must have known that window smashing and looting went on in the vicinity of 14th and F Streets (Beckers, Bond's and Garfinckel's). They must, also, have known that other windows were being smashed. One large window was smashed in our National Press Building Office branch opposite the Willard Hotel, and four large plate glass windows were broken on the south side of K Street in our branch at K Street, N.W. These were only isolated instances; most other downtown financial institutions sustained damage (American Savings and Loan, American Security, Home Federal Savings, Riggs, Union Trust and others). I may have missed it in the papers, but I haven't read where one single person was arrested for this marauding. If any were arrested, what penalties were meted out? This information would be interesting.

All of this talk about how well the police handled the situation leaves me cold. What are we supposed to do on December 13? The only conclusion I can draw is that the city government tied the hands of the police.

Very truly yours,

———, ———,
*Chairman & President.*

## DECEMBER 7, 1969—28TH ANNIVERSARY OF JAPANESE ATTACK ON PEARL HARBOR

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. GAYDOS. Mr. Speaker, I am sure every Member of the House is aware of the significance of this coming Sunday. It is the 28th anniversary of another Sunday, another December 7, in 1941. It is a date many Americans are not likely to forget.

I am certain they recall, as I do, the shock and horror that swept the Nation when word was received Japan bombed Pearl Harbor, killing thousands of American military and civilian personnel and destroying much of the naval fleet based there. Nor are we apt to forget that solemn moment when President Franklin Delano Roosevelt, in his "Day of Infamy" address, announced the Nation had gone to war. "Remember Pearl Harbor" became the rallying cry for all Americans, joined in a common cause.

Four years later the war ended. The ambitious dreams of Japanese warlords for a military empire in the South Pacific were shattered. America was victorious but it mourned the hundreds of thousands of men who died fighting for their country and for freedom. I found strength, however, in the hope their deaths brought to the world what World War I failed to bring—a lasting peace. Unfortunately, today that hope is stained with the blood of Americans killed or wounded during the undeclared wars of Korea and Vietnam.

December 7 is not an official holiday. Perhaps it should be. But it is a day when Americans, regardless of age, should pause for a moment in memory of what happened on that date 28 years ago. Honor should be paid to the men and women who died at Pearl Harbor and to those who survived the events of the fateful day.

One who survived is David P. Bedell of Irwin, Pa., the president of the Keystone Chapter of Pearl Harbor Survivers Inc. He has called upon the public to recognize December 7, and "Pearl Harbor Day," and asks citizens to display the American flag as a gesture that they do remember December 7, 1941, and those who died first in the defense of America.

In a recent letter to the public, Mr. Bedell wrote:

From those of us who did survive will come a proud kind of feeling and deep appreciation to you who have been so kind. We will remember all of you if you should pause to remember just a few of them.

Mr. Speaker, that is little enough to ask of a grateful nation. I join Mr. Bedell in his appeal and take this opportunity to extend his invitation to Members of the House.

## JUDGE CLEMENT F. HAYNSWORTH, JR.

### HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. DORN. Mr. Speaker, I was thrilled a moment ago with news from the White House that Judge Haynsworth would continue to serve on the U.S. Circuit Court of Appeals. We need Judge Haynsworth with his courage, experience, integrity, and ability.

Those of us who have long admired Judge Haynsworth were never more proud of him than when he displayed such a good sportsmanship and humility when he issued the following statement which appeared in the Greenville, S.C., News, immediately following the vote in the other body:

STATEMENT OF JUDGE HAYNSWORTH

The ordeal of the last two months is ended. The resolution is an unhappy one for me, but, for our country's sake, I hope the debate will prove to have been a cleansing agent which will smooth the way for the President's next and later nominees.

Under the Constitution, the Senate has a duty, as well as a right, and responsibility to exercise the power of consent to execute appointments. In a republic such as ours, this is a wise, and essential check upon Executive power. There is no choice but to accept its judgment, and I hope that my friends and supporters will recognize that the greatness of the Senate as an institution is not diminished by individual disagreement with it.

It was a great honor to have been nominated by President Nixon to a position as an associate justice of the Supreme Court. It is

the greater because the nomination was the result of an appraisal of my performance as a judge in the federal court of appeals. The honor, of course, is tarnished by the Senate's action, but I have a deep sense of gratitude for the staunch and steadfast support of the President, of many Senators, and of a host of friends and others who have worked on my behalf and who have given me great comfort by messages of confidence and support.

I must now consider whether my usefulness has been so impaired that I should leave the Court of Appeals and return to private life. I do not think I should attempt to decide that question in the emotion of the moment. I will reach a conclusion as to my future course in approximately two weeks.

## A LETTER SECRETARY ROMNEY SHOULD READ

### HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 3, 1969*

Mr. SMITH of Iowa. Mr. Speaker, as my colleagues know, one of the burdens of public office is reading and replying to mail. I suppose I receive 50 or 60 letters every day, and most of these are pretty routine. Some of them are requests for publications, short and often standardized letters on pending legislation or else correspondence from persons who have a problem with the Government.

Every now and then, however, a letter comes across my desk which is very exceptional. That was the case on October 31 when I received from Mr. Mel Boyd of Des Moines, Iowa, a copy of a letter he had written to the Secretary of Housing and Urban Development. Mr. Boyd, who is concerned about the Department's policy toward the neighborhood development program, summed up in three pages the feelings of many citizens who are working on the local level in an effort to solve the difficult and complex problems in our urban areas.

Mr. Boyd certainly did not write to Secretary Romney in a partisan spirit. In fact, at one point he said:

To assure you that I am not a "leftist," a "hippie," or in any sense a radical, let me tell you a little about myself. I am an elected member of the Des Moines Model City Citizens Board. I am white, 57 years old, and married. I own and operate a small business in the Model Neighborhood—have an income of under $10,000. I am a registered Republican; I voted for Mr. Goldwater in 1964 and Mr. Nixon in 1968.

Later on in his letter, Mr. Boyd said:

With government encouragement and help a nation-wide organization of Model City residents and officials was formed representing over 150 cities. You, sir, are familiar with this organization. I believe you have addressed it . . .

Mr. Romney, at government expense poor people—black and white—have attended meetings of this organization and seminars on housing and relocation and citizens participation. They have gone from shacks and flats and crowded tenements, to comfortable, plush hotel rooms. They have seen for themselves how another part of America lives. They will not forget it.

I thought Mr. Boyd's letter was a well reasoned and eloquent argument for acting now to solve our urban problems. It also came at a time when an increasing number of people believe there should be a greater use of rehabilitation instead of complete demolition in renewing blighted areas. I therefore wrote to Secretary Romney, pointing out that his Department had received Mr. Boyd's letter and that I thought the Secretary should take the time to read it personally. I also enclosed with Mr. Boyd's letter, as background for the Secretary, a copy of the newspaper articles which prompted Mr. Boyd's letter and a later story from the Des Moines Tribune regarding the Des Moines model cities program. The Tribune article, by Miss Julie Zelenka, included a paragraph reading:

And there remains a deep-seated suspicion that the whole thing is a glorious myth to pacify the under-privileged and that the "establishment" won't deliver the promised improvements—a suspicion that intensified when there were delays in federal money needed.

It was my hope that a personal reply from the Secretary would go a long way toward removing such suspicions. Unfortunately, Mr. Boyd's letter never reached Secretary Romney's desk and, on November 17, Mr. Boyd received a four-paragraph acknowledgment, which appears to be nothing more than a form letter.

I want to make clear that I do not blame Mr. Romney for failing to personally reply. I am sure a huge amount of mail arrives addressed to him personally, and, of course, it would be utterly impossible for the Secretary to read and reply to each and every letter. Apparently Mr. Boyd's letter was simply given routine treatment by third- or fourth-level officials in the Department.

I still feel that Secretary Romney should have the opportunity to read Mr. Boyd's letter and think others may be interested. For that reason, I am placing it in the CONGRESSIONAL RECORD.

Mr. Boyd's letter, together with the other correspondence involved, and the newspaper articles mentioned in my letter to Secretary Romney, follow:

OCTOBER 27, 1969.

HON. GEORGE W. ROMNEY,
*Secretary of Housing and Urban Development, Washington, D.C.*

DEAR SIR: Although I had been hearing rumors that the Neighborhood Development Programs were to be scrapped or severely restricted, I refused to believe them until I read what seems to be unquestionable verification in a news item in the Des Moines Register of October 7th. If this report is accurate, I am certain it will prove to be a mistaken and regrettable decision, Mr. Secretary. I want to tell you, briefly, why it is a mistake and just how regrettable it might be.

To assure you that I am not a "leftist", a "hippie", or in any sense a radical, let me tell you a little about myself. I am an elected member of the Des Moines Model City Citizens Board. I am white, 57 years old, and married. I own and operate a small business in the Model Neighborhood—have an income of under $10,000. I am a registered Republican; I voted for Mr. Goldwater in 1964 and Mr. Nixon in 1968.

Mr. Romney, we have been working on our Model City Plan for almost two years. Last Friday, October 17th, we finally received the welcome news that our Model City supplemental grant of $2,065,000 had been approved. This was fine—as far as it went, but you had already cut the heart out of our plan with the announcement that NDP funding is to be discontinued or severely reduced. As you well know, it is NDP funding that makes relocation from unsatisfactory housing possible; it is NDP designation that makes Model Neighborhoods eligible for special FHA programs; it is NDP funding that makes possible the physical improvements which are so needed. The citizens of our area agree that decent housing is their greatest, most immediate need. Our area needs over 1,000 new homes. 1500 homes need extensive rehabilitation if they are to be made livable.

Mr. Secretary, for over a year—day after day, night after night, the residents of our neighborhood have put their needs into words, to furnish documentation to prove the words. Hour after hour we have discussed plans and programs to solve our problems. In the heart of each citizen—moving him to work—was always the hope, the expectation, that here, at last, was a program that would help him escape the neglect and deterioration—the plumbing that won't work—the drafty rooms—the high fuel bills—the rats—the callous slumlords. Representatives of HUD and FHA and financial institutions came to our meetings and told of all the wonderful programs which would help us as soon as we became funded—FHA 235, 236, 237, etc. etc. Oh, they certainly built our hopes high!

At the same time, Mr. Romney, employes of other governmental agencies, OEO and VISTA, were promoting dissatisfaction with the status quo—pointing out the unfairness of our economic system, training citizens in the technique of protest and organization, pointing out the value of demonstration.

With government encouragement and help a nation-wide organization of Model City residents and officials was formed representing over 150 cities. You, sir, are familiar with this organization. I believe you have addressed it. This serves as a line of communication for the people of the target areas across the country. The problems of Des Moines are no longer only our problems; the expectations of Flint are no longer only Flint's expectations. This line of communication can become a great force for good—or retribution (or irresponsible action of a variety of kinds).

Mr. Romney, at government expense poor people—black and white—have attended meetings of this organization and seminars on housing and relocation and citizens participation. They have gone from shacks and flats and crowded tenements, to comfortable, plush hotel rooms. They have seen for themselves how another part of America lives. They will not forget it.

Now, after they have been subjected to these forces for such a long time, news from Washington comes like a killing frost to spoil all the hopes and dreams and aspirations of the people. Mr. Romney, this cannot be!

I don't know whom you have been listening to, but I think there are some voices you haven't heard. I think you should put your ear closer to the grass roots. As you know, sir, the population of Model Neighborhood across the country contain a large percentage of minority people. You must be well aware of the unrest that has been moving them the last few years; the unrest is still there—and growing! America was quite fortunate that this past summer was so "cool". I hope the administration does not build false hopes upon this. I feel that the "militants" were giving America another chance to remove the injustices of the past through the Model City Program and the NDP. America is still sitting on a bomb!

The white community dare not break faith with the minorities again! The white community has lied too many times! It has sold the poor people short too many times! I know that inflation is a pressing problem,

Mr. Secretary. I realize that the action in Vietnam is a big problem, but they are both small problems in comparison to the problems we will have in our impacted area if the NDP programs are cancelled or significantly curtailed. The impatient young people in these neighborhoods are not going to accept another sell-out lying down. How will you control the disturbances in 150 cities at the same time, Mr. Romney—the bricks, the fires, the snipers? I shudder to think of what might happen!

We understand that congress has already appropriated NDP money. We are told the decision to withhold it was made by the Bureau of the Budget. Don't let the Nixon administration be held responsible for the conditions which may result if this decision stands, Mr. Secretary. Keep faith with the people! Keep America "cool"! Help reduce the alienation between our people! Continue NDP financing at its present level.

Sincerely,

MEL BOYD.

DES MOINES, IOWA.

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NOVEMBER 6, 1969.

HON. GEORGE ROMNEY,
*Secretary of Housing and Urban Development,*
*Washington, D.C.*

DEAR MR. SECRETARY: I am enclosing herewith a copy of a letter, addressed to you, which was sent to me by Mr. Mel Boyd, a member of the Model Cities Planning Board in Des Moines, Iowa.

I am fully aware of the heavy burden of correspondence you have and, since the letter may not have reached your desk through the routine channels, I am sending it to you now. It seems to me that Mr. Boyd, who probably could be considered as one of the "forgotten Americans" of whom President Nixon spoke last year, has summarized in only three pages the feelings of many citizens who are working on the local level to solve our country's urban problems. I sincerely hope you will find time to read his letter.

Also enclosed for your information is the October 7 newspaper article mentioned in Mr. Boyd's letter, as well as a later article concerning the Des Moines Model Cities Program.

Sincerely yours,

NEAL SMITH,
*Member of Congress.*

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, RENEWAL ASSISTANCE ADMINISTRATION,
*Washington, D.C., November 17, 1969.*

MR. MEL BOYD,
*President, Service Saw Co., Des Moines, Iowa*

DEAR MR. BOYD: Secretary George Romney has asked me to reply to your very thoughtful letter of October 27, 1969, concerning the Neighborhood Development Program.

We in the Department of Housing and Urban Development recognize the value of NDP as a tool to revitalize our cities, and this Administration has no intention of abandoning the program. Demand for program funds, however, has been so great that we will be unable to participate to the full extent requested by communities across the country.

The enclosed position paper will give you insight into our problems with the program and will answer many of your questions. Please be assured that as soon as we develop the controls mentioned in the paper we will give the application for Des Moines every possible consideration.

Your obviously sympathetic interest in our programs is most gratifying.

Sincerely yours,

RALPH L. HEROD,
*Acting Deputy Assistant Secretary for Renewal Assistance.*

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
*Washington, D.C., November 18, 1969.*

HON. NEAL SMITH,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. SMITH: Secretary George Romney has asked me to reply to your letter of November 6, 1969, on behalf of Mr. Mel Boyd concerning funding of the Des Moines, Iowa, Neighborhood Development Program application presently pending with the Department of Housing and Urban Development.

The Department also received the same letter from Mr. Boyd. Enclosed, for your convenience, is our response to him.

Sincerely yours,

LAWRENCE M. COX,
*Assistant Secretary.*

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[From the Des Moines Register, Oct. 7, 1969]

HOPES FADE FOR DES MOINES AID OF $3 MILLION

(By James Risser)

WASHINGTON, D.C.—Des Moines has little hope of getting a requested $3 million for physical improvements in its Model Cities area, federal officials said Monday.

The result may be little or no immediate progress on things which would be most visible to neighborhood residents—fixing up existing run-down homes, clearing a square block for construction of housing for the elderly, development of vest-pocket parks.

A Department of Housing and Urban Development (HUD) official, who is working on Des Moines' Model Cities application, said federal approval of the city's $2-million, first-year implementation request is almost certain to come soon.

But that money, he pointed out, is to be used mostly for non-physical programs such as job training, educational programs, medical and dental care.

MASSIVE CUTBACK

The additional $3 million, which the city wants for physical improvements in the area, was to come from a separate, but closely related, HUD program called the Neighborhood Development Program (NDP).

However, a massive cutback in funding for the infant NDP program was announced last Friday by HUD Secretary George Romney, who said:

"Only a limited number of those applications presently pending or under preparation will be funded this year."

In his statement Friday, Romney accused the Johnson administration of encouraging cities last year to file NDP applications far in excess of the available money.

He said HUD cannot come up with anywhere near the $1.2 billion requested by 322 communities. He rejected the idea of approving more programs than HUD can fund in the hope that Congress would appropppriate more money.

Only 35 cities have been approved for NDP grants to date, and they will get "less money than they had hoped for," said Romney.

If the other NDP applications were approved, there would be no money left for other types of urban renewal grants requested by some 900 cities, he said.

As a result, HUD will authorize no NDP program which does not promise to complete 80 per cent of its job in the first year and the entire program in two years, he said.

AWAITING APPROVAL

Des Moines' NDP application has not actually reached Washington yet. It is still awaiting approval in HUD regional offices in Chicago.

Dick Wright, acting director of the Model Cities program in Des Moines, said Monday, "I think the regional office has been slowing us down because they knew something was going to happen to funds at the federal level."

Wright acknowledged, however, that the regional officials also have raised some legitimate questions about Des Moines' "workable program" and other matters. Wright said he believes the "workable program" will be certified soon, now that the city council has approved a housing code enforcement ordinance, and that this normalmly would be expected to speed up approval of the NDP application.

Of the fund cutback, Wright said: "I hate to see the Neighborhood Development Program shot down before it even gets off the drawing boards. This definitely is going to hurt us.

"If we're really sincere about rebuilding the inner cities across the country, then it's not time to do something like this."

Three out of every four houses in the model cities neighborhood are substandard. Clearance of some of those structures and rehabilitation of many more are key parts of the city's effort to upgrade the neighborhood, said Wright.

Without the NDP program, the HUD spokesman in Washington said, the residents cannot qualify for low-cost loans or federal grants for housing rehabilitation.

The plan was to use some NDP money to acquire and clear the block bounded by Twelfth street, University avenue, Thirteenth street and Carpenter street to make way for housing for the elderly, said Wright.

NDP money also was to be used to relocate the persons whose properties were cleared, to make low-cost rehabilitation loans to other residents and to set up vest-pocket park facilities both for the elderly and for youths, he said.

Wright said Des Moines could try to get some of the money through a "grab bag" of other federal programs.

This would result, however, in a more "fragmented" effort and more of the delays which already have area residents discouraged, he said.

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[From the Des Moines Tribune, Oct. 18, 1969]

U.S. FUNDS AT HAND: SEEDS ARE PLANTED; DES MOINES MODEL CITY TO BECOME REALITY

(By Julie Zelenka)

A 1,000-acre urban neighborhood immediately northwest of downtown Des Moines, with a population of 16,000, is known as the "Model Cities" area.

The incomes are low (31 per cent earn less than $3,000 a year—twice as many as in the rest of Des Moines) and many residents are elderly. About 38 per cent are black.

The area has been described as a "decaying" neighborhood, but it's not yet a slum.

That's the idea behind the federal Model Cities program—to stop decaying neighborhoods from becoming slumns, and to make them more livable. But it isn't easy.

"We're just poor people, we're not very smart," many residents say as they struggle with the new jargon of Model Cities planners with backgrounds in economics, education and urban development.

And there remains a deep-seated suspicion that the whole thing is a glorious myth to pacify the under-privileged and that the "establishment" won't deliver the promised improvements—a suspicion that intensified when there were delays in federal money needed.

But last week, the federal government—after 15 months of planning and organizing—decided to spend $2 million to help the families in the area.

If all goes according to plan, local, state and additional money will boost this aid to about $3.2 million.

In five years, again if all goes according to plan, the total cost could reach $40 million.

WHAT IT WILL BUY

What will all this money—most of it from taxpayers—buy?

The biggest chunk of money—and Model Cities officials call it the most important—

will be a $300,000 program to help residents find better jobs, or jobs in which they have a chance to advance.

It isn't that the people there aren't working now.

"Any idea that there is idleness in this area is simply inaccurate," says Jim Booth, an economics specialist on the Model Cities staff.

He quotes studies to show that 96 per cent of the employable people in the area are working, but that 60 per cent of them have the lowest paying jobs—laborers, service and household helpers.

CAN'T DO IT ALL

But the government can't solve all the problems.

Richard Wright, acting director of the Model Cities project, described the federal grant this way:

"It is supposed to be seed money. To get the most out of this money we will be seeking assistance from private sources and from volunteers."

Where will these seeds be planted?

Education programs will get $561,440 from Model Cities funds and commitments from other sources will bring the total to $882,500. Individual projects will include expanded use of schools for recreational and cultural activities, vocational training to rehabilitate houses, assistance to a Des Moines Public School program to keep dropouts in school, and a work-study program.

DELINQUENCY

Delinquency prevention—including a youth police cadet program, a project to rehabilitate law violators without sending them to prison and a public defender program—will get $153,200 from Model Cities, with other revenue boosting it to $283,720.

A housing and relocation project costing $130,000 in Model Cities funds will be used to help residents avoid financial pitfalls in buying, renting or selling a home.

Employment and economic development will get $428,280. Other funds will raise this to $490,215, not only to create better jobs, but to find jobs for the elderly and to establish small businesses in the neighborhood.

About $200,000 is earmarked for health projects—other sources will boost it to $376,922—including a family planning service; alcoholism treatment; dental, eye and hearing treatment for adults; speech therapy for pre-schoolers, a health insurance program and health education.

SOCIAL SERVICES

Income maintenance and social services will get $144,140 from Model Cities. Other sources will increase it to $438,518. Projects will include establishment of a service center for the elderly, children's day-care services, counseling for the elderly, a foster grandparents program, food stamp plans and services to single-parent families.

Recreation and youth activities will get $9,500 in Model Cities funds for operation of a series of black forums and a day-camp program.

Physical environment and urban design will get $104,000 from Model Cities and additional funds from the city of Des Moines for a total outlay of $269,000. The funds will be used to improve street maintenance and solid waste disposal.

Administration and jobs for residents on the Model City staff organization will cost $330,000. Residents of the neighborhood will be hired as field workers and evaluators of neighborhood problems.

JOB NEED

But Model City officials keep returning to the need for better jobs—or occupational upgrading in official language.

Says Wright: "We don't want people going into what we call dead-end jobs. We want them to have an opportunity to advance. If we employ people in the schools as paraprofessionals and teachers aides, we want them to have some opportunity for advancement and additional training.

"This could include earning college credits so they could advance to better jobs. We also want on-the-job training. We want them to have increments in salary and fringe benefits, including vacations. We want to be certain they are part of these programs and not some separate entity."

OTHER FUNDS

Model Cities cash won't actually be in hand until the city signs a contract with the federal government, which may take several weeks.

Nonetheless, some projects have gotten under way with funds supplied from other sources participating in the Model Cities program. These projects are:

A children's day-care program that permits mothers to work and to enroll in job-training programs.

A family planning program that includes general health education aimed at improving the health of mothers and their families. This is being operated by Planned Parenthood.

A Greater Des Moines Education Center, designed to prevent youngsters from dropping out of school. It is being operated by the Des Moines Public Schools.

Extending the New Horizons junior high school work-study program into the high schools. The project is designed to prevent students from dropping out of schools and is operated by the Des Moines Public Schools.

Vocational training and housing rehabilitation at North High School.

The Model Cities contribution of $40,000 is to be used to purchase homes for the students to rehabilitate for resale. Money from such sales will finance the continuous purchase of other homes to be fixed and sold.

Still another major program, known as the Neighborhood Development Program (N.D.P.) is aimed at the physical rehabilitation of the sprawling Model Cities neighborhood.

This, say officials, would have "visual impact."

The cost of the program has been set at $3.2 million, but this undoubtedly will be cut back by President Nixon's austerity drive.

Officials here have been told that some money from N.D.P. may be available after Jan. 1. How much depends upon appropriations by Congress.

Funds for some of the projects that had been planned with N.D.P. grants may be available from other federal programs, officials said, somewhat hopefully.

## LUTHERVILLE, MD., GI DIES IN VIETNAM

### HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. LONG of Maryland. Mr. Speaker, WO Charles J. Armstrong, a fine young man from Maryland, died recently in Vietnam. I wish to commend his courage and to honor his memory, by including the following article in the RECORD:

LUTHERVILLE GI DIES IN VIETNAM—HELICOPTER CRASH FATAL TO CHARLES J. ARMSTRONG

A 21-year-old helicopter pilot from Lutherville has been killed in a crash in Vietnam, his parents reported yesterday.

He was Army WO Charles J. Armstrong, son of Mr. and Mrs. Charles T. Armstrong, of 15 West Seminary avenue, Lutherville.

Warrant officer Armstrong, in Vietnam two months, died last Monday when his helicopter crashed because of a malfunction. He was serving with the 118th Assault Helicopter Company, stationed at Bien Hoa Airbase, 20 miles north of Saigon.

He was a native of Camden, New Jersey.

He graduated from Towson Senior High School in 1966.

Mr. Armstrong enlisted in the Army after graduating from Catonsville Community College in 1968. He studied electrical engineering there.

He received his pilot training in Georgia and at Fort Wolter, Texas.

In addition to his parents, he is survived by a sister, Maria Armstrong, at home.

## HYPOTHETICAL HAPPINESS — OR HALLUCINATIONS FOR POOR PEOPLE

### HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. CLAY. Mr. Speaker, yesterday, my colleague in the House, the Honorable Mrs. EDITH GREEN, who is a member of the Education and Labor Committee with whom I serve, rendered a statement on the floor of this House which startles the imagination of concerned Americans. In nine short paragraphs, Mrs. GREEN completely dispelled the notion that funds for combating poverty are inadequate. She concluded, in fact, that the Congress has little reason to concern itself with more money for the poverty stricken. Mrs. GREEN has shocked me by her total lack of knowledge of poverty or her insensitivity to the problem. I am most concerned that my distinguished colleague has served to reinforce the distorted and naive view of poverty which makes a national commitment to alleviate poverty so difficult.

My colleague presented us with a "hypothetical" case of a poverty-stricken family in Portland, Oreg.—and skillfully pointed out, hypothetically, of course, that this family—if it "wanted to take advantage of" all the programs available to them "would be able to have an $11,513 income for the year."

At last, the Members of this august body no longer need to postulate why it is impossible to agree on poverty programs. Some obviously view poverty totally as a hypothetical condition while others see it as a real one.

Those of us who have experienced poverty, who have lived with the tragic deprivations which are perpetrated upon 12.8 percent of our Nation's population—deal with the reality of it. Those of us who have seen children eating dog food or searching garbage cans for food, find it difficult to envision the hypothetical family. Those in need of medical service who cannot afford a doctor know the problem is a real one. Those who live in rat-infested houses that have no heat, no hot water, and who share a bed with three other children, who do not attend school because they are hungry or have

no shoes—those people could care less about the hypothetical.

What a very real problem it is to be denied a job because you lack the qualifications—then discover that you lack the qualifications because the school you intended was inferior. You also discover that the books used in your school were outdated, some 40 years old. And your attendance record was poor because you were shoeless or without warm clothing. The depth of your learning was impaired because your exposure was so limited. In a real sense, you have been denied employment because you are poor. You had no father because he was jobless, and his desertion made it possible for you to receive public assistance.

I do not know about poverty in Portland, Oreg.—where the hypothetical family supposedly exists—but I wish my collegue from Oregon would produce even one family anywhere in this country who can or does collect $11,513 annually from government-assisted programs.

Naturally, I limit my challenge to poor families. We can all produce thousands of rich families who receive much more annually from Government-assisted programs. The classic example is that of Senator JAMES EASTLAND of Mississippi, who received $166,000 last year from this Government for not growing food on his farm. If my colleague, Mrs. GREEN, cannot construct in reality what she purports to be the truth in hypothet, then her example is as meaningless as her arguments against the committee-reported poverty bill.

My view of poverty is not hypothetical. It comes from experience. It is fair to say that my view of poverty is quite realistic. I have lived with it, and I now serve a constituency which battles daily with the problems of poverty on the ground level. There is not any family in St. Louis receiving $11,513.00 annually, and I dare say there is not any poor family anywhere in the country who can testify to such glorious and profitable benefits for their poverty.

Let me point out, first, the extent of poverty in this country. According to official figures, there are 22 million poor people in the Nation and an additional 13 million near-poor. Of this number, 5.1 million people are classified as the very poor since they have no cash income at all.

If we are providing the kinds of funds asserted by the hypothetical view of Mrs. GREEN, this Nation, to provide $11,000 to a conservative estimate of 6 million families—would have to be appropriating and spending $66 billion annually on these programs now.

Some 9.3 million of these poor people are in the category of "hard-core" poor—which means they live in families whose incomes are less than $2,400 per year for a family of four. The "remaining poor" are the 10.6 million people whose incomes are between $2,400 and $3,600 per year.

We are not reaching these people. Public assistance programs serve only 40 percent of the poor people. Mrs. GREEN'S "hypothetical family" would have to be within that fortunate 40 percent. The assistance payments provided in some States are less than 50 percent of what the State itself considers a necessary standard. In Oregon, AFDC payments for a family of four are $226 per month. In the State of Missouri, the allotment for a family of four is only $124 per month. And, in the State of Alabama, it is $89 per month or in Mississippi, it is $55 per month.

There are indeed, great discrepancies among the States, great discrepancies in welfare payments which are, no doubt, representative of the priorities those States place on poor people. And yet, my colleague would have us accept her poverty program which turns the administration of all poverty programs over to the individual States. And she insists that we have no reason for claiming the programs would, in that way, be effectively destroyed.

The average child assistance payment in the United States is $40 per month. There are an estimated 4½ million children receiving aid through AFDC. There are at at least another 6 million children in families who are eligible—but who are not receiving any assistance. Only 45 percent of those families receiving AFDC receive food stamps or food commodities—whereas the "hypothetical" example has this Portland family receiving generous assistance payments and food stamps.

There are two basic Government programs intended to improve the diet of the poor—the sale of food stamps and the distribution of commodities. The current food stamp program reaches ony 16 percent of the people who need the food. Local counties choose to participate in the food stamp program, the commodity program—or in neither program. The food stamp and commodity program each serve only 3.2 million poor persons—or a total of 6.4 million of the currently estimated 22 million poor and 13 million near poor people.

Of the 3,098 counties in the United States, 1,125 choose to participate in the commodity distribution program. But fewer than 12 percent of those counties serve as many as 60 percent of the poor people in their areas who need the food.

There are 1,139 counties participating in the food stamp program—and the participation of poor people in this program is even worse. Only 20 of those counties manage to serve even 60 percent of the people who need stamps. On the average, food stamp counties reach fewer than 20 percent of the people eligible.

There are seven States in the country which refuse to participate in the food stamp program. And there are 413 counties in the United States which have no food program at all.

Recently, the State of California passed a law to require that all counties in California participate in the food stamp program. The good Governor of that State vetoed the bill. But the substitute poverty bill offered by Congresswoman GREEN, Congressmen QUIE and AYRES—asserts that each State should have the reins of control over poverty programs. I suggest that my colleague name the Governors who have demonstrated sensitivity to and understanding of the problems of the poor.

A poor family does not have much going for it in America. Unlike the comfortable family of five in the "hypothetical" Portland, Oreg., case—a family which is poor has only one chance in three of living in a county which has a food stamp program—and if it happens to live in such a county, it still has only one chance in six of participating in the program. It is clearly not just a matter of "wanting" to take advantage of programs—which keeps them from collecting any income of consequence.

The "hypothetical family" is said to be receiving $75 per year in legal services under OEO. If that is so, then the "hypothetical family" is fortunate to have been among the 6,010 being handled by the legal services program. I have great hopes for the program—but there are many obstacles in the way to achieving legal representation for all the poor people who need it. Presently, there are 265 projects in the United States—but there is only one office in the State of Virginia, only one office in Maryland, in the city of Baltimore, and there is no program in the State of North Dakota. Many legal services programs are just getting underway, just becoming fully operational. Still, there are not enough programs or personnel to handle the legal defense needs of the poor.

The Portland, Oreg., "hypothetical child" who is in high school is participating in the Upward Bound program valued by my colleague at $1,440, to the hypothetical family. If so, this "hypothetical child" is, indeed, fortunate—since there are only 2,400 Upward Bound enrollees in the entire country. Last year OEO was forced to reject 150 proposals for programs which could have served an estimated additional 7,000 youth. Reason for these rejections—lack of funds.

The "hypothetical family" picks up $3,000 when the mother decides to participate in the "job opportunity program." Whether or not such an opportunity may be available to her, the mother of four has a job at home. Why should she take a job which pays less than the minimum wage and then spend a large portion of her inadequate salary to hire a babysitter?

The "hypothetical child" in college is not only said to receive an educational opportunity grant—but to receive an NDEA grant of $520 by taking advantage of the forgiveness clause. This assumes, of course, that this student elects to pursue a teaching career if the loan becomes a partial grant. And for his loan to be completely forgiven, he must decide to teach in a poverty area or to teach handicapped children.

Both NDEA and EO grants are programs feeling the fiscal squeeze as well as the effects of inflation on the costs of higher education. This year, there are 442,000 youth receiving NDEA assistance—but based on the President's budget, there can be only 393,000 participating in the coming academic year. This comprises only 6.4 percent of the total estimated higher education enrollment for the coming academic year.

The "hypothetical family" is calculated to receive $125 in services from the comprehensive health program. But there are only 49 comprehensive health programs in the Nation serving an approximate 300,000. These centers operate in only 23 of the 50 States. Fortunate for this "hypothetic family" that they live in Portland, Oreg., where there is such a center.

It is documented fact that the total poor population of the Nation, 22 million poor and 13 million near-poor, all go without necessary health services. The family in question is among the few people being reached at present. There is hope that the program will be expanded to enable it to serve at least 1 million poor people—but these are cautious hopes which rest upon congressional action on poverty programs.

The "hypothetical preschool child" is enrolled in Headstart. There are 2 million poor children between the ages of 3 and 6 years who are eligible and in need of Headstart training. But only 600,000 youngsters are now receiving the benefits of this program. As luck would have it, "our hypothetical poor child" is one of those 600,000.

Moral of the story is "better that we should be only hypothetically poor than to suffer the realities of poverty." Hypothetically, we can have the mother of these four children marry the doctor at the comprehensive health center who will then go into private practice where he will enjoy the financial rewards of medicare and medicaid—and this family can live happily and comfortably ever after.

We are here in Congress not to deal with hypothetical situations—but with real problems. Poverty is real. We must look at the real people when we consider the poverty bill which will come before the House. The present magnitude of the problem inevitably stems from the lack of truth, the lack of reality in our "hypothetical" discussions of poverty. It must not continue.

Americans cannot and must not rest on the archaic notions of poverty—that a man who is in rags should—except for his own laziness—be on his way to riches, the American way of life. Americans must learn the truth. Until Americans spend as much time trying to understand as trying to condemn poverty and poor people—this country cannot become a great nation.

## CHILDREN'S PRAYERS

### HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. ROUDEBUSH. Mr. Speaker, this week's children's prayers are offered in order that the public schools of our Nation may have a source for morning devotionals.

The Supreme Court has outlawed prayer and Bible reading in our public schools, but it has not yet had the temerity to ban prayers from Congress.

Therefore, I believe these prayers can be read by our Nation's schoolchildren at the start of their day without interference from the Supreme Court.

The prayers follow:

I

We give Thee hearty thanks for the rest of the past night and for the gift of a new day, with its opportunities of pleasing Thee. Grant that we may pass its hours in the perfect freedom of Thy service that at eventide we may again give thanks to Thee.

II

Lord, as Thy mercies do surround us, so grant that our returns of duty may abound; and let this day manifest our gratitude by doing something well-pleasing to Thee.

III

Let us take hands and help, this day we are alive together, look up on high and thank the God of all.

IV

O Heavenly Father, Who has filled the world with beauty, open, we beseech Thee, our eyes to behold Thy gracious hand in all Thy whole creation, we may learn to serve Thee with gladness.

V

O Lord, grant that I may do Thy will as if it were my will, that Thou mayest do my will as if it were Thy will.

## ADDRESS OF PRIME MINISTER EISAKU SATO

### HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. DORN. Mr. Speaker, Prime Minister Sato of Japan is one of the great and distinguished leaders of the modern world. It was my great honor and pleasure to meet him during his recent visit to Washington.

I believe Prime Minister Sato will join hands with our country in moving the free world forward into an era of strength, peace, brotherhood and understanding.

Mr. Speaker, I commend to the attention of my colleagues in the Congress and the people of the United States the outstanding address of Prime Minister Sato before the National Press Club here in Washington on November 21.

The speech follows:

SPEECH BY PRIME MINISTER EISAKU SATO OF JAPAN

President Heffernan, distinguished members and guests: It is the third time that I am addressing you here at the National Press Club. Looking around me, I see quite a number of familiar faces. On this occasion, it is my great privilege and pleasure to speak to you about the new development in international politics and the new relationship between Japan and the United States—what can almost be called the New Pacific Age—which has been brought forth by the current talks between President Nixon and myself.

It is hardly necessary to mention that, for Japan, its relations with the United States are much more important than its relations with any other country. At the same time, I am firmly convinced, not only that the relations of mutual friendship and trust with Japan are immensely important for the United States, but also that the maintenance and promotion of such relations of mutual friendship and trust between Japan and the United States are indispensable conditions for the peace and stability of the Asian-Pacific region. Such being the case, it gave me the greatest pleasure to be able to hold these talks with President Nixon—who is not only an old acquaintance, but is also, of all American Presidents, the best acquainted with Japan, having visited our country six times.

In my talks with President Nixon, we had a frank exchange of views not only on relations between our two countries but also on a wide range of international political problems in general. The results were most satisfactory, and it is perhaps superfluous to mention that the most important result was the solution of the Okinawa problem. As you are aware, the problem of Okinawa has been the major outstanding issue in postwar relations between Japan and the United States. President Nixon and I were, at these talks, at last able to reach basic agreement that Okinawa would be returned to Japan during 1972 and the two governments would proceed to work out reversion agreement. The details of the agreement are set forth in the Joint Communique.

For a territorial status resulting from war to be changed, in a manner satisfactory to both parties, by peaceful negotiation, is a rare matter in world history. It may be said that Japan and the United States, by solving the problem of Okinawa in such a fashion, have shown a new method of solving international problems in step with the progress of the times, and have blazed the trail towards a new order based on friendship and trust and the way of true peace in the handling of international affairs. I am convinced that through the solution of the Okinawa problem, Japan and the United States have been able to build the firm foundations of a lasting mutual cooperation necessary for the future of the world from 1970 onwards.

There are a few things that I should particularly like to stress on this occasion. These are, the background which enabled this historic negotiation, how the return of Okinawa will shape the Japan-United States relations to come, and how it will affect international politics from 1970 onward.

In 1953, in the immediate postwar period, the Amami Islands, and in 1968, the Ogasawara (Bonin) Islands, were respectively returned to Japan through talks between Japan and the United States. However, Okinawa, with its 1 million Japanese inhabitants, has been left under the administration of the United States as a strategic stronghold for the maintenance of peace in the Far East. The biggest problem in the negotiations between Japan and the United States for the return of the islands was nothing more nor less than the role that Okinawa was playing in the maintenance of peace. Japan and the United States agree in their basic recognition of the importance of United States military bases on Okinawa. The peacekeeping function of the bases on Okinawa must continue to be kept effective. However, the fact that our territory, Okinawa, and the 1 million Japanese who live there have been kept under the administration of the United States since the end of the war has left an unresolved feeling in the hearts of the Japanese people—in other words, it has remained in our thoughts as a symbol of defeat, and this mental block has been exerting a subtle influence on the relations between Japan and the United States.

President Nixon and I have agreed on the return of Okinawa on the recognition that to maintain and promote the friendship and trust of the peoples of Japan and the United States, and to take this opportunity to greatly strengthen the partnership gradually built up, over the twenty-odd years of the postwar period, and based on mutual inter-

ests and common ideals, would serve the national interests of both countries and would also contribute toward the peace and development of Asia. In other words, the return of Okinawa has only been possible because Japan and the United States have points of agreement in the various basic democratic ideals such as personal liberty, equality, the respect for human rights and the realization of social justice. For the trust and the forbearance shown to us by the members of the United States Administration and Congress, and the friendship and good will shown to us by the people of the United States during these negotiations, I should like to express my deepest gratitude, and I was impressed even further by the strength of the ties between our two nations. On the other hand, it is a matter of deep regret that our Northern Territories, of which we were deprived as a result of the same World War II, have still not been returned to the homeland. Heartened by the shining example of Okinawa, I am determined to continue my efforts to realize, by peaceful means, the just demands of the Japanese people.

It is natural that, with the return of Okinawa, Japan should gradually assume the responsibility of the local defense of the islands. Japan's self-defense capabilities are already filling an important role in securing the primary defense of Japan and it is our policy to continue to consolidate such capabilities. For my part, it is my expectation and conviction that the United States, in response to the hopes of the free nations, will continue to maintain its function of deterring war in Asia along the lines of President Nixon's pronouncement at Guam.

In connection with this point, President Nixon and I both reaffirmed our intention firmly to maintain the Japan-United States Security Treaty. Of course, the first objective of Japan in continuing this treaty is to ensure Japan's own security by filling the gaps on its own capabilities through cooperation with the United States. However, in the real international world it is impossible to adequately maintain the security of Japan without international peace and security of the Far East. This is where the second objective of the Japan-United States Security Treaty comes to the foreground—the cooperation of Japan and the United States in the form of the use of facilities and areas in Japan by United States forces under Article VI thereof for the security of the Far East in a broader context. And it would be in accord with our national interest for us to determine our response to prior consultation regarding the use of these facilities and areas in the light of the need to maintain the security of the Far East, including Japan.

In particular, if an armed attack against the Republic of Korea were to occur, the security of Japan would be seriously affected. Therefore, should an occasion arise for United States forces in such an eventuality to use facilities and areas within Japan as bases for military combat operations to meet the armed attack, the policy of the Government of Japan towards prior consultation would be to decide its position positively and promptly on the basis of the foregoing recognition.

The maintenance of peace in the Taiwan area is also a most important factor for our own security. I believe in this regard that the determination of the United States to uphold her treaty commitments to the Republic of China should be fully appreciated. However, should unfortunately a situation ever occur in which such treaty commitments would actually have to be invoked against an armed attack from the outside, it would be a threat to the peace and security of the Far East including Japan. Therefore, in view of our national interest, we would deal with the situation on the basis of the foregoing recognition, in connection with the fulfillment by the United States of its defense obligations. However, I am glad to say, such a situation cannot be foreseen today.

I pray that peace will return to the Indo-Chinese peninsula as soon as possible, and that the peoples of the area will be able to work again for stability and prosperity; at the same time, I am earnestly exploring what role Japan could play to cooperate with such efforts. I believe that Japan's role should be, naturally, to cooperate in the rehabilitation and development of the economy of the Indo-Chinese peninsula, and if we are asked, to participate in, and to cooperate with, in a manner best suited to Japan, any international peace-keeping machinery which may be set up after the cessation of hostilities. I express my deep respect for the sincere efforts being made by President Nixon and all those Americans concerned toward the realization of a peaceful and just settlement of the problems of Vietnam and Loas, and also for the sacrifices that the United States has made to assure the people of South Vietnam the opportunity to determine their own political future without outside interference. At the same time, I have a deep understanding of the position of the United States and sincerely hope that such efforts will bear fruit.

At the beginning of my remarks today, I mentioned a "New Pacific Age". This is the age where, having put an end in name and in fact to the "postwar" era with the return of Okinawa, Japan, in cooperation with the United States, will make its contribution to the peace and prosperity of the Asian-Pacific region and hence to the entire world. Again, this may be seen as a transition from a "closed" relationship between Japan and the United States, confined to the solution of bilateral problems which concern the two countries alone, to an "open relationship, where both countries will now be able to work together to further promote broad international cooperation.

In order to facilitate such a transition, it is first necessary to formulate a projection of the 1970's. I believe that the 1970's will not mark a radical change from the 1960's, when the United States and the Soviet Union were shouldering the primary capacity and responsibility for the maintenance of world peace, but when other countries were also enlarging their spheres of independent action in accordance with their respective objectives.

In other words, this means that, first of all, we place great expectations on the two major powers, the United States and the Soviet Union. That is, it would be necessary for the United States and the Soviet Union to devote even greater efforts than they did in the 1960's towards such problems as further relaxation of tensions, peaceful settlement of local disputes such as are seen in the Middle East, and the realization of various arms control measures, all for the maintenance of world peace. In this sense, the Japanese people strongly hope that the negotiations between the two major powers for the limitation of strategic arms, which have recently begun, will become the starting point for future general disarmament.

It could also be said that the 1970's will be a decade when the various major countries other than the United States and the Soviet Union should assume greater responsibilities. We have a profound concern over the future of Communist China which is at present devoting great efforts to the development of nuclear arms, and the relationship that the United States and the Soviet Union will have, respectively, with Communist China. Having the United States, the Soviet Union and Communist China as our neighbors, Japan strongly hopes that in the 1970's Communist China will live in peace with the United States and the Soviet Union, in the same way as the efforts for maintaining peace between the United States and the Soviet Union have developed. It is to be hoped also that Communist China will revise the rigid posture that it has been taking, and participate in international society as a country that will carry out its responsibilities in a constructive manner in the cause of international peace. For this purpose, I consider that both the United States and Japan should always keep their doors open towards Communist China.

The responsibilities that must be shouldered by Japan and the Western European countries in the 1970's will also be great. The role that these countries could be expected to play for easing international tensions or for the harmonious development of the world economy is expected to increase in the future. When we realize that the North-South problem is one of the greatest tasks which mankind will have to face and endeavor to resolve for a long time to come, we strongly feel the necessity for the industrial nations to transcend their short term interests and to make further concerted efforts to assist the developing countries in their nation-building. An age when Japan and the United States, the two great countries on both sides of the Pacific, cooperate with this perspective in mind; this is what I would call the New Pacific Age.

Next comes the problem of what form such cooperation between our two countries should take. As far as the bilateral relations between our two countries are concerned, it is quite obvious that with the settlement of the Okinawa problem, one of the most pressing issues facing us would be in the economic field. This involves various issues related to capital transactions and trade, and efforts to ease the relations between the United States and Japan are already being exerted by responsible persons in each country. It is my intention to exert my further efforts on this matter. In the 1970's, it is expected that both the cooperative and the competitive aspects in the economic field between our two countries will increase not only in our bilateral relations but also in other parts of the world. In this respect some friction may tend to arise between our two countries. However, compared with the magnitude of the benefits which will accrue through the deepening of mutual dependence as seen in the immense amount of trade between our two countries, the friction which may occasionally arise from competition is hardily important.

What is more important is to always understand the other country's position, and in the spirit of give and take, to make the necessary considerations within the framework of international rules so that localized frictions do not harm the broader, political ties between our two countries.

It is with this in mind that I have pursued the policy of liberalization of both trade and capital. As a matter of fact, in December, 1968, the Japanese Government in a Cabinet decision decided to conduct an overall review of the import quota items at an early date and to liberalize, within two or three years, a substantial range of those items. Last month the Japanese Government followed it up with the decision to have the number of the existing import quota items by the end of 1971, and to render utmost efforts to liberalize the remaining items under control. In the field of foreign capital liberalization, efforts have been made to widen the scope of the industries in which foreign capital can profitably invest.

I am determined to further promote this policy of trade and capital liberalization, and, at the same time, it is to be hoped that the United States will continue her stable economic growth and preserve her liberal economic policy.

In Asia, where Japan and the United States have a common concern, efforts being made

by the countries in the region for self-help, regional cooperation by countries with common interest, and economic and technical assistance from industrialized countries have combined to bring about a gradual increase in the speed of development, and in many areas progress may be seen in the establishment of a stable national system and in the initiatives taken in economic construction. In spite of all this, poverty in Asia has yet to be overcome, and we can hardly say that the foundation has been laid for the sustained development of the Asian countries. This situation in Asia is not expected to change significantly in the 1970's.

It is here that I find one of the greatest challenges for my country as the leading industrialized nation in Asia. The national goal that we have to pursue in the 1970's is to cooperate, in nonmilitary fields, with the Asian countries that differ in race, religion and culture, in their efforts to secure prosperity through mutual cooperation while preserving their freedom and independence. Since the United States plays the central role in preserving global peace and also holds great responsibility for the security of Asia, I believe that it is Japan rather than the United States that should take the leading role in such fields as economic and technical assistance towards the nation-building efforts of the Asian countries.

Although Japan has become the second economic power in the free world, the gap in economic potential between my country and the United States is still very large, and the fact remains that Japan's per capita income is only the world's twentieth. We also face the difficult task of overcoming the great insufficiency in social capital and public investments. At the same time, however, there is emerging among the Japanese people a desire to play a meaningful role in making a positive contribution to the world. There is no doubt that the settlement of the Okinawa problem will give confidence to the Japanese people and that it will become the turning point in directing the constructive will of the nation to the aim of bringing stability to Asia.

We have already set our goal for the 1970's to make it the decade for Asian development, but Japan alone cannot hope to secure the peace and prosperity of Asia. Along with the efforts of the Asian countries themselves, both the material and moral cooperation of the industrialized countries that have a great interest in this area are required. This is because in the construction of a new Asia, not only the material aspects such as the eradication of poverty, famine and disease but the attainment by the Asian people of freedom and social justice must also become one of the goals. Here again I find the shape of a New Pacific Age, where a new order will be created by Japan and the United States, two countries tied together by common ideals.

The cooperation between Japan and the United States is not confined to our two countries or just Asia. As this cooperation is one between the first and second ranking economic powers in the free world, it would extend over a wide range of global problems which I dealt with earlier in my projection of the 1970's, such as the easing of general tensions, the strengthening of the function of the United Nations, arms control and the realization of disarmament, the settlement of the North-South problem, the preservation of the free trade system and the securing of a stable international monetary system.

Now, in order to establish such a wide range of cooperation, what should we bear in mind? It is essential that the peoples of both countries increase their understanding of each other and foster mutual trust. Exactly one hundred years ago, forty Japanese immigrants came to the United States for the first time, but now, over one hundred thousand Japanese visit the United States annually, and more than two hundred thousand Americans visit Japan each year. As the contacts between our peoples deepen through such direct contacts or by means of the mass media, the erroneous image that our peoples sometimes had of each other will be corrected, and they will begin to understand that both Japan and the United States have their own culture and tradition, and that both are countries facing a multitude of complex problems. And it is in this way that a proper evaluation on the unique roles that each of our two countries has to play will become possible.

The United States is a country of wide open spaces, a multiracial nation, a Federation of States, and, above all, a superpower. On the other hand, Japan is a country confined to a limited land area and inhabited by a homogeneous race, and it is also one of the many countries of Asia. Both are leading industrialized countries and share the common democratic ideals of liberty and the respect of human rights, but there are these fundamental differences of which I have spoken.

On the other hand, Japan and the United States are surprisingly similar in some aspects. Nowhere is there such a high degree of social mobility nor is the rule of fair competition, applied so universally than in our two countries. We can also find some similarity in the rapid adaptation of our various domestic systems to our increasingly mass information-oriented societies and the wide diffusion of higher education. We are also able to see a similarity in the national characteristic where both the Japanese and the Americans are never satisfied with the present, and their tendency to constantly endeavor to bring about a better society in the future.

The role of preserving freedom and stability that the United States plays at the center of a wide range of international organizations covering political, economic and security fields is unique, and can be replaced by no other country. Japan's way of life of dedication to peace also has its unique aspects. I am convinced that if we each recognize the national sentiment and the national characteristics of the other, and respect each other's position although our immediate interests may not always coincide, a system of truly subsubstantial cooperation can most certainly be realized.

From this viewpoint, I believe that our two countries should widen the range of policy options in both their bilateral and multilateral relations. It is desirable to maintain a state of affairs where it is always possible to engage in a broad and flexible dialogue.

If Japan and the United States can bring off this kind of cooperation, it is then that the New Pacific Age will become rich in substance. I personally have high expectations and strong belief in the future of this New Pacific Age. The American people, who once developed the New World in the face of tremendous hardship and want, and in our own time, succeeded in the Apollo project through brilliant organization and personal courage, will certainly conquer the present problems they face in the political, economic and social fields, and this will exert a stabilizing effect on the entire world. Her partner, Japan, has achieved an economic growth during the twenty-odd post-war years which is outstanding in the world, and having become a power for stability in Asia, is a country that is about to tackle, with vigor, the problems of the future.

It can be said that the two great nations across the Pacific, of quite different ethnic and historical backgrounds, are on the verge of starting a great historical experiment in working together for a new order in the world, on a dimension that transcends a bilateral alliance. Although this experiment has just begun, I have full faith that this experiment will surely be successful due to the good will, mutual trust and efforts of our two nations. I am especially pleased that it was President Nixon and I who set this experiment in motion by bringing about the return of Okinawa.

Thank you for your attention.

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## SMITHSONIAN INSTITUTION CALENDAR FOR DECEMBER 1969

### HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. FULTON of Pennsylvania. Mr. Speaker, it is a pleasure to place in the CONGRESSIONAL RECORD the schedule for the month of December at the Smithsonian Institution. As always, the Smithsonian has a variety of events planned for this month, as well as special presentations for the holiday season. It is pleasant to note that there are a number of events especially for children during this Christmas holiday, particularly the programs of yule folksongs and the puppet show, "The Wizard of Oz."

During this holiday season, I hope everyone will take advantage of the excellent, high-level events scheduled at the Smithsonian Institution. There is something for each member of the family to enjoy.

The schedule follows:

CALENDAR OF THE SMITHSONIAN INSTITUTION, DECEMBER 1969

WEDNESDAY, DECEMBER 3, 1969

*The Clowns Never Laugh: the work of Walt Kuhn; John Marin; this is Ben Shahn; Charles Burchfield.* Smithsonian Film theatre presentation. This quartet of award-winning films suggests how the experiences of four modern American painters are expressed in their works—ranging from brillant brush strokes depicting the world seen through nature's prisms to stark, dynamic cityscapes and introspective figure studies. 2 p.m., auditorium, National Museum of History and Technology; 8 p.m., auditorium, National Museum of Natural History. Introduction by Mrs. Adelyn Breeskin, curator of contemporary art, National Collection of Fine Arts.

*Concert.* Informal performance using instruments from the national collections. 4:30 p.m., Hall of Musical Instruments, National Museum of History and Technology.

THURSDAY, DECEMBER 4, 1969

*The Creative Screen. Jiri Trinka.* Produced in Czechoslovakia. Behind-the-scenes views of the fantastic fairy tale world created by the famous puppet-animator. *Light.* How different kinds of light can change the way we see things and the many ways artists have used light to achieve their purposes. Films will be shown every half hour from noon until 3 p.m. Free admission at the National Collection of Fine Arts.

*In the Company of Artists.* Smithsonian Film Theatre repeat. Noon, auditorium, National Museum of History and Technology.

*Stratified Sites of Early Archaic Periods.* Lecture by Dr. J. L. Coe, University of North Carolina. 2 p.m., Room 43, National Museum of Natural History.

FRIDAY, DECEMBER 5, 1969

*32 Washington Artists.* Sales exhibition of graphics, paintings, and sculpture by artists currently represented in the 1970 appointment calendar, *Art in Washington.* Museum shop, National Collection of Fine Arts. Through January 31.

*Candle Making Workshop,* under the direction of Joyce Cooper. Sponsored by the Smithsonian Associates. By subscription only. For information call 381–6159.

SATURDAY, DECEMBER 6, 1969

*Misfortunes of the Immortals: A concert with Morton Subotnick and the Dorian Woodwind Quintet.* Open Rehearsal from 11 a.m. to 3 p.m. Natural History auditorium. Donation $1.00 (with concert ticket). Co-sponsored by the Smithsonian Associates and the Division of Performing Arts. For information call 381–6158.

*Candle Making Workshop.* Repeat. See December 5 entry for details.

*Perceptions II/World Premiere—Misfortunes of the Immortals: A concert composed and performed by Morton Subotnick with the Woodwind Quintet.* 8:30 p.m., auditorium, National Museum of Natural History. Tickets, $4.00. For information call 381–6158.

*Young People's Macrame Workshop,* under the direction of Mary Walker Phillips. Sponsored by the Smithsonian Associates. By subscription only. For information call 381–6159.

*The Creative Screen. Repeat of Jiri Trinka* and *Light.* See December 4 entry for details.

*The Camera and the Human Facade.* Special exhibition of 200 photographs and photographic albums showing aspects of man and giving insights into the human character. National Museum of History and Technology. Through March 8, 1970.

*The Scotland Project.* Lecture by architect Rurick Ekstrom. 3 p.m., National Collection of Fine Arts.

SUNDAY, DECEMBER 7, 1969

*Composer's Workshop,* with Morton Subotnick: Description and discussion of simple control systems. 3 p.m., auditorium, National Museum of Natural History. Tickets, $5.00. Limited to 50 persons. Co-sponsored by the Smithsonian Associates and the Division of Performing Arts. For information call 381–6158.

*Young People's Macrame Workshop.* Repeat. See December 6 entry for details.

*Perceptions II: Misfortunes of the Immortals.* Repeat performance. See December 6 entry for details.

MONDAY, DECEMBER 8, 1969

*Uganda and Kenya—Lands and Peoples,* illustrated lecture by international lecturing and film-making team, W. Gurnee Dyer, Vice President, American Museum of Natural History, and Mrs. Dyer. Sponsored by the Smithsonian Associates for members and their guests. 8:30 p.m., auditorium, National Museum of Natural History. Doors open at 8 p.m. Public admitted at 8:25 p.m. as seats are available.

WEDNESDAY, DECEMBER 10, 1969

*The Eye of Picasso.* A Smithsonian Film Theatre Presentation. In this French-produced tribute to Picasso, the artist discusses his work, describing how he seeks to impress the mind as well as the eye. 2 p.m., auditorium, National Museum of History and Technology; 8 p.m., auditorium, National Museum of Natural History. Introduction by Mrs. Jan Keene Myhlert, National Collection of Fine Arts.

THURSDAY, DECEMBER 11, 1969

*Encounter With DDT—Persistent Biocides in the Environment.* Third in a series of panel discussions, in which the audience is asked to participate, on critical issues of today. Dr. Richard Cowan, director, National Museum of Natural History, will chair this session. Panel members are: Dr. Roy Hansberry, Shell Development Company; Dr. Raymond Johnson, Bureau of Sport Fisheries; Dr. Thomas Jukes, University of California Space Sciences Laboratory; and Dr. Robert Riesborough, University of California Institute of Marine Research. 8:30 p.m., auditorium, National Museum of Natural History. Sponsored by the Smithsonian Associates and directed by Dr. William Aron, Smithsonian Office of Oceanography.

FRIDAY, DECEMBER 12, 1969

*Milton Avery.* One of America's modern masters is here accorded the first major retrospective of his works since his death in 1965. One hundred paintings and 27 graphics have been selected for this exhibition by Adelyn D. Breeskin, who calls Avery "the American artist whose color and general approach is closest to that of the great French artist Henri Matisse." At the National Collection of Fine Arts through January 30, 1970.

*Perceptions II/World Premier: Game Opera No. 1,* composed and directed by Loran Carrier, and featuring an outstanding company of total performers. 8:30 p.m., Hall 10, National Museum of Natural History. Co-sponsored by the Smithsonian Associates and the Division of Performing Arts. Tickets, $3.00. For information Call 381–6158.

SATURDAY, DECEMBER 13, 1969

*Sing out for Christmas,* children's yule folksongs. All children in the Washington area are invited to participate. Banjo and guitar accompaniment by special guests. 4 p.m. to 5 p.m., first floor Pendulum area, National Museum of History and Technology. Sponsored by the Smithsonian Division of Performing Arts.

*Perceptions II/World Premiere:* Game Opera No. 1. Repeat performance. See December 12 entry for details.

*Composer's Workshop, With Loran Carrier: Game Theory and Music Composition.* 3 p.m., Hall 10, National Museum of Natural History. Limited to 50 persons. Tickets, $2.50. For Information call 381–6158.

SUNDAY, DECEMBER 14, 1969

*Rediscovered American Painters.* Lecture by Theodore E. Stebbens, Jr., Yale University Art Gallery. 4 p.m., at the National Collection of Fine Arts.

*Perceptions II/World Premiere:* Game Opera No. 1. Repeat performance. See December 12 entry for details.

MONDAY, DECEMBER 15, 1969

*A Program of Christmas Music,* directed by James Weaver, 8:30 p.m., Hall of Musical Instruments, National Museum of History and Technology.

WEDNESDAY, DECEMBER 17, 1969

*Marc Chagall and Shalom of Safed: The Innocent Eye of a Man From Galilee.* Two Smithsonian Film Theatre presentations. The emergence of a primitive artistic style is revealed through an analysis of the background and philosophies of two contemporary foreign painters. Introduction by Donald R. McClelland, National Collection of Fine Arts. 2 p.m., auditorium, National Museum of History and Technology; 8 p.m., auditorium, National Museum of Natural History.

*Christmas Music.* Informal performance using instruments from the national collections. 4:30 p.m., Hall of Musical Instruments, National Museum of History and Technology.

THURSDAY, DECEMBER 18, 1969

*The Creative Screen. Serenal.* Award-winning film-maker Norman McLaren salutes the West Indies in a flow of abstract color images with exciting background music by Trinidad's Grani Curucaya Orchestra. *The Americans: Three East Coast Artists.* Visit with Jack Tworkov and Hans Hoffman as they work in their Provincetown studios. View the last film taken of Milton Avery in which he expresses his thoughts from his New York apartment studio. Continuous showings from noon until 3 p.m., at the National Collection of Fine Arts.

*Marc Chagall and Shalom of Safed: The Innocent Eye of a Man From Galilee.* Smithsonian Film Theatre repeats. Noon, auditorium, National Museum of History and Technology.

*Functional Aspects of Photosynthetic Lamellae.* Lecture by Dr. E. Moudrianakis, Department of Biology, The Johns Hopkins University. 2 p.m., Room 43, National Museum of Natural History.

SATURDAY, DECEMBER 20, 1969

*The Creative Screen:* Serenal and The Americans: Three East Coast Artists. Repeat. See December 18 entry for details.

*Sing Out for Christmas.* See December 13 entry for details.

SUNDAY, DECEMBER 21, 1969

*Sing Out for Christmas.*

MONDAY, DECEMBER 22, 1969

*Sing Out for Christmas.* See December 13 entry for details.

TUESDAY, DECEMBER 23, 1969

*Sing Out for Christmas.*

THURSDAY, DECEMBER 25, 1969

*All Smithsonian Buildings are Closed.*

FRIDAY, DECEMBER 26, 1969

*Sing Out for Christmas.* See December 13 entry for details.

SATURDAY, DECEMBER 27, 1969

*Last Saturday Jazz,* featuring the Eddie Gale octet. National Museum of National History auditorium. 8:00 p.m. Tickets at $2.00 may be purchased at the door. Presented by the Left Bank Jazz Society in cooperation with the Smithsonian Division of Performing Arts.

MUSEUM TOURS

*National collection of fine arts*

Daily tours at 11 a.m. and 1 p.m. Weekend tours 2 p.m., Saturday and Sunday. For advance reservations and full information, call 381–5188 or 381–6100; messages 381–5180.

*National Zoo*

Tours are available for groups on weekdays 10 a.m. to 12 noon. Arrangements may be made by calling—*two weeks in advance*—CO 5–1868 Extension 268.

Visitors may purchase animal artifacts and specially designed souvenirs and books at the KIOSK, which is operated by Friends of the Zoo volunteers as a public service and to raise funds for educational programs. Open daily 11 a.m. to 4 p.m.

*Musem of History and Technology*

Free public tours of the National Museum of History and Technology during weekends are sponsored by the Smithsonian and operated by the Junior League of Washington. They will be conducted on Saturdays and Sundays through May 1970.

The tours begin at the Pendulum on the first floor, and each tour lasts for approximately one hour. Saturday tours begin at 10:30 and at noon, and at 1:30 and 3:00 p.m. Sunday tours begin at 1:30 and 3:00 p.m.

Tours are available to anyone who wants to join the docent stationed at the Pendulum at the above-specified times. However, if you would like to plan a special group tour, call 381–5542 to make arrangements.

*National Portrait Gallery*

Tours are now available for adults and children at 10:00 a.m. and 11:00 a.m. For information on adult tours call 381–5380; for children's tours, 381–5680.

FOREIGN STUDY TOURS, 1970–71

The Smithsonian has organized several special tours concerned with archeology, architectural history, art museums, private collections, and natural preserves.

*1970*

*Mexico and the Yucatan Peninsula.* January 9–23. Dr. R. H. Howland and Dr. Franklin K. Paddock will accompany a group of 30 through the historic sites of the Yucatan Peninsula and Mexico, $1,900 of which $200 is tax deductible. (Itinerary available.)

*Nepal, East Pakistan, Thailand, Cambodia, Hong Kong, Taiwan and Japan* based in

Kyoto for the Osaka's Expo 1970, returning via Tokyo). March–April 3. $2,350 of which $400 is tax deductible. Dr. Howland and Mr. Roger Pineau will accompany. (Itinerary available.)

*Classical Greece.* July 6–27, for teachers, students and those making their first visit in this area; an exceptionally inexpensive tour. A yacht has been chartered for 5 days to sail among the islands. $700. (Itinerary available.)

*Greek Islands and Byzantine Greece.* A deluxe tour, which will include a visit to the island of Crete. Dr. Howland will accompany. (Itinerary available shortly.)

*Northern Italy* (in the footsteps of Palladio). Venice, Verona and Vicenza. September 12 for three weeks . . . $1,600 of which $350 is tax deductible.

*1971*

*Asiatic Turkey.* This tour has been carried forward to April of 1971 to benefit more favorable climatic conditions.

Contemplated tours to Ireland in June; Africa; and Russia under snow just before Christmas!

Red China. Negotiations to take a group to Red China are under way. Possibly in the Fall of 1970.

For reservation and details contact: Mrs. Susan Kennedy, Smithsonian Institution, Washington, D.C. 20560 or call 202—381–5520.

MUSEUM SHOPS AND BOOK SHOPS

(Open to public during all regular hours)

*Museum shops*

1. National Museum of History and Technology—Rotunda.
2. Natural History Building—Constitution Avenue Entrance.
3. Arts and Industries Building—Mall Entrance.
4. Freer Gallery of Art—Mall Entrance.
5. National Museum of History and Technology—Mall Entrance.

*Books shops*

1. National Museum of History and Technology—Constitution Avenue Entrance.
2. Natural History Building—Mall Entrance.
3. National Collection of Fine Arts—Main Floor, 8th and G.
4. National Portrait Gallery—F Street Entrance.

CHRISTMAS GIFT SUGGESTIONS FROM THE SMITHSONIAN

The Museum Shops is featuring a Christmas display in the Rotunda of the National Museum of History and Technology.

There are dolls from 14 countries, puppets from Germany, India, Sweden and the United States and Christmas ornaments from Mexico, Germany, Thailand, Taiwan, and the mountain communities of Appalachia.

Creche groups done by American Indians are available along with ones from Sweden, Poland, Czechoslovakia, and Denmark.

The Christmas Shop, designed as the magical interior of a vast Hansel and Gretel house, includes a gingerbread house made for the Smithsonian by Braun's Catering Service. Braun's will also prepare unique decorative cookies, some almost a yard high, from a collection of early 19th century cookie molds.

Dolls, creches, games, toys and decorations are all combined in the exhibition to illustrate the origin of America's Christmas traditions.

THE SMITHSONIAN ASSOCIATES

You are invited to participate directly in the Institution's far-reaching education and research activities by becoming a member of the Smithsonian Associates. Through numerous programs for members, the Associates provide infinitely varied opportunities to explore the arts, sciences, and humanities. Call 381–5157 for information on fees and programs.

URBAN TRANSIT: PROBLEMS AND PROMISE

Special exhibition sponsored by the United States Department of Transportation. On the balcony of the West Hall of the Arts and Industries Building. The exhibit will feature sixty-two panoramic drawings and several working models of innovative urban transit facilities and methods. Through February.

CHRISTMAS CARDS

The Museum Shop in the National Collection of Fine Arts is currently offering Christmas cards featuring reproductions of paintings in the collection by James McNeill Whistler, Agnes Tait, Raphael Peale, Childe Hassam, John Twachtman, and Charles Burchfield.

MUSEUM HOURS

Smithsonian Museums are open to the public 7 days a week. Hours: 10 a.m. to 5:30 p.m. daily.

CAFETERIA HOURS

Open 10:30 a.m. to 5:00 p.m. (Located in the History and Technology Building, 12th Street and Constitution Ave. N.W.)

HOURS AT NATIONAL ZOO

Gates open 6 a.m., close 5:30 p.m. Buildings open 9 a.m., close 4:30 p.m.

NATIONAL GALLERY CALENDAR OF EVENTS

For a Calendar of Events at the National Gallery of Art, which is separately administered, please write to the Office of Information, National Gallery of Art, 6th Street and Constitution Avenue, N.W., Washington, D.C. 20565, or call 737–4215.

## VICTORY FOR COLLECTIVE BARGAINING AND THE AMERICAN PEOPLE

### HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. ESCH. Mr. Speaker, I am sure that all Members of the House of Representatives join me today in applauding the resolution of the railroad labor dispute without a national strike. Today's announcement of a new contract is a victory for the collective bargaining system and for the American people. The threatened strike has been averted through skillful negotiation and conciliation and without the threat of undue executive interference.

We should all be proud of the tremendous contributions which the Honorable George P. Shultz, Secretary of Labor, and the Honorable Willis J. Usery, Jr., Asisstant Secretary of Labor for Labor Management Relations made to the resolution of this dispute.

This entire procedure has shown once again the strength of our collective bargaining system and its ability to function in the exchange of views and positions between labor and management. It has shown that the legislation under which the collective bargaining process works is helpful in providing a vehicle for the exchange of positions and for resolving differences without undue Government interference. The rights of the workingmen to improve their situation and the rights of management to control the future of their corporations have both been preserved and enhanced by the mutual agreement on the terms of a new contract.

## THEODORE ROOSEVELT SHRINE IN BUFFALO IS BOUGHT BY THE UNITED STATES; RESTORATION WORK TO BEGIN

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. DULSKI. Mr. Speaker, just a little more than 3 years ago, on November 2, 1966, then President Lyndon B. Johnson signed into law legislation which I sponsored to preserve the Ansley Wilcox Mansion in my home city of Buffalo, N.Y., as a national historic shrine.

The Wilcox House is where Theodore Roosevelt took the oath of office as President September 14, 1901, after the tragic death of President William McKinley.

This week, the National Parks Service purchased the mansion under the law which permitted the Government to spend $250,000 toward purchase of the building, plus $50,000 toward its restoration.

The effort to save and arrange for restoration of this famous edifice has been long and hard. I am indebted to many of my colleagues now and previously in the Congress for their help to me in this community project.

In order to provide the balance of the funding for the restoration, the Roosevelt Inaugural Site Foundation was formed in Buffalo and now has assembled nearly all the financing needed to complete the restoration.

We have had truly a community-wide effort. Indeed, as was pointed out during the announcement meeting this week, this is the first for the entire Nation involving such coordination between the National Parks Service and a community group.

Mr. Speaker, the following story from the Buffalo Courier-Express details many facets of the local fundraising effort and the key participants:

U.S. PURCHASES MANSION

Restoration of the Ansley Wilcox Mansion as a National Shrine to Theodore Roosevelt was officially cleared Monday with the announcement that the National Parks Foundation had formally purchased the building at Delaware near North, from the Liberty National Bank and Trust Co.

"This is a first for the entire nation," Walter S. Dunn Jr., director of the Buffalo Historical Society, said. "Never before has the National Parks Service worked with a community group in the restoration of a national historic shrine.

MAY SET NEW PATTERN

"This pilot project is being watched by the federal government and may set a new pattern in the United States.

It was pointed out that the federal government cannot afford to buy and restore all of the historic sites communities wish to preserve.

"In the past some citizes have requested shrines just to channel federal funds into their communities," said Dunn.

Dunn was authorized by William K. Kimmins Jr., chairman The Roosevelt Inaugural Site Foundation, to contact the regional office of the National Parks Service for permission to go ahead with the work on a local level.

SPINK COMMENTS

E. Perry Spink, president of the Liberty National Bank and Trust Co., and a member of the Foundation, said that local management would be "cheaper and more effective" than having the work done through national channels.

One of the first moves will be to hire an architect, Dunn stated, and recommended Olaf Shelgren, who already has done considerable planning on the building on a voluntary basis.

One of the requirements of the National Parks Service was that in addition to funds already allocated $80,000 more should be raised locally.

"We now have all but $28,000 of this quota," said Frank D. Leavers, chairman of fund raising. "Now that we have this project off the ground and the Wilcox Mansion is now in the possession of the Foundation and the National Parks Service, we should be able to collect this sum in 30 days.

CITES A FACTOR IN LAG

"One reason we have had trouble collecting money is that a lot of people have been under the impression that this project would never get off the ground."

Leavers also suggested that the Parks Service accept donations and service in lieu of cash.

The Banks of Buffalo have pledged $11,000 annually and the Erie County Legislation $15,000 for the operation and maintenance of the shrine.

More than $2,000 has been received in Owen B. Augspurger memorial contributions. Augspurger, who was a former chairman of the Foundation, was killed in an accident last summer.

DULKSI IS PRAISED

During the foundation meeting high praise was offered for Rep. Thaddeus J. Dulski, who headed the long and bitter battle in Congress to have a bill approved for the purchase of the property by the Parks Service.

The congressional bill appropriated $250,000 for acquisition of the property and $50,000 toward restoration. The current estimate for restoration and rehabilitation is $267,000.

OTHER AVENUE

The New York State Historic Trust has appropriated $87,000 and the Junior League of Buffalo, with its donation of $50,000 is the highest local contributor.

"This certainly is a joint endeavor—federal, state and local governments and the local community," said Kimmins.

Theodore Roosevelt took the oath of office for president in the Wilcox Mansion in September, 1901. The mansion will be the only national shrine in the state west of the Hudson River.

## DRUGS—FOR OR AGAINST YOU

### HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. BURKE of Florida. Mr. Speaker, this week I received an encouraging letter from a young constituent of mine in Fort Lauderdale, Miss Susan Seger, concerning the dangers of drug use by young people.

Miss Seger's comments are concise and to the point, and reflect, I feel, a great deal of wisdom on the part of someone who is only in the 10th grade.

At this time, I would like to bring her remarks to the attention of my colleagues in the House, for they were made by the kind of young American who represents the real future of this Nation:

DRUGS—FOR OR AGAINST YOU

Drugs, a simple five letter word that is used almost every day. Not just used in pronunciation but in the form of acid, pills, grass and many others you can name. I feel that anyone who buys, sells or peddles any kind of a harmful drug should be institutionalized where they can receive medical help or understanding where needed.

Anyone who cannot realize the dangerous risks involved in the usage of narcotics is in need of help. I see no great reward in having brain damage come sooner or later. It has been proven over and over what drugs can do. Just because one person says "It's the greatest, do it" someone does. What happens to one person does not mean it will happen to all. No two people are alike. Why try and find out the hard way. Just think, are drugs for you or against you?

SUSAN SEGER,
*Stranahan School.*

## FIGHT THE GOLD FLOOR PROPOSAL

### HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. HANNA. Mr. Speaker, the enlightened and courageous leaders of our international monetary policy have just delivered us out of the hands of gold zealots and gold speculators. The latter were trying to force an artificial increase in the price of gold and were foiled. Now they are back seeking an artificial but officially supported floor for gold. "A pox on their house," I say. We should send them packing once again.

What the bullion dealers, their clients, and the gold extractors want is a secure and sheltered market supported and risk limited by official governments, especially the United States. Let the gold suppliers of South Africa and the U.S.S.R. have the responsibility for the "free" market of gold. For once the law of supply and demand should function with full risk for the fat cats of the bullion market. They have enjoyed the greatest artificially cushioned, sweetened market condition in the experience of modern times. They had the gold pool to underwrite their borrowing for speculation and the $35 floor to safeguard serious losses. Let them go it alone for awhile.

The assurance for protection of value for presently held gold reserves do not—I repeat, do not—require a floor on gold. All that is required is honor among established governments to maintain an agreed price reference for reserves to be used in settling accounts at the $35-per-ounce figure. Leave the private gold market to its own devices. I assure one and all that, as painful as the move will be for the gold suppliers, the bullion brokers, and the speculators, the commercial gold users will not find the circumstances strange nor harmful.

The gold overhang resulting from the shakeout of gold hoarding by the worst of the speculators is a temporary phenomena. For the time being it is painful for the hoarder—a fact that illicits no tears from me. It is worrisome to the gold extractors, which is a humbling but not disastrous experience for those who a short while back had a throttle hold on key currencies. It provides a loss of undeserved haven for the bullion brokers of London, Paris, Frankfort, and Zurich but they have been around for 50 years and can be expected to not only survive but continue to prosper.

Having gained a well-deserved freedom from the gold manipulators and dealers, please, I beg, let us not now blow it.

If governments keep their powder dry; if bankers do not venture to rush in where governments declare they will not tread then bullion dealers will wait and market management and prudent promotion will fall to South African gold producers and their colleagues which is where commodity market responsibilities should lie. We would then see a clear future for the freedom of the international reserve system from the importunings and costs of the industrial and speculative gold trade. A goal devoutly to be desired—a condition clearly within reach.

Treasury officials of these United States take note. IMF representatives of the United States mark well.

Mr. Speaker, I would like to have a recent article on the gold market from the London Economist included after my remarks. Also, I would like to have included two excerpts from the Washington Post. I know this subject matter is considered by most of my colleagues as beyond their ken but I would hope that all would take the time to review these materials. It is, in my view, exceedingly important that we realize our past policies have served a passel of international parasites. We have rid the international monetary body of their debilitory attachment let us not be parties to a voluntary reattachment.

The material follows:

[From the Washington (D.C.) Post, Nov. 23, 1969]

GOLD SPECULATORS GLUM

(By Hobart Rowen)

The spectacular slide in the price of gold is a happy development—happy, that is, except for South African gold producers trying to prop up the price and speculators who have been betting that the producers would win out.

As an indication of how things change in this fast-moving world, today's big question in gold is whether the price will have to be supported to prevent it from moving below the "official" $35 an ounce level!

In addition to the South Africans and speculators, there are some banks hurting too—notably the usually canny Swiss private banks that bought large amounts of gold well over $40, and lately have been unloading their hoards.

The drop in gold from a peak of nearly $44 earlier this year is a triumph for intelligence over mythology, for planning over taboos. But it also involves an element of luck associated with the student revolution in France last year.

Essentially, the price of gold is lower because confidence in the international monetary system—incurrencies—is greater. When paper money is suspect, people want to get rid of it, and stuff gold—although it earns no interest—under the mattress. Essentially, but the more sophisticated do the same thing, but because they expect to make a profit on a rise in the price.

That, in a broad way, was what was happening in 1967 and early 1968, when gold speculators raided central bank reserves—through the London gold "pool"—for about $3 billion in gold at $35 an ounce. The British pound had been devalued and the smart money in Europe was betting that the dollar would go the same way.

Finally, in a historic move, the seven major financial powers cut the flow off on March 17, 1968, and established a two-tier system: the $35 price was maintained for official transactions, but the price was free to fluctuate in private markets (the other tier) in response to demand and supply.

That was the big step: in essence, it was the beginning of demonetizing gold, a process of letting the monetary function of gold fade away. What the seven powers were saying was that the $40 billion in the existing gold reserves was "money" gold, but that newly mined gold would become a mere commodity, good for such things as filling teeth, jewelry and industrial purposes.

Not everybody believed it, notably France—which had dropped out of the London gold pool, and therefore did not join in the Washington agreement. With total reserves of $7 billion, including nearly $4 billion in gold, the French government was a leading advocate of doubling the price of gold. (Fifteen months later, France had almost run through that seemingly fat reserve cushion.)

And the South Africans, who wanted both an assurance of a $35 floor, plus freedom to play the private market for the highest possible price, held onto their gold. This was an attempt to frustrate the intention of the Washington agreement: the authors of the two-tier system calculated that if the central bankers bought no more gold for "money" purposes, the South Africans would have to sell all of their newly mined metal in the private market, depressing the price.

For a time, the case for the speculators looked fairly good: gold prices rose steadily, and suspicion of currencies was heightened by the collapse of the French economy under an assault led by Danny Cohn-Bendit.

But a weaker franc took pressure off the dollar; moreover, the crisis in France stilled one of the loudest voices pressing for an increase in the price of gold. Despite a continuing U.S. balance of payments deficit, there was a steady drift toward reliance on the dollar as the standard of the international monetary system.

The coup de grace was given by the Euro-dollar market: when average interest rates in London rose from 8.41 per cent in mid-May to 11.44 per cent in mid-July, it killed the gold market. Gold no longer was a good speculation, and the speculators cut and ran. With Euro-dollar rates at those levels, expert Edward M. Bernstein points out, gold would have to go up about $4 an ounce to produce a comparable profit. But in the same two months, while Euro-dollar rates were booming, gold hit a peak and never got back to it.

All of this made it apparent that the U.S. could persevere in a tough attitude toward South Africa. And if a world anxious to improve its holdings of reserves (the French lesson was a shock) could no longer depend on the barbarous relic of the past, it had to look to something else.

If gold alone couldn't fulfill its old role as a reserve cushion, what could? The answer was ready-made and available, the Special Drawing Rights (SDR) system, sometimes called "paper gold," that this country had been trying to push down the throats of the gnomes of Zurich for a couple of years.

The victory over the gold speculators was nailed down early this summer by Treasury Under Secretary Paul Volcker when he won agreement from his counterparts in Western Europe for creation of an astonishingly high volume of SDRs, $3.5 billion the first year, and $3 billion each in the second and third years.

This decision, ratified in September by the International Monetary Fund executive directors, assured an adequate growth of reserves without (1) new gold or (2) marking up the price of gold. I can report from my own conversations with Swiss bankers during the Copenhagen meeting of the American Bankers Association in May that they were thinking that an annual volume of $1 billion in SDRs would be desirable, and that in no case should the figure go over $2 billion. When the $3-plus average for the next three years was assured, the gold game was over.

Confidence in the international monetary system has been helped not only by the SDRs and the success of the two-tier gold market, but by the re-alignment of exchange rates, especially the up-valuation of the German D-mark which followed the devaluation earlier this year of the French franc.

And when it came to boosting IMF quotas by about $7 billion, some of the same clever heads who figured out the two-tier system and the SDRs, found out a way to do it without requiring a new supply of gold.

There would seem to be a good chance, now, of a period of calm ahead on the international monetary front—at least by comparison with the crises of the past two years. The new parities appear to be a better reflection of their real values. Moreover, there are studies under way of how to introduce more flexibility into the exchange rate system that will avoid the kind of crisis for which the gold bugs light candles.

Ironically, at the very moment that the dollar is strong and gold is weak, some Europeans still express worry that the dollar might be affected in future years by a large capital outflow, once high interest rates in the U.S. settle back.

But for the moment, that is only a gnawing concern, and for the somewhat distant future. As of now, officials can relish the repeated bulletins from the London market that show declines, instead of advances. With the overhang resulting from the speculative hoarding of 1967–68 still to be worked off, the South Africans would do well to get an agreement that gives them a floor price.

In all probability, the dollar today is worth more than 1/35 of an ounce of gold. Or, to put it another way, gold is probably worth less than $35 an ounce. But to prove that point, bankers would have to mark down their own $40 billion hoard—and that they're not likely to do.

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[From the Washington (D.C.) Post, Nov. 28, 1969]

## U.S. Mulls Floor Price for Sliding Gold Market

(By Hobart Rowen)

A behind-the-scenes debate is taking place at high levels in the U.S. government on whether or not to place a floor price under the sliding gold market.

Pressure for such a floor, presumably at the "official" $35 price, is coming not only from South Africa, the major producer, but from European governments who allege that if the price drops below $35 an ounce, it would be unsettling to their citizens who own gold, and to some extent, to their own treasuries.

The unofficial market price for gold has dropped from nearly $44 an ounce this past spring to within pennies of the $35 official price. It closed in London Wednesday at $35.60.

Key U.S. Treasury officials have had sporadic talks with the South African government for almost a year on whether a floor price should be instituted, and if so, at what level. There has been no agreement.

### ADMINISTRATION HOPEFUL

But contrary to the view of some influential congressmen and other experts, the position of the Nixon administration is that it is possible to reach an agreement with South Africa that would be beneficial to the U.S.

"I am not taking the position that no agreement (with South Africa) would be desirable," a high official told The Washington Post. Presumably, the U.S. would have a quid pro quo for a floor price: South African agreement to push the bulk of its newly-mined gold into the unofficial, non-monetary market.

But this willingness to consider a deal with the South Africans draws the ire of Rep. Henry Reuss (D-Wis.), who heads the Joint Economic subcommittee on such matters.

Reuss says an agreement would be "stupid." The U.S., he says, should accept the opportunity provided by the lowered gold price "to be cool and correct." In that case, he argues, the South Africans "will have to sell their gold on the free market, and the price could drop to $28 or even lower."

### KENNEDY TRIP

Despite Reuss' objections, the U.S. will outline its conditions for a gold price deal to its major continental allies, when Treasury Secretary David M. Kennedy goes to Europe for a NATO conference next month.

Reuss also condemned the Treasury's failure to criticize West Germany for including $25 million in South African rand in its recent $540 million drawing of currencies from the International Monetary Fund.

Eventually, Germany will exchange the rand with South Africa for gold, which Reuss regards as a technical violation of the March 1968, agreement not to add to gold reserves.

Most U.S. officials are annoyed, but not upset by the movement of South African currency out of the IMF, subsequently to be traded for gold.

But direct sales of gold to either the IMF or major central banks would be a different issue, and while the preference of the U.S. government is to maintain the tough attitude toward South Africa it has held since March, 1968, there are those who feel they must make concessions to the edgy European point of view.

Moreover, as a practical matter, it is conceivable that leading European central banks, anxious to see a floor for gold, may provide it, themselves, regardless of U.S. reservations or conditions.

And over and above these considerations, some U.S. government officials argue that it is not very important, anyway, whether a floor price is provided. "The significant thing," said one man, "is that we are living in an SDR (Special Drawing Rights) world. The growth in reserves is going to be in SDRs. We don't have to be concerned, because whether or not there is a gold price floor, the importance of gold is going to diminish over time."

Critics say it would be a mistake to give in now to the "ill-conceived" concern among Europeans that the value of their reserves might drop. Reuss suggested that any central bank worried about the value of gold could sell official *holdings* to the IMF for SDRs.

The IMF maintains a discreet silence, since its governing board is the creature of individual governments not yet in agreement on the issue. But within the IMF staff, there is known to be a feeling that it has some obligation to buy gold from any country offering it at the official $35 price.

Those who oppose this think it an unnecessary concession. "We shouldn't give a damn what happens in the (unofficial) gold market," says an official who helped create it last year.

Reuss revealed that a report by his committee, to be issued in a few weeks, will condemn any step toward providing a support price as weakening the two-tier system.

SDR SYSTEM SUCCESSFUL

Behind the slide in gold prices, precipitous in the past several weeks, has been the successful institution of the Special Drawing Rights system, which makes it evident that the principal growth in monetary reserves in the next many years will be from that source, not gold.

Speculators' interest in gold has also been diminished by stronger currency markets, and the high-level of interest rates, especially in the Euro-dollar market, which makes gold hoarding unattractive.

The net effect of all of this, however, has been to force the South Africans to build up a stock of about $1 billion in gold, for which the monetary reserves of the major nations are no longer an outlet

Since March, 1968, when these nations agreed that it was no longer "necessary" to buy newly-mined gold for their reserves, South Africa has been lobbying for an agreement which once again would allow its gold to move to central banks and into the IMF.

There are strong emotions on both sides of the issue. Some Europeans, backing the South African desire for a floor price, insist that the March, 1968, agreement establishing the two-tier system did not guarantee that central banks would never buy additional gold for monetary reserves.

But Reuss argues that if the South Africans can "stockpile" some of their excess gold in official reserves, it will force the unofficial reserves, it will force the unofficial price up, thus putting pressure on the dollar.

"Why should we give this racist country a floor for its gold," asks Reuss, "when the needy countries of the world cry for and do not get stabilization of cocoa, coffee, and other commodity prices?"

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[From the Economist, Nov. 15, 1969]

GOLD BETWEEN TWO POLES

Up to March 15, 1968 the marketing of gold was child's play. The price was underpinned at the bottom end by the fact that central banks were willing to take unlimited quantities at $35 an ounce, and encountered an equally impenetrable barrier at the top end—just a few cents up—an account of the willingness of the same central banks, and especially the Federal Reserve Board, to supply unlimited quantities as well. That appeared to be the basis of the international monetary system, and was apparently immutable. Towards the end there were doubts about the bankers' ability to maintain the supply, even with the mechanism of the gold pool, devised in 1961 to facilitate the flow. But that was scarcely a problem for the entrepreneurs who had built up and conducted the markets over a period of centuries. Indeed, it made life extremely easy for them: turnover soared on a one-way speculation that the price might be forced up.

It was even better than that. The bullion merchants were free to take a position themselves and there is no reason to suppose they failed to do so. In the event the speculators—a polygot of governments, dealers and faceless men—came within an ace of bringing off one of the most spectacular financial coups of all time. They failed, but still they did not lose. The price of gold has not doubled but in the subsequent experience of the market it has at least at all times been higher than $35. The fat cats did not audibly purr, but for several months they did complain cheerfully of "indigestion," and indeed had every reason to be contented.

For a while. As long as gold was bought and sold at roughly $35, participation in the market amounted to the comfortable occupation of buying gold in order to sell it—sometimes re-refined, often reshaped—for a relatively modest margin. As long as it had been bought for $35 and could be sold for more (the situation after mid-March last year), the market, though potentially less cosy, was rather more profitable. Up to and for much of 1968 the market lacked a serious challenge to its skills. But for the interruptions of war, the shape of the market had been reasonably stable for some 50 years. London was much the maine centre, its dominance assured by the supply arrangements of the biggest producer, South Africa, and of the gold pool, both of which entrusted their disposals to the Bank of England, which in turn was represented in the London market by one of the five participants (Rothschild).

Under this dispensation the other markets were neatly complementary. The freight advantage enabled Hongkong to attract the bulk of Australian gold for sale in the Far East, giving it an unassailable but limited base. The Zurich banks, having organised themselves into a market in 1947, were unbeatably placed to meet the requirements of smugglers supplying Italy's important jewellery industry; and, relying on London as a source, did not immediately threaten its turnover but in fact helped to expand it. Markets in North America, Paris, Beiruit and elsewhere, both officially-blessed and clandestine, were able in some measure to cater to local needs, but in one way or another tended to operate as extensions of the London market. There the competition consisted of drumming up business in a gentlemanly way, sometimes on price but more often on service and product differentiation.

The morning and afternoon "fixings" (the latter introduced to offer a guidepost for trading in North America) have never implied an absence of price competition, nor has the system meant that dealers reveal their turnover to each other. The opportunity for product differentiation occurs not only in shapes and sizes, but surprisingly enough in the cultivation of brand loyalty. This has been proved by Johnson Matthey (known over large tracts of the Middle East as "John Matthews"), whose mark is demanded by some of the wealthiest traditional hoarders.

The bullion dealers did not have to worry about supply at all, and there is not a great deal of evidence that they worried much about the composition of demand. Indeed, they hardly needed to: there is ample evidence that increasing amounts of gold found their way into private hands year by year for at least a decade. The International Monetary Fund put the offtake at 520 metric tons in 1957, 1,031 tons in 1962 and 2,654 tons in 1967.

The profound change which occurred last year was, of course, the freeing of the price—flowing from the decision of the big central banks that they would not again participate in the market, either as buyers or sellers. This left the market without firm guidelines, except perhaps for the assumption (which, strictly speaking, is still no better than an assumption) that $35 an ounce is the floor price below which gold cannot fall. Not even the decision itself was taken at face value, hence the substantial premium on March 18th. In that moment the bullion dealers lost whatever chance they might have had to keep the market firmly under control. Had the price settled at about $35, and had it been established that it was underpinned at this level, the dealers would at least have had an opportunity to put their stamp on subsequent developments. As it was, the situation immediately became too big for them to handle. For there has ever since been a large speculative element in the price, involving risks which no private bank or banks could think of running.

GAMBLING ON THE OVERHANG

Recent unofficial estimates, prepared for Consolidated Gold Fields, underline the point. They suggest that of 7,485 metric tons of gold falling into private hands in the four years to end-1968, perhaps 4,691 tons were acquired by industrial end-users of various kinds (of which, 1,296 tons in 1968, see chart). This left 2,794 tons with hoarders, speculators and middlemen at the beginning of the current year, worth some $3½ billion at $40 an ounce. It has obviously been impossible to take a view (i.e. to buy gold at ruling prices, which in point of fact have fluctuated between $39½ and $43¾ without gambling on the firmness with which the bulk of this overhang is held. And that is only one of the speculative features to be set against the prospect of an industrial offtake of perhaps 1,300 tons this year (the estimate offered by the Gold Fields economists in September—itself some 80 per cent higher than projections of the IMF's calculations, which were all the market previously had to work on). The others are that newly-mined gold from western sources (mainly South Africa) is arriving, potentially on the market, at the rate of 1,280 tons a year; and that Russia's output and intentions are unknown but significant.

The immediate aftermath of mid-March was that London shut up shop for several days while the market in Zurich was promptly reorganised with central bank approval by the formation of a three-bank pool, in which form it has continued to function ever since. For several months it published its turnover (see chart). The initial reaction was a sharp burst of speculative buying, which the Swiss banks sought to discourage by quoting a marked differential between buying and selling prices. This was soon followed by a disgorging of speculative hoards, a lot of which had evidently found their way to Switzerland for safe keeping. Sources close to the gold mining industry have surmised that the Zurich market achieved an edge over London in terms of turnover in the ratio of perhaps 60 to 40. Except for small test sales, South Africa kept its gold off the market for much of the rest of 1968, thereby preserving the premium and also, in effect, taking on its shoulders full responsibility for the management of the market.

The South Africans were confident in mid-1968 that a rise in the official price of gold could not be long delayed. They were not alone in that as the free market premium continued to show. And as came to be demonstrated early in 1969, when it transpired that the Swiss pool had bought a substantial quantity of South African gold. This surprising development implied that the Swiss were bidding to take over the job of judging the market—for which they were variously described as arrogant and courageous. It was a long shot even if, as is probable, they had agreed only on short-term strategy: having done no more about consumer research than their London counterparts, they must surely have been gambling on such factors as a resumption of speculative buying and the settlement of South Africa's dispute with the United States (under which, to date, with minor exceptions, South Africa has been unable to use its gold in transactions with the IMF and central banks at the old price of $35). In this they were sorely disappointed.

The upshot is that bankers in general have abandoned the attempt to assert their mastery over the gold market. As with commodity markets the world over, the major producers (in this case the South Africans) have little choice but to carry the costs of management—as to rationing supply, as to establishing who the customers are, and (which has yet to be seen) as to promoting their product. It is neither a bankers' market, nor a free market.

Circumstances could change. Adopting the projections of Consolidated Gold Fields, a few years of rising demand and dwindling supply could restore the markets and the bullion dealers to their former glory. That might equally well be achieved, though more drastically, if declining prices caused a shake-out of dispirited hoarders and returned gold to its floor. Life has been full of surprises for the bullion dealers. It is little wonder that in celebrating, this year, the fiftieth anniversary of the daily London "fixing," they have been anything but despondent.

## THE GREEK TRAGEDY

## HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. FRASER. Mr. Speaker, on November 18 I placed in the RECORD two articles detailing the attempts of the ruling colonels to stifle the Greek press. Another aspect of the colonels' campaign was reported on November 26, 1969, in the New York Times. The article follows:

GREEK PROVINCIAL POLICE BAN SOME ATHENS PAPERS

ATHENS, November 25—Most of the daily newspapers of Athens were prevented today from circulating in north and central Greece.

The ban was apparently imposed by local security police Greece's military-backed government, which recently issued a new law attesting to "freedom of the press," had no official comment.

For the last six weeks, newspaper publishers and distributors have reported police obstruction in the provincial sales of Athens newspapers not actively friendly toward the Government.

It began with ban on the sale of specific issues of national newspapers. On an apparently haphazard basis, newspaper distributors in some provincial towns were ordered to ration the sales of Athens newspapers that did not support the regime. This was later changed to a system of quotas sometimes representing 20 percent of the newspapers' normal sales.

Today's measures were enforced differently and more drastically. Technically no newspapers were seized and no quotas were set. The police visited news vendors in the Thessaly area of central Greece and ordered that the bundles of all but three Athens dailies were to be returned unopened to the publishers. The sale of newspapers friendly to the regime, Eleftheros Kosmos, Nea Politeia and Vradyni, was permitted.

The battle between the Government and the press started soon after Premier George Papadopoulos abolished preventive censorship on newspapers on Oct. 3.

The press reacted cautiously but with wit. There were cartoons ridiculing the Portuguese elections or of Spain that were easily translated by readers into comment on Greece.

Headlines were often calculated to irritate the Government, and two Athens dailies published series on the attempt of exiled King Constantine to topple the military-imposed regime.

Athens publishers were called in by Government officials and told to mend their ways. But officially the Government denied any attempt to harass the press.

Deputy Premier Stylianos Patakos said early this month: "What has happened is that readers are so disgusted with what newspapers print that they naturally refuse to buy them."

Under the new press law, which goes into effect Jan. 1, any interference with newspaper distribution not authorized by judicial authorities is punishable by a minimum three-month prison term.

Nothing has been more characteristic of the junta than their attempt to end the free press in Greece unless it is the colonels' periodic announcements of reform timetables. The latest was reported by the Times on November 24. The following day an excellent editorial put the latest "reform" in its proper perspective:

GREECE REPORTS TIMETABLE FOR REFORM

ATHENS, November 23.—Greece's military-backed Government said today that it had set a firm timetable for the restoration of representative government, which was abolished in a coup d'état 31 months ago.

This assurance was given by Foreign Minister Panayotis Pipinelis in an article published today in the Athens newspaper Acropolis. In the article, which did not disclose any dates, Mr. Pipinelis said:

"I can assure the Greek people that the actual Government under its present leadership is in a position to carry out unfailingly the program for a phased application of the whole Constitution within a predetermined time limit. Then the Greeks will be called upon to express their opinion on its accomplishments, in order to consolidate them or even smash them if so they wish."

The Foreign Minister's statement marked a step forward from earlier vague declarations that full constitutional rule would be restored "only when the revolution's goals have been accomplished." One of these goals is the civic re-education of the Greeks, which could last a generation.

ALLIES PRESSING GREECE

Most civil and political liberties of the Greeks have been in abeyance since the army coup in April, 1967.

Greece's Western allies have been pressing the leaders to commit themselves to a timetable for evolution toward democracy. The United States even "selectively suspended" military aid to Greece as leverage for political changes.

The Greek leaders have so far resisted this pressure on the ground that they alone "shall determine when the time is ripe for democratic evolution, bearing in mind the interests of the Greek people."

Mr. Pipinelis's statement that a timetable does exist comes at a time when most of Greece's allies and friends are reviewing their attitudes toward the Greek Government in view of the slow progress toward a return to democratic government.

A crucial decision is expected in Paris Dec. 12 when the 18 foreign minister of the Council of Europe meet to consider the motion to oust Greece for suspending democratic freedoms and parliamentary rule.

Earlier efforts to avert an ouster, by inducing Athens to pledge itself to an irrevocable timetable for democratization, failed last September when the three-phase program submitted by the Greek Government, covering the period to the end of 1970, fell short of promising either the lifting of martial law or the holdings of free elections.

CHANGE IN ATTITUDE IMPLIED

Mr. Pipinelis's statement implied a change of attitude. If a guaranteed timetable leading to elections were announced. Greece's explusion from the Council of Europe might be averted.

The Scandinavian countries, Belgium and the Netherlands which have led the movement to expel Greece, were joined this week by Britain. Britain made it clear that unless definite proof of good faith were produced by Athens at once Britain would support the ouster movement.

GREEK'S PREDICTABLE JUNTA

One thing can be said about the Greek junta: Its international political maneuvers are entirely predictable. It invariably begins to make noises about restoring freedoms or returning Greece to representative rule when it is facing the threat of international censure or condemnation.

Thus, almost on the eve of the meeting of Atlantic Alliance ministers in Washington last April, Colonel Papadopoulos proclaimed "restoration" of three articles of the 1968 Constitution relating to civil liberties. With this meaningless gesture he was trying to head off a threat of NATO action against Greece.

And thus, with a move to expel Greece from the Council of Europe coming up at the meeting of foreign ministers next month, Foreign Minister Pipinelis discloses that the junta has a definite timetable for elections and a return to representative government. Mr. Pipinelis gives no dates—just assurances that the regime will apply the Constitution in phases "within a predetermined time limit," and that the Greeks will then be given the opportunity "to express their opinion on its accomplishments." They can vote to consolidate those accomplishments "or even smash them if they so wish."

Mr. Pipinelis at seventy is a pathetic figure: the only political leader of any prominence to serve the colonels since King Constantine's abortive countercoup of 1967; the only political name the junta has been able to flaunt abroad in the vain attempt to garner respectability.

Mr. Pipinelis is the foreign minister in name only, as he certainly discovered long ago; and not even he can really believe that Papadopoulos, Patakos and Company have a timetable for legitimate elections or any intention of submitting themselves to a free judgment of the Greek people.

Finally, the European Commission for Human Rights has concluded its study of the Greek regime. They reportedly have found that torture and ill-treatment are "an administrative practice" that is "officially tolerated." Those who defend the colonels' government should carefully consider this report and the effort which will be made later this month to expel Greece from the Council of Europe.

At this point I include in the RECORD news reports of these developments:

INQUIRY ON GREECE REPORTS TORTURES: EUROPE COUNCIL STUDY ALSO FINDS MANY FUNDAMENTAL RIGHTS ARE BEING DENIED

(By Alvin Shuster)

LONDON, November 28.—The European Commission for Human Rights has concluded that Greece's military-backed Government allowed torture of political prisoners and denied many fundamental human rights.

Its 1,200-page report, the result of more than two years of investigation, found that torture and ill-treatment were "an administrative practice" that was "officially tolerated." It charged that Greek authorities had taken no effective steps to stop the practices.

The commission, an agency of the 18-nation Council of Europe, also found that, contrary to contentions of the Greek regime, there was no danger of a Communist takeover at the time the army colonels seized power on April 21, 1967, and imposed martial law, still in effect.

"There is evidence indicating that it [a Communist takeover] was neither planned at that time nor seriously anticipated by either the military or police authorities," the commission said.

Its still-confidential report, in four volumes, is likely to bolster the case of govern-

ments that will push for the expulsion of Greece when the ministers of the Council of Europe meet in Paris on Dec. 12. The council has postponed action awaiting the commission's findings, which have now been submitted to the member nations.

Apart from the blow to Athens' prestige, expulsion from the Council would also mean removal of Greece from the Parliament of Europe, which sits in Strasbourg and prepares social and economic programs for its members.

BRITAIN TO BACK EXPULSION

Britain has decided to vote against the regime at the meeting and is trying to influence others to do so. The United States, although not a member of the council, has indicated concern about Greece's expulsion, fearing, in part, that it might lead to pressure to expel her from the North Atlantic Treaty Organization as well.

Some United States officials also worry that such council action might lead the colonels, out of pique, to withdraw from participation in NATO.

Greek leaders have sought to give the impression of movement toward democracy. They are expected to defend themselves at next month's meeting by citing steps they have taken, including recent talk of a still-vague timetable for the restoration of representative government.

But the regime will be presenting its arguments against the background of the most detailed and official condemnation of its actions yet. The report represents the efforts of lawyers who took hundreds of hours of testimony and even traveled to Greece for on-the-scene investigation. Some have called their work the weightiest international legal inquiry since the Nuremberg trial of war criminals after World War II.

Technically, the council cannot take any steps on the basis of the report until three months after its submission. But such countries as Britain, Norway, Sweden and Denmark believe there are sufficient grounds for action now anyway.

CHARTER VIOLATION CHARGED

The conclusions—that the use of torture had been established "beyond doubt," that human freedoms are violated and that no Communist threat existed at the time of the coup—go to the heart of the case. The report concludes that the Greek regime has thus violated the conditions of membership, in particular Article 3.

That article in the charter of the council, founded 20 years ago, states that members "must accept the principles of the rule of law and of the enjoyment by all persons within its jurisdiction of human rights and fundamental freedoms."

Such rights may be suspended under the charter in "time of peril or other public emergency threatening the life of the nation," but the commission found that these conditions did not exist at the time of the coup.

The report said that while there was a period of "political instability and tension" in Greece, this did not constitute a "public emergency." While there were demonstrations in the streets, it said, the situation did "not differ markedly from that in many other countries in Europe."

It also rejected the Greek Government's argument that continued suspension of rights was necessary because of bomb incidents and the growth of "illegal organizations."

"The commission does not find, on the evidence before it," it said, "that either factor is beyond the control of the public authorities using normal measures, or that they are on a scale threatening the life of the Greek nation."

CONFRONTED GREEK AUTHORITIES

The report said that competent Greek authorities, "confronted with numerous and substantial complaints and allegations of torture and ill-treatment," failed to take any effective steps to investigate them or to insure remedies for "any such complaints or allegations found to be true."

Moreover, the report said that Greeks were being denied such fundamental rights as freedom of expression, association, a fair trial, and free elections at regular intervals, such rights, it noted, are required under the council's charter.

The report, prepared by a subcommission of the Human Rights Commission, was adopted by the parent group earlier this month. It was submitted to the member countries nine days ago.

The council, primarily an advisory organization, was organized to further political, social and economic unity of Europe. Its other members are Austria, Belgium, Cyprus, France, West Germany, Iceland, Ireland, Italy, Luxembourg, Malta, the Netherlands, Switzerland and Turkey.

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GREECE: TROUBLE AHEAD FOR THE COLONELS

LONDON.—The regime of the colonels in Greece will shortly face one its more difficult diplomatic tests since the 1967 coup that brought it to power. The Council of Europe, meeting in Paris a week from this Friday, will consider suspending Greece from membership because of her undemocratic military government. The expectation here is that the council will vote for the suspension.

The move against Greece has more than the usual potential of mere name-calling motions in international organization. This action might have a real political effect in Greece. And it is also noteworthy because it has aroused a rare difference of diplomatic opinion between Britain and the United States.

Britain is going to vote against the colonels, and the Foreign Office is playing a leading part in trying to persuade others among the 18 council members to do so. The United States, which is not a member of the Council of Europe, has indicated to its European allies its uneasiness over the British move.

The American concern is with Greece's position in the North Atlantic Treaty Organization. The growing number of Soviet ships in the Mediterranean, the coup in Libya and the unending Arab-Israeli tension have all intensified the view in Washington that Greece is vital as a military ally.

U.S. MILITARY AID

American military assistance, which was cut off after the colonels' revolution in 1967, was resumed in part after the Soviet invasion of Czechoslovakia last year. Some aircraft, minesweepers and other items especially useful for NATO support are now going to Greece. And the United States again has an ambassador in Athens.

What worries American officials is that the colonels, in pique at a slap from the Council of Europe, might suspend Greek participation in NATO's operations on the southern flank of Europe. Diplomats here report that various Greek sources have been voicing threats of that kind in an effort to prevent an adverse council vote.

British officials are skeptical at the notion of Greece's withdrawing from NATO in pique. They argue that the Athens regime needs NATO more than the alliance needs it—especially because the colonels depend for their power on support from the army, which greatly values the NATO role.

European sentiment against the colonels will doubtless be further stirred by a report of the European Human Rights Commission. A massive study of repression under the military regime, in four volumes, it began leaking out here over this weekend. The study concludes that the regime has made a practice of using torture and has denied most of the fundamental rights of man—of expression, association, fair trial and free elections.

The charter of the Council of Europe, an advisory body created in 1949, says that members "must accept the principles of the rule of law and of the enjoyment of human rights and fundamental freedoms." It is because the council has that political basis that Michael Stewart, the British Foreign Secretary, has insisted on dealing with Greece.

At the last meeting of the Committee of Ministers, in May, Greece was in effect put on probation. A resolution warned that she would be suspended unless the Government took steps to restore democracy and the rule of law.

British officials see no sign that the colonels have rule since then. No date has been set for any elections. The press is still gagged. The colonels dismissed the President of their Council of State last summer when he found that they had gone beyond their powers in acting against some judges; for good measure the colonels exiled the lawyers who had handled the case.

American diplomats say the United States has persistently urged the colonels to get the country back to representative democracy. But the United States is plainly reluctant to apply direct pressure.

One American worry is that successful action against Greece in the Council of Europe would lead to demands for her expulsion from NATO. The British argue that NATO's purpose is altogether different. They also say that failure to do anything in the Council of Europe might bring pressure in three NATO countries—Norway, Denmark and the Netherlands—for a move against Greece in NATO.

The members of the Council of Europe are Austria, Belgium, Britain, Cyprus, Denmark, France, West Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Malta, the Netherlands, Norway, Sweden, Switzerland and Turkey. At least 10 of the 18 must vote for expulsion for the motion to prevail.

The council's purpose is to further the political, economic and social unity of Europe. It has sponsored a large number of treaties on legal, social and practical communications questions. One of the treaties is the European Human Rights Convention, which is accepted by many European states and has a court to enforce its provisions.

Exclusion from the council would bother the Greek regime primarily as a symbol—a blow to the prestige that the colonels have carefully tried to foster. Loss of council membership would also deprive Greece of her seats in the Parliament of Europe, which sits in Strasbourg and acts as an advisory legislative body for Europe.

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## DR. WILLIAM MASON, OF TRUESDALE HOSPITAL

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## HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Friday, December 5, 1969*

Mrs. HECKLER of Massachusetts. Mr. Speaker, few human relationships are nobler and more endearing than that of the physician and the families he serves. In this day of the medical specialist, however, the traditional family physician has become a vanishing breed.

It is fitting, therefore, to pay high tribute to a man like Dr. William Mason, of Truesdale Hospital, in Fall River, Mass. He typifies the traditional family physician. I think for many of us this article, which I am inserting in the RECORD, will bring back "memories that bless and burn" of our own family doctors.

In his years as a family physician, Dr. Mason has earned the love and respect of innumerable families in Fall River and throughout my district. I know him personally as a delightful individual and as a great humanitarian. His "joy" in his relationship with his patients is the quality of a family physician most frequently cited by the author of this moving article. It is also the attributes which has made Dr. Mason so successful in his field.

I feel certain that many will enjoy the article from the Spectator, of Somerset, Mass., which reads as follows:

[From the Somerset (Mass.) Spectator, Nov. 13, 1969]

A POIGNANTLY, BEAUTIFUL MEMORY

(By Ruth Howland)

Many of you, my older readers, I know, will enjoy these memories and I am sure you have your own lovely remembrance of the same man—Dr. William Mason, of Truesdale Hospital.

A recent, brief visit there, when he popped in one morning to see me, brought back many of the "memories that bless and burn". Dr. Mason was for years our family physician and although not an old country doctor, still had many of the qualities of those dear people.

The especially lovely and sometimes sad memories were of his care of my dear mother even to her last breath, at 88. She as I have written before, was a pretty, little woman and always extremely clothes conscious. When she was due for a visit to Dr. Mason, she would primp and polish as if she were a young girl going out with her beau. He always repaid that and it was a delight to see them together. He would help her up onto the examining table, and then stand back in admiration as if she was of his own creation. "Now, I ask you. Did you ever see a prettier little woman for her age, in fact for any age?" Mother would blush and almost simper; while our hearts were warmed by his sincere joy in her and we would grin, on the side, that "she still kept the tilt to her kilt".

Until the last few weeks of her life, although she had to give up many of the joys—her church work, Sunday School teaching, even attendance at church and as a diabetic the sweets which she loved, she never complained. Her Bible was her constant companion and she was a truly devout Christian woman, in word and deed.

Finally, about two months before her death, she was in Truesdale and had a completely paralyzing shock, which left her in a coma. Jessie and I were both teaching in Taunton and it was late before we could get down to the hospital. Dr. Mason said "Try it. Come in and see what her reaction is." She did not know us and was in a coma most of the time. After our visit, Dr. Mason called to say "Keep away. She cried all night after you were here. So just leave her in peace."

You have no idea how difficult that was, because for several years she had been "our baby" physically and we had a guilty feeling. But we had also the relief of knowing that our good Dr. Mason was in, morning and night to see her. Unless you have lived through such a situation, you cannot know how wonderful it was to be assured that he was watching her in his loving way!

I have several newer friends among the Truesdale doctors—but I think that the roots of my love of my mother and his joy in her, still leave him top place!

When he dropped in to see me the other morning, I began to relive those days and the bitterness of losing her was somewhat alleviated by the memory of their reaction to each other when she went for an office call. We love him, as I know many of you do. Somehow, although I never called him "Bill"—I was reminded of the old song—was it of Ethel Merman's?—I can't recall all the words, but part of them so perfectly describe him "He's just an ordinary kind of guy, but he's just my Bill". To those of you who have reason to feel the same way, doesn't it describe him as perfectly as any words can?

## STATEMENT ON MORATORIUM

### HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. BROYHILL of Virginia. Mr. Speaker, under consent to extend my remarks I would like to call your attention to a statement made by Charles Majer, member of the Fairfax County Board of Supervisors, on Wednesday, October 15, 1969, the date of the first moratorium demonstration in Washington, D.C. The first two resolutions presented by Mr. Majer were adopted unanimously by the board of supervisors and the third suggestion was adopted with one dissenting vote.

The statement follows:

STATEMENT OF CHARLES MAJER AT BOARD MEETING, OCTOBER 15, 1969

I hesitate to involve this Board in a matter which is essentially national, but today has been designated as a moratorium day on the war in Viet Nam. I am not sure what this so-called Moratorium is designed to do. It can be either good or bad, and I would guess that there are many, many groups involved in it that hold widely varying motives.

If it is to renew a dedication in this country to peace, with honor, good—if it is to give support and encouragement to our President and the Government to continue seeking and striving for peace and the end of the Viet Nam conflict, fine—if it is to express support for the job being done by our fighting men in Viet Nam, and to express our appreciation and gratitude for the personal sacrifices which they and their families are making, excellent—but if the effect is to give aid and comfort to the enemy in Hanoi, it is reprehensible. When I read that the North Vietnamese government in Hanoi has strongly endorsed this moratorium today, and when I further see that one of the principal sponsors of the activities has been the outspokenly pro-Viet Nam Students for a Democratic Society, and other equally militant organizations, I am, to say the very least, suspect of the results.

Certainly objective discussions of the whys and wherefores of the Viet Nam war together with collective thinking seeking means to end the war can be useful. However, demonstrations for the purpose of demonstrating are useless. Surely no intelligent people are naive enough to believe that our government is unaware of the public sentiment on this matter, or that delicate international policy and negotiations can be conducted on the basis of street rallies.

However, if we can impress on Hanoi that the means to the end of the conflict lies with good-faith negotiation and not unilateral demands, I believe a really constructive purpose to the events of today will be accomplished. But if Hanoi interprets the events of today as weakness or sympathy to the enemy, then I can see only further delays in peace.

I would, therefore, like to suggest that this Board express our support and heartfelt thanks and appreciation to the American military in Viet Nam and to their families. Secondly, I would like this Board to express our support to the President of the United States for his efforts to end the war in Viet Nam, and urge him to continue to vigorously seek the peace which we all want. Finally, I think this Board should request all those groups within this County holding activities and functions today to direct their criticisms to the apparent complete lack of willingness on the part of the enemy to negotiate in good faith and not to the vigorous efforts being made to end the war by our Government.

And I so move, Mr. Chairman.

## SCOTLAND COMMUNITY OF ROCKVILLE, MD., WINNER OF LANE BRYANT VOLUNTEER 1969 AWARD

### HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. GUDE. Mr. Speaker, since 1948 Lane Bryant awards have been made annually to carefully selected groups and individuals representing the unsung hero of the unique American phenomenon—voluntaryism. The Lane Bryant Awards were conceived to recognize those who were trying to help make things better without thought of reward or recognition.

It is encouraging that both public and private sectors today participate so actively to provide a climate in which this voluntary action can achieve much notable success. The spirit and interest is so well described in the Lane Bryant Award statement of 1969, as follows:

THE LANE BRYANT VOLUNTEER AWARDS

The historic flight of Apollo 11 has given a whole new meaning to the word impossible. That which for so many centuries stood as a symbol of the unattainable now is a shining beacon of man's potential for achievement. And, while illuminating the magnificent heights to which man can aspire, the very success of the moon landing cast a harsh glare on the so-called impossible tasks we still face here on earth.

The Age of the Moon must give way to the Age of Man as the world faces its mounting social ills. Through the centuries, man has efficiently and successfully sought out physical boundaries to conquer. Now he must apply the same determination in seeking out the answers to some of the most compelling questions he has ever faced: how to rebuild decaying cities, feed the hungry, curb overpopulation, restore the purity of the atmosphere and the waters, heal the sick, revise crumbling educational systems, and initiate learning where there has been none. The list is long; the task is great.

For many quiet Americans around the world and in the United States, these *impossible* conditions do not present a new challenge, but rather a rededication to solving problems they have been successfully battling for years. It is these Americans that the Lane Bryant Volunteer Awards have sought out and honored from their inception in 1948.

In reading about the work of the winners and finalists, an important common denominator emerges—self help through mutual involvement. True, each provided aid and support to those in need. But, wherever possible, they have gone a step further . . . they taught others how to begin working toward their own support and a life of self-reliance and dignity.

The purpose of the Lane Bryant Volunteer Awards is to bring this work to the public attention—not to "whitewash" social ills, but to highlight them and the positive action combatting them. Raphael Malsin, founder of the Volunteer Awards, said of them: "They serve as a kind of x-ray into the inner workings of our society. They illuminate the trouble spots, they highlight the symptoms, they show us the best and the worst. They are a kind of laboratory where we can see healing ideas being tested. They are a tribute to the power of individuals, the best kind of individuals."

The 1969 Volunteer Awards are a tribute to those who would not—could not—be thwarted by the *impossible.*

The 1969 Lane Bryant Awards being made here in Washington today, I am pleased to say, are honoring as the top group award winner, Scotland Community Development, Inc., of Montgomery County, Md. The Scotland community in its recent history exemplifies the power of "individuals, the very best kind of individuals who would not—could not—be thwarted by the impossible."

Mr. Speaker, I would like to share with my colleagues the following description of the 1969 group award as presented in today's Lane Bryant Volunteer Awards:

Ramshackle houses on rutted dirt roads, surrounded by junked cars, mountains of rubbish and other debris of poverty. Shanties without indoor plumbing, running water, electricity, modern heat or trash removal. Crumbling homes. Helpless squalor. This was the community of Scotland in Montgomery County, Maryland.

An enclave of 50 Negro families whose median income of $80 a week had to be stretched to cover the expenses of families of six, seven, eight or more. These were the residents of Scotland.

A fast-growing, progressive county, where affluent white suburbanites enjoy lovely park lands, expensive new homes and one of the highest median incomes in the nation. This is the rest of Montgomery County.

Since the turn of the century, the residents of Scotland, mainly descendants of slaves, heeded the advice of their ancestors and held onto their land even when they had nothing else. But, in 1965, the roots of their rural community were severely strained by land speculators who sought acreage to house Washington's upper middle class. The future was indeed bleak for Scotland's citizens, who had no resources for relocation. The Save Our Scotland (SOS) Committee was set up by county, civic and church leaders, as well as some sympathetic Bethesda neighbors, to investigate avenues of action for the area. SOS moved the county to repair the town well and extend water and sewer services to the local church, and organized an ambitious clean-up campaign. As the community began to take on more and more responsibility for itself, the Scotland Community Development Corporation (SCDC) was formed.

The basic concept behind SCDC was that the local residents pool their combined land holdings, sell some of them, and build new housing on the remaining acreage. Then began the tortuous process of titlesearching. Volunteers uncovered extremely complicated systems of ownership, to the extent where one resident was found to own 1/108 of his quarter acre plot. As the process of land buying progressed, model communities were designed, with the main requirements drawn by Scotland's citizens to conform with their own life-styles. An example is the inclusion of front porches on the townhouses, a rarity today. The final result is a plan which includes six basic types of townhouses, ranging in size from two to five bedrooms.

With the aid of a Housing and Urban Development (HUD) grant of $78,400, the 100 units are now being completed. As they become ready, families will take possession, and their old shacks will be demolished, thus avoiding the trauma of forced relocation. Seventy-five of the units will be low rental, the others will be for sale through the life insurance industry's billion dollar housing fund.

Residents who owned land in Scotland have traded it for equity in housing. Others, such as Melvin Crawford, president of the SCDC, can gain equity in their homes through their own labor. Mr. Crawford, a maintenance man with a wife and seven children, spent 42 years in a "dilapidated four room house not fit to live in." He and his family have chosen their new three bedroom home in the development—with available room for expansion.

Along with the task of building new homes, the SCDC has accomplished many other goals. Anticipating some of the problems of the first year of residence, they held a benefit which raised over $8,000 to hire a full-time social worker. They have instituted such services as tutorials, community newsletters, emergency legal help and a highly successful furniture drive. The Scotland Teen Health and Beauty Workshop, instituted this past year, offers girls a variety of activities dealing with fashion, dieting, cosmetics, creative exercise and modeling. A "mod fashion tour of Georgetown" and a tea with informal modeling are highlights of their activities to date.

The Scotland Community Development, Inc. saw a problem, studied it, and went into action. Using their own resources, hundreds of people from diverse backgrounds worked together to create in Scotland a climate of opportunity in which individuals can become economically and socially viable citizens—all within the familiar and comfortable surroundings of Montgomery County. *This* is the Scotland of today . . . and tomorrow.

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## ARTHUR F. BURNS SPEAKS ON HOW TO END INFLATION

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### HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. COLLINS. Mr. Speaker, a few months ago I talked with a leading publisher in New York City. He described himself as a liberal on social matters and a conservative on fiscal responsibility.

When I asked his advice on congressional policy, he said:

This Country will be in great shape if they have the courage in Congress to follow Arthur Burns' policies.

Burns just made a speech in New York City that lays it on the line.

I recall the word "courage," because Congress is called on to vote for the good of the country—and not on a political voter appeal basis. Burns stresses the need for expenditure reform and realistic fiscal commitments on social problems. Burns also made the suggestion of an over-all ceiling on total appropriation spending for the year.

Here is a full text of the speech by Arthur F. Burns:

THE CONTROL OF GOVERNMENT EXPENDITURES

This year the Congress has devoted a great deal of attention to tax legislation. Besides aiding the fight against inflation by extending the income tax surcharge temporarily, the Congress has been heavily engaged in writing a tax reform bill that is of major significance to the American public. If the bill survives in something like its present form, some troublesome inequities under existing law will finally be corrected. However, the relative tax burden borne by individuals and corporations will also be changed, with corporate income tax liabilities gradually going up about 5 billion dollars by 1975 and individual income taxes coming down 12 billion dollars.

This projected shift in the tax structure will favor consumption at the expense of capital formation. Such a development will be useful in the short run by helping to cool off the business investment boom that is still under way, but it may damage prospects for the long-term growth of our economy. We surely cannot afford to take capital formation or economic progress for granted. If our economy is to grow and prosper in the future, as it both can and should, business enterprise may well need the stimulation of an improving tax climate.

In recent times, our nation has moved rapidly towards the welfare state, such as various European countries previously developed. Unlike these countries, however, we also devote an enormous part of our resources to meeting the needs of an intricate and far-flung defense system. Thus far, the prodigious productivity of American industry has made it possible to finance liberally both our defense needs and the social services of government. But in order to continue to support the growing scale of our public consumption without doing injury to private consumption, the productivity of our factories, mines, farms, construction enterprises, and service trades may have to improve more rapidly than in the past. This will not be accomplished without substantial and increasing investment in new and better tools of production. The projected shift in the structure of taxation therefore seems undesirable to me, and I trust that the President's Task Force on Business Taxation will soon point the way to a better balance in our tax system.

I do not know at precisely what point the burden of taxation will materially serve to check our nation's economic progress, but I also do not think it wise to test this issue too closely. The trend of governmental spending and taxes in the past forty years has been sharply and inexorably upward. In 1929, government expenditures at the Federal, state, and local levels amounted to about 10 percent of the dollar value of the nation's production. This fraction rose to about 20 percent in 1940, to about 30 percent in 1960, and to about 35 percent this year. The broad trend of taxation has been very similar. With over a third of our nation's output already moving into the hands of the tax collector, it seems hardly prudent to contemplate any further increase in the level of taxation. And yet, unless we bring government expenditures under better control than we yet have, the modest over-all reduction of tax rates that the tax reform bill projects will prove abortive and further increases in the level of taxation may become unavoidable.

As our nation's economy has grown and as our political democracy has widened, the responsibilities assumed by government have kept increasing. In fiscal year 1962, the rising curve of Federal expenditures first crossed the 100 billion dollar mark. It now appears likely that the 200 billion dollar mark will be crossed the next fiscal year; so that we will be adding as much to the Federal spending rate in a mere nine years as it took nearly two centuries to achieve previously.

The explosive increase of Federal spending during this decade is commonly attributed to the defense establishment, or more simply to the war in Vietnam. The fact is, however,

that civilian programs are the preponderant cause of the growth of the Federal budget. When we compare the budget of 1964 with the estimates for this fiscal year, we find that total Federal spending shows a rise of 74 billion dollars, when defense outlays are larger by only 23 billions. If we go back to 1953, when the Korean war ended, and take into account state and local expenditures as well as Federal, we find that defense outlays have been responsible for only about one-sixth of the vast increase in the cost of government that has occurred since then.

Thus, the basic fiscal fact is that spending for social programs now dominates our public budgets. Although the Federal government's direct involvement in problems of social welfare is a recent development, it is already huge and is growing at a fast rate. This fiscal year, programs for education, manpower, health, income security, housing, community development, and crime prevention will cost over 80 billion dollars—a sum that exceeds all the spending done by the Federal government in the peak year of the Korean war. Federal aid to the poor will alone cost 27 billion dollars this year, in contrast to 12 billion in 1964. Grants in aid to states and localities will cost about 25 billion dollars, in contrast to 15 billion in 1967, 10 billion in 1964, and 5 billion in 1958.

This upsurge of Federal spending is a response to the economic and social difficulties that afflict many of our communities—witness the slums, ghettoes, racial strife, poor public schools, teenage unemployment, drug addiction, poor health, student disorders, inadequate transportation, traffic congestion, air and water pollution, and unsafe streets and parks. The Federal government has tried to solve these complex problems by spending large sums of money on projects that have often been hastily devised. Hundreds of grant-in-aid programs dealing with health, education, welfare, and other local needs were established in quick succession. Several regional commissions were established to seek better balance in economic development and social improvement. An Economic Development Administration was established to aid local communities, both urban and rural, that suffer from excessive unemployment or inadequate incomes. More recently, a Model Cities Program was established, aspiring to achieve what our best city planners can contrive. By proceeding in all these directions, we have created a costly governmental maze that involves much duplication and waste, that often hampers the constructive efforts of local officials, and—perhaps worst of all—that practically defies full understanding or evaluation.

Nowadays, many local government officials, instead of grappling with the most urgent needs of their communities, devote their finest energy to maximizing and husbanding the Federal grants that happen to be available. With over 600 categorical programs of Federal aid to choose from, there is plenty to keep them busy. Many of the programs involve tedious procedural steps extending over a number of months before a community can learn whether Federal funds are to be granted for its proposed project. Each program is equipped with its own set of administrative requirements involving endless forms and reports. If a local official attempts to draw upon several funding sources to help finance a neighborhood project, he may be confronted with a mass of complex application forms weighing several pounds, with Federal processing steps that may take well over a year to elicit a "yes" or "no" response, and with stringent requirements for hundreds of detailed reports. Further, this official will usually have to work with Federal representatives scattered in a number of different cities in order to arrange the project.

I am informed by the Bureau of the Budget that one Federal program requires over a hundred different kinds of forms and reports; that a grant involving $1,000 may require over 30 major Federal agency steps, including review by a 15-man advisory committee and headquarters approval; that a department of one state has counted 120 different reports that it is required to submit to a particular Federal agency, many of them on a monthly or quarterly basis; and that there are numerous instances in which Federal, state, and local governments make independent studies of the same community without one agency knowing what the other is doing or having an opportunity to share in the results of the other studies. The mere listing of all Federal requirements imposed on states and communities would be so voluminous that it has never been done.

As a result of this administrative morass, various Federal programs are half smothered in paper. Employees at all levels of government are required to devote time to detailed paper work which would be better devoted to rethinking program objectives or assessing the extent to which present objectives are being met. More important, help may not reach the people who need it until months—sometimes years—after it should, with much of the money meanwhile siphoned off by the bureaucracy. To give only a few outstanding examples, neither the achievements of the compensatory education program, nor of the urban renewal and slum clearance programs, nor of the public assistance programs have come very close to the expectations of our lawmakers.

In view of the explosive growth of Federal spending and the ineffectiveness or inefficiency of much of it, I am inclined to think that the need for expenditure reform may be even greater than the need for tax reform. One of the advantages of a new Administration is that it can move with energy to change the direction of governmental policy. President Nixon responded to this opportunity by taking major steps to win control over Federal spending. Needless to say, the rapid rise of the consumer price level has been the most troublesome economic problem facing the nation this year. In view of the inflationary pressures in our markets for goods and services, it was clearly important that the Federal government curb its spending beyond the earnest move to frugality that the previous Administration made in its closing days. In all, reductions of 7½ billion dollars from the January budget were therefore ordered by the President for this fiscal year. These reductions were widely distributed among government agencies, with 4.1 billion allocated to the Defense Department and 3.4 billion to the rest of the government. Moreover, when Congress later passed or considered legislation that foreshadowed an expenditure total well above the revised budget of $192.9 billion that the President had submitted, he firmly announced that he would try his utmost to see to it that Federal finances continue to be subject to the ceiling that he had imposed. Later in the year, in order to deal with the special problem of runaway construction costs, the President ordered a cutback of 75 percent in Federal construction contracts.

Administrative steps were also taken by the President to achieve greater efficiency in government spending. In March a carefully planned effort to cut red tape got under way. As a first step, the several agencies most closely concerned with human resources were directed to adopt common regional boundaries and to locate their regional offices in the same cities. Further, a review was started of the several hundred Federal assistance programs, with the objective of simplifying procedure, cutting down on the paper work, and shifting responsibilities to the field so that decisions could be made both more expeditiously and by officials who are in closer touch with the local problems.

The Administration has also sought legislation to correct the deficiencies of the grant-in-aid programs. In order to give local officials greater flexibility to meet their priority needs, the President has requested authority to consolidate existing grant-in-aid categories, subject to a Congressional veto within 60 days. Moreover, as legislation has moved through the Congress, the Administration has been alert to the opportunity of converting narrow categorical grants into block grants for broad functional areas. In line with this policy, proposals for grant consolidation were advanced in connection with legislation on hospital construction, on elementary and secondary school education, and on manpower training services, as well as through the appropriation route.

But by far the most important as well as the most dramatic step that the President has taken to reform expenditure policy is his proposal to the Congress to inaugurate a system of revenue sharing. This proposal marks a milestone in Federal-State relations. It seeks to decentralize governmental power. It seeks to restore the balance that existed in earlier decades between the state capitals and the national capital. Or to be more precise, while it seeks to extend additional Federal assistance to state and local governments, it insists that this be done in a manner that will enable local officials to attend to urgent problems within their own jurisdictions as they deem best, without being subjected to rigid Federal controls or requirements.

The leading features of the Administration's revenue sharing proposal are as follows: First, in view of budgetary constraints, the revenue sharing fund will be limited in fiscal 1971 to a half billion dollars, but will subsequently grow fairly rapidly and reach 5 billion dolars by the mid-seventies. Second, the distribution of the fund among the states will be based on a simple formula that assigns primary weight to population, but also gives some weight to tax effort. Third, the distribution within each state between the state government and the localities will be likewise based on a formula, so that each unit of government within a state will be assured a share that is proportionate to its own tax revenues. Fourth, no restriction will be placed on the use of the funds made available by the Federal government; in other words, each state, county, city, or town will rely on its own judgment and use the money for education, health services, parks, law enforcement, or some other way, as it deems best.

The precise details of this revenue sharing plan grew out of detailed discussions among members of the Administration, Congressmen, Governors, Mayors, and county officials. In the course of these discussions the argument was sometimes encountered that revenue sharing may lead to fiscal irresponsibility, since local officials may be careless in using funds that they did not have to raise from their own constituents. This argument cannot be dismissed. It might in fact be decisive if the practical choice were between levying local taxes or Federal taxes. By all indications, however, Federal financial assistance to the states and localities will continue to grow, and the only real question is whether Federal grants will lead to more or to less centralized control. In taking a definite stand for decentralization, the Administration has enunciated a policy whose wisdom is now widely recognized by liberals as well as conservatives within our two major political parties.

As a result of the careful preparation of the Administration's revenue sharing plan, it has already won the general approval of the Governors Conference and also of the leading national organizations of mayors and county officials. The Administration's own thinking on the subject is not rigid, and it will entertain any reasonable proposal for

change that would facilitate Congressional approval. In particular, the Administration would welcome an enlargement of the projected revenue sharing fund, provided categorical grants were correspondingly curtailed. If that happened, revenue sharing would grow more rapidly than presently contemplated, and the decentralization of government—which has become so vital to order and efficiency in the public economy—would be speeded.

This sketch of recent progress toward Federal expenditure reform should be reassuring to responsible citizens, but it certainly leaves no room for complacency. Much of the needed legislation has yet to be passed. Many of the administrative improvements are still in an early stage and remain to be tested. The ceiling of $192.9 billion on this year's expenditure is not entirely secure. True, the curve of Federal spending is now rising at a much slower pace than in recent years, but the improvement would be less impressive if the various government-sponsored financial agencies were all included in the budget. And, as far as I can judge, the growth of population, the need to improve our social and physical environment, and the widening concept of governmental responsibility will almost inevitably lead to large additions to Federal as well as state and local expenditures in the future. There will therefore be a continuing need to control governmental spending, first, in order to avoid strain on our physical resources of labor and capital, second, in order to assure the continuance of a vigorous private sector, and, third, in order to maintain pressure for discriminating judgment on priorities as well as for economy of execution in the public sector. These are difficult requirements and they will not be met without further significant expenditure reform.

One major step toward reform was taken last year and again this year by Congressional enactment of a ceiling on expenditures. A legislative budget is a radical departure in budget-making, and its significance should not be minimized by the rubbery texture of the ceiling. In the first place, the vigorous discussion surrounding the legislative ceiling has of itself served to dampen enthusiasm for larger spending. In the second place, the rubbery ceiling of today can become a rigid ceiling tomorrow. If the Congress moves in this direction, its fragmented approach to appropriations, which will doubtless continue, need no longer run up Federal spending as it has commonly done in the past.

To be sure, the individual appropriation acts may imply a much larger expenditure total than had previously been legislated. In that event, the Congress would in effect say to the President: "You are the manager of our national finances. We fixed a ceiling on expenditures earlier in the year, after considering your budgetary recommendations and making our own best judgment of what the national interest requires. But there are several hundred of us; each of us is subject to heavy pressure for appropriations that seem vital to our constituents, and we find it impossible in the time at our disposal to trim individual appropriations so that they be consistent with the expenditure ceiling. In view of our inability to agree on priorities, we assign this responsibility to you; but we naturally reserve the right to challenge your actions by new legislation." Such a mandate by the Congress would, of course, not make the President's job any easier; it could well lead at times to uneconomical cutbacks; and it might even mean that we will have only one-term Presidents in the future. However, by enabling the members of Congress to satisfy both their conscience and their constituents, such a mandate would probably assure that total expenditure is kept under decent control.

A second reform of vital significance would be adoption of the concept of zero-base budgeting. Customarily, the officials in charge of an established program have to justify only the increase which they seek above last year's appropriation. In other words, what they are already spending is usually accepted as necessary, without examination. Substantial savings could undoubtedly be realized if both the Budget Bureau examiners and the Congressional appropriation committees required every agency to make a case for its entire appropriation request each year, just as if its program or programs were entirely new. Such a budgeting procedure may be difficult to achieve, partly because it will add heavily to the burdens of budget-making, and partly also because it will be resisted by those who fear that their pet programs would be jeopardized by a system that subjects every Federal activity to annual scrutiny of its costs and results. However, this reform is so clearly necessary that I believe we will eventually come to it. I regard President Nixon's request of the Budget Bureau this year for a list of programs judged to be obsolete or substantially overfunded as a first step toward zero-base budgeting.

Several other reforms that I can only mention also deserve serious attention. First, earmarking of funds is often a dubious practice and should be carefully reappraised by the Congress. Second, agency heads should be subject to a Presidential requirement that if they request additional funds—whether for new or old programs—after the budget has been transmitted to the Congress, they must as a rule give up an equal amount of money from their ongoing activities. Third, new programs should be typically undertaken on a pilot basis and not launched on a national scale until their promise has been reasonably tested. Fourth, the law requiring that the cost of new programs be projected five years ahead when they are first presented to the Congress should be strictly enforced. In addition, comprehensive five-year budgetary projections should be constantly maintained by the Budget Bureau for the President's guidance. Fifth, I think that it would be useful to rotate the personnel of the Budget Bureau among its major divisions, so that the key examiners can periodically shed their preconceptions or frustrations and approach with a fresh eye the financial concerns of the agencies that are newly assigned to their scrutiny.

In addition to institutional reforms such as these, effective control of public expenditures will require larger reliance on volunteer efforts for dealing with our great social ills. It will also require thorough, realistic, and penetrating study of the promises, costs, and achievements of individual governmental programs. Although Federal agencies, particularly the Bureau of the Budget, need to augment their evaluative work, some doubt will always surround research that is carried out by agencies which originally advocated or subsequently supervised the programs under study. There is a great need, therefore, for expenditure studies by organizations that are independent of government and have no direct stake in any of the programs. In view of its preeminence in fiscal research and public education, the Tax Foundation is especially well equipped to organize teams of economists, accountants, political scientists, and management experts for the concrete study and evaluation of some of the major branches of Federal expenditure.

I hope that the Trustees of the Tax Foundation will be able to find a way of making this additional contribution to good government. If you undertake to do so, I assure you that the evaluation teams you send to Washington will receive a very warm welcome.

## TRUCKERS WAX ELOQUENTLY OVER DEATH OF TRUCK BILL

### HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. SCHWENGEL. Mr. Speaker, a recent publication of the Private Truck Council of America, Inc., has come to my attention, and causes me to have a mixed reaction to its contents.

The text of the trucker publication to which I refer follows:

REQUIEM: TRUCK SIZE AND WEIGHT BILL DEALT A DEATH BLOW

Taps are being played in Washington today over the barely warm body of the legislation known as H.R. 11870. It, you will recall, would have *authorized the States* to legislate trucks from 96" to 102" in width, provide a formula for establishing more sensible weight restrictions and allow a manageable increase in lengths. To repeat, it would have authorized *the States* to do such things. It would have authorized *no changes* in and of itself.

Our mournful announcement emanates from the fact that the Subcommittee on Roads met this week and reported out H.R. 11870 to the Committee on Public Works *without recommendations*. Such a lack of recommendation doesn't always have this chilling effect, but in this instance, the "without recommendation" amounted to a virtual kiss of death.

At the same time it was revealed that the DOT had told the leading congressional enemy of H.R. 11870, Fred Schwengel (R-Iowa), that all of the amendments to the bill suggested by the DOT had to be accepted or the DOT would be opposed to it. Such a position was tantamount to the hammering of several solid nails in the well constructed coffin.

There's a moral behind all this, if the American people will just take heed. The AAA, Congressman Schwengel, the railroads, all too many of the subjective reporting type journalists whose prejudice, bias and arrogance is worn on his sleeve, and whose supercilious intellectualism appears to be vaporously draped from his body like the tinkling bells and colorful cloths of a typical 17th century court fool, and various other temporary or permanent miscreants, have once again trotted out the wondrous phrase "highway safety," dusted it off, polished it up a bit and thrown it at Congress and the public. Both seemed to have unquestionably swallowed it, lock, stock and barrel.

First, it is enlightening and reassuring to learn that the truckers themselves, now openly accept the fact that the "big truck bill" is dead. Second, the belittling attitude taken in the publication toward highway safety greatly disturbs me. Indeed it is reason for disgust. The publication, in an attempt to belittle and ridicule opponents of the legislation, refers to them as "miscreants." Webster's dictionary defines a miscreant, among other things, as being "destitute of conscience; unscrupulous; villainous." Thus, I take the comment of the truckers as a direct personal affront, and highly resent it. I am certain that the several hundred editors and reporters who editorialized and wrote stories in opposition to the bill likewise consider it an affront to be referred to as "supercilious intellectuals" and "court fools."

In addition, I am certain that the use

of this terminology is very much resented by the many capable, reputable and competent witnesses who testified in opposition to the bill. They included such respected people as: Mr. George Kachlein and Charles Brady of the AAA; Mrs. Walter Varney Magee, president of the General Federation of Women's Clubs; Mr. Richard Boccabella and Warren G. Davison of the National Association of County Engineers; Mr. Joseph Coupal, Iowa's director of highways; Prof. John O'Mara of the University of Iowa's College of Engineering; Douglas Fugate, first vice president of AASHO; and Congressmen JOHN KYL and RICHARD MCCARTHY.

The overwhelming majority of the opposition to the big truck bill was generated by those citizens of this country who do have a sincere and justifiable reservation about the impact of the proposed legislation on highway safety. Granted, there are varying degrees of understanding of the safety problem. Some have studied the problem in depth and are firmly convinced there are safety problems which should not lightly be brushed aside as supercilious. It is true that some oppose the legislation on grounds which are more emotional in nature, but none the less sincere. It is typical of the high-handed arrogance of the truck lobby to lightly disregard the desires and feelings of a clear majority of the citizens of this country, just as they have continually done in their past efforts to steamroller this legislation through the Congress.

If safety is in fact no real problem with the proposed increases in size and weight, then I challenge the Trucking Industry to join in support of the legislation to establish a Presidential Study Commission which I have introduced. The Commission proposed by my bill, H.R. 15051, would constitute a study group representative of all groups affected by the proposed increases in size and weight. If, as the truckers indicate, there is no safety problem, my proposed Commission should be able to report that fact to the Congress in short order. In which event, the big truck bill would undoubtedly sail through the Congress. However, the truckers will probably disregard this suggestion as mere "supercilious intellectualism."

## MAYOR-ELECT OF ATLANTA SPEAKS OUT ON THE MURPHY AMENDMENT

### HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. CLAY. Mr. Speaker, recently the mayor-elect of Atlanta, Ga., Sam Massell, testified before the Senate Subcommittee on Employment, Manpower, and Poverty. He voiced his opposition to the Murphy amendment which would give Governors a veto power over the legal services program.

Mr. Massell stated in his testimony:

The legal services program is distinguished from many other "poverty programs" in that it is designed not merely as a bandaid on the carbuncle of poverty but as a sharp surgical knife of judicial and legislative reform, aimed at the laws and regulations that are the very heart of the discrimination that so effectively keeps poor people "in their place."

The legal services program demonstrates to the poor what a lawyer can be. A lawyer—to a poor man—is a person who keeps rich people out of jail. It is precisely because lawyers and legal services have never been possible for the poor—that poor people believe laws are written for the rich. The impact of this law has been significant in showing poor people that they, too, have legal rights. With lawyers to represent them, they have seen equal justice under the law become more than a convenient cliche. By providing disadvantaged Americans with an experience within the established system, the legal services program enhances the chance that these people may someday become a part of the system. It makes a difference—not only in the lives of the poor—but in the outlooks of the poor.

Support of the legal aid program in Atlanta comes from such local groups as the NAACP, the clergy, the Urban League, and the chamber of commerce.

I agree wholeheartedly with Mayor-elect Massell. Implementation of the Murphy amendment will put a halt to the legal services activity by virtue of a Governor's veto. The poor in America will lose their right to justice and not be served at all.

Mr. Speaker, I insert Mayor-elect Massell's testimony in the RECORD at this point:

STATEMENT OF SAM MASSELL, MAYOR-ELECT OF ATLANTA

Mr. Chairman and Members of the Committee: I am Sam Massell, mayor-elect of the City of Atlanta. I am appearing here today on behalf of the U.S. Conference of Mayors and the National League of Cities, to register our opposition to the Murphy Amendment to the Economic Opportunity Act of 1964. At present, I am serving as vice-mayor of Atlanta, and as secretary to the Human Resources Development Committee of the Conference of Mayors.

If enacted, the Murphy Amendment would give state governors an absolute veto over all or part of any legal services program. The Amendment would thus splinter the final authority over legal services into 50 separate parts, removing legal services from the protected niche it has enjoyed as a part of OEO's national program, under the national guidance of OEO's Director. The Murphy Amendment might very possibly annihilate legal services.

Mr. Chairman, the legal services program as it has existed for the past four years has been in many ways the finest jewel in the crown of the poverty program. It has brought together a coalition of groups and funding sources that have never been joined together before. Under its roof lawyers and other heretofore solid buttresses of the establishment have been willing to combine their education, energy and talent with the financial resources of the Federal government—(and in many cities, including Atlanta, with the financial resources of the local community)—to work with poor people for the collective benefit of our cities and towns. Through legal services even the chamber of commerce has come to the assistance of poor people, and in Atlanta has paid for these dramatic and effective posters—posters that have appeared throughout the city in busses, churches and schools.

Surprisingly enough, the legal services program is distinguished from many other "poverty programs" in that it is designed not merely as a bandaid on the carbuncle of poverty but as a sharp surgical knife of judicial and legislative reform, aimed at the laws and regulations that are the very heart of the discrimination that so effectively keeps poor people, "in their place." It is a program that really does something.

Our Legal Aid Society has earned acceptance by its clients—which is no small task for an agency with establishment ties. In many respects it serves as an ombudsman—an office governmentally empowered as a citizens' advocate—an office that will lose much of its power and prestige if its independence is deflated by superimposing political considerations. The authority over the program at the federal level—the purse string—is understood, and is not likely to cause any dilution of the Legal Services Program.

I think I can speak with some authority when I identify agencies that have the confidence of the citizenry, and I am here to tell you that the poor people have found a friend in the Legal Services Program. And I am just as certain that any effort to shift the management of affairs to the Governor's Office will surely be read as code language for the end of a meaningful relationship between the poor and their lawyers.

We in Atlanta have had ample opportunity to observe the operations of a fine Legal Services Program. The Atlanta Legal Aid Society, an OEO program with five offices and approximately 30 full time lawyers, has produced a number of significant changes in my City—changes which in my opinion were long overdue and were accomplished by the force of reason instead of the force of violence.

A good example of the work of legal services is Atlanta Legal Aid's representation of a public housing tenant group known as TUFF (Tenants United for Fairness), a group that came into being because of tenant dissatisfaction with the management of public housing in Atlanta. (You may better understand the seriousness of that dissatisfaction if I mention that one of the few social disturbances we have ever experienced occurred in 1967 when Mr. Stokely Carmichael spoke at one of our public housing projects.)

The tenants were upset and in my opinion rightfully upset because all of the decisions affecting their tenancy were being made without regard to their wishes.

Tenants, for example, were evicted without being afforded any opportunity for a hearing. They were subjected to arbitrary rules including a rule in one project against feeding pigeons and a rule in another against keeping lawn furniture outside. They were humiliated in some projects by having their electricity turned off if their rent was overdue.

And they were constantly subjected to a variety of arbitrary charges and assessments over which they had no control.

In one project—indeed at the very project where Stokey Carmichael spoke—every new tenant was obligated to purchase a "grass cutting set" for $3.95 consisting of a pair of hand clippers and a small wooden-handle scythe. Even the elderly residents of the project were assessed and charged and were obliged to keep their grass trimmed—or to pay an additional charge for failing to obey the project rules.

The tenants were also angry because the authority included the earnings of minor children in the computation of the family's income, thus forcing a family to evict a working child or confiscate his earnings.

These grievances, along with many others, were sufficiently distressing to motivate approximately 800 tenants to come to a protest meeting on a cold winter night last March. Obviously the situation was highly unsatisfactory—and potentially dangerous.

Fortunately for Atlanta, the tenants turned to the lawyers of the Atlanta Legal Aid Society instead of the streets.

By the month of August, after six months of negotiation and discussions—and law suits—the attitudes and policies of the Atlanta Housing Authority had changed so drastically that the tenants were able to claim a complete victory in their battle with the authority. The authority agreed to the following policy changes: (1) The creation of a tenants' grievance panel with complete jurisdiction to determine questions arising between tenants and management including project rules and charges, (2) to forego all income from minor children, (3) the creation of a housing authority advisory board designed to advise the authority of the needs and wishes of the tenants. This Board, with membership drawn from the tenants' association, community groups—and legal aid—now meets once a month and has proven an articulate and effective means of communication between the tenants and the authority.

The Atlanta Housing Authority is now in many ways a model of responsiveness to tenant needs. The change that has occurred over the past year is one that we in Atlanta find thrilling, for an established and conservative institution has now been made responsive to the needs of its low income clients, and the potentially dangerous situation has been defused—largely by an OEO Legal Services Program. This change has been accomplished throughout the traditional American procedures of negotiation, advocacy and legal action.

But let me tell you about another road that was being traveled during the same period in response to the grievances of the public housing tenants. At their request, our Board of Aldermen recommended to our local delegation in the Georgia General Assembly the addition of a tenant representative on the Atlanta Housing Authority Board and the reduction of the term of office of authority board members from 10 to 4 years. These amendments to Atlanta's Charter were subsequently recommended by the local delegation and adopted into law by the Georgia House and Senate—only to be vetoed by the Governor. Need I say more. Need I say more.

Legal aid's representation of TUFF is merely one example of the important work that legal services programs do on the local level; work that involves discovering the problems of poor people, bringing them to the attention of the authorities, and vigorously advocating changes in the system. In Atlanta, as in other cities, legal services programs represent many groups like TUFF and have produced major changes in the operations of public and private organizations who deal with the poor.

We in the Conference of Mayors and the League of Cities are concerned about the future of legal services because of the significant and beneficial impact legal services has had on our cities, and the reduction of future value which could result from the pending legislation. Legal services programs are our programs—for they are local programs created and designed by local people to deal with local problems. In Atlanta the Legal Aid Society receives federal funds, but is governed by a local Board of Directors and is sponsored by the Atlanta Bar Association *NOT* a State Bar or the ABA.

A sizeable percentage of Legal Aid's income is derived from our local united appeal campaign, NOT from any State campaign, and its work is supported by volunteers from the Atlanta Junior League and by the Atlanta Bar Association. It is also supported by such local organizations as the Atlanta NAACP, the Atlanta Concerned Clergy, and the Atlanta branch of the Urban League.

In my opinion it is inappropriate for any Governor to be able to veto—in whole or in part—a program that is such an entirely local entity. And it is even more inappropriate for legal services lawyers in Atlanta to be required to worry about whether any specific suit they choose to bring might offend the interest of the Governor of the State.

It would be foolish of me to state that the work of the Atlanta Legal Aid Society would definitely be brought to an end in the event the amendment becomes law. But the Murphy Amendment would clearly endanger the Atlanta Legal Aid Society and would require every attorney in that organization to pause before advising a client, and to think twice and then to think again before filing a law suit against the State agency, a powerful political figure, or a person or organization known to be friendly to the Governor.

I hasten to explain, however, that to the best of my knowledge no legal services program in Georgia has ever had a disagreement with our Governor. If a legal services program is doing its job, however, that is, if it is actively defending the interest of the poor and vigorously fighting against the landlords, merchants and government agencies with whom poor people have to deal, it seems inevitable that the program will at some time conflict with the Governor's views. I know of one case in Georgia that might cause such a conflict; The Atlanta Legal Aid Society has brought a suit to force the state to increase the welfare grant given to AFDC mothers, and if legal aid should prevail in its suit the state welfare budget will be greatly increased. It goes without saying that my governor or your governor going through such a situation might be tempted to consider retaliation against the legal services program that had caused the administration such expense.

One of the beauties of the legal services program is that it has been able to represent its clients without deferring to such political considerations. When Atlanta legal aid began its representation of TUFF it was not obliged to pull its punches because the Board of Commissioners or the Housing Authority included distinguished, powerful and conservative members of "the establishment." When it brought its suit against the State Welfare Department, it did not first pause and wonder whether such a suit might endanger its support in the capitol building. It brought these lawsuits because its client's interest demanded the suit, and because it adhered to the position that the fate of poor people can and should be changed in the courtrooms of our country.

Legal services programs throughout the country are in a situation similar to that of the Atlanta Legal Aid Society. Their ability to fight fearlessly on behalf of their clients—indeed, their very ability to attract the kind of committed and excited young lawyers who are working for legal aid in Atlanta—depends on their continued freedom from political pressures. The Murphy amendment jeopardizes that freedom.

Legal services has demonstrated a profound and comprehensive understanding of the problems of poor people and an ability to do something about them. It correctly understands that the way to deal with the problems of poor people is to bring the people into our system and make them a part of it—not to isolate and segregate them from the system that supports and assists the rest of us.

By seeking to expand our present social and legal system to incorporate the demands of the poor, legal services has taken a long step towards the total American dream of equal justice for all. On behalf of America's mayors, on behalf of the cities, and on behalf of our too-long forgotten poor people, I urge you to reject and repudiate the Murphy amendment.

Thank you for giving me the opportunity to appear before you today.

## "PLEBISCITARY DEMOCRACY"—WHAT?

### HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. HÉBERT. Mr. Speaker, Mr. Bruce R. Hoefer, a constituent of mine, has called to my attention an editorial which appeared in the November 17 issue of the New Orleans Times-Picayune.

The editorial, entitled "'Plebiscitary Democracy'—What?" concerns itself with the recent antiwar demonstrations which were held here in Washington.

The situation as discussed by the Times Picayune shows knowledge, objectivity, and insight. I only wish that more newspapers would have had similar editorials following the so-called peace march.

There are those who will be suspect, I am sure, because the Times-Picayune is published in the South. But this paper has been in New Orleans for more than 100 years, and I am sure it will be there more than 100 years from now.

Mr. Hoefer suggested that it be made a part of the RECORD so all Members of Congress could read it and think about its content. I heartily agree with Mr. Hoefer and am inserting the editorial in the RECORD at this point:

"PLEBISCITARY DEMOCRACY"—WHAT?

Some folks have a knack for hiding the truth with jargon and catch phrases—of imputing to things a character they don't have. Some columnists have been talking about "plebiscitary democracy" and they infer that demonstrations by vocal minorities, such as last week's New Mobilization, constitute something of a plebiscite.

If the coined phrase means anything, it would have to be that the will of the people—all who let themselves be counted—has been expressed in a referendum of sorts, and that a democratic government has received its mandate from the majority.

But there is a strange element of intellectual intolerance in certain liberal circles, which arrogate to themselves the clear knowledge of truth and right and wisdom. They look down their noses at those not blessed with this inner light—moreso if the "unitiated" happen to be in the majority. Such people preach democracy only when and if the majority can be won over to their point of view. Then only is democracy sacred.

We do not impugn the motives or sincerity of all anti-Vietnam adherents. But we believe there are some whose bile is eating away at their innards to such a degree that in their secret hearts they pine for the United States to be humiliated and for the non-Red population of Vietnam to be drenched in a Communist blood bath after American disengagement.

What might the reaction of some after such a catastrophe be? It served the South Vietnamese right for being "corrupt," or being "puppets of U.S. imperialism" . . . or any number of other rationalizations which would prompt one to be outraged at the reported liquidation of a Communist double agent while feeling no anguish for the civilians of Hue whom the Reds callously slaughtered and buried (some while still alive) in mass graves.

But does the massing of a quarter of a million protesters—which is 1-800th of Americans—really represent plebiscitary democracy? Or must it be viewed in relationship to a less vocal majority who concur with

President Nixon's position for ending the war and who do not organize a "spectacular"? And would a quarter million crowding the Washington Monument in support of current U.S. policy be any more a plebiscite?

A genuine barometer of plebiscitary democracy on the Vietnam issue, we believe, was the overwhelming bipartisan support for a report which the House Foreign Affairs Committee issued on a resolution cosponsored by 307 of the 432 House members backing the President's effort's for peace.

For the offices of congressmen, who by and large reflect the convictions of their constituents, are the best places to go to put your finger on the pulse of America. That pulse is beating strong and fast for an honorable peace in Vietnam—against a sellout to the Reds.

Columnist Thomas B. Ross's report from the Paris "peace talks," on this page, gives testimony on the importance of unity among the "silent majority" of Americans, so that Hanoi's illusions, fostered here by a small vociferous minority of chronic dissenters, may turn to disillusionment and to reason.

## GRUBSTAKE, INC.—PITTSBURGH YOUTH REHABILITATION PROGRAM

### HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. MOORHEAD. Mr. Speaker, it is an established fact that drug abuse, particularly among the young, is one of our major national problems.

In our larger cities, it is calculated that addicts must raise in the neighborhood of $500,000 per day to support their habit, resulting in their turning to such crimes as robbery, shoplifting, burglary, forgery, and prostitution.

Beside the financial cost, the real cost of abuse of drugs and narcotics to the users in alarming, as they live in half-alive, half-free states, without hope or meaning to their lives.

In Pittsburgh a unique program has been established by an Episcopal priest named Father Dom Orsini, to aid and rehabilitate these young offenders, and give them a "grubstake" on life. While they need more money at the moment to continue their fine work, some real progress has been made to date, largely due to the commitment, philosophy, and efforts of Father Orsini himself.

An article from the Pittsburgh Press and a letter to the editor of the New York Times, by Father Orsini himself of November 16 are included at this point in the RECORD for the thoughtful attention of my colleagues and for all who are concerned with finding meaningful solutions to the drug dilemma. The articles follow:

[From the Pittsburgh Press, Nov. 16, 1969]

GRUBSTAKE NEEDS ONE TO AID YOUTH

(By Roger Stuart)

When Father Dom Orsini, an Episcopal priest, first began to help pospecting young criminals search for a richer life he did so with "a dream and a degree of hope."

Now, five years later, he still nurses his dream of giving faltering youth a lift into the mainstream of life with a lot of hope and "a lot less ignorance" of just how tough that job really is.

"We've made mistakes," he concedes. Especially at the outset in dealing with youths hooked on drugs and largely because he lacked knowledge about the problem.

"But you learn fast," says Father Orsini. "We no longer take heroin addicts. We failed with every one of the 11 sent to us."

There have been other failures, too, which have become discouragingly obvious when young men he thought he had helped got "busted" all over again by police.

CONTRIBUTING NOW

Still, Grubstake, Inc. on the South Side, which gave substance to Father Orsini's dream, has had more success than failure, with about 80 of its more than 100 "graduates" going on to become contributing rather than leeching members of society.

They're holding jobs now, he says. They pay taxes. Some are married.

Such success is in direct contrast to the national success ratio in rehabilitation of young delinquents, Father Orsini contends.

And in achieving it, Grubstake has stamped its own imprint on the Pittsburgh district's youth corrections program as indelibly as Father Orsini has stamped his own black eye-patch trademark on Grubstake.

Among local judges—two are members of the Grubstake board—who have sent wayward youths to Grubstake, it has inspirted confidence.

PATCH INSPIRES CONFIDENCE

And to at least one youth—a black who wound up there—Father Orsini's eye patch (which he's worn since he put a lighted match to a gasoline tank at age 10 to see what would happen) has inspired confidence.

"I like you," the youth told Father Orsini. "I can trust you."

"Why?" asked the priest.

"Because," said the youth, "you wear that eye patch. And with it—like me—you carry a certain mark."

But for all its success, Grubstake—unless it soon gets its own new six-month, $65,000 lease on life—will run out of funds and die.

To Father Orsini, such a death knell would come "when all our plans are just about ready for picking" and be like falling "two inches short of our goal."

"BACK TO JAIL"

To Nate, 21, a Wilkinsburg Negro enrolled there for burglaries committed to help sustain his marijuana-smoking and pillpopping, Grubstake's demise can mean only one thing.

"Back to jail," he says.

And though Nate says "it's tougher here (at Grubstake) than in jail," he wants to stay, because "they can't help me in jail."

His view is born of a certain amount of experience, including three months in the County Workhouse and four months another time in the County Jail.

Right now Nate is just one of the 15 youths at Grubstake, where enrollment has been cut from 25 because of the financial squeeze.

DAILY CONFERENCES

But at Grubstake, he says, he's coming "face to face with myself" through the help of almost daily conferences with Innocenzio Gregnano, a consulting psychologist, and Dr. Ken Whipps, a Duquesne University sociologist.

And one of the things he admits about himself now is that "I started messing around with drugs because I was afraid of getting drafted and going to Vietnam."

Somebody told him once that drug-taking is a good draft dodge because the service won't mess with anybody who's fooled with them.

"I was going to leave them alone later," says Nate. "But I couldn't."

Indeed, just a week ago he was discovered "messing around with goofballs" that had been supplied to him by another Grubstake resident.

"Where's that resident now?" asked Father Orsini.

"In jail," said Nate.

And Nate?

Grubstake gave him another chance. He was placed in its Tender Loving Care (TLC) program—a misnomer which, Father Orsini contends, could be described more adequately as "the old monastic mortification of the body to sanctify the soul."

From 7 a.m. until 10 p.m. every day for six to eight weeks, Nate will scrub floors, walls, cupboards and the like. And if he doesn't have anything else to scrub, he'll scrub the same things again.

But in Grubstake's big barn of a building at 2400 E. Carson St., which used to house the Lutheran Service Society on the South Side, there are many rooms.

Every 15 minutes a supervisor checks up on him. He's subjected to periodic shakedowns and at least every two days—sometimes more often—he's given a urinalysis examination to determine if, somehow, he's gotten more drugs.

LIKE BEING ON A LEASH

TLC, in short, says Jim, 18, a white Penn Hills youth who became its first subject, is "like being on a leash."

Arrested a year ago and three days after he started pushing pills in school, he says he was sent to Grubstake without the authorities knowledge that he had smoked marihuana, and "tripped" on Speed and LSD.

"We just weren't alert to it," says Father Orsini. "The records didn't indicate it. There was suspicion, but how far can you go on that?"

As it turned out, Jim and a couple of other Grubstake residents, who normally are given great amounts of freedom, got some LSD on a visit to Shadyside.

But becoming frightened after a bad trip, "they busted themselves," says Father Orsini.

Grubstake's TLC component was devised as a result.

MAKING RESTITUTION

And in Jim's case, at least, it seems to have worked.

He's been off all drugs and narcotics for three months now, he says. He's confronted his guilt of burglaries and voluntarily confessed to his victims and has started to make restitution.

This week he will leave Grubstake, hopefully to complete his last high school year in prep school and then enroll in college, where he will take an architecture course.

In the meantime, however, Father Orsini's financial dilemma with Grubstake remains.

Government agencies are likely candidates to provide financial buttresses.

Charitable fund-raising groups, too, reasonably can be expected to provide some help in the future.

Applications to local, State and Federal agencies are being or already have been prepared.

UP TO COMMUNITY

But right now the foundations which provided Grubstake's original "seed money," can help just so long, says Father Orsini, noting:

"Once a project proves itself, the foundations figure it's up to the community to support it the rest of the way."

So Grubstake Inc. is campaigning among Pittsburgh district people—average citizens—for a grubstake. Donations may be mailed to Grubstake Inc., Post Office Box 9107, Pittsburgh 15224.

Speed is critical, says Father Orsini.

Meanwhile, various public administrators, including State Attorney Gen. William Sennett, are pulling out the stops to see what kind of emergency help can be provided.

But regardless of the outcome of these

efforts or the longer term hopes for government support, Father Orsini says:

"The measure of our greatest success will be if the community accepts us. If the average citizen doesn't accept us, we're lost; we're dead—no matter how much other money we get in the bank."

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[From the New York Times Magazine, Nov. 16, 1969]

CRADLE-TO-THE-GRAVE BUSINESS

To the Editor:

Gertrude Samuels' article "A New Lobby—Ex-Cons" (Oct. 19), is a masterful portrayal of long ignored and shameless attitudes and practices of the "law abiders" in this nation. I know nothing of the Fortune Society—which may be my shame—but the statements about the problem are accurate.

I am not an ex-con but I am the son of one. My father spent time in the Comstock State Prison. His charge was murder. I was 2 months old when he began "pulling his time"; I met him for the first time when he was released (I was 8 years old). Jail and the fate of an ex-con made him less than human. I am an Episcopal priest, the founder and director of Grubstake, Inc., a community treatment center for the young adult offender. Ours is a work with the ex-con and the pre-con.

In our society, crime is cradle-to-the-grave business. From the earliest stages sufficient deprivation guarantees a tragic emptying of individual lives. It is like a self-fulfilling prophecy. When the crash occurs, and jail becomes a part of one's personal history, those who are not crushed in spirit and hope by our penal ssytem need but wait upon release for the final touches: official suspicion and hounding are added to the personal insecurities, inferiorities and fears. These, plus the social, political and economic ostracism, work to erode further the remaining spirit until either recidivism or death. If recidivism occurs, then society says "See, no good," and the screws of the system are tightened. If death—the record is expunged by the grave.

Few, if any, ex-cons survive this whipping without deep and permanent scars. The chances of overcoming these forces are small and life is a bitter, uphill battle for mere survival.

Considering the impetus to new solutions offered by the Federal Government by way of the Omnibus Crime Bill, and the pioneering work being done by the Federal Bureau of Prisons, there is hope. In Pennsylvania an alert and sensitive Attorney General, William Sennett, has brought into being a constructive crime commission to "re-think" the entire approach to the criminal justice system. The Pennsylvania Bureau of Vocational Rehabilitation has for several years offered its resources to help meet the vocational and educational needs of the social deviant. The Department of Corrections and the Board of Parole are now energized by a young breed which lacks the jailor concept. In Pittsburgh, foundations and corporations have provided generous seed money to organizations such as ours to investigate, program, staff and innovate. The Criminal and Family Courts of Allegheny County actively support our efforts. Our push was provided by the Hon. Ruggero Aldisert, formerly of the Court of Common Pleas and first chairman of the Grubstake board. He is now a member of the U.S. Court of Appeals. His successor at Grubstake, the Hon. Joseph Weis Jr. of the Court of Common Pleas, carries on by leading an expansion of our effort.

I feel that if the states would set aside 10 per cent of their corrections and parole budgets for innovation and if this were matched by Federal funds, we would see a dramatic change in our crime cost and an upsurge of hope and productivity among those now deemed "dead."

FATHER DOM T. ORSINI.

PITTSBURGH, PA.

## TO MUCH OF THE WORLD SONGMY SIGNIFIES AN AMERICAN TRAGEDY

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## HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. FRASER. Mr. Speaker, on Wednesday, December 3, 1969, the New York Times printed a story by Henry Tanner detailing European reaction to the Songmy tragedy. The second paragraph summarizes the feelings of many:

Apart from the predictable exploitation by the Communists, the atrocities allegedly committed by American soldiers have moved the world to feelings of sorrow, shock, anger and a deep fear that the continuation of the war will have a corrosive, brutalizing effect on American youth and American society as a whole.

Mr. Speaker, I share this fear. The complete article follows:

[From the New York Times, Dec. 3, 1969]

TO MUCH OF THE WORLD SONGMY SIGNIFIES AN AMERICAN TRAGEDY

(By Henry Tanner)

UNITED NATIONS, N.Y., December 2.—In much of the world's press and for many ordinary citizens the village of Songmy has become the symbol of an American tragedy, even more than a Vietnamese tragedy.

Apart from the predictable exploitation by the Communists, the atrocities allegedly committed by American soldiers have moved the world to feelings of sorrow, shock, anger and a deep fear that the continuation of the war will have a corrosive, brutalizing effect on American youth and American society as a whole.

These feelings emerge as the main theme from reports by correspondents of The New York Times from some 30 countries.

Although comparisons with wartime Nazi crimes and with crimes committed by Communist forces in Vietnam were being drawn by some, the survey showed that the great majority in most countries do not see Americans in a similar light.

JUDGMENTS VARY

Most persons, the survey showed, apply one set of moral judgments to dictatorships, both Communist and Nazi, and another to the United States. Although an implied tribute, this only deepened the anger and the sorrow of those who have considered themselves the friends of Americans.

"What is happening to America, arbiter of the world, with its high moral standards," an Italian university professor asked. "Are you fighting the war by the standards of your enemies?"

The reports also showed that in Europe and Asia the Song-my affair has rekindled sharp public concern over Vietnam, reversing a trend toward growing indifference that an earlier survey had found a few days after President Nixon's speech on Vietnam of Nov. 3.

THREAT TO AMERICANS SEEN

Many people linked the alleged massacre in the settlement of Mylai No. 4, which is a part of Songmy, to what they saw as the inherent evil of the Vietnam war. They renewed their criticism of Mr. Nixon's Vietnam policies and renewed their appeals for the United States Government to end the war.

American withdrawal now is "both a necessary act of state and a human imperative," wrote The Spectator, the conservative-inclined London weekly, in a typical comment.

"Continued war now means a deadly threat not only to Vietnam but to the American people," an editorial in Dagens Nyheter, the respected Swedish daily said.

From Oslo a correspondent reported that the common theme of virtually all available comment was "the war has to stop" and one of the most urgent reasons for stopping it "is to save American youth from slow moral poisoning."

In several countries Songmy awakened memories of other wars and other atrocities—atrocities committed as well as atrocities suffered.

OTHER VILLAGES RECALLED

"The Americans have learned that the Americans in Vietnam have become the equal of the French in Indochina, Madagascar, Algeria and of the Germans at Oradour," wrote the Paris weekly L'Express, whose publisher, Jean-Jacques Servan-Schreiber, first gained prominence abroad by writing a book about a young lieutenant—himself—being caught up in the "vicious circle of violence" in Algeria.

Oradour-sur-Glane was a village in central France that was razed and its entire male population killed by the Germans in reprisal against an attack by partisans in 1944.

In Germany too, newspaper editorialists recalled not only Oradour, but also Lidice, the Czechoslovak village, and Filetto di Camarda, a village in Italy, both of which suffered atrocities.

In Spain an official remarked: "Perhaps if American writers were dealing with the civil war now they would not be so quick to draw moral conclusions from the terrible things that happened then," referring to the Spanish Civil War of 1936 to 1939.

"I am shocked," a grocer in Athens said. "If atrocities like this are tolerated by the United States Army and we are simply told that the Reds are doing worse, one wonders what it is the Americans are fighting for in Vietnam."

REDEEMING ASPECTS

"Almost every army has its killers, but these Americans have done away with the American dream of being different," said an official in Belgrade.

And in The Hague, an editorial in the Socialist daily Het Vrije Volk wrote: "The American's have been killing the people they wanted to protect. This means the bankruptcy of United States Vietnam policy."

Many persons abroad noted that the American press had given detailed coverage to the eyewitness accounts. This public debate and the Administration's promise to investigate and mete out justice are the only redeeming aspects of the tragedy, in the view of foreign public opinion, the survey showed.

Aldo Rizzo, an editorialist in the Bologna Daily Il Resto del Carlino condemned the alleged massacre and added:

"All this must be said explicitly and without mental reservation, but it is necessary to add that the war crime of Songmy is being examined, evalued and discussed in America today with a frankness and sincerity that has no precedent in the sad history of such things."

La Stampa, the respected Turin daily, wrote in a front-page editorial: "But the civilization of a people is judged above all by the courage and the severity with which it isolates certain individuals and denounces their crimes. The American press has done and is doing its duty."

Government officials in most countries have refrained from making statements. Among the exceptions were those in Britain, Sweden, Norway and West Germany.

Prime Minister Wilson, six days before the White House issued its statement, said that it would be a grave atrocity if the charges made thus far turned out to be only a quarter true.

Efforts are under way to bring the issue into the House of Commons for formal debate or at least before a meeting of the

Parliamentary Labor party prior to Mr. Wilson's departure for Washington in January.

The British press, politicians and people were quicker than their American counterparts to sense the full horror of the affair, a correspondent wrote from London, adding:

"Why should this be so? Perhaps it is easier for outsiders to see horror. The British admire us so much, and still have so many illusions about the United States, that our wounds make them bleed. And they are less inured to violence than Americans now."

TERMED HORRIFYING EXAMPLE

Foreign Minister Torsten Nelsson, of Sweden said in a speech in Malmoe last week: "World opinion cannot be silent about the American war crimes in Vietnam. We must say clearly what we think."

In Norway, Songmy was described during a debate in the Storting, or Parliament, as a horrifying example of the atrocities of war. It was the main reason why Gunnar Garbo and Olaf Kortner, respectively chairman and vice chairman of the Liberal party, which is part of the Government coalition, came out for recognition of Hanoi.

Guttorm Hansen the spokesman for the Labor opposition, which is spearheading the move for recognition, said: "This war is a heavy weight on America's relations with its friends around the world, and from the dead-end street this great nation has driven itself into, there is only one way out: the way back."

In Bonn, Chancellor Willy Brandt was asked about Songmy at his first news conference since taking over the Government, and refused to draw a parallel with Nazi war crimes. He replied:

"If I were still a private citizen or a newspaperman I know what I would say. I can see how heavily the burden weighs on the American people and I feel it inappropriate for me to comment as if to put two things in the same pot that do not belong together."

## BILL TO RAISE PERSONAL EXEMPTION RATE

### HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. MINISH. Mr. Speaker, as the sponsor of H.R. 7331, a bill to raise the personal exemption rate per dependent from $600 to $1,000, I was pleased by the Senate vote on Wednesday to increase the rate to $800. The Senate action, while inadequate, nonetheless constitutes a major step toward alleviating the heavy tax burden borne by low- and middle-income Americans.

Over the past three decades the cost of living has more than tripled in the United States. Yet, during this same period, the personal exemption rate, originally designed to relate to the cost of living and the cost of rearing a child, has been increased only once and then by only $100.

Justice and equity demand an increase in the pitifully low and antiquated exemption rate. The Senate has acted correctly and courageously by boosting the rate in the face of vigorous opposition from the administration, and the Congress should act quickly to ratify the increase. I am confident the President will respect the wishes of overtaxed citizens by signing the exemption rate increase into law.

## CAMPUS UNREST: A STUDY OF WHO AND WHAT IS INVOLVED

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. DULSKI. Mr. Speaker, there is much concern and interest about what is going on in our colleges and universities today.

Why is there unrest? What can we do about it? Is it a single problem or a combination of problems? Is it a matter of lack or of collapse in communications?

The questions are endless. The answers are not so easy.

Mr. Speaker, the Buffalo, N.Y., Evening News in my home city sent an able young member of its Washington bureau staff, Ronald Maselka, on a study tour of 10 key colleges and universities in the Northeast and Midwest.

On this tour he produced a series of stories of his findings which I believe merit wider circulation because this basic matter is of such broad interest.

As a part of my remarks today, I am including the first four stories in Mr. Maselka's excellent series:

CONFLICT ON CAUSE, CURE HINDER SOLUTION OF UNREST ON CAMPUSES—I

(By Ronald J. Maselka)

WASHINGTON, September 22.—As signs of autumn reappear, so do the renewed pangs of a gnawing national tummyache—campus unrest.

Like its related agony—the Vietnam war—trying to forget about it doesn't make it go away. And while the wrong medicines might only inflame the pain, the right ones are hard to find.

However, there is a growing conviction that student disorder is but a symptom of a larger national ailment. "Campus unrest is not just a passing thing," said U.S. Education Commissioner James E. Allen Jr., but part of the nation's undergoing "turbulent social change."

This echoes the interim report in June by the National Commission on the Causes and Prevention of Violence that "the problem on campus unrest is more than a campus problem. Its roots lie deep in the larger society."

Addressing a conference of student leaders and university officials over the week-end, Dr. Allen compared this unrest to a mild heart attack, which signals a need—while leaving time—for corrective action.

EXPERTS DISAGREE ON FUTURE

But how much time is left? What steps should be taken? Experts disagree on the problem's future, as they do on the underlying causes and the diagnoses for cure. There is agreement on the magnitude of the problem, the need for concern that it may envelope the high schools.

But these are tough questions, this student talk of war, hunger, poverty, militarism, racism. What is a university? What is the purpose of education? Of government?

To Prof. William S. Stanmeyer of Georgetown University Law School these questions add up to: "What is the good society? What is the good life?" These are issues that have posed intellectual headaches for philosophers since Plato. Now they pose some real headaches for America's politicians, who also have no clearcut, immediate answer.

THE SEARCH CONTINUES

Throughout America, however, in Washington, in state capitals, in college dormitories and living rooms, the search continues. And there lies the hope, the difference between an evolution and revolution.

As President Nixon noted in a meeting with campus leaders Saturday afternoon, there is a need for students to listen as well as talk, a need for more tolerance between the community at-large and the vast majority of rational students.

How tolerant, how patient will the students be this year, no one can say for sure.

Dr. Allen, for example, has been criticized for his public optimism that "there are signs that the worst may be over." Some say this is wishful thinking, or an attempt at reverse psychology.

OPINIONS DIFFER

FBI Director J. Edgar Hoover has predicted that it "will not subside in coming months." And Dr. Richard Peterson, a research psychologist who conducted national surveys in 1965 and 1968 on organized student protests, said: "I don't think it's going to decline. All the issues are still alive. While reform efforts are going on at many schools, these are not fast enough to counteract."

While campus reforms have brought "more channels for students to communicate their views" and "conditions exist for an exchange of trust and responsibility," New York University President James M. Hester acknowledges: "We will have continuing confrontation with various groups."

Reports indicate that institutions generally are better prepared for protests. A tightening-up trend is indicated in beefed-up campus police forces, improved campus disciplinary machinery, codes of conduct and willingness to use expulsion and court injunctions to keep order.

LONG, SHORT RANGE VIEWS

But as one federal educator noted: "You can't document a prophecy."

Is Dr. Allen, then, looking at the campuses through rose-colored glasses? It would seem not. Apparently, he is looking through intellectual bifocals for long- and short-range views.

He is soft-pedaling the symptom, hard-selling the long-range cure.

Acknowledging that unrest is a pressing immediate problem, he urged the week-end conference of students and educators to put emphasis "not on patching up the cracks but in building a whole new structure." This means "looking beyond the moment," he said, to the long range goal of improving the university and the nation.

The short-range view sees the need for controlling and preventing campus violence this year. Long-range, it sees the task of answering the larger questions.

AWAIT LEGISLATIVE ACTION

This dual perception also clearly shows that some issues are intramural—like curriculum, student participation, minority admission policies—and can be solved by universities and their students on a campus-by-campus basis.

It also shows that some issues—Vietnam, the draft, race relations, aid to education—await action in Washington, in state legislatures and in the larger public opinion.

Keeping these differing views in focus will depend on distinguishing between what the National Commission on the Causes and Prevention of Violence called "peaceful protest and violent disruption, between the nonconformity of youth and the terror tactics of the extremists."

Studies on campus unrest generally note that only a tiny minority—around 3 per

cent—of the students are the revolutionary radicals, the anarchists, the nihilists. Between these committed to violent confrontation and the 70 per cent or more moderates are the discontented, who can be aligned with the radicals on an issue-by-issue basis.

MUST BE CONTAINED

It is apparent that the violence of the few has done violence to the reasonable complaints of many more.

Campus administrators face the task of distinguishing between the unreasonable demands of the disrupters and the legitimate complaints of the dissenters. It is a task that requires a kind of walking-on-eggs statesmanship to prevent the escalation of incidents sparked by a tiny minority.

In short, the disrupters must be contained. The dissenters must be communicated with.

But student impatience sometimes makes communication difficult.

And according to one Bureau of Higher Education official, "one factor is worse this year." Noting that an estimated 250,000 students are affected by congressional failure to pass an emergency guaranteed student loan program—providing an incentive allowance to lenders to make loans to college students—he said: "By the time Congress enacts this, it will be too late for most of the kids. . . .

ECONOMIC ISSUES CITED

"Sure students are refusing to fight the old men's war. But they're also making some very valid complaints about the rising costs of education and about the decline in the quality of teaching . . . students as individuals and universities as institutions are both caught in this economic crunch.

"As federal funds are being cut drastically, costs are rising for both. The economic issues on the campus are just as serious as these others that get more publicity."

In a widely circulated report based on a spring tour of campuses, 22 House Republicans stressed the need for increasing aid to education.

Led by Rep. William E. Brock (R. Tenn.), the group has been pleading with Nixon administration officials to implement some of their recommendations, ranging from draft reform to lowering the voting age to 18 and ordinating all federal youth programs in one agency.

SEEK INTERN PROGRAM

There are reports the administration is considering establishing a blue-ribbon Commission on Higher Education to study the complex issues from ROTC to government research on campus.

The GOP group is also working toward obtaining funds for the congressional intern program to get more young people involved in politics constructively. Federal funds for the program were cut off two years ago.

From its own party and elsewhere, the Nixon administration has been criticized for "moving in the right direction but not fast enough" on campus problems.

But Henrik N. Dullea, special assistant to State University of Buffalo President Martin Meyerson, criticizes the administration's contradictory policies.

CITIES PEACE DIVIDENDS

A delegate to last week-end's student-educator conference here, Mr. Dullea stressed that this was his personal opinion. While encouraging volunteer student action social programs, he said, the administration sponsored a meeting in Washington on the subject but didn't invite any students.

Evidence of de-escalation of the war and troop withdrawals, he said, are counterbalanced by reports that the peace dividend of post-war funds available for domestic programs won't be very large.

While the administration's school desegregation policies are also an irritant to students, Mr. Dullea said they also question education fund cutbacks in the light of the size of the military budget or the space exploration program.

Seeking to dramatize its concern, the administration has announced its proposal to drop the November-December draft quotas and seek congressional approval of a lottery system.

NEED DRAFT REFORM

While this was viewed as a hopeful gesture, even moderate students at the week-end sessions sponsored by the Association of Student Governments were not particularly enthusiastic.

"We need real draft reform, not a stop-gap measure," one said. "Besides, the war is a bigger issue."

Mirroring the nation, Congress too is divided on how to respond to campus disorders. Some would attack the social issues fueling the unrest. Others would react harshly with repressive legislation.

One federal education official said: "So far, we in the administration and the agencies involved have been successful in blocking repressive measures. We hope we will continue to be successful."

LAWS ON BOOKS

But a congressional aide was more pessimistic. "If there's another blowup, anything can happen," he said in discussing possible Capitol Hill reaction.

There are already federal laws that call for aid-cutoffs to students convicted in civil courts of crimes linked to campus disorders or who have been found administratively guilty by university procedures.

In the opinion of some, these laws are really unnecessary, or at least superfluous. "These laws are more a statement of public concern," one agency expert said. "Congress showed that it acted. But it's easier for a university to expel somebody."

Blocked so far—but available if there is public outcry for more campus violence—are legislative proposals to cut off all federal aid to institutions, not just individuals, and to make campus violations punishable by federal fines and jail terms.

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"SILENT MAJORITY" IN THE COLLEGES IGNORES NEW PATHS OF RADICALS—II

(By Ronald Maselka)

COLLEGE PARK, MD., October 1.—Four asphalt paths intersect the grassy mall in the heart of the University of Maryland's main campus.

When classes end on the hour, most students follow those paths. But scores of others are carving out a fifth path, already a yellowish brown trail, and a handful just cut across the lawn.

These cross-campus walking patterns parallel the political breakdown of today's collegiate student bodies. Those following the paved paths, for example, symbolize the so-called "silent majority" of students, concerned about current, pressing issues but immediately more concerned about their studies.

Dr. William E. Sedlacek, assistant director of the University of Maryland's Counseling Center, said his student behavior studies indicate this majority "is just trying to get through."

The reform minded minority is represented symbolically by the group forging the new path, while student radicals might be compared to the independent lawn crossers.

CLAIM NEED FOR NEW WAY

According to Dr. Sedlacek, the vocal group of new pathmakers is legitimately concerned about the society and about changing it." They are saying there is a need for a new way of doing things by registering their protests through traditional or modern channels.

The radicals are that small group of hard-core revolutionaries who carry violence as a tool in their portfolio of protest. For Dr. Sedlacek, the radicals include members of the SDS (Students for a Democratic Society), who believe the "whole thing is no good" and want to tear down the society without offering a pragmatic alternative. Not only would they walk on the university's grass, they would stomp on it, burn it, uproot it. They are the extremists.

In between the reformers and radicals are what Dr. Sedlacek calls "the blenders into the liberal environment." These don't always stick to the same path. Today, they may be liberals, tomorrow—who knows what.

The "blenders" would include the faddists, those who grow beards and don't wear shoes, for example, Dr. Sedlacek explains, but "when they leave school, they shave off the beard and go straight, so to speak, right away."

33,000 AT MARYLAND

But long hair and short skirts, bare feet and beards are not the exclusive uniform of any of these groups, which accommodate any number of subgroups with political variations from ultra conservative to ultra radical.

The University of Maryland and nearby Georgetown and George Washington Universities are physically different but they share this diverse student spectrum.

Maryland has about 33,000 students on a campus dotted with majestic trees and red-bricked, white-pillared colonial-style buildings. It is the fourth largest single state university campus in the nation.

Georgetown's 7600 students have a lot less green area, which is offset by quaint shops and cobblestone streets. It is the oldest Catholic university in the country.

OPINIONS ON SILENT MAJORITY

George Washington's 14,000 students share a concrete campus that covers a large area in downtown Washington with no visible boundary lines. Its buildings, classrooms and town houses are spread over an urban campus that is nearly across the street from the State Department on one side, four blocks from the White House on another and 14 blocks from a ghetto.

On these three very different campuses, as elsewhere, there are differences of opinion on how loud this "silent majority" of students is. Some call the silence apathy, indifference. Others attribute it to a heavy work load rather than a lack of concern for non-academic issues.

Stressing that "most college students are concerned about the fundamental problems of our society," George Washington's president, Dr. Lloyd H. Elliott, said that most are also "moderates who are knowledgeable about these problems and concerned with their solution, and to a considerable measure are changing their own goals and career plans because of them."

WORKS IN SILENT WAYS

For instance, he points to increased interest medical students are showing in assignments to neighborhood health centers, law students in legal aid work, business schools in re-examining social responsibilities.

Another defender of the "silent majority" and the belief that it works in many silent ways is Francis P. Hyland, a Maryland junior, who wrote in a letter to the campus newspaper: "This campus does have a conscience. It gives blood for transfusions, it bounces basketballs for heart disease, it holds trash bashes, it sells daffodils for cancer research, it pays welcome visits to shut-ins, it collects food and clothing for the poor, and it takes children, who otherwise could not go, to the zoo and the circus."

Responding to another student who had found some merit in SDS protests, the letter added: "You seek a neatly compartmented, homogenized student body, which, pray God, will never exist."

While "any dissent is carried on by a minority," Dr. John Portz, head of Maryland's

honors program, stressed that today's student activism is "being carried on with at least the tacit consent of the majority."

THE ACTIVIST STUDENTS

And while the majority "may not have the oomph" to overcome the natural inertia of the non-reformer, Dr. Portz added: "They're certainly not indifferent. I've been teaching for a quarter-century and this is the most involved, committed generation of students I've seen."

But then, how do you explain a turnout of 75 in a student body of thousands for a meeting to plan a peaceful anti-war protest?

Activist students—even the SDS types—usually the student government leaders, the newspaper editors, see this moderate majority "going to class and going home, period."

That's partially explained because so many students are commuters, off-campus residents with outside interests. Many have jobs to support their cars and their education. This type of student population cuts into organizing ability.

FRATERNITIES FADING

But Ira Allen, associate editor of Maryland's daily student newspaper—the Diamondback—said: "I don't underestimate the apathetic people. They are concerned about things but there's this thing about showing it. A large majority are respectably against the war, for example." One indication that the wave of concerned students is growing is the reported decline of fraternities and sororities.

Noting that the number of students who sought admission to fraternities was down, one George Washington junior said: "Fraternities are fading. Students don't see fraternity life as meaningful enough." Or as a Maryland senior put it: "Did you get drunk Friday night and who did you date Saturday night are no longer the important questions."

Largely, however, the "silent majority" seems to mirror the larger society. Generally for example, students are notoriously lax voters.

CONSIDERED PRISON

And like many adults, they don't get concerned about an issue until it affects them personally. It's like the student who explained that he was concerned about the draft "in general" but "when the draft comes to me, then I'll have to make a decision."

The thin line between unconcerned moderate and very concerned radical was drawn when he recalled that he was out of school for a semester and worried about getting drafted.

"I considered going to prison rather than be drafted," he explained, adding that he was still determined not to accept induction if called to fight in Vietnam.

"If it were a question of defending this territory," he said, "sure I'd go. But in Vietnam . . . the objectives aren't clear there."

Occasionally, like when a group of veterans at Maryland helped thwart an SDS building takeover, the silent majority asserts itself. But indications are that short of total crisis situation, it apparently cannot be regularly expected to counter campus violence.

OTHER WAYS OF CHANGE

One of the acknowledged tasks of student governments this year will be an effort to motivate this bulk of the campus population.

Robert L. Liebersohn, a junior at Maryland, in an interview noted that he's concerned about the big issues but "I'm concerned about my grades, my personal problems . . . There are other ways of change besides protest." He plans to be a teacher.

What would get him to protest?

If there were a threat of a campus takeover, he said, I'd protest that and demand my rights to an education be protected."

And an engineering student watching an SDS Teach-In said: "I wish they'd put that energy to use trying to make the bookstore more efficient . . . But if the government cuts off money because of jokers like that, I might get a little violent myself."

RE-EXAMINED ISSUES

But sometimes there are undramatic transformations, Robert X. Morrell, a Georgetown sophomore from Los Angeles, explained that he was "a gross example" of non-involvement last year.

Noting that he used "to take a lot of long naps," he recalled working on a scholarship drive for inner city students. "And wait a minute I said to myself. All these kids at other schools wouldn't be doing this for no reason at all. So I re-examined the issues all by myself."

Which way will this current freshman class go?

FEELING THEIR WAY

They are still an unknown quantity basically. One Georgetown spokesman voiced a consensus why he said: "Each incoming class seems to have been more volatile than the other. On that basis, we'd expect some more activists but we don't really know."

Upper classmen generally seem to have the opinion that the freshmen are "amazingly tuned on to what is going on." Random talks with some freshmen indicate a "just feeling my way" attitude.

Take John C. O'Keefe, a Georgetown freshman from Dayton, O., who said: "Around here, everyone expected or suspected the freshman class to be vociferous on boisterous or active . . . But I don't know if everyone's all that fired up about ripping things up. I'd like to find out what I'm tearing up first."

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SDS GLAMOR ATTRACTS STUDENTS BUT FAILS TO HOLD MOST—III

(By Ronald J. Maselka)

WASHINGTON, OCTOBER 2—"Never in the history of human conflict was so much owed by so many to so few."

In the context of campus unrest, Winston Churchill's tribute to the Royal Air Force could be read as a censure of the violent student minority. For the violence of this comparatively small group has cast a pall over American higher education and besmirched the public image of thousands or students.

Spurts of campus violence already have added credence to the educators who had predicted renewed trouble and those who refused to predict. "We never speculate on the future," one University of Maryland administrator said. "You only need one to start trouble."

One reason for the impact of the radical Students for a Democratic Society (SDS) is that for any specific planned protest their relatively small hard-core of members on one campus is swelled by members from other campuses and non-student outsiders. This is the view of both administrators and students, looking back at the disruption of a talk by San Francisco Mayor Joseph Alioto last spring at Georgetown University and two building seizures at George Washington University.

CERTAIN EXOTIC APPEAL

The SDS charter at Maryland was revoked until next February by the student court for repeated violations of campus regulations. But it still functions.

But the mere facts that they proclaim themselves to be revolutionaries and that revolutionaries are different afford a certain exotic appeal for the SDS.

This, plus their truly committed individual determination, gives them a capacity for disruption far exceeding their numbers.

Sometimes, this makes them appear sophomoric.

For instance, about 20 SDS members waving red books temporarily disrupted a recent orientation meeting at George Washington University, chanting "Mao Tse-tung, Mao Tse-tung."

At the very least, they were advertising that they were still around.

STUDENT COURT TRIAL

"SDS has tremendous color," explained Dr. John Portz, a Maryland University English professor who formerly headed the Faculty Senate Committee on Student Life. "And they are prepared to engage in fantastic actions. It's not enough for them to carry a sign. They want to be the focus of attention by glaringly unusual human behavior."

This was documented last week at a student court trial at George Washington of two students charged with disrupting a faculty meeting last spring.

During the proceedings, SDS members or sympathizers alternately hummed, belched and yelled to be recognized. At one point—when a faculty adviser consulted with the student court members—three students crawled around the classroom on their hands and knees moaning: "Grovel, grovel, grovel."

One student explained that this was a reference to the SDS allegation of a slave-owner relationship between student and faculty.

ATTRACTED LISTENERS

Another example of the electric appeal of the SDS also came out last week on the patio of the University of Maryland library.

In a pre-announced teach-in, a handful of SDS members succeeded in attracting several hundred student listeners, who became arguers and hecklers.

Richard Fox, a Maryland SDS leader, says that the organization is a social magnet. "It makes people take sides," he said, noting that the teach-in drew the curious, the patriotic, the apolitical troublemakers and agitators, the bullies and the people looking for excitement.

RELUCTANT TO PREDICT

One student ripped down a Viet Cong flag carried by the SDS and a fist throwing brawl erupted for a few minutes.

It's this type of incident that explains the reluctance of administrators to predict the temper of their campus. The potential tensions are there. And the SDS is waiting for someone to accept its dare.

But campus police are becoming more sophisticated about accepting that dare. At the height of the minor disturbance at Maryland last week, for example, there were no uniformed police evident.

And ironically enough, the presence of police uniforms adds strength to the SDS generally, for example, might be cast in the role of SDS supporter because of their intervention when SDS members are being carried away by police.

BECOME CELEBRATED

Noting that if SDS members are hauled off to jail they simply become "more celebrated" on campus, Dr. Portz explained that "students today have a sense of peerage of their own age group, that they never had before. Students respect their right to be different." With outside police intervention, he added, student support could grow because of this "we're all in it together" feeling.

Conversations indicate that students generally acknowledge the right of fellow students, who are SDS members, to state their beliefs publicly.

RIGHT TO SUSPEND

"It's all right for them to have their say here, as long as they are students," one Maryland junior said. "But it's not right for the outsiders."

"Throwing them out is not the answer," one faculty member argued.

The court injunction and the student judiciary system are two tools university ad-

ministrators have evidenced they will use to counteract violence.

The George Washington Student Court, for instance, has the right to expel, suspend or reprimand a student charged with a campus violation. This type of reaction to violence does not draw the ire of other students toward the administration building.

Asked why the majority of students attending last week's first Student Court trial at George Washington seemed to be either SDS members or their allies, Columbian College Dean Calvin D. Linton replied: "This group is not representative of the student body . . . I have the distinct impression that the majority is disenchanted with this kind of thing."

A LOT ARE BORED

Maintaining that the lack of attendance should not be confused "with apathy or indifference on the part of the majority," he said he felt it was more "a desire of students to see their judicial machinery operate properly and speedily, without fanfare.

"I get the impression also that a lot of students are bored with this kind of thing. They would rather be in the library studying, for instance, rather than sitting in here."

Between currently divided SDS factions, there is disagreement on whether to accentuate their appeal to youth or blue-collar workers. So, typical SDS appearance is a compromise. The long-hair might appeal to the youthful hippie, for example, but the blue denim shirts and dungarees apparently are meant to relate to the workers.

HOW TO DISTINGUISH

One SDS faction at Maryland plans to aim its key thrust this year at the unionization of the university's service employes, the housekeepers, maintenance personnel and cafeteria workers. Georgetown's housekeepers have twice voted down such unionization.

One way reporters can distinguish between the two main SDS factions is that one will talk to them, the other won't.

For instance, one SDS member, who visited the University of Maryland for last week's teach-in was confronted by the campus police afterward because her license plates had expired.

Confronted by a Buffalo Evening News reporter, she said: "We don't talk to the Establishment press. You've fouled us up too many times."

And when Jim Stark, an SDS leader at George Washington University, was asked by an intermediary to discuss the coming issues and SDS plans with a News reporter, he said: "I don't want to rap (talk) with him about that."

CHANGE IN GENTLE WAY

On the wider philosophical question of "What this all means," Jim Stark said: "You know, the people who are involved in it don't know what it all means or where we are going."

Noting that the meaning of campus unrest won't be gauged for several years, and probably by historians, he added: "When the Depression came in 1929, people didn't know what it meant right then. Some people thought it was the end of the world."

A similar uncertainty of directions was voiced by Maryland's SDS leader, Richard Fox. "I have difficulty trying to figure out what I am going to do," he said. "But I don't want to be happy at the expense of someone else's pain."

Noting he became involved in SDS because of his sister's involvement in civil rights work, he said: "I dislike violence. I opposed the Vietnam war initially because of the violence . . . But violence is something that is used to achieve political ends. Most like to see change in a gentle way. So would I."

Some students noted they could "admire the goals but can't relate to these guys in SDS" because the group attacks "the system rather than trying to improve the university."

REALLY BADLY SPLIT

Recalling that SDS had wider student support at George Washington last year, Greg R. Valliere, managing editor of the Hatchet, the student newspaper, said: "This year, it's completely different it seems to me. There's a lot less support for them generally . . . They're doing stupid things, like disrupting some meeting the students came to hear. They do a lot of idiot things. They're getting too unreal and losing their appeal . . . with their endless rhetoric of imperialism and racism."

Reporting that SDS members are required to detail where they went and who they spoke with that day at evening discussion groups, another student said SDS "is becoming paranoid . . . they're hurting themselves. And they're really split up badly."

Whether SDS can cause as much trouble divided remains to be seen.

But Ave J. Saunders, a Maryland student government leader who dropped out of SDS after being a charter member at the university, said: "So you take over a building, what do you accomplish? You have to convince people you are right. You can't force anyone to agree with you."

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STUDENTS PURSUING GOALS BEYOND END OF VIET WAR—IV

(By Ronald J. Maselka)

WASHINGTON, October 3.—A flight path into Washington's National Airport brings commercial jets thunderously close to the sky above Georgetown University.

While the jets are not a campus issue, their speed and sound echo the intensity of the changes occurring at Georgetown and other universities. Plans for larger, louder jets mirror the depth of the campus changes and issues ahead.

While the Vietnam War and the draft are overshadowing, indications are that the end of the war and reform of the draft will not end campus discontent.

Discussions with liberal student leaders—interested in campus and off-campus issues—reveal a depth of concern about the structure of the university, academic reform, and the values of the greater society.

"If the war ended," said Donald J. McNeil, editor of Georgetown's student newspaper, The Hoya, "I think the (student) emphasis would switch. Like the war's over, fine. So let's put the money to work here."

Why is this collegiate generation raising these questions? Why are they different from their predecessors? There were always liberals on campus, but why so many now?

"The war was a big catalyst for all this," explained Michael Gold, president of the University of Maryland's Student Government Association. "But the civil rights movement was an even bigger catalyst. That showed that this country is not what it's cracked up to be. The rhetoric does not approach the reality. The war just fueled this awareness, providing concrete evidence of this hyprocrisy."

PROVIDE NO ANSWERS

Noting that "there's more knowledge today" and that the assassinations of President Kennedy, Martin Luther King and Sen. Robert F. Kennedy added more fuel for student concern, Ave J. Saunders, a cabinet member in the Maryland student government, added: "I think students today just have a greater awareness of people and the world around."

As an example, he said: "If you live in a $60,000 house and go to school with a black student who lives in a ghetto in something less than a shack, you start to ask yourself: Why do I have it so good and he has it so bad?"

Responding to the criticism that "smart-aleck" kids are raising a lot of questions but providing no answers, he added: "Students don't have the answers. We're not saying we do. We are saying let's face the questions, like when the government says things are fine and yet millions of people in this country live at or below the poverty level."

BE MORE PATIENT

Acknowledging his idealism, Robert X. Morrell, a Georgetown sophomore, who was working to get signatures for an anti-war petition, said: "Maybe if we all got together and admitted that we don't have the answers, we can do something."

Urging that "we give this feeling of community a chance," he suggests "being more patient with alternatives, not taking it for granted that the established ways to get things done are necessarily the only ways or the best ways."

Administrators in public and private universities throughout the country are moving in a number of directions to respond to the genuine depth of this student concern.

Changes range from better food and lower food prices to coeducational dormitories, student voices on faculty committees, improved student disciplinary procedures and judiciary systems.

TOO CONSERVATIVE

Pointing out that the day of the dictatorial dean is gone, one administrator said: "The emphasis today is on due process, on fair treatment."

There are still students who think administrations are too slow, too conservative.

While the University of Maryland's President, Dr. Wilson H. Elkins, has stressed the institution's reputation for scholarship during his 15-year tenure, one student said: "But the trend today is toward student life . . . Show us how to live, not how to make a living."

And another student credited Dr. Elkins with "building this into a fine institution," but added: "There's a new breed of students today, a new level of interest. He wants to continue change at the same pace. We want to move faster." Noting that Negroes represent only about 2 per cent of the university's population, he said: "If we can solve racism on the campus, it will in great measure affect the community around us."

LIQUOR IN DORMS

The University of Maryland is in the process of complying with an order from the Department of Health, Education and Welfare to institute programs aimed at increasing integration on campus.

The rate of change varies from campus to campus. Georgetown, for instance, allowed liquor in dormitories since 1966, but Maryland's Board of Regents just dropped its total ban on alcoholic beverages a week ago.

There are more similarities though. Georgetown, Maryland and George Washington Universities all have groups of students working for campus involvement in the Oct. 15 moratorium on normal scholastic activity as an antiwar protest. And all three are reacting to demands for "relevance" with programs or plans for urban studies.

At all three, black students are a tiny minority—less than 200 among Georgetown's 7600 students, less than 800 among George Washington's 14,000, less than 500 among Maryland's 24,500 full-time students.

SEEKS BETTER BALANCE

Explaining student reaction to this distribution, one George Washington student said: "We are aware that we are a white school in a predominantly black city and we believe the university should do something about it."

One George Washington spokesman said that administrations are trying. "There is a feeling," he said, "that educational institutions must do what they can to equalize educational opportunity for black students."

Part of this is the growing development of black studies programs and university efforts to recruit inner city students and devise special programs to upgrade their qualifications so they remain in college and compete effectively.

INFLUENCE WILL GROW

At many campuses, the Black Student Union is the key magnet for organized, nonviolent Negro protest. At George Washington, for instance, the BSU last spring proposed that the university devise a way to recruit 100 black students, tuition free, for the next school year. The university found funds for about 40.

Carolyn Jones, a BSU member at Maryland, said that the influence of the Negro population will increase with their size and their ability to agree on objectives. As reflected nationally, black students are gravitating toward themselves and their special concerns, while accepting white student support.

A key issue at both Georgetown and Maryland this year is student interest in getting representation on the university governing body—variously called trustees, board of regents or board of directors.

LACK DIRECT CONTACT

Many experts point out that these boards, usually comprised of prominent citizens and alumni, merely rubber-stamp administration policies. Some of the student efforts, however, seems aimed at revitalizing these boards' functions.

Why do students want a voice on the university board? One argument is that the trustees lack direct contact with the students and are generally ignorant of campus problems.

But more importantly, as one Georgetown student said: "If this is going to be a true community, like everyone keeps saying it is, it needs everybody's voice in it."

This question of student participation, of course, is the subject of endless debate. How much is beneficial? How much is necessary? Weakening the student case are reports that once the students get the right to vote on a certain committee, for instance, it is difficult to get full-time interested student participation.

CONFUSED ROLE

On faculty-student committees on parking, security problems or educational opportunity, students can play a large role.

But Dr. John Portz, an English professor at Maryland, noted that in some cases—like committees on faculty hiring, firing, pay and tenure—there is no obvious student role. Citing a committee on scheduling and admissions—a complex subject—he said students are relegated to a sort of confused role of observer because the work is done by faculty who have gone through this scheduling process for years.

He suggests that students might better set their sights on committees where they can make a genuine contribution. Naming Maryland's committee on the future of the university, he said: "This is essentially a think tank, where students might perform more satisfactorily."

## AMERICAN YOUTH IN FIGHT TO PROTECT ENVIRONMENT

### HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. BRADEMAS. Mr. Speaker, I wish to call my colleagues' attention to an article entitled "American Youths Find New 'Supercause'," which appeared in the South Bend Tribune on Sunday, November 30, 1969.

Lynn Sherr, who wrote the article, points out that a new activism surrounds efforts to protect our environment. The activism is not rooted in anarchy, since ecology is a system, and anarchy is against all systems. It is, rather, a growing movement on the part of our Nation's young people to take positive steps to prevent the destruction of our ecological balance.

I am particularly interested in this article, since along with Congressmen SCHEUER and REID of New York, and HANSEN, I have introduced H.R. 14753, the Environmental Quality Education Act. Our legislation would establish programs of environmental education from elementary school through graduate school.

It appears to us that legislation of this type is necessary if we are to begin to meet our obligations to protect the environment in which we live.

At this point I insert in the RECORD the text of the article from the South Bend Tribune:

AMERICAN YOUTHS FIND NEW "SUPERCAUSE"—DRAW BATTLELINES AGAINST POLLUTION OF LAND, SEA, AIR

(By Lynn Sherr)

American youths have found a new supercause and—maybe—those over 30 may be invited to join.

They are trying to save the world—nothing novel with the young—but this time the threat is real and widely recognized.

The young are mobilizing with some of the same intensity that had gone into antiwar movements against the pollution of air, land and sea.

It's a new movement, just taking shape, but given the receptivity of today's youth to causes it seems almost destined.

Their concern over pollution is understandable said William E. Felling program officer of the Ford Foundation's Resources and Environment Department. "They can see it, they can feel it, they can smell it, and they think they can change it."

"It" has already inspired a new vocabulary.

As Stewart Udall, former secretary of the interior, told a standing-room-only student audience, "The word 'eco' is like 'mini.' Add it on to anything and you get a new word."

Thus the talk of "ecocastrophes" and irreversible air pollution imbalance, for instance, "ecogroups."

TALK OF "ECOLOGY"

But mostly the young talk of "ecology"—the comparatively young science which studies living organisms in relation to their environment:

Man against such deadly byproducts of his technology as poisonous DDT in the body, sulfer dioxide in the air, foul detergents in forest streams and the overcrowding of three-and-one-half billion fellow earthlings.

So far, the young ecologists are not a full-fledged movement. They are unorganized, largely unknown. Although the West Coast has generated the most vocal advocates, they have no real headquarters, no national president. They are not all scientists. They do not all understand the finer points about ecology.

But their passionate concern has caused Francois Mergen, Dean of Yale's environmentally-oriented School of Forestry, to comment: "Sometimes I think the students who earn degrees in ecology here should be ordained. They're so serious."

And they are beginning to act.

YOUNG PEOPLE TESTIFY

Mostly through local groups, young people have variously testified at congressional hearings on the pollution of Lake Erie, chained themselves to bulldozer-threatened redwood trees, met with state senators to discuss antipollution tax incentives.

Already, student ecology organizations exist at some of the nation's most impressive colleges. Among them: Berkeley, California Institute of Technology, MIT, Reed, Stanford, University of Minnesota, University of Wisconsin, Yale.

The Associated Students for Cal Tech (ASCIT) has begun its third year of an air pollution research project that was granted $18,500 from the Ford Foundation and $68,500 from the United States Department of Health, Education and Welfare.

Wisconsin's Science Student Union last spring picketed DDT hearings in the state capitol and is currently protesting the U.S. Navy's Project Sanguine—an electronic communications center which conservationists say may threaten forest life in northern Wisconsin.

At Yale, one student group is trying to mobilize the community to clean up New Haven's unswimmable harbor waters; another takes ghetto children on Saturday field trips to show them "that there are natural areas in the world."

Off campus, eco-groups have hit both coasts, the underground press, peace people and prep schools.

Ecology Action, an independent organization in Berkeley, Calif., sees its mission as informational, and insists that would-be activists treat ecology action as "something you do, rather than something you join." Along with extensive brochures and reading lists, they have devised a pilot ecology course which is now being taught in a local high school.

The War Resisters League devoted an entire issue of its monthly "Win" magazine (pipeline to some 8,000 members of the underground) to "ecological consciousness—yanking ecology out of the context of pure science and using it to describe the ways that man relates to his natural environment."

WRITE TO LEGISLATORS

One-hundred eighty girls from the Thomas School in Rowayton, Conn., wrote letters to state legislators, aroused the community, urged the introduction—which ultimately passed—of a state bill to survey and preserve Connecticut's coastal wetlands which were being used as a dumping ground by contractors.

On the other side of the generation gap, university, school board and other established officials have started making changes of their own to accommodate the burgeoning interest.

Professors from dozens of universities have reported new courses in ecology (for non-science students) and, in some cases, doubling and tripling of enrollment in existing courses. In addition, some science departments have begun combining biology, architecture and sociology, for instance, to offer inter disciplinary majors—or even new departments—in ecology.

FORD GRANTS FUNDS

The Ford Foundation last year granted nearly $4 million, mostly to colleges and universities for research in environmental subjects.

The University of Wisconsin's new branch at Green Bay is organized entirely around man and environmental problems in a radical academic experiment.

The American Assn. for the Advancement of Science has, for the first time, invited 40 students to participate in its annual Christmas meeting. Subject for an entire after-

noon session: Undergraduate Education in Environmental Science.

Sen. Gaylord Nelson, D-Wis., longtime advocate of conservation, has proposed a national environmental teach-in on college campuses this spring.

The antiwar movement started with teach-ins, too.

In many ways, ecology activity is largely an outgrowth of The Movement—antiwar, anti-ghetto, anti-Establishment.

THREATENS TO END LIFE

In their own terms, both groups see the status quo which they define as war or pollution as threatening to end life on this planet. Both see "the system" (which they consider government or giant corporations) as the adversary. Both reject old values, old politics, piecemeal solutions. Both talk of revolution.

And both blame the profit system.

Indeed, to the young ecologists, capitalism is Ecology Enemy No. 1. They criticize the growth motive—America's annual attempt to push the Gross National Product higher and higher.

"We've got to get away from the notion that growth is a good thing," emphasized Dr. Paul Ehrlich, director of graduate study for the Department of Biological Sciences at Stanford. Ehrlich has had a vasectomy—an operation to make himself sterile—and is one of the youth's most-quoted environmental heroes.

FORMS ECOLOGY ACTION

"Capitalism is predicated on money and growth," explained Cliff Humphrey, 32, who was building California freeways before he turned on to the problem, received a bachelor's degree in ecology and helped found Ecology Action.

"And when your only interest is to maximize your profit, you maximize the pollution. We need a system that takes maximum care of the earth," he said.

And yet, that system, the young activists feel, is not necessarily the political opposite of captialism.

"I don't think either right or left or center has the ecologically sane answer," said Keith Lampe, 38, a cofounder of the Yippie movement, whose first environmental activity was to join the conservationist Sierra Club.

EDITS UNDERGROUND LETTER

Lampe now edits a biweekly underground newsletter from Berkeley called "Earth Read-Out," in which he has published "econotes" urging "a rapid evolution from competition to co-operation; in the U.S. specifically this means shucking capitalism and evolving a community for which there is yet no label, a community within which the notions of ownership and money no longer have meaning or appeal."

During a trip to New York this fall, Lampe elaborated. "Capitalism may be more antagonistic than Marxism, but both share the man-against-nature thing, the growth motive," he said.

NONE HELD BLAMELESS

More important, most of the young activists believe that although some individual polluters can be singled out for spilling oil or destroying wildlife, no one—not even the ecologist—remains blameless in the massive assault on the earth. They like to quote Pogo, the cartoon 'possum, who said: "We have met the enemy and he is us."

Us: Everyone who rides in automobiles that spew deadly exhaust fumes into smog; everyone who buys shampoo in undemolishable plastic containers; everyone who adds unwanted children to the crowded world.

"There's a role for everyone in ecology," according to Lampe. In a recent column of advice to his underground followers, Lampe suggested that they should not close the door to rifle club members, Boy Scouts, or John Birchers.

"Since everybody is still groping for effective roles and tactics, people with widely different styles and widely different politics within the old context can talk to each other with no more tension than a Presbyterian talks to a Methodist."

DEPENDS OF MUTUAL TRUST

Thus, many members of the new eco-groups are beginning to understand that unlike seizing the dean's office, ecology action will depend on mutual trust among all ages and groups.

A group of peaceniks in New York recently were debating whether to approach older groups to protest jet noise.

"Talk to the Queens housewives, get them involved," said an earnest young girl.

"I don't want to talk to them, replied a barefoot youth with a three-day beard, "I just want to get them picketing."

"We're trying to leave behind the polemical solutions," said Cliff Humphrey. "Ecology provides the means and articulation of doing something positive."

Steve Berwick, 28, a stocky wildlife ecologist at Yale, reflected, "I doubt if you'll find many anarchist ecologists. Ecology is a system, and anarchy goes against that."

PERTAINS TO ALL GROUPS

It pertains as much to the rock music festival fans who dump garbage in the fields as it does to the industrialists who destroy marine life in lakes.

Joe Rhodes, 22, former student body president at Cal Tech who established their air pollution project, summarized: "Pollution is like the war, like the ghetto. They all became a problem invisibly, slowly. We must start paying attention to the gentle changes. We've got to start connecting what happens now with later consequences . . . start listening to the warnings."

He cut short his rapid-fire delivery and reflected on the commitment of the ecology-minded of his generation.

"I hope that this cause is close enough to everyone that they won't be confused because they don't like young people," he said.

Jim Beck, Rhodes' successor at Cal Tech, put it another way: "We don't want to revolutionize society—we want to live in it."

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## VETERAN HOME LOAN PROGRAM DRYING UP FOR LACK OF FUNDS

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. TEAGUE of Texas. Mr. Speaker, as part of the GI bill of rights, Congress created a program to assist returning war veterans in financing the purchase of a home. This program was a great success following World War II and the Korean conflict, but it has fallen victim of the tight money market. At the present time the home loan provision can be considered nothing more than an empty promise.

The Veterans Affairs Committee has been considering legislation to use $5 billion from the NSLI trust fund, and such a proposal is also under consideration in the Senate. In this connection, Mr. Harold A. Pollman, a builder from Dallas, Tex., with great experience in home building and financing for veterans, appeared before the Senate Finance Committee and delivered a very pertinent statement on this proposal. I feel that Mr. Pollman's statement will be of interest to Members of this body. It appears below:

TESTIMONY TO THE COMMITTEE ON FINANCE, SUBCOMMITTEE ON VETERANS LEGISLATION, U.S. SENATE, HEARING ON S. 3008

(By Harold A. Pollman, Representing Texas State and Dallas Home Builders Association)

Honorable Senator Talmadge, Chairman, and gentlemen of the committee, my name is Harold Pollman, I am a builder in Dallas, Texas. I appear before this committee at the invitation of your chairman, Senator Talmadge, and our Senior Senator from Texas, the Honorable Ralph Yarborough, the sponsor of this legislation today coming under your pervue and study.

My official capacity in testifying to this committee is that of a Texas State board director and Dallas director of the Home Builders Association.

Please permit me a valuable moment of this morning's time to bear to you greetings from both the Texas State Board of Directors and the Dallas Board of the Home Builders Association and also to state to you that both Boards have asked me to express to you their commendation for your knowledgeable awareness of the economic plight of the returning veteran seeking a home in which to establish himself and his family upon his completion of military service.

I am aware, both by the presence at this hearing before you today of numerous experts in the field of finance and economics, as well as by submitted transcripts for the committee's study, that a very substantial amount of studied economic and technical data will be provided for your consideration in this matter.

A most capable understanding of this matter from the viewpoint of home builders throughout the Nation will be provided by Mr. Larry Blackmon a past national president of the National Home Builders Association who is accompanied by various staff economists of that association. These gentlemen are most learned in statistics and studies germane to the questions involved in this legislation. I also note with interest the testimony of most knowledgeable economists as well as the general counsel for the Treasury, the president of the National Mortgage Bankers Association, officials of the Veterans Administration, officers of the National Association of Real Estate Boards and many other highly qualified and competent witnesses. With the availability to you of this necessary and properly highly informative type of testimony I can only believe that I have been requested to appear here today to testify to you on a more "grass roots sense of feeling" concerning this proposed legislation.

My company in Dallas is a medium volume tract builder in the price range of a low of $19,900 to our top home at $42,500. We build between 135 and 200 homes per year. Our annual dollar volume is between 4½ million and 6 million dollars. These homes are financed approximately 95% of our total annual volume by FHA and VA guaranteed loans and of that percentage 70% of our homes are sold to veterans.

You are of course aware that the legislation we have under study here today concerns itself with approximately 6 billion dollars of national service life insurance reserves. These reserves have been generated by the veteran's payment of his life insurance premiums. As you know these funds are currently loaned to the Treasury on an "inside the family" type loan at a yield to the National Service Life Insurance Fund of approximately 3.77%.

The veterans home loan program has an eligibility of 10½ million veterans. Soon, hopefully, many more young men will be returning from service in Viet Nam. These men will be returning to their community seeking

to make a home for themselves and their families.

While Congress has acted appropriately (and I cannot use the word magnanimously as these are the men who have served their Nation) in providing the necessary legislative vehicle to provide housing for the veteran, the veteran has returned home to find that the congressionally established vehicle for home ownership is totally immobilized due to a complete lack of economic fuel.

The entire climate of money availability has changed since many of us returned from service after World War II. At that time we found awaiting us very substantial funds in savings and loans and life insurace companies. These funds were accumulated through substantial war time earnings and with very little real goods of value to purchase and thus dissipate these savings. Thus the returning veteran found substantial savings in savings and loans anxious to be invested in government insured GI home mortgages. The insurance companies were anxious to place large insurance reserves in government guaranteed real estate home mortgage loans. Thus under prior economic conditions the returning veteran with no economic wherewithal to make a down payment on a home and economically disadvantaged by his time in military service, found that Congress had provided legislation for a *readily acceptable* and *marketable* government insured home loan.

This economic climate resulted in $72 billion of loans to 7 million veterans. By the way, I am informed that the loss rates on these veteran mortgage loans has been less than conventional lending programs.

Today's returning veteran finds a *totally different* home loan climate awaiting him.

I. THE INSURANCE COMPANIES

Almost all major insurance companies in the country have abandoned the financing of the single family G.I. homes. Today's money managers for our insurance companies have chased "yield" (for inflationary protection) into the highly questionable practice but for, at least this time, highly remunerative yield of apartment, shopping center, and commercial loans premised upon various formulas of:

A. Participation actually in the venture with the project developer, or of gross or net rental yields.

There is, of course, no logical way that the individual home owner can compete in the mortgage money market for this type of insurance company money against that formula of yield attraction.

II. THE PUBLIC MORTGAGE MONEY MARKET

A. The historically unparalleled *corporate expansion* in the last decade has engendered the corporate debtor who can pay 10 and 12 percent interest, which when adjusted for 52 percent tax rates and 7 percent investment credit nets an effective cost to the corporate borrower of 4 to 6 percent for his 10 to 12 percent rate commitment. Again this makes the 7½ percent veteran loan unattractive to the investor.

B. Unparalled *Municipal, State, and school District Expansion* carrying tax favored exemptions and being issued at 4%, 5% and 6%, giving investors an effective yield of double these rates, again significantly undercut the funds once called upon for home ownership.

III. PENSION TRUST FUNDS

The character of saving the last 20 years, certainly until the last decade, was primarily individual in nature. Each individual held his own passbook saving account. He provided the bulk of his personal savings for his old age, his retirement, or an emergency sickness, reserved in his saivngs and loan account. These savings were invested by savings and loans almost totally (by virtue of the very premise of their charter) in home loan mortgages. However, today by far the very substantial majority of our savings from individual earnings take the route of: Payroll deductions, with an automatic holdout from salary and a moving of these holdout savings into tax favored employee pension trust funds. They only seek for their entrusted funds "maximum yields"—of course, that is their job.

Those of us who have addressed ourselves to the current money resources for home financing find some peculiarly anomalous creatures in the pension trust fund investments. For example, numerous carpenter, plumbing, electrical, etc., union pension trust funds with their employees livelihood geared to and dependent upon the residential construction industry, hold not one dollar in their investment portfolio in federally guaranteed home loan mortgages. They, of course, also are chasing "yield". The better "yield" of glamour electronic stocks, corporate bonds, tax favored municipals, etc.

I beg your indulgence but for another graphic example. We have found that in a large majority of all states, some as tremendously important as California, not one dime of the teacher pension trust funds—or for that matter, any other state employee trust funds—not one dime of the investment portfolios were held in federally insured home ownership. It must, of course, be shocking to you as it was to us to find in a vast majority of all of our teacher, professorial, professional, and trade association tax favored pension trust funds these are the teachers and mentors, the very people who stand before our young people and teach and exhort for our American way of life and who avow the fundamental foundations and sociological importance of a good family home, and thus a solid family life, find not one cent in their multi-million dollar trust funds—which by the way, in some states grow at the rate of several million dollars each year—not one cent for home ownership loans in their portfolio. The glamour stocks the piece of the action and participation of shopping centers and apartment loans, the tax preferred municipals and in fact we have actually found pension trust funds in glamorous yield investments of these tax favored funds in Las Vegas motor hotel facilities makes the returning veterans' home loan mortgage a totally unattractive package.

Thus the vehicle of your Congressional legislation permitting home ownership can only be funded by the veteran stacking up exorbitant points of brokerage. High enough to make his interest rate, set by Congress, attractive. Thus the veteran competes in the money market place with points as high as 5, 6, or 7 on new housing and 9, 10, and 11 points on existing housing.

On a $20 thousand home the veteran may pay anywhere from $1500-$2000 to get his 7½ percent loan.

Herein lies a double economic tragedy when:

I. Firstly the veteran returns from service and finds himself in the market place competing with an undesirable loan at 7½ percent and paying 8 to 10 points—$1600-$2000 on his $20,000 home, while his veteran's insurance fund has $6 to $8 billion of his reserve insurance funds loaned out to the general citizenry through Treasury at approximately 3.77 percent. Unable to borrow from his own life insurance reserves, the 8 to 10 points of brokerage he pays, when added to the 7½ percent stated rate, yields depending upon the true historical life of this mortgage—(approximately 8½ to 10 years) yields 12% to 14%. Certainly this is a grave disadvantage to him when his insurance reserves are being loaned out at 3.77 percent.

II. Secondly to compound the veterans injury I understand that Treasury has taken a position that the brokerage points of $1600-$2,000 which the veteran pays to get the loan interest rate up to a competitive yield is not considered interest for tax purposes. Of course that is all it really is. This disallowance of considering this an interest further injures the veteran whereby if we recited his true cost for financing at 12 to 14 percent this would properly reflect his interest cost in his computation for taxes.

We are not unmindful of the necessity for restrictive fiscal and monetary policies to curb the ultimate calamity of unbridled inflation. Certainly the housing industry, standing virtually alone, as it now does, in the application of economic restraint is most aware of this unpalatable but necessary medicine for our economic health.

I am not unmindful of Treasury's contention that to call 1 billion dollars of their note per year out of their 3.77 percent "sheltered family loan" puts them out on the street to seek the replacement of that money. This it is asserted can contribute to our economic inflationary pressures. It is true that the economic climate is cold and harsh in the open money market. None of us could blame the Treasury from not wanting to leave their comfortable, warm, and sheltered loan position "inside the family" and go out in the cold market climate to replace that money. But that is the very climate in which the veteran is asked to seek his loan today. In answer to the Treasury's view that they would contribute to inflationary pressures by seeking this $1 billion a year in the open market, we must not overlook the fact that when the veteran funds his loan through the $1 billion dollars returned to his national service life insurance fund, he thus, to the identically correlative amount of $1 billion removes his demand of that billion dollars of mortgage funds from the money market. Thus it really becomes a question of who gets out into today's harsh money climate to the extent of $1 billion a year, the Treasury or the veteran. The dollar effect on the economy should be the same save and except the interest rate differential which Treasury would have to pay to the open market rather than the sheltered loan they hold. We believe that all of us as general citizens, and by the way the veteran included, must share this burden. We must not call upon this veteran, who has already borne services to its country, to again ask this veteran to subsidize the general citizenry with a preferred interest rate loan from his life insurance funds—while he is unable to borrow these funds and pays exorbitant rates at a non-competitive disadvantage in the open market place.

In conclusion, please permit me to state that shortly after World War II when more than 10 million men returned to their homes they found awaiting them your congressional commitment and their Nation's commitment to house the returning veterans.

The housing industry was capable of fulfilling this commitment. Shortly after World War II our housing industry was providing 2 million homes per year.

Today after a quarter century of vastly improved technological ability, of marvelously expeditious mechanical improvement and a quarter of a century of improved industry know-how for volume production, in which we have doubled and perhaps tripled our production ability, our industry finds itself this year barely providing between a million and a million two hundred thousand homes.

Thus from a population of 130 million when we showed the capacity to build 2 million homes we have moved to a 200 million population and will deliver less than a million and a quarter homes. This comes at a time when Congress has directed our industry to a need for 26 million homes over the next decade. Thus we are building into our already multi-faceted burgeoning crises the additional problem of a construction

deficit of approximately a million and a half homes per year.

I can assure you that it is only the fiscal and monetary restraint on our industry, which completely shuts us down and then attempts to start us up when it is economically expeditious to do so, which has created the critical housing shortage throughout the Nation today and spells out impending new multi-faceted sociological problems for tomorrow.

Gentlemen, we must make a commitment to innerspace as well. Innerspace is living space. You gentlemen have seen what such a commitment can do for us in almost infinite and limitless accomplishments in outer space. While perhaps not as glamorous a *short range impact*, an equal commitment to inner space must be made and fulfilled.

The pending legislation before you is just one small stepping stone along this important journey to the accomplishment of better housing for all Americans. It does not purport to solve but a small part of the problem of housing Americans.

I can find no valid reason for denying to veterans the access to their life insurance savings for home loan mortgages. It appears perfectly appropriate and timely that the life insurance savings generated by veterans be made available by veterans in need of home mortgage funds.

Again, Mr. Chairman, permit me to extend to you and your committee colleagues and the Senate, as well as the House through Honorable Olin Teague of Texas who is sponsoring the parallel legislation, the commendations of the veterans in our community and yours; as well as our housing industry for your consideration of this valued and necessary legislation.

## MAYFLOWER COMPACT DAY CELEBRATION

### HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. CARTER. Mr. Speaker, on the evening of Friday, November 21, 1969, the Society of Mayflower Descendants in the District of Columbia, celebrated the 349th anniversary of the signing of the world-famed Mayflower Compact. This is an annual event of the society, and this one, with an excellent program, had one of the largest number of members and guests in attendance that the society has ever known. Addresses by distinguished speakers, bestowal of awards, installation of newly elected officers of the society—by Lorenzo S. Winslow, assistant general of the general society—and a fine musical of songs by the Army Chorus—were prominent features. The addresses of high order were warmly applauded.

The society was organized in 1897, and has since flourished as a patriotic society which seeks to keep alive the lives and deeds of the Pilgrim group that landed at Plymouth Rock on December 21, 1620 (N.S.).

The addresses were made by John Jay Daly, a distinguished journalist and author, and Maurice H. Thatcher, former Congressman from Kentucky, and former Civil Governor of the Canal Zone and member—now only survivor—of the Isthmian Canal Commission, which had charge of the construction of the Panama Canal; and former governor of the society, and now honorary life counsellor general of the General Society of Mayflower Descendants.

The introduction of Mr. Daly was made by John Russell Whitney, deputy governor general of the general society; and the governor of the society, Col. Frederick I. Ordway, presented Mr. Thatcher.

Under leave granted, I am including herewith, as part of my remarks, the indicated addresses:

ADDRESS OF JOHN JAY DALY

Governor Ordway, Members and Guests. In the course of my newspaper career it became my good fortune to interview many noted historians. Occasionally I was invited to attend round-table historic discussions at the Cosmos Club. One day they took up the story of the Mayflower, its outstanding voyage across the Atlantic, one hundred and two passengers buffeted about in all sorts of weather, and the landing at Plymouth December 21, 1620—the 350th anniversary of this event now coming up, next year, 1970.

Louis Sears, professor of history at Purdue University, started the discussion on this subject. Dr. Sears, a real conservative, said he thought the story of the Mayflower should be told, re-told again and again and again wherever school children gather. In this he had the concurrence of Dr. Charles Tansill, another famed historian. This talk, and what I learned from these eminent scholars, enabled me to write the story of the Mayflower—Flight to Freedom—which is just off the press.

That day, in one burst of supreme assurance, Dr. Tansill, author of "Back Door to War", and other monumental works, declared: "It is no exaggeration to say that the Voyage of the Mayflower and the Landing at Plymouth rank with Hannibal's Crossing of the Alps, back in the third century."

Dr. Sears said, "I agree. It could be compared also with the overthrow of the Persian Empire by Alexander the Great, with the destruction of Carthage by Rome, with the conquest of Gaul by Clovis I, King of the Franks and founder of the French Empire."

Hearing all this gave me, an amateur historian, the courage to ask, How would the Voyage of the Mayflower compare with the taking of Constantinople by the Turks?—and the answer was, by Dr. Sears, "You might even compare it with the discovery of America by Columbus."

General Bonner Fellers, U.S.A., Ret., a friend of these historians, likened the dangers of the Mayflower adventure with that of Marco Polo, the Venetian traveller and author who set out to find China—and did. No one ever knew or ever will know how he accomplished this feat. It remains one of the great mysteries of all times. Marco went up against barbarians. The Pilgrims faced savages. So there is a comparison there, too. Marco Polo and the Pilgrims; of the same caliber.

You asked me to tell about my writing of the poem, "The Toast to The Flag." Believe it or not, this verse was written and published for the first Flag Day, June 14th, 1917.

At that time I was the youngest editor of a full-fledged Associated Press newspaper in America—The New Britain Herald, in Connecticut. From the moment the European War broke, and up to the time we entered the fray, there has been turmoil in this vicinity. Factories were blown up, by German sympathizers, to prevent war material from reaching the British. In order to get some patriotism going I decided to place an American flag at the masthead of the Herald. Under it each day we ran a well known saying from one of our patriots, like: My country, right or wrong—Decatur, Damn the torpedoes, go ahead—Farragut, Entangling Alliances with none—George Washington. Came the day that Congress set aside June 14th as Flag Day and I looked around for a Toast to the Flag; but inquiry at the local library and the New York Library gave no clue. So I called my old friend, Dr. Putnam, Librarian of Congress. He could find no such toast, either.

In the room where I slept was a great chandelier. Under it was a silk American Flag. As I started to slumberland, the light was turned off and I saw Old Glory fade out, the colors glorious beneath the dimming light. At about 2 a.m. I awoke with the Toast in mind, dashed it off on a piece of stationery, typed it at the office that morning—and it appeared in the afternoon edition—on the first Flag Day. From then on it went places. Editor at The Hartford Post wrote an editorial about it, the Boston Post spread it across the front page, the old New York Tribune re-printed it—and within a year it had been printed in practically all the national newspapers—and in some magazines throughout America. It was spread about by the Vigilantes, a patriotic society of writers and artists. Eventually it got into Edwin Markham's anthology—and today it is in 18 such books, along with about one or two million school books. Also, it has been set to music about 65 times, once by the great march king, John Philip Sousa—but, and here is a story never published—Sousa's music was rejected by his publisher, saying it was not up to his standard. "T'was not his fault. None of the other compositions made the grade, either; because of the shortness of the lines in this lyric. Originally I had only three verses, and these were never copyrighted on account of my joining the Army in the First World War. In order to get a copyright and prevent others from selling these verses I added a fourth verse. Here, then—at your request—is the present product: and, as you have asked, I now recite it:

"A TOAST TO THE FLAG

"Here's to the Red of it—
There's not a thread of it,
No, nor a shred of it
In all the spread of it
From foot to head
But heroes bled for it,
Faced steel and lead for it,
Precious blood shed for it,
Bathing it Red!

"Here's to the White of it—
Thrilled by the sight of it,
Who knows the right of it
But feels the might of it
Through day and night?
Womanhood's care for it
Made manhood dare for it;
Purity's pray'r for it
Keeps it so White!

"Here's to the Blue of it—
Beauteous view of it,
Heavenly hue of it,
Star-spangled dew of it
Constant and true;
Diadems gleam for it,
States stand supreme for it,
Liberty's beam for it
Brightens the Blue!

"Here's to the Whole of it—
Stars, stripes and pole of it,
Body and soul of it,
O, and the roll of it,
Sun shining through;
Hearts in accord for it
Swear by the sword for it,
Thanking the Lord for it,
Red, White and Blue!"

ADDRESS OF MAURICE H. THATCHER

Governor Ordway, Members of the D.C. Society, and distinguished guests: when my good friend, John Russell Whitney, former Governor of the Society and now Deputy Governor General of the General Society, in arranging this program, asked me to deliver this address, he left it to me to designate the subject and the title. I told him that I

would choose the title of "The Pilgrim Contribution", for what I had to say.

At the outset I take advantage of the moment to advise this assemblage—and particularly those, like myself, of Elder Brewster descent, of the fact that on the 7th of last September, I presided at the formal dedication of the Cenotaph to Elder Brewster, and his wife Mary Wentworth Brewster, which was erected by the Elder William Brewster Society of which I am the President-Treasurer. On that Sunday afternoon there was so much fog and rain in Plymouth that there was eliminated the customary program of the General Society's on Burial Hill Cemetery I proceeded there, nevertheless, with the dedication which was attended by a goodly number of Brewster descendants and others. While it is known that Elder Brewster and his wife found burial in Plymouth, yet there is no marking of their graves, but possibly their unknown burial sites were either in or near Burial Hill Cemetery, on which the combined Fort and Meeting House of the Pilgrims was established at the beginning of the founding of "The Plimouth Plantation." The memorial stone is of the best Barr Granite, appropriately inscribed, and of early colonial design.

I may add that the Elder William Brewster Society will continue its campaign for funds for the erection in Plymouth region of a more adequate and separate memorial to Elder Brewster and wife.

Now, I wish to pay tribute to the unique and outstanding remarks of my long-time friend, John Jay Daly. He has brought to us a splendid and inspiring designation of the Pilgrims, and his observations have included new and fresh material of great historical value through the evaluations furnished by eminent historians of a recent generation. It was fortunate indeed that Mr. Daly was present at the time these historians gave their united judgments as to the Pilgrims and their success—in the face of obstacles absolutely overwhelming.

Many thanks, Brother Daly, for what you have thus contributed to this occasion; and we are also deeply indebted to you for telling us the most interesting story of the genesis of your famous and universally popular poem, "A Toast to the Flag." If your career had as its principal feature the writing and dissemination of this poem, this of itself would have been sufficient to carry your name to future generations of Americans; but in journalistic labors and in poetic and prose efforts you have distinguished yourself.

In addition to the high tributes to the Pilgrims made by great historians, mentioned by Mr. Daly, I would also refer to similar tributes paid by some of our most eminent authors and statesmen, and among them (see Stoddard's "Truth About the Pilgrims"): Daniel Webster, 1820, Edward Everett 1824, Robert C. Winthrop 1839, Rufus Choate 1843, Charles Sumner 1953, William M. Evarts, 1854, William T. Davis 1870, George William Curtis 1885, Edwin D. Mead 1893, Governor Roger Wolcott 1897, George F. Hoar, 1897, Charles W. Elliott 1910, Henry Cabot Lodge, Sr. 1920, and Calvin Coolidge 1920.

Who were the Pilgrims? and what did they do?

The Pilgrims were high-class, middle-class Englishmen—men and women. They were dissenters of the Established (English) Church, which in that era, under a narrow and tyrannical hierarchy, had set up a policy of proscription and persecution of all those who, in England, dared to doubt or dissent from Church authority. Thus, the Church made it unlawful for any of its members—except the elect—to hear the Bible read. Thus, those listening to such readings received punishment as high as twenty-seven months of imprisonment. Such intolerable practices brought about many dissenters, the chief of whom, perhaps, were in the Scrooby neighborhood in northeast England. The leader of the Scrooby group was William Brewster of Pilgrim fame. Upon the death of his father he succeeded the latter in charge of the Post in Scrooby, with other added duties of public character, and lived in the Manor House which had succeeded the more pretentious Manor at Scrooby. Pilgrim Brewster was a man of education and culture. At Cambridge University he had been a student for three years, when he was selected as a member of the diplomatic staff of Sir William Davison, the representative of Queen Elizabeth at Antwerp. Because of his education and Christian character and conduct Sir. William found in young Brewster a most valuable assistant and advisor.

At this time Holland was at the zenith of its historical record. It was the most tolerant of the European nations as regards the rights of worship by all denominations, and the Established Church of Holland interposed no objections. Although Spain was nearing the end of its political contact with the Netherlands, that nation had become the most enlightened of all the nations of the world, and was first in education, commerce, shipping industry and naval power. Fronting England—a short sea-distance away to the westward—the latter country, following the example of Holland, was changed from an agricultural country to one of factories. Also, the policy of religious tolerance in Holland became increasingly understood and followed by dissenters in England. Brewster as a young man was exposed to all he saw and heard in the land of the Dutch and was greatly influenced then and there; indeed throughout his subsequent life. Later when he returned to Scrooby after his diplomatic career he carried lasting memories of the Dutch and the excellence of their institutions. He organized a church of dissenters in Scrooby and the Manor House in which he lived became the site of worship. Pastor Robinson became the ordained minister of this congregation, and later the church leader of the Pilgrims in Holland. William Bradford of nearby Austerfield, became a member of the dissenting church at Scrooby, and proved himself a completely dedicated Pilgrim. The Established Church of England prosecuted and brought about the imprisonment of Brewster and other dissenters. The effect of this persecution caused the Pilgrims to flee their native land for a sojourn of exile in Holland which lasted from 1607 to 1620.

During this era of exile, after an unsatisfactory year in Amsterdam, the Pilgrims established themselves in Leyden, a city of education and culture with manifold industries which yielded employment and livelihood to the Pilgrims, and provided for the Pilgrim youth education in its public schools. Brewster taught English in the university at Leyden; and also published religious books and tracts. The city is near the mouth of the River Rhine, by which it is encircled. Thus the Pilgrim group was welcomed with open arms in Leyden; but as Englishmen they nourished the hope that ultimately they would establish in the New World on the eastern seaboard of North America a permanent home dedicated to civil and religious liberty under English authority. Their faith and determination were not only outstanding—they were truly epochal. The larger portion of the Pilgrim group in Leyden accordingly left Delfshaven in August 1620 for South Hampton and southern England on the sailing vessel, the Speedwell. Pastor Robinson and some others of the Pilgrims remained in Holland expecting to follow later; but he died in Holland.

The story of the voyage of the Mayflower with these valiant passengers crowded aboard, needs no retelling at this time. It is sufficient after a stormy passage which ended in the waters of Cape Cod Bay at presentday Provincetown. The Pilgrims had a charter from the English crown to establish a colony in "the northern parts of Virginia," but storms seem to have driven them farther north away from the mouth of the Hudson River where they had expected to have as neighbors Dutch colonists. Attempt was made to take the Mayflower to the mouth of the Hudson, but shoals and other difficulties involved caused the return of the ship to Cape Cod waters and a later landing of the Pilgrims at Plymouth Rock. Here on December 21st, 1620, for better or worse, as Heaven might ordain, the Pilgrim group landed and established immediately there a permanent colony, "Plimoth Plantation." Before landing certain persons—non-Pilgrims—who had been employed by the Pilgrims in England, as mechanics, laborers and the like, for the proposed colony, on learning—some of these—that the colony would be founded north of the northern parts of Virginia, boasted that when they came ashore they would do as they pleased, and would not submit to Pilgrim rule. The result of this rebellious conduct caused the Pilgrims to formulate the famous "Mayflower Compact" (probably composed by Brewster & Bradford) in the cabin of the Mayflower before its permanent landing. This famous document is believed to be the first public enunciation for the establishment of a free political and representative government anywhere in the world. As I pointed out a few moments ago when I read the Compact, as a feature of this program, I explained that the instrument (signed by 41 of the Pilgrim group) contained all of the essentials necessary for the intended colonial government of civil and religious liberty. By extention and elaboration these simple but comprehensive provisions were later embedded in the Declaration of Independence and the Federal Constitution. Under the Compact the Plymouth Colony was succesfully governed from the time of its adoption (O.S.Nov. 11th, N.S.Nov. 21st, 1620) until the Colony was merged with the Massachusetts Bay Colony in 1691.

The text of the Compact, in modern English, follows:

"MAYFLOWER COMPACT

"In the name of God, Amen. We whose names are underwritten, the loyal subjects of our dread Sovereign Lord, King James, by the Grace of God of Great Britain, France, and Ireland King, Defender of the Faith, etc.,

"Having undertaken, for the glory of God and advancement of the Christian Faith of our King and Country, a Voyage to plant the First Colony in the Northern Parts of Virginia, do by these presents, solemnly and mutually in the presence of God, and one of another, Covenant and Combine ourselves together into a Civil Body Politic, for our better ordering and preservation, and furtherance of the ends aforesaid; and by virtue thereof, to enact, constitute, and frame such just and equal laws and ordinances, acts, constitutions, and offices, from time to time, as shall be thought most meet and convenience for the general good of the colony: unto which we promise all due subjection and obedience. In witness whereof, we have hereunto subscribed our names, at Cape Cod, the 11th day of November, in the year of the reign of our sovereign Lord, King James of England, France and Ireland the eighteenth, and of Scotland the fifty-fourth, Anno Domini 1620."

It was wisely fashioned. It provided for a Colony under the English King (James) who was unfriendly to the Pilgrim concepts, but who permitted the group to organize and govern Plymouth Colony as they pleased. As to the other English Colonies of the New World they always had crown governments. Not so with the Plymouth Colony; it always elected its own Governors and other officials, and made its own laws, with exception of what was deemed best of applicable English

laws. Their policy of civil and religious liberty was never destroyed or abridged. The Pilgrims never adopted primogeniture nor tolerated a belief in witchcraft. They were indeed an enlightened aggregation and brought with them to their colony the best of England and Holland. The colony was founded on the Christian home—as were the other colonies of the northeastern seaboard. They brought to the New World Christian character and conduct, and free conscience of the first degree. They paid promptly their debt, incurred for their voyage and colony needs, to the English Adventurers who had furnished the money. They possessed a great and unwavering faith for the success of their great undertaking; and that they were guided throughout by a divine destiny of what was true and good, they believed, despite all trials and tribulations. Their colony was the oldest continuing colony throughout the northeastern seaboard, since that of Jamestown was removed from its original site. The inauguration of Thanksgiving Day was perhaps brought from Holland where it was well established. Virginia makes some claim of priority in the New World; but be that as it may, the Plymouth group had a better practice of public relations; they dramatized the occasion, garnished it with elaborate menus, prolonged it three days and had 60 Indians as guests. In the course of time, the observance of Thanksgiving has come to be, under Federal proclamation, a fixed event.

As was well stated years ago by a distinguished South American to an eminent North American who, in substance said, "The Conquistadores came to the Latin American lands for gold, but those who colonized English North American regions came to find God; and to worship Him as they desired."

The greatest gift bestowed by Heaven on man is the moral principle. From that principle everything must flow. The Conquistadores were a brave and resourceful lot, but for the most part they were cruel in their conquests. They did not bring with them their families, though in their wake there followed from Spain Christian faith. Later there came Christian families, and in time the native populations were converted, in general, to Christian faith, under complete Spanish dominance.

The Mayflower is indeed the most notable waterborne vessel of history since Noah's Ark, except the tiny ships used by Columbus on his voyage of American discovery.

The Pilgrims constituted a group distinctive from the Puritans who were the original settlers of Massachusetts Bay Colony. The latter, though dissenting from the English Church, never left it. Of course, in time, that Church became fully tolerant, and later throughout the nation had wide acceptance in the English colonies of America. The church at Plimouth Plantation is considered the first of Congregational Churches.

The Pilgrims are credited with the establishment in their Colony the laws on wills, estates and inheritances; and in time the other English colonies largely followed these "firsts" of the Pilgrims. In many ways the Plymouth Colony was a fine exemplar, and its policies and practices did ever so much in establishing the moral basis of our nation. In all this the companion colonies established like policies. The Plymouth Colony government was the first of all these colonies in the official declaration (about 1627) that "Taxation without representation is tyranny."

Except for the fact that King James trusted the Pilgrim group, it never could have established an enduring colony. The King, though narrow in his religious interpretations, was a scholar of no mean ability; and under his reign the King James Version of the Bible was promulgated, and it constitutes, as many of us believe, the most noble and beautiful employment ever made of the English tongue; and that it and the works of Shakespeare hold within their bounds the most glorious language known to man.

The Pilgrims were possessed of abundant common sense and broad experience, and were able thereby to deal with practical situations in a practical way. They were especially succeessful in dealing with the grave and difficult problems that confronted them. All in all, the Pilgrim Movement was of vast sequential benefit.

As illustrative of the tolerant attitude and practices of the Pilgrims in religion may be noted that when Roger Williams was banished from the Massachusetts Bay Colony because of his alleged radical views and sermons, he sought and found in the Colony at Plymouth a satisfactory haven of refuge. During the three years he remained there he was permitted to preach to the Pilgrims; and was treated with the utmost kindness and hospitality; for all of which he expressed his gratitude. On a certain occasion he was reproached by Elder Brewster for the hostility of Williams to members of the English Church who might be altogether worthy in their everyday lives, saying, as has been related, that he would not take communion with them. The Elder was indeed more tolerant, at that time, than was Williams who came to be famed for his spirit of tolerance.

Brewster, by the way, served as Ruling Elder from 1609 (Holland) until his death at Plymouth in April 1644—a period of something like thirty-five years.

I must not fail to say something more about William Bradford, a protege of William Brewster, and always the latter's faithful friend. Elder Brewster was the wise counsellor of Bradford from first to last. Bradford was a fine executive and a most capable historian. His History of Plimouth Plantation was and yet is—a most famous of American Histories. For about one-hundred years it was lost in oblivion—having disappeared from New England during Revolutionary Days, but, ultimately found in the library of the English Church in England. Thereupon it was generously given by the proper church authorities to the Commonwealth of Massachusetts where it is safely kept.

Another interesting reference can be made to Bradford. In time it became current in England the belief that Bradford's birthplace was Ansterfield, and not Austerfield, as had theretofore been believed. Of course, his birthplace was Austerfield. Scholars and students in England, through the years, looked in vain to find the place in England called Ansterfield. Finally, someone of greater wisdom pointed out that the letter "n" had been substituted through error for "u" in Austerfield; and that the latter was the true name involved. Thereupon, Bradford received greater acclaim in the world at large. Thus a little typographical error played an important part in the life of Bradford. Austerfield is near Scrooby.

I give you this story as I have read it.

It is interesting to note that through trial and error the Pilgrims learned that under a communal industrial system the Colony would fail, while under a free enterprise and incentive system the Colony would prosper; and accordingly they were thenceforth governed.

The faith and grim determination to make their Colony a lasting success is shown by the historic fact that after the cruel winter of 1620–21—during which more than half of the Colony died, Captain Christopher Jones of the Mayflower which had remained in Cape Cod Bay, in April 1621 just before sailing for England, offered to take back to that country all or any of the Colonys survivors, but not a single one returned.

The nations and peoples of the Earth are in the greatest crisis ever known. For years the human race, in preponderance, has preferred entertainment to instruction, with the inevitable result. The crisis is not only political, but it is also moral and economical and physical. It is accelerating with great cumulative effect. The Pilgrim Example, if followed, would greatly aid in changing the fatal trends. Without righteousness the people perish. This is a law eternal, and cannot be flouted if the race is to survive.

These enumerations indicate some of the outstanding achievements of the Pilgrims; and in sum they constitute the Pilgrim contribution which has blessed the world. I would conclude by quoting Bradford as set forth in his reknowned history of Plimouth Plantation, and as the text has been inscribed on the monument over his grave in Burial Hill Cemetery, to wit:

"Do not basely relinquish that which the fathers have with such great difficulty attained."

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## DEATH OF WARREN JAY VINTON, MAYOR OF SOMERSET, MD.

## HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

*Friday, December 5, 1969*

Mr. MATHIAS. Mr. President, on November 19, 1969, Maryland suffered the loss of one of her finest citizens. Warren J. Vinton, of Somerset, had a record of public service spanning four decades. His work in housing and environment stands as a lasting memorial to this colorful and outstanding civic leader. I express my deepest sympathy to Mrs. Vinton and the entire family.

I ask unanimous consent that a Washington Post article, dated November 20, describing Mr. Vinton's distinguished career, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

W. J. VINTON, MARYLAND MAYOR, DIES

(By Kirk Scharfenberg)

Warren J. Vinton, a thoughtful and articulate spokesman for a better environment in his neighborhood community of Somerset, in Montgomery County and across the country, died at his home early yesterday after a long illness. He was 79.

Mr. Vinton's death followed by only a few hours his attendance at the first "Vinton Lecture," established in his honor at Montgomery Junior College this year by the Montgomery County Citizens Planning Association.

Whether helping to design the country's "greenbelt" towns or attempting to protect his shaded residential community of Somerset from commercial encroachment, Mr. Vinton always sought what the Housing Act of 1949, which he helped write, called "a decent home and a suitable living environment for every American family."

A native of Detroit, he graduated in 1911 from the University of Michigan after studying astronomy and mathematics.

At 21, he became secretary and director of the Vinton Company, at that time the largest general building contractors in Detroit.

During World War I he left the contracting business and became scientific attache at the U.S. Embassy in Paris.

In 1928 he returned to New York and Social Security, which did the groundwork

for the eventual adoption of Social Security legislation.

In 1934, Mr. Vinton was appointed field research supervisor for the newly formed Federal Housing Administration, and it was in this job that he developed the basic research tools now used by the Census Bureau in evaluating housing in the country.

When the Resettlement Administration was established in 1935, he was put in charge of economic and sociological studies for greenbelt towns and helped select the locations for Greenbelt, Md., Greenhill, Ohio, and Greendale, Ohio.

From 1935 to 1937 Vinton worked on drafting the legislation that became the 1937 Wagner Act, the country's first major housing act.

In addition to his regular agency duties, Mr. Vinton served as chairman of the Bureau of the Census advisory committee on housing when it made the nation's first housing survey in 1940.

As chief economist, he was responsible for the economic and social studies that led to the public housing legislation adopted as part of the Housing Act of 1949.

With the passage of that legislation, Mr. Vinton became assistant commissioner of the new Public Housing Administration. He continued in that position until his retirement in 1957.

The next year he was elected mayor of the small, incorporated community of Somerset, located on the west side of Wisconsin Avenue, just north of the District line. He continued as mayor until illness forced his retirement last April. He was then appointed to the Town Council.

As mayor, he led his community's fights against several attempts to build commercial buildings in the area. His attacks on those he opposed were often couched in colorful language that left no doubt about the point he was making.

He was joined in this effort by his wife, Mary P. Vinton. Mrs. Vinton, known as Molly, is generally considered the county's most informed citizen on issues of planning and zoning. She was a regular fixture at planning board meetings until recently, when the declining health of her husband kept her away.

Vinton lived to see the resolution of the last major zoning battle that Somerset fought. On Nov. 10, the Town Council reached an accord with developers who at one time wanted to build 30-story apartment towers just outside Somerset.

Survivors include his wife, of the home, 4718 Cumberland Ave., Somerset; a son, Jay Emerson, of Bethesda; a daughter, Mary V. Erlich, of Washington; and a sister, Elizabeth Rankin, of Royal Oak, Mich.

A memorial service for Mr. Vinton will be held at 3 p.m. Saturday at the Washington Ethical Society, 7750 16th St. N.W.

## ADDED PACIFIC AIR SERVICE NEEDED

### HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Friday, December 5, 1969*

Mr. PELLY. Mr. Speaker, the recommendation of a CAB examiner, Robert L. Park, in the Pacific Northwest-California case recognizes the need of added competition between Seattle and Portland on the one hand and Los Angeles and San Francisco areas on the other. This added service would call for nonstop flights and would assign to Northwest Orient Airlines a route from Seattle to the bay area including one satellite and including two such satellites in the Los Angeles area.

This report makes real sense to me because after all Seattle is the gateway to the Orient which Northwest Orient Airlines now serves with its short-cut circle route to Tokyo via the North Pacific.

Seattle has enjoyed excellent competitive Pacific coastal service but the marked growth and needs of Seattle air network improvement fully justifies and supports Examiner Park's recommendation.

## THE IMPORTANCE OF SMALL BUSINESSMEN: AN ADDRESS BY GENERAL GOLDSWORTHY

### HON. JOSEPH M. MONTOYA

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

*Friday, December 5, 1969*

Mr. MONTOYA. Mr. President, recently I sponsored a Business Opportunity/Federal Procurement Conference in Albuquerque, N. Mex., on November 13, 1969, and in Las Cruces, N. Mex., on November 14, 1969, to bring to the attention of the small businessmen of my State of New Mexico the opportunities which are available to them in Federal procurement.

I, and the several hundred small businessmen and Government officials assembled in Albuquerque on November 13, had the great pleasure of listening to Lt. Gen. Harry E. Goldsworthy, Deputy Chief of Staff, Systems and Logistics, HG USAF, speak on the importance of the small business community in the Nation. I believe that the General's remarks deserve the attention of the Senate. Therefore, I ask unanimous consent that the text of his address be printed in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

THE IMPORTANCE OF SMALL BUSINESSMEN

(By Lt. Gen. Harry E. Goldsworthy)

I always look forward to a visit in the West with pleasure. Since I was born in the State of Washington and raised on a farm, I have more than the usual affinity for the great western land. I am sure many of you who grew up on a small farm will agree with me that we gained an early appreciation of the work and problems associated with running that kind of small business.

The purpose of this meeting, as you know, is to stimulate local participation and competition in government contracting. It is an attempt to make better use of the production and service facilities of this area of our country.

I wish to thank you, Senator Montoya, for your invitation to come here today. In this connection, I never cease to be amazed at the tremendous responsibilities that being a member of Congress involves. Before my first assignment to Washington, I did not have a full appreciation of the staggering workload of our elected officials; nor, frankly, did I know what a general in the Pentagon was up against. I don't know which is worse.

Seriously, however, there is a "need to know" if the Congress is to act and legislate wisely and there is no better place to gain a grass roots feel for our National Small Business Program than a meeting like this.

As for myself, I have learned much about small business and the part it plays in our national economy since assignment to the field of logistics. For example, I've learned:

There are about five million businesses in the United States and approximately 4.8 million of them, or 96%, are small firms.

I've learned: These small business firms account for 40% of the business activity of the United States.

I've learned: It's the livelihood for 60% of our population.

I've learned: It accounts for over 70% of the dollars in the construction, retail, wholesale and service industries.

So, one can see, small business is a very important segment of our economy. What a contrast this is to a century ago when there were about 300,000 businesses in this country—nearly all of them small by today's standards. They served a population totaling 29 million people.

Not long ago, I read a statement which summed up the importance of small business in these words:

"Every American community draws its base of leadership, its stability, its continuity, and its drive for progress from responsible and progressive small businessmen. Leadership at the local level will decide the quality of our cities, our classrooms, our countryside; in fact, the quality of life in our country for a century to come."

Our tradition of free enterprise is simply the economic application of the ethical concept of freedom. The right to compete is the oldest thread of our country. It came with the earliest settlers and far ahead of nationhood.

Small business has continuously flourished as a pillar of competition—the American way of life. It has done so because, as a people, we have always believed—and still believe—that competition must prevail in the market place. Indeed, few Americans today would question the importance of small business in our way of life or the wisdom of helping to maintain and strengthen its influence in the economy.

Although it can be seen that throughout the history of our country, the small businessman has played a major role, there are times when he is hard pressed. He neither has the resources of the large corporation nor does he have the market research and management controls that larger businesses generally have. On the other hand, his decision-making process is less cumbersome. A good, small firm can provide flexible and responsive engineering, low administrative costs and first rate products.

We have heard it said that every small business wishes to become big business. This, of course, is not always true and neither will nor should it happen across the board. A better statement might be that, with rare exceptions, every big business was once small.

SBA EXPERIENCE WITH SMALL BUSINESS

The question often arises as to how our government should treat small business in carrying out the policy of the Congress as expressed in the Small Business Act. The act reads, in part: "It is the declared policy of the Congress that the government should aid, counsel, assist and protect, insofar as is possible, the interest of small business concerns in order to preserve free competitive enterprise, to insure that a *fair proportion* of the total purchases and contracts or subcontracts . . . be placed with small business enterprises." (15 USC 631, Sec 2a).

I am never sure of what is meant by the term "fair proportion."

* * * * *

The federal government follows policies that foster growth during the early—and sometimes critical—years in the life of a new business.

Small companies should know that there will be reasonable safeguards to protect them from unfair competition, and that they can prosper if they are creative and efficient.

In the event that a reduction of requirements makes necessary the termination—in whole or in part—of a contract, there must be a prompt and fair settlement with the contractor. This is equally true whether the contractor is doing business directly with the government or as a subcontractor at any level.

This might be a good point at which to comment on observations I—in fact, probably all of us—have heard about doing business with small business.

We have all heard the remark, "It costs more to do business with small business concerns." It just isn't so. Of course, there might be isolated instances one could cite, but they would be the exception.

While talking on this subject, let's get rid of another of the old wives' tales. This one is that small business gets favored treatment. Again, it isn't so. If the words were changed to read "fair treatment," then I'd say that is what we seek to do.

In general, it seems that small business problems fall into three areas of major need and concern:

Obaining a fair share of government procurement.

Gaining access to adequate capital and credit.

Obtaining competent management, technical and production counsel.

Let me hasten to say that large business shares some of these same problems.

Incidentally, if notice has been taken that I have not discussed large business, the omission has been intentional. It is not that large business doesn't play an important role as a supplier of government's requirements, for it, too, makes tremendous contributions to our defense posture. That fact is, most people here today are small businessmen.

Let's consider for a moment an area of national concern—it has been called the problem of employment. There is no question but that socio-economic problems exist in this nation. The government has launched programs to mobilize the resources of private industry and the federal government to help find jobs and to provide training for thousands of America's hard core unemployed. The Department of Defense is making positive contributions to the social needs of the country which, in turn, contribute to our national strength.

One area where we are helping is by awarding contracts to the Small Business Administration under the provisions of Section 8(a) of the Small Business Act. The SBA, in turn, places these requirements on a preferential basis with concerns that agree to hire and train the disadvantaged.

In making these awards, our purpose is to establish self-sustaining, competitive small businesses. A potential recipient of such an award, commonly called "8a contracts," will be required in the future to have a business plan, approved by the Small Business Administration, which will permit the Department of Defense to determine the extent of its commitments and the degree to which DOD contracts will assist in bringing the company to a competitive status and, thus, eliminate further use of "8a" contractual support at a discernible time.

I do not wish to appear redundant, but let me try to capsule some thoughts and observations. The Congress has made it abundantly clear that our resources must be used in every way possible to increase the contribution of small business to the general welfare. In economic terms, this is a command to help strengthen the competitive structure by helping small business offer America the highest quality and the greatest variety of goods and services at the lowest fair and reasonable price. In social terms, this is a mandate to preserve and strengthen the small business community as an outlet for the imagination, initiative and individualism we in DOD understand and fully support.

The concern to keep economic power distributed among many independent proprietors is one that goes back to the nation's beginning. It was a favorite theme with Franklin and Jefferson who feared that industrialization might lead to a propertyless labor class.

Today, there is a continuing need to evaluate the place of small business in our economy, as well as the actions necessary to create and maintain an economic climate in which small business may be virile and significant.

In closing, let me say that there is one link in the chain of small business and government relationship which can be strengthened. Let's call it a need for better communication which, in turn, results in knowledge. This meeting today will put us considerably further down the road toward that happy marriage of industry capability and government utilization by piercing and destroying, so far as possible, that which has been referred to so many times as "a communication barrier."

I appreciate the invitation and interest of Senator Montoya and others which made possible our joining with you in this meeting.

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## THEODORE ROOSEVELT HISTORIC SITE'S SHUTTERS COME HOME

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. DULSKI. Mr. Speaker, yesterday I had the pleasure of informing the House of the formal acquisition by the Federal Government of the Ansley Wilcox mansion in Buffalo, N.Y., which was where Theodore Roosevelt took the oath of office as President in 1901.

This was authorized under legislation which I sponsored in the 89th Congress.

Now comes new word which indicates the wide and sympathetic interest in this historic project.

The grandson of a previous owner of the mansion had taken the shutters with him when he moved from the city, believing that 1 day he might find an appropriate use for them. They do not fit into the pattern of today's buildings and he never had the heart—thankfully—to trim them down.

The other day, he bundled them in his automobile and returned them to Buffalo prepared to turn them over to the local foundation which has taken on the job of restoring and refurbishing the mansion.

The story of this incident is told in intimate detail in an article by Karen Brady in the Buffalo, N.Y., Evening News as follows:

KAREN'S KORNER—THE MAN WHO LIVED IN WILCOX MANSION

(By Karen Brady)

Ollie brought the shutters back.

Six pairs of them, wrapped in blankets.

Age way over 100, made of cedar, he thought. Brought all the way from Pittsburgh; a daughter, Tricia, sleeping on top.

All done by hand, one pair of them five feet tall. Once they were white. Now they're ivory. And hardly peeling at all. Even the round ones, that once covered a historic door.

Ollie's had them nearly 10 years, sort of a keepsake he'd hoped to use. But a keepsake that would never fit modern windows or doors. Unless he cut them and then they'd never be the shutters Ollie knew—when he lived in the Wilcox Mansion.

"Which is where the shutters are from," says Ollie, "and when I heard the house was going to be restored, I said: 'OK, shutters, you're going back.' "

Now Ollie is, as he tells it with proud jocularity himself, Oliver Lawrence Poppenberg, the handsome young father of four.

GRANDMOTHER RAN RESTAURANT

The first time I met him he'd just become engaged to my efficient, most beautiful classmate, Mary Kay Pepe (now Poppenberg). And Ollie was jolly: A blond, witty young man who made people feel comfortable at parties.

A rare art he may have learned from his remarkable maternal grandmother, Kathryn Lawrence—the wonderful, also witty, white-haired proprietor of the Kathryn Lawrence Tea Room, then Restraurant—house for over 20 years in the Wilcox Mansion.

A rare art he may also have inherited from his paternal grandfather Gustav Poppenberg—for whom Poppenbergs Inc. (organs, pianos, television) was named, the man I'm told was responsible for most of the church organs in Buffalo, and who served as the first violinist with the Philharmonic here.

At any rate, Ollie was always enchanting. When he could have been a snob about the fact that he and his family lived in a mansion—the nationally-famous Wilcox Mansion.

HERE COME THE SHUTTERS

And that's probably why most of us never heard much about it from Ollie until this week-end—when he breezed in from Pittsburgh by car, with the calm, beautiful Mary Kay, plus Ollie Jr., Kate, Tricia-on-the-shutters, Karen and the Poppenberg pup, Schatz.

They were all here to see Ollie's parents—Mr. and Mrs. Arnold C. Poppenberg—and Mary Kay's—Mr. and Mrs. Alphonse P. Pepe. The former of Poppenbergs Inc., the latter of Hodge Liquor.

And when they'd done away with Poppenberg-Pepe turkey, they came by to talk shutters with us: An extraordinary evening that included childhood visions of Ollie, age 12, creeping upstairs alone from the restaurant at night. An impressionable boy who knew the house' foundations had been used as barracks in the War of 1812, and that the cellar had housed part of the Underground Railway at the time of the Civil War and that Theodore Roosevelt had taken the oath of office in the house, after McKinley was assassinated here. And that the ghosts of all of them were crawling upstairs after him.

OLLIE LIVED THERE

"I heard the doors screaming on their hinges, and the silver ringing, and the crystal singing. But subtly. It happened every time," said Ollie, who lived with his family in the celebrated 641 Delaware Ave. manse from 1949 till the early '60s, when Mr. Lawrence died and the house was sold.

"I was the only person in the world," he

informed us to our delight, "who could make a turkey sandwich—with all the trimmings—right down to finding the sharpest knife and slicing the bread pencil-thin—in the late night, pitch-black when my grandmother was in charge of the kitchen."

Ollie, who still wakes up and dreams of those turkey-sandwich specialties, had more to tell of the Wilcox: About the huge, harlequin great dane that used to lie by the fire in the East Room, where there is a giant marble fireplace. Ollie was scared of the dane.

MOW IN SUMMER; SHOVEL IN WINTER

Ollie recalled the long summer hours cutting the mansion lawn—and the brisk winter mornings he shoveled "that horrible slate walk." He said he knew where the underground railroad must've gone through—over 100 years ago.

"It's all boarded up now," he said, "but I've been through the iron vaults, where they kept furs and jewels, and I've ridden on the elevator that was put in for a Wilcox who was crippled, and, during high school, I studied on the roof. It was scary, too, but I did it, crawling up through a trap door . . ."

The "tragic thing about the mansion to Ollie though is the inconsistency of its owners: "A couple of generations, and a family moved out," he explained his feeling. "When my grandparents moved in, in 1939, I don't think anyone'd been there for at least 20 years. But I loved it. That's why I wanted a keepsake. That's why I took the shutters."

NO HEART TO CUT SHUTTERS

So Ollie and Mary Kay took them to their Richmond Ave. apartment, their Williamsville home, their Franklin, Pa., house, their Pittsburgh residence . . . "I could never bring myself to cut them," said Ollie, "People kept sending me clippings about the house—about to be torn down, about to be saved. Saved and more than saved. Now it will be restored . . ."

A Buffalo native, and a graduate of School 16 and Bennett High School, Ollie always wanted to be an architect but holds a degree in engineering from Case Institute and a master's in business administration from UB.

His first job was as bus boy at Kathryn Lawrence's—something he did in the sixth grade that mainly gave him a taste for his grandfather's finest cigars. His second job was as life guard, at several area beaches, a pleasant Tarzan-like occupation that introduced him to Mary Kay and kept him out of shoes till he was in college.

Formally, he's been an industrial engineer for Republic Steel here; an operations research engineer for Symington-Wayne locally, and data processing manager for the Joy Manufacturing Co. here, which later sent him to Franklin, Pa., from where Ollie went on to Pittsburgh and his present situation, as vice president for Computer Processing Inc., a software, Pitt-based firm.

HISTORIC SITES AWESOME

Wordwise, that's more than a mouthful—but Ollie-wise, it's only a little less than the little boy who once waited for Joanne, the tea room then restaurant baker, who always made two extra pies-in-miniature: one for Ollie, one for his brother, Arnold.

We asked Ollie if he cooked himself (oh yes, great Sunday breakfasts and oysters Poppenberg although I'd rather call them oysters Ollie) and we asked him where he'd take the shutters, now he'd wrapped and brought them back.

"I don't know," said the little-boy-grown-up who once lived in the manse that's brought Buffalo an extra name in history. "I don't know who's in charge of that sort of thing. Because of course, historic sites are awesome, even if they were once 'home', and that's just about the point where we found out the other thing Ollie's kept from the Wilcox: The great big front-door key. And he may return that next year. If he found out whom to give it to."

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## AMERICAN ASSOCIATION OF MUSEUMS MOVED TOWARD ACCREDITATION

## HON. RALPH YARBOROUGH

OF TEXAS

IN THE SENATE OF THE UNITED STATES

*Friday, December 5, 1969*

Mr. YARBOROUGH. Mr. President, the American Association of Museums has been making significant efforts toward principles of museum accreditation. This is an important matter of museums both for public confidence and also in easing judgments which have to be made by governmental agencies and private agencies in connection with contributions, grants, and contracts.

To illustrate the steps that have been made, I ask unanimous consent that the special report on accreditation, dated August 4, 1969, from the American Association of Museums be printed in the RECORD. The special report includes a letter from Kyran M. McGrath, director of the association, and an Interim Report from the Committee on Accreditation dated May 26, 1969.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SPECIAL REPORT: ACCREDITATION

AUGUST 4, 1969.

At the General Business Meeting of the American Association of Museum May 26, 1969 in San Francisco, the membership approved the following resolution on the important subject of museum accreditation:

"Resolved, that the Council of the American Association of Museums reconfirms the desirability of a system of accreditation of museums, accepts the report of the Accreditation Committee appointed by President Parkhrust at the 63rd Annual Meeting and recommends that the membership: (1) adopt the principles of that report, (2) authorize the committee to continue in session in order to define the methods to be followed, and (3) authorize the Council to implement the resulting action of the Committee."

Charles E. Buckley, chairman of the Accreditation Committee, reported on the efforts of his Committee during the previous fiscal year and explained the contents of the report delivered to the A.A.M. Council preceding the business meeting. The Council had discussed the report in detail and had unanimously approved adoption of the resolution above.

The report is recognized as incomplete, and the Council and membership wanted assurance that it would be submitted to the membership for study and comment. Originally, distribution to the membership was to be made through Museum News. However, this magazine is not published during July or August, and its first appearance in the September 1969 issue would not afford time for timely consideration and discussion and feed-back of opinions and suggestions prior to the annual meetings this Fall of the Regional Conferences or the continuing meetings of the Accreditation Committee. So this Special Accreditation Report is being mailed to all A.A.M. members to inform them of the action taken at the 64th Annual Meeting and to afford them an opportunity to offer their suggestions and comments for developing the most meaningful and workable system of museum accreditation.

Some comment has been received about the procedure by which this report was brought before the members at the San Francisco meeting. Authority for accreditation rests with the membership of the A.A.M. which was assembled May 26, 1969, and which would not have been assembled again until June 1, 1970 in New York. If implementation of accreditation was to begin before 1971, authority had to be obtained from the membership at this past meeting to allow the Committee to continue meeting and to authorize the Council to approve the steps of implementation at its mid-winter meeting January 28, 1970. If the Council takes exception to the steps recommended by the Accreditation Committee, it will take the steps necessary to meet the objections. For this reason, the Accreditation Committee, and the Council which now contains full voting representation from the six regional conferences, look forward to your comments and suggestions on the contents of the report printed below.

In order to appreciate the significance of timely action for the A.A.M. to implement a meaningful program of accreditation, understand the pressures upon the Internal Revenue Service, other federal agencies, Congress, and private foundations to have a means of identifying museums which indeed meet objective standards of cultural and educational service to the public. With the momentum generated by the message in America's Museums: The Belmont Report and recent demands for equal tax and funding treatment for museums as presently afforded universities, colleges, libraries, churches, etc., museums are being looked to for a system by which institutions are measured against objective, acceptable standards. If museums did not undertake this task, other organizations would, especially on the governmental level. For the sake of timely progress, the vote "on the principles of that report" was sought, taken, and unanimously approved. To assure the fullest possible informing of the membership, this report is now being distributed along with a call for your expression of opinion, comments, and suggestions. For reasons set forth above and in the report itself, accreditation is one of the most important matters that will ever come before the American Association of Museums. Your help and support is vital.

KYRAN M. MCGRATH,
*Director.*

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INTERIM REPORT FROM THE COMMITTEE ON ACCREDITATION FOR THE AMERICAN ASSOCIATION OF MUSEUMS

In May 1968 Charles Parkhurst, President of the American Association of Museums, appointed a committee to study the question of accreditation by the AAM of individual museums throughout the United States. Members of the committee are William T. Alderson, Director, American Association for State and Local History; Charles E. Buckley, Director, City Art Museum of Saint Louis, chairman; W. D. Frankforter, Director, Grand Rapids Public Museum; Richard Grove, Associate Director, Arts in Education Program, JDR 3rd Fund; Hugo G. Rodeck, Director, University of Colorado Museum; William C. Steere, Executive Director, The New York Botanical Garden, ex officio; Holman J. Swinney, Director, Adirondack Museum; and Vernal L. Yadon, Curator, Museum of Natural History, Pacific Grove, California.

Financing for the work accomplished by the committee to date was provided by a grant in the amount of $10,000 from the Smithsonian Institution (Grant No. SFC–9–

2016). Applied against this grant to date are the travel and per diem expenses of the committee and certain minor administrative expenses starting August 1, 1968.

The committee was instructed to meet at regular intervals throughout 1968–69 and to prepare a report for consideration and possible action by the President and Council of the AAM meeting in San Francisco on May 26, 1969. The committee met at City Art Museum of Saint Louis for two-day meetings in July, November and February. A fourth meeting was held at the Asilomar Conference Grounds, Pacific Grove, California, on May 24 and 25, 1969.

A. DEFINITION OF A MUSEUM

As a first step the committee recognized the need to establish a definition of a museum. While it was aware that on several occasions in the recent past other attempts to arrive at a definition have been made within the American museum world, it was agreed that for the purposes of the report it was worth attempting another, one that would be more concise and hopefully acceptable to the majority of our colleagues. This definition is as follows:

For the purposes of the accreditation programs of the AAM a museum is defined as an organized and permanent non-profit institution, essentially educational or aesthetic in purpose, with professional staff, which owns or utilizes tangible objects, cares for them, and exhibits them to the public on some regular schedule.

The committee believes this definition of a museum to be accurate and suitable for general use throughout the United States; for further clarification the key words in it are defined as follows:

1. Organized institution: A duly constituted body with expressed responsibilities.
2. Permanent: The institution is expected to continue in perpetuity.
3. Professional staff: At least one salaried employee who commands an appropriate body of special knowledge and the abiilty to reach museological decisions consonant with the experience of his peers and who also has access to and acquaintance with the literature of the field.
4. Owns or utilizes: Has legal title to or authorization for the possession of its collections.
5. Tangible objects: Things animate and inanimate.
6. Care: The keeping of adequate records pertaining to the provenance, identification and location of a museum's holdings, and the application of current professionally accepted methods to the minimizing of damage and deterioration.
7. Schedule: Regular and ascertainable hours which constitute substantially more than a token opening, so that access is reasonably convenient to the public.

B. REASONS FOR ACCREDITATION

The committee next considered why it is desirable, necessary and beneficial for institutions which can be reasonably described by the above definition of a museum to be accredited by the AAM. In recent years it has become ever more apparent to many of our museum colleagues throughout the country that some definite method must be devised for evaluating the quality and performance of institutions operating in the broad museum field.

Heretofore, museums in the United States have been governed according to widely varying standards. While recognizing that uniformity of operation is neither possible nor desirable, there is nevertheless a compelling need for the formulation by the AAM of specifically defined guide lines and attainable professional standards to which a museum should conform. Acceptance by the AAM of accreditation and the development of the machinery necessary to implement it are of first importance.

Evaluation is the prerequisite for accreditation and is a process that should encourage improvement in the quality of all museums. It should be helpful in creating a climate of aspiration so that a museum not yet prepared for accreditation or one that fails in its first effort in this direction can work toward professional standards of quality and performance, as defined by the AAM, which must be met to assure accreditation.

1. Accreditation will help to develop public confidence by certifying in a visible manner that in the opinion of the AAM professional standards have been met.
2. Accreditation will significantly strengthen professional respect and cooperation between museums.
3. Accreditation will further promote institutional self-confidence and engender professional pride of accomplishment on the part of the staff and the policy-making body.
4. Accreditation will be important in guiding private and governmental agencies which need expert opinion as a basis for qualitative judgment in connection with contributions, grants and contracts.

C. PROCEDURE FOR ACCREDITATION

The committee believes it will be necessary for the AAM to create an ultimate authority, such as an Accreditation Commission, to consider all matters having to do with accreditation.

The committee is unanimous in its opinion that evaluation is the first step to be taken. Museums aspiring to accreditation must first willingly apply for accreditation and cooperate with the AAM throughout the valuation proceedings.

A museum will not be accredited without having been visited by an evaluation team. The committee recognizes, however, that such visits will be difficult to arrange as accreditation becomes a reality even if the procedure is well organized. Visits to museums throughout the United States will inevitably be time consuming and it may well require a period of several years before the task can be accomplished. Some method of granting provisional accreditation to a substantial number of museums should therefore be considered. A long step forward in this direction may be accomplished by a carefully constructed questionnaire to be filled out by the applying museum. The completed questionnaire would be submitted to the Accreditation Commission for study and, if approved, passed on to a regional visiting committee. If the questionnaire is properly prepared and thoughtfully answered, it can provide an accurate profile of the institution, defining and describing its philosophy, collections, conservation, staff, exhibitions, activities, finances, housekeeping, record, maintenance, et cetera. On the basis of the questionnaire the committee believes that many museums will qualify for provisional accreditation.

Even though provisional accreditation is granted, it must be emphasized that the need remains for a museum visit from a regional visiting committee which will be assigned to this task. It is on this visit and the drawing up of a final report that accreditation will be granted or withheld by the Accreditation Commission.

The committee recommends that, concurrently with the preparation and distribution of questionnaires, procedure for committee visits be perfected and put into operation. It is suggested that visiting committee members be drawn from the regional conference. It seems obvious that it will be necessary to create a sizable body of committee members so that the burden of service does not fall too heavily upon a small group of individuals. Each committee, consisting of at least two, but of not more than seven, members, depending on the size and complexity of the museum to be visited, will spend sufficient time studying and observing the museum under consideration. The visiting committee chairman will be briefed in advance by the Accreditation Commission chairman, and all committee members will be furnished copies of the questionnaire answered by the museum. On conclusion of the visit each committee chairman must develop a written report, modeled on a form to be developed by the AAM, concluding with a recommendation to the Accreditation Commission that the museum be either accredited or that accreditation be withheld. A copy of the report will also be sent to the President of the Board of Trustees of the museum. A museum failing in accreditation should have an opportunity to correct deficiencies in quality and performance and to request reconsideration at some later date without further expense.

It is recommended that the accreditation commission prepare a guide for use by visiting committees in evaluating individual museums. The following points, however, should be considered by visiting committees even though some of the answers will already be available through the questionnaire.

1. Administration:
(a) Physical plant and allocation of space.
(b) Duties and qualifications of museum staff.
(c) Organization and functioning.
(d) Fiscal responsibility.
(e) Maintenance.
(f) Public relations.
(g) Security.
(h) Trustee organization, policy and delegation of authority.
(i) Salaries.
(j) Fringe benefits.
(k) Other considerations.
2. Curatorial:
(a) Quality and suitability of collections.
(b) Care of collections.
(c) Acquisition policy and practices.
(d) Record keeping.
(e) Research.
(f) Identification services for the public.
(g) Qualifications for loans.
(h) Other considerations.
3. Exhibition program:
(a) Relevance of exhibitions.
(b) Quality of exhibitions.
(c) Design and interpretation of exhibitions.
(d) Other considerations.
4. Educational and interpretive program:
(a) Docent program.
(b) Activities.
(c) Organized classes.
(d) Circulating exhibitions.
(e) Lectures, films, television and radio.
(f) Publications.
(g) Organized school programs.
(h) Graduate student training.
(i) Cooperative programs with colleges and universities.
(j) Other considerations.
5. Future plans:

In the opinion of the committee, not all accreditable museums are expected to give attention to each of these objective points, or to all of them to an equal degree. Recommendation regarding eligibility for accreditation will be made by the visiting committee on a subjective basis after consideration of answers to the questionnaire following a museum visit. Museums which do not fit these pre-conceived criteria will still be eligible for accreditation if in the opinion of the visiting committee and the Accreditation Commission their quality and performance are of such caliber as to warrant accreditation.

Financing AAM accreditation will require more study than the committee has been able to devote to it thus far. It has been suggested, however, that museums be re-

quired to pay an administrative fee, but in order to prepare the necessary machinery and to implement accreditation, foundation and government support may have to be sought.

The committee recommends to the President and Council the adoption in principle of the above report and further recommends the drawing up at the time of the Council meeting of a resolution to be placed before the membership in San Francisco to the effect that the concept of accreditation by the AAM of museums throughout the country be formally reconfirmed. Although recognizing that much work remains to be done, the committee further recommends that the AAM, through its Council, proceed to implement this program. The committee is of the opinion that the machinery of accreditation needs further study and perfecting of detail. It is here proposed that the committee prepare an article regarding accreditation for publication in Museum News. The committee also recommends that a major address on accreditation by a figure of national importance be featured at the 1970 meeting.

## NEEDED: MORE AIR TRAFFIC CONTROL

### HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

*Friday, December 5, 1969*

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the RECORD an article which will appear in the January 1970 issue of Plane & Pilot, a widely circulated magazine in the field of aviation.

The article, entitled "Who's Afraid of ATC?" deals with the mounting problems of air traffic control throughout the United States, and suggests again the need for a constant updating of air safety requirements. There are now more than 700,000 licensed pilots in the United States, and most of them fly private planes for pleasure, business, or both.

The article leads one to the inevitable conclusion that an expanded and more rational program is needed for air safety and a growing reliance on the qualified controller to safeguard us against future traffic accidents.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHO'S AFRAID OF ATC?

Hugh Riddle, president of Air Traffic Control Association: "The general aviation scene is perhaps the most interesting at the present time because of the increase in the number of general aviation operations at so many airports. The ATCA sees the controller's role as trying to accommodate all types of aviation—military, airline and general aviation. I think we are reaching the point where we need some special facilities even at our larger metropolitan airports, shorter runways or what have you to help take care of the general aviation operations. In my own experience I think that airline operations tend to generate general aviation operations at the same airport . . . private or corporate aircraft bringing passengers in to catch other flights. To completely try and isolate the two entirely probably is not a practical approach."

Thousands of pilots among the nearly 700,000 in the United States have a common fear—ATC. To the majority of private pilots air traffic control is a mystery—the men in the towers are government agents dedicated to take away the licenses of pilots who make mistakes. The men in the towers, the centers, the Rapcons are remote voices who must be tuned in on specific radio frequencies. A high percentage of pilots consider the controller a traffic cop of the airways.

Pilots by the thousands shy away from tower-controlled airports as if the facility were some kind of giant electrode projecting an anti-aircraft barrier to be penetrated only by a chosen few. Often the non-tower fields in some areas are busier than the prime tower-guarded airport until the Federal Aviation Administration decides the non-tower field is busy enough to have a $600,000 tower that most of the pilots don't want. Airports honored with new towers often suffer business declines if pilots have a nearby non-tower field that they can use.

FAA officials try hard to convince pilots at airports planned for new towers that safety is sharply improved by having skilled ATC specialists in the tower cabs directing traffic with the help of radio, radar and computers. But most of the midair collisions of 1968 happened within control zones during VFR weather. What many pilots refuse to realize is how much worse the traffic problem would be without controllers.

But at the same time the FAA tells the pilots that they can fly from uncontrolled airports if visibility is estimated at one mile. But at the controlled airport, the pilot can't just hop in his bird and fly unless the visibility is at least three miles.

Four or five miles from a controlled airport pilots may be flying without restrictions in one-mile weather while at the controlled airport the pilot must receive a special VFR clearance that he has to repeat to the controller and then wait in line while IFR traffic arrives and departs. True, the special VFR clearance does allow flying on the same basis as at an uncontrolled airport, but at the same time many pilots consider they are being penalized by being forced to receive a clearance and forced to endure delays while at the nearby uncontrolled airport local traffic possibly is heavier and the pilots probably are cheating a little on the minimums.

This is the concept that turns thousands of pilots off on ATC. They see their flight freedoms disappearing into the hands of faceless men in a glass cab overlooking the airport like a giant stop and go signal. Pilots at controlled airports often sit around flight lounges, pacing the floor, calling time after time for weather reports, looking at the sky, muttering about the controllers and ATC while waiting for the sky to turn VFR, because they don't want to ask for a special VFR clearance. It happens somewhere almost every day at one of the 315-plus controlled airports in the United States.

Pilots see more restrictions in the future as air traffic control spreads across more of the airspace. Private pilots realize that soon they will need better equipped airplanes and higher skill levels to fly into about 120 of the nation's airports. Hundreds of the pilots who might have used these 120-plus airports now will select alternates that are nearby and non-tower controlled.

Pilots by the thousands don't realize that technicians in the towers aren't there to catch them making errors or to appraise their flying skills. The ATC men in the towers, the centers, the Rapcons are willing to help any pilot who asks for help. Tower personnel at some airports do extensive public relations jobs to convince pilots that using FAA services is as easy as talking to a friendly next door neighbor. The basic assignment of a controller is to help pilots keep out of trouble, not to get them into trouble and demand explanations for mistakes.

Most of the pilots in the United States are private pilots. They don't want to be commercial pilots or instrument rated. They want to fly without too many restrictions. They want to fly for business or pleasure and go where they want to go without looking up a lot of contact frequencies for ground control, approach control, tower control, right runways or left runways. Every tower chief, every ATC specialist or radar controller in an air route center realizes that they must work with private pilots, commercial pilots and ATR rated pilots with wide varieties of skill levels.

During a recent meeting of the Air Traffic Control Association at the Stardust Hotel, Las Vegas, Nevada, a cross-section of controllers talked about how general aviation pilots can make use of ATC . . . make it work for them, make their flights easier and safer by being prepared to ask for help if problems develop and recognizing the man in the tower as a friend, not an enemy.

WHY PILOTS AVOID CONTROL TOWERS

Control Towers are on the negative list for thousands of general aviation pilots and the controllers know it. They don't like being snubbed and some of them try to change the image. The men of ATC don't want to drive light planes out of the skies, they want to make the skies safer for light planes by having better control of all traffic through automation and types of radars that will track light planes without transponders as well as bigger planes with transponders. Automation that the controllers want will give them more time to provide better service to the increasing numbers of light, general aviation aircraft being flown by pilots who want to keep the fun in flying. If you think that ATC men are inhuman or FAA cops, or pro-airlines, here's what some of them had to say in *Plane & Pilot* exclusive interviews:

*Charles Meng, Ft. Columbus Control Tower, Columbus, Ohio*—"One thing I feel good about is our relations with all groups at Columbus. We have military, air carrier and much general aviation operating in and out of Columbus. There is as much mix there as anyplace I know of in types of traffic and different levels of pilot skills.

"We have quite a few transient pilots who own airplanes. They'll have to come to Columbus for a meeting of some kind and they'll land at a satellite airport or take some other form of transportation to Columbus to keep from landing at a controlled airport. Quite a few of these individuals have come up to the tower and start talking about owning airplanes and we'll say why didn't you land here and they say, We avoid these control tower airports like the plague. This always makes me feel like some place along the line we've let them down because the only thing we are there for is to serve the flying public.

Some of these people who have been flying at non-controlled airports, even though they may have been flying 20 years, some of them do cause problems when they come in that the students who have learned to fly in the controlled environment don't have. You can't expect everything to go 100 percent just like you want it to go from our standpoint in handling the traffic or from their standpoint in complying with what we are trying to get them to do."

WHY RADIO CONTACT IS IMPORTANT

New terminal area requirements are moving rapidly into the general aviation picture. Controllers working with the new systems believe that most private pilots need more training or self-discipline to cope with precision demands that will be made on their skills. This is especially true of using the com side of the radio, an area where most pilots are left by instructors to learn for themselves.

*Edward Morrow, Atlanta, Georgia Tower data systems coordinator*—"As far as general aviation, we pioneered the TRSA (an automated radar system). For the general aviation pilots not familiar with procedures, in the beginning we had trouble with them and we still do. We would establish them on a heading and they would deviate from

this heading sometimes en route. They weren't used to being tied down. Training in this respect is important to teach them to generally comply with ATC instructions and how to work in the system. By this I mean for an air carrier who is coming in and out every day it is the same thing over and over again he gets to the point where he can make one word suffice for 10 or 15 words and this is not true in general aviation we don't expect it. We know the condition but still as for suggestions as to how they could improve this is one of the problem areas to reduce the communications—better radio procedure—and other than that we don't have any major problems in Atlanta. Most of us are private pilots ourselves.

"Seventeen percent of our traffic is the general aviation VFR pilot and while if they don't have a transponder we may lose tracking on them when they pass abeam the antenna on the tangential still we track them everyone of them. Because this track in that area is a reminder to us that he is there even though we don't see him. And so for that reason I don't advocate that all general aviation airplanes have beacons. I didn't intend this in the meeting or otherwise. The point that I was trying to make was that we should go back and re-evaluate this thing (requiring transponders) and provide radar tracking. This is necessary even if everybody had beacons."

*James R. Daniels, Spartanburg Tower, a low activity VFR facility at Spartanburg, South Carolina*—"We have a number of private aircraft, corporation aircraft based at our field and one of the main things we want the pilot to do for us is communicate so we can provide the service a tower is supposed to do—provide him with concrete to land on—provide him a safe entry into and departure from the traffic pattern.

"We tell the private pilot we want to know who you are, where you are and what you want to do. First whether you are on the ground asking for takeoff instructions or in the air. You call Spartanburg Tower, this is Bonanza 23 Victor, eight miles east, landing Spartanburg. At that time we have the complete picture. He knows where he is and we know where he wants to land. We know what type service he needs and we can provide it—exchange traffic that he might be meeting or anything approaching him that might overtake him. These are the kind of things we try to get to the private pilot. *Don't be afraid to talk to the tower.* A lot of pilots are a little skeptical, especially the new private pilot. But we are just people and we are there to serve him. This is one of the problems we have to overcome first is to get him to be able to talk to us.

"A lot of times we have pilots call into the tower and say this is Aeronca 792 three miles east of the field. We look three miles east of the field in five miles visibility and we don't see the aircraft. Usually we make a 180 and look to the west of the field. We have traffic controllers who have become accustomed to this. We don't belittle the pilot, we don't run down the pilot on his errors or even if he violates some of our rules, we don't do this. We just say Cessna 279, taxi to the ramp and call the tower when you have time. Then we'll talk to him on the telephone or invite him up for a cup of coffee and we explain the error of his way and how he could avoid it and why we need to straighten him out because we are up there for his service and the more we can communicate with him as to his need and our need the better off we'll be."

WHY PILOTS NEED TO UPGRADE SKILLS

Most private pilots don't want to fly into the giant metroports like Los Angeles International and O'Hara at Chicago. However, sometimes flying a light plane into one of the big airports may be a convenience or a necessity. A key FAA official spells it out frankly when he says that skill levels need to go up for pilots who want to mix with jet traffic.

*John Munds, Western Region, FAA*—"Every private pilot who wants to fly in an area like Los Angeles where there's quite a bit of traffic is going to have to upgrade his qualifications if they aren't already up there and then keep them up. This seems a particular problem. The pilot who either wants to fly into a congested area or wants to fly in there as a regular operation, he must be up on what the rules are and also his piloting technique and his ground technique. And this requires more than most of us private pilots are willing to do. We want to go out once a month or once every two months and have a good time without really keeping up on what a pilot should be up with. To this end we recommend such things as have already been recommended by the FAA since then of periodic checks on your flight proficiency whether these are written exams or compulsory attendance at courses to upgrade the pilot's understanding and techniques. My personal feeling is that the FAA could do more in this regard too. If they make this sort of thing available to the pilot, he'll avail himself of it. The private pilot needs to know where to fly in order to avoid high performance aircraft."

*Vern Baran, O'Hare Tower, Chicago*—"The private pilot who operates in and out of Chicago O'Hare is a highly professional type pilot if he is flying a Cessna 172, an Apache or what have you. Maybe the other ones are scared to come in there but we have no problems in general with the private pilots who use O'Hare facilities. These people are real good, just as good as the air carrier types. The other ones that fly in and around the general metropolitan area of Chicago, there are some problem areas. This I think is evident in any area you go to. I blame this on possibly their schooling when they obtain their private ticket, their lack of knowledge about the system. At one time I ran a private pilot course at a private field and I got very good participation for four weeks. *The private pilot is hungry for information how to fly in and around large metropolitan areas.*

"Some of the problem perhaps is with the agency itself. It does not have a firm enough program for the private pilot to show him certain things he should know prior to flying into a metropolitan area and I think it is a two-sided coin. The private pilot should try to obtain as much information locally and if he can't get it there, he can try some other media. But I think an overall general aviation program is necessary for the private pilot so he can be made aware of the operations in particular areas, something that can help him out and the pilots I have run across are very receptive. They want to know this information. It is just a matter of who is going to provide this information. So once we can get a program of this type out, whether it be on a voluntary basis at FAA facilities or local, or what, but we have to get some cooperation so a pilot won't transition through an approach course to O'Hare or some heavy density area. I think if he would realize where he was and made aware of this, he wouldn't be there. He doesn't want to get himself knocked out of the sky anymore than an air carrier does. I think it is a matter of education. It could be in microphone technique or it could be in general navigation or just by making themselves aware of the local operation that's in effect.

"We are getting more and more airplanes in the system . . . they are building more and more so lack of education is going to lead to nothing but a chaotic situation in the metroplex complexes it's just going to reach an area where it is possibly dangerous. But I think we can alleviate this if everyone is aware of what to expect, where not to be and what to do when they get themselves in a certain situation."

*Vito Borrello, Rochester, New York*—"It's getting mixed traffic that is the problem—jets and light aircraft. They (private pilots) have to learn more about ATC. They should not have to be told. And that's it, it's getting to learn to fly with the big boys, and being able to take care of themselves in the pattern and learn more about terminals. I think instructors are making instruction too easy. A guy three months ago didn't know how to fly and now he's an instructor. We have three flying schools in Rochester and they pretty regularly visit us. They get to know the controller. They believe that a controller is bad, that he's not there really to help 'em. That's the impression they get until they come and visit us. And then you have people learning to fly where there are no towers. Radio is their big problem, they're afraid of the radio and the proper use of it. And they are afraid to say repeat."

WHY PILOTS NEED EDUCATION, PLANNING

Pre-flight planning is an area of weakness among the men and women who make up the average of general aviation pilots. This situation may lead to some problems in metroplex areas where reporting points become essential and knowing where you are keeps you out of trouble.

*Pete Nelson, common IFR Room, New York*—"We have expanded radar which provides VFR traffic service to pilots landing and departing at the airports of New York and traffic overflying New York. This is a real work-horse of a position either due to poor communication technique of the general aviation pilot or due to his lack of planning on just where he is located. He knows he is somewhere, but he's not just sure where and his position reports are usually inaccurate. You can tell real quickly when you are dealing with a competent aviator. He knows where he is and he knows that he is not cutting someone out when he transmits. Items like that I think are not hard to correct with a little training and a little thought and not just jumping in the plane . . . let's take off for here or there without thought about what radar service you can work and not listening on the frequency before you call. I think these are basic things that if corrected would make the controller's job a lot easier.

"*Basically the general aviation pilot needs a little more education.* I think there are times when some people ask some questions that you just can't believe a pilot would ask on the air as to either services that are available that he doesn't know about, which he could have found out before he took off and it just shows an area of poor flight planning, let's put it that way."

*Joe Shirley, Tower Chief, Spartanburg, South Carolina*—"I believe the main thing about pilots in general aviation should be a better educational program. Too many of them don't know how to enter the traffic pattern at small airports. A lot of it would be the instruction they're getting. Lots of times they have regulations on the big airports where they make big changes. For instance, this inverted wedding cake they are talking about. We have a lot of pilots that object to that for the simple reason it is a restriction. The thing about that restriction is this, the pilots say we are taxpayers, we should be able to use the big airports. Well, like the expressways, there are farmers who drive horse and wagons. They are taxpayers, too, but they can't use the expressways either.

"So I believe general aviation should go more toward airports that are definitely for general aviation where they will be a lot safer. Where they won't have to worry about airline traffic and big airports can stick to airline traffic. They need more training on radio procedure. Pilots go into these controlled airports and they have no conception about what to do. But general aviation pilots are under the impression that we

in the tower are a police force. Well, we are not a police force, we are just interested in getting aircraft on and off safely. I believe general aviation pilots would be a lot better off using general aviation airports because we are more geared to general aviation than the bigger airports are. Take Atlanta, a lot of pilots want to fly into Atlanta, well, they have Fulton and Peachtree that are built for general aviation and the expressways are just as close to the downtown area."

That's the way some airtraffic controllers from across the nation look at general aviation from their tower cabs and IFR rooms, obviously realizing that they pose a fear image for thousands of pilots. But the undertone of sentiment favors the private pilot, urging only that he make better use of FAA facilities and keep himself educationally aware of the hows and whys of air traffic control.

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## HON. W. R. "BOB" POAGE SALUTES A GREAT TEXAS LADY AT WOOTAN WELLS HISTORICAL DEDICATION

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## HON. RALPH YARBOROUGH

OF TEXAS

IN THE SENATE OF THE UNITED STATES

*Friday, December 5, 1969*

Mr. YARBOROUGH. Mr. President, on November 30, 1969, I was privileged to give the dedicatory address at the dedication of the Wootan Wells Historical Marker near Bremond, Robertson County, Tex. Wootan Wells was a famous health resort in Texas in the latter years of the 19th century and the early years of the 20th century.

It was a fine day, and a large crowd was in attendance at this program to dedicate the marker to identify the site of the former spa.

In my opinion, the highlight of this day was an address given by the Honorable BOB POAGE, chairman of the House Committee on Agriculture and a Representative in the U.S. Congress from the 11th District of Texas. Mr. POAGE paid an elaborate tribute to Miss Ima Hogg, the daughter of Texas' great populist Democratic Governor, Jim Hogg. Miss Hogg has been generous with her time, efforts, and personal resources to preserve historical buildings of Texas, and its past, so that they may be passed down to succeeding generations of Texans. I want to share BOB POAGE'S speech with others.

I ask unanimous consent that the text of the program of the dedication ceremony at Wootan Wells, the text of the address by the Honorable BOB POAGE, and the well-written historical article "Wootan Wells" by L. W. Baker, published in the Waco Tribune-Herald of November 23, 1969, be printed in the Extensions of Remarks.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

WOOTAN WELLS—OFFICIAL HISTORICAL MARKER DEDICATION

(Texas State Historical Survey Committee; Texas State Historical Foundation; sponsors: Robertson County Historical Survey Committee; Mr. and Mrs. J. L. Turner; Mr. and Mrs. C. M. Campbell)

Famous early health spa and resort. First well was dug 1878 by landowner Francis Wootan. Water tasted good, but turned dishes yellow and clothes red. Even so, it seemed to possess amazing curative properties.

Wootan soon built a hotel and in 1879 a resort town made its debut. He formed promotion company with T. W. Wade and more hotels, a bottling works, dance pavilion, and school sprang up. Leading socialites came for miles to "take the waters."

Disaster struck in 1915 when fire swept the town. In 1921 the last buildings also burned.

DEDICATION PROGRAM—NOVEMBER 30, 1969, 2 P.M.

*Wootan Wells—Intersection State Highway 6 and Farm Road 1373 3½ miles west of Bremond*

Presiding: Mrs. Jud Collier, Chairman Robertson County Historical Survey Committee.

Invocation: Rev. Gary Munion, Grace Methodist Church, Bremond, Tex.

Introduction of out-of-town guests: Dudley Jaggar, Bremond Chamber of Commerce, vice chairman, Robertson County Historical Survey Committee.

Introduction of speaker: Hon. William T. Moore, State senator.

Dedicatory address: Hon. RALPH YARBOROUGH, U.S. Senator.

Tribute to Miss Ima Hogg, early spa visitor; Hon. BOB POAGE, U.S. Congressman.

Unveiling of marker: J. L. Turner.

Reading of marker inscription: Hon. Dan Kubiak, State representative.

Acceptance of marker: G. D. Reagan, Robertson County judge.

Benediction: Rev. Louis Wozniak, St. Mary's Catholic Church, Bremond, Tex.

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MISS IMA HOGG AND WOOTAN WELLS

(Comments of Congressman W. R. POAGE)

Mr. Chairman, there are probably not a dozen people in this audience who personally knew James Stephens Hogg, the 17th Governor of Texas.

He took the oath of office as Governor about 80 years ago, and probably did more to change the emphasis of government than any single man. Every school boy, who has his hair cut, knows that Jim Hogg believed that government exists to help the people. He lived in an era when the power of corporations was growing faster than the power of the people. He did much to reverse that trend. He lived in an era during which the railroads held a life or death power over communities and individuals. Today it is hard for us to understand this power of the railroads. They are now seeking enough business to stay in business and they have long since lost the control of our economy which they once held.

It avails us little to speculate on what might have been, but had Governor Hogg come on the scene 20 years earlier we might have avoided many of the abuses and scandals in connection with the gift of 30 million acres of public land to railroads many of which were never built. The railroads might have made a more serious effort to develop the country rather than to develop the directors, and in the long run they might well have prospered far longer, but I realize that "of all sad words of tongue or pen, the saddest are these: 'It might have been.'"

Enough of Governor Hogg and the railroads—suffice it to say that the Governor was the friend of Texas—the people of Texas so long as he lived, and at his death he passed this love of the people on to his children, and we, today, seek to express our respect and admiration for the only surviving member of the Governor's immediate family. We had hoped to have Miss Ima Hogg with us today. Unfortunately, her health would not permit. We do, however, have her assurance of interest and best wishes. Miss Ima, we hope that with the coming of the flowers of Spring you may again visit the site of old Wootan Wells where you and members of your family once enjoyed the hospitality of Central Texas. You will always be welcome.

It was never my privilege to know any of the members of the Hogg family except for a short association with Honorable Mike Hogg while we were both members of the 40th Legislature, but I am aware of their long and constructive association with our State. If Jim Hogg had done nothing more than developed a statewide interest in the pecan tree, our people would be in his debt. If his wife had done nothing more than to give this State three outstanding new Texans, she would deserve our plaudits. If Will Hogg had done nothing more than to develop the great corporation which carries the name of Texas to the far corners of the earth, he would have established his place in history. Had Mike Hogg done nothing more than to present the needs and wishes of Harris County in our Texas Legislature, he would have rendered a great service. Had Miss Ima Hogg never aided in another public service than the construction, furnishing and gift of the home at Bayou Bend, she would be known as one of our States' greatest philanthropists. Of course, each member of this remarkable family did a great deal more.

But this afternoon, we are not gathered to honor this great Texas family. Their works speak for them louder than any words of ours. We are here to take note of this family's connection with Wootan Wells.

I like to think that the family of Governor and Mrs. Jim Hogg was a typical Texas family of the eighties and nineties. They came here as typical Texans to enjoy the best Texas had to offer, and while it was a far cry from the great institutions of the Bayou City of today—the culture of which has been so liberally endowed by Miss Ima Hogg, it was pleasant and wholesome recreation. I can envision the little boys and their sister riding two mule drawn cars to and from the railroad junction at Hammond. And I can imagine that from their childish experience it was a great adventure. I can envision a few years later when the young men and the young lady were leading figures at the soirees and dances on the grounds and at the hotels.

I doubt that these young people were concerned with the water—they were more interested in the beaus and the belles, but even then as today, the natural beauty of the spot and the curative powers of the water provided the setting and opportunity for social contacts. In any event, I hope that Miss Ima has only pleasant memories of Wootan Wells.

This seems to me to have been an ideal spot for the leading family of the State to visit, because it was so representative of the State. It was not a spot reserved for those of great wealth, nor was it a gathering place of riffraff. It was visited by the kind of people who were making an empire out of a wilderness and those are the people who Miss Ima Hogg personifies today.

Her whole life has been devoted to the building of her State and the betterment of her fellow citizens, just as was her father's life devoted to the needs of the people of his day and generation. Fortunately, Miss Ima has had far more of the material wealth of the World with which to work, and she has used that wealth generously and judiciously. Texas is a better place because she has passed our way.

We are all proud that this community had a small part in shaping the character of one who has done so much for the State we all love so well.

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[From the Waco (Tex.) Tribune-Herald, Nov. 23, 1969]

WOOTAN WELLS

(In a bustling time in Cen-Tex history a health resort glittered, then Wootan Wells became a ghost town, recalled in legend and memories, pleasant, intriguing, mysterious. On November 30 an official state historical marker will be dedicated at the site of the old town and resort of Wootan Wells at the intersection of Highway 6 and Farm Road 1373 about three and a half miles west of

Bremond. High ranking officials from over the state have been invited. J. W. Baker, superintendent of schools at Bremond, has been collecting stories and data about old Wootan Wells for many years. He has been assisted in this by many people who had memories of the once-famed resort. Baker put the facts, the myths and the legends together to make this story.)

(By J. W. Baker)

Wootan Wells, near Bremond, became a nationally famous health resort in the 1880s, glittered brightly for a few decades, then became a ghost town. One old timer said the spa began "in roaring fun" but that when it died its death was so complete "it seemed the place had never existed."

Its only traces today are a rubble of brick foundations barely visible in the grass, some old cisterns, and an opening through the woods where its famous mule-drawn rail cars once traveled.

A BUSTLING TIME

The town of Wootan Wells came into existence in a bustling time in Texas history. The Civil War had ended, men had become bored with Reconstruction, and there was a new awakening in the South.

The first real interest in northwest Robertson County came when the Houston and Texas Central Railway extended lines northward from Bryan in 1868, passed through Hearne and Calvert, and came to a stop at Bremond in June, 1869.

When Bremond became a town in 1870, people flocked "to the end of the railroad" by the hundreds. By 1871 Bremond's population exceeded 2,500. But when the railroad pushed on northward the boom town died down, some of the terminal merchants moved away and a great number of former laborers and railroad officials became farmers on the land surrounding Bremond.

TEXAS FRONTIER GONE

The telephone was a year from invention; Thomas Edison had started manufacturing electric lights, ox-wagons were disappearing, and the Texas frontier was gone. Travel by railway was convenient, and people who had been confined by economic conditions for years were moving about, seeking opportunities for an improved life.

Among the fads of the day was taking health treatments with mineral waters at fashionable spas.

It was a time for enterprising men looking for ways to push chance discovery into big business.

And into such an arena stepped Francis Marion Wootan, a native Alabaman.

STARTLING WATER

He came to Texas in the 1870's, stopped for a time at Bremond, and in March, 1873, bought 51.5 acres of land from William Hamman and J. C. Roberts, planning to become a farmer. Wootan moved his family to the Davlin League land in 1874 and built his home and barn on a hill overlooking a grove of beautiful oak trees.

After four years of cotton farming, Wootan decided to dig a well to supply his family and livestock with water. He dug the well 75 feet deep, completing it in 1878.

The first water he drew from the new well startled him, so he filled a barrel and took it home. When Mrs. Wootan washed the dishes after supper the plates turned a bright yellow. The following day she washed clothes and the garments turned red.

These mysterious actions of the water fascinated Francis Wootan.

CURATIVE MINERALS

Next day he invited friends to his home, and all of them sampled the water. Wootan remarked later that "the water tasted good and seemed to be filled with curative minerals."

He drew another sample from his well and sent it off to Dr. W. M. Mew, a U.S. Navy chemist. Dr. Mew sent part of the sample on to Professor C. F. Chamber of New York.

When results of the analysis came back to Wootan, he took them to the editor of the Bremond newspaper. The newspaper ran an account of the analysis, ending with this sentence: "The water contains several minerals making it suitable for drinking and for baths in a health resort."

VALUABLE 51.5 ACRES

Instantly, the 51.5-acre Wootan farm became valuable. Rumors spread that many sick people had gone to the well and after consuming the water "became whole again." The demand for small plats of land grew, and Wootan accommodated buyers, dividing most of the land over and over until there were several hundred owners of parcels of the original farm.

An article in the Bremond Sentinel, in 1878, explained about mineral baths as follows:

"Mineral water and bathing has become fashionable throughout the nation. It seems there are great possibilities here, west of town where the Francis Wootans live. Mr. Wootan's well positively has curative properties as those in ancient times had. It will be well to remember the ancient Romans maintained famous mineral water baths and in later years Germans found water a great treatment for body ailments. Mineral water is the greatest cure for rheumatic disorders, heart disease, skin and muscular ailments, fatigue and exhaustion, and for nervous conditions. The water is helpful both internally and externally."

FREE WATER ENDED

For more than a year people interested in health restoration were free to visit the Wootan well, but in 1880 Wootan put an end to free water.

He formed a partnership with a promoter, T. W. Wade, who organized a company to bottle the water and convert the property into a health resort.

In 1881, Wade proposed developing the area into a resort of hotels, cottages, stores and entertainmnet spots. Wade was made manager of the company and within months three additional wells were dug and four spacious hotels were built.

QUICK SUCCESS

Wade also built a mule-drawn train car and railway to take water to the main rail line south of Bremond for shipment over the country, and to bring visitors from the main line to the resort.

The resort became a quick success, and in 1883 the company was reorganized with four stockholders: T. W. Wade, R. H. Wade, William McKinney, and Francis Marion Wootan. Wade then supervised the building of two long rows of cottages, a large dance pavilion, and additional bath houses.

The spa became the most fashionable in the state.

By 1890, Wootan Wells was known over the nation. It had more than 200 permanent residents and the summer population exceeded 2,000. The Texas Business Directory had this listing: "Wootan Wells derives its name from the celebrated wells located there which have gained an enviable reputation throughout the country."

Every day of the summer months guests from many states took rooms in the hotels and engaged in the pleasant life of drinking the water, bathing, eating in the hotels, dancing to the music of a band imported from Mexico, and riding the mule-drawn train from the railroad junction south of Bremond to the Wootan Wells depot.

BUSINESS BOOMS

Business in Wootan Wells soared.

Western Union built a station there; Wells Fargo took charge of receiving supplies and shipping both mineral water and soda water over the nation.

Not all visitors arrived by train. Many came in wagons and by carriage. In June and July each year hundreds of wagons and carriages were parked among the tents and cottages scattered over the vast park area.

The U.S. Post Office at the resort was a busy place, and Wootan was postmaster.

Before 1900, there were more than 30 business establishments in the town including offices of at least six physicians. G. H. Higginbotham had the billiard and games concession; A. S. Lane operated the largest general merchandise store; William Goodwin was a wagon-maker; Edward McGlaun ran a grist mill and cotton gin; Willis Martin was assistant to the postmaster and part-time operator of the mule train.

HISTORIAN FOR TOWN

A. C. Walker went to the resort in 1883 as a carpenter's helper in building hotels and cottages. He remained until 1894 as the operator of a store, then moved to Bremond in 1895. Walker's daughter, Miss Lottie May Walker, is now in the insurance business in Bremond and has been the town's historian for many years. Miss Walker has many letters and articles about old Wootan Wells and life there.

Mrs. C. C. Hill, sister of J. L. Turner who now owns the land where the resort was located, told about her father who spent a week at the old Wootan Hotel in 1884. He described the town: "Wootan Wells was but a beginning and an ending, the beginning was of roaring fun, and when its day was over it seemed the place had never existed."

Willis Martin described early days when he worked at A. C. Lane's store at the resort, and sometimes worked at Skorpinski's cotton gin.

A WONDERFUL PLACE

"Wootan Wells was a wonderful place," he said. "It was spread out among pretty trees and there were attractive cottages surrounding the shops, hotels, wells, and bathhouses."

"I attended dances at the pavilion and parties at the hotels. I remember Governor Hogg and his daughter, Ima, and the people who gathered to greet them. They were wonderful, friendly people.

"The men enjoyed riding fine horses. Women and children had picnics, parties, games and singsongs. People came to the Wells with plenty of money, and they spent it fast. Big dances were common, and the Chatauqua was attended by hundreds. Mr. Wade once told me the place was worth over a million dollars and I believed him," said Martin.

"I guess the thing I enjoyed most about the place was driving the mule-drawn train from the depot to the main railway line and back, with laughing children, old folks, and curious fellows who had heard of the Wells and decided to give it a try."

DEPRESSION OVERCOME

In 1893 an economic depression hit the nation, and business began to decline at Wootan Wells. But the directors, to offset losses, began an advertising program to promote the place as an entertainment resort.

When the depression lifted in 1897, more people than ever before began to come. For three years it seemed the place would become a great city. In the wave of prosperity, directors improved buildings and facilities.

There is one story that Buffalo Bill Cody registered at the Wootan Hotel in the summer of 1898, and another that the great marksman met George Washington Holland in a shooting match on the grounds. Cody had retired from show business in 1894, but according to Willis Martin, the old Indian fighter enjoyed shooting contests until the time of his death.

FLOOD HITS TOWN

Turner Hubby, a famous Waco marksman, often went to Wootan Wells for skeet shoot-

ing. He once pronounced George Holland the champion of champions.

There were many other activities: horse racing, fishing, and drinking bouts at the Wootan Wells saloon, which was called "Well No. 5."

Lloyd Campbell lived at Wootan Wells with his mother, in the Summer House. He left for the Spanish American War, and when he returned in 1899 a flood had converted the western part of Robertson County into "a shallow sea."

"It rained 16 inches, and the buildings at Wootan Wells were severely damaged. The water remained for two months, and when it receded it left gorgelike holes and all the roads to and from the place were gone," Campbell recalled.

Ralph Wade said the flood cost the Wootan Wells company half a million dollars to restore the resort.

Mrs. Fay Bailey, Allbritton of 713 Proctor, Waco, granddaughter of Francis Marion Wootan, recalled that her father, J. P. Bailey, drove the Wootan Wells mule car after he married her mother in 1883. The family lived in Wootan Wells 10 years.

COMPANY IS SOLD

"The company got into deep debt because of depressions, the flood, and droughts, and my grandfather sold his interest in the enterprise and moved to Bremond," Mrs. Allbritton wrote. "In 1930, mineral water was discovered in Marlin, just 15 miles to the north, and thereafter the new place drew people from the old Wells that were not as they had been in former years. On Aug 1, 1906, Wootan Wells was sold to Ralph Wade by the stockholders, and by 1909, Wade was unable to pay for the property and D. M. Pendergast, who held first mortgage against it, demanded that it be sold at auction in Franklin. At the auction from the courthouse steps Pendergast bought the resort for $10,000 because he was the highest bidder."

After Wade, the great promoter, was removed from his position as manager, Wootan Wells declined even more.

In 1967, Woodie L. Wade, son of Ralph Wade, who managed the general park and soda water parts of the Wootan Wells company, wrote that he left Wootan Wells in 1912, when he was six years old.

"I remember going to school which was located south of the park, and having to go over a stile to get to it. One of my most poignant memories was riding the old horse-drawn flat car with my father and picking up twigs and small tree branches along the right-of-way to use for kindling to start fires in the old depot stove," wrote Woodie Wade.

FIRST SIGN OF END

The first sign of the end of the dazzling resort came in 1902 when one of the large hotels was destroyed by fire. Then the original bathhouse over Well No. 1 burned. Workmen cleared away the burned debris, and "a good number of people" came in the summer of 1903.

Roberts Rifles, Co. E of the Texas 2nd Infantry, was stationed at Wootan Wells in 1903. It had been organized by Roy Hearn in 1900. Officers were Webb Hearn and John T. Atkinson. Fifty Bremond men took part in the drills on the famous camp grounds. Roy Hearn later became adjutant general of the Texas National Guard.

Mrs. E. A. Muret wrote of further troubles of Wootan Wells: "The company struggled to regain its high position after 1910, but good times did not return." The operators borrowed money, but this did no good.

LARGE HOTELS BURN

Marion Commings, writing of troubles of the resort, said: "Large hotels burned, then another fire, then another. Parties and dances were for local couples, and the great shows that came in other years did not return. An effort to sell lots for homes failed to stimulate interest, and the resort continued to decline until there was nothing left but ruins of places that had once been beautiful and fresh."

Dr. C. E. Mays, the leading physician at the resort in the 1890's, worked hard to build the reputation of the Wells. Through his efforts other fine physicians came, including Drs. Pennick, Spring, Powell, and the last to become a part of the adventure, Dr. F. W. Stoltje.

AS IT WAS IN 1914

Mrs. Clark Brown,, Dr. Stoltje's daughter, wrote in 1956, describing the resort as it was in 1914:

"The buildings and grounds at that time consisted of one large rambling two-story hotel, a three-story building in which we lived and which had been a famous hotel, two other two-story structures, former hotels which were not in operation, and about six cottages. There was a grocery store, a bottling plant that was doing business locally and shipping soda water elsewhere, and the old pavilion was still there for social gatherings and occasional dances . . . While we lived there the largest hotel burned, and along with it the cottages and our place. That must have been in 1916. We moved to Waco after that, and so far as I know no further attempt was made to re-establish the resort."

Mrs. Ben Campbell talked on the first telephone in the Bremond area. The line "was stretched from Bremond to the J. T. Bailey store at the Wells." The family of Emmett and Annie Clark lived near the resort and their sons, Jim, Henry, Alfred, Roland and DeWitt, became successful business men in Bremond and Waco. They all have memories of the town that appeared almost magically, glistened awhile on the prairie, then vanished.

LEGENDS AND MYTHS

Except for a few square nails, railroad spikes, brick building foundations, underground masonry cisterns and abandoned wells, there is little physical evidence the resort ever existed.

But like all ghost towns, Wootan Wells has its legends and myths.

There is a story about a former slave who worked at the Wells from the time of its beginning until the place became an empty relic of charred skeletons of once-splendid buildings. It was told that on summer evenings he visited the hill where the resort had been "to see the ghosts who remained and to hear the music and laughter where the old pavilion stood."

Fred Gaston, who drove oxwagons over Wootan Wells hill in the 1870's and lived to the age of 105, maintained until the time of his death in 1947, that "the ghosts of the Wells walked on moonlit nights, and if one listened closely he could hear the dinner bells at the hotels and the screeching of the wheels of the old mule-drawn train as it traveled westward toward the depot filled with laughing children."

STORIES OF TREASURE

There are stories of gold buried in bottles, and of bottles and jugs more precious than gold, buried in the hill. J. L. Turner, present owner of the land, has information that at one time a full load of bottles was dumped into the creek near the park where they were probably covered by waters of the flood of 1899. The old bottles and jugs, if found, would be a bonanza for modern bottle collectors.

There are other stories that add to the myth and legend of Wootan Wells. The late J. J. Staskey, who was a leading businessman of Bremond for more than 70 years, knew them all.

One that adds mystery was that of "the drowning of Henry Przybylski in a stock pond at the Wells." The account, as told by Mr. Staskey, was of a tragedy with a peculiar ending, resulting in the creation of a character who would match Harold Bell Wright's "Shepherd of the Hills."

A PECULIAR "DROWNING"

The account of the "drowning" was generally as follows:

On a summer afternoon in 1899 a group of boys was swimming in a stock pond near old Wootan Wells. One of the boys fell from a grapevine into the water and disappeared. The boy, according to John Kubiak, was Henry Przybylski, then 14 years old was visiting from Nesbit. He remained under the water for "at least 15 minutes." When Henry's friends realized he was in trouble they dived into the pond and dragged the unconscious boy to the bank where they left and ran to Wootan Wells for help.

When the boys returned to the pond with several adults, Henry had disappeared, leaving no trace at all. He was pronounced "dead by drowning," and a search for the body began.

Seven days after the "drowning" a horseman found Henry in the woods near Wootan Wells and took him to a doctor who gave him food and clothing. When the boy was dismissed from the sanitarium he again disappeared into the woods and was not found for another week.

AN AIMLESS WANDERER

Surely the story is fiction. But there is still a Henry Przybylski who walks through the woodlands around Bremond, homeless, wearing three hats and three coats, who "communes only with nature," and has not said an intelligible word to anyone for half a century.

No one knows the story of the ageless man who, for as long as people in Bremond can remember, has wandered aimlessly over the countryside.

It is said he knows the location of every wild fruit and nut tree in the area and that he has never been sick a day in his long life.

Sometimes he is seen unexpectedly by people of the region, standing harmlessly in the woods, gazing into space.

Whether the story of Henry's drowning is fact or fiction is immaterial, for there is a mystery in the man, and his story is a part of the story of old Wootan Wells.

EXISTENCE ON PAPER

Wootan Wells continued to exist on paper long after the resort was gone and the ownership of land on the hill had passed from person to person, combining blocks and acres until the parcels that were in the original Robert Moffitt and Hugh Davlin tracts were drawn together again.

The skeletons of the old buildings that remained after the death of the resort, stood as reminders of the once gay resort.

Then on a fall evening in 1926 a horseman riding eastward from the Brazos River saw smoke rising from the prairie west of Bremond. Thinking there was a grass fire, the rider galloped to the site of the fire and there he saw the last remains of old Wootan Wells disintegrate in flames.

FLAMES TAKE ALL

The smoke curled skyward and flames shot high over the skeleton structures. The horseman could hear the breaking of bottles and jugs and light explosions of gas drums along the streets. The flames spread from the dry grass on the prairies to the Park Hotel, and there were thrown to the famous old Well No. 4. The bottling works was the next victim, then came the well cover, and the fire swept southward to the stately old Jackson Hotel and the cottages nearby.

Before morning, the Wootan Hotel and the Summer House were gone, along with the pavilion, the boardwalks, and every bathhouse and sanitarium on the grounds.

Henceforth, the resort that had boosted a million dollar enterprise, a summer popula-

tion of more than 2,000, the finest music and the "most beautiful girls in world," would be nothing but a memory.

But what a memory.

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## THE CAMPUS "THING"

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## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, December 5, 1969*

Mr. DULSKI. Mr. Speaker, to find out what is doing today on the Nation's university and college campuses, the Buffalo, N.Y., Evening News sent a staff reporter from its Washington bureau, Ronald J. Maselka, on visits to 10 schools this fall.

He returned with varied impressions which he related in a series of articles. Following is the second group of articles in the excellent series:

COMFORTABLE COLLEGE KIDS FACE SOCIETY'S INEQUITIES—V

(By Ronald J. Maselka)

WASHINGTON, October 4.—Today's collegiate generation is reputed to be the healthiest, wealthiest, smartest the world has ever known.

If they're so well-fed—literally and figuratively—why this hungry dissatisfaction with society? Why all this unhappiness on the campus?

For Dr. Lloyd H. Elliott, president of George Washington University, the underlying cause is "the difficulty the student has in finding meaning in the greater society and in his own personal life."

Noting that today's students see a "Hollywood-type facade" on American society, he added: "He can see the serious problems which this facade attempts to hide. When he looks behind it, he sees poor education for a lot of our people. He sees people of all ages in need of minimal health services and unable to get them. He sees people with skills and desires unable to get an equal chance for themselves . . .

"STUDENTS DOUBT SINCERITY

"The students," Dr. Elliott continued, "doubt the sincerity and dedication of both government and leaders of private industry in their efforts to correct these differences."

Acknowledging that the Vietnam war, the draft and "living in the shadow of the nuclear bomb and the possibility of sudden death" have a lot to do with student unrest, the Rev. Robert J. Henle, SJ, Georgetown University's president, also cites television and the rapidity of modern communication.

While it is yet unclear what the effect of spending hours in front of a television set does to young people, he said, "one thing it has done along with movies, publications, the media . . . is that young people have been exposed in a fairly direct way to whole areas of human experience" that earlier generations did not encounter until later in life.

CLASSROOM HASN'T ADJUSTED

This "direct contact with the evils of the world . . . seeing the seamy side of life" at such an early point in their physical and mental development, Father Henle added, has resulted in a certain amount of disillusionment and a desire for quick results.

Noting that "classrooms haven't adjusted to these things yet," he said that today's students are used "to having all messages presented in rapid fire." This presents a special problem in the classroom, he explained, where the lecturer is unaccompanied by noise, background music or flashing lights.

Rapid communication and the mass media have also made students aware of the diversity of morals and values in the world, Father Henle said, "before students are solidified in one view."

RECALLS AN EXPERIENCE

Reading about things and using your imagination to draw conclusions, he continued, have far less impact than seeing them directly. For example, reading about violence does not have the same effect as seeing pictures of a nuclear explosion or seeing daily televised reports of the death and destruction in Vietnam.

Buttressing his case, Father Henle recalled a personal experience in his college days, when he was considered "a flaming liberal."

"These things aren't totally new," he said. "I remember I was all fired up about getting the Marines out of Nicaragua. But I think there was only one other guy on campus who knew where Nicaragua was. Communications of what was going on in Nicaragua was limited to an occasional newspaper article."

While adults who lived during the Depression know what economic fear is, Father Henle said, the values of today's youth include a belief that "a job is not that important, nor is bread for that matter."

PERSONAL COMMUNICATION

The search for a better way, he continued, is fueled when "they see their parents on a treadmill . . . keeping ahead of the system."

Besides devising "more imaginative kinds of educational activity," Father Henle sees the university reacting to this new breed of student by "somehow putting him in personal communication" with faculty members who have wrestled with value problems like why am I here or why am I a Baptist, for example.

He favors an interdisciplinary approach to coursework, citing as an example a Georgetown special projects seminar that involved a deep examination of "freedom in the 19th Century."

PROBLEM COMPOUNDED

Father Henle said that a similar examination of "what is the defense budget of the U.S." for instance, would take students on a search through history, politics, economics, international affairs and other departments.

Dr. Elliott believes the problem is compounded because today's pre-college students "have relatively little freedom of choice."

For young men, for instance, "the draft says if you don't go to college, we'll draft you."

Pointing out that the liberal arts college is the recipient of many students who have no career plans or who are advised to come "while you make up your mind," Dr. Elliott said: "This delivers someone to us who not only doesn't know if he wants to be there or not but who already clearly has said to himself: I'm just putting in time."

NEED RANGE OF CHOICE

Dr. Elliott said that "one of our more serious weaknesses is that we have created a halo around these places. We've told parents, in effect, to get your son and daughter into a liberal arts college—doesn't matter if he or she is interested—and some marvelous, mysterious revitalization will take place. This isn't true."

Stressing that colleges today "have to say more clearly than ever before what we are trying to do, what we can't do and what we are not yet undertaking," Dr. Elliott said this "all-knowing" halo effect partially explains why students are turning to the universities for the solutions to pressing social problems.

Dr. Elliott thinks universities must provide students with "a greater range of choice" in education. He suggests an expansive curriculum—"to provide training for a specific job—that will provide post-high school vocational training for an airplane mechanic, for example, with similar instruction all across the board to the fine arts, for those who want to be artists, dancers, actors and musicians.

SKILLS NECESSARY

This type of widespread change, he said, will require a change of society's thinking, where the high school counselor and the parent "lean toward liberal arts" as the most valuable path toward education and a career.

Noting that "we keep losing sight of the basic function of higher education, which is to equip people, to educate them, to train them with a bit of the skill and knowledge to enable them to devote their lives and energies to the so-called work of the world," Dr. Elliott said it should be impressed on students that they need the tools that college education can provide to be a ghetto lawyer or fight the problem of pollution.

"Without some skill," he added, "he won't be able to do much but scream about it."

While there are a lot of debaters, complainers and blamers today, he continued, there are not enough problem solvers.

"Too often you hear the questions—'Why don't you do something about it? Why doesn't he do something about it?'—but not 'What can I do about it?' "

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VIOLENCE NAILS COLLEGES AGAINST WALL OF CHOICE—VI

(By Ronald J. Maselka)

CAMBRIDGE, MASS., October 7.—The American university today is much like the hero in "The Lady or the Tiger."

It faces two doors to the future: One leading to repression, one to reason.

Unlike the story's hero, however, the university's decisions is more complicated than simply picking one of those doors to open. There is more than one pair of hands on the door knob and the administration, the faculty, the students all have their fingers on the key, along with alumni, parents and the outside community.

Excessive reaction by any of them—from the extreme left to the extreme right—could be the impulse that turns the key in the wrong door.

With good reason then, there is much talk here at Harvard University and elsewhere of the need for tolerance, understanding and better communication.

It would seem to start specifically with the acknowledgement that nobody is completely right, nobody completely wrong.

As Morris B. Abram, Jr., a Harvard junior, explained: "Most problems at Harvard can be solved by dialogue."

DIALOGUE IS THE NUCLEUS

Dialogue is the heart of the university system, the meaning behind academic freedom, the right to dissent, the right to be different. It is the medium through which the univerversity traditionally has accommodated diversity.

But in recent years, dialogue has been usurped on many occasions by student violence—not peaceful dissent like sit-ins, picketing or noisy demonstrations—but violence.

And the uneasiness that hovers over Harvard and elsewhere is that there may be more.

The troubling thing one detects in conversations with students is not that everyone supports violence but that everyone does not disavow it. While the general belief is that violence has no place at a university and only a tiny majority considers it a working tool, the unsettling thing is that some students qualify their opposition to it. For these, whether student violence is good or bad de-

pends on the specific circumstances, the specific issue.

Two incidents and the students reaction at Harvard illustrate this point.

A NEGATIVE REACTION

The most recent was less than two weeks ago, when a small group of anti-war demonstrators invaded the university's center for international affairs and roughed up several staff members. Supporting the belief there is no general support of violence for violence sake, the university community's reaction was one of shock at the "unprovoked viciouness" of the hit and run attack.

As Richard C. Manny, a varsity football player from Des Plaines, Ill., said: "That got a completely negative reaction here. They didn't take responsibility for their actions at all."

Spokesmen for the less radical wing of the Students for a Democratic Society (SDS) also critized that raid, alleged to have been inspired by a more radical SDS faction.

SEVERAL DEANS EVICTED

But even this moderate SDS reaction to the raid—that it was an assault on the workers, not the bosses—begins to hint at the division of student support for some types of violence. As one SDS moderate explained: "We never attack secretaries . . . but deans are different than secretaries. The deans are very important in perpetuating the system."

The division of opinion is evidenced by the reaction to the other incident here last spring, when student radicals seized an administration building and evicted several deans from their offices.

Here again, the majority opposed a building take-over—even if it is an empty building—as a gesture that goes beyond peaceful protest.

"ONLY SAW VIOLENCE"

But then, besides the radicals who were all for it, there were those who:

—Were opposed to the building take-over only because the deans were involved.

—Didn't think it was too bad because while there may have been some manhandling of the deans there were no permanent physical injuries. "The public only saw the violence," one student said, but they (the SDS) had some just things to say."

But here the definition of violence depends on which end of the receiving line you are on. As one of the deans who was evicted noted: "Why should a person come and push on me anyway?"

Initially opposed it, but in retrospect think it may have been worthwhile. Noting that university action on dropping ROTC, discussion of low income housing and university expansion into the community followed the take-over, one student said: "I don't know if those things would have taken place if the building hadn't been seized. At least, they wouldn't have happened as quickly."

It's hard to argue with success.

PATIENCE COUNSELED

As David Blumenthal, editorial board chairman of the independent Harvard newspaper, the Crimson, said: "It's hard to argue you should wait, when violence gets action so much faster."

But the majority still counsels patience on the grounds that short-term gains will not balance harmful long-term effects like repressive laws.

Acknowledging that "violence can act as a catalyst for social change," Ralph Hornblower, Harvard's first string halfback, noted changes taking place and said: "I would be hard-pressed by any more violence on this campus. Justification for it would be darn near impossible."

Plans to respond firmly yet judiciously to violence or to provide better disciplinary procedures are at best only stopgap measures. The long range answer, of course, is to head off the violence.

A KEY RESPONSIBILITY

A harvard Board of Overseers' report defined this task as the need "to assure the great mass of the university that reasoned views with respect to change will receive prompt attention."

Since it is the students who choose the battlefield and the tactics, obviously they too hold a key responsibility.

According to Harvard College Asst. Dean A. C. Epps, however, the long-range solution is to somehow "bring the community to agree that the use of violence is wrong and unacceptable and the community must stand by this."

Noting that this can be accomplished partially by expelling the violent, more importantly, he said, is the need for "such a general view that violence is wrong that no one will attempt to use it."

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"UNJUST" VIETNAM WAR IS FUEL FOR RADICALS—VII

(By Ronald J. Maselka)

CAMBRIDGE, MASS., October 8.—"This whole question of campus unrest is complex," one college administrator said. "It's difficult to know which pieces are more important than the others."

It is generally agreed, however, that violence is an important piece.

What causes this minority of students to resort to violence? One can't expect a single answer.

If it is granted that much of the violent student rebellion is based on convictions, political reasoning and political motivation, are there still some underlying psychological answers?

Ask a radical student why he thinks violence may have to be used and he is apt to say that it's a "result of frustration" with the system or "there wasn't anything else to do" because he felt the channels of communication were closed, clogged or nonexistent.

But even if all that is true, does that make violence right, you might ask?

He might very well then cite the Vietnam war, which he says is unjust, and "don't start telling me about the end not justifying the means."

As David Blumental, a Harvard senior who is against campus violence, explained: "The war is the one great advantage the radicals have. It's hard to explain to anyone rationally why we are there."

IMPELLED TO DO SOMETHING

Noting that he also is "not a militant," Ronald H. Janis, a Harvard senior from Amherst, stressed that "students are not causing trouble for the sake of causing trouble." Deciding that the war is unjust, he continued, students are impelled to "do something about it or else you may have to help fight it . . .

"Once you see that problem, you see these others and you say: Maybe I should do something about that one, too."

But that again raises the question why some students want to "do something" more quickly, more violently than others?

Reams have been written about America's violent beginning, its currently rising crime rate, its Western heroes and tough guys, violence on television and in the movies and the effect on people.

SLAPPING INCIDENT

Stressing that there "is no simple answer, just complex individual answers," a Cambridge psychiatrist, who asked not to be identified, said that "example has a lot to do with it."

As a basic case, he recalled his son watched two older boys slapping each other in the face at a playground and immediately walked over and slapped his sister's face.

"The decline in parental authority has much to do with this too," the psychiatrist added. Pointing to the "misplaced emphasis on permissiveness . . . the idea that we must never set limits on the child or GOD forbid he'll have a trauma," he added: "It's idle to raise a child to believe that any punishment is intolerable."

Warning that campus violence can't be explained away, however, as a gigantic collegiate temper tantrum, he said other contributing factors could be things like family splits, the boredom of affluence, the lack of stable personal relationships.

VACUUM IN RELATIONSHIPS

One administrator explained that the militant activists he knew generally "have a serious problem of self-identity . . . They're not sure why they're in college, for instance. They're not ready for college emotionally."

Some individuals, the psychiatrist agreed, might be attracted to radical groups because of this vacuum in their social relationships.

But a key factor in the spread of violence, he said, is "the element of contagion . . . One outbreak of violence tends to lead to another."

This electric appeal of violence illustrates the tightrope college administrators must walk.

DEFINES CRACKDOWN

If they appear overly tolerant, this might fuel an escalation. If they crack down too fast and too hard, they might widen sympathy for the radical offenders.

Recalling last spring's seizure of a Harvard building by the Students for a Democratic Society, Kenneth L. Carson, a sophomore from Seattle, Wash., said that before police arrived to liberate the building students outside were either for the administration or against the SDS.

"There was no alternative between these positions until the police arrived," he added, noting that then the violence of the police became a larger issue than the violence of the building seizers.

Disclaiming any expertise in the specific field of campus unrest, the psychiatrist suggested that the university's role is "not to crack down needlessly but to crack down on substantive issues."

Or as he added, it should "hang loose . . . because they're working out something in their heads."

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PARENTS' MONEY CAN PAD PROTESTERS' SOCIAL VIEWS—VIII

(By Ronald J. Maselka)

CAMBRIDGE, MASS. October 9—The love of money has been called the root of all evil.

But indifference to money may be a large root underlying today's campus unrest. For if there is one clear facet to this complexity, it's that this is not generally a rebellion of economically struggling students.

A Harvard College junior, the son of a university president, asked to explain the reason for wealthy students' interest in current social protest replied: "Our parents made the buck. Now we're trying to figure out what to do with it."

SOME DON'T UNDERSTAND

That remark substantiates what many studies have shown: Today's young people have a different perception of the world than their parents.

The so-called "generation gap" stems from this different way of looking at things, a gap that remains because each side has a different background and difficulty appreciating the other's point of view.

For instance, many adults who did not have the opportunity to go to college find it difficult to understand why students who do don't concentrate on their studies, instead of on politics and reform.

It's like the Boston cab driver who hopes to send his daughter to college "to give her

a better start in life." This, of course, implies that a college education will lead to material success or a more secure future economically.

A NEW QUESTION

And for many of today's college students, this is still their goal. As Stanley Hoffmann, Harvard's professor of government, explained: "For many students, getting to the top—getting an education—is an important thing yet."

But those who already are "on top" economically, Prof. Hoffmann added, are saying: "Now that we have everything, what are we going to do with it? You don't ask yourself this question—what am I going to do with it—until first you have it."

The affluent student seems to be looking for a new frontier of his own, something beyond material success.

As one Harvard student explained: "Kids have a lot given to them today. But persons want to develop values and work for things themselves."

DON'T RECALL DEPRESSION

The underlying questions students raise—what is the good life, what is the role of government, the university—are what one Cambridge psychiatrist called "basically concerns of the educated leisure class."

"For these young people," he said, "the economic system has always worked. Something like the Depression is out of their ken."

Another different perception between many adults and today's students is the view of college itself. Non-college-educated individuals see college as a golden opportunity, or as the cab driver said: "A lot of these college kids don't realize how good they've got it."

But, even many students for whom college was not a birthright and foregone conclusion expected to go to college ever since they first understood the word. Instead of being where they had always hoped they'd be then, it seems that most of today's students are where they expected to be.

DRAFT A KEY FACTOR

This questioning trend seems to be fueled by this social attitude that you have to go to college, and the military draft, which forces able-bodied students to go to college, even if they are not sure of a career or "where they are going."

The draft is particularly a key factor, a Harvard English professor explained, because it adds to the frustration of a student "who can't leave college if he is bugged and dissatisfied by it."

The Vietnam war, in the opinion of Dr. Adam B. Ulam, a Harvard professor of government, has placed a burden of guilt and anxiety on young people.

In an article in the Harvard alumni magazine, he explained: "Guilt because of the natural feeling that their superior economic status or luck protected them from the dangers of Vietnam; anxiety because of the obvious consequences of the termination or interruption of their student status.

A NATIONAL HYPOCRISY

"A certain degree of anxiety is always present in the young," he continued, "but for some in the colleges, both their sheltered status and the consequences of losing it have increased this anxiety to an intolerable degree."

Another element is that students proclaim a belief in practicing the American ideals that have been preached to them. Racism and poverty are prime examples of the national hypocrisy they mention.

Or as David Blumenthal, a Harvard senior, put it, many students have parents who grew up in the 1930s and "held up liberal principles as something to live up to . . . students are now taking this seriously, and they have the time and security to question."

Adding to this total aura that encourages questioning is what Richard S. Berne, a Harvard football player from Syracuse, N.Y., described as "things are generally more liberalized . . . less rigid socially."

ELEMENT OF CONTAGION

The Cambridge psychiatrist, who has done work with Harvard students, noted that the student questioning "is in a certain sense a spiritual quest, and they can afford a spiritual quest."

Noting that he feels "many of their concerns are religious," he added: "They'd die rather than admit it . . . if you would say that to them, they'd laugh in your face."

But like violence, he said, there is "a certain element of contagion" to this trend of student questioning.

"Many are caught up in the latest student movement," he continued. "For them, not all this represents a whole life commitment . . . Many will fade into the 'establishment' later."

But there is evidence that some of this vocal student concern for community problems and community betterment is being translated into action. On-campus reports of the decline in fraternities and social clubs is matched by off-campus reports that young lawyers show a declining interest in corporation law and medical students are interested in community health clinics, for example.

INTERESTED IN ECOLOGY

The student calls for "relevance" are translated into course selections at Harvard, for instance. Statistics indicate that the number of students concentrating on English and history have declined in recent years, while those in government and social relations rose markedly.

"Noting that science for science sake is not as popular as it used to be," Harvard Physics Prof. Sheldon L. Glashow said more students are interested in political science and ecology because "they want to go into something that is directly useful to society."

While there's no rigid rule, most studies indicate that the politically active protesters are more concentrated in the social sciences and humanities, rather than the natural sciences and professional schools.

This is not to say that one will never find pre-med, pharmacy or business school majors or even a chemistry or physics student in the ranks of the protesters. But generally not.

ASSURED ADVANCEMENT

The suggested reasons for this are varied.

One is that students who pick a hard-science major or a specific professional school already have a career goal in mind, while liberal arts students mainly include "the seekers."

Another is that many students from lower-class backgrounds go into the hard sciences because this route provides an assured job and guaranteed economic advancement. Or as Harvard's David Blumenthal explained: "Science students generally know where they are going better."

Citing the wider interest of liberal arts students, a Harvard graduate student in chemistry from Rochester, N.Y., said that besides disagreeing with the tactics of protesters he and many of his colleagues are "generally too busy in our studies."

One engineering student at the Massachusetts Institute of Technology, who was visiting at Harvard, said: "Science students generally face practical questions, not philosophical ones." This view was taken by Prof. Hoffmann, who noted that liberal arts students generally tend to ask questions on "what is popularly called the values of life."

SENSE OF PROGRESS

While the scientist is concerned with research, to find means toward ends, he added, the liberal arts student is interested "rather in ultimate ends."

Noting that "in a certain sense this is a revolt against technology scientists who are plugged in, social scientists are sort of out of it," a Harvard English professor pointed out that in professional training, there is a certain noticeable learning development. "There's a sense of weekly, monthly progress you don't see in the liberal arts field, for example," he said.

And what the protesting students are saying, with all this talk of relevance, he said, is: "We want to know what is absolute truth, so we can go right out and apply it."

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STUDENT PROTESTS SEEN AS APPEALS FOR ADULT HELP—IX

(By Ronald J. Maselka)

CAMBRIDGE, MASS., October 10.—Perhaps the most haunting question about campus unrest—the question that eludes a simple answer is—: What does it all mean?

Closely linked are questions on the merit of the student protests. Are they right. Are they wrong?

It's impossible, of course, to take specimens of campus unrest and examine them under a microscope.

Like other intangible issues, campus unrest can at best be put through each man's intellectual microscope. Thus, the opinions are divided.

The analysis of Dr. George Wald, a Nobel Prize-winning biologist at Harvard University, is that "the whole business, all the campus unrest in all the forms it takes is a disguised shout for help."

Pointing out that young people are brought into a world where they don't see much of what they want" and a world which faces them with threats, "some of them involving their continued existence," he said: "They are very upset and quite right."

HAVE MERIT, BUT NOT ERROR-FREE

While he finds merit in the student protest, Dr. Wald does not find them free of error.

Noting that students "will go on making all the mistakes in the book," he added: "But that is their privilege, because they are young. They are just beginning to learn, to acquire experience . . . This is not the world they made."

A vocal opponent of the Vietnam war and militarism, Dr. Wald, 62, successfully urged the Harvard faculty of Arts & Sciences to petition Congress to repeal the draft.

A recipient of the Nobel Prize for his research on vision, Dr. Wald said it is unreasonable for adults to meet the collegiate assault by "complaining that the students themselves are always complaining."

Stressing that students "are not offering solutions to these problems," he added: "Those are not the students' problems. Those are our problems. And it is for us to work them out."

Dr. Wald recalled that "at Harvard as recently as 10 years ago" he could stand in front of his class and say, in effect:

FIND PARENTS BAFFLED

You are a highly select group. Do your work well and you will end up with a good job, two cars in the garage, a large bank account. You'll be able to afford a good private school for the kids, to write big checks to the right charities. You'll have a high status in the community.

"If I did that now," Dr. Wald said, "they'd laugh me out of the room. And the reason is that this is not what they want. These are the things their parents got and they have not made their parents happy."

A benign, white-haired bespectacled man, Dr. Wald added in a soft-spoken voice: "The hardest thing for these young people to bear is not that they don't know what to do but that we, their parents, don't know what to do . . . They find their parents baffled about the most important things in life."

NO LONGER WORKING

The students' confusion, he said, is compounded by "the rapidly widening gap between what children are taught about America, its traditions, what it means, and the reality of what America has come to mean to all the world and the rapid deterioration of its traditions.

"The pat phrases these kids learned in school are becoming increasingly empty and not only if one is black."

But why the attack on the university structure.

Stressing that a university "fundamentally is a student body and a faculty . . . everything else is fundamentally, as the Bible says, commentary," Dr. Wald added.

"The United States is the only nation in the world where colleges and universities are run by boards of trustees, who don't even include a member of the faculty, who are 'men of affairs.' Now this is a uniquely American institution and I think it has run its course and isn't working any longer."

Emphasizing the "increasing need for open communications," he said: "Faculty and students communicate all the time. But the universities are being run by other people, who generally are badly out of communication with both students and faculty.

NEW BREED OF POLITICIANS

"I think that may be the major thing wrong with American universities today."

Exemplary of the trend for academies to get involved in non-campus issues," Dr. Wald turned to American politics.

He said he has detected a new breed of "capable" politicians developing, "bright young politicians . . . fine, intelligent men, firstrate people . . . They are actors with brains, writing their own parts."

Specifically, he cited Rep. Richard D. McCarthy (D., Buffalo), who has led a drive against chemical-biological warfare, and Sen. Charles E. Goodell (R., N.Y.), who has challenged the Nixon administration's Vietnam policies.

WE MUST FIX IT

For instance, he said: "Sen. Goodell seems to be standing for the right things. This is especially significant at this time in a Republican, who has to break with his own leadership and, to a degree with his own party."

Indicating that "my hopes are in those bright young politicians," Dr. Wald acknowledged that students generally do not share this view.

"Kids have trouble getting beyond their local situation," he explained. Since they don't have the vote, he continued, "they try to get their local situation going in the direction they want to go."

Returning to his original theme, he concluded: "These are not problems for students. These are problems for adults. We have the vote. If things are going badly, as they are, all students can do is tell us that. They can fix it . . . we have to fix it."

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SDS WORRIED BY SPLIT ON REVOLUTIONARY GOALS—X

(By Ronald J. Maselka)

CAMBRIDGE, MASS., October 11.—"These are people looking for revolution for reasons which I can't understand."

That was one Harvard senior's appraisal of the Students for a Democratic Society (SDS).

Those reasons are getting harder to understand these days because there are two main factions claiming the name SDS.

The split that was revealed publicly at last summer's SDS convention in Chicago is particularly noticeable in the Boston area, the headquarters of one faction, the Workers Student Alliance (WSA). The other group claiming the SDS label is the Revolutionary Youth Movement (RYM) No. 1.

SPLIT SHOWS CLEARLY

Both factions, each with its own internal differences of opinion and sub-groupings, express discontent with American society and believe in a need for revolution. The tactics, philosophy and the question of who should be in the vanguard of that revolution and who should be attacked are among the points that led to the split.

The radical SDS solution to problems, like taking over a building, has focused attention on it as a key element in campus unrest. But to hope that the current split will bring internal implosions that will curtail its campus effectiveness is, at this point, simply a hope.

But for some Boston area SDS members, it is also a fear.

Last month's hit and run raid by about 20 anti-war protestors on Harvard's Center for International Affairs brought a reaction from the WSA wing indicating that the split here is a serious thing.

DANGER OF DISCREDIT

Laurent C. Delli-Bovi, a Radcliffe junior from Richfield, Conn., and a WSA member, said the raid "poses a great danger of discrediting us with students and workers." She says WSA HOPES "to counter this by concretely supporting workers' struggles on and off campus."

One man, identified as a Boston area leader of the RYM faction was arrested in connection with the raid.

Later, spokesmen for the WSA faction blamed the raid on the "RYM extremists" and said that WSA was SDS and that RYM had no right to the SDS label.

James Kilbreth, editor of WSA's newspaper, New Left Notes, said the WSA seeks to develop an alliance of students and workers "to fight for better conditions in the schools" through unionization, for example.

"RYM has a great deal of contempt for the working people," he added.

CRUCIAL ISSUES AHEAD

While SDS is "supposed to be an open, democratic, non-exclusionary organization," he continued, RYM people believe "you should agree with us or else."

Mr. Kilbreth said the crucial issues ahead for SDS at Harvard include attacking university expansion into the surrounding community and university links with the Defense Department.

Another distinction between the WSA and the RYM elements, he said, is that WSA would direct any violence against "the bosses" on and off campus. But Mark Rudd, the national leader of the RYM group, has reportedly expressed the belief that the revolutionary movement can be served best "in whatever manner is necessary," even by closing down the universities and schools.

"POLITICALIZES" STUDENTS

The extremist tactics of RYM have found little sympathy at Harvard, various sources indicate.

But the wider student appeal of SDS generally has not been in response to its rhetoric of "exploitation of the workers" or "bossism and capitalism."

SDS strength lies in its ability to politicalize" a larger segment of students, either on the force of a specific issue or because of a university's response, like calling in outside police.

The strength lies also in the fact that SDS picks the issues it will seek a confrontation on. At Harvard last year, for instance, it picked ROTC, which was unpopular with a wide range of students.

FUTURE OF SDS?

Probably one of the weaknesses cited most often in the American university structure is that it tends to react to an issue that SDS raises.

The months ahead will bring a test for both the SDS and the university community.

To survive as a potent force, SDS will need to find potent issues and achieve some measurable success.

But if administrators, faculty and students can achieve the communication needed to head off those issues, by doing something about them or by convincing the majority that something is being done, then it would appear that the future of SDS would be doubtful, regardless of its solidarity or splintering.

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## HUNGER AND POOR PERFORMANCE LINKED

### HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. MIKVA. Mr. Speaker, many of us have long maintained that the existence of hunger in the richest and most prosperous nation the world has ever known casts a shadow over all that America claims to stand for. Recently, however, evidence has come into my hands that hunger in the midst of plenty is not only immoral, it also contributes directly to other problems which exist in our inner-city "ghetto" areas. Problems like low educational standards, school drop-outs, and low levels of scholastic discipline.

The Woodlawn Mental Health Center, operated by the city of Chicago Board of Health, recently completed a survey of 2,300 mothers with children attending public schools. The interviews gathered information on all aspects of family life, much of which will be useful in further sociological and sociomedical evaluations of the effects of ghetto life. The study showed a definite relationship between inadequate meals at home—especially the morning meal—and the child's ability in school. Dr. Sheppard G. Kellam, codirector of the Woodlawn center, and a distinguished associate professor of psychiatry at the University of Chicago, summarized the results of the survey:

> The results of these systematic studies show that hunger is important in influencing how well the child socializes in the first grade classroom. By hunger we mean not having food. We are not referring to malnutrition necessarily, but to missing meals.
>
> Children miss meals for a variety of reasons, but if they do, they are likely to have difficulty in school. A program aimed at providing meals would therefore be extremely important in bettering the adaptation of children to school.

I am currently working on a bill which would substantially increase present Federal programs to provide meals to children in schools. I am waiting anxiously to see the exact nature of President Nixon's recently announced efforts in this respect. Dr. Kellam's letters, which I insert at this point in the RECORD, make clear that decisive action to meet the

problem of hungry school children is imperative.

The letters referred to follow:

WOODLAWN MENTAL HEALTH CENTER,
*Chicago, Ill., November 4, 1969.*

Congressman ABNER MIKVA,
*Federal Office Building,*
*Chicago, Ill.*

DEAR CONGRESMAN MIKVA: We are writing this letter to report to you the results of hunger, which is a basic condition among others blocking children in poor communities such as Woodlawn from succeeding in school.

As you know, for the last six years we at the Woodlawn Mental Health Center have been carrying out extensive studies and prevention and early treatment programs for all the 2000 first graders entering Woodlawn schools each year, and have periodically assessed them three times in first grade and have followed 6000 of them as far as the end of third grade. We have considerable information on the families of first graders obtained by two community-wide extensive interviews with about 2300 mothers.

The results of these systematic studies show that hunger is important in influencing how well the child socializes in the first grade class-room. By hunger we mean not having food. We are not referring to malnutrition necessarily, but rather to missing meals.

Children miss meals for a variety of reasons, but if they do they are likely to have difficulty in school. A program aimed at providing meals would therefore be extremely important in bettering the adaptation of children to school.

However, such a program must consider a variety of other factors which are also related to doing poorly in school. In our studies, such basic issues as the mother's sense of potency to influence her children's future; her own mental health; whether she lives with other adults who can share the child-rearing role with her; whether she has $5,000 income (a figure which very sharply distinguishes between families of children who are adapting to school and those who are not); her child-rearing practices, particularly in regard to limit-setting and permission-giving—all characterize basic factors related to successful child-rearing and successful careers in school.

Our considered opinion is that a program aimed at the hunger of children would be a fundamental contribution in poor communities such as Woodlawn. This program, if it is to be successful, must include a role for the mothers at the policy-making level so that the program is basically planned and operated by the local neighborhood community which it serves. This would reinforce the mother's sense of her own importance and self-esteem. The program should be seen as an opportunity for employing mothers and fathers and thus would be a way of improving income. Incidentally, along this line, Mr. Julian Levi has recently described a private catering service as a possibility for implementing such a program. Such a private catering service would work under contract with the local community which in turn would receive its financing through an appropriate mechanism such as the one we are hoping you can successfully develop.

One closing thought which I am sure you share is that a program to alleviate hunger is one of several basic programs which can be a base for improving conditions of family life. We have considerable data on family life and its relation to success in school and to mental health which suggests that programs, such as after school programs, may have similar economical and social benefits. All of these programs in our view must be community-owned at the neighborhood level and must combine a variety of aspects which not only alleviate the central bad condition such as hunger, but also take into account other related problems.

Sincerely,

SHEPPARD G. KELLAM, M.D.,
*Codirector, Woodlawn Mental Health Center; Associate Professor of Psychiatry, the University of Chicago*

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WOODLAWN MENTAL HEALTH CENTER,
*Chicago, Ill., November 20, 1969.*

Congressman ABNER MIKVA,
*Federal Office Building,*
*Chicago, Ill.*

DEAR CONGRESSMAN MIKVA: The information regarding family life which we reported in our recent letter was obtained in two home interviews. Each interview lasted about an hour and a half and took place in the living rooms of the mothers or mother surrogates of half of the first-grade children in the spring of 1965, and all of the first-grade children in the spring of 1967. A total of about 2300 mothers were interviewed.

The relationships that exist between the family life of the child and the child's adaptation to school according to ratings made by the teacher have been examined in detail and the results of these systematic studies were the basis for the conclusions which we presented.

About four percent of the mothers in 1965 reported that their children had nothing to eat for breakfast or only had liquids; in 1967 this figure was about five percent. These children were not succeeding in a basic task, namely, being able to socialize with the other children in first grade. From other studies we know that if children do not succeed in their social adaptational tasks in first grade, they run a grave risk of not succeeding from then on.

Sincerely,

SHEPPARD G. KELLAM, M.D.,
*Codirector, Woodlawn Mental Health Center; Associate Professor of Psychiatry, the University of Chicago*

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# SENATE—*Saturday, December 6, 1969*

*(Legislative day of Friday, December 5, 1969)*

The Senate met at 9 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, deliver us now from the drive of daily duties, from the tumult of the world about us, and the attention of many competing concerns that our hearts may know Thy refining and renewing power. Keep us from coldness of heart and indolence of spirit, that we may worship while we work in the beauty of holiness and in the holiness of beauty. Equip us now for new tasks, brace us for fresh undertakings, and give us strength for the adventure of this day with Thy love and grace and truth filling our souls and finding expression in our actions.

In the name of Him who lived for others. Amen.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, December 5, 1969, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that sometime during the afternoon there be a period for the transaction of routine morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Florida (Mr. HOLLAND) is recognized.

Mr. BYRD of Virginia. Mr. President, will the Senator yield, briefly?

Mr. HOLLAND. I am happy to yield.

## SENATE POLICY ON CONSIDERATION OF MEASURES

Mr. BYRD of Virginia. Mr. President, may I seek the attention of the majority leader, to ask a question?

Mr. MANSFIELD. Yes, indeed.

Mr. BYRD of Virginia. I note that last night, after the final vote on an amendment to the tax legislation was taken, a bill was called up and unanimous consent was obtained for its consideration. It increased the number of supergrades in the Government, as I understand it, by 150.

My question to the majority leader is this: What will be our policy in the future? I was on the floor for 8 or 9 hours almost constantly yesterday. I could have stayed another half hour, or another 2 hours, for that matter, but I had no idea that the tax reform bill—on which there would be no more votes last evening—would be set aside and a measure taken up separate from the tax reform bill.

I am wondering what our policy will be in the future. I can stay as long as anybody else stays, but I would like to know what we might expect in the way of setting aside this bill and taking up other proposed legislation.

Mr. MANSFIELD. The Senator raises a legitimate question. This bill was being held up at the request of a Member on the other side of the aisle. An agreement was arrived at between that Member and the chairman of the committee; and, on the basis of the fact that there were no objections lodged with the leadership by any Senator with respect to that bill, the joint leadership agreed to bring it up. We stated late yesterday evening that there would be no other votes, that the Metcalf amendment would be the pending business, that my distinguished colleague, the Senator from Montana, intended to make a few remarks, but that the vote would come on that amendment today. If we had known of the Senator's interest on objection, we certainly would not have brought the bill up by unanimous consent. Had the debate on that particular proposal last night lasted much longer, I was prepared to lay it aside, because I felt that the Senator from Montana (Mr. METCALF) has been more than patient for the past 3 days, allowing others with amendments to come in ahead of his amendment, when he was prepared to proceed during that period.

Mr. BYRD of Virginia. Mr. President, may I say to the distinguished majority leader that I do not necessarily have objection to the proposal. I could not have objected, even if I had an objection, because I did not know that the proposal would be called up. I quote from yesterday's RECORD:

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate resume the consideration of Calendar No. 556, S. 2325.

Mr. MANSFIELD. That is correct.

May I say that it is my intention, when we are through with the consideration of the pending bill for this afternoon, again to lay aside the pending amendment, whatever it would be—and it would be late in the afternoon—to take up the military construction appropriation bill and the District of Columbia appropriation bill.

Mr. BYRD of Virginia. I would certainly have no objection to any of that, provided I know what the policy is. If the policy is to take up proposed legislation late in the evening, after the final vote for the day has been taken, that is perfectly all right. But I would like to know in advance whether or not that is going to be our policy.

Mr. MANSFIELD. We have done that during all the years I have been in a position of leadership, and even before, under previous leaders. It is always done with the concurrence of the Republican leader; and if there is any opposition by any Senator for any cause, that opposition is brought to the leadership's attention, and that bill is not brought up. It will be held for a reasonable length of time, but not indefinitely.

So I must apologize to the Senator. I assure him that we were not trying to "pull" anything. We were acting in good faith, and we thought it had been cleared all around.

Mr. BYRD of Virginia. I am well aware that the distinguished Senator always acts in good faith, and I was not implying anything of that nature.

Mr. SCOTT. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. SCOTT. Mr. President, this matter has been under some considerable current discussion. The distinguished senior Senator from Delaware has from time to time served notice that he will call up, for example, amendments at any time, or other matter, if he thinks it advisable to do so. I am sure he is not the only Senator who feels that way. Because of the fact that at the end of the sessions these things happen, the assistant Republican leader and I felt some concern about it, on our own behalf, and I had therefore directed a letter to the distinguished majority leader, of which he is aware, which I would like to read into the RECORD at at this time, in the hope that we may arrive at some means of clarifying this matter. The letter reads:

It has come to our attention that on occasion pending business in the Senate is being temporarily laid aside to consider other bills or amendments without any notification to the leadership. This practice we feel creates problems for the leadership in carrying out their responsibilities to other Senators who may have an interest in the bill or amendment called up for action.

Accordingly, we would like to request that you consider—

Addressing the majority leader on it—and we have had no discussion on this—

adopting a procedure which would preclude the laying aside of pending business without prior notification to the leadership, Democratic as well as Republican.

We believe this procedure would save some possible embarrassment to the leadership as a result of amendments or bills passing without anyone being aware of the action to be taken except those Senators on the floor at that time—

Which, I may add, was not the case yesterday—

One or both of us will be readily available at all times to be consulted regarding any action that you or the manager of the pending business desires to take.

Your kind attention to this matter will be appreciated.

So while this does not involve notice to every Senator, it contemplates the hope that we may at all times be sure of notice to the leadership, to at least enable us to notify the managers of the bills or the ranking minority Members or the Senator particularly concerned with the bill, where we have such notice of his interest.

Mr. MANSFIELD. May I say that I concur fully with the sentiments expressed in that letter.

Mr. BYRD of Virginia. I realize the difficulties faced by the leadership in handling a vast amount of legislation, and certainly I do not want to hinder that in any way.

I must say that I was taken by surprise by the matter that came before the Senate last evening.

Mr. MANSFIELD. The Senator has made a very valid point. All I can say in extenuation is that I believe I announced there would be no more record votes last night, and it was on the assumption I did not think anything controversial was coming up or anything that would raise a question; otherwise I would not even have brought up that legislation.

Mr. BYRD of Virginia. I thank the Senator.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Florida is recognized for 10 minutes.

## STRIKE AGAINST FLORIDA POWER & LIGHT CO. COULD HAVE BEEN AVOIDED

Mr. HOLLAND. Mr. President, the International Brotherhood of Electrical Workers has been on strike against the Florida Power & Light Co., the largest public utility in Florida, for more than 5 weeks. This inexcusable strike threatens to seriously affect the welfare of our people and the orderly development of our State.

In an effort to be of some assistance in the matter, my colleague, the junior Senator from Florida (Mr. GURNEY), and I wrote a letter under date of November 26 to 11 local union presidents of the International Brotherhood of Electrical Workers and to the president and vice president of the international brotherhood, as well as the business manager of System Council U–4 of the international brotherhood.

For the information of the Senate, I ask unanimous consent to have this letter printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
*Washington, D.C., November 26, 1969.*

DEAR ———: The present work stoppage on Florida Power & Light Company property can seriously affect the welfare and orderly development of our State. Picketing of construction sites rapidly unwinds the tempo of construction in all fields—residential, commercial and industrial—and payrolls disappear. Meanwhile our busy Winter Season is almost upon us.

There is no apparent reason why this work stoppage should be continued or tolerated. In 1947 the Florida State Legislature, acting on the suggestion of a Labor-Management Committee, which included the state head of AFL–CIO, passed a law requiring binding arbitration in disputes between utility companies and their employees.

Later, the Supreme Court ruled that this type of legislation was in conflict with the Taft-Hartley act, as it denied the right to strike. The law, however, remains on the statute books of Florida, and it is our belief that the people are of the same mind on the matter.

In the present dispute between the IBEW and Florida Power & Light, the only problem is economic—that is, money. Both parties should immediately submit to binding arbitration, for it is imperative that the men go back to work as soon as possible and the dispute be settled without delay. Not only would this observe the spirit of the Florida arbitration law, it would be consistent with

the objects expressed in the IBEW Constitution which calls for arbitration in settling disputes.

We call upon you as a leader of the IBEW to do your duty to the biggest majority involved, the electric customers in Florida and submit your case to binding arbitration.

If the shoe were on the other foot and you had offered arbitration while the company declined, we would feel just as strongly in calling upon the company to do as we are now calling upon you to do.

We know that you, as good citizens concerned with the economy, welfare and betterment of living conditions in Florida, will be responsive to our request.

Sincerely,

SPESSARD L. HOLLAND,
EDWARD J. GURNEY,
*U.S. Senators.*

Mr. HOLLAND. Mr. President, under date of November 29, I received a reply from the president of Local Union No. 622, IBEW, Mr. E. M. Brown, Jr., Lake City, Fla., and I ask unanimous consent to have this letter, which, incidentally, is the only reply I have received to date from the 14 letters sent out on November 28, printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LOCAL UNION NO. 622 IBEW,
*Lake City, Fla., November 29, 1969.*

HON. SPESSARD L. HOLLAND,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR HOLLAND: Your letter was received this morning, and I wish to assure you that this Local Union No. 622 IBEW is doing everything we possibly can within the Constitution of IBEW, By-Laws of the System Council U4 IBEW, laws of the State of Florida, and the laws of the United States to get the people on the Florida Power & Light Property back to work.

We are not in accord with this strike. We voted not to strike, but were forced to do so when the majority in the State voted strike.

We are now in the process of calling a meeting of the System Council U4 for the purpose of going back to work, accepting the last contract package offered, and negotiating or arbitrating any difference between the Company and the Union.

In accordance to your letter I will feel free to call upon your assistance.

Sincerely yours,

E. M. BROWN, Jr.
*President.*

Mr. HOLLAND. Mr. President, I think it is interesting to note that Mr. Brown states:

We are not in accord with this strike. We voted not to strike, but were forced to do so when the majority in the State voted strike.

Mr. President, an editorial appeared in Today, a daily newspaper published in Brevard County, Fla., under date of November 28, entitled "Arbitration, Quickly." It is very short but very much to the point, and I believe it appropriate to read for the benefit of the Senate, as follows:

ARBITRATION, QUICKLY

When negotiators representing Florida Power & Light Co. and striking members of the International Union of Electrical Workers meet for a fourth time Friday, the strike will be more than five weeks old.

That's five weeks in which supervisory personnel have been doing some of the jobs of striking linemen. A serious disruption of power could come at any time.

For the good of all—the union, the company and, most important, the public—we hope this fourth meeting will be more productive.

Coming a day after Thanksgiving, when some of the strikers no doubt went without turkey, there may be more pressure on the union to submit to binding arbitration, which the union has been refusing to do from the start.

If that were the only reason to arbitrate, of course, we could understand their continued refusal. But so far we have seen no compelling reason for not submitting and a most compelling reason for.

Our primary concern is for the public. Half the state is under the potential threat of a major emergency as long as the strike continues. The work stoppage is fraught with public danger.

Beyond that, the incomes of thousands of persons have been cut off or materially reduced. Much contracting work is at a standstill. The state's economy is affected.

Unions have an unarguable right to strike, but when the welfare, health and safety of the public is at stake, the dispute must be settled in the shortest time possible.

Such a strike is surely bringing nearer the day when Congress will have to require that utility companies and labor unions submit to binding arbitration.

Where 3,100 union men can threaten the welfare of millions, refusing to recognize their responsibility to the public, corrective legislation must be considered.

Mr. President, I bring this matter to the attention of the Senate not only because this strike is most hurtful to the people of Florida but because it could have been avoided had the Committee on Labor and Public Welfare taken favorable action on legislation I have sponsored or cosponsored since the 82d Congress when Senator Wiley, of Wisconsin, Senator Hendrickson, of New Jersey, Senator Robertson, of Virginia, and I introduced S. 1535 on May 23, 1951, to amend the National Labor Relations Act to provide that nothing therein shall invalidate the provisions of State laws which seek to prevent strikes in public utilities.

The introduction of this legislation was prompted by the dangerous and unexpected situation created by the Supreme Court, in its divided decision February 26, 1951, in the so-called Wisconsin case, in its strained interpretation of the legislative intent of the Taft-Hartley Act.

Unfortunately, Mr. President, S. 1535 of the 82d Congress never saw the light of day and died in the Senate Labor and Public Welfare Committee without being accorded a hearing.

In the 83d Congress I did not introduce this legislation as there was pending in the Congress a general bill for the revision of the Taft-Hartley Act, S. 2650. One of the provisions of that bill was broad enough to cover the same objective. This bill was recommitted by a vote 50 to 42. I was one of those voting to recommit, for, while I found much to approve in S. 2650, particularly the section dealing with strikes in public utilities, I voted with the majority because of the unfavorable parliamentary situation which required the consideration of FEPC legislation under a gag rule.

In the 84th Congress I again introduced this legislation which was cosponsored by Senator Robertson. I introduced the measure again in the 85th, 86th, 87th, 88th, 89th, 90th Congresses, and again in this Congress I introduced S. 142 on January 15, 1969. Unfortunately, I have never been able to secure any action on this measure by the Senate Labor and Public Welfare Committee.

This has been most frustrating, particularly when the Florida State Legislature in 1947, acting on the suggestion of a labor-management committee which included the State head of the AFL–CIO, passed a law requiring binding arbitration in disputes between utility companies and their employees. Mr. President, the law, although invalidated by the action of the Supreme Court in its divided opinion in the Wisconsin case—*Amalgamated Association of Street Electric Railway and Motor Coach Employees of America, Decision 998, et al.* v. *Wisconsin Employment Relations Board* (340 U.S.C. 383, 71 S. Ct. 359, 95 L. Ed. 354) dated February 26, 1951, still remains on the Florida statute books.

Mr. President, I bring this matter before the Senate as it supports, I believe, the need for the Senate committee to take action in this area. And I might say in closing that the interpretation of the principal authors of the Taft-Hartley Act as expressed to me personally was that the majority of the Court came forth with a highly strained interpretation of the intent of Congress in the passage of the act of 1947. Senator Taft, in talking with me, made no secret of his complete disagreement with the majority opinion and expressed himself strongly to me on several occasions. Congressman Hartley's interpretation of the bill as shown beginning on page 6383 of the CONGRESSIONAL RECORD of June 4, 1947, is completely different from that of the majority of the Supreme Court in its interpretation of the act.

Mr. President, the inaction of the Labor and Public Welfare Committee to correct an interpretation of the Supreme Court which is contrary to the views of the authors of the legislation is of great concern to me, particularly since legislation has been pending before the committee since 1951, some 18-plus years. It would appear that during this space of years corrective action could have been taken to make the law of the land what Congress intended at the time of passage of the act. I am hopeful that the committee will do so, but I must confess I am doubtful that my voice will be heard now, for it has not been heard in the past.

Mr. President, it is a deplorable pity that Congress is forced by the inaction of its Labor Committees to stand speechless and helpless in performing the necessary task of protecting the public against stoppages in local utility services such as those providing electric power, water, gas, and local transportation. I hope that at long last this committee will wake up and grant us a hearing so that Congress may correct this deplorable situation.

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## TAX REFORM ACT OF 1969

The PRESIDING OFFICER (Mr. ALLEN in the chair). At this time, in ac-

cordance with the previous order, the Chair lays before the Senate the unfinished business which the clerk will please report.

The ASSISTANT LEGISLATIVE CLERK. H.R. 13270, the Tax Reform Act of 1969.

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 315), offered by the Senator from Montana (Mr. METCALF).

The Senator from Montana (Mr. METCALF) is recognized.

Mr. MANSFIELD. Mr. President, will my colleague yield to me without losing his right to the floor?

Mr. METCALF. Mr. President, I yield to my distinguished colleague without losing my right to the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

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## DEFENSE DEPARTMENT RESEARCH PROJECTS AND STUDIES

Mr. MANSFIELD. Mr. President, on November 19, the military procurement authorization for fiscal year 1970 was signed into law. Part of that law, section 203, stipulates that none of the funds authorized may be used to carry out any research project or study unless such project or study has a direct and apparent relationship to a specific military function or operation. On November 20, I wrote the Secretary of Defense expressing my concern with the interpretation that the Office of Research and Development at Defense intended to give to section 203.

On December 2, I received a most positive and encouraging reply from Deputy Secretary of Defense David Packard. His letter expressed no disagreement with the interpretation of congressional intent that was expressed in the Senate with respect to section 203. I wish to commend Secretary Packard and the Department of Defense for such a constructive attitude in this area of significant importance.

I ask unanimous consent that my letter to the Secretary of Defense of November 20, 1969, and the answer of Mr. David Packard of December 2, 1969, which answer includes a copy of his memorandum to all Department heads in Defense Department be printed in the RECORD at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, it will be noted from that memorandum that the Office of the Secretary of Defense passed the word throughout the Defense Department that any project which does not comply with section 203 must be terminated in an orderly way as soon as possible. In addition, the Department is reviewing all current studies and projects as well as the selection criteria used to evaluate proposed work to assure that the criterion will be applied explicitly in every case. Furthermore, in addition to the internal review now begun, the National Academy of Sciences has been asked by the Defense Department to carry out a complete examination of all projects and studies in the gray area—those projects and studies that do not have a readily apparent military application—and to adjudge independently which do not meet the criteria of section 203.

The gray area in my judgment would certainly be larger than those projects presently sponsored under the heading of basic research. In other words, some applied research certainly would fall within the possible challenge of section 203.

Dr. Packard's response is positive and constructive, and is to be commended. I am well aware of the magnitude of the change required by section 203, but I am encouraged by his attitude that its implementation can go forward in an orderly, thoughtful way. With such a positive attitude, precipitate, last-minute action that might seriously disrupt research projects can be averted. Our joint emphasis will be the orderly transfer to other agencies of projects that do not meet the criteria of section 203.

Several points bear repeating. Section 203 is not intended to cause needless disruption of high quality research; nor is Secretary Packard's attitude indicative of an intended overresponse.

Section 203 has the positive aim of reducing the dependence of basic, scientific research upon military appropriations. Let us be specific on this point. It affects military support of those scientists who pursue the uncovering of new knowledge in whatever direction and way they find most interesting. This is the basic research of which Dr. Vannevar Bush wrote so eloquently in his report to President Truman about scientific research after World War II. Section 203 contemplates that scientists whose interests and way of work focus upon solving problems may continue to receive military funds provided their research has a direct and visible relationship to military needs.

Section 203 does not ban the Defense Department from sponsoring research in universities, or in not-for-profit research institutions. The Defense Department retains ample authority to fund research by university scientists who wish to apply their talents to solving problems of national defense.

Section 203 is not intended to disrupt the work of any scientist simply because his work now funded by defense appropriations does not meet the new criteria. The cooperative attitude apparent in Secretary Packard's letter encourages me to expect that the Defense Department, the civil departments and agencies, the Bureau of the Budget and Congress can arrange for the orderly transfer of quality research projects that should be continued by other agencies, and for appropriate funding arrangements.

Section 203 makes it abundantly clear to students, to scientists, to officers of universities and not-for-profit institutions and to industrial contractors that money received from defense appropriations for research is needed to carry out a specific military need or function and is directly related to the defense needs of this country. No need is of higher importance. The work that will be sponsored by the Defense Department will be able to stand on its own feet and meet the true and open test of a valid need of the Department. The National Science Foundation and other civil agencies will be charged with the responsibility for continuing the investigations that expand our existing base of knowledge in the various scientific disciplines.

As I said on November 6, the performing of research to meet the needs of defense is honorable work. Scientists and universities who receive defense funds for a valid defense need should be proud, never ashamed. It is only when the sponsorship of a project is questionable or the subject matter of the mission is questionable does an element of doubt enter the relationship.

Section 203 reminds all of us that scientists who are interested in problem-solving are just as much a part of the scientific community as are those who pursue knowledge for its own sake. Both outlooks are necessary not only for defense, but also for resolving the many urgent civil problems of our Nation.

In carrying out section 203, we can now expect the Defense Department to identify its needs for research to further defense science and technology, and to publish these needs so that well-qualified, problem-oriented scientists can match their interests and abilities with the defense needs. Some of the requisite research in the future will be suitable for universities and nonprofit institutions. And I would expect it to be carried on in a close, collaborative relation with the Department's research administrator and its own laboratories.

Naturally, I expect that the total of defense-funded research will decrease as section 203 takes effect. I would point out, however, that section 203 is not intended to stimulate a transfer of funds to in-house defense laboratories. The thrust of section 203 is to confine the type of research sponsored by the Department of Defense—not simply to change the identity of the Defense contractors. The latter would be senseless subterfuge.

To expedite the working out of arrangements for orderly transfer of research concerned to other agencies, I have written to the Director of the Budget Bureau and to the Comptroller General. Today I have written to the President of the National Academy of Sciences and to the heads of the National Science Foundation, the Department of Health, Education, and Welfare and other civil agencies to urge their cooperation with the Defense Department and with the Congress in working out final arrangements for the orderly transfer of projects and funds.

The working out of section 203 will be difficult. Nevertheless, whatever the temporary difficulties may be in the long term both the Defense Department and the Nation will benefit from the assertion of the principle in section 203.

And, in conclusion, I would again congratulate the Defense Department for its positive and cooperative response to section 203. I am confident that together the Congress and the Department of Defense will be able to implement the prescription of section 203 and accomplish what is truly in the best interests of the Department and contribute significantly to a healthier attitude in our society toward those who perform research and those who sponsor it.

EXHIBIT 1

NOVEMBER 20, 1969.

Hon. MELVIN R. LAIRD,
*Secretary of Defense, Department of Defense, Washington, D.C.*

DEAR SECRETARY LAIRD: The consideration of the military procurement authorization bill—entailing many weeks of consideration by the entire Senate and the House—reflected a growing interest on the part of Congress in the specifics of the recommendations contained in military expenditure bills. One provision of this year's bill—which is now law—is Section 203 which, as you know, was added by the Senate and retained by the House. The intention of this section is rather clear. The language really needs no explanation since it specifies a restrictive policy with respect to the sponsorship of research by Defense. It was added by the Senate with the specific intent to reduce the sponsorship by the Department of Defense of non-mission oriented research—research that did not have a direct *and* apparent relationship to a specific mission of the Department of Defense.

Over the past two decades, the Department of Defense has sponsored far-reaching and significant research throughout the full spectrum of science. The contributions that have been made to the health and vitality of the Nation's scientific structure by the Defense Department is not disputed. However, the language of Section 203 expresses a clear policy of Congress to reduce this dependency by the scientific community on the Department of Defense. The National Science Foundation was established in 1950 to contribute the Government's share to maintain a proper level of scientific inquiry—investigations for the pursuit of knowledge per *se*.

I was greatly dismayed upon being informed of Dr. John Foster's attitude with respect to Section 203. In answering a letter from Senator Fulbright concerning the Defense Department sponsorship of a study of birds, he expressed the belief that Section 203 would have no effect on that study or on the operations of his office and the research that was being sponsored. The Congress of the United States does not attempt to enact futile gestures; it should be most resentful when an Executive agency decides to ignore its clear expression of intent.

I am writing today to Mr. Staats, the Comptroller General, and requesting him to establish appropriate guidelines and machinery to determine the effectiveness of Section 203 and to return a preliminary finding prior to the consideration of the appropriations bill this year.

I think an appropriate test of these guidelines would be to determine what impact they would have had on last year's expenditures if it had been enacted last year.

With warm regards, I am

Sincerely yours,

MIKE MANSFIELD.

THE SECRETARY OF DEFENSE,
*Washington, D.C., December 2, 1969.*

Hon. MIKE MANSFIELD,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR MANSFIELD: I thank you for your letter of November 20 inquiring about the Department's views regarding Section 203 of the Military Procurement Authorization Act. We appreciate your concerns and would like to explain our position.

There is absolutely no question that the Department will comply fully with the law. I have directed all components to review critically all current and proposed research and development projects and studies to ensure that they have a direct, apparent, and clearly documented relationship to one or more specifically identified military functions or operations. Any project or study which does not fulfill the criterion of Section 203 will be terminated. For your information, a copy of my memorandum on this matter is enclosed.

In addition to this comprehensive review within the Department, we have contacted the National Academy of Sciences and invited them to consider carrying out a complete examination of all projects and studies which might be regarded as marginal under the provisions of Section 203.

With respect to Dr. Foster's recent letter to Senator Fulbright concerning the impact of Section 203, I have discussed the issue in detail with Dr. Foster. He shares without reservation my firm intent to comply completely with the law.

I intend to follow this issue closely and personally in the future, and to cooperate fully with Comptroller General Staats in his review of this matter. Please be assured that in our FY 1971 budget requests and program plans, we will reflect detailed consideration of the intent of Section 203 in relation to Defense needs for research and development.

Sincerely,

DAVID PACKARD,
*Deputy.*

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THE SECRETARY OF DEFENSE,
*Washington, D.C., December 2, 1969.*

Memorandum for the Secretary of the Army, Secretary of the Navy, Secretary of the Air Force, Director of Defense Research and Engineering, Assistant Secretaries of Defense, Directors of Defense Agencies

Subject: Section 203 of Military Procurement Authorization Act.

Section 203 of the Military Procurement Authorization Act, P.L. 91-121, approved November 19, 1969, provides as follows:

"Sec. 203. None of the funds authorized to be appropriated by this Act may be used to carry out any research project or study unless such project or study has a direct and apparent relationship to a specific military function or operation."

This provision is, in effect, reiterative of the legal principles and longstanding RDT&E policies which have governed and will continue to govern the use of Defense appropriations for RDT&E activities. However, insufficient attention has been given to making clear to the Congress the basis for deciding to support work in a particular field, and particularly the connections between relatively basic research and the long-range Defense problems and missions which require such research.

In order to assure full compliance with the intent of Congress as expressed in Section 203, addresses are requested to assure that prior to the approval of a new research project or study, or the continuation, modification or extension of an existing research project or study, the project manager furnishes a written statement which describes, as clearly and simply as possible, the project or study and its purpose, together with its direct and apparent relationship to one or more designated military functions or operations. Any project which does not have a direct and apparent relationship to a specific military function or operation must be terminated in an orderly way as soon as possible.

I have asked Dr. Foster to work with you in reviewing all current RDT&E efforts, as well as selection criteria used to evaluate proposed RDT&E studies and projects. The purpose of this review will be to assure that the long-standing Department policy, requiring that the criterion of relevance-to-military-missions be applied throughout the RDT&E program, has been and is being applied explicitly in every case. If necessary, please consider supplementing the appropriate directives to ensure that the provisions of Section 203, P. L. 91-121, are followed completely.

In summary, addresses are requested to take all necessary actions, beginning immediately, to comply fully and scrupulously with the law. Under no circumstances shall the Department support work which does not have a direct, apparent, and clearly documented relationship to one or more specifically identified military functions or operations.

DAVID PACKARD,
*Deputy.*

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## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. METCALF. Mr. President, last night, immediately after my amendment was called up, I made a speech explaining the purpose of the amendment.

In summary, it has a very simple purpose; namely, to get at the abuses which have resulted from nonfarmers taking unfair advantage of the special accounting methods designed to ease the bookkeeping chores of legitimate farmers. These accounting methods grew out of the necessity to give the farmer a more simplified method of accounting on his inventory and capital gains, because of the sophisticated bookkeeping records that we give to businesses and industries all over this Nation. Especially livestock and dairy farmers, and orchard operators have special accounting rules and do not have to keep an inventory at the end of the year.

For example, during the course of the hearings, I was asked a question by one of the Senators on the Finance Committee, "Why should Woodward & Lothrup have a tea room and take a loss and have to be treated differently from a man who goes out into a livestock farm and takes a loss?"

The answer is, of course, that Woodward & Lothrup is on an accrual system of taxes, and they include everything in their losses and do not have the special benefits which are given to the farmer.

Thus, this business of allowing the farmer a special tax benefit, which has grown up and which we recognize and which is useful and which should be continued, in recent years has given rise to an abuse by people with large incomes from nonfarm areas, people such as doctors, lawyers, brokers, and bankers—people with an independent income from stock operations, going in and converting their annual income at a high tax bracket level into a capital gains income in a subsequent year.

Everyone who has studied this problem is concerned with it. Everyone who has studied this problem would like to correct this abuse.

About all the difference we have here in the Ways and Means Committee and in the Finance Committee and in the amendment I am offering today is in the various ways to correct that abuse.

In the House, I testified on this same piece of legislation. I testified before the Ways and Means Committee. Some of the members leaned over the desk and said to me, "Senator, we have farms that we are operating in that same way." One member said, "I have a farm but I am not making a loss, I am making a profit on it."

All of them made, in my opinion, an honest effort to correct the abuse of the tax loss farmers.

However, in the House they put in an EDA provision, which would allow the tax-dodge farmer to defer the loss from year to year.

In my opinion, and in the opinion of tax experts, that would mean that over the long period there would be a deferment of nonfarm income, and such a dispersion of it that the bill would be largely ineffective.

In addition, it means that we would have to give the ordinary, legitimate farmer the sophisticated tax system that bookkeepers have in industries. We would have to give the farmer one of the most complicated tax bookkeeping systems in the whole income tax system.

Mr. TALMADGE. Mr. President, will the Senator from Montana yield?

Mr. METCALF. I am delighted to yield to the Senator from Georgia.

Mr. TALMADGE. I should like to ask a few questions about the bill. Is it true that——

Mr. METCALF. May I go on to say a few words about the Finance Committee——

Mr. TALMADGE. Go right ahead. If the Senator would prefer, I will ask him a question or two at the conclusion of his remarks.

Mr. METCALF. I am not concluding them yet, but I would like to say a few words, that the committee has made an improvement in the House bill.

The Finance Committee then, confronted with the problem in the House bill, and the House's opportunity to try to correct this abuse, adopted another procedure. That is a much more simplified procedure, which has been revived and refined in the suggestion I made in the amendment to the House that a "farmer" be defined by the amount of money that he earns and that abuse of income be taken care of by an actual deduction.

A good deal of the language that is in S. 500 has been incorporated as a part of the draftsmanship in the committee amendment to H.R. 13270.

So the approach that the Finance Committee has made is simpler for the legitimate farmer, than the approach taken in the House bill, but does need correction.

It has been frequently stated that when the amount of nonfarm income is $15,000 or over, the abuse is largely uncorrected. The House bill and the bill as reported by the Senate committee are both subject to the criticism that they leave the abuse largely uncorrected. A person who has a large nonfarm income of over $50,000 and an artificial farm loss of over $25,000 will still be able to deduct 50 percent of his artificial farm loss above $25,000.

So I will say to my friend from Georgia that we are talking about dollars today, about where we begin to define a "farmer." Is it a man who is on a farm and earns a nonfarm income in some other activity, at $50,00 or over, or is it a man on a farm who may be living off the fringes of the suburbs, and do we permit him to earn $15,000, on which he can take farm losses?

I want to compliment the committee and the members of the committee who looked into this problem and were aware and cognizant of the abuses and who, I think, made every effort to meet the issue, except that they made the dollar exclusion figures far too high. The purpose of my amendment is to bring it down to more realistic figures.

To show Senators exactly what we are talking about, according to information received from the Internal Revenue Service by the joint committee, about 3 million individuals file farm returns each year. About one-third of those people report losses from their farming operations. My amendment would apply to 14,000 people who have large nonfarm income and take large artificial farm losses as an offset against that nonfarm income.

The bill as reported by the Senate committee would apply to only 3,000 persons.

My amendment would substantially increase the revenues collected. The revenues raised as a result of the bill reported by the committee would be——

Mr. MOSS. Mr. President, will the Senator yield?

Mr. METCALF. I promised to yield to the Senator from Georgia first. Then I shall be glad to yield to the Senator from Utah.

Mr. TALMADGE. I have not had time to read the Senator's amendment in great detail, but I have heard it hurriedly. What does it provide? Does it provide that if one has a $30,000 income a year or more from nonfarm income, he cannot deduct any farm losses?

Mr. METCALF. That is not quite right. Economic agricultural losses have been written into the amendment, and adopted by the committee, so that if one had an economic loss of $100,000 and had a nonfarm income of $100,000, he could deduct it. But outside of the economic losses I have set out in my amendment, if one has a nonfarm income of $15,000 and a farm loss of $15,000, he can deduct it. It phases out dollar for dollar up to $30,000 nonfarm income. After that $30,000, if one has a nonfarm income of $30,000 or over, as the Senator has stated, and an artificial farm loss——

Mr. TALMADGE. What does the Senator mean by "artificial farm loss"?

Mr. METCALF. I have placed in my amendment the following definition:

> The term "special deductions" means the deductions allowable under this chapter which are paid or incurred in the business of farming and which are attributable to—
>
> (A) taxes,
>
> (B) interest,
>
> (C) the abandonment or theft of farm property, or losses of farm property arising from fire, storm or other casualty,
>
> (D) losses and expenses directly attributable to drought, and
>
> (E) recognized losses from sales, exchanges, and involuntary conversions of farm property.

If one has any of those losses, he can take them against nonfarm income in full; but if he seeks to take advantage of the special accounting—for example, holding breeding stock over 13 months, and then converting it to a capital gain—then he cannot take that as a farm loss.

Mr. TALMADGE. Where I come from they raise a good many peaches. In my area of the State they frequently have frost. In fact, a good crop is had only about two times out of every 5 years. If a farmer loses his crop because of weather hazards under those conditions, does it mean that the Senator's amendment would not permit him to take that loss?

Mr. METCALF. My amendment would permit him to take 100 percent of that loss.

Mr. TALMADGE. That is not the way I read it. The Senator permits such persons to deduct taxes, interest, abandonment or theft of farm property, losses of farm property arising from fire, storm, or other casualty.

Mr. METCALF. Would not frost be another casualty?

Mr. TALMADGE. I do not know.

Mr. METCALF. I feel it would. We suffer from frost in some of the apple industry areas in my State. That is a farm loss that can be taken against farm income in the carryover provision, backward and forward, even if one does not have farm income—

Mr. TALMADGE. But he eventually has to recoup that by profits on his farm, as I read the Senator's amendment.

Mr. METCALF. Any losses, under my amendment, and I am reading from page 7 of the amendment No. 315, subsection (3). The same provision is in the bill as reported by the Senate committee. Any losses could be taken against nonfarm income, no matter what the amount. The $15,000 or $30,000 is not attributable to those special deductions. The committee report that enumerates those losses states the same thing that I stated in my testimony before the committee.

Mr. TALMADGE. What if there is a collapse in the market price?

Mr. METCALF. My amendment states "losses from sales, exchanges, and involuntary conversions of farm property." That is an actual farm loss, and, under this amendment, one could take up to 100 percent off the nonfarm income.

Mr. TALMADGE. But there would not be a sale if there were a complete collapse of the market price. It might not be worth going to market. I have seen that on feed crops in my State of Georgia. The price would be so cheap that one would not even undertake to sell them, because he could not recover his cost of labor.

Mr. METCALF. It seems to me that,

under the present law, if one has a recognized loss and he can take it, then under this provision he has a recognized loss. If the Senator is saying the loss he has enumerated is not recognized today, I am not changing the law.

Mr. TALMADGE. Under the bill as reported by the committee, some are allowed that are not allowed under the amendment of the Senator, as I see it.

Mr. METCALF. No; it is exactly the same under the committee bill as under my amendment. The only exception we do not allow under the committee bill is the exceptional——

Mr. TALMADGE. Under the committee bill one can deduct 50 percent of his loss provided he does not have income from nonfarm sources of $50,000 or greater and the excess loss is $25,000. But as I read the Senator's amendment, it is pretty firm and one is limited to his deductions by sales. That means he buys something and sells them. If one did not sell his farm crop, I do not know that would apply to sales and exchanges if the price were so low that he did not even sell it.

Mr. METCALF. I suggest that my friend the Senator from Georgia turn to page 193 of the bill—that is, the committee bill—and check as I read my amendment:

SPECIAL DEDUCTIONS.—The term "special deductions" means the deductions allowable under this chapter which are paid or incurred in the business of farming and which are attributable to—

(A) taxes,

(B) interest,

(C) the abandonment or theft of farm property, or losses of farm property arising from fire, storm, or other casualty,

(D) losses and expenses directly attributable to drought, and

(E) recognized losses from sales, exchanges, and involuntary conversions of farm property.

I ask the Senator: It is identical, is it not?

Mr. TALMADGE. It is identical, with this exception: The Senate committee bill permits you to take $25,000 of farm losses and half the excess, and the Senator's amendment permits you to deduct nothing.

Mr. METCALF. My amendment permits you to deduct every dollar of farm losses under that "special deduction" provision from nonfarm income. Every dollar. If you have $100,000 of nonfarm income, and you have $100,000 of economic losses, under that provision, you can deduct every single dollar, under my amendment.

Mr. TALMADGE. But it can be deducted only if it relates to taxes, interest, losses arising from fire, storm, or other casualty, or from abandonment or theft losses, expenses directly attributable to drought, and recognized losses from sales, exchanges, and involuntary conversions. As I say——

Mr. METCALF. It is exactly the same as the committee bill.

Mr. TALMADGE. But the dollar figure is vastly different.

Mr. METCALF. The dollar figure is vastly different. I say that a man who has an income outside, from a nonfarm activity, of $50,000 or more, is not a farmer in the sense that he should be permitted to take advantage of the special accounting privileges that we give farmers.

Mr. TALMADGE. We have many farmers in Congress, and our salary is fixed by law at $42,500.

Mr. METCALF. The farmers in Congress have been taken care of. Our salary is $42,500 and the committee bill provides you can take a farm loss of up to $50,000. So the House bill and the committee bill have taken care of the gentleman farmers who also have a congressional income.

Mr. TALMADGE. Some of us were farmers before we came to Congress.

Mr. METCALF. And were profitable farmers.

Mr. TALMADGE. Some years I was; and some years I was not. I never was a very profitable farmer, and I do not know many who are.

Mr. METCALF. This is whom I am trying to protect: The man who is not a profitable farmer some years, who has to compete with this gentleman farmer who comes in from the outside.

Let me read the Senator a letter from a woman on an Arabian horse farm, who says that she believes in the free enterprise system, and she would like to work within the system on the farm. This is a letter from a woman in California, written to the executive secretary of the International Arabian Horse Association. She says:

I am well aware that owning and raising Arabian horses can be very expensive, and that a nonfarm income is most helpful in paying the bills between sales of livestock. However, having lived in a ranch community in Wyoming for a good many years, and having numerous friends who are trying to make a living by farming or ranching, I must seriously protest your stand—

The stand was in opposition—

on S. 500 and H.R. 4257. That our extremely unfair tax system has allowed so many farms and ranches to be run at a loss by "absentee big business" at the expense of those who are trying to make a living by ranching is to me a crime, and I am most gratified that the good Montana Senator is seeking to remedy this situation.

As a staunch conservative, I am very much in favor of the free enterprise system which has made our country so great, and it would appear to me that a return to a "free market" in the ranching/farming sector of our economy would be much better for all concerned than a continuation of subsidizing uneconomical livestock producers at the expense of those trying to earn their livelihood in this industry.

Mr. TALMADGE. I thoroughly agree with that, and I applaud the Senator's objective of trying to take some of the tax advantages out of farming. The Committee on Ways and Means tried to do the same thing, and so did the Finance Committee. In fact, we have 12 or 14 pages of provisions in that committee amendment, trying to tighten up in this area.

But it seems to me that the Senator's amendment's provisions that you cannot take true losses on farm operations if you have income in excess of $30,000 is going too far. In my State, we have quite a number of pecan farmers and fruit and vegetable farmers, and growers of other things of that nature, who frequently, because of the elements, insects, disease, failure of market price, and any of the other hazards of nature and the market, have huge losses; and if they cannot take those loses, I am afraid we are going to do irreparable harm to honorable, hard-working, God-fearing farmers who are not using any tax gimmick.

Mr. METCALF. I assure the Senator from Georgia that it is not my intention to do harm to any of those farmers.

Mr. TALMADGE I know that is not the Senator's objective, but I am afraid that, in drawing this amendment, he went too far.

Mr. METCALF. The amendment is not my amendment, as the Senator knows. The amendment was hardened and refined and drawn by experts.

Mr. TALMADGE. I know the Senator has been working on it for years, with the help of many able people.

Mr. METCALF. The amendment I have here, so far as it affects the people who concern the Senator from Georgia, is exactly the same as the provisions in the committee bill, and I congratulate the committee and the Senator for their excellent work in drafting those provisions.

Mr. COOPER. Mr. President, will the Senator yield for a question or two?

Mr. METCALF. I yield to the Senator from Kentucky.

Mr. COOPER. I simply want to find out, for my own information on the effect of the amendment proposed by the junior Senator from Montana, if this is correct: If a person has nonfarm income in excess of $30,000, he would not be able to offset against that income any farm losses?

Mr. METCALF. Artificial farm losses arise as a result of taking advantage of the special farm accounting rules. He would be able to offset the true economic farm losses I have been discussing with the Senator from Georgia. If the farm losses resulted from the special deductions listed in my amendment such as casualties and so forth, which I have enumerated, he could offset the full economic farm loss against his nonfarm income.

Mr. COOPER. The Senator has limited those deductible losses to four or five items.

Mr. METCALF. The Senator is correct.

Mr. COOPER. Which, as the Senator from Georgia has pointed out, would not include, in my judgment, some kinds of loss which might be incurred year after year. As I understand, the most that could be offset, would be $15,000 in farm losses, and that would be reduced $1,000——

Mr. METCALF. Dollar for dollar in the category of paper losses.

Mr. COOPER. Dollar for dollar, as nonfarm income increases, up to $30,000.

Mr. METCALF. And then there would be no loss deduction after that.

Mr. COOPER. For instance, an individual having $29,000 in other income would be able to offset farm losses of only $1,000?

Mr. METCALF. In capital gains, or something of that sort.

Mr. COOPER. I know the Senator from Arizona, Senator FANNIN, is on the committee, and I will yield to him soon.

Mr. FANNIN. No, that is all right.

Mr. COOPER. Has any information been furnished to the committee as to the number of persons who might fall into the category the Senator describes as nonfarmers?

Mr. METCALF. Under the committee bill, and under the definition of the committee bill, that only includes individuals with adjusted gross nonfarm income of over $50,000; only 3,000 out of about 1 million individual farm loss returns would be affected. My amendment would affect 14,000 of those same returns or about 2 percent of the total, and two-thirds of the 14,000 individual income tax returns affected by my amendment would reflect nonfarm adjusted gross income in excess of $100,000.

Mr. COOPER. How much income would accrue to the Treasury if the Senator's amendment were adopted?

Mr. METCALF. According to the joint committee, my amendment would bring in $205 million. The Senate bill would bring in $15 million.

Mr. COOPER. There are people, of course, who purposely use the existing provisions to offset large farm losses. But I must say I have read the testimony, and it seems to me that according to the record of the committee, most livestock breeders and horse breeders are engaged in farming as a legitimate business with the intention of making a profit.

There is a provision in the committee bill as I understand, that if a farmer makes a profit in 2 out of 5 years, the presumption is that he is engaged in business for profit.

Mr. METCALF. That is under the present law.

Mr. COOPER. No. There is a different provision in the Senate committee bill. The amendment proposed by the Senator from Montana is too harsh, and should be voted down.

Mr. METCALF. There is the so-called hobby loss provision in the law which is largely very unjust. Many people say, "Why don't you take care of that provision?"

Mr. FANNIN. It is in the bill.

Mr. METCALF. The real difficulty that most of these people have is amplified by this influx of the tax loss farmer into the community.

These people can compete without trying to earn money on their farms. The legitimate farmer cannot compete with the man who is farming for the purpose of transferring outside income from the 70-percent tax bracket to the capital gains bracket of 25 percent.

Legitimate farmers have to compete for money to finance their operations with people who are operating at this level. And the legitimate farmer is very adversely affected by this sort of operation.

This is the man that I am trying to protect.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. FANNIN. Mr. President, is it not the objective of the Senator—and I certainly would praise his objective if it is—to protect the American farmer and see that we would give protection to the farmer? Is that not the Senator's objective, to make our farmers competitive?

Mr. METCALF. That is right, to make them competitive with each other on the productive capacity of their farms.

Mr. FANNIN. More importantly, they must be competitive with other countries of the world. Has the Senator checked to see how much of our agricultural production is going outside of the United States?

Mr. METCALF. Mr. President, a good deal of it is going outside of the United States. For instance, my own State, since we are near the Pacific coast fortunately, is one of the chief exporters of wheat as a result of our negotiations with Japan under Public Law 480 and under our agricultural exports. It is one of the prime things in our balance of trade already.

Mr. FANNIN. The Senator is correct. However, that is rapidly changing. We are gradually exporting our jobs in farming, manufacturing, and most all industries.

We are becoming noncompetitive.

If the Senator will check the records, he will see that many farmers in the Southwest are moving into Mexico. Many others are operating farms in South American countries and other countries with the idea that, through the use of the cargo planes, they can bring their produce back to the United States cheaply.

Some are even thinking of farming in Spain. With the practically boxcar cargo planes we now have, they can bring their produce back to the United States, and the transportation would not be any more expensive than it would be from California to the market in the East.

I think we must lower the cost of production in the farming industry. We are not going to do that with the small farms. We will do it with operations that can take advantage of modern technology. If we do not do this, we will find ourselves without an agricultural business in the future.

Mr. METCALF. Mr. President, the Senator is going in the opposite direction from me. I wish to cause our tax laws to be an opportunity for our legitimate farmers to operate—whether small or large—and not have them compete with a man who is farming only to acquire an income tax loss.

Mr. FANNIN. Is it not our objective to produce food in the United States of America and to supply jobs for our people and revenue for our farmers?

Mr. METCALF. And income for our farmers.

Mr. FANNIN. And your legislation would defeat that. That is exactly what you are doing in your proposed measure, defeating that objective.

Mr. METCALF. The present law is doing that.

Mr. FANNIN. The present law is not doing it. The Senator says he resents that money being placed into the agriculture industry by people who are not farming but are using a special privilege that we have given the farmer for his accounting system so they might change their nonfarm income into a capital gain.

That is not true, because if the Senator means that this is what is happening, I point out that we are trying to get the farmers to move from the cotton crops—because there is overproduction—into other crops where there is production needs.

Mr. METCALF. I doubt if this measure would affect many cotton farmers.

Mr. FANNIN. It certainly would. And this is what we are up against if we cannot help them to go into other type crops.

Mr. METCALF. Why should we subsidize a broker to go into the farmer business and compete against a legitimate farmer?

Mr. FANNIN. We are not subsidizing a broker to go into the farming business. These are legitimate farmers.

Mr. METCALF. Mr. President, why should we subsidize a $100,000 a year lawyer to go into the livestock business and compete with legitimate livestock operators? Why should we subsidize a man with $1 million in stocks and bonds to go into the orchard business and compete against legitimate orchard operators?

Mr. FANNIN. We should not subsidize but we should assist our farmers to be competitive with the other countries of the world and we must build those industries. We are not going to do it otherwise. We should make opportunities available for our people.

What is happening now is that our agricultural farmers are going into other countries and developing agricultural industries. That will not produce benefits for our workers.

Mr. METCALF. Mr. President, I do not think we will stop that by permitting this inequity and injustice to remain in the tax bill.

Mr. FANNIN. Mr. President, does not the Senator agree with me that if more and more money is invested in the agricultural industry, it is to our advantage?

Mr. METCALF. Of course it is, if it is invested for legitimate reasons by farmers or for farm activity. However, if the Senator means an investment by people outside of the farm so that we would give them an unfair competitive advantage in their operations and competition with legitimate farmers, then it is not to our advantage.

Mr. FANNIN. But if that small farmer cannot compete, we should do something about it. We better help them to compete in the market here in the United States.

Mr. METCALF. This is not the way to do it.

Mr. FANNIN. I think that it is. It is the only way we can have an agricultural market in this nation.

Mr. METCALF. Mr. President, I could not disagree more with the distinguished Senator.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. MOSS. Mr. President, I am pleased to join with the Senator from Montana as a cosponsor of his amendment to close the hobby farmer loophole. The Senator is the Senate's acknowledged expert on this subject and I am glad he has persisted with his amendment.

The Metcalf amendment must be adopted or the Senate cannot make any serious claims about having eliminated this tax dodge.

The Finance Committee's bill makes only a token effort to stop this abuse of our tax code. The best indication of this tokenism are the meager revenue gains. The farm loss provisions in the committee bill would bring in only $15 million. Given the magnitude of the hobby farmer loophole, this paltry sum makes reform into a joke.

But under the Metcalf formula the fat-cat hobby farmers would stop laughing; 14,000 of them would be affected by this amendment and the Treasury would be $205 million richer.

The legitimate farmer—the individual Congress sought to help by permitting him to use simplified accounting rules—would not be hurt by this amendment. In fact, he will be helped. Not only will farmers still be allowed to operate under a cash accounting system, but legitimate farmers will not have to compete against the tax dodging hobby farmer. In their single-minded efforts to create an artificial tax loss, hobby farmers are notorious in driving up land prices and driving down commodity prices. While the hobby farmer gets rich by deducting his artificial tax loss from his nonfarm income, the legitimate farmer suffers.

The present loophole is so attractive that farm "investments" are solicited in advertisements as a means of achieving a tax loss to shelter nonfarm income Some of these advertisements are blatant appeals to hobby farming, saying in so many words, "let us buy some cattle for you and we will guarantee you a tax loss." I find these advertisements disgusting.

The Metcalf amendment would eliminate the attractiveness of hobby farming by limiting to $15,000 or the amount of "special deductions" listed in the amendment, whichever is higher, the amount by which a farm loss may be used to offset nonfarm income. Special deductions are those that would be allowed to someone whether or not he was in farming or because it is the type of deduction clearly beyond the taxpayer's control. Examples would be such things as droughts, fire, storm, or other casualties.

Either the desire for tax equity or the need for tax revenue each by itself is reason enough to vote for this amendment. Together the appeal is irresistible.

So, Mr. President, I should like to voice my support of the amendment of the Senator from Montana. I think it is in the interest of the farmers themselves, and I think it would provide additional revenue, which is a concern now on the floor of the Senate, as to whether we are making too many charges against our revenue. This would increase the revenue collected, by cutting out what is a great loophole now—the hobby farmer, who goes into farming simply to get the loss and to write it off against his income from another source.

I thank the Senator from Montana.

Mr. ALLOTT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Colorado?

Mr. ALLOTT. I would like the floor in my own right.

Mr. METCALF. I will yield the floor at this time.

Mr. ALLOTT. Mine is an extraneous matter. I will wait until the Senator has concluded.

Mr. METCALF. A few minutes ago, the Senator from Wyoming asked me whether I would answer some questions that he has, but I will yield the floor at this time, and then I will seek to obtain it again.

Mr. ALLOTT. I thank the Senator.

Mr. President, much concern has been demonstrated by many of us in the last few days with respect to the actions of the Senate upon this tax bill. Late yesterday afternoon, the distinguished Senator from Delaware (Mr. WILLIAMS) read a list of the deficiencies that this bill has created so far by the amendments that have been added on the Senate floor. I join with those who believe that this bill, as it has developed so far, is very——

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). Will the Senator suspend?

The Senate will be in order.

The Senator from Colorado may proceed.

Mr. ALLOTT. Mr. President, it took so long to obtain order that I do not remember my last sentence, so I will begin again.

Many of us feel that this bill is highly irresponsible—at least, I do. Two editorials have been published in the last 2 days which I think deserve the attention—and I mean the serious attention—of the U.S. Senate. Unfortunately, it is impossible to correct the foolish actions that the Senate has taken thus far on this bill.

The Washington Post, which is not exactly known as a citadel of conservatism, has in its paper this morning, Saturday, December 6, an editorial entitled "Shortchanging the Nation." There they set forth, with a feeling which I think is very responsible, exactly what we are doing to feed and fuel the inflationary fires of this Nation.

I am one of those who believe that, of all taxes, the tax of inflation is the most serious and the most cruel tax, because it hits those people who can protect themselves least—those on pensions, those on fixed incomes, those who are retired, those on social security, and, of course, inevitably, those in the very low-income tax brackets. People with great wealth can vote for all these fine things, because they can protect themselves with their numerous economic advisers and they can hedge against inflation, when the poor man on the street, the retiree, and the widows and the widowers who are unable to work any longer cannot protect themselves.

The other editorial appeared in the Washington Daily News of Thursday, December 4, entitled "Torpedoed Tax Reform." This is a discussion of the exemption amendment, the so-called Gore amendment, and is along the same lines.

We have now built into this tax bill, this "reform"—and I put that word in quotation marks—bill almost $12 billion of deficits as of this morning, before the consideration of the pending amendment. I think it is high time that the Senate reassume its status as a responsible body, which it has had for many years, and which I am not sure it deserves as of this morning.

I ask unanimous consent to have both these editorials printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 6, 1969]

SHORTCHANGING THE NATION

There are two ways of looking at the votes of the Senate on the Gore and Hartke amendments to the tax-reform bill. Many regard these decisions as highly irresponsible gestures toward inflation at a time when the country is still struggling, with indifferent results, to keep prices from going through the ceiling. Others see them as normal political responses to a so-called "motherhood" issue which should not be taken too seriously. It remains to be seen which view is the more accurate.

On its face, however, the Senate vote to increase the personal exemption of each taxpayer from the present $600 to $700 in 1970 and $800 in 1971 is an inflationary action of no mean proportions. The estimated revenue cuts in the Finance Committee bill were serious enough. But Treasury figures indicate that taxpayers would owe $2.3 billion less under the Gore amendment in 1970 and $3.7 billion less in 1971—a total of $6 billion in two years. To this must be added an estimated loss of $600 million in 1970 and $700 million in 1971 from Senator Hartke's proposal to leave the 7 per cent tax credit in effect for the first $20,000 of any business's investment in machinery and equipment. The House and Finance Committee bills would completely repeal this tax credit.

Both these blows to the concept of fiscal policy as a vital weapon in the fight against inflation came at a very embarrassing moment. While the Senate was voting to slash revenue, the House Ways and Means Committee decided to increase social security benefits by 15 per cent. In the background are pressing plans for revenue sharing, for large outlays to fight crime and hunger, for preservation of the environment and for other urgent undertakings.

Meanwhile the pressures of inflation continue to mount, despite some turndown in industrial production and an increase in unemployment. The report of an 11 per cent increase in projected plant and equipment investment in the first half of 1970 compared to this year tells much about the continued inflation-mindedness of the business community. Soaring interest rates, in some instances above 10 per cent, further dramatize the spreading dislocations.

It is no time for the Senate to be adding fuel to these inflationary flames in the form of general tax cuts. The bonanza offered by Senator Gore could turn out to be a cruel hoax if it further accelerates demand and higher prices or if it forces the Federal Reserve Board to overplay its credit restrictions in the absence of any fiscal restraints.

These is still hope, however, that the Senate, having gone on record for a popular form of tax benefit, will wind up in a more responsible posture. The House-Senate conference committee could retain the promise of a more generous personal exemption and perhaps avoid the risk of a presidential veto by prescribing a longer phase-in period. Or it could build up the revenue side of the bill by adopting the version of the varying reforms which promises to produce the largest returns. There is still time to put together a

sound tax-reform bill that will not short-change the country on revenue at a critical moment. But the Senate has made that job more difficult and thrown a much greater burden on the leaders who must write the final bill.

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[From the Washington Daily News, Dec. 4, 1969]

TORPEDOED TAX REFORM

Members of the U.S. Senate who voted to increase the personal income tax exemption from $600 to $800 may be political heroes to the folks back home—but they don't rate any medals in the battle against inflation.

The amendment approved yesterday by a margin of 58 to 37 would cost the Federal Treasury more in lost revenues in the next two years than either the House-passed bill or the measure approved by the Senate Finance Committee.

Not satisfied with this much generosity, the senators then voted 48 to 41 to modify rather than repeal the inflationary 7 per cent tax credit on capital investment. This could cost the Treasury $720 million a year.

The net result of all this munificence would be lower tax collections at a time when the Federal Government should be trying to drain money out of the economy.

Sen. Albert Gore, D-Tenn., chief sponsor of the $800 personal exemption bill, noted that raising the tax exemption for each dependent by $100 next year and another $100 in 1971 will have broad popular support because it can be understood "by every mother in America."

Translated, this means that the tax cut should be as simple and obvious as possible for the greatest political impact during an election year.

Unfortunately, the Gore amendment ultimately would cost several billion dollars more than the revenue-producing measures in the tax-reform package would provide.

This is typical of the inconsistency in the Senate's actions so far.

On the one hand, it displayed fiscal responsibility by voting to extend the surtax (at a reduced rate) until next July and by agreeing to cut the oil depletion allowance for the first time in 43 years.

Then it approved an expensive and irresponsible tax-relief proposal which, one senator put it, "a lot of political sex appeal."

Fortunately, the damage in the Senate amendment can be undone when the bill goes to a Senate-House conference committee to be reconciled with the House version of tax reform.

We hope the conference would do something to curb inflation—not encourage it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ALLOTT. I am happy to yield to the distinguished Senator from Vermont.

Mr. AIKEN. I hope that the Senator from Colorado realizes that the vote on many of the amendments which have been adopted was a vote of great confidence in our conference committee.

Mr. ALLOTT. I know what the Senator is saying, and perhaps he is correct.

Two things are certain—at least, of which I am certain. We should not write a tax bill on the Senate floor. I have been saying this for months. Forcing the Finance Committee to come out with this bill on October 31 was nothing but an assurance that we would write this bill on the Senate floor. What I have said has now come true, and we are doing the worst thing we can, which is to try to write a tax bill as a Committee of the Whole, and it has inevitably come to the conclusion it has.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield to the distinguished Senator from Delaware.

Mr. WILLIAMS of Delaware. Does the Senator from Colorado agree that if the various amendments, which add to the large loss of revenue, have been adopted by the Senate on the premise that Senators can vote for them here and then go home and tell their constituents how much they wanted to help them, but then later expect the conferees to eliminate the amendments when we go to conference, it is nothing but sheer political hypocrisy?

Mr. ALLOTT. In my opinion, it is exactly that. I was about to make one concluding remark about the question which the distinguished Senator from Vermont asked me. I do believe it is sheer hypocrisy.

There are many things that many of us believe in. For many years I have been one of those who have joined in support of the expenses of education amendment which was adopted yesterday afternoon. Under other circumstances, in the climate in which we have operated in the past, it was a very worthy amendment. The goals it seeks to attain are still worthy. But in today's atmosphere, I think it is hypocrisy; because I have heard all over the Senate floor, from both sides of the aisle, constant and repeated expressions such as, "Well, I only hope to God that the conference committee can write this bill." Well, it is our job to work our will on the bill here, and not to depend on the conference committee.

Mr. WILLIAMS of Delaware. The reason I make that point is that after we pass this bill and appoint the conferees, we go through the farce of instructing the conferees to stand solidly behind the Senate amendments. Yet, a number of Senators who voted for some of these amendments have already approached me, as one of the potential conferees, to say, "All right, JOHN, you strike that out and do not bring it back from conference because it should not be in the bill."

I think that is not fair. I think the Senate should not adopt any amendment that it does not want the conferees to bring back. If the conferees brought back a bill such as is being approved here, as of today the President would have no choice except to reject it, because of the revenue loss involved.

Mr. ALLOTT. I am sure that is true.

Mr. President, I yield the floor.

The PRESIDING OFFICER. What is the will of the Senate?

AMENDMENT NO. 389

Mr. GORE. Mr. President, in a tax bill which devotes hundreds of pages to an effort to achieve tax reform, it is distressing that some taxpayers will get new loopholes created for them, albeit in the name of tax incentives. The committee bill creates three large new tax loopholes.

Mr. President, I send to the desk an amendment to strike out the three loopholes. I have the honor of the cosponsorship of the distinguished senior Senator from Delaware (Mr. WILLIAMS) in this amendment. I ask unanimous consent that the amendment be printed and that it lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. GORE. Mr. President, these new loopholes are contained in the three provisions permitting rapid depreciation—or amortization—of expenses for railroad rolling stock and locomotives, pollution control facilities, and rehabilitation of low- and middle-income housing. These provisions will cost the taxpayer $720 million in tax expenditures—$830 million under the House bill—$720 million that ought to be going to low- and middle-income taxpayers in the form of tax relief. It is interesting to note the type of persons and corporations that will benefit from these provisions:

Those railroads that are presently in a profitable position;

The factories that have been polluting our air and water for the past 100 years;

Slumlords, some of whom have kept low-income people in conditions of housing misery;

Syndicates created to invest in the tax losses generated by these new deductions—a big, new loophole.

There is no reason why any of these groups should have a claim to three-fourths of a billion dollars ahead of the average taxpayer, or at the expense of an unbalanced budget.

Information furnished the Finance Committee indicated that the dimensions of the benefits accorded by these provisions can be illustrated by recasting them in other forms. The House bill granted a 5-year rapid writeoff for pollution control facilities. Many of these facilities have a useful life of as long as 50 years. A 5-year writeoff for such a facility is the same as granting a 20-percent investment credit to the corporation for that facility. This action is especially unjustified when we are in the same bill repealing the 7-percent investment credit. Fortunately the Finance Committee substantially revised the House provision, but the fact remains that there is no justification for creating this new loophole. The recent Senate action in approving a $1 billion pollution control program renders this tax loophole provision superfluous.

Similarly it is instructive to recast the rapid writeoff benefit being accorded slumlords to rehabilitate low-income housing. The bill rule provides 70 percent taxpayers with the equivalent of a 19-percent investment credit with respect to expenditures for items that have a 20-year useful life.

It is also possible to view this new real estate tax loophole as a Federal subsidy to reduce the taxpayer's costs incurred to finance the project. In the case of a 70-percent bracket taxpayer who makes expenditures with a 20-year useful life, the bill rule has the effect of lowering his interest expense from 8 to 3 percent. The discriminatory nature of the rule is made apparent in the fact that a 20-percent bracket taxpayer would have his 8-percent interest rate reduced to only 7 percent. Now, one cannot reasonably imagine HUD coming to Congress and

proposing a housing rehabilitation program under which it would loan money to the wealthy at 3 percent, but would charge middle-income taxpayers 7 percent. Congress would reject such a proposal out of hand. Yet this is precisely the system which Congress is endorsing in this new real estate loophole.

For railroads, the new "incentives" provide an investment credit equal to almost 5 percent. Why railroads should get a continuing investment credit when it is being repealed for other industries has never been explained.

A further difficulty of each of these provisions is that wealthy individuals are provided more opportunities to engage in tax profiteering. We can expect the formation of syndicates of high-bracket taxpayers who will ostensibly be investing in these various activities. Leasing syndicates were formed under present rules to "buy" and "lease" airplanes to our major airlines. The only economic significance of these transactions was the marketing of the tax advantages of the investment credit and accelerated depreciation to wealthy taxpayers so that they could reduce their taxes. Now the same kind of gimmickry will be engaged in with railroad boxcars and locomotives, housing, and pollution facilities.

The creation of these new loopholes in a bill for tax reform is an insult to the American taxpayer.

If these moneys are to be spent for railroads, pollution control, and housing, then the money should be allocated through the regular appropriations processes so that informed judgments can be made by those with expertise in these respective areas as to the priorities that should be established for the expenditure of these funds. They cannot be justified in terms of tax policy since they are contrary to proper accounting rules. Nor can they be justified as a national expenditure policy since there is no evidence that these tax expenditures are consistent with our national priorities.

These new loopholes should be stricken from the law.

Mr. President, it is the purpose of the Senator from Delaware and the senior Senator from Tennessee to call up this amendment early next week.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG. Would the Senator state again what three items he has in mind?

Mr. GORE. I have in mind the item affecting railroads, the item providing extremely accelerated amortization for certain pollution control facilities, and the item giving a tax benefit to certain housing rehabilitation costs, or to syndicates to invest in any of these three.

Mr. LONG. The Senator, I believe, knows that when we voted on the investment tax credit in committee, while I personally voted for no exceptions, the majority view in the committee was that railroad rolling stock should be excepted from the repeal of the investment tax credit because of the shortage of railroad rolling stock. In view of that, the administration urged that rapid amortization be substituted in the hope the Senate would repeal the investment tax credit with no exceptions. It was on that basis that we agreed to the provision for a 5-year amortization of railroad rolling stock.

In the view of many of us if we had not done that we were faced with a possibility of exempting first railroad rolling stock, and then having other industry exemptions, so that we would see the bill dismembered by industry exemptions. There is no doubt in my mind the truckers, who have every bit of influence in this country that railroads do—they are greater in number and seem to be more effective when it comes to communicating to their elected representatives—could have gotten an exemption also.

My prior experience has been that once an exemption is allowed for railroads, the truckers and the airlines get the same thing.

I hope the Senator realizes that if we had not done something like this we would have been faced with the distinct possibility the bill would have been so dismembered that it would have been totally ineffective.

Mr. GORE. I realize the distinguished chairman and the committee were under a great pressure from lobbyists for the railroads. I see no justification, however, for giving a special privilege in order to avoid giving it in another form. I do not think it should have been given in either form. I did not vote for this provision in committee, and neither did the senior Senator from Delaware. Neither of us was prepared to vote for the other items which these special interest sought.

I expect to discuss this matter more fully when it is called up, but suffice it to say the principal railroad beneficiaries of the provisions in the bill will be not those railroads losing money but those that are making a profit.

We have done a great deal here in the name of rolling stock. The fact is that the provision includes locomotives as well as rolling stock. This is a new loophole in the tax law. I know there are excuses for it, but there is no justification.

Mr. LONG. The Senator is aware of the fact that in committee I did not vote for the small business exception or the minimum $20,000, and neither did he. We kept the investment tax credit without exception. However, on the floor of the Senate, Senators voted on this exception. Is the Senator aware of that?

Mr. GORE. I agree that happened. I did not vote for it.

Mr. LONG. Neither did I.

Mr. GORE. I did not vote for it in committee and neither did the chairman. Of course, the Senate can work its will.

But here is a new loophole in the tax law created by this bill and I do not think it should be there. We hope to strike it out. We do not think it is justified and if it is justified for the railroads, I do not see why other forms of transportation could not claim it is justified for them, too, just as the investment credit would have been.

With regard to pollution control facilities, this provision is equivalent to a 20-percent investment tax credit. I do not expect to discuss it at length this morning because I do not anticipate bringing the matter up until the amendment can be printed and studied by Senators.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I am glad to join the Senator as a cosponsor of this important amendment. The Senator stated he expects to call the amendment up next week.

Mr. GRIFFIN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WILLIAMS of Delaware. Mr. President, so there will be no misunderstanding, if at the conclusion of the proceedings today no other amendments are to be offered, I am sure the Senator would agree we would call the amendment up today so we can go to third reading and pass the bill. In other words, we are not going to hold up the bill for this amendment. I do not know whether we can finish the bill today, but I do wish to make that statement.

Mr. GORE. I concur with the Senator.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. PASTORE. I am sorry I was not here when the Senator began his remarks. Do I understand his amendment is directed to removing the exemptions that were made to the elimination of the investment tax credit?

Mr. GORE. No. The distinguished chairman of the committee was suggesting in colloquy a few moments ago that the committee felt the justification for this provision to be, as I understood it, that if so-called relief were given to railroads by way of an investment credit, then the trucklines and airlines would ask to obtain a similar treatment. Therefore, according to the distinguished chairman, and I think I am accurately stating his point of view, this kind of relief for railroads was decided on.

I was saying that I did not agree that the railroads are entitled to this kind of relief or to the investment credit, because the relief goes primarily to railroads that are already in a profitable position, not to those in a loss position and that need help the most.

Mr. PASTORE. As a broader reason, I think we would be making a tragic mistake if we began to except any industry as against another industry. If an industry needs help, we ought to provide it on a case-by-case basis, not under the investment credit law. After all, we in Rhode Island have problems of amortization in the textile establishment. It is just as important as the railroads. There are many industries that would come in and make a case for an exception. If we are going to remove the investment credit tax, we ought to remove it for everyone. Then if it is necessary to have a subsidy in certain instances for the welfare and prosperity of our economy, we ought to consider providing consideration on a case-by-case basis. The minute we begin to rivet this provision with exceptions, we are in trouble.

Mr. LONG. Mr. President, I should like the Senator from Rhode Island to understand that I took exactly that atti-

tude in committee. But let me tell him what happened. When we were voting on the investment credit, prior to the time the amortization matter came up, I voted for no exception, but that if we were to have no exceptions, we should honor the terms of contracts already in existence, and provide no exceptions in the repeal.

Then someone pointed out the critical shortage of railroad rolling stock. A vote was taken on that question, and by a narrow margin—a margin of one vote—the committee agreed, by a vote of 9 to 8, to provide an exception for railroad rolling stock. When that was agreed upon, there was no doubt in my mind, based on what had happened before, that we were issuing an open invitation to the trucking industry to come in and demand similar treatment, and to the airline industry also.

There was no doubt in my mind that we would see a repetition of what happened on the floor of the Senate, when the Senator from Rhode Island, along with the rest of us, voted to suspend the investment tax credit. Once one exception goes into the bill, there is always a flock of others to come.

To avoid this problem in connection with the repeal of the credit, the Treasury then undertook to pursue the approach of allowing amortization for railroad rolling stock during a period of a critical shortage of railroad rolling stock, and to terminate the amortization provision when the shortage no longer existed. That was agreed to in order to obtain the votes to strike from the bill the only exception to the repeal of the investment tax credit. That has a lot to do with its being here.

Mr. PASTORE. I understand it now. But so far as the investment tax credit is concerned, as reported by the committee, there are no exceptions?

Mr. LONG. There were none. There is one now. The Hartke amendment put one in for a $20,000 exception for each taxpayer but——

Mr. PASTORE. That is for small business.

Mr. LONG. That is right. That will cost $720 million. But when we brought it from the committee, there were no exceptions.

Mr. GORE. I should like to say to the Senator from Rhode Island that——

Mr. PASTORE. I mean, for this amortization, I was only questioning whether we were having an exception to the repeal of the investment tax credit.

Mr. GORE. That is what I wanted to comment upon. We can provide an investment tax credit by another name or formula and call it something else. The provision which the Senator from Delaware (Mr. WILLIAMS) and I seek to repeal, called an incentive, amounts to a 5-percent investment credit for railroads.

Mr. PASTORE. Is it not just fast amortization?

Mr. GORE. What is the difference?

Mr. PASTORE. There is a big difference. We can still deduct it from our taxes. The question is, Can we amortize it in a shorter numbers of years? That is nothing new. We have precedent over precedent for that.

Even John F. Kennedy, in 1961, accelerated the amortization of machinery in the textile mills because of the number of mills in New England and the northern part of the country, which were so dilapidated and old, which were competing with mills in foreign countries which had modern machinery because we had given them foreign aid to build up that modern machinery.

Mr. GORE. It amounts to the same thing. That is precisely the point I am making. This so-called incentive is, in fact, an investment credit. It reduces taxes. I will not proceed further with this, Mr. President. We will discuss it at greater length when the amendment is called up.

FARM TAX LOSSES

Now, Mr. President, I wish to address some remarks to the Senate with respect to the question of farm losses. Here is a problem with which the Senate must deal. According to the Treasury Department, there are some 3 million farm tax returns filed each year, and 1 million of them show losses.

The Metcalf amendment would affect 14,000 of that 1 million. Two-thirds of the 14,000 taxpayers affected by the pending amendment have nonfarm adjusted gross income in excess of $100,000 per year. The others have nonfarm adjusted gross income—the other one-third, that is—of between $15,000 and $100,000 per year.

Now, Mr. President, I should like to take a short time to state, as succinctly as possible, how this comes about.

If I may modestly suggest, I think I know how it comes about, because for several years I have been, in private life, engaged in small business and also in small farming operations and enjoying, too, nonfarm and nonbusiness income.

Here, I think, is the situation: Certain tax rules are generating so-called farm loss nontaxpayers, very similar, in fact, to the real estate "tax loss" nontaxpayers. Wealthy individuals have invested in certain aspects of farm operations solely to obtain tax losses—largely bookkeeping losses—for use to reduce their tax on other income. The result has been to create a high degree of artificiality in the farm economy.

There are two provisions in present law, designed to assist small farmers, that are utilized by nonfarmers to the detriment of our progressive tax system. The first of these permits a farmer to use the cash system of accounting even though he has inventories. This privilege is not accorded other businesses. Second, the farmer is permitted to deduct currently expenditures that should be capitalized under proper accounting rules.

These tax benefits have been used by nonfarmers most notoriously in the case of cattle and horse raising, citrus groves, and timber. One of the remarkable aspects of the problem is pointed up by the fact that persons with large nonfarm income have a remarkable proponsity to lose money in the farm business.

It is important to retain simple accounting rules for true farmers. However, the abuse by nonfarmers of the tax rules designed for farmers should be ended.

In other words bookkeeping losses. It prevails not only in real estate, but also in leasing and in farming, in citrus production, in timberlands, and fruit orchard establishments.

Mr. METCALF. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. METCALF. I think it should be emphasized here, however, that the farmer has special accounting system——

Mr. GORE. I am coming to that.

Mr. METCALF. That allows him to generate paper losses not analagous to business losses.

Mr. GORE. I am coming precisely to that. The Senator is referring to the special privilege that farmers have of keeping their books, taxwise, on a cash return basis. A Senator or Representative would be hard pressed convincing an average farmer that he had realized income before he sold his calves, colts, or his fruit.

Nevertheless, businessmen are more realistically required to keep books on an accrual basis.

Actually, a farmer does realize income—perhaps not cash income before he sells—when the value of citrus orchard increases, when he keeps his females and accumulates his herd of cattle or horses, or what not. He has, in fact, realized income in any realistic sense; that is, he has had an accretion in the value of his orchard, his herd, et cetera.

As I say, cash bookkeeping is practical for the average farmer, and I would not want to deny that to farmers. I would not wish to cause every small farmer to hire an accountant to keep his books on an accrual basis. He can keep the checks with which he buys feed, pays labor, and trucking bills, he can keep receipts when he sells something at the market, without the expense of accountants.

But this privilege, practical and desirable for farmers, has been taken advantage of by people with large nonfarm incomes. Wealthy individuals have invested in certain aspects of farm operations, we suspect and the Treasury suspects, solely to obtain tax losses—that is, bookkeeping losses—for use to reduce their tax on other income. The result has been to create a high degree of artificiality in the farm economy.

There are two provisions in present law designed specifically to assist farmers that are utilized by some nonfarmers—that is, tax investment farmers—to the detriment of our progressive tax system, to the end of avoiding their fair share of taxes.

The first of these, to which I have already referred, is a cash system of accounting. The second is the one that permits a deduction of current expenditures that, in fact, in a larger, more sophisticated operation, should be capitalized under proper accounting rules.

These tax benefits, as I have said, have been used by nonfarmers most notoriously in the case of horses, citrus groves, timber, and cattle, though there are other instances.

One of the remarkable aspects of the problem is pointed up by the fact that persons with large nonfarm income have

a remarkable propensity to lose money in the farm business. They can be quite successful in other instances, but they have a remarkable propensity for losses in farming. I think it is important to retain the simplified farm accounting rules for the practical farmer. However, the abuse by nonfarmers of tax rules designed for farmers themselves should be ended.

That brings us to the effort of the distinguished Senator from Montana. He wishes to end them. There are members of the Senate Finance Committee, too, who wish to end that practice. I am one of those.

I do not think the committee bill is sufficiently specific and stringent in this regard. I am persuaded that the amendment offered by the distinguished junior Senator from Montana may be too drastic; $15,000, it seems to me, is an unrealistic amount, because, as costly as farming is, even a man who employs only five people and has a modest investment, can lose $15,000 hardly before he knows it if he is not careful. Farming is a hazardous business.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. METCALF. Of course he can lose $15,000 in his farming operation, and this amendment would not affect that in any way. The figure $15,000 was selected because the Treasury survey—and the testimony is in both the House and Senate hearings—suggested that above $15,000 of nonfarm income was where the border line was crossed between a man who is actually operating a farm for legitimate purposes, and a man who is working on a farm for tax purposes. We put in the provision of $15,000 of nonfarm income to take in that farmer who is on the fringes of the suburban areas, who works in town, and operates his farm, and permit him to have the same opportunity for tax benefits that both the Senator from Tennessee and the Senator from Montana seek for legitimate farmers.

The $30,000 adjusted gross nonfarm is not unrealistic, as far as surveys are concerned, to show the difference between a legitimate farm operator and a man who is using his nonfarm income for the special tax benefits generated by the accounting methods the Senator from Tennessee describes. These are the criteria used in arriving at the basis for the phaseout provision in my amendment.

Mr. GORE. Mr. President, I hope that the Senator will examine the committee bill and the suggestions for changes in the committee bill offered by the senior Senator from Tennessee in his individual views. It is my hope that we can find a meeting of the minds, so that this practice of tax avoidance can be eliminated, or at least very greatly minimized.

Mr. HANSEN. Mr. President, first of all, I want to pay my respects to my distinguished colleague from Montana (Mr. METCALF). He comes from range country, as I do. I am certain he is trying his best to accomplish two things in the amendment he has developed before the Senate at this time.

One is to present legislation which he sincerely believes will be helpful to the farming and ranching businesses; and, second, to close tax loopholes that he believes must be closed in the wider, greater public interest.

Mr. President, with respect to the Senator's concern over those engaged in farming and ranching, it must honestly be said that there are a number of farmers and ranchers who support the Metcalf amendment. I would add, however, that there are a far greater and overwhelming number who oppose it.

Among those who support it—and I have in mind the western Wyoming area of Jackson Hole—are some who believe that the Metcalf amendment would be good because it would provide some way to deny the time-honored American principle of freedom of choice and substitute a system which would keep people out of the farm and ranch business.

I must say that there are persons who feel, that the Metcalf amendment would help in that, in effect, it would impose a license to farm on all Americans. While it does not say "You cannot enter the business," actually the economic barriers to an entry into that business would deny an opportunity that I think all Americans should have, and a right that I hope would remain unabridged.

Mr. CURTIS. I agree with the distinguished Senator from Wyoming. I should like to call the attention of Senators to one or two facts.

Farming is the only business where there is a restriction against writing off its losses. We single farmers out in that regard. I daresay that a great number of eating places run by department stores are intentionally operated at a loss. They are not touched by this bill, or any proposal. I do not know how many newspapers are deliberately published at a loss. They are not touched here, either. The only field where this harsh rule has been applied is agriculture.

Now, another thing, Mr. President: Farmers are the only people who came before our committee and said, "Here are some loopholes, let us close them."

There was a loophole in reference to soil conservation practices, because someone would buy a rundown piece of land, charge off for improving the soil, sell it right away, and get a capital gain. Under the bill before us, they have got to hold it 10 years. That loophole is plugged.

It was agriculture that came in and said, "You can double the length of the holding period for capital gains." It was a year—twice as long as for any other property. It is now 2 years, under the committee bill.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. TALMADGE. In addition to the 2-year holding period, the bill also provides for recapture of any depreciation taken.

Mr. CURTIS. Yes. Also, it is written into the bill that there cannot be a tax-free exchange of a male calf for a female calf. We think they have plugged these loopholes.

The trouble with the Metcalf amendment is that it is an overkill. I had a rancher call me, who said, "Many of these proposals might have been all right 50 years ago, but they are too late now." He said, "My land is mortgaged higher than it has ever been." He said, "If Congress stops outside capital from coming into agriculture, land values will go down, and we will all be broke."

The Metcalf amendment, as I say, is an overkill. The committee provisions are just and sound, and they will do the job.

We must keep in mind also, Mr. President, that we have treated agriculture more harshly from the standpoint of losses than any other industry.

I thank the Senator for yielding.

Mr. HANSEN. Mr. President, I was speaking about the concern that I know my distinguished colleague the Senator from Montana does hold for farmers and ranchers. As I have already said, there are those who support the position the Senator has taken. One of the reasons they support that position—and this is a statement that I have heard made by numerous ranchers; and when I use the word numerous, I do not mean to imply more than perhaps a few percent, I would think not more than 5 percent of the total number of farmers and ranchers in this country—is that, as the Senator himself admits, one of the effects of his amendment would be to depress land prices, and if you want to buy out your neighbor, that is an awfully appealing package to hold out. If you think that you might be able to gobble up the holdings of some of the smaller farmers around you, and be able to do so in a restricted market, without the competition that characterizes that market today, then this measure would have an appeal.

I have heard a few people in Jackson Hole, where I live, say that they would like that, so that they would not have to face the competition that comes from other people, people from outside the State of Wyoming who are also interested in farming or ranching within the State of Wyoming.

There are three times, insofar as I can determine, that the average farmer or rancher does not want land prices to be high. One of those times is when he is buying land. He wants to buy it as cheaply as he can.

He is also pleased to have land prices low when the county board of equalization or the tax assessor comes around to set the tax on that land. That is another time when he does not want to have prices high. And he does not want to have them high when he anticipates his death and the inheritance taxes that will apply to it.

Having said that, I know of no other time when any farmer or rancher in this country wants to have land prices low. He wants to have them high when he goes to the banker and says, "I need more money to run an operation that has not been paying out too well."

Mr. METCALF. Mr. President, I wonder if my friend from Wyoming will yield at that point.

Mr. HANSEN. I yield.

Mr. METCALF. A young man goes to the bank and says, "I would like to borrow some money to buy a couple of sections of adjacent land."

The banker looks at it and says, "You cannot produce on that land. That land is priced at $120 an acre more than its productive capacity. The only way you can get that land is to have some tax gimmick."

The young man says, "I do not have a tax gimmick. I am just a rancher, and have to make my income from ranching."

Then the banker says, "That land is overpriced. The only way we can lend you the money is if you can get a contract with Oppenheimer Industries, or some of these other people getting a tax subsidy and a tax benefit."

What we are trying to do—and I think the Senator from Wyoming is as agreeable to this as I—is make the value of land equitable with the agricultural productive capacity of that land, so that a young man going to the bank can say, "I can produce cattle," or "I can grow a citrus grove," or "I can make an investment, and I can make an income on it that will pay off this loan."

He cannot do that today in some areas, where these tax farmers are coming in and inflating the price of land.

Mr. HANSEN. Mr. President, it should be noted that the average tenancy of farmers and ranchers in this country today is around 7 years, and it should also be noted that there are in this country today some 107 million head of cattle. The Oppenheimer Industries, to which my distinguished friend from Montana has referred, owns only about 200,000. How much validity do those facts lend to the statement of the Senator from Montana? Fewer than one out of every 500 head of cattle, if my mathematics are correct, would be represented in the ownership of the Oppenheimer Industries.

It just is not true that the typical banker in the United States today is telling young people, "You cannot borrow money," because, first of all, the turnover in ranches disproves that, and the relatively insignificant number of cattle that is represented by the holdings of the Oppenheimer Industries underscores it as well.

Now let me continue insofar as land values are concerned. In my State of Wyoming, and in most of the rural West and much of the rural East, land values are important. They are not only important to the rancher when he is trying to borrow money; they are of even greater importance to the young schoolchildren who must depend upon an adequate tax base for the kind of education we need in this country today. If you depress our land prices in America by 50 percent, I suggest that the rural areas of this country will be coming to the Halls of Congress and asking for greater Federal support than we are now giving. It is just that simple.

There is a great contribution made, in the typical school district, in my State of Wyoming, by the assessed valuation of land, of livestock, of farm machinery, and of farm improvements, that goes to make for better schools.

So let us not be deluded by the statement that lower land prices would help the average farmer or rancher. They would not help him at all. And if he should have to sell out, or if the breadwinner in the family should die and the widow has to sell out, I can assure you that she will be very happy indeed to have as many buyers around as possible, actively bidding for her piece of property. Any effort which would result in a diminution of the number of those persons interested in buying some country real estate will hurt that widow and those children, whose only inheritance must come from the values wrapped up in that land.

Mr. President, according to a study made by the Texas A. & M. University, I think there is around $112,000 tied up in the typical farm or ranch in this country. That is quite a bit of money. However, more depressing than the size of the investment necessary to start out in the farming or ranching business is the fact that the Texas A. & M. studies disclose that the average capital return from farming and ranching is less than 3 percent.

This simply means and underscores the fact that we have got to have a constant infusion of new capital if we expect improvements to take place in agriculture, if we are going to have the experimental programs implemented so that the farms and ranches can take advantage of the new technology and the new know-how which is being discovered by the colleges and by the research institutions throughout America.

This costs money. It is not easily done. Let us not do anything to make our great American farm inefficient. Let us remember that only 5 percent of the population of this country today shoulders the burden and the responsibility of feeding the other 95 percent of the American population.

Not only do they do that job pretty well, but they also supply a large part of the requirements for food and fiber to the remainder of the world as well.

Forty-six percent of all of the farm population receives nonfarm income or income from outside sources. Thirty-two percent of all the farm population receives income from nonfarm work for over 100 days a year.

According to the Farmers Home Administration, what would be achieved today if the Metcalf amendment were to be agreed to would be in direct opposition to existing Government programs such as those sponsored by the Farmers Home Administration which are designed to encourage farmers to increase their nonfarm income.

The objects of such programs are to establish nonfarm trades and businesses and thus provide rural communities with services previously unobtainable.

Mr. President, the trouble with the result of the amendment, well intentioned though it is, would be to move in direct contradiction to what is best for rural America.

It is recognized today that the problems of the cities reflect first of all the problems of rural America. It has been a tough thing to make farming operations profitable enough to keep the people on the farms and ranches.

As a consequence, a great many people have migrated to the great cities of this country. And they become part of an increasing problem simply because they go there with no skills and little ability to find employment.

I think that anything we can do to make farming more profitable—and certainly the infusion of new capital into rural America would make it more profitable—will be in the national interest.

Mr. President, the current economic situation in farming and ranching is far from booming. Testimony before the Senate Finance Committee during hearings on this tax reform bill indicates that the return on investment for the livestock industry is only 1 to 3 percent. Another study conducted by Texas A. & M. University concluded that on an investment of $2,000, a return rate of less than 3 percent was received by the rancher. This did not take into account the rancher's labor and overhead.

It is the responsibility of 5 percent of our population to produce the food and fiber for 100 percent of the people in the United States plus much of the world. It goes without saying that this cannot be accomplished without a constant infusion of capital into farming and ranching.

The farm and ranch industry must look outside agriculture and its 1 to 3 percent return on investment to obtain great quantities of new capital required for the competitive farm and ranch producer. Outside capital flowing into agriculture has been the source of improved land, new breeding stock, technological developments, and public and private agricultural research.

In the mid-1960's farmers were spending about $3.4 billion a year for new farm machinery. They were providing jobs for 120,000 employees, plus they were purchasing products containing about 5 million tons of steel and 320 million pounds of rubber. This is enough rubber to put tires on nearly 6 million automobiles. Today's farmer uses more petroleum than any other single industry and more electricity than all the people in the cities of Chicago, Detroit, Boston, Baltimore, Houston, and Washington, D.C., combined. There can be little doubt concerning the great expenditures of capital necessary for today's farm and ranch operation.

The Metcalf amendment strikes hardest at a person who is first starting out in the agricultural business, because it is likely that this individual must depend heavily on nonfarm income to offset his farm losses. The strict provisions of the Metcalf amendment would make it extremely difficult for a person to survive the first years when his capital expenditures are necessarily the largest.

Farmers are looking more and more to outside capital to meet the increased requirements to which they must adhere to remain competitive. The dependence on nonfarm income is on the increase. Forty-six percent of the farm population is forced to depend on nonfarm income for income from outside sources. Thirty-two percent of all the farm population are forced into 100 days a year of nonfarm work.

Mr. President, I submit that these facts suggest that the farmer must go to outside sources of capital to remain in the farm and ranch business.

The provisions of the Metcalf amendment limits the amount of farm losses which may be offset against nonfarm income. This discourages those presently engaged in agriculture from seeking to diversify their income sources. This is in direct opposition to existing Government programs such as those sponsored by the Farmers Home Administration, which encourages farmers to increase their nonfarm income. The objects of such programs are to establish nonfarm trades and businesses and thus provide rural communities with services previously unavailable.

The farmer must look to outside income to supplement his agricultural operation and keep it alive during drought and low prices with the hope that next year will be a better time.

The one great asset and source of security which every farm and ranch owner realizes is that he is the owner of valuable land. Testimony before the Finance Committee during its hearings on this tax reform bill indicates that the proposal which is before us today would have a substantial effect on the value of land.

The present amendment would dampen the economic attractiveness of our farm and ranch operations. When that occurs, land prices are certain to decline.

The farmer and rancher has to depend on the value of his land to obtain credit and raise capital with which he may make investments and provide the maintenance necessary to operate a modern farm or ranch. The use of nonfarm resources such as machinery, equipment, and production items has increased the need for agricultural credit. The use of credit in agriculture has been expanded rapidly since 1950 while the total farm economy has grown at a modest rate. In an industry where return on investment is 3 percent or less, the importance of good land values is imperative.

If we ever break the price of land in this country, every rural community in the United States will be placed in jeopardy, and every taxing body dependent on the land's value will loose the financial support for the services which it provides. This includes every independent school district. We should encourage the economic strength of our rural areas, especially when we consider the increasing problem of life in urban America.

Mr. President, the tax reform package as reported by the Senate Finance Committee already contains provisions which are adequate to close the loopholes without undue burden on legitimate farmers and ranchers.

Mr. President, I urge that the Senate not go beyond closing the loopholes. I feel that the Metcalf amendment would create such a burden on the farmer and rancher that it would have a strangling effect on the agricultural economy. I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. McGEE. Mr. President——

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McGEE. Mr. President, I yield to the Senator from Louisiana.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG. Mr. President, I ask unanimous consent that the Senator from Montana (Mr. METCALF) be recognized, and that after he has concluded a colloquy he is to have with the Senator from Wyoming (Mr. McGEE), the debate on the Metcalf amendment be limited to 40 minutes, to be equally divided, 20 minutes to the side, between the Senator from Montana (Mr. METCALF) and the Senator from Georgia (Mr. TALMADGE).

The PRESIDING OFFICER. The Chair had recognized the Senator from Wyoming.

Mr. HANSEN. Mr. President, reserving the right to object—I will not object if the distinguished chairman of the committee will just permit me to make one further observation—I point out that the average permit on all national forest lands today throughout the United States is 68 head of cattle and 1,300-head permit for sheep.

I think that anyone who knows much about farming can appreciate that this operation, the way this industry has grown to the present moment, certainly suggests that it is not in the hands of the great corporations who are trying to take advantage of some tax loopholes, which circumstances, I admit, have existed, for which our industry has recommended, as the Senator from Nebraska has pointed out, some ways to close the loopholes.

I thank the distinguished chairman.

The PRESIDING OFFICER. The question is on agreeing to the unanimous-consent request of the Senator from Louisiana.

Is there objection? The Chair hears none, and it so ordered.

The Senator from Montana is recognized.

Mr. McGEE. Mr. President, I understand that I have the floor.

Mr. METCALF. Mr. President, the senior Senator from Wyoming has the floor. The purpose is to engage in a colloquy after which the unanimous-consent agreement can go into effect.

The PRESIDING OFFICER. The Senator from Wyoming did have the floor, but under the unanimous-consent request the recognition by the Chair of the Senator from Wyoming was rescinded.

Mr. METCALF. Mr. President, I am delighted to yield to the senior Senator from Wyoming for the purpose of asking questions.

Mr. McGEE. Mr. President, am I not correct that when I yielded for the unanimous-consent request, I had the floor?

The PRESIDING OFFICER. The Senator from Louisiana incorporated in his request the fact that the previous recognition by the Chair of the Senator from Wyoming be rescinded.

Mr. McGEE. Mr. President, I understand the parliamentary situation now.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. METCALF. Mr. President, I yield to the senior Senator from Wyoming for a series of questions and observations.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. McGEE. Mr. President, I thank my friend the Senator from Montana and I join my colleague, the Senator from Wyoming, in paying tribute to the Senator from Montana (Mr. METCALF) for his thoughtful pursuit of many of the troublesome issues at stake on this issue.

I hesitate to venture into the field of farming and livestock because I am not a farmer. I am a professor. I do not own a single head of livestock of any kind. My concern with the amendment comes from the conversations and the conferences I have had with the livestock people in Wyoming. My colleague from Wyoming (Mr. HANSEN) is a professional in the business. I could not pretend to have the sense of perspective or history that he has about this subject. But I am moved by the fact that in our assemblies with the cattlemen and with other livestock people in the State, they seem uniformly enthusiastic whenever one point is suggested: "Would it help or hurt your business if you were to keep the tax-loss boys out of the cattle business?" I have yet to hear a boo in response to that question from any cattlemen's association. One hears nothing but the strongest of ovations.

The question that arises is: Does the Metcalf amendment do that without exacting some other price? That is the issue that has been expertly raised by my colleague from Wyoming this morning: whether we are complicating the the problem rather than simplifying the problem.

My interest in this colloquy that I have requested is to try to unravel from the pending amendment the elements that are relevant to this problem, and this, I think, I am competent to do. Therefore, I should like to ask the Senator from Montana to return to the question of land values and the general assumption that is made that because of the injection of tax-loss capital funds into the ranch and farm business, the appreciation of land values has indeed become an unmitigated blessing to the average individual who is trying to make it on his own in agriculture.

Mr. METCALF. I, too, am not a farmer, but I have been concerned with tax-loss farming. Just as the senior Senator from Wyoming has experienced in his State, so also in my State many farmers are concerned by the inflated values that result from industries such as Oppenheimer, Charalois Industries, Black Watch Farms, and others, all of whom are in the tax-loss farming business.

But I do want to correct one statement before answering the senior Senator's question. The senior Senator's junior colleague from Wyoming (Mr. HANSEN) said he believed that most of the farmers in America are opposed to my suggestion, and that only a handful—I think he said about 5 percent—favor it. I shall not enter into a numbers game on that point. However, I repeat that the great farm organizations of America—the National Farmers Union, the American

Farm Bureau Federation, the National Grange, the National Farmers Organization, the National Council of Farmers Cooperatives, the National Association of Wheat Growers, the Cooperative League of the United States, the National Association of Farmers Elected Committees, Farm Land Industries, Midcontinent Farmers Association, and the National Catholic Rural Life Conference—all have supported S. 500, which is the text of this amendment, specifically by name, and have come out in support of the Metcalf amendment. This includes most of the farmers of the United States who are members of that organization. The National Livestock Tax Committee, which is hand and glove with Oppenheimer Industries, the National Cattlemen's Association, Oppenheimer Industries, and the American Welfare Association all testified against it.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. METCALF. I yield to the junior Senator from Wyoming.

Mr. HANSEN. Mr. President, I recognize that I am denied the opportunity to respond because of the time limitation imposed by the distinguished chairman of the Finance Committee.

Mr. METCALF. The junior Senator from Wyoming has the opportunity to respond now.

Mr. HANSEN. May it not go unnoted that I do not agree with the statement made by my distinguished colleague.

Mr. METCALF. As I have said, I am not going to enter into a numbers game. I am not certain about the number of members of that organization and the number of members of the organization named on the other side, but the vast majority of legitimate farmers are in support of this proposal.

As to the question about what happens to inflated farm prices as a result of the invasion of the farm industry by these Eastern or Hollywood tax loss farmers, the junior Senator from Wyoming said that a farmer does not want an inflated value when he has to pay taxes on it.

Mr. McGEE. I did not say that.

Mr. METCALF. The senior Senator's colleague from Wyoming (Mr. HANSEN) said that. In his speech, the junior Senator from Wyoming said that a farmer does not want to have to pay inflated values when the tax values are higher, and he does not want to have to pay estate taxes, and he does not want to have to pay an inflated value when he buys his neighbor's farm. But that is most of the time.

Let me read what an actual farmer said in the testimony before the Finance Committee. He testified right after I testified. During the course of my testimony, I conceded that sometimes in a farm community this influx of tax loss farmers did bring an inflated value, and my measure would bring some of the farmland prices down.

Mr. McDonald, who was testifying for the National Farmers Union, said:

I just want to conclude by saying that there has been a good deal of discussion today; in waiting out in the hall this morning some people came out talking about the Senator from Montana——

He is referring to me——

wanting prices to go down, land values to go down, and they were laughing about it, and so forth, and I heard comments here today when I finally got into the room.

Then he said:

I just wanted to say, Senators, that I am perturbed a little bit by the opinion on the committee that an inflated land value is always of benefit to the farmer, at least some individuals think so.

I have here a study, I just happened to have it in this folder, the University of Minnesota, the Agricultural Economics Department made the survey, and they found that the recorded land purchases made in 1967, and in Minnesota there were 1,406 land purchases made by operating farmers, there were 246 made by investors. I assume those would be the people we have been trying to get after.

My point is this: that in this day of expanding technology, the farmer, if he is to compete and he is to survive, he must expand his land holdings, and in some areas the price of land is so high that the working farmer is unable to buy more land that he needs.

Now, the other side of the coin is that some corporations have come in, such as the Gates Rubber Company in western Colorado on a gigantic scale, and are undertaking to raise sugar beets among other things, and I am told by our people in Colorado that land out there is inflated, they tell me $120 an acre.

Well, the farmers out there don't like that because they are not planning to sell out. They would like to stay there. They would like to apparently buy more land. So that I would say this: that if the farmer wants to sell out, why, sure. If land is inflated, particularly if he is near a city, and I had a farm here near Washington some years ago. I sold that farm. I wish now I had waited. But I made a nice profit on it. But that is outside of agriculture, really.

The farmer who goes to the bank to borrow money, the banker wants to know what is the productivity of that farm, and will he be able to repay his loan, and so forth and so on. Senators, I just wanted to bring that point out. I do not think it is an unmixed blessing that land values are inflated.

Mr. McGEE. I thank the Senator for that response.

I think we ought to be mindful of a part of our problem in the West, as my colleague has so expertly detailed, and that is, if it were not for the inflated land values, many of our people would have been out of business long ago. They have been living off that inflated land value. But the question that it still raises in my mind is whether the inflated land price is fool's gold. They cannot see it inflated forever and stay in business. This is my concern, and it is why I raise the question. We could not have stayed in the business in Wyoming right now without that sharp rise in land values.

But we are living on borrowed time, as I see it. For that reason, I would hope that we would not surrender to the suggestion of the Senator from Nebraska (Mr. CURTIS), that we are already 50 years too late. I agree that we are 50 years too late, but I do not want to be caught being 51 years too late. What would be the consequence? The consequence would be that little guys who have tried to make a living from the land are disappearing in droves. One reason why they are disappearing in droves, is that they cannot afford the price to keep their land values and their land expansion at a rate equivalent enough to stay in business and still keep their loans to the banks under control. That is why they are going out of business.

I believe that inasmuch as we have delayed as long as we have about this matter, the time has come when we ought to make a genuine effort—which I think the Senator from Montana is trying to do—to draw some lines that may at least help the little fellow, who is steadily being pushed out of the market, to stay in the competitive agricultural field. It seems to me, from what has been suggested here, that we ought to have a second look at the consequences of a continually inflated land price and its impact on those who cannot meet the rate of that inflated land price.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. METCALF. I yield to the junior Senator from Wyoming.

Mr. HANSEN. I could not agree more with my distinguished colleague from Wyoming. It is true that land values have been inflated, and they are continuing to be inflated, and it is not the farmers who are inflating those land values.

My distinguished colleague from Wyoming and the rest of us in this Chamber yesterday added approximately $10 billion to that inflation. I voted against most of those amendments, because I am concerned, as everyone in this Chamber should be concerned, about the inflation that is wrecking America.

Mr. President, I would submit for the RECORD that I hope it will be rejected by the people of this country. If we are worried about inflation, do not start looking at the farmers and ranchers and say, "What happened to their land values?" Look right here where the trouble is coming from. If Senators want to stop inflating land values let us get this house in order and bring the budget into balance. Then, Senators will not have to worry about inflated land values.

Mr. METCALF. Mr. President, if Senators want to stop inflating land values today, in the next hour there is an opportunity to do so by voting for my amendment.

Mr. McGEE. Mr. President, I hope we do not interject these other matters which are controversial and which divide parties on both sides, in terms of impact. We have a real question that goes back at least 50 years—at least the Senator from Nebraska said it was 50 years—during which time we have had recession, inflation, deflation, and so on.

But the inflationary process continued in land values, and for the sake of some kind of orderly method, we have to examine the impact of artificially injected capital for those who are losing money in the farm business. It is an impact not only on the land values, per se, but also on the small farmers to keep pace with these rising values. This measure enables us to try to do something about it.

As I understand it, the land inflationary values we are speaking of are those directly traceable to those persons look-

ing for a tax dodge, and that it is in that category of direct impact that we have a chance in the measure offered by the Senator from Montana, to do something about it.

But I want to stress something with him in respect to other consequences. I know a lot of ranchers—many of them friends of mine—who benefit personally as individual ranchers, from leases with the Oppenheimer outfit and the Black Watch Farm.

Several Senators addressed the Chair.

Mr. METCALF. Mr. President, I promised to yield to the senior Senator from Wyoming.

Mr. McGEE. Mr. President, the statement I was in the process of making was that I am a very close friend to some recipients of the leases, of the kinds of organizations that my colleague has also sought to make some kind of case for in the record.

The problem is the transfusion of capital. The farmers I know who are my friends do not own shares of stock in Oppenheimer or in any other group, but some of them have been put in business by them on a leased basis, with the expectation to join in.

My question is: Would we not be putting those little fellows out of business because they were unable to set up farming endeavors on their own?

I would like to correct the record on that, if my colleague would be agreeable. No one is trying to carry water for Mr. Oppenheimer or for other groups. I was making a plea on behalf of the small farmer in Wyoming who has contracts with them—Oppenheimer and Black Watch—and, thus, has been able to enter the farm business.

They are the farmers who have the same interest as the junior Senator from Wyoming. They would like to be farmers in their own right, and they believe under this system Oppenheimer put together they get a chance, at risk capital with long-term rates, that will enable them to do so. I think that is commendable.

This is the reason for the question: How are we going to keep these recipients who need this help from going broke?

Mr. METCALF. Mr. President, my amendment would apply to the 14,000 so-called farmers from New York and Hollywood who have farm returns in the country; those who are responsible for the cover on the New York magazine of a man with a Hereford in his parlor because it saves him $6,000 a year in taxes.

I am trying to put Mr. Oppenheimer out of business; there is no question about it. I think the committee and the people of America feel they have taken unfair advantage and abuse of special farm accounting rules designed to ease the bookkeeping chores of legitimate farmers and ranchers.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. TALMADGE. Mr. President, I fully concur in what the Senator has stated. It has been abused; it has been a tax loophole; and, in my opinion the Committee on Finance put them out of business.

Mr. METCALF. I think they took a long step in doing so.

However, some of the reasons they need help from the man the senior Senator from Wyoming was talking about—Mr. Oppenheimer—is because of the competition, tax benefits, and the subsidies we pay outside people to come to Wyoming and open a farm and make a leasehold, as the Senator suggested.

That advantage will be taken away if Mr. Oppenheimer's tax benefits are removed; but in my opinion, and I know in the opinion of the National Farmers Union, the National Grange, and other organizations which testified, it will be offset by the fact that the competitive advantage will be restored to a farmer who can produce and earn money on his productive capacity instead of going out to compete against someone who can take a big tax loss on his cattle and benefit from his nonfarm income.

Over the distance, that farmer the senior Senator from Wyoming is talking about, as well as other farmers in the community, will benefit, and the benefit will redound to the entire farm community.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. METCALF. I yield to the senior Senator from Wyoming.

Mr. McGEE. I wish to underscore the suggestion I made a few moments ago that this transitional condition in inflated land values may, in fact, be "fool's gold." The sooner we can get this leveled off and under some kind of control, the sooner those people who intend to farm as farmers and those people who intend to make their living from the soil rather than as another device, will be protected in the endeavor. This is the point and this is a very important contribution to sustain, support, and underline the endeavors of the Committee on Finance in this regard.

My reservations about it simply involve its effect on those who desperately need this kind of capital long-range investment loan that the Oppenheimer group makes possible.

However, I think, as the Senator has said, far down the road, looking ahead, the consequences of the present trend can be not only to put the little rancher out of business, but the big rancher should read John Donne's volume "For Whom the Bell Tolls," for I suggest, "The bell tolls for thee because you are next."

In this whole process, the corporate groups, the tax loss groups, are certainly, and at a very rapid rate, taking over and all farm statistics in this country bear this out. If we believe there is a place in our economy for the small independent farmer; if we really believe that and not just make speeches on it to get votes back home, then we had better start doing something about it. This is one of the places to stand and make that contribution.

I thank the Senator from Montana for yielding to me.

Mr. METCALF. I thank the senior Senator from Wyoming very much for his comments. Before the unanimous consent agreement goes into effect, I want to yield to my good friend from North Dakota (Mr. YOUNG).

Mr. YOUNG of North Dakota. Mr. President, I am not a tax authority at all. I do not know whether this amendment will be a perfect answer to an evil that is taking place in this country today where outside corporate interests are taking over the farming business. This to the extent that there is little land available now for young and new farmers to buy. Many farmers have small units too small to be economic. They need any available land to enable them to increase their holdings.

I happen to be one Senator who has no other financial interests except in farming. I still have the same land I had when I came to the Senate. I am no longer in the farming business and I hold no stocks or other investments.

The main argument today seems to me that if this amendment passed land prices would be reduced. That would be a good thing if that were the case, but I doubt whether it would materially affect land prices. Land prices are much too high for the prices the farmers are getting for their commodities in order to make money.

About the only ones who are making any sizable profits are the ones who are making large profits in some other enterprise which enable them to write off a tax loss on their farming operations. The price of farm commodities is too low today for the present inflated prices of land.

Thus, if it would accomplish that one thing alone, to stop inflation of farmland prices, that would be well worth while.

As I said, in my case, I still have the same land I had when I came to the Senate. I could sell that land for more than twice as much as it is really worth. So I would be better off if the price of my land was double what it is now. It is already too high.

My opinion is that if we want to help the farmers we do not want higher land prices, if we want to help our young farmers on the farms, we should not have inflated land prices.

I remind the Senate that farm indebtedness is higher now than it has ever been in our history. That indicates, in itself, that something is wrong.

Mr. METCALF. Mr. President, I thank the distinguished Senator from North Dakota. All of us look upon him as the farm expert in this body. As a member of the Committee on Agriculture and Forestry his contributions in this field have been significant.

Now, Mr. President, I should like to yield the floor and have the unanimous consent agreement go into effect. I ask that the Senator from Georgia (Mr. TALMADGE) first yield time.

Mr. MANSFIELD. Mr. President, will my colleague yield me 1 minute on his time first?

Mr. METCALF. I am happy to yield 1 minute to my majority leader on my time.

Mr. MANSFIELD. Mr. President, I believe that the senior Senator from North Dakota (Mr. YOUNG), whom many of us look upon as the outstanding authority on agricultural matters in this body,

made a significant point when he stated that farm indebtedness in this country is at an alltime high. In contrast, the percentage of our farm population is decreasing all the time. I believe it is around 5 percent, or thereabouts, at the moment.

Furthermore, this indicates that the small farmer is going out of business and the corporate farmer is coming into operation, because he can get by on his own without any outside help.

It is true that land prices today are sky high and those who want to live on farms and ranches, who want to stay close to the soil, are being squeezed out.

That is where our taxes are coming from. Who is it that buys suits and clothes, shirts and shoes, and this, that and the other thing in the little towns depending upon the farm economy?

It is not the big corporate type of ranch, but the little rancher. He is the one who pays the taxes and keeps the economy going, week in and week out, year in and year out.

The amendment is a step in the right direction toward giving the small family size farmer and rancher a little consideration and protection.

I am all for it.

Mr. METCALF. I thank my colleague very much.

Mr. TALMADGE. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. TALMADGE. Mr. President, I was born and reared on a farm in Telfair County in South Georgia. I live on a farm just south of Atlanta at the present time.

I have gotten more genuine, soul-satisfying pleasure out of farming, and made less money, than anything I ever undertook.

Thus, I feel that I know something about the hazards of farming.

Farming is the greatest gamble we know of on the face of the earth.

It is, of course, the most important business we have, because it produces all the food and fiber that we utilize, not only in this country, but we also ship a great deal of it to large portions of the world.

Many things can happen to a farmer to cause him to lose the result of a year's labor.

He can have too much water or too little water, and he loses the result of a year's labor.

The Weather can be too hot or it can be too cold, and he will lose the result of a year's labor.

There will be new diseases, new insects, a new pestilence, and the farmer will lose the result of a year's labor.

If nature smiles on the farmer, then everything goes well; but there can be a drastic drop of the market price at harvest time and the farmer will lose the result of a year's labor.

The farmer may find labor unavailable at harvest time and he will lose the result of a year's labor.

Thus, Congress has to be extremely careful and cautious not to write a tax bill that will penalize the farmer and the farmer alone to the exclusion of every other segment of our society.

Mr. President, I would be the last to deny that there have been favorable tax laws benefiting farmers that have been utilized by tax dodgers to take into consideration some of their idle capital.

The Senator from Montana (Mr. METCALF) served on the Finance Committee with me for several years. Several years ago, he started to fight to try to close the loopholes then existing and which were being utilized by Wall Street stock brokers, bankers, lawyers, doctors, and others.

Those loopholes were two in number.

First, if one had a large sum of capital he could buy a rundown farm and plow additional sums of capital into building up the productivity and value of the farm. After he had increased the original value of the farm several times, he could sell that farm, and the profit he had on it would be a capital gain.

That was loophole No. 1.

What was loophole No. 2?

Farm animals are subject to depreciation, just as other capital used in business is subject to depreciation. Some people found out that they could use that depreciation for an enviable tax racket. There was a group called the Black Watch Farms, or something of that nature, which advertised in the Wall Street Journal and urged professional people and business people with large sums of capital to buy cattle that they would never see, to be placed on farms that they had never visited. They would depreciate the cattle and, at the same time, charge off maintenance, feeding, and the keeping of the cattle as an ordinary business expense. Then, after they had depreciated the cattle as much as they could, they would sell it and take a capital gain.

Mr. President, the distinguished Senator from Montana (Mr. METCALF) has been trying to close these two loopholes, and I applaud him for it. He started that fight and the Senate Finance Committee finished it.

I hold in my hand the committee report. Senators have a copy of it on their desks.

On page 95, under the title "Farm Losses," the committee bill will permit farmers with more than $50,000 nonfarm income to take losses in full up to $25,000 a year, but these farmers may deduct only one-half of the amount of the farm loss in excess of $25,000. That should put the tax loss farmer, the kind I have been talking about, out of business.

Then, on page 99 of the committee report, under the heading "Depreciation Recapture," gain on the sale of livestock is to be treated as ordinary income to the extent that depreciation has been claimed prior to the sale of the livestock. I think that adequately puts the Black Watch crowd out of business.

On page 100 of the report is reference to the holding period for livestock. The 1-year holding period is extended to 2 years. There are many others.

Exchange of livestock of different sexes—that was another racket frequently engaged in. Some individuals wanted to build up herds, so they exchanged males for females. Females could have more calves; males could not. The committee provided that such an exchange is taxable.

Then, at the bottom of page 102 of the report, is reference to hobby losses. It is provided that if a taxpayer engages in farming without a reasonable expectation of profit he cannot deduct any farm losses at all from nonfarm income.

On page 105 of the committee report there is reference to gain from disposition of farmland. It provides that if anyone buy a rundown farm and spends large sums of additional money building it up and then sells that farm for a profit, the Government of the United States will recapture these expenditures as ordinary income. He is compelled to hold his farm for 10 years; otherwise he cannot take advantage of that.

The Committee on Finance wrote these and other loophole-closing provisions into the bill. I think they are adequate. I think they will do the job. I think the amendment of the Senator from Montana goes too far. I think it will penalize honorable people who are not trying to make a racket out of their farming operations.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. HOLLAND. I thank the Senator for what he is saying. I thank the committee for what it has done. I agree with the Senator that this is a great step toward taking care of improper practices. If it is proved later this is not sufficient, we can do more.

But I want to call attention to one thing. It seems to me the amendment of the Senator from Montana is one that strikes at a very precious American right, and that is the right of an individual to engage in as many honest callings as his individual ability permits him to do. It appears as though our friends think that only bankers and lawyers go into agriculture. In my State it is the other way. The folks who have made good in farming, particularly in orange growing, particularly in sugar production, particularly in the cattle business have come in and taken over banks, they have taken over housing and subdivisions, they have taken over manufacturing enterprise. I am for it, because I think America is a land of opportunity, where people are given a chance to engage in as many useful occupations as they can.

I do not like to be personal, but I remember the father of the distinguished Senator from Georgia, who was almost a contemporary of mine, when he was a farmer, and when he later became Secretary of Agriculture of his own great State and later its Governor. I am glad he had the opportunity to go somewhere else and to do other things, I am glad my distinguished friend from Georgia has done the same thing.

In my own town there is a banker who began his career as a simple orange grower. He has gone up and has gone into other things.

I do not believe in taking a position here which limits opportunity, which

limits initiative, and does not permit a man to go wherever his ability, character, and industry will take him. I think this amendment is just such a measure that might go just that far. Therefore, I oppose it vigorously.

Mr. GORE. Mr. President, will the Senator yield?

Mr. TALMADGE. Let me first make a very brief observation, and then I will yield.

Mr. GORE. I wanted to respond.

Mr. TALMADGE. Certainly. I yield to the Senator from Tennessee.

Mr. GORE. I thank my distinguished friend.

Mr. President, I think my distinguished and certainly able friend from Florida misses the point here. The issue at hand is a use by nonfarmers of a tax provision specifically found by the Congress in the past, and by the committee in this instance, to be practical and needed for the average farmer. It is not the theme or purpose of the committee, or in my opinion of the junior Senator from Montana, to limit the opportunity of a man in America to engage in the free enterprise system or to be an entrepreneur.

This tax law and the effort by our committee and the junior Senator from Montana is to limit, if not eliminate, the shall I say misuse of a provision specifically designed for the benefit of a practical farmer by one of large income who is in fact not a practical farmer.

I wanted to say that, and if the Senator from Georgia will yield one step further, there is something I have been thinking about and have been wanting to say. I hope the distinguished junior Senator from Georgia will more frequently occupy the center of this Chamber. I have listened to him this morning and upon many other occasions. I know of no man in this body who speaks with more perfect grammar, with more eloquence, and in a more driving and convincing manner than the distinguished Senator from Georgia.

Mr. TALMADGE. The Senator from Tennessee is far more generous in his tribute than I deserve, but I deeply appreciate what he has said.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. HOLLAND. First, I agree with the Senator from Tennessee as to the character, standing, and stature of the Senator from Georgia. We all appreciate him.

Second, I want to make it clear to the Senator from Tennessee and the Senator from Montana that in my State it is frequently the other way around when it comes to tax losses. A freeze comes along that strikes down the annual income of the citrus grove, knocks down trees, so that they will not come to bearing again for 2 or 3 or more years, or a storm destroys a large part of the livestock or equipment of a larger grazier. Who would say that such loss should not be claimed when the man has another business also?

It is a one-way street that is sought to be set up here. So far as my State is concerned, there are just as many times when we have losses by freeze, flood, or storm that come upon the farming person who happens to be industrious enough to have another business so he can turn the loss over to that business. And when the farm is prosperous the taxpayer can turn to farm profit to offset losses elsewhere.

This is a two-way street, and apparently my friends do not understand that is the case.

I thank the Senator for yielding.

Mr. TALMADGE. I thank the Senator from Florida.

We come now to the amendment of the Senator from Montana. He inserts some language in his amendment that the Finance Committee inserted in the bill, but there is a far greater difference in the effect of the amendment, because the Senator's amendment will not permit any farm deductions against any nonfarm income in excess of $15,000 except what he indicates here—taxes, interest, the abandonment or theft of farm property, or losses of farm property arising from fire, storm, or other casualty, losses and expenses directly attributable to drought, and recognized losses from sales, exchanges, and involuntary conversions of farm property.

That is the sum total of all of them. The taxpayer cannot even deduct for farm labor.

What does the Internal Revenue Service say about casualties?

I hold in my hand the United States Master Tax Guide, and I read this particular portion:

> The Commissioner takes the position that a casualty loss deduction for termite damage is not permitted because the suddenness test for a casualty loss is not met unless scientific data indicates that termite damage does not occur until at least two years following the original infestation of the property. But on the other hand, some courts have allowed the deduction.

There you are, Mr. President—suddenness. What does one do if he has a herd of cows and mastitis is found in one of the cows? It does not suddenly sweep through the whole herd. It may take 5 years. That is not "sudden."

Suppose some of one's high priced registered cows are sold for hamburger, and the person loses $500 a cow. He cannot deduct a casualty loss, because it is not "sudden."

Black leg, as the Senator from Tennessee knows, does not kill cows all at once. Is that "sudden" enough to deduct for a casualty loss?

So you could have a whole herd of beef cattle or dairy cattle wiped out, and could not even deduct it, under the Senator's amendment. I think that is too far for the Senate to go.

I think that the committee has eliminated the tax racket that now goes on in farming. I think this is as far as we ought to go at the present time. Later, if we find more loopholes coming to light, I am sure that the Senator from Montana, the Senator from Tennessee, the Senator from Delaware, and others who have worked on this matter for a period of many years will come forth and try to take adequate steps to plug these loopholes.

I hope the amendment will be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. METCALF. Mr. President, I yield myself 5 minutes.

I add my refutation to that which the Senator from Tennessee has made to the remarks of the Senator from Florida. Anyone can go into any business under this legislation. This is not a limitation on anyone going into business, as long as he will comply with the regular accounting system of the Internal Revenue Service. It simply provides that the very special privilege that we give to the farmer to go on a cash basis instead of an accrual basis cannot be abused by people who seek to turn their nonfarm income into a special asset.

We have said that the farmer is in a special and exclusive sort of position, and we have tried to give him appropriate special benefits; and 3 million farmers are taking advantage of those benefits. The House of Representatives has passed a bill that provides for a very complex accounting system, but they have tried to meet the abuses. The Senate Finance Committee, as pointed out by the very able Senator from Georgia, has, I think, made a much better approach.

But while they have adopted the language of my amendment and the language of S. 500, they have fixed the nonfarm income limitation so high that it affects only 3,000 people in the United States, and will bring in total estimated revenue of only $20 million. My bill would bring in revenue of $205 million, and affect 14,000 people. That is largely the difference we are talking about.

We are talking about the man who is abusing the special tax accounting methods that we want to preserve for the rank and file farmer, the competitive farmer, who has only an allotment of 68 acres on the public domain. We are trying to preserve that for him, and at the same time correct the abuses that have grown up for the wealthy, nonresident corporation or high income tax operator, who translates high income taxes into capital gains or farm losses.

I commend the committee. I think they have taken a long step. They have adopted the language, almost word for word, in the kind of refined amendment which I have submitted. But then they have taken a step backward by putting the limit at $50,000—so high that even the Secretary of the Treasury's representatives said that this is an unrealistic definition of what is a farmer and what is not a farmer.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. METCALF. I yield the Senator from Iowa such time as he may require.

Mr. HUGHES. I commend the distinguished Senator from Montana for presenting this amendment this morning. I wish at the same time to compliment the distinguished Senator from Georgia for the very eloquent presentation he has made and to commend the Committee on Finance, for their careful attention to the important effects which their action has had and will have on the farming industry of this country.

In my lifetime, and perhaps in the lifetimes of all of us, we have seen changes

in the agricultural industry in America that are almost inconceivable. Over the last 45 years, in my own State, we have been undergoing a continuous agricultural revolution. We are still experiencing, in Iowa, a migration of approximately 5,000 people a year from the farms to the towns and city communities. The average size of the farms, in recent years, is double what it was some 25 years ago. A couple of years ago it was indicated that only one in every eight children born on a farm in the State of Iowa would—or, for that matter, could—remain on the farm throughout his lifetime; whereas, when I was a boy, if a father and mother had four children on the farm, and three of them were sons, you could reliably be assured that those three sons could and would stay in the farming business. Today, in Iowa, that is an impossibility. There just is not room for those young people in agriculture in my State.

My State is one of the greatest agricultural States in the country. Its productivity is well known all over the world. Not only in crops, but certainly in hogs and cattle, it has ranked very high.

Immediately after World War II, I spent 7 years of my life buying livestock, selling fertilizer, and dealing in farm enterprises in my own locality of northwest Iowa, and I saw such changes take place that it was almost unbelievable.

Later on, as I became Governor of that great State and observed the changes that were continuing, I found that we were losing, or were in danger of losing, some of the basic agricultural industry that we had. We lost the poultry industry, as the distinguished Senator from Georgia well knows. Most of that migrated from the upper reaches of the United States to the southern part of the United States. Now we are in the process of losing, and have great fear of losing altogether, our great cattle feeding industry, because of changes that are taking place in the United States in feeding and transportation patterns.

It is almost an impossibility in my State, any more, for a young man to begin farming, unless his father is a farmer who can furnish the equipment, the money, and the land to begin on. If a young man were to come back from the service today and want to start farming, he would simply be incapable financially of doing it without great financial resources from his own family.

As a result, I am greatly concerned about the problems of landownership. I am not against landownership by those who are not engaged in farming; certainly not. I thoroughly agree with some of the comments of the distinguished Senator from Florida about the great American right to own, to progress, to develop, and to be and do whatever we have the capacity to be and do. But I think that includes the right to be a farmer, if we have the desire to be a farmer. I think it includes the right of the family farmer in America to survive. I think there is grave question in America today whether that family farmer can survive. Land prices have increased greatly. We have seen so many abandoned farm houses and barns standing around the countryside in my State that at times I have felt impelled to start a campaign to get rid of those buildings, because they have gradually deteriorated and have not been removed. Today, one of my greatest concerns is that we may not be able to meet the agricultural and industrial needs of my State and continue family farmownership. With this great transition in the farming industry taking place, and the great problems we face, it is going to require all the dedication we have.

I think one of the things that can help us to round this corner is to take some of this tax-loss privilege away from those whose primary interest is nonagricultural, and who have been dealing through the farm programs of our Government—and I do not blame them for that; they have every legal right to do it—with the simple objective of accumulating greater capital and greater profit, and who, I am afraid, are dstroying the capability of the young people in this country to stay on the farm.

Mr. President, it is for that reason that I support the amendment of the distinguished Senator from Montana, and I hope the Members of this body will give it their most careful consideration.

I thank the distinguished Senator from Montana for yielding.

Mr. METCALF. I thank the Senator from Iowa, who is experienced with the impact of this abuse of special farm accounting procedures.

I yield to the Senator from Maine, to make a statement.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. METCALF. Mr. President, I had promised to yield first to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized.

## VISIT TO THE SENATE BY SENATOR ALAN MacNAUGHTON OF THE CANADIAN PARLIAMENT

Mr. MUSKIE. Mr. President, I express my appreciation to the Senator from Montana for yielding to me on this matter.

Mr. President, I had the privilege of serving on the Campobello Park Commission, a unique creation of our two Governments, several years ago. Its function is to operate the Roosevelt Campobello International Park.

We took advantage of the fact this morning that the Senate was meeting to conduct a meeting of the Commission. I take a few moments to present a distinguished citizen of our neighbor to the north, the Dominion of Canada.

With me in the Chamber today is a distinguished Member of the Canadian Parliament. He has served as Speaker of the Canadian House of Commons and has served with many United States Senators in interparliamentary conferences over the years.

Mr. President, I take this opportunity to introduce to my colleagues the Honorable Alan MacNaughton, of Montreal, a member of the Canadian House of Commons.

Mr. METCALF. Mr. President, it was a privilege to yield to the Senator from Maine for that purpose. It is our privilege to have a distinguished Canadian parliamentarian here as our guest.

[Applause, Senators rising.]

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. METCALF. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Montana has 8 minutes remaining. The Senator from Georgia has 5 minutes remaining.

Mr. METCALF. Mr. President, I yield 3 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 3 minutes.

Mr. McGEE. Mr. President, I thank my friend for yielding.

I do not wish to rehash all the dialog we have had in an extended way this morning. Suffice it to say that with all of the complications that now exist and those which have grown up haphazardly over the last half century affecting agricultural legislation, most of us on the floor always come back to the defense of the small farmer, the small family farmer. And I think that here we have a chance to put our actions where our Senate oratory has been for a long time.

Whatever else we say about the present practices, I applaud the noble efforts of the committee to slow down those practices.

The fact is that the net result of the tax-break process has been to make it possible for the farmers and ranchers who were relatively well off to eventually go out through the top, if that is their choice. But by artificially inflating land values it has almost completely prohibited any young, new potential rancher from coming in at the bottom and starting to build.

New opportunities for young beginners is the best hope for the future independent farming operations in this country. If that is indeed what the Senate wants, then let us do something to help. But, if we are going to turn it over to the corporation groups and the tax loss groups, then let us say so bluntly and directly and not equivocate with the people back home. If we really believe there ought to be small family farmers and that they have an important role in our country, I think it is important to support the amendment of which I am a cosponsor.

I underscore the committee's work and applaud the committee efforts to stop encouraging the rich to get richer, and for the committee attempts to bring some equity to those at the lower end of the economic scale.

Mr. METCALF. Mr. President, I thank the Senator from Wyoming.

I yield to the Senator from North Dakota.

Mr. BURDICK. Mr. President, I have had a few inquiries about the amend-

ment. One of the fears that has been expressed is that the amendment, if it is agreed to, may force farmers in the future to adopt another form of accounting for their farming operation.

I have been at a committee meeting this morning. I have not heard all of the debate.

Would the farmer have the same choice as those who are on a cash or an accrual basis?

Mr. METCALF. Mr. President, this will not affect the farmers who are on an accrual basis. I know that the Finance Committee has been confronted with this statement. Both the members of the Finance Committee and I are seeking an answer to the abuses of the special privileges we have for farm accounting.

We have tried to assure that the legitimate farmer will be permitted to continue to report on the cash report basis instead of the accrual basis.

It is the agreement on the part of all members of the committee and those who support my amendment that this would not affect that privilege of the farmers to continue to report as they have in the past.

Mr. BURDICK. Mr. President, under the present law, they can conduct their farm accounting on a cash or accrual basis.

Mr. METCALF. Anyone can adopt the accrual method and take any loss he wants.

Mr. BURDICK. Mr. President, can we be assured then that practice will not be changed in any way?

Mr. METCALF. The Senator is correct.

Mr. BURDICK. Mr. President, I thank the Senator. I will be pleased to support the amendment.

Mr. METCALF. Mr. President, I thank the Senator.

Mr. President, I yield next to the distinguished Senator from Idaho.

Mr. CHURCH. Mr. President, I have long been associated with the distinguished Senator from Montana in his efforts to amend the tax laws.

I know, from broad contact and experience with the farm situation in Idaho, that he seeks to put an end to the abuse which is seriously undermining legitimate farmers. I think it is high time that we do so.

I compliment the Senator, and am proud to be associated with him as a cosponsor.

Mr. METCALF. I thank the Senator.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Montana has 3 minutes remaining. The Senator from Georgia has 5 minutes remaining.

Mr. METCALF. Mr. President, would the Senator from Georgia care to yield time?

Mr. TALMADGE. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. MILLER. Mr. President, I regret very much that I cannot support the amendment.

I would like the Senate to know that the Senator from Montana and I have been working in an effort to do something better about the problem than the Senate Finance Committee bill would do.

Both of us feel that the Finance Committee bill does not go far enough.

My concern over the pending Metcalf amendment is that I believe it is a little too harsh.

What it amounts to is that if a person has as much as $30,000 of nonfarm income, he cannot deduct any loss at all, because the amendment contains a provision that to the extent that nonfarm income exceeds $15,000, the $15,000 loss will be cut back dollar for dollar. So, if one has $30,000 of nonfarm income, that exceeds $15,000 by $15,000 and wipes out the maximum loss deduction by $15,000. I think that is too harsh.

Mr. METCALF. I wish the Senator from Iowa would make that plain. It wipes out the special loss reduction, but does not wipe out the loss reduction enumerated by the Senator from Georgia.

Mr. MILLER. I assumed that every Senator understood that.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. TALMADGE. Mr. President, I have promised to yield my remaining time to other Senators.

Mr. METCALF. Mr. President, I have some time remaining. I yield 1 additional minute to the Senator from Iowa.

Mr. MILLER. I thank the Senator from Montana.

I point out to the Senate that if this amendment should be rejected, the Senator from Montana and I have another amendment. It provides that any amount of loss over $20,000 will be carryover to be applied against net farm income in subsequent years, and there is no reduction of the $20,000 special loss because of the amount of nonfarm income. I think it is a much more equitable provision.

While the arguments in favor of this amendment are quite responsive, and I join in them, I believe the pending amendment is too harsh.

I want the Senate to know that there will be another amendment, if Members feel, as I do, that this one is too harsh.

Mr. TALMADGE. Mr. President, I yield 2 minutes to the distinguished Senator from Arizona.

Mr. FANNIN. I thank the Senator from Georgia and commend him for his explanation of what is involved.

I would have great sympathy for the proposal of the distinguished Senator from Montana if it would accomplish the objectives he seeks, but it will not. I am concerned about the agricultural industry of the Nation, about the small farmers and the large farmers.

I think that what we must think about and seriously consider are the kinds of programs that we can sponsor and foster that will help the American farmer and the American agricultural industry compete with foreign countries. We are now exporting to other countries jobs from every one of our other industries. One industry alone, the aircraft industry, is truly competitive in the world market.

The agricultural industry is moving out of our country into other countries more and more each day. We should all have tremendous concern about that. We must encourage investment in farming in the United States as well as take action to retain jobs in our other industries as well.

I am not in favor of loopholes. I want to be practical and consider the problem properly. The distinguished Senator from Florida realizes what is happening. I know that we have disagreed in some instances in this regard, but I feel that he has made some very good contributions in settling the problem we are discussing. We do have a very serious problem, and this legislation will accentuate that problem, not solve it.

So I feel that if this amendment is adopted it will be another barrier to our agricultural industry's competing with the other agricultural industries of the world. This amendment would seriously handicap the citrus industry and any orchard industry. I feel it is essential that this amendment be rejected, or we will be placing a further burden on our total agricultural industry in this country.

Mr. TALMADGE. I yield 1 minute to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, the problem of tax-loss farming is indeed crucial to any discussion of farm-related taxation. Our goal, as in any aspect of taxation, is to provide even and equitable legislation which makes allowances for legitimate needs, but insures fair contribution to our revenue structure.

I recognize that there have been some abuses of the current tax provisions applicable to deduction of farm-related losses against net income, and these abuses cannot be excused or tolerated. The Metcalf amendment, while directed toward the goal of eliminating these abuses, does not offer an acceptable solution to this problem. Although its application might end the abuses of farm loss deductions, it surely would severely and undesirably affect many legitimate farmers and ranchers who neither I nor my colleague from Montana desire to see burdened with further tax liability.

The Metcalf amendment takes an overly broad and statistical approach to the problem and ignores the realities faced by farmers and ranchers today. When need for increased capital expenditures and the dependence on off-the-farm income is increasing for all farmers and ranchers, the Metcalf amendment would discourage the input of fresh capital—especially in the case of those just starting out in farming and ranching—and would decrease the incentives to diversify income sources from off-the-farm activities.

Mr. President, I shall not go into the statistics of this matter in detail, but I would point out that testimony before the Finance Committee brought out facts of the latest census that some days of off-the-farm work were reported by 46 percent of all farmers and ranchers, and 32 percent reported more than 100 days of such work. The significance of this off-the-farm work to the small farmer is shown in the statistic that it generated over half the income of farmers having less than $10,000 in farm sales.

I do not feel the Metcalf amendment can be justified in its approach to tax-loss farming abuses because it would hurt

those whose interests it should be insuring.

I should like to ask a question. It has been stated that perhaps the committee bill does not go far enough and that this amendment goes too far. What about the bona fide farmer who suffers crop loss in, say, Kansas, and who, through no fault of his own, has oil production, has nonfarm income, either oil production or a gravel pit or something else? What happens with this bona fide farmer with nonfarm income—not the big corporation farmer, but the real farmers, because we have many in Kansas, Oklahoma, and throughout the Midwest?

Mr. METCALF. In the case of nonfarming, under my amendment, of over $30,000, he cannot take extended depreciation losses or the so-called losses that result from accounting methods, unless he goes to the accrual system.

Mr. DOLE. I do not mean a hobby farmer, but a genuine farmer.

Mr. METCALF. He cannot take the nonfarming profit and apply it to farm losses.

I do not think the Senator from Georgia was quite fair when he suggested that you could not take farm labor, and so forth, because we are talking about the totals at the bottom of the income taxes, the losses and the gains.

If it is one of the economic losses I have suggested, and that were read by the Senator from Georgia, and are in the bill now, it could be taken out of this oil income up to $100,000 or $200,000, unless it is one of the itemized losses as a result of taxes or drought or such things that are itemized there.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. METCALF. I yield 1 more minute.

If it is one of those things that result from soil conservation or result in conversion of current income into capital gain in the future, he could not apply that oil or timber or any other nonfarm loss to his farm income.

Mr. DOLE. But the Senator from Montana stated that at least the committee approach recognizes the problem and does adopt much of the language he suggests. The difference is in the amounts which can be deducted.

Mr. METCALF. There are some minor differences. Largely, the committee—and I am grateful to them—have adopted the language of S. 500. It is not my language. It is the kind of refined language that has been brought in by the circulation of other bills. Many employees of the Finance Committee helped me draft this language.

The principal point I am making is that the committee proposal touches only 3,000 people in the United States, and I do not believe that takes care of the abuses.

Mr. DOLE. I believe the Senator from Montana earlier said 3 million.

Mr. METCALF. Three million people file farm incomes under the current system, and the estimate from the Joint Committee is that the committee bill will apply to only 3,000 people. My proposal will apply to 14,000. The committee proposal will bring in $20 million, and my proposal will bring in $200 million.

Mr. HARTKE. Mr. President, as a cosponsor of the Senator's amendment, I would like to commend my distinguished colleague for the excellent work he has done in preparing this proposed legislation. The amendment is directed to correction of an area of tax inequity which has prevailed too long in our economy and which has compounded, if not in fact created, a serious economic and social condition which the Congress cannot in conscience ignore.

Today, many taxpayers, corporate and individual, in high tax brackets obtain substantial tax benefits from the operation of certain types of farms on a part-time basis. By electing the special farm accounting rules that are available to the ordinary farmer to ease his bookkeeping chores, these high-bracket taxpayers show farm tax losses which in no sense represent true economic losses, and which these taxpayers deduct from their business and other income in order to achieve substantial tax savings. Frequently, these so-called tax losses represent the cost of creating a farm asset, as for example, the cost of raising a breeding herd. When the herd is subsequently sold, the profits from the sale will be taxed at the lower capital gains rates, including that portion of the sales proceeds which represent a recoupment of the previously deducted expenses.

The benefits that high-income taxpayers receive from this tax inequity are substantial. In 1965, for example, according to the Department of Treasury, among taxpayers with less than $50,000 of adjusted gross income, total farm profits were $5.1 billion and total farm losses were $1.7 billion—a 5-to-2 ratio of profits to losses; while, on the other hand, among taxpayers with adjusted gross income in excess of $500,000, total farm profits were $2 million compared with total farm losses of $14 million, a 7-to-1 ratio in the opposite direction—that is losses to profits.

In these times of continuing and rising inflation, wealthy persons and corporations not only find farmland an investment which affords a hedge against inflation, but also offers a tax haven for reducing substantial tax liabilities. The resultant distortion of our farm economy is apparent: the price of land is no longer determined by economic conditions that prevail in a normal farm economy; the farmer who makes his living from his farm competes in the marketplace with wealthy farmowners who may consider a farm profit in an economic sense, unnecessary and even undesirable.

The bill provides what I consider a reasoned and intelligent correction of this manifest inequity. Under it farm losses would be permitted to be offset against nonfarm income only up to $15,000 for those whose nonfarm incomes do not exceed that amount. Accordingly, persons engaged in farming while at the same time holding down a part-time job are not affected by this measure. For those with nonfarm income in excess of $15,000, the amount against which the farm losses may be offset is reduced dollar for dollar. Persons with nonfarm earnings over $30,000 cannot offset farm losses against their income.

To permit this inequity to continue can only serve the interests of a wealthy few. This inequity not only violates our concept of fundamental fairness in tax treatment so essential to public confidence in our tax structure, but also undermines our farm economy to the detriment of the small family farm and the small farmer. I am glad to add my voice in support and in cosponsorship of this measure to remove this inequity.

Mr. PEARSON. Mr. President, revision of the Internal Revenue Code so as to control the growing practice of tax-loss farming is one of the more important aspects of the overall tax reform effort in which we are now engaged.

It needs to be emphasized, of course, that we do not seek to prevent persons who make their living primarily from nonfarming sources from investing in agriculture for economic purposes. However, we do seek to discourage persons outside of agriculture from investing in farm and ranch enterprises primarily for tax purposes.

Outside investors have been able to do this by taking advantage of the special accounting practices which have been granted the working farmer and rancher who generally find it impossible to maintain the more sophisticated accrual accounting system.

We want to correct the abuse of tax-loss farming without, of course, hurting the ordinary working farmer and rancher and without denying others the freedom to invest in agricultural enterprises providing they do so for economic rather than tax reasons.

I originally supported the tax-loss bill introduced by the distinguished Senator from Montana (Mr. METCALF). This was one of the earliest corrective proposals made after the growing practice of tax-loss farming became rather generally apparent.

However, today I am voting to support the proposals of the Senate Finance Committee. They have studied this problem carefully and it seems to me that they have come up with a rather impressive list of corrective provisions which I believe will go a long way toward correcting the abuse of tax-loss farming, without generating other unintended and unforeseen inequities and difficulties.

Mr. TOWER. Mr. President, I shall vote against the adoption of amendment No. 315, the so-called farm loss amendment.

Quite frankly there has been a great deal of comment about this amendment, including arguments both pro and con which have been expressed to me by my constituents in Texas. Both sides have had valid preferences and objections because it will not affect all agriculture as a bloc in the same manner. The proponents of this amendment contend that present tax statutes encourage wealthy nonprofessionals to dabble in agriculture at the expense of the ordinary taxpayer. The implication is that "hobby farmers," as they are called, are thus able to pursue dilettante pastimes without contributing anything to society, meanwhile charging the public with their farm losses through intricate bookkeeping procedures.

This may be picturesque, but it is inaccurate.

I think particularly of the costly and time-consuming procedures for developing a herd of breeding cattle or the painstaking processes necessary for cross-breeding to develop new plant strains, which expenses are currently deductible as incurred.

I ask my colleagues to think, before they vote, what benefits to the American standard of living have emerged from such laboratories protected under present tax procedures. Then project what this has meant for the United States internationally, in terms both of revenue and prestige. If we erase these provisions we erase in proportion some incentive for agricultural research and development. I believe this means is proving a less expensive method of encouraging research and development than Government financed projects.

There is another reason why I will vote against the amendment, and I ask my colleagues to consider it before they cast their votes. The amendment, if adopted, would complicate for the farmer the keeping of financial records required for tax purposes and would necessitate the hiring of financial expertise, a burden today's hard-pressed farmer does not need.

It has been said, also, that the limitations provided in the amendment are too high, and that the amendment here is not properly aimed to meet its stated objective. In my opinion, the reasons which I have stated outweigh other considerations.

We must first consider the effect on agricultural research and the additional accounting responsibilities and burdens imposed on the Nation's hard-pressed farmers.

The PRESIDING OFFICER (Mr. McGOVERN in the chair). All time on the amendment has expired.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRIFFIN (when his name was called). Mr. President, on this vote I have a live pair with the Senator from Kentucky (Mr. COOK). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. PASTORE (after having voted in the affirmative). Mr. President, on this vote I have already voted "yea," but I am willing to have a live pair with the Senator from Louisiana (Mr. ELLENDER). If he were present and voting, he would vote "nay." I have already voted "yea." Therefore, I withdraw my vote.

Mr. BROOKE (after having voted in the affirmative). On this vote, I have a live pair with the Senator from California (Mr. MURPHY). If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia (after having voted in the negative). On this vote, I have a live pair with the senior Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "yea." I have already voted in the negative. If I were permitted to vote, I would vote "nay." I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Texas (Mr. YARBOROUGH) are necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH), and the Senator from Nevada (Mr. CANNON) are absent on official business.

I further announce that, if present and voting, the Senator from Mississippi (Mr. STENNIS) would vote "nay."

On this vote, the Senator from Indiana (Mr. BAYH) is paired with the Senator from Arkansas (Mr. FULBRIGHT).

If present and voting, the Senator from Indiana would vote "yea," and the Senator from Arkansas would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from California (Mr. MURPHY), the Senator from Ohio (Mr. SAXBE), and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The respective pairs of the Senator from Kentucky (Mr. COOK) and that of the Senator from California (Mr. MURPHY) have been previously announced.

The result was announced—yeas 29, nays 50, as follows:

[No. 182 Leg.]

YEAS—29

| | | |
|---|---|---|
| Burdick | Jackson | Moss |
| Church | Kennedy | Muskie |
| Dodd | Magnuson | Nelson |
| Eagleton | Mansfield | Pell |
| Goodell | McCarthy | Proxmire |
| Harris | McGee | Randolph |
| Hart | McGovern | Ribicoff |
| Hartke | McIntyre | Young, N. Dak. |
| Hughes | Metcalf | Young, Ohio |
| Inouye | Mondale | |

NAYS—50

| | | |
|---|---|---|
| Aiken | Ervin | Packwood |
| Allen | Fannin | Pearson |
| Allott | Fong | Percy |
| Baker | Gore | Prouty |
| Bellmon | Gurney | Schweiker |
| Bennett | Hansen | Scott |
| Bible | Hatfield | Smith, Maine |
| Boggs | Holland | Sparkman |
| Byrd, Va. | Hollings | Spong |
| Case | Hruska | Stevens |
| Cooper | Javits | Talmadge |
| Cotton | Jordan, N.C. | Thurmond |
| Cranston | Jordan, Idaho | Tower |
| Curtis | Long | Tydings |
| Dole | Mathias | Williams, N.J. |
| Dominick | Miller | Williams, Del. |
| Eastland | Montoya | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—4

Pastore, for.
Griffin, for.
Brooke, for.
Byrd of West Virginia, against.

NOT VOTING—17

| | | |
|---|---|---|
| Anderson | Goldwater | Saxbe |
| Bayh | Gravel | Smith, Ill. |
| Cannon | McClellan | Stennis |
| Cook | Mundt | Symington |
| Ellender | Murphy | Yarborough |
| Fulbright | Russell | |

So Mr. METCALF's amendment was rejected.

Mr. TALMADGE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. LONG. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

## ORDER FOR ADJOURNMENT TO 9:30 O'CLOCK A.M., ON MONDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 o'clock a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATOR MATHIAS ON MONDAY MORNING NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the prayer on Monday, the distinguished Senator from Maryland (Mr. MATHIAS) be recognized for not to exceed 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

### UNANIMOUS-CONSENT AGREEMENT

Mr. LONG. Mr. President, I ask unanimous consent that there be a time limitation of 20 minutes, with the time to be equally divided on two amendments to be offered by the Senator from Utah (Mr. BENNETT); and that there be 40 minutes, to be equally divided between the sponsor of the amendment and the Senator in charge of the bill, on two amendments to be offered by the Senator from New York (Mr. JAVITS).

Mr. MILLER. Mr. President, reserving the right to object, the Senator from Montana (Mr. METCALF) and I have a joint amendment on the very same subject on which we just voted. It was our hope that we could limit the time and discuss the amendment, since the Senate is already oriented to the subject; so that we would both hope we could offer the amendment next.

Mr. LONG. Mr. President, I ask unanimous consent that the Senator from Iowa (Mr. MILLER) be permitted to offer his amendment next, and that there be a time limitation of 20 minutes, with 10 minutes on each side on his amendment.

Mr. BENNETT. Mr. President, I will be happy to yield for that purpose, with the understanding that I will gain the floor at the end of that period.

The PRESIDING OFFICER. Is there objection to the several unanimous-

consent requests just made? The Chair hears none, and they are so ordered.

Mr. MANSFIELD. Mr. President, as I understand it, we now have five amendments pending, and on each there will be a 20-minute limitation of time to be equally divided; two Bennett amendments; two Javits amendments, and one Miller-Metcalf amendment; is that not correct?

The PRESIDING OFFICER. The Chair understands that the request was for the two amendments to be offered by the Senator from Utah (Mr. BENNETT) with 20-minute time limitation on each one.

Mr. BENNETT. Mr. President, 20 minutes for both.

Mr. MANSFIELD. That is right—and the same for the Senator from New York (Mr. JAVITS).

Mr. HOLLAND. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. This does not cut off amendments subsequent to that?

Mr. MANSFIELD. Oh, no.

Mr. President, to keep the record straight, the chairman of the committee asked and received unanimous consent that there be a time limitation of 20 minutes, with the time to be equally divided, on an amendment by the Senator from Iowa (Mr. MILLER), and the Senator from Montana (Mr. METCALF); two amendments to be offered by the Senator from Utah (Mr. BENNETT), and two amendments to be offered by the Senator from New York (Mr. JAVITS).

Mr. LONG. Mr. President, it might require more time on the second Javits amendment; but on the first one, 10 minutes to a side.

Mr. KENNEDY. Mr. President, reserving the right to object, do we expect to have rollcall votes on these amendments? Could we find out? We have meetings going on. We are in the final executive session on an important measure of the administration, and we are voting on amendments now, and I think we should find out at this time.

Mr. MANSFIELD. I believe that the Bennett amendments will be accepted. So far as the Senator's meeting is concerned, that is right next door and we can give him immediate notice to get back into the Chamber so that he will not be caught short. I do not know whether the Senator from Iowa (Mr. MILLER) wants a rollcall vote on his amendment.

Mr. MILLER. Yes, I do.

The PRESIDING OFFICER. It is the understanding of the Chair that there will be 20 minutes on each of the five amendments, with 10 minutes allotted to a side.

AMENDMENT NO. 359

Mr. MILLER. Mr. President, I call up amendment No. 359 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The text of the amendment is as follows:

On page 189, strike the portion of line 24 following the word "farming", and on page 190 strike line 1 and the portion of line 2 preceding the second comma.

On page 190, strike lines 9 through 12, inclusive, and insert in lieu thereof the following: "(A) $20,000, or (B)".

On page 190, line 24, strike "$50,000 and".

On page 190, strike line 25 and insert in lieu thereof the following: "$20,000 amount specified in subsection (a) shall be $10,000 for each".

On page 191, line 1, strike all preceding "The".

On page 191, line 9, insert after the word "inventories" the following: "valued at fair market value".

On page 192, line 17, strike "one-half of".

On page 193, strike lines 1 through 4, inclusive, and renumber the succeeding paragraphs on pages 193 and 194 accordingly.

On page 193, line 22, strike "(except for purposes of paragraph (1))".

On page 194, line 23, after the word "PARTNERSHIPS" add the following: "AND ELECTING SMALL BUSINESS CORPORATIONS".

On page 194, line 24, insert after the word "partnership" the following: "or an electing small business corporation as defined in section 1371(b)".

On page 194, line 25, strike "of such partnership".

On page 195, line 1, strike "in such partnership".

Mr. MILLER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MILLER. Mr. President, I have been concerned for several years now about the problem of nonfarmers writing off losses from farming operations against their nonfarm income. I first introduced a bill on this matter in the 90th Congress and I reintroduced it again this year. Earlier this year I testified before the House Ways and Means Committee on this subject during their hearings on tax reform.

Mr. President, I was very pleased when I learned at the beginning of this session, that the House Ways and Means Committee was going to consider the question of whether, and to what extent, farm losses should continue to be allowed as deductions against nonfarm income. I believe the time has come when the Congress should no longer drag its feet in amending the Internal Revenue Code to put a stop to the use of losses from farming operations as a tax avoidance scheme.

Tax-loss farming should be curbed because it poses unfair competition to the family farmer and, furthermore, results in annual tax revenue losses running into the millions of dollars. As the tax law is now written, the family farmer is forced to compete against many individuals and corporations who write off losses from farming operations against high tax bracket income from nonfarm operations. This competition is unfair.

For example, a top income bracket taxpayer can, using proper planning, convert $1 of loss into 70 cents—77 cents with the surtax—of tax savings; and then, by selling off his farm assets lock, stock, and barrel, realize long-term capital gain of $1 with maximum tax of 25 cents.

The extent of these tax loss writeoffs is reflected in a study of 1966 income tax returns by the Internal Revenue Service which shows that 75 percent of the 4,778 individuals who had farm operations and incomes over $100,000 deducted $72 million in farm losses against their other income.

A more complete breakdown of high income taxpayers, whose returns included farm schedules shows:

Millionaires: Of the 103 involved in farming operations, 15 showed a net profit and 88 showed a net loss;

From $500,000 to $1,000,000: Of the 228 in this bracket, 27 showed a net profit and 201 or 88 percent showed a loss;

From $200,000 to $500,000: Of the 1,104 farm schedules, 209 showed a net profit and 895 or 81 percent showed a loss;

From $100,000 to $200,000: Of the 3,343 farm schedules, 986 showed a net profit and 2,357 or 70.5 percent showed a loss; and

From $50,000 to $100,000: Of the 14,202 farm schedules, 5,622 showed a net profit and 8,580 or 60 percent showed a loss.

A U.S. Department of Agriculture report, released about the same time as the Internal Revenue Service study, discloses that nonfarm business income was reported most frequently by those with the largest farm losses. Although the USDA report was based on 1963 income tax returns, it shows the depth of the problem, which is even greater today. Individuals with farm losses reported nonfarm income nearly twice as often as those with farm profits, and their nonfarm business income averaged more than twice that of persons with farm profits. Out of a group classified by the USDA report as "well off," comprising almost a quarter of a million individuals, approximately 111,000 reported farm losses and more than 38,000 reported farm profits of less than $12,000. Of the 66,000 individuals who were classified as "wealthy," more than two-thirds reported farm losses, with the average losses reported being $14,110.

A properly designed tax law is needed. Tax loss farming is detrimental to the regular farmer in that it tends to push up the price of farm land. Wealthy individuals and corporations bid up the price—not because they desire a farm to make a living for themselves and their families, but because they want to take advantage of a tax scheme. Higher property taxes eventually hit the neighbors. Furthermore, the fact that farmowners with nonfarm income in high income brackets may consider a farm profit, in the economic sense, unnecessary for their purposes puts the ordinary farmer at a disadvantage when competing in the market place. Because he does not have to depend on farm operations for a livelihood, the high income bracket taxpayer can demand less for his products than the regular farmer, who needs to make a profit to be able to stay in business.

If farm losses could not be offset against other business income, these multibusiness individuals and corporations would get out of farming or they would help fight for better prices and lower costs of production.

When the House provision dealing with farm losses was finally unveiled I was greatly disappointed. As it has been previously pointed out, the House bill would affect only about 3,000 returns and would produce only $5 million in 1970, $10 million in 1971, and $20 million annually thereafter. Thus, in my opinion, the House bill will not close this loophole.

I believe that the Senate Finance Committee improved the House bil' by eliminating the excess deductions account, which was very complicated and substituting a formula similar to the pending amendment. Unfortunately, the limitations are so high in the Senate Finance Committee bill that it also fails to close this loophole. For example, it would affect only about 3,000 returns and produce $25 million annually. This is just slightly more than the revenue which would be produced by the House bill once it is fully implemented.

Mr. President, the junior Senator from Montana and I believe that a more effective provision should be adopted, and this is reflected by the pending amendment.

Now, Mr. President, we have all heard the arguments about the problem, and I do not think there is much that can be added to what has been said so ably by Senators who have already spoken on the preceding Metcalf amendment. Senator METCALF and I have been working together to try to work up a proposal that would appeal to most Senators. I might add that our amendment would leave the Finance Committee bill pretty much intact.

What our amendment would do with respect to the loss allowed is to change the loss provisions allowed under the Finance Committee bill in this way: The committee would allow a farm loss deduction of up to $25,000, and any losses over and above that would be allowed to the extent of 50 percent.

I suggest that when we open up a loss deduction to the extent of one-half of all over $25,000, we have opened up a wide hole for persons engaged in farm loss operations. For example, in the case of a loss of $1 million, half of it could be written off over $25,000.

The Senator from Montana and I believe that is too much of a loophole. So what we have pending in the amendment is this provision: A loss up to $20,000 can be written off against nonfarm income, regardless of the amount of nonfarm income. If a taxpayer, engaged in farm operations, has $1 million of nonfarm income, say income from an oil well, which is what the Senator from Kansas suggested in his question during debate on the proceeding amendment, he could still deduct $20,000 of losses. Our amendment would, however, not permit farm losses in excess of $20,000 to be written off against nonfarm income.

Now if there is a loss over and above $20,000, our amendment permits this to be carried over and applied against net farm income in subsequent years.

As in the Finance Committee bill, there is an unlimited loss carryover deduction. There is an important difference between our amendment and the committee amendment, however. While the Senate committee amendment allows an unlimited loss carryover deduction, it provides that a loss carryover deduction can be applied only to the extent of one-half of the net farm income. Our amendment provides that the farm loss carryover deduction can be applied in full against future net farm income. Thus, I believe there is an improvement.

The amendment of the Senator from Montana (Mr. METCALF), the committee bill, and this pending amendment should be compared as to impact.

The committee bill would affect only 3,000 returns and would pick up $25 million.

As was pointed out by the Senator from Montana, the preceding amendment would affect 14,000 returns, to the extent of $205 million.

The pending amendment strikes a balance between the two and would affect 9,000 returns, to the extent of $120 million. Both of us feel strongly that the committee does not go far enough, and here is why:

The statistics show that some 3,000 returns by individuals in high income brackets—that is, to the extent of $100,000 of net income or more—have net farm losses on farm schedules that they file. We do not think that covering them is enough.

I would point out that our pending amendment gets down to the $50,000 to $100,000 bracket as well. That is where the additional 6,000 returns would come from. We think this is important to keep our regular farmers competitive and at the same time allow people who do have some nonfarm income to engage in farming operations on a prudent basis.

Mr. President, I reserve the remainder of my time.

Mr. LONG. Mr. President, the pending amendment would have the same objections to it that existed with regard to the Metcalf amendment, except that this amendment would remove the limitation contained in the Metcalf amendment which would limit the offset of income above $15,000 with the gradual limitation of the offset up to $30,000 of nonfarm income. In that respect, the amendment is not as objectionable to Senators who opposed the Metcalf amendment, but in other reasons is equally objectionable. For the reasons I have given, Senators who were opposed to the Metcalf amendment would be opposed to this amendment. We oppose the amendment.

Would the Senator from Georgia (Mr. TALMADGE) care to comment on the amendment?

Mr. TALMADGE. Mr. President, I have no additional comment to make. The committee acted on it. I outlined to the Senate what the committee did. I think it went far enough. I really have not had a chance to see the Senator's amendment, and I do not know what it provides.

Mr. METCALF. Mr. President, will the Senator from Iowa yield me 1 minute?

Mr. MILLER. Mr. President, I do not believe I need unanimous consent to modify my amendment. Is that correct?

The PRESIDING OFFICER. The Senator does need unanimous consent. The yeas and nays have been ordered.

Mr. MILLER. Mr. President, I am sorry to trouble the Senate like this, but I ask unanimous consent that the pending amendment be modified by the further proviso that on page 193, line 11, the word "disease" be inserted after the second comma.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment will be so modified.

Mr. MILLER. Mr. President, I want to briefly explain what this does. The Senator from Georgia had a very valid objection with reference to the committee bill which talks about losses arising from storm, fire, or other casualty, in that "casualty" may not cover disease, because disease may operate slowly and "casualty" has been limited to a "sudden" happening. By putting in the word "disease" I think we have covered the problem pointed out by the distinguished Senator from Georgia.

I yield 1 minute to the Senator from Montana.

Mr. METCALF. Mr. President, I concur in the amendment of the Senator from Iowa. I am cosponsor of the amendment. I do not feel it completely takes care of the situation. My amendment was a better one. However, this is a compromise that the Senator from Iowa is talking about and that the Senator from Tennessee is talking about. They think perhaps my amendment was too sharp and went too far. At the same time, their comments were that the committee bill did not go quite far enough. I think this is a valid compromise.

I feel my amendment, the committee bill, and perhaps this amendment takes care of casualties. Whatever we do in conference, I hope we are sure that the kind of casualty as a result of disease that the Senator from Georgia was talking about is taken care of by the committee bill or the report, so that it is nailed down without an interpretation that some of the things we have been talking about will not become an economic loss when we all intended to safeguard economic losses.

Mr. MILLER. Mr. President, I yield myself 1 minute.

In response to the comments of the able chairman of the Finance Committee, I must point out that our amendment provides for a loss up to $20,000. I believe he stated it merely removed the $15,000 limitation contained in the preceding amendments.

We believe this amendment would be a little more liberal and more appealing. In the committee we talked about $15,000, $20,000, and $25,000. We think $20,000 is enough, particularly with the unlimited carryover deduction.

Mr. President, I am prepared to yield back my time.

Mr. LONG. Mr. President, I yield myself 1 minute.

Mr. President, the way the Senator has modified his amendment would make it somewhat less objectionable, but most of the objections which were made by the Senator from Georgia to the previous amendment would still apply to this amendment. Therefore, we will have to oppose it.

Mr. MILLER. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. MILLER. Mr. President, I want to emphasize that the Senator from Georgia had a valid point. I have had a lot

of experience with the distinction between a casualty loss and one which is not considered, for two purposes, a casualty loss, because it did not happen suddenly enough. That is why it is important to have the word "disease" written into the Finance Committee bill. That is what we have done, by the pending amendment as modified, so that, as in the example of the Senator from Georgia, if there were a loss, from disease, in a dairy herd amounting to $50,000, our amendment will protect that and will permit, in addition to that, $20,000 of farm loss if there is one. So I think we have covered the casualty and disease problems the Senator from Georgia pointed out.

Mr. COOPER. Mr. President, will the Senator yield? May I ask the Chair how much time the Senator has left?

The PRESIDING OFFICER. The Senator from Louisiana has 8 minutes remaining.

Mr. COOPER. May I have 3 minutes?

Mr. LONG. I yield 3 minutes to the Senator from Kentucky.

Mr. COOPER. Mr. President, as Senators know, my State of Kentucky, among others, is engaged in the breeding of horses—thoroughbreds for racing, saddle horses, show horses, and other registered purebred horses. I had thought the provisions that were agreed to in the committee were an improvement over the House bill, and that while they may present the horse industry with some difficulty they would not be punitive or destructive of the industry, as would the amendments offered today.

Kentucky is known throughout the country and throughout the world for the breeding and training of thoroughbred racing horses, of trotting and pacing harness racehorses, or three-gaited and five-gaited saddle horses—including, I may say, Tennessee walking horses—and other registered horses for show and pleasure.

There are now about 6 million horses in the United States. Approximately 1.2 million are registered horses—more than double the number a decade ago—over 800,000 recreational and over 400,000 commercial horses. Breeding, training, showing, and racing horses are a legitimate business. It is a business in which hundreds of millions of dollars have been invested. It provides a large volume of taxes to our country and to my State and provides wide employment.

In his testimony before the committee, Gov. Louie B. Nunn estimated that the horse industry was responsible for half the tourist business which brought $43 million in direct taxes to Kentucky, and that nationally breeding, training, and showing horses provides 150,000 full-time jobs. Of course, the business requires tremendous investment by individuals engaged in it. One never knows whether the work of 1 year will be successful. Actually, there is a cycle of at least 6 consecutive years from the time breeding stock is purchased until the offspring race and the results of that breeding are known and proved. It is a business with substantial risk, by its nature often involving investment over many years before that work is rewarded with success.

I want to call to the attention of the Senate the character and importance of this business to Kentucky and other States. In my opinion, the pending amendment would destroy that industry, as would the amendment proposed before it, which the Senate rejected. I think the committee amendments, on the other hand, will at least give the industry a chance. I hope that the Miller-Metcalf amendment will be rejected.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL (when his name was called). Mr. President, on this vote I have a pair with the Senator from Louisiana (Mr. ELLENDER). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. NELSON (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from California (Mr. CRANSTON). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON) and the Senator from Texas (Mr. YARBOROUGH) are necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH) and the Senator from Nevada (Mr. CANNON) are absent on official business.

On this vote, the Senator from Indiana (Mr. BAYH) is paired with the Senator from Arkansas (Mr. FULBRIGHT). If present and voting, the Senator from Indiana would vote "yea," and the Senator from Arkansas would vote "nay."

On this vote, the Senator from Missouri (Mr. SYMINGTON) is paired with the Senator from Mississippi (Mr. STENNIS). If present and voting, the Senator from Missouri would vote "yea," and the Senator from Mississippi would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from California (Mr. MURPHY), the Senator from Ohio (Mr. SAXBE), and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Vermont (Mr. AIKEN) is detained on official business to attend the funeral of a friend.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), and the Senator from California (Mr. MURPHY) would each vote "nay."

The result was announced—yeas 32, nays 47, as follows:

[No. 183 Leg.]

YEAS—32

| | | |
|---|---|---|
| Burdick | Hughes | Mondale |
| Church | Inouye | Moss |
| Dodd | Jackson | Muskie |
| Eagleton | Kennedy | Pastore |
| Goodell | Magnuson | Proxmire |
| Gore | Mansfield | Ribicoff |
| Griffin | Mathias | Schweiker |
| Harris | McGee | Williams, Del. |
| Hart | McGovern | Young, N. Dak. |
| Hartke | Metcalf | Young, Ohio |
| Hatfield | Miller | |

NAYS—47

| | | |
|---|---|---|
| Allen | Eastland | Packwood |
| Allott | Ervin | Pearson |
| Baker | Fannin | Percy |
| Bellmon | Fong | Prouty |
| Bennett | Gurney | Randolph |
| Bible | Hansen | Scott |
| Boggs | Holland | Smith, Maine |
| Brooke | Hollings | Sparkman |
| Byrd, Va. | Hruska | Spong |
| Byrd, W. Va. | Javits | Stevens |
| Case | Jordan, N.C. | Talmadge |
| Cooper | Jordan, Idaho | Thurmond |
| Cotton | Long | Tower |
| Curtis | McCarthy | Tydings |
| Dole | McIntyre | Williams, N.J. |
| Dominick | Montoya | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Nelson, for.
Pell, for.

NOT VOTING—19

| | | |
|---|---|---|
| Aiken | Fulbright | Saxbe |
| Anderson | Goldwater | Smith, Ill. |
| Bayh | Gravel | Stennis |
| Cannon | McClellan | Symington |
| Cook | Mundt | Yarborough |
| Cranston | Murphy | |
| Ellender | Russell | |

So the amendment, as modified, was rejected.

Mr. BENNETT. Mr. President, I send to the desk two amendments which are numbered A and B and ask that they be considered separately in that order.

I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be printed in the RECORD.

The amendments ordered to be printed in the RECORD are as follows:

On page 148, after line 16, insert the following:

"(h) CERTAIN PRIOR TAXABLE YEARS.—In the case of a water users association which is organized to operate a reclamation project of the Bureau of Reclamation, Department of the Interior, and which is a membership organization described in section 277 of the Internal Revenue Code of 1954 (as added by subsection (b)(3)), no deduction attributable to furnishing services, goods, or other items of value to members shall be denied for any taxable year beginning before January 1, 1971."

On page 148, line 9, strike out the quotation mark and add:

" 'No examination of the religious activities of such an organization shall be made except to the extent necessary to determine whether such organization is a church or a convention or *association* of churches, and no examination of the books of account of such an organization shall be made other than to the extent necessary to determine the amount of tax imposed by this title.' "

Mr. BENNETT. Mr. President, in order to understand this amendment, it is necessary briefly tc review how the basic provision came to be included in the Senate version of the Tax Reform Act.

Back in 1916, Congress exempted "mutual ditch or irrigation companies" from income tax where their income was "solely" from members. Ultimately because nonmembers had occasion to utilize

the water and related facilities of these organizations, Congress later moderated the "solely" test to allow exemption where nonmember income was "incidental" to the operation of the company, that is, where not more than 15 percent of the organization's gross revenues came from nonmember sources. Eventually, because of the general need for water development and irrigation, many of these organizations came to supply services to nonmembers in excess of 15 percent of their gross income. Consequently, they lost their tax-exempt status.

When they lost this tax-exempt status, the Internal Revenue Service took the position that since the organization's basic operation of selling water rights to its members was not intended to be a profitmaking venture, the expenses incurred in supplying water to members were not ordinary and necessary business expenses and could not be deducted in excess of the amount of income received from members. It had won similar cases in situations where the corporations involved were not tax-exempt or non-profit organizations—*International Trading Co.* v. *Commissioner*, 27 F. 2d 578, and *American Properties Inc.* v. *Commissioner*, 262 F. 2d 150. In a recent case—*Anaheim Union Water Company* v. *Commissioner*, 321 F. 2d 253, C.A. 9th, 1963, which reversed 35 T.C. 1072—the circuit court disagreed with the position of the Commissioner and held that the expenditures made by the company to supply water to its members were "ordinary and necessary" because this activity did constitute the carrying on of a trade or business. The Commissioner has not acquiesced in the court's decision and has continued to take the position that the expenses are not deductible. There has been subsequent litigation and two cases are now being considered on appeal—*Bear Valley Mutual Water Company*, 283 F. Supp. 949 (1968)—on appeal, C.A. 9th; *San Antonio Water Company*, 285 F. Supp. 297 (1968), on appeal, C.A. 9th. There is also one case pending in the Tax Court and another in the District Court in Oklahoma.

The Senate bill adds a new section to the Internal Revenue Code—section 277—which would codify the position taken by the Commissioner of Internal Revenue. The provision would not become effective until January 1, 1971. My amendment would not change what is now contained in the bill.

What it would do, would be to allow water users associations organized to operate reclamation projects of the Bureau of Reclamation of the Department of the Interior to deduct all expenses incurred in supplying services and benefits to their members up to the effective date of the provision in the Senate bill. In other words, up until January 1, 1971, the expenses would be treated in accordance with the position taken by the taxpayers and approved by the courts in the Anaheim case. From January 1, 1971, on, the position expressed in the committee bill would apply.

I think this amendment is fair and feasible in that it would eliminate further litigation and uncertainty on the point until the provision contained in the reform bill becomes operative.

Mr. President, also at this time I would like to engage the chairman of the committee in a brief colloquy.

During the executive session in the Committee on Finance, I raised a question as to whether the effective date of the income averaging amendment contained in the bill would in any way upset the effective date approved by Congress when it enacted the income averaging provision in 1964.

I was concerned that an individual who had engaged in a long-term employment contract prior to the 1964 act might inadvertently be denied the long-term spread permitted under the present 1964 law with respect to a payment he receives after this tax reform bill becomes operative. I was assured in committee that the situation I described would not be affected by the tax reform legislation and that an individual who had embarked before 1964 on a long-term employment could average the income he received from that employment over the period the services were rendered. It was my understanding the committee report would be clarified on this matter.

Unfortunately, the explanation I expected to see in the committee report is not there, and so I am directing this inquiry to the chairman of the committee: Does the effective date of the income averaging provision apply in any way to restrict the application of the savings clause contained in the original income averaging provision in 1964?

Mr. LONG. No. It does not. The effective date of the tax reform act does not limit the operation of the savings clause contained in the 1964 act. An individual who began an employment under the savings clause could still report his income under that savings clause even though he receives it after the 1969 tax reform bill goes into effect.

As the Senator knows, the committee report was prepared with considerable haste. I regret that the language we had intended to include in the report is not there.

Mr. BENNETT. I recognize that this is a complete inadvertence. I appreciate the willingness of the chairman to straighten the matter out on the floor.

It is my understanding, as I am sure the chairman will confirm, that the two amendments I have offered are so limited in nature that the chairman is willing to accept them and take them to conference.

The first amendment refers to the problem of a water user's association organized to operate a reclamation project of the Bureau of Reclamation which is a membership organization described in section 277 of the Internal Revenue Code of 1954.

Under that code, in providing those services if more than 15 percent of the water users were not members of the association, it loses its tax exemption.

Mr. President, in the normal course of the operation of a number of these projects, this number has crept up above 15 percent. And that matter is being litigated.

The purpose of the amendment is to make sure that no deductions attributable to furnishing services, goods, or any other items of value to members shall be denied for any taxable years beginning before January 1, 1971.

This will be the matter in conference where it can be discussed carefully. I think it is so complicated that it should not be debated on the floor of the Senate.

Mr. LONG. Mr. President, I have discussed this matter with the members of the staff. I see no objection to it. I have also discussed it with other members of the committee. So far as I know, there is no objection to the amendment. I am willing to agree to it and to take it to conference.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The question is on agreeing to the amendment of the Senator from Utah on page 148, after line 16, to insert new language.

The amendment was agreed to.

Mr. BENNETT. Mr. President, the other amendment refers to what I think is a desirable clarification of the language in the bill which, for the first time, allows the Internal Revenue Service to audit churches.

This has not been possible under the previous law. And the language of the bill, I think, is too loose.

The Treasury agrees with me. I am offering alternate language which adds on page 148, line 9, these limiting requirements:

On page 148, line 9, strike out the quotation mark and add:

"No examination of the religious activities of such an organization shall be made except to the extent necessary to determine whether such organization is a church or a convention or association of churches, and no examination of the books of account of such an organization shall be made other than to the extent necessary to determine the amount of tax imposed by this title."

Mr. President, that is the title imposing a tax on unrelated business income.

There is a fear the language would open it up so that the IRS could go through all the church books that pertain to religious activities.

They did not intend to do this. Therefore, the IRS agrees with me that the limiting language will have uses.

It is my understanding again that the chairman agrees with me and is willing to take the amendment to conference.

Mr. LONG. I have no objection to the amendment, Mr. President.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. BENNETT. I yield back the remainder of my time.

Mr. LONG. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Utah on page 148, line 9.

The amendment was agreed to.

AMENDMENT NO. 350

Mr. LONG. Mr. President, I ask unanimous consent that the Senator from Arizona (Mr. FANNIN) may offer an amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. I thank the distinguished Senator.

Mr. President, I call up amendment No. 350.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. FANNIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 113, line 15, strike out all down through page 115, line 10, and insert in lieu thereof the following:

"(5) SPECIAL REAL ESTATE PROVISION.—With respect to any private foundation which owns stock on October 9, 1969, in an incorporated business enterprise which owns (together with any of its subsidiary corporations) more than 10 percent of the land area of any major political subdivision of a State, section 4943(c)(4)(B) shall be applied by substituting the term "10-year period" for the term "15-year period" wherever it appears in such section. For purposes of this paragraph, a 'major political subdivision' means an incorporated city or county having a population of more than 100,000 persons on October 9, 1969."

The PRESIDING OFFICER. The Senate will be in order. Attachés and clerks standing must take seats, or the Sergeant at Arms will eject them.

Mr. FANNIN. Mr. President, section 101(1)(5) of the bill entitled "Special Real Estate Holding Provision" would require a foundation to dispose of its excess business holdings in stages—10 percent of the excess holdings within 2 years, 25 percent within 5 years, 50 percent in 10 years, and the remainder by the 15th year—if those excess holdings are in an incorporated business enterprise which together with subsidiaries owns more than 10 percent of the land area of a major political subdivision—city or county with a population of more than 100,000 persons on October 9, 1969. As its title indicates, this section is indeed a special provision: it singles out one private foundation for discriminatory treatment.

The only foundaton that fits the description in section 101(1)(5) of the bill is the James Irvine Foundation, San Francisco, Calif. The foundation owns 4,590,000 shares or 54.55 percent of the stock of the Irvine Co., which in turn owns a large tract of land comprising about 20 percent of the area of Orange County, Calif. The balance of the outstanding stock of the Irvine Co. is held almost exclusively by donor related parties. Accordingly, under the terms of the bill all except about 4 percent of the foundation's Irvine Co. stock must be disposed of as excess business holdings.

The effect of section 101(1)(5) of the bill is to impose on the James Irvine Foundation a stock-divestiture requirement with a much tighter time schedule than that applicable to any other foundation. The Irvine Foundation would have to sell 459,000 shares within 2 years, another 688,500 shares within 5 years, an additional 1,147,500 shares within 10 years, and the remaining 2,295,000 shares within 15 years. All other foundations holding the same percentage of voting stock interest are given a full 15-year period to dispose of their excess business holdings; they are not required to make partial dispositions within 2, 5, and 10 years. This discrimination against the James Irvine Foundation means that its charitable beneficiaries will suffer the loss of capital value resulting from the sale under distress conditions of a major equity interest for which there is no existing market.

Any such departure from elementary principles of equity, fairness, and nondiscrimination must be supported by special facts or considerations of tax policy. No such support exists in this case. Neither the foundation nor the company has ever engaged in the self-dealing, accumulation of income, political activities, or other abuses which other foundations may have committed and which the Tax Reform Act is designed to prevent, or in any other unlawful activity.

The foundation has been subject to criticism because its current income and distributions to charity are relatively low if expressed as a percentage of the current fair market value of its assets including unrealized capital appreciation. Even here, however, the foundation's yield is as good as, or better than, the yield realized by many other foundations, particularly foundations that are required, as the James Irvine Foundation is, to retain the stock interests originally contributed by their founders. The foundation's unrealized capital appreciation, which reflects potential future income to be distributed to charity, has been caused by the recent rapid growth of land values in metropolitan Los Angeles and has not been the subject of any tax benefit for either the foundation or the company. The company has, for several years, been engaged in a major program to increase its income by developing its land in an orderly manner, and substantially all of its increasing income from these expanding operations is distributed on a current basis to its stockholders as dividends.

The foundation has also been criticized on the ground that it continues donor-related control of the Irvine Co. This criticism has no basis. Only one of the foundation's governing board of eleven directors is donor-related, a granddaughter of James Irvine, and only two of the remaining 10 directors are former business associates of Mr. Irvine. The remaining eight directors are independent, public-spirited California business and professional men.

Based on the foregoing facts, there is absolutely no reason why a tax reform bill, which is supposed to correct inequities in the tax law, should create a new inequity by discriminating against the James Irvine Foundation to the serious detriment of its charitable beneficiaries. The time period allowed by the bill's discriminatory divestiture rule in this case is wholly inadequate. As I shall point out later, it would be inadequate for an orderly disposition even if there were an established market for Irvine Co. stock. In the absence of a market, certainly, there is no reasonable possibility that sales required within 2 years and 5 years can be made without serious impairment of the value of the foundation's capital and consequent losses of great magnitude to the educational institutions, hospitals, youth groups and other organizations that are the recipients of the income from that capital. Among the major beneficiaries of the James Irvine Foundation are Stanford University, University of Southern California, Santa Ana Community Hospital, Los Angeles County Art Museum, and the Boy Scouts of America.

A conservative estimate of the extent of the loss in the value of trust capital would be approximately $100,000,000. Based upon the price paid to a shareholder by the Irvine Co. in 1968 for redemption of a small minority stock interest, the foundation's stock would be valued at $25 per share, or $114,750,000. However, the foundation has a majority stock interest and given a reasonable time to search for qualified buyers, conduct orderly negotiations, establish a market and effect a sale at fair market value, the foundation should be able to realize $225,000,000 or more for its equity. This conclusion assumes, however, that the time allowed would be long enough so that negotiations could be conducted under favorable economic conditions, rather than in the valley of the present temporary economic downturn, and that the negotiations would be free from the adverse influence imposed by unrealistic deadlines and the threat of heavy tax penalties.

It is completely unrealistic to suppose that the foundation within 2 years, or even 5 years, could complete a sale of all of its Irvine Co. stock, except at forced sale prices far below fair market value. Yet a sale of all of its stock, rather than merely partial divestiture, is what is probably required in legal and practical effect by the special real estate holding provision in section 101(1)(5).

Legally, the foundation is bound by California law to follow the mandatory directions of the trustor in the trust instrument. Mr. Irvine's trust instrument does not auhorize the foundation to relinquish its control of the Irvine Co. and retain a minority stock interest, but specifies that the foundation shall exercise a "controlling voice" in the operation of the properties and shall hold and administer the majority stock "as a unit without division or segregation thereof." Accordingly, the requirement in section 101(1)(5) of the bill that the foundation sell 10 percent of its stock in 2 years may operate legally to require sale of all its stock in 2 years.

Viewed practically, the sale of 10 percent of the foundation's holdings would mean loss of control which under the circumstances would greatly impair the salability as well as the value of the remainder of the foundation's stock. A sophisticated buyer is likely to make a large investment in a closely held, unlisted, real estate development company like the Irvine Co., which has substantial minority stockholders, unless it obtains a controlling interest. Therefore, it may well be that a fair market value for all of the foundation's shares can be obtained only by offering them for sale as a unit following negotiations over a reasonable time period free from the adverse impact of stringent time deadlines.

The experience of the Ford Foundation in disposing of its Ford Motor Co. stock illustrates the time required to dispose of major business interests. Beginning

in 1956, it undertook a massive program to divest itself of this stock as rapidly as practicable. After 13 years, it has only succeeded in reducing its holdings from 88.4 percent of the total stock outstanding to 27.4 percent.

It may also be helpful to consider the time required for disposition of major business interests to comply with judicial orders requiring divestiture under the antitrust laws. In *United States* v. *du Pont & Co.*, 366 U.S. 316 (1961), the Supreme Court allowed the defendant a period of 10 years for disposition of its General Motors stock. Similarly, in *United States* v. *United Fruit Co.*, 1958 CCH Trade Cases section 68,941, United Fruit was permitted 8 years and 4 months after the decree to dispose of its International Railways of Central America stock. In both of these cases the business interests to be sold were in publicly held corporations whose stock had an established market. Even longer periods would have been necessary to comply with the divestiture orders had the corporations involved been closely held with no existing market for their stock.

Since there is no established market for Irvine Co. stock and only two sales, other than repurchases by the company, have occurred in the past 20 years, it is clear that the restrictive transition period allowed for the James Irvine Foundation under the bill is wholly inadequate to permit an orderly disposition of its excess business holdings. In the interests of the foundation's charitable beneficiaries and of providing fair and reasonable legislation—and in the interests of carrying out this legislation's announced purpose of providing equity in the tax laws—section 101(1)(5) of the bill should be amended to delete the discriminatory requirement of piecemeal disposition in 2 and 5 years and to provide an unrestricted 10-year period for disposition of the excess business holdings of the James Irvine Foundation.

This is what my amendment does. This is all it does. I hope that it will be accepted.

Mr. LONG. Mr. President, there is some objection on behalf of the Senator from Virginia (Mr. BYRD) to the amendment in its present form.

In the spirit of compromise, if the Senator will modify his amendment to reduce it to 8 years where the 10-year figure is used, I believe it will be a fair compromise, and I would be willing to agree to it in that fashion.

Mr. FANNIN. Mr. President, I ask that such change be made in the amendment.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. FANNIN. Mr. President, I move the adoption of the amendment, as modified.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Arizona.

The amendment, as modified, was agreed to.

AMENDMENT NO. 381

Mr. JAVITS. Mr. President, I call up my amendment No. 381 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.



Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 546, line 12, at the end of section 914 add a new section 915 to read as follows:

"SEC. 915. COOPERATIVE HOUSING CORPORATIONS

"(a) Section 216(b) is amended by adding at the end thereof a new paragraph as follows:

"'(4) For purposes of this subsection, in determining whether a corporation is a cooperative housing corporation no account shall be taken of stock owned and apartments leased by the United States, its possessions and territories, a State or any political subdivision thereof, or any agency or instrumentality of the foregoing empowered to acquire shares in a cooperative housing corporation for the purpose of providing housing facilities.'

"(b) The amendments made by subsection (a) shall apply to taxable years ending after January 1, 1966."

Mr. JAVITS. Mr. President, the purpose of this amendment is to deal with a situation relating to housing cooperatives whereby the individual tenant-stockholder may deduct from his income a proportion of interest and local taxes. In order to qualify, 80 percent of the income of the cooperative must derive from such individual tenant-stockholder. In my State, and it may be true in other States, we have a situation in which some of the income of cooperatives comes from the State housing authority, which then subleases apartments to low- and moderate-income families. In such cases, income does not derive from individuals, as called for by present law, but from a governmental entity—to wit, the State of New York.

The purpose of this amendment is to extend to individual tenant-stockholders in cooperative projects which do not meet the 80-percent test because of income from a property the same privileges which they should have were the State or governmental entity which owns apartments in that building an individual—the same deductions as are generally available in cooperative housing.

I hope very much that the equity of this proposition may be evident to the committee and that it may accept this amendment. The Assistant Secretary of the Treasury, to whom we submitted the matter, has indicated a favorable attitude, and I have a letter from Edwin S. Cohen, Assistant Secretary, dated October 1, so indicating.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. JAVITS. I yield.

Mr. LONG. On page 2, line 4, of the Senator's amendment, he uses the date January 1, 1966, Is the Senator certain he wants to use that date?

Mr. JAVITS. I will accept the advice of the committee, if they think we should use another date.

Mr. LONG. I think the Senator would want to use the date December 31, 1968.

Mr. JAVITS. I modify the amendment to that effect.

The PRESIDING OFFICER. The amendment is so modified.

Mr. LONG. I have no objection to the amendment as modified.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. JAVITS. I yield back the remainder of my time.

Mr. LONG. I yield back the rest of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment, as modified, of the Senator from New York.

The amendment, as modified, was agreed to.

Mr. JAVITS. Mr. President, I send another amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The Chair inquires of the Senator from New York whether he wishes his attaché to remain on the floor.

Mr. JAVITS. I ask unanimous consent that he remain.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 536, strike out lines 15 through 19 and insert:

"(A) with respect to which a mortgage is insured under section 221(d)(3) or 236 of the National Housing Act or housing is financed or assisted by direct loan or tax abatement under similar position of state or local laws, and

"(B) with respect to which the owner, under such acts or laws or regulations issued thereunder—"

On page 537, line 8, strike out the period and insert the following:

"or, in the case of sale or disposition of a qualified housing project with respect to which a mortgage is insured or housing is financed or assisted by direct loan or tax abatement under state or local laws referred to in paragraph (1)(A), is approved by the appropriate state or local agency administering such laws pursuant to regulation which such secretary has certified are in accord with the standards applied by him in approving the sale or disposition of a qualified housing project."

On page 392, strike out lines 17 through 19 and insert the following: "to which a mortgage is insured under section 221(d)(3) or 236 of the National Housing Act or housing is financed or assisted by direct loan or tax abatement under similar provisions of State or local laws,".

Mr. JAVITS. Mr. President, the purpose of this amendment is to deal with a problem which represents itself in the following States: New York, Massachusetts, Connecticut, New Jersey, Michigan, and Illinois. In those States, the State, itself, has programs for low- and moderate-income housing. This bill would provide incentives for housing constructed under, section 221(d)(3) and 236 of the National Housing Act.

Our interest—and I have letters to support it from the housing authorities in New York and New Jersey—is to ex-

tend this kind of tax incentive to a State program which provides for the same controls as are found under the Federal programs.

The problem was one of working out the language. This amendment would extend the incentive to housing under a State program, where the State program is like the Federal programs, based upon either a guaranteed mortgage or a direct loan. This amendment also would apply to a State program of assistance through tax abatement.

In this amendment I also seek to insure that rental rates and return on investment are controlled. Therefore, the amendment provides, as a control mechanism, the requirement for certification by the Secretary of Housing and Urban Development.

This amendment, in its present form, is satisfactory to the chairman of the committee and of the ranking minority member.

I might point out that this is not an inconsiderable matter. In the State of New York 100,000 apartment units have been constructed under the State Mitchell-Lama program.

I note that the Senator from New Jersey (Mr. CASE) is in the Chamber. The State of New Jersey is similarly concerned.

I am hopeful that the ranking minority member of the committee and the chairman may see fit to follow what is the policy of the Department of Housing and Urban Development, under the 1968 Housing Act, to encourage the development of housing for low- and moderate-income persons, not only under Federal law, which is now done under this bill, but also under State law, provided that such State and local programs meet the same objectives and contain the same safeguards.

Mr. LONG. Mr. President, I do not believe I will object to the Senator's amendment in the fashion in which it is drafted. I would be willing to take the amendment to conference.

Mr. JAVITS. I thank my colleague.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. WILLIAMS of Delaware. I am not going to raise any objection to the amendment. As the chairman knows, I opposed this section when it went into the bill in the Committee on Finance. I thought it was taking an unwise step. However, if it is going to relate to Federal projects, there should be something to relate to State projects.

Mr. JAVITS. I am grateful to both Senators.

Mr. President, I yield back the remainder of my time.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that the time on the amendment to be offered by the Senator from Florida may be limited to 20 minutes, the time to be equally divided between the Senator from Florida and the chairman of the committee.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Florida is recognized.

AMENDMENT NO. 375

Mr. HOLLAND. Mr. President, I call up my amendment No. 375, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HOLLAND. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 375) ordered to be printed in the RECORD is as follows:

At the end of the bill add the following new section:

"SEC. ——. CAPITALIZATION OF COSTS OF PLANTING AND DEVELOPING CITRUS GROVES.

"(a) REQUIREMENT OF CAPITALIZATION.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding at the end thereof the following new section:

"SEC. 277. CAPITAL EXPENDITURES INCURRED IN PLANTING AND DEVELOPING CITRUS GROVES.

"'(a) GENERAL RULE.—Except as provided in subsection (b), any amount (allowable as a deduction without regard to this section), which is attributable to the purchase, planting, cultivation, maintenance, or development of any citrus grove (or part thereof), and which is incurred before the close of the fourth taxable year after the date on which the trees were planted, shall be charged to the capital accounts; however, if the planting of a citrus grove is commenced during one taxable year and completed during a subsequent taxable year, amounts (allowable as deductions without regard to this subsection) shall be charged to the capital account only to the extent to which such amounts are attributable to the part of such grove which was planted after the close of the fourth preceding taxable year.

"'(b) EXCEPTIONS.—Subsection (a) shall not apply to amounts allowable as deductions (without regard to this section), and attributable to a citrus grove (or part thereof) which was:

"'(1) replanted after having been lost or damaged (while in the hands of the taxpayer), by reason of freeze, disease, drought, pests or casualty, or

"'(2) planted or replanted prior to the enactment of this section.'

"(b) CLERICAL AMENDMENT.—The table of sections for such part IX is amended by adding at the end thereof the following new item:

"'Sec. 277. Capital expenditures incurred in planting and developing citrus groves.'"

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act."

Mr. HOLLAND. Mr. President, taxpayers growing citrus fruit, and that means not just in my State but wherever they grow it in the Nation, are treated as farmers and, under existing law may report income and expense on the cash method. Thus, it has been possible for such taxpayers to treat as expense items developmental costs incurred during the 4- or 5-year period following the planting of a citrus grove pending the reaching of the productive state for the grove property.

Such unusual tax advantage has been responsible in large part for speculative plantings of orange groves in Florida alone to the point that total citrus acreage now amounts to almost 1 million acres, having more than doubled in the past 10 years. Thereby, the actual production of oranges in Florida and in the United States this season is establishing an all-time record far beyond the capability of the industries to market this surplus supply at prices which will even return out-of-pocket production costs to the owners of these properties.

The general purpose of this amendment is to halt this abuse by requiring capitalization of all costs of planting and developing citrus groves, for such costs are truly capital in nature.

Other approaches to this problem which would continue to allow partial or limited exemption from the requirement for capitalization would permit or actually encourage the continued expansion of citrus plantings to a point that would bring about surplus supply situations year after year, and thereby adversely affect the total economy.

Mr. President, the detailed explanation of the amendment is as follows:

First. Subsection (a), in general or as modified by subsection (b), requires that all amounts attributable to the purchase, planting, cultivation, maintenance or development of any citrus grove incurred within 4 years after the date on which trees are planted, shall be charged to capital accounts. Provided, that in the case of a citrus grove for which planting is commenced within one taxable year and not completed until the subsequent taxable year the 4-year requirement shall apply to the respective part or parts of the particular grove determined by reference to the particular taxable year in which such plantings of the various part or parts of the citrus grove were actually completed.

Second. Subsection (b) exempts from capitalization requirements plantings or replantings of a citrus grove made necessary by casualty or other losses of trees brought about by conditions beyond control of the taxpayer. That would apply particularly in the case of a freeze or a hurricane loss. As well, this section as a matter of equity, exempts plantings completed before the enactment of this amendment.

Third. The amendment is therefore effective only as to expenses incurred after enactment of the proposed bill.

Mr. President, I am told by our citrus people that the citrus areas of California also join in this request. As far as I am concerned I am very much interested

in seeing that important matters that should be capitalized are capitalized. Citrus groves cannot be productive for at least 4 years, and in many cases, not until the 5th, 6th, or 7th year is reached.

I have discussed the amendment with the able chairman of the committee and with a ranking minority member. I understand they are willing to take the amendment into conference.

Mr. LONG. Mr. President, since the bill was reported to the Senate, my attention has been directed to an article which discusses the fact that investments in citrus groves in Florida have been encouraged for tax avoidance purposes. Since I started speaking, a staff member has handed the article to me. It is entitled "Tax Sheltering Your Income: Citrus Groves," and the subheading is "There's Juicy Tax Money To Be Made in Fruit; Here's the Story of One Dentist Who Learned How To Squeeze an Orange."

Mr. President, I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAX SHELTERING YOUR INCOME: CITRUS GROVES

(By Bradley Hitchings)

(NOTE.—There's juicy tax money to be made in fruit. Here's the story of one dentist who learned how to squeeze an orange.)

Five years ago the thought of investing in citrus groves hadn't entered the mind of a certain Ohio oral surgeon. But every time that Dr. Walter Lasker (as I'll call him) filled out his tax form he was reminded that his investments weren't giving him tax shelter—and each year it got worse. But he never got beyond a little wishful thinking about oil wells, cattle ranches, and such.

Then one day, while he was in Florida escaping a Cleveland snowstorm, the dentist took an airplane ride with a real estate agent. They passed over a sea of little orange trees, row after row stretching into the distance. When he asked who the millionaire was who owned such a spread, Dr. Lasker learned that it was owned by lots of people—everyone from European noblemen to Joe Namath, the football player, to other doctors like himself.

That's how he discovered the organizations that sell you a parcel of citrus grove and, if you want, manage it and market your oranges for you.

Since the dentist was already a confirmed Florida vacationer, with vague thoughts of retiring there in another ten years, he decided to do some checking on the outlook for oranges. He found that Florida produces roughly 80 per cent of the U.S. citrus crop, and one-third of the world's production. With the U.S. population expected to hit 300-million by 1995, and with only a limited amount of Florida acreage available for citrus, the future for groves then being developed seemed bright, indeed.

Per capita consumption of orange juice would soon be 3.6 gallons a year, compared to 42 gallons for milk, 35 gallons for coffee, and 21 gallons for soft drinks and artificial fruit-flavored drinks. Only 23 per cent of the U.S. population were eating oranges and 33 per cent drinking orange juice. It was conceivable that increases in per capita consumption might overtake the industry's ability to produce orange juice within the decade.

Assured that citrus groves had a future, Dr. Lasker began to study the tax aspects of investing in them. Land improvements and the needed irrigation system of a grove get depreciation over 20 years, which can be straight-line or declining balance. The trees are depreciated over 33⅓ years, and you can use either a 150 per cent declining balance method for groves purchased while in production, or a 200 per cent declining balance on groves bought before they have reached production.

Maintenance costs from the date of planting are ordinary business deductions, even when trees aren't producing. If you want to, you can capitalize maintenance costs during the first four or five years and depreciate this amount starting with the first year of fruit production.

You get an investment credit of 7 per cent on tangible personal property and real property, except buildings starting with the first year that your groves are in commercial production, usually about the fifth year.

The costs of clearing land, including the costs of treating the earth, can be deducted up to $5,000, or 25 per cent of that year's taxable income from farming. When you have producing groves, this simplified farm write-off lets you invest in additional acreage and get a further reduction of taxes.

The real meat of the tax shelter comes when you invest on margin. You can buy citrus groves for 15 per cent down and pay the balance over ten years. You actually pay $1,500 for a $10,000 investment—but write off the entire $10,000. It takes about five years to get into production, and all this time you're taking a loss on the costs of management, which cuts your taxes. If you buy citrus groves about ten years before you plan to retire, as Dr. Lasker was thinking about doing, the trees start full production about the time your income from dentistry has tapered off, so money that you would otherwise have paid the government has been converted into a solid income-producing investment.

You depreciate your groves, but they don't really depreciate in value. Some 75-year-old groves are still producing good crops, and it's not uncommon for a grove to return 15 per cent profit in a given year. The land appreciates over the long run, and you can pass your groves on to your heirs as a going concern.

Sell your citrus groves after holding them six months, and you get long-term capital-gains tax treatment on any profit. And those trips you make to Florida to inspect your groves are tax-deductible as business expense.

By the time he unearthed all these facts, Dr. Lasker was definitely interested. Through his real estate man in Florida, he got the name of a man in the Cleveland area who had invested in orange groves. "Yes, I'm happy with it," the man told him over the phone, "but be sure you get with a company that knows the business. The biggest risk is the quality of grove management."

The dentist learned that a number of organizations are in the business of selling parcels of citrus groves and managing it for the buyers. Some are small Florida concerns, others are large investment plans sponsored by Wall Street brokerage houses. Jasmine Groves Co., for example, is one of the newer entries into the citrus management field. It makes groves available to large investors and small, through the brokerage firm of Hayden Stone, Inc., which holds a controlling interest in the citrus organization. Dr. Lasker's stockbroker gave him the names of other large citrus grove companies which have reputations for sound management and good results.

The dentist contacted American Agronomics, an over-the-counter corporation and one of the biggest management companies specializing in citrus groves. This firm now has more than 2,000 clients, a jump of 100 per cent in the last year. First, the company sent Dr. Lasker extensive materials on their operations; then he went to see them.

American Agronomics manages several massive citrus tracts in Florida. These are owned by investors who buy anywhere from 2½ acres to more than 30 acres. Most of the land is in valencia oranges, a late-maturing fruit that ships well, has few seeds, is fairly uniform in size and color, and is excellent for juice. Industrial statistics indicate that a good grove of mature valencias could have averaged better than $10,000 net income over the last ten years.

The company manages these groves on a cost basis, employing well-qualified managers and gaining an advantage in quantity purchases of materials and supplies. Their maintenance costs are less than averages for the state. A 2½-acre grove gets the same attention as 5,000 acres and, in fact, you need a map to tell you where your trees leave off and the other fellow's begin.

When the trees are producing, the fruit is counted and picked by 10-acre blocks. The number of boxes picked is multiplied by the average sales price, and you get a check in the mail for that amount, multiplied by your number of 10-acre blocks. There's a fresh fruit processing plant right on the premises, and a new concentrate plant is now on the drawing boards. Plans are also under way to set up a franchise operation for direct sale to the consumer, which will improve the profits of the marketing operations in the near future.

All the groves this company operates are well below the frost line, which greatly reduces the danger of losing a crop to an early freeze (although some say the cooler the climate the better the flavor of the fruit). The ground is high enough to assure good drainage, and a canal system draws off even the heaviest rainfall. All groves have overhead irrigation systems as well. The dentist learned that for any investment in citrus groves, all these factors must be considered.

By now he was convinced that citrus groves were the tax-sheltered investment he was looking for, and he was convinced that this particular firm had the requisite know-how, plus a respectable track record. He asked for names of other dental and medical practitioners who had invested with the company, and was provided with the names of several men in his area. He called them all, and none of them had any serious complaints. So, in 1964, Dr. Lasker became a farmer.

He bought 10 acres of newly planted valencia trees, which then were about 2 feet high. The price was $16,900, but he only paid $3,000. For the rest he took a bank note and started paying off the balance at 6 per cent interest.

The monthly payout included principal, interest, and a fee for management. The costs of maintaining the grove came to about $90 a month for the dentist's 10 acres. This year, his trees will start producing commercially, and he'll have an additional charge for marketing. Also this year, the dentist will get the 7 per cent investment tax credit, which can only be taken once orange production begins. After the fifth year, the production of his trees should increase steadily, so that a sure return on his investment is only one or two harvests away, at most.

If the dentist were to invest in additional groves today, he would find that prices have gone up. Presently, you pay about $17,500 for 10 acres. (The minimum that American Agronomics allows, 2½ acres, now goes for $5,400.) On 10 acres the down payment is presently $3,000, principal and interest charges come to $167.21 a month. Add maintenance of $83.30, and you get the total monthly payout, $250. There are discounts for larger purchases—1 per cent off for 20 acres, 3 per cent off for 40 acres, 6 per cent off for 100 acres.

Compared with other tax-sheltered investments, citrus groves are on the conservative side. Oil wells are a good deal riskier, cattle ranches are also chancy by comparison. The tax writeoff on citrus groves is not as great as for oil wells and cattle ranches but, over

the long term, profits from operations should be substantial, at less risk.

Appreciation of property is a major plus for investment in citrus groves. At present, Florida is the fastest growing state in the Union. DeSoto County, the southernmost citrus-growing area of the state, is now reaching a takeoff stage, with recreational and residential expansion as well as spreading citrus groves. Many of the currently available citrus investments are located in this area, which gives them an added advantage. It is possible that your land will take on extra value because of adjacent real estate development.

You can buy groves developed to the point of planting trees, groves already in production, or groves with trees already in the ground but not yet in production. You get the 7 per cent investment credit in each case. Dr. Lasker's trees were about 2 feet tall when he bought them five years ago. Now they're 10 feet high and approaching maximum height, and while it's impossible to predict the set of this year's crop at this point, he may have enough fruit to cover all operating expenses for the year.

Naturally, there are risks involved in growing oranges. The major risk is Florida weather. Hurricanes and frosts can wipe out entire crops overnight. The growers whose trees bear fruit at such times, however, get astronomical prices for their crops. In 1962, a freeze pushed the price of oranges up more than 200 per cent.

Several years ago there was a tremendous production of oranges, and a buyer's market sent prices tumbling downward. Since then, the state legislature has passed laws governing the sale of oranges, and it's unlikely that any Florida growers will take another beating like they did then. Also, California's residential expansion keeps overrunning groves of oranges, which strengthens the market for Florida oranges.

Some dentists, hoping to avoid paying the fees extracted by the larger citrus management companies, may try to work out more favorable arrangements with small operators, or go it alone. Frequently, the small operators face a serious problem with grove management. There are more chores to be done around an orange grove than you might expect—hoeing, fertilizing, pruning, spraying, picking, storing and marketing the fruit. It's a year-round job, and it takes the attention of someone who knows the business.

As the owner of an isolated grove, you're at the mercy of the manager, who may travel miles to work in your rows of trees. Poor farm management can produce small, off-color fruit, and when oranges become ripe, they must be picked promptly. Unless you plan to live in Florida and ride herd on the operation yourself, it's best to deal with the larger and more reputable firms. It must be said that even at this late date, Florida's reputation for fancy real estate shuffles and double deals is not entirely without foundation.

A good producing grove should double in value between its fifth and tenth years. It hits its prime between the twelfth and fifteenth years. By then, it could well be worth three, four, or even five times its original cost. So whether you intend to keep the grove and pass it on to your heirs, or sell out after a few years, you have in a citrus grove a sound investment in terms of capital gains.

While it's impossible to predict how many boxes of oranges Dr. Lasker's trees will be producing ten years from now when he retires, it is clear that the money he has put in will be more than offset by the money he gets back. With Uncle Sam as a silent partner in the deal, providing funds that otherwise would have gone to taxes, the dentist reduces his tax load now, while his income is high. Then, when he's is a much lower tax bracket, his trees will come into maximum productivity.

The dentist will take another trip to Florida next winter, and the cost of his travel will come off his income tax for the year. Also, the terms of his arrangement with the management company provide one more advantage for him. He is allowed to build one house on his groves. No matter how bad things get, he says, he can always ". . . put up a little shack down there and live on oranges."

Mr. HOLLAND. Mr. President, since my distinguished friend has mentioned it, I wish to point out that there have been advertisements in the press in various parts of the Nation inviting people to come in and invest in citrus groves because they will be able to write off so much developmental costs on their tax bills. I think that is wrong, and I do not think any Senator would want that practice to continue.

Mr. LONG. The article to which I referred was printed in a publication entitled "Dental Management" for September 1969, and it commences on page 53.

Obviously that is the kind of thing about which something should be done. I applaud the Senator from Florida for bringing this solution to the problems to our attention so that this abuse will be fully corrected. I support the amendment, and as far as I know there is no objection by any member of the committee.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. LONG. I yield back my time.

Mr. HOLLAND. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 374

Mr. PERCY. Mr. President, I call up my amendment No. 374 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Page 36, strike "5 percent" where it appears in line 16 and lines 19 and 20, and insert in lieu thereof "6 percent".

Page 108, in lines 15 and 16, strike "and 1974" and insert in lieu thereof "1974, 1975, and 1976".

Page 108, in line 18, strike "and 4½ percent", and insert in lieu thereof "4½ percent, 5 percent, and 5½ percent".

Mr. LONG. Mr. President, I ask unanimous consent that the time on the amendment be limited to 40 minutes, to be equally divided between the manager of the bill and the sponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. PERCY. Mr. President, this amendment is directed to the basic objective of stimulating a significant increase in funds devoted to philanthropy. Charitable needs are expected to rise in the 1970's.

The bill of the Committee on Finance has recognized this great need and it has a provision requiring payout of assets, equivalent to 5 percent. My amendment simply changes this to 6 percent and phases the payout increase over several additional years. I base my amendment primarily on the findings of the Peterson Commission which has intensively studied the needs of private philanthropy and the establishment of foundations as they relate to that need and what can be expected from foundations in the future.

The Peterson Commission, based on the objectives that I have just stated, has arrived at a number of recommendations, one of which is a payout increase to between 6 percent and 8 percent. They are almost unanimous in the commission in recommending this higher payout.

Mr. LONG. Mr. President, if the Senator from Illinois will yield right there, and yield on my time, because I wish to inquire of the parliamentary situation, I personally favor the Senator's amendment. It was voted on in committee and the committee did not agree to it, but I am one of those who voted for it. I favor the concept. My understanding is that the distinguished Senator from Delaware (Mr. WILLIAMS) also favors the concept of the Percy amendment, although a majority of the committee did not agree to it.

Therefore it will be my duty, in due course, to suggest—in fact I should like to do it soon—the absence of a quorum to let those who wish to oppose the amendment to have time available from the Senator in charge of the bill, because I favor it. I believe it is a good amendment and should be agreed to. But, I think, in all fairness, that we should adequately alert those who would wish to speak in opposition to the amendment so that they might make their presentations and explain their agruments in opposition.

That being the case, Mr. President, I think it would be desirable if the Senator would not proceed further until there are more Senuators to hear both himself and those in opposition to this amendment, so that both sides can be adequately heard.

That being the case, I should like to ask unanimous consent that there be a quorum call, without the time being charged to either side—either the opponents or the proponents.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I ask unanimous consent that my amendment may be withdrawn temporarily.

The PRESIDING OFFICER. Without

objection, the Senator's amendment is withdrawn temporarily.

Mr. PERCY. Mr. President, it is my understanding that the Senator from Colorado (Mr. ALLOTT) wishes to bring up his amendment at this time.

AMENDMENT NO. 318

Mr. ALLOTT. Mr. President, I call up my amendment No. 318 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ALLOTT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The text of the amendment is as follows:

Page 350, after the matter following line 22, insert the following new section:

"SEC. 508. MOLYBDENUM.

"(a) RATE OF PERCENTAGE DEPLETION.—Section 613(b)(2)(B) (relating to deposits subject to 23 percent rate of percentage depletion) is amended by inserting 'molybdenum,' after 'mercury.'.

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after October 9, 1969."

Mr. ALLOTT. Mr. President, I also ask unanimous consent that my colleague Mr. DOMINICK may join me as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. Mr. President, this is a rather simple amendment, to correct what has been a gross injustice and inequity for many years in the depletion allowance field. There is a mineral not known to most people in this country, molybdenum.

It so happens that all molybdenum production in the Western Hemisphere lies in a very small area. There is a small production of it in New Mexico, but the great supply of molybdenum comes from mines in Climax, Colo., and that area.

For some unexplainable reason, when the depletion schedules were originally set up, they were set up with the rest of the ferroalloys—that is to say titanium, vanadium, nickel, and the like, at 23 percent. Whatever the reasons, they are, I think, unjustified, because molybdenum is also a ferroalloy and one of the most important ferroalloys but was classified with miscellaneous minerals at 15 percent. I believe it is generally recognized this was only an oversight.

The sole purpose of my amendment is to place molybdenum on an equal basis with the other ferroalloys.

Molybdenum is vitally important to almost every industry in the United States. As everyone knows, it is a toughener of steel—I should say more strictly it is a toughener of iron. It provides strength to iron and is used in steel production. Particularly is it valuable in those areas where the resultant steel will be exposed to very high temperatures, such as, for example, in the fans on gas turbines, and in our space program. It is used more extensively as a strengthener and toughener of our iron ores to get good steels which will withstand the rigors to which they are subjected when used.

To give some example of the need for this, present deposits of molybdenum are rapidly reaching the stage where the ore deposits are getting rather small and low in concentration. It has been necessary, therefore, for the Climax Molybdenum Co. to go to other areas to find molybdenum. They therefore have found such a deposit in Henderson, Colo., approximately 40 miles west of Denver, but in order to mine it and take care of the conservation measures necessary to keep from defacing that beautiful country and scenery around there, they have gone to the unprecedented and unheard of trouble to sink a shaft on the east side of the Rocky Mountain Divide some 2,500 feet. They have also developed, or are in the process of developing, a railroad tunnel, 11 miles in length, under the Rocky Mountain Divide. They have also acquired an exchange of extensive lands on the west side in order to provide for a mill site for the proper disposition of the residue after the milling of the molybdenum ore.

Mr. President, I cannot overestimate how vital molybdenum is to our economy, as well as to the free world. It has seemed to me for a long time, and I think the distinguished chairman of the committee will agree with me, that there is no justifiable reason why molybdenum should be placed in a different category than other ferroalloys such as titanium, vanadium, and nickel.

This is the sole purpose of my amendment, and I hope that it will be favorably received by the Senate.

Mr. LONG. Mr. President, this measure was considered in the committee. It received a considerable number of votes, but it was not agreed to. I was one who voted for it. Therefore, I do not think the Senator from Louisiana should speak in opposition to it. There is some opposition to it, but I support it. I will leave it to the Senate to do what it wants to do.

Mr. WILLIAMS of Delaware. Mr. President, this amendment was defeated in the Finance Committee by a vote of 11 to 6, as I recall it. In my opinion, it would be a mistake to approve it. We have already acted on depletion rates, and under the action of the committee, later sustained by the Senate, the depletion rates on molybdenum and other minerals already have been raised from the level provided by the House.

Molybdenum is a metal which is mined in Colorado and New Mexico, about 80 percent of which is used in the hardening of steel. Molybdenum currently enjoys percentage depletion at a rate of 15 percent on both domestic and foreign production. The special 23-percent rate for certain domestic metals is not available to molybdenum, probably because there is no scarcity of this metal. The staff of the Joint Committee on Internal Revenue Taxation, in its July 14, 1969, depletable resources confidential committee print prepared for the House Ways and Means Committee, did not recommend inclusion of molybdenum in the same category as the 23-percent metals.

The United States is the world's largest producer and exporter of molybdenum. Most of the Nation's production comes from a single mine located at Climax, Colo. Molybdenum from this mine is exported to almost all steel-producing countries outside the Communist bloc. However, there are also commercial molybdenum deposits in New Mexico, and molybdenum is recovered as a byproduct of the production of copper. Because the amount of byproduct molybdenum is fixed by the scale of copper operations, an increase in the depletion rate for molybdenum will not increase the amount of byproduct molybdenum produced from copper mines. At present, byproduct molybdenum accounts for about 20 percent of the annual U.S. production.

The United States has approximately a 37-year supply of molybdenum in existing deposits. The Bureau of Mines indicates that there are substantial additional deposits of molybdenum of somewhat lower grade which could be worked after the existing 37-year supply is exhausted. In addition, future exploratory activity seems likely to locate additional sources of high-grade ore.

The molybdenum stockpile is in a position of susbtantial surplus, and the General Services Administration is gradually reducing its stocks. The stockpile presently contains 52,164,345 pounds of molybdenum; the current objective is 36,500,000 pounds. Approximately 12 million pounds of molybdenum are currently offered for sale without success. The stockpile objective has recently been reduced because of the opening of new Arizona molybdenum mines owned by the Duval Copper Co., which have substantially increased both current supplies of molybdenum and available reserves.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The Senate will be in order. The attachés who are standing will either leave the Chamber now or sit down.

Mr. WILLIAMS of Delaware. Mr. President, I hope the amendment is defeated.

Mr. ALLOTT. Mr. President, first, in reply, let me say I know the feelings of the distinguished Senator from Delaware, and I respect them, but no valid reason has been advanced, or any reason at all, why, if the 23-percent depletion allowance applies to the other ferroalloys, it should not apply to molybdenum.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ALLOTT. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONTOYA. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President——

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Illinois (Mr. PERCY).

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the amendment of the Senator from Illinois be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I call

up my amendment relative to the disposition and sale of bonds.

The PRESIDING OFFICER. The amendment offered by the Senator from South Carolina will be stated.

The assistant legislative clerk read the amendment, as follows:

On page 323, line 7, strike out "July 11, 1974," and insert in lieu thereof the following, "July 11, 1982."

Mr. HOLLINGS. Mr. President, the amendment I propose concerns a change in the treatment of bonds held by financial institutions found in section 433 of the committee bill on page 321.

The present law provides that the gain on the sale of bonds has been treated as a capital gain. The committee bill would treat such as a gain as ordinary income. My amendment would not change this rule. The committee bill, however, provides that if bonds held by a bank on July 11, 1969, which are sold or exchanged by the bank before July 11, 1974, any gain realized would be considered capital gain. If such bonds are held beyond this 5-year period, any gain thereafter would be ordinary income.

In the disposition, during the 5-year period, it was hoped, by the Finance Committee treatment, that the banks could dispose of the bonds and not suffer any real loss. However, I found in my State—and this is prompted by two or three smaller banking institutions that purchased municipal bonds; we have tried to get the best figures possible—say this would apply to 90 percent of the bonds involved. Of the $52 billion of the bonds outstanding, $40 billion of these bonds are municipal bonds. According to a Federal Deposit Insurance Corporation report of 1966 it involves about $100 million in revenue over the extended 12-year period—in other words, about $6 million a year in revenue is what we are talking about.

That does not sound very dramatic based upon the whole revenue picture, but the fact is that many of those bonds were bought by small banks for municipal improvements in small towns. They are long-term bonds. The capital gain treatment and expectation was inherent in the price of the bond. In other words, if they were going to have ordinary income, the price of the bond would be less. Otherwise, the banks that were investing would have had other opportunities to invest in short-term bonds rather than long term.

It has been the habit of the banks to try to support the small communities.

The bill changes the rules in the middle of the game.

My amendment would delete this 5-year period and substitute a 13-year period, meaning that the new rule would not apply to bonds purchased before July 11, 1969 until July 11, 1982.

There are several compelling reasons why I believe this amendment is necessary and meritorious. First, in its present form this section of the bill is retroactive. It would apply to bonds purchased long before the proposed rule becomes applicable. The decisions made in purchasing such bonds many years ago, under the old rule, would not necessarily be followed under the new rule. In my judgment, to go back and apply this new rule retroactively, reaching back to affect decisions made by financial institutions 15 or 20 years ago, is patently unfair.

Furthermore, there are approximately $52 billion of such bonds that would be affected by this retroactive transitional rule. These are bonds held by financial institutions that would mature more than 5 years in the future; $40 billion of these bonds are municipal bonds which are vital to the economy of our cities. Thus, the decision to dispose of these bonds would be governed not by sound business and banking practices, but by the practical necessity of selling them within the next 5 years. To force an early sale of this magnitude would further disrupt the already unfavorable municipal bond market.

Let me review this reform in detail.

H.R. 13270, the Tax Reform Act of 1969, as passed by the House of Representatives, includes a section 443 which amends section 582(c) of the present Internal Revenue Code to provide that the net annual gains of financial institutions resulting from the sale or exchange of instruments of indebtedness—bond—shall be treated as ordinary income. Under present law, such gains are treated as capital gains, while net annual losses are treated as ordinary losses. The treatment of losses will be continued under the proposed law. Section 443 is applicable to taxable years beginning after July 11, 1969.

On October 16, 1969, the Committee on Finance of the U.S. Senate proposed to accept section 443, as passed by the House of Representatives, with the exception that gain from bonds owned by financial institutions on July 11, 1969, would continue to receive capital gains treatment if sold within 5 years.

While the wisdom of changing the present treatment of financial institutions' gain on the disposition of bonds can be debated with reasonable arguments on both sides—summary of H.R. 13270 prepared by the staffs of the Joint Committee on Internal Revenue Taxation and the Committee on Finance, pages 70–71 "Summary"—the retroactive nature of section 443, even as modified by the Committee on Finance, has two highly undesirable characteristics; first, it will cause profound disorder in the already seriously undermined State and municipal bond market, and second, it is fundamentally unfair.

DISORDER IN THE STATE AND MUNICIPAL BOND MARKET

The effect of either the House of Representatives or Senate Finance Committee version of section 443 will force banks to dispose of large numbers of State and local municipal bonds—"municipals"—just prior to the capital gains cutoff date in order to take advantage of the lower tax rates which will then still be in effect. Commercial banks are by far the largest holders of municipals and have already curbed their municipal bond investment programs—see Committee Print of the Committee on Finance, U.S. Senate, testimony to be received Tuesday, September 23, 1969, and additional statements on tax treatment of State and local bond interest, page 111, "Testimony." The commercial banks, however, according to the American Banking Association, still retained approximately $58.5 billion of municipals as of June 30, 1969.

Without question, a congressionally forced concentrated flow of municipals onto the market will result in the siphoning off of funds that otherwise might have gone into new municipal bond issues. While the State and local governments might be able to offset this competition to a degree, they could only do so at the cost of paying substantially higher interest rates than the already inflated ones they are now incurring. As stated by the National Governors Conference in a telegram to President Nixon on September 2, 1969, however:

Very simply, Mr. President, if the ability to market State and municipal bonds is jeopardized in any way, it will be a setback that for years to come will overshadow any positive proposals. (Testimony, p. 29)

FUNDAMENTAL UNFAIRNESS

The special treatment accorded to financial institutions by section 582(c) of the Code was introduced in 1942 to encourage financial institutions to support the large new issues of Government bonds which were then being offered to help finance the war. Ever since that time, the market value of publicly traded bonds has reflected the fact that all nondealer taxpayers are entitled to capital gains treatment upon the sale or redemption of such bonds at a profit. This factor clearly would have caused bond prices to be higher than they otherwise would have been if the major purchasers of bonds had known that their capital gains were to be taxed as ordinary income. Many financial institutions bought bonds prior to July 12, 1969, at these higher prices, in reliance on then existing law. A very large number of the bonds acquired prior to this date will mature after July 11, 1974. Thus, even under the more favorable Finance Committee treatment, financial institutions would have to dispose of many bonds, prior to maturity, in order to receive capital gains treatment. Unfortunately, the very fact that section 443 of H.R. 13270 is adopted in any form will depress the already weak bond market summary, page 71. This will result in a substantial loss to financial institutions that purchased bonds prior to July 11, 1969, on the basis of the incentives provided under then existing tax law.

CONCLUSION

In order for section 443 to be imposed fairly and with the least harmful effect on the municipal bond market, it should be made inapplicable to gains arising from bonds owned by financial institutions on July 11, 1969, regardless of the time sold or redeemed. At the very least, this rule should be made applicable to municipal bonds. Only if financial institutions are permitted to hold bonds purchased prior to July 12, 1969 until maturity and receive capital gains treatment will the banks be precluded from disposing of their municipal bonds en masse as the cutoff date for capital gains treatment approaches; only in this way will banks be able to avoid the effects of a bond market depressed by the very law which effectively forces disposition of the bonds. Since the Congress provided the incentive which led many financial institutions to purchase bonds

prior to July 12, 1969, Congress should permit these financial institutions to enjoy the full benefits which were intended by the law in effect at the time the bonds were purchased, especially when changing the law retroactively will be of significant detriment to the legitimate interests of State and local governments.

Mr. President, I wanted to eliminate the July 11, 1974, date entirely. I have discussed this with members of the Finance Committee. I have discussed it with the distinguished chairman of the committee. Rather than eliminate it entirely, we agreed—and, of course, the distinguished chairman of the committee will speak for himself—that probably a better cutoff date would be July 11, 1982. So my amendment is simply to extend the Finance Committee provision from July 11, 1974, to July 11, 1982.

Mr. THURMOND. Mr. President, I would like to associate myself with the remarks of my distinguished colleague. I think this amendment has great merit, and I hope the Senate will see fit to approve it.

I ask unanimous consent, with the approval of my colleague, to have my name added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the names of the Senator from Texas (Mr. TOWER) and the Senator from Alabama (Mr. SPARKMAN) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, this is a matter that involves a time period, which would be in conference in any event. What we are talking about is the capital gains treatment for bonds held by banks. This was terminated as of July 11, 1969, except that under the committee amendment gains on bonds held on that date, will when realized still be capital gains if that realization occurs in 5 years. The Senator's amendment extends this to 12 years.

In view of the fact that this is a matter that will be in conference in any event, it is satisfactory to the Senator from Louisiana to agree to the amendment. I believe there may be objection by other Senators, but I personally have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina.

The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, I appreciate the position of the chairman of the committee, but I would not want the RECORD to show that there is no opposition to this amendment. The committee, I think, dealt very fairly with this problem; and under the committee bill, the corrections that we made would not become effective until 1974. Certainly that is lenient enough. If we agree to this amendment, it would mean the so-called reform in this area which the committee approved would not become effective until 1982. We might just as well say we are not going to do it at all.

I think financial institutions have been treated very fairly. The Senator from South Carolina is correct in saying that at the time they bought these bonds, they were figuring that they would have a certain tax treatment that was provided under existing law. There is no argument about that. And, under this bill, we have changed those rules of tax treatment.

But that is also true for every individual in America who bought similar bonds. Anyone who bought those bonds, or any other type of securities or fixed assets, who bought them a year ago, 2 years, or whenever they were purchased, bought them on the basis that the capital gains on their sale would be taxed at 25 percent.

Under the Finance Committee bill, the capital gains tax rate could go as high as 35 percent; but we find that under the Gore amendment, which the Senate agreed to, the capital gains tax can go as high as 37.5 percent in the top bracket.

We have changed the rules for all Americans in this bill. When we reduce the tax rates, they all get the benefits of that. I think it would be a great mistake to further open the bill and start whittling away at what little reforms there is left in it. There is little enough left now. I must oppose the amendment.

Mr. HOLLINGS. Mr. President, I would only add, in reply to the distinguished Senator from Delaware, that most of his remarks go to the general nature of the tax treatment given by the committee to banks, banking institutions, and everyone else in the overall tax reform program. He does not attempt to answer the problem of changing this rule in the middle of the game. I would hate to see an investor who bought under one set of rules and had the rules changed on him, coming back and saying, "Well, the banks and these other institutions have gotten all these special treatments."

They say, "We gave you consideration on this, that, and everything else." Mr. President, that is like taking a fellow 20 feet offshore and throwing him a 15-foot rope, and then sitting back and bragging how you met him more than halfway.

Mr. President, these banks are caught, and they cannot dispose of these securities, particularly since most of them are municipals and you have the crush in the municipal bond market now. They cannot be transferred in and out. They are going to have to be sold under the pressure added by a change of rules in the middle of the game, rather than in the ordinary course of business. Many small banks are going to suffer, and that should not occur through a tax reform measure.

Mr. WILLIAMS of Delaware. I appreciate the Senator's position but, as I stated, a great deal of this tax reform involves changing the rules in the middle of the game.

I was interested in the Senator's comparison of the banks' situation with that of a drowning man 20 feet offshore, trying to save himself with a 15-foot rope. I most respectfully suggest that if he cannot swim, he had better not get 20 feet offshore in deep water. Our banking institutions are supposed to be soundly managed, and I hope they are closer to the financial shore than that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina.

The amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 374

Mr. PERCY. Mr. President, I call up my amendment No. 374.

The PRESIDING OFFICER. The amendment is already before the Senate.

Who yields time?

Mr. LONG. Mr. President, I ask unanimous consent that the time in opposition to the amendment be assigned to the distinguished Senator from Nebraska (Mr. CURTIS).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, this amendment is directed to the basic objective of stimulating a significant increase in the funds actively devoted to philanthropy, charitable needs will continue to rise rapidly in the 1970's, and this amendment strongly reaffirms the further encouragement of private philanthropy.

The committee bill provides for equivalent to 5 percent of assets payout per annum. The Peterson Commission, after giving many months of study to the activities of foundations and the methods of private philanthropy in the country, has determined that it would be desirable to require a higher payout. The Commission feels that this would make the foundations themselves more vigorous, it would make their investment accounts more active and it would more directly benefit philanthropy.

I should like to summarize some of the arguments that the Peterson Commission used.

It recommends the requirement of a higher payout, because it feels that foundations should be required to make substantial annual distributions to charity to help meet rapidly accelerating charitable needs. Data on the performance of university endowments, mutual funds, and other professionally managed investments suggests that a payout in the 6-percent range is fair and reasonable under present conditions. Any payout percentages should, of course, be reviewed periodically to take account of changes in economic conditions. But in the light of changing economic conditions, if we look back over a period of some 20 years, 6 percent would be a perfectly reasonable amount, considering that many mutual funds have averaged an appreciation of some 10 percent over a period of many years.

Perhaps more important than the particular percentage are the assumptions on which it should be based. I believe that the payout requirement for foundations should be high enough to require them to invest their funds productively. The percentage should not be so high as to amount to a delayed death sentence. A foundation with a well-managed investment portfolio should be able to maintain its size and to stay abreast of changes in the value of the dollar. However, the current needs of our society for philanthropic funds are so great that I consider it inappropriate to permit foun-

dations to grow in size, without making an adequate current contribution to philanthropy. A payout percentage which will permit a well-managed foundation portfolio to maintain its size, while making a productive contribution to charity, represents an equitable balance between the pressure of society's current needs and the interests of future generations.

While accurate forecasts are impossible to make, a payout requirement in the 6-percent range might increase foundation grants significantly, perhaps several hundred million per year. That, however, is not the only reason why the recommendation of a higher payout is being made, and why I support it.

Another important reason is the peculiar nature of foundations as grantmaking institutions. Foundations are unique in our society in having assets which are not fully committed to ongoing activities. This is one of their great strengths, and makes them capable of doing things which other institutions cannot do. However, it also means that foundations are not under the same budgetary pressures as other organizations. From the limited data available I feel that foundation investment performance has in the past been quite unimpressive and that very substantial improvements are possible.

Another reason why I favor a high payout requirement is that the donor to a foundation receives a tax deduction at the time of his donation. Considering the pressing needs for charitable funds, I believe that funds for which a charitable deduction has been received, should be devoted to charity on a prompt and productive basis.

RELEVANCE TO PERPETUITY PROBLEM

I also believe that a high payout requirement provides a partial, and I think, sufficient answer to the concerns which have been expressed about perpetual existence of foundations. A high payout requirement means that the foundations can have perpetual life only as long as they continue to make substantial contributions to charity. If a foundation's endowment is not sufficiently productive to meet the payout requirement, the foundation will gradually be phased out of existence. Thus, perpetual life becomes a justified reward for continuing productivity, and not an automatic privilege which is grantad without being earned.

RELEVANCE TO CORPORATE CONTROL PROBLEM

A high payout requirement will also serve to answer at least some of the concerns which have been expressed with respect to foundation ownership of sizable blocks of stock in business corporations. My concern is that such blocks may be given to foundations for reasons, such as protecting the donor's control of the corporation, which have nothing to do with their desirability from an investment standpoint. I believe that the concerns about foundation holdings of large blocks would be substantially reduced when such holdings make a productive contribution to charity. A high payout requirement coupled with prohibitions on self-dealing, greater disclosure, and improved Government supervision, provides a better solution than an arbitrary limit on percentage of ownership.

Mr. President, we now require an annual report and audit of foundations.

The bill's provision indicates that for all assets that are readily ascertainable in value there should be a moving monthly average evaluation of assets.

An audit makes it possible to know virtually at all times the value of the assets. The trustees of the foundations would have no doubt in their minds what the specific percentage payout requirement would be.

When we consider that today the average foundation pays out about 7.5 percent of its asset value each and every year, equivalent to about $1.5 billion, a 6-percent requirement would not be an overall hardship on foundations.

Admittedly, some foundations simply have been sitting on their assets and doing nothing about paying them out. I think that foundations will have to have some adjustments. They will have to put their assets into more liquid securities yielding higher income if their present assets are nonproductive. There will be some adjustments.

The committee has very wisely required a scale-up over a period of years of the payout provision, and my amendment extends the period even beyond that, for 2 years.

The Commission, which has made the most intensive study of foundations and philanthropy ever carried out in our country, virtually unanimously feels that a payout of 6 percent is reasonable and prudent and would help to strengthen and give greater virility and activity to our foundations and would tremendously benefit private philanthropy as the payout increases from our foundations.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Mr. President, at the appropriate time I shall ask for a yea-and-nay vote on the amendment.

The Peterson Commission recommended this in lieu of much of the legislation. To add it on would not be wise. I do not think that any Senator could read off a list of the stocks that a foundation could invest in and conform to these requirements.

This is not an amendment to distribute income. This is an amendment to hasten the end of the life of the foundation.

I realize that the Peterson Commission worked a long time. I do not think they worked longer than either the Ways and Means Committee or the Finance Committee, or both of them. They came up with a figure of 5 percent.

Mr. President, I believe that the adoption of the amendment—well intentioned though it is—would be a disastrous blow to the good foundations.

I could list some foundations in which it would create disaster. I know of a foundation in the Southland that was created by a colored gentleman, the son of a slave. He is the owner of the largest life insurance company serving his people. There is a special provision contained in here to save it from the divestiture. There is not a way in the world that they could pay out half of 6 percent.

If they have to start to sell the assets in order to do that, that would be an encouragement to every raider in the country. It would be an encouragement to everyone who wants to merge and gobble up little companies.

Nothing is to be served by this amendment. It was presented at a time when, under the circumstances, it would be the principal governing factor. It is now offered in addition to all the provisions that are in the pending bill; and adding them together would be most unjust.

Mr. President, I feel so deeply about this matter that I am constrained to ask unanimous consent that we have a quorum call before the argument is completed and that the time not be charged to either the proponents or the opponents of the amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, on the amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, will the Senator from Illinois yield me 2 minutes?

Mr. PERCY. I yield 3 minutes to the Senator from Louisiana.

Mr. LONG. Mr. President, the Senator undoubtedly has referred to the fact that at the request of people like the Rockefellers, who have well-regarded foundations, the Peterson Commission was organized to study the foundation problem. These were business-oriented people, in the main, who were sympathetic toward foundations.

The Peterson Commission recommended a high payout requirement so that the charities could have the funds they need to carry on their programs. Interest rates being what they are, foundations could very well make payments in accordance with the requirements suggested by the Senator from Illinois if they rearranged their investments, the general thought being that if people want to establish foundations for charity or education, they ought to be allowed to do so, but if they do so the foundations should pay out substantial amounts currently, as was suggested by the Senator from Illinois.

As I understand the Senator's amendment—if I am not correct, I hope he will correct me—if interest rates should fall and the prevalent rate of dividends on stocks should decline, the amount that would be required to be paid out would be reduced or adjusted downward by the Secretary of the Treasury.

Mr. PERCY. That is right. The provisions are exactly as those in the Finance Committee bill, with the exception that it is a 6-percent rate instead of 5 percent. But we have given them plenty of time to adjust to it.

Mr. LONG. And the right of the Secretary of the Treasury to revise the payout percentage to reflect changed market rates of return is provided in the committee bill.

Mr. PERCY. It is in the committee bill as it exists.

Mr. LONG. So that they could easily earn this much, enough to make this kind of payout, even on triple A bonds or bonds of the U.S. Government, right now.

Mr. PERCY. Absolutely.

Mr. LONG. So that what the Senator is seeking is the approach recommended by the Peterson Commission, which studied this matter and which, in general, is very sympathetic to the foundations—that there should be a high payout requirement because the purpose of these foundations is to provide funds for charity.

Mr. PERCY. I felt very strongly, when I opposed the 40-year limitation on the life of foundations, that I had a moral obligation to take into account that by removing the 40-year limitation we were not removing some of the legitimate concerns that Members of the Senate had. This payout provision is the most effective device for removing the abuses and for assuring that we are not going to just set up foundations for the purpose of putting away stock of closely held corporations, and that the purpose is for charity and philanthropy, not for self-interest and for preserving management control which foundations could do if they had no required payout.

The committee recognized this. Most of the foundations and the Peterson Commission have looked at the 5-percent limitation. They think the principle is so sound that it ought to go from 6 percent to 8 percent. I feel that a 20-percent increase from 5 percent is reasonable.

Mr. LONG. Mr. Peterson told our committee that balanced funds today are yielding 9 percent. If a balanced fund investment would yield 9 percent, it is reasonable to ask the foundations to pay out 6 percent. They still could retain some to expand the corpus of the foundation even after making the kind of pay out the Senator has suggested.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. I yield the Senator 2 additional minutes.

Mr. LONG. It seems to me it would be a worthy reform to require foundations to pay out a higher percentage—and this would be phased in along the lines provided in the committee bill.

I applaud the Senator from Illinois for offering this amendment.

Mr. PERCY. I thank the Senator.

Mr. CURTIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Nebraska has 16 minutes remaining.

Mr. CURTIS. I yield myself 10 minutes.

Mr. President, I daresay that most of those Senators—I respect their views; they are honest in their views—who voted for the 40-year life of foundations will vote for the Percy amendment, because it is an amendment to cut off the dog's tail an inch at a time.

No foundations of which I know are asking for this. I think I have been in touch with as many foundations as has any other Member of the Senate. A number of foundations have said to me, "We cannot reach a 6-percent payment."

These are some of the things to which it can lead. First, it can lead to a dilution of the corpus of the foundation, its basic assets. They will have to distribute those. Or it can lead to an unwise investment policy. It can lead to further divestiture of assets.

I mentioned earlier that one of the finest foundations in this land is in Georgia. Its donor is the son of a slave. He is the owner of the largest life insurance company in the land for colored people. He has already given this foundation part of their stock. They have helped school after school in the South with their proceeds. He has written a will—because he has no heirs—providing that the rest of this company shall go to this foundation. It will be possible for that foundation to go on through the years and do good.

I do not think any Member of the Senate contends that life insurance stocks pay a 6-percent dividend. They just do not do it. If any Senators serve on a college board, they should inquire what the dividend return is on an endowment. It will not average 6 percent. As a matter of fact, many foundations earnestly beg that the 5-percent mandatory feature be reduced to 4 percent. As the bill stands, they are required to pay out of their income, but not less than 5 percent.

Mr. PERCY. Mr. President, will the Senator yield for a question?

Mr. CURTIS. I yield.

Mr. PERCY. A statement of fact has been made which I think would be refuted by the facts. In fact, I would go so far as to say that if there are major universities in this country that through the past 20 years have not averaged better than a 6-percent return on investment, including appreciation—and that is what we have to take into account—they ought to fire their investment committees, because I do not know of a single major university that has not been able to earn better than 6 percent. In fact, today anyone could invest in Government bonds and earn more than that. One can buy triple A bonds of corporations at 8 or 9 percent today, if you take into account not just income but also appreciation.

I yield myself 2 minutes of my time, Mr. President. I do not wish to take the time of the Senator from Nebraska.

If a foundation choses to put its assets into low-earning investments—and if it is in low-earning investments, I presume that is being done for the purpose of appreciation. Then as it gets its appreciation it would have to occasionally sell some assets in order to give to philanthropy. I am very suspicious of the motive of a foundation that might not be willing to do that. Are they not willing to do it because they have really set up this foundation for the purpose of having a bundle of stock of a company in a safe, comfortable place so that the proxy can always be voted for management? Is it that they do not want to divest themselves of the stock because it is not a philanthropic organization but because it is set up to help control a closed corporation? I am suspicious of the motives of anyone who may feel that a 6-percent payout would be too much.

Mr. CURTIS. Mr. President, the distinguished Senator from Illinois has admitted that he is talking about capital gains, and I never said that. What I said is that you could not invest it in stock the dividends of which would enable you to pay out and meet the requirements of this proposal.

There is another factor: How do foundations come into being? They usually come into being because the donor gives that which he has. What does he have? His own business. So he starts a foundation by giving all or part of his business to the foundation. If he is going to meet this 6-percent requirement, the foundation has to sell that; perhaps invest it in Government bonds, or whatever it is, or some high paying security. Again, you are forcing the sale of a company, much to the delight of the raiders, much to the delight of those who seek to merge and expand, and so forth.

Now, I wish the distinguished Senator from Illinois who, I know, is a friend of foundations, would do this. We have written into this bill provision for the Internal Revenue Service to audit for the first time. I use the figure that there are 30,000 foundations; perhaps there are more. Do Senators realize most of them have never been audited once? That audit will bring in some information. This bill also provides for very detailed annual reporting; a notice has to be published calling attention to the report; and anyone can have the report by asking for it within 6 months after it is published.

The bill itself provides they must pay out everything, but not less than 5 percent. Why the hurry? Why not let them operate for a year or two and find out what the Internal Revenue Service audits shows and find out what the annual reporting shows? Then, if what many of us feel is punitive, that in reality it will compel the foundations to sell part of their assets, let us do it then.

I said the other day that there was a good old American custom that the trial should precede the hanging. I think it should always be that way. Let us have the audits and let us have the annual reporting for a couple of years, and if we find that the requirement that they pay out all of their income annually, and not less than 5 percent, is a loophole—sustained not by the guesswork of any committee or any well-intentioned group, but by a systematic audit and an annual report led by every foundation in the land—we will be better informed.

I do not like to see an additional side burden placed upon the divestiture requirements of the bill. This measure required when it came from the House that if a foundation owned more than 20 percent of the assets of a company, they had to sell them and do so within 2 years. That provision does not bring in one dime in revenue. It was placed in there to punish foundations because people do not like them. I think most people appreciate foundations. I think that without foundations we would not have our prolific education system in this country. I know Senators may tire of hearing me say this but in my State they pay 30 percent of the cost of education

and not one could stay open without foundations.

After all, when the law states they must pay out all of their income currently, or not less than 5 percent, and we know we will have more information a year from now from the Internal Revenue Service and from the annual reports, and more than that in 2 years, why take this punitive action of arbitrarily saying that it has to be 6 percent.

I think that the Peterson Commission did a great deal of good, but this one item is out of context. It was never intended to be added to what is in the bill.

The PRESIDING OFFICER (Mr. STEVENS in the chair). The time of the Senator has expired.

Mr. RIBICOFF. Mr. President, will the Senator from Illinois yield for a question?

Mr. PERCY. I yield.

Mr. RIBICOFF. Is it my understanding that the 6 percent in the Senator's amendment comes from the recommendation in the Peterson report?

Mr. PERCY. The Senator is correct.

Mr. RIBICOFF. What was the basis of the 6-percent recommendation in the Peterson report?

Mr. PERCY. The basis of the 6-percent recommendation in the Peterson report was that the Commission felt we must stamp out abuse. It was very strongly opposed to the so-called 40-year death sentence of foundations, but felt a device which required a foundation to fulfill its purpose, to pay out to philanthropies is the best way to stamp out abuse. This provision would automatically deal with a lot of the subterfuge that some of these foundations have been engaged in. Some of the larger foundations are most ardent in wanting these abuses stamped out.

Mr. RIBICOFF. The Peterson report shows that all of the abuses could be eliminated if foundations performed their function of actually contributing to society and charity. Is that correct?

Mr. PERCY. The Senator is correct. I am thinking of the great universities in Nebraska that depend on foundations for 30 percent of their funds. All my amendment would do would be to require that foundations pay out several hundred millions of dollars more each year so that the great universities of the country in great need today could get the benefit. I am not so much worried about the one foundation in the South and the discomfiture that might be felt if it does not want to sell assets or does not have much to pay out. I am thinking of the recipients of the foundations' grants and not the discomfiture of the foundations themselves. I am talking about foundations whose actions are not for the purpose of philanthropy, but for other self-interest purposes.

The Senator from Nebraska asked why do we have to do this. I think we have to do it because we have taken out the death sentence of the 40-year lifetime limitation. You now can continue them in perpetuity, but we must make certain they are set up and operated for the purpose for which they were originally established and given a tax exemption.

Mr. RIBICOFF. Mr. President, I find myself in an interesting position here because I have been filled with admiration for the splendid fight the Senator from Nebraska has been making for foundations, both in committee and on the floor of the Senate. No one has been a better friend for foundations. Our votes have been in tandem on almost every issue. But as I understand the purpose of the amendment, this is one amendment which will really bring meaning to the foundations and require them to do what they are set up to achieve and accomplish. I think one of the great problems of the foundations is that in many instances they are poorly managed. Foundations go along with a certain type investment that no prudent trust officer, no prudent banker, and no prudent investment would allow to remain in his portfolio. As a result many foundations are stuck with assets which are dwindling in value—many foundations today are stuck with investments that bring a return of 1 or 2 percent.

By agreeing to the amendment we would now require foundations to be really alive in their investment portfolio to make sure they perform their function of contributing to our universities, hospitals, and charities.

One of the most constructive steps we can do is to agree to the amendment of the Senator from Illinois. In doing that I would make the prediction we will never have problems with foundations because we would be eliminating one of the basic abuses.

Mr. PERCY. I thank the distinguished Senator from Connecticut.

I yield 2 minutes to the Senator from Minnesota.

Mr. MONDALE. Mr. President, I rise to commend the Senator for this proposal. This is based on the recommendations of the Peterson committee.

The PRESIDING OFFICER. The Senator from Illinois has 1 minute remaining.

Mr. PERCY. I would be glad to yield the 1 minute to the Senator from Minnesota.

Mr. MONDALE. I have said my piece.

Mr. CURTIS. Mr. President, I ask unanimous consent that both sides may have 3 additional minutes.

Mr. PASTORE. Oh, Mr. President, I do not think this is necessary. This thing has been talked out.

Mr. CURTIS. Three minutes. After all, the distinguished Senator from Rhode Island, whom I love, is very ardent in his plea that we must have tax reform this year.

Mr. PASTORE. On the basis of affection I withdraw it. [Laughter.]

The PRESIDING OFFICER. The time is extended for 3 additional minutes.

Mr. CURTIS. That warms my heart. I know it is true. It is mutual.

Mr. President, I shall withdraw my opposition to this amendment if anyone can cite one foundation guilty of abuses that has paid out 5 percent. It is true some have paid out nothing, or 1 or 2 percent. The bill provides that they must pay it out at a minimum of 5 percent.

Just wait until the reports come in and then we may find out that the difference between 5 percent and 6 percent creates abuses.

This is a bleeding operation to destroy foundations, and I will tell the Senate why:

Foundations come into being by an individual's giving of his own company or part of it to create a foundation. If they cannot comply, they will be out of compliance right away and they will have to sell the assets.

Mr. President, I yield back the remainder of my time.

Mr. PERCY. Mr. President, I should just like to make a few remarks and comment on what has just been said by the distinguished Senator from Nebraska. He mentioned one particular foundation and said that it could not possibly pay out even one-half of the 6-percent requirement.

When the Senaate passes this bill, which I assume it will, they must pay out 5 percent under the current provision. So, if they cannot pay out one-half of 6 percent they cannot pay out 3 percent, so they will have to do something, anyway under the bill which I assume the distinguished Senator from Nebraska has concurred with; so that there will have to be some adjustment. I do not believe that we should tailor a requirement, in the judgment of those who have most carefully studied foundations and ways of improving their operations, just because a few have to make adjustments, because they have to make adjustment anyway. The Senator indicates he does not know of any foundation which has asked for this. I concur with that completely. No one ever comes in and asks for any requirement to be imposed upon them that they might have to fulfill.

The question is, do they really object?

I have carefully checked with the heads and representatives of the major foundations in this country, Rockefeller, Ford, Carnegie, and with the Council on Foundations which speaks for all foundations who are members, and they do not have any objection at all.

They violently objected to the 40-year limitation.

They are trying to stamp out and eliminate abuses. They are trying to see that foundations serve the purpose for which they were intended.

For that reason, they have no objection to this particular amendment. They realize that it will require changes in investment policy. It will sharpen up some of the investment practices and habits, and it will stamp out some of the abuses which include foundations being used as holding places for assets of closed corporations that the company management controls.

So, I urge the Senate to adopt this amendment which I feel will strengthen private philanthropy and encourage giving, and will do it at a time when there is great charitable need in this country, and when we are exerting tremendous budget pressure upon the Federal Government. This will enable the foundations and require the foundations to step up and take on a slightly larger share of the load than they are now assuming, until such time as the Federal Government can again fund more fully

some of the urgently needed programs in education, health, and welfare.

Mr. HATFIELD. Mr. President, I wish to add my comments about this amendment to those of the distinguished Senator from Nebraska (Mr. CURTIS). Senators are aware, I entered public service after serving as an educator. I currently serve as a trustee of two Oregon colleges.

My prime association has been with Willamette University, in Salem, Oreg. It was there that I taught and served as dean of men. Currently, I am a trustee there.

Many contributors have assisted in Willamette's capital development, but I think two warrant special attention. The Collins Foundation and the Atkinson Foundation both have given much of the capital needed at this fine university. The Collins Foundation has distributed over $1,800,000 to Willamette in 20 years.

My opposition to the Percy amendment, which would raise the payout requirement from 5 percent—the figure set by the Finance Committee—to 6 percent is focused by the plight of the Atkinson Foundation, which would be hurt greatly by this amendment. The parent company, Guy F. Atkinson Co., is one of the larger construction companies in the country.

Mr. President, the words of Mr. Donald K. Grant, treasurer of the foundation and a respected lawyer, express the plight of the foundation better than I can. Let me quote Mr. Grant:

> In our case, our Foundation has since 1934 given away more than $3,200,000 (through December 30, 1968)—*all* of its income plus some additional sums from cash gifts received. In that same period, however, our stock in Guy F. Atkinson Company (of which our founder is president) has grown from a value of some $1,444,000, to just under $5,000,000.
>
> We have no objection to being required to continue to give away all income actually received each year; but to now require us to use this $5,000,000 figure as the basis for a mandatory minimum 5 per cent return is simply to require us to sell off more than $100,000 from our invested stock each year:

| | |
|---|---|
| Required minimum return ($5,000,000 × .05) | $250,000.00 |
| Estimated GFACo. dividends | 149,102.40 |
| Balance to "make up" each year | 100,897.60 |

> This 5 per cent minimum investment return provision is nothing more than an attempt to force a private foundation to sell off its business holdings over a period of time. . . .

Mr. President, this amendment may be justified in the eyes of some, but to me it will hit the beneficiary of the philanthropy in the long run. When a foundation has to eat into its assets to satisfy such a rule as this, the smaller foundations face a short life as they wither and die. Their corpus will be eaten up by this payout rule—some eventually even by the 5-percent rule.

As Governor of Oregon for 8 years, I became involved with higher education in both the public and private sector. During this 8 years, I witnessed the tremendous increase in the costs of operating a university. This cost increase was present in colleges in States which all of us here today represent.

Mr. President, are we to add another albatross to the neck of our colleges and universities? Are we going to hinder further the one source which has risen dramatically in recent years? I hope not.

I ask unanimous consent to have printed at this point in the RECORD, a fine article highlighting the plight of colleges and universities in Oregon.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OREGON'S PRIVATE COLLEGES, UNIVERSITIES HURT BY STEEP DECLINE IN FALL ENROLLMENT

(By John Guernsey)

KLAMATH FALLS.—The crisis facing some of Oregon's privately operated colleges and universities was pointed up Monday when fall term enrollments for all institutions were reported by the State Board of Higher Education.

The 18 independent colleges and universities this fall have a total enrollment of 12,086 students, down about 5.5 per cent from their fall term total last year.

In the past four years, the combined independent institutions have fallen about 13 per cent from their peak total enrollment of 13,627 in the fall of 1965.

This year's enrollment reports indicate that while the independents fell 5.5 per cent, the public four-year colleges gained 5.4 per cent, and the number of community college students taking academic college transfer courses climbed nearly 24 per cent.

The big losers in the independent college field are Northwest Christian College of Eugene, down 12.6 per cent from 460 students last year; Marylhurst College down 17.3 per cent from 750 students last fall; Mount Angel College, down 10.3 per cent from 370 last year; and Linfield College, down 7 per cent from 1,147 last year.

Lewis and Clark College climbed 6.1 per cent to 1,989 students; Reed College gained 7.3 per cent to 1,379; University of Portland is up 5.2 per cent to 1,879 students; and Willamette University is up 3.9 per cent to 1,632.

The over-all college enrollment declined in spite of enrollment-luring innovations such as new study programs on many of the campuses and despite state scholarship support for private college students.

The issue of state fund assistance for the independents is expected to be a major one during the 1971 Oregon legislative session.

The enrollment reports also alerted legislators and educators to keep a close eye on the two-year community colleges, to see that they do not become strictly academic-flavored junior colleges, with little or no attention paid to vocational-technical courses and students.

Whereas the number of community college students taking academic courses climbed nearly 27 per cent to 14,991 students, the total community college enrollments gained only 15 per cent this fall.

The history of community colleges and junior colleges in other states indicates they are inclined to develop into academic institutions, with vocational instruction having only the country cousin role.

Legislators have made it clear that they do not intend this to happen in Oregon.

Total enrollment in the nine public colleges and universities has reached about 84,000, up 5.4 percent over last fall.

The figures indicate that 1969 legislative action to curb the number of graduate students has produced the desired effect.

The System of Higher Education now has about 8,240 graduate students, up about 2.7 per cent over the 8,023 of last year.

More than 9,000 had been anticipated before legislative restrictions went into effect.

There are about 6,468 out-of-state students in the public four-year colleges this fall, up about 12.5 per cent over the 5.755 of last year. Even though the out-of-state number is up considerably, the legislative intent of not having more than 900 new out-of-state freshmen at the University of Oregon and Oregon State University has been accomplished.

Mr. HATFIELD. Mr. President, the article, written by John Guernsey, of the Portland Oregonian, points out the decline in enrollment in Oregon's private colleges and universities, I, for one, do not want to see this happen and I fear that the Percy amendment will hurt these colleges and universities in the long run.

In closing, I ask Senators to look at their States: look at private colleges and universities, look at art museums, look at historical museums, and look at the many worthwhile charities that will be hurt if this payout requirement is tightened.

I hope that Senators will see that we must not put undue restraints on those who give so much, who do so much, and who help so much. Let us not kill foundations piece by piece.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New York (Mr. ANDERSON), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Tennessee (Mr. GORE), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON) and the Senator from Texas (Mr. YARBOROUGH) are necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH) and the Senator from Nevada (Mr. CANNON) are absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) and the Senator from Louisiana (Mr. ELLENDER) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from California (Mr. MURPHY), the Senator from Ohio (Mr. SAXBE) and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from California (Mr. MURPHY) would each vote "nay."

The result was announced—yeas 49, nays 32, as follows:

[No. 184 Leg.]

YEAS—49

| | | |
|---|---|---|
| Aiken | Eagleton | Magnuson |
| Allen | Eastland | Mansfield |
| Bible | Griffin | McGee |
| Burdick | Hart | McGovern |
| Byrd, Va. | Hartke | McIntyre |
| Byrd, W. Va. | Hollings | Metcalf |
| Church | Hughes | Mondale |
| Cooper | Inouye | Montoya |
| Cranston | Jackson | Moss |
| Dodd | Kennedy | Muskie |
| Dole | Long | Nelson |

| | | |
|---|---|---|
| Pastore | Ribicoff | Williams, N.J. |
| Pearson | Schweiker | Williams, Del. |
| Pell | Scott | Young, N. Dak. |
| Percy | Spong | Young, Ohio |
| Proxmire | Tower | |
| Randolph | Tydings | |

NAYS—32

| | | |
|---|---|---|
| Allott | Fannin | Jordan, Idaho |
| Baker | Fong | Mathias |
| Bellmon | Goodell | Miller |
| Bennett | Gurney | Packwood |
| Boggs | Hansen | Prouty |
| Brooke | Harris | Smith, Maine |
| Case | Hatfield | Sparkman |
| Cotton | Holland | Stevens |
| Curtis | Hruska | Talmadge |
| Dominick | Javits | Thurmond |
| Ervin | Jordan, N.C. | |

NOT VOTING—19

| | | |
|---|---|---|
| Anderson | Gore | Saxbe |
| Bayh | Gravel | Smith, Ill. |
| Cannon | McCarthy | Stennis |
| Cook | McClellan | Symington |
| Eilender | Mundt | Yarborough |
| Fulbright | Murphy | |
| Goldwater | Russell | |

So Mr. PERCY's amendment was agreed to.

Mr. PERCY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRIFFIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SCOTT. Mr. President, I offer amendments and ask for their immediate consideration.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to read the amendments.

Mr. SCOTT. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 156, line 15, strike out "and".

On page 157, at the end of line 6, strike out the period and insert ", and".

On page 157, after line 6, insert the following:

"(iii) a private foundation all of the contributions to which are pooled in a common fund and which would be described in section 509(a)(3) but for the right of any substantial contributor (hereafter in this clause called 'donor') or his spouse to designate annually the recipients, from among organizations described in paragraph (1) of section 509(a), of the income attributable to the donor's contribution to the fund and to direct (by deed or by will) the payment, to an organization described in such paragraph (1), of the corpus in the common fund attributable to the donor's contribution; but this clause shall apply only if all of the income of the common fund is required to be (and is) distributed to one or more organizations described in such paragraph (1) within 3 months after the close of the taxable year in which the income is realized by the fund and only if all of the corpus attributable to any donor's contribution to the fund is required to be (and is) distributed to one or more of such organizations not later than one year after his death or after the death of his surviving spouse if she has the right to designate the recipients of such corpus.

Mr. SCOTT. I will explain the amendments.

The PRESIDING OFFICER. Does the Senator from Pennsylvania wish the amendments to be considered en bloc?

Mr. SCOTT. Yes. I ask unanimous consent to do so.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. SCOTT. Mr. President, this is an amendment which has been cleared on both sides of the aisle and would extend the availability of the 50-percent charitable deduction limitation and the full deduction for gifts for certain appreciated property, also, to contributors to what are known as community foundations; and the extent to which other provisions of the proposed legislation dealing with private foundations will be applicable to community foundations will not be affected by the proposed amendment.

This is a clarifying amendment, to make certain that community foundations are included in the provisions of the bill in this form.

I ask unanimous consent to have printed in the RECORD at this point a memorandum in further explanation of the amendment.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM RE AMENDMENT TO SECTION 201(A) OF H.R. 13270

Certain publicly supported charitable organizations have supplemented their fund-raising programs by forming so-called "community foundations" which receive contributions and, although investments are pooled, maintain separate accounts for each contributor in the income and corpus of the foundation. The income and assets representing each contributor's account ultimately redound to the benefit of the founding organization, except to the extent that the donor may periodically designate that other section 501(c)(3) organizations, contributions to which qualify for the 50% contributions deduction limitation, receive all or part of the income or corpus allocable to his account. Typically, apart from the designation of the particular organization which will receive the income or corpus, such foundations are controlled in all respects, including investment policies, by the founding organization.

The provisions of H.R. 13270 dealing with charitable contributions may be unduly restrictive as applied to these "community foundations," since the retained power in the contributor to designate the ultimate recipient from among such section 501(c)(3) organizations may cause the "community foundation" to be treated as a "private foundation" by reason of section 509(a)(3)(C). The 50% charitable deduction limitation and the full deduction for gifts of certain appreciated property may therefore not be available to contributors to the same extent as if contributions were made directly to the section 501(c)(3) organizations.

These two rules have been made applicable with respect to contributions to other organizations classified as "private foundations", namely private operating foundations and other private foundations which distribute 100% of contributions received before the end of the taxable year following the year of receipt. The proposed amendment to section 170(b)(1)(E) would extend the availability of the 50% charitable deduction limitation and the full deduction for gifts of certain appreciated property also to contributors to "community foundations". The extent to which other provisions of the proposed legislation dealing with "private foundations" will be applicable to "community foundations" will not be affected by the proposed amendment.

Mr. SCOTT. Mr. President, I ask for action on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendments were agreed to.

AMENDMENT NO. 368

Mr. KENNEDY. Mr. President, I call up my amendment No. 368.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. LONG. Is the Senator willing to agree to a time limitation?

Mr. KENNEDY. I am willing to agree to a 1-hour limitation on the amendment, to be equally divided.

The PRESIDING OFFICER. Thirty minutes to a side?

Mr. KENNEDY. Yes.

Mr. SCOTT. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. JAVITS. Has the Senator sought to have these amendments considered en bloc?

Mr. KENNEDY. If the Senator will withhold his request, I intend to make that request now.

Mr. President, I ask unanimous consent that the amendments be considered en bloc.

Mr. JAVITS. Mr. President, I object. I have no objection to——

Mr. KENNEDY. Very well; with the understanding that the Senator objects, will the Senator permit me to continue?

Mr. JAVITS. My only question is as to the appreciation feature.

Mr. KENNEDY. Mr. President, I make the request that my amendment be divided as follows: that the amendment be considered in two parts, and that all of amendment No. 368 as printed except lines 3 through 12 on page 3 be treated as the first part—section A—and that lines 3 through 12 on page 3 be considered as the second part—section B. This would remove for separate consideration the provision on appreciated property given to charity, and may meet the Senator's objection. Therefore, Mr. President, I ask unanimous consent that the amendment be divided in this manner.

The PRESIDING OFFICER. So that the understanding of the Chair may be clear, all of the Senator's amendment except lines 3 through 12 on page 3 will be considered as one amendment, and those lines will be considered as a second amendment?

Mr. KENNEDY. That is correct. Also, Mr. President, I ask unanimous consent that the provision on appreciation in value of charitable contributions be voted on first.

Mr. COTTON. Mr. President, reserving the right to object, what does that do to the time limitation? Does the time limitation apply to each of the sections?

The PRESIDING OFFICER. The time limitation would apply to the whole amendment as called up. The first vote would be on lines 3 through 12 on page 3.

Mr. LONG. Mr. President, I ask unanimous consent that the time limitation apply only to the first section of the amendment, and that we have a separate time limitation on the other division, because Senators would like to know what they are voting on. I might not need all of the time we have in opposition, but I do think Senators ought to have an explanation of what they are voting on between part 1 and part 2 of the amendment.

Mr. PASTORE. Mr. President, I object, on the ground that if we stay here and listen, we will know.

Mr. COTTON. Mr. President, the request for a division has not been granted.

The PRESIDING OFFICER. The Chair corrects the Senator from New Hampshire. The division has been granted.

Mr. COTTON. I made a reservation, and I did not hear it granted after I made the reservation.

Mr. SCOTT. The Senator's reservation was as to the time limitation.

Mr. COTTON. I made the reservation on the request that the amendment be divided. My point is that I feel that if we are going to divide it, there should be some assurance that we do not use up all the time on the first part, or nearly all of it, so that we do not have an adequate opportunity to discuss the second part; and it would seem to me that when the Senate agreed to the unanimous-consent request for the limitation of 30 minutes on a side, it was with the understanding that it was on all of the amendment. Now, if it is to be divided——

Mr. PASTORE. Why not do it 40 minutes on one part and 20 minutes on the other?

Mr. KENNEDY. Mr. President, will the Senator yield? I think all of us here realize the importance of permitting some additional discussion after we vote on the appreciation in value of charitable contributions. I think that would be the logical way to proceed. We should have a reasonable period of time just to discuss the other part of the amendment, which proposes to make the minimum tax progressive, and to reduce the level of preference income which triggers the minimum tax. It was my intention to use up only about 20 minutes of my part of the time in talking about appreciated property given to charity. I think the other part of my amendment will be illuminated to some extent in the course of our discussion on appreciated property, and I think we can deal with the whole amendment in the agreed period of time.

I agree with the Senator from New Hampshire and the Senator from Louisiana that after we complete the first part of the amendment, we will need time for some discussion on the second part.

Several Senators addressed the Chair.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I think the Senator from New Hampshire has the floor.

Mr. COTTON. I am happy to yield to the Senator.

Mr. PASTORE. We have been staying here now for more than a week, and we have got to come back next week. The trouble here is, we do not stay on the floor and listen to the argument. If we would stay on the floor and listen, we could facilitate this.

We can stay within the hour. Why not allow 40 minutes for the vote on part B, and take a vote, and then have 20 minutes on part A, and still stay within the hour?

Mr. COTTON. That is perfectly acceptable to me.

The PRESIDING OFFICER. Does the Senator from Massachusetts concur in that unanimous consent request?

Mr. KENNEDY. Mr. President, I wish to reserve the right—if the portion of the amendment dealing with appreciated property given to charity is defeated—to offer a substitute amendment. Therefore, I do not wish to yield back the remainder of my time before the vote on the first part of the amendment.

Mr. LONG. All time must be yielded back before the vote.

The PRESIDING OFFICER. The Senator is advised that all time would have to be yielded back before the vote on the first section of his amendment.

Mr. KENNEDY. Then, Mr. President, may I have the attention of the Senate? I propose that we modify the unanimous-consent agreement to permit 30 minutes each on the two separate sections of the amendment.

The PRESIDING OFFICER. Is that 15 minutes for each side?

Mr. KENNEDY. Yes.

The PRESIDING OFFICER. According to the Chair's understanding, then, there will be a time limitation of 1 hour, 15 minutes on each side for each section. Is there objection?

Mr. PASTORE. I have no objection, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Kennedy's amendment (No. 368), as divided, is as follows:

AMENDMENT No. 368

FIRST PART (SECTION A)

Page 212, strike out lines 16 through 20 and insert the following:

"(a) IN GENERAL.—

"(1) INDIVIDUALS.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year, with respect to the income of every person other than a corporation, a tax, determined in accordance with the following tables, on the sum of the items of tax preference:

"(A) Taxpayers other than married individuals filing separate returns—

"If such sum is:

| | |
|---|---|
| Not over $5,000 | 0. |
| Over $5,000 but not over $30,000 | 2½% of such sum over $5,000. |
| Over $30,000 but not over $50,000 | $625, plus 5% of such sum in excess of $30,000. |
| Over $50,000 but not over $100,000 | $1,625, plus 10% of such sum in excess of $50,000. |
| Over $100,000 | $6,625, plus 15% of such sum in excess of $100,000. |

"(B) Married individuals filing separate returns—

"If such sum is:

| | |
|---|---|
| Not over $2,500 | 0. |
| Over $2,500 but not over $15,000 | 2½% of such sum in excess of $2,500. |
| Over $15,000 but not over $25,000 | $312.50, plus 5% of such sum in excess of $15,000. |
| Over $25,000 but not over $50,000 | $1,812.50, plus 10% of such sum in excess of $25,000. |
| Over $50,000 | $3,312.50, plus 15% of such sum in excess of $50,000. |

"(2) CORPORATIONS.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year with respect to the income of every corporation, a tax equal to 5 percent of the amount by which the sum of the items of tax preference exceeds $30,000.

Page 213, line 2, strike out "person" and insert "corporation".

Page 214, after line 2, insert the following:

"(4) TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation, rules similar to the rules provided by paragraphs (1), (2), and (3), shall be applied under regulations prescribed by the Secretary or his delegate." . . .

Page 220, strike out lines 9, 10, and 11 and redesignate subsections (b) through (g) of section 58, as subsections (a) through (f), respectively.

Page 220, beginning with line 21 strike out all through line 6, page 221 and insert the following: "or trust the sum of the items of tax preference for any taxable year of the estate or trust shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each."

SECOND PART (SECTION B)

Page 217, after line 21, insert the following:

"(10) APPRECIATION IN VALUE OF CHARITABLE CONTRIBUTIONS.—So much of the amount of the deduction allowable for the taxable year under section 170 or 642(c) which is attributable to contributions of property (other than contributions to which section 170(e) applies) as is equal to the amount by which the fair market value of such property (at the time of contribution) exceeds the taxpayer's adjusted basis in such property."

Mr. WILLIAMS of Delaware. Mr. President, does the Senator request the yeas and nays on his amendment?

Mr. KENNEDY. I ask for the yeas and the nays on the second part.

The yeas and nays were ordered.

Mr. KENNEDY. I also ask for the yeas and nays on the first part.

The PRESIDING OFFICER. The ruling carries as to both sections.

Mr. KENNEDY. Mr. President, first of all, basically and fundamentally, the amendment which I offer today on behalf of myself, the Senator from Nevada (Mr. CANNON), the Senator from Michigan (Mr. HART), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from Wisconsin (Mr. PROXMIRE), and the Senator from Ohio (Mr. YOUNG), would carry forward a very important and, I think, progressive concept that has already been established in the committee bill, and for which the Committee on Finance should be commended. The concept that has been established is the concept of a minimum tax.

The minimum tax provision included in the Senate bill is the result, I believe,

of the great sentiment of millions of ordinary taxpayers of this country. They have been outraged in recent years to find that there are individuals who are able to accumulate great sources of income without paying any income tax at all.

Mr. President, the most glaring defect of our tax laws is their inequity. Although our procedures for administering the tax laws are the most advanced of any nation in the world, the laws themselves are unfair. We know that some taxpayers pay a bargain basement price while others, especially the poor, are required to bear far more than their fair share. Millions of Americans below the poverty level pay taxes they cannot afford on their meager yearly incomes. Many of our wealthiest citizens, with millions of dollars in income each year, pay little tax or no tax at all. Often taxpayers with the same real economic income are taxed at widely different rates, depending on the source of their income.

In 1967, for example, in what has now become the famous statistic in American tax lore, 155 Americans filed tax returns with adjusted gross incomes in excess of $200,000, but paid no taxes whatever. Twenty-one of these citizens had incomes in excess of $1 million. Yet, these 155 Americans are only the tip of the iceberg. Tens of thousands of wealthy citizens obtained subsantial tax reductions because of the sophisticated use of tax loopholes.

Although the maximum tax rate is 70 percent, the effective tax rates are far lower. Indeed, the average effective tax rate rises to only about 30 percent for persons with annual incomes in the range of $50,000 to $200,000, then gradually declines for those earning over $1 million a year.

Even these dramatic figures, however, do not adequately measure the breakdown in fairness of our current tax structure. Clearly, in our tax laws, some types of income are more equal than others. Thus, salaries and many kinds of business income are taxed at ordinary income rates, but other income is not taxed at all—such as the appreciated value of property given to charity—or is taxed at lower capital gain rates. And, taxable income from any source can be offset by artificially large deductions for oil and gas properties, such as intangible drilling costs, the recurring percentage depletion allowance, and the foreign tax credit.

Mr. President, as I have indicated, I would like to commend the Committee on Finance and its distinguished chairman, the Senator from Louisiana, for the significant improvements the committee has made in the provisions dealing with the minimum tax—LTP—as passed by the House of Representatives.

The minimum tax is specifically designed to deal with the problem of the consistent excessive use of tax preferences, alone or in combination, by individuals subject to the progressive rate structure. At the same time it is also designed to avoid a substantial penalty on the moderate use of such preferences. Preferences are incentives, given through the tax law to encourage desirable objectives, and if they are to remain in the tax law they should be allowed to operate to achieve their intended purposes, except where they are used to an excessive degree to permit taxpayers to avoid a fair share of their tax burden.

The LTP in the House bill applied to "disallow" preferences only to the extent they exceeded half the taxpayer's true economic income. This disallowed portion was taxed on the basis of the progressive rates. A taxpayer whose income consists of salary and dividends of $200,000 and who reduces this amount by $150,000 of preferences under existing law would have adjusted gross income of $50,000. Under LTP, the preferences could not be used to reduce his adjusted gross income to less than $100,000—one-half of $200,000, his true economic income.

Although the theory of the "limit on tax preferences"—the so-called LTP—in the House bill was relatively simple in concept, the proposal was highly complex in practice, as most of us who have tried to fathom its detailed provisions will attest. If enacted, the LTP would require difficult calculations by taxpayers, and would add significant new administrative difficulties to the Internal Revenue Code. Even more significant for our present purposes, however, the bill passed by the House was deficient in three major respects:

First. It omitted a number of substantial items from its list of tax preferences subject to the minimum tax, such as preference income from percentage depletion and from leased personal property.

Second. It applied the minimum tax only to individual taxpayers. It failed to apply the tax to corporations, who also are able to enjoy large amounts of tax preference incomes.

Third. And, perhaps most significant of all, the House bill contained provisions that did not "trigger" the minimum tax until tax preference income exceeded taxable income. As a result, many individuals with high taxable income would continue to enjoy large amounts of tax-free preference income under the House bill, in spite of the minimum tax.

As the excellent report of the Finance Committee makes clear, the committee recognized the serious complexity and the inequity of the House version of the minimum tax, and adopted a completely different approach, based on the general concept that every taxpayer should pay at least some tax on income derived from tax preferences. I believe that this new concept of the minimum tax, now offered by the Finance Committee, is one of the major virtues of the committee bill, and I commend the committee for establishing this important principle. Indeed, as Members of the Senate are aware, Senator LONG has long favored the concept of the minimum tax, and it is entirely appropriate that his important contribution should at long last be made a part of this major tax-reform bill.

At the same time, however, I believe that the minimum tax proposed by the committee can be improved still further as it applies to individuals. In fact, there are three important respects in which the fruitful work of the committee should be carried forward, and my amendment is intended to accomplish this result.

First, the minimum tax on individuals should be a progressive tax, not a flat rate tax. As many Senators have pointed out in the course of the current debate, the genius and guiding principle of our Federal income tax system is its progressivity. We apply that principle to our ordinary income tax on individuals, and we should apply it as well to the committee's version of the minimum tax.

As reported by the committee, the minimum tax in H.R. 13270 imposes a flat 5-percent tax rate on both individuals and corporations. Since corporations are already subject to a flat income tax rate under our present tax laws, it is appropriate that the minimum tax applied to corporations should also be at a flat rate. Therefore, I support the provisions of the committee bill as they apply to corporations.

With respect to individuals, however, the situation is far different. Under present law, the tax rates are progressive, ranging from 14 percent in the lowest bracket to 70 percent in the highest bracket. I believe that the minimum tax rate we enact should also be progressive. In general, the larger the amounts of an individual's income from tax preferences, the larger should be the rate of the minimum tax he pays. We know that each year, many taxpayers receive hundreds of thousands of dollars or more in tax-free income through the use of the numerous preferences now contained in the tax code. It is fair to demand that these wealthy taxpayers pay their minimum tax at a higher rate than citizens with more modest preference income. For this reason, the minimum tax amendment I am proposing contains a new rate schedule graduated in four stages, from 2½ percent in the lowest bracket to 15 percent in the highest bracket.

Second, the minimum tax should be "triggered" at the lowest reasonable level consistent with effective administration of the tax laws and avoidance of unnecessary complexity for the taxpayer. Obviously, not every taxpayer with a few hundred dollars of capital gain should be subject to the tax. As passed by the House, the first $10,000 of tax preference income was made exempt from the minimum tax. In the version of the minimum tax reported by the Finance Committee, the first $30,000 of preference income was exempted from the operation of the tax.

I believe that both of these triggers are too high. One of the great virtues of the minimum tax is its insistence that all individuals with substantial tax preferences should pay at least some tax on their preference income. To be sure, even with the $30,000 trigger in the committee bill, the wealthiest taxpayers—those with the largest amounts of tax preference income—would be subject to the committee's minimum tax. But to say that $30,000—or even $10,000—of such income can continue tax free is to cast grave doubt on the principle of the minimum tax in the eyes of scores of mil-

lions of our citizens whose taxable income is far less than $30,000 or $10,000. If we are to win their confidence in the justice of the minimum tax, we must set the trigger at the lowest practicable level. For this reason, my amendment proposes to set the trigger for application of the minimum tax on individuals at $5,000 of preference income. Thus, the amendment will establish the following progressive tax rates on preference income:

| | Percent |
|---|---|
| $0 to $5,000 | 0.0 |
| $5,000 to $30,000 | 2.5 |
| $30,000 to $50,000 | 5.0 |
| $50,000 to $100,000 | 10.0 |
| Over $100,000 | 15.0 |

Third, the items of "tax preference" income made subject to the minimum tax should be as comprehensive as possible. Except for two omissions, I believe that the nine items of preference income listed in the committee bill represent an essential complete list of the preferences now contained in the Internal Revenue Code or that will be contained in the code if other provisions of the committee bill are enacted.

The two omissions, however, are significant. They are interest on State and local government bonds, and the appreciation in value of property donated to charity. Because of the extremely tenuous position of the tax-exempt bond market at this time, the virtually unanimous opposition of Governors and mayors throughout the Nation to any mandatory tax whatever on their Government bonds, and the probability that early next session Congress will consider proposals like Urbank, it makes no sense to attempt to include interest on such bonds in the list of tax preferences subject to the minimum tax at this time.

No such argument applies, however, to appreciation in value of property given to charity. Undoubtedly, such appreciation is a tax preference, and should be subject to the minimum tax, just as excess percentage depletion or excess depreciation on property is subject to the tax. I believe that the concept of the minimum tax is too important to allow its comprehensive tax base to be lightly eroded. Therefore, the amendment I am proposing includes, as a tax preference, the appreciation in value of property donated to charity.

Mr. President, let me speak further on the tax rate in the version of the minimum tax in the committee bill.

I believe that a 5-percent tax fails to deal adequately with the problem of the excessive use of tax preferences. Its rate is too small. It is not a progressive tax. It is only a drop in the bucket for wealthy taxpayers with hundreds of thousands or even millions of dollars in tax preferences. Recent Treasury studies show an extensive pattern of returns in which tax preferences are used to offset all, or substantially all, of the income of high-income taxpayers. If a taxpayer with $200,000 of salary and dividend income had sheltered all of this amount with preferences, his tax under present law would be zero. Under the committee bill, it would be only $10,000. Under my amendment, the tax would be $21,000.

For this very high income taxpayer, the 5-percent committee tax will impose a tax burden on preferences of less than one-half of the tax burden that would have been imposed by amendment No. 368. Yet this taxpayer is enjoying $200,000 of tax-sheltered income. Equally serious, the tax burden is at the same rate under the 5-percent committee tax whether the taxpayers' preferences are $50,000, or $500,000, or $5,000,000.

Indeed, the 5-percent tax is actually regressive in nature. The denial of the tax benefit decreases as the taxpayer's marginal rate increases—as his taxable income increases—so that the impact will be least where it should be greatest and vice versa. Stated another way, a 5-percent tax has the same effect as disallowing 10 percent of a deduction to a 50-percent-bracket taxpayer, but to a 70-percent-bracket taxpayer, the effect is the same as disallowing only 7 percent of a deduction.

Mr. President, in summary, my amendment would make three changes in the minimum tax:

It would replace the existing flat rate with a graduated rate.

It would reduce the "trigger" from $30,000 to $5,000.

It would expand the list of tax preferences by adding an important additional item, the appreciation in the value of property donated to charity.

According to Revenue estimates, these provisions will increase the revenue gain from its present value of $700 million under the committee bill to approximately $1.2 billion.

As recent votes make clear, additional revenues from tax reform are essential if we are to maintain a proper measure of fiscal responsibility in the tax bill for the immediate years ahead. I am pleased, therefore, that a more equitable approach to the minimum tax also confers the additional bonus of a substantial revenue gain. If enacted, the amendment I am proposing will help bridge the gap between tax reform and tax relief in the bill.

Mr. President, there are those—and I am certainly one of them—who have been subjected to calls and telegrams from many of our colleges and universities and even foundations throughout the country, complaining about this amendment and saying that it is really going to destroy their institutions by eliminating the opportunities for individuals to make sizable contributions to the charitable institutions of their choice.

This amendment does no such thing.

To demonstrate my point here, I would like to make several observations in connection with my minimum tax amendment:

First, an effective minimum tax is essential to the fair operation of our tax system. The essence of the minimum tax is the fundamental principle that every individual should pay at least some tax on his income. Yet, the loopholes and escapes in our current tax laws are widespread and are known to be widespread. Compounding this unfairness, the use of tax shelters for income can be reached only by our wealthiest citizens. To paraphrase a famous aphorism, our tax laws in their majestic equality allow the poor as well as the rich to reap long-term capital gains, to search for oil, and to contribute appreciated property to charity. The minimum tax is intended to remedy these abuses while still maintaining the principal tax incentives. The minimum tax does not eliminate tax preferences. What it does do is to place a modest or minimum tax on the income represented by such preferences, which would otherwise be completely tax free.

This is what the "taxpayers' revolt" is all about. Millions of law-abiding citizens faithfully pay the Federal tax collector billions of dollars each year from their hard-earned taxable income. The minimum tax will insure that all citizens, including those with tax-sheltered income and tax preferences, pay some tax. Therefore, the list of tax preferences should be as comprehensive as possible. Since appreciation in value of property donated to charity is a tax preference, it should be added to the nine items of tax preferences listed in the committee's bill.

Second, the charitable deduction for appreciated property given to charity is a tax preference. If an individual bought stock for $0 and it is now worth $100, the appreciation in value of the property is $100. If he gives the stock to charity, he gets a deduction from his other, "ordinary," income for the full $100 market value of the stock. At the top bracket of 70 percent, the gift would actually cost the taxpayer only $30. In effect, the Federal Government would be contributing the other $70 to the charity; that is, the taxpayer is giving away a large part of his tax to charity.

On the other hand, if the individual sold his property and then contributed it to charity—which is the method of contribution that strict tax justice would require, absent incentives for charitable giving, he would have to pay capital gains tax on the full $100 appreciation in value. Under the committee bill as it now stands, his capital gain tax would be $35. If he gave the remaining $65 to the charity, he would get a deduction of $65 from his ordinary income. This gift would actually cost the taxpayer 30 percent of $65, or $19.50, and the Government would be contributing the difference—$45.50—to the charity. Thus, the total effective cost to the taxpayer of the $100 gift is $35 in capital gains plus $19.50 after the deduction from his ordinary income, or $54.50. Under present law, his cost is only $30. Clearly this is a tax preference.

In other words, there is a tax preference in present law that encourages contributions of appreciated property—as opposed to cash—to charity. The higher the tax bracket of the contributor, the greater the benefit of his contribution. The economic situation in my example is the same as if the tax laws were to read in effect as follows: For every $100 contribution made in cash or out of his salary check, the taxpayer gets a deduction of $100. But if he gives $100 worth of appreciated property, he is entitled to a deduction of $154. That is, $100 multiplied by the ratio 100/65 equals $154. Under amendment No. 368, the appreci-

ation in value of property given to charity is recognized for what it is—a tax preference. It should be subject to the minimum tax, just as percentage depletion or excess depreciation on real property or personal property is already subject to the tax under the committee bill.

Third, universities and other charities will not be seriously hurt by amendment No. 368. Members of the Senate are well aware of the extraordinary protest raised by charitable and educational organizations and institutions throughout the Nation against the House bill. It is clear, however, that the impact of the House bill on such organizations and institutions was vastly more serious with respect to the allocation of deductions provision than it was with respect to the minimum tax.

This point was explicitly recognized by former Secretary of the Treasury Douglas Dillon, who testified before the Senate Finance Committee on September 25, 1969. Secretary Dillon's testimony on the devastating impact of the allocation of deductions provision was itself devastating, and was in large measure responsible for the deletion of the allocation of deductions provision from the House bill by the Senate committee. However, in his testimony, Secretary Dillon minimized the impact of the House version of minimum tax—LTP—on charities, and stated specifically that 85 percent of the impact of the House bill would be due to the allocation of deductions.

The Finance Committee bill contains no provision for the allocation of deductions, and neither does amendment No. 368. This is a crucial distinction. It is important to recognize that the concept of the minimum tax is independent from the concept of the allocation of deductions. Even though appreciated property donated to charity may be a tax preference for the purpose of the minimum tax, it need not necessarily be treated the same way in the allocation of deductions, even if such an amendment is offered. The modest minimum tax proposed by amendment No. 368 will not have a serious deleterious effect on our charities, our universities, or our other philanthropic institutions.

Also, the minimum tax does not take away the existing incentive in the tax laws for the gift of appreciated property to charity. Unlike the allocation of deductions provision in the House bill, it does not disallow any part of a charitable contribution.

This overall point is made clear by figures published by the American Council on Education with respect to contributions to universities—

For the university year 1962–63, the only year for which data are available, the total amount of university contributions was $1.035 billion. Of this amount: $794 million was in cash, or 77 percent of the total; $183 million was in securities, that is, appreciated property, or 18 percent; $26 million was in real estate, and $2.5 million was in art objects.

Moreover, the gift of appreciated property to charities is only a small proportion of the total amount of all charitable gifts. In the year 1966, the total amount of deductions for charitable contributions listed on individual tax returns was $9.1 billion, of which $8.3 billion was in cash. Only $760 million—or less than 10 percent—was in the form of appreciated property and gifts other than cash. Clearly, the minimum tax will have a minimum impact on charities.

Mr. President, amendment No. 368 still retains a very large tax advantage for gifts of appreciated property to charity. The top tax rate on ordinary income in present law is 70 percent, and will continue to be 70 percent if the Gore amendment adopted last Wednesday is signed into law. The top tax rate on capital gains under the bill is 35 percent. By contrast, the top rate for the minimum tax under amendment No. 368 is only 15 percent. Thus, a taxpayer will still be far better off than he would be if he sold his appreciated property, paid tax to the Government on his capital gains, and gave the remainder to charity. There is still a strong incentive for the taxpayer to give to charity. If he does not give, he gets no deduction to offset his ordinary income.

Fourth, the committee bill contains two major new provisions that will undoubtedly stimulate a substantial increase in charitable contributions.

First, private foundations must currently distribute either all of their income, or 5 percent of their investment assets, whichever is greater. Obviously, a large portion of these distributions will find their way to charities, and especially to universities. Indeed, the primary thrust of this provision in the committee bill will be to favor universities. Moreover, just now, the Senate has voted to raise the percentage to 6 percent.

Second, the ceiling on the deduction for charitable contributions is raised from 30 percent—under present law—to 50 percent—under the committee bill—of a taxpayer's adjusted gross income. This provision creates a strong additional incentive for charitable contributions. The provision creates a strong additional incentive for charitable contributions. The provision is primarily intended to offset the bill's repeal of the unlimited charitable deduction used by wealthy taxpayers, but it will also serve to offset any possible impact of the minimum tax.

Mr. President, in conclusion amendment No. 368 is a major step forward toward the cause of tax justice. It still leaves a large incentive for contributions of property to our universities, but at the same time it is an important and primary addition to the fairness and equity of our tax laws.

If we fail to adopt this provision, then we will have failed to act on precisely the sort of tax loophole that generated the taxpayers' revolt of last winter. We must not forget that because of this revolt, we are here today, voting on what is likely to become the best tax reform bill in the Nation's history.

In closing, I compliment the distinguished chairman of the committee for his positive leadership in the area of tax reform—not only with respect to the minimum tax, an idea that he had long advocated, but also with respect to the many other very desirable features of this bill. Last winter, when the taxpayers' revolt first began, few of us believed that by December the Senate would be about to pass the greatest tax reform bill in our history. Today, our hopes are being realized, and the fact that they are is a great and lasting tribute to the leadership of the Senator from Louisiana.

Mr. President, I ask unanimous consent that the two tables to which I referred—showing the relation contributions in cash versus other property to charities—be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—NATURE OF GIFTS TO HIGHER EDUCATION (UNDER $5,000 AND OVER $5,000 FOR THE 1962–63 YEAR)

| | Under $5,000 | | | Over $5,000 | | | Total | |
|---|---|---|---|---|---|---|---|---|
| | Donor transactions | Amount | Average per transaction | Donor transactions | Amount | Average per transaction | Donor transactions | Amount |
| Cash | 2,366,059 | $238,288,479 | $100 | 17,241 | $556,062,359 | $35,621 | 2,383,300 | $794,350,838 |
| Securities | 11,180 | 15,721,263 | 1,406 | 3,476 | 167,586,834 | 48,213 | 14,656 | 183,308,097 |
| Real estate | 59 | 113,137 | 1,917 | 280 | 26,053,007 | 93,046 | 339 | 26,166,144 |
| Rights to trust income | 62 | 83,225 | 1,342 | 72 | 7,568,344 | 105,115 | 134 | 7,651,569 |
| Art objects | 2,226 | 651,811 | 292 | 135 | 1,895,439 | 14,040 | 2,361 | 2,547,250 |
| Business or farm inventory | 114 | 95,597 | 838 | 21 | 304,134 | 14,482 | 135 | 399,731 |
| Mineral rights | 10 | 10 | 1 | 9 | 201,699 | 22,411 | 19 | 201,709 |
| Life insurnce policies | 137 | 63,139 | 460 | 13 | 205,232 | 15,787 | 150 | 268,371 |
| Rights to rental | 5 | 11,134 | 2,226 | | | | 5 | 11,134 |
| Unclassified [1] | 51,581 | 4,927,000 | 96 | 506 | 15,004,434 | 29,653 | 52,087 | 19,931,434 |
| Total | 2,431,433 | 259,954,795 | 107 | 21,753 | 774,881,482 | 35,621 | 2,453,186 | 1,034,836,277 |

[1] Donor transactions not identified as to nature of gift.

Note: This table distinguishes as between donor transactions in the form of cash as compared to securities and property. Of $1,034,836,277 of all voluntary support $794,350,838, or 76.7 percent, was received in the form of cash; $183,308,097, or 17.7 percent, was received in the form of securities; and $57,177,342, or 5.6 percent, was received in the form of property.

Source: Julian H. Levi and Fred S. Vorsanger, "Patterns of Giving to Higher Education: An Analyis of Contributions and Their Relation to Tax Policy" (American Council of Education, 1968).

TABLE II.—INDIVIDUAL RETURNS, 1966—DEDUCTIONS AND EXEMPTIONS

CONTRIBUTION DEDUCTION: TOTAL CONTRIBUTIONS, CASH AND OTHER THAN CASH CONTRIBUTIONS, AND CONTRIBUTIONS CARRYOVER, BY ADJUSTED GROSS INCOME CLASSES

[Taxable and nontaxable returns—Dollar amounts in thousands]

| Adjusted gross income classes | Number of returns | Adjusted gross income | Total contributions | Cash contributions | | Other than cash contributions | | Contributions carryover from 1964–65 | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Total | 27,005,815 | $281,462,354 | $9,122,491 | 26,724,595 | $8,286,869 | 1,740,347 | $759,848 | 27,773 | $75,775 |
| Under $600 | 21,684 | 8,456 | 2,467 | 21,483 | 2,449 | | | | |
| $600 under $1,000 | 60,013 | 50,012 | 6,858 | 60,013 | 6,848 | 16,044 | 1,412 | | |
| $1,000 under $2,000 | 589,670 | 937,898 | 79,886 | 582,250 | 77,937 | | | | |
| $2,000 under $3,000 | 1,109,649 | 2,813,202 | 181,018 | 1,100,424 | 178,464 | 35,528 | 2,433 | | |
| $3,000 under $4,000 | 1,477,324 | 5,182,036 | 254,436 | 1,455,261 | 246,609 | 55,786 | 6,540 | 4,814 | 1,973 |
| $4,000 under $5,000 | 1,742,613 | 7,872,213 | 336,832 | 1,715,333 | 327,689 | 76,477 | 9,040 | | |
| $5,000 under $6,000 | 2,114,246 | 11,658,603 | 437,902 | 2,080,955 | 425,483 | 103,515 | 11,988 | 1,807 | 534 |
| $6,000 under $7,000 | 2,439,642 | 15,895,523 | 534,245 | 2,416,979 | 519,777 | 119,557 | 12,795 | 4,011 | 2,393 |
| $7,000 under $8,000 | 2,642,471 | 19,825,242 | 602,191 | 2,617,204 | 587,256 | 143,070 | 14,214 | | |
| $8,000 under $9,000 | 2,588,394 | 21,971,305 | 649,876 | 2,555,108 | 629,084 | 147,972 | 18,890 | | |
| $9,000 under $10,000 | 2,262,938 | 21,462,139 | 611,454 | 2,241,081 | 596,683 | 136,225 | 14,377 | 8,832 | 6,380 |
| $10,000 under $15,000 | 6,419,746 | 77,184,881 | 2,097,925 | 6,363,386 | 2,035,531 | 494,514 | 58,272 | | |
| $15,000 under $20,000 | 1,818,551 | 30,930,441 | 849,340 | 1,808,060 | 817,263 | 185,011 | 29,851 | 1,606 | 2,212 |
| $20,000 under $50,000 | 1,458,717 | 41,508,119 | 1,195,977 | 1,449,170 | 1,097,878 | 174,514 | 84,762 | 3,845 | 13,358 |
| $50,000 under $100,000 | 208,511 | 13,756,051 | 473,411 | 206,853 | 377,957 | 35,975 | 81,758 | 1,599 | 13,703 |
| $100,000 under $200,000 | 39,683 | 5,229,556 | 269,114 | 39,256 | 163,063 | 11,137 | 93,584 | 755 | 12,496 |
| $200,000 under $500,000 | 9,785 | 2,783,532 | 220,532 | 9,631 | 98,267 | 3,916 | 109,335 | 379 | 12,939 |
| $500,000 under $1,000,000 | 1,550 | 1,039,611 | 106,955 | 1,531 | 42,153 | 757 | 59,504 | 85 | 5,299 |
| $1,000,000 or more | 628 | 1,353,534 | 212,074 | 618 | 56,478 | 349 | 151,092 | 40 | 4,504 |
| Returns under $5,000 | 5,000,953 | 16,863,816 | 861,497 | 4,934,764 | 839,996 | 183,835 | 19,425 | 5,617 | 2,076 |
| Returns $5,000 under $10,000 | 12,047,691 | 90,812,813 | 2,835,668 | 11,911,326 | 2,758,283 | 650,340 | 72,264 | 9,226 | 5,120 |
| Returns $10,000 under $15,000 | 6,419,746 | 77,184,881 | 2,097,925 | 6,363,386 | 2,035,531 | 494,514 | 58,272 | 4,621 | 4,084 |
| Returns $150,000 or more | 3,537,425 | 96,600,845 | 3,327,401 | 3,515,118 | 2,653,059 | 411,660 | 609,887 | 8,310 | 64,510 |

Mr. DOMINICK. Mr. President, will the Senator yield for a simple question?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. BELLMON in the chair). The Senator from Massachusetts has 7 minutes remaining.

Mr. DOMINICK. Mr. President, is the Senator talking about the charitable contributions section of his amendment?

Mr. KENNEDY. Mr. President, I have tried in a very brief way to give a general description of the complete amendment.

The amendment that we will vote upon first will deal only with the contributions of appreciated property to colleges and universities. That would be the first amendment that we will vote on.

I think it is important to realize that the complete amendment will provide additional tax revenue of some $480 million. That would be from both parts of the amendment.

Mr. President, I ask unanimous consent that a table giving tentative revenue estimates for my amendment, as well as for three other possible floors for the amendment—$10,000, $15,000, and $20,000—be printed in the RECORD at this point. The table also indicates the number of taxpayers who would be affected by the various floors.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

KENNEDY AMENDMENT NO. 368, MINIMUM INCOME TAX ON INDIVIDUALS, PRELIMINARY REVENUE ESTIMATES (TREASURY DEPARTMENT)

| Floor | Revenue gain | EMK gain above committee bill | Number of returns affected |
|---|---|---|---|
| $5,000 | $800,000,000 | $480,000,000 | 780,000 |
| $10,000 | 740,000,000 | 420,000,000 | 280,000 |
| $15,000 | 710,000,000 | 390,000,000 | 185,000 |
| $20,000 | 690,000,000 | 370,000,000 | 112,000 |

REVENUE GAIN BY EXEMPTION LEVEL

[In millions of dollars]

| Tax preference | EMK | | | |
|---|---|---|---|---|
| | 5,000 | 10,000 | 15,000 | 20,000 |
| Capital gain | 621 | 574 | 551 | 533 |
| Interest for investment income | 75 | 70 | 67 | 65 |
| Depreciation (accelerated over straight line) | 19 | 18 | 17 | 17 |
| Intangible drilling and percent depletion | 46 | 43 | 41 | 40 |
| Rehabilitation depreciation | 15 | 13 | 13 | 12 |
| Appreciated property to charity | 24 | 22 | 21 | 21 |
| Total | 800 | 740 | 710 | 690 |

Mr. JAVITS. Mr. President, what would it add in part A and what would it add in part B?

Mr. KENNEDY. Mr. President, section B would involve $24 million. Section A would involve $456 million.

Mr. MOSS. Mr. President, what is included in each section?

Mr. KENNEDY. Section B includes contributions of appreciated property as a tax preference. Section A establishes a progressive rate for the minimum tax and lowers the floor on the minimum tax from $30,000 down to $5,000.

Mr. MOSS. Mr. President, may I ask a question on these figures. Is it not true under the amendment that an individual who donates property that originally cost $1,000 and is now worth $101,000, would pay a tax of $6,625, and at the same time he would be able to deduct the entire $101,000 from his taxable income?

Mr. KENNEDY. That is correct.

Mr. MOSS. Mr. President, the way I compute it then, if he is in the 65-percent tax bracket, that would be a tax saving of about $65,000. So, even with the minimum income tax, this individual would pay about $58,000 less in income taxes that year.

Mr. KENNEDY. That would be correct.

Mr. MOSS. That would be $58,000 more in consumable income, which is not such a bad deal.

Mr. KENNEDY. That is exactly correct.

Mr. PASTORE. Mr. President, will the Senator yield for a question at that point?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Massachusetts has 6 minutes remaining.

Mr. PASTORE. Mr. President, is the man not giving away $101,000 to education?

Mr. MOSS. That is true.

Mr. KENNEDY. He is giving away $101,000. However, in effect, it is really the Federal Government that is making most of that contribution. This is what the tax subsidy does. Obviously, when the Federal Government pays that kind of tax subsidy, it will have to increase the taxes on all our citizens, in order to make up the deficiency in the budget. And when the Government does so, it will apply a progressive tax at ordinary income rates on wage earners and all the rest of our people.

Mr. PASTORE. Mr. President, what will we do, end up with all State universities and put the private universities out of business?

Mr. KENNEDY. No. Quite clearly, the colleges and universities get 77 percent of their contributions today in the form of cash. Only about 18 percent of their funding comes from appreciated securities.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. JAVITS. Mr. President, what is the source for that statement?

Mr. KENNEDY. Mr. President, the source is a study published by American Council on Education in 1968. It is a great myth that my amendment will seri-

ously reduce the flow of gifts to universities. In the past few days, I have received telegrams from a number of college presidents who actually have no understanding—and I say this with the greatest respect—of what the amendment will actually do.

The former Secretary of the Treasury, Mr. Douglas Dillon, testified before the Finance Committee on the allocation of deductions and minimum tax provisions in the House bill. His primary concern was the allocation of deductions.

He said that for a hypothetical taxpayer with large charitable contributions to be in the same position as he now is if the House bill is enacted, he would have to reduce his contributions by over 93 percent. But—and this is the important point—the allocation of deductions provision by itself would require an 87-percent reduction. Clearly, the impact of the minimum tax in the House bill on gifts to charities—as opposed to the allocation of deductions—would be very small indeed. And as the Senator is aware, there is no allocation of deductions provision in the Finance Committee bill or in my amendment.

There are many who believe that the allocation of deductions is a fair and equitable way to get at the problem of tax preferences. But I did not provide for that in my amendment. All we have here is the minimum tax.

Mr. President, the universities and colleges receive their funding mostly in cash contributions. Yet for the special few who give appreciated property, our current tax laws provides an enormous tax shelter, and the committee bill does nothing about it.

I reserve the rest of my time.

Mr. LONG. Mr. President, some of us on the Finance Committee have for years been concerned about the fact that it has been possible for someone to make money by giving something away. We have been very much concerned about the point that it was possible in years gone by for someone to give away something that is worth $1,000 and achieve a tax savings of $1,200 or $1,400.

Generally speaking, of course, one is talking about persons who are in a high-income tax bracket and who are giving away appreciated property. That is a problem to which the Senator addresses himself.

Under the bill reported by the Finance Committee, I am happy to say that we achieved everything I have been trying to do along that line for years. Under the committee bill it no longer would be mathematically possible for anybody to make anything by giving something away. He is giving something of himself when he gives something, under this bill.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PASTORE. In other words, the Senator from Louisiana says that no matter what the tax break might be, the fact remains that a sacrifice in money is being made by the giver, and he is giving it to an educational institution.

Mr. LONG. The Senator is correct.

We have so carefully and completely plugged that loophole that when we started considering our minimum tax, we put it on depletion allowances and on the half of capital gains that was not taxed; we put it on all sorts of things, everything that looked as though it should bear some of this. But when we looked at the matter of appreciation in the value of an asset given to a charity or given to a college, we concluded that we had so completely plugged that loophole that if the donor wanted to give some, we should not remove whatever incentive remained. Therefore, we felt that we would not be justified in applying the limited income tax to that.

The Senator's amendment, in two parts, if it is all adopted, would, one, seek to put the minimum tax on something that we do not think ought to be taxed. After we looked at everything we thought this is one thing that should not be taxed, and we closed that loophole as completely as anyone could ask.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. TALMADGE. Is it not true that it would also deny this deduction for appreciated property when it is contributed to the private foundation?

Mr. LONG. That is correct.

Mr. TALMADGE. It must be given to a true public charity—that is, a hospital, a school, a church, or a museum.

Mr. LONG. Yes. The exception would be that it could be given to a private foundation for them to contribute within 1 year. Otherwise, one would not get this allowance for the appreciation, the deduction for appreciation in the value of charitable contributions.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. LONG. I will yield in a moment.

Mr. President, we have so carefully closed that loophole and everything relevant to it that this committee could not find it in its conscience to vote even the amount of 5 percent on this type of situation.

Furthermore, the Senator's amendment would go on from there and levy a graduated income tax, up to 15 percent, on something that the committee, having closed this loophole, felt should not be taxed at all.

I yield to the Senator from Nebraska.

Mr. CURTIS. Is it not true that if the amendment of the distinguished Senator from Massachusetts is adopted and someone gave a gift, say, to Boys Town, in Omaha, which represented appreciation of $200,000, in addition to parting with his property, it would cost him $21,625 in tax over existing law?

Mr. LONG. That sounds reasonable.

Mr. CURTIS. He would be taxed for giving his own money away.

Mr. LONG. Mr. President, we have removed the unlimited charitable contribution deduction. We have removed the 2-year charitable trust rule. We have removed the present favorable treatment for appreciated property in the case of ordinary income assets. We have tightened up on rules on charitable trusts, and we have tightened up on rules on deductions for use of property. So we have undertaken to tighten up wherever we thought we would be justified in tightening up on the rules regarding charitable contributions.

But in this area we feel that this would be discouraging people from giving money to universities, to charity, to museums, to institutions that tend to benefit the public generally.

Even though the Senator may be right when he says that only 18 percent of this involves contributions to universities—and I do not quarrel with him when he says that—that is a very big, important 18 percent from the point of view of anybody trying to run a private college or a private university.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. JAVITS. Mr. President. I have looked at the study on which the Senator from Massachusetts relies. Let us remember that he is talking about $24 million in income, so it is di minimis. So the question is the essence of his proposition.

That study is for gifts in 1962 and 1963—not current— when, according to my recollection, the market was very poor. And it is a private study. It is not a public document.

Second, we inserted in the RECORD, on October 7 at page 28944, a much later study, of 1968–69—generally speaking, the years between 1965 and 1969—from a list of colleges in the State of New York, which showed that they got $94 million in securities in those years, and that represented 46.5 percent of all gifts they received.

Inasmuch as this is di minimis, I think the Senate should lay that beside what the Senator from Massachusetts (Mr. KENNEDY) is arguing for, and I should like to identify myself with the views expressed by the Senator from Louisiana (Mr. LONG).

We are making very deep social changes here. Let us not go too fast and too far. That is why I think the amendment providing for a presidential commission is so vital, because if we are worried about this, they will look at it. We have been going on this way for 50 years. With $24 million a year, we are not going to die if it is 2 more years.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. LONG. How much time does the Senator desire?

Mr. DOMINICK. Two minutes.

Mr. LONG. I yield 2 minutes to the Senator from Colorado.

Mr. DOMINICK. I wish to associate myself with the Senator from Louisiana and the Senator from New York. I do not understand the rationale of the amendment.

There is a theory that if someone has acquired something for $100 and its value then rises to $1,000 and he gives it away for charitable purposes, he is making a profit. He has not made a profit. He has given away the very asset that he had. If he had sold it, he would have made a profit. But if he gives it away, he does not.

So if he gives it away or if he holds onto it, he has not made a profit.

The idea that one has an unrealized profit when he gives something away simply is not the fact, because he has neither the money nor an asset. That is

what I do not understand about the theory of the amendment offered by the Senator from Massachusetts.

Mr. LONG. We were concerned about this problem until we did all the things we have done in this area. But by the time we were through, we had provided under the committee bill that someone could not make money by giving something away.

So I think there is no longer any justification for our saying that there should be any tax on the appreciated part of what someone gives to a university or a charity. Please keep in mind, with respect to the appreciated part, he cannot give it to a foundation without tax consequences unless the foundation is going to pass it on to a charity or a public charity within 1 year.

Mr. DOMINICK. I think the Committee on Finance has done a fine job of tightening loopholes. More is involved than merely the revenues the Government would realize. The revenue that would be gained for the Government would be lost to charity, to universities, and to social purposes, and with it would be lost all that money that is donated because of the tax incentive created for donating it.

It is not a tax profit to a person. It is a tax incentive, a tax saving, to encourage one to make a donation to a university or to a charity. A person who makes a donation in the nature of a gift is donating a part of that which he would have left after he had paid taxes on the transaction.

Mr. BYRD of Virginia. Mr. President, will the Senator yield?

Mr. LONG. I yield 2 minutes to the Senator from Virginia.

Mr. BYRD of Virginia. I should like to ask the Senator from Massachusetts a question in connection with his statement that is on the desk of each Senator. On page 2 is this statement:

> The best available estimate for 1970 on the major revenue-losing amendments adopted this week is as follows:

The last item reads: "Education credit, $2.3 billion."

My understanding of the Ribicoff-Dominick amendment, which was adopted last night, is that it does not apply to 1970. It does not become effective until 1972, and would have nothing whatsoever to do with 1970.

Mr. KENNEDY. There were reports in the press this morning which estimated the loss at $2.3 billion, and I believe that the reports referred to the calendar year 1970.

Mr. BYRD of Virginia. I am not getting into the exact amount of dollars. I think the amount cited by the Senator from Massachusetts is wrong. I am not arguing that point. But I think the Senate should understand that this does not apply to 1970.

Mr. RIBICOFF. Mr. President, will the Senator yield to me?

Mr. KENNEDY. I yield.

Mr. RIBICOFF. Mr. President, the Senator from Virginia is absolutely correct. The Ribicoff-Dominick amendment goes into effect for the year 1972. The first time a revenue loss would show up would be in the tax return filed in 1973. We were most careful because of the shortfall in the Ribicoff-Dominick amendment to make sure it would not have an impact on revenue until 1973.

Mr. BYRD of Virginia. I thank the Senator.

I would like to address one further question to the Senator from Massachusetts.

The Senator spoke of 155 individuals with incomes in excess of $200,000, who paid no income tax.

The PRESIDING OFFICER (Mr. STEVENS in the chair). The time of the Senator has expired.

Mr. LONG. Mr. President, I yield 1 minute to the Senator from Virginia.

Mr. BYRD of Virginia. Mr. President, I have only one more question I would like to ask.

Mr. LONG. Mr. President, how much time is remaining on both sides?

The PRESIDING OFFICER. The Senator from Massachusetts has 3 minutes remaining, and the Senator from Louisiana has 2 minutes remaining.

Mr. LONG. Mr. President, I yield 1 minute to the Senator from Virginia.

Mr. BYRD of Virginia. Mr. President, in closing the loopholes, which the Senate has been trying to do, and the Senator from Massachusetts is trying to close a further loophole, does the Senator from Massachusetts include the tax-free interest on State and municipal bonds?

Mr. KENNEDY. No, I do not.

Mr. BYRD of Virginia. If the Senator does not, then is it not possible for individuals to continue to have huge incomes and pay no taxes, even under the amendment of the Senator from Massachusetts?

Mr. KENNEDY. I did give consideration to the possibility of the inclusion of tax-free interest in this amendment as a tax preference.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. Mr. President, I yield myself one-half minute on my time.

We now have in the House-passed bill a Federal interest subsidy for municipal bonds. Early next session, it is likely that there will be hearings on Urbank. It seems to me that we would recognize the minimum of these hearings, which will be of major importance to State and local financing. However, if the Senator wants to add tax-free interest to my amendment, I would not object.

Mr. President, I understand I have 2½ minutes remaining.

The PRESIDING OFFICER. The Senator has 2½ minutes remaining.

Mr. KENNEDY. Mr. President, the gift of appreciated property is a tax shelter for many of the 155 Americans who paid no taxes but who had incomes of over $200,000. Many of their tax shelters came from donations of appreciated property.

The Committee on Finance closed some significant loopholes but there remains another loophole. Enormous amounts of income are involved. The loophole is still there. Now, it may be used more than ever before.

The working people of this country give a large part of the 77 percent of the cash contributions that go to colleges and universities. They, too, would like to have great halls named after them and they, too, would like to be members of boards of trustees, but they will not be able to do so. That course will be available, however, to those who can afford to take advantage of this tax shelter. Whether the year is 1962 or 1968, the fact remains that it is a tax shelter, and it will continue to be a tax shelter unless we adopt this amendment.

The people of this country who give cash to colleges and universities in America today are aware that there are other people who are dodging the payment of their justified taxes because of this huge tax shelter.

Mr. President, this is a very modest proposition. The statistics indicate that the overwhelming majority of our colleges and universities do not depend on the appreciated value of these donations. Their lifeblood comes in cash contributions. Although a few selected universities receive a more substantial portion of their contributions—occasionally even more than 50 percent—in appreciated property, the fact is that the vast majority of our universities and colleges depend on cash gifts. These great centers of learning talk about fairness, equity, and liberalism, but not when their own tax shelters are involved.

Mr. JAVITS. Would the Senator like to have an authoritative fact on that?

Mr. KENNEDY. I do not have any time remaining.

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute remaining.

Mr. LONG. Mr. President, if the Senator can convince me at some point in the future a person can still make money by giving money away I would be glad to hear about it. I have been opposing gifts to charity as a tax avoidance device for many years and I am still opposing it. But we closed that loophole. Under the committee's bill there is no way one can make money by giving it to universities, colleges, or anyone. If we follow the course of this amendment we will discourage people from giving to colleges and universities. I do not think the Senate wants to do that.

Mr. DOMINICK. Mr. President, will the Senator yield 30 seconds for a unanimous-consent request?

Mr. PASTORE. Mr. President, reserving the right to object, How much time does the Senator request?

Mr. DOMINICK. Thirty seconds.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMINICK. Mr. President, I ask unanimous consent to have printed in the RECORD a table sent to me by the president of Yale University which shows seven colleges in Massachusetts received from 24 to 92 percent of their total gifts from individuals in 1968–69 in the form of securities rather than cash.

Mr. KENNEDY. Mr. President, will the Senator permit me to introduce that table since it is for my State.

Mr. DOMINICK. It covers other States as well.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

LEVEL OF SECURITIES GIVING BY INDIVIDUALS TO SELECTED COLLEGES

| Institution | Years involved | Value of securities donated by individuals | Ratio of securities to total gifts from individuals (percent) |
|---|---|---|---|
| California: | | | |
| Mills | 1966-69 | $1,659,000 | 55 |
| Santa Clara | 1967-69 | 143,000 | 6 |
| Stanford | 1966-69 | 9,037,000 | 52 |
| USC | 1966-69 | 6,100,000 | 54 |
| USF | 1966-69 | 130,000 | 10 |
| Connecticut: | | | |
| Connecticut College | 1966-69 | 640,768 | 27 |
| Hartford College | 1966-69 | 149,491 | 34 |
| New Haven College | 1966-69 | 52,204 | 58 |
| Trinity College | 1966-69 | 2,867,109 | 35 |
| University of Hartford | 1966-69 | 1,156,944 | 49 |
| Wesleyan University | 1968-69 | 1,150,000 | 50 |
| Yale University | 1967-68 | 13,243,788 | 69 |
| Massachusetts: | | | |
| Boston College | 1968-69 | 450,000 | 39 |
| Brandeis University | 1968-69 | 12,600,000 | 50 |
| Harvard University | 1968-69 | 15,900,000 | 68 |
| Holy Cross | 1968-69 | 221,130 | 24 |
| M.I.T. | 1968-69 | 2,170,000 | 70 |
| Smith College | 1968-69 | 2,884,563 | 46 |
| Wentworth Institute | 1968-69 | 502,208 | 92 |
| Pennsylvania: | | | |
| Haverford | 1966-69 | 3,545,000 | 71 |
| Juniata | 1968-69 | 243,000 | 53 |
| Lehigh | 1966-69 | 7,930,000 | 46 |
| Pennsylvania | 1966-69 | 16,600,000 | 53 |
| Philadelphia College of Pharmacy | 1966-69 | 3,700,000 | 80 |
| Swarthmore | 1966-69 | 2,061,000 | 43 |

Mr. BROOKE. Mr. President, I am disturbed by the inclusion of gifts of appreciated property to charity under the minimum income tax proposed by this amendment. I believe that this addition offers significant problems for our Nation's colleges and universities.

The Senate Finance Committee stated in its report that it did not consider it wise to include gifts of appreciated property under the 5 percent minimum tax provision, as the bill reported from the committee contains a number of other provisions directly aimed at curtailing the tax advantages resulting from such gifts. The principal effect of including gifts of appreciated property in the minimum tax is to reduce the benefit of the contribution and thereby further and unduly restrict the support of worthwhile public charitable institutions.

It has been suggested that this provision of amendment No. 368 still retains a large incentive for gifts of appreciated property to charity. A person would still have a choice of either giving the property to charity and being taxed on the amount of the appreciated value at a rate not to exceed 15 percent or selling this property and pay the capital gain tax, which could be as high as 45 percent. In essence, the incentive would lie in the difference between the minimum tax proposed in this amendment and the new capital gain rate. It is assumed that one would choose the option offering the lower rate of taxation. However, many donors may choose not to subject themselves to such taxation at either rate and may simply pass the property to their heirs. As a result, I believe much property that might otherwise go to charity would be withheld by a prospective donor.

To many charitable institutions, the uncertainty already engendered by this bill has been evident in a decline in donations that they might otherwise receive. As with the municipal bond market, when taxation of municipal bond interest had been considered, charitable giving is now suffering from damaging uncertainty. In effect, the incentive to give is already adversely affected by its tax status. I would hope that the Senate would do nothing to add to this deleterious situation.

For many months now, I have been working with academic institutions in Massachusetts to identify problem areas in this legislation. Our colleagues on the Finance Committee have remedied a number of serious defects in the House version of this bill, which would surely have reduced the access of these institutions to important sources of private contributions. It would be most adverse to add this provision to the bill, for it would undermine important incentives for private support of our colleges and universities.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to section (b) of the amendment of the Senator from Massachusetts.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Mr. President, the vote now occurs solely on the part of the amendment which relates to appreciated property; is that correct?

The PRESIDING OFFICER. The vote covers only lines 3 through 12 on page 3 of amendment 368; and covers only the appreciation of value of contributions.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Tennessee (Mr. GORE), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH) and the Senator from Nevada (Mr. CANNON) are absent on official business.

I further announce that, if present and voting, the Senator from Arkansas (Mr. FULBRIGHT) and the Senator from Mississippi (Mr. STENNIS) would each vote "nay."

On this vote, the Senator from Nevada (Mr. CANNON) is paired with the Senator from Louisiana (Mr. ELLENDER).

If present and voting, the Senator from Nevada would vote "yea" and the Senator from Louisiana would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from California (Mr. MURPHY), the Senator from Ohio (Mr. SAXBE), and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from California (Mr. MURPHY) would each vote "nay."

The result was announced—yeas 16, nays 63, as follows:

[No. 185 Leg.]

YEAS—16

| | | |
|---|---|---|
| Aiken | Inouye | Moss |
| Burdick | Kennedy | Proxmire |
| Dodd | Magnuson | Stevens |
| Eagleton | Mansfield | Williams, Del. |
| Hart | McGovern | |
| Hughes | Metcalf | |

NAYS—63

| | | |
|---|---|---|
| Allen | Fong | Montoya |
| Allott | Goodell | Muskie |
| Baker | Griffin | Nelson |
| Bellmon | Gurney | Packwood |
| Bennett | Hansen | Pastore |
| Bible | Harris | Pearson |
| Boggs | Hartke | Pell |
| Brooke | Hatfield | Percy |
| Byrd, Va. | Holland | Prouty |
| Byrd, W. Va. | Hollings | Randolph |
| Case | Hruska | Ribicoff |
| Church | Jackson | Schweiker |
| Cooper | Javits | Scott |
| Cotton | Jordan, N.C. | Smith, Maine |
| Cranston | Jordan, Idaho | Sparkman |
| Curtis | Long | Spong |
| Dole | Mathias | Talmadge |
| Dominick | McGee | Thurmond |
| Eastland | McIntyre | Tower |
| Ervin | Miller | Williams, N.J. |
| Fannin | Mondale | Young, N. Dak. |

NOT VOTING—21

| | | |
|---|---|---|
| Anderson | Gore | Saxbe |
| Bayh | Gravel | Smith, Ill. |
| Cannon | McCarthy | Stennis |
| Cook | McClellan | Symington |
| Ellender | Mundt | Tydings |
| Fulbright | Murphy | Yarborough |
| Goldwater | Russell | Young, Ohio |

So section B of Mr. KENNEDY's amendment was rejected.

## LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may be excused from attendance on the Senate, for personal reasons, for the rest of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. KENNEDY. Mr. President, if Senators will remain, I think we will take only a few minutes to discuss the other provision.

The PRESIDING OFFICER. Under the previous agreement, time is divided.

Mr. KENNEDY. Mr. President, in the committee bill some nine different areas of tax preference are defined. Three of the most significant are the excluded half of capital gains, excessive depreciation on real estate, appreciated property given to charity, and percentage depletion.

We have just voted not to include appreciated property given to charity as a tax preference; but as to the others, the

Finance Committee adopted a minimum tax of 5 percent.

The thrust of the part of amendment No. 368 which remains is that we should have a progressive minimum tax on all income from tax shelters. These shelters have been recognized and identified by the Senate Finance Committee. A 5-percent minimum income tax on individuals has been provided. A 5-percent tax has been applied on corporations.

The thrust of this part of my amendment is to provide that the tax which is applied to individuals will be progressive in nature. It also provides that there will be a lowering of the floor to $5,000, rather than the $30,000 floor that the committee bill established.

Mr. JAVITS. Mr. President, will the Senator yield for a factual question?

Mr. KENNEDY. I yield.

Mr. JAVITS. Would this amendment not raise the capital gains tax?

Mr. KENNEDY. It would, in effect, raise the capital gains tax. The committee bill does that also. This amendment, in effect, recognizes capital gains as an area of tax preference, and subjects it to the minimum tax along with all the other tax loophole income.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield for a moment?

Mr. KENNEDY. I yield.

Mr. WILLIAMS of Delaware. As I understand the amendment it would raise the top capital gains rate to 42½ percent. Is that correct?

Mr. KENNEDY. Yes.

Mr. WILLIAMS of Delaware. The committee proposed to raise it to 35 percent, the Gore amendment raised it to 37½ percent, and the amendment of the Senator raises it to 42½ percent.

Mr. KENNEDY. That is correct. The top rate for capital gains would be 42½ percent for the highest bracket taxpayers. Their ordinary income tax rate is 70 percent. My amendment still keeps a major tax preference for capital gains.

Mr. President, adoption of this provision would add $456 million in new revenues to the Treasury, above the revenue gained by the committee bill. It provides a tax that is progressive in nature for these major tax preferences. It also lowers the floor for the minimum tax to $5,000. I think it is an important and useful amendment.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. I yield.

Mr. PASTORE. I merely want to applaud this phase of the amendment. While I opposed the other part of the amendment, I will support this one.

Mr. PELL. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PELL. I am confused about one thing. I intend to support the amendment, but I do not think the capital gains tax should be increased further. I am all for increasing income taxes, but capital, to my mind, should have mobility.

How does this amendment increase the capital gains tax? Will the Senator explain that?

Mr. KENNEDY. Yes. Under present law, the maximum rate of tax for capital gains tax is 25 percent. Under the present bill, the rate is increased, so that the highest income taxpayers would pay a 35-percent rate. If the Senator is talking about someone at the highest level of income who has had a capital gain, he would be paying a 35-percent tax on his gain, and my amendment would add 7½ percent additional minimum tax. We must remember, though, that if he had ordinary income, he would pay tax at a 70-percent rate.

If what the Senator is talking about is the lowest income factory worker or wage earner who has a small capital gain, he probably would not be affected by the minimum tax at all. It affects only the capital gains of taxpayers with large amounts of tax preferences—with capital gains of hundreds of thousands or even millions of dollars.

The capital gain of a person who sold his house in shifting jobs probably would not even be included in the minimum tax, because the minimum tax does not start until the tax preference is $5,000, and then it is only 2½ percent in the first step. Thus, it would be a true progressive tax.

The essence and thrust of this amendment is not to extend the minimum tax to the lower-, or even the middle-income family or wage earner that has realized a small capital gain, but to provide a progressive tax for those having huge tax shelters.

Mr. PELL. What portion of the revenue received from capital gains taxes will be increased by this measure?

Mr. KENNEDY. I will have to answer that in a moment.

Mr. PELL. Perhaps the chairman of the committee can answer that.

Mr. KENNEDY. Would the Senator restate his question?

Mr. PELL. What is the percentage?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. JORDAN of Idaho in the chair). The Senator has only used 5 minutes.

Mr. KENNEDY. What is the Senator's question?

Mr. PELL. The question is, Of the revenue received as a result of the capital gains tax, what percentage of it would be affected by the Senator's amendment?

Mr. KENNEDY. Under our amendment, $800 million would be gained from the minimum tax.

Mr. PELL. And how much of that comes in from the capital gains tax?

Mr. KENNEDY. It is $621 million.

Mr. PELL. Could I ask the Senator from Louisiana that question?

Mr. LONG. I do not have it.

Mr. PELL. I think we have to have that information to judge this amendment intelligently.

Mr. KENNEDY. I do not know the total amount of the capital gains tax the Treasury receives.

Mr. PELL. If it is significant, then the principle of the Senator's amendment is excellent. If it is not, the amendment would do more harm than good.

Mr. LONG. On the individual level, the biggest item in capital gains, but there are others. I cannot tell the Senator the exact amount. That is the largest item in individual taxes to which the amendment would apply. The Senator's 5-percent tax on corporations would be the same as that in the committee bill, so there would be no difference there, as I see it.

Mr. PELL. But would the capital gains increase to 42 percent affect a major portion of the capital gains taxes that are paid, or a minor portion? That is my question.

Mr. LONG. In terms of dollars, it would be an important part of the total, but not in terms of the number of taxpayers who would be paying it.

Mr. PELL. More than half, or less than half?

Mr. LONG. In terms of dollars, more than half.

Mr. PELL. More than half the capital gains tax returns, then, would go up?

Mr. LONG. No, in terms of people, the higher tax rates on capital gains would apply to a small fraction of people with capital gains. In terms of dollars, more than half of the capital gains would be subject to the higher rates.

So it depends on whether the Senator is talking about numbers of people or numbers of dollars affected by the higher rates.

Mr. KENNEDY. On the question of capital gains which is affected by this amendment, I think it is important to realize that by providing the progressive feature of this amendment, the first $5,000 would be excluded, and it would provide a tax of only 2.5 percent for amounts from $5,000 to $30,000.

Then, from $30,000 to $50,000, it goes up to 5 percent. From $50,000 to $100,000, the tax is 10 percent. Only for amounts over $100,000, do we get to the figure the junior Senator from Rhode Island has described as being 42½ percent.

So what we are trying to build into the bill with that amendment is that the capital gains realized by the lower middle-income or even the upper middle-income taxpayers will not be greatly affected. This amendment is designed to reach the highest bracket taxpayers with huge tax preferences.

Mr. PASTORE. Mr. President, will the Senator yield to the senior Senator from Rhode Island?

Mr. KENNEDY. I yield.

Mr. PASTORE. Insofar as the 6-month period is concerned, as reported out by the Committee on Finance, we are not disturbing that at all?

Mr. KENNEDY. We are not.

Mr. PASTORE. I thank the Senator.

Mr. LONG. Mr. President, the Senate Finance Committee arrived at a 5-percent figure for the so-called supertax because it was felt that at this rate, which is a reasonable rate, taxpayers should not be too greatly concerned about the additional tax burden.

I must say that since we did that, I have discovered there is a lot of concern about it among those who would be paying the tax. But the Senator has done a number of additional things with his amendment that would make this a much less palatable proposal than that of the Finance Committee.

In the first instance, the proposal of Committee on Finance would not affect

the average citizen, in that we would allow him of up to $30,000 tax privileges on such things as capital gains, excess investment interest deductions, accelerated depreciation on real property, and tax benefits on stock options.

The Senator would drop that $30,000 level down, however, and make the tax applicable to any person who had a capital gain or some other tax preference of $5,000 or more.

Now, when we talk about a $5,000 level, we are talking about a great number of little people who have sold a piece of real estate, or sold some stock, or sold something that has been in the family a number of years. Even though the Senator would only tax these little people at a 2.5-percent rate, I have discovered that there is no tax that is really popular, and any time you start taxing those people, even at 2.5 percent, they are not going to like it.

Then, under the Senator's proposal at the $30,000 level, the tax rate would go up to 5 percent; at the $50,000 level, to a 10-percent rate; and at the $100,000, to a 15-percent rate. That would mean that a person in the highest tax bracket who along with significant other preferences had a capital gain of $100,000, would pay tax at a 42.5-percent rate on the untaxed part of his capital gain: he would be paying a 70-percent regular tax on half of it, and a 15-percent tax on the other half, and that works out to a 42.5-percent tax on capital gains.

Mr. President, a lot of these capital gains are really not a profit at all. The regular taxes on these capital gains, the graduated tax on them and which the Senator would add are really a penalty the Government levies on the citizens for the failure of the Government to maintain the purchasing power of its money.

Let me illustrate the point. Many people have assets that have been in the family for at least 30 years, where the purchasing power of the dollar at the time the asset was acquired was twice what it is today. So, today, one might sell something for $200,000 for which he paid, at the time it was acquired 30 years ago, perhaps $100,000. Thus, it really is worth no more today, in terms of constant dollars, than it was 30 years ago. The only reason a profit results is because the dollar will not buy what it would buy 30 years before. So in many cases, there has been no real gain.

In other words, in many instances a capital gains tax is a tax on a gain that in real terms does not exist at all. In many instances, it is really only a penalty on the citizen for failure of the Government to have maintained a level purchasing power, and to have maintained the value of its currency.

Now the Senator wants, in addition to all the additional taxes we have put on, in addition to raising the rates on capital gains, in addition to putting a minimum tax on the portion of gains that was previously untaxed, to come along and put a graduated income tax on this and all the other preference items.

I say, Mr. President, that this type of graduated income tax on top of a graduated income tax will be a very unpopular and, I believe, a very unfair thing. If the idea catches on, as well it might, I assume it will not stop there; I assume eventually we would have a graduated income tax up to 70 percent on capital gains as well as on various and sundry other items. Why not go all the way with it?

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RIBICOFF. Mr. President, is it not a fact that when we agreed to the Gore amendment we provided for about $100 million more in the amount received from capital gains than we would have received if the committee position had prevailed?

Mr. KENNEDY. It could be that much. I do not know how much it is. But, the rates under the Gore amendment are the same as the rates under existing law.

Mr. RIBICOFF. Mr. President, I was talking to the distinguished Senator from Delaware (Mr. WILLIAMS), and he said it was about $100 million.

Mr. LONG. That sounds correct.

Mr. RIBICOFF. In other words, the Gore amendment charges those who have capital gains an additional $100 million, approximately.

Mr. LONG. The Senator is correct.

Mr. President, I only have about 5 minutes remaining.

Mr. RIBICOFF. Mr. President, I think this point will clarify the position of the Senator.

The Kennedy amendment applies to the capital gains of individuals. But the committee amendment applies to the capital gains of corporations. There is a disproportionate amount that an individual would have to pay. Under the Kennedy amendment, he would have to pay a higher capital gain tax than a corporation.

Mr. LONG. The Senator is correct. The individual would pay under the Kennedy proposal about three times as much as a corporation. I find that very difficult to justify.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, either we are serious in the Senate about trying to make the tax laws apply fairly to all the taxpayers of the country and have it function equitably, or we are not.

We in Congress can establish progressive tax rates, and we should do so for the minimum tax. The person who receives a salary every week and has a part of it withheld knows how heavily he is taxed, and he wants tax justice.

When tax time comes around, he can look at the figures and see what his rate is. Those in the middle-income brackets know what they will be charged. They know the tax rate they will pay.

Everyone knows the rates and expects that everyone else will have to abide by them. When a person sees that an executive makes $100,000, he supposes that man will have to pay the rate established by Congress of 70 percent. But no; we have written into the laws a variety of tax shelters. A person who realizes a capital gain of $100,000 is taxed at a 35-percent rate and not a 70-percent rate.

So what we are trying to do here is to say that we know there is a tax shelter. If it is a large gain, the wealthy taxpayer will realize hundreds of thousands of dollars and he ought to be willing to pay a modest and progressive tax.

The 5-percent committee tax is only a slap on the wrist for people who have huge tax shelters. We are asking the American people to pay a fair tax. What we are trying to do in the Congress is to have a tax system which is progressive.

We all realize that there are tax shelters. And we fail to meet our obligations if we do not try to enact a progressive tax measure. If we fail, we will be doing the country a disservice.

All over this country, American taxpayers are becoming wiser. They see individual after individual taking advantage of tax loopholes. Can we tell them that we have raised the tax by only 5 percent on those individuals?

Why do we not try to provide some tax advantages for those who are on fixed salaries, and for the working people of the country? Why do we not start to give them some tax advantages?

My amendment establishes a simple progressive minimum tax. Those who realize only a small advantage from the various tax shelters which already exist—up to $5,000—will not be taxed at all. If their tax shelters are worth from $5,000 to $30,000, we add only a 2.5-percent tax. However, we add 15 percent for those who have more than $100,000 in tax shelters.

I think that a progressive tax is vital to the minimum tax, and is entirely consistent with the philosophy of our revenue laws.

Mr. President, I hope that the amendment will be agreed to.

Mr. LONG. Mr. President, in the committee bill we have raised taxes by $6 billion on individuals and corporations who were regarded as being favored in one respect or another.

The Senate has seen fit to trim that figure down for us by several hundreds of millions of dollars. But even so, there is still about $5,300,000,000 that we have raised.

I voted not to trim it down, but to gain even more revenue. I voted for the Tydings amendment that would have raised it another $2.2 billion by providing a carryover basis for a decedent's assets.

I wanted to vote to tax foundations not just on one-fifth of 1 percent of investment assets but on 7½ percent of investment income after they were in existence for 40 years. We would have achieved $3 billion of additional tax increases beyond the $6 billion reported by the committee.

However, this amendment involves a tax of $480 million on top of other taxes involved here which cannot be justified because in a great many cases this involves a graduated income tax on profits that do not exist at all except in a bookkeeping sense.

I do not think it can be justified, Mr. President, and I predict that if Congress wants to go down this road we will be killing incentives by imposing a graduated income tax on transactions which in real terms produce no profit at all. The item sold is no more valuable in terms of purchasing power than it was when acquired. But because the person had it a

long time, it is more valuable in terms of inflated dollars and the amendment levies a 42.5-percent tax on these capital gains, while a country such as Canada has no capital gains tax. This tax would tend to chase money from this country and would penalize people unfairly when they had made no gain at all. This tax would merely increase a penalty on citizens because of the Government's inability to maintain a stable value for its currency.

Mr. PELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PELL. Could this amendment be divided to take out, separately, the capital gains portion of it? If so, I would demand such a provision.

The PRESIDING OFFICER (Mr. JORDAN of Idaho in the chair). The Senator could move, when all time had expired, to strike it out; but under the circumstances, this agreement was entered into by unanimous consent.

Mr. KENNEDY. Mr. President, I will object, if that is within my rights.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes remaining.

Mr. KENNEDY. I would merely say, in closing, that a little more than a year ago a taxpayers' revolt began in this country because the taxpayers did not believe that the system we have was really fair, equitable, and progressive.

The purpose of my amendment is to provide what I consider to be a reasonable, modest, and progressive feature to fill in the various tax shelters, some of which have been filled by the Committee on Finance, and others of which have not.

Are we really serious about providing our tax system with a progressive nature? Are we really interested in a revenue gain of $456 million. Are we really serious about the minimum tax?

I hope the Senate will agree to the amendment.

Mr. JAVITS. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 4 minutes remaining.

Mr. LONG. I had agreed to yield 2 minutes to the Senator from Florida.

Mr. JAVITS. I should like 1 minute.

Mr. HOLLAND. Mr. President, one feature which I fail to understand is the disparity between the extra tax levied on tax preference income of individuals and that levied on corporations; under the pending amendment. This tax on individuals, after $50,000, is 10 percent, and after $100,000 is 15 percent, and this applies either to single persons or to the married persons filing separate returns. I note, however, that as to corporations, the extra tax levied on preference income is only 5 percent and it does not exceed that amount. Corporations, of course, can make capital gains and other preference items amounting to very large gains, up in the millions.

How does the distinguished Senator from Massachusetts justify levying only 5 percent of these preference taxes on corporations and at the same time levying 15 percent on individuals? I do not see the justification, and if there is a justification, I ask the Senator from Massachusetts to state it for the RECORD.

Mr. KENNEDY. I thought the Senator from Louisiana had yielded time. I was checking on the parliamentary situation. I did not hear the question.

Mr. LONG. The Senator from Florida wants to know how the Senator from Massachusetts justifies a 5-percent rate for corporations and a 15-percent rate for individuals.

Mr. KENNEDY. There is a distinction. We are already taxing the corporations at a flat rate, and the flat 5-percent committee rate is appropriate in corporations. More important, the minimum tax is really a tax that is most appropriate for individuals. It is individuals who actually enjoy the use of tax shelters. Corporations must distribute their income from tax preferences to their stockholders before the income can really be enjoyed. And when the income is distributed by the corporation, it is usually taxed to the stockholder at ordinary income rates.

Mr. HOLLAND. Mr. President, having in mind the very high level of capital gains which can be had by corporations and the very high level of other preference taxes, I see no justice at all in putting the level of extra taxes at 15 percent on individuals and at 5 percent only on corporations.

Mr. JAVITS. Mr. President, will the Senator yield me 1 minute?

Mr. LONG. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Louisiana has 3 minutes remaining.

Mr. LONG. I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I should like the attention of the Senate, briefly.

There is a case—I would like to agree with the Senator from Massachusetts (Mr. KENNEDY)—for some kind of progressive tax for those items which really represent special exemptions under the law. If his amendment is adopted, that is it. But if the amendment is rejected, I hope he will devote himself to that point, because I cannot agree, and I think many other Members of the Senate cannot agree, with the way he handles capital gains.

First, there is no progressive tax on capital gains. It is a flat tax.

Second, many countries do not have a capital gains tax, precisely to encourage capital venture.

Third, the Gore amendment already has put the tax up very materially.

I wanted to vote for this amendment. I would like to vote for some amendment like it, but I do not feel I can unless we can articulate the problem of capital gains, somehow exclude it, and also find out what it does financially, and what are the balances in the proposition which the Senator from Massachusetts is making.

I make the basic point that capital gains are not basically a tax loophole. We do it because we want to encourage a certain kind of risk taking. Second, it never has been a graduated tax. It always has been a flat tax, and I do not think it belongs in this particular approach.

Mr. LONG. Mr. President, under the proposal of the Senator from Massachsetts, he would tax interest expense. That is not interest income. This minimum tax applies to an interest expense insofar as it exceeds investment income. In voting so, we thought that at a 5-percent rate we could justify taxing an interest expense. In his amendment, the Senator is proposing putting a 15-percent tax on an interest expense. I find this difficult to justify.

SEVERAL SENATORS. Vote! Vote!

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 1 minute remaining.

Mr. KENNEDY. I yield myself 1 minute.

Mr. President, the Finance Committee bill provides a tax on the interest for investment income. The revenue gain from this provision is very small—$75 million—it is incidental.

Either we believe in a progressive income tax, or we do not. As I said earlier, the people of this country expect that we do. This amendment incorporates a progressive feature in an important new concept in our tax laws—the minimum tax. My amendment affects many aspects of our tax system that today are considered unfair tax shelters. It will not affect the middle- or low-income person who is going to realize gains under even a minimum tax amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the second section of the amendment of the Senator from Massachusetts. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HUGHES (when his name was called). Mr. President, on this vote I have a pair with the Senator from Louisiana (Mr. ELLENDER). If he were present he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. BYRD of West Virginia (after having voted in the negative). Mr. President, I have a pair with the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD). If he were present and voting he would vote "yea." I have already voted in the negative. If I were permitted to vote I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Tennessee (Mr. GORE), the Senator from Alaska (Mr. GRAVEL), the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. Mc-

CLELLAN), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH) and the Senator from Nevada (Mr. CANNON) are absent on official business.

On this vote, the Senator from Nevada (Mr. CANNON) is paired with the Senator from Mississippi (Mr. STENNIS). If present and voting, the Senator from Nevada would vote "yea" and the Senator from Mississippi would vote "nay."

I further announce that, if present and voting, the Senator from Arkansas (Mr. FULBRIGHT) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Kentucky (Mr. COOK), the Senator from California (Mr. MURPHY), the Senator from Ohio (Mr. SAXBE), and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from California (Mr. MURPHY) would each vote "nay."

The result was announced—yeas 24, nays 52, as follows:

[No. 186 Leg.]

YEAS—24

| | | |
|---|---|---|
| Church | Jackson | Muskie |
| Cranston | Kennedy | Nelson |
| Dodd | Magnuson | Pastore |
| Eagleton | McGovern | Proxmire |
| Harris | McIntyre | Ribicoff |
| Hart | Metcalf | Spong |
| Hartke | Mondale | Tydings |
| Inouye | Moss | Williams, N.J. |

NAYS—52

| | | |
|---|---|---|
| Aiken | Fannin | Packwood |
| Allen | Fong | Pearson |
| Allott | Goodell | Pell |
| Bellmon | Griffin | Percy |
| Bennett | Gurney | Prouty |
| Bible | Hansen | Randolph |
| Boggs | Hatfield | Schweiker |
| Brooke | Holland | Scott |
| Burdick | Hollings | Smith, Maine |
| Byrd, Va. | Hruska | Sparkman |
| Case | Javits | Stevens |
| Cooper | Jordan, N.C. | Talmadge |
| Cotton | Jordan, Idaho | Thurmond |
| Curtis | Long | Tower |
| Dole | Mathias | Williams, Del. |
| Dominick | McGee | Young, N. Dak. |
| Eastland | Miller | |
| Ervin | Montoya | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Hughes, for.
Byrd of West Virginia, against.

NOT VOTING—22

| | | |
|---|---|---|
| Anderson | Gore | Saxbe |
| Baker | Gravel | Smith, Ill. |
| Bayh | Mansfield | Stennis |
| Cannon | McCarthy | Symington |
| Cook | McClellan | Yarborough |
| Ellender | Mundt | Young, Ohio |
| Fulbright | Murphy | |
| Goldwater | Russell | |

So section A of Mr. KENNEDY's amendment (No. 368) was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

## PROGRAM

Mr. LONG. Mr. President, I am seeking to locate the majority leader. It was my understanding earlier in the day that at the conclusion of this vote the Senate would turn to the consideration of certain appropriation measures and that we would then resume the consideration of the tax bill when the Senate convenes on Monday.

I would like to ask the acting majority leader if this is his understanding.

Mr. KENNEDY. Mr. President, the majority leader had business out of the city and has been officially excused. He was hopeful we would continue and act on additional amendments as long as any were offered. He also indicated he was hopeful we could take up the military construction bill when there were no further amendments to the tax reform bill.

It would be my hope that, consistent with the majority leader's intention, we try to dispose of some additional amendments to the tax bill this afternoon.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. BIBLE. Mr. President, it is my understanding that the majority leader desired to move forward on as many amendments to the tax bill as we could, and then, at the end of that deliberation to lay down the military construction bill with the understanding that we would, if possible, get to third reading. If there were amendments, obviously they would go over until Monday for rollcall votes. In addition, there would be a rollcall vote on final passage. If we get to third reading, we would go over to Monday and have the military construction bill, in the hope that we could get third reading on that today.

Mr. LONG. Mr. President, as far as this Senator is concerned, we might as well proceed as long as Senators want to, but I doubt very much that we will reach the third reading of the bill today.

That being the case, I think we might just as well proceed to the consideration of the appropriation measure.

Mr. SCOTT. Mr. President, it would be my hope, also, after some discussion with the majority leader and with the acting majority leader, that we could go over now, temporarily, to the military construction bill, with the hope of reaching at least the third reading tonight on that bill.

Mr. KENNEDY. I wonder whether it would be possible now, to try to get a unanimous-consent agreement to a 1-hour limitation on any additional amendments to the tax bill. I have mentioned this to the minority leader just now, and also to the chairman of the Finance Committee. If we could make that decision, we could move forthwith to the military construction appropriation bill and, it is hoped, finish the tax bill in the early part of next week.

Mr. HRUSKA. Does the Senator mean a blanket agreement to limit debate on all amendments?

Mr. KENNEDY. On all amendments.

Mr. HRUSKA. Mr. President, reserving the right to object—and I think I shall—just because this will be the 14th day of debate instead of the first day of debate, that does not mean that the gravity, seriousness, and scope of the tax bill should not continue to have full and complete debate. Many amendments are pending, and if some of them are called up, I believe they will be found to be in the same category as amendments that have been considered heretofore and on which it was not considered desirable to have a limitation of debate.

Mr. KENNEDY. We have had many limitations on debate on other amendments. The suggestion of the leadership has been that if there were additional amendments, which Senators desired to offer today we would proceed with them this afternoon. We were trying to reach some degree of comity and understanding. Especially we might remember the urging of the President, who has talked about this measure and has suggested the possibility of our coming back during the Christmas holidays at his request. Certainly we would like to continue with this measure today.

Mr. HRUSKA. May I suggest that the President also, in that same message, called for fiscally responsible tax legislation. If we are going to accord 1 hour's worth of debate on an amendment which should have 3 or 4 hours, I do not see how we can inject fiscal responsibility into it. This morning's proceedings are an example of it. The junior Senator from Montana (Mr. METCALF) proposed an amendment on which we did not spend 1 hour but 4 hours. I would be precluded from doing that if an amendment of that type were submitted between now and next Wednesday.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. WILLIAMS of Delaware. There are a number of amendments. I am confident that we can continue on the tax bill right on through today. If we do not finish it today, then we will continue on Monday next. But I understand the leadership wanted to lay the tax bill aside in order to proceed with the appropriation bill on military construction. If I am wrong, I am sorry, but that is what I understood. I am willing to do either—work on the tax bill or on the appropriation bill.

Mr. KENNEDY. The instructions that I had from the majority leader clearly stated that we should continue voting on the tax bill this afternoon so long as amendments were called up. It says here, in a memorandum the Senator from Montana wrote to me: "Make it clear to our colleagues during my absence that the important thing is to keep the ball rolling as long as we can."

Mr. WILLIAMS of Delaware. I understood that the leadership was concerned that we get the appropriation bill rolling. Hopefully, we can do that, as indicated; otherwise, we can stay and work on the tax bill. It should be our intention to remain and consider all amendments. I am trying to find out what the leadership wants to do now.

Mr. KENNEDY. The leadership would like to know if there are any amendments now to the tax bill; and if there are any amendments now which any Senator is prepared to move on, they

should be called up. It would be tne hope of the leadership that we would continue with those amendments, with the expectation that we would take up the military construction appropriations bill later today after there were no more Senators ready to move on amendments to the tax bill.

Mr. SCOTT. May I ask the Senator from Massachusetts whether the majority leader made a distinction, if there is one, as to whether he was talking about noncontroversial amendments on which rollcalls would be expected.

Mr. KENNEDY. No. It is hoped that we could continue as long as there were Members of this body who had amendments and who were prepared to debate them this afternoon. That was the parting suggestion of the leader, with which I agree. Then we could take up the military construction bill after Senators have concluded offering amendments this afternoon.

Mr. HANSEN. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. HANSEN. I have prepared two, maybe three amendments and I am certain they are noncontroversial, if everyone will be reasonable. [Laughter.]

Mr. KENNEDY. The Senator from Michigan (Mr. HART) has some amendments.

Mr. HART. Mr. President, reserving the right to object, if there is need, in order to test what is desired with respect to proceeding as the majority leader suggested, I am prepared to call up an amendment which, as its author, I can assure everyone makes good sense. Its number is 314 and it seeks to go beyond the position the committee has taken with respect to deductibility of penalties paid under trust judgments. I am prepared to discuss it briefly at this time. It really has a limited fiscal implication. It is more a question of philosophy. I would be pleased to bring it up under a limitation of debate.

Mr. KENNEDY. Obviously there are amendments which are prepared for consideration.

Mr. WILLIAMS of Delaware. There is no question that there are plenty of amendments. I had only reluctantly agreed to what I thought was the majority leader's request that later today we would set the tax bill aside and consider the military construction bill. If I have misunderstood, then we will proceed with the tax bill and just let the military construction appropriation bill go over until next week.

Personally, I would rather complete the tax bill today, or on Monday or Tuesday next, before we take up other business. But I was willing to accommodate the majority leader. Apparently, from what I gather from the Senator from Massachusetts, I must have misunderstood the majority leader. Thus I say, let us proceed with the tax bill.

Mr. KENNEDY. Mr. President, I am delighted to state the majority leader's position, and that is to continue voting on the tax bill throughout the afternoon, and in the late afternoon take up the military construction appropriation bill. I do not consider the 4:30 o'clock p.m. period to be late afternoon. There have been Members of the Senate who have indicated that they have amendments. Therefore, it is my suggestion now that we continue with those amendments and take up the military construction appropriation bill after that.

Mr. WILLIAMS of Delaware. I want to thank the acting majority leader. I pledge him my support. Let us proceed with the tax bill.

Mr. BENNETT. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. BENNETT. Does the leadership know whether there will be any serious amendments to the military construction bill, or will that get bogged down, too?

Mr. KENNEDY. I would rather have the distinguished Senator from Nevada (Mr. BIBLE), respond to that question.

Mr. BIBLE. If the Senator from Massachusetts would yield to me, let me say, to the best of my knowledge there will be no amendments requiring rollcall votes on the military construction bill. Senators can be sure of one or more amendments but if there are amendments offered of a serious nature, the majority leader has asked me to assure everyone that those amendments will go over until Monday next for voting. But, if there are no amendments, then we will go to third reading and then have a rollcall vote on final passage of the military construction bill on Monday next.

Mr. BENNETT. With all Senators present, or most of them, as well as the chairman of the subcommittee, may I ask if there are any of us who intend to bring up a serious amendment to the military construction bill, so that we might be able to clear on that now?

Mr. BIBLE. The Senator from North Dakota (Mr. YOUNG) can respond to that.

Mr. YOUNG of North Dakota. There have been some expressions concerned about, perhaps, ABM funds. There is only $16 million in the bill for that, which is for research and development in a very important area. There is no opposition that I know of.

Mr. BIBLE. That is likewise my understanding, Mr. President. This is for research and development at Kwajalein and nothing in the continental United States.

Mr. BYRD of West Virginia. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. BYRD of West Virginia. Might I make the suggestion to the joint leadership that we proceed with consideration of the tax reform bill, discussing any amendments and voting on them by voice vote if they are not too controversial, and if we have amendments which will require rollcall votes, after discussing them, then the rollcall votes can go over until Monday, so that all Senators would know now that there woud be no more rollcall votes today. If we get to the point that we have no further amendments for discussion to the tax reform bill, we can lay it aside temporarily and take up the military construction appropriation bill and proceed with it until we have advanced it to third reading, with the understanding that any and all rollcall votes would go over until Monday next on both bills.

Mr. KENNEDY. Mr. President, if Senators who will be here this afternoon and have amendments to offer to the tax bill and who desire rollcalls, it is the intention of the leadership to stay in session this afternoon for some time. If there are Senators who want to have voice votes, we will do that. It is also the intention of the leadership to move to consideration of the military construction appropriation bill after a reasonable period of time.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. WILLIAMS of Delaware. There will be rollcalls. The Senator from Alaska (Mr. STEVENS) has an amendment on which he wants a rollcall.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. BYRD of West Virginia. Mr. President, I merely suggested this so that Senators might know that there would be no more rollcalls today. Apparently, we are not going to finish either of these bills. They are going over until Monday for the final vote. Why not put over all rollcalls until Monday? The majority leader and I have an amendment which will lower the age for social security recipients to 60, and I intend to ask for a rollcall vote on it. Perhaps we could have a fixed time to vote on that amendment on Monday.

Mr. KENNEDY. Mr. President, as long as there are Senators present who have amendments to the tax bill and are prepared to move on those measures, it is the leadership's intention to continue on. We will consider the possibility of moving onto other matters later in the afternoon.

AMENDMENT NO. 380

Mr. STEVENS. Mr. President, I call up my amendment No. 380.

Mr. COTTON. Mr. President, will the Senator yield me half a minute?

Mr. STEVENS. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The amendment will be stated.

The legislative clerk proceeded to read amendment No. 380.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 380 is as follows:

On page 413, line 3, before the period, insert "and property to which subsection (f) applies".

On page 428, line 6, following subsection (e) add the following new subsection:

"(f) INVESTMENTS IN DEPRESSED AREAS.—

"(1) IN GENERAL.—In the case of section 38 property (other than pre-termination property)—

"(A) the physical construction, reconstruction, or erection of which is begun after April 18, 1969, or which is acquired by the taxpayer after April 18, 1969, and

"(B) which is located in a depressed area and which is constructed, reconstructed, or erected, or acquired for use in a trade or business,

the taxpayer may select items to which this

subsection applies to the extent that qualified investment for the taxable year attributable to such items does not exceed the limit on qualified investments determined under subsection (2) of this subsection. In the case of any item so selected (to the extent of the qualified investment attributable to such item taken into account under the preceding sentence), subsections (a), (c), (d), and (e) of this section, paragraphs (5) and (6) of section 46(b), and the last sentence of section 47(a)(4) shall not apply.

"(2) LIMIT ON QUALIFIED INVESTMENT.—The taxpayer shall project, under regulations promulgated by the Secretary, the number of new jobs that will be created by the qualified investment. The limit on qualified investment shall be determined by multiplying the number arrived at under the first sentence of this paragraph by $15,000.

"(3) DEPRESSED AREA.—For purposes of paragraph (1), the term 'depressed area' means an area in a State or political jurisdictional subdivision of a State in which the Department of Labor certifies that the unemployment rate for the preceding calendar year was at 6 percent or greater, or which the Secretary of Commerce determines, after consultation with the Secretary of Agriculture, are areas in which (A) farming is a major industry, (B) there has been a substantial decrease (or there is a continuing marked decrease) in the number of persons engaged in farming as a major source of their income or livelihood, (C) there is a substantial migration of such persons out of the area, and (D) as a result of such decrease and migration, a condition of substantial and persistent unemployment or underemployment exists or is caused in other areas."

Mr. SCOTT. Mr. President, were the yeas and nays ordered?

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, I yield 1 minute to the Senator from Colorado (Mr. ALLOTT).

AMENDMENT NO. 397

Mr. ALLOTT. Mr. President, of myself and my colleague from Colorado (Mr. DOMINICK) I send an amendment to the desk for printing.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the desk.

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER. Senators will please take their seats.

AMENDMENT NO. 380

Mr. STEVENS. Mr. President, I ask unanimous consent that my amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, with the agreement of the Senator from Louisiana, I would be willing to enter into a consent agreement of 20 minutes on each side.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG. Mr. President, I ask unanimous consent that there be a limitation of 40 minutes on this amendment, 20 minutes to the sponsor of the amendment and 20 minutes to the manager of the bill.

Mr. HRUSKA. Mr. President, I should think we ought to know the nature of the amendment before we agree to any limitation of debate.

Mr. STEVENS. The amendment seeks to continue the investment tax credit to depressed areas.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The Senator will suspend until there is order. The Sergeant at Arms is instructed to clear the floor of all staff personnel who are not needed in connection with this bill, and those who are needed in connection with the bill must take seats. The Chair will await the action of the Sergeant at Arms in enforcing this order.

Mr. DOMINICK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Would the Senator from Louisiana now repeat his unanimous-consent request?

Mr. LONG. Mr. President, I ask unanimous consent that further debate on the amendment of the Senator from Alaska be limited to 40 minutes, to be equally divided between the sponsor of the amendment and the manager of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana that the time on the amendment be limited to 40 minutes, to be equally divided? The Chair hears none, and it is so ordered.

Who yields time?

Mr. STEVENS. Mr. President, I yield myself 10 minutes, and I yield one-half minute to the Senator from Colorado. I had hesitated to call up this amendment——

The PRESIDING OFFICER. There will be order in the Senate.

The Senator from Alaska.

Mr. STEVENS. Mr. President, I had hesitated to call up this amendment, but since I shall be absent from the Senate on Monday and seek a rollcall vote on it, I have decided to call it up. It seeks to preserve the investment tax credit in depressed areas.

I would call to the attention of this body that my whole State is a depressed area. The unemployment rate in Alaska exceeds 9 percent at all times. Sometimes, in many portions of our State, it is as high as 85 percent.

We have investigated the total cost in 1968 for the investment of manufacturing plant and equipment that created new jobs, and based upon information from the Department of Labor and the Department of Commerce, have ascertained that it is fair to assign the figure of $15,000 as the amount necessary to create a new job in terms of investment.

This amendment seeks to perpetuate the investment tax credit in depressed areas in this manner: We would take the number of new jobs that are created, as determined by guidelines established by the Secretary of the Treasury, multiply those jobs by $15,000, and that would give the gross amount that would be available for the tax credit at the rate of 7 percent.

Yesterday I put in the RECORD an analysis of the cost of this amendment. Assuming that all of the unemployed people in the depressed areas of this country were employed as a result of this type of investment, the total tax loss to the Treasury would be but $10 million, because the people who are presently unemployed are a burden on the Federal Government and on the State governments in terms of welfare costs.

As an offset against the cost of the credit, we have, under the administration's new program, the family assistance benefit that would not have to be paid to the unemployed receiving jobs as a result of the credit. We believe that if the Senators will examine the real drain on the Treasury as a result of this type of incentive, it will be found to be very small. It would be an incentive to take investment dollars and put them into areas where new jobs must be created.

I would call attention particularly to the fact that if it were not in a depressed area, there would be no investment tax credit.

Investment in a depressed area would only be eligible if, in fact, it did create new jobs, and thereby relieved the burden in depressed areas such as in my State.

I believe this is one way we can preserve the investment tax credit in areas where it will do some good, where it will reduce unemployment, where it will provide new income for people presently unemployed, provide new tax revenues for the Federal Government by virtue of that employment, and actually reduce the burden on the States because welfare rolls will have that much less burden.

I shall be pleased to discuss the matter with any Senator who has any question about it. It is a simple amendment. We are all familiar with the investment tax credit. It seeks to preserve what is presently an eligible investment under section 38 of the Internal Revenue Code.

I think it is important to point out what is a depressed area under the terms of this provision. It would be an area in which the unemployment rate exceeded 6 percent in the calendar year preceding the investment, or that portion of a State which the Secretary of Agriculture certifies is an area in which farming is a major industry, there has been a substantial decrease or there is a continuing marked decrease in the number of persons engaged in farming as a major source of income or livelihood, there is a substantial migration of such persons out of the area and as a result of such decrease or migration, a condition of substantial and persistent unemployment or underemployment is caused in such area or in some other area.

The PRESIDING OFFICER. The Senate will be in order. Attachés will not stand around the walls. The Sergeant at Arms will enforce this order during the remainder of the day. The lobbies will be cleared of all persons other than Senators and persons connected with the business of the Senate.

The Senator may proceed.

Mr. STEVENS. Mr. President, the inclusion in my amendment of the additional definition of a depressed area to include those farming areas which are losing farmers and are causing substantial underemployment or unemployment by reason of such action, is the result of a suggestion for which I am indebted to the Senator from Iowa (Mr. MILLER). There is a persistent problem of unemployment as a result of a substantial and

continuing migration away from farm areas.

This amendment would act as an incentive to create jobs in those farm areas experiencing such migrations. This amendment is extremely important to my State. The investment credit, I feel, has been an incentive to bring money to Alaska. Despite the fact that we have substantial tax revenues and oil revenues in our State treasury, we still have the highest rate of unemployment in the country, and I point out, with respect to the unemployment figures, that almost 20,000 people are not even included; they have been unemployed so long, they are no longer included in the statistics. This is primarily in the bush areas, the native and Indian areas of our State.

This investment tax credit, I feel, would be an incentive to private industry to take up the burden that is otherwise going to be assumed by the Federal Government under the family assistance program suggested by the administration if we do not create jobs and put these people to work on private payrolls. I really believe this is one of the places where the investment tax credit is justified, and I would not have offered the amendment had not the amendment by the Senator from Indiana been agreed to the other day. It preserved the investment tax credit as far as this body is concerned, and goes beyond the bill suggested by the Finance Committee in that regard.

I think this is a fair amendment. It is an amendment no one can abuse. You have to create a job by virtue of the investment in order to take the credit, and by tying it down so that you must show, in accordance with regulations promulgated by the Secretary of the Treasury, the fact that you have created permanent new employment by your investment to justify the credit, we guarantee that the credit will be an incentive, I feel, for job-creating investment.

Mr. President, I reserve the remainder of my time.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. STEVENS. I am happy to yield.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. STEVENS. I yield whatever time the Senator may require.

Mr. MONTOYA. Mr. President, I wish to associate myself with the remarks of the Senator from Alaska. I think this is a very worthwhile amendment. Under the concept we have developed here in Congress through the Economic Development Act, we have been able to do a good deal with the funds we have appropriated under that act for this type of area.

There have been many small industries financed through the Economic Development Administration in many of these areas, but the most important contribution, to my way of thinking, has been the fact that, because these areas qualify under the EDA concept, the local schools have been able to get 80-percent grants, with 20 percent local matching funds, for the establishment of vocational schools.

We have now also incorporated Indian reservations and Indian villages under the EDA concept. In looking over the amendment, I fail to see that the Senator from Alaska has included Indian villages or Indian reservations in his amendment, and I am assuming that he would have no objection to modifying the amendment to include Indian villages and reservations, in addition to political subdivisions within a State.

Mr. STEVENS. Mr. President, I have no objection. Since the entire State of Alaska qualified, native areas would automatically have been part of a depressed area, and I apologize for the error. I certainly would include an Indian reservation within the definition of a depressed area.

Mr. MONTOYA. Is the Senator willing to amend his amendment accordingly?

Mr. STEVENS. I am happy to do so.

The PRESIDING OFFICER. Does the Senator ask unanimous consent to modify his amendment?

Mr. STEVENS. I ask unanimous consent that my amendment be modified, on page 3, line 1, by inserting after the word "State", and prior to the word "or", the words "Indian reservation", so as to make it read "State, Indian reservation, or political subdivision."

The PRESIDING OFFICER. Is there objection to the modification of the amendment? The Chair hears none, and it is so ordered.

Mr. MONTOYA. I thank the Senator from Alaska.

Mr. STEVENS. I thank the Senator from New Mexico for his contribution.

Mr. President, I point out that there are 490 such areas in the United States. In those 490 areas, there were 434,000 unemployed at the end of 1968. And I point out one other thing: Of the 80 million persons in the labor force of this country, only 5.2 million people live in those 490 areas. These are the areas that need new investment and new jobs; and unless we find some way to stimulate new investment in those areas, we shall not have the investments necessary to create those new jobs.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STEVENS. I yield myself whatever additional time I may have remaining. I ask unanimous consent that the name of the Senator from West Virginia (Mr. RANDOLPH) be added to my amendment as a cosponsor.

The PRESIDING OFFICER. Without object, it is so ordered.

Mr. STEVENS. I also ask unanimous consent that the name of the Senator from New Mexico (Mr. MONTOYA) be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Alaska has 7 minutes remaining?

Mr. STEVENS. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The Senate will be in order. Staff members will take seats. The Chair recognizes that this is the kind of complex bill which requires a goodly number of staff technicians; but the Chair expects the staff members to use those seats. All staff members will be seated. There will be no exception to the Chair's order.

The Senator from Louisiana may proceed.

Mr. LONG. Mr. President, I have much sympathy for the laudable motives of the Senator from Alaska in seeking to use the tax structure to relieve depressed areas and to help wipe out areas of economic distress and poverty throughout the Nation.

Nevertheless, Mr. President, it was the view of the members of the Committee on Finance that we should try to pass a bill that would have no exceptions to the repeal of the investment tax credit. Our efforts in that regard were frustrated by the adoption the other day of the amendment which provides a $20,000 exception to the repeal for every taxpayer, the so-called small business exemption—and the cost of that exception would greatly exceed what the Senator has in mind. I am told the Senator's amendment would cost $300 million; and, while it has considerable merit to recommend it, I fear that if we agree to it, it would then lead to other amendments, and the hope of repealing the investment tax credit might never be realized.

On that basis, Mr. President, I regret that I cannot support the amendment.

I believe other Senators have a similar feeling about the matter, although I must say that if there were to be exceptions, this would be a very worthy exception to the repeal of the investment tax credit.

I believe the Senator from Delaware wanted to speak on the matter. Does the Senator from Delaware desire time?

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG. Mr. President, I yield 5 minutes to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I appreciate the position of my friend, the Senator from Alaska, on the amendment. Nevertheless, I think it would be a great mistake if the Senate were to agree to it.

I understand the cost of the amendment is estimated to be about $300 million. It would restore the investment tax credit for investments in those areas classified as depressed areas under certain definitions.

I understand that the whole State of Alaska would be classified as a depressed area for this purpose. That means that the investment tax credit would continue in the entire State of Alaska. It also would continue in other areas of the country that would qualify under the 6-percent unemployment figure which is used to determine whether an area is a depressed area.

If we had a recession, it is not at all beyond the realm of possibility that this amendment could trigger a restoration

of the investment tax credit throughout the whole country, which would occur if we reached the 6-percent level on unemployment.

We should either repeal the investment tax credit or not repeal it. And if we are going to accept this amendment, as far as I am concerned, I would say that the next amendment should be for the outright repeal of the section of the committee bill which deals with the removal of the tax credit.

We cannot justify continuing the credit in one case and not continuing it in another. We cannot justify having it apply differently in one State than in another State.

The Hartke amendment eliminated nearly one-fourth of the revenue which would have been produced under the committee bill by the repeal of the investment tax credit. This amendment would take out another $300 million of that revenue gain.

I think the amendment should be rejected.

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 minutes.

Mr. PERCY. Mr. President, I should have liked to study the provision much more closely than I have. I am not at all familiar with the situation in Alaska, so I do not know precisely what effect it would have there. However, I am trying to think of the situation in my own State where we do have some depressed areas. I am trying to think of what effect it would actually have there.

I know that automation and labor-saving devices over a period of time create employment, not unemployment. However, that is on the broadest possible basis. If we give an incentive in depressed areas where we have excess labor available, those companies that invest money in that particular area, in that particular plant, in labor-saving devices—and that is the type capital equipment they would be putting in—it might actually do exactly the opposite of what we would want to accomplish in a depressed area. It might be providing incentive to replace men with machines.

However, I now understand that there is a provision in the amendment that bases the limit on investments to which the investment tax credit can apply to $15,000 times the number of new jobs created. This would actually insure that new jobs would be created and makes the amendment much more acceptable. However, I am worried about the fiscal impact of this amendment—$300 million in decreased revenue. The actions of the Senate this week have already eliminated many billions of Federal revenue and this would be a further addition to that deficit.

Mr. STEVENS. Mr. President, I yield myself such time as I might need.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, no tax credit would be available to anyone unless he created new jobs in an area of high unemployment where there are people who are waiting for jobs. The reason for the investment is to encourage industry to go there to create the jobs.

In the rural areas of my State, it is impossible to get people to put in new canneries or new docks or any of the new equipment necessary in the fishing industry or mining industry. Those industries are sagging. In the native areas of my State the economy is completely depressed.

This amendment would provide an incentive to bring money into those areas. And if investment does come in and creates new jobs, this amendment will not cost the Treasury much.

If all of the unemployed people of this country were put to work by virtue of this amendment, the tax loss to the Treasury would be $300 million. However, we would have to employ every single unemployed person to have that cost.

At the same time, we would have a savings by virtue of the welfare payments that are being made to people under the Federal programs in existence today, not counting the new programs that have been suggested. And if we had those savings, the cost of employing every unemployed person would be only $10 million.

It will not cost anything unless it works. So how can we lose?

Mr. MONTOYA. Mr. President, in my State, Fairchild Camera came into the Navajo Reservation. They have installed very sophisticated equipment in that factory. They employ 1,500 Navajo Indians there, and they want to expand because of the experience they have had with the Indians.

With respect to the disadvantage of the depressed areas in this country, I point out industry goes to the metropolitan areas, and the metropolitan areas have a great advantage over the depressed areas in that they have local bonding statutes which permit the municipalities or the political subdivisions to create incentives for bringing industry into that particular area.

In the usual case in the depressed areas, they are unable to float any bond issues to provide facilities for industry so that industry can be lured into these areas and serve to supply the financial opportunity in these areas through this medium of a tax advantage.

I feel it is going to work. I feel that EDA has proved the case. In fact, EDA was a great instrument in bringing Fairchild Camera to the Navajo Reservation.

EDA is satisfied with it. The loan is being amortized, and Fairchild Camera has created an employment situation there that is a bonanza for the Navajo Indians.

I feel that the concept that the Senator from Alaska is developing in the amendment is healthy. It is a concept that will help the depressed areas of the country.

Mr. STEVENS. Mr. President, I thank the Senator.

The normal rate on corporations is 52 percent. If we allow $15,000 for each new job created, the total net effect on the Treasury of this 7-percent credit will be about $1,000 for each job that is created.

We cannot support, even through the Federal programs, a family for 6 months for $1,000. Every new job we create would lose the Treasury $1,000 in potential tax revenues. That is all it could cost, because no one may take the credit unless he creates new jobs.

I think this is the one way to get some of the investment in the areas in which it has not been possible to obtain it in the past.

If we do not get the investment there, we will be in here for welfare programs, family assistance programs, and all kinds of programs that will cost much more money. And I will support those programs. I would rather have them employed by private enterprise. Before condemning welfare programs I want first to take every proper action to get private enterprise in there.

If private enterprise cannot do the job, then government will have to do the job. This is one way to prevent any part of this burden from falling on the Federal Treasury.

It is an important amendment, so far as my State is concerned. I am informed that my State is the only State in the Union that is a 100-percent depressed area.

I will admit that any investment made in my State would qualify under this measure. However, I point out to the Senator from Delaware that we do not have any of the charitable contributions there that we have been talking about. We do not have any of these contributions that are made to such colleges as Yale or Harvard.

If the Senator wants to point out the fact that this affects Alaska more than other States, I point out that there are many things in this bill that do not help Alaska one bit. We are happy to support the chairman who has done such an outstanding job. And the Finance Committee generally. But, if the investment tax credit is to be continued, as it has been by the Hartke amendment, then my amendment is justified.

In terms of the service industry, we are trying to lure into our State the industries to produce some of the tools used in the oil industry. Those service industries will not come into our State if they do not have some incentive to come there. I think this would help.

Mr. LONG. Mr. President, I am not prepared to vote for any exception to the repeal of the investment tax credit. The House may insist that there be no exceptions to the repeal of the credit. But in view of the fact that the Senate has already voted one exception to the repeal, and the Senator has made such a persuasive argument, I think I will vote for his amendment.

Mr. STEVENS. I thank the Senator from Louisiana. I rest my case while I am ahead.

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WILLIAMS of Delaware. I do not want to delay this matter, but I would say there are two reasons for voting for this amendment: There are those who believe in the amendment sincerely and there are those who would like to see this bill killed. The adoption of this

amendment would be another step toward sinking a bill that many people have been speaking for, but really want to kill.

This bill already has been loaded with amendments that will lose almost $10 billion of revenue next year. Another $1.7 billion of revenue will be lost eventually as a result of the credit for education expenses, and this amendment will add another $300 million. I hope the amendment will be rejected. Let us vote.

Mr. STEVENS. I yield back the remainder of my time.

Mr. LONG. If there are no further requests for time, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Alaska. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Tennessee (Mr. GORE), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Rhode Island (Mr. PASTORE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Indiana (Mr. BAYH) and the Senator from Nevada (Mr. CANNON) are absent on official business.

I further announce that, if present and voting, the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), and the Senator from Mississippi (Mr. STENNIS) would each vote "yea."

I further announce that, if present and voting, the Senator from California (Mr. CRANSTON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Delaware (Mr. BOGGS), the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from California (Mr. MURPHY), the Senator from Ohio (Mr. SAXBE), and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Massachusetts (Mr. BROOKE) is detained on official business.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

On this vote, the Senator from Kentucky (Mr. COOK) is paired with the Senator from Delaware (Mr. BOGGS). If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Delaware would vote "nay."

On this vote, the Senator from California (Mr. MURPHY) is paired with the Senator from Massachusetts (Mr. BROOKE). If present and voting, the Senator from California would vote "yea," and the Senator from Massachusetts would vote "nay."

The result was announced—yeas 35, nays 33, as follows:

[No. 187 Leg.]

YEAS—35

| | | |
|---|---|---|
| Allen | Harris | Montoya |
| Allott | Hart | Nelson |
| Bellmon | Hartke | Prouty |
| Byrd, W. Va. | Hatfield | Proxmire |
| Cooper | Jackson | Randolph |
| Cotton | Javits | Schweiker |
| Dodd | Kennedy | Sparkman |
| Dole | Long | Stevens |
| Eagleton | Magnuson | Thurmond |
| Eastland | McGee | Tower |
| Fong | McGovern | Tydings |
| Gurney | Miller | |

NAYS—33

| | | |
|---|---|---|
| Aiken | Griffin | Muskie |
| Bennett | Hansen | Packwood |
| Bible | Holland | Pearson |
| Burdick | Hruska | Pell |
| Byrd, Va. | Hughes | Percy |
| Case | Jordan, N.C. | Scott |
| Curtis | Jordan, Idaho | Smith, Maine |
| Dominick | McIntyre | Spong |
| Ervin | Metcalf | Talmadge |
| Fannin | Mondale | Williams, Del. |
| Goodell | Moss | Young, N. Dak. |

NOT VOTING—32

| | | |
|---|---|---|
| Anderson | Goldwater | Pastore |
| Baker | Gore | Ribicoff |
| Bayh | Gravel | Russell |
| Boggs | Hollings | Saxbe |
| Brooke | Inouye | Smith, Ill. |
| Cannon | Mansfield | Stennis |
| Church | Mathias | Symington |
| Cook | McCarthy | Williams, N.J. |
| Cranston | McClellan | Yarborough |
| Ellender | Mundt | Young, Ohio |
| Fulbright | Murphy | |

So Mr. STEVENS' amendment was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMINICK. Mr. President, on behalf of Senator ALLOTT and myself I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 546, line 12 at the end of section 914 add a new section 915 to read as follows:

"SEC. 915. PERSONAL HOLDING COMPANIES.

"Section 563(b)(2) (relating to personal holding company tax) is amended by striking '10 percent' and inserting in lieu thereof '20 percent.'"

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats. The Presiding Officer has plenty of time to wait on staff personnel to take seats.

Mr. DOMINICK. Mr. President, this is not a complicated amendment. It is more a matter of bookkeeping than anything else. I have discussed the amendment with the manager of the bill, the Senator from Louisiana (Mr. LONG), the distinguished ranking minority Member, the Senator from Delaware (Mr. WILLIAMS), and the Treasury Department.

Personal holding companies at the present time have to distribute within the taxable year 90 percent of their earnings and then distribute the remaining 10 percent in the next 3½ months. The problem is that in many cases it is very difficult to make an accurate estimate of earnings before their books are closed and the present 10 percent does not permit an adequate margin to either avoid paying too much in dividends, or paying too little. If the latter occurs, they subject themselves to very heavy penalties. I have discussed this problem with Treasury officials and they suggest we raise the margin from 10 to 20 percent.

I hope the manager will accept the amendment.

Mr. LONG. Mr. President, I have no objection. I am willing to take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

Mr. BELLMON. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

At the proper place insert the following new section:

"SEC.—. REPLACEMENT OF REAL PROPERTY INVOLUNTARILY CONVERTED WITHIN A TWO-YEAR PERIOD.

"(a) IN GENERAL.—Section 1033(a)(3)(B) (relating to the period within which property must be replaced) is amended by striking out 'one year' in clause (i) and inserting in lieu thereof 'two years'.

"(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to compulsory or involuntary conversions of real property only if the disposition of the converted property (within the meaning of section 1033(a)(2) of the Internal Revenue Code of 1954) occurs after the date of the enactment of this Act."

Mr. GRIFFIN. Mr. President, is the amendment printed and does it have a number?

Mr. BELLMON. The amendment is in lieu of an amendment that was printed.

Mr. GRIFFIN. I thank the Senator.

Mr. BELLMON. Mr. President, this amendment is intended to relieve a situation that develops when Federal agencies or other governmental entities take private property for the development of lakes, airports, highways, or other use.

Under the present law those who give

up property have only 1 year to reinvest the funds received before being called upon to pay a capital gains tax. The purpose of the amendment is to give them an additional year.

I have discussed this matter with the distinguished chairman of the committee, and also with the ranking minority leader, and they have both agreed to the terms of the amendment.

Mr. LONG. Mr. President, I have looked at the amendment and so have the members of my staff. We think the amendment has merit and I have no objection to it.

Mr. WILLIAMS of Delaware. Mr. President, I agree with the comments of the chairman of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CORRECTION OF ANNOUNCEMENT ON VOTE

Mr. GRIFFIN. Mr. President, on vote No. 177, the Senator from Maryland (Mr. MATHIAS) was not present, but, through error, the position of the Senator was not recorded in the RECORD.

I ask unanimous consent that the permanent RECORD show that had he been present and voting, he would have voted "nay."

The PRESIDING OFFICER. Without objection, it is so ordered.

THE MILTON HERSHEY SCHOOL AND THE MILTON HERSHEY SCHOOL TRUST

Mr. SCOTT. Mr. President, I would like to draw the attention of my colleagues to a noncontroversial provision of H.R. 13270 that is of great importance to the Milton Hershey School—a school for poor orphan boys in Hershey, Pa. The provision is proposed section 509(a)(3), to be found on pages 20 and 21—commencing on line 12 of page 20 and running through line 2 on page 21—of the version of the bill reported by the Committee on Finance. My remarks are intended to make the legislative history, already spelled out in the House and Senate committee reports, crystal clear insofar as the provision's applicability to organizations such as the Milton Hershey School and the Milton Hershey School Trust are concerned.

Proposed section 509(a)(3) excludes from the definition of private foundation—and hence from the coverage of the legislation—certain organizations which never have been thought of as private foundations, but which inadvertently might have been subjected to the new rules for private foundations in the absence of the exclusion.

The Milton Hershey School for poor orphan boys was established in 1909—long before the advent of Federal income and estate taxes—by Milton Hershey, the founder of the Hershey Chocolate Co. Mr. Hershey, destined to have no children of his own, donated a substantial amount of his fortune to endow a first-rate educational organization for children without parents. When Milton Hershey set up the school he did so by executing a deed of trust under the terms of which the donated assets were deeded not to the school itself but to a trust—the Milton Hershey School Trust. The sole function of the Milton Hershey School Trust was to hold legal title to the school's operating and endowment assets, to invest the endowment assets, and to apply the income from the endowment assets to the benefit of the school in accordance with the direction of the school's governing body—its board of managers. Thus, under the terms of the original deed of trust, which is still in effect today, legal title to even the school's campus and classroom buildings is held not in the name of the school itself, but in the name of the school trust.

That there are two entities as a theoretical matter is made meaningless by other provisions of the deed of trust, which insure that the same persons who control and manage the school trust also control and manage the school. At all times since 1909, the membership of the board of managers of the school has been the same as the membership of the body that manages the trust. By virtue of this complete identity of control over the school and the school trust, there is in reality only a single entity, functioning just as the board of governors or board of trustees of the normal university or school would function, the purpose of which is to operate an educational organization for the benefit of poor orphan boys. Nine individuals, in their capacity as the board of managers of the school, oversee the operation of the Milton Hershey School; the same nine, in their trust capacity, are custodians of legal title to the school's operating assets and managers of the school's endowment assets.

Why Milton Hershey chose this unique arrangement for establishing and endowing the Milton Hershey School is not entirely clear. The net effect of the arrangement is the same as that of any ordinary school or college. There would be no significant difference if Milton Hershey had decided to give his fortune directly to the school. There is little doubt that in all probability he would have conveyed the donated assets directly to the school had he had any idea of the complications that might arise by virtue of the regulatory restrictions that we are, in this bill, imposing upon private foundations.

The Internal Revenue Service itself has recognized that the school trust and the school in effect constitute a single entity, and that this entity qualifies as an educational organization having a regular faculty, curriculum and student body within the meaning of the Internal Revenue Code. In a 1951 Revenue ruling, the Service said in part:

> Inasmuch as the information submitted disclosed that . . . [The Milton Hershey School] is owned and operated . . . [as] an integral part of the activities carried on by the trust it is the . . . opinion of this office that the trust is an educational organization . . . [having a regular faculty, curriculum, and student body].

Mr. President, when the Treasury and the Congress first began considering what changes in the Internal Revenue Code ought to be made in order to curb abuses that had been discovered in the area of private foundations, the approach taken was to include within the definition of private foundation all section 501(c)(3) tax exempt organizations except for certain excluded categories. Among the excluded categories were schools and colleges having regular faculties, curriculums, and student bodies. The Milton Hershey School is clearly such an educational organization, and itself is clearly the beneficiary of this exemption. And, because of its virtual identity with the Milton Hershey School, as recognized by the above mentioned Revenue Ruling, the Milton Hershey School Trust might also be viewed as an educational organization that is not included within the definition of private foundation. Certainly organizations such as the school trust are not the sort of organizations responsible for the abuses that occasioned the new strictures. Nor is the school trust the kind of organization commonly thought of as a "foundation." It is, however, not perfectly clear that the school trust would be excluded in the absence of clarifying statutory language.

Were the school trust not excluded, the result would have been most unfortunate, Mr. President. The hardship would have been suffered by the School and its students. In effect, such a view would subject the Milton Hershey School to unfortunate requirements—including a very substantial tax—to which schools or colleges organized along more traditional lines would not be subjected.

I might interject at this point, Mr. President, that the Milton Hershey School and the school trust constitute a most unusual organization that has not merely benefited many thousands of orphan boys from all across the country. When, in the early 1960's it became clear that Milton Hershey had so handsomely endowed the school that its income was accumulating much more rapidly than was needed to serve the needs of the school, the school and the school trust, in cooperation with the attorney general of Pennsylvania, went into court and invoked the cy pres doctrine to authorize the application of some $50 million of the accumulated income to the establishment of a new medical school for the Pennsylvania State University, which previously had been without a medical school. Through this munificence, there was established one of the most modern and progressive medical schools in the country. This, my colleagues, was an act of supreme charity. I do not have to remind anyone here how badly we need new medical schools and new doctors.

When it was called to the attention of the Treasury and the House Ways and Means Committee that the breadth of some of the provisions designed to correct abuses by private foundations might have included organizations such as the Milton Hershey School Trust, it was

readily agreed that language should be drafted to preclude this unintended effect. Section 509(a)(3) was the result. Both the Treasury and the Ways and Means Committee thought it clear that in the case of organizations like the Milton Hershey School Trust, the organization, being an integral part of a school or college, should be treated like the school or college itself. In the House report on this provision of the bill, it was noted that among the intended beneficiaries of section 509(a)(3) was the Milton Hershey School Trust, or the Hershey Trust as it is sometimes called. And the Senate Finance Committee, Mr. President, has affirmed the approach taken by the House of Representatives in proposed section 509(a)(3).

To qualify for proposed section 509(a)(3) treatment under the committee's amendment, Mr. President, an organization must satisfy the requirements of subsections (A), (B), and (C) of the provision. Subsection 509(a)(3)(A) requires that the organization be organized, and at all times thereafter operated, exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more specified organizations described in section 509(a)(1). Among the organizations there described are schools or colleges that have a regular faculty, curriculum and student body. Since the Milton Hershey School Trust was organized, and at all times thereafter, it has been operated exclusively for the benefit of the Milton Hershey School, to perform the functions of the Milton Hershey School, and to carry out the purposes of the Milton Hershey School. Moreover, it is not necessary that all three of the criteria of subparagraph (A) be met. It is sufficient, for example, that the school trust was organized, and at all times thereafter operated, to carry out the purposes of the Milton Hershey School. Since the purpose of the trust has been to hold the legal title to the classrooms, dormitories and other operating assets of the school, and to manage the endowment assets of the school and apply the benefits therefrom to the school, this criterion is clearly met. Without elaboration, it is also clear that the school trust was organized and has been operated to perform the functions of the school. It further seems clear that the school trust was organized and operated exclusively for the benefit of the school. Regarding this last point, the school trust's grant of the $50 million for the establishment of the medical school of the Pennsylvania State University—itself, incidentally, qualifying as an organization having a regular faculty, curriculum, and student body—is not fatal to the requiremnet of exclusivity, since the transfer was effected under court order and through the use of the cy pres doctrine, and did not affect the "exclusive operation" of the trust. In any event, it is clear that both of the other two criteria of the subsection are met, the satisfaction of either one of which would be sufficient.

Subsection 509(a)(3)(B) requires that the organization be operated, supervised, or controlled by one or more organizations, or in connection with one organization (or more than one educational organization described in section 170(b)(1)(A)(ii)), described in section 509(a)(1). Since the Milton Hershey School Trust is operated in connection with the Milton Hershey School, this requirement is clearly satisfied. The arrangement between the school trust and the school probably qualifies under several other of the combinations allowed by this subparagraph.

Subparagraph 509(a)(3)(C) specifies that the organization not be controlled by certain disqualified persons as defined in section 4946. It is not anticipated that the school trust would have any difficulty under this requirement.

Mr. President, I hope I have not gone into such detail on this matter as to try the patience of my colleagues. Let me state again that the provision is noncontroversial, and one that I feel every Senator can support without reservation. I did want to draw to the Senate's attention some of the background of the provision.

Mr. BENNETT. Mr. President, as a member of the Committee on Finance, I would like to assure the senior Senator from Pennsylvania that the committee, and this Senator in particular, was very mindful of the problem that certain organizations would have had in the absence of proposed section 509(a)(3). I would like to assure my colleagues that the sort of situation involving the Milton Hershey School described by the senior Senator from Pennsylvania is what the Committee on Finance had in mind when it approved this part of the bill.

AMENDMENT NO. 352

Mr. BELLMON. Mr. President, I call up my amendment No. 352 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the proper place insert the following new section:

SEC. —. RECOVERY OF REASONABLE ATTORNEY'S FEES, AS A PART OF COURT COSTS, IN CIVIL CASES INVOLVING THE INTERNAL REVENUE LAWS

(a) IN GENERAL.—Part II of subchapter C of chapter 76 (relating to Tax Court procedure) is amended by adding at the end thereof the following new section:

"SEC 7465. RECOVERY OF COSTS

"'(a) IN GENERAL.—In any proceeding before the Tax Court for the redetermination of a deficiency, the prevailing party may be awarded a judgment of costs to the same extent as is provided in section 2412 of title 28, United States Code, for civil actions brought against the United States.

"'(b) JUDGMENT.—A judgment of costs entered by the Tax Court shall be treated, for purposes of this subtitle, in the same manner—

"'(1) as an overpayment of tax, in the case of a judgment of costs in favor of the petitioner, and

"'(2) as an underpayment of tax, in the case of a judgment of costs against the petitioner.

No interest or penalty shall be allowed or assessed with respect to any judgment of costs.'

"(b) CLERICAL AND CONFORMING AMENDMENTS.—

"(1) The table of sections for such part II is amended by adding at the end thereof the following new item:

"'Sec. 7465. Recovery of costs'

"(2) Section 2412 of title 28, United States Code, is amended—

"(A) by inserting '(a)' before 'Except', and

"(B) by adding at the end thereof the following new subsection:

"'(b) In any civil action which is brought by or against the United States for the collection or recovery of any internal revenue tax, or of any penalty or other sum under the internal revenue laws, and in which the United States is not the prevailing party, a judgment for costs may include reasonable attorney's fees.'

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to civil actions and proceedings for the redetermination of deficiencies commenced after the date of the enactment of this Act."

Mr. BELLMON. Mr. President, this amendment arises out of a situation which, I believe, cries out for correction.

The present Internal Revenue tax system has become so complicated that it is rarely understood by individual taxpayers. As a result, most taxpayers feel compelled to retain professional legal and accounting services when differences with the Internal Revenue Service arise. Such services are expensive and increasingly, taxpayers who are innocent of wrongdoing find it cheaper to pay taxes and penalties not owed, than to contest unfair Internal Revenue Service rulings in the courts. As a result, there is a great temptation for the Internal Revenue Service to resort to tactics which frequently border on extortion.

In a recent conversation with an official at the Internal Revenue Service, I was amazed when he told me that, "if the taxpayers of this country ever discover that the Internal Revenue Service operates on 90 percent bluff, the entire system will collapse."

Every citizen of this country must pay the full and fair amount of tax due under our law. Certainly this amendment does not intend to change that. With that responsibility, the taxpaying citizen must also have the protections against unfair taxation. This amendment helps assure an innocent citizen that he cannot be forced to incur unfair costs by unwarranted accusations by an agency of the Federal Government.

Under our present system, the Internal Revenue Service may communicate with the taxpayer and tell him that he owes the Government of the United States a certain sum of money. The citizen has two alternatives when this occurs. One, he can pay the Internal Revenue Service the amount claimed due. Or, he can go to court and try to prove that the amount is not due the Federal Government. But if, in a court action, the citizen does prevail, he is still burdened with the attorney's fees and other costs that are incidental to the litigation, which may exceed the amount claimed by the Internal Revenue Service. In either case, the citizen comes out the loser.

Unless the sum claimed by the Internal Revenue Service is large, the citizen is likely to pay the amount the Internal Revenue Service claims is due and forgo his right to prove his innocence.

This amendment will strengthen the ability and the will of American citizens

against an arm of our Government, which many feel is unduly repressive, by allowing recovery of court costs when they prevail in an action brought by or against the United States.

Mr. President, the intention of this amendment is simply to assure equity in matters where an innocent taxpayer defends his innocence in court in an action brought by the Internal Revenue Service and proves that he did not owe a penalty in this case, so that he would be allowed to recover his attorney's fees.

Mr. GURNEY. Mr. President, before I came to Congress, one of my fields in law was the practice of tax law. On many occasions I ran into the very situation the Senator from Oklahoma has just described, where a taxpayer had been harassed by the Federal Government for additional taxes and in some cases the case was clearly on the taxpayer's side. There were certain instances when even the Internal Revenue agent stated that in a conversation with me as the taxpayer's attorney, and also said in the same breath that, "We know how much it will take to defend the suit but, frankly, we think if we press it we may be able to get our claim," assuming, of course, that the client and I, as his lawyer, would not contest the claim in court because it would be too expensive.

Mr. President, as a matter of fact, just this past year, one of my constituents in Florida, whom I have known rather well for years, had a substantial claim levied against him on capital gains on some stock he owned. The amount was somewhere around $50,000 altogether. He finally settled with the Internal Revenue Service for a sum less than that but still a considerable sum, in the neighborhood of $20,000. Yet, quite clearly, the law was on his side. Had he gone to the Tax Court or into the Federal court, he could have prevailed. In this case also, the Internal Revenue agent handling the case was frank to admit that the law was on the side of my friend, the Government's case was rather shaky, but the Government pressed the case because it knew it would be able to exact a substantial settlement because of the high cost of tax litigation in the case.

There is authority in other areas of law where the Government handles attorneys' fees. In my State of Florida, in land condemnation cases, where the Government is taking the land involuntarily, for a taxpayer in Florida, at least, the attorneys' fees are paid.

Certainly, I think this case is even more compelling than those land cases. But I have seen happen in actual practice, time and again, the very case the Senator from Oklahoma has made.

I think it is an excellent amendment. It is one that the Senate should agree to, because only if the Government does not prevail, only if it has a poor case, and if it loses, would it have to pick up the attorneys' fees.

I support the amendment of the Senator from Oklahoma.

Mr. GRIFFIN. Mr. President, I associate myself with the remarks of the Senator from Florida (Mr. GURNEY) and also with those of the Senator from Oklahoma (Mr. BELLMON).

Although I did not practice tax law—I did practice law, but not tax law—it is my understanding that the taxpayer in a situation like that, really has the choice between paying the tax in question or suing to get it back, and in that case he brings a civil suit in a Federal district court—is that correct, and if he does not pay it, then he ends up in the Tax Court?

Mr. BELLMON. I yield to the Senator from Florida.

Mr. GURNEY. I do not want to enter into this, but the taxpayer can move in one of two ways. He can go into the Tax Court or he can proceed in a Federal court, as the Senator has suggested, to get back the money, after he has paid it. The taxpayer can go in either direction.

Mr. GRIFFIN. Is it true that at the present time if the taxpayer takes the route of going through the Federal district court—which is not established to handle tax cases; the Tax Court, I understand, has judges who are experts in the field—an attorney's fee in the district court cannot be obtained? Can the Senator from Oklahoma answer that question, or perhaps the Senator from Delaware?

Mr. BELLMON. I do not know the answer to the Senator's question. Perhaps some other Senator might have that information.

Mr. WILLIAMS of Delaware. I am advised that they cannot be obtained in the district courts.

Mr. GRIFFIN. Although attorneys' fees are available in Federal district courts in some other areas, in this particular area they would not be available in suits in a Federal court?

Mr. WILLIAMS of Delaware. I am so advised.

Mr. GRIFFIN. I still think there is great equity to this amendment. It also serves the purpose of encouraging the use of the Tax Court rather than the Federal district court. I believe that would be a good thing. The dockets of the district courts are very crowded, and the tax courts, in general, have more expertise. I hope the Senator's amendment will be adopted.

Mr. BELLMON. I thank the Senator.

Mr. President, I ask unanimous consent that the name of the Senator from California (Mr. MURPHY) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, as I understand it, the effect of this amendment would be that the Federal Government would pay the attorney's fee in every case in which it brought suit against a taxpayer and lost, or even in those cases where the taxpayer brought the suit for a refund and the Government lost.

I have not checked with the Treasury on this, but I am reasonably certain it would be strongly opposed to this amendment. I know it objected to an amendment dealing with a part of this problem which was offered by the Senator from Kansas, and which the Senate adopted. I think in this particular instance it would be establishing a dangerous precedent to put the Government in a position where it could not file a claim without at the same time accepting responsibility for paying the taxpayer's attorney fees.

I think this would be a dangerous precedent, particularly since we have not given consideration to it in the Finance Committee and the Treasury Department has not had an opportunity to be heard on it.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. GRIFFIN. The Senator understands, does he not, that the only time the attorneys' fees would be in question would be if the Government lost the case and the Government was wrong; in other words, that the taxpayer did not owe the amount the Government said it owed? Only in that case would attorneys' fees be involved.

Mr. WILLIAMS of Delaware. That is true. But it raises a number of problems. Suppose a case were dropped for some reason. Who wins the case then?

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BENNETT. I would like to ask the Senator from Oklahoma if he has any knowledge of the amount of money involved.

Mr. BELLMON. I have no idea of the amount of dollars involved, except I have been informed by the Internal Revenue Service in Oklahoma that the IRS succeeds in more than 95 percent of the cases it brings. If it is as successful as it has been, and I certainly hope it will continue to be, the Government would pay relatively little in attorneys' fees. I am talking about the 5 percent or fewer of the cases that the Government would lose.

Mr. BENNETT. Is there any control on the size of the legal fee which the attorney can submit after he has won the case, and does that requirement take in all the fees that that attorney has charged the taxpayer, not only for trying the case, but for handling the tax account through all the steps before coming to trial?

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. BENNETT. Let me get an answer first.

Mr. HRUSKA. Mr. President, will the Senator yield on that point?

Mr. BELLMON. I yield.

The PRESIDING OFFICER. The Senator from Delaware has the floor. To whom does he yield?

Mr. WILLIAMS of Delaware. Whichever Senator wants the floor.

Mr. HRUSKA. Mr. President, I would stand correction from any eminent tax authority, such as the Senator from Florida, but my understanding is that it would have to be a reasonable attorney's fee approved by the court as to amount. It would take into consideration the trial of that case. That is the fashion in which attorneys' fees in other civil suits in which the Government is involved are decided. Since the language of the

amendment of the Senator from Oklahoma is in the same general language, I presume it would be the same.

Mr. GURNEY. Mr. President, if whoever has the floor will yield——

Mr. WILLIAMS of Delaware. Mr. President, I would like to ask a question, myself, of the Senator from Oklahoma. Do I understand this takes care only of the attorneys' fee? As a rule, in tax cases, the taxpayer also has an accountant's fee. Does this proposal take care of the lawyers' and also the accountants' fees?

Mr. BELLMON. The language of the amendment provides for recovery of reasonable attorneys' fees.

Mr. WILLIAMS of Delaware. Let me ask another question. Suppose there is an assessment of a $20,000 deficiency. The taxpayer disputes it. The case goes to Tax Court. The Tax Court decides that the proper deficiency is $10,000. Who won the case?

Mr. BELLMON. I am not able to answer the question.

Mr. WILLIAMS of Delaware. It seems to me an answer is necessary if we are to understand the impact and effect of the Senator's proposal.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. GURNEY. In answer to the Senator from Delaware, that is a matter always in litigation where attorneys' fees are involved.

Mr. WILLIAMS of Delaware. The point is——

Mr. GURNEY. If I may complete my reply, very frequently settlements are made in the course of litigation. Attorneys' fees are determined upon the amount of time that is put in the case. There is no problem there. The amendment of the Senator from Oklahoma contains the usual provision in the usual language.

Mr. WILLIAMS of Delaware. If the Senator will yield for a moment, I do not quite understand that that answers my question. This amendment says that if the Government loses the case—if it is not the prevailing party—then the Government has to pay the taxpayer's attorneys' fees. If there is a $20,000 assessment against the taxpayer in a case which goes to the Tax Court and the Tax Court makes a judgment of $10,000, who is the prevailing party? Who won?

Mr. GURNEY. The Government would have in that case, unless the Senator from Oklahoma has a different opinion.

Mr. BELLMON. I am not a lawyer or judge, but I would certainly feel the Government had won in a case of that kind.

Mr. WILLIAMS of Delaware. Suppose the judgment is for $5,000?

Mr. BELLMON. I would say that if the Government got $5, the Government would be the prevailing party.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. GURNEY. I would like to make one other comment, because the comment has been made that this amendment will result in great cost to the Government, but anybody who is familiar with tax litigation knows that considerable litigation goes on long before it ever comes into court, first of all between the taxpayer and the Internal Revenue Service, and then the appellate steps. Actually, there are three steps altogether before it ever gets into tax court.

So there are very few cases among the vast number of tax litigation cases and tax claims made in this country that ever wind up in tax court. It seems to me that if a case does arrive there, after all that preliminary negotiation, and the Government loses, the Government itself has brought on a poor case and has harassed the taxpayer to that end, and so help me, ought to pay a reasonable attorney's fee. That is precisely what the amendment of the Senator from Oklahoma provides. It is a fair amendment, and the Government ought to pay it.

Mr. MILLER. Mr. President, will the Senator from Florida yield?

Mr. GURNEY. I do not have the floor.

Mr. MILLER. Will the Senator from Oklahoma yield?

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. GURNEY. Excuse me; I yield.

The PRESIDING OFFICER. The Senator from Oklahoma lost the floor when he sat down.

Mr. BELLMON. I yield to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. MILLER. Mr. President, the Senator from Florida says that if, after going through these various stages, the Government loses the case, they have had a poor case, and therefore they ought to reimburse the aggrieved taxpayer for all the legal expense and trouble he has gone through.

That certainly has a ring of sense to it. But when he says, "and the Government loses," to me that is putting the finger on the problem we have.

The Senator from Oklahoma, in response to a question by the Senator from Delaware, has indicated that the intention of his language in this bill is that if the case is tried by the tax court, and the Government ends up with even $1 by way of a deficiency, then the Government will not have lost.

That is one interpretation, and that apparently is the interpretation of the author of the amendment. However, it seems to me that if an assessment of $10,000 has been proposed, and the taxpayer's counsel is able to get that deficiency cut down to $5,000, the Government has not really won. They have won partially. It may be that the amendment could be reworked a little bit, so that some kind of proportion could be allowed.

It seems to me that if the Government has a proposed deficiency of $10,000 and the Tax Court decision is $5,000, perhaps 50 percent of the taxpayer's costs should be allowed, rather than saying that since the Government had prevailed, the taxpayer gets nothing because the taxpayer has been put upon by an excessive deficiency proposal.

There is another thought on this matter, and I ask my friend from Florida whether he will yield so that I can ask a question of the Senator from Oklahoma.

The PRESIDING OFFICER. Does the Senator from Florida yield for that purpose?

Mr. GURNEY. I yield.

Mr. MILLER. Suppose that the case had gone to the Tax Court, and the pleadings have been filed, and before the court holds the hearings, the taxpayer's counsel and the Government attorneys work out a settlement. Would my interpretation be correct that, in that case, since the case has not gone to trial, there would be no reimbursement to the taxpayer for his legal costs?

Mr. BELLMON. Mr. President, it is my understanding that the statement the Senator from Iowa has made is accurate; that in case the Government recovers all or part of the assessment that has been made, the Government has prevailed, and is the prevailing party. I could not agree with the Senator from Iowa that in case the claim is settled for half or any other percentage, the taxpayer should be paid his attorney's fee. That is not the intention of the amendment. The amendment is intended to discourage the Internal Revenue Service from bringing unmeritorious cases against our citizens. That is the sole purpose of the amendment, and it has nothing to do with recovering a portion of attorney's fees in a case where there is a partial settlement.

Mr. MILLER. Will the Senator from Florida yield further?

Mr. GURNEY. Yes. May I say this before yielding, however: I think the point is well made when the Senator says there are cases where the Government asks for $50,000, knowing that perhaps they can only collect $25,000. But the Senator from Oklahoma has not drawn his amendment that way, perhaps feeling, "Let us try for this first, and see how it works, and perhaps we can go on to the other later on."

Mr. MILLER. Mr. President, I think the Senator from Florida and I are in agreement on that. This is breaking new ground, and if we are going to break new ground gradually, I think the Senator from Oklahoma has delimited the effect of his amendment to such a degree that no one need worry about much cost to the Government on this proposal. It could serve as a salutary warning that the Internal Revenue Service had better settle these cases without pushing them up to the Tax Court. Furthermore, it is only going to be in a rare case where, after going through all of these stages, a proposed deficiency before the Tax Court ends up with zero liability to the taxpayer. I would guess those cases would be very rare, and only in those cases would the amendment of the Senator from Oklahoma apply.

So I think that the amendment has a good deal of merit, and I would support it, with the understanding that it is delimited as the Senator from Oklahoma has described.

Mr. GURNEY. The point of the Senator from Iowa is well made, and I am delighted that he is giving his support to this amendment of the Senator from Oklahoma. It is well known that prior

to his coming to Congress, he was widely experienced and successful in the practice of tax law, and his opinion on this matter is certainly something the Senate should take into consideration.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. GURNEY. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. At the first stages of the negotiation, as I understand it—though I am not a lawyer—most of the negotiations are handled by accountants. I am wondering, if we are going in this direction, why we are singling out lawyers. I am sure Senators would not want this referred to as a relief act for lawyers. If we are going to do it at all, how do we distinguish between the expenses of accountants and those of lawyers? I wonder if the former would not be equally as great. I do not know that the lawyers are any less able to take care of themselves than the accountants; I wonder, if we are going to take part of it in, why we would not take all of it.

Mr. MILLER. Mr. President, will the Senator yield, so that I may explain that?

Mr. WILLIAMS of Delaware. I just wondered whether it was an oversight.

Mr. GURNEY. I yield to the Senator from Iowa, who would like to be heard on that point.

Mr. MILLER. This may partially answer the question of the Senator from Delaware: Under Tax Court procedure, certified public accountants as well as lawyers are entitled to practice. There are quite a number of certified public accountants who do appear before the Tax Courts. I would have to look at the amendment a little more carefully, but I would understand that in that case, an accountant who is entitled to practice before the Tax Court would be entitled to have his fees recovered.

Mr. WILLIAMS of Delaware. One other question has been suggested: I have not had a chance to study the amendment, but if the Government has to pay the fees where it loses the case, would that work the other way? If the Government wins the case, would the taxpayer have to pay the Government's costs?

Several Senators addressed the Chair.

Mr. WILLIAMS of Delaware. I yield to the Senator from Alaska.

Mr. STEVENS. I have the amendment in my hand. It says:

> In any proceeding before the Tax Court for the redetermination of a deficiency, the prevailing party may be awarded a judgment of costs.

Mr. CASE. Costs are not the same as attorney's fees.

Mr. STEVENS. Then we get down to the other part. It says:

> In any civil action which is brought by or against the United States for the collection or recovery of any internal revenue tax, or of any penalty or other sum under the internal revenue laws, and in which the United States is not the prevailing party, a judgment for costs may include reasonable attorney's fees.

The PRESIDING OFFICER. The Senate will be in order. Will the Senator please speak loudly enough so that other Senators may hear him?

Mr. STEVENS. To repeat:

> In any civil action which is brought by or against the United States for the collection or recovery of any internal revenue tax, or of any penalty or other sum under the internal revenue laws, and in which the United States is not the prevailing party, a judgment for costs may include reasonable attorney's fees.

That is limited. It is only when the United States is not the prevailing party that attorney's fees may be included. Costs would not include attorney's fees unless specified.

I might add that costs could include an accountant's fee if the accountant were an expert witness before the Tax Court. Such costs would certainly be included in all instances where the accountant appeared as an expert witness. But only where the prevailing party is not the United States could attorney's fees be included.

Mr. HRUSKA. Mr. President, it has been suggested that this language be looked over a little, to see whether the amendment can be modified. May I, for the purpose of allowing a little time for that purpose, suggest the absence of a quorum?

The PRESIDING OFFICER. Does the Senator from Florida yield for that purpose?

Mr. GURNEY. I yield.

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. AIKEN. Mr. President, I object until I know what we will do afterward.

The PRESIDING OFFICER. Objection is heard.

Mr. AIKEN. Mr. President, it is about time for more consideration for the public to be shown here. The "oily" bird is getting all the worms here today. We should go over until Monday.

The PRESIDING OFFICER. The clerk will continue to call the roll.

The assistant legislative clerk resumed the call of the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Florida (Mr. GURNEY) under the previous unanimous-consent agreement has the floor. He is not present. So that order is vacated.

## TRANSACTION OF ROUTINE MORNING BUSINESS

Under the previous order, the following routine morning business was transacted:

## REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross (Rept. No. 91–577); and

By Mr. ERVIN, from the Committee on the Judiciary, without amendment:

H.R. 2238. An act to provide for the relief of certain civilian employees paid by the Air Force at Tachikawa Airbase, Japan (Rept. No. 91–574).

By Mr. TYDINGS, from the Committee on the Judiciary, without amendment:

S. 1646. A bill to create an additional judicial district in the State of Louisiana, and for other purposes (Rept. No. 91–575).

By Mr. TYDINGS, from the Committee on the Judiciary, with amendments:

S. 2624. A bill to improve the judicial machinery in customs courts by amending the statutory provisions relating to judicial actions and administrative proceedings in customs matters, and for other purposes (Rept. No. 91–576).

## TAX REFORM ACT OF 1969—AMENDMENTS

AMENDMENT NO. 389

Mr. GORE (for himself and Mr. WILLIAMS of Delaware) submitted amendments, intended to be proposed by them, to the bill (H.R. 13270) to reform the income tax laws, which were ordered to lie on the table and to be printed.

(The remarks of Mr. GORE when he submitted the amendments appear earlier in the RECORD under the appropriate heading.)

AMENDMENT NO. 390

Mr. CURTIS (for himself and Mr. MUNDT) submitted an amendment, intended to be proposed by them, jointly, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 391

Mr. HOLLAND submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 392

Mr. RIBICOFF (for himself, Mr. CURTIS, Mr. Moss, and Mr. PERCY) submitted amendments, intended to be proposed by them, jointly, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 393

Mr. MILLER submitted amendments, intended to be proposed by him, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 395

Mr. DOLE submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 396

Mr. FANNIN submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 397

Mr. ALLOTT (for himself and Mr. DOMINICK) submitted an amendment, intended to be proposed by them, jointly, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

(The remarks of Mr. ALLOTT when he submitted the amendment appear earlier in the RECORD under the appropriate heading.)

AMENDMENT NO. 398

Mr. BYRD of West Virginia. Mr. President, I am submitting this amendment on behalf of the majority leader and myself, to reduce from 62 to 60 the age at which actuarially reduced social security would be made available to eligible individuals who apply for them.

Under this amendment, which would become effective at the end of June of next year, an estimated 3.5 million persons, not otherwise eligible for monthly benefits under social security, would become immediately eligible. Of these, an estimated 35,000 reside in West Virginia.

Of the 3.5 million who would become eligible, Mr. President, it is further estimated by the Social Security Administration that 800,000 persons would actually apply for these reduced benefits. About 10,000 of these would be West Virginians.

The short-range cost effect of adopting this amendment would approximate $605 million in additional benefit payments during the first 12 months of operation.

That figure does not tell the whole story, however, because it is the long-range cost which we need to examine.

The long-range cost of implementing my amendment is nothing. The reason for this is that individuals who elect to take reduced benefits at age 60 would receive the same net amount by the time of their deaths as they would have been paid had they started receiving larger payments at 62 or 65.

Mr. President, I have offered this amendment on previous occasions and the Senate has passed it several times. Unfortunately, it has been knocked out each time in conference with the House for reasons best known to Members of that body. These setbacks have not been very encouraging, but I do not believe that they should deter us from making another try.

It is unusual for the Congress to be in the position of genuinely helping our older citizens at no additional cost to the employer or the employee. But this amendment would allow us to do just that.

I believe that there are millions of people in this country who, because of failing health or loss of employment, are forced into retirement earlier than others. It is not fair to these people to make them wait until age 62 for reduced benefits if they need them at age 60 and if they elect to take further reductions in the amount of their monthly payments.

The amendment also would offer an alternative to some individuals who otherwise might be forced to go on welfare or stand with hat in hand at the gates of their children.

There is yet another good reason for enacting this amendment. Presumably, a number of the persons who otherwise would voluntarily elect to take benefits at 60 are currently wage earners. By our making it possible for them to voluntarily retire earlier, their jobs would thus be vacated and filled by younger people. This could help somewhat in alleviating the national unemployment problem. The question of reducing the retirement age to 60, therefore, takes on additional important social aspects.

Mr. President, making actuarially reduced social security payments available at age 62 seems such a commonsense thing to do that I really cannot understand the obstacles which have been put in the path in prior years.

Yesterday, we saw some necessary social security amendments enacted, and the Senators who voted for those amendments are to be commended. Let us today enact this simple and cost free, but vital, amendment so that it can truly be said that, in the year of the ABM and the manned moon landing, Congress did not forget the Nation's senior citizens.

Mr. President, I ask unanimous consent that the amendment be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table and, without objection, the amendment will be printed in the RECORD.

The amendment is at the end of the bill, add the following new title.

TITLE X—AMENDMENTS TO THE SOCIAL SECURITY ACT

SHORT TITLE

SEC. 1001. This title may be cited as the "Social Security Retirement Age Amendments of 1969".

ACTUARILY REDUCED BENEFITS

SEC. 1002. (a)(1) Section 202(a)(2) of the Social Security Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(2) Section 202(b)(1) of such Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(3) Section 202(c) (1) and (2) of such Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(4)(A) Section 202(f)(1)(B), (2), (5), and (6) is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(B) Section 202(f)(1)(C) of such Act is amended by striking out "or was entitled" and inserting in lieu thereof "or was entitled, after attainment of age 62,".

(5)(A) Section 202(h)(1)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(B) Section 202(h)(2)(A) of such Act is amended by inserting "subsection (q) and" after "Except as provided in".

(C) Section 202(h)(2)(B) of such Act is amended by inserting "subsection (q) and" after "except as provided in".

(D) Section 202(h)(2)(C) of such Act is amended by—

(i) striking out "shall be equal" and inserting in lieu thereof "shall, except as provided in subsection (q), be equal"; and

(ii) inserting "and section 202(q)" after "section 203(a)".

(b)(1) The first sentence of section 202(q)(1) of such Act is amended (A) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's, widow's, widower's, or parent's", and (B) by striking out, in subparagraph A) thereof, "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(2) (A) Section 202(q)(3)(A) of such Act is amended (i) by striking out "husband's, widow's, or widower's" each place it appears therein and inserting in lieu thereof "husband's, widow's, widower's, or parent's", (ii) by striking out "age 62" and inserting in lieu thereof "age 60", and (iii) by striking out "wife's or husband's" and inserting in lieu thereof "wife's, husband's, or parent's".

(B) Section 202(q)(3)(B) of such Act is amended by striking out "or husband's" each place it appears therein and inserting in lieu thereof ", husband's, widow's, widower's, or parent's".

(C) Section 202(q)(3)(C) is amended by striking out "or widower's" each place it appears therein and inserting in lieu thereof "widower's, or parent's".

(D) Section 202(q)(3)(D) of such Act is amended by striking out "or widower's" and inserting in lieu thereof "widower's, or parent's".

(E) Section 202(q)(3)(E) of such Act is amended (i) by striking out "(or would, but for subsection (e)(1) in the case of a widow or surviving divorced wife or subsection (f)(1) in the case of a widower, be) entitled to a widow or widower's insurance benefit to which such individual was first entitled for a month before she or he" and inserting in lieu thereof "(or would, but for subsection (e)(1), (f)(1), or (h)(1), be) entitled to a widow's, widower's, or parent's insurance benefit to which such individual was first entitled for a month before such individual", (ii) by striking out "the amount by which such widow's or widower's insurance benefit" and inserting in lieu thereof "the amount by which such widow's, widower's, or parent's insurance benefit", (iii) by striking out "over such widow's or widower's insurance benefit" and inserting in lieu thereof "over such widow's widower's, or parent's insurance benefit", and (iv) by striking out "attained retirement age" each place it appears therein and inserting in lieu thereof "attained age 60 (in the case of a widow or widower) or attained retirement age (in the case of a parent)".

(F) Section 202(q)(3)(F) of such Act is amended (i) by striking out "(or would, but for subsection (e)(1) in the case of a widow or surviving divorced wife or subsection (f)(1) in the case of a widower, be) entitled to a widow's or widower's insurance benefit to which such individual was first entitled for a month before she or he" and inserting in lieu thereof "(or would, but for subsection (e)(1), (f)(1), or (h)(1), be) entitled to a widow's, widower's, or parents' insurance benefit for which such individual was first entitled for a month before such individual", (ii) by striking out "the amount by which such widow's or widower's insurance benefit" and inserting in lieu thereof "the amount by which such widow's, widower's, or parent's insurance benefit", (iii) by striking out "over such widow's insurance benefit" and inserting in lieu thereof "over such widow's, widower's, or parent's insurance benefit", (iv) by striking out "62" and inserting in lieu thereof "60", and (v) by striking out "attained retirement age" each place it appears therein and inserting in lieu thereof "attained age 60 (in the case of a widow or widower) or attained retirement age (in the case of a parent)".

(G) Section 202(q)(3)(G) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(3) Section 202(q)(5)(B) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(4) Section 202(q)(6) of such Act is amended (i) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's, widow's, widower's, or parent's", and (ii) by striking out, in clause (III), "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(5) Section 202(q)(7) of such Act is amended—

(A) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's, widow's, widower's, or parent's"; and

(B) by striking out, in subparagraph (E), "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(6) Section 202(q)(9) of such Act is

amended by striking out "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(c)(1) The heading to section 202(r) of such Act is amended by striking out "Wife's or Husband's" and inserting in lieu thereof "Wife's, Husband's, Widow's, Widower's, or Parent's".

(2)(A) Section 202(r) (1) of such Act is amended (i) by striking out "wife's or husband's" the first place it appears therein and inserting in lieu thereof "wife's, husband's, widow's, widower's, or parent's", and (ii) by inserting immediately before the period at the end thereof the following: ", or for widow's, widowers's, or parent's insurance benefits but only if such first month occurred before such individual attained age 62".

(B) Section 202(r)(2) of such Act is amended by striking out "wife or husband's" and inserting in lieu thereof "wife's, husband's, widow's, widower's, or parent's".

(d) Section 214(a)(1) of such Act is amended by striking out subparagraph (A), by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting the following new subparagraphs (A) and (B):

"(A) in the case of a woman who has died, the year in which she died or (if earlier) the year in which she attained age 62,

"(B) in the case of a woman who has not died, the year in which she attained (or would attain) age 62,".

(e)(1) Section 215(b)(3) of such Act is amended by striking out subparagraph (A), by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting the following new subparagraphs (A) and (B):

"(A) in the case of a woman who has died, the year in which she died or, if it occurred earlier but after 1960, the year in which she attained age 62,

"(B) in the case of a woman who has not died, the year occurring after 1960 in which she attained (or would attain) age 62,".

(2) Section 215(f)(5) of such Act is amended (A) by inserting after "attained age 65," the following: "or in the case of a woman who became entitled to such benefits and died before the month in which she attained age 62,"; (B) by striking out "his" each place it appears therein and inserting in lieu thereof "his or her"; and (C) by striking out "he" each place after the first place it appears therein and inserting in lieu thereof "he or she".

(f)(1) Section 216(b)(3) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(2) Section 216(c)(6)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(3) Section 216(f)(3)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(4) Section 216(g)(6)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(g)(1) Section 202(q)(5)(A) of such Act is amended by striking out "No wife's insurance benefit" and inserting in lieu thereof "No wife's insurance benefit to which a wife is entitled".

(2) Section 202(q)(5)(C) of such Act is amended by striking out "woman" and inserting in lieu thereof "wife".

(3) Section 202(q)(6)(A)(i)(II) of such Act is amended (A) by striking out "wife's insurance benefit" and inserting in lieu thereof "wife's insurance benefit to which a wife is entitled", and (B) by striking out "or" at the end and inserting in lieu thereof the following: "or in the case of a wife's insurance benefit to which a divorced wife is entitled, with the first day of the first month for which such individual is entitled to such benefit, or".

(4) Section 202(q)(7)(B) of such Act is amended by striking out "wife's insurance benefits" and inserting in lieu thereof "wife's insurance benefits to which a wife is entitled".

(h) Section 224(a) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

SEC. 1003. The amendments made by this title shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969, but only on the basis of applications for such benefits filed after September 1969.

SEC. 1004. Section 8332 (j) of title 5 of the United States Code is amended by striking "individual, widow," in the first sentence and substituting in lieu thereof "individual is at least 62 years of age, or if his widow".

AMENDMENT NO. 399

Mr. COOPER (for himself, Mr. BAKER, Mr. COOK, Mr. RANDOLPH, and Mr. BYRD of West Virginia) submitted an amendment, intended to be proposed by them, jointly, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 400

Mr. HRUSKA submitted amendments, intended to be proposed by him, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

## DISTRICT OF COLUMBIA APPROPRIATION BILL, 1970—AMENDMENTS

AMENDMENT NO. 394

Mr. EAGLETON (for himself, Mr. GOODELL, Mr. KENNEDY, and Mr. MATHIAS) submitted amendments, intended to be proposed by them, jointly, to the bill (H.R. 14916) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1970, and for other purposes, which were ordered to lie on the table and to be printed.

## ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 342

Mr. COTTON. Mr. President, I ask unanimous consent that, at the next printing, the names of my distinguished colleague the Senator from New Hampshire (Mr. MCINTYRE) and the distinguished Senator from South Carolina (Mr. THURMOND) be added as cosponsors of amendment No. 342 to the tax bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 352

Mr. BELLMON. Mr. President, I ask unanimous consent that, at the next printing, the names of the Senator from Florida (Mr. GURNEY) and the Senator from Michigan (Mr. GRIFFIN) be added as cosponsors of amendment No. 352 to the tax bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, December 6, 1969, he presented to the President of the United States the enrolled bill (S. 118) to grant the consent of the Congress to the Tahoe regional planning compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes.

## NOTICE OF HEARINGS ON MHD

Mr. MOSS. Every Member of the Senate is keenly aware of our Nation's ever-increasing demands for electrical energy and our vital need to find ways of producing that electrical energy that do not pollute our air and waters, by either particulate pollution or by thermal pollution.

In furtherance of this national need, the Subcommittee on Minerals, Materials, and Fuels has scheduled a public hearing for December 18 on MHD which is shorthand for magnetohydrodynamics. MHD is a term used to describe a newly developing means of producing high-voltage electrical energy direcly from coal—including the low-grade coals which are found in such abundance in many of our Western States—or other fuels without going through the costly, cumbersome process of first heating water to make steam with which to turn turbines and generators.

In the MHD process, coal is gasified at extremely high temperature and passed over a magnetic field. The process has at least three great and immediate advantages: First, as I indicated, it is to a large extent pollution free; second, it requires very little water, a matter of great importance in many parts of the West—and in the East, too, in fact—and third, it can utilize the lower grade coals that it is not economically feasible to use in conventional thermal generating plants.

Thus, MHD might be said to tap a new energy resource in such States as Montana and in my own State of Utah.

Earlier this year, Dr. Lee A. DuBridge, Director of the Office of Science and Technology, released an official report entitled "MHD for Central Station Power Generation: A Plan for Action." This report was prepared by a special OST panel of utility executives, scientists, and engineers under the chairmanship of Louis H. Roddis, vice chairman of the Consolidated Edison Co. It reviews the current status of MHD technology and recommends a research and development program designed to explore the huge potential benefits of the process.

In releasing this report, Dr. DuBridge said:

> Making MHD generation a reality will require the cooperation and financial support of the government, the electric utilities and their suppliers. I hope that the report of this distinguished panel will be carefully studied so that we can all find a proper course of action.

It is in furtherance of this recommendation by our Government's top scientist that the Minerals, Materials, and Fuels Subcommittee hearing has been scheduled. At this time, it is the subcommittee's plan to hear only nongovernmental witnesses on the 18th. That is, this first hearing will be confined to the industry. Government experts will be heard at a later date.

The hearing will open at 9:30 o'clock on December 18 in the Interior Committee hearing room, room 3110, New Senate Office Building. Any interested persons are invited to attend.

## SENATOR RANDOLPH COMMENDS TODAY'S YOUTH—CITES NEED FOR REPORTING POSITIVE CONTRIBUTIONS BY YOUNG CITIZENS

Mr. RANDOLPH. Mr. President, too often our news media report the disruptive practices by students and neglect to report adequately the positive undertakings of today's youth. Accenting the negative is newsworthy—the press says—but I believe Americans are also interested in good news. This is not a carping criticism of our modern news media, but rather is an observation of one Senator who pleads for a more positive or balanced approach.

Only a small percentage of students are causing trouble on the high school and college campuses. All suffer as a result. Most of our youth are in school for an education, to participate in campus activities, to gain insight into social problems, and to become involved in meaningful programs for the benefit of mankind, and to improve their skills, thereby better enabling themselves to support a family and become constructive citizens.

Mr. President, I am a strong supporter of youth. I believe in young people. I share many of their visions, their dreams, and their hopes. Since 1942, I have been active in attempting to secure franchise for 18-year-olds, because I have faith in their ability to make decisions and in their knowledge of the world around them. If given the ballot I am convinced they can become active participants in our elective system of government.

Youth are concerned about problems. They question the need for war, poverty, discrimination, and inadequate housing.

We are too often unaware of the positive contributions of youth. As an example, I emphasize that 443 volunteer students at Idaho State University recently began operating a halfway house for former mental patients who planned to enroll at the university or at a local business college.

Camp Titan, in California's San Bernardino Mountains, completed its first summer after being sparked, supported, and supervised by volunteer students from California State College at Fullerton. The camp gave 90 disadvantaged 8- to 12-year-olds 2 weeks in the outdoors. They will be given follow-up counseling, tutoring, and friendship during the coming year.

At Wisconsin State University at Eau Claire, student youth volunteers work at Whynot, a treatment center for alcoholics approximately 25 miles from the campus.

About 800 students from Indiana's Ball State University provide tutorial and recreational services for children in their homes and in centers.

At Southern Connecticut State College, 1,300 sophomores have been organized to work with 160 different community service agencies in 25 Connecticut towns and cities.

There are examples of student volunteer programs reported by the American Association of State Colleges and Universities and brought to my attention by its able executive director, Allan W. Ostar.

The AASCU study points out that student volunteers, like other student activists, are a phenomenon of our time. Each is reacting to what he regards as the inequities of society. The dissident activist attacks society; the student volunteer works to solve its inequities.

These student volunteers are growing in number and, in many cases, have created specific coordinating structures through which to channel their efforts.

At Morehead State University, in Kentucky, the student council plans to establish a Community Service Association, an outgrowth of campus volunteers' increasing interest and participation in service projects.

The University of Northern Iowa has a program to place volunteers in a variety of service programs.

The newly formed Community Involvement Project Committee at Virginia's Norfolk State College is the arm of the student government association which arranges for students to tutor in local public schools.

Providing a needed service to the Community University, a free, student-run series of courses at California State College in San Bernardino, are being given. Student volunteers work in its college information center, established in a low-income neighborhood to recruit minority group students into higher education.

Through the student senate at Bemidji State College in Minnesota, students tutor in local elementary and high schools, work as big brothers and sisters with the community's children and as recreational aides to its aged.

Perhaps the grandfather of all organized student volunteer efforts is the EPIC—educational participating in the community—program at California State College at Los Angeles, a highly organized student-administered operation involving well over 1,000 students. Any community group may ask and receive assistance from EPIC.

Student volunteerism also flourishes on campuses with no single major or official channel for community activities.

At the State University at Buffalo, N.Y., there are 100 student organizations performing services which include tutoring, working with exceptional children at the State hospital and serving disadvantaged persons in the inner city.

Sororities, fraternities, and service groups at Western Kentucky University cleaned a downtown square, painted a local playground, and aided in other community projects.

Students from the State University of New York at Albany set a new record in contributing blood to the Red Cross and raised $5,500 in a telethon for mental health.

Students of the University of Missouri at Rolla, where I have spoken, were recently honored for such activities as raising over $8,000 for the Phelps County March of Dimes, the South Central Missouri Shrine Club, and Boys Town of Missouri during the past year, as well as giving over 200 pints of blood to our soldiers in Vietnam, and doing repair work on St. Louis inner-city churches, centers, and housing areas.

Mr. President, I have mentioned only a few of the worthwhile activities in which today's college youth are involved. The greatest percentage of our young are conscientious and mature people who realize their responsibility in attempting to solve major problems and also to contribute affirmative efforts on vital issues of our challenging times.

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## THE 50TH ANNIVERSARY OF THE EL DORADO TIMES

Mr. PEARSON. Mr. President, December 1, 1969, marked the 50th anniversary of the El Dorado Times, one of Kansas' finest newspapers. A "Golden Progress" edition was issued to commemorate this historic date.

The first page of this most impressive edition was devoted to a column entitled "Fifty Achieving Years," written by the paper's distinguished editor, Mr. Rolla A. Clymer, a man I feel privileged to call a friend. Mr. Clymer has been associated with the El Dorado Times for all the 50 years of its existence; therefore he is especially qualified to write the history of the community it serves. Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIFTY ACHIEVING YEARS

(By R. A. Clymer)

The El Dorado Times will be fifty years old on December 1, 1969.

It came into being on that date in 1919 as the result of a merger of the Walnut Valley Times and the El Dorado Republican. Both of these old newspapers were founded by the same man—Thomas Benton Murdock.

It was on March 4, 1870, that Mr. Murdock and J. S. Danford first issued the Walnut Valley Times—which was the first newspaper in Butler county.

In 1881, Mr. Murdock—then the sole owner—sold the newspaper property to Alvah Shelden and moved to Topeka. But the atmosphere of the state capital city was not to his liking and the love of the Walnut Valley kept calling him—so back he came to El Dorado in 1883 and set up the El Dorado Republican. This move displeased the Sheldens, who claimed that when Mr. Murdock sold them The Times, he pledged himself never to operate another newspaper in El Dorado. Despite Murdock's denial, a coolness and a bitter rivalry existed between these two men all the rest of their lives.

When Mr. Murdock died on November 4, 1909, he left the Republican to his widow, Mrs. Marie Antoinette Culbreth Murdock, her daughter Ellina and her step-daughter, Mary Alice Murdock. When Mr. Shelden died on December 17, 1911 his son, Chester C., a capable newspaper man, took over the operation of the newspaper. In 1916, when development was boiling because of the oil boom, Chester sold the paper to J. B. Adams.

During the early years of this century, El Dorado was served by two daily and two weekly newspapers emanating from their respective shops. At that period of time, few towns of El Dorado's size—about 3,500 population—had a daily newspaper, while El Dorado had two.

The oil strike in 1915 quickly caused an upsurge of local retail business and these two newspapers got along acceptably until 1919 when the cost of newsprint zoomed to the skies. Newspapers without a mill contract were left in the cold—and the open market prices vaulted to unheard of prices. The Re-

publican, for example, paid $6,000—or ten cents a pound—for one car of newsprint that under old conditions would have been sold for but little more than one-fifth of that sum.

So, it may be said that the unexpected and exorbitant price of newsprint forced the merger of the two newspaper properties. There were other economic reasons, however, that pointed the move, so the agreement for a consolidation was signed on November 20 of 1919 and the first issue of the present Times appeared on Monday, December 1. The Republican building at 114 East Central, newly built, became the home of the new newspaper. It remained in that location—although much crowded for room—until the new building at 114 North Vine was completed six years ago.

The first board of directors consisted of J. B. Adams, William Allen White, of the Gazette, Emporia; Marcellus M. Murdock, of the Wichita Eagle; Burns Hegler, former manager of the Walnut Valley Times, and R. A. Clymer, former manager of the Republican.

Thus The Times is actually near 100 years old—and will reach that anniversary date on next March 4. It is the direct offspring of the old Walnut Valley Times, and can properly claim that relationship.

That was fifty years ago and, while that period does not seems exactly like a watch in the night, it has gone swiftly.

Vast changes have taken place over the nation in that half-century, while all of Kansas and the Kingdom of Butler and its communities also have been altered—and much for the better we are prone to believe.

The face of the town has been materially changed in those fifty years. The old city hall has been razed and a new municipal complex established on North Vine; whereas South Main had the business play in 1919, the shift of stress now has been taken over by North Main; Hotel El Dorado was built, occupied, abandoned and is now coming back into usefulness in that time; the senior high school, a magnificent structure, has been built north of town; many new business homes have been constructed—some of them gems in their architecture and appearance; Allen Memorial hospital was erected and is now being largely expanded and improved in order to handle the increasing volume of its patients.

The new Bradford Memorial Library has been established on South Washington and the old Carnegie structure it occupied now is the home of the Butler County Historical Society and its museum; the 4–H club building was erected as a clearing house for farm meetings and is now used for just about every other large gathering; Central Park, built largely by WPA labor during the depression, serves as an outlet for many events; whereas the town got its water from the Walnut river in 1919, it now has two large lakes and is in the works for a large reservoir northeast of El Dorado; the Kansas Turnpike was built at this town's edge more than a decade ago, and many enterprises have now moved westward along Central Avenue.

The East Central project not only took many kinks out of US 54 highway but, by a feat of engineering practically secured this community against floods; the old county poor farm has given way to several excellent nursing homes; instead of seven refining plants that were here in 1919, now only two well-managed properties remain—Skelly Oil and Petrofina; the old Santa Fe railroad station long ago disappeared and the town has been without passenger train service for years; the Southwest Trafficway provides a speedy short cut to the Skelly refinery; a handful of modern motels have taken the place of numerous lodging houses; whereas the town had five banks in 1919, it now has three with assets of more than $35 million; a number of small but potentially profitable enterprises have come to El Dorado, whose boosters are working for that "big one"; above all, the establishment here of the Butler County Community Junior College came as one of the town's most prized assets.

In 1919, this town had just finished its participation in World War I—the "war to end all wars." Since then it has passed through World War II and the Korean conflict, and is now trying to emerge from its Vietnam war which is the most baffling conflict in which it ever took part. It has suffered heavy rains and floods, tornadoes and other windstorms, choking drouths (especially that one in the middle 'fifties,) and the Great Depression of the 'thirties which lasted for almost a decade.

It has suffered epidemics of various natures. It has seen thermometers sink to 17 degrees below zero in the winter and rise to 118 degrees above in summer—for the extreme spread of 135 degrees. It has had good business and bad, and yet has preserved along its bounden way. It has undergone a revolution in its roads, both for in-county highways and those leading to distant parts, all smooth-surfaced. Its county has built, and is building, watersheds to hold rainfall where it occurs, and is employing other conservation measures. The town's business volume has vastly increased, and its people today are—as a rule—happy, healthy and strong.

The town had a larger population in 1919 than it has today because of boom conditions. But in 1930 the Skelly Oil company offices were split in two parts and moved to Kansas City and Tulsa. This was one of the heaviest blows the town has ever sustained. But the K–T oil corporation moved here shortly thereafter and, in one way and another, the town kept its stride and has continued to improve.

Without checking the matter in detail, this editor believes that every church denomination in town either has rebuilt its edifice entirely or else has subjected the structure to enlargement and expansion.

El Dorado is one town where the business district is not jammed together. On several of the downtown streets roomy parking lots are provided and more open space appears in the center of town than one will ordinarily find in cities of this class.

In this accounting, no doubt, many items that should have been included have been left out. Let it be sufficient to say that El Dorado is far stronger and more substantial than it was half a century ago, and possesses an enlarged ability to order its own affairs. Many improvements and refinements on every hand indicate that the spirit of progress is still running strongly throughout the community.

El Dorado has suffered some lamentable deaths in fifty years—and the list of them all would comprise a golden chain. But others have risen up to take the places of those who have gone, and many new residents have come into the community to employ their modern intelligence, energy and zeal in the further upbuilding of the community.

This editor was here when the newspaper merger took place and had a hand in forming the nature and policies of the publication. The Times has always hewn closely to the idea that home news comes first and has tried to live up to that ideal. Now your editor has grown old but can testify that the past half-century has been a happy and rewarding one. He is also dead sure that he doesn't know as much as he thought he did fifty years ago.

It has been a great blessing to live here in the midst of the hurly-burly of widespread oil fields—and on the flank of the glorious and ever-wondrous Flint Hills. The people—those whose nativity was here and who came from many of the area's upstanding pioneers, plus those who came from the four quarters of the earth drawn by some function of the oil and refining business—have been fused together in a remarkable melting pot. They have proved to be admirable companions and neighbors—and their true-hearted kindness and brave endeavors have overlain all the achievements that have here been gained.

When motor vehicle license tags were first issued in Kansas, going to each country in the matter of its population enumeration. Butler county carried the figure "9" for years. The last check on the size of its population showed it to be in tenth spot. So the old county has held its own in a population way through thick and thin, and the ups and downs of fifty years.

Butler's forty thousand people have given their county a rich and mellow flavor, and the spirit and personality of its residents will not diminish but rather will grow more pronounced in future years.

Whatever happens in the next fifty years, we anticipate that the Kingdom of Butler will go along as it has gone in the past century and continue to be a shining light in the congregation of Kansas counties.

## NEW YORK TIMES' WICKER CALLS PROXMIRE ANTIPOLLUTION BILL LOGICAL, REASONABLE, FAIR, EFFECTIVE

Mr. PROXMIRE. Mr. President, Tom Wicker, of the New York Times, recently wrote a compelling column on a new approach to water pollution contained in a bill that I introduced last month. The column makes the case for the bill powerfully. Because the column will be of interest to all Members of Congress who are interested in meeting the urgent and growing problem of water pollution, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 27, 1969]

LET THE POLLUTERS PAY

(By Tom Wicker)

WASHINGTON, November 26.—Some years ago, Robert Kennedy took an inspection tour of New York Harbor and said of its polluted waters: "If you fell in, you wouldn't drown, you'd dissolve." One foul reason for that, a Federal agency has just disclosed, is the Passaic River, which carries the waste from 29 municipalities and 700 industries into the harbor, after only 10 per cent of the pollutants have been removed by available treatment facilities.

This is a particularly odorous example—New York State is getting 56 per cent of the pollutants out of the waste it dumps into the harbor—of what William Proxmire of Wisconsin has called to the attention of the Senate in a detailed and shocking speech. He said flatly that we are not only failing to end the pollution of American waters, but the situation is actively getting worse—despite $5.4 billion spent in fighting pollution in the last decade by Federal, state and local governments.

Proxmire based his remarks on a General Accounting Office survey of the antipollution program, which concluded that the program of providing Federal aid to municipalities for the construction of sewage treatment plants, while necessary, is about like aiming a toy pistol at the wrong target. Not only is the program underfunded, with a backlog of $2 billion in requests against $214 million in the Nixon budget and $1 billion voted by the Senate; but even if all the demands could be met, it still would not make much difference. The municipalities simply are not the real culprits.

An example from the G.A.O. survey, cited by Proxmire, tells the story. On a stretch of unidentified interstate river, where $7.7

million had been spent on municipal sewage disposal plants since 1957, these facilities had reduced total pollution of the river by 3 per cent—while the amount of industrial wastes dumped into the same river in the same years had increased by 350 per cent. Everywhere the G.A.O. looked, it found the same grim pattern.

CLEANING CHARGES

Since Proxmire and the nine Senators who joined him in introducing a bill for a new antipollution program are well able to distinguish an elephant from a mouse, they have taken dead aim on industrial waste and not with a toy pistol, either. They propose to make industry pay for cleaning up industry's mess, and even to give them an economic incentive to do it.

They would impose a variable system of Federal effluent charges on industrial firms that discharge waste into water. The charges would vary with the strength and toxicity of the waste—the more high-powered, the higher the charge, and vice versa. Most crucially, it would be levied on a per-pound basis, so that the less waste dumped in a river, the lower the total charge.

BENEFITS OF PLAN

The aim is not to penalize but to make waste disposal a legitimate cost of production, rather than a free service provided to industry at public expense. At present, Proxmire explained, many an industry finds it cheaper to pay Federal, state or local pollution fines, if any, than to install up-to-date treatment facilities; so they go on polluting. The proposed variable charge system would make it cheaper, instead, to reduce waste production and improve its treatment—and Proxmire showed that in places where the system has been tried locally, the practical results bore out this theory. Not only did industrial polluters work to reduce the charge levied on them for waste disposal, but the necessary research and development often led to net reductions in over-all production costs.

(Just yesterday, at a scientific conference in Maryland, two physicists described how a "superfired thermonuclear flame" called a "fusion torch" might someday be used to convert gas, liquid and solid wastes back into clear, original atoms.)

The effluents-charge system thus would attack the major cause of water pollution, stimulate the actual reduction or re-conversion of waste materials, and provide a substantial new source of Federal funds (about $1.5 billion in charges the first year), half of which would be devoted to the underfunded municipal sewage facilities program.

The plan is, in fact, so logical and reasonable and fair and effective that someone is bound to charge that it violates the free enterprise system. To which Proxmire has already replied that the public's need for pure drinking water and the sportsman's need for clear fishing water are just as legitimate as industry's need for water disposal but since the public and the sportsmen are already paying for their use of the lakes and streams, so should businessmen.

## THE POET

Mr. CHURCH. Mr. President, it was announced this week that the distinguished Senator from Minnesota (Mr. McCARTHY) has received an award from the National Endowment for the Arts for a poem which was recently published in the New Mexico Quarterly.

This is a rare honor for a Member of the Senate. I have done some research and discovered that never before has a Senator been so recognized as a poet. For EUGENE MCCARTHY, it is richly deserved recognition for a man who is not only a Senator and poet, but a statesman and a man of peace.

In a recent issue of McCalls, there appeared a new poem by our colleague titled "Ares." This remarkable work reflects on the insane arithmetic of war and deplores a world prepared to take more lives than there are to lose. I commend the poem to the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

ARES

(By EUGENE MCCARTHY)

god, Ares
is not dead.
he lives,
where blood and water mix
in tropic rains.
no NNE, or S
or W, no compass—
only mad roosters
tail down on twisted vanes
point to the wind
of the falling sky
the helicopter wind
that blows straight down
flattening the elephant grass
to show small bodies crawling
at the roots, or dead
and larger ones
in the edged shade, to be counted
for the pentagon, and
for the New York Times.

Ideologies can make a war,
last long and go far
Ideologies do not have boundaries
cannot be shown on maps,
before and after,
or even on a globe,
as meridian, parallel,
or papal line of demarcation.

What is the line between
Moslem and Jew
Christian and Infidel
Catholic and Huguenot
with St. Bartholomew waiting
on the calendar for this day
to come and go?
What map can choose between cropped
heads
and hairy ones?
What globe affirm
"better dead than red"
"better red than dead"?
ideologies do not bleed
they only blood the world.

Mathematical wars go farther.
They run on ratios
of kill and overkill
from one to $x$
and to infinity.
We are bigger, one to two
We are better, one to three
Death is the measure
It's one of us to four
of them, or eight to two
depending on your
point of view.
12 to 3
means victory
12 to 5
forebodes defeat.
These ratios stand
sustained
by haruspex and IBM.
We can kill all of you
three times
and you kill all of us
but once and a half—the game
is prisoner's base, and we

are fresh on you
with new technology.
We sleep well
but worry some. We know
that you would kill us twice
if you could, and not leave
that second death half done.
we are unsure
that even three times killed
you might not spring up whole.
Snakes close again
and cats, do, it is true,
have nine lives. Why
not the same for you?
No one knows about third comings
We all wait for the second, which
may be bypassed
in the new arithmetic.
or which, when it comes,
may look like a first
and be denied.
The best war, if war must be
is one for Helen
or for Acquitaine
No computation stands
and all the programed lights
flash
and burn slowly down to dark

when one man says
I will die,
not twice, or three times over
but my one first life, and last,
lay down for this my space,
my place, my love.

## OIL SHALE AND THE PUBLISHING INDUSTRY—A CASE HISTORY

Mr. PROXMIRE. Mr. President, for some time now I have been interested in the public policy implications of the way in which certain vast oil shale deposits in Colorado, Wyoming, and Utah have been handled by the Federal Government. In the course of my work in this area—work which resulted in the introduction of proposed legislation on the subject in the last Congress—I have been helped by, among others, Mr. J. R. Freeman, formerly editor of the Frederick, Colo., Farmer and Miner, and at present the editor of the Abington Journal, Clark's Summit, Pa.

Mr. Freeman has played a major role in focussing public attention on the issues. In the best traditions of an independent press he published a controversial series of 51 articles on oil shale.

Now the Columbia Journalism Review has published an article by Mr. Freeman setting forth in some detail the specifics behind a decision by Life magazine not to carry a story on oil shale after the story had been placed in page proofs. Mr. Freeman also discusses the subsequent sale to Harper's of a revised version of the story, written by Chris Welles, who wrote the Life article, together with the firing of Mr. Welles by Life.

In my estimation, the Freeman article raises some interesting and provocative questions regarding the workings of the press in this country. We all know of the superlative job Life has done in uncovering scandal and corruption in the great American tradition. The staff is doing the best work in the exposé field being put out in America today. Thus I am not prepared at this time to agree wholeheartedly with everything that Mr. Freeman says. However, I do believe that his article deserves the careful consideration of my colleagues. Consequently, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Columbia Journalism Review, summer 1969, October 1969]

NOTES ON THE ART

(By J. R. Freeman)

It began late in May, 1967, when Chris Welles, a *Life* magazine staffer for about six years, came to my country newspaper office in Frederick, Colorado, to interview me as a follow-up lead to a *Ramparts* magazine article entitled "Teapot Dome 1967?". Written by Adam Hochschild, the *Ramparts* article had noted that I had alerted *Ramparts* to the story and supplied them information.

As Welles skeptically took notes during that first interview, his associate, a *Life* staff photographer, busied himself snapping numerous pictures on the operations and staff of the *Farmer and Miner*, legal newspaper for the area, which I then edited and published.

During the interview I gave Welles a basic summary of the charges made via some twenty-seven articles in the *Farmer and Miner* regarding oil shale lands, in Colorado, Utah, and Wyoming, which former Senator Paul Douglas of Illinois was later to call "the most submerged issue in American domestic politics involving the greatest scandal in the history of our Republic."

I explained to Welles the means and methods by which I believed that large American oil corporations and their front men had virtually stolen thousands of acres of oil shale lands for $2.50 an acre when the land was often selling in excess of $2,000 an acre on the open market. I briefed him in detail on how powerful private interests financed by oil companies were trying to obtain thousands of acres of lands from the Federal Government under guise of invalid and abandoned pre-1920 oil shale mining claims. In such maneuverings by private interests many aspects become difficult to explain and legal situations become vastly complex. Thus it was necessary that Welles be offered everything in my files pertaining to the subject. Since I had been investigating the scandal for more than two years my files had become voluminous.

About two weeks after that first interview, Welles telephoned from Washington to inform me that he was carrying forward his investigation. He also indicated that he was now aware that we were indeed, involved with a huge story that would "shake the nation" once told. Welles also said he would keep in close touch, wanted my continued help, and would be back to Colorado in the near future.

Burdened by the responsibility of producing the *Farmer and Miner* from week to week, Elaine (my associate editor and wife) and I were working under horrible conditions in attempting to lend as much time as possible to research and to investigate the political and economic implications of oil shale while getting a paper out. For this reason we knew that I could not devote much more time to *Life's* efforts gratis, though nothing would have pleased us more.

Therefore when Welles returned to Colorado and suggested that I give him full time for at least a short period of time until he could "speak the language" regarding the oil shale issue, an agreement was drawn up for *Life's* consideration that would pay me $400 a week, excluding expenses, as well as "protect certain federal employees who may give information or leads to either Welles or Freeman, during their pursuit of information dealing with public domain oil shale and related aspects." Welles, as business editor of *Life*, signed the agreement on June 26, 1967. For three weeks thereafter checks from Time Inc. came through to me regularly in $400 amounts, with Welles paying me expenses from his pocket.

Because of the complexities of public land and mineral law and the vast political and economic implications regarding what I believed to be the richest natural resource known to man, containing as much as 2.6 trillion barrels of oil, it was necessary to place Welles in the hands of experts who had been working with me. These included, among others, Robert S. Palmer, executive director of Colorado's Mining and Industrial Board; Senator Douglas, who introduced a bill in 1965 to pay off the national debt from oil shale royalties, and Dr. Morris Garnsey, an economist at Colorado, expert in resource economics of the Rocky Mountain West. Also I urged Welles to interview people like Colleen Connelly, Thomas M. Stewart, Albert B. Logan, and Fred March, attorneys formerly in the Interior Department's Regional Solicitor's office in Denver, who were instrumental in turning the department around on its oil shale policy.

I also made my complete files available to Welles, including hundreds of letters to government officials, and just as many hundreds of documents relating to past oil shale and mineral resource frauds in government operations. Meanwhile, Welles had begun intensive interviews with the likes of Dr. Teil Ertl, a former Interior employee in the Bureau of Mines, portrayed by *The Wall Street Journal* as the possible benefactor of a $40 million fortune through his arrangement with Shell Oil Company and the Federal Government in an oil shale deal.

Though staying in contact with Welles by phone, I did not visit with him between July and September, until I went to Washington to testify before the Senate Interior and Insular Affairs Committee's hearings on oil shale. During his coverage of the hearings Welles told me that he had plans for a ten-page exposé. He said he had a researcher checking out his facts back in New York, and it would probably only be a short "month or so" before his story would be out.

Later I learned that the publication date by *Life* had been fixed tentatively for December, though it was not long after that Welles wrote me that December was out because "the managing editor [then George H. Hunt] said he didn't want such a scandalous type story in a Christmas issue." However, Welles followed up with the phrase, "he promises he'll run it the first or second week in January."

After January had come and gone with no *Life* story, I learned from Welles that he believed his superiors had sent his draft article over to the people at *Fortune* magazine, a Time-Life subsidiary, who brought pressure against the thrust of the Welles article. On February 15 I received the following note from Welles:

I'm sorry to tell you that our advertising department staged a counter-attack on the shale story. I managed to beat them back on about 95% of their demands, but the net effect has been to delay the story three weeks to the week of March 18th. Believe me, this thing has become the cause célèbre around here. But keep the faith, baby. It's going to run.

In the meantime I learned the *Life* story had been killed permanently. A telephone conversation with Welles on March 19 confirmed that the story had been killed, with the management not giving him any real reasons why, after it had been set in type and even page proofs had been pulled.

There is at least adequate basis to speculate that oil interests influenced *Life* management to scrap their oil shale story. Certainly one thing is clear. The then Secretary of the Interior, Stewart Udall, did not want to have the oil shale scandal given wide publicity, lest he find himself trying to explain to the American people why he permitted private interests to file 25,000 new mining claims for metals covering more than four million acres of oil shale public domain containing an estimated two trillion barrels of oil. These 1966 claims could have been prevented had he acted by timely withdrawal of the lands from entry.

Welles never found out precisely what caused the kill. A short time later, after giving up on *Life*, Welles called on Willie Morris, editor-in-chief of *Harper's*, offering to rewrite his oil shale story in condensed form for that publication. Morris reviewed the Welles effort and said that it was "the best story" he had ever seen on the subject.

It was not the first on the subject submitted to *Harper's*. Almost a year before a free-lance writer and novelist, Lois Hudson, had written an oil shale piece outlining aspects of the scandal. With her draft to several publications, none of which, including *Harper's*, accepted her effort, was an accompanying letter from Senator Douglas, who earlier had written her: "I have read your excellent article and like it very much. . . . There is a big battle going on in Interior over this, and I get conflicting reports about it."

Certainly Welles had narrowed down his information to the point that his editors could not tell him where he needed further effort. He had talked to numerous Interior Department officials, including Secretary Udall and Under Secretary John Carver, Jr., as well as the department's chief legal advisor, then Solicitor Frank J. Barry. If *Life* editors thought that the Welles article needed to be supported with additional facts, certainly it would have been a simple matter for *Life* to assign additional talent to assist Welles in reviewing materials then in my possession, which he had not reviewed completely.

So it was that Welles saw no other alternative to get the story, or at least part of it, told, except to sell his piece to another publication after he was assured that *Life* would never publish his facts on the scandal.

Because of the controversy involved, and its national scope, *Harper's* obviously wanted expert advice on the subject. On June 17, 1968, before their August publication of the Welles piece entitled "Oil Shale: Hidden Scandal of Inflated Myth." Mrs. Marion K. Sanders of *Harper's* editorial rooms wrote Professor Garnsey, himself a *Harper's* contributor, with accompanying galley proofs:

"I would be most grateful if you would read the piece yourself and let me know by return airmail if there are any errors of fact in it. Although we have the greatest confidence in the author, it would be reassuring to have another expert view."

Earlier she had already alerted Garnsey that the article was to appear, saying additionally: ". . . This is an updated and revised version of the piece that did not run in *Life*." Upon receipt of the galley proofs, Dr. Garnsey collaborated with me in the preparation of corrections that were sent back in time for the article to be revised and published as planned, though some of the significant corrections were never made.

At *Life*, meanwhile, all hell broke loose. After he realized that time had run out for *Life* to stop the publication of the piece by *Harper's*, Welles told his superiors that he had sold the oil shale story to Willie Morris. This was on July 3.

A conference on the subject was immediately called in the office of the managing editor, Hunt. In the meeting was the magazine's legal counsel, as well as editor Thomas Griffith.

One of the first possibilities at hand for *Life* management to consider in their meeting, which was also attended by the publisher, Jerome S. Hardy, was filing of litigation to secure a court injunction to restrain *Harper's* from publishing the Welles piece. A phone call to *Harper's* informed them that it was already too late. The August issue containing the Welles article had already been printed, and was in the distribution process.

Perhaps the least significant action *Life*

could take was to "crucify" Welles on the "cross of oil shale," which they did as per George Hunt's letter to him of July 10, the first paragraph of which read, "Confirming our conversation of today, I must inform you that as of August 7, 1968, you will no longer be an employee of Time Inc."

Although the version of the *Harper's* article on oil shale is a mere surface approach to the oil shale and related mineral resource scandals involving federally owned lands, it is significant to observe that the thrust of the article has not been refuted by oil company spokesmen or government officials with facts. Two oil companies replied to the magazine, and both were firmly answered by Welles in the November issue of *Harper's*, even though the oil company replies endeavored only to deny the fact that oil companies have delayed putting shale oil into the market place. It is significant that these two companies, Mobil Oil Corporation and Gulf Oil Corporation, did not attempt to dispute the contention that 380,000 acres of oil shale lands were patented or conveyed by the United States through the Interior Department to private interests under dubious circumstances before August, 1960.

It is also interesting to note that while the Welles *Life* article was more extensive in certain aspects than any previously published nationally, nonetheless neither government officials nor oil company spokesmen have ever denied any of the charges made in the *Ramparts* article, which emphasized much more strongly the political implications. Neither has anyone from any part of the spectrum denied any of the more extensive charges outlined in my fifty-one-part series in the *Farmer and Miner*.

The specifics of the Welles firing were made available to a *Wall Street Journal* Washington bureau reporter, Jerry Landauer, who prepared a story appearing in the *Journal's* July 30, 1968, issue. In the *Journal* story it was pointed out that Welles had been given a $2,000 annual raise in salary just after the oil shale story was killed. The *Journal* failed to mention that only a short time before Welles had received his regular annual advancement, the latter complying with usual policy in the organization.

In the various denials by *Life* officials that oil company pressure was responsible for their killing the story, Hunt admitted that such a piece could have an effect on advertising revenues, while the publisher, Hardy, maintained that Welles "couldn't be wronger."

At no time has Welles ever denied he was selling *Life* property—though he laments that such has long been a practice in the industry. He told the *Journal:*

"I didn't want to sell it to a magazine that was directly competitive with *Life*. *Harper's* is a very well respected magazine. I knew from the standpoint of ethics that it would be possible to fault me. But I knew that if I tried to get permission to sell the story on the outside that not only would they say no, but might take legal steps to prevent me from doing it. I was outraged that the story had been killed. This is the biggest story I've ever worked on. After the story was killed, I considered strongly quitting, but I liked working at *Life*, and decided that working it like that would perhaps be a childish act. . . . There is no question from the general atmosphere, from the kind of meetings that were going on, there was no question that the oil industry was aware of the story."

Thus it appears that today's journalistic trend in America, from the eyes of a former country newspaper editor, at least, is such that no one periodical can or will publish the full scope of a major national government scandal without the assurance that such a story will likewise be run by other organs so as to make the atmosphere "safe." Or at least in this case they have not. And therefore the major portions of the oil shale and related minerals resource scandal remain hidden from the majority of Americans, who not only do not know what they actually own in natural resources, nor its value, but more importantly, who may be trying to steal it.

## INTERNATIONAL LEAGUE WORKS FOR RIGHTS OF ALL PEOPLE

Mr. PROXMIRE. Mr. President, the International League for the Rights of Man is striving for the cause of human rights for all peoples throughout the world. An affiliate of the United Nations, the league attempts to educate and inform the world about the state of human rights in all nations, whether these nations consider themselves democratic, dictatorial, or somewhere in between.

In a recent bulletin from the league, Mr. Roger Baldwin, the acting director of the league's activities, described a number of actions that the league has taken in relation to the respect that various nations give to the human rights of their citizens. He stated:

A PROTEST AGAINST THE GREEK GENERALS

Adding to many other projects against the high-handed dictatorship of the Greek military junta, which seized power over a year ago, the League addressed the Secretary-General of the U.N. a plea on behalf of a group of well-known professors and intellectuals recently arrested and held for military court trial charged with opposition to the regime. Charges of tortures of prisoners in Greek prisons were verified by an inquiry conducted for Amnesty International of London, published in book form in Swedish, by James Beckett, an American lawyer married to a Greek citizen. The Greek regime has been condemned by the Council of Europe but its repressions of dissent and opposition appear to continue without let-up.

SOME HUMAN RIGHTS IN SOUTH KOREA

The League affiliate in South Korea reports that the Koreans arrested in Berlin last spring and brought on charges of espionage, tried and convicted, have benefited from governmental clemency. Two condemned to death have been commuted to life, and the others so reduced that they will shortly be freed. The Korean League was active in their behalf. Appeals have been made by the Korean League for help by the International League for Koreans in Japan, a half million of them, who do not enjoy full civil rights; many of whom have been repatriated to North Korea, despite lack of diplomatic relations and possibly under some form of coercion.

U.S. MILITARY RULE OF OKINAWA HIT

The American Civil Liberties Union has long protested the military security restrictions on the Japanese population of Okinawa, which include a travel ban on suspected leftists. Recently a representative of the Japanese Civil Liberties Union, affiliated to the International League, was denied entry, later permitted after protests. But the ban on a woman secretary of the League still stands without explanation. Japan is demanding administrative control over Okinawa with U.S. bases on the same footing as in Japan proper.

The International League for the Rights of Man is performing a valuable service by exposing those nations which are neglecting their recognition of human rights. The United States, I am proud to mention, has already taken a giant step to eradicate the above issue of Okinawa. Just last week, President Nixon announced that this island would be returned to Japan by 1972. The self-determination of the people of Okinawa is coming to fruition, as are their human rights. I hope that the other nations of the world that find themselves under the spotlight by the league will conduct themselves in as fine a manner.

## OIL INDUSTRY LOBBYING

Mr. PROXMIRE. Mr. President, last week we had several crucial votes involving the tax subsidies of the oil industry. Although for the first time the Senate voted to cut the depletion allowance from the inviolate 27½ percent to 23 percent, it failed to do more than slightly modify the most obvious symbol of the oil industry's privileged tax position.

Other decisions affecting the oil industry are going to be made in the future. The most significant of which will be the President's decision whether to continue restricting oil imports and, if so, in what fashion.

In order that we may all know the type and extent of the pressures being mounted by the oil industry to protect their privileged position, I ask unanimous consent that an article on the oil lobby, written by Richard Corrigan, and published in the National Journal be printed in the RECORD at the conclusion of my remarks.

The National Journal is a new magazine but one which is rapidly gaining a well deserved reputation for excellence. It is thorough and fair but is not hesitant to present sensitive issues involving powerful forces.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON PRESSURES—OIL INDUSTRY, UNDER ATTACK, HITS BACK AT FOES

(By Richard Corrigan)

The legendary influence of the oil lobby on what goes on in Washington is being put to a severe test this year.

Decisions now pending in the nation's capital will have heavy impact on the industry's future operations—and might well cost the industry many millions, or even billions, of dollars.

The oil lobby has long been depicted as one of the most pervasive and powerful, capable of bending government policy through the application of money and muscle.

But this year, industry spokesmen are wondering aloud where their supposed power is, why they have been subjected to attacks from so many quarters and why their attackers seem to have the upper hand.

With annual sales of more than $60 billion, the oil industry is certainly not defenseless. Oilmen and their allies are launching counterattacks on many fronts; they have entry to offices on Capitol Hill, to the executive branch departments and to the White House.

ITEM

Michael L. Haider, board chairman of Standard Oil Co. (New Jersey), the nation's biggest oil firm, recently met privately with Mr. Nixon. Afterwards, he expressed optimism about the President's as-yet-undisclosed position on the current review of oil import policy.

Item: Govs. Preston Smith, D-Tex., Robert B. Docking, R-Kan., Stanley K. Hathaway, R-Wyo., and Richard B. Ogilvie, R-Ill., representing member states of the Interstate Oil Compact Commission, met Nov. 7 with the head of the Cabinet import review task force, Labor Secretary George P. Shultz, to support the import control program. (Another delegation of governors who oppose the program met with Shultz Nov. 24.)

Item: High government officials—including Treasury Secretary David M. Kennedy, Interior Under Secretary Russell E. Train and John N. Nassikas, named by Mr. Nixon to head the Federal Power Commission—addressed the American Petroleum Institute's Houston convention Nov. 10 and 11. Their attendance demonstrated Administration concern about relations with the industry.

Item: Interior Secretary Walter J. Hickel was in Houston Nov. 22 and 23. A department spokesman said the Secretary planned to inspect offshore drilling rigs, but a Washington oil representative said industry officials planned to meet with Hickel, and there was speculation that the Alaska pipeline case was discussed.

Items: Rep. Wayne N. Aspinall, D-Colo., chairman of the House Interior Committee, hosted a private party Nov. 22 at a club in the Blue Ridge Mountains near Harper's Ferry, W. Va. While the gathering was mostly for certain Members of Congress, staff aides and Interior Department officials, it was learned that an oil lobbyist helped arrange the meeting and that a few oil company officials were invited.

Industry uneasiness: Despite its Washington connections, the oil industry feels threatened in several areas by the possibility of federal action that would alter existing laws and procedures. Spokesmen for the industry are blaming themselves for failing to get their story across to the public. (Secretary Hickel told Louisiana oilmen Oct. 16, that they had been "so engrossed in selling your products to the people you have neglected to sell your industry to the people.")

As oilmen see it, the public has become ingrained with the idea that the industry enjoys unwarranted tax advantages and other benefits, whereas the public should believe that what is good for oil is good for America. A recent speech by Houston oil executive Michel T Halbouty illustrates this point of view.

Industry dissension: But the industry also has been plagued by divisions within its own ranks. This is to be expected in an industry so diverse, encompassing wildcat drillers, worldwide corporations and fuel-oil distributors, to name just a few components. Nevertheless, dissension within the ranks cannot help the industry present a united front to its critics.

One example of an intra-industry dispute was the endorsement by the Kansas Independent Oil and Gas Association of a sliding depletion scale that would benefit small producers more than major companies. The sliding scale has been advocated by Sen. William Proxmire, D-Wis., a vocal and persistent critic of big oil firms.

Another example is the contention by some independent producers that they should share directly in the benefits of the oil import program. (At present, the Interior Department's Oil Import Administration parcels out quotas for foreign oil only to refineries and to petrochemical firms, which also seek a greater share of imports.) The Liaison Committee of Cooperating Oil and Gas Associations, representing these state and area producers, has a new Washingon lobbyist—Elmer L. Hoehn, who served as oil import administrator during the Johnson Administration.

Competition among major oil companies for special federal benefits also has upset the industry. The current oil import review, for example, was brought on in part by quotas granted during the Johnson Administration to a Phillips Petroleum Co. refinery in Puerto Rico and a Hess Oil Co. refinery in the Virgin Islands. Then, Occidental Oil Corp. in 1968 sought a 100,000 barrel-a-day quota for a proposed foreign trade zone at Machiasport, Maine.

These exceptions to the allocation formula threatened the orderly distribution of quotas. And on Feb. 5, 1969, the American Petroleum Institute asked the incoming Administration to review the import program, presumably as a way of blocking the Machiasport project. But the review has taken on broader aspects, to the dismay of the industry.

Lobby groups: Chief trade association for major oil firms is the American Petroleum Institute, which serves as a statistical and technological clearinghouse for petroleum matters in addition to presenting industry views in Washington. Headquartered in New York, the institute has 8,000 members, a staff of 250, an annual budget of about $5 million and offices in Dallas, Los Angeles and Washington. Its president is former Rep. Frank N. Ikard, D-Tex. (1951-61), a former member of the House Ways and Means Committee.

Another major lobbying force is the Independent Petroleum Association of America, with some 5,000 members. Its immediate past president is Harold M. McClure, Republican National Committeeman from Michigan, who has been quoted as saying he contributed $90,000 to political campaigns in 1968.

Regional and state associations—the Mid-Continent Oil and Gas Association, the Western Oil and Gas Association, the Texas Independent Producers and Royalty Owners Association and others—also maintain Washington representatives, as do other segments of the petroleum industry such as the Association of Oil Pipe Lines.

In addition, major oil companies maintain Washington offices, which generally are clustered along with association offices in the mid-town Connecticut Avenue section of the city.

The natural gas industry, which is closely tied to the oil industry, likewise is represented. One major association is the Independent Natural Gas Association, headed by former Rep. Walter E. Rogers, D-Tex. (1947–67).

Petroleum advisory group: The National Petroleum Council serves as an official bridge between industry leaders and the Interior Department, which is responsible for oil leasing, imports, petroleum research and other federal activities affecting the industry. Council members (107) are appointed by the Interior Secretary; current chairman is Jack H. Abernathy, president of the Big Chief Drilling Co. of Oklahoma City. The council's function is to advise the department—when asked to do so—about questions facing the industry.

A major council report this year on the continental shelf jurisdictional problem recommended that the United States claim seabed resources beyond the continental shelf and slope to the deep-ocean floor. The department (and the American Petroleum Institute) subsequently adopted similar positions.

Opposition: The New England area produces no oil and thus gains no royalty, tax or business benefits from production. But the region is a heavy consumer of petroleum products. It is one focal point for opposition to some current government policies affecting the industry. New Englanders have long complained in particular of high prices—and recurrent shortages—of heating oil, although industry spokesmen say markups by local dealers account for the high prices. Led by Sens. Edmund S. Muskie, D-Maine, and Edward M. Kennedy, D-Mass., and Rep. Silvio O. Conte, R-Mass., the area's congressional delegation has supported the Machiasport plan and attacked the import program and depletion allowance.

Other Northern liberals in Congress are unhappy with the industry for other reasons. Sen. Philip A. Hart, D-Mich., chaired hearings on import policies earlier in 1969 from his vantage point as chairman of the Senate Judiciary Antitrust and Monopoly Subcommittee.

Perhaps worst of all for the industry's public relations, one result of the "taxpayer's revolt" in 1969 has been to publicize petroleum's tax advantages as a symbol of inequity in the U.S. tax structure. House Ways and Means Committee Chairman Wilbur D. Mills, D-Ark., has called the proposed oil depletion allowances changes a symbolic gesture.

* * * * *

In addition to relying on old friends in and out of Congress to forestall changes in federal policies, the oil industry this year has tried to generate grassroots public support for the 27.5 per cent allowance in many ways: nationwide newspaper advertisements paid for by the new Petroleum Industry Information Committee in New York City; notices in Gulf Oil Corp. fuel bills; and letters in Texaco statements to stockholders, to cite a few examples. But these appeals apparently have met with little success.

However, the industry has lost many powerful defenders in the past few years, including former President (and Senate Majority Leader) Johnson and the late Senate Minority Leader Everett M. Dirksen, R-Ill.

The Ways and Means Committee itself was considered an industry bastion until it decided earlier in 1969 to reduce the oil depletion allowance to 20 per cent. Among those favoring the cut was Majority Whip Hale Boggs, D-La., who comes from the same state as Finance Committee Chairman Long.

Interior Secretary Walter J. Hickel, former GOP Governor of Alaska (1967–69), came to Washington billed as a friend of the industry. Following his stormy confirmation hearings in January, during which his connections with the industry were closely inspected, Hickel became embroiled in the Santa Barbara Channel oil pollution incident. Under obvious pressure from the public and mass media outlets, Hickel issued new controls on offshore drilling procedures and there has been talk in industry circles that he resorted to "overkill" in those regulations to rebut any suggestion that he is pro-industry.

Media coverage: The press—apart from trade publications and some oil-state newspapers—generally opposes the industry's positions editorially. The depletion allowance is customarily called a loophole despite industry protestations. *Fortune* magazine and *The Wall Street Journal* have joined other publications this year in questioning the purpose of the oil import program. Press and television coverage of the Santa Barbara Channel still damaged the industry's image. But widespread coverage of the SS Manhattan's Northwest Passage voyage and of oil developments on Alaska's North Slope may have restored some of oil's lost glamour.

MAJOR ISSUES FACING OIL INDUSTRY

Following is a capsule summary of major issues facing the oil and gas industry.

*Imports:* A Cabinet-level task force is reviewing the 10-year-old oil import control program, which restricts entry of cheap foreign crude to 12.2 per cent of domestic production in states east of the Rockies. The task force study is expected to be completed within a month. At stake: A system that assures domestic producers of a market, and costs consumers several billion dollars a year in higher petroleum product prices.

*Taxes:* The House has voted to reduce the oil depletion allowance, which allows oil companies an income tax deduction of 27.5 per cent of gross income from oil production up to a maximum of 50 per cent of net income from the oil property. The House set the depletion figure at 20 per cent. The Senate Finance Committee has approved a rate of 23 per cent and raised the net income limit for small operators (less than $3 million gross) to 65 per cent.

*At stake:* at least $400 million annually in higher industry taxes under the House bill; an estimated $155 million under the Finance Committee's approach which will be subject to attack on the Senate floor by oil industry critics.

Congress did not attempt to revise a tax benefit highly cherished by the oil industry: immediate write-offs for intangible drilling and development costs on oil property. Oil companies may deduct these costs in the year in which they occur, thereby often offsetting large amounts of income from other sources and usually enhancing the value of the depletion allowance for the oil property in subsequent years. Industry critics contend these costs should be capitalized and recovered through depreciation over several years as is done with a factory.

*Pollution:* The Senate and House have passed differing versions of legislation to make oil firms liable for the cost of cleaning up oil spills and blowouts such as the Santa Barbara Channel incident. The Interior Department has stiffened regulations covering offshore drilling and production to avert such accidents. Legislation has been introduced to subsidize the development of pollution-free automobiles. Air and water quality standards being established across the nation under federal review affect industry operations.

*At stake:* the question of how much money industry must pay to prevent and control pollution, and the future of the gasoline-burning internal combustion engine.

*Alaska:* Construction of the planned Trans-Alaska Pipeline System from the oil-rich North Slope to Alaska's south coast is being delayed by Senate and House Interior Committee reviews of possible environmental damage. Meanwhile, legislation is pending before the same committees to settle the land claims of Alaska's natives.

At stake: Development and shipment of petroleum from what appears to be the richest oil field in the United States, and ownership and royalty rights of that oil.

Continental shelf: A Johnson Administration task force on marine sciences suggested in January the formation of an international authority to regulate exploitation of the ocean floor—including oil and gas production. Similar suggestions are under study in the United Nations.

At stake: The question of where U.S. jurisdiction over the continental shelf stops and where the unclaimed ocean floor begins—and who will benefit from ocean floor exploitation.

Gas shortage: There have been widespread predictions within industry and government of a possible future shortage of natural gas. Interstate gas prices are regulated by the Federal Power Commission, which is now reexamining its pricing policies to determine their effect on exploration and production.

At stake: Markets and prices for natural gas, in which oil firms have major interests.

OIL INDUSTRY DISSATISFIED WITH IMAGE

Oil industry spokesmen believe the public has a mistaken idea about the petroleum industry and its work. Following are excerpts from a recent speech by Michel T. Halbouty, Houston oil producer, engineer, banker and former president of the American Association of Petroleum Geologists. The speech was printed Sept. 26, 1969, in the *Oil Daily*.

"We have paid our dues to the IPAA, the API, the Mid-Continent Oil and Gas Association, and to other similar organizations and we expected them to inform the Administration and the Congress of the facts. In the process, those associations have done an excellent job in some areas, and many dedicated oilmen have served them with distinction.

*"Failure in communication*

"But that has been too little by too few. These organizations simply failed to inform and educate the public properly. Frankly, all of us took it for granted that our little red house would never be blown down by those howling wolves. So we find ourselves b hind the eight ball. We now see depletion being hammered down. We see serious attacks being made on other incentives. The mandatory import program is in trouble . . .

"The shortcoming in our own case has been a lack of communication with the people who really count in this country—the people who vote.

"Of course, we have put out the usual standard propaganda—most of it aimed at protecting depletion—and expected it to be swallowed whole. But we have not gone to the public with our story. Full page advertisements advocating the depletion percentage are a nuisance and an affront to the average citizen. They are not even read . . .

*"Understanding the industry*

"We have done little to tell the history of oil and gas or the industry or the men who have made it. We have said little about how this industry ignited and sustained the age of liquid fuel and thereby helped life the shackles of toil from labor.

"We simply haven't put this information out properly, without wrapping it in a package which had the sign, "support depletion," on the outside. The people would automatically support depletion if they knew what our industry means to them. We would not have to ask them to do so . . .

"So, we look to Washington for help. . .

*"Situation in 1969*

"What is happening this year is the answer to that question. When the pressures from home, whether sincere or inspired, get high enough, the elected officials in Washington respond, irrespective of the excellence of oil's representation or even the good of the country.

"The pressures from home have been unduly heavy in favor of doing something about depletion and other incentives. Most of this has come from the heavy-consuming states, but a surprising amount has also come from oil states. And there has been relatively little response to appeals by the industry for letters asking for a continuation of oil tax incentives, despite the flood of suggestions to gasoline users, royalty owners, landowners and stockholders in brochures, company magazines, mail inserts, and other equally ineffective forms.

*"New industry image*

"Why ineffective? The medium is wrong. (Prof.) Marshall McLuhan, the famous communications specialist (of the University of Toronto), says the medium is the message. Oil company appeals and literature to captive audiences, already sold on the idea for selfish reasons, are necessary, but that falls far short of being sufficient.

"The press, in most instances, where it has commented at all, has been opposed to present industry tax incentives. Much of this comment has been totally unobjective; the remainder has been largely uninformed, misinformed, emotional, or naive. But it gets to the public.

"The simple fact is that no one outside the oil industry understands depletion, and no one in the oil industry has successfully explained it.

"But even worse than this is the fact that no one outside the oil industry understands the industry or appreciates it, and no one inside the oil industry has succeeded in telling the industry's story, and, frankly, too many people in the industry don't know the story themselves."

## JESSE KUHAULUA

Mr. FONG. Mr. President, 5 years ago a young man left his native State of Hawaii bound for the Far East. He had decided to take up sumo wrestling, a little known art in the Western World, but a sport followed by millions in Japan.

Sumo wrestling is an ancient sport and an art mastered by few. Jesse Kuhaulua, born and raised on the island of Maui in the State of Hawaii, is one of a tiny group of foreigners who have tried to penetrate the world of sumo wrestling, and he has gone higher than any other foreign competitor before him.

To accomplish this, Kuhaulua maintained an extraordinary self-discipline. At the same time, he became a man of incredible strength and agility, to the extent that he now is one of Japan's 10 top-rated sumo wrestlers who is being recommended as a model for diligent training.

I ask unanimous consent that the text of two articles, an editorial from the Honolulu Star-Bulletin, and an item from the Japan Times, in Tokyo, both of which laud this unusually talented young citizen of Hawaii and the United States, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Honolulu Star-Bulletin]

MAUI'S SUMO STAR

Jesse Kuhaulua, the Maui boy who decided to take up Japan's ancient sport of sumo wrestling, is now one of the top 10 rated wrestlers in Japan.

Since no foreigner has ever before gone so high, this is a special point of pride to Hawaii and his friends here—but so is the way he has gone about it.

Jesse, who wrestles under the name of Takamiyama, has won the attention and admiration of millions of sumo fans in Japan, who follow the televised matches as avidly as Americans follow baseball or football.

What many Japanese think of him is summarized in the editorial from the English-language Japan Times reproduced on this page.

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[From the Japan Times]

KUDOS FOR JESSE KUHAULUA

When Jesse Kuhaulua first came to Japan from his native Maui five years ago and announced he was here to become a "rikishi," who of us believed that he would last out the year? After all, the world of "sumo" is a feudalistic realm all its own, which exists only in a very small corner of Japan.

The rikishi lives, eats and sleeps sumo 24 hours a day. Its foods, its customs, and its traditions are entirely foreign, even to most Japanese today.

The life of a novice is a lonely one. He is a servant and slave to his seniors. Many young Japanese tried to make a life for themselves in that strange world, but found that its trials and tribulations were not for members of their affluent generation. Nisei youngsters came from the United States to try their luck and returned home defeated by the environment.

For Jesse, or Takamiyama, it was "total immersion" on a scale which even the institution that coined the phrase may not have imagined. Who knows what loneliness and bitterness he must have suffered? But if he ever lost his sense of humor, or his dignity, the public has never been aware of it. Patiently, he has worked to improve himself and in the process, he has won the respect and liking of sumo fans all over Japan.

In the tournament just ended, he fought as a "sanyaku" for the first time. This is a particularly high ranking, and Jesse is the first non-Oriental foreigner to go up so high in this traditional Japanese sport. In winning a majority of his bouts, he proved that his "komusubi" listing was no fluke. By dint

of hard training, Jesse had finally overcome a weakness in his underpinnings; he has learned not to lose his balance.

A top sumo commentator has suggested that other wrestlers should make him their model for diligent training and has predicted Jesse will go even farther up the sumo ladder.

The important thing is that he has established a place for himself in the strange and difficult world of sumo. And in the process, he has made a lasting impression on the Japanese—and we can be as cynical and as snide as any other people—with his character and demeanor. He is a credit to the people of Hawaii and the United States.

## ERNEST GRUENING: VOICE OF WISDOM AND COURAGE ON VIETNAM

Mr. McGOVERN. Mr. President, no man in America has any more right to be proud of his record of courage and wisdom on the issue of Vietnam than former Senator Ernest Gruening. He was not only one of the very earliest critics of our disastrous Vietnam policy, but he has been one of the most consistent and articulate exponents of peace in Vietnam.

Any one of scores of speeches and articles by Senator Gruening could have saved the lives of tens of thousands of people if it had been heeded by our policymakers. He has again spoken out in the recent November moratorium, calling us away from the folly of Vietnam.

I ask unanimous consent that the text of his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY ERNEST GRUENING: PRESIDENT NIXON'S PLAN TO END THE WAR IS A PLAN TO PERPETUATE IT

During his campaign for the Presidency, Candidate Nixon promised the American people that he would stop the war in Vietnam, but that he couldn't reveal his plan at that time. He had to keep it secret, he said, so as not to interfere with the Paris peace talks.

Now his highly suspense-publicized plan to end the war is just the opposite.

Far from being a program to end this unjustifiable, needless, illegal, immoral and monstrous war, it is a blue print to prolong and even to perpetuate it.

That war—and it has been stealthily spread to Laos and Thailand—will *not* be ended as long as President Nixon remains in office. At least it will not be ended by him. It will be ended only by an uprising of the American people, of which let us hope, the demonstrations begun on October 15 and continued today, tomorrow, the day after tomorrow, and as long as may be necessary, put an end to the obscene carnage in Southeast Asia.

For make no mistake. Under Nixon's plan our boys will continue to die, and they will die in vain, just as have the 40,000 fine Americans already killed in combat, and many more will be maimed and crippled like the quarter of a million already wounded, many of whom are blinded, armless, legless, paralyzed.

It was until now Mr. Johnson's war, a war into which the American people were lied and tricked.

It will henceforth be also Mr. Nixon's war, and indeed he repeats the same old falsehoods with which the American people have been misled for the last six years.

For it should be made unmistakably clear that the reasons for our being militarily in Southeast Asia, alleged by President Johnson six years ago and now repeated by President Nixon, are devoid of truth.

It is *not* true as alleged by President Johnson in his State of the Union Message in January 1965 and repeated in his Johns Hopkins speech, and now re-echoed by President Nixon, that we are there because a friendly people asked us to help them repeal aggression. The record is wholly bare of any such request. On the contrary, we asked ourselves in.

The truth is that President Eisenhower offered economic aid and only economic aid to our puppet Diem, but surrounded that offer with conditions which were never fulfilled. No military aid was asked for and none was given by President Eisenhower.

The truth is that we invaded Vietnam unilaterally in violation of all existing treaties—the United Nations Charter, the SEATO Treaty and the pledge to support the Geneva Accords and hold nation-wide elections—and when we started bombing North and South, it was we, the United States, who became the aggressor.

In his campaign for the Presidency in 1964, President Johnson pledged not once, but repeatedly, that he would not send American boys to fight in a ground war on the continent of Asia; pledged not once, but repeatedly, that he would not send American boys to do the fighting that Asian boys should be doing. Yet while he was making these solemn promises to the American people—pledges on the basis of which he was swept into office—plans were being matured in the Pentagon to do just what he had pledged not to do.

Now we know also that the Tonkin Gulf incident of August 1964 was spurious, and that by its misrepresentation to the Congress in the resolution drafted in the White House giving President Johnson a blank check to use American troops as he saw fit anywhere in Southeast Asia, he hornswoggled the Congress—with only two dissenting votes—into giving him that power.

These facts, first disclosed in hearings of the Senate Foreign Relations Committee last year, and now detailed in Joe Goulden's recently published book "Truth is the First Casualty" reveal that the version presented to the American people by President Johnson in a nation-wide televised address and then to the Congress, was false.

The U.S. destroyer, "Maddox", far from being on a routine patrol mission in international waters, was first, a spy ship like the "Pueblo", second, she had penetrated the coastal waters of North Vietnam, third, that at that very time, a raid by South Vietnamese vessels, supplied and directed by us, was taking place on North Vietnamese ports, and fourth, that the "Maddox" had instructions to try to draw away some of the defending North Vietnamese vessels. In other words, she was, from the North Vietnamese standpoint, engaged in hostile operations and they were justified in firing on her. Yet none of their shots hit her. The further allegation that on the next day there was another attack on the "Maddox" and on another American destroyer, the "C. Turner Joy," also proved untrue. In this deception every concerned important U.S. official collaborated—President Johnson, Secretary of State Dean Rusk, Secretary of Defense Robert McNamara, the brothers Bundy, the Gebrüder Rostow, and the high naval command in the Pacific.

President Nixon's plan revealed on November third, if viewed in the most favorable light possible, is nullified by innumerable escape clauses:

"The rate of withdrawal" says President Nixon "will depend on developments on three fronts."

That means that there will be three alibis.

One of those three, he says, "is the progress which may be made in the Paris talks."

Well it's obvious there will be no progress in the Paris talks, and I repeat my oft uttered conviction that there will be no peace by negotiation, for our opponents feel there is nothing to negotiate. They have made that abundantly clear.

"Another factor," says President Nixon, "is the progress of the training program of the South Vietnamese forces." Well, the high rate of desertions from those forces does not augur well for speedy progress; nor is it likely that President Thieu has any eagerness to hasten the American pull-out. Nor has the Pentagon.

Then President Nixon sounds another "note of caution," namely "If the level of enemy activity significantly increases we might have to adjust our time-table accordingly" and to emphasize this hazard further, President Nixon says "If I conclude that increased enemy action jeopardizes our remaining forces in Vietnam, I shall not hesitate to take strong and effective measures to deal with that situation." In other words, he'll send back more troops, resume bombing or whatever.

Well, of course, enemy action is not going to subside, as Ho Chi Minh's letter to President Nixon in reply to his—both released in connection with President Nixon's speech—makes clear. Our adversaries consider that the United States is the intruder, the invader, the aggressor, and they intend to fight for their nation's freedom from foreign control, for independence and for self-determination.

On top of all this hedging are the statements of Defense Secretary Laird, that even after we pull out, we'll have to leave some troops there to keep on training the South Vietnamese. This rigmarole will go on indefinitely.

Let us now turn to another aspect of President Nixon's program. He asserts that the only thing that is not negotiable is "the right of the people of South Vietnam to determine their own future."

That's a fine sentiment, but its implementation as seen on the one hand by President Nixon and on the other hand not only by the South Vietnamese of the National Liberation Front, but by those non-communist South Vietnamese whom Thieu and Ky jailed after the last election, represent a divergence as wide as the distance between the poles. Nixon's program will fasten the corrupt and oppressive dictatorship of Thieu and Ky on the people of South Vietnam. There will be no true self-determination. Moreover, South Vietnam itself has no juridical validity. It was created by the force of American arms and money in violation of our specific pledges. Everyone of its regimes from Diem—our first puppet—on, has been kept in office by our armed might and money. Our imposition of these characters upon the South Vietnamese people has made our allegations that we are there to free the South Vietnamese, a grotesque mockery.

Nor can we on the basis of past performance, put any faith in the numbers game of troop withdrawals. The week after President Nixon announced the withdrawal of 25,000 men—in itself a miniscule figure—the draft call was for 29,000.

And why, if President Nixon wants to scale down our military commitment, does he not suspend the draft for the duration? Instead he and some misguided Senators and Representatives urge reforming the draft law. It can't be reformed. What difference does it make whether our young men are selected by lot or by any other method to become cannon fodder in an unjustifiable war? It is the draft itself that is the atrocity and the injustice.

Consider that under it our young men are asked to fight in a war they consider immoral, to kill people against whom they feel no grievance, maybe get killed or maimed in the process, with the alternative if they follow their conscience and refuse, to go to

jail for five years at hard labor, thereby probably ruining their future career in civilian life. This is an infamous dilemma to which no American, or indeed no member of a society that calls itself free, should be subject. I have never been able to see why the Thirteenth Amendment to the Constitution does not apply to the draft. Let me quote it:

"Neither slavery, nor involuntary servitude except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States or any place subject to their jurisdiction."

What is the draft for this war to those who object to it, but involuntary servitude, and where the refusal to serve brings more involuntary servitude? Please note that the draftees are the only ones subject to it. Those who enlisted voluntarily in one of the Armed Services—Army, Air Force, Navy or Marine Corps—committed themselves when they took their oath of enlistment. Even if they now feel, as I and an ever-increasing number of Americans feel about the war, they have made their commitment voluntarily to go wherever they are sent. The draftees have no such choice. That is why I tried twice, while in the Senate, to amend the Selective Service Act to provide that service in Southeast Asia be voluntary. Of course, it did not pass.

This calls attention to the responsibility of Congress in this war. For while we not unjustifiably continue to call this Johnson's war and now Nixon's war, the Congress also shares in the responsibility. It could end this war far more speedily than President Nixon will by refusing to vote for the authorizations and appropriations for this war in Southeast Asia. They would be thereby exercising their constitutional authority of control over the purse. Now would they thereby, as might be alleged, be failing to "back our boys." They would instead be helping to bring the boys back home. Actually, there is enough in the pipeline to carry on for a year or more if not a cent were voted.

There are now movements in both Senate and House to endorse President Nixon's plan, whatever it turns out to be. Let me say that any Member of the Senate and House who so votes will have the blood of every boy who dies down there henceforth, on his head.

Let us not forget that unlike World War I and World War II when our nation was imperiled and when a vital American interest was jeopardized this is not the case in *this* war. Had our nation been attacked as it was at Pearl Harbor in 1941, and when our security was at stake, the American people would have rallied to our country's defense almost to the last man. That is why the Administrations, past and present, have had to resort to mendacious propaganda to make the American people believe otherwise.

Actually our misguided policies have defeated the very objectives they allege we seek.

If our objective had been truly to achieve self-determination for the Vietnamese we would have supported the Geneva Accords as we pledged to do, and allowed the elections for all Vietnam to take place.

If our objective, as alleged, was to halt Chinese southward expansion we would not have sought to destroy the buffer State of North Vietnam, hostile to the Chinese for over a millenium; we would instead have supported Ho Chi Min who not only would have fought any Chinese invaders, as he did the French, the Japanese, and now the Americans, but we would have created a state like Tito's Yugoslavia which the United States supported because while communist, it was not part of what was then called the "Communist Conspiracy."

Actually our policy, instead of defeating communism has laid the groundwork for it in Vietnam where the bombing and slaughter of thousands of non-combatants, the burning of their villages, and the making of millions of refugees, will not endear us or those we have supported in power. What nation will ever again want to be saved by us?

Indeed if the rulers of Russia and China had wanted to devise a policy that would bring us down, they could not have done better than what we have to ourselves. For while we have wrought death and destruction abroad, we have thereby fostered decay and deterioration at home. While we pour our billions into killing in Southeast Asia our long overdue domestic needs go unattended.

Now the only test of a policy proclaimed as one to end the war is whether it will prevent more casualties. It is ghastly to hear the cheerful official releases that only 69 were killed last week. Everyone of them was a mother's son. Every death is one too many.

What is the alternative?

It is to be found in one proposed by a most distinguished Republican, a great American, the senior member of his party in the Senate, George Aiken of Vermont; namely to declare that we have won the war, and get out—NOW!

That would indeed be victory, a stirring demonstration that a great nation can admit by its actions that it has erred, that it will no longer pursue a policy of unrelieved disaster, that it will no longer betray America's finest, noblest, traditions, professions and practices.

Is it not high time that we returned to sanity, that we revert to an America whose historic concern, despite occasional lapses, was for the life, liberty and pursuit of happiness of our own as well as of other people, and whose military mission is one of *defense* of our country and not global policing, with offensive action any where at the behest of the executive?

My friends, it is heartening that Americans, young and old, are to-day again mobilizing to try to put an end to this tragic and shameful involvement. We must all continue to work to achieve that result, and to turn the course of history back to where our country's policies were those we could, as we once did, esteem, love and cherish.

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## SEGREGATION IN THE SCHOOL DISTRICTS OF ILLINOIS

Mr. STENNIS. Mr. President, according to the 1968–69 HEW school survey, Illinois had a total of 1,920,984 students in the elementary and secondary public schools. Of this total, 1,448,168—or 73.3 percent—were white students; 398,257—or 20.7 percent—were Negro; and the remaining 4 percent—including 3.4 percent Spanish-speaking Americans—were students from other minority groups.

The HEW's IBM racial data on the 1968–69 school survey reflects that there are 25 cities, or school districts, in Illinois having one or more schools where Negro students make up over 80 percent of the school enrollment. However, in these 25 cities, or school districts, there are 364,894 Negro students, or 91.6 percent of all the 398,257 Negro students enrolled in public schools in Illinois.

The extent to which the Negro students in these public schools are segregated is indicated by the fact that in these 25 school districts there are 333,131—or 83.6 percent—of the total Negro enrollment in Illinois public schools enrolled in 322 schools that are 80 to 100 percent Negro and, of this group, there are 319,504, or 80.2 percent of the total Negro enrollment in the State in 279 schools that are 90 to 100 percent Negro segregated. What is more, 303,406 of these Negro students, or 76.2 percent of the total Negro enrollment in the State are in 284 schools, in 21 cities, that are 95 to 100 percent segregated, and there are 265,812 of these Negro students, or 66.7 percent—two-thirds—of all the Negro students in the public schools of Illinois in 246 schools, in 14 cities or districts, that are 99 and 100 percent Negro segregated.

On previous occasions I have talked about racial segregation in Chicago, where 248,677, or 80.6 percent, of its 308,266 Negro student enrollment are attending schools which are 99 and 100 percent Negro, and where 90 percent of the total Negro enrollment of the city are in schools between 90 and 100 percent Negro—but you can take almost any one of the 25 cities or school districts in Illinois which contain 91.6 percent of all the Negro students in the State and, whether the particular school district has a 10-percent Negro enrollment, a 16-percent Negro enrollment, an 18-percent Negro enrollment, a 9-percent Negro enrollment, or a considerably higher Negro enrollment, you will find all-Negro schools or schools that are nearly all Negro—and this means, and the HEW's IBM data on these schools will show, that at the opposite end there is just as much segregation of the white students.

For example, in Chicago, where the white-student enrollment is 219,478, or 37.7 percent of the total, and the Negro-student enrollment is 309,260, or 52.9 percent of the total, only 9,628, or 4.4 percent of the Negro students go to majority white schools and only 25,128, or 11.4 percent of the white students attend schools that have a minority group enrollment of over 50 percent.

In Maywood, Ill., which has a total public school enrollment of 6,396, 48.1 percent of which is white and 44.7 percent of which is Negro, 65.8 percent of the Negro students are in two schools which are between 99 and 100 percent Negro.

In the district of Blue Island, Ill., which has a total enrollment of 6,587, of which 81.8 percent are white students and 16.3 percent are Negro, there is one school with an enrollment of 613, or 57 percent of the total Negro enrollment in the district, which is 100 percent Negro.

Blue Island District No. 130, with a total enrollment of 3,579, 81 percent of which is white and 10.5 percent of which is Negro, has one school comprised of 57.3 percent of the total Negro enrollment that is 100 percent Negro.

Harvey, Ill., District No. 152 has a total public school enrollment of 3,573, which is 74.25 percent white and 24.6 percent Negro, but it has one school comprised of 48.6 percent of the total Negro enrollment which is 100 percent Negro segregated. There are only 241, or 9.1 percent, of the white students attending major Negro schools, and only 166,

or 18.8 percent of the total Negro students attending majority white schools.

In Kankakee public schools, where the Negro enrollment is 19.4 percent of the total, 36.9 percent of the Negro students are in one school which is 97.1 percent Negro segregated.

I bring these figures to the attention of the Senate to show illustrations of the fact that the enforcement of the integration demand of HEW is not a national pattern. These facts show the pattern applies almost exclusively to the Southern States with virtual immunity granted to all other States regardless of rank segregation in many areas of these favored States. Additional figures will be supplied later.

I ask unanimous consent to have the information relating to Illinois printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

ILLINOIS STATE TOTAL

[Number of districts: 473 Representing: 832. Number of schools: 3,220. Representing: 4,187]

| | American Indian | Negro | Oriental | Spanish American | Minority total | Others | Total |
|---|---|---|---|---|---|---|---|
| Students | 1,616 | 398,257 | 6,494 | 66,449 | 472,816 | 1,448,168 | 1,920,984 |
| Representing | 1,804 | 406,349 | 6,893 | 68,916 | 483,962 | 1,768,301 | 2,252,243 |
| Teachers | 13 | 8,778 | 157 | 194 | 9,142 | 66,418 | 75,560 |
| Representing | 17 | 8,983 | 165 | 215 | 9,381 | 80,580 | 89,960 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT

DISTRICT: COMMUNITY HIGH SCHOOL DISTRICT 218. NUMBER OF SCHOOLS: 6. REPRESENTING: 6. CITY: BLUE ISLAND. COUNTY: 16. COOK COUNTY. ASSURANCE: 441

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Number | 14 | 1,076 | 2 | 106 | 1,198 | 5,389 | 6,587 | | 0 | 36 | 0 | 2 | 38 | 223 | 261 |
| Percent | 0.2 | 16.3 | 0.0 | 1.6 | 18.2 | 81.8 | 100.0 | | 0.0 | 13.8 | 0.0 | 0.8 | 14.6 | 85.4 | 100.0 |
| Dwight D. Eisenhower High SE Building (3). | 0 | 613 | 0 | 0 | 613 | 0 | 613 | 00000000011000 (100.0) | 0 | 23 | 0 | 0 | 23 | 6 | 29 |
| Dwight D. Eisenhower High School Cam. No. 1 (1). | 0 | 430 | 0 | 43 | 473 | 1,083 | 1,556 | 00000000000110 (30.4) | 0 | 6 | 0 | 1 | 7 | 59 | 66 |
| Dwight D. Eisenhower High Old Main Building (4). | 0 | 32 | 1 | 50 | 83 | 1,207 | 1,290 | 00000000011000 (6.4) | 0 | 3 | 0 | 0 | 3 | 40 | 43 |
| Harold L. Richards High NW Building (2). | 14 | 0 | 0 | 5 | 19 | 786 | 805 | 00000000011000 (2.4) | 0 | 2 | 0 | 0 | 2 | 28 | 30 |
| Harold L. Richards High Campus II Building (6). | 0 | 1 | 1 | 5 | 7 | 1,359 | 1,366 | 00000000000110 (0.5) | | 1 | 0 | 0 | 1 | 59 | 60 |
| Harold L. Richards High NE Building (5). | 0 | 0 | 0 | 3 | 3 | 954 | 957 | 00000000011000 (0.3) | | 1 | 0 | 1 | 2 | 31 | 33 |

DISTRICT: BLUE ISLAND PUBLIC SCHOOL DISTRICT 130. NUMBER OF SCHOOLS: 10. REPRESENTING: 10 CITY: BLUE ISLAND. COUNTY: 16. COOK COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 375 | 5 | 301 | 681 | 2,898 | 3,579 | | 0 | 30 | 1 | 0 | 31 | 87 | 118 |
| Percent | 0.0 | 10.5 | 0.1 | 8.4 | 19.0 | 81.0 | 100.0 | | 0.0 | 25.4 | 0.8 | 0.0 | 26.3 | 73.7 | 100.0 |
| Horace Mann (6) | 0 | 215 | 0 | 0 | 215 | 0 | 215 | 00111111000000 (100.0) | 0 | 6 | 0 | 0 | 6 | 1 | 7 |
| Sanders School (8) | 0 | 0 | 0 | 53 | 53 | 95 | 148 | 00111111000001 (35.8) | 0 | 1 | 0 | 0 | 1 | 5 | 6 |
| Lincoln School (7) | 0 | 0 | 0 | 71 | 71 | 157 | 228 | 01111111000000 (31.1) | 0 | 1 | 0 | 0 | 1 | 6 | 7 |
| Blue Island Junior High School (10). | 0 | 91 | 2 | 63 | 156 | 524 | 680 | 00000000100000 (22.9) | 0 | | 1 | 0 | 6 | 24 | 30 |
| Whittier School (9) | 0 | 0 | 0 | 47 | 47 | 354 | 401 | 01111111000000 (11.7) | 0 | 2 | | 0 | 2 | 11 | 13 |
| Paul Revere (3) | 0 | 3 | 0 | 38 | 41 | 391 | 432 | 01111111000000 (9.5) | 0 | 3 | 0 | | 3 | 10 | 13 |
| Nathan Hale Intermediate (5). | | 24 | 2 | 6 | 32 | 371 | 403 | 00000111000001 (7.9) | 0 | 4 | 0 | 0 | 4 | 9 | 13 |
| Nathan Hale—Primary (4). | 0 | 40 | 1 | 16 | 57 | 713 | 770 | 01111000000001 (7.4) | 0 | 7 | | 0 | 7 | 15 | 22 |
| Greenwood (2) | 0 | 0 | 0 | 7 | 7 | 178 | 185 | 01111000000000 (3.8) | 0 | 1 | 0 | 0 | 1 | 3 | 4 |
| Greenbriar (1) | 0 | 2 | 0 | 0 | 2 | 115 | 117 | 01111000000000 (1.7) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |

DISTRICT: CHICAGO HEIGHTS SCHOOL DISTRICT NO. 1/70. NUMBER OF SCHOOLS: 13. REPRESENTING: 13. CITY: CHICAGO HEIGHTS. COUNTY: 16. COOK COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 6 | 1,779 | 5 | 542 | 2,332 | 2,774 | 5,106 | | 0 | 56 | 0 | 0 | 56 | 130 | 186 |
| Percent | 0.1 | 34.8 | 0.1 | 10.6 | 45.7 | 54.3 | 100.0 | | 0.0 | 30.1 | 0.0 | 0.0 | 30.1 | 69.9 | 100.0 |
| Franklin (5) | 0 | 758 | 0 | 12 | 770 | 0 | 770 | 01111111000000 (100.0) | 0 | 23 | 0 | 0 | 23 | 3 | 26 |
| Lincoln (3) | 0 | 471 | 0 | 13 | 484 | 0 | 484 | 01111111000000 (100.0) | 0 | 13 | 0 | 0 | 13 | 5 | 18 |
| Washington Junior High (6). | 0 | 267 | 1 | 74 | 342 | 329 | 671 | 00000111000000 (51.0) | 0 | 10 | 0 | 0 | 10 | 17 | 27 |
| Garfield (4) | 0 | 22 | 0 | 138 | 160 | 201 | 361 | 01111111000001 (44.3) | 0 | 2 | 0 | 0 | 2 | 11 | 13 |
| Washington Junior High (2). | 0 | 154 | 0 | 47 | 201 | 258 | 459 | 00000000100000 (43.8) | 0 | 3 | 0 | 0 | 3 | 19 | 22 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO HEIGHTS SCHOOL DISTRICT NO. 1/70. NUMBER OF SCHOOLS: 13. REPRESENTING: 13. CITY: CHICAGO HEIGHTS. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Jefferson (11) | 0 | 77 | 0 | 65 | 142 | 191 | 333 | 011111110000000 (42.6) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| McKinley (1) | 5 | 10 | 0 | 89 | 104 | 234 | 338 | 011111110000000 (30.8) | 0 | 3 | 0 | 0 | 3 | 10 | 13 |
| Grant (10) | 0 | 4 | 0 | 62 | 66 | 230 | 296 | 011111110000000 (22.3) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Roosevelt (13) | 0 | 14 | 0 | 29 | 43 | 284 | 327 | 011111110000001 (13.1) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Wilson (12) | 1 | 0 | 2 | 11 | 14 | 385 | 399 | 011111110000000 (3.5) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| John F. Kennedy (7) | 0 | 1 | 2 | 2 | 5 | 245 | 250 | 011111110000000 (2.0) | 0 | 1 | 0 | 0 | 1 | 6 | 7 |
| Greenbriar (8) | 0 | 1 | 0 | 0 | 1 | 275 | 276 | 011111110000001 (0.4) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Highlands (9) | 0 | 0 | 0 | 0 | 0 | 142 | 142 | 011111000000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| DISTRICT: BOARD OF EDUCATION SCHOOL DISTRICT 169. NUMBER OF SCHOOLS: 3. REPRESENTING: 4. CITY: EAST CHICAGO HEIGHTS. COUNTY: 16 | | | | | | | | | | | | | | | |
| Number | 0 | 1581 | 0 | 104 | 1,685 | 9 | 1,694 | | 0 | 72 | 0 | 0 | 72 | 3 | 75 |
| Percent | 0.0 | 98.3 | 0.0 | 6.1 | 99.5 | 0.5 | 100.0 | | 0.0 | 96.0 | 0.0 | 0.0 | 96.0 | 4.0 | 100.0 |
| Woodlawn (2) | 0 | 562 | 0 | 21 | 583 | 0 | 583 | 011111100000000 (100.0) | 0 | 24 | 0 | 0 | 24 | 0 | 24 |
| Medgar Evers (1) | 0 | 504 | 0 | 17 | 521 | 3 | 524 | 000000011100001 (99.4) | 0 | 23 | 0 | 0 | 23 | 1 | 24 |
| Cottage Grove (3) | 0 | 515 | 0 | 66 | 581 | 6 | 587 | 011111100000001 (99.0) | 0 | 25 | 0 | 0 | 25 | 2 | 27 |
| DISTRICT: HARVEY PUBLIC SCHOOL DISTRICT NO. 152. NUMBER OF SCHOOLS: 8. REPRESENTING: 8. CITY: HARVEY. COUNTY: 16. COOK COUNTY | | | | | | | | | | | | | | | |
| Number | 0 | 879 | 4 | 38 | 921 | 2,652 | 3,573 | | 0 | 45 | 0 | 0 | 45 | 101 | 146 |
| Percent | 0.0 | 24.6 | 0.1 | 1.1 | 25.8 | 74.2 | 100.0 | | 0.0 | 30.8 | 0.0 | 0.0 | 30.8 | 69.2 | 100.0 |
| Riley Elementary School (5). | 0 | 427 | 0 | 0 | 427 | 0 | 427 | 011111111100000 (100.0) | 0 | 15 | 0 | 0 | 15 | 4 | 19 |
| Emerson Elementary School (2). | 0 | 286 | 0 | 10 | 296 | 241 | 537 | 011111111100001 (55.1) | 0 | 13 | 0 | 0 | 13 | 6 | 19 |
| Lowell-Longfellow Elementary School (4). | 0 | 135 | 0 | 12 | 147 | 413 | 560 | 011111111100001 (26.3) | 0 | 5 | 0 | 0 | 5 | 20 | 25 |
| Holmes Elementary School (8). | 0 | 16 | 0 | 2 | 18 | 319 | 337 | 011111110000000 (5.3) | 0 | 5 | 0 | 0 | 5 | 15 | 20 |
| Whittier Elementary School (7). | 0 | 2 | 4 | 5 | 11 | 460 | 471 | 011111111100000 (2.3) | 0 | 2 | 0 | 0 | 2 | 15 | 17 |
| Sandburg Elementary School (6). | 0 | 10 | 0 | 0 | 10 | 425 | 435 | 011111111100001 (2.3) | 0 | 2 | 0 | 0 | 2 | 15 | 17 |
| Bryant Elementary School (1). | 0 | 3 | 0 | 7 | 10 | 589 | 599 | 011111111100000 (1.7) | 0 | 3 | 0 | 0 | 3 | 18 | 21 |
| Field Elementary School (3). | 0 | 0 | 0 | 2 | 2 | 205 | 207 | 011111100000000 (1.0) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| DISTRICT: MAYWOOD, MELROSE PARK, AND BROADVIEW 89. NUMBER OF SCHOOLS: 10. REPRESENTING: 10. CITY: MAYWOOD. COUNTY: 16. COOK | | | | | | | | | | | | | | | |
| Number | 1 | 2,862 | 24 | 188 | 3,075 | 3,321 | 6,396 | | 0 | 62 | 1 | 0 | 63 | 172 | 235 |
| Percent | 0.0 | 44.7 | 0.4 | 2.9 | 48.1 | 51.9 | 100.9 | | 0.0 | 26.4 | 0.4 | 0.0 | 26.8 | 7.32 | 100.0 |
| Washington (10) | 0 | 805 | 0 | 8 | 813 | 2 | 815 | 011111111100000 (99.8) | 0 | 16 | 0 | 0 | 16 | 13 | 29 |
| Irving (3) | 0 | 1,077 | 1 | 1 | 1,079 | 8 | 1,087 | 011111111100000 (99.3) | 0 | 25 | 0 | 0 | 25 | 12 | 37 |
| Emerson (1) | 0 | 375 | 2 | 31 | 408 | 328 | 736 | 011111111100000 (55.4) | 0 | 4 | 0 | 0 | 4 | 23 | 27 |
| Melrose Park (7) | 0 | 191 | 3 | 93 | 287 | 285 | 572 | 011111111100000 (50.2) | 0 | 3 | 0 | 0 | 3 | 19 | 22 |
| Roosevelt (8) | 0 | 144 | 9 | 9 | 162 | 365 | 527 | 011111111100000 (30.7) | 0 | 2 | 0 | 0 | 2 | 16 | 18 |
| Garfield (2) | 0 | 244 | 3 | 5 | 252 | 723 | 975 | 011111111100000 (25.8) | 0 | 7 | 1 | 0 | 8 | 27 | 35 |
| Lincoln (6) | 1 | 7 | 1 | 32 | 41 | 414 | 455 | 011111111100000 (9.0) | 0 | 4 | 0 | 0 | 4 | 14 | 18 |
| Stevenson | 0 | 14 | 4 | 9 | 27 | 575 | 602 | 011111111100000 (4.5) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Lexington (5) | 0 | 3 | 1 | 0 | 4 | 151 | 155 | 011111000000000 (2.6) | 0 | 1 | 0 | 0 | 1 | 4 | 5 |
| Jane Addams (4) | 0 | 2 | 0 | 0 | | 470 | 472 | 011111111100000 (0.4) | 0 | 0 | 0 | 0 | 0 | 19 | 1 |
| DISTRICT: POSEN-ROBBINS SCHOOL DISTRICT 143½. NUMBER OF SCHOOLS: 9. REPRESENTING: 9. CITY: POSEN. COUNTY: 16. COOK COUNTY | | | | | | | | | | | | | | | |
| Number | 0 | 2,156 | 2 | 11 | 2,169 | 742 | 2,911 | | 0 | 64 | 0 | 0 | 64 | 37 | 101 |
| Percent | 0 | 74.1 | 0.1 | 0.4 | 74.5 | 25.5 | 100.0 | | 0 | 63.4 | 0 | 0 | 63.4 | 36.6 | 100.0 |
| Turner School (2) | 0 | 352 | 0 | 0 | 352 | 0 | 352 | 001111110000000 (100.0) | 0 | 10 | 0 | 0 | 10 | 2 | 12 |
| Kellar School (3) | 0 | 625 | 0 | 0 | 625 | 3 | 628 | 000000011100000 (99.5) | 0 | 11 | 0 | 0 | 11 | 9 | 20 |
| Lincoln School (1) | 0 | 500 | 0 | 0 | 500 | 3 | 503 | 001111100000000 (99.4) | 0 | 15 | 0 | 0 | 15 | 3 | 18 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: POSEN-ROBBINS SCHOOL DISTRICT 143½. NUMBER OF SCHOOLS: 9. REPRESENTING: 9. CITY: POSEN. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.3—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Childs School (4) | 0 | 253 | 0 | 0 | 253 | 3 | 256 | 001111100000000 (98.8) | 0 | 8 | 0 | 0 | 8 | 2 | 10 |
| Lemon School (5) | 0 | 183 | 0 | 0 | 183 | 30 | 213 | 001111110000000 (85.9) | 0 | 5 | 0 | 0 | 5 | 3 | 8 |
| Gordon School (7) | 0 | 100 | 1 | 4 | 105 | 173 | 278 | 000000001100000 (37.8) | 0 | 5 | 0 | 0 | 5 | 5 | 10 |
| Posen Elementary School (8). | 0 | 91 | 0 | 5 | 96 | 223 | 319 | 001111110000000 (30.1) | 0 | 6 | 0 | 0 | 6 | 6 | 12 |
| Harding School (9) | 0 | 18 | 1 | 2 | 21 | 106 | 127 | 000000110000000 (16.5) | 0 | 1 | 0 | 0 | 1 | 3 | 4 |
| Ziebell School (6) | 0 | 34 | 0 | 0 | 34 | 201 | 235 | 001111110000000 (14.5) | 0 | 3 | 0 | 0 | 3 | 4 | 7 |
| DISTRICT: DISTRICT 151 SOUTH HOLLAND. NUMBER OF SCHOOLS: 6. REPRESENTING: 8. CITY: SOUTH HOLLAND. COUNTY: 16 | | | | | | | | | | | | | | | |
| Number | 1 | 846 | 11 | 10 | 868 | 1,737 | 2,605 | | 0 | 35 | 0 | 0 | 35 | 62 | 90 |
| Percent | 0.0 | 32.5 | 0.4 | 0.4 | 33.3 | 66.7 | 100.0 | | 0.0 | 36.1 | 0.0 | 0.0 | 36.1 | 63.9 | 100.0 |
| Kennedy Elementary School (2) | 0 | 309 | 0 | 0 | 309 | 8 | 317 | 011100000000000 (97.5) | 0 | 7 | 0 | 0 | 7 | 4 | 11 |
| Coolidge Upper Grade Center (4). | 0 | 177 | 7 | 2 | 186 | 349 | 535 | 000000001100000 (34.8) | 0 | 7 | 0 | 0 | 7 | 13 | 20 |
| Taft Elementary School (6). | 1 | 116 | 1 | 7 | 125 | 264 | 389 | 011111110000000 (32.1) | 0 | 7 | 0 | 0 | 7 | 10 | 17 |
| Roosevelt Elementary School (5). | 0 | 101 | 0 | 0 | 101 | 327 | 428 | 011111110000000 (23.6) | 0 | 3 | 0 | 0 | 3 | 13 | 16 |
| Madison Elementary School (3). | 0 | 78 | 0 | 0 | 78 | 321 | 399 | 011111110000000 (19.5) | 0 | 5 | 0 | 0 | 5 | 10 | 15 |
| Eisenhower Elementary School (1). | 0 | 65 | 3 | 1 | 69 | 468 | 537 | 011111110000000 (12.8) | 0 | 6 | 0 | 0 | 6 | 12 | 18 |
| DISTRICT: COOK COUNTY SCHOOL DISTRICT 104-ARGO SUMMIT COMMON. NUMBER OF SCHOOLS: 4. REPRESENTING: 5. CITY: ARGO. COUNTY: 16. COOK COUNTY | | | | | | | | | | | | | | | |
| Number | 0 | 534 | 3 | 109 | 646 | 1,272 | 1,918 | | 0 | 12 | 0 | 0 | 12 | 56 | 68 |
| Percent | 0.0 | 27.8 | 0.2 | 5.7 | 33.7 | 66.3 | 100.0 | | 0.0 | 17.6 | 0.0 | 0.0 | 17.6 | 82.4 | 100.0 |
| Argo (3) | 0 | 239 | 0 | 1 | 240 | 5 | 245 | 011111110000000 (98.0) | 0 | 4 | 0 | 0 | 4 | 7 | 11 |
| Graves (1) | 0 | 285 | 1 | 90 | 376 | 576 | 952 | 011111111100000 (39.5) | 0 | 4 | 0 | 0 | 4 | 28 | 32 |
| Walsh (2) | 0 | 10 | 2 | 18 | 30 | 462 | 492 | 011111110000000 (6.1) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| Walker (4) | 0 | 0 | 0 | 0 | 0 | 229 | 229 | 011111110000000 (0.0) | 0 | 2 | 0 | 0 | 2 | 7 | 9 |
| DISTRICT: WEST HARVEY SCHOOL DISTRICT 147. NUMBER OF SCHOOLS: 6. REPRESENTING: 8. CITY: HARVEY. COUNTY: 16. COOK COUNTY | | | | | | | | | | | | | | | |
| Number | 2 | 2,394 | 4 | 57 | 2,457 | 551 | 3,008 | | 0 | 64 | 0 | 0 | 64 | 43 | 107 |
| Percent | 0.1 | 7.96 | 0.1 | 1.9 | 81.7 | 18.3 | 100.0 | | 0.0 | 59.8 | 0.0 | 0.0 | 59.8 | 40.2 | 100.0 |
| Lincoln School (6) | 0 | 382 | 1 | 6 | 389 | 10 | 399 | 011111110000001 (97.5) | 0 | 12 | 0 | 0 | 12 | 2 | 14 |
| McKinley Elementary (1). | 0 | 774 | 0 | 2 | 776 | 27 | 803 | 011111110000000 (96.6) | 0 | 17 | 0 | 0 | 17 | 8 | 25 |
| Dr. Martin Luther King Junior High (3). | 0 | 382 | 0 | 2 | 384 | 20 | 404 | 000000001100001 (95.0) | 0 | 11 | 0 | 0 | 11 | 4 | 15 |
| Washington School (4) | 0 | 476 | 1 | 5 | 482 | 147 | 629 | 011111111100000 (76.6) | 0 | 11 | 0 | 0 | 11 | 12 | 23 |
| Elmer G. Kich (5) | 2 | 370 | 2 | 12 | 386 | 187 | 573 | 011111110000000 (67.4) | 0 | 10 | 0 | 0 | 10 | 10 | 20 |
| Garfield El School (2) | 0 | 10 | 0 | 30 | 40 | 160 | 200 | 011111111100001 (20.0) | 0 | 3 | 0 | 0 | 3 | 7 | 10 |
| DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY | | | | | | | | | | | | | | | |
| Number | 826 | 308,266 | 3,818 | 49,886 | 362,796 | 219,478 | 582,274 | | 0 | 6,844 | 93 | 65 | 7,002 | 12,867 | 19,869 |
| Percent | 0.1 | 52.9 | 0.7 | 8.6 | 62.3 | 37.7 | 100.0 | | 0.0 | 34.4 | 0.5 | 0.3 | 35.2 | 64.8 | 100.0 |
| Melville W. Fuller (241) | 0 | 967 | 0 | 0 | 967 | 0 | 967 | 011111110000000 (100.0) | 0 | 33 | 0 | 0 | 33 | 2 | 35 |
| Felsenthal Branch Washington Park Homes (239). | 0 | 115 | 0 | 0 | 115 | 0 | 115 | 011100000000000 (100.0) | 0 | 4 | 0 | 0 | 4 | 0 | 4 |
| Juliette G. Low Upper Grade Center (289). | 0 | 802 | | 0 | 802 | 0 | 802 | 000000001100000 (100.0) | 0 | 28 | 0 | 1 | 29 | 1 | 30 |
| Francis W. Parker School (290). | 0 | 1,386 | 0 | 0 | 1,386 | 0 | 1,386 | 111111111100000 (100.0) | 0 | 43 | 0 | 0 | 43 | 8 | 51 |
| Dulles Branch in Washington Park Homes (268). | 0 | 130 | 0 | 0 | 130 | 0 | 130 | 011000000000000 (100.0) | 0 | 4 | 0 | 0 | 4 | 0 | 4 |
| William O. Beale Upper Grade Center (265). | 0 | 790 | 0 | 0 | 790 | 0 | 790 | 000000001100000 (100.0) | 0 | 22 | 0 | 0 | 22 | 4 | 26 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Woodson North (249) | 0 | 1,019 | 0 | 0 | 1,019 | 0 | 1,019 | 0000011100000000 (100.0) | 0 | 37 | 0 | 0 | 37 | 3 | 40 |
| Elihu Yale Upper Grade Center (294). | 0 | 481 | 0 | 0 | 461 | 0 | 461 | 0000000011000000 (100.0) | 0 | 15 | 0 | 0 | 15 | 2 | 17 |
| Forrestville (255) | 0 | 1,753 | 0 | 0 | 1,753 | 0 | 1,753 | 0000000000111110 (100.0) | 0 | 86 | 0 | 0 | 86 | 9 | 95 |
| Midian O. Bousfield Branch (252). | 0 | 82 | 0 | 0 | 82 | 0 | 82 | 0000000000000001 (100.0) | 0 | 7 | 0 | 0 | 7 | 2 | 9 |
| Charles H. Judd (242) | 0 | 583 | 0 | 0 | 653 | 0 | 683 | 0111111110000000 (100.0) | 0 | 18 | | 0 | 18 | 2 | 20 |
| Alfred Tennyson Upper Grade Center (220). | 0 | 513 | 0 | 0 | 513 | 0 | 513 | 0000000011000000 (100.0) | 0 | 11 | 0 | 0 | 11 | 12 | 23 |
| John Marshall Upper Grade Center (802). | 0 | 589 | 0 | 0 | 589 | 0 | 589 | 0000000111000000 (100.0) | 0 | 9 | 0 | 0 | 9 | 15 | 24 |
| Hansberry Child Parent Center (610). | 0 | 136 | 0 | 0 | 136 | 0 | 136 | 0110000000000000 (100.0) | 0 | 4 | 0 | 0 | 4 | 2 | 0 |
| Ralph W. Emerson Br. McKinley Up. Grd. Ctr. (578). | 0 | 310 | 0 | 0 | 310 | 0 | 310 | 0000000010000000 (100.0) | 0 | 9 | 0 | 0 | 9 | 5 | 14 |
| Cole Child Parent Center (608). | 0 | 113 | 0 | 0 | 113 | 0 | 11 | 0110000000000000 (100.0) | 0 | 3 | 0 | 0 | 3 | 3 | 6 |
| Alighilri Dante Branch of Marshall (590). | 0 | 751 | 0 | 0 | 751 | 0 | 751 | 0000000000010000 (100.0) | 0 | 16 | 0 | 0 | 16 | 17 | 33 |
| John Calhoun South School (592). | 0 | 721 | 0 | 0 | 721 | 0 | 721 | 0111111110000000 (100.0) | 0 | 11 | 0 | 0 | 11 | 15 | 26 |
| Joseph Medill School (North) (580). | 0 | 1,005 | 0 | 0 | 1,005 | 0 | 1,005 | 1111100000000000 (100.0) | 0 | 18 | 0 | 0 | 18 | 10 | 28 |
| Albert Einstein School (528). | 0 | 978 | 0 | 0 | 978 | 0 | 978 | 0111111110000000 (100.0) | 0 | 29 | 0 | 0 | 29 | 3 | 32 |
| Oakland (534) | 0 | 868 | 0 | 0 | 868 | 0 | 868 | 0111111110000000 (100.0) | 0 | 32 | 0 | 0 | 32 | 3 | 35 |
| William Penn School (558). | 0 | 2,037 | 0 | 0 | 2,037 | 0 | 2,037 | 0111111110000000 (100.0) | 0 | 23 | 0 | 0 | 23 | 45 | 68 |
| Daniel Hale Williams School (537). | 0 | 1,646 | 0 | 0 | 1,646 | 0 | 1,646 | 1111111111000000 (100.0) | 0 | 48 | 0 | 0 | 48 | 1 | 49 |
| Olive Child-Parent Center (555). | 0 | 116 | 0 | 0 | 116 | 0 | 116 | 0110000000000000 (100.0) | 0 | 3 | 0 | 0 | 3 | 2 | 5 |
| Benjamin W. Raymond School (535). | 0 | 1,465 | 0 | 0 | 1,465 | 0 | 1,465 | 1111111110000000 (100.0) | 0 | 41 | 0 | 0 | 41 | 10 | 51 |
| George T. Donoghue School (521). | 0 | 994 | 0 | 0 | 994 | 0 | 994 | 0111111111000000 (100.0) | 0 | 22 | 0 | 0 | 22 | 12 | 34 |
| James R. Doolittle, Jr. Intermediate and Upper grades (523). | 0 | 1,040 | 0 | 0 | 1,040 | 0 | 1,040 | 0000011111000000 (100.0) | 0 | 25 | 1 | 0 | 26 | 11 | 37 |
| William J. and Charles H. Mayo (532). | 0 | 1,048 | 0 | 0 | 1,048 | 0 | 1,048 | 0111111110000000 (100.0) | 0 | 25 | 0 | 1 | 26 | 8 | 34 |
| James R. Doolittle, Jr. School, primary grades (522). | 0 | 1,164 | 0 | 0 | 1,164 | 0 | 1,164 | 1111110000000000 (100.0) | 0 | 26 | 0 | 0 | 26 | 5 | 31 |
| Roswell Mason 4-6 (550). | 0 | 974 | 0 | 0 | 974 | 0 | 974 | 0000111100000000 (100.0) | 0 | 19 | 0 | 1 | 20 | 23 | 43 |
| Roswell B. Mason K6-8 (540). | 0 | 1,051 | 0 | 0 | 1,051 | 0 | 1,051 | 0111100000000000 (100.0) | 0 | 21 | 0 | 0 | 21 | 12 | 33 |
| Daniel Brainard (563) | 0 | 294 | 0 | 0 | 294 | 0 | 294 | 0111111000000000 (100.0) | 0 | 9 | 0 | 0 | 9 | 1 | 10 |
| Theodore Herzl (548) | 0 | 2,104 | 0 | 0 | 2,104 | 0 | 2,104 | 0111111110000000 (100.0) | 0 | 39 | 1 | 0 | 40 | 30 | 70 |
| Matthew A. Henson (545). | 0 | 1,010 | 0 | 0 | 1,010 | 0 | 1,010 | 0111111110000000 (100.0) | 0 | 18 | 0 | 0 | 18 | 20 | 38 |
| Robert S. Abbott School (519). | 0 | 959 | 0 | 0 | 959 | 0 | 959 | 1111111111000000 (100.0) | 0 | 29 | 0 | 0 | 29 | 4 | 33 |
| Anton Dvorak School (543). | 0 | 1,370 | 0 | 0 | 1,370 | 0 | 1,370 | 0111111100000000 (100.0) | 0 | 27 | 0 | 0 | 27 | 14 | 41 |
| Crispus Attucks (520 | 0 | 1,507 | 0 | 0 | 1,507 | 0 | 1,507 | 0111111111000000 (100.0) | 0 | 49 | 0 | 0 | 49 | 2 | 51 |
| Sol R. Crown School (542). | 0 | 1,152 | 0 | 0 | 1,152 | 0 | 1,152 | 0111111110000000 (100.0) | 0 | 21 | 1 | 0 | 22 | 16 | 38 |
| Jean Baptiste Point Dusable Upper Grade (470). | 0 | 1,725 | 0 | 0 | 1,725 | 0 | 1,725 | 0000000011000000 (100.0) | 0 | 49 | 0 | 0 | 49 | 11 | 60 |
| Frances E. Willard School (481). | 0 | 1,555 | 0 | 0 | 1,555 | 0 | 1,555 | 0111111110000000 (100.0) | 0 | 51 | 0 | 0 | 51 | 2 | 53 |
| Vincennes Upper Grade Center (480). | 0 | 903 | 0 | 0 | 903 | 0 | 903 | 0000000011000000 (100.0) | 0 | 30 | 0 | 0 | 30 | 5 | 35 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Terrell Branch in Taylor Homes (479). | 0 | 718 | 0 | 0 | 718 | 0 | 718 | 011110000000000 (100. 0) | 0 | 17 | 0 | 0 | 17 | 1 | 18 |
| Mary C. Terrell School (478). | 0 | 1,295 | 0 | 0 | 1,295 | 0 | 1,295 | 011111110000000 (100. 0) | 0 | 37 | 0 | 0 | 37 | 0 | 37 |
| Colman Branch in Taylor Homes (469). | 0 | 433 | 0 | 0 | 433 | 0 | 433 | 011100000000000 (100. 0) | 0 | 11 | 0 | 0 | 11 | 1 | 12 |
| Beethoven Branch in Taylor Homes (405). | 0 | 258 | 0 | 0 | 258 | 0 | 258 | 011100000000000 (100. 0) | 0 | 11 | 0 | 0 | 11 | 0 | 11 |
| Ludwig Van Beethoven (464). | 0 | 1,798 | 0 | 0 | 1,798 | 0 | 1,798 | 011111110000000 (100. 0) | 0 | 39 | 0 | 0 | 39 | 8 | 47 |
| Alexandre Dumas School (448). | 0 | 1,415 | 0 | 0 | 1,415 | 0 | 1,415 | 011111110000000 (100. 0) | 0 | 40 | 0 | 0 | 40 | 2 | 42 |
| Zenos Colman School (408). | 0 | 1,485 | 0 | 0 | 1,485 | 0 | 1,485 | 011111111000000 (100. 0) | 0 | 46 | 0 | 0 | 46 | 0 | 46 |
| Anthony Overton (476). | 0 | 1,308 | 0 | 0 | 1,308 | 0 | 1,308 | 011111110000000 (100. 0) | 0 | 41 | 0 | 0 | 41 | 2 | 43 |
| Helen J. McCorkle, (475). | 0 | 893 | 0 | 0 | 893 | 0 | 893 | 011111110000000 (100. 0) | 0 | 31 | 0 | 0 | 31 | 1 | 32 |
| Beethoven Branch (466). | 0 | 226 | 0 | 0 | 226 | 0 | 226 | 000001100000000 (100. 0) | 0 | 6 | 0 | 0 | 6 | 2 | 8 |
| Henry Horner (474). | 0 | 1,256 | 0 | 0 | 1,256 | 0 | 1,256 | 011111111100000 (100. 0) | 0 | 35 | 0 | 0 | 35 | 2 | 37 |
| Nikola Tesla School (460). | 0 | 680 | 0 | 0 | 680 | 0 | 680 | 011111110000000 (100. 0) | 0 | 18 | 0 | 0 | 18 | 3 | 21 |
| Edmund Burke (467). | 0 | 981 | 0 | 0 | 981 | 0 | 981 | (100. 0) | 0 | 29 | 0 | 0 | 29 | 2 | 31 |
| Parker Branch in Taylor Homes (472). | 0 | 518 | 0 | 0 | 518 | 0 | 518 | 011100000000000 (100. 0) | 0 | 14 | 0 | 0 | 14 | 0 | 14 |
| John Farrel School (471). | 0 | 1,108 | 0 | 0 | 1,108 | 0 | 1,108 | 011111110000000 (100. 0) | 0 | 33 | 0 | 0 | 33 | 6 | 39 |
| John P. Alicelo (421). | 0 | 2,028 | 0 | 0 | 2,028 | 0 | 2,028 | 011111110000000 (100. 0) | 0 | 31 | 0 | 0 | 31 | 26 | 57 |
| Charles R. Drew School (401). | 0 | 744 | 0 | 0 | 744 | 0 | 744 | 011111100000000 (100. 0) | 0 | 18 | 0 | 0 | 18 | 4 | 22 |
| John W. Cook Branch (400). | 0 | 210 | 0 | 0 | 210 | 0 | 210 | 011111000000000 (100. 0) | 0 | 5 | 0 | 0 | 5 | 5 | 10 |
| Richard J. Oglesby (412). | 0 | 1,410 | 0 | 0 | 1,410 | 0 | 1,410 | 011111110000000 (100. 0) | 0 | 21 | 0 | 0 | 21 | 19 | 40 |
| Frank L. Gillespie Upper Grade Center (407). | 0 | 488 | 0 | 0 | 488 | 0 | 486 | 000000001100000 (100. 0) | 0 | 18 | 0 | 0 | 18 | 1 | 19 |
| Frank L. Gillespie (408). | 0 | 761 | 0 | 0 | 761 | 0 | 761 | 011111110000000 (100. 0) | 0 | 22 | 0 | 0 | 22 | 2 | 24 |
| Wendell Phillips (510). | 0 | 2,896 | 1 | 0 | 2,897 | 0 | 2,897 | 000000000011110 (100. 0) | 0 | 87 | 1 | 1 | 89 | 39 | 128 |
| Betsy Ross School (275). | 0 | 1,892 | 0 | 1 | 1,893 | 0 | 1,898 | 011111111100000 (100. 0) | 0 | 60 | 0 | 0 | 60 | 2 | 62 |
| Amos A. Staso School (291). | 0 | 1,816 | 0 | 1 | 1,817 | 0 | 1,817 | 011111111100000 (100. 0) | 0 | 46 | 0 | 0 | 46 | 11 | 57 |
| Jean Baptiste Point Dusable (463). | 0 | 3,233 | 0 | 2 | 3,235 | 0 | 3,235 | 000000000011110 (100. 0) | 0 | 118 | 0 | 0 | 118 | 29 | 147 |
| James A. Sexton (23). | 0 | 179 | 0 | 0 | 179 | 0 | 179 | 000000000110000 (100. 0) | 0 | 4 | 0 | 0 | 4 | 11 | 15 |
| Carter C. Woodson South Branch Washington Park Homes (251). | 0 | 171 | 0 | 0 | 171 | 0 | 171 | 011100000000000 (100. 0) | 0 | 6 | 0 | | 6 | 0 | 6 |
| Enrico Fermi (449). | 0 | 1,487 | 0 | 1 | 1,488 | 0 | 1,488 | 011111111100000 (100. 0) | 0 | 41 | 0 | 0 | 41 | 6 | 47 |
| Oakenwald North Branch Washington Park Homes (245). | 0 | 713 | 0 | 0 | 713 | 0 | 713 | 011110000000000 (100. 0) | 0 | 23 | 0 | 0 | 23 | 2 | 25 |
| John Foster Dulles School (267). | 0 | 1,345 | 0 | 1 | 1,346 | 0 | 1,346 | 011111110000000 (100. 0) | 0 | 38 | 0 | 0 | 38 | 0 | 38 |
| R. Nathaniel Dett School (565). | 0 | 1,258 | 0 | 1 | 1,259 | 0 | 1,259 | 011111110000000 (100. 0) | 0 | 21 | 1 | 0 | 22 | 19 | 41 |
| James McCosh Intermediate and Upper Grades (275). | 0 | 1,115 | 0 | 0 | 1,115 | 0 | 1,115 | 000001111100000 (100. 0) | 0 | 42 | 0 | 0 | 42 | 2 | 44 |
| Edward Hartigan (475). | 0 | 1,118 | 0 | 1 | 1,119 | 0 | 1,119 | 011111110000000 (100. 0) | 0 | 35 | 0 | 0 | 35 | 4 | 39 |
| Thomas A. Hendricks (197). | 0 | 683 | 0 | 0 | 683 | 0 | 683 | 111111110000000 (100. 0) | 0 | 17 | 0 | 0 | 17 | 9 | 26 |
| Elihu Yale School (293). | 0 | 1,086 | 0 | 1 | 1,087 | 0 | 1,087 | 011111110000000 (100. 0) | 0 | 33 | 0 | 0 | 33 | 3 | 36 |
| George Howland (303). | 2 | 1,847 | 0 | 0 | 1,849 | 0 | 1,849 | 011111110000000 (100. 0) | 0 | 55 | 0 | 1 | 56 | 13 | 69 |
| Oakenwald South (246). | 0 | 907 | 0 | 1 | 908 | 0 | 908 | 000000111100000 (100. 0) | 0 | 28 | 1 | 0 | 29 | 1 | 30 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3— grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Victor F. Lawson (308) | 0 | 1,835 | 0 | 0 | 1,835 | 0 | 1,835 | 011111110000000 (100.0) | 0 | 41 | 0 | 0 | 41 | 23 | 64 |
| John M. Gregory (595) | 0 | 1,565 | 0 | 2 | 1,567 | 0 | 1,567 | 111111110000000 (100.0) | 0 | 26 | 0 | 0 | 26 | 22 | 48 |
| Jens Jensen (597) | 0 | 1,481 | 0 | 2 | 1,483 | 0 | 1,483 | 011111110000000 (100.0) | 0 | 31 | 0 | 0 | 31 | 11 | 42 |
| John I. Piril School (182) | 0 | 715 | 0 | 0 | 715 | 0 | 715 | 011111110000000 (100.0) | 0 | 15 | 0 | 0 | 15 | 4 | 19 |
| Forrestville Upper Grade Center (240) | 0 | 1,874 | 0 | 0 | 1,874 | 0 | 1,874 | 000000001100000 (100.0) | 0 | 71 | 0 | 1 | 72 | 7 | 79 |
| John A. Sbarbaro (185) | 0 | 1,126 | 1 | 1 | 1,128 | 0 | 1,128 | 011111111100000 (100.0) | 0 | 32 | 0 | 0 | 32 | 7 | 39 |
| Francis W. Parker (278) | 0 | 1,557 | 0 | 0 | 1,557 | 0 | 1,557 | 000000000001110 (100.0) | 0 | 52 | 0 | 1 | 52 | 20 | 73 |
| Joseph Medill South School (581) | 0 | 1,093 | 0 | 2 | 1,095 | 0 | 1,095 | 000001111100000 (100.0) | 0 | 32 | 0 | 0 | 32 | 6 | 38 |
| Julius H. Hess Upper Grade Center (302) | 0 | 2,702 | 0 | 0 | 2,702 | 0 | 2,702 | 000000001100000 (100.0) | 0 | 41 | 0 | 0 | 41 | 57 | 98 |
| Jesse Sherwood (202) | 0 | 1,129 | 0 | 0 | 1,129 | 0 | 1,129 | 011111111100000 (100.0) | 0 | 31 | 0 | 0 | 31 | 5 | 36 |
| Irvin C. Mellison School (243) | 0 | 375 | 0 | 0 | 875 | 0 | 875 | 011111110000000 (100.0) | 0 | 26 | 0 | 0 | 26 | 2 | 28 |
| Francis W. Parker Branch, Yale Upper Grade Center (279) | 0 | 539 | 0 | 0 | 639 | 0 | 639 | 000000000010000 (100.0) | 0 | 25 | 0 | 0 | 25 | 9 | 34 |
| Family Living Center No. 1 (236) | 0 | 155 | 0 | 0 | 155 | 0 | 155 | 000000000000001 (100.0) | 0 | 13 | 0 | 0 | 13 | 4 | 17 |
| Helen Hefferan (596) | 0 | 1,358 | 2 | 1 | 1,361 | 0 | 1,361 | 011111110000000 (100.0) | 0 | 11 | 0 | 0 | 11 | 28 | 39 |
| George Washington Carver (324) | 0 | 1,122 | 0 | 0 | 1,122 | 0 | 1,122 | 000000000011110 (100.0) | 0 | 39 | 0 | 0 | 39 | 10 | 49 |
| John Harvard (288) | 0 | 1,041 | 0 | 0 | 1,041 | 0 | 1,041 | 011111110000000 (100.0) | 0 | 25 | 0 | 0 | 25 | 5 | 30 |
| John D. Shoop School (358) | 0 | 1,420 | 0 | 0 | 1,420 | 0 | 1,420 | 011111111100000 (100.0) | 0 | 40 | 0 | 0 | 40 | 7 | 47 |
| James McCush (272) | 0 | 329 | 0 | 2 | 831 | 0 | 831 | 011110000000000 (100.0) | 0 | 22 | 0 | 0 | 22 | 2 | 24 |
| George Washington Carver School, Primary (334) | 0 | 1,333 | 0 | 0 | 1,333 | 0 | 1,333 | 011111000000000 (100.0) | 0 | 16 | 0 | 0 | 16 | 8 | 24 |
| John Marshall (589) | 0 | 4,423 | 0 | 11 | 4,434 | 0 | 4,434 | 000000000011119 (100.0) | 0 | 77 | 0 | 1 | 78 | 124 | 202 |
| Julia C. Lathrup (307) | 0 | 1,243 | 0 | 0 | 1,243 | 0 | 1,243 | 011111110000000 (100.0) | 0 | 22 | 0 | 0 | 22 | 24 | 46 |
| Charles Summer School (805) | 0 | 2,305 | 0 | 6 | 2,311 | 0 | 2,311 | 011111111100000 (100.0) | 0 | 27 | 2 | 0 | 29 | 47 | 76 |
| Simon Guggenheim (265) | 0 | 1,269 | 0 | 0 | 1,269 | 0 | 1,269 | 011111110000000 (100.0) | 0 | 37 | 0 | 0 | 37 | 2 | 39 |
| Amelia D. Hookway (409) | 0 | 722 | 2 | 0 | 724 | 0 | 724 | 011111111100000 (100.0) | 0 | 17 | 0 | 0 | 17 | 3 | 20 |
| Wilhelm K. Roentgen (604) | 0 | 327 | 0 | 1 | 328 | 0 | 328 | 000000000100000 (100.0) | 0 | 8 | 0 | 0 | 8 | 10 | 18 |
| William W. Carter School (288) | 0 | 1,322 | 0 | 0 | 1,322 | 0 | 1,322 | 011111110000000 (100.0) | 0 | 36 | 0 | 0 | 36 | 3 | 39 |
| Henry Suder (588) | 0 | 1,255 | 0 | 4 | 1,259 | 0 | 1,259 | 111111111100000 (100.0) | 0 | 10 | 2 | 0 | 12 | 27 | 39 |
| George W. Goethals (270) | 0 | 151 | 0 | 0 | 151 | 0 | 151 | 000000000100000 (100.0) | 0 | 7 | 0 | 0 | 7 | 3 | 10 |
| Isaac Newton School (351) | 0 | 766 | 0 | 0 | 766 | 0 | 766 | 000001111000000 (100.0) | 0 | 19 | 0 | 0 | 19 | 5 | 24 |
| Ferdinand Magellan (548) | 0 | 297 | 1 | 0 | 298 | 0 | 298 | 000000000110000 (100.0) | 0 | 13 | 0 | 0 | 13 | 11 | 24 |
| Austin O. Sexton School (278) | 0 | 882 | 0 | 0 | 882 | 0 | 882 | 011111111100000 (100.0) | 0 | 20 | 0 | 0 | 20 | 1 | 21 |
| Carter C. Woodson South (250) | 0 | 1,140 | 0 | 0 | 1,140 | 0 | 1,140 | 011110000000000 (100.0) | 0 | 43 | 0 | 0 | 43 | 1 | 44 |
| Daniel Webster School (606) | 0 | 1,045 | 0 | 4 | 1,049 | 0 | 1,049 | 011111111100000 (100.0) | 0 | 18 | 1 | 0 | 19 | 15 | 34 |
| Herman Felsenthal (238) | 0 | 716 | 0 | 0 | 716 | 0 | 716 | 011111110000000 (100.0) | 0 | 24 | 0 | 0 | 24 | 0 | 24 |
| Henry O. Tanner School (186) | 0 | 840 | 0 | 0 | 840 | 0 | 840 | 011111110000000 (100.0) | 0 | 25 | 0 | 0 | 25 | 3 | 28 |
| Oakenwald North (248) | 0 | 729 | 0 | 0 | 729 | 0 | 729 | 011111000000000 (100.0) | 0 | 22 | 1 | 0 | 23 | 3 | 26 |
| Ira F. Aldridge (330) | 0 | 998 | 0 | 0 | 998 | 0 | 998 | 011111111000000 (100.0) | 0 | 20 | 0 | 0 | 30 | 4 | 34 |
| George Washington Carver School upper (335) | 0 | 651 | 0 | 0 | 651 | 0 | 651 | 000000001100000 (100.0) | 0 | 44 | 1 | 0 | 45 | 11 | 58 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.3—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Jane A. Meil School (180). | 0 | 317 | 0 | 0 | 317 | 0 | 317 | 011111110000000 (100.0) | 0 | 10 | 0 | 0 | 10 | 1 | 11 |
| Hugh Manley Upper Grade Center (601). | 0 | 1,385 | 0 | 6 | 1,391 | 0 | 1,391 | 000000001100000 (100.0) | 0 | 33 | 1 | 1 | 35 | 25 | 60 |
| Charles S. Brownell (283). | 0 | 680 | 0 | 0 | 680 | 0 | 680 | 011111110000000 (100.0) | 0 | 22 | 0 | 0 | 22 | 0 | 22 |
| Francis Parkman School (477). | 0 | 1,137 | 0 | 5 | 1,142 | 0 | 1,142 | 011111111100000 (100.0) | 0 | 35 | 0 | 0 | 35 | 5 | 40 |
| Thomas Chalmers School (298). | 0 | 364 | 0 | 4 | 888 | 0 | 898 | 011111110000000 (100.0) | 0 | 18 | 1 | 0 | 19 | 12 | 31 |
| James W. Johnson (304). | 0 | 872 | 0 | 4 | 876 | 0 | 876 | 011111110000000 (100.0) | 0 | 18 | 0 | 0 | 18 | 10 | 28 |
| Martha M. Ruggles School (184). | 0 | 859 | 4 | 0 | 863 | 0 | 863 | 011111111100000 (100.0) | 0 | 21 | 0 | 0 | 21 | 4 | 25 |
| Katharine Lee Bates (332). | 0 | 638 | 0 | 0 | 638 | 0 | 638 | 011111110000000 (100.0) | 0 | 14 | 0 | 0 | 14 | 3 | 17 |
| Carrie Jacobs Bond Upper Grade Center (282). | 0 | 1,254 | 0 | 0 | 1,254 | 0 | 1,254 | 000000001100000 (100.0) | 0 | 36 | 0 | 0 | 36 | 12 | 48 |
| Walter Scott School (456). | 0 | 992 | 0 | 5 | 997 | 0 | 997 | 011111110000000 (100.0) | 0 | 33 | 0 | 0 | 33 | 6 | 39 |
| Wendell Phillips Branch in Abbott Elementary (517). | 0 | 387 | 2 | 0 | 389 | 0 | 389 | 000000000010000 (100.0) | 0 | 12 | 0 | 0 | 12 | 3 | 15 |
| John Whistler School (364). | 0 | 1,383 | 0 | 0 | 1,383 | 0 | 1,383 | 011111110000000 (100.0) | 0 | 17 | 0 | 0 | 17 | 24 | 41 |
| Walter Reed School (274). | 0 | 1,226 | 0 | 9 | 1,235 | 0 | 1,235 | 011111111100000 (100.0) | 0 | 40 | 0 | 0 | 40 | 3 | 43 |
| Hugh Manley (599)---- | 0 | 969 | 0 | 6 | 975 | 0 | 975 | 011111110000000 (100.0) | 0 | 14 | 0 | 0 | 14 | 19 | 33 |
| Henry O. Shepard (313). | 0 | 841 | 0 | 8 | 849 | 0 | 849 | 011111110000000 (100.0) | 0 | 15 | 0 | 0 | 15 | 13 | 28 |
| John G. Shedd Branch of Bennett (397). | 0 | 234 | 2 | 0 | 236 | 0 | 236 | 011111000000000 (100.0) | 0 | 2 | 0 | 0 | 2 | 5 | 7 |
| Sixty-first & University Unit Classrooms (459). | 0 | 298 | 0 | 6 | 304 | 0 | 304 | 001110000000000 (100.0) | 0 | 9 | 0 | 0 | 9 | 1 | 10 |
| John Calhoun North School (591). | 0 | 1,121 | 0 | 12 | 1,133 | 0 | 1,133 | 011111110000000 (100.0) | 0 | 10 | 0 | 0 | 10 | 25 | 35 |
| William H. Brown (564). | 0 | 1,120 | 0 | 6 | 1,126 | 0 | 1,126 | 111111111000000 (100.0) | 0 | 21 | 0 | 0 | 21 | 15 | 36 |
| Richard E. Byrd School (7). | 0 | 1,043 | 0 | 16 | 1,059 | 0 | 1,059 | 011111110000000 (100.0) | 0 | 11 | 0 | 0 | 11 | 22 | 33 |
| John B. Drake E & V. G. Center (527). | 0 | 358 | 0 | 2 | 360 | 0 | 360 | 000000000110000 (100.0) | 0 | 13 | 0 | 0 | 18 | 6 | 24 |
| James Wadsworth Upper Grade Center (462). | 0 | 559 | 2 | 2 | 563 | 0 | 563 | 000000001100000 (100.0) | 0 | 21 | 0 | 0 | 21 | 2 | 23 |
| Edward Jenner (12)---- | 0 | 2,412 | 0 | 19 | 2,431 | 0 | 2,431 | 011111110000000 (100.0) | 0 | 12 | 0 | 0 | 12 | 59 | 71 |
| Dickens Child Parent Center (609). | 0 | 74 | 0 | 22 | 96 | 0 | 96 | 011000000000000 (100.0) | 0 | 3 | 0 | 0 | 3 | 2 | 5 |
| Haines Branche in Hilliard Homes (530). | 0 | 134 | 0 | 5 | 139 | 0 | 139 | 011100000000000 (100.0) | 0 | 5 | 0 | 0 | 5 | 0 | 5 |
| Englewood High School (203). | 0 | 2,768 | 0 | 1 | 2,769 | 1 | 2,770 | 000000000011110 (100.0) | 0 | 101 | 1 | 0 | 102 | 20 | 122 |
| Lewis Champlin (271)-- | 0 | 1,530 | 0 | 0 | 1,580 | 1 | 1,581 | 011111111100000 (99.9) | 0 | 43 | 0 | 0 | 43 | 3 | 46 |
| William Cullen Bryant (539). | 0 | 1,554 | 0 | 0 | 1,554 | 1 | 1,555 | 111111110000000 (99.9) | 0 | 24 | 2 | 1 | 27 | 20 | 47 |
| Neal F. Simeon Vocational High School (393). | 0 | 1,541 | 0 | 4 | 1,545 | 1 | 1,546 | 000000000011110 (99.9) | 0 | 38 | 0 | 0 | 38 | 30 | 68 |
| William Shakespeare (248). | 0 | 1,343 | 0 | 10 | 1,353 | 1 | 1,354 | 011111110000000 (99.9) | 0 | 44 | 0 | 0 | 44 | 7 | 51 |
| Bannerer (280)------- | 0 | 1,329 | 0 | 4 | 1,333 | 1 | 1,334 | 011111110000000 (99.9) | 0 | 39 | 0 | 0 | 39 | 3 | 42 |
| Ruswell B. Mason Upper Grade Center (551). | 0 | 1,250 | 0 | 0 | 1,250 | 1 | 1,251 | 000000001100000 (99.9) | 0 | 17 | 0 | 0 | 17 | 20 | 37 |
| Edwin G. Cooley upper grade center (8) | 0 | 1,109 | 0 | 20 | 1,129 | 1 | 1,130 | 000000001100000 (99.9) | 0 | 5 | 1 | 1 | 7 | 37 | 44 |
| Ignace Paderewski School (552). | 0 | 1,106 | 0 | 2 | 1,108 | 1 | 1,109 | 011111110000000 (99.9) | 0 | 17 | 1 | 0 | 18 | 16 | 34 |

B SERIES SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Charles Evans Hughes (547). | 0 | 1,100 | 0 | 0 | 1,100 | 1 | 1,101 | 011111110000000 (99.9) | 0 | 17 | 0 | 0 | 17 | 17 | 34 |
| Victor Herbert (571)--- | 0 | 1,085 | 0 | 8 | 1,093 | 1 | 1,094 | 111111110000000 (99.9) | 0 | 23 | 0 | 0 | 23 | 9 | 32 |
| William McKinley Upper Grade Center (577). | 0 | 1,043 | 0 | 5 | 1,048 | 1 | 1,049 | 000000001100000 (99.9) | 0 | 26 | 0 | 0 | 26 | 15 | 41 |
| Ulysses S. Grant (570)-- | 0 | 1,957 | 0 | 20 | 1,977 | 2 | 1,979 | 011111110000000 (99.9) | 0 | 34 | 3 | 0 | 37 | 24 | 61 |
| Friedrich von Schiller School (21). | 5 | 1,901 | 0 | 80 | 1,965 | 2 | 1,988 | 011111110000000 (99.9) | 0 | 4 | 0 | 1 | 5 | 61 | 66 |
| Arthur Dixon School (576). | 0 | 394 | 0 | 1 | 895 | 1 | 896 | 011111111100000 (99.9) | 0 | 26 | 0 | 0 | 26 | 4 | 30 |
| Stephen A. Douglas School (524). | 0 | 1,785 | 0 | 0 | 1,765 | 2 | 1,767 | 111111111100000 (99.9) | 0 | 68 | 0 | 0 | 68 | 4 | 72 |
| Perkins Bass (281)---- | 0 | 1,512 | 0 | 4 | 1,516 | 2 | 1,518 | 011111110000000 (99.9) | 0 | 27 | 0 | 0 | 27 | 25 | 52 |
| William Augustus Hinton (287). | 1 | 1,452 | 0 | 0 | 1,453 | 2 | 1,455 | 011111110000000 (99.9) | 0 | 50 | 0 | 0 | 50 | 1 | 51 |
| Dewitt C. Cilgier Vocational School (557). | 0 | 716 | 0 | 10 | 726 | 1 | 727 | 000000000011110 (99.9) | 0 | 14 | 1 | 0 | 15 | 11 | 26 |
| James Madison (179)--- | 0 | 1,310 | 0 | 32 | 1,342 | 2 | 1,344 | 011111111100000 (99.9) | 0 | 30 | 0 | 0 | 20 | 14 | 44 |
| Emil G. Hirsch (175)--- | 0 | 1,999 | 0 | 0 | 1,999 | 3 | 2,002 | 000000000011110 (99.9) | 0 | 54 | 0 | 0 | 54 | 23 | 77 |
| Thecla Doniat School (237). | 0 | 651 | 0 | 0 | 651 | 1 | 652 | 011111110000000 (99.8) | 0 | 25 | 0 | 0 | 25 | 4 | 29 |
| Richard T. Crane (556). | 0 | 3,070 | 0 | 39 | 3,109 | 5 | 3,114 | 000000000011110 (99.8) | 0 | 64 | 1 | 0 | 65 | 76 | 141 |
| George Gershwin (269). | 0 | 1,228 | 0 | 1 | 1,229 | 2 | 1,231 | 011111110000000 (99.8) | 0 | 31 | 0 | 0 | 31 | 6 | 37 |
| Paul L. Dunbar Vocational High School (518). | 0 | 2,452 | 0 | 1 | 2,453 | 4 | 2,457 | 000000000011110 (99.8) | 0 | 83 | 0 | 1 | 84 | 21 | 105 |
| Paul Revere School (183). | 0 | 1,202 | 0 | 13 | 1,215 | 2 | 1,217 | 011111111100000 (99.8) | 0 | 29 | 1 | 0 | 30 | 6 | 36 |
| Joshua D. Kershaw (288). | 2 | 1,178 | 2 | 5 | 1,187 | 2 | 1,189 | 011111110000000 (99.8) | 0 | 41 | 0 | 0 | 41 | 10 | 51 |
| James Wadsworth School (461). | 0 | 1,165 | 1 | 12 | 1,178 | 2 | 1,180 | 011111110000000 (99.8) | 0 | 33 | 0 | 0 | 33 | 8 | 41 |
| Oliver S. Westcott School (416). | 0 | 1,158 | 1 | 2 | 1,161 | 2 | 1,168 | 011111111100000 (99.8) | 0 | 32 | 0 | 0 | 32 | 1 | 33 |
| Mary Mapes Dodge School (568). | 0 | 1,110 | 0 | 0 | 1,110 | 2 | 1,112 | 111111110000000 (99.8) | 0 | 14 | 1 | 0 | 15 | 22 | 37 |
| John W. Cook School (399). | 0 | 1,543 | 0 | 3 | 1,646 | 3 | 1,649 | 011111111100000 (99.8) | 0 | 20 | 0 | 0 | 20 | 27 | 47 |
| Jacob Beidler (208)---- | 0 | 1,803 | 1 | 3 | 1,607 | 3 | 1,610 | 111111100000000 (99.8) | 0 | 16 | 0 | 0 | 16 | 39 | 55 |
| Daniel Wentworth School (292). | 0 | 1,541 | 0 | 0 | 1,541 | 3 | 1,544 | 011111110000000 (99.8) | 0 | 23 | 0 | 0 | 23 | 33 | 56 |
| Florence B. Price School (247). | 0 | 978 | 0 | 0 | 978 | 2 | 980 | 011111110000000 (99.8) | 0 | 36 | 0 | 0 | 36 | 8 | 44 |
| Parkside School (261)-- | 0 | 968 | 1 | 0 | 969 | 2 | 971 | 011111111100000 (99.8) | 0 | 20 | 0 | 0 | 20 | 7 | 27 |
| Nicholas Copernicus School (424). | 0 | 960 | 0 | 0 | 960 | 2 | 962 | 011111110000000 (99.8) | 0 | 20 | 0 | 0 | 20 | 8 | 28 |
| Nathan Goldblatt (212). | 0 | 944 | 0 | 2 | 946 | 2 | 948 | 011111110000000 (99.8) | 0 | 5 | 0 | 0 | 5 | 21 | 26 |
| James E. Modade (411). | 0 | 429 | 0 | 0 | 429 | 1 | 430 | 011111110000000 (99.8) | 0 | 12 | 0 | 0 | 12 | 0 | 12 |
| William H. Ryder School (415). | 0 | 1,262 | 0 | 0 | 1,262 | 3 | 1,265 | 011111111100000 (99.8) | 0 | 20 | 0 | 0 | 20 | 19 | 39 |
| West Garfield Park Upper Grade Center (607). | 1 | 808 | 0 | 5 | 814 | 2 | 816 | 000000001100000 (99.8) | 0 | 7 | 0 | 0 | 7 | 22 | 29 |
| Michael Faraday (594). | 0 | 1,584 | 0 | 0 | 1,584 | 4 | 1,588 | 011111110000000 (99.7) | | 27 | 0 | 0 | 27 | 26 | 52 |
| Willa Cather School (210). | 0 | 1,140 | 0 | 3 | 1,143 | 3 | 1,146 | 011111100000000 (99.7) | 0 | 7 | 0 | 0 | 7 | 29 | 36 |
| Park Manor School (181). | 0 | 748 | 2 | 0 | 750 | 2 | 752 | 011111111100000 (99.7) | 0 | 24 | 0 | 0 | 24 | 1 | 25 |
| Genevieve Melody School (503). | 0 | 1,403 | 0 | 5 | 1,408 | 4 | 1,412 | 011111110000000 (99.7) | 0 | 10 | 0 | 0 | 10 | 31 | 41 |
| Ambrose Burnside (398). | 0 | 1,238 | 0 | 11 | 1,249 | 4 | 1,253 | 011111111100000 (99.7) | 0 | 23 | 0 | 0 | 33 | 7 | 40 |
| Nathaniel Pope School (312). | 0 | 933 | 0 | 2 | 935 | 3 | 938 | 011111110000000 (99.7) | 0 | 18 | 0 | 0 | 18 | 11 | 29 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Ethan Allen Branch of Gladstone (569). | 0 | 610 | 0 | 0 | 610 | 2 | 612 | 111110000000000 (99.7) | 0 | 11 | 0 | 0 | 11 | 8 | 19 |
| James A. Garfield (967). | 0 | 259 | 0 | 2 | 271 | 1 | 262 | 011111111100000 (99.6) | 0 | 7 | 0 | 0 | 7 | 2 | 9 |
| Rudyard Kipling (410) | 0 | 1,243 | 1 | 0 | 1,244 | 5 | 1,249 | 011111111100000 (99.6) | 0 | 25 | 0 | 0 | 25 | 14 | 39 |
| Kildare Madison Upper Grade Center (213). | 0 | 741 | 0 | 2 | 743 | 3 | 746 | 000000001100000 (99.6) | 0 | 4 | 0 | 0 | 4 | 23 | 27 |
| William E. Gladstone (568). | 0 | 741 | 0 | 0 | 741 | 3 | 744 | 011111111100000 (99.6) | 0 | 17 | 0 | 0 | 17 | 7 | 24 |
| William G. Beale (264) | 0 | 1,421 | 0 | 0 | 1,421 | 6 | 1,427 | 111111110000000 (99.6) | 0 | 35 | 0 | 0 | 35 | 9 | 44 |
| DeLano Elementary School (211). | 0 | 1,650 | 0 | 0 | 1,650 | 7 | 1,657 | 011111110000000 (99.6) | 0 | 25 | 1 | 0 | 26 | 24 | 50 |
| John M. Smyth School (585). | 0 | 1,393 | 0 | 7 | 1,400 | 6 | 1,405 | 011111111100000 (99.5) | 0 | 37 | 0 | 0 | 37 | 9 | 46 |
| Paul Cornell School (177). | 1 | 1,126 | 0 | 1 | 1,128 | 5 | 1,133 | 011111111100000 (99.6) | 0 | 29 | 0 | 0 | 29 | 1 | 30 |
| Scott Unit Classrooms Branch (457). | 0 | 222 | 0 | 1 | 223 | 1 | 224 | 000110000000000 (99.6) | 0 | 7 | 0 | 0 | 7 | 2 | 9 |
| Alice M. Birney School (562). | 0 | 1,034 | 0 | 0 | 1,034 | 5 | 1,039 | 111111111000000 (99.5) | 0 | 15 | 0 | 0 | 15 | 18 | 33 |
| Calumet (391) | 0 | 2,885 | 3 | 2 | 2,890 | 14 | 2,904 | 000000000011110 (99.5) | 0 | 57 | 0 | 0 | 57 | 57 | 114 |
| Charles S. Deneen School (284). | 0 | 802 | 1 | 0 | 803 | 4 | 807 | 011111111100000 (99.5) | 0 | 31 | 0 | 0 | 31 | 0 | 31 |
| John M. Harlan (392) | 0 | 3,298 | 1 | 10 | 3,309 | 17 | 3,326 | 000000000011110 (99.5) | 0 | 96 | 0 | 0 | 96 | 46 | 142 |
| Lucy L. Flower Vocational High School (206). | 0 | 1,323 | 1 | 13 | 1,337 | 7 | 1,344 | 000000000011110 (99.5) | 0 | 11 | 0 | 0 | 11 | 47 | 58 |
| Hyde Park (445) | 0 | 1,556 | 6 | 13 | 1,575 | 9 | 1,584 | 000000000011110 (99.4) | 0 | 48 | 1 | 1 | 50 | 55 | 105 |
| Andrew Carnegie School (487). | 0 | 687 | 0 | 4 | 691 | 4 | 695 | 011111110000000 (99.4) | 0 | 17 | 0 | 0 | 17 | 9 | 26 |
| Walter Q. Cresham (408). | 1 | 2,198 | 1 | 0 | 2,200 | 15 | 2,215 | 011111111100000 (99.3) | 0 | 28 | 0 | 0 | 28 | 38 | 66 |
| William Claude Reavis School (455). | 0 | 1,166 | 5 | 3 | 1,174 | 9 | 1,183 | 111111110000000 (99.2) | 0 | 29 | 0 | 0 | 29 | 5 | 34 |
| John B. Drake School (525). | 0 | 555 | 0 | 0 | 555 | 5 | 560 | 111111111000000 (99.1) | 0 | 18 | 0 | 0 | 18 | 2 | 20 |
| Charles H. Wacker, Branch of Fernwood (403). | 0 | 435 | 0 | 0 | 435 | 4 | 429 | 011111110000000 (99.1) | 0 | 11 | 0 | 0 | 11 | 1 | 12 |
| William H. King (576) | 0 | 209 | 0 | 6 | 215 | 2 | 217 | 000000000100000 (99.1) | 0 | 10 | 0 | 0 | 10 | 9 | 19 |
| Edwin G. Cooley Vocational High School (3). | 0 | 629 | 0 | 7 | 636 | 6 | 642 | 000000000011110 (99.1) | 0 | 10 | 0 | 1 | 11 | 24 | 35 |
| George Westinghouse Vocational High School (207). | 0 | 1,345 | 0 | 17 | 1,302 | 14 | 1,376 | 00000000001110 (99.0) | 0 | 23 | 0 | 0 | 23 | 51 | 74 |
| George Manierre (15) | 0 | 1,099 | 0 | 6 | 1,105 | 12 | 1,117 | 011111111100000 (98.9) | 0 | 6 | 0 | 0 | 6 | 29 | 35 |
| Charles Kozninski (452). | 0 | 305 | 5 | 3 | 813 | 9 | 822 | 011111111100000 (98.9) | 0 | 18 | 1 | 0 | 10 | 14 | 33 |
| John Fiske (450) | 0 | 1,155 | 4 | 4 | 1,163 | 13 | 1,176 | 011111110000000 (98.9) | 0 | 33 | 0 | 0 | 33 | 9 | 42 |
| John O. Haines (529) | 0 | 595 | 222 | 65 | 882 | 10 | 892 | 111111111100000 (98.9) | 0 | 16 | 2 | 0 | 18 | 13 | 31 |
| George W. Tilton School (221). | 0 | 1,190 | 1 | 19 | 1,210 | 14 | 1,224 | 011111110000000 (98.9) | 0 | 12 | 0 | 0 | 12 | 25 | 37 |
| William H. King (575) | 1 | 969 | 0 | 223 | 1,193 | 14 | 1,207 | 011111110000000 (98.8) | 0 | 15 | 0 | 0 | 15 | 31 | 46 |
| Guglielmo Marconi (601). | 0 | 1,056 | 0 | 25 | 1,081 | 13 | 1,094 | 011111110000000 (98.8) | 0 | 5 | 0 | 0 | 5 | 28 | 33 |
| Benjamin Franklin (9). | 1 | 786 | 0 | 31 | 818 | 10 | 828 | 011111111100000 (98.8) | 0 | 9 | 0 | 0 | 9 | 32 | 41 |
| Jacob A. Riis School (582). | 0 | 592 | 0 | 46 | 738 | 10 | 748 | 011111111100000 (98.7) | 0 | 16 | 0 | 0 | 16 | 9 | 25 |
| James N. Thorp School (366). | 1 | 780 | 0 | 484 | 1,265 | 22 | 1,287 | 111111111000000 (98.8) | 0 | 5 | 0 | 0 | 5 | 36 | 41 |
| Fernwood (402) | 0 | 1,632 | 0 | 4 | 1,636 | 31 | 1,667 | 011111111100000 (89.11) | 0 | 29 | 0 | 0 | 29 | 17 | 46 |
| Horatio N. May (101) | 3 | 1,521 | 2 | 24 | 1,550 | 36 | 1,586 | 011111111100000 (98.7) | 0 | 6 | 0 | 0 | 6 | 41 | 47 |
| Isabelle C. O'Keeffe (260). | 0 | 1,168 | 2 | 2 | 1,172 | 30 | 1,202 | 011111111100000 (97.5) | 0 | 23 | 1 | 0 | 24 | 13 | 37 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| John McLaren Occupational Training Center (560). | 1 | 214 | 0 | 6 | 221 | 6 | 227 | 000000000000001 (97.4) | 0 | 8 | 0 | 0 | 8 | 10 | 18 |
| Leif Ericson School (593). | 0 | 1,507 | 0 | 3 | 1,510 | 43 | 1,553 | 011111110000000 (97.2) | 0 | 25 | 0 | 0 | 25 | 22 | 47 |
| J. Sterling Morton Upper Grade Center (216). | 0 | 1,047 | 2 | 55 | 1,104 | 37 | 1,141 | 000000011100000 (96.8) | 0 | 8 | 1 | 1 | 10 | 37 | 47 |
| Family Living Center No. 2 (559). | 0 | 110 | 0 | 8 | 118 | 4 | 122 | 000000000000001 (96.7) | 0 | 9 | 0 | 0 | 9 | 13 | 22 |
| Mary E. McDowell, Brch Caldwell School (376). | 0 | 145 | 0 | 3 | 348 | 12 | 360 | 011111100000000 (96.7) | 0 | 7 | 0 | 0 | 7 | 3 | 10 |
| Thomas J. Higgins (342). | 0 | 532 | 2 | 1 | 535 | 20 | 555 | 011111110000000 (96.4) | 0 | 7 | 0 | 0 | 7 | 7 | 14 |
| Daniel J. Corkery School (541). | 3 | 941 | 0 | 53 | 997 | 38 | 1,035 | 011111111100000 (96.3) | 0 | 9 | 0 | 0 | 9 | 25 | 34 |
| Robert Lindblum Technical High School (420). | 0 | 1,925 | 54 | 12 | 1,991 | 78 | 2,069 | 000000000011110 (96.2) | 0 | 20 | 0 | 2 | 22 | 72 | 94 |
| Thomas Jefferson (574). | 0 | 405 | 0 | 122 | 527 | 21 | 548 | 111111111100000 (96.2) | 0 | 7 | 0 | 0 | 7 | 10 | 17 |
| Avalon Park (176)..... | 0 | 1,063 | 5 | 2 | 1,070 | 43 | 1,113 | 011111111100000 (96.1) | 0 | 26 | 0 | 0 | 26 | 6 | 32 |
| David G. Farragut (538). | 1 | 2,809 | 1 | 156 | 2,967 | 120 | 3,087 | 000000000011110 (96.1) | 0 | 60 | 2 | | 62 | 73 | 135 |
| Herbert Spencer School (105). | 1 | 1,474 | 0 | 76 | 1,551 | 73 | 1,624 | 011111111000000 (95.5) | 0 | 1 | 0 | 1 | 2 | 41 | 43 |
| John A. Komensky (306). | 0 | 1 | 0 | 565 | 566 | 27 | 593 | 011111110000000 (95.4) | 0 | 2 | 1 | 0 | 3 | 14 | 17 |
| Oliver Wendell Holmes (199). | 0 | 1,805 | 0 | 456 | 2,261 | 115 | 2,376 | 011111111100000 (95.2) | 0 | 21 | 0 | 0 | 21 | 51 | 72 |
| Luther Haven (531)..... | 0 | 143 | 0 | 9 | 152 | 8 | 160 | 011111111100000 (95.0) | 0 | 6 | 0 | 0 | 6 | 2 | 8 |
| George Dewey School (193). | 0 | 1,213 | 0 | 141 | 1,354 | 75 | 1,429 | 011111111100000 (94.8) | 0 | 28 | 0 | 0 | 28 | 12 | 40 |
| Cook County Jail, Branch of Audy (320). | 1 | 119 | 0 | 5 | 125 | 8 | 133 | 000000000000001 (94.0) | 0 | 2 | 0 | 0 | 2 | 7 | 9 |
| Samuel F. B. Morse School (215). | 0 | 924 | 0 | 213 | 1,137 | 75 | 1,212 | 011111100000000 (93.8) | 0 | 2 | 0 | 0 | 2 | 27 | 29 |
| Frank Jirka, Jr. (575)... | 0 | 29 | 0 | 699 | 728 | 50 | 778 | 011111110000000 (93.6) | 0 | 5 | 0 | 0 | 5 | 20 | 25 |
| Winfield S. Schley School (46). | 2 | 225 | 2 | 618 | 847 | 63 | 910 | 011111110000000 (93.1) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Joseph Jundman (305)... | 0 | 72 | 0 | 740 | 812 | 67 | 879 | 011111110000000 (92.4) | 0 | 6 | 1 | 3 | 10 | 20 | 30 |
| James A. Mulligan School (17). | 1 | 295 | 10 | 177 | 483 | 40 | 523 | 011111110000000 (92.4) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Mark Skinner School School (583). | 1 | 564 | 0 | 110 | 675 | 67 | 742 | 111111111100000 (91.0) | 0 | 7 | 0 | 1 | 8 | 16 | 24 |
| Flavel Moseley School (217). | 0 | 218 | 0 | 2 | 220 | 22 | 242 | 000000000000001 (90.9) | 0 | 24 | 0 | 0 | 24 | 3 | 27 |
| John Philip Sousa Branch of Skinner (584). | 0 | 110 | 0 | 18 | 128 | 14 | 142 | 000010000000000 (90.1) | 0 | 2 | 0 | 0 | 2 | 4 | 6 |
| Riverdale School (356)... | 0 | 524 | 0 | 2 | 526 | 59 | 585 | 011111111100000 (89.9) | 0 | 3 | 0 | 0 | 3 | 13 | 16 |
| John J. Pershing School (533). | 1 | 305 | 5 | 7 | 318 | 36 | 354 | 011111111100000 (89.8) | 0 | 10 | 0 | 0 | 10 | 1 | 11 |
| Horace Mann (259)..... | 0 | 1,129 | 12 | 19 | 1,160 | 137 | 1,297 | 011111111100000 (89.4) | 0 | 14 | 0 | 0 | 14 | 23 | 37 |
| Washington Irving (572). | 0 | 422 | 0 | 384 | 806 | 98 | 904 | 011111111100000 (89.2) | 0 | 9 | 0 | 0 | 9 | 20 | 29 |
| James H. Bowen Branch in J. N. Thorp Elementary (367). | 0 | 70 | 0 | 144 | 214 | 28 | 242 | 000000000010000 (88.4) | 0 | 5 | 0 | 0 | 5 | 6 | 11 |
| Philo Carpenter School (31). | 4 | 414 | 1 | 814 | 1,233 | 169 | 1,402 | 011111111100000 (87.9) | 0 | 4 | 0 | 2 | 6 | 38 | 44 |
| Bryn Mawr Annex (257). | 0 | 252 | 0 | 1 | 253 | 35 | 288 | 000011000000000 (87.8) | 0 | 3 | 0 | 0 | 3 | 5 | 8 |
| Frank I. Bennett (398)... | 0 | 937 | 4 | 9 | 950 | 137 | 1,087 | 011111111100000 (87.4) | 0 | 14 | 0 | 0 | 14 | 18 | 32 |
| Neal F. Simeon, continuation school (394). | 0 | 298 | 0 | 13 | 311 | 48 | 359 | 000000000000001 (86.6) | 0 | 2 | 0 | 0 | 2 | 1 | 3 |
| Charles P. Caldwell School (375). | 0 | 752 | 12 | 8 | 772 | 121 | 893 | 011111111100000 (86.5) | 0 | 12 | 1 | 0 | 13 | 12 | 25 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3— grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| John A. Walsh School (318). | 0 | 43 | 0 | 405 | 448 | 74 | 522 | 111111110000000 (85.8) | 0 | 1 | 0 | 1 | 2 | 12 | 14 |
| Bryn Mawr (256) | 0 | 1,113 | 7 | 6 | 1,126 | 186 | 1,312 | 011111111100000 (85.8) | 0 | 8 | 0 | 0 | 8 | 25 | 33 |
| Ambrose Plamondon School (311). | 0 | 63 | 3 | 263 | 329 | 55 | 384 | 011111111100000 (85.7) | 0 | 1 | 1 | 0 | 2 | 13 | 15 |
| John McLaren School (579). | 0 | 25 | 0 | 105 | 130 | 24 | 154 | 011111111100000 (84.4) | 0 | 2 | 0 | 0 | 2 | 8 | 10 |
| Walter L. Newberry School (18). | 4 | 290 | 9 | 532 | 835 | 156 | 991 | 011111100000000 (84.3) | 0 | 0 | 0 | 1 | 1 | 36 | 37 |
| Peter Cooper upper grade center (300). | 0 | 42 | 0 | 916 | 958 | 184 | 1,142 | 000000011100000 (83.9) | 0 | 11 | 0 | 0 | 11 | 33 | 44 |
| Philip R. Sheridan (384). | 2 | 9 | 1 | 1,434 | 1,446 | 285 | 1,731 | 011111111100000 (83.5) | 0 | 1 | 0 | 1 | 2 | 48 | 50 |
| Peter Cooper School (299). | 0 | 5 | 0 | 782 | 787 | 160 | 947 | 011111100000000 (83.1) | 0 | 4 | 0 | 0 | 4 | 19 | 23 |
| John Spry Upper Grade Center (315). | 0 | 388 | 0 | 184 | 572 | 119 | 691 | 000000001100000 (82.8) | 0 | 4 | 0 | 0 | 4 | 18 | 22 |
| James N. Thorp (387) | 0 | 62 | 0 | 58 | 120 | 25 | 145 | 000000000100000 (82.8) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| House of Correction, Branch of Audy (121). | 0 | 187 | 0 | 17 | 204 | 43 | 247 | 000000000000001 (82.6) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Alexander von Humboldt School (48). | 8 | 24 | 3 | 2,037 | 2,072 | 438 | 2,510 | 011111111100000 (82.5) | 0 | 1 | 1 | 1 | 3 | 75 | 78 |
| Albert R. Sabin School (45). | 4 | 3 | 0 | 398 | 405 | 86 | 491 | 011111110000000 (82.5) | 0 | 2 | 0 | 0 | 2 | 11 | 13 |
| Alfred D. Kuhn (344) | 0 | 1,184 | 1 | 9 | 1,194 | 264 | 1,458 | 011111111100000 (81.9) | 0 | 8 | 0 | 0 | 8 | 32 | 40 |
| Carter H. Harrison (295). | 2 | 1,749 | 9 | 836 | 2,596 | 574 | 3,170 | 000000000011110 (81.9) | | 49 | 0 | 2 | 51 | 79 | 130 |
| Chicago Parental Home Branch (253) | 0 | 9 | 0 | 0 | 9 | 2 | 11 | 000000000000001 (81.8) | 0 | 3 | 0 | 0 | 3 | 1 | 4 |
| Wicker Park School (49). | 0 | 69 | 2 | 658 | 729 | 163 | 892 | 011111110000000 (81.7) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Fort Dearborn (404) | 0 | 923 | 0 | 6 | 929 | 210 | 1,139 | 011111111100000 (81.6) | 0 | 6 | 0 | 0 | 6 | 25 | 31 |
| Phoebe Apperson Hearst (500). | 1 | 1,096 | 4 | 58 | 1,189 | 311 | 1,500 | 011111111100000 (79.3) | 0 | 2 | 0 | 0 | 2 | 42 | 44 |
| Theophilus Schmid, Branch of Perry (414). | 0 | 329 | 1 | 36 | 366 | 97 | 463 | 011111110000000 (70.0) | | 2 | 0 | 0 | 2 | 10 | 12 |
| Chicago Parental School (174). | 1 | 76 | 0 | 3 | 80 | 22 | 102 | 000000000000001 (78.4) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Frederich W. Frobel, Branch of Harrison (296) | 0 | 13 | 1 | 363 | 377 | 105 | 482 | 000000000000010000 (78.2) | 0 | 9 | 0 | 0 | 9 | 11 | 20 |
| John Hay Upper Grade Center (93). | 1 | 349 | 0 | 18 | 368 | 106 | 474 | 000000001100000 (77.6) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Mount Vernon School (348). | 0 | 1,041 | 4 | 4 | 1,049 | 304 | 1,353 | 011111111100000 (77.5) | 0 | 4 | 0 | 0 | 4 | 34 | 18 |
| Andrew Jackson (573) | 0 | 73 | 22 | 335 | 430 | 125 | 555 | 111111111100000 (77.5) | 0 | 7 | 0 | 0 | 7 | 21 | 28 |
| Wicker Park Upper Grade Center (50). | 0 | 38 | 3 | 255 | 296 | 90 | 386 | 000000001100000 (76.7) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| B. Tilden Continuation School Branch, Tilden (191). | 1 | 360 | 0 | 19 | 380 | 116 | 496 | 000000000000001 (76.6) | 0 | 2 | 0 | 0 | 2 | 4 | 6 |
| John L. Motley Branch (53). | 1 | 154 | 0 | 6 | 161 | 51 | 212 | 000000000000001 (75.9) | 0 | 9 | 0 | 0 | 9 | 15 | 24 |
| Robert A. Waller (1) | 10 | 1,292 | 48 | 455 | 1,805 | 575 | 2,380 | 000000000011110 (75.8) | 0 | 6 | 2 | 3 | 11 | 86 | 97 |
| South Shore (254) | 0 | 1,791 | 27 | 29 | 1,847 | 600 | 2,447 | 000000000011110 (75.5) | 0 | 32 | 2 | 0 | 34 | 68 | 102 |
| Moses Montefiore School (587). | 0 | 220 | 0 | 39 | 259 | 88 | 347 | 000000000000001 (74.6) | 0 | 21 | 0 | 0 | 21 | 21 | 42 |
| James Ward School (536). | 0 | 122 | 2 | 133 | 257 | 88 | 345 | 011111111100000 (74.5) | 0 | 11 | 0 | 0 | 11 | 6 | 17 |
| Kenwood (446) | 0 | 674 | 78 | 9 | 761 | 270 | 1,031 | 000000000011100 (73.8) | 0 | 17 | 0 | 0 | 17 | 32 | 49 |
| Charles G. Hammond (301). | 0 | 12 | 2 | 449 | 463 | 169 | 632 | 011111110000000 (73.3) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Walter S. Christopher School (514). | 0 | 218 | 0 | 2 | 220 | 81 | 301 | 000111111100000 (73.1) | 0 | 3 | 0 | 0 | 3 | 38 | 41 |
| Robert Burns (540) | 0 | 235 | 0 | 823 | 1,058 | 394 | 1,452 | 011111111100000 (72.9) | 0 | 6 | 0 | 1 | 7 | 36 | 43 |
| W. S. Christopher Branch, Nightingale Elementary (515). | 0 | 41 | 0 | 1 | 42 | 16 | 58 | 111000000000000 (72.4) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3— grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Beulah Shoesmith School (458). | 0 | 424 | 14 | 2 | 440 | 168 | 608 | 011111111100000 (72.4) | 0 | 9 | 0 | 0 | 9 | 9 | 18 |
| Jean Lafayette (39) | 2 | 63 | 1 | 1,143 | 1,209 | 468 | 1,677 | 111111110000000 (72.1) | 0 | 0 | 0 | 1 | 1 | 53 | 54 |
| Hans Christian Andersen (29). | 1 | 17 | 0 | 131 | 149 | 60 | 209 | 000000000110000 (71.3) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Charles W. Earle School (427). | 0 | 424 | 1 | 50 | 475 | 193 | 668 | 011111100000000 (71.1) | 0 | 7 | 0 | 0 | 7 | 16 | 23 |
| William K. Sullivan (262). | 2 | 23 | 4 | 589 | 618 | 257 | 875 | 011111111100000 (70.6) | 0 | 1 | 1 | 1 | 3 | 23 | 26 |
| Chicago Vocational High School (365). | 1 | 2,484 | 9 | 303 | 2,797 | 1,191 | 3,988 | 000000000011110 (70.1) | 0 | 38 | 1 | 0 | 39 | 113 | 152 |
| Isaac N. Arnold Upper Grade Center (6). | 3 | 180 | 17 | 352 | 552 | 259 | 811 | 000000011100000 (68.1) | 0 | 2 | 1 | 2 | 5 | 32 | 37 |
| Martin A. Ryerson School (219). | 1 | 367 | 1 | 318 | 1,187 | 609 | 1,796 | 011111111100000 (66.1) | 0 | 0 | 0 | 0 | 0 | 53 | 53 |
| Orville T. Bright (371) | 21 | 37 | 1 | 469 | 528 | 282 | 810 | 011111111100000 (65.2) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| James Russell Lowell (214). | 5 | 39 | 3 | 1,151 | 1,198 | 650 | 1,848 | 011111111100000 (64.8) | 0 | 0 | 0 | 0 | 0 | 56 | 56 |
| Jesse Spalding Elementary School (588). | 0 | 217 | 0 | 57 | 274 | 154 | 428 | 011111111100000 (64.0) | 0 | 4 | 1 | 0 | 5 | 53 | 58 |
| Arthur J. Audy, Home For Children (318). | 1 | 183 | 0 | 18 | 202 | 120 | 322 | 000000000000001 (62.7) | 0 | 6 | 0 | 0 | 6 | 14 | 20 |
| Marry F. Tulley Branch Sabin Elementary (25). | 2 | 30 | 2 | 431 | 465 | 283 | 748 | 000000000010000 (62.2) | 0 | 0 | 1 | 0 | 1 | 21 | 22 |
| William Rainey Harper (418). | 0 | 1,149 | 1 | 12 | 1,162 | 713 | 1,875 | 000000000011110 (62.0) | 0 | 24 | 0 | 0 | 2 | 59 | 83 |
| Philip Murray School (453). | 1 | 240 | 10 | 9 | 260 | 161 | 421 | 011111110000000 (61.8) | 0 | 6 | | | 6 | 9 | 15 |
| Edward Tilden High School (189). | 2 | 1,071 | 11 | 464 | 1,548 | 977 | 2,525 | 000000000011110 (61.3) | 0 | 41 | 0 | 0 | 41 | 58 | 99 |
| Elizabeth P. Peabody School (43). | 1 | 15 | 1 | 344 | 361 | 229 | 590 | 011111111100000 (61.2) | 0 | 1 | 0 | 0 | 1 | 0 | 1 |
| Ellen Mitchell School (40). | 0 | 57 | 1 | 310 | 368 | 244 | 612 | 011111111100000 (60.1) | 0 | 2 | 2 | 0 | 4 | 17 | 21 |
| William H. Seward School (201). | 0 | 1 | 0 | 521 | 522 | 352 | 874 | 011111111100000 (59.7) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| William H. Ray School (454). | 2 | 472 | 49 | 9 | 532 | 360 | 892 | 111111111100000 (59.6) | 0 | 13 | 0 | 0 | 13 | 19 | 32 |
| John Spry School (314) | 1 | 21 | 3 | 482 | 507 | 348 | 855 | 011111110000000 (59.3) | 0 | 7 | 0 | 0 | 7 | 18 | 25 |
| Joel Tyler Headley (10) | 0 | 5 | 1 | 175 | 181 | 133 | 314 | 011111110000000 (57.6) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Robert Morris School (126). | 12 | 3 | 48 | 495 | 558 | 419 | 977 | 011111111100000 (57.1) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Jane A. Neil School for Physically Handicapped (187). | 0 | 123 | 0 | 27 | 150 | 113 | 263 | 011111111100000 (57.0) | 0 | 2 | 0 | 0 | 2 | 11 | 13 |
| William H. Wells (26) | 18 | 463 | 4 | 749 | 1,234 | 932 | 2,166 | 000000000011110 (57.0) | 0 | 5 | 0 | 0 | 5 | 79 | 84 |
| James Otis (42) | 1 | 12 | 4 | 528 | 545 | 427 | 972 | 011111111100000 (56.1) | 0 | 0 | 1 | 1 | 2 | 33 | 35 |
| Esmond School (340) | 2 | 349 | 2 | 18 | 371 | 301 | 672 | 011111111100000 (55.2) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| William B. Ogden (19) | 0 | 190 | 20 | 50 | 260 | 212 | 472 | 011111111100000 (55.1) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Jesse Spalding (258) | 0 | 271 | 1 | 25 | 297 | 251 | 548 | 000000000011110 (54.2) | 0 | 7 | 1 | 1 | 9 | 36 | 45 |
| Ellen H. Richards Vocational High School (288). | 3 | 160 | 10 | 167 | 340 | 288 | 628 | 000000000011110 (54.1) | 0 | 14 | 0 | 0 | 14 | 14 | 28 |
| Mancel Talcott School (47). | 4 | 35 | 2 | 650 | 691 | 589 | 1,280 | 011111111100000 (54.0) | 0 | 5 | 2 | 0 | 7 | 40 | 47 |
| Edgar Allan Poe School (352). | 0 | 235 | 0 | 5 | 240 | 218 | 458 | 011111111100000 (52.4) | 0 | 6 | 1 | 0 | 7 | 8 | 15 |
| John A. Logan Continuation Prosser (27). | 2 | 665 | 2 | 151 | 820 | 753 | 1,573 | 000000000000001 (52.1) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Amelia Earhart, Br. of Huyne (384). | 0 | 125 | 1 | 48 | 174 | 160 | 334 | 011111100000000 (52.1) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Austin (83) | 0 | 1,446 | 18 | 72 | 1,534 | 1,445 | 2,979 | 000000000011110 (51.5) | 0 | 1 | 1 | 0 | 2 | 127 | 129 |
| John V. Lemoyne (124) | 15 | 4 | 104 | 821 | 944 | 894 | 1,838 | 011111111100000 (51.4) | 0 | 1 | 0 | 0 | 1 | 64 | 65 |
| Frederic Chopin Upper Grade Center (34). | 2 | 15 | 1 | 234 | 252 | 239 | 491 | 000000001100000 (51.3) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3— | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Hans Christian Andersen (25). | 2 | 58 | 4 | 499 | 561 | 554 | 1,115 | 011111111100000 (50.3) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Christopher Columbus School (35). | 0 | 3 | 1 | 209 | 213 | 218 | 431 | 011111110000000 (49.4) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| George Schneider School (22). | 3 | 65 | 3 | 286 | 337 | 353 | 690 | 011111111100000 (48.8) 011111111100000 | 0 | 0 | 0 | 1 | 1 | 17 | 18 |
| Jonathan Burr School | 4 | 1 | 6 | 248 | 259 | 274 | 533 | 011111111100000 (48.6) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Cyrus H. McCormick (309). | 0 | 20 | 0 | 454 | 474 | 529 | 1,003 | 011111111100000 (47.3) | 0 | 6 | 0 | 1 | 7 | 20 | 27 |
| Mark Sheridan School (203). | 0 | 1 | 0 | 296 | 297 | 334 | 631 | 111111110000000 (47.1) | 0 | 3 | 0 | 0 | 3 | 15 | 18 |
| Murray F. Tuley (24)... | 2 | 55 | 7 | 785 | 849 | 956 | 1,805 | 000000000011110 (47.0) | 0 | 5 | 0 | 2 | 7 | 74 | 81 |
| Maryland Branch of | 0 | 78 | 0 | 1 | 79 | 90 | 169 | 001110000000000 (46.7) | 0 | 1 | 0 | 0 | 1 | 5 | 6 |
| Myra Bradwell (255) Poe (353). | 10 | 486 | 14 | 86 | 596 | 693 | 1,289 | 011111111100000 (46.2) | 0 | 1 | 0 | 0 | 1 | 33 | 34 |
| Josiah L. Pickard School (310). | 1 | 0 | 2 | 348 | 351 | 415 | 766 | 011111111100000 (45.8) | 0 | 0 | 0 | 1 | 1 | 21 | 22 |
| Thaddeus Kosiuszko (38). | 14 | 13 | 0 | 471 | 498 | 597 | 1,095 | 011111111100000 (45.5) | 0 | 0 | 0 | 1 | 1 | 36 | 37 |
| Oscar F. Mayer (16)... | 5 | 12 | 22 | 504 | 543 | 661 | 1,204 | 011111110000000 (45.1) | 0 | 0 | 4 | 0 | 4 | 34 | 38 |
| Frederic Chopin School (33). | 0 | 1 | 6 | 232 | 239 | 292 | 531 | 011111110000000 (45.0) | 0 | 0 | 0 | 0 | 0 | 13 | 12 |
| Casimir Pulaski School (44). | 4 | 113 | 0 | 595 | 712 | 873 | 1,585 | 011111111100000 (44.9) | 0 | 0 | 0 | 0 | 0 | 45 | 45 |
| John Greenleaf Whittier School (317). | 5 | 3 | 0 | 252 | 260 | 325 | 585 | 011111110000000 (44.4) | 0 | 6 | 0 | 0 | 6 | 11 | 17 |
| James H. Bowen (365)... | 3 | 649 | 16 | 685 | 1,353 | 1,739 | 3,092 | 000000000011110 (43.8) | 0 | 17 | 0 | 3 | 20 | 109 | 129 |
| Horace Greeley (120)... | 37 | 1 | 13 | 247 | 298 | 401 | 699 | 011111110000000 (42.6) | 0 | 0 | 3 | 0 | 3 | 16 | 19 |
| Morgan Park (323)..... | 0 | 1,067 | 3 | 11 | 1,081 | 1,459 | 2,540 | 000000000011110 (42.6) | 0 | 8 | 0 | 0 | 8 | 88 | 96 |
| Louis Nettelhorst School (127). | 23 | 30 | 55 | 486 | 604 | 829 | 1,433 | 011111111100000 (42.1) | 0 | 0 | 1 | 0 | 1 | 46 | 47 |
| Louisa May Alcott (5)... | 11 | 8 | 66 | 369 | 454 | 650 | 1,104 | 011111111100000 (41.1) | 0 | 0 | 1 | 0 | 1 | 31 | 32 |
| Ridgeway Hospital, Branch of Audy (323). | 0 | 13 | 0 | 4 | 17 | 26 | 43 | 000000000000001 (39.5) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Rezin Orr (205)..... | 0 | 368 | 11 | 241 | 620 | 955 | 1,575 | 000000000011110 (39.4) | 0 | 1 | 0 | 0 | 1 | 62 | 63 |
| Richard Yates School (51). | 9 | 1 | 3 | 385 | 398 | 620 | 1,018 | 011111110000000 (39.1) | 0 | 0 | 1 | 0 | 1 | 28 | 29 |
| Graeme Stewart School (229). | 39 | 76 | 82 | 214 | 411 | 696 | 1,107 | 011111110000000 (37.1) | 0 | 1 | 1 | 0 | 2 | 42 | 44 |
| Edward Coles School (258). | 0 | 162 | 0 | 74 | 236 | 400 | 636 | 011111111100000 (37.1) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| South Commons Branch of Drake (526). | 0 | 9 | 0 | 1 | 10 | 17 | 27 | 011110000000000 (37.0) | 0 | 1 | 0 | 0 | 1 | 2 | 3 |
| William C. Goudy (225). | 43 | 25 | 59 | 252 | 379 | 658 | 1,037 | 011111111100000 (36.5) | 0 | 1 | 0 | 0 | 1 | 31 | 32 |
| John H. Hamline (195). | 0 | 0 | 0 | 255 | 255 | 459 | 714 | 111111111100000 (35.7) | 0 | 0 | 1 | 0 | 1 | 21 | 22 |
| Christian Fenger Curtis, Branch Fenger (326). | 0 | 236 | 2 | 22 | 310 | 559 | 869 | 000000000010000 (35.7) | 0 | 7 | 0 | 0 | 7 | 20 | 27 |
| Clara W. Barton (395)... | 0 | 231 | 4 | 2 | 237 | 441 | 678 | 011111111100000 (35.0) | 0 | 3 | 0 | 0 | 3 | 17 | 20 |
| LaSalle (13)..... | 12 | 56 | 21 | 96 | 185 | 351 | 536 | 111111111100000 (34.5) | 0 | 0 | 1 | 0 | 1 | 17 | 18 |
| Richard Yates Upper Grade Center (52). | 3 | 0 | 1 | 243 | 247 | 475 | 722 | 000000001100000 (34.2) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Oliver H. Perry School (413). | 1 | 163 | 4 | 25 | 193 | 373 | 566 | 011111111100000 (34.1) | 0 | 9 | 0 | 0 | 9 | 19 | 28 |
| Bernhard Mous School (41). | 7 | 4 | 5 | 378 | 394 | 781 | 1,175 | 011111110000000 (33.5) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| William Jones Commercial High School (2). | 0 | 240 | 4 | 92 | 336 | 670 | 1,000 | 000000000000110 (33.4) | 0 | 0 | 0 | 0 | 0 | 41 | 41 |
| Mary Bartelme, Home Girls, Brch of Audy (319). | 0 | 2 | 0 | 0 | 2 | 4 | 6 | 000000000000001 (33.3) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Cregier, Voc Hs-practical Nursing Prog (581). | 0 | 67 | 2 | 5 | 74 | 153 | 227 | 000000000000001 (32.6) | 0 | 1 | 2 | 0 | 3 | 18 | 21 |
| George H. Thomas Branch of Headley (11). | | 37 | 2 | 49 | 89 | 189 | 278 | 011111110000000 (32.0) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Nicholas Senn (222) | 21 | 357 | 347 | 359 | 1,084 | 2,307 | 3,301 | 000000000011110 (32.0) | 0 | 1 | 0 | 0 | 1 | 129 | 130 |
| Charles Henderson (432). | 0 | 223 | 5 | 23 | 251 | 537 | 788 | 011111111100000 (31.9) | 0 | 1 | 0 | 0 | 1 | 27 | 28 |
| Brennemann Branca (224). | 3 | 3 | 5 | 30 | 41 | 89 | 130 | 001100000000000 (31.5) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Foster Park Branch of Kellogg (405). | 0 | 152 | 1 | 1 | 154 | 344 | 498 | 011111111100000 (30.9) | 0 | 1 | 0 | 0 | 1 | 12 | 13 |
| Robert Emmet School (91). | 4 | 294 | 25 | 119 | 442 | 1,006 | 1,448 | 011111111100000 (30.5) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Salmon P. Chase School (32). | 2 | 1 | 7 | 216 | 226 | 519 | 745 | 011111110000000 (30.3) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Philip D. Armour (192) | 0 | 0 | 1 | 180 | 181 | 416 | 597 | 011111111100000 (30.3) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Edward Tilden Branch in Holden Elementary (190). | 0 | 0 | 0 | 80 | 80 | 184 | 264 | 000000000010000 (30.3) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Nathaniel Hawthorne (122). | 16 | 1 | 42 | 294 | 353 | 814 | 1,167 | 011111111100000 (30.2) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Joseph Brennemann (223). | 32 | 28 | 40 | 241 | 341 | 840 | 1,181 | 011111111100000 (28.9) | 0 | 0 | 2 | 1 | 3 | 33 | 36 |
| Nathan S. Davis School (490). | 1 | 0 | 0 | 190 | 191 | 473 | 664 | 011111111100000 (28.8) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Louis J. Agassiz (4) | 9 | 8 | 27 | 234 | 278 | 789 | 967 | 011111111100000 (28.7) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Joseph Warren School (388). | 0 | 121 | 7 | 92 | 220 | 579 | 799 | 011111111100000 (27.5) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| George M. Pullman School (355). | 37 | 21 | 7 | 96 | 161 | 435 | 596 | 011111111100000 (27.0) | 0 | 4 | 0 | 0 | 4 | 15 | 19 |
| Abraham Lincoln (14) | 0 | 24 | 11 | 88 | 123 | 342 | 465 | 011111111100000 (26.5) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Joseph Stockton Upper Grade Center (231). | 6 | 31 | 29 | 72 | 138 | 394 | 532 | 000000001100000 (25.9) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Lake View (111) | 6 | 62 | 117 | 496 | 673 | 1,957 | 2,630 | 000000000011110 (25.6) | 0 | 0 | 0 | 1 | 1 | 105 | 106 |
| John T. McCutcheon (227). | 30 | 43 | 40 | 92 | 205 | 607 | 812 | 011111110000000 (25.2) | 0 | 0 | 1 | 0 | 1 | 23 | 24 |
| Thomas Drummond School (36). | 4 | 15 | 0 | 139 | 158 | 474 | 632 | 011111111100000 (25.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| John L. Marsh (383) | 0 | 0 | 0 | 149 | 149 | 450 | 599 | 011111111100000 (24.9) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| George B. Swift School (233). | 3 | 8 | 56 | 112 | 176 | 567 | 742 | 011111111000000 (25.7) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Edward F. Dunne Branch of Mount Vernon (349). | 0 | 70 | 1 | 1 | 72 | 232 | 304 | 011111110000000 (23.7) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| J. W. Goethe (37) | 3 | 0 | 1 | 187 | 191 | 628 | 819 | 011111111100000 (23.3) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Frederick W. Von Steuben (146). | 0 | 304 | 21 | 40 | 365 | 1,220 | 1,585 | 000000000011110 (23.0) | 0 | 0 | 0 | 0 | 0 | 64 | 64 |
| George B. McClellan (200). | | | 1 | 131 | 140 | 477 | 617 | 111111110000000 (22.7) | 0 | 3 | 1 | 0 | 4 | 13 | 17 |
| Robert Healy (296) | 2 | 0 | 2 | 222 | 226 | 777 | 1,003 | 111111111100000 (22.5) | 0 | 1 | 1 | 0 | 2 | 21 | 23 |
| James H. Bowen branch in Luella Elementary (366). | 0 | 7 | 1 | 54 | 62 | 218 | 280 | 000000000010000 (32.1) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Thomas Hoyne (380) | 0 | 57 | 6 | 7 | 70 | 259 | 329 | 011111110000000 (21.3) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Nathanael Greene (495). | 0 | 13 | 0 | 56 | 69 | 257 | 327 | 011111111100000 (21.2) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Lyman Trumbull School (234). | 7 | 0 | 120 | 127 | 254 | 957 | 1,211 | 011111111100000 (21.0) | 0 | 0 | 1 | 0 | 1 | 35 | 36 |
| Gage park branch (483) | 1 | 117 | 1 | 22 | 141 | 554 | 695 | 000000000010000 (20.3) | 0 | 4 | 0 | 1 | 5 | 19 | 24 |
| Harriet Beecher Stowe (82). | 3 | 0 | 0 | 278 | 281 | 1,110 | 1,391 | 011111111100000 (20.2) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| Bret Harte (451) | 0 | 65 | 26 | 10 | 101 | 409 | 510 | 011111111100000 (19.8) | 0 | 3 | 0 | 0 | 3 | 11 | 14 |
| Theodore Roosevelt (143). | 0 | 310 | 38 | 54 | 402 | 1,678 | 2,080 | 000000000011110 (19.3) | 0 | 1 | 0 | 0 | 1 | 81 | 82 |

B SERIES SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Frederick Funston (65) | 0 | 0 | 4 | 187 | 191 | 803 | 994 | 011111111100000 (19.2) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Joseph E. Cary (544) | 3 | 15 | 1 | 167 | 186 | 784 | 970 | 011111111100000 (19.2) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Arthur A. Libby (436) | 0 | 39 | 5 | 156 | 200 | 859 | 1,059 | 011111111100000 (18.9) | 0 | 2 | 0 | 0 | 2 | 26 | 28 |
| Charles R. Darwin School (63). | 6 | 6 | 5 | 230 | 241 | 1,038 | 1,279 | 011111111100000 ((18.8) | 0 | 0 | 1 | 0 | 1 | 32 | 33 |
| Oliver Goldsmith, Branch of Burnham (374). | 2 | 4 | 6 | 45 | 57 | 246 | 303 | 011111110000000 (18.8) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Christian Fenger, Branch W. Pullman Elementary (327). | 0 | 36 | 0 | 2 | 38 | 166 | 204 | 000000000010000 (18.6) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Christian Fenger (325) | 2 | 500 | 3 | 38 | 543 | 2,394 | 2,937 | 000000000011110 (18.5) | 0 | 11 | 0 | 0 | 11 | 91 | 102 |
| Lorenz Brentano (62) | 4 | 0 | 17 | 215 | 236 | 1,073 | 1,309 | 011111111100000 (18.0) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| William H. Prescott School (20). | 4 | 0 | 2 | 113 | 119 | 563 | 682 | 011111111100000 (17.4) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Charles N. Holden (198). | 0 | 0 | 0 | 87 | 87 | 420 | 507 | 011111111100000 (17.2) | 0 | 0 | 0 | 1 | 1 | 12 | 13 |
| Augustus H. Burley (117). | 12 | 0 | 11 | 116 | 139 | 697 | 836 | 011111111100000 (16.6) | 0 | 0 | 3 | 0 | 3 | 21 | 24 |
| Helen C. Peirce School (228). | 4 | 2 | 81 | 77 | 164 | 825 | 989 | 011111111100000 (16.6) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Ella Flagg Young School (107). | 0 | 114 | 2 | 20 | 136 | 738 | 874 | 011111111100000 (15.6) | | | | 0 | 0 | 45 | 45 |
| James G. Blaine (115) | 11 | 0 | 46 | 166 | 223 | 1,216 | 1,439 | 011111111100000 (15.5) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| Jacques Marquette (437). | 0 | 83 | 1 | 15 | 99 | 545 | 644 | 011111111100000 (15.4) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Daniel R. Cameron School (209). | 2 | 5 | 7 | 178 | 192 | 1,082 | 1,274 | 011111111100000 (15.1) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Luella (382) | 0 | 76 | 7 | 33 | 116 | 662 | 778 | 011111111100000 (14.9) | 0 | 1 | 0 | 0 | 1 | 22 | 23 |
| Nicholas J. Pritzker Center, Branch Audy (322). | 0 | 4 | 0 | 0 | 4 | 23 | 27 | 000000000000001 (14.8) | 0 | 0 | 1 | 0 | 1 | 4 | 5 |
| Stephen F. Gale (138) | 4 | 5 | 33 | 81 | 123 | 724 | 847 | 011111111100000 (14.5) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Cage Park (482) | 2 | 191 | 10 | 40 | 243 | 1,459 | 1,702 | 000000000001110 (14.3) | 0 | 2 | 0 | 1 | 3 | 64 | 67 |
| Joseph Stockton School (230). | 12 | 10 | 54 | 121 | 197 | 1,259 | 1,456 | 011111110000000 (13.5) | 0 | 1 | 0 | 0 | 1 | 36 | 37 |
| William Hibbard (161) | 11 | 0 | 40 | 113 | 109 | 1,687 | 1,256 | 011111110000000 (113.5 | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Luther Burbank (86) | 0 | 57 | 0 | 3 | 60 | 390 | 450 | 011111111100000 (13.3) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Kate S. Buckingham Branch of Warren (389). | 0 | 10 | 2 | 21 | 33 | 219 | 252 | 011111100000000 (13.1) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Albert G. Lane Technical High School (112). | 3 | 268 | 219 | 202 | 692 | 4,614 | 5,306 | 000000000011110 (13.0) | 0 | 2 | 0 | 0 | 2 | 226 | 228 |
| West Pullman Branch School (363). | 0 | 0 | 0 | 22 | 22 | 147 | 169 | 011111000000000 (13.0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Daniel H. Burnham School (372). | 0 | 12 | 0 | 9 | 21 | 158 | 179 | 011111110000000 (11.7) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Thomas Scanlan School (357). | 0 | 18 | 3 | 66 | 87 | 681 | 768 | 011111111100000 (11.3) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Mary Lyon (100) | 0 | 66 | 6 | 4 | 76 | 596 | 672 | 011111111100000 (11.3) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| John C. Burroughs School (488). | 3 | 0 | 0 | 39 | 42 | 332 | 374 | 011111111100000 (11.2) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Frederick W. Von Steuben Upper Grade CTP (172). | 0 | 0 | 7 | 20 | 27 | 214 | 241 | 000000001100000 (11.2) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |
| Susan B. Anthony, Branch of Burnham (373). | 0 | 3 | 2 | 24 | 29 | 232 | 261 | 011111110000000 (11.1) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| James Hedges (501) | 0 | 0 | 4 | 37 | 41 | 334 | 375 | 011111111100000 (10.9) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Stephen K. Hayt (226) | 3 | 0 | 78 | 25 | 106 | 880 | 986 | 011111111100000 (10.8) | 0 | 1 | 1 | 0 | 2 | 22 | 24 |
| William T. Sherman (204). | 0 | 3 | 3 | 60 | 66 | 549 | 615 | 011111110000000 (10.7) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Joyce Kilmer (141) | 1 | 5 | 40 | 68 | 114 | 949 | 1,063 | 011111111100000 (10.7) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Norman Bridge (85) | 0 | 48 | 0 | 1 | 49 | 412 | 461 | 011111111100000 (10.6) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Thomas Kelly Branch in Davis Elementary (485). | 0 | 0 | 0 | 33 | 33 | 280 | 313 | 0000000000010000 (10.5) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| John F. Kennedy (487) | 1 | 291 | 5 | 88 | 383 | 3,314 | 3,697 | 0000000000011110 (10.4) | 0 | 10 | 0 | 0 | 10 | 136 | 146 |
| Josephine C. Locke (98) | 0 | 97 | 2 | 0 | 99 | 863 | 962 | 0111111111100000 (10.3) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Harriet E. Sayre School (103). | 0 | 53 | 1 | 0 | 54 | 478 | 532 | 0111111111100000 (10.2) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Washington Smyser School (104). | 0 | 58 | 3 | 1 | 62 | 554 | 616 | 0111111111100000 (10.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| William E. Dever School (90). | 0 | 88 | 1 | 3 | 92 | 823 | 915 | 0111111111100000 (10.1) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Ravenswood School (123). | 1 | 3 | 31 | 59 | 94 | 848 | 942 | 0111111111100000 (10.0) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Henry H. Nash School (102). | 7 | 13 | 1 | 77 | 98 | 892 | 990 | 0111111111100000 (9.9) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Ole A. Thorp School (106). | 0 | 78 | 2 | 3 | 83 | 769 | 852 | 0111111111100000 (9.7) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Francis Scott Key (95) | 1 | 4 | 3 | 42 | 50 | 464 | 514 | 0111111111100000 (9.7) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| George Rogers Clark Branch Key School (96). | 0 | 9 | 1 | 0 | 10 | 96 | 106 | 0111111111100000 (9.4) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Thomas J. Waters School (129). | 0 | 2 | 30 | 55 | 87 | 846 | 933 | 0111111111100000 (9.3) | 0 | 0 | 1 | 0 | 1 | 24 | 25 |
| James B. McPherson School (125). | 0 | 0 | 32 | 66 | 98 | 977 | 1,075 | 0111111111100000 (9.1) | 0 | 1 | 1 | 0 | 2 | 27 | 29 |
| Alexander Graham Bell (114). | 0 | 18 | 10 | 43 | 71 | 716 | 787 | 0111111111100000 (9.0) | 0 | 0 | 0 | 0 | 0 | 54 | 54 |
| Washburne Trade School (297). | 22 | 206 | 4 | 48 | 280 | 2,885 | 3,165 | 0000000000000001 (8.8) | 0 | 0 | 0 | 0 | 0 | 57 | 57 |
| Kelvyn Park (55) | 2 | 38 | 5 | 102 | 147 | 1,565 | 1,712 | 0000000000011110 (8.6) | 0 | 1 | 0 | 1 | 2 | 67 | 69 |
| Avondale (58) | 4 | 0 | 0 | 81 | 85 | 922 | 1,007 | 0111111111100000 (8.4) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Wolfgang A Mozart School (71). | 0 | 0 | 0 | 85 | 65 | 735 | 800 | 0111111111100000 (8.1) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Henry Wadsworth Longfellow (504). | 0 | 0 | 0 | 34 | 34 | 386 | 420 | 0111111111100000 (8.1) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Alexander Hamilton (121). | 2 | 0 | 10 | 53 | 65 | 733 | 805 | 0111111111100000 (8.1) | | 0 | 0 | 0 | 0 | 24 | 24 |
| Robert Fulton (429) | 1 | 14 | 4 | 35 | 54 | 628 | 622 | 0111111111100000 (7.9) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Thomas Kelly (484) | 4 | 2 | 2 | 131 | 139 | 1,806 | 1,945 | 0000000000001110 (7.1) | 0 | 5 | 0 | 1 | 6 | 61 | 67 |
| Alexander Graham (194). | 0 | 3 | 1 | 98 | 102 | 1,343 | 1,445 | 0111111111100000 (7.1) | 0 | 3 | 0 | 0 | 3 | 38 | 41 |
| Edward Everett School (494). | 0 | 0 | 0 | 41 | 41 | 540 | 581 | 0111111111100000 (7.1) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Eugene Field (137) | 5 | 0 | 24 | 36 | 65 | 857 | 922 | 1111111111100000 (7.0) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Friedrich Jahn (123) | 2 | 0 | 7 | 49 | 58 | 802 | 860 | 0111111111100000 (6.7) | 0 | 0 | 1 | 0 | 1 | 23 | 24 |
| Helce A. Haugan (159) | 4 | 1 | 33 | 79 | 117 | 1,626 | 1,743 | 0111111111100000 (6.7) | 0 | 0 | 0 | 0 | 0 | 49 | 49 |
| Donald E. Murrill School (439). | 0 | 47 | 2 | 3 | 52 | 746 | 798 | 0111111111100000 (6.5) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Carl Schurz (56) | 4 | 46 | 24 | 209 | 281 | 4,123 | 4,404 | 0000000000011110 (6.4) | 0 | 0 | 1 | 0 | 1 | 168 | 169 |
| West Pullman School (362). | 0 | 24 | 2 | 28 | 54 | 809 | 863 | 0111111111100000 (6.3) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Matthew W. Gallistel (379). | 10 | 0 | 3 | 49 | 62 | 941 | 1,003 | 0111111111100000 (6.2) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Burbank Physically Handicapped School (108). | 0 | 4 | 1 | 7 | 12 | 140 | 152 | 0111111111100000 (7.9) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Eli Whitney School (554). | 7 | 0 | 0 | 73 | 80 | 942 | 1,022 | 0111111111100000 (7.8) | 0 | 1 | 0 | 0 | 1 | 29 | 30 |
| Roald Amundsen (110). | 0 | 30 | 39 | 75 | 144 | 1,723 | 1,867 | 0000000000011110 (7.7) | 0 | 1 | 0 | 1 | 2 | 73 | 75 |
| Charles A. Prosser Vocational High School (57). | 5 | 32 | 0 | 68 | 105 | 1,297 | 1,402 | 0000000000011110 (7.5) | 0 | 0 | 1 | 0 | 1 | 59 | 60 |
| Alfred Nobel (217) | 0 | 2 | 7 | 67 | 76 | 942 | 1,018 | 0111111111100000 (7.5) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Alessandru Volta School (171). | 1 | 0 | 38 | 34 | 73 | 908 | 981 | 0111111111100000 (7.4) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Vernon Branch of Poe (354). | 0 | 7 | 0 | 0 | 7 | 89 | 96 | 01111100000000 (7.3) | 0 | 0 | 0 | 0 | 0 | | 3 |
| [illegible]Van Vlissingen School (361). | 0 | 25 | 1 | 38 | 64 | 830 | 894 | 01111111100000 (7.2) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Frank W. Gunsaulus (498). | 0 | 0 | 8 | 26 | 34 | 533 | 567 | 01111111100000 (6.0) | 0 | 0 | 0 | 1 | 1 | 12 | 13 |
| Newton Bateman (147). | 0 | 1 | 21 | 46 | 68 | 1,107 | 1,175 | 01111111100000 (5.8) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| James Monroe School (70). | 2 | 0 | 4 | 49 | 55 | 916 | 971 | 01111111100000 (5.7) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Lovett Branch of Burbank Physically Handicapped School (100). | 0 | 1 | 1 | 3 | 5 | 89 | 94 | 01111111100000 (5.3) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| George B. Armstrong (132). | 0 | 1 | 26 | 23 | 50 | 892 | 942 | 01111111100000 (5.3) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Carl von Linne (68). | 2 | 0 | 5 | 33 | 40 | 716 | 756 | 01111111100000 (5.3) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Luke O'Toole (440). | 0 | 21 | 4 | 28 | 51 | 964 | 1,015 | 01111111100000 (5.0) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Thomas Kelly, Branch in Gunsaulus Elementary (486). | 0 | 0 | 0 | 18 | 18 | 341 | 359 | 00000000100000 (5.0) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Jonathan Y. Scammon School (89). | 0 | | | 23 | 29 | 550 | 579 | 01111111100000 (5.0) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Roger C. Sullivan (131). | 2 | 8 | 34 | 48 | 92 | 1,775 | 1,867 | 00000000011110 (4.9) | 0 | 0 | 0 | 0 | 0 | 69 | 69 |
| Thomas Brenan (333). | 0 | 40 | 0 | 0 | 40 | 779 | 819 | 01111111100000 (4.9) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| John C. Coonley School (119). | 2 | 0 | 17 | 17 | 36 | 714 | 750 | 01111111100000 (4.8) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Samuel Gompers (341). | 0 | 25 | 0 | 0 | 25 | 511 | 536 | 01111111100000 (4.7) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Leslie Lewis (97). | 1 | 7 | 7 | 16 | 31 | 634 | 665 | 01111111100000 (4.7) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| John J. Audubon (113). | 8 | 0 | 1 | 38 | 47 | 969 | 1,016 | 01111111100000 (4.6) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Barnard (331). | 2 | 17 | 1 | 0 | 20 | 435 | 455 | 01111111100000 (4.4) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| William P. Nixon (73). | 0 | 0 | 0 | 45 | 45 | 1,029 | 1,074 | 01111111100000 (4.2) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Mary Bartelme, Branch of Armstrong (133). | 0 | 0 | 4 | 6 | 10 | 247 | 257 | 01111000000000 (3.9) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Clay Unit Classrooms Branch School (378). | 0 | 0 | 0 | 13 | 13 | 325 | 338 | 01111000000000 (3.8) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Mary C. Peterson School (167). | 0 | 5 | 11 | 11 | 27 | 701 | 728 | 01111111100000 (3.7) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Rezin Orr (218). | 0 | 0 | 0 | 13 | 13 | 340 | 353 | 01111110000000 (3.7) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Francis M. McKay School (439). | 1 | 10 | 2 | 3 | 15 | 395 | 410 | 01111111100000 (3.7) | 0 | 0 | 0 | 1 | 1 | 12 | 13 |
| Eliza Chappell School (118). | 0 | 0 | 8 | 9 | 17 | 456 | 473 | 01111111100000 (3.6) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Dewitt Clinton School (135). | 0 | 0 | 13 | 15 | 28 | 755 | 783 | 01111111100000 (3.6) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Hanson Park Branch of Reinberg (79). | 0 | 0 | 1 | 7 | 8 | 223 | 231 | 01111110000000 (3.5) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Irving Park (67). | 0 | 0 | 7 | 8 | 15 | 420 | 435 | 01111111100000 (3.4) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Julia Ward Howe (94). | 0 | 3 | 1 | 16 | 20 | 569 | 589 | 01111111100000 (3.4) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Lyman Budlong (116). | 0 | 8 | 16 | 9 | 33 | 955 | 988 | 01111111100000 (3.3) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| John Hay (92). | 0 | 0 | 0 | 13 | 13 | 397 | 410 | 01111110000000 (3.2) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Frank W. Reilly School (77). | 0 | 0 | 4 | 16 | 20 | 614 | 634 | 01111111100000 (3.2) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| William H. Byford School (87). | 0 | 6 | 4 | 8 | 18 | 571 | 589 | 01111111100000 (3.1) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Florence Nightingale School (505). | 0 | 0 | 1 | 20 | 21 | 683 | 704 | 01111111100000 (3.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| James Shields School (510). | 0 | 1 | 1 | 14 | 16 | 525 | 541 | 01111111100000 (3.0) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| George Washington (368). | 0 | 17 | 0 | 32 | 49 | 1,616 | 1,665 | 00000000011110 (2.9) | 0 | 4 | 0 | 2 | 6 | 58 | 64 |
| Grover Cleveland School (150). | 0 | 2 | 6 | 12 | 20 | 681 | 701 | 01111111100000 (2.9) | 0 | 1 | 1 | 0 | 2 | 17 | 19 |
| Oriole Park Unit Classrooms Branch (166). | 0 | 0 | 4 | 3 | 7 | 242 | 249 | 01111111100000 (2.8) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Edwin G. Foreman (54) | 0 | 19 | 3 | 26 | 48 | 1,668 | 1,716 | 000000000011110 (2.8) | 0 | 0 | C | 1 | 1 | 65 | 66 |
| Hermann Raster Schoo' (443). | 1 | 3 | 2 | 15 | 21 | 733 | 754 | 011111111100000 (2.8) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Hiram H. Belding (61) | 6 | 0 | 8 | 3 | 17 | 621 | 638 | 011111111100000 (2.7) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Morgan Park Branch in Cissold Elementary (329). | 0 | 6 | 1 | 0 | 7 | 258 | 265 | 000000000010000 (2.6) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Chauncey B. Blair Branch of Dore (492). | 0 | 0 | 2 | 6 | 8 | 306 | 314 | 011111100000000 (2.5) | 0 | 0 | | 0 | 0 | 7 | 7 |
| Richard Edwards School (493). | 0 | 14 | 0 | 0 | 14 | 551 | 565 | 011111111100000 (2.5) | 0 | 0 | 0 | C | 0 | 13 | 13 |
| John B. Murphy School (72). | 0 | 0 | 7 | 8 | 15 | 596 | 611 | 011111111100000 (2.5) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Ferdinand W. Peck School (507). | 3 | 1 | 5 | 7 | 16 | 640 | 656 | 011111111100000 (2.4) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Mark Twain School (512). | 0 | 0 | 0 | 18 | 18 | 722 | 740 | 011111111100000 (2.4) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Franz Peter Shubert School (81). | 1 | 4 | 2 | 11 | 18 | 730 | 748 | 011111111100000 (2.4) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| John H. Vanderpoel School (360). | 0 | 7 | 2 | 0 | 9 | 369 | 378 | 011111111100000 (2.4) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Leander Stone School (232). | 0 | 0 | 14 | | 17 | 739 | 756 | 011111111100000 (2.2) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Nathan Hale (499) | 2 | 0 | 3 | 17 | 22 | 958 | 980 | 011111111100000 (2.2) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Daniel Boone (134) | 0 | 0 | 9 | 10 | 19 | 862 | 881 | 011111111100000 (2.2) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Wildwood School (175) | 1 | 1 | 4 | 0 | 6 | 275 | 281 | 011111111100000 (2.1) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Sidney Sawyer School (509). | 2 | 5 | 0 | 4 | 11 | 505 | 516 | 011111111100000 (2.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Alexander Fleming (497). | 1 | 0 | 1 | 7 | 9 | 415 | 424 | 011111111100000 (2.1) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Douglas Taylor School (335). | 0 | 8 | 0 | 2 | 10 | 473 | 483 | 011111111100000 (2.1) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| Richard Henry Lee, Branch of Pasteur (435). | 0 | 0 | 1 | 5 | 6 | 285 | 291 | 011111110000000 (2.1) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Henry Clay School (377). | 0 | 0 | 0 | 23 | 23 | 1,123 | 1,146 | 011111111100000 (2.0) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Hannah G. Solomon (170). | 0 | 4 | 3 | 0 | 7 | 342 | 349 | 011111111100000 (2.0) | 0 | 0 | | 0 | 0 | 13 | 13 |
| William P. Gray (66) | 0 | 0 | 5 | 13 | 18 | 889 | 907 | 011111111100000 (2.0) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| William Green (139) | 0 | 0 | 5 | 0 | 5 | 258 | 263 | 011111110000000 (1.9) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| John F. Eberhart School (428). | 4 | 0 | 2 | 9 | 15 | 789 | 804 | 011111111100000 (1.9) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Gordon S. Hubbard (419). | 1 | 18 | 5 | 18 | 42 | 2,345 | 2,387 | 000000000011110 (1.8) | 0 | 4 | 0 | 1 | 5 | 95 | 100 |
| Stephen T. Mather (130). | 0 | 22 | 15 | 0 | 37 | 2,100 | 2,137 | 000000000011110 (1.7) | 0 | 0 | 1 | 0 | 1 | 84 | 85 |
| Minnie Mars Jamieson (140). | 0 | 0 | 12 | 1 | 13 | 745 | 758 | 011111111100000 (1.7) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Thomas Nelson Branch of Peck School (508). | 0 | 0 | 0 | 2 | 2 | 116 | 118 | 011110000000000 (1.7) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Albert A. Michelson, Branch Dawes School (426). | 0 | 0 | 0 | 6 | 6 | 386 | 392 | 011111000000000 (1.5) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Michael M. Byrne School (489). | 0 | 0 | | 10 | 12 | 788 | 800 | 011111110000000 (1.5) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| John Hancock (430) | 0 | 0 | 4 | 2 | 6 | 402 | 408 | 011111110000000 (1.5) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Charles P. Steinmetz (84). | 1 | 9 | 10 | 18 | 38 | 2,558 | 2,596 | 000000000011110 (1.5) | | 0 | 0 | 0 | 0 | 107 | 107 |
| Thomas A. Edison (154). | 0 | 0 | 0 | 6 | 6 | 432 | 438 | 011111111100000 (1.4) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Henry D. Lloyd (69) | 0 | 0 | 2 | 9 | 11 | 809 | 820 | 011111111100000 (1.3) | | 0 | 0 | 0 | 0 | 24 | 24 |
| Barry (59) | 0 | 0 | 1 | 7 | 8 | 613 | 621 | 011111111110000 (1.3) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Park View Branch of Owen (442). | 0 | 0 | 0 | 1 | 1 | 83 | 84 | 011000000000000 (1.2) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Jean Baptiste Beaubien School (60). | 0 | 0 | 4 | 5 | 9 | 748 | 757 | 011111111100000 (1.2) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Peter A. Reinberg School (78). | 0 | 0 | 5 | 0 | 5 | 432 | 437 | 011111111100000 (1.1) | 0 | 0 | 0 | | 0 | 12 | 12 |
| John W. Garvey (158) | 0 | 0 | 2 | 4 | 6 | 528 | 534 | 011111111100000 (1.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Frank L. Baum Branch of Twain (513). | 0 | 0 | 0 | 3 | 3 | 269 | 272 | 011111110000000 (1.1) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Edgebrook School (153). | 0 | 0 | 3 | 0 | 3 | 272 | 275 | 011111111100000 (1.1) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| John C. Dorse School (491). | 0 | 0 | 0 | 4 | 4 | 369 | 373 | 011111110000000 (1.1) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Portage Park School (75). | 0 | 0 | 1 | 10 | 11 | 1,034 | 1,045 | 011111111100000 (1.1) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Sauganash School (168). | 0 | 0 | 4 | 0 | 4 | 379 | 383 | 011111111100000 (1.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Robert L. Grimes (495). | 2 | 0 | 0 | 1 | 3 | 290 | 293 | 011111110000000 (1.0) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Patrick Henry (160) | 0 | 0 | 2 | 6 | 8 | 804 | 812 | 011111111100000 (1.0) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Charles G. Dawes School (425). | 0 | 0 | 3 | 7 | 10 | 1,008 | 1,018 | 011111111100000 (1.0) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Arthur E. Canty School (88). | 0 | 0 | 4 | 4 | 8 | 822 | 830 | 011111111100000 (1.0) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Edward H. Sheldon Branch of Clissold (339). | 0 | 0 | 2 | 0 | 2 | 207 | 209 | 011111100000000 (1.0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Henry R. Clissold School (338). | 0 | 0 | 4 | 1 | 5 | 531 | 536 | 011111111100000 (0.9) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Oriole Park (165) | 1 | 0 | 3 | 1 | 5 | 588 | 593 | 011111111100000 (0.8) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Jane Addams School (370). | 0 | 0 | 0 | 4 | 4 | 497 | 501 | 011111110000000 (0.8) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Elizabeth H. Sutherland School (359). | 0 | 0 | 2 | 4 | 6 | 773 | 779 | 011111111100000 (0.8) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| James B. Farnsworth School (156). | 0 | 0 | 1 | 3 | 4 | 519 | 523 | 011111111100000 (0.8) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| William Howard Taft-Branch Norwood Park Elementary (145). | 0 | 0 | 4 | 2 | 6 | 783 | 789 | 000000000010000 (0.8) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Louis Pasteur School (506). | 0 | 0 | 1 | 4 | 5 | 665 | 670 | 011111111100000 (0.7) | 0 | 0 | 0 | 0 | | 18 | 18 |
| John M. Palmer School (74). | 2 | 0 | 1 | 2 | | 671 | 676 | 011111111100000 (0.7) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Booth Tarkington Branch of Hurley (434). | 0 | 0 | 0 | 1 | 1 | 154 | 155 | 011111110000000 (0.6) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| John H. Kinzie Upper Grade Center (503). | 0 | 0 | 0 | 2 | 2 | 354 | 356 | 000000001100000 (0.6) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Edward N. Hurley (433). | 0 | 0 | 3 | 0 | 3 | 604 | 607 | 011111111100000 (0.5) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Rufus Hitch (102) | 0 | | 1 | 2 | 3 | 621 | 624 | 011111111100000 (0.5) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Laughlin Falconer (64) | 0 | 2 | 0 | 2 | 4 | 843 | 847 | 111111111100000 (0.5) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Frederick Stuck Branch of Ebinger (152). | 0 | 0 | 0 | 1 | 1 | 219 | 220 | 011111110000000 (0.5) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| William Bishop Owen (441). | 0 | 0 | 1 | 1 | 2 | 450 | 452 | 011111111100000 (0.4) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| John H. Kinzie (502) | 0 | 0 | 0 | 3 | 3 | 681 | 684 | 011111110000000 (0.4) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Phillip Rogers School (142). | 0 | 0 | 3 | 0 | 3 | 699 | 702 | 011111111100000 (0.4) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| William Howard Taft (144). | 0 | 0 | 5 | 4 | 9 | 2,175 | 2,184 | 000000000001110 (0.4) | 0 | 0 | 0 | 0 | 0 | 82 | 82 |
| Enrico Tonti School (511). | 0 | 0 | 0 | 2 | 2 | 613 | 615 | 011111111100000 (0.3) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| George E. Cassell School (336). | 0 | 0 | 1 | 0 | 1 | 321 | 322 | 011111100000000 (0.3) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Norwood Park (163) | 0 | 0 | 1 | 0 | 1 | 324 | 325 | 011111111100000 (0.3) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Stephen Decatur School (136). | 0 | 0 | 1 | 0 | 1 | 328 | 329 | 011111110000000 (0.3) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Christian Ebinger Senior School (151). | 0 | 0 | 0 | 2 | 2 | 675 | 677 | 011111111100000 (0.3) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CHICAGO PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 610. REPRESENTING: 610. CITY: CHICAGO. COUNTY: 16. COOK COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Ernst Prossing School (76). | 0 | 0 | 2 | 0 | 2 | 722 | 724 | 011111111100000 (0.3) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| William J. Bogan (417). | 0 | 0 | 3 | 3 | 6 | 2,608 | 2,614 | 000000000011110 (0.2) | 0 | 2 | 0 | 0 | 2 | 99 | 101 |
| Charles Carroll School (422). | 0 | 0 | 0 | 1 | 1 | 458 | 459 | 011111111100000 (0.2) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| George Washington School (390). | 0 | 0 | 1 | 0 | 1 | 565 | 566 | 011111111100000 (0.2) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| William J. Onahan (164). | 0 | 0 | 1 | 0 | 1 | 602 | 603 | 011111111100000 (0.2) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Adlai E. Stevenson School (444). | 0 | 0 | 1 | 1 | 2 | 1,300 | 1,302 | 011111111100000 (0.2) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| Mount Greenwood School (345). | 0 | 0 | 1 | 0 | 1 | 890 | 891 | 011111111000000 (0.1) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Julius Rosenwald, branch of Carroll (423). | 0 | 0 | 0 | 0 | 0 | 262 | 262 | 011111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Annie Keller, branch of Cassell (337). | 0 | 0 | 0 | 0 | 0 | 279 | 279 | 011111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| John Crerar, branch of Hancock. (431). | 0 | 0 | 0 | 0 | 0 | 621 | 621 | 011111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Lucy Fitch Perkins, branch of Beard (149). | 0 | 0 | 0 | 0 | 0 | 194 | 194 | 011111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Kate Douglas Wiggin, branch of Mount Greenwood (347). | 0 | 0 | 0 | 0 | 0 | 238 | 238 | 011111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Daniel C. Beard (148). | 0 | 0 | 0 | 0 | 0 | 242 | 242 | 011111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Arthur L. Canty unit, classrooms branch (89). | 0 | 0 | 0 | 0 | 0 | 76 | 76 | 011111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Joseph Lovett (99). | 0 | 0 | 0 | 0 | 0 | 421 | 421 | 011111111100000 (0.0) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Henry David Thoreau, branch of Sauganash (189). | 0 | 0 | 0 | 0 | 0 | 62 | 62 | 011111000000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| John J. Duffy School, branch of Mount Greenwood (346). | 0 | 0 | 0 | 0 | 0 | 329 | 329 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Kate S. Kellogg (343). | 0 | 0 | 0 | 0 | 0 | 333 | 333 | 011111111100000 (0.0) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Forest Glen Branch of Farnsworth (157). | 0 | 0 | 0 | 0 | 0 | 60 | 60 | 011110000000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Fridtjof Nansen School (350). | 0 | 0 | 0 | 0 | 0 | 659 | 659 | 011111111100000 (0.01) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Edison Branch (155). | 0 | 0 | 0 | 0 | 0 | 99 | 99 | 011110000000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |

DISTRICT: KANKAKEE SCHOOL DISTRICT NO. 111. NUMBER OF SCHOOLS: 15. REPRESENTING: 15. CITY: KANKAKEE. COUNTY: 46

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 7 | 1,459 | 14 | 29 | 1,509 | 6,004 | 7,513 | | 0 | 27 | 1 | 2 | 30 | 277 | 307 |
| Percent | 0.1 | 19.4 | 0.2 | 0.4 | 20.1 | 79.9 | 100.0 | | 0 | 8.8 | 0.3 | 0.7 | 9.8 | 90.2 | 100.0 |
| Franklin (10). | 0 | 538 | 0 | 0 | 538 | 16 | 554 | 001111110000000 (97.1) | 0 | 13 | 0 | 0 | 13 | 7 | 20 |
| Abraham Lincoln (7). | 0 | 272 | 1 | 2 | 275 | 267 | 542 | 001111110000000 (50.7) | 0 | 4 | 0 | 0 | 4 | 21 | 25 |
| West Junior High School (15). | 0 | 234 | 0 | 3 | 237 | 627 | 864 | 000000001110000 (27.4) | 0 | 2 | 0 | 1 | 3 | 32 | 35 |
| Westview High School (13). | 0 | 148 | 2 | 3 | 153 | 664 | 817 | 000000000001110 (18.7) | 0 | 1 | 0 | 0 | 1 | 37 | 38 |
| East Junior High School (14). | 5 | 123 | 2 | 7 | 137 | 839 | 976 | 000000001110000 (14.0) | 0 | 3 | 1 | 1 | 5 | 39 | 44 |
| Washington (6). | 0 | 37 | 0 | 0 | 37 | 267 | 304 | 001111100000000 (12.2) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Eastridge High School (12). | 2 | 98 | 2 | 3 | 105 | 805 | 910 | 000000000001110 (11.5) | 0 | 4 | 0 | 0 | 4 | 37 | 41 |
| Taft (4). | 0 | 6 | 1 | 2 | 9 | 270 | 279 | 001111110000000 (3.2) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Lafayette (1). | 0 | 0 | 1 | 4 | 5 | 320 | 325 | 001101110000000 (1.5) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Steuben (3). | 0 | 0 | 5 | 0 | 5 | 383 | 388 | 001111110000000 (1.3) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Thomas Edison (9). | 0 | 3 | 0 | 0 | 3 | 417 | 420 | 001111110000000 (0.7) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Aroma Park (8). | 0 | 0 | 0 | 2 | 2 | 291 | 293 | 001111110000000 (0.7) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Mark Twain (5). | 0 | 0 | 0 | 3 | 3 | 495 | 498 | 001111110000000 (0.6) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Longfellow (2). | 0 | 0 | 0 | 0 | 0 | 272 | 272 | 001111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Jefferson (11). | 0 | 0 | 0 | 0 | 0 | 71 | 71 | 001101000000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NORTH CHICAGO SCHOOL DISTRICT NO. 61. NUMBER OF SCHOOLS: 29 REPRESENTING: 4. CITY: NORTH CHICAGO. COUNTY: 49. LAKE COUNTY

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Number | 3 | 652 | 3 | 35 | 693 | 107 | 800 | | 0 | 13 | 0 | 1 | 14 | 14 | 28 |
| Percent | 0.4 | 81.5 | 0.4 | 4.4 | 86.6 | 13.4 | 100.0 | | 0.0 | 46.4 | 0.0 | 3.6 | 50.0 | 50.0 | 100.0 |
| Novak School (2) | 0 | 486 | 0 | 2 | 488 | 12 | 500 | 01111111110000001 (97.6) | 0 | 11 | 0 | 1 | 12 | 4 | 16 |
| North School (1) | 3 | 166 | 3 | 33 | 205 | 95 | 300 | 01111111110000001 (68.3) | 0 | 2 | 0 | 0 | 2 | 10 | 12 |

DISTRICT: WAUKEGAN CITY SCHOOL DISTRICT NO. 61. NUMBER OF SCHOOLS: 20. REPRESENTING: 20. CITY: WAUKEGAN. COUNTY: 49. COUNTY LAKE

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 6 | 1,907 | 42 | 818 | 2,775 | 7,580 | 10,353 | | 2 | 31 | 1 | 2 | 36 | 384 | 420 |
| Percent | 0.1 | 18.4 | 0.4 | 7.9 | 26.8 | 73.2 | 100.0 | | 0.5 | 7.4 | 0.2 | 0.5 | 8.6 | 91.4 | 100.0 |
| Gertrude M. Carman (1) | 0 | 486 | 0 | 60 | 546 | 17 | 563 | 011111110000000 (97.0) | 0 | 4 | 0 | 0 | 4 | 21 | 25 |
| Andrew Cooke (4) | 2 | 287 | 0 | 193 | 482 | 44 | 526 | 011111110000000 (91.6) | 0 | 4 | 0 | 1 | 5 | 16 | 21 |
| Jackson School (9) | 0 | 225 | 0 | 90 | 315 | 135 | 450 | 011111110000000 (70.0) | 0 | 4 | 0 | 1 | 5 | 13 | 18 |
| Thomas Jefferson Junior High (19) | 0 | 254 | 1 | 102 | 347 | 307 | 654 | 000000001100000 (53.1) | 0 | 3 | 0 | 0 | 3 | 29 | 32 |
| Whittier (17) | 0 | 132 | 0 | 8 | 140 | 290 | 430 | 011111110000000 (32.6) | 0 | 4 | 0 | 0 | 4 | 13 | 17 |
| Lyon School (11) | 1 | 93 | 0 | 27 | 121 | 266 | 387 | 011111110000000 (31.3) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Hyde Park School (8) | 0 | 99 | 1 | 14 | 114 | 285 | 399 | 011111110000000 (28.6) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Glenwood School (6) | 0 | 96 | 4 | 0 | 100 | 332 | 432 | 011111110000000 (23.1) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Glen Flord (5) | 0 | 93 | 1 | 22 | 116 | 410 | 526 | 011111110000000 (22.1) | 0 | 2 | 0 | 0 | 2 | 16 | 18 |
| West Elementary (16) | 0 | 27 | 7 | 77 | 111 | 467 | 578 | 011111110000000 (19.2) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| North (13) | 0 | 12 | 5 | 83 | 100 | 471 | 571 | 011111110000000 (17.5) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Webster Junior High School (20) | 1 | 90 | 4 | 14 | 109 | 519 | 628 | 000000001100000 (17.4) | 0 | 2 | 0 | 0 | 2 | 30 | 32 |
| Washington (15) | 1 | 10 | 0 | 32 | 43 | 418 | 461 | 011111110000000 (9.3) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Little Fort School (10) | 0 | 4 | 4 | 43 | 51 | 608 | 659 | 011111110000000 (7.7) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| Clearview School (3) | 0 | 5 | 5 | 27 | 37 | 588 | 625 | 011111110000000 (5.9) | 0 | 1 | 1 | 0 | 2 | 21 | 23 |
| Oakdale (14) | 0 | 3 | 6 | 16 | 25 | 531 | 556 | 011111110000000 (4.5) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| H. R. McCall (12) | 0 | 0 | 0 | 5 | 5 | 383 | 388 | 011111110000000 (1.3) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Greenwood School (7) | 0 | 0 | 2 | 2 | 4 | 494 | 498 | 011111110000000 (0.8) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Jack Benny Junior High School (18) | 1 | 1 | 0 | 3 | 5 | 658 | 663 | 000000001100000 (0.8) | 1 | 1 | 0 | 0 | 2 | 32 | 34 |
| John S. Clark (2) | 0 | 0 | 2 | 0 | 2 | 357 | 359 | 011111110000000 (0.6) | 1 | 0 | 0 | 0 | 1 | 12 | 13 |

DISTRICT: ALTON COMMUNITY UNIT SCHOOL DISTRICT 11. NUMBER OF SCHOOLS: 32. REPRESENTING: 32. CITY: ALTON. COUNTY: 60. MADISON COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 24 | 2,430 | 28 | 62 | 2,544 | 10,732 | 13,276 | | 0 | 33 | 0 | 2 | 35 | 499 | 534 |
| Percent | 0.2 | 18.3 | 0.2 | 0.5 | 19.2 | 80.8 | 100.0 | | 0.0 | 6.2 | 0.0 | 0.4 | 6.6 | 93.4 | 100.0 |
| Alton Acres-Pre-School (17) | 0 | 32 | 0 | 0 | 32 | 0 | 32 | 100000000000000 (100.0) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Rufus Easton (15) | 0 | 176 | 0 | 1 | 177 | 78 | 255 | 011111110000000 (69.4) | 0 | 3 | 0 | 0 | 3 | 8 | 11 |
| Washington (1) | 0 | 172 | 0 | 0 | 172 | 84 | 256 | 011111000000000 (67.2) | 0 | 2 | 0 | 0 | 2 | 7 | 9 |
| Douglass (10) | 0 | 39 | 0 | 0 | 39 | 23 | 62 | 000001000000000 (62.9) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Eunice Smith (14) | 0 | 172 | 3 | 0 | 175 | 119 | 294 | 011111110000001 (59.5) | 0 | 2 | 0 | 0 | 2 | 11 | 13 |
| Lincoln (16) | 0 | 162 | 0 | 0 | 162 | 132 | 294 | 011110110000001 (55.1) | 0 | 2 | 0 | 0 | 2 | 10 | 12 |
| Central Junior School (12) | 0 | 209 | 0 | 1 | 210 | 214 | 424 | 000000001110000 (49.5) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Lowell Elementary (9) | 0 | 39 | 0 | 0 | 39 | 40 | 79 | 000001110000001 (49.4) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Lovejoy (24) | 0 | 74 | 0 | 1 | 75 | 83 | 158 | 000001110000001 (47.5) | 0 | 1 | 0 | 0 | 1 | 7 | 8 |
| Humboldt (23) | 0 | 90 | 0 | 1 | 91 | 176 | 267 | 011111010000001 (34.1) | 0 | 2 | 0 | 0 | 2 | 8 | 10 |
| Irving (19) | 0 | 106 | 0 | 0 | 106 | 252 | 358 | 011111110000000 (29.6) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Horace Mann (Horace Mann-Dunbar) (31) | 0 | 172 | 1 | 6 | 179 | 467 | 646 | 011101110000000 (27.7) | 0 | 2 | 0 | 0 | 2 | 19 | 21 |
| West Junior High School (20) | 0 | 215 | 0 | 1 | 216 | 624 | 840 | 000000001110000 (25.7) | 0 | 2 | 0 | 0 | 2 | 35 | 37 |
| Dunbar (Horace Mann-Dunbar) (32) | 0 | 26 | 0 | 0 | 26 | 79 | 105 | 000010000000000 (24.8) | 0 | 1 | 0 | 0 | 1 | 3 | 4 |
| Alton Senior High School (18) | 9 | 422 | 7 | 14 | 452 | 2,296 | 2,748 | 000000000001110 (16.4) | 0 | 3 | 0 | 2 | 5 | 132 | 137 |
| Delmar (McKinley-Delmar) (30) | 0 | 16 | 1 | 0 | 17 | 96 | 113 | 000011000000000 (15.0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |

B SERIES SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: ALTON COMMUNITY UNIT SCHOOL DISTRICT 11. NUMBER OF SCHOOLS: 32. REPRESENTING: 32. CITY: ALTON. COUNTY: 60. MADISON COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| East Junior High School (8). | 0 | 115 | 2 | 4 | 121 | 1,003 | 1,124 | 000000001110000 (10.8) | 0 | 2 | 0 | 0 | 2 | 51 | 53 |
| McKinley (McKinley-Delmar) (29). | 0 | 52 | 2 | 2 | 56 | 514 | 570 | 011111110000000 (9.8) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Milton (4) | 0 | 44 | 0 | 2 | 46 | 463 | 509 | 011111110000001 (9.0) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Mark Twain (2) | 0 | 37 | 0 | 1 | 38 | 462 | 500 | 011111110000000 (7.6) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Clara Barton (7) | 0 | 8 | 3 | 17 | 28 | 423 | 451 | 011111110000000 (6.2) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Garfield (5) | 1 | 9 | 1 | 0 | 11 | 184 | 195 | 000000110000000 (5.6) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| North Junior High School (13). | 1 | 25 | 2 | 2 | 30 | 671 | 701 | 000000001110000 (4.3) | 0 | 2 | 0 | 0 | 2 | 29 | 31 |
| Lewis & Clark (Lewis & Clark Campus) (26). | 10 | 0 | 4 | 7 | 21 | 520 | 541 | 011101110000000 (3.9) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Thomas Jefferson (6) | 1 | 10 | 0 | 0 | 11 | 270 | 381 | 011111110000000 (2.9) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Lewis & Clark-Mason (Mason Campus) (25). | 0 | 0 | 1 | 0 | 1 | 52 | 53 | 000010000000000 (1.9) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Gilson Brown (Gilson Brown-Clifton Hill) (27). | 2 | 4 | 0 | 2 | 8 | 509 | 517 | 011111100000000 (1.5) | 0 | 2 | 0 | 0 | 2 | 13 | 15 |
| Clifton Hill (Gilson Brown-Clifton Hill) (28). | 0 | 1 | 0 | 0 | 1 | 78 | 79 | 001110000000000 (1.3) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Godfrey-Union (Godfrey) (22). | 0 | 2 | 1 | 0 | 3 | 429 | 432 | 011111110000000 (0.7) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Fostburg (3) | 0 | 1 | 0 | 0 | 1 | 244 | 245 | 011111110000000 (0.4) | 0 | 1 | 0 | 0 | 1 | 7 | 8 |
| Alton Area Supplementary Education Center (11). | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 000000000000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Godfrey-Union (Union) (21). | 0 | 0 | 0 | 0 | 0 | 47 | 47 | 000010000000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |

DISTRICT: MADISON COMMUNITY UNIT SCHOOL DISTRICT N. NUMBER OF SCHOOLS: 6. REPRESENTING: 6. COUNTY: 60. MADISON COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 1,287 | 0 | 0 | 1,287 | 1,548 | 2,835 | | 0 | 41 | 0 | 0 | 41 | 67 | 108 |
| Percent | 0.0 | 45.4 | 0.0 | 0.0 | 45.4 | 54.6 | 100.0 | | 0.0 | 38.0 | 0.0 | 0.0 | 38.0 | 62.0 | 100.0 |
| Blair School (1) | 0 | 398 | 0 | 0 | 398 | 0 | 398 | 011110000000000 (100.0) | 0 | 13 | 0 | 0 | 13 | 1 | 14 |
| Dunbar School (2) | 0 | 531 | 0 | 0 | 531 | 0 | 531 | 010001111100001 (100.0) | 0 | 19 | 0 | 0 | 19 | 0 | 19 |
| Senior High School (6) | 0 | 298 | 0 | 0 | 298 | 429 | 727 | 000000000011110 (41.0) | 0 | 6 | 0 | 0 | 6 | 26 | 32 |
| Junior High School (4) | 0 | 15 | 0 | 0 | 15 | 239 | 254 | 000000001100000 (5.9) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| Harris School (3) | 0 | 26 | 0 | 0 | 26 | 500 | 526 | 011110000000001 (4.9) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Louis Baer School (5) | 0 | 19 | 0 | 0 | 19 | 380 | 399 | 010001110000000 (4.8) | 0 | 1 | 0 | 0 | 1 | 14 | 1 |

DISTRICT: PEORIA PUBLIC SCHOOLS DISTRICT 150. NUMBER OF SCHOOLS: 39. REPRESENTING: 39. CITY: PEORIA. COUNTY: 72. PEORIA COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 17 | 4,732 | 48 | 104 | 4,901 | 21,838 | 26,739 | | 0 | 53 | 5 | 0 | 58 | 1,072 | 1,130 |
| Percent | 0.1 | 17.7 | 0.2 | 0.4 | 18.3 | 81.7 | 100.0 | | 0 | 4.7 | 0.4 | 0 | 5.1 | 94.9 | 100.0 |
| Lincoln Grade School (18). | 0 | 558 | 0 | 1 | 559 | 25 | 584 | 111111110000000 (95.7) | 0 | 6 | 0 | 0 | 6 | 20 | 26 |
| Douglas School (4) | 0 | 165 | 0 | 0 | 165 | 21 | 186 | 010001110000001 (88.7) | 0 | 4 | 0 | 0 | 4 | 3 | 7 |
| McKinley (21) | 0 | 512 | 0 | 0 | 512 | 83 | 595 | 011111110000000 (86.1) | 0 | 4 | 0 | 0 | 4 | 17 | 21 |
| Webster Elementary School (30). | 0 | 292 | 0 | 0 | 292 | 74 | 365 | 011111110000000 (79.8) | 0 | 3 | 1 | 0 | 4 | 11 | 15 |
| Irving (11) | 0 | 430 | 0 | 15 | 445 | 155 | 600 | 011111111100000 (74.2) | 0 | 6 | 0 | 0 | 6 | 19 | 25 |
| Roosevelt Junior High School (34). | 0 | 621 | 0 | 0 | 621 | 259 | 880 | 000000001110001 (70.6) | 0 | 7 | 2 | 0 | 9 | 42 | 51 |
| Lee Elementary (17) | 0 | 186 | 0 | 0 | 186 | 184 | 370 | 011111110000000 (50.3) | 0 | 2 | 0 | 0 | 2 | 9 | 11 |
| Washington School (29) | 0 | 132 | 0 | 0 | 132 | 146 | 278 | 010000111100000 (47.5) | 0 | 2 | 0 | 0 | 2 | 13 | 15 |
| Manual High School (39). | 0 | 412 | 2 | 13 | 427 | 877 | 1,304 | 000000000001110 (32.7) | 0 | 1 | 0 | 0 | 1 | 79 | 80 |
| Greeley Elementary (8) | 4 | 117 | 3 | 4 | 128 | 384 | 512 | 011111111100000 (25.0) | 0 | 2 | 0 | 0 | 2 | 16 | 18 |
| Blaine Summer School (1). | 3 | 90 | 2 | 5 | 100 | 460 | 560 | 111111110000000 (17.9) | 0 | 3 | 0 | 0 | 3 | 20 | 23 |
| Peoria Special Schools (14). | 1 | 8 | 0 | 3 | 12 | 66 | 78 | 011111111111111 (15.4) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: PEORIA PUBLIC SCHOOLS DISTRICT 150. NUMBER OF SCHOOLS: 39. REPRESENTING: 39. CITY: PEORIA. COUNTY: 72. PEORIA COUNTY—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.3—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Von Steuben Elementary (28). | 0 | 86 | 2 | 7 | 95 | 633 | 728 | 01111111111000001 (13.0) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Franklin School (5) | 0 | 91 | 0 | 0 | 91 | 611 | 702 | 01111111111000001 (13.7) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Hines (10) | 0 | 77 | 2 | 0 | 79 | 550 | 629 | 01111111111000000 (12.6) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Woodruff Senior High School (38). | 0 | 149 | 5 | 8 | 162 | 1,155 | 1,317 | 00000000011110 (12.3) | 0 | 2 | 0 | 0 | 2 | 71 | 73 |
| Whittier Elementary (32). | 0 | 62 | 5 | 0 | 67 | 506 | 573 | 01111111111000001 (11.7) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Peoria High School (36). | 4 | 212 | 3 | 3 | 222 | 1,782 | 2,004 | 00000000011110 (11.1) | 0 | 0 | 0 | 0 | 0 | 97 | 97 |
| Loucks Elementary School (20). | 0 | 46 | 3 | 0 | 49 | 403 | 452 | 01111111111000000 (10.8) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| White Elementary (31) | 0 | 52 | 0 | 1 | 53 | 474 | 527 | 01111111111000000 (10.1) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Thomas Jefferson School (12). | 0 | 38 | 1 | 0 | 39 | 376 | 415 | 01111111111000001 (9.4) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Lucie B. Tyng School (27). | 0 | 51 | 0 | 1 | 52 | 622 | 674 | 01111111000000001 (7.7) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| (9) Harrison | 0 | 43 | 3 | 18 | 64 | 861 | 925 | 01111111000000000 (6.9) | 0 | 4 | 1 | 0 | 5 | 31 | 36 |
| Kellar West Elementary School (15). | 0 | 19 | 0 | 3 | 22 | 349 | 371 | 01111111000000000 (5.9) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Longfellow (19) | 0 | 23 | 0 | 0 | 23 | 394 | 417 | 01111111000000000 (5.5) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Kellar (13) | 0 | 32 | 3 | 0 | 35 | 616 | 651 | 01111111111111110 (5.4) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Calvin Coolidge (2) | 0 | 32 | 1 | 0 | 33 | 590 | 623 | 01111111111000001 (5.3) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Trewyn Junior High (35). | 5 | 22 | 1 | 4 | 32 | 681 | 713 | 00000000111000001 (4.5) | 0 | 0 | 0 | 0 | 0 | 42 | 42 |
| Woodrow Wilson (33) | 0 | 42 | 1 | 2 | 45 | 1,041 | 1,086 | 11111111000000000 (4.1) | 0 | 0 | 1 | 0 | 1 | 35 | 36 |
| Rolling Acres (24) | 0 | 23 | 0 | 7 | 30 | 756 | 786 | 01111111100000000 (3.8) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Sipp (25) | 0 | 26 | 0 | 0 | 26 | 671 | 697 | 01111111100000000 (3.7) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Sterling Elementary School (26). | 0 | 11 | 3 | 0 | 14 | 411 | 425 | 01111111100000000 (3.3) | 0 | 0 | 0 | 0 | | 17 | 17 |
| Columbia Elementary School (3). | 0 | 17 | 0 | 0 | 17 | 631 | 648 | 01111111110000000 (2.6) | 0 | 2 | 0 | 0 | | 19 | 21 |
| Glen Oak School (7) | 0 | 12 | 3 | 1 | 16 | 663 | 679 | 01111111110000001 (2.4) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Richwoods High School (37). | 0 | 37 | 1 | 0 | 38 | 2,352 | 2,390 | 00000000011110 (1.6) | 0 | 1 | 0 | 0 | 1 | 111 | 112 |
| Kingman (16) | 0 | 1 | 0 | 5 | 6 | 419 | 425 | 01111111110000000 (1.4) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Northmoor (22) | 0 | 2 | 4 | 0 | 6 | 724 | 730 | 01111111110000000 (.8) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Reservoir (23) | 0 | 3 | 0 | 0 | 3 | 363 | 366 | 01111111100000000 (.8) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Garfield School (6) | 0 | 0 | 0 | 3 | 3 | 470 | 473 | 01111111000000000 (.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |

DISTRICT: BROOKLYN. NUMBER OF SCHOOLS: 1. REPRESENTING: 4. CITY: LOVEJOY. COUNTY: 82

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 486 | 0 | 0 | 486 | 0 | 486 | | 0 | 19 | 0 | 0 | 19 | 0 | 19 |
| Percent | 0 | 100.0 | 0 | 0 | 100.0 | 0 | 100.0 | | 0 | 100.0 | 0 | 0 | 100.0 | 0 | 100.0 |
| Lovejoy (1) | 0 | 486 | 0 | 0 | 486 | 0 | 486 | 01111111111111110 (100.0) | 0 | 19 | 0 | 0 | 19 | 0 | 19 |

DISTRICT: CAHOKIA UNIT SCHOOL DISTRICT NO. 187. NUMBER OF SCHOOLS: 13. REPRESENTING: 13. CITY: CAHOKIA. COUNTY: 82. ST. CLAIR COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1 | 1,458 | 15 | 63 | 1,537 | 6,638 | 8,175 | | 0 | 30 | 0 | 0 | 30 | 307 | 337 |
| Percent | 0.0 | 17.8 | 0.2 | 0.8 | 18.8 | 81.2 | 100.0 | | 0.0 | 8.9 | 0.0 | 0.0 | 8.9 | 91.1 | 100.0 |
| Lalumier Elementary School (11). | 0 | 491 | 0 | 0 | 491 | 66 | 557 | 001111110000001 (88.2) | 0 | 12 | 0 | 0 | 12 | 11 | 23 |
| Chenot Elementary School (13). | 0 | 282 | 0 | 0 | 282 | 120 | 402 | 001111110000000 (70.1) | 0 | 9 | 0 | 0 | 9 | 13 | 22 |
| Wirth Junior High School (10). | 1 | 251 | 1 | 0 | 253 | 1,096 | 1,349 | 000000001100000 (18.8) | 0 | 3 | 0 | 0 | 3 | 50 | 53 |
| Cahokia Senior High School (1). | 0 | 388 | 2 | 58 | 448 | 1,952 | 2,400 | 00000000011110 (18.7) | 0 | 3 | 0 | 0 | 3 | 92 | 95 |
| Centerville Elementary Schoo (2). | 0 | 16 | 3 | 1 | 20 | 283 | 303 | 001111110000001 (6.6) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Elizabeth Morris Elementary School (12). | 0 | 24 | 0 | 2 | 26 | 547 | 573 | 001111110000001 (4.5) | 0 | 2 | 0 | 0 | 2 | 25 | 27 |
| Helen Huffman Elementary School (7). | 0 | 1 | 4 | 2 | 7 | 593 | 600 | 001111110000000 (1.2) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Cahokia Elementary School (6). | 0 | 3 | 0 | 0 | 3 | 302 | 305 | 000111110000000 (1.0) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: CAHOKIA UNIT SCHOOL DISTRICT NO. 187. NUMBER OF SCHOOLS: 13. REPRESENTING: 13. CITY: CAHOKIA. CO UNTY: 82. ST. CLAIR COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Penn man Elementary School (4). | 0 | 2 | 3 | 0 | 5 | 624 | 629 | 001111110000000 (0. 8) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Maplewood Elementary School (9). | 0 | 0 | 2 | 0 | 2 | 358 | 360 | 001111110000000 (0. 6) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Pitzman Elementary School (5). | 0 | 0 | 0 | 0 | 0 | 194 | 194 | 001110000000001 (0. 0) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Chartrand Elementary School (8). | 0 | 0 | 0 | 0 | 0 | 121 | 121 | 000011110000000 (0. 0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Jerome Elementary School (3). | 0 | 0 | 0 | 0 | 0 | 382 | 387 | 001111110000000000 (0. 0) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |

DISTRICT: EAST ST. LOUIS SCHOOL DISTRICT NO. 189. NUMBER OF SCHOOLS: 41. REPRESENTING: 41. CITY: EAST ST. LOUIS. COUNTY: 82. St. CLAIR COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 16, 586 | 0 | | 16, 586 | 6, 570 | 23, 156 | | 0 | 552 | 0 | 0 | 552 | 318 | 870 |
| Percent | 0. 0 | 71. 6 | 0. 0 | 0. 0 | 71. 6 | 82. 4 | 100. 0 | | 0. 0 | 63. 4 | 0 0 | 0 0 | 63. 4 | 36. 6 | 100. 0 |
| Carver (13) | 0 | 193 | 0 | 0 | 193 | 0 | 193 | 000001111000000 (100. 0) | 0 | 7 | 0 | 0 | 7 | 0 | 7 |
| Robinson (35) | 0 | 343 | 0 | 0 | 343 | 0 | 343 | 001111110000000 (100. 0) | 0 | 12 | 0 | 0 | 12 | 0 | 12 |
| Attucks (8) | 0 | 370 | 0 | 0 | 370 | 0 | 370 | 001111110000000 (100. 0) | 0 | 13 | 0 | 0 | 13 | 1 | 14 |
| East St. Louis Lincoln Senior High (2). | 0 | 1, 209 | 0 | 0 | 1, 209 | 0 | 1, 209 | 000000000001110 (100. 0) | 0 | 42 | 0 | 0 | 42 | 18 | 60 |
| Golden Garden (20) | 0 | 234 | 0 | 0 | 234 | 0 | 234 | 001111111100000 (100. 0) | 0 | 8 | 0 | 0 | 8 | 1 | 9 |
| Dunbar (14) | 0 | 835 | 0 | 0 | 835 | 0 | 835 | 001111110000000 (100. 0) | 0 | 26 | 0 | 0 | 26 | 1 | 27 |
| Lucas (29) | 0 | 278 | 0 | 0 | 278 | 0 | 278 | 001111110000000 (100. 0) | 0 | 11 | 0 | 0 | 11 | 1 | 12 |
| Johnson (26) | 0 | 328 | 0 | 0 | 328 | 0 | 328 | 001100110000000 (100. 0) | 0 | 10 | 0 | 0 | 10 | 0 | 10 |
| Hughes-Quinn Junior High School (4). | 0 | 1, 318 | 0 | 0 | 1, 318 | 1 | 1, 319 | 000000001110000 (99. 9) | 0 | 47 | 0 | 0 | 47 | 12 | 59 |
| Washington (39) | 0 | 547 | 0 | 0 | 547 | 1 | 548 | 001111110000000 (99. 8) | 0 | 20 | 0 | 0 | 20 | 1 | 21 |
| Alta Sita (7) | 0 | 512 | 0 | 0 | 512 | 1 | 513 | 001111110000000 (99. 8) | 0 | 14 | 0 | 0 | 14 | 1 | 15 |
| Garrison (19) | 0 | 427 | 0 | 0 | 427 | 1 | 428 | 001111110000000 (99. 8) | 0 | 14 | 0 | 0 | 14 | 1 | 15 |
| Monroe (31) | 0 | 810 | 0 | 0 | 810 | 2 | 812 | 001111110000000 (99. 8) | 0 | 25 | 0 | 0 | 25 | 1 | 26 |
| Easterly (15) | 0 | 170 | 0 | 0 | 170 | 1 | 171 | 001111110000000 (99. 4) | 0 | 6 | 0 | 0 | 6 | 0 | 6 |
| Longfellow (28) | 0 | 551 | 0 | 0 | 551 | 6 | 557 | 001110000000000 (98. 9) | 0 | 12 | 0 | 0 | 12 | 6 | 18 |
| Franklin (17) | 0 | 325 | 0 | 0 | 325 | 4 | 329 | 001111110000000 (98. 8) | 0 | 12 | 0 | 0 | 12 | 1 | 13 |
| A. M. Jackson, Sr. (24) | 0 | 698 | 0 | 0 | 698 | 16 | 714 | 001111110000000 (97. 8) | 0 | 11 | 0 | 0 | 11 | 10 | 21 |
| Brown (11) | 0 | 248 | 0 | 0 | 248 | 6 | 254 | 001111110000000 (97. 6) | 0 | 9 | 0 | 0 | 9 | 1 | 10 |
| Park (33) | 0 | 738 | 0 | 0 | 738 | 20 | 758 | 001111110000000 (97. 4) | 0 | 23 | 0 | 0 | 23 | 3 | 26 |
| Webster (40) | 0 | 477 | 0 | 0 | 477 | 16 | 493 | 001111111000000 (96. 8) | 0 | 16 | 0 | 0 | 16 | 2 | 18 |
| Rock Junior High School (6). | 0 | 1, 037 | 0 | 0 | 1, 037 | 35 | 1, 072 | 000000001110000 (96. 7) | 0 | 30 | 0 | 0 | 30 | 15 | 45 |
| Garfield (18) | 0 | 132 | 0 | 0 | 132 | 5 | 137 | 001111000000000 (96. 4) | 0 | 6 | 0 | 0 | 6 | 0 | 6 |
| Grahmann (21) | 0 | 334 | 0 | 0 | 334 | 13 | 347 | 000000001100000 (96. 3) | 0 | 8 | 0 | 0 | 8 | 2 | 10 |
| Slade (38) | 0 | 493 | 0 | 0 | 493 | 25 | 518 | 001111110000000 (95. 2) | 0 | 10 | 0 | 0 | 10 | 5 | 15 |
| Cannady (12) | 0 | 439 | 0 | 0 | 439 | 63 | 502 | 001111110000000 (87. 5) | 0 | 13 | 0 | 0 | 13 | 4 | 17 |
| Lafayette (27) | 0 | 420 | 0 | 0 | 420 | 68 | 488 | 001111110000000 (86. 1) | 0 | 8 | 0 | 0 | 8 | 9 | 17 |
| Parkside (34) | 0 | 117 | 0 | 0 | 117 | 30 | 147 | 001111000000000 (79. 6) | 0 | 2 | 0 | 0 | 2 | 3 | 5 |
| Clark Junior High School (3). | 0 | 783 | 0 | 0 | 783 | 390 | 1, 173 | 000000001110000 (66. 8) | 0 | 19 | 0 | 0 | 19 | 26 | 45 |
| East St. Louis Senior High School (1). | 0 | 1, 446 | 0 | 0 | 1, 446 | 1, 138 | 2, 584 | 000000000001110 (56. 0) | 0 | 51 | 0 | 0 | 51 | 64 | 115 |
| Harding (22) | 0 | 169 | 0 | 0 | 169 | 316 | 485 | 001111110000000 (34. 8) | 0 | 4 | 0 | 0 | 4 | 12 | 16 |
| Morrison (32) | 0 | 128 | 0 | 0 | 128 | 377 | 505 | 001111110000000 (25. 3) | 0 | 4 | 0 | 0 | 4 | 12 | 16 |
| Jefferson (25) | 0 | 110 | 0 | 0 | 110 | 403 | 513 | 001111110000000 (21. 4) | 0 | 8 | 0 | 0 | 8 | 11 | 19 |
| Hawthorne (23) | 0 | 152 | 0 | 0 | 152 | 619 | 771 | 001111110000000 (19. 7) | 0 | 5 | 0 | 0 | 5 | 19 | 24 |
| Lansdowne Junior High School (5). | 0 | 215 | 0 | 0 | 215 | 1, 007 | 1, 222 | 000000001110000 (17. 6) | 0 | 21 | 0 | 0 | 21 | 30 | 51 |
| Wilson (41) | 0 | 0 | 0 | 0 | 0 | 401 | 401 | 001111110000000 (0. 0) | 0 | 3 | 0 | 0 | 3 | 11 | 14 |
| Edgemont (16) | 0 | 0 | 0 | 0 | 0 | 264 | 264 | 001111110000000 (0. 0) | 0 | 4 | 0 | 0 | 4 | 6 | 10 |
| Bluff View Park (10) | 0 | 0 | 0 | 0 | 0 | 320 | 320 | 001111111000000 (0. 0) | 0 | 6 | 0 | 0 | 6 | 4 | 10 |
| Rose Lake (36) | 0 | 0 | 0 | 0 | 0 | 245 | 245 | 001111111000000 (0. 0) | 0 | 3 | 0 | 0 | 3 | 7 | 10 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: EAST ST. LOUIS SCHOOL DISTRICT NO. 189. NUMBER OF SCHOOLS: 41. REPRESENTING: 41. CITY: EAST ST. LOUIS. COUNTY: 82. ST. CLAIR COUNTY—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.3—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Bluff View (9) | 0 | 0 | 0 | 0 | 0 | 110 | 110 | 001111110000000 (0.0) | 0 | 1 | 0 | 0 | 1 | 3 | 4 |
| Manners (30) | 0 | 0 | 0 | 0 | 0 | 601 | 601 | 001111110000000 (0.0) | 0 | 7 | 0 | 0 | 7 | 13 | 20 |
| St. Clair Terrace (37) | 0 | 0 | 0 | 0 | 0 | 65 | 65 | 001110000000000 (0.0) | 0 | 1 | 0 | 0 | 1 | 1 | 2 |
| DISTRICT: SPRINGFIELD PUBLIC SCHOOL, DISTRICT NO. 186. NUMBER OF SCHOOLS: 41. REPRESENTING: 41. CITY: SPRINGFIELD. COUNTY: 84. SANGAMON COUNTY | | | | | | | | | | | | | | | |
| Number | 16 | 2,261 | 33 | 52 | 2,362 | 20,468 | 22,830 | | 0 | 25 | 0 | 3 | 28 | 914 | 942 |
| Percent | 0.1 | 9.9 | 0.1 | 0.2 | 10.3 | 89.7 | 100.0 | | 0.0 | 2.7 | 0.0 | 0.3 | 3.0 | 97.0 | 100.0 |
| Lincoln School (24) | 0 | 420 | 0 | 0 | 420 | 40 | 460 | 011111100000000 (91.3) | 0 | 5 | 0 | 0 | 5 | 20 | 25 |
| Iles School (22) | 0 | 354 | 0 | 1 | 355 | 290 | 645 | 011111100000000 (55.0) | 0 | 6 | 0 | 0 | 6 | 31 | 37 |
| Palmer School (29) | 0 | 224 | 0 | 0 | 224 | 196 | 420 | 011111100000000 (53.3) | 0 | 3 | 0 | 0 | 3 | 17 | 20 |
| George Washington Middle School (9). | 0 | 412 | 1 | 1 | 414 | 493 | 907 | 000000011100000 (45.6) | 0 | 2 | 0 | 0 | 2 | 42 | 44 |
| Withrow School (41) | 0 | 94 | 0 | 0 | 94 | 226 | 320 | 011111100000000 (29.4) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Matheny School (27) | 0 | 76 | 0 | 5 | 81 | 279 | 360 | 011111100000000 (22.5) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Springfield Southeast High School (3). | 2 | 380 | 1 | 7 | 390 | 1,728 | 2,118 | 000000000011110 (18.4) | 0 | 2 | 0 | 0 | 2 | 85 | 87 |
| McClernand School (28). | 0 | 34 | 2 | 2 | 38 | 264 | 302 | 011111100000000 (12.6) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Hayedwards School (19). | 0 | 25 | 3 | 0 | 28 | 418 | 446 | 011111100000000 (6.3) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Douglas School (14) | 0 | 5 | 0 | 2 | 7 | 132 | 139 | 011111100000000 (5.0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Ends School (16) | 0 | 28 | 0 | 0 | 28 | 549 | 577 | 011111100000000 (4.9) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Lanphier High School (2). | 7 | 84 | 0 | 2 | 93 | 1,848 | 1,941 | 000000000011110 (4.8) | 0 | 0 | 0 | 0 | 0 | 90 | 90 |
| Noah Webster School (39). | 0 | 9 | 0 | 0 | 9 | 203 | 212 | 011111100000000 (4.2) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Lawrence School (23) | 0 | 7 | 5 | 0 | 12 | 303 | 315 | 011111100000000 (3.8) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Harvard Park School (18). | 2 | 17 | 1 | 0 | 20 | 507 | 527 | 011111100000000 (3.8) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Jefferson Middle School (8). | 0 | 29 | 3 | 1 | 33 | 1,012 | 1,045 | 000000011100000 (3.2) | 0 | 0 | 0 | 1 | 1 | 43 | 44 |
| Bunn School (12) | 0 | 9 | 0 | 0 | 9 | 284 | 293 | 011111100000000 (3.1) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Susan E. Wilcox (40) | 0 | 0 | 2 | 5 | 7 | 249 | 256 | 011111100000000 (2.7) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Ridgely School (32) | 0 | 9 | 0 | 0 | 9 | 405 | 414 | 011111100000000 (2.2) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Fairview School (17) | 1 | 0 | 5 | 3 | 9 | 446 | 455 | 011111100000000 (2.0) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| U.S. Grant Middle School (7). | 2 | 13 | 0 | 3 | 18 | 948 | 966 | 000000011100000 (1.9) | 0 | 0 | 0 | 0 | 0 | 46 | 46 |
| Thomas Edison Middle School (5). | 0 | 10 | 2 | 8 | 20 | 1,080 | 1,100 | 000000011100000 (1.8) | 0 | 2 | 0 | 0 | 2 | 45 | 47 |
| Pleasant Hill School (31). | 0 | 4 | 0 | 2 | 6 | 529 | 535 | 011111100000000 (1.1) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Springfield High School (4). | 0 | 15 | 6 | 6 | 27 | 2,498 | 2,525 | 000000000011110 (1.1) | 0 | 0 | 0 | 2 | 2 | 107 | 109 |
| Staley School (36) | 2 | 0 | 0 | 0 | 2 | 249 | 251 | 011111100000000 (0.8) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Benjamin Franklin Middle School (6). | 0 | 1 | 2 | 2 | 5 | 937 | 942 | 000000011100000 (0.5) | 0 | 0 | 0 | 0 | 0 | 40 | 40 |
| Butler School (13) | 0 | 1 | 0 | 1 | 2 | 419 | 421 | 011111100000000 (0.5) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Southern View School (35). | 0 | 0 | 0 | 1 | 1 | 313 | 314 | 011111100000000 (0.3) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| DuBois School (15) | 0 | 1 | 0 | 0 | 1 | 614 | 615 | 011111100000000 (0.2) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Piper School (30) | 0 | 0 | 0 | 0 | 0 | 40 | 40 | 001111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| West Grand School (38). | 0 | 0 | 0 | 0 | 0 | 340 | 340 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Jane Addams School (10). | 0 | 0 | 0 | 0 | 0 | 278 | 278 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Wanless School (37) | 0 | 0 | 0 | 0 | 0 | 460 | 460 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Carl Sandburg School (33). | 0 | 0 | 0 | 0 | 0 | 390 | 390 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Hazel Dell School (20) | 0 | 0 | 0 | 0 | 0 | 329 | 329 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Springfield Area Vocational Center (1). | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 000000000000110 (0.0) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SPRINGFIELD PUBLIC SCHOOL, DISTRICT NO. 186. NUMBER OF SCHOOLS: 41. REPRESENTING: 41. CITY: SPRINGFIELD. COUNTY: 84. SANGAMON COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Sand Hill School (34) | 0 | 0 | 0 | 0 | 0 | 90 | 90 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Owen Marsh School (26) | 0 | 0 | 0 | 0 | 0 | 249 | 249 | 011111100000000 (0.0) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |
| Laketown School (21) | 0 | 0 | 0 | 0 | 0 | 351 | 351 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Vachel Lindsay School (25) | 0 | 0 | 0 | 0 | 0 | 176 | 176 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Black Hawk School (11) | 0 | 0 | 0 | 0 | 0 | 306 | 306 | 011111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |

DISTRICT: DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118. NUMBER OF SCHOOLS: 22. REPRSENTING: 22. CITY: DANVILLE. COUNTY: 92. VERMILION COUNTY.

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1 | 1,754 | 13 | 20 | 1,788 | 8,633 | 10,421 | | 0 | 23 | 0 | 1 | 24 | 323 | 347 |
| Percent | 0.0 | 16.8 | 0.1 | 0.2 | 17.2 | 82.8 | 100.0 | | 0.0 | 6.6 | 0.0 | 0.3 | 6.9 | 93.1 | 100.0 |
| Collett Elementary School (6) | 0 | 259 | 0 | 0 | 259 | 13 | 272 | 000111110000001 (95.2) | 0 | 3 | 0 | 0 | 3 | 7 | 10 |
| Washington (22) | 0 | 243 | 0 | 0 | 243 | 198 | 441 | 001111110000001 (55.1) | 0 | 5 | 0 | 0 | 5 | 9 | 14 |
| Garfield Elementary (12) | 0 | 151 | 0 | 2 | 153 | 287 | 440 | 001111110000000 (34.8) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Elmwood (10) | 0 | 67 | 0 | 0 | 67 | 179 | 246 | 001111110000001 (27.2) | 0 | 3 | 0 | 0 | 3 | 6 | 9 |
| Douglas Elementary School (8) | 0 | 86 | 1 | 1 | 88 | 333 | 421 | 001111110000001 (20.9) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Cannon (5) | 0 | 56 | 3 | 0 | 59 | 250 | 309 | 001111110000000 (19.1) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| East Park Junior High School (2) | 1 | 165 | 4 | 1 | 171 | 763 | 934 | 000000001110000 (18.3) | 0 | 2 | 0 | 0 | 2 | 30 | 32 |
| South View Junior High School (4) | 0 | 158 | 0 | 0 | 158 | 753 | 911 | 000000001110000 (17.3) | 0 | 1 | 0 | 0 | 1 | 38 | 39 |
| North Ridge Junior High (3) | 0 | 143 | 0 | 3 | 146 | 734 | 880 | 000000001110000 (16.6) | 0 | 2 | 0 | 0 | 2 | 30 | 32 |
| Danville High School (1) | 0 | 315 | 3 | 6 | 324 | 2,100 | 2,424 | 000000000011110 (13.4) | 0 | 2 | 0 | 1 | 3 | 79 | 82 |
| Fairchild School (11) | 0 | 47 | 0 | 0 | 47 | 309 | 356 | 001111110000000 (13.2) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| Northeast Elementary School (18) | 0 | 45 | 0 | 4 | 49 | 421 | 470 | 011111110000000 (10.4) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Lincoln School (15) | 0 | 18 | 0 | 0 | 18 | 267 | 285 | 001111110000000 (6.3) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |
| Lynch Elementary School (16) | 0 | 0 | 0 | 2 | 2 | 103 | 105 | 001111110000000 (1.9) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Edison School (9) | 0 | 0 | 2 | 0 | 2 | 378 | 380 | 001111110000000 (.5) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Oaklawn (19) | 0 | 1 | 0 | 0 | 1 | 202 | 203 | 001111110000000 (.5) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Roselawn School (20) | 0 | 0 | 0 | 1 | 1 | 336 | 337 | 001111110000000 (.3) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Grant (13) | 0 | 0 | 0 | 0 | 0 | 129 | 129 | 001111110000000 (0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Liberty School (14) | 0 | 0 | 0 | 0 | 0 | 97 | 97 | 001111110000000 (0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Tilton (21) | 0 | 0 | 0 | 0 | 0 | 217 | 217 | 001111110000001 (0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| McKinley School (17) | 0 | 0 | 0 | 0 | 0 | 154 | 154 | 001111110000000 (0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Daniel (7) | 0 | 0 | 0 | 0 | 0 | 410 | 410 | 001111110000000 (0) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |

DISTRICT: FAIRMONT SCHOOL DISTRICT NO. 89. NUMBER OF SCHOOLS: 2. REPRESENTING: 4. CITY: LOCKPORT. COUNTY: 99. WILL COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 602 | 0 | 28 | 630 | 226 | 856 | | 0 | 4 | 0 | 0 | 4 | 26 | 30 |
| Percent | 0 | 70.3 | 0 | 3.3 | 73.6 | 26.4 | 100.0 | | 0 | 13.3 | 0 | 0 | 13.3 | 86.7 | 100.0 |
| Hill School (2) | 0 | 163 | 0 | 3 | 166 | 3 | 169 | 001110000000000 (98.2) | 0 | 2 | 0 | 0 | 2 | 4 | 6 |
| Fairmont School (1) | 0 | 439 | 0 | 25 | 464 | 223 | 687 | 001111111100000 (67.5) | 0 | 2 | 0 | 0 | 2 | 22 | 24 |

DISTRICT: JOLIET PUBLIC SCHOOLS, DISTRICT NO. 86. NUMBER OF SCHOOLS: 27. REPRESENTING: 27. CITY: JOLIET. COUNTY: 99. WILL COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 20 | 2,797 | 12 | 632 | 3,461 | 8,256 | 11,717 | | 3 | 58 | 0 | 3 | 64 | 396 | 460 |
| Percent | 0.2 | 23.9 | 0.1 | 5.4 | 29.5 | 70.5 | 100.0 | | 0.7 | 12.6 | 0 | 0.7 | 13.9 | 86.1 | 100.0 |
| McKinely Park (16) | 3 | 437 | 0 | 13 | 453 | 0 | 453 | 011111110000000 (100.0) | 0 | 4 | 0 | 0 | 4 | 10 | 14 |
| Forest Park (5) | 0 | 511 | 0 | 13 | 524 | 7 | 531 | 011111110000000 (98.7) | 0 | 14 | 0 | 0 | 14 | 14 | 28 |
| Eliza Kelly (10) | 0 | 323 | 0 | 8 | 331 | 5 | 336 | 011110110000000 (98.5) | 0 | 5 | 0 | 0 | 5 | 11 | 16 |
| Lincoln (11) | 0 | 121 | 0 | 151 | 272 | 84 | 356 | 011111110000000 (76.4) | 0 | 3 | 0 | 0 | 3 | 12 | 15 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: JOLIET PUBLIC SCHOOLS, DISTRICT NO. 86. NUMBER OF SCHOOLS: 27. REPRESENTING: 27. CITY: JOLIET. COUNTY: 99. WILL COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Parks (17) | 0 | 161 | 0 | 106 | 267 | 160 | 427 | 011111110000000 (62.5) | 0 | 1 | 0 | 0 | 1 | 12 | 13 |
| J. M. Thompson (25) | 0 | 167 | 0 | 12 | 179 | 109 | 288 | 011111110000000 (62.2) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Gompers Junior High (6). | 0 | 269 | 0 | 101 | 370 | 270 | 640 | 000000001100000 (57.8) | 0 | 5 | 0 | 0 | 5 | 33 | 38 |
| Longfellow (12) | 0 | 75 | 0 | 8 | 83 | 79 | 162 | 011110000000000 (51.2) | 0 | 1 | 0 | 0 | 1 | 5 | 6 |
| Washington Junior High (26). | 0 | 234 | 1 | 16 | 251 | 383 | 634 | 000000001100000 (39.6) | 0 | 4 | 0 | 1 | 5 | 25 | 30 |
| Rehn (21) | 0 | 6 | 0 | 0 | 6 | 13 | 19 | 011111110000000 (31.6) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| F. E. Marsh (13) | 6 | 37 | 0 | 63 | 106 | 237 | 343 | 011111110000000 (30.9) | 0 | 2 | 0 | 1 | 3 | | 10 |
| Edna Keith (9) | 2 | 70 | 0 | 23 | 95 | 419 | 514 | 111111110000000 (18.5) | 2 | 0 | 0 | 0 | 2 | 15 | 17 |
| T. E. Culbertson (2) | 0 | 53 | 0 | 12 | 65 | 350 | 415 | 011111110000000 (15.7) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Woodland 27 | 0 | 29 | 1 | 17 | 47 | 296 | 343 | 011111110000000 (14.7) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| A. O. Marshall (14) | 0 | 51 | 0 | 48 | 99 | 690 | 789 | 011111110000000 (12.5) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Tafi (24) | 1 | 54 | 0 | 2 | 57 | 468 | 525 | 011111110000000 (10.9) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Cunningham (1) | 1 | 42 | 0 | 4 | 47 | 414 | 461 | 011111110000000 (10.2) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Sheridan (23) | 3 | 22 | 0 | 8 | 33 | 305 | 338 | 011111110000001 (9.8) | 0 | 1 | 0 | 1 | 2 | 11 | 13 |
| Hufford I Junior High (7). | 1 | 41 | 1 | 3 | 46 | 458 | 504 | 000000001100000 (9.1) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| Farragut (4) | 0 | 36 | 1 | 5 | 42 | 506 | 548 | 011111110000000 (7.7) | 0 | 2 | 0 | 0 | 2 | 16 | 18 |
| Reedswood (20) | 0 | 27 | 0 | 2 | 29 | 405 | 434 | 011111110000000 (6.7) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Hufford II Junior High (8). | 0 | 25 | 3 | 4 | 32 | 466 | 498 | 000000001100000 (6.4) | 0 | 4 | 0 | 0 | 4 | 23 | 27 |
| Pershing (18) | 3 | 2 | 3 | 6 | 14 | 659 | 673 | 011111110000000 (2.1) | 1 | 1 | 0 | 0 | 2 | 21 | 23 |
| Eisenhower (3) | 0 | 0 | 0 | 5 | 5 | 237 | 242 | 111111110000000 (2.1) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Carl Sandburg (22) | 0 | 3 | 2 | 0 | 5 | 301 | 306 | 011111110000000 (1.6) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| Marycrest (15) | 0 | 1 | 0 | 2 | 3 | 676 | 679 | 011111110000000 (0.4) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Raynor Park (19) | 0 | 0 | 0 | 0 | 0 | 259 | 259 | 011111110000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |

DISTRICT: ROCKFORD PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 55. REPRESENTING: 55. CITY: ROCKFORD. COUNTY: 101. WINNEBAGO COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 12 | 4,434 | 40 | 306 | 4,792 | 32,183 | 36,975 | | 0 | 55 | 0 | 1 | 56 | 1,492 | 1,548 |
| Percents | 0.0 | 12.0 | 0.1 | 0.8 | 13.0 | 87.0 | 100.0 | | 0.0 | 3.6 | 0.0 | 0.1 | 3.6 | 96.4 | 100.0 |
| Dennis School (16) | 0 | 472 | 0 | 5 | 477 | 54 | 531 | (89.8) | 0 | 3 | 0 | 0 | 3 | 15 | 18 |
| Lathrop School (35) | 0 | 395 | 0 | 10 | 405 | 105 | 510 | 011111110000001 (79.4) | 0 | 3 | 0 | 1 | 4 | 14 | 18 |
| Montague School (38) | 0 | 229 | 0 | 26 | 255 | 90 | 345 | 011111100000000 (73.9) | 0 | 4 | 0 | 0 | 4 | | 13 |
| Henrietta School (28) | 144 | 0 | 1 | 145 | 68 | 213 | 213 | 011110000000000 (68.1) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Washington Community Center (8). | 0 | 330 | 0 | 20 | 350 | 167 | 517 | 000000001110000 (67.7) | 0 | 7 | 0 | 0 | 7 | 45 | 52 |
| Ellis School (17) | 0 | 271 | 0 | 4 | 275 | 182 | 457 | 011111000000000 (60.2) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Franklin School (22) | 0 | 125 | 0 | 12 | 137 | 146 | 283 | 011111110000000 (48.4) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Barbour School (12) | 0 | 249 | 0 | 36 | 285 | 327 | 612 | 011111110000000 (46.6) | 0 | 3 | 0 | 0 | 3 | 19 | 22 |
| Rock River School (43) | 0 | 179 | 0 | 5 | 184 | 228 | 412 | 011111110000001 (44.7) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Royal Avenue Annex (45). | 0 | 84 | 0 | 6 | 90 | 112 | 202 | 000000110000000 (44.6) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Haskell School (27) | 0 | 217 | 0 | 9 | 226 | 283 | 509 | 011111110000000 (44.4) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Lincoln Park School (36). | 0 | 216 | 1 | 9 | 226 | 373 | 599 | 011111110000000 (37.7) | 0 | 6 | 0 | 0 | 6 | 15 | 21 |
| Page Park School (40) | 0 | 20 | 0 | 4 | 24 | 43 | 67 | 000000000000001 (35.8) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| McIntosh school (37) | 0 | 105 | 0 | 1 | 106 | 275 | 381 | 011111110000000 (27.8) | 0 | 2 | 0 | 0 | 2 | 11 | 13 |
| Wilson Junior High School (9). | 0 | 415 | 0 | 20 | 435 | 1,223 | 1,658 | 000000001110000 (26.2) | 0 | 9 | 0 | 0 | 9 | 90 | 99 |
| Freeman School Annex Bethany Church (21). | 0 | 9 | 0 | 0 | 9 | 26 | 35 | 0000000000000001 (25.7) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Boy's Farm School (10) | 2 | 17 | 0 | 3 | 22 | 75 | 97 | 000111111111000 (22.7) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Hall School (25) | 0 | 35 | 0 | 0 | 35 | 160 | 195 | 011111110000001 (17.9) | 0 | 1 | 0 | 0 | 1 | 6 | 7 |
| Freeman school (20) | 0 | 21 | 0 | 1 | 22 | 105 | 127 | 000000000000001 (17.3) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Kishwaukee school (33). | 2 | 104 | 0 | 8 | 114 | 642 | 756 | 011111110000000 (15.1) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Auburn Senior High School (1). | 0 | 245 | 0 | 10 | 255 | 1,549 | 1,804 | 000000000011110 (14.1) | 0 | 3 | 0 | 0 | 3 | 90 | 93 |

B SERIES—SYSTEMS WITH AT LEAST ONE SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: ROCKFORD PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 5. REPRESENTING: 55. CITY: ROCKFORD. COUNTY: 101. WINNEBAGO COUNTY—Continued

| | Students— | | | | | | | Weight: 1.3—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| West Senior High School (4). | 0 | 227 | 1 | 32 | 260 | 1,589 | 1,849 | 0000000000001110 (14.1) | 0 | 2 | 0 | 0 | 2 | 93 | 95 |
| Roosevelt Junior High School (7). | 0 | 90 | 2 | 20 | 112 | 1,516 | 1,628 | 0000000001110000 (6.9) | 0 | 1 | 0 | 0 | 1 | 76 | 77 |
| Hallstrom School (26).. | 0 | 13 | 5 | 5 | 23 | 393 | 416 | 0100000100000000 (5.5) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Jefferson Junior High School (5). | 0 | 90 | 2 | 0 | 92 | 1,764 | 1,856 | 0000000011100000 (5.0) | 0 | 1 | 0 | 0 | 1 | 89 | 90 |
| Church School (14).... | 2 | 8 | 1 | 10 | 21 | 569 | 590 | 0111111100000000 (3.6) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Alpine School (11)..... | 0 | 4 | 1 | 3 | 8 | 253 | 261 | 0111111100000000 (3.1) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| East Senior High School (2). | 2 | 51 | 4 | 10 | 67 | 2,493 | 2,560 | 0000000000011110 (2.6) | 0 | 0 | 0 | 0 | 0 | 114 | 114 |
| Garrison School (23).... | 4 | 1 | 1 | 4 | 10 | 381 | 391 | 0100000000000001 (2.6) | 0 | 0 | 0 | | 0 | 12 | 12 |
| Riverdahl School (42).. | 0 | 7 | 0 | 5 | 12 | 515 | 527 | 0100000100000000 (2.3) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Welsh School (51)..... | 0 | 18 | 0 | 0 | 18 | 830 | 848 | 0111111100000000 (2.1) | 0 | 1 | 0 | 0 | 1 | 32 | 33 |
| Turner School (48).... | 0 | 0 | 4 | 4 | 8 | 382 | 390 | 0111111100000000 (2.1) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Lincoln Junior High School (6). | 0 | 24 | 2 | 3 | 29 | 1,898 | 1,927 | 0000000011100000 (1.5) | 0 | 0 | 0 | 0 | 0 | 97 | 97 |
| Summerdale School (47). | 0 | 5 | 1 | 0 | 6 | 463 | 469 | 0111111100000000 (3.1) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Nelson School (39).... | 0 | 0 | 2 | 3 | 5 | 395 | 400 | 0111111100000000 (1.3) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Hillman School (30).... | 0 | 0 | 0 | 6 | 6 | 494 | 500 | 0111111100000000 (1.2) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Jackson School (31).... | 0 | 0 | 2 | 3 | 5 | 429 | 434 | 0111111100000000 (1.2) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Wight School (55)..... | 0 | 3 | 0 | 0 | 3 | 416 | 419 | 0100000100000001 (0.7) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Peterson School (41).... | 0 | 3 | 0 | 0 | 3 | 462 | 465 | 0111111100000000 (0.6) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Gregory School (24).... | 0 | 0 | 2 | 0 | 2 | 325 | 327 | 0111111100000000 (0.6) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Evergreen School (18).. | 0 | 0 | 2 | 0 | 2 | 387 | 389 | 0111111100000000 (0.5) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Highland School (29).... | 0 | 0 | 3 | 0 | 3 | 585 | 588 | 0111111100000000 (0.5) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Conklin School (15)..... | 0 | 3 | 0 | 0 | 3 | 614 | 617 | 0111111100000000 (0.5) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Fairview School (19).... | 0 | 0 | 0 | 3 | 3 | 616 | 619 | 0111111100000000 (0.5) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Whig Hill School (53).... | 0 | 3 | 0 | 0 | 3 | 700 | 703 | 0111111100000000 (0.4) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Walker School (50)..... | 0 | 0 | 0 | 2 | 2 | 522 | 524 | 0111111100000000 (0.4) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| West View School (52).. | 0 | 0 | 2 | 0 | 2 | 695 | 697 | 0111111100000000 (0.3) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Stiles School (46)..... | 0 | 0 | 1 | 0 | 1 | 359 | 360 | 0111111100000000 (0.3) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Guilford Senior High School (3). | 0 | 1 | 1 | 3 | 5 | 2,660 | 2,665 | 0000000000011110 (0.2) | 0 | 2 | 0 | 0 | 2 | 119 | 121 |
| Bloom School (13)..... | 0 | 1 | 0 | 0 | 1 | 694 | 695 | 0100000100000000 (0.1) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Latham Park School (34). | 0 | 0 | 0 | 0 | 0 | 137 | 137 | 0111111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Vandercook School (49).. | 0 | 0 | 0 | 0 | 0 | 280 | 280 | 0111111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Johnson School (32).... | 0 | 0 | 0 | 0 | 0 | 733 | 733 | 0111111100000000 (0.0) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Whitehead School (54).. | 0 | 0 | 0 | 0 | 0 | 655 | 655 | 0111111100000000 (0.0) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Rolling Green School (44). | 0 | 0 | 0 | 0 | 0 | 746 | 746 | 0111111100000001 (0.0) | 0 | 0 | 0 | 0 | 0 | 35 | 25 |

## TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the pending amendment and the tax reform bill be temporarily set aside until Monday morning at the time designated in the previous order for adjournment, and that the Senate proceed to the consideration of the military construction appropriations bill.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HRUSKA. What does the previous order provide for with reference to the resumption of the tax reform bill on Monday morning?

Mr. KENNEDY. 9:30 Monday morning.

Mr. HRUSKA. Regardless of whether the military construction bill is disposed of today or not?

Mr. KENNEDY. The amendment of the Senator from Oklahoma would be the pending amendment once we resumed the debate on the tax bill on Monday. It is the suggestion of the leadership that we debate the military construction appropriation bill this evening, but if there were to be any votes on that bill, the votes would come up on Monday morning.

It is the best information of the leadership at this time, in conference with the minority leader and the majority leader, as well as——

The PRESIDING OFFICER. Will the Senator suspend so that we can get order and all Senators may hear the Senator?

The Senate will be in order.

Mr. KENNEDY. The matter was also discussed with the distinguished Senator from Nevada (Mr. BIBLE). The mili-

tary construction appropriation bill is not expected to be controversial, nor is it expected that there will be any votes except on final passage. However, if there are to be any votes, they will come on Monday morning next.

Mr. WILLIAMS of Delaware. Mr. President, do I correctly understand that if we follow this procedure, we will be laying temporarily aside the tax reform bill tonight with the understanding that no action will be taken upon that bill tonight?

Mr. KENNEDY. That is correct.

Mr. WILLIAMS of Delaware. In addition to that, in the event—and I do not anticipate this—if the military construction appropriation bill were to go over to a later hour on Monday, that would not delay the tax reform bill. The Senator does not anticipate that.

Mr. KENNEDY. No; I do not.

If there is going to be any additional votes on the appropriation bill, we will have them at an agreeable hour on Monday, beginning at 11 or 12 o'clock, possibly, to be followed by a rollcall vote for final passage.

Mr. BIBLE. Mr. President, as far as the military construction bill is concerned, we do not anticipate any difficulty at all. We do not know of any amendments that might be called up. However, we cannot be absolutely sure. However, if there were to be any, they would go over until Monday. The only thing we will have on Monday is the vote on final passage. There would be third reading tonight if our plans work out.

Mr. SCOTT. Mr. President, suppose that we reach third reading tonight and there is no demand for a rollcall vote. Could we dispose of the matter tonight?

Mr. BIBLE. The answer would be no, because the majority leader requested that there be a rollcall vote on final passage.

Mr. KENNEDY. Mr. President, it would be our intention that the vote on final passage would be at a definite time, and we could set that at 10 o'clock on Monday morning.

Mr. CURTIS. Mr. President, could we get a limitation of time in which to discuss procedure?

Mr. SCOTT. Mr. President, the Senator from Nebraska asked whether we could have a time limitation on the discussion of procedure. I think that the discussion of procedure is hopefully over.

Mr. CURTIS. Very well, Mr. President. I withdraw my request.

Mr. TOWER. Mr. President, will the acting majority leader make the commitment that there will be no unanimous-consent agreement relative to control of time acted upon tonight?

Mr. KENNEDY. Yes, I will. I think the only question at issue in that regard is the designation of a time certain to have a vote on final passage of the military construction appropriation bill. We will try to get third reading tonight. It would be our intention to ask that the time certain be at 10 o'clock on Monday morning.

Mr. SCOTT. Mr. President, therefore, the Senators are assured that no rollcall votes are anticipated tonight.

Mr. KENNEDY. The Senator is correct.

Mr. TOWER. There will be no unanimous-consent agreement to control time.

Mr. KENNEDY. The Senator is correct.

The PRESIDING OFFICER. The Senate is not in order.

Mr. KENNEDY. Mr. President, with the agreement of the manager of the bill, I ask unanimous consent that a vote on final passage be at 10 o'clock on Monday morning.

Mr. BIBLE. Mr. President, that is entirely agreeable with the manager of the bill.

The PRESIDING OFFICER. Will the Senate be in order?

Mr. KENNEDY. Mr. President, I ask unanimous consent——

The PRESIDING OFFICER. Will the Senator wait until we get order and the Chair can hear the request of the Senator from Massachusetts?

The Senator may now make his request.

Mr. KENNEDY. Mr. President, I ask unanimous consent, if we are able to get third reading on the military construction appropriation bill this evening, that after the half hour that has previously been designated to the distinguished Senator from Maryland, we have a vote on final passage. That will be at 10 o'clock on Monday morning.

The PRESIDING OFFICER. Does the Senator wish to waive rule XII by unanimous consent?

Mr. AIKEN. Mr. President, I object to any vote at 10 o'clock, unless it is 10 o'clock Monday.

The PRESIDING OFFICER. Does the Senator wish to renew his previous request?

## MILITARY CONSTRUCTION—UNANIMOUS-CONSENT REQUEST

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Senate temporarily lay aside the pending amendment and the tax reform bill and proceed to the consideration of the military construction appropriations bill.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 14751) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

The PRESIDING OFFICER. Is there objection to laying aside temporarily the unfinished business and proceeding to the consideration of the military construction appropriations bill?

Mr. SCOTT. Temporarily laying aside, Mr. President?

Mr. AIKEN. I object to taking up this matter.

The PRESIDING OFFICER. Does the Senator object?

Mr. AIKEN. I object to taking up this matter now.

The PRESIDING OFFICER. Objection is heard.

Mr. AIKEN. We have done damage enough for 1 day.

The PRESIDING OFFICER. Objection is heard.

Mr. AIKEN. I do not know what we might do if we take up another bill.

Mr. MOSS. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The Chair would advise the Senator from Utah that there is already an amendment pending.

Mr. MOSS. If the Senator wishes to pursue his amendment, I will withhold mine.

The PRESIDING OFFICER. The Senate will be in order. The Senator may proceed when the Senate is in order.

Mr. KENNEDY. Mr. President, will the Senator yield without losing his right to the floor?

Mr. MOSS. I yield.

Mr. KENNEDY. For the benefit of the Members, I do not believe there will be any additional rollcall votes this evening. I am hopeful that, since the rule of germaneness, in any event, does not apply, the Senator from Nevada will be able to talk about this matter.

Mr. BIBLE. As soon as I am recognized, I will talk.

Mr. WILLIAMS of Delaware addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Utah yield further, and to whom, if so?

Mr. MOSS. Mr. President, I understood that the amendment of the Senator from Oklahoma had been laid aside by unanimous consent.

Mr. WILLIAMS of Delaware. No.

Mr. MOSS. What was done when we went through all this colloquy and tried to get on to this matter?

Mr. SCOTT. At the moment, nothing.

The PRESIDING OFFICER. The Chair would say that it was obiter dictum.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Utah yield for the purpose of suggesting the absence of a quorum?

Mr. MOSS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I understand that we are to adjourn. Is that correct? I yield for that purpose.

## ADJOURNMENT UNTIL 9:30 A.M., MONDAY, DECEMBER 8, 1969

Mr. KENNEDY. Mr. President, in accordance with the order previously entered, I move that the Senate stand in adjournment until 9:30 a.m. on Monday next.

The motion was agreed to; and (at 6 o'clock and 8 minutes p.m.) the Senate adjourned until Monday, December 8, 1969, at 9:30 a.m.

# EXTENSIONS OF REMARKS

## THE CHALLENGE OF THE SEAS

**HON. J. CALEB BOGGS**
OF DELAWARE
IN THE SENATE OF THE UNITED STATES

*Saturday, December 6, 1969*

Mr. BOGGS. Mr. President, this year has been one in which all Americans have shared in a great achievment—man has reached the moon. But here on earth there is still much to explore. Just as man is reaching into space, so he is descending into the depths of our oceans.

Oceanographers feel that we have much to gain through marine research. They cite the possibility of a multitude of untapped natural resources at the floor of the ocean and the food that can be reaped through proper cultivation of the sea.

In Delaware, much marine research is currently underway in both private industry and the University of Delaware. The expanding program at the university is certainly stimulating. The president of the university has stated previously that one of his goals is to develop a top marine science program, and I am proud to say, that because of his leadership and the geographical position of the First State, this goal is rapidly becoming a reality.

A recent newsletter entitled "Delaware Business Conditions," published as a public service by the Diamond State Telephone Co. spotlighted the challenge of the seas and the development of marine research in Delaware and the Nation. I ask unanimous consent that this fine article be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOOD FROM THE SEA: A CHALLENGE FOR THE 1970'S

For centuries man has utilized the sea as a highway, a hunting ground, battle ground, playground and unfortunately sometimes as a dumping ground. Now with the pressing need to find new sources of food to supply the world's growing population he is again looking to the sea. Within the next 20 years it is estimated that the world's food production must be increased by at least 50 percent. Currently about one-tenth of the total animal protein in the world's diet, or roughly 55 million metric tons of fish valued at $8 billion, are harvested annually by the world fisheries. Yet, according to the authorities this catch could be tripled or even quadrupled with relative ease.

Many feel that the ocean, which covers more than 71 percent of the earth's surface, is a vast reservoir of untapped resources, and oceanographers see the coming decade as one of intense scientific activity, much of it with commercial applications. Many expect that by 1980 men will live and work at depths up to 2,000 feet; manned submersibles will explore deep waters to 20,000 feet; and animals of the sea such as shrimp and shellfish will be raised like cattle. Yet, so little is really known about the ocean that if man is to reap these rich benefits, he must first begin to understand much more about its many intricacies and complexities. This then is the challenge of oceanography in the 1970's.

For the U.S. this challenge is even more meaningful, because of roughly 12 thousand miles of general coastline and nearly 89 thousand miles of tidal shoreline, all with its own special environment. It is essential for our own country to know much more of this vast resource. Since the end of World War II the total catch of this country's fishing industry has remained virtually unchanged, but the demand for fish and fish products has more than doubled. Americans now use roughly 12 percent of the total world's catch, nearly one-third of which is consumed as food. In order to meet this demand, imports of fish and fish meal have grown from 25 percent of the total in 1950 to more than 76 percent in 1968. Last year the commercial fisheries of the U.S. provided 4.1 billion pounds of fish and shellfish valued at more than $472 million. Yet fishermen other than Americans took nearly twice that amount of fish from the waters most readily accessible to the U.S.

There are a number of interrelated reasons for such a dramatic change. While other nations have forged ahead with construction of large vessels of modern design, equipped with new gear and labor saving devices, the U.S. industry has for the most part stood still. Nearly 8,000 new fishing craft have joined the U.S. fleet since 1960, yet less than 1,000 of these are vessels of 5 tons or over and more than 60 percent of American boats are over 16 years old. Few young men are encouraged to take up commercial fishing as a profession and consequently the average age of the U.S. fisherman is advancing rapidly. Then too, many of the bays and estuaries that provide the nursery grounds for 7 of our 10 most valuable commercial fish species have been adversely affected by construction, channel dredging, draining and filling of salt marshes, as well as human and chemical pollution that now exists near many of the major urban and industrial complexes.

Nowhere has the contraction of the fishing industry been more severely felt than in Delaware. A few years ago, Lewes, Delaware was one of the nation's major ports in pounds of fish caught annually. The menhaden, an inedible fish used for oils and fertilizer, was caught in huge numbers in the waters of the Delaware estuary and the Atlantic Ocean. Now menhaden have all but vanished from Delaware's coastal waters. The large processing plants near the town are closed and the fleet of trawlers once sailing from the port have joined other fleets in southern waters.

Although the annual catch made by Delaware's commercial fisheries has now dropped to less than 800 thousand pounds, the amount of fish caught by sport fishermen has risen substantially, reflecting, to a large degree, the increased amount of leisure time now available to the average person. In 1961, some 213,000 man-days were spent in catching nearly 1,200,000 fish, while last year the total catch exceeded 2,600,000 and the man-days spent reached 457,000. Nearly one-half of the anglers were from other states.

Last year the sea trout was the most important fish, comprising 65 percent of the total catch. In 1954, it was the popular croaker which, along with the menhaden, have now disappeared from Delaware waters.

Until 1958, Delaware enjoyed a long and colorful history in oyster production, and many oyster lovers believed the taste of the Delaware Bay oyster to be far superior to its better known cousin the Chincoteague found further south. In 1956 more than 20,000 acres of bay bottom were under lease for the production of oysters. Some 6,000 of these were in Rehoboth and Indian River Bays. The beds are owned by the State but traditionally have been leased to private oyster farmers who dump in shells to build up the bottom and cultivate their oyster crops much as dry land farmers do their crops. The difference is it takes three or more years to get an oyster crop ready for harvest. Today there are only 20 oyster farmers in the State who lease roughly 8,000 acres of bay bottom.

In 1958, Delaware's oyster industry, which ranked seventh in the nation, was virtually wiped out by the appearance of a protozoan parasite called MSX. In a period of one year the annual harvest dropped from 900 thousand bushels to less than 100 thousand affecting nearly 4,000 persons employed in the industry. From a high of $2,750,000 in 1954 the dockside value of Delaware's oyster harvest dropped to less than $30,000 ten years later.

What caused the crippling blow to strike Delaware's oyster industry? Why did the menhaden leave? Was it because of a change in water temperature, subtle changes in salinity, increased pollution or a combination of these factors? No one is really quite sure what it was, but from the marine research carried on at the University of Delaware's Bayside Laboratory near Lewes has come a much better understanding of these problems.

The oyster, unlike the menhaden or other finfish, could not leave when its environment became undesirable. When MSX started killing oysters in Delaware in 1958, marine biologists immediately started looking for a source of seed oysters that were disease resistant. Various types of oyster species were monitored for four years, and it was found that the surviving Delaware oysters were more resistant to MSX than most oysters imported from other geographic areas. In 1962, University biologists started to breed selectively and to rear MSX resistant oysters in the laboratory. A pilot plant for producing them as seed oysters is currently being operated on a regular basis.

During the past 10 years, there have also been significant technical advances in new methods of culturing and harvesting oysters. The use of supplemental material for the oyster beds, artificially reared seed oysters and new marketing techniques give promise of restoring much of Delaware's oyster industry.

One of the peculiarities of the oyster—the ability to pump itself clean—has long been used to purify oysters taken from rivers and creeks subject to pollution. In this process the oysters are transported to areas where the water is clean and where they remain for at least 30 days. This process, called depuration or purification, is the basis of a new commercial venture which has recently opened near Lewes. The company, Aquapure Inc., uses a technique which has been used in Europe for some time but is the first such venture in the United States.

In operation the oysters are placed on trays and immersed in large tanks filled with constantly flowing sea water which has been completely sterilized by ultra-violet light. The oysters, which normally pump anywhere from one to two gallons of water per hour depending on temperature, are held in the tanks for 48 hours. At the end of this time each oyster has pumped nearly 100 gallons of sterilized water through its system and in the process completely cleansed itself of all impurities. Constant bacteria checks are made throughout the process to assure consistent results. The final product is an oyster which, compared with the normal wild oyster, is extremely clean.

Since a somewhat limited beginning in 1953 the operations of University's Bayside

Laboratory have done much to provide a better understanding of the marine environment of Delaware's river, bay and coastal waters. A total of 45 different research projects are now underway. Because of its broad base in marine research, education and advisory services, the Laboratory is also involved in a number of projects for both the State and National organizations. One of these, a recently approved project for the National Science Foundation, includes representatives from the University's College of Engineering for the design of more efficient oyster culture equipment and from the College of Agriculture Sciences for expertise in marketing techniques.

As space has become available, teaching resource facilities have been enlarged and this summer more than 150 graduate and undergraduate students accumulated over 600 credit hours in the nine formal courses offered.

There is little doubt that Delaware's marine program is coming of age and these facilities as well as those who use them should do much to meet the challenge of the ocean in the years to come.

## JUSTICE DEPARTMENT VIOLATES LEGAL ETHICS

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. RARICK. Mr. Speaker, when lawyers paid to represent the U.S. Government donate money to lawyers representing their adversary, at least one of the clients has been unrepresented. And, judging from the record, this unrepresented client has been Mr. and Mrs. American citizen.

Small wonder that the courts ignore the Constitution, overlook the law and facts, and decide cases on the basis of consent agreements between purported adversaries. There was no controversy nor diverse interest when both lawyers worked for the same judgment. Sounds more like a split fee arrangement.

If I hired a lawyer to represent me in a case in court, and then found that he was paying my opposition, I would regard it as highly unethical. In addition to firing the lawyer, I would report it to the bar association for disbarment proceedings.

Mr. Attorney General, the American people have enough unethical conduct with Federal judges. Your staff have no "during good behavior" tenure. If your staff lawyers want to work for the NAACP, give them their liberty—before your Department is faced with demands from the American people for a probe into breach of legal ethics.

I insert a clipping from a local newspaper at this point:

[From the Washington (D.C.) Post, Dec. 4, 1969]

JUSTICE DEPARTMENT LAWYERS GIVE $1,100 TO NAACP

The NAACP Defense Fund, an opponent of the Justice Department in recent school desegregation cases, received more than $1,100 yesterday in 37 checks signed mostly by staff lawyers of the Department's civil rights division.

Fund director-counsel Jack Greenberg said in New York that he had received the checks in the morning mail accompanied by an unsigned letter wishing the fund luck in its money-raising and civil rights pursuits.

In Washington it was learned that many of the contributors considered the donations a form of continuing protest against the civil rights policies of Attorney General John N. Mitchell and Assistant Attorney General Jerris Leonard. Others said their donations were addressed mainly to the fund's most recent fiscal emergency.

Greenberg said the fund, which operates on an annual budget of $3 million, was running $200,000 in the red in October and was further behind now. He said fund-raising was becoming increasingly difficult because of reaction to riots and some violent demonstrations and deep division in some communities over Vietnam.

## OPERATION SPEAK OUT

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. ASHBROOK. Mr. Speaker, on November 13, Congressman RICHARD ROUDEBUSH and other Members of the House commented on Operation Speak Out, the program sponsored by the Veterans of Foreign Wars to encourage the "silent majority" to support the President's policy in Vietnam.

"Operation Speak Out" seeks to counteract both at home and abroad the false impression that the anti-Vietnam demonstrations here in Washington in October and November reflected the true feelings of the great majority of the American people. It must be remembered that the main theme of the three organizations which conducted the demonstrations, the Vietnam Moratorium Committee, the New Mobilization Committee, and the Student Mobilization Committee actually called for an immediate and unilateral withdrawal of American troops from South Vietnam—regardless of the consequences to the military forces and people of South Vietnam. This, of course, is contrary to the present policy of the administration and the VFW program helped provide a vehicle for U.S. citizens to put themselves on record.

But "Operation Speak Out" is a continuing effort, Raymond A. Gallagher, commander in chief of the VFW stressed in the December issue of the VFW magazine that citizen participation is not just a vague and meaningless cliché:

Rallies must be held to inspire the people with a patriotic zeal to carry on in the face of adversity. Political leaders must be told what the majority view is. Communities must be mobilized in a drive to counter demonstrations by the radicals. The Flag must be protected from these purveyors of hate. Committees must be organized to defend American principles.

The radicals and the ill-informed who participated in the demonstrations against our policy in Vietnam will be further encouraged unless the call to action cited by Commander Gallagher is heeded and made a continuing mandate by concerned citizens. I include his message, "Let's Be Heard," from the December issue of the VFW magazine in the RECORD at this point:

LET'S BE HEARD

(By Raymond A. Gallagher, Commander-in-Chief of The Veterans of Foreign Wars)

Now is the time for the loyal, hardworking taxpaying, self-sacrificing Majority Americans to Speak Out loudly and clearly on the most important issue of the day, the war in Vietnam.

For too long most Americans have sat back as spectators at the drama that has been and is being enacted in the streets of our major cities and even in our small towns.

They have watched mutely as student radicals have been busily subverting America's will to win in Vietnam and perhaps ultimately to speed the day when Red-rule will be achieved even in the United States.

For Lenin, whose centennial many of these same radicals will be celebrating next year, predicted "America will fall into our lap like a ripe plum."

Probably the vast majority of those who participate in the Vietnam Moratorium have no idea, nor do they care, what they are doing to this country, to its men in Vietnam who are fighting the war or to the American image abroad where American resolve and determination are vital to freedom's survival.

By conducting these demonstrations, aided and abetted by almost total television coverage and supported by some of the biggest names in the entertainment field, these radicals are actually prolonging the war.

They are giving North Vietnam assurance that if the Communists hang on a little longer the Americans will be so sick of the war that they will be only too anxious to leave South Vietnam. So eager to pull out that they might even be willing to pay reparations to North Vietnam.

Only the other day Henry Cabot Lodge, chief U.S. negotiator, reported from Paris that the North Vietnamese have become even more obdurate since the Oct. 15 demonstration. Thus, the prediction of all responsible persons is coming true.

It is certainly conceded that persons do have the right to express their opposition to a government policy, but as Chief Justice Oliver Wendell Holmes stated in a free speech case "no one has the right to shout fire in a crowded theater."

In a sense this rule should apply here, for the current Vietnam crisis is vastly more serious, more deadly to more people than a false alarm in a crowded theater. The welfare of the nation, the security of nearly a half million of America's finest youth and the safety of the nation itself are at stake.

However, since the radicals of this country and the politicians who seem to be taking their cues from this element intend to step up their cacophony of dissent, their high decibel demand for surrender, the Veterans of Foreign Wars is appealing to the great mass of Americans to say to them, "Halt. We have heard your strident voices long enough. Now it is our turn to be heard."

However, combatting the radicals can be successful only if this organization is joined by other like-minded groups and individuals in every city, town and hamlet across the length and breadth of this land.

Public opinion must be alerted to the danger this country is facing and to do this the V.F.W. must have the cooperation of an aroused citizenry. To stimulate the American people every means must be used. They must be made to understand the issues in Vietnam, the problems facing American leadership as that war grinds cruelly on and the Paris "peace talks" drone along fruitlessly.

Unless the majority of the American people—the ones who are making the sacrifices, the ones whose sons are in Vietnam, or have been killed there—realize the gravity of the situation, all will be lost.

Rallies must be held to inspire the people with a patriotic zeal to carry on in the face of adversity. Political leaders must be told

what the majority view is. Communities must be mobilized in a drive to counter demonstrations by the radicals. The Flag must be protected from these purveyors of hate. Committees must be organized to defend American principles.

The majority of Americans must know the truth about our vital interest in Vietnam and armed with this information, go to television stations and demand equal time. Write letters to newspaper editors, so they will know what Mr. Majority American is thinking.

Don't keep silent while the street mob takes control. Let us not lose by default. Let us not stand aside as this country goes the way of ancient Greece and Rome because its citizens were too indifferent, too apathetic, too slovenly to act.

Again, the V.F.W. cannot do the job alone, but the support of backbone groups and individuals everywhere must be enlisted to meet the challenge confronting this nation.

If the United States succumbs, mankind's last great hope will go aglimmering.

## THE MIRACLE OF EVANGELINE

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. RARICK. Mr. Speaker, great fanfare is currently given to culture and cultural appreciation, but little note is taken of traditional American values.

From the News and Courier of Charleston, S.C., we have a story of community action in the traditional American spirit by free men who are dedicated to perpetuate their American heritage.

The "Miracle of Evangeline" is a short editorial relating how parents in a small Louisiana community have struggled to retain their God-given rights of authority and decision concerning their children. Now that the bureaucrats in government have federalized the once public schools, this community has converted a cattle auction barn into an independent center of education boasting an enrollment of some 2,500 ambitious and earnest young people—the type who seek and will suffer to attain an education.

Perhaps this story of daring, ingenuity, and community spirit has not been reported by the biased and prejudiced national press because they fear the example might serve as an inspiration to others. Citizens banding together to gain freedom at considerable personal sacrifice, should be news—but it is censored.

Every American who appreciates the struggle of our forefathers against tyranny will join in complimenting the Honorable Mayner Fontenot and his fellow evangelinians of Ville Platte, La., for their display of true American perseverance and courage. We wish them well, and commend them for keeping alive this flame of liberty, no matter how small, for their posterity knowing that it will blaze again across our land.

Mr. Speaker, I ask that the editorial from the News and Courier be made a part of my remarks so that all our colleagues may be reminded that people who are determined to be free and to plan their own destiny will do so, not because of Federal programs, Federal aid or someone else's ideas—but in spite of them:

[From the Charleston (S.C.) News & Courier, Dec. 2, 1969]

MIRACLE OF EVANGELINE

From a roundabout source we have obtained an account of a private school system established by citizens of Evangeline Parish in Louisiana. The system, including a high school housed in an abandoned cattle auction barn, is serving 2,500 pupils. The elementary department, housed in various buildings throughout the parish, has an enrollment of more than 1,800, and more than 600 are in the high school.

Mayner Fontenot of Ville Platte, La., has said in a letter, which was passed on to us, that little publicity has been given to this effort by citizens of a rural region. In a two-week period they contributed more than $300,000 to set up an alternative school system to the public schools, which had been forced by court order to comply with federal guidelines.

"It is my opinion," Mr. Fontenot wrote, "that something has transpired to prevent the television stations and larger newspapers from publicizing our efforts to retain our God-given right of choosing how to educate our children. Having only a small weekly newspaper in our area, I am reluctant to believe that these larger newspapers will be generous enough to print our efforts . . . We have set the pace for our state, and for myself, I wouldn't trade places with any other citizen of this nation."

A summary of the campaign to establish this "instant" school system—accomplished in about six weeks—is entitled "The Miracle of Evangeline—Fruit from Our Labor." It tells about volunteer work by carpenters, truck drivers, painters, plumbers, laborers, poor and wealthy, parents and children, who worked and planned.

"Dedicated teachers who had come forth to join us worked 13 hours per day," the document reports, "put their skills and experience in high gear to recruit teachers and to plan a system of education second to none. Realizing that they would have shortages of both equipment and facilities, they achieved magnitude with what they had . . . Our giant had then fed its appetite for learning . . . We will have unsurpassed school spirit in our academy and will be demanding of our teachers. And they will send out into our society true Americans dedicated to the survival of their country."

We pass along this story, which was news to us, for the information of readers and the inspiration of the public. Evangeline Parish is not a rich territory in money. Obviously it is populated by people who care, a force greater than money.

# SENATE—*Monday, December 8, 1969*

The Senate met at 9:30 o'clock a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou to whom we owe the gift of life and the privilege of work, let Thy truth inform our minds and Thy precepts guide our actions this day. Let no thought command us which might hinder communion with Thee, nor any word be uttered that is not meant for Thine ear. For the welfare of all the people, let the service of this place transcend prejudice and party. In personal life and corporate action, may we witness to that righteousness which exalteth a nation. So may we labor aware of Thy presence that our hearts may be at peace.

In the name of Him heralded by wise men and worshipped by kings. Amen.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Saturday, December 6, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements be limited to 3 minutes with relation to the routine morning business to be transacted at the conclusion of the remarks of the Senator from Maryland (Mr. MATHIAS).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## WAIVER OF CALL OF CALENDAR UNDER RULE VIII

Mr. MANSFIELD. Mr. President, I ask unanimous consent to waive the call of the calendar of unobjected-to bills under rule VIII.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Maryland (Mr. MATHIAS) is recognized for half an hour.

## SENATE JOINT RESOLUTION 166—INTRODUCTION OF A JOINT RESOLUTION RELATING TO A FOREIGN POLICY REAPPRAISAL—VIETNAM AND BEYOND

Mr. MATHIAS. Mr. President, I send to the desk a joint resolution for appropriate reference.

The ACTING PRESIDENT pro tem-

pore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 166), to repeal legislation relating to the use of the Armed Forces of the United States in certain areas outside the United States and to express the sense of the Congress on certain matters relating to the war in Vietnam, and for other purposes, introduced by Mr. MATHIAS (for himself and Mr. MANSFIELD), was received, read twice by its title, and referred to the Committee on Foreign Relations.

Mr. MATHIAS. Mr. President, today we face a new world. We have a new administration. Our Republican platform quotes Lincoln:

> The dogmas of the quiet past are inadequate to the stormy present. Let us disenthrall ourselves.

The resolution which I am introducing would contribute to the disenthrallment of our foreign policy.

Central to this disenthrallment will be disengagement from Vietnam. But withdrawal will be only the beginning. It will produce a vacuum, not a policy, and our current foreign policies are in disarray. At the same time as we prepare to Vietnamize the war, we discover that in a very real sense the war has Vietnamized American diplomacy.

This is no criticism of our present leaders. They are the inheritors, not creators, of this Asian thralldom that has allowed our foreign relations to suffer a kind of multiple sclerosis. But it is no partisan service to deny our current plight. It is virtually undeniable. The degree of enfeeblement is symbolized by the diminution of our foreign aid to a level less than one-third the size maintained during the Eisenhower administration when the need and absorptive capacity of the less-developed countries was less than it is today. It is further symbolized by a steady and severe decline in our foreign investment as a proportion of the gross national product. And it is dramatized by the pervasive belief in underdeveloped countries—as well as among many of our young people—that the United States is fundamentally imperialist.

Again, the current administration is not at fault. In fact, its proposal for tariff preferences for the less developed countries represents a perception of current realities more disenthralled than the approaches of previous Presidents. Nonetheless, our relations with the world need a complete and thoroughgoing reappraisal in view of the convulsive changes transfiguring the international scene.

Indeed, it is a measure of the change that it may well not be accurate in a sense, to speak any longer of the world arena as chiefly international. It may well be that the most important movements and institutions today are supranational and that to a great extent the nation-state is obsolescent, despite the continuing nationalist clamor. In all likelihood, for example, the emergence of the multinational corporation—and the tenfold increase in trade among the developed countries—will be seen in history as developments vastly exceeding the Vietnam conflict in real significance.

In the necessary reappraisal of policy, the U.S. Senate is constitutionally constrained to play an important role. It is with this fact in mind that I present the resolution I am introducing today.

There are five central points.

The first section of my resolution would repeal the mortmain of past congressional resolutions that have been interpreted as relinquishing broad authority to the Executive to intervene militarily around the world. All these resolutions, like the state of emergency proclamation, are based on an essentially negative view of the American world mission. In each instance, we imply the principle that military containment of international communism is the chief function of our foreign policy. The resolutions applied this principle in 1955 to Quemoy, Matsu, and Formosa; in 1957 to Lebanon and other Middle Eastern countries; in 1962 to Cuba and Latin America; and in 1964 to North Vietnam. All these resolutions were enacted without termination dates and are based on assumptions of dubious validity today.

Let us take the Middle Eastern resolution, for one example. It states that on Presidential determination, and at the request of the other nation, the United States is "prepared to use armed force to assist nations against armed aggression from any Communist-controlled country." Let us disenthrall ourselves. The United States remains willing to prevent aggression in the Middle East and to preserve the integrity of nations there not because potential aggressors in the region are "Communist controlled" but because we have solemn ties of treaty and sentiment in the region. Our commitment to Israel, moreover, does not derive from the fact that Egypt—a country that has virtually exterminated its domestic Communists—receives military assistance from the Soviet Union. We are resolved to defend Israel because the principles on which this country was founded and for which our sons have shed so much blood in World War II, and after, would be traduced by inaction in the face of a major threat to that valiant democratic state. Similarly, our support for Lebanon is based on positive affinities of ideology rather than on a false assumption that the other Arab States are part of an international Communist movement. Beyond these relationships, our desire for stability and peace in the region derives from its importance as a producer of oil. In this regard the already significant and now increasing Soviet petroleum investments and purchases in the area to some extent give the Soviet Union a similar interest in maintaining peace and stability. The joint resolution of 1957 thus embodies an essentially false notion of the trends and threats in the Middle East. It should be repealed; new policies should be debated; and if necessary a new resolution or other appropriate legislation enacted.

Similar points could be made in relation to the Cuban resolution of 1962. This enactment is based on an exaggerated notion of the capacity of Cuba to subvert other Latin American countries and on a correspondingly exaggerated notion of the usefulness of direct American intervention to suppress insurgencies in the region. Although the Cubans might wish they were so effective, it is a dire misconception to suppose that the widespread unrest in Latin America is fomented from Cuba and under some circumstances might be ended by attacking that country.

The Formosa resolution, enacted in 1955, is outdated by the remarkable success of the Nationalist Chinese in arming themselves and fortifying their island redoubts. Unless the Communist Chinese use nuclear weapons, the Nationalist army and air force are more than capable of taking care of themselves. In any case, Congress should not relinquish its authority to participate at the time in any decision by the United States to go to war with Communist China in defense of Quemoy and Matsu.

Though it is the most recent, the Tonkin Gulf resolution is the most questionable of all. I will not here reiterate all the arguments which have surrounded that precipitate enactment. Suffice it to say that in response to a confused exchange of fire in the Tonkin Gulf, the resolution apparently authorized an overwhelming and substantially ineffectual extension of the Vietnam war into the north through bombing of an intensity exceeding even that undertaken against Germany during World War II. As long as the resolution remains on the books, it may be interpreted as authorizing further attacks. Yet American public opinion would not accept such a drastic step, nor would the Congress acquiesce in it. I therefore believe we should repeal the Gulf of Tonkin resolution.

The second section of my proposal relates to perhaps the single most important of all the cold war enactments, promulgated by President Truman on December 16, 1950, without congressional endorsement or ratification. This was the Presidential proclamation declaring a state of national emergency at the time of the outbreak of the Korean conflict. That state of emergency—with its myriad derivative provisions—remains in effect. My resolution would create a special committee comprising six members of each body of Congress including three from each Foreign Relations and Foreign Affairs Committee. It would wait on the President to advise him on the matter of termination of the state-of-emergency proclamation and report back to the Congress before the end of the 91st Congress. The Constitution did not envisage a state of emergency to be the normal state of affairs. As we enter the seventies, we should reappraise the domestic requirements of our inevitable embroilment in world tensions and difficulties.

It should be clearly understood that by proposing repeal of these resolutions and termination of the Korean state of emergency, I do not mean to advocate a new isolationism for the United States. On the contrary, I believe that the Vietnam war has already given American policy elsewhere an isolationist cast. And I think that unrealistic or militaristic postures of commitment discredit the kind of deep and responsive world involvement which we will have to maintain in the coming decades of change.

The world is moving from its present stage of archaic international conflicts to new forms of global cooperation and competition shaped by changing social, economic, and technological realities.

If we wish to influence these developments, we must first understand them—we must not hide behind dogmas proclaimed in the 1950's. War is most often a product of diplomatic failure. In the future, resort to arms will be more likely if we dogmatize rather than disenthrall our diplomacy. We must develop a modern diplomacy adaptable to current realities.

I am fully aware that it may become necessary in the future for the United States to employ military force in fulfilling treaty commitments. If we do, however, it will be imperative that we have a clearer understanding of international politics than was manifested in Vietnam. The slogans of the fifties, rigidly applied to an underdeveloped country, will never again suffice to persuade our young people to risk their lives in war. No event in recent history has so reduced the flexibility of American power in the international arena—so discredited the military among our youth—as the conflict in Vietnam.

If the United States is to develop foreign policies suitable for the seventies, worthy of the support of those who have been estranged from our policies in the sixties, we must begin to develop them now. I suggest that we start by clearing away the debris of cold war dogmas—and resolutions—that encumber and stultify our policies today. My present legislation—the resolution introduced today—would repeal those four resolutions as of the end of the 91st Congress a year from now.

The last three sections of my resolution deal specifically with the necessity of disengagement in Vietnam. They are designed to give congressional corroboration and specific substance to the framework of the troop withdrawal plan announced by the President. The time has come to formally replace the Johnson plan with the Nixon plan. Section 3 would declare support for the President's efforts to achieve a political solution and would endorse his plan for accelerated withdrawal of all American forces from South Vietnam. This section also urges the President to take appropriate action to seek creation of an international peacekeeping force under United Nations or other appropriate international auspices. I have urged creation of such a force since 1962. The force is still needed now to prevent further hostilities in the country and to prevent reprisals against any of its people after the U.S. withdraws.

Section 3 is based on the proposition that no plan for American military withdrawal will end the war unless the present South Vietnam Government adopts a plan for its own political withdrawal. Central to such a plan is the development of political processes leading to creation of a durable political order embracing all groups in South Vietnam. The Thieu-Ky regime was chosen by a little over one third of the vote in elections restricted to areas controlled by the military and to candidates accepted by them. The regime has since narrowed its base of support by replacing a civilian Prime Minister with a military associate. Even supporters of the Thieu-Ky regime allege it would be unable to prevent massacres after we leave.

Under my resolution Congress would urge leaders from all religious, political, and ethnic groups in the country to initiate serious discussions designed eventually to produce a new broadly based government—a government that can survive our departure and prevent resumption of the conflict. Needless to say, in order for meaningful political discussions to occur, the Thieu-Ky regime would have to release from prison those leading political figures incarcerated essentially for advocating or attempting such discussions.

Section 4 is designed in part to provide additional incentives for the success of the Paris negotiations, in part to fulfill the humanitarian mandate of the American world role. This section would urge the President to invite other nations to participate with the United States in the formulation of a multilateral plan for the reconstruction of war-ravaged areas in Southeast Asia. It also asks the President to submit to Congress as soon as possible any legislation needed to carry out the plan.

Alexis de Tocqueville once said:

> The most important time in the life of a country is the coming out of a war.

The final stages of the Korean war were marred by bitterness and recriminations. Let us hope that we can come out of the Vietnam war and come together to face with realism and responsibility the new challenges of the 1970's.

In a sense, today the United States, in fact, can be considered as emerging from three wars: From the Vietnam war, from the cold war, and perhaps to some extent from the arms race. The transition will be difficult. In making it, I say again, let us disenthrall ourselves. I hope this resolution will represent a small step at least toward a proclamation of peace.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. SCOTT. Mr. President, I congratulate the distinguished Senator from Maryland for his excellent, thoughtful, and concerned presentation, for his openmindedness, for presenting views which warrant the most thoughtful consideration, and for expanding the dialog on the war in a constructive and helpful way.

I would not want to be misunderstood. I have been for broad support of what the President stands for.

I know that we have only one Commander in Chief, one negotiator. But the Senator has suggested certain avenues of approach to be followed not only during the war but also America's role in the postwar period. The Senator was editorially commended for this very wise approach which he is giving toward the Vietnam problem.

I hope that the ensuing dialog will be on the high level which has been postulated here by the Senator from Maryland.

It is a good thing that we examine our posture, that we see if we cannot do it better, and that we seek for ways by which we can improve the prospects for peace.

The Senator has made a most valuable and encouraging contribution. I again express my appreciation for his presentation of these views.

Mr. MATHIAS. Mr. President, I thank the distinguished Senator from Pennsylvania for his very generous comments. I point out that I only follow his own example in trying to expose ideas for consideration in the hope that out of that consideration a discussion and debate on policies worthy of being followed may be pursued.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. COOPER. I join the distinguished Senator from Pennsylvania and, I am sure, also the Senator from Montana in paying tribute to the distinguished Senator from Maryland, upon his excellent recommendation.

The direct and forthright approach of the Senator's remarks go to the core of the problem and the danger we face in becoming involved in a war when our chief, deep interest is not at stake.

The agreements were entered into years ago. We are in a different situation in view of the circumstances that exist today.

At the time these agreements were entered into, there was great fear of a Communist surge in both Asia and Europe. It was necessary to enter into treaties to assure the other countries that they would have our support, in the belief that our security was involved.

I do not think that situation exists today.

Like the Senator from Pennsylvania, I support the President in his program in Vietnam. However, I think it is necessary, as the Senator says, that we disenthrall ourselves from the treaties that we entered into years ago.

They are uncertain in stating the type of aid we will provide. Each one calls for aid in accord with the constitutional process. But they do not define the constitutional process. And "constitutional process" has been taken in the past, as in Southeast Asia, particularly, to be a decision by the Executive.

The Senator's proposal has great merit. As the Senator knows, the subcommittee of the Senator from Missouri (Mr. SYMINGTON) is now examining our commitments around the world. We have heard a great deal of testimony on commitments in various countries, which were unknown by the Congress or the people.

The Senator has gone to the heart of the problem. I am sure that his proposal will receive great support. And I congratulate him for what he has done today.

Mr. MATHIAS. Mr. President, I am very grateful to the Senator from Kentucky for his remarks. I am very much encouraged by his comments.

His own sensible and thoughtful leadership in this area over the years has been a bulwark for the case to be made. I hope the Senator will continue to make his contributions.

Mr. MANSFIELD. Mr. President, I ask

unanimous consent that the Senator may be permitted to continue for an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. MANSFIELD. Mr. President, I join the distinguished Republican leader of the Senate and the distinguished senior Senator from Kentucky in what they have just had to say about the remarkably well thought out, temperate, and sound speech which the distinguished Senator has just made.

I am very much interested, very much intrigued and very much impressed with the proposal suggested by the distinguished Senator from Maryland (Mr. MATHIAS). As I understand his resolution, what he is doing is, in effect, stating that the Congress should have a hand in bringing about the ending of the war in Vietnam and that the responsibility should not be continued to be placed in the hands of the President alone. That was the interpretative effect of the administration at the time of the Tonkin resolution, an interpretation with which I thoroughly disagreed at its inception and disagree with just as much today.

The distinguished Senator from Maryland is not seeking to repeal the Tonkin Gulf resolution alone but all the other resolutions which have been passed by the Congress in haste with little discussion and practically no study and, certainly, very little sound interpretation over the years since the Second World War. I refer, for example, to the Formosan resolution, the Mid-East resolution among the better known as examples of what should perhaps not be in existence now and, therefore, should be looked into to see if any validity remains for their retention.

The restudy of all these resolutions would be a most worthy endeavor for the Congress to undertake because, unless the Congress does so, they remain on the books and as long as they remain on the books, they give any President unprecedented power.

In addition, Senator MATHIAS supports President Nixon's efforts "to achieve a political solution in Vietnam" and he also asks that the Congress declare itself in favor of "accelerated withdrawal of all U.S. forces in South Vietnam" and I agree.

These are worthy objectives and they call for a stepup in U.S. troop withdrawal. May I say, incidentally, that the President is exceeding his 60,000 withdrawal rate set for no later than December 15 by continued withdrawal above and beyond that figure. I commend him for this unpublicized action. It would be my hope, Mr. President, that the Congress would be able to work with the President to bring about a speedy end to the tragic war in Vietnam, a withdrawal of all troops as soon as possible and a settlement on the basis of which we would be able to get out of Southeast Asia on a lock, stock, and barrel basis.

Mr. President, it is my practice to give as much support as I can on matters of foreign policy to an incumbent President. Whether Democrat or Republican, a President's responsibilities are very heavy in these matters and he carries them on behalf of the entire Nation. I have tried, therefore, to present my personal views to the President in private and in public, to give him the benefit of any doubts which I may have on a particular course of policy.

That has been my practice ever since I became majority leader of the Senate. It was followed with President Kennedy and President Johnson. It is being followed with President Nixon. However, even as the President has his responsibilities, I have mine as a Senator of Montana and of the United States. When it is incumbent on me, in my judgment, to express my views on an issue, in public, I must do so in the discharge of the duties which are vested in my by the Constitution.

With respect to the Tonkin Gulf resolution, I joined with all Members of the Senate present, except two, in voting for the measure. I did so because President Johnson asked for the resolution to provide a display of Government unity in an effort to prevent the initial U.S. military involvement from widening. Other Members were similarly persuaded despite personal and long-standing doubts as to any U.S. military involvement on the Southeast Asian mainland. It was not my understanding, then, nor of any Member of the Senate so far as I am aware that a blank check was being written for an involvement of whatever depth or extent the State and Defense Departments decreed. When it appeared that the resolution was being interpreted as a blank check, Members of the Senate began increasingly to express their opposition to that interpretation and to the tragic U.S. involvement in the war which stemmed from it.

That there are now grave reservations about the resolution has nothing to do with partisan politics. The reservations are expressed by Members of both parties. On my part and on the part of other Democratic Members of the Senate, these reservations began to be expressed during a Democratic administration.

One can never reconstruct a situation precisely as it was several years ago, and what has been done cannot be undone. However, I do know that I supported the Tonkin Gulf resolution in 1965 because it was what President Johnson had sought as a way of preventing our deep military involvement, and it obviously failed in its purpose. I would be happy, indeed, to consider repeal of this resolution if President Nixon or Congress, or both together, were to request it as a step toward shortening the path to peace—in the words of the distinguished Senator from Maryland, making a small step in that long-sought direction.

Mr. President, it is time to break with the past, to face up to the present, and to prepare for the future. This, the Senator from Maryland seeks to do, and I commend him for his initiative and ask that I be allowed to join him as a cosponsor. The Senator has come up with what could be the ideal resolution and has pointed the way to peace for all of us. I congratulate him for the statement he has made this morning. He has earned the thanks of the Senate, the people of this country, and the administration.

Mr. MATHIAS. Mr. President, I am more than grateful—I am very humble—in the light of the generous remarks of the distinguished majority leader.

I think that both he and I in this matter want to look forward to better days. In this resolution we are not trying in any sense to conduct a witch hunt on the mistakes of the past, but we are trying to look forward to a better conduct of foreign policy in the future.

As the distinguished Senator from Kentucky has said, these various resolutions were the accumulation of years. They are like barnacles on a ship's bottom which are impeding our progress into the future, and we want to clean the hull and move forward.

I am very grateful to the distinguished majority leader for offering to become a cosponsor, and I appreciate his support and encouragement in this matter.

Mr. MANSFIELD. Mr. President, the gratitude and thanks of the Senator from Montana go out to the distinguished Senator from Maryland for the initiative he has just shown.

I ask unanimous consent to have my name added as a cosponsor of the Mathias resolution.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## SERVICE OF BUREAU OF INDIAN AFFAIRS TEACHERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 562, S. 2619.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2619) to amend section 5723(b) of title 5, United States Code, relating to length of service required by teachers in Bureau of Indian Affairs schools when travel and transportation expenses are paid to first post of duty.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2619

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 5723(b) of title 5, United States Code, is amended by inserting after the word "months" the words ", or for one school year

if selected for a teaching position in the schools operated by the Bureau of Indian Affairs,".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–567), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF MEASURE

The purpose of S. 2619, which was drafted and submitted by the Department of the Interior, is to reduce to a school year the time teachers appointed to positions in schools operated by the Bureau of Indian Affairs must agree to serve without loss of travel and transportation expenses. Present law, set forth in title 5 United States Code 5723(b), requires that Federal agencies may pay travel and transportation expenses of new appointees only if the appointee agrees to serve and serves a full 12-month year, unless separated by reasons beyond his control for reasons acceptable to the hiring agency.

In the case of the Bureau of Indian Affairs teachers, as with teachers generally, the school year is usually of approximately 9 months duration—from late August or early September through May or the first part of June. Most teachers have no immediate teaching functions in the interval between the close of one school year and the beginning of another. Yet under present law, teachers who may wish to resign after 1 year nevertheless must remain at their posts until the beginning of the following school year in order not to have to repay their travel and transportation expenses.

Many Bureau of Indian Affairs schools are in relatively remote areas that are difficult of access.

The present situation creates many problems for the Bureau as well as for the teacher. If a teacher is not going to continue his employment for another school year, it is to the Government's interest and advantage to know this by the end of the school year in order to assure that a replacement is recruited and on duty by the start of the next school year. Severe administrative problems occur when an employee resigns after the beginning of the school year, the severity being further compounded when an employee waits until the completion of his 12 months of service to submit his resignation.

Enactment of the proposed bill would alleviate this situation by relieving teachers who complete a school year of service of any obligation to repay travel expenses to the Government, regardless of the reason for their resignation. The Bureau schools would benefit through some savings in salaries and would better fulfill its responsibilities to Indian children as a result of knowing sufficiently early in the year the vacancies that it will have to fill and thus be able to recruit quality teachers.

The measure involves no expenditure of Federal funds; rather, as stated, some savings would be realized.

## THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 565, 566, 567, and 568.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## FORT DONELSON NATIONAL BATTLEFIELD

The bill (H.R. 13767) to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–570), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND

Fort Donelson was originally authorized by the Congress as a national military park in 1928 (45 Stat. 367; 16 U.S.C. 428 et seq.). In 1960 (Public Law 86–738; 74 Stat. 875) it was redesignated as a national battlefield and enlarged to include not more than 600 acres.

An appropriation of $226,000 was authorized for the acquisition of the additional lands and interests in land.

Pursuant to this authority the entire amount authorized has been appropriated and expended. Not unlike other situations, the original land acquisition cost estimates were too low; consequently, approximately 87 acres within the park boundaries remain unacquired at this time, but this legislation does not attempt to deal with the unacquired lands.

NEED AND COST

H.R. 13767 authorizes the appropriation of $12,721.25 plus interest, as provided by law, to provide for the payment for deficiency judgments rendered against the United States by the U.S. District Court for the Middle District of Tennessee, Nashville Division. When the declarations of taking were filed with respect to the 72.3 acres involved, $10,660 was deposited in court as the estimated fair market value of the properties. At that time, title vested in the United States and it became liable for their fair market value as determined by the court. Inasmuch as the United States is now obligated to satisfy the judgments incurred in these actions, the enactment of H.R. 13767, as amended, is essential. Until satisfied, interest on the judgments will continue to run.

COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs recommends the enactment of H.R. 13767.

## INDEPENDENCE NATIONAL HISTORICAL PARK

The bill (S. 2940) to amend the act of June 28, 1948, as amended, relating to the acquisition of property for the Independence National Historical Park was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2940

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 6 of the Act entitled "An Act to provide for the establishment of the Independence National Historical Park, and for other purposes", approved June 28, 1948 (62 Stat. 1061, as amended; 16 U.S.C. 407r), is further amended by striking out "$7,950,000" and inserting in lieu thereof "$11,200,000".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–571), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of S. 2940 is to provide an increase in the funds authorized to be appropriated for Independence National Historical Park in Philadelphia, Pa. The new funds, if appropriated, will be used to acquire the last remaining tract of commercial land within the boundaries of the park.

NEED

Creation of Independence National Historical Park was provided for by an act of Congress passed in 1948. Since that time all the property authorized to be acquired within the three city blocks that make up what is known as project A, as well as the property within other units of the park, has been acquired either by the United States or by the State of Pennsylvania, the city of Philadelphia, or private nonprofit organizations, with one exception. The exception is the parcel with which S. 2940 is concerned. This parcel is occupied by three buildings—one of them a 16-story office building, the two others small structures—which, the committee was advised, are completely out of keeping with the historic structures in the remainder of Independence National Historic Park—Independence Hall, Carpenters Hall, Philosophical Hall, Library Hall, the First and Second Banks of the United States, and others.

In April 1967, the Reliance Insurance Co., the owner of the three buildings on the parcel to be acquired under S. 2940 gave the National Park Service an 18-month option to purchase its holdings for $3,250,000. The Park Service testified that it was a figure satisfactory to the Service based on its own appraisal.

Independence National Park attracted 2,750,000 visitors in 1966. About 7 years from now the bicentennial of the Declaration of Independence will be celebrated and it will center on this park. Estimates are that as many as 6 million visitors will attend the various events that will be held. It is the hope of the Park Service that the modern buildings which intrude on the historical scene can be acquired and demolished and that the area can be landscaped before that time in order that as authentic a picture as possible of the scene as it was at the time this country declared its independence will be available.

The Reliance Insurance Co.'s option will expire in January of 1970. The committee was assured, however, by an officer of the company—its vice president and general counsel—that he will recommend to the board of directors that it be extended a reasonable time if this is necessary to enable S. 2940 to be enacted and appropriations to be obtained which will allow the purchase to be consummated. He stressed, however, that the company has been kept waiting for some time now, that it has moved its own offices to a different location, that it has felt unwarranted in making improvements in the structures that ought to be made if it is to be leased out on a long-term basis, and that it has, accordingly, been granting only short-term leases. The committee sympathizes with the position in which the company finds itself. It also appreciates the difficulties that would ensue if the option were allowed to expire without being exercised, particularly those which would stem from the loss of an opportunity to acquire at what appears to be a very reasonable price.

COST

The cost of acquiring the land and buildings with which S. 2940 is concerned is $3,250,000. The cost of demolishing the buildings and landscaping the property is estimated at $580,000. This cost will be partially offset by revenues derived from presently outstanding leases.

## CHICKAMAUGA AND CHATTANOOGA NATIONAL MILITARY PARK

The Senate proceeded to consider the bill (H.R. 9163) to authorize the disposal of certain real property in the Chickamauga and Chattanooga National Military Park, Ga., under the Federal Property and Administrative Service Act of 1949, which had been reported from the Committee on Interior and Insular Affairs, with an amendment on page 1, line 6, after the word "property", strike out "under that Act" and insert "subject to the retention by the Department of the Interior of a reversionary interest in perpetuity with respect to any portion of such property not utilized for educational purposes under that Act,".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–572), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND AND NEED

The Chickamauga and Chattanooga National Military Park is located in the States of Georgia and Tennessee. It was originally established in 1890; however, it was not administered as a part of the National Park System until 1933. The tract of land (consisting of approximately 155.46 acres) involved in H.R. 9163 was acquired by the War Department in 1898, but its historic association with the Civil War battle which took place in the area is remote and its physical location in relation to the main portion of the park is tenuous—it is merely an appendage connected with the park at a common corner.

Under existing law, lands reserved for, or dedicated to, national park purposes are not subject to the usual disposal procedures for surplus Federal properties. For this reason, H.R. 9163 authorizes the Secretary of the Interior to designate the lot (specified in the bill) as excess property so that it may be utilized or disposed of by the Administrator of General Services in accordance with the provisions of the Federal Property and Administrative Services Act of 1949. The committee was advised that Catoosa County, Ga., is most interested in acquiring the property for the development of an educational complex.

AMENDMENT

On page 1, line 6, strike out "under that Act" and insert "subject to the retention by the Department of the Interior of a reversionary interest in perpetuity with respect to any portion of such property not utilized for educational purposes under that Act,".

PURPOSE OF AMENDMENT

Testimony before the committee indicated that the lands involved were not needed for park purposes or by any other Federal agency, and that the State and local governments wanted it for the purpose of developing an educational complex. The amendment would assure the use of these lands for educational purposes and would protect against any future proposals that would permit them to fall into private ownership. The adoption of the reversionary amendment would protect the government against such a possibility.

COST

No Federal expenditures are contemplated under the terms of H.R. 9163 other than the usual administrative costs associated with the disposal of excess Federal properties.

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## ELIMINATION OF CONSTRUCTION DETAILS ON PASSENGER VESSELS

The Senate proceeded to consider the bill (H.R. 210) to eliminate requirements for disclosure of construction details on passenger vessels meeting prescribed safety standards, and for other purposes, which had been reported from the Committee on Commerce with an amendment strike out all after the enacting clause and insert:

That section 4400 of the Revised Statutes, as amended (46 U.S.C. 362), is amended—

(1) by inserting in the second sentence of subsection (b) between the words "information" and "as" the following: ", and shall specify the registry of any vessel named,", and

(2) by inserting between the second and third sentences of subsection (b) thereof the following new sentence: "The passenger notification and promotional or advertising literature inclusions required by this subsection, except the inclusion of the country of registry of the vessel, do not apply to voyages by vessels meeting the safety standards prescribed in subsection (c) of this section.".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–573), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to amend section 4400 of the Revised Statutes, as amended (46 U.S.C. 362), to eliminate the requirement to publicly disclose compliance with safety standards where such vessels meet prescribed safety standards and to require that the registry of any vessel named in promotional literature or advertising be specified therein.

BACKGROUND OF THE LEGISLATION

In 1966, the Congress enacted Public Law 89–777, which required all ships to meet certain minimum fire, safety, and financial standards, and to include a statement in all advertising of ships sailings as to the safety standards with which the vessel complied or did not comply. This requirement for notice of compliance with safety standards was reasonable and desirable at the time the law was passed because safety standards did not apply uniformly to all cruise ships, foreign and domestic. Vessel owners, however, were required to alter their vessels to meet the prescribed requirements by November 2, 1968. Since that date all passenger vessels, both U.S. and foreign flag, sailing from U.S. ports, with U.S. nationals, must meet the standards set forth in the International Convention for Safety of Life at Sea of 1960, as modified by the amendments proposed by the 13th session of the Maritime Safety Committee of the Intergovernmental Maritime Consultative Organization (IMCO), contained in annexes I–IV of the note verbale of the Secretary General of that organization, dated May 17, 1966. The net result at this time is that passenger vessels using U.S. ports must conform to these fire and safety standards. The Coast Guard enforces these requirements.

NEED OF THE LEGISLATION

Thus, since November 2, 1969, no vessel, American or foreign flag, can sail from an American port without complying with the convention safety standards and, because of present uniform safety standards, the requirement to disclose compliance with particular safety requirements can be eliminated. There is, therefore, no longer any reason for disclosure of such compliance at the time of booking, nor for the advertising requirements.

Testimony during the hearing on this bill indicated that during the period these disclosure requirements have been in effect, there has been a pronounced change in the pattern of promotion for steamship passenger transportation and cruises. Travel agents, who have been counted on to produce a majority of the travel business, either cannot afford or will not incur the additional cost of purchasing more advertising space to include the required safety text, nor will they sacrifice promotional text for a description of safety standards. Advertising by these agents consequently has dropped appreciably. The disclosure requirements have also proven unduly expensive and burdensome where the use of radio and television is involved and the result has been that passenger vessels have been virtually precluded from effectively using those media. Since the safety notice requirements have proven burdensome and since the interest of safety is little served by the compulsory recitation that mandatory standards have in fact been met, H.R. 210 would simply eliminate the need for the safety notice in advertising of ships which meet the required standards. A witness from the Coast Guard assured the committee that passage of the bill would in no way adversely affect passenger safety.

THE AMENDMENT

The House of Representatives amended H.R. 210 as it was originally introduced in that body in order to require that advertising of passenger ships include notice of the registry of the ship. However, the technical form of that amendment created a possible ambiguity as to what agency should administer the requirement of disclosure of registry and as to what penalties would attach to failure to comply. The amendment adopted by the Committee clarifies those ambiguities and authorizes the Secretary of the Department in which the Coast Guard is operating to promulgate regulations with respect to disclosure of registry. However, since the principal purpose of H.R. 210 is to remove costly and burdensome restrictions on promotion of travel by passenger ship, it is not intended that the statement as to the vessel's registry be accomplished in any particular manner, so long as the promotional literature or advertising includes the required specification as to the country of the vessel's registry in a manner which reasonably discloses the information.

COST OF THE LEGISLATION

The bill will not result in any increased cost to the Government.

CONCLUSION

This bill should be of some assistance to our ailing U.S.-flag passenger fleet and will eliminate an unnecessary burden on passenger vessel operations.

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## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on management of the Project One Hundred Thousand Program, Department of the Army, dated December 8, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on need to improve project transition management by the Department of Defense, dated December 8, 1969 (with an accompanying report); to the Committee on Government Operations.

FAMILY PLANNING SERVICES AMENDMENTS OF 1969

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act to provide for special project grants for the provision of family planning services and related research, training, and technical assistance (with an accompanying paper); to the Committee on Labor and Public Welfare.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S.J. Res. 154. Joint resolution to authorize and request the President to proclaim the month of January of each year as "National Blood Donor Month" (Rept. No. 91–578).

By Mr. HRUSKA, from the Committee on the Judiciary, with an amendment:

H.J. Res. 10. Joint resolution authorizing the President to proclaim the second week of March, 1970, as Volunteers of America Week (Rept. No. 91–579).

By Mr. MOSS, from the Committee on Interior and Insular Affairs, with amendments:

S. 1148. A bill to amend the Revised Organic Act of the Virgin Islands (Rept. No. 91–580).

By Mr. McGEE, from the Committee on Post Office and Civil Service, with an amendment:

H.R. 9233. An act to amend title 5, United States Code, to promote the efficient and effective use of the revolving fund of the certain functions of the Commission, and for Civil Service Commission in connection with other purposes (Rept. No. 91–581).

By Mr. McGEE, from the Committee on Post Office and Civil Service, with amendments:

H.R. 13000. An act to implement the Federal employee pay comparability system, to establish a Federal Employee Salary Commission and a Board of Arbitration, and for other purposes (Rept. No. 91–582).

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, with amendments:

S. 2523. A bill to amend, extend, and improve certain public health laws relating to mental health, and for other purposes (Rept. No. 91–583).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H.R. 11503. An act for the relief of Wylo Pleasant, doing business as Pleasant Western Lumber (now known as Pleasant's Logging and Milling, Inc.) (Rept. No. 91–585); and

S. Res. 239. Resolution to refer S. 2807, together with all accompanying papers, to the Chief Commissioner of the United States Court of Claims (Rept. No. 91–584).

## EXECUTIVE REPORT OF A COMMITTEE

As in executive session, the following favorable report of a nomination was submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Henry J. Tasca, of Pennsylvania, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Greece.

## BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. PACKWOOD (for himself, Mr. MURPHY and Mr. HATFIELD):

S. 3218. A bill to provide a method for paying costs of fires caused without negligence in connection with national forest timber sales operations; to the Committee on Agriculture and Forestry.

(The remarks of Mr. PACKWOOD when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. JAVITS (for himself, Mr. DOMINICK, and Mr. PROUTY):

S. 3219. A bill to amend the Public Health Service Act to provide for special project grants for the provision of family planning services and related research, training, and technical assistance; to the Committee on Labor and Public Welfare.

(The remarks of Mr. JAVITS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. MATHIAS (for himself and Mr. MANSFIELD):

S.J. Res. 166. Joint resolution to repeal legislation relating to the use of the Armed Forces of the United States in certain areas outside the United States and to express the sense of the Congress on certain matters relating to the war in Vietnam, and for other purposes; to the Committee on Foreign Relations.

(The remarks of Mr. MATHIAS when he introduced the joint resolution appear earlier in the RECORD under the appropriate heading.)

## S. 3218—INTRODUCTION OF THE OPERATIONS FIRE FUND ACT—METHOD OF COMPENSATING FOR COSTS OF FOREST FIRES CAUSED WITHOUT NEGLIGENCE

Mr. PACKWOOD. Mr. President, today I introduce on behalf of myself and the Senator from Oregon (Mr. HATFIELD) and the Senator from California (Mr. MURPHY), a bill to provide a method for paying costs of fires caused without negligence in connection with national forest timber sales operations. So-called "operations fires" are fires which occur without negligence in the harvest of timber on national forest lands.

One of the many problems faced by the timber industry is involved here. Fires totally without negligence on the part of the operator are occasionally started by friction of logs rubbing on the forest floor, or when metal strikes metal or rock. These fires usually occur where generally great care is exercised by the operator, but the control and cost of the fire can be an overwhelming burden for one operator.

Of course, where fires are caused with negligence, then the responsibility lies with the operator, but I am speaking specifically about fires caused without negligence by the operator.

The Operations Fire Fund Act which I propose, and which has been introduced also on the House side, is designed to meet this problem by spreading the risk of these nonnegligent fires to the entire industry, providing an incentive for care and meeting the entire cost of suppressing such fires from deposits by operators.

In section 2 of this proposed act a fund would be created from deposits by timber purchasers, based on cut of national forest timber. A limit placed on the amount of the fund to meet the total cost of suppressing operations fires over the past 3 years, with excess funds transferred to miscellaneous receipts of the Treasury.

Section 4 should establish a board to fix the rates of deposits into the fund by regions, review expenditures from the fund, and establish additional amounts timber purchasers must pay toward the initial cost of suppression. It is anticipated that in the western regions the purchased would assume the obligations for the first $2,500 in suppression cost for each operations fire. The remaining cost of suppression would be met fully through the operations fire fund.

I believe this bill will provide a fair and inexpensive method to meet the problems of suppressing the nonnegligent fires occurring from time to time in the harvest of timber from national forests.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3218) to provide a method for paying costs of fires caused without negligence in connection with national forest timber sales operations, introduced by Mr. PACKWOOD, for himself and other Senators, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

## ADDITIONAL COSPONSORS OF BILLS

S. 2674

Mr. COOK. Mr. President, I ask unanimous consent that, at the next printing, my name be added as a cosponsor of S. 2674, to amend title 37, United States Code, to provide for the procurement and retention of judge advocates and law specialist officers for the Armed Forces.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

S. 2852

Mr. INOUYE. Mr. President, I ask unanimous consent that, at the next printing, the name of my colleague, the gentleman from Hawaii (Mr. FONG), be added as a cosponsor of S. 2852, to amend the Shipping Act of 1916, as amended, to require common carriers by water in the domestic offshore trade to obtain a certificate of convenience and necessity, and to require contract carriers by water in such trade to obtain a permit.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969—AMENDMENTS

AMENDMENT NO. 401

Mr. ERVIN submitted an amendment, intended to be proposed by him, to the bill (H.R. 13270) to reform the income tax laws, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 403

Mr. BELLMON submitted an amendment, intended to be proposed by him, to House bill 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 407

Mr. TOWER. Mr. President, I send to the desk an amendment to be printed, along with an explanation of the amendment and a letter from the Department of the Treasury supporting it.

I submit the amendment on behalf of the Senator from Alabama (Mr. SPARKMAN) and myself. It would take the place of current amendments Nos. 297 and 298. For the benefit of Senators interested in those amendments, this is a new compromise amendment and a letter from the Treasury Department supporting it.

I ask unanimous consent that an explanation of the amendment, together with the letter of support from the Department of the Treasury be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the table; and, without objection, the amendment, explanation, and letter will be printed in the RECORD.

The amendment (No. 407) is as follows:

Page 387, strike out lines 17 through 25 and lines 1 through 7 on page 388 and insert in lieu thereof the following:

"(4) USED SECTION 1250 PROPERTY.—In the case of section 1250 property acquired after July 24, 1969, the original use of which does not commence with the taxpayer, the allowance for depreciation shall be determined in the following manner:

"(A) in the case of such section 1250 property which is residential rental housing (as defined in paragraph (2)(B) having a remaining useful life on the date of acquisition of 30 years or more, the allowance for depreciation under this section shall be limited to an amount computed under any of the methods provided for in paragraph (1);

"(B) in the case of such section 1250 property which is residential rental housing (as defined in paragraph (2)(B)) having a remaining useful life on the date of acquisition of between 20 and 30 years, the allowance for depreciation under this section shall be limited to an amount computed under—

"(i) the straight line method,

"(ii) the declining balance method, using a rate not exceeding 125 percent of the rate which would have been used had the annual allowance been computed under the method described in clause (i), or

"(iii) any other method determined by the Secretary or his delegate to result in a reasonable allowance under subsection (a), not including—

"(1) the sum-of-the-years digits methods, or

"(2) any other method allowable solely by reason of the application of subsection (b)(4) or paragraph (1)(C) of this subsection; and

"(C) In the case of such section 1250 property which is either residential rental housing (as defined in paragraph (2)(B)) having a remaining useful life on the date of acquisition of less than 20 years, or which does not qualify as residential rental housing, the allowance for depreciation under this section shall be limited to an amount computed under—

"(i) the straight line method, or

"(ii) any other method determined by the Secretary or his delegate to result in a reasonable allowance under subsection (a), not including—

"(1) any declining balance method,

"(2) the sum-of-the-years digits method, or

"(3) any other method allowable solely by reason of the application of subsection (b)(4) or paragraph (1)(c) of this subsection."

Page 393, strike lines 1 through 7 and insert the following:

"(iii) in the case of residential rental housing (as defined in section 167(j)(2)(B) other than that covered by clauses (i) and (ii) or in the case of rehabilitation expenditures (as defined in section 167(k)(3)) allowed with respect to section 1250 property, 100 percent minus 1 percentage point for each full month the property was held after the date the property was held 60 full months; and

"(iv) in the case of all other section 1250 property, 100 percent minus 1 percentage point for each full month the property was held after the date the property was held for 120 full months."

Page 393, line 8, strike out "Clauses (i), (ii), and (iii)" and insert in lieu thereof; "Clauses (i) and (ii)."

The explanation, presented by Mr. TOWER, is as follows:

EXPLANATION OF THE TOWER-SPARKMAN AMENDMENT

This amendment deals with real estate depreciation on any existing residential buildings which are conveyed after July 24, 1969. It also concerns the tax consequences of a sale or disposition of all types of property which involves a sale price above basis.

PRESENT LAW

(A) Depreciation of New Improvements

Under present law, the original owner of any type of real estate project may depreciate the improvements upon any one of these bases or upon a combination of two: straight line, sum-of-the-years-digits, or double declining balance.

(B) Depreciation of Existing Improvements

Existing improvements which are conveyed may be depreciated by their new owner on the 150% basis; this method provides for some acceleration during the initial years of ownership, but not as much as either sum-of-the-years-digits or the double declining balance methods.

(C) Recapture Provisions

If real estate is sold in the first year of the holding period, then all the depreciation deduction taken during that time is taxable at ordinary income rates to the extent that it is recaptured by the sale. For the next eight months (from months 13 through 20) all depreciation in excess of straight line which is recaptured by the sale is taxed at ordinary income tax rates. Beginning the twenty-first month, the percentage of the excess depreciation recaptured at the time of sale which is taxed at ordinary rates declines 1% for each additional month of the holding period. Thus if the owner holds for ten years, he is assured of full capital gains treatment.

PROPOSED CHANGES BY THE SENATE FINANCE COMMITTEE

(A) Depreciation of New Improvements

The Senate Finance proposal would retain all existing depreciation methods for new residential construction, but would limit new commercial and industrial facilities to the 150% method.

(B) Depreciation of Existing Improvements

Second and subsequent owners of all depreciable real property would be limited to the straight line method of depreciation regardless of the type of property.

(C) Recapture Provisions

The Senate Finance Committee has proposed three separate formulae as to tax consequences, depending on the type of property which is being sold or disposed of:

(1) Certain low and moderate income rental housing projects assisted under Federal or State law which involve limited dividend mortgagors receive the same treatment as before (i.e. 100% capital gains treatment at the end of the tenth year.)

(2) New residential construction, other than these special housing projects, would be subject to full recapture at ordinary rates on the excess over straight line for ten years, then, beginning the first month of the eleventh year (121st month), the percentage of the excess depreciation which is taxed at ordinary rates declines 1% per month for each additional month of the holding period. Full capital gains treatment is assured in 18 years, 4 months.

(3) Used residential and both new and used nonresidential buildings are subject to full recapture of the excess depreciation over straight line recaptured at the time of sale at ordinary income tax rates, regardless of when the sale takes place.

CHANGES EFFECTED BY THIS AMENDMENT

(A) Restoration of Accelerated Depreciation to Second and Subsequent Owners of Residential Construction.

This amendment would restore accelerated depreciation to second and subsequent owners of residential real property. However, the rate of the acceleration would be based on the estimated future useful life of the project.

(1) If the remaining useful life is less than twenty years at the time of transfer, the purchaser would be limited to the straight line method.

(2) If the remaining useful life is between twenty and thirty years, the purchaser would be entitled to depreciate at the rate of 125% of straight line.

(3) If the remaining useful life is thirty years or more, the purchaser would be entitled to the 150% method. However, second and subsequent owners of commercial and industrial property would be limited to the straight line method as recommended by the Senate Finance Committee.

(B) Changes in the Recapture Formulae

The amendment would alter the recapture formula recommended by the Senate Finance Committee in two respects:

(1) For the owners of residential construction (both new and used), there would be a full recapture of all the excess depreciation taken over straight line at ordinary income tax rates if there were a sale in the first five years. Thereafter, beginning the first month of the 6th year (61st month), the percentage of the gain taxed as ordinary income would decline 1% per month. Thus residential property held for 13 years, 4 months would be entitled to full capital gains treatment at the time of sale. This provision would also apply to the special 5-year write-off for rehabilitation expenses incurred on low-rent housing.

(2) For owners of other types of new construction, there would be full recapture for the first ten years, and then, beginning the first month of the eleventh year, the percentage of the gain taxed as ordinary income would decline at the rate of 1% per month. This is the same provision as the Senate Finance Committee recommended for residential construction. (Note, this provision would have no effect on second and subse-

quent owners of nonresidential construction inasmuch as they are limited to the straight line depreciation method.)

The letter, presented by Mr. TOWER, is as follows:

THE DEPARTMENT OF THE TREASURY,
*Washington, D.C., December 8, 1969.*

Hon. JOHN G. TOWER,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR TOWER: You have requested a statement of the position of the Treasury Department on Amendments 297 and 298 to H.R. 13270, the Tax Reform Act of 1969, which you have proposed. In general, these amendments would change the provisions of the bill which allow only straight-line depreciation in the hands of a second owner (so-called "used" property) and which eliminate the phase-out of recapture of the excess of accelerated over straight-line depreciation for buildings and other real estate improvements. They would allow 150 percent declining balance depreciation if the life of the property exceeds 30 years, 125 percent if the life is between 20 and 30 years, and straight-line depreciation if the life is less than 20 years. The phase-out of recapture would be reinstituted to begin after the fifth year of ownership.

The Treasury Department will support these amendments if they are limited to housing, rather than being applicable to all real estate construction as they are in their present form. Treasury would also support a reinstatement of the phase-out of recapture beginning after the tenth year for real estate improvements other than housing if it were coupled with a limitation of Amendments 297 and 298 to housing.

It is my understanding from recent discussions with officials of the Department of Housing and Urban Development that HUD will also support the amendments in this revised form.

Sincerely yours,

JOHN S. NOLAN,
*Deputy Assistant Secretary.*

AMENDMENT NO. 408

Mr. WILLIAMS of Delaware submitted amendments, intended to be proposed by him, to House bill 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 409

Mr. KENNEDY (for himself and Mr. PEARSON) submitted an amendment, intended to be proposed by them, jointly, to House bill 13270, supra, which was ordered to lie on the table and to be printed.

(The remarks of Mr. KENNEDY when he submitted the amendment appear later in the RECORD under the appropriate heading.)

## AMENDMENT OF MIGRANT HEALTH ACT TO INSURE MIGRANT PARTICIPATION IN PROGRAM DEVELOPMENT AND IMPLEMENTATION—AMENDMENT

AMENDMENT NO. 402

Mr. MONDALE. Mr. President, I submit an amendment to S. 2660, a bill to extend and otherwise amend certain expiring provisions of the Public Health Service Act for migrant health services, that would provide for participation of the migrant agricultural worker in program development and implementation.

I am today proposing that section 310 of the Public Health Service Act, which provides money for migratory farmworkers' health care, be amended by adding language that will guarantee participation by the target population in the development and implementation of migrant health programs.

The Migrant Health Act was passed in 1962 with the avowed purpose of providing health care for migrant farmworkers. Before passage of the act, adequate health care was the exception rather than the rule for migrant families. Migrant farmworker families were excluded from traditional health services taken for granted by all the rest of society.

Now, through 116 project grants in 36 States, physicians and hospitals are involved in upgrading the health of farmworkers. The present appropriation of $8 million limits provision of service to only about one-third of the target population, and in many instances, even those services are inadequate or incomplete because of the shortage of funds.

Although the act is improving health care services for migrants, recent hearings in Washington and in the Rio Grande Valley of Texas on the extension of the act, point up the need to involve the consumer population in project development and implementation.

Too often Federal funds are not being used to their fullest advantage. A lack of knowledge on the part of migrants about available facilities and program components still prevails. Many programs lack an adequate outreach component. Too often programs do not take into account the total poverty of migrant families, so that health care is not matched with services to meet related needs of food, shelter, clothing, and other familiy needs. Special effort and innovation in organizing and delivering services to make them more accessible for the use of geographically and socially isolated migrants is often lacking. Some programs have not explored the possibility of developing new sources of personnel to supplement available professional personnel, such as aides drawn from among migrant families.

Some programs are in the hands of local, county, or State health departments that are insensitive to the needs of migrants or operate heedless of the dignity of the individual. Many local public health programs are already starved for funds, and thus use Migrant Health Act funds to operate their regular programs. Programs are often entwined with legal and policy exclusions from certain local services. Language problems often cause confusion in the delivery of needed services, and staff members are often not bilingual in areas where Spanish is the prevailing tongue. In other instances, health care was not related to the needs of the individual or the family. Experts have documented the fact that greater attention to preventive medicine might obviate the high costs of curing advanced stages of disease.

I am convinced that insufficient health care for the rural poor and the migrant will remain the rule, rather than the exception, until we tap the vast wisdom, understanding, loyalty, and pride of the poor. It is the poor themselves who know most about the details and the solution to their predicament.

My amendment represents a modest, inexpensive device for guaranteeing that those who are excluded from health care be permitted to participate in the development and implementation of programs that are intended to improve their health.

My amendment simply requires that before grants are authorized, the Secretary must be satisfied that persons broadly representative of all elements of the population to be served have participated in the development, and will participate in the implementation, of such programs.

The purpose is abundantly clear. It is to have the input of the poor in the implementation and delivery of health care so that the Government and the people get the most for their dollar.

I ask unanimous consent that this amendment be printed in the RECORD at the close of my remarks.

The ACTING PRESIDENT pro tempore. The amendment will be received and printed, and will be appropriately referred; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 402) was referred to the Committee on Labor and Public Welfare, as follows:

AMENDMENT NO. 402

At the end of the bill insert a new sentence as follows:

"SEC. 2. Section 310 of the Public Health Service Act is further amended by adding immediately after the final sentence thereof the following new sentence: For the purposes of assessing and meeting domestic migratory agricultural workers' health needs, developing necessary resources, and involving local citizens in the development and implementation of health care programs authorized by this Section, the Secretary must be satisfied, upon the basis of evidence supplied by each applicant, that persons broadly representative of all elements of the population to be served have been given an opportunity to participate in the development of such programs, and will be given an opportunity to participate in the implementation of such programs."

## DISTRICT OF COLUMBIA APPROPRIATION BILL, 1970—AMENDMENTS

AMENDMENTS NOS. 404 THROUGH 406

Mr. TYDINGS submitted three amendments, intended to be proposed by him, to the bill (H.R. 14916) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1970, and for other purposes, which were ordered to lie on the table and to be printed.

## ADDITIONAL COSPONSORS OF AMENDMENT

AMENDMENT NO. 346

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the names of the Senator from Illinois (Mr. SMITH) and the Senator from Alaska (Mr. STEVENS)

be added as cosponsors of my amendment No. 346 to the pending tax reform bill, H.R. 12370.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Mr. SCOTT. Mr. President, the Washington Evening Star on December 6, 1969, published a page 1 article attacking the Equal Employment Opportunity Commission. The article was full of distortions and misinformation. The source of the information was admittedly "unhappy personnel" of the agency.

This kind of attack cannot go unanswered, for it seriously impairs the effectiveness of the Commission and the important work which Congress empowered it to undertake.

William H. Brown III, Chairman of the Equal Employment Opportunity Commission, today held a news conference to set the record straight. I ask unanimous consent that his prepared statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Title VII of the Civil Rights Act of 1964 established the Equal Employment Opportunity Commission as a non-partisan agency, protected from the divisive and sometimes destructive forces of the political arena. Since I became Chairman on May 6, 1969, I have tried to direct the energies of this Commission to the important task of eliminating job discrimination, and to keep the Agency out of politics. This has been a difficult task, since the nature of the problem we deal with is at the heart of some of the nation's most crucial social ills, and accordingly is the subject of political controversy. Yet, if the Commission is to succeed in its task—the elimination of discrimination in employment—it must not become bogged down in political combat.

It is important to consider what effect such disputes have on the Agency's staff. EEOC is made up of individuals strongly committed to the proposition that every American should have a chance to work according to his abilities. Theirs is an extremely difficult task, and I think it is grossly unfair to involve them in the kind of political pulling and hauling which should be reserved for political campaigns.

For these reasons, I was greatly disturbed by the article which appeared in the Washington *Evening Star* on Saturday, December 6, containing an irresponsible attack on the Commission. The sources for this story were admittedly "unhappy personnel within the Agency." No one in a responsible position in the Commission was interviewed.

I note that the name of former Chairman Clifford L. Alexander, Jr. was mentioned in the article. I urge Mr. Alexander to repudiate the article, for he knows better than anyone else that it is based on inaccuracies and distortions. Ordinarily, I would not comment on an article of this kind, but the credibility of this Agency in the minds of the people it seeks to serve is of utmost importance to our eventual success. Accordingly, I feel compelled to set the record straight and respond to these misstatements.

I think it is important to look at the situation as I found it on May 6 when I became Chairman. The Commission's backlog of cases was steadily increasing and had in fact reached the point where the Commission's processes were in danger of being overwhelmed. The operations of the Commission, including investigations, decisions and interpretations, and conciliations, were seriously understaffed. In the field the high rate of turnover among young investigators, combined with a shortage of trained cadre, seriously hampered the effectiveness of these offices. There was no working manual for investigatiors; there was no working manual for conciliators; there was no systematic training program for either investigators or conciliators. Despite these problems there was a policy of delegating compliance responsibilities to the field offices, without providing a structure to ensure a uniform high-quality work product. The field offices, in effect, had become 13 different Equal Employment Opportunity Commissions.

This was the situation on May 6. Now, we are told that the Commission's problems are a recent development.

*The Evening Star* reports that there are "99 vacancies among the EEOC's 615 positions, here and in the field." In fact, the Commission has 629 authorized positions, 613 of which are filled.

The *Star* reports that "11 of 15 supergrade positions are vacant." In fact, only 6 of these positions are vacant and we are vigorously recruiting highly qualified individuals to fill these positions. I might point out that prior to my appointment as Chairman four of these supergrade positions—Deputy Executive Director, Deputy General Counsel, Director of Technical Assistance, and Chief of Education Programs—remained vacant for a year or longer. As of May 1 of this year, seven supergrade positions were vacant, and five additional vacancies occurred following the resignation of Clifford Alexander as Chairman.

In this respect, the present vacancies are not a novel problem. But the solution to the problem. I believe, has been made more difficult by the Commission's history of filling positions by adjusting agency structure and activities to accommodate the needs of personal and political associates. The result has been that the Commission's activities and its reputation have been seriously impaired.

The *Star* reports that meetings of the Commission "have dropped from once a week to once every two or three weeks." This is a distortion. Up to the time that Mr. Alexander became Chairman, meetings were held on the average of once a week. During Mr. Alexander's chairmanship, meetings were held once every two or three weeks. Since I have become Chairman, meetings have been held with the same frequency.

The article parrots the frequently made, but baseless claim that I am against this Commission holding public hearings. As recently as last Monday, in an open hearing before the House General Subcommittee on Labor I reiterated that I fully intend to hold public hearings. My testimony is a matter of record. Two months ago, I directed the Commission's Office of Research to begin preparation for hearings. It has been busy collecting information to aid the Commission in determining the scope and location of the next hearing. This time, the preparation for this hearing will include a follow-up procedure, because *I* do not regard public hearings as mere publicity stunts to be forgotten once the television cameras are turned off.

Perhaps the most remarkable charge that was leveled was that the Agency's backlog of cases has continued to rise since my taking office and that I have allowed the situation to worsen with no attempt to alleviate the problem.

These are the facts: At the beginning of FY 1968, this Agency had a backlog of 1,476 respondent investigations. By the end of FY 1969, that figure had increased to 2,556 respondent investigations. Part of this problem stems from inadequate funding. I think it is important to note, however, that prior to my Chairmanship, the weaknesses in Agency procedures that contributed to the problem were ignored. Repeated requests from responsible members of the staff to make basic changes in the Agency procedures were, in many instances, not even acknowledged. In attention to the problems of the backlog and the personnel policies I described, frustrated efficient implementation of the provisions of Title VII, and demoralized those staff members who cared more for civil rights than rhetoric.

In sum, on May 6, 1969, I became Chairman of an institution which was no more prepared to perform the task set out for it by Congress than it was at its inception. Things are changing.

For the first time in the history of the Commission, a comprehensive study has been made of the compliance process as it actually operates.

This critical analysis was distributed to the field directors and the heads of our Washington division, with an invitation for comments and recommendations.

Then there was a no-holds barred meeting of the field directors and the various division heads. Out of this came a new, streamlined and more effective compliance procedure which was voted on and adopted by the Commissioners in a meeting on November 13. We believe the new procedure will help eliminate the backlog and greatly speed up future case handling.

In short, we are now doing that which should have been done long ago. We are establishing procedures and hiring personnel to carry forward a meaningful compliance program. It would be naive to suppose that the Commission's problems will be resolved in a short time. They will not. There are other handicaps—statutory as well as the cumulative effects of past mismanagement that will still have to be worked out. But this Commission is determined to make Title VII of the Civil Rights Act of 1964 work and work effectively.

It would be tragic if this Agency, which for the first time is beginning to develop an effective compliance program were to fall victim to a reckless political attack.

## DETERIORATION OF SERVICE BY WESTERN UNION

Mrs. SMITH of Maine. Mr. President, if others have had the same continuing experience with Western Union that I have had, I am sure that they have shifted more and more away from using Western Union and toward using long-distance telephone.

The deterioration of service by Western Union began many years ago, as far as my home State of Maine is concerned. Western Union stopped delivering telegrams in most areas of Maine after 5 o'clock in the afternoon. Instead, Western Union started putting late afternoon telegrams in the mail or using the telephone to relay the messages. Western Union closed offices in town after town in Maine.

I have much sympathy for the Western Union employees in Maine for what they have to take in customer resentment at the company management deficiencies of Western Union.

Irresponsibility and poor service have become the normal Western Union pattern—not the exception to the rule.

It is happening all the time. For example, this past Saturday, late in the day, I received a Western Union telegram sent from Terre Haute, Ind., the day before.

Such slow delivery is bad enough. But the telegram sent by three residents of Terre Haute challenged me with the statement of "notice with interest your

figures on numbers of Vietnamese killed by U.S. troops and allies. We must admit grave doubts as to your accuracy. If unfounded—why?"

Since I have never set forth any such figures or statistics, my assistant placed a long-distance telephone call to the first signer of the Western Union telegram to inquire as to the basis for the telegram. He did not chance sending a Western Union telegram in making the inquiry.

The signer of the telegram was promptly reached. He stated that what the three senders of the telegram had done was to make the inquiry in another telegram to another Senator who had stated such figures and statistics, and had asked that several other Senators be sent a copy of such telegram.

Then on Sunday—2 days after the original telegram—Western Union sent a corrected telegram to me stating:

The following is a copy of a telegram we sent to Senator ——— on above date.

And then stating text of telegram originally sent to me.

It is obvious that the only reason that Western Union troubled to make the correction was the inquiry in the long-distance telephone call that my assistant made to the first signer of the original telegram.

Only a short time before, when a joint telegram was sent to me and another Senator, Western Union did not trouble to deliver the message to me. I had to learn about the undelivered message from the other Senator.

These two instances of such erroneous, sloppy, and irresponsible lack of service by Western Union are not exceptions to the rule. Instead they have become par for the course.

## ORIGIN OF KHRUSHCHEV'S STATEMENT "WE WILL BURY YOU"

Mr. FULBRIGHT. Mr. President, we have all heard a good deal in the past decade about the phrase, "We will bury you," attributed to former Premier Khrushchev. I had heard some time ago that this phrase had never been used by Mr. Khrushchev in a formal speech but was a remark attributed to him in the course of a conversation with a number of Western diplomats at the time of the Suez crisis. On November 17, I wrote the Department of State and asked them to provide an account of the history of this remark.

The Department has replied, in a letter dated November 26. I think that this reply will be of interest to Senators and of some historic interest to readers of the RECORD. I therefore ask unanimous consent that my letter of November 17 and the Department of State's reply be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NOVEMBER 17, 1969.

Hon. WILLIAM P. ROGERS,
*Secretary of State,*
*Washington, D.C.*

DEAR MR. SECRETARY: Reference is often made by Members of the Senate to Mr. Khrushchev's alleged statement in a speech that "We will bury you." It is my impression that this phrase was never used by Mr. Khrushchev in a formal speech but was simply a remark attributed to him in the context of a conversation that he had with a number of Western diplomats during a discussion of the invasion of Egypt at the time of the Suez crisis.

I would appreciate the Department of State's account of the history of this remark.

Sincerely yours,

J. W. FULBRIGHT.

DEPARTMENT OF STATE,
*Washington, D.C., November 26, 1969.*

Hon. J. W. FULBRIGHT,
*Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: The Secretary has asked me to reply to your letter of November 17, 1969, asking for the Department's account of the history of Chairman Khrushchev's remark, "We will bury you."

According to western journalistic accounts, this statement was made by Khrushchev at a reception for Polish leaders on November 18, 1956, at the Polish Embassy in Moscow. Both at this reception, and at a similar one the previous evening at the Kremlin, Khrushchev was in a belligerent mood, and his intemperate remarks concerning the actions by Britain, France and Israel in the Middle East, caused a number of western officials to walk out. Since the "We will bury you" remark was not reported to the Department officially, it may be that it was made after western officials had left the room where Khrushchev was speaking. In the official Soviet text of the Chairman's remarks issued the next day, the "We will bury you" phrase was not included, and on October 5, 1957, the Soviet news agency TASS, responding to citation of this quotation by Ambassador Lodge at the United Nations, charged that it was merely "the fruit of idle talk by those who are instructed to handicap the improvement of Soviet-American relations."

During another reception at the Polish Embassy in Moscow on September 4, 1959, however, Khrushchev did not so much deny the remark as complain that he had been misunderstood. Addressing himself to noncommunist countries, he said: "Mind, we shall not dig your grave in the physical sense." Khrushchev repeated this explanation during his visit to the United States when, at the National Press Club in Washington on September 16, 1959, in response to a question on the quotation, he said:

"What I meant was not physical burying of anyone at any time, but a change of the social system in the historical development of society . . . At the reception in question, I said that during historical development and in the historical sense Capitalism will be buried; that Capitalism will be supplanted with Communism."

Khrushchev's belief that he had been misunderstood is clear from the Russian text of his remarks at the Press Club. In the question addressed to him, the verb "to bury" was translated by the Russian words "zakopat' v zemlyu", which has only the literal meaning of "to bury in the ground." However, the word he claimed he used was "khoronit,'" which has both a literal and a figurative meaning in Russian. To quote the authoritative Russian dictionary edited by Professor Ushakov, the verb "khoronit'" can mean: "To consider obsolete, perished, unnecessary or to bury in oblivion." Thus, it appears that by using this word, Khrushchev had in mind the deterministic necessity, according to Marx and Lenin, that Capitalism would eventually be replaced by Communism.

During his subsequent years in office, Khrushchev frequently used the metaphor of "burying Capitalism" but always was careful to deny its literal meaning. For example, in a speech at Split, Yugoslavia on August 24, 1963, he admitted:

"I once said that we—that is, the communist system—will bury Capitalism, and the bourgeois ideologists began to distort my words, stating that I would bury Capitalism with a spade. Why should we need that? It is not we who will do that; it is the working class, the working people of the capitalist countries themselves who will . . . establish their own power."

I hope that you will find this information useful. If I can be of any further assistance, please do not hesitate to call on me.

Sincerely yours,

H. G. TORBERT, Jr.,
*Acting Assistant Secretary, for Congressional Relations.*

Mr. FULBRIGHT. Mr. President, I further ask unanimous consent to have printed in the RECORD a letter from a constituent from Greenland, Ark. This woman, having no experience in high diplomacy, has the perception to see that if we continue to follow the extravagant and foolish policy of expending our resources and manpower in remote areas of the world where our vital interests are not involved, we will "bury ourselves."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WHAT ABOUT THAT?

To the EDITOR:

They are telling us that there has been an overwhelmingly favorable response from "the great silent majority" to Mr. Nixon's speech on Vietnam.

They say the telegrams have poured into the White House in greater numbers than can ever be recalled and that Mr. Nixon is delighted. All this in response to a speech that said nothing, except that he means to keep this war going. That's hard to believe. I think rather that the American people are on the receiving end of a monstrous snow job, which the administration hopes will take some wind from the sails of the anti-war demonstrations soon to occur all over the nation.

They are asking people to demonstrate for Mr. Nixon and his "secret plan" by marching in parades, flying the flag, wearing red white and blue armbands and burning their headlights. Apparently it's okay to demonstrate if you do it for Mr. Nixon's "secret plan" which he cannot reveal at this time. I cannot believe that the majority of the American people will support in blind faith the man who has proven so false since his election a year ago.

Mr. Nixon was elected President of the United States for one reason, he promised to end this insane war and there were just enough of us foolish enough to believe him. I deeply resent being called un-American because I oppose this horrible, unreasonable war. I further resent being placed in the position of being unable to fly my country's flag because to do so would say that I support Mr. Nixon and this war which he has lovingly taken to his bosom. I love my country dearly. I do pledge allegience to her flag, but not to the power-mad politicians whose greed and vanity got us into this mess without regard for the suffering they cause or the blood on their hands.

They are not gods to be kindly obeyed as they would have us to believe, since they are our elected officials. They want us to be silent alright, while they send our children to be slaughtered in whatever obscure corner of the world they see fit, for whatever reason, without the consent of the "great silent majority". It's incredible to me that the people in the high offices of government, especially the President, cannot see what this war is doing to our country. We are committing suicide in this pathetic little country, and if we are to survive as a nation this war must be stopped. They say it's the communists who are behind all the anti-war demonstra-

tions, that they want us to stop fighting. How absurd.

Why should they want us out of Vietnam? They are bleeding us to death of everything we have, of our precious sons and our nation's wealth. It's to their great advantage to keep us there, so that we will finally be so weakened from pouring our resources into this bottomless pit that we will not be able to resist when they are ready to risk out and out war with us. Red China can and is supplying men in overwhelming numbers. Russia and her satellites can and will supply the enemy with weapons indefinitely. If this is how we fight communism, we can do nothing but lose for time is on their side.

We should not be surprised, they have always told us how they mean to conquer us, and our leaders are falling unerringly into the trap they have set. Mr. Nixon wants to "negotiate an honorable peace" with people who are without honor, and it is to their advantage to keep us fighting, and our leaders will not allow us to fight to win. When my son was ten years old, I heard them say on the newscasts that this war would probably last 20 years. A little over two months ago, he was killed in Vietnam. Mr. Nixon's form letter with the rubber stamp signature said he was sorry. The people of our beloved nation are going to wake up. I pray God it won't be too late.

How many of our sons can we afford to sacrifice? I wonder how many people who have lost boys feel it was worth their son's life? I am unable to muster up any enthusiasm for our President's "secret timetable," it's going to come too late for us, and hundreds of thousands of other brokenhearted families. What about that Great Silent Majority, Mr. Nixon?

Mrs. DOROTHY LEDBETTER.

GREENLAND, ARK.

## GIANT IN THE SENATE

Mr. GRIFFIN. Mr. President, the date of his retirement, January 2, 1971, is still months away. But the announcement by Senator JOHN WILLIAMS, of Delaware, that he will not run again has already left a profound impact upon the Senate and the Nation at large.

Unless this giant in the Senate can be convinced to reconsider and run again, the Senate and the Nation will suffer a loss that cannot be measured.

Mr. President, I ask unanimous consent that an article published in the December issue of Nation's Business be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### A GIANT IS LEAVING THE SENATE

When John J. Williams decided in 1946 he wanted to run for the U.S. Senate, he was a small town Delaware feed grain merchant without political experience, a following or connection in his party's state organization.

"I couldn't use that old line about my friends urging me to run," he recalls candidly. "I don't remember anybody ever asking me. In fact, most of my friends thought it was a pretty farfetched idea."

And the assumption by a 42-year-old novice that he could enter state politics at the top certainly didn't sit well with Delaware's Republican leaders.

"I had never met the state chairman," Mr. Williams says. "He was a little peeved that someone would be so brash as to announce a Senate candidacy without talking to him. But I went into it on the principle a man has a right to seek office in this country without the consent of anybody."

Most politicians, when asked why they pursue public office, come up with high-flown answers about service to nation and mankind, etc. John Williams' explanation is far more direct: "I thought I'd like to try it and I did."

"Oh, I'd been pretty concerned as a businessman about the trend in the country toward too much centralization of power in Washington," he adds. "But I didn't have any great noble drive."

Drive or no drive, he began traveling around the state, working long, gruelling days, to make himself and his views known.

Veteran Delaware Republicans, anticipating a Democratic victory, had shied away from making their party's Senate race. By the time they sensed that a Democratic success might not be inevitable after all, that the national mood was for a change after the long Depression and war years, Mr. Williams was well ahead for the nomination.

He went on to defeat the Democratic incumbent by nearly 12,000 votes out of 113,500 cast.

Sen. Williams had entered the feed grain business with his brothers immediately after finishing high school and leaving the family farm. Now, a brother took over responsibility for the store.

"There was nothing big about it, but we made a living," the Senator recalls. "He did all right after I left, so I guess I wasn't as important as I thought I was."

### INTO THE BIG TIME

In Washington, the political novice and small businessman, lacking a college education and possessing a speaking style that ranged from an almost inaudible whisper to a rasp, joined a body composed mostly of lawyers or professional men—men long on political experience, on education, on knowledge of big business and finance, and on dramatic oratory.

But it was the grain merchant from Millsboro, Del., who was to rock the Truman Administration with disclosures of staggering corruption in the Internal Revenue Service and elsewhere in government, who was to assail the conduct of Sherman Adams in another Administration and was to bring about the downfall of Bobby Baker in still another. And John Williams' grasp of high-level economics and tax policies, acquired through long, hard work and study, was a major factor in forcing Lyndon Johnson to surrender and accept spending limits in return for Congressional passage of the 10 per cent income tax surcharge.

Now, at 65, Sen. Williams has announced he will retire when his present term ends in 1970. He is approaching the final year of his Senate days, working and fighting as hard as ever for causes he has championed from the moment he arrived—honesty, efficiency and economy in government.

He has earned a title given few others in the nation's history: "The conscience of the Senate."

In the late 1940's, information came to Sen. Williams of graft in key federal tax offices across the country. He began digging, but, in his unflagging insistence on accuracy and fairness, it would be more than two years before he made his first speech on the subject.

The trail led slowly but inexorably from lesser lights in regional offices to the highest echelons of Internal Revenue, the Justice Department and the White House itself. Resignations, indictments and convictions followed.

But party lines play no role in Sen. Williams' outlook on governmental ethics.

Sherman Adams, known as the "assistant president" during the Eisenhower Administrations, came under fire in 1958 for accepting gifts, including a $2,400 rug, from an industrialist having problems with government agencies. Sen. Williams was as outspoken as he had been when a Democrat was in the White House. "There can be but one code of ethics for public officials," he told the Senate.

"I condemned the deep freezes," he said in a reference to a famous gift to a Truman aide, "and I will not defend the rugs now."

### ENTER THE BAKER CASE

It was a brief, newspaper account of a civil suit that launched the Senator on one of the best-known of his many battles against corruption in government. A disgruntled owner of a vending machine company had filed suit against Robert G. "Bobby" Baker, secretary to the Democratic Senate majority. The owner said he had paid Baker for help in obtaining a contract that went somewhere else.

"I wasn't interested in where any contract went," Sen. Williams recalls, "but I did want to know why a Senate employee was being paid to get somebody a contract."

He began digging into the affairs of Baker, the ex-page who had risen to the influential secretary's post under the patronage of the majority leader at the time, Lyndon B. Johnson of Texas. The Delaware Senator wanted to know whether Baker had used the job to further what turned out to be extensive, outside business interests.

"It just descended like an avalanche," Sen. Williams says. "In a short period of time I had developed enough information that I was convinced something was bad."

He took it to Senate leaders, suggesting a meeting with Baker. "I wanted to outline the things that bothered me and Baker could respond. Then I—and they—could evaluate his responses." Baker could not be reached for an initial meeting.

A second meeting was arranged after a firm pledge from Sen. Mike Mansfield, Mr. Johnson's successor as majority leader, that Baker would be there. But Sen. Mansfield arrived alone, downcast, Baker had resigned.

"We can't stop here," Sen. Williams commented. He insisted on the full-scale investigation that led to Baker's conviction of income tax evasion, theft and conspiracy to defraud the federal government. The shock waves set into motion by the Baker case launched a new era of concern on Capitol Hill about standards of conduct expected for Congressional members and staffs.

The Senate adopted a code of ethics providing for a combination of public and private reports on financial interests. Sen. Williams says that development was "a giant step forward," but more should be done.

### IT'S HOW YOU GOT IT

He advocates establishment of procedures, with proper safeguards, for evaluating Congressional income tax returns when doubts arise. He sees little value in a proposal pressed frequently by Senate liberals to require public disclosure of financial holdings as of a given date each year.

"It's not what you own, it's how you got it," the Senator says. "The tax return is the key."

Sen. Williams has been constantly at work on issues less-publicized than Capitol Hill ethics.

He has clashed with government officials repeatedly as he has issued well-documented broadsides of waste and inefficiency in housing, agriculture, public works, welfare and many other programs.

A mark of the fairness that has won him high praise from other Senators in both parties in his unfailing practice of giving advance notice to anyone he intends to talk about in connection with inefficiency or dishonesty.

The accomplishment Sen. Williams ranks as the high point of his career as a legislator was the passage in 1968 of the bill making spending cuts the price the Johnson Administration had to pay for approval of the 10 per cent income tax surcharge.

"I'm certainly not proud to have a tax attached to my name," says Sen. Williams, co-author of the bill. But he sees a far more overriding consideration: "I am thoroughly

convinced that if Congress had not acted on both taxes and spending—they had to be tied together—the American dollar would be gone today."

He adds a cautionary note: "We're not out of the woods yet. Merely raising taxes and putting the money into the government spending stream further aggravates the situation."

Conceding that spending limit loopholes later eroded the impact of the original bill, Sen. Williams says that's why he fought all the harder in 1969 not only for greater cuts but for ironclad assurances they will be made.

NOBODY'S PERFECT

Looking back over his years in the Senate, would he have done anything differently?

"Oh, goodness, yes," he responds quickly with a smile. "You make a lot of mistakes. I often wonder what I was thinking about on some of them."

(His candor once threw off a Democratic opponent who declaimed from a campaign platform that he just couldn't understand how Sen. Williams had voted the way he did on a certain issue. The Senator's reply: "I don't understand why I voted that way either. At the time it seemed to be the right thing to do—but it wasn't.")

One place where Sen. Williams will leave no mark after 24 years in the nation's capital is the party-going scene which many of his colleagues frequent. While his mail is heavy with the invitations that all Senators—particularly senior members—receive to cocktail parties, dinners, receptions, diplomatic functions and the like, he rarely attends any of them.

He lives quietly in Washington throughout the week and spends his weekends in Delaware, often at favorite hunting or fishing sites.

The Williamses have a daughter and three grandchildren. When he came to the Senate Sen. Williams boasted of being "the youngest grandfather" in the membership. The passage of time has enabled him to escalate to the claim of being "the youngest great-grandfather in the Senate."

His decision to retire was made in characteristically direct fashion—he cited his long-held view that no Senator should embark on a new term after 65.

The Senator has no specific plans for retirement years—that feed grain business no longer is in the family—but guarantees, "I'm not going home and prop my feet up. I'm not going to lose interest."

He's concerned about the nation's future, and holds that violence and anarchy, on campus or city street, "cannot be defended or tolerated and must be dealt with affirmatively."

At the same time, he adds, "we adults have to recognize that, as we start to correct the situation, we have to look at our own houses.

"When men holding high positions of trust betray that trust, we are creating in the minds of young people an element of doubt about the moral standards we are following ourselves and are asking them to follow."

RESPECTFUL OPPOSITION

John Williams is a conservative by anybody's yardstick.

But it was one of the most liberal of liberal Democrats, William Proxmire of Wisconsin, who said of him:

"I feel he is the one member of this body who is its most able sentinel. I hope . . . that this remarkable man will reconsider his decision to retire."

And another Democrat, Majority Leader Mansfield, summed up Sen. Williams' career in a fashion that will draw little dissent from those who have followed it:

"He has been a giant and his departure from the Senate will leave a void that will be almost impossible to fill."

## VIETNAMIZATION OF THE WAR

Mr. McGEE. Mr. President, a distinguished strategist, Britain's Sir Robert Thompson, has recently returned from Vietnam—where, indeed, he formerly served his own government—with the view that the Vietnamization of the war there can be carried off successively if America is prepared to provide needed support for the Saigon government for some time to come.

That is the substance of Sir Robert's report to the White House, according to reports appearing lately. In his view, according to a dispatch by J. F. Ter Horst, published in Sunday's Washington Star, up to 100,000 men may be needed for from 3 to 5 years to insure the success of the strategy, with some smaller number required for 10 or even 15 years. These would not be, in the main, combat forces, however. And, as Mr. Ter Horst observes, such a policy would require public support. It would require patience. It is a policy which aims at the long-haul, but at a much lower cost in lives and dollars, with the goal of wearing out the enemy's hope of achieving a Communist South Vietnam.

Mr. President, I ask unanimous consent that Mr. Ter Horst's report on Sir Robert Thompson's strategy be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITON BACKS VIETNAMIZATION

(By J. F. Ter Horst)

President Nixon's "outside expert" on Vietnam has some strong notions on how such wars should be conducted. If the President heeds his advice, American boys may be in Vienam for many years. But Saigon might evade Hanoi's clutches.

Sir Robert Thompson, the British strategist who kept Malaysia from falling to Communist guerrillas, made the point to Nixon at the White House on Wednesday, as he had two days earlier with Henry A. Kissinger, the President's adviser for national security affairs.

The thrust of the Briton's position is that "Vietnamization" of the long and costly war will work, and not merely to pave the way for U.S. troop withdrawals. If the United States goes at it properly, and if public patience can be maintained, he believes South Vietnam can be denied to the Communists just as Malaysia has been.

BACK FROM VIETNAM

He conferred with Nixon and Kissinger on his return from a tour of South Vietnam for the Rand Corp., one of the "think tank" groups which advise government agencies on policy alternatives. He had last seen Nixon two weeks before the President's Nov. 3 speech on Vietnam.

That address hinted at consideration of such a strategy, if not outright acceptance.

Press Secretary Ronald L. Ziegler says he assumes the British specialist will be meeting with other members of the administration.

Ziegler said Nixon found the report "highly interesting" and that the President probably would be seeing him again from time to time.

"Sir Robert Thompson went (to South Vietnam) with the total encouragement and, to some extent, on behalf of the administration," Ziegler said.

LONG-HAUL STRATEGY

In conversations with U.S. military advisers and others, Thompson advocates what he calls a "long-haul, low-cost strategy" for keeping South Vietnam afloat.

It is essentially the same plan he designed for defeating Red guerrillas in Malaysia in the 1950s, plus modifications for Vietnam devised while serving as head of the British advisory mission in Saigon from 1961 to 1965. He has set it down in a little-noticed book, "No Exit From Vietnam."

What he advocates above all is the adoption of a policy to build a strong South Vietnamese government (not necessarily democratic) and an end to the strategy of destroying the enemy militarily.

There would be counter-insurgency forces, to be sure, but mainly nationalist forces, not Americans. They would guarantee physical security first to key areas, such as Saigon, Hu and Da Nang, and gradually extend their security perimeters until they overlap.

Instead of trying to decimate the Viet Cong, he advocates that they be pushed out, denied access to local support and kept perpetually on the run until such time as they lose morale, weaken and grow weary of further conflict.

Meantime, the cleared areas would permit Saigon to begin local control through a civil service responsive to the national government.

To make this work, in his view, the United States must preserve its military presence in Vietnam indefinitely.

Forces could be scaled down, though. He shares the view that U.S. combat units could be withdrawn and probably considerable support forces, too, in time.

But in his view, there must be sufficient U.S. military strength on the ground and in the air—say 100,000 men—for three to five more years to achieve minimum Vietnamization results. For complete success, he thinks 10 or 15 years would be required.

Nixon, however, would have several other factors to consider before following this strategy.

First, he would need to have public support. If he can get the war down to a low-cost, low-kill level, it's possible the American public would tolerate a long-time U.S. presence in Vietnam just as it has tolerated one in South Korea for nearly two decades. The United States still has a 56,000-man force in Korea.

Second, the Briton's strategy would run into trouble if North Vietnam decided to mount large-scale offensive warfare in a classic military sense. So Nixon would need some enemy "cooperation" for success with such a plan, or must keep sufficient U.S. forces there as added insurance—or both.

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## THE LEAGUE OF WOMEN VOTERS AND POLITICAL RIGHTS FOR WOMEN

Mr. PROXMIRE. Mr. President, The Human Rights Convention on Political Rights for Women was signed on March 31, 1953. Forty-two nations have placed their signature on this declaration. The United States has not, as yet, seen fit to do likewise. When, and if, this Nation ever does join in an international commitment to the political rights for women, it will be in large part due to the efforts of the League of Women Voters.

The League of Women Voters has worked for years for the advancement of political rights for women. The origin of this league reveals a large part of its character. The origin was documented in a bulletin recently sent out by the League. It stated:

On February 13, 1920, six months before the 19th Amendment to the United States Constitution was ratified, delegates of the

American Woman Suffrage Association held a victory convention in Chicago, at which the following wire from President Wilson was read:

"Permit me to congratulate your Association upon the fact that its great work is so near its triumphant end that you can now merge it into a League of Women Voters to carry on the development of good citizenship and real democracy . . ."

Carrie Chapman Catt, President of the American Woman Suffrage Association, which had spearheaded the 72-year drive for the American woman's franchise rights, described the function of the new organization:

"In the League of Women Voters we have an anomaly; we are going to be a semi-political body. We want political things; we want legislation; we are going to educate for citizenship. In that body we have got to be non-partisan and all partisan."

And so, in 1920, a National League of Women Voters emerged, with the goals of educating the new electorate and lending active support on legislative issues. Mrs. Catt was named Honorary President, Mr. Maud Wood Park was elected National President, and the work of the League of Women Voters began. What started as an experiment to promote the participation of women in government and to help 20 million enfranchised women carry out their new responsibilities, has grown through the years into a unique, nonpartisan organization that promotes political responsibility among all citizens.

The importance of the League of Women Voters cannot be exaggerated. The educational value of this organization has been highly valuable and significant to the democratic system of which it is a part.

The example of the League of Women Voters dramatically illustrates the necessity of ratifying the Human Rights Convention on Political Rights for Women. The league has shown its capabilities in this area. It is up to this Chamber to recognize this fact, to ratify the Convention of Political Rights for Women and, therefore, to make our national commitment to political rights for women an international one.

## FINNISH INDEPENDENCE DAY

Mr. GRIFFIN. Mr. President, thousands of Americans of Finnish descent throughout this great land observed and celebrated the independence of their ancestral homeland on December 6. On this day in 1917, Finland declared its independence from Soviet rule.

While that date each year is of special significance for Finnish-Americans, it is a date which is of importance to all Americans because all have been enriched by the contributions of Finnish culture to our lives.

I am particularly pleased to call attention to Finnish Independence Day since thousands of Finnish-Americans now make their homes in Michigan.

The settlement of Finns in America coincides with the founding of the earliest colonies. The first Finns arrived in the 17th century as part of a Swedish colony that settled in what is now Delaware. Their colonial settlement extended throughout the Middle Atlantic and New England States.

The mid-19th century witnessed the largest influx of Finns to America. Their settlement was extended to the Midwest and California, the Pacific States and Alaska.

Understandably, the great majority of Finns were attracted to those regions of the United States which most closely resembled their native land. Consequently, the areas with the largest Finnish populations are in the Northern States and the Pacific coast: Michigan, Minnesota, Ohio, Wisconsin, New York, Massachusetts, Washington and California.

By 1930, Michigan had the largest Finnish population. It is in Michigan's Houghton County, in the beautiful Upper Peninsula, that the concentration of Finnish population can be found.

Finnish contributions to life in America are visible throughout the country. The institutional life of these civic-minded people can be seen in their many churches and workers halls. Historical markers dot the landscape.

Suomi—soo'-me—College in Hancock, Mich., stands out as a living testament to the Finnish commitment to higher learning. At Suomi are embodied the Finnish-American Historical Archives.

Perhaps the most widely known of all Finnish contributions to America is the work of the the late architect, Gottlieb Eliel Saarinen. Saarinen's creations, which add contemporary beauty to the landscape of the United States and other countries, include the General Motors Technical Center in Detroit, the American Embassy in London, the Kresge Auditorium and Cylindrical Chapel of MIT, and the Chicago Tribune building which was fundamental in revolutionizing skyscraper architecture in America.

Thus it is with sincere appreciation for their many-faceted contributions to the enrichment of American culture that I take pride and pleasure in paying tribute to all Americans of Finnish descent.

## ELEMENTARY AND SECONDARY EDUCATION ACT FUNDING

Mr. CRANSTON. Mr. President, last April President Nixon recommended substantial cuts in federally assisted library programs for fiscal year 1970. He made no budget recommendations for funds for school library resources, textbooks and other instructional materials provided for under title II of the Elementary and Secondary Education Act. He also reduced by almost 50 percent funds for public library services and cut all funds for the construction of public libraries under titles I and II of the Library Services and Construction Act.

Unless Congress at the very least restores these cuts, school and public libraries will face unbearable financial burdens in fiscal year 1970, and education, generally, will suffer. In California, for example, the dollar effect of the proposed cuts are the following: ESEA II, from $4,786,011 in fiscal year 1969 to zero in fiscal year 1970; LSCA I, from $2,666,778 in fiscal year 1969 to $1,154,367 in fiscal year 1970; and LSCA II, from $1,376,957 in fiscal year 1969 to zero in fiscal year 1970.

Mr. President, I recently received a letter from Mrs. Alma B. Polk, chairman of the Legislation Committee of the California Association of School Libraries. In that letter she describes the impact of ESEA II funds in California and the Nation. Because the HEW appropriations bill will soon come to the floor for consideration, I ask unanimous consent that the portion of her letter describing the impact of ESEA II be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Since Title II funds became available in California, approximately 1500 new school libraries have been established by local education agencies, more than 12,000 existing libraries have been expanded, and 143 Phase II exemplary libraries have been established. With the funds available to date, nearly six million library books have been purchased, more than 350,000 periodicals have been obtained, and nearly 800,000 audiovisual items have been added to library collections.

On the national level, new library and instructional materials were made available to approximately 44.6 million children and 1.8 million teachers, in fiscal year 1967. In FY 1966–67, 8,487 new libraries were established, and existing libraries were improved in 91,000 public elementary schools and 41,500 public secondary schools. Loans of materials to private schools benefited 3.1 million students. Many states have reported an increase in local and state financial support of school libraries, as a result of the "seed" money from ESEA Title II.

## THE BIAFRA ISSUE WILL NOT GO AWAY

Mr. PEARSON. Mr. President, in this holiday season it is only natural that we look inward and pause to enjoy our good fortune and the fine company of our friends and neighbors. But even now we must face some heavy responsibilities that will not go away. One of these is our humane duty to help those less fortunate than ourselves. Nowhere is this duty more evident than in Biafra where more than 1,000 women and children still die daily from starvation.

Mr. President, we all know that poverty and hunger still stalk millions of Americans. And clearly we should take whatever steps are necessary to cure these evils in our society. But our domestic concerns should not be used as an excuse for failing to respond to desperate cries for help in other quarters of the globe. We are all together on this fly-speck in space as our brave Apollo astronauts have so forcefully reminded us and we simply must redouble our efforts to support the mercy airlifts that are the only link to life for millions of our fellow human beings in faraway Biafra.

Without in any way wishing to influence the course of military and political events in the bitter civil war which now divides Nigeria and Biafra, many Americans have supported the effort by the Joint Church Aid, USA religious relief consortium which has shouldered the major responsibility for keeping the planes flying. But they must be prepared to do more if all the good work they have done thus far is not to be lost. Another $9 million is needed if these flights are to continue for the next 6 months. I hope that all concerned Americans will respond to this appeal in time.

Mr. President, yesterday the Washington Post published an excellent article, written by Henry Owen, discussing in an optimistic tone the immediate future needs of the current relief operations. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIAFRA SITUATION IS NOT HOPELESS ONE

(By Henry Owen)

Few Americans probably read a short news item last week announcing that an emergency drive was being launched to raise private U.S. funds for starving children in Biafra; the main headlines that day were about Songmy. But even more lives are at stake in Biafra than Vietnam. As many as two million Biafran children will live, or grow up stunted in mind or body, depending on what is done in the months ahead.

There is a widespread view in this country that the situation is beyond repair. This is dead wrong. It rests on three misconceptions:

*Misconception No. 1* is that the only answer to Biafran starvation is ending the war. The fact is that food relief is highly effective. It has already saved the lives of as many as two million Biafrans, mostly children.

*Misconception No. 2* is that relief hinges on opening a surface corridor between blockaded Biafra and the outside world. This would be the best answer, and negotiations to this end are important. But massive relief can pass, and has passed, through the existing air corridor. Earlier this year there were as many as 40 cargo flights per night and this largely met food needs. Now there is about half that number of daily flights; but this is still saving the lives of most children in the vulnerable age group. Clearly, air relief works.

*Misconception No. 3* is that there is a "right" side and a "wrong" side in the dispute between Biafra and Nigeria over relief, and that this should somehow condition our approach to the problem.

Nigeria is doing what comes naturally to any government, including our own a century ago: using force to put down secession. It is using a time-honored method—blockade—to this end, and is no more anxious than the Union was in the Civil War to weaken that blockade by letting civilian supplies through. Biafra, on the other hand, believes that it is reliving the American Revolution—trying to create a new nation. Facing a militarily hopeless situation, its leaders are not above using the plight of children to dramatize their case to the world.

Our business is not to judge these two governments, but to prevent them from destroying a whole generation of Biafran children. The lives of these children rest largely on a small fleet of airplanes, which fly in to Biafra every night from the nearby Portuguese island of Sao Tomé. Twenty-five crew members have lost their lives so far in these flights. Although they are mounted by Joint Church Aid International, an ecumenical organization which draws on several countries for crews and funds, the lion's share comes from the United States.

It will cost about $9 million to keep these flights going another six months. Perhaps by then the war will be over. Translating this $9 million into children's lives is difficult, because reliable data are scarce, but it seems to work out at a little over $10 per child; relief agencies estimate that 1,000 children are dying daily now and that this would increase to about 5,000 if the flights were to stop.

Most of the costs of Joint Church Aid are met, directly or indirectly, by the U.S. Government. But some private funds must be raised. Earlier this year, Biafran relief was "in" and that money was easy to raise. Now people seem to be bored with the whole thing, and it is hard to come by.

Few Americans would pass a child on the verge of death and not fork up a few dollars to save him. But it's hard to picture that child without seeing him, and it's harder still to send the money to an anonymous New York Post Office box number (Box 4030, Church Street Station, New York City, in case you're interested) than to hand it over in person. But this is what the whole thing hinges on.

The need is not only to keep the flights going, but to expand them—in order to save the children who are still dying. The obstacle here is a shortage of bases outside Biafra from which to mount these flights. Joint Church Aid is using its existing base to capacity. Before June, the International Committee of the Red Cross was mounting as many as 20 flights nightly from other bases. When one of its planes made the mistake of flying at dusk and was shot down by the Nigerian air force, Red Cross officials suspended flying until an agreement for daytime flights could be worked out with Nigeria and Biafra. This was a tragic—if understandable—miscalculation. That agreement was never reached.

Even if the Red Cross should decide to resume night flights, it would probably find the countries from which it formerly flew reluctant to permit new flights—for fear of offending Nigeria. Ditto for other nearby countries which might otherwise provide new bases. Perhaps vigorous efforts at persuasion by the United States and other interested countries would do some good. More distant African bases may be available, but it would only be economical to use them for high value cargo—protein, vitamins, etc.—in view of the large fuel requirement. The idea of stationing a carrier off the coast has come to nothing. Apparently no country (not even Great Britain or France) believes that it can spare one from urgent operational needs; or perhaps they are deterred by the possibility of Nigerian attack.

So the problem—whether we are talking about keeping up existing flights or expanding them—boils down to one simple question: How seriously do people outside Biafra take the whole business? It has receded from the headlines, but children are still dying. In the wake of Songmy, our response to their need may tell a good deal about what kind of country America really is.

## BRONSON GENTRY RECEIVES VOLUNTEER SERVICE AWARD

Mr. GRIFFIN. Mr. President, the city of Detroit and the State of Michigan are fortunate to be able to count Bronson (Butch) Gentry as a resident. Recently Mr. Gentry was named to receive the 1969 Lane Bryant Award for Distinguished Volunteer Service.

Mr. President, I ask unanimous consent that an article published in the Detroit Free Press of December 2, 1969, and a statement by the Lane Bryant awards committee be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

TOP CIVIC AWARD WON BY JANITOR

Bronson (Butch) Gentry, a Detroit janitor who spends his spare time trying to improve living conditions in his east side neighborhood, has won the $5,000 Lane Bryant Award for Distinguished Volunteer Service.

Gentry, who works as a janitor for the Borg-Beck Division of the Borg-Warner Corp. and lives at 744 Tennessee, will accept the award Thursday night at a dinner at the State Department in Washington, D.C. George Romney, secretary of the Department of Housing and Urban Development, will be the guest speaker.

Raphael Malsin, president of Lane Bryant Inc., which makes the $5,000 award annually, will present it to Gentry.

He has been active for years as a community organizer. He led the fight to improve Maheras Field, a recreational facility which was deteriorating badly. He also organized a citizens' vigilance committee to maintain discipline on school buses.

Last February, Gentry won the Detroit Police-Citizen Award for outstanding contributions to police-community relations.

THE LANE BRYANT VOLUNTEER AWARDS, DECEMBER 4, 1969

The historic flight of Apollo 11 has given a whole new meaning to the word impossible. That which for so many centuries stood as a symbol of the unattainable, now is a shinning beacon of man's potential for achievement. And, while illuminating the magnificient heights to which man can aspire, the very success of the moon landing cast a harsh glare on the so-called impossible tasks we still face here on earth.

The Age of the Moon must give way to the Age of Man as the world faces its mounting social ills. Through the centuries, man has efficiently and successfully sought out physical boundaries to conquer. Now he must apply the same determination in seeking out the answers to some of the most compelling questions he has ever faced: how to rebuild decaying cities, feed the hungry, curb overpopulation, restore the purity of the atmosphere and the waters, heal the sick, revise crumbling educational systems, and initiate learning where there has been none. The list is long; the task is great.

For many quiet Americans around the world and in the United States, these *impossible* conditions do not present a new challenge, but rather a rededication to solving problems they have been successfully battling for years. It is these Americans that the Lane Bryant Volunteer Awards have sought out and honored from their inception in 1948.

In reading about the work of the winners and finalists, an important common denominator emerges—self-help through mutual involvement. True, each provided aid and support to those in need. But, wherever possible, they have gone a step further . . . they taught others how to begin working toward their own support and a life of self-reliance and dignity.

The purpose of the Lane Bryant Volunteer Awards is to bring this work to the public attention—not to "whitewash" social ills, but to highlight them and the positive action combatting them. Raphael Malsin, founder of the Volunteer Awards said of them: "They serve as a kind of x-ray into the inner workings of our society. They illuminate the trouble spots, they highlight the symptoms, they show us the best and the worst. They are a kind of laboratory where we can see healing ideas being tested. They are a tribute to the power of individuals, the best kind of individuals."

The 1969 Volunteer Awards are a tribute to those who would not—could not—be thwarted by the *impossible*.

STATEMENT BY THE AWARDS COMMITTEE

On a Monday morning in Detroit, young children cross at the once dangerous corner of Kitchner and Jefferson—safely. They might have been killed or seriously injured, as others had been, while the community was unable to secure a traffic light.

On a Tuesday evening in Detroit, parents attend a "coffee conference." They speak informally with their children's teachers—gaining valuable insights—bridging the gen-

eration gap. They might have been sitting at home, asking one another where they had failed.

On a summer day in Detroit, a group of youngsters swim in their recreation area's new pool. They might have been out vandalizing a supermarket.

On Thanksgiving day in Detroit, a woman serves her fourteen children a fine turkey dinner, though they had been living on meager funds. They might have had very little to be thankful for.

The outlook for many Detroit citizens might have been very bleak . . . if it were not for the efforts of Bronson Gentry.

The city of Detroit, like many others, has experienced its share of restlessness, disorder, vandalism and crime. With his strong belief in community self-help, Bronson Gentry organized his neighbors into groups able to take action against these social ills.

As scoutmaster of a troop he founded, Mr. Gentry guided his young men in an exhibition aimed at curbing vandalism. In addition, he sponsored a program on crime and vandalism for local merchants and churches, and was instrumental in organizing and directing a citizens' vigilance committee to maintain discipline on school buses.

An urban renewal program elsewhere in the city resulted in a housing shortage in Mr. Gentry's neighborhood, as well as overcrowded schools and increased crime. Mr. Gentry took action. He petitioned City Hall for the improvement of Maheras Field, a recreational facility that had deteriorated to the extent that it was no longer safe for children. As a beginning he requested the construction of baseball diamonds, to be followed by a new field house, and finally, a swimming pool. The city's initial response was good. However, when the next fiscal year arrived, the money was suddenly diverted elsewhere. But not for long. Mr. Gentry went to work once more, and the money was reallocated for Maheras.

Bronson Gentry waged an unrelenting campaign for neighborhood conservation, undertaking an ambitious battle to have dangerous and dilapidated houses torn down. He offered reasonable plans for the use of lots left vacant, organized alley cleanups, improved street lighting, initiated more frequent garbage pick-ups and regular police patrols. He saw to it that traffic lights were installed on busy street corners where they were desperately needed, and worked to rid the streets of abandoned and junked cars.

A leader in the volunteer anti-crime patrol which keeps a watchful eye on the city, Mr. Gentry went "into the streets" with a large group of men to "cool things down" when a summer disturbance threatened to erupt into a riot. As a result of his activities in this area, he recently received the Police Citizen Award in recognition of his outstanding contribution to police-citizen cooperation and understanding. The *Detroit News*, originator of the award, felt that Mr. Gentry displayed a unique sense of the individual's obligation to the community.

Recognizing the problems of overcrowding in the schools, Bronson Gentry led the fight for the construction of a new school. As head of a Project Advisory Committee, he prepared educational specifications for the new facility, which is now located next to Maheras Field, affording the area's children a place to play after school without having to cross dangerous intersections. Another first for the school is a community kitchen-lounge for informal parent-teacher conferences.

Bronson Gentry has demonstrated an unusual rapport with neighborhood youngsters. One of his most successful undertakings has been his work with boys involved in vandalism or petty theft. Paroled in his custody and "sentenced" to a few weeks of work in his basement, they spend every free hour working with saws and lathes, learning how to build, to create, to spend time constructively. Youngsters rarely want to leave when the "sentence" has been completed.

As chairman of the Youth Recreation committee of the Riverview Community Council, Mr. Gentry leads the area's boys and girls in projects designed to benefit needy families. Among their yearly activities is the distribution of Thanksgiving baskets to large families, widows and senior citizens.

Bronson Gentry is not a professional; he is a janitor in a local factory. He is concerned about his community, and is an indomitable force in its preservation. With his help, the future just might be a great deal brighter for the citizens of Detroit.

## SCHOOL DESEGREGATION IN THE NORTH

Mr. CASE. Mr. President, the distinguished Senator from Mississippi (Mr. STENNIS) in recent weeks has commented frequently, both on the floor of the Senate and in hearings on appropriations for the Department of Health, Education, and Welfare, on continuing school segregation outside the South.

In my view, the situation which the Senator from Mississippi has pointed up should be of concern to all of us.

Indeed, many of us are concerned about segregation regardless of where it exists. The distinguished leader of my own party in the Senate, the Senator from Pennsylvania (Mr. SCOTT), as well as both Senators from Massachusetts (Mr. KENNEDY and Mr. BROOKE), just recently have expressed their concern with this situation.

As I pointed out during hearings on the Health, Education, and Welfare appropriations, I believe there is some justification for feeling that the South is taking the brunt of the desegregation effort while the rest of the country is being let off more easily.

Mr. Leon Panetta, head of the Office for Civil Rights in the Department of Health, Education, and Welfare, agreed with me on this point.

But I disagree with any contention that the situation in the North justifies diminishing the pressure for desegregation in the South.

In my view, two wrongs do not make a right. We must get at the problems in the North, but not at the expense of our efforts to correct even more severe problems in the South.

Let me demonstrate what I mean by a more severe problem in the South.

On Tuesday, the Senator from Mississippi commented on minority group enrollment in schools in my own State of New Jersey.

Because I wanted to have some basis for determining the relative severity of the problem in my State, I asked the Department of Health, Education, and Welfare, which provided the figures on New Jersey to the Senator from Mississippi, for a comparison of the situation in my State with that of Mississippi.

The analysis shows that 87.4 percent of the black students in Mississippi are enrolled in all black schools while less than 1 percent of the black students in New Jersey are similarly enrolled.

On the other side of the coin, 6.7 percent of the black students in Mississippi are enrolled in schools which have a majority enrollment of nonblack students while the comparable figure for New Jersey is 41.2 percent, according to HEW.

A comparison of Jackson, Miss., with Jersey City and Newark, N.J., shows similar results. I do not want to dwell on this point or appear to minimize the need for corrective action in my State or other areas outside the South by presenting this comparison.

My purpose is only to show that the greatest need for desegregation efforts still is in the South, and those efforts must not be diminished as we seek to make additional efforts outside the South.

I would welcome the support of the Senator from Mississippi in developing legislation which would direct greater effort toward eliminating the problem throughout the country.

Legislation to accomplish this can be worked out. I shall be glad to join Senators toward that end. I believe such legislation should be permanent in nature, not limited to a single year, as an amendment to an appropriations measure would be.

Mr. President, I ask unanimous consent that a table showing the comparison of minority group assignments to schools in New Jersey and Mississippi, which I have referred to in this statement, be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MISSISSIPPI AND NEW JERSEY—SCHOOL ASSIGNMENTS BY RACE, FALL 1968

| Reports | Mississippi | | New Jersey | | Jackson, Miss. | | Jersey City, N.J. | | Newark, N.J. | |
|---|---|---|---|---|---|---|---|---|---|---|
| School systems reporting | 106 of 148 | | 488 of 572 | | 1 | | 1 | | 1 | |
| Schools reporting | 770 | | 2,266 | | 56 | | 36 | | 80 | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Student enrollment: | | | | | | | | | | |
| American-Indian | 112 | 0.0 | 311 | 0.0 | 17 | 0.0 | 10 | 0.0 | 1 | 0.0 |
| Negro | 223,784 | 49.0 | 208,481 | 14.9 | 17,919 | 46.2 | 15,998 | 43.1 | 55,057 | 72.5 |
| Oriental | 384 | .1 | 3,254 | .2 | 19 | .0 | 97 | .3 | 140 | .2 |
| Spanish Sur. American | 327 | .1 | 46,063 | 3.3 | 25 | .1 | 4,521 | 12.2 | 7,046 | 9.3 |
| Total minority | 224,607 | 49.2 | 258,109 | 18.4 | 11,980 | 46.4 | 20,626 | 55.6 | 62,244 | 81.9 |
| Nonminority ("White") | 231,924 | 50.8 | 1,143,816 | 81.6 | 20,793 | 53.6 | 16,457 | 44.4 | 13,716 | 18.1 |
| Total all students | 456,531 | 100.0 | 1,401,925 | 100.0 | 38,773 | 100.0 | 37,083 | 100.0 | 75,960 | 100.0 |

MISSISSIPPI AND NEW UERSEY—SCHOOL ASSIGNMENTS BY RACE, FALL 1958—Continued

| Distribution of Negro students | Percent Negro students assigned to | Number of schools | Percent Negro students assigned to | Number of schools | Percent Negro students assigned to | Number of schools | Percent Negro students assigned to | Number of schools | Percent Negro students assigned to | Number of schools |
|---|---|---|---|---|---|---|---|---|---|---|
| 100 percent Negro schools | 87.4 | 269 | 0.9 | 5 | 94.6 | 19 | 0.0 | 0 | 0.2 | 1 |
| 99 to 100 percent Negro schools | 92.4 | 281 | 5.7 | 14 | 94.6 | 19 | 12.0 | 2 | 11.8 | 6 |
| 90 to 100 percent Negro schools | 92.7 | 283 | 32.8 | 79 | 94.6 | 19 | 41.5 | 6 | 76.2 | 39 |
| 80 to 100 percent Negro schools | 92.7 | 283 | 40.2 | 108 | 94.6 | 19 | 41.5 | 6 | 80.6 | 44 |
| 50 to 100 percent Negro schools | 93.3 | 292 | 58.8 | 210 | 97.0 | 22 | 68.7 | 13 | 92.8 | 60 |
| 0 to 49.9 percent Negro schools | 6.7 | 478 | 41.2 | 2,056 | 3.0 | 34 | 31.3 | 23 | 7.2 | 20 |

| Distribution of nonminority (white) students | Percent white students assigned to | Number of schools | Percent white students assigned to | Number of schools | Percent white students assigned to | Number of schools | Percent white students assigned to | Number to schools | Percent white students assigned to | Number of schools |
|---|---|---|---|---|---|---|---|---|---|---|
| 100 percent white schools | 12.1 | 86 | 9.9 | 283 | 12.6 | 5 | 0.0 | 0 | 0.0 | 0 |
| 99 to 100 percent white schools | 25.8 | 138 | 34.9 | 722 | 55.8 | 19 | .0 | 0 | .0 | 0 |
| 90 to 100 percent white schools | 79.3 | 358 | 75.2 | 1,464 | 95.0 | 30 | 21.9 | 5 | 12.7 | 3 |
| 80 to 100 percent white schools | 94.9 | 439 | 87.2 | 1,705 | 95.8 | 31 | 44.7 | 7 | 39.8 | 7 |
| 50 to 100 percent white schools | 99.6 | 478 | 97.0 | 1,984 | 98.4 | 34 | 78.9 | 16 | 59.1 | 10 |
| 0 to 49.9 percent white schools | .4 | 292 | 3.0 | 282 | 1.6 | 22 | 21.1 | 20 | 40.9 | 70 |

## FORMER VICE PRESIDENT HUMPHREY DISCUSSES FOREIGN AID

Mr. McGEE. Mr. President, Hubert Humphrey, who served among us as a Member of the Senate and as Vice President, has authored a newspaper column, published in today's Washington Daily News, to which I invite the attention of the Senate. The article expresses very well my own feelings on the subject of foreign aid and urges us not to take the easy road of reducing President Nixon's foreign assistance request this year. Mr. Humphrey deals with the reality of foreign aid's political unpopularity. But he deals as well with the need to spur an end of want in other places around the globe in the name of peace. I ask unanimous consent that his column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE MUST HAVE THE COURAGE TO CONTINUE OUR PARTNERSHIP WITH OTHER NATIONS

(By Hubert Humphrey)

Frustration over the war in Vietnam has made it fashionable to talk about the use of American power in terms such as the arrogance of power, the limits of power, the discipline of power.

This is useful, but we must not delude ourselves into believing that by not exercising our power we are not influencing developments in the world.

The world has become too small. We cannot turn our back on the hunger and poverty, and the rising expectations.

While we do not want the military overcommitment of another Vietnam, we must continue to seek peace thru national development, national security, and control of the arms race.

We cannot buy peace with an $80 billion a year defense budget. It has been proved over and over again that real peace does not come out of the barrel of a gun.

As Pope John XXIII said, "Where there is constant want, there is no peace."

Helping other nations is not always easy. There is controversy, there is waste, and American aid does not mean other nations will march to the beat of our drum.

Since the end of World War II, we have given $56 billion in economic aid and $36 billion in military aid to other countries. In addition, we have loaned out another $40 billion.

Several weeks ago, the House authorized $2.2 billion in foreign aid for this current 1969–70 fiscal year. This is $400 milion under what was requested by the Nixon administration. The Senate now must act.

President Nixon requested $375 million for military assistance plus $605 million in economic assistance for Latin America, $625 million for the Near East and South Asia, $440 million for Vietnam, $234 million for East Asia, and $185 million for Africa.

The President recognizes the political unpopularity of foreign aid. During the campaign he said, "Let us remember, the main purpose of foreign aid is not to help other nations but to help ourselves."

His 1969–70 foreign aid request is the smallest of the options presented to him at a March meeting of the National Security Council, and it represents a cut of $138 million from the budget request of the outgoing Johnson administration.

President Nixon is probably right in his political assessment. A large foreign aid request would have come under sharp attack in Congress.

But, as a nation, we cannot be very proud of our steadily declining investment in the development of other nations. We cannot be proud of the fact that we spend 40 times more on our military as on our efforts to bring about peaceful change. We cannot be proud of the fact that six other nations invest a greater share of their resources in helping others.

The have-not nations have been growing at an economic rate of about 5 per cent a year. Except where oil has been discovered, no poor country has been able to make significant progress without foreign aid.

This growth rate can be accelerated if we do not continue to cut back our foreign aid investment.

We now invest less than four-tenths of 1 per cent of our gross national product in foreign aid. The Commission on International Development headed by Canada's former prime minister, Lester Pearson, recommends a goal of seven-tenths of 1 per cent by 1975—almost double our current level.

I think we should meet that goal. We can afford to take at least an additional $2 billion of the $80 billion a year we are spending on the military and invest it in peaceful change.

To avoid the political problems, that sometimes go with foreign aid, we should channel more of our investment thru multilateral development agencies such as the World Bank, the Asian Development Bank, the Inter-American Development Bank, and others.

We should try to separate our short-term political interests from our foreign aid program. We have learned by now that we cannot buy allies, but we can invest in development. Development is the new name for peace.

We should re-examine the practice of tieing aid to the purchase of goods in this country. It adds to costs. Foreign aid donors should reduce and gradually eliminate these restrictions.

Terms on loans must be liberalized. Too many have-not nations are so deeply in debt that they must use long-term loans to pay off short-term loans. Future loans should be at interest rates of 2 per cent or less over a term of 25 to 40 years.

None of these steps will have any lasting significance if we do not defuse the population time bomb.

If birth rates are not cut, we will see growing famine, social unrest, and political instability. It is estimated that the world population will double by the year 2000.

If a nation can cut its birth rate in half, it can raise its living standard by 40 per cent in a single generation.

Family planning is one of the best investments we can make in the developing nations.

We must have the moral and political courage to continue our partnership with other nations.

The majority of the world's people still go to bed hungry each night; four million people will die of starvation next year.

Helping these poor countries achieve some semblance of economic progress and stability is the only sensible thing we can do in this increasingly warlike world.

I urge the Senate to not take the easy political road of reducing President Nixon's foreign aid request. As President Kennedy said, "Peace and freedom do not come cheap." We can do better.

## DEATH OF MRS. BEATRICE KENEN

Mr. SCOTT. Mr. President, it is my sad duty to inform this body that Mrs. Beatrice Kenen, the wife of Mr. I. L. Kenen, executive director of the American-Israeli Public Affairs Committee, died Monday at the George Washington Hospital.

The Kenens have been our friends for many years, and I want to take this opportunity to notify the Members of this body of her untimely death. The last time I spoke with Mrs. Kenen was at the White House reception in honor of Mrs. Golda Meir, Prime Minister of Israel.

Mrs. Kenen was known especially for her role in the Hadassah organization which supports hospitals and children's activities in Israel. She served as staff director of 23 U.S. national Hadassah conventions.

The former Beatrice Bein, Mrs. Kenen was born in Brooklyn, N.Y. She graduated from the University of Toledo in 1926. In 1927 she married Mr. Kenen, a newspaperman who later became a leader of pro-Israel groups. In addition to serving as executive director of the American-Israel Public Affairs Council,

he is editor of "Near East Report," a widely read periodical.

Mrs. Kenen also leaves a son, Dr. Peter Kenen, who is the provost of Columbia University. The Kenens have made their home in the National Capital area since 1953. They lived previously in Cleveland, Ohio, and Riverdale, N.Y.

Funeral services will be held at 2 p.m., Wednesday, at Temple Sinai in Washington, D.C.

Mrs. Scott and I offer our condolences to Mr. Kenen and the Kenen family for their loss. She was a great Jewish woman. We loved her dearly.

## BOB ROBERTS TELLS IT LIKE IT IS

Mr. MURPHY. Mr. President, in September, Mr. Harry Barker who is general manager of radio station KQMS in Redding, Calif., broadcast an editorial originally aired by Bob Roberts of radio station KVI in Seattle, Wash. Many in our Nation have been asking searching questions about our country and demand: "tell it like it is."

Mr. President, Mr. Roberts has done that and, to his great credit, so has Mr. Barker. I ask unanimous consent that the KQMS editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

KQMS EDITORIAL

The following is an editorial by Harry Barker, General Manager of KQMS Radio:

It isn't often that we re-broadcast an editorial broadcast previously on another station, but we believe this one written and delivered by Bob Roberts of KVI—Seattle, Washington, is worthy of your consideration, and ours as well. We quote Mr. Roberts:

There's something that needs to be said about this country. And since no one seems to have the gumption to say it, I guess it's up to me . . .

I have had it up to here with persons who are trying deliberately to tear my country apart. And it's way past time to throw at me that tired old wheeze about being a flag-waver. You're damned right I'm a flag-waver, and I got a right to be one the hard way.

I have had it with pubescent punks, wallowing in self-pity, who made a display of deploring their birth into a world which . . . to use their sissy expression . . . they didn't make.

Well, I didn't make the world I was born in either. And neither did the men who are worthy of respect. They just went about and made something out of it.

The men I grew up with were fetched up in a logging camp. They were the immigrant sons of every cast-off race there is. And they didn't have a hell of a lot of knowledge at home to start them off, either . . .

But I can write you a song about the son of a Po Valley coal miner who became a nationally renowned physicist; about doctors, lawyers, teachers, forestry specialists, conservation experts and men of the cloth . . . in the Seattle-Tacoma area . . . who came out of that logging camp. And about the son of a Danish mechanic who is one of the best friends I've got . . .

So don't give me your whinning, whimpering, self-pitying-claptrap about how this country is letting you down . . .

I have had it with hippies, brainless intellectuals, writers who can't write, painters who can't paint, teachers who can't teach, adminstrators who can't administrate, entertainers who fancy themselves as sociologists, and Negroes who castigate as "Uncle Toms," the very men who have done the most to demonstrate to all of us the most important quality in America . . . individual enterprise and responsibility . . . Dr. George Washington Carver, Archie Moore, Bert Willis, Booker T. Washington, Roy Wilkins, Justice Thurgood Marshall, Duke Ellington, Count Basie, Nat Cole, the Mills Brothers and their father . . . and many more . . .

I've had it with those cerebral giants who think it's smart to invite drug advocates to lecture in their classrooms, and with teaching curiosities like that one in the Mercer Island School District who invited a Black Power spokesman to dispense a lecture of flag-burning . . .

I've had it with people who are setting about deliberately to rip mankind's noblest experiment in decency . . .

And I'm going to tell you something. If you think you're going to tear down my country's flag and destroy the institutions my friends and members of my family have fought and died for, you're just going to have to climb over me first . . .

And, buddy, you'd better get up awful early in the morning.

We wholeheartedly agree with Mr. Roberts, and appreciate his permission to deliver it to the people of Northern California.

## POLLUTION

Mr. MOSS. Mr. President, I wish to commend the nine Members of the House of Representatives who, in a press conference last week, called for a 10-year national commitment to clean up the environment. Their concern with the growing pollution of this planet is well founded and in full accord with the warnings that I have been issuing for many months past.

If we continue to pollute our water and our air and pile up our wastes, our globe will eventually become uninhabitable. This may sound farfetched, especially coming from a Senator who represents a Western State of wide-open spaces, but the telltale figures are there. There is scarcely a river left in the United States that is not polluted, and some of them to the point of being totally unusable for any purpose, other than as a sewer. Even our greatest rivers, such as the Hudson, the Potomac, and the Mississippi, are polluted to the point that contact with their waters in many places is dangerous and must be prohibited. Lake Erie is all but dead now.

And our air in our cities is polluted. Recently I read an article in the press that attributed the death of some children in Chicago to polluted air. And we know that figures show that at various times when pollution is heavy over London, there is a sharp rise in the incidence of death and disease. So pollution is taking its toll in our big cities, and indeed more and more into our countryside. Even in my beautiful city of Salt Lake City our skies are black and temperature inversion puts us under a blanket hidden from the sun. We have known for years the pollution in Los Angeles and New York, but now we are aware that it is in the small cities of our land as well.

And finally, there is the problem of solid waste disposal. The open garbage dump is no longer tolerable, but the cost of disposal increases when treatment is necessary. Some cities send their solid waste by train many miles in order to find a place to dump it in an unpopulated area. For years some cities have taken their garbage to sea and dumped it in the ocean. Incineration is used and cut and fill disposal on the land is useful. But whatever method is used, there must be sanitary disposal and the solid waste must not be used to become an air pollutant.

These are problems to which this country must address itself now. In fact, all the countries of the world must face up to the problem now. As our population continues to increase and as our use of goods with their wrappers and bottles and surrounding material increases, we must have ways of disposing of our garbage without polluting our waters and our skies. Recently I addressed a dinner meeting in New Haven, Conn., on this subject. I ask unanimous consent that this speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

OUR ENVIRONMENTAL CRISIS

Ladies and gentlemen, I propose to talk to you tonight about the Nation's environmental crisis—about the staggering pollution of our air and our water.

I am sure you know about this galloping national disease—there is scarcely a citizen or a community in the United States which has not been affected to a greater or lesser degree.

When the Mormon pioneers arrived in Salt Lake valley in 1847 it was barren and dry. But the air was clean and the streams from the mountains ran clear and sparkling. Today smoke and smog choke the skies of this magnificent Utah land of Zion, and the sparkling streams empty into the river Jordan and into the Great Salt Lake grimy and laden with refuse.

What has happened is a by-product of industrial civilization—a by-product almost no part of the country has escaped, including I am sure, your own beautiful and prosperous Connecticut.

The mass of our people out across this country really only became aware of the massive pollution of our waterways and our air about ten years ago.

Since that time we have experimented and legislated in the hopes that we could develop the means to save what is left of our life support system. But although we have passed more laws, and spent more money and conducted more experiments than ever before, the fact remains that we are losing the battle.

We are actually further behind now than we were ten years ago in cleaning up our waterways and keeping pollutants out of the air. Experts are plainly frightened. Smog is no longer a joke. Water is unfit to drink. Rubbish is burying the affluent society which produced it.

Something new and greater must be done—and done soon—if mankind is to survive.

Lake Erie is all but dead. One scientist has suggested that the only way it can be saved is to punch a hole in the bottom, and let the heavy gook drain out, as it would in a bathtub.

The fabled Potomac is an open sewer as it runs through the Nation's Capital. Fish are dying and our birds are disappearing.

The great Mississippi River is already badly polluted by the time it reaches St. Louis, but from that point onward, it is so filled with petro-chemicals and other industrial oils, chemicals and slaughterhouse

wastes that State health departments and the Federal public health service have posted signs forbiding people to even eat lunches along the banks of it, let alone go wading in the water, or water skiing.

The concentration of infectious bacteria in just the spray from the river, when deposited on a person's face or lips, can cause typhoid, colitis, hepatitis, diarrhea or infections in the bloodstream.

The same is true to a greater or lesser degree of all of our rivers—large and small—just name any one of them.

We have water, water everywhere, and not an unpolluted drop to drink.

No death certificate has yet ever cited polluted air in the United States as a cause of death, but the U.S. Surgeon General says frankly that air pollution is killing and disabling Americans in every area of the Nation. Our lung cancer rate is twice as high in large metropolitan areas as it is in rural areas, and experts tell us it contributes significantly as a cause or aggravating factor in acute respiratory infections, chronic bronchitis, chronic constrictive diseases, ventilatory diseases, pulmonary emphysema, bronchial asthma as well as in lung cancer.

We hear people say:

"Technology created pollution. It can also solve it."

Technology has offered us many ways to control pollution—spectacular ways. It has shown us both how to control municipal wastes, and how to cease degrading our environment with industrial processes. But the adjustments which must be made are so enormously expensive that we have just nibbled at them.

The Federal Government has not been willing to spend the money that must be spent, nor have the States and the communities.

Some segments of our industrial community have responded and are already making changes in their processes to curb environmental contamination, but other segments have placed profits before people, and continue to save money by making dirty air and polluted water pay part of the price we give for the constantly improving products and services we all enjoy. Even tax incentives have not moved them to action.

How much would an all-out assault on pollution in the United States cost?

Hold on to your chair while I tell you.

If all forms of pollution were to be tackled, the combined municipal, State, Federal, industrial and private expenditures could rise as high as ten billion a year for twenty years—or a total of 200 billion dollars.

Ladies and gentlemen, the time has come to review our national priorities. We *can* have a clean environment. We do *not* have to pollute our streams. We do *not* need to litter our landscape. We do *not* have to suffer the pollution of our air.

The only serious question which remains is the emphasis we are willing to place on these programs and the amount of money we are willing to pay to implement them.

In the late 1950's the Nation decided to embark on a space program which would put us ahead of our competitors. I think that we can say that 10 years and nearly $30 billion later, we are ahead.

Twenty years ago, following a massive war, we decided that never again would the peace be sacrificed due to the lack of military capacity to respond to threats to the peace. I think we can say today that we have the military capabilities to so respond.

A lengthy discussion of our computer technology, our transister technology and our transportation technology would only indicate the extent to which we have the capacity to deal with problems which confront us. The critical difference between that which we have done in space and defense and medicine and what we *need to do* to protect the environment is the sense of urgency and immediacy with which our leaders view the challenge.

If the Federal Government indicated immediacy by making a total financial commitment to the development, installation and operation of pollution control facilities for all communities and for all industries, on the scale of the space program of the defense program, we would achieve pollution control.

Are these unrealistic responses to a problem whose solution should be a cost of doing business or living in this country?

Industry uses air and water to produce goods and leaves waste by-products in the air and the water. Pollution should be one of the costs of doing that business. The cost of controlling pollution should be a part of the cost of the product.

Communities are people. People pollute whether they burn their garbage in their backyard, burn it in community incinerators, or deposit their wastes in the river that flows nearby. This pollution is a cost of living, and the residents of a community have an obligation to pay the cost of pollution abatement.

Investments by cities, industries, and the Federal government should be items of highest priorities. But how high on the list of national priorities is it? Where does pollution rank with defense, space, urban renewal, mass transportation, welfare assistance, food stamps, law enforcement, and a host of other vital public issues?

Apparently no such assessment has been made by this administration. We know that defense expenditures are important. We are told that both the Mars landing and the search for biological life on the planets are important. And now we have been told that Federal investment in a supersonic plane is important.

But there is little indication of how far the present administration is willing to go to meet domestic problems which will not wait for solution. Pollution pays no attention to timetables dictated by political pressures or lack of leadership.

The President's environmental quality council has announced that we will have a low-emission motor vehicle by 1990: Approximately 15 years later than is urgently necessary.

But that council has said nothing about funds needed to construct municipal waste treatment facilities. It has said nothing about proposals to allow a rapid write off for industrial pollution control equipment.

Leadership and commitment must be forthcoming if this Nation wants to avoid an environmental debacle during the next two decades.

Just a couple of weeks ago the United States Senate took a giant stride toward water pollution control. We voted to appropriate 1 billion dollars for the fiscal year 1970 to implement the Clean Water Restoration Act of 1966. This is the first time that Congress has *appropriated* as much money as the Congress had *authorized* for a water pollution control program.

When we passed the bill some four years ago we led the States and municipalities to believe that we would make a billion dollars a year available for matching construction grants for waste treatment plants.

That we finally did so this year was a signal victory for national priorities over budgetary expendiency.

However, even a full funding only a small part of our nation-wide needs can be met. The States responded to the incentive we offered in the 1966 act. They have approved bond issues. They have raised taxes. They have set water quality standards on the assumption that the Federal Government would meet its commitments.

So, if this full $1 billion remains in the appropriation bill—and it has yet to run the gamut of the House-Senate conference committee—the Federal Government is only beginning to meet its commitment to the States.

Some of us in the Senate are also trying to increase funds for the Air Quality Act of 1967, which is the basic air pollution control legislation. The administration requested only 18 million for fiscal 1970. I have asked that the full authorization of 45 million be appropriated by the subcommittee handling this bill. We will know in a few weeks how successful this has been. If we don't win in committee, we will fight on the floor of the Senate.

So, as I say, we are making some progress, but by no means enough progress.

We really do not yet have the sense of public urgency in this country—the fear, the anger, the outrage—that we must have if we are to reclaim our environment.

There's a story about Noah Webster, the dictionary man. Bathing, it's said, was abhorrent to him. One time a woman standing behind him at a gathering, said to a companion, "That's Noah Webster, he smells badly." Webster turned and said: "Lady, you smell badly: I stink!"

The story usually is told to emphasize the misuse of the adverb. I tell it to emphasize a word: stink. Some people think it is not a nice word. To me it is a working word; it has impact. Nice words, like nice guys, as Leo Durocher once said, don't win.

Without stink, it might be said that we would have very little pollution control. If people cannot smell it, or see it, or taste it; if it does not cause illness—in short, if it does not affect them directly, they do not care whether anything is done about it or not.

Sometimes even when they can smell it and see it they will do nothing about it unless forced.

The same people who vote down sewage plants and school bonds, buy television sets, transistor radios to carry about, power lawn mowers for postage stamp lawns, clothes dryers, and air conditioners. Some of them probably spend more in a year on cigarettes than the bonds would cost.

I do not criticize their spending. I merely point out that they will put up money for things they want—in fact, will go into debt. And in this nation the art of making people want things, including what they don't need, has been developed to the point where it dominates our economy, if not our culture.

We are on a collision course with our environment, and I am troubled by inaction on nearly all environmental fronts.

Not that we aren't spending a great deal more money on the protection of the environment than we did a year ago or ten years ago—we are.

Not that we are not more capable of policing environmental hazards than we were a year ago or ten years ago—we are.

Not that we aren't more capable of understanding environmental pollution than we were a year ago or ten years ago—we are.

But we are simply not doing enough. We are simply not racing fast enough against time.

We won't stave off catastrophe until all of us are sufficiently aroused about the rape of our environment—as aroused as we all are now about the rape of Mylai.

We must feel as strongly about ending pollution as we do about ending the war in Vietnam.

We must all of us—the Federal Government and all other levels of Government, our industrial leaders and all other levels of industry, our scientific leaders, and all members of the scientific community, and the rank and file of our people—the entire mix that makes up America—we must all start agreeing on what must be done, and be willing to finance it, individually and collectively.

If we do not, I predict that in a few years you will be seeing moratoriums to end the pollution of our environment, and pollution protests instead of war protests.

## THE SILENT MAJORITY

Mr. McGOVERN. Mr. President, the discussions in recent weeks of the virtues of silence—especially when it has majority approval—makes pertinent the observations of Mr. Arthur Hoppe in today's Washington Star.

I ask unanimous consent that Mr. Hoppe's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THANK GOODNESS FOR MR. AGNEW

Mr. Agnew has again spoken out outspokenly against "the outspoken minority" which is trying once more to lead The Silent Majority astray.

It's fortunate The Silent Majority has a spokesman of Mr. Agnew's caliber to keep reminding it of its righteousness. And he's absolutely correct. Down through history, The Outspoken Minority has time and again attempted to confuse, boggle and mislead The Silent Majority with results that could have proved disastrous.

All this is well documented in that well-documented work "A History of The Silent Majority", or "They Said It Couldn't Be Done." Excerpts follow.

The Silent Majority, as we know it today, dates from biblical times. One of the earliest allusions appears in the story of Noah.

Noah, a hare-brained fanatic, warned of a dire flood and built a huge ark on dry land. And, oh, how The Silent Majority laughed as he sat marooned on his vessel over the years while the flood he awaited never came.

In classical times, The Silent Majority flowered, reaching its peak during the Roman Empire when it fully approved a welfare program of bread and circuses and trusted hired mercenaries to dispose of such minor problems as the Huns and Visigoths.

Down through the Middle Ages. The Silent Majority was silently active.

In religion, it gave its silent support to the Inquisition and the massacre of the Huguenots, all to the greater glory of God. And if it hadn't enthusiastically backed The Crusades, the Middle East today might be in the hands of the Moslems.

It is this quality of supporting the right war at the right time that has so enhanced the reputation of The Silent Majority. Let us merely point out that if The Silent Majority in France hadn't wholeheartedly cheered on Napoleon, it's doubtful the Russians would now all speak French.

The contributions are endless. In science, who suppressed the wild theories of Copernicus and Galileo? In medicine, who scoffed at the weird concept that diseases are caused by evil little organisms no one can see? In the arts . . .

But why go on? The examples of The Silent Majority's steadfast stand for the truth are legion.

So Mr. Agnew's right. Trust The Silent Majority.

Why if it weren't for The Silent Majority's enthusiastic approval, we wouldn't be fighting a glorious crusade today in Asia.

And if you don't believe it's a glorious crusade, you can ask the one true hero of The Silent Majority—the man who received more votes from The Silent Majority than any other candidate in history—our beloved President, Lyndon B. Johnson.

So thank goodness for Mr. Agnew. It can be safely said that he's the most brilliant, forceful, representative spokesman for The Silent Majority in this whole flat world.

## PROPOSED DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT

Mr. MOSS. Mr. President, a report published in yesterday's Washington Post indicates that the Nixon administration is moving toward support of a departmental reorganization which I have long favored. Carroll Kilpatrick wrote that protection of America's physical resources will become a more dominant Nixon theme next year, and that Secretary of the Interior Hickel has recommended establishment of a Department of Natural Resources and Environment. In 1965, I introduced legislation to create such a department. My bill was reintroduced in the 90th Congress and again this year. The progressive deterioration of the environment, plus the Nation's expanding need for raw materials, makes the establishment of this agency ever more important. I commend the President for making natural resource protection a matter of high priority and pledge full support for the creation of a Department of Natural Resources and Environment.

Mr. President, I ask unanimous consent to have printed in the RECORD two articles published in the Washington Post of Sunday, December 7, 1969—the one by Carroll Kilpatrick, which I have mentioned, and one concerning a major installation of Bethlehem Steel which will reduce the pollution pouring into Lake Erie.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

NIXON TO PRESS IMPROVEMENT IN QUALITY OF 1970 EVIRONMENT

(By Carroll Kilpatrick)

The quality of the environment and the need to protect the nation's land, water and other physical resources is now expected to be a dominant Nixon administration theme next year.

The President began work several weeks ago on the State of the Union address—his first—which he will deliver to a joint meeting of Congress next month.

As the message began to take shape, the environment was the major domestic theme, officials said last week.

Mr. Nixon himself pulled aside the curtain a bit when he told the nation's governors and their wives that when he speaks to them next, in February, it would be on how to challenge young Americans "to move forward on the whole subject of the quality of life in America," including environment.

Earlier this year, Mr. Nixon established the Environmental Quality Council and has met a number of times with it.

In addition to attacking air and water pollution, the President said that the emphasis should be on "how we can move forward on all fronts so that life in this country in addition to being very rich and very strong can also have that extra dimension of idealism" that caught the imagination of the world at the time of the birth of the Republic.

A high official said that one example of what the President was talking about was a $15-billion Interior Department plan to attack water pollution.

Secretary of the Interior Walter J. Hickel has proposed a plan whereby the federal government would cooperate with the states and local communities in attacking this serious problem. It would be a 20-year, pay-as-you-go plan with the federal government guaranteeing the principal costs and the local governments guaranteeing the interest costs on the necessary bonds.

Hickel has estimated that it would cost $10 billion to protect the rivers and lakes from the discharge of sanitary sewers and $5 billion from the discharge of storm sewers. He said storm sewers can be almost as polluted as sanitary sewers.

Hickel has argued that a "national commitment" must be made, with the federal government providing guidance and the capital investment and local communities doing the work.

This fits the President's concept of the new federalism, Hickel believes. The pay-as-you-go feature amortizes the huge cost over a period of years, making it possible to launch the program without large initial expenditures.

Hickel also has recommended the establishment of a new Cabinet department, that would be known as the Department of Natural Resources and Environment, to take over much of Interior's work and other environment work scattered in other departments.

BETHLEHEM STEEL PUSHED INTO CURBING LAKE ERIE POLLUTION

(By Philip D. Carter)

LACKAWANNA, N.Y.—All but hidden amidst the sooty, clamorous expanse of Bethlehem Steel Corporation's Lackawanna plant is a $27-million monument to public rage, state power and the alchemic art of public relations.

The monument is a scattered complex of new devices for reducing the corporation's share of the pollution of Lake Erie.

The devices are there because a concerned public demanded them and an aroused state government required them. Mining gold from a leaden duty, the corporation last week treated newsmen to a tour of what one executive proudly described as a "real ringdinger of an anti-pollution plant."

The occasion, as such things go, was auspicious.

According to the corporation's figures, 6.5 per cent of Bethlehem's entire capital investment for the past five years has gone for water and air pollution abatement. In the next five years, executives predicted, the figure will rise to 11 per cent.

At the corporation's shiny new $1-billion plant at Burns Harbor, Ind., a centralized $43-million water-treatment facility is holding the plant's pollution of Lake Michigan well within the margins permitted by the state. The treatment plant—unlike the Lackawanna facilities—was part of the steel mill's original design.

The corporation's executives do not try to deny their past sins—which, particularly on Lake Erie, have long been conspicuously visible.

Together with the 600 other industries and scores of communities ringing the lake, the corporation for decades used Lake Erie as a handy giant sewer, discharging uncounted tons of wastes into its waters with scarcely a second thought.

Combined with the unceasing runoff from farmlands laden with fertilizers and insecticides, plus chronic spillage from oil wells and tankers, this steady corrosion of the natural balance of the lake's ecology has taken a devastating toll.

Once-clean beaches have been closed to the public. Fish have died by the millions. Heavy silting has vastly accelerated the natural, gradual filing-in of the shallow lake's floor.

Today, the hottest scientific argument about Lake Erie is whether it is dead or merely dying. Bethlehem Steel, like other corporations, is belatedly paying for its share of the blame.

The company's abrupt turn-around is

directly traceable to a September, 1966, edict from the state department of health that Bethlehem clean itself up by January, 1970, or shut down.

The order had a sharply bracing effect on an industry which—like others—previously saw no profit in controlling pollution.

A less tangible—but equally significant—motivation for Bethlehem's rapid efforts to clean up the Lackawanna plant was its growing awareness that pollution had suddenly become bad public relations.

"Hell, every time Bill Mauldin draws a pollution cartoon, there's a blast furnace in the background belching black smoke," a Bethlehem executive observed last week. "We were what you might call highly visible."

Particularly on Lake Erie.

After Niagara Falls, just north of nearby Buffalo, the Lackawanna plant is easily the most prominent landmark on the eastern shore of the lake—a hunking, gray, five-mile-long jumbo of coke ovens, blast furnaces, slabing mills, sheet mills and bar mills employing 19,000 workers.

"We were a big, fat target," an executive confided, "and we took our licks."

As a consequence, Bethlehem officials talking to the press are as likely to discuss "environmental quality control" as corporate earnings.

The public relations department has led the refrain. "Item No. 1" in a fat publicity kit given newsmen on last week's tour of the Lackawanna and Burns Harbor plants began with this announcement:

"Process water returned to Lake Erie by new water quality control facilities at Bethlehem Steel Corporation's Lackawanna plant is as clean as the original lake water."

Not all the Lackawanna facilities were in operation at the time of the visit. Because of a construction strike and delays in winning state approval of several anti-pollution projects, the bulk of the water used by the plant was being returned to Lake Erie untreated.

Company officials estimated that normally half the 325 million gallons of water "borrowed" daily from Lake Erie is polluted during use in the plant. Of that 162.5 million gallons, only 16 million were being treated last week. But the rest, executives assured visitors, would be under treatment next year or not much later.

Most of the facilities now in operation or under construction are high-rate filters, much like those for swimming pools, for removing solid particles and oil from water used in processing hot steel.

Other clarifiers, officials said, will be installed to clean waste water from basic oxygen and blast furnaces. In addition, they said, the toxic water collected from coke ovens will soon no longer be discharged into the lake.

Two other anti-pollution plans of the corporation have encountered significant objections. Although approved by the state, a plan to use a deep disposal well to dispose of water containing hydrochloric acid has been attacked by geologists who argue that too little is known about the region's subsurface geology to risk the project.

The company has argued in response that the acid wastes will be injected into saline water trapped below "protective and impervious" rock layers 3,800 to 4,300 feet below the earth's surface where they will pose no threat.

The plant's other remaining pollution problem remains unresolved. Like other industries, the Lackawanna plant has been dumping solid wastes—primarily slag from steel furnaces—into the lake. The company contends that fishing has actually been better around the slag piles than elsewhere in the lake, but conservationists have objected.

SQUARE MILE SOUGHT

Now the corporation hopes to acquire from the state a square mile of shallow lake water within which it can dump its wastes and seal them off behind a watertight barrier. Again, conservationists and others have objected and the state has not yet approved the project.

Barely mentioned in the course of last week's tour was the Lake Erie plant's system of disposing of human wastes collected in its sanitary sewer system. When questioned, officials revealed that the sewage is simply released into the sewer system of the city of Lakawanna. The city dumps its sewage in the lake.

Company officials repeatedly argued during the tour that municipalities—not industries—are the nation's biggest polluters. But it is industry, they said, which is called upon to foot the bill.

"These (anti-pollution) facilities," said John E. Jacobs, Bethlehem's vice president for operations, "contribute absolutely nothing to our profitability or our efficiency. . . . Sometimes it seems to us that industry is the only segment of our society called upon to spend the money to control the pollution that we all are making."

The fact, however, is that in New York state, voters five years ago endorsed a $1-billion bond issue that is the backbone of the nation's most ambitious state water pollution program. The program focuses on cleaning up the state's sewage-clogged rivers and lakes.

Originally, the program was intended to spread the burden for pollution control among three different sets of taxpayers—state, local and federal.

Although Congress has repeatedly authorized the Federal Water Pollution Control Administration to pay as much as 30 per cent of New York's anti-pollution costs, actual federal contributions have averaged only about 7 per cent.

However, Congress last week appropriated a record $800 million to assist states and communities to construct waste treatment plants and facilities. The Nixon administration had proposed spending $215 million on the plan.

Of the amount appropriated, New York's share will be a relative drop in the bucket. Hard-pressed New York municipalities, which were supposed to contribute 40 per cent of the funds for the state's original anti-pollution program, have in fact relied largely on state assistance. As a consequence, even with new federal assistance the state's $1 billion for treating municipal sewage will have virtually disappeared by the end of 1970.

By then, Bethlehem's Lackawanna plant will no longer be polluting Lake Erie, and its anti-pollution plant will be a practical as well as a public relations success. But like public waters elsewhere in the state, Lake Erie will be little clearer or cleaner than before.

It may be too late to win an audience, but Bethlehem Steel would like the world to know that it does not feel entirely responsible.

## THE VICE PRESIDENT AND THE MEDIA

Mr. DOLE. Mr. President, I read the statements of the Senators from New York (Mr. JAVITS and Mr. GOODELL) criticizing the Vice President of the United States for his speeches about the news media and assuring the media that they have "champions" in the Senate and do not need to be inhibited.

Mr. President, I was very much interested in their comments and certainly want to take them in "good faith, equanimity, and understanding" as one of the Senators requested. But what the Senators ask the Senate and the administration to do, I fear they have not done with the Vice President's speech. References to the Vice President's "Menacing tones," "abusive words for commentators," and "divisive rhetoric and simplistic solutions" are "not particularly conducive to rational debate."

Mr. President, I have read the text of all the speeches delivered by the Vice President about the media. Throughout his speeches he emphatically denied advocating any kind of news censorship.

Rather, as I interpreted the Vice President's remarks, he was seeking to stimulate discussion on the responsibility of the media in reporting the events of our day to the American people. It is apparent from the ensuing discussion that he has achieved this objective. But what concerns me is the overreaction of many in the communications industry. Instead of stimulating self-analysis, many have tried to cloud the issue by trying censorship and intimidation. At the same time, those who saw political advantage in defending the media set out to attack the Vice President by disregarding the thrust of his speeches.

I was happy to note that the Senators from New York admitted that the Vice President had raised some important questions and had every right to do so. What they specifically criticize, is the "manner" in which he did it.

Mr. President, I do not agree that the context of the Vice President's speeches has been improper. They have received wide coverage because of their dramatic content, thus fulfilling the Vice President's objective and it is hoped, providing the basis for a dialog on the proper role of the media in a free society. I hope we shall hear more from the Senators from New York in the form of substantive recommendations on the "cure" for the failings of our media. I found none in the remarks of the Senators. Our purpose is not to "sanitize" the news, as it has been implied would be the result of the Vice President's recommendations, but to present all the facts to the American people in an honest and thorough manner, not seeking to play one-upmanship with one another by selecting only the most dramatic occurrences and editing them in the most consumable package.

## ARMISTICE DAY SPEECH BY LT. GOV. J. JOSEPH GARRAHY, OF RHODE ISLAND

Mr. PELL. Mr. President, the other day in Newport, R.I., Lt. Gov. J. Joseph Garrahy, gave an excellent and courageous speech concerning our problems of today. I thought he was particularly thoughtful in his discussion of our present position in Southeast Asia.

Because I believe that his speech would interest Senators, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ARMISTICE DAY SPEECH

Fifty-one years ago today an armistice was proclaimed which ended World War I—A conflict in which 115,000 American men died to make, in the tragic phrase of Woodrow Wilson, "The World Safe for Democracy." That

terrible conflict was called by contemporaries "The War to End All Wars," and the armistice which we commemorate today was hopefully regarded as the dawn of a new era of peace and international accord. But the optimists who dreamed this dream were wrong, and other wars and other truces followed and many more Americans died in a noble but perhaps vain pursuit of those elusive ideals of peace and democracy.

The great tragedy of today is its lack of permanency. For in twelve of the fifty-one years since that "lasting" peace was triumphantly proclaimed, the United States has found itself actively embroiled in a major foreign war.

This record seems to vindicate the view of the famous sociologist Harry Elmer Barnes who criticized us for going in to the tragic paradox of engaging in perpetual war in order to secure perpetual peace. His indictment, though harsh, deserves more than passing consideration.

On this day traditionally set aside to celebrate the establishment of peace, it is only proper, and indeed essential that we dedicate ourselves to finding a means of regaining and restoring that peace which we all so earnestly seek and desire.

Our attention, therefore, must inevitably focus on Vietnam and the task of finding a solution to our Asian dilemma. It is this formidable task that perplexes and divides our troubled nation today.

I have no pat solution to this great national problem, for my views of this conflict, like those of so many Americans, are ambivalent, and not precisely defined. Yet, after witnessing the effects of our involvement for the past five years and examining the reasons advanced to justify our commitment to that far-off land, I have developed some thoughts, some impressions, and especially some questions which I would like to share with you now.

Today is a day not only reserved to commemorate peace but also one to honor those veterans who dedicated their life or a portion of it towards defending or achieving peace. Our first duty today is to admire, respect, and commend those veterans of our current conflict for the heroism and valor, both individual and collective, which they have displayed. The war they have been called upon to wage is perhaps more difficult than any in which we ever been involved. It is a guerrilla war, one fought in an unhealthy climate and upon most difficult terrain. It is one where the enemy is not easily recognized, and one where friend or neutral is scarcely distinguishable from foe. It is a limited war, and one whose purposes and goals, never clearly defined, are steadily becoming more obscure. Finally, and of paramount importance, it is a war which lacks the undivided support of the American people. A sizable, articulate, vocal and sincere segment of our citizenry strongly oppose it. Never in American history, including the internally divisive war of 1812, has so much criticism and so little national backing been given to an American military effort.

Those conditions considered cumulatively indicate that our American fighting men in Vietnam, our veterans to be, are struggling under a greater handicap than any other American soldiers in our history. In the face of such adversity their courage, their dedication, and their spirit of sacrifice must be a source of awe and admiration for all our countrymen, as it certainly is for me.

This admiration or the efforts, and achievements of our fighting men, however, should not cause us to accept unthinkingly or passively the wisdom of the policy which placed those men in Vietnam. The validity of our position is and should be a debatable issue, for even an American citizen has the right to question the policy which has been set forth by those charged with the administration of our Government. To act with herd-like conformity would be to make a mockery of our vaunted liberty.

I have spoken of the sizable, articulate, vocal, *and sincere* segment of our people who strongly oppose what they term "our Vietnam nightmare." Their views deserve, indeed command, the respect and attention of our policymakers. These discontented Americans have not only the right but the duty to express their responsible dissent to a war which they feel has weakened their country at home and abroad.

Let me make emphatic and clear however, that my concept of *rational* dissent does not extend to such destructive protests against American involvement in Vietnam as rioting, sedition, or the desecration of our flag and the corresponding exaltation of the flags of our opponents. These remonstrances are not merely in poor taste, they are equivalent to moral treason, and therefore, intolerable.

It is most unfortunate that the actions of extremists have caused some Americans to take a dim view of any citizen who opposes our present course in Vietnam, for I feel that the rational dissenters have raised many formidable objections to a continuation of the conflict.

They have raised many valid doubts: they have posed many questions which demand a prompt and correct reply: they have challenged the wisdom of our system of priorities. Is the country of South Vietnam or for that matter, the entire Southeast Asian peninsula essential—not merely desirable, but is it essential to our national security? Can any settlement we reach with the government of North Vietnam be effectively sustained in the absence of sizeable American military force? Have the 40,000 American lives expended in the Vietnam conflict brought us any closer to peace in that troubled land? Is our continued Vietnam involvement generating international respect for the United States, or is it actually producing friction, suspicion and bad feelings between America and her allies and especially, between us and the many neutral or non-aligned nations of the world community? Can solutions to our grave internal problems be developed expeditiously in an atmosphere charged with dissention and controversy stemming principally from the conduct of a divisive foreign war? Is that war diverting our attention and dissipating our energy for coping with more urgent domestic crises? Does it, in fact, exaggerate and inflame those crises?

These are the questions which are foremost in my mind today. They demand an answer. And it is obvious from the manner in which I framed these vital issues that my answers point to the irresistable conclusion that our rapid, though not reckless, removal from Vietnam is essential. My conclusion is not authoritative, I can offer no timetable nor any precise formula, but after much deep introspection, I can offer my firm conviction that our present policies must be drastically modified in the direction of disengagement. To this end, let us not conceal our mistake. If indeed we have made one, by invoking the cry of national honor—for honor without righteousness is not only hollow but dangerous.

In conclusion, may I suggest that not only celebration but also meditation should mark this armistice day, because of the immensity of the problems confronting us. It is our duty as Americans to grapple with questions similar to those which I have modestly proposed. Then it is our collective duty to work to reestablish, this time with more enduring success, the peace which today we so wistfully commemorate.

Thank you.

## CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Is there further morning business?

The ACTING PRESIDENT pro tempore. Under the previous order, morning business has not yet begun.

Is there morning business? If not, morning business is concluded.

## TAX REFORM ACT OF 1969

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The BILL CLERK. H.R. 13270, the Tax Reform Act of 1969.

The Senate resumed consideration of the bill.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oklahoma.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, with the consent of the Senator from Oklahoma (Mr. BELLMON), I ask that his amendment be withdrawn. The Senator from Oklahoma is working on a technical change which I think may clear up the objection.

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered on the amendment. The Chair advises the Senator from Delaware, who is not the author of the amendment, that it requires unanimous consent to withdraw the amendment.

Mr. WILLIAMS of Delaware. I have the consent of the Senator from Oklahoma, and I ask unanimous consent that the amendment offered by the Senator from Oklahoma (Mr. BELLMON) be withdrawn.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Delaware? The Chair hears none, and it is so ordered.

The bill is open to further amendment.

Mr. WILLIAMS of Delaware. Mr. President, for the information of the Senate, the Senator from Oklahoma (Mr. BELLMON) is working on a modification of his amendment. It will be offered at a later time.

Since there are no amendments pending, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MILITARY CONSTRUCTION APPROPRIATIONS, 1970

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily and that the Senate proceed to the consideration of calendar No. 558, H.R. 14751.

The PRESIDING OFFICER. The bill will be stated by title.

The BILL CLERK. A bill (H.R. 14751) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations.

Mr. MANSFIELD. Mr. President, the ranking Republican member of the Military Construction Appropriations Subcommittee, the distinguished Senator from Delaware (Mr. BOGGS), is on his way over to the Chamber. The ranking Republican member of the full committee (Mr. YOUNG of North Dakota) is present.

Mr. YOUNG of North Dakota. Mr. President, I may say to the distinguished majority leader that I discussed it with the Senator, and it is satisfactory with him to proceed.

Mr. MANSFIELD. Mr. President, I present today for the consideration of the Senate, H.R. 14751, an act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

It is not my intention in presenting the bill to give detailed figures concerning each line item. The line item breakdown and explanation are contained in the report which has been placed on each Senator's desk.

Before going into the recommendations of the Appropriations Committee, I would like briefly to summarize the pertinent facts pertaining to the bill.

The original budget as submitted last January requested new obligational authority of $2,558,450,000. The revised construction budget, as submitted in April, reduced the foregoing figure to $2,003,918,000. The reduction was accounted for mostly by the deletion of $600,000,000 in construction money for the Safeguard missile. The military construction authorization bill recently passed by the Congress approved funds in the amount of $1,626,926,000.

On November 13, 1969, the House passed H.R. 14751, with new obligational authority amounting to $1,537,177,000. The House construction bill was based upon the House-approved authorization and did not reflect the authorization act as passed by the Congress. Thus, it was the task of the Appropriations Committee to make numerous adjustments in H.R. 14751 to reflect the additions and the deletions of projects made in the authorization act.

The total of the military construction appropriation bill, as reported by the Senate Committee on Appropriations, is $1,690,064,000. This is an increase of $152,887,000 over the amount provided by the House. The total bill, as reported to the Senate, is $313,854,000 under the budget estimate of $2,300,918,000. By way of a general explanation, these figures reflect a general reduction in appropriations as follows: Army, 24.7 percent; Navy, 23.1 percent; Air Force, 22.2 percent; and Department of Defense agencies, 43.7 percent.

The Military Construction Subcommittee of the Senate Appropriations Committee held joint hearings again this year with the Military Construction Subcommittee of the Armed Services Committee chaired by the able Senator from Washington (Mr. JACKSON). These joint hearings were most productive in saving time of the Senators and witnesses of the Department of Defense. Additional hearings by the Senate Appropriations Subcommittee were held to hear testimony on appeal items in the bill and projects which had been authorized in previous years.

Before going into the construction appropriations for each of the services and the Department of Defense, I will mention a number of committee actions taken on large construction items. The largest single reduction made by the House was $82.5 million due to so-called unobligated balances remaining from previous years. The committee felt that this reduction was too large in view of the unobligated construction balances that remained as of October 1, 1969; thus, the committee restored to the bill $51 million of the House reduction. The request this year by the Department of Defense to finance the North Atlantic Treaty Organization infrastructure program amounted to $34 million in new obligational authority. This amount represents a 29-percent contribution by the United States to the NATO construction program. The full amount was allowed. The largest single item in the bill was $688,476,000 for family housing. A breakdown of this account will be discussed later in my presentation.

I am sure that the Senators are very interested in how much money is in this bill for the Safeguard missile. Actually, there is $14,100,000 which includes $1,400,000 for planning. The remainder will be used to construct research and development facilities on the Kwajalein Island. The funds to start construction on the new sites at Malmstrom Air Force Base and Grand Forks Air Force Base, N. Dak., will be implemented with funds appropriated in prior years.

There are no funds in this bill for construction in South Vietnam. As of August 31, 1969, there remained available prior year funds for construction of approximately $214 million. The Department of Defense declares that these funds will provide for the military services requirements through fiscal year 1970.

The committee approved $25 million for the emergency fund administered by the Secretary of Defense. The House had reduced this fund by $10 million. In restoring the funds, the committee felt that the Secretary must have a construction fund from which to withdraw required amounts in unforeseen emergencies. Past experience has proven that the Secretary of Defense has administered this fund in a most prudent manner.

Other large items approved were: $16,814,000 for a cadet activities building at the U.S. Military Academy, West Point, N.Y. This structure has been needed for a long time and indications are that with the increase of the cadet corps to 4,400 students, the Academy cannot wait until future years for the construction of this building. Also $9,891,000 was approved for an administration and classroom building at Brooke Army Medical Center, Tex. This structure is urgently needed now to relieve an intolerable condition of overcrowding and to overcome maintenance problems on World War II structures that are now being used.

Under the Navy appropriations, the committee deferred a hospital at Camp Pendleton, Calif. It was not with prejudice that this project was deleted. The planning on this hospital is only about 60 percent complete and information furnished to the committee indicated that the cost could go as high as $25 million. It was the consensus of the committee that the Navy should come in with this project next year with firm estimates as to its ultimate cost.

Additions were made for a number of projects that were required because of hurricane damage at Gulfport, Miss. Also added were urgent operational projects for safety reasons and four other projects that were requested because of destruction by fire.

ARMY

The committee approved an appropriation of $297,597,000 for construction within the Army, exclusive of family housing. This is an increase of $57,151,000 from the amount of $240,446,000 approved by the House and a decrease of $98,003,000 from the budget estimate of $395,600,000. The foregoing amount will provide for troop housing and community facilities, research and development facilities, and hospitals.

NAVY

For military construction for the Department of the Navy, the committee has approved an amount totaling $305,377,000. This is an increase of $33,772,000 from the $271,605,000 allowed by the House and a decrease of $91,823,000 from the budget estimate of $397,200,000. The amount appropriated for the Navy will provide for the modernization of naval shipyards, naval air facilities, pollution abatement facilities and recruit training facilities at Orlando, Fla. Of course, included in the Navy totals are facilities for the Marine Corps ground and aviation facilities.

AIR FORCE

The committee has approved for the Department of the Air Force $302,349,000. This is an increase of $48,844,000 over the $253,505,000 allowed by the House and a decrease of $86,751,000 from the budget estimate of $339,100,000. The money recommended for the Air Force will allow for new projects in operational training, maintenance and supply categories. Also approved were personnel support facilities which encompass medical facilities and all types of related construction. Also there are a number of projects which will enhance the Air Force's research and development capability.

RESERVE FORCES

The committee approved the following amounts for the Reserve forces which

were the same as the budget estimates and the amounts allowed by the House: Army National Guard, $15 million; Army Reserve, $10 million; Naval Reserve, $9,600,000; Air Force Reserve, $5,300,000, and Air National Guard, $13,200,00.

DEPARTMENT OF DEFENSE AGENCIES

The committee recommends an appropriation of $43,165,000 for the Department of Defense Agencies. This is $31,335,000 under the budget estimate of $74,500,000 and $14,445,000 over the amount allowed by the House. The large part of this appropriation is the $25 million allowed for the Secretary of Defense's contingency fund.

FAMILY HOUSING

The committee has recommended $688,476,000 in new appropriations for the 1970 military family housing program. Within this total is $124,791,000 for the family housing construction program. The approved appropriation will provide for the construction of 4,800 units of family housing and the relocation of 444 units of old housing. The remaining part of the above-stated total amount for family housing consists of debt payments of mortgage principles on Capehart and Wherry housing indebtedness, reconditioning of family quarters in need of repair, leasing of housing for military personnel and maintenance and operation of military housing throughout the United States and overseas.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the comparative statement of appropriations for fiscal year 1969 and the extension of the amounts contained in the bill for fiscal year 1970.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970

| Item | New budget (obligational) authority, fiscal year 1969 | Budget estimates of new (obligational) authority, fiscal year 1970 | New budget (obligational) authority recommended in the House bill | Amount recommended by Senate committee | Senate committee bill compared with— New budget (obligational) authority, fiscal year 1969 | Budget estimates of new (obligational) authority, fiscal year 1970 | House allowance |
|---|---|---|---|---|---|---|---|
| Appropriations: | | | | | | | |
| Military construction, Army | $548,126,000 | $395,600,000 | $240,446,000 | $297,597,000 | −$250,529,000 | −$98,003,000 | +$57,151,000 |
| Military construction, Navy | 291,513,000 | 397,200,000 | 271,605,000 | 305,377,000 | +13,864,000 | −91,823,000 | +33,772,000 |
| Military construction, Air Force | 222,141,000 | 389,100,000 | 253,505,000 | 302,349,000 | +80,208,000 | −86,751,000 | +48,844,000 |
| Military construction, defense agencies | 83,396,000 | 74,500,000 | 28,720,000 | 43,165,000 | −40,231,000 | −31,335,000 | +14,445,000 |
| Transfer, not to exceed | (20,000,000) | (20,000,000) | (20,000,000) | (20,000,000) | | | |
| Military construction, Army National Guard | 2,700,000 | 15,000,000 | 15,000,000 | 15,000,000 | +12,300,000 | | |
| Military construction, Air National Guard | 8,300,000 | 13,200,000 | 13,200,000 | 13,200,000 | +4,900,000 | | |
| Military construction, Army Reserve | 3,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | +7,000,000 | | |
| Military construction, Naval Reserve | 5,000,000 | 9,600,000 | 9,600,000 | 9,600,000 | +4,600,000 | | |
| Military construction, Air Force Reserve | 4,300,000 | 5,300,000 | 5,300,000 | 5,300,000 | +1,000,000 | | |
| Family housing, defense | 583,700,000 | 694,418,000 | 689,801,000 | 688,476,000 | +104,776,000 | −5,942,000 | −1,325,000 |
| Homeowner assistance fund, defense | 6,200,000 | | | | −6,200,000 | | |
| Total appropriation amounts | 1,758,376,000 | 2,003,918,000 | 1,537,177,000 | 1,690,064,000 | −68,312,000 | −313,854,000 | +152,887,000 |
| Portion applied to debt reduction | −82,898,000 | −86,618,000 | −86,618,000 | −86,618,000 | −3,720,000 | | |
| Grand total, new budget (obligational) authority | 1,675,478,000 | 1,917,300,000 | 1,450,559,000 | 1,603,446,000 | −72,032,000 | −313,854,000 | +152,887,000 |

Mr. MANSFIELD. Mr. President, this concludes my summary of the military construction bill. I will be glad to answer any questions concerning the committee action and to explain any additions or deletions of projects which may have been made.

Mr. BOGGS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BOGGS. Mr. President, the military construction appropriations bill now before this body represents, I believe, an accomplishment in economy—but one which will meet the immediate construction needs of the armed services.

The bill would appropriate $1,603,466,000 in new construction money in fiscal year 1970 for the three services, for family housing, and for the Defense agencies.

The bill represents a decrease of $72,032,000 from the total appropriated for fiscal year 1969, and it is $313,854,000 less than the budget estimates sent to the Congress.

I would like to point out that more than 40 percent of the money appropriated by this bill—or $688,476,000—is intended to be spent on family housing. It will provide 4,800 new units, relocation of 444 units, and maintenance for 364,480 units.

It contains no money for construction in South Vietnam. The Defense Department requested none.

The bill contains $14.1 million for development of the Safeguard antiballistic missile, of which $12.7 million will go for research and development at Kwajalein Island and $1.4 million for planning.

Mr. President, I would like to commend the Senator from Montana (Mr. MANSFIELD) and the Senator from Nevada (Mr. BIBLE) for their fine leadership in developing the bill, and the Senator from Kansas (Mr. PEARSON), the Senator from Hawaii (Mr. FONG), the Senator from Wisconsin (Mr. PROXMIRE), and the Senator from Texas (Mr. YARBOROUGH) for their participation. Mr. Vorley M. Rexroad and Mr. Edmund L. Hartung contributed fine staff work. In addition, the members and staff of the Armed Service Committee were most cooperative and helpful during our joint hearings on this bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be regarded as original text for purposes of amendment, provided that no point of order shall be considered to have been waived by reason thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 7, after the word "Code," strike out "$240,446,000" and insert "297,597,000".

On page 2, line 17, after the word "appropriation," strike out "$271,605,000" and insert "$305,377,000".

On page 3, line 1, after the word "Code," strike out "$253,505,000" and insert "$302,349,000".

On page 3, line 10, after the word "Code," strike out "$28,720,000" and insert "$43,165,000".

On page 5, line 12, after the word "law," strike out "$689,801,000" and insert "$688,476,000".

On page 5, line 17, after the word "Construction," strike out "$31,061,000" and insert "$30,461,000".

On page 5, line 25, after the word "Construction," strike out "$42,714,000" and insert "$41,989,000".

SENATOR GOODELL QUESTIONS FUNDS FOR BIOLOGICAL BUILDING AT DUGWAY

Mr. GOODELL. Mr. President, among certain funds for Army Materiel Command, listed on page 11 of the committee report, is one item in this military construction appropriations bill which causes me particular concern.

The item is a "sampler processing building" to be constructed at the Dugway Proving Ground in Utah.

Dugway, it will be recalled, is a major testing ground for chemical and biological warfare—CBW.

The cost of this new building, viewed as part of a $1.6 billion military construction appropriation, is relatively small and almost escapes notice.

Perhaps it is an oversight that funds are still being allocated for this "sampler processing building." If not, I would like to know why we are expanding facilities for germ sampler containers at Dugway.

Is germ field testing at Dugway to continue? I would hope not. I think we should know that the Pentagon has justified this new building in terms of germ field testing in the winter.

In view of President Nixon's CBW policy statement on November 25, we should be cutting down on construction at Dugway; not expanding.

It was in October that the Pentagon testified in Senate joint hearings on this new expenditure for Dugway. According to the Pentagon:

DUGWAY PROVING GROUND, UTAH

This sampler processing building will provide a facility for loading, unloading, de-

contaminating, and servicing 1,400 heated biological sampler containers used in the installations field test program. At present, animal holding rooms must be used to process these containers. These rooms are needed for holding infected animals and animals for various studies. Processing sampler containers in these rooms reduces the space available for holding these animals by one-half. When short notice urgent test requirements are received, other ongoing projects and normal operations must be disrupted. In addition, crowded conditions among the animals risks cross-infection, sample quality, and personnel safety. Safety of employees and the animals points up the need for the best possible test facilities.

First, I would like to call attention to the Pentagon's reference to Dugway's "field test program" with germ agents.

On many occasions, I have expressed my opposition to outdoor testing of germ agents as well as chemical agents. It is my firm conviction that public health safety as well as a clean and healthy environment require a flat ban on such outdoor testing.

It appears from the Pentagon's October testimony that the need for this new building at Dugway was based on plans for expanding biological weapons development.

The "sampler processing building" is for heated biological sampler containers. I understand that these sampler containers are used in outdoor winter testing for the purpose of developing weapons. Processing the sampler containers is basically to detect distribution and survivability of germs after munitions explosions.

On November 25, President Nixon made a historic announcement on chemical and biological weaponry. He renounced first-use of these weapons in war. He called for an about-face in the Pentagon's germ research. No longer is the Pentagon to develop germ weapons. Rather, germ weapons are to be dismantled. All future biological research is to be confined to defensive measures such as immunization and safety devices.

Mr. President, Dugway Proving Ground is a site for weapons testing. Are we to assume that its biological facilities are now to be converted to immunization research?

If not, is Dugway gearing up for work on some safety device which would require this particular "sampler processing building?"

Regarding safety devices, we are aware that the Penatgon has in the past worked on what might be called an antibiological weapons monitoring system—BWMS. Beyond the question of whether such a monitoring system could work, I wonder now whether it is really necessary.

Again, I come back to the questions: Is outdoor testing of germs agents to continue at Dugway? What would be the purpose of future field test missions? Do we really need this "sampler procession building?" Can we not reasonably hope that germ facilities at this weapons testing site are no longer needed?

It should be noted that immunization research, to which President Nixon referred, is presently being conducted at Fort Detrick in Maryland and the Communicable Disease Center in Atlanta, Ga., as well as in numerous hospitals and medical schools across the Nation.

In view of President Nixon's new policy directive for the Pentagon's biological program, it would seem that construction of a new biological building at Dugway is not needed and the cost of this building can be saved.

Mr. President, this is a time of inflation. It is a time of heavy Government spending. It is a time when taxes weigh heavily on those who can bear taxes least.

Equitable and sound tax reform can ease the tax burden.

Incisive review of Government spending requests can lead to cuts in wasteful expenditures mounting to billions of dollars.

The Senate has shown its determination to stop unnecessary spending.

Even before President Nixon's CBW policy statement, Members of Congress were closely examining Pentagon requests for the chemical and biological weapons program.

In the military procurement bill, $16 million was cut from money requested for research on deadly gas and germ weapons.

In the military construction bill, the Committee on Armed Services and the Committee on Appropriations in both the Senate and House took the initiative to cut approximately $5 million from Pentagon requests for new facilities and equipment for germ warfare.

These cuts are welcome and the committee members are to be commended for their careful scrutiny of budget requests.

Still, if more trimming can be done, we should do it.

We must not spare the "meat-ax" or the "scalpel" in cutting out waste.

On the "sampler processing building" for Dugway, the scalpel can be put to good use. If the item is not needed now due to President Nixon's action; if new justification by the Pentagon is untenable, then funds should be deleted.

Mr. YARBOROUGH. Mr. President, as a member of the Military Construction Appropriations Subcommittee, I wish to commend our able chairman, the distinguished majority leader, for his hard work and leadership in producing this important bill. The bill that is before the Senate today is a balanced and reasonable measure and provides the necessary funds for the construction of facilities that are vital to our military personnel.

The Senate version of this bill includes over 50 percent more for Texas projects than was in the bill which passed the House of Representatives. The victory in the Senate means a great deal for Texas. As a member of the Military Construction Appropriations Subcommittee of the Senate, I was able to work for this substantial increase for Texas. We were able to hold this increase in the full Senate Appropriations Committee and today we won a major victory when the Senate agreed to the $75 million for Texas.

The Senate bill includes many projects which were not in the House bill, but I am most pleased on the appropriation of $9,891,000 for the Medical Field Service School at Brooke Army Medical Center in San Antonio which was not in the House bill. This school trains the medical personnel who have done such an outstanding job of saving lives of wounded Americans in Vietnam. It is essential that this lifesaving Medical Field Service School have the very best training facilities.

The total for Texas in the Senate bill is $75,184,000. The bill which passed the House of Representatives had only $47,630,000 for military construction in Texas. The Senate bill is an important improvement over the House bill in that it recognizes the vital needs of many of our military installations by providing housing and other facilities.

The following indicates the amounts appropriated for the military installations in Texas. These figures are the ones in the Senate bill and include the sums added to the House passed bill:

| | |
|---|---|
| Army: | |
| Aeronautical Maintenance Center | $1,178,000 |
| Fort Bliss | 4,309,000 |
| Brooke Army Medical Center | 9,891,000 |
| Fort Hood | 21,050,000 |
| Fort Sam Houston | 524,000 |
| Red River Army Depot | 1,396,000 |
| Subtotal | 38,348,000 |
| Navy: | |
| NAS Chase Field | 2,769,000 |
| NAS Corpus Christi | 496,000 |
| NAS Kingsville | 3,876,000 |
| Subtotal | 7,141,000 |
| Air Force: | |
| Bergstrom AFB, Austin | 415,000 |
| Brooks AFB, San Antonio | 736,000 |
| Carswell AFB, Fort Worth | 236,000 |
| Ellington AFB, Houston | 954,000 |
| Goodfellow AFB, San Angelo | 957,000 |
| Kelly AFB, San Antonio | 5,347,000 |
| Lackland AFB, San Antonio | 12,414,000 |
| Laredo AFB, Laredo | 496,000 |
| Laughlin AFB, Del Rio | 1,771,000 |
| Randolph AFB, San Antonio | 1,151,000 |
| Reese AFB, Lubbock | 954,000 |
| Sheppard AFB, Wichita Falls | 3,829,000 |
| Webb, AFB, Big Springs | 435,000 |
| Subtotal | 29,095,000 |
| Total | 75,184,000 |

Mr. President, I commend all the members of the Military Construction Subcommittee of both parties and their able staffs for the excellent work on this bill. I urge all of my colleagues in the Senate to join with me in full support of this bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill be read a third time.

The bill (H.R. 14751) was read the third time.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Virginia (Mr.

BYRD), the Senator from West Virginia (Mr. BYRD), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Minnesota (Mr. MONDALE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON), the Senator from Louisiana (Mr. ELLENDER), and the Senator from Alabama (Mr. ALLEN) are absent on official business.

I further announce that, if present and voting, the Senator from Alabama (Mr. ALLEN), the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Virginia (Mr. BYRD), the Senator from West Virginia (Mr. BYRD), the Senator from Nevada (Mr. CANNON), the Senator from Louisiana (Mr. ELLENDER), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Minnesota (Mr. MONDALE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of Illness.

The Senator from Pennsylvania (Mr. SCHWEIKER) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The Senator from Florida (Mr. GURNEY) and the Senator from Illinois (Mr. SMITH) are detained on official business.

If present and voting, the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), and the Senator from Illinois (Mr. SMITH), and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

The result was announced—yeas 82, nays 0, as follows:

[No. 188 Leg.]

YEAS—82

| | | |
|---|---|---|
| Aiken | Griffin | Muskie |
| Allott | Hansen | Nelson |
| Baker | Harris | Packwood |
| Bellmon | Hart | Pastore |
| Bennett | Hartke | Pearson |
| Bible | Hatfield | Pell |
| Boggs | Holland | Percy |
| Brooke | Hollings | Prouty |
| Burdick | Hruska | Proxmire |
| Case | Hughes | Randolph |
| Church | Inouye | Russell |
| Cook | Jackson | Saxbe |
| Cooper | Jayits | Scott |
| Cotton | Jordan, N.C. | Smith, Maine |
| Cranston | Jordan, Idaho | Sparkman |
| Curtis | Long | Spong |
| Dodd | Magnuson | Stennis |
| Dole | Mansfield | Talmadge |
| Dominick | Mathias | Thurmond |
| Eagleton | McClellan | Tower |
| Eastland | McGee | Tydings |
| Ervin | McGovern | Williams, N.J. |
| Fannin | McIntyre | Williams, Del. |
| Fong | Metcalf | Yarborough |
| Fulbright | Miller | Young, N. Dak. |
| Goodell | Montoya | Young, Ohio |
| Gore | Moss | |
| Gravel | Murphy | |

NAYS—0

NOT VOTING—18

| | | |
|---|---|---|
| Allen | Ellender | Mundt |
| Anderson | Goldwater | Ribicoff |
| Bayh | Gurney | Schweiker |
| Byrd, Va. | Kennedy | Smith, Ill. |
| Byrd, W. Va. | McCarthy | Stevens |
| Cannon | Mondale | Symington |

So the bill (H.R. 14751) was passed.

Mr. BOGGS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MANSFIELD, Mr. BIBLE, Mr. PROXMIRE, Mr. YARBOROUGH, Mr. RUSSELL, Mr. SYMINGTON, Mr. BOGGS, Mr. PEARSON, Mr. FONG, Mr. YOUNG of North Dakota, and Mr. GOLDWATER conferees on the part of the Senate.

Mr. BYRD of West Virginia subsequently said: Mr. President, on behalf of the Senator from Montana (Mr. MANSFIELD) I ask unanimous consent that the Senator from Arizona (Mr. GOLDWATER) be excused from service as a conferee on H.R. 14751, the military construction appropriations measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I call up my amendment 319.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 370, beginning on line 23, strike out all through line 7, page 377 (section 515, committee amendment).

Mr. INOUYE. Mr. President, I ask unanimous consent that the names of the Senator from Oregon (Mr. PACKWOOD) and the Senator from South Carolina (Mr. HOLLINGS) be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without obection, it is so ordered.

Mr. INOUYE. Today I wish to speak in behalf of my amendment to H.R. 13270 which would delete section 515 of the Senate Finance Committee version of the Tax Reform Act. Section 515 relates to profit-sharing plans.

Section 515 of the Senate bill would have the following effects: First, distributions to employees would be taxed at ordinary income rates upon distribution in an amount equal to employer contributions after 1969; second, employers' contributions after 1969 toward the purchase of the employers' securities would be taxed at ordinary income rates upon distribution to the employee in an amount equal to the cost basis of contributions; and third, it establishes a special 5-year "forward" averaging method for the ordinary income part of a lump sum distribution. I believe that these provisions would destroy valuable incentives upon which our business firms and their employees rely, and I urge that the Senate strike out this entire section of the bill.

Upon present law, an employer who establishes a qualified employee pension, profit-sharing, stock bonus, or annuity plan is permitted to deduct his contributions to the trust, moreover, income earned by the trust is exempt from tax if the employee trust is exempt. Upon retirement the employee who receives annual benefit payments is taxed at ordinary income rates. The exception to this rule is the payment of the benefits in a lump sum distribution from the plan, in which case the payment is taxed as a long-term capital gain. I am particularly concerned that this highly successful feature of profit-sharing plans will be adversely affected by the changes proposed in section 515.

The Committee on Finance decided during its deliberations to deny such favorable capital gains treatment to lump sum distributions on the grounds that they are in reality deferred compensation at more favorable tax rates than other compensation received for simliar services. It was noted in the committee report that taxpayers with adjusted gross incomes in excess of $50,000 gain more and that there have been a number of distributions of over $800,000.

It cannot be denied that there probably are individuals who receive large distributions at favorable rates. However, it must be noted that tax exempt profit-sharing plans are not inequitable. All profits are distributed on a nondiscriminatory basis, from janitor to president, because of the regulations which govern qualification as a tax exempt profit-sharing plan. Furthermore, a survey made in 1968 showed that 90 percent of the lump sum distributions made involved distributions of less than $30,000 and that almost 70 percent feel in the range of from $500 to $10,000. Far from being a device for the rich, lump sum distributions affect millions of members in all income groups.

Since 1942, when the provision giving long-term capital gains treatment to lump sum distributions was added to the Code, over 80,000 companies have adopted deferred tax-qualified profit-sharing programs, covering over 5 million employees. More than 10,000 of these plans were established in 1968 alone. Clearly profit-sharing plans are popular with both employers and employees, and their continued growth is a clear affirmation of their success.

It has been alleged that distributions are actually deferred compensation and ought to be treated as ordinary income. However, this is not usually the case. Most corporations consider profit sharing as additional incentive and make their distributions in addition to ordinary compensation and benefits. Article II, section 1 of the constitution and bylaws of the council of profit-sharing industries makes it clear that its concept of profit sharing is a procedure for payment in addition to prevailing rates of pay.

Lump sum distributions from qualify-

ing profit-sharing plans are further distinguished from simple deferred compensation, or ordinary income, by the fact that it is risk capital. After the employer makes his contribution, it is the employee alone who is affected by changes in the investment of the contribution. Thus any number of factors, including inflation and bad stock or bond markets, could severely reduce the amount an employee would ultimately receive. Since the individual employee has no direct control over the investment of the funds, it would be erroneous to call it deferred compensation. Rather, the contributions have been invested in a manner that would ordinarily yield capital gains treatment.

Furthermore, the proposed change is defective because the distributions represent "bunched income" which has accumulated over a period of years, perhaps an entire working lifetime. The committee's answer is a complex amendment permitting averaging the gross "ordinary income" less the amount received during the year as compensation and less the capital gains after one has passed the age of 59½ in the year of distribution. This method still ignores the fact that averaging could push an elderly employee into a tax bracket higher than the level at which the contributions were originally made.

I have been advised there are over 40 steps involved in determining what the tax will be.

Apart from the claims of equity, there is another compelling reason why we should not tamper with the tax treatment of profit-sharing plans. Three decades ago a subcommittee of the Committee on Finance found that profit sharing contributes to harmonious labor-management relations and to labor peace and contentment. This astute observation is no less true today. Profit sharing enables employees to share in the fruits of the corporations for which they work. Where equity participation is not possible because the business is a partnership or close corporation profit sharing gives employees a valuable and substantive stake in the soundness of the business. Through profit sharing an employee is afforded an opportunity to share in the benefits of ownership and to accumulate funds for his retirement or his beneficiaries. It is, I believe, an intelligent response of the free enterprise system to demand for participation in the profits of one's business.

I fear that any change in the status of employer contributions may retard the further growth of plans. Taxation of lump sum distributions at ordinary rates may diminish the attractiveness of these plans and discourage further participation in them. I believe that profit sharing is a valuable financial incentive that must be preserved. I urge my colleagues who share my interest in the continued viability of profit-sharing plans to join me in this amendment to strike out section 515 of the tax reform bill.

Mr. President, in closing, I wish to briefly discuss the revenue effects of the proposed change. At the outset, it is estimated that the revised method of taxation would produce less than $2.5 million of additional revenue in the year 1970, and in 1971 it is estimated that $5 million of additional revenue would be produced; and by 1979 it is estimated $50 million of additional revenue would be produced.

While this is intended to be a tax reform bill practical considerations which may outweigh the modest revenue recoupment, under lump sum distribution, cannot be ignored because increased burdens which would be cast on the tax collecting agency must be balanced against any estimated revenue gains which might result from the changed method of taxation. I really believe the increased administrative costs might eliminate all the revenue gained and lead to a net revenue loss.

The committee, in estimating these additional revenues, naturally assumed that all of the profit sharing plans in effect today would continue in effect. I am convinced, with this amendment, it would serve as a damper to these plans and discourage not only further development of plans but close up present plans.

In view of the great care otherwise exercised to see that revenue cutting portions of the bill are matched by revenue increases, this possibility should not be ignored.

Therefore, once again I urge my colleagues who share my interest in the continued liability of profit-sharing plans to join me in this amendment to strike section 515 of the tax reform bill.

## CONCERN OF YOUTH ABOUT ENVIRONMENTAL CONTROL

Mr. PACKWOOD. Mr. President, there is no more critical problem facing our Nation today than that of the pollution of our entire environment. In recent months, we have seen a great surge of interest and concern by the youth of America to reverse the current situation. I was greatly encouraged to see from my mail of late that this concern extends down to the elementary school level. What better weapon do we have in meeting this problem than the education and concern of our young people?

I have received some really delightful letters from the fourth grade students of Bend, Oreg.

What an encouraging sign. Without further comment, I should like to introduce these young "concerned Americans" to all Senators by letting them read their letters to me, and ask unanimous consent to have them printed in the RECORD for that purpose.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BEAR CREEK SCHOOL,
*Bend, Oreg., November 25, 1969.*

DEAR SENATOR PACKWOOD: We have been studying our State and *national pollution problems*. Our class decided that they would like to express their feelings to their government representatives. Enclosed you will find some of their letters. Please address any replies to the above address so that we can share the letter or letters with each other.

Sincerely,

MRS. GRAHAM.

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BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: We are studying on pollution and some of the places I went were polluted. We went past a hill that had cans, beer bottles, paper, plastic paper, sticks. We want clean water, land, air. We should not have no deposit bottles or cans. Because everybody just throws them on the street and leaves them there.

Sincerely,

CINDY WELANDER.

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BEND, OREG.,
*November 24, 1969.*

DEAR SENATOR PACKWOOD: I don't like the pollution that is going on, and I'm sure you don't like it either. I wish we could outlaw cans then we could have returnable jars and bottles. That would stop land pollution a lot. What I don't get is that how can we stop air pollution. Can you stop pollution? I'm trying.

Sincerely,

DONALD IPOCK.

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BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: I think that there should be a law that there should not be any no return no deposit bottles or cans. There is too much pollution these days. It is a disgrace. If you can help us please do.

Sincerely,

DAVID COCHRANE.

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BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: People just don't listen when we tell them not to litter because they are destroying America. I just think they're too lazy to even get up and throw it in the garbage. I think we should make 5 cents on the bottles and cans then instead of throwing them on the ground. We could take them to the store and get 5 cents out of them. I don't think we should put our sewage in the lakes and rivers, because we have a lot with not having to start more. The air is so bad that some day we won't be able to see the sun because of the air pollution. Instead of burning our garbage we can bury it. Well I just hope you stop all of this and make America beautiful. And another thing people cause air pollution by smoking. Cigarettes are hazardous. America is getting ruined slowly.

Sincerely,

TOBI RAMSEY.

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BEND OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: We have been studying about pollution and we would like to have it stopped. It is not good for your health. It does not keep America green and pretty like it should be. Every time I see anyone throw trash out the window or anything I pick it up and put it in the trash can. We want to have clean air, too.

Sincerely,

DEANNA STEVENS.

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BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: We have been studying on pollution in school. We want to know if you could help us keep Oregon beautiful. We want you to help make no deposit, no return bottles into return bottles. After people drink out of these bottles they throw them on the ground. It is getting so bad that it is looking terrible. I hope you can help.

Sincerely,

MARY MILLER.

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BEND, OREG.,
*November 24, 1969.*

DEAR SENATOR PACKWOOD: Can you stop pollution? We go camping every weekend. There is paper, cans, beer bottles, other things around. They should clean it up, but they don't. Do something about it. We want it to stop.

Help stop pollution please.

Sincerely,

BILLY WAYNE CONLEY.

BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: I hope you can do something about all this unnecessary wasting of clean air, water, and land. It can kill people and wildlife, and it will.

There is water pollution in Lake Erie. It used to be a favorite fishing ground. Now it's a water filled garbage dump! I don't want this happening to Oregon and the other States of the United States of America.

Nobody and nothing can survive without air. The air is fit to breathe if we keep it that way. In this last century the earth's atmosphere has risen ½°. If it rises to 4° warmer then the polar ice caps would melt and flood all the coastal cities.

If you have any literature on air, water, and land will you please send it to me and I'll take it to PURE meetings. There is a lot of rivers and lakes in Oregon and they're fun to fish in, go swimming, water skiing, and just plain old fun. Let's keep it that way please.

Sincerely,

JERRY JOB.

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BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: Have you been thinking about litter? Well I have. Can you help it? I wish I could. Don't you think you can? I think that you shouldn't put sewer in the Deschutes River. I like that. I hope you can help it. I am a fourth grader. I would help stop pollution too! I'm helping all I can. Pollution is getting bad.

Sincerely yours,

CARLA WILKINS.

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BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: We have been studying pollution. I want you to outlaw no deposit no return bottles and cans. The people who buy beer, pop, and other things in bottles and cans will not throw their cans and bottles away, if they know they are returnable for about five cents. People who throw away these cans and bottles should get fined and thrown in jail. But if anybody throws away cans and bottles the cans and bottles will not be there very long. If a little kid sees them and wants some money he will pick up every last can and bottle he can see.

Yours truly,

JON LEAGFELD.

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BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: Do you know what our states are coming to? It is just pollution now. It would help if you outlaw beer cans and pop cans because when people are finished with them they throw them down. If you could put it in bottles with a 5¢ deposit. That will help land pollution a little. Now it is a problem to stop water pollution and air pollution.

Sincerely yours,

CAROL COULTER.

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BEND, OREG.,
*November 25, 1969.*

DEAR SENATOR PACKWOOD: It is our duty in Bend to not throw trash out. It would be a help if they would outlaw cans and have all bottles returnable with five cent charge. I think that would help a great deal about the litter problem. There should be a law about mill and construction companies putting there wastes in rivers and streams and lakes. The mills should have a pond to put their logs in and why should the construction companies dump dirt in the water. If we don't stop the air pollution it will melt the polar ice caps and the coastal cities will drown by water.

Sincerely,

BRIAN MOODY.

BEND, OREG.
*November 25, 1969.*

DEAR SENATOR PACKWOOD: I am a fourth grade girl. I would like to help stop pollution. We are making posters for pollution. We would like you to vote to help stop pollution. I think we should not let people put sewage in the Deschutes River and all the rivers of Bend. If you could stop people from selling smokes it would stop some of the air pollution.

Please help us.

Thank you.

Sincerely,

MARETTA LOUISE SEUELL.

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BEND, OREG.
*November 24, 1969.*

DEAR SENATOR PACKWOOD: I would like to know why kids can't vote on litter? Why won't there be cars and airplanes go by electric to stop pollution? And have no deposit cans and deposit bottles.

Sincerely,

KIMBRELL CUMMINS.

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BEND, OREG.
*November 24, 1969.*

DEAR SENATOR PACKWOOD: Would you please make no deposit no return bottles. Because this town is going to be pretty polluted. The teen-agers and the parents are the ones who make this town polluted. Not us little kids. Water is the hardest to keep clean. Because when somebody cleans up the ditches in this town, people put it back in it. Land is hard to keep clean too. And so is air.

Sincerely,

BRIAUNA MICHELLE HOLLY.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Leonard, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Mr. President the Treasury strongly supports section 515 of the Tax Reform Act as reported by the Senate Finance Committee. This provision would deny capital gains treatment—on a prospective basis only—for the portion of a lump-sum distribution from a qualified pension or profit-sharing plan to the extent it consists of contributions by the employer. To prevent distortion in tax liability which might result from including several years income in the gross income of 1 taxable year, this provision contains a special averaging provision.

The Treasury believes that employer contributions to a pension or profit-sharing plan should be treated as ordinary income. Such amounts are compensation for services rendered. They do not cease to be compensation and are accumulated in a tax-exempt trust for the benefit of the employees.

There have been statements circulating recently to the effect that this provision will result in a tax increase for recipients of relatively small distributions and a tax decrease for recipients of large distributions. These statements are incorrect. In fact, most recipients of relatively small distributions, that is, $20,000 or less—would have a smaller tax liability than they now have with capital gains treatment because of the favorable averaging rule provided. High paid corporate executives will generally have a greater tax liability. This demonstrates that capital gain treaments is inappropriate as an averaging device in that it has uneven effects depending upon income size. A 5-year average as proposed in the bill provides the same type of averaging benefit to all taxpayers, regardless of income size.

The Treasury believes that existing law provides an unwise incentive for employees to elect lump-sum distributions from pension and profit-sharing plans to obtain capital gains treatment; aside from this tax benefit it would normally be in their best interest to receive periodic distributions. Section 515 of the bill will tend to remove this unwise incentive. This will strengthen the effectiveness of the private pension system in providing for the continuing needs of employees after retirement.

Mr. President, there is $55 million involved in the pending amendment and, if agreed to, it would mean one more step backward from the so-called tax reform which has been approved by the committee and strongly endorsed by the Treasury Department.

To summarize, I point to existing law, where the employer's contribution to the private pension plans, plus all appreciation thereon, as a result of the investment, is and can be accepted as a lump-sum payment and receive favorable capital gains treatment. Under the committee bill, we would provide that the employer's contribution would be subject to regular, normal income tax, but that the capital gains treatment would apply only to the appreciation in the investment of the contributions. I certainly think that this is one loophole we should close. By all *means*, I hope that the amendment will be rejected.

I say again that there is $55 million involved. If we keep whittling away here, there will soon be nothing left.

Mr. MILLER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MILLER. Is it not true that the way the committee handled this item was to make it prospective and operational?

Mr. WILLIAMS of Delaware. That is correct.

Mr. MILLER. So that those who will

retire, let us say, next January or February, would find no change whatever insofar as their lump sum payment is concerned and as to how the tax law would handle it over what is now the case.

Mr. WILLIAMS of Delaware. The Senator is correct. This is completely prospective only, but it is a correction long overdue in the Revenue Code.

Mr. MILLER. Is it not true that especially in a case of the employee with a farily long term of service, the great bulk of the lump sum payment is attributable to the accumulation in a tax-free trust rather than to payments made by an employer as a contribution to the trust in previous years?

Mr. WILLIAMS of Delaware. That is correct.

Mr. MILLER. Is it not true that the committee's action leaves the capital gains at least on the great bulk of the payout alone?

Mr. WILLIAMS of Delaware. Yes. That should be subject to capital gain because it is capital appreciation the same as it would be if it was a private investment. But on the other hand, the employer's contribution to the pension fund is a part of the income of the individual and even though it is deferred income it should be taxed at regular rates. The committee bill also provides an averaging provision so it does not hit him in the high bracket all in 1 year.

Mr. MILLER. In the case of the situation where the employee has made a contribution down through the years, as well as the employer, that portion of the lump-sum payment which is attributable to the employee's own contribution is merely a return of income which he has previously paid taxes on and is not taxed at all under the committee bill.

Mr. WILLIAMS of Delaware. That is true. It is not taxed either under existing law or in the Finance Committee bill.

Mr. MILLER. I thank the Senator from Delaware.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii.

Mr. LONG. Mr. President, I personally voted to support the position taken by the distinguished Senator from Hawaii (Mr. INOUYE) in committee. I would have felt constrained to stay with the committee position except for the fact that members of the committee have been voting on the merits of these matters as they felt about the matter in the committee. I believe this does involve a Sears & Roebuck retirement plan, does it not, I ask the Senator?

Mr. INOUYE. The Senator is correct.

Mr. LONG. Many people who have such retirement plans working in States to the north, east, and west of us are planning and hoping, when they earn their retirement, to take a lump sum settlement, pay a capital gains on it and then move to warmer climates, such as Florida, or perhaps Louisiana, or California, or Hawaii—where climates are not so harsh on elderly people and they may live out their remaining years in modest comfort.

To tax this settlement as ordinary income does impose a considerable burden upon them, without involving a great deal of tax revenue, and it causes very much inconvenience to a lot of people who are planning to retire and move to some other place from where they worked; is that not correct?

Mr. INOUYE. The Senator is absolutely correct.

Mr. LONG. I have talked to people involved in this Sears & Roebuck pension plan, and I do not really regard it as a loophole, where people have earned their retirement over a long period of time, that they are permitted to have capital gains treatment. I think that, while perhaps some people might receive an undue tax advantage, the overwhelming bulk of the people affected are those with modest means, who work hard for the retirement benefits to which they are entitled, and I would, therefore, very much dislike to see capital gain treatment taken away from them. Thus, I shall vote for the Senator's amendment.

Mr. INOUYE. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii.

Mr. WILLIAMS of Delaware. Mr. President, with reference to the effect of this amendment, I would like to read some figures given in the President's 1963 tax message relating to a proposal to deal with this problem. These are actual cases where employees received very large lump-sum distributions and gained the benefit of the low capital gains tax on these distributions.

I ask unanimous consent that a table listing these lump-sum distributions be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1. The following lump-sum distributions were received under the pension plan of Employer M within the period from 1954 to 1960:

| | *Amount* |
|---|---|
| Employee A | $524,164 |
| Employee B | 503,670 |
| Employee C | 428,617 |
| Employee D | 342,280 |
| Employee E | 335,647 |
| Employee F | 314,556 |
| Employee G | 283,643 |

2. The following lump-sum distributions were received under the profit-sharing plan of Employer N during the years 1960 through 1962:

| | *Amount* |
|---|---|
| Employee A | $800,000 |
| Employee B | 400,000 |
| Employee C | 365,000 |

During 1962, over 10 employees received lump-sum distributions of $200,000 or more under this profit-sharing plan.

3. A lump-sum distribution of $843,000 was received under the pension plan of Employer O in 1959.

4. A lump-sum distribution of $332,348 was received under the pension plan of Employer P in 1961.

Mr. WILLIAMS of Delaware. Mr. President, this table, which as I said, is derived from information in the President's 1963 tax message shows one employee receive a lump-sum distribution of $524,164. Another employee received $503,670. Yet another employee received $428,617, and so forth on down the line.

I think the Senate should be aware of what we are voting on here. We are dealing with large benefits for certain individuals who are deferring their salary income and who under present law only pay a tax at capital gains rates when they receive that deferred income. This is one of the loopholes that preceding Presidents as well as the present President, have recommended should be corrected. The committee's bill does deal with the loopholes.

I hope the amendment which would strike the reform from the bill will be defeated.

Mr. LONG. Mr. President, about $10 million is involved in this amendment——

Mr. WILLIAMS of Delaware. The original estimate was $5 million in 1971, $10 million in 1972 and $55 million ultimately.

Mr. LONG. I am advised that about $10 million is involved in this amendment.

Mr. President, in the bill we have increased the capital gains tax from a 25 percent tax up to a 37½ percent tax. So the capital gains tax, by virtue of this bill, becomes a graduated income tax. To be sure, it is not a graduated income tax going up as high as the tax on ordinary income, but now we have it, by vote of the Senate, up to 37½ percent.

So if one who is making a substantial income receives a lump sum distribution from a pension plan, he would have under the bill a substantial increase in tax on the lump sum distribution by virtue of what we have done in increasing the capital gains tax rates—the top rate, in fact, is increased by 50 percent.

That being the case, it would seem to me that the people who were retiring under the Sears, Roebuck or Proctor & Gamble retirement plans would have their taxes increased substantially, anyway.

I tend to agree with the Senator from Hawaii. I do not like to see these people taxed more than others. It may be that my opinion may put me at variance with others, but I find myself in sympathy with these people who want to retire and move to a pleasant climate.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Virginia (Mr. BYRD), the Senator from West Virginia (Mr. BYRD), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Minnesota (Mr. MONDALE), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN), the Senator from Nevada (Mr. CANNON), and the Senator from Louisiana (Mr. ELLENDER) are absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), and the Senator from Virginia (Mr. BYRD) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Pennsylvania (Mr. SCHWEIKER) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

On this vote, the Senator from Alaska (Mr. STEVENS) is paired with the Senator from Arizona (Mr. GOLDWATER). If present and voting, the Senator from Alaska would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 50, nays 37, as follows:

[No. 189 Leg.]

YEAS—50

| | | |
|---|---|---|
| Bayh | Hruska | Packwood |
| Bible | Hughes | Pastore |
| Brooke | Inouye | Pearson |
| Cranston | Jackson | Percy |
| Curtis | Javits | Prouty |
| Dodd | Jordan, N.C. | Randolph |
| Dominick | Long | Smith, Maine |
| Eagleton | Magnuson | Smith, Ill. |
| Eastland | Mansfield | Sparkman |
| Ervin | McCarthy | Spong |
| Fong | McClellan | Stennis |
| Gravel | McGee | Talmadge |
| Griffin | McIntyre | Thurmond |
| Gurney | Metcalf | Tower |
| Hatfield | Montoya | Tydings |
| Holland | Murphy | Young, Ohio |
| Hollings | Muskie | |

NAYS—37

| | | |
|---|---|---|
| Aiken | Fannin | Nelson |
| Allott | Fulbright | Pell |
| Baker | Goodell | Proxmire |
| Bellmon | Gore | Ribicoff |
| Bennett | Hansen | Russell |
| Boggs | Harris | Saxbe |
| Burdick | Hart | Scott |
| Case | Hartke | Williams, N.J. |
| Church | Jordan, Idaho | Williams, Del. |
| Cook | Mathias | Yarborough |
| Cooper | McGovern | Young, N. Dak. |
| Cotton | Miller | |
| Dole | Moss | |

NOT VOTING—13

| | | |
|---|---|---|
| Allen | Ellender | Schweiker |
| Anderson | Goldwater | Stevens |
| Byrd, Va. | Kennedy | Symington |
| Byrd, W. Va. | Mondale | |
| Cannon | Mundt | |

So Mr. INOUYE's amendment was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 392

Mr. RIBICOFF. Mr. President, I call up amendment No. 392.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, reads as follows:

On page 23, line 16, strike the phrase "one-fifth of 1 percent" and insert in lieu thereof, the phrase "one-tenth of 1 percent (for taxable years beginning in 1970, one-fifth of 1 percent)."

On page 24, after line 20, insert the following new subsection:

"(c) ADJUSTMENTS IN RATE OF AUDIT-FEE TAX.—The Secretary or his delegate shall maintain such records as are necessary to reflect accurately both the costs of administering the provisions of this chapter and the total taxes collected under subsection (a). He or his delegate shall report annually to the Joint Committee on Internal Revenue Taxation the total amount of the taxes collected under subsection (a) and the total costs of enforcing the provisions of this chapter and shall recommend to the committee the rate of audit fee which shall reasonably approximate the costs of such audit."

The PRESIDING OFFICER. Does the Senator wish to consider the amendments en bloc?

Mr. RIBICOFF. Yes, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, the amendment is being offered on behalf of the Senator from Nebraska (Mr. CURTIS), the Senator from Utah (Mr. MOSS), the Senator from Illinois (Mr. PERCY), and myself.

Mr. President, I ask unanimous consent that the names of Senators HATFIELD, TOWER, JAVITS, RANDOLPH, and HRUSKA be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, the purpose of the amendment is to carry out the recommendation of the Finance Committee.

On page 27 of the report, the committee pointed out that for the first time they were establishing a user charge to pay for the cost of auditing the assets of foundations. However, on a study of the actual costs, there is no question that after the first year a fee of one-fifth of 1 percent will bring in twice as much money as necessary to audit foundations.

Since this is not a tax, but is really a service charge, it is our feeling that the rate should correspond with the actual cost to the Internal Revenue Service for auditing the assets of foundations. And, as a consequence, we do believe that after the first year it should be lowered to one-tenth of 1 percent of assets.

At the suggestion of the Senator from Illinois (Mr. PERCY), we added an additional sentence to provide: "and the total costs of enforcing the provisions of this chapter and shall recommend to the committee the rate of audit fee which shall reasonably approximate the costs of such audit."

Mr. President, since the Percy amendment would require the foundations to pay out 6 percent of assets, there is no justification whatever, for charging them this extra money.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. CURTIS. Mr. President, I wholeheartedly support the amendment.

There was a clear-cut vote in the committee on whether we should have a tax for revenue or an audit fee so that the foundations could be thoroughly, automatically, and continuously audited. The committee turned down the idea of a tax for revenue and agreed to the audit fee proposal. In this action, we were in accord with the principle advocated by the Treasury.

The Treasury advocated a 2-percent tax on income.

The committee based the charge on the assets of the corporation and for a very valid reason. The foundation that hoarded its assets and did not produce very much income would pay a low tax. The foundation that produced all the income they could and paid it out would have to pay a higher tax.

There are several places in the bill where they are required to ascertain the value of their assets.

So, first the committee fixed a tax on assets. I point out that if we transfer the Treasury's recommendation of 2 percent on income to assets, that is equivalent to one-tenth of 1 percent at 5 percent. And we have already provided for a 6 percent tax.

The amendment will bring in all of the money we need. We want a thorough audit. It will be in line, I think, with what many members of the committee wanted. It will correspond in amount to the amount the Treasury recommended.

I hope the amendment is agreed to.

I thank the Senator for yielding.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. PERCY. Mr. President, I indicate my solid support for the amendment. I appreciate very much the acceptance by the Senator from Connecticut of the suggested amendment language.

I think the Senate Finance Committee took a major step forward in recognizing that there should be a charge against assets rather than against income.

I think the implication of the House version of the bill is that there is to be an income tax imposed on foundations. And nothing could be more ridiculous or harmful, because what would we do if we had a 7-percent tax on income of foundations?

We would take the 7 percent of income away from the foundations from which it goes mainly to education, health, and basic research. We would then move that income into the Treasury Department, appropriate the money through Government channels to the very same type agencies for the very same purposes. However, we would deduct the cost of the administration of the Government. We would have Government employees rather than foundation personnel. And we would lose the benefit of receiving all the volunteer help received by the charitable, educational, and health institutions that are in the volunteer private sector. Moreover, past experience has indicated that we cannot always be sure these Treasury funds would go toward priority programs.

Actually, we would be shrinking the benefits that would be received by the people of the United States as a result of our action.

This amendment is intended to make clear that we are not seeking to impose on income tax for revenue purposes, but

only a charge to provide an amount sufficient to cover the audit services to be performed by the Treasury Department and which the foundations themselves are quite willing to pay for. I therefore fully support the amendment.

Mr. RIBICOFF. The Senator is correct. We are not really at variance with the Finance Committee.

I again praise the Finance Committee for even thinking of putting this into the pending bill. Once the audit is made, the Government and the country for the first time, will really know what foundations are all about, where their assets are, where they are going, and what they are doing.

I commend the Finance Committee for taking a step that would accomplish this.

We are trying with this amendment to bring the bill into line with what the report says the intentions are.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. RANDOLPH. Mr. President, I commend the able Senator from Connecticut for offering the amendment with the cosponsorship of other interested Senators. I have listened to his presentation, and to the remarks of the Senator from Nebraska (Mr. CURTIS), and the remarks of the Senator from Illinois (Mr. PERCY); and I am gratified at the apparent feeling of unity in reference to this matter. I trust that the Finance Committee, through its leadership on both sides of the aisle, will believe that this approach—which is a strengthening amendment, as it were, and a clarification—can be incorporated in the pending bill. The Senator from Texas (Mr. TOWER) also has been interested in this amendment and other Senators have indicated their support.

I emphasize that it is very important to realize that in most of the foundations there are persons by the hundreds throughout the United States who are working as volunteers. The officers and directors of the foundations are often paid nothing for their work. The moneys that are contributed from the foundations to worthy causes are carefully considered; and, by and large, programs of the educational institutions, the merited scholarships, and the additions to our medical facilities—all programs vital to the progress of our American society—have been carried forward by volunteers—people who are knowledgeable and realistic as to local and national needs and perform a service without compensation.

It is right that such people be encouraged, that these concerned citizens continue their work, and that we not duplicate with unnecessary government, through employees of the Federal structure, in such bookkeeping.

Mr. RIBICOFF. I thank the Senator.

Mr. President, I ask unanimous consent that the name of the Senator from Kansas (Mr. DOLE) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. CRANSTON. Mr President, I should like to speak in regard to and in support of the Senator's amendment, with particular reference to the amount that would be made available for audit purposes by the amendment.

Ever since I learned of the action taken in the other body to deal with this topic, and then the action taken in the Senate committee, I have been seeking to ascertain how much money would be required by the Bureau of Internal Revenue to conduct the audit authorized by the bill. The amount appeared to me, initially, to be excessive, and I base that upon my own knowledge of auditing costs acquired through service as State Comptroller in California.

The Bureau of Internal Revenue was quite reluctant, and the Treasury Department was perhaps even more reluctant to come up with a figure. I kept pressing for a figure. On Friday I was told informally that a figure would be made available to me during the day, in the form of a letter that would be signed as soon as the top person became available to sign the letter. We managed to learn informally from somebody of high position in IRS—a person I think totally knowledgeable in this area—that the amount made available by the committee bill was more than was required and that the amount proposed in the pending amendment was totally adequate for the sort of audit that Congress wishes.

Then, for whatever the reason may be—the IRS letter was not made available. The formal statement was withheld, without explanation I suspect that the reason may well be that the Treasury or the Bureau of the Budget would like to have the extra $25 million that would be made available by the committee bill. That, of course, amounts to taxing the foundations an extra $25 million, roughly, which is contrary to the will of the committee; because the committee has made plain that it does not want a tax, that it simply wants to make available whatever funds are adequate for the audit. I am sure all of us agree that the audit would be very helpful, and that adequate funds should be made available to cover its cost.

So I strongly urge—and I base this upon the information that comes from the executive branch—support of the amendment, which would make available the funds required, and no more than are required, for the audit we all want.

I would also like my name to be added as a cosponsor of the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the name of the Senator from California (Mr. CRANSTON) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. The Senator is correct. Originally, when we were drawing this amendment, we thought we would make it one-tenth of 1 percent, beginning the first year. But after discussions with the staff, we found that one-tenth of 1 percent would not quite cover the first year. It is estimated that this will cost approximately $25 million a year, and the $25 million a year will be covered after the first year by one-tenth of 1 percent. The one-fifth of 1 percent will bring in in excess of $25 million. In any event, once the audit is made and the IRS knows the actual cost, they will make a recommendation; and when the recommendation is made, if it requires more than one-tenth of 1 percent, we can increase the one-tenth of 1 percent figure.

So it is certainly the desire of the cosponsors to make sure that the general tax revenues in no way pay for the cost of the audit, but that actual cost of the audit will, throughout the years, be borne by the foundation, by the adjustment of tax rates.

Mr. CRANSTON. I thank the Senator for that response, and for his fine work in this matter.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. PERCY. One thing that I think should be pointed out is that the one-fifth of 1 percent in the first year would provide approximately $50 million. With that amount, 5,000 men could be hired at $10,000 a year each. I cannot imagine that the Treasury Department anticipates requiring or hiring that type of force. But whatever they require to do a thoroughly adequate job, that is what our intention is, and that is the intention of the foundations. The intention is not harassment; no one is thinking about that. The intention is a thorough audit and to make certain that they can verify what has transpired.

I think we have helped considerably by requiring annual public accounting and an annual CPA report to be made by the foundations. The Treasury Department certainly can rely on and use the material that is developed by the CPA's. So that when the amount drops back to the equivalent of approximately $25 million a year, I think that still will be more than adequate. If for any reason they require more, the amendment I have added—and which I appreciate the Senator from Connecticut accepting—provides for the Treasury Department to inform the Congress whether an escalation or decrease in audit charges are necessary or desirable.

Mr. RIBICOFF. The Senator is correct.

Mr. PERCY. And this is perfectly acceptable to the foundations. They recognize that it may be reduced or increased. I cannot imagine that it would be increased, but we have made adequate provision.

I also wish to affirm that which was stated by the Senator from Connecticut regarding the increase we have now made over the committee bill in the percentage of assets to be paid out by the foundations. There is no question—and I reiterated it when I offered the amendment increasing the payout from 5 to 6 percent—that it is going to require some adjustment on the part of some foundations that have been paying out considerably less than this. But, having done that—and I hope it will be sustained by the conference, and I have every reason to believe that it will be—we do not wish

to add a punitive tax of any kind at this stage.

Mr. LONG. Mr. President, the tax that was levied for audit purposes in the Finance Committee bill was fixed at the rate in the bill because we wanted to be sure that it would yield enough revenue to meet the costs of the audit work. Since that time, this Senator has made some studies and has consulted with our staff. I have been advised that after the first year less money may be needed for audit purposes than in the first year.

We really have no desire to collect more than is needed for audit purposes. We believe that the amount suggested by the Senator's amendment will be adequate for this purpose. If it is not, we can increase it later, and the amendment contemplates that.

The major benefit of this bill, if it becomes law—and I believe it will—is that for the future we can expect to have these foundations do a great deal more work with their resources than they have done in the past. I am pleased to see the Senator from Illinois nodding, because the bill moves in that direction—to make them pay out more of their resources for charity, for education, and for other worthy purposes.

We believe the foundation provisions of the bill will do a world of good, not by raising revenue but by regulating the activities of foundations and requiring a significant benefit to charity to flow from their resources. So, in justification, the amendment seeks to tailor the revenue raised more closely to the audit needs after the first year. It would not change the amount raised in the first year, while we are determining how much is to be needed.

I have no objection to the amendment. If we find the amount of revenue in the second year and the third year is not enough for audit purposes, we would have little difficulty increasing the tax to achieve whatever revenue might be needed for that purpose.

Mr. WILLIAMS of Delaware. Mr. President, I do not argue with my friend, the Senator from Connecticut. The question is: Is that all we wanted to achieve? There is not a taxpayer in America who would not be delighted to have his tax obligation limited to the cost of auditing his returns.

The bill as it was passed by the House and sent to the Senate was based on the premise that these foundations would be taxed at 7.5 percent on their investment income. Under that proposal $65 million of revenue would have been produced in the first year, and thereafter it would have advanced to $100 million. The Committee on Finance, in changing the method of taxing foundations to a tax on assets instead of on income would provide $40 million of revenue the first year, which would rise eventually to $55 million. The pending amendment would not change the revenue in the first year but would thereafter cut the amount back by at least one-half, on the average, so that eventually it would result in a $27½-million cutback.

This is a question of degree. How far do we want to go toward taxing these foundations? Again, it is erosion, but recognizing there are only about 12 or 14 shopping days before Christmas and that the Senate is dealing with a Christmas package and also realizing the overgenerosity of the mood of Congress I shall not delay the Congress by requesting a record vote on something for which I know they would vote.

Mr. RIBICOFF. Mr. President, it should be pointed out that what I am trying to do is to carry out the thinking of the committee. On page 27 of the report of the Committee on Finance it is stated:

> The committee views this tax as a supervisory fee and as an indication of the amount of funds needed by the Internal Revenue Service for proper administration of the Internal Revenue Code provisions relating to private foundations and other exempt organizations.

I think the Senator from Delaware will agree that the 1 percent in the first year is more than enough to cover all the supervision we need. In the first year if it is indicated that one-tenth of 1 percent in subsequent years is not sufficient, then the provision on page 2 of the amendment which requires the Internal Revenue Service to make this known and recommend what is needed to pay for the supervision, does give the Committee on Finance and the Congress an opportunity to raise that one-tenth of a 1 percent.

Again, I say it was not the intention of the committee at any time during the consideration of the measure to provide that the Treasury was to make money to pay for the costs. My amendment carries out the thinking and the wishes of the Committee on Finance.

Mr. WILLIAMS of Delaware. Mr. President, I shall not delay the Senate by arguing the matter further. There were some members of the committee who felt the purpose of the bill was to raise revenue for the U.S. Government.

Mr. GOODELL. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. GOODELL. Mr. President, I wish to commend the distinguished Senator from Connecticut and the distinguished Senator from Nebraska for offering the amendment. I ask unanimous consent to be added as a cosponsor of the amendment.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Without objection, it is so ordered.

Mr. GOODELL. Mr. President, I would like to direct a comment to the chairman of the committee. I think the important part of the change that has been made in the Senate on this question was made in the Committee on Finance. We can differ as to how much is necessary to enforce the auditing of the foundations, but the critical change was made in the committee to raise the money necessary by a supervisory tax on the assets of the foundations rather than on income.

I would like to ask the distinguished Senator from Louisiana if it is his feeling that the Senate conferees will stand very strong on the principle that whatever tax we have to audit the foundations, it should be a tax on assets rather than income.

Mr. LONG. Mr. President, the Senator from Louisiana will stand by the Senate position, but I think I should make it clear that while I believe the Senate will prevail numerically in the conference on this bill with regard to a great number of the committee amendments and floor amendments, I think I would be misleading the Senate if I said that I think we can make the House agree in terms of dollars of revenue.

Mr. GOODELL. I understand.

Mr. LONG. That is a different matter. What is being discussed here involves a very small amount of revenue. But I believe when the House takes a look at this bill and sees the revenue shortfall—which because of floor amendments is going to be far greater than that of the House bill—I think the House is going to insist on prevailing in terms of dollars, although we may prevail in other regards.

Mr. GOODELL. I understand that in committee there was overwhelming sentiment with regard to a supervisory tax based on foundation assets rather than income.

Mr. WILLIAMS of Delaware. That sentiment was about the same as the overwhelming sentiment against the Gore amendment.

Mr. GOODELL. I hope not.

Mr. WILLIAMS of Delaware. That includes many of the other amendments.

As one potential conferee I am speaking on many of the other amendments in this better than $10-billion Christmas tree package. The Senate is going to pass a bill providing over a $10-billion loss in revenue as the result of adoption of the many amendments we have passed—and I am not speaking of this amendment in particular.

Any number of Senators have said to me, "I voted for that amendment, but you can eliminate it in conference." In my opinion those who voted for these amendments and who want to brag about their votes back home had better send to conference only those conferees who will stand by the amendments. Personally I would not serve as a conferee unless it were understood that we should try to bring back a good bill in spite of Senate action.

Mr. GOODELL. Mr. President, I am glad the Senator has made this point. I voted with him on the Gore amendment.

We are not talking here about the revenue-raising principle: we are talking about the principle of whether foundations should be taxed on income or on assets, so that a tax will not be raised at a later day which would make it a full tax on income.

Mr. WILLIAMS of Delaware. Mr. President, I recognize that generally it is the obligation of the conferees to go to conference and defend the position of the Senate without regard to the individual position of conferees. I recognize that as a general principle. But I am speaking here of not just the Gore amendment, but the more than $10 billion overall revenue loss which has been added to this bill by floor amendments which has no relation to tax reform. I want to clarify my position as a potential conferee. On this amendment, I supported in committee the principle that these foundations should pay taxes. I still think they

should, and as a potential conferee I have not changed my mind. I think other Senators feel differently. I think the Senator from Louisiana expressed that quite well.

Mr. GOODELL. On the Gore amendment we had a rollcall vote. We are not going to have a rollcall vote in the Senate to test the sentiment of Senators of this principle. Conferees will be going to the conference without the overwhelming sentiment of the Senate as expressed in a rollcall vote. That is why I raised the point. I think that overwhelmingly the Senate would back up the Committee on Finance to tax assets only enough to audit the funds. We would oppose the position taken in the House.

Mr. LONG. Mr. President, so far as I am concerned, I have never felt that the presence or absence of a rollcall vote made the least bit of difference when we went to conference on something that the Senate wanted to do. When the Senate wants to do something, that is what it wants to do. It is generally my impression that if something can be agreed to by a voice vote, whether it happens to be unanimous or not, if agreed to, that is the expression of the Senate. But, if a Senator wants to make a record and have a rollcall vote, that is his privilege. So far as I am concerned, however, it does not mean that the Senate is any more for an amendment than if we agreed to it by a voice vote.

The committee was closely divided on the issue of the audit fee concept, but that concept did prevail in the committee. When we go to conference, however, we certainly cannot guarantee that we will run over the House conferees in order to prevail because, as we all know, that cannot be done.

Mr. RIBICOFF. May I say, for the benefit of my colleagues, that I have the utmost confidence in the conferees of the Senate Finance Committee. I have discussed this amendment with the chairman and the ranking minority member and I think they understand how the Senate feels. They certainly will back up their basic report. I am satisfied that the Senator from Louisiana, whether this is a rollcall vote or a voice vote, understands the sentiments of the Senate. I have the utmost confidence that he will do everything he can in conference to have those sentiments prevail.

I do not seek to delay the proceedings of the Senate any further. We are all anxious to get this bill over with. But it should be pointed out that even the remarks of the distinguished Senator from Delaware in what he was talking about, the amendments that were added to the bill, costing huge sums of money, he kept on saying that he does not include this amendment, he does not include this amendment.

Mr. President, I ask unanimous consent that the name of the Senator from Hawaii (Mr. INOUYE) be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, the fact that so many Senators wish to be cosponsors of the amendment should be getting the message across to the chairman.

Mr. LONG. So far as I am concerned, if people want to insist on delaying the Senate with rollcall votes before taking something to conference, that is all right with me, but either a rollcall vote or a voice vote will make no difference in conference.

Mr. WILLIAMS of Delaware. I agree that there is no difference whether we have a rollcall or a voice vote. I only said that I would not ask for a rollcall vote in order to expedite the business of the Senate. We have already spent more time talking about having a rollcall vote on this amendment than it would have taken to have the rollcall itself. Let us vote either on a rollcall or on a voice vote and get on with our business.

Mr. MOSS. If I understood the Senator from Delaware correctly, he spoke of the amendments that had been added in the Senate that would cost money and he said that as a potential conferee he was going to see that they were rectified in conference. It seems to me that the Senator is announcing in advance that if things that do not accord with his view on the tax bill, he will not support them as a conferee if he goes to conference on the bill as one. Is that correct?

Mr. WILLIAMS of Delaware. I was not necessarily speaking of this amendment. I said we have already approved amendments which will result in a loss in revenue of nearly $12 billion. We just cannot afford such irresponsible action, and I would not be bound as a conferee to do so. I want that clearly understood.

Mr. MOSS. I understood there were other amendments, not just this one.

Mr. WILLIAMS of Delaware. The amendments that have been added on the floor to the bill will cost over $10 billion next year. Another $1.7 billion of additional cost will be added in later years. I do not think we can afford that. There will be an effort made later to correct it, but if we do not correct it I want to make it clear that I would not be bound as a conferee to pledge to support those amendments.

Mr. MOSS. That is the point I wanted to have clarified. When the Senator says in advance that he could not support any of the amendments that have been added to the bill, he is saying that he would apparently——

Mr. WILLIAMS of Delaware. Senators might be interested in knowing that some of the Members who have offered amendments have come up to me later and said, "I do not care if you delete that amendment in conference." [Laughter.] I will not be a party to such political hypocrisy.

Mr. RIBICOFF. I have such confidence in the conferees that a voice vote will be satisfactory.

SEVERAL SENATORS. Vote! Vote! Let us vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut (Mr. RIBICOFF).

The amendment was agreed to.

AMENDMENT NO. 390

Mr. CURTIS. Mr. President, I call up my amendment No. 390 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

Add a new section which reads as follows:

"That (a) section 6015(f) of the Internal Revenue Code of 1954 (relating to return considered as declaration or amendment) is amended by striking out 'February 15' and inserting in lieu thereof 'March 15'.

"This amendment shall apply with respect to taxable years beginning after December 31, 1968."

Mr. CURTIS. Mr. President, I shall try to be very brief in my explanation of the amendment. It does not involve any revenue. It will not cost the Treasury Department one dime. It will not raise any additional money.

Mr. President, I ask unanimous consent that the names of the distinguished Senator from Iowa (Mr. MILLER) and the distinguished Senator from North Dakota (Mr. YOUNG) be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I am offering the amendment primarily because the distinguished Senator from South Dakota (Mr. MUNDT), who would have offered it as an amendment to the bill, cannot be here.

Here is the situation: Farmers just cannot file their income tax returns in advance and make an estimate because of the hazards of weather, of price, of inability to market, of high expenses, and so forth, when they do not know whether they will have a profit, as a result.

In years gone by, farmers have been required to make their tax returns early. That worked all right for awhile, but today the situation has changed. Many farmers find it necessary to seek outside employment. The wives of many farmers also seek outside employment, and the time comes for a farmer to file his tax return before his wife has received her W–2 form or he has received one, which creates a tremendous burden in the rural areas.

Last year, in my State, we had a series of snowstorms all through the time farmers were required to file their tax returns. They still will have to file them ahead of other people, who have until April 15.

The pending amendment would extend the time for farmers to file a return from February 15 to March 15.

I repeat, it does not involve any revenue. It is merely procedural. I cannot imagine the Treasury finding it difficult. I am offering the amendment on behalf of the Senator from South Dakota (Mr. MUNDT), as well as myself and the other cosponsors.

It is my hope that it can be accepted. If, when we get to conference, there are some problems that none of us know about now, they will have to be taken into consideration at that time. But I believe it is just and fair and will cost the Treasury Department nothing.

Mr. MILLER. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. MILLER. I commend my colleague from Nebraska, and also the distinguished Senator from South Dakota (Mr.

MUNDT), for sponsoring the amendment. I am very much pleased with it, and join him in urging its adoption.

To point up what the Senator from Nebraska has just said, early this year there were very severe hail storms and snowstorms and very, very cold weather out in our part of the country, which prevented many farmers from filing their returns by February 15. Because they failed to do so, even though the reasons were most understandable, some of them still had penalties for not filing declarations of estimated tax. We learned from the Treasury Department that those penalties were mandatory and could not be waived for good reason.

So the result of this amendment, by granting an additional month, will be to avoid the problem altogether.

I commend again the Senator from Nebraska for bringing this matter to the attention of the Senate. I hope the amendment will be adopted.

Mr. CURTIS. I thank the Senator. This amendment will not stop the flow of money into the Treasury. These farmers are anxious to make their returns as soon as possible.

Mr. WILLIAMS of Delaware. Mr. President, if the chairman of the committee is willing, I would have no objection to taking the amendment to conference. I think it should be, not only because of the arguments that have been made, but also for the following reason: No one in the country knows what final action we are going to take on the tax bill. The investment tax credit, for example, is supposed to be repealed effective last April. Yet how can a man compute his tax return by January or February unless he knows whether or not he can take investment tax credit?

It is unfortunate that we are in this position. I pointed out last August that we should have settled it. But we did not do so, and because people will be required to file income tax returns for 1969 without either they or the Treasury or for that matter, Congress knowing what the tax law will be. I think we have no choice but to accept the amendment.

Mr. LONG. Mr. President, in view of the statement of the senior Senator from Delaware, I find myself in agreement. I am willing to go to conference with the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 316

Mr. CURTIS. Mr. President, I now have a small amendment that I shall call up which will affect revenues. I want to be very frank about it. I do not think it will amount to much, but in this complex bill not everything could be reached in the committee, and I do not want to be in the position of misleading the Senate or my colleagues. I shall explain what the amendment is.

Mr. President, I call up my amendment No. 316 and ask that it be printed in lieu of its being read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 316) is as follows:

Page 262, line 4, strike out the closing quotation marks, and after line 4 insert the following:

"(c) EXCEPTION.—Subsection (a) shall not apply to the component members of a controlled group of corporations within the meaning of section 1563(a)(2) on a December 31, for their taxable year which include such December 31, if—

"(1) the aggregate taxable incomes of the members of such group for their taxable years which include such December 31, does not exceed $100,000, and

"(2) such controlled group makes an election under section 1562(a) which is effective for the taxable years of such members which include such December 31."

Page 262, strike out lines 5 and 6 and insert the following:

"(2) Section 1562 (relating to privilege of controlled groups to elect multiple surtax exemptions) is amended—

"(A) by inserting after 'A controlled group of corporations' in paragraph (1) of subsection (a) 'described in paragraph (4)';

"(B) by adding at the end of subsection (a) the following new paragraph:

"'(4) CONTROLLED GROUPS ELIGIBLE TO MAKE ELECTION.—An election under paragraph (1) may be with respect to a specified December 31 after 1969, only—

"'(A) by a controlled group of corporations within the meaning of section 1563(a)(2), and

"'(B) if the aggregate of the taxable incomes of the component members of such group for their taxable years which includes such December 31 does not exceed $100,000.';

"(C) by striking out paragraph (2) of subsection (a) and inserting in lieu thereof the following:

"'(2) YEARS FOR WHICH EFFECTIVE.—An election by a controlled group of corporations under paragraph (1) shall be effective with respect to the taxable year of each component member of such group which includes the specified December 31.';

"(D) by striking out 'section 1561' in paragraph (3)(A) of subsection (a) and inserting in lieu thereof 'sections 1561 and 1564'; and

"(E) by striking out subsections (c), (d), and (f)(1) of such section 1562."

Page 262, lines 8 and 9, strikes out "items relating to sections 1561 and 1562" and insert "item relating to section 1561".

Page 272, line 22, insert "paragraphs (1) and (3) of" before "subsection (a)".

Page 272, line 24, after the period insert the following: "The amendments made by paragraph (2) of subsection (a) shall apply with respect to taxable years beginning after December 31, 1973, except that, if a controlled group of corporations so elects (as such time and in such manner as the Secretary of the Treasury or his delegate prescribes), such amendments shall apply with respect to such controlled group and its component members with respect to any taxable year beginning after December 31, 1969, and before January 1, 1974."

Mr. CURTIS. Mr. President, if Senators will follow me, I will state what is involved in the amendment.

A small corporation is taxed at 22 percent. When its income gets above 22 percent, the tax becomes 48 percent. That is a national policy. It is a good policy. But, as sometimes happens, loopholes spring up.

A great business concern, operating from the Atlantic to the Pacific, organized each retail outlet—if they were retail outlets—as a separate corporation, and thus got the lower tax on each one. The committee, with the concurrence of the Senate, plugged that loophole, so that a giant concern, as a parent corporation, could not organize dozens and dozens of subsidiaries and have each subsidiary treated as a small business. We provided that they must all be put together and taxed as one entity and that they have only one surtax exemption.

What I am getting at is that this amendment is not only a small business amendment; it is an amendment of great concern to small towns and rural areas. An individual, or perhaps a group of individuals, in order to keep a town alive, in order to prevent businesses from going broke, will own two or three businesses. It may be the local newspapers. It may be retail establishments. It may be small manufacturing concerns. Actually, each one of them is a small business.

Under the bill as it came from the House and the bill as reported by the Senate committee, they would be merged together, and so, in reality, they would not be treated as a small business.

We call those corporations brother and sister corporations, where the same owners own substantially all the stock of the others.

My amendment continues to plug the loophole in the case where great corporations break down their individual operations into small corporations and therefore have them all treated as small businesses. I am in favor of plugging that loophole. It brings in about $350 million. But I think it goes a little too far.

My amendment provides that where there is a group of brother and sister corporations and those small businesses are in the same community, if the total income—not the income of each one, but the total income from all of them—does not exceed $100,000, they operate under the existing law.

I think this is a sound proposal and gives proper recognition to small business. It does not interfere with the plugging of a larger loophole.

I have before me a letter from a public spirited man in a small community. He writes:

> I own 5 unrelated small businesses which I started and built up. They average about $10,000 a year profit.

Then he states that the House bill and the bill as reported by the Senate would take away this small-business advantage because the businesses have similar owners. I think that procedure is wrong. We need little businesses in our communities. Someone may say, "Well, that man is wealthy." Perhaps he is. But the community needs small businesses. Such a man will either close out or will sell his businesses to a gigantic concern, thus adding to trusts, mergers, and bigness.

This amendment is a small-business addition to what the House and the Senate have done. Again I say, as I did in connection with the previous amendment, that should it develop that in considering this amendment in conference it is found to be difficult or unworkable, or that there are instances in which it would promulgate an injustice, I would be the first to concede that it ought not be the law.

Senators may wonder why these amendments are offered on the floor of the Senate, not in committee. Frankly,

if Senators will notice, the bill contains 585 pages. The committee worked night and day and worked fast. Some of these items were brought up immediately afterward.

I believe the amendment is good. I hope that it will be agreed to. I would be greatly pleased if the chairman saw fit, without a yea-and-nay vote, to take it to conference. In any event, it is my hope that the amendment may be in the bill, because without it, the conference will have its hands tied, that we are abusing a loophole that they intended to apply to great businesses, there is no escape to preserve the separate corporate entity for tax purposes of some very small businesses.

Mr. President, I hope the amendment will be agreed to.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that his amendments be considered en bloc?

Mr. CURTIS. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, this is an area in which the Senate Finance Committee. I am happy to say, was tougher than the House of Representatives in the area of tax reform. The House would have plugged the loophole on the use of multiple surtax exemptions by a number of commonly controlled corporations by phasing out the special tax advantages over an 8-year period. The Finance Committee believed these special benefits should not be allowed to continue for that long a period and voted to phase out the advantages over a 5-year period.

The Senator's amendment would continue these special benefits in some cases, would cost $50 million in revenue, and would benefit only a relatively small number of people in this country. I might explain that, as it stands today, once the 5 percent surcharge goes off, small corporations—and all corporations, for that matter—will pay a 22-percent tax on the first $25,000 of taxable income. Above that level of income, they will pay a 48-percent tax.

I am aware, and I am sure most Senators are aware, of instances where what in reality is a large business enterprise has split up its activities into a large number of corporations in order to take advantage of this provision of the law. If the income of each of the corporations is kept below the $25,000 income level, they save annually, in taxes, $5,000 for each corporation. If they are able to do business in a fashion that permits them to keep their earnings inside the company, rather than paying it out in dividends, large amounts of money can be accumulated in these corporations. If an individual has, let us say, 8 or 10 such corporations, he can save a great deal of money.

At one time the law permitted a person to have any number of these corporations. A person could have as many as 100, or 200 or 300 corporations, if he wanted to organize that many. If he was able to carry on his business in such a fashion, he would be paying no more than 22 percent tax for each corporation. On the other hand, if that person had his investment in one corporation and carried on his business through that one corporation, he would be paying a corporate tax of more than 50 percent. And if he had been making that much money as an individual, he could be paying a marginal tax of up to 77 percent.

We restricted this loophole in 1964; the House has now voted to tighten it again, and the Senate Finance Committee has sought to restrict it even further than the House.

The Senator's amendment, however, would maintain this loophole permanently in the law to the extent the corporation's income was not over $100,000. It would seem to me that since this is a loophole available to almost anyone in almost any line of endeavor we should reject the amendment to continue the loophole, which would give tax advantages to the individuals affected of almost $50,000,000, according to the Treasury's estimate.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CURTIS. I agree with the Senator in the main, though with one distinction. The loophole we were dragging was a situation where big business broke itself up, so to speak, into little businesses, to get the advantage of the lower rate. I am talking primarily about unrelated businesses. It could not be big business, because if the whole group together have $100,000 in income, my amendment would not apply. To meet that situation, where several little businesses are really little businesses, but maybe they have the same ownership—and that is very different from a gigantic, nationwide business, that deliberately breaks itself up into little pieces to obtain a lower tax rate—is the purpose of the amendment.

Mr. LONG. Mr. President, if we are going to make exceptions to what the committee has done, to eliminate the use of multiple surtax exemptions, I suppose this would be about as good an exception as any; and if the Senate wants to vote an exception, I suppose it might as well vote this as some other one, as far as equity and merit are concerned. I must say, however, that this amendment would have a major revenue impact of $50 million, and I submit that it does not take many amendments like this to so strike away at the reform we have in this bill that soon there will be little reform left.

So, Mr. President, I feel compelled to resist the amendment, and I hope very much the amendment will be rejected.

I ask for the yeas and nays, Mr. President.

Mr. CURTIS. Mr. President, one more thing, on the $50 million loss of revenue. I have tried for several days to ascertain the estimated loss of revenue. The Treasury were unable to say. It is actually difficult.

I am not disputing my able chairman's statement, but I doubt very much if the impact would run anywhere nearly that amount And after all, in this area, we are increasing the revenue by about $350 million, and if my amendment is adopted, these little businesses will not only have to pay the 22 percent, they will have to pay the surtax and they will also have to pay an additional 6 percent, under existing law, which was added a few years ago to meet this multiple corporation problem.

I have no way of proving that it will not run to $50 million, but I am thoroughly convinced that it will not.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator withhold that request?

Mr. LONG. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, as much as I respect the arguments that have been made, I support the position of the chairman of the committee in opposition to this amendment. The Treasury's estimate is that the amendment involves a $50 million annual revenue loss.

The amendment, in general, would permit a "brother-sister" controlled group of corporations—a group of corporations controlled by five or fewer individuals—to elect multiple surtax exemptions under section 1562 if the aggregate taxable income of the members of the group does not exceed $100,000 for the taxable years which include the December 31 with respect to which the election is in effect. Other controlled groups would be limited to only one surtax exemption. The amendment would apply to taxable years beginning after December 31, 1973.

During the transition period such a group would be subject to the normal transition rules unless it elected to have the special section 1562 rule apply earlier than December 31, 1973.

The Treasury is opposed to the amendment since it would permit some business enterprises to claim multiple surtax exemptions while other enterprises would be limited to only one exemption. It is the position of the House bill, the Senate Finance Committee and the Treasury Department that one business enterprise—whether conducted in multiple corporate form or departmental form—should be allowed only one surtax exemption. There is no logical reason to grant a brother-sister controlled group of corporations more favorable tax treatment than other controlled groups of corporations.

The PRESIDING OFFICER. The question is on the agreeing to the amendment of the Senator from Nebraska (Mr. CURTIS).

The amendment was rejected.

Mr. TALMADGE. Mr. President, I desire to ask a question of the distinguished manager of the bill.

I note that the bill eliminates the continued privilege of claiming multiple surtax exemptions and would phaseout the privilege over a period of 5 years. As the chairman of the committee knows, I have been concerned about the great amount of litigation generated in this

field by the Internal Revenue Service which appears to run counter to congressional intent. Is the chairman similarly concerned in this regard?

Mr. LONG. Mr. President, the provision gradually eliminating multiple surtax exemptions for affiliated corporations will eventually also eliminate difficulties of statutory interpretation that have arisen under sections 269 and 1551 which were enacted, as their legislative history indicate, for the purpose of insuring the denial of surtax exemptions and accumulated earnings credits to corporations organized in connection with the direct or indirect splitup of an existing business.

The Congress was aware, through information introduced in hearings and otherwise, of the practice in several industries of forming a new corporation to engage in business in a separate marketing location, often within the same State or same metropolitan area, not previously served, and of the formation of the new business corporation by the direct or indirect transfer of property consisting of money or credit used to buy from the transferor inventory, fixtures and similar property, and by the parent's guarantee of a lease of property and the furnishing of its organizational experience and business know-how.

Questions have been raised by the Internal Revenue Service whether the statute should be applied to deny such corporations their surtax exemptions. The Congress did not intend section 1551 to be applied to corporations formed in the course of an expansion of a business into a new geographic area or into a different type of operation, but rather intended the establishment of facts within the industry practices previously described to be sufficient, without more, to demonstrate that the securing of a surtax exemption or an accumulated earnings credit was not a major purpose of the organization of such a corporation. The application of section 269 in similar circumstances was understood and intended to be similarly limited for the same reasons.

The courts have applied sections 1551 and 269 in a manner consistent with this intention of Congress and it is expected that the Internal Revenue Service will recognize this limit upon the scope of these sections in its audit activities with respect to taxable years prior to January 1, 1974, when the phaseout of multiple surtax exemptions for all affiliated corporations now provided by this committee will become fully effective.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PREFERRED STOCK DISTRIBUTION

Mr. RIBICOFF. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFFICER. Without objection, it is so ordered. The amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD reads as follows:

On page 303, strike lines 14 and 15 and insert in lieu thereof the following: "apply to any distribution (or deemed distribution) with respect to preferred stock (including any increase in the conversion ratio of convertible stock) made before January 1, 1991, pursuant to".

Mr. RIBICOFF. Mr. President, this amendment remedies what appears to be an inadvertent error in section 421 of H.R. 13270—relating to stock dividends.

The stock dividend provisions of the bill contain transitional rules for stock issued before the effective date. In general, these transitional rules provide that existing law—and not the new provisions in the bill—will apply to stock dividends paid before 1991 on stock that was outstanding on January 10, 1969, and to certain other stock, including stock received as stock dividends in earlier years.

However, with respect to one kind of stock—preferred stock—the transitional rules apply not to all types of stock dividends but only to dividends accomplished by increasing the conversion ratio of convertible preferred stock. It is my understanding that this provision was drawn to cover all the known cases.

It has come to my attention that some existing preferred stock pays stock dividends directly. My amendment would apply the transitional rules to this case as well as all others.

Section 305(b)(4) of the Internal Revenue Code as added by section 421(a) of the pending tax reform bill, provides that the distribution of stock dividends will be treated as a taxable distribution "if the distribution is with respect to preferred stock, other than an increase in the conversion ratio of convertible preferred stock made solely to take account of a stock dividend or stock split with respect to the stock into which such convertible stock is convertible."

The provision is apparently retroactive in effect, applying to distribution made after January 10, 1969, without reference to the date when the securities were issued—section 421(b)(1) of the bill. Section 421(b)(4) provides transitional rules but does not provide relief for a stock dividend in convertible preferred stock, pursuant to the terms relating to the issuance of such stock which were in effect long before January 10, 1969.

It is not believed that either the Congress or the Treasury intended to give such retroactive effect to the new section 305(b)(4). Thus, the recent amendment of the Treasury regulations under section 305 provides that stock dividends in discharge of preference dividends is to be treated as a taxable distribution—see section 1.305–3. However, the change is not applicable to a distribution "made on or before December 31, 1990, or made with with respect to stock outstanding on September 7, 1968. (T.D. 6990, FR Doc. 69–487, par. 2.)

Likewise, H.R. 13270 as passed by the House of Representatives also provides that the amended section 305 "is not to apply to a distribution of stock—or or rights to acquired stock—made or considered as made before January 1, 1991, with respect to stock outstanding on January 10, 1969." This evidence points conclusively to the fact that amended section 305 would not act retroactively.

Thus, this amendment simply clarifies by making explicit in the bill that new section 305(b)(4) will not apply to a stock dividend of convertible preferred stock made before 1991 pursuant to issuance terms of that stock which were in effect before January 10, 1969.

Mr. President, I want to emphasize that this amendment would not, in any way, change the present tax status of convertible preferred stock dividends. This amendment does not confer new rights, but only clarifies that present rights will not be canceled retroactively.

Mr. TALMADGE. Mr. President, I am informed by the staff that the amendment is all right. However, it is not supposed to affect existing law.

Mr. RIBICOFF. The Senator is correct.

Mr. TALMADGE. With that understanding, and with the approval of the distinguished ranking minority member of the committee, I am delighted to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment was agreed to.

REAL ESTATE INVESTMENT TRUST

Mr. MILLER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Page 222, line 17, after "57(a)(9)" insert "and, in the case of a real estate investment trust, the items of tax preference set forth in sections 57(a)(2) and (3)".

Mr. MILLER. Mr. President, section 442 of the pending bill, relating to the computation of earnings and profits, prevents the benefit of accelerated depreciation from being passed through to the holder of a beneficial interest in a real estate investment trust as a tax-free dividend. Thus, the preference has been taken out of such a distribution to the holder of a beneficial interest, and he should not be taxed on a preference section 442 denies him—and the Finance Committee, I am sure, did not intend to do so. Due to an oversight, the minimum tax provided by the bill treats accelerated depreciation as if it were received as a preference by the holder of a beneficial interest in a real estate investment trust, and is to this intent in conflict with section 442. My amendment eliminates the conflict by removing accelerated depreciation as a preference in the hands of such a holder in section 58 relating to the minimum tax.

Mr. President, I have discussed the

amendment with the technical staff of the committee. They recognize that there was an oversight and that this is purely a technical amendment to reflect the intention of the committee.

I hope that the acting manager of the bill is willing to accept the amendment.

Mr. TALMADGE. Mr. President, I should like to confer with the staff and the ranking minority member of the committee, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I have conferred with the ranking minority member of the committee and the staff, and we see no objection to the amendment, based on the explanation of the author of the amendment. On that basis, we are perfectly willing to take it to conference.

Mr. MILLER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNLIMITED CHARITABLE DEDUCTION

Mr. RIBICOFF. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 189, after line 14, insert the following:

"(g) ELIGIBILITY FOR UNLIMITED CHARITABLE DEDUCTION.—

"(1) Section 170(b)(1)(C) (relating to unlimited charitable deduction for certain individuals), as amended by subsection (a) of this section, is amended by adding at the end thereof the following new sentence: 'In the case of a separate return for the taxable year by a married individual who previously filed a joint return with a former deceased spouse for any of the 10 preceding taxable years, the amount of charitable contributions and taxes paid for any such preceding taxable year, for which a joint return was filed with the former deceased spouse, shall be determined in the same manner as if the taxpayer had not remarried after the death of such former spouse.'

"(2) The amendment made by this subsection shall be applicable to taxable years beginning after December 31, 1957."

Mr. RIBICOFF. Mr. President, this amendment makes a provision to allow a remarried widower who files a separate return to be entitled to the same result that would be obtained if he had not remarried.

The pending tax reform bill gradually phases out the unlimited charitable deduction.

The technical amendment which I propose would remedy an inequity during this phaseout period. It adds an additional sentence to section 170(b)(1)(c) of the Internal Revenue Code.

To file for an unlimited charitable deduction the taxpayer must refer to his tax returns for the previous 10 years. In the case of a taxpayer whose spouse has died, and who now is unmarried and files a separate return, the taxpayer is permitted to refer to his previous joint returns with his deceased spouse.

My amendment would simply allow the same taxpayer who has remarried following the death of his first spouse, but who continues to file a separate return, to use the same procedure of referring to his previous joint returns in filing for the unlimited deduction.

Justice requires that a remarried widower who files a separate return should be entitled to the same result that would be obtained if he had not remarried. There can be no loss of revenue and the single fact of remarriage should not deprive the taxpayer of a just result.

Mr. President, I have discussed this proposal with the Senator from Georgia (Mr. TALMADGE), the Senator from Louisiana (Mr. LONG), the Senator from Delaware (Mr. WILLIAMS), and the staff.

Mr. TALMADGE. Mr. President, the Senator from Delaware (Mr. WILLIAMS) and I have discussed this matter with the staff. We think it has a great deal of merit. I urge that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment was agreed to.

The bill is open to further amendment.

Mr. TALMADGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MILLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. RANDOLPH in the chair). Without objection, it is so ordered.

AMENDMENT NO. 344

Mr. MILLER. Mr. President, I call up my amendment No. 344 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 546, after line 12, insert the following new section:

"SEC. 915. SPECIAL TAX TREATMENT FOR PROPERTY ACQUIRED WITH FUNDS OBTAINED THROUGH VIOLATION OF CRIMINAL LAWS.

"(a) DENIAL OF CAPITAL GAIN TREATMENT.—"IN GENERAL.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding after section 1252 (added by section 516(c) of this Act) the following new section:

" 'SEC. 1253. SALES AND OTHER DISPOSITIONS OF PROPERTY ACQUIRED WITH FUNDS OBTAINED THROUGH VIOLATION OF CRIMINAL LAWS.

" 'In the case of the sale or other disposition of property any part of which was directly or indirectly purchased with, or any part of the financing of the purchase price of which was directly or indirectly secured by, money or other property obtained through violation of the criminal laws of the United States, of any State or possession of the United States, or of the District of Columbia, gain on such sale or disposition shall be treated as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231.'

"(2) CLERICAL AMENDMENT.—The table of sections for such part IV is amended by adding at the end thereof the following new item:

" 'Sec. 1253. Sales and other dispositions of property acquired with funds obtained through violation of criminal laws.'

"(b) LIMITATION TO STRAIGHT LINE DEPRECIATION.—Section 167 (relating to the depreciation deduction) is amended by inserting after subsection (1) (added by section 441(a) of this Act) the following new subsection:

" '(m) PROPERTY ACQUIRED WITH FUNDS OBTAINED THROUGH VIOLATION OF CRIMINAL LAWS.—In the case of property any part of which was directly or indirectly purchased with, or any part of the financing of the purchase price of which was directly or indirectly secured by, money or other property obtained through violation of the criminal laws of the United States, of any State or possession of the United States, or of the District of Columbia, subsections (b), (j), and (k) shall not apply, and the allowance for depreciation under this section shall be limited to an amount computed under the straight line method.'

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after January 1, 1969."

Mr. MILLER. Mr. President, the purpose of the amendment is to make it clear that our tax laws, which provide for capital gains treatment benefits and for depreciation in excess of the straight line method of computing depreciation, will be confined to what may be called legitimate taxpayers."

In the case of those who derive their income from violation of criminal laws of the United States, or of any State, territory, or possession of the United States, or of the District of Columbia, my

amendment would not prevent them from acquiring property; but it does provide that if they do acquire property, the benefit of capital gains treatment upon the sale of that property, or the benefit of depreciation in excess of the normal straight line depreciation, may not be obtained by them.

Mr. President, the amendment is really directed at a problem which most of us know exists: The entry into legitimate business of those who are engaged in criminal activities, such as the Mafia, and those who profit from the distribution of narcotics who are using their illegally obtained moneys and property to go into legitimate businesses, and especially the real estate business.

There have been some interesting accounts of the movements of the Mafia into New Jersey land deals. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Post of Friday, November 7, 1969, entitled "IRS Probing Mafia's Jersey Land Deals."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IRS PROBING MAFIA'S JERSEY LAND DEALS

(By Jonathan Kwitny)

The Internal Revenue Service is investigating two corporations involved in the lucrative New Jersey land speculation deals of Mafia racketeer Anthony (Little Pussy) Russo.

The IRS Newark office summoned the records of the corporations Oct. 29, a spokesman for the office told The Post yesterday.

The records had been in the hands of the New Jersey State Investigative Commission, which subpenaed them last summer as part of its overall investigation of Mafia affairs in Monmouth County, where Russo makes his home.

The land deals—financed in large part by more than $800,000 in bank loans—were described in a series of articles in The Post last month. Prominent political figures served as attorneys in some of the deals.

NIXON'S ROLE

The IRS spokesman said revenue agents were examining the records as part of a strike force assigned by President Nixon to attack the Mafia in New Jersey.

The IRS' interest in the records came to light last week when Russo's attorney, William Pollack, went to court to try to get the records back from the SIC. The attempt failed when the SIC revealed the records had been taken by revenue agents.

The law firm of Democratic National Committeeman David T. Wilentz represented the Russo interests in several of the transactions.

The Wilentz firm still is representing one of the corporations—Donato-Russo Enterprises Inc.—in a land condemnation case against the New Jersey Transportation Dept.

In the case, two court-appointed commissioners awarded Donato-Russo Enterprises $110,000 for about 1¾ acres of substantially unimproved property.

Both the state and Donato-Russo are appealing the award, according to Wilentz.

EARMARKED FOR HIGHWAY

The price appears to be about three times what Russo paid for the land approximately two years before it was condemned by the state for highway use.

Russo sought the land as part of a larger tract for $160,000. He covered the purchase with a loan from The Edison Bank, of which Wilentz' son and law partner, Warren Wilentz, is a director and legal counsel.

Warren Wilentz, a former county prosecutor, was Democratic nominee for U.S. Senator from New Jersey in 1966.

In elections Tuesday, Middlesex County Democrats suffered their worst defeat in the 42 years since David Wilentz took over as party boss in the county. The county Republican organization made Wilentz' representation of Russo a prime issue in the closing weeks of the campaign.

A DENIAL

In another development, New Jersey Assemblyman Chester Apy denied an earlier story in The Post that he and his law partner gave Donato-Russo a $65,000 interest-free mortgage loan to help finance Russo's land speculation in West Long Branch.

Apy said that he and his law partner, Milton Abramoff, represented Joseph's Enterprises, a corporation that was buying the property from Donato-Russo for $225,000. His law firm had nothing to do with Russo, Apy said.

"I wouldn't recognize Russo if I fell over him," Apy declared.

Apy said that as closing date on the sale of the property by Donato-Russo to Joseph's was drawing near in 1966, the Russo firm asked for an advance of the $65,000 down payment his clients had agreed to make. His clients were willing to advance the money, he said.

"We weren't going to let our clients pay the money over carte blanche," Apy said. "We had to have some security, in the form of the mortgage. Because some of the funds came out of the trust account into which some of their funds had been placed, that mortgage was made out to us as trustees."

"NOT UNCOMMON"

Apy said such a mortgage naming attorneys as trustees was "a not uncommon practice."

Apy said the mortgage bore no interest because the loan was essentially a down payment on the property.

Except for the $65,000 advance, Joseph's obtained the purchase money by mortgaging the property. Two of the mortgages—one securing a $75,000 bank loan—were foreclosed on in 1968 when Joseph's went bankrupt.

"I didn't know who Russo was until early this year," Apy said.

"It would have been one thing to be representing Donato-Russo. But we were on the other side. Our interest was completely opposed to Russo. We were trying to get the best deal we could for our clients," Apy said.

He said neither he nor his law partners ever had represented Russo.

Mr. MILLER. Mr. President, other articles indicate that the syndicates, the narcotics peddlers, and the Mafia are moving into real estate operations in Florida. There is no question that they have moved into other areas of this country.

It seems to me that if we would provide that property acquired by such illegally obtained money could not have depreciation taken on it at all that we might have a problem under the principle of deprivation of property without due process of law. That is why my amendment leaves intact the straight-line method of computing depreciation. Congress has provided for faster depreciation writeoffs and, as a result, capital gains can be increased. This policy was established by Congress to encourage legitimate businessmen to get into real estate activities which would be beneficial to the people of this country. But I am quite sure that Congress did not intend the benefits to go to illegitimate operators, those deriving income in violation of the criminal laws of this country and using it to engage in profitable real estate operations.

My thought is that the amendment would serve a twofold purpose: First, it would discourage people who derive income from criminal activities from getting into the real estate business and, second, if they did get into the real estate business, it would provide our law enforcement officials with an extra weapon to deal with such criminals.

Mr. President, I do not claim any great pride of authorship in drafting the amendment. I can understand that there may be some perfections which may be needed. I regret that I did not have the opportunity to offer the amendment during the deliberations of the committee on the bill, because, frankly, the degree to which the illegal operators have invaded legitimate businesses was not brought to my attention until after the committee had reported the bill to the Senate.

I believe that the amendment is timely. In fact, I would suggest that it is overdue.

I hope that the distinguished Senator in charge of the bill will see fit to accept the amendment.

Mr. TALMADGE. Mr. President, the distinguished majority leader and I have discussed this amendment. We have also discussed it with the staff, and we can see some complexities to its enforcement; however, it has a desirable and laudable motive and, therefore, we are entirely agreeable to taking it to conference where we can take a closer look at it and discuss it with the Internal Revenue Service and others to determine whether it is practicable.

Mr. MILLER. Mr. President, I appreciate that consideration. Let me repeat that I regret very much I did not have the opportunity to compose the amendment and have the full committee consider it. The only reason was that the problem was not brought to my attention until after the committee had considered and reported the bill.

I would also suggest that the Department of Justice, particularly its Criminal and Tax Divisions, would have an interest in this piece of legislation.

Mr. TALMADGE. Mr. President, I urge the Senate to adopt the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

NONFARM INCOME

Mr. HANSEN. Mr. President, I offer two amendments and ask that they be stated.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. HANSEN. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendments will be printed in the RECORD at this point.

The texts of the amendments are as follows:

On page 189, beginning with line 23, strike out all through line 22, page 190, and in lieu thereof insert the following:

"(a) GENERAL RULE.—In the case of a taxpayer engaged in the business of farming and whose nonfarm adjusted gross income (as defined in subsection (e)(1)) exceeds $50,000, the deductions attributable to such business which, but for this section, would be allowable under this chapter for the taxable year shall not exceed the sum of—

"(1) the gross income derived from the business of farming for such taxable year, and

"(2) the higher of (A) $25,000 plus one-half of the amount by which the excess of the aggregate of the deductions attributable to such business over the gross income derived from such business for the taxable year exceeds $25,000, or (B) the amount of the special deductions (as defined in subsection (e)(2)) for the taxable year."

On page 193, line 3, after "gross income" insert the following: "(taxable income, in the case of a corporation)".

On page 190, beginning with line 23, strike out through line 4 on page 191 (relating to special rules on treatment of farm losses) and insert in lieu thereof the following:

"(b) MARRIED INDIVIDUAL AND MEMBERS OF CONTROLLED GROUPS.—

"(1) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a separate return, the $50,000 and $25,000 amounts specified in subsection (a) shall be $25,000 and $12,500, respectively. The preceding sentence shall not apply if the spouse of the taxpayer does not have any income or deductions attributable to the business of farming for the taxable year.

"(2) MEMBERS OF CONTROLLED GROUPS.—In the case of a controlled group of corporations (as defined in section 1563(a)) the $50,000 and $25,000 amounts specified in subsection (a) shall be devided equally among the component members of such group unless all component members consent (at such time and in such manner as the Secretary or his delegate prescribes by regulations) to an apportionment plan providing for an unequal allocation of such amounts."

Mr. HANSEN. Mr. President, I ask unanimous consent that these two amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, let me try to explain the purposes of the amendments.

In the area of farm losses I strongly support the committee's efforts to correct the abuses which exist under the present law.

On page 96, of the committee report, the committee states, "These rules have allowed some high income taxpayers who carry on limited farming activities as a sideline to obtain a substantial tax loss (which does not represent an economic loss) which is then deducted from their high bracket nonfarm income." The report goes on, "In recent years, a growing body of investment advisers have advertised that they would arrange a farm investment for wealthy persons. Emphasis is placed on the fact that after tax dollars may be saved by the use of 'tax losses' from farming operations."

However, the dollar limitations of the committee bill apply only to individuals or estates. Corporations including subchapter S corporations and trusts are not given the benefit of the dollar limitations. Thus, these taxpayers may currently deduct only one-half of their farm loss against nonfarm income.

Mr. President, I represent a State whose economy is in a large measure based on agriculture. A large and increasing number of farm and ranch operations are owned by family corporations. But they are small corporations.

Small family operations often incorporate. They are taxed either under the corporate or subchapter S provisions of the Internal Revenue Code. The reasons they incorporate have nothing to do with tax avoidance. But unless my amendment is adopted, a taxpayer in this situation would be heavily penalized.

How can we say that one rancher who is not incorporated and has a farm loss of $5,000 is able to offset the full farm loss against his nonfarm income, but a rancher living next door who has incorporated his ranch and has a $5,000 farm loss can deduct only one-half of his farm loss—$2,500—against his nonfarm income. These two taxpayers are in the same economic situation.

The picture I have outlined is found throughout rural America. These are not the high-income taxpayers who carry on limited farming activities as a sideline to obtain a substantial tax loss which does not represent an economic loss. They are not wealthy persons. Relief provided by the dollar limitations should be made available to these small operations that are incorporated or held in trust.

The adoption of my amendment would mean that any taxpayer whether it be an individual, estate, trust, or corporation—including subchapter S corporation—would be entitled to deduct his losses in full if his nonfarm income is less than $50,000. If the taxpayer exceeds $50,000 then all the taxpayers would be allowed to deduct a farm loss in full to the extent it does not exceed $25,000 but he is allowed to deduct only one-half of the loss in excess of $25,000. These are the provisions which the committee bill applies to individuals and estates. In equity they should also be applied to corporations and trusts.

I urge my colleagues to support this amendment.

Mr. TALMADGE. Mr. President, the distinguished Senator, the ranking minority member of the committee, and I have conferred. We have also conferred with the members of the staff on the amendments. We think they have merit, and we urge the Senate to adopt them.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc of the Senator from Wyoming.

The amendments were agreed to.

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## CALL OF THE ROLL

Mr. TALMADGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 190 Leg.]

| | | |
|---|---|---|
| Aiken | Bellmon | Brooke |
| Allott | Bennett | Burdick |
| Baker | Bible | Byrd, W. Va. |
| Bayh | Boggs | Case |
| Church | Hruska | Pearson |
| Cook | Hughes | Pell |
| Cooper | Inouye | Percy |
| Cotton | Jackson | Prouty |
| Cranston | Javits | Proxmire |
| Curtis | Jordan, N.C. | Randolph |
| Dodd | Jordan, Idaho | Ribicoff |
| Dole | Long | Russell |
| Dominick | Magnuson | Saxbe |
| Eagleton | Mansfield | Scott |
| Eastland | Mathias | Smith, Maine |
| Ervin | McCarthy | Smith, Ill. |
| Fannin | McClellan | Sparkman |
| Fong | McGee | Spong |
| Fulbright | McGovern | Stennis |
| Goodell | McIntyre | Talmadge |
| Gore | Metcalf | Thurmond |
| Gravel | Miller | Tower |
| Griffin | Mondale | Tydings |
| Gurney | Montoya | Williams, N.J. |
| Hansen | Moss | Williams, Del. |
| Harris | Murphy | Yarborough |
| Hart | Muskie | Young, N. Dak. |
| Hartke | Nelson | Young, Ohio |
| Hatfield | Packwood | |
| Hollings | Pastore | |

The PRESIDING OFFICER. A quorum is present.

### CHILD'S INSURANCE BENEFITS

Mr. MOSS. Mr. President, I call up my amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Utah (Mr. Moss) proposes an amendment:

On page 514 after line 6 insert section 903:

"(a) section 152 of the Internal Revenue Code of 1954 (relating to definition of dependent) is amended by adding at the end thereof the following new subsection:

"'(f) CHILD'S INSURANCE BENEFITS PAID UNDER SOCIAL SECURITY ACT.—For purposes of subsection (a), amounts received by an individual as a child's insurance benefit under section 202(d) of the Social Security Act shall not be taken into account in determining whether such individual received more than half of his support from the taxpayer.'

"(b) The amendment made by subsection (a) shall apply to taxable years ending on or after the date of the enactment of this Act."

Mr. MOSS. Mr. President, the amendment is not numbered. It is a measure that was pending to the social security bill. I include it here because it logically belongs here, I believe.

This has to do with the income that a child is entitled to by reason of a social security benefit. A child's social security benefits are considered to be the child's own contribution to his support. And in a lower income family, that may cover a substantial part of that child's expenses.

That child's mother or father must, therefore, keep detailed records of expenditures for each child in order to claim dependency. And this is sometimes very difficult to do.

So, in order to help widows and widowers in these circumstances, I have offered an amendment which would allow the taxpayer to disregard the child's benefit payments as far as determining whether the child could be claimed as a dependent.

The impact of the amendment is not great. And the amount of money involved is not great. However, it does impose a very onerous burden on many families.

This is nearly always the circumstance where a widow or widower is involved. The only way a child would receive benefits under social security would be to have

a parent die and therefore be entitled to some social security.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. MOSS. I yield.

Mr. CURTIS. Is the Senator's amendment printed?

Mr. MOSS. Yes, it is printed and is at the desk. I do not have it printed and distributed, no.

Mr. CURTIS. It is in writing, but it is not printed?

Mr. MOSS. It was printed as a bill that I had introduced earlier, and now that language is stated as a proposed section in the tax bill.

Mr. CURTIS. Will the Senator state again just what his amendment would do?

Mr. GRIFFIN. Mr. President, may we have an order?

The PRESIDING OFFICER (Mr. MATHIAS in the chair). Senators will take their seats. The Senate will be in order.

Mr. MOSS. This amendment provides that when a child is entitled to some social security benefit of a deceased mother or father, the taxpayer with whom he lives is relieved of the burden of keeping an accounting of all the various expenses that go into maintaining that child, and the taxpayer does not have to count the social security as against it.

Under present circumstances, the taxpayer must prove that he contributed 51 percent or more to the support of the child, in order to take the child as a dependent on his tax return. This amendment would simply relieve him of that burden as to the money the child is getting as a social security benefit.

The amount involved is not great. The problem it poses for many rather poor families is great, and I have received many letters about it over a considerable period of time.

The purpose is to relieve the taxpayer of accounting for the social security payment that comes to the child, in determining whether or not the taxpayer contributed 51 percent. As we all know, it is difficult, anyway, to account for exactly what it costs to support a child—how much of the rental of the house, how much of the food that is consumed, the cost of his clothes, the cost of his toys, and all the other things. This would simplify the procedure. Therefore, I think it is a meritorious amendment, and I ask that it be adopted.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. MOSS. I yield.

Mr. CURTIS. Can the Senator give us an idea of the range in dollars of benefits paid to children? I take it that this would be benefits paid by reason of the death of a parent.

Mr. MOSS. That is correct. This is the dependent's benefit that comes because of the death of a parent.

Mr. CURTIS. Is it not true that the benefit is paid to the surviving parent?

Mr. MOSS. If the child has a guardian and he is a minor, so far as actual accounting for it is concerned, there is a guardian. But the amount involved is relatively small for each child. The child might get $50 or $40 or some such amount per month.

What I am trying to do is to get relief from a rather onerous tax return burden.

Mr. CURTIS. I wish the Senator would refresh my mind as to how high a child's benefit goes. The Senator from Nebraska does not have that figure before him. It is conceivable that many of these benefits are small and that the taxpayer would be saved from an onerous accounting system. On the other hand, it may be that the benefit is sufficient so that totally it pays or nearly pays for the support of the child. I do not know, but I shall find out.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. MOSS. I yield?

Mr. PASTORE. Is it not a fact that the present procedure, more than anything else, amounts to a nuisance? So far as dollars and cents are concerned, this is not the significant issue nor is it the question here. Under the present law, any time a child receives any benefit—and rarely will it exceed $600 a year—perforce, the individual who claims that dependency must show by documentary proof that he has contributed more than 51 percent to that child's sustenance during that year. Is that correct.

Mr. MOSS. That is correct.

Mr. PASTORE. How can one measure the water that the child drank, the electricity he used? This is impossible. It is merely a nuisance; that is all it amounts to. I am surprised that it is even in the law.

Mr. MOSS. This happens very frequently in low-income families, where the nuisance is compounded in trying to compute the amount.

Mr. GORE. Mr. President, the committee feels duty bound to oppose the proposed amendment.

The claiming of a foster child as a dependent is a question that has given a great deal of concern to the Internal Revenue Service and the Department of the Treasury. It is true that if a foster parent claims a child for a dependent, consideration must be given to the social security benefits which that child receives. One simple way for the foster parent to avoid the necessity of keeping the records and making the records available is not to claim the dependency.

We argued a good deal about the level of personal exemption. Perhaps we did not make it high enough. But if this amendment is adopted, it would be possible for a nonblood guardian to claim one, two, three, or several children as dependents, even though he might make no more than a $1 contribution to their support.

So, agreed that the present system is vexatious to some people, nevertheless, the possibility of a considerable inequity would be created. The committee feels that if one claims a personal exemption for a dependency, that dependency should be reduced by the contribution to that child's upkeep that comes from social security sources. It might be that the social security would be as much as $1,000 a year. Yet, the foster parent, by contributing $1, could claim an exemption of $800 from his own income.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. CURTIS. Mr. President, there may be some cases in which some relief ought to be granted; but I think this is a matter that should be considered when social security is considered and hearings are held. It could well be that there are some situations in which what the distinguished Senator from Utah is trying to do ought to be done. But a number of factors are involved here.

In the first place, social security income for the purpose of taxation is not income. It is free of tax and has been all through the years.

I do not know what the effect of this amendment would be in case the surviving parent is left with three or four youngsters, all of whom are drawing benefits.

I would be very reluctant to oppose the amendment, for humanitarian reasons. I think that a child who has lost a parent should have every break there is, but I am thoroughly convinced that to do justice in this situation the matter should be explored in hearings and presented when we have social security legislation.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. GORE. I shall yield in just a moment.

Mr. President, I join the Senator from Nebraska in the views he has just expressed, and I join him also in suggesting to the able author of the amendment that when we have hearings on the social security bill the committee would carefully go into the matter.

Mr. CURTIS. I would be willing to make that a pledge.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from Tennessee and the Senator from Nebraska have just expressed the thought I was going to make. I think, as the Senator from Rhode Island has pointed out, there is an inequity here that needs to be dealt with, but I am afraid the proposal before us could be subject to possible abuse.

I think with proper committee hearings and study consideration could be given to this matter. I would join in saying that as a member of the committee we will give it study and try to work out some solution.

The Senator from Tennessee points out that it would be possible, where someone was receiving $800 to $1,000 a year in benefits to support the child, for that person to contribute as little as $1 or $5 for the support of the child and still claim the child as an exemption. Perhaps that is not the intention of the Senator from Utah. I think there probably is a way to prevent that and to achieve the objective he seeks to achieve.

Mr. President, I join the chairman in a pledge that we will give this matter our attention and try to come up with a solution.

Mr. PASTORE. Mr. President, we are dealing with a bill that is loaded with favoritism. There is no question about it. One who has exemplified that more dramatically than anybody else on the floor of the Senate has been the Senator from Tennessee. Look how picayune they are in this situation. You are saying if a widow is left with three children and she collects social security benefits for each one, just a small amount at best—and we

are talking about a widow—a widow, before she claims a child as a dependent, if she has a little bit of a job on the side earning a little income, because her husband left her and she is supporting the three young children, has to document the fact that she contributed more than 50 percent to support them. We are picayune.

Foster parents are paid by the State. They cannot claim the benefits because they are being paid by the State. We are talking about widows. I am familiar with a dozen situations in my State where widows were left penniless, where they might have a little job in a department store and get $50 a month for each child; but at the end of the year they would have to document the fact that they contributed more than 50 percent.

We have all of this dillydallying about adjusting this matter when we are loading the bill with a 23-percent oil depletion allowance, benefits for this group, benefits for that group; and, yet, we will not take care of that widow this afternoon. I am ashamed, really ashamed.

Mr. GORE. Mr. President, we are not talking about widows here, although that is a favorite subject and I am very sympathetic to it.

Suppose this widow remarries and she has three, four, or five children, and that from social security there is a considerable contribution for their upkeep. This measure would set up the legal possibility that a foster parent who has not legally adopted the children——

Mr. PASTORE. But who is supporting them.

Mr. GORE (continuing). Might be supporting them to the extent of $1 a year——

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. No; I will not yield just now.

Mr. PASTORE. Very well.

Mr. GORE. The Senator is talking about widows. I am talking about someone who is married. The former widow——

Mr. PASTORE. I will answer that question.

Mr. GORE. The Senator said this is picayune. It is not picayune.

This is a principle which is proposed to be established in a tax law making it possible for one to claim a personal exemption, the full exemption for the support of a child when, as a matter of fact, the person might actually be making only a miniscule contribution toward the support of the child.

This is not a large item; no large amount is involved, and I do not wish to take a great amount of time to debate it. However, it is a principle that is wrong. Let the committee, when it has hearings on the social security, examine this matter carefully and then recommend a decision to the Senate.

Mr. MOSS and Mr. PASTORE addressed the Chair.

Mr. GORE. Mr. President, I yield first to the author of the amendment.

Mr. MOSS. Mr. President, I think the summary of this proposal which has been given by the able Senator from Rhode Island puts it in perspective. What we are talking about is a relatively small amount of money and a relatively small group of people. Generally, they are people of limited income.

I supported the able Senator from Tennessee when he fought on the floor——

Mr. PASTORE. That is right.

Mr. MOSS (continuing). To increase the personal exemption. A person may claim from $600 to $800.

Mr. PASTORE. Or $1,000.

Mr. GORE. It should be $1,000.

Mr. COOK. Mr. President, may we have order?

Mr. MOSS. We have $800. Now we want to turn around and say that in order to claim a child, a dependent child who has a small amount coming under social security from a deceased parent, we are going to force that person to set up an accounting system whereby he can show the amount he spends in supporting that child is greater than the amount the child got from social security.

Mr. GORE. Mr. President, I wish to say to the able Senator that I do not want to debate this matter for a long time, but the Senator talks about a small amount. The amount can be $109 per month per child. As a matter of fact, on the average today the children of a deceased worker receive $71 a month. Is the Senate going to say that $109 a month can be ignored and that even though the foster parent makes but a miniscule contribution to the upkeep of that child he can still claim $800 as an exemption for each child? I say in principle that is wrong.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. GORE. I had promised to yield to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, what concerns me has a great bearing on what the Senator from Utah proposes. The maximum amount one can receive under social security for a child is $109 a month; and that is $1,308 a year. The average payment made for a child under social security is $71 a month, which comes to $852 a year. It is obvious if $71 is the average, many, many persons are below the $71 a month.

Mr. COTTON. Mr. President, may we have order? I am trying to listen to the Senator.

The PRESIDING OFFICER (Mr. MATHIAS in the chair). The Senate will be in order.

Mr. RIBICOFF. Mr. President, I think all of us realize it takes more than $852 a year to support a child, and a parent or foster parent would have to make a substantial contribution.

I would hope the committee would take this amendment to consider it in conference. But I think I can sympathize with the Senator from Tennessee because we are getting ourselves into the same position we did when we discussed the Byrd-Mansfield amendment. The Senate is going to have to wrestle with a complete review of the Social Security System. It seems that will take place, as far as this body is concerned, sometime next May or June. I know that members of the Committee on Finance will go into this matter thoroughly. However, I do wish to say there is a great deal of merit in what the Senator from Utah advocates. To my knowledge this is the first time it has been called to the attention of the Senate. It has been overlooked and consideration should be given to what the Senator from Utah advocates because it has much merit.

Mr. MOSS. I thank the Senator.

Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. MOSS. Mr. President, I simply want to ask this question. What is the poverty level now that has been set as the official poverty level in this country below which the family income should not fall?

Mr. GORE. I believe, for a family of 4, it is $3,600.

Mr. MOSS. If we compare the $71 average that the children get under social security, we can see that no one will be lifted out of the poverty level by having the contribution to a child come into the family income. The onerous obligation of itemizing and trying to justify all the expenses of a child will not be worth the amount of money involved. Therefore, I think we should have this provision in the tax bill, to say that that may be ignored in filling out a tax return for a family whose mother is usually a widow.

Mr. GORE. Mr. President, I wish to close by saying that I did not think and do not now think that an $800 exemption is sufficient. I was happy that the Senate supported that much, however inadequate it is. But here is an amendment offered to make a special provision. It would be the only place in the law I know of in which we would allow a taxpayer to claim full exemption for the support of a child when, as a matter of fact, the degree of support could be minuscule. I think this is a bad principle, but I do not wish to take the time of the Senate further. Let the Senate work its will.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah (Mr. Moss).

As many as favor the amendment will say "aye."

As many as oppose the amendment will say "no."

The "noes" appear to have it.

Mr. PASTORE. Mr. President, I call for a division.

The PRESIDING OFFICER. A division is called for. As many as favor the amendment will rise and stand until counted. (After a pause.) Those who oppose the amendment will rise and stand until counted.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

Mr. COOK. Mr. President, a parliamentary inquiry.

Mr. PASTORE. Mr. President——

The PRESIDING OFFICER. The clerk will call the roll.

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

Mr. WILLIAMS of Delaware. Mr. President, regular order.

Mr. ALLOTT. Regular order, Mr. President.

The PRESIDING OFFICER. Does the Senator from Rhode Island withdraw his request for the call of a quorum?

Mr. PASTORE. Mr. President, temporarily, I do. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays on this amendment having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Virginia (Mr. BYRD), the Senator from Florida (Mr. HOLLAND), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN), the Senator from Nevada (Mr. CANNON), and the Senator from Louisiana (Mr. ELLENDER) are absent on official business.

I further announce that, if present and voting, the Senator from Louisiana (Mr. ELLENDER) would vote "nay."

On this vote, the Senator from Nevada (Mr. CANNON) is paired with the Senator from Florida (Mr. HOLLAND). If present and voting, the Senator from Nevada would vote "yea" and the Senator from Florida would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Colorado (Mr. DOMINICK), the Senator from Pennsylvania (Mr. SCHWEIKER) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

If present and voting, the Senator from Colorado (Mr. DOMINICK), and the Senator from Arizona (Mr. GOLDWATER) would each vote "nay."

The result was announced—yeas 46, nays 41, as follows:

[No. 191 Leg.]

YEAS—46

| | | |
|---|---|---|
| Bayh | Hatfield | Muskie |
| Bible | Hollings | Nelson |
| Brooke | Hughes | Pastore |
| Burdick | Inouye | Pell |
| Byrd, W. Va. | Jackson | Prouty |
| Church | Javits | Proxmire |
| Cotton | Magnuson | Randolph |
| Cranston | McClellan | Ribicoff |
| Dodd | McGee | Sparkman |
| Eagleton | McGovern | Spong |
| Fong | McIntyre | Tydings |
| Goodell | Metcalf | Williams, N.J. |
| Gravel | Mondale | Yarborough |
| Harris | Montoya | Young, Ohio |
| Hart | Moss | |
| Hartke | Murphy | |

NAYS—41

| | | |
|---|---|---|
| Aiken | Fulbright | Pearson |
| Allott | Gore | Percy |
| Baker | Griffin | Russell |
| Bellmon | Gurney | Saxbe |
| Bennett | Hansen | Scott |
| Boggs | Hruska | Smith, Maine |
| Case | Jordan, N.C. | Smith, Ill. |
| Cook | Jordan, Idaho | Stennis |
| Cooper | Long | Talmadge |
| Curtis | Mansfield | Thurmond |
| Dole | Mathias | Tower |
| Eastland | McCarthy | Williams, Del. |
| Ervin | Miller | Young, N. Dak. |
| Fannin | Packwood | |

NOT VOTING—13

| | | |
|---|---|---|
| Allen | Ellender | Mundt |
| Anderson | Goldwater | Schweiker |
| Byrd, Va. | Holland | Stevens |
| Cannon | Kennedy | Symington |
| Dominick | | |

So Mr. Moss' amendment was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 303

Mr. FANNIN. Mr. President, I call up my amendment No. 303.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. FANNIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

"SEC. 122. POLITICAL ACTIVITIES OF TAX-EXEMPT ORGANIZATIONS.

"(a) DENIAL OF EXEMPTION.—Section 501 (relating to exemptions from tax) is amended by redesignating subsection (e) as (f) and by inserting after subsection (d) the following new subsection:

"(e) PROHIBITION ON CERTAIN POLITICAL ACTIVITIES.—No organization described in subsection (c) or (d) shall be exempt from taxation under subsection (a) for any taxable year in which any part of its income or of the amounts received for its support (including, in the case of a membership organization, dues, assessments, fees, or other charges imposed on members) is used, directly or indirectly—

"(1) to support or oppose any candidate for public office,

"(2) to support or oppose any political party, or

"(3) to carry on any voter registration."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1969.

Mr. FANNIN. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

STRIKING A BETTER BALANCE

Mr. FANNIN. Mr. President, this amendment in spite of all the anguished cries of big labor leaders, is an eminently fair and just proposal. Every reaction I have received to this amendment, other than those who are tied to special interest groups, has been favorable.

The rank and file of major labor organizations as well as other membership organizations favor this approach, I believe, and were it not for the intimidation and coercion that exists in these situations, I believe those in charge would hardly risk a free and open referendum within their own ranks on such a proposition.

Mr. President, in a speech here in Washington on July 25, 1954, our late President, Dwight D. Eisenhower, said:

Free government makes as its cornerstone the concept, or the idea, that men are equal, they are equal before the law, they have equal rights and equal opportunities in the governments maintained to protect them.

It is in pursuit of this concept, Mr. President, that I have introduced this amendment.

It has been estimated that over a hundred million dollars were spent by labor unions in the last national elections, not including wages and salaries of those in everyday activities that are truly involved in political endeavors. One of the things which makes this practice so iniquitous is that much of this money is collected by the union leaders under arrangements which give a man no choice but to belong to a union. Then his money, taken from him by the force of law, may be and often is, spent contrary to the political desires of the member. I would be just as opposed to any business organization utilizing dues or assessments in this manner.

It is not the purpose of this amendment, Mr. President, to penalize one group at the expense of another. The purpose plainly and simply is to strike a better balance than we have had heretofore in these matters. Very little investigation is required, Mr. President, to discover that under the interpretation of section 501(c) of the Internal Revenue Code, union leaders have enjoyed an immunity to the "no politics" rule that has been applied to other tax-exempt organizations in the civic, fraternal, business, and professional fields.

There are those, Mr. President, who charge me with antilabor bias in introducing this legislation. It is simply not true, it has not been true, and I trust that it never shall be true. This amendment is protective of the members' rights.

Our country is blessed with the finest in working men and women the world has ever known. They are better trained, more highly skilled, and in many instances more highly motivated than any other major industrial nation in the world. However, Mr. President, there are those who are leaders in the labor movement, and I do not include them all, who are bent on removing incentive; committed to the dissolution of those qualities that made America great because it was built by great people. They are the greedy ones who no longer regard a good day's work for a good day's pay as a proper goal to be attained.

To those who are critical of me, and who would betray the labor movement into the sloughs of lethargy and sloth, I would recall the words of the great-grandfather of the labor movement in America, Samuel Gompers.

Sixty-three years ago, Mr. Gompers recognizing the coming dangers if great political power became concentrated in the hands of a few men, said:

It is doubtful to my mind if the contributions and expenditures of vast sums of money in the nominations and elections for our public offices can continue to increase without endangering the endurance of our Republic in its purity and in its essence . . . the necessity for some law upon the subject is patent to every man who hopes for the maintenance of the institutions under which we live.

Mr. President, we have had a "law upon the subject" to use the words of Mr. Gompers; but it has not prevented the danger which he saw approaching from

coming about. I refer to an article on the Federal Corrupt Practices Act which I inserted in the RECORD on December 1, 1969, at page 36199. This article from the highly respected Congressional Quarterly publication indicates that not only does that law have so many loopholes as to be ineffective, but even the loose provisions of the existing law are not enforced. I dare say there is no single group in our Nation able to wield so powerful a weapon as the quantity of money and help which labor officials can pour into national and local election campaigns.

The history of labor organizations using money from their general treasuries to contribute to political campaigns, or to pay the salaries of campaign workers donated by the unions is well established. The allegation is broadly made by labor leaders that all of their contributions are voluntary, but such a statement is not seriously defended in detail.

As just one example, I cite the oral arguments of one Joseph Rauh, formerly head of the Americans for Democratic Action, who argued a case for the United Auto Workers before the Supreme Court of the United States:

Mr. RAUH. We have never had the type of funds on voluntary dollars—

Justice REED. You can't get as much from voluntary dollars as you can from dues?

Mr. RAUH. Well, sir, a union man thinks he has paid, when he has paid his dues, he thinks he has paid for bargaining, for legislation, and for political activity. He doesn't feel he should pay a second time for political activity. That is why it is so hard to raise voluntary contributions . . . When he pays his dues, he has paid for his political action. (Cong. Rec. 10/27/69 pg. 31551ff.)

Just last year the AFL–CIO assessed its members a nickel per member to amass an additional election campaign fund of $850,000; all of it without paying a penny in taxes. Just think of the magnitude of money available through assessment privileges. We could possibly cut union dues in half by this amendment.

Union tax free dues build up a fantastic wealth. The best estimates place combined union income at around $75 million per month. Total union wealth is estimated at more than $4 billion. Union businesses are legion in the multimillion-dollar range and the income from hotels, motels, banks, transit lines, apartment and office buildings, and life insurance firms flows into union coffers free of tax levy.

In the October 11, 1969, edition of the AFL–CIO News, Mr. President, I quote from an article on page 20 headlined "Labor Renews Crusade for Tax Justice." One of the three major goals listed in the leading resolution reads as follows: "The elimination of the loopholes of special tax privilege for wealthy families and businesses." Notably absent from the resolution is the plugging of the special tax loopholes for wealthy unions.

AFL–CIO President George Meany addressed the Atlantic City crowd with these words, and I quote from the AFL–CIO paper:

Washington is crowded with well-heeled lobbyists who represent every group that has a selfish interest in perpetuating the special tax preference that they now enjoy.

That was a very candid statement of Mr. Meany, especially in light of his statement to an AFL–CIO gathering on August 28, 1969, in which he said:

I think frankly, we have the most effective lobby in Washington. We don't go bragging about our lobby. We don't brag that we are lobbyists. We don't talk about it. But actually, we are lobbyists.

Mr. President, this is an outstanding display of candor on the part of Mr. Meany. I have no hesitancy in attesting to the effectiveness of the union lobbyists.

There have been some, Mr. President, who have accused me of singling out unions for special punitive legislation. That is not true.

The amendment before you applies to all organizations presently designated tax exempt under the Internal Revenue Code. Everyone is treated exactly alike before the law. That is the fair and equitable way. It has been said by union spokesmen that there is no measure of justice in this amendment. I am told that in telegrams to various Senators, labor councils across the country have reminded us of the tax-exempt status of such organizations as the National Association of Manufacturers, the American Medical Association, the chambers of commerce, National Right To Work Committee, and other similar groups. Mr. President, this amendment does apply to those and all similar organizations. This is not favoritism, it is fairness, and no legislator can in conscience vote on any other basis.

The principle with which we are here concerned, Mr. President, is fairly straightforward. Shall an organization, either fraternal, professional, religious, labor, or other, be in effect subsidized by the taxpaying public to work in opposition to the interests of a significant portion of that public?

Certainly everyone in America is free, or should be, to contribute to the political candidate of his choice, and to work on his behalf as a private citizen. The difficulty arises when such activity is permitted, even encouraged through the use of tax-exempt funds. An organization which is exempt from taxation is by its specialized status, shifting the burden to the remaining tax base. We here are simply saying that if you wish to engage in political activity of the type so described—support or opposition of candidates and parties and voter registration—that you then pay taxes like everyone else who engages in such activity.

May I make it perfectly clear, Mr. President, that we are not seeking to restrict the free expression of voter responsibility and patriotic efforts. This should certainly be a part of every civic minded organization's program. But actual voter registration should be, I believe, primarily the responsibility of the political parties. The Senate Finance Committee has expressed its reservations about the motivations behind many voter registration drives as being politically motivated—and as such, they should not be carried out with tax-exempt money.

Now a word about free speech, or expression of opinion by unionists. My amendment would not restrict in any way the right of an individual to express himself as far as politics are concerned in his individual views. If a union official wishes to be for or against a certain political candidate as a private matter, that is his business, his right, and he may certainly employ it. If, on the other hand, he wishes to use his official position as a union official to coerce other members of his union into voting for or against a candidate or party, then I believe he is jeopardizing the tax-exempt status of the union in the same fashion as a chamber of commerce president; acting in his official capacity would be threatening the tax-exempt status of his chamber by making official pronouncements in favor or in opposition to a candidate.

Mr. President, I close as I began with the words of our late and beloved President, Dwight Eisenhower. They enunciate the principle to which my amendment is dedicated. I trust we shall be true to them:

Free government makes as its cornerstone the concept, or the idea, that men are equal, they are equal before the law, they have equal rights and equal opportunities in the governments maintained to protect them.

Mr. President, I ask that we strike a better balance toward the achievement of those equal rights, and trust adoption of amendment No. 303 will be approved.

Mr. President, I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I thank my distinguished friend, the Senator from Arizona.

Mr. President, I support the Senator's amendment No. 303 to the tax reform bill. I would like to congratulate the distinguished Senator from Arizona for the excellent presentation he has delivered on his proposal.

Mr. President, during the course of debate on H.R. 13270, this body has been mainly concerned with providing more equity in our federal tax structure. The Congress has been concerned with closing loopholes in our tax structure. Individuals in the Congress have aimed their attack at wealthy individuals, corporations and industries. Like the vast majority of legislators, I am also very concerned about the establishment of an equitable and sound tax structure. The correction of the inequities of our tax system is a primary objective of this body, and I will continue to support those measures which I feel meet this objective.

As the Senator has already stated, supporters of this amendment have been attacked by special interests as being antilabor. This is not the case. Amendment No. 303 would require all tax-exempt organizations to refrain from political activity, including voter registration, or lose their tax-exempt status. In essence, all that this amendment does is establish a sense of fair play wth regard to the various tax-exempt organizations. I am sure that labor union officials would not want businesses and corporations to do what unions could not do. As the law stands now, unions have tax-exempt

status, whereas other tax-exempt organizations must refrain from partisan political activity or lose their tax-exempt status.

It is an obvious fact that union members contribute to a political candidate or party despite the fact that they will eventually oppose that same candidate or party on election day. Research studies have shown that union members are increasingly deviating from the wishes of union officials with respect to various candidates endorsed by the union. This is a natural tendency due to the increased political awareness and independence of the American electorate. Thus, in many cases, union members financially contribute to political candidates regardless of their own individual beliefs. With this in mind, I feel that it is safe to say that this amendment is a positive proposal that benefits labor unions as a whole; that is, in the sense that it grants the individual union member his constitutional freedom of choice.

Mr. President, this amendment attempts to provide for a just and fair balance with regard to tax-exempt organizations.

Therefore, I urge the Senate to adopt this amendment as introduced.

Mr. FANNIN. Mr. President, I thank the Senator.

I agree with the Senator. This would not limit the freedom of speech of anyone nor be a burden to any organization. It would not violate the freedom of speech of a union or individuals nor limit the freedom of speech of anyone.

If we consider the equity of it—I have had it very carefully checked—I am sure this would cover what we are talking about in the amendment. It would not apply to any organizations that are not tax exempt. If, for instance, they carry on different programs, they can continue to carry on those programs as long as the money that they utilize is voluntarily given to them.

I have supported the League of Women Voters. I have written checks for them. I think it is a good program. At the same time, I feel the greatest benefit that can accrue to a political party is for the members of that party to carry on voter registration.

I could give many examples. I can give my State as an example and what has taken place there. However, what other activity will create better citizens and a better understanding of the voter problem? What would contribute more than having the people who want to enter into political activities help a candidate or a party? If they say to a candidate, "What can I do to help you? What work can I do to help my party?" My advice would be for them to get involved in voter registration. There is not anything that would be more beneficial to them.

We do not need to have paid people going out to engage in this activity. We have plenty of people who can enter into voter registration work.

I think it is shameful that the people are not patriotic enough to move forward with voter registration on their own. Why should they have to pay people to go out and be good citizens? I think it is sinful that people think they must be paid to help their party.

It is certainly an unsound principle. I oppose that type of operation.

At the same time, I will certainly contribute to an organization. And I do not expect to take a tax deduction on the contribution I make.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. FANNIN. I yield.

Mr. TOWER. Mr. President, the Senator's amendment would not proscribe legitimate volunteer political activity on the part of trade union members.

Mr. FANNIN. No. I think it would encourage it. At the present time people sit back and say, "Let John do it, or let someone else do it."

This would encourage such activity and make political parties more conscious of this fact, and it would greatly interest people in politics.

Mr. TOWER. It would not discourage individual union members from contributing to the party or candidate of his choice.

Mr. FANNIN. He can do whatever he wants to do. The very wording of the amendment indicates that it is not only not restrictive, but it would also greatly encourage people to work for their political parties.

I think rather than discourage or hamper voter registration, it would encourage it.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. FANNIN. I yield.

Mr. PACKWOOD. Mr. President, the Senator mentioned the League of Women Voters and their activity in voter registration. Do I correctly understand the Senator to mean that his amendment would not apply to voter registration carried on by the League of Women Voters?

Mr. FANNIN. As long as the money was voluntarily given, it would not affect that activity. If the money being spent was tax-exempt money, it would.

Mr. PACKWOOD. Mr. President, no one has to join the League of Women Voters or the Chamber of Commerce. However, if we had a situation where the League of Women Voters was using their dues for voter registration, would that be proscribed by the amendment?

Mr. FANNIN. No. Mr. President, I intend to encourage rather than discourage this type of activity. I feel, as I have said, that we would encourage people to become more involved and not to get involved in something because they would be paid for their work.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. FANNIN. I yield.

Mr. TOWER. Mr. President, voter registration is a congeneric activity of the League of Women Voters. They are set up for that purpose. They pay their dues voluntarily. They know what their organization does. In that sense, it would be excluded by the amendment. However, voter registration is not a congeneric activity of a trade union.

Mr. FANNIN. The whole matter, so far as I am concerned, is one of encouraging people to become involved in politics. This amendment would not discourage anyone. It would not discourage freedom of speech. It just means that people who are paid by tax-exempt money could not enter into these activities. They could enter into it if they were not representing the organization.

The limitations involved in this amendment have been overemphasized. It is very simple, and it pertains to exactly what it says. It says:

PROHIBITION ON CERTAIN POLITICAL ACTIVITIES.—No organization described in subsection (c) or (d) shall be exempt from taxation under subsection (a) for any taxable year in which any part of its income or of the amounts received for its support (including, in the case of a membership organization, dues, assessments, fees, or other charges imposed on members) is used, directly or indirectly—

When anyone says that "directly or indirectly" is going to cause difficulty, I say that he is being misled. I had this checked very carefully. I talked with several of the distinguished Senators on the other side of the aisle, and they brought this up. I had it checked out yesterday and today. I have gone to extremes to find out what would be involved. It certainly would not affect the work that we are talking about in getting voter registration, other than if tax exempt money is utilized. That is the only restriction we have.

What this amendment applies to is very clear: "to support or oppose any political party, or to carry on any voter registration."

This would apply just to tax exempt organizations that are involved. It would be illegal, under my amendment. I ask unanimous consent to have printed at this point in the RECORD a list of the 17 categories of organizations that are included in subchapter F, "Exempt Organizations."

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SUBCHAPTER F.—EXEMPT ORGANIZATIONS

Part
I. General rule.
II. Taxation of business income of certain exempt organizations.
III. Farmers' Cooperatives.
IV. Shipowners' protection and indemnity associations.

PART I.—GENERAL RULE

Sec.
501. Exemption from tax on corporations, certain trusts, etc.
502. Feeder organizations.
503. Requirements for exemption.
504. Denial of exemption.

§ 501. Exemption from tax on corporations, certain trusts, etc.

(a) EXEMPTION FROM TAXATION.—An organization described in subsection (c) or (d) or section 401 (a) shall be exempt from taxation under this subtitle unless such exemption is denied under section 502, 503, or 504.

(b) TAX ON UNRELATED BUSINESS INCOME.—An organization exempt from taxation under subsection (a) shall be subject to tax to the extent provided in part II of this subchapter (relating to tax on unrelated income), but notwithstanding part II, shall be considered an organization exempt from income taxes for the purpose of any law which refers to organizations exempt from income taxes.

(c) LIST OF EXEMPT ORGANIZATIONS.—The

following organizations are referred to in subsection (a);

(1) Corporations organized under Act of Congress, if such corporations are instrumentalities of the United States and if, under such Act, as amended and supplemented, such corporations are exempt from Federal income taxes.

(2) Corporations organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt under this section.

(3) Corporations, and any community chest fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

(4) Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to the employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes.

(5) Labor, agricultural, or horticultural organizations.

(6) Business leagues, chambers of commerce, real-estate boards, or boards of trade, not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(7) Clubs organized and operated exclusively for pleasure, recreation, and other nonprofitable purposes, no part of the net earnings of which inures to the benefit of any private shareholder.

(8) Fraternal beneficiary societies, orders, or associations—

(A) operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system, and

(B) providing for the payment of life, sick, accident, or other benefits to the members of such society, order, or association or their dependents.

(9) Voluntary employees' beneficiary associations providing for the payment of life, sick, accident, or other benefits to the members of such association of their dependents, if—

(A) no part of their net earning inures (other than through such payments) to the benefit of any private shareholder or individual, and

(B) 85 percent or more of the income consists of amounts collected from members and amounts contributed to the association by the employer of the members for the sole purpose of making such payments and meeting expenses.

(10) Voluntary employees' beneficiary associations providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents or their designated beneficiaries if—

(A) admission to membership in such association is limited to individuals who are officers or employees of the United States Government, and

(B) no part of the net earnings of such association inures (other than through such payments) to the benefit of any private shareholder or individual.

(11) Teachers' retirement fund associations of a purely local character if—

(A) no part of their net earnings inures (other than through payment of retirement benefits) to the benefit of any private shareholder or individual, and

(B) the income consists solely of amounts received from public taxation, amounts received from assessments on the teaching salaries of members, and income in respect of investments.

(12) Benevolent life insurance associations of a purely local character, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations; but only if 85 percent or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses.

(13) Cemetery companies owned and operated exclusively for the benefit of their members or which are not operated for profit; and any corporation chartered solely for burial purposes as a cemetery corporation and not permitted by its charter to engage in any business not necessarily incident to that purpose, no part of the net earnings of which inures to the bent of any private shareholder or individual.

(14) Credit unions without capital stock organized and operated for mutual purposes and without profit; and corporations or associations without capital stock organized before September 1, 1957, and operated for mutual purposes and without profit for the purpose of providing reserve funds for, and insurance of, shares or deposits in—

(A) domestic building and loan associations,

(B) cooperative banks without capital stock organized and operated for mutual purposes and without profit, or

(C) mutual savings banks not having capital stock represented by shares.

(15) Mutual insurance companies or associations other than life or marine (including interinsurers and reciprocal underwriters) if the gross amount received during the taxable year from the items described in section 822(b) (other than paragraph (1)(D) thereof) and premiums (including deposits and assessments) does not exceed $150,000.

(16) Corporations organized by an association subject to part III of this subchapter or members thereof, for the purpose of financing the ordinary crop operations of such members or other producers, and operated in conjunction with such association. Exemption shall not be denied any such corporation because it has capital stock, if the dividend rate of such stock is fixed at not to exceed the legal rate of interest in the State of incorporation or 8 percent per annum, whichever is greater, on the value of the consideration for which the stock was issued, and if substantially all such stock (other than nonvoting preferred stock, the owners of which are not entitled or permitted to participate, directly or indirectly, in the profits of the corporation, on dissolution or otherwise, beyond the fixed dividends) is owned by such association, or members thereof; nor shall exemption be denied any such corporation because there is accumulated and maintained by it a reserve required by State law or a reasonable reserve for any necessary purpose.

(17)(A) A trust or trusts forming part of a plan providing for the payment of supplemental unemployment compensation benefits, if—

(i) under the plan, it is impossible, at any time prior to the satisfaction of all liabilities, with respect to employees under the plan, for any part of the corpus or income to be (within the taxable year or thereafter) used for, or diverted to, any purpose other than the providing of supplemental unemployment compensation benefits.

(ii) such benefits are payable to employees under a classification which is set forth in the plan and which is found by the Secretary or his delegate not to be discriminatory in favor of employees who are officers, shareholders, persons whose principal duties consist of supervising the work of other employees, or highly compensated employees, and

(iii) such benefits do not discriminate in favor of employees who are officers, shareholders, persons whose principal duties consist of supervising the work of other employees, or highly compensated employees. A plan shall not be considered discriminatory within the meaning of this clause merely because the benefits received under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of the employees covered by the plan.

(B) In determining whether a plan meets the requirements of subparagraph (A), any benefits provided under any other plan shall not be taken into consideration, except that a plan shall not be considered discriminatory—

(i) merely because the benefits under the plan which are first determined in a nondiscriminatory manner within the meaning of subparagraph (A) are then reduced by any sick, accident, or unemployment compensation benefits received under State or Federal law (or reduced by a portion of such benefits if determined in a nondiscriminatory manner), or

(ii) merely because the plan provides only for employees who are not eligible to receive sick, accident, or unemployment compensation benefits under State or Federal law the same benefits (or a portion of such benefits if determined in a nondiscriminatory manner) which such employees would receive under such laws if such employees were eligible for such benefits, or

(iii) merely because the plan provides only for employees who are not eligible under another plan (which meets the requirements of subparagraph (A)) of supplemental unemployment compensation benefits provided wholly by the employer the same benefits (or a portion of such benefits if determined in a nondiscriminatory manner) which such employees would receive under such other plan if such employees were eligible under such other plan, but only if the employees eligible under both plans would make a classification which would be nondiscriminatory within the meaning of subparagraph (A).

(C) A plan shall be considered to meet the requirements of subparagraph (A) during the whole of any year of the plan if on one day in each quarter it satisfies such requirements.

(D) The term "supplemental unemployment compensation benefits" means only—

(i) benefits which are paid to an employee because of his involuntary separation from the employment of the employer (whether or not such separation is temporary) resulting directly from a reduction in force, the discontinuance of a plant or operation, or other similar conditions, and

(ii) sick and accident benefits subordinate to the benefits described in clause (i).

(E) Exemption shall not be denied under subsection (a) to any organization entitled to such exemption as an association described in paragraph (9) of this subsection merely because such organization provides for the payment of supplemental unemployment benefits (as defined in subparagraph (D)(i)).

(d) RELIGIOUS AND APOSTOLIC ORGANIZATIONS.—The following organizations are referred to in subsection (a): Religious or apostolic associations or corporations, if such associations or corporations have a common treasury or community treasury, even if such associations or corporations engage in business for the common benefit of the members, but only if the members thereof include (at the time of filing their returns) in their gross income their entire pro rata shares, whether distributed or not, of the taxable income of the association or corporation for such year.

Any amount so included in the gross income of a member shall be treated as a dividend received.

(e) CROSS REFERENCE.—

For nonexemption of Communist-controlled organizations, see section 11(b) of the Internal Security Act of 1950 (64 Stat. 997; 50 U.S.C. 790(b)).

(Aug. 16, 1954, ch. 736, 68A Stat. 163; Mar. 13, 1956, ch. 83, § 5(2), 70 Stat. 49; Apr. 22, 1960, Pub. L. 86-428, § 1, 74 Stat. 54; July 14, 1960, Pub. L. 86-667, § 1, 74 Stat. 534; Oct. 16, 1962, Pub. L. 87-834, § 8(d), 76 Stat. 997.)

AMENDMENTS

1962—Subsec. (c)(15). Pub. L. 87-834 substituted "$150,000" for "$75,000."

1960—Subsec. (c)(14). Pub. L. 86-428 substituted "September 1, 1957" for "September 1, 1951."

Subsec. (c)(17). Pub. L. 86-667 added subsec. (c)(17).

1956—Subsec. (c)(15). Act Mar 13, 1956, substituted "the items described in section 822(b) (other than paragraph (1)(D) thereof)" for "interest, dividends, rents,".

EFFECTIVE DATE OF 1962 AMENDMENT

Amendment of subsec. (c)(15) of this section by Pub. L. 87-834 applicable with respect to taxable years beginning after Dec. 31, 1962, see section 8(h) of Pub. L. 87-834, set out as a note under section 821 of this title.

EFFECTIVE DATE OF 1960 AMENDMENTS

Section 2 of Pub. L. 86-428 provided that: "The amendment made by this Act [to subsec. (c)(14) of this section] shall apply only with respect to taxable years beginning after December 31, 1959."

Section 6 of Pub. L. 86-667 provided that: "(a) Except as provided in subsection (b), the amendments made by this Act [to this section and sections 503, 511, 513 and 514 of this title] shall apply to taxable years beginning after December 31, 1959.

"(b) In the case of loans, the amendments made by section 2 of this Act [to section 503 of this title] shall apply only to loans made, renewed, or continued after December 31, 1959."

EFFECTIVE DATE OF 1956 AMENDMENT

Amendment by act Mar. 13, 1956, applicable only to taxable years beginning after Dec. 31, 1954, see note set out under section 821 of this title.

CROSS REFERENCES

Business lease indebtedness, see section 514 of this title.

Constructive ownership of stock rule inapplicable to tax exempt employees' trust, see section 318 of this title.

Corporate deductions for dividends received inapplicable to dividends from corporation exempt from tax under this section, see section 246 of this title.

Deduction for contribution of employer to employees' trust or annuity plan and compensation under a deferred-payment plan, see section 404 of this title.

Denial of exemption, see section 504 of this title.

Disallowance of losses with respect to transactions between persons and certain tax exempt educational and charitable organizations, see section 267 of this title.

Exclusion of services performed in employ of organization exempt from tax under this section—

Employment under Federal Unemployment Tax Act, see section 3306 of this title.

Employment under title II of the Social Security Act, see section 410 of Title 42, The Public Health and Welfare.

Facilities and services excise tax exemption to certain organizations exempt from tax under this section, see section 4233 of this title.

Feeder organizations, see section 502 of this title.

Imposition of tax on unrelated business income of charitable, etc., organizations, see section 511 of this title.

Includible corporation relative to consolidated returns as excluding corporation exempt from tax under this section, see section 1504 of this title.

Lottery under wagering taxes as excluding drawings conducted by organization exempt from tax under this section, see section 4421 of this title.

Nonforfeitable rights relative to employees' death benefits, see section 101 of this title.

Partial exclusion of dividends received by individuals inapplicable to dividends from corporation exempt from tax under this section, see section 116 of this title.

Prohibition on interests in nonbanking organizations inapplicable to certain bank holding companies exempt under this section, see section 1843(c)(7) of Title 12, Banks and Banking.

Requirements for exemption, see section 503 of this title.

Returns by exempt organizations, see section 6033 of this title.

Scholarships and fellowship grants to individuals who are not candidates for degrees as excludible from gross income where grantor is an organization described in this section, see section 117 of this title.

§ 502. Feeder organizations.

An organization operated for the primary purpose of carrying on a trade or business for profit shall not be exempt under section 501 on the ground that all of its profits are payable to one or more organizations exempt under section 501 from taxation. For purposes of this section, the term "trade or business" shall not include the rental by an organization of its real property (including personal property leased with the real property). (Aug. 16, 1954, ch. 786, 68A Stat. 166.)

§ 503. Requirements for exemption.

(a) DENIAL OF EXEMPTION TO ORGANIZATIONS ENGAGED IN PROHIBITED TRANSACTIONS.—

(1) GENERAL RULE.—

(A) An organization described in section 501(c)(3) which is subject to the provisions of this section shall not be exempt from taxation under section 501(a) if it has engaged in a prohibited transaction after July 1, 1950.

(B) An organization described in section 507(c)(17) which is subject to the provisions of this section shall not be exempt from taxation under section 501(a) if it has engaged in a prohibited transaction after December 31, 1959.

(C) An organization described in section 401(a) which is subject to the provisions of this section shall not be exempt from taxation under section 501(a) if it has engaged in a prohibited transaction after March 1, 1954.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. FANNIN. I yield.

Mr. GURNEY. Mr. President, I support the Senator's amendment. I think it is a very worthy one, and it has been long overdue and urgently needed.

I should like to give an example of voter registration and how it worked in my own congressional district the summer of 1964. Suddenly, we were reading in the newspapers about a so-called nonpartisan voters league that had been formed in the summer of 1964. Many interested civic-minded citizens joined in the effort that the league was dedicated to, and that was voter registration.

As the summer went on and the voter registration proceeded, it became evident that some of the funds were coming from the AFL-CIO and some from foundations. The voter registration went along extremely well and was highly successful. There were approximately 10,000 new voters in the Democratic Party and almost none in the Republican Party. That is how nonpartisan it was. Of course, I was a little concerned, because I had won the year before—the first time I was elected to the House of Representatives—by only 3,000 votes. This nonpartisan voters league put on the voting list three times as many Democratic votes as was my winning margin.

I think there should be voter registration, too; but I think the political parties should conduct it under their own guise. I do not think that tax-exempt funds that were extracted from both Republicans and Democrats should be shot into the political activities of one party or the other. I think that in recent years they have been channeled pretty much in the direction of one party. Of course, that is one reason why I am protesting. But the shoe can flip and be on the other foot, too. As a matter of fact, some labor organizations in the country today are reassessing their political aims. They see a new climate coming to Washington and across the country, and they think, perhaps, that the prospects of the party that has been out of office have improved materially; and some of those unions, although there are only a scattered few at the moment, are channeling at least some of their efforts in other directions.

What I am really saying is that, while this may look politically appetizing, to vote either "yea" or "nay" depending upon what one's party registration is, these things have a habit of flip-flopping or turning around. The currents change; trends change. People think that perhaps if they vote one way today, they can be fooled tomorrow.

But, quite apart from that, what the political hard facts of life are, so far as this amendment is concerned, it certainly is true that tax exempt organizations which enjoy a special status under the Internal Revenue laws of the United States because their efforts are supposed to be channeled in charitable directions or efforts that are good for the country—and we want to encourage this sort of thing—none of these people should be engaged in political activity for either one party or the other. Even if the majority were on my side, this amendment is needed. People in the business of charitable foundations and labor unions and anybody else in this category should not be messing around and actively spending their money for politics, if they enjoy a tax-exempt status.

I would hope that we could close this loophole and put everybody on an even basis, and let the political parties do their own political activity. I certainly support the Senator.

I should like to make another point, and I think it is important; it is the real heart of this matter. No man, when he belongs to a labor union or some other kind of organization, ought to have his dues money—which is involuntarily taken from him in many States, because he has to join if he wants to keep a job—channeled into the efforts of a political party that may not be the one he supports.

Again, we harken back to my own political career. In the congressional district I represented, I used to get a majority of the labor union votes. Many members of labor unions would come to me and say, "Mr. Gurney, we're for you and we're going to vote for you, but we don't like what our leaders are doing and we wish we could do something about it," because they were very actively in support of the other side.

I simply cite that as an example of what the Senator from Arizona has been talking about, that the dues of many people are involuntarily used in quite a different way from that in which they want the dues used so far as political activity is concerned. The Senator's amendment would correct this, and I support him.

Mr. FANNIN. I thank the distinguished Senator from Florida.

In support of what the Senator from Florida has said, I have a letter from the Internal Revenue Service, dated November 17, 1969, signed by the Assistant Commissioner. I should like to read a couple of paragraphs to show that there is a difference:

Paragraph (c)(5) of section 501(c) is the only one of the seventeen paragraphs of that section that contains no definitions, limitations or prohibitions. Only in regard to labor, agricultural, horticultural organizations did Congress grant exemption in such broad, unlimited terms. For example, Congress did not set forth in section 501(c)(5) provisions such as those contained in section 501(c)(3) denying exemption to charitable and educational organizations which participate in any political campaign on behalf of any candidate for public office. The inclusion of various definitions, limitations, and prohibitions in the other paragraphs of section 501(c) evidences that in enacting the section Congress gave attention to such matters, yet did not apply any restrictions to labor organizations.

Therefore, it is the Service's position that if a labor union has as its principal purpose the representation of employees in such matters as wages, hours of labor, working conditions, and economic benefits, and the general fostering of matters affecting the working conditions of its members, the exemption of the organization is conferred by the statute. We find no basis to support a modification of this position.

Consequently, I say that there is no basis to support what is being done now by the unions.

Let us look at what is involved. Why am I so concerned about this particular amendment?

Mr. President, I feel this matter is as important as any amendment in the entire tax bill from the standpoint of the future employment of the people of our Nation. We must have a balance between labor, management, and the Government. If we do not soon obtain a balance between the unions, business officials and the Government we are going to see more and more jobs exported to other nations. This is something that affects every State represented in the Senate. We do not have to go very far to realize and to know what is happening. One can go to his own neighborhood, or to his State, and ask the chamber of commerce there. Ask the State union organization what is happening.

We see one organization after another putting plants in foreign countries. At the present time we are considering the textile industry. Most exasperating to me is that we are losing jobs in the textile industry. We could look at nearly any other industry. We could talk about motorcycles, automobiles, or any piece of equipment, electronic equipment, or, for instance, television sets.

This matter was forcefully brought home to me when I discovered that in the first 6 months of this year we only exported throughout the world about 65,000 television sets. Why do I bring up that matter? I am from a State which has some fine electronic plants. I observed those companies that were increasing their facilities, not in this country but by going into some foreign land because they have been driven out, they say, because of the restrictions labor unions have placed on their employees and their employment of people.

Mr. President, this does not mean I am against good wages. I am for good wages. With respect to working conditions, we have the finest working conditions, the best in the world. Our industries could be the most productive but many limitations are placed on them so that in many instances they are not competitive. Therefore, when I state we exported 65,000 television sets what has happened is that plants located in other countries were involved. We imported 653,000 television sets from foreign lands, made by American companies.

Even more exasperating and even more frightening to me is what has happened with respect to imports from Japan. Japan shipped to the United States in the first 9 months of this year about 2 million television sets. Imagine how many jobs were lost to American workingmen.

So I am fighting for members of the union; I am fighting for the working people of this country, and for all the people of this country, because if we do not do something about this situation to bring about a better balance, we are going to see more and more jobs go abroad. It is happening every day. I trust this body will realize that this is a first step to correct that situation. This is a very much needed step, and if we do not take this much needed step, we will probably never take it. I hope we will have a commission or board appointed by the President which will include labor officials, officials of industry, and officials of Government, a board that will get together and make a study of this problem and report back to the President, because this is one of the most serious problems facing this Nation today. That is why I am so anxious to take this first step.

Mr. CASE. Mr. President, amendment 303 proposes to revoke the tax exemption of any organization which carries on any voter registration.

In other words, organizations such as the Southern Regional Council, which conducts voter registration drives in the South, and the League of Women Voters, which conducts such drives throughout the country, would be forced to halt these activities or give up their tax-exempt status.

But the heritage of amendment 303 and a full page ad in the Washington Star indicate the amendment is aimed primarily at the tax-exempt status of labor unions.

The ad, paid for by the National Right To Work Committee, which is a tax-exempt organization itself, said the amendment "would treat unions like other tax-exempt organizations by removing the exemption privilege if any part of union 'dues, assessments, fees, or other charges imposed on the members' were used for politics."

The heritage of amendment 303 is derived from amendment 145, which specifically singled out labor unions and exempted all other tax-exempt organizations from its provisions.

While broadening its coverage to include all tax-exempt organizations, amendment 303 narrowed the type of political activities which would be grounds for revocation of an organization's tax-exempt status.

The original amendment called for loss of an organization's entire exemption if any portion of its dues or assessments was used "to support or oppose any candidate for public office or for other political purposes."

The new amendment is more specific, limiting the type of political activities affected, to support, or opposition to a candidate or a political party, or to carrying on voter registration.

The Corrupt Practices Act already makes it illegal for labor unions, along with corporations, to make a contribution or expenditure in connection with any election for President, Vice President, or Members of Congress.

In shaping the contours of the Corrupt Practices Act, Congress specifically sought to develop a balance to afford all groups a fair opportunity to take part in our political process. This act was not hastily drawn nor lightly considered. Indeed, in 1967 the balance struck by the act was reaffirmed by the Senate by rejecting a proposal which would have prohibited group activity in the political area.

The consideration and debate which preceded enactment of the Corrupt Practices Act demonstrated the complex policy questions which are involved in this area. Yet, amendment 303 is offered without benefit of thorough study and in the absence of committee hearings of its provisions.

The impact on voter registration drives is obvious. Not so obvious are its consequences on other activities of civic, charitable, and other nonprofit organizations which might be construed as opposition to a political party.

I shall vote against the amendment.

Mr. TALMADGE. Mr. President, I would like to have stated the amendment in the nature of a substitute which is pending at the desk.

Mr. FANNIN. Mr. President, I would like to make an inquiry of the Senator from Georgia.

Mr. TALMADGE. I yield for a parliamentary inquiry or such other inquiry as the Senator may have.

Mr. FANNIN. Is the Senator submitting an amendment?

Mr. TALMADGE. I am offering an amendment in the nature of a substi-

tute to the amendment proposed by the Senator from Arizona.

Mr. FANNIN. I thank the Senator.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. TALMADGE. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with, and that the amendment may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD, is as follows:

On page 148, line 16, insert the following:

"SEC. 122—POLITICAL ACTIVITIES OF TAX EXEMPT ORGANIZATIONS.

"(a) DENIAL OF EXEMPTION.—Section 501 (relating to exemptions from tax) is amended by redesignating subsection (e) as (f) and by inserting after subsection (d) the following new subsection:

"'(e) PROHIBITION ON CERTAIN POLITICAL ACTIVITIES.—No organization described in subsection (c) or (d) shall be exempt from taxation under subsection (a) for any taxable year in which any part of its income or assets or of the amounts received for its support (including, in the case of a membership organization, dues, assessments, fees, or other charges imposed on members) is contributed to any candidate for Federal office. For the purpose of the preceding sentence, a contribution shall be deemed to occur only where cash or its equivalent or property which has an ascertainable fair market value is transferred to or otherwise made available to a political party or to a political candidate or to an organization formed or availed of to support a political candidate. A contribution shall not be deemed to occur where the principal character of an activity in support of a political party or a political candidate constitutes mobilizing membership of the organization for such purpose, as distinguished from the contribution of cash or its equivalent or property which has an ascertainable fair market value.'

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1969."

Mr. TALMADGE. Mr. President, I applaud the distinguished Senator from Arizona for his attempt to close a very important tax loophole. It cannot be doubted that a great many tax-exempt organizations do make substantial political contributions to candidates for office. I share the Senator's objection to the improper diversion of tax-exempt funds from their intended purpose into large-scale subsidies for political candidates. I believe our normal political processes must not be subverted through massive injection of tax-exempt funds into political contests.

However, I am equally concerned that we not impair or destroy those legitimate political activities in which American organizations have traditionally engaged.

It is desirable that citizens who have similar objectives work together in membership organizations to make their voices heard in the democratic process of electing their representatives in Government. And, it is wholly proper that this activity occur through membership organizations such as chambers of commerce, labor unions, trade associations, civic clubs, and similar groups holding a tax-exempt status.

These are not charitable and educational organizations, on which special restrictions must be imposed because contributions to them qualify as charitable contributions for the purpose of a tax deduction. They are instead organizations which have been formed by their members because they desire to make common cause in a particular area. They may be businessmen, club members, farmers, union members, realtors, manufacturers, doctors, lawyers, and so on. They have a common interest within their particular area and that common interest naturally extends to the question of who represents them in Government.

It is true that the groups mentioned are not organized primarily for political purposes. Farm groups perform such diverse functions as advising their members of the latest farm technology and providing low-cost insurance. Labor unions are organized primarily for collective bargaining. Professional associations police their own membership and maintain the high standards of the profession. It would be punitive and unfair to eliminate the tax-exempt status of these worthy organizations just because the members of the organization wish to express their common voice in favor of a particular candidate or a particular party. It should not be our purpose to stifle that common voice. It should instead be our objective to insure that the tax-exempt funds are not diverted by these groups to support political parties and candidates.

Let us look carefully at the amendment of the Senator from Arizona. Read subsection (e). This amendment states that an organization shall lose a tax exemption if any part of its income or the amounts received for its support are used directly or indirectly to support a candidate, a party, or to carry on voter registration. This amendment is so broad that if a union rented a public hall to hear a particular political candidate, it would be subject to losing its tax exemption. It would have spent a part of its income to support a candidate for public office.

If a farm organization were to adopt a resolution in support of the farm policy of a particular party during a campaign, it could lose its tax exemption because of the incidental expense involved in publishing the resolution.

Under the language of the Fannin amendment, a civic club which organized its membership to make telephone calls for a party or candidate would lose its tax-exempt status.

Mr. FANNIN. Mr. President, will the Senator from Georgia yield?

Mr. TALMADGE. I yield.

Mr. FANNIN. I want to clarify one point. When the Senator says "civic club," would that be the same as a chamber of commerce, say?

Mr. TALMADGE. Any tax-exempt organization; yes, sir.

Mr. FANNIN. I would refer to the present law, "Political activities of social welfare organizations such as civic leagues which are exempt from section 501(c)(4) are limited by regulations issued under this section." So, they are already covered.

Mr. TALMADGE. Would the Senator repeat that, please?

Mr. FANNIN. "The political activities of social welfare organizations such as civic leagues which are exempt from section 501(c)(4) are limited by regulations issued under this section."

These regulations provide promotion and social welfare, but does not include those participating in a political campaign on behalf of or in opposition to any candidate for public office. So, they are already covered.

Mr. TALMADGE. I do not recall any of them that have ever had tax exemption revoked simply because they participated in the right of free speech under the Constitution of the United States.

Mr. FANNIN. Nor would they have, under my amendment. They absolutely would not have.

Mr. TALMADGE. As I read it, it says:

No organization described in subsection (c) or (d) shall be exempt from taxation under subsection (a) for any taxable year in which any part of its income or assets or of the amount received for its support including in the case of a membership organization, dues, assessment, fees, or other charges imposed on members if used directly or indirectly.

As I read that——

Mr. FANNIN. Go on, go on to the other three items.

Mr. TALMADGE. "To support or oppose any candidate for public office, to support or oppose any political party, or to carry on any voter registration."

I have had that carefully analyzed by some expert lawyers, and it is so broad that if a farm group got someone to fly down to Georgia to explain the farm program and he wound up denouncing the Republican Party or the Democratic Party, and they had paid his transportation to Georgia, they would lose their tax exemption as a result thereof.

Mr. FANNIN. That is a wide interpretation. I have had this properly and thoroughly checked by former counsel of the National Labor Relations Board and by attorneys who are reliable here in Washington, and in Arizona, and that simply is not true.

Mr. TALMADGE. I read the language again——

Mr. FANNIN. I understand the language. But that is the Senator's interpretation.

Mr. TALMADGE. Where they pay out of dues or assessments or fees or other charges imposed on the members, if it is used indirectly to pay a speaker to speak to an organization, and he denounces another political party or one of the candidates, it would be using that money indirectly or directly.

Mr. FANNIN. If he is using tax-exempt money to go down to Georgia to carry on a campaign, that naturally would be. But what the Senator is talking about is so far-fetched, where a person would go down to Georgia and talk, and in addition would talk and be involved in what the Senator is talking about, that would not apply.

Mr. TALMADGE. Let us use this illustration: A junior chamber of com-

merce at a national convention, if it had a candidate for President speaking there to the organization, would certainly be using their facilities to aid a political campaign.

Mr. FANNIN. Not one at the expense of the other. All we are asking for is a balance, for fairness. I talked to the president of the National Jaycees in Oklahoma City, and their counsel, and certainly I do not agree with the Senator's interpretation, and they do not, either.

Mr. TALMADGE. I think anyone who studies the language knows that it is broad enough to cover the situation to which I have referred. Everyone I have had look at it thought the same thing.

Mr. FANNIN. The exact opposite has been true. In my analyzation of it by legal counsel, I made sure that we would be careful when the language was prepared, to be sure that it did not cover anything of that nature.

Mr. TALMADGE. I think the language is so broad that if an association of manufacturers that paid the travel expenses of a member who spoke in favor of a political party would be denied its tax-exempt status.

Mr. FANNIN. That is not the interpretation given to me. It is cetrainly not the intent.

Mr. TALMADGE. I fear that Senator Fannin's amendment is so broad that it would preclude any partisan mention of political candidates by such organizations as the AFL–CIO, the National Association of Manufacturers, and the U.S. Chamber of Commerce in their own newspapers or other communications to members. It would also preclude the preparation and distribution of an analysis of the voting record of an elected representative on issues of concern to the members of the organization.

Mr. President, I believe that there is a great deal of merit in the Senator from Arizona's proposal. However, it must be modified to make clear that tax-exempt organizations can continue to engage in legitimate membership activities.

We should close the tax loophole that permits tax-exempt organizations to subsidize the campaigns of political candidates, but we can do this without harsh and punitive legislation.

Therefore, I would amend the proposal of the Senator from Arizona by the inclusion of language in the susbtitute I have proposed to the Senator's amendment, which would make it clear that the mobilization of an organization's manpower in favor of a political candidate or party is permissible. This kind of activity will be permissible only so long as the principal character of the activity is the mobilization of its membership rather than the contribution of cash or property.

Mr. President, I hope the Congress will act with restraint and reason in its attempt to curb abuses by tax-exempt organizations. It would be a tragedy if we were to deny to legitimate tax-exempt organizations of this Nation the right to give voice to the opinions of their members. To do so would be to deny freedom of expression to a force essential for a viable democracy.

In fact, to do so, in my judgment, would be violative of article I of the Constitution of the United States which grants to every citizen of the United States the right to free speech.

I doubt that Congress would do so.

(At this point, Mr. COOK took the chair as Presiding Officer.)

Several Senators addressed the Chair.

Mr. TALMADGE. Mr. President, let me first explain my amendment, then I will gladly yield.

The amendment I have proposed would do this: No organization described the same as the Senator's language shall be exempt from taxation under subsection (a) on any taxable year in which any part of its income or assets or of the amounts received for its support including in the case of a membership organization, dues, assessments, fees, or other charges imposed on members which contributed to any candidate for Federal office.

For purposes of the preceding sentence, a contribution shall be deemed to occur only where cash or its equivalent or property which has an ascertainable market value is transferred to or otherwise made available to a political party or to a political candidate, or to an organization formed or availed of to support a political candidate. A contribution shall not be deemed to occur where the principal character of an activity in support of a political party or a political candidate constitutes mobilizing membership of the organization for such purpose as distinguished with the contribution of cash or its equivalent or property which has an ascertainable fair market price. The effective date will be the years beginning after December 31, 1969.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield first to the Senator from Florida, who attempted to get recognition a moment ago.

Mr. GURNEY. Mr. President, I certainly compliment the Senator from Georgia on his amendment which cuts off the contribution of cash or property which may have value as far as espousing any particular candidate or party is concerned; but let me ask him to clarify the meaning of his language to some extent here.

All of us know that scores of dollars, millions of dollars, flow from labor union treasuries into political campaigns every election year. We also know that contributions go in two ways. Some are in cash and go directly to the candidate, to be used by him in whatever ways he wants. The amendment would cut that off. But the Senator also knows that the bulk of funds is used in other categories, the hiring of workers to espouse the candidate's cause.

Let us take an example. One of the operations in a campaign is the boiler room activities, where 100 or 200 telephones are hooked up, financed solely by labor union funds. What would the Senator's amendment do as far as that is concerned? Would it cut that off?

Mr. TALMADGE. I think any organization could make telephone calls or anything of that nature if it did not contribute cash or anything of ascertainable market value. That is what my amendment precludes.

Mr. GURNEY. I take it the Senator's answer is that if there were a couple of hundred telephones hooked up in a room in Dade County, Fla., for example, to espouse the cause of the Democratic candidate for Congress or for the Senate, or, for that matter, the Republican candidate for Congress or for the Senate, the Senator's amendment would not hit at that?

Mr. TALMADGE. Any tax-exempt organization could go out and attempt to get votes for a candidate. It could not contribute money or anything of ascertainable market value to any candidate or party in any Federal election.

Mr. GURNEY. What about workers, for example? Say a tax-exempt organization hires a couple of hundred workers whose job it is to distribute literature on behalf of a particular candidate or party. Would the Senator's amendment cut that off, or would it be legal after the Senator's amendment becomes law, if it does?

Mr. TALMADGE. If it constituted a contribution of ascertainable market value, it would be precluded. I attempted to draft the amendment in such a way that it would not preclude any tax exempt organization from fully participating in the political activities of the candidate or party of its choice; but it could not take money collected from its members in any way whatsoever to contribute to the candidate or party in such a way that it would constitute money or something of ascertainable market value.

Mr. GURNEY. I do not disagree with the Senator's statement that tax-exempt organizations ought to have a right to persuade their members to vote one way or the other. I think that is legitimate political activity. But I do not think the amendment strikes at the heart of the matter, and from the colloquy we have had here, if a union, for example, contributes money for boiler room operations in which workers would work for the party or candidate, it would not be covered. That is what the amendment of the Senator from Arizona does. It cuts off that kind of activity as well as the direct contribution of cash; and it is the other kind of activity, to help turn out the vote, which is usually the deciding factor in the campaign.

Mr. TALMADGE. If it did any work involved in a political campaign, then it would have an ascertainable market value and would be precluded.

Mr. GURNEY. Let us pursue that point, because that is important. If the amendment of the Senator from Georgia is adopted—and I think one amendment or the other may be adopted—I think we should have legislative history on it, and that is what I am trying to find out.

Mr. TALMADGE. If they recruit and hire employees to participate in that campaign for a candidate, then it would have an ascertainable market value and it would be precluded. On the other hand, if they had full-time employees who had been employed full time and

had been used, that would not be precluded.

Mr. FANNIN. That means that employees could be employed and money could be spent on them to do political work. It would be legitimate under the amendment of the Senator from Georgia. If, let us say, $1 billion had been raised from dues, $400 million could be taken out of that fund if they did not enter into political activity. In other words, they could save that money and cut it in half, is that not true, by using year-round employees?

Mr. TALMADGE. Under my amendment, a tax-exempt corporation could exercise its rights under the first amendment of the Constitution of the United States to support a candidate. I think to do otherwise would be a denial of free speech which is inherent in our Constitution. I thought the Senator's objective here was to get at money for political campaigns out of contributions.

Mr. FANNIN. It is just as bad to utilize money that goes for campaigns to hire employees to work for a candidate or party. What difference does it make? The Senators says they can take hundreds of millions of dollars and use it going from house to house, and do anything they want to in political activities. The Senator's amendment defeats the purpose of my amendment.

In other words, they could keep their regular work staff and they could have any size staff they wanted to if the staff were hired year round. Then they could use their surpluses and throw it into any type of service they desired. That is exactly what we are trying to prevent here. In other words, the organization could take the union members' dues which are tax exempt and use them that way. A member has not anything to do with how that money is spent. Many members have written to the Senator from Georgia and to me complaining about this. Still, the organization could take that member's money. No tax would be paid on it, but it is extracted from him.

Mr. TALMADGE. If the Senator will read my amendment——

Mr. FANNIN. I have already read it.

Mr. TALMADGE. It reads:

A contribution shall not be deemed to occur where the principal character of an activity in support of a political party or a political candidate constitutes mobilizing membership of the organization for such purpose . . .

Mr. FANNIN. And so they can use regular employees in any activity that they so desire.

Mr. TALMADGE. Any tax-exempt organization does that now. The AMA mobilizes its membership. The National Association of Manufacturers mobilizes their members. The lawyers mobilize their members. The doctors mobilize their members.

Mr. FANNIN. My amednment applies to the AMA and the Chamber of Commerce——

Mr. TALMADGE. I am aware of that, but I do not want to deny them a precious right which they have——

Mr. FANNIN. No one denies them the precious right which they have, but they are not going to get tax-exempt status under my amendment if they engage in political activities.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. PACKWOOD. I wonder if the Senator will make a distinction between two facets of this question. On the one hand, the Senator says any organization can use its work force if it limits contacts with their own members.

Mr. TALMADGE. Yes.

Mr. PACKWOOD. But there is a second distinction, and that is the category in which the organization goes beyond contacting their own members. The amendment says "cash or its equivalent or property which has an ascertainable fair market value." It is the "or its equivalent" which has me bothered, because to me that should include the value of paid people.

Mr. TALMADGE. It would if it went outside their own membership.

Mr. PACKWOOD. In other words, if the union takes its business agent, who is its full time business agent all year long, and, for September and October, delegates him to go to work for the Republican or the Democratic Party, or puts him in a boiler room operation that is calling people beyond its own membership, that is proscribed by the Senator's amendment?

Mr. TALMADGE. I think it would be.

Several Senators addressed the Chair.

Mr. TALMADGE. I am delighted to yield to the Senator from Florida for a question.

Mr. GURNEY. Just to follow up the question of the Senator from Oregon so we can pin it down, in some cases, labor organizations have actually lent a staff man to a political candidate, to help out in his operation; and, as I understand, the Senator's amendment would proscribe that also?

Mr. TALMADGE. That is correct. That would be ruled out.

Mr. GURNEY. I thank the Senator.

Mr. TALMADGE. Mr. President, I yield the floor.

Mr. MONDALE. Mr. President, I rise to oppose the amendment offered by the Senator from Arizona.

This is quite an amendment. I think the Senate ought to understand what it would do. May I have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

Mr. MONDALE. This amendment does not prohibit unions from contributing treasury cash to Federal candidates, because that is already prohibited under Federal law. There is no issue here as to the use of compulsory dues by a union to help Federal candidates, because that is and has been prohibited by Federal law for many years.

This amendment tries to go beyond that, and thoroughly emasculate the capacity of unions and their membership to do anything, including advising their own members as to whom they support and whom they oppose, and including activities to encourage voter participation; and it extends beyond unions to every other kind of tax-exempt organization, such as the NAM, and AMA, the League of Women Voters, and any other similar organization. That is what it does.

There are certain things that it does not cure. I call the attention of the Senate to two very large advertisements which recently appeared in the Washington Evening Star and the Washington Post, sponsored by the National Right To Work Committee. This is a tax-exempt organization.

One of them states, after beginning with a quotation by Senator FANNIN:

Amen, Senator. An open letter to all the Members of the United States Senate.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. MONDALE. I will yield when I complete my remarks.

Do you want working people to be compelled to contribute to your election campaigns for public office? We think not.

Get this sentence:

Yet thousands of public officials, including many Members of the United States Senate, probably would not be in office today were it not for union spending of compulsory dues money in their election campaigns.

Many of us are apparently here only because unions violated the Federal law and contributed union dues money to us.

This particular advertisement was paid for by this tax exempt, nonprofit organization, and they can continue to spend these thousands of dollars in that way, under the Fannin amendment, and not be touched at all.

Now, suppose a union president, feeling that he has been libeled by this false allegation in this advertisement on behalf of the Fannin amendment, writes an editorial in a union newspaper saying that we should defeat people who support the amendment, because it utterly destroys the capacity of the union to serve its membership, without the use even of compulsory dues. Under the Fannin amendment, that union would lose its tax exemption. It would be silenced, and have to pay corporate income tax on the dues paid into the union, even though none of those dues could be used for political purposes.

That is what the Fannin amendment does. It is an unfair, one-sided, anti-labor amendment, designed not only to prevent citizens from contributing to a political campaign, but from even speaking up and asserting their rights under the First Amendment.

It does many other things. The League of Women Voters, for example, is a tax-exempt organization. In recent years, it has undertaken many exciting efforts to try to broaden voter participation in our country. In New York and Dayton, Ohio, for example, they have worked with churches and civic groups in an inner city registration drive, which added 4,000 new voters. In addition, in Waterloo and Cedar Falls, Iowa, the League of Women Voters worked together to aid in voter registration. Throughout this country, the League of Women Voters is trying to broaden the number of people who participate in elections as United States citizens should.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MONDALE. I am delighted to yield to the Senator from West Virginia.

Mr. RANDOLPH. It is very important—yes, it is necessary—that voter registration drives by many organizations go forward on many fronts. I point to the need for participation, not only of those citizens who are unregistered, but of those who are registered but then fail to participate with the actual use of the franchise of freedom—the ballot.

The able Senator from Minnesota (Mr. MONDALE) has mentioned certain areas of this country in which registration efforts have been made by organizations, especially the excellent work of the League of Women Voters. We had, in the Commonwealth of Virginia, in the first primary in the crucial and bitterly contested governorship race this year, only 27 percent of those eligible to vote in that State who actually went to the polls. I think such an evident lack of real action is a tragedy, and yet it occurs. In New York City in the primary the results were somewhat better, but only 32 or 33 percent of the eligible voters in New York City used the ballot on that occasion. The voting culminated months of intensive campaigning, with millions of dollars spent to interest the people.

There is a very real need, as I have indicated, for efforts by organized groups to elicit the participation of their members and people generally, in voter registration. Whether they vote after they have registered is an individual determination, as is the way they vote. Too often they do not vote, and thus they weaken the elective process—the heart of our Republic's strength.

I decry this trend in our American system. There is a great body of young Americans that should be challenged with the opportunity to use the ballot, where now they are denied it. I speak of our 18-, 19-, and 20-year-olds. In 1942, as a Member of the House of Representatives, I offered one of the first constitutional amendments to lower the voting age to 18. I have repeated the effort through the years, often frustrated, but continuing within the legislative process to bring this to fruition.

Yes, the fact has been somewhat overlooked, even by the news media, that now the constitutional amendment which I have introduced and which is pending, has 66 cosponsors. There are four other Senators who have told me they will support my resolution when it comes to the Senate for decision. As Senators know, it is not two-thirds of the Senators present and voting, but two-thirds of the membership of the Senate, who can pass a constitutional amendment to be referred to the States for decision. I am very pleased to emphasize that, even though some of the Members of this body may not realize it that there are 66 Senators who have joined as cosponsors of my resolution.

I believe, if we check with the Subcommittee on Constitutional Amendments and the Committee on the Judiciary membership itself, we have the necessary votes to bring the measure to the Senate. I am hopeful that in January, we shall have an opportunity, in hearings, to focus attention on this very important matter.

I only wish there might be the kind of march that would bring youth to Washington, D.C., not to be against something but for something—an expression affirmatively, and hopefully, in their vigorous endorsement of the voter for 18-, 19-, and 20-year-olds. I think here is an answer to much of the problem that we now have with our young people. I only wish they could see it. Many of them do. Somehow we must help them realize the importance of doing more than they have done to bring about this opportunity for the States to face this issue, after Congress acts. A national thrust is vital now.

I do not say to the States what they shall do, but we would give the impact of congressional support to the 18-, 19-, and 20-year-old voting. Our country needs this successful effort at the present time.

I realize that that is an aside from what we are to vote on but I feel my views can be woven into the fabric of the broader discussion.

I am not critical of any Member who presents an amendment of this kind. I am listening to the debate with intense interest. Senators FANNIN and TALMADGE have given careful study to this problem. I fear, however, that their amendments will be a deterrent to organizations, including labor unions, which have persevered effectively in a legitimate way to interest people in active participation in the processes of government. We must not strangle these efforts. The intention, I am sure, is not to do so but the result can well be to that effect. I shall, therefore, vote against the amendments.

Mr. MONDALE. Mr. President, I thank the distinguished Senator from West Virginia for his most useful comment. No one has worked harder to bring the right to vote to those who are 18 years old or older, than has Senator RANDOLPH. Indeed, I am sure that his efforts will one day succeed and our Nation will be the stronger for it. His eloquent appeal today for broadened voter participation underscores the need to encourage, not discourage, efforts by the League of Women Voters, by organized labor, and by others who seek to increase broader participation. I commend him for it.

One wonders why the great fear, why the great apprehension which leads to these efforts to discourage the League of Women Voters and the foundations, just as, a day or two ago, we saw efforts to discourage private organizations and foundations from encouraging nonvoters to register and exercise their franchise.

This same kind of fear of people voting is seen in many States where registration laws are deliberately set up to block a working man from registering to vote during working hours. Voting registration is set up to coincide with working hours. And a man who is working an 8-hour shift cannot register to vote.

The professional man, however, can easily get off a few hours to vote. And his wife can easily take their second car and go to register.

In some States we have registration each year. And the lists are purged. That makes it exceedingly difficult for the average uninformed working person to even know of the complicated restrictions that make invalid, unknowingly, his capacity to even participate.

Some States, for example, hold registration during a period when they know that thousands and thousands of their people are out of State as migrant laborers. This is done because they know these people will be unable to register and participate in their elections.

This is done even though the migrant workers are in the majority in those counties.

We find here an amendment that would try to destroy the capacity of the League of Women Voters to expand and increase the number of participants who can register and vote in these communities.

I find it to be a very strange activity.

Mr. PACKWOOD. Mr. President, is the Senator talking about the amendment of the Senator from Georgia?

Mr. MONDALE. I am talking about the amendment of the Senator from Arizona.

Mr. PACKWOOD. Mr. President, I understand that in the colloquy had a while ago, we agreed, I thought, that this amendment would not apply to the League of Women Voters or to the Chamber of Commerce.

Mr. MONDALE. It applies to the League of Women Voters whenever it officially participates in the voter registration by the terms of the amendment.

Mr. FANNIN. Mr. President, I support the League of Women Voters.

Mr. MONDALE. We are not talking about theoretical support. We are talking about opposing any effort to register.

Mr. FANNIN. Insofar as the League of Women Voters is concerned, if they have voluntary contributions, that activity would not be affected.

I have never heard of them making any money. I do not know why their tax-exempt status is so important to them.

Mr. MONDALE. Mr. President, this is the same issue that we had a few days ago in the consideration of the Yarborough-Scott amendment when it was the effort of some to prevent private foundations from participating in voter registration.

The Senate Finance Committee adopted the amendment. They said it was wrong for private foundations to do so and that they would lose their tax-exempt status if they participated in any way in expanding the right to register, vote, and participate in American politics.

This is the same issue. However, this involves the League of Women Voters. This is directed against the League of Women Voters.

Mr. FANNIN. It is not directed at the League of Women Voters.

Mr. MONDALE. It says that if an officer of the League of Women Voters, a full-time, paid person, participates and uses the assets of the League of Women Voters to broaden the registration of persons to vote, they are in jeopardy of losing their tax-exempt status. It is the same thing with respect to unions or any other organization. They should have the right to expand the number of

people who assert their right in a democracy to vote.

Mr. FANNIN. We are trying to do exactly the opposite of what the Senator says. Since the Senator referred to same by name——

Mr. MONDALE. I have not yielded yet.

Mr. FANNIN. The Senator referred to me by name.

The PRESIDING OFFICER (Mr. MATHIAS in the chair). Does the Senator yield?

Mr. MONDALE. I am glad to yield for a question.

Mr. FANNIN. Mr. President, the Senator referred to my name in an advertisement. I wish the Senator would let me explain.

I do not object. This memorandum is 4 pages long. They devote 3 pages of the memorandum to me. They use a very fine high school picture of me. I do not know where they got it.

They talk about my amendment. It is very misleading. I do not object to that. However, Evelyn Dubrow, the legislative representative of the International Ladies' Garment Workers' Union is distributing a 7- or 8-page memorandum on my amendment.

The memorandum says:

> The amendment would not affect business-oriented and many other tax-exempt organizations (such as the National Association of Manufacturers) which are free to participate in political activities without loss of tax exemption. The Fannin amendment is just an antiunion proposal intended to increase the political power of business groups and other special interest groups such as right wing organizations by according them preferential status under the tax laws.

They are all covered by my amendment. I do not understand what the Senator is talking about.

Mr. MONDALE. Mr. President, then I will renew my point. These ads have cost the tax-exempt Right To Work Committee thousands of dollars. They declare that many of us in the U.S. Senate, because we receive illegal campaign contributions from union treasuries, should vote for the Fannin amendment.

If the union, for example, should write an editorial that some Senator should be opposed because he sponsored this amendment, or that another Senator should be supported because he opposed the amendment, under the Fannin amendment that union would lose its tax exemption.

The Right To Work Committee that sponsored these ads retains a tax-exempt status. However, if a union treasury advises its own members on an issue that it feels is essential to the welfare of that organization, it can lose its tax exemption.

That is one of the reasons why I oppose the amendment.

Mr. FANNIN. Mr. President, will the Senator yield?

The Senator is making statements that are simply not true.

Mr. MONDALE. Is the Senator from Arizona claiming that his amendment in any way affects——

Mr. FANNIN. I say it does not affect this publication in any way. It does not affect that publication. I did not intend for it to affect them.

I am not trying to have an all-encompassing amendment.

Mr. MONDALE. Mr. President, let me ask this question. Suppose a union would write an editorial in its paper, its official paper, and say, "Senator MONDALE should be supported in the next election because he opposed the Fannin amendment that we found to be inimical to our best interests."

Mr. FANNIN. I do not object to them opposing me. This publication is perfectly legal.

Mr. MONDALE. The Senator has not answered my question. So, I will ask it and answer it myself.

If the union wrote that ad, it would lose its tax exemption under the amendment.

Mr. FANNIN. This is not true. And here is the evidence of it.

Mr. MONDALE. The amendment says that any union which uses its dues assessments or fees directly or indirectly to support or oppose a candidate loses its tax exemption.

That is precisely what I referred to.

Mr. FANNIN. What did the Senator have the memorandum on COPE for? They do not lose anything as long as they operate within the law.

Mr. MONDALE. I think the point is very close.

Mr. GURNEY. Mr. President, will the Senator yield for a question?

Mr. MONDALE. I have some other remarks to make, and then I will yield.

The amendment goes beyond the prohibition of the contributions of dues which is now prohibited. In effect, it would nullify the Yarborough-Scott amendment adopted a few days ago for foundations to be able to participate in voter registration drives.

This would say to the League of Women Voters, now a tax-exempt organization participating in voting registration drives, "If you use any assets, any fund money, you jeopardize your continuation as a tax-exempt organization."

It goes so far—and I agree with the Senator from Georgia on this—that in my opinion it even impairs the rights of an organization or a person under the first amendment by declaring that to be illegal, if one wishes to keep his tax-exempt status, to support or oppose any candidate. So that if a union or if a tax-exempt organization sends out in its newspaper a letter in support of one of us or in opposition to one of us, it loses its tax-exempt status. If it supports or opposes any political party, it loses its tax-exempt status.

This is an unparalleled, unprecedented effort to interfere with the right of tax-exempt organizations to express themselves pursuant to the guarantees of the first amendment of the Constitution.

Moreover, it would place the power to drop the guillotine blade on any of these organizations at the discretion of the tax commissioner. He would first decide who had violated this broad rule and who had not. Every nonprofit organization—the League of Women Voters, the NAM, the AMA, the National Rifle Association, the Farm Bureau, the Grange, the chamber of commerce, the American Legion, the American Cooking Association, the AFL–CIO, the National Right To Work Committee, boards of trade, social organizations, life insurance associations, credit unions—would never know, when they speak to their own members, when the Internal Revenue Service would say, "You are now to be taxed as a corporation."

I say that it is an unprecedented effort to interfere with the right of people to speak out in the political matters of this country and must be defeated.

Mr. President, this amendment was never the subject of any hearings before the committee. It strikes at the laws of States and local governments as well as the Federal Government, without any hearings. It could affect local chambers of commerce and the other organizations to which I have referred, and it would, more than any other proposal I have seen, interfere with and imperil the vitality of the democratic processes of our country.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. HARRIS. Mr. President, I wish to join in the statement being made by the distinguished Senator from Minnesota (Mr. MONDALE).

As a member of the Committee on Finance, I opposed and voted against this amendment or a similar amendment when it came up there, because I agree with the distinguished Senator from Minnesota that we ought to be doing everything we can in America to broaden the voting base and to make it easier for people to take part in our political processes. I think this amendment will do just the opposite. I think it will make it much more difficult for a great number of people who have associated themselves together in various kinds of organizations to take part in the political process, to broaden the base.

Therefore, I commend the distinguished Senator from Minnesota for the careful way in which he has presented his arguments to the Senate, and I hope his arguments will be approved by the Senate.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. MONDALE. I yield to the Senator from Missouri.

Mr. EAGLETON. Mr. President, I believe the remarks of the Senator from Minnesota (Mr. MONDALE) clearly demonstrate that the basic thrust of the Fannin amendment is not to eliminate an inequity in the present law, but it is in fact, designed to create an inequity.

The Senator from Minnesota has pointed out that the present law, with respect to political activities of tax-exempt organizations, applies to labor unions and that all tax-exempt organizations are treated equally. The only exceptions are charitable organizations which operate under a "no-politics" rule. So, contrary to the proponents of the Fannin amendment, labor unions do not enjoy any special privilege. There is no loophole here.

The Fannin amendment has been revised to apply to all tax-exempt organizations to give the appearance of neutrality. But it is a rather badly kept secret that even in its revised form, it is aimed primarily at the political activi-

ties of labor unions. In spreading its net a little more widely, the Fannin amendment now would catch another tax-exempt organization that carries on voter registration drives, as has been pointed out by the Senator from Minnesota—the League of Women Voters.

On Thursday of last week, the Senate adopted the amendment of the Senator from Texas (Mr. YARBOROUGH) which would permit foundation grants to organizations such as the League of Women Voters to carry on broadly based, nonpartisan, voter education and registration programs. The Fannin amendment would prohibit these activities by the League of Women Voters. Clearly, this is not the will of the Senate, but it would be a side effect, perhaps inadvertent, of the Fannin amendment.

The central issue, the intent of this amendment, is to put organized labor at a disadvantage vis-a-vis corporations with respect to political activities. Again, as the Senator from Minnesota has made clear, the present law is evenhanded in this regard. Under the Federal Corrupt Practices Act, which is on the law books and has been for many years, unions and corporations are treated identically. Both are prohibited from making direct contributions to candidates for public office. Both are permitted to collect and distribute voluntary political contributions. Unions are permitted to use union funds to provide political information to their members and to conduct nonpartisan activities such as voter registration drives. Corporations are permitted to deduct expenditures for the same kinds of activities. They may deduct the expenses of advertising their views on "financial, social, and other subjects of a general nature," and of encouraging their employees to register and vote and contribute to the party of their choice.

In short, under the present law, the criminal code prohibits the same activities by both unions and corporations. Corporations are allowed to deduct expenses for the very same political activities that labor unions are allowed to pursue with tax-exempt funds.

As I said when I commenced, it is clear to me—and it is even now more abundantly clear, after listening to the Senator from Minnesota in his exposition of his arguments—that the intention and the effect of this amendment is to create an inequity in the law where none now exists. For this reason, I shall cast my vote in opposition to the Fannin amendment.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. MONDALE. I shall yield in a moment.

I thank the Senator from Missouri for his comments. I think his comments are accurate, in order, and help expose the basic unsoundness of the proposed amendment.

I yield to the Senator from Florida for a question.

Mr. GURNEY. As I understand from the colloquy that has preceded, the Senator from Minnesota does not support the Fannin amendment; but, as I understand from what he has said, he does support the Talmadge amendment and will vote for it. Is that true?



Mr. MONDALE. I have been addressing my remarks to the amendment of the Senator from Arizona. I have not commented on the other issue.

Mr. GURNEY. But, as I understand the Senator's proposition, the present law provides that labor unions cannot contribute to candidates for Federal office, and of course this is what the Talmadge amendment simply says, except that it does define, among contributions, property of value. So I assume that the Senator from Minnesota will vote for the Talmadge amendment, and I certainly hope he will.

Mr. MONDALE. I thank the Senator from Florida.

Mr. President, a comment was made earlier about the vast amount of funds which are contributed to candidates for Federal office. I believe the comment was made that half the dues which are paid into unions could be eliminated if it were not for these tremendous campaign contributions by union members. I see in the Chamber the Senator from Tennessee, one of the Nation's experts on the issue of election reform.

We have obtained authoritative figures on the 1956 elections. I believe these figures were developed by the Senator from Tennessee in hearings. It shows that 12 families and the officers of 225 of the largest corporations made contributions of $500 or more that totaled $3 million; union officials together contributed $19,000 and all union members contributing voluntarily in this country made contributions of only $1 million or one-third of the total contributed by the wealthy individuals mentioned above.

It is illegal and a felony for a union to contribute to a candidate from union treasury funds in a Federal election. The only funds that can be contributed are those that are contributed voluntarily in a Federal election. The other statements we have heard to the contrary are false.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. GRIFFIN. Does the Senator know if there have been any convictions under the Federal Corrupt Practices Act as far as unions violating that provision?

Mr. MONDALE. I am not an expert on the Federal Corrupt Practices Act. The same question could be asked about corporate contributions. There is a case pending now relating to labor unions.

Mr. GRIFFIN. It is my understanding that although that law has been on the books for a good many years, there has never been any conviction under it.

Would the Senator answer this question? Under the Federal Corrupt Practices Act, a labor organization is prohibited from making contributions to a candidate for Federal office. Suppose the union makes a contribution to the Americans for Democratic Action and the Americans for Democratic Action make contributions to a candidate for Federal office? How about that?

Mr. MONDALE. Well, it is my opinion, and it always has been my opinion that when a law prohibits something, one cannot do indirectly what he is prohibited from doing directly.

While I am not an expert as to what the law might be in every instance in connection with the Federal Corrupt Practices Act, where it relates to business corporations or unions, both of which are prohibited now from making such contributions, it has been my clear experience and the experience of everyone that I have talked that unions do not contribute out of their treasuries to certain campaigns directly or indirectly.

Mr. GRIFFIN. So that if at some time there were an amendment which made it clear that the contributions out of union treasuries to an organization such as the ADA, which in turn made contributions to candidates for political office, would be an illegal act, would the Senator support me in that?

Mr. MONDALE. I think that is nullity. The only reason that an amendment would be raised would be to correct a situation that does not now exist.

If we are going to propose such an amendment, then I would say in fairness the same amendment should apply to business corporations as well. But in any event the amendment before us today does not deal with prohibition of union treasury money to candidates because that is prohibited now. We are talking about an amendment that goes far beyond that, one that would prohibit any union from even advising members whether it favors or opposes a candidate, a political party or the use of its resources to encourage people to register and vote.

We have never had an amendment since I have been in the Senate that has sought to go as far as this one. In my opinion, it goes so far as to violate the right of free speech protection under the first amendment.

Several Senators address the Chair.

Mr. MONDALE. I yield to the Senator from Kansas.

Mr. DOLE. In relation to the Senator's statement with respect to the right of free speech what about those whose dues go to oppose a candidate that they are supporting?

I would call the attention of the Senator to a statement made by Mr. Joe Rauh who immediately was very active in connection with the Haynsworth nomination where he said:

> The only funds available to the union are those that come from dues, for the purpose of buying radio time, television time, and newspaper advertising. The small amount that has been collected as voluntary dollars has all gone as very small contributions to the candidates . . . when he (a union member) pays his dues, he had paid for his political action.

In 1961 Justice Hugo Black of the Supreme court wrote:

> There can be no doubt that the federally-sanctioned union shop contract here, as it actually works, takes a part of the earnings of some men and turns it over to others who spend a substantial part of the funds so-received in efforts to thwart the political, economic and ideological aims of those whose money has been forced from them under authority of law.

What about the first amendment as it applies to dues spent against a member's wishes? What about the question of whether these dues are voluntarily contributed?

Mr. MONDALE. The law is clear on that. In Federal elections unions may not use treasury money to support or oppose any candidate. They continue to have the right to speak out freely on issues affecting them. For example, under rulings of the Internal Revenue Service, business corporations have the broad power to spend money and deduct it as a legal necessary business expense, to lobby, to educate, to obtain a tax deduction for propaganda promoting corporation view on economic, social, political, or other subjects of a general nature, or to conduct educational campaigns, and they are tax deductibles as long as they do not discuss specific legislation or candidates.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. PACKWOOD. Mr. President, I am still confused by the Senator's position. Is the Senator in favor or opposed to the use of the union treasury—not voluntary contributions but the union treasury—for partisan political objectives?

Mr. MONDALE. I do not understand why the Senator would be confused. The law makes it illegal now. We are talking about the Fannin amendment which would prohibit unions and every other tax exempt organization——

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. PACKWOOD. I thought we were talking about the Talmadge amendment.

Mr. MONDALE. No.

Mr. PACKWOOD. I would like to ask my question. Does the Senator support the present law which the Senator alleges prohibits the unions giving money for partisan political objectives?

Mr. MONDALE. I do not allege it. I state it.

Mr. PACKWOOD. The Senator supports it?

Mr. MONDALE. Yes. I do not understand why we want to talk about everything except the Fannin amendment.

Mr. FANNIN. Let us talk about it.

Mr. MONDALE. That is what I would like to talk about.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. FANNIN. Mr. President, on November 17 I contacted the Internal Revenue Service and asked the very question which is being debated at the present time. I am going to place this reply in the RECORD. It states:

> You indicated it is your understanding that there are no specific provisions in the Internal Revenue Code or in the legislative history of section 501(c)(5) warranting this special treatment for labor organizations in regard to political activities. You suggest that we review this subject to determine whether this position should be modified.
>
> Answer: Paragraph C–5 is the only one of the 17 paragraphs of that section that contains no definition, limitation, or prohibition. Consequently, they are in a special statute.

Mr. President, I shall put this material in the RECORD.

Mr. MONDALE. Mr. President, if the amendment of the Senator were agreed to we would not need any regulations because the union could not do anything at all, nor could the League of Women Voters or the Girl Scouts, for that matter. They could not talk to the membership or indicate to the members who they oppose or who they support. They could not encourage the mothers of Girl Scouts to register and participate in an election. They would be prohibited under the Fannin amendment.

Mr. President, not only is it violative of the first amendment, but it is the most far-reaching amendment I have seen to interfere with one of the healthiest things going on in this country, expanding the voter rights. This does not tell them how to vote, but is for voter participation. I thought we were in favor of that. I do not understand the great fear that some seem to have about people registering and voting. I do not understand why it is necessary for the Senator from Texas (Mr. YARBOROUGH), the Senator from Pennsylvania (Mr. SCOTT) who joined the other day to strike out a provision prohibiting private foundations from registering people.

But it was in the committee report and it was necessary to bring up an amendment on it, and we won the amendment. It is now possible for private citizens to participate in the registering of voting activities, unless the Fannin amendment is adopted; and if it is adopted, we will be right back where we were before the Yarborough-Scott amendment passed. We will have to prohibit any tax-exempt organization from even encouraging anyone to exercise his rights as a citizen to register and to vote. I cannot believe that that is good public policy.

Mr. DOLE. Will the Senator from Minnesota yield?

Mr. MONDALE. I yield.

Mr. DOLE. We have been discussing rights under the first amendment. I am reminded of the decision written by Justice of the Supreme Court Douglas, who is known by some in this Chamber, a decision rendered in 1961. Let me read briefly what he said:

> The collection of dues for paying the costs of collective bargaining of which each member is a beneficiary is one thing. If, however, dues are used, or assessments are made, to promote or oppose birth control, to repeal or increase the taxes on cosmetics, to promote or oppose the admission of Red China into the United Nations, and the like, then the group compels an individual to support with his money causes beyond what gave rise to the need for group action.
>
> I think the same must be said when union dues or assessments are used to elect a Governor, a Congressman, a Senator, or a President. It may be said that the election of a Franklin D. Roosevelt rather than a Calvin Coolidge might be the best possible way to serve the cause of collective bargaining. But even such a selective use of union funds for political purposes subordinates the individual's First Amendment rights to the views of the majority. I do not see how that can be done, even though the objector retains his rights to campaign, to speak, to vote as he chooses. For when union funds are used for that purpose, the individual is required to finance political projects aaginst which he may be in rebellion.

The Senator from Minnesota has been talking about the first amendment and about the rights of those who may publicly endorse or oppose a political candidate.

But, what about the rights of the minority? In many cases, their money is taken and used for political purposes for a political candidate they do not wish to support. What about the first amendment rights of those since the Senator is talking so loudly about the first amendment.

Mr. MONDALE. Mr. President, this is the sixth time I have said this, but I will repeat it. It is illegal, it is a felony, to use compulsorily collected union dues to support any Federal candidate for any election.

Justice Douglas also stated in the Mitchell case—I do not happen to have the citation here—but he said it would violate the first amendment to the Constitution to deny a union the right to communicate to its own membership in its union newspapers on the key issues affecting political campaigns, including endorsing or opposing candidates. I do not have the specific language, but that is the gist of it. That is exactly what the Fannin amendment seeks to do.

Mr. DOLE. Does the Senator believe that a union member, whether Democrat or Republican, should have his dues used for a political purpose he opposes—let us be practical about it—what about his rights? Should he have the right to contribute or not contribute to a candidate?

Mr. MONDALE. Present law prohibits the right of a union to use compulsory collected dues to support a Federal candidate. The implication in the statement of the Senator from Kansas is that there are some unions that are resorting to a felony in making contributions, nevertheless.

If that is correct, then the Senator should report them to the Department of Justice. If I may say so, this discussion has absolutely nothing to do with the Fannin amendment. We are talking about an amendment that would prohibit—as I have said many times—the right to register and vote, and the right of a union, or the League of Women Voters, or any other organization to communicate to its members on behalf of matters opposing or supporting a candidate, or in support of or opposing any political party. If they do that, their right to a tax exemption status would be lost.

Mr. DOLE. There are the Talmadge and the Fannin amendments on this—is there a Mondale amendment?

Mr. MONDALE. I do not have an amendment.

Mr. DOLE. But if the Senator should submit one——

Mr. MONDALE. For a change.

Mr. DOLE. Is the Senator saying in effect, then, that he concurs in the thought that if, say, I am a member of a union, that my dues should not be extracted to support some candidate if I do not wish to support that candidate? Is that correct?

Mr. MONDALE. Let me make it absolutely clear that something that I thought I had. I am opposing the Fannin amendment which not only leads to the laws that makes a felony out of a union business agent who contributes union-owned dollars to a Federal candidate but,

in addition, prohibits a union from opposing or supporting a candidate for any office, or opposing or supporting a political party or even seeking to register its members. That is what we are talking about. That is what is before the Senate now.

Mr. DOLE. Well, along this line of colloquy, what about unions subscribing to section 501(c)3, which applies to corporations, community chests, and foundations organized for religious charitable purposes? Why not amend that section to include labor unions? That section says clearly certain things can be done but if money is used for partisan political purposes, the tax exempt status is lost.

Certainly, the Senator from Minnesota would not object to including labor unions in section 501(c)3, would he?

Mr. MONDALE. If I may respond to the Senator from Kansas in this way: I took an oath to uphold the law when I came to the Senate. It should be enforced. Among the laws we have, there is a law that prohibits unions from contributing treasury money. I do not know why, for example, the Senator from Kansas, the National Right to Work Committee, and others, continue to pursue their assertions that unions are making illegal contributions.

Mr. DOLE. They are being made to some committee.

Mr. MONDALE. Does the Senator have knowledge of such an event?

Mr. FANNIN. If the Senator will allow me to interject there, I can give him all the information regarding it he wants.

Mr. MONDALE. Would the Senator supply it, because I do not have it.

Mr. FANNIN. Certainly I will.

Mr. MONDALE. Very well.

Mr. FANNIN. Let me read it to the Senator. I cite the oral argument of one Joe Rauh, an attorney for the United Auto Workers, who told the Supreme Court—here is the excerpt:

Mr. RAUH. We have never had the type of funds on voluntary dollars—

Justice REED. You can't get as much from voluntary dollars as you can from dues?

Mr. RAUH. Well, sir, a union man thinks he has paid, when he has paid his dues, he thinks he has paid for bargaining, for legislation, and for political activity. He doesn't feel he should pay a second time for political activity. That is why it is so hard to raise voluntary contributions . . . When he pays his dues, he has paid for his political action.

This was stated before the Supreme Court of the United States.

Mr. MONDALE. In that case, it is entirely consistent with what I am talking about.

Mr. FANNIN. It certainly is not.

Mr. MONDALE. It does not say that any union was contributing treasury money to a candidate. It says it is hard to raise money.

Mr. FANNIN. He said they have spent it for that purpose. It is very clear that they would not get voluntary dollars.

Mr. MONDALE. That is not the way I understand it.

Mr. FANNIN. That is what it says here, if the Senator wishes to read it.

Mr. MONDALE. It says that it is hard to raise voluntary contributions.

Mr. DOLE. Will the Senator from Minnesota yield further?

Mr. MONDALE. I yield.

Mr. DOLE. There has been discussion in this Chamber about that during the Haynsworth debate. I do not wish to go back to that discussion, but there was discussion about contributions from labor going to a candidate and a Member of this body. There have been all kinds of figures mentioned of $50,000, $60,000, $70,000, or more. The contributions may have gone to some committee. But on the point raised by the Senator from Arizona (Mr. FANNIN), let us be even-handed about it, let us treat business and labor alike. Let us treat both parties alike.

Mr. MONDALE. Let me say that I have been in politics for 20 years. I ran for the U.S. Senate and I have never received one dime as a campaign contribution from a union. I do not know of anybody who has. What is more, the whole subject is irrelevant to the Fannin amendment that goes far beyond that issue. I can understand why the proponents of the Fannin amendment would want to change the subject——

Mr. DOLE. Will the Senator seriously say they do not make political contributions?

Mr. MONDALE. No; not to Federal candidates. That is correct.

Mr. DOLE. Never have?

Mr. MONDALE. Well, I am not a member of the FBI or the Justice Department. All I know is from my own personal experience. I believe that what we are talking about now is irrelevant. If the Senator wants to continue talking about it, that is all right with me, but it is not the issue of the Fannin amendment.

Mr. DOLE. Some of us talk about it, and others get the money.

Mr. President, the citizens of my State, like those in the other 49 States, I believe, want a system of tax laws which distributes the tax burden as fairly as possible on all groups in our society. Several editors in Kansas and many of my constituents have called attention to a glaring inequity in present tax law—a tax loophole which should challenge the conscience of every Member of this body. And this inequity is not corrected by the bill as it is presently written.

This loophole results from a unique provision in the Tax Code which allows a certain few specially privileged tax-exempt organizations, primarily labor unions, to spend their exempt income for partisan political purposes, while denying that privilege to all other tax-exempt organizations. This is precisely the type of tax favoritism which I believe our constituents expect us to eliminate in this bill. I recognize that this is a delicate question for any Member of this body who may rely on the expenditure of tax-exempt union funds as an important, and perhaps essential source of his own campaign financing. Those who have recently evidenced new sensitivity about the ethics of public officials now have a rare opportunity to demonstrate their consistency. Surely those whose campaigns benefit enormously from funds channeled through this special tax loophole will agree that ethics call for applying the same rules to tax-exempt labor unions as to all other exempt organizations.

The amendment offered by the Senator from Arizona would deal with this question in complete fairness and impartiality. It simply applies across the board the same rules for all organizations. The Senate Finance Committee, in its report, acknowledged that it is already "congressional policy" to prevent the use of "tax-exempt or tax-deductible funds" to aid the campaign of candidates for public office. The Fannin amendment applies that policy to everyone, without fear or favor.

One of the many fine newspapers in our state, the Emporia Gazette—whose publisher is the noted journalist, W. L. White—commented editorially on the matter in these words:

The Senate Finance Committee last week rejected an amendment to the tax reform bill which would have denied "tax exemptions to labor unions engaging in partisan political activities."

Some unions have billions of dollars invested in unrelated businesses and spend large sums in support of political candidates. The money from the investments come from dues paid by workers. Big Labor has long been (and still is) exempt from some federal taxes. The Internal Revenue Service has ruled that "unlike other exempt organizations a union does not lose its tax exemptions because it engages in political activities."

Most other tax-exempt organizations are prohibited from using their funds for political programs, and properly so. But a double standard in the present tax laws permits unions to collect from millions of workers and spend the money for political projects. In some cases union money is spent in support of candidates without the consent—or even the knowledge—of the men who paid the dues.

The move to close the tax loophole for unions failed by a single vote. The amendment was rejected by an eight-to-eight tie vote in the Senate Finance Commitee. (Tie votes kill amendments in committee.)

Sen. Paul Fannin of Arizona offered the amendment. When it was defeated in committee, he said the amendment will be proposed again when the bill reaches the Senate floor. He plans to call for a roll-call vote to "give the American people an opportunity to determine exactly how many Senators are beholden to union czars" . . .

Union leaders have in the past supported their favorite political candidates and they will do so in the future. What these leaders do with union money is a private matter. But it seems unfair for these funds to be exempted from federal taxes.

The Atchison, Kans., Globe made this comment in its editorial column:

The AFL–CIO applauds when churches now under fire for not paying taxes on unrelated business enterprises are included in the new reform proposals. The AFL–CIO is spending large sums lobbying for the passage of this kind of reform. But it shouts in outraged indignation when it is suggested that what's sauce for the goose should be sauce for the gander.

Labor went all-out for Hubert Humphrey and against Richard Nixon in 1968, as it goes out every two years against almost every Republican now holding a seat in Congress. And if the unions are included in the tax reform measures, candidates independent of labor will not have to face the massed financial power of the unions in the future. This should embolden the timid on Capitol Hill.

Some Members have suggested that this amendment is unnecessary because it duplicates the Federal Corrupt Practices Act. This is not the case.

In the first place, the FPCA, even if it were enforced against labor unions, applies only to contributions to campaigns for Federal office, not those to State and local parties and candidates. The authoritative publication, Congressional Quarterly, points out that State political committees are a frequent conduit for transferring money to individual candidates for national office. Comments Congressional Quarterly:

> This practice is traditional for labor union political funds.

Second, even at the national level, the FCPA is "a law filled with loopholes," according to Congressional Quarterly.

Third, even if the FCPA were a uniformly enforced law, Federal tax law should be consistent with it by denying tax exemption to organizations which use their income for politics. The Internal Revenue Service asserted in a letter dated November 17, 1969, that there is a basis in law for its "special treatment for labor organizations in regard to political activities." IRS continues:

> The inclusion of various definitions, limitations, and prohibitions in the other paragraphs (which list sixteen categories of exempt organizations) of Section 501(c) evidences that in enacting the section Congress gave attention to such matters, yet did not apply any restrictions to labor organizations.

There is no reason why labor unions—or any other specially privileged group—should be permitted to pour millions of tax-exempt dues dollars—most of it collected under compulsion—into campaigns of political candidates and parties selected by the union's officials.

Some defenders of union political practices contend that all political spending by union officials is done with funds voluntarily contributed for that purpose. While the evidence is overwhelming that this is not the case, those who argue that only nonexempt voluntarily contributed funds are used by unions for politics have nothing to fear. This bill will have no effect whatsoever on that kind of political activity.

Mr. President, the amendment offered by Senator FANNIN is fair, it is nondiscriminatory, and it corrects a major inconsistency in present tax law.

Mr. MONDALE. Well, certainly that is a tough proposition.

I yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I have had experience in elections in my State seven different times—in seven different State of Texas elections. We have criminal penalties against any corporation or any labor union contributing to a political campaign. The climate in Texas is such that candidates are watched like a hawk watches a chicken. Candidates are investigated time after time. The attorney general investigates, and all candidates are watched. I had a screening process set up to make certain that no labor union or corporation contributed to my campaign. Since I came to the Senate I have added another duty to those already in that screening process; namely, to see to it that no Federal employee contributed to my campaign. It is all right for a Federal employee to contribute to a State or Federal campaign, but not to a congressional campaign.

We have received small checks from time to time, never over $50, from some small family corporations or small labor unions that did not know the rules, and we promptly sent them back. They were checks in small amounts from little family corporations or little unions that had no legal advice and had sent them in by mistake. The screening committee has had a certified public accountant watching them.

We have never had any big unions send contributions, because they have their own lawyers, and the lawyers watch them in my State, because they would be indicted and placed in the penitentiary for violating the law.

As I said, I have been involved in seven campaigns in my State, one for attorney general, three for Governor, and three for the Senate. So any labor union that contributes funds for that purpose in my State is going to face the penitentiary if it contributes to a political campaign. So the unions do not even try.

Mr. PACKWOOD. Mr. President, I wonder if, before I start, I may ask the Senator from Georgia a question.

Mr. TALMADGE. Certainly.

Mr. President, if the Senator from Oregon will yield, I ask for the yeas and nays on the substitute amendment.

The yeas and nays were ordered.

Mr. TALMADGE. Now I yield for a question.

Mr. PACKWOOD. Is there anything in the Senator's amendments that in any way strikes at, prohibits, hits at, or has anything to do with voter registration?

Mr. TALMADGE. No.

Mr. PACKWOOD. I wanted to make that clear because of the first amendment diatribe we have been hearing. This has nothing to do with the first amendment. Whether we adopt the Talmadge amendment, the Fannin amendment, or any other amendment, we are not talking about shutting off anybody's right of free speech. What we are talking about is making the organization taxable if it uses its funds for partisan political purposes—not shutting it off, not even regulating it; we are just saying that if they do it in a partisan, political vein, they are going to be taxed.

From having been in politics and in the practice of labor relations in Oregon, I think I know something about the role of business and other organizations in Portland, Oreg. When one talks about any organization—I do not care whether it is the American Medical Association or a union—I am talking in terms of contributions which it can give to a political candidate or a party—money, property, services, or manpower paid for by the organization, for brief times close to the election time, and before that for substantially longer periods. It is done by corporations, by associations, and by unions. There is not a Senator who does not know it is done. Anybody who has been in politics for 5 years at the State level, let alone elected to the United States Senate, who can in all honesty say he has never seen a corporation or union or association give personnel or other contribution to a political campaign is speaking, I think, incredibly. He either is naive or absolutely must have blinders on.

So let us talk about organizations generally. There are three kinds of contributions: money, services, and property.

Let us get to the unions and their types of contributions. They are basically of two kinds, voluntary, what they call COPE—the Committee on Political Education—the old Political Education Committee of 15 or 20 years ago. In theory, those contributions are voluntary—in theory. I am not going to quarrel with whether they are or not. These are extra amounts paid by members, and a member does not have to pay it. With a little check on a sheet once a year, he can say whether he wants to give to the committee. He cannot be compelled to if he does not, and he cannot lose his job as a result. But the union cannot take it out of his dues.

They tried a gimmick once, where they had $10 dues, but they said, "Those who want to give to the Political Action Committee can drop it to $9." But that was stricken down.

So let us talk about contributions to the political education groups, the amount that comes from so-called voluntary contributions. Again, I am not going to quarrel with whether they are voluntary or not.

The Senator from Minnesota (Mr. MONDALE) has indicated that, in his estimate, unions do not contribute to political campaigns. In my experience, again in politics, and also in the practice of labor relations, that is not true. Unions do contribute extraordinarily in the form of property. They do not actually give property. They give the use of their buildings, trucks, or telephones to both parties. These are not things given only to the Democratic Party; but the unions endorse candidates of parties.

Almost any night in a political campaign one can go to a labor temple and see the supporters of a candidate working at telephone banks, paid for out of the fees, assessments, and dues. That is a contribution from the union out of the dues that have been paid.

Now let us go to the business agents. Mostly in September and October, but in some cases prior to that, a part of their obligation is partisan support and activity for the candidate the union has endorsed. So they spend a lot of time on registration drives that might benefit a political candidate, building a registration drive that would benefit that candidate. They spend a great amount of time at COPE headquarters, with women manning the telephones by the evening, and the time organized by the union agents who have never once left union payroll during the campaign. That is a contribution of service. There is no other way one can define it. That may or may not be a violation of the Corrupt Practices Act, but it is done. It is done with the help of corporations and associations.

When I look at the amendment of the Senator from Georgia (Mr. TALMADGE)—and I am going to limit my comments to

that amendment until we see whether it is adopted—it is not going to touch voter registration. The Senator from Georgia just answered my question with respect to that. There is nothing in the amendment that has to do with voter registration. So any Senator who uses the excuse of voter registration to vote against the amendment will have to find another excuse. This vote will not affect voter registration, let alone the League of Women Voters or the Junior Chamber of Commerce. Let us clear that fog from the issue before we vote on the amendment.

Second, there is nothing in the amendment that prohibits a union from using its assessments and dues to contact its own members for partisan political purposes at its own headquarters. The union can call its own members and tell them to vote for PACKWOOD or TALMADGE. That is not precluded, because the Senator feels a union ought to have the right to contact its own members for its own political partisan goals.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. PACKWOOD. I yield.

Mr. TALMADGE. Not only a union, but any other tax-exempt organization.

Mr. PACKWOOD. Absolutely.

What I wanted to make clear when I questioned the Senator further was that a union cannot use its dues and assessments and initiation fees for union members at union expense to contact the broad spectrum of the public. Do we agree to that?

Mr. TALMADGE. Yes, we do.

Mr. PACKWOOD. So I would say that what we are voting on with respect to the Senator's amendment is as follows: One, we are not putting any limit on free speech; let us be clear about that. Second, we are not saying unions cannot use voluntary contributions from COPE for support and cash contributions to political campaigns. We are not saying a union cannot use its own dues and assessments to contact its own members for political partisan reasons. We are simply saying that union dues and assessments cannot be used.

We are simply saying that a union cannot use the dues and assessments that are paid by a member—because he has to belong to the union and has no choice but to give them to the union—for any other purpose than a political public purpose that a union can support. They cannot be used for any other purpose.

For that reason, I intend to support the Talmadge amendment in the nature of a substitute.

Mr. CURTIS. Mr. President, the issue can be simply stated. The Corrupt Practices Act deals with offenses and punishment. It is the criminal code we are talking about—the taxation of tax-exempt organizations.

It is a criminal code. Here we are talking about taxation for tax-exempt organizations.

Is there a Senator here who can spend his own money to get reelected, and get a deduction for tax purposes? He cannot. Is there anyone who can make a contribution for political purposes, and deduct it from his taxes as a business expense? There is not. Political expenses are paid after taxes. That is the rule applied to the rank and file in America. Why on earth should we let tax-exempt organizations get into the field of politics at all? Everyone else has to pay for his politics after taxes.

As I read the Talmadge substitute, it would permit labor organizations to gather up all their agents and party workers throughout the United States, and send them into a particular congressional district or a State, assign them a little bit of union work, but turn them loose to defeat or elect a candidate. If we pass the Talmadge amendment, we have made that the law.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. TALMADGE. I think the Senator has misconstrued my amendment.

Mr. CURTIS. I beg the Senator's pardon.

Mr. TALMADGE. They could only utilize their activity in mobilizing the membership of their own organization, not others.

Mr. CURTIS. But the Senator defines that which is prohibited as "cash or its equivalent."

Mr. TALMADGE. Or any property of ascertainable value.

Mr. CURTIS. Yes. And if there is a mixture, with some union duties to perform, they travel to that State or congressional district at union expense, stay at the hotels at union expense, and so on; and there is no one here so naive as not to know that when you move a thousand union workers into a State or a district, they can wield considerable political power; and you cannot put a monetary value on it.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. TALMADGE. Assuming the Senator were correct, and the unions sent a multitude of people into a congressional district or a State. That effort can be utilized only to mobilize their own membership. If they went beyond that, it would be a violation of my amendment.

Mr. CURTIS. I think not. The Senator's own language prohibits certain expenditures from dues and assessments. Then it goes on to describe that they must be in cash or equivalent. If you cannot translate them into equivalent cash, which in a mixture, you cannot, you have made them lawful.

Mr. TALMADGE. Will the Senator yield?

Mr. CURTIS. I yield.

Mr. TALMADGE. I quote the language of my amendment:

> A contribution shall not be deemed to occur where the principal character of an activity in support of a political party or a political candidate constitutes mobilizing membership of the organization for such purpose, as distinguished from the contribution of cash or its equivalent or property which has an ascertainable fair market value.

I would think that if unions sent a multitude of agents to a particular area to campaign, that would have an ascertainable market value, and would be prohibited.

Mr. CURTIS. The language is defective in many other instances. It says "to mobilize the membership." It does not say that the membership dues may be used to inform the members how someone voted, or how they stand, purely for purposes of advancing the cause of union labor. It says you can send them in there and mobilize them in a campaign.

As I said a moment ago, that is why I shall vote against the Talmadge substitute and for the Fannin amendment; for most Americans have to put their money into politics after taxes. I believe we do the tax exempt organizations a disservice by letting them have any part in politics.

Mr. President, I totally disagree with all this talk about the first amendment. The first amendment gives the right to people to say what they please. What is at issue here is, Are they going to use tax-exempt money to broadcast, either by the printed page, the radio, the television, or somebody's car?

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. TALMADGE. Broadcasting would have an ascertainable market value, and would be precluded, except to members of the organization themselves.

Mr. CURTIS. Well, as a practical matter, the Senator knows that his amendment would have to be treated in this manner: That if they wrote a check or gave a thousand dollars' worth of printing, it would be covered; but he also has to know that if they use their time strictly, if it is a part of the time to mobilize the members—and his language does not say to inform the membership on issues; it says to mobilize them—that is one of the big jobs in a campaign, to mobilize its workers.

I have no illusions about how this amendment would turn out. I have no illusions at all. The powerful unions do not like the Fannin amendment. They do not like Mr. Haynsworth, either.

Mr. YARBOROUGH. Mr. President, it seems to me that the thrust of both these amendments is at voter registration, and voter participation. It seems to me the Fannin amendment is directly designed to limit voter participation, because on page 2, line 7, it says they shall not use these moneys to carry on any voter registration.

The amendment agreed to last week, cosponsored by the Senator from Pennsylvania and me, was designed to further voter registration. I wish to refer to the Gallup poll printed in the Washington Post yesterday, Sunday, December 7, to show the need for voter registration activities.

We all know of the low voter registration and the low voter participation in America as compared to other democracies of the world. West Germany votes 80 percent of the qualified electorate; Great Britain 76 percent, and our country less than 70 percent.

There was great interest in the Presidential campaign of 1960 between Kennedy and Nixon in Texas in that election. Due to the great interest and the television debates, there was a relatively lower voter participation—63 percent of the electorate voted. In my State, only 43 percent voted, because we then had a poll tax.

In 1968 we had the highest registration we had ever had in my State—6

million qualified adults, 4 million registered. We had knocked the poll tax out by then. We had a very spirited gubernatorial campaign in both parties, and the total vote—that is, in both the Democratic and Republican Parties, was only 1,500,000, out of 4 million eligible voters.

The problem is first to get voters registered. We can get them registered, but we already have restrictions. They make it a felony in my State for a member of a labor union to contribute to the activity officially.

I know that many other Senators have that same experience. As proud and, perhaps, as egotistical as we are to be Senators, more voters register to vote in a gubernatorial campaign than in a senatorial campaign.

I know, because I campaigned three times for the Senate and three times for the governorship.

Very few people register to vote in this country. The League of Women Voters is working to increase registration. These amendments would keep these people from registering and from voting.

Mr. President, I read from an article on the Gallup poll. The headline is, "Laws on Voter Registration Hurt Democrats, Help GOP." It is from Princeton, N.J., and is written by George Gallup. It reads:

One out of every four adults in the United States is not registered as a voter, a Gallup Poll survey reveals.

In numbers this represents an estimated 29 million potential voters who are disenfranchised because they are unable to meet residence requirements imposed by the various States, or because they have not taken the initiative to see that their names are placed in the registration books.

Democrats suffer more than do Republicans from low voter registration. When a sample of the 29 million nonregistered voters is examined, twice as many are found to have Democratic leanings as Republicans.

That is because they have less money. They are laborers. They are more mobile. They move from State to State. There are many reasons for that. However, two of them do not register for every suburban Republican that registers. That does not concern a party sense but a population sense. I am talking about trying to get people to register who are mobile and who are not affluent.

I continue to read from the article:

A total of 3,127 adults were interviewed in person during the period October 17 to November 3 and were asked this question—

I point out that this was a personal interview. It was not a telephone sampling. Some of the polls inform us that they are the result of a telephone sampling.

They were asked this question:

Is your name now recorded in the registration book of the precinct or election district where you now live?

The following table shows the percentage of adults not registered, nationally and by key groups.

*Unregistered adults*

| | *Percent* |
|---|---|
| National | 25 |
| Men | 24 |
| Women | 26 |
| 21–29 years old | 50 |
| 30–49 years old | 24 |
| 50 and over | 12 |
| Own home | 16 |
| Rent | 44 |

Since they rent, they are mobile. They move, and they do not get registered.

I continue to read from the article:

The above figures represent the most accurate registration figures for the nation. While some states try to keep lists up to date, the difficulty of removing the names of those who move, or die, is enormous.

It should be pointed out that in four states voting laws permit those under 21 to vote. In Georgia and Kentucky the age is 18; in Alaska, 19; and in Hawaii, 20. These small segments of the population are not covered in the above figures.

Mr. MONDALE. How often do the voters of Texas have to register in order to participate in the election?

Mr. YARBOROUGH. In my State the voters must register every single year. We have the most repressive voter registration law in the Union. They have to register every single year to vote in any kind of election—city, county, State, bond issues, school trustees, mayor—anything we can think of. If that voter is not registered every single year, he cannot vote.

He has to be registered to vote by the 31st day of next January or he cannot vote in the elections next November. He has to register before he knows who the candidates will be or what issues are involved. In the peak year, we had only two-thirds of the adults registered.

Mr. MONDALE. When was that registration law adopted?

Mr. YARBOROUGH. That registration law was adopted after the Federal court eliminated the poll tax. The establishment came back and gave them this voter registration law to take the place of the poll tax and keep them from voting.

Speaking of corporations and all their activities in political races. In some of my races for Governor, they emptied the corporation offices. They sent junior executives out to the counties. They sent out questionnaires. They sent them back to their home counties to work against me.

Does the Senator think they made those junior executives pay their expenses? That is listed as a business expense in the campaign against us.

And if they advanced fees to their lawyers, they paid them big enough fees so that the lawyers could pay their income taxes and then contribute to our candidates.

What labor union members honestly give is chicken feed compared with what the corporations do through subterfuge.

They are too smart to write a check on the corporation. They pay big fees to their lawyers and let them pay their income taxes and then contribute the rest to the campaign.

They put out their army of workers. They paralyzed the corporate structure of Houston for 2 weeks when I was running. They turned out the employees from a 32-floor office building. They send out the secretaries and the junior executives. They send them back to their home counties to work against me.

Mr. President, I continue to read from the article:

In 32 of the 50 states one year of residence is required before one can register and vote. In 15 states the requirement is 6 months; in two, 3 months. One state, Mississippi, has a requirement of 2 years.

The importance of mobility as a deterrent to registration is dramatically revealed in the figures for home owners versus renters, who change their place of residence frequently. Of all home owners, only 16 per cent do not have their names registered. Among renters the comparable figure is 44 per cent.

So, if we try to register voters and make this effort, these amendments would strike those efforts down. The Fannin amendment is directed against such efforts.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. PACKWOOD. Mr. President, are we agreed that the Talmadge amendment would have no effect on voter registration?

Mr. YARBOROUGH. A businessman can get his people to vote. He can get them to go to a rally of the party.

Do not think for one moment that if someone else were to use those tactics, he would not have him hailed into court by the hair of his head.

Mr. MANSFIELD. Mr. President, I wonder if we could bring this debate to a head? I do not think there is much more we can learn. We have been told and retold this.

I think it is time to get to a vote. It is a very important matter on which people have had their minds made up.

Mr. TALMADGE. Mr. President, I am prepared to vote at any time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia as a substitute for the Fannin amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia (when his name was called). On this vote I have a live pair with the able senior Senator from Louisiana (Mr. ELLENDER). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. HOLLINGS (after having voted in the affirmative). On this vote I have a pair with the distinguished Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withdraw my vote.

The assistant legislative clerk concluded the call of the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Montana (Mr. METCALF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN), the Senator from Nevada (Mr. CANNON), and the Senator from Louisiana (Mr. ELLENDER) are absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) and the Senator from Montana (Mr. METCALF) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Colorado (Mr. DOM-

INICK) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

On this vote, the Senator from Colorado (Mr. DOMINICK) is paired with the Senator from Arizona (Mr. GOLDWATER). If present and voting, the Senator from Colorado would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 25, nays 63, as follows:

[No. 192 Leg.]

YEAS—25

| | | |
|---|---|---|
| Allott | Hansen | Saxbe |
| Baker | Hruska | Smith, Maine |
| Bellmon | Jordan, Idaho | Sparkman |
| Byrd, Va. | Long | Spong |
| Cook | Miller | Talmadge |
| Cotton | Murphy | Thurmond |
| Dole | Packwood | Young, N. Dak. |
| Griffin | Pearson | |
| Gurney | Russell | |

NAYS—63

| | | |
|---|---|---|
| Aiken | Gravel | Montoya |
| Bayh | Harris | Moss |
| Bennett | Hart | Muskie |
| Bible | Hartke | Nelson |
| Boggs | Hatfield | Pastore |
| Brooke | Holland | Pell |
| Burdick | Hughes | Percy |
| Case | Inouye | Prouty |
| Church | Jackson | Proxmire |
| Cooper | Javits | Randolph |
| Cranston | Jordan, N.C. | Ribicoff |
| Curtis | Kennedy | Schweiker |
| Dodd | Magnuson | Scott |
| Eagleton | Mansfield | Smith, Ill. |
| Eastland | Mathias | Stennis |
| Ervin | McCarthy | Tower |
| Fannin | McClellan | Tydings |
| Fong | McGee | Williams, N.J. |
| Fulbright | McGovern | Williams, Del. |
| Goodell | McIntyre | Yarborough |
| Gore | Mondale | Young, Ohio |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Byrd of West Virginia, against.
Hollings, for.

NOT VOTING—10

| | | |
|---|---|---|
| Allen | Ellender | Stevens |
| Anderson | Goldwater | Symington |
| Cannon | Metcalf | |
| Dominick | Mundt | |

So Mr. TALMADGE's amendment was rejected.

Mr. YARBOROUGH. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MONDALE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is now upon the amendment of the Senator from Arizona. On this question the yeas and nays have been ordered.

Mr. HOLLAND. Mr. President, has the time elapsed, or is the time under control?

The PRESIDING OFFICER (Mr. GRAVEL in the chair). The time is not under control.

Mr. HOLLAND. Mr. President, I hope the amendment offered by the Senator from Arizona will be agreed to. I happen to know something about this matter from personal experience. I have run for State office about as many times as my distinguished friend from Texas, and I think on every occasion I was opposed by some of the labor leaders of the State, generally by most all of them.

At the same time, at every election I have been fortunate enough to receive the support of a large number of the members of those labor unions and I have received each time I ran dozens of letters—I think it would be hundreds, all told—from members complaining of the fact that their dues and contributions to their unions, of which they were members, were being used against my campaign, against my nomination or election, as the case might be, and they protested vigorously against that practice.

Mr. President, when we considered the repeal of the right-to-work amendment in 1966, I placed in the RECORD some 50 or 60 letters. I do not recall the exact number, but Senators can find them as a part of my remarks in the CONGRESSIONAL RECORD, volume 112, part 2, beginning at page 1463 and extending for 20 or 30 pages in that RECORD. I have not had time to read through all of those letters, but I have already found four of them complaining against the repeal of the right-to-work provision in the Taft-Hartley Act, because we have the right-to-work provision in Florida adopted by a majority vote of all our citizens in a general election.

In about four of those letters—and I have gone through about half of them—I find they complained that their contributions and dues were being used against their wishes by union leaders. That testimony is not from me. It is from the members of the unions in my State who were complaining that their money was being used by their leaders against their will, against their wishes, and against their candidates. Senators can find it in the RECORD if they wish to read it. I mentioned that there were more than four instances. I read about 25 of those letters hurriedly.

There were over 50, as I recall it, that I placed in the RECORD during debate at that time. The fact is, it is a well-known practice in my State. It is vicious practice which I think should be ended. It is a vicious practice which I hope will be ended by the adoption of the Fannin amendment.

I cannot speak for other Senators. I can speak only in the limited degree for my own State. I know that in the five general elections in which I have run for office in my State, as well in the primaries for those years, I have had that experience. It does not do any good to say that these things do not occur, when good men—many of them known to me—not just because they supported me but because they were my friends—write me and tell me these things contained in the letters. When the returns, for instance, come in from the area of Jacksonville, where the working people generally live, they show that I received more than my share of the votes of labor union members. When that kind of information comes to me in writing at every election, and in large numbers, I cannot ignore it.

It is a practice which does exist in my State, which generally speaking, is known for rather clean elections and for rather large participation in elections. We stopped the poll tax in its application in 1937 a long time before any Federal law on the subject was passed either by constitutional amendment or by unfortunate action of the Supreme Court.

In many ways we have tried to clean up elections in our State. I just want to say that has been my own personal experience and I would be derelict to fellow Senators if I did not say that right here on the floor of the Senate. Senators will find the list of 50 to 60 letters included in the other debate. Confessedly it had to do with the question of whether we should repeal the right-to-work provisions in the Taft-Hartley Act, and those were people writing against repeal and in favor of the continuance of the right-to-work amendment in our State constitution and its operation. They found occasion time after time, to say what I have just said to the Senate, that they knew that their dues were being spent for political purposes, against their wishes, against their own objectives and against own preferred candidates.

Now, Mr. President, that same experience, but in larger measure, has taken place in every race I have had and I want the record to show that that is the case.

I am not one of those who feel that men who belong to labor unions are willing blindly to do the will of their leaders who attempt to dictate to them in too many instances because I have found that the exact contrary is true, that they will not follow that dictation, that they will follow, instead, their own convictions.

I want the record to show that.

I shall vote for and strongly support the amendment offered by the distinguished Senator from Arizona.

Mr. MILLER. Mr. President, will the Senator from Arizona yield?

Mr. FANNIN. I yield.

Mr. MANSFIELD. Mr. President, would the Senator from Iowa consider the possibility of a time limitation?

Mr. FANNIN. The Senator from Iowa just wishes to take a couple of minutes and then I am ready to vote. I wish to use only 1 minute.

Mr. MANSFIELD. That is fine.

Mr. FANNIN. I do not want to delay the vote.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent, if there is no disagreement to the request, that there be a time limitation of 15 minutes on this amendment, with the time to be equally divided between the distinguished Senator from Arizona (Mr. FANNIN) and the chairman of the committee, the distinguished Senator from Louisiana (Mr. LONG).

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Who yields time?

Mr. FANNIN. Mr. President, I yield 4 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 4 minutes.

Mr. MILLER. Mr. President, I invite the attention of my colleagues to part 6 of the hearings, particularly to page 5248 where colloquy occurred between a witness by the name of Harold Ketelhut, a member of the United Auto Workers International Union and myself, and I ask unanimous consent that the marked portions of the hearings be printed in the RECORD. There was a further witness before the committee by the name of Mrs.

J. M. Ford, a member of the ILU of Lawrence, Kans., and I ask unanimous consent that a portion of her testimony as designated on page 5255 be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT OF HAROLD KETELHUT, A MEMBER OF THE UNITED AUTO WORKERS INTERNATIONAL UNION, FREEPORT, ILL.

Senator MILLER. Mr. Chairman, I want to commend this witness for his courageous testimony. I am concerned about part of his testimony. Now, as I understand it, a great amount of political activities by the AFL–CIO are financed out of the funds of the committee on political education known as COPE. Do I understand correctly that the contributions made by union members to COPE, are voluntary?

Mr. KETELHUT. My experience with COPE is that they will offer you a lottery, a form of lottery ticket or a chance to win a television set and so on. You contribute $x$ dollars by the number of chances you get. That is part of the money that goes into the political action, yes.

Senator MILLER. Of course, that would be a voluntary matter for a union member to buy some chances. He does not have to do that, does he?

Mr. KETELHUT. Well, another thing in my experience has been on the IAM staff for 6 years, every staff conference that I attended that was a head of an election, a national election or a big State election coming up, if it happened to be a national election I was asked to donate some dollars, and if I didn't I would not remain on the staff very long. If it was a State election I would attend the State labor convention and be told the same thing. It was voluntary to the extent that if you did not contribute your international office frowned upon you.

Senator MILLER. Well, take the rank and file who are not members of the staff, just somebody who has been in the union for 6 months. He does not have to pay money into COPE if he does not want to, does he?

Mr. KETELHUT. The UAW constitution provides—I did not bring it along but it provides—that if a member—right in our constitution—if a member objects to his money, money from his dues being spent politically, they will——

Senator MILLER. I am not talking about dues, though.

Mr. KETELHUT. About what?

Senator MILLER. I am not talking about dues. I am talking about contributions to COPE.

Mr. KETELHUT. Yes.

Senator MILLER. Because my understanding is that the financing of COPE does not come out of dues. It comes out of contributions or purchasing chances on lotteries and things like that.

Mr. KETELHUT. I would have to go along with you. I cannot question you on that. All I know is that with my experience that is the way I have been approached on it. Whether or not they get additional funds from the general treasury I do not know.

Senator MILLER. Forgetting about the Committee on Political Education funds, and assuming that contributions by individual members are voluntary—as I have long understood to be the case, let us turn our attention to union dues. You have testified that some part of the dues has been used for political purposes by some unions. I assume by political purposes you mean partisan purposes.

Mr. KETELHUT. Yes!

Senator MILLER. Can you tell us how?

Mr. KETELHUT. I will give you some example, since I have a few moments to refresh my memory. I recall that when I served on the IM staff of 1953 through 1958. Senator Douglas was our Senator from Illinois. At election time International would send out a man and he would have his car loaded down with printed campaign material for Mr. Douglas. This material would be distributed to the area Democratic headquarters in my district. This man would inform me that I should keep quiet and not tell everybody that he was doing this on union time as he was a staff member of the IM.

Senator MILLER. The point you make here is that union dues which are used to pay the salaries of staff members of the union were diluted to the extent that the staff member took time away from his staff duties with the union and participated in a partisan political campaign?

Mr. KETELHUT. That is right.

Senator MILLER. Can you tell us how long this particular staff member took off to engage in the partisan political campaign?

Mr. KETELHUT. At different times when this man came through my area on these political excursions, I would ask him to stay over and assist me on local union problems as he was also a capable negotiator. He told me that he could not offer any assistance because he was ordered to spend all his time on seeing that Mr. Douglas was reelected.

Senator MILLER. You have given us an example. Do you know of other examples?

Mr. KETELHUT. Yes I do. The machinist union, as an arm of the organization which they refer to the machinists union partisan political league. They would encourage local lodges to put on parties and dances, and furnish lunch and refreshments, which may cost a local $300, $400, or $500 out of its local treasury. Then a collection would be made amongst the union members at this party who were told that they were contributing to the machinists nonpartisan political league.

Senator MILLER. What you are saying then is that the financing of the so-called nonpartisan political league was handled through parties of this nature with the local union's treasury, which had been funded by union dues, being used to pay for the expense of the parties and the parties being used as a vehicle for raising "voluntary" contributions to the league.

Mr. KETELHUT. That is right.

Senator MILLER. Were the activities of the so-called nonpartisan league genuinely nonpartisan?

Mr. KETELHUT. Let me put it this way, that the nonpartisan slogan was to elect our friends—defeat our enemies.

Senator MILLER. That is an interesting slogan, but the real question is whether those designated as friends represented mostly or entirely the candidates of one political party.

Mr. KETELHUT. I would say that their activities, 98 percent of the time, supported the candidates of one party.

Senator MILLER. And which party?

Mr. KETELHUT. The Democratic Party.

Senator MILLER. Can you give us another example of how union dues were used for partisan political purposes?

Mr. KETELHUT. During the last presidential election when Vice President Humphrey held his parade in Chicago, the Local 765 of the UAW, of which I am a member, took two bus loads of members, paid for the loss of time from their jobs, and paid for the bus fares and meals and lodging to participate in the Humhprey program in Chicago. This was done by the sizable UAW local in Rockville, which had the funds to support it.

Senator MILLER. You are saying that these payments were made from the union treasury into which dues had been paid, and not from a fund which was supported by voluntary contributions.

Mr. KETELHUT. That is absolutely right. UAW locals cannot have funds other than from dues.

Senator MILLER. In other words, the entire union membership through their dues, really paid for the expenses of the bus loads of union members going to and from Chicago, remaining in Chicago over night, and the loss in wages incurred by their absences from their employment.

Mr. KETELHUT. That is right.

Senator MILLER. I have heard that in some cases a local union's treasury, funded by union dues, has been used to reimburse union members for taking time away from their employment to actively work in getting out the vote for candidates endorsed by the union in partisan political elections. Do you know of any such practices in your experience?

Mr. KETELHUT. Yes, I do. In Illinois, approximately I would say 1954 or 1955, somewhere in the State legislature election, we had a man that was endorsed by the international union office in Chicago, to run against the incumbent State legislator.

Senator MILLER. Where?

Mr. KETELHUT. In the Freeport, Ill., district. The international office in Chicago requested that our IAM local in Freeport support and assist this man in every way. The local set up a committee. The members of this committee took time off to check the voting record at the county court house in the district. As many of our members were scattered in two or three counties, it was necessary for the members of this committee to take time off from their employment to encourage members that were not registered to vote to become registered, and this same committee, for a few days before the election, made up car pools to contact members at their homes and to get them to vote. We had many night-shift people who could only be contacted in this way. The members of this committee were reimbursed by the local union for wages lost by their activities.

Senator MILLER. Are you saying that their activities were directed at the support of the partisan candidate endorsed by the international office in Chicago?

Mr. KETELHUT. That is right.

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STATEMENT OF MRS. J. M. FORD, ILU MEMBER, LAWRENCE, KANS.

Senator MILLER. What local are you a part of?

Mrs. FORD. Local 605 of the Laborers' International Union of North America, located at Sun Flower, Kans.

Senator MILLER. Does this union have a union shop contract with the management?

Mrs. FORD. Yes, sir, it does.

Senator MILLER. In other words, you must belong to the union to hold your job?

Mrs. FORD. Yes sir.

Senator MILLER. And, of course, you pay dues to the union.

Mrs. FORD. Yes sir, I do, and it is deducted from my pay check.

Senator MILLER. Do I understand that part of these dues are used by the union for partisan political purposes?

Mrs. FORD. As far as I know. I have in my hand a copy of an article that was in the Johnson County Herald on March 12, 1969, referring to the contributions reported in last fall's gubernatorial campaign in Kansas.

Senator MILLER. I note that the article refers to an F. E. Black as having contributed $10,000 to the "Docking for Governor Club," and that Black is believed to be a leader in the AFL–CIO in Kansas. The article also lists other Docking contributors to include the Amalgamated Meat Cutters, the Communications Works of America, the International Brotherhood of Boiler Makers, and other unions. Is this the basis for your belief that some part of union dues has been used for partisan political purposes?

Mrs. FORD. Yes, sir, this is one of the reasons that I believe this. Another reason is that we working on a bill to put teeth into the Kansas right-to-work law, and we thought that had accomplished this because we had a good majority—76–40 in the legislature. Then Governor Docking vetoed it.

Senator MILLER. Is the main thrust of your

criticism your understanding that a part of your union dues, which you must pay in order to hold your job, is used for partisan political purposes?

Mrs. FORD. Only partially because there are millions of people in my shoes in the United States who are forced to support candidates whom they oppose just as I.

Senator MILLER. Thank you.

Mr. MILLER. Mr. President, the thrust of the Fannin amendment is to make clear that dues and assessments paid to any organization—I emphasize any organization—which is tax exempt cannot be used for purposes of supporting a particular political party or a particular candidate for public office.

This has nothing to do with voluntary assessments such as those that may be obtained through medical associations, such as those known as AMPAC or through the union association known as COPE, which is an AFL–CIO voluntary organization, or in the case of DRIVE, which is a comparable organization for the Teamsters Union—all voluntary organizations to which dues and contributions are voluntarily paid. They are not touched at all by the Fannin amendment.

So that the amendment is directed at the portion of dues, assets, fees, and other income which go into a tax exempt organization and which are used for the use of a political party or a particular political candidate.

It seems to me that the amendment overcomes an objection, which has been voiced in years gone by, to amendments or proposed laws singling out a union or singling out a chamber of commerce for special treatment.

It is my understanding that the Fannin amendment treats them all alike and makes clear that they are all covered by the language of the amendment. I believe that the portions of the record which I have had printed in the RECORD indicate the kind of abuse which is occurring under present law. It is the kind of abuse which I believe should be ended.

I believe that members of all these kinds of organizations would be better satisfied, and the Treasury of the United States would be better served, if an amendment such as the Fannin amendment were to be adopted.

Mr. FANNIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arizona has 4 minutes left.

Mr. FANNIN. Mr. President, the question is, Shall the people of the United States be forced to subsidize political candidates and political activities as mentioned in my amendment?

I feel that my amendment will bring about a better balance among management, labor, and Government.

The amendment is not punitive. It is fair and equitable.

The amendment will promote registration activities by political parties. That is the best kind of citizenship training that anyone can have.

Therefore, I feel that my amendment will promote good citizenship. It will be the basis for handling this question, which has been debated for many years.

I believe that the Senate will render a great service to the people of this country by adopting the amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MONDALE. Mr. President, this amendment goes far beyond the Talmadge amendment, which was just defeated. It would prohibit the League of Women Voters or unions from carrying on even voter registration drives. It would prohibit unions from printing in newspapers endorsements of or opposition to Members of Congress.

It is so broad that where it ends in restricting the right of tax exempt organizations to express themselves consistent with the first amendment is difficult to envisage.

Mr. President, the amendment offered by the Senator from Arizona has raised the question of the political activities of tax-exempt organizations under sections 501(c) and 501(d) of the Internal Revenue Code. In order to understand its significance, we need to consider another questions which it does not treat directly, that is the present tax deductibility of certain political expenses by corporations.

Complicating a discussion of this issue is the recent appearance of newspaper advertisements, paid for by the tax-exempt National Right to Work Committee, in which this and an earlier amendment of the Senator's were advocated. In the ad, the state of the law, as it presently stands, was completely distorted.

In order for us to clearly understand the amendment and its far-flung ramifications, particularly as to where its full thrust is intended to be felt, it is necessary to discuss the organizations that are now tax exempt, what their rights are and their restraints as tax-exempt organizations, how they differ, if at all, and what consideration has been given to this subject thus far in the legislation before us.

H.R. 13270, as passed by the House of Representatives and as reported by the Senate Finance Committee does not prevent tax-exempt organizations such as trade associations, chambers of commerce, or labor organizations from engaging in political activities. Further, the present law makes no distinction as to the rights of these organizations to engage in political activities. It is now impartial. Of the 18 different types of tax-exempt organizations, only charitable organizations operate under a "no politics" rule.

Thus, under the present law, which is in no way affected by the committee's bill, political activities may be undertaken by the National Associaton of Manufacturers, the American Medical Association, the National Rifle Association, the American Farm Bureau, the National Grange, the U.S. Chamber of Commerce, the American Legion, the American Trucking Association, the AFL–CIO, the National Right-to-Work Committee, the League of Women Voters, real estate boards, boards of trade, social clubs, fraternities, benevolent life insurance associations, mutual or cooperative ditch or irrigation companies, credit unions, certain mutual insurance companies and mutual savings banks, social welfare organizations and churches. There are thousands of specific organizations within these categories that are now tax exempt and share a right to political activity. The law does not favor either labor or business associations.

The amendment before us, we are informed, supersedes an amendment offered by the Senator from Arizona which would have changed that balance and equality among the tax exempt organizations as to political activities. The earlier amendment would have singled out labor organizations to deny them their tax exempt status entirely if any dues or assessments were used "to support or oppose any candidate for public office or for other political purposes." That amendment would not have affected business-oriented or other tax-exempt organizations—many of which I described above—all of which are and would have continued to be free to participate in political activities without loss of tax exemption.

The fact that unions were being singled out for punitive treatment and denied a right that would remain to the other organizations has been totally distorted in at least two instances. When the first amendment was introduced, accompanying remarks in the RECORD declared that "the amendment simply requires that unions operate under the same rules as those applied to chambers of commerce, charitable foundations, churches or fraternal organizations."

Second, an advertisement in the Washington Post on October 27, 1969, addressed to the Senate Finance Committee, asked Congress to close what it termed "the only unmentioned loophole" and went on to state that "unlike other organizations a union does not lose its tax exemption because it engages in political activities."

The fact is that the tax-exempt status of labor unions, and the political activities they may undertake, is identical to that of all the other tax-exempt organizations. To claim that unions enjoy a special privilege in the law is a clear misrepresentation of the facts.

Thus, the first step in putting this matter into perspective is to discount the erroneous information presented at the time the first amendment was introduced.

This background is also important if we are to understand the purpose of the amendment before us, which, as the sequence of events demonstrates, is to use the tax code to enact punitive restrictions that would fall most heavily on labor unions, and certain civic groups, under the cover of a supposed interest in tax equality and loophole closing.

There is a further area that must be noted if we are to fully understand what is being proposed. That is, the privileges accorded, under the tax code, to profit-making organizations when they engage in political and legislative activities. These privileges are untouched by the Senator's amendment. If we are to consider changing the Federal tax code in reference to the political activities of union and business groups, we should discuss the impact of the code in its entirety.

Let me point out that business cor-

porations are presently able to obtain a tax deduction for a wide range of political and legislative activities. No similar benefit is enjoyed by the workingman, the consumer, or the small taxpayer.

The Fannin amendment does not propose to change the present rules that favor business by allowing such organizations to propagandize with tax-deductible dollars. Pursuant to section 162(3) of the Internal Revenue Code, businesses and corporations—but not individuals—can obtain a tax deduction for expenses of lobbying concerning legislation which is "of direct interest" to business. The Internal Revenue Service has interpreted the direct interest requirement so leniently that hardly any major issue is not considered of direct interest to a significant segment of the business in America—thus business lobbying before committees and individuals of the Congress in connection with social security is tax deductible.

The Internal Revenue Service has also taken the position that profit-making business—but not individuals—may obtain a tax deduction for propaganda promoting a corporation's views on "economic, financial, social or other subjects of a general nature" so long as such political propaganda does not relate to "lobbying purposes, the promotion or defeat of legislation, or political campaign purposes."

This rule permits a corporate tax deduction for expenses to propagandize for business political views by buying space in newspapers and magazines, sponsoring radio and TV programs, publishing books and pamphlets, and conducting so-called educational campaigns for employees. Such activities are tax deductible so long as they do not discuss specific legislation or specific candidates. The expenses of such tax deductible propaganda efforts are imposed upon the corporation's workers, its customers, and its shareholders, many of whom strongly oppose the use of corporate funds for these purposes. No comparable tax benefit is presently made available to workingmen or consumers to assist them in having their views heard.

Specifically, the Internal Revenue Service has held that a corporation can deduct expenses: first, for ads urging the public to register and vote and to contribute to the political party of their choice, second, for sponsoring a debate between candidates, and third, for encouraging employees to register and vote and contribute to the party of their choice. Nothing in the present amendment affects these corporation privileges.

In summary, all tax-exempt organizations—except charitable ones—enjoy identical rights to engage in political activities. Further, profitmaking corporations enjoy broad opportunities for tax deductibilty for many political activities and they can undertake other political activities through their nonprofit associations funded by tax-deductible dues and fees.

While the effect of amendment No. 303 on most tax exempt organizations is unclear, it is plain that it would, for example, quite literally put the League of Women Voters out of business. The league has a major commitment to voter registration projects. It is ironic that that commitment is being threatened at a time when the league has just embarked on a major national campaign emphasizing the value of the right to vote. The league has designated 1970 as "the year of the voter" and intends to do all in its power to alert citizens to the value of the ballot in our society.

It is also ironic in that the Senate only a few days ago approved the continued conduct of voter registration activities by tax-exempt foundations. The league had its beginnings 50 years ago when the vote was granted to women. It has not forgotten its heritage nor its determination to involve all citizens in our system of representative government.

In the last presidential election, the league operated mobile registration units in inner city areas. In an 80-precinct area in New York's Harlem, more than 18,000 new voters were registered. Tens of thousands of "Vote Baby Vote" buttons were passed out as well as leaflets and a special "Voteman" comic book. Thousands of leaguers participate in voter registration activities—knocking on doors; providing transportation; baby sitting; telephoning; or whatever it takes to get people registered.

In many communities, leagues join forces with other civic groups to get people registered. The Dayton, Ohio, league worked with churches, civic groups, and others in an inner city registration drive which added 4,000 new voters. In addition, they successfully petitioned the board of election for more liberal registration hours and convenient sites. In the Waterloo-Cedar Falls area the league held a 1-week concentrated drive aimed mainly at reaching newcomers to the area, low-income groups, and the black community. They went to schools, churches, and park areas and added almost 800 voters to the election rolls.

The list of league accomplishments relating to voter registration projects is almost endless. They have written an enviable record in the voting field and all of us owe them a debt of gratitude. Any curtailment of their activities would be a serious blow to our political process.

What would loss of tax exemption mean to labor organizations?

The effect of such a loss is not clear. It would appear, however, that such a loss would have a devastating effect on labor unions, almost alone among the tax-exempt groups I have noted, for unions are multipurpose organizations that are required to accumulate money for fraternal benefits, strike benefits, and so forth. Most other tax-exempt organizations are in a position in which they could minimize the impact of a loss of tax exemption by spending all of their income each year.

It should also be noted that many tax-exempt organizations restrict their political activity to acts designed to influence public opinion in general, or legislators in particular on certain issues. They do not engage in voter registration which the amendment would forbid. Presumably this is because they fear the effect of a broadened franchise. Nor do they directly endorse or make contributions to specific candidates or parties, presumably because they count among their adherents men of substance who can make large contributions on their own. Is it my understanding that the National Right To Work Committee, among others, fit in this category. Such organizations would be able to continue their activities, and no one can doubt that their activities are political, without endangering their tax-exempt status to any degree.

Moreover, this tax-exemption loss on labor unions would occur only in the event that unions continued to exercise what have been recognized as their constitutional rights of free speech and association. A prudent union leader would have grave difficulty approving acts which might jeopardize his union treasury until we have ascertained the impact of this vague amendment on his organization. An expenditure of $1,000, for example, which the courts might say was prohibitory by the new amendment, could result in tax liabilities of hundreds of thousands of dollars. Thus, it is plain that both of the Senator's amendments had as their basic thrust, not an attempt to raise revenue, but to penalize the exercise of constitutional rights. As the Supreme Court said in Speiser against Randall:

> It cannot be gainsaid that a discriminatory denial of a tax exemption for engaging in speech is a limitation on free speech.

Now, let us turn to the exact language of the amendment before us. It provides that any organization would lose its tax exemption entirely if "any part of its income or of the amounts received for its support is used, directly or indirectly to support or oppose any candidate for public office any political party or to carry on any voter registration."

This amendment, unlike the earlier one introduced by the Senator, appears neutral on its face. It is, however, again an antiunion proposal intended to increase the relative political power of the business community and the wealthy. This amendment has had no explanation that one can turn to in the CONGRESSIONAL RECORD. But, as the first amendment the Washington Star carried a paid political advertisement paid for by the tax-exempt National Right To Work Committee. This ad appeared on December 1, 6 days after the second amendment was introduced. The facts again did not inhibit the copy writer. The Fannin amendment, the ad stated, "will eliminate a special tax privilege conferred only on labor unions."

Again, with tiresome sameness, the totally erroneous claim is made that unions somehow enjoy a special status by the tax exemption. They do not under the tax code or elsewhere in Federal law.

Lest anyone believe that unions are totally uninhibited in their political activities, it must be made clear that they do not have total freedom to engage in political activities as they might see fit. The tax code is not the only law regulating unions. There are many restrictions on unions in the Taft-Hartley Act, in the Landrum-Griffin Act and, most directly applicable here, the Federal Corrupt Practices Act.

Under this act, labor unions and corporations are treated identically. In the case of each, certain political contribu-

tions and expenditures are outlawed under the criminal code. It is illegal for a labor organization—or a corporation—to make a contribution or expenditure in connection with any election for President, Vice President, or to the Congress of the United States. As a result, union dues are not used for contributions to or expenditures on behalf of political candidates.

Contributions and expenditures made by COPE and other similar groups are financed solely by separate, completely voluntary, contributions, rarely of more than a dollar a man. The collection and distribution of such voluntary political contributions by both business and labor is perfectly lawful. Business has the full legal right to carry out identical activities. Moreover, as the Supreme Court stated in *United States* v. *CIO*, 335 U.S. 106, in upholding the legality of political editorials in unions newspapers, the law does not prohibit the use of union funds for the circulation of political information by a union to its members or for nonpartisan activities, such as registration directed at union members and their families.

There can be no doubt that Congress in shaping the contours of section 610 was wise in allowing the foregoing activities. The Supreme Court has made this clear in such cases as *Williams* v. *Rhodes*, 393 U.S. 23, which overturned a law making it impossible for George Wallace's third party to appear on the ballot and *NAACP* v. *Button*, 371 U.S. 415, which permitted group activities to vindicate basic legal rights through court litigation. The equal protection of the right to vote, the right of free expression and free association, all of which are basic to our democratic system, and all of which are protected by the Constitution, demand no less.

For example, the right of unions to solicit voluntary contributions and the right of individual workingmen to contribute is essential to a balanced political system. In the last election for which we have authoritative figures, the 1956 election, 12 families and the officers of the 225 largest corporations made contributions of $500 or more each, that totaled $3 million. Union officials contributed $19,000. Naturally, union members individually do not have the resources to make such contributions, but together they pooled their funds to make contributions of $1 million—one-third of the total of the wealthy individuals mentioned above.

Fundamental fairness supports the opportunity of millions of working men and women to counter the effectiveness of the small group of wealthy citizens who can afford highly visible and memorable large contributions.

The right of unions to engage in nonpartisan voter registration directed at their members is also essential to maintain a balance between labor and the industrial community. As I have pointed out, corporations, which are not tax exempt, enjoy substantial tax incentives to engage in nonpartisan political activity. Why does the Senator think it is wrong for unions to do so?

The law as it presently operates is, in large measure, responsive to basic constitutional imperatives and to the belief that all groups should have a fair opportunity to take part in the political process. In 1967, the Senate reaffirmed the balance struck by section 610 by rejecting a proposal—46 to 19—which would have prohibited group activity in the political area. The new amendment of the Senator from Arizona seeks to override this balance. It is in practical terms, the essence of the 1967 proposal in a new form. For example, it might be argued that the amendment reaches voluntary political contributions to unions by their members, or the mere statement by a union convention, directed at that union's membership, that a certain candidate is preferable to his opponent on labor matters. The amendment, of course, places no restraints on individual contributions by wealthy persons. The amendment plainly reaches voter registration and it is equally plain that it has no effect on corporate endeavors in the same area. Its total intent is to drive from the field of political action all those whose strength is provided by joining into associations for the pursuit of a common goal other than business profits.

It is beyond dispute that the regulation of political activity by unions and other nonprofit groups raises complex policy and constitutional questions. Yet, amendment 303 is offered without the benefit of thorough study and in the absence of hearings. The proposal has not been considered either by the Senate or House labor or tax committees or by Treasury or Justice Department officials.

A basic change of this kind should not be considered without adequate study. This axiom is certainly applicable where there is carefully considered legislation in force. Section 610 was fully considered and debated prior to enactment. The carefully delineated lines it drew should not be obliterated through a tax amendment first offered on the floor. This is especially clear since there is no evidence that section 610 is defective in design or in actual effect. There is no emergency situation precluding careful consideration of the ramifications of the rules presently in effect. There is simply no rational excuse for this type of back door amendment of the tax laws to strike at a recognized, legitimate exercise in political participation.

In addition to its failure on the substantive level, the new Fannin amendment would propose a highly punitive remedy. As proposed, an organization could totally lose its tax exemption for any violation, whether major or minor, accidental or deliberate. The tax committees of both Senate and House have recognized that loss of exemption is not an appropriate or an effective sanction. In many cases, the penalty is too harsh—a minor inadvertent violation can cause loss of exemption with disastrous consequences. In other cases, the same sanction—loss of exemption—may be totally ineffective because some organizations will owe no tax even if exemption is lost. To impose a sanction of this kind without adequate study is to risk crippling or destroying certain categories of exempt organizations while imposing only a trivial or ineffective sanction against another.

In sum, amendment No. 303 is without a redeeming feature. It does not serve the avowed purposes of H.R. 13270—the attainment of equity in our tax statute and the closing of loopholes. It would replace a relatively even-handed process for the regulation of group political activity with one that favors the business community and the wealthy, and specifically disfavors labor unions. Its avowed purposes have been shown to be without support in reason or law. It has not been subjected to the close scrutiny that is mandatory for a major place of legislation which touches on basic political and constitutional rights. It is an attempt to amend a section of the Criminal Code through the back door of tax reform. It embodies a harsh and unsound remedial scheme. Amendment No. 303 should therefore be rejected.

Mr. FANNIN. Mr. President, is the Senator willing to yield back his time?

Mr. MILLER. Mr. President, will the Senator yield to me so that I may ask a question?

Mr. FANNIN. I yield.

Mr. MILLER. Mr. President, the Senator from Minnesota indicated that this amendment would stop the League of Women Voters from registration drives. It is my understanding that the League of Women Voters sets up a special foundation for the purpose of organizing voter registration drives. As I understand the amendment by the Senator from Texas (Mr. YARBOROUGH) that was adopted the other day, the use of funds by a foundation for voter registration drives is not interfered with.

Mr. MONDALE. I think the Senator's understanding is incorrect. Where the assets of a tax-exempt organization, including staff, are used for the purposes mentioned, for voter registration, the tax-exempt status of the organization is to be terminated.

Mr. President, I yield back my time.

Mr. FANNIN. I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Arizona. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. COOPER (after having voted in the negative). Mr. President, on this vote, I have a pair with the distinguished Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. ALLOTT. Mr. President, on this vote I have a pair with the junior Senator from Colorado (Mr. DOMINICK). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. BAKER (after having voted in the affirmative). Mr. President, on this vote I have a live pair with the distinguished senior Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. HRUSKA (after having voted in the affirmative). Mr. President, on this

vote I have a pair with the senior Senator from Louisiana (Mr. ELLENDER). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Montana (Mr. METCALF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN), the Senator from Nevada (Mr. CANNON), and the Senator from Louisiana (Mr. ELLENDER) are absent on official business.

I further announce that, if present and voting, the Senator from Alabama, (Mr. ALLEN), the Senator from Nevada (Mr. CANNON), and the Senator from Montana (Mr. METCALF) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Colorado (Mr. DOMINICK) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The respective pairs have been previously announced as follows: The Senator from Tennessee (Mr. BAKER) and the Senator from Missouri (Mr. SYMINGTON); the Senator from Kentucky (Mr. COOPER) and the Senator from Arizona (Mr. GOLDWATER); The senior Senator from Colorado (Mr. ALLOTT) and the junior Senator from Colorado (Mr. DOMINICK); and the Senator from Nebraska (Mr. HRUSKA) and the Senator from Louisiana (Mr. ELLENDER).

The result was announced—yeas 27, nays 59, as follows:

[No. 193 Leg.]

YEAS—27

| | | |
|---|---|---|
| Bellmon | Griffin | Murphy |
| Bennett | Gurney | Pearson |
| Byrd, Va. | Hansen | Russell |
| Cotton | Holland | Saxbe |
| Curtis | Hollings | Stennis |
| Dole | Jordan, N.C. | Thurmond |
| Eastland | Jordan, Idaho | Tower |
| Ervin | McClellan | Williams, Del. |
| Fannin | Miller | Young, N. Dak. |

NAYS—59

| | | |
|---|---|---|
| Aiken | Hartke | Packwood |
| Bayh | Hatfield | Pastore |
| Bible | Hughes | Pell |
| Boggs | Inouye | Percy |
| Brooke | Jackson | Prouty |
| Burdick | Javits | Proxmire |
| Byrd, W. Va. | Kennedy | Randolph |
| Case | Long | Ribicoff |
| Church | Magnuson | Schweiker |
| Cook | Mansfield | Scott |
| Cranston | Mathias | Smith, Maine |
| Dodd | McCarthy | Smith, Ill. |
| Eagleton | McGee | Sparkman |
| Fong | McGovern | Spong |
| Fulbright | McIntyre | Talmadge |
| Goodell | Mondale | Tydings |
| Gore | Montoya | Williams, N.J. |
| Gravel | Moss | Yarborough |
| Harris | Muskie | Young, Ohio |
| Hart | Nelson | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—4

Allott, against.
Baker, for.
Cooper, against.
Hruska, for.

NOT VOTING—10

| | | |
|---|---|---|
| Allen | Ellender | Stevens |
| Anderson | Goldwater | Symington |
| Cannon | Metcalf | |
| Dominick | Mundt | |

So Mr. FANNIN's amendment was rejected.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MONDALE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, for the information of the Senate and in response to a query, before I received recognition, from the distinguished Republican leader, we have come to a joint conclusion that it might be better to have the vote just cast be the last rollcall vote for today. If there is any amendment which can be passed on a voice vote, fine and dandy, but I know of no amendment of that nature at this time.

Mr. SCOTT. Mr. President, if we could have a limitation of time on the pending amendment, I would like to have that.

Mr. MANSFIELD. Yes. I understand that the distinguished Senator from Tennessee (Mr. GORE) and the distinguished Senator from Delaware (Mr. WILLIAMS), who are the cosponsors of an amendment which will soon be offered, are agreeable to a 40-minute time limitation, the time to be equally divided between the Senator from Tennessee, or whomever he may designate, and the distinguished chairman of the committee.

## ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of morning business at the conclusion of the prayer on tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, if we are successful in passing the tax reform bill tomorrow, it is the anticipation of the leadership to take up the District of Columbia appropriations bill, the foreign aid authorization bill, and the Department of Transportation appropriations bill later in the week. There is another bill that I cannot think of at the moment, but there will be plenty of business to transact.

Mr. MAGNUSON. Mr. President, we will have a subcommittee meeting on the Department of Health, Education, and Welfare bill at 2 o'clock tomorrow and a full committee meeting on Thursday. The bill will have to be printed in the meanwhile. We ought to have that ready to report by Friday. We might have a vote on Monday.

## COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry be authorized to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the Subcommittee on Small Business of the Commitee on Banking and Currency be authorized to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

AMENDMENT NO. 389

Mr. GORE. Mr. President, I call up my Amendment 389 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. GORE. Mr. President, I will not ask at this time that the amendments be considered en bloc. Some Senators have indicated that they would like to have a division of the question. However, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, reads as follows:

Page 384, lines 7 and 8, strike out "and Rehabilitation Property".

Page 384, line 9, strike out "(m)" and insert "(l)".

Page 384, line 11, strike out "subsections" and insert "subsection".

Page 386, lines 18 and 19, strike out "(within the meaning of subsection (k)(3)(C))".

Page 389, line 2, after the period insert closing quotation marks.

Page 389, beginning with line 3, strike out all through line 5, page 391.

Page 394, beginning with line 10, strike out all through line 2, page 395, and redesignate succeeding subsections.

Page 397, line 13, strike out "(b), (j), and (k)" and insert "(b) and (j)".

Page 432, beginning with line 4, strike out all through line 2, page 454 (sections 704, 705, and 706 of the committee amendment).

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of morning business tomorrow, there be a time limitation on the pending amendment of 40 minutes, the time to be equally divided between the distinguished Senator from Louisiana (Mr. LONG and the distinguished Senator from Tennessee (Mr. GORE).

Mr. GORE. Mr. President, the time is to begin on tomorrow. I will make some remarks tonight.

Mr. MANSFIELD. The Senator is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The unanimous-consent agreement, later reduced to writing, is as follows:

*Ordered*, That, on Tuesday, December 9, 1969, following the routine morning business, further debate on the Gore amendment (No. 389) to H.R. 13270, the tax reform bill, shall be limited to 40 minutes, to be equally divided and controlled by the Senator from Tennessee (Mr. GORE) and the Senator from Louisiana (Mr. LONG).

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## ONE MILLION DOLLARS GIVEN TO STUDENT REVOLUTIONARIES

Mr. THURMOND. Mr. President, the Chicago Tribune has performed a notable public service in exposing the incredible story that the Department of Health, Education, and Welfare has made grants totaling more than a million dollars to an avowedly revolutionary student organization. Although the grants supposedly were for a "health survey," some of the individuals involved helped organize the 1968 riots during the Democratic National Convention in Chicago.

According to the Tribune, a total of $739,816 was given to this group, the so-called Student Health Organization, under the Johnson administration. This year the Government approved $254,800 for the same group.

The Tribune says that the latest issue of the SHO newsletter is dedicated to Ho Chi Minh. It idolizes Che Guevara, Mao Tse-tung, and Eldridge Cleaver. An article in the newsletter states its policy as follows:

We feel that it is absolutely critical to support third world liberation struggles in the mother country. To not do so would be an open form of racism. This means clear and real supoprt of the NLF and the Peoples' Revolutionary Government of Viet Nam.

Mr. President, to make matters worse, there were no guidelines set down by the Government. The only requirement was that the money be funneled through a hospital or medical group. These revolutionaries were allowed to do what they pleased in this so-called survey. No trained research personnel were hired. Professional methods of interviewing were ignored.

Mr. President, this grant appears to be nothing more than a form of subsidy for student revolutionaries. It is a method which someone has worked out to pay the revolutionaries while they are engaged in planning riots and mayhem. The immediate question is: Who devised this program? Who is responsible for approving it? I call upon Secretary Finch to investigate this situation immediately, and to take appropriate steps. HEW is a big department. I can understand how the Secretary may not have been aware of the exact nature of a $250,000 grant to a continuing program. However, the facts suggest that whoever devised the program under the Johnson administration may still be in positions of responsibility. This is a gross distortion of HEW's mission, and a perversion of our responsibility to the taxpayers. I hope that the Secretary will report to the people immediately on this topic, because I know that Congress will not delay long in studying this situation itself.

Mr. President, I ask unanimous consent that the articles from the Chicago Tribune, "Radicals Given $1 Million," December 7, 1969, and "How U.S. Pay Aided 1968 Rioters," December 8, 1969, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Dec. 7, 1969]

RADICALS GIVEN $1 MILLION—HEW FUNDS SURVEYS OF HEALTH NEEDS—GROUP OPENLY BACKS REDS

(By Ronald Koziol)

A student group which openly supports the Communist party has received more than one million dollars in federal funds in the last two years, a *Tribune* investigation has disclosed.

The group is the Student Health organization (S.H.O.), which has described itself in news letters as "a refuge for the left-of-center health student activists."

MONEY FROM HEW

It received the money from the department of health, education, and welfare to conduct surveys of health needs in Chicago and six other cities.

In Chicago, $183,953 was spent on the survey which was conducted in the summer of 1968. Other cities or areas surveyed included New York, Philadelphia, Colorado, and southern California. A total of $739,816 was given to five medical centers in the name of the S. H. O. to perform the surveys.

Money given to the S. H. O. during the Johnson administration continued to be funneled to the organization since President Nixon took office. This year, the government approved $254,800 for the S. H. O. to conduct similar surveys in Wisconsin and northern New England.

DEDICATED TO HO

The latest issue of the S. H. O. news letter is dedicated to the memory of North Vietnamese Communist leader Ho Chi Minh.

ST. LUKE'S IN CHICAGO

In Chicago, Presbyterian-St. Luke's hospital assumed the responsibility for the federal funding contract. Dr. Joyce Lashoff served as adviser to the group.

Its cover shows a picture of Che Guevara, slain Cuban revolutionary, and it quotes favorably Mao Tse-tung, Red Chinese leader, and Eldridge Cleaver, self-exiled leader of the militant Black Panther party.

It also carries obscene cartoons critical of the military and the war in Viet Nam, and a favorable story on "Cuba's Revolutionary Medicine." One article attacks American liberals, such as Mayor John Lindsay of New York, and Walter Reuther, president of the United Auto Workers union.

Another article by the S. H. O. national service center staff, which formerly had offices at 2024 N. Halstead St., spells out the strategies and policies of the organization. It states:

"We feel that it is absolutely crucial to support third world liberation struggles in the mother country. To not do so would be an open form of racism. This means clear and real support of the NLF (National Liberation Front) and the Peoples' Revolutionary Government of Viet Nam.

CREATING MANY VIETS

"It means not only relating to the anti-war movement, but also relating to the strategy of creating 'one, two, three, many Viet Nams.'

"We should try to understand, relate to, and work with other revolutionary groups. This would mean that we should start working closer with the largest of these organizations, the Students for a Democratic Society."

Government officials said the survey projects were devised, organized, and directed by S. H. O. members. The only federal requirement was that money for the surveys channeled thru medical schools or hospitals.

"I believe the survey got across what was required and that the contract was fulfilled," Dr. Lashoff said. "The government's regional medical program felt the survey could be helpful in identifying certain programs."

She said students studying medicine, nursing, law, and social work were employed in the 10-week program.

Bryan Lovelace, assistant director of the Illinois Regional Medical program of HEW said he did not know anything about the survey report. However, Marilyn Voss, a public information specialist in the office, said that the report is in the process of being printed.

STUDIED BY 24 DEANS

When it is printed, the survey will be studied by 24 deans of medical schools and teaching hospitals which compose the board of the regional medical program, she said.

Officials in Washington contend that the surveys have turned up information that would not otherwise be available. One official in the health services and mental health administration said "the regional medical programs will know how to use the survey information."

It was also noted in a lengthy Washington report on the summer health project surveys that "it was readily obvious that such information could not be obtained thru traditional channels [formal surveys]."

PERTURBED BY AMBIGUITY

In the S. H. O. survey report, which was obtained for study by THE TRIBUNE, it is noted that "many students conducting the survey were perturbed by the ambiguity of their roles and complained that they did not know exactly what to do."

The report continued, "Part of this uncertainty was due to the deliberate attempt by the staff to avoid stifling student's creativity by a strict guidelining of their roles, thinking that the summer's experience would be more productive if students were independent to design their own activity."

Another chapter in the survey deals with interviews conducted in the Pilsen community by S. H. O. members. It was pointed out that students selected persons to be interviewed by chance and haphazardly. According to the report:

"We would walk thru the streets of the area and approach anyone we saw who was out on the sidewalk or on their front porch and appeared not to be doing anything pressing. We would then present ourselves.

INEXPERIENCE AND RELUCTANCE

"Our reasons for not using a more rigorous sampling procedure was our inexperience and our reluctance to engage in house-to-house canvassing."

Altho the survey report was to concern itself with health needs, it also devoted a section to attacking the Rev. Francis Lawlor and his southwest side block clubs.

"We do not wish to discount blatant racism as a force in the community," it said. "There are John Birchers, white supremacists, and nazis in some neighborhoods, but most of the people subscribe to the tried and true racial misconceptions pervasive in America."

Miss Voss said that the S. H. O. survey was responsible for the opening of a free inner-city medical clinic on the west side in an area which has had little previous medical care. The clinic was opened in September with a government grant of $71,400.

The survey also proposed several amendments to the state's medical assistance programs.

[From the Chicago Tribune, Dec. 8, 1969]

HOW U.S. PAY AIDED 1968 RIOTERS—FOUR STUDENTS GET WAGES IN HEALTH STUDY—THEY HELP PUSH CITY DISORDERS

(By Ronald Koziol)

Four student radicals helped organize demonstrations against the Democratic national convention last year while being paid by the federal government to conduct a health survey in the city, THE TRIBUNE has learned.

The four are listed as members of the Student Health Organization [S.H.O.]. THE TRIBUNE disclosed yesterday that the S.H.O. received more than 1 million dollars in federal funds in the last two years, altho it openly supports the Communist party in Viet Nam and thruout the world.

CLOSELY LINKED TO S.D.S.

S.H.O. is closely linked to the Students for a Democratic Society [S.D.S.] and other radical and militant groups which have staged riots in Chicago at the 1968 convention, and in October, and last month in Washington.

The four are Marsha Steinberg, Barbara Britts, Mark Simons and James Pinney. Miss Steinberg was indicted by a county grand jury on charges of mob action and aggravated battery stemming from the Sept. 24 disturbances and attacks on police near the Federal building.

She has also been charged with mob action and disorderly conduct as a result of the S.D.S.-Weatherman faction rampage thru the near north side on the night of Oct. 8.

Miss Steinberg and Pinney are listed in the survey report as area coordinators. In this capacity they received a salary of $1,200 for the 10 weeks the survey was in progress. Miss Britts and Simons were participants in the survey-taking and received $90 a week for 10 weeks.

Investigators said that during the convention week Miss Steinberg was observed in several demonstrations and was also active in recruiting S.H.O. members into the S.D.S.

WRITES POSITION PAPER

Pinney is a leader of the R.Y.M. II or Revolutionary Youth Movement faction of the S.D.S. He was repeatedly seen during convention week at one of the S.D.S. prime movement centers at the Church of the Three Crosses, 1900 Sedgwick st.

Pinney recently wrote a position paper with four other activists which stated that R.Y.M. II should form a Marxist-Leninist organization. The paper noted:

"We must prepare ourselves and the masses for an armed struggle. People in our organization should be prepared to defend themselves and to use all the weapons necessary for revolutionary struggle."

NEGOTIATORS FOR COMMITTEE

The names of Miss Britts and Simons appear in testimony presented to the House internal security committee in hearings in October, 1968, during its probe into the convention week disorders.

Simons was a negotiator for the National Mobilization Committee to End the War in Viet Nam, the chief planners of the convention week disruptions. In his role as a negotiator, Simon met with city officials in an attempt to obtain permits for different demonstrations.

Evidence was introduced at the hearings showing that Simons attended a planning meeting of the mobilization committee in early August, 1968.

PAID DURING RIOTS

Also in attendance at the planning session was Miss Britts, who served as the liaison between the S.H.O. and the Medical Committee on Human Rights, a group that furnished medical aid to convention week rioters.

Investigators said she played an active role in organizing first aid stations and mobile first aid teams, and in training marshals in first aid.

Dr. Joyce Lashoff, of Presbyterian-St. Luke's hospital who served as faculty adviser for the 1968 survey said records showed that the four students were paid for the entire summer, including the months of July and August and during the convention week riots.

Presbyterian-St. Luke's hospital assumed responsibility for the federal funding for the survey in Chicago. The department of health, education and welfare in making the money available for the S.H.O., insisted that it be channeled thru a hospital or medical group.

The S.H.O. role in the convention week disorders was brought out in the congressional testimony by James L. Gallagher, an investigator for the House committee.

SET UP STATIONS

Gallagher in a memo to the Cleveland chapter of S.H.O. noted that its responsibility in convention week would be to set up first aid stations and give medical attention to injured persons in jail. Medical supplies would also be collected in Cleveland in the preconvention period. He said:

"This I think is noteworthy because it implies an intention of creating a confrontation. Its members were informed that a camera crew would be set up to take pictures of alleged police brutality and arrests in Chicago."

The Tribune disclosed yesterday that S.H.O. chapters in New York City, Philadelphia, Colorado, California, Wisconsin, and New England received government funds to conduct health surveys.

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## MANAGEMENT OF FISH AND RESIDENT WILDLIFE ON FEDERAL LAND

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate turn to the consideration of Calendar No. 546, S. 1232, which, to the best of my knowledge, has been completely cleared all the way around.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1232) to declare and determine the policy of the Congress with respect to the primary authority of the several States to control, regulate, and manage fish and wildlife within their territorial boundaries; to confirm to the several States such primary authority and responsiblity with respect to the management, regulation, and control of fish and wildlife on lands owned by the United States; and to specify the exceptions applicable thereto; and to provide procedure under which Federal agencies may otherwise regulate the taking of fish and game on such lands.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MOSS. Mr. President, it is most important that this bill be passed as it will clarify and remove points of friction between the Federal Government and the various States on their role in the management and protection of resident fish and game on Federal lands.

Historically, the States, as successors to the British Crown in America, have held and exercised the right to control resident fish and game within State boundaries. For a number of years, however, there has been a growing controversy between the States and the Federal agencies as to who has the jurisdiction over resident wildlife species on Federal lands.

This bill would assign the primary authority for the control, regulation, and management of these species to the States. The exceptions would be migratory, endangered, and Indian, game and fish. The bill would not, of course, disturb the present rights and powers of Congress to control and regulate the taking of fish and wildlife under any international treaty or convention of which the United States is a party.

This measure was first proposed in the 90th Congress by Senator BIBLE, with similar legislation introduced by Senator FANNIN. Both bills were widely cosponsored. I was one of the cosponsors of the Bible bill.

It was my privilege to conduct hearings for the Senate Commerce Committee during the 90th Congress on both bills in Washington, D.C., Salt Lake City, Utah, and Miami, Fla. I am the principal sponsor of the present bill, with Senators BIBLE, CANNON, and CHURCH as cosponsors. I also conducted hearings on this bill in Cleveland, Ohio, in April of this year.

In all of these hearings I have made every effort to develop a complete and detailed record, giving all interested parties ample opportunity to testify. The State fish and game commissioners have all been contacted, and many of them have appeared personally in behalf of the bill. They unanimously endorsed its principles in 1967. S. 1232 has been specifically endorsed by the National Governor's Conference, and it is supported by the International Association of Game, Fish, and Conservation Commissioners.

The Wildlife Management Institute, the Izaak Walton League, and the National Wildlife Federation appeared at the hearings in support of S. 1232, although they stated they were hopeful that the differences between the State and Federal agencies could be settled through meetings of the aggrieved parties.

However, the hearings have proved rather conclusively that legislation is needed to clarify the specific roles of both the State and Federal governments, and I feel that an irrefutable case was made for the passage of this bill.

It will do what we all want to see done—provide for the management of our fish and game population in a way that they can exist at the maximum level with the forage, habitat and protection they must have.

I ask that the bill be passed.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1232

A bill to declare and determine the policy of the Congress with respect to the primary authority of the several States to control, regulate, and manage fish and wildlife within their territorial boundaries; to confirm to the several States such primary authority and responsibility with respect to the management, regulation, and control of fish and wildlife on lands owned by the United States; and to specify the exceptions applicable thereto; and to provide procedure under which Federal agencies may otherwise regulate the taking of fish and game on such lands

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, as used in this Act, the term—

(1) "fish and wildlife" means all vertebrates (including mollusks and crustacea);

(2) "States" means the several States of the United States;

(3) "land owned or controlled by the United States" includes buildings, and structures, trees, crops, or any flora or plants growing thereon;

(4) "department or agency of the United States" means any department, agency, entity or bureau, commission, or any other official or body created by an Act of Congress having charge over the management or control of lands of the United States Government; and

(5) "State agency" means the department, commission, agency, officer or official which is authorized by State law or constitution to regulate, control or manage fish and wildlife in such State, including an interstate compact body authorized to regulate, control or manage any fish or wildlife.

SEC. 2. The Congress of the United States hereby recognizes—

(1) the necessity and importance of conservation programs of the several States in the management, preservation, and regulation of fish and wildlife therein;

(2) that under well-established law set forth in many court decisions, including the Supreme Court of the United States, that the authority to control, regulate, and manage fish and wildlife resides and rests in the several States in trust for the benefit of their people independent of jurisdiction over or ownership of land and that it is the primary duty of the States to conserve and protect these resources;

(3) that unless the several States have the unquestioned right and power to manage, control, and regulate fish and wildlife within their respective boundaries, the revenues from the sales of licenses or permits now or to be received by the States for the hunting, taking, capturing or seizing of fish and wildlife will be considerably diminished and conservation programs of the States seriously impaired thereby;

(4) that Congress has in the past vested certain departments or agencies, of the United States with responsibilities to conserve and develop natural resources, including fish and wildlife on certain federally owned lands, but that such responsibilities should be exercised in recognition of the State's authority with respect to fish and wildlife; and

(5) that it is in the best interest not only of the States but also of the Nation that the States have the sole, exclusive, and undisputed legal right to manage, regulate, and control fish and wildlife in accordance with State laws and regulations notwithstanding the ownership or control of the lands by the Government of the United States within the boundaries of the respective States.

The Congress further declares it to be in the public interest that authority to control, regulate, and manage all fish and wildlife in or on any land or water within the territorial boundaries of the respective States, including lands owned or controlled by the United States, continue to be vested in the several States.

SEC. 3. The exclusive right and power of the States to conserve, control, and manage fish and wildlife in or on lands and waters within their territorial boundaries for public use and benefit in accordance with applicable State law, or subject to the provisions hereof, recognized, confirmed, established, assigned, granted, and transferred to the respective States.

SEC. 4. This Act shall not be construed as affecting the responsibilities and rights of departments or agencies of the United States to conserve and develop, subject to the provisions of this Act, the natural resources, including fish and wildlife, on lands owned or controlled by the United States within the territorial boundaries of any States or as depriving the United States of the right to protect and preserve its lands from destruction or depredation by wildlife to the same extent and in the same manner permitted to any owner of land by the laws of the State in which such land is located. There is hereby specifically reserved and excepted from the operation of this Act:

(a) All rights and powers of the Congress of the United States to control and regulate the taking of fish and wildlife under any international treaty or convention to which the United States is a party but only with respect to those species of fish or wildlife expressly named in said treaties or conventions.

(b) Any Indian reservation and any right, privilege or immunity vested in or reserved to any Indian tribe, land, or community or any individual Indian or any tribe, band, or community of natives of Alaska, or any individual member thereof, with respect to hunting, trapping or fishing or the control, licensing or regulation thereof.

(c) All rights and powers of the United States in and on areas over which the States have ceded exclusive jurisdiction to the United States.

(d) All rights and powers over any species of fish and wildlife ceded or granted to the United States by any State.

SEC. 5. No department or agency of the United States shall promulgate or enforce any rule or regulation with respect to the taking of fish and wildlife within the several States unless such rule or regulation is in compliance with, and under authority of, the laws and regulations of the State wherein such rule or regulation is applicable.

SEC. 6. Notwithstanding anything contained in any Act of the Congress or in any rule or regulation promulgated by any Federal department or agency it is hereby declared to be the intent of the Congress that no provision of any Act shall be construed or implemented in any manner as to displace, preempt, or deprive the several States of their primary and historically recognized authority to control, regulate, and manage fish and wildlife in or on any lands or waters within their territorial boundaries, including all lands and water owned by the United States or in which the United States Government has an interest.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–551), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 1232 is to resolve a long-standing controversy which has existed between the States and certain Federal administrators particularly within the Department of the Interior concerning extent of Federal authority over fish and resident wildlife on federally owned lands. To many observers, recent incidents indicate an alarming trend toward Federal involvement in areas traditionally considered areas of State responsibility and jurisdiction. Broad assertions of Federal authority appear to be culminating in the notion that, unlike other landowners, which land is owned by the U.S. Federal administrators possess authority over wildlife which is seemingly superior to State authority. Federal administrators have thus claimed authority to take wildlife in disregard of State law, the only requirement apparently being that a "Federal purpose" be involved. The States have unanimously rejected such assertions. Attempts to arrive at an administrative solution, though diligently pursued, have not proved successful with the result that an important facet of this Nation's conservation effort, depending in large measure on close Federal-State cooperation, has been measurably impaired. It is the purpose of S. 1232 to resolve this dispute by legislation confirming the historic patterns that have evolved in this country in connection with fish and resident wildlife and to require that, with certain exceptions, taking of fish and resident wildlife on federally owned lands be accomplished within the framework of State law.

It is not the purpose of S. 1232 to open Federal lands to public hunting or fishing where such is not now permitted. The bill in no way affects the authority of Federal administrators to limit or prohibit altogether hunting and fishing on Federal lands if such limitation or prohibition has been otherwise authorized by Congress. Nor does the bill alter the authority of Federal administrators, if otherwise authorized, to manage fish and wildlife habitat on its lands. The bill instead confirms the primary role of the States with respect to fish and resident wildlife within their borders and requires that taking of fish and resident wildlife, whether by the public or by Federal personnel in pursuance of a Federal project, be accomplished in compliance with State law.

As stated above, this legislation is an attempt to resolve the controversy which has existed over whether Federal activities in connection with the wildlife resource on lands owned by the United States should be carried on within the framework of State law. The bill, S. 1232, and its predecessor, S. 2951, were introduced with the sponsorship of the International Association of Game, Fish, and Conservation Commissioners, an association of the fish and game agencies of all 50 States.

SECTION-BY-SECTION ANALYSIS

Section 1 contains definitions of various terms utilized in the bill.

Section 2 contains congressional findings recognizing the importance of the programs of the States in the management, preservation, and regulation of fish and wildlife within their borders; that primary authority to manage fish and wildlife resides in the States in trust for the benefit of their people independent of jurisdiction over or ownership of land; that it is essential to the conservation programs of the States that primary authority over wildlife not be eroded and that the responsibilities of Federal departments and agencies with respect to conservation and development of natural resources, including fish and wildlife on federally owned lands, should be exercised in accordance with State laws and regulations.

Section 3 recognizes and confirms to the States the exclusive right and power to conserve, control, and manage fish and wildlife within their territorial boundaries for public use and benefit in accordance with applicable State law.

Section 4 would make clear that the bill is not intended to affect the responsibilities and rights of departments and agencies of the United States to conserve and develop natural resources, including fish and wildlife, on federally owned lands but that such rights and responsibilities should be exercised in accordance with State law. This section also refers to the rights of the United States to protect and preserve its lands from destruction or depredation by wildlife. Thus Federal departments or agencies may protect lands ad-

ministered by them from injury caused by overabundant or harmful populations so long as destruction of fish and wildlife for this purpose is accomplished in the manner prescribed by State law.

Section 4 also excepts from operation of the bill four situations where other rights with respect to fish and wildlife within a State's territorial boundaries are superior to those of the States: (*a*) rights and powers of Congress under international treaty or convention; (*b*) rights, privileges or immunities vested in or reserved to Indian tribes, bands or communities or an individual thereof or vested in or reserved to any tribe, band, or community of natives of Alaska or an individual thereof pursuant to Federal statute or treaty; (*c*) rights and powers of the United States in and on areas wherein the Federal Government exercises exclusive jurisdiction; (*d*) rights and powers over any species of fish and wildlife ceded or granted to the United States by any State.

Section 5 prohibits the promulgation by any department or agency of the United States of any rule or regulation concerning the taking of fish and wildlife within the several States unless in compliance with and under authority of State law and regulation. This section recognizes that Federal departments and agencies may adopt their own regulations concerning taking of fish and wildlife on federally owned lands so long as such regulations are not in violation of State law.

Section 6 provides that no act of Congress or any rule or regulation promulgated by a Federal department or agency shall be construed or implemented so as to displace, preempt or deprive the States of their primary authority to control, regulate, and manage fish and wildlife within their territorial boundaries.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 14751) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SIKES, Mr. MCFALL, Mr. PATTEN, Mr. LONG of Maryland, Mr. MAHON, Mr. CEDERBERG, Mr. JONAS, Mr. TALCOTT, and Mr. BOW, were appointed managers on the part of the House at the conference.

## S. 3219—INTRODUCTION OF A BILL TO PROVIDE FOR SPECIAL PROJECT GRANTS FOR THE PROVISION OF FAMILY PLANNING SERVICES

Mr. JAVITS. Mr. President, I send to the desk a bill which implements the administration's message delivered here today on family planning services. I introduce the bill for myself and the Senator from Colorado (Mr. DOMINICK), who is the ranking minority member of the Subcommittee on Health, and the Senator from Vermont (Mr. PROUTY).

The bill inaugurates—I want very much to see it passed—a program of family planning services throughout the United States, but without making it as a condition of the receipt of any welfare or other acceptance or in any coercive way requiring or compelling any person to have the benefit of these services. I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3219) to amend the Public Health Service Act to provide for special project grants for the provision of family planning services and related research, training, and technical assistance, introduced by Mr. JAVITS (for himself, Mr. DOMINICK, and Mr. PROUTY), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 3219

A bill to amend the Public Health Service Act to provide for special project grants for the provision of family planning services and related research, training, and technical assistance

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Family Planning Services Amendments of 1969".

SEC. 2. Part B of title III of the Public Health Service Act (42 U.S.C. 243 et seq.) is amended by adding after section 315 the following section:

"FAMILY PLANNING SERVICES

"SEC. 316.(a)(1) The Secretary is authorized to make grants to or contracts with public or nonprofit private agencies, institutions, and organizations for projects for the provision of family planning services. Except in cases in which the Secretary determines a higher percentage is necessary to carry out the purposes of this section, no such grant or contract may provide for payment hereunder of more than 90 per centum of the cost of the project.

"(2) Grants may be made and contracts entered into under this subsection only upon assurance satisfactory to the Secretary that:

"(A) priority will be given in the furnishing of such services to persons from low-income families;

"(B) no charge will be made for services provided under the project to any person from a low-income family except to the extent that payment will be made by a third party (including a government agency) which is authorized or is under legal obligation to pay such charge;

"(C) acceptance of any service provided under the project will be voluntary on the part of the person to whom such service is offered and will not be a prerequisite to eligibility for or receipt of any other service or to assistance from or participation in any other program or project of the grantee;

"(D) there will be appropriate coordination of services provided under the project with, and utilization of, other related Federal, State, or local health or welfare programs; and

"(E) the project will comply with such other terms and conditions as the Secretary may prescribe to carry out the purposes of this section.

(b) The Secretary is authorized to make grants to public or nonprofit private agencies, institutions, and organizations, and contracts with public or private agencies, institutions, or organizations, for graduate or specialized training of physicians, nurses, other health personnel, social work personnel, and subprofessionals to improve their ability to provide family planning services and to do so more effectively.

"(c) The Secretary is authorized to make grants to public or nonprofit private agencies, institutions, and organizations, and contracts with public or private agencies, institutions, or organizations, for projects for research into or demonstration of new or improved techniques for the delivery of family planning services, with particular attention given to development of methods or techniques for making such services available to persons from low-income families.

"(d) For purposes of this section, what constitutes a low-income family shall be determined in accordance with criteria prescribed by the Secretary.

"(e) The Secretary is authorized to provide, or to make contracts for the provision of consultative services and technical assistance to public or nonprofit private agencies, institutions, and organizations providing or planning to provide family planning services.

"(f) Payments under this section pursuant to a grant or contract may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and on such conditions, as the Secretary may determine.

"(g)(1) There are authorized to be appropriated for the fiscal year ending June 30, 1971 and each of the next 4 fiscal years such sums as may be necessary for grants and contracts under this section.

"(2) Such portion of any appropriation pursuant to paragraph (1) as the Secretary may determine, but not exceeding 1 per centum thereof, shall be available for evaluation by the Secretary (directly or by grants or contracts) of the program under this section.

"(h) The Secretary shall submit to the President and the Congress annually a report on the activities of the various executive departments in the field of family planning services, including his estimate of the extent to which the purposes of this section are being carried out."

## REQUEST FOR AUTHORIZATION FOR THE COMMITTEE ON THE JUDICIARY TO MEET TOMORROW—OBJECTION

Mr. BAYH. Mr. President, I have been in discussion with the distinguished chairman of the Committee on the Judiciary, and as a result of that conversation, and with his blessing, I ask unanimous consent that the Committee on the Judiciary be permitted to meet tomorrow during the forenoon period.

The PRESIDING OFFICER. Is there objection?

Mr. THURMOND. Mr. President, the tax bill will still be up tomorrow, as I understand, and I would like to be on the floor as much as I can, and I would object to the committee meeting while the Senate is in session.

Mr. BAYH. Mr. President, the Senator from South Carolina has every right to object, but I think the RECORD should show that the subject matter which all members of the committee realize is going to be discussed tomorrow is electoral reform. This measure has been the pending order of business before the Judiciary Committee since before the fall recess—in other words, since the middle of August.

As the primary sponsor—not the only sponsor—of that measure in the committee, I have tried my best to assume a position which would permit the flow of business through that committee and permit as much convenience to every Senator as possible. But I think the record should show that the same criteria which the Senator from South Carolina

used to prevent this committee from meeting and to prevent electoral reform from being discussed in the committee applied today. It applied Saturday. This is not the first time that efforts have been made to prevent the Judiciary Committee from discussing this important matter.

The fact is that the President of the United States has heartily endorsed electoral reform. The fact is that, by a vote of 339 to 70, the House of Representatives passed an electoral reform measure. I think it is most unfortunate that the Senate and the Judiciary Committee do not have a chance to work their will on this proposed legislation.

Mr. THURMOND. Mr. President, the electoral college reform bill would change the entire structure of this Government, and when that bill comes before the Judiciary Committee, I want to be there, and I want to be there every minute. The Senate is now working on a very important tax bill. A Senator cannot be in two places at once.

The distinguished Senator from Indiana went off to India for 3 weeks. If he was so interested in the electoral college reform bill, he could have stayed here and tried to have gotten it up at that time.

I do object to the committee meeting while the Senate is in session, and I reiterate my position in that matter.

Mr. BAYH. I think it is most unfortunate that the Senator from South Carolina suggested in any way, without directly alleging, as he did, that my membership in the congressional delegation to the IPU Conference was responsible for this matter not being considered. The fact is that it is patently untrue, and the Senator from South Carolina knows that, or ought to know it, because the agreement that was reached before the recess specified exactly what order of business would be considered. This is not the case. The fact is that the Senator from South Carolina is opposed to this measure and is using his rightful opportunity—I certainly respect it.

Mr. BAYH subsequently said: Mr. President, I would like to state for the RECORD that the Senator from Indiana in no way was suggesting that the senior Senator from South Carolina was taking unfair advantage of his parliamentary right. Indeed, I think he had a right to do what he did.

If this is the way the game is played, perhaps some of the rest of us should take advantage of this opportunity. I do not like to do that.

The senior Senator from South Carolina was not interested enough in the tax bill this morning to prevent the committee from meeting in connection with an important drug bill; and he was not interested enough in the tax bill this morning to take issue with the consideration of the omnibus crime bill, which has far-reaching implications.

If we are going to set one rule for the crime bill we should set the same rule for the electoral reform measure. But the Senator is preventing us from taking up that question. I want the RECORD to show the reason, so the public can be apprised of what is involved.



## TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. GORE. Mr. President, the Committee on Finance, unfortunately, upon the recommendation of the Assistant Secretary of the Treasury, has approved large new loopholes in the tax law if the committee bill as it now stands should become law. It provides for syndicate financing which, if approved, will allow tax avoidance of enormous proportions. It will permit the formation of syndicates to purchase and deal in tax deductions with respect to railroad boxcars, with respect to locomotives, rolling stock of all kinds, certain housing costs, pollution and pollution control equipment.

I will discuss the matter in more detail in a few moments but now I wish to extend the courtesy to the distinguished chairman of the committee to make a statement with respect to this subject.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The Senator from Louisiana is recognized.

Mr. LONG. I thank the Senator.

Mr. JAVITS. Mr. President, will the Senator yield briefly?

Mr. LONG. I yield.

Mr. JAVITS. Mr. President, I am concerned about the impact of the bill on "learned societies"; organizations whose activities are involved in scholarly research in the humanities. While I am confident that it was the intention of the drafters of the bill to exclude such organizations from the defined category of "private foundations," I would appreciate the Senator's views concerning the bill's treatment of some specific situations.

The distinguished Senator from Rhode Island (Mr. PELL) has graciously allowed me to ask these questions for both of us because I am a lawyer and he felt it might be more fitting for me to do so.

The first situation I am concerned with involves an organization of the above type which derives more than one-third of its normal support from sources consisting of membership dues—either from other organizations or individuals—and subscription proceeds arising from the publication and sale of a scholarly journal. The remainder of its support comes in the form of grants from a private foundation that has consistently supported the organization. While I recognize that under certain circumstances a private foundation will be considered a substantial contributor and its grant cannot be used in determining whether one-third of the support comes from the public, I assume nonetheless, such an organization would meet the "public support" test that the bill imposes and therefore be excluded from "private foundation" treatment.

Mr. LONG. The Senator is correct. Where more than one-third of an organization's normal support comes from sources such as membership fees—whether from individuals or member organizations—and gross receipts from organization activities which are in furtherance of its exempt purposes such as the sale of its scholarly journals—and assuming that it receives no more than one-third of its support from gross investment income it will be treated as one of the broadly, publicly supported organizations that has been excluded from the definition of private foundations. The remaining sources of the organization's support are not relevant to the statutory test of section 509(a)(2).

Mr. JAVITS. I am also concerned with the situation which arises where a membership organization of the type described above falls short of meeting the public support test. This may occur in the case of organizations which are regularly funded with large grants from substantial contributors or, occasionally, in the case of an organization that receives an unusual grant or bequest from a source. While I recognize that the Finance Committee expects appropriate provisions to be incorporated in the Treasury's regulations which will prevent organizations that find themselves in the latter situation from being treated as private foundations, it appears the statute also provides another type of solution. As I read proposed section 509(a)(3), I wonder whether membership organizations which fail to qualify under the public support test because they have insufficient public support as compared to support from qualified persons, may nevertheless remain outside the definition of private foundation. Section 509(a)(3) states that an organization which is operated exclusively for the benefit of or in connection with a public charity and is not controlled by disqualified persons will also be excluded from private foundation status.

Would not this section be applicable if an organization with two sources of support—say, membership dues and other income from public sources amounting to 25 percent of its total support and grants from disqualified persons amounting to 75 percent—were to transfer the activities that were normally funded by the membership dues and other public sources into a separate charitable organization which would thereafter be the recipient of all such grants? Assuming that neither organization is controlled by disqualified persons and that the new one is operated in connection with and to carry out the same purposes as the original organization, both organizations would literally be excluded from the private foundation definition—the new organization because all of its income would be from public sources—membership dues—and the original organization because it has been organized and operated to carry out the same purposes as the new organization.

Mr. LONG. Mr. President, I assume that the organization that would receive the membership dues and income from public sources would be, in effect, the parent organization. In such a case, the organization that would be expected to receive grants from disqualified persons should be the newly created organization. It would be operated exclusively for the benefit of what I have called the parent organization and would be operated by or in connection with that organization. Then, if none of the disqualified persons controlled the organization receiving the grants from disqualified persons, that organization would appear to

meet the tests you described in section 509(a)(3) and would not be a private foundation. It should be added that the public support test which the membership organization will have to meet will undoubtedly be set out in detail in Treasury regulations. Under those circumstances, it is not precisely clear how new organizations will be required to demonstrate their "normal" sources of support. With this caveat, however, I see nothing about your proposal which offends the intent of the proposed legislation. Indeed, as long as the parent organization is publicly supported, its subsidiary will not be considered a private foundation.

Mr. President, I believe I should state briefly for the RECORD—and I believe the Senator from Tennessee will explain his side of the argument in greater detail this evening—why the committee voted for the 5-year amortization provision involving railroad equipment.

The largest tax reform in this bill is the repeal of the investment tax credit. As we reported it from the committee we estimated it would raise for the Government about $3.3 billion a year in full operation. To achieve this, however, we felt we must resist industry amendments that would exclude first one industry and then another industry from the repeal of the credit. As a result, the Finance Committee finally voted against all industry exemptions.

It was our feeling that, once we agreed to make one exception, then other exceptions would follow. What has subsequently happened on the floor of the Senate is a good example of what I had in mind.

Although in committee we were successful in voting down other proposed exceptions, we initially could not defeat a provision which would have continued the investment tax credit for railroad rolling stock. The reason we could not do that was the critical shortage of railroad rolling stock and necessity that it be remedied as soon as possible.

Many of us knew that once that exception for railroad rolling stock was voted, the truckers would demand similar treatment, the airlines would demand similar treatment, and then the entire transportation system would demand similar treatment. Next, we would have others who have need of equipment press their dire need of modernization and expansion, with the result that soon we would have repeal of the investment tax credit dismantled item by item.

The administration recognized the same problem. It negotiated with representatives of the railroad industry and reached an agreement whereby the Treasury would support a proposal—the provision in this bill—to remedy the shortage of railroad rolling stock, instead of an exception from the repeal of the investment credit. This provision allows 5-year amortization of railroad rolling stock, including locomotives.

While this provision may seem generous with regard to railroads, the fact is that the equipment is badly needed. There should be incentive of some sort to help alleviate the shortage of railroad rolling stock in this country.

The provision for 5-year amortization for railroads will cost approximately $125 million in the first year, and will cost about $185 million by 1974. In addition, it would have continued indefinitely into the future. The provision voted by the committee, however, will terminate in 1974.

As a matter of fact, the provision in the bill also provides that the 5-year amortization would not be continued after 1972 for any class of rolling stock if the Secretary of the Treasury should find that the shortage of that class of railroad rolling stock had been corrected.

One might ask why we went beyond simply providing that the allowance for railroad rolling stock would be accorded to a railroad itself—that is, why we also allowed it to those who lease rolling stock to railroads. The problem here is that there are a lot of railroads that are not making a profit. Those railroads which are having difficulty financially and are not earning profits, and, therefore, are not paying taxes to the Government would not be in a position to take advantage of rapid amortization. It was pointed out to the committee that the incentive sought for the profitable railroads also could be made available to those railroads that are in a loss position by making the amortization available to persons who lease to railroads.

In other words, by making it possible for someone to buy railroad rolling stock and then lease it to a railroad not making a profit at a reduced rental reflecting the benefits of the amortization, the railroad would be able to obtain the equipment and the benefits of the amortization. The rental would reflect the tax savings and the railroad would be able to obtain equipment cheaper than it otherwise could.

Thus, in order to extend the same benefits to railroads losing money, the bill allows a person who leases rolling stock to a railroad to obtain the amortization. Thus, the railroad can lease the equipment from someone in a position to buy it who can pass on the benefits of amortization to the railroad.

This is the way the committee sought to see that both railroads losing money as well as those making money could benefit from this provision that is designed to alleviate the railroad rolling stock shortage.

Now I have no doubt in my mind that in the committee, and I believe on the floor, an amendment would have been agreed to, to make an exception from the repeal of the investment credit in the case of the railroads, if something of this sort had not been agreed upon. Under the circumstances, we had a bill that had no exemption for any particular industry. We were successful in defeating an amendment offered by the Senator from Nevada (Mr. CANNON) which would have exempted the entire transportation industry from the bill.

In my judgment, had we not agreed upon the amortization provision, we would have had the exemption voted first for the railroads, and then an exemption for the truckers, and then an exemption for the airlines, and ultimately for the entire transportation industry. Then there would be little left of the $3.3 billion revenue increase proposed to be achieved. We have seen how difficult it is to defeat some of the amendments which have popular appeal.

Already, there have been two amendments voted that have reduced what he hoped to gain in the bill by over $1 billion; namely, the amendment offered by the Senator from Indiana (Mr. HARTKE), the so-called small business amendment, at a cost of $720 million, and the amendment offered by the Senator from Alaska (Mr. STEVENS) to help depressed areas, at a cost of about $300 million. Had we not done something of this sort, I suspect by now that there would have been nothing left worth repealing with regard to the investment tax credit and no savings would have been achieved.

Let me read one paragraph of the committee report:

It is also provided that the Secretary of the Treasury (with the assistance of the Secretary of Transportation) is to issue regulations indicating particular classes of cars or locomotives which are not considered to be in short supply. Rolling stock in these specific classes of cars or locomotives which is placed in service after 1972 is not to be eligible for the 5-year amortization writeoff.

In other words, the effect of the provision is terminated once it is determined that there is no longer any shortage of this kind of equipment. In addition to that, there is also a provision in the bill which requires the reconsideration of the entire provision in 1974.

I believe that under the circumstances, faced with the practical situation, the committee handled it about as well as it could to deal with the problem. I would hope that on tomorrow, the Senate, in its judgment, will see fit to support the position of the committee in this matter.

Mr. PELL. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I am happy to yield to the Senator from Rhode Island.

Mr. PELL. I have one question in connection with railroads and the use of the investment credit for purchase of new equipment. What portion of that will be used for freight hauling equipment and what portion for passenger equipment?

Mr. GORE. There is no requirement in the bill. The benefits here will be available for syndicates who wish to purchase or lease any sort of railroad equipment and locomotives, passenger cars, or freight cars, and I suppose will use the date to work out the question of the portion of railroad business which is freight—and that most of it would be freight.

Mr. PELL. That is my understanding. I understand that this measure is of very little assistance to the passenger railroad business, but I want to be sure of my facts. I am asking for enlightenment.

Mr. GORE. I thank the able Senator from Rhode Island.

Mr. LONG. Mr. President, will the Senator from Tennessee yield to me in that respect?

Mr. GORE. I am happy to yield to the Senator from Louisiana.

Mr. LONG. The Senator is most gracious.

Mr. President, this provision does cover passenger equipment and, insofar as it is needed, passenger equipment would

be allowed the same liberal amortization. But after 1972, there would have to be determination that there remains a shortage of that specific class of equipment. So that if by 1972 the shortage had been rectified—which I doubt will have occurred—then that class of equipment no longer would be allowed rapid amortization.

Mr. PELL. As I understand it, today there are very few, if any, passenger railroad cars being built, except the new ones like the Metroliner, the Turbotrains, and very few others. In fact, the estimated benefits of this provision will be 99 percent or 98 percent enjoyed by freight railroad as opposed to passenger railroad. Would that be correct?

Mr. LONG. We expect that it would be overwhelmingly to the advantage of the freight aspects of industry because the railroads find that more profitable than they do passenger service. As the Senator well knows, the railroads are trying to get rid of their passenger service, I regret to say. If they had their choice, I believe they would probably like to have antiquated equipment as an excuse to discourage the public from using it, so that they could have a better opportunity to persuade the Commission to go along with discontinuing that service, in many instances. But I would hope that in the metropolitan areas, including that so ably represented by the Senator from Rhode Island (Mr. PELL), we will see more of these Metroliners, and more of the modern equipment that is bringing some passengers back to the railroads.

I rode the Metroliner for the first time a couple of weeks ago, and I was very much impressed with it. It was good service. It offers some hope for the future.

Mr. PELL. I completely agree with the reactions of the Senator in charge of the bill, my good friend from Louisiana (Mr. LONG). The railroads would much rather haul things rather than people because they make more money hauling things, freight. I am sure that they would be overjoyed if their passenger equipment all fell apart. The Senator is absolutely right.

Mr. GORE. Mr. President, all of the sins of the provision are being committed in the name of rolling stock. All I can hear about this provision is the need for rolling stock, the emergency there is for rolling stock. But this is only part of the provision.

Since we have heard so much about rolling stock, I shall begin with rolling stock.

The bill gives a 5-year amortization period for rolling stock; and rolling stock includes locomotives. We see pictures showing wheat being piled on the ground in Kansas, but wheat has been piled on the ground in Kansas for many years. We could double the amount of rolling stock and it could not roll the wheat to market the first week.

But granted that there is a need for rolling stock, I have heard no suggestion that there is a shortage of locomotives. Yet this measure gives rapid amortization for locomotives.

But it also specifically makes the tax advantages available to investment syndicates who purchase and lease boxcars, and become recipients of the tax deduction provisions.

Moreover, the measure provides a double benefit for locomotives and railroad cars—freight cars and passenger cars—to the extent that those facilities are now on order and eligible for the investment credit. It would allow the double benefit of an investment credit and rapid amortization for the same boxcar, the same locomotive. The railroad lobbyists have certainly performed well from the standpoint of their employers. Let me say to the distinguished Presiding Officer that this measure permits the railroads to start amortizing the grade for the Golden Spike. They have never had an opportunity before to amortize a roadbed or a tunnel, but though a tunnel was built 100 years ago, this bill permits a railroad now to start amortizing the tunnel the railroad has been using for 100 years—in the name of rolling stock.

Under this bill, the Pennsylvania Railroad could start amortizing the roadbed from Washington to New York. It has been in use quite a few years, and never before has Congress allowed a roadbed or a tunnel to be amortized. But this bill does—in the name of rolling stock. That is what we have all heard about—the shortage of rolling stock. There is no shortage of tunnels.

Mr. President, this is an enormous new loophole. In a bill of 500 pages, primarily for the purpose of tax reform, to strike down tax inequity, we open up a large new loophole for wealthy investors in high-income brackets to take advantage of the tax deductions provided herein.

Mr. President, each Senator knows that an investment credit or a tax deduction is worthless to a person or a company that has no tax liability. The railroads that need equipment most are those losing money. What is a tax deduction worth to a railroad losing money? It will not be worth anything to that railroad, but it will be worth a great deal to the investing syndicates, and the syndicates will reap a big profit.

Mr. President, the following example shows how an investment syndicate would profit under the provisions of this bill.

The railroad arranges for a syndicate of wealthy individuals to purchase the boxcars. The purchase price is put up entirely with a loan from the railroad's financier.

The "rent" paid by the railroad is exactly set to retire the loan and pay the interest thereon. Usually the rent never goes through the hands of the lessors at all. Indeed the financing institution generally looks only to the credit of the railroad to pay off the loan.

There is no cash-flow benefit to the lessors. Their sole profit comes from the rapid amortization that they use to offset their other taxable income. The "profit" is the amount of the tax reduction resulting from the artificial amortization deductions.

Mr. President, this applies not alone to railroads, this is a syndicate tax loophole being created in this bill. It applies also to cost of renovating of certain housing.

We have talked a great deal about the loophole of the hobby farmer. We have talked a great deal of the Wall Street cowboy and how he was converting high tax dollars to low tax dollars through losses from a horse or cow or citrus orchard.

We have now before us a new provision to create Wall Street railroaders, Wall Street remodeling investors, Wall Street pollution investors, because the same rules which the Senator from Delaware (Mr. WILLIAMS) and I have offered an amendment to strike provide that the tax benefit can go to investment syndicates for these purposes also.

But to continue, Mr. President, with respect to railroads, this measure grants amortization for gradings and tunnels regardless of when they were built.

Amortization and depreciation are supposed to be based upon the length of life of a facility. How long will a tunnel through the Rocky Mountains last? They have been lasting for perhaps 100 years. Nobody indicates they will not last another 100 years. Yet this provision permits its amortization in 50 years. In other words, it permits the railroads to start deducting from their taxes for tunnels that were built 100 years ago or 150 years ago—whenever it was. And yet all we have heard about is rolling stock.

How much will these provisions cost with respect to railroads? An estimated $185 million a year. That is a good sized loophole.

And yet in the committee report it was called tax reform.

Now let us talk about the rolling stock, which the investing syndicates are to provide.

I am advised that the average useful life of railroad freight rolling stock is about 14 years.

But the committee provides that this equipment can be depreciated in 5 years. So you see Mr. President we are permitting a tax deduction through amortization of the entire cost in about one-third the period of time that the rolling stock will be useful.

This rapid writeoff will be of no benefit to a railroad that has no profit. A railroad in South Carolina operating just on the edge may be badly in need of a new locomotive or some new freight cars. This gives them a rapid writeoff which means of course that they can deduct the cost from their taxes more rapidly than the railroad car or the locomotive will wear out.

But I repeat that is of no benefit unless that railroad has a profit. Who is going to get that benefit? Some high bracket taxpayers who will enter into a syndicate to execute a purchase and lease of the equipment. And what happens? We have seen copies of this kind of contract. The amount of the rent and the amount of the amortized loan exactly equal up; and who gets the benefit? A group of doctors or Wall Street investors in the 70-percent bracket.

POLLUTION CONTROL FACILITIES

The committee bill also provides 5-year rapid amortization for certain pollution control facilities.

The Finance Committee considerably tightened the House version. However, the fact remains that we are utilizing the tax system to grant $120 million to cor-

porations to clean up pollution created by processes on which they have been making profits for the past 100 years or more. This expenditure is inefficient and may well run counter to the most effective means of achieving pollution control.

In 1967 a working committee on economic incentives submitted a report concluding that tax writeoffs are not needed nor are they desirable for achieving pollution control. This working group was made up of representatives of the Bureau of the Budget, the Treasury, the Council of Economic Advisers, the Water Resources Council, the Office of Science and Technology, the Department of the Interior, Department of Commerce, HEW, and Resources for the Future.

I set forth pertinent parts of the report:

COST SHARING WITH INDUSTRY?

(Summary Report of the Working Committee on Economic Incentives (Revised), the Working Committee is one of several Committees under the direction of the Federal Coordinating Committee on the Economic Impact of Pollution Abatement, November 20, 1967)

* * * * *

*Proposals for assistance*

Various proposals for additional assistance to industry beyond obvious improvements or expansion of existing Federal programs were evaluated as follows. Across-the-board assistance for capital investment such as tax writeoffs (credits or accelerated depreciation) and grants are unnecessary because the burden of pollution abatement is estimated to be only moderate. Also, this form of subsidy is inefficient because such assistance provides an incentive for excessive use of capital and practically excludes similar assistance to process changes that jointly reduce pollution and increase productivity. Moreover, such aid is likely to be an undesirable precedent for using tax writeoffs for other programs (e.g., education, training, housing, etc.).

* * * * *

*Recommendations*

* * * * *

4. Across-the-board cost-sharing in the form of tax writeoffs is not recommended because it distorts the tax structure, causes the total cost of pollution abatement to rise significantly, promotes excessive use of capital equipment and waste treatment facilities, and discourages selectivity in environmental quality management. Across-the-board use of grants and loans is similarly handicapped and, in addition, is subject to fluctuations in Congressional appropriations.

POSSIBLE ADDITIONAL FEDERAL SUBSIDIES

*Introduction*

It was noted that the Federal Government is now spending $\$\frac{1}{2}$ billion per year for both air and water pollution abatement and this amount is forecast to increase markedly during the next five years. The largest proportion of these funds are now funneled through municipalities. Industry also receives considerable assistance from the 7% investment tax credit and allowances for accelerated depreciation—perhaps as high as $50 million annually. The size of current annual expenditures by industry for water pollution abatement is roughly estimated at $\$\frac{2}{3}$ billion for water and an unknown amount for air—or perhaps roughly equal to the current Federal Government expenditure and subsidy for this area. The Government is already carrying a large part of the burden.

The requirement for additional expenditures is a function of water and air quality standards, plant location, topography, stream capacity, meteorology, production processes, and pollutants. Before all of these factors are weighed, only some rough estimates of additional annual cost and burden for manufacturing can be made: $275 million and 0.13% of value-added by manufacturing for water and $354 million for air—or $629 million and 0.29% of value-added for both air and water (excluding thermal-pollution abatement). For individual industries, firms and plants the burden is likely to vary widely.

Finally, it is not clear that pollution abatement need affect the firms' rate of profit insofar as individual firms have considerable flexibility to shift the small increase in the costs from themselves to the purchasers of their products. It is with this summary and introduction in mind that the possible Federal subsidies will be examined.

TAX WRITEOFFS

Numerous proposals in Congress have been made for offering greater assistance to industry through increasing the investment tax credit or accelerating the depreciation allowances on capital expenditures for pollution abatement. Proposals range from increasing the investment tax credit from 7% to 14% or 20% and/or from allowing depreciation allowances normally scheduled over 15 years to be scheduled over five, three or even one year. The additional capital subsidy would range from 7% for raising the investment tax credit to 14% to 33% for implementing a 20% tax credit and a one-year accelerated depreciation schedule. (See Table X). The subsidy would total roughly $296 million for water and $75 million for air for the three-year accelerated depreciation allowance if applied to an estimate of the additional capital required to meet the hypothetical standards considered in this report.

However, the subsidy is in a small part illusory because the assistance would be given for a higher level of expenditure caused by the subsidy creating an incentive to over-use capital to the neglect of operating and maintenance expenditures. This would arise because capital costs are made artificially cheaper by virtue of a tax writeoff. Tax writeoffs are handicapped because they are incapable of providing assistance to all of the costs of abatement. The capital cost accounts for roughly one-third of the total cost for water pollution abatement and one-eighth for air pollution abatement. Of course, with subsidies given to capital alone, the capital cost proportion will tend to rise and unnecessarily consume more resources. The addition of chemicals or supervisory personnel often times is less costly than building additional capacity in order to treat larger waste loads. Fuel substitution alone is estimated to be the least-cost alternative in over 60% of the cases involving air pollution abatement.

Moreover, tax writeoffs are difficult to apply to many changes in the production process which reduce the actual generation of waste loads but which also add to the output of plants. Other studies have shown that some industries find that over 50% of the least-costly opportunities for reducing waste load discharges are found in such process changes.* The Treasury Department would be faced with the difficult task of certifying the proportion or the cost attributable for pollution abatement or disallowing any assistance for this kind of improvement. To the extent of the proportion disallowed, plants would be given an incentive to *ignore* many improvements which have been shown to be least costly.

Also, the implementation of selective writeoffs for pollution abatement opens the door for other programs to receive similar treatment. Proposals for tax writeoffs for training, education, mining, transportation, housing and others have already been made. The snowballing effect for industry could be, conceivably, a necessary increase in the corporate tax structure or lag in the long-run reduction of corporate tax rates and thus no net benefit to firms facing pollution abatement expenditures. Moreover, public accountability of such subsidies are difficult and would probably create an annoying problem in its removal once social policy dictates a change.

TABLE X.—COMPARISON OF THE ADDITIONAL SUBSIDY TO INDUSTRY THROUGH ALTERNATIVE FORMS OF FEDERAL ASSISTANCE [1]

| Type of assistance | Subsidy as percent of capital cost | Subsidy as a percent of annual cost [2] | | Rough estimate of likely assistance to industry for capital expenditures to meet hypothetical standards in 5 years 1969–73 [3] (millions) | |
|---|---|---|---|---|---|
| | | Water | Cost | Water [4] | Air [5] |
| Accelerated: 5 yrs. | 13 | 5 | 2 | $241 | $61 |
| Depreciation: | | | | | |
| 3 yrs. | 16 | 6 | 3 | 296 | 75 |
| 1 yr. | 20 | 9 | 4 | 370 | 94 |
| Additional (7 plus 7) | 18 | 2 | 1 | 130 | 33 |
| Tax credits (13 plus 7) | 25 | 5 | 2 | 251 | 61 |
| Accelerated depreciation and tax credit combined: | | | | | |
| 14 percent credit and 3-yr. accelerated depreciation | 35 | 10 | 5 | 426 | 108 |
| 20 percent tax credit and 1-yr. accelerated depreciation | 46 | 17 | 8 | 611 | 155 |
| Reduced interest loans: [6] | | | | | |
| 6 percent (3 percent below discount rate) | 11 | 4 | 2 | 204 | 52 |
| 4 percent (5 percent below discount rate) | 17 | 7 | 3 | 315 | 80 |

[1] Assume 48 percent effective tax rate, 15-year functional life (straight line) for pollution abatement facilities and 9-percent discount rate. Excluding accelerated depreciation now available in existing tax laws; e.g., sum of digits or double declining balance.

[2] Includes annual capital cost (amortized) and operation and maintenance expenditures, increase in total cost of abatement because of excessive use of artificially cheaper capital costs.

[3] Assuming all capital expenditures are subsidized whether to industry or households. *Capital costs* would undoubtedly drop after the initial investments are made to achieve standards.

[4] Based on industrial profiles: $1.15 billion additional investment plus $0.7 billion replacement investment which equals $1.85 billion for BOD and suspended solids for hypothetical standard of 85 percent treatment of industrial wastes.

[5] Assuming 20 years of additional capital investment is made in 5 years. The total capital as indicated by the "typical city" study should be $470,000,000 to achieve a hypothetical standard of reducing human exposure by 60–75 percent of SOx and particulates.

[6] 15 years, straight reduction loan, 9 percent discount rate for industry (if assume 6 percent then zero gain for 6 percent interest loan and 7 percent or $71,000,000 gain for 4 percent interest loan).

In summary, clearly tax writeoffs are not needed nor are they a desirable form for offering further assistance to industry.

Mr. President, it is sometimes argued that industry cannot afford to make the expenditures required for pollution control. However, the report shows that the additional cost of achieving Government standards of pollution abatement would

* For example in the case of water, see Kneese, Allen and Lof, George. *The Economics of Water Utilization in the Beet Sugar Industry,* Manuscript, Resources for the Future.

only amount to $0.5 billion for all manufacturing concerns annually, or one-half of 1 percent of the value added by manufacturing. The report points out that there are already many Government programs to reduce the cost of pollution control. Indeed, we have recently passed in the Senate a $1 billion anti-pollution measure. As the report concludes, tax incentives simply are not needed, especially when they produce the unfairness and inequity in the tax system that they in fact do.

HOUSING REHABILITATION

The committee bill provides that rehabilitation costs of certain low- and middle-income housing can be amortized over a 5-year period.

As the committee report itself shows, fast depreciation for real estate is an unjustified tax preference.

Rehabilitation of low- and middle-income housing apparently has such a low priority in our national housing policy that HUD does not even request funds for it. Yet in a tax bill, the tax-writing committees of the Congress—which have no expertise in real estate or housing matters—are providing $330 million for a purpose on which no data is available to indicate the effectiveness or desirability of the expenditure.

This provision is unfair from the standpoint of tax policy. The effect of the 5-year writeoff is to provide an interest free loan to the slumlord in the amount of the taxes he otherwise would have paid had proper depreciation been allowed. The benefit of this interest free loan is far greater to the 70 percent taxpayer than for the 20 percent taxpayer. For example, if a 70 percent taxpayer makes expenditures that have a useful life of 20 years, and he would otherwise earn 10 percent on his money, the effect of the Government loan in the amount of his tax savings is to reduce his interest costs by 5 percentage points, from say 8 percent to 3 percent.

However, a 20-percent bracket taxpayer making the same rehabilitation expenditures would get a reduction of his interest costs of only 1 percentage point.

If HUD proposed a Government assistance program to rehabilitate low- and middle-income housing that provided for direct loans at a 3-percent interest rate to 70-percent bracket taxpayers and a 7-percent interest rate to 20-percent bracket taxpayers, the responsible congressional committees would quickly throw the proposal out. Yet that is exactly the system that has been adopted by the Finance Committee in the bill.

I refer Senators to a statement submitted by Prof. Charles Davenport to the Finance Committee which substantiates the analysis I have just made. Mr. Davenport was formerly with the Treasury, is now a professor of law at the University of California at Davis, and is an expert in tax depreciation matters. His statement appears in volume 5 of the Finance Committee hearings, page 4903.

SPECIAL PROVISIONS IN THE TAX REFORM ACT OF 1969

Mr. KENNEDY. Mr. President, the Tax Reform Act of 1969 is designed, says the committee report accompanying it, to meet the "common goal of a fair and more efficient tax system." The report further states:

> In the long run, tax reform should also lead to simplification by redirecting effort from tax avoidance to productive economic effort.

The single most significant element in developing public support for this tax reform bill was the disclosure earlier this year that in 1966, 21 individuals with incomes of over $1 million a year paid no income tax at all. We heard much, shortly after this disclosure, of what came to be known as the "taxpayer's revolt." This revolt revolved around a single concept—equity. How could we have constructed a system, American taxpayers wondered, which lets the rich and clever escape taxes but severely crimps the budgets of the not-so-rich?

The committee report phrases a general answer to this question:

> From time to time, since the enactment of the present income tax over 50 years ago, various tax incentives or preferences have been added to the internal revenue laws. Increasingly in recent years, taxpayers with substantial incomes have found ways of gaining tax advantages from the provisions that were placed in the code primarily to aid limited segments of the economy. In fact, in many cases these taxpayers have found ways to pile one advantage on top of another.

The report adds:

> This fact has seriously undermined the belief of taxpayers that others are paying their fair share of the tax burden. It is essential that tax reform be obtained not only as a matter of justice but also as a matter of taxpayer morale.

The Committee on Finance has adopted a number of significant provisions to restore some measure of equity and to restore some measure of taxpayer confidence. A few of these provisions have been strengthened by amendments on the Senate floor, and the long-range effect, I think, will be beneficial to public confidence in the tax system itself.

One issue, however, has not yet been discussed in any detail, in the committee report or on the floor. This is the issue of special provisions inserted in the tax code for the benefit of a particular individual, a particular corporation, or a particular industry.

I would point out that special provisions have been a part of the tax laws ever since we have had tax laws. One of the most long lived of all—known technically as the "unlimited charitable deduction for individuals" and colloquially as the "Philadelphia nun provision"—is virtually eliminated by the present bill, after being in the tax law since 1924. There are hundreds of others, and I have prepared an illustrative listing as exhibit 2.

These special provisions, though they have been a part of nearly all of our tax bills, are generally hidden from public view. As this has been the case historically, it is also the case with the bill before us.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. KENNEDY. I yield to the distinguished chairman.

Mr. LONG. All the Senator has to do is read the newspapers. Many of the provisions in this bill have to do with the problems of some particular group.

I noticed the press release of the Senator yesterday referred to Loyola University, operated by the Catholic Jesuit order, which very much needs what it can earn from a pioneer radio station that has resulted in their presently having a television station, for the education of children in New Orleans.

When that provision was voted on in committee, it was the result of the fact that Father Jolley, the president of Loyola University, and others came and asked for the right to be heard before the committee and testified before the committee in the presence of a filled committee room, and explained how adversely the House language affected Loyola University.

When the committee subsequently voted to give the kind of relief for which Father Jolley and those who accompanied him had testified, I was present, I believe, when we announced that matter to the press; and before announcing the amendment, we said, "Here is an amendment that was sought by Loyola University with regard to the problem that the Jesuit order has there, in trying to educate the young people at Loyola University. It involves Station WWL–TV and Loyola University."

I do not call that any sneak procedure—the matter was testified about in open session, in the committee room, and everyone knew about it.

I have discussed this matter with the press, and they have told me there has never been a major revenue bill where the press was so completely alerted, and where items were so fully explained, and where who was requesting the tax relief was so well identified, as this one. So if the Senator wants to find fault with this committee in that it does not write the names of everyone affected into the report, I suggest that he would direct his criticism against every Senator who has served on this committee since it was established more than 150 years ago.

I regret that we did not identify the Western Massachusetts Electric Co., in case the Senator from Massacusetts was interested in that. We adopted the principle, and we thought it was fair, that if it appeared that general tax language could be drafted to meet the problem that should be corrected, as well as that of someone else who might meet the same general standard. But I believe if the Senator will go back and read the Washington Post and the Washington Evening Star accounts of the committee sessions, amendment by amendment, he will find that the committee identified amendments quite generally and what industrial interest or what university or what particular group it was that was affected by the particular problem to which the section was addressed.

It was rarely that we would draft a section which was not applicable to someone else whose situation is generally the same. Since that is the way it has always been done with reference to both the committee and the Senate, it would seem that it would not be incumbent upon us to start a precedent; and if the Senator wanted to do business that way,

the Senator should have suggested it to us, rather than attack us for doing something sneaky when, in most instances, I submit, the people affected came before the committee and testified, "Here is our problem, and we urge that it be considered."

Mr. KENNEDY. Mr. President, I will explain the full purport of the reasons have I raised these questions. It is really a question of the procedures which are followed.

The Senator mentioned the fact that a number of the amendments were reported in the Washington newspapers, and he referred specifically to the Post and the Evening Star.

It so happens that in the research for this speech, we did review the newspapers. A number of different amendments were accepted which were not reported in the newspapers.

I hope the Senator will give me a chance to run through these remarks, because there is in them no accusatory finger pointed at the chairman of the committee or at the committee itself. However, we are talking about the degree of public confidence in a reform measure. And when we have in the legislative background of the measure the special provisions which were included and which were eliminated under the leadership of the chairman in closing many loopholes, I think it is useful, and does help to provide a greater degree of public confidence, particularly when these matters are laid out on the public record.

I know that the chairman of the committee has been on the floor day after day explaining the various provisions of a very complex and far-reaching measure. I am not saying that the chairman of the committee or the members of the committee are trying to act in secrecy, and are trying to keep these matters from the public. I never made that suggestion in my remarks. I have suggested, however, that they have not been as readily available to the public—as I will develop—in the report or in the bill, and I think it is useful in terms of public confidence to have it known. So, this is really the basic reason for my pointing this matter out.

Mr. LONG. Mr. President, was the Senator correctly quoted this morning in the Washington Post which said:

> Kennedy did not imply there was any wrongdoing in any of the 15 instances. But he did object to "legislating these special provisions in secrecy."

Mr. KENNEDY. That is correct.

Mr. LONG. Will the Senator tell me what if any committee ever holds its executive sessions in public?

Mr. KENNEDY. I know of no committee that holds executive sessions in public.

Mr. LONG. Well, what is so secret about the committee holding executive sessions?

Mr. KENNEDY. Mr. President, if the Senator will be kind enough to let me continue with my remarks, I will try to explain my thinking. I then will be delighted to respond to the other inquiries of the distinguished chairman.

Nowhere in the 352-page report, or the 585-page bill, is there any indication of these special provisions, with the exception of a few for industry groups.

I see no reason for legislating these special provisions in secrecy. If an explanation of them is made part of the official legislative history of this tax reform bill, I think that public confidence in the Government process will be enhanced. Furthermore, administration of the law by the Internal Revenue Service will be strengthened.

Consequently, I will list those special provisions in this bill which have come to my attention. Undoubtedly, there are additional special provisions, of which I am not aware. It is my intention to add to the list I have today, when and if others come to my attention, because of my belief that they should be made part of the public record of the bill.

Mr. LONG. Mr. President, will the Senator yield at that point? I will have to leave the Chamber shortly.

Mr. KENNEDY. I yield.

Mr. LONG. Mr. President, with regard to a great number of provisions in the bill, I, like most Senators, did not ask who might be affected or who might not be affected by this or that provision. A great many of the suggestions came from the Treasury Department after they had studied the matter. In many instances it arose because they were studying problems affecting many people. In some cases, one taxpayer might have been involved or perhaps to have initiated action on a provision. However, as the Washington Post correctly pointed out in this regard, insofar as these suggestions were agreed to by the committee, they were applicable to all similarly situated people.

I voted on some of the measures to which the Senator refers without regard to who was involved. With regard to the Cafritz matter, it made no difference to me who was involved. A valid problem existed and we felt it should be corrected, not just for that particular situation, but for like situations. We knew it would have wider application and would apply to other people.

There are at least 100 amendments in the bill, probably nearer to 200, with respect to which the staff and the Treasury were aware of the tax problems existing for American taxpayers. They had been studying these matters since tax reform first came under consideration in the House, and perhaps even before that.

The staff and the Treasury had hundreds of recommendations and suggestions about things that we might be disposed to do or might not want to do.

I believe that in the case of about 90 percent of them, neither I nor anyone else had knowledge as to who the taxpayer was that might be involved in the matter, if, in fact, a particular taxpayer was involved. Most of them involved limited situations. But they appeared to be right. We voted on that basis.

With regard to one of the 15 examples the Senator picks out that involves me, that situation does involve Loyola University and the Jesuits. It involves New Orleans and it involves Louisiana. It involves WWL–TV and WWL radio.

If the Senator had presented that matter to the committee and said he wanted information about the matter, I am sure the matter would have been explained to him. There was testimony on behalf of Loyola University on the problem involving these people.

I explained it the best way I knew how and explained that the provision was apparently drafted to cover that situation. Later, it was reported to the press, and again the name of the case was mentioned.

It was not intended to be limited in principle. If someone else had a similar situation, that would have been covered. The Senator from Iowa (Mr. MILLER) found a State-supported university in Iowa where it was also made applicable.

Mr. KENNEDY. It was extended by a technical amendment to that university on Friday last.

Mr. LONG. Mr. President, if the Senator said that he knew of a State university that had this same problem, I would be happy to accept the amendment and say that it applied to the State-supported college.

I submit that insofar as the Senator's press release implies that there is anything wrong or improper about anything in the bill, particularly about the fact that the committee met and did not publish the name of every taxpayer involved, I submit that there is no way on the good Lord's green earth that we could have done otherwise.

If the Senator had inquired, he could have asked about any provision in the bill, and I would have been glad to have identified for him any taxpayer who expressed any interest in the bill.

So far as I am concerned, certainly those the Senator mentioned in the press release, most of them had testified in the public hearings on the bill. And everyone should have been on notice that they were matters that the committee would consider.

In most cases, I think the chairman assured those witnesses that their problems would be considered before we disposed of the bill.

Mr. KENNEDY. Mr. President, as I get farther into my remarks, I point out that I do not reach any kind of judgment whether anyone should be condemned. As a matter of fact, I say specifically that the situation is not to be condemned out of hand.

I prefer to complete my remarks, which respond to many of the points the chairman has raised. I do not try to reach any kind of moral judgment as to whether this is right or wrong. I point out that it is a fact that these special provisions are not really developed in the report of the committee itself, and that, as the Senator has just mentioned, a particular provision accepted within the Finance Committee was expanded to meet a situation in Iowa.

I think taxpayers are aware of the special provision included in the 1924 act, which was then raised for very legitimate reasons. Yet it has become one of the great tax loopholes of all time. We are fortunate that it was closed by the members of the Finance Committee in this bill.

What I am trying to do, by these remarks, is to inform the Members of this body in an organized way, although

probably not in as comprehensive a way as could be. There probably will be other examples. I am sure the distinguished chairman of the committee wants as complete a framework of discussion laid out as I do. I know, as he has stated, that there was no effort on his part to conceal on these questions. The fact remains that they are not in the record or in the official legislative history.

Mr. LONG. Does the Senator's conscience bother him that he asked the committee to look at the problem of the Western Massachusetts Electric Co.?

Mr. KENNEDY. I am just at the point of starting off on the list of special provisions. As a matter of fact, I lead off with Massachusetts. I would like to raise that, and discuss it as I do in my remarks.

Mr. LONG. If the Senator's conscience troubles him about that matter, I would like to know, because we could perhaps unburden him of that problem. I assume he wants to strike it out of the bill, having asked to put it in.

Mr. KENNEDY. If the Senator will remain in the Chamber, and will hear the description. I believe that the Senator will believe that that case, as well as other cases, had merit, and that the committee decided it on that basis.

As I start off with Western Massachusetts Electric, I explain that I do believe there were legitimate reasons for its inclusion, as with many of the others. But I did raise the Massachusetts case in this. There is nothing in the Massachusetts case that ought to receive special consideration, outside of the merits. The Massachusetts company had changed its various accounting procedures, had not yet been cleared by the State regulatory agency, was attempting to live up to its requirements, and certainly should have been included.

I want to proceed at this time, and I will proceed; and if the Senator has additional questions, I will be delighted to respond to them.

A technical listing of these provisions appears as exhibit 1. It includes both the special provisions for particular corporations, as well as selected special provisions for particular industry groups. I will not read exhibit 1, because of its technical nature, but instead only summarize it. In addition, I will suggest a number of possible solutions to the difficult problem of treating the special provisions, by way of general policy in the future.

LIST OF SPECIAL PROVISIONS

First. I would like to point out, first, that the committee adopted, partially at my request, a special provision which benefits the Western Massachusetts Electric Co. The provision would permit this company to change its method of accounting; the generally applicable provision in the bill would prohibit it.

Second. The Benwood Foundation, of Chattanooga, Tenn., would be permitted to continue ownership of the stock in a number of unrelated businesses. Under the generally applicable provision in the bill, the foundation would otherwise be forced to sell the bulk of this stock.

Third. The Morris and Gwendolyn Cafritz Foundation of Washington, D.C., would be exempted from the imposition of certain immediate stock divestiture requirements, which would otherwise be imposed under the generally applicable rules.

Fourth. The El Pomar Foundation, of Colorado Springs, Colo., would not be subject to the general divestiture requirements in its ownership of stock in the Broadmoor Hotel, under a special exception to the general rules.

Fifth. The Olin Foundation of New York City would receive similar treatment on its 100-percent ownership of the Federal Cartridge Corp., under the same exception.

Sixth. The Herndon Foundation of Atlanta, Ga., would not be subject to the general divestiture rules in its ownership of a number of insurance companies, under a similar exception.

Seventh. The James Irvine Foundation of San Francisco would be forced to dispose of most of its stock in the Irvine Co. on an accelerated basis, under a special restrictive provision.

Eighth. Loyola University, in New Orleans, La., would be exempted from the unrelated business income tax on CBS-radio affiliate WWL, which it owns, under a special exception to the general unrelated business tax rules in the bill.

Ninth. Litton Industries executives would be excepted from a new, generally applicable, tax on stock options, under a special provision.

Tenth. The Transamerica Corp. would be permitted the existing rapid depreciation of a new, nonresidential building, which would be unavailable to the corporation under the general provision in the bill.

Eleventh. Taxes on bonds benefiting the University of Virginia would not be subject to the generally applied new rules applied to arbitrage bonds, under a special provision.

Twelfth. The Mobil Oil Corp. would be saved $12 in taxes under a special exception to the repeal of the investment credit.

Thirteenth. Uniroyal, Inc., would be saved $3 million under a similar provision.

Fourteenth. The Lockheed Aircraft Corp. would save $14 million under a similar provision.

Fifteenth. The McDonnell-Douglas Corp. would be saved $6.5 million under a similar provision.

These 15 provisions are, broadly speaking, limited to the specific corporations or foundations or cases I have mentioned. In addition to these very specific provisions, there are others which benefit specific industry groups. These include:

First. Nineteen oil pipeline companies, permitted to change their methods of accounting for depreciation; most other regulated industries are not permitted to change.

Second. Oil pipeline companies and coal producing companies generally are exempted from the repeal of the investment credit, if they meet certain criteria.

Third. Companies which must acquire barges to service oceangoing "mother ships" are also excepted from the general repeal of the investment credit.

As I said earlier, I am sure this does not exhaust the list of special provisions. But it does give some idea of their number and their breadth.

One of the most serious problems with them is their unintended beneficiaries. The example of the Philadelphia nun is a good one. It was originally enacted in 1924 to cover the case of a wealthy Philadelphia woman who entered a religious order. The provision insured that her wealth went to charity virtually untaxed.

But down through the years, other taxpayers with substantial incomes have found ways of gaining tax advantages from this specific provision. The latest complete statistics are for 1966, and they reveal the following information:

Roughly 100 taxpayers used the provision that year, all of whom had yearly incomes in excess of $1 million.

This provision was the major factor in eliminating taxes for 49 of the 154 individuals with incomes over $200,000 who paid no taxes in 1966.

In one specific case, an individual had a net income of $9.7 million. Because he qualified for this provision, he paid no tax on his $9.7 million income, but had it free to spend, and paid no tax on the rise in market value of the securities.

This provision costs the Treasury $25 million a year in lost revenues.

To summarize, the provision put into the tax code to take care of a specific case, the Philadelphia nun, subsequently became available to hundreds of other wealthy individuals who rearranged their financial affairs to qualify for it.

POSSIBLE SOLUTIONS

As I earlier pointed out, this is not a new situation. Neither is it a situation to be condemned out of hand. There are, many times, particular individual circumstances of a specific situation which merit special attention. But I see no reason for legislating these special provisions in secrecy. There are three principal reasons I feel this way:

First, the problem of unintended beneficiaries. As the case of the Philadelphia nun illustrates, a provision designed for one situation can readily become available to other individuals who tailor their own stituations to take advantage of it. By revealing the genesis of these special provisions, it may be possible to prevent them from becoming provisions of general application, in appropriate cases.

Second, the problem of a shorter and simpler tax code. Were all the special provisions somehow treated differently than they now are—either as private tax bills, or listed in a separate appendix to the code—administration and understanding alike would be enhanced. It is difficult to estimate what part of the present code could be separated out under this theory, but it is without doubt appreciable.

Third, the problem of public confidence in public processes. It is not a secret that special provisions find their way into the various tax bills passed by the Congress, and signed by the President. But it usually is a secret which groups or individuals benefit from them. And this aura of secrecy generates an impression that the provisions are hidden because their sponsors have some-

thing to hide. I do not believe this to be the case. Anything given the force of Federal law should—indeed must—be able to stand the test of public scrutiny if we are to expect the public to have continuing faith in our government processes.

These, then, are the principal reasons for listing the special provisions. I had given some thought to offering an amendment to this bill requiring the Internal Revenue Service to furnish the appropriate congressional committees with a list of the special provisions, both in this bill as it is finally approved, and now in the code. This list would serve as a basis for cleaning up the present code, and helping to prevent the special provisions in this bill from becoming generally applicable provisions.

I have considered two other amendments to treat this problem.

An amendment to the Legislative Reorganization Act, authorizing private tax bills, similar to the private immigration and private relief bills. A number of private tax bills have in the past been approved by the Congress under the guise of private relief bills, the precedent, consequently, is firmly established.

An amendment to the present tax bill, which would utilize various technical devices to limit general application of the special provisions. An example of these technical devices would be effective date limitations.

But because this problem has not been examined by the Treasury Department, nor the appropriate committees in sufficient detail, I do not plan to offer the amendments at this time. Rather, I intend only to raise the general problem for discussion. I am sure that expert commentators will have many constructive suggestions, and I am also sure that the appropriate committees will give their attention to them.

It may well be, in the interim, that the Internal Revenue Service will have its hand strengthened in attempting to limit the spread of preferences, now that the legislative history of the bill lists at least a portion of them.

Our tax system is largely voluntary, insofar as the burden is on the individual to report his income, annually assess his tax, and then pay it. It is reassuring that the vast majority of Americans are scrupulous in adhering to the laws and regulations, and it is a signal of the strength of our democratic system.

But if we do not guarantee the law's equity and uniformity, then we will erode public confidence in it and in our system of government. That is why I feel the secrecy traditionally surrounding these special provisions serves no useful purpose.

Mr. President, I ask unanimous consent to have printed in the RECORD a document entitled "Technical Explanation of Special Provisions in the Tax Reform Act of 1969," and a document entitled "Illustrative Exhibit of Special Provisions Now in the Tax Code."

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

TECHNICAL EXPLANATION OF SPECIAL PROVISIONS IN THE TAX REFORM ACT OF 1969

I. Tax treatment of private foundations:

A. Stock Ownership Limitation (Sec. 101 (b) of the bill, pages 38–45 of the report, and sec. 443 of the code).

1. Benwood Foundation. Discussed in the second full paragraph on p. 41 of the report. Benwood owns a number of Coca-Cola Bottling Company franchisors.

2. Cafritz Foundation. Discussed in the first full paragraph on p. 43.

3. El Pomar Foundation and Olin Foundation. Discussed in the third full paragraph on p. 44. El Pomar owns the Broadmoor Hotel in Colorado Springs; Olin owns the Federal Cartridge Corporation.

4. The Herndon Foundation. Discussed in the fourth full paragraph on p. 44. Herndon owns a number of insurance companies.

5. The James Irvine Foundation. Discussed in the first full paragraph on p. 45. Irvine owns 53 percent of the Irvine Company, which in turn owns 88,000 acres of land in Orange County, California. This is nearly 20 percent of the county.

Effect: Generally speaking, if these foundations were forced to dispose of all but 20 percent of their stock in the unrelated businesses they own, as the general rule in the bill requires, then they would both lose control of the businesses and lose the income from them.

II. Other exempt organizations:

A. Extension of Unrelated Business Income Tax to all Exempt Organizations (Secs 121(a) (b) and (f) of the bill, pages 67–71 of the report, and secs 511 and 512 of the code.)

1. Loyola University. Discussed in paragraph 6 on p. 70. Loyola owns radio station WWL in New Orleans, a CBS-affiliate.

Effect: Generally speaking, the bill extends the income tax due from tax-exempt organizations on the income from their unrelated business operations to *all* tax-exempt organizations. Loyola, however, will be exempted.

III. Restricted property:

(Sec. 321 of the bill, pages 119–124 of the report, and secs. 83, 402(b), and 403(c) of the code).

1. Litton Industries. Discussed in the fourth full paragraph on p. 124 of the report.

Effect: Generally speaking, the operation of stock option plans is greatly restricted under the bill, eliminating a tax advantage presently available to corporate executives. Litton executives have until 1973 before the new rules take effect; the general rules apply as of June 30, 1969.

IV. Depreciation allowed regulated industries: (Sec. 441 of the bill, pp. 17–176 of the report, and sec. 167(1) of the code).

1. Oil pipeline companies. Discussed in the second full paragraph on p. 174.

2. Western Massachusetts Electric Company. Discussed in the third full paragraph on p. 175. Western Mass. seeks to change its method of tax accounting for depreciation, having filed for permission to do so with the state regulatory agency before the cut-off date in the bill.

Effect: Generally speaking, regulated Utilities are prohibited from changing their method of accounting for depreciation, because a recent trend in the industry will, if allowed to continue, generate a tax revenue loss of about $1.5 billion. Those companies and particular industries permitted to change their method, despite the general rule, will effectuate tax savings.

V. Real estate depreciation: (Sec. 521 of the bill, pp. 211–215 of the report, and secs. 167 and 1250 of the Code).

1. Transamerica Corporation. Discussed in the paragraph beginning at the bottom of p. 213. Transamerica had filed for what amounts to a building permit, the cut-off date of the bill, for construction of a new plant.

Effect: Generally speaking, the bill eliminates certain types of accelerated depreciation on new, non-residential construction, because continuing it would continue a widespread tax shelter abuse. This abuse is available only to those individuals or corporations with substantial incomes against which to offset the depreciation. Exceptions to this general rule continues this offset factor.

VI. Tax treatment of State and municipal Bonds:

A. Arbitrage Bonds (Secs 601 and 602 of the bill, pp 217–220 of the report and secs 103(a), 6056, and 6685 of the code).

1. University of Virginia. Discussed in the first full paragraph on p. 220. The University seeks to apply the income from arbitrage bonds in its control to the construction of new residential facilities.

Effect: Generally speaking, the bill imposes a new tax on arbitrage bonds (bonds issued for the purpose of acquiring funds with which to purchase other securities), because often the Federal government loses the opportunity to tax the income on its own taxable securities when various kinds of complicated procedures are adopted. Exceptions to this general rule continue the present practice.

VII. Repeal of the investment credit: (Sec 703 of the bill, pp 223 to 248 of the report, and Secs 46, 47 and 49 of the Code).

1. Mobil Oil Corporation. Discussed in the third full paragraph on p. 235. Mobil is constructing a new $180 million refinery in Joliet, Ill. The company had begun preliminary work leading to construction of the refinery, but had not actually signed a contract for construction before the cut-off date.

2. Uniroyal, Inc. Discussed in the third full paragraph on p. 239. Uniroyal is constructing a $73 million new plant in Ardmore, Oklahoma. While no construction contract had been signed in this case either, the company had filed a description of the new plant with the SEC and had entered into a lease for the plant with the City of Ardmore.

3. Lockheed Aircraft Corp. and McDonnell-Douglas Aircraft Corporation. Discussed in Paragraph XIII on Page 244. Both corporations; had undertaken to produce aircraft of new design, and had signed contracts to do so prior to the cut-off date in the bill. But they had not contracted to buy the machinery with which actually to produce parts of the new aircraft.

4. Oil pipeline companies and coal companies. Discussed in the 5 paragraphs beginning at the third full paragraph on P. 240.

5. Barges for ocean-going vessels. Discussed in XII paragraph on P. 243.

Effect: Generally speaking, the 7 percent investment credit against taxes due is no longer available for machinery and equipment purchased, or property constructed after April 18, 1969. Exceptions to this general rule are a direct tax benefit to those who qualify for the exceptions.

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ILLUSTRATIVE EXHIBIT OF SPECIAL PROVISION IN THE TAX CODE

1. Sec. 1240. (Enacted in 1951.) This special provision, tailored to the situation of Louis B. Mayer, former head of MGM, saved him $2 million in taxes.

2. Sec. 512(b)(13). (1958). This special provision was tailored to the situation of Charles E. Merrill, former partner in Merrill Lynch Pierce Fenner & Smith, the stock brokerage partnership, who left an interest in the partnership to a charitable trust. The trust, under this provision, was exempted from taxes on its share of the partnership's income which would otherwise have been due.

3. Sec. 2055(b)(2). (1956). This special provision was tailored to the situation of Mr. and Mrs. Gerald Swope. Mr. Swope was former Pres. of General Electric. This provision saved her estate $4 million in taxes,

through specially-tailored exceptions to the general rules.

4. A provision in the 1962 tax bill contained a provision for the Twin Cities Rapid Transit Company of Minneapolis-St. Paul, Minn., which make available to them $5 million in tax losses otherwise unavailable.

5. The same bill contained a provision for Howard F. Knipp of Baltimore, Md., which overruled an opinion handed down by both the Tax Court and the Appeals Court.

(Note: Items numbered 4 & 5 just above were vetoed by the President when passed as separate bills; they were approved when made part of the 1962 general tax bill.)

6. Congress adopted in 1961 a provision granting special tax treatment to the sale of $3 billion worth of General Motors stock by owners of DuPont Company stock. The sale was ordered by the courts, as part of an anti-trust decree.

7. In the Revenue Act of 1951, a provision was adopted which gave Wesleyan University, Middletown, Conn., an exception to taxes on unrelated business income. Wesleyan had purchased a publication for school children which earned about $1 million a year, and the university was given a grace period from taxation to adjust the income appropriately.

Mr. WILLIAMS of Delaware. Mr. President, I wish to ask the Senator if he is going to introduce an amendment to correct these matters?

Mr. KENNEDY. No, I am not. I mentioned in my remarks what I thought would be two possible amendments, but I mentioned them very briefly. I would hope we would have some discussion or comment on it some time in the future, but I am not prepared at this time to offer such a solution.

Mr. WILLIAMS of Delaware. Why not? The reason I made my suggestion is that I opposed these same measures in committee and would welcome his support in correcting them. But there is nothing secret about it; I thought everybody knew what they were doing when it was announced. I had understood the Senator was going to introduce an amendment, and I was looking forward to having his support. I know two or three more special exemptions he missed, and I believe that working together we could accomplish something. If the Senator introduces an amendment to carry out his point, perhaps we can pass it.

Mr. KENNEDY. The objective I had, as I stated in my remarks—I am not sure the Senator was in the Chamber at that time—was a belief that in many of these instances there were very legitimate reasons for the inclusion of the special provision. I reach no kind of judgment, not having been on the Committee on Finance and not having heard the testimony that was before it.

There probably are legitimate reasons for many of these provisions being included and I reach no conclusion about them. My only purpose in making these remarks is that I would have hoped that perhaps, although it has not been done in the past, there would be a description of these matters in the report; that is, a public review of those kinds of decisions made available.

I find it extremely difficult to try to locate those provisions in the report. In some instances they are mentioned by name but it is not developed in full detail.

I feel concern that potentially perhaps some of these matters—perhaps they do not—bear the same kind of problem suggested by the 1924 nun amendment which would lead to a loophole, and in the atmosphere of what has been done by the committee in eliminating the loophole. So I would think there would be no real objection to the points made.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. LONG. Can the Senator tell me what good it would do me to know the name of that Philadelphia nun? I understand she was an heir of——

Mr. KENNEDY. Drexel.

Mr. LONG. The Drexel family. That is one provision that was expanded into a loophole and continued to be a loophole until we, in the committee in this bill, sought to close it. What good would it do to know the name of the lady? What is the difference?

Mr. KENNEDY. I suppose if there had been a full description of that provision in 1924, if there had been elaboration of it in the course of the official discussion, and there had been a thorough testing of that concept—and the potentiality of such a provision was visualized at that time in 1924—I suppose both the Senate and the members of the committee would have been a good deal more reluctant in providing that special provision as an item of general application. As I understand it the special provision was a special provision to apply only to that particular case. But during the intervening years, the word, so to speak, got around and more and more people took advantage of it.

With the full examination the Finance Committee has undertaken, in the course of the hearings, and with the full discussion, dialog and examination which have been given by the members of the Committee on Finance to this particular matter, I feel that when this bill becomes law the public will feel that there are no "nun" provisions in it. I do not believe there are, and I am sure the chairman of the committee does not believe there are.

Mr. LONG. There are a lot of things one can do in revenue legislation which are unfair. But nowhere in the bill does there appear the name of the principal beneficiary of the various provisions. It would be useless to state that one provision affected the Lockheed Co. or that that one affected the McDonnell-Douglas Co., or that another is especially applicable to Massachusetts Electric Co., because they might also apply to many other companies.

Mr. KENNEDY. I would hope that would not be in the bill, but in the report there could have been this kind of discussion.

I understand the House bill and the Senate bill included a special provision for the Hershey Trust, which was mentioned in the House report but not the Senate bill. The distinguished minority leader came down here and had a dialog with a member of the Committee on Finance, and elaborated and discussed those provisions to make the legislative history "crystal clear," as he put it. They wrote it into the House report. As I understand it, that was the only special provision which was included. I might be wrong on that, but that was the only one.

Mr. LONG. May I say to the Senator that as a matter of interest and of news, and as a matter of reporting and curiosity, it is fine to know that a provision in the bill might affect this taxpayer or it might not affect that taxpayer over there. I personally, however, cling to the same old concept of justice as the lady who stands there blindfolded and holds the scales of justice. She does not know who has an interest on the left side or who has an interest on the right side. She just tries to do what is right on the matter that is involved. That is how we should do these things.

Personally, I will fight as long as I am here to see that the code of ethics which operates for judges does not apply to legislators, because a legislator is intended to be an advocate. He speaks out for what he believes to be good for the people he represents. He is also an advocate of what is good for the whole country, but he represents the people of the State who sent him here. The laws of our country are so drafted and so intended. He speaks for the people he represents who elected him to Congress and sent him here.

When one of us becomes a judge, where some things do not particularly affect those of our State, I would like to see us look upon that impartially. It would not make any difference whether it would involve someone named Drexel or someone named Smith. The question is what is right and what is wrong.

As chairman of the committee, all I want to know is, one, what are the merits, and two, how much is involved. It is very nice, sometimes, to do things that way, but it costs the Treasury so much money that the Government cannot afford it. Under those circumstances, one would feel that it would be better to treat those problems in some other way than considering the potential revenue effect. But where someone raises a problem and says, "I am treated unfairly under the bill"—and also anyone else who is similarly situated and is treated unfairly—why should he be singled out for notoriety if we think he is right? He should be able to communicate with us even by writing an anonymous note and saying that it is not fair or right.

When we deal with a taxpayer who thinks he has been treated unfairly and believes that his case merits some legislation to correct that problem, why should the Treasury tell us that the taxpayer who says his name is Adam Jones and someone else is named Bill Smith, have similar problems, when there are other people who would be similarly affected and who are entitled to the same consideration?

For instance, this Lockheed provision was not inserted in the bill by the committee at all. That is a provision that the House sent to us. I took it on the floor prior to the time we ever conducted hearings. The problem was that the House had looked at a certain tax problem involving the Lockheed Corp., a tax problem involving the investment credit, and it had legislated in such a fashion that

the hardship, involving the existence of a contract, would not be imposed upon Lockheed.

Then, after they did that, someone pointed out that the Douglas Co., now the McDonnell-Douglas Co., was similarly affected. Now technically the problem seemed different, but as a practical matter it was the same problem. It had to do with binding contracts to build aircraft, and the aircraft were entitled to come under the investment credit. They needed to acquire the machinery and other equipment to build the aircraft. The only difference between the two cases is that the contracts were slightly different.

So it was felt that if we were going to provide this treatment for Lockheed, we had to provide equally for both. Here was a new test being put on Lockheed, and they said it was unfair to do it to them because they had a binding contract. We could either strike out what we had done for Lockheed or do the same thing to McDonnell-Douglas. So far as I was concerned, we could go either way. We considered the matter, and after we considered it and discussed the various aspects of the arguments, the committee decided that both should be relieved of the hardship imposed on them.

There is a provision that relates to ocean-going barges, which is also a House provision. While the Senator is finding fault with people, he should include the Ways and Means Committee. No one yet tried to find out who had the contract. We could find it out easily enough. Someone had a firm contract for the ships that would carry the barges. The firm had a contract for the ships at the time the President made his statement announcing that the repeal of the investment credit would be effective as of April 18, but it had not signed the contract for the barges that go on the ships. A barge-carrying ship is useless without the barge. In view of the fact that they had an obligation to build the ship they would have to build the barges as well. So the barges would have to come within the contract on the ships. The House did that. If the Senator finds fault with it, blame the House committee as well as the Senate committee. Their procedure has been the same as our procedure.

We do not make a point of identifying the taxpayer in general legislation. Where anyone is so affected, he could claim the same benefits if he had the same problem. In the accounts we gave to the press, in the news conferences we held day by day, after our executive sessions, in some instances, before we even said what the section is, we identified the taxpayer who had been asking for relief.

That was the case with Loyola University and in other cases. Whenever someone asked who might be affected by this, or did we have knowledge of the taxpayer affected by that, staff identified whoever the taxpayer was. And now it would seem to be that if the Senator wants to protect the right to be informed, he could do so and I would have no objection, day after day, asking that any provision affecting a taxpayer should identify all taxpayers insofar as we know who they are.

But I have served here a long time, with the Senator's two brothers, and neither one of them ever suggested, as the Senator is suggesting here, that a revenue bill should reveal the name of every taxpayer that would be affected by the bill we have drafted. That would be a new procedure, if we did that.

Mr. KENNEDY. The only point I would make, in responding to the Senator from Louisiana, is that I think the Senator has, by his description of the ocean-going barges case and the various aircraft corporation cases, given an explanation which, perhaps in those cases, was given in the course of the committee's consideration, the taking of testimony, and was described in the journals of our country. But there were other provisions which were included in this bill which were not so described. I am sure they were put in there perhaps for very sound and legitimate reasons.

But the point raised here is that there is no place within the report itself which provides the kind of description that the distinguished chairman of the committee has given in describing the legitimate reasons for the inclusion of those special provisions.

It is my position that public confidence would be strengthened if it had such a description. It in no way reaches the question about the legitimacy——

Mr. LONG. Is the Senator aware of the fact that there is not 1 percent—in fact, not one-tenth of 1 percent—of the people in the District of Columbia who read the bill or who read the committee report? What they read is what appears in the newspapers.

The newspapers had the names of everybody who was asking for any particular provision as written in the bill. Talk about public confidence, as to who might or might not be affected by the bill. The question is, Does the public know? Well, the public knows. We told them, and it was printed in the newspapers.

If we are going to inform the public, will the public learn it from the volume we have here on our desks, or from a newspaper which probably has a circulation of half a million copies? It seems to me the public is better informed if it is printed in the newspapers from coast to coast.

Mr. KENNEDY. The point I was trying to make is that without the kind of notice the Senator refers to, I doubt if it ever would have reached the newspapers. When one hears that there have been special provisions and then goes to the report and cannot locate it, he feels perhaps there may be other reasons for such inclusion. The Senator knows there was not. I believe there was not. I really believe this is the reason for putting all the material on the public record.

Mr. LONG. Mr. President, if I may just make this comment, I will then be ready to yield the floor as far as my part of this colloquy is concerned. One of this Nation's newspaper reporters who covers the U.S. Senate for many newspapers in this country said to the Senator from Louisiana in connection with this matter—I will not identify that person for the reason that it would be unfair to quote him unless he authorized it—that there has never been a time in the Senate to his knowledge when everything in a tax bill had been explained to the press in such detail or so promptly, when every provision that related to a taxpayer had been so quickly relayed to that taxpayer who requested the knowledge with respect to the bill. This was the high point with regard to which the public had been informed as to everything in the bill, why it was there, and who might be affected by it.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. KENNEDY. I think the Senator should be congratulated for what he has done in this area, and for the representations he has made and the presentations he has made and the job he has done with the bill. I would hope the Senator would not feel that these observations are directed at the distinguished chairman of the committee. There is no such intention. If I were to be critical, it would be of the procedures which perhaps have been in existence for a long period of time. As the Senator has said, reasons have been given for the provisions to which I have referred this evening. What the newspaperman to which the Senator refers was provided with was expansive, and the Senator deserves great credit for it.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. WILLIAMS of Delaware. I speak as one who tried to strike out the special exemptions in the House bill to which the Senator has referred. I was unsuccessful. I opposed the inclusion of all the provisions the Senator from Massachusetts mentioned along with some he missed, which I will mention in a moment.

I have been on the Finance Committee a number of years, and in all fairness to the chairman and the other members of the committee, it should be pointed out that I do not know of a single amendment that was offered in the committee by any member that was not identified by name. Both the committee and the press knew for whose benefit it was intended. It was described by name and the exact case. For example, the chairman of the committee advised the full committee he wanted to bring up the amendment dealing with the Loyola University. There had been public testimony; but he knew I was opposed to it, and he carried it over for 1 or 2 days. I met Father Jolley. While he had a persuasive argument, I could not go along with him, as the Senator knows; but when we voted every committee member knew what we were voting on, and our decision was announced to the press by name of the university. The same was true of the other amendments.

Naturally we did not always name every individual affected by every amendment because we did not believe in publicity for publicity's sake.

I cite a case in point. The House included a provision incorporating a 7½-percent tax on investment in-

come of all foundations. I was very strongly in favor of that proposal. I still am. I thought it was no more than fair that these foundations should pay some tax. I was sorry that a majority of the Finance Committee decided to eliminate that feature.

Nevertheless, when the committee acted to delete that section of the House bill, we did not name the foundations that were thus exempted from tax liability, and I do not think we should have. Everybody knew—at least I thought everybody knew—the effect the committee action would have even thought we did not name the foundations that will escape from paying any income taxes as the result of this loophole.

The committee did announce that a rejection of the House amendment would cost the Treasury about $100 million a year in revenue. Under the bill as passed by the House, the Rockefeller Foundation would have paid $1,800,000 in income taxes. The Ford Foundation would have paid $7,300,000. The Duke Foundation's tax liability would have been $1.3 million. The Lilly Foundation would have paid $1.2 million in taxes. The tax liability was estimated at $874,000 for the Pew Foundation under the House bill. Under the language of the House bill the Kennedy Foundation would have paid in taxes of $630,000. The action of the Finance Committee exempted all these foundations of any tax liability; but should they have been named as the beneficiaries of special tax privileges when it was a broad, general provision of law?

Not a single one of these foundations was named, but the total amounted to $100 million. I do not think anything would be achieved by publicizing the names of these foundations as being a part of a special interest group even though some of us think they should pay taxes the same as all other American citizens.

I realize there are those who feel the foundations should not be taxed. I do not question their sincerity, but I feel they should be taxed. I wonder why the Senator from Massachusetts eliminated this special group from his list.

The committee by rejecting the House amendment in effect gave complete tax exemptions for the group I have named. Should we have named them in the report as the beneficiaries of a $100 million windfall? I do not think so.

By the same token, last Saturday we had before us the Stevens amendment, which the Senator from Massachusetts supported. It passed by a margin of 1 vote. The purpose of the Stevens amendment was to reinstate the 7-percent investment tax credit to all depressed areas. That sounded nice, but it so happens that all of the State of Alaska is a depressed area along with many other areas scattered throughout the country. Under that amendment Atlantic Richfield and Standard Oil of New Jersey will get investment tax credit on their $900 million pipeline in that State. That amendment was supported by the Senator from Massachusetts. Should the Senator have said that this was an amendment providing a $63 million tax credit for Atlantic Richfield and Standard Oil of New Jersey? The Senator mentioned Mobil and others. Why did he not include this item in his tabulation? Under the amendment supported by the Senator last Saturday, all the major oil companies operating in the Alaska area would get the 7-percent investment credit on their investments there. That same pipeline provision was rejected by the House. Our committee rejected this proposal as an unwarranted windfall. I do not question the sincerity of my friend from Massachusetts who supported that amendment, which passed by 1 vote. A change of 1 vote would have defeated it. I do not say everyone who supported it knew he was giving $60 million to Atlantic Richfield and Standard Oil of New Jersey, but that is what they did. Was that legislation for a privileged group?

Perhaps the public ought to know who got these benefits. I opposed that amendment last Saturday. It was a glaring loophole. I think it was unfortunate that the Senate adopted that amendment. But if Senators are going to name names where do we start and where do we stop?

I congratulate my friend from Massachusetts for bringing up this question. I am a great believer in the public's right to know, and I think this rule should apply in all categories. I hope the Senator will offer an amendment to correct all so-called abuses that have been outlined in his speech, and I will join him in trying to get correction. In addition, I will join him in supporting the provision of the House bill which will reinstate the tax on foundations. They should be taxed. I would not want to impose this tax by name, but I have no objection if he wants to name the various foundations.

Was the amendment adopted last Saturday an amendment for the relief of Standard Oil of New Jersey and Atlantic Richfield? They will get at least $63 million in tax credits on the pipeline, and they will get more for their machinery used in the exploratory wells.

Let us not just pin these down as special amendments, because every business interest in the State of Alaska likewise will now receive that same investment tax credit. A grocery story or a filling station buying some item that is eligible for tax credit will now get it. The amendment did not apply to just one company. It was in broad, general terms, and under its terms the whole State of Alaska is classified as a depressed area. Everyone in the country in such an area will now automatically become eligible for the 7-percent tax credit. The Senator from Massachusetts voted for that amendment. Is this not another $300 million loophole?

Mr. KENNEDY. Mr. President, I think the point has been made on this. I do not wish to interrupt the distinguished Senator from Delaware, but I intend to yield the floor forthwith; I would simply say that I think I have handled the matter in the main part of my remarks, which express my opinion about this question. They also distinguish between the kinds of examples that have been suggested by the Senator from Delaware, and those I mentioned here this afternoon.

Mr. President, I ask unanimous consent to have printed in the RECORD two law review articles which discuss the problem of special provisions in the tax laws. This matter was the subject of the dialog a few minutes ago between the distinguished chairman of the Committee on Finance, its ranking minority member and myself.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Harvard Law Review, Vol. 68, March 1955]

PRESSURE GROUPS AND THE REVENUE CODE: A REQUIEM IN HONOR OF THE DEPARTING UNIFORMITY OF THE TAX LAWS

(By William L. Cary*)

I. INTRODUCTION

The genesis of this paper is the casual remark of a Washington lawyer who asked, "What is the point of litigating a tax case when we can have the statute amended for the same outlay of time and money?" Probably his statement was inaccurate, and certainly it was extreme, but it comes as no surprise to sophisticated counsel daily studying the tax services to identify new patchwork stitched upon the internal revenue quilt. Pressure groups appear to be active, and effective, in the constant alteration of our tax laws. Whether their efforts take the form of new sections, or euphemistically called "technical changes,"[1] there is today an accelerating tendency away from uniformity and toward preferential treatment. The Internal Revenue Code of 1954 does not alter this trend.

Some very admirable counsel have commented that my concern should not be with pressure groups in principle but with the effectiveness of the "wrong" groups as distinguished from the "right" ones. They would examine each new amendment and ask whether it is good or bad. Their approach is of course subjective, depending upon one's views as to what is socially and economically desirable tax policy. It is probably true that no one can be completely objective and that some bias will be inevitable. Yet the attempt here is considerably broader: it is an attack, or rather, a modest foray, upon the whole movement toward preferential and specialized amendments, irrespective of what group is preferred.

The root of the evil is not easily identified. Neither capital nor labor, neither the Democratic nor the Republican party, is alone at fault. It is unhappily true that the trend toward special treatment has not been arrested by the Eisenhower administration or its predecessors. In all probability the basic trouble lies in our political system as a whole and in Congress particularly. Perhaps, then, it is a futile pursuit to raise any doubt about current developments in tax legislation. Dr. T. S. Adams recognized years ago that "modern taxation or tax-making in its most characteristic aspect is a group contest in which powerful interests vigorously endeavor to rid themselves of present or proposed tax burdens."[2] But one need not repudiate the democratic process to deplore certain abuses which creep into it.[3]

If this article sought to settle the basic issues of taxation, such as the selection of the rate structure and the choice between more excise, individual income, or corporate taxes, it would indeed be taking sides in what Dr. Adams referred to as "class politics."[4] For our purpose let us accept the existing structure of tax laws and focus

Footnotes at end of article.

upon the preferential treatment and inequities within them. Thus the topic has been narrowed substantially. Though it may still be argued that this paper is unrealistic—an effort to take politics out of politics—I venture that this introduction of a quixotic approach to revenue legislation is no more bizarre than the enactment of certain amendments to the Code recently introduced and adopted by Congress.

We have reason to be concerned about the future of taxation and tax administration. One economist has argued that when tax revenue exceeds 25 per cent of national income, the danger point has been reached.[5] Upon this assumption we already have approached the limits of taxable capacity. Probably the most distinguished writers on economics disagree.[6] There is, however, another limit upon taxable capacity, which is basically psychological and has been too long taken for granted despite its importance. Our fiscal system cannot survive unless the majority of the citizenry retain confidence in the equity and uniformity of our tax laws and their administration, and will not countenance tax evasion. Stated in other words, the tendency toward preferential treatment breeds disrespect for the tax laws, and without respect there will be no effort made to abide by them.

The initial objective of this paper will be to demonstrate specifically the trend toward special legislation in the revenue laws. Principal reliance will be placed upon the Revenue Acts of 1951 [7] and 1954,[8] which afford an extraordinary range of examples illustrating the history of pressures upon tax legislation. As will become quite clear from their provisions, Congress has responded to pressures for the benefit of specific individuals, industries, and economic groups. Following the analysis of particular amendments, a comparison will be attempted of the forms of relief currently available under the Code for some of the major economic classes in our society: investors, owners of businesses, corporate executives, organized labor, farmers, and professional persons.

## II. RESPONSE TO PRESSURES FROM INDIVIDUALS AND SPECIAL GROUPS

### *A. Retention of old relief provisions*

Special relief provisions for individuals and private groups contained in the preceding law have been re-enacted and are firmly embedded in the 1954 Code. Probably the finest demonstration of legislative tenacity, and of human incapacity to weed out laws once on the books, is section 1240, popularly known as the "Mayer Provision" in honor of the alleged principal beneficiary under it.[9] Originally introduced in the Revenue Act of 1951,[10] the provision bears the deceptively general title of "Taxability to Employee of Termination Payments." As a general rule, except in the case of qualified pension and like plans,[11] any lump sum distribution upon retirement is taxable to the employee and bunched in one year as ordinary income.[12] Yet to resolve this predicament in the case of one movie executive, the bill provided for capital gains treatment where the taxpayer had been employed for more than 20 years, had held his rights to future profits for 12 years during his term of employment, and had the right to receive a percentage of profits for life or for a period of at least five years after the termination of his employment. How many persons could such a restricted provision cover? Perhaps an averaging system is needed for bunched income generally, or for retiring employees,[13] but is there any sound basis for the relief of one executive through capital gains treatment? It is especially noteworthy that counsel did not even trouble to present this amendment, and another involving personal holding companies, to the House Ways and Means Committee, but took all the matters which he sponsored directly to the Senate Finance Committee. Apparently pressure upon members of one house sufficed to ensure enactment of both measures.[14] In 1954 the question arose as to how this provision should be treated in the new Code. Presumably because of its narrow scope it was omitted in the House bill. However, in the hearings before the Senate committee, the proponent pointed out that "No explanation of the omission is contained in the Ways and Means Committee report, and it is believed that the omission was inadvertent." [15] He urged not only that the bill should incorporate the existing provision but also that the provision should be extended to cover the few cases where the taxpayer has rendered personal services under an agency contract involving receipt of profits after its termination. The argument was made that so long as relief was available to corporate employees under the original statute, there was no reason why it should not be amended to cover comparable agency situations. The plea was effective to achieve the reacceptance of the 1951 provision by the Senate,[16] though it did not succeeed in expanding its coverage.

In this case, as in the case of the personal holding company amendment,[17] there may be nothing alarming about the particular relief which the taxpayer received. However, the result was that a few persons were allowed special treatment, while others undoubtedly have suffered from comparable restraints.

### *B. New Relief Provisions*

The 1954 Code has not only incorporated the special relief provisions contained in preceding acts, but has also added new ones. Perhaps the most amusing addition is section 6073(b), where—thanks to prevailing pressures along the coastal areas—the extra time given farmers to file a declaration is stretched by the parenthetical phrase "(including oyster farming)." [18]

A new case of congressional generosity in the 1954 Code seems tailored to the needs of certain commission merchants in the South. Whether by custom or rules of the trade, a few of them are required to do business as partnerships although for tax purposes their preference would be in favor of operating in the corporate form. Their problem was considered by the Treasury, and received serious attention in connection with the Administration's stated policy of favoring small business. In his budget message of 1954 the President said that small firms should be able to operate under whatever form of organization is desirable without being influenced by tax considerations, and then recommended "that cooperation with a small number of active stockholders be given the option to be taxed as partnerships and that certain partnerships be given the option to be taxed as corporations." [19]

Provisions implementing this recommendation did not appear in the 1954 House bill (H.R. 8300) but were incorporated in the later Senate version. Section 1351 of the latter provided that corporations could elect to have the tax status of partnerships under specified conditions, and section 1361 gave an option to partnerships where capital was a material income-producing factor to be taxed as corporations. The latter was described in the Senate Report as "complementary to the similar option granted certain corporations." [20]

The first and more important section, section 1351, was eliminated in conference, but—though few were affected—the momentum behind section 1361 was enough to effect its retention, thus putting the cart before the horse. In other words, two provisions linked together by the President and Senate were separated, and only the minor one—benefiting a handful—was ultimately enacted. At this point it may be asked why these partners should not be permitted to be taxed as if incorporated when they are not allowed to operate in the corporate form. But if this is the case, should they be singled out or should the same relief be available to all the professions as well? They too are required to practice as partners. The facts are that the statute is carefully drafted to exclude lawyers, doctors, and all types of partnerships in which capital is not a material income-producing factor.[21]

A major example of largess in 1954 was in favor of inventors and persons financing them in section 1235. Under the preceding law the controversy whether th. sale of a patent should receive capital gains treatment involved two questions: was the originator an amateur or a professional, and did he receive for his patent installment payments or royalties taxable as ordinary income? [22] To obviate existing uncertainty and "to provide an incentive to inventors to contribute to the welfare of the Nation," [23] these considerations were eliminated. The House bill restricted the relief to the "first and original" inventor [24] and to cases where the sales price was not dependent, for more than five years, upon the productivity, use, or disposition of the patent in the hands of the buyer.[25] The Senate, however, concluding that the House bill had not "accomplished its objective of stimulating inventions," [26] extended preferred treatment to anyone not a close relative or employee of the inventor who purchased the rights or an undivided interest in the invention before it was reduced to actual practice, and removed the five-year proviso. [27] It should be noted, however, that the wishes of the patent lobby have not been fully satisfied. In the 1953 hearings the president of the National Patent Council urged that patents receive percentage depletion on the ground that "The depletion allowance is based on the fact that the supply of oil or minerals in a given area will eventually be exhausted. However, not one penny is given to an inventor for depletion, although a patent can last only 17 years." [28]

The benefits conferred upon inventors and their financial angels should be contrasted with the treatment of artists, authors, and composers under the current tax law. While many groups within our society (including a single movie executive) have become beneficiaries of amendments converting income into capital gains, the Revenue Act of 1950 administered the *coup de grace* to literary, musical, or artistic compositions by expressly excluding them from the definition of capital assets subject to favorable treatment.[29] Why should the disposition of books and symphonies not enjoy capital gains treatment, while the sale of patents, livestock, and coal and timber royalties do? Is it because America tends to favor material success at the expense of developing the arts? Surely it cannot be that our critics abroad speak the truth. Most of us believe that this is not a conscious policy of discrimination against nonmaterial values. On the narrow issue of the 1950 amendment, the favorable ruling and the unfavorable publicity received with respect to the sale of the Eisenhower book may have been responsible for congressional action.[30] In general, however, the reason why professional men and artists are not receiving favorable treatment is probably a pragmatic one. They are individualists, too scattered to represent an effective political force, and without a lobby dedicated solely to the cause of obtaining special tax advantages. For example, while three representatives of two separate patent organizations appeared before the Senate committee on the 1954 act,[31] only one representative of the Mystery Writers of America, Inc., was present.[32] Upon the conclusion of her testimony, the chairman asked, "Why shouldn't we give these people some relief?" and received the reply that "We looked into

Footnotes at end of article.

this, and it is just a question of how far we want to go in extending capital-gains treatment." [33]

Although the foregoing illustrate, without exhausting, the special relief provisions enacted in 1954, brief reference should be made to the amendment of old estate tax section 811(g). The 1954 Code excludes life insurance proceeds from the gross estate, whether decedent paid some or all of the premiums, so long as he retained no "incidents of ownership." [34] Even before the new section was six months old, it was said that the administration might seek its modification: some Treasury officials have discovered that the life insurance industry has been strenuously selling the new provision, telling clients that only through insurance policies can they completely escape tax liability.[35]

*C. Special provisions for charities*

Lest it be thought that the only person seeking special treatment are individuals or groups having a profit motive, attention should be directed to provisions dealing with charitable donations and organizations. One of the earliest relief provisions, first enacted in 1924,[36] is the so-called "Philadelphia Nun" provision, which permitted unlimited deductions if contributions plus taxes during the ten preceding taxable years equalled more than 90 percent of taxable income.[37] Because the provision appeared "unduly strict," [38] Congress provided in the 1954 Code that the 90 percent test must be met in only eight of the ten years.[39] Even with this new relaxation the section still appears to be tailored to the problem of only a handful of ascetics.

In the Revenue Act of 1951 [40] a special statute was passed for the relief of Wesleyan University, which had purchased a publication for elementary school children, then earning a million dollars a year.[41] Under the 1950 act income of a charity over $1,000 derived from unrelated business became taxable; [42] the 1951 act provided a three-year period of grace to tax-exempt organizations to readjust outside businesses which they had purchased—but relief was limited strictly to the publishing field. The proponent of the measure, Senator McMahon, indicated that Wesleyan planned to integrate the publication into the university; but since it was circulated in primary schools only, Senator Kerr intimated that the real object must be to integrate the million dollars per year, as in the case of any other profitable investment.[43]

Under the 1954 Code an extra 10 per cent charitable deduction is provided to individuals if the contribution is made to churches, schools, or hospitals,[44] while the regular 20 per cent may be paid to the broad list of tax-exempt organizations.[45] Possibly the selection of these three classes of charities for special treatment may be justified on logical grounds. However, let us compare the selection with the provision denying tax exemption to institutions engaging in prohibted fiancial transactions: [46] there exceptions are made not only for churches, schools, and hospitals, but also for organizations engaged in medical education or research.[47] To increase the diversity, the junior senator from Kansas pointed out on the Senate floor how appropriate it is that "research in the field of agriculture be placed in the same administrative position with respect to the Revenue Code as medical research," and no one objected.[48] Thus by a grant of special treatment to a few organizations, any possibility of maintaining some uniform pattern among the charitable provisions of the Code has been shattered without a moment's reflection.

*D. Forthcoming legislation*

Full comprehension of the pressure for preferential treatment cannot be conveyed without consideration of forthcoming tax legislation, in all probability the Technical Changes Act of 1955. Even before the President had signed the 1954 act, another tax bill had been referred to the Senate Committee on Finance, and was reported favorably.[49] Congress adjourned before it could be passed. The amendments included by the Senate committee furnish examples of what may be proposed this year, and provide relief to one railroad (retroactive to 1941),[50] certain charitable organizations,[51] the estates of certain persons who died from 1948 through 1950 without releasing powers of appointment,[52] farmers selling livestock on account of drought,[53] and other random beneficiaries.

One of the amendments is an attempt to extend existing special legislation. During the war years there was a statute which freed the estates of veterans dying in action from income tax for the year of their death.[54] The self-evident purpose of the law was to lessen the burden upon families whose financial security might be impaired by the loss of the serviceman. When relief has become available, there is always a next step in the quest for special treatment: why tax the estate of a deceased serviceman who was the beneficiary of a trust under which income was accumulated for his benefit while he was in the service? In 1951 an amendment was adopted to have such trust income treated as if it had been distributed to the veteran in the year of his death and thereby render it wholly tax-exempt.[55] The proposal now has been made to accord the same treatment retroactively to trusts where refunds already were barred.[56] Thus relief, originally limited to the personal income of the veteran, is to be stretched to cover the undistributed income of any irrevocable trust under which he was the beneficiary.

*E. The excess profits tax*

Perhaps at this point inquiry may be raised why no mention has yet been made of the excess profits tax provisions. Among them are numerous glaring examples of special relief plainly tailored to a single company or at the most for the benefit of a few.[57] Typical illustrations are provisions which to the best of the writer's knowledge were applicable to one or two television manufacturers [58] or a single paper company.[59] One of the baldest instances of preferential legislation is a section of the 1951 revenue act providing for an alternative average base period net income with respect to any taxpayer which was engaged primarily in the newspaper publishing business and which after the middle of its base period and prior to July 1, 1950, consolidated with another newspaper published in the same locality.[60] We may well ask how many newspapers of a size subject to excess profits tax possibly underwent a consolidation during the very brief period specified. Obviously one concern was singled out.

The fact is that relief from the excess profits tax was almost inevitable. Both in theory and in practice, the problem of defining what are "excess" profits is insoluble.[61] It is in fact one of the main reasons why the tax itself has been so unpopular. With rates above 80 per cent, there would be instances of oppressive hardship if an excess profits tax law were enacted which afforded no possible escape. For this reason there was in World War II a so-called "general relief" statute entitled section 722, and the Excess Profits Tax Council was estabilshed to administer it.[62] Because of congressional dissatisfaction with the handling of section 722, relief provisions were specifically written into the new Excess Profits Tax Act of 1950.[63] In effect, Congress took unto itself the role occupied by the Excess Profits Tax Council, and granted statutory relief almost upon a case-by-cae basis.[64] Thus if the 1950 excess profits tax law had still be in effect in 1954, provisions allowing special relief might have been expected because no one can say with any certainty what profits are "normal" and what are "excess." It is still true, however, that the taxpayers havig the most effective lobbies received relief and the less fortunate did not.

*F. Preliminary generalizations*

Before analyzing further instances of congressional response to outside pressures, we should arrive at some preliminary generalizations from the preceding examples of relief to individual taxpayers and private groups. In each instance the character of the relief afforded is so technical as to make a simple explanation impossible. Being obscure or incomprehensible to the layman, it is not recognized as an outright favor to one individual or a highly selective group. Moreover, the relief is not palpably unwarranted. The case involving the retiring movie magnate demonstrates one of the basic weaknesses in the tax system, namely, the taxing of bunched income where no averaging system is available. But this inequity affects a multitude of taxpayers: artists, writers, athletes, and all persons retiring under similar circumstances. The movie executive here is probably not injured as much as the actors who work for the same company. By the same token, the inventor has received favored treatment without any congressional notice of others engaged in creative work. In this respect charitable organizations are equally vulnerable. Perhaps all these cases warranted relief, but is it not true that the tax laws work hardship in an infinite number of transactions? Can relief be scattered sporadically among a few individuals—whose only common characteristic is access to Congress—without making a mockery of the revenue laws? For every person who successfully argues that he is discriminated against there are thousands of others, inarticulate or ineffective, who are suffering the same fate in silence.

III. RESPONSE TO PRESSURES FROM INDUSTRY GROUPS

The Code has not only scattered largess among specific individuals and private groups who requested relief but has also shown some evidence of responding to pressures from several industry groups. In general, it appears that the extractive industries are the principal beneficiaries, and as a whole they are gaining an increasingly strong position in our tax structure.

Of this group, the oil industry has been the most frequently commented upon, principally by reason of the 27½ per cent deduction allowed against gross income for depletion.[65] No attempt will be made here to repeat the criticisms levelled at the favored status which the oil group enjoys.[66] Only a handful of senators venture to oppose it. In fact, one senator urged his colleague, Senator Douglas, to withdraw a controversial amendment by saying, "I am simply trying to keep [him] . . . from committing suicide." [67] The industry now regards percentage depletion as a sacrosanct, almost constitutional, prerogative, but still not enough. Other advantages have been sought. One already obtained is the privilege of writing off intangible drilling costs as expenses rather than capitalizing them and perhaps losing them as deductions.[68] In 1950 the oil industry also succeeded before the Senate committee in having inserted a new provision which would convert the assignment of so-called "in-oil payments" from an ordinary income transaction into capital gain. Although the conference committee rejected the change,[69] it should be recognized that a matter once raised is not finally disposed of, but will recur as an issue in hearings on subsequent revenue acts.

Several other extractive industries appear to have profited recently from effective lobbying: coal in 1951[70] and in the same year, sand, gravel and stone.[71] With respect to coal, the percentage depletion deduction was increased from 5 to 10 per cent on the ground,

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stated in the committee report of 1951, that the coal mining industry was peculiarly in need of more favorable tax treatment because of the inroads which alternative sources of energy, particularly oil and gas, had made on the potential markets for coal.[72] It is interesting to note the inconsistent theories upon which the percentage depletion deduction is granted. On the one hand, the intention is to stimulate development and wildcatting by awarding such a tax advantage to the oil industry.[73] On the other, it is to furnish relief to an industry which has suffered by reason of the increasing use of oil and gas. If percentage depletion has any function in our tax structure, should it be used to encourage development of one group and "bail out" another at the same time?

As a supplement to the additional percentage depletion upon coal, the 1951 act conferred preferential capital gains treatment upon royalties received by lessors.[74] The Senate committee report expressed solicitude for the industry and for the leases originally drawn on coal property. It pointed out that most of them are long-term and call for royalty payments in cents per ton; hence the lessor does not receive the automatic adjustment for price changes which occurs when a royalty is expressed as a percentage of the value of the coal extracted. Further, the report stated, many of the existing coal leases were old and royalty payments therefore small.[75] But it should be noted that capital gains treatment was given to coal royalties on both past and future leases. Congress apparently decided to confer a subsidy on the coal industry through the revenue laws. Of course, the argument can be made that the 1951 provision[76] merely extends to the coal industry what the timber industry had already received.[77] The next question, then, will be why the coal industry should benefit if the oil industry does not, and why capital gains treatment should not be available with respect to oil or many other royalties in areas which might deserve positive encouragement instead of subsidies for their declining status.

It should be noted further that according to the Senate committee the lessor of a coal property "as a practical matter" is not likely to benefit from the increased percentage depletion provided.[78] Thus since the latter allowance would be of material aid to only one group (the operators), another group (the lessors) must receive some compensating form of special treatment, such as capital gains. Once a policy of relief has been adopted, the consequence is that all participants, operators as well as lessors, must obtain a subsidy lest there be discrimination among them.

The iron ore industry in 1954 sought and almost obtained the capital gains treatment now available to owners of timber and coal. By an amendment to the Senate bill, tax relief was expanded to include the disposal of iron ore,[79] but the amendment was subsequently eliminated in conference.[80] However, continuing pressure upon the Senate is strong enough that the possibility of capital gains treatment cannot be deemed a dead issue.

Iron ore is already receiving substantial benefits under the tax laws. Percentage depletion of 15 per cent[81] has long been available to it, and the Revenue Act of 1951 permitted the expensing of all items incurred for the development of a mine or deposit.[82] Similar benefits are provided with respect to the write-off of mine exploration expenditures to the extent of $100,000 in the 1954 Code.[83] The reasons given in the Senate committee report for permitting both deductions are much the same. The report points out that where the depletion allowance is a percentage of the gross income of the property it is the same whether a large or small outlay is necessary to explore and develop the mine, with the result that mines having relatively large exploratory and development costs are subject to unfair discrimination.[84] Thus it would appear that the largess of percentage depletion in turn generates an inequity which must then be remedied.

Another group which has been satisfied, after years of clamor over "discrimination," may be referred to loosely as the "sand and gravel lobby." In 1951 almost every known building material received a 5 per cent allowance for depletion.[85] When Senator Douglas moved unsuccessfully to strike out clam and oyster shells on the ground that he did not regard them as necessary to the national defense, Senator Connally said in debate, "The Senator from Illinois is greatly concerned about clam shells. He does not have many in his district."[86] In 1954, allowances for granite, marble, slate, and other stone, when used as dimension or ornamental stone, were raised from 5 to 15 per cent.[87] In order to draw some line, however remote, Congress in the new Code expressly stated that percentage depletion does not apply to soil and water, or minerals from sea water, air, or similar inexhaustible sources.[88]

One of the most troublesome issues in 1954 arose over limestone. The general policy of of the statute appears to be that minerals used for road material, concrete, or similar purposes shall receive only a 5 per cent allowance. However, two senators on the Senate floor pointed out that this would give higher grade limestone unfair treatment when used or sold competitively with items such as rock asphalt, which under section 613(b)(3) receives 15 per cent even though used on roads.[89] The statute therefore was amended specially to provide 15 per cent depletion where a mineral is sold "on bid in direct competition with a bonafied bid to sell a mineral" bearing the higher rate.[90] Thus the gates have been opened to permit even road-building materials to receive further tax relief.

The next step can be best visualized through the testimony of the chairman of the Taxation Committee of the National Sand and Gravel Association before the Senate Finance Committee in 1954. He pointed out that the House bill at the time proposed a 15 per cent allowance for limestone for whatever purpose used, and expressed the hope that "the wisdom and justification of the proposal will be recognized by your committee."[91] He further testified that the same considerations which led to this decision by the House apply with equal force and logic to the sand and gravel producers, who are in competition with producers of crushed limestone all over the United States.

If the oil industry receives percentage depletion,[92] why should not other extractive industries? One theory advanced for percentage depletion, that the owner is losing his "capital" which should be valued at some figure approaching discovery value,[93] is applicable to all extractive industries. Probably the strongest argument made by the oil industry is that the predominant importance of oil in our economy, particularly in connection with any war effort, constitutes a justification for benefiting taxpayers risking their capital in discovering and developing new sources of supply.[94] The argument is particularly applicable to the independent oil wildcatters engaged in sinking holes which may be and often prove to be dry. Undeniably the risks they run are enormous. On the other hand, critics have noted that the chances taken by the major oil firms are within the range of normal business activity, and therefore query whether such largess is warranted.[95]

Even if we are willing to accept these arguments, it does not follow that percentage depletion at present rates is relief solely for the loss which the owner would otherwise suffer. When available to all substances save earth, air, and water, the depletion allowance quickly becomes an outright subsidy. The defense argument for percentage depletion in the oil industry may apply in the case of uranium, but it certainly does not exist in connection with sand, gravel, and like materials. Are there not in fact many other industries where further development should be encouraged? What accounts for legislation favoring sand and gravel firms is the continued political pressure of the firms affected and the argument that, as compared with the oil, coal, and timber industries, they are being discriminated against.

The foregoing illustrations of congressional responses to pressure from industry groups point toward the basis upon which tax relief has been granted. As already noted, the extractive industries have been the principal beneficiaries.[96] How have they succeeded so admirably, when in fact the coal industry's plea rests upon its depressed condition, while the oil industry bases its claim upon the importance of stimulating exploration and developing reserves? The formula in most cases appears to be the discrimination argument, the demand for tax equity. As one author has indicated, tax equity is achieved when the same load is placed on different persons who are in similar economic positions.[97] With respect to percentage depletion the coal industry sought to be placed in the same favorable position as the oil group, and the sand and gravel spokesmen felt they were being discriminated against if they did not receive treatment similar to that already available to the oil, coal, sulphur, and mining industries. And now that timber and coal royalties are afforded capital gains treatment, the lever of discrimination can again be used most effectively by the iron ore and oil men to claim similar advantages for royalties and "in oil payments."

### IV. RESPONSE TO PRESSURES FROM ECONOMIC GROUPS

In moving from the privileged tax treatment accorded to specific individuals and industries, I next shall attempt a brief survey of some of the important economic groups in our society and how they are faring in the race for special benefits. To a large extent favored treatment is being conferred in a sporadic manner, without regard to what privileges are available to one class and withheld from another. Cases evoking sympathy and a desire to provide benefits are individually brought to the attention of Congress, and treated upon an ad hoc basis.

#### *A. Investors*

Those individuals who are well advised, or especially fitted by occupation, training, and background, are likely to be able to realize fully the opportunities for minimizing their tax burdens. Today the large investor probably constitutes the most important beneficiary of preferential treatment. A Harvard Business School study has reached the opinion that much of the income received by upper bracket individuals appears to avoid the full impact of the income tax.[98] One chart indicates that in 1946 there was little or no progression in effective tax rates beyond the $50,000 income level, and the maximum average tax rate was less than 50 per cent, despite the fact that theoretical effective rates ranged as high as 85.5 per cent.[99]

The difference in effective tax rates on individuals with large incomes can be attributed in major part to capital gains. There is undoubtedly a segment among the investor group whose whole attention is directed toward transactions which ultimately might yield return of a capital nature. Some of the available media are marketable common stocks, new ventures, real estate, oil properties, and closely-held concerns. Since the war there has been considerable activity in the purchase and sale of appreciated prop-

Footnotes at end of article.

erty, sometimes following the acquisition of the stock and liquidation of a family or close corporation. Another opportunity available to those in control of operating companies is to ensure the retention of corporate earnings and continuous expansion until the owner can realize upon the correspondingly enhanced value of stock or assets at capital gains rates.[100] Furthermore, the area of capital gains has been growing to include timber royalties and, most recently, coal royalties.[101] But the capital gains rate of 25 per cent seems to reduce the effective tax rates upon certain persons with large incomes without affecting taxability of others at all.[102] Thus there is created disuniformity in the rate structure even among wealthy investors. Pressure to expand the scope of capital gains, and to reduce the rate and required holding period, is a hardy perennial in congressional hearings, and cannot be discounted as a source of additional benefit to the high-bracket taxpayer in the future.

Another, quite different, way of reducing the effective rate of taxation is through the purchase of tax-exempt securities and of insurance.[103] Persons of wealth interested in capital preservation or security, as distinguished from capital appreciation, have bought substantial amounts of municipal and similar types of bonds. In this instance exemption is not due primarily to political pressure from the large investor. Its origin rests in the desire of states and municipalities to issue securities at a very low rate of interest.[104] Yet this tax exemption feature represents at the present time a substantial inequity in favor of persons in high income tax brackets. There has been also a tendency among the same group to invest in other low risk investments having tax advantages, such as life insurance policies. The freedom from income tax of the investment increment in life insurance is probably the major factor which renders life insurance attractive to the tax-conscious investor. The fact that the interest element is not subject to tax during the investor's life or at his death is but one of the special favors enjoyed by life insurance over other investment media.[105] For individuals in very high tax brackets the after-tax yields on common stock may be reduced below those available from tax-exempt securities and certain life insurance policies. And conservative investors may not regard the higher income (if any) as adequate compensation for the risk of capital loss inherent in stock ownership.

Another grant available to the large investor, namely, percentage depletion, has already been discussed at length.[106] Investment in oil royalties from proven fields offers one means of utilizing this tax advantage.[107] Oil drilling syndicates financed by persons of wealth have now become commonplace. They frequently invest a portion of their funds with the expectation of writing off intangible drilling costs immediately as an expense against high income and taking the additional 27½ per cent deduction in the event that drilling is successful.[108]

Perhaps the most obvious benefit to the investor group is the new dividend credit provision of the 1954 act.[109] Besides the agrument of alleged double taxation, probably the major reason given for the relief is that the tax burden on distributed corporate earnings "has contributed to the impairment of investment incentives." [110] The Senate committee report pointed out that capital which would otherwise be invested in stocks is driven into channels involving less risk, restricting the ability of companies to raise equity capital and forcing them to rely too heavily on borrowed money.[111] Thus in part the credit for dividends can be described as an inducement to counteract the existing tax exemption of insurance and municipal bonds.

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*B. Corporate executives*

Another group which has been substantially favored by the income tax laws is the executives of established corporations. For some time, since the enactment of old section 165(a), now section 401, this group has shared the advantages of pension and profit-sharing plans available to employees of such companies generally.[112] In order to qualify, such plans must be drawn in such a way as not to discriminate in favor of employees who are officers, shareholders, or supervisors.[113] At the same time the group covered can be severely limited under the 1954 Code, and there is no objection to providing ultimately for substantial remuneration to top employees after retirement. The basic difference between executives and other employees is that the former benefit in a larger dollar amount.[114] The new Code has taken an additional step favorable to employees having sizable estates by excluding from the estate tax any annuity or other payment receivable by a widow or other beneficiary under a qualified plan. [115]

Question might be raised as to the pressures which were responsible for the original enactment of pension and profit-sharing legislation. Here, as in the case of municipal bonds, the reason for enactment did not stem from the beneficiaries, the executives. It lies in a public policy favoring the assumption of responsibility by companies for their employees after retirement. In other words, the executive group is a by-product beneficiary of a broad policy favoring employees as a class. Yet thanks in part to federal tax policy the amounts received after the retiring age can be so bountiful that the time may come when the estate tax and income tax benefits enjoyed by management will be subjected to congressional review.

One benefit available to corporate executives does not arise from a special provision in the Code, but rather from a judicial definition of when income becomes taxable. Deferred compensation plans are common today, pursuant to which executives receive some of their increased compensation in the form of payments after retirement in return for acting as consultants.[116]

The trend in the direction of favoring corporate executives is perhaps demonstrated most clearly by the stock option provision enacted in 1950.[117] It has been broadened in several respects under the 1954 Code. Having the alleged objective of providing an incentive for executives to obtain a stake in the enterprise,[118] this provision nevertheless favors officers who are recipients of options, if they sell the shares they obtain more than two years after the grant of the option and more than six months after the transfer of the stock. Under these circumstances they are permitted to realize the profit upon their "stake" at capital gains rates.[119] The corporate law cases which have arisen since the enactment of the stock option provision indicate that a consideration in the form of services should be exacted for such options.[120] They also demonstrate that such options are basically for services rendered and therefore compensation, which in the case of other classes in our society is treated as ordinary income, not as capital gain.[121] An interesting facet of the stock option law is that it rarely provides relief for employees of small businesses because of the ten percent stock ownership limitation and the difficulty of ascertaining the value of the stock at the option date.[122] This result is directly in conflict with the incentive rationale underlying the stock option law, for the efforts of the management of a small concern seem more likely to be reflected in its success and the value of its shares than the efforts of employees of public corporations, where the price rise may represent stock market trends or extrinsic conditions such as the Korean War.

Though not related to special legislation, a further avenue for privileged treatment of corporate executives is through perquisites of office, which are becoming increasingly accepted among corporations. The allocation of automobiles to executives for personal use, an executive lunch room with meals at cost, club membership, entertainment and expense accounts are probably the least objectionable of many benefits which today are available to many company officers.[123] Most of them are actually income to the person, but are difficult for the Internal Revenue Service to detect. In fact, any strict application of the principle of taxing all of them would undoubtedly be regarded as an attack on a customary method of doing business in this country.

*C. Owners of family businesses*

The owners of family businesses today are probably in a position even more favorable taxwise than that of corporate executives. This is especially true when they are operating through a corporation rather than a partnership. In general theirs are the same opportunities available to the large investor. Under the corporate method of doing business the owners are in a favorable position to build up the company by accumulating profits which may be realized at capital gains rates through ultimate sale or liquidation.[124] The cost involved is payment of the corporate tax and an ultimate capital gains tax upon earnings which, if distributed as dividends, would have been taxable to the owners as income. The accumulation of profits, on the other hand, is not readily available to the owners of family businesses operating in partnership form, where earnings must be reported in the individual return. However, anyone operating a business as a partnership likewise has the ultimate advantage of disposing of his interest at capital gains rates under existing law.[125] Moreover, one of the most important tax advantages to the owners of family businesses today, whether in the corporate or partnership form, is the facility to charge off substantial amounts of personal expenditures as business expenses.[126] And it should be noted that the proprietors of closely-held concerns have an extraordinary opportunity to benefit through a profit-sharing and pension plan in their capacity as employees of their own companies.[127] In these respects they can have many of the advantages available to the executives of public corporations, and yet do not lose any possible opportunities to realize on their profits through ultimate sale or liquidation at favorable rates.

The owner of a family business, like the large investor, can spread the total earned income of the business over the family group to obtain tax advantages. This may be done in the corporate field by the distribution of shares to members of the family or to trusts for their benefit. Largely because such a benefit was available to persons operating in the corporate form, the same kind of relief was made available in the Revenue Act of 1951 to family partnerships.[128] Passed after years of litigation, the act provided that for federal income tax purposes a person must be recognized as a partner if he owns an interest in which capital is a material income-producing factor, whether the capital interest was acquired by purchase or gift. A gift of a share in a family partnership is henceforth to be respected regardless of the motives which actuated the transfer. Thus in the case of both corporate and partnership firms where capital plays some part, owners are able to spread among their family groups income derived in large measure from their own efforts.

*D. Organized labor*

The tax benefits derived by organized labor under the Internal Revenue Code are not yet on a par with those of the investor, corporate executives, or business owners. The capital gains provision, for example, is of less advantage to the average worker since

his income is relatively low and consists of earnings exclusively. Also, no opportunity is afforded for taking generous deductions, since under the withholding process the employer furnishes a statement showing total wages and the tax withheld. As a consequence, it is not surprising to find that organized labor has opposed as "loopholes" many of the provisions which Congress has enacted favoring other economic groups: percentage depletion, capital gains, and the like.[129]

At the same time labor can scarcely be described as unrealistic. Tax considerations have played a part in the current shifting of bargaining from wages alone to payments in the event of retirement, accident, or sickness. Perhaps ultimately labor will resort to the same arguments that have been relied upon by business owners and executives. Already the tax position of organized employees in established firms is much more favorable than that of workers as a whole. The former may be said to receive preferential tax treatment through pension and profit-sharing plans, under which contributions are exempted from tax in the hands of the trust and until actually received by the employee.[130] The 1954 Code further provides that total distributions paid to the employee within one year on account of his death or other separation from service shall be considered capital gain.[131] The Code has carried over, and in some cases broadened, previously enacted exclusions from income in the case of contributions by employers to health plans,[132] compensation for injury and sickness,[133] wages continued in such event,[134] and $5,000 of insurance paid by reason of the employee's death.[135]

A movement seems to be growing to bargain for broader fringe benefits, which might be treated as falling under a comprehensive definition of income. These benefits take innumerable forms, such as free meals, medical service, summer vacations, purchase discounts, and insurance. They have grown from $8.8 billion in 1952 to $9.6 billion in 1953.[136] One office equipment company has stated that its fringe benefits amount to about $550 per employee, or a total of over $7 million per year for its 14,000-person work force.[137] Yet there is some doubt whether it is administratively feasible to tax them.[138]

The political and economic bargaining power of strong unions raises the question whether, in the light of the growing demand for revenue from low-bracket taxpayers, it is not inevitable that the responsibilities of the employer will be expanded to include not only safer working but also better living conditions for the worker, and that pressure will be exerted to render such improved conditions, these "fringe benefits," tax free. In essence the argument is that the Government cannot tax a clerk working in well-lighted, air-conditioned surroundings more than a steel worker earning the same salary. Hence taxes should not be imposed upon the perquisites furnished some elements of labor by reason of their stronger negotiating position. But then the problem is whether the perquisites available to management are any different in principle, though more elaborate in kind, from those enjoyed by labor. It is conceivable that in terms of taxation the objectives of management and of organized labor in bargaining with corporate organization today actually coincide, to the joint detriment of the federal revenue.

Perhaps by reason of taxes our society is moving back to the status of a barter economy. As one author has said, "we are going through a development which is just the opposite of that which marked the end of the feudal period when wage payments were being commuted into money. Now many wages are being commuted into tax-free services. Perhaps the time will come when the individual unfortunate enough to receive all of his wages in money will have an impossible tax burden!" [139]

*E. Farmers*

It is perhaps never fully appreciated that one class of persons profiting extensively from the present tax laws is the farmer. In general the benefits he receives do not flow from special legislation. Part of the farmer's tax advantage seems to stem from three facts: farmers' lodging (like that of all home owners) is not treated as income; none of the fuel or food, if the farm is self-supporting, is included in income; and there is much careless reporting, perhaps even deliberate omission.[140] As a practical matter, is there any real way of enabling the Government to realize upon any one of these sources of income? Much of the benefit farmers receive can be attributed to the impossibility of administering a tax law which could include, or even discover, all items that might in theory be treated as income in the farmer's hands.

At the same time it cannot be said that farmers as a class are resting on their existing favorable tax status. The Revenue Act of 1951 provided that income derived from disposition of livestock should have the benefits of capital gains treatment.[141] At one point in the history of the bill turkeys, but not chickens, were included.[142] Both were finally eliminated. But now that favorable treatment has been accorded to quadrupeds, the question may arise whether similar advantages should not be accorded to poultry, and ultimately to crops.

*F Professional people*

One element in our society which may be regarded as orphaned under the Internal Revenue Code is the professional class. Although lawyers and doctors are said to enjoy their peak earnings during the 20-year span from the age of 40 to 60,[143] there is no opportunity to average that income throughout their working lives. It is true that lawyers, writers, and other professional men have the opportunity to spread an extraordinary amount received in any one year over a longer period if the services rendered cover more than three years, but the privilege is a limited one.[144] There is little tax relief and no pension plan available to professional people, though bills are now pending which may afford them the opportunity to deduct a portion of their income provided it is irrevocably set aside until their retirement.[145]

The status of actors, athletes, and artists is even worse. The span of their earning power frequently is a period of less than ten years. They are probably the worst victims of the principle that income must be computed upon an annual basis and taxed in the year of receipt. Although authors, artists, and musicians share the privilege of spreading the income received from work involving prolonged effort, they too may fairly claim to be victims of discrimination. Why should not the disposition of books and symphonies enjoy the capital gains treatment that the sale of patents, livestock, and interests in coal and timber now receives? [146]

V. GENERALIZATIONS AND CONCLUSIONS

Perhaps the general conclusion can now be ventured that the tax laws represent a patchwork of special legislation awarded on a random basis. It may be too late for thoroughgoing reform, but there may yet be time for occasional improvements. At this point, therefore, let us attempt to restate some of the dangers arising out of these deepening inequities in the Code. The United States has operated under a system of self-assessment of taxes, which of necessity assumes strict adherence by the great majority of people. As indicated at the outset, if the average taxpayer finds our tax laws more and more checkered with special legislation, the danger is that disrespect will spread and make enforcement impossible. Whatever may be the economic limit upon taxes, there is a practical and psychological limit which is probably short of it.

Part of the problem today is the general acceptance of a philosophy of taxation which attempts to justify a system of disuniformity. In the words of George O. May, the revenue process might be looked upon as a football game: "If you try to stop all the plays in the line, you won't have a game. You have to let someone get through the line and score a touchdown occasionally or you won't have a game." [147] This homely argument of a distinguished accountant in favor of capital gains is another way of saying that with rates as high as they are, holes in the Code must be available so that someone can make money. But should these holes be drilled for the benefit of those who can exert the most pressure? And if many such escapes are provided, doesn't tax collection then become a process of "dipping deep with a sieve," to use a phrase of Henry Simons? [148]

It may be said in rebuttal that virtually every provision in the Code is preferential to some more than others—which no doubt is true. Yet within broad classifications there can still be some restraint upon special provisions and some effort to cling to uniformity. Otherwise the law, already hopelessly complicated, will soon approach the ridiculous.[149] It is also true that there are other objectives in the tax law than fairness. In some instances, as in the case of the imputed income of home and farm owners, it may not be administratively feasible to achieve absolute equity. Furthermore, if percentage depletion or capital gains were necessary for the purpose of maintaining incentive or in order to prevent the total disappearance of capital formation, there might be logical justification for some overall (as distinguished from ad hoc) modification of the tax structure. Nevertheless, each time an amendment is sought, Congress should go back to fundamentals: What, for example, is the function of capital gains? Is it to relieve against taxing bunched income in one year, or is it to provide a needed incentive, or both?

Without such restraint, it is difficult to see where the accelerating pattern of preferential treatment can stop. The likelihood of continuing special legislation is demonstrated by the number of pressure groups which appear in every hearing on revenue measures before Congress. According to one writer, at the 1947 hearings approximately 150 organized groups were represented, all but twelve of which clearly represented business, labor, agriculture, or professional interests.[150] The complexion of the hearings held in 1951 by the Ways and Means Committee is similar to that of those held in 1942. The four volumes of testimony preceding the latest general revision, from June to August, 1953, demonstrate the current zeal of hundreds of interested groups and their representatives to be heard.

Many of the special provisions owe their existence to the discrimination argument. Perhaps the principal point made before Congress is that, since one group in our society has received a benefit the complaintant deserves like treatment. The more preferential the legislation written into the Code, the greater the opportunity for others to claim they are being discriminated against. The difficulty lies in finding, first, some logical basis for drawing a line, and second, some political groups supporting the policy of drawing it. There are very few organizations before Congress opposing further extension of capital gains treatment. Perhaps we are gradually approaching the taxpayer's millenium, when all citizens have available the benefits of converting ordinary income into capital gains.[151] As one writer has indicated, the preferred political way of reducing inequities is to extend an existing privilege to new groups, instead of withdrawing it from the present holders.[152]

Footnotes at end of article.

A final danger, already self-evident, is the increasing complexity of the tax laws. Only counsel spending the majority of his time in minute examination of the tax laws is competent to assure his client that he has taken full advantage of the existing benefits under it and avoided the pitfalls. "Every word added to the Code for the benefit of some particular taxpayer my well prove a trap and a very costly one for some other unsuspecting taxpayers." [153] It is ironic to recall the statement which appeared in the minority report on the Revenue Act of 1943: "We should develop as soon as possible a long-range, integrated, well-balanced, equitable, and simplified scheme of taxation, and we of the Republican minority propose to do all in our power to bring about such a plan." [154]

The recitation of dangers arising out of preferential legislation poses the final question: What correctives are available in a political society? Frequently one hears the suggestion that the pressures exerted and special favors sought are all due to current tax rates, and there would not have to be relief provisions if the rate structure were not so high. As a rough generalization this is partially true, though there would still be persons seeking percentage depletion and other deductions, and even lower capital gains rates. At any rate it is undeniable that the intensity of the efforts to obtain special treatment would slacken if rates were lower. And if we could be sure that some reduction would satisfy existing pressure groups, it is certainly worth serious consideration on the part of Congress. But so long as international tension exists and the budget remains unbalanced, one obviously cannot expect revenue receipts to be reduced substantially. Politically, as well as economically, high taxes and some progression in rate appear to be a part of the facts of life.[155]

It may be asked whether the developing pattern of preferential legislation can be arrested by the change of administration. Illustrations from the 1954 Code demonstrate the contrary. Furthermore, such a transformation would be too much to expect from any President's office, whether Republican or Democratic. As a previous writer has indicated, the executive plays an important but subordinate, role in the revenue field. [156] Developments of tax policy originate in proposals for change emanating from outside and backed by pressures which the lawmakers cannot ignore. In theory, legislation originates in the House, but in reality the Senate is engaged in developing, modifying, and choosing among proposals brought before it. Probably the baldest examples of congressional politics in action involved the passage of tax legislation where the Ways and Means Committee was bypassed entirely. In these cases the proponent's counsel went directly to the Senate Finance Committee, before which they were in a better position to secure a favorable hearing and an amendment to the bill. [157]

Since they must seek re-election, it may be too much to expect representatives to ignore the pressures exerted upon them. But lest our system of taxation break down, a presumption should exist in the mind of every Congressman against enacting tax legislation for the benefit of one individual or company or even of special groups. In each case the question should be raised whether the proposed bill will generate as much inequity as it is supposed to remedy. The decision before Congress on revenue bills differs radically from that on subsidies in general. In many instances the parties involved have first attempted to secure relief through the Internal Revenue Service or the courts, and failed. Under any circumstances, Congress should try to resolve tax issues in a judicious manner, determining whether relief is justified in view of the hardships inevitably imposed by a uniform revenue statute. For every one who obtains relief on the ground that he has been the victim of discrimination, there are thousands of others who are suffering the same fate in silence.

There are inequities in the tax law which warrant further study. The taxing of bunched income is among the foremost. It is one of the strong reasons for adopting a system of averaging or even conferring capital gains treatment as a rough way of levelling off a lump sum receipt representing years of effort or capital accretion.[158] The essential question is why remedial legislation should be extended to one or two selected persons and not, for example to athletes and artists, who suffer most from a brief period of spectacular earnings. In plain words, a systematic rather than hit-or-miss approach to relief must be the basis for future tax policy.[159]

In an attempt to apply the basic presumption against preferential treatment, several possible ways may be suggested to focus congressional attention upon proposed legislation. None of them, of course, is a remedy in itself, but they may serve to alleviate the problem. As a general rule, regardless of which party is in power, the views of the Treasury should receive more consideration from Congress on questions of uniformity and fairness in tax bills. Much of the special legislation which appears in the revenue acts represents congressional action taken against the advice of the Treasury. By and large it is in a stronger position than is Congress to represent the public interest because each senator and representative is subject to pressure from constituents and special groups.

The Treasury, however, can scarcely be vested with further authority if it maintains an uncompromising attitude against relief provisions. In general, from the Revenue Act of 1942 until 1954, it has appeared reluctant to initiate legislation even in cases of egregious hardship. Though its function is to protect the revenue, such a policy, whether or not theoretically sound, nevertheless seems politically unrealistic. If the Treasury had undertaken to sift out and submit certain justifiable grievances which came to its attention, as it did in 1942, there might have been a stronger basis for resistance on the part of Congress to pressures overwhelming it. Still, it seems improbable that the relief of a few would have sated the ardor of the many.

More information should be available to Congress itself, in the hope that it might act more responsibly. To reach individual congressmen more effectively there might be separate technical staffs for the House Ways and Means and the Senate Finance Committees, as well as the Joint Committee staff. For some years the latter has been directed by its able chief of staff, who, being the agent of both the Senate and the House, cannot always take a position strongly opposing provisions personally sponsored by leading members of either. In view of the fact that senators and representatives have differing objections to legislation before them, it is possible that each committee's staff might screen bills proposed in the other house and keep members advised of any evidences of special favor. Thus a system might ultimately become established for checkmating undesirable measures introduced by legislators overwhelmed by pressure from a constituent or an organized group in their districts.

A further suggestion stems from the fact that in congressional hearings there is practically no one, except perhaps the Treasury, available to represent the public. Perhaps the reason is that all of the pressure group proposals are of such character that no one of them would have a large adverse effect on the tax bill of any individual. Hence counter-pressure groups seldom develop. One exception is the National Tax Equality Association, which opposes cooperatives and the tax advantages they are said to enjoy. A second reason why the public is not more frequently represented is the difficulty of forming pressure groups around general interests. The concentration of business organizations on appeals brought to Congress and the emphasis placed on specific and often very technical provisions make it difficult even for the members of the tax committees to secure a balanced view of what is in the general interest, what the public wants or, indeed, what the public would want if it were informed as to the facts.[160] In order to obtain such a balanced view, therefore, it is suggested that several leading tax experts throughout the country be invited and retained to make a presentation before the Ways and Means or Finance Committee. Because they may be restrained by loyalty to private clients, these lawyers could indicate the provisions in the bill on which they could not render an unbiased opinion. At the same time some of the craftsmen of the tax bar might, as a public service, be willing to call Congress' attention to particular provisions in which special legislation is creeping into a pending tax bill. Many of them have served willingly as advisers upon the American Law Institute project to revise the tax laws.

What is the responsibility of the bar in connection with pressure legislation? While the general trend in tax administration has been toward decentralization, many lawyers have suddenly become aware of the fact that important tax issues are not necessarily decided in the field or in the courts, but may finally be resolved in Washington by Congress. To most lawyers outside the District of Columbia this seems to be a regrettable development. There has been criticism of the tax section of the American Bar Association on the ground that it is being operated primarily as a pressure group seeking to further the interests of individual clients. This is an extreme view, to which I do not subscribe. However, it can be said that the bar as a whole has taken no position with respect to halting the trend away from uniformity in the tax laws. In their capacity as individual lawyers it may well be that tax experts should serve their clients' interests before Congress as vigorously as they do before the courts. But through our professional organizations, and as citizens, we have duties of a broader scope. Furthermore, as one writer has said, over a lifetime each practitioner has a greater interest in a fair and symmetrical body of tax laws than any group has in special legislation in any single year.[161] Why, for example, does not any bar association formally deplore the "Mayer Provision"? This may not be a question of ethics, but at least it offers an unprecedented opportunity for service. And it is not too much for the public to expect of us. Today we are drawing many of the most brilliant graduates from law schools into the lucrative tax field and are developing the greatest masters of needlepoint in the history of the law. Unfortunately, however, we have become so engrossed in detail that we are unaware of the distorted pattern upon which we are jointly working. Technical skill, in other words, is being developed at the expense of breadth of understanding.

The late Justice Jackson pointed out that the United States has a system of taxation by confession, and "That a people so numerous, scattered and individualistic annually assesses itself with a tax liability, often in highly burdensome amounts, is a reassuring sign of the stability and vitality of our system of self-government." [162] Let us safeguard the uniformity of our taxes lest this system become undermined and collapse.[163]

FOOTNOTES

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[1] *See, e.g.*, Act of Oct. 25, 1949, 63 STAT. 891, and Technical Changes Act of 1953, 67 STAT. 615.

[2] Adams, *Ideals and Idealism in Taxation*, 18 AM. ECON. REV. 1 (1928).

[3] Inquiry may arise whether this paper is an ambitious crusade against subsidies of all kinds authorized by Congress, such as parity for the farmers, bonuses for veterans, and tariffs upon imported goods. The answer is clearly negative. True enough, there are pressure groups behind them, but at least the subsidies themselves are generally open and aboveboard. In contrast, preferential tax treatment is often hard to detect and becomes apparent only after careful scrutiny. Secondly, and more important, the main thrust of the tax laws must be to raise revenue, and not to satisfy political pressures by indirect grants-in-aid fostering disuniformity and inequity. For analyses of pressure groups primarily outside the tax field, see Wirtz, *Government by Private Groups*, 13 LA. L. REV. 440 (1953); SCHRIFTGIESSER, THE LOBBYISTS; THE ART AND BUSINESS OF INFLUENCING LAWMAKERS (1951); CRAWFORD, THE PRESSURE BOYS (1939).

[4] See note 2 *supra*.

[5] Clark, *The Danger Point in Taxes*, Harper's, Dec. 1950, p. 67.

[6] See, *e.g.*, Pechman & Mayer, *Mr. Colin Clark on the Limits of Taxation*, 34 REV. ECON. & STATIS. 232 (1952).

[7] 65 STAT. 452.

[8] 68A Stat. 3.

[9] Int. Rev. Code of 1939, § 117(p), added by 65 STAT. 504 (1951). See Miller, *Capital Gains Taxation of the Fruits of Personal Effort: Before and Under the 1954 Code*, 64 YALE L.J. 1, 13 (1954). Sections of the 1954 Code are hereinafter referred to simply by section number; sections of the 1939 Code, 53 STAT. 1, as they read immediately before repeal, are referred to by "old" section number.

[10] § 329, 65 STAT. 504 (1951).

[11] § 402(a)(2).

[12] E. T. Sproull, 16 T.C. 244 (1951), *aff'd per curiam*, 194 F. 2d 541 (6th Cir. 1952); *cf.* Elliott C. Morse, 17 T.C. 1244 (1952), *aff'd*, 202 F. 2d 69 (ad Cir. 1953). *But cf.* Commissioner v. Oates, 207 F. 2d 711 (7th Cir. 1953), 67 HARV. L. REV. 1268 (1954); see Eisenstein, *A Case of Deferred Compensation*, 4 Tax L. REV. 391 (1949).

[13] For suggestions with respect to averaging, see Blough, *Averaging Income for Tax Purposes*, 20 ACC. REV. 85 (1945); GROVES, POSTWAR TAXATION AND ECONOMIC PROGRESS 223–36 (1946); SIMONS, PERSONAL INCOME TAXATION 40 (1950); VICKREY, AGENDA FOR PROGRESS TAXATION 164—97 (1947); Bravman, *Equalization of Tax on all Individuals With the Same Aggregate Income Over Same Number of Years*, 50 COLUM. L. REV. 1 (1950); *Hearings Before the House Committee on Ways and Means on Forty Topics Pertaining to the General Revision of the Internal Revenue Code*, 83d Cong., 1st Sess., pt. 1, at 243–72 (1953).

[14] See *Hearings Before the Senate Committee on Finance on H.R. 4473*, 82d Cong., 2d Sess., pt. 3, at 1478 (1951).

There is no imputation or implication of illegal or unethical activities on the part of the sponsors of this provision, or their counsel. It is the system which is subject to scrutiny, not those persons who operate with skill and effectiveness under it and can put their case before pivotal persons in Congress.

[15] *Hearings Before the Senate Committee on Finance on H.R. 8300*, 83d Cong., 2d Sess., pt. 4, at 2003 (1954).

[16] S. Rep. No. 1622, 83d Cong., 2d Sess. 115, 444 (1954) (hereinafter cited as S. REP. No. 1622). "Your committee agrees with the objective of removing this provision prospectively but took that action in such a way as not to affect individuals who prior to 1954 entered into employment contracts relying on the application of this provision." *Id.* at 115.

[17] Under § 349 of the Revenue Act of 1951, 65 STAT. 519, relief was granted in 1939 to a Canadian personal holding company which was subject to tax because it had been unable to distribute its net income without violating the Trading With the Enemy Act, 40 STAT. 411 (1917), as amended, 12 U.S.C. § 95a (1952). See JOINT COMM. ON INTERNAL REVENUE TAXATION, SUMMARY OF PROVISIONS OF THE REVENUE ACT OF 1951, at 44 (1951) (hereinafter cited as SUMMARY 1951 ACT). Apparently upon the theory that profits would have been distributed in the absence of such restraints, the statute provides for a deduction in computing the concern's undistributed net income to the extent of sums which it was prevented from disbursing. In this connection attention should be drawn to the fact that no corresponding section was enacted providing that the income deducted "as if" distributed should be taxed as constructively received by the stockholders in 1951 or at any other time.

[18] "Declarations of estimated tax required by section 6015 from individuals whose estimated gross income from farming (including oyster farming) for the taxable year . . . may . . . be filed at any time on or before January 15 of the succeeding taxable year." § 6073(b).

[19] N.Y. Times, Jan. 22, 1954, p. 14, col. 5.

[20] S. Rep. No. 1622, at 119.

[21] Also significant is section 404(c), relating to the United Mine Workers Welfare and Retirement Fund. To meet the exigency that payments to the fund made on a tonnage-mined basis were not deductible, since they were not pursuant to a qualified plan, the new provision states that contributions will be deductible as trade or business expenses if made under an employee benefit plan established as a result of an agreement during a period of government operation, under seizure powers, of a major part of the industry's facilities. S. Rep. No. 1622, at 56, 292.

[22] See generally S. Rep. No. 1622, at 113–14, 438–41.

[23] *Id.* at 439.

[24] *Report of the House Committee on Ways and Means To Accompany H.R. 8300*, H.R. Rep. No. 1337, 83d Cong, 2d Sess, pt. 2, at A280 (1954).

[25] *Id.* at 82, A279–82.

[26] S. Rep. No. 1622, at 114.

[27] *Ibid.*

[28] *Hearings Before the House Committee on Ways and Means on H.R. 8300*, 83d Cong., 1st Sess., pt. 2, at 1191 (1954).

[29] § 210(a)(1), 64 STAT. 933 (1950).

[30] General Eisenhower sold all the rights in his war memoirs for a lump sum of $635,000 and received a Treasury ruling that it was capital gain. See SURREY & WARREN, CASES AND MATERIALS ON FEDERAL INCOME TAXATION 579 (1953 ed.).

[31] See *Hearings Before the Senate Committee on Finance on H.R. 8300*, 83d Cong., 2d Sess., pt. 3, at 1662, 1666, 1684 (1954).

[32] *Id* at 1610.

[33] *Id* at 1612.

[34] § 2042. See S. REP. 1622, at 124, 472.

[35] Wall St. Journal, Nov. 17, 1954, p. 1, col. 5.

[36] Revenue Act of 1924, § 214(10)(E), 43 STAT. 271.

[37] Old § 120.

[38] S. REP. No. 1622, at 30.

[39] § 170(b)(1)(C).

[40] § 347, 65 STAT. 518 (1951).

[41] 97 CONG. REC. 11700, 12359 (1951).

[42] Revenue Act of 1950, § 421, 64 STAT. 948.

[43] 97 CONG. REC. 11701 (1951).

[44] §§ 170(b)(1)(A), (B).

[45] §§ 170(b)(1)(B), (C).

[46] § 503.

[47] § 503(b).

[48] 100 CONG. REC. 9044 (daily ed. July 1, 1954).

[49] H.R. 6440, 83d Cong., 2d Sess. passed the House on July 29, 1954, and was reported with substantial amendments by Senator Milliken, chairman of the Senate Finance Committee, on August 2, 1954. S. REP. No. 2038, 83d Cong., 2d Sess. (1954).

[50] H.R. 6440, 83d Cong., 2d Sess. § 3(1954).

[51] *Id.* § 4.

[52] *Id.* § 5.

[53] *Id.* §7.

[54] 57 STAT. 149 (1943). Individuals dying while in active service during World War II were forgiven their income tax with respect to the year of death, and also unpaid income taxes for prior years. Section 334 of the Revenue Act of 1951 provided similar treatment for members of the armed forces dying in combat zones during the Korean hostilities, 65 STAT. 507.

[55] Revenue Act of 1951, § 345, 65 STAT. 517.

[56] H.R. 6440, 83d Cong., 2d Sess. § I (1954).

[57] See generally Oakes, *The Revenue Act of 1951: Excess Profits Tax Amendments*, 5 NAT'L TAX J. 53 (1952).

[58] See Revenue Act of 1951, § 516, 65 STAT. 553; SUMMARY 1951 ACT 54.

[59] See Revenue Act of 1951, § 511, 65 STAT. 551; SUMMARY 1951 ACT 52.

[60] § 518, 65 STAT. 554 (1951); see SUMMARY 1951 ACT 55.

[61] See Rudick, *The Controversy Over EPT*, 6 TAX L. REV. 121, 127–28 (1951).

[62] 54 STAT. 986 (1940), as amended, 56 STAT. 914 (1942); Mim. 6035, 1946–8 CUM. BULL. 97.

[63] §§ 443–46, 64 STAT. 1163–72 (1951).

[64] Address by Gordon Grand, Jr., Minority Advisor, House Committee on Ways and Means, 82d Congress, before the 44th Annual Conference on Taxation sponsored by the National Tax Association, Dallas, Texas, Nov. 27, 1951.

[65] § 613(b)(1).

[66] *E.g.*, Baker & Griswold, *Percentage Depletion—A Correspondence*, 64 HARV. L. REV. 361 (1951); Blum, *How to Get All (But All) the Tax Advantages of Dabbling in Oil*, 31 TAXES 343 (1953).

[67] 100 CONG. REC. 8864 (daily ed. June 30, 1954) (Sen. Neely).

[68] U.S. Treas. Reg. 118, § 39.23(m)—16(a)(1) (1953).

[69] H.R. REP. No. 3124, 81st Con., 2d Sess. 28 (1950).

[70] Revenue Act of 1951, § 319(a), 65 Stat. 491.

[71] *Ibid.*

[72] S. REP. No. 781, 82d Cong., 1st Sess. 37 (1951).

[73] See Baker & Griswold, *Percentage Depletion—A Correspondence*, 64, TAX L. REV. 361, 362, (1951); see also Blum, *supra* note 66.

[74] Old § 117(k)(2), added by Revenue Act of 1951, § 325, 65 STAT. 501, retained in the new Code as § 631.

[75] S. REP. No. 781, 82d Cong., 1st Sess. 42 (1951).

[76] Revenue Act of 1951, §§ 325(b), (c), 65 STAT. 501. The provision is retained in new § 631(c).

[77] § 631(b); old § 117(k)(2).

[78] S. REP. No. 781, 82d Cong., 1st Sess. 42 (1951).

[79] S. REP. No. 1622, at 338–39.

[80] H.R. REP. No. 2543, 83d Cong., 2d Sess. 33 (1954).

[81] § 613(b)(3).

[82] § 309(a), 65 Stat. 486 (1951).

[83] § 615(a). It was only $75,000 under the Revenue Act of 1951. § 342(a), 65 Stat. 515.

[84] S. REP. No. 781, 82d Cong., 1st Sess. 44, 63 (1951).

[85] Revenue Act of 1951, § 319, 65 STAT. 497.

[86] 97 CONG. REC. 12335–36 (1951).

[87] § 613(b)(6). See S. REP. No. 1622, at 78–79, 331–32.

[88] §§ 613(b)(6)(A), (B).

[89] 100 CONG. REC. 9043 (daily ed. July 1, 1954) (both senators were from Texas).

[90] § 613(b)(6).

[91] *Hearings Before the Senate Committee on Finance on H.R. 8300*, 83d Cong., 2d Sess., pt. 3, at 1267 (1954).

[92] §§ 611(a), 613.

[93] Baker & Griswold, *Percentage Depletion—*

*A Correspondence*, 64 HARV. L. REV. 361, 378–79 (1951).

[94] *Id.* at 362; see statement of General Ernest Thompson in *Hearings Before the House Committee on Ways and Means on Forty Topics Pertaining to the General Revision of the Internal Revenue Code*, 83d Cong., 1st Sess., pt. 3, at 2001, 2003–04 (1953).

[95] Baker & Griswold, *supra* note 93, at 371, 377.

[96] See also Heller, *Practical Limitations on the Federal Net Income Tax: Limitations of the Federal Individual Income Tax*, 7 J. FINANCE 185, 197 (1952).

[97] BLOUGH, THE FEDERAL TAXING PROCESS 48 (1952).

[98] BUTTERS, THOMPSON, & BOLLINGER, EFFECTS OF TAXATION—INVESTMENTS BY INDIVIDUALS 65, 84 (1953). Much of the material in subsection *A* is based upon this excellent book.

[99] *Id.*, at 85–86.

[100] BUTTERS, LINTNER, & CARY, EFFECTS OF TAXATION—CORPORATE MERGERS 94 (1951); CARY, *The Effect of Taxation on Selling Out a Corporate Business for Cash*, 45 ILL. L. REV. 423, 426 (1950).

[101] § 631(c).

[102] BUTTERS, THOMPSON, & BOLLINGER, *op. cit. supra* note 98, at 84.

[103] *Id.* at 39.

[104] See, *e.g.*, *Hearings Before the House Ways and Means Committee on Revenue Revision of 1942*, 77th Cong., 2d Sess., pt. 2, at 1517 (1942). See also *Hearings Before the House Ways and Means Committee on Revenue Revision of 1951*, 82d Cong., 1st Sess., pt. 2, at 903–1159 (1951).

[105] See BUTTERS, THOMPSON, & BOLLINGER, EFFECTS OF TAXATION—INVESTMENTS BY INDIVIDUALS 316–17 (1953).

[106] See p. 757 *supra*.

[107] See BUTTERS, THOMPSON, & BOLLINGER, *op. cit. supra* note 105, at 131.

[108] See p. 575 *supra*.

[109] §§ 34, 116.

[110] S. REP. No. 1622, at 6.

[111] *Ibid.*

[112] In general, the advantage to executives, *i.e.*, employees, is that sums contributed by the corporation, while immediately deductible by the corporation, are not taxable to the recipient until their ultimate receipt.

[113] §§ 401(a)(3)–(5).

[114] The extensive use of such plans by established concerns is set forth in HALL, EFFECTS OF TAXATION—EXECUTIVE COMPENSATION AND RETIREMENT PLANS (1951). See also Lyon, *Capital Gains Benefits Connected with Executive Retirement*, N.Y.U. 12TH ANN. INST. FED. TAX. 365 (1954).

[115] § 2039(c).

[116] Deferred compensation plans are discussed in WASHINGTON & ROTHSCHILD, COMPENSATING THE CORPORATE EXECUTIVE 168–85 (1951).

[117] Revenue Act of 1950, §§ 218(a), (b), 64 STAT. 942, added § 130A to the 1939 Code; retained as § 421 of the new Code.

[118] S. REP. No. 1622, at 58.

[119] For early criticisms of the new stock option provisions, see Lyon, *Employee Stock Options under the Revenue Act of 1950*, 51 COLUM. L. REV. 1, 52–57 (1951); Griswold, *The Blessings of Taxation: Recent Trends in the Law of Federal Taxation*, 36 A.B.A.J. 999, 1057 (1950); see generally Dean, *Employee Stock Options*, 66 HARV. L. REV. 1403 (1953).

[120] Kerbs v. California Eastern Airways, Inc., 90 A. 2d 652, 656–57 (Del. 1952); Gottlieb v. Heyden Chemical Corp., 90 A. 2d 660, 664 (Del. 1952).

[121] For a demonstration of the potential profits ($21 million for the corporate officers participating in 26 stock option plans), see Stryker, *Do Stock Options Pay?* Fortune, Dec. 1954, p. 118; see also Miller, *Capital Gains Taxation of the Fruits of Personal Effort: Before and Under the 1954 Code*, 64 YALE L.J. 1 (1954).

[122] *Id.* at 50.

[123] For lurid expositions of the growing use of expense accounts, see Havemann, *Expense Account Aristocracy*, Life, March 9, 1953, p. 140; F. ALLEN, THE BIG CHANGE 215–18 (1952).

[124] See Cary, *The Effect of Taxation on Selling Out a Corporate Business for Cash*, 45 ILL. L. REV. 423 (1950).

[125] § 741, *Cf.* Williams v. McGowan, 152 F.2d 570 (2d Cir. 1945); Swiren v. Commissioner, 183 F.2d 656 (7th Cir. 1950); Hatch's Estate v. Commissioner, 198 F.2d 26 (9th Cir. 1952).

[126] See note 123 *supra*.

[127] For recommendations with respect to profit-sharing and pension plans for closely-held firms, see 1 P–H CORP. SERV. Rep. Bull. No. 5 (1953).

[128] § 340, 65 STAT. 511 (1951); see also SUMMARY 1951 ACT 41.

[129] See, *e.g.*, the testimony of the Director of the Department of Education and Research of the CIO, in the *Hearings on the Revenue Act of 1951 Before the Senate Finance Committee* 82d Cong., 1st Sess., pt. 2, at 932 (1951).

[130] §§ 401–04.

[131] § 402(a)(2); *cf.* Revenue Act of 1951, § 335(a), 65 STAT. 507.

[132] § 106.

[133] § 104.

[134] § 105(d).

[135] § 101.

[136] N.Y. Times, Oct. 17, 1954, § 3, p. 1, col. 5.

[137] Ratchford, *Practical Limitations to the Net Income Tax—General*, 7 J. FINANCE 203, 211 (1952). "During 1949 these [fringe benefit] programs became the primary issue on the collective bargaining agenda of many unions . . . This intensified drive . . . resulted in the extension of these plans to more than 7½ million workers by mid-1950." *Id.* at 210–11.

[138] See Guttentag, Leonard, & Rodewald, *Federal Income Taxation of Fringe Benefits: A Specific Proposal*, 6 NAT'L TAX. J. 250 (1953).

[139] Ratchford, *supra* note 137, at 211.

[140] "For 1945 . . . the startling result is that 'only 36 per cent of farm income was reported on tax returns . . . as against 87 per cent of nonfarm entrepreneurial income'." Heller, *Practical Limitations on the Federal Net Income Tax: Limitations of the Federal Individual Income Tax*, 7 J. FINANCE 185, 198 (1952).

[141] § 324, 65 STAT. 501.

[142] H.R. 4423, 82d Cong., 1st Sess. § 1175 (1951). In the course of the Senate debate Senator George said, "I certainly cannot take the chicken amendment to conference. Turkeys were included somehow, I do not know how." 97 CONG. REC. 12336–38 (1951).

[143] *Postponement of Income Tax on Income Set Aside for Retirement, Hearings Before the House Committee on Ways and Means on H.R. 4371, 4373, 3456*, 82d Cong., 2d Sess. 13, 14, 18, 19 (1952); Silverson, *Earned Income and Ability to Pay*, 3 TAX L. REV. 299 (1948).

[144] See § 1301.

[145] See, *e.g.*, the Jenkins-Keough Bill, H.R. 10, 83d Cong., 1st Sess. (1953); see generally Note, 66 HARV. L. R51. 1105 (1953).

[146] See § 1221(3); see p. 752 *supra*.

[147] TAX INSTITUTE, CAPITAL GAINS TAXATION 22 (1946).

[148] For a general discussion of Henry Simons' views on the subject of fairness see SIMONS, FEDERAL TAX REFORM 8–12 (1950).

[149] See Blum & Johnson, *1913–2013, A Hundred Years of Income Taxation*, 33 TAXES 41 (1955).

[150] BLOUGH, THE FEDERAL TAXING PROCESS 27 (1952).

[151] As described in Blum, *The Decline and Fall of Capital Gains: 1921–1957*, 28 TAXES 838 (1950); see also Johnson, *The Last Taxpayer*, 30 TAXES 181 (1952).

[152] Heller, *Practical Limitations on the Federal Net-Income Tax: Limitations of the Federal Individual Income Tax*, 7 J. FINANCE 185, 195 (1952).

[153] Miller, *Ethical Problems in Lobbying for Legislation*, 8 TAX L. REV. 19, 22 (1952).

[154] H.R. REP. No. 871, 78th Cong., 1st Sess., pt. 2, at 7 (1943).

[155] See Cary, *The Income Tax Amendment: A Strait Jacket for Sound Fiscal Policy*, 39 A.B.A.J. 885, 886 (1953).

[156] BLOUGH, THE FEDERAL TAXING PROCESS 93 (1952).

[157] See p. 748 *supra*.

[158] See Dakin, *The Capital Gains Treasure Chest: Rational Extension or Expedient Distortion?*, 14 LA. L. REV. 505, 507, (1954).

[159] See also BUTTERS, THOMPSON, & BOLLINGER, EFFECTS OF TAXATION—INVESTMENTS BY INDIVIDUALS (1953).

[160] BLOUGH, THE FEDERAL TAXING PROCESS 41 (1952).

[161] Miller, *Ethical Problems in Lobbying for Legislation*, 8 TAX L. REV. 19, 22 (1952); see *also* PAUL, TAXATION IN THE UNITED STATES 773 (1954).

[162] United States v. Kahriger, 345 U.S. 22, 36 (1953) (concurring opinion).

[163] See Riehm, *Federal Taxation: Perspective During the Fifth Decade*, 52 MICH. L. REV. 941 (1954).

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THE CONGRESS AND THE TAX LOBBYIST—HOW SPECIAL TAX PROVISIONS GET ENACTED†

(By Stanley S. Surrey*)

The development of a proper tax structure for an economy as large and as complex as ours is a task of the first magnitude. Given the dimensions of the task and the political arena in which it must be undertaken, the Congress has performed the essential work successfully. It has shown remarkable collective wisdom in shaping our federal tax structure, and its accomplishment in this field may be measured favorably against the tax systems of other countries. Since we live in an era when both professional learning and public opinion regard a progressive income tax as the most appropriate method of raising governmental revenue,[1] and since the progressive income tax is the mainstay of our tax structure, this accomplishment is remarkable. For a progressive income tax is also the most complicated and difficult of taxes to maintain. It places a premium on sensitivity to economic changes and to public attitudes. It demands high technical skills on the part of those who shape the legislative structure, who administer and interpret its provisions, who advise the public how to order its business and family affairs under the tax. It requires a literate citizenry with a repect for law and a willingness to shoulder fiscal burdens. Our over-all successful record in relying on the progressive income tax is thus a noteworthy achievement in public finance.

The continuation of this success with our federal-tax structure demands, however, constant alertness to the correction of faults as they appear. Recently there has been considerable criticism directed against the existence in our tax laws of provisions granting special treatment to certain groups or individuals. This criticism is aimed at both the increasing number of new provisions of this kind and the continuation of old provisions the significance of which has become far more important with passage of time. Some, it is true, have irresponsibly resorted to criticisms of this character as a justification for discarding the income tax.[2] But nearly all who have voiced objections to special-treatment provisions have done so in the hope that a consideration of the problem would result in a strengthening of the income tax.[3]

The criticisms on the whole involve these

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assumptions: (1) that it is essential under a progressive income tax, and also progressive estate and gift taxes, to adhere as far as possible to the criterion of equity or fairness. Stated simply, this criterion demands that the income-tax burden should as far as possible apply equally to persons with the same dollar income; (2) that the Congress has not always followed this criterion in tax legislation; and (3) that there are a good many instances in the income, estate, and gift taxes in which the failure to follow this criterion is not properly justified by the requirements of other criteria. As illustrations, the critics point to such matters under the income tax as the present exceedingly preferential treatment of capital gains and especially its application to employee stock options, pension-trust terminations, coal and timber royalties, patent royalties, growing crops, livestock, and so on; percentage depletion; the exemption of interest on state and local obligations; the continual expansion of deductions for personal expenses unrelated to profit-seeking activities; the provisions for the blind and the aged; and the exemption of certain fringe benefits. In the estate-tax area, reference is made, for example, to the exemption of employee annuities and of transferred life insurance. In addition to these provisions involving certain groups in our society, the criticisms are of course directed against these special provisions which can affect only a handful of taxpayers, or even only one or two, such as the so-called "Louis B. Mayer amendment." [4].

Often these provisions are spoken of as "loopholes" or "special tax privileges." Of course, the use of the appellation "loophole" is a matter of viewpoint. What is a "tax loophole" to a CIO or an ADA meeting is merely "relief from special hardship or intolerable rates" to an American Bankers Association or NAM meeting—and vice versa. Obviously we do not all feel the same way about each of the examples mentioned above. But despite an absence of consensus on any particular list of provisions there seems to be considerable agreement that Congress in its tax legislation has adopted provisions favoring special groups or special individuals and that these provisions run counter to our notions of tax fairness. Moreover, the tendency of Congress to act this way seems to be increasing.

Against this background, the purpose of this article is to consider the question of why the Congress enacts these special tax provisions, to use a fairly neutral term. Not being a congressman, I cannot of course really answer the question. Nor can I hope to enumerate all of the factors that might influence a congressman in this area. But it may be useful to speculate about some of these factors and to see if there are ways in which the consideration of tax legislation could be altered for the better. It may help first to sketch some of the major factors that are operative in tax legislation. I propose to do this only briefly, since these factors are generally well recognized.

### I. SOME MAJOR FACTORS

(1) *High Rates of Tax.*—The high rates of the individual income tax, and of the estate and gift taxes, are probably the major factor in producing special tax legislation. This is, in a sense, a truism, for without something to be relieved of, there would be no need to press for relief. The point is that the average congressman does not basically believe in the present rates of income tax in the upper brackets. When he sees them applied to individual cases, he thinks them too high and therefore unfair. Any argument for relief which starts off by stating that these high rates are working a "special hardship" in a particular case or are "penalizing" a particular taxpayer—to use some words from the tax lobbyist's approved list of effective phrases—has the initial advantage of having a sympathetic listener. Put the other way around, an advocate of the "Louis B. Mayer amendment" would simply make no headway with a congressman who firmly believed in a ninety-one-per-cent top tax rate. But most congressmen apparently do not believe in such a rate—certainly not in the concrete and perhaps not even in the abstract. Since they are not, however, willing to reduce those rates directly, the natural outcome is indirect reduction through special provisions.[5]

The United States is not unique in this regard. Students of the British tax system, for example, state that the very high rates of that system are considerably ameliorated in a number of ways through which the wealthy can escape the full impact of those rates.[6] The exclusion of capital gains is one broad method. The estate tax offers a number of avoidance possibilities. Indeed, it may be said that both here and abroad, as various pressures have driven tax rates to top levels, the refuge of the wealthy has been in the brains of their tax lawyers and in the technicalities of the tax law. Governments are generally aware of these escape routes but are reluctant to close them and enforce with vigor the excessively high tax rates. In effect, a sort of political paralysis appears to be forming in countries relying strongly on income taxation, under which no clear way has appeared to move away from the combination of high rates tempered by many avoidance possibilities. The obvious solution would seem to be simultaneous lowering of the rates and closing of the escape routes. But conservative governments fear the political consequences of the rate reduction for the wealthy although their effective tax burden would not be lessened. They may also fear that, once the system were tightened and stabilized at a lower tax-rate level, political pressures might drive the rates up again, this time with a much more severe effect. Liberal governments fear that they cannot persuade their supporters to accept tax-rate reductions for the wealthy in such clear terms as reduction of a ninety-per-cent rate to fifty per cent or sixty-five per cent, especially when the starting rates are high and the conpensating factor is merely the closing of a number of loopholes which the public cannot understand. This is obviously a dilemma which the income tax must solve in the years ahead.[7]

(2) *Tax Polarity.*—The existence of two rate structures in the income tax and of two types of taxes on the transfer of wealth permits a congressman to favor a special group by placing its situation under the lower rate structure or the less effective tax. Thus, the presence of the twenty-five-per-cent capital-gains rate enables Congress to shift an executive stock option from the high rates applying to executive compensation to the lower capital-gains rate. If there were no special capital-gains rate, or if we did not tax capital gains at all, this shift could not be made, since a congressman would not completely exempt the stock option. Similarly, the presence of a gift tax permits certain transfers of wealth, since as transferred life insurance, to be shifted from the higher estate tax to the lower gift tax. As a consequence, given this congressional tendency, we reach the paradox that having a gift tax as well as an estate tax may, given the present lack of proper co-ordination of the two taxes, result in less effective taxation of certain transfers of wealth than if we relied only on an estate tax.

(3) *Technical Complexity.*—The high rates of tax, the complexities of modern business, the desires of the wealthy and middle-income groups for clear tax charts to guide their family planning, the Government's need for protection against tax avoidance, the claims of tax equity, and various other factors have combined to make the income, estate, and gift taxes exceedingly complex in technical detail. These technicalities involve the drawing of countless dividing lines. Consequently, a case on the high-tax side of a line may closely resemble the cases on the other side receiving more favorable tax treatment. The result is a fertile ground for assertions of inequity and hardship as particular taxpayers desire legislation to bend the dividing lines and thereby extend the favorable treatment to their situations. Also, faulty tax planning, ill-advised legal steps, or transactions concluded in ignorance of tax law can produce severe tax consequences. These "tax penalties" could have been averted under an informed tax guidance that would have taken the taxpayer safely through the technical tax maze. In these circumstances, the taxpayer facing severe monetary hurt because of a "mere technicality" (to use the phrase that will be pressed on the congressman) is quite likely to evoke considerable sympathy for his plight.

(4) *History and Politics.*—The accidents of tax history also play a major role in the existence of special provisions. Tax-exempt securities in large part achieved their favored status through the vagaries of constitutional interpretation and not through any special desire to relieve the wealthy. Percentage depletion for oil and gas and the deduction of intangible drilling expenses have their roots in legislative compromises and administrative interpretation which for the most part do not appear to have been planned as special-interest relief.[8] It is only later that the extent of the tax generosity inherent in such provisions is comprehended. But by then they are in the law, the problem of the group benefited is one of defense rather than attack, and the strategic advantages are all with that group. This is especially so when the area involved touches on major political matters, as in the case of percentage depletion and tax-exempt securities.

Political considerations naturally overhang this whole area, for taxation is a sensitive and volatile matter. Any major congressional action represents the compromises of the legislator as he weighs and balances the strong forces constantly focused on him by the pressure groups of the country. Many special provisions—capital gains, for one—are caught in these swirling pressures. The response of the legislator to issues raised by these provisions is, like his response to the general level of tax rates or to personal exemptions, a political response of considerable significance. It is an important part of the fabric of political responses which determines whether he will remain a congressman and whether his party will control Congress. In this group of provisions highly affected by political considerations are those "tax relief" provisions which have a broad public appeal and are thus likely to be regarded by the congressman as useful "vote-getters"—a "baby-sitter" deduction, the exclusion of "retirement income," or an extra exemption for the "aged." The political appeal of favorable action on these issues is quite likely to outweigh what a congressman would regard as "technical" tax arguments to the contrary.

(5) *Separation of Executive and Legislative Branches of Government.*—But many of the tax provisions we are considering do not lie at this political level. They are simply a part of the technical tax law. They are not of major importance in their revenue impact. But they are of major importance to the group or individual benefited and they are glaring in their departure from tax fairness. The inquiry, therefore, must here be directed toward some of the institutional features in the tax-legislation process which may be responsible for special provisions of this technical variety. Lacking direct knowledge, I must leave to others the task of describing the types of pressure from constituents or other groups which may be operative in a particular case. While these pressures may explain why the congressman who

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is directly subject to the pressures may act and vote for a special provision, they do not explain why other congressmen, not so subject, go along with the proposal. We must look for reasons beyond these pressures if we are to understand the adoption of these special tax provisions. A number of these reasons lie in the institutional aspects of the tax legislative process.

Basic to a consideration of these institutional aspects are the nature of our governmental system and the relationship between the Congress and the executive. A different governmental structure might give the legislator little or nothing to say about tax provisions. Under a parliamentary government, the revenue department retains tight control over the statutory development of tax law. It is responsive only to the broad political issues that require decisions of a party nature. Beyond these, the governmental tax technicians mold the structure, so that the tax lobbyist pressing for special legislative consideration or the legislator seeking to ease a constituent's problem by special tax relief is not a significant part of the tax scene. Thus, under the British practice, finance bills are framed by the Treasury and the Board of Inland Revenue. The bills are debated in the Committee of Ways and Means—the entire House of Commons sitting under another name and with different rules of procedure. Here is an opportunity for anyone sufficiently concerned, who can persuade a Member of Parliament to voice his proposals, to have these proposals considered in the debates on the bill. Such discussion may focus attention on weaknesses in the bill or law, and if the proposal is considered meritorious by the minister in charge of the bill a change will be made. But if the government does not accept a member's amendment, party discipline is such that the minister is always supported and the amendment defeated. In practice, consequently, finance bills generally emerge in about the same form as introduced.[9]

The United States picture is quite different, for here Congress occupies the role of mediator between the tax views of the executive and the demands of the pressure groups. This is so whether the tax issue involved is a major political matter or a minor technical point. The Congress is zealous in maintaining this position in the tax field. A factor of special importance here is article I, section 7, of the Constitution, which provides that "All Bills for raising Revenue shall originate in the House of Representatives." The House Committee on Ways and Means jealously guards this clause against possible inroads by the Senate. It also protects its jurisdiction over revenue legislation from encroachment by other House committees. When senators and other congressmen must toe the line, the executive is not likely to be permitted to occupy a superior position. Further, a legislator regards tax matters as politically very sensitive, and hence as having a significant bearing on elections. It is no accident that the tax committees are generally strong committees, whose membership is carefully controlled by the party leaders.

The Congress, consequently, regards the shaping of a revenue bill as very much its prerogative. It will seek the views of the executive, for there is a respect for the sustained labors of those in the executive departments and also a recognition, varying with the times, of the importance of presidential programs. But control over the legislation itself, both as to broad policies and as to details, rests with the Congress. Hence a congressman, and especially a member of the tax committees, is in a position to make the tax laws bend in favor of a particular individual or group despite strong objection from the executive branch. Under such a governmental system the importance to the tax structure of the institutional factors that influence a congressman's decision is obvious.

II. SOME INSTITUTIONAL FACTORS

(1) *The Congressman's Desire To Be Helpful.*—A congressman's instincts are to be helpful and friendly. If it were otherwise, he would not be in Congress. When a constituent, or some other person who is in a position to claim attention, seeks legislative action, the congressman likes to respond within reason. If the proposal presented to him is at all rational he will, in all probability, at least introduce it in bill form so as not to offend the constituent. If the congressman is not a member of one of the tax committees, that may end the matter—but it may not, for the proposal has been launched and lies ready to be pushed ahead by whatever pressures may be generated in its behalf.

The desire—sometimes the need—of a congressman to be useful often places a congressman who sits on one of the tax committees, the House Committee on Ways and Means or the Senate Committee on Finance, in a difficult position. A fellow congressman who sits on the Public Works Committee, for example, can respond to constituent pressure by approving the project involved; a member of the Appropriations Committee can respond by a favorable vote on a specific appropriation. But a congressman on a tax committee can respond only by pushing through a special tax provision. His legislative stock in trade, so to speak, is special tax treatment. This difficulty is especially acute in the case of those congressmen who come to sit on a tax committee only after they have been members of other committees and have become so accustomed to using their committee powers in helpful ways that the habit persists. And after all, the congressman who sits on a tax committee is frequently regarded as a powerful personage at home, in part because the fact of membership is often used by the congressman as an argument to support continued re-election. The congressman must be able to live up to this stature and obtain successful action on a proposal—as a senator on the Senate Finance Committee once put it, "What's the good of being on this committee if you can't get through a little old amendment now and then?" Sometimes, however, a senior congressman on a tax committee has enough influence and personal friendships around the Congress so that he can, when necessary, take care of his constituents in legislative ways other than tax proposals; if so, he is more likely to be quite objective when it comes to tax problems.

In view of all this, it is a credit to the congressmen on the tax committees that our tax laws are not in far weaker shape. Congressmen have withstood political pressures more staunchly than most people assume. Knowing the intensity of these pressures, the party leaders have tended to appoint members from relatively safe districts to these committees. But the institutional factors are such that some yielding to pressure must occur, and there is concern that the situation is slowly worsening. I believe that this concern is present inside the Congress as well as out, and that those congressmen subject to pressures would welcome re-examination of the institutional aspects of tax legislation if it would lead to a lessening of these pressures.

(2) *Lack of Congressional Appreciation of Departure From Fairness.*—In many cases the congressman considering a special tax provision may not realize that tax fairnesss is at all involved. He sees only the problem of the particular constituent or group concerned. The case in this focus may be very appealing, for human beings are involved with human problems. The income tax, always an impersonal, severe, monetary burden, becomes an oppressive force bearing down on men in difficulty. The congressman may therefore not even appreciate that arguments of over-all fairness and equity have any relation to the question, or may very well think them too intangible and remote. Provisions for the relief of the blind and the aged are perhaps illustrations. Or the congressman, moved simply by a desire to help a constituent, may not understand the ramifications of the proposal. He is not a tax technician and he may view the proposal in isolation rather than perceive its relationship to the intricate technical structure of the revenue code. The proposal, so viewed, becomes merely a "little old amendment" which helps a constituent and does no harm. His brother congressmen are quite willing to be good fellows and go along, especially if the congressman urging the proposal is well-liked. After all, they too from time to time will have "little old amendments" to propose. Thus, in 1955 the Ways and Means Committee decided that in the initial consideration of members' bills dealing with technical matters it would allow each member one bill to be considered and then reported by the full committee if the bill met with unanimous agreement.

The attitude that the proposal does no "harm" needs explanation. "Harm" to most congressmen considering a tax proposal means "revenue loss"—if the provision is enacted it will cost the "Treasury" so many dollars in revenue. (Note that the cost is to the "Treasury" and not the United States or the public. This attitude, which views the bureaucratic Treasury as the obstacle, is quite important, and I shall consider it later.) If the dollar cost is high, the proposal faces a severe obstacle. The friendly congressman can now say to his constituent that the proposal is fair, that everyone agrees it has merit and that it is appealing, but that it simply costs too much at this time when the federal budget is so large and so on. But for a great many special proposals the cost is not high, perhaps at most a few millions. Therefore in these situations no "harm" is done. For "harm" does not include the fact that special treatment is afforded, that special treatment here breeds special provisions elsewhere, that once a foothold is obtained the special treatment expands and becomes costly. All this can seem quite remote to the congressman when measured against an appealing situation. When the immediate cost is high but the special provision has a reasonably broad application—the aged, the blind, and the like—the immediate-loss-of-revenue argument is far less persuasive and the result will depend on other considerations. These considerations may be difficulties of governmental administration or, more important, of securing taxpayer compliance, the potentialities for greater revenue loss if the provision is likely to be expanded, and even the merits of the proposal as a tax matter. But when a limited special provision is involved, the absence of "cost" gives the provision a significant advantage.

(3) *The Treasury Department's Presentation.*—The congressman's failure to recognize that tax fairness is at all involved may often be due to the inadequacy of the Treasury Department's presentation of the issues. This is not said critically, but by way of explanation. The problem facing the Treasury in these matters is formidable. The interested constituents or groups are generally skillful in presenting their cases in appealing form. Their energies are concentrated on one matter; they have time and money to devote to it; they may have the advantage of personal acquaintance, directly or through intermediaries, with the congressman; they can obtain skilled counsel informed on the ways of the Congress. The Treasury's tax staff must tackle all of these problems; its members are usually not chosen for skill in the presenta-

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tion of issues or in handling congressmen; although on the whole remarkably good, considering the compensation, they are rarely among the ablest in the tax field, nor do they usually have the needed experience.

Further, private groups concentrate on making the best case possible and in so doing gloss over or forget the unfavorable aspects. They present the proposal in its simplest form and often avoid the complications involved in embodying the proposal in statutory drafts. At times a congressman is misled by this simple but convincing presentation and commits himself before he is aware of the full implications of the proposal. The treasury staff, on the other hand, feels compelled to present the pros and cons and to point out the complications. It is both explaining and criticizing—not just attacking—and its presentation may seem confusing rather than informative to the congressman. When he compares the complex, technical, "on the one hand, but on the other hand" explanation of the treasury staff with the deceptively simple and certainly forceful description of the problem presented by the private group, the latter is bound to achieve a considerable advantage. Congressmen, and even most congressmen on the tax committees, are laymen in tax matters; they are not tax technicians. Again this is not said critically. A congressman has a great many tasks to perform and decisions to make, so that he cannot—and really should not—be immersed in the technicalities of everything. After all, how skillful in tax law is the average lawyer?

Under these circumstances, the treasury type of explanation may at times be not really helpful. Yet if the treasury staff resorts to oversimplification, it is subject to the criticism from the committee members that it is not performing its proper role. This is especially so when the oversimplification may appear to be a one-sided attack on the proposal; the treasury staff is there to advise and inform, not to decide. The term "treasury staff" in this context refers to the treasury tax technicians. Their stock in trade before the committee is fairness and completeness of explanation—they are the "tax experts." If there are any departures from integrity in this regard, then the expert's usefulness is ended. The function of a top treasury policy-maker, usually an under or assistant secretary, is quite different. He is there to present the policy point of view of the executive branch and to use what talents he has to persuade the Congress to accept that point of view. The committee members can take his view or leave it, and their attitude toward the policy-maker depends on the imponderables of personal reactions and the ponderables of political forces. While the newspapers and the party news releases may praise this treasury official as a tax expert, he is not so regarded by the congressmen. He is operating at their level and not the technical level, and the congressman can readily appreciate the difference.

The treasury tax technicians are the "treasury experts." But as any skilled lawyer knows, it is not easy for an expert to explain complex matters to the uninitiated. Any tax lawyer who has faced the task of presenting extremely technical material to a tax-institute audience of nontax lawyers will readily appreciate the problem. Even this analogy is far from complete, for the treasury expert faces an audience which is sympathetic to the proposal under discussion, demands a complete presentation of the issues, and establishes standards under which any departure or even suspected departure from fairness is well-nigh fatal. Under these conditions, it is understandable that the explanation of an expert who values his integrity is often in the end likely only to confuse and not to enlighten. In this setting, the congressman struggling to perform his legislative task will often find the way to a decision lighted only by his sympathies.

Also, the treasury staff is usually not well known to the congressman. Its members, not being political, ordinarily do not mix with him at the same level, nor do they meet him socially. Hence the congressman is generally not in a position to act on the assumption that, although he doesn't fully understand all of what they say, he knows them to be good fellows and they are probably right. Nor do they spend with an individual congressman the amount of time needed to develop the problem fully. Thus in a committee meeting, the congressman must often decide an issue after only a minimum amount of discussion and before his biases and preconceptions have been replaced by a real understanding of the issues. The interested groups and the tax lobbyists, on the other hand, have the time to brief the various congressmen on their proposals. They are pushing one proposal and can concentrate on it. The treasury staff is faced with considering all of the proposals, and the time and personnel needed for an adequate informal discussion on each proposal with the necessary congressmen are not available.

Of course, if the interested group does not carry out its lobbying task carefully, the treasury staff has an easier time. It may point out that the proposal, especially if it is in legislative form, gives unintended benefits—will open up a "loophole." While this may be only the result of faulty drafting and could be corrected, it may be enough to stop the proposal at the time. Thus, it has been said that the tax lobbyist's task is to prepare a draft of an amendment simple enough so that a person who is not a tax expert can understand it, yet sufficiently precise that the treasury staff cannot demolish it. Or the congressman explaining a proposal in committee executive session may not have been briefed on the arguments involved or on the details of the proposal. Perhaps the lobbyist failed to point out how far the proposal really goes, so that the proposal if enacted would have a considerably greater effect than the congressman thought. If so, the Treasury's task—and its application of the term "loophole"—is considerably eased. Or the tax lobbyist may have failed to explain his proposal to enough congressmen on the committee or to the "key members," so that the particular congressman pushing the proposal is left without friendly support from other members. But all of this simply means a less-than-skillful lobbying performance. Just as cases can be lost in court through inadequately prepared briefs or poorly developed oral arguments, so can they be lost before the legislature.

(4) *Lack of Omniscience on the Part of the Treasury.*—The treasury tax staff is not omniscent. Yet understanding approaching omniscience is needed to do its job. A lack of knowledge on any particular matter, a failure of skill at any moment, can be fatal. The approach of the average congressman is to hear the private group, find out in general what it wants, react sympathetically for a variety of reasons, and then ask the Treasury whether there is any objection to the proposal. If the Treasury is off its guard and acquiesces, the proposal becomes law. If the Treasury is unprepared and presents a weak case, the proposal becomes law. Equally serious is the in-between situation in which the Treasury acknowledges that some hardship is present in the particular situation, but points out that the difficulty is but a phase of a general problem and that it has not yet been able fully to analyze the general area. It therefore urges that the particular proposal be postponed until further study is given to the whole matter. But recognition of some hardship and of some merit in his particular proposal is all that the congressman needs. His constituent wants relief from that admitted hardship now, and not years later when the whole matter has been thought through and his case fitted into a solution appropriate for many cases. Hence the congressman will seek approval of the proposal in the limited form necessary to solve the particular problem presented to him—and a special tax provision is thereby born.

It is obvious, given the vast number of proposals to which it must react, that the Treasury must sometimes fail. The failure rate will vary with the competence of the treasury staff at any particular time, and there is a considerable variation in that competence. It will vary, moreover, with the degree of importance which the treasury policy-makers attach to research on tax matters, and here also differences in attitude are marked. But even when competence is at a high general level and there is a proper appreciation of the need for extended staff research, errors in judgment or gaps in knowledge are inevitable. The whole matter of capital gains for pension-trust terminations,[10] for example, started with an error in judgment on the Treasury's part in 1942 when is acquiesced in capital-gain treatment as a solution for the bunched-income problem present in this area. It so happened that the problem was presented in the context of a pension trust in which only the lower-bracket taxpayers received lump-sums distributions, and as an *ad hoc* solution the result was not too objectionable. But there was a failure to think through the problem, a failure caused by lack of time and lack of knowledge about the provisions respecting termination of pension trusts. Thus the provision got its start—and the rule of the camel's nose is cardinal in the field of tax privileges.[11]

Lack of omniscience may disclose itself in the drafting process. Inadequate drafting can result from lack of knowledge of the ramifications of the problem, from failure to analyze the problem in detail, or from failure to scrutinize closely the words used. The effect, again, may be that a special benefit is unintentionally granted. In the process of time, however, rationalizations as to the "intent of Congress" gradually transform this drafting carelessness into a major tax policy which the special-interest group benefited will defend with a loftiness or argument far removed from the origins of the benefit. There is much of the Daughters of the American Revolution in tax privileges.

An example of this phenomenon is the Western Hemisphere-trade-corporation provision.[12] The application of that provision to simple export operations, its principal application today, resulted from insufficient knowledge on the part of the draftsmen of the general tax background for this area, and lack of recognition of the problem to be covered and of the significance of the words used in the draft. Yet the provision has traveled far from this humble origin.

Many special provisions represent acute instances of a general difficulty. If there has been adequate study of the general problem, the Treasury is then in a position either to solve the general problem as well as the aggravated example or to demonstrate convincingly that the general problem cannot be solved by means consistent with the larger demands of our tax structure so that relief for a particular taxpayer alone is unfair and undesirable. But unless the Treasury has had the time or made the effort to study the problem as a whole it is in a difficult position to deal with the particular situation. For, as stated earlier, the congressman is faced with the issue of relief now for a particular hardship. Consequently, the Treasury, once it sees defeat ahead on the issue of relief for the particular constituent or group involved, will then, in self-defense and fear of the unknown, attempt to reduce the problem to its narrowest boundaries. Generally these boundaries are determined simply by what is needed to meet the particular situa-

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tion presented to the congressman. He will scarcely object to having only his case solved, and both sides will therefore acquiesce in a legislative solution confined in terms to that case. This is in large part the explanation for many of the special provisions that clutter up the tax law. Sometimes the general problem is later solved, and the special provision disappears. In other instances the special provision remains, its immediate task accomplished and the revenue cost and administrative difficulties that are involved in a solution of the general problem avoided. Sections 1301–04 of the Code, relating to bunched income attributable to prior years, are an example of a general solution growing out of a special provision previously adopted,[13] and even they represent instances of the unsolved broader problem of averaging. Section 303, removing dividend taxation from corporate distributions in redemption of stock to enable the payment of death taxes by the estate holding the stock, is another example.[14] The "Mayer amendment" in the field of deferred compensation, the various *ad hoc* benefits in the capital gain field, and section 1342 in the transactional-accounting field,[15] remain as isolated resolutions of particular situations in areas in which the general problem has not yet been faced.

(5) *Lack of Opposition Apart From the Treasury Department to Proponents of Special Tax Provisions.*—The critical importance that attaches to the level of treasury competence and the fatal consequencs of any slip on its part derive from its unique position in tax legislation. The question, "Who speaks for tax equity and tax fairness?," is answered today largely in terms of only the Treasury Department. If that department fails to respond, then tax fairness has no champion before the Congress. Moreover, it must respond with vigor and determination, and after a full explanation of the matter it must take a forthright stand on the issues. A Treasury Department that contents itself with explaining the issues and then solemnly declaring the matter to be one for the policy determination of Congress abdicates its responsibility. The congressman understands aggressiveness and a firm position. He is often in the position of the small boy inwardly seeking parental bounds for his conduct while outwardly disclaiming against them. He may not accept policy guidance from the treasury policy spokesman, but he wants it presented. He will invariably interpret a treasury statement that the matter is one for his own policy decision as a victory for the seeker of the special provision.

Thus, in the tax bouts that a congressman witnesses the Treasury is invariably in one corner of the ring. Assuming the Treasury decides to do battle, which is hardly a safe assumption at all times, it is the Treasury versus percentage depletion, the Treasury versus capital gains, the Treasury versus this constituent, the Treasury versus that private group. The effect on the congressman as referee is inevitable. He simply cannot let every battle be won by the Treasury, and hence every so often he gives the victory to the sponsors of a special provision. Moreover, the Treasury is not an impersonal antagonist—it is represented before the Congress by individuals. These individuals are constantly forced to say that enactment of this proposal will be unfair, and the same of the next, and the next. The congressman, being only human, is bound from time to time to look upon these individuals as the Cassandras of the tax world. To avoid this dilemma, the Treasury in a close case will sometimes concede the issue if the proposal can be narrowly confined. It feels compelled to say "yes" once in a while simply to demonstrate that it maintains a balanced judgment and possesses a sense of fairness. A special provision is thus enacted simply because it happens to have somewhat more merit than the numerous other special proposals before the committees and because an affirmative answer here by the Treasury will protect negative responses to the other proposals.

At another level, what should the Treasury reply to a congressman who says, "I have fought hard in this committee for your position on all of the major issues. Yet when I introduce a minor amendment to take care of a problem of one of my constituents, you take a self-righteous stand and tell me and the committee that the amendment is inequitable and discriminatory. Is that any way to treat your real friends on the committee?" Faced with such a protest, a treasury policy official with a major program hanging in the balance before the committee may well look the other way when a special provision comes up for discussion. Once again a dilemma is raised by the fact that to the congressman the Treasury appears as one protagonist before the committee rather than as a representative of taxpayers in general.

But all this really takes us to the question why the Treasury, representing the executive branch, stands in the open before the Congress virtually alone as the champion of tax fairness. The main reason is obvious. When the issue is a special provision for one group as against the taxpaying public as a whole, what pressure group is there to speak for the public? Other legislation—labor laws, natural-gas prices, farm legislation—brings forth strong and opposing pressure groups. But what pressure group fights against capital-gain treatment for employee stock options? Which group sees itself harmed by a "Mayer amendment"? When the tax issues are at a major political level, as are tax rates or personal exemptions, then pressure groups, labor organizations, the Chamber of Commerce, the National Association of Manufacturers, and the others, become concerned. But when the tax issues are technical, the pressure groups act only as proponents and not as opponents. Since most special provisions benefit the wealthier taxpayers, labor should certainly take a more direct interest. But labor is largely uninformed in these matters, and its presentation stereotyped and unskilled. Moreover, some special provisions are to its own benefit, such as the exclusion of fringe benefits. In sum, there are no private pressure groups actively defending the integrity of the tax structure.

As a consequence, the congressman does not see a dispute over a special provision as one between a particular group in the community and the rest of the taxpaying public. He sees it only as a contest between a private group and a government department. He begins to think of the government department as representing only itself and as having no identification with the public and with taxpayers in general. Far too often this picture passes swiftly into that of a hard-pressed, struggling group of citizens engaged in worthy endeavors only to be opposed by an unsympathetic bureaucracy. When this image appears, victory for the special tax provision is inevitable.

(6) *The Congressional Tax Staff.*—The description of the Treasury as the principal and often the sole defender of tax fairness calls for a consideration of the role of the congressional tax staff. Most of the congressional tax technicals are members of the staff of the Joint Committee on Internal Revenue Taxation and as such serve both the House Ways and Means Committee and the Senate Finance Committee. There are a few technicians attached to the separate committees, and the clerks of the committees can play a very important role if they are personally so inclined. But institutionally the chief guidance given to Congress by its own employees comes from this joint committee staff.

The members of this staff work closely with the treasury tax technicians. Their work on the details of proposals and drafts is highly important, but the task of policy formulation and policy guidance to the congressmen appears to be reserved exclusively to the chief of that staff. His role is a difficult and unenviable one. Many congressmen pass along to him the tax proposals that they are constantly receiving from their constituents. Undoubtedly, the Chief of Staff discretely but effectively blocks many of these proposals from proceeding further. But he also, whatever his inclinations may be, cannot in his situation always say "no." Perhaps inevitably on the crucial issues his role tends to be that of the advocate of the congressman advancing a particular proposal on behalf of a special group. The special-interest groups cannot appear in the executive sessions of the committees, and the congressman sympathetic to their point of view is not technically equipped to present their case; he tends to look to the Chief of Staff to assume that task. Further, he looks to the Chief of Staff to formulate the technical compromises which will resolve the dispute between the special-interest group and the Treasury. The Chief of Staff must therefore work closely with the congressmen and be "brilliantly sensitive to their views."[16] He must necessarily be able to gauge the degree of interest that a congressman may have in a proposal and weigh that in the consideration of the guidance he will give.

Because of these institutional pressure the Chief of Staff is very often the opponent of the Treasury Department before the tax committee. As a result, the difficulties for the average congressman on the tax committees become even greater. The issues get more and more complex as the "experts" disagree, and the congressman can hardly follow the technical exchange. He is quite often content to fall back on the comfortable thought that, since the congressional expert appears to disagree with the treasury experts, there is adequate technical justification for voting either way. Hence the congressman is free to be guided by his own sympathies and instincts. Since generally these sympathies are in favor of the private groups, their proposals obtain his vote.

Unfortunately agreement between the congressional Chief of Staff and the Treasury can sometimes present just as difficult a problem. When the two disagree, at least the congressman who is seeking to discover the real issues may find them exposed at some time through this disagreement of experts. But if the experts agree, the effect is often to foreclose any real committee consideration of the issues. The congressman may be lulled into thinking that no significant issues are involved, and the proposal therefore become law. But if the government experts have erred, or if they have incorrectly gauged the congressional sentiment, special benefits may well result which the congressman would not have sanctioned had he understood what was involved. Many of the proposals in the 1954 House bill appear to have had their origin in this situation. It was largely the response of the bar and accounting groups which saved the Congress—and the government experts—from much unsatisfactory legislation.

The staff arrangements for the tax committees of Congress and the procedures of these committee do not seem well adapted to acquainting the congressmen with the facts of tax life. The recent hearings by the Subcommittee on Tax Policy of the Joint Committee on the Economic Report[17] are in sharp contrast to the usual procedure. At these recent hearings the proponents of special legislation were in effect pitted directly against economists and lawyers, mostly from the universities, who presented their individ-

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ual views and did not represent any pressure group. The congressmen present thus had an opportunity to test the assertions of those favoring special legislation, an opportunity not usually available to the members of the tax committees. The usual hearings of those committees consist of an almost endless parade of witnesses seeking tax benefits for themselves or the groups they represent. There is no effective analysis or rebuttal at the time this special pleading takes place, no questioning by committee counsel to develop a rounded picture of the issue. This is not to say that the committees should hear only the professors and other testifying *pro bono publico*. Certainly the proponents of particular legislation and their supporters from the ranks of business, labor, farming, and the like are entitled to present their case before the legislature. But the committees, in turn, must have procedures adequate to a full exploration of the issues thus presented. Moreover, it is not sufficient that the pros and cons be debated only in executive sessions. The various faults should be developed as far as possible in the public hearings so that the congressman at the outset obtains an appreciation of both sides of the problem and does not leave the hearings with only a hazy impression of a situation sympathetically presented.

It is also debatable whether reliance on a single staff is preferable to the more usual arrangement under which the corresponding Senate and House committees each has its own staff. The Joint Committee on Internal Revenue Taxation is composed of five members from the Senate tax committee and five from the House tax committee, selected by party seniority on the respective committees. This Joint Committee, apart from controlling the staff and its studies and considering refund claims agreed to by the Treasury but required to be presented to the Joint Committee, has little to do.[18] Its members act on substantive tax matters in their capacity as members of the House and Senate committees. Since the Joint Committee is composed of the most senior members of those committees its membership is less responsive to the electoral swings which affect the composition of the tax committees. As a consequence, the scope and course of the staff activities are less affected by changing political considerations. The more traditional system of separate staffs does not involve this situation to the same degree. Further, the absence in the tax field of separate staffs makes it difficult for the tax committee of one chamber to question as closely as is desirable the work of the tax committee of the other. The separate staff work in other legislative areas appears to produce a greater exploration of the issues, more research activity, and a resulting diversity of considerations likely to achieve better legislation.

Some, however, believe that the present unified character of Joint Committee staff work tends better to control the demands for special tax legislation. They feel that separate staffs for the tax committees would simply tend to give the proponents of such legislation more chance of finding support within the Congress. At the very least, however, reconsideration of the present institutional arrangement in the tax field would seem to be warranted, especially since that arrangement is a departure from the usual pattern. Moreover, the idea of a joint committee exercising jurisdiction over administration of the tax law was adopted in 1926 as an *ad hoc* solution to the problem of sidetracking a special investigating committee, the Couzens Committee, whose continuing activities were not viewed favorably by some senior congressman. But all this occurred before the present-day concern with the problems of staffing congressional committees and concentration on administrative supervision by all of the regular committees. Hence the solution of 1926 should be reexamined in the light of subsequent developments in the functioning of congressional committees.

(7) *Lack of Effective Aid From the Tax Bar.*—The lack of any pressure-group allies for the Treasury in its representation of the tax-paying public could have been remedied in part by effective aid from the tax bar. Yet for a good many years the vocal tax bar not only withheld any aid but very often conducted itself as an ally of the special pressure groups. Many a lawyer representing a client seeking a special provision could without much difficulty obtain American Bar Association or local-bar-association endorsement for his proposal. He could then appear before Congress and solemnly exhibit the blessing of the legal profession. In fact, the activity of the Bar Association in this respect became so obvious that it seemingly boomeranged—many a congressman began instinctively to smell mischief when presented with a Bar Association tax proposal or endorsement.

The pendulum is beginning to swing, however, and there is some hope for a more objective attitude on the part of the bar. The Council and the committees of the Tax Section of the American Bar Association are becoming far more appreciative of the public interest.[19] The signs of a growing maturity in the Tax Section on these matters are constantly increasing. But so far this change in attitude has been negative and limited to self-restraint and refusal to join with the proponents of special tax provisions. The change has not carried the Tax Section to the point of appearing affirmatively before Congress to oppose the particular proposals of special-interest groups or to urge the elimination of existing provisions. The Tax Section is becoming less and less a protagonist against the Treasury Department, especially on the more extreme proposals, but it has not yet become a vocal ally of the Treasury in defending the integrity of the tax system before the tax committees. In this respect it appears to be lagging behind the other chief professional group in the tax field, the accountants. Over one-third of the items in the 1955 statement of tax proposals of the American Institute of Accountants are recommendations urging the elimination of tax provisions which it considers to constitute unjustified favoritism for special groups. Yet one can scan report after report from the American Bar Association without finding a single similar recommendation.

This does not mean that the bar will not some day provide objective guidance to the Congress in these matters. In this regard the corporate provisions of the House version of the 1954 Code may be a harbinger. For perhaps the first time we find bar associations going before Congress and pointing out that proposed legislation will open up unjustified tax loopholes. True, the bar, and also the accountants, were not opposing other special groups, but they were seeking to save the Congress from the weaknesses of the particular measures. The bar in this instance deserves much credit for its affirmative guidance on the side of intelligent and fair tax legislation.

There are obvious obstacles to affirmative action by the legal profession in opposing special tax provisions. The Council of the Tax Section of the American Bar Association can speak publicly only on matters which have been approved by votes at annual meetings held in different geographical areas. The absence of a continuous group, with the consequence of shifting viewpoints and the lack of opportunity for sustained and informed consideration over the years, injects considerable instability and fortuitous results into the formal actions of the Tax Section. For, as discussed later, lawyers as a group need considerable discussion and education on these matters before objectivity replaces biases. Further, matters approved by the Tax Section must in turn be approved by the House of Delegates. A body that has regularly approved a proposed constitutional amendment to limit income-tax rates to twenty-five per cent[20] is not likely to understand the problems of special tax provisions. The Council of the Tax Section, whatever its inclinations might be, is thus largely circumscribed by the institutional framework of the American Bar Association. The accountants, on the other hand, are able to speak through their Committee on Federal Taxation of the American Institute of Accountants, a group free from corresponding institutional forces. This may well account for the more aggressive stand against special tax provisions taken by that Committee.

One of the chief problems here is that most tax lawyers have hardly any conception of what is involved in approaching a tax issue from the over-all legislative standpoint. They can readily perceive the adverse effect of the tax laws upon a particular client or transaction. They can then phrase the legislative solution they think necessary to remove the claimed tax obstacle or burden. But they are usually quite incapable of standing off from the problem and their proposed solution and viewing both from the perspective of the general public interest. The difficulty is largely one of lack of experience, not lack of judgment or moral values.

Moreover, policy insights in the tax field are hard to come by. Here a large responsibility rests upon the Treasury. Unless its technical tax staffs are charged with utilizing their experience and information by engaging in research on current tax issues, and unless that research is made public, those interested in tax issues face great difficulties in obtaining the full picture. The government tax experts, both in the Treasury and in the Congress, must also be encouraged to write for the professional journals and to make available the insights they have reached through experience. The papers and hearings presented recently by the Subcommittee on Tax Policy of the Joint Committee on the Economic Report are another excellent illustration of what can be done to increase understanding of tax issues.[21] The professors of tax law and the tax economists in the universities also bear a responsibility here, for they have more freedom from the pressures of time and situation which the bar faces. There is significance in the fact that when the Subcommittee on Tax Policy of the Joint Committee on the Economic Report desired objective analyses of various tax issues it went for the most part to the economists and law professors in the universities.

After all, most members of our tax bar are really opposed to special privileges." They have a respect for the tools of their trade. They know that in the long run the pendulum may swing and that a "loophole" may be closed with a vigor that pushes the cure too far. Even when their legal business requires them to lobby directly for a special tax favor for their clients, I doubt that most lawyers relish the task. The door may open for them, but it may open wider for the next attorney, and who knows where the game will end? Hence a bar association's advocacy of any particular special tax provision is in most cases traceable to the lawyer's sympathy for the welfare of his clients and to a lack of understanding of the basic tax issues involved. If the lawyer is exposed to those issues and if he is not acting simply as an outright advocate for a particular client—that is, as a tax lobbyist on the particular measure—he will generally emerge with the correct answer. Hence the importance of forcing a bar association to see the issues and face up to them.[22]

Tradition also plays a role. Lawyers as a profession are deeply conscious of a duty of

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loyalty to their clients. In his day-to-day relations with other lawyers and with the business world a lawyer does not act contrary to his clients' interests. These attitudes of loyalty and protection are ingrained in the profession; their roots lie deep in the past. Can they be reconciled with speaking out in the public interest against special tax provisions? The problem is of course more acute as the particular provision comes closer to the client's situation. But it must have been presented in one way or another to almost every lawyer who has considered the situation. The same problem arises in a different form when a client asks his lawyer to seek a legislative change in favor of the client. Should the lawyer apply different standards to his client's case in deciding whether to represent him before a tax committee than he does in deciding whether to represent him in litigation? Must a lawyer seeking a legislative change believe the change to be in the public interest? And if he does not, should he still represent his client before the legislature? Or need the lawyer as legislative advocate have no more belief in the fairness of his client's cause than when the matter is in litigation? In short, how does a lawyer adjust the considerations of private interest and public interest in the area of legislation? Clearly, these matters are difficult. Some lawyers manage to find a way through the difficulties and speak openly and positively against special provisions.[23] Others write, or speak in bar-association meetings. Others meet the situation by neither publicly opposing special provisions nor seeking them on behalf of clients; in effect, they turn away from the problems entirely and simply practice law. And others act as legislative advocates, with varying degrees of belief in the proposals they present and with stress on the view that a person is entitled to have his case presented to the legislature just as he is entitled to his day in court.

Given these problems, it is hard to say whether the tax bar can take a position of leadership in this area. Yet here also there is room for development. The work of the American Law Institute in its Tax Project has had a significant effect in educating a number of tax lawyers to the many facets that must be examined in the legislative exploration of a tax proposal.[24] Further, its drafts of proposed solutions to technical tax problems stand as a benchmark against which to measure other proposals. It is significant that much of the criticism of the corporate provisions of the House bill in 1954 was based upon the inadequacy of those provisions when measured against the standards hammered out in the work of the Institute. Moreover, the close co-operation between the Institute and the American Bar Association Tax Section has had an important effect on the content of tax legislation in a number of areas, for it represents a genuine working merger of the criteria of tax fairness and practical sense.[25] The most significant consequence of the Institute's Tax Project is the demonstration that lawyers working under procedures such as those of the Institute can on most technical tax matters develop constructive proposals which balance fairly the interests of the "Government" and the "taxpayer."[26]

*(8) Lack of Public Knowledge of Special Tax Provisions.*—Perhaps the most significant aspect of the consideration of special tax provisions by the Congress is that it usually takes place without any awareness of these events by the general public. Almost entirely, these matters lie outside of the public's gaze, outside of the voter's knowledge. The special provisions which are enacted lie protected in the mysterious complex statutory jargon of the tax law. This technical curtain is impenetrable to the newspapers and other information media. The public hears of debate over tax reduction or tax increase and it may learn something about the general rate structure. But it seldom learns that the high rates have no applicability to much of the income of certain wealthy groups. Nor does it understand how this special taxpayer or that special group is relieved of a good part of its tax burden. All of these matters are largely fought out behind this technical curtain. Hence the congressman favoring these special provisions has for the most part no accounting to make to the voters for his action. He is thereby much freer to lend a helping hand here and there to a group which has won his sympathy or which is pressing him for results.

It is true that under our governmental system we have given to the Congress, subject to presidential veto, the responsibility of deciding what is "fair" in the federal sphere from our collective standpoint. Its decision is our democratic answer. But all this presupposes that the congressman's decision will be known to the voters and that he will have to account to them for his view. In the tax field this accounting does not exist, so that the presuppositions that on most matters stamp final congressional action as "fair" in a democratic sense are here lacking.

The task of educating and informing the public is formidable. To begin with, the educators are a very limited group. Most of them are in the executive branch, and hence perhaps the prime responsibility should fall on them. The treasury officials and technicians, as stated earlier, should be charged with continued research on these issues and, more important, with making public their observations. The Treasury Department has published—in the 1940's especially—many useful research papers. But in recent years that department has shown little disposition to inform the public about tax problems or to engage in continuous and far-ranging research inquiries. Some of the prospective educators are in the universities. But academic knowledge and learned writing are not the keys to public education of this nature—more writing at the public-information level is clearly needed. Beyond this there is the matter of leadership and the stamp of importance. Here again the major responsibility should rest with the executive branch. A vigorous program directed to meeting these problems, led in public by the President or the Secretary of the Treasury, with whatever aid can be obtained from the Congress, is perhaps the only effective answer. But one does not yet see this on the horizon.

*(9) The Relationship of Special Tax Provisions to Private-Relief Bills.*—Some of these special provisions represent simply private-relief claims for the particular individual benefited. While phrased as amendments to the tax law, they are only money claims against the Government based on the equities asserted to exist.[27] Thus, it is said of a senator skilled in congressional ways that he would ask the legislative draftsman preparing the draft of a particular tax provision to make the amendment as general in language and as specific in application as was possible. The tax committees and the Treasury have not solved the problem of how to handle these special bills. Curiously enough, some tax situations do come through the judiciary committees as private-relief bills along with other private-relief bills involving claims against the Government. These bills may involve, for example, a removal of the barrier of the statute of limitations in cases thought equitable, or the recovery of funds spent for revenue stamps lost in some fashion.[28] Here they are subject to the criteria developed over the decades by those committees in the handling of private claims bills.[29] The criteria are reasonably strict, and few of the bills pass the Congress. Of those that do succeed, a number are vetoed, and a veto is customarily regarded as a final disposition of the bill.

Many situations come before the tax committees that are quite comparable, in that the tax proposal is equivalent to a money claim against the Government, equal to the tax to be saved, sought for a specific taxpayer on equitable grounds. This is especially true in the case of proposals of a retroactive character.[30] In the tax committees these special proposals tend to take on the coloration of an amendment to the tax code of the same character as all the various substantive tax matters before these committees. In essence, all amendments to the tax laws that private groups push on their own behalf are designed to lower taxes for the proponents and thereby relieve them from a tax burden to which they are subject. The special proposals thus become simply one more amendment in the long list of changes to be considered. The proponents of these special proposals are thereby able to cloak the fact that they are presenting private-relief claims against the Government. This is especially so when the proposal is considered as merely one more item in a general revenue bill. Here it is also protected from the threat—and fate—of a presidential veto. Even when the proposal is considered as a separate bill, the fact that it is merely one of the bills before a tax committee that is considering a great many substantive bills involving amendments to the tax code generally produces the same result. The committee will tend to focus on the proposal as curing a substantive defect in the law and lose sight of the fact that the special proposal is essentially a private-relief bill.

The tax laws are not perfect and cannot be. They will affect some taxpayers more seriously than others, and hardships and inequities will certainly occur. But every hardship and every equity cannot be corrected; and this is even clearer when the correction must be retroactive. Some standards must be evolved against which a claim for relief may be judged, or chaos will result. Tax lobbying will grow by leaps and bounds—it is already doing that. But what standards may be formulated, what procedures should be adopted, what institutional changes may be necessary—these are still unstudied topics.

There is another curious but highly important aspect of casting private-relief claims as amendments to the tax code. In the case of most other private-relief bills involving claims against the Government, the Congress is concerned with the amount of the fee paid to the attorney representing the claimant and the relationship of that fee to the services performed by the attorney. Often the bill when passed will carry a proviso that no part of the amount awarded be paid to the attorney for his services, or that the amount so paid be limited to 5 per cent or 10 per cent of the sum awarded.[31] But there is no such concern when the tax committees are passing on special tax provisions. The legal fees involved in legislation of this character can be quite large, especially when the special provision operates to open the way for a successful refund claim. Yet the services performed may be far less demanding that would be required if the same fee were earned in other phases of legal work. This would seem to be a matter requiring exploration along with those suggested earlier.

At present, under the Legislative Reorganization Act, the House and Senate Judiciary Committees have jurisdiction over all "measures relating to claims against the United States." It may not be appropriate to have special tax measures presented to these committees, since these measures should be coordinated with the rest of the tax code. But it would seem proper for the Congress to require that all retroactive tax proposals limited in application to one person or to a small group be presented as private-relief bills to be considered by the tax committees. The bills would name the individuals concerned and specify the amounts involved. The re-

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ports on the bills would state the equities present and the reason for granting relief, if that is the action urged. Each matter would be handled as a separate bill, subject to presidential veto. The amounts granted need not be the complete tax to be saved by retroactive change, since the equities may point to a lower figure. The tax committees would have to develop procedures and criteria for handling these measures—presumably they would go to special subcommittees. Rigorous standards would have to be evolved lest the committees be engulfed. It may be that naming the particular individual involved will result in congressional action on some measures being influenced one way or the other not so much by the merits as by an identification with the particular individual. Hence, it might be thought that these special bills should be anonymous as far as possible. Yet the beneficiaries of other relief bills are identified. Anonymity would only provode intense curiosity on the part of the press and others, and probably could not be preserved. Thus, despite the disadvantage indicated, identification of the beneficiary would seem proper.

If the above procedure were adopted, it may well be that it could be extended to those special provisions for a particular person or a limited group which are prospective in operation. After all, a proposal that for the future a cousin in a mental institution who was formerly in the taxpayer's household,[32] or a child adopted in the Philippines by an army officer,[33] be classified as a dependent, is really a petition for a private-relief bill. Nor is there any reason why the "Louis B. Mayer amendment" should not have been handled as a "bill for the relief of Louis B. Mayer" and the amount of the relief stated in a precise dollar figure. If the particular proposal presented is only an example of a general problem, it should be handled as such and relief denied if the general problem is not to be solved, unless the equities for special treatment are overwhelming. If it is an isolated situation, its equities could be judged in that light. If special relief were granted, and the consequent publicity indicated that others were similarly situated, then the relief could be extended. But the particular claim would be highlighted for what it is—an appeal to the generosity of the Congress to be exercised in the particular situation. In time, experience may indicate that certain of these matters may be handled by the Treasury Department, perhaps with the assistance of a special board of advisors.[34] The essential task is to separate special situations from the broader substantive problems that represent the basic work of the tax committees, and thereby to judge them on their particular merits. Also, and equally as important, treatment as a private bill would permit full public understanding of the particular case and an awareness of the relief involved. The technical curtain referred to earlier would thus be lifted to a considerable extent from legislative consideration of special provisions.

### III. CONCLUSION

The consideration of any legislation is a complex matter and tax measures are no exception. But the institutional factors in the tax legislative process do differ from those in other legislative areas, and the differences have affected the end product. The growing concern with the integrity of our tax system may well force a substantive re-examination of many of the special provisions now in the law. This concern should also extend to the tax legislative process itself. The situation is a serious one, and the solutions are far from clear.

It is suggested that the executive branch take affirmative action to attack the problem through a strong program led by the President or the Secretary of the Treasury designed to focus public consideration on special provisions and their interaction with the rate structure. The Treasury's tax officials and technicians should engage in intensive research on these matters and the results of their studies should be made public. In the Congress, consideration should be given to changes in the methods of obtaining information on tax problems, to improvements in the conduct of hearings, and to a re-examination of the staff arrangements. Procedures should be adopted under which proposals for amendment of the tax laws limited in application to a single person or a small group, especially when retroactive in nature, would be treated as private-relief claims. These claims should be considered by the tax committees under special procedures similar to those applicable to private-relief bills generally. In respect to the bar, both bar associations and lawyers generally should consider how, consistently with the traditions of the profession regarding the protection of a client's interests, the wisdom and experience of the tax bar can be made available in the public interest to aid the Congress by objective guidance. The sum total of these suggestions is that the Congress, the Treasury Department, and the tax bar equally bear a responsibility to reappraise their roles and activities in the tax legislative process.

### FOOTNOTES

†This article grew out of a talk delivered before the Round Table on Federal Taxation at the Chicago meeting of the Association of American Law Schools, December 28, 1955. I am indebted in thinking about these matters to the other two panelists, Charles W. Davis of the Illinois Bar, formerly Chief Counsel, Bureau of Internal Revenue, and Clerk, House Committee on Ways and Means, and William M. Horne, Jr. of the Massachusetts Bar, formerly Staff Member congressional Joint Committee on Internal Revenue Taxation, for the views of this general topic which they expressed in their panel talks.

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[1] For a recent discussion, see DeWind, *Law and the Future: Federal Taxation*, 51 Nw. U.L. Rev. 227 (1956).

[2] See, *e.g.*, Andrews, *Let's Get Rid of the Income Tax!*, The American Weekly, April 22, 1956, p. 6, reprinted in 102 Cong. Rec. A3331 (daily ed. April 24, 1956); *Why the Income Tax Is Bad*, U.S. News & World Report, May 25, 1956, p. 62 (interview with T. Coleman Andrews); *cf.* Hawley, *Our Tax Laws Make Us Dishonest*, 27 Pa. B.A.Q. 230 (1956).

[3] For some of the recent literature, see Harriss, *Erosion of the Federal Estate and Gift Tax Bases*, in National Tax Association, Proceedings of the Forty-Eighth Annual Conference on Taxation 350 (1955); Hellmuth, *Erosion of the Federal Corporation Income Tax Base*, in *id.* at 315; Pechman, *The Individual Income Tax Base*, in *id.* at 304; Atkeson, *The Economic Cost of Administering Special Tax Provisions*, in Joint Committee on the Economic Report, Federal Tax Policy for Economic Growth and Stability 276 (1955); Blum, *The Effects of Special Provisions in the Income Tax on Taxpayer Morale*, in *id.* at 251; Eisenstein, *The Rise and Decline of the Estate Tax*, in *id.* at 819; Groves, *Special Tax Provisions and the Economy*, in *id.* at 286; Paul, *Erosion of the Tax Base and Rate Structure*, in *id.* at 297; Cary, *Pressure Groups and the Revenue Code: A Requiem in Honor of the Departing Uniformity of the Tax Laws*, 68 Harv. L. Rev. 745 (1955); DeWind, *supra* note 1; Surrey, *"Do Income-Tax Exemptions Make Sense?,"* Colliers, March 30, 1956, p. 26, reprinted in 202 Cong. Rec. A3053 (daily ed. April 16, 1956); Bulletin of the Tax Section, American Bar Association, Oct. 1956, p. 3 (remarks of Congressman Wilbur D. Mills); *"Keep the Income Tax But Make It Fair,"* U.S. News & World Report, July 27, 1956, p. 68 (interview with Congressman Wilbur D. Mills); 102 Cong. Rec. A3696 (daily ed. May 8, 1956) (remarks of Congressman Daniel A. Reed).

[4] Int. Rev. Code of 1954. § 1240. Sections of the 1954 Code will hereinafter be cited only by section number. The history of § 1240 is related in Cary, *supra* note 3 at 747–48. Under this provision amounts received from the assignment or release by an employee of over twenty-years employment of his rights to receive, after termination of his employment and for a period of not less than five years, a percentage of future profits or receipts of his employer are taxed at capital-gains rates if the employee's contract providing for those rights had been in effect at least twelve years. Clearly the blueprint for compliance with this section is quite detailed. It is generally assumed that the amendment at the time covered only two persons, Louis B. Mayer, retired vice-presiednt of Loew's, Inc., and one other executive in the company, and that the amendment saved Mayer about $2,000,000 in taxes. Mayer, as a vice-president, had been in charge of Metro-Goldwyn-Mayer motion-picture studio for many years. He had received a compensation contract under which he was to receive 10% of the net proceeds from every picture made at that studio between April 7, 1924, and the day he left the company. On his retirement in 1951, Mayer released his rights under the contract in return for, apparently, $2,750,000. The 1954 Code, while continuing the provision, which had been adopted in 1951, underscored its special character by restricting its application to contracts entered into prior to the 1954 Code.

For other highly personalized provisions, see Cary, *supra* note 3, at 749–54. See also the following recent provisions:

(a) Section 2055(b)(2), added by Pub. L. No. 1011, 84th Cong., 2d Sess. (Aug. 6, 1956), treats as an exempt transfer to charity by a decedent property later transferred to charity by the spouse of the decedent under a power of appointment given to her by the decedent and exercisable at her death, subject to such conditions as that the spouse must be more than eighty years old at the decedent's death and must have executed an affidavit under certain conditions one year after his death proclaiming her intention to exercise the power in favor of charity. The provision was enacted August 6, 1956, but made retroactive to August 16, 1954.

(b) Section 106 of the Internal Revenue Code of 1939, as amended, 70 Stat. 404 (1956), applies a 30% income-tax rate to amounts received under a claim against the United States arising under a contract for the installation of facilities for any branch of the armed forces, remaining unpaid for more than five years from the date of the claim, and paid prior to January 1, 1950. The conference report stated that "it is the understanding of all the conferees that the action taken with respect to this amendment is not to be considered a precedent for future legislative action." H.R. Rep. No. 2253, 84th Cong., 2d Sess. 5 (1956). Apparently the provision was designed solely to cover the taxpayer involved in Sanders v. Commissioner, 225 F.2d 629 (10th Cir. 1955), *cert. denied*, 350 U.S. 967 (1936), since the facts of the case fit precisely under the provision.

(c) Section 1342, added by 69 Stat. 717 (1955), provides for retroactive exclusion of damages received under a court decision in a patent-infringement suit and later repaid because of the subsequent reversal of the court decision on the ground that it was induced by fraud or undue influence. Apparently, this provision grew out of the litigation reported in Universal Oil Products Co. v. Root Refining Co., 328 U.S. 575 (1946).

(d) Section 152(a)(10), relating to the deduction for "dependents," covers a cousin receiving institutional care for physical or mental disability if prior to being institutionalized the cousin was a member of the same household as the taxpayer. Section 152

(b)(3) excepts from the exclusion of noncitizens a child born to or adopted by a member of the armed forces in the Philippine Islands before January 1, 1956. See Act of Aug. 9, 1955, c. 693, 69 STAT. 625, making this provision retroactive to 1946 and substituting the January 1, 1956, date for the July 5, 1946, date formerly contained in § 152 (b)(3).

(e) Section 24(c) of the Internal Revenue Code of 1939, as amended, 67 STAT. 617 (now § 267(a)) allowed the deduction of an accrued expense if the related payee included the amount in income within two-and-one-half months after the close of the year and applied the change retroactively to 1946. The retroactive aspect, and perhaps the proposal, appear to be a consequence of the litigation in L. R. McKee, 18 T.C. 512 (1952), *rev'd per curiam*, 207 F. 2d 780 (8th Cir. 1953), in which the taxpayer had been unsuccessful in the Tax Court under the previous provisions.

(f) Section 2053(d), added by 70 STAT. 23 (1956), was enacted February 20, 1956, but was made retroactive to cover decedents dying after December 31, 1953. It allows charitable deduction from the gross estate for the amount of state inheritance taxes imposed on a bequest to charity. This provision reportedly was adopted to affect the problem of a particular estate under the interaction of the Pennsylvania tax laws and the federal estate tax.

(g) Section 166(f) treats as a business-bad-debt loss a payment by the guarantor of a noncorporate obligation. The provision reportedly was designed to meet the problem of a Texas father who had made advances to his son's business. This *ad hoc* amendment obviously does not fit with the rest of the provisions respecting losses and bad debts, as is evidenced by the difficulty which it gave the Supreme Court in Putnam v. Commissioner, 352 U.S. 82 (1956). The dissent there labors long to gather an intelligible legislative history from the provision, but fails to realize that the provision has all the earmarks of an *ad hoc* resolution of a particular situation.

(h) Section 1235(d) provides that capital-gain treatment on the sale of a patent shall not apply to a sale between an individual and a related person, but then excepts brothers and sisters. Apparently this was inept phrasing to exclude a sale to a corporation owned by a brother, since the JOINT COMMITTEE ON INTERNAL REVENUE TAXATION, PROPOSED TECHNICAL AMENDMENTS BILL OF 1957, § 28 (CCH Stand. Fed. Tax Rep., Oct. 26, 1956), and the accompanying summary involve an amendment to make it clear that the protection was intended for the brother's corporation. For a statement by a taxpayer's representative questioning the justification for this special treatment for a brother, see *Hearings on Technical Amendments to the Internal Revenue Code Before a Subcommittee of the House Committee on Ways and Means*, 84th Cong., 2d Sess. I (1956).

(i) Section 1361, a complicated provision with many problems unsolved, which permits a proprietorship or partnership to elect corporate tax treatment, apparently received its main impetus and perhaps the only real reason for its existence from the situation of a particular Georgia partnership.

[6] The text statements are based on impressions obtained from a conference to the British tax system held in New York on January 4–5, 1957, under the joint auspices of the Harvard Law School Program in International Taxation, and the American Branch, International Institute of Public Finance. See also Wheat croft, *The Anti-Avoidance Provisions of the Law of Estate Duty in the United Kingdom*, (paper to be published in NAT'L TAX J. (1957)). Professor Carl Shoup, an informed observer of the Japanese tax system, asserts that the same trend is evident in that country.

[7] Spokesmen on this subject in both political parties appear to recognize the need for solving the dilemma. As regards the Democrats, see Stevenson, *The New America, Where is the Money Coming From?*, N.Y. Times, Oct. 29, 1956, p. 22; U.S. News & World Report, July 27, 1956, p. 68 (remarks of Congressman Wilbur D. Mills). As regards the Republicans, see 103 CONG. Rec. 697 (daily ed. Jan. 17, 1957) (statement of Secretary of the Treasury Humphrey); 102 CONG. REC. A3699 (daily ed. May 8, 1956) (remarks of Congressman Daniel A. Reed); *Hearing on H.R. 4090 and H.R. 4091 Before the House Ways and Means Committee*, 85th Cong., 1st Sess. 4, 7–9 (1957) (testimony of Secretary Humphrey).

The dilemma should not be solved solely in the context of the income tax, but must be considered in the light of the entire tax structure. Thus, those who believe that stabilizing the income tax at levels of 50–65% does not leave a sufficient over-all burden on the wealthy would urge a concomitant strengthening of taxes on capital. In other countries this may mean a resort to net-worth taxes restricted to the upper levels and further development of estate taxes. In this country constitutional requirements may restrict the effort to a strengthening of the estate tax. Looking further ahead, there may be experimentation with expenditure taxation for the upper brackets, as contrasted with the current sales taxes that reach all levels but with greater impact at the lower ranges.

[8] For the history of these provisions, see Freeman, *Percentage Depletion for Oil—A Policy Issue*, 30 Ind. L.J. 399 (1955).

[9] These statements are not the result of any intensive examination of the British procedure, but are based on correspondence and discussion with British officials and practitioners.

[10] §§ 402(a)(2), 403(a)(2). These sections were derived from Int. Rev. Code of 1939, § 165(b), added by 56 STAT. 863 (1942).

[11] In a sense the "Mayer amendment," see note 4 *supra*, is traceable to this type of error.

[12] Now § 922. Its legislative history and current application are described in Surrey, *Current Issues in the Taxation of Corporate Foreign Investment*, 56 COLUM. L. REV. 815, 834–38 (1956).

[13] These sections are a good instance of how tax law grows: A lawyer who works years on a case receives a large fee in one year, so that most of the fee goes in taxes in contrast to the result of spreading the fee over the years worked. A sympathetic Congress in 1939 adopts a provision to cover the situation, confined to bunched income from employment. Int. Rev. Code of 1939, § 107, added by 53 STAT. 878 (1939) (now § 1301). An author, said to be Ernest Hemingway, runs into a similar problem with respect to the royalties on a book which has taken a number of years to write, and Congress in 1942 adds a provision to spread back royalties from both artistic works and patents. Int. Rev. Code of 1939, § 107(b), added by 56 STAT. 837 (1942) (now § 1302). Parenthetically, Hemingway's royalties over several years were so large that it was said he could not come within the conditions of the sections. Some Ford Motor Company employees receive a large back-pay award under the National Labor Relations Act, again a bunched-income situation, and Congress in 1944 adopts a throwback provision to meet this situation. Int. Rev. Code of 1939, § 107(d), added by 58 STAT. 39 (1944) (now § 1303). In 1955 Congress adds a limited provision to cover another bunched-income situation, compensatory damages for patent infringement. § 1304, added by 69 STAT. 688 (1955). The American Law Institute has recommended extension of these provisions to cover back interest, back dividends on cumulative preferred stock, back rent, and damages for loss of profits and earnings. ALI FED. INCOME TAX STAT. § X350(c) (Feb. 1954 Draft). And, of course, lying ahead are the suggestions from various sources for an over-all averaging system.

[14] This provision appeared in its original form as Int. Rev. Code of 1939, § 115(g)(3), added by 64 STAT. 932 (1950). It was apparently adopted to meet the problem of the *Boston Post* and to make unnecessary the sale of that paper by an estate in order to meet estate taxes. Interestingly enough, the paper was nevertheless sold not long afterward. Section 472, relating to the last-in-first-out inventory method, as another example of a general solution replacing a special provision. See Int. Rev. Code of 1939, § 22(d), 53 STAT. 11, which originated in a limited form in the Revenue Act of 1938, § 22(d), 52 STAT. 459.

[15] Added by 69 STAT. 717 (1955). As originally introduced, this provision had a broad and sensible application to the transactional situations involving the inclusion of an income item and its later repayment. The provision was, however, confined to the particular case treated in § 1342 at the Treasury's request, since it had not yet studied the basic problems. Section 1304, added by 69 STAT. 688 (1955), relating to a throwback for compensatory damages recovered in a patent-infringement suit, is another illustration of a provision specially limited at the Treasury's request.

[16] Darrell, *Internal Revenue Code of 1964—A Striking Example of the Legislative Process in Action*, in U. of So. CALIF. SCHOOL OF LAW, 1955 TAX INST. I, 6.

[17] *Hearings Before the Subcommittee on Tax Policy of the Joint Committee on the Economic Report*, 84th Cong., 1st Sess. 1, 6 (1955). See also JOINT COMMITTEE ON THE ECONOMIC REPORT, FEDERAL TAX POLICY FOR ECONOMIC GROWTH AND STABILITY (1955), the accompanying volume of papers on which these hearings were based.

[18] For its organization and powers, see § 6405; §§ 8001–05; §§ 8021–23, as amended, 69 STAT. 448 (1955).

[19] The Federal Income Tax Committee of the Association of the Bar of the City of New York has also made helpful analyses of technical matters.

[20] See *Hearing on S.J. Res. 23 Before a Subcommittee of the Senate Committee on the Judiciary*, 84th Con., 2d Sess. (1956). See also Cary, *The Income Tax Amendment: A Strait Jacket for Sound Fiscal Policy*, 39 A.B.A.J. 885 (1953); Dresser, *The Case for the Income Tax Amendment: A Reply to Dean Griswold*, 39 A.B.A.J. 25 (1953); Griswold, *Can We Limit Taxes to 25 Per Cent*, Atlantic Monthly, Aug. 1952, p. 76, reprinted in Mass L.Q., 1952, p. 50.

[21] See JOINT COMMITTEE ON THE ECONOMIC REPORT, *op. cit. supra* note 17.

[22] The task here, however, lies mainly with the members of the tax bar themselves rather than the law school professors. I am sufficiently realistic to understand that an academic tax professor talking "equity" and "loophole" and "special privilege" rarely if ever sways a bar association meeting. "He doesn't have any clients!" But nothing is more effective in bringing up short the advocates of a special proposal than to hear other lawyers, whose fees are as high as theirs and whom they otherwise respect, point out that the proposal is an unwarranted special privilege. The arguments used may be no better than those of the professor, but they sound infinitely more persuasive when presented by a lawyer with clients—and this is proper and understandable.

[23] The late Randolph Paul was a shining example. But his outstanding position in this respect so approached uniqueness that one is given pause in thinking about the problem. See his reflections on the problem in PAUL, TAXATION IN THE UNITED STATES 771–74 (1954).

[24] See Darrell, *supra* note 16, at 17–25; Sur-

rey, *The Income Tax Project of the American Law Institute*, 31 TAXES 959 (1953). The last article also appears in N.Y.U. 11TH INST. ON FED. TAX. 1049 (1953).

[25] See Darrell, *supra* note 16, at 17, 27.

[26] Recently the Subcommittee on Internal Revenue Taxation of the House Ways and Means Committee has sought the aid of the tax bar through special advisory committees selected by it to present proposals for changes in various parts of the Code. While there are facets of the present situation which have led to this *ad hoc* solution, it is doubtful whether it represents an appropriate line of growth. At the very least, reliance on such advisory committees calls for sustained and informed government technical activity so that short-run solutions do not distort long-run developments. Further, there are many fortuitous elements in the process, as the selection of the particular members of the advisory committees, the time available, and the like. The procedures of the American Law Institute, and in some respects those of the Tax Section of the American Bar Association, have the merit of a wider participation in and testing of new changes as they pass through the various stages of their formulation.

[27] See, for example, the discussion in 102 CONG. REC. 13395 (daily ed. July 26, 1956), of an amendment designed to relieve a particular individual in Vermont from an asserted tax hardship growing out of the conjunction of the severity of Vermont winters and the vagaries of § 270, the hobby-loss provision. The senator pressing the amendment stated that while it was basically designed for the relief of a particular individual, he had originally hoped to generalize the language but the Treasury had pointed out defects in the generalization. The amendment did not prevail, the chairman of the Senate Finance Committee solemnly stating that "it would establish a very dangerous precedent, and we would be attempting to pass a general law for one specific purpose." The day before, the chairman had reported out the bill allowing an estate-tax deduction in a situation involving an eighty-year-old widow who had taken certain action specified in the bill. See note 4, para. (a), *supra*.

[28] The following private-relief bills involving tax situations were enacted by the 84th Congress.

(a) Priv. L. No. 206, 84th Cong., 1st Sess. (July 14, 1955). This act reimbursed the taxpayer for the $900 he lost when his beer-tax stamps were stolen or lost. See H.R. REP. No. 259, 84th Cong., 1st Sess. (1955); S. REP No. 484, 84th Cong., 1st Sess. (1955).

(b) Priv. L. No. 661, 84th Cong. 2d Sess. (May 19, 1956). This act granted $1620.09 to a taxpayer who had paid a tax on alcoholic products which were exported and for which drawback claims were rejected because the products were not originally bottled for export. The taxpayer had been ignorant of the requirement and the government representative who supervised the packaging had acquiesced in the manner in which it was done. See H.R. REP. No. 1715, 84th Cong., 2d Sess. (1956); S. REP. No 1948, 84th Cong, 2d Sess. (1956).

(c) Priv. L. No. 663, 84th Cong., 2d Sess. (May 22, 1956). This act permitted the taxpayer to file an election to claim the benefit of Int. Rev. Code of 1939, § 112(b)(7), as amended, 67 STAT. 615 (1953) (now § 333), which he had originally filed one day late due to inadvertence arising from the pressure of taking office as Mayor of Houston. See H.R. REP. No. 263, 84th Cong., 2d Sess. (1956); S. REP. No. 1957, 84th Cong., 2d Sess. (1956).

(d) Priv. L. No. 728, 84th Cong., 2d Sess. (June 29, 1956). This act granted $6896.14 plus interest to the estate of a deceased member of the armed services after the estate had sued for that amount under the forgiveness provisions of Int. Rev. Code of 1939, § 421, added by 57 STAT. 149 (1942), repealed by 64 STAT. 947 (1950), and had lost, Allen v. Bickerstaff, 200 F.2d 181 (5th Cir. 1952). The Supreme Court had overruled that decision in a subsequent case, Marcelle v. Estate of Lupia, 348 U.S. 956 (1955), *affirming* 214 F.2d 942 (2d Cir. 1954). The Treasury stressed that its favorable report on this private bill should not be regarded as precedent for a policy of changing the result of decided cases by legislation. See H.R. REP. No. 1914, 84th Cong., 2d Sess. (1956); S. REP. No. 2202, 84th Cong., 2d Sess. (1956).

(e) Priv. L. No. 764, 84th Cong., 2d Sess. (July 11, 1956). This act permitted the taxpayers to file refund claims involving an amount in the vicinity of $380,000, although the period of limitations had expired and an agreement with the Government had been executed. The committees appeared to be convinced that the taxes and penalties involved had been erroneously paid. See H.R. REP. No. 2127, 84th *Cong.*, 2d Sess. (1956); S. REP. No. 2277, 84th Cong., 2d Sess. (1956).

(f) Priv. L. No. 800, 84th Cong., 2d Sess. (July 24, 1956). This act granted to an estate a refund of $1793.10 representing a credit for death taxes paid to the state, although the period within which a claim for such a refund must be filed had elapsed. The executor had relied on an erroneous statement in a letter from the district director as to the permissible filing period. See H.R. REP. No. 2224, 84th Cong., 2d Sess. (1956); S. REP. No. 2499, 84th Cong., 2d Sess. (1956).

The Treasury Department had objected to the bills involved in Private Laws 663 and 764, but not to the other bills; all bills were approved by the President.

[29] See Gellhorn & Lauer, *Congressional Settlement of Tort Claims Aagainst the United States*, 55 COLUM. L. REV. 1 (1955); Note, *Private Bills and the Immigration Law*, 69 HARV. L. REV. 1083 (1956). See also HOUSE COMMITTEE ON THE JUDICIARY, 85TH CONG., RULES OF SUBCOMMITTEE NO. 2, WHICH HAS JURISDICTION OVER CLAIMS (1957).

[30] See, *e.g.*, Code sections cited note 4, paras (a)–(f), *supra*. See also Pub. L. No. 901, 84th Cong., 2d Sess (Aug. 1, 1956); Pub. L. No. 414, 84th Cong., ad Sess. § 4 (Feb. 20, 1956).

One recent special provision, Act of Aug. 12, 1955, c. 878, 69 STAT. A166, took in part the formal course of a private-relief bill but proceeded in a somewhat unusual fashion. On July 30, 1955, Congressman Curtis of Missouri introduced a private bill for the relief of the Cannon Foundation, which had been established by Congressman Cannon of Missouri. H.R. 7746, 84th Cong., 1st Sess. (1955). That foundation was established in 1950 as a charitable foundation, but its charter, though apparently not its activities ran afoul of § 503(c). The bill, as passed, made this provision inapplicable for 1950–56, and apparently charter amendment in 1955 took care of future years. The bill had originally been referred to the Ways and Means Committee, but on August 1, 1955, it was referred to the House Judiciary Committee, and then reported and passed that day. It was reported by the Senate Finance Committee the same day, S. REP. No. 1283, 84th Cong., 1st Sess. (1955) (which does not explain the particular problem involved—in fact it is not explained in any of the public documents), and it then passed the Senate on August 2, 1955, with an amendment concurred in that same day by the House. The Congress adjourned on August 2, 1955.

[31] See HOUSE COMMITTEE ON THE JUDICIARY, 85TH CONG., *op. cit. supra* note 29, rule 16; NEWMAN & SURREY, LEGISLATION: CASES AND MATERIALS 156 (1955). For a summary and discussion of statutory and administrative restrictions on practitioners' fees, see Committee on Administrative Practitioners, Administrative law Section, A.B.A., *Report*, 8 AD. L. BULL. 137 (1956).

[32] See § 152(b)(3).

[33] See § 152(b)(3), as amended, 60 STAT. 626 (1955).

[34] The British have a system of "extra-statutory concessions," adopted and made public by the Board of Inland Revenue, which represent in effect administrative relief granted when the statutory law is working in an unintended way with harsh effect. There are between fifty and one hundred of these concessions outstanding; they are generally used when the matter is minor and often when it also would be difficult to draft a complete legislative solution. There are also unpublished "office practices" under which the rigor of the law is not pushed too far. In effect, the more important of these office practices are published as extra-statutory concessions.

## TAX CREDIT FOR POLITICAL CONTRIBUTIONS

AMENDMENT NO. 409

Mr. KENNEDY. Mr. President, on behalf of myself and the distinguished Senator from Kansas (Mr. PEARSON), I offer for the consideration of Members of the Senate an amendment to H.R. 13270, the Tax Reform Act of 1969. The amendment proposes a tax credit for political contributions. In the past, Senator PEARSON has played a leading role in our bipartisan efforts to reform the election process, and I am pleased that he has consented to join me in offering this amendment.

Mr. President, the primary purpose of this amendment is to provide a strong new incentive for both of our major political parties to broaden their base of political support. In recent years, we have become well aware of the serious problems that are caused by excessive reliance by candidates for public office or large contributors. By encouraging candidates, political committees, and political parties to seek support from small contributors across the Nation, we will be able to take a major step toward avoiding even the appearance of impropriety or undue influence that flows from the existence of large campaign contributions. By doing so, we will encourage broader participation in the political process, and we will restore new confidence to our democratic system.

The amendment I have proposed is essentially identical to the tax credit proposal favorably and unanimously reported by the Committee on Finance in November 1967, at the conclusion of comprehensive hearings on a variety of proposals to reform the financing of political campaigns. It is also very similar to legislation recently proposed by Senator PEARSON.

The bill reported by the Finance Committee in 1967 contained certain other provisions—including a controversial provision for direct public financing of campaigns—which would be inappropriate for consideration by the Senate at this time as part of the pending tax reform bill. The tax credit proposal, however, is entirely appropriate for consideration as part of this bill.

In brief, the amendment offered by Senator PEARSON and myself would provide a tax credit for one-half of a taxpayers' political contributions, up to a maximum credit of $25. It is a broad-based amendment. Contributions qualifying for the credit could be made to candidates for either Federal, State, or local office, to political committees supporting particular candidates, or to na-

tional political parties. In addition, contributions could be made in connection with either general, special, or primary elections.

According to the revenue estimates made by the Committee on Finance in 1967, the revenue loss produced by the proposal would be modest—$50 to $60 million in presidential election years, and probably substantially less in other election years.

Mr. President, we are thoroughly familiar with the difficult problem of escalating campaign costs. I believe that the amendment I have proposed will provide a significant and effective step to alleviate the problem. I intend to call up the amendment for consideration at the appropriate time, and I ask unanimous consent that the text of the amendment be printed in the RECORD at this point.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table; and, without objection, the amendment will be printed in the RECORD in accordance with the Senator's request.

The amendment (No. 409) is as follows:

At the proper place insert the following new section:

"SEC. ——. INCOME TAX CREDIT FOR POLITICAL CONTRIBUTIONS

"(a) Allowance of Credit.—Subpart A of part IV of subchapter A (relating to credits allowable) is amended by renumbering section 41 as 42, and by inserting after section 40 (as added by section —— of this Act) the following new section:

"'SEC. 41. POLITICAL CONTRIBUTIONS.

"'(a) GENERAL RULE.—In the case of an individual, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to one-half of so much of the political contributions as does not exceed $50, payment of which is made by the taxpayer within the taxable year.'"

"'(b) LIMITATIONS—

"'(1) MARRIED INDIVIDUALS.—In the case of a joint return of a husband and wife under section 6013, the credit allowed by subsection (a) shall not exceed $25. In the case of a separate return of a married individual, the credit allowed by subsection (a) shall not exceed $12.50.

"'(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"'(3) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"'(c) DEFINITIONS.—For purposes of this section—

"'(1) POLITICAL CONTRIBUTION.—The term "political contribution" means a contribution or gift of money to—

"'(A) an individual who is a candidate for nomination or election to any Federal, State, or local elective public office in any primary, general, or special election, or in any National, State, or local convention or caucus of a political party, for use by such individual to further his candidacy for nomination or election to such office;

"'(B) any committee, association, or organization (whether or not incorporated) organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, State, or local elective public office, for use by such committee, association, or organization to further the candidacy of such individual or individuals for nomination or election to such office;

"'(C) the National committee of a National political party;

"'(D) the State committee of a National political party as designated by the National committee of such party; or

"'(E) a local committee of a National political party as designated by the State committee of such party designated under subparagraph (D).

"'(2) CANDIDATE.—The term "candidate" means, with respect to any Federal, State, or local elective public office, an individual who—

"'(A) has publicly announced that he is a candidate for nomination or election to such office; and

"'(B) meets the qualifications prescribed by law to hold such office.

"'(3) NATIONAL POLITICAL PARTY.—The term "national political party" means—

"'(A) in the case of contributions made during a taxable year of the taxpayer in which the electors of President and Vice President are chosen, a political party presenting candidates or electors for such offices on the official election ballot of 10 or more States, or

"'(B) in the case of contributions made during any other taxable year of the taxpayer, a political party which met the qualifications described in subparagraph (A) in the last preceding election of a President and Vice President.

"'(4) STATE AND LOCAL.—The term "State" means the various States and the District of Columbia; and the term "local" means a political subdivision or part thereof, or two or more political subdivisions or parts thereof, of a State.

"'(d) CROSS REFERENCES.—

"'For disallowance of credits to estates and trusts, see section 642(a)(3).'

"(b) CLERICAL AND TECHNICAL AMENDMENTS.—

"(1) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof

"'Sec. 41. Political contributions.

"'Sec. 42. Overpayment of tax.'.

"(2) Section 642(a) (relating to credits against tax for estates and trusts) is amended by adding at the end thereof the following new paragraph:

"'(3) POLITICAL CONTRIBUTIONS.—An estate or trust shall not be allowed the credit against tax for political contributions provided by section 41.'

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1969, but only with respect to political contributions payment of which is made after such date."

## ADJOURNMENT UNTIL 10. A.M. TOMORROW

Mr. KENNEDY. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate adjourn until 10 a.m. tomorrow.

The motion was agreed to; and (at 7 o'clock and 41 minutes) the Senate adjourned until tomorrow, Tuesday, November 9, 1969, at 10 o'clock a.m.

## NOMINATIONS

Executive nominations received by the Senate December 8, 1969:

IN THE ARMY

The following-named person for reappointment in the active list of the Regular Army of the United States, from temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

*To be lieutenant colonel*

Harris, Arthur C., Jr., [redacted].

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

*To be major*

Bates, William R., [redacted].
Beltran, Gilbert, [redacted].
Boyd, Eugene T., [redacted].
Champlin, Donald A., [redacted].
Josh, Joseph A., [redacted].
Madole, James E., [redacted].
Marelli, Lee R., [redacted].
Stanton, Harold M., [redacted].

*To be captain*

Atseff, Vladimir, [redacted].
Bessler, Robert M., [redacted].
Bratisax, Roland J., [redacted].
Childers, Charles K., [redacted].
Crouch, James E., [redacted].
Culley, Harold E., Jr., [redacted].
Gilbert, Johnnie R., [redacted].
Haselgrove, Leighton, [redacted].
Kraft, Reinhold J., [redacted].
Laslo, George S., [redacted].
Lewis, Gerald H., [redacted].
Prados, Alfred B., [redacted].
Roscelli, Joseph J., [redacted].
Russell, Nancy A., [redacted].
Shuler, Brigham S., [redacted].
Simpson, Samuel M., [redacted].
Smith, Floyd D., [redacted].
Stockton, Patrick D., [redacted].
Strong, William R., [redacted].
Townsend, Kenneth L., [redacted].
Ullman, Cornell L., [redacted].
Wagner, Jerry T., [redacted].
Wilson, James C., [redacted].

*To be first lieutenant*

Ackels, Alden D., [redacted].
Babich, James M., [redacted].
Beaty, James H., [redacted].
Burrow, Troy E., [redacted].
Carlson, Jack S., [redacted].
Carney, Marilyn M., [redacted].
Catalano, Thomas S., [redacted].
Clark, Philip E., Jr., [redacted].
Colie, Dennis G., [redacted].
Colliton, Jeffrey, [redacted].
Cook, Jeffrey M., [redacted].
Culver, Lyman C., [redacted].
Donovan, John J., [redacted].
Dragoo, Robert E., [redacted].
Eberlin, Lawrence J., [redacted].
Eiland, Lewis K., [redacted].
Esmay, Jerry D., [redacted].
Etzel, Stephen L., [redacted].
Evans, Larry D., [redacted].
Finegan, Ray D., [redacted].
Green, Herbert J., [redacted].
Haddick, John A., [redacted].
Harville, Jerry L., [redacted].
Hendrix, Kenneth N., [redacted].
Herrmann, William G., II, [redacted].
Howard, Duane L., [redacted].
Johnson, Harold L., [redacted].
Jones, George B., III, [redacted].
Junk, Robert J., Jr., [redacted].
Kelleher, Thomas J., Jr., [redacted].
Lewis, John C., [redacted].
Martin, John J., Jr., [redacted].
May, Jordan H., [redacted].
McHugh, Thomas J., [redacted].
Mihnovets, Nicholas, [redacted].

Nalepa, Thomas F., xxx-xx-xxxx
Nelson, Charles S., xxx-xx-xxxx
Ochoa, Jesse O., xxx-xx-xxxx
Palm, Leah, xxx-xx-xxxx
Palmer, Jesse E., xxx-xx-xxxx
Pasztor, John S., xxx-xx-xxxx
Pierce, Kenneth R., Jr., xxx-xx-xxxx
Rawden, Francis A., xxx-xx-xxxx
Reiss, David W., xxx-xx-xxxx
Ridgley, Edward E., xxx-xx-xxxx
Robillard, Robert J., xxx-xx-xxxx
Russell, David H., xxx-xx-xxxx
Schilder, Otto P. III, xxx-xx-xxxx
Sheldon, Douglas M., xxx-xx-xxxx
Shipley, Bruce G., xxx-xx-xxxx
Smith, Jack R., xxx-xx-xxxx
Sulivan, Patrick L., xxx-xx-xxxx
Sumner, Wayne S., xxx-xx-xxxx
Tracy, David S., xxx-xx-xxxx
Visnick, Allan D., xxx-xx-xxxx
Wadsworth, Thomas S., xxx-xx-xxxx
Weis, John R., xxx-xx-xxxx
Welton, John K., xxx-xx-xxxx
Wilkins, George H., III, xxx-xx-xxxx

*To be second lieutenant*

Butler, James M., xxx-xx-xxxx
Byington, Michael S., xxx-xx-xxxx
Chaney, Bobby F., xxx-xx-xxxx
Crowder, William S., xxx-xx-xxxx
Daane, John H., xxx-xx-xxxx
Eckhardt, Eric G., xxx-xx-xxxx
Estep, John D., xxx-xx-xxxx
Hall, Clint W., Jr., xxx-xx-xxxx
Hethcote, Stephen A., xxx-xx-xxxx
Hurchanik, Richard L., xxx-xx-xxxx
Mitchell, William H. J., xxx-xx-xxxx
Myers, Jimmie L., xxx-xx-xxxx
Saturen, Gary J., xxx-xx-xxxx
Skantz, Conrad P., xxx-xx-xxxx
Skrzysowski, Richard, xxx-xx-xxxx
Smith, Mason E., xxx-xx-xxxx

The following-named scholarship student for appointment in the Regular Army of the United States in the grade of second lieutenant, under provisions of title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290.

Santiago Rijos, Juan G.

# HOUSE OF REPRESENTATIVES—*Monday, December 8, 1969*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*The name of the Lord is a strong tower; the righteous man runs into it and is safe.*—Proverbs 18: 10.

Almighty God, who art a strong tower of defense to all who put their trust in Thee, we, Thy children, come to Thee with gratitude for Thy steadfast love and praying that Thou wilt continue to be our refuge and strength in every hour of need. Grant us insight and courage to shun the voice of moral compromise and to shy away from all that is morally questionable.

In hours of decision, during times of temptation, through days of responsibility, and amid periods of suffering may we have the royalty of an inward peace that comes to those whose minds are stayed on Thee. Teach us to value a clear conscience, a clean mind, a pure heart, and a sense of Thy presence before all the honors earth can bring to us.

In thought, word, and deed may we glorify Thy holy name as we seek the good of all mankind. Amen.

## THE JOURNAL

The Journal of the proceedings of Thursday, December 4, 1969, was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2325. An act to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18; and

S. 2869. An act to revise the criminal law and procedure of the District of Columbia, and for other purposes.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. McGee and Mr. Fong members of the Joint Select Committee on the Part of the Senate for the Disposition of Executive Papers referred to in the report of the Archivist of the United States numbered 70–2.

## ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Thursday, December 4, 1969, he did on that day sign the following enrolled joint resolution of the House:

H.J. Res. 1017. Joint resolution making further continuing appropriations for the fiscal year 1970, and for other purposes.

And on Friday, December 5, 1969, signed an enrolled bill of the Senate as follows:

S. 118. An act to grant the consent of Congress to the Tahoe regional planning compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes.

## EQUAL RIGHTS FOR MEN AND WOMEN

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VAN DEERLIN. Mr. Speaker, I am today introducing an amendment to the Constitution to provide for the equal rights of men and women.

I understand that 199 of our colleagues have already offered this resolution, and it is a distinct pleasure for me to join this distinguished and rapidly growing company.

An old and dear friend of mine, Miss Louise McLean, of San Diego, has been among the stanchest advocates of this amendment. Miss McLean, who is 88, came naturally by her concern for the rights of women. Her late mother, Sally Hart, was a lifelong fighter for women's right to vote, and is well remembered for her struggles on behalf of working women in Cincinnati.

Adoption of the equal rights resolution would not only be an act of simple justice; it would also be a fitting tribute to the many who, like Louise McLean, have labored so long in this worthy cause.

## IS THE PAST PROLOGUE?

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, when looking to the new year, I want very much to be optimistic. I would like to think that the economic picture will get brighter.

I then remember the statement etched in the granite of the National Archives Building here in Washington. The words are simple—"The Past Is Prologue."

It is depressing to think that the past months reflect what is in store for the Nation's economy in 1970. Prices have risen to an unacceptable level; interest rates are exorbitant.

The administration's "fight" against inflation has resulted in the highest interest rates in our history. These high rates have proven a severe blow to certain segments of the economy; namely, the home buyer and the small businessman and the consumer. The only institutions that stand to gain by the exorbitant interest rates are the big Wall Street banking conglomerates.

The cost of living is increasing at a rate no one can afford. If the consumer price index continues to rise at the present rate, the average consumer, already facing difficulties in the marketplace, faces a gloomy 1970.

I join with a vocal majority in again urging the administration to make a new year's resolution to initiate measures designed to lower interest rates, and to reduce prices.

## JUVENILE CRIME

(Mr. KLEPPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLEPPE. Mr. Speaker, juvenile crime is the most pressing and threatening aspect of the crime problem. The arrests of juveniles has increased 78 per cent from 1960 to 1968, while the under-18 age group has only increased by 25 percent. With the alarming increases in crime statistics, it is disturbing to know that the juvenile statistics represent only the beginning of a career in crime for many young offenders.

I have joined in cosponsoring legislation which, I believe, attacks the root causes of juvenile crime. The legislation, if approved, will create the Institute for Continuing Studies of Criminal Justice.

The Institute will serve as the focal point for the dissemination of information and knowledge throughout the country in juvenile treatment and control.

In addition, the Institute, modeled after the highly successful FBI Academy,

will offer training by experts for local law enforcement officers, judicial personnel, welfare officials, correctional officers, probation officers, and others connected with the treatment and control of juvenile offenders.

Failure to deal effectively with criminals and failure to deal effectively with the causes of crime has become a near disaster for this country.

The legislation I have cosponsored is designed to strike at the very heart of crime before the statistics climb even higher.

## PERMISSION TO SUBCOMMITTEE ON PUBLIC WELFARE, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Welfare of the Committee on Interstate and Foreign Commerce may sit during general debate today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 304]

| | | |
|---|---|---|
| Abbitt | Evans, Colo. | Michel |
| Anderson, Ill. | Farbstein | Minish |
| Andrews, N. Dak. | Fascell | Morton |
| | Findley | Murphy, N.Y. |
| Barrett | Fish | Nichols |
| Beall, Md. | Foley | Nix |
| Bell, Calif. | Frelinghuysen | O'Hara |
| Betts | Fulton, Tenn. | O'Neal, Ga. |
| Bingham | Galifianakis | Ottinger |
| Blackburn | Gallagher | Patman |
| Blatnik | Gettys | Pepper |
| Boland | Giaimo | Poage |
| Brademas | Green, Oreg. | Podell |
| Brotzman | Green, Pa. | Powell |
| Brown, Calif. | Griffin | Price, Ill. |
| Buchanan | Gubser | Reid, N.Y. |
| Burton, Utah | Hagan | Reifel |
| Bush | Halpern | Robison |
| Button | Hammer-schmidt | Rodino |
| Cahill | | Roe |
| Carey | Hanley | Rogers, Colo. |
| Casey | Harrington | Rooney, Pa. |
| Celler | Hays | Rosenthal |
| Chisholm | Hébert | Ruppe |
| Clark | Heckler, Mass. | Ryan |
| Clay | Helstoski | St Germain |
| Conyers | Horton | St. Onge |
| Corbett | Hosmer | Sandman |
| Cowger | Jones, N.C. | Scheuer |
| Cramer | Jones, Tenn. | Smith, Iowa |
| Daniels, N.J. | Kirwan | Staggers |
| Dawson | Koch | Taft |
| Delaney | Landrum | Taylor |
| Dent | Lipscomb | Tiernan |
| Diggs | Lukens | Tunney |
| Dingell | McCarthy | Ullman |
| Eckhardt | McClure | Utt |
| Edmondson | McKneally | Weicker |
| Edwards, Ala. | Macdonald, Mass. | Whalley |
| Edwards, Calif. | | Wright |
| Edwards, La. | Mailliard | Wydler |
| Eilberg | Meeds | Young |

The SPEAKER. On this rollcall, 310 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## NATIONAL FOOTBALL CHAMPIONS—UNIVERSITY OF TEXAS

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, the University of Texas fans everywhere—when we won the national collegiate football championship Saturday—have accepted the praises of the football world in typical Texan modest fashion. We did not chant "We're No. 1," at least for the first three quarters of the game on Saturday. At the finish we were so elated that we realized we were fortunate to just "cool it"—until now, that is. The Razorbacks have a tremendous team and deserve great praise. But I do not think they figured our Longhorns would go for broke or could save that game. It just shows you what a lot of Longhorns can do under the leadership of the best football coach in America, Coach Darrell Royal. The game was a great credit to college sports everywhere, and it will live forever as one of the best college games ever played.

The University of Texas, which is in my district, is proud to be No. 1; and we are doubly proud that we do not have to play Arkansas again until next year. Meanwhile, we are honored to lay claim—no matter what Pennsylvania might say—to the No. 1 collegiate football team in America today, and at least until next year we can savor the sweetness of that claim—how sweet it is.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. The gentleman has taken the typical winner's attitude. I wonder why he did not take the microphone and make his talk with confidence before the ball game. I readily admit you have a great football team and I will be pulling for them New Year's Day.

Mr. PICKLE. I was making those statements before the game. In fact, I was talking louder about it before the game than I was after the game.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I would recommend that the gentleman wait until the New Year's Day Cotton Bowl when the Fighting Irish of Notre Dame and their Polish stars come down to show which team is No. 1.

Mr. PICKLE. I will say to the gentleman it will take more than prayer to win that game, but by that time we will have had all of the bad habits out of our system and we will be ready.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to my colleague from Texas.

Mr. GONZALEZ. I thank the gentleman from Texas. He ought to have the support of every other Texan here at this crucial moment. I will say categorically now beforehand what will happen to the Fighting Irish when the Texas Longhorns meet them: We will "hook them."

Mr. PICKLE. Indeed we will. I thank my colleague.

## SUPPORT OF LEGISLATION TO REVISE AND UPDATE IMMIGRATION AND NATIONALITY ACT

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Speaker, I was pleased to join as a cosponsor of the bill introduced on December 4, by Congressman MICHAEL A. FEIGHAN, to improve the Immigration and Nationality Act. My cosponsorship is basically intended to help bring the bill to the floor where the House can work its will in taking into account the complications that we recognize are inherent in the present law.

Having voted for the 1965 act, I believe that the intent of Congress was to update immigration procedures but not to interfere with the historic immigration pattern to the United States. I believe the law as interpreted and implemented and the results we now perceive were not those truly envisioned by Congress.

It is my hope that the Judiciary Committee will give this matter priority attention and the Congress can act on this measure some time in 1970.

## THE GREAT PENN STATE FOOTBALL TEAM

(Mr. FULTON of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. FULTON of Pennsylvania. Mr. Speaker, we have many outstanding football teams this year in the United States, and are proud of the many teams at the top with records of many victories and high sportsmanship. We from Pennsylvania think that we have the championship team of the country at Penn State. Pennsylvania State University football team has the longest string of victories of any major college or university in the country against top-flight competition. Texas and Arkansas are good teams, too, and I congratulate them both on a fine game. I would suggest to the gentleman from Texas that they might sometime come around to the State of Pennsylvania and see how many more Pennsylvania fellows you have on your Texas teams than you have come up to our State and recruited.

Likewise, another team, Notre Dame, I believe, is doing pretty good, too, and we have a lot of Pennsylvania boys on that team, too. I think we in Pennsylvania have been supplying most of the country with good football material, from New England to Miami, from the Midwest to the Southwest to the west coast.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. FULTON of Pennsylvania. I yield to the gentleman from Missouri.

Mr. HUNGATE. I suggest to the gen-

tleman from Pennsylvania that he may think that Penn State has the No. 1 team in the Nation and will so demonstrate, he thinks, but wait until Missouri finishes with them January 1.

Mr. FULTON of Pennsylvania. I hope the gentleman will be down in Miami at the Orange Bowl on January 1. Last year we at Penn State were counted out with Kansas State until the last minute of play. But it turned out to be Penn State again, with a fine victory over a really top-flight team.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. FULTON of Pennsylvania. I yield to the gentleman from Texas.

Mr. KAZEN. I appreciate the fact that the gentleman did not state that Penn State was No. 1.

Mr. FULTON of Pennsylvania. I thought I had said that Penn State was football champion this year. We do not win our championship games 15 to 14, I would like to point out to my good friend. When we win them, we really win them in Pennsylvania.

Mr. KAZEN. What was the score of the Syracuse game?

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

## GODDARD ROCKET AND SPACE MUSEUM

(Mr. FOREMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FOREMAN. Mr. Speaker, America today enjoys the honor of placing the first men on the moon, thanks to many early, historic developments by men who faced the unknown in rocketry. Such a man was Dr. Robert H. Goddard, who conducted his experiments in my home State of New Mexico. The city of Roswell has tried to advance the knowledge and awareness of the contributions of Dr. Goddard. A new high school is named in his honor, and in April 1959, the Goddard Rocket and Space Museum at Roswell was dedicated. Recently added was an exact replica of Goddard's workshop and a fine new Goddard Planetarium.

Dr. Wernher von Braun refers to Dr. Goddard as the "Father of the Rocket." Mr. Rogers Aston, Curator of the Goddard Museum says:

> The fact that old Glory waves proudly on the face of the moon is due in large part to the pioneer work of Dr. Goddard in Roswell from 1930 to 1941.

Mr. Speaker, I am introducing legislation today which provides for congressional recognition of the Goddard Rocket and Space Museum. This legislation provides that the Congress recognizes the museum as a fitting memorial to Dr. Goddard as an appropriate and outstanding institution for the collection, preservation, and display of the works and memorabilia of Dr. Goddard. The resolution follows:

H. CON. RES. 464

*Resolved by the House of Representatives (the Senate concurring)*, That the Congress hereby recognizes the Goddard Rocket and Space Museum of the Roswell Museum and Art Center, Roswell, New Mexico, as a fitting memorial to Doctor Robert H. Goddard, who pioneered in rocket experimentation and contributed to America's success in landing men on the moon, and who is known as the "Father of the Rocket," and as an appropriate and outstanding institution for the collection, preservation, and display of the works and memorabilia of Doctor Goddard.

## DEPARTMENT OF DEFENSE APPROPRIATIONS, 1970

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15090) making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 3 hours, the time to be equally divided and controlled by the gentleman from Ohio (Mr. MINSHALL) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15090, with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 1½ hours and the gentleman from Ohio (Mr. MINSHALL) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, we come now to the consideration of the largest money bill of the session, and we approach the end of the appropriation business of the session insofar as House consideration of appropriation bills is concerned. This is the 19th appropriation bill or resolution presented to the House at this session.

I might say that in respect to the appropriation bills considered by the House thus far this year, dealing with the fiscal year 1970, the House is about even with the President's budget—below in some and above in others. But the reduction in the budget for defense is $5.3 billion in appropriations requested, which translates into a reduction in outlays or expenditures of approximately $3 billion. So, when we take into consideration this bill—and if it passes in this form—we will be about $5.3 billion below President Nixon's April budget in appropriations, and we will be approximately $2.8 billion below his April expenditure estimates insofar as action in the appropriation bills is concerned.

FUNDS PROVIDED

Self-preservation, as I think we all know and believe, is the first law of nature and the first law of nations. One of the important elements in self-preservation of a nation is military power. It is a vital element but, of course, not the only element.

In this bill today we are providing for the survival and strengthening of the Nation the sum of $69.9 billion in new spending authority for defense. When we compare this sum to that of prior years, we find that the bill this year, as it is being presented to the House, is below last year and below the year before. But to get a better comparison, we would have to add to the $69.9 billion in this bill, about $2.1 billion, which we will have to provide in a supplemental bill next session for the pay increase money for the military and for all the civilian employees of the Government. So, if we consider the roughly $2.1 billion now expected to come later, the appropriation for defense for this year would be about $72 billion.

In comparison, for fiscal 1969, the total appropriated in all the categories covered in this bill was $74.4 billion, so we are below that for last year, very decidedly.

For the prior year, fiscal year 1968, the total appropriation was $74.1 billion, so on the present basis the fiscal 1970 total will be below that year also.

On the same basis, we will be about on a par with the fiscal year 1967.

If we go back to about 10 years ago, fiscal year 1960, we then appropriated about $40 billion for defense.

If we go back to the fiscal year 1956, we appropriated about $31 billion for defense.

These quick comparisons put the total of today's bill in some better perspective.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am glad to yield to my friend from Iowa.

Mr. GROSS. The gentleman gave a figure of $69,960,000,000; in other words, a round figure of $70 billion, which does not include the pay increase. Did the gentleman put a cost on that of approximately $2 billion?

Mr. MAHON. About $2.1 billion. That is the estimate.

Mr. GROSS. About $2.1 billion?

Mr. MAHON. Yes.

Mr. GROSS. I thank the gentleman.

Mr. MAHON. That would be the total for pay increases.

Mr. GROSS. That will come in the supplemental to be considered later this week or next week.

Mr. MAHON. No. This would be considered probably late in the spring of next year.

Mr. GROSS. A supplemental next year?

Mr. MAHON. Yes. It will not come at this session because these funds are not required until much later in the current fiscal year. The services have ample funds to pay military and civilian personnel in keeping with the increased pay scales until we are well into the next calendar year.

Mr. GROSS. I thank the gentleman.

CARRYOVER FUNDS

Mr. MAHON. In prior years we have had numerous supplemental bills as the war escalated. Now the war is deescalating. Unless it is again escalated, there is no thought that there will be a supplemental in the sense that we have had Southeast Asia supplementals in prior years.

Of course, we are already well into the current fiscal year. By the time this bill is signed into law, about half the fiscal year will have elapsed.

While we are talking about the $69.9 billion available to the Defense Department—and this does not include certain other items of defense such as military construction—there was a carryover into this fiscal year from the last fiscal year of about $39 billion of unexpended funds. These are funds appropriated in prior years for such things as Navy ships, aircraft, and long leadtime items generally. These types of funds do not spend out in the year for which they are appropriated.

So while the Defense Department will not be entirely happy with the reductions made in this bill, officials will have available for all purposes during the current fiscal year, if this bill is approved, the total sum of about $109 billion.

This gives us a little better view of what this massive, this monumental, this unbelievably big job of defense really is.

I yield to the gentleman from Ohio.

Mr. VANIK. I thank the gentleman for yielding. The gentleman in the well, the distinguished chairman, has answered the question I had in mind, and I thank him very much.

STRATEGIC ARMS LIMITATION TALKS

Mr. MAHON. Mr. Chairman, I believe all of us feel, in view of the heavy demands on the taxpayer for various Federal programs—heavy demands for defense and nondefense—there is an urgent need to slow down the arms race, if this is reasonably possible. Certainly we must try and try with our might to slow down the arms race.

As Members know, in Helsinki, Finland, talks between our country and the U.S.S.R. have already begun looking toward a reduction in strategic weapons. They are preliminary in nature. This is called the strategic arms limitation talks, SALT.

I cannot help believing that the Soviet Union, which is lacking in so many consumer goods and so many domestic programs, would like to slow down the arms race.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Chairman, I yield myself 10 additional minutes.

Of course, the Soviet Union has Red China on its border and the Soviet Union must consider in its defense plans and weapons programs its status in western Europe and its status vis-a-vis Red China. However, it would seem to me there ought to be some possibility that these SALT discussions could prove to be productive. It is encouraging to note that as of the present, apparently, the Soviet Union has not tried to make a lot of international propaganda out of these talks.

Of course, the Government of the United States and the people of the United States want to slow down the arms race if there is some foolproof, absolutely reliable system whereby this objective can be achieved. I think it must be said, though, that, if we have to have a continuation of the arms race, then the United States is far more able to participate in it than the Soviet Union. We are reducing the percentage of our gross national product that we are applying to the defense budget this year. Defense spending in fiscal year 1970 is approximately 8 percent of our gross national product. The percentage of the gross national product of the Soviet Union devoted to defense is much, much higher than that of the United States.

I think we all, as we appropriate these funds today as one of the elements in the survival of our free society, can look hopefully to the possibility of achieving some sort of accommodation which may permit us to level off the arms race to some degree.

Mr. Chairman, we all recognize that various civilian programs, domestic programs, are claiming more and more of the funds which are available for expenditure. At a later point, I would like to present to you a statement in regard to the business of defense spending vis-a-vis domestic spending.

ADVANCES IN TECHNOLOGY—THE PROBLEM OF OVERRUNS

Mr. Chairman, in considerable measure, cost overruns in defense programs have resulted from the almost unbelievable advances which have been in technology in the past 20 years. Original cost estimates cannot be considered as anything but hopeful guesses when they relate to the development and procurement of weapons which are on the borderline or beyond the state of the art in technology at the time the estimate is made. When engaged in pushing forward the frontiers of knowledge, it is impossible to make accurate cost predictions. Each item is unique. No one ever built one before. Adequate experience is not available upon which to make precise cost estimates.

In addition, development programs require years for completion. Unforeseen problems arise. If there were no problems, a development program would not be required. When original cost estimates for weapons or equipment include production costs as well as development costs, the problem is further complicated.

Both government and industry people are notoriously optimistic in calculating the cost of a project and the time required to complete it. Inflation is an important factor in the equation. Often innumerable changes and improvements are made in the original project and this adds to the cost. If a weapon system is urgently required, and if there is no graft or fraud, or misrepresentation and if the Government gets a dollar in value for each dollar expended, the fact that a cost overrun occurs is not of overriding importance. This is not said to excuse poor estimating or bad management.

We have produced many amazing new weapons since World War II, such as the ICBM and the Polaris submarine, and the advances in technology are continuing.

In the late 1950's, when the intercontinental ballistic missile, which was itself one of our most notable technical achievements, appeared upon the scene, it was referred to by many as the ultimate weapon. It was widely believed that no defenses could prevent an ICBM from striking its target and perhaps no reasonably adequate defense can be perfected. Yet at this time, only ten years later, the Soviet Union has developed and deployed an anti-ballistic-missile system of sorts around Moscow and the United States has fired defensive missiles at incoming ICBM's at the Kwajalein Island complex in the Pacific with what appears to be some degree of success. We are now starting the deployment of a limited ABM system. Just how effective the U.S.S.R. and the U.S. systems may become is a matter of conjecture. But the effort to find a defense against the intercontinental ballistic missile must be made.

Government and industry are stretching the state of the art in seeking to make more effective our aircraft, ships, tanks, missiles, radars and multitudinous other facets of defense and offense. One of our problems is that many weapons are becoming so complex they are too difficult for field personnel to operate. Greater reliability under field conditions is urgently needed.

We can hardly complain that the military seek to accomplish in weaponry what may appear to be the impossible. This is the road—the difficult and expensive road I should say—to advancement and to making our country more secure.

There was a tendency to look with dismay upon the feat of the Cuban defector flying a Mig fighter from Cuba into Homestead Air Force Base near Miami without early detection. As of this time, there simply is no fully acceptable and reliable way to make an early detection in every instance of the approach of an aircraft which skims the surface. Of course, if we blackened the skies with aircraft all the way around the perimeter of the United States, a reasonably early detection of any low flying aircraft could be made.

In considering the matter of cost overruns, it is well to keep in mind that this problem is not confined to the Department of Defense. Almost every agency of the Federal Government has been hit hard by the same problem. Take our space program, for example, where we have had spectacular success in the last couple of years. The lunar module, which so magnificently landed and removed our brave astronauts from the surface of the moon, was originally estimated to cost $387 million. Its currently estimated cost is $2.1 billion, a 500 percent increase. And there are others. Here in the Nation's Capital, for instance, the John F. Kennedy Center for the Performing Arts was estimated to cost $46.4 million. Its presently estimated cost is $66.2 million, a 46 percent cost overrun. Our Interstate Highway System, which involves almost every State in the Union, was originally estimated to cost $27.6 billion for the 41,000 mile interstate system. To-

day, the cost estimate for the same number of miles is $56.5 billion, a 104 percent increase.

In 1965, when medicare was enacted, hospital insurance benefits were estimated at $2.9 billion for calendar 1970. The latest estimate for 1970 is $5.6 billion, an increase of 93 percent.

I call attention to the committee report in regard to cost overruns. On account of the increased emphasis on this problem, this year, there is a sound basis to hope that a better job will be done in the future and the Committee on Appropriations will continue to move toward that objective.

A special word of caution is in order with respect to possible future overruns. It is inevitable that some cost overruns will occur—in aircraft programs, ship programs, and other programs.

In the ABM program, the complexities are so great one must not be surprised if overruns occur. Additional costs are bound to arise as we move forward with this highly complex and expensive effort to protect our people against the threat of the intercontinental ballistic missile and the sublaunched ballistic missile.

DEFENSE VERSUS NONDEFENSE SPENDING

While on the subject of expenditures, now generally called outlays, I believe it is important to note that, from 1964 to 1970, defense expenditures have increased by $27 billion and this is mostly explained by the war. During this same time period, however, other agencies of the Federal Government have increased their expenditures by over $47 billion.

Let me try to bring this expenditure picture into better focus by looking at the last couple of years. From fiscal year 1968 to fiscal year 1970, defense expenditures actually declined slightly, while the other agencies of the Government increased their expenditures by $12.4 billion.

It is also interesting—as I have noted—that military outlays, as a percentage of the gross national product, are estimated to be 8.1 percent in fiscal year 1970 as compared with 9.5 percent in fiscal year 1968. The 8.1 percent estimated is below the pre-Vietnam year of 1964, and well below the levels of the 1950's and early 1960's.

My purpose in citing these statistics is to make it clear that the Defense budget alone has not been responsible for our inflationary trend in recent years. We need to look at both sides of the coin. It has been alleged that the needs of the domestic front are being neglected in our effort to maintain a strong military posture. The facts do not support this premise.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. MAHON. Mr. Chairman, I yield myself 10 additional minutes.

VIETNAMIZATION PROGRAM

We are all interested, of course, in the Vietnamization of the war—and in what this bill does to bring the war in Vietnam toward a conclusion. I think it would be well to consider that in this bill we are providing more than one-half billion dollars to accelerate the Vietnamization program.

The Vietnamization program has been going on throughout the war in Vietnam. We have supplied the South Vietnamese with vast quantities of fighting equipment and provided training. It is the policy of the Government to accelerate the Vietnamization program.

President Johnson in making the speech on March 31, 1968, in which he announced that he would not seek reelection, made this statement:

> Our presence there—

And he was referring to Vietnam—

> has always rested on this basic belief: The main burden of preserving their freedom must be carried out by them—by the South Vietnamese themselves. * * *
>
> That has been the philosophy of our government in the past. It is the philosophy of our government at this time.

Continuing to quote from President Johnson's speech:

> We and our allies can only help to provide a shield—behind which the people of South Vietnam can survive and can grow and develop. On their efforts—on their determinations and resourcefulness—the outcome will ultimately depend.

Quoting further from President Johnson's speech of March 31, 1968:

> We shall accelerate the reequipment of the South Vietnamese armed forces in order to meet the enemy's increased firepower. This will enable them progressively to undertake a larger share of combat operations against the Communist invaders.

The Vietnamization program is one which we have supported in the past and, of course, it is a program which we are supporting today. We want to achieve the Vietnamization of the war to the greatest possible extent and as rapidly as we can.

We have provided vast sums for ammunition, for weapons, for rifles and for modern equipment for the South Vietnamese. This program has been financed in prior bills, often in supplemental bills, and it is being further financed in this bill.

While we cannot predict when the war will end and we cannot predict whether the Vietnamization of the war will succeed, it is a continuing program of the Government and we propose to give this program every opportunity to succeed.

Later I shall ask permission to add in the RECORD certain additional information in regard to what this bill contains for the Army, Navy and Air Force and for the various forces. But I feel I should conclude presently in order to leave time for others who wish to speak.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. PUCINSKI. The chairman has made an excellent statement. I desire to pursue, if I may briefly, his remarks about overruns. It is my understanding that in this bill an amount of about $7 billion is necessitated by overruns. The gentleman has said that if there is no waste and no fraud, an overrun is acceptable. I was wondering what is the legal position of the second lowest bidder? What is the legal position of the second lowest bidder defense contractor if the lowest bidder subsequently comes in with an overrun claim? We seem to be, I gather from the gentleman's remarks, too tolerant of overruns. I gather from the gentleman's remarks that he is very tolerant of overruns, and I am wondering—this whole practice of accepting revised costs of defense contracts as additional costs, which the gentleman said is precipitated by inflation—I am wondering if this acceptance of overruns does not make a fraud of the whole competitive bidding system on defense contracts. I wonder if the gentleman has a comment he could make on that?

Mr. MAHON. I will be glad to comment on that. The position of the second lowest bidder, of course, is this: if the bidder with the lowest bid is a responsible bidder, he, of course, gets the contract. The trouble on so many defense contracts is that the trend of the development program is rather unpredictable, and it is true that certain defense contractors undertake to bid as low as possible with the thought that the revisions and additions which may upgrade the weapon, or changes which may be made upon the recommendation of the Defense Department will enable the contractor to protect himself economically by the additional funds which are provided for upgrading the program. This, of course, is a practice which must certainly be discouraged. I do not condone cost overruns at all. I do not mean that. I am trying to get the problem in a better focus.

A cost overrun does not indicate that there has been dishonesty or fraud, perhaps not even deceit.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Arizona.

Mr. RHODES. I believe the chairman would also agree with me that most of the items which the military buys are not "off the shelf" items. In other words, you do not make a Spartan missile every day, and you do not have any experience from someone else who has made one. The point that the gentleman from Illinois made is a good point, because the Department of Defense does find itself in a position of not only trying to get the lowest responsible bidder but it has to be sure also, that he did not bid so low as to be an unconscionable bid, with the hope of buying in on the contract later on. This is the tightrope which the Department of Defense has tried to walk. The gentleman's point is well made.

Mr. MAHON. I would like to say in connection with this bill that we have had excellent cooperation from the Department of Defense. Our former colleague, Secretary Laird, has cooperated with the committee very well indeed. And this can be said of the service Secretaries and the members of the Joint Chiefs of Staff.

It should be said that not all our reductions have been approved by defense officials but many have been. No doubt changes will be sought in the Senate version of the bill.

We have tried to put the imprint of the Congress on this bill. We think it is a bill that liberals and conservatives, Democrats and Republicans, can all support. I realize we all want to move toward adjournment of this Congress, and passage of this bill is one of the important

requirements before we can conclude. After we pass this bill, we will have the foreign aid bill and a supplemental, and that will conclude the 21 bills and resolutions from the Appropriations Committee for this session of Congress.

APPRECIATION OF SUBCOMMITTEE AND STAFF

Mr. Chairman, I cannot conclude without expressing my deepest appreciation for the fine work which has been performed on this bill by all members of the subcommittee. I take pride in serving on the committee with the gentleman from Florida (Mr. SIKES), the gentleman from Mississippi (Mr. WHITTEN), the gentleman from Alabama (Mr. ANDREWS), the gentleman from Pennsylvania (Mr. FLOOD), the gentleman from West Virginia (Mr. SLACK), the gentleman from New York (Mr. ADDABBO), the gentleman from California (Mr. LIPSCOMB), the gentleman from Ohio (Mr. MINSHALL), the gentleman from Arizona (Mr. RHODES), and the gentleman from Wisconsin (Mr. DAVIS). These men deserve the thanks of the Congress and the American people.

Now let me refer to the staff.

It would be difficult to exaggerate the importance of the staff in the preparation of a bill of this importance and magnitude. Members of the staff have labored through months of hearings, working early and late in the preparation of the material which has been utilized by the committee, in the drafting of the report and the performance of many other important duties too numerous to mention. They are due a special vote of thanks.

I wish to list for the RECORD these able and dedicated men who have meant so much to the subcommittee in the preparation of the pending bill. They are as follows: Robert L. Michaels, Ralph Preston, John Garrity, Peter J. Murphy, Robert B. Foster, and Austin Smith.

The chief staff man on Defense—Mr. Robert Michaels is retiring this year after more than 18 years of distinguished and dedicated service with the Committee on Appropriations. I wish to personally congratulate him for his long and able service and wish him good luck in his future undertakings.

Mr. Ralph Preston who has served with the committee for 18 years—a man of unquestioned talent and ability—will succeed Mr. Michaels as chief of the Defense staff.

SUMMARY OF BILL

Under permission granted to revise and extend my Remarks, I shall include a summary of the details of the various titles of the bill, and include a tabulation:

SUMMARY OF BILL BY MAJOR CATEGORIES

| Functional title | Appropriation, fiscal year 1969 (new budget obligational authority) | Budget estimate, fiscal year 1970 (new budget obligational authority) [1] | Committee bill | Committee bill compared with— Appropriation, 1969 | Committee bill compared with— Budget estimate, fiscal year 1970 |
|---|---|---|---|---|---|
| Title I—Military Personnel | [2] $23,877,103,427 | $24,376,900,000 | $21,057,200,000 | −$2,819,903,427 | −$3,319,700,000 |
| Title II—Retired Military Personnel | ([3]) | ([3]) | 2,735,000,000 | +2,735,000,000 | +2,735,000,000 |
| Title III—Operation and Maintenance | 22,355,818,000 | 21,792,100,000 | 20,878,100,000 | −1,477,718,000 | −914,000,000 |
| Title IV—Procurement | 20,619,500,000 | 20,886,800,000 | 18,092,148,000 | −2,527,352,000 | −2,794,652,000 |
| Title V—Research, Development, Test, and Evaluation | 7,549,828,000 | 8,222,400,000 | 7,197,600,000 | −352,228,000 | −1,024,800,000 |
| Total | [2] 74,402,249,427 | 75,278,200,000 | 69,960,048,000 | −4,442,201,427 | −5,318,152,000 |
| Distribution by organizational component: | | | | | |
| Army | [2] 24,473,208,223 | 23,955,300,000 | 22,348,000,000 | −2,125,208,223 | −1,607,300,000 |
| Navy | [2] 20,698,463,204 | 22,804,000,000 | 20,809,548,000 | +111,084,796 | −1,994,452,000 |
| Air Force | 25,058,824,000 | 23,959,434,000 | 22,359,634,000 | −2,699,190,000 | −1,599,800,000 |
| Defense Agencies/OSD | 4,171,754,000 | 4,559,466,000 | 4,442,866,000 | +271,112,000 | −116,600,000 |
| Total, Department of Defense [4] | [2] 74,402,249,427 | 75,278,200,000 | 69,960,048,000 | −4,442,201,427 | −5,318,152,000 |

[1] January 1969 budget, as amended in H. Doc. 91–100.
[2] Includes amounts warranted by Treasury Department pursuant to P.L. 91–31.
[3] Included under "Military Personnel."
[4] Includes funds for "Retired Pay Defense."

OPERATIONS

Mr. Chairman, operating funds including both military personnel and operation and maintenance, are used to support the everyday operations of our Armed Forces in Vietnam, other areas overseas, and in the United States. The budget request was for a total of $43,434,000,000. The reduction made by the committee is $1,498,700,000. Operating funds recommended in the bill are $41,925,300,000 This amount represents about 60 percent of the total amount recommended in the bill.

The funds included in the bill will support day-to-day operations of our military establishment. Funds are included to support a total active duty military personnel strength of 3,235,100 at the end of fiscal year 1970, a reduction of 216,800 below the revised budget estimate of April 15, 1969. Some of the major military components to be supported include 17 Army and 3⅓ Marine divisions, 11 Army brigades, about 770 ships of the active fleet, 23 carrier air groups, three Marine air wings, 66 Air Force combat air wings, and 118 Air Force support squadrons.

The principal reductions in operating funds relate to the announced decisions by the Department of Defense in such areas as troop withdrawals from Vietnam and Thailand, reduced operations in other areas of the world, reductions in military personnel end-strength, base closures, ship and aircraft deactivations, and cutbacks in other operations. These reductions were made in part to comply with the governmentwide expenditure limitation enacted in the Second Supplemental Appropriation Act, 1969, Public Law 91–47. Total reduction relating to these actions were $920,070,000.

Curtailment of operations in Southeast Asia was initiated by the Department of Defense as a part of the Vietnamization program. The committee has relied heavily on the guidance of officials of the Department of Defense in reducing the funding of items directly related to the war in Southeast Asia. Further withdrawals of U.S. forces may make additional funding reductions possible during the remainder of this fiscal year, but the committee has not deleted funds on this basis. The enemy could again escalate the intensity of combat and the committee does not want American forces to be placed in jeopardy by shortages of needed supplies and equipment if this should occur.

As was pointed out in the hearings, the committee is concerned that too rapid withdrawal of some U.S. forces could imperil the forces which remain. Every precaution must be taken to avoid this situation.

MILITARY PERSONNEL

SCOPE OF THE BILL

The bill includes appropriations totaling $21,057,200,000 for military personnel and $2,735,000,000 for "retired pay, Defense." Appropriations made under listed personnel while on active duty, including such items as basic pay, special pay, quarters allowances, subsistence, clothing allowances, various allowances for duty overseas, separation payments, social security contributions, and various reenlistment bonuses. Also included is permanent change of station travel which provides for such items as the travel of the individual and his family, the shipment or storage of his household goods, the various dislocation allowances, as well as separation travel.

Title II of the bill, covering retired pay, finances pay of retired military personnel, retained pay of the Navy and Marine fleet reserves, and payments to eligible survivors pursuant to the retired servicemen's family protection plan.

Title I of the bill represents a decrease of $3,319,700,000 below the budget estimate of $24,376,900,000. However, offsetting this reduction is the transfer of $2,735,000,000 for "retired pay, Defense," from title I to a new title II. Therefore, the actual committee reduction in the military personnel request is $584,700,000. Of the $23,877,103,427 appropriated in fiscal year 1969 for military personnel, $2,450,000,000 was for "retired pay, Defense." Therefore, the actual reduction below the comparable 1969 appropriation for title I is $369,903,427.

SEPARATE TITLE FOR RETIRED PAY

This year the committee has recommended the creation of a separate title title I, "Military Personnel," finance the pay and allowances of officers and enfor "retired pay, Defense," because of the fact that the cost of retired pay is rapidly becoming a major item of expense in the Department of Defense budget. In addition, funding for this activity is uncontrollable in the usual sense through the appropriation process since the retirees of the Department of Defense and their survivors must be paid as provided for by law. In addition, during the course of the hearings it was brought out by witnesses of the Department of Defense that based on projections of the cost of retired pay, providing for minimal increases in rates over the years, in all likelihood by the year 2000 retired pay will be well in excess of $12 billion a year. Therefore, for the sake of clarity and in order to separate "nonmilitary" from "military" costs, the committee recommends that appropriations for retired pay be established as a separate title of the Defense bill.

PERSONNEL REDUCTIONS

During the committee hearings, the Secretary of Defense testified that the services are planning sizable reductions in end-strength below the revised budget level. The original budget request submitted by President Johnson in January of 1969 provided for 3,455,100 active duty personnel. This figure was amended by President Nixon on April 15, 1969, to a revised total of 3,451,900. Since that time the Department of Defense has announced further reductions in end-strength to a new total of 3,235,100, for a reduction of 220,000 below the January budget and 216,800 below the April budget. Reductions of this magnitude obviously will result in significantly dollar savings to the budget.

The committee has applied the following savings by service:

| | |
|---|---|
| Army | $192,070,000 |
| Navy | 127,200,000 |
| Marine Corps | 34,900,000 |
| Air Force | 110,600,000 |

One of the means used by the Department of Defense to achieve the end-strength reduction has been to reduce draft calls. The first move in this direction was the cancellation of the November and December 1969 draft call which had the effect of not bringing 50,000 young men into the service. Very recently a sizeable cutback in the January draft call was also announced.

TROOP WITHDRAWALS FROM VIETNAM

Another item that allows for significant savings in the military personnel account is the withdrawals of troops from Vietnam. Upon completion of the midway conference on June 8, 1969, the President announced that he was withdrawing 25,000 troops from Vietnam. Since that time, he has announced that an additional 40,000 troops will be withdrawn, for a total announced reduction of 65,000. The reduction is scheduled to be completed by December 15, 1969, and during the period of June 1 to December 1, 1969, the total in-country strength in Vietnam has in fact decreased by approximately 61,000.

Withdrawals from Vietnam do not necessarily result in end-strength reductions. Many of the troops were redeployed to bases within the United States, others were redeployed to Okinawa and some were released from the service. However, a significant dollar savings results simply from the withdrawal of the troops from Vietnam even though they may be redeployed elsewhere. For example, troops in Vietnam receive combat pay, overseas duty pay and some receive separation allowances. In addition there are added costs for combat rations and special tropical clothing.

However, in the case of the Marine Corps, of the 27,000 withdrawn from Vietnam, some were redeployed to Okinawa. In this case, many of the allowances which are drawn in Vietnam are also drawn in Okinawa. Therefore, the total savings, by service, are estimated to be:

| | |
|---|---|
| Army | $30,000,000 |
| Navy | 6,000,000 |
| Marine Corps | 18,000,000 |
| Air Force | 2,500,000 |

SIZE OF HEADQUARTERS STAFFS

The Department of Defense and the military services have their principle headquarters in the Greater Washington, D.C., metropolitan area. In addition, all of the services have personnel assigned to major command and administrative headquarters located in various areas of the country.

When these military and civilian personnel and those assigned to the headquarters of the unified and specified commands located throughout the world are considered, the organization appears to be considerably overstaffed. During the hearings, the committee questioned the Secretary of Defense and the service Secretaries regarding the size of the headquarters staffs. It was pointed out in the hearings that the number of people in headquarters activities in the Washington, D.C., metropolitan area alone was estimated to be 72,893 civilians and 42,029 military in 1970. The committee feels that a Washington area headquarters staff of almost 115,000 is unwarranted and represents topheaviness even for an organization the size of the Department of Defense.

The Secretary of Defense testified that there are plans underway to reduce the Washington headquarters staff by 1,755 military and 1,539 civilians. The committee applauds these reductions as a step in the right direction; however, the committee feels that further review will identify additional areas that are overstaffed within the headquarters operation and has, therefore, made a substantial reduction in both civilian and military manpower on this account. The reduction for civilian personnel is discussed under "Operation and maintenance." The reduction applied to military personnel, by service, is:

| | |
|---|---|
| Army | $1,800,000 |
| Navy | 2,755,000 |
| Marine Corps | 1,300,000 |
| Air Force | 1,880,000 |

PERSONNEL ASSISTANCE PROGRAMS

The committee reviewed the various programs in the services designed to assist military personnel in returning to civilian life or upon entering the military service. Presentations were made by the services and by the Secretary as to the various projects known as Project 100,000; Project Transition; Project Value; and Project Referral. The committee feels that appropriate assistance by the Department of Defense or by the services to men upon entering the service, or about to return to civilian life, is desirable.

All of these programs are very new and their cost has increased at a very rapid rate each year. Because of this rapid acceleration in cost, the committee is of the opinion that reductions in each of these programs would be most appropriate this year and would provide the needed impetus for the Department of Defense to review them and determine the reason for the large increase in cost. Funds for these various projects appear in two places in the budget, title I—military personnel, and title III—operation and maintenance. The committee's reduction, by program, for both titles I and III is:

| | |
|---|---|
| Project 100,000 | $1,735,000 |
| Project Transition | 4,015,000 |
| Project Value | 200,000 |
| Project Referral | 975,000 |

CHANGES IN SUBSISTENCE COSTS AT MESSHALLS

During the course of the hearings, the committee was advised that the services were experiencing significant increases in the absentee rate at their messhalls. The committee has been informed that this increase in absentee rates can be contributed primarily to a new reporting system that the services have implemented during the past year. Because of these adjustments in the absentee rates, the original budget request for each of the services was overstated. However, offsetting the decrease in attendance at mealtime there has been a corresponding increase in the cost of subsistence. The increase in subsistence costs in the case of two of the services, has more than offset the decrease in requirements caused by the decrease in attendance.

In the case of the Navy, the committee added $1,600,000 to the budget request, and in the case of the Air Force, the committee added $2,280,000 to the budget request. However, the Army and the Marine Corps, even with the increased cost of subsistence, are still overstated and reductions can be applied in both cases. In the case of the Army, the reduction amounted to $6,200,000 and in the case of the Marine Corps, a reduction of $3,700,000 was applied.

NEW FOOD ITEM PROGRAM

During the hearings with the Department of the Army, testimony revealed that plans were underway for the testing and production of a new type of food item. In order to evaluate this new food item the Army proposes to procure enough of the item for 1 million meals. While the committee feels this is a worthwhile program, serious question arises as to the need to procure 1,000,000 meals in order to effectively test the item.

It is the opinion of the committee a smaller size sample would serve equally well for evaluation purposes. The committee has, therefore, applied a reduction of $750,000 to the program, which will still provide for a sample size of at least 500,000 meals.

OTHER REDUCTIONS

During the committee's hearings on military personnel and on operation and maintenance, the committee questioned areas such as public affairs, public relations, and public information; and also, the area of automatic data processing. Since the majority of the funds for both of these items appear in the "Operation and maintenance" account, the reductions made in military personnel are primarily to support the major reduction made in the "Operation and Maintenance" account.

However, military personnel are involved in both of these areas and, therefore, it is only appropriate that some reductions be made. In addition, other reductions were made in the "Operation and maintenance" account that require a corresponding reduction in military personnel. One example, is support service contracts, and another example is Operation Deepfreeze carried on by the Navy. All four of these items are discussed in detail in the discussion on operation and maintenance.

In addition, other reductions were made in the "Military personnel" account to cover such items as the shipment of privately owned motor vehicles and the use of commercial air travel. In the case of shipment of privately owned vehicles it was determined during the hearings that the average cost to ship a vehicle had been overstated and, therefore, an appropriate reduction was made in the budget request. In the area of commercial air travel, a modest reduction was made and testimony during the hearings indicated that better utilization could be made of existing Military Airlift Command flights.

RESERVE AND GUARD PERSONNEL

The committee has provided funds for a Selected Reserve of the Armed Forces for a total average strength of not less tha 964,687, as authorized. Modest reductions have been made in the request of each of the Reserve components since the components have failed to meet their programed average strength.

Information provided by the services substantiates the fact that paid drill attendance is at a slightly lesser rate than that programed at the time the budget request was prepared. Therefore, the modest reductions made by the committee are appropriate and in order.

SUMMARY TABLE OF FUNDS PROVIDED

Following is a table of the military personnel and retired pay, Defense funds provided in the bill.

TITLE I—MILITARY PERSONNEL

| | |
|---|---|
| Military personnel, Army | $8,312,000,000 |
| Military personnel, Navy | 4,370,000,000 |
| Military personnel, Marine Corps | 1,518,000,000 |
| Military personnel, Air Force | 5,835,300,000 |
| Reserve personnel, Army | 308,000,000 |
| Reserve personnel, Navy | 131,400,000 |
| Reserve, personnel, Marine Corps | 45,000,000 |
| Reserve personnel, Air Force | 83,400,000 |
| National Guard personnel, Army | 356,800,000 |
| National Guard personnel, Air Force | 97,300,000 |
| Retired pay, Defense | |
| **Total, title I—Military personnel** | **21,057,200,000** |

TITLE II—RETIRED MILITARY PERSONNEL

| | |
|---|---|
| Retired pay, Defense | 2,735,000,000 |

OPERATION AND MAINTENANCE

Funds required for operation and maintenance activities relate to the size of the active forces and the numbers of personnel in the Reserve components; the tempo of operations, the desired degree of readiness, and the deployment of the forces; the training of personnel in the use of weapon systems and equipment; and, the types of military facilities to be operated and maintained. The appropriations for operation and maintenance are directly related to the ability of our Armed Forces to react quickly, deploy effectively, and to maintain their overall state of readiness.

The committee recommends appropriations totaling $20,878,100,000 for operation and maintenance activities. This amount is a reduction of $914,000,000 below the revised budget estimate for fiscal year 1970. The largest single reduction, $217,600,000, relates to the announced reduction in force levels; such as the cutback in military personnel and the deactivation of older ships and aircraft. There are also other reductions in force levels affecting the requirement for operation and maintenance funds. These reductions include the inactivation of the Army's 9th Infantry Division, and the Marine Corps' 3d Division, the phaseout of the B–58's, and many base closures.

Notwithstanding the reductions made for cutbacks in force levels, the services are bringing into the defense force structure several new items and larger quantities of relatively new items for which substantial support funds are required during fiscal year 1970. In the Navy, some 55 new ships are expected to join the fleet as a result of either new construction or conversion. The Air Force will place into service in fiscal year 1970 the C–5A, a few more wings of the F–111, and will also begin deployment of a limited number of FB–111's.

These are but a few examples of new equipment being added to the force structure which will require a sustained level of adequate operation and maintenance funding.

The second largest reduction assigned by the committee was $181,200,000 to the withdrawal of forces from Southeast Asia. Substantial amounts of operation and maintenance appropriations are directly related to the tempo of the war in Vietnam. With these withdrawals less funds will be required for support operations than had been estimated in the revised budget.

The committee reduced the request for communication and intelligence operation by $79,600,000. The Department of Defense estimates that the revised budget includes over $3 billion for these operations. The reason for the committee's reduction was to emphasize to the Department the need for better management. Suggested areas for improvement are spelled out in the committee's report. The committee recognizes the need for reliable communication and intelligence operations and any degree of reliability in either area will be dfficult to attain until such time as the needed management improvements are implemented.

OTHER O. & M. REDUCTIONS

The Department of Defense has announced a reduction of about 48,600 full-time permanent civilian employees. The committee estimated that this reduction will save $140,500,000 in fiscal year 1970. Other major areas the committee has reduced are:

| | |
|---|---|
| Headquarters operation and administration | $58,475,000 |
| Automatic data processing operation | 82,400,000 |
| Public affairs, relations, and information | 2,500,000 |
| Service support contracts | 62,550,000 |
| Pilot training | 33,000,000 |
| Management studies | 6,900,000 |

Headquarters operation and administration were discussed previously under "Title I, military personnel." Of course, there are related reductions in operation and maintenance for the supplies, maintenance, utilities, support services, and other cost incurred in support of these large headquarters operations.

AUTOMATIC DATA PROCESSING OPERATION

The committee is concerned with the rapid expansion of automatic data processing systems in the Department of Defense. Last year and again this year, the committee, in cooperation with the General Accounting Office, reviewed the practices of the various component organizations of the Department in planning, procuring, and installing this new ADP equipment for use in computerized management systems. To say the least, the committee is not pleased.

Last year, the committee found that there was a general lack of coordination and planning within and among the services and/or Defense agencies relating to the adaptability of the various systems to one another. The committee directed last year that a thorough review and analysis of all systems should be undertaken as soon as possible. The committee also believed that a close working relationship should be arranged between the new review offices established in each Service and the new office under the cognizance of the Assistant Secretary of Defense, Comptroller. It was apparent to the committee that only through such a coordinated effort could adequate control be established for the planning, adaptation, coordination, and installation of these ADP management systems. The committee also directed that until such time as these newly established offices have had an opportunity to review various systems in existence as well as those being planned for the future, expansion of all systems should be held in abeyance.

Despite this request, the Services were permitted to proceed with the expansion of many systems without the requisite review. It was evident from the committee's review this year that there is still a need for improved management of these costly systems. It was disclosed that existing systems were still being updated or new systems installed without careful consideration of the product of other systems already in existence or of other parallel systems being developed. For example, the Air Force plans to install a new phase II base level system at many Air Force bases in the United States. The committee is not convinced that this is necessary. It appears that at some bases

the existing second generation equipment provides adequate information, and that third generation equipment is a multi-million-dollar luxury.

The committee will continue to give Defense ADP operations close scrutiny. The General Accounting Office has been directed to continue a comprehensive review in this area.

PUBLIC AFFAIRS, RELATIONS, AND INFORMATION

The Defense budget request for 1970 includes about $30 million for public affairs, public relations, and public information activities. The committee made a direct reduction of $4,955,000 in this request—$2,455,000 in military personnel and $2,500,000 in operation and maintenance. The committee's reduction in civilian personnel employment and headquarters staffs will tend to cause even further reductions. These actions will likely result in an indirect reduction of an additional $5 million, or a total reduction of about $10 million.

It is estimated that in fiscal years 1968 and 1969 the Department of Defense obligated about $28 million and $30 million, respectively, for public affairs, public relation, and public information activities. The committee report on the fiscal years 1968 and 1969 appropriation bills pointed out these activities as an area where reductions could be made.

The committee is of the opinion the Department was not closely managing these activities. Therefore, early last year, the committee ordered its surveys and investigations staff to conduct a comprehensive review of these operations. The staff report pointed out numerous areas of duplication, ineffective utilization of personnel, and a lack of overall control of this operation.

The report was furnished to the Assistant Secretary of Defense for Public Affairs for corrective action. The committee was subsequently advised that management changes are being initiated and operational improvements should be forthcoming in the very near future.

The committee also continued the limitation on legislative liaison activities of the Department of Defense. Section 629 of the bill limits this activity to $1,150,000.

SERVICE SUPPORT CONTRACTS

The committee has noted over the last few fiscal years that the costs of service support contracts have substantially increased in each service. Information provided the committee indicates that a large increase is again intended for fiscal year 1970. The committee recognizes the need for these contracts but the cost of this operation is increasing at a rate which appears to be disproportionate to the need. The committee reduced funding for fiscal year 1970 in this area for each of the services in order to hold the cost of these contracts at about the fiscal year 1969 level. The committee intends to give this matter further attention in its review of the fiscal year 1971 budget request.

PILOT TRAINING

The committee reduced the Navy's request for pilot training by $13 million as a result of an announced cutback during fiscal year 1970.

The committee also directed that fixed wing training for helicopter pilots be discontinued. Both the Navy and the Air Force give helicopter pilots training in fixed-wing aircraft prior to helicopter pilot training. Fixed-wing pilot training is very, very expensive. For several years the committee has discussed with the Navy and the Air Force the need for training helicopter pilots in fixed-wing aircraft. The committee suggested that consideration be given to discontinuing this type of training. This suggestion was ignored. Last year the committee stated in its report that fixed-wing training for helicopter pilots could be dispensed with especially in view of the urgent need for helicopter pilots. The committee pointed out that fixed-wing training could later be provided for those pilots whose subsequent duty would require it. However, the services chose to ignore the report.

This year, both services testified to the fact that they intended to continue to ignore the committee's desires.

It cost on the average about $60,000 per trainee to become proficient in a fixed-wing aircraft prior to helicopter training. Since both Services train approximately 1,000 helicopter pilots each year, the total cost for fixed-wing training is about $60 million in the two services each year. The committee believes that the $60 million expended for fixed-wing training could be used to better advantage for more urgent requirements.

Therefore, the committee directs that the fixed-wing training of helicopter pilots be discontinued. In taking this action, the committee is reducing each services request for pilot training by $10,000,000. With this reduction, sufficient funds will still be available for a gradual phaseout of the program by June 30, 1970.

MANAGEMENT STUDIES

The committee has been critical of consultant management studies made for the Department of Defense for many years. The committee's prior reviews of the requirements for, and utilization of, these studies demonstrated the need for closer overall Defense management of these funds. The review of the 1970 budget request further solidified the committee's position. The committee is of the opinion that the Department of Defense is not exercising proper control over when and what type of studies are made. Therefore, the committee reduced the operation and maintenance funds requested for these studies.

SUMMARY TABLE OF FUNDS PROVIDED

Following is a table of the operation and maintenance funds provided in the bill for each service and/or Defense component:

| *Agency* | *Amount* |
|---|---|
| Army | $7,214,447,250 |
| Navy | 5,037,300,000 |
| Marine Corps | 420,000,000 |
| Air Force | 6,454,500,000 |
| Defense Agencies | 1,074,600,000 |
| Army National Guard | 300,000,000 |
| Air National Guard | 330,534,000 |
| National Board for the Promotion of Rifle Practice, Army | 52,750 |
| Claims, Defense | 41,000,000 |
| Contingencies, Defense | 5,000,000 |
| Court of Military Appeals, Defense | 666,000 |
| Total, operation and maintenance | 20,878,100,000 |

PROCUREMENT

For the procurement portion of the Defense budget, we have provided in this bill about $18.1 billion, which is approximately $2.8 billion less than the request in the amended President's budget for fiscal year 1970, and $2.5 billion below the amount made available for this purpose in fiscal year 1969.

In general terms, the recommended amount will fund a total of 686 fixed-wing aircraft, 1,259 helicopters, construction of 14 new ships, conversion of 17 others, and a classified quantity of Minuteman II, Minuteman III, and Poseidon missiles, as well as various types of military hardware, combat vehicles, and other equipment.

For the Army, the committee recommended an appropriation of about $4.3 billion, a reduction of $787.7 million below the amended budget estimate, and approximately $1.4 billion below the appropriation for fiscal year 1969. The reduction includes $526.1 million which failed authorization of Congress, and an additional reduction of $261.6 million recommended by the Committee. The Army was provided funds for 29 fixed-wing aircraft, the U–21 utility aircraft and its reconnaissance version, the RU–21; and for 972 helicopters of various types, including 170 AH–1G Huey Cobras to fill the void caused by the cancellation of the AH–56A Cheyenne procurement contract. Essentially, the helicopters funded are to replace losses. The largest single item funded, of course, is the Safeguard ABM. The bill also funds quantities of TOW and Shillelagh anti-tank missiles and Redeye and Chaparral air defense missiles. Fiscal year 1970 will complete the planned buy of the Shillelagh missile.

A large variety of ground munitions are funded in order to support the projected reduced levels of combat activity in Southeast Asia. A total of $324.8 million in the Army procurement budget is directly related to the Vietnamization effort. Communications equipment, combat and support vehicles and weapons were funded at a lower level this year than in fiscal year 1969. The last buy of the Sheridan tank will be made with fiscal year 1970 funds. The committee recommended reductions in funding for a number of U–21 utility aircraft, as well as for the Improved Hawk, Chaparral, and Pershing missile systems. Reductions were also recommended in communications and electronics equipment, in ammunition, based primarily on reduced ammunition consumption, and in the modernization of certain facilities.

For the Navy, the committee recommended an appropriation of about $7.2 billion, a reduction of $1.3 billion below the budget estimate, and $677 million below the appropriation for fiscal year 1969. The committee funded a total of 282 fixed wing aircraft, including A–4 attack aircraft for the Marines, A–6 all-weather bombers, EA–6B electronic countermeasures aircraft, A–7 attack aircraft for the Navy, F–4J fighters, and a small quantity of AV–6B Harrier V/STOL fighter aircraft for operational testing by the Marines. In addition, a quantity of P–3C Orion ASW patrol aircraft and a number of training aircraft were also funded. The committee rec-

ommended the deletion of procurement funds for the new F–14 general-purpose fighter-interceptor aircraft and added three such aircraft to the research and development program. The feelings of the committee relative to this aircraft are expressed on pages 55 through 57 of the report which accompanies this bill. The Navy was provided funds for 74 CH–46 Sea Knight and UH–1N Iroquois helicopters. The request for procurement of new RA–5C Vigilante reconnaissance aircraft was denied because losses did not support the need cited. We also denied funds for new KA–6D Intruder tanker aircraft and recommended that the Navy modify existing A–6A aircraft in the inventory to the tanker configuration. The committee funded a quantity of Poseidon missiles, but reduced the request for the AIM–7F Sparrow III air-to-air missile and denied funds for the AGM–54A Shrike antiradar missile.

In the shipbuilding program the committee recommended funding 14 new ships, including the CVAN–69, a third nuclear-powered attack aircraft carrier, plus the second increment of advanced funding for nuclear propulsion spares and fuel for the *Nimitz*-class carriers. Three new SSN–688 class high-speed nuclear-powered attack submarines were provided for, plus advanced funding for five more to be built in subsequent years. A new DLGN–38 class nuclear frigate, formerly called the DXGN, was funded, along with advanced procurement for three more—one in fiscal year 1971, one in fiscal 1972, and one in fiscal 1973. We recommended the appropriation of funds for five DD–963 class destroyers, a new type previously identified as the DX, as well as advanced funding for the procurement of the MK–86 gunfire control system for eight more such ships. The committee also provided for two LHA general purpose assault ships, advance procurement for two more, and two PGM motor gunboats. In addition to the new construction provided for in the bill, a number of new ships will join the fleet during fiscal year 1970, including eight nuclear attack submarines, 15 amphibious warfare ships, and 12 escort ships.

The committee recommended funding 17 conversions; namely, six SSBN Polaris to Poseidon submarine conversions, one DLG frigate conversion, and 10 MSO Ocean Minesweeper conversions. There are also advance procurement funds for 12 more SSBN conversions—seven in fiscal year 1971 and five in fiscal year 1972, and for four more DLG conversions in fiscal year 1971. Of course, the three fast deployment logistic—FDL—ships requested this year failed congressional authorization and were not funded.

The committee reduced the funds requested for the procurement of the MK–48 torpedo, and requested that the Navy complete the test program on both versions of the MK–48 before deciding which model of this weapon will be bought for the fleet. We also recommended minor reductions in the proposed Marine Corps procurement program, primarily related to the redeployment of Marine units from South Vietnam. The total Navy procurement accounts contains $3.4 million directly related to the Vietnamization program.

For Air Force procurement, the committee recommends an appropriation of approximately $6.5 billion, a reduction of about $698 million below the budget request and about $1.8 billion below the appropriation for fiscal year 1969. Funds are provided for the procurement of 375 fixed wing aircraft, including A–7D attack aircraft, F–111D fighter/bombers, RF–5 reconnaissance aircraft, A–37B close-support jet aircraft, O–2A observation aircraft, C–5A and C–130E airlift aircraft, and a quantity of trainer aircraft. Funds were made available for 213 helicopters, including the UH–1 Iroquois and a new search and rescue helicopter. The committee deleted the $52 million requested for advance funding of long lead-time items associated with future procurement of C–5A aircraft beyond the 81 approved through fiscal year 1970 program. The committee recommended that within the funds provided for aircraft procurement, $28 million shall be available to initiate the procurement of a fighter aircraft to meet the needs of free world forces in Southeast Asia. The committee deleted funds for the proposed procurement of RF–4C reconnaissance aircraft and the funding for modification of B–58 bombers which are being retired, and reduced the funding in other areas.

We provided for the procurement of Minuteman II and Minuteman III missiles as replacements for the older Minuteman I missiles. The replacement is required for the continued updating and strengthening of our 1,000 Minuteman force. Funds requested for standard ARM and Shrike antiradar missiles were denied because existing inventories of these missiles are sufficient to meet present needs. The committee also denied funds for the initial procurement of the short-range attack missile—SRAM—because it was felt that it would not be prudent to initiate procurement in fiscal year 1970 in view of the technical difficulties being encountered in the development program. Decreases were recommended in funds for munitions, based on reduced consumption rates in Southeast Asia, in vehicular equipment, in communications and telecommunications equipment, and in other base maintenance and support equipment. The Air Force procurement budget contains $96.1 million directly attributable to the Vietnamization program.

The committee recommended an appropriation of $61.6 million for procurement of supplies and equipment for the Defense agencies of the Department of Defense, a reduction of $16 million below the amended budget estimate, and $20.1 million below the appropriations for fiscal year 1969. The reductions were made in funds for the Defense Communications Agency, National Security Agency, Defense Intelligence Agency, and Defense Supply Agency.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For research, development, test, and evaluation functions, this bill provides a total appropriation of approximately $7.2 billion, which is about $1 billion less than the budget estimtae and $352 million below the appropriation for fiscal year 1969.

Major programs funded this year include the Safeguard ABM system, the Army's Dragon antitank missile, the Navy's F–14 fleet air defense fighter interceptor, and the S–3A—formerly VSX—antisubmarine warfare aircraft. Also included is the Air Force's F–15 tactical air superiority fighter aircraft, the airborne warning and control system—AWACS—and the advanced manned strategic aircraft—AMSA—now known as the B–1 bomber. The committee either reduced or denied funds for various other development programs of the military departments, and reduced funds for missile test ranges as well as in-house research and development activities and facilities because of reductions made in this overall program.

For the Army, the committee recommended an appropriation of approximately $1.6 billion, a reduction of $274 million below the budget estimate and $54.1 million above the appropriation for fiscal year 1969. The funds provided will permit improvement in certain portions of the Safeguard ABM system and the continued development of the Dragon antitank missile, which is nearing completion of development.

Funds requested for the proposed development of the utility tactical transport aircraft system—UTTAS—a new helicopter, were reduced and the funds for the UTTAS engine were denied. The committee reduced funds for Project Mallard, a proposed international development of a major tactical communications system for the field armies of the four participating countries, and recommended termination of the program. We also suggested that the joint international development of the MBT–70 main battle tank be terminated and that the Army proceed to design a tank with far less sophistication and complexity that can be produced at about a third of the cost now estimated for the current design.

The recommended appropriation for the Navy totaled $2 billion, a reduction of $171.1 million below the budget estimate and approximately $100 million below the appropriation for fiscal year 1969. The funds provided will permit improvement to and continued testing of the Poseidon missile. Full scale development of the initial and follow-on versions of the F–14 fleet air defense fighter-interceptor aircraft will be continued, and the committee added three aircraft to the program in order to maintain this aircraft in research and development. The funds made available will also permit the initiation of development of the S–3A—formerly VSX—antisubmarine warfare aircraft.

Funds for the development of the heavy lift helicopter were reduced, and the committee recommended that the Army and Navy proceed with a joint development of such a vehicle. The committee also directed that development of the Condor air-to-surface missile be discontinued because of the increased cost of this weapon system resulting from developmental problems.

For the Air Force, this bill provides for an appropriation of about $3.1 billion, a reduction of $504.3 million below

the budget estimate and approximately $307.8 million less than the fiscal year 1969 appropriation. The funds made available will permit the continued development of the F–15 tactical air superiority fighter aircraft, and the initiation of engineering development on the airborne warning and control system to improve our continental air defense. The advanced manned strategic aircraft—AMSA—now known as the B–1 bomber, will enter design competition in fiscal year 1970. The committee recommended funds for continued development on the C–5A transport and F–111 fighter-bomber aircraft and improvements to the Minuteman missile. A modest amount was provided for development of a new interceptor aircraft for continental air defense against Soviet bombers. The Air Force will continue development of the Maverick tactical interdiction air-to-surface missile system during that fiscal year.

The Air Force terminated the manned orbiting laboratory program earlier this year, and the committee reduced the funds requested for a new A–X attack aircraft, which was considered to be a relatively low priority requirement for this year. We also reduced the requests for the subsonic cruise armed decoy—SCAD—missile for the B–52 and FB–111 aircraft, and the hard rock silo development program for our Minuteman ICBM force. The bill provides only half the funds requested for an advanced airborne command post because the committee felt this requirement should be studied further as to actual need.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. MINSHALL).

(Mr. LIPSCOMB (at the request of Mr. MINSHALL) was granted permission to extend his remarks at this point in the RECORD.)

Mr. LIPSCOMB. Mr. Chairman, the pending bill, H.R. 15090, making appropriations for the Department of Defense for fiscal year 1970, is one of the most significant and important pieces of legislation the Congress will act upon during this the first session of the 91st Congress.

This appropriation provides for the protection of the United States and to bring the Vietnam war closer to an honorable peace. In the context of national needs there is no higher priority.

The distinguished gentleman from Texas (Mr. MAHON) who is chairman of both the full Appropriations Committee and the Defense Subcommittee has presented to the House an excellent report on the Defense appropriations bill for fiscal year 1970. I commend the chairman, and also my colleagues on the subcommittee and our able and dedicated staff for the fine job they have done. They have performed a valuable public service to the Nation.

DEFENSE FUNDS INCLUDED IN BILL

Mr. Chairman, H.R. 15090 will provide a total of $69,960,048,000 in new obligational authority for the Department of Defense in fiscal year 1970, including the support of our allies engaged in the conflict in Southeast Asia but excluding other military assistance, military construction and family housing, and civil defense. These latter requirements are considered in other appropriations bills. The bill does not provide for the Department of Defense military and civilian pay increases which became effective July 1, 1969. As has been the custom in recent years, this last requirement, together with other civilian pay increases, will be transmitted to the Congress next January in a Government-wide supplemental.

Barring a drastic change in the situation, a fiscal year 1970 supplemental appropriation request for Southeast Asia is not anticipated at this time. If this assessment should prove to be correct, it will be the first time since the Southeast Asia buildup began that we will not be confronted by such a supplemental.

The $69,960,048,000 recommended is $7,780,152,000 below the amount requested for these purposes in the original fiscal year 1970 budget transmitted to the Congress by the outgoing administration in January, and $5,318,152,000 below the amended fiscal year 1970 budget request transmitted to the Congress in April by the present administration. Indeed, it is $4,362,798,000 below the amount appropriated for the same purposes for fiscal year 1969, including the supplemental provided earlier this year.

The funding provided in this bill is to support a series of military activities which, taken together, add up to essentially the overall military program administered by the Department of Defense.

This includes our strategic forces which are comprised of both offensive and defensive aircraft and missiles and related systems. Another principal military category is the general purpose forces, which includes most of the Army's combat support units, most Navy units, all Marine Corps units, and tactical units of the Air Force. These forces, which require far the greatest single portion of the Defense budget, are for the purpose of performing the entire range of operations short of nuclear war. Airlift and sealift forces are to transport troops, supplies, and equipment in keeping with our national needs.

Other major programs are the Guard and Reserve Forces. Research and development and other programs such as intelligence and communications; central supply and maintenance; training, medical and other general personnel activities; retired pay; administration and associated activities; and military assistance funded by the Department of Defense.

It is for these activities that a total of $69,960,048,000 is recommended in the bill. Measured against the original fiscal year 1970 budget request, the net reduction of $7,780,152,000 is the largest ever recommended by the Appropriations Committee in such a bill since the end of World War II. And, this reduction is recommended at a time when the conflict in Southeast Asia is still unresolved, when Soviet military capabilities are still growing and when the Chinese Communist nuclear weapons program is still advancing. These are major reasons why the markup of the Defense appropriations bill was a most difficult and demanding task.

I can assure the House of Representatives that we did not approach this task lightly. The Defense Appropriations Subcommittee has always considered that its primary duty is to provide for the military security of the Nation. But at the same time we have always recognized that over the long run our military strength depends upon the vigor and growth of our economy and well-being and cohesiveness of our society. Accordingly, the task before us was to strike an appropriate balance between these two imperatives.

The actions taken by the committee reflect its opinion that this bill is consistent with our national objective of maintaining military superiority. Our report states in this regard:

The Committee continues to feel, as it has stated for many years, that this country must maintain its military superiority over any other nation. It is the feeling of the Committee that this country does now have military superiority and that steps must be taken now and in subsequent years to continue to maintain our overall military superiority. The recommendations made are consistent with this objective.

SECRETARY OF DEFENSE

I believe it is most appropriate at this time to commend the Secretary of Defense for his outstanding contribution to our national welfare.

Herculean problems confronted this Nation on every side when the new administration took office last January 20. Nowhere, however, were the problems larger or more formidable than those which faced the Department of Defense.

The membership of this body can be justifiably proud, therefore, of the President's choice in selecting Melvin R. Laird to be his Secretary of Defense.

With many years of service in the Congress, including service as a member of the Subcommittee on Defense Appropriations, Secretary Laird came to his new assignment with a thorough knowledge of defense programs and problems and of their proper place in the Nation's priorities.

I believe I speak for all of the members of the subcommittee when I say that our former colleague cooperated fully and in a sensible and courageous manner has dealt with this very difficult and painful task of cutting Defense expenditures. His knowledge and cooperation have been of great assistance to the committee.

I also want to commend Secretary Laird for his prompt action in establishing a blue ribbon panel to study and make recommendations and improvements in the organization and management of the Defense Department. This is an action that the other minority members of the subcommittee and I, including Secretary Laird when he served with us, have been urging for a number of years. In view of the many shortcomings which have surfaced in recent years, I believe we can all agree that this action is very timely.

OVERALL BUDGETARY CONSIDERATIONS

To the best of our ability, we have taken into account both the favorable and unfavorable developments, at home and abroad, during the past year. On the

domestic side we could not avoid facing up to the critical fiscal, economic, and social problems besetting the Nation at this time, problems which were inherited by the present administration. When President Nixon took office this past January the inflationary spiral had already been underway for 3 or 4 years. From fiscal year 1964 through the original fiscal year 1970 budget submitted by the previous administration in January 1969, total Federal outlays were scheduled to increase by almost $77 billion, about 65 percent. The increase in national defense during this period was estimated at 52 percent but the increase in major social programs was set at 123 percent.

Mr. Chairman, the following table from page 27 of the Budget of the U.S. Government as transmitted to the Congress in January shows the changing structure of Federal budget outlays over these years.

CHANGING STRUCTURE OF FEDERAL BUDGET OUTLAYS

[Fiscal years. In billions]

| Program | 1964 actual | 1968 actual | 1969 estimate | 1970 estimate | Change 1964–70 |
|---|---|---|---|---|---|
| National defense | $53.6 | $80.5 | $81.0 | $81.5 | +$28.0 |
| (Special Southeast Asia support) | | (26.5) | (28.8) | (25.4) | (+25.4) |
| Major social programs: Social insurance trust funds (excluding medicare) | 22.7 | 30.2 | 33.3 | 37.2 | +14.4 |
| Welfare payments and services | 3.4 | 4.6 | 5.3 | 6.1 | +2.6 |
| Education and manpower training | 1.6 | 6.4 | 6.5 | 7.2 | +5.6 |
| Health (including medicare) | 1.8 | 9.7 | 11.4 | 13.0 | +11.2 |
| Low- and moderate-income housing | (1) | 0.9 | 0.9 | 1.1 | +1.1 |
| Community and regional development | 0.8 | 1.8 | 2.4 | 3.3 | +2.4 |
| Subtotal, major social programs | 30.4 | 53.7 | 59.8 | 67.8 | +37.4 |
| Interest | 9.8 | 13.7 | 15.2 | 16.0 | +6.1 |
| Veterans benefits and services | 5.7 | 6.9 | 7.7 | 7.7 | +2.0 |
| All other programs | 22.1 | 28.6 | 25.0 | 24.9 | +2.8 |
| Allowances for pay increase and contingencies | | | .1 | 3.2 | +3.2 |
| Undistributed intragovernmental transactions | −2.9 | −4.6 | −5.1 | −5.7 | −2.8 |
| Total | 118.6 | 178.9 | 183.7 | 195.3 | +76.7 |

[1] Less than $50,000,000.

Although total Federal budget receipts are also expected to increase substantially between 1964 and 1970, they lagged substantially behind outlays through fiscal year 1968, producing a budget deficit in that year of more than $25 billion. This was the largest deficit in the history of our Nation except for the three World War II years, fiscal years 1943–45. In fact, the cumulative deficit in the 8 fiscal years, 1961–68, exceeded $60 billion.

The new administration inherited a fiscal year 1970 budget totaling $195.3 billion in outlays. By the middle of April 1969, it became clear that the programs proposed by the previous administration in that budget would require outlays of $196.9 billion, principally because of increases in interest on the national debt and in farm price support payments. Moreover, in view of the steadily mounting inflationary pressures, President Nixon came to the conclusion that it would be necessary to reduce total Federal spending for fiscal year 1970 by $4 billion below the revised January estimate, to a new total of $192.9 billion. This reduction, it was then anticipated, would produce a surplus of $5.8 billion for fiscal year 1970. A surplus of this magnitude, the President pointed out, "will speak louder than any words to the business and labor communities in this country and to the world that the United States is determined to bring a halt to the inflationary spiral which has seriously affected our economy these last 4 years."

However, by July 22, when the President signed the final supplemental appropriation bill for fiscal year 1969 into law, the budget picture had considerably worsened. Expenditure estimates for such uncontrollable items as interest on the public debt, medicare, social security, and so forth, had gone up by an additional $2.5 billion and congressional actions up to that time had added another $1 billion, making a total increase of $3.5 billion. Together with the $1.6 billion identified in April, the total estimated increase in fiscal year 1970 expenditures amounted to $5.1 billion. In other words, the January budget estimate of $195.3 billion in outlays had, by July, grown to $200.4 billion, excluding the reductions made by the President in April.

Inasmuch as the inflationary pressures were continuing unabated and the Congress had established a new Federal expenditure ceiling of $191.9 billion, plus not to exceed $2 billion in increases in certain uncontrollable budget categories such as interest on the public debt, the President had no better alternative than to hold Federal expenditures to his April estimate of $192.9 billion, $7.5 billion below the newly adjusted January estimate of $200.4 billion.

Because a large proportion of non-Defense expenditures are beyond the control of the executive branch, and the Congress had already made it clear that further substantial reductions should be made in fiscal year 1970 defense program, the President, with the concurrence of Secretary of Defense Laird, decided that Defense should absorb $4.1 billion of the $7.5 billion in gross expenditure reductions, or approximately 55 percent. Since Secretary Laird had already achieved an expenditure reduction of $1.1 billion in his earlier review of the January budget, the remaining amount to be achieved was $3 billion, and this was the new expenditure reduction goal he announced on August 21 of this year.

Mr. Chairman, I believe it is of the utmost importance that the American people clearly understand the reasons which have led both the executive branch and the Congress to decide on substantial reductions in the fiscal year 1970 Defense program at this particular time.

Our economy has been experiencing rapid inflation since 1965. Interest rates, as we all know, have virtually doubled since the summer of 1965.

Certainly, there should be full agreement that the forces of inflation must be brought under control, and promptly. They not only bear most heavily on the people who can least afford them, but they also tend to distort our entire economy and undermine the strength of the dollar at home and abroad. Furthermore, if they are not brought under control soon, the stability of our economy could be gravely endangered.

At the same time, I am well aware that the Nation is confronted with many pressing domestic needs—alleviation of poverty, elimination of urban blight, modernization and expansion of our transportation systems, pollution abatement, and further improvements in health and education. The growth in these domestic needs is outstripping the financial capabilities of individuals, private organizations, and State and local governments, thus adding further to the burdens of the Federal Government.

THE THREAT TO WORLD PEACE—NEED FOR ADEQUATE DEFENSE

While recognizing the pressing need to reduce defense expenditures, the committee was well aware of the fact that we still live in a very dangerous and uncertain world. Aside from the present administration's new approach to the Vietnam problem, which will be discussed in more detail later, and, hopefully, a successful outcome of the strategic arms limitation talks with the Soviet Union, it would be difficult to point with confidence to any change in the international situation or in the size and character of the threat to our security which would, in itself, justify a significant decrease in our defense effort this year.

With regard to the Soviet Union, the strategic balance which has for so long been in our favor is now beginning to turn against us. The Soviets are continuing to deploy ICBM's, including both the large SS–9's and the smaller SS–11's, at a relatively rapid rate. Including those silos still under construction, and it should be noted that the United States has not built any new ICBM silos since 1967, the Soviet Union is now well ahead of us in numbers of ICBM's. And, because of the very large yield of the SS–9, up to 25 megatons for the single warhead version, they are far ahead of us in land-based missile megatonnage.

Moreover, they are continuing to test a version of the SS–9 with three multiple reentry vehicles, each with an estimated yield of 5 megatons and an accuracy sufficient to pose a threat to the survival of our Minuteman force. They are also continuing their tests of a fractional orbital bombardment system on their SS–9's, which could be used to launch a surprise attack on our bomber forces, including even those aircraft on 15-minute ground alert.

Construction of Soviet Y-class sub-

marines, which are similar to our Polaris, is proceeding at a rate which could be as high as eight per year. As Secretary Laird pointed out to the committee, even at a rate of only six per year the Soviet submarine-launched ballistic missile—SLBM—forces could equal our own, in terms of numbers, by 1975. Should the Soviets design their SLBM's for depressed trajectory launch, which we are told is not very difficult to do, these Y-class submarines could pose a severe threat not only to our cities and soft military bases but also to our bombers maintained on 15-minute ground alert.

It was for these reasons that Secretary Laird, earlier this year, reached the conclusion that the Soviet strategic offensive missile forces could well pose a very serious threat to the survival of our own land-based strategic offensive forces by the mid or late 1970's. He pointed out that we would then be dependent upon our Polaris and Poseidon forces, unless we were willing to launch our Minuteman force on warning. While he did not wish to foreclose that possibility, he strongly urged that we not allow ourselves to get into a position where the President would have no other choice.

Secretary Laird expressed the greatest confidence in the survivability of our Polaris/Poseidon SLBM force, at least through the early to mid-1970's. But, he made it very clear that in his judgment it would be entirely too risky to rely upon only one of the three elements in our strategic offensive forces. He pointed out the obvious fact that we cannot preclude the possibility that the Soviets in the next few years may devise some weapon, technique, or tactic which might increase the vulnerability of our SLBM force.

Nor did the Secretary believe that we could preclude the possibility that the Soviet Union might deploy a more effective and extensive ABM defense. Such a defense, in combination with a substantial Soviet hard target kill capability, he noted, could seriously degrade our assured destruction or deterrent capability.

These were the considerations which led Secretary Laird and President Nixon to conclude that at least a start should be made in the deployment of the Safeguard system, initially for the defense of our Minuteman force and later for the defense of our bomber forces should the Soviet threat to those forces continue to develop.

More recently Secretary Laird informed the committee that the Soviets are believed to have begun flight tests of a new medium-jet bomber. This aircraft is estimated to have a combat payload somewhere between the FB–111 and the proposed advanced manned strategic aircraft—AMSA. Like the Soviet supersonic medium-range bomber, the Blinder, it will probably have a standoff air-to-surface missile capability and might also be equipped for inflight refueling. In the latter event it could in time pose a threat to the Continental United States.

I do not want to overstate the importance of this new development, but it is something we will have to watch closely in the years ahead. It could have an important bearing on the future of our air defense program.

With regard to the Chinese Communist strategic nuclear threat to the United States, the events of the last year give us no grounds for complacency. Although the Chinese have yet to launch their first ICBM they are continuing to move forward with their nuclear weapons program, and with their testing of medium-range ballistic missiles. Their progress in nuclear weapons development and testing has been rapid. In a period of 3¼ years, ending in December 1968, the Chinese detonated eight nuclear devices, one of which was delivered by a missile. Five of these eight tests involved thermonuclear materials. Two of them produced a yield of about 3 megatons and are considered suitable for delivery by an ICBM.

During the current calendar year, the Chinese Communists detonated two more nuclear devices, one underground with a relatively low yield, and one in the atmosphere with a yield of about 3 megatons. The latter was the third successful test of a nuclear device in the 3 megaton range.

On the basis of what is known about the Chinese nuclear weapons and ballistic missile testing programs our intelligence community has concluded that China could attain a force of about 10–25 operational ICBM's on launchers by the mid-1970's. It was on the basis of this intelligence judgment that the Nixon administration decided that an option should be included in the Safeguard program to provide protection for our population against the Chinese Communist ICBM threat, if it should emerge.

Although the Soviets have been devoting large amounts of resources to the buildup of their strategic forces, they have by no means neglected their general purpose forces. The latest intelligence indicates that they may have actually increased their land forces, particularly in connection with their problems along the Chinese border.

In Europe, Soviet forces still occupy Czechoslovakia, posing a more forward threat to the Allied central front in Europe than previously. The Soviet leaders demonstrated willingness to use force in maintaining their control over what they call the "Socialist Commonwealth" cannot but have a disturbing effect on the stability of Central Europe. Moreover, their ability to move large forces quickly over long distances came somewhat as a shock to our NATO allies as well as ourselves. How long these forces could have been sustained in combat, however, remains an unanswered question.

Even though the Soviet leaders must now be less certain of the loyalty and support of some of their Warsaw Pact partners, the pact forces, and particularly the Soviet Army and tactical Air Forces still constitute a formidable threat to Western Europe. The reality of this threat has been amply demonstrated in the last year by the extensive maneuvers understaken by Soviet and other pact forces, not only throughout Central Europe but also on the North Sea. And, the Soviets are continuing to develop more advanced tactical aircraft and nuclear armed tactical missiles, as well as more conventional land forces weapons and equipment.

In the Middle East, North Africa, and the Mediterranean the Soviet Union continues to expand its influence and military presence. Whether they have formally established naval bases in the Mediterranean is less important than the fact that such bases are available for their use. President Nixon's initiative in seeking the cooperation of the Soviet Union in ameliorating the Arab-Israel dispute and reestablishing peace in that region has yet to bear fruit. Our Government's efforts to achieve an agreement on the limitation of arms shipments to both sides in that conflict have also been unsuccessful. Meanwhile, the Soviets continue to equip, supply, train, and encourage the military forces of the more radical Arab States in that region. In this environment, the presence of the U.S. 6th Fleet in the Mediterranean is making a major contribution to the stability of the region.

As I have noted in past years, the Soviet Union is definitely becoming a global naval power. During this last year their warships have operated in virtually all of the oceans of the world, and this past summer they deployed a sizable fleet to the Caribbean. Their naval power consists not only of large numbers of submarines but also modern cruisers, frigates and destroyers, as well as large numbers of smaller combatant types.

Also they have decided to concentrate on guided missile ships with both surface-to-surface and surface-to-air capabilities, as well as a land-based naval air arm. The rationale for this policy was explained by the commander in chief of the Soviet Navy, Adm. S. Gorshkov, in an article written in February 1967, pertinent excerpts of which can be found in part 6, pages 642 and 643 of our hearings on the fiscal year 1970 Defense budget. Briefly, the Soviet leaders believe that aircraft carriers, like battleships after World War II, will decline in importance and that submarines and land-based naval aircraft equipped with missiles and nuclear weapons will take their place as the backbone of offensive naval power.

That submarines have a very important place in Soviet naval strategy, we have known for a long time. Several months ago, Admiral Rickover brought our committee up to date on the status of the Soviet submarine program. As of that time they had about 270 attack submarines, of which 20 were nuclear powered. They also had about 60 cruise missile-firing submarines, of which some 30 are nuclear powered. These are in addition to the 45 ballistic missile-firing submarines, about 15 of which are nuclear powered. Thus their total submarine force numbers about 375.

Moreover, the Soviets are introducing several new types of submarines and they have a large organization devoted exclusively to the design and construction of these vessels. As is well known, their submarine construction capability is substantially greater than ours. Admiral Rickover maintains that their submarine yards are the largest and most modern in the world today, and that the Soviets

are now operating their submarines out of area for longer periods, in greater numbers and at greater distances than ever before.

ASIA AND WESTERN PACIFIC

The problem of most immediate importance and gravest concern to the American people is the resolution of the conflict in Southeast Asia. We need not recount the event which led to our extensive involvement in that conflict. Nor would it serve any useful purpose at this particular point in time to pass judgment on the decisions of the prior administration which brought about the situation in which we now find ourselves. As President Nixon said in his speech of May 14:

> . . . the urgent question today is what to do now that we are there, not whether we should have entered on this course, but what is required of us today.

From the point of view of where we go from here, I believe it is fair to say that the Nixon administration has adopted a very responsible and realistic policy with respect to Vietnam and, in fact, the entire region of Asia and the Western Pacific. It will be recalled that both at Guam last July and in his address to the Nation on November 3, President Nixon enunciated three basic principles which would guide our future policy in that part of the world:

First. The United States will keep all of its treaty commitments in the area.

Second. The United States will provide a shield if a nuclear power threatens the freedom of a nation allied with us or of a nation whose survival we consider vital to our security.

Third. In cases involving other types of aggression, we will furnish military and economic assistance when requested in accordance with our treaty commitments, but we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense.

TROOP REDUCTION

It is within this framework that the Nixon administration has formulated its new policy on the resolution of the Vietnam conflict.

The crux of this policy has become known as Vietnamization; namely, turning over to the people of Vietnam the responsibility for their own defense and the management of their internal affairs. To assist them in assuming these responsibilities, the basic emphasis in our overall effort in Vietnam has been shifted from trying to do the job ourselves to helping them do the job. In the military sphere, the equipping, supplying and training of the South Vietnamese Armed Forces has been significantly accelerated. More important, the goal of this effort has been expanded to include an ability on the part of the South Vietnamese to defend themselves not only against the Vietcong, but against the North Vietnamese as well. This is a very significant change from the objective reflected in the original fiscal year 1970 budget prepared by the preceding administration. Since January, Secretary Laird has added $156 million to the Defense budget for this purpose; $36 million was provided in the fiscal year 1969 supplemental and $120 million is included in this bill. Inasmuch as the original fiscal year 1970 budget request contained $532 million for the modernization of the South Vietnamese forces, the total recommended in this bill for that purpose is $652 million.

Good progress has been made since the beginning of this year in implementing the Vietnamization program. Let me give you some of the specific accomplishments:

The Regular Army demonstrated at Ben Het that it can stand and fight—and win.

Except for U.S. helicopter, engineer, tactical air, and naval support, the Vietnamese have largely assumed responsibility for the war in the Mekong Delta.

The Vietnamese have assumed responsibility for the security of Saigon and the immediate vicinity.

They have met and exceeded the manpower goals they set for expanding regular forces as well as the regional and popular forces.

Volunteers outnumber conscripts by about three to one.

Training is now being carefully reviewed to find those areas which will really count in raising the effectiveness of the Armed Forces of the Republic of Vietnam.

The Vietnamese are making progress in their efforts to neutralize the Vietcong infrastructure. This is a high priority problem.

And, let me point out that Vietnamization means a lot more than the modernization of the South Vietnamese Armed Forces to permit them to assume more of the combat burden. Vietnamization means the progressive transfer to the South Vietnamese of responsibility for all aspects of the war and management of their affairs, including the further development of their governmental institutions, the strengthening of their economy, and the improvement of their internal security capabilities.

Already, President Nixon has found it possible to announce two reductions, totaling 60,000 men, in U.S. military strength in South Vietnam. The first reduction of 25,000 was completed by the end of August, on schedule. The second reduction of 35,000, announced by the President on September 16, scheduled for completion by mid-December, was actually completed 3 weeks ahead of schedule. Since January, the authorized U.S. troop ceiling in South Vietnam has been reduced from 549,500 to 484,000, a drop of 65,500. As of November 22, the actual strength was down to 484,300.

With regard to the future, further reduction in U.S. forces in South Vietnam will be based upon the three criteria set forth by President Nixon in June 1969:

First, progress in negotiations at Paris;

Second, a reduction in the level of hostilities in South Vietnam; and

Third, the increased capability of the South Vietnamese forces.

The reductions announced to date have been based primarily on the last criterion, which is the only one within the control of our side in the struggle. This does not mean that the Nixon administration has lost interest in negotiations, even though the results to date have been very disappointing. A negotiated end to the conflict in Vietnam would, of course, be greatly welcomed. But it takes two to negotiate, and the other side has not evidenced much interest in a realistic and just settlement of the conflict.

Nor can we and our allies in South Vietnam unilaterally reduce the level of hostilities. Indeed, our limited objective in this conflict has left most of the initiative to the other side. They have been able to choose when and where to launch their attacks. We have adopted what Secretary Laird calls a policy of protective reaction, as far as American forces are concerned. This, of course, includes whatever actions are necessary to safeguard the security of our forces in South Vietnam, which must always be foremost in the thoughts of our military commanders there. But if the other side is willing, the new policy of protective reaction does provide a basis for a mutual reduction in the level of hostilities in South Vietnam.

The Nixon administration's new Vietnam policy has already contributed importantly to the reduction in the military and civilian personnel end strengths originally planned for fiscal year 1970—220,000 military and 68,000 civilian. These reductions are reflected in the committee's recommendations for the military personnel and operation and maintenance appropriations. Although further reductions related to additional withdrawals of U.S. troops from Vietnam may well be announced before the end of the fiscal year, the timing and extent of these reductions are not now known. Accordingly, the committee was not in a position to anticipate them in its recommendations on this bill. Moreover, we are greatly concerned that the enemy might suddenly choose to escalate the conflict, and we do not want our forces to be placed in jeopardy because of a lack of readily available support.

KOREA-JAPAN

Elsewhere in Asia, the North Koreans continued to threaten and harass the people of South Korea. The situation on the Korean peninsula remains very precarious. We have significantly improved the readiness of both the South Korean and our own forces there during the last year. But more may have to be done if the North Koreans continue their belligerent attitude.

The reversion of Okinawa to Japan, which the President recently announced, will take place in 1972 and will undoubtedly create some problems for our military forces in the Far East. But this action is consistent with the President's new Far East policy, and sufficient time is available to make the necessary adjustments in our forces there. It is my hope that our allies in that part of the world, particularly Japan, will make good use of that time in strengthening their defenses. President Nixon has clearly put them on notice that they will have to pick up more of the burden of the defense of the region in the future than they have in the past.

ACTION ON MAJOR MILITARY PROGRAMS

It should be stressed once again that the committee had under consideration not the original fiscal year 1970 budget proposed by the outgoing administration but rather the amended budget submitted by President Nixon on April 15, 1969. All of the reductions and the few additions recommended by the committee were taken against the amended budget request.

Also, subsequent to the submission of the amended budget further reductions were made in fiscal year 1970 forces and programs by the Defense Department at the direction of the President, for reasons which were discussed earlier. The section on major military programs contained in the committee report on the bill does not spell out the details of these later changes. Consequently, I believe it would be useful to summarize at this point the major adjustments made in the force levels originally planned for end fiscal year 1970 in the January budget.

Secretary Laird has assured the committee that given the need to reduce Defense expenditures by a total of $4.1 billion within the current fiscal year, the Service Secretaries and Chiefs agree that these force adjustments will have the least adverse effect on our overall military posture. Nevertheless, the committee is aware that reductions of the magnitude recommended in this bill will, in some degree, limit the power and effectiveness of the U.S. Armed Forces. However, it is not believed that they will reduce our military posture below a reasonably acceptable level in the light of all of the circumstances.

In the strategic forces, one of the most significant adjustments is the phaseout of all the B–58 medium range supersonic bombers by the end of the current fiscal year instead of in fiscal year 1974, as planned in the January budget. To offset this reduction, three more B–52 C–F squadrons will be retained in the forces for the strategic nuclear mission. Because of the drop in the B–52 sortie rate in Southeast Asia, from 1,800 per month actually flown in the first half of this calendar year to a new planned rate of 1,400 per month, the number of B–52 C–F squadrons required for that mission has been reduced from five to three. With regard to the FB–111, the amended fiscal year 1970 budget reduced the planned program from six to four squadrons.

The adjustments proposed in the air defense forces for end fiscal year 1970 reflect an acceleration of the phasedown projected in the January budget. These forces as presently constituted are of limited effectiveness. Pending a resolution of the modernization problem, we agree with the Defense Department that some cutback in the lower priority forces is warranted in order to help reduce expenditures. I want to assure the Members, however, that appropriate action has now been taken by the Air Force to maintain a reasonable level of air surveillance over the southeastern part of the United States. Whether this action in itself can preclude another Cuban Mig-type incident remains to be seen. But the Air Force is well aware of the problem and the concern of the Congress in this matter.

In the general purpose forces program, the land forces are being reduced by 1⅔ division force equivalents, one Army and two-third Marine Corps, below the level originally planned for end fiscal year 1970. This reduction was made possible by the withdrawals of U.S. forces from Vietnam already announced by President Nixon. Even so, we will still have a total of 31 division force equivalents at the end of fiscal year 1970, including, of course, the Reserve components.

The adjustments in the general purpose air forces are relatively small since the objective of the Defense Department is to retain as much tactical air power as is feasible under the circumstances. The largest single reduction is in the special operations forces, which will be cut by about 15 percent. These forces have been extensively used in South Vietnam, but the need for them is now less urgent. In contrast, the number of aircraft to be made available to the Air Force Reserve components will be increased somewhat. This is an action which the Committee has long urged on the Defense Department.

One of the most significant reductions in the general purpose forces is in naval vessels. Well over 100 ships will be inactivated in fiscal year 1970. Most of them are older ships which had been scheduled to be phased out over the next few years in any event. Nevertheless, this action constitutes a significant reduction in the size of the active fleet and emphasizes the need to move forward with the new construction program.

Included among the ship inactivations are two antisubmarine warfare—ASW—aircraft carriers. The January budget provided for six ships and five air groups. Under the revised plan we will have at end fiscal year 1970 four ships and four air groups.

The reductions made in the airlift forces are quite small. Because of the delay in the production program, there will be 17 fewer C–5A transport aircraft in the force at end fiscal year 1970 than originally planned. However, as to other transport aircraft, the Air Force will have one additional C–130E squadron because attrition of this aircraft has been less than originally estimated. All of the remaining C–124's in the active force will be phased out in fiscal year 1970 instead of fiscal year 1971, but 18 more C–124's will be retained in the Air Force Reserve in place of some 35 C–119's. The Air National Guard will also retain an additional 18 C–97's in fiscal year 1970, in lieu of two C–141 associate units previously planned for this year.

Finally, some 200 indirect support aircraft will be phased out of the active forces in fiscal year 1970, including 24 WB–47 weather reconnaissance aircraft, with the balance mostly proficiency training aircraft.

The administration plans a sizable overall personnel reduction, currently estimated to be 216,800 military and 48,600 civilians. The details by service are shown in the following table:

CHANGES IN END FISCAL YEAR 1970 PERSONNEL STRENGTHS

| | January budget | Amended budget (Apr. 15, 1969) | Revised plan | Net change: From January budget | Net change: From amended budget |
|---|---|---|---|---|---|
| Military: | | | | | |
| Army | 1,507,900 | 1,509,300 | 1,435,400 | −72,500 | −73,900 |
| Navy | 771,500 | 766,900 | 694,300 | −77,200 | −72,600 |
| Marine Corps | 314,500 | 314,500 | 294,200 | −20,300 | −20,300 |
| Air Force | 861,200 | 861,200 | 811,200 | −50,000 | −50,000 |
| Total | 3,455,100 | 3,451,900 | 3,235,100 | −220,000 | −216,800 |
| Civilian* | | | | | |
| Army | 444,100 | 430,420 | 412,350 | −31,750 | −18,070 |
| Navy/Marine Corps | 403,800 | 395,836 | 380,000 | −23,800 | −15,836 |
| Air Force | 318,200 | 319,814 | 306,800 | −11,400 | −13,014 |
| Defense agencies | 68,900 | 68,930 | 67,250 | −1,650 | −1,680 |
| Total | 1,235,000 | 1,215,000 | 1,166,400 | −68,600 | −48,600 |

*Full-time, permanent civilian employees.

These adjustments have been taken into account in the committee's recommendations. We have also given careful consideration to other budget adjustments proposed by President Nixon and Secretary Laird. Many of them have been fully embraced by the committee and are reflected in this bill.

In making our recommendations to the House, the members of the committee have, of course, relied upon their own judgment. Some of the reductions recommended go beyond those presently being considered by the administration. A number of them have been made in an effort to enforce better economy and better management in the Defense Department as well as in recognition of the urgent need to reduce Federal expenditures. And, as in past years, other reductions have been made to underscore various shortcomings and inadequacies in certain programs. In some cases the committee felt that the programs presented in the budget were not ready to go forward at the rate proposed and reductions were made on that account. Finally, a number of programs were deleted or reduced in scope by the action of the Congress in enacting the authorizing legislation.

SUMMARY OF BILL BY TITLE

TITLE I—MILITARY PERSONNEL

Because retired pay is rapidly becoming a major item of expense in the Defense Department budget and funding

requirements cannot be controlled through the appropriation process since the retirees and their survivors must be paid as provided by law, the committee recommends that this item be deleted from title I and be set out as a separate title. On this new basis, the committee bill provides a total of $21,057,200,000 for title I—military personnel—a reduction of $584,700,000 from the amount requested in the amended fiscal year 1970 budget. The bulk of this reduction, $521,270,000 reflects the troop redeployments from Southeast Asia and the overall military personnel cuts announced by the administration. Another $30,000,000 represents reductions recommended in the Reserve component appropriations, reflecting, for the most part, more realistic estimates of projected drill pay strengths.

The balance of $33,430,000 is made up mostly of selective reductions in overhead items. For example, the committee recommends a reduction of $7,735,000 in funds for military personnel assigned to headquarters staffs. In the Washington, D.C., area alone, the fiscal year 1970 budget provided for a total of 115,000 headquarters personnel, about 73,000 civilians and 42,000 military. In the judgment of the committee, this number is excessive even for so large an organization as the Defense Department, and reductions in civilian as well as military personnel are recommended. In addition, a reduction of $2,455,000 is levied against military personnel assigned to public affairs, public relations, and public information activities.

Because automatic data processing activities have been expanding so rapidly, inefficiency and duplication of effort have resulted. Accordingly, the committee recommends a reduction of $7,300,000 in funds for military personnel assigned to that area.

There are various programs in the Department of Defense which are not strictly military, inasmuch as the results of such programs are not for direct military efforts. Some of these more social-oriented programs are Project 100,000, to upgrade previously disqualified inductees; Project Transition, to prepare men to transfer from military to civilian life; Project Value, to train personnel for employment; and Project Referral, to help find positions for retirees. The cost of just these programs is now approaching $40 million a year and since there is some question as to whether they are entirely appropriate for funding by the Department of Defense the committee recommended a reduction of $6,935,000. Of this amount, $2,260,000 is a reduction in the appropriation for military personnel and $4,675,000 is applied to operation and maintenance.

Other military personnel reductions include $5,300,000 in permanent change of station costs and about $6 million in subsistence. The latter reflects a more realistic estimate of the absentee rates being encountered in mess halls.

TITLE II—RETIRED MILITARY PAY

The committee recommends for retired military pay a total of $2,735,000,000, the full amount requested in the amended budget but $285 million more than the amount appropriated for fiscal year 1969. As pointed out in the committee report, retired pay by the year 2000 could exceed $7.3 billion per annum, assuming a constant active force but no additional pay or price increases. With an annual increase of 3.5 percent in pay and 1½ percent in the price index, retired pay by the year 2000 could exceed $12.7 billion per year, again assuming a constant active force.

TITLE III—OPERATION AND MAINTENANCE

For all of the operation and maintenance appropriations, combined, the committee recommends a total of $20,878,100,000, $914,000,000 below the amended budget estimate and $1,477,718,000 less than the amount appropriated for this purpose in fiscal year 1969.

Of the net reduction totaling $914,000,000, almost $400,000,000 is related to the troop withdrawals from Southeast Asia and the overall reduction in forces and activity rates which I discussed earlier in connection with the military personnel appropriations. About $140,000,000 is related to the reduction in the end fiscal year 1970 civilian personnel strength subsequent to the submission of the amended budget.

For reasons which I have already discussed in connection with the military personnel appropriations, the committee recommends a reduction of $82,400,000 in automatic data processing activities, $55,000,000 in headquarters operations, $4,700,000 in the social type programs such as Project 100,000, Project Referral, and so forth, and $2,500,000 in public affairs activities.

The committee has again spent considerable time this year in reviewing the operations of the various communications systems of the Department of Defense and, again, the committee hearings have disclosed duplication of management responsibilities, ineffective cooperation, duplication of review procedures and inadequate effort directed toward the elimination of so-called dedicated networks. The details of our findings are set forth in the committee report and I will not take the time to repeat them here.

But, needless to say, the committee was not satisfied with the rate of management improvement being made in that area. The committee believes that there is a need for better overall management of existing communication assets; a need for centralization of control of all communications operations including, possibly, the elimination of "strategic," "tactical," and "common user" distinctions among systems; and the need for a single authority for the validation and approval of all communication requirements, including the upgrading of existing systems and the development of new systems.

The committee is aware that all communication operations in the Department of Defense are currently receiving a thorough review by the Deputy Secretary of Defense and his staff. We have also been advised that this is one of the areas which the blue ribbon panel will study intensively.

To underscore the committee's concern in this area we recommend a reduction of about $45,000,000 in the amount to be made available for the operation and maintenance of the communications systems.

The committee has again reviewed the Defense intelligence operations this year. This review has reemphasized the need for tighter top management control over this important operation and improvement in the management of the entire system. The committee has been advised by the Secretary of Defense of the organizational changes he has recently initiated in an endeavor to improve intelligence operations and the intelligence product. Nevertheless, the committee did not see any reason for an increase in funds in fiscal year 1970 and, accordingly, reduced the appropriations for these purposes by approximately $30,000,000.

Another area of concern to the committee has been the substantial increase over the last few years in the cost of service support contracts throughout the Department of Defense. The committee recognizes that benefits can accrue through having various service support activities, such as food services or vehicle maintenance, provided under contract in certain circumstances. The committee recognizes the need for these contracts but believes the rate of growth is disproportionate to the needs of the services. Accordingly, the committee recommends a reduction of more than $60,000,000, spread among the four services and the defense agencies, in order to hold the cost of these contracts at about the fiscal year 1969 level. Moreover, the committee intends to give this area further attention in its review of the fiscal year 1971 budget requests.

The committee also noted that the services and defense agencies increased in fiscal year 1970 their requests for various management studies by independent commercial consultant firms. The committee is still of the opinion that the Department of Defense is not exercising adequate control over these studies and therefore recommends an overall reduction of about $7,000,000 in the funds to be made available for that purpose.

For several years, now, the committee has discussed with the Navy and Air Force the need for training helicopter pilots in fixed wing aircraft. Last year the committee suggested in its report that this type of training for helicopter pilots could be dispensed with, particularly in view of the urgent need for these pilots. The committee pointed out that fixed wing training could be provided later for those pilots whose subsequent duty might require it. The estimated average cost of training a pilot for fixed wing aircraft operations prior to helicopter training is approximately $60,000. Since both services together train about 1,000 helicopter pilots each year, the total cost of this training amounts to about $60,000,000 a year.

The committee believes that these funds could be expended to better advantage for more urgent requirements. Accordingly, the committee recommends a reduction of $10,000,000 each in the budget requests of the Navy and the Air

Force for pilot training. This reduction will still leave sufficient funds to provide for a gradual phaseout of the program by June 30, 1970. In addition, the committee has reduced the Navy request for pilot training by $13,000,000, reflecting the cutback planned by the Navy in its fiscal year 1970 program.

For reasons I have already discussed in connection with the military personnel appropriations, the committee recommends a reduction of $18,000,000 in operation and maintenance funds for the Reserve components. A reduction of $5,000,000 is also recommended in the contingencies, Defense, appropriation inasmuch as the largest amount used by the Department in recent years has been $2.7 million. The $5,000,000 recommended for this purpose should be sufficient in this year of budget stringency.

TITLE IV—PROCUREMENT

For all of the procurement appropriations covered by this bill, the committee recommends a total of $18,092,148,000, $2,794,652,000 below the amended budget request and $2,527,352,000 less than the amount appropriated in fiscal year 1969. About one-third of the reduction from the fiscal year 1970 procurement request is accounted for by the deletions and decreases in the authorizing legislation enacted by the Congress.

In the procurement of equipment and missiles, Army account, the committee recommends the inclusion of $86,000,000 for the procurement of the 170 AH–1G helicopters which were authorized by the Congress to replace helicopter gun ship losses in Southeast Asia and to fill the void caused by the cancellation of the AH–56A Cheyenne procurement contract.

Among the more important reductions recommended by the committee in the PEMA account are the following:

First. A reduction of $16,000,000 in the proposed buy of U–21A utility aircraft. This aircraft is not of sufficiently high priority to fund more than 22 of the 72 requested for fiscal year 1970.

Second. A reduction of $23,400,000 for the procurement of the improved Hawk system, $14,200,000 more than the $9,200,000 which failed authorization. This system is still in the testing stage and the committee does not believe it is ready for full-scale procurement.

Third. A reduction of $13,500,000 in the proposed Chaparral program because of slippage.

Fourth. A reduction of $5,100,000 in the Pershing missile program since these funds are not now required.

Fifth. A reduction of $9,700,000 in missile spares and repair parts, reflecting reductions in the Hawk and TOW missile programs.

Sixth. A reduction of $50,900,000 in communications and electronics procurement.

Seventh. A reduction of $92,800,000 in ammunition, based primarily on reduced consumption.

Eighth. A reduction of $25,000,000 in production base support funds for the modernization of certain Army facilities and ammunition plants.

In the procurement of aircraft and missiles, Navy account, the committee recommends a reduction of $275,000,000 related to the procurement of six production F–14 aircraft. In lieu thereof the committee recommends the addition of $146,000,000 to the Navy R.D.T. & E. appropriation for three additional research and development models, plus tooling and test support. This action will not disturb the existing F–14 contract options, but will avoid committing the aircraft to production at this time. The committee is concerned about the past practice of tieing the various procurement options to fixed calendar dates instead of to the completion of specified milestones. I am pleased to note that this practice is being changed by Secretary Laird. Under past practice, failure to exercise these options by the prescribed dates left the Government with no alternative but to renegotiate the contract on a sole source basis. This practice also gave the Congress very little flexibility in deciding whether and when to fund each increment of the program. For example, in the case of the F–14, the Navy must exercise its option for lot III, involving at least 15 production aircraft, by October 1, 1970, about 3 months prior to the scheduled flight of the first prototype aircraft. This, in the opinion of the committee, is not a prudent way to proceed with a program of such great scope and complexity. We expect the top management of the Defense Department to give this problem close attention in the year ahead, and the committee will review it again in connection with the fiscal year 1971 budget.

Another important reduction in the Navy procurement account is the deletion of $62,400,000 requested for new KA–6D tanker aircraft. The committee believes that the Navy should modify additional A–6 aircraft to the tanker configuration in lieu of buying new aircraft.

The committee has reduced by another $67,100,000 the funds requested for the CH–46 helicopter. Attrition rates do not support the proposed fiscal year 1970 buy of this helicopter. The remaining $25,300,000 plus $5,000,000 of prior year funds will provide for the procurement of 12 such aircraft. The committee also recommends a reduction of $41,900,000 in aircraft spares and repair parts and $12,800,000 in aircraft modifications. Other reductions include $4,500,000 in the Sparrow III missile program and $9,500,000 in the Shrike missile program.

The major change in the shipbuilding and conversion program is the addition of $152,700,000 for a third SSN–688 class nuclear-powered, high-speed submarine which was authorized by the Congress in addition to the two in the amended budget. The committee did not fund the three fast deployment logistic ships which failed to receive authorization from the Congress. The recommended programs will fund a total of 14 new ships and the conversion of 17 others. This compares with a revised fiscal year 1969 program of six new ships and 16 conversions.

The committee is well aware of the need to modernize the fleet. However, the Navy since World War II has built or has currently under construction about 570 new ships plus conversion of some 360 ships. Of these totals, approximately 150 new ships and almost 50 conversions were still in work as of early June 1969. In addition, there were four new ships and 13 conversions yet to be awarded. Accordingly, the committee decided not to fund at this time the total congressional add-on of $351,800,000 to the shipbuilding program proposed in the President's budget.

In the other procurement, Navy account, the committee recommends reductions totaling $560,900,000. Some of these reductions are related to the earlier than planned inactivation of ships during the current fiscal year. Other reductions included $70,900,000 for communications and electronics equipment, $134,800,000 for aviation support equipment, $240,200,000 for ordnance support equipment, and $60,400,000 for civil engineering support equipment.

In the Marine Corps procurement account the committee recommends a reduction of $149,752,000 of which $16,700,000 is levied against the procurement of the improved Hawk missile system which I discussed earlier in connection with the Army program.

In the aircraft procurement, Air Force account, a reduction of $340,500,000 is recommended. Of that amount, $134,500,000 represents deletions and reductions enacted by the Congress in authorizing legislation. Among the other specific reductions recommended are $52,000,000 in advanced procurement funds for the C–5A aircraft. These funds are no longer needed since the Air Force does not now plan to buy any more of these aircraft after fiscal year 1970. Other reductions included $39,200,000 for the RF–4C aircraft, $10,700,000 for aircraft spares and $13,300,000 for war consumables.

Most of the reductions in other procurement, Air Force account, are for munitions and associated equipment and reflect the latest consumption rates in Southeast Asia.

TITLE V—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For all of the appropriations encompassed under this title, the committee recommends a total of $7,197,600,000. This is $1,024,800,000 below the amended budget request for fiscal year 1970 and $352,228,000 less than the amount appropriated for this purpose in fiscal year 1969.

This year the hearings held on the various research, development, test, and evaluation appropriations were more detailed than usual, totaling some 1,767 pages, printed in two volumes. Very detailed examinations, supported in most instances by staff investigative reports or reports by the General Accounting Office, were held on the main battle tank, the Sheridan, Project Mallard and the Cheyenne helicopter programs of the Army; the F–14 aircraft program and the Phoenix missile program of the Navy; and the C–5A aircraft, F–111 aircraft, Mark II avionics system, manned orbiting laboratory, Hard Rock Silo, Minuteman missile, and short range attack missile programs of the Air Force.

The amount in the Navy R.D.T. & E. account recommended by the commit-

tee includes the $146,000,000 added for the F–14 as mentioned earlier in my discussion of title IV, procurement. That amount is comprised of $90,000,000 for three additional research and development aircraft, $36,000,000 for tooling and $20,000,000 for test support. None of these funds are to be utilized for hard tooling or for production aircraft, since the committee feels it is premature to commit the F–14 to production at this time.

I also want to point out that the committee's recommendations reflect the reduction of $400,000,000 made by the authorizing legislation in the manned orbiting laboratory—MOL—program.

In the Army R.D.T. & E. program I want to call particular attention to the committee's recommendation on the MBT–70, the main battle tank. The present design, in our judgment, is overly sophisticated, unnecessarily complex and too expensive. We believe the most prudent course at this time would be for the United States to design a tank that could be produced at about one-third the cost now estimated for the current version, even if this should require terminating the joint development program with the Federal Republic of Germany.

The committee has also specified a reduction of $5,000,000 in the Army R.D.T. & E. program for Project Mallard, an international joint development program involving the United States and three other countries. The Mallard project proposes to develop and produce a major tactical communications system for use by the field armies of the participating countries, at an estimated total program cost of well over $1,000,000,000. It is inconceivable that the Department of Defense would embark on an international development program of this nature and magnitude when a militarywide tactical communications system has never been developed for the military services of the United States. As a matter of fact, the Department of Defense inventory is replete with communications equipment having a lack of commonality. Historically, joint international development programs are inherently turbulent and trouble ridden. A good example is the MBT–70 development program; and Mallard involves four participating countries. For these reasons, the committee recommends termination of the Project Mallard program.

The committee also recommends the termination of the Navy Condor air-to-surface standoff missile system. This program has already slipped more than 3 years behind the original schedule because of technical difficulties, and the unit cost of the missile is expected to be almost triple the original estimate. Furthermore, there is a serious question as to whether the size of the proposed Condor warhead is adequate for its intended mission. Accordingly, additional funds for this project have been denied and it is recommended that termination costs be financed through the use of existing prior year unobligated balances.

In the Air Force R.D.T. & E. program, the committee recommends the deletion of all A–X development funds. The authorization act has already reduced the amount from $12,000,000 to $8,000,000. This recommendation would eliminate the remaining $8,000,000. There are already a large number of attack aircraft of various types in the active inventory of the Navy, Marine Corps, and the Air Force. It may be that an aircraft specifically designed for the close air support role would be superior in some ways to those currently available, but the Air Force has not yet demonstrated that the advantages to be gained would justify the cost of developing and deploying the proposed A–X. The committee realizes the importance of the close air support role and expects that at some time a new aircraft for this role will be required.

CONCLUSION

The administration and Secretary Laird are to be commended for the new look imparted to the management of defense matters and the orderly improvements already made in the solution of problems.

And I know I speak for the vast majority of Americans when I state the admiration we hold for the uniformed men of our armed services and especially the admiration we hold for the fine men who have fought and served in Southeast Asia. This Nation is represented and served on the battlefield by a fine group of Americans.

The committee has spent the better part of 1 year in study, scrutiny, and analysis of the Defense Department budget proposal for fiscal year 1970. The committee began receiving testimony on January 29, 1969 and concluded with testimony from the Secretary of Defense on November 17 and markup of the bill on November 20.

Every effort was made to ferret out every savings possible and this involved some very difficult decisions. In my view the amount recommended in the bill represents the minimum level needed for our national security.

I urge the House to pass H.R. 15090. The funds it would provide are needed to fulfill our hopes for peace with honor and freedom.

Mr. MAHON. Mr. Chairman, I yield 15 minutes to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, the distinguished chairman of the committee has given his customarily outstanding discussion of defense funding problems. He has answered many of the questions which may be expected to arise. I congratulate the gentleman from Texas today, as I have previously, upon his leadership.

Before I discuss the bill, let me join my colleagues in the statements which have been made and which are being made about the important services rendered by Bob Michaels to the Committee on Appropriations through many dedicated years. Bob Michaels is a most knowledgeable member of the staff, and he has carried a big part of the load which has had to be borne by staff members on this very important committee. Theirs has been a superhuman responsibility. They have performed their task admirably, and Bob Michaels has been an outstanding leader in their activities. The committee will miss his valuable services.

I believe, Mr. Chairman, the most important question before Congress in matters of defense is that of modernization. The able and great Senator from Mississippi, Senator STENNIS, has stated he fears a second-rate role for the United States in 1975 unless Congress permits new weapons development. I am willing to go a step further: We already are in or dangerously near a second-rate role, because there has not been sufficient modernization of weapons. This applies in so many areas. It applies to the fleet and it certainly includes submarines. It applies to aircraft and includes both the Air Force and the Navy air arm. It applies to nearly every level of equipment funding.

It is understandable that the war in Vietnam has prevented diversion of resources into the development of newer weapons, but this has not been the only problem. There has also been the very serious gap occasioned by the 111 aircraft series—the TFX—in its various categories. Then there have been inexcusable delays in the development of some other new weapons, including tanks. As a result of all this, both we and our allies are using equipment which is not as modern as that possessed by the Russians and their friends, and the situation is going to get worse before it can possibly get better.

This bill does not go far enough to close the gap. Lack of modernization may be the most serious omission in the bill. It is something that deserves much more thought and action than it has received.

There is the matter of cost—and defense is costly. In the midst of all the blame that is being leveled by critics at defense spending, I would like to suggest we take a quiet look at the way in which defense costs have been leveling off.

Take away the cost of the Vietnamese war—and that is very considerable, $25 billion to $30 billion a year—and then compare, if you will, the relative purchasing value of the dollar with its purchasing value 5 to 10 years ago. When these things are done you will find we are getting more defense for a dollar than we have obtained at any time in recent history, and this despite cost overruns, inflation, escalation, high wages and all the other factors which contribute to today's high defense costs.

So it is time, Mr. Chairman, to give some credit along with the blame that presently is being directed at defense spending. Some of both are in order, I do not argue that, but there are two sides to the story.

Considerable emphasis is being placed on the size of the cut inflicted in this year's defense appropriation bill, but what may not have been stated is that this is the deepest cut percentagewise that has been made on any appropriation bill this year. It is also the largest cut percentagewise made on any defense appropriation bill since the end of the Korean war.

Those who have clamored for a reduction in defense and a buildup of other expenditures for domestic needs—and I recognize the pressure of domestic need—those who want less defense and more domestic spending, can take comfort from what is now happening to defense

expenditures. There have been a number of appropriation bills in which amounts have been raised above the budget this year, significantly raised either in committee or on the floor. This one has been deeply cut. As a matter of fact, most of the total of the fund reductions which have been achieved in appropriation bills this year are in defense.

I am not at all certain that cuts of the magnitude shown in this bill can be justified. I know there is a need for modernization of weapons and equipment beyond that which is possible under the terms of the bill. I can even see in the magnitude of the cuts which have been inflicted that we may be embarking on unilateral disarmament, and I trust that the House, which is usually very sensible about these things, fully realizes the danger of unilateral disarmament at a time when we are just embarking on talks with the Russians about mutual limitations on defense programs.

The Russians seem to be more fully informed on some of these things—at least, their government is—than the American people, and they will take advantage, and full advantage, of any reduction in military strength which we inflict on ourselves without requiring a quid pro quo in the negotiations.

The cuts which have been announced by the Office of the Secretary of Defense prior to the markup and reporting of this bill are in general in the same pattern as those in the bill, and that I believe is fortunate.

I do believe that the combined total represents reductions enough to be inflicted on the military establishment during this fiscal year.

I realize that money must be saved and expenditures must be reduced wherever it is possible. I am not sure that the cuts which have been imposed will accomplish the objectives which are desired. For instance there is the matter of reduction in civilian employment. Among the most severe are the reductions in the naval aircraft rework facilities at a number of naval bases. The effect of these severe cuts will be to deprive experienced, capable, and dedicated civilian employees of a livelihood. However, the aircraft rework must still be done. Planes will continue to require repair and rebuilding operations. That means additional contract work will be necessitated. Contract overhaul and repair is not necessarily the most economical. In most instances it is more costly because it is not as dependable and because of miscalculations in contract awards.

I note, too, that, although it is proposed to dismiss American employees at home, the Department of Defense expects to do overhaul and repair operations abroad. That means continued gold flow. It means foreign nationals will receive employment instead of U.S. nationals, and it means that foreign economies will be boosted while ours suffers. This does not make sense to me. I urge that the Department of Defense remedy this situation post haste.

I have also questioned the present practice of the Department of Defense in the use of overtime in large amounts for civilian employees. The use of overtime is a costly procedures. The present very considerable amount of overtime adds materially to the total cost of civilian employment. It occurs to me that there should be reductions of overtime to the greatest extent possible in order to permit more civilians to retain their positions. Those who lose their jobs will be very severely affected and I am convinced that the use of less overtime would permit more civilians to retain their employment. This in itself would be a morale builder and a desirable approach.

Now let me turn to a subject not generally discussed in connection with the bill.

In August, I visited a number of countries which are far off the beaten track to most Congressmen. These are nations in Southeast Asia and in Mediterranean areas where change is in the making and where important decisions affecting their future and ours are in process. Wherever I went, I was struck by the importance of the work done by U.S. training missions overseas and by the valuable results obtained from the training of foreign military personnel in U.S. military programs and schools and in U.S. colleges and universities. Certainly these are an important element of our foreign assistance programs. I am convinced that these programs should be expanded very considerably. The foreign military personnel who train here or who study here learn something about America that is just as important as their military or technical training. The U.S. missions abroad have an opportunity to tell the story of America in a way that is equally as important as to any other phase of their contributions. This interchange of personnel and ideas is too valuable to remain at the current level. While we continue these programs at a comparatively low level, the Russians and the Red Chinese are working vigorously to expand their own mission programs and their efforts are meeting with a measurable degree of success. The same benefits accrue to Russia from these interchanges that I seek for the United States. I can state that nearly every non-Communist country would prefer to have its personnel train in the United States and to have U.S. military missions in their midst. It is our own fault if we do not take advantage of this inexpensive procedure for important missionary work.

You have grown accustomed to my concern about the position held by the Reserve components. I trust you will accord me the right to speak from the standpoint of personal and intimate knowledge of Reserve affairs gained through many years of actual participation in Reserve programs. From that knowledge and from the hearings conducted this year, I am convinced that emphasis, particularly on equipment for the Reserve forces, is lagging badly, and this, in itself, has adversely affected training programs and morale. There is a reason for this situation. The Vietnamese war has required that many Reserve units give up their most modern equipment or that they not receive modern equipment which had been scheduled for delivery to them. As the pressure of the requirements for the Vietnamese war diminishes, there should be renewed emphasis on modernization of the Reserve components. They should not continue to occupy, as one publication has stated, "An ill-outlined, shadowy place in the OSD organizational sun." This bill gives little help.

It will be noted that the National Board for the Promotion of Rifle Practice has been surfaced and restored to a position more in keeping with its importance as an established and responsible board. Let me remind the House that this board has been responsible for the civilian marksmanship program, which was first brought to life by the Congress in 1903. This program, through two World Wars and the Korean and Vietnam conflicts, has assured a civilian army of a needed cadre of trained civilian shooters at a token cost to the Federal Government.

The program of the national board has fallen upon evil times in recent years and was in fact almost destroyed. Apparently the same groups which have sought to take guns away from the law-abiding citizens in America also want to destroy the civilian marksmanship program. To people who know firsthand about weapons and infantry combat and who are deeply aware of the need for better marksmanship for the frontline troops, this threat to a modest national program for civilian marksmen seems almost unbelievable.

However, the fact remains that through the past 2 years the programs for the National Board for the Promotion of Rifle Practice have been reduced to the present token amount of $52,750. This amount is barely sufficient for survival. It does not contain marksmanship funds, which were carried in previous bills, and this would require an additional $171,600. The present request is $203,650 less than the amount actually appropriated for fiscal 1968. Present PEMA funds will permit the free issue of .22 caliber ammunition in the amount of $84,000, the same figure as in fiscal 1969. The present funding level does not provide support of the rifle matches. It is my hope that now that attention has been drawn to the plight of the board and that it has at least been restored to its rightful place in the bill, that the Senate will take a realistic view of the needs of the board and provide funding for the marksmanship program

It is incomprehensible to me that this program which patriotically supports our Government and its objectives should be subjected to a pinch-penny policy while organizations such as the National Student Association has received from the Office of Economic Opportunity and others nearly a million dollars in tax funds with which to oppose the war against communism in Vietnam and to fight military preparedness in the face of world menace. It does not quite add up to common sense standards which inspire public confidence.

I should mention also the work of the Logistics Management Institute, which from its inception 8 years ago, has conducted studies in logistics and related areas directed toward improved readiness and reduction in cost of defense op-

erations. It has been my belief that over the last several years, recommendations contained in LMI reports have resulted in cost savings and management improvements as these recommendations were implemented in the Department of Defense. Cost savings have been initiated. The background and expertise of the LMI staff can provide a basis for additional cost savings through improved management practices. It appears to me that we should think twice before we force the Defense Department to deprive itself of this capability.

Now let me turn to an altogether different subject. It should be a matter of more than a little concern that Red China is, in the view of many qualified observers, now in the midst of preparation for war. Possibly this is because of fear of a Soviet attack. But it is hardly to be anticipated that these two principal Communist powers would reach a falling out of such a serious nature. It is more logical that Red China sees in a military build-up a measure of insurance against a Soviet attack, plus an added capability to exercise aggression upon the weaker neighbors along her border. Whatever the reason, it appears indisputable that Red China has stepped up its war preparedness programs and that it is conducting air raid drills, building air raid shelters, accumulating stockpiles of emergency food rations, plus a buildup in modernization for its forces. This has the effect of disciplining the population and consolidating the Government's grasp upon it, and in sharpening and pulling together the Chinese army. The Red Chinese army has been engaged in many chores during recent years which are not military in nature. These range all the way from running railroads to harvesting crops. Now there is emphasis on the restoration of professionalism to the army. All of this comes at a time when revolutionary activities are being stepped up all along China's borders. Training and equipping of cadres to stir up trouble in other nations is going on constantly, and there is a frequent exchange of personnel between the Red Chinese forces and the revolutionary units which are active among Red China's neighbors.

Let me add this and then I will be through: It should be quite apparent that communism respects strength and only strength. The Communists will not attempt to overrun a country which is militarily prepared to defend itself. We are seeking to extricate ourselves from the conflict in South Vietnam. We must first help South Vietnam to become sufficiently strong to withstand aggression. This is in process and we are making important and valuable progress in that direction. It will not come overnight, but the South Vietnamese are making the most determined effort yet to reach the point where they can stand on their own feet. The House should be encouraged at the progress there.

Communism will in time, regardless of Vietnam, seek other victims. Communist nations today are promoting revolution in every country in the world and particularly those whose borders they touch on. They will even consider direct aggression when it suits their purpose, but keep this in mind: Communist China would not dream of attacking Taiwan, for instance, unless a speedy conquest could be anticipated. North Korea will not attack South Korea unless South Korean equipment and forces are inadequate to cope with the North Korean onslaught. Communist nations want quick conquest in order to accomplish their goals before world opinion sours and before world sentiment can coalesce against their aggression.

It should be very clear that what we now seek is to strengthen friendly countries so that they can defend and protect themselves and so that American forces will not be required for their survival. This is in keeping with the administration's stated aims to reduce our involvement in the affairs of foreign nations and to induce those nations to depend on their own capabilities. Again that is why I have urged modernization. It is much less costly to provide modern weapons than it is to send American bodies. The failure to provide modern weapons for our friends and the failure to develop them for ourselves can, in time to come, require the sending of American bodies instead.

But the immediate objective is an adequate defense for America. There is no substitute for preparedness at home; there is no substitute for the capability to defend ourselves. Those who wear our uniform must have adequate equipment and proper training. This we seek to provide. These are the best guarantees of the survival of this Nation and the survival of the free world.

Mr. MINSHALL. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, as usual, my good friend and colleague, the gentleman from Texas (Mr. MAHON), the chairman of our subcommittee, has done, as always, an outstanding job in presenting this bill in a very succinct and very understandable form on the House floor. As the chairman pointed out and as my good friend from Florida, BOB SIKES, has pointed out, the bill that our committee presents to the House represents the greatest dollar reduction proposed since fiscal year 1954 at the end of the Korean war. This is no mean accomplishment at a time when we are engaged in another costly conflict for there is approximately $23.2 billion in this bill alone for Vietnam. Yet I am certain that the remarkable reductions represented in this budget in no way jeopardize a single American serviceman who relies on us for responsible action to assure his ability to defend himself on the battlefield. Nor does it imperil the general security of the United States itself.

The fiscal 1970 defense appropriation calls for $69,960,048,000, a reduction of $4,442,201,427 below the fiscal 1969 appropriation, and I should like to emphasize that this budget is $7,780,152,000 below the recommendation made for fiscal 1970 by the previous administration early last January and $5,318,152,000 under the original estimates submitted by the new administration.

There is not a Member in this House who does not earnestly hope that future events will permit us to bring forth even more drastically reduced military appropriations when we next come to the floor with the 1971 fiscal budget.

I am optimistic on this score on two counts: I think we are at last on the right course, under President Nixon, to disengaging ourselves from the Vietnam war, which will have cost us $104,607,000,000 from its inception to the end of fiscal 1970. And, second, we on the Defense Appropriations Subcommittee look with pride on one of our alumni, our brilliant former colleague, Melvin R. Laird, who assumed the duties of Secretary of Defense last January and who has been sweeping out the skeletons that were hidden in Pentagon closets ever since. He took with him to the Department of Defense the keen and probing mind which served our committee, the Congress, and American taxpayers so well during his years on Capitol Hill.

The committee report quite aptly calls fiscal 1969 the "year of the cost overrun." These overruns, to the tune of $16.2 billion over the last several years are not music to the ears of the much-put-upon taxpayer. Taxpayers can rejoice, however, that Secretary Laird is the man who has ferreted out this information, with the same uncanny faculty for uncovering waste, duplication, extravagance, and clumsy and dubious procurement practices that made him such an invaluable member of the Defense Subcommittee. He and his staff have uncovered laxities—improperly defined specifications, delays in delivering Government-furnished equipment, and an overload of concurrency between research and development and production.

Having his skilled investigative talents at work in the Pentagon has been a boon both to the Defense Subcommittee and to the American taxpayer. Here is the sort of candor he displayed in testifying before our subcommittee—and it is to be found in part 7 of the hearings if any of you would like to read it:

> I am still not convinced that we have uncovered all the deficiencies in our current programs and we will continue to examine them and keep the Congress informed.

And Secretary Laird went on to say:

> I should also note that the cost growth of the 34 major weapons systems on which we are reporting to the Congress is, as shown in table 2, some $16.2 billion over original baseline estimates. This problem will affect our budget planning for some years to come, as is evidenced by the size of the cost growth and the $1 billion near-term financial deficiencies. Hard decisions must be faced as a new system enters the production phase and additional amounts of the $16.2 billion must be provided within limited budget funds in future years.

He said further:

> We will continue to devote top level management attention, as we have since January, to solving our current problems and preventing, to the maximum extent possible, recurrences in the future.

And this I sincerely believe.

At the conclusion of remarks I will include the table to which the Secretary referred in his testimony. It details a June 30, 1969, summary of cost growth on 34 major weapons systems, ranging as high as 443.9 percent over the original plan.

These are outlined in part 7 on page 367.

This is the first we have had a Secretary of Defense who has come before Congress and put all the facts on the line, identifying cost overruns in every major weapons system in all three branches of the service. It was one of the first tasks he had his staff undertake when he assumed his new duties, to identify all of these areas in the Army, Navy, and Air Force so that they are assembled in one place. The overruns were inherited; as a matter of fact the earliest disclosure of a potential overrun was developed right in our committee when Mel Laird was still a member. He went on well equipped to the Pentagon to undertake the gargantuan task of trying to turn it into a tight ship. I think he should be commended for the magnificent job he is doing.

I know that he is looking into and encouraging competitive procurement among the services, something our Defense Subcommittee has urged and insisted upon for years. Competitive procurement has been on a steady decline, although Defense officials themselves have said that experience shows that savings of 25 percent and more can be realized through this procedure.

Just as an example, during our hearings it developed that all three services are procuring survival radios independently of one another and at accelerated costs as a result.

The radio is the small, lightweight affair that I have here, a very lightweight piece of equipment carried on the person of each aircrew member. Should his craft go down, the radio enables rescuing aircraft or ships at sea to "home" on his downed location.

He can pinpoint his whereabouts and "talk in" the rescue plane or helicopter to his precise location. There is no doubt the personal survival radio is a necessary and invaluable device which has saved many lives.

But, testimony developed in our subcommittee and through staff investigations brought to light the fact that the Army, Navy, and Air Force have been going off in all directions in procuring these radios. Unit costs have soared as a result, all the way from $213 per radio for the Air Force to $820 for the Army—and I might add that civilian off-the-shelf radios of the same type and serving the same purpose are even less costly.

There is not a shadow of a doubt that had there been competitive, coordinated procurement these radios would now be produced at a fraction of those costs.

Virtually no effort was made toward acquiring a single standard radio suitable to all branches of the service, since its purpose would be identical to all. This situation has been developing since the early 1960's and right now there are seven different types of sets in DOD's survival radio inventory and an eighth one in the R. & D. oven. The inevitable delays which accompanied development and refinement of these radios, as each service indicated its desires for more elaborate capabilities, resulted in overruns which range from 15 percent to more than 100 percent.

This is a small example, but an expensive one, of the kind of duplication which multiplied many times over gives our citizens good reason to grumble when April 15 comes around. I have said that I am convinced our good friend and former colleague will run a far tighter ship than what he inherited last January. He already has started caulking the seams and he is well aware that this whole area of procurement practices is in dire need of immediate attention. Our committee has asked the Director of Defense, Research and Engineering to report to us at next year's hearings as to what duplications have been uncovered and eliminated. I am optimistic that under Mel Laird's guidance the report will be happy reading for the taxpayer.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL. I yield to the gentleman.

Mr. RHODES. Mr. Chairman, I thank the gentleman from Ohio for yielding and wish to compliment him on the fine statement that he is making.

I am sure the gentleman would agree with me that Secretary Laird, having tested the water, as he always has tested the water, realized that cuts would be made in the outlays for the Department of Defense for the fiscal year 1970, and he further realized that appropriation bills have been and are in the habit now of being rather late in passage, and if he waited until a bill was actually passed, it would be very difficult then for the Department of Defense to make the total cuts that were necessary, and to make that cut effective in the last part of the fiscal year. As a result, the Secretary actually has instituted many of the cuts which we are now discussing as a prospective matter. Actually they are already being made by the Department of Defense because of the alertness and the knowledge of the Secretary of Defense.

Mr. MINSHALL. My good friend, the gentleman from Arizona, is exactly right. Not only has he made the cuts this year, as were pointed out—but some of the savings especially in the Pentagon procurement—the savings will amount to literally hundreds of billions of dollars in the years to come.

Despite the frustrations of a drawn-out session, with delays in bringing our bill to the floor completely unrelated to our committee, I am pleased with the streamlined budget we are presenting to the House. I am realistic enough to know that it is not beyond criticism, but I think even our severest critic will have to admit that we have achieved a highly creditable reduction. We have cut this budget $4 billion under last year and $7 billion below the amount Lyndon Johnson and Clark Clifford recommended. Those are substantial sums.

As we worked, we were mindful always of our great responsibility to our troops in Vietnam and to our solemn commitment to provide our citizens with a strong defense during these badly troubled times. Simultaneously, we worked aware of the blight of inflation which is increased by big spending, and of the many pressing needs calling to us on the domestic front. And, we were always conscious of the forgotten American, the citizen who foots the bill for every money measure we pass in this House. I think the committee has done a darn good job, working with a keen and conscientious Secretary of Defense.

It is my greatest hope, as I know it is that of this entire House, that both world conditions and a more tightly run Pentagon will permit us to come to this floor in 1970 with a defense bill which will show even greater savings.

Mr. Chairman, I should like to conclude by offering in the RECORD an article which appeared in this morning's Washington Post which states "Congress Leading the Way on Military Cutbacks."

Mr. Chairman, I think it is a very well written article and I just want to say in passing, that any time the Washington Post agrees with a committee and this Congress, we have done a darn good job.

The matters referred to follow:

CONGRESS LEADING WAY ON MILITARY CUTBACKS

(By George C. Wilson)

The House today takes up a defense money bill which reflects the new mood of the Congress toward the military.

The bill, written by the House Defense Appropriations Subcommittee, serves notice that Congress is going to lead the way toward retrenchment of the U.S. military establishment by exercising its power of the purse.

Defense Secretary Melvin R. Laird, the bill says in effect, will have Congress with him rather than against him on money saving schemes.

It was only a few years ago that former Defense Secretary Robert S. McNamara clashed with Congress by refusing to spend money for such projects as the Air Force B–70 bomber.

He made gains for a while against both military leaders and their supporting congressional committees by overwhelming the opposition with facts, figures, color charts, feints, overstatements and strong backing by President Kennedy.

His plan was to accentuate the positive and eliminate the negative.

As it turned out, McNamara got his way most of the time in his first few years as defense secretary.

The TFX airplane contract award, for example, was challenged by Sen. John L. McClellan (D-Ark.), starting in 1963 but did not slow McNamara down for some time.

But by this year the cost overruns on such programs as the TFX fighter, C–5A transport and minuteman missile had shown that McNamara had not been the complete manager after all. Members of Congress had reason to try their own hand at managing the Pentagon.

Such newcomers as Sen. Walter F. Mondale (D-Minn.) saw this right away as he attacked the Navy's most sacred cow, the aircraft carrier. The Navy won, but the political soundness of opposing a pet military project on cost-effectiveness grounds was demonstrated. A politician need not look like a peacenik.

The House Defense Appropriations Subcommittee is made up of old timers who have strongly supported most military projects in the past. The fact that the subcommittee cut $5.3 billion off the Pentagon's fiscal 1970 budget showed that such support has a limit when constituents are demanding a rearrangement of national priorities.

Yesterday, another old friend of the military—Sen. John Stennis (D-Miss.) predicted on the ABC "Issues and Answers" television program that the Senate would go along in "large measure" with the gigantic $5.3-billion House cut. That cut is larger than the annual budget of * * * important to the defense effort as to any other sector of the economy."

That statement takes the words right out of the mouths of several liberals in Congress who have been arguing all year that the nation cannot afford *not* to cut military spending. The fact that the conservative Appropriations Committee both said it and the Nixon defense budget by 5.3 billion represents a trend which cannot be measured alone by recent votes on the attempts to kill specific Pentagon projects.

George H. Mahon (D-Tex.), chairman of the House Defense Appropriations subcommittee as well as the parent appropriations committee, himself said he could not have pushed the full Pentagon budget through the House in 1969 and was responding to what he called the "realities." He announced early in the year that he was going to cut the Pentagon's fiscal 1970 budget by $5 billion. And his old committee colleague, Defense Secretary Melvin R. Laird, scurried around and made as many of his own cuts first as he could. Laird said his cuts will amount to $3 billion in spending. Mahon's cuts are put at $5.3 billion in new money (new obligational authority) some of which would show up as a spending cut beyond fiscal 1970.

With Congress taking the lead in the cuts, the Defense Secretary's job is much easier. "Look, general," the Secretary can say, "the Congress is going to cut your budget by $1 billion. Better we do it ourselves than have them do it for us." McNamara in his early years would cut the general's budget himself and then had to defend the reduction hour after hour before the congressional committees armed with information supplied by the military.

The young people who do not believe the Russians are coming, the Vietnam war, the mess of the cities and the environment all are putting the old hawks on the defensive. The once overly friendly military committees realize they will lose their power unless they approach the military budget more critically.

Mahon said appropriations subcommittee conducted more investigations in 1969 than any other year. Chairman Stennis of Senate Armed Services Committee is reorganizing his operation, replacing some investigators with budget specialists. And while Chairman L. Mendel Rivers (D-S.C.) of the House Armed Services Committee remains four square behind the military, his committee can only authorize how much money should be appropriated. Mahon and Stennis have the most to say about how much will be appropriated.

Military leaders naturally do not like the change in the wind. Many feel the press is at fault for only writing about the projects that go wrong. For example, right after Vice President Agnew lambasted the press, several officers at the Naval War College showed up for classes wearing "We love you, Spiro" buttons.

One hard fact that does not seem to be appreciated by the embittered military leaders under attack is that the Pentagon simply is not a place for good works. Inherently, money for defense is wasted with nothing like a rehabilitated neighborhood to point to after it is spent. Without a war, the money for the military is high-priced insurance—protection money extorted out of the taxpayer, in the extreme view. With a war like Vietnam, the results of the money are not apparent to the critics.

The press aside, Mahon and his committee have a reputation for responsibility and fairness. The military cannot lightly dismiss the committee findings made after hearing 5,947 pages worth of testimony. The findings show—among other things—that McNamara did not master the Pentagon. They also serve notice on Laird that he is under heavy challenge from his old friends in Congress.

TABLE 2.—SELECTED ACQUISITION REPORT ON 34 MAJOR WEAPON SYSTEMS, JUNE 30, 1969, COST SUMMARY

[Dollars in millions]

| | Contract definition plan (Col. 1) | Planned cost current quantity (Col. 2) | Current estimate total program (Col. 3) | Cost growth (Col. 3 minus 2) | Percent cost growth over original plan |
|---|---|---|---|---|---|
| A-7D | $2,012.1 | $2,012.1 | $2,012.1 | $0.0 | 0.0 |
| AWACS | [1] 2,652.7 | 2,652.7 | 2,652.7 | .0 | .0 |
| B-1 | [1] 8,800.0 | 8,800.0 | 8,800.0 | .0 | .0 |
| C-5A | 3,370.0 | 3,370.0 | 4,832.0 | 1,462.0 | 43.4 |
| F-15 | [1][2] 6,039.0 | 6,039.0 | 7,700.0 | 1,661.0 | 27.5 |
| F-111 A/C/D/E | 5,505.5 | 2,941.9 | 7,401.3 | 4,459.4 | 151.6 |
| FB-111A | 1,781.5 | 655.7 | 1,218.5 | 562.8 | 85.8 |
| RF-111D | [1] 579.4 | 542.1 | 895.6 | 353.5 | 65.2 |
| Maverick | 391.8 | 391.8 | 374.7 | (17.1) | (4.4) |
| Minuteman II [3] | 4,164.2 | 4,168.2 | 4,280.7 | 112.5 | 2.7 |
| Minuteman III [3] | 4,339.0 | 4,060.3 | 4,226.0 | 165.7 | 4.1 |
| SRAM | 261.1 | 421.0 | 1,470.1 | 1,049.1 | 249.2 |
| Poseidon C-3 | 4,384.0 | 4,384.0 | 5,602.0 | 1,218.0 | 27.8 |
| Condor (AGM-53A) | 126.0 | 126.0 | 167.0 | 41.0 | 32.5 |
| Walleye II | 345.0 | 123.9 | 134.6 | 10.7 | 8.6 |
| A-7E | 1,465.6 | 1,421.5 | 1,919.1 | 497.6 | 35.0 |
| Phoenix | 469.0 | 529.5 | 1,013.8 | 484.3 | 91.5 |
| Sparrow III 7E | 740.7 | 265.6 | 258.1 | (7.5) | (2.8) |
| Sparrow III 7F | 393.0 | 246.3 | 425.9 | 179.6 | 72.9 |
| P-3C | 1,294.2 | 2,265.3 | 2,261.7 | (3.6) | (.2) |
| F-14 A/B | $6,166.0 | $6,166.0 | $6,373.0 | $207.0 | 3.4 |
| Torpedo MK48 Mod 0 | 700.3 | 715.3 | 3,890.7 | 3,175.4 | 443.9 |
| Torpedo MK48 Mod 1 | 71.6 | 71.6 | 111.0 | 39.4 | 55.0 |
| SSN 688 class | [1] 1,614.0 | 3,462.0 | [4] | | [5] |
| CVAN 68 | 427.5 | 427.5 | 536.0 | 108.5 | 25.4 |
| CVAN 69 | [1] 519.0 | 519.0 | 519.0 | 0.0 | 0.0 |
| LHA | 1,346.5 | 1,346.5 | 1,379.4 | 32.9 | 2.4 |
| DXGN | [1] 726.6 | 3,264.0 | 4,750.1 | 1,486.1 | [6] 45.5 |
| S-3A | 2,891.1 | 2,891.1 | 2,891.1 | 0.0 | 0.0 |
| DD 963 class | [1] 1,396.5 | 1,737.5 | 3,350.3 | 1,612.8 | 92.8 |
| Safeguard | 4,185.0 | 4,185.0 | 4,185.0 | 0.0 | 0.0 |
| Cheyenne | [4] | [4] | [4] | [4] | [4] |
| General Sheridan | 398.1 | 548.0 | 689.6 | 141.6 | 25.8 |
| General Sheridan Ammo Annex [7] | [1] 370.1 | | 489.0 | | [5] |
| Shillelagh | 373.1 | 380.3 | 573.2 | 192.9 | 50.7 |
| Lance (XRL) | [1] 543.8 | 421.9 | 472.3 | 50.4 | 11.9 |
| Total | 66,735.8 | 63,089.1 | 79,266.2 | 16,177.1 | 25.6 |

[1] Planning estimates.
[2] Baseline changed to March PSR.
[3] Minuteman II and III counted as 1 weapon system.
[4] Not available.
[5] Not in totals because of lack of definitive cost estimates and status of negotiations.
[6] Not available because of pending litigation.
[7] Not considered as a weapon system.

Note—Numbers represent June 30, 1969, SAR revised through Nov. 14, 1969.

Mr. WHITTEN. I yield myself 10 minutes. Mr. Chairman, with regard to the appropriation bill which is before the Congress today, I would like to join with my colleagues in expressing our thanks for the very splendid help we have had from Bob Michaels and other members of the staff.

I think it has been pointed out by others that this matter of handling appropriations for the Defense Department consists of so much detailed work and covers so many major problems, it is next to impossible to master it. However, Mr. Chairman, in addition to quite a large and fine staff, we have many, many investigations that are in turn carried out by those who are expert in this field and borrowed from other agencies, in most cases.

Mr. Chairman, I take this time to let you know what a terrific job our chairman has had but which he has handled in a very fine manner, supported by the subcommittee this year. There is no way around the fact that we are meeting at a time when we are somewhat in a period of readjustment, realinement, a time of review. As many of you know, through the years I have taken the view that, after World War II, when we had the atomic bomb and other nations did not, we more or less went around the world telling far too many people, "We will take care of you," and we got ourselves injected into the internal affairs of many countries around the world, which in many cases has turned out to be a mistake. Time has shown that we no longer have a corner on many, many things in the way of weaponry. It has also disclosed to us that we cannot exactly run any other country, and we have become a bone of contention in many of those countries. We have reached such a point in so many areas of the world, we now have to bring about a readjustment which raises with us some real serious questions as to how we can do so and at the same time defend our country, maintain ourselves as a free power in the world, a great power for good and a great power for defense in case we need it.

I believe all believe we must bring the war in Vietnam to an honorable end; but, Mr. Chairman, we must ever be cognizant that we must do so with the maximum protection of our men who are there and elsewhere in Asia.

But in the doing of the things I have mentioned, there are some things we should think about. I recall having heard Admiral Nimitz, Chief of the Pacific Fleet, say some years ago, when it was said that the then President was going to turn Okinawa back to Nationalist China—he was talking privately and he said:

What we do not realize is that when we build a big airfield and set up weapons of that type, we cannot destroy them. We may drop bombs on an airfield and make holes in it, but they can fill the holes with dirt and put asphalt on top of that, and you have the airfield ready to operate. We have gone around the world creating weapons that can-

not be destroyed and to talk about turning such weapons over to some country which cannot hold it is foolhardy and dangerous. We had better think of that principle today.

It being true that we are facing an inflation that a few years ago was running at a rate of 7 percent a year, probably more now, when we try to maintain adequate forces during the period while we reassess and, as I have said, review our equipment, certainly we have a real job in keeping a sense of balance within our Committee on Appropriations and in our recommendations to Congress.

I say here that our chairman has done a fine job in that area. We have backed him up. We expect to continue to do so. But in the process we have to think of a variety of things, one of which is that we have our economy in many areas of the country geared up to defense spending. But that is not as disturbing as it might be on the face of it, because, as someone said some years ago, if that same amount of extra effort was put forward in peacetime activities, into our production, that we would have a wealthier country, whereas in time of war and preparation for war we burn our gasoline and destroy our material things and end up a poorer country.

So we are faced here with trying to bring about a financial readjustment, to rearrange our relationship with many countries around the world, and at the same time stay strong and see that we have adequate defense to protect ourselves, not only during this period, but in the years ahead.

I am not going to detail the specific actions that have been spelled out so well by my chairman and by other members of the committee, but I say here that I believe under the leadership of the present Secretary of Defense, a man who has studied this subject matter and has cooperated with our chairman and with the committee through the years, we will have an objective and new look at our defense spending and our commitments, and we can expect full cooperation between him as a representative of the executive department and the House as a legislative body of the Congress.

It has been pointed out there is a substantial cut in the funds of this bill amounting to between $5 or $6 billion. What does not show is that within the last 8 or 10 years many things have crept under the tent designated as defense, which really are not defense spending in the pure sense of the word. Certainly many of those things I do not consider to be real defense in the short range and perhaps not so much in the long range. These things we must pull back, so as to strengthen the dollar which is as important to defense as it is to the domestic economy.

As we read the figures in the bill, they show the result of some major surgery, but that was done with a friendly and intelligent hand, and the total amount of money available is tremendous. I say again for the record that under the policies which have been set up by our chairman and the committee on the matter of reprograming efforts, if there are any places in this bill where funds later are determined could better be used in some other place, all the Secretary of Defense has to do is come up and ask that those funds be reprogramed into those things considered most essential.

The bill before the Members is well prepared and well thought out and tries to meet the problems as we see them now, but we have kept an escape clause, so that we can rearrange the funds as circumstances may require. We are living in a changing world and one in which we will have to change our own attitudes and some of our commitments. While we are at this and while we are discussing some of those subjects today, we should determine whether we have not gone into too many unilateral contracts—under which we have promised to take care of other areas where such area has made no such commitment to us.

As a member of this committee for a long time I think I can say the committee has done a fine job under trying circumstances. But for those who may be worried about the safety of the country, let me say this bill is fully funded to meet the needs as we see them and as the Secretary of Defense sees them. In case we have some funds in the wrong paragraphs, as time unfolds and the situation unfolds, there are ways provided to reprogram and put the funds where they will be most needed to meet the changing needs of the future.

I conclude by saying we must keep up this review on policy, commitments, and other problems, as well as funding.

Mr. MINSHALL. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Chairman, this is a huge bill, but this time it is not as huge as it has been in years past. As was indicated by the chairman of the committee and by the gentleman from Ohio, much of the credit for the fact that this is a reduction from past years must go to the present Secretary of Defense, a former distinguished Member of this body, and a former member of the Defense Subcommittee of the Appropriations Committee. The fact that we have been able to make these cuts, I am sure, comes largely as a result of the wisdom of the President of the United States in appointing as Secretary of Defense a man who did not have to learn about the Defense Department because he already knew about the Defense Department from long experience on this Appropriations Subcommittee.

As a result, without creating havoc in the Department of Defense, we will reduce the new obligational authority from that suggested by the Nixon budget by approximately $5.3 billion. I think even more importantly in this year of financial inflation, the cash outlay for fiscal year 1970 will be reduced by more than $3 billion.

This was not an easy thing to do. It was not an easy thing for the Department of Defense to advise. It was not an easy thing for the subcommittee to accomplish. As the gentleman from Mississippi has just stated, there is no Member on the subcommittee who is not thoroughly dedicated to the idea that the defense of this country is the highest priority in the business of the Government of the United States.

This bill is a result of a revision of some national priorities. As the Congress well knows, the Nixon administration early made a decision to Vietnamize the war in Vietnam and in so doing to reduce as rapidly as possible and to a figure as low as possible the numbers of American troops who will participate in that war.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I am delighted to yield to my good friend, the Speaker.

Mr. McCORMACK. I hear a lot about the Nixon administration's Vietnamizing the war. I approve of it, and agree, but does not the gentleman agree that President Johnson also did a lot of work in that direction under his administration?

Mr. RHODES. Mr. Chairman, I say to my good friend, the Speaker, it was certainly not any intention of mine to indicate that the opposite was the situation. The fact that the Vietnamization process was undertaken so early in this administration would certainly have to indicate in the mind of any fair individual that a groundwork had been laid, which had to have preceded the inauguration of this administration. There can be no doubt about that.

I thank my friend the Speaker for bringing this up, because there is nothing political about this and there is no desire by anybody to take any political credit for what I believe is a successful program and will be a successful program.

Mr. McCORMACK. I realize there was nothing political. I certainly would not want the RECORD to show I had the slightest thought in that regard, because I know the gentleman is as far removed from politics in his thoughts as I am.

Mr. RHODES. I consider that to be a compliment, Mr. Speaker.

Mr. McCORMACK. I want to make the RECORD clear that this is something other administrations also were carrying out. I support the carrying out of it and the intensification, and I hope it will be very successful, but the history of it goes back to other administrations.

Mr. RHODES. However, I am sure the Speaker would agree with me that the facts do indicate and the figures do indicate that at the time the Nixon administration came into power there were 540,000 some troops in Vietnam and we now have under 500,000 and we hope that the figure is going down.

I believe the Speaker would have to agree with me that the administration which is in power, at the time the actual reduction occurs, would certainly be that administration which should receive the lion's share of the credit.

We have no way of knowing what would have happened under another administration. The plans which they had developed—I presume they had plans because the Speaker says they did—certainly might have continued to lay dormant, as they had prior to the time this administration came into power.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to my friend from Ohio.

Mr. MINSHALL. After listening to this colloquy between the gentleman and my good friend the Speaker, I certainly want to say some of the groundwork as has been pointed out for Vietnamizing the war did occur during the last year of the Johnson administration. I would also like to point out I know the Vietnamization of the war has been intensified and speeded up under this administration, to the tune that today we have 66,000 net less troops in Vietnam than we had when this administration took over January 20.

Mr. RHODES. I think my friend from Ohio will agree, also, as long as we have gotten into a course in history with regard to the war in Vietnam, that it might be well to record right here that in January 1961 when the Democratic administration headed by the late President Kennedy came into power there were some 676 American troops in Vietnam. After 8 years of Democratic administrations there were 540,000 troops in Vietnam.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I am always happy to yield to the Speaker.

Mr. McCORMACK. I was interested in and somewhat intrigued by the observations made by the gentleman from Ohio about the withdrawal of troops. Of course, the withdrawal is based upon circumstances and conditions which permitted it, but they did not arise overnight. The origin of them goes back several years. We all approve of it, of course. However, I do hope that we will never agree on an imposed Communist coalition government in Vietnam. If that day ever arrives, it will be a sad day in ths history of America, because to me that would be a complete capitulation. The observation of my friend from Ohio, of course, is completely free from any political connotation. I know that. However, all I was thinking was to have my friend from Arizona's remarks appear to, as I am sure he wanted them to be, impartial. I know nobody is supporting the President of the United States more strongly than I am, but the history of Vietnamization goes back into previous administrations, also.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. About as free from political connotation as was the cessation of bombing at the zero hour before the election a little more than a year ago.

Mr. RHODES. I am sure the gentleman is referring to a rather fortuitous circumstance, which was not intended to have any effect on the last election. Will the gentleman agree with that?

Mr. GROSS. No, I would not agree with that at all.

Mr. RHODES. I did not think the gentleman would.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I am happy to yield to the gentleman.

Mr. MINSHALL. So my position is absolutely clear, I want to point out that I merely recounted what the facts are and what the record is, Mr. Chairman, because the facts are that there are 66,000 less troops in Vietnam today than there were last January 20. I should like to point out, also, that this year we are spending nearly $7 billion less in Vietnam than we had in the previous fiscal year.

Mr. ADDABBO. Will the gentleman yield?

Mr. RHODES. I yield to the gentleman.

Mr. ADDABBO. Will the gentleman from Arizona also agree that President Johnson's speech of April 1968 spoke of South Vietnamese assuming a greater responsibility and our subcommittee seeing to it also that the South Vietnamese would be given more modern equipment and arms so that they could effect the present Vietnamization of the war?

Mr. RHODES. I am not familiar with the facts that the gentleman relates, but if the gentleman states them as facts, I will accept them as such. However, I think the gentleman from New York will also agree with me that the process of reequipping and reestablishing South Vietnamese forces was only a dream until the present Secretary of Defense undertook it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MINSHALL. I yield the gentleman 5 additional minutes.

Mr. RHODES. Until he realized those plans and actually did something about them.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Mississippi.

Mr. WHITTEN. My colleague is so gracious in yielding that he has not had a chance to make his own speech. I would like to make a comment that there is enough of a job for all of us to do from now on without arguing too much about who deserves what credit up to date. Will the gentleman agree?

Mr. RHODES. I agree wholeheartedly with my friend from Mississippi.

I remember the remark made by the last incumbent of the Presidency at one stage of the Vietnam war. It went something like this: "If the Vietnamese war comes off well, there will be credit enough for everybody. If it does not come off well, only one person will be blamed, and you are looking at him."

And, of course, this is the situation as it often occurs. As the gentleman from Mississippi well knows, the person who has the ultimate responsibility in any great endeavor is the one who carries the blame if there is to be blame.

Mr. Chairman, I had intended to speak about the ABM. However, it is my opinion that this entire body is very well aware of the facts and figures concerning the proposed deployment of the ABM and I do not intend to get into that subject at this particular time.

However, I would like to say that there are $779.4 million in this bill for the ABM, $400.9 million being for research and development training and evaluation and $345.5 million for procurement.

Mr. Chairman, there are other items which are of a miscellaneous nature.

Mr. Chairman, I am thoroughly sold on the necessity of deploying the ABM system. I think we have waited long enough. We have tested it thoroughly enough. The hardware has been well tested. The radar has been well tested. Now it is time to proceed with deployment. It has been said in our subcommittee, and I think it is true, that you can test a weapons system to death. The time has come for giving it the final test by putting all of the systems together in order to see if it will work. This is the only thing that remains to be done in providing this country with an ABM system which will be meaningful from the standpoint of certain types of attacks.

This is not a full-scale deployment. In fact, our committee has been assured that the amount of funds requested for future ABM sites, if any, will be made each year. So, the Congress of the United States and the President have not wedded themselves to a policy which must proceed willy-nilly to some kind of full deployment of the ABM system. The opposite is the truth.

Mr. Chairman, this bill also funds a nuclear carrier. I have heard many people say that we should not spend more money on aircraft carriers. I do not believe it is true. Let me just quote from Mr. Raymond Blackburn, the editor of Jane's Fighting Ships—and Mr. Blackburn is an Englishman. He does not have any ax to grind insofar as American ships are concerned but he says:

> The nine great American carriers including the nuclear-powered *Enterprise* are the latest and finest instruments of seapower ever devised.

I doubt he would have said this if the aircraft carrier is an antiquated vulnerable instrument of warfare.

As a matter of fact, the modern, up-to-date aircraft carrier is a real miracle of precision, a real miracle of ability to defend itself from practically any threat known to man. It is a very efficient manner of projecting the power of the United States. This country has always been able to project its power on the seas.

Mr. Chairman, I feel very strongly that if and when we ever get into a situation where we no longer have the ability to project our power on the seas, we will then truly become a second-rate nation. I say this with full knowledge of the the fact that the U.S.S.R. thinks well of the necessity of projecting power on the seas. She is building a mighty fleet for the purpose of bolstering the Red Navy. However, she is also building a merchant marine fleet next to none. This is a matter of great interest which this Congress ought not to neglect.

The CHAIRMAN. The time of the gentleman from Arizona has again expired.

Mr. MINSHALL. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. RHODES. I think that along with a fighting modern up-to-date Navy there must also be an up-to-date efficient merchant marine. This country at the end of World War II was without peer insofar as a merchant marine capability was concerned.

We now find ourselves where we are probably eighth or ninth in ranking

among the merchant marine fleets of the world. This is a matter which must be faced up to, and which the present President of the United States has agreed that he would face up to. I am sure that he will.

So, Mr. Chairman, as I said at the outset, this is a bill which recognizes national priorities. It does not put as many dollars into the Defense Department, as many people feel very conscientiously are necessary in order to provide the type of defense this country needs and must have in the years to come. However, in the opinion of most of us it is an adequate bill and it does provide for the type of defense which we must have. There are other priorities to which our Nation must address itself. We feel that we are addressing ourselves to those priorities but also to our defense. I think that in a matter of balancing of interest that this is a good bill, an adequate bill, and I hope that the House will support it.

Mr. MAHON. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. ADDABBO), a member of the Defense Subcommittee on Appropriations.

Mr. ADDABBO. Mr. Chairman, I rise in support of H.R. 15090, the Defense Department appropriation bill for the fiscal year ending June 30, 1970. This bill is the result of extensive work done by the committee in an attempt to strike a proper balance between the desire to maintain a strong defense posture and the need to curtail nonessential military expenditures.

I commend the chairman, the gentleman from Texas (Mr. MAHON), and all of my colleagues on the committee for their great combined effort in developing and bringing forth this bill. I commend and thank the very able staff of the committee for their assistance and dedication especially when our staff of less than 10 has to match the hundreds of backup experts the military services have in presenting their testimony to the committee.

I again take this opportunity to commend our chief staff member, Bob Michaels, on his outstanding and dedicated service and wish him well in his retirement.

H.R. 15090 provides a total Defense appropriation of slightly more than $69,960,000,000, a reduction of more than 10 percent from the January 1969 budget and a reduction of more than $4.4 billion from the last appropriation. This represents the largest cut in Defense spending since the end of the Korean war.

As a member of the Defense Appropriations Subcommittee, I participated in the extensive hearings on this legislation and during the course of those hearings I raised several questions concerning possible reductions in spending. I am pleased with the bill as reported and I believe it is a responsible effort to reduce Defense spending without adversely affecting our national defense present or future.

The major bulk of the reduction comes in the area of personnel but other important areas include additional reductions in chemical and biological warfare and more than $2 billion in procurement. By way of comparison we should remember that this proposal translated into 1964 economics by subtracting the cost of inflation and salary increases is far below the $49 billion appropriation approved in 1964.

I am also pleased that the committee has approved my recommendation that the Navy policy with respect to ship repairs be changed to allow open competition for ship repairs within a 350 mile radius of the home port where repairs cannot be done at home port. This change in policy recommended and discussed in the committee report will result, I believe, in a reduction of repair costs by encouraging competition and will bring some relief to the New York-New Jersey area through a greater distribution of the repair work. With the closing of the Brooklyn Navy Yard several years ago, defense work in the New York area has been limited. Therefore, it is my hope that with this change in policy the New York area will receive its fair share of defense work.

Mr. Chairman, I urge my colleagues to support H.R. 15090 as an important step in achieving a responsible balancing of national priorities.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois (Mr. YATES).

Mr. YATES. That shows how ineffective and indefinite the proposed safeguard ABM system would be.

In fact, later on there is another program that has been approved by this subcommittee relating to defense against incoming enemy missiles and that is the so-called hard rock silo program.

On page 703 of the hearings, the gentleman from California (Mr. LIPSCOMB), asked this question:

> Mr. LIPSCOMB. Do you think that we need both?
>
> Colonel GROSSMILLER. Until we can positively prove that one is more effective than the other, I believe we do need to test both.

We who are opposed to the deployment of the ABM system favor its continued research. The incongruous part of the action of the committee to me is to read their very eloquent statement in the report in opposition to concurrency in which they stated their opposition to the action of the Department of Defense in deploying a weapons system before the research and development was ready for it.

They objected to that most positively and urged the Department of Defense not to continue.

Well, what did they do in the ABM system? The ABM has $400 million in this bill, approximately, for further research for the safeguard ABM.

There is in prospect within the next few years an expenditure of more than $1 billion to be spent in further research on the ABM.

Why then should we approve of deployment at this time? There is a time for research, there is a time for deployment. This program has not passed the research stage.

I know very well of the threats and tensions in the world today. I know that we must have a strong armed force in order to protect our national security. We must be concerned with our survival in a world in which Winston Churchill has described "Safety is the sturdy child of terror and survival is the twin brother of annihilation." I know there will be some who will arise and say that I and my colleagues who are opposing deployment of the ABM system are threatening to pull the rug out from under the negotiators at the Helsinki talks. Nothing is further from the truth, Mr. Chairman. We do not want to pull out and we do not want to undercut those talks in any respect because we know how very important they are.

Approval of the amendment which I will offer when the bill is read for amendment will show that the Congress does favor curtailment of the nuclear arms race and that there should be no speedup of the race through ABM deployment.

I recall the words of President Eisenhower which were uttered on December 8, 1953 before the General Assembly of the United Nations when he said:

> For me to say that the defense capabilities of the United States are such that they could inflict terrible losses upon an aggressor, for me to say that the retaliation capabilities of the United States are so great that such an aggressor's land would be laid waste—all this, while fact, is not the true expression of the purpose and the hope of the United States. To pause there would be to confirm the hopeless finality of a belief that two atomic colossi are doomed malevolently to eye each other indefinitely across a trembling world. To stop there would be to accept helplessly the probability of civilization destroyed—the annihilation of the irreplaceable heritage of mankind handed down to us generation from generation—and the condemnation of mankind to begin all over again the age old struggle upward from savagery toward decency, and right and justice.

Then President Eisenhower went on to urge the settlement of controversies by peace rather than by bloody conflict—to which all of us subscribe.

Our national security cannot be established and maintained only if the United States buys every new strategic weapon that might possibly work and buys it in greater quantity than the Soviet Union happens to buy it.

Mr. Chairman, those of us who are opposed to the deployment of the ABM believe that the facts elicited in the hearings do not indicate that this system at this time—at this time—when proponents of it are urging deployment, will add anything to the safety or to the national security of the United States. When the appropriate time comes, I propose to offer an amendment to strike out "deployment."

Second, Mr. Chairman, I propose to offer an amendment to strike out the $100 million appropriation for the so-called Tow missile. In conversations with the distinguished gentleman from New York (Mr. STRATTON) who is a member of the Armed Services Committee of the House, and with Members on the opposite side of the aisle who are members of that committee, they say that the appropriation for the Tow missile program is, in their view, totally unneeded. There is in our armament inventory an excellent missile which performs the same purpose, and which can

be purchased for a third of the cost of the Tow.

Mr. MAHON. Mr. Chairman, I yield such time as he may require to the gentleman from New York (Mr. PIKE).

Mr. PIKE. Mr. Chairman, I thank the gentleman for yielding. I have requested this time in order to ask a couple of questions which came to my mind as a result of the language appearing on page 57 of the report. First, in talking about the change in the schedule of procurement of F–14 aircraft, what the committee has done, as I understand it, is change the procurement from the Navy's request of six R. & D. models and six production models to a total of nine, instead of 12, all of which will be R. & D. models. The thing that interests me, however, is this language:

> The committee would like to make it abundantly clear, however, that none of the funds provided are to be utilized for tooling beyond that needed for fabrication of the test aircraft.

I simply find it a little difficult to understand how you can tool up for the test aircraft without tooling up at the same time for the production aircraft, and is there any intention to prevent the tooling which is being used from being used for production aircraft later on?

Mr. MAHON. I think the gentleman has raised a good point. The object of the committee is to avoid a pell-mell approach to production of the F–14 aircraft by accelerating tooling beyond what is necessary for the aircraft needed in research and development. I would assume that tooling up for a research-type aircraft and tooling for the regular production aircraft would be somewhat the same. The tooling would be generally interchangeable.

I think we have to agree that we mean that they would proceed with the tooling to the extent that is necessary to produce the R. & D. aircraft. We would have to realize that, and hope that when we go forward—and I hope we will and expect that we will—with the production aircraft, the tooling used for the R. & D. aircraft can be used for the regular production aircraft. I believe that would be a reasonable interpretation of what the committee has in mind.

Mr. PIKE. I thank the gentleman for his response. I hope that is what the committee has in mind.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, I think, just to add a little bit to the answer of my chairman, it is true we are not production people. I do not know whether the tooling needed to build nine research and development aircraft would be the same as that needed to build 120 production aircraft. I suspect some of it is not. All we really want to do is to make sure the production tooling which will be built in accordance with this appropriation bill will not exceed those which are absolutely necessary to build the nine research and development aircraft.

The gentleman from New York will recall the experience which this Government has had with the F–111 aircraft. We just do not intend to let that happen again if we can stop it. We want to have these nine aircraft built, tested, and evaluated before we proceed pell-mell on any further orders for the F–14A. As the gentleman knows, the F–14A is only the first version. There will be a followon version with a better engine. We have some worries too about being able to interface the advanced engine with the existing airframe. We do not want the company to proceed with production tooling beyond that needed to fabricate the test aircraft, but at the same time we do not want to inhibit the fabrication of the first nine test aircraft.

Mr. PIKE. Mr. Chairman, I thank the gentleman for his response. I did want to make it clear on the record that there is not going to be any inhibition on using the tooling required to build the test aircraft for the further production aircraft if, in fact, that is subsequently authorized and funded.

Mr. MAHON. Mr. Chairman, if the gentleman will yield further, the gentleman makes a very good point. I believe the gentleman had a reservation or a question in regard to another matter in the report?

Mr. PIKE. Yes. If the gentleman from Texas will permit me a further question, I am curious about the language also as to the KA–6D aircraft, which again is on page 57 of the report. The committee has struck out the sum of $57,600,000 to buy new KA–6D tankers, and the committee says it "recommends that the Navy modify additional A–6 aircraft to the tanker configuration in lieu of buying new aircraft."

That is all very well, but, having taken the money out of the bill for the new one, has the committee put any money in to remodel the old one?

Mr. MAHON. The gentleman's question relates to the report, near the bottom of page 57. The budget itself, as pointed out, does provide for the modification of four aircraft, but there are no additional funds for the modifications of additional aircraft.

Actually, if the funds are to be available, one or more of several processes could be used in seeking to acquire the funds. If the Navy is convinced that the committee has provided insufficient funds in this connection, of course a request can be submitted to the other body, and the funds can be sought in that way.

Another way to make available the funds in many cases is to find funds that are not going to be used for the purposes for which requested or from a program which has slipped or has been abandoned and reprogram them.

Mr. PIKE. Mr. Chairman, I thank the gentleman for his response.

I think it is obvious to those who have listened to some of the debate on the authorization bill that perhaps in the course of preparing this appropriation bill, the committee has found it necessary to gore quite a few oxen, and I do not mind conceding that one of mine got bloodied up a little bit in here, despite all of which I simply want to say I think the Appropriations Committee in general on this bill has done an outstanding job.

I was unable to vote for the authorization bill simply because in my opinion at this stage in our national history it just plain had too much money in it.

I was particularly upset by the $1 billion add-on for ship construction.

In this case I want to commend the chairman and all the members of the committee for a bipartisan effort. Regardless of the fact that this is always a painful process, the committee has done an outstanding job and deserves to be commended.

Mr. MAHON. I thank the gentleman very much for those generous remarks.

Mr. MINSHALL. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin (Mr. DAVIS).

Mr. DAVIS of Wisconsin. Mr. Chairman, prior to this year, it was in another decade that I last served on this subcommittee, so I do not presume to talk with the depth of knowledge of my colleagues on this subcommittee, but perhaps a period of absence may help to enhance the perspective I might be able to shed for my colleagues upon this measure.

Probably no other bill which confronts us here in this body entails more responsibility upon our part than does this one. There simply is not anyone else to do it. In many of the domestic programs which we discuss here we can look in greater or lesser degree for assistance in problem-solving and decisionmaking to the States, to the local governments or to individuals. But clearly the defense of our country is entirely a Federal responsibility, and it is one where the center of responsibility lives right here in Congress.

Perhaps nowhere else does the significance of the committee system demonstrate itself more clearly. This matter of providing for the common defense is a massive responsibility, and in today's technology, with the sophistication of our weaponry systems, it is impossible for any of us to be completely an expert. I suppose that applies not only to individual Members of this body and to the members of the full committee but also to the 11 men who serve on this subcommittee.

So, while we cannot claim to be experts in all the areas encompassed in this bill we can but claim to be a group of intelligent, careful, and reasonable men who have arrived at our judgment in order to fulfill the responsibility which has been delegated to us.

This bill does represent our judgment, a judgment based upon diligent efforts to obtain information upon which this bill, and our report are based.

I suppose if we were to single out any as being the architects of this particular measure we would have to include our former colleague the Secretary of Defense, the distinguished chairman of the full committee and of this subcommittee, and the ranking minority member, the gentleman from California (Mr. LIPSCOMB.)

But I submit that every member of the subcommittee has made a contribution to this evidence of our combined judgment that appears before you today.

We cannot assure you completely that this measure is adequate to our times.

We cannot assure you that every dollar here is necessary. We cannot assure you that every dollar will be efficiently spent. We can only assure you that we have applied ourselves diligently to the task to which you, our colleagues, have assigned us.

We have avoided in this measure the extremes of those who believe that we can avoid world problems by dismantling our defenses. We have avoided the extremes of those who clamor for everything that the military might desire as the ultimate in defense capability.

We have pinpointed and eliminated items that we consider to be largely duplicatory and in some cases we have funded research and development efforts which are apparently but not actually duplicatory. For instance, in the Tow and the Shillelagh missile systems some people will claim that we have one and we do not need the other. In fact, they are based on different concepts. One has capabilities not completely present in the other. We have attempted to assure——

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am happy to yield to the gentleman from California.

Mr. GUBSER. Is the gentleman implying that the Shillelagh missile has not been fired in the ground mode?

Mr. DAVIS of Wisconsin. I cannot answer that specifically as to whether it has been successfully so used or not.

Mr. GUBSER. I might say to the gentleman, if he is, I can show him a movie where the Shillelagh has been fired in the ground mode, and I do not understand why the Army does not admit it.

Mr. DAVIS of Wisconsin. I am not prepared to say what the Army will or will not admit. It is entirely possible. But I am sure the gentleman will concede they are based on different concepts and the capabilities of the two are certainly not entirely coincidental.

We have attempted to assure maximum research and development before funding for procurement but for some sophisticated weapons systems there comes a time when the laboratory and the testing range are no longer adequate: when installation and in-being facilities must be procured and constructed to test under actual operating conditions. This is precisely why the funds for the ABM are included in this bill. The ABM installations we are speaking of in this measure give us prototypes—a phase of a system in being. I suggest ABM in-being is necessary not only as an advanced technology but as an essential element to the success of the pending disarmament discussions. Indeed, rather than detracting from the potentialities of SALT, as the Foreign Affairs Committee effectively reminded us, the implementation of phase 1 of ABM strengthens our hand in these negotiations. I would suggest in that respect—and I believe this is the unanimous opinion of our subcommittee—those of us who heard the hearings arrived at an entirely opposite view from some members of the committee who signed a minority report without appearing at our hearings. I think it is of some significance that while it may be unusual for 10 members of the Committee on Appropriations to sign a minority report, you will not find a single member of the subcommittee which heard the hearings listed among those dissenters.

We have not been insensitive to criticism. We have not been and we are not today spokesmen for the Pentagon. In addition to the seven volumes of hearings that are available to anyone who wishes to be informed on our hearings, there have been numerous informal hearings to discuss matters of expressed public concern, and, in some instances, matters of obvious Defense Department shortcomings. There have been numerous staff investigations. There are numerous staff investigations now pending or to be undertaken before the hearings next year.

There has been, and there will be a great deal of discussion of a number of specific programs.

Now, Mr. Chairman, I want to take just 1 minute to talk a little bit about Sanguine, one of the projects for which money is included in this bill and one which has aroused rather vocal opposition in some areas.

Sanguine is an extremely low-frequency communication system now in the research and development phase administered by the Department of the Navy. It provides worldwide communications potential and particularly so with respect to our Polaris submarines.

Thus far something like $27 million has been invested in its development. It operates best where certain low-conductivity rock conditions exist. So it has been tested in an area in North Carolina and Virginia and in a national forest in northern Wisconsin. These tests have demonstrated some problems such as the ringing of telephones, interference with telephone use, the electrification of long metal objects such as fences and there have been some questions raised relating to plant and animal life. But this is why we are continuing the research and the development in this area, in order to find ways to mitigate these problems.

This will require several small tracts of land where the transmitters will be located. There will be required easements in larger areas of land where the antennas are to be buried.

But we have already learned enough to know that we can use a much smaller area with much less power than had previously been contemplated and that the problems are solvable, that Sanguine is capable of performing its worldwide naval communications mission.

Mr. Chairman, the solution of problems is the purpose of research and development. That is why there is $5 million in this bill.

I hope that some highly vocal organized opposition will not succeed in scuttling this useful program administered by the Department of the Navy.

Mr. MINSHALL. Mr. Chairman, I have no further requests for time.

Mr. MAHON. Mr. Chairman, I yield 7 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I rise at this time to comment on one of the amendments which the gentleman from Illinois (Mr. YATES) is going to offer under the 5-minute rule; namely, the amendment to strike out $100 million for the Tow Army antitank missile.

Mr. Chairman, I believe Members of this body are well aware of the fact that I am not one of the more vocal doves in this House and that I do not have any particular antimilitary bias. As a matter of fact, in the past few weeks I have taken this well on several occasions to fight for programs that the Pentagon has wanted. I think the RECORD also shows, however, that as a member of the Armed Services Committee and as a member of the investigating subcommittee of that committee, one of them on the sinking of the submarine *Guitarro* and one of them on the Sheridan tank program, I try to call the shots as I see them and have not hesitated.

I strongly believe that we should end waste and duplication in the Defense Department and not just talk about it. The Appropriations Committee in its report on the Defense bill indicates that its hearings "reveal instances in which—the military services are pursuing duplicating development efforts" and indicated that as a result of these duplicating developments "procurement costs are needlessly increased over a period of several years." Yet the committee, which usually takes pride in reducing every authorization ceiling, has in this bill fully funded, to the extent of $100 million, a missile program which, although it was included in the authorization bill conference report, was originally knocked out by the House itself on the grounds that it was "unacceptable redundancy." In fact, the authorization conference had included Tow funds with a specific reference to the need for further research and development into the possibility of doing the antitank job the Army wants to do with one weapon system rather than two.

As a member of the conference committee I went along with that $100 million authorization reluctantly, recognizing that we rarely get everything that we authorize fully funded anyway. The authority is now in the law in case subsequent developments indicate it would be wise to undertake full-scale procurement of this weapon. But I think it would be a very serious mistake to fund the full $100 million even before this preliminary testing, and the shootoff between the Tow and Shillelagh directed by the conference committee has taken place.

The other day Senator STENNIS, chairman of the Senate Armed Services Committee, directed his committee to undertake an immediate investigation to "determine whether the military services are building duplicate weapons."

He said:

> In view of the large sums of money involved, a proliferation of missiles capable of carrying out the same missions would represent a waste of funds and resources and must be avoided.

Well right here with the Tow missile, is a classic example of the very thing the Senator is speaking about. If we really want to eliminate waste and duplication, especially where large sums of money are involved in this case, specifically a billion dollars, here is the place for us to start.

In the first place, the Tow and the Shillelagh are almost identical weapons, not in their configuration, as the gentleman from Wisconsin mentioned a moment ago, but they are in their performance, but the Shillelagh is already in mass production, whereas the Tow is still in research and development.

Moreover, the Tow is more than twice as expensive as the Shillelagh. And if we go the full distance on the Tow, as I have already said, it would cost $1 billion.

General Westmoreland, whose desire to get the Tow, is very largely, as I understand, the reason that the committee has put this money in for the full amount, talked with me the other day and urged me to support Tow. I said I checked into some of these things and he gave me a classified fact sheet on Tow and Shillelagh performance. He said:

Sam, you can see from this fact sheet just how different these two weapons are.

But the thing that amazed me when I looked the classified fact sheet over, and saw the performance of these two weapons, was that they are almost absolutely identical with one exception, and that is that the Shillelagh weighs 10 pounds more than the Tow. But half of the extra 10 pounds is because of a heavier and more lethal warhead. Theoretically, the difference between the Tow and the Shillelagh is that the Tow is supposed to be for infantry, as the gentleman from California (Mr. GUBSER), a very capable member of the subcommittee, pointed out a moment ago, and the Shillelagh is supposed to be for tanks. But the fact of the matter is that both of them can already be used in helicopters. And the fact is that the Shillelagh, which the Army claims cannot be used in the infantry mode, was actually fired, as the gentleman from California mentioned a moment ago, in 1962 in the infantry mode. And our subcommittee has in its possession a motion picture to prove it—and incidentally it took a lot of wrangling and arm-twisting to get that out of the Army.

Not only that, but the chief of Army Research and Development, Lieutenant General Betts, who appeared before us as the expert witness in these technical matters, was not even aware of the fact that the Shillelagh had been fired in the infantry mode back in 1962, and had never seen the pictures.

In fact, the Army has long been aware of this potential duplication, and back in 1962 there was an Army staff study made which we also have in our subcommittee. The result of that study is that the most expensive way for the Army to go in antitank weapons would be to go the two separate routes of developing the TOW all the way, and the Shillelagh all the way. Yet that is exactly what the Army is now asking us to do and what the Appropriations Committee proposes to fund.

Earlier this year our investigating subcommittee discovered certain problems in connection with the Sheridan tank program, and those surfaced in the press under the headline of the "billion-dollar boo-boo." And after this case came out, people said to us: Why did not the members of the Committee on Armed Services find out this problem in advance?

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRATTON. Mr. Chairman, could I have 2 more minutes?

Mr. MAHON. Mr. Chairman, may I ask how much time we have left on our side?

The CHAIRMAN. The Chair will state that the gentleman has 8 minutes remaining.

Mr. MAHON. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. I thank the chairman.

People said to us, Why did not your committee find this out before the billion dollars were spent rather than after the billion dollars had been spent? I had to admit that was a pretty good question. We had not kept in as close touch with this Sheridan tank program as we should have. But here with the Tow missile is a case where we can lock the barn door before the horse is stolen rather than waiting until after the horse is stolen, to issue a report and then complain about the situation.

Here is a perfect opportunity for us to exercise our leadership and prevent the waste of $1 billion, rather than pointing out the error after the taxpayers' money has been spent.

The strongest argument which the Army has for the Tow missiles is that it is urgently needed for ground troops in Europe to protect them against a massive Soviet tank threat. Now one wonders just how serious this threat is since the Army regarded it so lightly only a few years ago that they stopped producing its major antitank weapon, the M–60, and even started selling some of those in its inventory to non-NATO allies. Nevertheless, if the increased threat is as great as the Army says it is, then it should be pointed out that proceeding at the rate the Army proposes, we will only have 200 or 300 Tow launchers in Europe by the end of the next calendar year, and it will be 1974 or 1975 before we have that weapon fully deployed there. Yet the Army has on hand at this very moment the capability of putting 500 Shillelagh launchers into Europe almost overnight, since we have some 500 Sheridan tanks sitting around unused, in storage today, because they cannot fire their conventional ammunition, but are still fully capable of firing the Shillelagh missile. If we are really worried about an urgent threat, that would seem to be the fastest and best way to meet it.

As a matter of fact, the only real difference between Tow and Shillelagh infantry deployment in Europe is that we cannot have the Shillelagh fully deployed as an infantry weapon in Europe until about 18 months or 2 years later than we can have Tow deployed. Yet, since what we are talking about is a 1974 to 1976 time frame, if I read the papers correctly and the RECORD of this Congress, by that time we will be pulling many of our troops out of Europe rather than putting them in, and this would certainly apply to infantry handled weapons.

Tow is called an infantry weapon. But let me point out that it can only be manhandled for a distance of about 200 yards. Beyond that it needs a jeep at least to carry it. So it is really not much more mobile than a Shillelagh fired from the highly mobile Sheridan tank.

So, Mr. Chairman, if we really mean what we say about preventing duplication and waste, and if we really believe that this Congress ought to be calling the shots on military spending rather than just rubberstamping the generals and the admirals, then we ought to go slow in funding the Tow system, at least until we have completed the additional research and the shootoff between the Tow and the Shillelagh which the House and Senate conferees directed in their report. I believe we ought to eliminate these funds today. I believe we should send 500 Sheridans with Shillelagh missiles to Europe immediately to defend against the Soviet tank threat, and then leave the decision about going down another billion dollar road for still another Army weapon until after we have concluded the careful examination which this House strongly recommended just a few weeks ago.

Mr. MOORHEAD. Mr. Chairman, I would like to commend Chairman MAHON and the members of the Appropriations Committee for their efforts on this year's military appropriations bill. They have brought about the largest reduction in the military budget since the end of the Korean war. Through their diligence, some $5.5 billion has been trimmed from the budget—and in the words of the distinguished chairman—these are not paper savings. They are real savings to the taxpayers of the country.

Although the Appropriations Committee literally made history with its report, there is still much to be done toward returning the military budget to proportions that are reasonable in light of the other problems which this country faces.

But for now let me dwell on what the committee actually did and those tasks that remain to be accomplished.

There are two significant areas of reduction in weapons systems procurement:

First. The F–14 program was curtailed with $129 million cut from the overall program.

Second. The shipbuilding and conversion program was curtailed by $352 million.

These and the other minor cuts made by the Appropriations Committee in concert with the Defense Department are salutary. However, many of the original questions which I and many of my colleagues have had for over a year are left unanswered:

First. The ABM which created such dispute throughout the country with respect to its feasibility, necessity and wisdom remains untouched.

Second. The C–5A and the accompanying scandal still haunts us. Although I was impressed that the Air Force decided they did not need 120 C5's any longer—that they could perform their mission with only 81—I am still not convinced that they cannot do the job with their presently funded 58.

Third. The CVAN–69, the nuclear attack carrier appears of dubious neces-

sity in the years to come because of the rapid changes in technology, warfare, and our changing role in the world's security. Our only potential adversaries in the area of naval warfare—the Soviet Union—does not have a single aircraft carrier, while we maintain and renew our force of 23 attack and ASW carriers—a superiority, mind you of 23 to 0. Yet this remains untouched.

Fourth. The AMSA, the advanced manned strategic aircraft, that will add only marginally to our strategic and retaliatory forces, and which was not justified by the Department of Defense remains untouched.

All of these major programs and others were spared the scrutiny and the scalpel that was so deftly applied to the smaller weapon programs.

The lack of reduction in the larger weapon systems despite the fact that they have not been justified or that have been demonstrated to be procurement horror stories of the first magnitude remain the largest problem in defense procurement facing the Congress. The Appropriations Committee has, in effect, admitted this. They have castigated the Minuteman program for weakening our defenses. They have censured the DOD and the industry for gold-plating weapons systems. They have stated their displeasure with the C–5A program, its contracting practices, the overly optimistic estimates and the rest of this sordid tale. And they have, in effect, blasted the services for their slovenly management practices. Yet none of these large programs was touched despite the fact that they rob the taxpayers of many billions of dollars per year—far more than the amount they cut out of the bill. This is the remaining problem facing Congress, and this is the problem we intend to pursue when the new budget is submitted to Congress.

Mr. VANIK. Mr. Chairman although I would support a reasonable and understandable appropriation for the Department of Defense I must oppose the provisions of this $70 billion bill. Frankly, it is impossible for a Member of Congress to make a fair and adequate appraisal for a commitment of this dimension in a single appropriation bill. The committee has made an effort this year for which it is to be commended, but the basic problem is the submission of an omnibus bill which lumps good with bad and necessary with wasteful, all under the guise of the national security.

In spite of the diligent efforts of the Appropriations Committee, this bill is filled with waste and extravagance of an awesome dimension. During his presentation in support of this bill, the chairman of the Appropriations Committee, the Honorable GEORGE MAHON, of Texas, stated that this bill also included carryover appropriations totalling $39.9 billion making available to the Department of Defense in this fiscal year a sum totaling almost $109 billion. The availability of this kind of expenditure makes it completely within the power of the executive and the military services to determine the course of military spending. It would seem to me that Congress should insist on the power to place an overall ceiling on total expenditures in the current fiscal year if it is to make a proper assessment of national security needs and domestic priorities. This is completely impossible under the omnibus bill which is submitted for our consideration today.

The essential information relating to this legislation, the hearings, were not completely available to Members of the House until last Tuesday, December 2. The decisions of the Subcommittee on Appropriations were not available to Members of the House until last Wednesday, December 3. It is insulting to assume that the membership of the House has had an adequate opportunity to review 5,947 pages of hearings and 102 pages of the report and form a responsible judgment on whether this $70 billion appropriation should be approved or disapproved.

When the authorizing bill was under consideration, I opposed the granting of a blank check for defense. I supported amendments to strike out funds for the deployment of the anti-ballistic-missile system. I also opposed the addition of over $1 billion for the construction of an additional carrier which was not requested by the President. This spending is wasteful and unnecessary evidence of commitments not related to the defense of our country.

I also opposed the $481 million request for the procurement of the fourth C–5A Air Force squadron which was subsequently reduced in its size. While many of the procurements for research and development contained in this bill deserve our earnest support, others raise serious questions of need, cost, duplication, waste, and inefficiency. Some programs are outrageously ill conceived and should be rejected outright.

Since this appropriation bill includes wasteful and unnecessary appropriations for so many questionable programs. I feel that this bill should be opposed until it can be cured of defects which I consider of important relevance to the security of America and the taxpayer interest.

If we are to prepare an adequate defense, if we expect to win the fight against inflation, if we are to respond to our responsibilities as members of this legislative body, now is the time to begin.

Mr. MONAGAN. Mr. Chairman, I support H.R. 15090. In the present state of the world, it is necessary that we have a Military Establishment and that this establishment be furnished with equipment that is adequate to meet any reasonably foreseeable threat to our security. This objective would be adequately served by the present bill.

At the same time, this bill is significant in its substantial limitation of military activities and the committee which voted out the bill has shown a welcome willingness to cut appropriations when it deemed this course possible and to view with critical eye all the requests of the military.

I have never believed that military recommendations should be accepted without the exercise of independent congressional judgment any more than I believe that the military policy should shape the course of our Nation. From the beginning of our history, our national policy has held the military under civilian control and I believe that this has been a sound policy and should continue. Surely, the military plays an important and irreplaceable part in the life and security of our Nation, but neither the military nor the Nation would be served by permitting undiluted military policy to dominate our national thinking.

This bill cuts appropriations $5.3 billion below the revised budget estimates and $7.7 billion below the original January estimates. More significantly, it represents a cut of $4.4 billion below the 1969 appropriations. Cuts in requests are not as vital as cuts in actual appropriations amounts. These cuts are substantial since the appropriation is cut 6 percent, but I hope that they will not be the last word and that we shall be able to continue to make these reductions. I trust that the words of the committee report will be prophetic when they state:

> Further withdrawals of U.S. forces may make additional funding reductions possible during the remainder of this fiscal year.

Mr. FRASER. Mr. Chairman, I shall vote for this bill in view of the substantial cuts made by the committee. My vote indicates approval of the $5 billion reduction, but does not extend to many items included in this appropriation. The ABM and a number of other weapon systems which the bill finances should have been eliminated or deferred. I favor an early end to our involvement in the Vietnam war. This will finance that involvement as well.

Yet my views on these weapon systems and upon Vietnam have been made clear by other votes, some of them against authorizations for military spending. Since we have debated and discussed these questions earlier, I am not surprised that the Appropriations Committee elects to fund them now.

The significant aspect of this bill—the welcome surprise—is in the substantial savings effected. This kind of reduction must become the trend over the long term. We must not permit unrestricted demands for new military hardware to eat away at resources needed for more peaceful and constructive uses at home and abroad.

The debate which the House engaged in when the military procurement bill was under consideration must be continued. So must efforts to reduce manpower totals. So must efforts to trim unnecessary units from our forces.

The United States needs an adequate deterrent and effective conventional forces of modest size. I believe we can buy the national defense we need for funds totaling much closer to $50 billion a year than the present figures. As Vietnam recedes we must press for this result. In the meantime I commend the committee for its actions in reducing the military budget without impairing our security.

Mr. BINGHAM. Mr. Chairman, I want first to commend the Committee on Appropriations, and particularly the Defense Subcommittee, for much that they have done on this legislation—the fiscal year 1970 Defense appropriation bill. This is an enormous piece of legislation in terms of the number of programs for which it provides funding and the total

amount of funds it contains. With a price tag of nearly $70 billion, it is one of the biggest money bills ever to come before this House, and the task of conducting a careful review in committee was, I am sure, similarly enormous.

I am gratified by the magnitude of the total cuts imposed by the committee—$5,318,000,000 from the latest budget estimates, and $7,780,152,000 from earlier budget estimates. But more significant than the size of the cuts, it seems to me, is the magnitude of this appropriation in comparison with the 1969 budget. The total funds proposed to be allocated in this legislation amount to nearly $4.5 billion less than the 1969 appropriation. I think we are long overdue for a change in the trend of military expenditures, which has been steadily and precipitously moving upward over the past several years. I sincerely hope that this marks the beginning of a steady and even precipitous downtrend in our expenditures for military hardware and personnel in the future.

The committee has acted commendably by exercising caution on several new weapons systems. During consideration of the Military Procurement Authorization, I proposed that we implement additional research and development on the new F–14 Navy fighter, at least to the point where we have completed some flight tests of the aircraft and its various component systems, before we take it into production. I therefore proposed that the $275 million for the first six production models of the F–14 be deleted from the fiscal year 1970 budget, and that we refrain from authorizing or appropriating such funds until we have flight tested this very complex and innovative aircraft.

I was permitted only a few moments to defend that amendment during the debate on Defense procurement, and it was defeated. Apparently, however, the Appropriations Committee took note of the caution flags raised on the F–14 program, which follows hard on the heels of the F–111 fiasco which ran up such large cost overruns. The committee has deleted the very same $275 million for F–14 production that I urged be deleted, adding $146,000,000 for three additional R. & D. models.

I wholeheartedly endorse the strong language used by the committee concerning the scandalous inflation of final weapons costs over initial estimates. I particularly agree with the committee that one of the major reasons for these immense and costly overruns is the "tendency to move too fast into production even before development and testing has reached the point where a reasonably intelligent decision to enter into production can be made." It was this weakness in our approach to defense buying that I was trying to get at with my amendment on the F–14, and I feel the committee has done the American public a great service by recognizing this problem not only with regard to the F–14, but also other proposed new weapons systems.

Now, there are several aspects of this legislation which I find disturbing, and I must note from the outset that I think these negative items in the bill outweigh the encouraging aspects I have mentioned.

For reasons I have often stated before, I share the opposition expressed by 10 members of the committee to the appropriation of $359.5 million for deployment of the Safeguard ABM system.

With the SALT talks currently underway in Helsinki and showing signs of possible fruitfulness, it would be especially foolish for us to begin deployment of an ABM system now. With almost no risk whatsoever, we could postpone such a move until we have had a chance more fully to explore the possibility of reaching agreement with the Soviets to control this and other destabilizing strategic weapons systems. I must take strong exception to the presumption of the Committee on page 8 of its report which argues that, because the SALT talks are "preliminary in nature, there is no reason to believe at this time they will have any impact on the fiscal year 1970 Defense budget." The report goes on to say:

> If a safe and meaningful limitation on strategic weapons were to be agreed to, the budgetary impact would be felt in future years.

That may well be true. But it is not, in my view, a convincing argument for moving immediately to deploy a new weapons system such as the ABM. Not only may these deployment funds be wasted if we later reach restrictive agreement with the Soviets on ABM, but immediate deployment will also make such agreement more difficult to reach.

For these reasons, I intend to support the efforts I understand will be made by a member of the Appropriations Committee, the gentleman from Illinois (Mr. YATES), to amend this legislation to delete the deployment funds for ABM.

In light, also, of the SALT talks which are now underway, I think it is tragic that this legislation is based on a continuation of the philosophy that, in the committee's words:

> This country must maintain its military superiority over any other nation.

Adoption of such a philosophy will doom any arms limitation talks to failure and thus will accelerate the arms race, not dampen it.

In the testimony—just released last week—before the committee, Air Force Chief of Staff, Gen. John D. Ryan stated that the United States is working to develop "hard-target killer" MIRV's. This statement will doubtless be construed by the Soviets to the effect that we are seeking to develop a first-strike capability. General Ryan's unsettling statement is in contrast to what the DOD told the House Subcommittee on National Security Policy and Scientific Developments; in its report on MIRV testing, that subcommittee noted:

> DOD witnesses testified before the subcommittee that the objective of U.S. MIRV's is to assure penetration of Soviet ballistic missile defenses, a second strike mission which does not require high accuracies.

To talk about "hard-target killers" is clearly something else again.

I was the first Member of Congress to call a suspension of flight testing of MRV's prior to the commencement of the SALT talks, and I am disturbed that this legislation contains funds for continued testing without even the most minimal, nonrisk restrictions to demonstrate our good faith in attempting to reach some agreement with the Soviets on MIRV's. I am even more disturbed, however, by the continuing contradictions in administration statements concerning the purposes and capabilities we are pursuing in the development of these highly provocative and destabilizing weapons. In my view, we have much to gain and nothing to lose from refraining from further MRV flight testing while the SALT talks are getting off the ground, and there is no justification for the development of MIRV's with a hard-target capability that will cast doubt on their deterrent function and force the Soviet Union to suspect first-strike intentions. To the considerable extent that this legislation contradicts these considerations, I feel compelled to vote against it.

I am disturbed by the large proportion of these funds which are likely to be used by the Defense Department and the individual services to propagandize the American public. I have noted the evidence on this matter which Senator FULBRIGHT has revealed in the past week, and I have done some investigating myself. It seems clear that as much as $27,000,000 was expended in 1969 by the various services for public relations and public information. A significant portion of these funds provide the materials and manpower with which the armed services, in effect, promote their own goals, programs, and policies.

Until 1959, strict limits were included in the Defense Appropriations bills on the amount that could be devoted to public relations and public information. In 1959, that limit was $2.7 million. During the 10-year absence of such limitations, this expenditure has swelled 1,000 percent, to at least $27 million. That is the admitted figure and the real figure is probably much higher.

While this wasteful and improper use of funds is not of such magnitude that it would justify opposing this legislation, I do feel that it is of more than sufficient import to require immediate attention and remedial action. With that in mind I intend, at the appropriate time, to offer an amendment to limit to $10,000,000 the amount of funds in this act which may be devoted to public information and public relations activities. This amendment, I feel, is necessary despite the cuts totaling $4,955,000, made by the committee in the public information and public affairs budgets of the respective military services.

In addition to the various other unnecessary and, indeed, undesirable items of expense, this bill, of course, also provides billions of dollars for a seemingly unlimited continuation of our tragic military involvement in Vietnam.

This bill, therefore, runs counter to the views which I have previously expressed here in relation to the need for much more drastic steps to extricate ourselves from Vietnam than have yet been taken or seem to be envisaged by the President or the Appropriations Committee.

For all of these reasons, I shall vote against H.R. 15090.

Mr. SCHEUER. Mr. Chairman, I oppose this bill. Though the Appropriations

Committee deserves praise for its scrutiny of H.R. 15090, I believe further cuts are possible without causing any danger to ur national security. For the carelessness Ernest Fitzgerald revealed about the C–5A is surely not exceptional in Pentagon planning.

Many Members have questioned the effectiveness of our spending in the war against poverty—and properly so. But cannot we recognize that mistaken judgments in a single Department of Defense program are frequently responsible for cost overruns greater than the entire budget appropriated for the Office of Economic Opportunity?

Today, I am questioning more than the ultimate use of our defense money. I am also questioning the administrative policies of the Department of Defense.

For years we have been told that "efficiency" and "cost-effectiveness" are the hallmarks of our defense spending. And yet, what does the history of the Defense Department cost estimates actually reveal? The cost of the missile systems of the 1950's and the early 1960's was 3.2 times the original estimates. Initially, the cost of the Air Force's manned orbiting laboratory was estimated at $1.5 billion. The most recent estimate was $3 billion. Equally grave miscalculations were made for the Sheridan armored vehicle, the Cheyenne helicopter, and countless other weapons.

Indeed, incidents of faulty planning are becoming more common, and apparently, more acceptable in the Pentagon. Last week the chairman of the Senate Armed Services Committee announced that the Navy's Mark-48 torpedo program has a cost growth of 395 percent over the original estimate. The House Appropriations Committee report on H.R. 15090 has labeled 1969 "The Year of the Cost Overrun."

Of course, some of the higher cost can be explained by inflation and improved technology. However, the House Appropriations Committee has declared that 49.2 percent of the cost increases is due to revision of estimates, something that any private business would avoid as a matter of policy. Indeed, any company that used equally lax managerial practices would soon go bankrupt.

Some immediate action must be taken. The contractors must become accountable for their original estimates. There must be an increase in competition for contracts. For years the Defense Department officials have told us that savings of at least 25 percent can be realized through competitive procurement practices. Yet, within the past 4 years there has been a decrease in competition. In 1966 50 percent of the total military procurement was awarded competitively. In 1968, the figure was only 42.1 percent.

The need for reduced military spending is glaring. Our Nation's internal problems are clamoring for treatment and funds. The air we breathe in our cities is endangering our health. Our cities' schools are becoming market places, not of ideas, but of crime and narcotics. Inflation is hurting the middle class as well as the poor.

Mr. Chairman, while our country's domestic problems have been worsening, 35 defense weapons programs have overrun their original estimated costs by 19.9 billions. Until we end the war in Vietnam, until we clean our air and our waterways, until our cities receive adequate funding, until we bring military expenditures under rational, hard-headed cost controls, I cannot favor the military appropriations bills brought before this House.

This Nation must begin to establish a set of rational priorities. No longer can we allow our military spending to continue to dominate our entire national budget.

Mr. RYAN. Mr. Chairman, although the Appropriations Committee has reduced the administration's budget request of $75.2 billion by $5.3 billion to $69.9 billion, the military budget reflects the serious imbalance in our national priorities and underwrites the war in Vietnam. The Appropriations Committee estimates that some $23.1 billion appropriated by H.R. 15090 will be allocated to the Vietnam war in fiscal year 1970.

As in the past, I again point out to the House that the only way to change the policy in Vietnam is to refuse to finance that tragic war. From January 1, 1961, through November 29, 1969, 39,642 American lives have been lost through hostile action in Vietnam. As long as the House votes the funds and supports the administration's policy, as it did last week by a vote of 333 to 55, it must bear its share of responsibility for the continuation of the war. Therefore, I cannot in good conscience support this bill.

In opposing the bill, no Member of Congress is denying that an appropriate amount of funds should be appropriated for the legitimate defense needs of the Nation. Instead, opponents are critical of a bill which is the result of the outdated assumptions of the cold war, the expansive growth of the military-industrial complex, and the war in Vietnam.

The Congress has failed to exercise its responsibilities and has constantly voted in favor of military budgets with little, if any debate; and those critical of the budget receive only nominal support. This abdication of responsibility by the Congress has permitted a growing concentration of critical policy decision to be made in the executive branch.

An area of the bill which is of particular concern is the proposed anti-ballistic-missile system. This bill provides $799.4 million for the Safeguard system: $400.9 million for R.D.T. & E., $345.5 million for procurement, $23.2 million for operations and maintenance, and $9.8 million for military personnel.

In the past, I opposed funds for the deployment of the Sentinel system, and I have the same basic objections to the Safeguard which I outlined on October 2, 1969, when the military authorization bill was before the House.

ABM deployment threatens to upset the present delicate strategic balance, encourage escalation of the arms race, and impair the U.S. position at the strategic arms elimination talks in Helsinki.

In addition, the moneys being used to fuel the fire of the spiraling arms race only add to the inflationary pressures on the economy. Certainly, these funds could be better used to help solve some of our critical domestic problems.

Ten of the members of the Appropriations Committee, in separate views in Report No. 91–698, expressed their opposition to the funds appropriated for procurement, operations and maintenance, and personnel which total $359.5 million. They question the appropriation of funds for deployment before the research, development, and evaluation has been made and point out how much waste in military spending has resulted from appropriations of funds for deployment at the same time as funds for research and development.

To provide funds now for deployment risks huge overruns on a system which is presently slated to cost over $8 billion.

Mr. Chairman, I would like to mention one item for which funds have been cut—the manned orbiting laboratory. For years, I have pointed out that the MOL duplicated a NASA program. A year ago, the Secretary of the Air Force refused to brief Members of Congress on the project. In September of 1968, I introduced an amendment to the DOD appropriations bill to reduce the military budget by 8.5 percent. Included in the amendment the the deletion of $550 million for the MOL.

Although my amendment was not adopted, the Defense Department has now abandoned the MOL because, in its words, of "first, continuing urgency of reducing Federal defense spending and second, advances in automated techniques for unmanned satellite systems.

This is an example of the kind of waste that Congress has allowed in the past. The money for the MOL could have been used to feed the hungry, build adequate housing, provide better health and medical care, and permit every American child the opportunity to receive an education. These are goals for which we should be striving.

The imbalance in our priorities is clear. H.R. 15090 appropriates almost $70 billion to the military, while our domestic social programs are starved.

That I cannot justify.

Mr. MIKVA. Mr. Chairman, I will vote against the fiscal year 1970 Department of Defense appropriations bill for three reasons. I do this with some reluctance because of the already sizable cuts made by the Appropriations Committee and the members of the Defense Appropriations Subcommittee. I believe that the committee, chaired by the distinguished gentleman from Texas (Mr. MAHON) and the subcommittee, also chaired by him, have done an impressive job in reducing the inflated size of the DOD budget. I want to make clear that my voting against this bill has nothing to do with any of the cuts which the committee has made.

Rather, my opposition to this bill is based on three items which indicate how totally out of proportion to the real defense needs of this Nation the present $70 billion Pentagon budget is. The first of these unjustifiable "unnecessaries" is the Safeguard anti-ballistic-missile system. This bill, H.R. 15090, contains almost $400 million of taxpayers' money to deploy the ill-advised ABM. Not only is the ABM a waste of taxpayers' money because of its doubtful efficacy, it is a positive danger to American

security because of the threat it poses of further escalation of the nuclear arms race between ourselves and the Soviet Union. When I consider that the need for the ABM has not been convincingly demonstrated, that we have no proof that it will even work, and that we will never be able to effectively test it as a weapons system, I simply cannot justify casting a vote to spend the money on this monstrous military miscalculation.

The second reason that I feel compelled to vote against this appropriations bill is that it contains substantial sums to support the war in South Vietnam. As I have said elsewhere, my own belief that the way to end the war in South Vietnam is to begin immediately the complete withdrawal of all American forces and to complete the withdrawal as soon as a move involving so many men and so much material is possible. But the present bill contains funds to support the present policy of indefinite delay in the withdrawal of American forces. It contains funds to continue the participation of American military forces in a war which most citizens have long ago decided was a mistake from the beginning. It contains money to continue the fighting and the dying by Americans in that land so far away from our shores and so remote from our national interests. I cannot support a bill which provides money for these purposes so at odds with the national interest of the United States.

Finally, I must vote against this appropriations bill because it continues to provide funds for military manpower which far exceeds the real needs of this country. Although that number has been lowered from 3.46 million men at the beginning of this year to something under 3.3 million by the end of fiscal 1970, we still have on active military duty far more men than are required to serve the security needs of this Nation. What is even more disappointing than the excessive number of men is the reluctance of this Congress to assert its constitutional prerogatives to determine the size of the Armed Forces.

It is difficult to think of a congressional responsibility which is more clearly spelled out in the Constitution than the duty to determine the size of America's Armed Forces. Yet for almost 20 years we hav left the job of sizing U.S. forces to the men who command them—the generals, admirals, and military planners of the Pentagon. I cannot endorse this abdicat:.n of congressional responsibility by voting for funds to support troop levels which have never been adequately justified to Congress. Until our force levels and the number of men on active military duty are reduced to levels more consistent with our real security requirements, I cannot support a bill which provides funds at grossly exaggerated force levels.

Mr. Chairman, no Member can lightly vote against a bill which provides funds for the defense of the United States. But when such a bill provides so much more money than is really required that it both distorts the economy of this country and robs the Government of resources to meet the pressing domestic needs of America, then I feel compelled to cast my vote "No."

Mr. MINSHALL. Mr. Chairman, I have no further requests for time.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1970, for military functions administered by the Department of Defense, and for other purposes, namely:

Mr. YATES. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 305]

| | | |
|---|---|---|
| Abbitt | Foley | O'Neal, Ga. |
| Adair | Fraser | Ottinger |
| Andrews, N. Dak. | Fulton, Tenn. | Patman |
| Baring | Galifianakis | Pepper |
| Bell, Calif. | Gallagher | Poage |
| Betts | Gettys | Podell |
| Bingham | Giaimo | Powell |
| Blackburn | Green, Oreg. | Price, Tex. |
| Boland | Griffin | Reid, N.Y. |
| Bolling | Halpern | Reifel |
| Brademas | Hammer-schmidt | Riegle |
| Brotzman | Hanley | Robison |
| Brown, Calif. | Hays | Rogers, Colo. |
| Buchanan | Hébert | Rooney, Pa. |
| Bush | Holifield | Ruppe |
| Cahill | Horton | St Germain |
| Celler | Hosmer | Scheuer |
| Chisholm | Jones, N.C. | Smith, Calif. |
| Clark | Karth | Smith, Iowa |
| Clay | Kirwan | Smith, N.Y. |
| Cowger | Landrum | Staggers |
| Cramer | Lipscomb | Steiger, Ariz. |
| Daddario | Long, La. | Tiernan |
| Dawson | Lukens | Tunney |
| Dingell | McCarthy | Ullman |
| Edmondson | McDade | Utt |
| Edwards, Ala. | Macdonald, Mass. | Whalley |
| Edwards, La. | Mailliard | Wilson, Charles H. |
| Eilberg | Meeds | Wright |
| Farbstein | Michel | Wydler |
| Fascell | Nichols | Young |
| Findley | O'Hara | |
| Flowers | | |

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 15090, and finding itself without a quorum, he had directed the roll to be called, when 337 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Clerk will continue reading.

The Clerk read as follows:

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere); $8,312,000,000.

AMENDMENTS OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer several amendments.

The Clerk read as follows:

Amendments offered by Mr. YATES: On page 2, in line 10, strike out "$8,312,000,000" and insert in lieu thereof "$8,308,000,000".

On page 6, in line 19, strike out "$7,214,447,250" and insert in lieu thereof "$7,204,447,250".

On page 15, in line 6, strike out "$4,281,400,000" and insert in lieu thereof "$3,935,900,000".

Mr. YATES. Mr. Chairman, all the amendments that have been read relate to the principal amendment of striking out deployment funds for the ABM.

I ask unanimous consent that all three may be considered en bloc at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. ARENDS. Mr. Chairman, we cannot hear the gentleman. Will the gentleman repeat his request.

Mr. YATES. Mr. Chairman, my amendments relate to three different sections of the bill, all of which are related to the deployment of funds for the ABM. I ask unanimous consent that they may be considered en bloc at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The gentleman from Illinois (Mr. YATES) is recognized.

Mr. YATES. Mr. Chairman, I ask the Members of the House to take a look at the committee report because they will see one of the few instances when dissenting views are filed to the report of the Committee on Appropriations. You will note that 10 members on the Committee on Appropriations—20 percent of the entire membership of the committee united in opposing funds for deployment of the ABM.

At the start of the debate today, my good friend, the chairman of the committee, the gentleman from Texas (MR. MAHON) spoke of cost overruns, and he also talked about the evil of concurrency. He must have had the Safeguard ABM in mind because there will be substantial overruns in the future.

My arguments in opposition to the deployment of the ABM are taken from the report and hearings of the committee.

On page 48 of the committee report, you will see what to many may be a new word—the word "concurrency." That word refers to an obnoxious practice, the practice of the Department of Defense in conducting research and deployment or production at the same time. This practice has resulted in the waste of hundreds of millions of dollars. Programs that come readily to mind of such concurrency and the evils that flow from it are the F–111 program, the Sheridan tank program; there are many others that could be cited.

There is one that I would like to tell you about.

I want to tell you about the so-called DASH helicopter program, which is de-

signed to fly from a ship or base, detect an enemy submarine, and destroy it.

The DASH helicopter program, since 1960, has lost 362 out of the 746 helicopters which were procured under a concurrency program, lost, because they were made prematurely, made and used before they were ready, without even an emergency. Some of the helicopters remain on station today. The rest are in storage, presumably for good—another example of the so-called concurrency program. That is why I oppose ABM today, because the ABM program may be another example of deployment that is premature.

Those of us who opposed deployment, as you will see by the report, favor continued research on the program, and funds are present in this bill for such continued research.

We are also opposed to this program because we consider it to be ineffective. I suggest you may wish to read page 387 of volume 4 of the hearings, where the gentleman from Texas (Mr. MAHON) asked the witness, General McNickle, this question:

> General McNickle, do you feel that the development of an effective antiballistic missile system is feasible within the current state of the art?

That is the $64 billion question. What did General McNickle say? He said:

> Yes; I think proof of that is what we have been able to do with our space programs.

Not any statement that the ABM's have been effective, not any statement that they have been shooting missiles out of the skies with an ABM missile program, but he says that we have done this so well in the space program, we have faith we will be able to do as well with the ABM system. It cost $21 billion to put a man on the moon. Will it cost that much to put an ABM missile into the sky?

Then Mr. MAHON repeated the question, because he was not satisfied with the answer. On that same page, Mr. MAHON said:

> Do you foresee that we could develop a totally effective defense against the ICBM?
>
> General MCNICKLE. If totally effective means stopping all incoming warheads I think there will always be some that would get through under any circumstances that you talk about, sir.

Some would get through. How many incoming nuclear-headed missiles would have to get through in order to destroy the targets? How effective is an ABM system that does not shield this country from incoming missiles? Yet the proponents of the ABM system say that deployment will protect this country from any kind of serious or determined attack from the enemy.

So, Mr. Chairman, it seems to me, if we have a high regard for the taxpayer and for avoiding premature military programs of the type that have cost hundreds of millions of dollars without bringing any measure of security to the Nation, we must stop deployment of the Safeguard ABM. I urge the Members of the House to support my amendment.

Mr. PELLY. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, in connection with the Department of Defense appropriation bill, I have given much thought as to the advisability of providing funds for the Safeguard anti-ballistic-missile system. The amount as stated on page 11 of the report shows a total of $779.4 million, including $400.9 million for research and development and $359.5 million for deployment.

Deployment of the ABM system will be one of the subjects to be discussed by the Soviet Union and ourselves at the important disarmament discussions now being held in Helsinki, Finland. These discussions will include nuclear offensive and defensive missiles.

Earlier this year I had hoped for a delay in deployment of the Safeguard system, at least until after these talks, but I must say now it would hardly be appropriate; in fact it could well be most unwise for Congress to act in any way to prejudice the position of our negotiators. Certainly the President will control expenditure of these funds, and if he sees any hope of an agreement with the Russians of halting deployment of ABM's he will take appropriate action to defer expenditures. He will do so if he decides it can be done consistent with national security.

And, frankly, it may well be that because of Red Chinese capability in the nuclear missile field, the Soviet Union will not find it expedient to agree to ban defensive missiles but rather would prefer to limit offensive missiles where admittedly both nations have a huge overkill capability.

However, at this late date, as I said, Congress should not intervene while talks are going on, and therefore I must put my trust in the President. And, I do trust him. These funds have been previously authorized by Congress, and now I believe the money should be made available and included in this bill, even though many of us here today fervently hope it will not be spent.

In my opinion, nothing we do must in any way jeopardize the discussions to halt the suicidal nuclear arms race. Therefore, Mr. Chairman, I do not support this amendment to limit the use of funds for the ABM, although I do sincerely hope both Russia and the United States will mutually agree to ban this weapons system which many scientists say will not work and which could indeed boomerang and prove to be a weapon of self-destruction.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, does not the gentleman believe if the House approved the amendment I offered, that could give notice to the Russians that Congress does favor curtailment of these missiles systems that are costing so much to both our nations and that it would give impetus to the talks to stop this never-ending arms spiral with its accompanying tensions?

Mr. PELLY. Mr. Chairman, I would say to my friend, the gentleman from Illinois, that I believe the proper negotiations should be conducted by the executive branch, and it is not well for us here in the legislative branch to undertake to twist the arm of anyone or indicate our position.

Certainly the Soviet Union knows just as well how some of us feel about this ABM system. We do not need to take action here today to let them know we want to cut this suicidal nuclear arms race. I commend the gentleman for his interest in that field, because I share it.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, the Russians are in a little different situation than we are, having already deployed the missile system, I am sure they would look on any action by this House to withdraw from deployment, with a great amount of satisfaction.

Mr. YATES. Mr. Chairman, will the gentleman yield on that point?

Mr. PELLY. Mr. Chairman, I yield to the gentleman from Illinois if he wants to respond.

Mr. YATES. Mr. Chairman, I do want to respond. One has only to look at the interrogation by our chairman of Dr. Foster, of the Department of Defense's R. & D. department, in last year's hearings to see that Dr. Foster is not at all concerned with the deployment by the Soviets of the so-called Talinn and Galosh ABM systems, because our missile strength could overwhelm them at any time. They are woefully inadequate systems and from the testimony, ours will be no better.

Mr. PELLY. Mr. Chairman, I wonder how much the Soviet Union worries about our ABM and how successful that might be.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we could discuss the question of whether or not we should deploy the anti-ballistic-missile system program for hour upon hour, however, a major portion of the time of this session of the Congress has already been devoted to the discussion of this question. I see no point now in a complete, fullscale debate of this problem at this time.

I can understand the gentleman from Illinois in offering his amendment. No doubt, he knows the amendment will be defeated, but he maintains his position by offering the amendment—which is understandable. But I think, Mr. Chairman, we all have made up our minds as to how we are going to vote. There is no use in having a complete replay of this issue.

I think most of us are convinced that it is well to go forward with only two sites, one in North Dakota and one in Montana, and we have been working to that end.

We have been working on the anti-ballistic missile for 14 years. In 1962 we made our first intercept of a ballistic missile, then designated in the Nike-Zeus program.

We have worked on the development for years and years and years. The time has come to move to deployment on this program. We do not know in fact, and with great precision, where it will lead. We know it is very expensive.

We hope some kind of agreement can

be reached for a slowdown in the arms race. We hope we can slow down the production of strategic weapons and perhaps abandon the whole ABM program, but we should not do it unilaterally.

I would hope that the Members could extend their remarks in the RECORD, or refer to remarks made previously in the session, and go ahead and vote on this issue. We all know what our views are and how we are going to vote.

I do not want to preclude debate, but I do believe we should move forward in view of the very busy schedule of the House this week.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. YATES. I was going to say, Mr. Chairman, the excellent report of the committee gave those who oppose the deployment of the ABM additional ammunition in support of their position.

My position is against concurrency, and what is proposed by Safeguard deployment is a concurrence of research and deployment.

The gentleman from Texas well knows there has been allocated for future years more than a billion dollars for research on this missile system. I believe it is foolhardy to start deployment when research necessary to precede deployment is not complete.

Mr. MAHON. With respect to concurrency, concurrency means to start the research and development and at the same time proceed with production of the weapon.

Since we have worked for more than a decade on this program under research and development, and since it is a matter of the highest priority with the administration, as it was with the previous administration, and with a majority of the Members of Congress, it seems to me that we must now move forward.

With respect to concurrency, if we had all the time in the world we could avoid concurrency in proceeding with a system. We have waited a long time before deploying this system, and are making a minimum deployment. We have to do some deployment to know whether or not the ABM system as a whole will be workable.

I have grave doubts as to whether or not it will ever be totally effective. I do not know of any missile we have ever developed for any purpose, including intercepting aircraft, that is totally reliable. But because we do not have the perfect answer is no reason why we should not proceed.

The time has come to proceed with a limited deployment in order that we can know more precisely where we are. It would seem to me that it would not be to our advantage, as we proceed with the SALT discussions, for us to limit our resolve or to reduce our efforts in this field at this time. Our negotiators need the solid backing of the Congress at this time and in my judgment they will have the solid backing of this Congress, the overwhelming backing of the Members of the House.

Mr. COHELAN. Mr. Chairman, I rise in support of the amendments.

Mr. Chairman, I rise in support of the amendments of the gentleman from Illinois (Mr. YATES). Those who have followed the ABM debate know that I was among the earliest opponents of this system. In all the subsequent debate I have retained my serious doubts about the technical and strategic arguments used to justify this complex weapons system.

As has been pointed out on numerous occasions, there is grave concern whether the ABM can accomplish its task. First, can it intercept incoming missiles of a total first-strike effort; and second, if it can intercept these missiles, will it pollute the atmosphere to such a degree that we have, in effect, just temporarily delayed the effects of an all-out nuclear exchange? Also there is grave question of the basic assumption of the need for ABM, the first-strike capability of the U.S.S.R., is or will be present.

This is not the time to go through a lengthy discourse on the ABM, but to ask a rather simple question: Is this the proper time to allow the deployment of an untested, complex and expensive weapons system? I think the answer is "no."

In the supplemental views which I signed, there was reference to the majority committee view, that the "concurrency between research, and development and production" was not desirable. The majority correctly pointed out that there should be two distinct phases. One for research and development and then production and deployment. Why not apply the same analysis to the ABM? For all the talk and justification of proponents of the ABM there is very little data to suggest that the ABM is operational. In the absence of such proof, why commit deployment funds?

This amendment answers this question in a positive and constructive way. It allows the appropriations of $400.9 million for research, development, testing, and evaluation, but would, in effect, remove the $359.5 million that will be used for deployment. I must point out that I do not feel that R.D.T. & E. requires the full-scale construction of two ABM complexes in the continental United States. In fact I feel that accurate testing; that is, using missiles to intercept missiles, can only be done at the Kwajelein Islands test site.

My objection to this deployment goes beyond a generalized concern for waste in our defense effort. We must realize that this initial commitment is but a small portion of the total price tag of this questionable project. The most conservative estimate is that it will cost $10 billion more than is available under this year's budget constraints for our cities, open spaces, education, and welfare. This is a glaring example of our mistaken priorities and some small effort can be made to alter these priorities by confining the ABM to these priorities by confining the ABM to a research and development effort.

Another compelling reason to defer deployment at this time relates to the continuing progress at the arms limitation conference in Helsinki.

These talks began after the fiscal 1970 procurement authorization was passed, and the debate on the ABM at that time did not consider the impact of deployment on ongoing discussions.

Two facets must be considered. The first is that we should do nothing now which could hamper successful negotiations on arms limitation. The second is that a meaningful arms limitation agreement—formal or informal—will include strictures on ballistic missile defense deployment. I am optimistic that we may be on the road to such agreements, but recognize that an agreement will be increasingly harder to find as deployment of such missiles progresses.

We have heard the numerous arguments asking for delay of deployment on technical grounds. I subscribe to these arguments. But to those reasons we must add the effect of deployment on arms limitation.

At this time the arguments are most compelling for a self-imposed halt in deployment funding until we see where we are going, both technically and politically.

Mr. MAHON. Mr. Chairman, when we return to the House I shall ask that all Members may have permission to revise and extend their remarks on the subject of ABM at this point in the RECORD. I hope we could now limit debate or else vote on the issue.

Mr. RHODES. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Arizona is recognized for 5 minutes.

Mr. RHODES. Mr. Chairman, the gentleman from Illinois made some points about the fact that for this system we are asking research, development, test, and evaluation funds of $400.9 million. The implication seems to be that if we need R.D.T. & E., the system is not developed to the point of deployment.

Mr. Chairman, the Defense Department asks for R.D.T. & E. funds for weapons systems which have been in operation, in procurement and deployment, for years. We never quit R.D.T. & E. on a weapons system, and that is the reason we have been able to improve and upgrade so many of the systems which we now have. That is the reason we do it. There is nothing unusual about asking for R.D.T. & E. funds in a situation like this.

Mr. Chairman, we have researched and developed this system to death. The only thing that remains now is to put the system together in order to make sure that it works. This requires limited deployment. We are going to deploy at only two locations. It is not a full deployment by any means. It is not intended to be. Further deployment decisions will be made at the proper time and when the necessity arises. But the fact remains that the Russians have already deployed what they call an anti-ballistic-missile system. It makes no difference whether it is a perfect system or whether it is not. Certainly, the system which we develop will not be a perfect system after the deployment.

Hopefully, however, we can progress with R.D.T. & E. to make it better. But I defy anyone to name a defensive system which will be 100 percent successful to overpower the offense. You will never have a defensive system which will keep

intercontinental ballistic missiles from landing on our shores if someone fires enough of them. However, the main thing is to keep them from being fired. So, the main element we seek is the deterrent effect, which is an extremely important factor. This is why the whole system is worth the money. If the first missile is fired, the game is up—probably for all our civilization. The thing we must do is to keep that first missile from being fired.

Mr. Chairman, as all of us know the Russians have played an international game of poker with us. They are great poker players and great chess players. They think they have an anti-ballistic-missile system. This is the most dangerous fact I know of. They think we do not have an anti-ballistic-missile system and this is the second most dangerous thing I can think of. They could try to parley these two facts into an international game of blackmail which could be disastrous to our system and to our Nation.

Mr. Chairman, I think we should bear in mind today that the Safeguard system can end up with giving us a credible anti-ballistic-missile system to keep this country from having to sustain an attack from abroad. I think it is absolutely necessary that we do this and proceed with it. I hope that we will, proceed to vote this amendment down and proceed to deploy an anti-ballistic-missile system. Mr. Chairman, this is the only type of language which is really understood by the people who are unfortunately now our adversaries.

If we can have talks in Helsinki or some other place and some plan will come into being to keep them from being an adversary, I will be the happiest person in the world. But in order to keep them from being an adversary we must get the point across to them that after once marching up the hill insofar as deployment is concerned, we will not then march back down the hill again, in a unilateral act. Let them destroy their ABM system, and if they do, I would then be in favor of refraining from deploying ours.

Mr. REUSS. Mr. Chairman, I move to strike the requisite number of words.

Does the gentleman from Illinois desire me to yield to him?

Mr. YATES. Yes; will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Illinois.

Mr. YATES. I merely want to say in response to my good friend from Arizona who refused to yield to me during his time, the arguments he makes in favor of the anti-ballistic-missile system were made last year to sustain the so-called Sentinel system by the proponents of that system in order, as they said, to protect the people living in the cities. Now, President Nixon earlier this year exploded that thesis completely. He said Sentinel could not protect people in the cities and he cancelled that program. However, the same proponents of that system now make the argument that the Safeguard is much better. How the same system can be better by a mere change of name escapes me. The arguments that were made last year for Sentinel are now advanced for an equally inadequate system, the Safeguard.

Mr. REUSS. Does the gentleman from Arizona desire me to yield to him to respond to the gentleman from Illinois?

Mr. YATES. The gentleman from Arizona would not yield to me during his time.

Mr. RHODES. This may be an indication as to why there is no credibility gap in this administration as there was with the previous one. The system which was planned to be deployed in the previous administration obviously would not have protected the cities, with the configuration and quantities of the planned deployment complexes. It would, however, have added to the credibility of our deterrent.

Mr. YATES. Why did you vote for it at that time?

Mr. RHODES. The Safeguard system is supposed to protect only certain Minuteman missile sites which gives us a deterrent. If we did not do this the Russians would never know that if they launched a preemptive attack that they would not knock out our missile sites, and thereby do away with our retaliatory capacity.

Mr. FRASER. Mr. Chairman, if the gentleman will yield——

Mr. REUSS. I yield to the gentleman from Minnesota.

Mr. FRASER. I wonder if the gentleman from Arizona might tell us whether he thinks he was right last year, or whether President Nixon is right this year.

Mr. REUSS. Does the gentleman from Arizona desire to respond?

Mr. FRASER. Last year the gentleman supported the so-called Sentinel version. Is that true?

Mr. RHODES. Yes.

Mr. FRASER. Now President Nixon has come out as wanting to shift the objectives and mode of deployment. At which time does the gentleman from Arizona believe that he was right?

Mr. RHODES. Mr. Chairman, if the gentleman will yield further, I supported last year the only system that came to the floor for a vote. I do not believe it makes too much difference just where the system is deployed and which way it is aimed, because these incoming missiles are coming from outer space. It really does not make a lot of difference whether you have the ABM missiles here or over there, as long as they have the range and capability to engage the incoming missiles. The main thing is to have a system which helps the credibility of our deterrent. Both Safeguard and Sentinel did that.

Mr. FRASER. Then the gentleman would side with President Nixon?

Mr. RHODES. I did not say that.

Mr. FRASER. He indicated the Sentinel system was not an acceptable concept, and that all it might do was serve notice to the Soviet Union that we were going for a first strike capability.

Mr. RHODES. I do not think the gentleman from Minnesota can find that quotation from President Nixon. I do not recall his saying that. Both Sentinel and Safeguard add to our deterrent—the latter more effectively than the former.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Illinois.

Mr. YATES. I am pleased that the gentleman from Arizona acknowledges his error in voting for Sentinel last year when it is conceded that it was an ineffective system. Why is this system any better? Solely because of a new name or a new administration? That is hardly a reason for spending hundreds of millions of dollars.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendments offered by the gentleman from Illinois (Mr. YATES).

The question was taken; and on a division (demanded by Mr. YATES) there were—ayes 25, noes 78.

So the amendments were rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 265, 3019, and 3033 of title 10, United States Code, or while undergoing reserve training or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, as authorized by law; $308,000,000.

Mr. CAREY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time first to say to the committee what I have already said to the chairman privately with regard to the form in which the appropriation bill and report have been sent to the Chamber. I think they deserve the gratitude and appreciation of all the Members here for the manner in which they have set forth the list and checklist of the progress being made on authorizations and appropriations so that we can have clearly before us how far down the road we have to go before we finish our work for this session.

This is most helpful to us. The clarity in which the report is written deserves commendation. I think we can all say to the chairman and the committee that this is a job well done.

Mr. Chairman, I also take this time to raise briefly a minor item. In fact, I am almost hesitant to bring such a small amount to the attention of the committee, but on page 95 of the report there is set forth an explanation of the permanent new budget—obligational—authority, Federal funds, in the amount of $282,000 per annum which, as set forth in the fine print, is beyond the reach of the bill. In other words, there is no way in which a member of the Committee of the Whole here at this time can do anything to strike or increase or otherwise affect the amount set forth.

Now I am somewhat familiar with this so-called conservation program, I might say. I am thoroughly in favor of conservation. As I recall, this is a program under which we have hunting and fishing and other sports pursuits and game activities on the military reservations. Incident thereto are some very worthwhile measures of conservation and also the stocking of fish ponds and game preserves.

I ask the chairman of the committee—Is it true that what we have here, $282,000, is in large sum the disbursal of moneys which are collected pursuant to this program from the agreements and arrangements made with private sporting groups and service personnel and nonservice personnel who hunt on the reservations and pay a fee? As I understand it this money is disbursed by the Secretary in furtherance of this activity without having to come back for an appropriation? I ask the gentleman if that is the sense of this?

Mr. MAHON. I want first to thank the gentleman from New York for his generous references to the report which has been submitted by the committee.

As the gentleman has pointed out, this matter involves a permanent authority which does not require annual appropriation. These funds are available as a result of a law to which the gentleman referred.

Mr. CAREY. I will ask the chairman this—As a practice is it not true that this is somewhat unique and actually it is against what we have been told is good budgetary and appropriation practice and procedure?

I have in mind a similar fund which applies to all of the public land areas of the United States—the national parks and so forth—the offshore oil lands and the land and water conservation fund is in exactly analagous terms, the collection of fees paid by those who go on the parks and other public lands. This money is then accumulated in a fund in trust for the acquisition of further public lands. Under that procedure, the program, the land and water conservation fund, is it not true that every single disbursement from that fund must follow the route of appropriation by Congress?

I am wondering why if in this case it is good and sound practice to return the fees of the hunters and the sportsmen in the military reservation, why it is not also sound practice under the land and water conservation fund to have constantly available for disbursement by the Secretary, after due clearance from Congress, moneys contained in this program for public recreation for all the people of the United States.

Mr. MAHON. I would like to say to the gentleman, I do not have the pertinent statute before me. I am a little unclear as to what the precise situation is.

I do think it is good practice for the Congress generally to reserve unto itself the actual appropriation of funds as a general proposition. I shall expand on my response for the RECORD in order to provide a more precise answer to the gentleman's question.

Mr. CAREY. I thank the gentleman.

Mr. MAHON. Under leave to revise and extend, I should like to point out that the legislation establishing the wildlife conservation program for military reservations, and establishing its financing, was separately enacted by Congress in 1949—Public Law 81–345—and amended in 1960—Public Law 86–797. It is, as the gentleman has pointed out, significantly different than the basic law underlying the land and water conservation programs of the Department of the Interior. I am generally opposed to so-called "back-door" spending authority, as the gentleman knows. However, in an effort to be helpful, the reports of the committee include tabulations of all funds available to the departments, whether they be trust fund, permanent appropriations, or otherwise. Thus, in the present instance, the amount is not in the bill before us, but appears in the report tables by way of information only.

Mr. SAYLOR. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to commend our colleague, the gentleman from New York, for bringing this matter to the attention of the Members of Congress.

It is rather strange that the Committee on Appropriations uses one method of treatment for military reservations and those personnel who hunt on the military reservations, but use an entirely different criteria for those who use the public domain.

I suggest that if the Congress has placed this fund beyond the action of this House and the Senate for appropriation, there is absolutely no reason why the $200,000,000 that annually goes into the land and water conservation fund should not be placed under the same condition.

The reason I state this is the Bureau of the Budget has said that the $200,000,000 in the land and water conservation fund cannot be spent. It is frozen. The House Committee on Interior and Insular Affairs was very gracious to the Committee on Appropriations and asked that they supervise and approve the expenditure of the land and water conservation fund.

But if you are going to have one rule for the military, then you should have the same rules for the civilian personnel on the public lands.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman.

Mr. YATES. The gentleman is absolutely right. The gentleman's argument is exactly correct. This is the so-called Generals' Hunting Preserves Amendment over which there was so much controversy some years ago and it comes as a surprise to many of us that the Committee on Appropriations now has no control over legislation that is passed. Apparently that privilege of the generals is frozen into law and the funds will go automatically toward building up the hunting preserves for the military services. The Committee on Appropriations of the House will have no control over it at all.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the chairman of the committee.

Mr. MAHON. I have before me Public Law 797 of the 86th Congress, which originated, I believe, in the Committee on Merchant Marine and Fisheries. As the gentleman from Illinois has pointed out, the Committee on Appropriations has no jurisdiction over funds under these circumstances as a result of the wording of the substantive law that deals with the subject.

Mr. SAYLOR. In that case, I might say to my distinguished chairman and members of the committee, that I expect to introduce legislation which would follow the same pattern as far as the land and water conservation fund is concerned, and I invite anyone who is interested to join me.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to the gentleman from New York.

Mr. CAREY. I would join my colleague on the Committee on Interior and Insular Affairs, the ranking member of our committee, by saying that further perusal of the basic act, known as the Eglin Reservation Act, for it originally applied to the Eglin Air Force Base in Florida, will indicate not only is there an amount of $282,000 available for expenditure, but the Secretary of the Interior is directed in the basic law to provide to the military fish, game, and wildlife specialists on the stocking of fish ponds and such other aids and assistance that may be required to make sure that there is always something to shoot at and something to hook. Perhaps in this instance the taxpayers are apt to get a little hooked. We ought to make sure that not only will the Department of Interior have the expenditure available, but also we will make sure that the generals and those that are their guests are able to get a good day's bag when they go hunting. I would like to have the same opportunity for my constituents when they go on public lands to do the same thing.

Mr. SAYLOR. I might say to my colleague that is my complaint with the present law, which has been specified and referred to by the chairman of the full committee. If this is right for those who are in the military, it should be right for the taxpayers of this country who foot the bill for all of these projects.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to ask a question or two concerning the bill.

Did I understand that there are several billion dollars in this bill to fund cost overruns?

Mr. MAHON. No, there are not several billion dollars in this bill to fund cost overruns. There are many cases where cost overruns take place. In those cases, additional appropriations are requested to complete a weapons system over a period of years. It is all but impossible to ascertain what part of the fiscal year 1970 budget is for costs in excess of the original cost estimates given on the individual items.

Mr. GROSS. What is the estimate of cost overruns that are included in this bill, that is, the money required to take care of cost overruns? Was there not some figure given earlier in the debate this afternoon?

Mr. MAHON. I believe a figure was mentioned, but not by a member of the committee. I was not familiar with the figure given. The Secretary of Defense, Mr. Laird, in testifying before the Committee on Appropriations, as shown in part 7 of our hearings, points out that in the last several years there have been cost overruns on major weapons systems totalling $16 billion. This does not

mean that the $16 billion is in the bill for fiscal year 1970. But this is an oversimplification of the problem. The $16 billion means that the programs have been given redirection. It means that in a 5-year period inflation has upped the costs. It means that the Department of Defense has specfied additional parts and expanded programs in certain systems, and so forth.

What usually happens in a cost overrun situation is that the Navy, for example, may ask for a couple of billion dollars for ships and then find that they have underestimated the cost of ships. Then, the Navy will delete from the program the lowest priority ship and ask concurrence of the Congress to use those funds to finance the overruns on the other ships.

Mr. GROSS. I will say to the distinguished chairman of the committee that the Department of Defense was established several years ago, during my time in Congress, and I opposed it. This heavy layer of bureaucratic fat was established over the already existing Secretaries and Assistant Secretaries of the various Armed Forces and for the alleged purpose of providing economy through commonality of purchases, closer scrutiny of contracts, and so on. Yet today we heard from the gentleman from Ohio (Mr. MINSHALL), the story of the survival radio which ranges in cost from $203 to $820, according to the manufacturer. The gentleman from Ohio says the cheapest model is adequate.

All this figures into the cost overruns and the lack of good administration in the Defense Department. We do not have commonality in purchases, and we do not have common cataloging of purchases. We do not have commonality, period. Anyone who has read the newspapers recently knows that we are running into excessive cost overruns in the purchase of major hardware and major supplies for the Armed Forces.

My question is: What is being done about it and what can be done about it?

I realize we here today in consideration of this bill are in what is commonly known as a bind. We can do little as of this day and hour except protest. But what is being done to put a stop to this business?

Mr. MAHON. Mr. Chairman, I would say to the gentleman from Iowa that cost overruns are taking place throughout the Government and private industry as a result of inflation.

Mr. GROSS. The gentleman gave us an example.

Mr. MAHON. If the gentleman heard my opening remarks, he heard that.

Mr. GROSS. Yes, I did.

Mr. MAHON. The cost overrun on the lunar module for landing on the moon was 500 percent, and the highway program was about 100 percent. So there have been cost overruns and we must do whatever we can to get accurate estimates of costs.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 3 additional minutes.)

Mr. MAHON. Mr. Chairman, if the gentleman will yield further, except for the work that has been done, this bill today, instead of being $69 billion, could have been $109 billion, in my opinion. However, a great deal has been achieved by way of commonality and otherwise in the Defense programs. There is still very much to be done, but the Department is making progress. It is a continuing struggle. The reductions made in this year's Defense budget are for the purpose of mandating better management.

Mr. GROSS. I sincerely hope the Appropriations Committee or some committee of the House of Representatives will go further in mandating the Department of Defense on these and other items on which costs are running so high.

This bill is $5.3 billion below the budget, and approximately $4.5 billion below last year's spending for the same general purposes. Does the gentleman anticipate that, as usual, there will be a restoration of funds that have been cut through a supplemental appropriation bill at a later time?

Mr. MAHON. I think I can say with complete confidence that unless there is an escalation of the war, or a turn of events which is wholly unanticipated at this time, there will not be a supplemental of any consequence for the Defense Department, except for about $2,100,000,000 to cover the cost of pay raises which have been provided by the Congress.

Mr. GROSS. Yes.

Mr. MAHON. Of course, there will continue to be cost overruns in many of the programs—in ships and in intercontinental ballistic missiles and in the ABM—there will be different cost overruns. They will be announced from time to time with respect to all these programs.

Various committees of the Congress are working in this field.

The Department of Defense is working in this field.

This is all a wholesome and healthy sign. I would say the chances of a supplemental of any significance are not great, and it is not anticipated at all at this time.

Mr. PUCINSKI. Mr. Chairman, I move to strike the last word.

I want to congratulate the chairman of the Appropriations Committee and the members of his committee for bringing before us a bill that has $5.3 billion less earmarked for defense than was requested by the Department. I am encouraged by this and can certainly support it.

I believe the chairman has done a good job in assuring us that this is not going to be recovered in a subsequent supplemental appropriation at some future time. I hope the chairman will impress upon the agencies that they had better not come in here, except under extremely extenuating circumstances.

I am disturbed however by the colloquy which just preceded this. I am disturbed about the fact that there does not seem to be enough opposition to this business of cost overruns.

I am disturbed by the fact that the General Accounting Office almost every day, with monotonous regularity, is handing down extensive reports about mismanagement in the Defense Establishment.

I am disturbed that when defense manufacturers come before the agency with a claim for more money because of an overrun they do not show anything as to what cuts they have made in other parts of their operations.

There is no question in my mind that anybody who has traveled around this country and looked at some of our defense plants and some of the top management operations will see that they are living in the Garden of Babylon. They are traveling first class. As one looks at the facilities of some of the defense plants one sees there is no effort being made to take cognizance of the fact that some taxpayer is paying for all this.

Certainly I am not going to stand here and support any action that would deny any American soldier everything he needs to perform his duty. I do not believe any American citizen wants to shortchange any soldier, sailor, or airman.

But I say this in all honesty and sincerity: The citizens of this country have been very generous in support of our defense effort. America has spent almost $2 trillion in the last two decades on the Defense Establishment of this country.

It does seem to me that when these people come in with a cost overrun the distinguished chairman of the Appropriations Committee and the distinguished chairman of the Armed Services Committee, who I know have spoken time and again about this subject, should insist that any company that comes in with an overrun must show in great detail what it has done to curb other expenses.

I noticed that after the successful moon shot—and we have the same thing in the Defense Establishment—we saw the newspapers and magazines of the full page ad after full page ad in all of country, bragging about the equipment that they built for these operations. Who do you suppose is paying for that? The company out of its profits. Forget it. They are paying for that out of operating expenses.

I have heard the distinguished chairman of the Armed Services Committee say here that he has taken steps in his committee to evaluate and inventory these overruns. I am also advised that the chairman of the Armed Services Committee of the other body has set up an inspection subcommittee to look at overruns.

I am told that of the 21 major weapons systems there are overruns in every one of them.

I would hope that before we vote on this bill we would have an expression from the chairman of the Appropriations Committee and hopefully from the chairman of the Armed Services Committee that indeed there is going to be some tightening of the belt in all these luxurious services and all these fine, first-class facilities which the defense contractors of this country have been building with the taxpayers' money, and that these are going to be toned down.

Several years ago I had occasion to

meet a young man who flew a Russian Mig out of Poland into Denmark. His name was Lt. Frank Jarecki. He came to America on a good will tour. They took him around to some of our defense plants. He flew one of our F–81 Sabre jets out to the west coast, and when he came back I had occasion to meet him at O'Hare Field in Chicago. I asked him how he liked our best fighter of that era.

He said, "What is this: a fighting aircraft?" I said, "Of course it is." So he took me around and showed me all of the luxuries, including the luggage compartment, in that aircraft. He said, "When the Soviet Union builds an aircraft they want speed, distance, and a heavier payload." It is high time our own manufacturers got to taking some of the frills out of the defense budget and got down to the real business of spending the taxpayers' money in a way that will get us top value for our money.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 265 of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, as authorized by law; $131,400,000.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Under leave to extend, let me briefly respond to the remarks of the gentleman from Illinois just concluded.

The report of the committee on this bill contains many examples of waste which have been uncovered by the committee and in which specific funding deletions were made. I would hope my remarks during debate today should assure the gentleman, and others, that we are seeking to obtain a dollar in value for a dollar spent.

The reductions made below the budget are, in significant part, recommended for the purpose of demanding better management and more economical procurement.

The Committees on Appropriations and Armed Services, the General Accounting Office, and others are constantly reviewing and investigating Defense programs and activities.

The Secretary of Defense and the military services have many programs designed to avoid waste.

I believe that we are doing a creditable job in insisting on better utilization of available resources.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under sections 265, 8033, or 8496 of title 10 or section 708 of title 32, United States Code, or while undergoing training or while performing drills or equivalent duty, as authorized by law; $97,300,000: *Provided*, That obligations may be incurred under this appropriation without regard to section 107 of title 32, United States Code.

Mr. RIVERS. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. RIVERS was allowed to proceed for 5 additional minutes.)

Mr. RIVERS. Mr. Chairman, I want to say at the outset that I generally agree with the Committee on Appropriations. I recognize the problems it has in sustaining and maintaining a bill that will withstand those who are constantly urging additional cuts in the Defense Department. It is hard to get anything these days. We know what this is. I would like to take 1 minute to refer to my dear friend from Chicago, Mr. PUCINSKI, for whom I have the highest regard, to say this: I do not like to see some of these corporations using these full page ads. I see them after the moon shots. This may be a fault of our tax structure. Maybe they should not be permitted to write off these kinds of things.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman.

Mr. MAHON. The Congress, the Pentagon, and the Internal Revenue Service insist that these items cannot be written off as part of the cost.

Mr. RIVERS. I was just getting ready to say that. We have already addressed ourselves to that, and I hope the chairman will continue to reiterate it, because certainly we have tried to do many things that the gentleman from Illinois has already mentioned. We can look at what has been done in many areas. The Kennedy Center has already has had a 45-percent overrun. There are overruns in everything, you see. Every single thing in this budget is going to be touched by inflation. If you look at it, you will see that the Secretary of Defense has already laid up over 111 ships. If he keeps this up, all he will have left is the admiral's gig. We will not even have anything on the high seas. That is the way he is approaching it. I think that is a mistake. The thing to do is to meet the need and tell the American people, "If you want a Navy, pay for it. Otherwise lay it up and let the Soviet Union take over the oceans." That is the way the DOD is to meet these people who are giving us hell on every street corner. We can go to them and say, "Certainly. You are right. We do not need the U.S. Navy. Sink it."

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. Of course I yield to my good friend.

Mr. MILLER of California. When you said the only thing the Navy would have left is the admiral's gig, that would be only a repetition of what took place during the war when you had one small ship down here at the navy yard but all of the ranking naval officers were attached to that ship so that they could draw overseas pay.

Mr. RIVERS. If you want to leave that in the RECORD, you go ahead and leave it in. I am not in that kind of businesss.

According to Admiral Moorer, the Chief of Naval Operations, the greatest need of the Navy today is new ships. Both the Secretary of the Navy and the Chief of Naval Operations see an urgent need for a new 10-year shipbuilding program of between $3 billion and $3.5 billion yearly as the minimum. This is just your Navy end of it.

A recognized expert, "Jane's Fighting Ships," and they are the bible of the industry worldwide, says that some of our Navy ships are so old as to be a liability instead of a protection.

Mr. Chairman, the Armed Services Committee has again and again pointed out the need for new ships. This year the authorization which our committee recommended and which this House approved envisioned a shipbuilding program of close to $3.6 billion in order to make the initial start on those naval vessels which are now so badly needed. In conference we finally agreed on a program of just under $3 billion.

The bill before us today would cut that program even further, to $2.58 billion. While this is the largest shipbuilding appropriation in several years, nevertheless, keeping in mind this inflation, it is far short of the minimum we need.

Now, Mr. Chairman, I am not going to offer any amendment or fight the Appropriations Committee as I told the distinguished chairman when I appeared before that great and dedicated committee. It is a question of judgment and I told them that. I am not here to criticize the chairman, my friend, the gentleman from Texas (Mr. MAHON), for whom I have such a lofty affection. I am just calling this to the gentleman's attention. We have testified and urged the Appropriations Committee in its wisdom to see if we could not increase this.

Mr. Chairman, it is a choice between ships and dollars, the choice of its being made now or next year which could well be too late since it takes at least 3 years to build a new ship. They are becoming more and more and more sophisticated all the time and on everyone of those ships is a sophisticated gadget of some kind which has just come from the minds of the scientists.

So far, Mr. Chairman, I have spoken primarily about the need for combatant ships with which to meet the challenge of the ships being built in increasing numbers—increasing numbers I tell you—by the Soviets. They have one yard to the far north that can turn out from 15 to 20 Polaris submarines every single year. We have nothing even in that ball park. The Navy has growing desperate need for supply ships. Do not lose sight of this. It will not help us and the Navy if we have a lot of new ships but still have the old oilers and tankers which are so old and decrepit that the new ships cannot be reached for replenishment of supplies. We need the whole business.

Mr. Chairman, it has been said that even if the funds are appropriated, the money would not be spent by the Department of Defense.

Mr. Chairman, I would point out that the fault for replacing ships not be put up to us but be put up squarely to the executive department. Let them default in their responsibility. I am not willing to anticipate failure. I just never have and I am not starting on the 8th of December 1969. I tell you we need these things.

It is most regrettable that the money was not funded to do these things.

Now, my dear friends on the Appropriations Committee—and I want the chairman to listen—chose to remark that the Navy has aged hulls that can be modernized. I regret to say that this is not a fact—this is not a fact.

We have previously pointed out that the Navy's ships are too old to go through any other modernization. Fleet modernization and repair, which we call FRAM, cannot be exercised on some of the hulls we have. They have reached their capacity in the amount of electrical power that they have available for new systems. They have reached the end of the endurance of the sailors who have repatched the boilers over and over again. It does not make any sense to spend a fortune on new equipment, even if it could be designed to go into the space available on the old ships, and come within the limits of the electrical power available, if the boilers keep breaking down.

See the report made by the distinguished gentleman from Florida (Mr. BENNETT), look at the photographs contained in these reports about the conditions of the boilers in our ships that we have in our fleet.

Mr. Chairman, I have seen the casualty reports of our fleet. They are indeed shocking. The Committee on Appropriations says that the age of our ships is not a proper base to determine effectiveness. Unfortunately, Mr. Chairman, our ships are not like vintage wine, they are not and they do not grow better with age. They are growing old, and that is the simple fact.

To me, Mr. Chairman, the Navy is one service which can be used best to keep any future war from being fought on or over American soil.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

(By unanimous consent, Mr. RIVERS was allowed to proceed for 1 additional minute.)

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. Mr. Chairman, I have one further paragraph, and then I will be happy to yield to the gentleman from Ohio.

Perhaps the best example of seapower to prevent a conflict was most recently illustrated by the use of our Navy during the Cuban missile crisis—when a task force of over 150 ships supporting eight aircraft carriers put a quarantine around Cuba. This action forced the Soviets to have second thoughts, and gave us time to make other plans. It may have prevented a holocaust—who knows, I do not. We are now observing that power being duplicated before our very eyes.

Mr. Chairman, the time to act is now. Tomorrow is powerfully late, it could be too late.

Mr. Chairman, I now yield to the distinguished gentleman from Ohio.

Mr. MINSHALL. Mr. Chairman, I thank the gentleman for yielding. I certainly have the highest regard for my good friend, the gentleman from South Carolina, Mr. RIVERS. I know of no Member of the Congress who is more concerned about the status of our military than he is, and who has done more for it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MINSHALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would ask the distinguished gentleman from South Carolina to remain for a question.

Mr. RIVERS. Mr. Chairman, I will be ready to answer any questions.

Mr. MINSHALL. Mr. Chairman, I would like to point out to the gentleman again that I hold the gentleman in the highest regard. In this year's budget I know the gentleman wanted additional funds for the Navy. But the appropriation in 1969 was a total of $820 million, last year. This year we have recommended in this bill $2.5 billion in additional shipbuilding for the Navy. I think that that is a substantial increase. Further this is just the first stage of a complete refurbishing and building program.

Mr. RIVERS. It is a substantial increase, but when you take into consideration all of the escalation and the inflation, then it is not a substantial increase. Our fleet is being methodically laid up and dissipated and worn out. I know it costs money to maintain our fleet. You have given us one additional submarine.

Mr. MINSHALL. I would like to point out to the gentleman from South Carolina that this is three times as much as we appropriated last year.

Mr. RIVERS. I know that. I said that. This is not even the minimum needed.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I would like to join the gentleman from Ohio in expressing my deep appreciation for the good work and the dedication of the gentleman from South Carolina (Mr. RIVERS).

He has through the years fought the battles for the security of our country. We, on the Committee on Appropriations, have worked with the gentleman generally and we, of course, are all for the security of our country.

If the fiscal conditions were different and if the atmosphere were different generally, this bill would not have been cut as deeply as it has been. But this does not mean that the Committee on Appropriations or that the gentleman from Ohio are anti-Navy. We realize, as does the gentleman from South Carolina, that the Navy must be modernized and we are moving in that direction. Of course we would like to move more rapidly. But I do not think that what we are doing this year will, over the long pull, be disastrous to a program of maintaining supremacy over the Soviet Union in all important areas of defense.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL. I yield to the gentleman.

Mr. RIVERS. The fact that the chairman has made that statement is the very reason I did not want to get on the floor and put in an amendment. I am glad that the chairman is alert to the Navy's need for help and for money. Pro rata, relatively, because of inflation it does not do as much. I recognize the gentleman had to do it and I appreciate the gentleman's attitude. For that very reason, I will not, and I am not criticizing your great committee.

Mr. KYL. Mr. Chairman, I move to strike out the last word to direct a question to my distinguished friend, the chairman of the Committee on Armed Services, the gentleman from South Carolina (Mr. RIVERS).

We had a little debate on the matter of two missile systems and I will take your word for the decision which you made on that point. But I would like to ask how and when do we get some action on some other things that continue year after year.

I am not antimilitary and I certainly am not anti-God. But I use this expression to get to the kind of detail we have in this bill. The Army, Navy, and the Air Force use the same prayer book. One of them has a red cover; one has a green cover, and one has a gray cover. They are not provided by the same source—I do not know how you could change those things. It has nothing to do with the arms or arms race or anything else. We have manuals that all three branches of the services use except one of them has two holes punched in them and some of them have four holes punched in them and some of them have five—and they do not come from the same source.

How do we take care of those things and when do we take care of them, sir? How do we do this? I have to ask you as an expert about it.

Mr. RIVERS. Of course, we do not administer the law or administer these acts. The executive branch administers them.

I can tell you that 15 or 20 years ago a former Member of this body, William Hess, was head of the subcommittee, who was followed by the gentleman from Louisiana (Mr. HÉBERT), and a fellow Californian, a very dear friend of yours, Jack Anderson, and then Mr. Porter Hardy of Virginia had it, and now I have it.

We have asked that these things be done. We cannot make them do it. Time and time again we have put amendments in bills requiring this. Much as I dislike some of the things that Mr. McNamara did, he was the first Secretary of Defense who had a common procurement for gasoline and for handkerchiefs and for Kleenex or whatever they use, and there are hundreds and hundreds of thousands of items involved.

Do you know how many items there are in a defense supply building down in a big naval shipyard or on a big airbase? There are 300,000 or 400,000 or 500,000 or 600,000 items of inventory.

Mr. Pike got up on this floor and showed you a screw that somebody brought up, or some kind of a gadget that we paid $2 or $3 for, when you could get it for 50 cents off the shelf.

We are watching this all the time. We work with the General Accounting Office. I agree with the gentleman, we work on such a vast, vast problem here. The big-

gest corporation in America is 50 or 100 times smaller than the Department of Defense and these things about which you complain do happen and I agree with you and we try to stop them. Every time we see a rat hole, we try to stop it up. That is all I can say to you.

Mr. KYL. I just want to say to the gentleman that I think I represent quite a group of Members of this body.

Mr. RIVERS. I agree with you.

Mr. KYL. We are not opposed to the spending of every single cent that is necessary for national defense. But, we are absolutely without further patience. This waste does exist.

Mr. RIVERS. I would suggest to the gentleman to read some of the reports made to the gentleman from Maryland (Mr. FRIEDEL), from the investigating committee.

Mr. KYL. I read those every week.

Mr. RIVERS. We save hundreds and hundreds of millions of dollars. We get the GAO after those people and we try to stop all this waste. Inevitably there is some in preparation for war. We have tried to cut it down and do the same things the gentleman has suggested. I am sure the distinguished chairman of the Committee on Appropriations has done the same thing. Wherever we see these things we try to stop them.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from California.

Mr. GUBSER. I commend the gentleman for bringing up this point of unnecessary duplication, and I do so to preface an argument which is going to take place on an amendment to be offered by the gentleman from Illinois (Mr. YATES) in just a few moments whereby we will be procuring two missiles, the Tow and the Shillelagh, to do exactly the same job. But this is going to cost a lot more than a prayer book. This will cost several hundred millions of dollars out of the taxpayer's pocket.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Arizona.

Mr. RHODES. I wish to refer to another duplication which I have tried to get the services to eliminate. The lawyers of the three services enforce the same law, the same military code of justice, and yet there are three separate schools for the judge advocates of the three services. It seems to me that it makes a lot of sense for these three schools to be consolidated, and if there is any specialized training needed for the services, that could be arranged later.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

The Clerk will read.

The Clerk read as follows:

TITLE IV

PROCUREMENT

PROCUREMENT OF EQUIPMENT AND MISSILES, ARMY

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, equipment, vehicles, vessels, and aircraft for the Army and the Reserve Officers' Training Corps; purchase of not to exceed five thousand two hundred and seventy-six passenger motor vehicles (including one medium sedan at not to exceed $3,000) for replacement only; expenses which in the discretion of the Secretary of the Army are necessary in providing facilities for production of equipment and supplies for national defense purposes, including construction, and the furnishing of Government-owned facilities and equipment at privately owned plants; and ammunition for military salutes at institutions to which issue of weapons for salutes is authorized; $4,281,400,000, and in addition, $50,000,000 shall be derived by transfer from the Defense stock fund, to remain available for obligation until June 30, 1972.

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: on page 15, in line 6, strike out "$4,281,400,000" and insert in lieu thereof "$4,181,400,000".

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. YATES. Mr. Chairman, this amendment seeks to sustain the position taken by the Committee on Armed Services of the House in respect to antitank missiles. There is $100 million in this bill for the so-called Tow missile. There is $50.5 million for the so-called Shillelagh missile. Both of these are antitank weapons. The two missiles perform missions so similar that to procure them both would be redundant and wasteful.

I agree completely with what was said a few moments ago by the gentleman from California (Mr. GUBSER) when he stated that this would be an expensive duplication, unneeded in the interest of our national security. The $100 million requested for the Tow missile ought to be denied. The Army's backup for this fiscal year 1970 budget request indicated that the performance of Tow and Shillelagh are very similar, but the unit cost of Tow was given as $6,300 compared to $2,970 for Shillelagh, and a projection through 1974 indicates that there will be an overall Tow cost of $1.2 billion, and a projection through 1974 indicates that an overall Tow cost of $1.2 billion will have to be made compared to only $686 million for Shillelagh.

The performance statistics of both weapons are identical, except that Shillelagh is 10 pounds heavier, with 5 of those pounds accounted for by a larger and more lethal warhead.

This is the logical time, Mr. Chairman, to bring the redundant development of these two missiles to a halt, since the $100 million in this bill for the Tow missile would pay for the first major production procurement. The Shillelagh is already in production and is a proven commodity.

The House version of the 1970 military authorization bill denied the $100 million request for the Tow missile. The Senate restored that amount in its version of the military authorization bill. In conference, after 3 weeks of negotiating and bargaining, the fund for the Tow missile was reinstated. I hope, Mr. Chairman, that the production of the Tow missile which is authorized in this bill, and which my amendment seeks to knock out—I hope my amendment is sustained.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. MINSHALL. Mr. Chairman, I thank my good friend, the gentleman from Illinois, for yielding. The gentleman and I have locked horns on the SST's and everything else in the last few months. I would like to ask the gentleman, who is such an authority on these weapons systems, what does Tow stand for?

Mr. YATES. I am sorry, I did not hear the gentleman.

Mr. MINSHALL. It has a significance.

Mr. YATES. Is the gentleman talking about an acronym?

Mr. MINSHALL. Yes. It is tube launched open-sighted wire-guided missile system.

I want to point this out to the gentleman, that it is not competing with the Shillelagh, it is complementing it. This is designed primarily for the infantry units.

Tow is a wire-guided missile for the Infantry and Shillelagh is designed to be fired from a tank. It cannot be removed for assault use by ground forces. This Tow weapons system has been proven and already successfully test-fired. It weighs only 10 pounds lighter, but it is available now for the ground troops, which is what it was designed for.

Mr. YATES. The information the gentleman has just given to the House is directly contrary to the information given to me by the very knowledgeable and distinguished member of the Armed Services Committee, the gentleman from New York (Mr. STRATTON), who is chairman of the subcommittee of the House Committee on Armed Services. His subcommittee investigated the question of the Sheridan tank and the missiles which are to be used in connection with its operation.

The gentleman from New York comes to an entirely different conclusion than does the gentleman from Ohio. I suggest the gentleman from Ohio may want to listen to the arguments of the gentleman from New York in connection with my amendment.

Mr. STRATTON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have heard a number of interesting comments here earlier this afternoon on the subject of Defense overruns and how to avoid excessive spending in the Defense Department. Obviously the first way to prevent excessive overruns is to prevent unnecessary spending before it gets started.

Mr. Chairman, the Tow missile is a classic example, as I indicated a moment ago, of an unnecessary expenditure. The gentleman from Ohio (Mr. MINSHALL) mentioned a moment ago that the Tow missile was designed to be an infantry weapon, and was a wire-guided missile, whereas the Shillelagh was designed to be fired from a tank and was an infra-red-controlled missile.

But the fact is despite their differences in configuration and in spite of their initial programing and planning, the two missiles are almost identical in their per-

formance. The Army considered 7 years ago the question whether they ought to be going down two separate roads in the development of two separate antitank missiles, one of them to be fired by infantry troops and the other by a tank. A study concluded then that the most expensive way would be for them to continue down these two separate roads instead of adapting one missile for both purposes, yet the Army ignored their own study.

The House itself, on the recommendation of the Committee on Armed Services, contained in the report on our defense authorization bill, on page 44, refers to the idea of spending another billion dollars to develop Tow as an additional antitank missile to be used by infantry troops, when there already is an antitank missile to be fired from the Sheridan vehicle, as an "unacceptable redundancy."

Those are not my words. Those are the words of the committee.

The House overwhelmingly endorsed the committee recommendation, as it always does, under the leadership of the gentleman from South Carolina (Mr. RIVERS). When we went to conference we found we had a good deal of pressure from the Senators. They did not seem to understand the missile situation as clearly as we did. That sometimes is a problem in dealing with the other body. So we had to yield and approve $100 million for Tow, a cut of $42 million.

But even the conference report points out, on page 16, that $20 million was to be allocated from Army R. & D. funds for the further development of the Shillelagh in its ground mode, and we also proposed that there be a shootoff between the Shillelagh and the Tow in the helicopter mode.

None of these things has been done yet. It does seem to me that it would be wise for us not to obligate $100 million for full procurement of the Tow until after this additional research and development recommended even by the conferees is carried out and we have a chance to assess the results.

If we really want to save money, we ought to delete this $100 million this year, carry out the shootoff, and then come back next year to see whether we really want to build two separate missiles to do the same thing, or whether we can get the same job done more cheaply with a single missile.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I am happy to yield to the gentleman from Ohio.

Mr. MINSHALL. I certainly respect the gentleman's good judgment on many of these matters, but on this one we disagree. We are providing funds in this budget so that they can have a shootoff to decide what they want to do. They impressed upon us the fact that if we take these funds away now we will be depriving the ground infantryman of an antitank weapon another kind of which cannot be produced for at least 4 years.

Mr. STRATTON. In terms of depriving the infantryman of a weapon, I would not worry too much about that, because we have 500 Sheridan launchers in storage around the country today. Those could be put in Europe tomorrow, or shortly thereafter, to fire the Shillelagh antitank missile, and protect our troops. They would be available much more rapidly, to give the infantryman the same protection that the Tow would be able to give only a year or so later.

Mr. MINSHALL. The problem is this: the Shillelagh cannot be used by the ground infantryman, but can only be used from the Sheridan tank or another tank.

Mr. STRATTON. The point the gentleman does not consider is that the Tow may be called the infantry weapon, but one can only manhandle it for about 200 yards. It has to be carried on a jeep. The Sheridan can get around much more easily than can a jeep, so it could get virtually everywhere that a man could personally haul a Tow with the help of a jeep.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in this bill there are for the so-called Tow missile, about $100 million for procurement, and there are $50 million for procurement of the Shillelagh missile.

The Shillelagh missile is an antitank missile. The Tow is also an antitank missile but it is a more flexible missile. It can be used by the infantry and can be used on helicopters.

The Shillelagh missile depends upon an infrared homing device, and the Tow missile is a wire-guided device.

The infantryman cannot use the Shillelagh missile. It is now adopted to tank vehicles.

Anything we can do to make the plight and the security of the infantryman better, it seems to me, if it is at all practical, should be done. That is the object of the Tow missile, to make this weapon available to the infantryman in the shortest time possible.

The Tow is a lighter missile. It weighs 10 pounds less than the Shillelagh, which weighs about 60 pounds. The Tow can also be used from a helicopter; it might be possible to fire Tow from a tank, so far as that is concerned, but this would cost many millions of dollars in research and development funds and would take a considerable period of time to accommodate Tow for use on a tank.

There was a great deal of discussion about this matter and after considerable hearings on both antitank missile systems and a conference between the House and the Senate on the authorization bill, the conferees decided—and Mr. STRATTON was a member of that conference—that they would go forward with both missiles. I do not believe the Committee on Appropriations could now overturn what the Committees on Armed Services of the House and Senate in conference agreed upon, and what both houses of Congress apparently agreed upon, and enacted into law. The Senate would probably insist on its earlier position.

If you want to try to adapt the Shillelagh missile for use by the infantryman, it will take 2 or 3 years to do this job. That is another one of the complicated and costly problems involved.

Mr. Chairman, General Westmoreland came to my office one day. He said, "I am going to Europe." I said, "General, is there anything you want to discuss with me before you go?" This was because we were in the midst of the hearings on the defense budget at the time.

He said, "Yes. I want to put in a good word for the Tow missile. Our infantrymen need it and the Army needs it and we hope that the Congress will provide us with funds for the Tow missile."

Well, Mr. Chairman, I do not claim to be an expert on these matters. We have all studied this problem—Mr. STRATTON, Mr. YATES, and many others. The problem has been resolved in the authorization bill. The Committee on Appropriations has gone along and provided the funds for the buy out of the Shillelagh missile; we are at the end of the Shillelagh procurement program. We will have the Tow missile which will be a great advantage to our infantrymen and to our people in helicopter gunships. I cannot for a moment entertain the thought of eliminating the Tow from this bill. There is some duplication between these two in that they are both antitank missiles. It is unfortunate that the Shillelagh was not configured several years ago so that it could do all three jobs, but the Tow missile is regarded as being more flexible at this point in time, and more useful in the hands of the infantryman.

So, Mr. Chairman, I urge defeat of the amendment.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. MAHON. I yield to the gentleman.

Mr. STRATTON. The gentleman from Texas said that the Tow missile is more flexible. Actually the Tow missile cannot be fired from a tank. It cannot be used on the Sheridan. But the Shillelagh missile can be fired not only from the Sheridan tank, but it can be at the present time fired from a helicopter just as readily as the Tow missile and it can also be fired in the infantry mode. It was fired in the helicopter mode in 1962. So the Shillelagh is actually the more flexible. The only delay is for the development of some compact control machinery, which will take a little extra time.

Mr. MAHON. They say it will take 2 or 3 years.

Mr. STRATTON. I think 18 months to 2 years is a better estimate. But in terms of flexibility, the Shillelagh is actually much more flexible than the Tow missile.

Mr. MAHON. The opponents in the House of this missile have cited their views, but I think the House will do the right thing in supporting the urgent request of the Secretary of Defense, the Secretary of the Army, General Westmoreland, the Chief of Staff of the Army, and others who have supported the Tow missile as an important weapon in the hands of Army troops. Mr. Chairman, I trust that the amendment will be defeated.

Mr. GUBSER. Mr. Chairman, I rise in support of the amendment.

(By unanimous consent, Mr. GUBSER was allowed to proceed for 5 additional minutes.)

Mr. GUBSER. Mr. Chairman, I rise

in support of the amendment offered by the gentleman from Illinois (Mr. YATES).

I rise as the ranking Republican on the Stratton subcommittee, which I respectfully submit probed more deeply into the Shillelagh system than any committee of the Congress at either end of this Capitol. Based upon the information which we developed during those exhaustive and extensive hearings, I must in good conscience support the Yates amendment.

Let me invite you to come with me for a moment to view the strange world of Howard Hughes, the human enigma of the 20th century.

Howard Hughes is the man who built the Spruce Goose that flew once while he was at the controls. It is still in a large warehouse in Southern California, maintained at a cost of thousands of dollars a month, as the most expensive souvenir that a man could have.

It was Howard Hughes and his company that made a deal with the Army for a light observation helicopter, a deal which our Subcommittee on Investigations probed very deeply.

Through a hanky-panky contract with the Army, Hughes agreed to furnish light observation helicopters at less than $20,000 per airframe. The follow-on contract is in the neighborhood of $50,000 for the very same airframe.

Now, it is a great aircraft. There is nothing wrong with it. But, if that deal is not a pure and simple case of a company buying in on a contract, I have never seen one.

This is typical of the strange happenings in the world of Howard Hughes, the man whom I understand from press reports has apparently bought the city of Las Vegas, Nev. Today he is asking us to buy the Tow missile from his company at a needless, duplicative expense to the taxpayers of this country which will run into the hundreds of millions of dollars.

I predict that within 3 years this purchase of Tow will occupy headlines as an example of a multimillion-dollar waste of taxpayers' money.

Mr. Chairman, these two missiles do exactly the same job. Yes, one, Shillelagh, is 10 pounds heavier than the other, but that 10 pounds is due to the bang it carries. It is more lethal. It is more powerful. They are practically the same in mission and capability.

The Shillelagh has been service-fired from the ground mode. We have motion pictures to prove that it has been so fired. The Tow was originally developed to go into the Cheyenne helicopter so it could have the advantage of shooting downward without the danger of guidance wires getting tangled up in brush and in trees as they certainly will if the infantryman tries to use it. However, the Cheyenne helicopter has been canceled. Now they are trying to adapt the Tow system to the Cobra helicopter. It will take some more work and expense in order to do that.

Mr. Chairman, some try to justify Tow on the ground that this is an infantryman's weapon. Did you know that the launching tube that the infantryman will have to carry into combat is going to cost $96,000 per copy? Is it not something he can carry on his back and pull out of a knapsack. It will possibly take two or three men and probably a jeep to carry it.

Mr. Chairman, the Shillelagh missile is what we are now using in the Sheridan vehicle. The Tow cannot work in the Sheridan system but the Shillelagh can work far in the infantry ground mode.

Some will try to say that we are having trouble with the Shillelagh. There is trouble but not with the missile. The firing tube in the Sheridan vehicle is also supposed to fire a conventional artillery round. The Army has developed a combustible cartridge case which has given trouble. Please note that this has nothing to do with the Shillelagh missile.

Now, all that needs to be done is to adapt the Shillelagh system to the use of the infantryman and to the ground mode. We must miniaturize the launching apparatus, something which is well within the state of the electronics art today and which can be done very easily at a cost of less than $30 million. Then we can have one missile which can be fired from the Sheridan system, from the Cobra helicopter, and by the infantryman on the ground.

Mr. Chairman, we can save the expense of introducing two different kinds of missiles into the inventory, and the cost of maintaining hundreds of thousands of parts and supplies, the maintenance, the training and all the costs that go with having two weapons systems to do the same job.

It has been mentioned that the Shillelagh can be produced for about $2,000. This is because it is currently in production and we are far enough along on the learning curve so that costs are down. However, if you add this system to a second system the new missiles would cost more than $6,000 each.

The argument is made here today that the Tow is an infantry weapon and that the Shillelagh is not. We have seen launch pictures of the Shillelagh missile being fired in the ground mode. We are assured that the system is adequate, that the state of the art for its adaptation is available.

Now, they say there will be a gap in our defense in Europe if we do not give the infantryman this weapon and give it to him right now.

No one has mentioned the French wire-guided missile. I believe it is called the SS–11. It is currently in the inventory with the German troops of our NATO shield.

I was in northern Germany during the first part of June, and I saw a brigade-sized firing by the German Army. Fifteen of these French wire-guided missiles were fired at a range of 3,000 meters, to equal what the Tow can do. Of the 15 missiles fired there were 14 direct hits and one misfire.

Now, do not tell me that we do not have a defense of this kind in our NATO inventory today, because we do. We have enough protection so we can buy the time to miniaturize the launching apparatus and bring the Shillelagh along so we can have one missile in inventory capable of doing everything required.

Let us not forget, as I conclude, that the Tow cannot replace the Shillelagh, but the Shillelagh can replace the Tow. There is no point in a $200 million or $300 million duplication—and that is exactly what this is going to turn into. I suggest that we should not allow ourselves to remain in the strange world of Howard Hughes. I do not believe that it is up to the taxpayers of the United States of America to subsidize a duplicative, foolish, and needless effort simply to do the bidding of the ex officio mayor of Las Vegas.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Illinois.

Mr. YATES. Then in this amendment we have a very real opportunity to save the taxpayers hundreds of millions of dollars without in any way curtailing our national defense; is that correct?

Mr. GUBSER. It is my considered opinion that it does. I do not profess to be an expert, but that opinion is based upon weeks and months of hearings as a member of the Stratton subcommittee which went into this in depth. I do not believe our defenses would be endangered, and I think we would eventually be saving countless millions of dollars. Right today, we would have $100 million.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from New York.

Mr. REID of New York. Mr. Chairman, I commend the gentleman on the statement he has made. I might mention, if I am not mistaken, that the SS–11, or a prototype thereof, was in the Israeli armed forces in 1960. So the point the gentleman is making I think is entirely correct.

Mr. GUBSER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. YATES).

The question was taken; and on a division (demanded by Mr. MAHON), there were—ayes 44, noes 40.

Mr. MAHON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. YATES and Mr. MAHON.

The Committee again divided, and the tellers reported that there were ayes 43, noes 59.

So the amendment was rejected.

Mr. BINGHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there are many things in this bill which I cannot support, but I do want at this point to pay my respects and compliments to the committee for the many reductions they have made.

I particularly want to call attention to the fact that the procurement money for the production models of the F–14 aircraft was removed by the committee.

During consideration of the authorization bill, I offered an amendment to this effect and it was, if I may say so, rather brusquely treated by the spokesmen for the Armed Services Committee. But the Committee on Appropriations in its wisdom has now recommended elimination of those production models.

They have added some R. & D. funds for the F–14, so the net reduction is not in

the total amount of $275 million. However, the committee's action means we will not be going forward with the production of this aircraft until we are sure that it is an effective and practical aircraft. I commend the committee on that action.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE VI

GENERAL PROVISIONS

AMENDMENT OFFERED BY MR. REUSS

Mr. REUSS. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. REUSS: On page 23, line 11, insert a new section 601, renumber all subsequent sections in title:

"SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress."

The CHAIRMAN. The gentleman from Wisconsin is recognized.

Mr. REUSS. Mr. Chairman, the amendment I offer is a very simple one. It uses language such as is contained in many other appropriation bills. It uses language almost identical with that contained in the act with respect to the Arms Control and Disarmament Agency, where propaganda expenditures are prohibited.

Surely if we prohibit propaganda about arms control and disarmament, we ought to forbid propaganda about arms production, arms deployment, and arms use.

The fact is that expenditures for propaganda and related purposes in the last 10 years have been multiplied almost tenfold, from $2.7 million back in 1959 to $27 million today, including shepherding and leading businessmen on tours of the country, running cruises to Hawaii on Navy ships for civilian VIP's, and so on.

The Department of Defense should get out of the propaganda business and stick to factual information, just as the other agencies are asked to do. My amendment would encourage them to remove the propaganda and stick to the information, and I hope, because it is in language identical to that contained in the other appropriation bills, that there will be no objection to it.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the distinguished chairman.

Mr. MAHON. There have been many sharp reductions in civilian personnel and a considerable reduction in military personnel. One of the reductions in both civilian and military personnel has to do with the public affairs and public relations activities of the services. I see nothing in the gentleman's amendment which would prohibit publicity operations which are authorized by law, and I have no objection to the gentleman's amendment.

Mr. REUSS. I thank the gentleman. The committee has made some excellent provisions with respect to restricting what the Department does about information other than propaganda.

The amendment will mean that those remaining officials will be able to carry on their task.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. REUSS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MR. BINGHAM

Mr. BINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BINGHAM: On page 43, after line 23, add a new section as follows:

"SEC. 642. Funds provided in this Act for public information and public relations activities, including personnel costs, shall not exceed $10,000,000."

Mr. BINGHAM. Mr. Chairman, my amendment would limit the amount to be spent under this bill for public information and public relations activities to a total of $10 million. Until 10 years ago there was such a limitation in the defense appropriation bills. At that time it was provided that there should be no more than $2,755,000 spent for this purpose. Since that time, the total of the defense appropriations have doubled, while the amount for public relations and public information has gone by 10 times, to more than $27 million.

If the Members would like a breakdown of the funds as they have been supplied by the DOD and the services for last year—not for the coming year—they are as follows:

For Department of Defense itself, $3.7 million; for the Army, $4.9 million; for the Air Force, $9.4 million; for the Navy, $9.9 million; for a total of $27,922,000 for public relations and public affairs activities.

It seems to me that this amount has gotten entirely out of hand. I am not talking exclusively by any means about the systematic support of controversial programs which has been carried on under cover of these activities. I am content for now to talk on the assumption that these are legitimate public information and public relations activities. But how in the world can the Pentagon justify increasing its budget for this purpose by 10 times, by 1,000 percent, when the total amount for defense appropriations has increased by only 100 percent in that period?

I know the committee has made an effort in this regard. As far as I can make out from the committee report, reductions in this area in the various segments of the bill add up to about $5 million. But I submit that is not enough. I think it is legitimate to propose that a ceiling of $10 million be set for these programs, returning to the custom of 10 years ago.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I take it it is not the gentleman's intention in any way to affect the liaison offices that operate in conjunction with Congress?

Mr. BINGHAM. That is not my intention.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment. It places a ban under certain circumstances on funds spent on public information.

The people of this country, in our free society, are entitled to information with regard to the Defense Department.

There should not be any abuse, but I would not want the Congress to appear to go on record as trying to suppress the distribution of defense information to the American people.

I will agree that much of the information with regard to the war, for example, has been adverse, but nevertheless the people are entitled to the truth.

What is this material which we get through the legislative liaison offices of the Services for our constituents in regard to programs and in regard to casualties and what not? What is that other than public information?

I do not believe we ought to go on record as wanting to suppress information that might be available to the people through the Members of Congress and otherwise. I fear that this amendment would not achieve the purpose which the author has in mind.

We have already cut funds for public relations and public information activities by about $5 million. We have reduced funds for personel otherwise. We have made some sharp cuts in the general overall field of administration. But we certainly have not undertaken to restrict the availability of information to the public, or to the Congress, from the Department of Defense.

This amendment limits specifically the funds provided in this act for such information and public relations activities and so forth. I would think this would be most unfortunate.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. BINGHAM. I thank the distinguished chairman for yielding.

I would ask if it is not true that 10 years ago there was a limit precisely like what I propose on public relations and public information for the Department of Defense, and that the limit at that time was $1,755,000.

Mr. MAHON. The activities in the organization of the Department of Defense in this field have been restructured in recent years, and the situation has been changed.

At one time it was felt—and I was one of those who felt that way—that the Pentagon had officers going about the House Office Buildings and the Senate propagandizing the Congress.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 2 additional minutes.)

Mr. MAHON. I believe the liaison people now are doing a good job in providing information to the Congress, and a reasonably good job is being done in providing information to the general public. The need for adequate information in

regard to the farflung operations of the Department of Defense is very great.

The amendment which we agreed to just a few minutes ago provided that no part of any appropriation in this bill shall be used for publicity or propaganda purposes not authorized by Congress. I would think we have met adequately the situation about which the gentleman is concerned. I believe it would be dangerous to proceed further.

Mr. MINSHALL. Mr. Chairman, I rise in opposition to this amendment. In so doing I concur in everything the gentleman from Texas (Mr. MAHON) has said.

I should also like to point out that the commitee on its own cut back the funds asked for this particular part of the bill from $30,669,000 down to the 1965 level, of about $20 million. The amendment offered here today would cut that in half and seriously impair the very rightful duties of this particular information office.

I should like to point out, also, to the gentleman that on page 576, of part VI of our hearings, the Secretary of Defense, Mr. Laird, sent a memorandum letter to all of the Secretaries of the services dated March 4, 1969, which specifically says that it is the intent of the Department that public information funds will not be used for any kind of propaganda.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL. I am glad to yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding.

As I understood what he said, he said there had been a cut of some $10 million in these activties. However, in going through the report, as I did, very carefully, I added up every one of the cuts made that were referred to here in the various points in respect to public information and public relations activities. Those cuts only added up about $5 million as I read them.

Mr. MINSHALL. The gentleman is absolutely correct in his statement. The cuts actually amount to $4,955,000, but because of reduction in civilian personnel and headquarters and administration cost an additional $5 million cut could be obtained in the information operation.

Mr. BINGHAM. I thank the gentleman for his comment.

Mr. SIKES. Mr. Chairman, will the gentleman yield further?

Mr. MINSHALL. Yes. I am glad to yield to the gentleman from Florida.

Mr. SIKES. Is it not important to call to the attention of the House the fact that a great part of this increase is occasioned by the fact that we are now in a war and the people of the country are concerned about that war. Is it not a fact that it is taking several times as much money now to carry on this public information activity as was required, let us say, 10 years ago when the figure was much, much smaller than it is now? Is it not also true that this is a nationwide activity, a worldwide activity, supplying information to the people about what the Department of Defense and the military installations are doing?

Mr. MINSHALL. The gentleman is absolutely correct.

Mr. Chairman, I yield back the balance of my time.

Mr. SCHEUER. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I rise in support of the Bingham amendment.

Mr. Chairman, I might say that I would not want to do anything to diminish the capability of the Department of Defense from serving Congressmen in every way and providing their constituents with information. But I believe that we have too many layers of personnel placed between these aggressive newspapermen and the sources of the news. I have the highest confidence that the American press, the most enterprising press in the world, is quite capable of ferreting out news if they are given unobstructed access to the sources. Events of the last several weeks have proven this far more dramatically than any words of mine. But it seems to me that we have overstructured the public relations and news media capabilities of the Department of Defense so that they are unnecessarily retarding and restricting the enterprising newspaperman. I think it would be highly salutary for more effective news and more effective scrutiny and analysis of our effort in Vietnam for these excessive restrictions to be removed.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I will be happy to yield to my friend from Maryland.

Mr. LONG of Maryland. The point has been made here by the gentleman from Florida that a large part of this inflation and cost with reference to public relations on the part of the military is due to the fact that we are all calling upon them for certain information and, of course, we are all conscious of that fact as Members of Congress and recognize that this places a great burden upon them. I direct a lot of mail to the liaison officers and to the military branches themselves.

However, the question arises in my mind that this is not the first time we have been at war. We can refer to the Korean war as well as World War II.

I would like to ask the gentleman from Florida or the gentleman from New York whether they have made any comparisons as to the cost of public relations during the Korean war and World War II as compared to the present in order to find out whether the expenditures are inflated with respect to other similar comparisons to the war we are engaged in now?

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from New York.

Mr. BINGHAM. In relation to the remarks of the gentleman from Maryland, I am sorry that I cannot answer the gentleman except to say that 10 years ago, as I indicated, the figure was $2.7 million.

With reference to the remark that a lot of these funds are needed to service Members of Congress, I would point out that the Air Force alone in fiscal 1969 spent $9.4 million. That included a staff of 944 people in the public relations program in the Air Force alone.

Mr. SCHEUER. And, that adds up to just about 2 for every Member of the House and the other body.

Mr. Chairman, let me just reiterate, it seems to me there is far too much obfuscation of the real news. I think we ought to let the newspaper professionals get to the sources of the news. This will eliminate much of the expense for public relations money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM).

The question was taken; and on a division (demanded by Mr. BINGHAM) there were—ayes 31, noes 84.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER: On page 43, between lines 23 and 24, insert the following:

"SEC. 642. Notwithstanding any other provision of this Act, the aggregate amount which may be appropriated under this Act may not exceed $62,964,043,200."

Mr. OTTINGER. Mr. Chairman, the bill before us today, appropriating nearly $70 billion for the Department of Defense, is one of the most important measures to come before the House this year. Its importance cannot be measured only in terms of the military programs it includes; it must be weighed in terms of its representation of the expenses of continuing the Vietnam war and its tremendous impact on our economy, on the Federal budget, on the international arms race, and on our entire structure of national priorities.

Before commenting on this legislation and the issues it raises, I want to commend the Committee on Appropriations for the very exhaustive consideration and study it has devoted to the Defense budget for fiscal 1970. The record developed in seven volumes and 5,947 pages of testimony and supporting data certainly reflect the growing sentiment in Congress for greater knowledge and control of military spending. The committee also should be commended for the $5.3 billion it has trimmed from the budget request and for its expressions of concern over defense procurement practices.

Unfortunately, the committee did not go far enough, either in reducing the defense appropriation to a reasonable level or in bringing the entire process of defense spending under effective congressional control.

Inclusion of $359.5 million for procurement, operations, and maintenance and personnel related to deployment of the Safeguard antiballistic-missile system is sufficient cause, in my view, for rejecting the entire bill. I am convinced that the ABM will merely touch off an offensive-defensive cycle of arms escalation, resulting in vastly greater destructive power on all sides, without any increase in security. Furthermore, to commit $359.5 million to ABM deployment before research and development answers the many technical questions which have been raised vastly increases the risk of

huge cost overruns. We have just heard the Secretary of Defense admit that cost overruns in major weapons systems have exceeded $16 billion in the past few years. The lesson should be clear, and it should be applied to the ABM.

But, Mr. Chairman, there are global considerations in the bill before us today. Recent studies have concluded that we are involved in a runaway arms race that will see arms outlays in the early years of the next century exceed the entire present world production of all goods and services.

At least partially because of the impetus of U.S. military spending, world military spending over the past 20 years rose at an average rate of 5.9 percent a year, with a frightening 50 percent rise to 8.9 percent in the last 3 years.

A study team from the Stockholm International Peace Research Institute, of which Gunnar Myrdal is chairman, reported recently that the world spent $159.3 billion for military purposes last year, of which $79.3 billion was spent by the United States, $39.8 billion by the Soviet Union, and approximately $7 billion by Communist China.

The most immediate hope for a break in this perilous course lies with the current SALT talks in Helsinki. An agreement on limitation of strategic weapons could be the breakthrough that sees our resources turned back to programs aimed at improving the quality of life for all people.

But we need not wait for the conclusion of the SALT talks to reassert congressional control over military spending, and at least start a basic reordering and restructuring of our national priorities. We can start with this bill today. We can start by recognizing that while we must retain a strong national defense posture to protect against outside threats, we must also deal effectively with threats from within our society—the poverty, blight, disease and malnutrition which scars our urban areas, the despoliation of our lakes and rivers, the poisoning of the very air we breathe, the inadequacy of current efforts to keep pace with the need for expanding employment and education opportunities.

Consider the nearly $70 billion appropriated in this bill in relation to the less than $500 million appropriated to feed undernourished American children through food stamps, school lunches, and the special milk program, combined. Consider it in relation to the $2 billion provided for all federally-assisted housing programs, including model cities.

It is obvious that we cannot make or meet national requirements in education, transportation, environmental protection or any other domestic area while so great a proportion of our national incomes are spent on the defense industry and on our far-flung network of foreign military bases.

A tragic example of how the mad momentum of military spending distorts national priorities recently came to light. On the spending side was the Defense Department's routine announcement that the Army was awarding a $5.7 million contract to the Martin Marietta Corp. for "Pershing missile component and power station research and development." What really was involved were relatively minor improvements in an 11-year-old missile system.

On the other side of the story was the decision of the Nixon administration to cut out five health programs designed to find ways of putting the findings of research scientists to work in practice. The projects to be cut out at the end of this year are the pap smear test program to detect uterine cancer in women; the Framingham, Mass., heart study which, after 20 years, was getting to the point where it might tell why some people suffer heart attacks and others do not; the neurological and sensory disease program which includes a widespread program of testing for glaucoma, a disease that can cause blindness if it is not detected in time; and programs dealing with chronic resipratory diseases, diabetes and arthritis.

This distortion of priorities is bad enough on its own merits.

What is worse is the incompetence, mismanagement, and outright fraud which has so often marked the Pentagon's $44 billion procurement program. The Joint Economic Committee, Admiral Rickover, and others have uncovered myriad examples of incredibly sloppy procurement practices, ranging from billion-dollar cost overruns on the C–5A cargo plane which were deliberately hidden from Congress to the $67.50 the Navy paid for each of 30 insulated couplings which the manufacturer's catalog listed at $2.75.

It is clear that despite the Appropriations Committee's concern over military procurement policies, no fundamental reforms are being undertaken which will prevent future abuses. Military spending is still not considered—either by Congress or the White House—in the overall context of national needs and problems.

I intend to offer again on this bill, as I did on the military authorization bill, an amendment to reduce the total military appropriation by 10 percent, or approximately $7 billion. I am supporting efforts to eliminate the $359.5 million for ABM deployment. And, as protest against the continued dominance of military spending and the unwarranted influence of the defense industry, I intend to vote against the bill in its entirety.

Time is running out on us to correct our distorted priorities. The hungry and undernourished people in our cities cannot be expected to wait for their demise. Winter imperils thousands who are condemned to live in unsafe, unsanitary, and unhealthy housing. To produce the funds needed for these critical needs, the defense budget must be reduced far more sharply than it has been in this bill.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Subcommittee on Defense of the Committee on Appropriations has done the most meaningful job in making reductions in expenditures that has been accomplished since the Korean war. The reductions are $7 billion below the Johnson budget, and $5.3 billion below the Nixon budget.

The gentleman from New York (Mr. OTTINGER) who has offered the amendment, now proposes another $7 billion reduction. He is proposing to cut $1.5 billion a minute for the time that he spent on the floor in explaining his amendment.

The best the committee could do in a year of deliberation was to cut an equal amount—$7 billion below the Johnson budget with the benefit of the staff and the combined efforts of all of the members of the subcommittee. We feel that we have done a very thorough job and we hope with some misgivings that we have made cuts which are acceptable, and which do not cripple our defenses.

Now, I must say that to follow the recommendations of the gentleman from New York would be to gut the defense program. I do not believe that is what the House wants to do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. OTTINGER).

The amendment was rejected.

Mr. RYAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to call the attention of the House to a matter of grave concern regarding the activities of the Department of Defense in using its power to undermine the nationwide boycott of California table grapes, which the United Farm Workers have been carrying on.

Mr. Chairman, since 1965 there has been a nationwide boycott of California table grapes in support of the attempts of the United Farm Workers to organize.

In the past most attempts to organize farm labor have failed. But the strike by the United Farm Workers has been successful in its attempts to achieve better wages and working conditions for farmworkers. In the 4 years of the strike, the United Farm Workers have signed contracts with 10 grape growers in California, and its membership at peak harvest time is as high as 7,500.

However, while Americans across the Nation have endorsed the grape boycott and its goal—a decent working wage, sanitary working and living conditions, prevention of child labor—the Department of Defense, an agency of the U.S. Government, has continued to purchase grapes from the farms of boycotted growers. Moreover, Defense Department purchase of grapes since the beginning of the 1965 boycott has greatly increased.

In 1965, the Defense Department was the 17th largest purchaser of California table grapes in the Nation; in 1968, it was the third largest purchaser. The Defense Department claims that it has remained neutral in the strike, buying only 1 percent of the grapes sold in fiscal year 1968.

This figure is misleading, however, because it represents Defense Department purchases against all grapes sold—table grapes, grapes for wine, and grapes for raisins. In fact, the Department of Defense bought over 2 percent of the U.S. production of table grapes in both fiscal years 1968 and 1969.

Regardless of whether the Defense Department of purchase of grapes is equal to 1 percent or 2 percent of total grape purchases, its action is affecting the price. A change in only 1 percent of the demand for table grapes can affect the price of the grapes by 3 percent or 4 percent. Senator MONDALE, at recent hear-

ings on migrant and seasonal farmworker powerlessness said:

We have farm programs, we spend millions and millions of dollars trying to affect the market by 1 percent, because for 1 percent you can affect the market three or four percent. One percent can make the difference in winning or losing a strike. To argue that one percent is neutral is just not good economics.

(Hearings on Migrant and Seasonal Farm Worker Powerlessness—Efforts To Organize, Subcommittee on Migratory Labor, Senate Committee on Labor and Public Welfare, July 15, 16, 17, 1969, at p. 88).

Last February I formally called upon the Secretary of Defense to cease buying California table grapes. The cessation of grape purchases should be an administrative matter, and no legislation should be necessary. But the Defense Department has continued to buy the grapes.

By purchasing California and Arizona table grapes, the Defense Department is lending its power to efforts by the grape growers to break the strike. For this reason I have introduced legislation, H.R. 14640, with 10 cosponsors to prohibit the Defense Department from purchasing California table grapes. The United Farm Workers have brought a legal action against the U.S. Government to prohibit the Defense Department from buying table grapes at levels above fiscal year 1966 purchases.

The Department of Defense has continued to increase its purchase of California table grapes. In fiscal year 1966, the Department bought 7.5 million pounds at the cost of $1.04 million. In fiscal year 1969, 10.42 million pounds of grapes costing $1.7 million were bought by the Department. And in the first quarter of fiscal year 1970, ending September 30, 2.55 million pounds have been bought at a cost of $464,000.

Similar increases occurred in Vietnam. In fiscal year 1967, 468,000 pounds of grapes were shipped to Vietnam. In fiscal year 1969, the amount of grapes shipped to Vietnam rose to 2.1 million pounds. However, during the same time, troop strength in Vietnam rose from 392,000 to 539,000. The troop figure in 1969 is about one-third higher than 1967. The grape shipment increase between 1967 and 1969 is almost fivefold.

On a worldwide basis, troop levels decreased from 3.6 million in 1968 to 3.5 million in 1969, a decrease of about 3 percent. During the same period of time, total purchases of California table grapes increased from 6.9 million pounds to 10.42 million pounds, an increase of over 41 percent.

I again urge the Secretary of Defense to discontinue the purchase of California and Arizona table grapes. The Defense Department must cease using its power to further the efforts of the grape growers to break the strike of the United Farm Workers.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 15090) making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 330, nays 33, not voting 70, as follows:

[Roll No. 306]

YEAS—330

| | | |
|---|---|---|
| Abernethy | Cohelan | Goodling |
| Adair | Collier | Gray |
| Adams | Collins | Green, Oreg. |
| Addabbo | Colmer | Green, Pa. |
| Albert | Conable | Griffiths |
| Alexander | Conte | Gross |
| Anderson, Calif. | Corbett | Grover |
| Anderson, Ill. | Corman | Gubser |
| Anderson, Tenn. | Coughlin | Gude |
| Andrews, Ala. | Crane | Hagan |
| Annunzio | Culver | Haley |
| Arends | Cunningham | Hall |
| Ashbrook | Daniel, Va. | Halpern |
| Ashley | Daniels, N.J. | Hamilton |
| Aspinall | Davis, Ga. | Hanna |
| Ayres | Davis, Wis. | Hansen, Idaho |
| Baring | de la Garza | Hansen, Wash. |
| Barrett | Delaney | Harsha |
| Beall, Md. | Dellenback | Harvey |
| Belcher | Denney | Hastings |
| Bennett | Dennis | Hathaway |
| Berry | Dent | Heckler, Mass. |
| Bevill | Derwinski | Henderson |
| Biaggi | Devine | Hicks |
| Biester | Dickinson | Hogan |
| Blanton | Diggs | Holifield |
| Blatnik | Donohue | Howard |
| Boggs | Dorn | Hull |
| Boland | Dowdy | Hungate |
| Bow | Downing | Hunt |
| Bray | Dulski | Hutchinson |
| Brinkley | Duncan | Ichord |
| Brock | Dwyer | Jacobs |
| Brooks | Eckhardt | Jarman |
| Broomfield | Erlenborn | Johnson, Calif. |
| Brown, Ohio | Esch | Johnson, Pa. |
| Broyhill, N.C. | Eshleman | Jonas |
| Broyhill, Va. | Evans, Colo. | Jones, Ala. |
| Burke, Fla. | Evins, Tenn. | Jones, Tenn. |
| Burke, Mass. | Fallon | Karth |
| Burleson, Tex. | Feighan | Kazen |
| Burlison, Mo. | Fish | Kee |
| Burton, Utah | Fisher | Keith |
| Byrne, Pa. | Flood | King |
| Byrnes, Wis. | Flynt | Kleppe |
| Cabell | Ford, Gerald R. | Kluczynski |
| Caffery | Ford, William D. | Kuykendall |
| Camp | Foreman | Kyl |
| Carter | Fountain | Kyros |
| Casey | Fraser | Landgrebe |
| Cederberg | Frelinghuysen | Langen |
| Celler | Frey | Latta |
| Chamberlain | Friedel | Leggett |
| Chappell | Fulton, Pa. | Lennon |
| Clancy | Fuqua | Lloyd |
| Clark | Gallagher | Long, La. |
| Clausen, Don H. | Garmatz | Long, Md. |
| Clawson, Del | Gaydos | Lujan |
| Cleveland | Gibbons | Lukens |
| | Goldwater | McClory |
| | Gonzalez | McCloskey |
| | | McClure |
| McCulloch | Perkins | Smith, N.Y. |
| McDade | Pettis | Snyder |
| McDonald, Mich. | Philbin | Springer |
| McEwen | Pickle | Stafford |
| McFall | Pike | Stanton |
| McKneally | Pirnie | Steed |
| McMillan | Poff | Steiger, Ariz. |
| MacGregor | Pollock | Stephens |
| Madden | Preyer, N.C. | Stokes |
| Mahon | Price, Ill. | Stratton |
| Mann | Price, Tex. | Stubblefield |
| Marsh | Pryor, Ark. | Stuckey |
| Martin | Pucinski | Sullivan |
| Mathias | Purcell | Symington |
| Matsunaga | Quillen | Taft |
| May | Railsback | Talcott |
| Mayne | Randall | Taylor |
| Melcher | Rarick | Teague, Calif. |
| Meskill | Reid, Ill. | Teague, Tex. |
| Miller, Calif. | Reuss | Thompson, Ga. |
| Miller, Ohio | Rhodes | Thompson, N.J. |
| Mills | Rivers | Thomson, Wis. |
| Minish | Roberts | Udall |
| Mink | Rodino | Van Deerlin |
| Minshall | Roe | Vander Jagt |
| Mize | Rogers, Fla. | Vigorito |
| Mizell | Rooney, N.Y. | Waggonner |
| Mollohan | Rooney, Pa. | Wampler |
| Monagan | Rostenkowski | Watkins |
| Montgomery | Roth | Watson |
| Moorhead | Roudebush | Watts |
| Morgan | Ruth | Weicker |
| Morse | St Germain | White |
| Morton | St. Onge | Whitehurst |
| Moss | Sandman | Whitten |
| Murphy, Ill. | Satterfield | Widnall |
| Murphy, N.Y. | Saylor | Wiggins |
| Myers | Schadeberg | Williams |
| Natcher | Scherle | Wilson, Bob |
| Nelsen | Schneebeli | Wilson, Charles H. |
| Nix | Schwengel | Winn |
| Obey | Scott | Wold |
| O'Hara | Sebelius | Wyatt |
| O'Konski | Shipley | Wylie |
| Olsen | Shriver | Wyman |
| O'Neill, Mass. | Sikes | Yatron |
| Passman | Sisk | Zablocki |
| Patten | Skubitz | Zion |
| Pelly | Slack | Zwach |
| | Smith, Calif. | |

NAYS—33

| | | |
|---|---|---|
| Bingham | Hawkins | Rees |
| Brasco | Hechler, W. Va. | Reid, N.Y. |
| Burton, Calif. | Helstoski | Rosenthal |
| Button | Kastenmeier | Roybal |
| Carey | Koch | Ryan |
| Chisholm | Lowenstein | Scheuer |
| Clay | Mikva | Vanik |
| Conyers | Mosher | Waldie |
| Farbstein | Nedzi | Whalen |
| Gilbert | Ottinger | Wolff |
| Harrington | Podell | Yates |

NOT VOTING—70

| | | |
|---|---|---|
| Abbitt | Findley | Nichols |
| Andrews, N. Dak. | Flowers | O'Neal, Ga. |
| Bell, Calif. | Foley | Patman |
| Betts | Fulton, Tenn. | Pepper |
| Blackburn | Galifianakis | Poage |
| Bolling | Gettys | Powell |
| Brademas | Giaimo | Quie |
| Brotzman | Griffin | Reifel |
| Brown, Calif. | Hammer-schmidt | Riegle |
| Brown, Mich. | Hanley | Robison |
| Buchanan | Hays | Rogers, Colo. |
| Bush | Hébert | Ruppe |
| Cahill | Horton | Smith, Iowa |
| Cowger | Hosmer | Staggers |
| Cramer | Jones, N.C. | Steiger, Wis. |
| Daddario | Kirwan | Tiernan |
| Dawson | Landrum | Tunney |
| Dingell | Lipscomb | Ullman |
| Edmondson | McCarthy | Utt |
| Edwards, Ala. | Macdonald, Mass. | Whalley |
| Edwards, Calif. | Mailliard | Wright |
| Edwards, La. | Meeds | Wydler |
| Eilberg | Michel | Young |
| Fascell | | |

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Brown of California against.

Mr. Foley for, with Mr. Edwards of California against.

Until further notice:

Mr. Daddario with Mr. Andrews of North Dakota.

Mr. Giaimo with Mr. Robison.
Mr. Edmondson with with Lipscomb.
Mr. Eilberg with Mr. Horton.
Mr. Brademas with Mr. Steiger of Wisconsin.
Mr. Griffin with Mr. Buchanan.
Mr. Hays with Mr. Betts.
Mr. Ullman with Mr. Hosmer.
Mr. Tunney with Mr. Mailliard.
Mr. Tiernan with Mr. Cahill.
Mr. Landrum with Mr. Blackburn.
Mr. Young with Mr. Bush.
Mr. Patman with Mr. Brown of Michigan.
Mr. Rogers of Colorado with Mr. Brotzman.
Mr. Smith of Iowa with Mr. Findley.
Mr. Staggers with Mr. Michel.
Mr. Fulton of Tennessee with Mr. Hammerschmidt.
Mr. Fascell with Mr. Cramer.
Mr. Dingell with Mr. Coughlin.
Mr. Macdonald of Massachusetts with Mr. Reifel.
Mr. Pepper with Mr. Quie.
Mr. Hanley with Mr. Wydler.
Mr. Nichols with Mr. Ruppe.
Mr. Meeds with Mr. Powell.
Mr. Kirwan with Mr. Utt.
Mr. Flowers with Mr. Edwards of Alabama.
Mr. O'Neal of Georgia with Mr. Whalley.
Mr. Wright with Mr. Riegle.
Mr. Abbitt with Mr. Galifianakis.
Mr. McCarthy with Mr. Dawson.
Mr. Edwards of Louisiana with Mr. Gettys.
Mr. Jones of North Carolina with Mr. Bell of California.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the Department of Defense appropriation bill today may have permission to revise and extend their remarks in the body of the RECORD, and include pertinent additional material.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 14751. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14751) entitled "An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes," asks for a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MANSFIELD, Mr. BIBLE, Mr. PROXMIRE, Mr. YARBOROUGH, Mr. RUSSELL, Mr. SYMINGTON, Mr. BOGGS, Mr. PEARSON, Mr. FONG, Mr. YOUNG of North Dakota, and Mr. GOLDWATER to be the conferees on the part of the Senate.

## APPOINTMENT OF CONFEREES ON H.R. 14751, MILITARY CONSTRUCTION APPROPRIATIONS, 1970

Mr. SIKES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 14751, making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Florida? The Chair hears none, and appoints the following conferees: Messrs. SIKES, MCFALL, PATTEN, LONG of Maryland, MAHON, CEDERBERG, JONAS, TALCOTT, and BOW.

## PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON FOREIGN ASSISTANCE APPROPRIATIONS, 1970

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the foreign assistance appropriation bill for the fiscal year 1970.

Mr. SHRIVER reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

## PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

## PERMISSION FOR MANAGERS TO FILE CONFERENCE REPORT ON H.R. 12964, STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATIONS, 1970

Mr. ROONEY of New York. Mr. Speaker, I ask unanimous consent that the managers of on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 12964) making appropriations for the Departments of State, Justice and Commerce, the judiciary and related agencies for the fiscal year ending June 30, 1970.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 91-709)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12964) "making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 6, 8, 14, 15, 16, 19, 28, and 30.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 13, 20, 27, 29, and 33.

And agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,344,500"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,000,000" and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$74,300,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "*$268,000,000*"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$174,500,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$19,500,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$121,350,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$24,300,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "$14,000,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$900,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,500,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$650,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$160,750,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,600,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 21.

JOHN J. ROONEY,
(except as to amendments Nos. 22, 23, 24, and 25),
ROBERT L. F. SIKES,
JOHN M. SLACK,
JOHN J. FLYNT, JR.,
GEORGE MAHON,
FRANK T. BOW,
GLENARD P. LIPSCOMB,
E. A. CEDERBERG,
MARK ANDREWS,
*Managers on the Part of the House.*

JOHN L. MCCLELLAN,
ALLEN J. ELLENDER,
JOHN O. PASTORE,
J. W. FULBRIGHT,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
CLIFFORD P. CASE,
(except on Senate amendments 22, 23, 24, and 25),
*Managers on the Part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12964) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF STATE

*International commissions*

International Boundary and Water Commission, United States and Mexico

Amendment No. 1: Appropriates $400,000 for "Construction" as proposed by the House instead of $1,900,000 as proposed by the Senate.

American Sections, International Commissions

Amendment No. 2: Appropriates $561,000 as proposed by the House instead of $593,000 as proposed by the Senate. The Commission should continue to call on the Department of State and the Corps of Engineers for such technical assistance as may be needed.

Amendments Nos. 3 and 4: Insert language proposed by the Senate providing for the payment of salaries to Commissioners.

International Fisheries Commissions

Amendment No. 5: Appropriates $2,344,500 for expenses instead of $2,335,000 as proposed by the House and $2,354,500 as proposed by the Senate. The sum of $9500 is included for the International Commission for the Conservation of Atlantic Tuna.

*Educational exchange*

Mutual Educational and Cultural Exchange Activities

Amendment No. 6: Appropriates $31,425,000 for expenses as proposed by the House instead of $32,925,000 as proposed by the Senate. Amendment No. 7: Provides that not less than $6,000,000 shall be used for payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, instead of $8,500,000 as proposed by the House and $4,500,000 as proposed by the Senate.

General Provisions—Department of State

Amendment No. 8: Deletes language proposed by the Senate. The majority of the conferees are in agreement with language inserted by the Senate relating to changing status of any territory referred to in Article 3 of the Treaty of Peace with Japan but feel that it should be a part of a legislative bill rather than an appropriation bill.

TITLE II—DEPARTMENT OF JUSTICE

*Federal prison system*

Salaries and Expenses, Bureau of Prisons

Amendment No. 9: Appropriates $74,300,000 instead of $74,179,000 as proposed by the House and $74,540,000 as proposed by the Senate.

*Law enforcement assistance administration*

Salaries and Expenses

Amendment No. 10: Appropriates $268,000,000 instead of $250,000,000 as proposed by the House and $275,500,000 as proposed by the Senate. The amount allowed is allocated as follows: $21,000,000 for planning grants; $215,000,000 for action grants; $18,000,000 for academic assistance; $8,500,000 for the National Institute of which not less than $1,000,000 plus whatever savings can be effected is for the National Criminal Justice Information and Statistics Service; $1,200,000 for technical assistance; $4,300,000 for general administration.

TITLE III—DEPARTMENT OF COMMERCE

*Economic development assistance*

Development Activities

Amendment No. 11: Appropriates $174,500,000 instead of $170,000,000 as proposed by the House and $178,231,000 as proposed by the Senate.

Operations and Administration

Amendment No. 12: Appropriates $19,500,000 instead of $19,000,000 as proposed by the House and $19,829,000 as proposed by the Senate.

Amendment No. 13: Provides that not less than $1,200,000 shall be advanced to the Small Business Administration for the processing of loan applications as proposed by the Senate instead of $2,000,000 as proposed by the House.

*International activities*

Salaries and Expenses

Amendment No. 14: Appropriates $19,000,000 as proposed by the House instead of $20,366,000 as proposed by the Senate.

Amendment No. 15: Provides that $11,100,000 shall remain available for international trade promotions until June 30, 1971 as proposed by the House instead of $12,466,000 as proposed by the Senate.

Participation in U.S. Expositions

Participation in New York World's Fair

Amendment No. 16: Deletes Senate proposal to appropriate $350,000.

*Environmental science services administration*

Salaries and Expenses

Amendment No. 17: Appropriates $121,350,000 instead of $121,000,000 as proposed by the House and $121,700,000 as proposed by the Senate. Of the increase allowed over the House amount, $100,000 is for aviation weather forecasts and $250,000 is for air pollution forecasts and for the basic communication network.

Research and Development

Amendment No. 18: Appropriates $24,300,000 instead of $24,000,000 as proposed by the House and $24,685,000 as proposed by the Senate.

*National Bureau of Standards*

Research and Technical Services

Amendment No. 19: Appropriates $37,000,000 as proposed by the House instead of $37,100,000 as proposed by the Senate.

*Maritime Administration*

Ship Construction

Amendment No. 20: Appropriates $15,918,000 as proposed by the Senate. The conferees would be receptive to a realistic substantial request in a supplemental budget at an early date for additional funds for "Ship Construction."

TITLE IV—THE JUDICIARY

*General provision*

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to insert amended House language relative to availability of funds for salaries and expenses of any deputy clerk in any District Court Clerk's office.

TITLE V—RELATED AGENCIES

*Department of Health, Education, and Welfare*

Office of Education

Amendment No. 22: Provides not to exceed $2,000,000 for salaries and expenses instead of $1,500,000 as proposed by the House and $2,850,000 as proposed by the Senate.

Amendment No. 23: Appropriates $14,000,000 for "Civil rights education" instead of $12,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

*Equal Employment Opportunities Commission*

Salaries and expenses

Amendment No. 24: Provides $900,000 for payments to State and local agencies for services to the Commission pursuant to title VII of the Civil Rights Act instead of $700,000 as proposed by the House and $1,200,000 as proposed by the Senate.

Amendment No. 25: Appropriates $12,500,000 instead of $11,500,000 as proposed by the House and $15,905,000 as proposed by the Senate.

*Foreign Claims Settlement Commission*

Salaries and expenses

Amendment No. 26: Appropriates $650,000 instead of $450,000 as proposed by the House and $781,000 as proposed by the Senate.

*National Commission on Reform of Federal Criminal Laws*

Salaries and expenses

Amendment No. 27: Appropriates $300,000 as proposed by the Senate instead of $250,000 as proposed by the House.

*Small Business Administration*

Amendment No. 28: Deletes the language of the Senate, without prejudice, on the assurance that the House legislative committee will expedite the consideration of the legislation pending before it.

Amendment No. 29: Makes no appropriation for additional capital for the Business Loan and Investment Fund, as proposed by the Senate, instead of appropriating $25,000,000 as proposed by the House.

*Special representative for trade negotiations*

Salaries and Expenses

Amendment No. 30: Appropriates $482,000 as proposed by the House instead of $559,000 as proposed by the Senate.

*U.S. information agency*

Salaries and Expenses

Amendment No. 31: Appropriates $160,750,000 instead of $160,000,000 as proposed by the House and $161,500,000 as proposed by the Senate.

Special International Exhibitions

Amendment No. 32: Appropriates $2,600,000 instead of $2,500,000 as proposed by the House and $2,766,000 as proposed by the Senate.

TITLE VII—GENERAL PROVISIONS

Amendment No. 33: Inserts August 1, 1969 in Sec. 706 as proposed by the Senate instead of October 12, 1968 as proposed by the House.

JOHN J. ROONEY,
(except as to amendments Nos 22, 23, 24, and 25),
ROBERT L. F. SIKES,
JOHN M. SLACK,
JOHN J. FLYNT, Jr.,
GEORGE MAHON,
FRANK T. BOW,
GLENARD P. LIPSCOMB,
E. A. CEDERBERG,
MARK ANDREWS,
*Managers on the Part of the House.*

## PROPOSED TAX REFORMS

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, a great deal of publicity has been given to the numerous tax relief devices which the other body has added to our tax reform bill. Many of these devices were accepted almost casually after a brief debate on the floor, but inevitably there will be moves here to build support and ultimately to instruct the conferees to accept some of these relief measures. I hope my colleagues will not succumb too readily to these opportunities, however popular they may appear to be.

The purpose of this reform bill was to improve the credibility of our system of raising money to support the activities of the Government. As sent to the other body, our bill achieves its goal in that it limits the tax preferences which in some cases have come to be used more for tax avoidance than to express national priorities. But if the goals of tax reform are lost because our National Legislature cannot keep its eye on the ball, not only the credibility of the tax system, but of our whole system of Government, will have been damaged.

Tax relief is a commendable goal also, but it is quite different from tax reform. Tax relief has to be properly timed, and carefully designed, if the economy is not to suffer and if the benefits are to reach the people who need them most. Even with the best intentions, I do not think this Nation can afford at this point to give up the fiscal battle against inflation, nor should we here in Congress take a step now which would inevitably increase the percentage of total public moneys which will have to be raised by the comparatively unfair local and State property and sales taxes.

In short, Mr. Speaker, I hope my colleagues will pause and consider, before they leap into the tax pattern the other body has established.

## DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1970

(Mr. WHALEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHALEN. Mr. Speaker, today the House of Representatives will consider H.R. 15090, the Department of Defense appropriation bill for fiscal year 1970.

This measure, like all other appropriation bills, funds new and on-going programs. One project for which moneys are allocated in H.R. 15090 is our military effort in Vietnam.

Normally each program, before receiving congressional funding approval, should meet three criteria.

First, it should be directed toward a specific need or problem.

Second, if funded in the past, should reflect a favorable benefit-cost ratio.

Third, future spending should be expected to produce similar results.

It is only reasonable that our Vietnam operation, for which $23.2 billion will be spent this fiscal year, be subjected to this same three-way test. This I shall attempt to do in the following paragraphs.

II. OUR VIETNAM PROGRAM

A. THE NEED OR PROBLEM

Deployment of U.S. combat forces in Vietnam first occurred in March 1965.

What was our purpose in undertaking this commitment? Several theories have been advanced, then discarded.

First, we were told that our SEATO—Southeast Asia Treaty Organization—obligations compelled our military intervention in Vietnam. As former Presidential Assistant Arthur M. Schlesinger, Jr., noted: this proposition first was advanced by Secretary of State Dean Rusk in January 1966. Yet appearing before the Senate Foreign Relations Committee 17 months earlier—August 6, 1964—Secretary Rusk, according to Schlesinger, testified:

> We are not acting specifically under the SEATO Treaty.

Henry Brandon, the London Times Washington correspondent, in his new book "Anatomy of Error," quotes a memorandum issued to the President on February 12, 1966, by George Ball, Under Secretary of State:

> Our only treaty commitment in that area is to the SEATO partners, and they have without exception viewed the situation in Vietnam as not calling the Treaty into play.

Indeed, only four of the eight SEATO signatory nations have sent combat troops to Vietnam.

Second, after the SEATO argument became unpalatable, it then was contended that our presence in Vietnam was necessary to "arrest the tide of Communism in Southeast Asia." If South Vietnam fell to the Communists, the argument went, so would its neighboring states.

In espousing this "domino" doctrine our leaders were oblivious to the new forces motivating the peoples of the world.

Since 1945 those millions inhabiting colonial areas have been struggling for self-determination, a national identity, a national dignity.

From this thrust has emerged over 60 new nations, their subsequent adherence to the policy of nonalinement, the inevitable demise of monolithic communism, and the resultant discrediting of the so-called "domino theory."

With the collapse of the domino concept, "stop communism" lost its credibility as a basis for our Vietnam intercession.

Third, the United States "self-interest" next was cited as the reason for sending combat troops to Vietnam. For reasons outlined in section II, B, this rationale, too, was abandoned.

Thus, to this date our Government has been unable to identify for the American public a plausible Vietnam raison d'etre. Instead, we now admit that we were wrong in becoming involved there. No wonder our youth—who must fight this war—have become so alienated.

B. PAST RESULTS

Our Vietnam commitment has cost 46,682 American lives—39,642 in combat; 7,040 in nonhostile action.

Since January 1, 1961, we have sustained 259,828 casualties, more than in World War I.

In dollar terms, Vietnam has been the second most expensive venture in U.S. history. Since fiscal year 1965, $81.407 billion has been allocated to this undertaking.

Expenditures of this magnitude have dissipated our financial will and capacity to deal with pressing domestic problems. This failure has dimmed the hopes of the oppressed for whom the "Great Society" held such great promise. Civil unrest has been the natural concomitant.

Vietnam has increased the citizens' tax burden. In July 1968, Congress imposed a 10-percent surtax on individuals and corporations to cover the increased Government costs occasioned by our growing military budget.

The surcharge notwithstanding, inflationary pressures have been, and continue to be, generated by our Vietnam expenditures. Production of war materiel creates income advances which are not matched by corresponding increases in consumable merchandise—the old story of more money chasing fewer goods. Hence, the Consumer Price Index has risen 17.6 percent since December 31, 1965 from 109.9, to September 30, 129.3 percent of the 1957–59 average.

The disposition of 550,000 servicemen

in Vietnam has been viewed by many nations as an American assumption of the former French colonial role in Southeast Asia. This, obviously, has tarnished our image abroad in recent years.

Finally, our military posture has been weakened by our Vietnam adventure. Committing over half a million troops there has cost us flexibility. We have become less able to respond to other, perhaps more important international problems which may occur elsewhere in the world. Indeed, the knowledge of this relative immobility could prompt foreign rivals to precipitate such crises in a deliberate attempt to embarrass us.

Too, as Vietnam has consumed a greater portion of our Defense budget, research and development programs bear less relevance to military needs of the future. As Robert Hotz, editor, Aviation Week and Space Technology Magazine, observed in his November 3, 1969 editorial:

> This area (R&D) has been drained badly to fund Vietnam expenses. Nearly an entire generation of technical progress in key weapons development has been vitiated as a result.

What about Vietnam, itself?

In our desire to save that nation from the evils of communism, we literally have destroyed it.

Depending upon the source of the statistics, the war has cost the lives of 50,000 to 300,000 South Vietnamese civilians. Another casualty figure is estimated as high as 700,000.

American aircraft have deposited on Vietnam soil more bombs than we dumped in Europe during World War II.

With the tremendous influx of American dollars, inflation there has become rampant. A culture is being despoiled by over-Americanization of the countryside.

Perhaps most disturbing, however, is our arrogance in denying to the inhabitants of South Vietnam those civil rights which are guaranteed our own citizens. In the United States, to enter and search a house and its occupants requires a legal warrant. Upon being arrested, an American is apprised of his rights and is assured of a fair trial for his alleged offenses.

In Vietnam, however, villagers' homes are invaded daily by foreign troops without legal sanctions. Those who fail to provide satisfactory responses to their foreign interrogators are turned over to South Vietnamese military personnel for further "disposition."

C. FUTURE RESULTS

What can this country expect if the Congress approves H.R. 15090 in its present form?

First, as previously noted, $23.2 billion will be reserved for continuation of our military exercise in Vietnam.

Second, this expenditure will divert money—and attention—from needed domestic programs, thus planting the seeds of future civil strife.

Third, the polarization of our society will accelerate.

Fourth, inflationary pressures will persist as long as billions are spent.

Fifth, the administration may be forced to request further extension of the surtax.

Sixth, among the community of nations our reputation as a neocolonial power will grow.

Seventh, essential new weapons systems, as well as military research and development programs, will remain underfunded.

Eighth, in Vietnam, itself, innocent civilians will continue to suffer from the ravages of war.

Ninth, and most important, many more thousands of American servicemen will lose their lives in a war we now declare unwise and unwinnable.

III. CONCLUSION

Members of Congress have limited jurisdiction in the conduct of a war. We cannot plan military strategy. We cannot dictate tactics. We cannot order troop reductions or troop withdrawals. We cannot initiate peace negotiations. We cannot conduct peace negotiations. All of these are prerogatives of the Commander in Chief, the President of the United States.

Some Members have expressed their concern in the various Vietnam resolutions now before this Congress. As a means of illuminating this issue, these resolutions are no more effective than a candle in a wind storm.

We in Congress do possess, however, two specific war powers.

First, we have the authority to declare war. In the case of Vietnam, the Congress abrogated this responsibility.

Second, we can influence the direction of a war through the appropriate process.

For me the "moment of truth" about Vietnam came shortly after being sworn in as a Member of the 90th Congress. In March 1967, I was asked by the bereaved parents of a young man who had given his life in Vietnam:

> For what purpose did our son die?

I could not answer them. I am unable to do so today.

Yet for 2 years I assuaged my doubts by convincing myself that "it is the President's job to terminate the conflict." Thus, in the hope that the Chief Executive would do just that, I supported the two Defense appropriations bills which came before the House of Representatives in 1967 and 1968.

This week, if this body approves H.R. 15090, as now written, we are condemning to death another substantial number of young Americans. At the same time we are telling our servicemen in Vietnam:

> We admit this war is wrong. We cannot win it. Therefore, you really should not be in Vietnam, and we hope to bring you home as soon as possible. Meanwhile, in all honesty, we must confess that many of you will die this coming year.

This I cannot accept.

Thus, I intend to vote against H.R. 15090 in its present form.

I do not view this as a protest vote. Rather, I consider that I am availing myself of the one opportunity by which a Member of the Congress can effect a policy change—and at the same time, in my case, clear my conscience of responsibility for the cruel and needless deaths of many additional fine young Americans.

I will support H.R. 15090, however, if it is amended to require complete U.S. troop withdrawal, effective December 31, 1970. If 217 other Members concur, our Vietnam policy can and will be changed.

## "SHOOTOUT" IN CHICAGO

(Mr. MIKVA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MIKVA. Mr. Speaker, at 4:40 a.m. on December 4, 1969, Fred Hampton and Mark Clark, leaders of the Illinois Black Panthers, were shot to death in a police raid on Hampton's apartment. The police who participated in the raid were under the direction of the Illinois State's attorney's office. They had a search warrant based on a police sergeant's sworn statement that a cache of illegal weapons was located in the Hampton apartment. Weapons were found at the apartment.

At this time, these meager facts are about all we know for certain about the events on that early Thursday morning. But in Chicago, and I suspect throughout the Nation, people are disturbed by a number of unanswered questions in the Hampton-Clark shootings. Police who conducted the raid have said that they were fired upon by those in the apartment, and estimated that over 200 shots were exchanged between police and those in the apartment. On the other hand, witnesses at the scene indicate that evidence there shows that Hampton, at least, was lying in his bed when he was shot. A private autopsy conducted on Hampton's body, which was reported in yesterday's New York Times, seems to indicate that the body was in a reclining position at the time the bullets entered and left it.

The raid on Fred Hampton's apartment has become a subject of great controversy in only the few days since it took place. The major daily newspapers in Chicago have all editorialized on the subject, and it has received extensive news coverage. Despite the apparent paucity of facts, sweeping conclusions are already being drawn by various elements of the community. The State's attorney's office has termed the shootings justifiable acts of self-defense. Other elements of the community, both black and white, have characterized the Hampton-Clark shootings as nothing less than deliberate assassination, part of a nationwide campaign to eradicate the Black Panthers. My own view is that no conclusions can be drawn until we have more facts. But we must be sure that we are going to get those facts, and get them from a source which will be objective and credible to all parties concerned. As the Chicago Sun-Times said in an editorial:

> This potentially explosive situation must be calmed by a full airing of the facts concerning the events that occurred in the early Thursday morning raid on the Black Panther apartment.

I believe that the concern of many Chicagoans about this matter is justified. If there was illegal possession of firearms, then the police should have moved in to confiscate them and arrest those illegally possessing the contraband as they are

bound by law to do. But illegal possession of firearms is not normally an offense which, if proved, carries the death penalty, or even a very long jail term. Nor is it normally an offense for which a search or arrest warrant is served at 4:40 in the morning. Finally, men who are engaged in a "shootout" with the police do not normally do their shooting from a reclining position. For all of these reasons, whatever answers are eventually developed to the questions surrounding the "shootout," must, if they are to be credible answers, come from some source other than the State's attorney's office or the testimony of his police.

For this reason, I am today writing a letter to Dr. Milton Eisenhower urging that the National Commission on the Causes and Prevention of Violence initiate an investigation into the nature of the shootings in Chicago last Thursday. I understand that the Illinois Division of the American Civil Liberties Union has done likewise. There are several reasons that such an investigation by an impartial Federal commission is necessary. First, whatever story is revealed during the trial of Panther leaders arrested at the time of the "shootout," it is bound to be based primarily on the testimony of those directly involved in the incident. Thus, whatever the trial discloses, it will still be less than credible to those who already have doubts about the shootings. Second, the Violence Commission already has significant experience and expertise in investigating the nature of violent incidents. The commission staff investigated in depth a shootout incident which occurred in Cleveland last year. It has the manpower and the techniques to make a thorough and objective investigation.

Finally, and perhaps most important, the central reason for concern in the Hampton-Clark shooting is directly within the scope of the commission's mandate. The commission was established to investigate the reasons for excessive violence in American life, whether on the part of criminals, private citizens, or the police. As one who has sought stringent gun control laws, I am hardly sympathetic to the stated philosophy of the Black Panther party. My reason for concern is, rather, that whenever violence occurs in our society, all citizens are hurt, all our lives are endangered. What has been worrying so many Americans about crime is not the money they will lose, it is violence—the threat of physical harm to themselves or their families. It is excessive violence, whether perpetrated by private citizens or officials of the State, which we have most to fear. Thus in a very real sense, "law and order" demands that the reasons and responsibility for the violence which occurred last Thursday be brought to light.

I insert a New York Times article referred to above and an article by Barbara Reynolds in the yesterday's Chicago Today at this point in the RECORD:

[From the New York Times, Dec. 7, 1969]

PANTHERS SAY AN AUTOPSY SHOWS PARTY OFFICIAL WAS "MURDERED"

(By John Kiener)

CHICAGO, December 6.—A black alderman and attorneys for the Black Panther party asserted today that an independent autopsy performed on the body of Fred Hampton, a slain Panther official "confirms our theory that he was murdered while he was asleep."

Mr. Hampton, the 21-year-old Illinois state chairman of the Panthers, and Mark Clark, a Panther leader from Peoria, were shot to death in a police raid on Mr. Hampton's apartment here early Thursday morning.

The police have said that the two men were shot in a gun battle lasting at least 10 minutes when the raiding party entered the apartment a block from the Panther offices at 4:40 A.M. in a search for weapons. The police said that what they termed a "shootout" ensued after a woman in the apartment opened fire on them with a shotgun. They said they had seized a number of weapons.

Four other Panthers were wounded in the apartment, and three more were arrested. One policeman was grazed on the leg with a shotgun pellet and another cut his hand on a piece of glass.

PARTY AIDE SURRENDERS

The Panthers charged that the police had burst into the apartment and opened fire and that the occupants had had no opportunity to shoot back.

The Panthers' deputy minister of defense, Bobby Lee Rush, the ranking surviving party official here, surrendered to the police this morning at a meeting of the Southern Christian Leadership Conference's operation breadbasket.

He had been sought on a warrant charging him with failure to register a weapon since the police staged a raid on his apartment at 5:30 A.M. yesterday. He was not at home then.

The police said that the raid had produced a 22-caliber, two-shot derringer, several hundred rounds of ammunition, dried leaves that might be marijuana, military instruction manuals and literature that they described as "inflammatory."

Mr. Rush was held on $1,500 bond.

The private autopsy was held at the funeral home owned by Alderman A. A. Rayner, where Mr. Hampton's body is awaiting burial on Monday.

LAWYER WATCHES AUTOPSY

Francis Andrew, one of three attorneys for the Black Panthers who arranged and observed the examination, said that the autopsy had been conducted by "a leading pathologist, a renowned expert in forensic medicine. He was assisted by two other distinguished doctors."

All three doctors were white.

Mr. Andrew said, "A bullet hole was found just below Fred Hampton's hairline above his right eye. An examination of the angle of the wound showed that if Hampton was lying on his back, the person who shot him would have been standing above him, slightly to the right and behind his head."

"Another bullet hole was below the right ear, with an exit hole on the left side of the lower neck, showing exactly the same angle as the other bullet hole," the lawyer continued. "There were two other bullet grazes, one of the front left shoulder, again at the same angle, and one on the right arm."

"No exit wound could be found for the bullet hole in the top of the head, but the doctors could not find the bullet, which is very curious," he said.

James J. Walsh, administrative assistant to coroner Andrew J. Toman, said yesterday that the official examination showed Mr. Hampton had been struck by a bullet in the left temple and by another in the lower portion of his neck, while a third had grazed his arm.

Meanwhile, Edward V. Hanrahan, state's attorney, announced that Alderman Rayner himself was under investigation for his connection with the Panthers. Mr. Hanrahan's office said that copies of the lease on the Panther headquarters "uncovered" yesterday had been signed by Mr. Rush and Mr. Rayner.

SAYS HE SIGNED LEASE

The alderman confirmed that he had cosigned the lease and added: "The police red squad has been asking people in the area about my work with young people."

The Panthers have been conducting tours of the apartment in which their leader was slain. Hundreds of people, including some whites and two Negro state senators, have passed through, listening as Panthers lecture and point out the bullet holes.

The small, five-room apartment does not have extensive scars, pockmarks and bullet holes. Many walls and entire rooms have no visible scars, and most of the bullets are clustered in the area where the Panthers were shot.

Roy Innis, national director of the Congress of Racial Equality, called yesterday for investigations into the deaths of 28 Black Panther party members killed in clashes with the police since January, 1968.

Mr. Innis made the request in telegrams to President Nixon, Attorney General John N. Mitchell, Mayor Richard J. Daley of Chicago and other officials.

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A REPORTER SOUNDS OFF: HOW WILL THEY SEE HAMPTON'S DEATH?

(By Barbara Reynolds)

I found myself standing in Fred Hampton's blood.

As I stood there Thursday in my friend's home at 2337 W. Monroe st., I could almost see him greeting me with his sweet smile, clenched fist, and "All power to the people, sister."

I looked at the blood spattered wall, the crimson mattress, and the bullet holes in his green bedspread, and I wondered what people who didn't know Fred Hampton were thinking about his violent death.

Would they think he was just another "hood," who was better off dead? Or would they feel he died because he had ceased to be a "boy," and had determined, at 20 years of age, that was time to be his own man or die trying?

Fred was no fool. He knew other Panthers who tried to change the system had either been killed, thrown in jail or run out of the country. He knew he would be gagged in one form or the other, just as Bobby Seale had been gagged in Judge Hoffman's courtroom. But, perhaps, he felt he hadn't much to lose. If you're living in bondage, you're not really living anyway.

The end came quickly. At 4:30 in the morning someone decided to issue a search warrant because a witness said there were guns inside Hampton's apartment. It took 50 armed policemen who cordoned off a two-block area around his home to deliver the warrant.

Police said as they tried to enter, Panthers inside opened fire. So they blasted the back and front doors down. More than 200 shots were exchanged in 12 minutes of rapid firing, the police said.

Yet both doors were still standing when I arrived as a reporter and the only thing I could see wrong with the back door was that it needed painting.

There were few bullet holes from all the 200 shots that were supposed to have been fired, except in Fred's bedroom where blood was still oozing from his mattress down to the floor.

Bobby Rush, the Panther's deputy defense minister, claims Hampton was murdered in his sleep.

This story sounds strange, also. But it is no stranger than the inconsistent police accounts of the event.

On the whole it matters little how Fred was killed. The fact is he is dead. He had to be killed, imprisoned or exiled because he believed the system won't allow black folks to run around leading a revolution that will make democracy work in favor of its black minority.

I will never see my friend again. But I will see his militant spirit roaming the streets of Chicago in the black masses who would rather fight and die than live with police brutality, ghetto housing, and poverty in a nation of plenty.

## JUVENILE INSTITUTE BILL

(Mr. RAILSBACK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RAILSBACK. Mr. Speaker, today I have introduced, along with the gentleman from Illinois (Mr. MIKVA), the gentleman from Pennsylvania (Mr. BIESTER), and more than 80 other Members, a bill which would create an FBI Academy-type institution to provide trained workers and information for use in the battle against juvenile delinquency.

This bill is not simply another study or research effort. We have sought in this proposal to make some very real and measurable progress in this Nation's efforts to deal with and prevent juvenile delinquency.

A detailed study recently released by the Justice Department has revealed that the astounding total of 72 percent of youths once arrested were rearrested within 5 years. This bears repeating: almost three-fourths of the youths once arrested and supposedly within the reach of our juvenile justice system were rearrested. Statistics on crime are easily cited to demonstrate the seriousness of the problem. For instance, during 1968 there was one murder every 39 minutes, one forcible rape every 17 minutes, one robbery every 2 minutes, one aggravated assault every 2 minutes, one auto theft every 41 seconds, and one burglary every 17 seconds. There was an average during 1968 of one violent crime every 54 seconds. But even more disturbing are the statistics which show the almost unbelievable increase in crime among our young people. During the period from 1960 to 1968, the number of arrests of juveniles for serious crimes increased by 78 percent. As tragic and disheartening as the above may seem, it should strike at the hearts of all of us that this represents only the beginning of a career in crime for many of these youthful offenders. With a three-quarters repeater rate, we just are not stopping careers in crime.

In its 1967 Task Force Report on Juvenile Delinquency and Youth Crime, the President's Commission on Law Enforcement and Administration of Justice estimated that in the inner city as much as 70 percent of the young people find themselves in trouble with the law before their 19th birthday. A report by the New York City Department of Corrections has found that more young men are put in detention centers or jails between the ages of 16 to 20 than at any other time in their lives.

Earlier this year a timely symposium was held in Washington, D.C., under the joint sponsorship of the American Parents Committee and the National Council of Juvenile Court Judges. The thought-provoking title of this symposium was "Youth in Crisis—Our Nation's Stake in Juvenile Delinquency Prevention." It is encouraging that public interest in trying to save young people from a life of crime is increasing. As representatives of the interested citizens in our home districts, we in Congress have contributed some action and many words. In this proposal we hope to make possible more action and leadership.

Almost one-half of those arrested in 1968 for criminal offenses were under the age of 18. In other words, what we are talking about today is, simply put, one-half of the crime problem. We have designed our legislation to strike at the very heart of crime. We think our proposal represents a new approach to attacking the root causes of recidivism so far as juvenile offenders are concerned. We are convinced that juvenile crime is the single most pressing and threatening aspect of the crime problem. The failure to deal effectively with criminals and with the causes of crime has become a near disaster for this country. Our bill is intended to provide not just more talk, but some very definite action.

We propose the creation of the Institute for Continuing Studies of Juvenile Justice. As it is envisioned, the Institute will provide a two-pronged attack on juvenile crime. The main purpose would be to provide expert "graduate" or continuing education and training for persons working to combat juvenile delinquency at the State and local level. The operation would be patterned after the very respected and successful FBI Academy, and would offer training by experts for local law enforcement officers, judicial personnel, welfare officials, correctional officers, probation officers, and others connected with the treatment and control of juvenile offenders. The second purpose would be to establish a clearinghouse or data bank for the valuable information on juvenile delinquency presently existing but not in any one convenient or central location. This information would be put into useful forms and disseminated to the State and local people who can put it to work in their everyday dealings with the juvenile offender.

The problem of juvenile delinquency is primarily a local one. However, to the extent that there are 50 States and countless local communities which are presently approaching the problem in different ways, we believe that some guidance and assistance should be available on a coordinated basis to these State and local governments. Admittedly, some States have done more than others in the area of juvenile delinquency prevention and control. The Governor's Conference has placed the responsibility as follows:

> The burden rests with the individual governments to adopt, adapt, and act against crime.

The Governors at their 1969 meeting also reported the following recommendations:

> In recognition of the key role which state governments play in the intergovernmental effort to prevent and control juvenile delinquency, the National Governor's Conference urges the following actions by states: (1) Each state should establish the necessary administrative machinery to provide leadership and coordinate the planning and services of all state agencies which contribute to the prevention, control, and treatment of juvenile delinquency. (2) Each state should emphasize and strengthen its commitment to programs designed to prevent delinquency, giving particular emphasis to home and school-centered programs aimed at youth who are in danger of becoming delinquent.

One outstanding example of helping the State and local governments has been the FBI Training Academy and the local training schools operated by the FBI. In fiscal 1969, training was afforded to 233,741 municipal, county, and State law enforcement officers who attended 7,804 schools. Of the over 5,000 graduates of the FBI Training Academy, 27 percent are now the heads of their agencies. We think this is a fine example to follow, and by applying a similar approach to training State and local personnel in the field of juvenile delinquency, we hope for very real benefit at a reasonable, if not comparably inexpensive, cost.

To demonstrate the varying laws among the States with respect to juveniles, 24 States expressly deny the right to a jury trial in juvenile proceedings. In 14 other States the statutes make no reference to jury trials in juvenile proceedings. In the dozen other States, a jury trial is guaranteed. This condition exists in spite of the May 20, 1968, U.S. Supreme Court decisions in the cases of Duncan against Louisiana and in Bloom against Illinois in which the Court gave very strong hints that jury trials would be required. Only 1 month ago, the Supreme Court was asked in the case of DeBacker against Brainard to rule that jury trails are required. The Court said only that it would not so rule with respect to cases which arose prior to May 20, 1968, the date of the above decisions. Not only do one-half of the States deny jury trials, even more States do not have full-time specialized juvenile judges or courts. Only five States were found to have a complete system of juvenile courts. Some 16 other States had partial systems involving specialized courts in some counties or cities. In 28 States, judges on regular circuit courts were assigned on occasions to handle juvenile cases. In only 31 States was there a guarantee of a right to counsel in express terms. In short, with one-half of serious crime perpetrated by juveniles, we have a long way to go in simply providing the law and court structure to effectively deal with these offenders.

The Joint Commission on Correctional Manpower and Training pointed out recently two problems present in attempting to deal with any aspect of the crime problem.

> (1) Correction today is characterized by an overlapping of jurisdictions, a diversity of philosophies, and a hodge-podge of organizational structures which have little contact with one another; and
>
> (2) Lacking consistent guidelines and the means to test program effectiveness, legislators continue to pass laws, executives mandate policies, and both cause large sums of money to be spent on ineffective corrective methods.

**The findings of the Commission indicate that what we need if we are to achieve more timely results is a single model or leader to coordinate activities in the field of juvenile delinquency.**

The National Council on Crime and Delinquency has recommended "increased professional training, and additional training programs to upgrade the skills of those already in the field." The President's Task Force on Juvenile Delinquency said simply:

> Personnel training is an obvious need . . . The kind of leadership needed at the Federal level requires a better integration of the various disparate Federal programs than is found at present.

And the need for such an institution as we have proposed is recognized by juvenile authorities throughout the world. Even in the police states of the Communist-controlled countries of Czechoslovakia, Hungary, and Yugoslavia, the oppressive governments recognize the problem and all require that their judges and police receive special training in child handling.

We have already accumulated vast amounts of knowledge concerning juvenile offenders and the offenses they commit, but we simply have not put this information to the best use. It must be supplied to all those concerned with the problem of juvenile delinquency. Furthermore, we must assist in the training of individuals to cope with juvenile offenders. After consultations with recognized experts, both within and without the government service, we are convinced that a multidisciplinary approach is needed in effectively dealing with juvenile offenders. In other words, what is needed is a combination training effort including the viewpoints, expertise, and disciplines of correctional, probational, judicial, law enforcement, and welfare personnel.

As the President's Commission stated in 1967:

> America's best hope for reducing crime is to reduce juvenile delinquency and youth crime.

The bill which we are introducing today is intended to do just that.

Mr. Speaker, I include the text of the bill, as well as a section-by-section analysis of the bill in the RECORD:

H.R. 15124

A bill to amend title 18 of the United States Code by adding a new chapter 404 to establish an Institute for Continuing Studies of Juvenile Justice

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. Part IV of title 18, United States Code, is amended by adding at the end thereof the following new chapter.

"CHAPTER 404.—INSTITUTE FOR CONTINUING STUDIES OF JUVENILE JUSTICE

"Sec.
"5041. Establishment; purpose.
"5042. Functions.
"5043. Director and staff.
"5044. Powers.
"5045. Advisory Commission.
"5046. Location; facilities.
"5047. Curriculum.
"5048. Enrollment.

"§ 5041. Establishment; purpose

"There is hereby established an Institute for Continuing Studies of Juvenile Justice (hereinafter referred to as the 'Institute'). It shall be the purpose of the Institute to provide a coordinating center for the collection and the dissemination of useful data regarding the treatment and control of juvenile offenders, and it shall also be the purpose of the Institute to provide training for representatives of Federal, State, and local law enforcement officers, juvenile welfare workers, juvenile judges and judicial personnel, probation personnel, correctional personnel, and other persons, including lay personnel, connected with the treatment and control of juvenile offenders.

"§ 5042. Functions

"The Institute is authorized—

"(a) to serve as an information bank by collecting systematically the data obtained from studies and research by public and private agencies on juvenile delinquency, including, but not limited to, programs for prevention of juvenile delinquency, training of youth corrections personnel, and rehabilitation and treatment of juvenile offenders;

"(b) to publish data in forms useful to individuals, agencies, and organizations concerned with juveniles and juvenile offenders;

"(c) to disseminate pertinent data and studies to individuals, agencies, and organizations concerned with juveniles and juvenile offenders;

"(d) to devise and conduct in various geographical locations, seminars and workshops providing continuing studies for persons engaged in working directly with juveniles and juvenile offenders;

"(e) to devise and conduct a training program of short-term instruction in the latest proven-effective methods of prevention, control, and treatment of juvenile delinquency for law enforcement officers, juvenile welfare workers, juvenile judges and judicial personnel, probation officers, correctional personnel, and other persons, including lay personnel, connected with the treatment and control of juvenile offenders; and

"(f) to develop technical training teams to aid in the development of training programs within the several States and with the State and local agencies which work directly with juveniles and juvenile offenders.

"§ 5043. Director and staff

"(a) The Institute shall be under the supervision of an officer to be known as the Director of the Institute who shall be appointed by the President, by and with the advice and consent of the Senate, to serve for a term of four years. The Director of the Institute shall receive basic pay at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code.

'(b) The Director shall have authority to supervise the organization, employees, enrollees, financial affairs, and all other operations of the Institute and may employ such staff, faculty, and administrative personnel as are necessary to the functioning of the Institution. The Director shall have the power to acquire and hold real and personal property for the Institute and may receive gifts, donations, and trusts on behalf of the Institute. The Director shall also have the power to appoint such technical or other advisory councils comprised of consultants to guide and advise the Advisory Commission. The Director is authorized to delegate his powers under this Act to such persons as he deems appropriate.

"(c) If the Office of Director is left vacant, by resignation or otherwise, the President shall appoint a successor who shall serve for the unexpired portion of the term of office.

"§ 5044. Powers.

"The functions, powers, and duties specified in this Act to be carried out by the Institute shall not be transferred elsewhere or within any executive department unless specifically hereafter authorized by the Congress. In addition to the other powers, express and implied, the Institute is authorized—

"(a) to request any Federal department or agency to supply such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions. Each such department or agency is authorized to cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information and advice to the Institute;

"(b) to arrange with and reimburse the heads of Federal departments and agencies for the use of personnel or facilities or equipment of such departments and agencies;

"(c) to confer with and avail itself of the cooperation, services, records, and facilities of State, municipal, or other public or private local agencies;

"(d) to enter into contracts with public or private agencies, organizations, or individuals, for the partial performance of any of the functions of the Institute;

"(e) to compensate consultants and members of technical advisory councils who are not in the regular full-time employ of the United States, at a rate to be fixed by the Director of the Institute but not exceeding $75 per diem and while away from home, or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently; and

"(f) to report to the Congress at appropriate intervals on programs which have been implemented with the cooperation of the Institute within and among the several States, and to recommend to the Congress further legislative action which may appear desirable.

"§ 5045. Advisory Commission

"(a) The overall policy and operations of the Institute shall be under the supervision of an Advisory Commission.

"(b) The Advisory Commission shall consist of the Director of the Institute, the Attorney General (or his designee), the Director of the United States Judicial Center (or his designee), the Director of the National Institute of Mental Health (or his designee), and fourteen persons having training and experience in the area of juvenile delinquency appointed by the President from the following categories:

"(1) law enforceemnt officers (two persons),

"(2) juvenile or family court judges (two persons),

"(3) probation personnel (two persons),

"(4) correctional personnel (two persons),

"(5) representatives of private organizations concerned with juvenile delinquency (four persons), and

"(6) representatives of State agencies established under the Juvenile Delinquency Prevention and Control Act of 1968 or under title I of the Omnibus Crime Control and Safe Streets Act of 1968 (two persons).

"(c) Members of the Advisory Commission shall serve for terms of four years and shall be eligible for reappointment, except that for the first composition of the Commission, one-third of the members shall be appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms, thereafter each member's term shall be for four years. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. Any member of the Commission may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(d) While performing their duties, members of the Commission shall be reimbursed under Government travel regulations for their expenses, and members who are not employed full time by the Federal Government shall receive in addition a per diem of $100 in lieu of subsistence, as authorized by section 5703 of title 5, United States Code,

for persons in Government service employed intermittently.

"(e) The Director shall act as Chairman of the Advisory Commission. The Commission shall establish its governing rules of procedure.

"§ 5046. Location; facilities

"(a) A suitable location for the Institute shall be selected by the Advisory Commission.

"(b) Following the selection of a location for the Institute, the Director, with the approval of the Advisory Commission, shall—

"(1) acquire such property as has been selected pursuant to subsection (a), and

"(2) make such arrangements as may be necessary or desirable for the construction, equipping, and physical organization of the Institute.

"§ 5047. Curriculum

"The Advisory Commission shall design and supervise a curriculum utilizing a multidisciplinary approach (to include law enforcement, judicial, correctional and welfare as well as probation disciplines) which shall be appropriate to the needs of the Institute's enrollees.

"§ 5048. Enrollment

"(a) Each candidate for admission to the Institute shall apply to the State agency established under the Juvenile Delinquency Prevention and Control Act of 1968 (82 Stat. 462; 42 U.S.C. 3801 et seq.), or the State agency established under title I of the Omnibus Crime Control and Safe Streets Act of 1968 (82 Stat. 198; 42 U.S.C. 3701 et seq.), in the candidate's State. The State agency or agencies shall select an appropriate number of candidates and forward their applications for admission to the Director of the Institute. The Director shall prescribe the form of all applications for admission to the Institute and shall make the final decision concerning the admission of all students or enrollees.

"(b) While studying at the Institute and while traveling in connection with his study, including authorized field trips, each student or enrollee in the Institute shall be allowed travel expenses and a per diem allowance in the same manner as prescribed for persons employed intermittently in the Government service under section 5703(b) of title 5, United States Code."

SEC. 2. The table of contents to "PART IV—CORRECTION OF YOUTHFUL OFFENDERS" of title 18, United States Code, is amended by inserting after

"403. Juvenile delinquency..... 5031"

the following new chapter reference:

"404. Institute for Continuing Studies of Juvenile Justice..... 5041".

SEC. 3. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SECTION-BY-SECTION SUMMARY OF BILL TO CREATE AN INSTITUTE FOR CONTINUING STUDIES OF JUVENILE JUSTICE

Amend Part IV of title 18 U.S.C. to add a new chapter 404.

Section 5041. Establishment; purpose.

Section 5042. Functions.

Section 5043. Director and staff.

Section 5044. Powers.

Section 5045. Advisory Commission.

Section 5046. Location; facilities.

Section 5047. Curriculum.

Section 5048. Enrollment.

Section 5041 creates the Institute to provide a coordinating center for collecting useful data re the treatment and control of juvenile offenders; and to provide training for individuals in such treatment and control.

Section 5042 authorizes the Institute to:

(a) Serve as an information bank by systematic collection of data from all sources re juvenile delinquency.

(b) Publish data in useful forms.

(c) Disseminate published data to interested persons.

(d) Conduct seminars and works.

(e) Provide short-term training of law enforcement officers, juvenile welfare workers, juvenile judges, probation officers, correctional personnel, and other persons, including lay personnel, connection with the treatment and control of juvenile offenders.

(f) Send out training teams to work at State and local levels.

Section 5043: Director of the Institute shall be appointed by the President with advice and consent of the Senate.

Section authorizes the Institute to obtain data, personnel, facilities and other cooperation from Governmental agencies and departments (Federal, State and local) as well as from private individuals and agencies.

Section 5045 provides for Advisory Commission to set policy and supervise operations of the Institute. The Commission members would consist of:

(a) Director of the Institute.

(b) Attorney General (or designee).

(c) Director of U.S. Judicial Center (or designee).

(d) Secretary of Health, Education and Welfare (or designee).

(e) Director of National Institute of Mental Health (or designee).

(f) 14 persons having training and experience in the area of juvenile delinquency, to be appointed by the President from the following categories:

(1) Law enforcement officers (two persons).

(2) Juvenile judges (two persons).

(3) Probation personnel (two persons).

(4) Correctional personnel (two persons).

(5) Representatives of private organizations concerned with juvenile delinquency (four persons), and

(6) Representatives of State agencies established under Juvenile Delinquency Prevention and Control Act or under title I of Omnibus Crime Control and Safe Streets Act of 1968 (two persons).

Commission members would have four year staggered terms.

Section 5046 directs that a suitable location be selected.

Section 5047 requires Advisory Commission to design and supervise a curriculum utilizing a multi-disciplinary approach (to include law enforcement, judicial, probation, correctional, and welfare worker disciplines) appropriate to the needs of the Institute's enrollees.

Section 5048: Candidates for admission and enrollment in the Institute shall be established under the Juvenile Delinquency nominated by the State agencies or agency Prevention and Control Act of 1968 or the Omnibus Crime Control and Safe Streets Act of 1968 (title 1) with final decision concerning admission being made by the Institute Director.

RECAPITULATION

Rather than simply further study juvenile delinquency, this bill seeks to establish a clearing house or data bank for all the valuable information presently existing but not in any one convenient or central location—a function which could not be easily fulfilled except at the federal level. The other main purpose is to provide expert "graduate" or "continuing" education and training for two persons who are now working to combat juvenile delinquency at the State and local level.

## THE LABOR DEPARTMENT AND THE UMWA

(Mr. WAMPLER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WAMPLER. Mr. Speaker, on November 28, 1969, the Labor Department released information on the United Mine Workers of America. Such action represents a first for the Department—the first time that the Landrum-Griffin Act has been used to influence a union election.

I am disturbed by the action of the Labor Department. I feel that it warrants a complete investigation by the Congress, followed by appropriate action if the investigation reveals deviation from the mandate of the Department under the labor laws of the United States.

The Department's action indicates a certain bias in the current UMWA election campaign. It seems, at first glance, to be a campaign tool for one of the candidates and a blow for his opponents. Moreover, it does not reveal the exhaustive attention to detail that should characterize an investigation of alleged wrongdoing by the Labor Department. On the contrary, much of it has become a matter of public record in the months since the election campaign within the UMWA has begun. Other information could easily be obtained from the Labor Department and the records filed under the law. To place the seal of the Labor Department on material of this type, and to release it to the press as "sensational new news" smacks of partisanship and anything but impartial justice.

It is not the function of the Labor Department to determine who shall be the president of the United Mine Workers of America. It is not the mandate of the Department to engage in political controversy of this type for any cause, no matter how noble. Rather, the Department's responsibility is to enforce the law and to protect the rights of union members. I would stress that one of these rights is the ability to elect the officers of their union without harassment from either union or outside sources, among which Government agencies must be included.

This action by the Labor Department will cause injury to that Department in the years ahead. Members of unions have traditionally resented such outside interference. This is especially true in the United Mine Workers.

It would be a tragedy if this incident were to cause a strain between organized labor and government—a strain that would hamper the cooperation which must exist if the Nation's economy is to function smoothly.

For, in the final analysis, if the union movement and the Government cannot trust each other, if they hold no respect for each other, our country will surely suffer.

At this time, Mr. Speaker, I would like to insert in the RECORD a resolution adopted Sunday, November 30, 1969, in Clintwood, Va., by the local unions representing 10,500 members of district 28 of the UMWA:

RESOLUTION

Whereas, The Federal Government has improperly interjected itself through the U.S. Labor Department into the election campaign for International Officers in the United Mine Workers of America, and

Whereas, the U.S. Department of Labor has done so in violation of proper democratic concepts and in violation of the primary principles guaranteeing the fostering of free labor unions, and

Whereas, this interference of the U.S. Department of Labor not only is wholely improper, but is also completely biased, and

Whereas, the recent release of a prejudiced report to the news media by the U.S. Department of Labor on the eve of the United Mine Workers of America election, calculated to influence the election is utterly reprehensible and has connotations of a fascist technique in undermining a labor union, and

Whereas, the U. S. Department of Labor rendered this report out of context and in a manner intended to hide from the coal miners and from the general public by suppressing certain aspects of it, many facts that militate against the incumbent W. A. Boyle and redound to in a favorable manner toward his opponent, and

Whereas, the issuance of this report in a partial manner is designed for nefarious reasons to elect a man as head of the United Mine Workers of America who is a convicted burglar, a self-confessed thief on multiple occasions, a deserter of his family according to court records, a purveyor of union influence, a shakedown artist in politics, and a man totally lacking in principle and integrity who will stoop to any level for personal self aggrandizement, and

Whereas, we believe that this entire deplorable government scheme is intended as retaliation for the leading role the United Mine Workers of America played in the last election for President of the United States after Hubert Humphrey announced his candidacy at our International Convention in Denver, Colorado in 1968, and

Whereas, we believe that the man the U. S. Labor Department is assisting in his candidacy for President of the United Mine Workers of America is receiving this help because he is susceptible to political sellouts contrary to the best interests of the United Mine Workers of America,

Now therefore be it resolved, that we contact each congressman, each United States Senator, every high government official, and apprise them to the facts involved in the election campaign in which the United Mine Workers of America is involved, and call upon them to censor the U. S. Department of Labor for their improper and biased conduct, and

Be it further resolved, that a copy of this resolution be sent to the President of the United States, Richard M. Nixon; Speaker of the House, John McCormack; Senate majority leader, Mike Mansfield; and Secretary of Labor, George P. Shultz.

RAY THORNBURY,
*Chairman, Resolutions Committee.*
E. W. GILBERT,
*Secretary.*

## BELLAIRE MEDICAL FOUNDATION

(Mr. MONAGAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, on September 24, 1969, the Committee on Government Operations approved and adopted House Report No. 91–523 entitled, "Office of Economic Opportunity and the Medical Foundation of Bellaire, Ohio." This report followed an investigation by the Special Studies Subcommittee, of which I am chairman, of the comprehensive health services project operated by the Medical Foundation in Belmont County, Ohio, and adjacent counties, with grant funds provided by the OEO. The subcommittee held hearings on the matter in Washington, D.C., on May 20, 21, and 22, 1969.

By letter dated November 11, 1969, Mr. Donald Rumsfeld, Director, OEO, advised the full committee chairman, Hon. WILLIAM L. DAWSON, that he had read the committee's report with great interest and care and had directed that every feasible step be taken by the OEO staff to attempt to carry out the recommendations of the committee as rapidly as possible. Mr. Rumsfeld described actions that had been taken to correct the identified administrative deficiencies and to strengthen the operations of the project. The actions taken, as described by Mr. Rumsfeld, are consistent with recommendations of the committee, and include efforts directed toward increasing the number of local physicians actively participating in the project, in line with the objectives and standards of the comprehensive health services program guidelines. Mr. Rumsfeld is to be commended for his prompt action on these recommendations.

Mr. Rumsfeld's letter to Chairman DAWSON follows:

OFFICE OF ECONOMIC OPPORTUNITY,
*Washington, D.C., November 21, 1969.*

Hon. WILLIAM L. DAWSON,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. CHAIRMAN: Thank you for your letter of October 22, transmitting copies of House Report No. 91–523 entitled "Office of Economic Opportunity and the Medical Foundation of Bellaire".

We have reviewed with great interest and care the Report of the Committee, especially the findings and recommendations on pages 10–12. I have directed that every feasible step be taken by the Office of Economic Opportunity staff to attempt to carry out the recommendations of the Committee as rapidly as possible.

There is enclosed a report on the actions that have already been taken. We will continue to follow through on these matters both to correct the identified administrative deficiencies and to strengthen the operations of the Bellaire comprehensive health services project.

Sincerely,

DONALD RUMSFELD,
*Director.*

ACTIONS TAKEN ON RECOMMENDATIONS OF HOUSE REPORT NO. 91–523

Recommendation (1) The OEO should consider providing for the active participation in the comprehensive health services project in Belmont County of the greatest feasible number of the practicing physicians, hospitals, and private clinics in the target area. This consideration should involve the problem of providing a broader choice of physician, and whether this broader participation would not aid materially in solving the current problem of transporting enrollees.

Arrangements have been made by the OEO staff to further and assist discussions between the Medical Foundation of Bellaire and officers of the Belmont County Medical Society with the aim of increasing the number of local physicians actively participating in the OEO-assisted comprehensive health services project, in line with the objectives and standards of the Comprehensive Neighborhood Health Services Program Guidelines. An amendment to the existing work plan has been developed by the Medical Foundation to involve in the project additional physicians who are interested in contributing to this effort; this proposal has been discussed with Dr. Robert Lewis and Dr. Richard Phillips, President of the Medical Society. Staff of the Office of Health Affairs have met with representatives of both the Foundation and Society to encourage and support these local negotiations. Dr. Phillips is reported to have indicated on October 17, 1969 that preliminary agreement has been reached. The OEO staff will continue to offer its assistance in facilitating local discussions so as to extend the effectiveness of the health services available to poor families in need and to help conclude the long-standing community health dispute.

Recommendation (2) OEO should give consideration to making the Community Action Commission the grantee for the health project and whether this would not increase meaningful coordination and cooperation between and among all OEO-sponsored projects in the area, and with various local health resource agencies or groups as well.

The potential advantage of transferring the grant arrangements so that the Community Action Commission is the grantee for the health project is being considered as part of the planning for the new program year, scheduled to begin March 1, 1970. Actions along these lines need to be closely related to the negotiations currently underway between the various local medical groups, as discussed above under Recommendation (1).

Recommendation (3) OEO, in its administration of the project, should place strong emphasis on adherence to the requirements of the act, as well as to the guidelines, through constant oversight and consultation with grantees.

The staff of the Office of Health Affairs has increased its efforts to monitor and provide assistance to the Bellaire project. To supplement the continuing efforts of the staff of the OHA Comprehensive Health Services Division, the Acting Deputy Chief of the Office of Health Affairs has been appointed to help assist the development of the Bellaire project, especially the discussions between the local medical groups.

Recommendation (4) The outreach activities of the program, especially social services, health education, and home nursing services, should be closely coordinated or integrated by the Community Action Commission with other antipovery area projects to eliminate duplication and unnecessary expense.

The staff of the OHA Comprehensive Health Services Division has been reviewing with officials of the Medical Foundation of Bellaire the best ways of coordinating outreach activities of the project with other available local resources. Particular attention will be given this subject in planning for operations during Program Year C.

Recommendation (5) OEO poverty guidelines for determining eligibility for enrollment in a comprehensive health services project should be revised to define for grantees the meanings of the terms "farm" and "nonfarm", "income" and "family". Also the guidelines should be revised to specify the exceptions from the poverty line index which OEO considers appropriate such as for cases of "unusual medical expenses".

The OEO guidelines with respect to "farm" and "nonfarm", "income", "family" and "unusual medical expenses" are being reviewed with the aim of providing more effective definitions. It is intended to revise the Program Guidelines in the near future to deal with these issues and to reflect other changes indicated by operating experiences and new legislation. In order to facilitate the integration of the OEO Comprehensive Health Services Program with the Medicaid program, these definitions need to take into account the practices being followed in the administration of the State Plans under Title 19 of the Social Security Act.

Recommendation (6) To allay community friction, OEO should enforce its procedures for implementing the "wage comparability" requirements of the act to insure that the salaries and wages of project employees are, in all cases, equitably established and comparable to the wage structure and economic circumstances of the local community. In this regard, OEO should see that a comparability study is made of all the positions in the foundation's program, using all of the

area's five hospitals and private clinics for this purpose.

The staff of the Office of Health Affairs is working with the local grantee to plan and undertake a wage comparability study, including the area's hospitals and clinics.

As a result of the subcommittee recommendation, OEO internal auditors subsequently made an audit of the Medical Foundation of Bellaire. In a report dated October 31, 1969, the internal auditors questioned charges to the grant for the 6-month period ending December 31, 1969, totaling $36,009.38, because of the grantee's methods of distributing and assigning costs. Among the charges recommended for disallowance was $715.82, which had been charged to the OEO grant for food and gifts incident to a Christmas party held for project employees.

The OEO internal auditors' report also identified other areas, such as leasehold improvements, use of Government property, accountability for Government property, and participation of the indigent, which the OEO auditors believed were in need of further evaluation for compliance with OEO requirements.

This report, which, in effect, strongly supports the decision of the committee to make this investigation, is in the files of my subcommittee, room B–377, Rayburn House Office Building, and will be made available to Members who wish to read it there.

The report follows:

Subject: Report of Audit, The Medical Foundation of Bellaire, Bellaire, Ohio 43906, Grant No. OHIO–CG–8868, EOA Section 222(a)(4).

To: Thomas Bryant, M.D., Assistant Director Health Affairs Office.

OFFICE OF ECONOMIC OPPORTUNITY,
GREAT LAKES REGION,
*Chicago, Ill., October 31, 1969.*

Attached is a copy of our audit report of the Medical Foundation of Bellaire. Our audit was directed toward an evaluation of the grantee's system for allocating costs and to determine the propriety and equitability of that system. Also on a limited basis, we appraised compliance with OEO regulations, policy and grant conditions.

We invite your attention to our observations summarized in Part II particularly, that (1) we have questioned charges to the grant in the amount of $36,009.38 because of the grantee's method of distributing and assigning costs, (2) other areas, such as leasehold improvement; use of government property; accountability for government property; and participation and representation of the indigent are in need of evaluation for compliance by Health Affairs.

Also your attention is invited to Part VI of our report where we discuss: comparison of expenditures with services received; the consideration of a single rate for indirect medical costs; the need for guidance to the Citizens Health Program Advisory Council; the need for defining income eligibility and income levels; the problem of reimbursements to the grantee and the need for local coordination; and free medical care provided trustee members.

We will appreciate being advised by December 30, 1969 of the action you propose or initiate on the audit comments and recommendations.

Please let us know if you desire any further information.

JAMES H. ARD,
*Regional Auditor.*

[Grant No. OHIO–CG–8868]

OBSERVATIONS AND RECOMMENDATIONS FOR OEO: THE MEDICAL FOUNDATION OF BELLAIRE, BELLAIRE, OHIO

I. INTRODUCTION

At the request of Dr. Gary D. London, former project manager, Health Services, Community Action Program, OEO, we conducted an audit of The Medical Foundation of Bellaire during the period June 9 to June 23, 1969. The request for audit was the result of questions raised by the certified public accountant relating to the grantee's system of allocation of various expenses. An exit conference with the Foundation's Executive Director, Clinic Administrator, Business Manager and OEO Project Director was held on June 24, 1969.

The Medical Foundation of Bellaire received OEO grants totalling $1,514,991 as of June 24, 1969. A summary by program year follows:

| Program year: | |
|---|---|
| A. May 17, 1967 to June 30, 1968 | $404,480 |
| B. July 1, 1968 to February 28, 1969 | 439,493 |
| C. March 1, 1969 to February 28, 1970 | 671,018 |
| Total | 1,514,991 |

A detailed schedule of personnel contacted is appended hereto as Attachment A.

II. SUMMARY OF OBSERVATIONS

Our audit of the grantee's system for allocating costs to the OEO program disclosed areas of cost distribution which did not provide an equitable distribution of expenses. The cost distribution system is in need of revision to meet the requirements of OEO and the Foundation for distributing costs that are equitable to all programs.

As a result of our audit we are questioning charges to the grant, applicable to the first six months of program year B, (minimal charges applicable to prior program year), of $36,009.38, consisting both of direct and indirect charges that were: (1) allocated using a basis that was not equitable for distribution to the OEO program, (2) based on estimated time and material efforts, where justification was not sufficiently clear and, (3) expenses not appropriate and allowable under the grant.

In addition, the grantee has not: (1) submitted written approval for leasehold improvements, (2) adequately explained nonpayment for the use of government property by non-OEO programs, (3) accounted for government property in accordance with government regulations, (4) increased CHC–OEO representation on the Board of Trustees to desired level of representation.

The effect of the deficiencies was excessive charges to the grant for medical services; use of government property without compensation for its use; lack of control over government property; and the indigent do not have an active role in the administration of the program.

We discussed in general our preliminary observations with the grantee and he agreed in principle with our observations, which had not been refined at the time of our exit conference.

Part III of this report presents details of our observations, summarized above, and the related recommendations. These observations and recommendations are applicable to program year A 1/68–6/30/68; the remaining two months of program year B; and the current program year C.

III. STATEMENTS OF OBSERVATIONS AND RECOMMENDATIONS

*Background*

The Medical Foundation of Bellaire is a non-profit, tax exempt, community-based corporation established in October 1958. The Foundation in May 1959, took over the assets, at no cost, and the medical program from a group of physicians known as The Bellaire Medical Group.

The Medical Foundation operates three out-patient clinics in the State of Ohio for the group practice of medicine; a central clinic in the town of Bellaire and two smaller branch clinics, one in Harrisville, and one in Powhatan Point. The Harrisville Clinic was built in 1959, northwest of Bellaire to serve the community surrounding Belmont, Harrison, and Jefferson Counties. Also in 1959, the Foundation opened the Community Clinic of Powhatan Point, sixteen miles south of Bellaire to serve the population of southern Belmont County and Monroe County.

In 1963, the Foundation was granted exemption from Federal income taxes, as a community welfare corporation and operates under the incorporation code of Ohio as a non-profit corporation relating to health and medical matters. Under its legal structure, no earnings may be distributed except in furtherance of the purposes of the corporation, and upon dissolution all the net assets must go to a non-profit educational organization for medical education or research.

The Foundation owns or leases all facilities, provides all equipment and supplies, and employs all non-physician staff. The Foundation has an agreement with the aforementioned Bellaire Medical Group, a professional corporation of physicians, to provide the medical services.

The purpose of the Foundation is to provide out-patient preventive, diagnostic, and treatment services to low-income families. The program provides health services to three main groupings of patients: (1) Beneficiaries of the United Mine Workers Welfare and Retirement Fund, (2) Members of the low-income families enrolled in the OEO funded Community Health Centers Program, and (3) Individual citizens in the community, who are not enrolled in the above two programs, and pay for services on a fee-for-service basis.

The business and affairs of the Medical Foundation are managed by a Board of Trustees. The Board of Trustees consists of not more than twenty-five members.

There are two classes of trustees: (1) Trustees-at-large are elected by subscribers to the Foundation's health plans to be representative of the general community (The Foundation is a membership corporation and all subscribers to the Foundation's health plans automatically are members.); and (2) Trustees representing each organization participating in the Foundation's health plans.

The trustees select and appoint an administrator, who is subject to the approval of the Medical Group, to conduct the administration of the Foundation.

The trustees also appoint a medical advisory committee consisting of three or more physicians who may or may not be trustees or members. No member of the medical advisory committee can be a member of the lessee Medical Group, with the exception of the Group Medical Director. It is the responsibility of the committee to advise and make recommendations to the trustees on matters of a medical nature.

The appointment of the Medical Director, who is a member of and selected by the Medical Group, is subject to the approval of the trustees.

The Bellaire Medical Group was started in 1952 by four physicians who came to the Bellaire area to establish a group practice. The physicians agreed in 1952, to hold the assets and facilities of the program in trust until such time as the community could organize a nonprofit corporation. This was accomplished in October 1958, with the incorporation of the Bellaire Medical Foundation.

The Bellaire Medical Group is a separate legal entity. It is not viewed as a non-profit organization from a legal and tax viewpoint,

although in concept, intent and practice it operates as such. The physicians are compensated by salary in accordance with an agreed salary schedule based on professional training and experience.

In accordance with an agreement between the Medical Group and The Bellaire Foundation, all income earned by the group in excess of salary and operating costs, accrue to the Foundation in the form of rent to provide for plant and equipment maintenance and expansion.

The medical staff of the group has grown from four members in 1952, to fifteen in 1969. Thirteen of these physicians are full-time and two are part-time.

The Community Health Center's program (CHC–OEO) began program year A on May 17, 1967; however, clinical services were not available under the program until January, 1968. During this period the operation of the program consisted of renovating and acquiring facilities and staff to implement the program and to enroll OEO patients.

The method of charging expenses to CHC–OEO for the first six months of the grant therefore was necessarily different from that of the second six months of program year A. Consequently, the amounts chargeable to CHC–OEO for the first six months consisted mainly of direct expenses and Category II, clinical services allocation, was not applicable as a formula for allocating expenses. Once the program became operative for clinical patients the three categories of costs, discussed in subsequent paragraphs, were applicable.

*A. Cost allocation, general*

The Medical Foundation operated two programs before the inception of the OEO Community Health Centers program (CHC–OEO). The two programs were: (1) A prepayment plan with the United Mine Workers of America Welfare and Retirement Fund (UMW), which is supplemental by a local prepayment plan for miners, (2) A fee-for-service practice available to the general community. People were served who were able to pay for their medical services.

The Foundation charges the United Mine Workers Welfare and Retirement Fund for medical services under the prepayment plan on the basis of a negotiated amount for the cost of operating the UMW medical program. The range of benefits provided under the UMW plan is specified in the agreement between the Foundation and the UMW. In order to supplement the basic plan and provide a wider range of benefits, a check-off plan is available to the miners, whereby an amount is deducted from the miners' check and paid by his employer, or paid direct by the miner to the Foundation for the additional medical coverage.

The fee-for-service plan is available to persons who are not enrolled in any of the Foundation's programs, and wish to use the clinics' facilities. Charges to fee-for-service patients are based on the published fee schedule of the Medical Group (discussed in a subsequent paragraph).

The CHC–OEO program is for comprehensive health services covering day-to-day medical care, a prescription drug program, outreach services, and other services outside the clinic. The outreach and outside services include the use of social workers, public health nurses, health aide personnel and outside referrals.

The system for allocating costs to the CHC–OEO program divides costs into three categories:

Category I costs are those costs incurred solely for the CHC–OEO program and are charged direct to the grant. These expenses are related directly to drugs, outreach, and outside services.

Category II costs are costs that cannot be identified as belonging solely to CHC–OEO. They are costs that are incurred for clinical patient service by program participants and are allocated to each program in accordance with that program's percentage of total services.

Records are maintained that show the dollar value of services provided to patients of each program, with services broken down by service departments. The dollar value of services is taken from the published fee schedule of the Medical Group. The scale of dollar values derived from the fee schedule is applied to all programs and patients for clinical medical services.

The dollar values taken from the fee schedule are hereinafter referred to as "Billings". The term "Gross Billings" as used herein refers to billings before adjustment to "Net Billings," which is arrived at by deducting allowances for professional discounts, charitable and community services and bad debts of the clinic. These billings are not the actual charges to OEO, but the basis used to develop the percent of service rendered each program.

The expenses of each clinic service department is allocated to each program in accordance with that program's percent of service in that department as developed from net billings. The service departments are:

(1) Doctors' Clinic Services.
(2) Doctors' Hospital Services.
(3) Treatment (nursing and injections).
(4) Laboratory.
(5) X-Ray.
(6) Pharmacy.

Other or overhead expenses are allocated to each program in accordance with that program's percentage of overall services as measured by total net billings.

Category III expenses are allocated to CHC–OEO in proportion to the estimated time and material used in the administration of the program. These expenses are salaries for administrative and accounting efforts, space occupied by administrative and accounting personnel and a special allocation for telephone expenses. The expenses are allocated to CHC–OEO based on the assumption that a greater portion of time and material is spent on the CHC–OEO program than is accounted for in the Category II allocation previously discussed.

An estimated percentage of time and material expenses are charged direct to the grant and the remaining expenses are included with Category II expenses to be allocated in accordance with the percentage developed for other expenses (see paragraph #1, above).

The following costs by category were charged to the OEO grant for the period July 1, through December 31, 1968:

| | |
|---|---|
| Category I | $177,064.16 |
| Category II | 171,023.12 |
| Category III | 11,136.21 |
| Total | 359,223.49 |

Our review disclosed the grantee's allocation of Category II and III expenses to be inequitable in the following respects for the last six months of calendar year 1968:

Category II. Expense Allocation

1. We do not consider acceptable costs of $6,119.85 allocated to OEO during the period 7/1–12/31/68, using net billings as a base to distribute Category II expenses.

The grantee reduces gross billings to net billings by subtracting allowances for professional discounts, charitable and community service and bad debts of the clinic.

The aforementioned allowances are applicable to the fee-for-service program which is totally unrelated to the CHC–OEO program. As we do not share in any of the fee-for-service income, which is received entirely by the Medical Group, we do not consider the allowances to be proper for use in making allocations to the grant.

Under the system used by the Foundation, total billings are reduced by the allowances, however, OEO billings are not reduced by the same allowances. Since OEO cost allocation is based on a ratio of OEO billings to total billings, the effect has been that the cost to OEO is increased as the total billings are decreased.

2. The grantee allocated to CHC–OEO injection costs of $2,985.67 and pharmacy supply costs of $1,083.43, at the same percent as was applicable for CHC–OEO drug usage. Of the foregoing amounts, we do not consider appropriate injection and pharmacy supply costs of $1,845.69 and $669.76 respectively, because injections and pharmacy supplies do not have a direct relationship to drug usage at either cost, or at cost plus a mark-up as used by the grantee.

The cost of pharmacy supplies and injections are allocated to CHC–OEO in the same ratio as CHC–OEO drug usage bear to total drug usage. The rate of usage computed for CHC–OEO was 74.80%. Usage cost (arrived at by taking weekly inventories), is the cost of drugs used during the period plus a 100% mark-up. It is this price (cost plus a mark-up) that is used to allocate injections and pharmacy supplies. The actual cost of drugs is not allocated but charged direct to the patient or program user.

The grantee could not adequately justify his criteria for applying the mark-up to drug costs. Further, we do not consider the base used (drug usage) or the 74.80% rate applied to pharmacy supply and injection expenses to be proper as the service performed has no relation to drug usage or price.

We therefore recomputed the charges using a 28.56% rate based on gross billings for doctors' clinic fees. We consider a rate based on doctors' clinic fees as a more equitable method of allocating injections and pharmacy supply costs. The effect of basing pharmacy supplies and injection expenses on drug usage was to inequitably distribute costs to CHC–OEO.

3. The grantee allocated nursing salaries of $15,445.09 to CHC–OEO (amount after our adjustment of distribution base to gross billings). We do not consider costs of $3,564.89 as appropriate as we do not consider the grantee's method of cost distribution, doctor's clinic fees plus drug useage costs, to be equitable.

Nursing salaries and services bear little, if any, relationship to drug usage (previously discussed). We propose a distribution using doctors' clinic fees as being closer related to salaries and services and as a more equitable basis of allocating expenses. The acceptable amount, based on our proposal, is $11,880.20.

4. Nursing supply costs of $3,260.83 (after allocation base was adjusted to gross billings previously discussed) were allocated to OEO based on doctors' clinic fees and doctors' hospital fees. We do not consider acceptable costs of $186.24, because we fail to see the relationship between doctors' *hospital* fees and *clinical* nursing supplies.

We consider a distribution using doctors' clinic fees as a more equitable basis of allocating *clinical* nursing supplies. We consider the amount of $3,074.59 to be acceptable using the method discussed above.

5. Expenses of the Foundation, which are not include in the service departments, are classified as "other expenses" (previously mentioned). They are allocated to each program in accordance with that program's percent of total net billing. OEO received other expense charges of $45,835.27 (after our adjustment of the allocation based from net to gross). Of this amount, we do not consider $4,447.24 as charges distributed on an equitable basis.

The method used by the grantee includes the drug usage costs and mark-up discussed under injections and pharmacy supply costs. The usage cost of drugs should be removed from total gross billings before allocations are made of other expenses, since the usage cost of drugs has the effect of improperly increasing CHC–OEO costs as it has no relationship to the types of costs under other expenses.

6. The grantee allocated $65,642.63 to OEO for physician salaries and other expenses of

the Bellaire Medical Group, based on net billings for doctors' clinic and hospital services. Of the amount allocated, we do not consider the amount of $6,484.19 to be acceptable because the method of distribution is not considered equitable and has the effect of overcharging the grant.

We propose a distribution using gross billings for doctors' clinic and hospital services as a better method of allocating salaries and expenses of the Medical Group. Net billings basis of allocation has the effect of improperly increasing the CHC–OEO program costs.

We consider costs allocation of $59,158.44 as a proper amount of cost for physician salaries chargeable to CHC–OEO for the six month period ending December 31, 1968.

In summary, we question the method of allocating Category II costs to OEO in the following amounts, during the period July 1 through December 31, 1968:

| | |
|---|---|
| Allowances | $6,119.85 |
| Injections | 1,845.69 |
| Pharmacy supplies | 669.76 |
| Nursing salaries | 3,564.89 |
| Nursing supplies | 186.24 |
| Other expenses (drug usage costs) | 4,447.24 |
| Medical group | 6,484.19 |
| Total costs questioned | 23,317.86 |

Recommendations

We recommend:

1. That Health Affairs disallow $23,317.86 of Category II costs for the six month period ending December 31, 1968.

2. That Health Affairs advise the grantee to revise its method of allocating Category II costs whereby charges to OEO for clinical services will approximate cost for services provided. This can be accomplished by (a) eliminating the allowances for professional discounts, charitable and community service and bad debts of the clinic from the base for allocating costs; (b) allocating injections and pharmacy supply costs based on gross doctors' clinic billings; (c) removing the usage cost of drugs from the base used in distributing nursing salaries; (d) using as a base, gross doctors' clinic billings to allocate nursing supply costs; (e) removing the usage cost of drugs from the base before allocating other expenses; (f) using gross billings, instead of net billings, to allocate expenses of the Bellaire Medical Group.

3. That Health Affairs advise the grantee to make appropriate adjustments to Category II cost allocations, based on our recommended methods of allocations, for program year A; the unaudited two months, January and February 1969, of program year B; and the current program year C.

In addition to Category II costs, questioned above, we are questioning other costs in Sections B through J which are applicable to Category II, other expenses. A summary of total costs questioned is shown as Attachment B.

Category III. Expense Allocation

We found that the grantee had no precise basis for estimating administrative and accounting efforts, space occupied by administrative and accounting personnel and the special allocation for telephone charges. We question $8,290.05 of $11,136.21 of Category III expenses allocated to the CHC–OEO program.

Of the questioned amount, $7,390.05 was for administrative and accounting salaries based on an estimate that 20% or one day of each week was devoted to the OEO program. Therefore, 20% of these salaries was charged direct to the grant and the remaining 80% went into other expenses of Category II costs to be allocated in accordance with percentage computed for other expenses.

Space costs of $900.00 was charged to the grant for occupancy of administrative and accounting functions at the Bellaire Clinic. The space costs were based on 5% of the normal occupancy costs.

The grantee could not firmly justify the estimated 20% for administrative and accounting salaries, or 5% for occupancy costs, bases of allocation. The Foundation in a letter dated November 5, 1968, to Health Services, attempted to explain the basis for estimating Category III expenses. The Foundation could not give a precise basis nor did it support its position with records of any type.

Since we found no support that showed any special efforts for the CHC–OEO program from general Foundation programs, we conclude that a better and more precise method should be found to substantiate these charges to the grant.

Recommendations

We recommend:

That Health Affairs advise the grantee to develop and maintain a system that will be an equitable basis for determining Category III charges. That charges of $8,290.05 be disallowed until the grantee can satisfactorily present support or more adequately justify the charges.

More specifically, Health Affairs should advise the grantee to:

1. Develop and maintain records, such as time cards or time sheets for administrative and accounting time, to support the special efforts devoted to the CHC–OEO program.

2. Determine precise space costs based on actual occupancy and use. Thereafter review periodically actual occupancy to support and justify charges made to the grant.

3. Allocate any remaining costs in accordance with the method used for allocating other expenses under Category II.

*B. Travel allowance*

The Foundation's executive director receives a $65.00 monthly travel allowance in addition to reimbursements for local and out of town travel. OEO was allocated a portion of the monthly travel allowance, which had the effect of assigning improper charges to the grant. OEO was charged $134.55 during the last six months of calendar year 1968 as its share of the director's travel allowance.

The allowance of $65.00 per month for travel, is considered improper as it is the policy of the Government to pay for actual costs incurred on a reimbursable basis in accordance with Standardized Government Travel Regulations.

Recommendations

We recommend:

1. That the charge to OEO of $134.55 be disallowed as an expense not appropriate to the grant; and that the cost allocation to CHC–OEO, based on the $65.00 per month allowance for travel by the executive director, be discontinued.

2. That the grantee be instructed to comply with or not exceed Standardized Government Travel Regulations before allocating Travel costs to CHC–OEO.

*C. Cost of food*

Project funds are being expended for the cost of food for employees not in a travel status. The expense is being charged to CHC–OEO on an indirect basis for Foundation employees and as a direct charge for CHC–OEO employees.

During the last six months of calendar year 1968, food costs of $221.45 were allocated to CHC–OEO as an indirect charge and $65.57 as a direct charge.

The cost of food for employees or officials not in a travel status is not considered an allowable expense of the grant.

Recommendation

We recommend that the charge to OEO of $287.02 for cost of food be disallowed.

*D. Special employee events*

The Foundation holds a Christmas party for CHC–OEO employees, Foundation employees, and Foundation trustees during the Christmas season. Food and gifts are purchased and OEO is allocated a portion of the expense as an indirect charge. The amount allocated to OEO for 1968 was $715.82.

Expenditures for the food and gifts are not considered as appropriate or allowable expenses of the grant.

Recommendation

We recommend that the charge to OEO of $715.82 for the 1968 Christmas party be disallowed, and the practice of expanding grant funds for parties and similar employee events be discontinued.

*E. Fringe benefits*

The Medical Foundation in its budget proposal lists as fringe benefits the following categories of expense: Life Insurance, Hospital Insurance, free Medical Care, Trust Funds, and Payroll Taxes.

The CPA for the Foundation in his report for the last six months of 1968, stated that payroll taxes and fringe benefits were charged at 27.48%, the ratio of CHC–OEO payroll to total Foundation payroll. However, an examination of the CPA's workpapers revealed only hospital insurance and payroll taxes were charged at 27.48%; and the other fringe benefits: life insurance, employee medical care, and trust funds, were treated as other expense (not in accordance with the budget) and allocated to OEO at the applicable 34.50% rate.

The Foundation paid $28,296.51 for fringe benefits. CHC–OEO was allocated charges for fringe benefits of $8,834.04 using percents of 27.48 and 34.50. Fringe benefits should include those items approved in the budget proposal and a uniform rate applied. This was not done and the effect was that the grant was charged more than its proper share for fringe benefits.

A charge to the grant for all fringe benefits, as reclassified in accordance with the budget, at the rate of 27.48% would be $7,775.88 for the six month period. This would represent a decrease in expense to OEO of $1,058.16.

Recommendations

We recommend:

1. That the overpayment of $1,058.16 for fringe benefits be disallowed and the appropriate adjustments made.

2. That the grantee be advised as to the proper classification of fringe benefit items.

3. That Health Affairs advise the grantee that the fringe benefit rate be applied uniformly to all fringe benefit classifications.

*F. Audit services*

The CPA firm of John Wiseman & Company audits the Foundation's books. During calendar year 1968, the OEO grant was charged $3,101.00 for audit fees. They consisted of $2,364.00 direct charges, and $737.00 of indirect charges allocated in accordance with Category II, other expenses.

The CPA has stated that he maintains a record of actual time spent on CHC–OEO audits and that all of his time was charged direct to the grant. Because indirect audit charges were allocated to CHC–OEO, in addition to the mentioned direct charges, CHC–OEO was charged more than its equitable share of audit fees. The direct charges represent the only proper expense to the grant. The allocated amount is not an appropriate charge and is applicable entirely to the Medical Foundation and Medical Group.

Discussions with the CPA lent support to our conclusion that OEO was inadvertently charged $737.00 more than its share of audit fees.

Recommendation

We recommend that Health Affairs disallow $737.00 of auditing fees as not appropriate to the grant.

*G. Interest and contribution expenses*

The grant was charged $508.44 for interest expense and $142.26 for contribution expense. The interest charges represent expenses on loans and mortgages of the Medical Foundation. Contribution charges were the result of

donations to various charities and non-profit private organizations.

Interest expense on borrowed capital and contributions for any purpose were not allowable grant costs.

Recommendations

We recommend:

1. That Health Affairs make a determination and advise the grantee as to future allowability of interest and contribution expenses.

2. That unless satisfactory justification is provided, Health Affairs disallow the charges for interest and contribution expenses of $508.44 and $142.26, respectively, as not appropriate to the grant.

*H. Space cost and rentals*

For the six month period ending December 31, 1968, OEO was charged $6,452.82 for space: $3,010.65 for space costs and rentals, and $3,442.17 for depreciation of Foundation owned property and leasehold improvements. The charges for each location was as follows:

| | |
|---|---|
| Rental—Jefferson Street facility | $1,500.00 |
| Space cost—Bellaire Clinic | 1,510.65 |
| Depreciation, leasehold improvement—Bellaire Clinic | 2,355.62 |
| Depreciation—Harrisville Clinic | 504.42 |
| Depreciation—Powhatan Point Clinic | 582.13 |
| Total | 6,452,82 |

The space cost of $1,510.65 at the Bellaire Clinic was arrived at by charging $150 per month or $900 for the six month period for space used in administrative and accounting functions (Category III costs) and the remaining costs of $610.65 was for general space occupancy (Category II, other expenses).

Space costs at the Bellaire Clinic are estimated at 5% occupancy and includes 5% of the normal occupany costs, such as rent, heat, light, water and repairs and maintenance. The monthly estimate of space costs was $3,000.00, of which $295.00 was for rent and the remaining $2,705.00 for the above occupancy costs. A monthly charge of $150.00 or 5% of the estimated expenses was made to CHC–OEO, questioned on page 10.

Our review disclosed that the grant received a duplication of cost because the grantee did not remove the monthly charge of $150.00 from the applicable expense items before making allocation under Category II, other expenses, for general space occupancy. The duplicate charge was $310.50 for the six month period. The duplicate charge was arrived at as follows: six months space costs at $150 per month, or $900, allocated at the rate of 34.5% which amounted to $310.50.

Recommendation

We recommend that Health Affairs disallow total charges of $310.50 as excessive to the grant.

*I. Telephone charges*

The CHC–OEO program is being charged both direct and indirect for telephone expenses incurred by the grantee.

Prior to the inception of the CHC–OEO program, the grantee's monthly telephone equipment charge, was $215.00. The equipment was considered adequate for the Foundation's own needs, but was loaded to capacity. With the undertaking of the OEO program, additional equipment was installed to handle the increase in volume of business. Included in the new equipment was a larger and more expensive switching mechanism centrally located in the Bellaire Clinic, which also serves the CHC–OEO facility on Jefferson Street. Equipment charges rose to $589.00 and the additional cost of $374.00 is being charged monthly to OEO as a direct expense, along with an estimated $100.00 for long distance and toll calls.

After the above total of $474.00 ($374 +$100) is removed from the clinic's monthly telephone billing, the remaining telephone expenses are allocated to CHC–OEO. Included in the remaining expense to be allocated is the $215.00 monthly equipment charge which the Foundation was fully utilizing prior to the CHC–OEO program. The above amount should be removed from the pool before allocation of the remaining telephone charges are made to the grant.

For the last six months of calendar year 1968, the Foundation's telephone expense was $11,783.58, of which OEO was charged $6,069.37. By removing the equipment charge of $215.00 from telephone expenses before allocation, the OEO portion would be decreased by $445.05.

Recommendation

We recommend that Health Affairs disallow $445.05 as excessive charges to the grant, unless the grantee can show that the grant receives a tangible benefit from the original telephone equipment owned by the Foundation.

*J. Ohio sales tax*

OEO paid for the purchase and installation of a Continental Mobile Unit. Included in the charges to OEO was Ohio sales tax of $62.90, paid by grantee check number 4125.

The grantee admitted the charge of sales tax to the Government was in error and stated that the Foundation would try to recover the above amount.

Recommendation

We recommend that the charge to OEO of $62.90 for Ohio sales tax be disallowed as an expense not appropriate to the grant.

*K. Leasehold improvement*

The Medical Foundation during program years A and B made leasehold improvements to its existing facilities at the Bellaire Clinic. The cost of these improvements was in excess of $23,000.00, paid for with Foundation funds, and are being depreciated over a three year period. The additional facilities are used by all program users.

OEO is paying a "use" or "depreciation charge" allocated in accordance with the program's percent of all services.

The charge to OEO for the first six months of calendar year 1968 was $268.07 and the last six months $2,355.62. The larger amount for the last period was due to an acceleration of the rate to enable the grantee to write off the improvement over a three year period.

OEO reserves the right of approval (or disapproval) prior to the granting of a contract for additions, renovations, and improvements. No written evidence of approval by OEO was presented by the grantee.

Recommendation

We recommend that Health Affairs require the grantee to present in writing for approval any contract for leasehold improvements.

*L. Furniture and equipment usage*

The Medical Foundation expanded its facilities at the Bellaire Clinic by purchasing, with grant funds and OEO approval, a mobile unit and furniture and equipment. This addition to existing facilities was considered primarily for OEO use. However, it is being used by all participants enrolled in the health programs. OEO receives no compensation for its use by non-OEO enrollees, which include the fee for service patients.

The Foundation contends that since the mobile unit was primarily for and because of the OEO program a use charge should not be charged non-OEO programs.

The amount of use by non-OEO programs was not determined, however, it was agreed to by the Foundation that OEO is not the sole recipient of its service.

Therefore, we conclude that OEO by paying a use or depreciation charge for the leasehold improvements, discussed in Section K, should likewise be entitled to compensation by the other programs for the use of the mobile unit and furnishings. Its use without consideration for wear and tear is not equitable to OEO.

Recommendation

We recommend that Health Affairs require the grantee to determine, explain and support the percentage of use by non-OEO programs, and Health Affairs negotiate an amount as compensation which is commensurate with use.

*M. Property and supply management*

CAP Grantee Financial Policy and Procedures Guide, Volume V, outlines the responsibility of the grantee to record, tag, and inventory nonexpendable personal property.

The Foundation has purchased furniture and equipment valued at $13,702.43 during program years A and B. The Foundation has not complied with the requirements of the above CAP Guide for control of these items. Property cards have been initiated but are not complete. Individual items are not tagged with the grant number. A complete physical inventory has never been conducted or a complete listing submitted prior to refunding of subsequent actions. Currently, government property is mixed with that of the grantee and positive identification is difficult.

Recommendations

We recommend:

1. That Health Affairs instruct the grantee to complete the property cards which should include as a minimum the basic requirements illustrated in CAP Guide, Volume V.

2. That Health Affairs advise the grantee of the requirement of periodic inventories.

*N. Program income*

A special condition to the grant states that program income must be kept in a special account and appropriate accounting records maintained. This income should be used to meet current operating expenses of the programs before grant funds are used. Program income for the grantee includes, but is not limited to, reimbursements from local, state, and other Federal health and welfare agencies, and private health insurance.

The Foundation received program income of $16,658.00 during program year B and another $9,348.00 was listed as outstanding receivables. A separate bank deposit is made of program income, but a special account and appropriate accounting records are not maintained. The grantee deposits these funds in the regular Foundation bank account.

With the grantee's method of accounting for program income, it is not possible to determine whether these funds are being used to meet current expenses before the use of grant funds.

Recommendation

We recommend that Health Affairs advise the grantee to deposit program income in a special account and establish accounting records that will show the expenses charged against this account.

*O. Foundation board of trustees*

The Board of Trustees are the policy making body of the Bellaire Medical Foundation. The Board consists of twenty-five members, fifteen to seventeen members at large, elected by the membership to be representative of the community and eight to ten members from the United Mine Workers (UMW).

In a draft report showing the dates of visit as September 5–6, 1968, prepared by Program Planning & Evaluation, CAP Health Service Office, it was pointed out that the Medical Foundation Board of Trustees lacked the desirable representation from the CHC–OEO program on the Board. The grant has been operative for two years and has only recently elected one member from the Citizens Health Program Advisory Council to the Board.

The Executive Director of the Medical Foundation proposed that the Board of Trustees consider increasing the CHC–OEO representation to one ninth of the membership, which the Director considered to technically meet OEO requirements. We cannot

and any criteria under which the proposal could technically meet OEO requirements.

The Director discussed the proposal with the Board membership, but five months later no action had been taken to increase CHC–OEO representation beyond the one member.

The Medical Foundation acknowledges that the CHC–OEO program constitutes approximately one-third of the Foundation's medical service, and we found that CHC–OEO absorbs approximately 63%, before adjustments, of the Foundation's cost.

Therefore, we do not consider the one member elected to the Board of Trustees as being adequate representation in compliance with OEO requirements, nor do we consider the proposed increase of CHC–OEO representation to one-ninth as being in a reasonable proportion to Foundation costs absorbed by OEO.

Recommendations

We recommend:

1. That Health Affairs make a determination of the feasibility of increasing CHC–OEO representation on the Foundation Board of Trustees in accordance with OEO guidelines.

2. That Health Affairs immediately advise the grantee of its decision as sufficient vacancies now exist on the Board to increase CHC–OEO representation.

IV. AUDIT COUNSEL

We will be pleased to provide auditing counsel in connection with any matter discussed in this report.

V. SCOPE OF AUDIT

The audit was made for the purpose of evaluating the system of cost allocation used by the Bellaire Medical Foundation to arrive at the amounts chargeable to the grant for comprehensive health services, to determine the propriety and equitability of that system, to ascertain the degree and effectiveness of the representation and participation by the indigent; and on a limited basis, assessed compliance with OEO regulations, policy and grant conditions.

Our audit of cost allocation covered the six month period. July 1, 1968 through December 31, 1968. We limited our coverage to this period as it was the latest period where actual cost had been established by the C.P.A.

In making our evaluation, we reviewed basic grant documents, the grantee's accounting records, financial and audit reports, evaluations and management reports, and other files and records relating to the grantee's activities.

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ATTACHMENT A—PERSONNEL CONTACTED

MEDICAL FOUNDATION

Mr. George Goldstein, Executive Director.
Mr. Mansfield Beshears, Clinic Administrator.
Mr. James Wolfe, Business Manager.
Mr. William Burkhart, Pharmacist.
Miss Bernadine Tracey, Bookkeeper.
Mrs. Delores Pawloski, Payroll Clerk.

DOCTOR'S MEDICAL GROUP

Dr. Jack Paradise, Medical Director.

COMMUNITY HEALTH CENTER—OEO

Mr. Merritt Neil, Project Director.
Mrs. Helen Trusch, Director, Visiting Health Services.
Mr. Robert Olexo, Training Coordinator—Community Organizer.

JOHN WISEMAN AND CO.

Mr. John W. Bole, CPA.

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ATTACHMENT B.—*Medical Foundation of Bellaire, summary of costs questioned, July 1, 1968 to Dec. 31, 1968*

| | |
|---|---|
| **Category II expenses:** | |
| Allowance | $6,119.85 |
| Injections | 1,845.69 |
| Pharmacy supplies | 669.76 |
| Nursing salaries | 3,564.89 |
| Nursing supplies | 186.24 |

ATTACHMENT B.—*Medical Foundation of Bellaire, summary of costs questioned, July 1, 1968 to Dec. 31, 1968*—Continued

| | |
|---|---|
| Category II expenses—Continued | |
| Other expenses: | |
| Drug usage costs | 4,447.24 |
| Travel allowance | 134.55 |
| Cost of food | 221.45 |
| Special employees events | 715.82 |
| Fringe benefits | 1,058.16 |
| Audit service | 332.81 |
| Interest expense | 313.25 |
| Contribution expense | 77.28 |
| Space costs | 310.50 |
| Telephone charges | 445.05 |
| Medical Group | 6,484.19 |
| Total | 26,926.73 |
| Category III expenses: | |
| Administrative salaries | 7,390.05 |
| Space costs | 900.00 |
| Total | 8,290.05 |
| Other disallowances: | |
| Audit service (prior period) | 403.96 |
| Direct charges: | |
| Cost of food | 65.57 |
| Ohio sales tax | 62.90 |
| Interest expense (prior period) | 195.19 |
| Contribution expense (prior period) | 64.98 |
| Total direct charges | 388.64 |
| Total costs questioned, allocated and direct | 36,009.38 |

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## ADDRESS OF COMMERCE SECRETARY ON CONSUMERISM

(Mr. ERLENBORN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ERLENBORN. Mr. Speaker, on October 30, the President sent Congress a package of proposals designed to protect the rights of consumers in the marketplace. Last week, Commerce Secretary Maurice H. Stans told the members of the National Marketing Advisory Committee of the administration's commitment to the American consumer, and I believe his address will be of interest to the Members of this House as well:

ADDRESS BY THE HONORABLE MAURICE H. STANS, U.S. SECRETARY OF COMMERCE, BEFORE THE NATIONAL MARKETING ADVISORY COMMITTEE, NATIONAL MUSEUM OF HISTORY AND TECHNOLOGY, WASHINGTON, D.C., DECEMBER 4, 1969

INTRODUCTION

Mr. Cleaves has already pointed out that this is an unusual and highly significant meeting of the National Marketing Advisory Committee. I am particularly pleased that in addition to more than 40 members of NMAC who are here for tomorrow's working session with the Department of Commerce, we also have with us tonight representatives of the White House, other Federal agencies, key Congressmen and Senators, and the press. You all are vitally interested in our conference subject—Marketing and Consumer Interests.

I have really been looking forward to this opportunity to exchange views on consumer matters with this top group of marketing executives, which represents both manufacturers and retailers. Without the vital link provided by marketing, producers and consumers could not deal with each other effectively and goods would pile up at our factories. There would be many products ill-suited to customer needs and conversely, important wants would go unrecognized and unfilled. Our whole society would be a vastly different place if it were not for the American marketing system which it is your job to foster and advance.

First, I want to say how much we in the Department of Commerce value our relationship with the NMAC. You have provided us with expert assistance and wise counsel in the past on a wide range of marketing problems. We sincerely appreciate that help. We hope that this particular conference will afford you, the marketing leaders of the country, and those of us in government, with a unique forum to talk and plan together on how to best meet the growing consumer needs of our most important constituents—the American public.

BUSINESS-CONSUMER RELATIONS

A prime secret of the success of the U.S. competitive enterprise system has been the great freedom of interaction between buyers and sellers. That freedom has generated the most dynamic and productive economic system in the world. We need to preserve that system, and build upon its effectiveness.

But that does not mean that there are no problems in the marketplace.

In our complex technological society today, the individual buyer often feels isolated and helpless in what he regards as an increasingly impersonal environment. In fact, this may be the key consumer problem. We all know that purchasing choices are very personal decisions. Even when such decisions are based on factual comparisons and on adequate information, the final decision is a matter of individual judgment. The mass marketplace of today arouses a natural sense of frustration despite its very real contributions to our ever higher material standards of living. When sufficient knowledge on which to base our purchases is missing—and when product dissatisfaction results—the consumer's sense of frustration can reach great heights. Congressmen, Senators and the President himself are no longer surprised at receiving angry letters of consumer complaint with calls for Government action.

Without question the consumer is justified in complaining about products that do not work, warranties that are meaningless, services that do not serve, repairs that cost too much, and workmanship that is shoddy. Even though perhaps only 1% of business is intentionally responsible for these abuses, they reflect upon all.

The consumer has been heard on these matters. Business has recently been placing much greater emphasis on voluntary consumer protection programs. But the efforts to date have left the consumer still not satisfied. One thing should be said in defense of the business community. Without doubt companies have been afraid to meet, to discuss such matters as product standards, sizes and similar subject for fear of anti-trust action. Certainly we must remove this threat in the interest of the consumer to pave the way for voluntary business action.

The extent to which legislation becomes a substitute for free operation of the marketplace in the future will depend on how responsibly we all act—businessmen, those of us in all parts of Government, and even the consumer organizations themselves. But whether we take the legislative route or the route of voluntary action or some blend of both, we need to understand what it is that we really are seeking to protect.

BASIC CONSUMER RIGHTS

These are some of the basic rights of the consumer which I believe we must all acknowledge.

First, the consumer certainly must have protection from fraud, deceit, and misrepresentation.

Second, he must have access to adequate information to make an intelligent choice among products and services.

Third, he must be able to rely on products working as represented.

Fourth, he must have the right to expect

that his health and safety will not be endangered by his purchases.

Fifth, our marketing system must provide him with a wide range of choice to meet individual tastes and preferences.

THE CHALLENGE

It is this last consumer right which reflects the great strength of our current marketing system and yet causes the most difficulty in assuring the other four rights.

As you gentlemen well know, meeting this challenge is easier said than done. The government could, for example, legislate standards for a whole range of "perfect" products. What would be the point, however, if it forced prices so high that the great majority of consumers wouldn't or couldn't buy the goods? There have been attempts to bring out such products. You may have heard about the electric toaster that was guaranteed not to give an electric shook no matter how badly it was misused. And it really worked. That toaster lived up to its billing. The only problem was that it took twice as long to make a piece of toast and cost 20% extra. You all can guess what happened. Customers weren't willing to pay more and wait longer for their toast just to have that extra protection.

More simply, not every automobile driver wants a Cadillac. His needs may be less and he wants to pay less. He should have that right of choice.

Also, it is pretty clear that there is no "average consumer." At least my wife doesn't think she's average in this regard, and I'll bet yours doesn't think she is either. For each individual consumer, product life and performance legitimately have different meanings and value. The fact is that product qualities which are important to some individuals for some uses are not important to others. To restate, the challenge is how to maintain and preserve a diversity in the options available to the consumer while preventing abuses.

BUYER'S BILL OF RIGHTS

From the very beginning of this Administration, President Nixon asked all of us who have consumer responsibilities to give top priority to developing a more constructive consumer program. On October 30th he sent to Congress a "Buyer's Bill of Rights" that will give consumers new protection and at the same time build on the inherent strengths of the American marketing system. The President's program represents an Administration-wide effort focused through Mrs. Knauer, his Special Assistant for Consumer Affairs, and drawing in the Federal Trade Commission, the Departments of Justice, Commerce, and Health, Education and Welfare, and the Office of Economic Opportunity. The President called for:

A New Office of Consumer Affairs in the White House;

Expanded powers for the Federal Trade Commission;

A new Division of Consumers Protection in the Department of Justice;

A new consumer protection law with provisions for consumer class action;

A new consumer products testing law;

A newly activated commission on consumer finance;

Expanded Government consumer education activities;

Increased Federal attention to product safety;

Stronger enforcement of food and drug laws;

Expansion of consumer activities in the Office of Economic Opportunity;

Greater Federal efforts to strengthen State and local consumer programs; and,

A new look at warranties and guaranties and possible legislative remedies.

These proposals stand as the most significant set of Presidential recommendations ever made on consumer interests. Let me emphasize that in this program there is ample room for constructive, voluntary initiatives by business.

The President's consumer program has been hailed as a very significant and positive step forward. There are other views being put forward too. There are those who would resist change and attempt to keep the status quo. There are others who seem to believe that the answer to consumer problems is to have the Government go much further in master-minding the marketplace. Some of their proposals seem to focus only on the very small percentage of present shortcomings while failing to retain the benefits of legitimate market competition.

There is, in my opinion, a middle ground solution. If the American marketplace is to be made to serve the consumer better. We need active involvement throughout the entire marketing community. We want you to use your knowledge and voices in business and trade associations and in the universities where the businessmen and consumers of the future are forming their attitudes which will shape our world of tomorrow.

You men are the top business communicators of America. We are counting on you to make yourselves heard as never before, particularly in the area of voluntary improvements.

VOLUNTARY ACTION

How far can we go and what do we really mean by voluntary action? Let's talk some specifics. We can't expect the impossible. No amount of voluntary action (or legislation either, for that matter) to reduce package size proliferation can give us both standard sizes *and* standard weight of contents. An ounce of perfume and an ounce of cornflakes weigh the same, but they can't be packaged in the same size contaners. We are dealing here with the laws of physics rather than the courts. Lawmakers can't change the laws of physics.

On the other hand, this can go too far. Will we really serve the consumer by standardizing the size and shape of perfume bottles?

But we in Commerce have had some good experiences with voluntary actions which have taken place in a framework of law. The National Bureau of Standards wrote the performance specifications for refrigerator door latches to prevent children from being entrapped. Voluntary innovative action by private manufacturers produced the magnetic door latch to meet the need. Working together, business and Government conceived a better product and ended needless deaths.

Do we always need a framework of law to have effective voluntary action? Let's look at another case. For a year we have been working, along with the President's Special Assistant for Consumer Affairs and others, to guide the major household appliance industry towards voluntary improvements in warranties, guaranties, and service. Frankly, it has been complex and difficult going. But we do see significant progress. Their warranties and guaranties *are* now simpler, easier to read and understand. Agreements *have* been reached on parts availability, the meaning of "authorized" and "factory trained" service, and the location of model numbers where purchasers can read them without undue effort. I understand that agreement has been reached, after more than a decade of indecision, on how much a pound of wash really is, and we didn't even ask them to settle that one.

Gentlemen, we would like to launch more joint Government-business efforts like this major appliance project. We would welcome suggestions either from the retail or manufacturing segments of industry.

MANDATORY ACTION

At the other end of the spectrum there are important mandatory approaches to protecting the consumer. What would our marketplace be like without the rigid standards of weights and measures? Where would we be without standardization on household electric current, light bulbs or pipe threads. You may have noticed that we finally have reached agreement in the lumber industry on a standard size of a 2x4. Differences in wet and dry measurement will be eliminated and construction costs will be cut without strength impairment.

As the President indicated in his Consumer Message, there are some other areas where the mandatory approach can underlie a sounder program. The proposed consumer product testing law aims not at having Government test every product but at determining what tests should be performed to give the consumer the right information on which to base his purchasing decision. And to have Government certify what constitutes a proper testing procedure to develop that information. We believe this proposal is a sound and practical way to help our consumers be better buyers and our manufacturers and retailers be more reliable sellers.

SUMMING UP

What we can observe, then, is that there is no single answer to the protection of the consumer. We must find the best blend of purely voluntary action, voluntarism within a framework of law, and mandatory regulations. Each has its place, and ours is the task of matching each to the need.

How each individual acts—each businessman, each trade association, each Government official and each consumer group—will determine how well we match up problems with the right answers. By helping us and by helping yourselves in your businesses, you can play a crucial role. You are close to the consumer. You know, or know how to find out, what he really needs and wants. You also know business, what it can and cannot do. And as our advisors, you have come to know Government, what we can do and what we must do. You are the professionals on whom the responsibility has fallen to fill two key functions:

First, the early-warning system for business to recognize emerging consumer problems and their solutions before business's inability or unwillingness to solve the problem requires the Government to act; and,

Second, where and when it is necessary for Government to act, you can serve as the most effective business spokesmen to Government on the basis of your unmatched knowledge of the consumer and the marketing system.

So, gentlemen, please recognize that we take most seriously our responsibility to see that the consumer's rights in the marketplace are protected, that the needs of the consumer are being met, and that our marketing system, which we recognize as the world's most productive engine for meeting the consumer's needs, is functioning up to its potential.

*Our intent* is to act where and when we see consumer problems going unmet, but to do so in a manner which improves the functioning of the marketplace. This means protecting the consumer's freedom of choice and preserving fair initiative for the producer.

*Our expectation* is that business will recognize the wisdom and profit of meeting the consumer's needs on its own, and of cooperating to the utmost with Government when our involvement is required.

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## BENEFIT INCREASE UNDER SOCIAL SECURITY SYSTEM

(Mr. ZWACH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZWACH. Mr. Speaker, this week the House of Representatives will vote on a 15-percent across-the-board benefit increase under the social security insurance system.

It has been my feeling that an increase should have been put into effect

earlier this year. Now that the bill is finally coming before the House for a vote, I am not pleased with what we will be voting for, which is a 15-percent across-the-board increase in benefits under the old-age, survivors, and disability insurance program.

I had hoped the Ways and Means Committee would provide a flat dollar increase to those who are receiving minimum monthly benefits, rather than the percentage increase provided in the bill, as the percentage increase gives the greatest increase to those who are currently receiving the highest benefits. Certainly, after voting themselves a hefty increase, the Members of Congress could do something more to assist the old-aged than by just a 15-percent increase. Just last week, Mr. Speaker, the Senate increased the minimum base from $55 to $100 plus the 15-percent increase. This is more in line with what should be done.

I am very much aware of the difficulties that those on fixed income are facing in trying to meet their expenses in these inflationary times. Those who need the money most would be given an increase which would enable them to keep pace with the rising cost of living. Living costs have gone up for all people and the social security raise should recognize this fact.

At this time Mr. Speaker, it appears there will be no opportunity to amend this legislation which would provide for a flat dollar increase or an automatic cost-of-living raise. Which is too bad. For I would like to see more.

If I am only able to vote on the 15-percent increase, Mr. Speaker, I will certainly support this measure and vote yea; and then proceed to make arrangements to introduce legislation during the next session to provide for a cost-of-living increase. So we may truly take care of our senior citizens.

## AMENDMENTS TO THE FOOD STAMP ACT OF 1964

(Mr. KASTENMEIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KASTENMEIER. Mr. Speaker, today, I am introducing a bill amending in a small but important way the Food Stamp Act of 1964. My bill would give the Secretary of Agriculture the discretion to distribute a free allotment of food stamps to households now receiving surplus commodities. Although the emphasis in recent years in our Government's efforts to feed the hungry in this country has been on food stamps, for a variety of reasons, the number of needy people served by the Department of Agriculture's commodity distribution program still remains greater than the number benefiting from the food stamp program.

At present, a mix of commodities and stamps is permissible only under restricted circumstances. I propose that in order to significantly improve the diets of those persons now relying on surplus agricultural commodities, some variation in the types of foods available to needy families be introduced through free food stamps.

This should not entail major rearrangements of existing procedures nor excessive administrative costs. What would actually be involved is treatment of the food stamps as an additional commodity in currently operating direct distribution programs. Let us say, for example, that $5 worth of food stamps were to be provided each family member monthly through the State agency now administering the commodity program. This would give a family of five $25 each month to purchase such items as fresh fruit and vegetables, fresh milk, and, occasionally, some meat. While the total list of commodities presently available to needy persons numbers 22 items, not all are available in almost all localities, and some of the foodstuffs are difficult to store, prepare, and are unappetizing. The addition of food stamps will not only make a contribution to the improved nutrition of recipients, but will also pave the way for the eventual conversion from commodities to food stamps, which is a prime objective of current planning. By familiarizing families with the proper use of stamps on a limited scale, the changeover to a full food stamp program will be much easier.

I should note that the idea behind my proposal was suggested to me by two people intimately connected with the successful commodity distribution program in Dane County, Wis. These two men are Harold Klubertanz, a former chairman of the Dane County Board of Public Welfare, and Fred Steeves, county administrator of the direct distribution program. Their suggeston was based on on-the-spot, firsthand experience with providing food for over 4,000 persons in Dane County, and their keen awareness of the day-to-day problems facing the people we are trying to help.

Mr. Speaker, I concede that my measure is modest in scope and limited in its application. But, these characteristics, I believe, are precisely its attraction since it would not involve the development of a new and costly program concept, and it could be put into operation without too much advance preparation. It immediately would benefit the close to 4 million needy people in 41 States and four territories now receiving surplus commodities.

I have been gratified over the increasing national focus on the serious problem of hunger in America, and I have been impressed by the strenuous efforts of some of my colleagues both in the House and Senate to find speedy and effective solutions. I am afraid, however, that the broad, far-reaching food stamp measure passed recently by the Senate may not receive as favorable a reception in this House or by the administration. That is why I am hopeful that my proposal will be considered by my distinguished colleagues in the Agriculture Committee, during their current deliberations. Whatever the final outcome, I hope that this House will soon take the necessary steps to move more quickly on the road to banishing hunger from the most prosperous nation on earth.

## IMMIGRATION HEARINGS

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, Wednesday, December 10, in room 2141, Rayburn Building, at 10 a.m., the Subcommittee on Immigration and Naturalization of the Committee on the Judiciary will hear several witnesses on the subject of the impact of the Immigration and Naturalization Act of October 3, 1965, on immigration from Ireland and Northern Europe.

As early as possible in the next session, the Members of Congress will be given an opportunity to testify or submit statements concerning pending bills that would affect immigration from these areas as well as many other legislative proposals pertaining to immigration.

## ONE HUNDRED BILLION DOLLAR LOSS IN STOCK MARKET VALUE MAY COST U.S. TREASURY $20 BILLION LOSS IN ANTICIPATED REVENUES AND TOUCH OFF ADDITIONAL PRESSURES ON RUNAWAY INFLATION

The SPEAKER pro tempore (Mr. GRAY). Under previous order of the House, the gentleman from Illinois, Mr. PUCINSKI is recognized for 30 minutes.

Mr. PUCINSKI. Mr. Speaker, since the beginning of recorded history, man's major and focal endeavor has been to improve his economic lot. In our efforts to reach the ever-distant goals of a better life, we have managed to contrive armies of economic experts, extraordinary complex computers for building economic models and huge amounts of statistical data on economic matters which can be, and often are, interpreted in a number of ways equal almost to the number of stars in the heavens.

Although our tools have indeed reached astounding complexities and efficiency, we seem to have lost complete sight of the individual, the ordinary man whose basic needs and nature have not reached such proportionate changes and who still seems to live in the words of Henry Thoreau, "A life of quiet desperation."

The present course of economic events appears to be heading to change the state from quiet desperation to total disaster.

I have taken this time to spell out in detail the nature of the basic problems we are faced with, the causes which brought about this state of affairs and the tragic consequences which are certain to follow unless we take immediate steps to remedy the present chaotic conditions.

Reduced to its lowest common denominator, the basic problem is high interest rate.

The basic cause is inflation.

For almost a year we have waited and watched the high priests of finance in the Federal Reserve Board tighten the monetary screws with such power and force until the incredible has happened: For the first time in the history of our Nation, the Housing Assistance Administration sought bids for some $300 million of federally guaranteed notes with the result that over half of those notes failed to attract any kind of bid whatsoever.

This is unprecedented for a federally financed program.

Just how did we reach such a state of affairs? I will tell you. Some 9 months ago, the Chairman of the Federal Reserve Board, Mr. McChesney Martin, began to dispense from his ivory tower economic tranquillizers of "patience and persistence."

And what has he wrought?

The stock market has lost more than $100 billion in value; our housing industry is on the verge of catastrophy; funds for fighting pollution, crime, and poverty are fast disappearing; and the greatest irony of all is that instead of a hopefully projected $5.5 billion surplus budget, an essential requisite to reduce inflation, it now appears certain that a large deficit will become inevitable, for the ensuing reasons.

There seems to have been overlooked by Mr. Martin the indisputable fact that his medicine is worse than his disease.

To begin with, the loss of $100 billion in stock market value will create about a $20 billion loss to the Treasury; assuming a 20-percent tax rate for the affluent stockholders who will deduct their losses for income tax purposes. I challenge Mr. Martin to refute this possibility.

No one in the administration wants to talk about the fact that its estimate of anticipated revenue may be reduced by some $20 billion because the stock market has failed to rebound, to overcome the $100 billion loss in value.

This administration could wind up its first year with a $15 to $20 billion deficit because of this factor alone.

In the meantime, as interest rates get higher each month, another tranquillizer appears, the last innoculation happened recently before the Senate Committee on Banking and Currency. We heard testimony and requests for more "patience," although Mr. Martin admitted he came emptyhanded to show any results of his policy of tight credit and high interest rates, except to say that "There are a few straws in the wind here and there."

I recall over a decade ago Mr. Martin said:

> We at the FED have the task of leaning against the prevailing economic winds.

For the sake of our Nation it is my hope Mr. Martin finds something stronger to lean on than a few straws in the wind. I will be glad to provide Mr. Martin with more tangible support. We cannot permit the Federal Reserve Board to continue to dribble away the purchasing power of the consumer until he collapses financially. There is a point in time where relentless and excessive squeezing will produce regrettable results.

I am reminded of the farmer who had a horse and decided to economize by feeding him one handful of hay less each succeeding day. On the last day—and this may come as a shocking surprise to Mr. Martin—the farmer remarked:

> Jest when I got him to eat nothin', the darn fool died on me.

Mr. Martin's policies have given this Nation three serious recessions under his leadership as Chairman of the Federal Reserve Board. God grant that his successor will spare us from a disastrous depression.

The hopes and aspirations of our workingmen are not laboratories for experimentation; the hunger in Appalachia is not an ingredient for sociological test tubes; the pollution of 32 million tons per year of effluent from airplanes alone is not a figure for statistical exercise; the collapse of the housing and construction industry may be of interest for economic model building but not for builders and people who need a home.

The extraordinary profits for some banks of more than 50 percent for the first half of this year and an average of 20-percent increase in profits for all banks, will do little to comfort a householder in need to borrow emergency funds at a rate of interest of more than 10 percent—the highest since the great crash of 1929.

Today, no American earning less than $15,000 a year income can afford to buy a house because of the high cost of financing as well as lack of mortgage money for the lower income group.

And where is all this going to lead us? More tranquillizers of patience and persistence?

I want to remind Mr. Martin that prolonged administration of a single drug will produce immunity. It is particularly true of what is happening in our state of economic affairs.

After repeated doses of patience and persistence from the FED, the business community and the public at large have become immune to the promises that never materialize. Instead, contrary to the hoped for results inflation is galloping and interest rates are racing our astronauts to the moon.

It is an elementary fact of economics that scarcity increases cost. By tightening credit on an unprecedented scale, higher cost of money inevitably takes place. The higher cost of money in turn is reflected in higher interest rates. Moreover, the very thought of expecting higher interest rates creates a stampede to get credit rates while the getting is still good, which in turn results in greater demand for credit, which in turn makes credit even more scarce and results in even higher interest rates.

Perhaps the greatest catastrophe in this isolation ward of economic diseases lurks in the danger of escape for the "creditability gap" virus. This virulent virus is rapidly reaching epidemic proportions and slowly erodes the tenuous tissues of patience and human capacity to continue to trust our economic soothsayers.

It will be considerably depressed within the next 30 days when American industry begins to report its profits and earnings at a substantially reduced rate compared to last year.

What can we do about all this?

To begin with, the Federal Reserve Board should immediately issue a statement that prime rates on interest will be ordered downward by at least 1 percentage point before and not later than February 1, 1970.

This will not only break the vicious cycle of rising interest rates, but prevent a collapse of our entire credit system.

We have recently heard a great deal of testimony on the subject of price-wage and other selective controls. The Fed and the Treasury Department testified how abhorrent this could be, especially in determining priorities and effectively administrating any established controls.

I do not favor such controls but labor unions and a goodly number of business representatives took the contrary view and have concluded that under the circumstances, some controls must at least be considered to curb inflation and reduce interest rates.

The fact of the matter is that today we have in effect the most lopsided controls ever imposed by our Government in modern times. When the construction industry is denied funds to build and is forced to cut production over 50 percent, that is control at the highest level.

When the banking industry is permitted to increase its profits of up to 50 percent, that is lopsided control at the highest level.

However, a critical footnote makes this lopsided picture even more absurd.

When highly skilled mechanics in the construction industry lose their job, they inevitably look for other lines of work and ultimately are lost to the industry when a building recovery does finally take place. The resultant scarcity of skilled manpower in the construction industry is ultimately reflected in the higher costs in housing and the higher price the consumer is forced to pay.

On the other hand, any slack in banking business is mostly reflected in the number of hours computer time is used, since most banks are highly automated.

I suggest the Securities and Exchange Commission immediately postpone by 6 months the permit and authorization of new issues. This will reduce demand on the money supply by some $12 billion at the current rate of business and will curb speculation and provide another source of money supply to help lower the interest rate.

In addition, I call on the administration to immediately cut Federal spending by $10 billion on nonpriority items. I shall support such reductions particularly in nonessential defense and space expenditures. I believe when all the appropriation bills have been voted, I will have voted for more than $10 billion in reductions.

Finally, I, for one, wish to explicitly state my conviction that unless we take immediate measures outlined above, this Nation will face the prospect of an economic disaster similar to that of 1929.

I shall find it difficult, if not impossible, to pay any credence to any statement or prognostication by the Fed or any Government official in this administration on the basis of the performance record to date.

I have only to recall the statement by Charles E. Mitchell who as Director of the Federal Reserve Bank, on the eve of the great crash in 1929, made the following statement:

> The industrial condition of the United States is absolutely sound.

Nor should we forget the reassuring words of President Coolidge on December 4, 1928, in his last message on the state of the Union to the reconvening Congress:

No Congress of the United States ever assembled, on surveying the State of the Union, has met with a more pleasing prospect than that which appears at the present time.

History has little compassion for those who tend to forget. It is even more cruel to those who remember and fail to take necessary action.

Mr. Speaker, we are in our 10th year of continuous prosperity. Our Nation is now reaching for a trillion dollar gross national product. By the year 1980, we expect to have a $2 trillion GNP.

All of this growth is possible if we do not let inflation destroy us. I submit this administration and the Fed have a duty and responsibility to impose some form of limitation on runaway interest rates. I hasten to add that I was just as critical of the Johnson administration for failing to deal forcefully with runaway interest rates. We cannot be talking about price and wage controls while the banks continue to enjoy ever increasing profits at unprecedented rates.

## INSTITUTE FOR CONTINUING STUDIES OF JUVENILE JUSTICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 30 minutes.

Mr. RAILSBACK. Mr. Speaker, a show of support not often seen in the daily workings of our legislative routine has given me cause for sincere and profound thankfulness at the overwhelming response of my colleagues in joining me in sponsoring legislation to combat juvenile delinquency. Eighty-eight Members, including my original cosponsors ABNER MIKVA and EDWARD BIESTER, have joined in cosponsoring the bill to establish the Institute for Continuing Studies of Juvenile Justice.

The bill provides that a short-term training program similar to that of the FBI Training Academy be created to give advanced training to law enforcement officers, juvenile judges, probation personnel, correctional personnel, welfare personnel and lay personnel working to combat juvenile delinquency. We can think of no better contribution than to better train and educate people to fight the crime problem at the local level. This training includes, of course, prevention as well as control of juvenile delinquency. With one-half of the serious crimes being committed by juveniles and with three-fourths of the juveniles repeating as criminal offenders, we feel that it is time to stop studying the problem and to take steps which will provide some action.

I wish to extend my appreciation to each of these cosponsors, who are listed below in alphabetical order. We are hopeful that with such impressive support this legislation can receive prompt, thorough, and favorable attention by the Congress. There are many efforts now being made at several levels of Government but we feel that the problem of juvenile crime merits the definite and tangible action which we have proposed.

The list follows:

LIST OF COSPONSORS

Joseph P. Addabbo, John B. Anderson, of Illinois, Mark Andrews, of North Dakota, Frank Annunzio, William H. Ayres, Mario Biaggi, Edward G. Biester, Jr., Jonathan B. Bingham, Edward P. Boland, W. E. (Bill) Brock.

John Buchanan, J. Herbert Burke, Phillip Burton, of California, George Bush, Daniel E. Button, John W. Byrnes, William T. Cahill, Elford A. Cederberg, William Clay, James M. Collins, Silvio O. Conte.

John Conyers, Jr., Robert J. Corbett, James C. Corman, William O. Cowger, Glenn Cunningham, Emilio Q. Daddario, John R. Dellenback, Don Edwards, John Erlenborn, Marvin L. Esch, Paul Findley, Hamilton Fish, Jr., Peter Frelinghuysen, Jr.

James G. Fulton, of Pennsylvania, Richard Fulton, of Tennessee, Seymour Halpern, Richard T. Hanna, Ken Hechler, Margaret M. Heckler, Henry Helstoski, James J. Howard, William L. Hungate, Andrew Jacobs, Jr., Thomas S. Kleppe, Dan Kuykendall, Allard K. Lowenstein, Paul N. McCloskey, Jr., Joseph M. McDade, Jack H. McDonald.

Martin B. McKneally, Clark MacGregor, Ray J. Madden, James R. Mann, Spark M. Matsunaga, Thomas J. Meskill, Robert H. Michel, Abner J. Mikva, Charles A. Mosher, John E. Moss.

William T. Murphy, John T. Myers, Richard L. Ottinger, Thomas M. Pelly, Jerry L. Pettis, Bertram L. Podell, Melvin Price, Albert H. Quie, Tom Railsback, Thomas M. Rees, Donald W. Riegle, Jr.

Peter W. Rodino, William V. Roth, Philip E. Ruppe, Earl B. Ruth, William L. St. Onge, Charles W. Sandman, Jr., James H. Scheuer, Herman T. Schneebeli, Henry P. Smith III, William A. Steiger, of Wisconsin, Louis Stokes, James W. Symington, Robert Taft, Jr., Fletcher Thompson, Robert O. Tiernan, Charles E. Wiggins, Charles H. Wilson, Wendell Wyatt.

Mr. MIKVA. Mr. Speaker, I am delighted to join my colleagues on the Judiciary Committee, Congressman RAILSBACK and Congressman BIESTER, in introducing today a bill to establish an Institute for Continuing Studies of Juvenile Justice.

Despite the abuse to which the issue of "law and order" has sometimes been subject in recent years, one thing which mounting crime rates, especially among young people, has made us do is to reexamine our system of criminal justice. We have had to take a hard look at not only the theory of that system, but at how it is working in practice. What we have found during that hard look is that we have let our criminal justice system—courts, police, correctional institutions, probation, and parole programs—we have let all of these institutions fall critically behind the times. We have starved them for money, for manpower and for other resources. And since we would not spend the money on these institutions, we are now paying the price in higher crime rates, higher recidivism rates, and a population terrified by the specter of crime in the streets.

This bill is one step on the road to a more effective criminal justice system. It is especially important because it deals with the most worrisome group of lawbreakers—youths and juvenile offenders. In the 1968 Omnibus Crime Act, Congress established an Institute for Law Enforcement and Criminal Justice. The bill we introduce today would give similar attention to the special field of juvenile justice, an area which has traditionally received far less than its share of attention. In brief, the Institute proposed in this bill would gather, organize, and disseminate the best information available on how to deal effectively with juvenile crime. It would provide not only information, but training to State and local officials dealing with these problems. It would make widely available the best, most modern, techniques for dealing with problems of youthful offenders.

If our experience with crime has shown us anything, it has shown that we must develop new methods for dealing with the problems of criminal offenders. Larger police forces and harsher sentences just would not do the job. The Institute for Continuing Studies of Juvenile Justice, would, we hope, be a leader in the search for new and enlightened methods of handling the serious problem of juvenile crime. We hope that it would help keep the juvenile delinquent and youthful offender of today from becoming the hardened criminal of tomorrow.

Mr. ROTH. Mr. Speaker, of paramount concern to every citizen is the increasing rate of crime in America. Few problems with which we deal are such a threat to our personal stability and well-being. Juvenile delinquency is a vital part of this problem—its prevention and control will be a major factor in reducing crime and redirecting the energies of the delinquent element of our youth to useful lives with respect for law and the society in which they live.

The problem of delinquency and its relationship to the whole crime picture has been recognized for some time—a multitude of programs have been developed and studies have been made aiming at its prevention and control. But, despite efforts by public agencies at the Federal, State, and local levels and private agencies throughout the country, there has been no reversal of the trend. This year the Federal Bureau of Investigation reported that arrests of juveniles, ages 10 through 17, had risen 78 percent from 1960 while the population for this age group had only risen 25 percent. Furthermore, juveniles have been found to be the age group most likely to repeat crimes. Of those under 20 released from correctional institutions in 1963, 72 percent—nearly three-fourths—were rearrested within 5 years. It is clear that what we have done has not been effective; obviously, additional steps are necessary.

Hence, I am pleased to cosponsor today a bill which establishes an Institute for Continuing Studies of Juvenile Justice to act as both a clearinghouse for information from all sources concerned with juvenile delinquency as well as a short-term training center for those directly involved with delinquents.

The functions of the Institute will provide for the recycling of valuable information gained through experiences with juveniles in the various States to all interested and involved citizens. Not only will it do this through collecting, publishing and disseminating data but also it will conduct seminars and workshops for professionals, offering a firsthand exchange of ideas.

Another important innovation of the Institute is its capacity as a training center. Modeled after the successful FBI Training Academy, the Institute will conduct short-term courses on modern, proven, effective methods of dealing with

delinquent youth. The enrollees, law enforcement officials, welfare workers, judges and judicial personnel, probation and correctional officers and nonprofessionals connected with juvenile work, will return to their States and communities with valuable information that they can mold to their particular local needs and circumstances.

Finally, the Institute will provide technical assistance to the State and local agencies who wish to develop training programs for those working with juveniles.

Overseeing this whole operation will be a director who will be a presidential appointee. An advisory commission assisting him in the supervision of the operations of the Institute will consist of Federal experts most directly involved, such as the Attorney General and the Secretary of Health, Education, and Welfare, the Directors of the U.S. Judicial Center and National Institute of Mental Health, and 14 other persons from the disciplines concerned with juvenile delinquents.

The Institute for Continuing Studies of Juvenile Justice will provide another element necessary to the success and effectiveness of existing programs for the prevention, control, and treatment of juvenile offenders. It is time we wage a concentrated attack on juvenile delinquency—not only to relieve our society from the burden of crime but also to save potential delinquents from a life of misery.

## GENERAL LEAVE TO EXTEND REMARKS

Mr. RAILSBACK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the subject of my special order today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, of the 139,779,540 automobiles in the world, 75,260,847 are in the United States. This represents about 40 percent of the world total. The State of California alone has more cars than any other nation except France and Great Britain.

## INDUSTRY WORKS ON AIR POLLUTION PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. CLARK) is recognized for 15 minutes.

Mr. CLARK. Mr. Speaker, I have noted with interest the recent agreement by both the Senate and the House to extend for 1 year, under the provisions of the Clean Air Act, a $45 million authorization for research relating to air pollution caused by fuels and vehicles.

It is my belief that the Congress, industry, and the general public are beginning to realize that the blame for environmental pollution cannot be placed upon any particular group. We are all guilty—the Federal Government, the State governments, the municipalities, business and industry, and even the individual citizen.

However, I am proud to say that two industries located within my district are taking an active interest in trying to solve some aspects of the air pollution problems caused by fuels.

The Babcock & Wilcox Co., with facilities in Beaver Falls, Pa., has for years been a leading research and developer of air pollution control devices. Mr. George G. Zipf, president of the company and Dr. Neil V. Makala, president of Esso Research & Engineering Co. of New Jersey, recently announced that the two firms would develop an advanced air pollution control system for fossil fired electric generating plants.

The financing of this research project is being provided by 16 electric utilities throughout the country, among them the Allegheny power system. The $7 million program will develop a commercial system to eliminate 99 percent of the solid pollutants and 90 percent of the gaseous, and more difficult to control sulfur oxides from the exhaust of powerplant boilers. Sulfur dioxide, which is considered one of the most objectionable pollutants, will be recovered in the form of marketable sulfuric acid to partially offset the cost of the system.

This is a major start, Mr. Speaker, in trying to solve our air pollution problem; however, we cannot rely on just scattered, individual groups to solve our environmental crisis. A cohesive, national program must be developed in which the full capabilities of Federal, State, and local governing units for directing the program is tied in with the technical knowledge that industries and universities can contribute to the effort.

## A CALL FOR THE ENVIRONMENTAL DECADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 20 minutes.

Mr. REUSS. Mr. Speaker, it is becoming widely recognized that we have an environmental crisis on our hands in America.

As we stand on the threshold of a new decade, we must make the decision to dedicate substantial portions of our Nation's energies and money to cleaning up our degraded land, air and water and to conserving and preserving our natural resources.

Last Friday, December 5, Mr. DINGELL, Mr. GUDE, Mr. HICKS, Mr. MCCLOSKEY, Mr. MOSS, Mr. SAYLOR, Mr. VANDER JAGT and Mr. WRIGHT joined with me in calling for the designation of the 1970's as "The Environmental Decade" and put forward an action program to get the job of protecting our environment well underway in the next 10 years:

We today call for the designation of the decade of the 1970's as the Environmental Decade. Next New Year's Day, January 1, 1970, would be a good time for all Americans to make a New Year's resolution for the decade:

"I pledge that I shall work to identify and overcome all that degrades our earth, our skies, our water, and the living things therein, so that the end of the Environmental Decade of the 1970's may see our environment immeasurably better than at the beginning."

As Members of Congress specially concerned with the conservation of our environment, we make a special pledge to work diligently on a broad series of fronts:

1. WATER

a. All over the country, man is running out of sources of usable water. The decade must see the development of workable desalination and recycling processes, and better methods of preventing waste by evaporation and other causes.

b. Almost every lake and stream in the Nation is becoming more and more polluted. Half-hearted standards for averting water pollution should be raised, so as to require everywhere water good enough for people to enjoy. Our present programs to eliminate pollution from municipal, industrial and agricultural sources are tragically inadequate. At least $30–$50 billion needs to be spent in the next five years for new municipal treatment works, separation of combined storm and sanitary sewers, industrial waste treatment facilities and for research and development of new anti-pollution methods. The response to the manifest need has been wholly inadequate. For example, Congress authorized $1 billion for water pollution treatment this year, but the appropriations request from both the Johnson and the Nixon Administrations has been for a ridiculous $214 million.

c. It is not enough to clean up our waters after they have been polluted. Effort must be made to find and eliminate sources of pollution before they begin. For example, the Government Operations Subcommittee on Conservation and Natural Resources will hold hearings shortly to determine why the soap and detergent industry continues to use phosphate as a leading ingredient of household detergents, when it is well known that these same phosphates are a leading cause of the eutrofication—death by overfertilization—of so many of our waters.

d. A new and alarming form of water pollution is overheating of water—thermal pollution—caused by fossil-fuel and atomic power-generating plants. Destructive overheating must be stopped.

e. Wetlands and estuaries are where land and water meet. Destroy them, and we destroy the areas where our fish and wildlife breed, and where the air we breathe gets its start. Yet destroy them we do, whether with the help of the Department of Agriculture in draining the prairie potholes or making drainage ditches out of streams, or with the help of the U.S. Army Corps of Engineers in filling countless estuaries and marshes. Filling or draining for unneeded farmland, or for apartments or expressways or airports which could be built elsewhere, goes on apace. The Government Operations Conservation and Natural Resources Subcommittee has recently heard the sad tale of speculators despoiling the estuaries of the Potomac and of San Francisco Bay; these hearings will continue. The looters of our wetlands should be told: stop it.

2. AIR

a. Air pollution brings emphysema, bronchitis, lung cancer and death. It blackens our skies, smarts our eyes, wrecks our food, clothing and shelter. It is getting worse.

The internal combustion engine, with its carbon monoxide and nitrogen oxides, is the worst single polluter. A pollution-free engine must be developed and used in vehicular movement. We must evolve forms of mass transportation which do not pollute our atmosphere.

b. Industrial and power plants, with their sulfur oxides and hydrocarbons and par-

ticulate matter, are the second worst source of pollution. They must be guided quickly into using clean-burning fuels and methods of production which do not ruin our environment.

c. One of the newest forms of air pollution is noise—by jet planes, by motor vehicles on the freeways, by building construction crews. In many cities and suburbs, we have already exceeded the noise levels where mental and physical health is endangered.

3. LAND

a. The earth and the fullness thereof get less full every year. Agricultural soil erosion by wind and water costs us $1 billion annually. In the next ten years, if we go on as we have, we shall lose another 15 percent of our agricultural land values to erosion.

b. To farm erosion has now been added the bulldozer of the suburban developer and the highway engineer, silting up our streams and ponds and lakes.

c. Chemical pollution of our soil (as of our air and waters and wildlife) is growing worse. Fertilizers, herbicides, pesticides, chemicals of war threaten not just the good life, but life on this earth altogether. DDT and other persistent pesticides have contaminated meat, fish, milk, vegetables, fruit. They threaten the destruction of whole families of birds. As the Conservation and Natural Resources Subcommittee found, negligence by the U.S. Army in its handling of lethal chemical weapons at Dugway, Utah, caused the death and injury of over 6,000 sheep, and with a shift of wind could have caused the death of even more human beings. Those companies and individuals which profit by chemical pollution do not give up easily. We intend to keep after them.

d. If people are going to find land on which to live and breathe and enjoy life, we must stop the senseless carving up of our landscape by the highway engineers, the suburban developer, the jetport authority. This requires regional and national planning. It requires the building of hundreds of new towns and consideration of the garden city concept with adequate open space adjacent to densely-populated areas.

e. We must expand our programs for setting aside parks, playgrounds, wilderness areas, wild rivers and seashores, and fish and wildlife areas. Yet this year's appropriation for the National Park Service is $123 million. We must alter our priorities.

f. Our land (as well as our water and air) are about to be engulfed by solid wastes and their by-products—junked automobiles, glass bottles, steel and aluminum cans, used packaging, and other detritus. We must reconsider our tax systems so as to put some of the cost of evolving new methods of solid waste disposal on the manufacturer and user of these wasteful products, so as to encourage the development of disposable and degradable containers and wastes.

g. Litter—trash and garbage and cigarette butts—are contributions to ugliness that almost all of us make almost every day. Here is something on which every individual should be taking the pledge.

4. *Wildlife.* Due to the skill of our game and fish scientists and managers, many of our fish and wildlife populations are in better shape today than they were 30 years ago. The American bison herd, for example, is up from 4,000 to 25,000. But the pollution of our land, our waters, our air, the destruction of wetlands, the increased use of chemicals, and above all, the inexorable grab at wildlife habitat by our increasing population, pose a clear and present danger. Already 89 birds and mammals are on the list of endangered species, and man himself may not be exempt. We must preserve more wildlife habitat, and particularly we must massively assist our marine resources.

5. *Mineral and forest resources* are being rapidly depleted by our industrial technology. We must conserve our non-renewable minerals; particularly, we must recycle the wasted iron, aluminum, copper, zinc and other metals with which we now fill our dumps. Our mineral leasing policy for public lands must be updated. Our forests are endangered as we increasingly exceed the allowable cut. It will cost more money to attain better management of our timber resources. We must provide it.

6. *People.* All of these environmental resources must be preserved not only for themselves, but for the life, liberty and happiness of our people. Environment *is* for people.

a. Population—how many people, and where they reside—can affect our environment equally with what we do, or fail to do, with it. Our studies of Florida's Everglades, for example, show that too many people living at the headwaters which moisten the Everglades, could dry up and ruin this priceless national ecological marvel. In our metro-areas, where most of us live, our slums, our traffic jams, our noise, our foul air and water, our sprawling suburbs, point an ominous warning. We urge that the President's new commission on population problems takes into account the effects of population on the environment as well as on other aspects of life.

b. If the environment is for people, it is also people—mostly private citizens, not just the government—who must lead the fight to preserve our environment. Surely, the government must reorder its structure for an all-out fight during the Environmental Decade: the federal executive branch must have a top-level Council on Environmental Quality, and the Committees of Congress with which we are associated must redouble their efforts. Federal, state and local legislatures and courts must erect the framework for the battle. But citizen activity must lead the fight.

c. Among citizens, we turn to youth as the great hope for the Environmental Decade. Young people are understandably outraged by the cynicism and materialism of their older generation. We urge them to substitute constructive impulse for negativism, and to build for future generations an environment worthy of free men and women. We hope they will conduct studies, sponsor educational forums, initiate petitions, support court suits, pressure administrative agencies, draft legislation, and do the many things needed to help protect against environmental destruction.

d. We turn, too, to the people not just of the United States but of the world. Pollution of our environment threatens to engulf not only America, but all the land and seas and air. We welcome the Environmental Conference of the United Nations scheduled for 1972, and urge the United States government to take the lead in making ours a Model Planet.

Let the 1970's, then, be preoccupied with life and the quality of life. Before we starve, or choke on polluted air, or poison ourselves with our ruined waters, let us fight all who get in the way of a decent environment. Let man in the Environmental Decade assume his proper stewardship over pure water, blue skies, and a habitable earth.

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## UNITED MINE WORKERS OF AMERICA RESPONSE TO DEPARTMENT OF LABOR CHARGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. SLACK) is recognized for 15 minutes.

Mr. SLACK. Mr. Speaker, on November 28 the Department of Labor chose to make known to the press a memorandum which contained statements damaging to the present leadership of the United Mine Workers of America. Predictably, those Labor Department statements became a prime source of campaign propaganda for a faction which opposes the present union leadership in an election to be held this week.

The union has now replied to these Labor Department charges—yet unproven—in some detail. Of course the response can never be circularized among the union membership in sufficient time to give them both sides of the picture prior to the voting. But I believe, and I am sure an overwhelming majority of the Congress believes, in a fair and balanced presentation of all pertinent facts bearing on major public controversies. I am, therefore, placing in the RECORD the rebuttal to the Department of Labor's widely publicized but unproven charges, as contained in a letter to Secretary of Labor Shultz from Edward L. Carey, general counsel of the United Mine Workers of America:

UNITED MINE WORKERS OF AMERICA,
*Washington, D.C., December 5, 1969.*

HON. GEORGE P. SHULTZ,
*Secretary of Labor,*
*U.S. Department of Labor,*
*Washington, D.C.*

DEAR SIR: On November 28, 1969, the Department of Labor took the unique and unusual action of releasing to the press an *inter-office* memorandum between two officials of the Department. The subject of the memorandum was identified as Summary Report of Financial Investigation of United Mine Workers of America.

This memorandum was an obvious attempt by the Department of Labor to inject itself into the election campaign now being conducted within the United Mine Workers of America. Such political action by officials of the Department of Labor constitutes improper, unwarranted and brazen interference into the internal affairs of the UMWA. It is already too late to take corrective action to avoid influencing the election, but this abuse of governmental power by such officials should not go unpunished by your office.

The memorandum states that increases in employees' salaries were not reported to the UMWA's International Executive Board. This is completely untrue. The UMWA makes six-month audited reports of all its financial activities, including the salaries and expenses of every employee. Your investigators examined these reports and were aware that these six-month reports are furnished to the membership of every Local Union and to every member of the International Executive Board. However, the Department's memorandum states to the contrary.

Furthermore, in addition to the above distribution of six-month reports, the UMWA furnishes a complete report annually to the Department of Labor, and this report is available to the public.

It is startling to note that one of the employees who received a salary increase was Joseph Yablonski, a member of the International Executive Board. Yet, Mr. Yablonski is now using the Department's memorandum as "proof" that such increases in salary were improper, unlawful, unauthorized and constitute evidence of corruption on the part of the President of the Union, W. A. Boyle. This illustrates how the Department's memorandum is being used as an instrument in Joseph Yablonski's lie-and-smear campaign.

The memorandum states that "grants" of money were made to employees without authorization. Actually, no such grants were ever made. No doubt, the memorandum was referring to bonuses given to two lawyers for assuming an exceptionally heavy workload and making personal sacrifices over a prolonged period in defending the Union against lawsuits brought by non-union coal operators who sought to destroy existing wage

standards, the UMWA Welfare Fund and, ultimately, the Union itself.

The memorandum further states that hotel expenses of some officials were paid when they were at their place of residence. However, as your investigation disclosed, the expense vouchers used by the employees do not provide spaces for the listing of all expenses, and the column marked "Hotel" is used for reporting other legitimate expenses. Actually, Union employees are not reimbursed for all of their expenses, and a great amount of such expenses are paid out of their salaries.

It is strange that the memorandum criticizes the Union for not issuing instructions to employees concerning reimbursement for expenses because, first, the law does not require such instructions, and, second, this matter is covered by the UMWA Constitution which was written and ratified by the membership at its conventions.

The memorandum states that the "Agency Fund", which was established to provide pensions for the International Officers, has never been adequately disclosed in the annual financial reports. This is false. All assets of that "Fund" have been included in every report to your Department. In order to comply with regulations of the Internal Revenue Service, these assets had to be placed in an agency account, but they still belong to the Union.

Honest disclosure of the facts by your Department would have reported that this pension fund was approved by the Internal Revenue Service, by the UMWA International Executive Board, of which Joseph Yablonski was a member, and by the entire membership of the Union at its 1960 Convention (Proceedings, pp. 260–62). The Proceedings also show that Joseph Yablonski was Chairman of the Committee which approved this pension fund. Yet, Joseph Yablonski uses your Department's release as "official proof" of his smear charges that the International Officers, including President Boyle, are guilty of corruption in establishing this pension fund. The truth is that President Boyle was not even an officer of the Union at the time this fund was established. Joseph Yablonski was! The only man who has received a pension from this fund was John L. Lewis, and no amount of pension money could have expressed the gratitude of the coal miners for his leadership through the many years of toil and strife.

The memorandum further charges that UMWA financial reports concerning Lewmurken, Inc., filed with the Department of Labor showed "improper reporting." At the time this matter was discussed in the UMWA Secretary-Treasurer's office with the Department's two representatives, I was also present. The difference of opinion at that meeting was merely a disagreement between the certified public accountant of an outstanding firm in this city, employed by the UMWA, and the Department's accountant as to the cost value of certain assets. At no time was a question of "improper reporting" raised.

Finally, at the end of the memorandum, the Department listed salaries and expenses of certain UMWA employees who are related. Assuming these people are qualified by their education and experience to hold these positions—and assuming their salaries are no more than others receive for similar work—then there is absolutely nothing wrong with the UMWA employing them. In fact, their origin from a mining family makes them more knowledgeable about and sympathetic to the needs of miners.

There can be no question that the release of this memorandum at this time was an attempt to influence the outcome of the UMWA's election. The Department's release to the press of such a list of salaries and expenses of related employees would invariably cause readers to assume that the Department was accusing the leadership of fraud. Actually, with two exceptions, all of those listed were employed long before President Boyle's term in office.

This intent to influence the election is even more obvious in the Department's omission of salaries and expenses of Joseph Yablonski and his family. The amounts received by the Yablonskis in 1967 and 1968 are as follows:

| | |
|---|---|
| *Joseph Yablonski* | |
| 1967: | |
| Salary | $25,000.00 |
| Expenses | 12,568.00 |
| 1968: | |
| Salary | $25,000.00 |
| Expenses | 14,807.00 |
| *Leon Yablonski* | |
| 1967: | |
| Salary | 11,000.00 |
| Expenses | 8,725.60 |
| 1968: | |
| Salary | 11,000.00 |
| Expenses | 10,437.35 |
| *Kenneth Yablonski* | |
| 1968: | |
| Retainer and Fee | 7,250.00 |
| Expenses | 881.80 |

Their salaries were not meager nor were their expenses light. Why were these figures of the Yablonskis omitted from the memorandum? It would seem that the Yablonski family's salaries and expenses would be equally as relevant as those of other families, if the Department actually intended to present an unbiased report.

I suggest that in fairness to the members of this Union, in fairness to its officers and in fairness to the Department of Labor, these salaries and expenses of the Yablonskis should be made available to the members of this Union and to the public with the same official imprimatur that the Department placed on its memorandum released on November 28, 1969.

The Department of Labor has demonstrated its partiality and lack of objectivity on the eve of this election and should disqualify itself from any statutory right to pass upon the validity of the UMWA's election.

Incidentally, our attention has just been directed to the fact that Leonard J. Lurie's sister is employed by the law firm of Rauh & Silard, of which Joseph L. Rauh, Jr., is the senior partner. Mr. Rauh is also the campaign manager and attorney for Joseph Yablonski. Acting Director Leonard J. Lurie of the Department of Labor's Office of Labor-Management and Welfare-Pension Reports, is the one who prepared the memorandum which was later released to the press by your Department. Under these circumstances, it is my opinion that an investigation should be made immediately to determine under what circumstances the report was prepared and what other information may develop as a result of an inquiry under your supervision.

Sincerely yours,

EDWARD L. CAREY.

## ALLEGED MEDICAID AND MEDICARE ABUSES

(Mr. SCHWENGEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SCHWENGEL. Mr. Speaker, I have received a number of inquiries in recent months relative to alleged medicare and medicaid abuses in Iowa. The letter I received in this respect from Mr. Clarence J. Math of Davenport, Iowa, is typical of those inquiries. His letter follows:

DAVENPORT, IOWA,
*October 29, 1969.*

Hon. FRED SCHWENGEL,
*House Office Building,*
*Washington, D.C.*

DEAR CONGRESSMAN FRED: There has been a great deal of publicity in the press and on radio and television having to do with what seem to be abuses of Medicaid and Medicare by those providing medical care. No doubt you too have seen and heard these reports and have looked into the effectiveness of these programs here at home. I would appreciate it very much if you could let me know whether you have looked into this and, if so, provide me with some indication of the extent of the problem.

Respectfully,

C. J. MATH.

ALLEGED MEDICAID AND MEDICARE ABUSES

In responding to these inquiries, I have relied heavily on information provided to the Iowa Legislature's medicaid study committee. My response to Mr. Math gives a good overview of the results of my study of this problem. Since there have been similar problems on a national basis, I would like to share this correspondence with my colleagues. My response to Mr. Math follows:

DECEMBER 3, 1969.

Mr. CLARENCE J. MATH,
*Davenport, Iowa.*

DEAR CLARENCE: I was pleased to receive your recent letter concerning the publicity about reported abuses of Medicaid and Medicare by those that are providing medical care. I already had my interest stimulated as a result of these reports, but I have looked into them further with respect to Iowa and the operation of such programs in Iowa since receiving your letter.

I find that the Iowa Legislature's Medicaid study committee has been following this situation and I would like to quote for you some comments made to this committee by Doctor William Krigsten of Sioux City who serves this year as President of the Iowa Medical Society. I believe it gives a good overall review and puts in focus the problems. Dr. Krigsten said:

"Medicaid is one important aspect of the total health care program in the state. I emphasize that Iowa physicians vigorously support the Medicaid philosophy, namely, that health care should be available to those who need such care but who are unable to afford it. A sound program which embodies this humanity-serving philosophy is essential, in the judgment of the medical profession.

"With you and your fellow members of the General Assembly, Iowa's medical doctors believe the best possible health care should be available to all citizens of the state. Providing these services is a formidable task for which there is no magic formula. We have somewhere in excess of 50,000 persons working as members of Iowa's health care team. This team uses its brainpower, modern medicinals and sophisticated equipment to care for approximately 75,000 patients each day. We are talking about a 500 million dollar annual endeavor.

"As you know, the means selected by the Federal government to effect this philosophy have not been fully supported by physicians. With the passage of the Social Security Amendments of 1965, establishing Medicare and Medicaid, the congressional proponents declared that all of the nation's elderly and needy would now come into the mainstream of medicine. Frankly, we felt that Iowa was at the time doing a respectable job of keeping its people in the mainstream of medicine.

"Rather than assume an obstructionist role, however, in the implementation of these programs, the Iowa Medical Society has attempted to provide responsible professional leadership. In so doing, we have obviously come to be influenced and guided by the intent of the Federal congress. This intent is implicit in statements such as the one former HEW Secretary John Gardner made in a 1967 Presidential Report: 'Charity medicine is being abandoned in favor of new public programs which give needy people the resources to purchase medical care from pri-

vate physicians and hospitals on the same basis as more affluent citizens' ".

You can realize that there was an administrative problem in getting set up for a program of this size but other testimony which I have read indicates that these problems, such as long delays in the processing of paper work and uncertainties over the eligibility of individuals, have mostly been taken care of with experience in operating this program.

Dr. L. J. O'Brien of Fort Dodge, Iowa, serves as representative of the Iowa Medical Society on the Medicaid Advisory Council and also as Chairman of the Society Committee on Public Assistance. He told the Legislative Committee studying Medicaid:

"One of the most serious and acute problems from our vantage point at this time is public understanding of the program. As you are quite well aware, much recent attention has been given by the press to the matter of releasing the total amount of Medicaid reimbursement made to individual vendors. By inference or innuendo, the publishing of names and amounts places those at the top of the list in the position of being immediately suspect. Only limited effort has been made to explore that much of the listed sums goes to underwrite the substantial expense involved in the operation of a physician's office.

"The Department of Social Services and the vendor groups, including the Iowa Medical Society, share with the press the feeling the listings should be available to the public. At issue is the matter of when and how. The vendor groups have felt time should be allowed before release of the names for the organizations to analyze the payments and provide a report of their findings. As you know, this process has been widely appropriately designated peer review.

"The Iowa Medical Society's expanded peer review mechanisms are now functioning and you may be interested to know that 14 physicians whose 1968 Medicaid payments exceeded $15,000 are being evaluated by their peers to determine if their mode of practice follows or departs from an acceptable pattern. You may wish to delve more deeply into the peer review process in our discussion.

"The July decision of HEW to freeze Medicaid payments to physicians and dentists was disconcerting to Iowa's medical doctors. You may not know that there can be no increase in physician reimbursement levels under this ruling until July of 1970. This action is difficult to comprehend when only 11 percent of the $3.5 billion spent for Medicaid in the fiscal year 1968 went to physicians.

"In this respect, and relating back to the matter of public understanding, it seems most important that Iowans come to understand the physician is thoroughly regulated in the fee determination area for both Medicare and Medicaid. A computerized determination of fee levels is made on the basis of a usual, customary and reasonable formula and claims are paid at or below this pre-determined ceiling. The element of reasonableness is very much present and represents a definite cost control mechanism."

As indicated by Doctor O'Brien, the process of peer review by the Iowa Medical Society gives to doctors the responsibility for judging other doctors—not only as to the size of the fee involved—but also to the need for the services rendered to the patient, frequency of examination and treatment, the amount and type of medicine prescribed and other things which doctors are best able to judge. Of course it is fairly easy for a computer to analyze whether fees are reasonable by comparing one doctor's fees to the fees of other doctors in his community performing similar procedures. It is in more sophisticated analysis which I just mentioned where doctors are best able to judge their colleagues.

Indeed Doctor Krigsten in a statement to the press late this summer pointed out that there is virtually no way under either Medicaid or Medicare in which an excessive fee may be charged for a particular service.

This same statement by Dr. Krigsten comments on the arbitrary singling out of physicians who received a certain amount of money under Medicare or Medicaid programs without adequate explanation or without prior review. I am sure you will agree that this suggests at least by inference the presence of dishonesty, especially when words like cheating and abuse are prominent in the reports.

I would not be so naive as to think that either the computer or individuals who administer this program cannot be fooled by someone who sets out deliberately to do so. However, the review mechanism as set up in Iowa is designed to ferret out any unusual pattern of activity, any excessive fee charges and any other pattern of activity which departs from the normal.

Such activities are then given special attention by the Medical Society peer review program with recommended action being forwarded to the parties involved. If appropriate action cannot be taken at the county level, then the matter can be referred to the state claims review committee which also functions as an appeal mechanism when there is disagreement with findings at a lower level.

I was interested in the comment by Doctor Krigsten in one of the statements he has made on this subject and I believe it will be of interest to you. He said, "I would emphasize that Iowa physicians are vitally interested, as are most citizens of the state, in the wise use of tax dollars and in efficiency and economy in government—particular health services, and in all health services for that matter. The Iowa Medical Society is making available its expertise and its manpower to assist in structuring an Iowa Medicaid program which is fiscally sound and which serves the health care needs of those for whom it is intended. In situations where questions are raised as to the propriety of a physician's charge or his mode of practice, the Society is unequivocably dedicated to clearing and protecting the innocent and to identifying the guilty. We believe the broad application of the professional peer review system will do more than any single thing to assure the success of Medicaid. We are willing to accept the challenge which is present in a program such as this."

Knowing Iowa doctors as I do, I feel certain that they will be more interested than anyone else in identifying any physician who abuses the Medicaid program in taking appropriate action. I am confident after examining the mechanism as outlined in its various details in this letter, that the Medical Society has an adequate mechanism and the appropriate attitude to control not only excessive cost but over utilization.

Sincerely yours,

FRED SCHWENGEL,
*Member of Congress.*

## CONGRESS AND THE ADMINISTRATION

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the RECORD and include extraneous matter.)

Mr. ALBERT. Mr. Speaker, this Congress has been the repeated target of misleading statements by administration spokesmen who have sought to undermine public confidence in Congress and to give the impression that little has happened here this session. I want to make two basic points in this respect:

First. This Congress has performed its duties, in the face of repeated administration delays, obfuscation, confusion, and lack of leadership by the administration. We ask not to be judged either by their statements, or ours, but by what has happened—by the record of this Congress.

Second. The effort by the administration to discredit this Congress is a calculated one to cover up for the lack of any comprehensive administration domestic program or policy, and in preparation for the 1970 elections. Anyone familiar with past political tactics can recognize it for what it is—the familiar trick of attacking to discredit rather presenting positive programs.

I would hope that the press would look to the record to inform the public. The glib Madison Avenue tactics that are being used to try to blame the Congress and to distract the people from lack of executive leadership and failure to advance a cohesive program are being foisted on the public by the administration advertising experts. I would hope that the press is not so cowed by administration criticism that it accepts the handouts and the glib rhetoric of the White House admen who appear to be calling the tune of government by press release. The Congress is not cowed by such tactics.

The delays and confusion of the administration has led to its own failure to confront the problems of this Nation. Congress has been tolerant of this new and untried administration. It has accepted the confusion, the delays, the lack of clearly stated goals, the limited leadership as the struggle of an administration seeking its way. It has now become abundantly clear that there is no administration program, and no sound understanding of the problems that confront this country. It has also become clear that press agentry has been susbtituted for action. In the face of this confusion and this cohesion gap, the Congress has quietly gone about its work, and has given the administration every possible chance to outline a program and express it in tangible terms of proposed legislation. However, this administration has emerged as a "say much, do little" administration whose greatest talents appear to lie in the realm of press agentry and smooth public relations. It has been a following, not a leading, administration. It has shown a disconcerting lack of understanding of the real domestic problems of this Nation.

I have noted that this administration, while following the leadership of Congress, has sought to claim as its own many of the programs initiated here. We are willing to allow it to extravagantly claim that credit if it will move the administration into a posture of agreeing to act instead of just talking about the needs of this country. And if the administration will just continue to follow the lead of Congress and cease some of its delaying and confused efforts, this Congress will give the Nation a fine record of achievements before it finally adjourns.

I would add a personal word to the President, I would say to him: Mr. President, please advise your spokesmen to speak more coherently, to be more con-

sistent, to lessen the rhetoric and increase the substance, and to let Congress know the administration's position so Congress may more effectively work its will. And, Mr. President, we urge you to join with us, to come along with this responsible Congress, and together put our programs into action for the benefit of all the people of this country.

## THE 1970'S—A CRITICAL ERA IN NUCLEAR POWER

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, on December 3, 1969, Congressman CHET HOLIFIELD, chairman of the Joint Committee on Atomic Energy, addressed the Atomic Industrial Forum Annual Conference in San Francisco.

His remarks on "The 1970's—A Critical Era in Nuclear Power" set out a lucid exposition of the problems and progress inherent in the development of this new energy source that promises so much for the future.

Congressman HOLIFIELD stressed to atomic industry leaders that the most important challenge in the field of the peaceful uses of atomic energy is the development of a breeder reactor. He said that this reactor will provide an almost unlimited supply of electrical energy so vitally needed to support our growing economy and burgeoning population.

He also expressed concern in regard to the administration's proposal to sell the three Government-owned gaseous diffusion plants to private industry in the near future.

Recalling the bitter days of the Dixon-Yates proposal under the Eisenhower administration, he said such a sale is premature and would create another similar bitter division.

Congressman HOLIFIELD, a charter member of the Joint Committee has broad knowledge in the atomic energy field based on his more than two decades of service on the Joint Committee. I urge each Member to read his speech to get an insight into the scope and magnitude of developments and challenges in the field of atomic energy.

I include Congressman HOLIFIELD's remarks "The 1970's—A Critical Era in Nuclear Power" in the RECORD at this point.

### THE 1970'S—A CRITICAL ERA IN NUCLEAR POWER

The Joint Committee on Atomic Energy is in its 23rd year of carrying out its legislative and oversight review responsibilities of the atomic energy program. We have completed a quarter of a century of atomic development.

From 1946 to 1954 the Committee concentrated on the improvement of weapon design and the accumulation of an adequate inventory of weapons. We also initiated and funded the first four nuclear propulsion reactors for our nuclear submarines.

Under the leadership of Senator Hickenlooper and Congressman Sterling Cole the omnibus revision of the original McMahon bill was completed. While maintaining a vigorous weapon development program, we directed that a strong second program of peacetime application of the atom be developed.

During the past fifteen years we can say with pride that we have been successful beyond most predictions in both the weapon program and the atoms-for-peace program.

The existence of your great Association and the strong attendance at this convention is evidence of the interest of a wide sector of United States industry and finance.

The private capital investment in mines, mills, reactor building facilities, research and development laboratories, and related atomic industries represents many billions of dollars. In addition the Federal government has invested billions of dollars for research and development, and for necessary construction of facilities for military and peaceful applications of nuclear energy.

It has taken more than billions of dollars, however. It has required the dedication and service of thousands of scientists, engineers, technicians, and business leaders.

In the last analysis our success in this great program could not have been made without cooperative efforts on the part of the Joint Committee on Atomic Energy, the Atomic Energy Commission and United States industry.

There is credit enough to share for the success of the atomic programs.

There is blame enough to share for our failures.

It is not my intention today to try to divide the credits or the blame between the Committee, the Commission, and industry.

I do want to stress once again that, *in the main*, our success has been made possible because of the cooperation between the three aforementioned entities. I qualified that statement by saying "in the main" because there was one time period when bitter division developed between the members of the Committee, and between the Commission and the Committee. More about that later.

Your organization, in my opinion, can render a great service in the decade that lies ahead. A sound foundation has been laid, and if cooperation continues we can bring to fruition the dream of abundant, indeed almost unlimited energy.

As I see it there are two equally important challenges:

1. developing a technically successful and economic breeder reactor.

2. solving the problem of siting of nuclear and conventional type electric generating plants, including reconciling the need for power and the goal shared by us all of protecting or enhancing the quality of our environment.

The short range challenge has taken the form of a wave of opposition to siting of all kinds of electric generating plants, whether nuclear or fossil fueled.

This opposition stems from a growing awareness of environmental pollution. The danger however is that much of this opposition is based on emotionalism without basic factual information of the relative environmental impact of conventional fossil fueled plants and nuclear fueled generating plants. Also lacking is widespread awareness of the economic cost to our society of inadequate supplies of electrical energy and the adverse impact of a power deficiency on the health and standard of living of our people. The present reaction to and arguments against the siting of electric generating plants is akin to an argument to eliminate the automobile because of automobile accidents or because automobile engines emit noxious contaminants.

Your organization is representative of almost every phase of the nuclear industry. It is your duty to defend that industry by making the facts available to the public.

#### ENVIRONMENT

I have been heartened by your response to the growing resistance from environmental extremists. This is an important challenge to future utilization of nuclear reactors. Here again we need the close cooperation of industry, the Commission, and the Committee. The Committee is determined to do its part. We have concluded Phase I of our environmental hearings in which we have established basic data on the overall impact on the environment from all types of electrical generating plants. Shortly after the first of the year, we will open Phase II of the hearings. These hearings will be open to the atomic industry people and to representative critics of the industry. It is my intention to separate sensationalism based on emotion and theoretical conjecture, from facts and objective analysis.

The Atomic Energy Commission has been responding—and must consider as part of its duty a continued response—to the public clamor against reactor siting and reactor utilization.

Working together we can allay the fears of the public and demonstrate the true value of this great technical achievement by showing the comparative impact of the effects of conventional and nuclear plants on the environment. At the same time we, of course, will support sound and non-discriminatory adjustments to protect a viable environment.

#### POWERPLANT SITING

The utilities have not accepted as yet, the facts of life.

The environmental shadow on the wall is no larger than a man's hand. It can grow to catastrophic size.

The Atomic Industrial Forum might well consider the advisability of advocating state legislation setting up State Siting Authorities for all types of generating plants. Such Authorities would represent all sectors of their respective citizenry—public users of electricity, public and private investor-owned generating facilities, as well as environmentalists. The Authority should be authorized to hold hearings and use the power of eminent domain to acquire appropriate sites deemed to be necessary for the welfare of the State's population.

Appropriate tax laws may well be in order.

New York has already moved in this direction.

I understand Vermont has taken first legal steps in this direction.

Congressman Hosmer and I have recommended to Governor Reagan and a California Assembly Committee on Space and Atomic Energy that similar action be taken in California.

#### FAST BREEDER PROGRAM

The second objective is a long range objective, but it requires a coordinated effort if it is to be achieved.

The most important challenge which faces us at this time is to develop a breeder reactor. It is of prime importance to the industry and to the future development of our nation.

It is important also to the burgeoning population of the world.

In my opinion, it is a far greater technological challenge than was the development of our present water reactors.

It will take more dollars. Industry cannot carry this massive research and development load alone.

We will be forced to rely on Federal financing for a major part of the needed dollars. Unless we have a united front of cooperative Committee, Commission and private industry support for the breeder program, we will not succeed.

This then is the great challenge. This is the game.

Unless we keep our eye on the ball and maintain our drive toward the goal, we will lose the game.

We cannot afford to block the quarterback. We cannot confuse the signals. We cannot fumble the ball.

Now gentleman, it is my intention to engage in some plain talk. I do so not in a spirit of antagonism, but in a spirit of deep conviction, based on twenty-three years of service on the Joint Committee and twenty-seven years in Congress pursuing legislative goals.

DIFFUSION PLANTS

You may recall that earlier in my statement—I said that there was "a time period when bitter division developed between members of the Joint Committee and between the Atomic Energy Commission and the Joint Committee."

That period was in 1954.

The issue was the Dixon-Yates proposal of the Eisenhower-Nixon Administration. It was presented to our Committee by the Chairman of the Atomic Energy Commission, Admiral Strauss, and his general manager. It had the backing of a substantial part of industry and the financial community.

Boiled down to its essentials the Dixon-Yates proposal would have used a national security formula, which allowed long term Federally guaranteed 25 year bonds backed by a Federal contract, to finance the Dixon-Yates private investor owned electrical generating plant costing 107 million dollars. It would have used the Federally owned T.V.A. system to transmit the power several hundred miles to Dixon-Yates customers in the city of Memphis, Tennessee.

The Dixon-Yates proposal collapsed under the pitiless glare of public exposure. But before it died, it split the Joint Committee and the Atomic Energy Commission on a partisan basis. It took a long time for the Committee to overcome the bitterness and division that proposal generated. It eventually led to the defeat of a Presidential nominee for a Cabinet position.

I foresaw the danger and warned the Republican Chairman of the Committee and the Commission against the Dixon-Yates proposal. My warning went unheeded. We all remember the result.

I believe I can see history trying to repeat itself. Another dangerous proposal is in the incubator, the sale of the three diffusion plants.

The Atomic Industrial Forum has been in the forefront in the development of plans for the disposition of the plants. I do not question their right of advocacy. I am sure they will not question my right to disagree. But, I can see another bitter division developing in the proposal to sell the gaseous diffusion plants. The resulting controversy will obstruct and delay the progress of atomic technology. Our energies will be diverted from our priority goal of developing the breeder reactor. We will be diverted by the controversy. We may fumble the ball. We may even lose the ballgame.

Why is this occurring? Why are we endangering the cooperation between the Committee, the Commission and industry?

Suddenly, we are told that it is urgent that these diffusion plants be placed in the private sector without delay. But I ask you, has this great new atomic industry been developed by free enterprise dollars? *Of course not.* Free enterprise has had its important part in nuclear development, but Federal tax dollars paid free enterprise contractors for their services. It has been a cooperative effort between the Federal Government and industry in all phases of the work—in research, development, construction and operation. These plants, represent an enormous taxpayer investment and every witness, without exception, acknowledged, in testimony before the Joint Committee, that these plants are among the most efficiently operated facilities in the world.

The Joint Committee is composed of men who believe in the free enterprise system as a goal. We have moved steadily toward that goal. We have gauged each move in relation to the status of this developing industry. We have worked toward a private mining and milling industry. We have moved toward the private ownership of enriched uranium as soon as circumstances permitted. We have encouraged and supported private research and development efforts in addition to the basic goal of building a private manufacturing and supply industry in the basic tradition of the free enterprise system.

I have talked to many people about the sale of the diffusion plants in the near future. Many have doubts, mostly on timing. Some have made their decisions on the basis of traditional belief in the theory of free enterprise—without, in my opinion, full knowledge and appreciation of remaining problems. I rather suspect some few may have reached their conclusions on the basis of what they stand to gain if they are lucky enough to participate with a select few in the windfall acquisition and monopolistic control of the jugular vein of the atomic industry.

In my opinion these few will have to wait.

Governmental actions take place today in a gold fish bowl. Every action faces critical challenge. Any action which even appears to conflict with the public interest will be criticized and if it does conflict with the broad public interest it will poison all who touch it.

The fuel material from these diffusion plants will be used in the main by investor-owned utilities. These utilities are governmentally supervised because they operate in a zone of monopoly franchise and in a zone of guaranteed, although limited, profits. They are not typical free enterprise operations, as we all know. They must justify their capital expenditures and their operational expenses, item by item to State or Federal Regulatory bodies. In my opinion most of these utilities have acted responsibly in recent decades. They have usually kept their rates at reasonable levels. Because their fuel costs are reflected in the price of every kilowatt, special consideration must be given to the price of nuclear fuel produced in Federally owned facilities.

These great diffusion plants cost a lot of money—taxpayers' money. They are the most modern separation plants in the world.

They are worth more than book value to the electrical rate payers of our country.

At the present time they are operating at only about 40 percent capacity but our best estimate is that they will be operating at 100 percent of their capacity in the latter half of the 70's.

Additional plant capacity will be needed thereafter. To have it available when needed we must start improvement and expansion of the present plants in the upcoming fiscal year. 130 million dollars should be included in the 1970–71 budget to start cascade improvement. Similar annual amounts or even more will be needed from 1971 to 1980. Such an investment cannot be justified on a short range basis by a private enterprise. It can be justified on a ten or twelve year operating period providing it is financed on a Federal cost of money basis. The product must be priced on a level which will defray costs or production and eventually capital retirement.

The stated intention of the Administration to sell the three diffusion plants in the near future is based on the ideological premise of turning over to private enterprise the one remaining link in the nuclear fuel cycle not in private hands. In my opinion it is premature to do so. It causes concern in the nuclear market place on the part of potential buyers of nuclear plants and manufacturers of nuclear reactors. It can interfere with a growing international market for U.S. reactor hardware.

We had better stop, look and listen before we are carried away with slogans or acquisitive greed.

We need some hard answers to some hard questions.

1. Is private industry really ready

a. to pay a fair market value for this total government plant and its back-up inventory of yellow cake and enriched uranium;

b. to start in 1970 a six or seven hundred million dollar cascade improvement program for the three plants over and above acquisition costs for the plants?

2. Can a private corporation assume the present international commitments for long-range fuel supply and make additional commitments under our "atoms-for-peace" program?

3. Will foreign customers have the confidence in business-to-business promises without the present Government-to-Government agreements?

4. Can free private enterprise honestly assure the Congress that competition will occur if

a. one owner purchases the three plants

b. three separate owners purchase the three plants?

These are only a few of the questions the proponents of sale will be required to face.

Under the present arrangement the industry is prospering.

Nuclear power plants are being purchased from the manufacturers. A wave of new orders are in sight.

The price of fuel is reasonable, and there is no question of fair distribution at *non-discriminatory* prices.

There has been no supportable claim that the plants are inefficient. They are being operated by top-flight private industrial companies.

The taxpaying, rate paying customers are receiving widespread benefits from their investment of public monies.

On the other hand a minimum distribution of benefits to the taxpayers would occur if a few corporate entities were allowed to establish a middleman's toll gate position between production of nuclear fuels and the ultimate buyers of electricity.

PROBLEMS IN FAST BREEDER REACTOR PROGRAM

As a member of the Joint Committee who has given dedicated service to the development of the uses of the peace time atom, I make this appeal to you today.

Keep your eye on the ball. Development of the fast breeder is of vital importance—

To industry,

To having an almost unlimited supply of electrical energy,

To meet the needs of an exploding population.

We can develop the fast breeder, only on the basis of heavy Government support—we will move forward on the basis of cooperation between the AEC, the Joint Committee and the private sector of industry and finance.

We are at a critical point at this time. Research and development funds are being cut across the board by the Administration. I do not have time to examine the ideological and economic justification for such cuts. I point at this time to the results in the breeder program. The Administration has been whittling away the fiscal year 1970 budget for the Liquid Metal Fast Breeder Reactor program from the $99 million originally requested by those responsible for the program to less than $85 million. And yet we are told that this program is the highest priority effort in our civilian power program.

Presidential Candidate Richard Nixon on October 5, 1968, in New York, in a speech entitled: "Research Gap Crisis in American Technology" opened up his comments by saying that energy was a prime requirement in our society. Then he said:

"With the goal of fulfilling that requirement, I believe we should step up the Atomic Energy Commission's breeder reactor project which could provide virtually inexhaustable energy at extremely low cost. At present this project is going forward very slowly although its promise for mankind is as great as any other likely development."

If this philosophy of cutting research and development for fiscal reasons, is duplicated in subsequent years, the fast breeder with its great promise, will *not* be successfully developed.

At this critical point we must make every

available research and development dollar count. For two reasons:

1. To obtain at present the maximum result from each available dollar.

2. To achieve steady constructive progress in order to justify increased Federal and industrial support in follow-on fiscal years.

How are we to maximize the results from each available dollar?

I am not satisfied with our progress in the fast breeder program.

My colleagues on the Committee are not satisfied.

Representatives of industry have told me that they are not satisfied.

Shortly after the first of the year, I intend to propose the establishment of a blue ribbon ad hoc Committee to analyze this current problem.

While I have no final announcement to make at this time, I can assure you that my proposal will receive serious study and I believe it will be approved by my colleagues on the Committee.

The Ad Hoc Committee should be small. It should be composed of not less than three nor more than five members. Each member must be of top capability and experience in fields directly related to analyzation of methods to solve advanced scientific problems. The Committee must have amongst its members strong engineering capability for bringing theoretical concepts into reality. It must have amongst its members a capability to specify top quality industrial standards to make fast breeder hardware.

We must use our great national laboratories in our priority programs but the national laboratories must affirm a new sense of mission and an intensity of dedication to the primary purpose for which the laboratories exist.

Unless we can attack the problems of the fast breeder with a concentration of interest—

We will be forced to conclude that the financial commitment must be channeled to more efficient activities.

I am hopeful that such a study by such a Committee will clarify the present cloudy situation.

I am hopeful that a clear set of recommendations can be given to our Committee—recommendations which will help us to make every appropriated dollar count, which will justify our Committee in requesting adequate dollars in future fiscal years.

In conclusion gentlemen,

I do not wish to belabor the points I have made.

I will reemphasize that we face a critical era in the 1970's.

We can stand still with the water reactor technology and fail to achieve the full potential of our nuclear fuel resources.

We can be diverted and divided from constructive cooperation. We can, if we choose, tilt our lances at windmills with the same ineffective results which Don Quiote had, or

We can unite in our efforts to achieve the breeder reactor and extract the maximum amount of energy from our nuclear fuels, thereby bequeathing to our progeny an almost unlimited supply of electrical energy.

## PINKVILLE—A PINK PROMOTION

(Mr. RARICK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RARICK. Mr. Speaker, with passage of time the alleged "Mylai massacre" is being brought into proper perspective and examined more closely. The people are questioning why a single incident of violence occurring during wartime in enemy territory has been so overwhelmingly blown out of proportion, and a manufactured significance for it impressed so insistently upon an unsuspecting American people.

The stories—the rumors, half-truths, innuendoes, hearsay and all—have been multiplied, expanded, embroidered, and manipulated in the lowest style of yellow journalism. Purported witnesses have been paid for their stories; yet any mention of bought witnesses is missing from the repeated reports. Nor is "Pinkville"—Mylai—described as a Communist guerrilla village known essentially as an enemy stronghold. Pinkville was a battle-ready enemy encampment, populated with crime-hardened and fanatical terrorists of all ages and sexes, and not an innocent farming village occupied by peasants peacefully engaged in tilling the soil.

The news media has made no effort to explain to those who have not experienced combat that the accepted conventional standards of behavior in the continental United States in peacetime cannot be compared to those in a country in the throes of a war—where even the simplest everyday activity may mean sudden death. Nor has the prolific media given any effort to explain to their readers and viewers the variance in the value of life to the Communists as compared with that found in our country. No one has informed our American housewives—who would probably faint at the sight of their teenager brandishing a gun—that the Communist guerrilla would unblinkingly boobytrap their own baby or arm a 5-year-old with a grenade and tell him to walk into American troops.

Now we learn that one Telford Taylor, promoted as an expert prosecutor because he worked at the Nuremberg war crimes trials, apparently has now turned expert on atrocities. The wire service, in discussing his background and qualifications conveniently omits any reference to his long history of involvement with communism and specific Communists in this country. He came to Washington in the early thirties and enjoyed the phenomenal success of becoming a senior attorney with the Agricultural Adjustment Administration just 2 years after his graduation from law school—even more remarkable considering this occurred in the middle of the depression. As an AAA attorney he enjoyed a close working relationship with such other Department of Agriculture employees as Alger Hiss and Lee Pressman—luminaries of the Ware cell engaged in Soviet espionage in the Department of Agriculture.

To supply the "in depth" coverage which the news media seems to have missed, I include news clippings and a biographicall sketch on Mr. Taylor which follow as part of my remarks:

[From the Manchester Union-Leader, Dec. 4, 1969]

MASSACRE STORY RUBBISH: AUSSIE

SONG MY, VIETNAM.—An Australian officer said yesterday the women of My Lai hamlet "knew how to cut throats and the children could strip down a weapon like professionals."

Capt. John Nelson, 26, a Special Forces adviser to South Vietnamese troops, said he thought reports of an American massacre against the civilians of My Lai were "rubbish."

I don't believe a massacre ever happened," Nelson told a newsman. "I've been in the field around here for four months, and this is the first I've heard of any massacre.

"The charges are rubbish. That place was in enemy territory. The women moved around at night and they knew how to cut throats and the children could strip down a weapon like professionals."

In Da Nang, Sen. Tran Van Don said his investigation was unable to come up with a conclusion that U.S. troops slaughtered civilians in May Lai in 1968. One difficulty in weighing evidence was the strong Viet Cong influence there, he added.

On the strength of what he had learned, Don said, he had formed no opinion on whether a massacre occurred or the extent of the killing if there was one.

[From the Christian Science Monitor, Dec. 1, 1969]

NÜRNBERG LESSON SEEN IN VIETNAM

NEW YORK.—An American prosecutor at the Nürnberg war crimes trials, asked to comment on the alleged massacre at My Lai, South Vietnam, says the lesson of Nürnberg is "really coming home to roost."

Attorney Telford Taylor said the Nürnberg trials of Nazis after World War II showed that atrocities were not committed by "individual monsters" but by "very, very ordinary people. And the terrible thing about it was that it showed ordinary people can get into circumstances where they behave in this fashion," he said.

"I'm afraid we're beginning to find the lesson driven home in a very direct way."

The Army has charged Lt. William Calley with the murder of 109 civilians "without justification or excuse" in an American sweep through My Lai March 16, 1968.

Mr. Taylor said the plea of being under orders was not recognized as a viable defense under American, British, or German military law. But, he said, "there are many circumstances where the soldier simply cannot be expected to know what the ins and outs and rights and wrongs of the thing are."

[From Human Events, Dec. 6, 1969]

THE "PINKVILLE MASSACRE"

The Red appeasement faction in this country is using the alleged "Pinkville massacre"—where American soldiers are said to have executed up to 500 innocent Viet Nam civilians in a Viet Cong stronghold—as a pretext to blacken the reputation of the United States and pressure the U.S. into hastening its troop withdrawals from South Viet Nam.

The liberal news media, including the New York *Times*, the New York *Post*, etc., are now suggesting or proclaiming there is no difference between the U.S. and the Viet Cong and are even likening America to Nazi Germany. Pete Hamill of the *Post* wrote that the government should sentence not only the handful of men responsible for Pinkville but "Lyndon Johnson, Hubert Humphrey, Walt Rostow, the Bundys and all the rest." The trial, he said, should be held in "a town called Nuremburg."

Yet experts on the subject of communism in the Nation's Capital classify these hysterical verbal outpourings by the liberals as so much self-serving hogwash. For one thing, it is pointed out, the U.S., unlike the Communists, has not made it a policy to murder innocent civilians. Quite the contrary.

Each American soldier in Viet Nam, in fact, is handed, upon arrival, special rules which are read to him twice a year and specifically oppose harsh treatment for civilians. One provision reads: "All practicable means will be employed to limit the risk to the lives and property of friendly forces and civilians; and to avoid the violation of operational and national boundaries. This directive will not be modified by subordinate commanders, nor will directives modifying or interpreting substantive rules in the directive be published by subordinate commands."

Another provision reads: "Mistreatment of

any captive is a criminal offense. Every soldier is personally responsible for the enemy in his hands. It is both dishonorable and foolish to mistreat a captive. It is also a punishable offense. . . . Fair treatment of captives encourages the enemy to surrender." These rules were in effect long before the alleged massacre.

Equally important, the U.S. Army—as far back as March—began vigorously investigating the incident, even to the point of sending investigators to Pinkville and preventing the discharge of Lt. William L. Calley, now charged with murdering 109 Viet Nam civilians. These actions were taken long before the press in recent weeks began to blow up the incident into a sort of American Buchenwald.

Assuming even all the charges against Lt. William Calley are true—and his side has yet to be heard from on the matter—the hard fact remains that such incidents are clearly isolated phenomena.

The Communists in Viet Nam, on the other hand, have not only engaged in isolated atrocities, but have made it official policy—as Communists have the world over—to engage in the murdering of hundreds of thousands of innocent men, women and children.

While the news media was playing up the Pinkville incident, a former North Vietnamese Army officer, Lt. Col. Le Xuyen Chuyen, who defected to the south after 21 years of Communist party leadership, revealed to a Scripps-Howard reporter in Saigon last week that the Communists had at least five million—*five million*—on what he called the Communists' "blood debt" lists.

Col. Chuyen declared that for every 100 on the lists 10 to 15 would pay with their lives, another 40 would be imprisoned and the rest would undergo "thought reform." Included on the lists are a million Catholic refugees who fled North Viet Nam, some two million South Vietnamese troops, government officials down to the hamlet level and paramilitary groups, more than 100,000 North Vietnamese and Viet Cong defectors, some 100,000 South Vietnamese working for the Americans and numerous elements of the "bourgeois" class.

Captured enemy documents substantiate the claim. "Even after the Fatherland is completely liberated the fight will continue, fierce and complicated," reads one such document. It continues: "Then the real tasks of eliminating reactionaries, informants, American henchmen, religionists, etc., will begin."

That massacres and atrocities have become official policy of the Communists in North Viet Nam has long been known. Ho Chi Minh systematically slaughtered an estimated half-million peasants during his land reform program in the '50s, while some 20,000 civilians, including village chieftains, priests, government officials, hospital workers, etc., have been murdered by the Reds since the Viet Cong unleashed their terror campaign in the south.

In relation to the Hue massacre, the Communists have boasted about their "execution squads" having systematically murdered some 3,000 civilians—men, women and children. A Red document called the Hue massacre a complete success, stating: "Hue was the place where reactionary spirit had existed for over 10 years. However, it only took us a short time to drain it to its roots." On April 27, 1969, a Hanoi radio broadcast boasted that the bodies then being discovered in the Hue area were "hooligan lackeys who had owed blood debts. . . ."

As one observer summed up the situation last week: "Only a liberal would fail to distinguish between what happened at Pinkville and the calculated atrocity policy of the Communists."

The newly formed Dispatch News Service, which generated such wide publicity for the "Pinkville massacre," is a propaganda medium for the New Left and its allies. Seymour Hersh, who helped set up the service, located in the National Press Building in Washington, has been the recipient of a $1,000 grant from the Philip M. Stern Foundation, a chief contributor to leftist causes. The "service" is also prepared to employ the writings of Prof. Seymour Melman, a unilateral disarmament advocate. It has also distributed to various newspapers a series on the Viet war by author Richard Barnet, co-director of the tax-exempt Institute for Policy Studies, a radical think-tank in Washington. (For more on IPS, See *Human Events*, October 25, page 8). Barnet, while visiting North Vietnam recently, was quoted by Hanoi radio on November 13 as welcoming a Communist victory in South Viet Nam. Hanoi radio quoted Barnet as saying to the North Vietnamese:

"In the few days that we've been in Hanoi and in the provinces, we have good reason not to despair and the message that we would bring back with us is the message that the Vietnamese will continue to fight against the aggressors, the same aggressors that we will continue to fight in our own country. . . ."

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[From American Opinion]

BIOGRAPHICAL DICTIONARY OF THE LEFT—VOLUME II

(By Francis X. Gannon)

Telford Taylor was born on February 24, 1908 in Schenectady, New York, son of Marcia Jones and John Taylor. He married Mary Walker. He is an alumnus of Williams College (A.B., 1928; A.M., 1932) and Harvard University (LL.B., 1932).

In 1928 and 1929, Taylor was an instructor in history and political science at Williams College. In 1932 and 1933, he was a law clerk to the U.S. circuit judge in New York.

In 1933, Taylor began a career in government service which lasted until 1952. He was an assistant solicitor in the U.S. Department of the Interior (1933–1934); a senior attorney with the Agricultural Adjustment Administration (1934–1935); an associate counsel to the U.S. Senate Committee on Interstate Commerce (1935–1939); a special assistant to Attorney General of the United States (1939–1940); and, general counsel to the Federal Communications Commission (1940–1942).

Taylor became a military intelligence officer in 1942. From 1945 until 1949, he worked at the "war crimes" trials as a staff member for the chief of counsel and as United States chief of counsel. In 1951 and 1952, he was the administrator of the Small Defense Plants Administration. Taylor was a visiting lecturer at Yale Law School and Columbia Law School; then, in 1963, he became a professor of law at Columbia. He is the author of *Sword and Swastika, Grand Inquest, The March of Conquest, and The Breaking Wave*. He has also practiced law.

Taylor has been a national board member of Americans for Democratic Action, the center of the radical left in American politics. He has been chairman of the National Committee for an Effective Congress, a group which, since 1952, has campaigned for and financed ultra-leftist candidates for the House and Senate. His activities in NCEC brought about this comment in "On the Left" (*National Review*, February 1, 1956): "This paper has been honored by the so-called National Committee for an Effective Congress. An appeal for funds, signed by Telford Taylor, asks for financial aid to combat the nefarious designs of 'the new, well-heeled publication, *National Review*.' When he was chief prosecutor at Nuremberg, Taylor was charged publicly by [U.S.] Senator [William] Langer [R.-N.D.] with maintaining a staff 'composed of leftists and men who have since been exposed as Communists and members of Communist front organizations.' At the same time [U.S.] Representative George Dondero [R.-Mich.] charged that Taylor's staff was 'loaded with Communists and fellow travellers.' Justice Curtis Shake of the Indiana Supreme Court accused Taylor and his staff of hasty and ill-conceived action in threatening witnesses and engaging in unauthorized searches. Dr. Theophil Wurm, German Protestant Bishop, stated that Taylor's prosecuting staff employed 'criminal methods and abominable tortures to obtain testimony and confessions.' The same charge was repeated by Judge E. Van Roden of Pennsylvania. The *Daily Worker* of May 11, 1947, insisted that Taylor was an 'honest prosecutor.'"

Taylor's continuing activities with the National Committee for an Effective Congress caused Donald J. Lambro to write in *Human Events* (July 1, 1967): "Telford Taylor . . . was associated with the defense of left-wing union leader Harry Bridges in 1953 and authored the book, *Grand Inquest*, an attack on congressional investigations of communism which was favorably reviewed in the *Daily Worker*. Taylor, in addition to defending Bridges, defended Junius Scales, North Carolina Communist Party chairman in 1956, on his appeal to the U.S. Supreme Court after conviction under the Smith Act. [Taylor's] defense of other leftist clients, including the Communist-controlled International Union of Mine, Mill and Smelter Workers in 1957, has won the applause of the *Daily People's World* and the *Daily Worker*.

"Taylor is known as '. . . a perennial champion of leftists, whose professional talents have aided such individuals as Harry Bridges, various Smith Act defendants and union moguls with asserted Communist leanings,' according to Edward J. Mowery of the *Newark* (N.J.) *Star Ledger*."

Mr. Mowery's comments came at a time when Taylor was being seriously mentioned as a possible head of the Central Intelligence Agency, sponsored by Walt Rostow who was then a special assistant for national security affairs to President Kennedy.

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## DR. SPOCK ADDRESSES COMMUNISTS—CALLS HIMSELF BENEDICT ARNOLD

(Mr. RARICK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RARICK. Mr. Speaker, the Constitution of the United States defines treason in reasonably plain terms for those who choose to read it.

Treason against the United States shall consist . . . in adhering to their enemies, giving them aid and comfort.

I assume that the soldiers of North Vietnam, who are busily engaged in killing Americans, are enemies of these United States.

I assume that an American citizen who takes it upon himself to journey to a foreign land, and there to address a cheering audience described as largely made up of Communists, for the purpose of raising funds to furnish medical aid to the enemy and encouraging hostile demonstrations on our border, is giving that enemy aid and comfort.

I assume that when this same American is quoted to the effect that "his main job" is to speak in the United States, that a prime concern of his is to raise money for the defense of draft dodgers, and that "we must end this war and we must end it in the United States" he is both adhering to the enemy and giving aid and comfort to him.

Dr. Benjamin Spock will again be in the news.

Mr. Speaker, at the end of this week the American people will again be ex-

posed to the sorry spectacle of the hard-core Communists leading innocent and brainwashed dupes by the hundreds in demonstrations favoring the enemy in Vietnam. While the easily led mobs demonstrate, get high on pot and break laws, commandments, and bank windows, worthwhile Americans are in combat.

So that our colleagues will not be misled by any of Dr. Spock's lofty pronouncements this weekend, I include in my remarks the perceptive reporting of his visit to Canada by two writers for the Vancouver, British Columbia, Province:

[From the Vancouver, (British Columbia, Canada) Province, Nov. 6, 1969]

WAR PROTEST MOVES URGED

(By Fred Curtin)

Dr. Benjamin Spock spelled out a four-point program Wednesday night for Canadians who want to take up the fight against the war in Vietnam.

Speaking to a capacity audience at Queen Elizabeth Theatre—that gave him four standing ovations, Spock said it is most important Canadians continue sending medical supplies to North Vietnam.

"This is something that we in the U.S. cannot do and these supplies are dearly needed."

He urged students to hold more border demonstrations such as the one last month to protest the nuclear test in the Aleutian Islands.

"Demonstrations like this get into our magazines and it is good for the Americans to read how our policy is despised in other countries."

He asked Canadians to write to U.S. newspapers stating their position on the war in Vietnam.

"You can either critize us delicately or really spew it out. Most Americans don't realize we are doing anything wrong."

But, most important of all, he urged Canadians to "keep pressure on your government to dissociate itself from U.S. policy.

"Canada has a better record for this than either New Zealand, Australia or even Great Britain.

"I know pressure has been put on your government, and I am sure Lyndon Johnson expressed it in a most thuggish manner."

Spock, who obviously is not used to speaking to audiences largely made up of Communists, made one glaring faux pas in his talk.

He told how Nixon was an active witch-hunter in his early political career. He then referred to some of Nixon's victims and said: "They are no more Communist than you or me."

AUDIENCE COOL

The response from the otherwise enthusiastic audience was decidedly cool.

Spock told how he campaigned for Johnson in the 1964 election because he was the obvious peace candidate.

"Johnson phoned me the morning after he was elected and said he hoped he would be worthy of my trust. Three months later he had made a monkey of all of us."

Spock said that although some polls show that 55 per cent of the Americans are against the war it is only because it has not been successful or has gone on too long.

"They don't see it as something immoral and illegal.

"As children believe in their parents, people believe in their leaders.

END IN THE UNITED STATES

"But we must end this war and we must end it in the U.S."

Then, Spock said, there must be some system to end all wars.

"I think that it is in strengthening the UN.

"But for now, we still have a long, hard row to hoe, especially with Nixon's new policy of Vietnamizing the war.

"This is what Kennedy proposed and Johnson tried to do. The only trouble is the war won't Vietnamize. All the good Vietnamese are on the other side."

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[From the Province, Vancouver, British Columbia, Canada, Nov. 6, 1969]

SPOCK SAYS NIXON CUT HIS OWN THROAT

(By Tony Eberts)

President Nixon's latest Vietnam policy speech has killed his chances of re-election, or even being a U.S. presidential candidate again, says famed baby doctor Benjamin Spock.

At a Vancouver International Airport interview Wednesday, Dr. Spock said he didn't know what group he was supposed to be speaking in support of here—"but I'm glad of any platform, and the truth is the truth whenever it's said."

He just shrugged his shoulders when told his sponsor for the Wednesday night meeting was the Committee for Vietnamese Tour and that he was sharing the platform with two Viet Cong "provisional government" officials.

"It looks to me as if the Vietnam war is going to go on for one or two more years," he told reporters, "until Nixon realizes, after his support drops to 20 per cent or so, that he has made a mistake.

"Any time the president says to the people 'we don't want to lose the war, do we?' a large number of people will go along for a while.

"But inevitably it will fall again, and this time the support is going to fall so low that Nixon will be unable to run again in the 1972 U.S. elections."

Then the tall, craggy baby doctor lashed out at American "police state laws" in dealing with Negroes and his own 1968 trial, when he was convicted of conspiring to counsel young men to avoid the draft. (An appeal court quashed the conviction this summer.)

"I think that militant black people know there is a police state for them," Dr. Spock said. "Local police, aided by FBI, lay false charges and enforce unfair laws . . . yet even the president's own committee on crime said the Chicago riot last was the fault of police."

He thanked former president Lyndon Johnson, however, "for convicting and jailing me and giving me a much stronger platform to speak from."

He said Nixon's program of gradual withdrawal of troops from Vietnam is just an effort to pull the wool over the eyes of young Americans, and the president's talk of support from a silent majority is "another self-delusion of his."

Asked about charges that he is acting like a traitor by fighting against the draft, condemning U.S. policy and appearing on platforms with North Vietnam-backed officials, Dr. Spock said:

"I'm a Benedict Arnold only if you assume that the war is to the benefit of the U.S. I think it is disastrous to the U.S. I am trying every means I can to stop the war because I'm a patriotic American."

He said he doesn't favor violence in his anti-Vietnam war programs, but he came out swinging against what he called "the namby-pamby doves who are afraid of getting their skirts soiled."

By this, he explained, he meant those who say they oppose the war, yet who won't risk their reputations or status in their opposition.

If he were president, Dr. Spock said, he would pull all U.S. troops out of Vietnam within a week.

"I don't think anything that could happen after we pull out could exceed the butchery going on in Vietnam with the U.S. in there," he said.

He said he has given up all hope of the Democratic party becoming liberal enough, or sufficiently divorced from big business, to carry out the sort of policies he and his supporters view as necessary.

"What the U.S. needs is some kind of anti-imperialist party," he said, "but frankly I don't see the slightest sign of it being formed."

Why come up to Canada to criticize U.S. policy?

"My main job is to speak in the U.S.," he said, "but support in opposition to the war from Canada is also valuable . . . I'm also trying to raise money for Vietnamese children."

In the U.S., he added, a prime concern of his is raising money to help young men, who refuse military service to fight their legal battles.

Many thousands of Americans have refused induction, he said, "but only a minority are prosecuted for there aren't facilities to prosecute them all."

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[From the Washington Post, Dec. 7, 1969]

PROTESTS PLANNED IN 40 CITIES

A coalition of 29 private groups announced plans yesterday for 40 town meetings here and throughout the nation this month and next to discuss the conflict between domestic needs and military spending.

The meetings, sponsored by the Coalition on National Priorities and Military Spending, were endorsed by Sam Brown, a leader of the Vietnam Moratorium Committee. Brown called on moratorium backers to participate.

The coalition, whose chairman is former Sen. Joseph S. Clark (D-Pa.), said its first town meeting will be held in Chicago today. A series of meetings is planned for the Washington area Dec. 12–19.

Clark said the aim is to allow each community to find out for itself how much of its federal tax money goes for military spending and "how much comes back for desperately needed programs."

Another objective is to assess unsatisfied needs in housing, health, transportation, pollution, sanitation, welfare, and other areas, and to determine the cost of meeting such needs.

Clark said he hoped testimony taken at the meetings could be sent to the President and Congress "to indicate that the silent majority wants the war ended and the military budget cut."

Most of the meetings here are scheduled during the Dec. 12–14 weekend. Moratorium activities have already been scheduled for Dec. 12 and 13, as well as Dec. 24.

The 29 peace, religious, labor and social action groups listed as affiliates of the coalition include Americans for Democratic Action, American Friends Service Committee, the Southern Christian Leadership Conference and the United Auto Workers.

Describing the coalition as including some "establishment types," Clark said, "We feel a bridge has now been made with youth by having the leadership of the moratorium" join in sponsoring the meetings.

A "town meeting" in Room 2175 of the Rayburn Building Friday is to serve as kick-off for several meetings throughout the Washington area, said Frederick T. Merrill Jr., coordinator of the D.C. Coalition.

Merrill said community leaders and representatives will testify on the city's needs at the 10 a.m. meeting.

Several members of the House District Committee have been invited to hear the testimony, he said.

Brown, co-chairman of the Moratorium, said that in some cities the meetings will serve as the only moratorium-related activity this month.

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[From the Washington Star, Dec. 7, 1969]

ANTI-WAR GROUPS BRIDGE GAP

(By David Braaten)

The generation gap was bridged for some peace groups at a joint press conference yesterday of the Vietnam Moratorium Commit-

tee and the Coalition on National Priorities and Military Policy.

The bridging was announced by former Sen. Joseph S. Clark of Pennsylvania, chairman of the Coalition. He said "Establishment types" in such organizations as the one he heads (United World Federalists) had established the bridgehead to what he called "intelligent, meaningful youth."

The latter was represented by Sam Brown of the Moratorium, who, while not exactly seconding Clark's statement, at least acknowledged that the Moratorium was going to cooperate with the Coalition's 29 organizations in the "town meetings" planned for next Saturday and Sunday.

GOTTLIEB IN BETWEEN

Somewhere in between was Sanford Gottlieb, executive director of the Society for a Sane Nuclear Policy. Younger than Clark, older than Brown, Gottlieb explained that the purpose of the town meetings scheduled throughout the country next week is to unite "at a grass roots level" all organizations with a common interest in reversing the trend of military spending and putting resources where they think they can do more good.

Brown pledged Moratorium support for the town meetings, and said that no peace demonstration was planned for Washington, certainly not on the scale of last month's march.

Brown announced another press conference for next Tuesday, at a time and place to be announced. When a reporter asked about the possibility of the Coalition or the Moratorium or both forming a third national party, Brown said enigmatically: "I will deal with that at the Tuesday press conference."

For his part, Clark said he was certain the Coalition wasn't giong to support a third party. The Coalition is strictly bipartisan, he said. In fact, he added, the United World Federalists are "loaded with Republicans; we need them, we want to keep them, they're very useful to us."

Asked about the alleged massacre of Vietnam civilians in My Lai, the three leaders gave slightly different responses. Brown said it was a national tragedy which should not be exploited politically. Clark said it was "one more ball of lead" around the Army's neck, helping to prove the Army's "incompetence." Gottlieb said the massacre put not only the Army on trial, but also the civilians who sent the troops to Vietnam—"Johnson, McNamara, Rostow, Bundy." The people at the top should not escape scrutiny, he said.

## LEAVE OF ABSENCE

By unanimous constent, leave of absence was granted as follows to:

Mr. EILBERG (at the request of Mr. ALBERT), for today, on account of official business.

Mr. Moss, for the period from 4 p.m., December 17 through January 2, 1970, on account of official business.

Mr. BLACKBURN (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. RIEGLE (at the request of Mr. GERALD R. FORD), for the week of December 8, on account of illness.

Mr. WYDLER (at the request of Mr. GERALD R. FORD), for December 8 and 9 on account of illness in family.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PUCINSKI, for 30 minutes, today.

(The following Members (at the request of Mr. HASTINGS); to revise and extend their remarks and include extraneous material:)

Mr. RAILSBACK, for 30 minutes, today.

Mr. SCHWENGEL, for 15 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. STOKES); to revise and extend their remarks and include extraneous material:)

Mr. CLARK, for 15 minutes, today.

Mr. REUSS, for 20 minutes, today.

Mr. SLACK, for 15 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

Mr. KOCH, for 60 minutes, December 10.

Mr. PODELL, for 60 minutes, December 11.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PHILBIN in five instances and to include extraneous matter.

(The following Members (at the request of Mr. HASTINGS) and to include extraneous material:)

Mr. MCDONALD of Michigan.
Mr. VANDER JAGT.
Mr. HALL.
Mr. PELLY in two instances.
Mr. ROUDEBUSH in four instances.
Mr. DUNCAN in two instances.
Mr. WHITEHURST.
Mr. WYMAN in two instances.
Mr. FOREMAN in two instances.
Mr. MIZELL in two instances.
Mr. DELLENBACK.
Mr. DERWINSKI in four instances.
Mr. AYRES.
Mr. FREY.
Mr. SCHERLE.
Mr. ZWACH.
Mr. LIPSCOMB.
Mr. ASHBROOK.
Mr. ARENDS.
Mr. BURTON of Utah.
Mr. HALPERN in two instances.
Mr. MCKNEALLY.
Mr. COLLINS in two instances.
Mr. LANDGREBE.
Mr. THOMPSON of Georgia.
Mr. BUTTON.
Mr. BURKE of Florida.
Mr. WIDNALL.
Mr. BRAY in two instances.
Mr. BOB WILSON.

(The following Members (at the request of Mr. STOKES) and to include extraneous material):

Mr. BOLLING in three instances.
Mr. MCFALL in two instances.
Mr. WILLIAM D. FORD in two instances.
Mr. FASCELL in two instances.
Mr. EVINS of Tennessee in three instances.
Mr. DINGELL in two instances.
Mr. BLATNIK.
Mr. FRASER in three instances.
Mr. ALBERT in two instances.
Mr. CHARLES H. WILSON.
Mr. RODINO in two instances.
Mrs. MINK.
Mr. STOKES in two instances.
Mr. OTTINGER.
Mr. WOLFF in five instances.
Mr. Moss in three instances.
Mr. MONAGAN in two instances.
Mr. PICKLE in two instances.
Mr. RARICK in four instances.
Mr. SLACK.
Mr. HUNGATE in two instances.
Mr. DULSKI in three instances.
Mr. MOORHEAD in four instances
Mr. PUCINSKI in 10 instances.
Mr. BURTON of California.
Mr. GONZALEZ in two instances.
Mr. BINGHAM in two instances.
Mr. HOLIFIELD.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2325. An act to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18; to the Committee on Post Office and Civil Service.

S. 2869. An act to revise the criminal law and procedure of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

## SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 118. An act to grant the consent of the Congress to the Tahoe regional planning compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes.

## ENROLLED JOINT RESOLUTION SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 1017. Joint resolution making further continuing appropriations for the fiscal year 1970, and for other purposes.

## BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on December 4, 1969 present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H.R. 14159. An act making appropriations for public works for water, pollution control, and power development, including the Corps of Engineers-Civil, the Panama Canal, the Federal Water Pollution Control Administration, the Bureau of Reclamation, power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1970, and for other purposes; and

H.J.Res. 1017. Joint resolution making further continuing appropriations for the fiscal year 1970, and for other purposes.

## ADJOURNMENT

Mr. STOKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Tuesday, December 9, 1969 at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1390. A letter from the National Adjutant, Disabled American Veterans, transmitting the annual report of proceedings and the audit of the Disabled American Veterans for the year ended June 30, 1969, pursuant to the provisions of Public Law 249, 77th Congress (H. Doc. No. 91–201); to the Committee on Veterans' Affairs and ordered to be printed with illustrations.

1391. A letter from the Comptroller General of the United States, transmitting a report of observations on the Agency for International Development's administration of the excess property program in Kenya and Pakistan Department of State; to the Committee on Government Operations.

1392. A letter from the Comptroller General of the United States, transmitting a report on the need to improve project transition management by the Department of Defense; to the Committee on Government Operations.

1393. A letter from the Comptroller General of the United States, transmitting a report on management of the Project One Hundred Thousand program of the Department of the Army; to the Committee on Government Operations.

1394. A letter from the Comptroller General of the United States, transmitting a report on opportunities to improve management of primate research centers supported by the National Institutes of Health, Department of Health, Education, and Welfare; to the Committee on Government Operations.

1395. A letter from the Archivist of the United States, transmitting a report of records proposed for disposal under the law; to the Committee on House Administration.

1396. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act to provide for special project grants for the provision of family planning services and related research, training, and technical assistance; to the Committee on Interstate and Foreign Commerce.

1397. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Mental Retardation Facilities Construction Act to extend and improve the provisions thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

1398. A letter from the Special Assistant to the President for Consumer Affairs, transmitting a draft of proposed legislation to assist consumers in evaluating products by promoting development of adequate and reliable methods for testing characteristics of consumer products; to the Committee on Interstate and Foreign Commerce.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

*(Pursuant to the order of the House on December 4, 1969, the following report was filed on Dec. 5, 1969.)*

Mr. MILLS: Committee on Ways and Means. H.R. 15095. A bill to amend the Social Security Act to provide a 15-percent across-the-board increase in benefits under the old-age, survivors, and disability insurance program; without amendment (Rept. No. 91–700). Referred to the Committee of the Whole House on the State of the Union.

*[Submitted December 8, 1969]*

Mr. DAWSON: Committee on Government Operations. Debt collection operations of the Department of Justice (Rept. 91–701). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on Foreign Affairs. Senate Joint Resolution 90. Joint resolution to enable the United States to organize and hold a diplomatic conference in the United States in fiscal year 1970 to negotiate a Patent Cooperation Treaty and authorize an appropriation therefor; without amendment (Rept. No. 91–702). Referred to the Committee of the Whole House on the State of the Union.

Mr. FALLON: Committee on Public Works. H.R. 14944. A bill to authorize an adequate force for the protection of the Executive Mansion and foreign embassies, and for other purposes; with amendments (Rept. No. 91–703). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 14956. A bill to amend the Tariff Act of 1930—to extend the duty free treatment of certain dyes; with amendments (Rept. No. 91–704). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 15071. A bill to continue for 2 additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones; without amendment (Rept. No. 91–705). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 740. Resolution for consideration of H.R. 15095. A bill to amend the Social Security Act to provide a 15-percent across-the-board increase in benefits under the old-age, survivors, and disability insurance program (Rept. No. 91–706). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 741. Resolution for consideration of S. 740, an act to establish the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes (Rept. No. 91–707). Referred to the House Calendar.

Mr. PASSMAN: Committee on Appropriations. H.R. 15149. A bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes (Rept. No. 91–708). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROONEY of New York: Committee of Conference. Conference report on H.R. 12964 (Rept. No. 91–709). Ordered to be printed.

Mr. O'NEILL of Massachusetts: Committee on Rules. House Resolution 742. Resolution for consideration of H.R. 15149. A bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes (Rept. No. 91–710). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DANIEL of Virginia:

H.R. 15112. A bill to repeal several obsolete sections of title 10. United States Code, and section 208 of title 37, United States Code; to the Committee on Armed Services.

H.R. 15113. A bill to prohibit the use of the name of any of certain deceased servicemen unless consent to so use the name is given by the next-of-kin of the serviceman; to the Committee on the Judiciary.

By Mr. FRASER:

H.R. 15114. A bill to amend the Social Security Act to provide increases in benefits under the old-age, survivors, and disability insurance program, to provide health insurance benefits for the disabled, and for other purposes; to the Committee on Ways and Means.

H.R. 15115. A bill to amend the Social Security Act to provide a 15-percent across-the-board increase in benefits under the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 15116. A bill to amend the Food Stamp Act of 1964; to the Committee on Agriculture.

By Mr. KING:

H.R. 15117. A bill providing for Federal railroad safety; to the Committee on Interstate and Foreign Commerce.

By Mr. McCULLOCH:

H.R. 15118. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the founding of Ohio Northern University; to the Committee on Banking and Currency.

By Mr. MATSUNAGA:

H.R. 15119. A bill to amend section 8340 of title 5, United States Code, to provide a 5-percent increase in certain annuities; to the Committeee on Post Office and Civil Service.

By Mr. MATSUNAGA (for himself, Mr. CONYERS, Mr. KOCH, and Mr. REES):

H.R. 15120. A bill to repeal the law prohibiting abortions in the District of Columbia; to the Committee on the District of Columbia.

By Mr. O'KONSKI:

H.R. 15121. A bill to prohibit the use of the name of any of certain deceased servicemen unless consent to so use the name is given by the next-of-kin of the serviceman; to the Committee on the Judiciary.

H.R. 15122. A bill to amend title II of the Social Security Act to permit the computation of benefits thereunder on the basis of the worker's 3 years of highest earnings; to the Committee on Ways and Means.

By Mr. O'NEILL of Massachusetts:

H.R. 15123. A bill to impose an additional excise tax on cigarettes, with the proceeds being used for cancer research programs through a newly established Cancer Research Fund; to the Committee on Ways and Means.

By Mr. RAILSBACK (for himself, Mr. ADDABBO, Mr. ANDERSON of Illinois, Mr. ANDREWS of North Dakota, Mr. ANNUNZIO, Mr. AYRES, Mr. BIAGGI, Mr. BINGHAM, Mr. BOLAND, Mr. BROCK, Mr. BUCHANAN, Mr. BURKE of Florida, Mr. BURTON of California, Mr. BUSH, Mr. BUTTON, Mr. BYRNES of Wisconsin, Mr. CAHILL, Mr. CEDERBERG, Mr. CLAY, Mr. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. CORBETT, Mr. CORMAN, and Mr. COWGER):

H.R. 15124. A bill to amend title 18 of the United States Code by adding a new chapter 404 to establish an Institute for Continuing Studies of Juvenile Justice; to the Committee on the Judiciary.

By Mr. MIKVA (for himself, Mr. CUNNINGHAM, Mr. DADDARIO, Mr. DELLENBACK, Mr. EDWARDS of California, Mr. ERLENBORN, Mr. ESCH, Mr. FINDLEY, Mr. FISH, Mr. FRELINGHUYSEN, Mr. FULTON of Pennsylvania, Mr. FULTON of Tennessee, Mr. HALPERN, Mr. HANNA, Mr. HECHLER of West Virginia, Mrs. HECKLER of Massachusetts, Mr. HELSTOSKI, Mr. HOWARD, Mr. HUNGATE, Mr. JACOBS, Mr. KLEPPE, Mr. KUYKENDALL, Mr. LOWENSTEIN, Mr. McCLOSKEY, and Mr. McDADE):

H.R. 15125. A bill to amend title 18 of the

United States Code by adding a new chapter 404 to establish an Institute for Continuing Studies of Juvenile Justice; to the Committee on the Judiciary.

By Mr. BIESTER (for himself, Mr. MCDONALD of Michigan, Mr. MCKNEALLY, Mr. MACGREGOR, Mr. MADDEN, Mr. MANN, Mr. MATSUNAGA, Mr. MESKILL, Mr. MICHEL, Mr. MOSHER, Mr. MOSS, Mr. MYERS, Mr. OTTINGER, Mr. PELLY, Mr. PETTIS, Mr. PODELL, Mr. PRICE of Illinois, Mr. QUIE, Mr. REES, Mr. RIEGLE, Mr. RODINO, Mr. ROTH, Mr. RUPPE, Mr. RUTH, and Mr. ST. ONGE):

H.R. 15126. A bill to amend title 18 of the United States Code by adding a new chapter 404 to establish an Institute for Continuing Studies of Juvenile Justice; to the Committee on the Judiciary.

By Mr. SANDMAN (for himself, Mr. SCHEUER, Mr. SCHNEEBELI, Mr. SMITH, of New York, Mr. STEIGER of Wisconsin, Mr. STOKES, Mr. SYMINGTON, Mr. TAFT, Mr. THOMPSON of Georgia, Mr. TIERNAN, Mr. WIGGINS, Mr. CHARLES H. WILSON, Mr. WYATT, and Mr. MURPHY of Illinois):

H.R. 15127. A bill to amend title 18 of the United States Code by adding a new chapter 404 to establish an Institute for Continuing Studies of Juvenile Justice; to the Committee on the Judiciary.

By Mr. RIVERS:

H.R. 15128. A bill to provide that the antitrust law exemption for agreements by professional sports leagues relating to telecasting of sports contests involving their members will not apply to an agreement which prohibits the telecasting in the home territory of a league member of a sports contest involving such member which has been sold out more than 3 days before the day on which it is to be played; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 15129. A bill to amend the Social Security Act to provide increases in benefits under the old-age, survivors, and disability insurance program, to provide health insurance benefits for the disabled, and for other purposes; to the Committee on Ways and Means.

By Mr. WHALLEY:

H.R. 15130. A bill to amend title 10 of the United States Code to provide that members of the Army who have been wounded a certain number of times in Vietnam may not be involuntarily reassigned to combat in Vietnam for a certain period; to the Committee on Armed Services.

By Mr. BARING:

H.R. 15131. A bill to declare that certain federally owned lands in the State of Nevada are held by the United States in trust for Reno-Sparks Indian Colony, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H.R. 15132. A bill to implement the Convention on the Recognition and Enforcement of Foreign Arbitral Awards; to the Committee on the Judiciary.

By Mrs. CHISHOLM:

H.R. 15133. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. CRAMER:

H.R. 15134. A bill to amend the River and Harbor Act of 1960 and the Act of August 13, 1946, to increase certain authorizations with respect to small projects; to the Committee on Public Works.

H.R. 15135. A bill to amend the Public Health Service Act to extend for 3 years the program relating to heart diseases, cancer, stroke, and related diseases; to authorize training and clinical demonstration programs for related chronic diseases; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GREEN of Pennsylvania:

H.R. 15136. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. JARMAN:

H.R. 15137. A bill to amend the Clean Air Act to authorize appropriations to carry out such act through fiscal year 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. LANGEN:

H.R. 15138. A bill to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance program, provide for automatic benefit increases thereafter in the event of future increases in the cost of living, provide for future automatic increases in the earnings and contribution base, and for other purposes; to the Committee on Ways and Means.

By Mr. MCCLOSKEY:

H.R. 15139. A bill to create marine sanctuaries from leasing pursuant to the Outer Continental Shelf Lands Act in areas off the coast of California adjacent to State-owned submerged lands when such State suspends leasing of such submerged lands for mineral purposes; to the Committee on Interior and Insular Affairs.

By Mr. MONAGAN:

H.R. 15140. A bill to provide for a coordinated national boating safety program; to the Committee on Merchant Marine and Fisheries.

By Mr. RANDALL:

H.R. 15141. A bill to amend title II of the Social Security Act to increase, in the case of individuals having 40 or more quarters of coverage, the number of years which may be disregarded in computing such individual's average monthly wage, and to provide that, for benefit computation purposes, a man's insured status and average monthly wage will be figured on the basis of an age-62 cutoff (the same as presently provided in the case of women); to the Committee on Ways and Means.

By Mr. RIVERS:

H.R. 15142. A bill to authorize any former Chairman of the Joint Chiefs of Staff to recompute his military retired pay under certain circumstances; to the Committee on Armed Services.

H.R. 15143. A bill to amend title 10, United States Code, to provide the grade of lieutenant general for an officer serving as the chief of the National Guard Bureau, and for other purposes; to the Committee on Armed Services.

By Mr. ROUDEBUSH:

H.R. 15144. A bill to amend the Tariff Schedules of the United States with respect to the rate of duty on whole skins of mink; to the Committee on Ways and Means.

By Mr. WHALLEY:

H.R. 15145. A bill to amend the Social Security Act to provide a 15-percent across-the-board increase in benefits under the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. CONYERS (for himself, Mr. DIGGS, Mr. EDWARDS of California, Mr. KASTENMEIER, Mr. MIKVA, and Mr. RYAN):

H.R. 15146. A bill to prohibit certain prerequisites to the right to vote in Federal, State, and local elections; to the Committee on the Judiciary.

By Mr. DINGELL:

H.R. 15147. A bill to amend the Marine Resources and Engineering Development Act of 1966 to establish, within the Department of the Interior, a comprehensive and long-range national program of research, development, technical services, exploration, and utilization with respect to our marine and atmospheric environment; to the Committee on Merchant Marine and Fisheries.

H.R. 15148. A bill to amend the Marine Resources and Engineering Development Act of 1966 to establish within the Department of the Interior a comprehensive program with respect to oceanographic and atmospheric research, development, and exploration; to the Committee on Merchant Marine and Fisheries.

By Mr. PASSMAN:

H.R. 15149. A bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes.

By Mr. CORMAN:

H.J. Res. 1021. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. MOSS:

H.J. Res. 1022. Joint resolution authorizing the President to proclaim the period February 8 through February 14, 1970, as "Active 20–30 Week"; to the Committee on the Judiciary.

By Mr. ROUDEBUSH:

H.J. Res. 1023. Joint resolution proposing an amendment to the Constitution of the United States relative to equal right for men and women; to the Committee on the Judiciary.

By Mr. VAN DEERLIN:

H.J. Res. 1024. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. FOREMAN:

H. Con. Res. 464. Concurrent resolution providing for congressional recognition of the Goddard Rocket and Space Museum; to the Committee on Science and Astronautics.

By Mr. DELLENBACK:

H. Res. 743. Resolution establishing a Select Committee on Congressional Mailing Standards; to the Committee on Rules.

By Mr. DENT:

H. Res. 744. Resolution providing for the printing of the proceedings in the Committee on House Administration incident to the presentation of a portrait of the Honorable Samuel N. Friedel; to the Committee on House Administration.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. FREY introduced a bill (H.R. 15150) for the relief of Godfrey Stewart Gray, which was referred to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

349. By the SPEAKER: Petition of Henry Stoner, York, Pa., relative to congressional representation for the District of Columbia; to the Committee on the District of Columbia.

350. Also, petition of Allan Feinblum, New York, N.Y., relative to Vietnam; to the Committee on Foreign Affairs.

351. Also, petition of Mrs. Geraldine M. Williams, et al., Lynden, Wash., relative to appointments to the U.S. Supreme Court; to the Committee on the Judiciary.

# EXTENSIONS OF REMARKS

## SWEET ADELINES VISIT HAWAII

### HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mrs. MINK. Mr. Speaker, one of my most pleasant recent activities was to welcome the 23d annual International Sweet Adeline Convention and Quartet Competition to Hawaii. Prior to the convention a group of members visited with me to discusss plans and preparations for their visit to my State, and at that time I extended the hospitality of Hawaii to the entire membership.

I was especially pleased that the convention was a great success and wish the Sweet Adelines every good fortune in the future.

The organization is sometimes described as the female equivalent of the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America. At this point in the RECORD I am pleased to insert my remarks concerning the Sweet Adelines visit to Hawaii, along with letters to the editor of the Honolulu Advertiser and Honolulu Star Bulletin, published in the November 26 and November 27 issues, respectively:

STATEMENT BY REPRESENTATIVE PATSY T. MINK

I am proud that the Diamond Head Chapter of Sweet Adelines, Inc., Honolulu, Hawaii, will hostess the Twenty-third Annual International Sweet Adeline Convention and Quartet Competition, October 29 through November 2, 1969.

Sweet Adelines, Inc. is an international, non-profit independent, educational and service organization with approximately 20,000 women dedicated to the promotion, instruction and enjoyment of 4-part barbershop style close harmony for women. Their Theme is "Harmonize The World".

Five hundred active chapters exist through the United States, Canada and the Panama Canal Zone. Chapter members attend regularly scheduled chorus rehearsals. Quartets are formed within each chapter.

A community service organization, Sweet Adelines offer their specialized chorus and quartet talent for entertainment at civic events and charitable functions. In addition, the group strives to promote harmony—both vocally and spiritually—among all women.

The members maintain and support a staffed international headquarters at Tulsa, Oklahoma, where the organization was formed in 1947. The International President is Mrs. Helen Ryan of Decatur, Illinois.

Sweet Adelines, Inc. publishes its own magazine, musical arrangements and instructional items. International conventions, competitions, music schools and regional meetings are held on a regularly scheduled basis.

Convention activities will begin on Sunday, October 26, when the 13-women International Board of Directors begins its three-days of meetings held for conducting the business of the organization.

The Regents of each of the 15 geographical regions of Sweet Adelines will meet concurrently for the purpose of exchanging ideas in regard to governing the individual regions.

The highlight of the Convention will be the Quartet Competition for the selection of the 1969 "Queens of Harmony" on Saturday, November 1, 1969. The Quartet Competition will be held at the beautiful Honolulu International Center.

In order to be eligible to compete in the International Quartet Competition, each quartet must have placed first or second in quartet competitions on the regional level. Each of the 15 geographic regions has quartet competition in the spring of each year, producing its regional chorus champions as well as representatives for the International Quartet Competition. This year will see approximately 43 quartets from all over the country vieing for the title "Queens of Harmony".

Quartets are judged in the categories of music, sound, expression and showmanship by a panel of organizationally trained judges—one in each category for regional competition. The regional championship chorus is judged in the same categories. For the International Quartet Competition, there are three judges per category.

"Queens of Harmony" is the quartet accumulating the most points during the competition session. All quartets sing in Quartet Finals, Thursday, October 27. The 20 placing highest, compete on Friday, October 28 in the Semi-Finals, and the 10 with the highest scores compete in Saturday's Finals. The "Queens of Harmony", during their year's reign will sing on shows throughout the country, and many of these quartets have entertained our servicemen overseas.

This is the first time a Sweet Adeline Convention has been held in Hawaii. For many of the Sweet Adelines, who represent the women of our Nation, it will be their first look at the beautiful Aloha State. These women, from all walks of life—teachers, nurses, homemakers, secretaries, professionals, all have a common bond: a love of music and harmony.

The Diamond Head Chapter has a membership of approximately 40 active women, whose President is Carmela Blank of Honolulu. The Chorus is directed by Pat Chellin of Honolulu.

The Diamond Head Chapter has worked hard to insure a successful convention and have arranged tours for their sister Sweet Adelines to the many beautiful islands and monuments in our 50th State. I am confident that the Sweet Adelines will leave this Convention with dreams of a return visit.

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[From the Honolulu Advertisers, Nov. 26, 1968]

SONG OF APPRECIATION

The 40 women whose views are represented in this letter are among the proudest and happiest residents of Hawaii. We are the Diamond Head Chorus, only Hawaii chapter of Sweet Adelines, Inc., the four-part harmony organization for women that recently concluded its week-long International Convention and Quartet Competition at the Ilikai and the H.I.C. Concert Hall.

As hostesses for the more than 2,000 members and guests who came from the Mainland for this convention, we had told them about the "Aloha Spirit" before they came. We are thrilled and happy to report that the cordial welcome and warm personal experiences they had while here said much more about Hawaii's aloha than all the words we used . . .

Though our medium is normally music, this letter will have to serve as our sincere thanks to your readers for whatever part they may have had in our visitors' enthusiasm. We are enormously proud, grateful and eager to sing you our thanks next time you hear us.

Mrs. VIRGIL BLANK,
*President.*
Mrs. ALFRED STORY,
*General Chairman, 1969 Convention.*
Mrs. RAYMOND ENGLE,
*Cochairman, Public Relations.*

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[From the Honolulu Star-Bulletin, Nov. 27, 1969]

HAPPY ADELINE

Sir: The 40 women whose views are represented in this letter are among the proudest and happiest residents of Hawaii We are the Diamond Head Chorus, only Hawaii chapter of Sweet Adelines, Inc., the four-part harmony organization for women that recently concluded its week-long International Convention and Quartet Competition at the Ilikai and the H.I.C. Concert Hall.

As hostesses for the more than 2,000 members and guests that came from the Mainland for this Convention, we had told them about the "Aloha Spirit" before they came. We are thrilled and happy to report that the cordial welcome and warm personal experiences they had while here said more about Hawaii's aloha than all the words we used.

Perhaps because Sweet Adelines are singers they are fun to have around. The stories many told us about outstanding thoughtfulness and unusual generosity shown by our people in Hawaii warmed and cheered us and made so so proud Hawaii is our home! And their standing ovation when we presented our Salute to Hawaii's Music demonstrated the aloha THEY have for us and for you!

Though our medium is normally music, his letter will have to serve as our sincere thanks to your readers for whatever part they may have had in our visitors' enthusiasm. We are enormously proud, grateful and eager to SING you our thanks next time you hear us!

Mrs. VIRGIL BLANK,
*President.*
Mrs. ALFRED STORY,
*General Chairman, 1969 Convention.*
Mrs. RAYMOND ENGLE,
*Cochairman, Public Relations.*

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## PRAYER BREAKFAST ADDRESS BY SENATOR TALMADGE

### HON. B. EVERETT JORDAN

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

*Monday, December 8, 1969*

Mr. JORDAN of North Carolina. Mr. President, a few days ago I had the privilege and pleasure of attending a prayer breakfast at which the distinguished Senator from Georgia (Mr. TALMADGE) was the leader and speaker.

His remarks were so inspiring and timely that I thought as many people as possible should have the opportunity to read and ponder them. I, therefore, ask unanimous consent that they be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR TALMADGE

Americans are now in the midst of a time for giving and receiving. But more than

that, this is a time for brotherhood when people the world over pray for peace and good will.

Last week, we sat at the table of great abundance and offered thanks for God's blessings on each of us and on this nation. We took time from our work to recognize that all good things come from God . . . to acknowledge what God has meant to the American nation . . . and to seek Divine Guidance in all the things yet to be done.

From Thanksgiving on, we move into the holy season of Christmas, when we proclaim our faith in the Christ child and in the hope that He brought to mankind.

Thanksgiving and Christmas are times to think seriously of the heritage of America. It is a religious heritage. It is based on the ideal that "blessed is the nation whose God is the Lord."

So it has been since the Founding Fathers first touched these shores. So it is today, when the power and the influence of the United States reaches to every corner of the world.

God governs in the affairs of men and state. During this season . . . especially at this critical period in American history . . . all of us would do well to strengthen our vow never to depart from this principle.

Because these are times that demand courage and conviction, perhaps greater than ever before, let us also pray for a renewal of faith.

And in so doing, may we invoke inspiration from the deeply religious men of God who set the course for this nation, that has come to be the most free and prosperous in all history.

Let us call forth the statesmanship of George Washington, who paid homage in his First Inaugural Address "to the Great Author of every public and private good."

Let us endeavor to re-kindle the patriotism of Patrick Henry, who preferred liberty over life, and who knew that the American colonists could call upon a strength far greater than their own.

Let us nurture the wisdom of Benjamin Franklin, the oldest and wisest of the framers of the Constitution. Major William Pierce, a Georgia delegate to the Constitutional Convention, wrote thumbnail sketches of his contemporaries. He said of Franklin:

"All the operations of nature he seems to understand, the very heavens obey him, and the clouds yield up their lightning to be imprisoned in his rod."

People throughout all the world and this nation could profit today from the reverence of this great man.

The American society has changed much since Franklin's day.

As we continue to grow and prosper, it will always be subject to change, some of it rapid and even drastic. So advanced has our society become, that we can now reach into the very heavens themselves, and just last week men returned from a second voyage to the moon.

But in spite of all of this, the principles in which Franklin believed and to which he dedicated his life and soul are the same today as they were more than 200 years ago when this nation was being founded. In fact, they are the same today as they were when pronounced to Moses atop Mt. Sinai.

Principles of morality . . . personal conduct . . . and individual responsibility . . . of right and wrong . . . Godliness . . . stand like a rock for all ages.

I say this in full recognition of the fact there are movements afoot in this country that have to do with a so-called "new morality." Many of the followers of this doctrine say down with the old, and up with the new.

I say, my friends, that if this country needs anything today, it needs above all to return to what we cherish as the "old morality."

In the midst of record prosperity . . . at the pinnacle of unparalleled national greatness . . . and for all our freedom I know of no other time in modern history when such strife and discord and even violence, were rampant in the land.

I am reminded of the words of the angel Gabriel when he spoke to the Lord in the play, "Green Pastures":

"Everything what's nailed down is coming loose."

We see moral values falling to the ground. They are being trampled by the high and low—

By prominent figures in government, past and present;

By courts that act like justice means permissiveness and indulgence;

By criminals who have sent the nation's crime rate sky high;

By parents who cannot, and apparently don't even try, to control their children; and

By a great horde whose chief claim to fame is a dirty beard, long hair, and a proclivity for spouting meaningless mumbo-jumbo.

We see lessons of history ignored. We see our national heritage scorned. We see tradition cast aside.

At a time when there ought to be national unity and strength, there is strident discord that has weakened the backbone of this nation. We found it increasingly difficult to deal with national problems. We are foundering abroad . . . in Vietnam and in our relations with other nations.

Such is the state of the American nation today. This cannot be denied or ignored. But to succumb to despair is to further ignore the lessons of the past. To forsake all hope is to back down in abject surrender.

There has been worse trials, and this has never been the way of America. It is not now the way.

The confidence that I have is based on my great faith in the fundamental strength of the American people. My faith is based upon what I know to be the people's faith. The vast overwhelming majority of Americans still subscribe to the ideal that ours is yet a nation under God.

And in this abiding belief lies the wellspring of the strength and determination of the American nation.

A hallmark of the American government and our society has always been this fact:

Out of adversity, trial and tribulation come forth renewed resolve. We have seen this truth become manifest throughout all the history of our nation.

Emerson wrote:

"When it is dark enough, men see the stars."

In crisis after crisis, domestic and foreign, the best in our people has always emerged . . . always under the sure hand of God.

Let us seek consolation in the exhortation of Moses to the people of Israel on their dangerous and difficult journey to the Promised Land.

"When thou art in tribulation, and all these things are come upon thee, even in the latter days, if thou turn to the Lord thy God, and shalt be obedient unto his voice; (for the Lord thy God is a merciful God), he will not forsake thee, neither destroy thee, nor forget the covenant of thy fathers which he sware to them." (Deuteronomy 4: 30.)

We need but to continue to search for divine guidance. We need but to believe as did the poet, that hope springs eternal.

The Apostle Paul admonished us "to rejoice in the hope of the glory of God." And he also wrote:

"We glory in tribulations also; knowing that tribulations worketh patience; and patience, experience; and experience, hope." (Romans 5: 6.)

So during this Christmas season, on the eve of a new year, may we find new hope in the strength of the American people. It is derived from faith in God. It can . . . if we will but let it . . . work wonders, and assure our nation of the triumph of right over wrong . . . of lasting security over dissolution.

But let us never forget, that for all of our troubles, social, economic, and international, we have much for which to be thankful. In the words of the poet George Herbert:

"O God, Thou hast given so much to us, give one thing more—a grateful heart."

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## WRONG TIME, WRONG SALE

### HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. EVINS of Tennessee. Mr. Speaker, the President recently proposed the ultimate sale of uranium enrichment plants at the Atomic Energy Commission in Oak Ridge and other localities to private electric power interests.

This proposal is not in the public interest and in this connection I place in the RECORD herewith an excellent editorial from the Tullahoma News which points up the importance of retaining these plants as a part of the AEC facilities.

The editorial follows:

[From the Tullahoma (Tenn.) News, Nov. 14, 1969]

WRONG TIME, WRONG SALE

President Nixon's proposal for the eventual sale of the K–25 gaseous diffusion plant at Oak Ridge and two other plants that enrich uranium for use in atomic reactors is incredible for several reasons.

It is incredible, for one thing, that the President would not realize by now that the American people will not countenance what amounts to giveaways of our national resources to big industry.

It is incredible, for another thing, that the President would not have profited from the Dixon-Yates controversy that erupted some years ago when Mr. Nixon was vice president.

And, it is incredible that, now as President, Mr. Nixon would lack the information he surely must have concerning the taxpayers' investment in the three gaseous diffusion plants and to the potential they continue to hold for future uses of atomic energy.

His proposal calls for the government to continue operating the plants for the present, but for the facilities, which need modernizing, eventually to be sold to private industry. Apparently one reason is that, with the need for nuclear arms declining and with increasing use of nuclear-fired electric power generators, it is supposedly time for the government to divest itself of such atomic facilities.

But it is hardly believable that, with nonmilitary uses of atomic energy still in the developing stage, such a major facility as the gaseous diffusion plants—which achieved a real breakthrough for both the United States and international science in World War II and which are still restricted from public view of their operations—should essentially be abandoned by the nation and turned over to private interests.

* * *

Even if the plants are approaching the need for modernization, the fact remains that they have operated for about a quarter of a century with an enviable degree of automated efficiency. Since the job is far from done on the peaceful use of atomic

energy, the plants obviously have not outlived their usefulness; to the contrary, it should seem equally obvious that their role as production and research tools can only be enhanced in the future. They should be modernized as needed and kept as such invaluable public institutions.

As we have said before, the automated gaseous diffusion process, in addition to being a way for producing the material from which atomic power is created, also holds strong promise for pointing the way for making an automated combination nuclear plant that will both produce electricity and efficiently remove salt from ocean water. This has enormous potential for the future of the whole world, and especially for making productive regions out of naturally arid regions like the Middle East.

This is only one example of the type of technological breakthroughs that can benefit all the people, which can be produced by natural resource facilities founded by public investment. There is a direct comparison with the power that has been harnessed from America's water resources, a benefit that might have been lost had not the battle over Muscle Shoals been won in the early 1930's and the Tennessee Valley Authority and other agencies been established.

It is because of the nature of the basic resource in the atom and the power in it that is yet untapped that the gaseous diffusion plants and their companion institutions are among the facilities which are far better developed and operated under public rather than private ownership. Despite the occasional oratory of the far right, this has been shown to be workable and fully compatible with the American economic system.

* * *

Top officials of President Nixon's administration have indicated that they are going to go all-out to defeat Sen. Albert Gore in the senatorial race next year, and the leading contender appears to be Rep. William Brock of Chattanooga, a Republican.

But GOP efforts to place a second Republican in the Seante from Tennessee are going to be beaten from the start if the Nixon administration persists in its course of abandoning what is really a priceless atomic energy facility to private business interests.

The Welfare of the country and the realities of the Tennessee political scene show, as both Rep. Joe L. Evins and Sen. Gore have indicated, that this is the wrong time to come up with another Nixon-Dixon-Yates deal.

## SENATOR SCOTT HAILS RELEASE OF ISRAELI CITIZENS

### HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

*Monday, December 8, 1969*

Mr. SCOTT. Mr. President, I am extremely pleased that negotiations to effect the release and repatriation of the two Israelis detained in Syria following the hijacking of a TWA airliner last August have proven successful.

On September 16, I joined 31 other Senators in condemning this criminal and wanton hijacking and in urging the immediate release of Mr. Saleh Mousalem and Professor Samueloff by the Syrian Government.

Due to the efforts of our Department of State, the International Red Cross, and others, these men will be reunited with their families.

## AFTER THE MORATORIA WHAT'S THE NEXT STEP?

### HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ROUDEBUSH. Mr. Speaker, many Americans are unaware of the true implications of the continued revolutionary demonstrations in the streets of Washington, D.C.

Mr. Holmes Alexander, a respected syndicated columnist writing for the Indianapolis, Ind., Star, has provided his readers with a true picture of what went on here in mid-October and mid-November.

Mr. Alexander mingled with the mob here last month and his observations are highly revealing and offer a chilling insight into the purposes and motivations of those guiding these uprisings against our elected Government.

The article follows:

HOLMES ALEXANDER SAYS: AFTER THE MORATORIA WHAT'S THE NEXT STEP?

WASHINGTON.—Jack Knight of the Knight newspapers, a venerable mogul of the press, says that civil disorder has reached the stage of "insurrection." Spiro Agnew, second citizen of the land and privy to all the information that the President gets, compares the uprising to that which eventually overthrew the Russian Czar in 1917. Writing more wisely than I knew a few weeks back, I questioned whether this nation is any longer "governable" by democratic consent.

This month, as in October and November on a rising rate of revolutionary strategy, the capital city will be invaded (there is no other word) by anti-government forces, and invested (the military term must be used) by guardsmen and Federal troops in support of the metropolitan police.

Plain speaking is necessary. Your capital city is in a state of siege and countersiege. This is not how self-government works. It is how self-government breaks down. Month by month, phase by phase, the screws of revolutionary strategy tighten. Only the ignorant deny it. Only the bamboozled take it lightly. Only the collaborators pretend it isn't so.

The country is ungovernable, but not as yet uncontrollable. That was the revelation in the mid-November three-day siege when upward of 300,000 ill-wishers saturated the city and played with this seat of government as a cruel but cunning cat plays with a helpless mouse.

To repeat, during some 36 hours the town was not governed, but it was controlled. The honor system of the Constitution, which pledges free speech and peaceable assembly on the assumption of good faith by the citizens, was mocked and vulgarized. An ad hoc garrison state, a Caesarian deployment of military legions, kept the lid on, and conducted a countersiege, and maintained a strained discipline.

Advance detachments of infantry were entrenched inside of nearly every government building; the White House was barricaded with end-to-end vehicles, behind which troops kept watch on the President's life; reconnaissance helicopters hovered above; reinforcements stood by at the armory. "The ghetto might blow," a Justice Department official had told me, as it "blew" from spontaneous combustion in 1968 when a Negro leader was killed. Herb Klein, the President's communications chief, had that event in mind when he later told a TV panel:

"Had it not been for the highly effective work of the Washington police, of the National Guard . . . for the reserve forces of the Defense Department and the complete co-operation of all elements of the government . . . the damage to Washington would have been greater than (in) the riots after the death of Martin Luther King."

Thus the insurrection was contained—what choice was there?—by para-military tactics. This—in America? Yes, and the Caesarian legions were able to show "restraint" only because the cleverly led demonstrators refrained from major provocation.

If you were in the streets, as I was, you could watch the cat-and-mouse game of the revolutionaries. They had the numbers to crack the city's vertebrae at will, but meanwhile they were teasing. It was "Yes, sir," with many a cherubic smile amid the greasy hair when I talked with groups on Friday and Saturday mornings. As an experiment, I struck an American flag in my breast pocket and went out again at noon and evening. The showing of the colors made the difference, and now it was "Hi, pop," and "Howzit, dad," and "the kids" were not at all polite to this elderly man. Reporters came in from the cold to eat and drink on these two days, and I heard them tell how well-mannered and non-violent the demonstration was, with a couple of exceptionable outbursts by the irresponsibles. Editorialists for next morning swallowed the bait, hook, line and sinker.

Looking toward December, I venture a different report. This insurrection has the planning of a phased campaign. The melange of Gandhi non-violence and Bolshevik violence in one of calculation. The smiles on the young faces were sycophant, not sincere, toward the press. These were not attractive "kids," but unkempt in their persons, ugly in their garbs, licentious in their morals, incredibly and unquotably foul-mouthed, and (as nobody else has said) often scared that their leaders would provoke the "brutality" of nightstick, cannister and gunfire.

Moratorium in October, mobilization in November, and in December and thereafter, what?

## A DREAM COME TRUE

### HON. ROBERT DOLE

OF KANSAS

IN THE SENATE OF THE UNITED STATES

*Monday, December 8, 1969*

Mr. DOLE. Mr. President, last Sunday, it was my pleasure to speak at the dedication of the Ida Long Goodman Memorial Library in St. John, Kans.

For Mrs. Goodman, it was a 28-year-long dream come true.

Mrs. Goodman, who celebrated her 81st birthday anniversary on Saturday, is a good example of the type of person the Nation needs more of: She is dedicated to people.

Her gift to her hometown included the land and more than $200,000 which made possible the construction of a combination school-municipal library. Attentive to details, she also worked hard to secure the passage of the special legislation required to build the library.

An article published in the December 6 Wichita Eagle-Beacon recounts some of the dedicated work this amazing woman has performed as a teacher and educator. I ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A DREAM COME TRUE

(By Elma Byrne)

ST. JOHN, KANS.—Mrs. Ida Long Goodman has had a dream and a goal for 28 years. She has wanted her "home community" to have a library, "a new and beautiful library."

And now that dream has come true as this southwestern Kansas farm community observes the formal dedication Sunday of the $300,000 Ida Long Goodman Memorial Library.

A native of St. John, Mrs. Goodman said: "My parents were a pioneer family here and lived here all their lives. I had an inherited debt to this community."

But the building of this library was really more than a payment of a debt—it was the further fulfillment of Mrs. Goodman's life which has been directed to education.

Mrs. Goodman was a rural schoolteacher for eight years in the St. John area. "I enjoyed teaching and I realized that to hold a good position I had to further my education," she explained.

And so she received a bachelor of philosophy of education degree from University of Chicago in 1921. After graduation she taught at Bryn Mawr College and Omaha University.

She was head of the training school department of education at Chicago Teachers College and supervising principal of two schools in Elmhurst, Ill.

She has a master's degree from University of Chicago. When she moved to Denver in 1947 she taught for nine years at two independent schools there.

And for nine years she has voluntarily taught English to foreign born adults who are patients at Denver's National Jewish Hospital.

"The reason I became interested in library work was that I recognized when a child was called 'dull' it was because of a reading problem. My philosophy is that there are no dull children," Mrs. Goodman said.

She added, "A child becomes frustrated, confused and discouraged in his reading and consequently there are many dropouts and children who fail. I believe a child can correct his own reading ills through reading library books."

In 1941 when she and her husband, William Roe Goodman, retired to St. John "we tried to develop some kind of library," she said.

But construction on the library was not begun until January of 1969 and then only after special legislation allowing funds for a school-municipal library, Mrs. Goodman explained.

The library is a combined city and school library.

"I never thought this would come about. It doesn't seem true to me. Mr. Goodman would be so proud. He would be sky high," she said with a hint of tears in her eyes.

Mrs. Goodman gave a $215,000 gift toward the construction of the library which cost $340,000 when completed last November, according to Evart Garvin, attorney to Mrs. Goodman and the St. John school board.

Garvin said Mrs. Goodman's gift included the site on which the library is built and most of the construction costs. He added that at her death another $100,000 will be given toward any existing debts on the building.

Mrs. Goodman said that the completion of the library was "a wonderful way" to celebrate her 81st birthday on Saturday.

"This library is the greatest thing that has happened to our school and community in a long time," said George Highfill, superintendent of schools.

Garvin added that the previous library, established in 1925, was housed on the top floor of the old brick city hall building. "It was makeshift, stacked full and there was no people room," he said.

Highfill explained that the some 400 elementary and high school students from the St. John school transported the 30,000 volumes from the city library and 8,000 volumes from the school libraries into the new library in less than a week.

The Ida Long Goodman Memorial Library is dedicated to the memory of her parents, Mr. and Mrs. Noah Long, and her husband. It sets on a site one-half block from the town square and directly adjacent to the school.

The most impressive aspect of its brown brick and metal exterior is the antiqued, avocado main door with carvings of the zodiac. At the northwest corner of the library is a brick wall enclosed garden area.

The building is 60-feet by 90-feet, fully carpeted and air conditioned. The main floor walls and carpet are a soft gold tone and the basement is done in red carpet and rose beige walls. The major pieces of furniture are done in matched grain mahogany.

The main floor has an adult and a children's section. The adult section includes a lounge, periodical room, study carrels, a curriculum library and two conference rooms.

One conference room is named the Mater Kansas Room after Mrs. Leslie Mater, longtime city librarian who will retire after the first of the year. The room contains a collection of Kansas history books and artifacts.

The other conference room is the Ida Long Goodman Room and it will contain some of her personal art holdings.

A story well is the outstanding attraction of the children's section and it is for the use of kindergarten through third graders. It consists of four carpeted stairs on which the children sit while they listen to storybook readings from a teacher situated on a stage area.

The basement is more than that as there is a student lounge and community room in addition to the storage and maintenance rooms. The community room is used for meetings and art exhibits. Exhibits can be hung on three of the walls that are covered from floor to ceiling with display board.

Architects for the library were Miller, Hiett, Dronberger, Arbuckle & Walker of Hutchinson, Kans.

Sunday's dedicatory ceremony will begin at 1:30 p.m. and will include an address by Kansas Sen. Bob Dole.

Perhaps the appreciation stated on Sunday's program best expresses the feelings of most of the 1,808 residents of St. John. That is:

"The Ida Long Goodman Memorial Library stands today and will continue to stand as evidence that Mrs. Goodman loved those who preceded her, those who are contemporary with her, and those who are to follow after, and that she wished to make life richer and better today, and in the days to come."

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## HAYNSWORTH AFTERMATH

## HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. SCHERLE. Mr. Speaker, an excellent analysis of the behind-the-scenes congressional maneuvering, which led to the defeat of Judge Clement F. Haynsworth for a position on the U.S. Supreme Court, is reported in the November 26, 1969, Dallas Morning News by its chief Washington correspondent, Robert E. Baskin.

The article sums up Judge Haynsworth's defeat with a quote from a leading labor lawyer that "the defeat of Haynsworth was simply a rejection of a man for ideological and sectional reasons. The case against his ethical standards was of no consequence." The article follows:

LAWYER LAMENTS HAYNSWORTH DEFEAT

(By Robert E. Baskin)

WASHINGTON.—There are a good many afterthoughts and soul-searchings in Washington on the Haynsworth case.

While perhaps a majority of the liberal-labor element in town is rejoicing that President Nixon's attempt to put a conservative Southerner on the Supreme Court failed, there are others who regard the matter much more soberly.

A leading labor lawyer, who may reflect rather general views in legal circles, expressed dismay over the Senate's rejection of Clement F. Haynsworth by a 55-to-45-vote margin.

The lawyer, who must remain unnamed, has known Haynsworth for many years and had been an adversary lawyer to him before Haynsworth became judge and later practiced in Haynsworth's jurisdiction.

He regards the South Carolina judge as one of the most honest and able men he has ever known in his field.

CASE OF NO CONSEQUENCES

"The defeat of Haynsworth," he said the other day, "was simply a rejection of a man for ideological and sectional reasons. The case against his ethical standards was of no consequence.

"I disassociated myself completely from labor's effort to beat Haynsworth and let everyone I know, including Haynsworth, be aware of this.

"I think the Senate's action was a great tragedy for the man and for the law."

LEGALLY QUALIFIED

Suggestions have been advanced, particularly by one national newsmagazine, that President Nixon impanel a blue-ribbon committee to examine anew Haynsworth's qualifications and submit its findings to the Senate, in the hope that the body will repair the damage it has done.

Nothing, of course, is expected to come of this. The Senate has worked its will, as the saying goes, and the battle for Haynsworth has been irretrievably lost.

A question arises on whether the Senate has set a new precedent on how it evaluates presidential nominations. Does it base its judgment on qualifications or on ideology?

This issue has disturbed Texas Sen. John G. Tower, a supporter of Haynsworth.

"Traditionally in the Senate," he says, "we have not looked at a man's judicial philosophy but rather at his qualifications. Judge Haynsworth had great qualifications."

Tower points out that he voted to confirm the nominations to the Supreme Court of Arthur Goldberg and Thurgood Marshall, neither of whom agree with him ideologically. But he felt that they were legally qualified to sit on the bench.

The Texas Republican says that from now on "I am going to be more reluctant to vote for Supreme Court nominees who are not of my own philosophy."

President Nixon is expected to appoint another Southern conservative in January, and it may be that the same group of mostly Northern senators will want to fight that nomination on disguised ideological grounds.

But the investigation of the next nominee is likely to be so exhaustive that questions of ethics will be impossible to raise. In that event, it will be interesting to see how many

senators want to oppose the nomination on frankly ideological grounds.

If they do, the Senate, as Tower points out, will have broken its traditional method of considering nominees and will be moving to polarize ideological differences between its members.

## YOUTH IN 1970: A NEW SOCIETY

### HON. J. CALEB BOGGS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

*Monday, December 8, 1969*

Mr. BOGGS. Mr. President, Better Living, an employee publication of the Du Pont Co., this month has an issue which is extremely interesting and challenging to the business community.

The entire issue is devoted to the subject, "Youth in 1970: a New Society."

It includes a careful study of the younger generation, a case study at the University of Michigan and an examination of the impact of youth upon the company. Many of the guest authors are residents of Delaware or relatives of Du Pont Co. employees.

I believe the company and Better Living's editor, Mr. Dave Morrison, are to be congratulated for this issue—one which provides a better understanding of the differences between young people and the business community.

I ask that three brief articles from this issue be printed at this point: One written by Miss Elizabeth Cairns, a Cornell University student, entitled "Our Quarrel With the Establishment," and one entitled "Does Business Really Care?" written by Miss Marilyn Mather, a reporter for the Wilmington News-Journal newspapers; and one written by Mr. Jack W. Lewis, a staff member of the Senate Committee on the District of Columbia.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

OUR QUARREL WITH THE ESTABLISHMENT

In colonial times the established order was one to be admired; it was composed of the established economic and civic leaders who were also the great revolutionaries and intellects. In the late nineteenth and early twentieth centuries the Establishment referred to the eastern financial monopoly that controlled the fiscal resources of the society and, concurrently, enjoyed the political advantage.

The Establishment of the fifties and sixties, now under attack by members of my generation, is a complex system of institutions: financial, governmental, religious, military and educational.

Youth's present view of this Establishment can be suggested by some examples: the city council ignorant of the newest studies of urbanization; the church that cautions its faithful to go slow in its impulses toward social reform; the schools that stifle creativity with inflexible curricula; the military that commands the greatest portion of a democratic government's finances and yet is the most rigid and autocratic system in the country.

Youth have come to believe that the apparatus created for an essentially rural society two hundred years ago and which has evolved into its present form, no longer works. It has become too complex.

Youth's impatience with current methods of effecting change does not, however, signify a rejection of old values. The young today seek goals that have been the ideals of every generation. We want a country free from want, with absolute freedom of thought, equality, peace, and human dignity.

But we want to find our own way because we have seen that the Establishment is fallible. It has failed at most of its major tests in our lifetime. We have watched a war that only kills; it is our generation that dies there and no one can tell us why. We have seen what began as peaceful pressures for equality turn into a blood-bath of hate, and no one knows quite how it happened. We have seen our last massive try at reconciliation with the Established political order end in the streets of Chicago.

Youth are determined that out of the chaos of the sixties we will find an order that embraces the ideals we feel the Establishment has abdicated responsibility for achieving.

DOES BUSINESS REALLY CARE?

The trouble with business, many young people feel, is that the corporation has no conscience.

Young people understand that profits are necessary, and that profits do contribute to society.

The criticism is that the almost total focus on profits has resulted in neglect of other considerations Youth believe are too expensive to ignore.

Pollution is one of those considerations. People of all ages are concerned. But young people are willing to make greater noises about it.

Youth ask, for example: "Why didn't industry, with all of its resources—money, brains, and facilities—recognize or admit the problems of pollution many years ago and take the lead in bringing this issue to public attention? Why did industry wait for public awareness to force it to action?"

There also are other areas in which business seems to pursue profits without regard for society as a whole for example:

Auto safety: Despite new legislation it appears that the manufacturers are still dragging their heels.

Price-fixing: The rules seem clearly spelled out, yet several firms and their executives in recent years have been indicted for price-conspiracies.

Marketing products of questionable value: The drug industry which, in effect, markets the health of its customers, recently had to call many drugs off the market because they didn't perform according to the claims for them.

Planned obsolescence: New models of cars, appliances, etc. incorporate changes which are not genuine improvements or else space out improvements so that customers discard former purchases without getting full use of them.

Advertising excesses: The exploitation of sex to sell anything and everything. Youth believe the television industry is too involved in ratings to worry about quality of programming, and accepts social responsibility only because the government requires this.

All of this is what Youth see business doing. And then we look around to see the terrible problems of our society and the world. We look longingly at the tremendous potential of business to do good for society, but we see no one turning to put that potential to use—until forced to by public pressure.

THE NEW LEFT

However radical the younger generation's taste in hair styles and clothing, the majority of today's young people continue to conform to traditional political patterns. They get their politics, like their religion, from their parents. And like younger generations before them, they tend to be moderate in their views and only passingly interested in political issues. Only a small minority belong to the hard core radical groups discussed here as the New Left. Students for a Democratic Society (SDS), the largest of the radical student organizations, claims a membership of about 30,000 out of a total college enrollment of 7 million. Only 6,000 of these are dues-paying members.

A much larger group are those who share many of the concerns of the radicals but who stop short of their tactics. For the most part, they are inclined to work within the established rules for bringing about change. However, on any given issue, the radical minority has shown a capacity to mobilize this non-New Left activist group.

If the radical fringe has any definable strategy, it is the radicalization of the moderates. As accepted leaders of the broad student base, forming alliances with disaffected groups elsewhere, the radical movement could be a potent political force.

Like radical movements before it, the New Left has little use for capitalism. It looks upon capitalism as an organized system of exploitation which corrupts other power centers—government, the press, the military, the university—in a vast conspiracy to control and manipulate the masses.

To attack capitalism, the New Left has invoked the tactics of confrontation, disruption and violence.

The great weakness of the radical youth movement, however, is that it has no answers to the practical problems of life. Anyone who has tried to discuss issues with these young people knows how vague and evasive are their suggestions for solution.

The strength of capitalism, on the other hand, is its capability for dealing with social problems of all kinds.

First, however, it is essential to recognize what is legitimate in the radicals' list of grievances. To the extent they have focused attention on the declining quality of modern life and the diminishing role of the individual, I believe they have made a great contribution to us all. The task now is to do something about it.

## COMMUNITY COLLEGE AND DAY CARE CENTER JOIN FORCES

### HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. DELLENBACK. Mr. Senator, one of the major roadblocks to meeting day care needs in this country is the lack of trained manpower available to staff centers. This information was relayed to the Republican task force on education and training recently, by Laurence Feldman, executive director of the National Day Care and Child Development Council of America.

Lane Community College in Eugene, Oreg., has initiated an exceptional new program to help remove this obstacle. I would like to commend to my colleagues' attention the following article from the Eugene Register-Guard of November 16, 1969, describing Lane Community College's combination of on-the-job training with classroom instruction for students interested in child care.

The program, administered by Mrs. Jill Halpern, not only demonstrates yet another community service which community colleges can perform, but also offers a sound answer to the question of

how to secure trained staff for day care centers.

The article follows:

UP-TO-DATE DAY CARE CENTER AIDS LCC STUDENTS, CHILDREN

(By Cynthia Anderson)

Finding adequate child care is a worry for any mother who works. Finding adequate child care at reasonable cost is an acute worry for low income or welfare mothers who want to take job training or employment.

President Nixon acknowledged this problem in August when he outlined his domestic program. Calling for a "major expansion of day-care centers," he asked Congress for massive federal funding for child care facilities to help women get off welfare and into training for jobs.

Suppose Congress actually appropriated funds for child care centers. Suppose a rash of new day care centers and after-school centers was set up as envisioned in Nixon's message.

Who would staff them?

A new program at Lane Community College is attempting to answer a part of that need. At the LCC Child Care Center, 13 students enrolled in a Child Care Services Program are receiving on-the-job training along with classroom instruction in preparation for careers in child care.

In addition to training students for the future, the center offers here and now service. Day care is provided at the center at low cost for children of students in LCC training programs. Many of the students are mothers on welfare enrolled in government programs of job training.

Coordinator of the Child Care Center is Jill Halpern who considers the center a partial fulfillment of a long-time personal dream.

Mrs. Halpern has championed nursery and pre-school programs since World War II when she worked in a residential nursery school for children evacuated from London. During her career she has worked with children in the slums of London, with deprived children in Australia and Canada.

"Research has shown that the pre-school years are all-important in the development of children," Mrs. Halpern said recently. If you care at all about what happens to little children, you will recognize the need for more day care centers, more good home care facilities for infants and more after-school programs for youth," Mrs. Halpern said.

"Look around and see how many mixed up young people we have. Something went wrong and who's to say where it all started? If we could only detect the trouble early . . ."

To provide the quality of child care Jill Halpern speaks about takes more than up-to-date physical plants, hot lunches and supplies for teaching and playing. It takes trained staff personnel, says Mrs. Emory Ellingson who is in charge of the trainees in LCC's Child Care Services program.

The program offers a one-year certificate in child care services after completion of 26 classroom hours and 15 hours a week working in the nursery school. A second year will be added to the program soon, according to Mrs. Ellingson. The two-year program wll result in an associate degree. Credits from the program are also used for college transfer if students plan to work for bachelor's degrees, she said.

"At last we have recognized the fact that people need to be trained in child care," Mrs. Halpern said.

"There is government money available for child care facilities now, but under federal regulations, only facilities meeting high standards—in plant, materials and staff qualifications—can receive the funds.

"I am hoping these regulations will upgrade the quality of child care in the country."

## THE GYPSY MOTH

## HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

*Monday, December 8, 1969*

Mr. SCHWEIKER. Mr. President, I recently had the pleasure of addressing a Washington meeting of the National Gypsy Moth Advisory Council which had met to discuss ways of curbing the widening threat of the Gypsy moth insect pest. In recognition of the fact that DDT and other persistent pesticides can no longer be used, the council called for a plan of action including the necessary research to provide a more reliable method of controlling the Gypsy moth. The Gypsy moth is an insect of foreign origin which presently inhabits the Northeastern United States, but is rapidly being transported to other parts of the country where it continues to defoliate hardwood and softwood forests. Since trees are such an important part of our environment, I invite this situation to the attention of the Senate and ask unanimous consent that my address before the council and the remarks of Mr. Donald Shepherd, U.S. Department of Agriculture Research Service, and Dr. R. K. Arnold, U.S. Department of Agriculture Forest Service, be printed in the RECORD:

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

GYPSY MOTH REPORT

(Presented by the Honorable RICHARD S. SCHWEIKER)

It is gratifying to see a group of people representing so many varied interests come together today to start planning for a united effort to combat a most serious insect pest of our trees. Trees to some people mean forest land, to others they mean shade trees around their home, to still others they mean relief from the steel and concrete of the city or urban area, regardless, they are trees and we are so happy to have people representing anyone interested in trees at this meeting today.

In the Northeast we are all aware of the dense population area referred to as megalopolis. Some forty million people live in the coastal belt which extends from Boston to Washington, D.C.

Yet in spite of rapid urbanization, trees still cover nearly 50 percent of this highly inhabited region. Man is literally surrounded by trees—from a national standpoint, 120 million trees on our city streets and another 80 million trees in our city parks. A high percentage of these trees are susceptible to the voracious appetite of the Gypsy Moth.

It is difficult to put a monetary value on trees in our urban areas. For each man values these for what they provide him—beauty, tranquility, shade, and protection. However, experts estimate that 200 million city trees are worth more than 30 million dollars and this investment is increasing at the rate of 7.5 percent yearly.

In my own State of Pennsylvania there are more than 15 million acres of forest land—ten million of which are susceptible to attack of the Gypsy Moth. Prevention of spread of the moth serves as a protection for this vast forest resource as well as jobs for thousands of people employed in forest related industries. Forest products produced in Pennsylvania are valued at 1.8 billion dollars annually and the payroll of this industry amounts to 440 milion dollars each year. As the Gypsy Moth moves Southward and Westward from Pennsylvania, it will eventually eat its way through the hardwood forest areas of the Appalachians and into the Ozarks, an area which encompasses more than 100 million acres of timberland.

Now due to restrictions on pesticide use, the Gypsy Moth is really on the march. A great new research effort is needed. Cooperation between industry, state, and federal agencies will be of utmost importance if we are to move ahead with the kind of funds and the kind of research that is going to be needed to meet this problem immediately.

Many facts and figures have been presented regarding the destructiveness of this particular forest pest. Those who have not lived in the New England States, New York, New Jersey, or Pennsylvania should learn more about this problem. I am sure today information will be presented that will bring you up-to-date and will show you very graphically the problems facing you as this potential forest defoliator moves into your area.

We are concerned today in Pennsylvania with the effect of this defoliator on the tourist industry, on those people who normally would look forward to moving into an area for camping in our recreational parks, to those who want to go to our beautiful mountain resort hotels, who may shy away from these areas because of the problems connected with the Gypsy Moth as it defoliates the forest area. And, as a U.S. Senator, I am concerned about the rapid spread of the Gypsy Moth to the states that have never had this pest previously.

People who already own homes in forested areas are becoming increasingly aware of the problems associated with Gypsy Moth infestations both from an esthetic and a nuisance standpoint. The problems presently facing the people in the Northeastern states, particularly in southwestern New York, southern Connecticut, and northern New Jersey where defoliation is severe, will be *OUR* problems throughout much of Pennsylvania in the near future and will be inherited by our neighbors to the South and West in five to ten years. As a matter of fact only this past week, I was told Gypsy Moth egg masses were found on a house trailer in Virginia. Chemical sprays alone can no longer be depended upon to contain the pests. We need newer and more efficient tools to work with—newer approaches.

Again, I want to point out—we are here for one purpose—to meet the Gypsy Moth head-on, to develop and support a research and method development program that ultimately will enable us to cope with this insect pest. Meanwhile, I am sure you will want to carefully study every available control, old and new, to choose that combination that will best meet your objectives pending the outcome of further research.

Those of you who have been invited to serve on the Gypsy Moth Advisory Council have an important stake in the problem. The organizations which you represent no doubt are affected financially in one way or another. So I challenge you today to examine this problem objectively. Let's not be biased by individual prejudices of the past, but instead, let's get together on a sound research program that will provide the answers we need.

CURRENT STATUS OF GYPSY MOTH SURVEY, REGULATORY, AND CONTROL PROGRAMS

(By DONALD SHEPHERD)

To those of us in plant protection work, the gypsy moth represents many firsts. It was really one of the first major pest introductions into this country from foreign lands. The early control was the first organized effort to eradicate and later to confine an important pest, and it was the first plant pest to be the subject of a Federal domestic quarantine. The initiation of the cooperative

control program in 1906 was the first time that the Federal Government appropriated funds to cooperate with the States in a control program. The first case of pest control litigation to establish the right to conduct pest control work on private property involved the gypsy moth. "Private rights may be abridged by the exercise of police power and must give way to the public interest. Individuals must yield to the requirements of the public as a whole."

The early effort to deal with the moth problem in the Medford, Massachusetts, area where it was introduced was very successful and, and at one time, it appeared that eradication was practically accomplished.

I suppose the early success of that effort was largely responsible for the control program's undoing. As so often happens after a successful effort, the interest waned, workers became complacent and, by early 1900, the gypsy moth was again off and running. It was found in many new locations.

It was because of that explosive spread that the Federal Government entered the program in 1906. That buildup and spread also largely responsible for the promulgation of the Federal Quarantine Act of 1912.

Until 1938, the gypsy moth was contained east of a line extending along Lake Champlain and the Hudson River from Canada to New York City by a containment program in a barrier zone along that line. It is thought that in that year, egg masses were carried on debris into New York by hurricane winds, and many new infestations appeared in the next few years. By 1950, buildup had reached epidemic proportions as far west as the eastern counties of New York State and spot infestations occurred in New Jersey and Pennsylvania.

By 1953, nearly 1½ million acres were defoliated in the infested States. The infestation encompassed about 40 million acres at that time.

With the introduction of chlorinated hydrocarbon chemicals in the mid-1940's, it was thought that there was at last a panacea that would provide a simple method of containing this pest. DDT at the rate of 1 pound actual toxicant in 1 gallon of oil to the acre did accomplish eradication. It was the tests with this chemical in the early 1950's in Pennsylvania that gave encouragement to the proposal to eradicate the infestation once again at least back to the barrier zone along the New York-Connecticut line.

Eradication treatments were begun in 1956 on the outer periphery of the infestation in Pennsylvania, New Jersey, and New York. In a 2-year period, more than 4 million acres had been successfully treated. However, the program had to be discontinued in 1958 because of the opposition by conservation agencies and the problem, too, of DDT residues in milk in the New York milkshed. There had not been any serious effect on wildlife values.

So our rejoicing was short-lived. Since that time we have been fighting a losing battle in our effort to stem the spread of this important pest.

For years our scientists and our control and regulatory officials have worried about what would happen once the gypsy moth infestation became established in the mountains of Pennsylvania. We no longer have to wonder about that question. There is evidence now that the gypsy moth has found an ecological situation especially to its liking. Infestation was found for the first time this year in Delaware and Maryland, and there was new spread into Centre County, Pennsylvania. A single moth was trapped as far south as Free Union, Virginia, on the Skyline Drive. We can expect under our current technology that it will continue to spread each year further south in the Appalachian range. Infestation now occurs, too, in Canada in eight counties in the southern part of the Quebece Province. The only bright spot is the continuing evidence that the infestation in Michigan has been eradicated.

Now, what are some of our problems:

In this program we have depended upon sex attractant traps to detect gypsy moth infestation to determine distribution and to check on the efficacy of control operations. Sites where male moths are caught are subsequently scouted for egg masses during the fall and winter months to determine the extent and intensity of infestation. Nearly 50,000 of these traps are used annually.

Division personnel in recent years have gone to Spain and other foreign countries infested with gypsy moth to collect the natural female sex attractant material. In addition, female tips are collected in this country in order to replenish the depleted supply of lure. The foreign collecting is costly and there is no assurance of a continuing supply. Detection even with effective traps is extremely difficult in the rugged, mountainous territory. In fact, the first evidence of infestation in the rugged country could be an area of defoliation.

There are problems, too, with the regulatory program. Where heavy infestation occurs, gypsy moth egg clusters and/or pupae may be found on a variety of articles such as mobile homes, military shipping crates, cable reels, and scrap metal—to mention a few. These articles are certified for movement from regulated areas on the basis of nonexposure to infestation, negative inspection, chemical treatment, or processing that renders the end product pest free. Providing adequate safeguards to prevent artificial long distance spread has become increasingly difficult.

A relatively new and serious problem centers around the growing popularity of mobile homes and campers. In recent years, gypsy moth egg clusters and pupae have been found on mobile homes in States well outside the regulated area—some as far away as Texas and Minnesota. Prompt control measures had to be employed to prevent the establishment of infestation in those States. Currently all trailer parks in known infested areas are under close surveillance by Federal and State inspectors to guard against spread by this means. Ideally, all infested mobile home parks and campsites, including the environs, should be treated by helicopter following gypsy moth hatch. Here, however, we are faced with restrictions on the use of pesticides, particularly when applied by aircraft.

Despite the growing problems confronting our regulatory operations, it is noteworthy that, outside of a few isolated instances, the quarantine measures appear to have been effective in retarding the spread of this insect by artificial means. In fact, this has been a success story for which regulatory officials can be proud. It has been here for 100 years and still occupies a relatively small part of the susceptible host forests.

I am certain that our speakers representing the States of New York, New Jersey, and Pennsylvania will outline in detail the problems that we face in the control operations. With the loss of DDT in 1958, we recognized we were in for difficult times. The insecticide controversy, among other things, pointed to the need for intensive investigation of problems in the field and was a principal factor in the establishment of a Gypsy Moth Methods Improvement Laboratory on Cape Cod, Massachusetts, in 1961. This Plant Protection facility is filling a long-standing need for development ways of dealing with this important pest. Current activities at the laboratory are aimed at improving chemical and biological control techniques, survey procedures, and regulatory operations.

Special emphasis is placed on developing techniques for rearing various parasites of the gypsy moth. At the Hicksville, Long Island, New York, laboratory this year, more than 10 million gypsy moth egg parasites were reared and subsequently released by State personnel in New Jersey, New York, and Pennsylvania. In addition, nearly 100,000 specimens of a larval parasite were turned over to the States for release. Mr. Philips, supervisor of the work at Otis Air Force Base, will elaborate on activities of the laboratory this afternoon.

The history of this pest and the control and eradiction efforts of the past 100 years are very interesting and, in fact, very intriguing. Much knowledge has been gained about the biology of the gypsy moth and its control. Even so, with all this background we find ourselves today without the necessary technology to deal with the problem at hand. We can continue to prevent the spread of this insect by artificial means through regulatory action, but we know that the present control measures are not adequate to cope with its continued spread by natural means. That is why we are here today—to dramatize, if you please, the seriousness of the current situation—to try to find some direction for dealing with this important pest in the future.

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### Current Status of Gypsy Moth Research

(Presentation by R. K. Arnold at the National Gypsy Moth Advisory Council Meeting, Washington, D.C., November 13, 1969)

Since its introduction into the United States 100 years ago, the gypsy moth has intruded inexorably into the forest and urban environments of the Northeast. It has done so in spite of our best efforts to halt, suppress, and eliminate it. We have appeared to win the battle at times, but as Don Shepherd has shown, the gypsy moth is now well established in most of its present distributional range and is continuing to spread. This is an unusually well documented case history of man's attempt to protect an important segment of his environment and, in so doing, causing further disruption of the natural ecosystem. This is also an excellent example of the interrelationship acting on forests and urban areas as their environments interact.

Our efforts thus far have had one benefit—beyond the temporary successes in putting the insect down. We have learned the size, scope and complexity of countermeasures required to combat it effectively; and we have some of the tools needed to do the job. Both research and practical experience have led to the inescapable conclusion that an unilateral approach to gypsy moth control is doomed to failure. The insect's ability to disperse and establish itself on a large number of host tree species, its capability for rapid increase to outbreak numbers, and the diversity of its impacts on forest and urban uses and values, call for a comprehensive, flexible, ecologically sound approach. At the same time, we know that the insect is responsive to physical factors in the forest environment and is vulnerable to a wide spectrum of natural control agents—all of which may be manipulated to some degree—in addition to its susceptibility to chemical insecticides.

We have both the need and opportunity, therefore, for a broad program of integrated control to minimize the chances for spread and population buildup of the gypsy moth in new areas and to contain it at tolerable levels where it is established. Dr. Campbell this afternoon will outline a plan for the research needed to bring such a program to fruition. I will describe to you at this time—very briefly—where we now stand in our knowledge of this serious pest. No specific credits will be given—our knowledge today derives from the work of many individuals,

past and present, in the USDA, state agencies, universities, and other private organizations.

I. POPULATION DYNAMICS

Although it is an introduced species, the gypsy moth is now subject to quite a sequence of mortality-causing agents. Insect parasites, birds, and cold winter temperatures kill the eggs. Heavy rains may even cause further mortality.

When populations are sparse, dispersal losses of the small caterpillars and predation of the larger ones largely determine whether the insect remains endemic or its numbers increase. In dense populations—where the foregoing have failed to keep the gypsy moth in check—diease is the major mortality factor.

The aggregative behavior of the caterpillars is an important factor in the population dynamics of the insect. For example, those that aggregate on the tree during daylight hours survive in greater proportion than those that crawl to the ground for rest and shelter.

Genetic variation in disease susceptibility, dispersal behavior, and other characteristics are important in the population system of the gypsy moth.

This fundamental knowledge of the dynamics of gypsy moth populations—the effects of specific factors and their interplay in natural population—provides the ecological foundation for the integrated control program now conceived.

II. BIOTIC CONTROL

Approximately 50 different parasites and predators of the gypsy moth have been imported and released throughout the northeastern states. Twelve of these have become established. In addition, a large number of parasites and predators native to the United States have found the gypsy moth a suitable host. There is some field evidence that certain parasitic wasps with a bent for stinging many hosts without necessarily laying eggs in them may vector the virus disease of the gypsy moth.

Microbial control has been attempted, with promising results. Commercial preparations of the bacterial insecticide, *Bacillus thuringiensis*, have been tested intensively in the laboratory and field, and studies are still in progress on this and other bacterial pathogens that may be useful for direct control. Small-scale field trials with the polyhedrosis virus have indicated that it can reduce gypsy moth numbers markedly, and it has the great advantage that it is carried over into subsequent generations. Work is underway to develop a means of maintaining living gypsy moth tissue to mass produce the virus. Research to date indicates that the virus is innocuous to other insects and higher organisms.

Because the gypsy moth female mates just once and does not fly, the sterile-male release technique is feasible—at least in spot infestations or, possibly, following chemical control operations where residual numbers are low.

A similar approach, suggested by early basic research on the genetics of the gypsy moth, would involve the use of males of certain Japanese strains. These Japanese males when mated with native "American" strain females produce offspring of which all females are sterile and one-half of the males carry the lethal factor. In this case, the genetic information is known, the Japanese stocks are available, but no actual field trials have been carried out as yet.

As many of you know, there has been some difficulty in isolating and identifying the pure sex attractant of the gypsy moth. This problem is near solution, I understand, and with the knowledge and technology to synthesize the active material, we will have yet another means of inducing the insect to destroy itself.

III. SITE MANIPULATION

Ecological studies of the gypsy moth have provided much information on the influence of certain site factors such as stand composition, host tree form and size, and microclimate on survival rates of the insect. At different times recommendations have been made regarding removal of preferred tree species and of old and injured trees with many bark flaps and branch stubs that provide favorable conditions for survival. There has not been sufficient testing to fully evaluate the effectiveness of this silvicultural approach.

IV. CHEMICAL CONTROL

Creosoting of egg masses, application of lead arsenate dust by ground equipment to kill the caterpillars, aerial dusting, the advent of DDT in the 1940's, and its proven effectiveness, all added up to what appeared to be the solution to the problem—virtual elimination of the gypsy moth from the United States. This was not successful, and we are now well aware of the hazards of continued, extensive use of broad spectrum and/or persistent insecticides.

Intensive screening of candidate chemicals led to the selection of carbaryl, a carbamate, as the successor to DDT. The presently recommended dosage of ½ to 1 lb. actual toxicant per acre is considered relatively safe, but it is not as effective as DDT. More recently, another carbamate, Gardona, has been shown to be reasonably effective and safe to use. With the past and present involvement of the gypsy moth in the pesticide controversy, it seems clear that special emphasis must continue to be given to safety aspects in the testing and development of chemical insecticides for gypsy moth control.

Another approach with chemicals may be feasible. Host preferences of the gypsy moth are mediated by substances in the foliage that stimulate or inhibit feeding by the caterpillars. Researchers at the Forest Service's Hamden (Connecticut) Laboratory are attempting to isolate and identify these substances. If the repellent-deterrent constituents, or other chemicals with similar action, can be synthesized and produced inexpensively, they might be very practical and effective as protective sprays.

CONCLUSION

Let me sum up this sketchy outline of where we stand in research on the gypsy moth. The ecological and economic impacts of this pest on the environment of the Northeast, and the threat that it poses to the valuable forests and urban areas of the Midwest and South, justify strong action. A comprehensive, integrated program of surveillance and control is needed to cope with the diversity of ecological conditions involved and the multiple forest and urban values at stake.

There is a definite and proven threat to the quality of man's environment. Ultimate control will be possible only when man understands that environment, so that he can manipulate it in ways which make it uninhabitable for the gypsy moth.

## WITHDRAWAL IMPOSSIBLE

### HON. LAURENCE J. BURTON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BURTON of Utah. Mr. Speaker, from time to time it is well to remember that those who would bug out of Vietnam, leaving our allies to the mercies of a merciless enemy are a relatively new breed.

Even those they hold in reverent memory never went so far. Certainly Robert F. Kennedy was aware of the dangers of precipitate withdrawal.

The National Review of December 2 quotes from "To Seek a Newer World" by Robert F. Kennedy, published in 1968.

The quote is attached:

Withdrawal is now impossible. The overwhelming fact of American intervention has created its own reality. All the years of war have profoundly affected our friends and our adversaries alike, in ways we cannot measure and perhaps cannot know. Moreover, tens of thousands of individual Vietnamese have staked their lives and fortunes on our presence and protection: civil guards, teachers and doctors in the villages; mountain tribesmen in the high country; many who work for the present benefit of their people, who have not acceded to the Vietcong even though they may not support the Saigon government. Many have once already fled the dictatorship of the North. These people, their old ways and strengths submerged by the American presence, cannot suddenly be abandoned to the forcible conquest of a minority.—(*To Seek A Newer World*, Robert F. Kennedy, 1968; excerpt in 12/2 *National Review*.)

## A LITTLE MORE ENCOURAGING

### HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BOLLING. Mr. Speaker, I am certain that there are days when each Member of Congress feels the weight of so many problems confronting this country that it seems there is "no light at the end of the tunnel." Reading the Wall Street Journal for December 4, 1969, I felt a little more encouraged because of bitter-sweet observations made by a newspaperman that were carried under the caption "Notables and Quotables." I would like to share these remarks with my colleagues. The article follows:

A LITTLE MORE ENCOURAGED

(By Joseph B. Cummings, Jr.)

Something remarkable has happened in the South in those fifteen years (1954–69). The American idea worked. Careful now, I did not say the racial problem was solved or that prejudice was banished. Problems of human society are not "solved"; they are whittled down to workable size. The founding fathers calculated quite explicitly on the flawed nature of man, and what we have seen in the South is an important example of how their plan works, how ingeniously the machinery can function to bring us a little closer to the ideal. It has been a long slow process over the years of America, but history has produced enough response for people to believe that it can work. And this is the magic ingredient: That enough people believe it can work. The Civil War was a great test; Teddy Roosevelt busting up the corrupting accumulation of power of big business was another. Legal recognition of the rights of labor unions in the '30's was another. None of these victories brought perfection. America is not Disneyland; it is a nation in the act of becoming, an Idea being tested. The silver thread must hold; continuity is a gift only time can give. Each crisis that ends with America coming closer to the Idea instead of further away adds strength to the Idea. The impatient radicals today do not believe in the long slow correcting process. They have a point: For this country

to have suffered the existence of slavery in the face of a declared belief that all men are created equal and endowed by their creator with certain inalienable rights. . . . It seems to them prima facie hypocrisy. But these zealots are steeped in the sweet Rousseauistic notion that human nature is not so imperfect and destruction of the clumsy machinery of Government that now exists would produce a twilight garden of gentle simplicity. They have not talked to the hunter or the Cadillac dealer. The destruction of the American Idea would mean the death of freedom with no guarantee that all the flaws would be made straight.

Because of what has happened in the South, I tend to be hopeful that this nation has the vitality to respond and strengthen the working system. Yet I must admit sometimes on the back roads in the land of despair I imagine how it might be to hear the chilling eternal swoosh, feel the cellar-cool breath of the closing of a great book.

"Oh well," God sighs, "it was just an idea."

## THE VOICE OF AMERICA

### HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. WHITEHURST. Mr. Speaker, on the anniversary of the Japanese attack on Pearl Harbor in 1941, I participated in a memorial service at Rosewood Memorial Gardens in Norfolk, Va. While I was there a survivor of the Pearl Harbor attack, Mr. Arthur Strickland, presented me with a poem which he wrote the day after the Pearl Harbor attack.

Mr. Speaker, I take pride in submitting for publication in the RECORD Mr. Strickland's verse:

THE VOICE OF AMERICA

(By Arthur Lown Strickland, U.S.S. *Dobbin* (AD 3), December 8, 1941)

(Dedicated to the memory of my shipmates who died at Pearl Harbor, December 7, 1941)

Listen, oh sons of the tyrant's rule, to the voice of America;
To the voice of the poor;
To the voice of the rich;
From the man in the manse;
From the man in the ditch;
To its ever increasing victorious pitch,
As they rise up to meet the foe!

Listen, oh keepers of slav'rys chains, to the sound of the marching feet;
As they tramp from the farm;
As they tramp from the town;
To the free navy blue,
And the brave khaki brown
Who are fighting defending our liberty's crown
As it rests on the land and sea!

Listen, destroyers of liberty, to your answer from men born free;
As it rings from the East;
As it rings from the West;
As it rings from the hills
Where the heroes do rest;
As it rings from a mother with grief in her breast
For a Pearl Harbor navy boy!

Listen disciples of war and hate, to the guns of America;
As they roar on the sea;
As they roar on the land;
As they roar on the wings
Of a raiding air band;
As they roar from Bermuda to Philippine strand
Where the ramparts of freedom stand!

Listen, betrayers of honored trust, to the voice from the silent graves;
From the lips of the roll
Of the missing and dead
As they pass on the flag
For whose cause they have bled
To the hands that have lived through the bombs bursting red
At the Pearl Harbor battle line!

Listen, oh fiends of a strife torn world, to a voice from our ages past;
From the Lexington green;
From the great Alamo;
From wherever the roots
Of our liberty grow,
And again we shall answer the challenging foe
At the place where they choose to strike!

Listen, oh foes of the God we love, to the prayers of the trusting ones;
As they call upon Him
To be Leader of all;
Of those who will live;
Of those who will fall;
Of the men who have heeded the challenging call
Of the Saviour of all mankind!

Listen, you lovers of brutal greed, to the sound of a day to come;
To the beat of the drum;
To the bugle's blare;
To the victory cheers
As they trill through the air;
To the sound of the breeze in the banner still there;
The American flag we love!

## COURAGEOUS ACTION OF GARY E. O'NEAL HELPS WOMAN ESCAPE

### HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. FREY. Mr. Speaker, recently an incident was brought to my attention by the editor of the Orlando Sentinel, which I would like to relate to my colleagues. I am sure most of us have read news media accounts of citizens standing by and doing nothing while major crimes were being committed in their presence. On November 26 an Orlando high school senior, Gary Eugene O'Neal, was driving along a main street when he observed a group of eight teenagers pelting a car with bricks and concrete. It happens that the car, which was at a four-way stop sign, contained a woman and her two young children. This young man immediately stopped his car and raced to a nearby telephone booth to call police. Then the gang of youths turned on him and began stoning the booth. As Gary left the booth to run back to his car, the youths hit him in the face from close range with bricks and pieces of concrete. Gary was released from the hospital last Friday after he underwent plastic surgery the day of the incident, his birthday, and spent Thanksgiving there recovering from severe face and head cuts.

To date six boys, ranging in age from 14 to 17, have been arrested in the incident and charged with either aggravated assault or destruction of property.

The courageous action of this young man allowed the woman and her children to escape uninjured to a nearby service station, where she in turn called police. This should be an inspiration to all of us.

## OKLAHOMA PRODUCES TOP MEN—CONGRESSMAN CARL ALBERT IS ALSO PROUD OF HIS FELLOW OKLAHOMANS

### HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ALBERT. Mr. Speaker, a friend of mine has been kind enough to send to me a clipping from the Baltimore News-American. It appeared in the issue of December 3, 1969. It is entitled "Oklahoma Produces Top Men." At this time I offer the entire article for publication in the CONGRESSIONAL RECORD:

[From the News American, Dec. 3, 1969]

OKLAHOMA PRODUCES TOP MEN

(By John F. Steadman)

Not wanting to plagiarize but willing to paraphrase Will Rogers, the greatest humorist of our time, let it be said:

"We never met a man from Oklahoma we didn't like."

Our respect for Oklahoma goes back to our infamous days as a minor league baseball player. The first roommate we had was Lloyd Randall, who was so kind he wouldn't kill a mosquito. He'd ask him to leave.

Then over the years, we had the chance to know such other Oklahoma natives as Billy Vessels, Jim Owens, and Buck McPhail, Lloyd and Paul Waner, the only brother act in Baseball's Hall of Fame; Jerry Adair, Harry Brecheen, Eddie Fisher, Wayne Chambers and other Oklahomans too numerous to mention.

But one significant fact has always made itself prevalent. Oklahoma turns out a special breed of man. Honest, forthright, decent.

They have all the good qualities; none of the bad. We once met a Oklahoma citizen we thought we didn't like but it turned out he was originally from Texas, which kept the record clean, and preserved the contention that Oklahoma consistently produces high class individuals.

We never felt where you happened to be from in any way influenced the kind of man you might be. Geography, it would seem, couldn't be credited or blamed, with producing a winning or losing type of personality.

All we can say about Oklahoma is that it's the best. It is indigenous to good people.

We have tried to probe into the history of Oklahoma to see if there is any connection with its historical birth and the sterling citizens it turns out.

It's interesting to know that the name Oklahoma is derived from a Choctaw Indian phrase meaning "red people." Oklahoma gained statehood on Nov. 16, 1907, which means it is still a young whipper-snapper in the family.

The state bird in Oklahoma is a scissor-tailed flycatcher. How do we know that? You have to be an expert on Oklahoma or be able to read Collier's Encyclopedia, Volume 18, page 100.

We once paid a visit to the Will Rogers Memorial in Claremore, Okla., and while hitch-hiking back to Tulsa had a bad experience.

Still, we had a chance to see a lifelike statue of Rogers and to press a button that, through the magic of recordings, allowed one to hear highlights of his speeches and entertaining dissertations.

It was one of the most memorable days of our life to be able to visit the area where

Will was born. And certainly one of the most tragic moments we experienced was that day in 1935 when word came over the wire from Point Barrow, Alaska that Rogers had been killed in an air crash with Wiley Post.

Just because Will Rogers was a great American doesn't give Oklahoma a corner on producing unforgettable men. But certainly Rogers stands tall in any Hall of Fame you want to collect.

Most Oklahomans we have met are solid and sound. They don't make it a habit of telling lies or stealing another man's horse.

We once asked our friends Vessels and Adair why it was Oklahoma had such reputable and revered individuals. "I never did think much about it," said Adair.

"You got me," answered Vessels. "We just do the best we can with what we have."

Obviously, the most admirable quality to be found in a man from Oklahoma is that he's a nonbraggard. And when you are good you don't need to tell the rest of the world—just like we're doing for Oklahoma right now.

Being called an "Okie" once had a connotation that wasn't exactly a compliment. But to us it was always symbolic of the strong and the hard-working who were only trying to make an honest living off the land, regardless of their lot in life.

The spirit of Oklahoma has been put in verse and song. The musical works as the "Oklahoma Hills" and "The Rose Of Pawnee" will forever remain classics.

We just happen to believe Oklahoma is one of the best places in the world. If we couldn't be in merry old Maryland we'd sure be there, way out on the range riding a pinto pony and enjoying life under the Oklahoma heavens.

## P.S.—HE LOVED OUR COUNTRY, DO YOU?

### HON. DURWARD G. HALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. HALL. Mr. Speaker, it is the month of December, a time when the thoughts of many traditionally turn to the celebration of the birth of the "Prince of Peace."

It continues to be a paradox that during this time, in many parts of the world, there is no peace.

While America's young men continue to die in the rice paddies and jungles of Vietnam, other Americans march in support of those they oppose. Many of those who march in protest are naive and well meaning, while others know exactly what they are doing; giving aid and comfort to the enemy.

As a reply to those who openly support the aggressive and terrorist attacks of the Communists from the North, I offer a letter from a Neosho, Mo., family. A family whose son, Terry, gave his life for the cause of freedom and self-determination.

The letter follows:

Instead of writing to my son tonight, in Vietnam, I find I'm trying to express myself in hopes this may be a bit of help for someone else who may one day be in the same situation. Just 11 days ago, three soldiers came to our home to deliver a message we didn't want to hear.

Our son, Terry, had paid the supreme sacrifice, the necessary telegrams received, the return of the soldiers (bless them, what a thankless job they have). The many friends, without them this would be unbearable. Finally the word of our son's body arriving.

Our first impulses were bitter, very, very bitter, then came a letter from him writing three days before he died. This letter, put our thinking back into proper focus. In part it said—

"Dad, I believe you understand by your letters, but if the people, including my generation, would just unite for a couple of months, this war would be over and I and all could come home, but guess that's asking too much—"Charlie knows he's beaten here but his people in the United States will win it for him. Dad if it's right, let's win it, if it's not let's get out of our mess honorably. Sorry to get off on all this, but we just got first briefing, why we are here."

I had to put out the good old American Flag again. If it was good enough for him to die for, it surely was good enough for me to live for. Not condoning every policy, but we are there let's get all our Terry's home in an honorable fashion and not by protesting.

As Terry's parents, we want to express our appreciation to the city and to our many friends for all the kindness and sympathy shown to us. Words are not adequate for this expression.

P.S.—He loved our Country, do You?

HARLEY ZUMALT AND FAMILY,
*421 E. McKinney St., Neosho, Mo.*

## TRIBUTE TO CIVIL DEFENSE VOLUNTEERS LONG OVERDUE

### HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. LANDGREBE. Mr. Speaker, yesterday I had the great privilege of addressing a convention of the Indiana Civil Defense Directors Association, Inc., in Indianapolis. It was brought to my attention that these volunteers are seldom if ever given nationwide recognition for their long hours of service to their community and to their Nation.

In my small way, I would like to do my part to correct this injustice today. The civil defense volunteers—in Indiana and elsewhere—are, I believe, great preservers of peace. By their vigilance and preparedness to minimize the damage that would be wrought by nuclear war, they have perhaps staved off the threat of such a holocaust.

Operating on limited funds, giving of their leisure time, serving selflessly in so many ways, often risking their own safety in their peacetime services at the scenes of fires, explosions, and other disasters, the men and women of Civil Defense deserve our undying gratitude.

I ask at this time to insert into the RECORD the names of 12 of these great Americans who were given special recognition at yesterday's meeting. They received "Thank You Plaques" for 10 or more years' service as county civil defense directors. These men are:

Loring Russell Stott of Johnson County, who has served as civil defense director for 18 years and who was in 1951 a cowinner with the late Robert Wolf of the Freedoms Foundation Gold Award;

Andrew K. Houk of Boone County, past secretary of the Indiana Civil Defense Association;

Marshall I. Sipe of Delaware County, past president of the Indiana Civil Defense Association;

Charles J. Walker of Miami County, present president of the Indiana Civil Defense Association;

Paul D. Smith of Wayne County, past president of the Indiana Civil Defense Association;

Samuel Hughes of Hancock County;

Crayton Holderead of Marshall County;

Richard H. Giannini of Vanderburgh County;

Roscoe Eller of Jasper County;

Richard R. Gregory of Crawford County;

D. O. Dulin of Montgomery County; and

William H. Grossman of Ripley County.

## TELEVISION'S OPPORTUNITY

### HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. HUNGATE. Mr. Speaker, with regard to the continuing controversy on the media, I call the attention of my colleagues to the following two articles from the Christian Science Monitor.

[From the Christian Science Monitor, Nov. 22, 1969]

AGNEW ON TARGET

(By Roscoe Drummond)

WASHINGTON.—If we didn't have a Spiro Agnew at large today, sure as anything we would want to invent one.

At times he may hurl his arrows at the wrong targets and overweight them with heavy adjectives, but we wouldn't want to see him muzzled. There is only one man in the United States who could muzzle him and he has no intention of doing so.

DEBATE ON FAIRNESS

It isn't debate which divides the nation. It is one-sided debate which divides the nation. Too many people too often remain silent and thus leave most of the headlines to the protesters.

Now, the Vice-President is at it again and he has started a debate on the fairness—or lack of fairness—of network television news and commentary which will be with us for some time. That's healthy.

As one who thought that the "effete snobs" speech was not well-conceived or well-timed, this time on this issue I am almost entirely on Agnew's side.

The Vice-President is simply saying, more bluntly and more baldly than others have been disposed to say it, that the big-audience evening TV news shows reveal considerable bias and unfairness—sometimes deliberate as at the Chicago convention, sometimes accidental, often with a raised eyebrow or a lowered voice.

It's true and it seems to me all to the good to have Mr. Agnew speak out in a way which further alerts listeners to this fact and causes them to indicate their dissatisfaction to the networks.

VALID CRITICISMS

Thousands of listeners did exactly that in the wake of the Agnew speech, and while that kind of stimulated write-in and phone-in is not a balanced cross-section of listeners, it is a kind of spontaneous "Nielsen rating" of the news shows which the networks will not lightly ignore.

I was eager to see what the network executives would say to rebut the Agnew criticisms. But there was no rebuttal. They devoted themselves almost wholly to knock-

ing down mythical strawmen by firming replying to statements he didn't make. To me at least this was confession that Agnew's criticisms were essentially valid and that rebuttal wasn't possible.

The network presidents argued that government censorship would be bad. It would. Agnew never proposed censorship. He simply urged listeners to be alert to news and commentary bias and to let the stations know how they felt.

There is also the empty contention that Agnew said there was a network "conspiracy" to shape the news. He never said there was any conspiracy. He simply said that the power to shape the news which has a nearly captive audience of some 40,000,000 viewers nightly is in the control of so small a group of producers and editors and commentators as to constitute a near-monopoly and that their performance should be subject to public scrutiny and public criticism.

This is exactly what Freedom House, a national organization, where liberals and conservatives unite to strengthen the cause of a free society at home and abroad, is preparing to undertake. It is preparing to create an institute which will provide a continuing appraisal of how well TV and the press perform so that the media, free of government censorship, will still be subject to responsive criticism—and responsive.

GOOD ALERTER

There is one important, balancing point which the Vice-President neglected to make in his speech. Perhaps he did not want to blunt the force of his argument. Anyway, it is encouraging to realize that the American people are not easily pushed around by high-powered, mass-audience commentators. Bias in the news is always dangerous and pernicious, but the barrage of one-sided analysis of Nixon's Vietnam peace-plan speech was followed by a Gallup Poll which showed 77 percent of the people backing the President and another poll reporting 79 percent support.

This is no justification of prejudice and one-sidedness in TV news and commentary which, cumulatively, could shape opinion in its own image.

It won't, if listeners remain alert. Agnew is a good alerter.

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[From the Christian Science Monitor, Nov. 26, 1969]

TELEVISION'S OPPORTUNITY

The television networks should hardly have been surprised at Vice-President Agnew's criticism of their news coverage and commentary. Almost the same thing happened in Britain when Prime Minister Wilson and Labour ministers thought, rightly or wrongly, that television was zeroing in pretty sharply against them and their policies. A couple of protesting "shots across the bow" were fired by Labour spokesmen. Britain's two networks survived the assault, even though the country has no press freedom guarantee imbedded in a written constitution.

Mr. Agnew was opening up discussion aimed at evaluating a number of media practices.

For instance, is it a good idea, immediately after the nation's president—be he Kennedy, Johnson or Nixon—has finished speaking, for television commentators to give their instant, briefed-down versions of what the president said? How has anyone a chance to make up his mind? Wouldn't it be better—say, a half hour later—to assemble a panel (as the British do and American networks occasionally do) to discuss the presidential speech pro and con, with all viewpoints represented? To have only Averell Harriman commenting following Mr. Nixon's Vietnam speech, as did one network, isn't enough, for Mr. Harriman has been steadily critical of the President's policy.

Another question is whether a small group of network newsmen and analysts do not, almost unconsciously, influence America's millions to their outlook and viewpoint. And indeed whether the liberal-establishment Eastern press in the United States does not, by the strength of its coverage and the far-reaching writ of its editorializing, exert more of an influence than is realized.

Perhaps David Broder, writing from Cambridge, put his finger on an essential problem when he said: "No journalistic medium has yet made an effective effort to exploit the rich variety of regional viewpoints and voices to help its readers or viewers to examine the conventional wisdom of their own area." The TV commentators live and work around New York and Washington. The New York Times' Tom Wicker is from the South, but when he says the American protest movement "may or may not be a majority" he is not paying much attention to the polls, which show protestors to be a minority.

The press, the networks, should pay more attention to what solid citizens are thinking elsewhere, should seek the reasons why these outlanders, far from the East Coast, may be wrong or right. A little travel into Texas, Oklahoma, California would reveal opinions very different from those held in New York City.

Another question, raised often, is whether television coverage is not sometimes stacked in favor of unrest and protest. Not only the Chicago convention scenes but the TV panels and debates. Television has wrought splendidly in uncovering hunger in America, in pointing up civil-rights abuses. But on a number of panels, including those featured by educational television, the spokesmen for disorder seem to carry the day.

There is probably virtue in allowing speakers on Boston's black program "Say Brother" to denounce, unchallenged, the United States as imperialist. That is giving black activists their say. But there is less justification for giving some of modern society's wild men the TV publicity they crave.

We can't expect the networks to be the moral influence that the Royal Family is asked to be in Britain. But one can expect all of the news media to heed the various warnings about American polarization issued lately: polarization of the intellectual East against the Midwest, South, and West; polarization along generation lines, the bright collegians against their elders.

The networks, the news media, wield enormous influence. Through presenting all sides of a case, through letting everyone be heard, through indicating ways to agreement, through seeking out spokesmen for constructive solutions as well as for smash-the-Establishment, the news media can do much to heal and save the nation.

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## THE LATE HONORABLE CHARLES B. DEANE

### HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. EVINS of Tennessee. Mr. Speaker, I want to join with my colleagues from North Carolina and others in paying a brief but sincere tribute to the memory of the late Honorable Charles Bennett Deane of Rockingham, N.C., who passed away recently.

Charles Deane and I were "classmates" in the 80th Congress—we came to Congress together and served together for many years. He was an able, talented legislator—modest and unassuming. He was a man of high principles, a Christian gentleman, who served as president of the Baptist State Convention of North Carolina for 2 terms, a high honor and tribute.

Charles Deane, through his selfless, devoted service to his district, State, and Nation, added stature to the Congress. He will be greatly missed and I want to take this means of extending and expression of my deepest and most sincere sympathy to Mrs. Deane and other members of the family.

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## BILL TO PROHIBIT PUBLIC OFFICIALS FROM OPERATING DUAL SCHOOL SYSTEMS

### HON. FLETCHER THOMPSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. THOMPSON of Georgia. Mr. Speaker, enclosed is a bill which I plan to introduce soon and in order that those who read the CONGRESSIONAL RECORD may have an opportunity to see it, I include it in the Extensions of Remarks:

H.R. ——

A bill to prohibit public officials from operating dual school systems, and from requiring racial balance in school systems, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Freedom From Force Act."

TITLE I—GENERAL PROVISIONS

SEC. 1. The right of elementary and secondary education students to attend their neighborhood schools shall not be abridged by any person or authority based upon the race, creed or color of the student.

SEC. 2. Each local "unitary school system" shall have the right to determine their own attendance zones without interference from Federal authority as long as they are reasonably drawn so as to serve the needs of the community and no effort is made by drawing such attendance zones to force a student to attend a particular school because of his race, creed or color.

SEC. 3. Each local "unitary school system" shall have the right to determine the placement of any new school or school facility without interference from Federal authority so long as the new school or facility is placed so as to reasonably serve the needs of the community and no effort is made through its placement to discriminate against any student or group of students based upon race, creed or color.

TITLE II—DEFINITIONS

SEC. 1. For purposes of this Act:

(1) The term "unitary school system" whenever applied to any school system receiving public support means a school system wherein all schools comprising the system function as a part of an overall single administrative unit and in which there is no force or discrimination present, based upon race, creed or color, in establishing the make-up of the student body, faculty or in the allocation of funds, books and facilities to the respective schools.

(2) The term "dual school system" whenever applied to any school system receiving public support means any school system other than a unitary school system (as defined in subsection (1) of this section).

The term "pairing" whenever applied to any school or school system receiving public support means any act required by any governmental authority or person or board acting pursuant to such authority to cause the merger of schools or the alteration of the grade structure for the purpose of altering the race or ethnic make-up of the student body.

TITLE III—ILLEGAL ACTS

SEC. 1. (a) The operation of a dual school system shall be illegal.

(b) The pairing of schools shall be illegal.

(c) The closing of any school for the purpose of forcing any student into a different school so as to alter the racial or ethnic make-up of the student body shall be illegal.

(d) Forcing a child to leave his neighborhood school to attend another more distant because of his race, creed or color shall be illegal.

TITLE IV—PENALTIES

SEC. 1. Any person who violates Section 1 of Title III of this Act shall be subject to be imprisoned for not more than one year, or fined not more than $1,000, or both.

## VOCAL VEEP

### HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ROUDEBUSH. Mr. Speaker, several weeks ago Vice President AGNEW stunned the television network moguls by questioning their news coverage.

AGNEW hit the nail so square on the head that the leftist-liberals did everything but jump out of their New York ivory towers.

Every pollster in the country, except the leftwing Lou Harris poll which was given lucrative Government contracts in the last administration, attest to the overwhelming support for AGNEW throughout the United States.

To the utter dismay of the networks, AGNEW does not have anybody in his corner except the American people who have waited years for someone with his courage, intelligence, and integrity to pull the chain on the leftist propaganda efforts of the networks.

The Indianapolis Star describes the character-assassination attempts on AGNEW now underway by the networks, and why, for the sake of America, the smear efforts must fail.

The editorial follows:

VOCAL VEEP

Vice-President Spiro T. Agnew said in Harrisburg, Pa., Oct. 30, "A little over a week ago, I took a rather unusual step for a Vice-President—I said something."

What's more, he has gone on saying something. In Des Moines, Ia., Nov. 13, he took on the networks. And on Nov. 20 at Montgomery, Ala., he jousted the press—or some of it.

And by and large the public loved it.

Of course, Mr. Agnew has built-in pizazz. He's a first-generation American and a self-made man. That's why regular folk relate to him like a topsides dogwatch to hot buttered rum. And that's why he can ditch political doubletalk and say what the "silent majority" has been longing to hear.

How is it then that his remarks have attracted censure that reverberates from a great height and seems accompanied by a steely glance down a very long nose?

For instance, Dr. Frank Stanton, president of Columbia Broadcasting System, commented: "Apparently the Vice-President is embarked upon a campaign . . . to intimidate the news media into reporting only what he wants to hear."

Leonard H. Goldenson, president, American Broadcasting Company, said: "Again I leave it to the public to determine whether the Vice-President's renewed attack . . . is an attempt to intimidate and discredit not only television news reporting but other major news media. Personally, I believe it is."

A resolution passed Nov. 21 by the National Small Business Association, with 35,000 members in all 50 states, may indicate that the public inclines more to the Vice-President than to Mr. Goldenson. The resolution states that "members of the executive committee . . . meeting in special session Friday, Nov. 21, 1969, commend the Honorable Spiro T. Agnew, Vice-President of the United States, for his efforts to secure more truthful, complete and responsible reporting by the nation's news media."

Mail to The Star on the subject has been running at least eight for Mr. Agnew's stand to one against.

The opposite side wrap their words in odd-shaped packages. They avoid the issue. Instead, swathed in injured innocence—the customary attitude of one caught with his fingers in the cooky jar—they leave a chimera hanging in the air, the dark hint that high office is being used to threaten censorship.

On this score Mr. Agnew said: "I am opposed to censorship of television or the press in any form. I don't care whether censorship is imposed by government or whether it results from management in the choice of presentation of the news by a little fraternity having similar social and political views, I am against censorship in all forms."

As a matter of fact, what has the Vice-President been talking about that's caused all the fuss?

"I am not asking immunity from criticism. That is the lot of the man in politics . . . But my political and journalistic adversaries seem to be asking . . . that I circumscribe my rhetorical freedom while they place no restriction on theirs.

"Just as a politician's words . . . are dutifully recorded by the press and television to be thrown up to him at the appropriate time, so their words should likewise be recorded and likewise recalled . . . And when their criticism becomes excessive or unjust, we shall invite them down from their ivory towers to enjoy the rough and tumble of public debate."

In a nutshell, fair play. That's what Mr. Agnew has been talking about, that boots grown accustomed to stomping should themselves expect to get mashed now and again.

A reasonable enough position, right? Wrong? Wrong to the "liberal" fraternity, that is. A fair exchange is the last thing a "liberal" wants. He doesn't debate. His tactic is to plug one line until people believe it. But there must be no other side.

The United States is one of the last countries where people are still individuals with enough sense of justice to buck the march of "liberalism." All the same, under the New Deal, Fair Deal, New Frontier and Great Society, the business of brainwashing Americans has prospered beyond belief. That is why a man, able to speak for the fair-minded, down-to-earth majority against the debilitating dogma that has plagued them too long, is a major threat to the "liberal" fraternity.

Such a man is Vice-President Agnew. And that is why "liberals" will not debate him, but only terminate him by character assassination if they can.

If they cannot, it is just possible a new era may be on the way when the American people can hope to see their affairs run with sanity and a degree of consideration for the industrious majority who make everything possible.

## THE AMERICAN WAY

### HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BURKE of Florida. Mr. Speaker, all the talk we are hearing now concerning the alleged massacre of South Vietnamese civilians by American troops is, of course, disturbing to the American people.

But I do feel it is important that we examine this talk and put it in its proper perspective rather than be carried away by emotion. The talk and accusation may well be valid but if not, it does an injustice to the accused as well as unjustly points the finger of guilt at the majority of those who are members of the armed services and at our country's military policy.

No decent human being would approve or condone the wanton killing of innocent civilians as a necessary act in any war.

I would like to call to the attention of my colleagues an editorial which appeared in the November 28 edition of the Fort Lauderdale News. I feel that this editorial is truly an excellent analysis of this unfortunate matter and an honest analysis as to how we can now deal with it.

I agree with the statements made in the editorial that the alleged massacre could very well have occurred but as it suggests, I am sure that this incident is an isolated one and certainly it does not now represent, nor has it ever in the past, the policy of our Nation or its leaders—it just is not the American way.

It is for these reasons that we must not allow ourselves or anyone else to put such a barbarian stigma on our American fighting men. To do so is completely erroneous and unfair.

I am glad to commend the following editorial to my colleagues:

FEW VICIOUS GI'S MUST NOT SMEAR VAST NUMBERS WHO SERVE HONORABLY

(By Jack W. Gore)

With public interest and demands for a thorough investigation of the alleged massacre of South Vietnamese civilians by U.S. troops continuing to mount, it would be well today for all Americans to keep a proper perspective about this incident.

As we pointed out in this space last Tuesday, this affair, if it did happen in the manner in which various eyewitnesses have reported it happened, cannot be justified under any provocations.

It was a ghastly affair completely untypical of the normal reaction of U.S. troops under battlefield conditions, and it adds up to something which cannot go uninvestigated or without those involved being brought before a proper tribunal to answer for their deeds.

At the same time, however, it should be kept in mind that this was but an isolated incident in a pretty bloody and horrible war and which reportedly involved only a very small number of U.S. combat troops attached to one particular unit.

With all this publicity this incident is receiving, both in this country and abroad, it is easy enough to lose sight of the fact that for every GI who participated in this affair, there are thousands who are still in Vietnam or who have served there in the past, who have conducted themselves in an impeccable

manner despite the strains of combat and who have gone far out of their way to win the friendship of the people of this war-torn land.

We, for instance, have read innumerable stories of GI's spending almost all of their off-duty time working in orphanages and writing letters back home asking their friends to send some items of food, clothing and toys to be distributed among these orphans.

Other GI's have risked their own lives going to the rescue of wounded civilians or helping them get out of a war zone.

These incidents, however, seldom rate the news space that is devoted to the other side of the coin, and thus they become easy to forget in the justifiable furor created over the alleged slaughter of 100 or more unarmed civilians.

It must also be kept in mind the alleged atrocity, indefensible as it might be, can't hold a candle to the terror campaign waged by the enemy in Vietnam in which thousands of innocent civilian noncombatants have been cruelly slaughtered.

Just the other day, for instance, there was a report which indicated that over 2,500 innocent civilians had been murdered by enemy troops in the town of Hue during the TET offensive, yet many of the newspapers in this country which devoted a large amount of space to the alleged U.S. atrocity, hardly mentioned this report.

This is what we mean by maintaining a proper perspective over this incident. We don't doubt that it happened nor that its disclosure came as a shock to most Americans. But the entire Defense Department and the hundreds of thousands of members of our armed forces who are a part of it can't fairly be blamed for the misdeeds of a very few, any more than a whole community can be blamed if a single one of its citizens runs amok and kills a bunch of innocent people.

There's also this point to remember. Any time a large number of men are taken from their civilian pursuits and trained to be professional killers, there are going to be some who aren't going to be particularly selective about who they kill. Nor is it easy to predict how any certain individual will react to a long exposure to a kill or be killed environment.

Men who have been through combat can better understand how this alleged atrocity could have happened than those who have never been subjected to such an ordeal. Not many combat veterans will condone the wilful slaughter of women and children even in a war zone and under battle conditions, yet they can understand how such incidents can occur, and particularly if ordered by higher authority.

In the days ahead there is little question but that this incident is going to be given a great deal of public exposure. That is perhaps as it should be, but in passing judgment on this regrettable affair it should be kept in mind that it was an isolated incident; it does not reflect the overall attitude of our combat forces in Vietnam, and it involved just a few of the million or more American fighting men who have served or who are still in Vietnam.

The many shouldn't be judged by the actions of the few, but unfortunately this could happen if this incident isn't viewed in its true perspective.

## NUCLEAR POWER ON THE MOON

### HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. HOLIFIELD. Mr. Speaker, we are well aware of how magnificantly the Apollo 12 flight progressed once the astronauts overcame the initial problems at liftoff. As in so many activities in this Nation's space program, another first was achieved on this mission—the generation of electricity by nuclear means on the moon.

The Apollo Lunar Surface Experiment Package—ALSEP—is powered by a nuclear generator which uses the heat of decay of plutonium–238. The heat is applied to one side of a series of thermoelectric devices and they in turn create electricity directly. This nuclear generator, which has no moving parts, is called the SNAP–27. I would like to point out that the SNAP–27 generator will still be functioning when the experiments it is now powering have ceased operating.

The SNAP–27 is the power source for a passive seismic experiment, a lunar surface magnetometer, a solar wind spectrometer, and a suprathermal ion detector, as well as the central station and transmitter which sends the data back to earth.

I would like to recall other successes with space nuclear power sources, namely, the SNAP–19 which is providing most of the power for the Nimbus satellite, our most sophisticated weather satellite, and the grapefruit-sized SNAP–3 navigational satellite which was launched in 1961 and is still operating. It, in fact, is our oldest operating satellite.

Mr. Speaker, if there is no objection, I would like to insert in the RECORD the characteristics of the SNAP–27 and a description of the experiments it is powering on the moon.

The item follows:

SNAP–27 GENERATOR

SNAP–27 consists of a generator and fuel capsule with total weight of 40 pounds.

FUEL CAPSULE

Weight: 14.8 pounds.

Size: 16.48 inches long, 2.51 inches in diameter.

Operating temperature: 1300 degrees Fahrenheit.

Thermal power: 1480 watts.

Nuclear material: Plutonium–238.

GENERATOR

Housing: Beryllium structure including fins.

Size: 18.23 inches high, 15.67 inches in diameter across the fins.

Weight: 25.2 pounds.

Power output: 56.2 watts three years after assembly.

Voltage: 16 plus or minus 0.2 volts.

Thermoelectric Material: Lead Telluride.

Powered Devices of the Apollo Lunar Surface Experiment:

Central data collection station and moon-earth transmitter-receiver.

The four scientific experiments are:

*1. Passive seismic experiment.*—This is intended to gain information in lunar physical properties. It will determine the frequency of moon quakes and measure approximate azimuth and distance to seismic epicenters. The location and frequency of meteorite impacts on the moon can also be observed.

*2. Lunar surface magnetometer.*—This will indicate the deep permeability and conductance of the moon and whether it has a ferrous core. It will yield information about the interaction of solar wind with the moon and since the conductivity of rock is a strong function of temperature, inferences may be drawn as to the deep subsurface temperature of the moon.

*3. Solar wind spectrometer.*—Provides information as to how solar wind(s) react with the lunar surface as to close-in shock fronts and directional changes. This will provide information on the confinement of plasmas in the laboratory, electrical conducting of the moon, the moon's availability to retain an atmosphere and the effects on the lunar surface of charged particle bombardment.

*4. Suprathermal ion detector with cold cathode ion gauge.*—This experiment measures characteristics of positive ions at the lunar surface. Its purpose is to gain information about the lunar atmosphere as well as the low energy portion of the solar wind(s). The effect of electric fields near the lunar surface can also be observed.

The cold cathode ion gauge will indicate the density of the lunar atmosphere and detect any variation of particle density associated with the lunar phase or solar activity.

## MANY PARENTS OBJECT TO DEMONSTRATORS USING THEIR SONS' NAMES

### HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BOB WILSON. Mr. Speaker, during the recent Vietnam moratorium, many parents of servicemen killed in Vietnam were deeply disturbed by the use of their sons' names by the demonstrators. This father speaks poignantly for many families who have given a son or husband for their country and I would like to share his strong feelings with my House colleagues. The letter follows:

[From the Las Vegas Review Journal, Oct. 16, 1969]

"WHEN THEY READ THE NAME OF MY SON"

When the peace demonstrators read my son's name, let them know how he felt about the Vietnam war, and how the parents who shaped him feel about it.

It is we, the parents, who said goodbye to him when he went away to fight—not the peace agitators.

It is we, the parents, who wrote long, anxious letters to him during his three months of almost continuous combat—not the agitators.

It is the ones who saw his body returned in a flag-draped coffin who first should be heard—not the protesters.

These transparent propagandists were not there to see my son buried, nor do they accompany me on my trips to lay flowers on his grave.

My son was killed while fighting for his country.

America cannot be permitted to perpetually persuade its citizens to instill in their sons a sense of patriotism, loyalty and a determination to defend the oppressed, and then after the sons have died, suddenly change her mind and yield to those who killed them.

Most of the peace demonstrations and name-reading ceremonies across this nation are an obvious propaganda device designed to influence the President of the United States into surrendering South Viet Nam to an enemy which admittedly and openly seeks to conquer it by any and all means.

When they read my son's name to advocate peace at any price—the price being defeat—let them remember that he whose name they read did not surrender.

When these pretentious mourners read my son's name, let them realize that their grief would be better served if applied to the Viet Cong whose flag they wave even as they burn the one which graced my son's casket. Let

them apply their bogus sorrow to those aggressors felled by my son as he won his posthumous Silver Star for heroism in ground combat.

And when they read the name of my son, let them know that he advocated an increase in the bombing of the ammunition depots in North Viet Nam—not a cessation so that his enemy would receive unlimited war supplies with which to kill him.

When they read the name of Gregory Malcolm Thompson, let them realize that they are proving before the world the truth of the oft-repeated Communist claim that many Americans have become soft, decadent and yielding to any determined force which opposes them.

And when these weak, gullible ones read his name in their avowed pursuit of peace, let them remember that a peace purchased at the price of surrender is but a brief Munich-type peace lasting only until the aggressor's appetite demands more victims.

Finally, when these hypocrites read the list of the dead who defended South Viet Nam, let them know that they have reached the ultimate low in the world-record of human infamy, in that they willfully and cunningly utter a dead man's name to achieve the defeat of the cause for which he died.

MALCOLM THOMPSON.

## EDITORIALS SUPPORT PRESIDENT ON GERM WARFARE DECISION

## HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ARENDS. Mr. Speaker, the President's decision to renounce the use of "germ" warfare has won broad acclaim.

From every part of our land I have received editorials supporting the President's action.

These editorials have come from papers that otherwise might be described in some cases as "hawk" and in others as "dove."

They come from the East, South, North, and West.

Mr. Speaker, I submit a sampling of these editorials for inclusion in the RECORD, as follows:

[From the Richmond Times Dispatch, Nov. 27, 1969]

DEMOBILIZING GERMS

Some of the world's great powers possess a terrifying arsenal of biological weapons capable of killing or crippling vast populations, and the horrendous possibility of germ warfare has hovered over mankind for years.

Available for use are biological agents capable of causing such deadly diseases as plague, anthrax, tularemia, botulism, Rocky Mountain spotted fever and encephalitis. In a single pass over New York City, one fighter plane could drop enough anthrax bacteria to wipe out half the city's people. Cities the size of Richmond could be rendered lifeless with no trouble at all.

Now the shadow seems to be lifting, thanks to PRESIDENT NIXON'S renunciation, on this country's behalf, of the use of bacteriological weapons under any circumstances. This unilateral decision, coupled with MR. NIXON'S pledge that the United States would never be the first to use chemical warfare weapons, should rid all but the most cynical of the notion that the United States is an imperialistic nation. The President's action indicates the *defensive* nature of this country's military posture.

Some might attempt to disparage MR. NIXON'S act by insisting that the biological weapons he has renounced were impractical anyway, that he really hasn't forsworn the use of a single weapon of value. It is true that any country that resorted to biological warfare would run a grave risk of unleashing deadly germs upon its own people or upon friendly countries. But a country convinced of the military necessity of using biological weapons might not allow such a chilling possibility to stop it. MR. NIXON'S decision could persuade other nations to forgo the development of a cache of bacteriological weapons, and this, of course, would reduce the chances of germ warfare.

Other critics are upset by MR. NIXON'S failure to include tear gas and defoliants, now being used in the war in Vietnam, on the list of chemicals this country does not intend to use first. In other words, they want the United States to stop using tear gas and herbicides altogether, now.

A ban on such chemicals may ultimately prove to be desirable, but the President was right not to abandon them precipitately. Of course they are damaging and reprehensible. All weapons of war are. But tear gas is not deadly, and the controlled use of defoliants doesn't have to pose a major threat to human life.

[From the Charlotte Observer, Nov. 27, 1969]

PRESIDENT NIXON TAKES SANE STEP

President Nixon has moved to put sanity back into United States policy on chemical and biological warfare (CBW).

For years now, CBW developments have gone their own mindless way. Neither the public in general nor its most responsible leaders have realized what was afoot in this field.

There is evidence, for example, that President Nixon himself didn't know about stockpiles of nerve gas on Okinawa during his first months in office. As Rep. Richard D. McCarthy writes in his new book, "The Ultimate Folly", the majority of congressmen knew little about the CBW program even though they appropriated money for its operations.

One of the few informed CBW supporters in the House was a congressman who also happened to be a major general in the Army's chemical reserve and the representative of a district which was home to a major Air Force CBW laboratory.

But thanks to the Okinawa disclosures and, more important, the accidental gassing of 6,400 sheep near Dugway, Utah, Rep. McCarthy and a great many others recognized what was happening in both the chemical and biological fields. What they saw wasn't pretty.

The United States was not only stockpiling weapons that most of the rest of the civilized nations of the world had agreed not to use under the Geneva agreement of 1925. There were pressures in the Pentagon for exotic new developments such as a synthetic germ that would create epidemics for which there was no medical defense.

In a dangerous world, this country must often take defensive moves it would rather forego. But it is not in our defensive interests to play the role of the brilliant scientist who creates a CBW monster that can easily get out of control.

As President Nixon said, CBW weapons are too unpredictable and uncontrollable to be made "options" in any nation's arsenal. It is time this country concentrated on ridding the world of their grotesque threat rather than on carrying it to a more hideous perfection.

The President has proposed the basic steps for a sane policy: Ratification of the 1925 Geneva agreement with a tough amendment to ban weapons unknown in 1925; destruction of our biological weapons; and concentration on genuine defense measures against biological weapons through research outside the Defense Department.

These steps can take our CBW program out of the dark corners of the Pentagon where it has flourished so dangerously. And with our own policy in order, we can join a worldwide effort for genuine CBW defense by seeking the mutual elimination of all CBW weapons stockpiles.

[From the Oregonian, Nov. 26, 1969]

GOOD, BOLD EXAMPLE

President Richard M. Nixon's statement on gas and germ warfare is a major initiative toward elimination of world-devastating warfare.

The President not only asked U.S. ratification of a 1925 Geneva protocol prohibiting use of chemical and bacteriological weapons, he proposed that America join Great Britain in seeking a reaffirmation of that principle in a newly drafted convention. And of even greater immediate significance he:

Flatly renounced any further U.S. research in bacteriological weapons;

Said America would not employ such germ warfare even if an enemy were to do so;

Ordered a study leading to the destruction of all existing U.S. stockpiles of bacteriological weapons;

Promised that future bacteriological research would deal only with countermeasures against germ weapons used by others, with the research administered by the Department of Health, Education and Welfare rather than the Defense Department;

And reaffirmed America's long-standing commitment against first use of lethal chemical, as distinguished from germ, weapons, and extended the commitment to incapacitating chemicals.

America should long since have ratified the 1925 Geneva protocol, which was an outgrowth of the use of gases in World War I. The belated action, coupled with the other unilateral intentions listed by the President, should encourage wide adherence to the convention updating the 1925 pact. These actions set a bold and admirable example for others who possess or aspire to gas and germ offensive weapons.

The U.S. risk is in the possibility of surprise attack by an enemy with such weapons. The safeguards emphasized by the President are an alert U.S. intelligence with respect to such foreign research and the perfection of counter measures. The risk, so limited, is well worth the prospect of eliminating a kind of warfare that not only threatens the very existence of man on earth but also who a brutalizing influence on those who have the power to wage it.

[From the Houston Chronicle, Nov. 27, 1969]

AN END TO CBW HORRORS

For more than a decade, the United States has secretly been preparing for chemical and germ warfare—a potential killer which some scientists say makes The Bomb look like a toy.

The amounts spent and details of the grisly chemical and biological weapons (CBW) have for the most part been concealed. The horrors that have been developed began to be known with the accidental killing of sheep in Utah last March; with the discovery that nerve gas was stored on Okinawa; and the disclosure of the army's plans to dump obsolete stocks of chemical agents in the ocean.

This year it was learned that about $2.5 billion has been spent by the United States for CBW work since 1960 with little debate in Congress and with most congressmen not being aware of what was being done.

Public revulsion to silent killers evoked from the Pentagon the response that CBW was a deplorable weapon but we must have

the capabilitty to use it so other nations will be deterred from doing so.

Now, after an intensive review, President Nixon has taken another stand, one which shows a far better understanding of the frightful hazards of CBW.

"Mankind already carries in its hands too many of the seeds of destruction," Mr. Nixon said. "Biological weapons have massive unpredictable and potentially uncontrollable consequences. They may produce global epidemics and impair the health of future generations."

The President has ordered a halt to the creation and stockpiling of more odorless, tasteless, kill-in-seconds materials. In addition, the gruesome stockpilers are to be destroyed.

Instead of becoming a CBW power to deter other nations, the United States will find ways of countering any germ warfare attack. The President wisely decided on the shift in research and placed the responsibility in the Department of Health, Education and Welfare, rather than the Defense Department.

In addition, the President extended U.S. policy to foreclose the first use in a war of chemicals that incapacitate. A policy against the first use of lethal chemicals in a war was adopted by the United States decades ago.

The presidential announcement was well-timed. It came on the same day the Russians pushed for consideration in the United Nations of a draft treaty banning chemical and biological weapons.

Also, redirecting the research on CBW towards a more humane approach took place when Americans were reeling from disclosures about the massacre at Pinkville. Mr. Nixon's action on CBW will not affect the lesion on our national honor caused by the slaughter of women and children at Pinkville. But it does show that this nation still has a basic abhorrence for the horror that man can create and perpetrate.

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[From the Chicago Today, Nov. 17, 1969]

ENDING THE GERM-WAR RACE

Good News about armament stockpiles is rare, and we're grateful to President Nixon for providing a double helping of it. The President announced Tuesday that the United States is renouncing the use of bacteriological weapons under any circumstances—even in an attack by an enemy using them—and will destroy its stocks of germ-war components as quickly as the job can be done in safety. [The defense department says it hopes that will be "well within a year."]

Nixon also formally renounced the first use by this country of deadly or incapacitating chemical weapons, and called on Congress to ratify the 1925 Geneva convention banning them.

All this is an immensely hopeful change—a decisive step away from the nightmare of gas and germ warfare, after many years of determinedly pushing toward it. Moreover, the new policy shows a basic shift in the thinking that has governed military decisions for decades: The compulsion to pile up more and deadlier weapons because, if we don't, the other side may be able to annihilate us more times than we can annihilate them.

That fear-thinking has led to a self-accelerating race that, sooner or later, could only make the nightmares a reality.

There is no other way to stop this spiral than to stop it; to declare that, since it takes two to make a race, this particular race is over as of now. Taking the first step required some courage, as does every first step, and we're glad Mr. Nixon has it.

Nixon exempted from the self-imposed ban on chemical weapons such riot-control agents as tear gas and its modifications. That left room for further discussion, and the Communists promptly moved into it. Shortly after he spoke, the Soviet Union and seven other communist nations submitted a resolution before the United Nations asking for a complete ban on chemical and biological weapons, presumably including these.

If that means the thrust has been reversed, and that east and west now will start trying to outdo each other in denouncing gas-germ weapons instead of stockpiling them, it's the best news in that sector yet.

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[From the Nashville Banner, Nov. 26, 1969]

NIXON SPELLS IT OUT—ON BIOLOGICAL WARFARE, THUMBS DOWN

"Germ Warefare," and biological methods, have been so repugnant to conscience that civilized people—by common consent—have refrained from their use, though other weaponry has developed in volume and destructive power.

The United States has meticulously shunned bacteriological use—confining research in that field to preparedness for purely defensive purposes. The fact is underscored, and policy as the national guideline emphatically spelled out, in President Nixon's statement on the subject yesterday. He has moved also to correct a 44-year oversight, by proposing Senate ratification of the 1925 Geneva treaty prohibiting first use in war of "asphyxiating, poisonous, or other gases, and bacteriological methods of warfare."

This nation has abided by that rule, though not a signatory to it. The record in that particular speaks for itself.

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The United States' activities in that field will be restricted, by this order, to maintaining a defensive research program. That does not alter the policy, it simply defines and formalizes it. In the area of international affairs, it also substantiates further this nation's commitment to leadership for world security and peace.

In addition to renouncing "first use" of lethal chemicals, President Nixon extended the American position forbidding first use of incapacitating chemicals. Again, as he stipulated, any research or resources in these will be for defensive purposes only—and reserved strictly for possible retaliation.

The policy is clear and valid, as was the one on which the ABM decision was based—recognized for what it is, a national defense mechanism.

Mr. Nixon has made his case. It will be understood in the chancellories abroad. It should be understood, even by chronic policy-needlers, at home.

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[From the San Francisco Chronicle, Nov. 26, 1969]

CB ABOLITION A MORAL VICTORY

(By Royce Brier)

In 216 B.C. Hannibal with 40,000 men routed a Roman army of 86,000 at Cannes, one of the most extraordinary pitched battles of all time. The story is he slaughtered 60,000 survivors, but it's a Roman story, not his.

Anyway, ancient battles and sieges were often total. Today we have nuclear weapons, but we're scared to use them. They are being hoarded for survival conflict, but experts concede that in nuclear warfare victory is impossible in any rational sense.

The technology which begot nuclear energy had spinoffs devising other forms of warfare, possibly as total as nuclear. Indeed, it started a little earlier when the Germans used poison gas in World War I, with only local success.

Notwithstanding, the military outfits of the several great powers created sections to devise and experiment with non-detonation war, chemical and bacterial, called CB in the trade. Since World War II the CB activity has been intense on a small scale, and millions have been dumped into it by the United States, and probably by the Soviet Union.

The method was to assemble specially trained brigadiers and colonels with technical and scientific aides who teamed with private industries to produce the junk.

They were put in fenced compounds, and it was so secret the personnel couldn't tell wives what the duties were. Testing grounds were set up in isolated areas, one in Utah. If anything went awry, the administrators were required to lie about it by their superiors, disclaiming that their work had anything to do with a given mishap.

Manpower and money were wasted, because the weapons they fashioned were potentially unusable on both moral and practical grounds.

* * * * *

So it was a child's game, designed chiefly to snuff out civilians. President Nixon in a highly commendable move has now renounced it.

He said he is unilaterally ordering the destruction of bacteriological and offensive chemical stocks. The only exceptions are tear gas and other riot-control agents, and some chemicals used against plant life. Only defensive production and testing will remain. Apparently the manpower will be diverted to other military duties.

The gases, including nerve gas, are subject to the caprice of air movement in close combat, and even in remote bombing are unreliable. Very few Americans wish to behold the inhabitants of even an enemy city reduce to quivering and dying paralytics. Spreading germs, cholera for instance, is even more repugnant, and there is no guarantee an epidemic could be confined to enemy territory. Defensive medical science is not that exact.

There will be wails the Nixon decision undermines national security. Nonsense. In a survival war we have nuclear weapons. Genocide by detonation is bad enough, without casting about for bizarre ways to accomplish it.

Renunciation of CB warfare can't have anything but a salutary world effect. It may be a turning back from the extermination of mankind the doomsday folk postulate as the end of the technological road we pursue on all fronts today.

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[From the Seattle Post, Nov. 28, 1969]

GERM WARFARE

President Nixon's decision to renounce the use of lethal and incapacitating chemical weapons and to destroy existing stockpiles of even more dreadful bacteriological weapons is a welcome initiative for Americans and all mankind.

Soviet negotiators at the strategic arms limitation talks in Helsinki can hardly interpret the President's action as anything but a sincere move toward sanity in the ever escalating world arms race.

Even though the United States has never formally ratified the 1925 Geneva Treaty prohibiting firse use in war of "asphyxiating, poisonous or other gases and bacteriological uses of warfare," we have always adhered to the principles of the pact.

The President's message now makes feasible an explicit U.S. commitment toward limiting the possibilities of chemical and biological warfare through action in the Senate.

It is an entirely sensible move on our part. A defensive research program in "germ warware" is an adequate deterrent to guarantee safety from potential aggressors.

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[From the Denver Post, Nov. 26, 1969]

WISE DECISION ON GERM WEAPONS

President Nixon has acted wisely and humanely in pledging that the United States will never engage in germ warfare and in renouncing the use of chemical warfare weapons for all but defensive purposes.

The fear of bacteriological warfare has

been with the world for many years. The President's decision, announced Tuesday, to destroy all existing U.S. stockpiles of bacteriological weapons should alleviate much of this fear. But similar statements from leaders of the Soviet Union and other major powers are needed to set the world at ease on this matter.

We wish that President Nixon had also been able to announce plans for destruction of chemical warfare weapons—most notably of such lethal gas supplies as those stored at the Rocky Mountain Arsenal near Denver. In our view, these chemical weapons represent as great a threat to the people of the United States as they do to any possible enemy.

The President certainly could strengthen his hand at the SALT talks in Helsinki if he also proposed to phase out the supplies of lethal gas.

The subject of germ and chemical warfare is not likely to be raised at the Helsinki talks, which are concentrating on nuclear disarmament. But the ongoing general disarmament conference in Geneva would be appropriate for such a discussion.

In the meantime, we hope that Congress promptly heeds the President's request for ratification of a 1925 Geneva protocol prohibiting the first use of "asphyxiating, poisonous or other gases and of bacteriological methods of warfare."

Such action, coupled with U.S. backing for a British draft treaty on the banning of biological weapons, would definitely enhance the cause of worldwide disarmament.

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[From the Seattle Post, Nov. 26, 1969]

BOTH NIXON AND U.S. MAY GAIN FROM BAN ON GERM WEAPONS

(By Robert M. Smith)

WASHINGTON.—By the time President Nixon made his speech yesterday on chemical-biological warfare, there was nearly unanimous agreement among the top members of his administration on the decision he announced.

This was because Nixon gave up a few untested weapons in the American arsenal to gain possible real advantages of security for the nation and prestige for himself.

Informed sources here say Nixon's decision on chemical-biological weapons was both shrewd and quick. They are asking people to look at what the President really gave up, and they suggest that he will now take other important steps, though probably with less splash.

What the President gave up, they say, was—

The first use of incapacitating chemicals. The U.S. has only one "incap" chemical—a gas called BZ. BZ enters the body through the lungs and interferes with the normal mental and physical processes. But BZ, the Pentagon has admitted, is terribly expensive ($20 a pound, and it takes thousands of pounds to knock out, say, a battalion), and its effects vary; while it makes some people passive, it may send others beserk. In addition, it can—in certain cases—kill its victims.

The use of germs to incapacitate and kill in war. It has been American policy that biological agents would be used to "retaliate in kind" against an enemy who used them on American forces or population.

However, experts in chemical-biological warfare (CBW) point out that there were several problems that would probably have prevented the U.S. from ever using germs as weapons, even in retaliation.

In the first place, the germs and toxins (the dead but poisonous products of bacteria) stockpiled in refrigerated igloos at Pine Bluff Arsenal in Arkansas have never been tested; it is not clear what effect they would have on enemy forces or population.

Secondly, there is a central problem of "retaliation in kind": identifying the attacker. How could the U.S. tell whether it was, say, Peking or the Soviet Union that had spread a particular disease?

Thirdly—and this is probably the most common argument of those opposed to the stockpiles at Pine Bluff—how could the U.S. distribute germs against an enemy so that it could be sure that the germs stayed in hostile territory. How, they ask, could the diseases be kept from spreading into neutral or friendly territories or even from triggering a world-wide "pandemic" that would boomerang on the U.S.?

In light of all these uncertainties, the experts say—and Secretary of Defense Melvin R. Laird apparently agreed—both the incapacitating agent EZ and the arsenal of germs have very dubious strategic value. And it is only these weapons that Nixon foreswore the use of yesterday.

On the other hand, the gains to the nation and to Nixon personally appear substantial, according to informed sources.

First—and perhaps most importantly—biological and chemical agents neither cost as much nor require the technical ability of nuclear weapons to produce. By maintaining a stock of biologicals and refusing to sign the Geneva protocol banning the use of gas and germs, the U.S. may have been engendering interest in CBW weapons on the part of small, poorer countries keen to create their own arsenals.

In addition, the U.S. has been criticized at the Geneva Disarmament Conference and at the United Nations for refusing to take a strong stand on CBW. This week, the Political Committee of the United Nations is scheduled to discuss CBW.

At the same time, domestic pressure on the administration has been mounting. Some of it has come from the academic community, some from a public troubled by accidents involving gas, and some from the Congress.

The American Academy of Arts and Sciences and the Salk Institute sponsored a conference on CBW. In July in Boston; Rep. Max McCarthy, a New York Democrat and outspoken critic of CBW policy, has a new book, "The Ultimate Folly" which comes out today, and a House subcommittee is in the midst of hearings on CBW.

The administration made clear that it did not regard tear gas as banned by the protocol, pointing out that Australia—which is also fighting in Vietnam—shares that view.

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[From the Akron Beacon Journal, Nov. 26, 1969]

NIXON'S CBW WEAPONS BAN STEP TOWARD PEACE, SAFETY

Criticism of the American military establishment's continuing emphasis on the weapons of chemical and biological warfare (CBW) was mounting in Congress and in scientific circles when Defense Secretary Melvin R. Laird answered it rather roughly last July.

In a statement which seemed to reflect official policy, Laird said that the best way to ensure that the United States is not attacked with chemical or biological weapons is for it to maintain its own weapons as a deterrent. The U.S. he said, would never be the first to resort to CBW, but it would continue research and production of gas and germ weapons.

If that was official policy then, it is no longer.

President Nixon yesterday announced changes in this country's CBW program which should satisfy all reasonable critics.

With respect to chemical warfare, the U.S.—

"Reaffirms its oft-repeated renunciation of the first use of lethal chemical weapons" and "—Extends this renunciation to the first use of incapacitating chemicals."

Accompanying this pledge was an announcement by the President that he will ask the Senate to ratify the 1925 Geneva Protocol which prohibits the first use in war of "asphyxiating, poisonous or other gases and bacteriological methods of warfare."

With respect to biological weapons, Mr. Nixon said:

"Biological weapons have massive, unpredictable and potentially uncontrollable consequences. They produce global epidemics and impair the health of future generations. I have therefore decided that—

"The U.S. shall renounce the use of lethal biological agents and weapons, and all other methods of biological warfare.

"The U.S. will confine its biological research to defensive measures such as immunization and safety measures.

"The Department of Defense has been asked to make recommendations as to the disposal of existing stocks of bacteriological weapons."

Beyond this, the President said the U.S. "associates itself" with a British proposal to ban not only the use of bacteriological weapons—already covered by the Geneva Protocol of 1925—but also their development and production.

The new policy announced by Mr. Nixon is praiseworthy as "an initiative toward peace." It also may be valuable as a means of protecting the United States against accidents which could be devastating.

CBW weapons are, in fact, worse than useless. Rep. Charles A. Mosher (R-Oberlin) and three other Republican Congressmen recently made this point in a 37-page report.

"Our study clearly shows," said Mosher, "that CBW (chemical and biological weapons) do not contribute in any meaningful or effective way to our national defense; in fact, our possession of these volatile weapons may severely restrict our ability to negotiate significant arms limitations on conventional and nuclear weapons systems.

"The fact is that chemical and biological weapons are even more dangerous to those who have them than to any potential enemy," Mosher continued. "There is simply no reliable, foolproof way to produce, transport and store them safely."

As for ratification of the 1925 Geneva Protocol, Senate Majority Leader Mike Mansfield (D-Mont.) predicted that this could be accomplished before the end of the year, despite a crowded Senate schedule.

"I see no reason why there should be any controversy," he said. "It's 44 years overdue."

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[From the Buffalo Evening News, Nov. 26, 1969]

A CRUCIAL "INITIATIVE TOWARD PEACE"

Only last June the White House announced a detailed review of chemical and biological warfare, including the U.S. position on arms control and the question of ratifying the 1925 Geneva protocol renouncing the use of such weaponry.

Now, in what he properly calls an "initiative toward peace," President Nixon has put the U.S. on record with an explicit and emphatic policy position that not only reaffirms renunciation of the first use of lethal chemical weapons, but goes beyond that to spell the end to production and stockpiling of biological agents of destruction.

As an appropriate punctuation to this contribution to an "atmosphere of peace," moreover, Mr. Nixon will seek a belated Senate confirmation of the Geneva Protocol.

What must be even more gratifying to Rep. Richard D. McCarthy of Buffalo, as one of the first and most articulate critics in alerting the nation to the perils of disease-spreading weapons, is the President's decision to outlaw lethal germ agents even for deterrent and retaliatory purposes.

Mr. Nixon firmly supports the basic and uanswerable argument for a total, unequivocal ban—that biological weapons inherently have "massive, unpredictable and uncon-

trollable consequences" that could "produce global epidemics and impair the health of future generations."

In ordering the destruction of present stockpiles, the President has gone far beyond, if indeed he has not actually overruled, what has been generally understood Defense Department doctrine that the U.S. must maintain such weapons for their "defensive and retaliatory capability." The effect of this now is to align the U.S. closely with the British proposal at the 18-month disarmament conference for a convention that would strengthen the 1925 Geneva Protocol by prohibiting the production and possession of biological agents for hostile purposes.

In the area of gas warfare, the President goes far enough for now, we think, in renouncing first use of lethal and incapacitating gas while making an exception of tear gas. Here we suspect Rep. McCarthy is barking up the wrong tree in trying to get even tear-gas added to the banned list.

The President has done a good day's work for peace. It affirms the determination of this country to do its part in easing the universal sense of horror generated by disease-spreading weapons which rival in risk to humanity the thermonuclear weapons whose control is the subject of current U.S.-Soviet talks in Helsinki.

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[From the Cleveland Plain Dealer, Nov. 27, 1969]

STEP TO PEACE

President Nixon's renunciation of any use of biological weapons and first use of lethal chemical weapons is a laudable step that advances the cause of world peace.

The Senate should follow through with prompt ratification of a Geneva protocol prohibiting first use of these weapons. This action is 44 years overdue; the protocol was achieved in 1925 but the United States and Japan remain the only major nations that have not ratified it.

The next advance should be an international agreement prohibiting any use or stockpiling of these terrible weapons. Disarmament negotiators are now working toward that end. Their task is a difficult one, but Mr. Nixon's action should make international agreement easier to achieve.

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[From the Baltimore News American, Nov. 27, 1969]

GERM WARFARE

President Nixon's decision to renounce the use of lethal and incapacitating chemical weapons and to destroy existing stockpiles of even more dreadful bacteriological weapons is a welcome initiative for Americans and all mankind.

Soviet negotiators at the strategic arms limitation talks in Helsinki can hardly interpret the President's action as anything but a sincere move toward sanity in the ever escalating world arms race.

Even though the United States has never formally ratified the 1925 Geneva treaty prohibiting first use in war of "asphyxiating poisonous or other gases and bacteriological uses of warfare," we have always adhered to the principles of the pact.

The President's message now makes feasible an explicit U.S. commitment toward limiting the possibilities of chemical and biological warfare through action in the Senate.

It is an entirely sensible move on our part. A defensive research program in "germ warfare" is an adequate deterrent to guarantee safety from potential aggressors.

As the President declared: "Mankind already carries in its own hands too many of the seeds of its own destruction. By the examples we set we hope to contribute to an atmosphere of peace and understanding between nations and among men."

## HUGH DOWNEY

### HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BOLLING. Mr. Speaker, a magnificent private effort has been underway for some time in Ethiopia that deserves the commendation of all of us. I refer to the efforts of Hugh F. Downey, a young man from Kansas City, Mo., who has organized a program of community action in rural Ethiopia. I have known this young man just as I have known his father, Hugh B. Downey, himself a responsible and conscientious community leader, for many years. I admire them both and I can understand by knowing the father why the son is the diligent, capable, and talented person he is. Last Thursday, national recognition came to the younger Hugh in the form of the Lane Bryant Volunteer Award. The program brochure carries a citation supporting Mr. Downey's achievement. It follows:

HUGH DOWNEY—CO-WINNER, $5,000 INTERNATIONAL AWARD

In a remote province of Ethiopia 3,500 feet about sea level, a 28-year old native of Kansas City, Missouri labors in the hot, arid terrain. He is working to help people who are fighting not only the natural enemies of poverty and disease, but the human hostilities that exist in the unsettled areas as well.

Hugh Downey came to Ethiopia as an enlisted man in the United States Army. A chance meeting with a priest introduced the young soldier to the poverty of the remote villages. From that moment he was committed to teach the villagers how to help themselves in every way possible.

After Mr. Downey's discharge from the Army in 1965, he only returned home long enough to marry his childhood sweetheart and to seek support from among his friends and family for the people of Ethiopia. Then the Downeys returned and, despite tremendous obstacles, have recorded an impressive list of achievements.

Through their efforts, 10 schools, currently educating 1,000 pupils, have been built, equipped and staffed. Ten brick making machines, imported from the United States, have been loaned to villages to transform grass hut structures into sturdy, clean homes. One village has a church, council hall and many residences and, as a reward for its progress, has been presented with a gasoline powered generator for electricity. An orphanage of five buildings, designed free of charge by an American architectural firm, houses 100 orphans. A school connected with the orphanage is open to an additional 100 day students from poor families in the area. Its scholastic standing is recognized as among the best. A public library of over 5,000 volumes was established in Keren. It was so popular that the municipality has taken over its operation.

The Downey's personally combatted two serious malaria epidemics, obtaining quantities of medicines, organizing and supervising a distribution system. They have organized and taken part in medical safaris, carrying aid into remote areas never before having the benefit of modern medicine. They continually minister to the sick and afflicted in a large area surrounding the town of Keren. Presently, they are building a 75-bed hospital in Keren, a modern structure designed by an American architectural firm. Joining with the officials of Keren, the Downeys have helped establish an obstetrical clinic which is nearly ready for use.

With all this incredible activity, the Downeys have also managed to maintain a home, providing room, board and tuition for secondary school students who otherwise would be unable to continue their education. They have financed young native businessmen in establishing trades for which they are suited. In addition, Mr. Downey has conducted small, but successful agricultural experiments.

These accomplishments have taken their toll. Mrs. Downey lost her first baby in Keren and was once wounded in the leg by a stray rifle shot. Happily, the Downeys welcomed the birth of their son, Hugh Michael, on March 3, 1969.

Mr. Downey has been commended by His Imperial Majesty Emperor Haile Selassie. H. H. Ras Asseratte Kassa, Governor General of Eritrea, stated that even more important than Mr. Downey's physical accomplishments, is his moral force. Governor Kassa pointed out that he is a man of peace and of much creative ability, compassion and intelligence. Hugh Downey conveys to the people the need for commitment to self-government, the need for hard work in a spirit of sacrifice and growth. He actively trains Ethiopian citizens to take over the various projects he initiates, and inspires others to start similar projects on their own.

Praise for Hugh Downey does not come from high places alone. A river near Keren has been renamed . . . The River Hugh.

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## PARITY FIGURES FOR NOVEMBER 1969

### HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ZWACH. Mr. Speaker, as is my custom since I have been in Congress, I am today inserting the latest parity figures for November 1969.

The parity figure has gone up from 72 percent in January 1969, to 76 percent in November 1969. This is a step in the right direction. I sincerely hope that Congress will do all it can at the Federal level to keep moving toward the goal of 100-percent parity.

Mr. Speaker, I hereby insert the November 1969, parity figures with January and October figures to show comparison:

PARITY, NOVEMBER 1969

[Percent]

| Commodity | January | October | November |
|---|---|---|---|
| Wheat | 47 | 46 | 46 |
| Corn | 65 | 65 | 62 |
| Cotton | 41 | 45 | 44 |
| Milk | 83 | 81 | 82 |
| Butterfat | 74 | 75 | 75 |
| Wool | 44 | 42 | 41 |
| Barley | 65 | 61 | 62 |
| Flax | 67 | 62 | 61 |
| Oats | 69 | 60 | 61 |
| Sorghum | 64 | 68 | 69 |
| Soybeans | 70 | 61 | 63 |
| Beef | 78 | 81 | 79 |
| Hogs | 74 | 95 | 96 |
| Lamb | 85 | 90 | 89 |
| Chicken | 67 | 66 | 64 |
| Turkeys | 65 | 69 | 72 |
| Eggs | 83 | 75 | 89 |
| Average | 72 | 74 | 76 |

## STOCKTON-BASED FOUNDATION REDUCES MEDICAID COSTS

### HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. McFALL. Mr. Speaker, in a recent issue of the Washington Post there appeared an article concerning the unusual and fine work being done by California's San Joaquin Foundation for Medical Care in providing excellent patient care and at the same time saving money on medicaid.

Possible application of the system established by the foundation to other areas of the State and Nation now is under study at Sacramento, Washington, and Baltimore.

In view of the necessity to broaden the availability of good medical care, the results of the foundation's pioneering work are of particular interest.

The foundation was established in 1954 by the San Joaquin County Medical Society in attempting to accept the challenges of the future by instituting bold new programs. These programs have come into being as a result of thorough analysis of the public needs and desires and reflect the social changes of our times. The purposes of the foundation are to encourage adequate comprehensive prepaid medical care programs for the entire population of the four counties in California it serves, to study ways and means of bringing the highest quality of medical care to all segments of the population regardless of their ability to pay, and to accept the responsibility for professional discipline so important in medical care programs and to medical discipline.

Nearly one-half of the population of San Joaquin, Amador, Calaveras, and Tuolumne Counties now is covered under the Foundation for Medical Care-sponsored programs.

One of the earlier and most successful of these programs involves a contract between the foundation and the International Longshoremen's & Warehousemen's Union-Pacific Maritime Association Welfare Fund to provide medical and surgical care to the longshoremen of the Stockton area. It began 14 years ago as a 1-year program and is still in effect, providing comprehensive services to between 600 and 700 longshoremen, ships' clerks, and walking bosses.

Other coverage to large groups has been arranged through contracts with private organizations and public bodies.

The foundation has initiated an experimental program for agricultural workers. The program allows for care in a physician's office in the patient's resident area as well as care through fixed and mobile clinics. The program, now in its third year, has been funded through three separate grants. These grants were from the Office of Economic Opportunity, the Migrant Health Section of the U.S. Public Health Service and from the California State Department of Public Health. One of the basic purposes is to determine the cost of medical care of migrant workers in order that Congress may have factual information upon which to base decisions on possible national programs of this nature.

The medical society through the foundation continues to look for ways by which quality of medical care programs can be improved and quality medical care made more accessible to the poor.

The story of the successful achievement by the foundation is presented in good detail by the article entitled "Stockton Cuts Medicaid Costs," written by Harry Nelson of the Los Angeles Times and appearing in the October 12 issue of the Washington Post.

I am very proud that one of the most progressive medical societies in the country is in my congressional district and commend to the attention of Members of the House the Washington Post article which follows:

STOCKTON CUTS MEDICAID COSTS

(By Harry Nelson)

STOCKTON, Calif.—Physicians here are doing what nobody else apparently has been able to do: Saving money on Medicaid.

While the Medicaid program (called Medical in California) is under increasing fire almost everywhere because of spiraling costs and questionable quality, 330 Stockton physicians are providing high quality treatment without using up their allotted funds.

They expect to return $220,000 to the state of California out of $5 million they will handle this year.

The program's success here has attracted observers from Medicaid and Medicare headquarters in Washington and Baltimore and from state medical societies where the medical care program for the poor is in trouble.

HOW IS IT DONE?

Everyone wants to know how it is done in Stockton.

The answer lies in the San Joaquin Foundation for Medical Care, an organization of 330 physicians in private practice, which runs the program here.

Much of the foundation's success is attributed to a peer review system under which the doctors carefully examine each other's claims. Certain other plans use peer review also, but the thing that makes the San Joaquin plan more effective, according to its supporters, is its "personal" touch.

All 330 physicians in the program are familiar with one another's practice and type of patients. Consequently, each doctor thinks twice before submitting a claim which might be questioned.

This does not mean that nobody ever submits a questionable claim. About 10 per cent of all claims go to the medical review committee. About half of these are handled by letters which ask the doctor for information which will either justify the claim, or if it is not justifiable, let him know for future reference that the review committee is doing its job. About 1 per cent of the doctors are asked to come into the claims office for a personal talk.

Doctors who are familiar with the program say that its chief controls are the informal, friendly, man-to-man confrontations between doctors who are doing things right and those who show signs of abusing the program.

Dr. Donald C. Harrington, who started the foundation, believes the savings in money is not its most important feature. He is more interested in the quality of medicine provided and he is convinced the plan builds quality.

Eighteen months ago the foundation signed a contract with the state to do a pilot study involving about 33,000 Medicaid beneficiaries living in the four-county area the foundation serves.

It agreed to give all the medical services needed by the beneficiaries for one year in return for a fixed amount of money that the state pays the foundation each month.

RETURNED AFTER YEAR

This produces a monthly amount of money out of which all physicians' services are paid. If the need outstrips the money available, the doctors must work for nothing. If there is an excess, the amount is carried over to the next month.

If there is an excess at the end of the year, it is returned to the state.

The prospect of achieving savings on a program which last year cost $3.5 billion nationally—and some say will be costing $12 billion to $16 billion within five years—is what keeps the government and organized medicine representatives streaming into Stockton for a closer look.

Dr. Harrington says the potential savings for other communities is even greater than it has been for the area served by the foundation.

He believes that transplanting the foundation's program across the country would result in a saving of approximately 12.5 per cent of Medicaid's cost.

Backers of the San Joaquin plan believe that its personal touch, with doctors reviewing other doctors' claims, is far more effective than a program conducted under mandates from Sacramento or Washington.

It not only achieves its purpose, they say, but keeps doctors in the Medicaid program, rather than quitting in a huff because of resentment over interference in the private practice of medicine.

## KNOXVILLE SOLDIER KILLED IN VIETNAM

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. GAYDOS. Mr. Speaker, it is with deep regret that I announce the death of another of our brave fighting men, Sp4c. James F. Polusney, of Knoxville, Pa., who was killed in Vietnam.

We owe a profound debt of gratitude and appreciation to our dedicated servicemen who sacrificed their lives for this great country. In tribute to Specialist Fourth Class Polusney for his heroic actions, I wish to honor his memory and commend his courage and valor, by placing in the RECORD the following article:

KNOXVILLE SOLDIER KILLED IN VIETNAM

A Knoxville medic who left for the Army two days before he was to receive his college diploma from Duquesne University was killed in action in Vietnam, the Defense Dept. announced.

Sp4c. James F. Polusney, 25, son of Mr. and Mrs. Harry F. Polusney of 236 McKinley St., was killed Monday while on patrol northwest of Saigon with an element of the 1st Air Cavalry Division.

Specialist Fourth Class Polusney finished his degree work at Duquesne in January, 1968, and was a management trainee for Sears, Roebuck and Co. before he was drafted into the Army.

He left for training on May 28, 1968, two days before his graduation ceremonies.

He was assigned to Vietnam in May.

Mrs. Polusney said her son "never complained about the war" but felt sorry "for the little children that had to be involved.

"I'm only glad he never had to kill anyone," she said.

She also said her son was engaged to marry Susan Dieckman of Mt. Oliver.

Besides his parents, he is survived by a brother, Eugene.

## SOME FACTS RELEVANT TO MYLAI

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. TEAGUE of Texas. Mr. Speaker, many of us in the Congress are alarmed over the outcome of the Mylai incident and it is hoped that all of the salient facts will be made known, as well as the imponderables, before final judgment is rendered upon the principal figures. Under leave to extend my remarks in the RECORD, I wish to include this short article written in a way easily understandable to all, by retired Gen. Ira C. Eaker.

SOME FACTS RELEVANT TO MYLAI

(By Ira C. Eaker)

Before anyone joins the left wing and pacifist press in condemning without a trial the U.S. Army operation at Mylai as a massacre, there are certain relevant facts which should be considered.

There is little question that more civilian non-combatants, proportionately, have been killed in Vietnam than in World War II. There are several reasons for this which should be understood and remembered in any judgment of U.S. atrocity charges.

The initial efforts in the Vietnam War was made by the Vietcong, local Communist forces in South Vietnam, always supplied by Russia, China and North Vietnam. It was only when this effort was not succeeding that North Vietnamese regular divisions came down from the North.

A prime Vietcong strategy is to gain control over a village or an area through terror, murdering local leaders, police, and teachers and abducting sons and daughters for military service or labor. It is also standard Vietcong practice to use South Vietnamese women and children as hostages against attack or reprisal.

Vietcong guerrillas seldom wear military uniforms. Those who plant mines and booby traps and conduct terror raids against South Vietnamese villages by night often become simple, peasant rice farmers, innocently tilling their paddies at sunrise.

Adding to the problem of discriminating between friend and foe in Vietnam is the difficulty in identifying men and women a few hundred yards distant. Both sexes wear the same conical straw hats and trousers.

The Vietcong, in a deliberate effort to turn the people against the Americans, often come into a village by night and at daylight open fire upon U.S. reconnaissance planes or helicopters. Before the bombers arrive, the Vietcong return to their forest hide-outs leaving the village inhabitants at the mercy of the retaliatory attacks the guerrillas have assured.

It was because of the difficulty of identifying friend and foe that the U.S. Command has made such extraordinary efforts to prevent attacks on friendly villages. Before any attack can be made on any locality, even after our planes and forces have been fired upon, the local South Vietnamese civilian government head as well as the local South Vietnamese military commander must approve. That policy was followed prior to the attack on Mylai.

Any charge or inference that U.S. forces are guilty of frequent atrocities is completely disproven by Chu Hoi figures and facts. This is the program which urges, by leaflets and loudspeakers, that Red forces defect to U.S. or allied South Vietnamese troops. During the past four years nearly two hundred thousand Reds have crossed over. More than 70% of these have surrendered to U.S. forces rather than to South Vietnamese troops. The rate of defection is higher now than at any earlier time, despite Mylai, and whenever there is the opportunity for preference, the defecting Reds always surrender to U.S. troops.

In any assessment of U.S. troops conduct in Vietnam it should also be remembered that more than half the draftees sent to Vietnam were minors. So long as our government persists in sending its adolescents to do its fighting, it can scarcely expect that they will always use mature judgment especially under the stress of battlefield conditions, with wounded and dying buddies in view.

When a reporter in Vietnam is asked why he reports any evidence of U.S. cruelty, while neglecting to file stories on Vietcong atrocities, he promptly points out that it is news when Americans commit atrocities since they so seldom do, while it is not news when the Reds commit such inhumane acts because that is their standard practice. He may also add candidly that U.S. atrocity stories are solicited by his paper since this supports its demand for immediate withdrawal of all U.S. forces.

This judgment is confirmed by the fact that the anti-war press has devoted more than ten times the space to the 300 killed at Mylai than the 3,000 civilians butchered by the Reds in Hue.

## MODESTO RESERVISTS HELP THE NAVAL DISTRICT WIN AWARD

### HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. McFALL. Mr. Speaker, the 12th Naval Dstrict recently received the E. V. Richards Memorial Trophy for having the most outstanding Naval Reserve program in the Nation. It was the first time the district had been so honored since the competition began in 1960.

Rear Adm. L. B. McCuddin, commandant of the 12th Naval District, was justifiably proud of the accomplishment during the fiscal year of 1969 which was announced October 23. He sent a message of congratulations and appreciation to "all hands" in his district encompassing central and northern California, Nevada and Utah, complimenting each unit for its part in bringing the award to the 12th. In all, there are 12 Naval Districts competing for the trophy sponsored by the Navy League of the United States.

Two Naval Reserve units in my congressional district, in Modesto, Calif., are doing their part to keep the trophy in the 12th during the current fiscal year. In this respect, it gives me a great deal of pleasure to place in the RECORD an article from the October 31 issue of the Modesto Bee, noting the city's two Naval Reserve units were rated excellent by a visiting inspection team.

The article follows:

MODESTO NAVY RESERVISTS EARN "EXCELLENT" RATING

Ratings of "excellent" were given to the Modesto Naval Reserve training facility and its two units in a three-day inspection conducted by Naval officers here this week.

Conducted by Cmdr. Richard E. Butcher, Naval Reserve program officer, and Lt. Cmdr. John Gainey, Naval Reserve surface program officer, the inspection was to determine the proficiency of the facilities and units in the areas of personnel, administration and training.

"It's been a long time building these units," a sailor attached to the facility said, "But now we're really going places." Ratings were high in all of the inspection phases, he said.

The Modesto-based units, Surface Division 12–16 and 12–17, have a total of 80 enlisted men and 10 officers. Division 12–16 is commanded by Lt. Cmdr. John Rasmussen of Turlock and Division 12–17 is commanded by Lt. Cmdr. Stephen Henry of Fresno. The units train newly enlisted reserve personnel for one year prior to the reservists' two years of active duty.

## HOW ABOUT SIBERIA?

### HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BRAY. Mr. Speaker, the following lead editorial from the December 8, 1969, Indianapolis Star gives that newspaper's opinion on a current and controversial issue:

HOW ABOUT SIBERIA?

Congressional doves and parading peaceniks think it is all right to openly attack the United States effort to stop Communist aggression in Vietnam.

But to them it is unthinkable that an American soldier who escaped after five years in a Viet Cong prison camp should be so brash as to tell the American people how Hanoi turns dove-peacenik dissent into propaganda to help break the spirit of U.S. prisoners of war and boost the morale of the Viet Cong.

This is not the logic of Moscow, Peking and Hanoi. It is the argument of Senator Stephen Young (D-O.) and Representative William F. Ryan (D-N.Y.), who were enjoying the privileges, pleasures, comforts, security and ample pay of American lawmakers while Maj. James Rowe of the Green Berets was sweating it out in captivity in a Red base camp in a Mekong Delta jungle.

If anyone should know about what it is like to be a POW in Red hands, Maj. Rowe should. He said American POWs took little notice to Hanoi's propaganda until 1967 when it began spouting news reports of states-side anti-war demonstrations and quoting the dove words of U.S. senators including J. W. Fulbright (D-Ark.), George S. McGovern (D-S.D.) and Mike Mansfield (D-Mont.). That got through to the POWs, knowing that Americans safe at home, including senators and congressmen, were cutting the ground from beneath them and saying their pain and sacrifices were in vain, for an unworthy cause. Why shouldn't it?

Maj. Rowe has a double reason to hold the peaceniks in low esteem. During years of interrogation his captors, intent on squeezing information out of him that would fit into their intelligence picture, starved, abused and tormented him. But Rowe, day after day, refused to give more than his name, rank and serial number. At length, a U.S. peacenik group supplied the Viet Cong with Rowe's military background information.

Soon afterward, Maj. Rowe escaped.

In November he told the House Armed Services Committee: "The peace demonstrators and the disheartening words of these (dove) senators made our life (as POWs) most difficult. It helped to break the spirit of Americans and boost the moral of the Viet Cong."

He has been telling his story to other Americans as well. Because of this, said the Honorable Senator Young:

"Maj. Rowe should be silenced or assigned to some other post of duty outside Washington. A tour in the Aleutian Islands or some post in remote Turkey might cause his mouthings to be silenced."

How about Siberia? The Communists no doubt would like to have him silenced too. Perhaps, as a courtesy to their peacenik *poputchiki*—their fellow travelers—they could arrange it.

Or maybe the peaceniks who ratted on him could have him shipped back to that Red prison camp in the Mekong Delta.

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## BAN LETHAL CHEMICAL AND BIOLOGICAL AGENTS AND NUCLEAR WARFARE

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### HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. PHILBIN. Mr. Speaker, the conference report on S. 2546, the military procurement authorization bill, contains among other things an explanation of the bill relating to chemical and biological warfare.

I was pleased with the extensive consideration given this important subject in this bill because many people have been greatly concerned by incidents relating to lethal substances getting out of control, endangering people and in at least one case destroying animal life in large numbers.

The problems in this area were ably discussed and publicized by our able, distinguished friend and esteemed colleague, the able gentleman from New York, Congressman RICHARD D. MCCARTHY, who gave a great deal of time, energy, and ability to presenting the case for adequate safeguards with reference to these very dangerous, harmful chemical and biological agents, so hideous and horrible in their effects in the event they should be carelessly handled in any respect, much less used in military operations.

I want to commend my friend, Congressman MCCARTHY, for his persistent efforts in alerting the country to the threats and dangers to life and property that are presented by these terrible agents of destruction.

In a recent article in the Manchester Guardian, it was stated that the Secretary of Defense is reported to have endorsed a secret memorandum stopping production of all germ warfare weapons, and I take it by that is meant also the terrible agents associated with them.

It is anticipated that the National Security Council will review this matter in the near future pursuant to an interdepartmental report considered recently by senior officials at the Pentagon, State Department, Central Intelligence Agency, and Arms Control and Disarmament Agency.

It is not clear whether the Secretary of Defense will gain the support of the Joint Chiefs of Staff, who in the past have taken a position that production of biological agents was necessary to deter any such biological attacks by the enemy.

It is anticipated that the arguments now adopted by the Pentagon that the dangers inherent in the offensive use of germ weapons, and the lesser risks involved in stockpiling, are expected to move toward total ban on germ warfare as one of the first proposals to be submitted by the United States at the long delayed arms limitation talks.

It would be a great benefit and relief to all humanity if some enforceable agreement could be reached banning the use, and regulating the testing, possession, and deployment of these dreaded weapons and agents.

In the conference on the military procurement bill, conferees agreed to uniform use of the term "any lethal chemical or any biological agent," without barring such materials as may be harmless to man, or used for public health disease control, or for medical research, development, test, evaluation, or diagnosis.

The conferees were clear on setting forth the procedure, specifying that the Secretary of Defense must determine that the proposed transportation, or open air testing is necessary to national security, and he must notify the Secretary of Health, Education, and Welfare of the proposed action.

The latter may then direct the Surgeon General and other qualified persons to review the proposed action and to recommend what precautionary measures are necessary to protect public health and safety. The Secretary of Defense is required to implement any precautionary measures recommended, and must notify the President of the Senate and the Speaker of the House 10 days prior to any transportation and 30 days prior to any open-air testing.

In addition, the Secretary must notify the Governor of any State through which such agents will be transported appropriately in advance of such transportation.

It is not proposed to vest the Department of Health, Education, and Welfare with any powers to make national security decisions or impede testing. If these measures prove so burdensome as to prevent proposed action, or should the President determine it is necessary to national security, there is nothing in the bill that would affect the authority of the Department of Transportation with respect to the shipment of hazardous materials, as established by 18 U.S.C. 831–835 and 46 U.S.C. 170. The protections afforded by subsection (b) are intended to supplement these provisions.

In the event of future overseas deployment, or storage of agents and delivery systems, the conferees agreed that prior notice must be given to the host country. Where the deployment or storage will be on territory or under the jurisdiction of the United States, prior notice must be given to the President of the Senate and the Speaker of the House of Representatives.

With regard to future overseas handling of agents the Secretary of State determines if international law will be violated. He must report these determinations to the President of the Senate, and the Speaker of the House, as well as to appropriate international organizations in the event such report is required by treaty or other international agreement.

I am of the opinion that the conferees' language should go a long way, not only in maintaining effective protection at home with respect to lethal chemical and biological agents, but may well point the way to action by our Government to spark international action barring these agents in the arms limitation meetings.

The world has long been hung up on the refusal of the Soviet Union to agree to international control of nuclear substances and weapons based on inspection by a duly constituted, impartial, international body. Presumably, the Soviet has some good reasons of its own for taking this position, which for many years now has militated against effective control of the production, military utilization, and weaponry relating to nuclear substances, weapon delivery systems, so this may be the hour for us to strike once again for effective control in this field, and in the field of lethal, chemical, and biological agents, in another most urgent effort to bring sanity into our international programs to protect the human race and its world civilization from widespread mass murder and perhaps utter destruction.

In pursuing these problems and questions which are of great moment, I believe that we have taken another most important step forward, looking toward peace and the elimination of barbaric weapons and lethal agents, even as we take action to make sure that the Nation is prepared adequately to meet any and all contingencies that may be directed against us, designed to bring about our destruction and conquest.

The bill was constructive in many other ways which are dealt with in the conference report of the committee and the debate. I was particularly happy that the House agreed concerning section 402 of our own bill striking language that might well have put colleges or universities engaged in Government research in the unenviable position of having to report upon their cooperation on military matters for which these institutions might not be entirely responsible, and might be construed as accusatory, by implication, of officials having no connection with instances of lack of cooperation complained of.

I think that the conferees came to a very good decision regarding the handling of this section by stressing the fact that the American people should be fully informed as to the manner in which defense dollars are being spent on research and development contracts in various universities and institutions of higher learning, and the identification of personnel entrusted with vital, classified, security information. I think that this Government has the right to expect that all persons engaged in these important functions and responsibilities of such great magnitude and value to the defense of this country shall give every assurance that this vital work will be done satisfactorily under classified conditions where necessary, and that arrangements are made to insure that no persons who are poor security risks should be permitted to participate in this work, or be

in a position to acquire and distribute classified information.

If we can ban chemical and biological agents and agree upon international control of nuclear weapons and substances under an impartial international tribunal such as I have worked for since 1947 in the House, we shall have taken a giant stride forward toward the elimination of horror and fear among the peoples of the world and the prospects for the establishment of universal peace would be greatly enhanced.

The article previously referred to follows:

[From the Manchester, England, Guardian, Nov. 25, 1969]

U.S. GERM BAN NEAR

(By Adam Raphael)

Mr. Melvin Laird, Secretary of Defense, is reported to have endorsed a secret memorandum recommending that the United States should stop production of all germ warfare weapons.

This shift by the Pentagon, which as up till now insisted on the maintenance of an offensive germ warfare capability, is expected to swing the balance against biological weapons at a National Security Council review next month. An inter-departmental report which has been considered this week by senior officials from the Pentagon, State Department, Central Intelligence Agency, Arms Control and Disarmament Agency is also said to have reached similar conclusions.

It is not yet known whether Mr. Laird will be able to gain the support of the Joint Chiefs of Staff, who in the very recent past have taken the position that production of biological agents such as anthrax, the plague, and tularemia was necessary to deter any such biological attacks by the enemy.

The arguments now adopted by the Pentagon of the dangers inherent in the offensive use of germ-weapons and the lesser risks involved in stock-piling are expected, however, by informed observers to carry the day. A total ban on germ warfare could in fact be one of the first proposals submitted by the United States when the long delayed arms limitation talks get underway.

The Administration has already moved to cut back sharply on military spending over the next five years. Two brief National Security policy statements distributed to key Government departments last week are believed to have projected a less ambitious global strategy. In particular the doctrine that has underlaid defense planning for a decade that American forces must be prepared to fight two major and one minor wars concurrently has now been modified to a commitment of one major and one minor brush fire action.

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## THE UGLY AMERICANS?

### HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ROUDEBUSH. Mr. Speaker, an interesting question is raised by the Indianapolis, Ind., Star concerning the events at Songmy in South Vietnam.

Every Member of Congress should read this challenging editorial.

The editorial follows:

THE UGLY AMERICANS?

The massacre of Vietnamese civilians at Song My proves that war is hell, human nature is capable of evil as well as good and that most Americans have an incomparably greater sense of honor, justice and honesty than their adversaries in the Vietnam war.

But one thing it does not prove, and that is the charge being made by the Vietnamese Communists and their sympathizers and supporters that "the ugly Americans" have a monopoly of wickedness and that the Song My killing is further proof that the United States should leave all Vietnam to the kindly Reds, as Senator J. William Fulbright says it is.

The Red international *apparat* has gone into action around the world, seizing upon Song My as an atrocity comparable to the Nazi annihilation of 6 million "enemies of the state" and evidence of the "Fascist nature" of Americans.

But it was Americans who brought the slayings to light. It is Americans who are investigating them. It is the United States Army that is seeking out those responsible and taking legal action against them. And it is certain that before all is said and done, the American people and the world will have a thorough, true account of what happened at Songmy, including how it happened and why and the motives of the men involved.

However, there is no Senator Fulbright in North Vietnam to point a finger of guilt at the systematic Communist slaughterers of thousands of South Vietnamese civilians at Hue, or the Red killers of 50,000 North Vietnamese civilians after the Red takeover, or the Viet Cong butchery of 35,000 civilians in the South during the conflict.

Again the world observes in the failure of Red sympathizers even to acknowledge these inhumane mass murders, let alone to denounce them, the strange double standard by which these always-vocal moralizers judge Americans and judge Communists fighting for world domination and breaking every moral law ever known to the human race to do it.

The question is why?

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## THE MESSAGE

### HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. WOLFF. Mr. Speaker, the lessons of history are ones from which we all could learn. Although technology has advanced life for us to a point far beyond the dreams of persons generations ago, we still face problems which are heavily embroidered with the thread of the past.

The younger generation, focal point of so much consternation and too often the target of bitter criticism, has heeded the lessons of history more often than we have. They have looked to the past, to the words and promises that have been made throughout history, and they have seen little consistency between promises and action.

History, it is important to note, has also chronicled a spirit which, in today's light, has caused much of its brilliance to be misinterpreted and feared.

Mr. Speaker, the editor and publisher of the Locust Valley Leader, Mrs. Edith Wyckoff, a very close friend of mine for a number of years, is one of the few persons I have known who has looked to and learned from the lessons of history. Recently, Mrs. Wyckoff offered her readers a most sensitive and lucid discussion of this matter. Since it offers all of us a message, I include her editorial in the RECORD:

THE MESSAGE

In these days of turmoil which many fear, resent and misunderstand, it is well to relax, sit back and try without rancor to discover what really is happening and why. There is more good than bad in it but you have to listen carefully to get the message of the dissenter. Of course it is impatient. Talk has led to nothing but more talk and when that happens unwanted action is certain to follow. And no amount of censorship or retaliatory action will still the voice that pleads a cause it believes in.

Look at the burning issue—Viet Nam. 15 years of intervention in a civil war in a country no one heard of. 300,000 U.S. casualties and the list growing every day until soon, in destruction of young life and limb, it will be rivaled only by World War II. The majority of these boys were not killed or wounded after the cry began to end the war. It has been a slow, relentless erosion that many properly resent because no one yet has given a convincing reason for it. When a man is asked to lay his life on the line he should be given a good reason or be excused if he does not choose to die for a cause he does not believe in or understand. To do otherwise is insane.

No one needs to be reminded that we live in history's most affluent era when more people have more of everything. Our children, pampered, spoiled and indulged, have been robbed of their responsibilities because we give them everything and ask nothing of them. This is not their fault but ours. Nevertheless, they are people—our own creations—and in time they will grow older and take from us the torch of leadership, something many of them already are doing. Freed from the need to scratch to survive, they have looked around thoughtfully and seen much that does not measure up to what they have been taught. They are saying you teach us one thing and do another. Your institutions are riddled and rotten with the hypocrisy of a double standard. You tell us to be honest but you are not honest and you rarely demand that those who lead you be honest. You claim the war you have asked us to fight is a crusade to make a better life for a people who live on the other side of the world and yet the truth is that the war is a scandal that no one has yet clearly understood. You opt for the rights of others, make the laws and then say let's wait before we enforce them. And while you are waiting you expect the laws to be forgotten. It was this kind of thing that made the moderate George Washington in July, 1774 say, "Shall we, after this, whine and cry for relief, when we have already tried in vain?" And so when the talking failed the young found another way to get things done—now. They had to do it because it was the only way to make people listen. And it is because of their sometimes shocking dissent that much has been accomplished during the decade just ending.

If you think today's dissenters are a noisy, callous bunch you might do well to dip into the pages of history, look at the old pictures and old stories that tell what happened in the late 1700s when a young nation was suffering pangs of birth that would pull it forever from the mother country. It is an exciting, sometimes horrifying, lusty and brilliant story. The basis for understanding much that is happening today can be found in the story of the years before the American Revolution, one of history's few true revolutions.

Today our young are shoving us toward the bright world envisioned by the founders of this nation where all men can live in peace with "liberty and justice for all". But the dream, simple as it sounds, is too complex and too potent for most of us to accept or understand. It is a hard row to hoe for it demands the absolute best in all of us and sometimes that is more than most of us know how to give. But give it we must if we are to fulfill the dreams of our founders. To do less will move us to the place of an also-ran nation that, unable to live up to its own

noble aspirations, must slide back to second best which asks little of its citizens and as a consequence gets nothing.

## THE DEVIANT UNIVERSITY

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ASHBROOK. Mr. Speaker, the autumn issue of the University Bookman which is edited by Russell Kirk, the respected educator and author of long standing, carries an extremely interesting commentary on the present state of the university which is worthy of consideration. Written by Dr. Donald Marquand Dozer, professor of history at the University of California at Santa Barbara, the views of Dr. Dozer place in proper perspective the influencing of education by the state:

The university has already sacrificed its status as a bastion of true liberalism by "cozying up" to the state. In exchange for government monies it has accepted the concept of captive scholarship, has allowed the fine art of teaching to be either neglected or prostituted to noneducational ends, and has converted the social sciences, in some cases the physical sciences, and even religion into handmaidens of the state. It has abdicated its independence and true "academic freedom" in exchange for support by government agencies, while insisting that the academic freedom to be protected must be only the freedom to conform within a narrow academic and official ambit.

Dr. Dozer emphasizes the utter necessity of reestablishing the true idea of the university and setting forth on this monumental task:

The university must be made again a place where old truths, glimpsed for the first time by young people, may be seen in a new light and may be grasped as tools for successful living. It must recover its mission of articulating the unity and singleness of purpose of all learning and must exert itself to fulfill once more its role as a spiritual force and as least a partial revealer of the vision infinite.

The effect of Federal control of education has had its subtle and debilitating effort on many of our institutions of learning. Dr. Dozer's analysis of the situation in the area of higher education merits consideration and for this reason I insert it in the RECORD at this point:

THE DEVIANT UNIVERSITY

(By Donald Marquand Dozer)

The university today is being subjected to the brutal searchlight of inquiry and criticism. Ironically, at a time when education has acquired a new mystique and is the method offered for curing most of the ills of society, this mystique is not associated with institutions that should embody it. The lauding of education as the best means of promoting progress is accompanied by a denigration of the academic. In some quarters the university, indeed the very idea of a university, is considered to have lost its *raison d'être*. The attack upon the university cannot be airily dismissed as springing simply from know-nothingism or anti-intellectualism. It has deeper causes.

A generation ago, public reproaches of university life were directed against its narcissism. In college and university communities the principal aim that was sought was the life of the mind, unsullied by contact with the market place. Members of those communities made their living, it seemed, only by taking in each other's intellectual washing. Now, however, public criticism is pointed not at the indifference but at the activism of the university, at the brash attempts by professors and students alike to use the university to destroy "middle-class morality" and to control and revolutionize society. In their efforts to do so, a minority of student leaders boast that they will destroy the university as an institution, "not pull it apart brick by brick, but bring it to a complete stall." In their hands the torch, traditional symbol of education lighting the way of the future, has become a firebrand. So serious have these gestures become that the public is no longer able to dismiss them as mere harmless acts of exhibitionism.

The traditional preoccupation of universities with reasoned solutions of society's problems has given them and their leaders within the past generation admittance to the seats of power in a political system that sought to identify itself with science, objectivity, and intelligence. Is it possible that those who are now trying to wrest control of the university away from its lawful authorities recognize it as an essential element in a national political system and are ambitious to take advantage of its privileged status to elevate themselves into positions of power? In other words, as universities have become engrossed in the political game they have become pawns in a power struggle. Some of the protesters, particularly those who are ensconced in positions of leadership, appear to believe that they can retain leadership positions or gain higher ones in a new socialist society. While striking out existing agencies of power, for example the selective-service system, the police, and educational administrators, they aspire to gain absolute control over them for their own use.

Such self-seeking revolutionaries, constituting a small minority, can and must be dealt with forcibly by agencies of social control. They must be disabused of their predilection to seek changes in education through methods of violence. When they equate progress with incendiarism and confuse dynamism with dynamite, they must be restrained. Somewhere a line must be drawn in these matters.

On the other hand, it is precisely because the university has so long and so effectively played the political game that some of the rebellion against it now takes the form of an emotional indictment of the university as an arm of the state. For at least a generation colleges and universities have been teaching that our only salavation lies in governmental centralization and bureaucratic controls. It is against this so-called "liberal" ideology that many of our modern campus nonconformists are now protesting. When they see that those dogmas result in war and regimentation which adversely affect them, they resist. Many of the protesters simply desire to return to a more libertarian type of society. They feel an outraged sense of having been conned. They have been tricked and short-changed by the university. They are crying out against the identification of the university with public authority, against higher education as a nationalized industry, against Big Brother in Washington and the Holding Company, the universities. The world they have inherited is not the world they desire. The "thing" that each one of them wishes to do is not the "thing" that others in society wish them to do. They are convinced that they are opening the way for a dynamic revival of the American dream by opposing the policies and practices of government. Their protests, though seemingly devoid of any objective except rebellion for its own sake, nevertheless, insofar as they have rebellion itself as an objective, represent a rejection of the system with which the university is identified. This is their method of announcing that they are not "with it," that they have unplugged themselves from it. Why?

For many years the university has been alienating itself from the kind of world that these young rebels intuitively aspire to see and live in. They want a better system than the system to which the university has been gradually accommodating itself. The university against which they are protesting is not the university of the open mind. It has disappeared and no longer exists. "The president of Columbia," chanted the students in New York in their demonstrations in May 1968, "is the president of the United States," naming him. "What I mean by revolution," declared the president of the student body of Washington University in the three-day conference at the Center for the Study of Democratic Institutions in August 1967, "is overthrowing the American government and American imperialism and installing some sort of decentralized power in this country." At the later convention of "hippies" in Philadelphia, some of the conferees declared it to be their objective to restore to this nation the kind of free society that existed at the time the Constitution was adopted in the 1780s.

The university has already sacrificed its status as a bastion of true liberalism by "cozying up" to the state. In exchange for government monies it has accepted the concept of captive scholarship, has allowed the fine art of teaching to be either neglected or prostituted to noneducational ends, and has converted the social sciences, in some cases the physical sciences, and even religion into handmaidens of the state. It has abdicated its independence and true "academic freedom" in exchange for support by government agencies, while insisting that the academic freedom to be protected must be only the freedom to conform within a narrow academic and official ambit. If the university is indeed committed to academic freedom and is fulfilling its historic functions as an open forum of ideas, how does it happen that the academic communtiy presents a nearly monolithic front on all major social, economic, and political questions, and that front remarkably coincides with the collective "liberal" syndrome, which is and has been for a generation the dominant ideology in our society?

The university has failed to fulfill the requirements of academic freedom because it has too strongly and too uncompromisingly identified itself with a single all-encompassing ideology, the dogmas of statism camouflaged as modern liberalism. It has become, in this sense, a doctrinaire institution, committed to the principle of the closed mind. "Today," Professor Isaiah Berlin wrote in 1950 in words as true now as then, "the tendency to circumscribe and confine and limit to determine the range of what may be asked and what may not, of what may be believed and what may not, is no longer a distinguishing mark of the 'reactionaries.' On the contrary, it comes as powerfully from the heirs of the radicals, the rationalist, the 'progressives' of the nineteenth century as from the descendants of their enemies." ("Political Ideas in the Twentieth Century," *Foreign Affairs*, vol. 28, p. 382.)

In the area of the so-called social sciences, for example, the university has deplorably narrowed its conception of its mission. It has largely accepted the postulates of a modern ideology—that man is motivated entirely by his economic interests; that economic factors are decisive in society and in history; that the proletarian class, defined in economic terms, is involved in a necessary struggle with the bourgeois, also defined in economic terms, for control of society and for its share of the economic benefits of the in-

dustrial revolution; that capitalism as a system is inseparable from exploitation and is responsible for international wars; that government must dedicate itself to social justice and can achieve it by mechanistic and legal methods; and that socialism (that is, centralized authority) will inevitably triumph over capitalism as a form of social organization. And these ideas are held and propagated with passionate conviction, for one of the many paradoxical aspects of modern university life is the emotionalism of the "intellectuals." For the troubles of our time the teachings of the self-styled intellegentsia, not the upthrusts of the ignorant, are responsible.

A man is free to the extent that he knows intellectually what he is dealing with. But he remains still in fetters if he only emotionally *feels* what he professes to know and reacts with passion to pressures for change. When men such as this, lacking the essential attribute of freedom, come to dominate university life they subtract from the contributions which the university can make to a free society. The university should be a place of both informed and disciplined thinking, and among its members logic must prevail. "Logic," wrote Professor Alfred North Whitehead, "is the olive branch from the old to the young." (*The Aims of Education*, p. 122.) If it does not prevail in an educational institution, then that institution is intellectually bankrupt, however involved it may be in society and its problems. Under these circumstances the defense of academic freedom and of the university as a free market place for ideas is disingenuous and irrelevant.

The rightful role of the university in freely exploring all facets of knowledge is not under attack. For young people, who aspire by nature to undertake difficult tasks, to cultivate their creative impulses, and to make the world a better place in which to live, the ideologue-dominated university presents no opportunity and no challenge. The university, like the state that is controlled by these dogmas, is therefore exclusively preoccupied with the conditions of living, not its values or ends. College and university leaders have failed abjectly in making a case for educational values; they are wandering farther and farther from this, their primary mission, in their preoccupation with finance and budgets. They have allowed their institutions to sink into a morass of educational inadequacy and even to contribute to the destruction of society rather than to its enlightenment and vision. The university has rejected Matthew Arnold's sage advice to educators, "Teach a whole." It has become instead a place of half-truths masquerading as the whole truth, unresponsive therefore, to all phases of society's complex needs. It has forfeited its commitment to the rational examination and the never-ending reconsideration of all principles.

Because universities have attached themselves too firmly to the state, they have, despite their fine protestations to the contrary, become politicized, and they have consequently succumbed to a debilitating servitude to the present. As a result, the notion has become widespread that it is scientifically and intellectually immoral to accept anything from the past as valid. Truth and reality can be found only in the present and in the future. This view is imposed even upon higher education by its own administrators. "Education," decrees the president of one of the New York State University colleges, "should be geared primarily to the future with the only reference being made to historical events as a means of enlightening the students' understanding of current events and the production of future social problems." Guidelines such as this have rendered the university an officialized fatuity. Pressures for compliance with such guidelines, usually unexpressed but tacitly sensed, are not long in rigidifying an academic system.

It is always difficult to explain why Renaissance man was both a humanist and a classicist. How could Erasmus, for example, find in the authors of antiquity a justification for his concern with modern man? The answer, of course, lies in this—that permanent truths are as valid today as yesterday; or that, differently expressed, history is the very essential structure of humanity.

But modern humanitarianism ignores the relevancy of yesterday's truth to today's problems and is substantially committed to a creed of anthistoricism. Under this creed it attempts to construct intellectually a detailed "modern" system and to absolutize it, making man and society static and stifling all possibility of progress.

Whenever truth is embodied in a neat package of clichés fobbed off as intellectualism, the validity of all rational processes and of the ideas emanating from them begins to be called in question. This condition, climaxing a generation-long process of abdication of responsibilities in education, accounts for the degradation of university life around which so much controversy today swirls. The university has allowed itself to become preoccupied with means, not ends; with the materials but not the substance of education; with political compliance rather than the task of animating youthful vision. As a consequence it is failing to carry out its civilizing function and has become fair game for immature absolutists who cling with intolerant passion to their false "certainties." But behind these juvenile "certainties" lurks the conviction, often unrecognized even by those who trumpet them on college campuses, that the university has been perverted from its true purpose. If the values of education cannot or are not demonstrated, then obviously the institutions which are expected to exemplify those values will not receive and do not deserve support.

Much of the unrest of students is really attributable to their need for finding alternatives to the statist trap in which they are caught. Their world was fashioned by their statist-minded elders, and in rejecting it they also reject them, causing the present acrimonious generation conflict. Some of them simply dismiss the present society out of hand without bothering to analyze it or to label it anything except unredeemably bad. Despite the fuzziness of their resentment, many of the student activists see the status quo against which they rebel as a totalitarian creation. Although they sense it only vaguely as such, their feeling of frustration is basically directed against a collectivist mode of life which was considered desirable by the older generation and which has now been fixed upon them. It is the older generation now which is committed to authoritarianism, centralism, and socialism. From this system the young rebels, the exponents of individual enterprise, and all those who are young in heart and spirit today find it necessary to dissent.

What these protesters desire is complete disengagement from a system that is manifestly failing. They are seeking the true freedom which has traditionally been associated with university life but which the modern university denies them. Some of them unfortunately fly off into an eccentric libertarianism, even into bacchanalian libertinism. They have succumbed to the blandishments of the apostles of decline and have accepted the solution of utter negativism and surrender. These are, in the language of students in Latin American universities where the same phenomenon is occurring, the *nadaistas* or exponents of nothingness. They are the pitiable casualties of a deviant educational system, a system that has done little to further the quest of the human spirit for progress toward something higher and better than itself, toward the "divinity that shapes our ends."

The university has abetted its own absorption into the state. For obvious reasons, the public university could not resist this process, but while accepting it academic leaders have failed to educate the public to the uses of a university broadly and traditionally conceived. With less justification, the private university also has connived at its own subordination to the state and consequent distortion of purpose. The university, like the individual in modern society, is suffering from an identity-crisis; it has melted into its environmental background to become an undifferentiated thing. In April 1968, the Association of American Universities, composed of both public and private universities, voted to depart from its time-honored policy of eschewing open political activity and to launch a frankly politically motivated campaign to obtain a larger chunk of government monies from Washington, representing their cause as almost a life-or-death matter for higher education in the United States.

The current protest against higher education may be viewed as a wholesome upthrust by the victims of ideology against the ultimate logic of that creed. Their discontent, if properly channeled, may succeed in thwarting the death-wish of modern liberalism for our socity. Though it is devoid of explicit philosophical pretensions, it may result in a redemption of faith and of values. They may be yearning for a refurbishing of old absolutes to serve their modern needs. In their strange and often incoherent argot they are complaining of the general misplacement of value priorities in our society and of the failure of our educational institutions to restore them. Every university, whether public or private, is a public instrumentality. It must serve public ends. But in order to fulfill its best public purpose it must remain a place of free inquiry unidentified with the political climate of the moment. A university as a many-faceted social entity will necessarily reflect certain aspects of society, but if it would fulfill its fundamental purpose it must seek to ennoble all of them. In doing so it will be criticized for thinking, for helping, for acting in unorthodox ways, but only by doing so can it properly perform its mission.

The purpose of a university, simply stated, is to educate and enlighten. It must not, as Jacques Barzun warned us, confuse its role with that of the Red Cross. It is a place for searching out the truth and leading others to see that truth. It is a place for growing in wisdom. Its objective should be to strive to understand the whole of life and to foster the proven best. It invites each new generation to acquire as individuals the best possible understanding of that which is good and valid in the past and at the same time to acquire the desire to go forward to better things. It must show the past as present and bring the distant near. Upon the university has been placed by society an obligation to show a worthwhile way of life and to uphold the ideals of civilized man. It can and should respond to the demands of students for relevancy in their university experience, not by discouraging them from playing a part in the "happenings" of their time but rather by encouraging them to play an intelligent part in these "happenings."

Within the walls of the university both tradition and change should be encouraged. "It is a place," wrote John Henry Newman, "where inquiry is pushed forward, and discoveries verified by the collision of mind with mind, and knowledge with knowledge." The university is the temple of the open mind. It must always be free to develop new ideas and to counter them with better ideas. Without such true liberalism, education and the society which it must serve closes its doors to new prospects. At the same time the university must impose cautionary restraints upon experimentation because it teaches the

importance of reckoning with the consequences. These restraints follow logically from the experience of other persons, some long since dead. The university must encourage each new generation to look steadfastly at the vision which it sees and to fulfill that vision, controlled and guided by an understanding of both the accomplishments and non-accomplishments of past generations. It must supply the material for critical judgment and perception of ultimates which the fulfillment of every vision demands.

The element of the word university that needs to be stressed is the first syllable *uni*, implying unity, integrity, harmony. But now this traditional concept has been abandoned in favor of the multiversity, the implication being that it cannot be unified around anything, either nuclear research or medicine or philosophy or even "the thought divine." Whereas the ideal of integration, of a common ethos, is being stressed in many areas of modern life, the university has moved in the opposite direction and is consequently falling apart. Even the possibility of restoring integrity to the university is denied by educational leaders. It is "not the job of a university in its institutional capacity," a university president has declared, "to have any rigid total system of 'morality' except to teach that a fact is better than a rumor, [and] logic better than confusion." Such a pinched conception of a university denies that there is any single ultimate value or set of values, any goal or goals toward which all men strive, any aspiration for intrinsic personal fulfillment, any need for an individual to feel that he is worthwhile to himself and to others. The university viewed in this light is a positively destructive and fragmenting force in society. It is antagonistic to a genuine humanism.

The deliberate rejection by university leaders of the need to supply the unity without which the university remains only another computer in a computerized society explains the disillusionment of students, overwhelmed and intimidated by the mechanistic and materialistic logic of higher education and by its scatterbrained diversity. This situation has resulted in large part from the aforesaid politicization of universities both public and private, that is to say, from their total involvement in government, their utter commitment to a mechanistic liberalism, and their resulting inability to serve society in ways in which universities have traditionally performed their centuries-old function.

In tribute to the British universities, the late poet laureate of England, John Masefield, wrote:

"There are few earthly things more beautiful than a University. It is a place where those who hate ignorance may strive to know, where those who perceive truth may strive to make others see; where seekers and learners alike, banded together in the search for knowledge, will honor thought in all its finer ways, will welcome thinkers in distress or in exile, will uphold ever the dignity of thought and learning and will exact standards in these things."

To what modern university can such a lyric description now be applied?

The university must be made again a place where old truths, glimpsed for the first time by young people, may be seen in a new light and may be grasped as tools for successful living. It must recover its mission of articulating the unity and singleness of purpose of all learning and must exert itself to fulfill once more its role as a spiritual force and as at least a partial revealer of the vision infinite. It must reclaim its traditional role as a sublimating influence in society, upholding ideals of the true, the noble, and the beautiful. It should begin again to vindicate the ideals of education, which, as it happens, are also the ideals of youth.



## VOCATIONAL INDUSTRIAL CLUBS OF AMERICA

### HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. CHARLES H. WILSON. Mr. Speaker, recently two young representatives of the Vocational Industrial Clubs of America—VICA—Ron Pearson and Ed Benavidez, dropped by my office to acquaint me with the plans and activities of their organization. They were accompanied by Mr. Jim Allison who is the supervisor of the California Association of Vocational Industrial Clubs of America. Mr. Allison comes by this position as a result of his being with the bureau of industrial education of the State department of education which sponsors the California division of VICA.

Ron, Ed, and Jim, as well as other members and supporters of the organization contend that America can make a sound investment in its future by investing now in the development of the young men and women who will be tomorrow's craftsmen and technicians. These youths need opportunity—to acquire marketable skills and to develop to their fullest potential as citizens and individuals. The key to a sound investment in their future—and ours—is the combined support of business, industry, and organized labor for programs that encourage youth to achieve.

VICA offers concrete programs that develop and encourage youth in their critical growth as workers and citizens. On April 21, 1967, the Youth Development Foundation was established by VICA to seek the "key," the support of business, industry, and labor for activities that directly benefit the trade, technical, industrial, and health occupations student—activities such as leadership development conferences, national competitive activities, leadership awards, an individual achievement program, and the publication of leadership development materials.

While industry cries for skilled manpower, hundreds of thousands of our youth hopelessly seek employment. An obvious solution to this problem is training. For many years, education, business, and labor have engaged in various types of skill training—apprenticeship, on-the-job, up-grading and in-service—but the problem still exists: Industry needs personnel, and youth cannot find jobs. Where is the gap? The problem is that many young people who will not be entering academic and professional fields are leaving the public educational system without preparation for a vocation. Often, they are taught to look down upon industrial-technical opportunities. What is the answer? The answer is one of communications, emphasis, and status. Youth must be made aware of the opportunities in industry, that there is dignity in work, and that a substantial income can be earned by the use of one's hands as well as with one's mind. VICA, Mr. Speaker, is attempting to meet this challenge and it deserves our support and recognition. The purposes of the organization are to advance the educational development of students enrolled in trade, industrial and technical education in the United States, its territories and possessions, to assist in the creation and development in the youth of America of interest in the pursuance of trade, industrial, and technical occupations and to promote and stimulate interest in trade, industrial, and technical education on the part of the general public. VICA's programs are an outgrowth of its goals. Central to all of these programs is the concept of the total development of the individual. Judging from the caliber of the fine young men who visited my office, the Vocational Industrial Clubs of America is meeting its purposes and performing a most worthwhile service to America. Let us hope that they keep up the good work.

## NEW CHEERS FOR OLD NOTRE DAME

### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. DERWINSKI. Mr. Speaker, as disruptive and harmful demonstrations on college campuses continue, few institutions of higher education have coped with them. An excellent approach to the situation has been taken by Notre Dame University.

WBBM–TV, channel 2, Chicago, carried a proper editorial on Friday, November 21, on the Notre Dame policy of handling student anarchism:

NEW CHEERS FOR OLD NOTRE DAME

There are cheers for Notre Dame these days. Many of these cheers are for the University decision to accept a football bowl bid. But there was another action for which Notre Dame should receive cheers.

The University carried out the dictum of its President, the Rev. Theodore M. Hesburgh, that students engaged in disruptive demonstrations should be given 15 minutes of meditation to cease and desist. There was a demonstration over first a CIA recruiter, and then a Dow Chemical Co. recruiter. The Dean of Students, acting on terms of Father Hesburgh's statement ruled . . . those refusing to stop demonstrating should be suspended after 15 minutes, and expelled if they demonstrated at the end of another 5 minutes. Five students were ordered expelled, five suspended. They have until next Tuesday to decide if they want to appeal, and if they do, they will go before a student-faculty-administration board.

The University has obtained an injunction against interference with recruiting of any kind. The CIA recruiter left the first day, the Dow Chemical recruiter left the next day.

The University's position is that it should be voluntary whether or not a student wants to talk to a recruiter. But there should be no interference with the student's rights.

The University permits dissent. It acts only against *disruption*. We must stress again that Father Hesburgh in enunciating his rule said also there are legitimate reasons for protesting, but this must be done with rationality and civility, not force and violence.

We believe it is important that the rules of a University are made known to a student on entrance and throughout his career there.

We believe there is no place in a University for disruption or interference with the rights of other students, or the operation of the University. We believe it particularly important when such a rule as that laid down by Father Hesburgh is enunciated, it be enforced without any equivocation. We believe it will result in a healthier more productive University . . . and suggest other universities follow this method of handling disruptions.

## BONABOND HELPS EX-ADDICTS AND EX-CONVICTS

### HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. STOKES. Mr. Speaker, last Wednesday evening, I was afforded the unique opportunity of speaking to what may be the least known, most unusual, and most effective social action agency in the District of Columbia.

The name of this group is Bonabond. Its purpose is to rehabilitate drug addicts. The staff, organized 3 years ago by Mr. Petey Green, is composed entirely of ex-addicts, most of whom are also ex-convicts. The group was originally conceived to provide fiduciary bonds for ex-convicts seeking employment. However, with the assistance of a small grant from HEW, the scope of the project was expanded to include the rehabilitation and placement of addicts.

Since that time, Bonabond's success has been extraordinary. Under the excellent directorship of Mr. Hiawatha Burris, the group has compiled a record for outstripping those made by larger, better-financed agencies. For example, of the more than 250 persons who have been released by the courts to Bonabond during the past year, only five skipped bail. Eighty percent were placed into jobs. Mr. Burris attributes this success to staff understanding of the addict's problems.

The Washington Evening Star Sunday supplement of November 30, 1969, printed an excellent article on Bonabond, by Mr. Mike McManus. Since the article does such a fine job of relating the accomplishments of the agency with society's supposed incorrigibles, I insert the full text in the RECORD for the benefit of any of my colleagues who might have missed it:

KICKING THE HEROIN HABIT—BONABOND, A BONDING AGENCY RUN BY MEN WHO HAVE BEEN THROUGH THE DRUG SCENE, IS PROVIDING EX-CON ADDICTS A CHANCE TO END THE PHYSICAL CRAVING FOR DRUGS AND TO GET A DECENT JOB

(By Mike McManus)

Steve Matthews didn't look like one of the city's most successful dope peddlers when he appeared on television recently. Clean-cut and solidly built, the 24-year-old spoke precisely, his face animated by the glint of intelligence about the eyes. It was easier to imagine in that face his bright beginning as a high school graduate and son of hard-working middle class parents.

But shortly after he was graduated from high school in 1963, someone gave Steve a shot of heroin. "It was a feeling I couldn't forget," he says.

First, he shot only once a week, then two or three times a week, always thinking he could stop when he wanted to. Instead of going to college to become a doctor or lawyer, as he had dreamed, Steven began shoplifting and picking pockets to pay for his growing habit.

"I didn't have the stomach for robbery, so I turned to peddling drugs," Steve comments matter-of-factly, in a soft voice. "It was challenging. I always had to use my mind to know how to get people to buy my product. I had to learn how to spend less and make more by cutting the white powder with weakened solutions of lye or formaldehyde. In the beginning, I would not sell to young boys and girls, but after the money got good, it didn't bother me at all. I started earning $200 a week.

"After two years, I became a transporter, going up to New York docks to buy from longshoremen. I'd spend $1,000 to $1,500 to buy drugs which sold at street prices of $3,000 to $5,000. My habit grew bigger—$80 to $90 a day at street prices. Of course, I cut my drugs off the top, and soon I was earning $350 a week on top of that. I'd see my father coming home at the end of the week, tired and barely making ends meet on a job that didn't have any enticement for me.

"It seemed there was nothing I couldn't do. But I was putting something over on myself. True, people using drugs were my slaves. But somebody bigger than me made me *his* slave. I was using something in my arm. Though I wasn't a field hand, I was a houseboy, the head slave. If my drugs were cut off, I'd be like the lowliest addict in the street, sick and crying. My marriage broke up because my wife didn't want my three boys brought up around drugs. Many times I wanted to kick the habit, but couldn't."

Things changed for Steve last summer. He's had no drugs since August. Levitt & Sons, the construction firm in Bowie, Md., now pay him $125 a week as a carpenter's assistant. He is dating Thelma Williams, a girl who never used drugs, so he thinks he won't be tempted to associate with friends "strung out" on heroin. Now his dream is to marry Thelma, and buy one of the Levitt houses.

"I'm breathing easier," he says.

He's also using his knowledge of drugs to help others. Steve advises Levitt on which ex-addict job applicants have kicked the habit, and which are hopeless. He's spoken to high school students, a Kiwanis Club, the Bowie narcotics squad and appeared on television—telling his personal story without pulling punches.

"I feel it's my obligation to help a lot of people who wouldn't have turned to drugs if it hadn't been for me," he says. "I want to pay society back for the people I addicted."

Steve Matthews is one of the few addicts who has managed to break the dreary cycle of dope, crime, arrest, prison, dope, crime. It is a very difficult thing to do, to kick the heroin habit. Matthews did not do it alone. He was helped significantly by an organization named Bonabond.

Bonabond has no official status. It receives none of the District's $650 million budget, nor any support from the United Givers Fund. Though it works with about 100 addicts at any time, Bonabond has no treatment facilities, nor any "professionals" on its seven-man staff.

Every Bonabond worker is an ex-convict.

Unlike many professionals in the crime prevention business—policemen, probation officers, psychologists—Bonabond staffers don't look down on the criminal. And offenders look upon them as symbols of hope, not reminders of failure. Bonabond's expertise is unique. "No one can understand the problem better than us; because for years, we *were* the problem," says its executive director, Hiawatha Burris.

Bonabond was created three years ago, the brainchild of Petey Green, an ex-addict, ex-wino and ex-con who worked as a job coach for the District's anti-poverty organization and who already had formed a voluntary group of ex-offenders to help find work for men coming out of prison. This group, Efforts From Ex-Convicts, kept running into employers who refused to hire persons with criminal records on grounds that bonds would be necessary to protect employers from possible losses from thefts. No ex-con is able to get a fiduciary bond on his own. This meant that only the dirtiest, most menial, and lowest paying jobs were open to the men trying to go straight.

Green's solution was to create a small agency which would investigate the backgrounds of ex-convicts, and put its name behind those if found trustworthy. Aetna Insurance agreed to provide a bonding service, if a staff were hired to do the research.

The Department of Health, Education and Welfare, appropriated a modest $63,000 for the experiment. Under the initial supervision of a lawyer, a group of EFEC members, including Burris, were hired to do the legwork. The attorney wanted to call the program Trustworthy, but as first board chairman, Petey opposed it.

"We didn't want that, cause they never thought we was trustworthy before!" he complained. Eventually, they settled on Bonabond (or, "good bond").

The program was so successful that the agency almost put itself out of business. None of the 60 former prisoners backed by Bonabond caused the agency to forfeit bond money. More important, employers stopped using the bonding issue as an excuse not to hire ex-offenders, opening up hundreds of jobs.

When Burris became executive director, he turned the group's focus toward bail bonding—taking responsibility for people arrested for crimes pending their trials. At any given time, Bonabond has 100–125 people under supervision (without charge) as "third party custodian." This responsibility led to the creation of a drug program for addicts trying to kick the habit, a job placement operation, probation supervision, and a social club for ex-offenders.

The importance of Bonabond's work was made crystally clear last spring when Maryland Sen. Joseph Tydings' District Committee conducted a remarkable set of hearings on crime in Washington. During these hearings, Dr. Murray Grant, then the director of the District Department of Health, told the committee that half of the men and three-quarters of the women in D.C. prisons are drug addicts.

Most were not imprisoned for narcotics offenses, but for crimes they committed in order to pay for drugs—offenses ranging from shoplifting and prostitution to armed robberies which led to dozens of killings. In other words, more than half of the District's crime was related to the use of drugs.

This was not always the case. Kenneth Hardy, director of the Department of Corrections, told the committee that the number of known addicts arrested this year would be double that of 1968, and seven times as many as in 1965. Clearly, there has been a flood of drugs into the city in recent years. And since an average addict requires $200 to $300 a week in cash just to pay for drugs, he either has to sell drugs to feed his habit, or steal. And he can't simply steal three $100 suits to pay for a week's supply of heroin, for "fences" rarely pay more than 25 percent of an article's value on the black market.

A man with a $50-a-day habit has to steal $200 in goods every day of the year. Or he turns to armed robbery to get hard cash.

The result was predictable: between 1966 and 1969 the number of armed robberies shot up five-fold. In the early sixties, the city had no more than 1,000 robberies a year. But there were 1,049 robberies for the single month of July, 1969, and 1,226 for August. A

spokesman for the Board of Trade told Sen. Tydings' committee that most of the $80 to $150 million worth of goods stolen from area stores are believed to have been pilfered by addicts.

It is facts like these that make the following recitation of the policies and attitudes of official District government agencies more than a little hard to understand:

Between 1952 and the summer of 1969, the District police department participated in the breakup of only one major drug trafficking ring (in 1964). Yet, when President Nixon ordered a coordinated attack to be launched this year, it took only a few months to indict 41 of the city's biggest traffickers.

The department's tiny (21-man) narcotics squad apparently was more interested in stopping the sale of marijuana than of heroin. At the request of the Senate District Committee, the squad's record for the last three months of 1968 was surveyed, and it was learned that only 15 cases were prosecuted for the sale of heroin, while 23 marijuana cases were prosecuted. Furthermore, the heroin cases prosecuted were for "street sales"—sales typically made by addicts to support their habit—not for wholesalers like Steve Matthews.

The Department of Corrections ran no programs in its prisons to rehabilitate drug addicts, though some 1,000 of those imprisoned each month are addicts.

Up until the Senate hearings, Health Department Director Grant did not even ask the District government for funds to treat addicts. Asked why, Dr. Grant said funds were "not needed" because D.C. General Hospital had a 35-bed ward for addicts. Yet this facility has been both underused and ineffective. Between 1964 an 1967 it lacked even the minimal facilities necessary to check a patient's urine for the presence of heroin, and the ward was open to anyone, making it child's play for a pusher to sell dope to patients.

And, it is by reason of facts like the above that few knowledgeable people were surprised last March when General Sessions Judge Alfred Burka told the Senate District Committee:

"The only, single, effective method existing at the moment to break the cycle of addiction, crime, imprisonment, release and crime again is an organization known as Bonabond."

Such words of praise for a little-known agency were a distinct embarrassment to the heads of three government programs set up to process and rehabilitate the 12,000 drug users arrested each year: The D.C. Bail Agency, Probation Department, and the Drug Addiction and Treatment Center. Bonabond competed with each of these agencies and demonstrably outperformed them.

The Bail Agency was established to administer the Bail Reform Act of 1966. The Act was passed to allow people arrested to return to everyday life before their cases came up in court, if they could prove deep enough community roots: family, job, home. Young law students employed by the Bail Agency interview the "lockups." The agency is more careful about whom it releases than is generally realized. Only 10,500 out of 22,000 prisoners were set free in the agency's first two years.

The problem is, criminals soon learned they could give the young, white students phony names, addresses and phone numbers. The overworked Bail Agency staff may not have time to check the facts. Or they may end up calling an addict friend of the arrested person, who says, "Oh yeah, he works here." When those released fail to show in court for trial, police must rearrest them. Many can't be found. By last summer, 1,000 lockups had vanished from the view of the law. And, of course, these persons were free to commit more crimes.

Compare that record with Bonabond's performance. Its staffers also go to the cell block of the Court of General Sessions to interview "lockups" about getting released pending trial. Bonabond doesn't bother with those approved by the Bail Agency or by professional bondsmen. It works with what's left—the dregs of the dregs of society, two-thirds of whom are addicts. Only a few will be picked each day, those the staff feels are trustworthy.

In three years, Bonabond became the "third party custodian" for 380 criminals. Only four of the 380 failed to show up in court at their appointed time; and Bonabond found all of them, and turned them in. Furthermore, not one person in Bonabond's supervision has been rearrested for a felony (though 10 percent have been picked up for misdemeanors).

How does Bonabond perform so impressively?

Begin with the fact that Bonabond's ex-con staff members speak the same language as those arrested. They know many of the lockups personally, and are more likely to spot phonies than college-educated professionals.

And Bonabond has a program geared to help the offender help himself.

As soon as an addict is released from jail, Bonabond sends him to the city's only narcotic detoxification facility with proven effectiveness, a 20-bed ward in St. Elizabeths Hospital. (As noted, D.C. General has a 35-bed ward used by some addicts, but most of the patients are alcoholics; and, as noted, pushers easily gain access to the ward to make sales to patients). There is virtually no hope for killing a drug habit until the physical craving is eliminated—a task which can be accomplished in two weeks under medical supervision with little pain.

More than 90 percent of the referrals to St. E's come from Bonabond—which means that a host of other agencies in town are making few referrals. Bonabond developed this program with St. E's, and has sent 305 people to the hospital over the past year. Most of the referrals were of people who simply were seeking Bonabond's help, not those released from jail.

Once an addict is "clean," Bonabond will find him a steady job or job training. With economic security, an ex-offender is obviously less likely to return to crime. So Bonabond has made employment referral a major activity, helping about 300 find full-time jobs with pay averaging $100 a week.

By contrast, the Drug Addiction and Treatment Center (DATRC), operating on a $600,000 yearly budget had referred only 100 out of 876 addicts to jobs in its first year. DATRC also failed to refer its patients to a hospital for "drying out," except in rare cases. Result: 90 percent of the addicts referred to DATRC by parole officers were rearrested within six months.

Once a person is working, Bonabond becomes for him the strictest probation or parole office in the city. Everyone is required to call the agency once a day, every day. Box scores are kept with a red pencil on a big chart on the wall. Each of the 100 people in Bonabond's custody at a given time must attend a Wednesday night Bonabond meeting. In addition, addicts are asked to attend group therapy sessions on Tuesday nights. The atmosphere of the meetings is much like that of Alcoholics Anonymous. People going straight stand beside those in trouble and recite this pledge at the opening and close of the meeting: As a member of Bonabond.

I want the opportunity to prove my faith in myself;

I want to earn the respect of others;

I want to help my fellow man;

I want my future to be a good example of the meaning and purpose of human life;

With God's help, I accept this challenge.

Some slippage is permitted with Bonabond's regulations. A typical weekly meeting will have only 20–30 people present. And if a person arrives "high" from a heroin fix, no one would think of throwing him out. But a person out on bail must be demonstrating a genuine effort to help himself. If he continues to be "strung out" on drugs, is absent from work, or fails to call in regularly and attend meetings—Bonabond washes its hands of the case, turning him back to the courts to be thrown back in prison. The threat of reincarceration probably does more than anything else to induce those in its custody to toe the line. It is no mere threat. Some 62 of the 380 placed in Bonabond's custody were voluntarily surrendered.

That's a far tougher approach than is practiced by the Probation Department of the Court of General Sessions. It terminates only five percent of its cases, compared to Bonabond's 14 percent. Why is Probation less strict? Its director, John Bindl, told this reporter: "The majority of our time is spent in writing reports for the court. No one really supervises. The case loads are too big." Each probation officer has 115 cases, despite a growth in numbers of officers from nine to 29 in the last two years.

But the issue goes deeper. Not one of Probation's staff members is an exoffender. None would dare walk along 7th or 14th Streets NW late at night to make contact with individuals on their case lists. This is where the addicts hang out, and this is where Bonabond staffers operate. Thus the "professionals" are less likely to know who among their cases is using drugs. Further, many become numb after a while, and cease to care. They develop an attitude which can be tersely paraphrased: "He can't make it," they say to themselves. It becomes a self-fulfilling attitude. The bureaucrat's success, after all, is not measured by the number of offenders motivated to go straight, but by fidelity to proscribed procedures in processing criminals.

By contrast, the Bonabond staff member's only security lies in measurable performance with the hardest of the hard core recidivists. Oddly, perhaps, he is naturally a more stern disciplinarian than his middle class counterpart. The reformed ex-con has fallen just as far as his clientele into crime, but managed to pull himself out of the cycle into a legitimate job. So his attitude is: "If I made it, you can too."

"We will knock ourselves out for a guy trying to get himself together, but won't waste time with someone jiving about his interest in making it," says Nightlife Young, Bonabond's deputy director.

The ex-offender's signal advantage is his ability to understand and communicate in a way no middle class person can. One need only sit in the Bonabond office and listen. Early one morning recently, Young was talking with a man he'd known for 20 years who was then on probation. Their friendship beban when both were addicts. For two years, Fred (as I'll call him) managed to kick the habit, inspiring Nightlife to get clean. Nightlife recalls: "I saw him dressed, and clean—looking good, with money in his pocket." Now the tables were reversed:

"It look to me like you ain't even trying," Nightlife said to the shabbily dressed man. "I seen you up on 14th Street last night. You don't never need to go there."

"I can't get no job. No one let me be an ex-addict," said Fred, his head nodding from the effects of a recent fix.

"You can't get no job 'cause you ain't clean. I coulda had you a job," Nightlife said in a calm voice. Pipe smoke swirled above his head.

"You gotta give me a chance."

"You haven't give *yourself* no chance! Man, this is the fourth time I've given you a chance. I had to threaten you. I don't dig this. If I keep letting you get away with this, *I'll*

be out on the street. I been sticking my neck out—putting the whole organization on the line . . . Me and you walked together, shot dope together. I ain't stupid. You can't function."

"I tried to make those meeting, but . . ."

"I don't want to ———. You mean you couldn't put in an *hour* of time? We got you out on probation, and you ain't even trying to get yourself together. Now, I want you to go to the hospital on Monday. If you don't go down there, we'll surrender you. This is your last pass to success."

Fred gratefully looked at Nightlife: "Bonabond is the only organization which has ever did anything for me. The only reason I didn't progress was because it was my fault. When you see me next, I'm going to be fit. I'm going to the hospital with good intentions."

The good intentions of an addict are notoriously unreliable. Though Fred did show up at St. Elizabeths, on the tenth day of his stay he was caught offering a patient a fix. It had been mailed to him. Thrown out of the hospital, Fred returned to Nightlife the next day. He was shrewdly dressed in his best clothes and a $50 pair of shoes. And he had a good excuse: "All my life I've had so many things going against me."

This time, it didnt wash. Within a week Bonabond staffer Ike Mallard, a man who had forged several hundred-thousand dollars worth of checks in his time, took Fred back to Judge Charles Halleck and said: "He's not showing enough initiative in himself. That's the biggest problem." A few days later, Fred was back in prison.

In this case, Bonabond failed. Or, rather, Fred failed. He was offered all the understanding and compassion which could reasonably be expected. But once he refused to help himself, Bonabond had the guts to turn him in. It's hard to imagine a better rehabilitative approach, or a staff more qualified by experience to know how to practice it. Bonabond offers the ex-con more concern, greater firmness, more services, and demands more of staff and those it helps than any and all of the traditional agencies.

Judge Halleck put it best: "Bonabond is performing a function which ought to be performed by the court system itself. The court (and its attendant agencies) has abdicated its duties and responsibilities. We are fortunate that the void has been filled by organizations like Bonabond. It ought to be five times bigger than it is."

But Bonabond has come perilously close to floundering. Practically its only source of support is the $63,000 grant from HEW, channeled through UPO. The District government has refused to support Bonabond. And getting the grant renewed each year is a harrowing experience. In 1967, funds ran out. Every staff member continued to work for weeks without a payroll, or even a promise that the agency would survive. According to Merrill Collett, a white businessman on Bonabond's board of directors, "UPO had doubts about giving a grant to Bonabond because of its lack of a professional staff."

Fortunately, this attitude seems to be changing. The traditional system seems to be learning from Bonabond and from other operations staffed by ex-addicts, such as Col. Hassan Jeru-Ahmed's Blackmen's Development Centers. For the first time in its history, the Department of Corrections has put ex-offenders on its staff—20 of them.

"We are following in Bonabond's footsteps," says Dr. Robert Dupont, an engaging, 32-year-old psychiatrist who is associate director of corrections.

"Bonabond pointed the way to us for the effective use of ex-offenders in correctional programs," he says. "The ex-offender is dedicated in a way professionals are not. They will work harder—longer hours and weekends—because they have something to prove to themselves and the world. I won't let my work intrude in my private life as they will. But then, I don't have to. I have security."

Furthermore, the ex-con will work at half the salary of a college-educated professional. Corrections is paying $5,500 to $6,200, which means Corrections can have twice as many counselors.

They'll be working in a new form of correctional facility, an operation halfway between the total isolation of prison and the loose control of parole. By mid-December, about 100 convicts will be serving part of their sentences in five Community Correctional Centers, houses scattered in the inner city. "Inmates" will live in the centers at night, but hold down regular jobs during the day. While living in the centers, offenders will earn their own upkeep, pay taxes and live in a therapeutic community with other ex-cons who've shaken lives of crime. A pilot experiment with this creative rehabilitation approach has been extraordinarily successful.

Dr. Dupont also plans to try a unique experiment with Bonabond itself. At present, Corrections gets only $1.10 a day to supervise a man or woman on parole. In order to find if Bonabond can do a better job at parole supervision, Corrections has plans to contract with Bonabond for the same figure to see how well it does with 50 parolees. If Bonabond outperforms middle class parole officers, its role will grow, Dupont says.

When asked last summer if his Probation Department planned any such experiments, Probation Director John Bindl responded: "Our first need is to hire *professionals* to handle case loads adequately." He was afraid that if an ex-con was hired, he might slip back into crime—a valid fear. Today, however, probation officers are talking with Bonabond about recommending ex-offenders who might work as probation aides.

Equally important, there is a growing interest in helping Bonabond expand. The Meyer Foundation has given the ex-convicts $10,000. The Calvary Baptist Church, which has been sponsoring a "prayer luncheon" on Tuesdays for people working on the drug problem, may sell Bonabond a house at low cost for conversion into an informal "halfway" house for addicts. And Bonabond even has a possibility of getting National Institute of Mental Health funds to operate a 100-bed half-way house in a converted motel. Hiawatha Burris, the former confidence man who now heads Bonabond, has gained the confidence of District judges to such an extent he now lunches with them weekly.

Recently Burris received a "degree" for his achievement from Gov. Raymond Shafer of Pennsylvania, full of phrases as "know ye" and "by the authority vested in me." Like any other professional's degree, it hangs from the wall of his office. But this is no M.D. or Ph. D. It is a legal pardon wiping clean his record of five indictments for "burglary, fornication, operating a motor vehicle while under the influence of liquor, larceny, receiving stolen goods, conspiracy, and receiving stolen goods in 1951, 1952, and 1953."

It is a degree in crime *and* in self-rehabilitation—eminent credentials for helping other ex-cons catapult out of the desperate dope-crime syndrome. Three years ago, it was literally illegal for him to meet with the felons on his staff: people convicted for such crimes as armed robbery, prostitution, check forgery, and dope peddling.

Today, these ex-offenders are setting a new standard of "professionalism" in the crime prevention business: performance.

## NATIONAL HEALTH INSURANCE

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. DINGELL. Mr. Speaker, the November 24, 1969 issue of "Memo from Cope," the publication of the Committee on Political Education, AFL–CIO, carried an article on the situation with regard to medical care in the United States. In the article it is noted that AFL–CIO President George Meany has stated that national health insurance "is the only system that will provide truly adequate health care to all Americans."

So that my colleagues may have an opportunity to read this article, I insert it at this point in the RECORD:

IT'S TIME FOR NATIONAL HEALTH PLAN

Sixty billion dollars a year for medical care is a good chunk of money. That's what was spent in fiscal year 1969 in the U.S. It's seven percent of our gross national product, a larger percentage of GNP than any nation spends. It almost approaches our defense budget.

Yet concern over the quality as well as the cost of medical care in the United States is mounting. In 1950, the nation was sixth in the world in infant mortality. Now it is 18th. We have dropped in recent years from 13th to 22nd in life expectancy at birth for males, from seventh to 10th for females. Death rate of middle-aged males is higher here than in any Western European country.

With this, doctor's fees soar. Hospital fees go out of sight. In a short time, it will cost an average $100 a day to put up in a hospital, according to the American Hospital Association. Medical costs have been going up faster than any other item on the Consumer Price Index.

Medicare and Medicaid, so bright in promise at their inception, have been tarnished by the incredible leap in health costs that reduces the protection these programs should provide.

Meanwhile, there are not enough doctors. Medical schools graduate only 7,400 physicians a year and some medical schools are closing shop, making the squeeze even tighter.

These are just some statistics that add up to a crisis in health care in the United States, one which President Nixon described this way last summer: ". . . unless action is taken both administratively and legislatively . . . we will have a breakdown in our medical care system affecting millions. I don't think I am overstating the case."

What to do?

AFL–CIO President George Meany posed the key question before an Industrial Union Department conference on health care: "Can we get good medical care for all Americans at a reasonable cost?"

The answer, he said, is national health insurance, "a program that would provide comprehensive health care for every American . . . that would include every kind of treatment that is necessary to maintain or restore good health . . . preventive services, all types of physicians' services, hospital and nursing home care, home health services, rehabilitation."

Meany said such a system would be financed like social security but with a government contribution. While "doctors would continue to practice medicine without any interference, we would expect the national health insurance system to encourage the highest quality of medical care, improvements in the efficiency of its delivery and effective controls on its cost."

Development of pre-paid group practice plans would be integral, Meany stressed, pointing out such plans provide good health care "at lower costs than the usual fee-for-service arrangement of doctors in solo practice."

Meany said proper health care has three fundamental objectives:

To prevent unnecessary illness.

To have the best possible treatment for all persons when they are sick so they will recover quickly and completely.

To keep medical cost at a reasonable level so that people are not denied needed care simply because they can't afford it.

He concluded national health insurance "is the only system that will provide truly adequate health care to all Americans."

## WORLD FEDERALIST YOUTH PETITION

### HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BINGHAM. Mr. Speaker, it has come to my attention that the World Federalist Youth, U.S.A., the student division of World Federalist U.S.A., of which former Senator Joseph S. Clark is president, has submitted a most commendable petition to Secretary General U Thant. The petition calls for every nation of the world to use 1970—the 25th anniversary of the United Nations—"to examine its own national priorities and military policy as well as it relationship to the United Nations in its role as a builder of peace." It also calls for "establishment of a permanent U.N. peacekeeping force with the power and authority to accomplish its duties" in the hope that such a force might eventually render national conscription armies unnecessary.

I want to extend my congratulations and applause to the authors and signators of this petition, and to the high principles it sets forth. I commend it to my colleagues in the House and other readers of the RECORD.

The World Federalist Youth petition and a letter to its U.N. representative, Mr. Donald F. Keys, from Secretary General Thant, expressing his similar feelings, follow:

TO THE SECRETARY GENERAL OF THE UNITED NATIONS

As concerned youth of this nation and citizens of the world, *we petition you* to present our views to the General Assembly of the United Nations for consideration and implementation. We stand together in our affirmation that man is at all times more sacred than property and we condemn both the use of warfare and the use of violence as a means of settling disputes.

We wish to see each nation use the year 1970—the 25th Anniversary of the United Nations—to establish a commission to examine its own national priorities and military policies as well as its relationship to the United Nations in its role as a builder of peace. Concurrently, we desire immediate establishment of a permanent U.N. Peacekeeping Force with the power and the authority to accomplish its duties. Such a force will eliminate the need for conscriptive armies in all nations. This, we believe would be a most positive step in our efforts to free mankind.

OCTOBER 24, 1969.

Mr. DONALD F. KEYS,

*United Nations Representative, World Association of World Federalists, United Nations Plaza, New York, N.Y.*

DEAR MR. KEYS: Thank you for your kind letter of 21 October. I would be grateful indeed if you could transmit to the leaders of your youth organization my deep appreciation for the world-wide appeal they are launching in support of the United Nations.

While it would not be proper for me, at a time when the General Assembly is engaged in the consideration of the report of the Preparatory Committee for the twenty-fifth Anniversary, to endorse each individual proposal contained in the petition, I applaud without hesitation the fine spirit which has moved these young leaders to undertake this great effort on behalf of world peace and progress through the United Nations.

With kind regards,

Yours sincerely,

MAUNG THANT.

## YOUTH BECOMES PREY TO DRUGS

### HON. MARTIN B. McKNEALLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. McKNEALLY. Mr. Speaker, the evidence of an appalling crisis among our youth increases day by day. I refer to the large and growing use of drugs by a large and growing section of young men and women. This is a phenomenon of tragic impact, especially when one notes that our youth have been the most favored in history and yet they have become somehow prey to one of civilization's most fateful habits—the use of drugs. There was published in the Times Herald Record of December 1, in Middletown, N.Y., a lively newspaper in my district, an editorial which included a letter from Dean Ward of Amherst College. It is a letter of lamentation, but it is also a plea for all of us to take immediate steps of prevention of narcotics use among our youth. I bring this editorial to your attention and to the attention of all the Members of this House for their education and action:

A "MEANINGLESS DEATH" ON CAMPUS

On Oct. 11, a 19-year-old Harvard sophomore visiting at Amherst College took LSD, jumped 70 feet from the top of a four-story dormitory, and died.

The case, containing a parallel with that of Art Linkletter's daughter in California, is notable for several reasons, not the least of which is the following letter, written by Robert A. Ward, dean of students at Amherst, and sent to all undergraduates, alumni, and others.

Composed during the week after the first Vietnam Moratorium, the letter represents an articulate, compassionate plea to young people on the subject of drug use.

Dean Ward, 35, and himself an Amherst graduate, addressed the letter to undergraduates. But the statement is gaining wide notice across the country. Here is his letter:

"He was not an Amherst man; he was a visitor. But his death occurred in our community and we shared in the loss. We were shocked by the tragedy and stunned by the senselessness of it. He was young and bright—too bright to surrender his life in the foolish madness blighting a generation. In a week in which we paused to reflect on the waste of life half a world away, it may have been a strange irony that we were starkly faced with meaningless death on our campus.

"But that week is nearly gone—one memory fades.

"I will not rehearse the statements made in the past about drugs. Many of us for some time have been apprehensive that a tragedy would come—and last Saturday night it did. Repeated warnings had gone unheeded; it couldn't happen here.

"I only wish those who ignored those warnings could have spent part of that horrible night waiting in Cooley Dickenson Hospital while the student's life ebbed or part of Sunday afternoon in my office while his parents struggled to comprehend the reality of that day.

"I did not become a dean to watch a generation of students pollute their sanity or distort their lives, and I confess to a numbing and depressing sense of helplessness. Words are inadequate and deeds seem fruitless. More than ever students have taken on themselves the individual responsibility which shapes their lives in all areas. It should be so, but the judicious exercise of such responsibility demands wisdom.

"I see no wisdom at all in the growing and indiscriminate use of drugs. I also see a danger that one major tragedy may obscure other tragedies, smaller perhaps but no less frightening.

"On a beautiful Saturday afternoon which was in itself a natural stimulant, why the need for some artificial or uncertain drug? And where were we all on that night or on any night and when will we awake to the need to replace a distinterested privatism with a sustained concern for troubled people in our community? And why do we tolerate in our midst the profiteers of poison?? And by what moral right do we pass into the hands of others substances which can threaten their well-being and even their lives??

"What in God's name is happening to us?

"Last Sunday in a scriptural lesson the timeless chastisement of Thomas was repeated: 'Because you did not see, you would not believe.' Last Sunday we did see. Now I plead as never before—please believe."

## FLOOD-STRICKEN TUNISIA FACES A 5-YEAR RECOVERY TASK

### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. FRASER. Mr. Speaker, the catastrophic floods being experienced by Tunisia are a tremendous setback to that progressive North African nation. A few years ago I visited that fiercely independent country and was impressed by the progress being made without resort to a dictatorial regime of the left or the right.

I am dismayed to learn of Tunisia's current plight. The rains have been unbelievable, and a recent New York Times article indicates that the recovery period will be at least 5 years. U.S. relief has been provided. Some of it is described in the Times story which follows. The U.S. citizens assisting in the emergency are to be commended. But, clearly, we must be prepared to continue to assist the recovery of this admirable people.

FLOOD-STRICKEN TUNISIA FACES A 5-YEAR RECOVERY TASK

TUNIS, December 4.—After weeks of nearly constant rain and floods, Tunisia is facing a recovery task that is expected to take at least five years and cost more than $40 million.

In some places the rainfall, between Sept. 24 and the end of November, totaled more than eight and a half inches a day. It left behind new lakes, and cut new rivers through the central regions of the country. Olive trees, one of Tunisia's sparse natural resources and the livelihood of many of her people, were uprooted and carried away.

But despite the picture of desolation and disaster left by the retreating waters. Tunisia has not been plunged into chaos. Her immediate appeal for help met with a prompt response from her North African neighbors, most European countries and the United States, which carried the biggest burden of aid beyond the $40-million the Tunisians expect to pay.

RIVER BECOMES A TORRENT

French, Moroccan, West German and United States helicopters have been flying relief supplies and anti-typhoid vaccine to disaster areas. Teams of engineers from Belgium, France, Spain and West Germany began the task of re-establishing communications; repairs to 125 miles of highways and 60 miles of railroad track are under way.

The Zeroud River, which even in winter is little more than a modest stream in central Tunisia, became a torrent, more than a half mile wide and 40 feet deep. Experts estimated that it had a bigger instantaneous flow than the Rhine in France and Switzerland after the melting of the winter snows. Near the Islamic city of Kairouan, the river left its shallow bed, normally a few hundred yards wide, and became a 10-mile-wide expanse of raging floodwater that swept away all before it.

In the Plain of Kairouan, two other streams, the Merguellil and the Nebhana, were transformed beyond recognition with the same disastrous effects. Concrete blocks weighing about 100 tons each were torn out of wrecked bridges and hurled 50 to 100 yards downstream.

BRIDGES WASHED AWAY

Nearly 30 rail and road bridges were washed away. In the worst-hit area of Sousse, artesian wells and water-supply pipes are in urgent need of repair. Muddy rivers invaded villages and towns in the south, engulfing livestock. Dwellings crumbled, leaving 542 dead and some 300,000 people without shelter. Most Tunisian industries have been at a standstill since the beginning of the floods. The export of phosphates, Tunisia's chief earner of currency, was interrupted because of damaged railway track.

The railroad which carries phosphates from the mines of the Gafs a region to the port of Sfax, is being repaired by French engineers of phosphate exports. The repairs seem to be proceeding in record time, as the officials of the southern region are to announce shortly the completion of the task.

In the Sousse region, Spanish teams are building a bridge across the Zeroud at Sidi Bou Ali, a small town that suffered more than any other area. The Dutch are undertaking the rehabilitation of mud-filled artesian wells and the Sousse water supply.

The people of Kairouan and adjoining villages, which had geen cut off from the rest of the country at the onset of the floods, have been kept alive by the uninterrupted flow of supplies and vaccine by United States Navy and Army helicopters. Their crews told of the human suffering they witnessed on the hazardous missions.

WOMEN IN DESPAIR

A member of one Navy helicopter crew said: "Down below a handful of people were gesticulating to attract our attention. We lowered the craft; we could clearly see women tearing their clothes and scratching their faces in despair. We dropped our supplies. People scrambled and fought for food like a pack of hungry wolves."

Another crew was forced to land on a railroad track, slightly denting the rear of the helicopter, to unload food supplies to about 20 Tunisian peasants who had taken refuge from the muddy river on the track and had been without food for four days.

Members of the United States Embassy staff in Tunis worked around the clock on the relief program. Supplies of blankets, food and vaccine were flown to Tunisia immediately. One million dollars was donated for the construction of emergency bridges in the north.

Medical teams from the hospital ship Hope, anchored in the Tunis harbor, went to the Sousse and Sfax areas to vaccinate the population. So far no cases of typhoid have been reported.

The World Food Program, an organization affiliated with the United Nations, has undertaken to feed 100,000 refugees for the next six months. Food, blankets and donations in money continue to arrive from many countries.

One expression of sympathy for the victims of the floods came from the children of United States servicemen at the Wheelus air base in Libya. They sent 500 pounds of candy for the children of Kairouan.

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## AGNEW AND THE MEDIA

### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. FRASER. Mr. Speaker, any number of positive things may be said about Vice President SPIRO AGNEW'S recent dissertations on the mass media: It is good to remind the media from time to time that they cannot expect to be exempt from powerful attack; the speeches could prompt a useful public dialog about the role and performance of the media as partner institutions in our democratic society; one result of the speeches could be an invigorated examination within professional ranks of the shortcomings of the media; the resulting, widespread, enlightened discussion could make us all more intelligent consumers of media information.

These positive effects may, indeed, be forthcoming from the Vice President's speeches. But if they are, it will be a case of good wine being made from bad.

The Vice Presidential habit of viewing the world as one unrelieved melodrama led a national news magazine recently to conclude that Mr. AGNEW may go down in history as the great polarizer. In the Vice President's world there are the impudent snobs and the good Americans. The good Americans support the President, the snobs demonstrate in the streets. Reason is on the side of the one, corrupt mob instinct on the side of the other. In the case of the broadcast communicators, it is a handful of Northeastern liberals versus the views of America.

This melodrama syndrome is not characteristic of the Vice President alone, of course. There is Mrs. Mitchell's assessment of the two kinds of participants in the antiwar demonstrations; such demonstrators are obviously either members of the liberal Communist element, whatever that may be, or they are kids out for a lark. One must admit a certain progress in this Nixonian dichotimization: one always used to face three choices.

Even a practitioner of instant analysis might be able to see, however, that such neat classifications of the world have a tendency to be overly simplistic. It would seem at least possible that any crowd of a quarter of a million people might contain more than two kinds of individuals. It is at least academically possible that there are more than two ways out of Vietnam. And there at least used to be a time when there was some middle ground between noble loyalty to the unquestionably right course of the government and villainous dissent against the American values.

Mr. AGNEW'S speeches on the media suffer from this delusion of simplicity and from other delusions which one charitably assumes are the products of an information deficiency. Mr. AGNEW seems to be working from several odd assumptions when he talks about the media: First, that he is daring and original in his attacks on the media; second, that the deficiencies Mr. AGNEW finds in the media have not been thought of or discussed by media professionals; and third, that as Vice President he exercises the same powers of free speech that any ordinary citizen in, say, Des Moines, Iowa, exercises.

None of these apparent assumptions is true.

The media have been under strong attack ever since the earliest days of the Republic, and not one of the Presidents has missed the opportunity to express his bitterness about the media at some point in his administration. Thomas Jefferson wrote:

A truth now and then projecting into the ocean of newspaper lies serves like headlands to correct our course. Indeed, my skepticism as to everything in a newspaper makes me indifferent whether I ever see one.

Grover Cleveland said in an address at Harvard College in 1886:

. . . the President of the United States should not be put beyond the protection which American love of fair play and decency affords to every American citizen. This trait of our national character would not encourage, if their extent were fully appreciated, the silly mean and cowardly lies that every day are found in the columns of certain newspapers, which violate every instinct of American manliness, and in ghoulish glee desecrate every sacred relation of private life.

Woodrow Wilson wrote in a letter to a relative:

Do not believe anything you read in the newspapers. If you read the newspapers I see, they are utterly untrustworthy. They represent the obstacles as exciting which they wish to have exist, whether they are actual or not. Read the editorial page and you will know what you will find in the news columns. For unless they are grossly careless the two always support one another. Their lying is shameless and colossal!

When Mr. AGNEW says as he did recently: "The day when the network commentators, and even the gentlemen of the New York Times, enjoyed a form of diplomatic immunity from comment and criticism of what they said is over," he speaks of the passing of a time which never was. When he speaks of an unelected fraternity of newsmen, he speaks with equal ignorance. Vice Presidents are elected once every 4 years; newsmen are put to the popular test every day. The daily pressures from readers, news sources, and advertisers determine whether they will survive, and if there is a problem of media monopoly today, it is at least in part because the pressures have been too strong and too successful.

There is no more substance to the apparent assumption that professional broadcast and print journalists have not already thought about and sought reasonable solutions to the problems Mr. AGNEW discusses. For all of his brawny rhetoric, Mr. AGNEW has yet to say anything as perceptively critical as this, by one of the fraternity members he so ardently attacks:

> The journalism we throw on our screen is still two-D journalism, the flat fact accompanied by flat opinion. That was never good enough, and it is perilously inadequate now. We have not really moved into the era of three-D journalism, although some are trying; we are not providing the depth, not illuminating the background, making it a living part of the picture with the third dimension, which is Meaning.

The Vice President, for all his gusto, has yet to say anything half so constructive as another of the men he so arrogantly attacks:

> The problem is to present the great issues as a series of practical choices: let the people look at the alternatives as the President has to look at them and try at the end to decide among the hard and dangerous courses. We need simple case-study outlines containing, first, a statement of the facts of the policy question; second, a definition of one course of action, followed by arguments for and arguments against; and so on through definition of a second course, and a third and a fourth. The difficulty with the presentation of foreign policy news today is that it comes out a jumble of important and trivial things and personalities, so that the people cannot quite get clear the questions for decision and end up either by giving up or by choosing up sides for or against the President . . . If I may engage in a little heresy, it may be that news and analysis of news in a democracy are too serious to be left to newspapermen.

These men, Eric Sevareid and James Reston, and hundreds of their colleagues have long been engaged in a serious examination of their performance, an examination to which the Vice President, unwittingly, has come lately and clumsily.

Still a third apparent assumption of the Vice President's is that he holds the same powers of free speech that any average citizen does. When he says, as he did in Montgomery the other day, "This is a great country—in this country every man is allowed freedom of speech, even the Vice President," Mr. AGNEW is not precisely correct, because the fact is that Vice Presidents have freer speech than most citizens. To write a Congressman or to publish a letter in a local newspaper, to add a body to the numbers at a protest march or to wire the President, to vote in an election or to discuss politics with one's friends: that is about all the free voice the average citizen has. But when Mr. AGNEW exercises his right to free speech, he gets thousands of letters of comment, and he gets them because his words are carried live on television and played back on radio and discussed widely in print. The Vice President's voice is louder than most people's voices, no matter how softly he speaks, because it is amplified thousands of times all across this country by the great and small media he attacks.

The mass media, because they are vital institutions in our democratic system, must willingly expect to be tested and tempered by public criticism; at times they must even expect their conduct to be found wrong and at such times the mass media must be prepared to correct themselves. It is the same with the Presidency. Presidents must have the courage of leadership to accept the possibility that they may be wrong, and when they are wrong they must have the vision and the courage of spirit to correct their policies. When Mr. AGNEW finds grave fault with a distinguished servant of our Nation simply because he appeared on television "challenging and contradicting the policies of the President of the United States," when the Vice President finds television commentators seriously at fault simply because they contradict a President's statement, or challenge his abilities as a politician, or claim that the President follows some agency's line—when these actions are found to be per se a disservice to the country, then the democratic system in this country is at an end, because one of its fundamental liberties, the right to free speech, is at an end. Apparently Mr. AGNEW seeks to invest the Presidency with an infallibility and an imperviousness to criticism that are antiethical to democracy. The right to free speech means nothing if it does not mean the right to criticize, and the right to criticize means nothing if it does not mean the right to criticize the highest policymakers of the Nation.

Mr. AGNEW is right when he says that the power of the great broadcast networks to distill the information the Nation gets, to inspire its imagination, and to color its opinions is unprecedented. He is right when he suggests that this vast new power has the serious potential to undo an essential element of the right of free speech, the right to have access to numerous and multifaceted channels of communications. One of the assumptions about the efficacy of free speech is that the truth in a democratic society will out not by official proclamation but rather by free competition among a variety of versions of the truth.

But the same thing is true of the modern Presidency. Armed with the bureaucratic apparatus of the modern Presidency, equipped with the symbolic power of his office, burdened by a responsibility and authority in the world community not envisioned by the Nation's founders, the modern President has at his hand unprecedented power. And this power is immeasurably enhanced by the availability to the President of the equally unprecedented power of the mass media. By informal convention the President has available to him the immediate attention of the Nation through the very communications networks Mr. AGNEW attacks. When the President chooses to make use of this enormous communications power to further the ends of his administration, as he did recently in behalf of his Vietnam policy, he must properly, out of respect for the massive power he wields, and with an eye to the maintenance of a healthy democratic balance, encourage the fullest and most prompt discussion of his views, even when this discussion is critical.

To himself take advantage of the awesome authority of the mass media while simultaneously impugning the integrity of those who later take exception to his views before the very same audience, as he did the other day through Mr. AGNEW, is for the President to deal a double blow to the free inquiry which is the basis of our democratic political system. The media as an instrument of power cuts many ways. The President shares with the other manipulators of the mass media a responsibility for its proper use, and that shared responsibility is, regrettably, no part of the Vice President's speeches.

Mr. AGNEW's talks have been dangerous in another way. The Vice President finds that the views of the news media do not represent the views of America and concludes:

> As with other American institutions, perhaps it is time that the networks were made more responsive to the views of the nation and more responsible to the people they serve.

This is perhaps the most alarming sentence in the Vice President's recent pronouncements. Professional newsmen have rightly believed that they should be representative of no one. They have been perceptive enough to realize that the phrase "the views of America" is for all practical purposes an empty phrase, that there is not any single right and proper opinion for an American to hold, that the strength of a democratic society such as ours lies in the diversity of its views and talents and peoples. Ours is a heritage of strength through diversity; the views of the majority have been strengthened at times, at times changed, and often tempered and clarified by the views of the minorities. One of the most vital features of a democratic system such as ours is that its communications networks facilitate the regular and orderly hearing of minority voices. To give all this up in place of a polarized, acutely stereotyped picture of U.S. opinion as divided into two neat little camps, "the views of America" and the views of the rest of its citizens, would be to give up a fundamental aspect of our democratic national character.

And finally, I am alarmed by the Vice President's recent speeches because they have liberally distorted and falsified the facts, and the surest way to circumvent the free flow of information on which our society depends is to promote confusion about what the facts are. Mr. AGNEW in his Des Moines speech characterized Mr. Harriman's appearance on ABC thus:

> All in all, Mr. Harriman offered a broad range of gratuitous advice—challenging and contradicting the policies outlined by the President of the United States. Where the President had issued a call for unity, Mr. Harriman was urging the country not to listen to him.

There is a certain exquisite irony in Mr. AGNEW calling the advice of Mr. Harriman on a matter of public policy gratuitous while he himself is offering advice to a profession in which he has absolutely no experience. But aside from that, what Mr. Harriman actually said bears no resemblance to what Mr. AGNEW claims he said. Mr. Harriman began his discussion with words, "Well, John,

I'm sure you know that I wouldn't be presumptuous to give a complete analysis of a carefully thought out speech by the President of the United States. I am sure he wants to end this war, and no one wishes him well more than I do," and ended it with the words, "There are so many things we'd like to know about this, but I want to end by saying I wish the President well. I hope he can lead us to peace. But this is not the whole story we've heard tonight." Such a discussion simply cannot be characterized as one in which the public has been urged not to support the President.

Other aspects of the Vice President's speeches are no more fair or accurate: commentators exploring the concept of news objectivity are characterized as admitting their guilt, the President facing Vietnam is likened to Churchill facing the Germans, television analysis of President Kennedy's Cuban missile crisis speech is made to disappear, New York Times coverage of congressional support for the President's Vietnam policy is obliterated. Such sloppiness, if, indeed, it is only that, confuses the facts and makes rational discussion much more difficult. If the Vice President is truly concerned about the free flow of information, he will in the future confine himself in his speeches to honest remarks.

The issues raised, for better or for worse, by the Vice President are basic to our political way of life, and we will be wise, now that the initial flurry of emotional reaction is over, to give them the thoughtful consideration they deserve.

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## POLLUTING OUR ENVIRONMENT

### HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Mr. VANDER JAGT. Mr. Speaker, on November 8 I had the great privilege and tremendous personal satisfaction in celebrating my third anniversary as a Member of this legislative body. In this 3 years I have grown, I believe, in my understanding of the House of Representatives and the forces which motivate its actions. On November 13, for example, President Nixon had the opportunity to thank the House for its strong support of his course of action concerning Vietnam. Both the President and the House of Representatives recognize this course of action to be one to which the vast majority of the people of our Nation subscribe. In the difficult problem of Vietnam, with its grieviously complicated foreign policy implications, the people have a basic understanding of what is best for America.

However, I am not making this speech to discuss the Vietnam war. I have done this on other occasions, at other times. But what I do want to talk about today is another great challenge to our Nation. It is the challenge of the problems which we have created for ourselves in the pollution of our environment. Rather than the death and destruction of Vietnam I want to talk about the death and destruction of our rivers and lakes, the degradation of the air which we breathe, the depletion and waste of our natural resources, the irresponsible behavior of us all in our treatment of the environment in which we exist and in which our children and our children's children must exist.

There has been a vast awakening in this Nation in recent years to these problems. The people have become aware of this destruction. They have become aware of this destruction and they have begun to cry out for answers. They want to know what can be done to solve these problems, they want to know when it can be done, and they want to know why it is not being done.

There are those visionaries who have long recognized the lack of interest which man has had in his environment. One such man was Aldo Leopold who wrote "A Sand County Almanac," published in 1949, 1 year after his death. The book is a classic. At the time of its publication it was a cry in the wilderness, if you will pardon the irony in that expression, for an understanding of the essential unity which exists between man and the land.

In his introduction of a 1966 edition of the book, Aldo Leopold's son, Luna, states:

> This generation of Aldo Leopold's grandchildren is rebelling on college campuses, demonstrating and working for social causes, and fighting on foreign soil. This same youth is maturing at that moment of time which is pivotal in the struggle to preserve "things wild and free" that Aldo Leopold understood so wisely and expressed so eloquently.
>
> Of all the causes that attract the attention of these young people, the plight of nature is one which may be truly a last call. Things wild and free are being destroyed by the impersonality of our attitude toward the land. What better way to fight the destruction of nature than to place in the hands of the young this powerful plea for a land ethic?

With the Vietnam moratorium so recently at hand need more be said? The concern and dedication and idealism of the young have a potential role of great responsibility in this battle to improve our environment.

The history of our Nation has been one of growing concern. From Gifford Pinchot and Teddy Roosevelt to our conservation leaders in the House of Representatives today—and I hesitate to mention any names because there are many, but JOHN DINGELL and JOHN SAYLOR deserve special praise—we have grown in concern. The Congress has passed meaningful legislation in the past. Accepting of the House-Senate conference report last week in approving $800 million for construction of water pollution control facilities, points out our growing concern. It is not often that more than 40 different conservation minded organizations, "The Citizens Crusade for Clean Waters," can get together behind one legislative proposal, but they showed iron resolution on this one.

We have not contaminated our earth and sky knowingly and intentionally. Our vast and immensely fruitful technology has grown more rapidly than our understanding of all of its implications.

Rachel Carson in "The Silent Spring" threw down a gauntlet, along with many others. She helped to stimulate interest in the need for this undertsanding. Our education on the need for pollution control and conservation has caught up with our unmatched abilities to produce material wealth.

And the citizens of this Nation have recognized the need to do battle in this war on pollution. They have illustrated this willingness in many ways including in many States the ultimate in the expression of interest: overwhelming support of bond issues for construction of pollution control facilities, at a time when the screams against higher taxes have been the loudest. The people want to wage a war against pollution and I am totally convinced that we must wage this war and I would at this time like to declare my own personal war against the continuing pollution of our environment. I call upon the Congress and the administration to join me in this declaration. We must get with the people in this great conflict.

The question then becomes can we win this war? Can we cleanse our rivers and our lakes and our air? Can we halt the waste of our resources? Can we bring human populations into a state of balance, a state of unity with the land? Does man bear in him the seeds of his own destruction which are now germanating in an irreversible growth? It is the challenge of man. In this Nation it is the challenge of free men. But we are free to make the toughest kinds of decisions. We are free to control our own future. We are free to accept the responsibilities for voluntarily limiting our freedoms, for our own long-term good, for the long-term good of our children and our children's children.

I have often heard someone say "wouldn't it be wonderful to have a benevolent dictator who felt this way or that way and imposed his will upon the populous." And in this situation that thought will frequently occur. But there is no such human being and there never will be such. We must recognize the fact that only in freedom can men respond to the need for change in a manner which does not impose upon the dignity of the human spirit. Freedom is an explosion of ideas and incentives and an ever growing stimulus to human betterment. Freedom allows man to do in a voluntary way those things which he ought to do, for his physical and spiritual well being and the physical and spiritual well being of his children and his children's children.

The objectives of this war are simple. I envision an America and a world where man and earth are in basic harmony. We have seen enough in our triumphs in space to know that there is great hostility to the existence of life on other planets in our solar system. If there is life in the far reaches of space it may well be that distance alone will prevent benefits from that knowledge to man from earth for many generations. It is time to give up ideas of escape from this planet which God has created for us. It is time to use our God-given abilities and create a world of harmony.

We must establish goals to accomplish this harmony. Our water after use by humans or industry must be returned to

its natural course to the sea as clean or perhaps in better condition than when it was first used. But under any circumstances we must understand what the effects are of changes we bring to that water. We must give ourselves the opportunity to decide what is in our own long-term best interests in water use.

Is it better to pay a small amount more for a car today knowing that in so doing a Lake Erie can be saved? Is it better to pay a few cents more for a dress or a suit knowing that in so doing a Grand River can be saved? Is it better to pay a few dollars more in income or property tax knowing that in so doing the "old swimming hole" will once more be clean and safe for our children? Our goal must be restoration of our water resources so that they exist in a condition which will allow maximum human use and the quiet, tranquilizing beauty of an environment where man is in harmony with nature.

We must establish as a goal clean air—air which will not cause disease and suffering, air which will not choke and irritate, air which does not carry needless dirt and waste and contamination. But we must develop a better understanding of the air we breathe, the air which supports the food we grow, the air which helps to warm the earth and protect us from space-born radiation. Should we continue to burn our fossil fuels at prodigious rates? Can we burn our waste products with continued impunity? What are the long-term relationships of oxidation and photosynthesis with respect to our atmosphere? We want clean air, and we must learn what it is.

The littering of our landscape with junk cars, and other forms of human waste is a tragic illustration of another grave problem facing this Nation. There is irony in this problem because we are proud of the fact that America consumes more raw materials and natural resources than almost all of the rest of the world put together. We are the most efficient producers on earth. And this is a great tribute to our people and our system. But we must become something more. We must become the most efficient users of natural resources.

It is time for this Nation to take inventory of its natural resources and the natural resources of its supplier nations. And then we must do more. We must explore methods for resource conservation. Can we afford to lose our basic metals through disposal in city dumps and land fills or in automobile graveyards or along our roadsides? Can we afford disposable products today made from raw materials that will be scarce tomorrow? Can we allow automobiles to lie in ravines and barnyards rusting into pools of nothing? Can we dump cans and broken tricycles and battered refrigerators in a city dump and ever expect to use their basic metals again? We cannot. The concentrations of basic ores took billions of years to develop on our earth's crust, and we have the audacity to scatter them to the winds in a few minutes of geologic time.

There are answers to these problems. Reynolds Aluminum has begun pilot programs for the salvage of aluminum cans—$200 a ton in Los Angeles and Miami, 40,000 cans to the ton, one-half cent a can. I understand the program has been so successful that it will be expanded. I hope so. And I would hope that steel manufacturers and glass manufacturers would find similar programs possible. The problem is not just one of waste, of course. It is also one of gross impairment of the beauty of our roadsides and backwoods trails and lawns and lakeshores and river banks and cities.

I have been told that automobile manufacturers require high-grade steel for their products and that scrap steel has too much impurity in it for use in producing the sheet steel automakers need. And what is the basic source of scrap steel? Junk automobiles. Too much copper and nickel and chromium in a No. 2 bundle of scrap steel—one junked car. The copper comes from the wiring in the car. The nickel makes steel stainless. Chromium makes the bumpers shiny.

The answer is greatly complicated. But the goal is the return of all possible scrap metals to the use cycle. To use our raw materials efficiently we must use them over and over again. In some way we must develop incentives for greater salvage and reuse of our basic raw materials so that our children and our children's children will not curse us for our selfishness and lack of foresight.

We must encourage efforts to limit the number of people who will share the resources of this earth. There are a few million over 200 million people living in this Nation today. By the year 2000 the forecast is for 300 million people. That is 50 percent more in only 30 years. And the earth's population may well double in that same period, from 3 to 6 billion. The problems of today are nothing compared to the problems tomorrow will bring if this uncontrolled growth continues. Our goal must be a stable human population on this earth.

Mr. Speaker, it is a relatively simple matter to state the problems which face us. It is another matter to solve those problems. And I am not presumptuous enough to claim to know the answers. But there are some paths which have been laid by those before us in the accumulation of human knowledge which we have followed in other matters. We do not really have to strike out into any great unknowns. Granted, some of the studies remain to be made and some of the technologies need to be further developed. Our communications techniques need to be improved. But by and large I believe that what we need most is the incentive to wage this war.

Let me just suggest a few steps which might be taken if my logic and perspective are correct.

We need to establish a Department on the Environment in the executive branch of Government. Only in so doing will we be able to concentrate Federal Government attention in this war on pollution. The Department would have the responsibility for establishing and carrying out programs to control air, water, and noise pollution, and to preserve our natural resources including our minerals and our soil. The Department would have new responsibilities in our Federal Government to include the encouragement of land use planning, raw material use planning, population planning, and related international programs.

I would envision the transfer to this new agency of the Federal Water Pollution Control Administration, Health, Education, and Welfare's solid waste disposal program and National Air Pollution Control Administration, the Soil Conservation Service, the Pesticide Regulation Division and small community and rural area water systems and waste disposal programs of the Department of Agriculture, and Housing and Urban Development's waste disposal programs. It would seem in order to give this agency some final word on a multitude of Federal programs affecting the environment such as highway construction and location, Corps of Engineers dredging and construction programs, airport construction and location, agriculture irrigation and drainage programs, powerplants location and operation, certain military weapons testing, and so on. We have reached the point where someone must evaluate the effects of Federal programs on other than those who receive direct benefits.

There can be little doubt that such an agency would have great powers over human activity. But the Congress would retain basic control to direct these activities as the people see fit. And what is the alternative?

To provide this basic control I would recommend the establishment of House and Senate Standing Committees on the Environment. Give them responsibilities for air, land, and water management including the research, education programs, and facilities involved. They would have the basic responsibilities for our natural resources. They would establish the broad framework within which assistance would be provided to State and local governments to carry out related programs. I would anticipate that such committees would find an immediate need for substantial increases in the funds for water pollution control facilities. I would anticipate that such committees would find an immediate need to revise FWPCA priorities to match the dire threat to the Great Lakes of continued pollution. I would envision a maximum use of tax sharing in these programs.

How can we finance all of this considering the great inflation and budgetary problems of today? Mr. Speaker, we are all aware of the great needs in education which the Congress recognized several weeks ago in adopting the Cohelan amendment to the continuing resolution covering HEW. We recognize the great need for welfare reform and the high initial cost of the President's program to break the welfare cycle. We have supported the President in his plan to end the Vietnam war and should not count on funds from that source until an honorable peace has been achieved. But there are Federal programs which are low priority if not altogether wasteful and I would suggest that these programs be substantially reduced or eliminated so that we can effectively fight this war on pollution.

I am speaking of the $4 billion which can be saved annually in our farm subsidy programs. Adopt legislation to help the marginal farmer train for meaningful employment and phase out those price support programs which only encourage high prices to consumers and low prices to farmers.

There are the possibilities of substantial cutbacks in public works projects. Substantial savings can be made through a reduction in our Armed Forces in Europe with a greater share of the defense burden then falling on those there whose interests are equal to our own, but whose contribution to their own defense has been insufficient.

At least $5 billion each year could be made available from these sources. Could that amount of Federal dollars each year for the next 10 years help to win this war on pollution? I am confident that it could and I am confident that the American people want their tax dollars spent in this way. Mr. Speaker, you know and I know that this war on pollution will not reach its full force without a total commitment from the public, without the encouragement of individual participation, without the vigor and idealism of our college students, without business and labor and industry support and a great deal of help from local, State, and National Government.

We need to enlist every civic organization in this Nation to play a specific role. We need to call on as many individuals as possible to fight in this war on a voluntary basis.

Congressman JIM O'HARA has just distributed to Members of Congress the story of volunteer efforts to clean up the Clinton River in his district. A magnificent job has been done here by civic organizations and individuals to clean up the accumulated wastes and evidence of human misuse of this once beautiful stream. The citizens of Owosso, Mich., had enough of junk and old tires and despoiled banks along the Shiawassee River there and voluntarily pitched in and cleaned up the mess. BILL STEIGER has a great program in his district. And no doubt there are hundreds of other examples of such individual and civic effort when the idea has been presented and developed.

We need to ask business and labor and industry to take on specific objectives. State and local governments have obvious tasks.

It will take a tremendous organization to accomplish the monumental job of bringing all of the forces of free men to bear for victory.

My Government Operations Subcommittee on Conservation and Natural Resources has suggested the establishment of a privately supported task force to carry out our objectives, to marshal the support we must have. I would strongly encourage that proposal.

I would like to see this committee act as a watchdog on the progress in this war. We should set up a long-term systematic program for followup. As a corollary to this it would be helpful to the Congress, I believe, if a regular report were inserted in the CONGRESSIONAL RECORD indicating our progress. It could be something reported in a similar way to the thermometer in a United Fund fundraising drive. What is our national goal for nutrient removal from our lakes and streams and how far along the path to reaching that goal have we come? Could it be reported on a weekly basis as pollution control facilities come onstream? On a monthly basis?

Mr. Speaker, we cannot wait longer to make this all-out effort to bring man into harmony with his environment. I cannot see why the next decade would not be the proper time framework in which to fight and win this war. He might want to call them the sobering seventies because it will not be an easy struggle. It will not be without wrought emotion and anguish and distress. It will not be without political battles and narrow vision conflicts and legitimate differences. But let us set January 1, 1980, as the date for victory over pollution and waste and the ecologic follies of the past.

And just one other thought, Mr. Speaker. This war requires a theme song, a rallying cry, if you will. There is such a song. It is called "America The Beautiful." And I will insert the words to that great national hymn at this point in the RECORD. I would like to recommend that it be made our national anthem—on January 1, 1980.

AMERICA THE BEAUTIFUL

Oh, beautiful for spacious skies, for amber waves of grain, for purple mountain majesties above the fruited plain! America! America! God shed His grace on thee, and crown thy good with brotherhood from sea to shining sea!

Oh, beautiful for Pilgrim feet, whose stern impassioned stress a thoroughfare for freedom beat across the wilderness! America! America! God mend thy ev'ry flaw, confirm thy soul in self control, thy liberty in law!

Oh, beautiful for heroes prov'd in liberating strife, who more than self their country lov'd and mercy more than life! America! America; may God thy gold refine, till all success be nobleness, and every gain divine!

Oh, beautiful for patriot dream that sees beyond the years thine alabaster cities gleam undimm'd by human tears! America! America! God shed his grace on thee, and crown thy good with brotherhood from sea to shining sea!

Mr. Speaker, the people have a basic understanding of what is best for America. They want an end to the filth in the air we breathe, in the waters of the earth, on the land where we live. Let us get with the people.

## SOVIET MISTREATMENT OF JEWS—A FERVENT PLEA

### HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. PHILBIN. Mr. Speaker, the country has been shocked, and all of us are dismayed, by the reports we receive from time to time concerning mistreatment of Jews by Russian officials under the Soviet regime in Russia, and that these outrages have been confirmed by documentary evidence corroborated by statements of officials and the people.

I am pleased to join with my distinguished friend from New York, the Honorable JONATHAN BINGHAM, and other esteemed colleagues, in associating myself with them in asking the State Department to urge the Secretary General of the U.N. officially to recognize and circulate among its members the request of the Israel Government on the specific case they cite, and to refer the matter for action to the Human Rights Commission.

In addition, Secretary of State Rogers is being requested to urge New Zealand Ambassador Baxter to the U.N. to recommend to the Secretary General that this matter be officially referred to the Commission and placed on the Commission's agenda for consideration at the earliest possible date.

Further, it is recommended that the concern of the U.S. Government be expressed immediately over Soviet anti-Semitism with a firm request for thorough investigation.

I strongly endorse this protest and action, and respectfully urge Secretary of State Rogers to take this matter up with the U.N. and do everything in his power to achieve official U.N. action on this serious problem, which disturbs so many people all over the world, particularly in our own country where all men and women are equal under the law and are entitled, regardless of race, class, creed, or status, to be treated fairly, justly, and honorably, and to be protected in all their individual rights.

Anti-Semitism is a curse and a scourge to humanity and it must be banished by all mankind, and this Nation must set the example, as we have done in the past.

The Jews must be freed from the cruel bondage of Soviet discrimination and mistreatments, and I urge our Government to take a determined lead in striking down these crass violations of ordinary human rights and plead with all my heart with the Soviet Government and the Russian people to end these deplorable practices that shock world conscience.

## TIME FOR START ON TENNESSEE-TOMBIGBEE WATERWAY

### HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. EVINS of Tennessee. Mr. Speaker, as our population soars above the 200-million mark, our Nation's waterway transportation network must be expanded to relieve congestion and pressures on land transportation routes.

In this connection the proposed Tennessee-Tombigbee Waterway would perform a vital and important function by linking Tennessee and the Midsouth to the Gulf of Mexico.

The Nashville Tennessean in a recent editorial underlined the importance of this project and I am placing the editorial in the RECORD because of the interest of my colleagues and the American people in this most important matter.

The editorial follows:

TIME FOR START ON TOMBIGBEE

Federal Budget Director Robert P. Mayo has promised that his department will try to find room in next years budget for funds to begin construction of the Tennessee-Tombigee waterway.

Officials from five states met with the budget director Thursday to urge some move on the long-awaited project. Rep. Joe Evins of Tennessee's Fourth District, a member of the House Appropriations Committee, said the group would like to see $5 million in the budget for the beginning of construction.

Although there is no assurance that construction funds will be included in the new budget, Mr. Mayo's reaction is the most promising sign that has been seen in some time.

Even if the full $5 million figure mentioned by Mr. Evins is not realized, an amount of $2.5 to $3 million would be encouraging. The important thing is to make some beginning on construction. After this is done, it should be less difficult to acquire funds later for continuation of the construction.

The Tennessee-Tombigbee project—which would open up a direct water route from Middle Tennessee to the Gulf of Mexico—has been in the planning stage for many years. It is time that all the planning and hopes that have gone into this needed project are brought to fruition. It is hoped the budget director's try to include construction will be more than just another putoff.

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## THE MINERAL KING CONTROVERSY

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BROWN of California. Mr. Speaker, shortly before he died, Walt Disney was quoted as saying about the Mineral King Valley of California:

I thought it was one of the most beautiful spots I had ever seen and want to keep it that way.

Much as I agree with Mr. Disney's opinion, I do not find myself in accord with his means of sharing Mineral King's natural values.

Mineral King already represents a major battle between commercial interests and environmental protectors, between conservationists and recreationalists. While the Disney organization moves ahead with plans for a huge $35 million resort complex in Mineral King, conservation groups such as the Sierra Club are attacking the project as a travesty upon the public interest.

The issue at Mineral King is not that of development or no development; all sides concur that the recreational and natural values Mineral King offers can be built up and protected. The key question is one of degree.

I recognize the desire for additional recreational facilities in southern and central California, but I believe a complex of the size planned by the Disney organization would cause irrevocable physical damage to this region—which includes the surrounding Sequoia National Park.

For that reason I have introduced H.R. 13521, a bill, which, if enacted, would include Mineral King within the existing Sequoia National Park. Giving Mineral King National Park status would be the best long-range solution providing adequate protection for natural values of the area, and, at the same time, allow for new recreational development which would be more limited in scope than the Disney plans.

Over past months I have collected a valuable group of analyses, articles, and editorials concerning the Mineral King controversy, and I would like to place them in the RECORD at this point:

SUMMARY OF THE PROPOSED MINERAL KING PROJECT

(Prepared by John Rettenmayer and Albert Hill from information supplied by Walt Disney Productions and the U.S. Forest Service, revised March 30, 1969)

The mountains provide variety for our lives—clean air and water, quiet, solitude, uncluttered vistas, and beauty. These things we prize, but they must be guarded, for they can disappear as quickly in the mountains as they have elsewhere. Clean air and water can be polluted, quiet and solitude can be lost to the crowds, the vistas and beauty overwhelmed by the structures of man. That is what may happen to Mineral King.

THE DEVELOPMENT IS TOO BIG FOR MINERAL KING

*Too many people*

1. The developer, Walt Disney Productions, expects 1,000,000 visitors annually. This is roughly half the number that causes a serious overcrowding in Yosemite Valley, an area which is approximately 7 times the size of Mineral King.

2. It is primarily a *summer resort*. 60% of the total visitation is expected during the summer months—5,000 to 10,000 visitors per day. Dispersal into the back-country, which the Forest Service proposes, cannot be adequate to spare the valley, but will render the high-country unattractive for hiking, fishing, and other summer mountain recreation.

3. The acoustics of the high lake basins is excellent. Noise from hundreds of downhill hikers will degrade the quiet, remote atmosphere of the back-country. The camaraderie of the trail will be lost to the impersonality of the freeway. (The noise problem will be severely aggravated by the regular helicopter service which is planned.)

4. Trampling, littering, and pollution are other likely problems.

*Too many structures*

5. The hotel complex with 1030 rooms (the 11-story Disneyland Hotel has only 608 rooms) will dominate the valley.

6. Numerous restaurants (one atop a peak) will serve 2300 guests at one time.

7. Parking will be provided for 3,600 automobiles in an 8–10 level parking structure adorned with a heliport.

8. 22 ski lifts, penetrating into every major lake basin and to the ridge-top boundary with Sequoia National Park, will mar the landscape like powerlines. Service roads for lifts and other facilities will further scar and mechanize the back-country.

9. Specialty shops, conference center, theatre, swimming pools, and a golf course distract from the area's primary use as mountain recreation. They serve only to *attract* more people to an area that will already be too crowded to be fully enjoyed.

DESTRUCTION OF NATURAL BEAUTY

10. Walt Disney said: "Our plan for the area is being guided by one other very important consideration: Mineral King's great natural beauty must be preserved at all costs." Yet the Disney company reports state: ". . . grooming and manicuring of most slopes . . . will require extensive bulldozing and blasting in most lower areas and extensive rock removal at higher elevations" and "Extensive cuts and fills and site grading will be required in the parking area and in the village area." The result will no doubt be a well-manicured resort, but it will not be the preservation of the natural beauty of which Walt Disney spoke.

11. Other alterations of the natural scene will be the relocation and channelization of the Kaweah River (in two places) and of Monarch Creek, and the creation of a reservoir which will destroy the choice meadow land in the middle of the valley. A golf course may be located beyond the reservoir. Avalanche control will require an extensive amount of earth-moving.

IMPACT ON SEQUOIA NATIONAL PARK

12. The new high-speed highway across the park to Mineral King would endanger half of the Giant Sequoia trees which lie below the road.

13. Of great concern is the potentially dangerous precedent which would be set if this road for non-park purposes is allowed to cross the park. Precedents are important in the American system of government, and this one could well lead to further invasions of the National Park System.

14. The noise pollution in the Kaweah canyon will be greatly aggravated by heavy auto traffic and helicopter transportation in and out of the resort. It is expected that 1200 cars per hour will pass through the park during the main arrival and departure times.

15. Powerlines to service the development will be strung across the Park.

16. A separate private development planned for 160 acres adjacent to the park at Silver City will add to the impact on the area in general and on the park in particular. This development will not be under control of either the Forest Service or the Park Service.

17. Testimony presented by Disney Productions at wilderness hearings proposed exclusion from wilderness classification of portions of the park next to Mineral King and in Hockett Meadows. The company said these park areas would be desirable for expansion of their resort facilities! It is exactly this expansion-minded attitude, particularly where the park is concerned, that bothers many people.

COST TO THE TAXPAYER

18. 90% of the cost of the new highway to service the Disney development will be paid for from gas taxes contributed by Southern Californians. The rest comes from U.S. taxpayers. The stated cost of the highway is $25 million, though some highway experts think it will be closer to $50 million.

THE FOREST SERVICE ROLE

19. There have been no public hearings for the expression of responsible public comment on the appropriateness of the proposed resort development on *public land*, despite several requests for such hearings by concerned citizens.

20. While minimum standards for the development have been set, no limits on the maximum size have been indicated. Indeed, although the prospectus specified a minimum expenditure of $3 million, the bid which was accepted was for $35 million.

21. The Forest Service requested and accepted a bid for the large-scale development of Mineral King three years before completing a study of the impact that such a development would have on Mineral King.

22. The development appears to be contrary to the intent of Congress. The area was recognized by the 69th Congress as being of park quality and was given special status as the Sequoia National Game Refuge. Congress should decide whether that status should be drastically changed.

PROLIFERATION OF RESORT AREAS

23. The Spring 1969 issue of "Skiing" magazine announced that ". . . at the risk of being accused by one of its major lease-

holders of 'overbuild', the USFS has offered a prospectus on Trail Peak, another on Dunderberg, another on Yuba Gap—and is about to offer one for the development of Sherwin Bowl, practically in Mammoth Mountain's backyard." Clearly Mineral King is not the only place in the Sierra which is desirable for skiing. (Note that Trail Peak is directly east of Mineral King and is even closer to Los Angeles.) The article closed with, "Another school of thought adhered to by some Forest Service officials is that eventually the additional areas will tend to generate more business rather that oversaturate the market." We can only ask, "Is it the proper role of the Forest Service to generate business for the ski industry?"

24. Perhaps the various jurisdictions of the Forest Service should get together and arrive at a "zoning" plan for the entire Sierra. New recreation/entertainment complexes should be put in areas which are already used for that purpose. Uncommercialized natural areas such as Mineral King should not be sacrificed to local empire-building within the Forest Service.

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[From the New York Times Magazine, Aug. 17, 1969]

PROTECTIONISTS VERSUS RECREATIONALISTS—THE BATTLE OF MINERAL KING

(By Arnold Hano)

High in California's Sierra Nevada nestles a small alpine valley, ringed by bold and snowy peaks. Towering stands of pine, cedar and fir rise up from granite beds to set the air tingling with the smell of Christmas all year round.

Mineral King Valley, located within the northern tip of the Sequoia National Forest, 228 miles northeast of Los Angeles, is a serene-appearing place. Backpackers come each summer to hike over the ridgeline into the wilderness beyond. Fishermen angle for trout in 20 emerald lakes that sparkle in hanging basins above the valley floor. A tiny community of cabin dwellers move back into their shingled shacks to escape the heat of the San Joaquin Valley towns below the Sierra's western slopes. In winter, snows sometimes bury the cabins until nothing is visible but white-mantled peaks and lonely evergreens, and the only sound is a coyote's howl.

The single road into Mineral King, partly paved, partly dirt and narrow, steep and winding as a goat path, is blocked by the first heavy snow of late fall. It remains virtually impassable until late spring. I drove the road this May, switching from car to four-wheel-drive truck to snow tractor. The 25 serpentine miles took two and a half hours.

Serene the valley appears, though serene its history seldom has been. Paleozoic seas buried the valley 200 million years ago. Volcanos later split its crests and poured molten lava down its flanks. Ice Age glaciers peeled back the volcanic magma and gouged through the rock to shape peaks, fashion stream beds, scoop out lake basins and polish the naked granite slopes until today they gleam like marble.

Now Mineral King is again the scene of a bruising struggle. If the opposing forces are somewhat less titanic, they make up for their size by their acrimony. On one side are major commercial interests, and their supporters in state and Federal governments, who have in mind developing the valley for public recreational use, at a profit. On the other side are a host of outraged conservationists, including the Sierra Club, which, on July 26, obtained a temporary Federal injunction that blocked the development. Named as co-defendants in the suit: Department of Agriculture Secretary Clifford Hardin, Interior Secretary Walter Hickel, Sequoia National Park Superintendent John McLaughlin, Regional Forester J. W. Deinema and Sequoia National Forest Supervisor M. R. James.

The valley is public land, 1,500 acres in all, superintended by the U.S. Forest Service. Its magnificent ski bowls and its dependable snow pack from fall to spring have long been eyed by skiers and resort operators. Back in 1949, the Forest Service invited developers to submit proposals to turn the valley into a year-round recreation resort. But no bids were received; the problem of constructing a new access road to the valley appeared too difficult and too expensive.

By 1965, however, when bids were again invited, interest had grown mightily, and so had Southern California's ski population. A major ski resort was badly needed; this time six developers submitted plans. One bid was approved late in 1965. The bidder, Walt Disney Productions, was granted a three-year permit to develop its master plan. Now Disney's master plan has been approved by the Forest Service, accompanied by cries of anger and anguish from such traditional protectors of the primitive scene as the Wilderness Society, the National Parks Association and the litigious Sierra Club.

Nor is opposition restricted to these groups. The public has become involved. Bumper strips have begun to appear in California—"Keep Mineral King Natural." College youngsters talk of taking their militant tactics to the Sierra hills, threatening "lie-downs" in front of the highway bulldozers to come. Letter writers, urged on by Sierra Club chapters, are pressuring Congress to help block the development. The temptation is to call this a conservation battle, but because both sides claim to be conservationists, let me try two other words—recreationists and protectionists.

At Mineral King, Walt Disney Productions intends to build a $35.3-million, year-round resort to accommodate skiers in winter and such warm-weather activists as hikers, swimmers, fishermen and campers the rest of the year. An Alpine Village will be built on the 7,800-foot-high valley floor, with five-story hotels, restaurants and shops. Twenty-two ski lifts and gondolas will rise to the magnificent skiing surfaces, 3,000 and 4,000 feet above the valley. An enclosed lift will take the hungry tourist to a restaurant midway up one peak, and the more ambitious, or less vertiginous, to another eatery, at an 11,100-foot summit. In winter there will be skiing, skating and skibobbing. Novice skiers will see their mistakes on a closed-circuit TV screen via taped replay. In summer, the valley turns into a wonderland of gurgling streams, limestone caves and grassy meadows; rugged trails to sightseeing points will permit the viewer to spot, 30 miles at a distance, Mount Whitney, American's highest peak below Alaska.

Plans have been drawn for skating rinks, heated swiming pools, horse corrals, a chapel, a theater and a five-acre sublevel parking structure for visitors' cars. A cog-assist electrict railway will transport visitors from the nine-level parking facility, cut into a natural swale, to the village, a mile and a quarter up the valley. If all had gone well, construction of a new 20-mile access road, to replace the steep goat path and reduce the two-and-a-half hour trip to 35 minutes, would have begun early next year, at a cost to California taxpayers of more than $1-million a mile. And if all had continued well, Disney hoped to collect its first $1.25 (or maybe $1.50) parking fee in December, 1973. By 1978, the resort expected to attract nearly a million persons a year, to sleep up to 3,000 each night and to accommodate as many as 8,000 skiers on its slopes at one time. All this in a valley not much more than two miles long and a mile and a quarter wide.

The protectionists are aghast. They believe that the construction of the Disney development and the access road will overcrowd and desecrate the tiny valley, pollute air and streams and compromise outdoor values. They point to the official designation of Mineral King (the Sequoia National Game Refuge) and decry the plundering of a game refuge by private development with, they say, the likelihood that wild animals and their habitats will be abused. Finally, they charge that the planned access road, now blocked by the Federal injunction, must pass through nine miles of the Sequoia National Park and violate national park values.

The road would be capable of carrying 1,000 cars an hour, at speeds up to 50 miles an hour, one lane in each direction, with occasional third or "safety" lanes for passing. Just how safe is a matter of dispute. The Clarkeson Engineering Company, in a report prepared at the request of the associate director of the National Park Service, declares "the safety-lane design proposed by California is . . . very unsafe and should not be used."

Safety aside, the road poses a threat to the national park and its vegetation, particularly the giant sequoias, those Sierran redwoods that are the earth's largest living organisms and among its oldest. Drainage from road construction might wash away the thin soil that protects the astonishingly shallow root structures of these forest giants.

Michael McCloskey, new executive director of the Sierra Club, emphasizes the probable damage to trees along the road from auto pollutants that will coat trunk, branch and leaf. "Smog has poisoned trees in the hills around Los Angeles," McCloskey points out. "Those trees are not protected by national law. These trees are." Protectionists do not pretend that the situation will be as bad as that of Los Angeles, where an inversion layer keeps contaminants from being blown away. Sierra winds will blow most of the smog away. Most, but not all. Morison R. (Jim) James, supervisor of Sequoia National Forest, in referring to the 20-mile access route leading up to Mineral King, says: "On a hot August day, you can see the smog and haze climb up the canyon from below, even now. To some extent, this will be compounded by all the cars climbing the new road."

In reply to protectionists' arguments, both Disney and the U.S. Forest Service—landlord of Mineral King—issue a general demurrer: no pollution, no erosion, no desecration, no threat to a single sequoia, no alienation of public land or of public trust. Forest Service officials insist that the designation of the area as a national game refuge in no way affects its right to put the land to other use. The Forest Service runs its land under a "multiple-use" philosophy, assigning to each area a use or a variety of uses that seems best adapted to that area. The uses are five in number—water and watershed management, timber, grazing, wild life and recreation. Understandably, this often leads to conflict between "users." Loggers see forestland as construction material; watershed people see the same trees as necessary to prevent runoff. Concessionares want to build hot dog stands where prairie dogs make their homes. At Mineral King, the Forest Service has decided that the valley can best be used for recreation.

Recreationists see in Mineral King a piece of primitive land once practically inaccessible and now about to be made available for the playtime pursuits of thousands of Southern Californians, five driving hours away, among whom are hordes of skiers with no major ski area closer than overcrowded Mammoth Mountain, 340 miles from Los Angeles. Mineral King, with its slopes shaped into the classic U-bowls that are the relics of glaciation, will provide superb skiing. Any of its five ski bowls marked for development is larger than the total ski surface of either Mammoth Mountain or Squaw Valley, scene of the 1960 winter Olympics.

The Disney people and the Forest Service are not unaware of esthetic and ecological considerations. Robert B. Hicks, an economist

hired to run the Mineral King project by Walt Disney personally, before Disney's death in December, 1966, is adamant that the natural beauty of the area will remain unblemished, and the numbers of visitors will not unduly tax the small valley's dimensions.

The Disney staff has received 37 awards for its past work in wilderness conservation. Walt Disney was a life member of the Izaak Walton League and—the observer is gently reminded—was elected in 1955 an honorary life member of the Sierra Club.

Bob Jackson, a Disney publicist, calls the project's objective "a controlled introduction to nature experience," and he emphasizes the word "controlled." Though construction has not started, Disney has plunged over $500,000 into site surveys, reports and the hiring of consultant engineers, hydrologists, architects, meteorologists, soil scientists, foresters, resort operators and ski experts. Disney snow-survey teams have lived in Mineral King the past four years, to map snow data and plot avalanche activity. In 1967, Disney people visited 22 ski resorts in five European countries. They came back contemptuous of what they had seen: overcrowded facilities, a hopeless mix of auto and pedestrian traffic, cumbersome ticketing procedures at the ski lifts, primitive luggage handling, what Disney's John Hench calls "a general disregard of a guest's comfort." All of this, of course, will be vastly different at Disney's Mineral King.

The Forest Service is elated with such super-organization, such promised efficiency. Jim James, forest supervisor, says: "For the first time, we have a developer planning everything from scratch, and planning it far better than any ski development has been planned before. We're happier with Disney than a frog in a mud puddle."

Project manager Hicks brings to his job excellent credentials. An economist, he also holds a degree in engineering. He is a one-time resident of Visalia, 55 miles east of Mineral King, so he knows the area. He has skied for more than 20 of his 47 years. He is a friend of Willy Schaeffler, director of ski events at the 1960 winter Olympics, who serves as Disney's ski conultant. The two men often ski Mineral King, learning what they can of the slopes.

Hick spends other time visiting service clubs in Southern California, speaking to Rotary, Kiwanis and the like, softly selling the Disney plan, armed with slides of the area as it now looks and as Disney artists foresee it. He devotes a few minutes of his presentation to "correcting the misstatements of the press."

One such "misstatement" is the inclination to prejudge the Mineral King project as a transplanted Disneyland—cute, colorful, supercalifragilisticexpialidocious and out of keeping with the rugged setting of the High Sierra. Nothing so infuriates the Disney people. Says Hicks: "It is unfair to think that Disney did a good job at Disneyland, but will do a bad job elsewhere. Why not assume this project will be just as appropriate for Mineral King as Disneyland was for the recreation needs of Anaheim?"

To the Disney side of the debate have come a cluster of politicians, including U.S. Senator George Murphy, Gov. Ronald Reagan and past Gov. Edmund G. (Pat) Brown; civic groups; state and Federal agencies; local newspapers; local businessmen. The Disney project will be big business, not only for Disney. The Forest Service will receive back from the Disney operation an estimated $300,000 the first year, graduating to $600,000 by Year 5–1978—based on a percentage of receipts. The building of a $23-million road is a pork barrel of much succulence. The influx of tourists means money to the gateway cities in the San Joaquin Valley below. The city of Visalia, astride a freeway that runs north from Los Angeles, is the capital of Tulare County; county officials are fairly slavering over what they expect to be $500-million in taxes, payrolls and the like within 10 years after the project opens its doors. Tulare County is afflicted by high unemployment; Pat Brown, while he was Governor, wangled $3-million from the Federal Government toward the cost of the new road because it will run through this economically depleted area.

Not that crassly fiscal advantages are the only considerations of politicians. Friendship may be another consideration. George Murphy, Ronald Reagan and Walt Disney were close personal friends. Before he left office, United States Senator Thomas H. Kuchel, long identified as a champion of wilderness, strongly endorsed the Mineral King project in words the Disney people circulate whenever the debate begins: "If we fail to develop selected areas such as Mineral King, the 50 million people who will be in California before the end of this century will spill over the sides of the coastal cities and ravage the Sierra with unplanned and undirected enthusiasm for the vanishing outdoors."

Such are the arguments in favor of the Disney development on national forest land. They are persuasive and delivered by persuasive and talented people. They know what they are doing. They are the same people who have turned Disneyland into one of the minor financial miracles of our time, with its more than nine million visitors each year. They are the same people whose films and television shows are among the most popular and financially successful of their media. At present they are building a mammoth vacation-recreation resort on 27,000 acres of former marshland and cypress forest in central Florida, to open in 1971, at a cost to Disney of $165-million. When Walt Disney died, his older brother, Roy, a bald folksy look-alike for Ed Wynn, said of the organization: "We're trying to be as smart collectively as Walt was individually." Yet even during Walt's life, Roy was the financial wizard of the team. In 1968, two years after Walt's death, the corporation had one of its finest fiscal years.

At Mineral King, they surely seem to know what they are doing. During this past winter—California's most severe in a century—avalanches crushed nine of the old cabins. Yet the site Disney had chosen for its new Alpine Village remained untouched by avalanche activity. The Disney snow-survey teams had mapped out exactly where avalaches might occur and where they would not. The winter proved them right.

Disney and the Forest Service expect to do something about future snowslides at Mineral King. The Forest Service has been experimenting with bringing on avalanches by firing blanks from 75-mm. howitzers and by dropping dynamite from helicopters. We know how to move the snow," a Disney official says. "We can make it move when *we* want, not when *it* wants."

Yet this confidence and the cold, efficient ability to manipulate nature to man's needs do not still the debate. In a sense they spur it on. Within the valley are two creeks—Monarch and Kaweah—that merge to form the east fork of the Kaweah River, one of the major watering sources of the San Joaquin Valley farmlands below.

Monarch Creek is a young stream, still carrying glacial debris as it cuts through the valley floor. It is, in fact, one of the ongoing architects of the valley, a jubilant stream that kicks up its heels once in a while. When Monarch Creek becomes bored with its old channel, it changes course and begins to carve out a new direction. Disney and the Forest Service cannot countenance such initiative that might one day send Monarch Creek waters tumbling through the lobby of a new hotel. "Disney will put the stream into a permanent channel," explains W. S. (Slim) Davis, chief of recreation for the National Forests of California, "and keep it there."

Does Forester Davis approve of this tampering with nature?

Davis chuckles. "Let's say, we'll complete nature's job sooner."

It is this chuckle that chills protectionists, the sound of smug man maneuvering nature at his whim. "That's typical of the Forest Service," says the Sierra Club's McCloskey. " 'Nature doesn't know what it is doing. We know better.' "

Protectionists point out that glaciers and streams, without the help or hindrance of man, created Mineral King. The valley knows how to survive its own catastrophies, but it is defenseless before man's. Mineral King has lived through flood, volcanoes, glaciers, changeable streams and storms, not for just a century, but for 20,000 centuries. Avalanches this winter tore out several thousand trees. To the protectionists, this is nature's way. The trees will grow back. Once, millions of years ago, giant sequoias covered most of the Northern Hemisphere. Then the Ice Age swept all before it, except for a few pockets in the west slopes of the Sierra Nevada. Only here, in all the hemisphere, did giant sequoias survive. Today their offspring live, growing and vigorous. The sequoias have lived through the Ice Age. Can they live through the Disney Age?

Strictly speaking, it is not the Disney development that threatens Sierra vegetation, but the proposed access road. Mineral King has been saved from human hands, for the large part, because of its inaccessibility.

From the town of Three Rivers, at the east edge of the San Joaquin farming valley, to Mineral King—the route of the new access road—the terrain rises from 1,200 feet to 7,800 feet, a dizzying ascent by any means, and totally forbidding in the days before any road at all existed.

In 1858, a stockman, Hale D. Tharp, made his home in a fallen redwood log in what is now the Sequoia National Park and occasionally hacked his way further east, to Mineral King. A few years later, Harry O'Farrell discovered silver in Mineral King, and through the eighteen-seventies, miners worked the land for silver, gold, lead and copper. The first road to Mineral King was a wagon trail, built by Chinese labor and completed in 1879. That year, the heyday of activity in the valley, 10 mining companies worked their claims. But when the mining claims did not pan out, deterioration set in. Just a few stubborn miners clung to their picks and their dreams.

In 1890, when the Sequoia National Park was established, Mineral King, though ecologically a part of the park, was not included, because of the miners. The national park system does not take in land where commercialism exists, and where man's works are as evident as they were at Mineral King, in the form of the primitive road and a few cabins.

Mineral King became, instead, part of the less sacrosanct national forest reserve. But all about it lay the Sequoia National Park, and to get to Mineral King, you had to cross the park.

In 1945, the Forest Service began to look on the area as a possible winter resort. Naturally the problem was access, and the solution was to persuade the State of California to allocate the funds for a new road. But with the migration of Americans to California, at the end of the war, the state had road-building projects enough. No state money was available when the Forest Service asked for bids from private developers in 1949, and no private developer would build a road with his own money.

In 1960, Walt Disney inquired whether the Forest Service might not again be putting the land out to bid. In 1965, a prospectus went out, and six developers responded. Even before the Disney bid was selected, the California Legislature voted to add the Mineral

King road to the state highway system. After Disney was picked, the pace continued to accelerate. Funds came from Federal and state coffers.

But there remained one final step before road building could begin. The Forest Service and the Park Service had still not agreed on the road's nine miles through the Sequoia National Park. The Forest Service is part of the Department of Agriculture; the Park Service is part of the Department of Interior. Historically, these two giant Federal departments have not got along well; on this project, friction has been pronounced. The Park Service, custodian of the area through which this part of the road must run, has been traditionally more protective of the natural elements than has the Forest Service. In this instance, the major question has been whether the Sequoia National Park's giant sequoias will be endangered by the road.

Nature lovers were concerned that numbers of sequoias would be cut down to make room for the road. This fear appears groundless. California highway engineers have come up with a route that will not touch a single sequoia. Another fear remains. Will road construction, with its removal of eight million cubic yards of soil, its cuts and fills and subsequent runoff, undermine the giant trees' root structures?

The answer may depend on how carefully the California Division of Highways builds its road. Large cuts presuppose large fills, which can ravel and run off, and erode the drainage channels below. In these drainage ways many of the giant sequoias stand. If cuts are kept small, and roadbuilders immediately replant vegetation to stabilize the soil, the runoff problem is mitigated somewhat.

And the care the highway division takes may depend on the money available. It has $23-million to do the job. One consultant engineer privately estimated that building such a road properly, meeting esthetic and ecological criteria, will run closer to $45-million. Protectionists fear that, if he is right, the road will prove to be a hasty job, with much runoff and devastating soil disturbance.

There are 103 sequoias along the road right-of-way, of which 45 are said to be in a position of "possible jeopardy." But not only the sequoia is in danger. The last three miles of new road within the national park will be through thick stands of redwood, incense cedar, fir and pine.

Asked what would happen here, a Disney official said, "We will avoid the redwoods."

"How about the others?"

"We'll chop 'em down."

Perhaps the most concentrated felling of trees will occur just where the road ends, at the proposed new parking facility, below Mineral King Valley. Trees by the hundreds will be axed, to make room for cars by the thousand.

So the question is not whether there will be physical change in the area leading to Mineral King, or in Mineral King itself. The question is, how much? The question is not whether there will be disruption in the valley, but how severe? Such questions, of course, are as answerable as asking how high is up. "It is all a matter of philosophy," says Jim James. "The development will change the looks of the valley. I'd be a fool to deny it. But it will not ruin the looks of the valley. It will be an acceptable change."

It depends on what you are looking at and looking for. Certain changes in Mineral King would be welcome. The development of cabins on the valley floor is today a hodgepodge of groaning slats and shattered shingles. The Disney people tell visitors that the use of pit toilets (and the bushes) by cabin dwellers and summer campers and the presence of a horse-renting stable have contaminated the river below so that it is unfit for human drinking.

Yet all this is easily changed, as the Sierra Club's Mike McCloskey points out. "A little enforcement by the Forest Service would keep the place clean." Nor does McCloskey think the river is that contaminated. "A recent park report says the water quality is excellent for fish. It can't be very polluted."

The problem at Mineral King is that recreationists and protectionists look at the same thing with different eyes. One sees public land unused and considers it a waste. The other sees the same public land unused, and considers it preserved. One sees the tampering with nature, and considers it necessary. The other sees the tampering with nature, and imagines a biotic community jeopardized. One views ski slopes and wild animals, in that order. The other views wild animals and ski slopes, in that order. One seeks immediate gratification for himself; he wolfs down pleasures and seeks out more. He is hedonist, recreationist. The other defers his gratifications, saving them for later generations. He is puritan, protectionist. The recreationist at Mineral King says: "Look beyond the ridges; there are still nearly two million acres of adjacent wilderness. What's wrong with using this tiny piece of land, this mere 1,500 acres, this less than one-tenth of 1 per cent of all the national forest land in California?" The protectionist sees population growing and public land shrinking, and he wonders where it will ever stop.

The recreationist sees public land put to use; the protectionist sees it put to auction. In California alone, 46 ski areas have been built on national forest land; throughout America, the figure is nearly 200. The only thing unique—say the recreationists—is that the Disney resort will be better than any other. The only thing unique—say the protectionists—is the magnitude of the Disney development.

One wonders, today, whether the Forest Service does not secretly agree that the proposed development is a wee bit bigger than the service originally conceived. The Forest Service prospectus, calling for bids, speaks of a development "conservatively estimated at $3-million." The Disney investment will be $35.3-million. The Forest Service prospectus suggests accommodations for "at least" 100 overnight visitors. Disney plans to bed down 1,505 the first year, and 3,310 by 1978. The prospectus calls for parking 1,200 autos; Disney's nine-level facility will handle 3,600 cars the fifth year, with plans for two supplemental parking lots in case of overflow crowds.

Do these quantum jumps give the Forest Service occasional twinges concerning the ability of the tiny valley to absorb such a crush of visitors and installations? Forest Service recreation specialist Peter J. Wyckoff says: "I'm not worried about the winter and skiing. But in the summer the country is fragile and overuse could easily destroy it." Mike McCloskey testifies to the fragility: "At this high elevation, the growing season is short, and vegetation has a tenuous hold on life. Only a narrow balance of conditions allows vegetation to thrive here. Upset the balance, and you destroy that hold on life."

So the Forest Service must know it has taken a chance.

The Sierra Club has also worried that the Disney development would trigger similar developments in the area. Even Disney had been concerned, remembering how—in Bob Hicks's words—"honky tonks and beer parlors" had sprung up on private land all around Disneyland, giving the area a cheap and garish look. Hoping to avert this at Mineral King, Disney had bought up the small parcels of private land near the site of its proposed development to insure unified control of the area. But a parcel of 160 acres within the boundary of the Sequoia National Forest, near the town of Silver City, five miles west of Mineral King, remained in other private hands.

Early in 1969, the Tulare County planning department approved an application for construction of a residential and commercial community on this 160-acre site, the Seaborn-Wells project. The development would include a 30-unit motel, a 72-unit lodge, 20 condominiums, 48 single-family units, a gas station, a swimming pool, stores and a restaurant. All virtually check by jowl with Mineral King.

Now the Forest Service finds itself in an embarrassing position. On one hand, it endorses development on *public* land by a private investor—the Disney organization. On the other, it finds itself opposed to development of *private* land by a private investor—the Seaborn-Wells people.

"We are against a development of this magnitude in the valley," says Jim James, and he is talking about Seaborn-Wells, not Disney. "It competes with the idea we have of the total capacity of the place." Jim James spoke to the Tulare County board of supervisors, and in May Seaborn-Wells was turned down. But Seaborn-Wells will now appeal.

If Seaborn-Wells wins its appeal, the Forest Sevice will institute condemnation proceedings to buy the land. But 160 acres in this area of suddenly inflated real-estate values could cost as much as $2-million. All this should have been taken care of before the Forest Service put Mineral King out for bid in 1965; the 160 acres could have been bought up for a song.

The Sierra Club fears of "piggy-back" developments were further confirmed in June when plans were announced for the construction of a 12,000-acre resort at Three Rivers, gateway to Mineral King.

Withal, the Forest Service has emerged as something less than heroic. In its Mineral King prospectus in 1965, the service estimated the cost of the new access road at $5-million. It missed by $18-million. When asked about this discrepancy, the Forest Service explained: "We were using 1953 cost figures." This is the service that superintends 186-million acres of public land.

Something else is needed. We all have suffered too long over Federal and State abuse of pubic land. Dams in the Grand Canyon; oil wells drilled in the Santa Barbara channel that seep tar over the golden beaches of Southern California and murder birds and sea life in the bargain; state tidelands in Maryland slickered away from the people and given to a real-estate developer; now, Mineral King.

You can't blame Disney or his ilk. That is the nature of the beast. But someone or something must keep a check on development; somebody must say: "All right, that's enough. Any more and the place bursts at the seams." When Disney's Bob Hicks was asked: "How come you've got a chapel in your plans? Isn't that the beauty of Mineral King—that you don't need to get inside a building to commune with God?" he answered: "I agree. I don't see the need. Somebody threw it in." The problem won't be getting Disney to leave out things, but to keep it from throwing in more. Yet there is nobody to keep it from throwing in more. The Forest Service is, by law, that check, but a Disney official says with contempt: "Our standards are higher than the Forest Service's."

What we have at Mineral King is another absentee landlord. It is easy enough to be offended by the Disney project, and its threat to the ecology of Mineral King. Something is going to be taken forever from Mineral King—nature with the bloom of creation upon it. In its place, Disney will leave another pleasure palace, for Southern Californians, who have more pleasure palaces per capita than any other people in the world. So it is easy for the protectionist to take his potshots at the Mineral King development.

But more significant is how government landlords—Park Service, Forest Service and

the like—continue to allow massive violations of public land. Yellowstone National Park—our oldest national park—is today a chaos of urbanization within a bewildered wilderness. Yosemite National Park is so overcrowded, a trip becomes more drudgery than pleasure. The scars to the terrain of our national forests, left by indifferent loggers, turn public land into festering sores.

What can be done? The President's new Cabinet-level Environmental Quality Council might help, though its first action—to suggest further oil drilling in the Santa Barbara channel—boggles the minds of protectionists in the coastal cities of California. What is truly needed is a Federal Department of Conservation, to protect all our natural resources—to handle pollution of air, water and land; to study population growth; to establish public-land policy; to meet recreation needs without disturbing wild-life ecology. All the parts tied together in one department, not sundered among a half-dozen.

As for Mineral King, the whole struggle may be past history. It is not likely the Sierra Club will win a permanent injunction against the development, although the granting of a temporary injunction may force Disney to postpone its opening. Even the most optimistic conservationists know the score—Progress always beats Protectionism. It is less likely that the Forest Service will now suggest to Disney: "Look, this is a great pleasure palace you have designed, but perhaps the valley can't take it. Can't you cut it back—leaving out the theater, the chapel, the closed-circuit TV, the restaurant on the summit, a few hundred parking spaces? Can't the people swim in the lakes; do we need heated pools? Can't it be a modest development, with five or six ski lifts, not 22; with two slopes for skiing, not five?"

But it is too late. The Forest Service will not sacrifice $300,000 the first year, and $600,000 the fifth year. Such money justifies its existence, come budget time. Mineral King has subtly changed in Forest Service eyes, from a remote and lovely alpine valley, to a playground with turnstiles.

Perhaps, then, the truest value of Mineral King is that it stands as the latest crass example of abuse of public land by the very agents to whom we entrust that land. One wonders how long America must tolerate such stewardship.

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[From Natural History magazine, November 1968]

THE KING BESIEGED

(By Jack Hope)

Standing upon one of the treeless peaks that surround California's Mineral King Valley, surveying the wilderness of the southern Sierra Nevada, provokes a certain spirit of uneasiness. The feeling is not unpleasant, but is disturbing only in the sense that it is one that we aren't used to dealing with.

I don't think it's the height that brings about the sensation, or the vast abyss that suddenly opens in front of you. Nor is it simply a product of the powerful alpine panorama. More than anything else, it seems to stem from a feeling of inappropriateness on the onlooker's part. But then—perched atop a mass of granite that thrust its way from the earth's crust 30 million years ago; gazing down from a height of 12,500 feet upon an incredible array of jumbled, snow-streaked peaks, alpine meadows, and evergreen-covered mountainsides; recalling a passage from the guidebook, which notes that 200 million years earlier this land rested at the bottom of a sea—what can you do that "fits" the occasion? Take a picture? Identify wildflowers?

I don't mean to imply that Mineral King (commonly known as Mineral King National Game Refuge) is unique. In fact, most of the Sierra Nevada contains similar features—the mountains and the giant sequoias, the glacial lakes, and the wide eyed mule deer. However, as wilderness (with the exception of a few hundred acres) it is at least exceedingly rare. For in the United States only about 2 per cent of our land falls into this "wild" category—about one-fourth the area now taken up by cities.

One of your first reactions to Mineral King is that you would like to show it to others who have not had the chance to see it. Your friends primarily, but others as well: a delegation of lawmakers, perhaps, or the boys who drive grocery carts around Manhattan. It seems that if more people could see such places, the job of caring for them would be much simplified—people would want to protect them for themselves, for their children, and for their friends.

There is some truth to this thought, but there is a great naïvete as well. For wilderness is by definition a perishable commodity. It can easily be loved to death in the attempt to display it to the greatest number of people. Building roads, for instance, to "make wilderness more accessible to the millions"—despite its democratic overtones—is self-defeating; something like carving up Michaelangelo's statue of "David," so that each of us might own one splinter.

For another thing, not everyone looks at the land in the same way. Mineral King's 15,000 acres are regarded by different people as a setting for a beautiful photograph, a hike, a fishing trip, or as a place for the study of biology. Some see the terrain as ideally suited for a ski resort, while others welcome the wild country as a means of getting out of contact with other people for a few hours or a few days. There are those who classify the land and its creatures as "natural resources" to be used for the generation of income; and some who regard it as important in itself—whether or not it is seen, smelled, heard, touched, or tasted by humans—its own reason for being.

Each group has its own notion of what should, or should not, be done with the land, and as you might guess, these notions conflict at least as often as they coincide. Yet, within the past 20 years, each faction has come to regard itself as the champion of a cause called "conservation" (whether their real interest lies in hiking, in hunting, or in cutting trees). This is the situation at Mineral King, where, within the next few months, the proponents of one of these viewpoints will be awarded the privilege of shaping the future of this region according to their own conception of this popular term.

On the surface, it is not always clear whether a group's choice of the conservationist label is appropriate—whether it stems from a misuse of the dictionary, or whether it is, in fact, a product of a good public relations department, which knows that the word has a high "acceptance value." The story of Mineral King may be instructive in this regard; may serve as a prism through which the apparently single beam of "conservation" can be separated into its components for the purpose of closer examination.

In February, 1965, the Department of Agriculture's Forest Service issued a *Prospectus for a Proposed Recreational Development at Mineral King in the Sequoia National Forest*. The purpose of this rather stark little document was to solicit bids from private developers for the privilege of constructing and operating a year-round recreation resort within the Mineral King National Game Refuge, a 15,000 acre neck of Forest Service land protruding into the southern boundary of Sequoia National Park. In addition to serving as a wildlife refuge, the region is now used for a variety of activities—camping, hiking, fishing, and sightseeing.

This is not a new type of activity for the Forest Service, whose guiding principle of land management is that of "multiple use." What this term means in regard to the natural environment is that the Forest Service is sanctioned to be one degree less protective than is an agency such as the National Park Service. Thus, on the 187 million acres of public land administered by the Forest Service, a wide variety of activities are permitted, including lumbering, hunting, livestock grazing, mining—even some private cabin building.

And within the last decade the focus of national attention upon the country's recreational potential, combined with the spiraling magnitude of the billion dollar recreation business, has "sensitized" the federal government's largest landholding bureaus to the task of accommodating a prodigious number of special recreation interests, ranging from motorboating to motorcycling and from skiing to skimobiling. Toward this end, the Forest Service has undertaken to make much of its domain available for a multitude of uses, and in the case of skiing, has leased public lands to commercial developers who now operate such well-known ski meccas as Aspen, Vail, and Sun Valley in the west; and Mt. Snow and Sugarbush in the east.

Thirty-seven of the 190-some ski areas on Forest Service land are located in California—more than in any other state. Nevertheless, that state's current population of about 19 million is growing rapidly; it is expected to reach about 25 million in 1976, and perhaps 40 million by the year 2000. The use of the state's outdoor recreation facilities—both winter and summer—is undergoing an even more rapid expansion. The Forest Service predicts that use of California's national forests for winter sports alone will climb from the present level of about 2 million annual visits to 6 million in 1976 and 12.4 million in 2000.

An interesting aspect of the country's recreation "boom" is the extent to which it is a middle-class (or at least a "non-lower" class) phenomenon. Participation in even the simpler forms of outdoor recreation calls for a certain income level. Gaining access to a national park or forest, for example, is frequently contingent upon automobile ownership. And such pursuits as skiing, motorboating, and the more elaborate forms of camping require a considerable investment to purchase and operate the necessary equipment, and perhaps to pay for the privilege of using it.

The typical ski-family in the western states, for instance, has an annual income of $9,500 ($2,000 above the average income for that area); an adult member of this family owns about $300 worth of ski equipment, and spends over $20 per day on his ski trips. Sporting-goods salesmen, restaurant owners, and motel operators are fond of these people.

In addition to their relative affluence, ski enthusiasts are generally well organized, vocal, and therefore influential, even though they make up only 1 to 2 per cent of the total population. And, like many special interest groups, skiers have regular means of broadcasting their requests that new regions be opened to their sport—the many ski magazines, the political friends, and so on.

Influences of this sort play a part in the decisions made on what to do with the country's public land. Some twenty years ago, for example, the Forest Service decided to develop Mineral King Valley, hoping perhaps to relieve the pressure skiers were exerting to have other areas opened, such as the San Gorgonio wilderness in southern California.

But in 1949, when the first attempts were made to attract private capital to develop Mineral King, no bids were received, because the only access to the area was, and still is, a serpentine, twenty-five mile road leading from the San Joaquin Valley up into the Sierra Nevada range—somewhat difficult to drive during summer months and completely

blocked with snow during the winter. Potential developers were not interested in building a ski resort that no one could get to. No sizable recreation complex could be installed without widening and straightening the roadway.

In addition, the road winds across eleven miles of Sequoia National Park before deadending within Sequoia National Forest at the small cluster of summer cabins and public campsites that make up Mineral King village. Thus, developers may have been intimidated by the legal and political complications of interfering with a road crossing land controlled by the National Park Service.

At the time the 1965 prospectus was issued, no solution to the access problem had been found; but in the 16 years that had elapsed since the first prospectus, knowledge had spread of the Forest Service's interest in the area. Learning of the intentions to develop the area's ski potential, ski clubs, developers, businessmen, and politicians in Tulare County (where Mineral King is located) began to regard the resort, along with its access road, as a real and desirable possibility. One hopeful developer (Walt Disney Productions) had speculatively purchased a small amount of private land in Mineral King Valley. Furthermore, the rapid increase in the number of California skiers had expanded the undertaking's potential support. Thus, in issuing the 1965 proposal, the Forest Service had some cause for believing that public and political support could be mustered for both the project and its necessary road.

The optimism was well founded. During the summer of 1965, the California state legislature voted to add a new highway to the state's road system. Highway 276, from the town of Hammond to Mineral King, would replace the old access road, would be kept snow-free by the state (the old access road was county maintained), and would ostensibly be wide enough to accommodate sufficient traffic at the proposed resort. The road is planned as a relatively straight, two- to three-lane highway, capable of handling about 1,200 automobiles per hour at speeds of about 50 mph. In addition, six bids were submitted to the Department of Agriculture for construction and operation of the recreation complex. These were narrowed to two, and finally, late in the year, a winning bid was announced. In December, Walt Disney Productions was chosen to carry out the Mineral King development and was awarded a 3-year permit to perform its initial studies of the region.

Up to this point, little opposition had been expressed to the project, except by local groups of outdoorsmen and by cabin owners in the Mineral King area who would be displaced by the development. National organizations that might normally oppose the area's commercial development were preoccupied with the problems of dam building in the Grand Canyon, cutting of redwoods (in the proposed Redwoods National Park), and other well-known issues. Some feared that opposition to the Mineral King ski resort would only serve to increase pressure by skiers to develop the San Gorgonio wilderness and were therefore reluctant to take a stand. Others, thinking outright opposition too late, felt that the best strategy was to try to limit the project's size. A few were even unsure of Mineral King's whereabouts, let alone its significance. But when the magnitude of the Disney development proposal was disclosed, the traditional champions of the natural environment—the Sierra Club, Wilderness Society, and National Parks Association—quickly realized that they were confronted with another major battle.

The Forest Service's original guidelines for the recreation complex were relatively modest: three or four ski lifts, parking for 1,200 automobiles, and resort accommodations for 100 overnight visitors—tempered by the warning that all facilities would have to remain "compatible with the aesthetic values of the area." The Disney firm, however, is known for doing things in a big way, and Mineral King is no exception. The original Disney plans called for a $35 million investment to include an alpine village, a heliport, a golf course, a reservoir-skating pond, swimming pools, an auto service station, two hotels, a 500-room dormitory, 1,200 cabins, a 20-acre parking lot for 2,500 autos, and ten restaurants within Mineral King Valley and on surrounding mountain peaks. In summer general sightseeing would be the main attraction; in winter skiing would bring as many as 20,000 visitors into the valley each day, from whence they would be whisked into the high country of the Sierra Nevada wilderness aboard 20 overhead lifts, which would radiate from the valley. Some of the lifts' towers would go beyond the boundary of Forest Service land and would be anchored in adjoining Sequoia National Park. Supplemental plans revealed the firm's interest in a facility, located well within Sequoia Park's Hockett wilderness area, that could accommodate cross-country skiers. Walt Disney Productions expects an annual income of about $23 million from the resort during the first years of operation, with this sum increasing thereafter as the area's popularity grows. The Disney plans also noted that "Mineral King's great natural beauty must be preserved at all costs."

With the plans before them, opponents of the development felt pressed by a twofold threat. First, they feared the immediate damage to the alpine environment that would result from construction of a roadway and a resort, and from the heavy human traffic. The prospect of bringing 2.5 million visitors annually into the heart of the mountain country conjures up pictures of tourists picking the ground clean of unusual rock fragments, wildflowers, evergreen cones, and other portions of the alpine landscape; of skiers watching the white wrappers of their candy bars slowly floating to the ground after being tossed from the gondola of one of the aerial tramways; of erosion caused by construction activity; sewage pollution in the Kaweah River; and of the intrusion of automobiles, buildings, and large numbers of visitors upon the mountain landscape. In addition, project opponents object to the disregard by the Forest Service and Walt Disney Productions for Mineral King's current status as a national game refuge. Among naturalists aware of the development plans a favorite parlor game during the past few months has been the casting of Smokey, the Forest Service bear, and Disney's Mickey Mouse in Simon Legree roles—dispossessing their fellow creatures in order to build the Mineral King resort ("Smoking strikes again!").

The Forest Service is well aware of the potential danger to the Sierran landscape posed by the planned resort. They note that "Mineral King can 'stand' development to only a certain level," but also contend that "Walt Disney Productions does not plan, and the Forest Service would not permit, a development beyond that capacity threshold." But "capacity threshold" lends itself to subjective interpretation, and what the term means to the Forest Service is apparently quite different from the meaning given by most of those opposed to the project. To the former group, it probably means a general attempt to keep ecological damage to a minimum, whatever the level of construction and human visitation. The latter define the phrase in terms of wilderness, in which case the threshold will likely be exceeded on the resort's first day of operation.

In a way, these differences of opinion reflect the essential conflict between the protectionist groups such as the Sierra Club and those more inclined toward development. Both are aware of the perplexing problem of providing recreational opportunities for a population that doubles every forty years, while our static land supply stubbornly refuses to expand despite the demands placed upon it. However, their approaches to this situation are quite different. The development faction seems to feel that the way to alleviate this difficulty is to make increasing portions of the environment easily accessible to the current demands of the population so as to spread the "visitor impact" over a larger land area. (Walt Disney Productions, for instance, notes that "the value of much public land . . . is lost because the land is inaccessible.") On the other hand, the protectionists view the growing number of claims upon the land as reason to stiffen its protection, perhaps to the point of rationing its use. This "pinch," they hope, will forcefully focus the attention of hunters, highway engineers, wilderness lovers, and resort builders on the real source of the growing real estate shortage, and will elicit stronger public sentiment to deal with the problem before the remaining public land is consumed.

From the viewpoint of the Sierra Club and its allies, the greatest threat posed by the Disney recreation complex and its access road is the influence these developments would exert upon the future protection of wild lands of the southern Sierra Nevada surrounding Mineral King Valley. Most of this land—in both Sequoia National Forest and Sequoia National Park—meets the criteria for "formal" wilderness status as defined by the 1964 Wilderness Act, and is now being considered for legal protection according to the provisions of that act. However, the presence of a high-grade highway bringing millions of people into the heart of the region would probably diminish its wild character in short order, obviate the inclusion of this land within the wilderness system, and encourage less rigid protection of adjoining land. In addition, there is some fear that the presence of a high-standard road reaching halfway across the Sierra Nevada range will be used as a rationalization for extending the pavement another 30 miles to create a new trans-Sierra highway through one of the country's last enclaves of primitive landscape.

In a way, it is tempting to apply the philosophy of "conservation democracy," advocated by Gifford Pinchot and Theodore Roosevelt, to the Mineral King situation: "the purpose of Conservation is the greatest good of the greatest number for the longest time." This concept invariably underlies the arguments in nine out of ten land-use conflicts, but despite its seeming simplicity, it poses questions that cannot be readily answered. Who can say, for instance, whether a ski resort, a semideveloped campsite, or a primitive landscape will be of greatest benefit to people who have not yet been born?

Nevertheless, the concept stimulates some interesting speculations about the future. In the case of Mineral King, you might ask what needs will characterize Californians in 2068: The need for convenience or for diversity? For material comfort or challenge? For sociality or solitude? Which need will be most in demand and least in supply?

Even at present, there seems to be a considerable difference of opinion over the proper application of these democratic guidelines. Both the Forest Service and Walt Disney Productions maintain that a new high-standard roadway into the Mineral King country will represent an improvement over the current situation because it will permit the rapid influx of large numbers of visitors ("Many people wish to see and enjoy Mineral King but won't drive the present difficult road."). To this argument however, their opponents reply that the area's present function of providing general recreation is inherently more democratic, for it does not impose an admission fee upon visitors. They further contend that in terms of meeting California's most urgent recreational needs, the $35 million to be spent

on the Mineral King project might be put to better use by expanding the recreational facilities available to the non-mobile population in, say, the Watts ghetto of Los Angeles.

Throughout 1966 and into early 1967, the Mineral King issue continued to be fought at a local level. In that time, proponents of the Disney project succeeded in gaining political support for the venture. In September of 1966, Walt Disney and California's governor, Edmund G. (Pat) Brown, flew into Mineral King by helicopter to survey the area. Thereafter, Brown made a short speech in which he described the proposed development in glowing terms: "I hope that ten years from today I can stand here with Walt Disney again and look around at the wonderland that will have been created," and assured his audience that "we are going ahead with the [access] road." The Brown administration applied for and received a $3 million federal grant to partially finance the road's construction; the California Highway Commission then voted to provide the remainder of the needed construction money (about $20 million) from the state's highway tax fund.

These actions did not pass unchallenged. California's State Highway Engineer, J. C. Womack, attacked the financing of the Mineral King road stating that the highway could proceed only "at the expense of other critical [road building] projects," and that the use of funds set aside for other construction would prove "very disruptive to previously approved planning and scheduling of projects in the Southern Counties group." State Assemblyman Alan Sieroty assailed the proposed destruction of natural landscape, stating that the plans for the Mineral King road were "atrocious," then added: "It would be . . . outrageous for the Reagan administration [Reagan was elected in 1966] to give away more than $20 million to facilitate a private venture when it has just cut the state Parks and Recreation budget . . . from $33 million to $1 million." In addition to this objection, two bills were introduced into the California state legislature in an attempt to block construction of the access road. Both died in committee before being brought to a vote.

By early 1967, although funding had been approved for the access road and its proposed routing established, and although newspapers in Tulare County were speaking as if the Disney resort was already a fact, the National Park Service had not yet granted permission for the road to cross eleven miles of Sequoia National Park on its way to Mineral King Valley. It is still unclear whether the Department of the Interior can legally grant permission for a road to cross a national park for non-park purposes, or whether this requires an act of Congress.

In any event, Secretary of the Interior Stewart Udall disapproved of the new road. He noted that it would prove a "blighting influence" upon Sequoia Park, that blasting of rock and planned removal of eight million cubic yards of soil would scar park terrain, cause erosion and consequent siltation of the Kaweah River, pollute the air with auto exhaust fumes, pose a threat to giant sequoias and other large evergreens, and would, in general, compromise "park values." With a first-hand sensitivity to the proliferation of the nation's vast network of highways, (3.6 million miles worth) he commented that developers "will be more honored 25 years from now for the roads they do not build than for the roads they do," and suggested that the Forest Service and Disney Productions explore other means (such as an overhead monorail or tramway) of transporting sightseers and skiers into Mineral King Valley to minimize destruction to the landscape.

To answer charges of road damage, the California Division of Highways commissioned biologist Richard J. Hartesveldt, an authority on giant sequoias, to study the ecology of sequoia groves surrounding the proposed roadway. The report's objectivity, however, has provided at least as much ammunition for opponents of the project as for its advocates, and each side has quoted and paraphrased the document upon numerous occasions.

As for Udall's proposal that a monorail or tramway be used to transport visitors into the resort, this plan was rejected by both Disney Productions and the Forest Service as being too expensive. The cost of installing such a system—unlike the tax-financed roadway—would be borne by the Disney firm.

By mid-year 1967, opponents of the development had finally managed to air some of their grievances to a national audience by means of articles printed in magazines published by the National Parks Association and the Sierra Club. Within these groups, the general feeling seems to be that the only way to provide Mineral King with adequate protection against commercial development is to make it a part of adjoining Sequoia National Park. In 1926, when Congress was wrestling with the problem of what to do with this area, the decision was made to award it to the Department of Agriculture in the belief that there were minerals remaining in and around Mineral King Valley that would become "locked up" if park status were granted. But since no mineral deposits have been discovered, there is a strong feeling now that these 15,000 acres should be given to the Department of the Interior.

This type of interdepartmental land transfer is invariably an unpopular procedure on the part of the donor agency, and is avoided by Congress whenever possible. Just now, the Forest Service is especially sensitive on this count for portions of forestland are being transferred from the Forest Service to the Park Service in order to establish a Redwoods Park in California and a Cascade Mountain Park in Washington. The history of transactions of this sort carries all the flavor of a range war between sheepherders and cattlemen, and while reading these accounts, it is easy to lose sight of the fact that the ownership of federal property rests with the public rather than with the managing agency.

By this time, Secretary Udall was finding it increasingly difficult to maintain his opposition to the access road upon which the success or failure of the development depends. A hint of behind-the-scenes pressure appeared when the Secretary indicated that he would need a great deal more support from leaders of the protectionist movement than they had given him. In addition, the open opposition to Udall's position had assumed formidable proportions. California's two senators, several representatives, lieutenant governor, many state legislators, and Los Angeles Mayor Yorty now stood solidly behind the Disney plans. Senator Thomas Kuchel, who can usually be counted on to champion the position of the Wilderness Society and the Sierra Club, reversed his role in the case of Mineral King and went so far as to write an article in a ski magazine praising the merits of the Disney firm and its proposed undertaking. Real estate speculators and businessmen in Tulare County, anxious to capitalize upon the anticipated influx of tourist gold, were beginning to make impatient noises. These were echoed by Tulare County politicians and newspaper columnists, and by Secretary of Agriculture Orville Freeman, all of whom viewed Udall's reluctance to approve the access road as an obstructionist tactic.

To add more fuel to the fire, Governor Reagan sent emissaries to persuade Secretary Udall to change his stand. Although Udall remained adamant, he was misquoted by a Reagan aide as having given his approval to the Disney project. The story that Udall had conceded, followed quickly by his denial, served only to heighten tension and to increase pressure for a decision.

Of the obstacles faced by Stewart Udall and his supporters, one of the most formidable is the intangible something which Walt Disney Productions calls the "Disney Image." For after being honored by a number of nature-oriented organizations, ranging from the National Audubon Society to the National Wildlife Federation: after thirty years of producing such films as *Bambi, Beaver Valley,* and *Nature's Half Acre,* it hardly seems possible that the Disney firm would consent to undertake a project that would in any way prove detrimental to the great out-of-doors. The common conception of the Disney orientation toward the natural world, as the Disney publicity states, is one of a "proven interest in conservation." As noted in the organization's proposal for the development of Mineral King, issued to the Forest Service: "The integrity and quality image of Walt Disney Productions is *already* pre-sold in the public mind." This seems to be the case, particularly in California, where considerable fame and fortune have come to rest since the establishment of the Disney empire in that state.

In July, 1967, the nature of the suspected pressure on Secretary Udall was made public. To the consternation of those who had labored to defeat the Mineral King proposal, it was revealed that through the complicated machinery of Washington diplomacy, the fate of Mineral King had become linked to the ongoing negotiations between various federal agencies and the state of California over the size and location of the proposed Redwoods National Park. Apparently, the Johnson administration felt that Governor Reagan would be more amenable to the installation of a national park in his state if he were offered certain concessions in return. One of several concessions offered the state was the administration's active support of the Mineral King development and its access road. The nature of this transaction was spelled out in a letter of June 22, 1967, from an administration spokesman, Phillip S. Hughes, Deputy Director, Bureau of the Budget, Executive Office of the President:

"Following is the Administration position on a number of items over and above the provisions of S. 1370 [the redwoods bill introduced by Thomas Kuchel]. . . . The Administration is prepared to implement these provisions immediately."

The Mineral King proposal is listed under a section labeled "Other Conservation Program Actions."

"6. MINERAL KING

"It is in the interest of the Administration and the State that the Mineral King area . . . be . . . developed. . . . .

"The Department of the Interior has been requested to consider issuance of a permit jointly to the Department of Agriculture and the State of California for a two-lane road through the Park [Sequoia] to provide access to Mineral King."

The letter's contents provoked a volley of angry protests from the project's opponents. Senator Lee Metcalf (Montana) assailed the administration's intention to "override the Secretary [Udall's] best judgment" as raising "fundamental questions of public policy, precedent and equity." Anthony Wayne Smith, General Counsel and President of the National Parks Association stated that the Forest Service had "put to auction a priceless asset [Mineral King] belonging to the American people. . . ." California Congressman Phillip Burton perhaps best summarized sentiment against the maneuver when he angrily labeled the Mineral King-Redwoods Park trade as "a desperate effort to pay the high political price needed to get along with California's new governor" and bemoaned

the fact that the executive branch "promises to pressure the National Park Service into compromising the integrity of Sequoia National Park by accommodating the opening wedge for massive development of Mineral King."

Whatever the processes by which pressure was exerted, Burton's fears were apparently justified and the intent of Hughes' letter carried out. In December, a high-level Mineral King meeting was called. Attendants in favor of the project included: Secretary of Agriculture Freeman, California Senators Kuchel and Murphy, Congressman (and former Olympic decathlon champion) Robert Mathias, and for the administration, Philip Hughes. Attendants opposed: Stewart Udall. Shortly after the conference, Freeman issued a press release announcing that the right-of-way for a road through Sequoia Park was being prepared by the Interior Department and that the Disney development would proceed as planned.

From the point of view of the project's supporters, it probably would have looked better if the release had come from the Department of the Interior with Secretary Udall's blessing. This was not the case, however. To this day, Udall has not voiced support of the access road, leading to the conviction that this decision was predetermined by the administration. Even so, the Secretary was for a time, nobody's favorite. At a press conference in which he was criticized for "his" decision, Udall retorted that things might have been different had preservation groups spent more of their time writing to Orville Freeman than to him.

The Mineral King development is now within one step of realization. But this last step has proven time consuming. For in the year that has elapsed since Orville Freeman's announcement, the Forest Service and National Park Service—never the friendliest of "sister agencies"—have failed to reach agreement on the dimensions of the proposed access road crossing Sequoia National Park.

The delay has proven helpful to the more tenacious of the project's opponents; has given them time to begin legal investigations and to renew efforts to gather public support. During the past five months, two to three thousand signatures have been added to an antidevelopment petition circulated by the Sierra Club, network television stations have hauled their cameras into the Sierra Nevada to cover a "hike-in" staged in opposition to the project, and students from UCLA have pulled up and burned survey stakes marking the location of the proposed access road. Some of the more militant even plan to picket Disney films and to stage "lie-ins" in front of highway department bulldozers if construction begins, as scheduled, next summer.

It seems that the era of modern conservation weaponry is upon us. Whether or not this will aid the case for Mineral King will depend on public opinion and on the orientation of the new President-elect toward the issue. Resolution of the conflict will not be long in coming.

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[From the New York Times, Feb. 2, 1969]

MINERAL KING FOLL

The decision to turn Mineral King Valley over to private developers exposes the essential fraudulence of the Forest Service's much-vaunted "multiple use policy." Created to protect the nation's forests from exploitation, the Forest Service has gradually evolved into the ally and protector of the private lumber companies. As a public relations maneuver, it has promoted the idea that it is developing the forests for recreation as well as profit, that is, for multiple use.

This idea is acceptable if it merely involves providing campsites or incidental tourist facilities in the national forests. But there is no excuse for turning over an entire valley to the Walt Disney interests for a gigantic recreational complex rivaling Sun Valley.

Mineral King, a lofty valley in the Sierra Nevada north of Los Angeles, comprises 15,000 acres of rare and beautiful wilderness which ought to be part of the adjoining Sequoia National Park. Into this ecologically fragile area would be intruded an "Alpine Village," ski tows, hotel, restaurants, a parking garage and thousands of automobiles. The absolutely certain result would be erosion of the land because of heavy construction, destruction of animals in what is now a game refuge, sewage pollution in the nearby Kaweah River and air pollution from automobile traffic. In addition, there would be the visual pollution caused by the building of 6,000-volt power lines to service this "Alpine Village."

The only word to describe this hideous project is scandalous. Has Southern California not been raped, polluted and desecrated enough already? Have the Forest Service bureaucrats no sense of shame about taking a wonderful portion of the nation's rapidly dwindling natural heritage entrusted to their care and surrendering it to the exploiters?

This perversion of public land to private profit would not be possible if it were not for the acquiescence of the Interior Department and the active collaboration of the officials of the state of California. It is necessary to construct a highway across Sequoia National Park to enable cars to reach Mineral King Valley and make this project economically feasible. Former Secretary of the Interior Stewart L. Udall reluctantly approved plans for a road last year, arguing that his control of the highway route would give him a veto over the size and character of the Disney project in the valley.

Now that Mr. Udall has left office, however, the Forest Service has approved a major undertaking which will attract nearly a million visitors a year. The proposed two-lane highway will soon prove inadequate and the pressure will mount for four or six lanes. Meanwhile, California plans to spend $25 million in public funds to build a highway to Mineral King for the sole purpose of benefiting the Disney interests.

The Sierra Club intends to file suit in court to block this misuse of Forest Service authority. But it should not be left to a private organization to defend the public interest. Secretary of the Interior Hickel and Secretary of Agriculture Hardin have a responsibility to review this outrageous project. If they fail to act, Congress can intervene to see that a deal of this magnitude is not approved without public hearings and explicit Congressional approval.

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[From the New York Times, June 24, 1969]

THE SCANDAL OF MINERAL KING

The attempt of the Forest Service to turn Mineral King Valley in California over to the Walt Disney Organization demonstrates how an ingrown bureaucracy and an aggressive private developer can collaborate to defeat the public interest. The lawsuit filed against this scheme by the Sierra Club is an effort to demonstrate that citizen conservationists can invoke the power of the law to protect the public interest.

The intensive development of this valley in the Sierra Nevada would scar its natural beauty, ruin its ecological balance, and pollute its air and water. The Disney interests propose to build an "Alpine village" complete with ski tows, swimming pools, a golf course, a hotel complex, ten restaurants, and a huge underground parking lot. This would be a year-round resort with at least a million visitors annually. It would produce the same kind of serious overcrowding that has already blighted the much larger Yosemite Valley.

The stated intentions of the Disney interests make unmistakably clear what is to befall Mineral King: "Grooming and manicuring of most slopes . . . will require extensive bulldozing and blasting in most lower areas and extensive rock removal at higher elevations . . . extensive cuts and fills and site grading will be required in the parking area and in the village area."

Hundreds of resorts and country clubs already exist and more can always be manufactured, but beautiful, unspoiled Alpine valleys are rare. When the last one has been groomed, manicured, bulldozed and blasted out of existence, no human being can create another.

This unalterable fact imposes a most solemn obligation upon public officials who administer the national parks and forests. With regard to the fate of Mineral King, the Secretaries of Agriculture and Interior in the Johnson Administration compiled an abysmal record. Former Secretary of Agriculture Orville Freeman pushed aggressively for the Disney plan which his Forest Service subordinate sponsored. After considerable initial resistance, former Secretary of the Interior Stewart L. Udall caved in and granted permission for the construction of an access highway across Sequoia National Park, without which the development of the valley could not proceed.

Their successors—Secretary of Agriculture Hardin and Secretary of the Interior Hickel—have an opportunity to right this wrong. They can still quash the Disney plan. But in the absence of action on their part, the Sierra Club has taken the issue to the courts. Its suit points out that the Forest Service approved the Disney project without public hearings and without making a prior study of the ecological effects of intensive development. Moreover, the Disney project would directly involve 300 acres and indirectly involve another 1,300 even though the law forbids the Secretary of Agriculture to put more than 80 acres under long-term lease.

Who watches the watchmen? The question is as old as Plato and as modern as the Mineral King case. Private greed, bureaucratic empire building, and official irresponsibility are a recurrent threat to the common good. The Sierra Club is performing a public service in standing up to this threat.

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[From the Wichita (Kans.) Beacon, June 19, 1969]

TREES VERSUS DISNEY

Man's ingenuity has resulted in wondrous things. Great rivers have been harnessed for power, and vast acreages have been reclaimed from the sea to become productive.

But marvelous as these accomplishments are, Joyce Kilmer was right—only God can make a tree.

This is not to say that there isn't a need for mass outdoor recreation, but in weighing the use of America's remaining natural assets, the wilderness needs its supporters.

In the Mineral King Valley dispute, the Sierra Club raises the issue of the wilderness' priority over commercial-recreational development.

The club, whose members are prominent conservationists, has sued government officials in an attempt to stop a commercial venture of Walt Disney Productions.

The Disney enterprises plan to make a valley—which is 8,000 feet high in the California Sierras, south of Yosemite—into a $35-million, 300-acre recreational development including ski slopes.

The Sierra Club charges that the project would violate the 80-acre limit set by federal law on national forest land projects, and that the land was set aside by Congress as a game refuge in 1926.

Conservationists fear that the heavy traffic (2.5 million people a year are expected) threatens the valley's usefulness as a water resource. In addition a new highway would have to be cut through a portion of the

Sequoia National Park, and some of those majestic old trees would have to be sacrificed.

Even if it were granted that the Disney interests could develop the valley, and somehow avoid these dangers, people swarming daily from a proposed 3,600-car underground garage cannot help but change the remote and peaceful character of the valley.

As the Christian Science Monitor suggests, there are other, already partly developed recreation sites in California. Why not apply the bold Disney concept to these?

Or better yet, why not select one of the many sections of natureland that have been gouged and scraped by mining and lumbering and reclaim them instead of sacrificing land that can hardly be improved upon?

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[From the Kansas City (Mo.) Star, June 18, 1969]

ENLARGED THREATS TO THE SEQUOIAS

The Sierra club, an activist conservation organization based in San Francisco, has gone to battle to prevent construction of a mammoth resort in the lovely Mineral King valley of Sequoia National forest. The projected "alpine" playground also threatens Sequoia National park, one of the nation's finest public preserves.

Because of the Sierra club's record of victories, this effort must be taken seriously. In recent years, the club spearheaded both the drives to create a Redwood National park and to block two dams that were planned for the Grand Canyon. This latest move takes the form of a suit filed in United States District court with the secretaries of Interior and Agriculture as the principal defendants.

When the ski resort was first proposed by Walt Disney Productions, Inc., it was a relatively modest development. It has since mushroomed into a 35-million-dollar complex of ski lifts, shops, accommodations and other facilities. The plan also calls for a 9-mile California freeway and a 66,000-volt electric transmission line, both of which would be cut through Sequoia National park.

In addition to scarring the earth, the power line and the superhighway place at least 45 giant sequoia trees in jeopardy.

The sequoias are not only the world's largest trees in bulk, but they are believed to be the oldest living things on earth. Some of them were reaching skyward more than 1,000 years before the birth of Rome. So what if 45 of the trees are cut down to make way for a freeway? This reminds us of the quotation attributed to Gov. Ronald Reagan of California who reputedly said of the coastal redwoods, "If you've seen one, you've seen them all."

Conservationists do not agree. Since man developed the West, fire, pestilence and the saw have claimed many sequoias. Those that remain have been protected by law since 1890, when Congress established the national park.

In this era, just about everyone in the United States favors parks as long as they don't interfere with some private scheme. If they do, the public's land has too often proved expendable.

Whatever the result of this latest action by the Sierra club, it serves to alert the American people to what is being proposed for their land. A few ski lifts and cottages in a national forest make little difference. But large-scale developments that must be served by creeping freeways and power lines are out of character with the purpose of either the national parks or forests.

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[From the St. Louis (Mo.) Post-Dispatch, June 9, 1969]

HOLLYWOOD IN SEQUOIA

The Sierra Club deserves widespread gratitude for its suit in Federal Court at San Francisco to block a $35,000,000 mass recreation development in Sequoia National Park, in California, by Walt Disney Productions. Development there should be, but the question is whether the development on so colossal a scale would leave anything of the peace and grandeur which make the park a national sanctuary.

The Disney people are proposing to build a simulated Alpine village with an eventual capacity of 3300 guests and a cog railway which would connect the village with facilities for camping, fishing, horseback riding, skating, swimming and skiing in five natural mountain bowls. The U.S. Forest Service originally proposed limiting development to $3,000,000 and the Sierra Club thinks even that is too much. The Hollywood-scale development the Disney organization plans would involve putting a 20-mile expressway through 8½ miles of the park and the club says it would also threaten destruction of 45 sequoias or giant redwood trees.

The California conservationist group stands to come out ahead regardless of the decision in the action it has brought; for the suit will serve to focus national attention on the issues and on the Sierra Club's contention that the form of development should be determined only by Congress itself and only after public hearings have thoroughly explored what will be lost as well as what will be gained.

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[From the Christian Science Monitor, June 11, 1969]

SAVING NATURELAND

There may be real pleasure in visiting a man-developed coastline or forest margin. But the experience differs from the stillness of a remote alpine meadow or the exhilaration of a natural seashore.

This is not to say the nation's needs for mass outdoor recreation should be ignored. Nonetheless, when weighing the use of America's remaining primitive assets, the unique claims of the wilderness need vigorous support.

In the Mineral King Valley debate, the Sierra Club raises the issue of the wilderness' priority over commercial-recreational development. To make its point, the club has filed suit against the secretaries of the Interior and Agriculture and other government officials. The government has contracted with Walt Disney Productions to make the valley—which lies 8,000 feet up in the California Sierras, south of Yosemite—into a $35 million, 300-acre recreational development. The Sierra Club charges that the development would violate the 80-acre limit set by federal law on such national forest land projects, and that the land was set aside in 1926 by Congress as a game refuge and not as a recreational site.

Conservationists fear that the heavy inflow of people (25 million a year) threatens the valley's usefulness as a water source, its delicate alpine ecology, and the majestic trees of a portion of the Sequoia National Park through which a new highway would cut.

Even if, for the sake of argument, one were to grant that the Disney interests could so "develop" the valley as to avoid the ecological dangers, one would still be faced with whether the daily ant-swarms of people emanating from the proposed 3,600-car underground garage cannot help but disastrously change the remote and peaceful character of the valley. And where the developer goes, can the honky-tonk be far behind?

There are other, already partly developed recreation sites in California. The bold Disney concept could be applied to these. In fact, there are many sections of natureland that have been gouged and scraped by mining and lumbering which are ironically analogous to urban blight areas. Why should not these be reclaimed by developers, instead of sacrificing land that in no real way can be improved?

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[From the Washington Star, Feb. 14, 1969]

DISNEY IN THE VALLEY

The National Forest Service has decided to permit the Walt Disney concern to set up a recreational facility in the King Valley area of the Sequoia National Forest. Predictably many conservationists are expressing their outrage over the decision. And one local group of conservationists, the Sierra Club, has threatened to sue the Forest Service for "alienating" this public land.

A side issue raised by the decision can be disposed of in a hurry. The Disney name does indeed evoke images of Disneyland with its plastic whale, life-sized replicas of all the well-known Walt Disney cartoon characters, and so on. There is, however, no thought of turning the King Valley into Disneyland II. The idea for this project did not originate with the Disney people but rather with the Forest Service, which in 1965 invited firms to submit their bids. The Disney firm was picked from among six organizations that responded to this invitation.

What is, in fact, intended for the King Valley are facilities for sportsmen who will eventually be able to ski, hunt, fish, skate and ride horses in these breathtakingly beautiful surroundings. And so we come down to the real issue. Should the peace and tranquillity of the valley be left undisturbed for the sake of the handful of hardy campers who seek spiritual renewal by sleeping on mountaintops? Or should sportsmen be permitted to enjoy their athletic pastimes in the valley at the cost of some of its present serenity?

Each of these viewpoints has its own special validity. So what was called for in this case was a kind of Solomonic judgment. And this, it appears, is what the Forest Service's decision is all about. The 200 or so outdoorsmen who tramp around the King Valley daily will now share their wooded haunts with an estimated 3,000 newcomers. Either that or they can do their tramping elsewhere in the Sequoia National Forest.

The unacceptable alternative is to deprive their fellow citizens of the opportunity for athletic outings and other organized activities in a setting so favored by Mother Nature.

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## NEW CAREERS PROGRAM INVOLVES COMMUNITIES IN FIGHT AGAINST CRIME

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## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BROWN of California. Mr. Speaker, crime is a razor in our freedom, a thorn in our lifeline to progress. Like virus which kills the human specie, crime's causes and antibodies do not combine to produce a simple solution.

We are all searching for ways to solve the serious crime problem, and, hopefully, the answer will be found through experimentation with various social tools. Congress must always encourage and pursue the use of relevant policies and mechanisms in an attempt to alleviate this national disgrace and dilemma.

One constructive contribution comes from the Department of Labor in the form of its New Careers program. New Careers trains and places indigent adults in jobs which have built-in career achievement levels. For example, in Oakland, Calif., 15 ghetto residents are being carefully moved up the law enforcement vocational ladder. All have been gang leaders in their crime-ridden neighborhoods; some have arrest records.

New Careers utilizes leadership abilities and energies for constructive social objectives—a most laudable and difficult task. I agree with the proposition that members of a community plagued by

crime are excellent workers to bridge the communication chasm between their neighborhood and the police. After all, who knows the criminals, the causes and remedies of crime better than those who have often been the culprits and principals of the crime community?

The New Careers approach represents a significant advance in the battle to reduce crime and increase employment and living standards. I recommend this type program very highly and I hope that it soon will be ever more widespread.

Two recent magazine articles outline in further detail these New Careers programs as they operate in Oakland and Los Angeles, and I insert the articles in the RECORD at this point:

[From Manpower magazine, April 1969]

FAMILIAR FACES BRIDGE POLICE-GHETTO GAP

(By Joe B. Kirkbride)

(Mr. Kirkbride is a U.S. Department of Labor information officer in San Francisco.)

Fifteen hard-core disadvantaged men in Oakland have started on careers as bridge builders. But the bridges they are trying to build won't span a river or a bay. They are attempting to bridge the communication chasm between their neighborhoods and the police.

Under a U.S. Department of Labor contract, the 15 men, aged 20 to 39, are being moved carefully up the law enforcement career ladder. In 2 years or so, they are slated to be full-fledged employees of the Police Department in Oakland—either as patrolmen or General Services officers.

New Careers trains and places poor adults in jobs supporting professional employees—jobs which have built-in levels of career advancement. The tasks they perform free such professionals as police officers and nurses for work which puts their training to more effective use. Many of the New Careers training slots in Oakland are with State and local government agencies and lead to positions in an existing civil service structure. The employer is reimbursed for 100 percent of the payroll and training costs of the first year of employment of a New Career trainee and 50 percent of the payroll costs and 100 percent of the training cost the second year. After that, the employer bears the entire cost.

Altogether, 155 poor adults are being trained under New Careers in Oakland. But the 15 police trainees are being watched with special interest.

Thirteen are Negroes; two are Mexican Americans; all live in neighborhoods where police are not generally welcome. Though not hardened criminals by any means, some of them have arrest records for juvenile offenses and petty thefts.

The Police Department is not overly concerned with their past records. "We wanted our guys to be somewhat hostile to the policeman," said one lieutenant. "We looked for men who had leadership traits, not gang leaders, but men who were tough and were respected in their neighborhoods."

Getting them aboard was a tricky assignment. The department was willing enough to have them, whatever the reservations of individual officers. Chief Charles R. Gain passed the word to his disciplined force of 682 uniformed officers and 263 "civilians" that he wanted the program to succeed. The department suspended educational and other professional requirements to let in men who normally could not qualify for police training.

But Oakland is the home of the Black Panthers, an extremely militant organization which has clashed repeatedly with the police. Other militant black groups are also active in the city's slums. In such a setting, conventional recruitment methods could make no headway. The ghetto is united by a strong sense of brotherhood. Nobody wanted to be identified with "the man" downtown in Oakland's Hall of Justice.

The police and the New Careers staff turned to the ghetto's auhoritative grapevine. Here they struck paydirt. The militants could not be expected to endorse jobs in the Police Department. Some of their leaders are in jail, others are fugitives from the law. On the other hand, they decided not to scuttle the program. Other types of New Careers trainees were making it in the city. The word was passed along to give the cops a try.

Last September, the 15 trainees were recruited and certified by the Employment Service. After approval by the police, they joined the force and were assigned to the Community Relations and Youth Division of the department's General Services Unit. The reaction in their neighborhoods has been mixed—but usually understanding.

"It's been quite a surprising experience," said a Mexican American trainee in his late twenties. "Sometimes people welcome me, sometimes they reject me. Right away I explain that I'm not a policeman but a General Services aide and that relieves the tension."

A 27-year-old Negro said his friends treated the whole thing as funny. "They took it in a jokin' way, knowing the feelings between the community and the Police Department," he explained. "They kinda backed up a little, but it was done in good humor. I haven't had any problems with my real friends. Our friendships are still the same."

Generally the trainees like the work and want to make a success of it. "I feel like this—if I can help my people by working here then it's my job to work here," said one older Negro. "I enjoy the work so that makes it beautiful."

The trainees' personal knowledge of the slums has already proved valuable. Because they knew where to look, they were able to locate three youthful runaways who could not be tracked down by regular patrolmen. And they are credited with cooling down explosive unrest at a black high school recently by making a series of personal home visits to students and parents.

The trainees' uniforms consist of neat blue blazer jackets with grey flannel slacks. Over the breast pocket is a police emblem and the legend "Oakland Police Department—General Services Unit." They do not carry guns, wear badges, or have the power to arrest anyone. They are being trained to help officers in non-criminal tasks including working with juveniles, locating missing persons, community relations, and the bicycle detail.

They are not expected to "rat" on their friends. Otherwise they would be shunned in their neighborhoods. "Our friends know that what they tell us won't be told to a policeman," said one Negro. "They have to confide in someone, and they don't want to confide in someone that every time they open their mouths they know you are running off and telling 'the man.' "

The educational and work history of the trainees is typical of the hard-core unemployed. Although most had attended high school at least 2 years, many scored at the seventh- and eighth-grade level on achievement tests. The highest income any of them ever earned was $4,000 a year—and this by a man with a wife and six children.

As General Services trainees, the first rung of a well-structured career ladder, their pay now ranges from $395 to $415 monthly. The next step up the ladder is General Services aide, a job paying $415 to $445. To make this grade, they must complete 6 months' satisfactory service and enroll in job-related courses at Merritt College.

The second promotion is to General Services assistant. This job pays $460 to $490 and requires a high school diploma and completion of 35 quarter units at the junior college level. The trainee is paid his regular wages for hours spent in class and the Federal Government pays his school costs. At this stage in his career, the trainee has a choice. He may, if he wishes, take the standard civil service examination and, if qualified, leave the General Services Unit for training as a patrolman.

Otherwise, he can move up to the top of the New Careers ladder as a General Services associate at pay of $555 to $585 monthly. By this time he will be bondable (a requirement at this job level), will have a junior college associate of arts degree, and will have successfully passed a civil service test.

The New Careerists are learning while on duty both in the field and at main headquarters. Though they may never have to do it themselves, they are shown how police control a rioting crowd. They are taught the structure of the police force, its mode of operation, and under what circumstances an officer may enter a private dwelling without a warrant.

This new-found expertise on law enforcement is valuable to both the trainee and his neighborhood. He gets a view of the police officer as a hard-working human being trying to keep the peace and protect lives. Hopefully, he carries this message back to his neighborhood, while arranging athletic events, counseling restless youngsters, and carrying out other community relations duties.

Said one Mexican American trainee, "I know we're doing a good job relating the Police Department into the community and at the same time helping the people."

The trainees appreciate the confidence the police have shown by giving them free run of the Hall of Justice. One older Negro said he felt the regular officers were disturbed at the outset of the program, not because so many trainees were black, but because they feared "civilians" might take their jobs. When they learned this wasn't true, they relaxed. "Policemen are nice people when you get to know them, but getting to know them is a different problem," he said.

Some of the men are still doubtful whether they really want to be police officers. "Four months isn't enough time to know," said one Negro. "I got a feeling on the job, but I don't know if I want it permanent."

New Careers in Oakland grew out of a unique experiment conducted in 1965 and 1966 at the California Medical Facility at Vacaville by J. Douglas Grant, a noted social psychologist. Eighteen young felons with histories of juvenile and adult crimes including car theft, armed robbery, and narcotic offenses were brought to Vacaville from prisons throughout the State.

Funding was obtained from the National Institute of Mental Health. The project trained the recruits in poverty program planning, operation and evaluation. It sought to demonstrate that ex-offenders could return to society in useful jobs.

The experiment was a success. Of the 18 felons, only one has returned to prison, and 12 are active in various poverty programs. Three of these men are staff members for Oakland's New Careers Development Agency, which oversees all New Careers programs in the city, including the Police Department's.

The agency's work is now funded by the U.S. Department of Labor's Manpower Administration, which has been administering New Careers for 2 years.

New Careers director in Oakland is Charles Jackson, a young black man who joined the agency 2 years ago. Jackson, a hard-driving administrator, has a staff comprised of roughly equal numbers of professionals and laymen—counselors, program developers, and social scientists.

Jackson has hammered out a variety of agreements with 17 public and private organizations, in addition to the Police Department, to open up subprofessional jobs for his 155 trainees. Some are now community workers with the State Employment Service,

others are field staff aides with the Girl Scouts. The University of California has hired several as laboratory assistants.

Once a prospective New Careers trainee has been screened, tested, and certified as meeting the poverty guidelines, the path up the career ladder begins. Starting salaries range from $330 to $480 a month. Entry workers receive heavy loads of formal and job-related education. Ideally, each man or woman spends 4 hours a day on the job and 4 hours in a classroom.

Many of the trainees attend Oakland's Merritt College to work on high school equivalencies or freshman college-level courses. They advance in their new career as they demonstrate proficiency on the job and accumulate high school and college credits.

Jackson acknowledges that his agency's path in Oakland has been rocky at times. There have been the inevitable misunderstandings that arise when job duties are carved out of established career public service programs. Feathers have been ruffled and feathers have been smoothed. But by and large, the trainees, the planners, and the employers are enthusiastic over the breakthrough that has been made.

The police feel that the program is working well. "Our guys are the best we've seen of the New Careerists," said one 18-year veteran on the force. "They're the best dressed and the smartest. They've already made a contribution to the department and we're all extremely satisfied with the progress they've made thus far."

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[From Parade magazine, Aug. 24, 1969]

COPS AND COPOUTS—EX-CONS JOIN THE POLICE FORCE

(By Lloyd Shearer)

LOS ANGELES, CALIF.—What do you think of a police department which boasts among its members a wide assortment of ex-convicts—former thieves, dope addicts, prostitutes, forgers, the whole gamut of criminals?

In Los Angeles, the people and the police believe that ex-convicts can play an important and beneficial role in law enforcement, that no group knows as much about crime as ex-criminals.

Twenty men and four women who a few years ago were bitter enemies of the Los Angeles police are now their devoted colleagues.

These former felons advise rookie cops on basic underworld truths. They explain the secrets of successful thievery, why girls become prostitutes, where youngsters buy their dope. They reveal firsthand the inside story of crime.

More important, they move into the city's most depressed and poverty-ridden areas from which they themselves spring—the black and Mexican districts—and here they try incredibly hard to prevent young boys and girls from going wrong.

Because they themselves are members of minority groups and accepted as "one of us," they are most effective in reducing hostility toward the police.

Such hostility is understandably high among non-whites, who often accuse the police of being unfair, corrupt, incompetent, and unsympathetic, and yet at the same time, demand zealous protection by police who are unwelcome in their community.

The unlikely alliance between cops and robbers in Los Angeles began in early 1968. Taking advantage of a federal program (Department of Labor—Concentrated Employment Program of New Careers) which finances organizations willing to hire "hard-core unemployed," the Police Department asked for a grant of $340,000.

When the federal government came across with the money, the police advertised for "community relations aides" at $2 per hour who met the following qualifications:

1. Twenty-two years or older.
2. Fifth-grade reading level.
3. Unemployed.
4. Family income below the poverty level.
5. No homosexuals.

EXCONVICTS APPLY

Police Sgt. Lou Reiter, a graduate of UCLA and a major in political science who handled the first response, says: "You should have seen the crop of applicants we got. They were almost exclusively ex-cons. Of the first 20 we chose for the program, we had ten Negroes, eight Mexican-Americans, and two Anglos.

"Of these 20," he recalls, "18 were ex-convicts, with records for theft, assault, burglary, manslaughter, and attempted murder. Ten were also ex-heroin addicts, and one fellow, 30, had spent more than 16 years in jail."

The ex-cons didn't know what to expect from the police, and the police had little or no idea of how the men would react to training. Surprises were in store for both groups.

"On the third day," Reiter remembers, "one of our trainees held up a bank because he needed $35 for rent money. Another went back on heroin, a third died of a heart attack, a fourth simply disappeared, a fifth followed his wife back to Texas, and a sixth was jailed three times during his ten weeks of training."

What did the ex-cons learn in their ten weeks of training? They learned first that the Police Department had no intention of using them as informers or stool pigeons.

"What we plan to do with you men," one police officer explained, "is to assign you to various police divisions and have you handle the public. We want you to go into the poorer districts of the city, to organize, recruit and register kids for various athletic programs.

"We want you to talk to student forums, to parents, to help the kids go straight. We want you to tell the people about the Police Department activities and services, that you and we are here to serve them. We want to improve our image. We want you to get idle kids off the street corners and into some meaningful work, to tell them what programs are open.

"You can tell us how burglars work, how criminals think. But we don't want any stoolies. That's not your function. Once you inform on somebody in the community to which you're assigned, no one in that community will trust you. We're not going to use you in law enforcement, either. You're not going to be armed or charged with helping to make arrests. You'll be given a Los Angeles police civilian employee identification card with your photo on it. But you'll work in civilian clothes.

"After a year you'll be making $428 a month with a chance for continued raises."

CIVIL SERVICE STATUS

The first year of "The Community Relations Aides Program" has passed. It has proved so successful that the aides have been granted civil service status, and the project has been extended to include females.

Four women, all ex-dope addicts who once did "anything and everything" to feed their narcotics habit, all of them paroled from the rehabilitation center at Corona, Calif., are enrolled in the program.

Where formerly they feared the police, they now stride nonchalantly through the department, exchanging confidences with officers, but still always remembering what life was like on the other side of prison bars.

They know how to empathize with the young, how to help teenaged girls resist the lure of heroin and prostitution, how to identify with the depressed, the downtrodden, the disappointed.

To talk, for example, to gentle, soft-voiced Terry Leon, 23, one would never imagine that she was a former heroin addict who only a few years ago had wallowed in the muck of degeneracy.

"To tell the truth," she confesses, "I was incorrigible as a kid. I went to seven different schools around Los Angeles and got in trouble in every single one. Then when I was 15, I quit to get married. I married a 17-year-old boy. He was a truck driver.

"My father was also a truck driver. He came from Arizona. My mother worked as a waitress and she came from Texas. My folks never gave me much supervision as a girl. I started smoking cigarettes when I was 10.

ON MARIJUANA AT 12

"By the time I was 12, I was on marijuana. I was dropping pills, ditching schools, staying out all night. That's pretty common routine for Mexican-American kids in East Los Angeles."

At 18, Terry had her third child, then was separated from her husband.

"I was stuck in the house with three kids," she explains. "I was depressed. Life seemed hopeless. I had no skill, no ambition. To cheer myself up, I had friends come over to my house. One time I found somebody 'fixing' in the bathroom. So I said to myself, 'I'm going to see what it's like. Why is everybody always getting loaded?'

"So at first it was curiosity, just trying something to cure my depression. Heroin seemed to do the trick. So from my first fix I just kept fixing. To get the stuff I started living with this guy. He was dealing dope and I just hung on to him. Because he was living in my house and dealing from there, he used to turn me on for being his old lady, for supplying him with meat.

"One day my mother came over. I was loaded from dropping some reds (Seconal tablets) and when I went to the grocery store, she called the police. When I got back the officers were there and they brought me here to the glass house (police headquarters)."

Terry was sentenced to the California Rehabilitation Center where she had time to look back upon her life and realize that like other adolescents she had needed love, understanding, and supervision, but had been given none of these. She realized that for her, marriage and heroin had served as escape mechanisms. With the help of group therapy and individual will power, she kicked the habit. But only for two years. A year ago she reverted to heroin. "But then I had the good sense to turn myself in."

Released five months ago, Terry went to friends and asked for a job. One of them told her about the Community Relations Aides Program at the Police Department. She applied and was taken.

Since then she has been attending remedial classes four times a week, learning and earning her way to a high school diploma. She lives in a suburb with her mother, says she is good with kids. "They open up with me. They admit to using drugs. They're begging for help. And I know that by showing interest in them, getting them involved in some project, that I can help them. What minority kids want most is a little hope, a little opportunity to share in things. They want to become part of the city and not to be treated as unwanted outsiders. They need a purpose for living."

A PURPOSE IN LIFE

Don Roberts, a 29-year-old ex-thief who used to burgle three houses a day for five years to satisfy his heroin craving, says that he has found a purpose in life as a community relations aide.

"My purpose," he declares, "is to help people. I know a good deal about robbery so I advise people how to protect their property. I know something about kids, so I advise them how to avoid the pitfalls."

Roberts, from Bell Gardens, a low-income area of Los Angeles, started "popping pills" and "smoking the weed" when he was 15. "It seemed like the thing to do, so I did it."

Arrested for stealing tires, he was sent to Juvenile Hall "where I learned the most about crime. The older boys talked about what they had done and explained how to do it.

"When I got out I went to live with my sister and discovered that my brother-in-law was taking heroin. At 20, I was a full-fledged addict.

"From 1960 to 1965 I lived in half a garage. I didn't see or speak to anybody. I lived in this dirty, cramped garage next to a car with only one goal—my next fix. I was an animal. I lived by stealing. When the police finally caught me, I honestly felt relief."

TURNS HIMSELF IN

Sent to the rehabilitation center at Corona, Roberts resolved to go straight when he was released. "My resolve lasted five hours. I was taking heroin before the day was out. I knew I was hooked, so I turned myself in."

While he was serving time, Don discovered that his younger sister had started taking dope. He was so shocked that he began to assess seriously what heroin had done to him and what it would also do to his sister.

He was determined to make an honest living upon his second release. "But it wasn't easy. Once you have a felony on your record, and I had 20 on mine, hardly anyone will give you a job, rent you an apartment, extend even a buck's worth of credit. That's why this community relations program for ex-cons is such a break.

"My parole officer told me about it. And well, it's made a new man of me. It's given me self-respect, decency, authority, a regular salary, the feeling of belonging to society, of not being an outcast.

"I not only go around lecturing to kids, but I talk to the class of police rookies, explaining how things are different on the other side of the tracks and how they can best operate in those areas. I also explain the various methods of housebreaking and burglary."

Working as a community relations aide is not exactly a picnic for Roberts. He's achieved a new stability but his old pals in the neighborhood ostracise him for going straight, and while the police appreciate him, they don't necessarily embrace him.

LETTER FROM A GIRL

His major satisfaction, he says, comes from helping the young. Following one of his lectures in a Los Angeles high school, he received a letter from a young girl: "You were able to convince a friend of mine to stop taking drugs, something I hadn't been able to do. Thank you."

According to Roberts, "kids will listen to a police officer when he talks about crime prevention, but they don't really hear. When an ex-con like myself talks, they not only listen and hear, but later they ask questions. That's when I know I'm doing something good."

## DR. DRAPER'S GENIUS

### HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. PHILBIN. Mr. Speaker, I revise my remarks in the RECORD and include therein a very timely article by Mr. Victor K. McElheny of the Boston Globe staff which recently appeared in that distinguished publication entitled "Draper Believes MIT Will Keep Moon Work."

This article quoted Dr. Charles Draper of MIT, world renowned space and guidance scientist, whose contributions to the space program were so meaningful in making the recent moonshot successful and in other epochal guidance advances.

It is reassuring to know that Dr. Draper is continuing his great work in space and guidance for defense exploration and industry and the good of the country.

I hope that the work of this great scientist will continue for many years to come in all the areas that his genius has so greatly enriched in solving many space guidance problems that heretofore have been regarded as impossible of solution.

I hope that any difference between academic scientists and Dr. Draper will be reconciled for the good of science and the benefit of the Nation and the world.

Let us get on with Dr. Draper's great work and make sure that, whatever the cost, it is not interrupted by unfortunate personal controversy, or ideological confrontations between scholars and their disciples that sometimes spark serious dissension in academic communities. The article follows:

DRAPER BELIEVES MIT WILL KEEP MOON WORK

(By Victor K. McElheny)

Dr. Charles Stark Draper, outgoing director of the Instrumentation Laboratory at the Massachusetts Institute of Technology, made it clear yesterday he does not feel that Apollo guidance work is threatened by MIT's plans to "civilize" the lab.

I–Lab, which operates in a number of buildings near MIT's Cambridge campus, does some $26 million worth of research for the Defense Department each year and about the same amount for the National Aeronautics and Space Administration.

Draper is stepping down Jan. 1 as head of the laboratory. He will be replaced by Professor Charles L. Miller, an expert in "systems analysis" of urban problems.

Draper regards Miller's appointment, announced Sept. 25 as part of an MIT policy to shift I–Lab and Lincoln Laboratory in Lexington toward more civilian work, as a sort of dismissal. He will continue as a consultant and supervisor of projects he started. "I didn't resign—I got fired," he says.

This week, he indicated that changes in the laboratory's course could so weaken its established work in defense and in space that the engineers working on problems of missile, submarine and spaceship guidance might have to leave MIT and form an independent company. He has mentioned this possibility before.

But yesterday through an MIT spokesman, Draper said, he understood that the work for NASA was not being called into question.

Last Spring, a committee on MIT's relations with its two large defense-related laboratories recommended that I–Lab wind up its work on guiding submarine-launched Poseidon missiles as "inappropriate for Institute sponsorship."

## HONORING GEORGE JUE

### HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BURTON of California. Mr. Speaker, I should like to take this opportunity to call to the attention of my colleagues in the House, the honor which has been bestowed upon a distinguished San Franciscan and leader in San Francisco's Chinese community.

Mr. George Jue, a valued and longtime friend, has been cited by the Department of the Army for his years of generous service to the recreation program for wounded servicemen at Letterman General Hospital at the Presidio of San Francisco.

George Jue has been cited for his humility and generosity repeatedly, and has had resolutions adopted honoring him by the legislature of the State of California, and by the board of supervisors of the city and county of San Francisco.

I am taking the liberty of placing in the RECORD at this time the text of the certificate of appreciation. I am sure that my colleagues join with me in extending this warm expression of appreciation to this most singular man:

THE CERTIFICATE OF APPRECIATION FOR PATRIOTIC CIVILIAN SERVICE IS AWARDED TO GEORGE JUE

*Citation.*—During the period 1951 to 1968, Mr. Jue, and the staff of the Lamps of China Restaurant, supported the patient recreation program of Letterman General Hospital, San Francisco, California, in an outstanding manner. The actual number of free dinners for patients over this seventeen-year period cannot be calculated, but is estimated to number in the thousands. Mr. Jue's concern for the entertainment of wounded American servicemen represents a chronicle of devotion and generosity. He has set an example of patriotism and civic responsibility, demonstrated in countless tangible ways, worthy of emulation by all American citizens.

## IN MEMORY OF A GOLDEN SENATOR

### HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. McDONALD of Michigan. Mr. Speaker, on September 9, I introduced House Joint Resolution 891 designating the American marigold as the national floral emblem of the United States. As we all know, the late Senator Everett Dirksen was an enthusiastic champion of this flower. To honor the deceased senior Senator from Illinois, Mr. David Burpee has named a new golden hybrid marigold "Senator Dirksen."

At this time I would like to call to the attention of my colleagues an article which appeared in the November 19 issue of the Chicago Tribune which provides a more detailed explanation of Mr. Burpee's efforts. The text of the story is as follows:

IN MEMORY OF A GOLDEN SENATOR

(By Art Kozelka)

A new, golden hybrid marigold has been named Senator Dirksen in honor of the late senator from Illinois, who for a decade had championed the marigold as the most appropriate flower for America's national floral emblem.

Naming the new flower was disclosed by THE TRIBUNE by Sen. Dirksen's close friend, David Burpee, president of the W. Atlee Burpee Seed company, becaus, Burpee said, "We believe his many friends in his home state should be the first to know about it."

The flower will be introduced to the public for the first time at the Chicago World Flower and Garden show in the International Amphitheater March 7 to 15, where it will be featured in Burpee's marigold garden. The garden will be dedicated in memory of Sen. Dirksen.

Burpee, who has devoted more than half a century to the development of marigolds regards the Senator Dirksen as the best he has created.

It bears large, golden yellow blooms in profusion, on strong, stout stems. Flowers often are 5 inches across, equally spectacular in the garden or when cut for indoor arrangements. Like all marigolds, they are easy to grow from seeds and rarely are troubled by disease or insects.

Gardening was a hobby of the late senator, and marigolds were his favorite flower. Early last February, addressing Congress in behalf of a joint resolution to designate the marigold as the national floral emblem, he said:

". . . It is actually an American native [flower] and really not native to any other place on earth. It is grown in great profusion in every one of the 50 states and strangely enough is not the official flower of any state.

"I grow thousands of them every year for my own delight and the delight of my neighbors, and I know what this flower will do.

"I class it, therefore, with the American eagle when it comes to a symbol of our country that manifests stamina; and when it comes to beauty, I can think of nothing greater or more inspiring than a field of blooming marigolds tossing their heads in the sunshine and giving a glow to the entire landscape."

Burpee said he had been wanting to name a marigold in honor of Sen. Dirksen, but until now never thought he had one good enough.

"Now," he said, "people from all over the United States have been urging me to do it, and I am proud to have the privilege of naming this best of all marigolds in honor of the great senator from Illinois."

Sen. Dirksen's widow, Louella, and daughter, Joy, wife of Sen. Howard H. Baker [R. Tenn.], were delighted that Burpee wanted to name the new marigold after Sen. Dirksen.

The Burpee seed company's 1970 catalog, which goes to more than 2½ million home gardeners right after Christmas, will feature a full color picture of the Senator Dirksen marigold.

With all this interest in marigolds, it is not inconceivable that it someday may actually become the national floral emblem.

It was just a few days after the senator's death on Sept. 7 that Congressman Jack McDonald [R. Mich.] urged Congress in a joint resolution to grant Sen. Dirksen ". . . in death that wish which he failed to see fulfilled in life."

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## THE NATIONAL AMPUTATION FOUNDATION: HALF A CENTURY OF DEDICATED SERVICE

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### HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. HALPERN. Mr. Speaker, it is my great pleasure to speak for a few moments at this time to honor an organization which has been performing a great service for certain special members of our Armed Forces for half a century. This organization is the National Amputation Foundation and the people they serve are those brave young men who, while wearing the uniform of their country, have suffered the amputation of one or more limbs. The National Amputation Foundation has for 50 years, since 1919, been offering valuable assistance to veterans of World War I, World War II, the Korean war, and now the war in Vietnam, who were so seriously injured.

The amputation of limbs causes tremendous physical and psychological problems for a young man, and poses obstacles to surmount that those of us who have not lived through it can only begin to imagine. This is why the National Amputation Foundation's program of assistance and encouragement is so vital and so successful. For who can better help these young men only just beginning to try to cope with their losses than a dedicated group of mature men who have lived through this experience themselves? Their advice and the very example of their own lives can be invaluable to the young amputee.

The services provided by the foundation—legal counsel, vocational guidance and placement, social activities, liaison with outside groups, psychological aid, training in the use of prosthetic devices, and since 1961 manufacture and repair of these artificial limbs in its own shop—are services needed desperately by the newly returned amputee as he faces the strange and sometimes frightening new world his loss has created.

Returning to his home community and a resumption of what he considers normal life, a young amputee must make any number of important adjustments in his life. He may be forced to abandon his former plans for his vocational career because of the limitations imposed upon him by his handicap. He may encounter within himself uncertainties about his social life. These are the areas where the sympathetic counsel the staff of the foundation offers can be so essential if the necessary adjustments are to be made.

Sometimes these problems are simply too tough to be faced alone, and the understanding of those men of the foundation can make all the difference between success and despair. For these men, too, have suffered the loss of a limb and have faced the readjustment to normal community life.

In the last few years the foundation has made a particular effort to reorient the returned Vietnam amputee socially. With visits to both the Walter Reed Hospital in the District of Columbia and the Valley Forge, Pa., hospital, they have helped to cheer up these young amputees and to turn their minds from their disabilities to the lives they will live after rehabilitation. The foundation has sponsored several excursions of amputees to New York City for a good time there, and this past Labor Day some 40 amputees were flown to Las Vegas, Nev., for a happy holiday.

While these activities may seem somewhat frivolous to the casual observer, they are highly effective in helping to reorient and adjust these young men. Many of them are very much concerned about living with their handicaps and the effect of them on their social life. In fact, many of the older members of the foundation report that one of the first questions they are asked by the young amputees is whether they got married before or after the injury.

Again I must express my sincerest admiration for the National Amputation Foundation and for its tireless efforts on behalf of the young men of our country who have given so much. The 50 years of selfless service to the needs of the amputee are a remarkable achievement indeed.

A few of the many laudatory comments the National Amputation Foundation constantly receives, I think, also conveys just what a marvelous, humanitarian effort this voluntary organization has undertaken. For the benefit of my colleagues, I am inserting a few letters Mr. Sol Kaminsky, the foundation's secretary, has received from the branches of the Department of Defense:

DEPARTMENT OF THE AIR FORCE,
*Washington, July 28, 1969.*

Mr. SOL KAMINSKY,
*Secretary, National Amputation Foundation Whitestone, N.Y.*

DEAR MR. KAMINSKY: On behalf of President Nixon, I am replying to your recent letter regarding military air transportation for 40 amputee servicemen from Walter Reed General Hospital, Washington, D.C., to Las Vegas, Nevada, to be guests of Caesar's Palace during September 1–4, 1969.

The interest displayed by the National Amputation Foundation in the welfare of our hospitalized servicemen has done much to boost their morale and attitude towards rehabilitation. Under the circumstances, military air transportation for these 40 amputees has been authorized. Please contact Captain Gordon Hoelscher, Social Work Service, Room G67, Walter Reed General Hospital, Washington, D.C. 20012, as soon as possible for final arrangements.

It is a pleasure to have been of service to you in this worthy endeavor.

Sincerely,

JOHN C. GIRAUDO,
*Brigadier General, USAF.*

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DEPARTMENT OF THE ARMY,
OFFICE OF THE SURGEON GENERAL,
*Washington, D.C., March 24, 1969.*

Mr. SOL KAMINSKY,
*National Amputation Chapter #76, Disabled American Veterans, Whitestone, N.Y.*

DEAR MR. KAMINSKY: You were most kind to advise me of the whole hearted support that you and other members of National Amputation Chapter #76 are giving to entertain our soldiers who lost their limbs while serving our nation in the Republic of Vietnam.

It is this type of activity which reveals to our servicemen who are so valiantly fighting in distant lands that their efforts are of the utmost importance to the American civilian population, especially those such as you who have given so much in previous conflicts. It is indeed commendable that you and your fellow chapter members are giving the time and facilities to not only entertaining these Vietnam veterans but also the tremendous insight you are offering these men toward a future productive life.

May I take this opportunity to add my appreciation to that of General Hughes and Colonel Coates for the wonderful manner in which you have shown your concern for our patients from Walter Reed General Hospital and Valley Forge General Hospital.

The listings you requested are inclosed, I trust they will be of some assistance for you to continue your invaluable service to our hospitalized Vietnam veterans.

Sincerely,

LEONARD D. HEATON,
*Lieutenant General, The Surgeon General.*

DEPARTMENT OF THE ARMY, WALTER REED GENERAL HOSPITAL, WALTER REED ARMY MEDICAL CENTER,
*Washington, D.C., May 27, 1969.*

Mr. SOL KAMINSKY,
*National Amputation Center,*
*Whitestone, N.Y.*

DEAR MR. KAMINSKY: On behalf of the patients and staff of Walter Reed General Hospital, I wish to express my sincere appreciation to you and the members of the National Amputation Center, Chapter #76, for arranging for a group of our patients to be your guests in New York City following your annual Spring Rehabilitation Ball.

The accommodations for our patients and the numerous social and recreational functions that you coordinated were outstanding. Particularly significant was the warm hospitality and friendship they received throughout their time in New York.

These events provide a most welcome break in hospital routine and have assisted greatly in maintaining a high level of morale at Walter Reed.

Thank you for your continued support and interest in our patient entertainment program.

Sincerely yours,

CARL W. HUGHES,
*Colonel, MC, Commanding.*

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DEPARTMENT OF THE ARMY, WALTER REED GENERAL HOSPITAL, WALTER REED ARMY MEDICAL CENTER,
*Washington, D.C., October 4, 1969.*

Mr. SOL KAMINSKY,
*Disabled American Veterans,*
*National Amputation Chapter,*
*Whitestone, N.Y.*

DEAR MR. KAMINSKY: I wish to express my sincere thanks and appreciation to the Disabled American Veterans for making the recent trip to Las Vegas possible. It was truly an unforgettable experience for the patients as well as for the staff which accompanied them.

As a physical therapist, it was a privilege and an educational experience to have gone on the trip. It gave me a greater awareness of the problems which the disabled face out of the hospital environment.

The patients displayed a high level of adaptability to new situations becoming quite independent in all activities of self-care and daily living. If they were cautious or dubious as to their being accepted by society, their fears were quickly overcome.

Both physically and psychologically the therapeutic value of the trip was remarkable.

Respectfully,

GILBERT SOSA,
*Capt., AMSC.*

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## AGNEW AND THE TV NETWORKS

### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. DERWINSKI. Mr. Speaker, the national debate which Vice President AGNEW has sparked by his comments on television political commentary continues and I believe that an objective discussion of the subject will be in the national interest.

One of the more objective articles on the subject which I noticed appeared in the November 22 Daily Calumet in a comprehensive report from the publication's Washington reporter, John D. Lofton, Jr.:

AGNEW AND THE TELEVISION NETWORKS
(By John D. Lofton Jr.)

If network television reporters are no better at reporting the news than are the presidents of the networks themselves, then we are in real trouble. Consider the reaction to Vice President Agnew's recent remarks about the television news medium.

CBS President, Frank Stanton replied, in part: "Whatever their (newsmen) deficiencies however, they are minor compared to those of a press which would be subservient to the executive power of government."

Echoed N.B.C. President Julian Goodman: "It is regrettable that the vice president of the United States would deny to television freedom of the press. Evidently, he would prefer a different kind of television reporting—one that would be subservient to whatever political group happened to be in authority at the time."

Unfortunately for these two network presidents, what they had forgotten was that the American people had seen the vice president make his speech, live on television, and nowhere in it were government or political controls advocated. As a matter of fact, Agnew had very wisely headed off this chimera and said very specifically:

"I am not asking for government censorship or any other kind of censorship. I am asking whether a form of censorship already exists when the news that 40 million Americans receive each night is determined by a handful of men responsible only to their corporate employers and filtered through a handful of commentators who admit to their own set of biases . . . Tonight, I have raised questions. I have made no attempt to suggest answers. These answers must come from the media men. They are challenged to turn their critical powers on themselves. They are challenged to direct their energy, talent and conviction toward improving the quality and objectivity of news presentation."

Hardly a call for the intervention of Big Brother. More like "physician heal thy self."

The reaction outside the media itself was equally maladroit but Teddy Kennedy's comments were singularly hypocritical. The senior Senator from Massachusetts said that the Vice President's speech was "an attack designed to pit American against American . . . an attack with the ultimate aim of dividing this country into those who support and those who do not support our President's position in Vietnam."

This charge of divisiveness from a man who only nine days earlier had denounced President Nixon's televised Vietnam talk saying:

"And so this Administration, by clinging to the policies of the past, when the time for peace has come, must expect those who feel differently will rise to this test. The call for unity cannot be responsibly heeded when a leadership has exhibited no policy or plan that unifies. It is difficult to ask a people to join in support of a position that is no different from that which has split our country before."

Undoubtedly what has bugged the networks the most about Agnew's criticisms is not the criticisms themselves, because they have been voiced before, but the fact that they were made at the vice presidential level and with the approval of the President.

Writing earlier this year in the "American Legion" magazine, the syndicated father and son team, Roscoe and Geoffrey Drummond, made a similar appeal for "perspective and balance" and a "wider awareness" by the media that they have a responsibility to do more than sell bad news because it is more exciting.

"The peril is that if any large number of Americans are induced to accept the false image of their nation—the image that wherever you look, virtually nothing is right—then we will be standing at the brink of national impotence, political lethargy and the pervasive conviction that nothing can be put right because so much is wrong," wrote the column-writing duo.

Joseph P. Lyford, liberal Professor of Journalism at the University of California at Berkeley put it another way:

"Today television is relaying versions of a group theater . . . The purpose of the new play is largely the play itself. The script has concerned itself with proclamations and ultimata rather than questions. The language is loud and verbose and increasingly aimed at the destruction rather than the restoration of the dialogue . . . Time given by television and the press to the staged event is time taken away from reporting the happenings that are not contrived . . . If the day comes when television is freed from its dependence on what this or that angry crowd is doing, we will get a very different perspective on what is going on inside this country and inside our heads."

Television reporting of the Democratic National Convention in Chicago last year is a case in point. A report submitted to the chairman of a House Commerce subcommittee speaks of one-sided coverage favoring the cause of the demonstrators:

"In general, there seems to be substantial evidence of animosity by members of the TV news organizations against the Democratic Party, or at least certain of its prominent members, and the administration of the city of Chicago. This seems to have been reflected in the slanting of the reporting of the events as they took place . . . In an attempt to give an over-all impression, it might be said that the coverage presented over the air does, in retrospect, seem to present a one-sided picture which in large measure exonerates the demonstrators and protestors and indicts the city government of Chicago, and, to a lesser degree, the Democratic Party."

Not only distorted, but dull, too, the first Alfred I. du Pont-Columbia University Survey of Broadcast Journalism called television's coverage of the two national political conventions "profound journalistic ennui for purveyor and consumer alike."

In raising certain questions about the media, Vice President Agnew noted that while there is great concern about the financial connections of Senators, Congressmen and Judges, network newsmen seem to be immune from the same close scrutiny.

"When a single commentator or producer, night after night, determines for millions of people how much of each side of a great issue they are going to see and hear; should he not first disclose his personal views on the issue as well?" asked Agnew.

The case of Chet Huntley illustrates why this suggestion is not an idle one.

The Federal Communications Commission last year sharply rebuked N.B.C. for having failed to disclose Chet Huntley's financial interest in the livestock business after he made broadcasts attacking Federal meat inspection requirements.

The commission asserted that a "substantial conflict of interest appears" to have existed with Mr. Huntley's broadcast on meat inspection. In addition, they went on: "N.B.C.'s conduct fell short of compliance with the requirements of the fairness doctrine," which requires "a reasonable opportunity for the presentation of conflicting viewpoints."

In short, Vice President Agnew's remarks about the media were simply a reiteration echo of what FCC commissioner Nicholas Johnson said over a year ago:

"Radio and television mold minds, 200 million of them, in numerous ways every day. It is long past time that we find out just what it is these potters are making out of the clay they knead inside our heads."

## DR. WILLIAM T. PECORA RECEIVES DISTINGUISHED SERVICE AWARD

### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. RODINO. Mr. Speaker, my very good friend and constituent Dr. William T. Pecora received last week a distinguished award for his outstanding contributions to public service. I am certainly delighted to see this recognition come to one whom I have known and admired for many years.

Dr. William T. Pecora, an earth scientist of international stature who directs the many, far-reaching missions of the U.S. Geological Survey, was named as one of seven winners of 1969 Rockefeller Public Service Awards given annually in recognition of "distinguished service to the Government of the United States and to the American People."

Conceived and financed by John D. Rockefeller III, and administered by Princeton University's Woodrow Wilson School of Public and International Affairs as a national trust, the awards are the highest privately sustained honors for American career civil servants. Each award carried with it a $10,000 cash grant.

Dr. Pecora, selected for the award in the category of the General Welfare or National Resources, was honored Wednesday, December 3 at the Rockefeller awards luncheon at the Shoreham Hotel, Washington, D.C. The presentation was made by Dr. Robert F. Goheen, president of Princeton.

As Director of the 9,000-member U.S. Geological Survey, largest scientific agency in the Department of the Interior, Dr. Pecora—an expert in mineralogy, petrology, and geochemistry—is responsible for planning and directing programs concerned with such fundamental matters as distribution of the Nation's resources, the basic geological framework of the United States, and protection of the environment.

In 30 years with the Geological Survey, for the last 4 as its chief administrator, Pecora, a 56-year-old native of Belleville, N.J., has won wide recognition for his innovative approaches to the earth sciences. He initiated the EROS—earth resources observation satellites—program—an effort in which the Geological Survey joined with NASA and other interested institutions in a project aimed at gathering facts about the natural resources of the earth from earth-orbting satellites carrying sophisticated remote sensing observation instruments.

Responding to the 1964 Alaskan earthquake disaster, Dr. Pecora established the National Center for Earthquake Research in Menlo Park, Calif., an undertaking designed to develop new instruments for monitoring earthquake faults and through laboratory and field investigations producing important information to aid engineering planning in earthquake-prone areas.

A 1933 graduate of Princeton, with honors in geology, Pecora did his graduate study at Harvard receiving his Ph. D. there in 1939, the year he began his career in the Federal service with the Geological Survey. For nearly two decades he carried on basic research related to the occurrence and distribution of hitherto little known or unknown mineral resources. During World War II he directed field investigations in Brazil which led to the discovery of important mica deposits during this period of national emergency.

His work on carbonatites and sulfide-bearing silicate carbonate rocks were major factors in his election in 1965 to the National Academy of Sciences for continuing achievements in original research; he is one of only 40 geologists in that distinguished body.

In 1957, Pecora moved into scientific research administration with his appointment as Chief, Branch of Geochemistry and Petrology of the Geological Survey, and 7 years later was named Chief Geologist. In 1965 he was appointed Director of the U.S. Geological Survey by President Johnson, and was reappointed to that post by President Nixon this past spring.

Dr. Pecora is currently president of the Cosmos Club of Washington, and a resident of this city. A former athlete, he won a national intercollegiate fencing championship in 1933 and in 1936 was a member of the U.S. Olympic fencing team. He is married to the former Ethelwyn Elizabeth Carter; the Pecoras has two children, a son, William C., and a daughter, Ann.

Mr. Speaker, I wish Dr. Pecora many more years of distinguished service, and many more years of happiness and fulfillment.

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## JOSEPH ELI KOVNER ON POLITICS AND THE WAR

### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BROWN of California. Mr. Speaker, this week marks the third month of activities organized by the Vietnam moratorium committee, and, of course, I expect the administration will whip up some more of its special backlashes which seem to be reserved for all critics of our tragic adventurism in Southeast Asia.

But, even though the war leaders prefer to believe that they "own" the "great masses," I feel they are sadly misinformed. Backlashes always seem to reverberate into new lashes, and I will not be surprised to see even greater protests developing this month and through coming months until this cruel war is over.

My longtime friend, Joseph Eli Kovner, head of Kovner Publications in southern California, made many of the above points in a moving column he wrote last month. I agree with Mr. Kovner's outlook on dissent, politics, and the war, and I now place his column in the RECORD at this point:

GALLUP POLL IS WRONG AGAIN! VIETNAM MORATORIUM BACKED BY VOCAL MAJORITY

(By Joseph Eli Kovner)

Some comments on the address by Vice President Spiro Agnew at the Penn. Republican Dinner, Harrisburg, Pa., Oct. 30, 1969.

Coyly, Agnew said, "A little over a week ago, I took a rather unusual step for a Vice President . . . I said something."

As I recall, he hasn't stopped talking before and after his election, or rather, Nixon's election. If he means that everything he said before this particular speech was nothing, I'll have to agree with him.

Guardedly, Agnew said, "Particularly, I said something that was predictably unpopular with the people who would like to run the country without the inconvenience of seeking public office . . . I criticized those who encouraged government by street carnival and suggested it was time to stop the carousel."

This is sheer arrogance. The people should run the government, even when they are not in some kind of public office. The elected officials must not govern without the consent of the governed. If they try, they must be removed, just as Johnson and Humphrey were removed. Agnew is trying to impose a George Wallace type of tyranny over the minds of the populace. And this business of "street carnival" . . . let me say this, last Tuesday, Veterans Day, which used to be known as Armistice Day, being staged were "carnivals" all over this land of ours, propagandizing for this unwanted war in Vietnam instead of memorializing the peace that came about at the end of World War I, and remembering the soldiers who died in defense of our cause, which then, was just. This is what happens when the ultra-conservatives take over the role of patriotism. They have made a mockery of "Armistice Day" or "Veterans Day" and if they have subverted the spirit of this day, and have made this day a day for mongering the Vietnam War, against the wishes of the people of these United States, they will be the ones to suffer the consequences of their folly. The fact is, they will remove Nixon and Agnew faster than you could say "So what's with you, Agnew!"

Belligerently, Agnew said: "It appears by slaughtering a sacred cow I triggered a holy war. I have no regrets, I do not intend to repudiate my beliefs, recant any words, or run and hide."

First, Agnew, brings India's sacred cows into the picture, then, he compares the illustrious members of the United States Senate and Congress, his peer group, mind you, to those engaging in holy war in India. Then, he says, he's not sorry . . . and like a child about to be spanked he utters he won't run and hide."

Paradoxically, Agnew said, "I believe in Constitutional dissent . . . But I do not believe that demonstrations, lawful or unlawful, merit my approval or even my silence, where the purpose is fundamentally unsound. In the case of the Vietnam Moratorium, the objective announced by the leaders—immediate unilateral withdrawal of all our forces from Vietnam—was not only unsound but idiotic. The tragedy was that thousands who participated wanted only to show a fervent desire for peace, but were used by the political hustlers who ran the event."

What he meant to say was, "I don't believe in Constitutional dissent," because you can't have it both ways. If a demonstration is lawful and Agnew doesn't buy it . . . that's really tough!

Our boys will continue to die until we stop this crack-pot realism of Agnew's . . . that an immediate withdrawal will massacre our fighting youths in Vietnam. The tragedy is that wherever we send our soldiers to

fight the holy crusade of anti-communism that is where they are going to die. And they will continue to die until they are told by President Nixon to come on home.

## CONGRESS MUST PROTECT SLEEPING BEAR DUNES

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. DINGELL. Mr. Speaker, for nearly 10 years the Congress has had before it proposals for the creation of a national lakeshore encompassing the Sleeping Bear Dunes area of Michigan.

The proposal has been on the verge of passage in the past; in the 89th Congress it died in the Rules Committee when time simply ran out and Congress adjourned.

We are most hopeful of passage this Congress.

Today the Sleeping Bear Dunes legislation enjoys broad bipartisan support.

My distinguished colleagues from Michigan (Mr. O'HARA and Mr. VANDER JAGT) have introduced Sleeping Bear National Lakeshore bills that are very close in substance. Sixteen members of the Michigan delegation have sponsored one or both of these bills.

The need for passage of this legislation was well stated in a recent editorial in the Michigan State University State News, and I am including its text at this point in the CONGRESSIONAL RECORD:

CONGRESS MUST PROTECT SLEEPING BEAR DUNES

In 1961 Philip A. Hart, D-Mich., introduced the first bill to make Sleeping Bear Dunes a national lakeshore, owned and managed by the National Park System. He successfully brought the bill through the Senate twice, but it still is in the Interior Committee in the House.

Meanwhile, land value continues to escalate and people are still without recreational resources. If Congress doesn't act soon, the opportunity may be lost because private development is proceeding rapidly.

Wayne Aspinall, D-Colo., and chairman of the House Committee of Interior and Insular Affairs, refuses to hold hearings because the Bureau of the Budget will not allocate funds for the project. There is a $275 million backlog for national parks already authorized by Congress. The bureau doesn't expect this to be paid off until 1974.

On June 17, Guy VanderJagt, R-Mich., introduced another bill to establish a Sleeping Bear Dunes National Lakeshore of 61,000 acres. Its primary objective is the preservation of natural and scenic values of the area.

Sleeping Bear Dunes, towering 460 feet above northeast Lake Michigan and adjacent inland lakes, is known for its massive dunes, white sand beaches and deciduous forests.

The area offers a variety of outdoor recreation—swimming, boating, water sports, camping, picknicking, hiking, hunting and fishing. Scientific features of the area attract people interested in geology, biology and ecology.

Preservation of land and inland water surfaces are an alternative to uncontrolled use and development, loss of shoreline access and public outdoor recreation opportunities. The National Lakeshore will preserve the natural scenic and scientific values that first attracted people to the dunes.

The people of Leelanau and Benzie counties, the home of Sleeping Bear Dunes, are opposed to the Lakeshore because they are worried about tax loss and ownership of their property.

Vander Jagt's bill allows many owners of unimproved land continued use of their property, subject only to certain restriction defined in scenic easements purchased from the owner by the federal government. Prior proposals offered protection against condemnation only to improved lands.

This will lower the overall cost of the Lakeshore project, reducing the land the federal government will purchase outright.

With the federal acquisition of lands, local school systems will suffer a loss of tax base. Part of this will be made up by state and federal school aid funds. In addition, Gov. Milliken and several leaders of the Michigan Legislature promised they would work for the passage of state legislation to make up any deficits the area school districts might incur.

National conservation groups are jumping on the Nixon administration, considering it inadequate in meeting the country's growing outdoor recreational needs. Rupert Cutler, East Lansing graduate student who has worked in Washington, D.C., with the Wilderness Society, a conservation group, said the administration seems totally callous and indifferent to conservation and parks.

The Michigan Dept. of Natural Resources supports federal ownership and management of the Lakeshore. Sixteen of the 19 Michigan representatives in Congress have proposed or supported legislation for the Lakeshore. Charles Chamberlain, R-Lansing; James Harvey, R-Saginaw; and William Broomfield, R-Royal Oak have not supported the proposal.

The amount of land under state ownership in the Sleeping Bear Dunes is constantly dwindling. If we wait five more years to pass legislation, more of the land will be in private hands, with many natural features impaired. Congress must act now to protect and preserve the Sleeping Bear Dunes, and make them accessible to visitors through a national lakeshore.

## FUTURE OF OUR SPACE PROGRAM

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. TEAGUE of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a speech made by Dr. George Mueller of NASA, Associate Administrator of Manned Space Flight in which he talks about the future of our space program:

ADDRESS BY DR. GEORGE E. MUELLER, NASA, BEFORE THE 25TH ANNUAL GENERAL MEETING, INTERNATIONAL AIR TRANSPORT ASSOCIATION, AMSTERDAM, THE NETHERLANDS—OCTOBER 23, 1969

It is indeed a pleasure to talk with you on the occasion of the 50th anniversary of this unique organization. The international cooperation which characterizes IATA has been a dominant force in expanding the use of aviation technology, so that every place on earth is accessible to every other, in the relatively short span of fifty years, the airplane has changed the world.

The flight of Apollo 11 has again changed the world. We have now taken the first steps to man's free movement throughout the solar system. Within the next fifty years the solar system may be as accessible to our children as the world is to us today.

We now stand at what is undoubtedly the greatest decision point in the history of this planet. Never before has man been in a position to make a conscious decision to follow a path that would change the future of all mankind. Are we to choose the path that leads to men colonizing the solar system, or will we turn back?

If we choose to go forward, then it would seem appropriate for the nations of the earth to associate themselves in an organization, similar to IATA, which would focus the space efforts of all countries for the greatest benefit to all mankind. The developments now being planned in the United States space program will facilitate and eventually lead to the internationalization of space.

Aviation and space, so similar in many respects that the word "aerospace" has been coined to describe the total activity, have enjoyed an interchange which is only beginning to show its synergistic effects in both disciplines. Our space capability was built upon the solid foundation of a healthy and innovative aviation industry and upon the experience of the teams who built the ballistic missiles. But these were only the foundation. Upon that had to be superimposed the Apollo program structure, harnessing the creative work of scientists and investigators in over 200 universities, the work of 20 major manufacturers and over twenty thousand subcontractors, in which more than 300,000 people were employed at the peak of program activity.

Apollo is the largest engineering program that has ever been accomplished. It was done, as it had to be, by the development and employment of new methods and materials as well as the judicious use of the old. Government, science, and industry were so blended that they worked as a single cohesive organization for the attainment of this difficult goal.

New management techniques had to be invented which would be strong enough to maintain the pace and the perfection which the program demanded, and still be resilient enough to withstand accident and accommodate change. It was necessary to plan for opportunities afforded by success as well as for setbacks which could be expected in connection with any research and development program.

Hardware was being manufactured in almost every state in the nation. Millions of parts had to be factory tested, certified "man-rated" and then shipped to Cape Kennedy where they would be integrated into the total system.

Three major centers and a score of smaller ones, each under the direction of strong and innovative people, needed to be carefully focused upon the goal—the lunar landing. A total systems approach was obviously necessary. A pattern of project management was instituted which Fortune Magazine recently called a "management revolution".

Apollo offices were set up at each Center as well as on the premises of the major contractors, much as airline technical offices are installed in the plants of major suppliers of equipment. These project offices monitored design, schedule, cost, performance and quality control and formed a separate network headed by the program offices in headquarters in Washington. Communication lines between all offices remain open at all times. Visibility of all problems at the earliest possible moment was essential to prevent their escalation.

A most experienced group of individuals, the chief executives of the manufacturing companies which were producing the bulk of the hardware were asked to serve as members of the "Apollo Executive Group" which acted both as an advisory board to us, and at the same time, because an effective communications link between Apollo management and their own companies. The dedication of these men has been one of the greatest assets of

the program and a continuing source of real help to me.

In another area of equal importance, the Science and Technology Advisory Committee was formed. This group of 15 renowned scientists, led by Dr. C. H. Townes, included three Nobel Laureates as well as Dr. Lee DuBridge, now Science Adviser to President Nixon. Their constant interest and thoughtful watch over the scientific and new technological developments were responsible for a great part of the success of the program, both in science and in execution.

It was the intent of the Apollo Program not only to create the capability to land men on the moon and return them safely to earth, but to do it within the time and cost constraints originally set. Therefore tight scheduling was obligatory for getting the job done in a timely fashion and was the major factor in cost savings. Toward this objective another new concept was introduced—"all-up" testing. Instead of the incremental testing which had been used in previous research and development programs, each part was thoroughly tested on the ground, and then the whole system was assembled and tested all together in the first flight of this totally new equipment.

Thus, the first Saturn V flight tested for the first time the first, second, and third stages of the Saturn rocket as well as the guidance system, and in addition simulated the flight out to the moon and back with the Command and Service Module. This simulation provided the first test at lunar re-entry velocities of the spacecraft heat shield as well as the first test of the Apollo recovery forces.

This successful mission allowed the third Saturn V to be manned and the first lunar flight (Apollo 8) to be carried out on this first manned test of the Saturn V.

One consequence of this highly successful activity is the fact that we now have nine Apollo-Saturn V's which stand ready to carry out further missions in space. And the program goal, the lunar landing, was completed within the time specified and at the lowest cost estimated in 1961.

The successful operation of hardware and software, of men, machines and systems, points up with extreme clarity one of the most significant influences which the space program is now exerting and which may be expected to proliferate throughout our industrial society. This is what I have chosen to call the "technology of perfection". Manrating of thousands of systems and millions of parts has forced a new element into the American manufacturing system. We have not formerly expected the precision associated with the manufacture of a fine watch to be applied to a giant engineering project, but every time a Saturn V is launched we know that more than three hundred thousand people did all the essential things right.

Of 15 million parts in the Apollo-Saturn vehicle which took off from Cape Kennedy and flew out to the moon on July 16, 1969, the fact is that only one non-critical part failed on that mission. That is a demonstrated reliability of .999,999,996—a really phenomenal level.

Another notable effect of this program is the great mixing of disciplines which has resulted from its needs. Parochial differences had to fall away so that medical doctors could work with aeronautical engineers. Electronics experts planned the portable life support system which sustained Astronauts Armstrong and Aldrin on the moon in company with fabrics manufacturers, chemists, biologists, doctors and engineers. Scientists and engineers worked in harmony to design and develop the complex of tracking stations which carry communications between earth and the spacecraft—no matter where it may be, all the way out to a quarter of a million miles.

In thousands of separate regimes the space program has forced the application of our knowledge of natural laws. These developments compare, at least in number, with those usually associated with a major war. However, it is important to note that wars do not produce new knowledge, but rather demand the application of all knowledge to the needs of the moment. On the contrary, the space program has produced a series of breakthroughs in weather, in communications, in our knowledge of the space about the earth, of the sun, and now of the moon. It has given us new tools and a whole new environment in which to search for fundamental information.

But this is just the beginning. Within the next ten years we can expect the full effect of the space age to be felt. New insights into our complex environment will spur the development of new industries, new products and the new jobs which we need to gainfully employ our expanding populations.

Probably one of the first areas which will be dramatically effected by our space experience is air transportation. Early benefits to the space program bestowed by the experience and the knowledge transferred from the aviation community, are now beginning to be reciprocated.

An inertial guidance system fundamentally the same as that which carried Apollo 11 to the moon is now being installed in the Boeing 747. Data concerning the flammability of non-metallic materials, accumulated for use in the Apollo Modules, is being utilized for interior fittings in that new aircraft.

Less obvious transfers from space to aviation include new composite materials which withstand stresses and temperatures not previously encountered. Optical tooling is already being used for large structures. Welding with new materials and by new processes, originally developed for space, is being used in new aircraft.

While many spacetechnology developments have already found their way into commercial aviation, there are others which will soon come into everday use. Soon, each future generation aircraft will have its own general purpose on-board digital computer. The use of solid-state large-scale integrated circuits for multiplexing and self-checking circuits will eliminate most cabling and much maintenance.

The rate of technology development is directly related to the speed with which our society progresses, the speed with which the standard of living and the amount of each person's wealth increases. We can, because of the large number of space-inspired products and systems, expect a correspondingly large increase in the wealth of all sectors of our society within the next few years. Yet we are only on the threshold of space exploration. We have yet to reap the benefits of the capability to operate in this new territory mankind has acquired. These benefits will be great, beyond our ability to imagine.

We now have the opportunity to place observatories where we will in the space between the earth and the moon which can improve our understanding of the basic physical processes in our solar system. Spacecraft can range throughout our solar system exploring the space environment, and other planets, searching for forms of life.

Weather satellites, already in general use, will be improved so that dependable weather information will become available weeks in advance. The possibility of eventual modification of weather will move closer to realization.

Communications satellites are in use. Improvements in these will allow direct radio and television broadcast to homes, offices—and of major importance, to schools. Other types of satellites to survey the earth give promise of increasing food production, conserving resources and monitoring pollution of water and air.

Scientists are intrigued with the possibilities of making use of the unique characteristics of space for experimentation with materials and processes. Molten metal will take the shape of perfect spheres in the weightlessness of space, so that perfect ball bearings will be produced. We discovered crude examples of this on the moon. Subject only to surface tension and free of the constraints of a mold, crystals of great purity and great size might be grown. Dissimilar materials might be combined, like glass and steel or ceramics with plastics. Bubbles blown into molten steel may yield a material with the strength of steel—and the weight of balsa wood. Simple experiments carried out in this new environment may produce materials and processes not possible on earth.

For the conduct of these and other experiments and for the efficient utilization of the space environment, a large space station accommodating many scientists and technicians will be required. The station will be designed for at least ten years of operational life. Spreading its cost over such a period brings its cost per year within the range of some of our earth laboratories. The station will be a modular installation so that segments can be changed to prevent obsolescence. The modular format also provides the flexibility necessary to a research facility. Three kinds of modules, utility, living and experiment, will form the basic station to which can be added whatever special facilities modules are appropriate at later dates. The installation of such a platform in earth orbit will give us a research development and operations facility for accomplishing the increasingly important space uses we envision for the next decade.

Our space activity thus far has been constrained by the high cost of putting things into orbit, and their inaccessability once they are in space.

Therefore, the primary need for the continuation of all space activity is for a second generation of space vehicles, a completely reusable space transportation system, which I have called a "space shuttle".

The technology for the production of the space shuttle is more advanced today than was the technology for the Saturn V eight years ago. In addition, we have eight years of understanding of the space environment and the systems required to operate in this environment on which to base the design of this vehicle. One encouraging fact is that we now have several designs for such a transportation system which are capable of meeting our objectives. Studies to select the best concept are now being carried out. Using the management techniques which have been developed for Apollo, the chosen system could be flown in six or seven years. I believe that if we wanted to we could have a space shuttle in operation by 1976.

The space shuttle will reduce the cost of space activity by two or even more orders of magnitude, and at the same time it will greatly increase our ability to operate effectively in space.

The desired characteristics of this vehicle will be of particular interest to you, for in many ways they will anticipate those of the next generation of air transports. You may also note that a second, or perhaps third generation of the space shuttle might well be a global transport, so that no place on earth would be more than an hour from any other.

Those elements in the basic design philosophy of the space shuttle to which we are looking for cost reductions are aircraft manufacturing techniques, aircraft development test procedures, maximum flexibility for multiple use and volume production, long life components for repetitive reuse and airline type maintenance and handling procedures for economy of operation. So you see that the transfers from aviation to space are going to be very extensive.

A major point of difference however, will be in the manner of launching this craft, for it will be powered by rocket engines and take off vertically from a launching pad. We expect that some day these could be located

at many major airports since the cleared distance around the vehicle will need only to be in the order of a mile in radius Many of the present jet ports could be used, especially those which have water on one or more sides.

A flight crew will fly the shuttle into earth orbit to dock with the space station. It will deliver and receive payload, perform its other functions which may include satellite maintenance and repair or space rescue, and return through the atmosphere for a horizontal landing at its take-off point on a runway which would not need to be over 10,000 or 12,000 feet long. This flight pattern creates a different noise situation than that of present aircraft. There is, or course, the huge sound of the blast-off which lasts for a few seconds but is localized, to the airport itself. The next sound is generated as the shuttle comes back into the atmosphere but this is hardly heard on earth as the transition to subsonic speed occurs at an altitude of about 100,000 feet. As the craft approaches earth, its speed is subsonic, and its landing sounds will probably be less than those of large jets.

As presently conceived, the space shuttle will consist of an orbiter vehicle containing crew, passenger, and cargo accommodations as well as power and fuel for orbital and landing phases, and one or more booster elements which will carry the bulk of the fuel necessary to achieve orbit. The boosters will also be manned and powered for return to earth and horizontal airport landing. Thus, the total vehicle is reusable. Some concepts propose identical basic configurations for the orbiter vehicle and the boosters, thus achieving production economies. The vehicle is being designed to carry a flight crew and up to 50,000 pounds of cargo and or passengers into and out of orbit, with a 10,000 cubic foot internal payload volume. A nominal orbital altitude of 270 nautical miles and 55 degree inclination is being used as a baseline.

These design parameters permit great operational flexibility so that this craft will be able to take off in any direction.

Designing the internal compartment to accommodate containerized cargo will assure that a wide variety of payloads can be carried.

The vehicle configuration will provide crew and passenger safety comparable to that of current commercial jets. Extremely reliable systems will operate redundantly where feasible; nonredundant systems will be operated well within established operational limits. This approach should allow for the graceful degradation of any system, precluding catastrophic failure and allowing time for a safe return to a landing site of passengers, crew, and vehicle.

The technology of all weather terminal flight control extending from the transition to subsonic flight at 100,000 feet through the final approach and landing of the several configurations under study is expected to be well in hand within the next several years. Extensive flight data from three lifting body configurations in regimes ranging from low supersonic speeds to approach and landing, show the feasibility of these designs. Related work on regular aircraft is continuing to investigate powered landings, automated control systems and operational problems. Results from this work will apply directly to the space shuttle.

The space shuttle will require additions to current technology in such areas as (1) efficient lightweight structures; (2) stage separation methods, (3) reusable, long-lived rocket propulsion, (4) lightweight airbreathing propulsion for terminal flight and landing, (5) automatic all-weather landing systems. In addition, detailed configuration analysis and wind-tunnel testing are needed to determine vehicle elements that can fly satisfactorily in all flight modes, considering different mission modes, variable cargo loads, and the large weights and areas associated with rocket engines at the base of the vehicles. Pertinent research is being expanded with a view to being ready to initiate a prototype design a little over a year from now.

The technology for thermal protection during entry into earth atmosphere for blunt vehicles is in hand as a result of the work done on Mercury, Gemini, and Apollo. Velocities up to 36,000 feet per second, which produce temperatures in the order of 18,000 degrees Fahrenheit are successfully withstood by ablative materials formed by any of three or four compounds and reinforced with glass fibers.

For reusable entry vehicles such as the space shuttle, studies are being made of re-radiative heat shield materials and design concepts that can withstand a number of entries without replacement or refurbishment of the structure. Considerable progress has been made in adapting high-temperature materials including refractory metals such as columbium, as well as more conventional materials such as titanium and some nickel alloys, to this use. Composites of graphite and carbides are also being examined. The combined use or re-radiation with heat sink or convective cooling techniques for hot spots seems to promise an indefinitely reusable vehicle.

The high pressure, staged combustion rocket engines for the space shuttle will differ from the expendable engines used in our previous launch vehicles since they will be designed to have many of the characteristics of the engines in use in modern jet aircraft, including stability over a wide range of operating conditions, variable thrust to permit vehicle control, time between overhauls measured in hours of operation, high performance and operational dependability.

The choice of liquid oxygen and liquid hydrogen as propellants is based on our experience in Apollo, particularly on our ability to handle the propellants safely and relatively easily on the ground during loading and transferring. We feel that it will be possible to load these vehicles directly from tank trucks at the launch pad, thus greatly decreasing both facility and handling costs.

Another great advantage is that there are no toxic products or components of these chemicals and this propulsion system will not add to the pollution of the atmosphere. For simplicity and ease of ground handling we plan to use these propellants throughout the vehicle system, including using $H_2$ for the subsonic engines for landing.

Onboard systems will provide the crew with necessary indications to make proper flight decisions. Today, there are some 20,000 people at Cape Kennedy who are directly involved with the checkout and launch of the Saturn V. Obviously, the space shuttle checkout and launch systems are going to have to be quite different if we are to radically lower operating costs. The approach we are studying employs complete automation of the option of crew override and leads to an airline type operation.

Some recent breakthroughs in electronics can supply the tools we need to achieve these which can provide as many as 1250 bits goals. The large-scale integrated circuits of memory in less than half a cubic centimeter of space are one of the tools which will be employed. Another is thin film memories. These advances will make possible the self-checking subsystems which we will need in the space shuttle. With immense capacity for logic, memory and multiple redundancy in a small volume, the self-checking black-box is going to be a practical reality.

A continuing goal in electronics is to perform more functions with less power, volume, and weight. Microelectronic circuits having a thousand active elements on a chip 150 mils (.001 inch) square are now available. It is estimated that through continued R&D, a million active elements can be placed on a chip 500 miles square. This will require new processes, such as laser or electronic beam techniques, to replace photographic etching and the development of automated design, fabrication, and testing methods.

The necessity for new design for such electronic equipment creates the opportunity for an important advance toward simplicity. At the present time each of our subsystems, be it guidance, communications or engines, is interconnected by cables having literally thousands of wires. Not only does that represent one of the major components of weigh, but it is by far the largest contributor to unreliability. We are ready for a breakthrough and I believe that there can and should be no more than six wires, in one connector, going into or out of any black-box. These six wires might be allocated in the following manner: one wire would connect to a small computer inside the black-box which evaluates all the information from the circuits inside and tells the pilot one of three things—"I am well," or "I am sick" or "I am about to get sick." The second wire will carry all signals into the black-box. The third will carry all of the output signals or responses. The fourth and the fifth will be used for a standard power supply—all electrical equipment will be designed to operate off a 110 volt 400 cycle bus; any different power required will be generated by conversion within the black-box. The sixth wire is a spare. It will be used for something which we have not yet thought of.

The philosophy which will permit this concept is relatively simple—to assign the responsibility for the welfare and checkout of each subsystem to that subsystem. The microminiaturization which has been so notably advanced by the demands of space, now makes it possible and practical to build a small general purpose computer in a volume of about 10 cubic centimeters with enough logic and enough multiple redundancy to make it practical to use it to (1) self-check the internal circuits and (2) to provide time division multiplexing with proper addressing so that six wires can indeed effectively provide all the communications and power connections required.

Another ideal use for a computer on board the space shuttle is to throw switches. As a program switching network a computer could not only flip hundreds of switches according to preset programs but could also assure that they were actually in proper position. Some of the switching functions in Apollo are controlled by computers on the ground, but that task as well as the manual task of throwing and monitoring the 1000 switches in the cockpit can easily and effectively be taken over by a computer on board.

Using a computer inside the cockpit can also greatly simplify the control panel, which in spacecraft now have five times as many switches and instruments as a 707 or a DC8. For the future, I envisage a spacecraft command panel which contains 3 cathode ray displays, one digital, input-output circuit which we call a DSKY, and an On/Off switch for the computer. Two of the cathode ray displays would be used for control information, one for navigation and one for attitude control. These would operate interchangeably so that if one failed all information would be available from the other. These would replace the conventional "8 ball" attitude display systems which, being mechanical, are subject to breakdown. The cathode ray tube, on the other hand, has turned out to be one of our most reliable and long-lasting electronic products, as we have learned from the fine performance of our home television sets. The third cathode ray display would give the pilot information about any part of the total system or his flight plan by displaying the output of his computer. He can ask for any information by punching in the proper code for any system or subsystem, or internal program. Stored in the computer

memory is his checklist for each part of the flight, alternatives available to him in the event of an equipment malfunction, and such special information as propellant reserve, plot of flight path angle, and operational configuration of subsystems.

The electronic advances which are going to permit onboard checkout and control should make the space shuttle much simpler to operate than present commercial jets. Further, our design criteria require that all subsystems should be designed to continue to operate after the failure of any part except for the structure and to gracefully degrade in performance with subsequent failures. Electronic systems will be designed to give adequate warning of potential failures, to continue operation after the failure of two critical components, and to fail safe after any failure.

Present inertial guidance systems are gimballed, platform mounted gyroscopes and accelerometers. In the lunar module we have introduced a strapdown guidance system which replaces the mechanical gimbals with a somewhat more complex electronic system. It has demonstrated more than enough accuracy and computer capability to carry out the space shuttle missions. These strapdown systems with advanced reference devices, the next generation of gyroscopes and accelerometers with improved life and accuracy, should be capable of meeting all our requirements with increased reliability and life and a significant reduction in cost.

Star, planet, and horizons are basic references for navigation and present systems use gimballed trackers for attitude, reference position alignment, and velocity measurement. I expect that we will continue to use this system in our shuttle and space station. However research is under way in several laboratories on holographic pattern recognition techniques for star patterns. This new reference system would have no moving parts and give three axis reference on any spacecraft orientation. This would also be true of aircraft navigation techniques. In another area, the technology of laser radars for rendezvous and docking, which is of course also applicable in clear weather to pin-point landing, has been demonstrated in the laboratory for a range of 65 miles and a docking accuracy of one inch. Efforts in the next five years should increase its range to over 200 miles, and make it an effective competitor with our present radio frequency radars.

Crew and passenger compartments will be maintained in "shirtsleeve" environment. Spacesuits will not be required. As a matter of fact they are not now used in the Apollo program except for extra vehicular activity and in the event of certain emergencies, which, happily, we have not yet experienced. The atmosphere of oxygen and nitrogen in the space shuttle at a nominal pressure of 10 psia and a maximum flight load of three times earth gravity, will allow any reasonably healthy individual to travel in space shuttle without prior conditions.

Communications with the ground can be similar to those now provided by FAA Air Traffic Control, but for orbital operations will, I expect, be carried out through the use of communications satellites, thus greatly simplifying the ground network requirements.

Our planning projections forecast that the space shuttle will have a useful life of 100 missions or more. As is characteristic of aircraft maintenance today, we would expect to replace subsystems, particularly engines and thrusters on a progressive basis.

Launch operations will be simplified by the onboard system diagonostic instrumentation so that only vehicle erection, propellant loading and final boarding of payload and passengers will be necessary. Pre-launch checkout will be carried out on-board by the pilots.

There are several areas which we are studying. One is whether the shuttle should be designed with self-ferrying capability, so that if it lands at an airport other than its home base, it will be able to return home in a subsonic flight mode under its own power.

Another is whether the reusable boost elements should have the capability to carry out their missions in an automatic mode, including a completely automatic landing system.

A third is whether the shuttle would have a "go around" capability in order to improve our ability to land under all conditions. We intend in any event to include a powered landing capability which appears to be desirable to increase the ease of control and to improve performance in winds and gusts. This capability would be compatible with both powered landing and self-ferry ability.

In any event our designs are providing landing visibility at least as good as that of high performance jet and SST aircraft and landing characteristics and handling qualities not more demanding than those of commercial jets.

One other feature we are incorporating in our design is that wherever possible modules be used which can be replaced when the technology advances, without redesigning the total vehicle. We know that changes will occur, but since we do not know which components will be affected, we are trying to introduce standard mountings and interconnections so that systems and subsystems can be replaced without basic configuration changes.

I believe that by the time we can produce the space shuttle that we will be receiving so many benefits from our exploration of space and of the moon, that many nations will want to use these economical space shuttles either by direct purchase or through chartering or leasing them from other nations.

If, as we expect, this shuttle will be the progenitor of a global transport, it will surely be necessary that multi-company and probably multi-national use of the vehicle be facilitated.

The exploration of space will of course, be an international activity. As space engineering capability increases many more nations will take more active parts. It is interesting here to draw an analogy between space and aviation. Although only a few countries of the world manufacture the bulk of air transportation equipment, it is used by almost every nation for its own individual purposes. Within the next decade, no matter which nations provide the mechanical equipment for getting into space, that equipment will be used by means of one or another kind of arrangement, to satisfy the space ambitions of all nations.

No really meaningful estimate of the price of an operational vehicle can yet be made, since the number of vehicles that will be needed is not yet clear. That number is a function, not only of the various jobs it will be called upon to perform, but also of the existence of the system itself. After all, no one needed a telephone, a computer or an airplane before they existed. However, we expect the development cost of the first prototypes to be about six billion dollars spread over a six year period.

I fully expect that by the end of the next decade a number of the people in this room will have flown into and out of space. Consider with me for a moment the possibility of travelling in the space shuttle from, say, Amsterdam to Los Angeles sometime in the 1980's. You will board the regularly scheduled vertical take-off jitney in downtown Amsterdam to fly quickly to Schiphol airport. There, in the center of the field, the Los Angeles bound shuttle will be erected, being fueled with liquid oxygen and hydrogen from tank trucks alongside. As the fueling operation is completed, your luggage will be put into the baggage pod, and with your flight companions, you will enter the passenger module. The passenger compartment will be swung into place in the orbiter section of the shuttle. The flight crew will be conducting their final checkout of the vehicle, querying their on-board digital computer about the condition and configuration of each system and subsystem.

Passenger seats will swivel so that you will be sitting erect until power is applied, at which time the seats will recline so that the gravity load, not more than three times that of earth, will be more easily accommodated. Your seat will be cushioned and provided with its own shock absorbers to lessen the load.

The shuttle will fly west south west on a sub-orbital course as you attain maximum speed of approximately 12,000 miles per hour at 100 miles altitude. Seven or 8 minutes after lift-off from Amsterdam, the booster element will peel off and return for a regular runway landing.

Although there was a huge explosive sound at the airport as the rockets ignited, it lasted only a few seconds, and you will have heard no sound, since it was far below your vehicle. As a matter of fact your whole trip will be practically noiseless. You will not hear the sound of entry into the atmosphere, but neither will people on the ground as that entry will be made at about 400,000 feet above the earth.

While the passenger compartment will have no windows, television cameras mounted at strategic positions on the exterior of the orbiter vehicle will bring unobstructed panoramic views of the earth and of the sky into the cabin. As you leave the pad you will see the great thrusts of fire which propel your craft, and the blue of the Atlantic and the glistening clouds will occupy the television screens as you out-distance the sun on your westward journey.

While you are in flight you will, of course, be weightless. A cabin attendant will assist you to float about the cabin, or you may choose to remain in your seat which can now stay in the reclined position, or not, just as you like. Probably you will want to experiment with this new sensation. Certainly our astronauts seem to enjoy it. However, as descent begins, you will have to return to your seat and belt yourself in—just as in other aircraft. Your views of the sunlit surface will be memorable as the earth seems to come up to meet you at 11,500 miles per hour. For this flight has not only been noiseless and weightless, but there has been no vibration and no feeling of motion after the gravity pull at the launching. Upon entry into the atmosphere, however, you will again encounter the forces of the earth and your shock absorbing seats will return you to a reclining position.

Your next sensation will occur when the subsonic jet engines take-over for your landing on the runway at Los Angeles International Airport, Air traffic control will be programmed, using precise fixes on altitude and position verified by communications satellites, so you will not encounter any traffic delays. The sound of your craft coming in for its landing will actually be less than that of current jets.

Your landing at Los Angeles International Airport will be a subsonic jet runway landing and you will board the scheduled vertical take-off jitney there for its quick flight to downtown Los Angeles. Assuming that you took off from Amsterdam at noon on Monday, you would arrive in Los Angeles before 5 a.m. Monday, in less than an hour's travel time—in time for a swim before breakfast. And if you were really pressed for time and had to return to Amsterdam as soon as possible, you could, theoretically, leave the west coast after noon and be back in Amsterdam before the end of that Monday, after one hour of flight and eight hours of sun time.

We see no technological barriers to this kind of development. One lesson we have learned from the lunar landing, "impossible" as it seemed to most people less than a decade

ago, is that no technological development can really be called "impossible" any more.

This brief description of some of the products, results, and future goals of our National Space Program only hints at its significance in the life of every man.

Who in 1913, ten years after the invention of the airplane, would have guessed the far reaching and myriad changes which that single concept brought about? We can guess, extrapolate, wonder, but our imaginations are taxed when we consider that the space program opens so many new avenues at the same time.

Let me try in conclusion to outline what it is possible to accomplish in space by 1970 and 1989, using what we have learned from the Apollo Program as a base.

If we pursue a reasonably bold, aggressive program, by the end of 1979 we would have modular space stations in synchronous, equatorial orbit, in low altitude polar and in low inclination earth orbits, as well as having our first station in polar orbit around the moon.

The number of people involved may give some idea of the amount of activity I foresee. By the mid 1980's there could be as many as 100 people either living in or in transit through the space stations in low earth orbit, perhaps 50 living in the station in synchronous orbit and perhaps 25 in the space station orbiting the moon. Using basically the same or similar equipment, there may be at least one surface base on the moon with 50 people living there. Nearly daily shuttle flights to the low earth orbit station would be required to support these people and to provide for satellite repair and maintenance.

Nuclear powered space shuttles would be traveling between lunar orbit and earth orbit and between earth orbit and synchronous orbit. They might be flying once every two weeks to the moon and about once every two weeks to synchronous orbit.

There would, of course, be shuttles operating between lunar orbit and the lunar base and between the lunar orbiting station and exploratory sites on the moon.

By the end of 1989, if we have reasonable space activity, and I think, to some extent independent of how much is done in the 70's, I would expect that men would have established their first colony on the moon, and the first permanent base on Mars. And they would be beginning to fly out to the farther planets.

The kind of resources involved are similar to those applied to the Apollo Program.

The key to this program is the space shuttle. It opens a completely new era of transportation on the earth and in space.

It is literally man's key to the solar system. Thank you.

## A NATIONAL TRANSPORTATION PLAN—NOW

### HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. PICKLE. Mr. Speaker, the need for a national transportation plan grows with each technological development we make in the industry. The jumbo jets will be a reality soon and for almost 4 years we have been hearing the laments from our airports regarding their overcrowded and even unsafe traffic conditions. And air transportation is but one part of our jigsaw puzzle approach to the entire transportation picture.

Hopefully, the Department of Transportation will soon have ready their long-promised national transportation plan.

The need is dramatically portrayed in the accompanying article in the Evening Star, and I insert it as this time:

AIR JAM REQUIRES NATIONAL SOLUTION

(By William Hines)

The United States is about as well prepared for the era of the jumbo jets, which dawned this past week, as the State of California is for a force 7.5 earthquake. The difference between the new planes and a major natural disaster is that something could have been done to get ready for the former.

For almost four years now, airport authorities in every big city have been on notice that airplanes twice the size of those in general service could be flying by the end of the 1960s. With a special flight from Seattle to New York last Tuesday, the Boeing 747 superplane kept its date with the nation, but its punctuality was not reciprocated.

On the ground and in the air—but on the ground particularly—the 747 poses some problems which will be overcome in the long run only by development of a comprehensive national transportation policy. Such a policy does not exist today, and nothing in the mumblings and fumblings of Washington officialdom provides a basis for hope that one will emerge soon.

There is a mistaken impression, widely held, that the appearance of a new airplane carrying many more people somewhat faster than older craft necessarily constitutes an advance in intercity transportation. As good a case could be made for exactly the opposite point of view.

The basic problem in air transportation today is that most people who think about it at all regard it as a separate entity, somehow different from ground transportation. But a moment's thought will correct this notion, if one concedes at the very outset that the sole function of transportation is to move people (and goods, to be sure) from one place to another.

The name of the game, as played by someone traveling from coast to coast, is not to get from Sea-Tac Airport on Puget Sound to J. F. Kennedy on Jamaica Bay, but from say the L. C. Smith Tower in Seattle to 49th and Madison in Manhattan.

Viewed in this light, the airport is seen for what it really is: Not a point of origin or termination, but an interface between transportation modes—the place when one exchanges a 60-mph conveyance operation on the ground for one that travels through the air 10 times as fast. The longest journey, as someone once said, starts with a single step.

Somehow or other, this has never been officially recognized, although there is a wide awareness of this fact at subordinate echelons in the federal Department of Transportation. But prevailing transport policy, such as it is, holds an airplane to be a thing apart and the operation of an airport an end in itself, rather than simply a means to an end.

Even the airport is fragmented, with the Federal Government helping out with runways and navigation aids, but leaving up to airport authorities (usually the cities) creation and maintenance of terminal facilities—and to still someone else the furnishing of ground transportation to the city center. These things the localities provide according to their means, and often as not grudgingly.

The fiction that terminal facilities are solely the business of the big city nearest an airport is as ludicrous as the myth that airports are end-points in journeys from city A to city B. The mobility of Americans—particularly Americans traveling on business, but pleasure trippers also—makes every major airport a national rather than a local concern.

Take the case of a family from Concord, Mass., on a vacation trip to Disneyland, or an engineer from Lexington with business in San Bernardino. Why should the cities of Boston and Los Angeles be responsible for the dispatch and reception of these travelers, none of whom originates or terminates in either city?

Another apt case in point is O'Hare Airport outside Chicago, the world's busiest in terms of scheduled passenger aircraft movements. More than half the people using O'Hare neither originate nor terminate anywhere near Chicago, but use the field simply to change airplanes. Atlanta is an even more extreme example; one of the busiest airports in the country, it's overwhelmingly a junction point for people who both start and end their voyages somewhere else.

Yet both Chicago and Atlanta are responsible for the operation of their airports, and as far as the federal government is concerned its obligations end where the runway meets the ramp. Among the big airports of the U.S., the chief exceptions are Washington National and Dulles International, 30 miles outside the capital. These are operated by the Federal Aviation Administration in the absence of a competent municipal or interstate authority to run them.

Most of the big airports in the United States are only now reaching the point where they can cope with the traffic generated by the first wave of jet transports, which came along 10 years ago—and now another wave has moved onto the scene. Another big airport improvement program, this time with more massive and comprehensive federal support, is clearly indicated at the dawn of the jumbo era.

## CHANGES TAKING PLACE IN OUR NATION'S COLLEGES

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. DULSKI. Mr. Speaker, there are changes taking place on the campuses of our Nation's colleges and universities. These are deeper and more sophisticated than the spectacular demonstrations and malicious conduct which makes the front pages.

Ronald J. Maselka, an able young reporter on the Washington staff of the Buffalo, N.Y., Evening News, has made a tour of 10 college campuses and come up with some in-depth impressions of what is going on. Following is the third group of stories in his recent excellent series:

PART XI—CAMPUS PAPERS, POLITICIANS AIM TO CAST OFF TRADITIONAL ROLES

(By Ronald J. Maselka)

NEW YORK, October 14.—Mention "student power" today and visions of violent campus radicals immediately come to mind.

But other forms of student power are developing, partially as a response to this dramatic din of protest, partially from a growing acknowledgment that students are genuinely concerned with their education and its future and deserve a role in many university matters. Sometimes this means a louder student voice; sometimes, a student vote.

This development of democratic student power is best seen in the proliferation of committees spouting up at many institutions, including Columbia, Fordham and City College.

But just as the degree of violence and the types of issues raised vary from school to school, so does the extent of student participation in policymaking roles. The range

of involvement, however, is diverse, from university fiscal matters to curriculum and discipline.

One effect of campus unrest has been a large-scale re-examination of the question of university governance, from boards of trustees down.

TWO ELEMENTS OF STUDENT POWER

Amid the campus complex too are two traditional elements of student power—student governments and campus newspapers—which are assuming, or trying to assume, larger roles.

Campus newspapers no longer are a collection of sometimes dated facts and lukewarm editorials. While the "source of information" role is still important, today's campus newspaper seeks to play a more diverse role, particularly through strong editorial positions.

Student governments also are fighting the image of impotency that traditionally saw campus politicians as dance organizers at the least, distributors of funds to other school organizations at the most.

Generally, today's student editors and politicians are liberal, reform-minded.

"They are activists, rather than extremists," a Fordham University spokesman explained.

As Fordham's student body president, William J. Toppeta, a senior from Schenectady, said: "We want to use the channels available to accomplish change. But if those channels get clogged, we will take our causes to the streets in demonstrations without violence."

UNIVERSITYWIDE TREND

The trend toward being universitywide in scope applies to both student government structures and newspapers.

Columbia University, for instance, has a University Senate, which includes faculty, administrators, students and alumni. The old university council and student government have been abolished.

Fordham now has a separate universitywide Faculty Senate and Student Senate, but is studying proposals for a merged unit. In the meantime, Fordham has a united student government, representing students at both its Bronx and Manhattan campuses.

Major student newspapers—even at private schools like Georgetown, Columbia, Fordham and Harvard—are independent of university control. Some are private corporations, even fiscally independent. But even those receiving university subsidies report they are free of university censorship.

CAUGHT IN-BETWEEN

Indications are, however, that most student readers expect their papers to be a sort of buffer between the extreme left, like the Students for a Democratic Society (SDS), and the extreme right, like, the Young Americans for Freedom (YAF).

For instance, noting that Harvard's "Crimson" leaned too much to the left during last spring's disturbances, Carl L. Lindhal, a Harvard senior from Glenview, Ill, noted: "Most people are aware that the Crimson is not exactly a responsible paper in reporting the facts."

A CREDIBILITY GAP

In this respect, student editors find their readers to be their greatest censors.

Acknowledging that the Crimson "has lost its legitimacy over the years," David Blumenthal, new editorial board chairman of the Crimson, explained that he is "unsure of its influence."

He said the Crimson's "obvious biases" last spring "alienated a lot of faculty and administration."

According to Robert Papper, a Columbia graduate student, the campus newspaper, The Spectator, also "lost a lot of respect", during the last two years' disturbances because its "leaning to the left . . . tended to destroy its credibility."

COMPETITION, ANYONE?

One safeguard against onesidedness is that most campus newspapers determine editorial policy on an issue-by-issue basis through editorial board meetings. Other avenues are providing forums for diverse student views, through columnists and letters to the editor.

Another route to campus attention is proposed by the "Harvard Independent," a new paper being produced this year.

Morris B. Abram Jr., a Harvard senior and president of the Independent, said it will specialize in in-depth analysis and coverage of the major issues.

While the campus newspapers are well-read, student government leaders face an uphill fight in gaining campus influence.

Much of its influence comes to bear in joint actions with faculty and administration, and student government remains a key source of moderate communication.

As William H. Guenther, a New York City sophomore and a delegate to Harvard's undergraduate council, explained: "Much of our work is done behind the scenes . . . But you have to prove you are effective to gain student support."

CLEARING THE AIR

In a similar vein, Sharon R. Winnett, a Fordham student government vice president, explained that student government's main task is to relate itself "to students in a more meaningful way."

To stimulate discussion, Fordham's student government plans to take periodic computerized surveys of students on key issues and have the results published in the campus newspaper.

Nothing that student government projects involve much planning and work, Miss Winnett added: "It's a long, not very dramatic process."'

By themselves, campus newspapers and student governments can't counteract violence. But by keeping the university community informed and suggesting alternative directions, indications are they can join efforts to improve the campus atmosphere.

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PART XII—SIMPLE AWARENESS IS NOT ENOUGH: STUDENTS WANT THINGS CHANGED

(By Ronald J. Maselka)

NEW YORK, October 15.—For decades, thousands of Americans discovered the college campus provided meteoric challenges to their inbred religious, political and social beliefs.

In the past, these confrontations with conflicting ideas seemed to be resolved generally on an individual, private basis. Today's campus turmoil, however, goes beyond this personal grappling with problems to take on an almost group-like public examination of conscience.

College students before were aware of the inequities of American society—for example, the gaps between rich and poor, ghetto and suburbia. This awareness, however, was coupled with a belief that with orderly development and time the system would gradually improve things.

STUDENTS GO DEEPER

Many of today's college students, however, express a desire to go beyond simple awareness of the problems and take up the impatient cry: "We should do something."

The extent of this activism varies, of course, from the radical approach of the New Left to the reforms of the liberals and the subdued concern of the majority.

Many students acknowledge there's "a lot of the follow-the-crowd stuff" about all this questioning. And there is a host of sociological and psychological factors commonly cited as contributing to today's student attitudes.

For instance, this is a generation that does not remember a time without television, a time without spaceshots, a time without civil rights movements. It's a generation that does not identify with gradual progress because it is so attuned to speed and quick change.

LEARNED MORE ABOUT PEOPLE

All this too has brought a changing definition of education.

As Robert Papper, a Columbia University graduate student, explained: "Education today is not just sitting in a classroom listening to a lecturer and then regurgitating it back on an exam. That's memorization, not learning." During the spring 1968 disruptions at Columbia, he said, he learned "more about people" than he had in the classroom.

There's a general feeling too that raising these questions and calling for actions and solutions are a vital part of education today. This is coupled by a growing belief that you can't separate the classroom and the environment.

As one Fordham student noted: "College prods people to think. So you do. And you make a suggestion. But when you get no answer, where do you go from there?"

LITTLE THINGS ACCUMULATE

Today's students are heading in many different directions.

But is there a specific conscious point when a student jumps from a simple awareness of injustice to an active effort to do something about it?

Not generally. This trend of reform and rebellion seems to be more of a metamorphosis than a transformation.

As Sharon R. Winnett, a senior at Fordham's Thomas More College, explained: "It was just a growing accumulation of little points . . . then you start seeing things."

Becoming a reformer is an individual thing and some students do remember a specific experience or set of experiences that set them thinking in a liberal vein.

The example of others has a lot to with it.

START QUESTIONING

As William J. Toppeta, a Fordham College senior from Schenectady, recalled: "When you arrive at college, your mind is opened or expanded. You are hearing things you didn't hear in high school and you start to question things."

What started him asking "who I was and what I was doing here," he said, came when he was a freshman ROTC cadet. During a parade ground inspection, he said, one peace protester with a placard kept following the drilling ROTC contingent to the jeers of all the student onlookers.

The example of one dedicated person set of Bill Toppeta's thinking. He is now student body president at Fordham and the jeering majority of three years ago is now urging that ROTC status at the university be reexamined.

And Charles Haseloff, a 1968 graduate at City College of New York and now a New York University graduate student, recalled an incident in his high school cafeteria when a short teacher stood on a chair to make an announcement and was applauded away by the students.

THINGS CAN BE CHANGED

"I was 14 then," he said, "and I remember I thought that something terrible was going to happen. I could not conceive of students taking this attitude . . . of open, mass disrespect. This was just inconceivable to me . . .

"From then on," he continued, "you suddenly see that you grew up in a certain way and you see that all things aren't created by God, that some things aren't natural law, that they can be different."

For instance, he noted, having grown up thinking Negroes are inferior "and then to be confronted with the fact that they are not, results in questioning. Once you loosen one nail in the structure, the whole thing loosens and begins to shake."

UNLEARNING PROCESS

Probably a more common experience was that of Terrence L. Chorba, a Columbia College junior from a conservative background in the Bronx, who said he "went through an unlearning process" his freshman year.

Part of what happened, he said, was the realization that absolute truth is an elusive thing and "truth is not what exists in your mind."

In the long run, this meant a willingness to listen to both sides of an issue and make a decision himself.

Another partial explanation of campus unrest, then, is found in this same decision by so many to re-examine and question where they are going each day.

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PART XIII—STUDENTS TOUCHED BY BLEAK VIEW FROM THE COLLEGES' IVORY TOWERS

(By Ronald J. Maselka)

NEW YORK, October 16.—If you want an explanation of student demands for relevance—in their education and from the university—simply:

1—Walk the city streets that intersect the City College of New York on the west side of Harlem.

2—Look down at Harlem from Columbia University's perch on Morningside Heights.

3—Peer through the wrought iron gates on Fordham University's verdant uptown campus at the concrete and asphalt many have charitably called the "changing Bronx."

Then one can sense the motivation behind growing demands for the ivory tower university to extend a hand to the surrounding community.

This need for help is most recognized by minority group students, the blacks and Puerto Ricans who grew up looking at these schools from the outside as their hope for a meaningful future.

Visits to these New York schools show that campus unrest is not racially monolithic.

"There are two very different kinds of movements," explained Charles Haseloff, a graduate student at New York University.

STILL STRIVING FOR RIGHTS

"There is the white struggle, in essence a sort of frantic kind of reaction to this loss, this destruction of ideals, the disillusionment of the American dream in the face of technical and international conflict.

"And there are the black people," he continued, "still striving for the civil and political rights that white students and their fathers and grandfathers achieved 200 years ago."

Like at most public and private universities, Negroes and Puerto Ricans are a minority at Columbia, Fordham and City College. There are indications here also that minority group students are "doing their own thing" with campus unrest, because of their special concerns.

In past incidents at Fordham, Columbia and City College, black students have been involved in their own protests, sometimes accepting, sometimes rejecting white radical support.

THE DANGER IN SEPARATISM

Walk into the cafeteria at Fordham's Student Union Building and this separatism is evident. One sees "The Table" at the front of the massive room, populated by eight blacks. Elsewhere are white faces, with an occasional black one.

The danger in this separatism is that it leaves so much room for misunderstanding.

One white Columbia student noted that he sensed, for instance, a growing inability to disagree with his black friends for fear of being branded "anti-Negro."

"The blacks are using a degree of racism against the whites in a reaction to the racism used against them," he said.

The visitor's immediate reaction to "The Table" is that this is a gesture of defiance.

CITES HIGH SCHOOL EXPERIENCE

Many studies stress, however, that this tendency is not for the sake of racial separatism or black superiority, but is more of a defense mechanism of a minority seeking cohesiveness and direction.

William J. Wright, a Fordham sophomore from Brooklyn, explains "The Table" as "a social thing because we are such a small part of the population here."

A product of what he calls "the black experience in high school," Mr. Wright notes that blacks who went to parochial high schools had "the white high school experience."

Noting that these blacks tend to be less militant because "they are used to going to school with a lot of whites," Mr. Wright said he and other blacks and Puerto Ricans find college provides their first experience at being a school minority.

WAS "LOST" AT FORDHAM

He said he "didn't like it" at Fordham during his freshman year because he got lost among the white students, losing his sense of identity and direction.

The table must be understood in this perspective, he explained.

"A black student is interested primarily in bettering his school for the black students," he added, noting the task specifically is "how to make Fordham ready for black students and help them stay."

The issues that concern white protesters are secondary for blacks, he added.

"The army, the draft, ROTC and many of these other things are so far remote from the educational problem. With us, it's simply a different order of importance to the struggle."

DEBATE WITHIN MINORITIES

Involvement with whites on campus-wide issues, he added, ranges "as far as you are willing to go individually."

There is a debate within the minority communities over whether separatism is good or bad, whether it is better to work within the system or outside it.

Those who, like Fordham's William Wright, think blacks "need to be militant to get what they want." Others believe an integrated effort is best in the long run.

But working through the system takes time and, as in the case of white protesters, impatience is a big factor with black students. They want changes now, not in generations to come.

"Our militancy isn't aimless," Mr. Wright explained. "We know what we want and our task is to get them (the administrators and faculty) to see the reasons why."

IS THIS THE PROPER WAY?

The demands are focusing on ethnic studies, sometimes called black studies or Afro-American studies, and increasing the number of minority students on campus.

But black studies is a developing notion and a division in the Negro community also exists on whether this is the proper route. Some say it tends too much toward introspection. Others say it is needed to understand the special problems of minorities and their proper place in history.

While many schools have created special Afro-American departments, Columbia is still studying the proposal. Another avenue that receives support is to have black-related courses in every department, rather than combined in one department.

MORE BLACK RECRUITING

Universities have responded to the demands for greater racial balance, one administrator noted, because of the realization that a main problem of minority students stems from the generally lower quality of precollege education they receive.

Accelerating recruiting of black students, liaison with guidance counselors to help identify and prepare them early in high school, finding financial aid, providing special orientation programs and continuing tutorial help are part of the university response. Many minority students already on campus return to their high schools and communities to help in this recruitment.

One crucial issue is how the university is going to broaden its access to minority members.

FAVORS UNIVERSAL ENROLLMENT

Acknowledging that the "United States has very nearly achieved universal access to a college education for its white population . . . and there is a need to extend to blacks and Puerto Ricans a privilege that whites already possess." Political Science Prof. Stanley Feingold of city college believes that the university has to "maintain high quality while allowing opportunity for all."

He, for instance, favors universal enrollment—finding a place in some college for everybody—but opposes open admissions—finding a place in a specific college for anybody.

Instead of having separate admissions standards for whites and minorities, some educators favor a lottery system.

ASK RESEARCH IN PROBLEMS

While this debate rages, others suggest community efforts at lower levels ranging from converting some high schools into college preparatory institutions to massive preschool education programs.

Many administrators also point to university research—in urban sociology, crime, delinquency, the courts, drug problems—expertise on things like business practices for local merchants and legal advice to ghetto families, plus more diplomatic approaches to university expansion and its effects on area residents as other indications of the urban university's growing awareness of its community attachment.

The special concern of the vocal minority groups is guaranteeing that the university maintains that awareness.

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PART XIV—NEW CAMPUS PHENOMENON: FAITH AND MYSTICISM REPLACE REASON

(By Donald J. Maselka)

NEW YORK, October 17.—It's impossible to gauge its depth but there are indications that years of campus violence are beginning to take their emotional toll of some students.

What becomes perceptible is more a series of different reactions, rather than a pattern, that alone do not warrant a conclusion that the worst is over or that it's all downhill now.

But for some students, it is downhill.

Part of it is the mental scar left by the letdown after weeks of emotional peaking for building takeovers, police busts, mass arrests, endless meeting and talking. Part of it is explainable by the view in retrospect that so much effort accomplished so little.

The war is still there, for instance.

The reaction is most visibly seen in the division of the New Left into radical factions and the growing structure of right-wing groups, like the Young Americans for Freedom.

In between, there are a host of reactions, particularly noticeable at places like Columbia University and City College of New York, which had violence, school shutdowns, changes in presidents within the last two years.

QUESTION ACCOMPLISHMENTS

"I really have to question what we accomplished," said Terry L. Chorba, a junior at Columbia who was on both sides of the barricades in 1968 and was injured in the police action.

Now, he finds himself in the "political gray area, not politically affiliated but not disinterested either . . . not taking a stand except a stand against radical violence and total apathy."

Looking back, he said, he realized that revolutionary activity is not progress. "We are not stopping the war by shutting down the university," he said.

Robert Papper, a Columbia graduate student, said he too has a feeling that there are many students who feel that "now that this has happened, let's make some progress."

Acknowledging that some activists have "become exhausted, tired, sort of retired," he said: "You see some students who were active but are not now politically interested. They are doing a lot of thinking."

TIME TO STOP, ABSORB CHANGES

A similar prognosis was given by I. E. Levine, an assistant to the president at City College:

"I've a feeling that people—students and faculty—are about ready to stop and absorb some of the changes that have taken place. I think there's a feeling of emotional weariness on the part of a lot of people."

A pre-med student at Columbia voiced "plain frustration . . . that with all that and all the talk, nothing was accomplished."

Pointing to the tables set up in the Columbia quadrangle representing spokesmen for various political groups, he said: "They haven't figured out yet that they can't change things . . . The university is not like the rest of the country. The rest of the country voted for Richard Nixon."

COUNTER-CULTURE

Besides, he added, the "issues have been around so long they've become cliches, with no emotional connotation any more."

Many administrators hope there is a growing realization, too, that change requires an orderly process and that violence only breeds counter-violence.

But the extreme, apolitical reaction to the turmoil on campus and in society belongs to the counter-culture, the street people, the hippies.

It represents a rejection and a turning inward.

For instance, one student recalled that he was a political activist last year but went to the rock festival at Woodstock last summer and is now content to "develop my own life style."

"You can't solve the world's problems," he said. "You have to solve your own first."

For physics Prof. Arthur Bierman of City College this "current of dissent . . . what seems to represent a reaction of middle-class values, this youth culture or counter-culture, numerically speaking is the important thing, the most significant movement of the youth."

DRUGS ARE KEY ELEMENT

Drugs are an important part of this trend.

Many students estimate that a majority of today's collegians have had some experience with marijuana, of varying degrees and duration.

"It's such a common thing, it's not even a topic of conversation any longer," one explained. "But you smoke grass because it's fun. Only the hard users use it to escape, like alcohol."

But drugs are a particularly key element in the life style of the youth culture.

Prof. Bierman said he thinks this counter-culture is a response "to some very serious weaknesses in our society and its structures, a response to the growing inability of our urban society to provide meaningful community . . . one with affection, purpose, meaning, values, love."

Stressing it was "my own personal opinion," the professor said he detects similarities to latter day Rome, "when similarly the old institutions and old religion had lost their legitimacy and people were looking for a new form of community, a new faith."

REJECTING MATERIALISM

Part of this turning to a community of peers—the similarities in dress, speech and behavior—he said, results because "most kids grow up in a world without frames of reference."

The small town; the stable, extended family; stable neighborhoods, and the "church that was credible" are no longer generally available, he added.

Rejecting the materialism of their elders, he added, these young people are turning to other things, like LSD and astrology, because "they want desperately to believe."

Noting that technological changes are speeding up and the rate is getting faster and the impact is greater," Prof. Bierman said today's young people's phenomenon raises questions like:

Is man capable of adjusting to living with these changes? Are they compatible with man's nature: Was man meant to live in a typical American suburb?

NOTES LOSS OF OPTIMISM

Noting that the industrial revolution and the rise of modern science lead to reliance on reason rather than faith and intuition—"that man could understand what is important . . . coupled with optimism that man's reason will help make things better"—Prof. Bierman said: "This optimism has been destroyed. Never before have human problems been so acute. This counter-culture then is rejecting reason and turning to mysticism and faith, instead of a world dominated by cold reason."

The significance of this, he said, is that basic tenets are "being questioned intensely inside the system by the young, who were supposed to benefit from it."

How widespread this trend is and where it will go is anybody's guess.

But the fact that it exists raises disturbing questions, and as Prof. Bierman noted: "The genuineness of this alienation should not be ignored."

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PART XV—SITTING DUCKS IN CAMPUS TURMOIL, COLLEGE HEADS FIND HOW TO COPE

(By Ronald J. Maselka)

MADISON, WIS., October 22.—Imagine a captive tied to 10 horses tugging in 10 directions and one will begin to appreciate the predicament university administrators have faced during campus unrest.

Easily identifiable, university presidents and college deans have been the targets of criticism because of their handling or alleged mishandling of campus turmoil. The accusations range from permissiveness, over-tolerance, over-optimism and over-reaction, to indecision, appeasement, cowardice and ineptness.

The highly emotional subject of student protest has magnified their difficulties with students, faculty and governing boards, alumni, parents and corporate contributors, governments, politicians and the man in the street.

Each of these groups has different demands and a different view of things. The administrator's role confirms the notion that a middleman cannot please everyone.

Much criticism of the university administrator's reaction to campus unrest stems from an erroneous belief that he is some sort of dictator with unlimited power. More accurately, he is a mediator attempting to articulate the university community's consensus. Part of the confused and diverse reaction to disruptions, for example, simply reflected the divisions of opinion and confusion of administrators, faculty, students and governing boards alike.

ALIEN TO TRADITIONS

The administrators, however, remain the key popular symbol of university authority and power. Conversations with many of them indicate they are willing to admit they have made some mistakes, and that they are also fast learners.

One key reason for the varied reactions to the student protest movement is that its violence is so alien to the traditional university climate.

"Universities were places where people came because they wanted to be there," explained Dr. Edwin Young, chancellor of the University of Wisconsin's Madison campus. "Now there are people willing and genuinely interested in trying to destroy the university. We are a voluntary society and we weren't geared up to the idea that anyone would be against the university. It is almost sacrilegious to many of us that anyone would want to destroy the university, which is designed to help them. So, we have had to change our posture to take account of this."

ESCALATION OF PROTEST

Noting that he has been confronted repeatedly by alumni, asking: "What's going on here . . . Who's in charge? Arlie M. Mucks Jr., executive director of the Wisconsin Alumni Association, said: "University administrators were not really trained to handle this type of disruptive activity. The university is a slow reacting animal and it is against its nature to mete out swift discipline. Then too, we underestimated the strength of this tiny minority of young people. We underestimated their intent and their capacity for violence."

Other administrators noted that only the escalation of the protest movement—beginning with requests for controversial speakers to peaceful picketing and leading to violent disruption and building take-overs—made it clear that the radicals were not playing the game "by the rules."

As I. E. Levine, an aide to the President of City College in New York, said earlier: "It took time to realize that the old concept of dealing with university problems in a rational way doesn't work with many groups today.

NOT POSSIBLE TO PREPARE

The natural tolerance of a university to accommodate dissenting views also worked toward giving radicals more time.

In one interview, Dr. Lyod H. Elliott, president of George Washington University noted that "this university was not ready to cope with violent confrontations."

"I don't believe it's possible to prepare for this sort of thing until you see the nature of its development," he added: Noting that much of this lack of preparation was due to human nature and the feeling "it can't happen here," Dr. Elliott said: "There's always hope that violence will somehow be avoided and until it's confronted. I guess it's kind of hard to accept it as a reality of life."

In the last couple years, however, administrators have received a real crash course in containing student rebellion. And they are fast learners.

SHORT RANGE VIEW

There is a definite realization, for example, that they had better deal with outbursts competently or repression, through new laws or financial restraints, will result.

While emphasizing that they are flexible and open to discussion of genuine student concerns, their public and private statements make it clear that flexibility should not be confused with weakness.

The short-range view of containment relies on each university community understanding this policy that violations will be dealt with through judicious calls for outside help—even court injunctions.

Dr. Wilson H. Elkins, University of Maryland President, made this clear when he said: "It is the policy of this university to deal with the disruption, seizures or other illegal action as quickly as possible with whatever legal means are necessary. The university will not negotiate with any individual or group under the threat of force."

STUDENTS SUSPENDED

One indication that this firm line is buttressed by detailed planning is an adminis-

tration memorandum at George Washington University that lists the precise procedures and phrases faculty should use when confronted with classroom disruption.

But if universities can do this now, why couldn't they do this before? Why didn't they just kick the violent disrupters out?

To a certain extent they did. Many students have been suspended, put on probation or expelled because of campus disruptions. Others have faced charges in civil courts.

But the unified approach to this violence was lacking, some administrators note, because the rise of the massive multiuniversity and social change affected the university's lines of authority. Like other institutions, it takes time for the university to change.

Most universities "have made the transition from the concept of the old dean, who in this wisdom made the decision that this student was in or out," F. Chandler Young, vice chancellor at the University of Wisconsin at Madison (and no relation to Chancellor Young) noted. He added that a void developed because it "was unclear who was to perform this function."

AWARENESS OF DUE PROCESS

"There was confusion in the minds of everybody about who will do what," he added.

The demise of the old dean was partly tied to the student power movement, he continued, the feeling of students "they could have a greater impact on the university as adult citizens, rather than as little children."

Another element is the increased awareness in the last 15 years of the rights of people to due process, accompanied by a shift in thinking of higher education as a privilege to higher education as a right. Compounding the complexity of the task is the difficulty of learning of who did what when large numbers are involved in a protest, of getting witnesses and of collecting evidence.

As one professor explained: "It was easy to kick them out when there were only a few. But today it's mass civil disobedience."

To cope with this, most universities today have devised new disciplinary procedures involving students and faculty and have rules covering types of offenses common today—but unheard of just a decade ago.

LEGAL SYSTEM NEEDED

One administrator summed up the intent of the maze of rules—a special booklet in some schools: "This is a liberal place tolerant of dissent but the minute dissenters step on the rights of others, we don't permit it."

George Washington's Dr. Elliott feels that building an adequate legal system "will be one of the chief objectives" on his campus.

"I think most campuses," he said, "recognizing this change of times will be required to have legal advice to instruct staff members and security forces and faculty members in the changes of disciplinary procedure and ways of identifying violators and assembling evidence and the entire due process of law."

Wisconsin's rulebook includes some state laws to "make it clear that the university is not a game refuge or a sanctuary," Vice Chancellor Young said. The key element to the campus disciplinary system will be community support, he added.

"They're still reluctant to stand up as witnesses," he said. "We're making progress but we have a long way to go. I intend to be very optimistic about these things. I think we are going to get a disciplinary system that will be accepted by the community, that as they see these procedures tried they will see that people are being dealt with fairly."

MUST DEVELOP TRUST

"I also think there is a greater realization on the part of the students and faculty," Vice Chancellor Young said, "that disruptions of a violent kind bring on repressive violence that hurts all of us."

He said the majority of students are beginning to feel the effects of this repression for the first time, in higher tuition costs and in the state's reduced education budget.

But the key to the future is the development of trust between the administrators, students and faculty, a trust that can only be built on mutual respect, not on fear.

As Fordham University president, the Rev. Michael P. Walsh, SJ, put it: "Young people today above all want to be trusted . . . They want freedom but they also want trust and guidance . . . They are looking for a father figure, for loving authority, not paternalism. When one ceases to be authoritarian, there is always the question of where to draw the line on permissiveness, but if you can trust young people, they will help you draw that line."

## JUSTICE DEPARTMENT ATTORNEYS VIOLATE LEGAL ETHICS

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. RARICK. Mr. Speaker, when lawyers paid to represent the U.S. Government donate money to lawyers representing their adversary, at least one of the clients has been unrepresented. And judging from the record, this unrepresented client has been Mr. and Mrs. American citizen.

Small wonder that the courts ignore the Constitution, overlook the law and facts, and decide cases on the basis of consent agreements between purported adversaries. There was no controversy nor diverse interest when both lawyers worked for the same judgment. Sounds more than a split-fee arrangement.

If I hired a lawyer to represent me in a case in court, and then found that he was paying my opposition, I would regard it as highly unethical. In addition to firing the lawyer, I would report it to the bar association for disbarment proceedings.

Mr. Attorney General, the American people have enough unethical conduct with Federal judges. Your staff have no "during good behavior" tenure. If your staff lawyers want to work for the NAACP, give them their liberty—before your Department is faced with demands from the American people for a probe into breach of legal ethics.

I insert a clipping from a local newspaper at this point:

[From the Washington (D.C.) Post, Dec. 4, 1969]

JUSTICE DEPT. LAWYERS GIVE $1,100 TO NAACP

The NAACP Defense Fund, an opponent of the Justice Department in recent school desegregation cases, received more than $1,100 yesterday in 37 checks signed mostly by staff lawyers of the Department's civil rights division.

Fund director-counsel Jack Greenberg said in New York that he had received the checks in the morning mail accompanied by an unsigned letter wishing the fund luck in its money-raising and civil rights pursuits.

In Washington it was learned that many of the contributors considered the donations a form of continuing protest against the civil rights policies of Attorney General John N. Mitchell and Assistant Attorney General Jerris Leonard. Others said their donations were addressed mainly to the fund's most recent fiscal emergency.

Greenberg said the fund, which operates on an annual budget of $3 million, was running $200,000 in the red in October and was further behind now. He said fund-raising was becoming increasingly difficult because of reaction to riots and some violent demonstrations and deep division in some communities over Vietnam.

## MOST MEMBERS WANT TRUE POSTAL REFORM

### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. DERWINSKI. Mr. Speaker, recognizing that most Members of the House want true postal reform, I wish to direct their attention to the following letter from Postmaster General Blount to Senator GALE MCGEE, chairman of the Senate Post Office and Civil Service Committee. The correspondence developed as a result of the six specific objections which Mr. James Rademacher, president of the National Association of Letter Carriers, presented to the Senate committee on behalf of his organization.

The letter follows:

THE POSTMASTER GENERAL,
*Washington, D.C., December 4, 1969.*

HON. GALE MCGEE,
*Chairman, Committee on Post Office and Civil Service, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: The testimony given by Mr. James Rademacher, President of the National Association of Letter Carriers, before your Committee on November 25th seems to show such a thorough misunderstanding of the proposed Postal Service Act of 1969 that I feel obliged to comment and to request that you include this letter in the record of the current hearings of the Committee on postal reform.

Mr. Rademacher's testimony is devoted largely to knocking over a series of straw men. The six "fallacies" with which Mr. Rademacher charges the supporters of postal reform bear little or no relation to what is actually in the bill or to what the proponents of the bill have actually been saying. Let us consider these straw men of Mr. Rademacher's in turn.

*1. "A postal corporation and postal reform are synonymous."*—I have repeatedly said that the corporate form of organization is no panacea, in and of itself, and I agree completely that it would be fallacious to suppose that adoption of a corporate form of organization for the postal service will automatically assure the improvements in postal efficiency that this country so badly needs. I think it is equally clear, however, that so long as management authority is fragmented and disassociated from managerial responsibility, the quality of postal service will be less than it should be and the cost of such service will be more than it should be. It would be the height of absurdity to deny the Postal Service the tools it needs to do its job simply because of a fear that the tools might not be used to the best possible advantage.

Recognizing this to be so, Mr. Rademacher goes on to suggest that the tools which the Post Office admittedly needs would be provided under H.R. 4, the measure currently

being marked up by the House Post Office and Civil Service Committee. This claim, with all due respect, is simply not borne out by the facts.

In the first place, H.R. 11750 would provide assurance that top management will be responsive to the needs of postal users, and will be assured of continuity so long—*and only so long*—as it does its job well. H.R. 4, as originally introduced, contains nothing to prevent the repeated interruptions of top management that necessarily go with having the Postmaster General in the cabinet. The House Committee has tentatively decided to amend H.R. 4 to provide a nine-year term for the Postmaster General and six-year terms for the Assistant Postmasters General. While fixed statutory terms of this kind would certainly promote continuity of management, they are hardly calculated to promote either cooperation among the top management team or responsiveness of that team to the nation's postal needs. Such a statute would protect the Postmaster General and his top aides not only from the demands of partisan politics (which is all to the good), but also from the demands of the nation for better postal service (which is precisely the worst kind of protection).

In the second place, H.R. 11750 provides a statutory framework for labor-management relations under which postal employees would have a direct financial stake in the quality of the postal service received by the mail using public. The bill provides for truly meaningful collective bargaining under the Labor-Management Relations Act. In this connection, let me invite your attention to Supplement III of the statement that Mr. Patrick J. Nilan of the United Federation of Postal Clerks submitted to your Committee on November 21. You will recall that Mr. Nilan strongly urged that postal employees be given the same basic benefits and rights as are provided for employees in private industry under the National Labor Relations Act. H.R. 11750 would do just this, except that it would continue the ban on strikes by postal employees and would provide a fair and impartial disputes-resolving mechanism in lieu of resort to strikes. But H.R. 4 (or, for that matter, S. 309, the text of which is incorporated substantially verbatim in H.R. 4) would *not* provide postal employees with rights equivalent to those enjoyed under the National Labor Relations Act.

Under H.R. 4, wages would continue to be set by Congress. There would be no collective bargaining over "bread-and-butter" issues. Since employees could not bargain for increased wages, they would have no stake in increasing productivity; and since management could not bargain for increased wages, it would have little to offer labor in exchange for labor's agreement on more efficient work practices. Under H.R. 4, moreover, and by way of sharp antithesis to the National Labor Relations Act, the right of employees to organize and elect bargaining representatives of their own choosing would be severely impaired. For instance, H.R. 4 would bar, by statute, the right of employees to organize on an "industrial union" basis, even though every single employee in the Postal Service wanted it. It seems wrong in principle for the Congress to impose upon postal employees a particular kind of labor union structure without leaving the employees any right at all to change that structure if they wish to do so.

In the third place, H.R. 11750 would enable the Postal Service to obtain the capital necessary to acquire the modern buildings and high speed equipment that are essential if the postal system is to be operated on a truly efficient and economical basis. To this end, H.R. 11750 would provide workable bonding authority. For reasons that have been thoroughly discussed in the hearings, it seems clear that the bonding authority provided in H.R. 4 would not enable the Post Office to raise the capital it needs at interest rates bearing a reasonable relation to those paid by other borrowers.

In the fourth place, H.R. 11750 would provide a rate-making mechanism capable of responding promptly to changing market forces and the needs of postal users. It would do this by establishing a full-time panel of expert rate commissioners who would hold full and impartial hearings on suggested rate changes and would make recommendations which the Postal Service could implement on a timely basis, subject to disapproval by concurrent Congressional resolution. H.R. 4, on the other hand, would place rate-making responsibilities in a separate commission that would be convened every fourth year. A rate review that occurs only once every four years is simply not adequate. One of the major difficulties with postal rates in the past has been that they change too infrequently; when changes do finally come, they are necessarily major changes having a major impact on mail users.

In sum, any fair comparison of H.R. 4 with H.R. 11750 will show that H.R. 4 would come nowhere close to achieving "everything the Postal Corporation Bill would achieve in the way of reform. . . ." But perhaps the most astonishing aspect of this part of Mr. Rademacher's testimony is his insinuation that H.R. 11750 would somehow remove the Postal Service from Congressional surveillance. This suggestion simply is not true. The Postal Service would be required to report annually to the Congress on its operations; its part-time directors would be subject to confirmation by the Senate; its activities would be subject to audit by the General Accounting Office; and its rate changes would be subject to Congressional review before they become effective. But quite apart from these specific provisions for Congressional surveillance, the overriding fact is that the Congress will continue to be present, and since the Postal Service will be as much a part of the Federal Government as it is today—albeit in a different organizational form—postal management will be fully aware of the Congressional presence at all times. Congress can obviously step in whenever it wishes, and the Postal Service Act provides that the Congress will be informed of postal operations sufficiently so that it can see the need to step in if that need arises.

*2. "All corporations are inherently more efficient and more desirable than any Government operation."*—Here again, Mr. Rademacher does a splendid job of demolishing a proposition that, so far as we are aware, has never been put forward. As indicated above, we have recommended the form of a Government corporation for the Postal Service because it seems to afford the most convenient means of achieving a better fusion of responsibility and authority, a better matching of costs to benefits, and a better marshalling of resources to meet postal needs. All the rhetoric about Edsels and faceless, soulless corporations, inhumane directors and profit-minded management, is—of course—just that: rhetoric. In this connection, although we are mindful that it is possible to overstress the analogy between the Tennessee Valley Authority and the proposed new United States Postal Service, it should be noted that rhetorical imprecations against corporate management are no more appropriate to the new Postal Service than to the TVA—and they are notably lacking in respect to the latter.

*3. "A Postal Corporation can operate the postal establishment on a break-even basis within five years."*—Mr. Rademacher's assault on this proposition is based on a series of false premises. He apparently assumes that the new Postal Service would undertake to issue $10 billion worth of bonds all at once and before any savings could be realized from the first part of a long-term capital investment program. He totally ignores the fact that the Postal Service Act would give the new Postal Service a right to call at any time on the Treasury Department for up to $2 billion worth of capital, and that private investors would know that this right exists. He projects interest costs of 12% to 15%, although this Committee has received competent testimony from experts in the financial community to the effect that the Postal Service should be able to borrow at rates not substantially higher than those paid by the Treasury itself. He engages in a certain amount of "double-counting," piling an unidentified "contingency fund" on top of an imputed cost of depreciation. Relatively speaking, however, these are all matters of minor detail; the major point that Mr. Rademacher misses is that the management of the Postal Service would be unlikely to float a major bond issue unless a careful economic analysis showed that the costs associated with such borrowing would be clearly outweighed by the savings to be realized through investment of the bond proceeds. In this connection, it is worth recalling that studies performed for the Kappel Commission indicate that capital investments for new postal facilities and equipment should yield cost savings in excess of 20% of the amount invested.

The key to achieving a break-even operation lies in greater productivity—and this is an element that Mr. Rademacher has totally ignored. The fact of enormous productivity increases in the private sector since World War II show what *can* be done. The record of productivity improvement in the postal service has been poor; but there is no reason why, given the necessary reforms, this record should not greatly improve. Mr. Rademacher seems to assume that improvement is impossible. He states correctly that wages represent over 80% of the Post Office Department costs—but he states it as though this were an ineluctable fact of life which, like death and taxes, must be with us forever. Although we see no real possibility of postal employment diminishing, there is no reason at all why, with mail use continuing to rise sharply, postal wage costs must continue to overshadow the costs of facilities, equipment, and labor-saving devices to the extent that they now do. By investing capital in the buildings and tools that our employees need to do their jobs more efficiently, we can increase productivity, reduce the *proportionate* cost of wages (although their absolute cost will increase), and go far toward achieving a self-sustaining operation.

This is not to say, of course, that postal rates will necessarily remain constant. On the contrary, we must expect postal rate increases, given the realities of today's economy. We are convinced, however, that these increases will be less frequent and less precipitous than those which would be necessary if the reforms we are recommending are not forthcoming.

*4. "The Postal Service is on the brink of catastrophe and only a corporation can save it."*—Argument about what did, or did not, cause the breakdown in Chicago in 1966 is not likely to lend much to any serious analysis of what kind of postal reform is needed. I am wholly persuaded that, if basic reforms to the postal system are not forthcoming, we can look forward only to a gradual deterioration in the postal service until it becomes a national disgrace. Whether or not we are in a "race with catastrophe" is largely a matter of semantics. But the fact is that the nation's demands upon our mail system are increasing, and our ability to meet those demands has not been keeping pace. Institutions either change to meet the needs of the times or they die; there is absolutely no reason to suppose that the Post Office is immune from this general rule.

*5. "The Postal deficit is inexcusable; the*

*Post Office should be run on a break-even basis."*—Mr. Rademacher's premise here is that: "There is no way to operate the U.S. Postal establishment as a service and still operate it on a break-even basis." There is a tendency in some quarters to equate "publice service" to "public deficit"; euphemism doubtless has its place, but this is not it. As I pointed out in my earlier testimony before this Committee, the great bulk of mailing costs have to do with carrying business-related mail and the great bulk of tax revenues come from individual citizens; consequently, postal deficits represent a subsidy largely paid by individuals to businesses. I do not believe that the business community either wishes this subsidy or deserves it.

The real question is not whether the postal deficit is "inexcusable" but whether it should be tolerated in a nation which has such great needs for public revenues as ours does—needs such as health and housing, defense and education, progress against poverty and pollution, against the problems of the city, against crime and injustice. Every dollar of postal deficit is a dollar that could better be used elsewhere.

*6. "Postal employees will benefit enormously if a Postal Corporation were to be created."*—I have covered this matter in great detail in my earlier testimony and it is unnecessary to reiterate that testimony here. But I cannot let pass unmentioned two statements in Mr. Rademacher's testimony about the Postal Service Act that are gross distortions of the truth. The first is: "We would be deprived of our right to appeal to Congress." Section 209 of H.R. 11750 explicitly states that, among the provisions of law that shall apply to the Postal Service, is chapter 71 of title 5 of the United States Code—and this chapter contains a statutory guarantee of "the right of employees, individually or collectively to petition Congress or a member of Congress. . . ."

The second is: "We would be permitted to bargain collectively—but only by permission of the managers. If an *impasse* arises, we would be permitted to go to compulsory arbitration *only if the managers gave us permission to do so!"*

On the heels of that remarkable assertion, Mr. Rademacher adds: "This—I think you will agree—is just a cynical little parody of collective bargaining." So it would be—if Mr. Rademacher's comments were not also a cynical little parody of the truth. The facts are, of course, that H.R. 11750 assures postal employees of a right to bargain collectively, and a refusal by postal management to bargain in good faith over any bargainable issue would be an unfair labor practice. The processes of the National Labor Relations Board and of the court would be available—by law—to require faithful discharge of the duty to bargain; "permission of the managers" has absolutely nothing to do with the case. Nor is the compulsory arbitration provision of H.R. 11750 something to be granted or withheld by "the managers." The fact is—and it is entirely unmistakable if one reads section 808 of H.R. 11750—that neither management nor labor can prevent recourse to compulsory arbitration if the independent postal disputes panel decides that an impasse should be referred to arbitration. The postal disputes panel would be completely impartial; postal management would have no influence whatsoever over the selection of its members of the conduct of their duties.

From time to time, we have been asked why the postal unions are opposed to the Postal Service Act. Mr. Rademacher's reckless misrepresentations suggest a possible answer.

Sincerely,

WINTON M. BLOUNT.

Mr. Blount's letter in effect effectively states the position of the Department and I believe the communication to be of such great significance that it deserve the attention of all Members.

## AIRCRAFT NOISE AND SONIC BOOM

## HON. ALLARD K. LOWENSTEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. LOWENSTEIN. Mr. Speaker, when, in July 1968, Congress unanimously passed the Noise Abatement Control Act, the promise was, in the words of the act, "to afford present and future relief to the public from unnecessary aircraft noise."

Now, 17 months after enactment of that act, literally nothing has been done to implement the mandate of the act "to provide for the control and abatement of aircraft noise and sonic boom." To the contrary, those who live in communities adjacent to airports, who were promised a reduction in noise, have had to endure a continually worsening situation.

As if in response to the escalating decibel rate, the Federal Aviation Agency now has adopted what are, for all intents and purposes, irrelevant standards governing noise levels. Incredible as it may seem, the standards now announced in pursuance of the congressional mandate "to afford present and future relief to the public from unnecessary aircraft noise" apply neither to existing aircraft, nor to the coming generation of jumbo jets, at least not in the foreseeable future. We are told that nothing can be done about the noise levels of the 747 and successor aircraft because aircraft manufacturers have had "inadequate notice."

Inadequate notice, what constitutes adequate notice? Are aircraft manufacturers and airline owners insulated permanently in sound-proof jets where the protests and pleas of everyone else can never penetrate? Maybe we should have expected 5 years of efforts by citizens all over the country to be ignored, but what about the law itself, voted unanimously by the House, overwhelmingly by the Senate, and signed by the President? If the law does not provide "adequate notice," what does? Must people break one law to get another one implemented? How we must pray that it has not come to that in the United States of America.

The simple fact is that an industry that can develop the 747 can develop the technology to control the noise made by the 747. Where there is a will in these matters, there are usually several ways. But all we can get are excuses, evasions, and now deception. Yet no one is fooled that the new noise limits of 108 EPNdB, arrived at without a single session of public hearings, will be responsive to the needs of people living in communities near airports. The 108 limit even rejects in effect the FAA's own carefully considered judgment in 1966 that a ceiling of 106 EPNdB, measured at distances considerably closer than those specified in the new rules, was readily feasible.

Consider what responsible people who have never violated a law must feel in the face of this situation—knowing what is technically feasible, knowing what the law requires, knowing that no relief is even distantly in prospect from the horror of deafening noise ripping communities apart every 30 seconds or every minute.

Airline companies that have spent $3.7 billion to date for new 747's, and that anticipate spending a total of $53 billion for more aircraft and airports between now and 1980, plead that they cannot afford $500,000 to $1 million per plane to retrofit existing aircraft; and a Government that is prepared to shell out $1.2 billion for the SST—against the advice of the administration's own advisory committee—can scrounge together only $978,000 a year for noise-abatement research.

If airlines are so concerned about cost, they might focus on the $2.3 billion in lawsuits pending against a single airport—Los Angeles International—because of jet noise. In the long run, I believe the airlines would save themselves a great deal of trouble—and even money—if they would concern themselves now with their impact on the health, spirit, and economic conditions of the communities that they have blighted so cavalierly over the years.

But the FAA is the gravest offender against commonsense and the public good. The people have spoken through their elected Representatives, but this small group of men who are appointed for the purpose of implementing the law apparently cannot hear the voice of the people through the din of the jets.

But if the regulations dealing with new planes are misleading and inadequate, the delay in issuing any regulations at all for existing aircraft is outrageous and incendiary. For even the fairest noise certification standards for new aircraft would produce only belated and marginal relief for the afflicted areas.

In the light of that fact it is incredible that the FAA has yet to take the first tentative steps toward easing the suffering caused by existing aircraft. Seventeen months is a long time in the life of a human being and in the development of a community. It is long enough to schedule and hold hearings and to formulate reasonable regulations. It is too long to allow schools, meetings, and religious services to be disrupted, and far too long to allow the sleep of countless people to be impaired and to allow their health and hearing to be imperiled.

The intent of the Congress could not be more clear. Nor could the duty of the FAA. Areas adjacent to airports must be made habitable now, not when present aircraft have become obsolete and the airlines get around to facing the consequences of their past misbehavior, if they ever do.

The FAA is supposed to be a regulatory agency. People are supposed to be more important than machines. It is past time that this regulatory agency regulated machines in the interest of people, instead of undercutting the will of the people in the interest of a few companies that own machines. The situation is precisely that simple.

The technology is available to correct this intolerable situation, and there are many of us here in the Congress who expect the FAA to see to it that it is corrected forthwith. We invite the help of the President and trust he understands the urgency of this invitation.

## NIXON'S UNION MAN

## HON. WILLIAM H. AYRES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. AYRES. Mr. Speaker, last March it was my privilege and pleasure to be present at the swearing-in ceremonies of my old friend W. J. Usery, Jr., as Assistant Secretary of Labor. I felt assured that this most important post was being placed in most capable hands.

Last week, Richard J. Levine, one of the Nation's most able labor editors, wrote a very comprehensive story about Assistant Secretary Usery that appeared in the Wall Street Journal. I felt certain that my colleagues would be interested in learning the background of this new member of the administration's team.

The story follows:

[From the Wall Street Journal, Dec. 2, 1969]

NIXON'S UNION MAN: USERY MOVES SMOOTHLY FROM MACHINISTS POST TO ROLE AS LABOR AIDE

(By Richard J. Levine)

WASHINGTON.—"What's a trade unionist like you doing working for a Republican Administration?"

Union skeptics still occasionally ask that question of Assistant Secretary of Labor Willie J. Usery Jr., who has emerged as the Government's top troubleshooter on the increasingly turbulent bargaining front. But the former Machinists Union official with the Georgia drawl and disarming country-boy manner hears it far less frequently than when he first arrived in Washington.

Mr. Usery—a Democrat who voted for Hubert Humphrey and the only labor leader in the Nixon Administration—has been able to prosper in an important sub-Cabinet post without compromising his commitment to the goals of organized labor. In the past 10 months, the strapping Assistant Secretary for Labor-Management Relations has become a key member of the Labor Department team, generally impressing Government, union and management officials with his abilities as a bureaucrat, the chief liaison officer with the AFL–CIO and an effective, fair-minded mediator of labor conflicts.

J. P. Hiltz, chief bargainer for the nation's railroads, now dealing with Mr. Usery in a dispute that threatens to result in a strike, credits him with "a very good understanding" of management's position at the bargaining table. "Because he has such a good feel for the union's problems, he can discount that and concentrate on managements'."

The only strong criticism of Mr. Usery has come from the fast-growing Federal-employe unions. One, the National Association of Government Employes, has accused him of showing favoritism to an AFL–CIO affiliate in a bitter representation battle at the Norfolk, Va., naval shipyard—a charge he denies.

The 54-year-old Mr. Usery's toughest assignments are on the bargaining front, where, as a mediator, he sees his role as helping the parties focus the issue and fashion new approaches "without trying to dictate" the terms of a settlement.

"It's easy for negotiators and mediators to blunder into a strike," he stresses. "It takes skill to get a settlement."

NONSTOP NEGOTIATIONS

Earlier this year, President Nixon praised Mr. Usery's "stamina and skill" in helping hammer out a pay-and-benefits agreement that averted a nationwide railroad strike by the Signalmen's Union; in more than 28 hours of unbroken negotiation, he kept the pressure on both sides without real arm-twisting, until they came to terms on the knotty issue of extra increases for skilled workers. In another weekend of nonstop mediation, he helped bring a quick end to a Teamsters walkout that had crippled Pan American World Airways.

Now the Assistant Secretary is grappling under an approaching deadline with his most difficult dispute to date—a protracted wage battle that pits the nation's railroads against four shopcraft unions, led by Mr. Usery's own International Association of Machinists. If there's no agreement by 12:01 a.m. tomorrow, when a 60-day cooling-off period expires, 48,000 workers will be free to strike; only an act of Congress could order them back to work. The railroads have threatened a lockout even if only a few of them are struck.

In a last-ditch effort to head off a nationwide rail tieup, Labor Secretary George P. Shultz directed Mr. Usery to move the negotiations from the railroads' bargaining headquarters to the Labor Department and start round-the-clock sessions at 10 a.m. yesterday. Just before the start of the nonstop bargaining, Mr. Usery said he was "optimistic that a settlement can be reached."

In addition to mediating disputes, Mr. Usery has counseled the Administration on labor matters, using his knowledge of union affairs to help shape a new Executive order governing Federal-employe unions and proposals on farm workers' bargaining rights and pension-fund regulation.

As the main day-to-day link between the Administration and the labor movement, the Assistant Secretary is determined to keep lines of communications open and relations civil. Frequently, he is in touch by phone two or three times a day with AFL–CIO Secretary-Treasurer Lane Kirkland or James Gildea, George Meany's executive assistant. These conversations have dealt with such matters as the Pittsburgh dispute between white building tradesmen and blacks seeking more construction jobs—which Mr. Usery has been mediating off and on since mid-September—and arrangements for an appearance by Astronaut Edwin Aldrin at the AFL–CIO convention in October.

"AN ELEMENT OF MISTRUST"

Mr. Usery, who was an obscure union representative when tapped for the sub-Cabinet last January, believes the Nixon Administration has been "fair to labor" so far. Nonetheless, he observes:

"It's very difficult for a labor leader to come into a Republican Administration. There is an element of doubt and mistrust between both factions. In a sense you have to be a mediator between Government and labor."

(Some union men vividly recall how one past experiment in labor-Republican cooperation fizzled. In January 1953, Dwight Eisenhower named Martin Durkin, then head of the Plumbers Union, as his Labor Secretary. Mr. Durkin quit in anger eight months later, feeling the President had violated an understanding that he would propose liberalization of the Taft-Hartley law.)

Critical tests of Mr. Usery's skill as a mediator between "Government and labor," as well as between labor and management, lie ahead.

With the Administration's anti-inflationary policies threatening to push unemployment higher, union chieftains are turning hostile toward the White House. And at the bargaining table, employers concerned about a profit pinch are locking horns more frequently with union negotiators seeking fat wage gains to keep abreast of still-rising prices.

Labor Secretary Shultz and other officials are bracing for a wave of strikes next year, when major contracts expire in the auto, rubber, meat-packaging, trucking and railroad industries. As a result, many observers expect Mr. Usery will find himself in the midst of more disputes, despite the Administration's pledge to avoid interference. But associates believe he'll be equal to further challenges.

Mr. Shultz describes his colleague as an "immensely talented" individual "who has this knack or ability to get people working together along constructive lines." Though their backgrounds and personalities are very different, Mr. Usery (an ebullient one-time welder) and Mr. Shultz (a soft-spoken former professor) have developed a close relationship.

"Shultz has a way of making up his own mind," says one insider. "But he won't make it up without first having Bill's advice. He has a great deal of respect for his judgment." The Assistant Secretary voices his views either in frequent private meetings with his boss or in the regular Tuesday morning conference of the department's top officials.

HARSH WORDS

To the delicate task of helping labor and the Administration understand each other, Mr. Usery "brings a pretty highly developed sense of what unions like and don't like," declares an AFL–CIO staffer. "There has to be a person like Usery who is current with the problems of the trade union movement and the Administration whom we can talk to frankly."

But harsh words about Mr. Usery's performance have come from the Federal-employe unions.

Recently the Independent National Association of Government Employes (NAGE) attacked him for allegedly showing favoritism to the AFL–CIO Metal Trades Council, of which the Machinists Union is part. The NAGE is trying to oust the council as representative of 7,800 blue-collar workers at the Norfolk shipyard.

NAGE President Kenneth T. Lyons charges that Mr. Usery, in view of his AFL–CIO background, "is in an obvious conflict-of-interest situation." He says "the unique manner in which this entire matter has been treated . . . raises the strong suspicion in our mind" that the NAGE "has not been treated with impartiality by the AFL-CIO infested Labor Department."

The NAGE is upset at the Navy's indefinite postponement, at Labor Department request, of a union representation election that had been scheduled for Nov. 6. Secretary Shultz has said he asked for the postponement in order to examine a request by an AFL–CIO that an arbitrator be appointed to examine federation charges that the NAGE obtained the election date with "fraudulent and deceitful tactics." The Navy had previously dismissed such charges.

Mr. Usery says the accusations against him are "absolutely false." Though his office has been involved in the matter, he says, "I haven't had anything to do with it. . . . I personally haven't made any recommendation to the Secretary of Labor."

A COOL RECEPTION

Federal-employe leaders have also given the new Executive order covering their unions—which the Assistant Secretary helped draft—a cool reception. Among other things, the directive establishes a council to oversee the Government's relations with its employees and a special "impasse panel" to help settle disputes.

While the United Federation of Postal Clerks concedes the order may bring "improvement in some areas," it argues that there are "new restrictions" on union activity. For example, the Nixon directive specifically forbids that negotiations be held during normal work hours of employes bargaining for the union.

No such controversy surrounds Mr. Usery's work at the bargaining table, where labor experts agree his impartiality, tenacity and knowledge of labor relations are valuable

assets. "He knows the business," asserts an old Labor Department hand. "He knows how parties feel and react and what instincts motivate them."

All these qualities were on display in the April dispute between the Signalmen and the railroads, and Mr. Usery's performance did much to enhance his prestige.

The Assistant Secretary entered the dispute shortly after the 13,000 member union announced on Tuesday, April 8, its intention to strike the following Monday at 6:01 a.m. One of his first moves was to get the parties to begin talking again. "If you can't agree on anything but the time of day," he says, "you start there and build."

"I started helping them at 10 a.m. Saturday," he has recalled. "At 4:30 a.m. Sunday, everyone was hanging on the ropes and wanted to take a break. In keeping with the Secretary's policy of leaning heavily on the collective bargaining system, I kept the parties negotiating until they finally reached agreement at 2:30 Sunday afternoon.

"I wouldn't say that we did much for regular hours and meals. But there was no nationwide rail shutdown Monday morning. It's amazing what the parties can achieve with some honest-to-goodness hard bargaining."

APPEALS TO PATRIOTISM

A lot of that "hard bargaining," insiders say, was due to Mr. Usery's sure touch and refusal to accept defeat. He reminded both sides, with appeals to their patriotism, of the public interest involved in a rail strike, and he constantly cajoled the chief negotiators to try to understand each other's position.

After the accord, Mr. Shultz says, both sides agreed that "it was their settlement," that no arms had been twisted. Railroad bargainer Hiltz said later that Mr. Usery "played it straight down the middle. He's persistent as hell. He just keeps gnawing away at the bone until he gets all the marrow out." Signalmen's President C. J. Chamberlain put it another way: "When Usery zeroes in on you, he has a way of getting things out of you."

Willie J. Usery (known around the Labor Department as Bill or W.J.) has clearly enjoyed his rapid rise from a $16,000-a-year union job to a $38,000-a-year sub-Cabinet position. Declares retired Machinists Union President Roy Siemiller: "Bill likes the prestige and recognition given a little country boy from Georgia."

Mr. Usery grew up in Milledgeville, Ga., and went to work as a welder in 1941 after two years at Georgia Military College. He joined the Machinists Union in 1949 at Armstrong Cork Co. in Macon. Seven years later the Machinists assigned him to coordinate union activities at Cape Kennedy, then Cape Canaveral, in Florida.

When he arrived at the cape, where he became an avid rocket and space buff, the union had 17 members there; when he left to come to Washington, it had 4,600. As the top Machinists official at the cape, Mr. Usery participated in most of the national aerospace labor negotiations, coming in contact with former Lockheed Aircraft Corp. Vice President James Hodgson. When Mr. Hodgson was chosen as Under Secretary of Labor, he recommended Mr. Usery to Mr. Shultz "as the smartest and ablest union official I had dealt with at any level."

A SHOWER IN THE OFFICE

Though now ensconed in one of the Labor Department's plus third-floor executive suites, Mr. Usery hasn't lost his informal charm. One evening he wandered into the Secretary's outer office, his broad face split by a grin, and drawled: "Not so many years ago I didn't even have a shower in my house, and I just now took one in my office." And, after a typical 12-hour day, he is given to announcing, "I'm plumb wore out."

Still, some department associates suspect the nood-gatured Georgian of putting on an act. "If he wants to, he can speak with very little Southern accent and few errors," says one official. "I accused him of being a phony one day after I heard him tell a phone caller who asked for Mr. Usery—'This is he.'"

Put on or not, his casual manner, which helps him get to know people on a first-name basis, is undoubtedly useful in his role as a mediator. He says: "I have found that a good personal relationship with a man will make him a lot less likely to turn down my proposal out of hand."

The Assistant Secretary has been accepting two or three speaking engagements a week (at the AFL–CIO convention he gave four), addressing such groups as the Amalgamated Transit Union, the American Society of Hospital Personnel Administrators and the Painters Union. He reads a prepared text poorly and is at his best in off-the-cuff remarks or in later conversation over a dry Beefeaters martini.

Apart from his peacemaking successes, Mr. Usery is winning considerable influence on policy within the Republican-ruled Labor Department.

Secretary Shultz says the mechanism to provide farm workers with a limited right to strike—which is part of the Administration's proposal to give bargaining rights to agricultural employees—was "more Usery's idea than anyone else's."

His thinking is also reflected in a bill drafted by the Labor Department, but not yet proposed by the Administration, to tighten regulation of welfare and pension funds. He has grown concerned about the tempting target that $115 billion in retirement fund assets makes for organized crime. One feature of the bill would bar persons convicted of such crimes as robbery and extortion from serving as pension-plan administrators.

Mr. Usery says his Washington experience has been broadening in many ways, and he recently mused:

"As a union official, I was representing skilled workers with high school educations in relatively high-paying jobs. Now when I look across my office, I see 81 million people in the work force—black, white, yellow, the physically handicapped, the illiterate. In this job, you have to be concerned about the welfare of all the people."

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## THE UNSUNG SAILOR OF SCIENCE

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## HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. FASCELL. Mr. Speaker, oftentimes our attention is not brought to historical figures and their accomplishments. One such figure in our naval history was Rear Adm. Charles Henry Davis.

Admiral Davis was not only an outstanding naval officer, but he was also a man of science. His effort helped make the Navy a service associated with science and scientific accomplishment.

A very interesting and informative article relating the many accomplishments of Admiral Davis was written by Mr. Don Groves. I commend the article, "The Unsung Sailor of Science," to the attention of our colleagues:

THE UNSUNG SAILOR OF SCIENCE

(By Don Groves)

(The author is a Naval Reserve Officer currently attached to a unit (5–8) of the Navy's Research Program (ONR). He has had a wide range of experience in the Navy both while on active duty during World War II and Korea, as well as in the Reserve Program. His civilian experience has included electrical and mechanical design, systems engineering and advanced engineering in Naval Warfare as well as Materials Science. Groves is a member of the ASNE, The Marine Technology Society and a Fellow of The Washington Academy of Science plus several other scientific and engineering societies.)

"Our government does not spend nearly fifteen percent of its budget in the research and development business because science has a powerful lobby; in fact, scientists are still rather untutored at the game; nor because the United States is hungry for a better understanding of nature, or what lies on the other side of the moon; nor—finally—as a contingency investment against the risk that some other nation will surpass us. Each of these factors certainly plays a part, but basically the investment is made because our society has understood the dependence of its future on science and technology." (Hon. Paul H. Nitze, former Secretary of the Navy.)

The people of this country have always been interested in science, and our society has always "understood the dependence of its future on science and technoloy". Even in the earliest days, an unexplored continent provided a powerful stimulus to the curiosity of our ancestral pioneers. In this rugged environment, they realized that even their survival and that of their families depended upon a better understanding of nature.

As that understanding increased and our nation began to develop, the sea represented to many colonal Americans and later to great numbers of early nineteenth century Americans as much of a frontier as did the prairies and mountains in the West. For rather practical reasons, American merchantmen and whalers traveled to little known seas and lands. Fur sealers even ventured to the Antarctic for what they then allowed was a source of promising wealth to the country.

But . . . scientific curiosity itself and the desire for national prestige provided the prime motivation to the majority of our forefathers. And it was this that made the Navy the service that has historically been associated with science and scientific accomplishment in this country. In 1825, President John Quincy Adams requested Congress to establish a Naval Academy "for the formation of scientific and accomplished officers." Five years later the Naval Observatory and the Hydrographic Office were founded jointly as the Depot of Charts and Instruments which, under Commander Matthew Fontaine Maury compiled and published the first hydrographic charts ("Wind and Current Charts" and "Sailing Directions") and helped found the science of oceanography. In 1838, a University of Pennsylvania Professor of Chemistry and Physics became the Navy Department's first scientist. And in 1842, a Naval officer, Lt. Charles Wilkes, headed the first great American scientific venture overseas. This particular expedition and Wilkes' view, as expressed in a letter to the Secretary of the Navy prior to the expedition, to the effect that the Navy should provide the scientists and "not act simply as the hewers of wood and drawers of water" set an example which stimulated subsequent U.S. scientific expeditions.

These and many other noteworthy events in history directly established the Navy's foundations in the scientific work of our nation. However, various activities of the Navy have also, over the years, helped to shape a more meaningful relationship of not only the Navy's but of our entire government with science. Such a significant role is often overlooked. Moreover, perhaps the most unsung hero in all Naval history is this remarkable man who played the key part in this same role. His name is Rear Admiral Charles H. Davis, USN.

Davis, as fine a professionally qualified officer as the Navy had in a time when it ships were built of wood and men were of steel, was also a recognized scientist—recognized,

that is, by some of the great men of science on whose shoulders our own scientists now stand.

Charles Henry Davis was born in Boston in 1807 and died at the Naval Observatory in Washington in 1877. He was educated at the Boston Latin School and entered Harvard in 1821. He left college in 1823 to enter the Navy but subsequently completed work for his degree, and his name is listed with the Class of 1825.

Seventeen years of his early life were spent almost constantly at sea in the Navy. He served on board such ships as the frigate, *United States;* the schooner, *Dolphin;* and the sloops, *Vincennes, Erie,* and the *Ontario.* The famous naval heroes Dahlgren, Maury and Dupont were among his first shipmates. In this fast company, one of his skippers, Capt. Gordon, on the *Ontario,* reporting on the qualifications of his officers to Commodore James Biddle who commanded the squadron stated that:

"Lieutenant C. H. Davis is devoted to the improvement of his mind; his country may expect much from him."

This succinct fitness report on Davis was both accurate and prophetic. He was indeed a man interested in probing into the "whys" of everything around him. During all these years at sea, he devoted himself at every opportunity to studies of astronomy and hydrography. Such study, coupled with his experience and knowledge of navigation, brought him into a billet in 1842 with the Coast Survey that exactly suited his attitudes, objectives and abilities.

In 1842 the Coast Survey—recognized then as the one great scientific institution in the U.S. under government control—was involved in a preliminary but ambitious hydrostatic survey of the entire East Coast. Moreover, at that time there was much to be done by the Coast Survey in the examination of harbors and plans for harbor improvements.

Davis spent six years with the Survey under the superintendency of a most remarkable man, Professor Alexander Dallas Bache, the great grandson of Benjamin Franklin. Bache was an eminent sicentist, the first President of the National Academy of Sciences, in 1863, a man whose scholarship was without a flaw, an effective administrator, and a natural leader of men. He made a profound and lasting impression on Davis.

Working under Professor Bache, Davis spent an effective tour of six years with the Coast Survey. He discovered the "Davis' New South Shoal" (20 miles south of Nantucket shoals) and became an acknowledged U.S. authority on tides and currents, and especially their effects on the formation of coastlines and reefs. He published several papers on the subject and his scientific work, "The Law of Deposit of the Flood Tide" won wide acclaim.

In 1849, the Navy in recognition of his talents placed Lt. Davis in charge of publishing an American Ephemeris and National Almanac. At the time our navigators and astronomers were still dependent on the British Nautical Almanac, a disadvantage which had long been apparent to Davis. His Coast Survey work had strengthened his conviction of the necessity of a National Ephemeris and he looked forward to the assignment.

Harvard University and the Cambridge Observatory were established as the headquarters for the work on the Almanac. Here in the congenial and intellectually stimulating society of such men as zoologist Louis Agassiz, mathematician Benjamin Pierce, the Director of the Observatory, George Bond, and many other established scientists of the day, Davis effectively established the foundation of the American Ephemeris and Nautical Almanac.

While still engaged in work on the Ephemeris, Davis read a paper on the Solar Eclipse of 1851 before the Sixth Annual Meeting of the American Association for the Advancement of Sciences. Here, at this Albany, N.Y. meeting he listened with avid interest to an address by his friend, Professor Alexander Dallas Bache.

Bache, in his address as retiring President of the AAAS, dwelt on the need for a national scientific organization:

"I would throw out for your consideration some reasons which induce me to believe that an institution of science, supplementary to existing ones, is much needed in our country, to guide public action in reference to scientific matters. . . .

"It is, I believe, a common mistake to associate the idea of academical institutions with monarchial institutions. We show in this, as in many other things, the prejudice of our descent. We have among us the two extremes of exaggerated nationality and of excessive imitation; let us modify each by the other, and be wise. A national institute is not necessary to Great Britain, with her rich and powerful universities. Republican France has cherished her Institute, seeking rather to extend than to curtail its proportions. . . . Nor does the idea of a necessary connexion between centralization and an institution strike me as a valid one. Suppose an institute of which the members belong in turn to each of our widely scattered states, working at their places of residence and reporting their results; meeting only at particular times, and for special purposes; engaged in researches, self-directed, or desired by the body, called for by the Congress or by the Executive, who furnish the means for the inquiries. The detail of such an organization could be marked out so as to secure efficiency without centralization, and constant labor with its appropriate results. The public treasury would be saved many times the support of such a council, by the sound advice which it would give in regard to the various projects which are constantly forced upon their notice, and in regard to which they are now compelled to decide without the knowledge which alone can ensure a wise conclusion. The men of science who are at the seat of government either constantly or temporarily, are too much occupied in the special work which belongs to their official occupations to answer such a purpose; besides, the additional responsibility which, if they were called together, they must necessarily bear, would prove too great a burden, considering the fervid zeal, and I might almost say fierceness, with which questions of interest are pursued and the very extraordinary means resorted to to bring about a successful conclusion. . . .

"Our country is making such rapid progress in material improvements, that it is impossible for either the legislative or executive departments of our Government to avoid incidentally, if not directly, being involved in the decision of such questions. Without specification, it is easy to see that there are few applications of science which do not bear on the interests of commerce and navigation, naval or military concerns, the customs, the lighthouses, the public lands, post-offices and post-roads, either directly or remotely. If all examination is refused, the good is confounded with the bad, and the Government may lose a most important advantage. If a decision is left to influence, or to imperfect knowledge, the worst consequences follow.

"Such a body would supply a place not occupied by existing institutions, and which our own is, from its temporary and voluntary character, not able to supply."

Such an idea for an organization of this type that would be of use to the country as a whole in matters relating to science and technology was certainly not new. Washington, Jefferson, Franklin, John Adams, had, although in rather vague terms, proposed a permanent national scientific association designed to further science in the national interest. By far, the most aggressive group of advocates of the overall Academy idea before the Civil War were called the "Scientific Lazzaroni" (scientific Beggars). This brotherhood of American scientists was headed by Professor Bache and Joseph Henry, Secretary of the Smithsonian Institution. The Bache-Henry circle included Louis Agassiz, Wolcott Gibbs, Benjamine Pierce, and Charles H. Davis.

Several attempts by this group and others to found a National Scientific Association or Academy were made in the 1850's but they encountered very great opposition from the States Rights' Groups in Congress who, at the time, questioned the appropriateness of any centrally oriented Federal Institution. In fact, the 1846 legislation that created the Smithsonian Institution had passed only by a very narrow margin against opposition, most prominently from the States Rights' Groups. Only the fact that over $500,000 in private money was available for financing kept the Smithsonian idea from being dropped completely. Nevertheless, Davis retained his deep interest in the Academy movement, and because of this he was destined to eventually evolve a practical plan for its establishment.

Davis had been promoted to Commander in 1856 (after 31 years of service) and he spent the next three years in command of the sloop, *St. Marys.* This was a busy command. He cruised in the Pacific visiting several of the ports on the West Coast of South America, the Marquesas and Sandwich Islands, and surveyed some of the uninhabited islands in the South Pacific. Incidentally, the principal purpose of such surveys at the time was to determine the value of the guano deposits of these islands. Several months were spent refitting the *St. Marys* at the newly established Mare Island Navy Yard commanded by Farragut who Davis recognized in his 1857 letters as one who possessed the qualities of a great Naval Commander."

In 1857, Davis was sent to Nicaragua to monitor the dramatic events then taking place in that country. At this time the power of William Walker, the American adventurer, who had in two short years' (1855–1857) time *became* Generalissimo then President and Dictator of Nicaragua, had crumbled. Davis' part in handling the Walker episode (he was instrumental in securing the surrender of Walker and he carried him and 16 of his principal officers out of the country aboard the *St. Marys*) brought out conspicuously the leading traits of his professional character—fearlessness of responsibility, independence and soundness of judgment, and strong self reliance. While not every one in the U.S. politically agreed at the time with Davis' conduct in the affair, the event served to mark him as an officer who was to be reckoned with and depended upon in matters of action as well as matters of science.

Davis was relieved of command of the *St. Marys* in 1859 and he returned to Harvard again as head of the Nautical Almanac work. During his absence his English translation of Gauss' "Theoria Matus Corporum Colestium" had been published and he had the honor of giving the mathematical world the first English version of the Method of Least Squares. During his cruise on the *St. Marys,* he had translated Kerhallet's "General Examination of the Pacific Ocean" and written several papers on astronomy and hydrography.

When the Civil War started, Commander Davis was summoned to Washington where he spent some time first in bureau work as a member of what was known as the Construction Board*. This Board had under con-

*In this job, Davis took a rather dim view of the design of the *Monitor.* He felt it worthless as a seaworthy ship and endorsed the design only on the premise that

sideration the plans of ships to be built and added to the Navy. Later he served as Fleet Captain in the expedition against Port Royal** and as Flag Officer in command of the Mississippi flotilla. By virtue of this command he was made a Commodore in July 1862, and for his gallent conduct in the victories of Fort Pillow and Memphis*** he was made a Rear Admiral on 7 February 1863. (The list of Rear Admirals at this time included Farragut, Goldsborough, Dupont, Foote, Davis, and Dahlgren. Each had been promoted for cause.)

Only a few months before had the Navy Bureau of Navigation been established as the Navy's main scientific organization with Commodore Davis as its first Chief. In addition to being the time of his promotion, February of that year proved to be an eventful period both for Admiral Davis and the country.

In February of 1863 the Secretary of the Navy, Gideon Welles, also appointed a "Permanent Commission" to advise the government on inventions and other scientific proposals with which the government at Washington was flooded. The letter of appointment to this Commission is as follows:

"NAVY DEPARTMENT,
*"February 11, 1863.*

"SIR: The Department proposes to organize upon the following programme a permanent commission to which all subjects of a scientific character on which the Government may require information may be referred.

"Propositions relative to a permanent scientific commission:

"1st. There shall be constituted a permanent commission consisting of, for the present, Commodore Davis, Professor Henry, and Professor Bache, to which shall be referred questions of science and art upon which the Department may require information.

"2nd. This commission shall have authority to call in associates to aid in their investigations and inquiries.

"3rd. The members and associates of the Commission shall receive no compensation for their services.

"You are directed to act as a member of the Commission in conjunction with Professor Henry and Professor Bache.

"Such matters as are presented to the Department will be referred to you for examination and report by the Commission.

"I am respectfully,

"GIDEON WELLES,
*Secretary of Navy.*
"CHARLES H. DAVIS,
*"Commodore, Chief of Bureau of Navigation."*

"This Commission which was originated by Davis is interesting because it led directly to the establishment of the National Academy of Sciences. Or, as Admiral Davis himself wrote that month in letters to his family in Boston:

"February 2, 1863. How much have I told you, if anything, about a Permanent Commission or Academy? Bache, Henry, and myself are very busy on this topic, and have made a move which will no doubt result in the Permanent Commission. The Academy is more doubtful."

"February 20. Inclosed is a copy of the order creating the Permanent Commission. But the Academy is to be introduced into Congress by Mr. Wilson (Senator from Massachusetts). The whole plan of it was arranged last night between Mr. Wilson, Agassiz, Bache and Ben (Professor Pierce). It was my plan amplified and improved."

"February 24. I told you a word about the Academy in one of my notes, but only a word, being in a hurry. The appointment of a Permanent Commission was suggested to me by one of my letters, which quoted a passage from the British War Office which spoke of a Select Commission; and when I mentioned it to Bache and Henry they acquiesced, and the latter presented the plan to the department. You saw, by the copy of the Secretary's letter to me, that our plan was accepted without any change whatever. We had hardly got through this thing before the idea flashed upon my mind that the whole plan, so long entertained, of the Academy could be successfully carried out if an act of incorporation were boldly asked for in the name of some of the leading men of science from different parts of the country. This I submitted to Bache and Henry with details, but the view was not immediately adopted. The next step was Agassiz coming to Washington as one of the regents of the Smithsonian Institution. Then followed a visit to Agassiz by Senator Wilson, who had nominated him to the regency. At this meeting, which took place at Bache's, Ben, Bache, and Dr. Gould were present; and it was there that the mode of proceeding was devised. Mr. Wilson introduced the bill last Saturday."

In summary, these letters, coupled with other evidence, indicate that immediately upon returning to Washington for duty Davis participated in various discussions among his scientific associates on the important question of how to best aid the Union. The value of such discussions again clearly illustrated to Davis the need for a formal national scientific organization. Having served as a member of various advisory boards, the idea occurred to him not long before February 2, 1863, that this organization might take the form of a Permanent Commission. He at once discussed this idea with Bache and Henry, who agreed that the plan was meritorious, while at the same time clinging to the idea of founding an academy. Henry was so favorably impressed with the commission plan that he immediately presented it to the Navy Department. This plan received the prompt attention of the Secretary of the Navy, who issued an order on February 11, creating the Permanent Commission.

While still awaiting the outcome of his plan to establish this scientific commission, the idea occurred to Admiral Davis that the academy, so long coveted, might be organized by the simple process of asking Congress for its incorporation "in the name of some of the leading men of science from different parts of the country." This idea was also presented to Blache and Henry, who, however, were not immediately convinced of its merits. About this time the great Harvard zoologist, Louis Agassiz, having been nominated by Senator Henry Wilson, of Massachusetts, a regent of the Smithsonian Institution, came to Washington and met him on February 19, at the house of Professor Bache. Also at this same meeting were Professor Pierce, Dr. B. A. Gould, and Admiral Davis. Davis' plan of incorporating an academy was discussed by all present, and it was eventually decided that Senator Wilson should introduce a bill of incorporation, which he did on Saturday, February 21. As his letters, indicate, Admiral Davis asserts that the plan of action adopted on this occasion was his own, "amplified and improved."

The bill passed both the Senate and the House on 3 March 1863 and was signed by President Lincoln on the same day. Thus, was created a unique national institution—a private organization with a federal charter. Made up of distinguished scientists and engineers, the Academy had two chief purposes: to foster the orderly development of science and its use for human welfare, and to advise the Federal Government on request and without fee, on matters relating to science and engineering.

It has long been well recognized that this Academy has proved of inestimable value to this nation. The unique mechanism of the Academy of Sciences and its sister Academy of Engineering by which the country's scientists, physicians, and engineers can contribute their knowledge as individuals to the solution of various pressing national problems works just as effectively today as it did over 106 years ago. Such effectiveness of operation and flexibility of charter are high tributes to Davis and the early planners of the Academy.

Navy support was vital in the initial stages of the Academy's work. Such support has always been important to the success of the endeavor. The Academy's first report, incidentally, was on a Navy subject. It dealt with the very practical and important problems of calibrating compasses aboard ships equipped with iron smoke-stacks. The Secretary of the Navy requested such an investigation. And, although documented history is vague on this point, we may presume that Admiral Davis requested the Secretary to make such a request, as well as a good many of the others that were made by the Navy during Davis' lifetime.

Indeed, Admiral Davis was very active in the affairs of the Academy in 1863 and 1864 and remained as Chief of the Bureau of Navigation until 1865. He relinquished this post to assume the Superintendency of the Naval Observatory. Here, he established its operations so efficiently that the French copied our system and placed their National Observatory under the administration of a Naval officer of eminent scientific attainments.

But Admiral Davis was still considered a flag officer of the line and, after two years at the Observatory, he was called once more to sea duty. In 1867 he assumed command of the Brazilian squadron. In 1869, upon his return to the U.S., he was made a member of the Light-House Board in Washington. During his absence in Brazil, Harvard conferred upon him the degree of Doctor of Laws, at this time, the first such honor in the history of the University ever paid to a Naval Commander. From 1870–1874 he commanded the Norfolk Naval Station and from 1874 to the time of his death in 1877 (February) he again had charge of the Naval Observatory.

In a word, Charles Henry Davis was indeed in all ways a very remarkable man. And in the early days of our country he combined his very unusual and remarkable talents in science, administration, and Naval warfare to applications directed solely to his country's welfare. His contributions were many, varied, and important. In the biographical memoirs of the august Academy of Sciences he helped to found, some insight to the man himself can be gained by these words which were written 20 years after his death:

". . . He entered the field of science when the gate stood wide open to him, and although not a man of genius, he went as far as a deep love of knowledge and truth and the talents which God had bestowed would carry him. Whatever he had to do he did with all his might; and so when the test came which sorted men according to the merit that was in them, the scientific officer went easily to the front and the idler dropped into

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it could be hastily constructed and could render some service as a floating battery in smooth water. He is said to have signed the report authorizing the construction and then turning the model over to the inventor and remarking, "Mr. Erickson, you can take that little thing home and worship it and it will be no sin, for it is not made in the likeness of anything in the heavens above or the earth beneath or the waters under the earth."

** An interesting account of this battle is contained in the article, "The Great Stone Fleet Calculated Catastrophe," by Cdr. Arthur Gordon, U.S. Naval Institute Proceedings, Dec. 1968.

*** Regarding the battle of Memphis, Admiral Porter stated: "For the second time RADM Davis was a strictly Naval victory and won it without a single mistake."

oblivion. He passed the alembic of trying times . . ."

But in the 1899 book, "The Life of Charles Henry Davis, Rear Admiral 1807–1877" by his son, Capt. Charles H. Davis, USN, it was said this way:

"In his official character, Admiral Davis was, first and foremost, a naval officer. He belonged to that class which it is the honor of the regular services of the army and navy to produce, and whose reward is generally only the fulfillment of a high ideal all its own; which it is often the privilege of vulgar malice to flout and condemn, but which is truly the safeguard and bulwark of the republic. He was incidentally a student, but he was neither a pedant nor a dreamer. He could borrow from the past elucidation and example, but he brought the labors of the study to aid, not to impede, the demands of stirring action in the present. He lived intensely and earnestly in the times in which his life was cast.

Since the close of his active career, the service which he loved has passed through a long and almost hopeless period of decadence and neglect, until it has, by a sudden transition, again attained to a position of respectable importance. A sharp line of demarcation has been drawn in men's minds between its former state and its present,—between, in the cant phrase of the day, the old navy and the new. The service has forgotten its past, or at the best remembers it only as a subject for curiosity, bearing a very trifling relation to the present. Tradition and the trace of continuity are lost. Nor is this unnatural. It is due in some measure, perhaps, to a shallow and il-liberal scheme at Annapolis, but mainly to the vigor and energy with which the whole navy has arisen, from the enforced lethargy of years, to adapt itself to new conditions and the engrossing pursuits which they demand. But if successive phases of studied neglect and contempt and spasmodic popularity have left the service untainted, it is because the men who compose it to-day, whether they will it so and realize it or not, are, in standard and ideal, the logical heirs and successors of a preceding generation.

It would be false to the teachings of his life to close a review of Admiral Davis' career in any other spirit than that of hopeful expectation and encouragement. Unless the signs of the times are wholly illusory the navy, released from a degrading struggle, against bigotry and caprice, for a mere continued existence, will find its acknowledged place as a factor in the march of the nation as a world-power, even towards a realization of the dream of universal peace. In the even and progressive current of usefulness, succeeding not only because it is skillful with its tools, but because a heritage of earnestness, self-sacrifice, and devotion is its own, it may learn to recognize its own past, and the lives of the men who made it, not as "a series of pictures which please us more or less according to the attitudes of the principal figures and the beauty of the coloring, but as the records of living, acting men, governed by exactly the same passions and motives as ourselves, and therefore always affording us, if we choose to analyze their conduct, the surest and safest rules for our own government; for the interval which divides us from any period of history is really nothing in this respect."

ACT OF INCORPORATION

An act to incorporate the National Academy of Sciences

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Louis Agassiz, Massachusetts; J. H. Alexander, Maryland; S. Alexander, New Jersey; A. D. Bache, at large; F. B. Barnard, at large; J. C. Barnard, United States Army, Massachusetts; W. H. C. Bartlett, United States Military Academy, Missouri; U. A. Boyden, Massachusetts; Alexis Caswell, Rhode Island; William Chauvenet, Missouri; J. H. C. Coffin, United States Naval Academy, Maine; J. A. Dahlgren, United States Navy, Pennsylvania; J. D. Dana, Connecticut; Charles H. Davis, United States Navy, Massachusetts; George Englemann, Saint Louis, Missouri; J. F. Frazer, Pennsylvania; Wolcott Gibbs, New York; J. M. Giles, United States Navy, District of Columbia; A. A. Gould, Massachusetts; B. A. Gould, Massachusetts; Asa Gray, Massachusetts; A. Guyot, New Jersey; James Hall, New York; Joseph Henry, at large; J. E. Hilgard, at large, Illinois; Edward Hitchcock, Massachusetts; J. S. Hubbard, United States Naval Observatory, Connecticut; A. A. Humphreys, United States Army, Pennsylvania; J. L. Le Conte, United States Army, Pennsylvania; J. Leidy, Pennsylvania; J. P. Lesley, Pennsylvania; M. F. Longstreth, Pennsylvania; D. H. Mahan, United States Military Academy, Virginia; J. S. Newberry, Ohio; H. A. Newton, Connecticut; Benjamin Peirce, Massachusetts; John Rodgers, United States Navy, Indiana; Fairman Rogers, Pennsylvania; R. E. Rogers, Pennsylvania; W. B. Rogers, Massachusetts; L. M. Rutherfurd, New York; Joseph Saxton, at large; Benjamin Silliman, Connecticut; Benjamin Silliman, Junior, Connecticut; Theodore Strong, New Jersey; John Torrey, New York; J. G. Totten, United States Army, Connecticut; Joseph Winlock, United States Nautical Almanac, Kentucky; Jeffries Wyman, Massachusetts; J. D. Whitney, California; their associates and successors duly chosen, are hereby incorporated, constituted, and declared to be a body corporate, by the name of the National Academy of Sciences.

SEC. 2 *And be it further enacted, That the* National Academy of Sciences shall consist of not more than fifty ordinary members, and the said corporation hereby constituted shall have power to make its own organization, including its constitution, bylaws, and rules and regulations; to fill all vacancies created by death, resignation, or otherwise; to provide for the election of foreign and domestic members, the division into classes, and all other matters needful or usual in such institution, and to report the same to Congress.

SEC. 3 *And be it further enacted,* That the National Academy of Sciences shall hold an annual meeting at such place in the United States as may be designated, and the Academy shall, whenever called upon by any department of the Government, investigate, examine, experiment, and report upon any subject of science or art, the actual expense of such investigations, examinations, experiments, and reports to be paid from appropriations which may be made for the purpose, but the Academy shall receive no compensation whatever for any services to the Government of the United States.

GALUSHA A. GROW,
*Speaker of the House of Representatives.*
SOLOMON FOOTE,
*President of the Senate pro tempore.*
Approved, March 3, 1863.
ABRAHAM LINCOLN, *President.*

## PITTSBURGH'S LEGAL SERVICES PROGRAM—SAVINGS THROUGH NOMINAL BONDS

### HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. MOORHEAD. Mr. Speaker, on October 27 and again on November 24, for the RECORD, I expressed my support for the legal services program conducted by the Office of Economic Opportunity, and my intention to oppose the "Murphy amendment" giving Governors an ultimate veto authority over these programs—should it be offered on the House floor.

I reiterate my opposition to this amendment and in support of my position, include at this point in the RECORD an article describing Pittsburgh's nominal bond program appearing in November's OEO newsletter.

I am very proud of our local program in Pittsburgh, and of the services being performed for some of our less affluent citizens by Mr. Stanton Wettick and his team of dedicated attorneys.

When we debate H.R. 12321 in the House, I urge my colleagues to consider the accomplishment of many programs such as Pittsburgh's, and vote down any damaging amendments that would give undue power to the State capitals. The article follows:

A LEGAL SERVICES PROJECT: SAVINGS THROUGH NOMINAL BOND

PITTSBURGH.—Neighborhood Legal Services here has developed a bail bond project which is saving about $1,200 a month in investigators' salaries, is paid by the Office of Economic Opportunity. The savings, estimated at $10,000 to $20,000 a month in jail detention costs—not to mention other social service costs—are realized by local jurisdictions. The program serves Allegheny County, the City of Pittsburgh and several local jurisdictions in the county.

Called the Nominal Bond Program, it processes some 150 cases a month, with three NLS investigators responding around the clock to the needs of people being jailed who cannot raise bail and some of whom have no friends or contacts whom they can phone for help. Usually within 24 hours the NLS team can round up enough supporting data on the jailed person's employment, family responsibilities or past record of lawful behavior to back up an appeal for release. The decision, however, rests with the judge.

In about 100 cases per month, or two out of three handled by NLS, the local magistrate or Justice of the Peace finds the evidence adequate and sets bail at the nominal rate, or $1.

Without NLS help the accused would have to await trial proceedings in jail until the case comes up on the court docket, with the local jurisdiction meanwhile bearing the costs of detention. This can run up to $500 a month, but averages out at about $100 per person, according to Stanton Wettick, originator of the program and director of NLS since June.

He is even more concerned about the human savings, which also represent real savings in social service and welfare costs. If a person lands in jail without someone to support him, he stands a greater chance of losing his job. For heads of families this means putting the entire family on welfare. There are also the losses in terms of purchasing power and taxes.

The investigation is carried out by nonlawyers, most of whose work can be done by telephone. They spend about two or three hours per case. Wettick feels that the success of the program is due as much to the fact that someone is taking an interest in the accused as the facts themselves. So far the courts and other contracts have been cooperative, and the only losers appear to be the firms which formerly wrote those bonds at an average cost of $50 each.

"This month we're writing more bail than the professional bondsmen," Wettick adds with a grin.

Pittsburgh's four-year-old NLS program got what his staff calls "a shot in the arm" when Wettick took over as director. A veteran of the Legal Services Program in

Charleston, West Virginia, he also teaches poverty law at the University of Pittsburgh, where he is in a prime position to recruit the top graduates. His staff of 16 presently includes four Reginald Hebersmith Fellowship students from Pitt and two VISTA lawyers, all OEO-funded.

The staff is divided between a central office core of specialists and roving neighborhood teams of two who staff NLS offices from two to five days a week, depending upon the neighborhood served. There are eight offices in Pittsburgh and five in rural Allegheny County communities.

The entire program is funded by OEO for approximately $420,000.

## THOMAS VAIL: A BLEND OF BROTHERHOOD AND LEADERSHIP

### HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. FEIGHAN. Mr. Speaker, the December newsletter of the National Conference of Christians and Jews includes a front page article concerning one of Cleveland's most outstanding citizens, Tom Vail, editor and publisher of the Cleveland Plain Dealer.

The National Human Relations Award by the National Council of Christians and Jews is a fitting testimonial to this dedicated man. I believe this article is worthy of the attention of my colleagues:

THOMAS VAIL—A BLEND OF BROTHERHOOD AND LEADERSHIP

In a time when leadership and dynamic forthrightness are at a premium it is reassuring to focus on the career of the young publisher-editor of the Plain Dealer, Tom Vail. A newspaperman's newspaperman, Tom Vail set out to make his mark in the field of journalism and at the same time see to it that the tremendous influence and power of his newspaper and his pen be used for the good of all men, everywhere.

The National Conference of Christians and Jews in their selection of Mr. Vail to be the recipient of the National Human Relations Award recognizes that Tom Vail has blended his qualities of leadership, his successful journalistic career and his essential belief in human dignity and the Brotherhood of Man under the Fatherhood of God into a personal way of life that has become a powerful force for good. When Mr. Vail receives the highest honor of the Conference on Sunday night, February 8, 1969 at a civic dinner in Cleveland it will be because of "his leadership as National Brotherhood Week Chairman in 1969; the tremendous amount of time, energy, resources and the influence and prestige of his newspaper he has devoted to the righting of intergroup wrongs in the areas of race, religion and community."

The Awards Committee pointed out that under his direction his newspaper, the Plain Dealer, has supported every campaign and every cause that seeks to better relationships between the races and other minority groups in this country. He has put himself and his newspaper in the forefront of the struggle for racial equality, fair housing and equal employment opportunity.

He is a young energetic, brilliant American leader who has picked up the banner of the essential dignity of the individual and is helping to build a better and new society for all men.

Mr. Vail is a Co-Chairman of the Northern Ohio Chapter of the NCCJ and has been a Board member of this organization for the past six years. In 1967 his newspaper support of Carl B. Stokes in his campaign for Mayor in the Primary Election was a giant stride in breaking down of racial barriers in contemporary American politics.

He became publisher and editor of the Plain Dealer at the age of 36. He has spent 20 years as a newspaper reporter and publisher.

Mr. Vail comes from a famous family of great prominence in the business, civic and social affairs of Cleveland. His father, grandfather, and great-grandfathers were founders and contributors to many of the most important businesses and civic institutions in the Cleveland area. He was born in Cleveland, June 23, 1926, the son of Herman L. Vail and the late Delia White Vail. He is a great-grandson of the late Liberty E. Holden, founder of The Plain Dealer. His grandfather, the late Windsor T. White, was a founder of the White Motor Co., world's largest manufacturer of trucks.

He has served on the boards of many highly important local and national organizations. He served on the President's Health Manpower Commission in 1967. He is on the U.S. Advisory Commission on Information. He is president of the Cleveland Convention and Visitors Bureau and a director of the Greater Cleveland Growth Assn. He is a trustee of the Washington Journalism Center and the Cleveland Council on World Affairs, and an executive board member of the Greater Cleveland Council of the Boy Scouts of America.

Mr. Vail is a director of the Forest City Publishing Co.; director of the Art Gravure Corp.; member of the board of the Associated Press; recently completed six years on the board of the Bureau of Advertising of the American Newspaper Publishers Assn.; secretary and Executive Committee member of Newspaper 1, an association of some 30 leading newspapers of the country. He is a member of the American Newspaper Publishers Assn. and of the American Society of Newspaper Editors.

## VITA–U.S.A.

### HON. DANIEL E. BUTTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BUTTON. Mr. Speaker, in view of President Nixon's recent announcement of the creation of a National Center for Voluntary Action to help motivate and mobilize citizen-volunteers to "master common needs and problems," I think it is timely and appropriate to inform the Congress of a volunteer program in my home district which has already achieved outstanding success in mobilizing large numbers of volunteers to help solve the problems of poverty in the United States. I am speaking of the new U.S.A. Division of Volunteers for International Technical Assistance.

On past occasions I have commented on VITA's more than 9 years' experience in successfully providing technical consultation through its volunteers in helping to improve conditions in the developing world. Working with private citizens, missionaries, Peace Corps volunteers, and AID personnel, VITA's international operation continues with that important task. Recently, VITA counterpart organizations were established in the Philippines and Ceylon, and more are planned in the coming months.

Now I am happy to report that VITA, through its new USA program, is calling on its roster of over 6,000 volunteers to provide technical and professional assistance to both public and private anti-poverty efforts. At a time when we are reviewing the authorization for the Office of Economic Opportunity, I think it significant to point out that VITA–U.S.A. was created with a grant from OEO last January. As an example of cooperation between a Government agency and the private sector in helping to seek solutions to some of America's critical problems, the VITA–U.S.A. program is very much in keeping with the President's recent remarks on voluntarism and the innovative thrust of OEO under Mr. Rumsfeld.

In a November 4 statement on voluntarism the President said:

From the beginning of our country, Americans have worked together voluntarily to help master the common needs and problems. A major goal of this administration is to recognize and enlist the energies and resources of the people themselves, as well as government, in a renewal of this historic American approach.

A recent review of the first 9 months of VITA–U.S.A.'s operation indicates solid success in enlisting the energies and resources the President spoke of. Under unanimous consent I insert excerpts from that review and from a recent program description prepared by VITA:

VITA–USA: A PROGRAM DESCRIPTION

The USA Division of Volunteers for International Technical Assistance (VITA) came into being with the signing of an OEO contract in January 1969. This was the culmination of discussions which OEO initiated in the summer of 1968 and reflected the reputation VITA had acquired in providing volunteer technical assistance to the developing nations since 1960.

VITA–USA shares an expanding roster of over 6,000 Volunteers with the organization's International Division. In the first nine months of operation, VITA–USA received more than 300 inquiries from all parts of the United States and its territories.

VITA–USA accepts requests for technical assistance from any organization, group, or individual—public or private—engaged in domestic anti-poverty work. The single criterion applied is that the recipient of VITA consultation not be able to afford normal fees for such services.

Requests are sometimes answered by mail but more frequently involve face-to-face contact. This is accomplished in one of two ways. In the first method, a volunteer living near the requester visits the client and often accomplishes the assignment in his spare time. Presently there are two field offices with small staffs who support the community service activities of VITA's Boston and Washington, D.C. Chapters.

Second method: the volunteer spends a block of time on "short term assignment". In such cases volunteers are usually required to travel to another area and must take leave from their jobs. Travel expenses are paid by VITA. The volunteer's employer makes a vital contribution by continuing his salary during the leave period. Duration of the assignments vary from one day to several weeks.

VITA Volunteers represent a wide range of skills from architecture and engineering to business management, systems analysis, education, and psychology. In the USA program they have assisted self-help housing groups, trained hotel employees, done marketing surveys, developed a volunteer manpower management system, and designed simple, easy to build playground equipment.

To date, new volunteers have been recruited on the basis of need in specific skills categories. On-board Volunteers are frequently used to recruit or refer others and even help in the selection and screening process when assignments are made. Many volunteers, particularly in the national headquarters area, give administrative assistance to staff members by working in the inquiry service, serving on research committees, and by representing VITA at meetings and conferences.

Once a request is received, the Inquiry Service staff check the roster to locate one or more volunteers with the skills required. They use a telephone interview guide to determine the person's willingness, availability, and suitability in terms of experience and attitude. The client himself usually participates in the selection process by also speaking with the candidate to make a final suitability determination. The volunteer's effectiveness is measured following receipt of reports submitted by him and by the client with whom he has dealt.

Although VITA–USA is still a new program, the response by those who have been assisted indicates that it has been very successful. Acceptance by community people being helped is based on two factors: *responsiveness*—we assist only those who request help, and *performance*—the volunteers have consistently provided competent professional assistance.

Basic elements of our plan for the second and third years of operation are the considerable expansion of local staff supported chapters in a number of American cities to better serve concentrated urban areas and an enlarged National Consulting Service to handle requests from smaller towns and rural areas.

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VITA–USA: A Summary Review of the First 9 Months

General Conclusions: Based on the success of the program it may be said that the major hypothesis of the demonstration has been proven: "VITA's volunteer force, which has been utilized effectively in aiding developing countries, can be applied to help solve problems of poverty in the USA."

The USA program is unique in its ability to mobilize and apply volunteers for use in urban and rural poverty settings and on a national scale. The basic principles that have led to acceptance by community people needing help are:

1. Responsiveness: assistance is given only to those who request help and only in the form that it is requested.

2. Performance: the staff has shown an ability to handle volunteer selection, logistics of volunteer assignments, and follow-up. Volunteers have consistently demonstrated their ability to provide competent, professional assistance.

The first two chapter projects established in Boston and Washington demonstrate the need for additional ones in metropolitan areas where manpower resources covering a broad skills spectrum can be mobilized.

The National Consulting Service is mostly needed by small cities and rural areas.

Quantity of Effort: During the nine months covered by the review, 316 requests were received by the program. Responding to them, over 500 volunteers contributed 7000 hours.

The program start-up was smooth, with top-notch staff being recruited within targeted dates. (Interestingly, six of the staff are ex-Peace Corps volunteers.) Methods and procedures have been developed, and an ongoing evaluation permits continual improvement of these procedures.

Voluntary technical assistance is extremely economical since the consulting time is free.

Quality of Effort: Evaluations of the Boston Project and the National Consulting Service include the following conclusions on operating procedures: (1) the requesters give VITA–USA high marks on volunteer selection and speed of response. (2) VITA–USA cases involve mostly "soft technology" and are much more complex than previous international requests. They require more in-depth, on-site help, and follow-up. (3) the volunteer's interest in providing repeated or long term assistance to our requests is increased when the staff provide him with up-to-date feedback on the results of his efforts. (4) there are still many potential users of VITA's services who do not clearly understand how to take advantage of the program or who have as yet not even heard of it.

Unique Characteristics: (1) Flexibility and Concern: there is frequent intermittent involvement, thanks to VITA's flexibility and lack of "red tape", (2) VITA–USA often serves as a bridge to other private or governmental resources, in many cases bringing together for the first time those in need with those in the best position to provide assistance, (3) Availability: for the first time in many communities VITA represents a source of free technical assistance. Too often in the past community projects needing such assistance have gone without and failed; (4) Objectivity: volunteers serve as objective outsiders; their advice can be used publicly or privately to help the requester achieve his goals. Examples illustrating these points:

A California Community Action Agency director reports valuable assistance in changing organization structure and personnel methods as a result of management analysis by a VITA Volunteer.

An Urban League housing project in Omaha is being considered for a $160,000 grant and is using a report by two qualified volunteers to back up its case.

Quote from a crafts project in Harlan, Kentucky: "VITA provided the assistance needed to this small agency which had neither funds nor confidence to seek elsewhere. In areas where volunteers were not available, excellent referrals were made, quite unlike others I have dealt with." As a result of VITA's help in costing and market sources, a grant providing initial capital has been obtained and a market established in Washington, D.C. Sixty people are involved.

Quote from Wyoming Community Health Council, New Richmond, Virginia: "I had contacted OEO in Washington and was told that the chances of getting a consulting firm were very dim. I contacted VITA but did not expect any results . . . VITA provided the assistance asked for and more . . . provided a *stimulus* to the project when many were discouraged and about to give up hope. Dr. Starkweather has shown the way. We have hired a health specialist and are preparing the proposal for funding."

*Areas of Greatest Contribution:* Based on experience to date, VITA's staff has been able to define areas where the program seems to be able to have its greatest impact. One of the areas is the field of *business development in rural areas and small cities.* Three ventures off to a successful start, due heavily to VITA volunteer assistance, are:

1. "Jack of All Trades Service Corporation", a maintenance business formed by the Bennington-Rutland Opportunity Council, Inc., received help from volunteer Richard Bowen on systems of floor maintenance, equipment procurement, job bidding. "Mr. Bowen brought over a floor machine and worked day and night to train the men. He visited our customers and set up a program of cleaning for each. Also helped with calls on new customers, increasing business."

2. A quilting group in North Carolina received information on production, marketing, and design. The co-op has been formed, and the first quilt samples are in production.

Other areas of special competence include *Management Methods and Systems Analysis, Fund Raising Assistance, Engineering—particularly rural water systems and sanitation, Education of the Disadvantaged, Recreation and Playgrounds, and Business Development.*

VITA–USA has developed a model for establishing a nationwide network of effective urban chapter programs. Whereas one chapter program was the goal for the first year, two staffed projects have been stated. The Boston Project is already up to over 500 volunteer man hours per month being devoted to projects with high success potential. The District of Columbia Project is well under way.

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## NIXON THROUGH THE LOOKING GLASS

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### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BROWN of California. Mr. Speaker, Washington often gets referred to as a "wonderland," and these days certainly are no exception.

And if there were ever an issue that seemed to place everyone within a veritable caucus race, it is that of the Vietnam war; the more we race, the more we pout, the more we seem to be still in the same tragic position.

These thoughts come to my mind after reading the following poem by Miss Carol Stevens, managing editor of the Eastside Sun in Los Angeles. Miss Stevens reacted to current antics here in the Capital by deftly parodying Lewis Carroll in a manner I found both amusing and telling.

So as to share this bit of verse with my colleagues, I place it in the RECORD at this point:

[From the Eastern Sun, Nov. 13, 1969]

NIXON THROUGH THE LOOKING GLASS

(By Carol Stevens)

"The time has come," the Walrus said,
"To talk of many things;
Of budget cuts and Vietnam
Of presidents—and flings—
And why the sea is full of oil—
And whether liberty rings."

"But wait a bit," Dick Nixon cried,
"Before we have our chat;
It isn't fair to talk of peace
Or dangerous things like that."
"That's very true," said the Agnew,
"Off with their heads if they do!"

"A space of peace," the Walrus said,
"Is what we chiefly need,
And some cash for education
Would be very good indeed—
And solutions to pollution
Before our dissolutions."

"But not from us," Dick Nixon cried,
Turning a little blue.
"Military and industry agree,
Too dismal a thing to do."
"That's fine for them," the Walrus said,
"We're the ones in the stew!"

The President said nothing but,
"Just keep as quiet as mice."
The Majority took their cue,
And they were very nice.
Their wires and letters agreed with Dick
The Way they're told to do.

"It seems a shame," the Walrus said,
"To play them such a trick."
"In Vietnam we've gone so far
We can't turn back," says Dick.
"We have to stop," the Walrus said,
"While Vietnam exists!"

"I weep for you," the Walrus said;
"I deeply sympathize.
The Great White Father has it hard,
But I'm the one who dies."
Holding his "Peace Now" sign up high;
"End the war now!" he cries.

"O Nixon," said the Vocal Few,
"You've had a pleasant run.
How about tackling our problems now?"
But answer came there none,
And this was scarcely odd, because
He'd gone to get his gun.

## MORE EFFECTIVE BUDGET PROCEDURES ARE NECESSARY TO STRENGTHEN THE U.N.

**HON. BENJAMIN S. ROSENTHAL**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ROSENTHAL. Mr. Speaker, our distinguished colleague, the gentleman from Florida (Mr. FASCELL), recently spoke perceptively on how the United Nations should deal with its formidable array of problems. As a congressional representative to the General Assembly, Mr. FASCELL is particularly well equipped to assess the major obstacles confronting the world body. His speech should be read by all those who wish an insight into how the U.N., so vital to the cause of world peace, can be made more effective.

THE UNITED NATIONS BUDGET FOR 1970

(Statement by Congressman DANTE B. FASCELL, U.S. Representative to the General Assembly [1])

Before commenting on the budget estimates for 1970 and several other important issues which will be before our committee, I should like to say a few words about a somewhat larger but also a relevant, issue.

Since I have been attending this session, I have listened carefully to statements presented both in this committee and in the plenary session, and I have been struck by a theme which appeared to recur in many of them—a theme reflecting certain uneasiness, even certain profound concern, about the direction in which this organization is moving and its capacity for effective action.

I would like to stress, Mr. Chairman, that this theme, this concern, was not particular to any one delegation nor to the delegates from any one geographical area. It was expressed by representatives of small states and of large ones, of those which are advancing along the ladder of development as well as by more developed countries.

Viewing its present, and looking back at the development of this organization during the past 24 years, I find this concern to be fully warranted. For nearly two and a half decades, the United Nations and its affiliated organs and agencies have grown considerably in response to the wishes of their member states and the needs of the moment. This growth has been necessary and beneficial to the world community, but we would be less than frank with each other if we were to claim that it has proceeded at all times along clearly defined, rational, and systematic lines. As a result, many thoughtful people, looking at the complex proliferating machinery of the United Nations system, conscious of its financial and other problems, have wondered aloud about this organization's ability to respond effectively during the next 10 or 25 years to both the legitimate desires of its membership and the immensely challenging tasks which lie ahead of us.

All of us are agreed, I am certain, that the United Nations is a vitally important organization which should, and indeed must, continue to respond to the needs of its members. At the same time, is it not for us who have some responsibility for the future of mankind to take the necessary steps to assure that our cumulative efforts may actively promote the cause of peace and development for all people?

These are, admittedly, large issues, and some may say that they do not belong in the Fifth Committee. I feel otherwise. I believe that this committee has a legitimate and vital concern for the effectiveness of this organization, its management, and wise use of the resources entrusted to it by the world community.

For example, we ought to devote attention and comprehensive consideration to the relationships—financial, budgetary, administrative, and other—between the United Nations, its voluntary programs and the entire family of U.N. specialized agencies.

Several items on the agenda of the Fifth Committee relate to this subject. Therefore, this committee is competent to act in this field with a view to proposing changes and improvements which will assure a more systematic, coordinated, and efficient utilization of scarce resources—manpower as well as financial. The methods and procedures which we have followed during the past 24 years are not necessarily suitable to the tasks which will confront the United Nations family of organizations during the next quarter of a century. It is incumbent upon us, therefore, as necessary, to devise new, effective methods of coping with future challenges.

Accordingly, I would suggest that in approaching the agenda items before us, and in our corridor conversations, we begin to focus on ways and means to make this organization as effective an instrument as possible. And in doing so, I would hope that we could keep certain basic concepts in mind. They are:

First, that we recognize that the task before us is a collective effort in which we are all vitally interested and that, while there are and will always be differences of opinion on various items, there is no rational basis for confrontation. This is an organization to which we have all contributed and which is of major importance to all of us. Accordingly, we must listen to each other and realize that none of us is the exclusive repository of wisdom.

Secondly, we should recognize that, in order to carry out the purposes and principles of the charter and to be a vital force in international life, the United Nations must develop its capacity to meet the needs of its members. As we take on new activities we must constantly reassess our priorities to see whether they are still valid. None of us, I am certain, is willing to abandon his early dreams and hopes for the United Nations, and none of us wants to place what has sometimes been called a "ceiling" on its essential activities. But at the same time, all of us should agree that the organization's growth should follow a rational pattern related to the increasingly challenging and complex tasks which will confront our world during the next 25 years.

BUDGET ESTIMATES FOR 1970

Because we feel as we do about this matter, Mr. Chairman, we are pleased that the Secretary General has taken the lead in dealing with the problems which have troubled us and that in this he has the support of the Advisory Committee on Administrative and Budgetary Questions. We believe that the Secretary General has been wise to consider that the present is a period in which to assess the existing resources, capacity, and methods of work of the United Nations—that it is a period of consolidation. We consider that his budget estimates for 1970 [2] on the whole reflect this view and that he should be commended for them. We consider them to be a considerable improvement, particularly at this stage in the life of the organization, over the estimates which were presented last year. I should add, Mr. Chairman, that we consider that the Advisory Committee has done its usual excellent job in making its recommendations with respect to the estimates.

It is, of course, true, as many representatives have pointed out, that we have no clear picture as yet as to what the final budget level will be, and so it is premature to take a position with respect to it. We, like other delegations, will carefully scrutinize the additional estimates which will come before us.

Before going further, Mr. Chairman, I would like to emphasize one point to which sufficient attention is seldom given. The United States does not mean to speak as if the major administrative and budgetary problems about which we are concerned can be solved by the Secretary General alone. We recognize that these problems have been created, to a very large extent, by the demands of member governments themselves; that we all share the responsibility for the existence of these problems. We must realize that greater discipline and restraint on our part is required if the development of this organization in the administrative and budgetary area is to be orderly and rational.

PPROVISIONAL POSTS

A number of delegations have questioned the credit sought by the Secretary General to provide for 234 provisional posts in 1970. It can, of course, be questioned whether the request of the Secretary General for this credit is wise, in view of the manpower survey being undertaken and in view of the fact that a number of existing posts have not yet been filled. Further, one can question the provisional-post approach—which was tried and discarded some years ago—and we do not favor it as a normal method of budgeting. However, we recognize that the Advisory Committee has scrutinized this credit very carefully and has decided to accept it for 1970, with some reduction and some question as to the total, in the light of the limitations the Secretary General has imposed upon himself with respect to its use. Further, we can understand why the Secretary General has chosen to call for posts on a provisional basis during the period in which the manpower survey is underway. While sharing the misgivings of the Advisory Committee on the numbers involved, we believe that this limited approach can be accepted as an exceptional measure to deal with an unusual situation.

There is another area to which many delegations have referred as one in which savings can be made; that is, conference and documentation costs. We strongly share this view. The problems which exist in this area arise almost entirely from the demands of member states, and there is only a minimal amount which the Secretary General can do on his own to solve them. We are convinced that the best way in which to deal with this matter is for this committee to approve the recommendations of the Committee of Seven, which are before us.[3]

The Secretary General is making an effort to deal with that part of the problem which is his responsibility. Recognizing the interest of this committee in the matter, he designated the Office of Conference Services as the first area to be the subject of the survey being undertaken by the new Administrative Management Service. The survey is now underway and is expected to be completed by the end of the year. In this connection, we

[1] Made in Committee V (Administrative and Budgetary) on Oct. 21 (U.S./U.N. press release 128).

[2] U.N. doc. A/7606.

[3] U.N. doc. A/7359.

would like to congratulate the Secretary General for the manner in which he has responded to this committee's request for a study of the utilization and deployment of the entire Secretariat.

PLANNING ESTIMATES, 1971

One of the most important items which will come before us is the planning estimates for 1971. We can say little on this subject at the present time, since the Secretary General's proposals are not yet before us. We assume that, in preparing the 1971 planning estimates, the Secretary General will be guided by the same philosophy which he has sought to reflect in the 1970 estimates; namely, that no significant increase in existing staff resources will be sought until the results of the manpower survey become reasonably clear.

UNFORESEEN EXPENSES

Let me now turn to another matter, the report of the Advisory Committee on procedures for dealing with unforeseen expenses and their financing.[4] This report was held over from last year because of an understandable desire on the part of many delegations for additional information and clarification. We believe that this committee should at this session adopt the Advisory Committee's recommendations. As we have pointed out on an earlier occasion, the size of the supplemental appropriations for 1969—of which only a part qualified under the present resolution on unforeseen and extraordinary expenses—makes clear that additional discipline is needed in incurring obligations during a financial year and approving proposed expenditures which were not foreseen at the time annual appropriations for that year were made.

SUBSIDIARY ADMINISTRATIVE BODIES

We share the concern expressed by the Secretary General, by the chairman of the Advisory Committee, and by a number of delegations to the effect that the activities of subsidiary bodies, established to help bring about efficiency and economy, may not be properly interrelated. Perhaps the problem results from the fact that this committee was not sufficiently careful when it established the terms of reference of these bodies. We consider it essential that the activities of the various subsidiary organs which are now dealing with administrative, budgetary, and management problems be carefully aligned and that their responsibilities and relationships be clearly delineated. To accomplish this, we believe that the Advisory Committee should examine this problem in depth during the coming year, in consultation with the other bodies involved, and should present this committee with specific recommendations next year as to how we should deal with it.

STRENGTHENING THE ADVISORY COMMITTEE

For many years now, we have been calling upon the Advisory Committee to study more and more problems, and obviously we will have to rely increasingly on this committee as United Nations operations expand and grow more complex. It seems to us that the time has come to recognize that we have overloaded the Advisory Committee in relation to its existing program and method of work. We believe that it is, in part, because the Advisory Committee is so overloaded that we have tended in recent years to create new bodies to perform tasks in the administrative, budgetary, and management field. It occurs to us that what is needed for the future is to ensure that members elected to the Advisory Committee are able to devote more time, perhaps substantially full time, to this important committee. This will, in turn, enable it to give greater attention to its program of work, including providing broader services to the committee, by being in session during a substantial part of the year. It also occurs to us that it may very well be necessary for the future to make arrangements to enable the chairman of the Advisory Committee to serve on a full-time, year-round basis. We recommend that the Advisory Committee be asked to look into this matter seriously during the coming year and report its conclusions to us at the next session of the Assembly.

SCALE OF ASSESSMENTS

In response to the General Assembly's request of last year, the Committee on Contributions has made a report to us of the results of its review of the criteria and terms of reference used in establishing the scale of assessments. We are impressed with the general conclusions of the committee, contained in paragraphs 47 through 50 of its report.[5] In particular, we agree that the various guidelines laid down for the committe by the General Assembly have withstood the test of time and permit the establishment of a balanced and equitable scale based primarily on the principle of capacity to pay. Accordingly, we believe that no new guidelines are required for the Committee on Contributions in connection with its establishment of a new scale of assessments next year.

FINANCIAL SOLVENCY

Speaking earlier before this committee, the Secretary General reported to us on the financial position of the organization. If we believe that there is a vital necessity for the survival and continued development of this organization to carry out the purposes of the charter, we cannot permit the existing financial situation to continue. All our other efforts will be in vain unless we can solve the financial problem. Our own views concerning the responsibility for this problem are well known and need not to be repeated here. We believe, that, as part of the overall effort to put this organization on a sound basis by its 25th anniversary, a most serious effort must be made during the coming year to find a solution. We suggest that this committee request the Secretary General to devote his own efforts and those of appropriate senior staff members during the coming year to an attempt to negotiate the *modus vivendi*, of which he spoke at our first meeting.

Mr. Chairman, in concluding this, my first intervention in the deliberations of this committee, I want to return briefly to my earlier remarks concerning the need for a meaningful reappraisal of the operations of this organization and its affiliated agencies in order to find out where we are, where we wish to go, and how we hope to get there. It is an obvious fact, not requiring any lengthy elaboration, that a sound financial basis and effective management are essential if this organization is to enjoy significant growth and live up to the expectations which millions of peoples throughout the world have placed in it.

The financial resources required to sustain the organization's growth will not be forthcoming if the member states lose faith in the organization's ability to use them wisely and effectively. Already, a number of governments have questioned the wisdom of providing the United Nations with significantly increased support unless and until our organizational structures, methods of work, and guidelines for future development are changed so as to alleviate the concern which has been expressed in this forum. In my view, the United Nations must respond to this situation. Then and only then will most of our members be willing to give proper attention to considering the inputs of resources which may be required to make the engine go.

It is for this reason that I have suggested that the United Nations use the next year wisely. It is for this reason that I have urged that this committee take the necessary action to set in motion the several suggestions set forth above. If we can find solutions to these problems alone, it will, I believe, set the pact for the rest of the organization. If we catch the beat here, this very rhythm may well pulsate throughout the entire organization in time to give us all the basis for celebrating a truly glorious 25th anniversary.

[4] U.N. doc. A/7336.

[5] U.N. doc. A/7611.

## FINLAND'S 52D ANNIVERSARY OF INDEPENDENCE

### HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. BLATNIK. Mr. Speaker, on December 6, 1969, the Finnish nation celebrated her 52d anniversary of independence. Although young as an independent and sovereign state, Finland is a country with old and strong traditions of the same democratic ideals and democratic system of government as those we Americans cherish.

Finland is a border land. Its geopolitical position has shaped its history and made it a bridge and a meeting ground between East and West. This fact has in recent days and weeks been clearly demonstrated by the decision of the United States and the Soviet Union to start the so-called SALT talks on the limitations of strategic armaments in Helsinki, Finland. The starting of these talks marks a historical occasion of the utmost importance and urgency for mankind as a whole.

We can only be grateful to Finland, a country which maintains friendly relations with all nations across the dividing lines of military blocks and ideological alinements, for offering a neutral ground for these talks and for making every effort to create a favorable atmosphere for the success of the talks. This is a laudable policy and effort in serving the cause of peace.

For most Americans Finland is a country of honesty, a country that meets her obligations and has a strong spirit of righteousness and freedom. It is a country which has been internationally recognized as one of the leading nations in modern architecture, city planning, and modern design. We Americans can be proud of the friendship and mutual understanding that have always characterized the relations between our two countries.

This friendship began with the adventurous Finnish immigrants who came to this country in past centuries and helped to build our great Nation. This friendship has been reinforced by the Finnish nation's abiding example of valor and industry.

On this occasion, I think we should remember Finland's struggle for freedom. We can congratulate the Finnish people for having been able to remain a free country in conditions which have not always been easy. I hope that they will count among their nation's resources the enduring friendship of the American people.

## VIETNAM: 111 B.C.–1969 A.D.—BRIEF HISTORY PREPARED BY UNIVERSITY OF PITTSBURGH STUDENT


## HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES


*Monday, December 8, 1969*

Mr. MOORHEAD. Mr. Speaker, a day or two after the Vietnam moratorium of October 15, I received a copy of a history-in brief of Vietnam, "111 B.C.–A.D. 1969, written by sophomore Bill Gormley of the University of Pittsburgh, which appeared in the Pitt News of October 13.

This article was written to help convey to the leadership of our country some of the reasons why so many of the young people are opposed to the war.

In preparing this narrative, I think Mr. Gormley has done a very able job of expressing the mixture of curses and blessings which has befallen this small and unfortunate nation, during its long history. Accordingly, I am pleased to include his article in the RECORD for the attention of my colleagues:

VIETNAM: 111 B.C.–A.D. 1969

(By Bill Gormley)

Vietnam's strategic location, fertile territory, and mineral resources have been curses as well as blessings. Richly endowed by nature and nestled conveniently between the sea and the Asian mainland, Vietnam has inevitably been eyed lustfully by mightier nations and has found freedom an elusive ideal.

In 111 B.C., Vietnam was annexed by China, her powerful northern neighbor. Submitting for a millennium, the Vietnamese finally rebelled against their masters, bringing Chinese hegemony to an end in 939 A.D. Except for a brief period during which the Chinese resumed control, Vietnam remained independent for over 900 years.

During the latter half of the 19th century, however, western nations proceeded to bear their share of "the white man's burden." France, with little difficulty, colonized Vietnam. Although some Vietnamese physically resisted the French and later harassed French soldiers and officials, most Vietnamese felt impotent before the European giant.

RISE OF NATIONALISM

Conditions changed, though, as the 20th century ushered in a new era. Contagious nationalistic fervor spread quickly. Resentment against colonial rulers became pronounced. Those Vietnamese who journeyed to Europe to be educated or to fight the Kaiser's troops could hardly fail to be impressed by the gap between democratic theory and colonial practice.

One such Vietnamese, a young nationalist who would later be known as Ho Chi Minh, appeared at the Versailles Peace Talks in 1919, begging the great powers to grant his people their independent. Ho's plea fell on deaf ears. Turning to another source for help, Ho became a member of the French Communist Party, which sympathized with his cause.

Quickly acquiring a reputation, Ho was sent to the Soviet Union and China where he worked as a political organizer. In 1930, he established the Vietnamese Communist Party dedicated to the eviction of the French colonialists. Before long, Ho's organization emerged as the strongest anti-French group in Vietnam, attracting support from communist and non-communist sources.

ORGANIZATION OF VIETMINH

Late in the 1930's, the Japanese invaded Indochina, ousted the French, and imposed a new dictatorship on the people of Vietnam. In response to this different threat, Ho Chi Minh organized a broader independence movement, the Vietminh, which soon encompassed Vietnamese nationalists of various political affiliations.

In the vanguard of the Japanese resistance movement, Ho Chi Minh and the Vietminh won the informal recognition of the Allies and the special appreciation of the United States. In addition to supplying the U.S. with vital intelligence information, Vietminh soldiers helped rescue American pilots shot down over Indochina.

President Roosevelt, grateful for the assistance of the Vietminh and committed to the principle of self-detetermination for all peoples, vowed to press for a free Vietnam after the war. Although President Roosevelt didn't live to witness the event, his hope was realized on September 2, 1945, when Ho proclaimed Vietnam's independence.

ESTABLISHMENT OF FREE STATE

Ousting the Japanese puppet, Bao Dai, the Vietminh established a government which France recognized as "a free state" in March, 1946. In November however, convinced that they could reimpose colonial control over Vietnam, the French bombed the port of Haiphong, killing 6,000 Vietnamese civilians and beginning a long and bloody war.

President Truman, afraid of alienating the French and jeopardizing the future of Atlantic defense alliance proposals, refused to back Vietnam's freedom fighters, despite the commitments of his predecessor. Vietnamese nationalists concluded that the Allies had double crossed them.

Boldly, the French sought American support for their campaign against the Vietminh, soft-pedaling the nationalistic nature of the independence movement. At first, the United States shrank scrupulously from involvement and actually urged the French to meet the Vietminh's demand for an end to colonial rule.

CHANGE IN SYMPATHIES

Two events, however, changed America's attitude toward the Vietnamese conflict. First, China went communist. Second, the Korean War broke out. As a result of the two developments, the United States stopped viewing the struggle in Vietnam as a struggle for freedom. Suddenly, it was part of a devious communist attempt to take over the world.

The United States decided to side with the French against the Vietminh. By 1954, America was supplying 80 per cent of France's war material. In the end, however, the overwhelming desire of the Vietnamese people for independence proved decisive. Assisting the guerrillas, Vietnamese peasants helped bring about France's humiliating defeat at Dienbienphu.

The Geneva Accords of 1954 ended the conflict, providing for a temporary division of Vietnam in order to separate the hostile sides and make a cease-fire effective. French forces were to assemble south of the 17th parallel. Vietminh troops were to gather north. Most importantly, nationwide elections were to be held in 1956.

RESULTS OF DIVISION

France, anxious to leave Vietnam and little concerned about the country's future, departed unceremoniously, allowing the United States to fill the power vacuum. Backed by American dollars, Ngo Dinh Diem, a Catholic aristocrat who had not opposed the French, emerged as the most important leader in the southern zone.

Ho Chi Minh, a national hero as a result of his primary role in the war for independence, basked in the warmth of his countrymen's esteem and confidently looked forward to the elections he almost certainly would win. According to the late President Eisenhower, Ho was so popular at the time of the fighting that he could have garnered as much as 80 percent of the national vote.

Diem, gazing into his crystal ball, reached the same conclusion and recognized that if the elections were held, he would lose his post. Despite the specific language of the Geneva Accords, Diem announced in July, 1955 that he would not permit the promised elections to occur.

The thought of a communist electoral victory in Vietnam alarmed the United States little less than it disturbed Diem. Dreading the probable consequences of the implementation of the treaty, American unabashedly applauded Diem's decision, arguing that elections in the northern zone of Vietnam would not be free.

In response to charges that the Geneva Accords had been violated Diem correctly pointed out that he had not signed the agreements. However, the Geneva Accords specifically provided that any administration which accepted rule of the south after the French would be responsible for carrying out the 1954 electoral arrangements.

American spokesmen also aptly argued that the United States had not signed the Geneva Accords. However, in a unilateral declaration issued June 29, 1954, the U.S. government had solemnly pledged to support the principle of "unity through free elections" with reference to Vietnam and had promised not to contravene the Geneva Agreement.

INTERNAL CONFLICT

Outraged by Diem's refusal to allow the promised elections to take place, the Ho Chi Minh government repeatedly called upon Diem to alter his decision and pleaded with the French to see that the Geneva Accords were carried out. Their efforts were to no avail. Embittered, the Vietminh felt betrayed.

Weighing his alternatives, Ho decided against declaring war on Diem. Weary of strife, Ho's supporters needed a respite after 15 years of exhausting conflict. Recognizing that his followers could endure only so much. Ho chose to build up the northern half of his country before challenging the man who had seized control of the southern half.

Diem, in the meantime, attempted to strengthen his position by abolishing village election in the south, replacing elected leaders with his own appointees. Labeling Vietminh and community smpathizers ipso facto enemies of the state, he rounded up dissenters of various sorts, imprisoning some and executing others.

Displaying little tact, Diem limited the autonomy of the Montagnards and persecuted the powerful Cao Dai and Hoa Hao sects. Forcing the peasants to pay rents to absentee landlords, he alienated the bulk of the population steadfastly refusing to initiate a significant land reform program. Resentment against the southern leader mounted quickly.

The northern government made a similar mistake. Confiscating private property and redistributing the land to the peasants, overzealous officials executed and imprisoned landlords with little finesse. Opposition to the brutual excesses of agrarian reform was widespread and one village finally rose in revolt.

Unlike Diem, however, Ho Chi Minh opted to admit his errors. The northern government engaged in an exercise of self-criticism, apologizing to the people for its mistakes. The two men responsible for the persecution of the landlord class resigned from their posts and a more popular agrarian reform program was inaugurated.

Meanwhile, a number of powerful southern

groups became increasingly upset with the repressive tactics of the Diem regime and began to retaliate vigorously. In the spring of 1960, a group of prominent southerners issued a declaration of grievances and were subsequently arrested. In November, military forces launched an abortive coup.

Although southern communists and former Vietminh, Diem's prime targets, were perhaps more disturbed than anyone else by Diem's actions, they had refrained, by and large, from fighting back, because Ho Chi Minh had counseled otherwise. Convinced that Diem's unpopularity made his downfall imminent, Ho argued that there was no need for vigorous guerrilla activity.

Conditions in the south, however, became so intolerable for some that native communists decided to move, with or without Ho's support. On December 20, 1960 the National Liberation Front (NLF) was established by southern Vietminh veterans. Ho, realizing that conflict could no longer be postponed, formally recognized the NLF early in 1961.

The southern insurgents mounted an intense guerrilla campaign and achieved a considerable degree of success. Native southerners who had gone north in 1954, expecting to stay only two years, returned home after a long absence to fight against Diem. Later, native northerners joined them.

AMERICAN INTERVENTION

From America's point of view, the "infiltration" represented an act of aggression. The Geneva Accords had labeled the 17th parallel a "provisional military demarcation line . . . not in any way (to) be interpreted as constituting a political or territorial boundary." However, the United States had come to regard the line as a permanent border and Vietnam's southern zone as a separate state.

Unable to cope with his opponents, Diem pleaded with the United States for more military aid, asking for both weapons and advisors. President Kennedy viewing the prospect of a communist victory in Vietnam with dismay, complied with the request.

As American aid to Diem and northern support of the NLF increased, the fighting in the south grew bloodier and more intense. Religious friction complicated the picture. Arresting Buddhists protesting against the disappropriate number of Catholics holding high posts, Diem incurred the wrath of an extremely powerful group.

On November 1, 1963 a military junta gunned down Diem and seized the reins of power in the southern part of Vietnam. On November 22, John Kennedy was assassinated and Lyndon Johnson became President of the United States. With new leadership in two quarters, it seemed possible that the war in Vietnam would take a new direction or that a settlement would be reached.

However, President Johnson continued to send men and material to Vietnam because of his belief in the "domino theory." And Diem's successors were no more anxious than their predecessor had been to relinquish their power to another group.

Although the war dragged on, its nature changed significantly as a result of several developments. Late in July, 1964, southern vessels, "covered" by American destroyers, bombarded some northern islands and attacked a group of fishing boats in the Gulf of Tonkin. In retaliation, northern torpedo vessels attacked two American destroyers.

ESCALATION

Calling the action unprovoked, President Johnson asked for the power to "take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression." Without full knowledge of the facts and not realizing the implications of such a blank check, the Senate complied with the President's request.

On February 7, 1965 NLF forces launched a surprise raid on an American barracks in Pleiku. Deeming a reprisal necessary, President Johnson ordered U.S. planes to bomb the north. Shoving into the background his campaign references to the undesirability of a "wider war," the President continued the bombing raids after the initial retaliation.

Escalation proceeded at a rapid pace. In June, President Johnson authorized the use of American troops in combat, and America's involvement in the war changed dramatically. The other side's forces swelled too and China and the Soviet Union began to pump more and more equipment into Vietnam.

APPEASEMENT

Dissent within the United States became pronounced and assumed a critical form. Stunned by the showing of peace candidate Eugene McCarthy in New Hampshire and challenged by Robert Kennedy as well, President Johnson decided not to seek re-election and proceeded to de-escalate the war within the framework of his political philosophy.

Former Vice-President Richard Nixon emerged victorious in November, promising to end the war and labeling peace his prime objective. Hoping to avoid fury of both hawks and doves, President Nixon too de-escalated the war but refused to end it dramatically. Nine months after Nixon's inauguration, death still stalks the people of Vietnam.

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## MIRACLE OF EVANGELINE

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. RARICK. Mr. Speaker, great fanfare is currently given to culture and cultural appreciation, but little note is taken of traditional American values.

From the News and Courier, of Charleston, S.C., we have a story of community action in the traditional American spirit by free men who are dedicated to perpetuate their American heritage.

The "Miracle of Evangeline" is a short editorial relating how parents in a small Louisiana community have struggled to retain their God-given rights of authority and decision concerning their children. Now that the bureaucrats in Government have federalized the once public schools, this community has converted a cattle auction barn into an independent center of education boasting an enrollment of some 2,500 ambitious and earnest young people—the type who seek and will suffer to attain an education.

Perhaps this story of ingenuity, and community spirit has not been reported by the biased and prejudiced national press because they fear the example might serve as an inspiration to others. Citizens banding together to gain freedom at considerable personal sacrifice, should be news—but it is censored.

Every American who appreciates the struggle of our forefathers against tyranny will join in complimenting the Honorable Mayner Fontenot and his fellow Evangelinians of Ville Platte, La., for their display of true American perseverance and courage. We wish them well, and commend them for keeping alive this flame of liberty, no matter how small, for thier posterity, knowing that it will blaze again across our land.

Mr. Speaker, I ask that the editorial from the News and Courier be made a part of my remarks so that all our colleagues may be reminded that people who are determined to be free and to plan their own destiny will do so, not because of Federal programs, Federal aid or someone else's ideas—but in spite of them.

The editorial follows:

[From the Charleston (S.C.) News and Courier, Dec. 2, 1969]

MIRACLE OF EVANGELINE

From a roundabout source we have obtained an account of a private school system established by citizens of Evangeline Parish in Louisiana. The system, including a high school housed in an abandoned cattle auction barn, is serving 2,500 pupils. The elementary department, housed in various buildings throughout the parish, has an enrollment of more than 1,800, and more than 600 are in the high school.

Mayner Fontenot of Ville Platte, La., has said in a letter, which was passed on to us, that little publicity has been given to this effort by citizens of a rural region. In a two-week period they contributed more than $300,000 to set up an alternative school system to the public schools, which had been forced by court order to comply with federal guidelines.

"It is my opinion," Mr. Fontenot wrote, "that something has transpired to prevent the television stations and larger newspapers from publicizing our efforts to retain our God-given right of choosing how to educate our children. Having only a small weekly newspaper in our area, I am reluctant to believe that these larger newspapers will be generous enough to print our efforts . . . We have set the pace for our state, and for myself, I wouldn't trade places with any other citizen of this nation."

A summary of the campaign to establish this "instant" school system—accomplished in about six weeks—is entitled "The Miracle of Evangeline—Fruit from Our Labor." It tells about volunteer work by carpenters, truck drivers, painters, plumbers, laborers, poor and wealthy, parents and children, who worked and planned.

"Dedicated teachers who had come forth to join us worked 18 hours per day," the document reports, "put their skills and experience in high gear to recruit teachers and to plan a system of education second to none. Realizing that they would have shortages of both equipment and facilities, they achieved magnitude with what they had . . . Our giant had then fed its appetite for learning . . . We will have unsurpassed school spirit in our academy and will be demanding of our teachers. And they will send out into our society true Americans dedicated to the survival of their country."

We pass along this story, which was news to us, for the information of readers and the inspiration of the public. Evangeline Parish is not a rich territory in money. Obviously it is populated by people who care, a force greater than money.

## THE OMBUDSMAN IN NEW ZEALAND

**HON. HENRY S. REUSS**
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. REUSS. Mr. Speaker, the following article by Kent M. Weeks, the College of Wooster, titled "Public Servants in the New Zealand Ombudsman System" appeared in the November–December issue of Public Administration Review.

The article brings up points favorable to an ombudsman system that could be adopted by the United States:

PUBLIC SERVANTS IN THE NEW ZEALAND OMBUDSMAN SYSTEM

(By Kent M. Weeks)

(NOTE.—An investigation of the effects of the New Zealand Ombudsman's Office on department heads and public servants was carried out by interviews, a mailed questionnaire, and an inspection of the Ombudsman's complaint files. It was found that the apprehensions expressed by public servants when the Ombudsman was first proposed in 1961 have not materialized. There has been a change in attitude among public servants themselves who acknowledge that the Ombudsman has not inpaired staff efficiency or candor. The support for the institution expressed by public servants is due to the impartiality of the Ombudsman himself; the small proportion of the complaints investigated by the Ombudsman that are found to be valid; the fact that his investigations have not impaired efficiency; and the fact that public servants themselves are using the Ombudsman Office to appeal their own personal grievances.)

Concern about the increasinig influence of government ( ver the life of a citizen has prompted a quest for protective devices to insure that the citizen receives fair treatment from administrative authorities. The Scandinavian institution, Ombudsman, adopted by New Zealand in 1962, has caught the imagination of administrators, legislators, political scientists, and lawyers.[1] The Ombudsman is an impartial government officer who reviews complaints from citizens against administrative decisions. With access to departmental files, he has the power to criticize and to make recommendations to the departments; he has no powers of enforcement. Proponents of the system see the Ombudsman as a nonpolitical and easily accessible channel to be used by the citizens in challenging the fairness—not merely the legality—of an administrative ruling.

The functioning of the Ombudsman Office in New Zealand affords some interesting data regarding two areas of inquiry.[2] First, have the investigations and findings of the Ombudsman impaired the efficiency of the public service? And second, how do the public servants themselves view the Ombudsman system?

In the United States the response to the Ombudsman proposals have been glacial.[3] It appears that some legislators and public servants approve what they see on the surface, but, as in the case of the iceberg, are fearful of what lurks below. Legislators are apprehensive lest the Ombudsman undermine their own casework function that provides a vital link to their constituencies. Civil servants see the Ombudsman as detrimental to staff efficiency and as an antibureaucratic office undercutting their authority. And there is a general apprehension about adding another layer of bureaucracy to governments already overburdened by what some critics think is excessive bureaucracy.

Footnotes at end of article.

However, none of these apprehensions are substantiated by the New Zealand experience.[4] A questionnaire designed to elicit opinion regarding structural and functional aspects of the Ombudsman system was sent to each of the 42 heads of departments under the jurisdiction of the Ombudsman Office and to a random sample of 45 public servants in these departments. Thirty-three (79 per cent) of the department heads and 29 (64 per cent) of the randomly selected public servants returned completed questionnaires. Certain heads of departments and public servants, some of whom had responded and some of whom had not, were interviewed in New Zealand.

There has been a remarkable change in attitude among public servants in New Zealand. The initial opposition of the public servants to the Ombudsman proposal has been supplanted by support for the institution by all but a few public servants for several reasons: the skillful drafting of the legislation, in which certain public servants played an important role; the impartiality of the Ombudsman himself; the small proportion of complaints investigated by the Ombudsman that are found to be valid; [5] the fact that his investigations have not impaired efficiency; and the fact that the public servants themselves are using the Ombudsman Office to appeal their own grievances pertinent to personnel matters.

EFFECT OF THE OMBUDSMAN ON ADMINISTRATION

The effect of the Ombudsman system on the efficiency of the administration, on the relationship between departments and their cabinet overseers, and on the public image of the administration has been the subject of some debate. In New Zealand, where the government is the largest single employer,[6] the department head wields considerable power. The permanent head provides continuity when governments change; and as advisor to his political mentor, the minister in charge of his department, he aids in preparing legislation, offering proposals for new legislation, and speech writing. Not only must he be a capable administrator, but he is expected to draw attention to the political implications of his recommendations. There is a shared interest. Minister and department head have a stake in the output and image of the department. Although decisions of ministers are not subject to review by the Ombudsman, the recommendations made to a minister by a department may be reviewed.[7]

When reviewing a complaint, the Ombudsman [8] deals directly with the department head, who assigns the complaint to a top-level officer. The complaint is then shot out to a field officer who writes a summary of the facts and his analysis of the case. The field report, and in some cases the original file, is then reviewed by the Officer assigned to the case who then recasts the answer to the Ombudsman. The Ombudsman functions as mediator between complainant and department head. If the Ombudsman finds that a complaint is justified, he then negotiates with the department head in an attempt to find a solution acceptable to both department head and complainant. Three-quarters of the justified complaints are reconciled in this manner prior to a formal recommendation being issued by the Ombudsman.

There is evidence to suggest that the very existence of the Ombudsman has had an indirect effect upon complaint review within the departments. The Ombudsman himself once advised: "The decisions of the Ombudsman Office has encouraged departmental officers to take great care in the exercise of discretionary powers which were final and not open to challenge before the establishment of the Office." [9] Seventy-three percent of the permanent heads and 79 per cent of the public servants supported his statement.[10] One department head noted that the Ombudsman "is an influence on judgments—his existence makes officials more cautious in reaching decisions which can have a serious effect on the rights and liberties of individuals." A labour MP observed that the mere existence of the Office "is an indication to public servants that they must be rather more cautious in the exercise of discretion than they would be if they did not know there was someone who could query the exercise of their discretion." [11] Indeed, the question of the exercise of discretion is crucial. When given six choices, department heads, public servants and MP's ranked lack of flexibility in applying legislation and government regulations to particular situations, inadequate reasons given for decisions, delay in reaching a decision and unfairness as the four most important causes of complaints against administrative decisions. Not one respondent listed corruption as a source of complaints. The data suggests that the largest portion of complaints arise, not because the citizen feels that a public servant has abridged the law, but because the law has been applied unfairly or unwisely in a particular situation.

Certain departments may now be spending more time in keeping records in anticipation of review by the Ombudsman. In the United States records made in anticipation of review are known as "Pearl Harbor Files." One department head noted that his field offices are spending more time on cases, because they are attempting to keep a complete record, including notations of telephone conversations. Another department head suggests that the Ombudsman system is not inexpensive, for one of his assistants spends a large portion of his time following up each complaint submitted to the department. But the general view of department heads and public servants is that the Ombudsman system has not resulted in increased record keeping for them. Only four departments are spending more time keeping records, and all but three of these note that the added record keeping is a worthwhile expenditure of time. Although the public servants have not been consumed with additional record-keeping duties, departmental officers at the top level are probably spending more time in reviewing the complaints than they would if the citizen himself had submitted the complaint directly to the department.

The effect of the Ombudsman upon the complaint review workload borne by the departments has been negligible. The number of complaints addressed directly to public servants has not decreased since the advent of the Ombudsman. By their own admission, very few department heads or public servants has ever suggested to a complainant that he see the Ombudsman.[12] Moreover, none of the department heads or public servants have selected as a reason for having an Ombudsman Office: "to relieve members of the public service of processing some citizen complaints." However, one department head has noted that the Ombudsman might have discouraged certain perennial complainers: "Some real old troubleshooters have resigned."

It has been suggested that the Ombudsman's access to all records kept by departments, including internal departmental comments, might impair the staff efficiency and candor of public servants. Documents might have to be cleaned up prior to being placed in the files, and public servants might be restrained in expressing themselves frankly out of concern that some day the Ombudsman might review the file. Yet this suggestion is rejected by department heads and public servants.

It appears that department heads and public servants themselves do not think that the Ombudsman has affected efficiency. When asked what effect the Ombudsman has had upon efficiency, none of the respondents indictate that the public service has become less

efficient. When asked their attitude about the Ombudsman Office, respondents rank "interferes with the efficiency of the public service," sixth of seven choices. The charge heard during the debate on the legislation, that an Ombudsman is antiadministration, is supported by only two department heads and no public servants. The Ombudsman has explained his own intent: "The Ombudsman is not concerned to try to find fault if no fault exists; and it has proved necessary to advise a few complainants, in quite forceful terms, that they should cease groundless attacks on Departments or officials.[13]

The New Zealand experience suggests that an Ombudsman need not impair efficiency and that he may enhance the image of the public service. His investigations reveal that only a small percentage of complaints are justified. The Ombudsman has publicly praised the public service and exonerated particular public servants who have been the object of unsubstantiated charges by citizens. The Ombudsman suggests that because "thorough and independent investigation of allegations of malpractice establishes that those allegations are unfounded, the Office act as a valuable shield to the administration. . . ." [14]

The establishment of the Ombudsman Office may have contributed to the improved public service image.[15] There may be other explanations, but in 1965 the State Services Commission acknowledged that the "reports of the Ombudsman have also shown, and done much to bring home to the general public, that a sense of responsibility and fair play exists among public servants." [16] The Swedish Ombudsman has suggested that at the least, the dissatisfaction of a disgruntled citizen is shifted from the department to the Ombudsman.[17]

The Public Service Association, once bitterly opposed to the Office, has not failed to use the Ombudsman's findings in its public relations efforts. The Association proudly points to the small proportion of complaints found to be justified and to the fact that no complaint where personal charges have been made against a public servant has been supported by the Ombudsman. The foregoing discussion bears directly upon the remarkable change in attitude of the public servants toward the Ombudsman system.

ATTITUDE OF PUBLIC SERVANTS TOWARD THE OMBUDSMAN SYSTEM

The Public Service Association, pressure group for the 46,000 permanent staff members of the public service, set the tone for the debate on the Ombudsman legislation in its editorial in the *Public Service Journal* in August 1961:

"The Parliamentary Commissioner (Ombudsman) for Investigations Bill, now before Parliament is sheer humbug. It is half baked. It panders to sectional prejudice—those directed against officialdom. If it works at all it will cause confusion and disgruntlement. . . . It is a hoary institution introduced in primitive Sweden a century and a half ago." [18]

The Association raised several objections when the legislation was first introduced and again in testimony to the parliamentary committee which reviewed the legislation in August 1962. The Association opposed the exclusion of ministers' devisions from the Ombudsman's review, for it was feared that a department "could find itself in an embarrassing position in having to defend a decision which was not its own while, apparently, being at the same time precluded from making the full facts known without the consent of its Minister." [19] It was argued that the bill appeared to be aimed at individual acts of public servants, which properly should be dealt with within the departments. The Association was concerned about the limited protections granted to public servants who were involved in the Ombudsman's investigations. A public servant was entitled to a hearing before the Ombudsman only if he was to be criticized; yet it was argued that "circumstances could arise in which an officer's reputation could be affected by the Commissioner's reports whether he was specifically mentioned in it or not." [20] Finally, the Association argued that the bill should be expanded to cover decisions of local government bodies—where the need for review was greater—that were financed by the national government.[21]

But the tune has changed. The Public Service Association acknowledged as early as 1965: "It is becoming increasingly clear that the office of Ombudsman is not necessarily the trap for public servants which many of us feared when it was first established." [22] The change in opinion about the Ombudsman is most notable among the department heads. If they had been asked to vote on the Ombudsman legislation in 1962, ten permanent heads and five public servants say they would have voted against the act. Yet, by 1967, only two permanent heads and four public servants indicate they would oppose a proposal for an Ombudsman. All members of both groups indicate they are satisfied with the way the Ombudsman Office is operating, with the exception of one permanent head who has consistently noted his dissatisfaction with the Office.

There is some division of opinion regarding the need for the Office. It has been argued that the house-review procedures already operating in many departments provide adequate channels for complaint review. However, the Ombudsman and many MP's suggest that once decisions are made, impartial review at higher levels within the department is difficult to achieve.[23] Moreover, where an administrative official is given discretionary authority to make decisions regarding the interpretation and implementation of legislation, supervision by a minister is exceedingly difficult. Thirty-nine per cent of the department heads and 24 per cent of the public servants indicate that an appeal to an administrative official is the most effective method for influencing an administrative decision, whereas 39 percent of the department heads and 48 per cent of the public servants indicate an appeal to the Ombudsman is most effective. In any event, it appears that impartial review by the Ombudsman does facilitate a final disposition of complaints. Rarely do complainants whose complaints have been found unjustified by the Ombudsman turn to other grievance channels. Only one public servant indicates that a complainant turned down by the Ombudsman has appealed to him for redress of the same complaint. Nonetheless, 39 per cent of the permanent heads and 17 per cent of the public servants say that continuation of the office is unimportant; 9 per cent of the permanent heads and 13 per cent of the public servants say that the Office should be abolished.

Among department heads, attitudes toward the Ombudsman Office fall into one of three dimensions. Most department heads, who say that investigations by the Ombudsman "permit better understanding of official action," are supportive of the Office. In effect, the goals of the department and the Ombudsman, namely sound administration, are congruent. Repeatedly the word "safety valve" is mentioned; the Ombudsman is an alternative outlet for the "aggrieved person who cannot see that the department's decision is fair and in accord with the law." There are a few permanent heads who are moderately supportive of the Ombudsman because of what he has not found. He has largely dispelled notions about graft and corruption in the public service and he has "proved in practice to be no friend of the snipers." There are a few department heads, not supportive, who simply tolerate the Office—described once as "an experiment in progressive political science"—and try to stay as far away as possible.

One final point deserves attention. The change in attitude of public servants toward the Ombudsman is partly attributable to the fact that they are using the Ombudsman system to appeal grievances about working conditions, promotions, and transfers. In fact public servants represent the second largest group of complainants. And the percentage of complaints investigated found to be justified is somewhat higher than the overall percentage.[24] The Public Service Association has endorsed repeatedly the Ombudsman's review of personnel complaints from public servants, and its general secretary distributes annually to its field staff a memorandum reviewing cases in which the Ombudsman has set forth guidelines for dealing with personnel problems of public servants. Although the State Services Commission is opposed to Ombudsmanic review of complaints from public servants—on grounds that the Ombudsman is provided to enable citizens to complain about administrative decisions, not to serve as an additional appeal authority between public servants and their government employers—the department heads and public servants are opposed to excluding their complaints from review by the Ombudsman.

In New Zealand public servants have benefited from the Ombudsman system. Even though the chief value of the institution is in its service to the citizen complainant, the effect of the system's operation on the public servants has been far from onerous. The findings of the Ombudsman have enhanced the image of the public service. Even if that feature of the system which allows for review of complaints submitted by public servants were deleted from proposals in this country, it would be in the interests of public servants to support the transference of the system. The introduction of an Ombudsman system to facilitate increased responsiveness by administrators to the needs of the citizen need not diminish efficiency. For the citizen and for the public servant, the Ombudsman may prove to be a significant institutional innovation for affording both political responsiveness and administrative efficiency.

FOOTNOTES

[1] For a review of some of the literature on the Ombudsman, see the PUBLIC ADMINISTRATION REVIEW, Charles S. Ascher, "The Grievance Man or Ombudsmania," Vol. XXVII (June 1967), pp. 174–178. Two other comprehensive works have been published: Stanley V. Anderson (ed.), *Ombudsman for American Government?* (Englewood Cliffs, N.J.: Prentice Hall, Inc., 1968), and Roy V. Pell (ed.), "The Ombudsman or Citizen's Defender: A Modern Institution," *The Annals of the American Academy of Political and Social Science* (May 1968).

[2] The research for this study, part of a larger study on the New Zealand Ombudsman System, was conducted during the summer of 1967 in New Zealand. The financial support of the National Science Foundation through Grant No. GS–1527 for improving doctoral dissertation research in political science is gratefully acknowledged by the author.

[3] According to Walter Gellhorn, in the last five years, some 47 state legislatures have had Ombudsman proposals before them. See "The Ombudsman's Relevance to American Municipal Affairs," *American Bar Association Journal*, Vol. 54 (February 1968), p. 134. In only one state, Hawaii, has a proposal been enacted, and there the office has remained unfunded and unstaffed for over a year. There has been Ombudsman legislation pending in Congress since 1965.

[4] Members of the New Zealand Parliament responding to a questionnaire indicated that their caseload has not been diminished since the advent of the Ombudsman and that they are processing complaints as before.

[5] For the period October 1, 1962, to March 31, 1967, of the complaints fully investigated, 18 per cent were catalogued as justified. However, 54 per cent of the complaints submitted to the Office were not investigated for lack of jurisdiction or other reasons; hence, of the total complaints submitted to the Ombudsman, only 8 per cent were catalogued

as justified. In other countries, about 10 to 20 per cent of complaints fully investigated are found to be valid. For comparative data see Kent M. Weeks, *A Comparative Analysis of the Civil Ombudsman Offices in Denmark, Finland, New Zealand, Norway and Sweden* (Berkeley, Calif.: Institute of Governmental Studies, University of California, January 1967).

[6] The State Services Commission, formerly called the Public Service Commission, employed 68,842 persons in 1967, about 2.5 per cent of the total population, as compared with about 1.5 per cent employed by the federal government in the United States. There are additional state employees not under the State Services Commission.

[7] This compromise was obtained so that the "constitutional" principle of ministerial responsibility to Parliament would not be violated by the interposition of the Ombudsman.

[8] The New Zealand Ombudsman, Sir Guy Powles, is an attorney (although the Ombudsman legislation does not require that the appointee be an attorney) who had had military experience and experience in government most recently as High Commissioner to Western Samoa and to India. His staff consists of an administration assistant, formerly with the New Zealand Army; a legal officer, who is an attorney and who had served as legal officer to the State Services Commission; an investigator, formerly a British citizen employed in the colonial office; and two clerk-typists.

[9] G. Powles, "The Citizen's Rights Against the Modern State, and Its Responsibilities to Him," *International and Comparative Law Quarterly*, Vol. 13 (1964), p. 785.

[10] When data from the questionnaire is cited, the term "public servants" is used to refer to the group of randomly chosen public servants.

[11] Mr. Finlay, New Zealand Parliament, *Hansard's Parliamentary Debates*, May 18, 1967, p. 648.

[12] For a two-year period ending June 30, 1967, only six permanent heads and nine public servants recalled referring complaints to the Ombudsman; they made such a suggestion a total of 35 times.

[13] *Report of the Ombudsman for the year ended 31 March 1964* (Wellington, N.Z.: Government Printer, 1964), p. 5.

[14] *Ibid.*

[15] In any event, 45 per cent of the permanent heads and 50 per cent of the public servants indicated that since the establishment of the Ombudsman Office, the attitude of the public toward the public service was more favorable. None thought the public attitude was less favorable.

[16] *Report of the State Services Commission for the year ended 31 March 1965* (Wellington, N.Z.: Government Printer, 1965), p. 5.

[17] See the remarks of Alfred Bexelius in U.S. Congress, Senate Committee on the Judiciary, *Ombudsman, Hearings*, before a subcommittee of the Committee on the Judiciary, United States Senate, 89th Congress, 2nd Session, 1966, p. 19.

[18] "'Ombudsman' Bill Sheer Humbug," *Public Service Journal*, Vol. 48 (August 1961), p. 2.

[19] New Zealand Public Service Association, "Submissions of the New Zealand Public Service Association, to the Chairman and Members of the Statutes Revision Committee of the House of Representatives," unpublished mimeo., August 8, 1962.

[20] *Ibid.*

[21] The legislation excludes from the Ombudsman's review decisions of local government agencies, most complaints from military personnel, the decisions of judicial officers, and decisions of certain other departments. Eighty-eight per cent of the department heads and 93 per cent of public servants indicate that the jurisdiction of the Ombudsman Office should be extended to local government agencies that are financed by the national government. An amendment to the Ombudsman Act was adopted in December 1968, giving the Ombudsman Office limited jurisdiction over education boards and hospital boards based on the rationale that these local agencies receive the bulk of their financing from the national government.

[22] *Public Service Journal*, Vol. 52 (July 1965), p. 1.

[23] Of the 56 complaints classified as justified by the Ombudsman during the year ending March 31, 1967, 12 complainants had contacted a departmental officer and had failed to obtain redress prior to submitting their complaints to the Ombudsman.

[24] Of the 77 complaints against the State Services Commission during the period October 1, 1962, to March 31, 1967, and fully investigated, 22, or 29 per cent, have been classified as justified, as compared to 18 per cent for all of the Ombudsman's investigations.

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## THE MAKING OF A JUSTICE

### HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. ROUDEBUSH. Mr. Speaker, of all the editorial comment concerning the Haynsworth rejection by the Senate, I believe that Owen Hansen of the Lebanon, Ind., reporter, has come up with the most pertinent observation.

In a satirical approach to a serious subject, Owen gets to the heart of the matter.

As the Indiana writer suggests, the Senate is looking for someone who can walk on water.

The article follows:

THE MAKING OF A JUSTICE

(By Owen Hansen)

Much has been said about the defeat of Clement Haynsworth as a justice of the U.S. Supreme Court.

The Senate says it will suggest that more stringent rules be mandatory in the nomination of future judges. This would insure that the background of the nominee is perfectly clean.

I suggest that the candidate be nominated at birth. This method would permit the mother and father to stop the future jurist from engaging in such nefarious activities as playing marbles as a kid, buying up any properties when at the Monopoly table at home and dating until he is 27.

Should any free soap samples be sent to the nominee's home by mail, a watchful mother can immediately report same to the postal authorities to assure there will be no later accusations of payola.

Should the infant be brought up knowing that someday he will be called on to appear before the Senate for advice and consent, he can pave his path ahead of time by never visiting the South, by working his way through the ranks of organized labor and serving then for a tenure on the NAACP's policy committee.

The Supreme Court justice of the future should be made to be born in a manger and wear a halo over his head.

He should spend his years from 16 to 35 in a monastery of the Redemptionist Order and be vaccinated daily against the disease of temptation.

And then the final day comes when the future jurist takes his test before Congress to see whether he is fit to serve on the nation's highest court. If he can walk on water, he's in. If he sinks, he can then join the renown law firm of Fortas and Haynsworth.

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## SOCIAL SECURITY INCREASES AND SOCIAL PROGRAMS

### HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. PHILBIN. Mr. Speaker, I was very much pleased to learn that the House Ways and Means Committee had approved a 15-percent rise in social security payments as provided in a bill I introduced some time ago.

This bill should give some much needed relief to social security recipients but, of course, it is far from being adequate, when one considers that the minimum payments are $55 per month.

However, I feel that under all the circumstances, much higher increases are warranted, but was of the opinion that the 15-percent increase would probably be signed by the President, whereas a higher increase, such as I was prepared to support, might not be.

In any event, I think we are moving in the right direction, but much remains to be done before we have a social security payment scale that will do justice to many covered by the Social Security System.

I believe that our House Ways and Means Committee, at a very early date, should inaugurate full hearings to overhaul the social security and medicare laws to provide better coordination and more realistic benefits that will reflect the sharp increases in our price levels and cost of living. All social security programs should be bracketed under one statutory roof.

I again urge our appropriate House committees to give painstaking consideration to the very serious problems stemming from increased needs throughout the Nation of modern, hospital accommodations at reasonable rates, since the current situation affecting hospitals, rates, health plans, and the capacity of many people to afford and pay escalated hospital and related costs gives rise to some of the most challenging problems we face.

I believe that the Congress must make a broadside attack upon these problems, and come up with suitable legislation that will effectively solve them on a long-run basis that will coordinate various social programs.

Further delay in this field will lead not only to hopeless confusion, but to intolerable aggravation of the problems arising from lack of modernized, hospital accommodations, care and treatment, and the rapid, sharp increases in costs in these areas.

I hope the leaders of the Congress and the committees concerned in these areas will take early action to come up with a broad, comprehensive revision and consolidation of current laws to provide the authority and the funds needed to put these great social programs in proper perspective and provide suitable, effective relief, and insure the best modern care and the means to pay for it, to those who are currently finding it increasingly impossible to do so under present conditions. This is a subject of primary priority that cannot be deferred and face further deterioration.

# SENATE—*Tuesday, December 9, 1969*

The Senate met at 10 o'clock a.m. and was called to order by Hon. HAROLD E. HUGHES, a Senator from the State of Iowa.

The Reverend John T. Tavlarides, dean, St. Sophia Greek Orthodox Cathedral, Washington, D.C., offered the following prayer:

Our Father, we offer You a eucharist of humility and gratefulness for our life and for the privilege of service in this august assembly.

We do so because we are made in the image of Your Son. We would be the presence of Him in the world.

Coworkers with You in a world where love and death are opposed, where death is destruction and love is creation, we would transfigure impoverishment into enrichment, humiliation into glory, crucifixion into resurrection.

We would be free by Your love.

In this love, send Your Holy Spirit to bless our Nation, our leaders and us; to make real Your promise, "They shall fight against thee; but they shall not prevail against thee, for I am with thee and I will deliver thee." Amen.

## DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate.

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, D.C., December 9, 1969.*

*To the Senate:*

Being temporarily absent from the Senate, I appoint Hon. HAROLD E. HUGHES, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
*President pro tempore.*

Mr. HUGHES thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, December 8, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Labor of the Committee on Labor and Public Welfare and the Committee on Commerce and its subcommittees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Administrative Practices and Procedures of the Committee on the Judiciary be authorized to meet during the session of the Senate today.

Mr. SCOTT. Mr. President, at the request of other Senators, I must object.

The ACTING PRESIDENT pro tempore. Objection is heard.

## LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar, commencing with Calendar No. 569 and continuing with Calendar Nos. 570, 572, 573, 574, and then 571.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## TACHIKAWA AIRBASE CIVILIAN EMPLOYEES

The bill (H.R. 2238) to provide for the relief of certain civilian employees paid by the Air Force at Tachikawa Airbase, Japan, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91-574), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve a group of civilian employees paid by the Air Force accounting and finance officer at Tachikawa Airbase, Japan, of liability to refund to the United States amounts representing overpayments of living quarters allowances (LQA) occurring during the period beginning on April 2, 1961, and ending April 13, 1963.

STATEMENT

The facts of the case as set forth in House Report No. 195 are as follows:

The Department of the Air Force in its report to the committee on a similar bill in 1968 stated that it recommends the enactment of the bill in view of the particular circumstances surrounding the payments of living quarters allowances referred to in the bill. The Comptroller General in his report on the same bill indicated that since relief involved a question of policy for the Congress, the General Accounting Office would offer no recommendation concerning the merits of the matter.

As noted by the Air Force in its report, Government civilian employees living in foreign areas are granted living quarters allowances in accordance with the provisions of the Department of State standardize regulations. These regulations provide that an employee is entitled to a flat-rate living quarters allowance according to his grade. Should the head of an agency determine that an employee's expenses are substantially well covered by a living quarters allowance rate received prior to a promotion, that individual is required to authorize a payment of less than the full living quarters allowance applicable to the rate set which otherwise would have been applicable after a promotion to a higher grade. As will be noted in this report the issue as to the employees affected by this bill involved the question of a determination of whether employees expenses were substantially well covered by a rate applicable prior to a promotion.

In a report issued in August 1964, the Comptroller General criticized the Air Force for failing to reduce living quarters allowances of certain employees who were promoted and given increased allowances. The basis of the criticism of the Comptroller General was that the living expenses of these employees prior to promotion was determined by the General Accounting Office to have been "substantially well covered" by the allowance rates applicable to them before promotion. In reply the Assistant Secretary of the Air Force for Finance Management agreed that the Air Force had erred in not reducing the living quarters allowance rates of the employees involved. However, the Assistant Secretary maintained that this retroactive determination did not make the payments illegal and, therefore, should not be recovered from the employees. It was pointed out that the employees were entitled to the living quarters allowance prescribed for their civil service grades unless administrative action was taken to reduce those specific allowances. Here the administrative action had not been taken, and it was, therefore, asserted that the allowances were proper when paid. In a letter dated May 4, 1965, the Comptroller General reaffirmed his view that the payments of living quarters allowances to promoted employees which had been subsequently determined to be in excess of their needs, as outlined above, were "illegal payments" and had to be recovered from them.

## CREATION OF AN ADDITIONAL JUDICIAL DISTRICT, LOUISIANA

The bill (S. 1646) to create an additional judicial district in the State of Louisiana, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1646

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 98 of title 28 of the United States Code is amended to read as follows:

"§ 98. Louisiana

"Louisiana is divided into three judicial districts to be known as the Eastern, Middle, and Western Districts of Louisiana.

"Eastern District

"(a) The Eastern District comprises the parishes of Assumption, Jefferson, Lafourche, Orleans, Plaquemines, Saint Bernard, Saint Charles, Saint James, Saint John the Baptist, Saint Tammany, Tangipahoa, Terrebonne, and Washington.

"Court for the Eastern District shall be held at New Orleans.

"Middle District

"(b) The Middle District comprises the parishes of Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, Saint Helena, West Baton Rouge, and West Feliciana.

"Court for the Middle District shall be held at Baton Rouge.

"Western District

"(c) The Western District comprises six divisions.

"(1) The Opelousas Division comprises the parishes of Evangeline and Saint Landry.

"Court for the Opelousas Division shall be held at Opelousas.

"(2) The Alexandria Division comprises the parishes of Avoyelles, Catahoula, Grant, LaSalle, Rapides, and Winn.

"Court for the Alexandria Division shall be held at Alexandria.

"(3) The Shreveport Division comprises the parishes of Bienville, Bossier, Caddo, Claiborne, DeSoto, Natchitoches, Red River, Sabine, and Webster.

"Court for the Shreveport Division shall be held at Shreveport.

"(4) The Monroe Division comprises the parishes of Caldwell, Concordia, East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, and West Carroll.

"Court for the Monroe Division shall be held at Monroe.

"(5) The Lake Charles Division comprises the parishes of Allen, Beauregard, Calcasieu, Cameron, Jefferson Davis, and Vernon.

"Court for the Lake Charles Division shall be held at Lake Charles.

"(6) The Lafayette Division comprises the parishes of Acadia, Iberia, Lafayette, Saint Martin, Saint Mary, and Vermilion.

"Court for the Lafayette Division shall be held at Lafayette."

SEC. 2. The district judge for the Eastern District of Louisiana holding office on the day immediately prior to the effective date of this Act, and whose official station on such date is Baton Rouge, shall on and after such date, be the district judge for the Middle District of Louisiana. All other district judges for the Eastern District of Louisiana holding office on the day immediately prior to the effective date of this Act shall be district judges for the Eastern District of Louisiana as constituted by this Act.

SEC. 3. (a) Nothing in this Act shall in any manner affect the tenure of office of the United States attorney and the United States marshal for the Eastern District of Louisiana who are in office on the effective date of this Act, and who shall be during the remainder of their present terms of office the United States attorney and marshal for the Eastern District of Louisiana as constituted by this Act.

(b) The President shall appoint, by and with the advice and consent of the Senate, a United States attorney and marshal for the Middle District of Louisiana.

SEC. 4. The table contained in section 133 of title 28 of the United States Code is amended to read as follows with respect to the State of Louisiana:

| "Districts | Judges |
|---|---|
| * * * * * | |
| "Louisiana: | |
| "Eastern | 7 |
| "Middle | 1 |
| "Western | 3". |

SEC. 5. Section 134(c) of title 28 of the United States Code is amended by deleting the first sentence.

SEC. 6. The provisions of this Act shall become effective one hundred and twenty days after the date of enactment of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–575), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the proposed legislation is to create an additional judicial district in the State of Louisiana by dividing the present Eastern District of Louisiana into two districts, the Eastern and Middle Districts.

STATEMENT

At present, the Eastern District of Louisiana consists of two divisions, one of which sits in New Orleans and the other in Baton Rouge, the State capital. S. 1646 would convert the Baton Rouge division into a new district to be known as the Middle District of Louisiana.

In recent years the Eastern District of Louisiana has had one of the most persistent civil backlog problems in the United States. At the end of fiscal year 1969, there were 4,208 civil cases pending on the docket and the median interval for trial of a civil case was 19 months, well above the national median of 13 months. In fact, the civil business of the Eastern District is exceeded in only two other Federal districts, the Southern District of New York and the Eastern District of Pennsylvania. The vast bulk of the workload in the district is in the New Orleans division where, through the efforts of the judges and personnel of the Eastern District, the Federal Judicial Center, and the Administrative Office of the U.S. Courts, better calendar control and new procedures in the clerk's office have been accomplished recently. These joint efforts have been almost entirely directed at the New Orleans division. Indeed, the problems and caseload demands of the Baton Rouge division are very different from those confronting the New Orleans division.

The number of cases filed yearly in the Baton Rouge division of the Eastern District of Louisiana exceeds the number filed in 21 districts in the United States.[1] A significant part of the civil caseload of the Baton Rouge division is made up of maritime and seaman's cases attributable to the Port of Baton Rouge, now ranked seventh in the Nation. The Baton Rouge division also has an average of 44 civil cases per year involving the United States of America. Moreover, since the State penitentiary at Angola, La., is located in the Baton Rouge division, a majority of the habeas corpus petitions for the entire State of Louisiana fall to the Baton Rouge division.

On the criminal side of the docket, the Baton Rouge division handles an average of 148 hearings per year requiring the presence of the U.S. attorney or one of his assistants. These appearances are in addition to those required to meet demands of the civil calendar. There is no assistant U.S. attorney assigned to the Baton Rouge division and for each civil or criminal case appearance, the U.S. attorney or an assistant must travel from New Orleans, a distance of nearly 80 miles.

Other major administrative difficulties are also created by the lack of a district court at Baton Rouge. The division could be much more efficiently operated if it were a district unto itself. Furthermore, since the Federal Court Building in Baton Rouge has recently been extensively renovated, no new physical facilities are anticipated if S. 1646 becomes law.

S. 1646 has the support of the Judicial Council of the Fifth Circuit, the judges of the Eastern District and the Louisiana State Bar Association. Support has also been expressed by the U.S. attorney, the chief probation officer, and the U.S. marshal for the Eastern District. More significantly, despite a general policy in opposition to the creation of new districts, the Judicial Conference of the United States at its meeting on October 31, 1969, considered the proposal contained in S. 1646 and voted its approval thereof. A copy of a letter expressing the Judicial Conference's recommendation is attached hereto and made a part of this report.

[1] Discussion of the need for a new Middle District of Louisiana may be found in hearings before the Subcommittee on Improvements in Judicial Machinery, "Federal Judges and Courts," 91st Cong., first sess., pp. 202–213, 499.

## MRS. EZRA L. CROSS

The bill (H.R. 4744) for the relief of Mrs. Ezra L. Cross was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–577), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to waive sections 8119 to 8122, inclusive, of chapter 81 of title 5, of the United States Code, so that Mrs. Ezra L. Cross of Flint, Mich., can file a claim for compensation under the codified provisions of the Federal Employees Compensation Act based on the death of her husband, Ezra L. Cross, a former employee of the Agency for International Development. The proposed legislation provides that no benefits would accrue by the enactment of a bill for any period prior to the date of enactment except for reimbursable hospital, medical, funeral, and burial expenses.

STATEMENT

In its favorable report on the bill, the House of Representatives set forth the facts of the case as follows:

The report of the Agency for International Development of the Department of State indicates that it would have no objection to the enactement of the bill should the Congress determine that legislative relief is appropriate. The Department of Labor similarly indicated it would have no objection should the Congress find that there are adequate reasons for not filing a claim within the time limited. The Department of Labor further recommended the amendment added by the committee in lieu of the last paragraph of the bill which bars retroactive benefits except for reimbursable hospital, medical, funeral, and burial expenses.

The bill, H.R. 4744, was the subject of a subcommittee hearing on Wednesday, April 16, 1969. The claimant, Mrs. Ezra L. Cross, appeared at that hearing and testified concerning the circumstances of her husband's death. Dr. Ezra L. Cross worked with Foreign Aid from 1950–61. He was first assigned to Manila, and then to Asuncion, Paraguay. Subsequently he was assigned to Quito, Ecuador, and he passed away in that city on the night of September 30, 1961.

As is noted in the report of the Department of State, at the time of his death, Dr. Cross was serving as a Foreign Service Reserve officer and he was assigned to the mission of the International Cooperation Administration, the predecessor agency of AID, at Quito, Ecuador. The committee has been advised that at the time of his death, Mrs. Cross was not advised of her right to file for compensation under the then applicable provisions of the Federal Employees' Compensation Act. This is borne out by the report of the Department of State. In that report, it is stated under AID practice, and when feasible, officials of the Agency meet with the widow and survivors to assist them in preparing the necessary documents for settlement of claims for Government-sponsored insurance and benefit programs. Such meetings are not scheduled as a part of any mandatory procedure, but have proved to be of a mutually convenient and beneficial nature, both for the Agency and the families of its employees. At that time, if the possibility of a service-

connected injury having been involved in the death of the employee is indicated, the widow is advised of her right to file a claim for compensation for the consideration of the Bureau of Employees' Compensation. In Mrs. Cross' case, however, the customary meeting did not take place. All claim forms for moneys due Mrs. Cross, by reason of her husband's status as a Federal employee at the time of his death, were executed in Quito when she returned there to close out her household. The State Department further agreed that there was apparently no opportunity for a personal exchange between Mrs. Cross and Washington offices at any time immediately following her husband's death. The departmental report further stated that had there been such an opportunity, the Department felt that Mr. Cross' apparent problems with the altitude would have surfaced and Mrs. Cross would have been apprised of the existence of the benefits program provided under what was then the Federal Employees' Compensation Act and of her right to file a claim with the Bureau of Employees' Compensation.

In view of these statements in the departmental report, the members of the subcommittee questioned Mrs. Cross concerning the events which occurred immediately following her husband's death. She stated that she left Ecuador shortly after her husband passed away and went to Flint, Mich. She remained in that city for approximately 2 weeks and then returned to Quito, Ecuador. When she arrived there she was advised by State Department personnel that she would have to act quickly to settle her affairs there because it appeared that there would be civil disturbances within the country at any time. Because of the restriction on movement of people under these circumstances, the packing of her belongings and like personal matter were difficult for her and contact in the office of her late husband was with a secretary of a new executive officer who had just arrived. The executive officer had not known her husband and was not familiar with all of the circumstances of her husband's death.

The next point that is relevant to the consideration of this bill is the point expressly stated in the departmental report to the effect that at the time that Mrs. Cross was attempting to settle matters, there was nothing in the records of the Department to indicate that Dr. Cross' death was due to any other cause than a heart attack. At the hearing Mrs. Cross complained that the initial reports made to Washington were to the effect that her husband had died of a heart attack. However, as is indicated in the departmental report, the autospy report listed the cause of death as "posterior myocardial infarction," with a contributory cause of "epistaxis with aspiration of blood and phlegm." In addition, departmental records covering Mr. Cross' service from February 15, 1952 through December 1960, in the Philippines and Paraguay (both low altitude posts) reflect that Mr. Cross was in excellent health with no limiting factors demonstrated and was described by his colleagues as an energetic, well-adjusted person.

The Department has further stated that there was nothing in its records indicating any physical problems for the time period between Mr. Cross' departure from Washington to Ecuador and his death. The report then significantly states that it was not until almost 6 years after his death that AID officials became aware that there may have been complicating factors that could have contributed to his death. At the hearing Mrs. Cross explained that these individuals in Washington indicated that these circumstances could provide the basis for a claim under the Federal employees compensation provisions now found in chapter 81 of title 5 of the United States Code. Mrs. Cross therefore sought information concerning Federal employees compensation and pointed out that Dr. Cross was physically not able to cope with the high altitude of Ecuador. Additionally inquiry resulted in statements by two AID employees who had worked with Mr. Cross in Ecuador which corroborated that Mr. Cross had been affected by the altitude.

Mr. Cross' death came after he had been in Ecuador about 8 months. Mrs. Cross only arrived in Quito on July 4, 1961. After being in that country 6 months, and after her arrival, Mr. Cross made a few short business trips. During a more extensive trip he fell ill and was eventually evacuated to Panama. Mrs. Cross states that she was unaware of the serious problems Mr. Cross had been having: Inability to sleep well and headaches, commonly regarded as initial reactions to high altitude living in Quito.

The committee is impressed with the following summary in the report of the Agency for International Development of the Department of State:

"In summary, throughout the period of almost 6 years that followed Mr. Cross' death during which the time period for filing a claim had expired, (1) the Agency was not aware of any circumstances that would have indicated the possibility of a service-connected injury having been involved in Mrs. Cross' death, and (2) Mrs. Cross was not aware of the benefits program established by this statute, for which she was eligible to apply."

In view of the facts summarized by the Department and referred to in this report and as more fully set forth in the testimony at the subcommittee hearing, the committee has concluded that this is a proper subject for legislative relief. The evidence before the committee shows, in its opinion, that there is adequate basis for a waiver of the statute of limitations to permit the filing of a claim. Clearly, the unusual circumstances faced by Mrs. Cross made it difficult, if not impossible, to adequately be advised of her rights to file. Accordingly, the most equitable resolution of the matter is to extend the relief provided in the amended bill. Accordingly, it is recommended that the bill as amended be considered favorably.

The committee concurs in the action taken by the House of Representatives and recommends that the bill, H.R. 4744, be considered favorably.

## NATIONAL BLOOD DONOR MONTH

The joint resolution (S.J. Res. 154) to authorize and request the President to proclaim the month of January of each year as "National Blood Donor Month" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 154

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in recognition of the vital role of the voluntary blood donor in medical care, the President is authorized and requested to issue annually a proclamation designating the month of January of each year as "National Blood Donor Month".

## VOLUNTEERS OF AMERICA WEEK

The Senate proceeded to consider the joint resolution (H.J. Res. 10) authorizing the President to proclaim the second week of March 1970, as Volunteers of America Week which had been reported from the Committee on the Judiciary with an amendment, in line 3, after the word "issue", strike out "annually".

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

## THE CUSTOMS COURTS ACT OF 1969

The Senate proceeded to consider the bill (S. 2624) to improve the judicial machinery in customs courts by amending the statutory provisions relating to judicial actions and administrative proceedings in customs matters, and for other purposes, which had been reported from the Committee on the Judiciary, with amendments on page 2, line 9, after "(b)," strike out "When a judge in the Customs Court, in issuing an interlocutory order," and insert "When the chief judge of the Customs Court issues an order under the provisions of section 256(b) of this title; or when any judge in the Customs Court, in issuing any other interlocutory order,"; on page 5, line 16, after the word "commissions.", strike out "Judges whose commissions bear the same date shall have precedence according to the seniority of their commissions." on page 7, line 16, after "(b)," strike out:

Upon application of a party and for good cause shown, or upon his own initiative, the chief judge may authorize a judge of the court to preside at a trial of hearing in a foreign country.

And insert:

Upon application of a party or upon his own initiative, and upon a showing that the interests of economy, efficiency, and justice will be served, the chief judge may issue an order authorizing a judge of the court to preside in an evidentiary hearing in a foreign country whose laws permit such a hearing: *Provided, however,* That an interlocutory appeal may be taken from such an order pursuant to the provisions of section 1541(b) of this title, subject to the discretion of the Court of Customs and Patent Appeals as set forth in that section.

On page 8, line 12, after the word "the" where it appears the first time, insert "administrative"; in line 21, after the word "drawback;", strike out "and" and insert "or"; on page 10, line 13, after "515(b)", strike out "or 515(c)"; on page 11, line 8, after the word "There", strike out "may" and insert "shall"; in line 10, after the word "shall", strike out "not exceed" and insert "be not less than $5 nor more than"; at the beginning of line 22, strike out "decision contested in the protest." and insert "decision or decisions listed in section 514 of the Tariff Act of 1930, as amended, that were contested in the protest."; on page 12, line 7, after "(f)", strike out:

Upon service of the summons on the Secretary of the Treasury or his designee, the appropriate customs officer shall forthwith transmit the following documents to the United States Customs Court as an official record of the civil action: (1) consumption or other entry; (2) commercial invoice; (3) special Customs invoice; (4) copy of protest; and (5) copy of denial of protest, in whole or in part, if any denial has been issued."

And insert:

Upon service of the summons on the Secretary of the Treasury or his designee, the

appropriate customs officer shall forthwith transmit the following items, if they exist, to the United States Customs Court as part of the official record of the civil action: (1) consumption or other entry; (2) commercial invoice; (3) special Customs invoice; (4) copy of protest; (5) copy of denial of protest in whole or in part (6) importer's exhibits; (7) official samples; (8) any official laboratory reports; and (9) the summary sheet. If any of the aforesaid items do not exist in the particular case, an affirmative statement to that effect shall be transmitted as part of the official record.

On page 16, line 10, after the word "his", insert "own"; in line 19, after the the word "on", strike out "January" and insert "July"; on page 20, line 4, after the word "after", strike out "January" and insert "July"; in line 7, after the word "before", strike out "the date of enactment" and insert "July 1, 1970,"; in line 9, after the word "before", strike out "January" and insert "July"; in line 10, after the date "1970", strike out the period, insert a comma and "or with respect to which a protest has not been disallowed in whole or in part before July 1, 1970."; on page 26, line 12, after the word "Decisions.", strike out:

The appropriate customs officer shall review a protest filed in accordance with section 514 of this Act and may allow or deny such protest in whole or in part. Thereafter, he shall remit or refund any duties, charge, or exaction found to have been assessed or collected in excess, or pay any drawback found due. Notice of the denial of any protest shall be mailed in the form and manner prescribed by the Secretary of the Treasury.

And insert:

Unless a request for an accelerated disposition of a protest is filed in accordance with subsection (b) of this section the appropriate customs officer, within two years from the date a protest was filed in accordance with section 514 of this Act, shall review the protest and shall allow or deny such protest in whole or in part. Thereafter, any duties, charge, or exaction found to have been assessed or collected in excess shall be remitted or refunded and any drawback found due shall be paid. Upon the request of the protesting party, filed within the time allowed for the filing of a protest under section 514 of this Act, a protest may be subject to further review by another appropriate customs officer, under the circumstances and in the form and manner that may be prescribed by the Secretary in regulations, but subject to the two-year limitation prescribed in the first sentence of the subsection. Notice of the denial of any protest shall be mailed in the form and manner prescribed by the Secretary.

On page 27, line 13, after the word "be", strike out "filed in writing with" and insert "mailed by certified or registered mail to"; in line 19, after the word "following", strike out "receipt" and insert "the date of mailing by certified or registered mail"; in line 21, after the word "following", strike out "receipt" and insert "mailing"; after line 22, strike out:

(c) CONSTRUCTIVE DENIAL OF PROTEST. Any protest which has not been allowed or denied in whole or in part in accordance with paragraph (a) of this section and which is not deemed to be denied in accordance with paragraph (b) of this section, shall be deemed denied after two years have elapsed from the date the protest was filed in accordance with section 514 of this Act."

On page 38, line 9, after the word "thereof", strike out "'Customs" and insert "Appropriate customs"; in line 14, after the word "'or", strike out the word "a" and insert "an appropriate"; in line 17, after the word "thereof", strike out "'a" and insert "an appropriate"; and in line 21, after the word "'or", insert "appropriate"; so as to make the bill read:

S. 2624

A bill to improve the judicial machinery in customs courts by amending the statutory provisions relating to judicial actions and administrative proceedings in customs matters, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

TITLE I—JUDICIAL ACTIONS IN CUSTOMS CASES

SHORT TITLE

SEC. 101. This title may be cited as "The Customs Courts Act of 1969".

APPEALS FROM CUSTOMS COURT DECISIONS—JURISDICTION

SEC. 102. Section 1541 to title 28 of the United States Code is amended to read as follows:

"§ 1541. Appeals from Customs Court decisions

"(a) The Court of Customs and Patent Appeals has jurisdiction of appeals from all final judgments or orders of the United States Customs Court.

"(b) When the chief judge of the Customs Court issues an order under the provisions of section 256(b) of this title; or when any judge in the Customs Court, in issuing any other interlocutory order, includes in the order a statement that a controlling question of law is involved as to which there is substantial ground for difference of opinion and that an immediate appeal from its order may materially advance the ultimate termination of the litigation, the Court of Customs and Patent Appeals may, in its discretion, permit an appeal to be taken from such order, if application is made to it within ten days after the entry of the order: *Provided, however,* That neither the application for nor the granting of an appeal hereunder stays proceedings in the Customs Court unless a stay is ordered by a judge of the Customs Court or by the Court of Customs and Patent Appeals or a judge of that court."

APPEALS FROM CUSTOMS COURT DECISIONS—PROCEDURE

SEC. 103. Section 2601 of title 28 of the United Stataes Code is amended to read as follows:

"§ 2601. Appeals from Customs Court decisions

"(a) A party may appeal to the Court of Customs and Patent Appeals from a final judgment or order of the Customs Court within sixty days after entry of the judgment or order.

"(b) An appeal is made by filing in the office of the clerk of the Court of Customs and Patent Appeals a notice of appeal which shall include a concise statement of the errors complained of. A copy of the notice shall be served on the adverse parties. When the United States is an adverse party service shall be made on the Attorney General and the Secretary of the Treasury or their designees. Thereupon, the Court of Customs and Patent Appeals shall order the Customs Court to transmit the record and evidence taken, together with either the findings of fact and conclusions of law or the opinion, as the case may be.

"(c) The Court of Customs and Patent Appeals may affirm, modify, vacate, set aside, or reverse any judgment or order of the Customs Court lawfully brought before it for review, and may remand the cause and direct the entry of an appropriate judgment or order, or require such further proceedings as may be just under the circumstances. The judgment or order of the Court of Customs and Patent Appeals shall be final and conclusive unless modified, vacated, set aside, reversed, or remanded by the Supreme Court under section 2106 of this title."

PRECEDENCE OF AMERICAN MANUFACTURER, PRODUCER, OR WHOLESALER CASES

SEC. 104. Section 2602 of title 28 of the United States Code is amended to read as follows:

"§ 2602. Precedence of American Manufacturer, producer, or wholesaler cases

"(a) Every proceeding in the Court of Customs and Patent Appeals arising under section 516 of the Tariff Act of 1930, as amended, shall be given precedence over other cases on the docket of such court, except as provided for in paragraph (b) of this section, and shall be assigned for hearing at the earliest practicable date and expedited in every way.

"(b) Appeals from findings by the Secretary of Commerce provided for in headnote 6 to schedule 8, part 4, of the Tariff Schedules of the United States (19 U.S.C. 1202) shall receive a preference over all other matters."

DUTIES OF CHIEF JUDGE; PRECEDENCE OF JUDGES

SEC. 105. Section 253 of title 28 of the United States Code is amended to read as follows:

"§ 253. Duties of chief judge; precedence of judges

"(a) The chief judge of the Customs Court, with the approval of the court, shall supervise the fiscal affairs and clerical force of the court;

"(b) The chief judge shall promulgate dockets.

"(c) The chief judge, under rules of the court, may designate any judge or judges of the court to try any case and, when the circumstances so warrant, reassign the case to another judge or judges.

"(d) Whenever the chief judge is unable to perform the duties of his office or the office is vacant, his powers and duties shall devolve upon the judge next in precedence who is able to act, until such disability is removed or another chief judge is appointed and duly qualified.

"(e) The chief judge shall have precedence and shall preside at any session which he attends. Other judges shall have precedence and shall preside according to the seniority of their commissions. Judges whose commissions bear the same date shall have precedence according to seniority in age."

SINGLE-JUDGE TRIALS

SEC. 106. Section 254 of title 28 of the United States Code is amended to read as follows:

"§ 254. Single-judge trials

"Except as otherwise provided in section 255 of this title, the judicial power of the Customs Court with respect to any action, suit or proceeding shall be exercised by a single judge, who may preside alone and hold a regular or special session of court at the same time other sessions are held by other judges."

PUBLICATION OF DECISIONS

SEC. 107. Section 255 of title 28 of the United States Code is redesignated as section 257 and is amended to read as follows:

"§ 257. Publication of decisions

"All decisions of the Customs Court shall be preserved and open to inspection. The court shall forward copies of each decision to the Secretary of the Treasury or his designee and to the appropriate customs officer for the district in which the case arose. The Secretary shall publish weekly such decisions as he or the court may designate and abstracts of all other decisions."

THREE-JUDGE TRIALS

SEC. 108. There shall be a new section 255 of title 28 of the United States Code as follows:

"§ 255. Three-judge trials

"(a) Upon application of any party to a cause of action or upon his own initiative, the chief judge of the Customs Court shall designate any three judges of the court to hear and determine any cause of action which the chief judge finds: (1) raises an issue of the constitutionality of an Act of Congress, a proclamation of the President or an Executive order; or (2) has broad or significant implications in the administration or interpretation of the customs laws.

"(b) A majority of the three judges designated may hear and determine the cause of action and all questions pending therein."

TRIALS AT PORTS OTHER THAN NEW YORK

SEC. 109. There shall be a new section 256 of title 28 of the United States Code as follows:

"§ 256. Trials at ports other than New York

"(a) The chief judge may designate any judge or judges of the court to proceed, together with necessary assistants, to any port or to any place within the jurisdiction of the United States to preside at a trial or hearing at the port or place.

"(b) Upon application of a party or upon his own initiative, and upon a showing that the interests of economy, efficiency, and justice will be served, the chief judge may issue an order authorizing a judge of the court to preside in an evidentiary hearing in a foreign country whose laws permit such a hearing: *Provided, however,* That an interlocutory appeal may be taken from such an order pursuant to the provisions of section 1541(b) of this title, subject to the discretion of the Court of Customs and Patent Appeals as set forth in that section."

JURISDICTION OF THE CUSTOMS COURT

SEC. 110. Section 1582 of title 28 of the United States Code is amended to read as follows:

"§ 1582. Jurisdiction of the Customs Court

"(a) The Customs Court shall have exclusive jurisdiction of civil actions instituted by any person whose protest pursuant to the Tariff Act of 1930, as amended, has been denied, in whole or in part, by the appropriate customs officer, where the administrative decision, including the legality of all orders and findings entering into the same, involves: (1) the appraised value of merchandise; (2) the classification and rate and amount of duties chargeable; (3) all charges or exactions of whatever character within the jurisdiction of the Secretary of the Treasury; (4) the exclusion of merchandise from entry or delivery under any provisions of the customs laws; (5) the liquidation or reliquidation of an entry, or a modification thereof; (6) the refusal to pay a claim for drawback; or (7) the refusal to reliquidate an entry under section 520(c) of the Tariff Act of 1930, as amended.

"(b) The Customs Court shall have exclusive jurisdiction of civil actions brought by American manufacturers, producers, or wholesalers pursuant to section 516 of the Tariff Act of 1930, as amended.

"(c) The Customs Court shall not have jurisdiction of an action unless (1) either a protest has been filed, as prescribed by section 514 of the Tariff Act of 1930, as amended, and denied in accordance with the provisions of section 515 of the Tariff Act of 1930, as amended, or if the action relates to a decision under section 516 of the Tariff Act of 1930, as amended, all remedies prescribed therein have been exhausted, and (2) except in the case of an action relating to a decision under section 516 of the Tariff Act of 1930, as amended, all liquidated duties, charges an exactions have been paid at the time the action is filed.

"(d) Only one civil action may be brought in the Customs Court to contest the denial of a single protest. However, any number of entries of merchandise involving common issues may be included in a single civil action. Actions may be consolidated by order of the court or by request of the parties, with approval of the court, if there are common issues."

REPEAL OF SECTION 1583—REVIEW OF DECISIONS ON PROTESTS

SEC. 111. Section 1583 of title 28 of the United States Code is repealed.

TIME FOR COMMENCEMENT OF ACTION

SEC. 112. Section 2631 of title 28 of the United States Code is amended to read as follows:

"§ 2631. Time for commencement of action

"(a) An action over which the court has jurisdiction under section 1582(a) of this title is barred unless commenced within one hundred and eighty days after:

"(1) the date of mailing of notice of denial, in whole or in part, of a protest pursuant to the provisions of section 515(a) of the Tariff Act of 1930, as amended; or

"(2) the date of denial of a protest by operation of law pursuant to the provisions of section 515(b) of the Tariff Act of 1930, as amended.

"(b) An action over which the court has jurisdiction under section 1582(b) of this title is barred unless commenced within thirty days after the date of mailing of a notice sent pursuant to section 516(c) of the Tariff Act of 1930, as amended."

CUSTOMS COURT PROCEDURE AND FEES

SEC. 113. Section 2632 of title 28 of the United States Code is amended to read as follows:

"§ 2632. Customs Court procedure and fees

"(a) A party may contest denial of a protest under section 515 of the Tariff Act of 1930, as amended, or the decision of the Secretary of the Treasury made under section 516 of the Tariff Act of 1930, as amended, by bringing a civil action in the Customs Court. A civil action shall be commenced by filing a summons in the form, manner, and style and with the content prescribed in rules adopted by the court.

"(b) There shall be a filing fee payable upon commencing an action. The amount of the fee shall be fixed by the Customs Court but shall be not less than $5 nor more than the filing fee for commencing a civil action in a United States district court. The Customs Court may fix all other fees to be charged by the clerk of the court.

"(c) The Customs Court shall provide by rule for pleadings and other papers, for their amendment, service, and filing, for consolidations, severances, and suspensions of cases, and for other procedural matters.

"(d) The Customs Court, by rule, may consider any new ground in support of a civil action if the new ground (1) applies to the same merchandise that was the subject of the protest; and (2) is related to the same administrative decision or decisions listed in section 514 of the Tariff Act of 1930, as amended, that were contested in the protest.

"(e) All pleadings and other papers filed in the Customs Court shall be served on all the adverse parties in accordance with the rules of the court. When the United States is an adverse party, service of the summons shall be made on the Attorney General and the Secretary of the Treasury or their designees.

"(f) Upon service of the summons on the Secretary of the Treasury or his designee, the appropriate customs officer shall forthwith transmit the following items, if they exist, to the United States Customs Court as part of the official record of the civil action: (1) consumption or other entry; (2) commercial invoice; (3) special Customs invoice; (4) copy of protest; (5) copy of denial of protest in whole or in part; (6) importer's exhibits; (7) official samples; (8) any official laboratory reports; and (9) the summary sheet. If any of the aforesaid items do not exist in the particular case, an affirmative statement to that effect shall be transmitted as part of the official record."

PRECEDENCE OF AMERICAN MANUFACTURER, PRODUCER, OR WHOLESALER CASES

SEC. 114. Section 2633 of title 28 of the United States Code is amended to read as follows:

"§ 2633. Precedence of American manufacturer, producer, or wholesaler cases

"Every proceeding in the Customs Court arising under section 516 of the Tariff Act of 1930, as amended, shall be given precedence over other cases on the docket of the court, and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way."

NOTICE

SEC. 115. Section 2634 of title 28 of the United States Code is amended to read as follows:

"§ 2634. Notice

"Reasonable notice of the time and place of trial before a judge of the Customs Court shall be given to all parties to any proceeding, under rules prescribed by the court."

BURDEN OF PROOF; EVIDENCE OF VALUE

SEC. 116. Section 2635 of title 28 of the United States Code is amended to read as follows:

"§ 2635. Burden of proof; evidence of value

"In any matter in the Customs Court:

"(a) The decision of the Secretary of the Treasury, or his delegate, is presumed to be correct. The burden to prove otherwise shall rest upon the party challenging a decision.

"(b) Where the value of merchandise is in issue:

"(1) Reports or depositions of consuls, customs officers, and other officers of the United States and depositions and affidavits of other persons whose attendance cannot reasonably be had, may be admitted in evidence when served upon the opposing party in accordance with the rules of the court.

"(2) Price lists and catalogs may be admitted in evidence when duly authenticated, relevant, and material.

"(c) The value of merchandise shall be determined from the evidence in the record and that adduced at the trial whether or not the merchandise or samples thereof are available for examination."

ANALYSIS OF IMPORTED MERCHANDISE

SEC. 117. Section 2636 of title 28 of the United States Code is amended to read as follows:

"§ 2636. Analysis of imported merchandise

"A judge of the Customs Court may order an analysis of imported merchandise and reports thereon by laboratories or agencies of the United States."

WITNESSES; INSPECTION OF DOCUMENTS

SEC. 118. Section 2637 of title 28 of the United States Code is amended to read as follows:

"§ 2637. Witnesses; inspection of documents

"(a) In any proceeding in the Customs Court, under rules prescribed by the Court, the parties and their attorneys shall have an opportunity to introduce evidence, to hear and cross-examine the witnesses of the other party, and to inspect all samples and all papers admitted or offered as evidence, except as provided in subsection (b) of this section.

"(b) In an action instituted by an American manufacturer, producer, or wholesaler, the plaintiff may not inspect any documents or papers of a consignee or importer disclosing any information which the Customs Court deems unnecessary or improper to be disclosed."

DECISIONS; FINDINGS OF FACT AND CONCLUSIONS OF LAW; EFFECT OF OPINIONS

SEC. 119. Section 2638 of title 28 of the United States Code is amended to read as follows:

"§ 2638. Decisions; findings of fact and conclusions of law; effect of opinions

"(a) A decision of the judge in a contested case shall be supported by either (1) a statement of findings of fact and conclusions of law, or (2) an opinion stating the reasons and facts upon which the decision is based.

"(b) The decision of the judge is final and conclusive, unless a retrial or rehearing is granted pursuant to section 2639 of this title or an appeal is made to the Court of Customs and Patent Appeals within the time and in the manner provided in section 2601 of this title."

RETRIAL OR REHEARING

SEC. 120. Section 2639 of title 28 of the United States Code is amended to read as follows:

"§ 2639. Retrial or rehearing

"The judge who has rendered a judgment or order may, upon motion of a party or upon his own motion, grant a retrial or a rehearing, as the case may be. A party's motion must be made or the judge's action on his own motion must be taken, not later than thirty days after entry of the judgment or order."

REPEAL OF SECTIONS 2640, 2641, 2642—REHEARING OR RETRIAL; FRIVOLOUS PROTEST OR APPEAL; AMENDMENT OF PROTESTS, APPEALS, AND PLEADINGS

SEC. 121. Sections 2640, 2641, and 2642 of title 28 of the United States Code are repealed.

EFFECTIVE DATE

SEC. 122. (a) This title shall become effective on July 1, 1970, and shall thereafter apply to all actions and proceedings in the Customs Court and the Court of Customs and Patent Appeals except those involving merchandise entered before the effective date for which trial has commenced by such effective date.

(b) An appeal for reappraisement timely filed with the Bureau of Customs before the effective date, but as to which trial has not commenced by such date, shall be deemed to have had a summons timely and properly filed under this title. When the judgment or order of the United States Customs Court has become final in this appeal, the papers shall be returned to the appropriate customs officer to decide any remaining matters relating to the entry in accordance with section 500 of the Tariff Act of 1930, as amended. A protest or summons filed after final decision on an appeal for reappraisement shall not include issues which were raised or could have been raised on the appeal for reappraisement.

(c) A protest timely filed with the Bureau of Customs before the effective date of enactment of this Act and which is disallowed, as to which trial has not commenced by such date, shall be deemed to have had a summons timely and properly filed under this title.

(d) All other provisions of this Act shall apply to appeals and disallowed protests deemed to have had summonses timely and properly filed under this section.

MISCELLANEOUS AMENDMENTS

SEC. 123. (a) The analysis of chapter 11 of title 28 of the United States Code, immediately preceding section 251 of such title, is amended by striking the caption of section 254 and substituting therefor the caption, "Single-judge trial.", by striking the caption of section 255 and substituting therefor the caption "Three-judge trials." and by adding the following captions at the end of the analysis of that chapter:

"256. Trials at ports other than New York.
"257. Publication of decisions."

(b) The analysis of chapter 93 of title 28 of the United States Code, immediately preceding section 1541 of such title is amended by striking the caption of section 1541 and substituting the caption "Appeals from Customs Court decisions."

(c) The analysis of chapter 95 of title 28 of the United States Code, immediately preceding section 1581 of such title, is amended to read as follows:

"Sec.
"1581. Powers generally.
"1582. Jurisdiction of the Customs Court."

(d) The analysis of chapter 167 of title 28 of the United States Code, immediately preceding section 2601, is amended to read as follows:

"Sec.
"2601. Appeals from Customs Court decisions.
"2602. Precedence of American manufacturer, producer, or wholesaler cases."

(e) The analysis of chapter 169 of title 28 of the United States Code, immediately preceding section 2631 of such title is amended to read as follows:

"Sec.
"2631. Time for commencement of action.
"2632. Customs Court procedures and fees.
"2633. Precedence of American manufacturer, producer, or wholesaler cases.
"2634. Notice.
"2635. Burden of proof; evidence of value.
"2636. Analysis of imported merchandise.
"2637. Witnesses; inspection of documents.
"2638. Decisions; findings of fact and conclusions of law; effect of opinions.
"2639. Retrial or rehearing."

## TITLE II—ADMINISTRATIVE PROCEEDINGS IN CUSTOMS MATTERS

SHORT TITLE

SEC. 201. Titles II and III of this Act may be cited as "The Customs Administrative Act of 1969".

AMENDMENT OF SECTIONS

SEC. 202. Unless otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or provision of the Tariff Act, the reference shall be considered to be made to a section or provision of the Tariff Act of 1930, as amended (19 U.S.C. 1202 et seq.).

EFFECTIVE DATE

SEC. 203. Titles II and III of this Act shall take effect with respect to articles entered, or withdrawn from warehouse for consumption, on or after July 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, the appraisement of which has not become final before July 1, 1970, and for which an appeal for reappraisement has not been timely filed with the Bureau of Customs before July 1, 1970, or with respect to which a protest has not been disallowed in whole or in part before July 1, 1970.

APPRAISEMENT, CLASSIFICATION, AND LIQUIDATION PROCEDURES; COLLECTIONS AND REFUNDS; LIMITATIONS

SEC. 204. (a) Section 500 of the Tariff Act (19 U.S.C. 1500) is hereby amended to read as follows:

"SEC. 500. APPRAISEMENT, CLASSIFICATION, AND LIQUIDATION PROCEDURES.—

"The appropriate customs officer shall, under rules and regulations prescribed by the Secretary—

"(a) appraise merchandise in the unit of quantity in which the merchandise is usually bought and sold by ascertaining or estimating the value thereof by all reasonable ways and means in his power, any statement of cost or costs of production in any invoice, affidavit, declaration, or other document to the contrary notwithstanding;

"(b) ascertain the classification and rate of duty applicable to such merchandise;

"(c) fix the amount of duty to be paid on such merchandise and determine any increased or additional duties due or any excess of duties deposited;

"(d) liquidate the entry of such merchandise; and

"(e) give notice of such liquidation to the importer, his consignee, or agent in such form and manner as the Secretary shall prescribe in such regulations."

(b) Section 488 of the Tariff Act (19 U.S.C. 1488) is repealed.

(c) Section 505 of the Tariff Act (19 U.S.C. 1505) is amended to read as follows:

"SEC. 505. PAYMENT OF DUTIES.—

"(a) DEPOSIT OF ESTIMATED DUTIES.—Unless merchandise is entered for warehouse or transportation, or under bond, the consignee shall deposit with the appropriate customs officer at the time of making entry the amount of duties estimated by such customs officer to be payable thereon.

"(b) COLLECTION OR REFUND.—The appropriate customs officer shall collect any increased or additional duties due or refund any excess of duties deposited as determined on a liquidation or reliquidation.

REPEAL OF SEPARATE APPRAISEMENT PROCEDURE; VOLUNTARY RELIQUIDATIONS

SEC. 205. Section 501 of the Tariff Act (19 U.S.C. 1501) is amended to read as follows:

"SEC. 501. VOLUNTARY RELIQUIDATIONS.—

"A liquidation made in accordance with section 500 or any reliquidation thereof made in accordance with this section may be reliquidated in any respect by the appropriate customs officer on his own initiative, notwithstanding the filing of a protest, within ninety days from the date on which notice of the original liquidation is given to the importer, his consignee or agent. Notice of such reliquidation shall be given in the manner prescribed with respect to original liquidations under section 500(e)."

DUTIABLE VALUE

SEC. 206. Section 503 of the Tariff Act (19 U.S.C. 1503) is amended to read as follows:

"SEC. 503. DUTIABLE VALUE.—

"Except as provided in section 520(c) (relating to reliquidations on the basis of authorized corrections of errors) or section 562 (relating to withdrawal from manipulating warehouses) of this Act, the basis for the assessment of duties on imported merchandise subject to ad valorem rates of duty or rates based upon or regulated in any manner by the value of the merchandise, shall be the appraised value determined upon liquidation, in accordance with section 500 or any adjustment thereof made pursuant to section 501 of the Tariff Act: *Provided, however,* That if reliquidation is required pursuant to a final judgment or order of the United States Customs Court which includes a reappraisement of imported merchandise, the basis for such assessment shall be the final appraised value determined by such court."

PROTESTS

SEC. 207. Section 514 of the Tariff Act (19 U.S.C. 1514) is amended to read as follows:

"SEC. 514. FINALITY OF DECISIONS; PROTESTS.—

"(a) FINALITY OF DECISIONS.—Except as provided in secton 501 (relating to voluntary reliquidations), section 516 (relating to petitions by American manufacturers, producers, and wholesalers), section 520 (relating to refunds and errors), and section 521 (relating to reliquidations on account of fraud) of this Act, decisions of the appropriate customs officer, including the legality of all orders and findings entering into the same, as to—

"(1) the appraised value of merchandise;

"(2) the classification and rate and amount of duties chargeable;

"(3) all charges or exactions of whatever character within the jurisdiction of the Secretary of the Treasury;

"(4) the exclusion of merchandise from entry or delivery under any provision of the customs laws;

"(5) the liquidation or reliquidation of an entry, or any modification thereof;

"(6) the refusal to pay a claim for drawback; and

"(7) the refusal to reliquidate an entry under section 520(c) of this Act.

shall be final and conclusive upon all persons (including the United States and any officer thereof) unless a protest is filed in accordance with this section, or unless a civil action contesting the denial of a protest, in whole or in part, is commenced in the United States Customs Court in accordance with section 2632 of tilte 28 of the United States Code within the time prescribed by section 2631 of that title. When a judgment or order of the United States Customs Court has become final, the papers transmitted shall be returned, together with a copy of the judgment or order to the appropriate customs officer, who shall take action accordingly.

"PROTESTS

"(b) (1) IN GENERAL.—A protest of a decision under subsection (a) shall be filed in writing with the appropriate customs officer designated in regulations prescribed by the Secretary, setting forth distinctly and specifically each decision described in subsection (a) as to which protest is made; each category of merchandise affected by each such decision as to which protest is made; and the nature of each objection and reasons therefor. Only one protest may be filed for each entry of merchandise, except that where the entry covers merchandise of different categories, separate protests may be filed for each category. In addition, separate claims with respect to any one category of merchandise that is the subject of a protest are deemed to be part of a single protest. A protest may be amended under regulations prescribed by the Secretary any time prior to the expiration of the ninety-day period in which the protest could have been filed under section 514 of this Act. Except as otherwise provided in section 557(b) of this Act, protests may be filed by the importer, consignee, or any authorized agent of the person paying any charge or exaction, or filing any claim for drawback, or seeking entry or delivery, with respect to merchandise which is the subject of a decision in subsection (a).

"(2) TIME FOR FILING.—A protest of a decision, order, or finding described in subsection (a) shall be filed with such customs officers within ninety days after but not before—

"(A) notice of liquidation or reliquidation, or

"(B) in circumstances where subparagraph (A) is inapplicable, the date of the decision as to which protest is made.

"(c) LIMITATION ON PROTEST OF RELIQUIDATIONS.—The reliquidation of an entry shall not open such entry so that a protest may be filed against the decision of the customs officer upon any question not involved in such reliquidation."

REVIEW OF PROTEST

SEC. 208. Section 515 of the Tariff Act (19 U.S.C. 1515) is amended to read as follows:

"SEC. 515. REVIEW OF PROTESTS.—

"(a) ADMINISTRATIVE REVIEW AND MODIFICATION OF DECISIONS.—Unless a request for an accelerated disposition of a protest is filed in accordance with subsection (b) of this section the appropriate customs officer, within two years from the date a protest was filed in accordance with section 514 of this Act, shall review the protest and shall allow or deny such protest in whole or in part. Thereafter, any duties, charge, or exaction found to have been assessed or collected in excess shall be remitted or refunded and any drawback found due shall be paid. Upon the request of the protesting party, filed within the time allowed for the filing of a protest under section 514 of this Act, a protest may be subject to further review by another appropriate customs officer, under the circumstances and in the form and manner that may be prescribed by the Secretry in regulations, but subject to the two-year limitation prescribed in the first sentence of the subsection. Notice of the denial of any protest shall be mailed in the form and manner prescribed by the Secretary.

"(b) REQUEST FOR ACCELERATED DISPOSITION OF PROTEST.—A request for accelerated disposition of a protest filed in accordance with section 514 of this Act may be mailed by certified or registered mail to the appropriate customs officer any time after ninety days following the filing of such protest. For purposes of section 1582 of title 28 of the United States Code, a protest which has not been allowed or denied in whole or in part within thirty days following the date of mailing by certified or registered mail of a request for accelerated disposition shall be deemed denied on the thirtieth day following mailing of such request.

PETITIONS BY AMERICAN MANUFACTURERS, PRODUCERS, OR WHOLESALERS

SEC. 209. Section 516 of the Tariff Act (19 U.S.C. 1516) is amended to read as follows:

"SEC. 516. PETITIONS BY AMERICAN MANUFACTURERS, PRODUCERS, OR WHOLESALERS—VALUE AND CLASSIFICATION.—

"(a) The Secretary shall, upon written request by an American manufacturer, producer, or wholesaler, furnish the classification, and the rate of duty, if any, imposed upon designated imported merchandise of a class or kind manufactured, produced, or sold at wholesale by him. If such manufacturer, producer, or wholesaler believes that the appraised value is too low, that the classification is not correct, or that the proper rate of duty is not being assessed, he may file a petition with the Secretary setting forth (1) a description of the merchandise, (2) the appraised value, the classification, or the rate or rates of duty that he believes proper, and (3) the reasons for his belief.

"(b) If, after receipt and consideration of a petition filed by an American manufacturer, producer, or wholesaler, the Secretary decides that the appraised value of the merchandise is too low, or that the classification of the article or rate of duty assessed thereon is not correct, he shall determine the proper appraised value or classification or rate of duty, and notify the petitioner of his determination. All such merchandise entered for consumption or withdrawn from warehouse for consumption more than thirty days after the date such notice to the petitioner is published in the weekly Customs Bulletin shall be appraised or classified or assessed as to rate of duty in accordance with the Secretary's determination.

"(c) If the Secretary decides that the appraised value or classification of the articles or the rate of duty with respect to which a petition was filed pursuant to subsection (a) is correct, he shall so inform the petitioner. If dissatisfied with the decision of the Secretary, the petitioner may file with the Secretary, not later than thirty days after the date of the decision, notice that he desires to contest the appraised value or classification of, or rate or duty assessed upon, the merchandise. Upon receipt of notice from the petitioner, the Secretary shall cause publication to be made of his decision as to the proper appraised value or classification or rate of duty and of the petitioner's desire to contest, and shall thereafter furnish the petitioner with such information as to the entries and consignees of such merchandise, entered after the publication of the decision of the Secretary at such ports of entry designated by the petitioner in his notice of desire to contest, as will enable the petitioner to contest the appraised value or classification of, or rate of duty imposed upon, such merchandise in the liquidation of one such entry at such port. The Secretary shall direct the appropriate customs officer at such ports to notify the petitioner by mail immediately when the first of such entries is liquidated.

"(d) Notwithstanding the filing of an action pursuant to section 2632 of title 28 of the United States Code, merchandise of the character covered by the published decision of the Secretary (when entered for consumption or withdrawn from warehouse for consumption on or before the date of publication of a decision of the United States Customs Court or of the United States Court of Customs and Patent Appeals, not in harmony with the published decision of the Secretary) shall be appraised or classified, or both, and the entries liquidated, in accordance with the decision of the Secretary and, except as otherwise provided in this chapter, the final liquidations of these entries shall be conclusive upon all parties.

"(e) The consignee or his agent shall have the right to appear and to be heard as a party in interest before the United States Customs Court.

"(f) If the cause of action is sustained in whole or in part by a decision of the United States Customs Court or of the United States Court of Customs and Patent Appeals, merchandise of the character covered by the published decision of the Secretary, which is entered for consumption or withdrawn from warehouse for consumption after the date of publication of the court decision, shall be subject to appraisement, classification, and assessment of duty in accordance with the final judicial decision in the action, and the liquidation of entries covering the merchandise so entered or withdrawn shall be suspended until final disposition is made of the action, whereupon the entries shall be liquidated, or if necessary, reliquidated in accordance with the final decision.

"(g) Regulations shall be prescribed by the Secretary to implement the procedures required under this section."

REFUNDS AND ERRORS

SEC. 210. Section 520(c) of the Tariff Act (19 U.S.C. 1520 (c)) is amended by—

(a) striking the words "the Secretary of the Treasury may authorize a collector to" and substituting the words "the appropriate customs officer may, in accordance with regulations prescribed by the Secretary,";

(b) striking the word "appraisement," wherever it appears in paragraph (1); and

(c) deleting "sixty" and substituting "ninety" and deleting "ten" and substituting "nine" in paragraph (1).

## TITLE III—MISCELLANEOUS AMENDMENTS

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 301. The Tariff Act of 1930, as amended (19 U.S.C. ch. 4), is further amended as follows:

(a) Section 305 (19 U.S.C. 1305) is amended by—

(1) striking the word "collector" in the first paragraph and inserting in lieu thereof "appropriate customs officer"; and

(2) striking the term "the collector" where it first appears in the second paragraph and inserting in lieu thereof "the appropriate customs officer" and by striking the term "the collector" wherever it thereafter appears in the paragraph and inserting in lieu thereof "such customs officer".

(b) Sections 311, 315, 432, 434, 438, 441, 443–447, 449–450, 452–455, 457, 485, 490, 492, 496, 521, 555, 562, 584, 586, 609, 613, and 614 (19 U.S.C. 1311, 1315, 1432 1434, 1438, 1441, 1443–1447, 1449–1450, 1452–1455, 1457, 1485, 1490, 1492, 1496, 1521, 1555, 1562, 1584, 1586, 1609, 1613, and 1614) are amended by striking the word "collector" wherever it appears in the sections and inserting in lieu thereof "appropriate customs officer".

(c) Section 401 (10 U.S.C. 1401) is amended by—

(1) striking subsections (h), (i), and (j);

(2) redesignating subsections (k), (l, (m), and (n) as subsections (h), (i), (j), and (k), respectively, and amending redesignated subsection (i) to read as follows:

"(i) OFFICER OF THE CUSTOMS: CUSTOMS OFFICER.—The terms 'officer of the customs' and 'customs officer' mean any officer of the Bureau of Customs of the Treasury Department (also hereinafter referred to as the 'Customs Service') or any commissioned, warrant, or petty officer of the Coast Guard, or any agent or other person authorized by

law or designated by the Secretary of the Treasury to perform any duties of an officer of the Customs Service."

(3) adding a new subsection (l) to read as follows:

"(l) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury or his delegate."

(d) Section 402a (19 U.S.C. 1402) is amended by—

(1) striking the word "appraiser" wherever it appears in the section and inserting in lieu thereof "appropriate customs officer"; and

(2) striking the word "APPRAISER'S" in the heading of subsection (b) and inserting in lieu thereof "CUSTOMS OFFICER'S".

(3) striking the words "subject to review in reappraisement proceedings under section 501" and inserting in lieu thereof "subject to protest in accordance with section 514".

(e) Sections 448, 493, and 608 (19 U.S.C. 1448, 1493, and 1608) are amended by striking the term "the collector" where it first appears in each section and inserting in lieu thereof "the appropriate customs officer" and by striking the term "the collector" wherever it thereafter appears in each section and inserting in lieu thereof "such customs officer".

(f) Section 451 (19 U.S.C. 1451) is amended by—

(1) striking the word "collector" where it appears the first time in the section and inserting in lieu thereof "appropriate customs officer";

(2) striking out the word "collector" where it appears the second time in the section and inserting in lieu thereof "such customs officer"; and

(3) striking the word "collector" where it appears the third time in the section and inserting in lieu thereof "appropriate customs officer".

(g) Section 467 (19 U.S.C. 1467) is amended by striking the words "collector of customs" and inserting in lieu thereof "appropriate customs officer".

(h) Section 482 (19 U.S.C. 1482) is amended as follows—

(1) subsection (e) is amended by striking the term "collector of customs" and inserting in lieu thereof "appropriate customs officer"; and

(2) subsection (f) is amended by striking "collector of customs or the person acting as such, or by his deputy" and inserting in lieu thereof "appropriate customs officer".

(i) Section 484 (19 U.S.C. 1484) is amended as follows—

(1) subsection (a) is amended by striking the word "collector" and inserting in lieu thereof "appropriate customs officer";

(2) paragraph (1) of subsection (c) is amended by striking the term "the collector" where it first appears in the paragraph and inserting in lieu thereof "the appropriate customs officer" and by striking the term "the collector" where it thereafter appears in the paragraph and inserting in lieu thereof "such customs officer";

(3) paragraph (2) of subsection (c) is amended by striking the term "The collector" and inserting in lieu thereof "The appropriate customs officer" and by striking the term "the collector" wherever it appears in the paragraph and inserting in lieu thereof "such customs officer";

(4) subsection (g) is amended by striking the term "collector or the appraiser" and inserting in lieu thereof "appropriate customs officer";

(5) the second and third sentences of subsection (j) are amended by striking the word "collector" and inserting in lieu thereof "customs officer"; and

(6) The fourth sentence of subsection (j) is amended by striking the term "a collector" and inserting in lieu thereof "a customs officer" and by striking the terms "the collector" and "such collector" and inserting in lieu thereof "such customs officer".

(j) Section 491 (19 U.S.C. 1491) is amended by striking the words "by the appraiser of merchandise and sold by the collector" and inserting in lieu thereof "and sold by the appropriate customs officer".

(k) Section 499 (19 U.S.C. 1499) is amended as follows—

(1) the first sentence is amended by striking the word "appraiser" and inserting in lieu thereof "appropriate customs officer";

(2) the second sentence is amended by striking the term "The collector" and inserting in lieu thereof "Such officer";

(3) the fifth sentence is amended to read: "Such officer may require such additional packages or quantities as he may deem necessary.";

(4) the sixth sentence is amended to read: "If any package contains any article not specified in the invoice and, in the opinion of the appropriate customs officer, such article was omitted from the invoice with fraudulent intent on the part of the seller, shipper, owner, or agent, the contents of the entire package in which such article is found shall be subject to seizure, but if no such fraudulent intent is apparent, then the value of said article shall be added to the entry and the duties thereon paid accordingly.";

(5) the seventh sentence is amended by striking the word "collector" and inserting in lieu thereof "appropriate customs officer"; and

(6) the last sentence is amended by striking the words "appraiser's return of value" and inserting in lieu thereof "appraisement" and by striking the words "value returned by the appraiser" and inserting in lieu thereof "appraisement".

(l) Section 502 (19 U.S.C. 1502) is amended by striking the words "appraiser, deputy appraiser, assistant appraiser, or examiner of merchandise" and inserting in lieu thereof "customs officer".

(m) Section 506 (19 U.S.C. 1506) is amended as follows:

(1) paragraph (1) is amended by striking the term "the collector" where it first appears in the paragraph and inserting in lieu thereof "the appropriate customs officer" and by striking the term "the collector" where it thereafter appears in the paragraph and inserting in lieu thereof "such customs officer"; and

(2) paragraph (2) is amended by striking the word "collector" and inserting in lieu thereof "appropriate customs officer".

(n) Section 509 (19 U.S.C. 1509) is amended by striking the term "Collectors and appraisers" and inserting in lieu thereof "Appropriate customs officers".

(o) Section 510 (19 U.S.C. 1510) is amended by—

(1) striking the words "or a division of such court," the first time they appear;

(2) striking "or an appraiser, or a collector" and inserting in lieu thereof "or an appropriate customs officer";

(3) striking "an appraiser" and inserting in lieu thereof "an appropriate customs officer, or";

(4) striking the words "or a division of such court," the second and third times they appear; and

(5) striking "or appraiser or collector" and inserting in lieu thereof "or appropriate customs officer".

(p) Section 511 (19 U.S.C. 1511) is amended by—

(1) striking the words "or an appraiser, or person acting as appraiser, or a collector" and inserting in lieu thereof "or an appropriate customs officer";

(2) striking the term "the collectors" and inserting in lieu thereof "customs officers"; and

(3) striking the term "the collector" and inserting in lieu thereof "the appropriate customs officer".

(q) Section 512 (19 U.S.C. 1512) is amended by—

(1) striking the word "collector" and inserting in lieu thereof "customs officer"; and

(2) striking the word "collectors" and inserting in lieu thereof "customs officers".

(r) Section 513 (19 U.S.C. 1513) is amended by striking the word "COLLECTOR'S" in the heading thereof and inserting in lieu thereof "CUSTOMS OFFICER'S" and by striking the words "collector or other" wherever they appear in the section.

(s) Section 523 (19 U.S.C. 1523) is amended by striking the word "collectors' " and inserting in lieu thereof "customs officers' ".

(t) The fifth sentence of section 557(b) (19 U.S.C. 1557(b)) is amended by striking the words "an appeal for reappraisement under section 501" and inserting in lieu thereof "a protest contesting an appraisement decision in accordance with section 514".

(u) Section 560 (19 U.S.C. 1560) is amended by striking the words "collector or other".

(v) Section 563 (19 U.S.C. 1563) is amended by—

(1) striking the term "collectors of customs" and inserting in lieu thereof "appropriate customs officers"; and

(2) striking the word "collector" and inserting in lieu thereof "customs officer".

(w) Section 564 (19 U.S.C. 1564) is amended by striking the term "collector of customs" and inserting in lieu thereof "customs officer".

(x) Section 565 (19 U.S.C. 1565) is amended by—

(1) striking the term "collector of customs" and inserting in lieu thereof "appropriate customs officer"; and

(2) striking the word "collector" wherever it thereafter appears in the section and inserting in lieu thereof "customs officer".

(v) Section 595 (19 U.S.C. 1595) is amended by striking the words "collector of customs or other".

(z) Section 602 (19 U.S.C. 1602) is amended by—

(1) striking the word "COLLECTOR" in the heading and inserting in lieu thereof "CUSTOMS OFFICER"; and

(2) striking the word "collector" where is first appears in the section and inserting in lieu thereof "appropriate customs officer" and by striking the word "collector" wherever it thereafter appears in the section and inserting in lieu thereof "customs officer".

(aa) Section 603 (19 U.S.C. 1603) is amended by—

(1) striking the word "COLLECTOR'S" in the heading thereof and inserting in lieu thereof "CUSTOMS OFFICER'S"; and

(2) striking the words "collector or the principal local officer of the Customs Agency Service" and inserting in lieu thereof "appropriate customs officer".

(bb) Section 604 (19 U.S.C. 1604) is amended by striking the word "collectors" and inserting in lieu thereof "customs officers".

(cc) Section 605 (19 U.S.C. 1605) is amended by—

(1) striking the word "collector" and inserting in lieu thereof "appropriate customs officer"; and

(2) striking the word "collector's" and inserting in lieu thereof "customs officer's".

(dd) Section 606 (19 U.S.C. 1606) is amended by striking the words "collector shall require the appraiser to" and inserting in lieu thereof "appropriate customs officer shall".

(ee) Sections 607 and 610 (19 U.S.C. 1607 and 1610) are amended by—

(1) striking the words "returned by the appraiser"; and

(2) striking the word "collector" and inserting in lieu thereof "appropriate customs officer".

(ff) Section 612 (19 U.S.C. 1612) is amended as follows:

(1) the first sentence is amended by striking the term "the collector" where it first appears and inserting in lieu thereof "the

appropriate customs officer"; by striking the words "by the appraiser"; by striking the term "the collector" where it thereafter appears and inserting in lieu thereof "such officer"; and by striking the words "within twenty-four hours after receipt by him of the appraiser's return";

(2) the second sentence is amended by striking the term "the collector" and inserting in lieu thereof "such officer"; and

(3) the third sentence is amended by striking the word "collector" and inserting in lieu thereof "customs officer".

(gg) Section 617 (19 U.S.C. 1617) is amended by striking the word "collector" and inserting in lieu thereof "customs officer" and by striking the words "or customs agent."

(hh) Section 618 (19 U.S.C. 1618) is amended by striking the words "customs agent, collector, judge of the United States Customs Court, or United States commissioner," and inserting in lieu thereof "customs officer".

(ii) Section 623 (19 U.S.C. 1623) is amended by striking the term "collectors of customs" and inserting in lieu thereof "customs officers".

(jj) Section 641 (19 U.S.C. 1641) is amended by striking the words "collector or chief" wherever they appear and substituting therefor "appropriate".

(kk) Section 648 (19 U.S.C. 1648) is amended by striking the term "Collectors of customs" and inserting in lieu thereof "Customs officers".

SEC. 302. The last paragraph of so much of section 1 of the Act of August 1, 1914, as relates to the Customs Service, as amended (38 Stat. 623; 19 U.S.C. 2), is amended to read as follows:

"The President is authorized from time to time, as the exigencies of the service may require, to arrange, by consolidation or otherwise, the several customs-collection districts and to discontinue ports of entry by abolishing the same or establishing others in their stead. The President is authorized from time to time to change the location of the headquarters in any customs-collection district as the needs of the service may require."

SEC. 303. Section 2 of the Act of March 4, 1923, as amended (19 U.S.C. 6), is amended by—

(a) striking the first and second sentences and inserting in lieu thereof the following: "Any officer of the customs service designated by the Secretary of the Treasury for foreign service, shall, through the Department of State, be regularly and officially attached to the diplomatic missions of the United States in the countries in which they are to be stationed, and when such officers are assigned to countries in which there are no diplomatic missions of the United States, appropriate recognition and standing with full facilities for discharging their official duties shall be arranged by the Department of State."; and

(b) striking the words "and employees" in the last sentence of the section.

SEC. 304. Section 2619 of the Revised Statutes, as amended (19 U.S.C. 31), is amended to read as follows:

"A bond to the United States may be required of any customs officer for the true and faithful discharge of the duties of his office according to law."

SEC. 305. Section 2620 of the Revised Statutes, as amended (19 U.S.C. 32), is amended to read as follows:

"The amounts, conditions for filing, and procedures for the approval of bonds required of customs officers shall be set forth in regulations prescribed by the Secretary of the Treasury.

SEC. 306. Section 8 of the Act of August 24, 1912, as amended (19 U.S.C. 50), is amended by striking the term "Collectors of customs" and inserting in lieu thereof "Customs officers".

SEC. 307. Section 2654 of the Revised Statutes, as amended (19 U.S.C. 58), is amended by striking the word "Collectors" and inserting in lieu thereof "Customs officers".

SEC. 308. Section 251 of the Revised Statutes (19 U.S.C. 66) is amended by striking the word "collectors" and inserting in lieu thereof "customs officers".

SEC. 309. Section 3 of the Act of June 18, 1934, as amended (19 U.S.C. 81c) is amended by—

(a) striking the term "collector of customs" and inserting in lieu thereof "appropriate customs officer"; and

(b) striking the word "collector" and inserting in lieu thereof "appropriate customs officer".

SEC. 310. The Act of June 28, 1916 (19 U.S.C. 151), is amended by striking the term "collector of customs" and inserting in lieu thereof "appropriate customs officer".

SEC. 311. Section 202(a) of the Act of May 27, 1921 (19 U.S.C. 161(a)), is amended by striking the word "report".

SEC. 312. Section 208 of the Act of May 27, 1921 (19 U.S.C. 167), is amended by striking the term "the collector" where it first appears in the section and inserting in lieu thereof "appropriate customs officer" and by striking the term "the collector" wherever it thereafter appears in the section and inserting in lieu thereof "such customs officer".

SEC. 313. Section 209 of the Act of May 27, 1921, as amended (19 U.S.C. 168), is amended by—

(a) striking the words "appraiser or person acting as appraiser" where they first appear in the section and inserting in lieu thereof "appropriate customs officer";

(b) striking the words "report to the collector" where they first appear in the section;

(c) striking the words "each appraiser or person acting as appraiser" and inserting in lieu thereof "such customs officer"; and

(d) striking the words "and report to the collector".

SEC. 314. Section 210 of the Act of May 27, 1921, as amended (19 U.S.C. 169); is amended by—

(a) striking the words "appraiser or person acting as appraiser" and inserting in lieu thereof "appropriate customs officer";

(b) striking the term "the collector" and inserting in lieu thereof "such customs officer"; and

(c) striking the words "appeal and" and "appeals and".

SEC. 315. Section 5 of the Act of February 13, 1911, as amended (19 U.S.C. 261), is amended by striking ", and any customs officer who may be designated for that purpose by the collector of customs,".

SEC. 316. Section 5 of the Act of February 13, 1911, as amended (19 U.S.C. 267), as amended by—

(a) striking the words "inspectors, storekeepers, weighers, and others"; and

(b) striking the term "collector of customs" wherever it appears in the section and inserting in lieu thereof "appropriate customs officer".

SEC. 317. Section 3111 of the Revised Statutes (19 U.S.C. 282) is amended by striking the words "other or" and by striking the words "a collector or other" and inserting in lieu thereof "an".

SEC. 318. Section 3126 of the Revised Statutes (19 U.S.C. 293) is amended by striking out "collectors" and inserting in lieu thereof "appropriate customs officers".

SEC. 319. Sections 2863 and 3087 of the Revised Statutes, as amended (19 U.S.C. 341 and 528), are amended by striking the word "collector" and inserting in lieu thereof "appropriate customs officer".

SEC. 320. The Act of June 16, 1937 (19 U.S.C. 1435b), is amended by—

(a) striking the words "collector of customs, or any deputy collector of customs designated by him" and inserting in lieu thereof "appropriate customs officer"; and

(b) striking the words "jointly by the Secretary of Commerce and".

REPEALS

SEC. 321. The following laws are hereby repealed:

(a) section 2613 of the Revised Statutes, as amended (19 U.S.C. 5);

(b) the last paragraph of so much of section 1 of the Act of July 5, 1932, as relates to the Bureau of Customs (47 Stat. 584; 19 U.S.C. 5a);

(c) section 3 of the Act of March 4, 1923 (19 U.S.C. 7);

(d) section 2629 of the Revised Statutes, as amended (19 U.S.C. 8);

(e) section 2625 of the Revised Statutes, as amended (19 U.S.C. 9);

(f) section 2630 of the Revised Statutes, as amended (19 U.S.C. 10);

(g) section 2632 of the Revised Statutes, as amended (19 U.S.C. 11);

(h) the Act of February 6, 1907, as amended (19 U.S.C. 36);

(i) section 2633 of the Revised Statutes (19 U.S.C. 37);

(j) section 7 of the Act of March 4, 1923 (19 U.S.C. 51); and

(k) sections 1 and 2 of the Act of August 28, 1890 (19 U.S.C. 63).

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

Mr. HRUSKA. Mr. President, this is a measure to modernize and update a system created in 1890. In that year a board of general appraisers, which was an administrative tribunal created to relieve the heavy burden that customs litigation was placing on Federal district and circuit courts, was put into operation.

It exercised quasi-judicial functions in reviewing appeals from decisions of the Bureau of Customs.

In 1926, a Customs Court was created. Very little beyond a change in name was effected. No essential changes were made in powers, procedures, or duties.

In 1956, Congress declared it to be an article III court, but in many respects it has continued to function as an administrative tribunal, reviewing actions of the Bureau of Customs.

Through the years, various discussions and proposals were advanced for revision of the court. In 1968 a concrete, meaningful step was taken. In October of that year, the senior Senator from Maryland (Mr. TYDINGS), at the request of the administration, introduced S. 4194. It contained most of the basic provisions that appear in the bill now under consideration.

The present bill has received the earnest study and advocacy of Senator TYDINGS throughout. As chairman of the Subcommittee on Improvements in Judicial Machinery, he took active leadership in the processing and revision of the measure to its present state.

He is to be commended. It is rewarding and encouraging to be able to serve on the subcommittee which he heads so well.

THE CUSTOMS COURT

Mr. President, this court is composed of a chief judge and eight judges. It has a clerk and deputy clerks, a marshal and deputy marshals, a librarian, reporters,

and other supporting personnel. It is a court of record under article III of the Constitution of the United States.

The Customs Court has exclusive jurisdiction over civil cases under the tariff laws, the internal revenue laws relating to imported merchandise, the several customs simplification acts, the proclamations of the President issued under reciprocal trade agreements, and also under other proclamations imposing taxes or quotas on imported goods.

It also has appellate jurisdiction of cases litigating the value of imported merchandise. It tries cases without a jury, making findings of fact and applying the law.

Its principal offices are located in New York City.

CHANGES IN NATURE AND VOLUME OF CUSTOMS COURT WORK

In recent years, a number of developments have had a substantial impact on the work of the Bureau of Customs and the U.S. Customs Court. These include: First, significant increase in imports into the United States for each of the past few years; second, a new set of tariff schedules; and third, a more aggressive attitude by American importers and manufacturers in challenging customs decisions. As a consequence, there has been a sharp rise in the number of disputed customs matters in the Bureau of Customs and in the number of cases received by the Customs Court.

The problems that beset the Customs Court are revealed by the statistics showing its annual imput and output of cases. In fiscal year 1963, the court received 35,000 new cases. The number grew to over 75,000 cases in fiscal year 1969. In this same period, its rate of termination of cases increased from an annual average of 32,000 during the period between fiscal year 1963 and fiscal year 1966, to almost 49,000 in fiscal year 1969.

Despite its increasing productivity, with its input substantially exceeding its rate of terminations, the court has been faced with a growing accumulation of pending cases. In fiscal year 1963 these amounted to 186,452; in fiscal year 1969 to 431,612.

It must be noted, however, that these figures are somewhat deceptive since, in customs matters, a single decision may frequently affect a large number of cases that have been suspended during the trial of a test case. On the other hand, the test case, under which there are thousands of cases suspended, is rare and generally involves a threshold issue common to a great variety of merchandise. The suspended cases often involve other issues of fact or law that for convenience have been suspended because of the desire to dispose of the common threshold issue first. The resolution of the threshold issue, therefore, will not ipso facto dispose of the suspended cases.

As a matter of fact, the decision in a test case does not necessarily control the disposition of cases suspended thereunder unless the suspension involves identical merchandise, and, in any case, there is always the question as to whether the merchandise in the suspended case is similar in all material respects to that in the decided case. Also, of course, each of the suspended cases must be examined by counsel to determine any remaining issues and to settle the amount of duties on the importation. In addition, either the importer or the Government might be dissatisfied with the trial of the decided case or feel that additional testimony or arguments are available which will result in a different decision and, therefore, will decide to retry the issue rather than abide by the decision in the earlier case.

SCOPE OF BILL

The purpose of the proposed legislation is to modernize the procedures in the customs courts and the Bureau of Customs so as to permit these agencies to keep up with their sharply increased workload. This will be accomplished by eliminating outmoded provisions in the present law which require the customs courts and the Bureau of Customs to engage in time-consuming, inefficient, and unnecessary practices. In its place new procedures will be initiated to permit these agencies to cope efficiently and effectively with the rising volume of customs matters that come before them.

The bill in no way affects the substantive provisions in the customs or tariff laws. It does not change in any way the rates of duties or any other provisions of the tariff schedules. It will have no substantive effect on the laws relating to import quotas, import controls, or antidumping.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an enumeration of some 14 major changes contained in the bill.

There being no objection, the material was ordered to be printed in the RECORD as follows:

MAJOR CHANGES CONTAINED IN BILL

1. The Bureau of Customs will liquidate an entry, deciding at that time all issues relating to the dutiable status of the merchandise, including its appraised value and classification.

2. The importer will have 90 days in which to decide whether he wishes to protest the decision and secure administrative review. This longer period of time will provide the importer with sufficient opportunity to study the matter and decide whether any useful purpose would be served by seeking further administrative review. He would no longer be pressured by an unrealistically short time limit into filing a protest for protective purposes only.

3. The Bureau of Customs will have 90 days from the date of liquidation to reliquidate the entry on its own initiative. This will, in many cases, avoid the necessity for the importer to go to Customs Court to correct administrative errors. It will also permit the Bureau of Customs to conform administrative actions to relevant decisions of the Customs Court reached within the 90 day period following liquidation and to take any other administrative action necessary for the accurate determination of duty liability.

4. An overall limit of two years will be set in which the Bureau of Customs must dispose of a protest on its merits. Notice of the denial of a protest, in whole or in part, will be mailed to the importer.

5. The importer will be able to obtain accelerated disposition of his protest by mailing a request by certified or registered mail to the Bureau of Customs at any time after 90 days have elapsed from the date of filing the protest. If, within the next 30 days, the Bureau of Customs does not allow or deny his protest in whole or in part, it is deemed denied on the 30th day following the mailing of the request.

6. The importer will have 180 days in which to decide whether or not to litigate a denial of a protest by the Bureau of Customs. This should be sufficient time for the importer to reach a carefully considered decision on the issues involved. It should eliminate many cases that are now on the Court's docket simply because the importer, as a result of the restrictive nature of the present 30 or 60 day time limit, is forced to file the appeal or protest as a protective measure.

7. Automatic reference of all appeals for reappraisement and all denials of protest to the Customs Court, will be eliminated. If an importer wishes to obtain judicial review, he will be required to file a summons in the Customs Court.

8. The Court will be required to fix a filing fee for commencing an action in an amount not less than $5.00 and not exceeding the filing fee for commencing a civil action in the United States district court.

9. There will be a single judicial proceeding in which all issues, including both appraisement and classification, will be considered. The importer will be able to include in one cause of action all entries of merchandise presenting common issues. The Court will have authority to order actions consolidated or severed, as circumstances warrant.

10. All cases in the Customs Court will normally be tried by a single judge. This will increase the judicial manpower available for hearing and deciding cases, since approximately 60 percent of all cases in the Customs Court are now heard by a three-judge trial division.

11. The Chief Judge will have the authority, on application or on his own initiative, to designate three-judge trials when he finds that a cause of action either (a) raises a constitutional question or (b) has broad or significant implications in the administration or interpretation of the customs laws. The use of a three-judge court will provide a means for obtaining carefully considered decisions in landmark or other important cases.

12. In contested cases, the judge will have the option of supporting his decision by either an oral or written statement of findings of fact and conclusions of law or by an opinion stating the reasons and facts upon which his decision is based. This will eliminate the present requirement that the judge write an opinion in every case.

13. Cases outside of New York will be tried in the same manner as other cases and the judge will have full authority to hear and decide the case.

14. Appeals from all cases will go directly to the Court of Customs and Patent Appeals. This will relieve the Customs Court of its present burden of having to set up three-judge divisions to hear appeals from single-judge decisions in appraisement cases.

Mr. HRUSKA. Mr. President, in summary, both the Bureau of Customs and the Customs Court are handicapped by outdated procedures that cannot be changed without corrective legislation. To institute modern and effective methods of administration and adjudication in the customs field, favorable action on the attached bill is recommended. The major provisions in the bill are generally acceptable to the bench, the bar, and the importers concerned with customs matters.

Mr. President, I urge the adoption of the bill.

Mr. TYDINGS. Mr. President, goods arriving in the United States are subject to examination by the Bureau of Customs which appraises the goods, classifies them under the tariff schedules of the United States—that is, determines the dutiable category—and calculates the amount of duty. The importer pays the estimated duties upon entry and

posts bond to guarantee payment of any additional duties that may later be found due and the goods move into commerce while the processes of appraisement and classification take place.

If the importer disagrees with the value at which his goods are appraised he may file a written appeal for reappraisement with the Bureau of Customs. Thereupon the process of classification and the final assessment of duties comes to a halt. Customs has no substantial function to perform with this appeal. The appeal is simply forwarded to the Customs Court where it automatically becomes a case. Such a case is heard by a single judge of the Customs Court, subject to appeal to a three-judge division of the same court, with the right of further appeal to the Court of Customs and Patent Appeals.

After the appraisal issue is resolved, the case is returned to the Bureau of Customs. If, at this point, the importer disagrees with the classification given to his merchandise, he may file a protest with Customs. Customs may thereupon modify or reverse its original action. If it does not, it transmits the protest with the relevant papers to the Customs Court and again it becomes a case without further action by the importer. Such a case is heard by a three-judge division of the Customs Court, with the right to appeal to the Court of Customs and Patent Appeals.

For the past several years the workload of the U.S. Customs Court has been increasing sharply. In fiscal year 1963, the court received 35,000 new cases. In fiscal year 1969, this had grown to over 75,000 cases. During the same period, its rate of termination of cases increased from an annual average of 32,000 for the period between fiscal year 1963 and fiscal year 1966 to almost 49,000 for fiscal year 1969.

There has thus been a growing accumulation of pending cases in the Customs Court despite the increased productivity of the court. In fiscal year 1963, these pending cases totalled 186,452; by the end of fiscal year 1969, the total had reached 431,612.

Outmoded statutory provisions that establish the procedures for deciding customs cases are major contributing factors in the court's increased workload, compelling the Bureau of Customs and the Customs Court to engage in time-consuming, inefficient, and unnecessary practices.

The major defects in present statutory procedures include the following:

First. If questions of both appraisement and classification are presented in a single entry of merchandise, the importer cannot have all issues resolved in a single proceeding. Instead, he must first contest the appraisement issue. Only after this issue has been finally determined, by the courts if necessary, may he contest the classification of the merchandise.

Second. The Bureau of Customs cannot correct administratively any errors of appraisement. When an importer files an appeal for appraisement, the Bureau is automatically divested of jurisdiction, and the appeal is automatically before the Customs Court.

Third. The importer has unrealistically short periods of 30 days in appraisement and 60 days in classification questions to decide whether to contest the decision of the Bureau of Customs by appealing the appraisement or protesting the classification. As a consequence, in many cases importers are compelled to file appeals or protests as protective measures.

Fourth. The Bureau of Customs must automatically refer denials of protest to the Customs Court for disposition without regard to whether or not the importer intends or desires to litigate the Bureau's decision.

Fifth. The court has no statutory authority to charge a filing fee for commencing judicial actions. Since there is no filing fee, there is no restraining influence to cause the importer to select only meritorious actions for litigation.

Sixth. Protest cases, which constitute about 60 percent of all customs cases, must be decided by a three-judge division of the court rather than by a single judge.

Seventh. Single-judge decisions in appraisement cases are subject to review by a three-judge division of the court even though the Court of Customs and Patent Appeals has appellate jurisdiction over final decisions of the Customs Court in both appraisement and protest cases.

Eighth. Single judges trying classification cases in ports outside of New York have no power to decide a case, but must return the hearing record to New York for decision by a three-judge division which need not necessarily include the judge who heard the case at the other port.

In seeking to modernize the procedures in the Bureau of Customs and the Customs Courts by revising these statutory provisions, S. 2624 provides for the following:

First. A single, continuous procedure for deciding all issues in any entry of merchandise, including appraisement and classification issues.

Second. Greater authority in the Bureau of Customs to correct errors administratively and to provide more meaningful administrative review.

Third. Substantial increase in the length of time for importers to file requests for administrative and judicial review.

Fourth. Elimination of automatic referrals of protests to the Customs Court.

Fifth. Normally all customs cases before the Customs Court will be tried and decided by a single judge.

S. 2624 will bring the Customs Court and the Bureau of Customs into the modern era.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## S. 3220—INTRODUCTION OF A BILL RELATING TO OBSCENITY CONTROL IN THE MAILS

Mr. MANSFIELD. Mr. President, just as the "pushers" are the ones most responsible for and, therefore, the most guilty in the traffic of narcotics so is the "pusher" who distributes pornographic material through the mails the most responsible and the most guilty in that area.

It is not a question so much of being the recipient of narcotics or pornographic materials, although that is a vital question, but, rather, it is more a question of how we must deal with those who have the primary responsibility. In that respect, I am glad to note, very glad to note, that the Judiciary Committee of yesterday reported out a narcotics control bill which the Senate may be assured will be called up for action as expeditiously as possible.

I am today introducing a bill dealing with pornography which seeks to put the "fix" on those who are primarily responsible for the propagation and continuation of the distribution of unsolicited pornographic materials into the homes of our people.

This traffic in smut must cease and those who are responsible for it must be punished.

Mr. President, pornography, obscenity, filth, and perversion; that is the package that is sent to my constituents in Montana. That is what is being sent to citizens across the land. And its distributors reach into the privacy of one's home through an instrumentality of the Federal Government—the U.S. Post Office Department.

Much is said lately about our first amendment. Freedom of religion and of the press; the right to assemble peaceably and to speak out—these are fundamental guarantees under our Constitution. But what is also protected is our right of privacy and that right, though long recognized as equally fundamental, is perhaps the least enforced of all of our freedoms when it comes to the filth and dirt that is brought to our homes by the Post Office.

I do not criticize the Post Office Department. Its hands are tied. But we in the Congress could untie them if we act now—this year—to crack down on the peddlers of filth.

There are pending in committees of both the House and Senate a number of proposals aimed directly at the 20 or so corporate panderers of obscenity whose ruthless exploitation reaps millions of dollars a year out of the pornography market at the expense of the young and unsuspecting, the unaware and the unsophisticated. No one is safe from their acts of corruption. Their aim is simple: to reach into the very privacy of one's home with a message of indecency and perversion.

I am a cosponsor of a number of the proposals that seek to curb these filth panderers. And today I submit another proposal on the subject—one that seeks clearly to protect the young and the unsuspecting, the unaware, and the unsophisticated.

My proposal would compel the filth peddler to mark the envelope he uses—

the one that is now often blank—with a warning that the enclosure could be obscene or offensive. With such a warning there can be no mistake. The addressee is fully protected. He would be put on notice, as would his entire household. He would know and his famly would know that what is inside may violate his standards of decency and those he wishes to impress upon his children. And that is his right.

May I say that such a warning is not new to the legislative field. It has already been imposed by the Congress in the case of cigarettes. Indeed, without even deciding that there is a danger involved in smoking, cigarette manufacturers are compelled to warn each purchaser of a possible hazard. By the same token, under my bill, it need not be decided that the material enclosed is obscene, per se. But if there is that possibility, then the envelope must say in plain and simple words, "The Enclosed Material May Be Obscene or Offensive to the Addressee."

A second feature of my proposal would permit the addressee of obscene mail to return the matter to the sender, without charge. And it is left up to the addressee himself to decide what violates his standard of decency. The return mail fee would be paid by the original sender—the pusher, in other words—with an additional handling charge.

Finally, violators of either of these provisions would be met with a penalty of $5,000.

Perhaps my proposal is not a perfect solution. It is one, however, that I believe brings into proper balance the right of privacy on the one hand and the right of the press to use the mails on the other. If enacted it will for the first time impose an effective check on the distribution of obscenity in our society and place the burden where it belongs—on the filth peddler.

Mr. President, the Missoulian, of last December 4 carried a story on this matter written by Lynn Schwanke. In it Postmaster Guy Rogers of Missoula relates very clearly many of the problems faced by his office on this problem. I ask unanimous consent that the article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, I urge the Committee on the Judiciary to act on the obscenity proposals now. I can assure the Senate that once on the calendar, they will receive the highest priority of the joint leadership.

I urge the committee to act swiftly as well on the crime proposals. I am happy to note they have acted on at least one of the narcotics proposals. Certainly there are no issues more critical to the quality of our lives today. The proposed Drug Abuse Control Act, the dangerous substances proposal, the bail reform and witness immunity measures, the organized crime matters and all of the proposals in these areas are vitally needed to deal effectively with drugs and crime. It is up to us in the Congress to do everything in our capacity to see that all of these matters are written firmly into the law books as soon as possible and hopefully, before this session closes.

Mr. President, I send my bill on obscenity to the desk and ask that it be appropriately referred.

EXHIBIT 1

ROGERS SAYS RECEIVERS MUST COMPLAIN—LOCAL MAIL FAT WITH PORNOGRAPHY, SAYS POSTMASTER

(By Lynn Schwanke)

Missoula's mail is growing fat with pornographic materials, Postmaster Guy Rogers says.

Each year more of the questionable literature seems to circulate through the Missoula Post Office, Rogers said.

"There's nothing we can do about it" according to the postmaster. "In essence the Supreme Court has decreed that no one person censor another person's mail. Unless we get direct complaints from the receiver, our hands are tied."

The postmaster said he could not make an accurate estimate of the amount of pornography which passes through the local post office, but he described it as "a tremendous amount."

Rogers said the material is easy to recognize, "especially when we get 3,000 envelopes alike and one complaint."

Pornography is defined by the dictionary as "a portrayal of erotic behavior designed to cause sexual excitement."

Rogers said one of the contributing factors to the growing volume of pornography is the import market. He said the literature is legal in Sweden and Denmark, and it comes through the U.S. mails clearly marked "pornography" and "is put up like Life magazine."

The only recourse the post office has to halt obscene materials is through the persons who receive it, Rogers said.

The official said the post office has numerous complaints about the materials from individuals. Persons who receive the literature and wish to complain may go to the post office and sign a form which states they do not want the material and find it offensive. The form is sent to Washington, D.C., to the Office of the General Council which contacts the mailing firm and orders that the name of the complainant be taken from the mailing lists.

"Actually all it does is help the mailers correct their mailing lists," Rogers said.

If the firm does not remove the name of the complainant from its list, the Post Office Department has the power to exclude all that firm's mailings from the U.S. mail.

"It's impossible to stamp it out," Rogers said. He explained that the companies will do business under one name then change to another title and move to another town before authorities can move in.

"In the old days we could get them for fraud, but now they deliver what they promise," the postal official said.

Rogers noted that most of the material is pictures and films of nude women in suggestive poses. He said the increase in volume probably is due to the percentage of return orders. "People do order this stuff," he said, "and when they do, it costs them."

The postmaster also noted that mailing lists make it easy for the pornographic literature to be widespread. He said companies delivering the obscene materials can easily buy alphabetized mailing lists with all pertinent mailing information, including ZIP codes, then resell them when they are done. Rogers said a lot of the material goes to business addresses.

"We get a lot of people who complain," the postmaster said, "but until the legislatures do something about it and the courts take something other than a liberal point of view, we can't stop it."

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3220) to protect a person's right of privacy by providing for the designation of obscene or offensive mail matter by the sender and for the return of such matter at the expense of the sender, introduced by Mr. MANSFIELD (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the bill (S. 3220) just introduced by our able majority leader on the subject of pornography.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, with regard to what has been said by the distinguished Senator from Montana, I believe this would be an opportune time for me to report to the Senate on the activities of a subcommittee of which I am chairman, which comes under the parent Committee on Labor and Public Welfare. The subcommittee to which I refer is the Subcommittee on Alcoholism and Narcotics, Addiction, and Drug Abuse.

Primarily I wish to report that after months of dedicated work by this subcommittee, including hearings that were held in the District of Columbia on two occasions, in California, New York, Denver, and with the anticipation of holding hearings in other areas of the country in the field of alcoholism, narcotics, and drugs, this subcommittee is approaching the subject matter from the point of view of the health problems, the educational problems and the problems of recovery, rehabilitation, treatment, and prevention.

This is a very comprehensive problem that I think fits right in line with the constructive legislation that the majority leader has been talking about. For far too long in this country we have taken a rather punitive and dim attitude toward users of substances that have both been legal and illegal, without an approach to the problem of recovery, rehabilitation, and prevention of these problems arising in our society. We have been viewing statistics now for many years indicating that there are at least 6 million alcoholics—and they are critical alcoholics—in the United States. It is my personal opinion that the number is at least double that, with probably another 6 million in progressive stages of that vicious disease.

Each of these 6 million alcoholics affect at least another 3 persons around them, or a total of 18 million in the country—which means that we are dealing with probably 25 million men and women, at the very minimum, in relationship to the drug alcohol.

We go on to the estimate of the possibility of there being 10 million or 12 million experimenters and users of marihuana and hundreds of thousands of other users of narcotics of everything from heroin to the amphetamines to the barbiturates, on down to the hallucinogens such as LSD. So that we are dealing with a major, critical problem in this Nation today.

It is not only a great contributor to the crime element in this country which needs to continue perpetrating crimes in

order to support these habits, but also a great contributor to the glut in our hospitals and mental institutions of people receiving little if any help. It has been testified to in my subcommittee by recovered narcotics addicts that they could almost as easily obtain heroin inside the walls of prison as they could out on the street.

Certainly, incarcerating men and women under these conditions does nothing to contribute to their recovery and thereby reducing their crime activities, once released into the social structure.

Thus, basically, what we are dealing with is a massive problem involving 25 million to 40 million people in this country.

The need is for an adult educational program, in addition to an educational program in the medical schools of America, and also in the elementary and secondary schools, and the colleges and universities of America, and the need for these preventive programs to be carried out at every level of the social structure. We are dealing with the needs of recovery itself. There is no longer in America any question that alcoholism is recoverable and treatable. It is no more difficult to treat a patient for alcoholism than any other kind of treatment in a hospital.

The statements and attitudes of hospital associations and medical associations in America are that they will accept alcohol patients and that they will treat them, but the facts prove otherwise.

Insurance programs are inadequate. For example, I have yet to find one discharged veteran of our armed services that has received any disability for chronic alcoholism which he incurred while in the service of the United States of America; yet we have testimony that 1 in every 6 beds in a veterans hospital is filled by an alcoholic patient. As a result, we are not really reaching the men and women of America who have incurred this disease while in the service of their country.

None of us is able to measure the traumatic effect of war that may start these men and women down the long road of no recovery to ultimate dismissal from the services under a less than honorable discharge condition.

Thus, I believe that as a result of the massive program we are studying and undertaking in the particular subcommittee I chair, probably by late next spring we will be ready and able to produce some comprehensive legislation which will complement this particular legislation that we are talking about today in an area that, hopefully, will then bring the Senate in a position to consider an all-out and comprehensive approach to these particular problems.

Mr. LONG. Mr. President, will the Senator from Iowa yield?

Mr. HUGHES. I yield.

Mr. LONG. I compliment the distinguished Senator from Iowa for his statement and the very fine work he is doing in this field.

It occurs to me that this Government should have greater reason to help with this disease in view of the fact that it receives so much money in revenue from alcoholic beverages. In many instances, the Government is collecting a large amount of money in taxes from the source which is creating such a great deal of mischief and destroying so many lives, as has been so eloquently described by the Senator from Iowa. Treatment should be made available to those very people to whom the Senator makes reference.

I would urge the Senator to bring before the Senate the kind of legislation he would think appropriate. I assure him that this Senator will certainly expect to support whatever can be developed that would help to provide an answer to this difficult problem.

Mr. HUGHES. I want to thank the Senator from Louisiana because, truly, the statistics are even more devastating than I have indicated.

For example, it has been reported that 40 percent of patients in mental hospitals in America today are there because of alcoholism.

An estimate of up to 50 percent of men and women in the prisons of the United States are there because of crimes committed while under the influence of alcohol.

Statistics indicate that between 25,000 and 35,000 Americans die on our highways every year as a result of alcohol-related accidents.

Certainly with these devastating statistics available to the Nation concerning the drug alcohol itself, we should be able to take a reasonable and intelligent approach to the problems of education, rehabilitation, recovery, and prevention, so that those who are ill of this tragic disease will no longer be destroyed.

When we deal with hard alcoholism we have a problem comparable to drugs, but different. We can do something about alcoholism, but with the rapidly developing change in our drug culture in the United States today, it can be said that the parents of the teenagers of America are scared to death. They are really frightened. They know that when their children go to school they will be exposed to drugs of all kinds, and their parents do not know what to do about it.

It is the responsibility of this Government to come forth with a constructive program.

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## S. 3221—INTRODUCTION OF A BILL DEALING WITH THE HUMANE TREATMENT OF ANIMALS

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes in the morning hour.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG of Ohio. Mr. President, I introduce for appropriate reference a bill to assure the humane treatment of animals used for experimental purposes by research facilities.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 3221) to amend the act of August 24, 1966 (Public Law 89–544), in order to prescribe effective criteria for the care and treatment of animals used for research and experiment purposes by research facilities, and for other purposes, introduced by Mr. YOUNG of Ohio, was received, read twice by its title, and referred to the Committee on Commerce.

Mr. YOUNG of Ohio. Mr. President, may I make it clear at the outset that this is not an antivivisection measure. It legislates against unnecessary cruelties in the use of animals in experiments for research purposes.

The unnecessary, senseless, inhumane cruelties afflicted on animals in the name of research and science sometimes are enough to cause one's blood to run cold.

I do not maintain that animals should not be used for legitimate medical research purposes, but I do assert that all procedures in connection with this sort of thing should be controlled, regulated, and carefully supervised. Unscrupulous operators who conduct, for profit, their business with cruelty and neglect should be eliminated. The quacks and sadists must go. We must see to it that those experiments that are conducted are absolutely essential and that the animals themselves are subjected to a minimum of torture.

My record in support of medical research and education speaks for itself. I would not introduce or support any measure to outlaw or curtail research which is responsibly and humanely conducted.

However, needless suffering does nothing to advance science or human welfare, and a nation as idealistic in tradition and as large in resources as ours must not condone this cruelty.

This bill applies only to vertebrate animals used in experiments by Federal agencies and by recipients of grants from the Federal Government. There are many instances on record in which scientists working for Federal agencies were guilty of unnecessary cruelty and torture of animals used in research experiments. Since the Federal Government is one of the biggest customers for experimental animals and, through research grants, one of the main supporters of research laboratories throughout the Nation, it is not only the Government's right, but our duty to see that something is done to correct this intolerable situation. Perhaps such legislation would encourage State governments to enact similar laws.

Mr. President, man's inhumane treatment to man is not so separate from his inhumanity to animals. We must not ignore the conditions that now exist. Mercy is indivisible.

I speak with considerable feeling on this subject. My Washington home has been brightened during the past several years by the fact it is also the home of a little Yorkshire terrier and three cats.

One was purchased in 1960 from Bill Gold, of the Washington Post, for all of a dollar. That cat is a coal-black cat that we call Lilly. She has become a prima donna in our home.

One was a starving, terrified little kitten that I picked up around midnight 5 years ago in the bushes adjoining the Greenbriar Apartment on Massachusetts Avenue. This little kitten came out of the bushes. She was dirty at the time and so thin you could almost see through her ears. She came out of the bushes and rubbed my leg and purred. The door

attendant said he was the only one who had fed that kitten in 2 weeks; that someone had thrown her out of an automobile. I remarked about the inhumane action of throwing a little kitten out of an automobile in front of one of the most luxurious apartment houses in Washington. Later I could not forget that kitten, and, after midnight, went there again.

I was about to leave when the little kitten again came out of the bushes. I took that kitten home. At that time she was near death. Now, she has grown to be a beautiful, affectionate cat that we call Pinky.

The third cat was a vagabond tomcat in our neighborhood that, according to reports of neighbors, had been left by a family who had moved from our neighborhood. The cat had wandered around, getting fed wherever he could. One morning we found him in our back yard, badly mangled and bleeding. We took him to a veterinarian nearby. The veterinarian first said, "I would like to see the other fellow," but then concluded from the wounds that some animal had come up from the Potomac, and Tom Bushytail had tangled with it and was almost killed. After 2 days and 3 nights and an expenditure of $30 Tom Bushytail was almost well again. So now we call him Tom Cedric Bushytail, who weighs 14¾ pounds ringside and is a big, affectionate cat.

So I speak for adults and children the country over made happier because of faithful dogs and affectionate cats who have become really a part of their family life.

Legislation setting forth standards for the treatment of animals used in research experiments should be enacted without further useless delay.

## THE NEXT DECADE IN VIETNAM

Mr. YOUNG of Ohio. Mr. President, it is obvious that there will never be peace in South Vietnam until and unless a coalition government is established in Saigon composed of all elements of South Vietnamese political life, including representatives of the National Liberation Front, instead of the militarist Saigon regime of General Thieu and Air Marshal Ky which has barred neutralists, so-called, many Buddhists, and representatives of the National Liberation Front from voting or participating in government.

The administration has not faced up to the fact that the only way this war will be brought to an end is for both sides to compromise on a political solution—a compromise that must include a coalition government in Saigon and free elections. It is equally clear that Thieu and Ky are not going to preside over their own removal from power, so any negotiations in which they have a hand are doomed from the outset. There can be no escape from this hard truth.

The desire of those Saigon militarist leaders to remain in power is totally inconsistent with President Nixons' statement that "what is important is what the people of South Vietnam want." These incompatible policies hold out the prospect not of peace but of a prolonged military occupation which will continue indefinitely to drain American treasure and lives.

The fact is that while professing a desire for peace, the administration has failed to create the political conditions in Vietnam under which peace is possible.

Until the President begins to make a real effort toward solving the central task of forming a coalition government in Saigon, there is no real hope for peace, but only the bleak outlook of at least 10 years of American occupation to maintain in power a corrupt government that has the support of but 20 percent at the most of the people of South Vietnam.

Mr. President, there recently appeared in the St. Louis Post-Dispatch an outstanding editorial entitled "The Next Decade in Vietnam" setting forth in clear and concise terms the dilemma facing the administration in South Vietnam. I ask unanimous consent that the editorial be printed in the RECORD at this point as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE NEXT DECADE IN VIETNAM

The nature of the stalemate at the Paris peace talks was clearly illustrated when Ambassador Lodge told the press after this week's meeting that the United States would be willing to talk with Hanoi about a coalition government for South Vietnam "and other matters."

Since Hanoi has expressed willingness to resume private talks if a coalition government as well as troop withdrawals are discussed, Mr. Lodge's remark seemed to clear the way for negotiations. An hour later, however, he amended his statement to emphasize that any results of bilateral talks would be subject in effect to veto by the Thieu-Ky government in Saigon—which is implacably opposed to even the thought of coalition. So the stalemate persists.

The obstacle remains the Nixon Administration's insistent confusion of the present Saigon government with the people of South Vietnam. So long as we consider our commitment as being, not to the people, but to the military junta headed by President Thieu and Vice President Ky, it is impossible to see how the negotiating stalemate can be broken.

Ambassador Lodge misstates the case when he accuses Hanoi of demanding that we withdraw all our troops and overthrow the Saigon government as we go. We do not have to overthrow anybody. All we have to do is to allow political forces other than the Thieu-Ky regime to express themselves. Those forces already exist, as witnessed by the recent emergence of Gen. Duong Van Minh as a leading non-Communist opponent of the regime who wants to end the war. Big Minh might very well be able to form a peace government far more representative of the South Vietnamese people than the Thieu-Ky regime, if only the U.S. would let him.

Walter Lippmann is right, we think, in attributing the negotiating stalemate to the Administration's failure to reach the basic decision that *all* American forces, and not just the ground combat troops, should be withdrawn. Writing in *Newsweek*, Mr. Lippmann says:

"Our strategy is not to buy concessions from Hanoi with our military withdrawal, but to buy patience and endurance from the American people for an indefinitely long American occupation in South Vietnam. . . . The theory is that a long occupation, using some 200,000 support troops and the artillery and the Air Force, can be made acceptable to the American people. The official strategy is addressed not to negotiating with our adversaries but to placating American opinion. . . . The right policy, I believe, is to *negotiate* our withdrawal, to obtain, in return for withdrawing our 500,000 men, substantial and honorable concessions."

What kind of concessions could be obtained? It now seems quite clear that both Hanoi and the National Liberation Front are ready to accept a long period of independence for South Vietnam. Mr. Lippmann, who was recently in Paris, says the French are convinced that a settlement could be obtained on the principle that "for at least 10 years after the Americans leave, there shall be two Vietnams, one with its capital in Hanoi, one with its capital in Saigon."

Such a settlement, as he says, would be far from an American defeat, and it would not be dishonorable. Accomplishing a 10-year period of independence and military neutrality, during which the South Vietnamese would be free to determine their own future without outside interference, would represent some gain, at least, from our costly and bloody investment. We would fall short of the original objective, which was to crush the Communists, but this goal has become clearly unattainable in any case.

Is it not better to accept a more modest mission than to go on for years trying to salvage a mistaken one? The real choice lies between 10 years of independence for South Vietnam, during which the self-determination we claim to have been fighting for would have a chance to work, and at least 10 years of American occupation to prop up a government unable to win the support of its people. If Mr. Nixon thinks the latter policy can be made acceptable to Americans, in our judgment he is in error.

## IRRESPONSIBLE SENATE ACTION

Mr. WILLIAMS of Delaware. Mr. President, considerable concern is developing throughout the country over the irresponsible manner in which the Senate during the past few days had turned what was intended to be a tax revision measure into a multibillion-dollar revenue loss.

Since H.R. 13270 was reported to the Senate, a series of amendments have been added which, if retained in conference, will reduce the Government's revenue by approximately $11,980 million with $10,280 million of this loss materializing in 1970.

Our Government today, on an administrative budget basis, is already operating at a deficit in excess of $500 million per month, and if the bill as presently before the Senate should become law it will completely nullify the administration's efforts to bring this inflation under control.

As a result of a series of deficits created during the past several years, our country today is confronted with a serious financial crisis, and this is no time for the Congress to consider politics.

As evidence that this concern over the recent irresponsible actions which have been taken by the Senate is shared by others throughout the country, I ask unanimous consent to have printed in the RECORD at this point a series of editorials, the first of which appeared in the Philadelphia Bulletin on Sunday, December 7, entitled "Irresponsible Senate Action"; the second, an editorial appearing in the December 7 issue of the National Observer entitled "Big Favors on Taxes"; next, an editorial appearing in the Evening Journal of Wilmington, Del., on Friday, December 5, entitled "Tax Cut vs. Revenue Loss"; and last,

an editorial appearing in today's Washingto Post entitled "Jobs, Taxes, and Inflation."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Philadelphia (Pa.) Sunday Bulletin, Dec. 7, 1969]

IRRESPONSIBLE SENATE ACTION

New fiscal difficulties for the Federal Government, already implicit in the emphasis Congress has placed on tax cutting over tax reform, will become more threatening if several actions taken on the Senate floor are permitted to stand.

The Senate was fiscally irresponsible in adopting the Gore amendment to the reform-tax relief bill, under which the personal income tax exemption would be increased, in two steps, from $600 to $800.

Put aside debate over whether this is a better method of granting tax relief than rate reductions and other devices. Its timing is atrocious. Its fiscal impact over the next couple of years would be to lose several billion dollars more in revenue to the Treasury than under the provisions recommended by the Senate Finance Committee.

The short-term deficit effect fuels the fires of inflation in a most crucial period. It compounds the trouble the Administration faces in shaping anti-inflationary budgets under pressure of already authorized spending programs and proposed new or expanded ones.

The Senate was also irresponsible when it modified the repeal of the 7 percent investment credit subsidy to business that its Finance Committee recommended. This would forfeit about $720 million in taxes annually and further contribute to the imbalance between those provisions of the bill which would gain revenue and those which would lose it.

Fiscal responsibility is not a matter of being all head and no heart; it is a matter of social responsibility, too. The country's troubles multiply when legislators won't add. It is no kindness to the electorate to legislate without regard to the connection between spending and taxing. Inflation eats into every paycheck, undermines the nation's ability to put its troubled house in order.

A still greater revenue loss—estimated at $1.9 billion a year—would be produced by the Dominick amendment approved by the Senate providing tax credits for parents up to $325 for a child's college expenses. As appealing as this is to burdened parents, the move under these circumstances is heedless of the effect on the Government's balance sheet.

At least the bill passed by the House in part took account of the acute fiscal difficulties immediately ahead in the timing of its net giveaway, and the bill recommended by the Senate Finance Committee was fully responsible in this respect. The hope must be that when the Senate and House bills go to conference for adjustment of their conflicting provisions the fiscal imprudence shown on the Senate floor will be corrected.

But next year is an election year for the House.

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[From the National Observer, Dec. 7, 1969]

BIG FAVORS ON TAXES

No one pretends that tax legislation can stay free of party politics. But there are some conscientious lawmakers, notably Arkansas' Rep. Wilbur Mills, who take tax-writing seriously. His Ways and Means Committee did a fairly competent job on tax reform, producing a bill that made few people ecstatically happy, but which made an honest attempt at reform without knocking the latch off the door of the U.S. Treasury.

Such professionalism does not extend to the Senate. In that body, where breast-beating over the plight of the nation's poor is most vigorous, the true goal of tax reform has been forsaken in a transparent grab for votes. Democrats took credit last week for giving the little fellow a break by voting an increase in the personal exemption, and Republicans fell all over themselves trying to fix the blame for their party's defeat.

It didn't make much difference to the sponsoring Democrats that the increased exemption may not last through the final version of the bill. Or that the provision may produce such a sizable loss of revenue, at a time when inflation fighting should be the top domestic concern, that President Nixon may feel compelled to veto the entire tax-reform package. Or that the increased exemption would produce little real benefit for low-income taxpayers over the less-easily understood benefits in the House-passed version.

All that made any difference to Senator Gore and his friends last week was the victory his party had won. Everybody who has ever filled out a return can understand an increase in the personal exemption.

There are a few, though, for whom good politics requires a longer view. Massachusetts' Republican Edward Brooke, for example, told his Senate colleague that an increase in the personal exemption would be "an illusory change." Further, if Senate liberals are serious about the need for big Federal spending in coming years to cure the country's social and environmental ills, they had better be careful about capricious tax cutting.

Tax cutting, after all, is what tax reform has really come down to in the Senate. The tax cutters find it easy to claim credit for doing us all a big favor, but the favor will, as Senator Brooke noted, "only prolong the economic crisis which now is reducing the buying power of every American family." The country can stand a certain amount of congressional politics, but it can't stand many big favors like Mr. Gore's.

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[From the Wilmington (Del.) Journal, Dec. 5, 1969]

TAX CUT VS. REVENUE LOSS

President Nixon's implied threat of a veto was not sufficient to dissuade the Senate from voting to increase the personal income tax exemption. It approved by a convincing 58–37 margin Sen. Albert Gore's plan to raise the current $600 personal exemption to $700 next year and to $800 in 1971.

What taxpayer can look at that prospect without sighing in eager anticipation? But the American taxpayer owes himself a jolt of economic reality along with his fantasy of higher personal exemptions.

The nation is currently engaged in a double-barreled fight against inflation. Monetary policy, with its high interest rates, is one barrel, one fortunately not too susceptible to the political tug-of-war in Congress.

Fiscal policy, as represented in the current effort to cut government spending as sharply as possible, is much more exposed to capricious legislative action. While it is true that over-all tax reform has been a bipartisan issue this year, it is also true that the federal government cannot look favorably on measures that will seriously reduce revenues.

The tax bill passed earlier by the House would provide about $9 billion in tax cuts by way of reduced rates. They would eliminate taxation of many low-income families now forced to pay. Sen. Gore complains, however, that the rates are disproportionately kind to taxpayers at higher income levels. It is the purpose of increased personal exemptions to adjust the burden in what Sen. Gore considers a more equitable fashion, still reducing personal income taxes about $9 billion.

The Administration, however, cannot ignore the prospect of a revenue loss of $5 billion in the second year of the Gore plan, because of other tax losses the measure still contains. It seems likely that the White House would be happy to live with the personal exemption device for reducing taxes if the measure managed in some other way to prevent that imposing loss in needed revenue.

It is now up to House-Senate conferees to resolve their differences on the two tax reduction methods. A dispassionate observer would have to suppport whichever the conferees found most palatable, so long as the revenue reduction remained about the same.

President Nixon's immediate problem would seem to be his lack of persuasiveness in opposing the Gore amendment, which cost him another unnecessarily embarrassing setback at the hands of the Senate and indignant criticism from his Senate minority leader, Hugh Scott of Pennsylvania.

Mr. Nixon's concern lest the Congress dry up too many sources of revenue in the tax reform bill is legitimate and really in the longrange interest of the American taxpayer. It is important now that he avoid antagonizing members of Congress, including those of his own party, over unnecessary details of the bill. What the President needs is a tax reduction measure he can live with, not one containing unacceptable reductions in revenue voted by a Congress piqued at executive ultimatums on tax reform.

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[From the Washington Post, Dec. 9, 1969]

JOBS, TAXES AND INFLATION

The good news that unemployment fell sharply in November has brought fresh consternation to the economists and officials who are trying to chart a safe course between inflation and recession. The sudden rise of unemployment from 3.5 to 4.0 in September had been widely read as evidence of a turndown in economic activity. Along with some other indicators, that rise in joblessness had prompted President Nixon to warn businessmen against betting on continued inflation. Now the recording of a low seasonably adjusted unemployment rate of 3.4 per cent of the labor force in November seems to leave the President's forecast hanging in midair.

If skyrocketing prices, wages and interest rates had been moderated, the country could well rejoice over the placement of 360,000 job-seekers in a single month. In the present context of economic developments, however, the good fortune of these individuals adds to the shadows hanging over the country. For if this dramatic rollback of unemployment is not a statistical fluke, it suggests that private businesses are lunging ahead with their overly rapid expansion plans despite soaring interest rates, wages and raw material costs. It confirms what the official surveys of busiess intentions had previously shown: that a vast number of companies are still trying to beat inflation, not by slowing down its pace, but by speeding their operations to get ahead of the still higher costs they see ahead.

This escalating inflationary psychology could be disastrous in the end if it is permitted to run on unchecked. The Federal Reserve Board seems determined to reverse the trend with its credit squeeze, and some economists believe that overly tight restraints are already sowing the seeds of recession. The appalling part of the picture is that the Fed is getting precious little support from other sources. The Treasury has attempted to do its part by planning budgetary surpluses for the next two years; but the tax-cutting spree in Congress is threatening to make the government itself a contributor to the inflationary spiral once more.

What seems to be dominant in the minds of senators who are heaping one bonanza on another in the tax bill is the political rewards for cutting taxes. A sound argument can be made, however, that they are voting for more inflation, more economic dislocations (such as the critical undoing of the housing industry) and perhaps for a credit-squeeze bust that will lead to a depression. Certainly this is no time to be cutting taxes to stimulate

more demand and consequent economic activity. Sober-minded legislators are warning that this attempt to convert the tax-reform bill into a Christmas tree with goodies for everyone will undermine the whole concept of Congress as a responsible regulator of the economy. But there is little evidence that these wise words of warning heard on Capitol Hill. The President added his own warning last night that he could not sign a tax-reform bill containing an $800 personal exemption and the proposed 15 per cent increase in Social Security benefits. Hopefully, these warnings will be heeded.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HUGHES in the chair) laid before the Senate the following letters, which were referred as indicated:

CONSUMER PRODUCT TESTING ACT OF 1969

A letter from the Special Assistant to the President for Consumer Affairs, transmitting a draft of proposed legislation to assist consumers in evaluating products by promoting development of adequate and reliable methods for testing characteristics of consumer products (with accompanying papers); to the Committee on Commerce.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improvements needed in settling claims for termination of communications services, Department of Defense, Federal Communications Commission, dated December 9, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on U.S. Assistance to the Kingdom of Thailand (with an accompanying report); to the Committee on Government Operations.

AUTHORIZATION OF LONGER TERM LEASES OF CERTAIN INDIAN LANDS

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend the Act of August 9, 1955, to authorize longer term leases of Indian lands on the Yavapai-Prescott Community Reservation in Arizona (with an accompanying paper); to the Committee on Interior and Insular Affairs.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, with amendments:

S. 2809. A bill to amend the Public Health Service Act so as to extend for an additional period the authority to make formula grants to schools of public health; (Rept. No. 91–586).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1389. A bill for the relief of Alex G. W. Miller (Rept. No. 91–587):

H.R. 2208. An act for the relief of James Hideaki Buck (Rept. No. 91–588);

H.R. 4560. An act for the relief of Sa Cha Bae; (Rept. No. 91–589);

H.R. 5133. An act for the relief of Pagona Anomerianaki (Rept. No. 91–590);

H.R. 6600. An act for the relief of Panagiotis, Georgia and Constantina Malliaras. (Rept. No. 91–591); and

H.R. 10156. An act for the relief of Lidia Mendola (Rept. No. 91–592).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2102. A bill for the relief of Percy Ispan Avram (Rept. No. 91–593).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 3014. A bill to designate certain lands as wilderness (Rept. No. 91–594).

## EXECUTIVE REPORTS OF A COMMITTEE

As in executive session, the following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Robert W. Rust, of Florida, to be U.S. attorney for the southern district of Florida;

Henry L. Brooks, of Kentucky, to be U.S. circuit judge for the sixth circuit;

Alfred T. Goodwin, of Oregon, to be U.S. district judge for the district of Oregon;

Cristobal C. Duenas, of Guam, to be judge of the district court of Guam;

R. Dixon Herman, of Pennsylvania, to be U.S. district judge for the middle district of Pennsylvania;

David L. Middlebrooks, Jr., of Florida, to be U.S. district judge for the northern district of Florida;

John Henry Schneider, of Virginia, to be an Assistant Commissioner of Patents;

Clarence M. Coster, of Minnesota, to be an Associate Administrator of Law Enforcement Assistance; and

Harry Connolly, of Oklahoma, to be U.S. marshal for the northern district of Oklahoma.

## BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD (for himself, Mr. BYRD of West Virginia, and Mr. GRAVEL):

S. 3220. A bill to protect a person's right of privacy by providing for the designation of obscene or offensive mail matter by the sender and for the return of such matter at the expense of the sender; to the Committee on Post Office and Civil Service.

(The remarks of Mr. MANSFIELD when he introduced the bill appear earlier in the RECORD under the appropriate heading.)

By Mr. YOUNG of Ohio:

S. 3221. A bill to amend the Act of August 24, 1966 (Public Law 89–544), in order to prescribe effective criteria for the care and treatment of animals used for research and experiment purposes by research facilities, and for other purposes; to the Committee on Commerce.

(The remarks of Mr. YOUNG of Ohio when he introduced the bill appear earlier in the RECORD under the appropriate heading.)

By Mr. HARRIS:

S. 3222. A bill to designate certain lands in the Wichita Mountains National Wildlife Refuge in Oklahoma as wilderness; to the Committee on Interior and Insular Affairs.

(The remarks of Mr. HARRIS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. MAGNUSON (for himself, Mr. ALLOTT, Mr. BENNETT, Mr. BURDICK, Mr. CANNON, Mr. CHURCH, Mr. COOPER, Mr. DOLE, Mr. HANSEN, Mr. HATFIELD, Mr. HRUSKA, Mr. JACKSON, Mr. JORDAN of Idaho, Mr. MANSFIELD, Mr. MCGOVERN, Mr. METCALF, Mr. MILLER, Mr. MOSS, Mr. MURPHY, Mr. PACKWOOD, Mr. PEARSON, and Mr. YOUNG of North Dakota):

S. 3223. A bill to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission additional authority to alleviate freight car shortages and for other purposes; to the Committee on Commerce.

(The remarks of Mr. MAGNUSON when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. DOLE:

S.J. Res. 167. A joint resolution providing for the display in the Capitol Building of a portion of the moon; to the Committee on Rules and Administration.

(The remarks of Mr. DOLE when he introduced the joint resolution appear later in the RECORD under the appropriate heading.)

## S. 3222—INTRODUCTION OF A BILL TO DESIGNATE CERTAIN LANDS IN THE WICHITA MOUNTAINS WILDLIFE REFUGE IN OKLAHOMA AS WILDERNESS

Mr. HARRIS. Mr. President, I reintroduce a bill to designate certain lands in the Wichita Mountains Wildlife Refuge in Oklahoma as wilderness.

Mr. President, the Department of the Interior 2 years ago conducted hearings in Lawton, Okla., concerning a proposal to designate certain lands within the Wichita Mountains Wildlife Refuge as wilderness in order to assure the retention of these lands in their natural state. On the basis of recommendations made at the hearings, the Department of the Interior has decided that some 8,900 acres within the boundaries of the refuge meet the criteria and should be designated a wilderness area in order to preserve their natural beauty.

There are abundant reasons for preserving this area as it has always been. Certainly the study of such subjects as geology and ecology will be enriched for those in the area who are interested. And perhaps more importantly, this act would further protect what is rapidly becoming a unique experience for Americans, camping in a true wilderness. And finally, this refuge will preserve for the people of southwestern Oklahoma and surrounding States the privilege, should they so desire, of simply viewing nature unmarred by that which is manmade.

I would hope, Mr. President, that the bill can be enacted with a minimum of delay.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3222) to designate certain lands in the Wichita Mountains National Wildlife Refuge in Oklahoma as wilderness, introduced by Mr. HARRIS, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

## S. 3223—INTRODUCTION OF A BILL RELATING TO ALLEVIATION OF FREIGHT CAR SHORTAGES

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to amend the Interstate Commerce Act so as to clarify the ICC's authority to utilize penalty per diem in solving freight car supply problems and to provide a clarified basis for prescription by the Commission of a schedule of basic per diem charges. The following Senators have joined with me in sponsoring this legislation: Senators ALLOTT, BENNETT, BURDICK, CANNON, CHURCH, COOPER, DOLE, HANSEN, HATFIELD, HRUSKA, JACKSON, JORDAN of Idaho, MANSFIELD, MCGOVERN, METCALF, MILLER, MOSS, MURPHY, PACKWOOD, PEARSON, and YOUNG of North Dakota.

In 1966 Congress enacted Public Law 89-430, the purpose of which was to alleviate the recurring national shortage of railroad freight cars. That statute authorized the Interstate Commerce Commission to set incentive per diem rates and in so doing consider factors encouraging the acquisition and maintenance of a car supply fleet adequate to meet the needs of commerce and the national defense.

On May 13, 1969, almost 3 years later, the ICC appeared before the Surface Transportation Subcommittee of the Senate Commerce Committee to testify that it had not been able to set incentive per diem rates.

The problem of freight car shortages continues to grow worse. Despite assurances of further action upon completion of a study in progress since 1966, the situation has deteriorated to the point of the present crisis. And, I am sorry to say, at least one of the ICC's recent decisions may contribute significantly to a further worsening of the freight car supply.

The per diem system established by the ICC in 1968 is based on time used and mileage. It has been challenged by 20 railroads and 21 States on the grounds that it does not encourage movement of freight cars to the West to carry western grain and timber to market. In fact, the ICC system exacerbates the problem because its mileage basis provides incentive to retain empty freight cars on other lines until a load is obtained to pay their way back to the owner railroad's lines. In addition to the inherent deficiency of the time used, mileage system, the system is based on 1966 statistics and could prove to be unreasonably expensive to administer.

It is apparent that there must be greater utilization and better distribution of present freight cars and that acquisition and maintenance of the freight car fleet must be encouraged. The western railroads have established a good record for increasing their car supply. Unfortunately, their cars leave western lines and do not quickly return. The 1968 ICC formula not only discourages western lines from building new freight cars, but, incredibly enough, penalizes them for doing it.

The time for study has long since passed. The first part of the bill I introduce today, in effect, relieves the ICC of its discretionary responsibility for setting the basic per diem rates.

This is a technical bill and it goes further than Congress normally goes in directing an independent agency in the performance of one of its tasks. But, in this area of responsibility, it appears that we may have reached a point where it is necessary to develop and prescribe in some detail the basic principles which the ICC should follow in setting per diem rates. The basic per diem provisions are drawn from the conclusions reached by a task force created by the Association of American Railroads after a 4½ year study.

The second objective of the bill is contained in section 4. This section is perhaps of greater relevance to the existing emergency situation. It contains provisions similar to those recommended by the ICC earlier this year, and also in past Congresses, giving the Commission authority to impose penalty per diem rates during periods when an emergency freight car shortage exists.

As I have tried to make crystal clear in the past, most recently during the May hearings on freight car supply, I do not believe additional legislation is necessary to permit the ICC to impose penalty per diem rates on an emergency basis. However, to the extent that questions exist, legislation will hopefully eliminate uncertainty over the Commission's authority in this area.

With this bill, the Special Subcommittee on Freight Car Shortages of the Senate Commerce Committee will be able to hold a full hearing on the merits of the problem in the immediate future. I am hopeful that corrective action and meaningful solutions will not be far distant.

I look forward to early hearings on this bill. While I believe that the bill will help remedy the freight car shortage problem, I am not wedded to its language and will carefully consider information developed in hearings.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3223) to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission additional authority to alleviate freight car shortages and for other purposes, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 3223

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Congress finds it essential that a system of compensation for the use of any type of freight car should contribute to sound car service practices (including the efficient utilization and distribution of cars) and encourage the acquisition and maintenance of car supply adequate to meet the need of commerce and the national defense; that to achieve these goals such system should provide just and reasonable compensation to freight car owners, including a fair return on value, and should minimize the administrative expense of such system; that included in such system should be authority to establish car-hire or car-rental charges at the level necessary to meet emergency supply problems; that such system should be predicated solely upon the time a car is held or used; and, therefore, it is the purpose of this amendment to authorize and to direct the Interstate Commerce Commission to prescribe such system of compensation.

DEFINITIONS

SEC. 2. For the purposes of this amendment—

(a) "Freight car" means every new, rebuilt and acquired used car owned by or leased to railroads which may be subject to interchange among such railroads.

(b) "Shop facilities" means those railroad facilities consisting of shops and machinery, engine houses, power plants and machinery, together with the land and tracks therefor.

(c) "Additions and betterments" means the same as that prescribed in the Interstate Commerce Commission's Uniform System of Accounts (49 C.F.R. 1201).

(d) "Value base" means:

(i) For cars, including subsequent additions and betterments, reproduction cost less depreciation based upon

(1) Original cost new for new and acquired used cars.

(2) The initial value determined in accordance with the mechanical interchange rules of the Association of American Railroads and the Interstate Commerce Commission Uniform System of Accounts for rebuilt cars.

(3) Such reproduction cost deflated by a freight car capacity index; and

(ii) For shop facilities, including additions and betterments, original cost.

(e) "Depreciation" means straight line except that for cars nine (9) years old and less, a 1.5 declining balance shall be utilized to the point where the results are exceeded by straight line, and except such depreciation for a car shall not exceed six (6) percent per annum. Initially, car life shall be twenty-seven (27) years, subject to annual review and adjustment, and depreciation in the last year shall be extended for an additional three years.

(f) "Return on investment" means one and seventy-five hundredths (1.75) times the latest five (5) year average of yields on railroad bonds as applied to the depreciated value base.

(g) "Operating and maintenance cost" means, but is not limited to, the following items, the bases of which are prescribed in the Interstate Commerce Commission Uniform System of Accounts:

(i) A proportion of interest and depreciation on shop facilities.

(ii) A proportion of taxes on railroad property used in transportation, undepreciated value of freight cars and payroll taxes.

(iii) Freight train car repairs.

(iv) Train supplies and expenses representing:

(1) Repacking journal boxes.

(2) Roller-bearing lubrication.

(3) Repair track portion of Air Brake, clean, oil, test and stencil.

(4) Repair track portion of re-light weighing.

(v) Maintenance of repair facilities, including machinery therein.

(vi) A proportion of miscellaneous maintenance of equipment accounts.

(vii) Deadhead haul cost and interest on materials and working capital.

(viii) A proportion of general expense.

There should be excluded, however, all train yard inspection and handling line responsibility repairs arising from accident.

(h) "Total annual ownership cost" means the accumulation of depreciation, rate of return on investment and operating and maintenance costs annually.

(i) "Car day divisor" means the ratio of average freight car loadings to peak freight car loadings for the four-week period in each

of the previous five years when freight car loadings were maximum for each type of freight car adjusted by a standard home bad-order ratio based on the experience of at least twenty-five (25) percent of the national per diem freight car fleet.

(j) "Car day cost brackets" means that each freight car shall be assigned to its appropriate car day cost bracket in a series commencing with 0.00 to $1.87 and progressing upwards in increments of 75 cents; with applicable daily rate per car per day separated by increments of 75 cents.

(k) "Daily car hire rates" means that the daily rates shall be applied per each 24-hour period from midnight to midnight or divided for allocation to lesser periods of time.

BASIC PER DIEM AMENDMENT

SEC. 3. Section 1(14)(a) of the Interstate Commerce Act (49 U.S.C. Section 1(14)(2)) is amended to read:

"SEC. 1(14)(a). In fixing such compensation to be paid for the use of any type of freight car, the Commission shall determine the value base of freight cars and shop facilities with additions and betterments, the depreciation thereon and a rate of return on investment. The total annual ownership costs, including operating and maintenance costs, shall be converted by a car day divisor to car day cost brackets so as to produce daily car hire rates. Such rates shall be recomputed annually.

"Upon petition of any carrier complaining that special circumstances beyond its control compel it to incur unduly high car-hire costs, the Commission, after hearing, if it finds it to be in the national interest, may prescribe appropriate reclaim arrangements for the future which will relieve the excessive burden of car-hire charges."

EMERGENCY POWERS

SEC. 4. The first sentence of section 1(15) of the Interstate Commerce Act is amended by striking out "(c)" and "(d)" and inserting in lieu thereof "(d)" and "(e)", respectively, and by inserting immediately after clause (b) of such sentence a new clause as follows: "(c) to impose on one or more carriers, when a shortage or threatened shortage of freight cars exists, such charges (in addition to the daily car-hire or car-rental rates then in effect) applicable to any type of freight car in any section of the country during such emergency, or threatened emergency, as in the opinion of the Commission are reasonably calculated to relieve such shortage or threatened shortage by promoting the expeditious movement, distribution, interchange or return of freight cars, and the additional charges shall be paid by the carrier using such cars to the owners;".

PENALTIES

SEC. 5. Section 1(17) of the Interstate Commerce Act is amended by striking out "$100 nor more than $500 for each such offense and $50", and inserting in lieu thereof the following: "$200 nor more than $1,000 for each such offense and $100".

## SENATE JOINT RESOLUTION 167—INTRODUCTION OF A JOINT RESOLUTION RELATING TO DISPLAY OF LUNAR MATERIAL IN THE ROTUNDA OF THE CAPITOL

Mr. DOLE. Mr. President, the rotunda of the Capitol is one of the most frequently visited sites of our national heritage. Each year countless numbers of Americans and visitors from foreign lands come to see the historic paintings and sculpture there as well as the magnificent architecture of the dome. Since the rotunda is one of the Nation's great historic places, it seems appropriate to include among its treasures a memento from mankind's greatest adventure, the Apollo moon program.

The Senate and the House each have their flags which were carried on Apollo 11. These are indeed meaningful to the membership of both bodies, but an exhibit of material from the moon's surface would add a special dimension of immediacy to our astronauts' accomplishments for the visitors who come to the Capitol in such great numbers.

There could be no finer place to pay tribute to our astronauts and all those who have contributed to our space program than in the Capitol rotunda. In addition to honoring America's space effort, an exhibit of this sort would be a worthy monument to all of our past accomplishments and sacrifices and a source of inspiration as we face the challenges of the future.

Mr. President, I introduce this joint resolution for appropriate reference.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 167) providing for the display in the Capitol Building of a portion of the moon, introduced by Mr. DOLE, was received, read twice by its title, and referred to the Committee on Rules and Administration.

## ADDITIONAL COSPONSOR OF A BILL

S. 3039

Mr. DOLE. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Texas (Mr. YARBOROUGH) be added as a cosponsor of S. 3039, to provide that certain highways extending from Laredo, Tex., to the point where U.S. Highway 81 crosses the border between North Dakota and Canada shall be known collectively as the "Pan American Highway."

The PRESIDING OFFICER. Without objection, it is ordered.

## ADDITIONAL COSPONSOR OF JOINT RESOLUTION

SENATE JOINT RESOLUTION 61

Mr. GRIFFIN. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Illinois (Mr. SMITH) be added as a cosponsor of Senate Joint Resolution 61, proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATE RESOLUTION 293—RESOLUTION SUBMITTED AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF "INDIAN EDUCATION: A NATIONAL TRAGEDY—A NATIONAL CHALLENGE"

Mr. KENNEDY. Mr. President, I submit for appropriate reference a resolution to authorize the printing of 3,000 additional copies of the final report of the Subcommittee on Indian Education. This report was entitled "Indian Education: A National Tragedy—A National Challenge." Its number is 91–501.

Mr. President, neither the document room nor the Committee on Labor and Public Welfare have any copies of this report remaining. Yet, there are nearly 500 requests from educational institutions alone for the report.

Consequently, I believe it highly important that this resolution be approved.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 293), which reads as follows, was referred to the Committee on Rules and Administration:

S. RES. 293

*Resolved by the Senate (the House of Representatives concurring)*, That there be printed for the use of the Senate Committee on Labor and Public Welfare three thousand additional copies of the 1969 report of its Special Subcommittee on Indian Education entitled "Indian Education: A National Tragedy—A National Challenge" (Senate Report 91–501).

## TAX REFORM ACT OF 1969—AMENDMENTS

AMENDMENT NO. 413

Mr. DOLE submitted an amendment, intended to be proposed by him, to the bill (H.R. 13270) to reform the income tax laws, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 414

Mr. HARRIS (for himself, Mr. GRAVEL, Mr. FANNIN, and Mr. MCGOVERN) submitted an amendment, intended to be proposed by them, jointly, to House bill 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 416

Mr. DOLE submitted an amendment, intended to be proposed by him, to House bill 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 417

Mr. COOK. Mr. President, the purpose of the amendment I submit today on behalf of myself and my colleague (Mr. COOPER) is to delete section 213 of the bill reported by the Finance Committee. This section would introduce into the code an entirely new principle and would, in practice, apply standards to agricultural pursuits not required of any other business. It is unfair, arbitrary, and discriminatory. It sets up rules governing the question of whether an individual taxpayer is engaged in a particular activity for a profit. It gives to the Internal Revenue Service the authority to determine a taxpayer's intent, without regard to the realities of many businesses which it would affect. The section contains a presumption that if the taxpayer shows a profit in 2 out of any 5 consecutive years, he will be presumed to be in the activity for profit. Even this arbitrary presumption can be negated by IRS merely by its issuing a regulation. Past actions of IRS dictate that the service will undoubtedly interpret this presumption to mean that if the taxpayer fails to make that profit in 2 out of 5 years, he is not engaged in the business for profit and try to disallow all losses.

The danger of the section is its real

threat to new investors in many agricultural pursuits, such as cattle raising, horse breeding, citrus production, pecan growing, and so forth. New capital and the yen to venture into these chancy fields has given this Nation a viable citrus industry, production of quality nuts, abundant supplies of beef, and a booming horse industry that already pours over a billion dollars into tax coffers. While the section might appear on the surface a desirable provision to control some abuses, it will have the effect of prohibiting new people and fresh capital from entering these fields. Orange groves require a minimum of 6 years to bear fruit and produce income, pecans take 11 years, building a quality registered herd of cattle 5 to 10 years by selective breeding. It requires a minimum of 3 years after a mare is bred before its foal can run its first race. Even after a horse is put on a track, there is only 1-in-10 chance of winning.

These businesses need substantial initial investment, and several years before any hope of income and profit. Section 213 threatens these industries. It would provide an unnecessary umbrella of noncompetitive protection, temporarily, of those already in the business—and consequently, the public could end up paying higher prices.

In my State of Kentucky, this section is going to largely destroy the horse breeding and racing industries. New investors are not going to pay the price for top thoroughbreds while faced with the likelihood that if they lose, the Internal Revenue will disallow their losses. And yet, I never met a man who went into the horse business—or any business—without the intention of making a profit. So long as the tax rates are not 100 percent, it will always be more economical to make money in any venture rather than to lose it. It should be noted that direct taxes from parimutuel betting this year will exceed half a billion dollars. Section 213 jeopardizes this tax to State and local governments.

If my amendment is adopted, it will mean that present law on this subject will remain in force.

Under present law—found in section 270 of the code—if a taxpayer loses in excess of $50,000 in a business each year for 5 consecutive years, his deductible losses for each of those 5 years is limited to $50,000.

Under the new provision all of his losses would be disallowed—and he may not even be aware that he stands to suffer such consequences until it becomes clear that he cannot turn a profit in the fourth year of his operation. This would require false economic pressures, and disrupt the orderly processes of good operations.

It is my contention, Mr. President, that section 270—as it exists in the code today—is as severe as the thoroughbred horse industry and similarly situated industries can bear. Section 213 would be added weight that could destroy them.

I urge the adoption of my amendment.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

## EXTENSION OF PUBLIC HEALTH PROTECTION WITH RESPECT TO CIGARETTE SMOKING—AMENDMENTS

AMENDMENTS NOS. 410 THROUGH 412

Mr. MOSS submitted three amendments intended to be proposed by him, to the bill (H.R. 6543) to extend public health protection with respect to cigarette smoking, and for other purposes, which were ordered to lie on the table and to be printed.

## AMENDMENT OF ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965 AND RELATED ACTS—AMENDMENT

AMENDMENT NO. 415

Mr. DOMINICK (for himself and Mr. MONDALE) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 2218) to amend the Elementary and Secondary Education Act of 1965 and related acts, and for other purposes, which was referred to the Committee on Labor and Public Welfare and ordered to be printed.

## NOTICE OF HEARING ON CERTAIN NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, December 16, 1969, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nominations:

George H. Barlow, of New Jersey, to be U.S. district judge for the District of New Jersey, vice Arthur S. Lane, resigned.

Leonard I. Garth, of New Jersey, to be U.S. district judge for the District of New Jersey, vice Thomas M. Madden, retired.

Philip C. Wilkins, of California, to be U.S. district judge for the Eastern District of California, vice Sherrill Halbert, retired.

Joe McDonald Ingraham, of Texas, to be U.S. circuit judge, fifth circuit, vice a new position created under Public Law 90-347, approved June 18, 1968.

John L. Gibbons, of New Jersey, to be a U.S. circuit judge, third circuit, vice Gerald McLaughlin, retired.

The subcommittee will consist of the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

## WATER POLLUTION IN ALASKA

Mr. KENNEDY. Mr. President, tomorrow, Senate and House conferees will meet to continue their discussion of H.R. 4148, the Federal Water Pollution Control Act of 1969.

One of the amendments to be considered at tomorrow's meeting was sponsored by the Senator from Alaska (Mr. STEVENS) and me and has as its purpose the creation of a special emergency program designed to provide safe water and hygienic sewage disposal facilities in Alaskan villages which presently do not have such facilities. It is my firm hope that, recognizing the immediate and vital need for these programs, the conference will retain this amendment.

In a further effort to inform the members of the conference about the threat of water pollution to the health of Alaska's citizens and its effect on the economic viability of the State, I ask unanimous consent to have printed in the RECORD an article on this subject, written by Frederick B. Lotspeich, and published in Science magazine for December 1969.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WATER POLLUTION IN ALASKA: PRESENT AND FUTURE

(By Frederick B. Lotspeich)

Many people think vaguely of Alaska as a vast wasteland, dominated by ice and snow. They visualize its resources as unspoiled, believing that the state's sparse population and the relatively low stage of technical development have insignificant impact on the land. This is true to some extent, though an accurate evaluation requires some qualifying.

Alaska is largely an unspoiled wilderness; evidence of man's polluting influence on this northern environment is minimal. Winters are long, cold, and dark; the summers, however, are warm, with long hours of sunlight each day, permitting rapid growth of vegetation.

Alaska's waters, although largely unpolluted at present, are locally polluted in several areas by pulp mills, fish packing, and municipalities. This pollution is serious and will intensify before abatement measures are put into effect. Economic activity is increasing, especially in oil production and lumbering, which will generate wastes that must be controlled, despite industry's insistence that pollution is a necessary consequence of industrial development. Water pollution prevention must be emphasized as Alaska enters a new chapter in its history.

Any program for water pollution control in Alaska must consider the natural environment and the possible effects of man's social institutions on this environment, particularly the effects from wastes generated by advancing technology. Because of its location and the relative lack of contamination in its water, Alaska offers a unique opportunity to establish a program of pollution control based on the ecosystem approach. The cold environment poses unique problems that cannot be solved with existing knowledge. Several features of Alaskan natural and social environments are discussed in the following pages as a starting point to this state's program for pollution control.

In his introduction to the Department of the Interior's Conservation Yearbook, *The Third Wave*,[1] Laurance Rockefeller refers to the ecosystem approach as the modern method of conservation. This approach stresses an understanding of ecology, with all its ramifications, as necessary to knowledgeable conservation of the resources which man depends upon for survival. Much needs to be learned about this ecological approach. Without an understanding of man's role in ecosystem dynamics, conservation measures, however well intended, frequently fail because of unforeseen effects. Water pollution is an example of degraded environment caused by man's dumping of his wastes into marine and fresh waters and debasing these ecosystems in varying degrees.

In its report to the Federal Council for Science and Technology, describing the results

Footnotes at end of article.

of its study of waste management and control,[2] the Committee on Pollution recommends an ecological approach to pollution control. This report emphasizes the need to attain, through research, a better understanding of ecosystem dynamics as a basis for predicting how a given waste will affect the receiving waters. Irreparable damage can be prevented by applying the knowledge thus gained. Research should be programed to anticipate, investigate, and prevent the problems before they are upon us. Alaska must stress such programing because pollution prevention costs less than abatement after the waters are degraded.

Alaska is inviting industry that demands certain raw materials. Economic expansion here depends on attracting industry, but expansion portends polluted waters unless early action is taken to prevent water quality degradation. The enlightened approach—and many top-level industrial managers are coming to accept this view—holds that control of its wastes is industry's responsibility and a normal cost of production. Such attitudes need fostering: pollution control benefits the entire society because industrial profits accrue when industry, municipalities, conservationists, and pollution control agencies work harmoniously in the public interest.

With these thoughts before us, let us turn to Alaska's water pollution problems, scrutinize the unique features of Alaskan ecosystems, and compart this with the other 49 states. There is much to be learned about Alaska's ecosystems if we are to prevent widespread devastation. The tundra and taiga are examples of large areas that may be threatened by man's unenlightened quest for new materials to feed his technology. Pruitt[3] describes how the taiga responds to man's activities and points out that the delicate balance of these northern ecosystems is easily upset by man-made interference. The search for, and development of, resources in these environments can easily lead to their destruction unless we have the foresight and knowledge to prevent it. Let us now look at Alaska as it is today and how it is developing.

PHYSICAL ENVIRONMENT

To gain some idea of the scope of its management problems, consider that Alaska is the farthest north of the 50 states; most of it lies between 60° and 70°N. Anchorage, the largest city, is about 61°N and is 1300 miles (2100 kilometers) west and 900 miles north of Seattle. Fairbanks, the principal city on the central plateau, lies almost due north of Anchorage and is only 2.5° south of the Arctic Circle.

Figure 1 (omitted) superimposes a map of Alaska over the continental United States. The main land mass of Alaska, comprising 586,300 square miles, covers the major parts of seven north-central states and is about one-fifth the area of continental United States. The southernmost islands of southeast Alaska are on the coast of Georgia and South Carolina, with the Aleutian Islands chain extending all the way to Los Angeles, a distance of about 2500 miles. Because it is essentially a very large peninsula with outlying islands, Alaska's total tidal coastline measures about 47,300 miles.[4]

The peninsular characteristics provide some moderation of weather by large water masses, but the northern latitude overrides these effects, causing colder climates than those of the other northwest states. Alaska's size and mountain ranges cause severe winter temperatures in the central plateau, commonly dropping to −50°C. Southeast Alaska, lying between 55° and 59°N, has a milder climate because of the maritime influence. The Aleutian Peninsula and Islands are about the same latitude as southeast Alaska, with a cool, damp, windy climate.

High latitude has two important effects on climate—day length and sun angle. Fairbanks, at 65°N, enjoys 24 hours of daylight at the summer solstice although the sun is below the horizon for about 4 hours. At the winter solstice, Fairbanks has a 3.75-hour sun day (a sun day is the length of time the sun is visible); however, because of long twilights and dawns, daylight is about 5 hours. At the Arctic Circle, 175 miles north of the city, the sun neither rises at the winter solstice nor sets at the summer solstice. At Barrow, about 450 miles north of Fairbanks, the sun sets on 29 November, and does not rise until 24 January, a period of 56 days. Anchorage, about 300 miles south of Fairbanks, enjoys a sun day of about 5.5 hours at the winter solstice. Portland has a day length of 8.5 hours at the winter solstice. Sun angle (the angle between the sun and the horizon) at Fairbanks never exceeds 47.5°, so that even with long summer days, the rays strike obliquely. In winter, sun angle is only 2.5° at Fairbanks, and warming is correspondingly less. By comparison, the sun angle at Portland is 66.5° at the summer solstice and 22° at the winter solstice.

Alaska is the only state with permafrost, a permanently frozen surface layer of earth. It is directly related to past and present climate and causes aggravating problems of pollution, water supply, and construction. Distribution of permafrost is included in the discussion on Alaska's ecological division.

In Fig. 2, (omitted) Alaska is divided into five principal physiographic zones: the north slope, Brooks Range, central plateau, south-central area, and the coastal mountains. These divisions are also logical ecological zones because climate and resulting vegetation are strongly influenced by the mountain ranges separating the lowlands. Because most of the precipitation comes from the south, the Alaska Range, forming the southern boundary of the central plateau, removes most of the moisture as air masses move northward, causing a semiarid climate in regions north of the range. The far north is similarly affected by the Brooks Range; Barrow is arid and has an average precipitation of about 5 inches (13 centimeters) annually. A fifth narrow zone along the coast, south and west of the central mountains, needs delineating because its climate and vegetation differ from that inland from the mountains.

This coastal zone extends in a broad arc from southeastern Alaska across the Gulf of Alaska to Kodiak Island and has a high to moderate rainfall, well distributed throughout the year, with relatively mild temperatures for this latitude. Annual rainfall ranges from about 150 inches at Ketchikan to about 26 inches at Skagway on the upper end of Lynn Canal. Vegetation in this zone is primarily coniferous forest (Fig. 3), a continuation of the coastal forests of Washington and British Columbia. Sitka spruce is important in all the zones with western hemlock an important species as far west as Kenai and western red cedar as far north as Petersburg. These forests contain the bulk of the timber resource of Alaska. No permafrost occurs in this zone; however, it contains many glaciers because of heavy precipitation and low temperatures above altitude of 3000 to 4000 feet.[5]

Inland from this coastal zone, rainfall decreases rapidly, with Anchorage receiving about 15 inches a year. Temperatures are colder and the vegetation changes from predominantly conifers to birch, aspen, cottonwood, and white spruce. Figure 4 (omitted) shows a scene representative of this zone. The Matanuska and Susitna valleys are in this zone and offer potential agricultural lands because of milder average temperature and longer growing season. However, by comparison with other states, this climate is rigorous. Both intermittent and sporadic permafrost is present in this zone, forming a mosaic of frozen and unfrozen areas.[6]

The central plateau occupies that area of the interior between Alaska Range on the south to Brooks Range on the north. This is the zone of intense winter cold and summer warmth, and is the extension of the taiga forests of northern Canada. Precipitation is low for reasons given earlier; Fairbanks intermittent in this zone and is an important ecological factor that distinguishes this zone from anything similar in other states. There is some potential for agriculture in the Tanana Valley in this zone but short, dry growing seasons limit the kinds of crops that could be grown.

Brooks Range is the extension of the Rocky Mountain system that bends westward in Yukon Territory, to form a barrier between the interior lowlands and the Arctic slope.[6] This rugged range is treeless except for stunted willow and birch on the southern flanks. The Arctic slope is the true tundra which slopes from Brooks Range to the Arctic Ocean. Figure 6 (omitted) shows the flat, patterned ground typical of the tundra. Permafrost is continuous and deep. Climate is severe, although winter temperatures are not as low as in the interior plateau. Summers are cooler, giving a lower annual mean. Barrow has a summer mean temperature of about 4° to 5° C. Precipitation is about 5 inches a year, but because of the short summer and frozen subsoil, the entire region is a morass from June through August when the surface soil thaws and creates a shallow, perched water table. Vegetation consists primarily of prostrate willow, shrubs, and forbs; no upright trees grow in this zone.

SOCIOECONOMIC ENVIRONMENT

Since people and their activities are chiefly responsible for polluting natural environments, let us look at Alaska and speculate on future problems of water pollution control. Alaska's population of 1 July 1967 was estimated at 270,000, an increase of 25,000 over 1966. Traditionally, Alaska's population has been highly transient because its industrial and economic activity has been seasonal; however, this transciency is steadily declining as new industry develops in the state and improved construction methods are used. Alaska can conceivably support a much larger population; for example, Scandinavia supports a population of 15 million on less area at latitudes similar to Alaska's, although its climate more closely approximates that of coastal Alaska with less rain. As economic activity increases, population will increase, and a population of 400,000 to 900,000 by the year 2000 is forecast.[7]

Economically, Alaska has served as a source of raw materials which are removed and processed elsewhere. This condition will continue to some extent because of the high price of local processing: however, as the economy stabilizes, costs should come down, partly as the result of the recent introduction of efficient freight-handling techniques, such as containerization and hydrotrain. Competition will also influence the price structure as larger enterprises move to Alaska. Some economists feel that the state is near the economic "take-off" stage where industrial expansion generates its own prosperity.

Some industries associated with Alaska—such as gold mining and fur trapping—which were once important, are now minor. Others, like fishing, are still important; some like oil, are completely new to Alaska, and may prove to be all-important future industries. Tourism, although not new to Alaska, is expected to become one of the most important industries in the state. Oil production is the immediate stimulus to prosperity in Alaska which now ranks ninth in production, and predictions are for the state to climb to the nation's fourth largest oil producer in a few years.[8] Costs of exploration, production, and transportation are high; however, even in the face of these costs, the future for oil in Alaska is optimistic.

Lumbering should prove to be a stabilizing industry along the coastal forests, with 5.7 million acres of commercial timber,[9] now

Footnotes at end of article.

that a third pulp mill is scheduled to be built. Nearly all the national forest commercial timber is now scheduled for cutting under a sustained yield plan. Interior forest resources although never inventoried in detail, are estimated at 39 million acres of commercial timber and, once markets develop, will add to the total resource activity. Furs, once important, are no longer in demand as in the past; hence, this industry continues to be minor, although it is capable of large expansion if demands for furs increase.[10] Agriculture is unlikely ever to become important because of unfavorable climates and of Alaska's inability to compete with other areas of agricultural production. Gold mining flourished in recent years, but the cost-price structure has caused this industry to wither.[11] Mining for other metals is almost certain to increase in future years because deposits of many minerals are known and the geology is similar to that of adjacent Canada, where mining is a thriving industry.

Tourism and transportation are related, and both continue to expand with expansion of the road network to all major communities. Tourism is projected to increase and become an even more important industry because of the areas many scenic attractions. Freight rates compare favorably with those in other states, now that efficient handling methods, mentioned earlier, are in effect. The state ferry system has stimulated surface travel to Alaska and bids to compete with the Alaska Highway as a means of entry from Canada. The jet age has arrived in Alaska with regular air routes to Japan, Europe (over the pole), and Seattle; Alaska is strategically located for world air travel. The new superjets are optimistically predicted to transport a significant percentage of Alaskan freight now moving on the surface.

Traditionally, Alaska's salmon fishery was its foremost industry. Although this industry reached its peak several years ago, fishing will continue as an important industry in the state. Recent new conservation and fishery techniques, diversification of the industry to king crab, shrimp, and other shellfish, and modern processing methods will stimulate fishing as an industry.[12]

Alaska's water resources, like her petroleum reserves, are tremendous. A recent inventory of U.S. water resources [13] disclosed that runoff from Alaskan streams is about 650 million acre-feet (1 acre-foot is about 1235 cubic meters), approximately one-third that of the entire United States. If runoff from Canada into the Yukon River is included, the figure rises to about 800 million acre-feet. Alaskan marine waters are an additional resource because of the long tidal coastline and the vast continental shelf totaling 830,000 square miles.

Because Alaskan waters, fresh and marine, are pristine except for a limited number of local areas, and because water quality is increasingly recognized as one possible limiting factor to continue prosperity, serious thought is being given to preventing pollution in these waters. How to use the surplus freshwater resources of Alaska is a question often asked. Thirsty states of the "Lower 48" propose huge programs to import water from the north, but those who now control surplus water [14] oppose this. An alternative proposal is to develop water-using industries in Alaska adjacent to the water resource. Such action could use the water and at the same time disperse plant and prosperity by providing jobs and capital in areas where natural resources need developing. Regardless of the direction Alaska water resources use takes, the quality of this water must be such that it is usable without costly pretreatment.

Summarizing this discussion on the total environment brings out two principal points. Alaska's natural environment is harsh, with many serious problems to be overcome in the state's orderly development of resources and economic expansion; development and expansion are inevitable because Alaska has many natural resources in quantity that are or will be needed by our growing technological society. Although capable of supporting many more people as resources are developed, Alaska's rigorous natural environment will strongly influence population density and economic expansion.

LOCI OF POLLUTION TODAY

Although its waters are now dominantly pure, Alaska has several local pollution problems. By today's standards, no city in the state has an adequate municipal waste disposal system, and only a few have treatment of any kind. None of the major military bases has adequate treatment facilities. Dumping of raw wastes into the nearest water body is the rule; this results in some serious local pollution. Fairbanks runs the effluent from its primary treatment plant directly into the Chena River, and Fort Wainwright, immediately upstream does also. Pollution in this stream is evidenced by bacterial counts below Fairbanks that are 300,000 to 500,000 times those in the river above all sources of man's wastes.

Cook Inlet receives raw sewage from Anchorage and the Elmendorf Air Force Base. Fort Richardson's untreated wastes also end up in Cook Inlet by way of the Eagle River. All these wastes are to be treated by a treatment plant by 1972. The plan calls for primary treatment of wastes initially, with secondary treatment added at a later date as population increases. Raw sewage from Juneau is discharged directly into Gastineau Channel, a poorly circulating inlet. To date no health problem has developed, probably because the population is small. The discharge of raw sewage into any available water is common practice in coastal communities.

Kodiak Harbor has become so polluted from seafood cannery wastes that harbor waters can no longer be used in the live holding tanks. Water quality is so poor that crabs so held die and are wasted. This condition has developed to an acute state in the 10 to 12 years that the king crab industry has been in Kodiak.

Few of the many small military installations, Bureau of Indian Affairs schools, or other state or federal agency properties provide adequate waste treatment by today's standards. When small military installations were built throughout Alaska after World War II, waste disposal was a salient point in the overall plan. The tragic aspect of these plans was their complete reliance on criteria from temperate zones, with insufficient data and with little understanding of the environment in which they were to be applied. This lack of suitable design criteria for northern waste disposal has resulted in a large percentage of failure of waste disposal systems at many locations. Contributing to the failures were the lack of trained treatment plant operators and generally poor management and maintenance of installed systems.

Only the sparse population and the relatively low quantities of these raw wastes have kept the pollution problems from becoming acute and thus highly publicized. This is an example where knowledge is insufficient to deal with a problem that may well become paramount as Alaska develops and population pressures on the environment increase. Design criteria are simply not available—and this includes Scandinavia and Soviet Russia as well as Alaska—to build disposal systems that will function with assurance under the severe climatic conditions of northern latitudes. Only by research, to explore new methods of waste treatment and to improve or modify conventional systems, can satisfactory disposal systems be developed.

Industrial wastes are being recognized as potential pollution agents in Alaska. Two pulp mills now discharge their wastes into estuaries that were pristine 10 to 20 years ago. Recent surveys indicate that pollution products are accumulating; the diministed size and number of shellfish in the intertidal zones of these estuaries are attributed to the polluting agent and the lack of sufficient circulation in these marine water bodies. With a third pulp mill to be built somewhere in southeastern Alaska, it is possible that another estuary will suffer a similar fate.

Oil spills on the waters of Cook Inlet are common, as the petroleum industry enters the production stage. This estuary has some unique physical characteristics making it totally unlike any other water body in the United States. The tides in Cook Inlet are second in magnitude only to those in the Bay of Fundy. Currents during a tidal cycle commonly reach velocities of 8 knots; the upper end of the inlet carries a high silt load derived from glacial streams; in winter the ice becomes several feet thick. How Cook Inlet will react to extensive oil pollution is unknown because our documented knowledge is inadequate to predict the behavior of a cold-water, silt-laden estuary.

FUTURE POLLUTION PROBLEMS

If Alaska prospers as its people hope it will, its cities will assuredly grow, magnifying the volume of municipal wastes. This is being recognized by local governments which are planning disposal systems. Present plans call for all Alaska municipalities to have adequate sewage and waste treatment facilities in place by 1972. A recent inventory to establish the costs of pollution control in Alaska sets forth an estimate of $82 million just for the immediate needs with no reference to future projects.

In the past, great reliance was placed on dilution when raw sewage or the effluents from treatment plants were discharged to a stream. An unknown factor in such reliance is the uncertainty of the efficacy of planned conventional treatment systems in an arctic or subarctic environment. This rigorous environment imposes restrictions on conventional systems that can be overcome only with costly modification of the local environment under which the equipment must function. Moreover, water now unused and considered surplus may have an alternative important future use that is totally unpredictable under prevailing economics today. Another unknown associated with northern climates is the capacity of these cold waters to assimilate wastes. Continued reliance on dilution can result in dramatic failures because the accumulated effects are insidious; they build up with time and are triggered when a critical level is reached. Frequently, these failures are irreversible under the imposed conditions.

Industrial wastes are bound to increase with economic expansion. Ultimately effects of pulp mills on estuarine ecosystems are not known. In these waters in Alaska, temperatures seldom rise above 10° to 20°C, which retards biological and chemical reactions compared to the normal rate for warmer waters. Kodiak Harbor is an example of accelerated pollution because of thoughtlessness. Petroleum wastes will cause problems either because of accidents or irresponsible operations. Methods for the disposal of these wastes warrant intensive research to eliminate the problem before it grows bigger. Certain wastes, now exempt under Alaskan law, will surely assume increased importance, once industry expands as it is almost certain to do. How silt affects stream ecology, except in a general way, is also a subject that has hardly been studied. Dissolved oxygen in arctic streams is low because of ice cover during the winter months; [15] the addition of oxygen-demanding wastes may trigger irreversible reactions in the ecosystem which could interrupt the food chain and cause serious damage to desirable species of flora and fauna.

Timber harvesting is ancillary to pulp

Footnotes at end of article.

mills to supply the wood from which to make pulp. This industry frequently comes in for severe criticism from the fishery biologists because of opposing viewpoints on how logging affects the streams of a watershed. Stripping climatic forest from a watershed is indeed traumatic, but is it as disastrous to aquatic life as some biologists infer, if properly done? There must be a compromise position that will satisfy both interests if responsible parties will agree to look at the problem objectively and accept the facts from unbiased research. Much research needs to be done in this area, but enough information is at hand to justify certain controls that prevent stream degradation. The principal obstacle is unwillingness on the part of loggers to accept the premise that it is possible and desirable to log without ruining the watershed.[16]

FUTURE COURSE OF ACTION

Two courses of action must be implemented immediately. First, present knowledge must be used to treat and manage waste to prevent damage to the environment; and, second, necessary research must be instituted to acquire an understanding of ecosystem dynamics in the northland. Such an approach was supported in a colloquium at Washington, D.C., where a "National Policy for the Environment" was discussed.[17] Treating municipal wastes and using only approved logging practices are examples of the first action where much benefit will accrue. However, ultimate solutions must await research or engineering innovations for some problem areas. For example, in the Point Barrow area, the Navy and various other groups under contract for oil exploration have accumulated an estimated one-quarter of a million drums of human wastes because no feasible disposal method is available.[18] What is going to happen as oil development expands with its attendant problems in the tundra ecosystem? How to provide ground transportation in the tundra without destroying these tundra ecosystems, how to dispose of human and petroleum wastes in this environment, and how to prevent polluting the arctic waters when water is everywhere in summer—these are some of the problems that must receive attention if damage is to be avoided.

Research to gain additional knowledge of Alaskan waters off the continental shelf needs to be given momentum. Alaska's continental shelf area is estimated at 830,000 square miles and constitutes 74 percent of the total U.S. shelf.[19] The fisheries over the Alaskan continental shelves are incompletely understood. However, the consensus is that these fisheries have a tremendous potential for supplying seafood to a growing population. Mining the continental shelf for desirable metals will probably become important as research develops information to extract these metals from shelf areas. For these industries to develop without damaging the marine ecosystems, marine scientists must have research completed which will furnish guidelines to orderly development of these resources.

Total solution of these and other pollution problems is not at hand today, but the Washington, D.C., colloquium concurred on one need—to continue educating all persons involved to accept responsibility for preventing pollution and to develop incentives to make this desirable. When it can be shown that, in the long run, degradation of the environment costs more than preventive measures, potential polluters will more readily accept and initiate control measures. Regulations and water quality standards in themselves are insufficient to provide long-range results; there must be an honest desire on the part of the general population to prevent deterioration of man's environment. Once this is accomplished, policing becomes an insignificant facet of pollution control.

SUMMARY

Evidence indicates that Alaska is on the threshold of economic expansion. The magnitude of the expansion is unknown, but any expansion is certain to increase pollution pressures. Because Alaskan waters are, for the most part, still clean, a unique opportunity exists to apply a preventive program based on ecosystem dynamics, instead of the classical practice of cleanup after deterioration has set in. Research on the tundra and taiga ecosystems must be initiated to learn the dynamics of ecological response to man's quest for new resource development. Imaginative engineering innovations must be applied toward solving the immediate problems while awaiting research findings that accrue slowly over time. An accelerated, continuing education of industry and all others who are potential polluters must be initiated. All the research, engineering, standards, and regulations in the world will not prevent the ultimate destruction of our environment unless we all accept our responsibility to prevent this destruction. Pollution prevention will make great strides when we devise means, through economic analysis, to show that esthetics and society's acceptance of the costs of pollution control are imperative to man's survival, health, and happiness. Then we will no longer think in terms of how heavily we can load a stream with wastes, but how clean we can get it and how we can maintain it in this enhanced condition.

FOOTNOTES

[1] L. S. Rockefeller, *The Third Wave* (Conservation Yearbook No. 3, U.S. Government Printing Office, Washington, D.C., 1967).

[2] "Waste management and control," report by Committee on Pollution, National Academy of Sciences-National Research Council, to Federal Council for Science and Technology, *NAS–NRC Publ.* 1400 (1966), appendix 1, pp. 31–63.

[3] W. O. Pruitt, *Animals of the North* (Harper and Row, New York, 1967), pp. 1–5; 151–170.

[4] Personnel of Institute of Marine Sciences, University of Alaska (1968), private communication.

[5] C. Wahrhafig, "Physiographic divisions of Alaska," *U.S. Geol. Surv. Prof. Pap. No.* 482 (1965).

[6] O. J. Ferrians, Jr., compiler, "Permafrost maps of Alaska," *U.S. Geol. Surv. Misc. Geol. Inv, Map* 1–445 (1965).

[7] Population projections show wide ranges depending on the optimisms at the time of projection; present economic conditions justify an optimistic view.

[8] "Alaska's petroleum industry" (Inst. of Social, Economic and Government Research, University of Alaska, College, 1968).

[9] R. E. Haring and M. R. C. Massie, "A survey of the Alaska forest products industry," Res. Monogr. No. 8 (Inst. of Social, Economic and Government Research, University of Alaska, College, 1966).

[10] "The fur industry in Alaska" (Inst. of Social, Economic and Government Research, University of Alaska, College, 1966).

[11] "The gold mining industry in Alaska" (Inst. of Business, Economic and Government Research, University of Alaska, College, 1965).

[12] "Alaska fisheries industry" (Inst. of Social, Economic and Government Research, University of Alaska, College, 1965).

[13] "The nation's water resources," U.S. Water Resources Council (1968).

[14] An example of these in the Parson Engineering Plan, commonly known as NAWPA.

[15] During a prolonged cold spell in January 1969, dissolved oxygen dropped to 1.8 mg/liter [P. Frey, Alaska Water Laboratory, College (1969), personal communication].

[16] A. Calhoun and C. Seely, "Logging damage to California's streams in 1962," Island Fisheries Administration Rep. No. 63–2, Resources Agency of California (1963).

[17] A national policy for the environment, hearings before a joint House-Senate Committee, 90th Congress, 2nd Session, No. 8, 17 July 1968.

[18] A. J. Alter, Department of Health and Welfare, University of Alaska, College (1969), private communication.

[19] Personnel of Institute of Marine Sciences, University of Alaska, College (1968), private communication.

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## NATIONAL INDUSTRIES FOR THE BLIND SHOWS CONTINUED GROWTH; FEDERAL GOVERNMENT AIDS IN PROVIDING EMPLOYMENT FOR THE BLIND

Mr. RANDOLPH. Mr. President, thousands of blind Americans, people who once were ignored and shunted aside, are now productive citizens because of organizations like National Industries for the Blind.

Thanks to a coordinated effort by the Federal Government, NIB, and 79 workshops in 35 States, more than 5,000 blind men and women are earning wages turning out more than 300 high-quality products.

NIB was esablished in 1938 as an outgrowth of the Wagner-O'Day Act, which I voted for when a member of the U.S. House of Representatives in 1938. Its provisions offered the Federal Government as a market for products manufactured by the blind.

According to the annual report of the NIB, sales during the past year amounted to $49.2 million, of which 45 percent were made to the Federal Government. Employees of the affiliated shops earned an all-time high of $9.2 million for their labors.

One of the most significant developments in the history of NIB occurred last year when the Federal Government agreed to purchase all of its ball-point pens and refills from the organization. This single agreement amounts to 70 million units a year, resulting in sales of $3.3 million for NIB organizations.

National Industries for the Blind functions under the leadership of Jansen Noyes, Jr., chairman; and Thor W. Kolle, Jr., president. Its national operations are directed by Robert C. Goodpasture, executive vice president, whom it was my privilege to join this fall when we were speakers at a dinner in Morgantown, W. Va., recognizing community efforts to improve employment opportunities for the handicapped.

I am gratified that NIB, whose affiliated organizations represent 95 percent of the productive capacity of all workshops for the blind, is prospering under the leadership of such men.

This coordinating organization is providing another vital service to help the blind overcome their handicap and be useful members of their communities.

I have long held a concern for the welfare of the blind and believe that if given opportunities, free of prejudice and misconception, they can stand on their own feet. To further improve the chances for the blind, I have this year introduced a bill to amend and update the Randolph-Sheppard Act, which I helped to write 33 years ago as a member of the House of Representatives. It is under this program that the familiar vending stands with over 3,300 blind operators in public and private buildings are made possible, and I believe the improvements are needed during this Congress.

The National Industries for the Blind and its affiliated workshops are providing an important humanitarian service. I hope that their number will grow and that the sightless people they serve will continue to prosper in the years ahead.

## SENATOR MURPHY STRONGLY URGES ADDITIONAL FUNDS FOR DROPOUT AND BILINGUAL PROGRAMS

Mr. MURPHY. Mr. President, in my statement before the Senate Appropriations Committee, I urged the funding of the dropout prevention program at the $24 million level and full funding of the bilingual program.

I was the author of the dropout prevention program and a cosponsor of the bilingual program. I think they are two of the most promising education programs that we have in the country.

I do hope that Senators will read my testimony and that they will agree with me that the additional funding that I recommended is fully justified.

Mr. President, I ask unanimous consent that my testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY BY SENATOR MURPHY

Mr. Chairman. First, I want to thank the Subcommittee for giving me this opportunity to testify again this year. I want to discuss and strongly urge increased funding for the Dropout Prevention and the Bilingual programs. I believe that these two programs will prove themselves to be among the most significant, far-reaching, and wise investments that this nation has ever made.

Last year, when the House failed to provide a single cent for either program, I testified before this Subcommittee making a personal plea that the "shortsighted" action of the other body be reversed. The Committee, realizing both the magnitude of the problems and the merits of these two programs, responded, and in the HEW Appropriations measure passed by the Senate last year included $20 million for the Dropout Prevention program and $10 million for the Bilingual program. We were able to retain only $7.5 million for the Bilingual program and $5 million for the Dropout Prevention program in conference with the House.

This year, the House has come around somewhat and in the Labor/HEW Appropriations bill passed by the House, $10 million was provided for the Bilingual program and $5 million for the Dropout Prevention program. Given the size and seriousness of the problems to which these two programs are addressed, the sums provided by the House are clearly inadequate.

I am fully aware of the fiscal problems that we are facing, but nevertheless I believe that we must increase the funding of these two programs. I strongly urge $24 million for the Dropout Prevention program, which is the same figure recommended by both President Johnson and President Nixon in this year's budget. For the Bilingual program, I strongly recommend full funding—$40 million—which is in excess of the budget of $10 million, but which is fully justified.

Mr. Chairman, I authored the Dropout Prevention program, which was added to the Elementary and Secondary Education Amendments of 1967. The program is aimed at preventing and reducing dropouts. It was drafted in consultation with some of the nation's leading educators, including Dr. James Conant. Members will recall that Dr. Conant warned the nation in 1961 that "social dynamite" was accumulating in our cities. The accuracy of his warning is now history. Much of this "social dynamite" results from those who drop out of school and who are out of work. At one time the dropout posed no problem since those leaving school were able to find jobs in agriculture and industry demanding frequently little or minimum skill or education requirements. The knowledge explosion and the technological advances in the country have dramatically altered our national picture. That is why it is so alarming that approximately one million students are dropping out of school each year. In our nation's fifteen largest cities, the dropout rate varies from a high of 46.6 per cent to a low of 21.4 per cent. As high as these percentages are, they are for the entire city district. To really comprehend the seriousness of the problem, it is necessary to focus on the poverty-area schools within these cities. In these poverty-area schools, seventy per cent drop out.

Mr. Chairman, it is these statistics and these schools which prompted me to author the Dropout Prevention program. It is these statistics and these schools which prompted me to label the dropout problem as the Achilles' heel of our educational system. It is these statistics and these schools which compel me to urge the Congress to substantially increase the funding of the Dropout Prevention program.

Mr. Chairman, the Dropout Prevention program is based on the premise that answers have not as yet been found which will make dramatic changes in the poverty-area schools. The program provides maximum freedom and flexibility at the local level for experimentation. Under the program local and state educational agencies submit innovative proposals which zero resources on a particular school or on a particular classroom in an effort to have a major impact on the dropout problem. Eligible schools must be located in urban or rural areas having a high percentage of children from low-income families and a high percentage of children who drop out of school. The local educational agency, in addition to securing the approval of the state educational agency, is required to identify the dropout problem, analyze the reasons the students are leaving school, and tailor programs designed to prevent or reduce dropouts. Furthermore, the most significant, the program requires objective evaluation.

Mr. Chairman, the Dropout Prevention program is a no-nonsense approach to education. Dropout prevention projects must spell out clearly their objectives. Having stated their objectives, they will be held accountable for achieving them. Most importantly, and I believe this is a first for the Office of Education, an educational audit will be done on each dropout prevention project. This educational audit will seek to determine, in terms of student learning, what the taxpayer is getting for his tax dollar. This educational audit will be done by an independent organization outside of the project and will attempt to verify the project's performance. This is in addition to intensive in-house evaluations that will be done on the Dropout Prevention program.

In the National Education Journal of December 1966, the following statement appeared with respect to educational change and reform: "One often gets the eerie impression of huge clouds of educational reform drifting back and forth from coast to coast and only occasionally touching down to blanket an actual educational institution."

The Dropout Prevention program is causing educational waves. The Dropout program is "touching" actual educational institutions. The Dropout Prevention program will produce change, will bring about reform that will not only touch the particular educational system involved but also educational programs throughout the country. Although dropout projects are now underway, I would like to discuss two of them so that the Committee might judge their significance and the momentum of their educational waves for improvement in our educational programs.

The project perhaps that has generated the most national interest is the Texarkana one. In this program, the school districts of Texarkana, a Texas and Arkansas border community, have called on private industry in an effort to raise basic levels of potential dropouts. The school system has entered into what is called a performance contract with a private corporation to bring potential dropouts up to grade level in academic performance. As the name of the contract implies, the companies must perform or they do not get paid. In addition to this phase of the project, the Texarkana project is experimenting with a system of rewards and incentives for students. For example, successful students will receive coupons redeemable for merchandise and students who successfully complete two grade levels of achievement will receive transistor radios.

Another exciting project, Project STAY, in St. Louis, Missouri, places great emphasis on the work-study approach. St. Louis found that a desire to work and earn money and a lack of interest in or dissatisfaction with the school and the curriculum were among the major reasons for dropouts. In its attack, the community and the real world have been made part of the curriculum. Industry has warmly responded by providing positions wherein skills may be acquired, where the relevance of the classroom can be both seen and tested by the student and the system.

Some of the approaches are very unconventional, Mr. Chairman. For example, twenty students have been assigned to the McGraw-Hill Publishing Company where they will receive training in various job areas within the plant, including the operation and production of machinery used in the printing business. A teacher will accompany the students. This is rather unique because they will receive both academic instruction and job training here. For these students McGraw-Hill will be their school, home and their work assignment. This meant that the State Department of Education of Missouri had to relax somewhat their course requirements to permit this experiment. This they did.

The school system also has leased a Sinclair Oil service station. At this station, students will receive on-the-job training leading to such jobs as mechanics, service station management, and even to service station ownership. The Sinclair Company has provided a trailer which will be located at the gas station for conducting demonstrations of functions of the service station business.

In addition, the City of St. Louis has purchased an apartment building with local funds and 64 students—32 in the morning and the other half in the afternoon—will learn skills useful in construction work under the supervision of industrial arts teachers. After the apartment is rehabilitated, it will be returned to the City of St. Louis, which will then use the building to help solve some of the housing needs of the city. This may have potential both for skill acquisition and city rehabilitation. The union and real estate interest has responded well to this educational pioneering.

The interest and potential of the program, Mr. Chairman, can be seen by the fact that over a thousand requests from local educational agencies to submit preliminary Dropout Prevention programs has been received by the Office of Education. To fund all of these programs would take over $700 million. Of course, I am not recommending the funding of all of them. The Dropout Prevention program was not intended to take care of all the dropouts. Rather, its intent was to identify and attack some of the worst situations in the country by establishing highly visible demonstration projects that are large enough to have a significant impact, while at the

same time enough in number to be carefully monitored and evaluated so that, insofar as possible, success could be assured. Thereafter, it was hoped that the success of the program would be duplicated in other sections of the country. This educational R & D effort, the Dropout Prevention project, then are live local educational laboratories whose work has both great national interest and implications in solving one of the most persistent problems in American education.

Mr. Chairman, in my testimony before this Committee last year, I cited the growing realization of the relationship of education and income. I cited a study by Dr. Harold Kastner, a consultant for the Florida State Office of Education which divided individuals based on the 1960 census into levels of educational achievement as follows: Less than 8 years, 8 years, 1 to 3 years of high school, and 4 years of college. Dr. Kastner then projected the aggregate income gain if the individual had been able to complete the next income level. If those who had not completed the eighth grade and had been able to do so, and if those who had completed the eighth grade had been able to complete 1 to 3 years of high school, the national income would have increased annually by 6.5 per cent. A 6.5 per cent increase would have added $50 billion to our national wealth. These calculations help convey the monetry costs to society.

In addition to the earning loss to individuals and tax losses to the country, the dropout reappears in our crime statistics, on our juvenile delinquency rolls, in our corrective and penal institutions, and on our welfare rolls.

The investment of $24 million in this program with its great promise and potential is thus a small amount of money compared to the total money costs and waste of human potential. I am convinced that an investment of $24 million might save society billions of dollars in keeping dropouts from being a burden—or as the crime statistics indicate, even a menace—to our society.

Now, Mr. Chairman, I would like to turn to a second program that is so important to California and the Southwestern states, the Bilingual Program.

I cosponsored the Bilingual Education Act which was added to the Elementary and Secondary Education Act of 1967. Congress should be particularly proud of this program, for it is an excellent example of Congressional initiative. The bilingual program, the Committee will recall, was enacted over the opposition of the executive branch in 1967.

There are over five million Mexican-Americans in the United States located primarily in the southwestern states. My state is proud of the fact that more Mexican-Americans, 1.5 million as a matter of fact, live in California than in any other state. The Mexican-American, the nation's second largest minority group, faced the same problems of poverty and discrimination as other minority groups; but in addition they have a language handicap. For the typical Mexican-American child grows up in a home where the parents speak little or no English. Naturally, the language spoken in the home, Spanish, becomes the child's language. This Mexican-American child, often from a low income family, then enters school and runs into the language barrier.

Senators, for a minute, imagine what it would be like if you or your youngster were to enter the first year of school where the language of instruction was different from the one you used and spoke at home. You would not only have to master a new language but also master a subject matter in the new language. Would it come as a surprise if you became frustrated and fell behind, discouraged and dropped out? The answer to this question helps to explain the education deficiencies of Spanish-speaking children and others whose dominant language is other than English.

The education statistics for the Mexican-American are to put it mildly, shocking. They show:

1. That one million of the 1.6 million Mexican-American children entering the first grade in the five Southwestern states will drop out before they reach the eighth grade.

2. In my state 50 percent of the Mexican-American youngsters drop out by the eighth grade.

3. That by the time Spanish-speaking youngsters have reached the third grade over 89 percent of them have repeated one or more grades.

4. That the average number of years of school completed for individuals with Spanish surnames is 7.14, for non-whites, 9, and 12.14 whites. Significantly, over the past 30 years, while the education gap between whites and blacks has been closing, the education gap between the Mexican-American with respect to both blacks and whites has increased.

5. That in my state, Spanish surname students comprise 14 percent of California's school age population but less than one-half of one percent of the students at the University of California's seven campuses are Mexican-Americans.

6. That Mexican-Americans account for more than 40 percent of the students classified by school districts as "educable retarded".

These facts, as the statistics so dramatically illustrate, show that the schools have not been communicating with Spanish-speaking youngsters. No communication—no learning! It is as simple as that.

Let me go back for a moment to the last statistic I cited. A study done this year for the California State Department of Education showed that Mexican-American youngsters, labeled by the school system as "educable retarded" made remarkable increases in I.Q. test scores when such tests were administered in Spanish. This study, which I understand was the first of its kind in the nation, saw some childrens' I.Q. increased by 28 points with the average climbing 13 points. These 13-point average increases incidentally, would have placed these youngsters above the mentally retarded level. Children below this level in my state are placed in special classes whereas above the level, they are part of the regular classes.

One wonders how many of the Mexican-Americans who make up the 40 percent of the educationally handicapped in California would be in regular classes had the test been administered in Spanish? And, how many of the large number of Mexican-American dropouts could be prevented if we substantially increased the funding of the Bilingual Education Program. I believe many, and that's why I have been such a strong advocate of this program.

The Bilingual Education Act is a commitment to reverse these statistics, to provide a solution to the education problems of Spanish-speaking children who in fact do not have an equal opportunity, an equal chance because of their inability to speak English.

Since the first project under the bilingual education program was not funded until May of this year, we naturally, do not have objective evaluations from these projects. There has, however, been studies of what happens when we force learning in a language that is unfamiliar to the youngster as well as evidence from bilingual programs started prior to the federal Bilingual Education Act.

First, it is interesting to note that Russia seems to have a more enlightened policy in its approach to this problem than we do. Fifty percent of the Russian population have a mother tongue other than Russian. Russia in 1938 reversed its former policy of insisting that instruction be in Russian and permitted instruction in language other than Russian. As a result, a great increase in both literacy and the use of the Russian language occurred. Experimental programs in such countries as Sweden, Mexico and the Philippines indicate similar results. In the Philippine ILOILO experiment begun in 1948, experimental groups were taught reading, math and social studies in their local language in the first and second grades. At the third year, they were switched to instruction in English. Within six weeks, the performance of the experimental group in all subjects tested, including English, exceeded a control group who were instructed only in English beginning in the first grade.

Last year, I made reference to the Puerto Rican experience where, in effect, the United States attempted to impose the English language, sometime to the exclusion, sometime along with the mother tongue of Spanish. Columbia University researchers gave tests to some 69,000 youngsters to make a comparison between those who had been instructed in English, which was foreign to them, and those who learned through Spanish. They then compared both group scores with youngsters from the United States. They found that Puerto Ricans taught in English were markedly retarded. Those, however, taught in Spanish, not only equalled but exceeded U.S. students on the Mainland. Columbia University researchers attributed this astonishing result to the fact that the "facility with which Spanish is learned makes possible the early introduction of content into the primary curriculum".

Mr. Bruce Gaardner, former chief of the Modern Language Section, Office of Education, told the Bilingual Education Committee in 1967 "now, this has extraordinary implications. What they are saying is that because the authoritarian academicians over the years, over the centuries, always adjusted the writing system of Spanish to make it correspond to the spoken language, there is a very close match between the Spanish writing and Spanish sound. We did not do it in English. We could have, but we did not. They did it in Spanish. They did it in Spain. Therefore, there are no reading problems, as we know them in Spanish-speaking countries. The extraordinary implication is that if the Spanish-speaking children of our nation were allowed to use Spanish as one of the mediums of instruction along with English, not only would their handicapped bilingualism disappear, but there is a strong likelihood that they would have a decided advantage over their English-speaking schoolmates simply because Spanish is an easier language to work with in the elementary schools."

The Indian Education Subcommittee on which I serve came across some interesting facts that are instructive along these lines. In the 1800's, prior to the Federal Government taking control of the Cherokee affairs, the Cherokee Indians, using their native language, and bilingual materials, were able to achieve a literacy rate of 90 percent which, incidentally, was a higher literacy rate than the white population of Texas and Arkansas. Today, following the Federal Government's taking over, the picture is bleak as 40 percent of the Cherokees are functionally illiterate and their school dropout rates in public schools are as high as 75 percent.

In my State of California, I examined a report of the Marysville, California School District after the second year of an experimental bilingual program. The report said: "analysis of the data tend to support the hypothesis that Spanish-speaking pupils are better able to learn where they use their native language and have systematic instruction in English as a second language".

Mr. Chairman, these, then, are the limited objective data that are available. I am proud to say that the Bilingual Program, like the Dropout Program, holds schools accountable for results. Spanish-speaking youngsters in the Bilingual Program must do as well as Anglos in the fundamentals while they are learning English as a second language. It is my understanding, based on discussions with Dr. Leon Lessinger that we will have at the

end of this fiscal year some of the hard objective data that the Appropriations Committee naturally is very interested in. However, there is substantial subjective evidence that the bilingual approach is working. I have talked to many teachers, to students, and to parents and the reports that I have received indicate that the pupils are doing better, are happier, have more confidence and are more willing to participate in their class where their language and heritage is an integral part of the school.

Mr. Chairman, I asked my staff, in cooperation with Dr. Eugene Gonzales, of the California State Department of Education, to contact some of the bilingual project directors in California and share their up-to-the-minute thoughts with respect to the Bilingual Program. I ask unanimous consent that this be made part of the record at the conclusion of my testimony. (See exhibit 1.)

So, Mr. Chairman, insofar as the second largest minority group in this country, the Mexican-Americans, we seem to have the educational breakthrough that we all are looking for. The Bilingual Education Program offers the hope, based both on limited objective evidence available, and considerably more subjective evidence of remedying the sad educational statistics that I cited earlier. With the means at hand, we are doing so little.

Furthermore, we should be supporting the Bilingual Program not only because of its great potential of eliminating a national liability, but also because bilingual should be regarded as a national treasure, one that should be developed for both a better America and a better world. Modern means of transportation are, in effect, shrinking the distance between nations and the world's peoples. We can expect in the 1970's travel between peoples of the world unparalleled in the history of mankind. Bilingual Americans are and will become even more a great national asset. Rather than allow such an asset to waste it should be developed to its fullest potential.

My city of Los Angeles, where the largest concentration of Mexican-Americans in the nation is found, was not funded under the Bilingual Education Act despite the obvious critical need. Applications from California alone exceeded the national appropriation for the Bilingual Program last year. In total, 315 applications from 40 states added up to $41 million was received by the Office of Education for Fiscal Year 1969. It is estimated that for this fiscal year that between 500–600 applications will be received.

The Senate should once again seize the initiative and substantially increase the funds available to the Bilingual Education Program. Although I believe that the program should be fully funded at the $40 million figure in view of the magnitude of the problems, and of the program's potential; if the Committee is unable to do that, I believe the bare minimum, even given the real fiscal problems that we face, we should provide this year is $30 million.

In conclusion, I would ask unanimous consent that a floor statement I made on October 13th on my amendment No. 231 to H.R. 13111, providing an additional $20 million for the development of personnel in vocational-technical education be printed in the record. (See exhibit 2.)

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EXHIBIT 1

RESPONSE OF PROJECT DIRECTORS IN ANSWER TO TELEPHONE QUESTION CONCERNING ITEMS THAT COME TO MIND AS A RESULT OF THE BILINGUAL PROGRAM

BARSTOW

Mr. CHAVEZ. There is a need for more in-service training for both teachers and aides; the co-mingling of attitudes so we could have a cohesive program; an awareness on the part of the teachers to problems which were otherwise hidden from them. Learning as a cognitive process is the same in Spanish as in English. This is what we would primarily be interested in.

BRENTWOOD

Mr. YAÑEZ. Actually the parents have been coming to the school. We had an open house with almost 90% turn-out. Mexican-American people who had decided to come to school have been coming to our dinners. A Mexican lady said, "We are glad you are here because we have somebody with whom to communicate." Before she had never attended any meeting. The parents are more relaxed about the fear their children will come to school and not be understood. More of the children are coming to school with smiles rather than grim looks. Our project had a page spread in the Brentwood newspaper. I feel it is a tremendous program; I had been in the classroom for fourteen years and feel this is the right direction to go, especially when you have a 40% Mexican-American enrollment in your schools. We are setting up a barbecue; we had a breakfast and open house; I spoke to the Lions Club. (Not Title VII but the Brentwood program is to be part of a movie. Officials in Washington phoned and asked if they would be in the movie. They are not telling the story of Title VII but they want to show how we teach the Spanish-speaking in America and how we treat the Spanish in Brentwood.)

The children were timid at first. It is a good feeling trying to get the people involved and it has affected the attitude of the parents and children. The parents feel now that the children might finish school and amount to something. The program has made a tremendous impact in Brentwood and I am trying to let the people know what is happening.

CALEXICO

Mr. LOPEZ. 1. We are trying to set up a truly bilingual situation. This is very difficult because we do not have any ESL two-language level proficiency. In our program we have one-third English speaking, one-third bilingual with greater proficiency in English, and one-third Spanish speaking. That is the makeup of the class and we have one teacher and one aide. The teacher has given instruction to each level but as far as language is concerned there are no materials available so we are in the process of developing a curriculum. We want to make certain the children are keeping abreast.

2. We need help in the writing of curriculum because teachers do not have the expertise to write curriculum. . . . We pursue the challenge; there is a Spanish speaking need. Before the Spanish-speaking students were put aside where we would teach them English. Now we put them all together in the classroom with English speaking students and it creates a challenge to the classroom teachers simply because of the different levels of language proficiencies in English and Spanish. Another problem is to find people who can find the time to evaluate. There are a lot of proposals so it is difficult to spend the time that is required. We do have the evaluators at least two days of the week for the rest of the year because the evaluator has to be involved in classroom development.

Through this particular type of program we have actually developed a greater cooperation or socialization with all three different levels of the speaking groups. Previously the three distinct groups would segregate themselves, now they all socialize together. We do need some more time for the development of curriculum. All of the curriculum development should be put together in one little soup kettle and should be used by all. Teachers developing materials are basically pack rats, they don't like to share discoveries.

CHULA VISTA

Mr. JUAREZ. I notice a growing awareness on the part of school personnel and community people about the needs of the youngsters this program is intended to reach. This is perhaps the most hopeful thing.

Secondly, since we have been reviewed in the South Bay area we have found that the existing resources are very numerous and it is tapping the youthful environment. There is an awareness and uniqueness to the bilingual and bicultural environment that exists here. The inter-district plan has permitted the people involved to begin to communicate about areas of community concern and teachers have met in teacher sessions. We have been able to have dialogue between elementary, junior high school and high school teachers for the kind of instructional program that is needed in a bilingual program.

One of the things that holds much promise is a growing cooperation on the part of the school and home as it relates to the learner that we are going to reach. This will develop into a positive thing that has come out of the program so that the school and the home will both be communicating and both be promoting the instructional growth of the student.

COMPTON

Mr. GOODMAN. 1. We have had a tremendous community response; children who have never responded before in the classroom are now bubbling. Parents and aides have noticed children beginning to talk, in fact you can't shut them up. By using the language of communication we have actually opened up the youngsters. The children now respond in a normal classroom as regular normal children when Spanish is used as a language. This has been noticed by teachers, aides, and parents. We thought of taking one child to the principal, but realized that he was simply overly enthusiastic; the children are communicating.

2. Teachers who formerly had these youngsters have remarked they didn't know the children could respond. The children are happy; attending school regularly; learning their ABC's in Spanish, and learning them quickly. We have had a tremendous success with the program. These observations come from teachers other than bilingual teachers; they come from bilingual aides who worked with the youngsters in a regular classroom state; this became notable the third day of the program. We notice these factors becoming very distinct.

The children in the bilingual program respond; they respond in Spanish. They have been characterized as being silent in the English classroom but they are not that way in the Spanish classroom; they communicate and interact; they do not feel stereotyped. This is established by bilingual teachers, aides and other teachers. The children appear to be learning at a faster rate in Spanish since we are teaching the basic subject matter in their language. They surprise us; they pick up their numbers faster in Spanish. Some of the materials have stimulated them. English is taught as a second language. It appears that as we give the instruction in Spanish, the transference into English is extremely easy. They pick it up easily. I have worked before under ESL and it was very difficult because you were not working with the Spanish language. . . . The struggle we had when we worked only with English is gone. We use ESL techniques but both teachers have remarked that the youngsters pick up English so quickly. We did not expect this influence upon the other language to be so quick. The children are aware that they live in an English speaking country. They continue to ask in Spanish how to say the same thing in English and we discover that once they have a little word in Spanish, the English word slips right in. We think the program has been very successful so far. The teachers are thrilled with it. There is so much to be done that the program development has slightly overwhelmed us; we unlocked a reservoir; we have touched a linguistic resource. We have Spanish speaking parents

born in Compton who say they wish they had this opportunity. It is too early to measure but we are developing measurement devices; we can only tell of what we have seen. This information comes from other than classroom teachers. The bilingual teachers are amazed; they had no idea how vibrant and alive, very active these children could be—just normal Ameriacn youngsters. The overwhelming factor is that they are so happy; very happy. It appears the home is quite happy. The parents decided. The program has its problems. Our concept in Compton is to develop original curriculum material as it pertains to the child. It is original; because of my background we actually develop our lesson from originality. The material that I was able to get are Spanish language books developed for children who speak Spanish and live in a Spanish speaking environment. We do not use dual English-Spanish books. The youngster will be taught to read and write. In the English classes they will be taught from English language materials that we use in our own schools. We will not use translated materials. We will use only foreign language materials that have been successfully used in Mexico and Latin America. The curriculum material will be original and designed for Spanish speaking children who live in the United States. It is really bilingual. Both of our project teachers are teaching Spanish daily in our high school. Teachers in the school have asked to borrow our materials already to help the youngster who is not in our program.

EL MONTE

Mr. RODRIQUEZ. My immediate reaction is something that one of the parents said the other day. This parent is of Mexican ancestry but speaks nothing but English at home. Without realizing the child was growing up without hearing Spanish. After being in his class for a few weeks the child goes home speaking Spanish and wants to speak nothing but Spanish. The first thing she learned was how to greet her grandfather in Spanish. They were thrilled. (I actually talked to the mother in the sentences preceding this—she was in Mr. Rodriquez's office and was so pleased with her little girl's progress, Bernice.)

When we spoke to parents while we were organizing the class we interviewed maybe all thirty of the parents of the children in our class and half of the other class. Not one parent objected to the program; they all wanted their child in it. We haven't run across one who has held back; there is no negativism. The children go around singing Spanish songs they learn in class. We have a parents' meeting every Wednesday from 1:30 to 2:30. The teachers follow through on some of the lessons for the week and carry it on to the parents. A child brought home a painting and the parent scolded her so the teachers carried on a painting class. They indicated that you should praise everything a child brings home. We discussed the program; we had a finger painting exercise so the lesson was reinforced. We have to encourage, not discourage. We ask them to discuss—tell me about it. We will bring the child out and have him become expressive.

We decided to put out a little newspaper every two weeks. (The lady in the office to whom I spoke—Bernice) has a daughter who is a high school senior who is quite artistic who is going to draw a cartoon for the newspaper. We plan to send the people at home stories of what is going on in class in both languages.

Have you heard of TV Education Channel 28 Ahora/Today. What is being done with the Mexican American today will have a little program on the bilingual program.

FRESNO COUNTY

Mrs. JOWETT. 1. At the present time it would appear to us that the instructional materials that we are using indicate that progress is being made with the children that is either equal to or above what would ordinarily have been expected and was evidenced in previous years. We have only been in the program a month.

2. We are finding that the majority of the children involved in the program seem to be able to work with a greater degree of independence than we noted before.

3. The interest in the second language or learning Spanish is high and the response on the part of the Mexican American children, although they are not necessarily proficient in Spanish, is very good. The Anglo children have also evidenced interest in learning another language although we have not been in this phase of the program long enough to form any kind of definite opinion, it appears that the Anglo children are responding in much the same manner as the Mexican American children who are not proficient in Spanish. We are beginning to see more interest on the part of the community as we have had an opoprtunity to meet with community representatives.

GONZALES

Mr. LICANO. The most important item—the kds are really responding to the program. We had a similar program without Title VII but it wasn't as organized as this one and the kids are really responding and doing very well up to this point. It wouldn't be possible without funds to provide the materials and personnel for the program.

HEALDSBURG

Mr. KATELEY. 1. This is meeting one of the needs that we have had in California in districts that have had a high percentage of Mexican-American children.

2. Being new we don't know how well it will work. The funding level doesn't seem nearly enough to do the job envisioned but it is a job that is really a priority item to attack.

LA PUENTE

Mr. KEOHANE. The information was given by Mr. Clonts, Assistant Superintendent, because of Mr. Keohane's illness.

1. We have employed thirty bilingual parents who are providing instruction to some 900 students since September 1.

2. More Spanish culture is being taught in the primary grades as a result of this project.

3. More of the Mexican-American parents are inter-acting with the principals and teachers in the schools through parent conferences and coming to hear about the bilingual program.

Our project has several objectives; to speak Spanish and English; and to get the school and the Mexican-American community to act together. We have been able to do this by taking these thirty parents, have people come to them and have them go into homes. Shortly we are starting the third phase in which Mexican high school students will be tutoring in homes in the evenings and after school. With this increased emphasis on the bilingual project and people pushing the Mexican culture as part of the study we have been buying more materials relating to the Mexican-American culture. We discuss the textbooks with parents and students. One is *Mexican-American—Past, President and Future* by Julian Nava. These kinds of materials are used more in the classroom as a result of this program. Also ESL material is being used.

One of the good things about the program is the fact that good evaluation techniques are built into it so that at the end of a year, or five years, we will know whether we accomplished what we set out to do.

LOS NIETOS

Mr. GRIJALVA. An item that immediately comes to mind is the number of mothers and aides that we have involved in our program; also, the number of volunteers has been exceptional. We have people from Whittier, from the U.C.L.A. Nursing corps, people from the Child Guidance Center and a child guidance off-campus group from one of the high schools has affiliated itself with us. We have seven volunteer parents involved in the program. Our professional evaluator has tested the program. The reaction has been tremendous. A lot of bright-eyed, bushy-tailed children are being encouraged at just the right age.

This will show up in evaluation in the future. I have been tremendously impressed with the volunteer program. We have the list documented with signatures and the hours and the reports are filed with Head Start.

UKIAH

Mr. DE LA PENA. There has been a lot more concern expressed for the Mexican-American child and the Indian child. We have had teachers call us about a certain child and our office has been sort of a place where teachers having problems with the Mexican children have been calling to see what is going on. We are now in the planning stage; we can't actually do anything yet. My reaction is that there is considerably more interest in the Mexican American child and the problems of the Indian child. It seems that all of a sudden the Mexican-American child and the Indian child exist; before they were a non-entity.

SAN FRANCISCO

Mr. CHEW. The project is going very well in terms of the objectives of the original program, to help 25 Chinese children. The kids are learning English and they have nowhere to go but up because they all started with zero. We have 25 first graders who have all been here less than two years in a self-contained class. We use English and Chinese to teach. We begin with conversational English to help students with their understanding like stating in English to get in line, close the door, etc., by constant repetition using sentences and commands with the action. The products are the children themselves; they are even able on their own to say please give me a pencil, etc. We work on their vocabulary and sentence structure. We don't teach grammar as a subject, we hope they will learn grammar by constant usage of English. We have arranged some trips to schools and other places so they will learn about the needy communities, etc. Most are students from the Chinese Ghetto in Chinatown. We try to open their vistas. In addition to the audio-language English the children do have a regular schedule which will cover other subject matters such as music, reading, writing, spelling, math and social studies.

FRESNO CITY

Mr. ALLISON. My understanding was that Senator Murphy wanted a "grass roots" reaction on the impact so far of Title VII. So far, as happens in any new program, we are working out the bugs and annoyances that come with implementing a new program such as we are putting into Winchell School. To date the best and most encouraging reaction has been the reaction of the parents of the childern in the program in last week's "Back to School" night. There was a good deal of favorable comment among the parents of the children in the four classes. In fact the effect upon the four Title VII teachers was, according to Principal Bill Hansen, to reassure them that what they were doing was producing positive results and attitudes in the community. The teachers had felt somewhat insecure because of the profound change in the curriculum of the bilingual program. Special pleasure was expressed by some Mexican-American parents that their language and cultural background was being emphasized. One parent, obliged to move to another area of Fresno, was asking how he could get an inter-district transfer so that his child could continue in the bilingual program. This is a tentative and subjective impression but we were very pleased with this reaction among the parents.

EXHIBIT 2

STATEMENT OF SENATOR GEORGE MURPHY, REPUBLICAN, OF CALIFORNIA, ON INTRODUCTION OF AN AMENDMET TO LABOR-HEW APPROPRIATIONS BILL PROVIDING ADDITIONAL FUNDS FOR DEVELOPMENT OF PERSONNEL IN VOCATIONAL EDUCATION

Mr. President. I rise today to offer an amendment to H.R. 13111, a bill making appropriations for the Departments of Labor-Health, Education, and Welfare for fiscal year 1970. My amendment is very simple. It will have the effect of increasing by $20 million the total amount of funds made available for Parts C, D, and F of the Education Professions Development Act, with the additional $20 million earmarked for the development of personnel in vocational-technical education. Currently the U.S. Office of Education has indicated an intention to spend only $5,750,000 for training vocational education personnel. There is ample evidence that this sum is totally inadequate, and my amendment proposes to earmark the additional funds so that our educational system can begin to attract new personnel to the field of vocational-technical education, and in order that existing vocational personnel might be upgraded and retrained.

Mr. President, my colleagues in the Senate who are concerned about the problems posed by increased inflation may question my introduction of this amendment. I share their concern and I must admit that I have been hesitant about supporting increased spending at this time. I am, however, persuaded that there is an overwhelming and critical need for additional training funds to meet the personnel needs in vocational and technical education. These needs are especially severe in my own state of California.

I introduce my amendment at this time in order to bring this matter to the immediate attention of my colleagues. The Senate Labor-HEW Appropriations Subcommittee, so ably chaired by the distinguished Senator from Washington, Mr. Magnuson, will begin hearings on H.R. 1311 this month. In the interim, however, I hope that the other members of the Senate will investigate the training needs for vocational-technical personnel in their own states and will come to the support of my amendment.

There is no lack of facts to substantiate the need for increased and improved vocational technical education programs throughout the country. These facts have been presented to Congress before, and they clearly and persuasively indicate that education in the United States does not meet the needs of the majority of American youth. For example:

80% of American youth in 1966 dropped out of school before graduation from college, but less than 20% had acquired skills with which to enter the job market.

60% of the students attending high school left to enter the world of work rather than going on to college, yet less than one in four was enrolled in a vocational education program while in high school.

In light of these facts our national educational priorities have been incorrectly set:

14 federal dollars were invested in universities in 1966 (proportionately more in subsequent years) for every one dollar invested in vocational education programs.

4 federal dollars were invested in remedial training programs during that same year for every one dollar invested in preventive vocational education programs.

To correct this imbalance, Congress voted last year to authorize an expenditure of over $750 million beginning in Fiscal Year 1970 for a new and improved vocational education program. I am pleased to have been the author on the Senate side of Part G of the 1968 Amendments which provides funds for cooperative vocational education programs. This technique for preparing persons for work has much potential, and is a great untapped resource for vocational education, as well as for other education.

Aware of the fact that neither innovation nor expansion can occur unless there is sufficient professional teaching and administrative personnel, Congress made provision in the 1968 amendments for the training of vocational education personnel. The training component of the 1968 Vocational Education Amendments (an amendment adding Part F to the Education Professions Development Act) authorized a 1970 expenditure of $35 million for training purposes. I ask unanimous consent, Mr. President, that a fact sheet describing the components of Part F be included in the Record immediately following my remarks.

Those of us in the Senate who worked to perfect the Vocational Educational Amendments of 1968 were hopeful that the newly authorized programs would be adequatly funded in 1970. We were heartened when the House Appropriations Committee increased President Johnson's and President Nixon's budget allowance for vocational education, and we were even more encouraged when the full House of Representatives voted to add more than $131 million to the Committee bill, making a total of $488 million.

Mr. President, neither the House Committee nor the full House, however, increased the funds for the training of vocational education personnel—and these are key people who must administer the $488 million of programs and staff the schools. The thrust of the Vocational Education Amendments of 1968 is to modernize vocational-technical training, to make it available to individuals, and areas, not now being served. These changes cannot take place unless there is an adequate supply of trained teachers, coordinators, and administrators. The new vocational education programs may be doomed to failure if Congress does not act now to provide additional training funds for vocational personnel. New institutions can be built and new teaching methods devised, but the schools cannot operate and the new curricula cannot be implemented without an increased supply of adequately trained vocational and educational personnel.

The needs for training and retraining vocational and technical education personnel are just as startlingly clear as the needs for establishing new and better schools. The facts are these:

Enrollments in the public vocational-technical education program are rising and will continue to rise at an accelerated rate, requiring many new teachers. Information available to the Office of Education indicates that enrollments in public vocational-technical education programs will probably reach 8,555,000 in 1969 and increase to 17,250,000 by 1975. Past experience has shown a teacher-student ratio of about 1:50 which would mean that the 1969 teaching force would be approximately 171,400. If the ratio remains the same, the teaching manpower requirement in 1975 based upon the above enrollment projections would be 345,000. Other professional and para-professional support personnel needed to staff vocational education programs throughout the country would be in addition to the above estimates.

Producing additional teachers is a problem since most universities do not offer the proper teacher training programs in vocational-technical education. Although universities and colleges in most States offer teacher training in vocational education areas such as homemaking, industrial arts, agriculture, and trade and industrial education, few offer training in teaching the more technical occupational skills and in new and emerging occupational areas. Very few universities and colleges offer comprehensive advanced degrees designed to develop leadership personnel for vocational-technical education.

Further, the problem of shortage is compounded by the fact that many states have not had the staff or financial assistance necessary to properly assess their needs. The State boards of vocational education, in nearly one-half of the states have not been able in the short time since the enactment of the vocational education amendments to submit a prospectus or plan to make them eligible for funding under Section 553 of Part F. This includes some states which most desperately need to update and expand vocational education programs.

In the states which have accomplished this assessment, however, the response has been overwhelming. Tentatively eligible requests for financial assistance from educational agencies and institutions for 1970 Fiscal Year funds from states which have submitted a plan as of August 1 deadline totalled $34,-772,633, or slightly under the amount of the authorization. These facts underscore the need for massive financial and technical assistance to institutions of education and state boards of vocational education if these training needs are to be met.

So that you may fully appreciate the need for training additional vocational technical education personnel and for retraining presently employed staff, I would like to present a case study by bringing to your attention the problems faced by the State of California in the area of recruiting, training and retraining vocational-technical education personnel.

The information and statistics I am about to present were supplied by the State Department of Education in California.

The State of California currently has some 9,500 vocational and technical education teachers who will be attempting to meet the skill development needs of approximately 1,000,000 secondary, post-secondary, and adult students in California. Earlier in my remarks, Mr. President, I quoted Office of Education figures which indicated that the usual ratio of students to teachers, nationwide, was 50 to 1. In California that ratio is close to 100 to 1, an appalling state of affairs. We cannot deny that the shortage of personnel is a very severe problem.

It is not the only problem, however. Two additional factors compound the issue. One problem revolves around the fact that our rapidly advancing technology has left currently employed teachers far behind in up-to-date knowledge of their subject matter. Recent studies, entitled, *Profiles of Trade and Technical Teachers*, by Melvin L. Barlow and Bruce Reinhart, substantiate this claim. The median age of trade and industrial education teachers employed in 1966–67 was 45.9 years, and the median age when they began teaching was 36.8 years. The majority of these teachers at that time, and I am certain that the situation has not changed, had been away from active participation in the occupation for which they were giving instruction for approximately 8 years. The study concludes it was safe to assume that many of them had "not kept current with changes occurring in the technology of teaching." A second study completetd in 1969, in which 286 leaders responsible for vocational educational programs at the local level in California were contacted, found that the highest priority for the improvement of instruction was "the maintenance of teacher exposure to the latest developments in their subject area, both technical and pedagogical."

The second problem concerns the fact that existing vocational education personnel are simply not adequately trained to cope effectively with the special needs of the major minority groups within the State—the Mexican-Americans, Negroes, and others—who constitute enrollments in vocational education in increasing numbers. A study currently being completed by the University of California underscores this fact.

The State of California Department of Education is very concerned about these problems and desires to take immediate steps to meet the needs of retraining existing personnel and recruiting and training new teachers. They desperately need additional

assistance, however, in order to accomplish this.

The State Department of Education has outlined the vocational-technical education needs of the State of California and carefully constructed a plan of operation to meet those needs. This plan, I have been informed by officials in California, was submitted to the Bureau of Educational Personnel Development for funding. In order to be implemented the California plan requires an expenditure of over $4 million during the next three years, with $892,000 needed for 1970–71. Over this three-year period, nearly 2,000 persons would be trained or retrained. Overall the emphasis would be on improving the quality of teaching in vocational education areas, alleviating the shortage of qualified teachers, and developing a cadre of "master teachers" to teach in places where there are high concentrations of disadvantaged, handicapped, and minority students.

Mr. President, at the current level of resource allocation, there would be no hope of funding the California State Comprehensive Plan. The three-year request submitted by the State of California by itself is nearly ⅘ of the total request for Part F in 1970.

At the present level of funding—$5,750,000—I have been informed (and somewhat reluctantly) that the Vocational Education Training Branch of the Bureau of Educational Personnel Development could fund projects under Sec. 552 involving 160 persons, projects under Sec. 553 involving 3825 participants, and continue projects from 1969 involving 70 teachers. If my amendment were adopted and $20 million was made available to the Vocational Education Training Branch, however, the situation would change. Instead of 4055 participants nationwide, projects could be funded in which 13,495 persons were trained or retrained to be vocational technical education teachers. This is a substantial number and would constitute a good effort to meet current needs.

Mr. President, the failure of American education to meet the job entry needs of today's youth continues to constitute a serious waste of human resources. Vocational education must become an integral part of the educational experience of those students who are planning to enter the job market without continuing their education at the college level. It cannot and should not be assigned a second-class status. The need for vocational education experience is particularly acute for the members of minority groups, for the handicapped, and for those seeking to break the cycle of poverty. For these people the lack of job entry skills may prove the crucial obstacle in a society with an increasing demand for a skilled labor force and an ever-decreasing need for unskilled workers. The proposed level of funding for vocational personnel funding is too low to make an impact, too inadequate to begin to meet the vocational education training needs.

One of the most important and rapidly growing educational institutions in our society is the junior college. These institutions, many of which call themselves comprehensive community colleges, have developed at the rate of one per week, and they offer unusual opportunities to prepare persons for the world of work by offering the 13th and 14th year of education. California, as my colleagues know, has been the pioneer and leader in the community college movement. The last time I checked, there were approximately 90 community colleges in the state, and it was expected that there would be 100 by the early 1970's. Of the total student freshman and sophomore population in California, approximately 85 per cent are enrolled in community colleges. Secretary Finch and the Administration are aware of the importance of community colleges.

Professor John Nealon of Rutgers University, in a recent study, entitled, "The Outlook for Adequate Faculty in Public Postsecondary Vocational Education," reported: "The essential facts are that of the entire working force, less than 15% have baccalaureate or advanced degrees. The balance are employed in the occupational areas where the formal education required of the average worker is shifting upward at an increasing rate. A 12th grade education soon will no longer suffice and the great body of our working force will require one to two years of postsecondary training to be considered for the more desirable and higher paying paraprofessional positions."

Professor Nealon developed statistics showing the types and number of teachers that must be prepared for vocational education programs at the postsecondary level alone. He finds that by 1974 we must almost double our present efforts in preparing personnel for postsecondary programs of vocational-technical education.

The Vocational Education Amendments of 1968 was a landmark bill charting a new direction for vocational education. Educators with whom I have spoken are challenged by both the Act's great potential and the societal problems to which the bill is addressed. But as magnificent a blueprint as it is, the key to the Act's success will not be its form, but its implementation. And this means that meeting the personnel needs is crucial to the success of the entire vocational education program. We simply cannot vote funds for bricks and mortar, experimental programs, books and equipment without providing adequate money to train teachers to serve in those schools to run those programs to use that equipment.

An appropriation of $20 million for the training of vocational education personnel will be a move in the right direction.

Mr. President, I ask of my colleagues that between now and the time H.R. 13111 is reported to the Senate floor, they investigate the situations in their own states. I am certain that each of you will find the shortages just as acute, the inadequacies of present vocational and technical education personnel just as severe as those I found in California. I believe there will be unanimous agreement as to the critical nature of this problem. I hope the Senate will support an appropriations of $20 million for vocational education personnel training for Fiscal Year 1970.

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## LEAD-BASED PAINT POISONING

Mr. KENNEDY. Mr. President, last Friday, I introduced a bill designed to encourage local communities to develop and implement intensive programs to eliminate the dangers of lead-based paint poisoning. This is a disease that tragically affects more than 200,000 children in the United States each year. My bill will make funds available to eliminate that hazard for many residents of our Nation's slum neighborhoods.

On Sunday, December 7, the Washington Star reported on the hazards of lead poisoning in an article written by Peggy Thomson. Miss Thomson has presented a stirring but grim picture of the incidents of childhood lead poisoning in Washington, D.C. I am pleased to ask unanimous consent to have printed in the RECORD her very revealing presentation carried by the Washington Star.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEAD POISONING: CHILD KILLER

(By Peggy Thomson)

Linda Peterson, at five, is a sparkly-eyed runabout who holds up a cup when she wants bread and growls in special ways to call her twin sister or her brother. She has recently learned to say Mommy and Daddy and to feed herself with her hands, though these are things she did easily when she was one and a half.

Linda became ill in the summer of 1966. She began to stagger about like a drunk, couldn't keep food on her stomach. One doctor prescribed for an ear infection; another, at Freedman's Hospital, for a sore throat.

When Linda's mother appealed to Childrens Hospital, her daughter was admitted for tests, and then fell into a four-day coma. The diagnosis was acute lead encephalopathy brought on by Linda's eating of leaded plaster and paint.

A recurrence later in the summer left Linda blind (her vision is still severely impaired), unable to walk or to talk. She has been subject since to what her mother calls sieges, when she foams at the mouth and jumps up and down. Though Linda has improved slightly over the past two years, the damage is permanent.

It's such a familiar story, give or take a detail, that people who care about lead poisoning aren't so much saddened as enraged. A man-made preventable disease, without even a bad gene or a virus to blame, goes on hitting children like Linda year after year.

Two things make lead poisoning a disease of the slums. One is that paint, flaking from old walls, is apt to be high in lead (though top coats from the last 20 years were probably done with lead-free paint).

The other is that children from the old housing, "lead-belt" areas tend to have pica, which is an appetite for things that are not food. A classic study on pica was made during the mid-Fifties at Childrens Hospital, linking the disease with emotional needs. Mothers of children with pica, it was found, either worked away from the home during the day and or were themselves dependent, perhaps depressed, persons, many of whom had pica and followed a Southern practice of eating clay and starch.

While infants normally explore the world by mouthing, many poor city children go at it compulsively and much beyond infancy, eating paper, string, putty, cloth or ashes. By preference, the children may concentrate on paint and plaster sweetly flavored with lead acetate. If they do, they need to take in only a small amount regularly—say a chip the size of a postage stamp several times a week for two months—to have downed a lethal dose.

Linda, according to her mother, not only ate the crumbles of plaster and paint that fell from behind the radiator, she chewed her way along the living room window sill and up and down the door jamb. To this day Linda swoops down on bits of broken glass. She swallows cigaret butts, matches, newspaper, when she can get them. And she shoves a chest over to her bedroom window to reach the paint around the upper panes.

No one caught the early signs of Linda's poisoning. There may not have been any. Or there may have been irritability, drowsiness, a little constipation or diarrhea—a cluster of symptoms as one doctor remarked that could describe half the city's kids in summertime.

In the advanced stage the symptoms mimic those of other diseases, so that only a doctor attuned to the possibility of lead poisoning finds it and even he must order a specific test for lead to be sure. Most doctors, perhaps nine out of ten, don't think of lead even when a child enters the hospital in a coma or convulsions. They may treat the child for seizures and send him home again when he gets well.

A further troublesome characteristic of the disease is that it keeps an unpredictable time table. It goes from gut to soft tissue to bone and may then be released into the blood quite suddenly, setting off an acute attack when the child hasn't swallowed any lead for months.

Once the disease is spotted for certain, however, the treatment is known. The patient should be hospitalized, thus removing him from the source of lead; then he is given a series of injections of agents which draw lead from the blood into the urine.

Even with the best treatment though, five percent of the hard-hit children die. One quarter of the children who recover are brain damaged. And virtually all who have recurrences are, like Linda, severely brain damaged. The reason for recurrences is not hard to spot. Once the children are released, lead-free, from the hospital, they return to the environment in which they first contracted the disease, and resume their old habits.

Because this deceptive disease has roots in rundown housing and poverty it takes a combined medical-legislative-administrative program to combat it. No such program has been undertaken in the Nation's Capital, though there are some signs that the pressure of publicity and legal action is beginning to get to the city's bureaucracy.

Childrens Hospital almost alone has been vigilant. The D.C. Department of Health has been slow to act either to alert health professionals and the public or to initiate a screening program among the city's 50,000 one-to-six-year-olds living in dilapidated housing. The Department of Licenses and Inspections has been slower, dragging its heels on even requesting regulations against lead paint from the City Council.

The few doctors and health officials working on the disease (none of them full time) are out of touch with each other for long periods of time. During the first half of this year, Washington's minimal procedures for attacking the disease broke down. Almost no one seemed to notice.

Most cases of lead poisoning go undetected. Estimates from a Rockefeller University conference on lead poisoning in New York last spring were that 225,000 children in the country are affected and that in New York City alone, where 700 children were treated last year, there are 5,000 children "endangered" by the lead level in their blood and 20,000 others "debilitated" by it.

In Washington, lead poisoning isn't even a notifiable disease—doctors don't have to report cases the way they do measles, for example. The Public Health Department doesn't know even how many *diagnosed* cases there are. Its books do show that for 1968, when its lab handled all the lead level tests for the city, 55 children from Childrens had dangerously high lead levels, eight from D.C. General and one from Freedmen's.

Childrens, which at least keeps a count, says it had 45 actual cases last year and 30 through September of this year. At D.C. General, Dr. T. Reichelderfer, chief of pediatrics, said in November, through his secretary, that he did not know how many cases he had either last year or this.

The guess offered by Malcolm Hope, associate director for environmental health in the Public Health Department, is that Washington has 500 lead poisoned children, more than 400 of whom, *if* his guess is correct, are unknowns.

When Rochester's Dr. Evan Charney addressed a lead workshop in St. Louis last year, sponsored by the Scientists' Institute for Public Information, he said flatly that the number of cases in a community depends on how hard people look. "If you live in an American city with a slum population and you don't have many cases of lead poisoning," Charney said, "then your health department isn't doing its job."

Some 15 years ago Childrens Hospital began its research into the causes and treatment of lead poisoning. One result was the hospital's pica clinic, set up by Dr. Reginald Lourie in 1955.

The new clinic's routine was to seek out children with pica and to test them for lead. Beyond medical service it offered help to the mothers in coping with their children's problem (in some cases funding nursery schools) and help in moving or getting rid of the paint hazard. Within the first years the number of cases seen at the hospital tripled. The number of deaths stayed about the same, but there were fewer and less severe recurrences.

Today the pica clinic continues to meet two Friday afternoons a month with about six patients and their mothers, and the staffs of the two Comprehensive Health Care clinics around the corner from the hospital follow their own pica cases with the same procedures.

Childrens still isn't doing enough, according to some. Dr. Fred Solomon, a pediatric psychiatrist at Howard University, charges that "it's professionally irresponsible for a hospital to do these marvelous studies and then to keep treating a preventable disease without trotting down to Congress to do something about it."

Dr. George Cohen, the likable, generously mustachioed physician who has headed the pica clinic for its 14 years, finds the accusation fair enough. He adds, though, that like everyone else working on lead poisoning he is very much part-time. And that by temperament he's "not a grantsman or a proselytizer. I've learned that about myself. I like to do the work."

He isn't convinced either that legislation is all that successful. "In Baltimore where the landlord can be forced to repaint," Cohen points out, "the family often moves out during the mess and then the whole matter may be dropped unless another child moves in and gets poisoned too."

Dr. Cohen thinks the answer is education—raising the level of suspicion throughout the community. That, and catching cases early. Cohen is embarked now on a pilot project to screen 100 siblings and neighbors of his present patients to learn whether in apparently symptom-free children he picks up enough evidence of lead poisoning to make a mass screening worth while.

And he is experimenting with testing techniques using hair and fingernails in the hope that he will come up with a simple, inexpensive indicator for lead poisoning that doesn't apply to 100 other things. The present test—to take a sample of blood or urine and analyze it for lead content—apparently is reliable but, as Cohen points out, it takes sophisticated equipment, highly trained technicians and about a full day to run the test in a laboratory. And the logistics of obtaining samples from large numbers of toddlers are imposing.

Dr. Jane Lin-Fu, of the Children's Bureau of the Department of Health, Education and Welfare, says her office is seeking the same ammunition by funding research into a micro-technique based on a finger prick of blood. She agrees with Cohen's priorities. "Until we get an instant mashed potato sort of thing," she says, "everyone's hands are tied."

It is worth pointing out, however, that one city, Chicago, has carried out a successful mass screening program using the present chemical blood test. Since 1966, Chicago has tested 160,000 children. Chicago simply put its manpower to the task, sending workers into the streets from 10 urban development centers to collect children for testing at public health clinics that are kept open nights and Saturdays.

Between 1955 and late last year the pica clinic at Childrens was about the only positive step made to combat the disease in the entire city. This, in spite of the fact that within the health bureaucracy there are individuals concerned about the disease and aware of the long-time, useless spinning of administrative wheels.

One of these individuals is Dudley Anderson, chief of accident prevention at the Public Health Department. Anderson came to Washington from Baltimore, which started moving against the problem 20 years ago. (Modestly, to be sure—at that time lead paint had to be removed from the building in which a child had died from the disease.)

Anderson, though, admits he finds the bureaucratic machinery hard to move on the simplest of matters, and lead poisoning, whatever else it is, is not a simple matter. In 1966 Anderson and the Health Department's lab chief submitted a $160,000 project, half the money to go for research in lead poisoning, half for a large-scale screening. The department turned down the request. Anderson says the disease simply did not have the appeal to win priority. "Here," he says, "we are always robbing Peter to pay Paul."

Labs chief Dr. G. W. H. Schepers has a less resilient attitude. A pathologist with a background of published lead research, Schepers has long been distressed by the increase of lead in the evironment. In normal brain tissue over a 30-year period he calculates it to be tenfold. He is scornful of the three grams of lead per gallon which "our badly made cars" spew into the city air. He speaks bitterly of the department's refusal to fund the research and screening project and of the meager use to which his lab has been put for testing lead levels.

In 1968 his chemist received 500 blood and urine samples for such tests, 450 of them from Childrens. "Now you know that's ridiculous," he says. "We should have handled ten times as many. I can only think," Schepers adds acidly, "people aren't much interested in lead."

One person more than casually interested in lead is a young doctor who doesn't even work in the field. He is Dr. John Mills, 29, a virologist at the National Institutes of Health and a member of the Medical Committee for Human Rights, a loosely structured group of activist health professionals characterized by Dr. Cohen as "good young fellows who don't mind kicking up some sand."

Mills simply assigned himself the task of shaking up the bureaucracy. It is to him, more than to any other individual, that credit is due for getting the District government to move—though the movement has been very slow indeed.

Mills participated in a successful stratagem to end run the bureaucracy by taking the matter to the courts. A young lawyer told the doctor of the tragic and typical case of Linda Peterson, and of the need for sharp medical facts. Mills went to the Peterson apartment, scraped paint chips from the walls with a pocket knife, and then had the paint chips tested for lead. He passed on the relevant medical information to the attorney, Herbert Muriel III. Last April, in the U.S. District Court for D.C., Muriel won from the landlord $70,000 in damages for his client.

Muriel says now that although he knew of only two similar cases prior to his and none in Washington, he never had any doubts about the case. "Article 260 section 2605 of the D.C. housing regulations states that a landlord must remove loose or peeling wall covering or paint on interior surfaces."

Muriel also remembers with a kind of wry amusement taking a deposition from the landlord. "When I asked her, 'Do you own the property at 5509 9th St. NW?' she had to ask her lawyer, 'Do I?' before she answered, 'Yes.' "

The money won in court will not undo the damage done to Linda. It may, in fact, be eaten up by the costs of putting the child in an institution, should that become necessary. But even the threat of such damage suits may convince a lot of landlords to remove the old lead paint.

In a more direct approach, more than a year ago Mills brought together Dr. Cohen, officials from Public Health and from the housing division of the Department of Licenses and Inspections—the people who work on lead poisoning in the city but who hadn't talked to each other for months. "I thought

it would be useful," Mills says, reviewing what he did, "to put together a program graded from Essential to Wouldn't-It-Be-Nice."

Among suggestions for the future were: city regulations against lead paint, public information, pica clinics for all D.C. hospitals serving children, mass screening or at least a screening of all one to three-year-olds coming from old houses who are presently hospitalized or who are being seen in clinics.

Agreed upon as immediately essential was a reporting system: all cases of lead poisoning to be reported by doctors to the housing inspectors who then would collect paint samples for testing at the Public Health lab and, where necessary, order the landlord to remove the lead paint.

The procedure was circuitous. But at least it gave doctors some control over their patients' environment. (Health would like to have done the whole job up to action against the landlord but lost out to Inspections, which claimed the exclusive right to go into the homes.) This was in November, 1968. Eight months later this "immediately essential" procedure had not begun to work.

In July Dr. Bonnie Peacock, serving her first year with the Child Health Center on W Street near Childrens, got it started by threatening a tantrum. She demanded to be told what the city's health officials would be willing to recognize as an emergency if not what she had at the time.

What she had, at Childrens, were four patients, all suffering from lead poisoning and all from the same address—1330 U St. NW. She had Maurice Peele, Melissa Johnson and the two Cooper children, MacArthur Jr., and Natalie, 18 months old and hospitalized for the third time in six months. Dr. Peacock also was treating 16 other patients for lead poisoning at the time. Over the past eight months she had requested paint analyses from the Health Department lab for each one, without getting a single response.

Both Cooper children were ready to be released though it was unthinkable to return them to their apartment. The mother had broken down over the suggestion of a convalescent home. The family hadn't money for a move. And the landlord, Leslie Hayes, at a request for repairs had in turn hollered at the Coopers that he wasn't their babysitter, sent a painter to spray over the flaking radiator with a $1.10 can of paint, and threatened to raise the rent or put the family out.

Dr. Peacock's explosion surfaced the news that the Department of Licenses and Inspections had assigned only one of its housing inspectors to collect paint samples. He was away on two weeks leave. (This inspector later explained to a reporter his backlog of paint requests by saying he only did them in the course of other inspections in the same neighborhood. "I'm not supposed to use a lot of gas," he said.)

Anderson, at Health, was appealed to next. He had no authority to enter a home, but he arranged for the health lab's analytic chemist to accompany an inspector to the U Street address and to show him how to collect samples.

Within two days the teaspoonfuls of paint were slipped into envelopes, labeled and tested. The lab chemist leached out the lead content, measured it with an atomic absorption spectrophotometer and telephoned his findings: for the Coopers' apartment, four percent lead. (One half teaspoon of that contains 220 micrograms of lead, or 40 times a child's safe absorption, though the body in any case can't absorb anywhere near that much lead at one time.)

Under broad regulations against hazardous conditions, the L&I department ordered the landlord to remove within 18 days all the paint from the bedroom windowsill and the living room walls, which were found on repeat tests to be 16 percent lead. The landlord, declaring himself to be a sorely injured party, complied.

The landlord has a point. In many cases he didn't put on the offending paint. And getting it off is both tricky and expensive. Sanding sends up a cloud of toxic dust. Burning makes fumes and is a hazard in itself. The method favored by George Erickson at the Department of Housing and Urban Development, who seems to have done the only effective worrying about the problem in the city, is to use a water rinsable solvent, then apply a steamer (the kind that's rented for wallpaper removal) and scrape off the loosened paint with a wide knife. He thinks the technical people ought to come up with something better. Paint removal, his way, costs about $100 a room.

The case for a city-wide paint removal program, however, is compelling not only from the humanitarian point of view. It also would make economic sense. A Baltimore chart lists costs as: paint removal for a row house from $250 to $1,200; treatment for lead-poisoned child $1,800; treatment of a child with moderate brain damage $17,000, or severe brain damage $222,000.

Under the circumstances some kind of tax credit might be an appropriate incentive to the landlord, health officials feel, or a large-scale paint removal job covering a neighborhood might be contracted out to local labor. "We can't rule that out," says one official, "just because we'd be improving somebody's property."

Just as Dr. Peacock's agitated call a number of things have happened here, including a lively flow of paint chips through the health lab and a series of seminars put on by Public Health for the housing inspectors. At the first of the seminars Carroll Swanson, acting housing administrator, announced that paint inspections would get top priority and that inspectors would be trained to spot pica or chewed paint in the course of their rounds and to make referrals to the Public Health nurse.

Swanson has also announced that his department is drafting for the City Council regulations requiring the removal of lead paint where it's accessible to children. The date when these may be expected has been moved up several times, to Jan. 1.

Thus there are some signs that Washington is moving against what has been called the silent epidemic. But Washington, just as other cities, has a long way to go.

The disease now is well enough known that bills to combat it have been introduced in Congress. Rep. William Ryan, D-N.Y., has introduced three bills in the House, one to fund lead poisoning detection and treatment programs, the other two having to do with eliminating lead paint from old housing. In the Senate, Sen. Ted Kennedy, D-Mass., is sponsoring similar legislation.

But the disease still is so little known that these bills are given very little chance to be enacted into law.

Meanwhile, there will be more cases like that of Linda Peterson. Many of them—perhaps most of them—will go completely undetected or will be diagnosed incorrectly.

It is pertinent to recall a report written by Dr. Lourie of Childrens Hospital, over a decade ago. "We saw the same children over and over again being brought in for de-leading," Lourie wrote, "and each time with evidence of more residual brain damage. We were seeing mental retardates and institutional vegetables created right under our eyes."

And it is pertinent to recall that, as of now, many children suffering from the disease are not even lucky enough to be taken to Childrens Hospital.

## THE NEW CONSERVATION

Mr. NELSON. Mr. President, on November 19, 1969, I introduced the Environmental Quality Education Act, which now has the cosponsorship of 14 Senators. The main purpose of the proposed legislation to emphasize the educational side of our environmental crisis. We cannot improve the quality of our environment and our lives by simply relying on technological solutions. We have to increase our understanding of this crisis and expand the conservation constituency through bold and innovative programs in education. We have to establish the goal of developing a new conservation ethic.

This implies that attitudes and values are in need of review, change, or revision. Education, I believe, is the best way to encourage such a change in a democratic society.

Dr. Lynn White, Jr., has touched on many of these crucial values which demand soul-searching in his provocative article entitled "The Historical Roots of Our Ecological Crisis," published in Science magazine.

Dr. White maintains that many facets of our ecological crisis are rooted in or derived from our Judeo-Christian heritage. He says:

> By destroying pagan animism, Christianity made it possible to exploit nature in a mood of indifference to the feelings of natural objects. What we do about ecology depends on our ideas of the man-nature relationship.

But the ecological crisis will continue, he concludes, until we reject the idea that nature has no reason for existence save to serve man.

Man has the capacity to distort and destroy his environment to the point where he will, in a short time, eliminate himself. Man is an endangered specie. He is part of the environment. He can no longer exploit, manage, and use our natural resources with the same impunity as in the past.

Human ecology, the heart of a national program in environmental education, will improve the quality of our lives by teaching us how to listen to the environment and heed its warnings. This is the path to the new conservation.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objetcion, the article was ordered to be printed in the RECORD, as follows:

THE HISTORICAL ROOTS OF OUR ECOLOGIC CRISIS

(By Lynn White, Jr.)[1]

A conversation with Aldous Huxley not infrequently put one at the receiving end of an unforgettable monologue. About a year before his lamented death he was discoursing on a favorite topic: Man's unnatural treatment of nature and its sad results. To illustrate his point he told how, during the previous summer, he had returned to a little valley in England where he had spent many happy months as a child. Once it had been composed of delightful grassy glades; now it was becoming overgrown with unsightly brush because the rabbits that formerly kept such growth under control had largely succumbed to a disease, myxomatosis, that was

[1] The author is professor of history at the University of California, Los Angeles. This is the text of a lecture delivered December 26, 1966, at the Washington meeting of the AAAS.

deliberately introduced by the local farmers to reduce the rabbits' destruction of crops. Being something of a Philistine, I could be silent no longer, even in the interests of great rhetoric. I interrupted to point out that the rabbit itself had been brought as a domestic animal to England in 1176, presumably to improve the protein diet of the peasantry.

All forms of life modify their contexts. The most spectacular and benign instance is doubtless the coral polyp. By serving its own ends, it has created a vast undersea world favorable to thousands of other kinds of animals and plants. Ever since man became a numerous species he has affected his environment notably. The hypothesis that fire-drive method of hunting created the world's great grasslands and helped to exterminate the monster mammals of the Pleistocene from much of the globe is plausible, if not proved. For 6 millennia at least, the banks of the lower Nile have been a human artifact rather than the swampy African jungle which nature, apart from man, would have made it. The Aswan Dam, flooding 5000 square miles, is only the latest stage in a long process. In many regions terracing or irrigation, overgrazing, the cutting of forests by Romans to build ships to fight Carthaginians or by Crusaders to solve the logistics problems of their expeditions, have profoundly changed some ecologies. Observation that the French landscape falls into two basic types, the open fields of the north and the *bocage* of the south and west, inspired Marc Bloch to undertake his classic study of medieval agricultural methods. Quite unintentionally, changes in human ways often affect nonhuman nature. It has been noted, for example, that the advent of the automobile eliminated huge flocks of sparrows that once fed on the horse manure littering every street.

The history of ecologic change is still so rudimentary that we know little about what really happened, or what the results were. The extinction of the European aurochs as late as 1627 would seem to have been a simple case of overenthusiastic hunting. On more intricate matters it often is impossible to find solid information. For a thousand years or more the Frisians and Hollanders have been pushing back the North Sea, and the process is culminating in our own time in the reclamation of the Zuider Zee. What, if any, species of animals, birds, fish, shore life, or plants have died out in the process? In their epic combat with Neptune have the Netherlanders overlooked ecological values in such a way that the quality of human life in the Netherlands has suffered? I cannot discover that the questions have ever been asked, much less answered.

People, then, have often been a dynamic element in their own environment, but in the present state of historical scholarship we usually do not know exactly when, where, or with what effects man-induced changes came. As we enter the last third of the 20th century, however, concern for the problem of ecologic backlash is mounting feverishly. Natural science, conceived as the effort to understand the nature of things, had flourished in several eras and among several peoples. Similarly there had been an age-old accumulation of technological skills, sometimes growing rapidly, sometimes slowly. But it was not until about four generations ago that Western Europe and North America arranged a marriage between science and technology, a union of the theoretical and the empirical approaches to our natural environment. The emergence in widespread practice of the Baconian creed that scientific knowledge means technological power over nature can scarcely be dated before about 1850, save in the chemical industries, where it is anticipated in the 18th century. Its acceptance as a normal pattern of action may mark the greatest event in human history since the invention of agriculture, and perhaps in nonhuman terrestrial history as well.

Almost at once the new situation forced the crystallization of the novel concept of ecology; indeed, the word *ecology* first appeared in the English language in 1873. Today, less than a century later, the impact of our race upon the environment has so increased in force that it has changed in essence. When the first cannons were fired, in the early 14th century, they affected ecology by sending workers scrambling to the forests and mountains for more potash, sulfur, iron ore, and charcoal, with some resulting erosion and deforestation. Hydrogen bombs are of a different order: and fought with them might alter the genetics of all life on this planet. By 1285 London had a smog problem arising from the burning of soft coal, but our present combustion of fossil fuels threatens to change the chemistry of the globe's atmosphere as a whole, with consequences which we are only beginning to guess. With the population explosion, the carcinoma of planless urbanism, the now geological deposits of sewage and garbage, surely no creature other than man has ever managed to foul its nest in such short order.

There are many calls to action, but specific proposals, however worthy as individual items, seem too partial, palliative, negative: ban the bomb, tear down the billboards, give the Hindus contraceptives and tell them to eat their sacred cows. The simplest solution to any suspect change is, of course, to stop it, or, better yet, to revert to a romanticized past: make those ugly gasoline stations look like Anne Hathaway's cottage or (in the Far West) like ghost-town saloons. The "wilderness area" mentality invariably advocates deep-freezing an ecology, whether San Gimignano or the High Sierra, as it was before the first Kleenex was dropped. But neither atavism nor prettification will cope with the ecologic crisis of our time.

What shall we do? No one yet knows. Unless we think about fundamentals, our specific measures may produce new backlashes more serious than those they are designed to remedy.

As a beginning we should try to clarify our thinking by looking, in some historical depth, at the presuppositions that underlie modern technology and science. Science was traditionally aristocratic, speculative, intellectual in intent; technology was lower-class, empirical, action-oriented. The quite sudden fusion of these two, towards the middle of the 19th century, is surely related to the slightly prior and contemporary democratic revolutions which, by reducing social barriers, tended to assert a functional unity of brain and hand. Our ecologic crisis is the product of an emerging, entirely novel, democratic culture. The issue is whether a democratized world can survive its own implications. Presumably we cannot unless we rethink our axioms.

### THE WESTERN TRADITIONS OF TECHNOLOGY AND SCIENCE

One thing is so certain that it seems stupid to verbalize it: both modern technology and modern science are distinctively Occidental. Our technology has absorbed elements from all over the world, notably from China; yet everywhere today, whether in Japan or in Nigeria, successful technology is Western. Our science is the heir to all the sciences of the past, especially perhaps to the work of the great Islamic scientists of the Middle Ages, who so often outdid the ancient Greeks in skill and perspicacity: al-Razi in medicine, for example; or ibnal-Haytham in optics; or Omar Khyyám in mathematics. Indeed, not a few works of such geniuses seem to have vanished in the original Arabic and to survive only in medieval Latin translations that helped to lay the foundations for later Western developments. Today, around the globe, all significant science is Western in style and method, whatever the pigmentation or language of the scientists.

A second pair of facts is less well recognized because they result from quite recent historical scholarship. The leadership of the West, both in technology and in science, is far older than the so-called Scientific Revolution of the 17th century or the so-called Industrial Revolution of the 18th century. These terms are in fact outmoded and obscure the true nature of what they try to describe—significant stages in two long and separate developments. By A.D. 1000 at the latest—and perhaps, feebly, as much as 200 years earlier—the West began to apply water power to industrial processes other than milling grain. This was followed in the late 12th century by the harnessing of wind power. From simple beginnings, but with remarkable consistency of style, the West rapidly expanded its skills in the development of power machinery, labor-saving devices, and automation. Those who doubt should contemplate that most monumental achievement in the history of automation: the weight-driven mechanical clock, which appeared in two forms in the early 14th century. Not in craftsmanship but in basic technological capacity, the Latin West of the later Middle Ages far outstripped its elaborate, sophisticated, and esthetically magnificent sister cultures, Byzantium and Islam. In 1444 a great Greek ecclesiastic, Bessarion, who had gone to Italy, wrote a letter to a prince in Greece. He is amazed by the superiority of western ships, arms, textiles, glass. But above all he is astonished by the spectable of water wheels sawing timbers and pumping the bellows of blast furnaces. Clearly, he had seen nothing of the sort in the Near East.

By the end of the 15th century the technological superiority of Europe was such that its small, mutually hostile nations could spill out over all the rest of the world, conquering, looting, and colonizing. The symbol of this technological superiority is the fact that Portugal, one of the weakest states of the Occident, was able to become, and to remain for a century, mistress of the East Indies. And we must remember that the technology of Vasco da Gama and Albuquerque was built by pure empiricism, drawing remarkably little support or inspiration from science.

In the present-day vernacular understanding, modern science is supposed to have begun in 1543, when both Copernicus and Vesalius published their great works. It is no derogation of their accomplishments, however, to point out that such structures as the *Fabrica* and the *De revolutionibus* do not appear overnight. The distinctive Western tradition of science, in fact, began in the late 11th century with a massive movement of translation of Arabic and Greek scientific works into Latin. A few notable books—Theophrastus, for example—escaped the West's avid new appetite for science, but within less than 200 years effectively the entire corpus of Greek and Muslim science was available in Latin, and was being eagerly read and criticized in the new European universities. Out of criticism arose new observation, speculation, and increasing distrust of ancient authorities. By the late 13th century Europe had seized global scientific leadership from the faltering hands of Islam. It would be as absurd to deny the profound originality of Newton, Galileo, or Copernicus as to deny that of the 14th century scholastic scientists like Buridan or Oresme on whose work they built. Before the 11th century, science scarcely existed in the Latin West, even in Roman times. From the 11th century onward, the scientific sector of Occidental culture has increased in a steady crescendo.

Since both our technological and our scientific movement got their start, acquired their character, and achieved world dominance in the Middle Ages, it would seem that

we cannot understand their nature or their present impact upon ecology without examining fundamental medieval assumptions and developments.

MEDIEVAL VIEW OF MAN AND NATURE

Until recently, agriculture has been the chief occupation even in "advanced" societies; hence, any change in methods of tillage has much importance. Early plows, drawn by two oxen, did not normally turn the sod but merely scratched it. Thus, cross-plowing was needed and fields tended to be squarish. In the fairly light soils and semiarid climates of the Near East and Mediterranean, this worked well. But such a plow was inappropriate to the wet climate and often sticky soils of northern Europe. By the latter part of the 7th century after Christ, however, following obscure beginnings, certain northern peasants were using an entirely new kind of plow, equipped with a vertical knife to cut the line of the furrow, a horizontal share to slice under the sod, and a moldboard to turn it over. The friction of this plow with the soil was so great that it normally required not two but eight oxen. It attacked the land with such violence that cross-plowing was not needed, and fields tended to be shaped in long strips.

In the days of the scratch-plow, fields were distributed generally in units capable of supporting a single family. Subsistence farming was the presupposition. But no peasant owned eight oxen: to use the new and more efficient plow, peasants pooled their oxen to form large plow-teams, originally receiving (it would appear) plowed strips in proportion to their contribution. Thus, distribution of land was based no longer on the needs of a family but, rather, on the capacity of a power machine to till the earth. Man's relation to the soil was profoundly changed. Formerly man had been part of nature; now he was the exploiter of nature. Nowhere else in the world did farmers develop any analogous agricultural implement. Is it coincidence that modern technology, with its ruthlessness toward nature, has so largely been produced by descendants of these peasants of northern Europe?

This same exploitive attitude appears slightly before A.D. 830 in Western illustrated calendars. In older calendars the months were shown as passive personfications. The new Frankish calendars, which set the style for the Middle Ages, are very different: they show men coercing the world around them—plowing, harvesting, chopping trees, butchering pigs. Man and nature are two things, and man is master.

These novelties seem to be in harmony with larger intellectual patterns. What people do about their ecology depends on what they think about themselves in relation to things around them. Human ecology is deeply conditioned by beliefs about our nature and destiny—that is, by religion. To Western eyes this is very evident in, say India or Ceylon. It is equally true of ourselves and of our medieval ancestors.

The victory of Christianity over paganism was the greatest psychic revolution in the history of our culture. It has become fashionable today to say that, for better or worse, we live in "the post-Christian age." Certainly the forms of our thinking and language have largely ceased to be Christian, but to my eye the substance often remains amazingly akin to that of the past. Our daily habits of action, for example, are dominated by an implicit faith in perpetual progress which was unknown either to Greco-Roman antiquity or to the Orient. It is rooted in, and is indefensible apart from, Judo-Christian teleology. The fact that Communists share it merely helps to show what can be demonstrated on many other grounds: that Marxism, like Islam, is a Judeo-Christian heresy. We continue today to live, as we have lived for about 1700 years, very largely in a context of Christian axioms.

What did Christianity tell people about their relations with the environment?

While many of the world's mythologies provide stories of creation, Greco-Roman mythology was singularly incoherent in this respect. Like Aristotle, the intellectuals of the ancient West denied that the visible world had had a beginning. Indeed, the idea of a beginning was impossible in the framework of their cyclical notion of time. In sharp contrast, Christianity inherited from Judaism not only a concept of time as nonrepetitive and linear but also a striking story of creation. By gradual stages a loving and all-powerful God had created light and darkness, the heavenly bodies, the earth and all its plants, animals, birds, and fishes. Finally, God had created Adam and, as an afterthought, Eve to keep man from being lonely. Man named all the animals, thus establishing his dominance over them. God planned all of this explicitly for man's benefit and rule; no item in the physical creation had any purpose save to serve man's purposes. And, although man's body is made of clay, he is not simply part of nature; he is made in God's image.

Especially in its Western form, Christianity is the most anthropocentric religion the world has seen. As early as the 2nd century both Tertullian and Saint Irenaeus of Lyons were insisting that when God shaped Adam he was foreshadowing the image of the incarnate Christ, the Second Adam. Man shares in great measure God's transcendence of nature. Christianity, in absolute contrast to ancient paganism and Asia's religions (except, perhaps, Zoroastrianism), not only established a dualism of man and nature but also insisted that it is God's will that man exploit nature for his proper ends.

At the level of the common people this worked out in an interesting way. In Antiquity every tree, every spring, every stream, every hill had its own *genius loci*, its guardian spirit. These spirits were accessible to men, but were very unlike men; centaurs, fauns, and mermaids show their ambivalence. Before one cut a tree, mined a mountain, or dammed a brook, it was important to placate the spirit in charge of that particular situation, and to keep it placated. By destroying pagan animism, Christianity made it possible to exploit nature in a mood of indifference to the feelings of natural objects.

It is often said that for animism the Church substituted the cult of saints. True; but the cult of saints is functionally quite different from animism. The saint is not *in* natural objects; he may have special shrines, but his citizenship is in heaven. Moreover, a saint is entirely a man; he can be approached in human terms. In addition to saints, Christianity of course also had angels and demons inherited from Judaism and perhaps, at one remove, from Zoroastrianism. But these were all as mobile as the saints themselves. The spirits *in* natural objects, which formerly had protected nature from man, evaporated. Man's effective monopoly on spirit in this world was confirmed, and the old inhibitions to the exploitation of nature crumbled.

When one speaks in such sweeping terms, a note of caution is in order. Christianity is a complex faith, and its consequences differ in differing contexts. What I have said may well apply to the medieval West, where in fact technology made spectacular advances. But the Greek East, a highly civilized realm of equal Christian devotion, seems to have produced no marked technological innovation after the late 7th century, when Greek fire was invented. The key to the contrast may perhaps be found in a difference in the tonality of piety and thought which students of comparative theology find between the Greek and the Latin Churches. The Greeks believed that sin was intellectual blindness, and that salvation was found in illumination, orthodoxy—that is, clear thinking. The Latins, on the other hand, felt that sin was moral evil, and that salvation was to be found in right conduct. Eastern theology has been intellectualist. Western theology has been voluntarist. The Greek saint contemplates; the Western saint acts. The implications of Christianity for the conquest of nature would emerge more easily in the Western atmosphere.

The Christian dogma of creation, which is found in the first clause of all the Creeds, has another meaning for our comprehension of today's ecologic crisis. By revelation, God had given man the Bible, the Book of Scripture. But since God had made nature, nature also must reveal the divine mentality. The religious study of nature for the better understanding of God was known as natural theology. In the early Church, and always in the Greek East, nature was conceived primarily as a symbolic system through which God speaks to men: the ant is a sermon to sluggards; rising flames are the symbol of the soul's aspiration. This view of nature was essentially artistic rather than scientific. While Byzantium preserved and copied great numbers of ancient Greek scientific texts, science as we conceive it could scarcely flourish in such an ambience.

However, in the Latin West by the early 13th century natural theology was following a very different bent. It was ceasing to be the decoding of the physical symbols of God's communication with man and was becoming the effort to understand God's mind by discovering how his creation operates. The rainbow was no longer simply a symbol of hope first sent to Noah after the Deluge: Robert Grosseteste, Friar Roger Bacon, and Theodoric of Freiberg produced startlingly sophisticated work on the optics of the rainbow, but they did it as a venture in religious understanding. From the 13th century onward, up to and including Leibnitz and Newton, every major scientist, in effect, explained his motivations in religious terms. Indeed, if Galileo had not been so expert an amateur theologian he would have got into far less trouble: the professionals resented his intrusion. And Newton seems to have regarded himself more as a theologian than as a scientist. It was not until the late 18th century that the hypothesis of God became unnecessary to many scientists.

It is often hard for the historian to judge when men explain why they are doing what they want to do, whether they are offering real reasons or merely culturally acceptable reasons. The consistency with which scientists during the long formative centuries of Western science said that the task and the reward of the scientist was "to think God's thoughts after him" leads one to believe that this was their real motivation. If so, then modern Western science was cast in a matrix of Christian theology. The dynamism of religious devotion, shaped by the Judeo-Christian dogma of creation, gave it impetus.

AN ALTERNATIVE CHRISTIAN VIEW

We would seem to be headed toward conclusions unpalatable to many Christians. Since both *science* and *technology* are blessed words in our contemporary vocabulary, some may be happy at the notions, first, that, viewed historically, modern science is an extrapolation of natural theology and, second, that modern technology is at least partly to be explained as an Occidental, voluntarist realization of the Christian dogma of man's transcendence of, and rightful mastery over, nature. But, as we now recognize, somewhat over a century ago science and technology—hitherto quite separate activities—joined to give mankind powers which, to judge by many of the ecologic effects, are out of control. If so, Christianity bears a huge burden of guilt.

I personally doubt that disastrous ecologic backlash can be avoided simply by applying to our problems more science and more tech-

nology. Our science and technology have grown out of Christian attitudes toward man's relation to nature which are almost universally held not only by Christians and neo-Christians but also by those who fondly regard themselves as post-Christians. Despite Copernicus, all the cosmos rotates around our little globe. Despite Darwin, we are *not*, in our hearts, part of the natural process. We are superior to nature, contemptuous of it, willing to use it for our slightest whim. The newly elected Governor of California, like myself a churchman but less troubled than I, spoke for the Christian tradition when he said (as is alleged), "when you've seen one red-wood tree, you've seen them all." To a Christian a tree can be more than a physical fact. The whole concept of the sacred grove is alien to Christianity and to the ethos of the West. For nearly 2 millennia Christian missionaries have been chopping down sacred groves, which are idolatrous because they assume spirit in nature.

What we do about ecology depends on our ideas of the man-nature relationship. More science and more technology are not going to get us out of the present ecologic crisis until we find a new religion, or rethink our old one. The beatniks, who are the basic revolutionaries of our time, show a sound instinct in their affinity for Zen Buddhism, which conceives of the man-nature relationship as very nearly the mirror image of the Christian view. Zen, however, is as deeply conditioned by Asian history as Christianity is by the experience of the West, and I am dubious of its viability among us.

Possibly we should ponder the greatest radical in Christian history since Christ: Saint Francis of Assisi. The prime miracle of Saint Francis is the fact that he did not end at the stake, as many of his left-wing followers did. He was so clearly heretical that a General of the Franciscan Order, Saint Bonaventura, a great and perceptive Christian, tried to suppress the early accounts of Franciscanism. The key to an understanding of Francis is his belief in the virtue of humility—not merely for the individual but for man as a species. Francis tried to depose man from his monarchy over creation and set up a democracy of all God's creatures. With him the ant is no longer simply a homily for the lazy, flames a sign of the thrust of the soul toward union with God; now they are Brother Ant and Sister Fire, praising the Creator in their own ways as Brother Man does in his.

Later commentators have said that Francis preached to the birds as a rebuke to men who would not listen. The records do not read so: he urged the little birds to praise God, and in spiritual ecstasy they flapped their wings and chirped rejoicing. Legends of saints, especially the Irish saints, had long told of their dealings with animals but always, I believe, to show their human dominance over creatures. With Francis it is different. The land around Gubbio in the Apennines was being ravaged by a fierce wolf. Saint Francis, says the legend, talked to the wolf and persuaded him of the error of his ways. The wolf repented, died in the odor of sanctity, and was buried in consecrated ground.

What Sir Steven Ruciman calls "the Franciscan doctrine of the animal soul" was quickly stamped out. Quite possibly it was in part inspired, consciously or unconsciously, by the belief in reincarnation held by the Cathar heretics who at that time teemed in Italy and southern France, and who presumably had got it originally from India. It is significant that at just the same moment, about 1200, traces of metempsychosis are found also in western Judaism, in the Provencal *Cabbala*. But Francis held neither to transmigration of souls nor to pantheism. His view of nature and of man rested on a unique sort of pan-psychism of all things animate and inanimate, designed for the glorification of their transcendent Creator, who, in the ultimate gesture of cosmic humility, assumed flesh, lay helpless in a manger, and hung dying on a scaffold.

I am not suggesting that many contemporary Americans who are concerned about our ecologic crisis will be either able or willing to counsel with wolves or exhort birds. However, the present increasing disruption of the global environment is the product of a dynamic technology and science which were originating in the Western medieval world against which Saint Francis was rebelling in so original a way. Their growth cannot be understood historically apart from distinctive attitudes toward nature which are deeply grounded in Christian dogma. The fact that most people do not think of these attitudes as Christian is irrelevant. No new set of basic values has been accepted in our society to displace those of Christianity. Hence we shall continue to have a worsening ecologic crisis until we reject the Christian axiom that nature has no reason for existence save to serve man.

The greatest spiritual revolutionary in Western history, Saint Francis, proposed what he thought was an alternative Christian view of nature and man's relation to it: he tried to substitute the idea of the equality of all creatures, including man, for the idea of man's limitless rule of creation. He failed. Both our present science and our present technology are so tinctured with orthodox Christian arrogance toward nature that no solution for our ecologic crisis can be expected from them alone. Since the roots of our trouble are so largely religious, the remedy must also be essentially religious, whether we call it that or not. We must rethink and refeel our nature and destiny The profoundly religious, but heretical, sense of the primitive Franciscans for the spiritual autonomy of all parts of nature may point a direction. I propose Francis as a patron saint for ecologists.

## SALUTE TO UNDERWRITERS LABORATORIES

Mr. SMITH of Illinois. Mr. President, permit me to ask that you grant me your attention for a few moments to discourse briefly on a subject having to do with life, liberty, and the pursuit of happiness. I shall not digress beyond that theme but do wish, because it is important, to trace the growth in the United States of the science and technology of preservation as it has a bearing on the welfare of all of the people of our great country.

If, as I stand before you, I seem more erect, or my chest expands beyond its norm, it will be the result of pride. For what I want to talk about originated in my own dear State of Illinois, whence it has grown to national and international importance.

It is a sad but true fact that our lives today are exceedingly complex: That the pressures on us all and the demands on our time are almost more than anyone can cope with. The days flee by with much left undone and only the most pressing matters handled. As a result, we fail sometimes, nay, frequently, to take cognizance of, to recognize, to appreciate how well off we are and why.

The fire siren in the night causes shudders of fear. But when the siren is silent there is no thought of fire. A burglary makes headlines. But when our possessions are secure in home or bank or store or museum, there is no news story.

Which, I ask, which, is the greater story?

Senators will not find in any compilation of statistics how many millions of people have had no accidents; how many billions of dollars of buildings and contents did not burn; how many homes, offices, and other places had no thefts.

I think there is no question as to which is the bigger story.

Happenstance? Not at all.

Will of God? I doubt it.

Planned? Yes. Definitely.

It came about in this manner:

In 1893, the world was dazzled by a spectacular display of a new kind of electric lighting which illuminated the interior and exterior of the buildings of the Great Columbian Exposition at Chicago—the first large-scale public use of Thomas Edison's invention: the incandescent electric lamp. The effect enchanted all who saw it, and those who only saw pictures or heard about it were also enthralled.

That, Mr. President, was the opening of a new era—a new era for better things for mankind.

But all was not completely serene at the exposition. The novel wiring and equipment caused sporadic fires. Especially vulnerable was the grand Palace of Electricity. Romanesque in design, indestructible in appearance, it was actually a flammable shell of jute fire and plaster, crisscrossed by a series of new and untried electrical hookups.

At this point in history there appeared on the scene an engineer named William Henry Merrill, who was hired to find the reasons for these electrical fires and to prevent them.

As well as being an excellent engineer, Merrill must have been a man of great foresight and imagination. Certainly he was a man with an idea for which the time was ripe.

Evidently he realized that this new form of electricity would revolutionize the world. Perhaps he also envisioned the enormous, emerging technological explosion which was to take place in many fields. At any rate, he had the wisdom to see the opportunity, yes, and the need, to employ science to limit the destructiveness of science.

So, after finishing his work at the Columbian Exposition, Merrill, with two assistants and $350 worth of scientific equipment, set up, over the horse stalls of a fire station in Chicago, a laboratory for the purpose of testing for safety. That was in 1894. Seventy-five years ago.

I stand before you relating this story for it is of great import. From that modest start 75 years ago has come the largest safety-testing organization in the world. I speak, of course, of Underwriters Laboratories, that unique and remarkably effective, independent public service organization which originated in my State, and from whose good works we all benefit in many ways, albeit unbeknown to most of us.

As I said at the beginning of this address, I would speak of life, liberty, and the pursuit of happiness. And that we should take stock of how well off we in the United States are, and why.

Senators will recall that in the last 75

years, our country has had the greatest social and technological development any country, in any time, has ever achieved. Our greater productivity has given us the highest gross national product and highest standard of living of any nation in the world. In our populous country, more people enjoy more comforts, conveniences, and pleasures than those in any other. As a people, we own more property, have more possessions, go more places than any other people in the world.

This means, of course, that we have more lives to lose, we have more property to burn or destroy, we have a greater exposure to the possibility of accidents. And taking all these factors into consideration, the remarkable and wonderful fact is that the United States is the safest country of all to live in.

Why? How did this come about?

Let me tell about it.

Simultaneously with the birth of Underwriters Laboratories 75 years ago, there has been developed in this country a safety network of highly specialized, related organizations and groups, the work of each of which complements, extends, and implements the work of the others. The eye, the center, the focal point of this safety network, on which the effectiveness of the whole depends, is Underwriters Laboratories.

The great contribution which Underwriters Laboratories has made to this outstanding national safety record begins with its exacting, technical work of developing safety standards that spell out how things you and I and our wives and children use, and should perform, if we are to give a good account of themselves and not, through some failure, endanger life, limb, or property.

It becomes apparent what a big order this is when we realize that the scope of this unique organization takes in, first, the prevention of the loss of lives and property by fire; second, the prevention of bodily injury and loss of lives from accidents; and, third, the prevention of loss of possessions by burglary, robbery, and theft.

To safeguard the public from this myriad of potential hazards, Underwriters Laboratories has, to date, developed and published 250 comprehensive safety standards on as many different broad subjects. These standards represent 75 years of work and untold thousands upon thousands of dedicated, expert man-hours, not only by UL engineers but by collaborating specialists in many fields of business, industry, and government. In the fields in which it works, no other safety organization in the world has produced so many standards to safeguard consumers.

The raison d'être for this great UL standard-making activity is, of course, the fact that for 75 years, more and more manfacturers of all sorts of devices, materials, and systems, wishing their output to be as free of hazard as is economically feasible, have sent their products to Underwriters Laboratories for tests to determine whether they meet the requirements of these widely recognized UL safety standards.

These standards are the guidelines for the extensive testing done by Underwriters Laboratories. To test such a vast variety and volume of products, UL has four large testing stations outfitted with the most modern scientific safety testing equipment in the world. These unique facilities are valued at $20 million—a far cry from Merrill's little $350 laboratory where it all started.

Staffing these facilities are nearly 2,000 trained and technical personnel, many of them professional engineers. This is the largest staff of its kind to be found anywhere, devoted exclusively to safety work. They test, in these facilities, upward of 26,000 new products each year.

One gets some idea of how extensively the work of Underwriters Laboratories protects all of our people when it is realized that today more than 800,000 different active catalog numbers of products in over 5,000 different categories have passed the tests and are being produced by 13,000 manufacturers. More than a million units of some single catalog numbers are produced in a year. And this has been going on in increasing volume for 75 years.

The third phase of UL's work, following standard making and testing, is inspection. The 450 UL inspectors, working out of nearly 200 U.S. cities and in 26 foreign countries, regularly visit the factories to determine that current production complies with the requirements of the safety standards. As many as 130,000 factory visits are made each year for the purpose of testing and inspecting products as they come off the production line, to check the manufacturer's own quality control procedure, and to supervise the placing of UL labels and insignia on products that pass. The number of products manufactured each year which carry the UL insignia to indicate they meet safety requirements runs into the billions.

The far-reaching results of Underwriters Laboratories work contribute importantly to the safety of all of us in the United States wherever we may be—at home, at work or at play. And our safety is further enhanced by the fact that the other Members of what I have called the safety network rely on and implement the findings of Underwriters Laboratories in such a way that throughout our great country we have a remarkable degree of safety for all our people.

We have fewer building fires because architects and engineers, in designing structures, specify materials and systems which have passed UL tests.

We have safer electrical installations because the National Electrical Code, the most universally adopted set of safety regulations in the land, calls for the use only of "recognized" wiring supplies and materials—which term is generally understood by contractors and inspectors to mean those which have passed UL tests.

We are safer wherever we reside or work or play because fire departments, building inspection departments, insurance inspectors, and other regulatory authorities of all divisions of Government throughout the United States, make an eflort to insist on products and materials which have passed UL tests.

We are wiser in our choices of what to purchase for enlightened consumers and most retailers know the meaning of the UL in a circle on appliances and many other consumer items.

And so it goes to increase our safety.

Time, the strictest judge of verity, has proved the correctness of Merrill's concept that science can limit the destructiveness of sience. As a result of what was started 75 years ago in my own native State of Illinois, as a result of the implementation of UL's work by the many members of the safety network, all of us in the United States are far safer than we might otherwise be.

I salute and congratulate Underwriters Laboratories on its accomplishments during its first three quarters of a century.

## THE FOOTBALL SEASON CLIMAX

Mr. FULBRIGHT. Mr. President, I have observed that in recent days a number of Senators have risen to extoll the virtues of college football teams in their respective States.

I can well understand their pride, for indeed the teams of the University of Montana, Penn State, and the University of Michigan, among others, all have outstanding records.

I would merely point out, however, that we also play football in Arkansas.

I suspect that a number of Senators were reminded of this last week by the publicity surrounding the game between the University of Arkansas and the University of Texas. We were pleased to have a number of distinguished guests in our State for that game, including, of course, President Nixon.

To my regret the game did not end exactly as I would have liked, for Texas won by a 15 to 14 score. However, for much of the game it appeared that Arkansas would triumph, and it truly was a fitting climax for the 100th anniversary of collegiate football.

As as result of that loss, it was my pleasure to treat the Senators from Texas and their wives to a dinner of Arkansas pork spare ribs. I hope that next year we will be dining on Texas beef steak.

As a conclusion to their fine season, the Arkansas Razorbacks will meet the University of Mississippi in the Sugar Bowl on New Year's Day. I am sure that Coach Frank Broyles' team will once more perform in a manner which will make all Arkansans proud.

As Mr. Francis Stann, a sports writer for the Washington Evening Star, said:

> Arkansas-Texas was one game that lived up to its stupendous billing. It did little to further Penn State's claim to top ranking in the nation because if Texas is truly No. 1, Arkansas can't be far behind.

In addition to the Razorbacks, I would like to call attention to another fine Arkansas team—the Arkansas State University Indians.

For the second consecutive year the ASU Indians have won the Southland Conference championship. This year the Indians were undefeated in conference play. Last year they had no losses and only one tie in the conference.

I would like to point out that, as in

the case of Arkansas in the Southwest Conference, Arkansas State is the only non-Texas team in its league. However, I am pleased to note that the Arkansas teams are able to more than hold their own against the Texas clubs.

Coach Bennie Ellender's Arkansas State team will play Drake University in the Pecan Bowl on December 13 in Arlington, Tex. These two teams tied during the regular season and the bowl game should be a good one.

While I am on the subject of football, Mr. President, I would also like to offer my congratulations to Dan Pike of De Queen, Ark., and the U.S. Naval Academy; Terry Stewart of Fort Smith, Ark., and the University of Arkansas; and Charles Longnecker of Little Rock, Ark., and the U.S. Air Force Academy.

These three outstanding young men from Arkansas were among only 11 National Football Foundation Scholar-Athletes for 1969. They were selected for outstanding football ability, combined with academic achievement and leadership.

Along with all Arkansans, I am proud of the remarkable records that these three have made.

## TOWARD AN HONORABLE PEACE

Mr. MURPHY. Mr. President, since President Nixon stated the administration's objectives and plans relative to Vietnam, a great many Californians have sent me letters and telegrams expressing their support of the President and our wonderful country. Their views on this most important matter are not dissimilar to those expressed by John P. Roche, whose column was published in the Washington Post of November 14, 1969, and by David Lawrence, whose remarks appeared in U.S. News & World Report of November 17, 1969.

It is a fact that those who so vocally oppose our distinguished President in the streets do harm to the honorable objectives of their duly elected representatives in their quest for a just peace and the self-determination of the people of South Vietnam and the free world. This has been most effectively expressed by Messrs. Roche and Lawrence. I ask unanimous consent that their columns be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 14, 1969]

IMPORTANCE OF NIXON VIET SPEECH LIES IN EFFECTIVENESS AGAINST HYSTERIA

(By John P. Roche)

Since my readers, whether favorable or critical, would hardly have been holding their breath awaiting my reaction to President Nixon's Vietnam address, I have held back comment until some perspective could be established. Needless to say, I thought it was a first-rate speech—serious, frank, and direct. I personally could have spared the side shots at the Johnson administration, but then I recall that in the early 60s we Democrats blamed everything but bad weather on poor Ike.

What was important about the President's speech was its effectiveness in countering the politics of hysteria that has dominated discussions of Vietnam these last three years. The critics of the war managed to seize the commanding rhetorical heights. A singularly talented lot, they have utilized with devastating effectiveness the best Madison Avenue techniques. We got the political equivalent of cigarette slogans—the "immoral war," the "corrupt and unrepresentative Saigon regime" etc. I actually heard a radio interview a while back which began with the commentator asking "How do you justify this vicious, immoral war?"

Of course, what disturbs most Americans about the war is not its alleged immorality. They have become increasingly disturbed by our seeming incapacity to win it. To put it differently, a substantial majority of our people became convinced that the United States government simply didn't know what it was doing. They are quite aware, as Mr. Nixon said, that the North Vietnamese cannot humiliate the United States. Thus they take refuge in bitterness and its Siamese twin, isolationism.

It is interesting in a mordant way to watch the historical growth of this sense of disillusionment. The Gallup rating on President Johnson's handling of the war took its first massive dip at the time of the Buddhist "riots" in the spring of 1966. (I put riots in quotes because I witnessed several of these events and I have seen better riots on any random Saturday night in South Boston, but the American journalists in Saigon really give these trivial demonstrations a ride.)

The real drop in confidence, however, came in the wake of the Tet offensive in January, 1968. In military terms, Tet was a shambles for the North Vietnamese, but politically it was a master stroke. Indeed, I argued at the time that this was its purpose, and evidence that has come in since confirms this judgment.

As the average American became more and more convinced his government was the prisoner of events rather than their master, his sense of rage and frustration increased. Simultaneously, the crescendo of anti-war sentiment went over the rational edge into the abyss of hysterics. And because the majority was sullen and bitter, the antiwar militants had the field virtually to themselves.

But what seemed, particularly to European observers, to be a massive antiwar movement in fact had two components: those who were antiwar (a quite small minority) and those who were opposed to losing the war. In political terms, the first priority for those supporting the war had been to divide these two segments. We tried but were unsuccessful, largely because the whole energy of the Johnson administration was devoted to putting out the fire, to coping with a savage, resourceful enemy that had gotten the jump on us in 1965. This is no excuse—excuses have no place in politics.

What President Nixon has hopefully accomplished is precisely the correct strategy. He has indicated to the "silent majority" that our government is in control of events, that we are not drifting from one desperate improvisation to another with no end in sight. If his analysis of the failings of his predecessor seems harsh, his courage in nailing his colors to the mast must be admired by all those who feel that our commitment in Vietnam cannot be betrayed without fearful implications for the future of world peace.

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[From the U.S. News & World Report, Nov. 17, 1969]

WHO IS PROLONGING THE WAR?

(By David Lawrence)

The United States is militarily the most powerful nation in the world. Certainly a tiny country like North Vietnam would never have been able to deprive an American army of victory if the commanders of our forces had been permitted to use military strategy and air power in the customary ways.

Who interfered with our own military operations? Who in this country prevented our armed services from using their maximum strength? Who, indeed, must accept the responsibility for the long list of casualties? This would never have been so large if American forces had been authorized to employ the military means necessary to attain victory.

But ever since we went to the aid of the South Vietnamese, there have been pressures inside the United States. These have been called "political." Basically they were influences which catered to pacifist elements and sought to sway the uninformed citizens who never really knew how or why the war was being lost.

General William C. Westmoreland, who commanded U.S. ground forces in Vietnam for four years and now is Chief of Staff of the Army, revealed in an interview in this magazine on Sept. 29, 1969, some of the frustrations of our military commanders. He said:

"One of the interesting things about this war is that responsibility has been divided. I had the U.S. ground war in the South, Admiral Sharpe had the air war in the North. The political, psychological, economic factors implicit in this entire equation were vested in the Ambassador in Saigon and the Secretary of State. Also, operations were conducted in the territory of an ally who exercised sovereign authority over his land and his people and control of his troops.

"No U.S. authority short of the President had cognizance over the entire conflict. Therefore, the President had to get into all sorts of details. And he had many pressures brought to bear on him—numerous factors to consider: international opinion, domestic opinion, as well as the military situation. The war has been more than military. I'm not unaware of the many complex factors that had to be considered."

Psychological warfare is in some respects as important as military operations. The newspapers, radio and television are filled with pronouncements from persons, inside and outside of Congress, who have publicly denounced the foreign policy of their Government in the middle of a war.

In Hanoi, everything said in this country is studied carefully day by day. The Red Chinese and the Soviets also note that the United States seems to be wavering and apparently is unwilling to pursue the war to a military decision.

When President Johnson acceded to the wishes of the "anti-war" elements and announced that he would halt the bombing of North Vietnam in the hope of initiating peace negotiations, the enemy was sure that the critics of the Vietnam war within the United States were making headway. Hanoi concluded that it was just a question of time before America would have to acknowledge a humiliating defeat and withdraw from Asia altogether.

For more than a year now the United States has made every effort to get a constructive peace settlement. But North Vietnam has refused to negotiate meaningfully. Encouraged no doubt by both Peking and Moscow, Hanoi feels that it needs only to wait a year or two and all American troops will be withdrawn. Then the Saigon Government could be ousted and a Communist-controlled regime would take over.

Many people in America think that the Vietnam war is a remote affair and that the United States "has no business" in Asia. This is an erroneous concept because the underlying issues can make the difference between world war and world peace.

The safety of nearly every country—in Asia, Europe and Latin America—is at stake and will be threatened if Communism achieves a victory in Vietnam.

Speeches and statements being made day after day in the United States decrying American policy are giving "aid and comfort" to

the Hanoi Government and are prolonging the war.

The demonstrations by so-called "peace" groups are helping to prolong the war.

The carping criticisms by politicians who mistakenly think they are currying favor with the public are also prolonging the war.

The war could be ended honorably by the President if he were given the wholehearted support of the American people.

If we could develop right now a united America, the fighting in Vietnam would be promptly terminated. We could, for instance, announce the date of a cease-fire. If it were not respected, we would be able to retaliate immediately with maximum military power.

When the enemy becomes convinced that the United States means what it says and that the dissenters in this country are a small minority, peace will come soon in Vietnam, and we might well avoid World War III.

## WASHINGTON TOURMOBILES

Mr. MURPHY. Mr. President, one of the prime duties of the Department of the Interior, National Park Service, is the presentation and interpretation of historic and cultural points of interest within the Federal Mall in Washington, D.C. The National Park Service envisioned a shuttle service that would provide transportation to points of interest on the Mall and also offer an accurate, comprehensive commentary on the Nation's Capital.

This program would help relieve the critical parking situation on the Mall, and at the same time it would tell of America's heritage to people from all over the world. From its inauguration date, March 17, 1969, to the present, more than 350,000 visitors have been carried by Landmark's Tourmobiles.

Mr. President, it is my understanding that the National Capitol Historical Society is planning to have the Tourmobiles include the Capitol in their routes, and I join that organization in the hope that this will soon be a reality. The Department of the Interior and the National Park Service are to be commended for creating this program, as is Landmark Services for implementing it.

I ask unanimous consent to have printed in the RECORD a description of the tour, and the schedules, as published in the Landmark Services pamphlet.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

SIGHTSEEING IN WASHINGTON, D.C.

The newest way to enjoy our nation's heritage is aboard a Landmark Services Tourmobile!

Landmark Services offers a high calibre, convenient and inexpensive way for you to see the shrines, monuments, and historical points of interest that are part of our national heritage. To make your trip more interesting and meaningful, a specially-trained Landmark Services Narrator will be aboard each Tourmobile to point out sights of interest, fill in the historical background, and up-date you on what is happening in our government today. No advance planning is necessary.

A Tourmobile leaves frequently from designated stops—all day—every day. Get on and off as many times as you like at no extra charge. Landmark Services shows you Washington, D.C. the easy, enjoyable way.

Tourmobile stops are marked inside this brochure. The stops are designed to place you within easy walking distance of all major points of interest. Don't fight the congestion, just leave your car at your lodging or a nearby commercial parking lot (also indicated on map), or take a bus or taxi to any Tourmobile stop.

Landmark Services Tourmobiles operate daily except Christmas Day. 9:00 a.m. to 10:00 p.m. (April 15th thru Labor Day). 9:30 a.m. to 5:30 p.m. (Remainder of the year).

EAST MALL ROUTE STOPS

Smithsonian Building.
U.S. Capitol Area.
National Gallery of Art.
Museum of Natural History.
Museum of History and Technology.
Washington Monument.

WEST MALL ROUTE STOPS

Bureau of Engraving and Printing.
Jefferson Memorial.
Lincoln Memorial.
White House.
Washington Monument.

ALL DAY FARE

Adults, $1.
Children (2 through 11) 50 cents.
Prices and hours subject to change.

## LEAGUE OF WOMEN VOTERS LAUNCHES NATIONAL VOTING RIGHTS CAMPAIGN

Mr. PROXMIRE. Mr. President, the ability and right of the women of the Nation to enter into the political arena on an equal basis with men was first recognized on a national level with the ratification of the 19th amendment to the Constitution. The vanguard of this movement was the National Women Suffrage Association, which is known today as the League of Women Voters of the United States.

The league's various actions throughout the years have dispelled the notion for all time that women are not able to participate in all forms of political activities. This organization has provided, and continues to provide, a valuable service to the American public through its political activities.

Recently I received an announcement from the League of Women Voters on its plan to make 1970 the "year of the voter." This project, I feel, typifies the value of the league in organizing the citizenry of this Nation to participate in political affairs. I wish the league the best in its worthwhile effort to make 1970 the "year of the voter."

I ask unanimous consent that the League of Women Voters announcement entitled "LWVUS Launches National Voting Rights Campaign" be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

LWVUS LAUNCHES NATIONAL VOTING RIGHTS CAMPAIGN

With the Year of the Voter as its theme, the League of Women Voters of the U.S. today announced that it will spearhead a national campaign during 1970, designed to emphasize the franchise as the basis of American democracy and to remove the remaining inequities in the nation's electoral system.

"There is still much unfinished business before we can reach the goal of full participation in the democratic process," Mrs. Bruce B. Benson, President of the national League, told a meeting of 19 major organizations who were asked to participate in the drive.

These organizations, and many other national and local groups who will be briefed on the Year of the Voter program, are being asked to "do their own thing" in the nonpartisan effort. "This means," said Mrs. Benson, "that those who are concerned during the coming year with strengthening the franchise, will have a framework in which to operate more effectively."

The League, which celebrates its 50th anniversary in 1970, decided to launch this public service activity rather than spend its time on "self-congratulatory birthday events." For 160,000 League members in 1,300 communities, the Year of the Voter will also be an opportunity to commemorate the 50th anniversary of woman suffrage (19th Amendment to the U.S. Constitution) and the 100th anniversary of Negro Suffrage (15th Amendment).

The Year of the Voter campaign culminates on November 3, 1970, when 34 senators, 435 congressmen, 30 governors and thousands of other state and local officials will be elected. "If public and private groups across the country support this effort," said Mrs. Benson, "we can have the largest off-year election turnout in history."

A special year of the voter logotype for use during the anniversary year, was commissioned by the League from New York graphics designer Beau Gardner. It will appear on publications, letterheads, postage-meter dies, newsletters and other community print media, tv spots and League Voter Service materials which are distributed throughout the U.S. The logotype will also be a central visual element in promotional materials produced specifically for the 50th Anniversary, such as buttons, bumper stickers and shopping bags.

"We are giving the logotype and background," said Mrs. Benson, "to all organizations who believe that the right to vote is the cornerstone of American democracy. Others are free to adopt the Year of the Voter logo as their own. Since intentionally, it embodies no visual elements identifying it with the League, it should prove effective for a variety of purposes and organizations.

The President, members of Congress and Governors will be asked to consider special Federal, state and local efforts supporting the Year of the Voter; and the cooperation of business and labor communities will also be sought.

Attending today's luncheon were representatives of the Republican National Committee, Democratic National Committee, National Governors Conference, Leadership Conference on Civil Rights, National Association for the Advancement of Colored People, National Urban League, American Civil Liberties Union, Civil Liberties Clearing House, U.S. Catholic Conference, National Council of Churches, Anti-Defamation League of B'nai B'rith, United Auto Workers, Committee on Political Education (AFL–CIO), Chamber of Commerce of the U.S., National Federation of Young Republicans, Washington Home Rule Committee, National Student Association, Public Affairs Council, and the Nation YWCA.

## GOODELL TO OPPOSE GRAND JURY PRESENTMENT POWER ON SENATE FLOOR

Mr. GOODELL. Mr. President, yesterday the Senate Judiciary Committee reported the Organized Crime Control Act of 1969, to the Senate floor.

A provision of the bill would allow the grand jury, on majority vote, to submit a presentment to the court, first, concerning noncriminal misconduct, nonfeasance or neglect in office by a public officer or employee as the basis for a recommendation of removal of disciplinary action,

or second, stating that after investigation of a public officer or employee it finds no misconduct or neglect in office by him, provided that such public officer or employee has requested the submission of such presentment, or third, proposing recommendations for legislative, executive, or administrative action in the public interest based upon stated findings.

Such a presentment shall be submitted to the court who will approve and accept it for filing only if the above requirements are met, and if the report is based on facts revealed in the course of an authorized investigation and is supported by the preponderance of the evidence.

A presentment concerning noncriminal misconduct of a public official—first, above—can be accepted only if the named individual had been afforded an opportunity to testify before the grand jury prior to the filing of the presentment. Any other presentment must not be critical of a named individual.

The proposal also offers a procedure by which a public official may file an answer to a presentment critical of him, as well as providing machinery for an appeal of the presentment. At the appropriate time the U.S. attorney must deliver a true copy of the same to the appropriate agency for removal or disciplinary action against the named individual, but if a criminal action is pending the court may seal the presentment until the matter is disposed of.

If the court is not satisfied that all these requirements are met, it may direct that additional testimony be taken before the same grand jury or it may direct that the presentment shall be sealed and not be filed as a public record. Finally, this section defines public officer or employee as "any officer or employee of the United States, or any State or any political subdivision, or any department, agency, or instrumentality thereof."

Mr. President, this proposal causes me grave concern. I believe it to be unwise both as a matter of constitutional law and as a matter of public policy.

A presentment is a public charge of misconduct—not involving an accusation of criminal conduct—which carries the importance of a judicial document, but lacks its principal attribute—the right to answer.

It is frequently confused with an indictment, and the distinction between the two is usually lost on the public at large.

When released to the public it inflicts irremedial injury upon the reputation of the accused. It effectively denies him due process of law because he does not have a proper forum to respond to the charges.

Admittedly the bill now before the Senate makes an attempt to meet this problem by providing for the appearance of the accused before the grand jury. It also permits him to file a report in reply and to appeal if necessary. Yet, there is substantial doubt as to the practical effectiveness of these "protections."

The proceedings would still not be adversarial and the accused official apparently would have no right to counsel before the grand jury, no right to call witnesses on his own behalf, and no right to cross-examine his accusers. Thus only one side of the story would be effectively presented—that of the Government.

Historically, a potential accused who appeared before a grand jury was not afforded these rights because he would later enjoy them and the full protection of due process when the case was disposed of on the merits at trial. The accused named in a presentment does not have that opportunity.

The provision in the bill allowing for the filing of a report by the accused in answer to the grand jury's report would not have the dignity and force of the quasi-judicial condemnation by the jury; it would be considered by many to be merely the usual denial.

This proposal is directly contrary to existing Federal case law and policy which holds that the traditional function of the grand jury is to accuse individuals of crime and to protect the innocent. Federal law also authorizes grand juries to perform an important investigative function by aiding the Government with its power of subpena in complex, criminal investigations in a variety of areas, including organized crime and fraud, but such proceedings are conducted in secret and its findings cannot be disclosed, except insofar as an indictment is returned.

Illustrative of the present Federal law which holds that a grand jury is without power to issue a presentment is the case of *Application of United Electrical Radio and Machine Workers*, 111 F. Supp. 858, SDNY, 1953. In that case, a Federal grand jury was investigating labor unions whose members took the fifth amendment in answer to questions concerning alleged Communist affiliation.

The grand jury rendered a presentment detailing these facts and recommended to the NLRB that it revoke the certifications of the unions, and to the Congress that it amend the Taft-Hartley law. The grand jury indicted no one, saying that the evidence was insufficient.

While the report did not specifically mention anyone, the names of certain individuals were "leaked" to the press by the foreman and prosecutor. In a very forceful opinion, the court ordered the report expunged. The function of the grand jury, the court said, is, first, to accuse, and second, to protect the innocent. Such a report is not permissible, beyond the powers of the grand jury, and deprives the individual of the right to defend himself.

The grand jury being an appendage of the court, such a report is an abuse of the constitutional principle of separation of powers. The court then observed that once the grand jury determines whether there is or is not sufficient evidence to indict:

> It may not then issue a report based upon information derived during the course of its secretive inquiry, directed to the executive and legislative branches, which touches upon matters within their exclusive authority. The grand jurors, like the members of the judiciary, are not accountable to an electorate. Their hearings, being secret, are not amendable to informed evaluation by the public and are unsuited to make the determinations which our Constitution has allotted to the executive and the legislative. (III F. Supp at pp. 864–865)

The great weight of authority is that such presentments exceed the power of the grand jury, 111 F. Supp. at page 866, citing numerous authorities. While many State courts have allowed general presentments which do not single out individuals, they have uniformly condemned specific censure by the grand jury, the same, at pages 867–868 citing cases and authorities.

The court recognized that it was not dealing with presentments of a general nature touching on conditions in the community. This type presentment may serve a valuable function and may not be amendable to challenge, the same at page 869.

Finally, the court stated that the disclosure of the presentment and of the names of the individuals involved violated rule 6(e), Fed. Rules Crim. Proc., regardless if the disclosure be considered as unofficial acts of individuals or as an official act of the grand jury as a body:

> In sum, constitutional considerations, the Federal Rules of Criminal Procedure, persuasive State authority, *public and private interest*, lead me to hold, as I do, that the issuance of the report in question was (1) beyond the power of the Grand Jury and (2) was in violation of the secrecy requirement." (Id. at p. 869) (Emphasis supplied)

The provision also raises another serious constitutional issue, in addition to the question of the due process rights of the accused.

A Federal grand jury's report against local and State officials is a clear intrusion into local matters if no Federal law has been violated. It may represent an unconstitutional infringement upon the sovereignty of State and local governments.

This problem—a Federal grand jury reporting on noncriminal conduct of State officials—appeared in the case of *In re Petition for Disclosure of Evidence Before Oct. 1959 Grand Jury*, 184 F. Supp. 38 (ED Va., 1960). Here, the grand jury was told to only indict or ignore the individuals under investigation.

Instead, the grand jury said that although it did not have enough evidence to indict, the evidence they did have on named State and local officials was requested to be sent to the city mayor and State Governor.

The court, on motion to expunge, said that although the grand jury felt "morally compelled" to bring a serious issue to the attention of the authorities, it should only have asked that the evidence be turned over to local officials without saying more.

The court felt that, first, the tenor or purport should not have been made known since it violated the secrecy of the grand jury proceedings, and second, it was an infringement upon the provinces of State and local governments. It is of note here that the city wanted the evidence for administrative disciplinary action only, while the State wanted the evidence for criminal prosecution purposes.

Rule 6(e), the court continued, in referring to "preliminary to or in connection with a judicial proceeding" did not refer just to Federal proceedings but to State proceedings as well.

In this light, the court expunged every-

thing except the recommendation that the evidence be forwarded. Accordingly, the State was able to have access to the evidence but only after the Federal prosecution was terminated and then only for the purpose of an independent inquiry rather than as evidence itself.

The court made a final and appropriate observation that since rule 6(e) does not apply to witnesses themselves, the State if it desired—and it is only their province to decide—could call these witnesses before its own grand jury.

Another case highlighting the jurisdictional issue is *In the Matter of The Report of the Grand Jury*, 4 U.S. DC Hawaii 780 (1911). In an investigation of two teachers regarding immoral practices in a local high school, the Federal grand jury found no facts upon which to base an indictment but contrary to the court's instructions filed a presentment condemning the witness' failure to testify and concluded by saying the teachers were unfit to teach.

Observing that there is no question of the worthy motives or good faith of the grand jurors, the court expunged the report on the grounds it, first, violated the secrecy of the grand jury, and second, commented on matters outside the jurisdiction of the court.

Supporters of this provision argue that the National Crime Commission appointed by President Johnson recommended that Federal grand juries be authorized to issue such reports.

Its task force report on organized crime, however, does not support or go as far as the proposed bill. The report merely states—at page 16—that "when a grand jury terminates, it should be permitted by law to file public reports regarding organized crime conditions in the community."

The recommendation restricts the use of a report to organized crime conditions only, and in a presumably general context, without naming specific individuals.

The Organized Crime Control Act of 1969 contains many useful provisions which will increase the capacity of law enforcement officials to cope with the powerful, resourceful and elusive organized criminal elements that pose such a serious threat to the welfare of the Nation. I will support these provisions.

I cannot, however, support those portions of the bill which relate to grand jury reports. They represent a serious erosion upon individual liberties—long protected in the Federal system—of those suspected of serious wrongdoing. I shall therefore introduce an amendment to strike these provisions from the bill on the floor of the Senate, and ask for the support of my colleagues in this effort.

## POLLUTION OF THE ENVIRONMENT

Mr. MOSS. Mr. President, for several years I have been calling attention to the fact that we are polluting our environment in the United States. Our waters are polluted, our skies are polluted, and solid wastes dot the landscape. Even in the beautiful State of Utah, which I represent, we have water and air pollution which is creating for our people severe environmental problems.

One of the fine communities of our State, some 30 miles distant from Salt Lake City, is Tooele. It is located in the valley west of the Salt Lake Valley and is generally considered to be in the wide open spaces. But smog has come to Tooele. The Tooele Transcript, published in that city, has set forth in an editorial the problems that confront us as the result of air pollution. I commend the Transcript for its alertness and forthrightness in calling attention to this problem and ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Tooele (Utah) Transcript, Dec. 5, 1969]

SMOG CAUSES A BITE WITH A DEEP BREATH

There's a bite to the air we breathe these days and much of the beauty of Tooele's valleys and hills is hidden by a cloud of smoke that spills around the point of the mountain into our area.

Air pollution control is no longer something for health officials only to worry about. Atmospheric conditions over the last couple of weeks have clearly shown it to be a problem of concern to every citizen.

The seriousness of the problem is pointed up by the events of the last few days. Some drug stores in the Salt Lake Valley have reported an increase in sales of drugs for respiratory ailments. A rash of traffic accidents have been reported, and Wednesday an $850,000 jet aircraft crashed and burned. These accidents may have been related to poor visibility because of the smog.

The time has come for residents of this area to let authorities and those who may be contributing to the contamination know that they want something done to stem the problem.

Because automobiles are one of the major causes of air pollution it should be made illegal for buyers of new cars to remove exhaust control devices. Periodic inspection and a system of fines could insure that the devices would be kept in operating condition. Hydro-carbons in the form of unburned fuels are the principle offenders here.

Such devices do add to the cost of operating a vehicle, but the last few days have shown that not using them costs in other ways.

Tooele City officials should accelerate their search for an adequate garbage dump and bring an end to the burning of refuse.

Emissions from Kennecott Copper Corporation operations are clearly one of the major causes of air pollution in this area. Perhaps as much as 300 tons of sulphurous fumes escape into the air each day from Kennecott plants. Most of this is in the form of sulphur-dioxide or sulphur-trioxide.

Sulphur-trioxide is not particularly harmful. It just fogs up the place. But sulphur-dioxide is harmful when inhaled. It causes a chemical reaction in the mouth and throat which forms sulphuric acid. This is what has caused the burning sensation often felt in recent days.

Kennecott officials and officials of other industries have stated that effluents from their plants are of great concern to them. What the public wants to know is what is being done to reduce them. Maybe these companies—including the smelter near Tooele—are doing all they can do and they must be given credit for what has been accomplished. But every area where possible contamination may originate must be explored and solutions sought. And the public should be informed of every action taken.

## A GIANT IS LEAVING THE SENATE

Mr. BROOKE. Mr. President, the December issue of Nation's Business contains an excellent and deserved tribute to our friend and colleague, the distinguished senior Senator from Delaware.

JOHN WILLIAMS always merits our deepest respect and attention, but his efforts in the last few weeks have truly been gargantuan. He has detected and helped to correct innumerable flaws in the tax bill. He has stood on the floor of the Senate day after day, defending the public interest and serving as a beacon and a guide for many of his less fiscal-minded colleagues. Seldom has he deserved our praise more than at the conclusion of the consideration of this lengthy and complex tax proposal.

It is for this reason that I take particular pleasure in asking unanimous consent to have printed in the RECORD the text of the article entitled "A Giant Is Leaving the Senate."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A GIANT IS LEAVING THE SENATE

When John J. Williams decided in 1946 he wanted to run for the U.S. Senate, he was a small town Delaware feed grain merchant without political experience, a following or connections in his party's state organization.

"I couldn't use that old line about my friends urging me to run," he recalls candidly. "I don't remember anybody ever asking me. In fact, most of my friends thought it was a pretty farfetched idea."

And the assumption by a 42-year-old novice that he could enter state politics at the top certainly didn't sit well with Delaware's Republican leaders.

"I had never met the state chairman," Mr. Williams says. "He was a little peeved that someone would be so brash as to announce a Senate candidacy without talking to him. But I went into it on the principle a man has a right to seek office in this country without the consent of anybody."

Most politicians, when asked why they pursue public office, come up with high-flown answers about service to nation and mankind, etc. John Williams' explanation is far more direct: "I thought I'd like to try it and I did."

"Oh, I'd been pretty concerned as a businessman about the trend in the country toward too much centralization of power in Washington," he adds. "But I didn't have any great, noble drive."

Drive or no drive, he began traveling around the state, working long, gruelling days, to make himself and his views known.

Veteran Delaware Republicans, anticipating a Democratic victory, had shied away from making their party's Senate race. By the time they sensed that a Democratic success might not be inevitable after all, that the national mood was for a change after the long Depression and war years, Mr. Williams was well ahead for the nomination.

He went on to defeat the Democratic incumbent by nearly 12,000 votes out of 113,500 cast.

Sen. Williams had entered the feed grain business with his brothers immediately after finishing high school and leaving the family farm. Now, a brother took over responsibility for the store.

"There was nothing big about it, but we made a living," the Senator recalls. "He did

all right after I left, so I guess I wasn't as important as I thought I was."

INTO THE BIG TIME

In Washington, the political novice and small businessman, lacking a college education and possessing a speaking style that ranged from an almost inaudible whisper to a rasp, joined a body composed mostly of lawyers or professional men—men long on political experience, on education, on knowledge of big business and finance, and on dramatic oratory.

But it was the grain merchant from Millsboro, Del., who was to rock the Truman Administration with disclosures of staggering corruption in the Internal Revenue Service and elsewhere in government, who was to assail the conduct of Sherman Adams in another Administration and was to bring about the downfall of Bobby Baker in still another. And John Williams' grasp of high-level economics and tax policies acquired through long, hard work and study, was a major factor in forcing Lyndon Johnson to surrender and accept spending limits in return for Congressional passage of the 10 per cent income tax surcharge.

Now, at 65, Sen. Williams has announced he will retire when his present term ends in 1970. He is approaching the final year of his Senate days, working and fighting as hard as ever for causes he has championed from the moment he arrived—honesty, efficiency, and economy in government.

He has earned a title given few others in the nation's history: "The conscience of the Senate."

In the late 1940's, information came to Sen. Williams of graft in key federal tax offices across the country. He began digging, but, in his unflagging insistence on accuracy and fairness, it would be more than two years before he made his first speech on the subject.

The trail led slowly but inexorably from lesser lights in regional offices to the highest echelons of Internal Revenue, the Justice Department and the White House itself. Resignations, indictments and convictions followed.

But party lines play no role in Sen. Williams' outlook on governmental ethics.

Sherman Adams, known as the "assistant president" during the Eisenhower Administrations, came under fire in 1958 for accepting gifts, including a $2,400 rug, from an industrialist having problems with government agencies. Sen. Williams was as outspoken as he had been when a Democrat was in the White House. "There can be but one code of ethics for public officials," he told the Senate.

"I condemned the deep freezes," he said in a reference to a famous gift to a Truman aide, "and I will not defend the rugs now."

ENTER THE BAKER CASE

It was a brief, newspaper account of a civil suit that launched the Senator on one of the best-known of his many battles against corruption in government. A disgruntled owner of a vending machine company had filed suit against Robert G. "Bobby" Baker, secretary to the Democratic Senate majority. The owner said he had paid Baker for help in obtaining a contract that went somewhere else.

"I wasn't interested in where any contract went," Sen. Williams recalls, "but I did want to know why a Senate employee was being paid to get somebody a contract."

He began digging into the affairs of Baker, the ex-page who had risen to the influential secretary's post under the patronage of the majority leader at the time, Lyndon B. Johnson of Texas. The Delaware Senator wanted to know whether Baker had used the job to further what turned out to be extensive, outside business interests.

"It just descended like an avalanche," Sen. Williams says. "In a short period of time I had developed enough information that I was convinced something was bad."

He took it to Senate leaders, suggesting a meeting with Baker. "I wanted to outline the things that bothered me and Baker could respond. Then I—and they—could evaluate his responses." Baker could not be reached for an initial meeting.

A second meeting was arranged after a firm pledge from Sen. Mike Mansfield, Mr. Johnson's successor as majority leader, that Baker would be there. But Sen. Mansfield arrived alone, downcast. Baker had resigned.

"We can't stop here," Sen. Williams commented. He insisted on the full-scale investigation that led to Baker's conviction of income tax evasion, theft and conspiracy to defraud the federal government. The shock waves set into motion by the Baker case launched a new era of concern on Capitol Hill about standards of conduct expected for Congressional members and staffs.

The Senate adopted a code of ethics providing for a combination of public and private reports on financial interests. Sen. Williams says that development was "a giant step forward," but more should be done.

"IT'S HOW YOU GOT IT"

He advocates establishment of procedures, with proper safeguards, for evaluating Congressional income tax returns when doubts arise. He sees little value in a proposal pressed frequently by Senate liberals to require public disclosure of financial holdings as of a given date each year.

"It's not what you own, it's how you got it," the Senator says. "The tax return is the key."

Sen. Williams has been constantly at work on issues less-publicized than Capitol Hill ethics.

He has clashed with government officials repeatedly as he has issued well-documented broadsides of waste and inefficiency in housing, agriculture, public works, welfare and many other programs.

A mark of the fairness that has won him high praise from other Senators in both parties in his unfailing practice of giving advance notice to anyone he intends to talk about in connection with inefficiency or dishonesty.

The accomplishment Sen. Williams ranks as the high point of his career as a legislator was the passage in 1968 of the bill making spending cuts the price the Johnson Administration had to pay for approval of the 10 per cent income tax surcharge.

"I'm certainly not proud to have a tax attached to my name," says Sen. Williams, co-author of the bill. But he seen a far more overriding consideration: "I am thoroughly convinced that if Congress had not acted on both taxes and spending—they had to be tied together—the American dollar would be gone today."

He adds a cautionary note: "We're not out of the woods yet. Merely raising taxes and putting the money into the government spending stream further aggravates the situation."

Conceding that spending limit loopholes later eroded the impact of the original bill, Sen. Williams says that's why he fought all the harder in 1969 not only for greater cuts but for ironclad assurances they will be made.

NOBODY'S PERFECT

Looking back over his years in the Senate, would he have done anything differently?

"Oh, goodness, yes," he responds quickly with a smile. "You make a lot of mistakes. I often wonder what I was thinking about on some of them."

(His candor once threw off a Democratic opponent who declaimed from a campaign platform that he just couldn't understand how Sen. Williams had voted the way he did on a certain issue. The Senator's reply: "I don't understand why I voted that way either. At the time it seemed to be the right thing to do—but it wasn't.")

One place where Sen. Williams will leave no mark after 24 years in the nation's capital is the party-going scene which many of his colleagues frequent. While his mail is heavy with the invitations that all Senators—particularly senior members—receive to cocktail parties, dinners, receptions, diplomatic functions and the like, he rarely attends any of them.

He lives quietly in Washington throughout the week and spends his weekends in Delaware, often at favorite hunting or fishing sites.

The Williamses have a daughter and three grandchildren. When he came to the Senate, Sen. Williams boasted of being "the youngest grandfather" in the membership. The passage of time has enabled him to escalate to the claim of being "the youngest great-grandfather in the Senate."

His decision to retire was made in characteristically direct fashion—he cited his long-held view that no Senator should embark on a new term after 65.

The Senator has no specific plans for retirement years—that feed grain business no longer is in the family—but guarantees, "I'm not going home and prop my feet up. I'm not going to lose interest."

He's concerned about the nation's future, and holds that violence and anarchy, on campus or city street, "cannot be defended or tolerated and must be dealt with affirmatively."

At the same time, he adds, "we adults have to recognize that, as we start to correct the situation, we have to look at our own houses.

"When men holding high positions of trust betray that trust, we are creating in the minds of young people an element of doubt about the moral standards we are following ourselves and are asking them to follow."

RESPECTFUL OPPOSITION

John Williams is a conservative by anybody's yardstick.

But it was one of the most liberal of liberal Democrats, William Proxmire of Wisconsin, who said of him:

"I feel he is the one member of this body who is its most able sentinel. I hope . . . that this remarkable man will reconsider his decision to retire."

And another Democrat, Majority Leader Mansfield, summed up Sen. Williams' career in a fashion that will draw little dissent from those who have followed it:

"He has been a giant and his departure from the Senate will leave a void that will be almost impossible to fill."

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. BROOKE. I yield.

Mr. TALMADGE. Mr. President, I had occasion to read that article, and I wanted to have it printed in the RECORD also. I compliment the distinguished Senator from Massachusetts for having done so.

Mr. President, I have served on the Committee on Finance for 11 years with the distinguished Senator from Delaware. I know of no member of that committee who is more knowledgeable, more sincere, or more dedicated in the field of taxes and other matters over which the Committee on Finance has jurisdiction. His retirement from the Senate at the completion of his term will be a tragic loss to this body and a tragic loss to our country.

I join the Senator from Massachusetts in commending the services of the distinguished ranking minority member of our committee.

Mr. BROOKE. Mr. President, I certainly thank the able and distinguished Senator from Georgia, for whom we all have great respect. His very kind and appropriate remarks are most welcome.

## THE RACE TO SAVE THE COUNTRY'S CAPACITY FOR DEFENSE

Mr. GURNEY. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled, "U.S. Leaders Engage in Race To Save Capacity for Defense," written by Mr. William S. White.

The article, published in the Washington Post of Saturday, November 29, 1969, concerns what Mr. White calls "the grisly allegations that American troops murdered 109 civilians in the South Vietnamese village some 18 months ago."

Mr. White states his fear that this incident may be used as a vehicle for "denuding the Nation of the power to defend peace with justice."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. LEADERS ENGAGED IN RACE TO SAVE CAPACITY FOR DEFENSE

(By William S. White)

The Nixon administration, the highest officers of our armed services and the leaders in Congress on military affairs are all now engaged in a desperate race with time and fate to save this country's whole basic capacity for national defense.

This is the crucial meaning of President Nixon's sudden decision to renounce any use by the Unted States of bacteriological weapons in any circumstances and to bring to life a long-moribund international accord of 1925 that would pledge its signers against any first-strike use of poison gas.

That the President's action is substantially important in its own right is, of course, obvious and undeniable. Still, to keep the thing in perspective it must be added, first, that the United States never intended to use germ warfare and, second, that gas as an effective weapon has, in fact, been outmoded and essentially irrelevant since World War I. Moreover, no informed man in Washington can doubt that Mr. Nixon was moved to undertake these dramatic commitments by considerations not solely confined to their own merits.

He was motivated as well, in this columnist's understanding, by a most urgent need to help still the open-ended antimilitary clamor arising from the grisly allegations that American troops murdered 109 civilians in a South Vietnamese village some 18 months ago.

For these frightful charges—and all should withhold final judgment upon them until the sworn processes of justice have run their full course—have inflicted upon the entire American military establishment the most destructive psychological wounds it has ever known. For they have cropped up as an ugly climax to what was already a campaign of unexampled vehemence within the largely pacifist-minded new left to discredit the very concept of using, or even having, military force in the contemporary world.

Already, too, thousands upon thousands of collegiate young men had been openly demeaning military service itself, often from the sanctuaries of personal exemption from the draft. Already, too, American officers who had repeatedly put their lives on the line in this country's defense had been regularly undergoing from New Left senators a form of hostility and contempt never before seen in our national life.

Now, the stories of the horror of that hamlet in Vietnam have set off a public revulsion that is entirely understandable—but which in the high emotionalism of these current days could readily be carried beyond all reason and into a spirit of condemnation of the very existence of an adequate defense structure.

Thus it is that if these stories turn out to be indeed true, the men responsible will have done the honorable profession of American arms incomparably more harm than any Benedict Arnold ever did.

The most far-out of the peace-at-any-price forces, here and abroad, have instantly and predictably seized upon these unthinkable allegations as somehow proving that the entire American policy of assisting a tortured and invaded South Vietnam is at best futile and at worst actively evil. There is no logic here—but there is passion in plenty.

They cry out in the American Senate and they march and "demonstrate" in London and elsewhere against the interests of a whole country, a whole people and a whole Army whose true record in its totality has been one of gallantry and self-acrifice. They do not cry out, they do not "march," here or elsewhere, against the wholly confirmed murder of countless thousands of South Vietnamese civilians by the Communists.

Now, this is not said to condone, by so much as a chemical trace of excuse-making, what on first information seems to have happened in the province of Quang Ngai. For it is, of course, perfectly true that no amount of Communist savagery can justify savagery on our side. And yet it will be the saddest day in our national story if this dreadful episode should become the excuse and the vehicle for denuding this nation of the power to defend peace with justice. This is the nature of the problem now.

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## ALTERNATIVE TO PRETRIAL DETENTION

Mr. ERVIN. Mr. President, the issue of preventive detention has evoked wide editorial comment since the introduction of the administration's proposal, embodied in S. 2600, that supposedly dangerous defendants be imprisoned for 60 days prior to trial.

Two of the most penetrating editorials have been published in the New York Times, one on July 16, just after S. 2600 was introduced; the other on November 26. These editorials quite correctly emphasize the important, underlying fact that the clearly constitutional, as well as practical, solution to the problem of crime on bail is speedy trial rather than preventive detention.

As the earlier editorial appropriately points out, the trial of any criminal suspect believed dangerous can be accelerated while we pursue the long-range goal of major court reform so necessary in guaranteeing speedy trial for all. It also properly suggests that prison reform must accompany court reform. Our jails and prisons are plagued by problems of assaults, narcotics, and homosexual rape, as well as general turmoil and unrest. Preventive detention would subject an untold number of individuals, many of them innocent, to these problems and would increase, rather than reduce, and existing criminal tendencies.

The second editorial singles out one of the ways in which S. 2600 would radically alter our traditional concept of criminal justice in this country. That editorial cogently points out that preventive detention would reverse the fundamental premise that a man is innocent until proved guilty.

Mr. President, because these New York Times editorials are so apropos of our consideration of the preventive detention issue, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 16, 1969]

LAW, ORDER, AND CIVIL RIGHTS

The Nixon Administration's proposal for preventive detention of "dangerous" defendants in Federal criminal cases reflects the same disturbing tendency to bypass constitutional rights that has flawed some other recent Administration moves in its crusade for law and order.

Like the Justice Department's assertion in Chicago last month of unfettered powers to eavesdrop in national security cases, the preventive detention bill seeks to curb criminal activity by means that threaten the innocent. Reacting to widespread opposition to the eavesdrooping claim, Attorney General Mitchell appeared to retreat somewhat in this area Monday when he told a news conference he's phasing out a lot of electronic eavesdropping in the national security field.

But the President again risked infringement of civil liberties when he asked Congress to give Federal narcotics agents authority to break into residences unannounced to seize drug evidence quickly.

The detention bill would permit the imprisonment of a suspect for up to 60 days without bail if a judge found a "substantial probability" that the defendant was guilty as charged, and also determined after a hearing that release of the defendant would be a danger to the community. Among those who could be detained are narcotics addicts charged with any crime of violence; persons charged—but not necessarily convicted—with two violent crimes; and others charged wtih such "dangerous crimes" as bank robbery or the sale of narcotics.

In spite of an attempt to provide safeguards, this measure directly contravenes the principle that a man is presumed innocent until proved guilty, which is at the heart of American criminal law. It extends discretionary power to judges that perilously skirts guarantees that were carefully spelled out in the Bill of Rights to protect the innocent. The pertinent amendments—the Fourth through the Eighth—were based on bitter experience with governmental abuse in criminal cases dating back to Magna Carta days.

The problem of crimes committed by suspects while free on bail awaiting trial is a serious one. It has become more acute recently, partly because of bail reforms that limit—but do not entirely prevent—the practice of imposing prohibitive bails, but principally because court congestion has caused prolonged delays between indictment and trial.

The surest way to ease this problem of potentially dangerous criminals at large, without perverting justice, is to reform the court system so that all defendants receive the speedy trial to which they are entitled under the Constitution. Pending such long overdue reform, the cases of suspects deemed dangerous could be advanced on court calendars to minimize delays in meting out justice.

Beyond this, the danger from criminals on bail is related to the larger problem of failures of the correctional system. Too many men revert to anti-social behavior even after they have theoretically discharged their debt to society. Prison reform must go hand-in-hand with court reform if the public is to be spared the compound dangers of repetitive offenses.

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[From the New York Times, Nov. 26, 1969]

GUILTY—UNTIL INNOCENT

The confrontation between the Administration and the Senate Judiciary Subcommittee on Constitutional Rights over pre-

ventive detention is a classic example of totally opposite attitudes on criminal justice today. Reduced to plain language, the Administration wants to change the system so that an accused person is guilty until proved innocent.

Attorney General Mitchell is pushing hard for amending the Bail Reform Act in order to cut down crime, especially in Washington His proposal would empower a judge in any Federal jurisdiction to lock up a defendant without allowing bail on the broad and highly personal grounds of being a "danger to the community." Under the amendment, suspects with a past criminal record would be a prime target for turnkeys, but so would other defendants where there is a "probability" of "ultimate conviction."

Senator Ervin of North Carolina, chairman of the Constitutional Rights Subcommittee, is strongly opposed to this simplistic solution to ending crime in the streets. He believes that the Administration bill is a punitive measure that affords no protection but merely convicts and imprisons without due process, violating sections of the Bill of Rights guaranteeing access to counsel, opportunity to participate in preparing a defense and reasonable bail.

The increasing national rate of criminal activity is appalling. But speeding up the trial process represents a better answer than pretrial imprisonment to the danger that a freed prisoner may commit a crime while out on bail. More prosecutors and judges should cut the delay between indictment and trial.

The constitutional rights of accused persons cannot be nullified because the wheels of justice grind too slowly. Unquestionably, there are specific situations in which public safety requires that an arrested person be kept in custody, but the most rigid limitations must be put on the judicial exercise of such detentive authority. The Mitchell proposal is too wide open to abuse to meet that requirement. It reverses the basic judicial concept of innocence until found guilty after a court trial.

## FINANCIAL NEEDS OF PRIVATE UNIVERSITIES

Mr. PERCY. Mr. President, Dr. Edward H. Levi, president of the University of Chicago, submitted a state of the university message to the university trustees on November 4 of this year. To obtain educational excellence in an institution of higher learning a superhuman burden is placed upon its officers and faculty. These men are required to assume the role of financier, architect, planner, negotiator, arbitrator, sales manager, and almost every other phase of professional life. One wonders how university officials have the time to devote attention to the issues of education in the midst of these other responsibilities. They manage to do so, however, while also succeeding in developing an improved physical plant, new course structures, improved student relationship, and expanded services to government and humanity. The problems are almost beyond comprehension, at times, and, as this report so starkly indicates, the central problem, perhaps, or the "nitty gritty" of the university administrators' life revolves around trying to make financial ends meet.

We in the Senate have been struggling these past weeks in an effort to enact tax reform legislation. On many occasions this debate has turned to the subject of charitable and educational giving and the issue of tax benefits claimable by those who give to charitable and educational causes. The tax bill contains many provisions for closing loopholes through which taxpayers can avoid shouldering their fair share of the cost of government. This is all to the good. At times, however, efforts have been made to apply stronger sanctions against potential givers than were warranted by the facts or justified under the benefits that would be obtained by society.

We must weigh the value that will be received by a charitable or educational institution against a benefit received by one donating money or property to such an institution. Whenever I felt the former overweighed the latter, I supported efforts to benefit education and charitable enterprises. The message by Dr. Levi was an important factor in helping me determine my course of action because it demonstrated how essential it is to encourage adequate giving to these private, independent, innovative institutions.

As Dr. Levi stated:

> The strength of the university is in the individual scholar, the individual student, the tradition of scholarship, the precious and mysterious collaboration which sometimes occurs among scholars . . .

I might add that the strength of a free society depends upon the strength and independence of its institutions, especially those devoting themselves to educational pursuits. As I have frequently indicated, Government is generally unable to assume as capably the vital functions performed by these institutions and individuals. It is having a difficult enough time attempting to perform its present tasks. Yet, to maintain the strength of these private institutions costs money now, and will require vastly expanded sums in the future.

The financial burdens upon the University of Chicago, as presented by Dr. Levi, clearly demonstrate this need for adequate funds and the problems in obtaining them. Ten years ago, the university's endowment income was greater than faculty salaries; today, it barely goes half way in meeting costs. To meet current operating costs, gifts, endowment, and sundry income make up 52 percent of the budget. In 1959, the university counted on receiving $7,186,000 in gifts to support the budget; this year, to balance the budget will require over $19,000,000 in gifts.

There is a widespread belief that in a society of general affluence, such as ours, and under conditions where federal support is substantial, private universities lack any major financial problems. Nothing could be further from the truth. Educational institutions, if they are to perform their true mission, are unable to take advantage of technological breakthroughs like businesses in order to achieve economic growth. There can be no hope of keeping abreast of general economic growth. The need to maintain a low teacher-student ration, pay adequate salaries to attract competent faculty, and expand into new educational fields means that costs are going to keep rising, faster than returns on investment income can support.

Mr. President, we must strive to preserve the incentives for individuals to give to private educational and charitable institutions. It is for this reason that over the past several weeks of tax debate I have introduced and supported legislation designed to prevent a tax being imposed on foundations, requiring a substantially larger payout by foundations currently to educational and charitable activity and preserve the incentive for private philanthropy which I consider an essential point of the genius of our private sector. Through such means we will be able to maintain a free society.

Because of their general application to all private institutions of higher learning, I ask unanimous consent that Dr. Levi's statement be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AN ADDRESS BY EDWARD H. LEVI, PRESIDENT, UNIVERSITY OF CHICAGO, NOVEMBER 4, 1969

The Statutes of the University provide for the Senate to meet not less than once a year to hear a report from the President and to discuss matters of University interest.

Changes in the last 10 years give some perspective on the nature of our University and its problems. During the period, faculty size increased by 45 per cent; students by 40 per cent. Increases were general, though uneven, throughout most of the University. Within the Divisions, the largest increase in both faculty and student numbers was in the Humanities. The smallest increase in student numbers was in the College and in The Pritzker School of Medicine. The smallest increase in faculty numbers was in the Divinity School and in the Physical Sciences. Eighteen major buildings were completed. Among them are the Wyler Children's Hospital, Searle Chemistry, the Laird Bell Law Quadrangle, the Center for Continuing Education, Woodward Court, the A. J. Carlson Animal Research Facility, the new High School Building, Pierce Tower, the completely redone Cobb Hall, Goldblatt Pavilion, the Astrophysics and Space Research Building, Social Service Administration, the Mott Building, the High Energy Physics Building, and the just dedicated Hinds Research Laboratory. During the 10 years, the University spent more than $70 million in building construction. Four new buildings are now going up: the Regenstein Library, the Social Services Center, the Pick International Studies Center, the Ben May Cancer Research Laboratory. For student housing, in buildings constructed and acquired, the University spent more than $23 million.

At the beginning of the 10 year period, it was reported that endowment income exceeded the salary commitments for the tenured faculty. In 1959 total faculty compensation for professors and associate professors was $6,761,000. Endowment income was $6,939,000. This comforting proportion, if that is what it was, no longer exists. Total faculty compensation for professors and associate professors today is $18,377,000, and endowment income is $11,632,000. Total faculty compensation for all ranks at the University is now $25,661,000. In 1959 it was $9,353,000. During a period when endowment income increased 68 percent, the total budgets went up 148 percent; student fee income went up 189 percent and student aid 394 percent. Total faculty compensation rose 174 percent, average faculty compensation 91 percent, with the greatest percentage increase at the instructorship level. I am sure it will sur-

prise many of our faculty to know, either because they regard the figure as too high or too low, or just plain mythical, that the average faculty compensation with fringe benefit is now $22,072. In 1959 it was $11,560. We, apparently, stand third among the universities of our country in faculty salary level, and perhaps somewhat higher if the comparisons are made more precise. A few years ago we stood second.

As is well known, the period was a time of substantial increase in government contracts and grants for research. Over the 10 years, the regular budget of the University, from its unrestricted funds, rose 149 percent. Restricted funds increased 97 percent, while government grants and contracts went up 247 percent. Of the three divisions where government contracts and grants are largest, the greatest increase—582 percent—was to the Biological Sciences; then a 500 percent increase to the Social Sciences, and a 269 percent increase to the Physical Sciences. The ranking is somewhat different for increased expenditures from the University's own funds, including restricted funds, where among the Divisions and the College, the greatest percentage increase went to the College, then next to the Humanities, then to the Physical Sciences, the Biological Sciences and the Social Sciences. In 1959, 21.55 percent of the total adopted budget was for expenditures to be made possible through government grants and contracts; an additional 5.11 percent came from overhead allowances, largely governmental. The comparable figures for the adopted budget this year are 28.41 percent and 5.04 percent. An overview of the sources of income which make possible the University's total budget is as follows: government and overhead, 33.45 percent; tuition, 18.70 percent; patient fees, 18.66 percent; gifts, 16.43 percent; endowment and sundry, mainly endowment-like, income, 12.76 percent. In 1959, that endowment and sundry, mainly endowment-like, income amounted to 18.82 percent.

The figures on the sources of income for the total budget serve to emphasize, of course, the importance of federal support for individual faculty research and which frequently provides student support. But they also indicate the great dependence upon private funds, where gifts and endowment and sundry, mainly endowment-like, income amount to almost 30 per cent of the total budget. This point is made sharper if attention is focused on the sources of income which make possible the University's regular and restricted budgets.

If we leave out self-balancing funds and expenditures for the hospitals and clinics and the Industrial Relations Center, and only include federal funds for faculty salaries and overhead, the picture is as follows: tuition 32.67 per cent; gifts 27.51 per cent; endowment and sundry income 24.31 per cent; overhead, largely governmental, and government support to faculty salaries, 15.51 per cent. Thus gifts, endowment and sundry income amount to almost 52 per cent of these budgets.

It is no pleasure for me in a general talk on the state of the University to give so much weight to these figures. I do so only because of their overwhelming importance. The reality which we must face is shown by the following: In 1959 we counted on a total of $7,186,000 in gifts to support the budget. Of this amount $1,752,000 was projected as unrestricted for the purposes of the regular budget. We ended that year with a surplus of $325,000. This year, in order to balance the budget, we must project $19,328,000 in gifts, of which $9,328,000 would be for unrestricted purposes. If $9,328,000 is required, in order to arrive at that figure, it appears likely we may have to use $5,690,000 from the $25 million challenge grant which was given to us by the Ford Foundation. Indeed, in order to get $6,751,000 in unrestricted gifts last year, we had to use $4,269,000 from the Ford challenge grant. If we have to use $5,690,000 from the Ford challenge grant this year, and let us hope this proves to be unnecessary, that will almost use up what remains of the entire $25 million from Ford. A hole of $5,690,000 in our budget in future years, even at current levels, is the equivalent of 20 per cent of the regular budget of the College, the Divisions, the Schools and the Library.

Another point must be stressed. The budgets of which I have been speaking do not include capital expenditures. They never have. These funds must be raised on their own outside the budget. Emergency capital expenditures which must be made—and there always seem to be some—unless otherwise raised are a call upon those same unrestricted gifts needed to maintain existing budgets. Desperate pleas for the University to complete the amount required to put up a building, which has been only partially financed, are also a call upon these same funds unless other gifts are raised or restricted funds can be tapped for this purpose. A good example of the problem of getting financing for new buildings is the Basic Biology Building, much needed, much planned. This is now estimated to cost $13 million, of which $5,480,000 has been raised. I do not wish to make us more miserable by pointing out in passing that most new buildings, when completed, do not carry with them, nor do they engender, funds for their maintenance.

This may well be the financial situation of the private university of quality in the United States in the year 1969. This is, in any event, our present outlook. It is a difficult picture to present. The figures are, of course, complicated, subject to interpretation. They inadequately reflect complexities and nuances. There is a wide-spread belief that because the society is affluent, private universities cannot really find themselves in this kind of a bind. There is a natural hesitancy, although I find myself not sharing it, to give news which might be regarded as discouraging either within the institution or to potential donors. Donors, it is said, do not rise to the opportunity of giving money for deficits. It has sometimes been suggested that if private universities were brighter in the way they invest their funds, capital gains would have done much to close the gap. Our university has, indeed, divided its funds to permit more adventuresome investments with possible payouts above a lower annual income when this is not prohibited by the terms of the gift. But this kind of enterprise will not greatly diminish the necessity for added gifts and additional income. There is also a widespread belief, sometimes shared by faculty, that because of the rise of federal support, private institutions do not have a special financial problem. But we do have. Compare the extraordinary effort to build 18 new buildings on this campus for $70 million over a 10 year period with the almost instant campuses which have been able to arise within some state systems. The partnership which state and private institutions have, and should have, in our system of higher education ought not obscure the fact that between them, sources of funds are somewhat different; problems and strengths are not always the same.

The general burden which is upon the University is that its productivity increases more slowly than does productivity in the economy as a whole. William G. Bowen, Provost and Professor of Economics and Public Affairs at Princeton University, studied combined data furnished by Chicago, Princeton, and Vanderbilt, and information supplied him by the Office of Education for private universities in general. He found that the cost per student over the 10 year period from 1955 to 1965 in the three universities combined showed an average annual rate of increase of 7.3 per cent, and that the data for all private universities indicated an average annual rate of increase in cost per student of 8.3 per cent.

"At the root of the cost pressure besetting all educational institutions," Professor Bowen writes in a study published by the Carnegie Commission on Higher Education, "is the nature of their technology. Over the long run, even if the universities were to have the most progressive leadership and were to shed many of their conservative biases, the odds seem slim indeed that they can hope to match the remarkable record of productivity growth achieved by the economy as a whole . . . And it is the ability of the universities to keep pace, year after year, with economy-wide productivity gains which is crucial for their cost position."

He concludes: "the economic implications of the technology of education would lead us to expect costs per student to rise inexorably, even if universities avoided all temptations to embrace new fields and new techniques, to accept broader responsibility in the world at large, to educate more graduate students relative to undergraduates, and to do more research."

And this cost problem falls most heavily upon the major private universities. "The conscientious supervision of a student's independent work is the essence of high-level graduate education, and it is an important element in the undergraduate preparation of highly qualified students . . . it is hard to see how any significant savings in faculty time are to be achieved here. In short, the very nature of the educational mission of the major private universities makes it unlikely they will benefit to any great extent from whatever technological innovations do occur. The same comments can, of course, be applied to other institutions which emphasize graduate education or the small group mode of undergraduate instruction characteristic of many liberal arts colleges."

Our present state, our quality, our financial situation—the fact we are here—are the results of decisions made to attempt to reinvigorate the University as the Institution it had always been, after the forced budget cuts of the early '50s, the flight of the faculty, the struggle to exist in the community. The question was whether the University could continue to attract faculty, begin to rebuild facilities and add new ones, do the things it ought to do within the community, and maintain that excellence in teaching and research without which there would be small reason to have a University of Chicago. Departments of undoubted eminence required reassurance; new areas of inquiry consistent with the basic interdisciplinary unity of the University had to be developed. Weak departments needed to be convinced the fault lay within, not without. These efforts gained considerable momentum and success by 1959. With the leadership of President Beadle, they were strenuously renewed. To these efforts, essentially efforts of the faculty, we owe the University's present undoubted ability in most of the traditional disciplines, and its equal primacy in some areas further developed during the period, such as nonwestern studies. Of course, we have many inadequacies of varying degrees of seriousness, including sometimes ourselves. It is perhaps small comfort to realize a satisfied university is not a good one. The opportunity for much that has been achieved came because of the success of the $160 million campaign for funds made possible by the Ford Foundation's $25 million challenge grant and the efforts of members of the Board of Trustees and friends of the University. Of course, it was realized the end of this money-raising effort would find the

University with important unmet academic needs and continuing financial pressures. It was, perhaps, good it was not fully realized how acute these might be in part, because of the special vicissitudes of this period. But the $160 million drive was projected as only the first leg of an effort to raise $360 million. We have $200 million to go, and this, whether we can obtain it or not, may be too little. I should remind you that with or without a drive, our present level of operations requires us to raise $20 million a year to keep going, and without the Ford challenge grant, we are not now achieving this.

During the last year we have continued to build upon the strength which prior successes have made possible. The Physical Science Division now has the excellent new facilities for Chemistry and Geophysics, along with the new Astrophysics and Space Research and High Energy Physics buildings. Looking at Psychology and the divisiveness which seemed to overtake it as soon as it moved into the first adequate quarters it ever had, one is churlishly reminded that new buildings need not a department make. But I am sure these new facilities have already helped greatly—even with Psychology. I am told that Far Eastern Languages is positively enjoying its tenancy in one of the buildings vacated by Geophysics.

This has been a year when we have been unusually hurt through faculty losses due to death, retirement or resignation. This has been the case, for example, in Political Science, Economics, Middle Eastern Studies, History, and Divinity School, Physics, the Biological Sciences, including among other areas, Surgery, Physiology, Biophysics, and Medicine. But remarkable new appointments have been made last year and this, and that, after all, is the ultimate test. Moreover, there is the happy indication, as in History, Economics, Political Science, Law, Education, the Divinity School, Business, Mathematics, Physics, and Astronomy and Astrophysics, of increasing success in finding young scholars of unusual accomplishment. This last list is not intended to be exhaustive. It spells good fortune for the University if there are major or, for that matter, any omissions.

The strength of the University is in the individual scholar, the individual student, the tradition of scholarship, the precious and mysterious collaboration which sometimes occurs among scholars and cannot be measured in time spent or under the banality of communication. It has been the good fortune of the University to have had many great scholars throughout the years. We have them now. As colleagues, we value them—young or old—sometimes for their wisdom, always for their insight; when they have it. Fortunately we do not always know who the great scholars are—in addition to a Chandrasekhar, a Zachariasen, a Huggins, a Mulliken, a Beadle. I would name others—they come readily to mind—but the longer the list the greater the trouble I will be in if there are obvious omissions. We surely do not know all those who will become great scholars. This helps us to approach each other with civility, tolerance and skepticism. In any event, I believe it is correct to state that this institution knows a university begins with the individual.

But even though a university should not have all the facilities it craves, physical arrangements, access to materials and special equipment can shape or can be indispensable to the work of the scholar and the education of the student. In our expectation, the Regenstein Library already casts a glow. Graduate students may once more become accustomed to that kind of individual inquiry and study which proper library arrangements encourage, and which we have not had in many years. Even when we complain, which we frequently do, we are fortunate in the availability of many facilities within and without our institution, such as the still functioning Fermi Institute cyclotron, extending its borrowed time, Argonne's ZGS, the 12-foot bubble chamber which began operating at Argonne last month, the coming National Accelerator Laboratory at Batavia. These are only a few examples. The hospitals and clinics are another. To one who works in a field where, despite the commotion about the behavioral sciences, a library is the main requisite, there is sometimes a particular awe in knowing such things as the unique development and use of electron microscopy now taking place, to be aware of the seven instruments relaying information on particles in space, to see the lunar samples, realizing how they were obtained and brought back for analysis. One might feel book-bound, even miniaturized.

I suppose I mention these quite random examples of special facilities, as a preface to making the point that even this university, or perhaps particularly this university, cannot have all the facilities it wants or could well use. It cannot have all the faculty it would like to have. It is quite proper that a flow of memoranda, pointing out our present limitation, should come from faculty and department chairmen and from students. Distinguished departments frequently point out they have achieved great distinction with a faculty too small in numbers, if comparisons are made to departments elsewhere. The complaint is made so often one wonders whether it does not describe a cause for excellence. We are reminded continually that our computing capacity falls far short of that available at many smaller institutions.

We are continually being told that if the University wishes to maintain a strong position in a particular area, we must be willing to take on major capital costs. This university, whatever its future, need not cry out for sympathy. There is virtue in some of our limitations. We have been and are a small university; the expansion of the last ten years preserves this quality. We are the most unified, the least aggregated, of the major private universities. We are a combination of college, graduate divisions and professional schools, which unlike a frequent model, does not rest upon a mass of undergraduates to pay the bill. We entered graduate work from the very beginning, and not in response to government contracts, because we thought there was a special place for a unified institution which would seek to increase and transmit knowledge. There is a price for this attempted unity. It imposes a limitation on size. It forces a persistent questioning as to the relationship of old and new activities to the University as a whole. We learned long ago that we could not do everything, and we discovered that because of this limitation we could do a good deal. This does not mean that at times we have not departed from this kind of ideal conception. Moreover, many of our unmet needs and deficiencies are not only serious, they are notorious. The record of the last years carries a triple and probably perennial message: an extraordinary amount can be accomplished; everything takes so long; an enormous amount remains to be done.

This year, upon the recommendation of the Dean of the College and of the College Council, the size of the College's entering class was reduced from 730 to 500. The action was primarily taken because of shortages in space in the University residence halls, the desire to undouble 133 rooms to single occupancy, the felt necessity to create better quarters for head residents in six of the undergraduate residential houses as part of a long-term program to induce faculty to take part in the cultural life of these houses. The shortage and inadequacies of our residential facilities have been known for a long time. Ten years ago about half of our student body commuted to the University from the homes of their parents. I remember a detailed explanation from one of the University's leading social scientists why this would always have to be the case.

But today this is true for only about 3 per cent of our student population. More than 40 per cent of our students live in University residence halls or University apartments, and an equal number find housing for themselves in the immediate neighborhood of the University. There have been changes also in what is regarded as attractive or suitable housing. The University began planning for more adequate residential units at least 7 years ago. Innumerable faculty and student committees have passed upon a variey of plans. The projected student village, which has been frequently approved, would give a considerable segment of the student body the kind of housing they seem to favor. We need some donors. I do not know whether to be depressed or encouraged by the fact that it took about 25 years from the time of initial planning to the beginning of the construction of the Regenstein Library.

The reduction in the size of the College gives to the faculty of the University an unusual opportunity to work with undergraduates in small groups. This should be one of the characteristics of undergraduate training at Chicago, as indeed it should be, and frequently is, at the graduate level. I am not sure I know what a small group is, and I am not specifying a particular method of instruction. What is important is the ability to reach and work with the individual student, and this can be done in a number of ways. A growing number of undergraduates are taking part in research activities with senior faculty with what are described as surprisingly excellent results. There should be more such possibilities.

In the autumn of last year, the Committee of the Council began discussing looking toward the broadening of the University Senate which then consisted of professors, associate professors, and those assistant professors who had completed three years' full-time service on academic appointments. The faculty Council voted to recommend the inclusion of assistant professors who had completed one year's full-time service on academic appointments at any rank. The change was approved by the Board of Trustees prior to the election of the present Council. The Council, created in 1944 and consisting of 51 elected members, has been a unique institution in the governance of a university. It was an attempt, and I believe a successful one, by the Board of Trustees, after consultation with the President and a faculty committee, to build what the Trustees described as "a coherent scheme of administration." The Statutes describe the Council as "the supreme academic body of the University, having all legislative powers except those matters reserved to the Board of Trustees, the Office of the President, or the other Ruling Bodies." It has "jurisdiction over (1) matters affecting more than one Ruling Body, and (2) any action of any Ruling Body which substantially affects the general interest of the University." In setting up the Council, the Trustees also provided for an elected Executive Committee, 7 members of the Council chosen annually by the Council, with an elected spokesman who serves as the channel of communication between the Committee and the Council. This Committee meets every two weeks during the autumn, winter and spring quarters, frequently more often, and again according to the original plan, the President is required to keep "the Committee informed as far as practicable on all matters of general University interest." For some reason, other institutions are now showing intense interest in how the Committee and the Council function. They have functioned well.

Two years ago I urged the Deans to encourage the creation of effective student-faculty committees or councils in all of the

academic areas of the University. The Council has strongly and repeatedly endorsed this proposal. More than 60 of these committees are now in operation. Their importance depends, of course, on how they are used and the amount of faculty and student involvement in their work. It goes without saying that the exchange of views and the process of deliberation among faculty and students will not work if the faculty does not play a full role. The committees represent a necessary opportunity for mutual enlightenment, and they can contribute greatly to the programs and operations of the University.

This has been an interesting year. Some overall impressions remain. They are not startling. I trust they go beyond particular issues. The coherence and direction of this University depend upon its faculty. The institutional arrangements which have been perfected make this clear. It could hardly be otherwise in view of the kind of university this is. The institutional arrangements go beyond the Council to the other Ruling Bodies, the Schools, the Divisions, the College, and to the Departments and Collegiate Divisions. The exercise of responsibility by the faculty depends upon these bodies having regular meetings, and not just in time of stress. The greatest number of College faculty now have joint appointments in some other academic unit. Partly as a consequence of this, some departments are now much larger than they were. These departments must find new ways of achieving understanding and interchange among their members. There is much work to be done. No one can look at higher education today without wondering about the correctness of much of the structure which has been created. It is perhaps natural that some of the most thoughtful inquiries into our present forms of education and direction for research have begun in some of the professional schools. There is a sense in which these schools have assigned tasks. They are aware of problems to be solved—problems which affect the well-being of society, of mankind, of individuals. They are reminded continually of the inadequacies of our knowledge. They cannot be satisfied with a training of students which merely duplicate their predecessors.

The pressures they feel must be upon all of us. The University as a whole and each of its areas in some ways must share these concerns. We must give constant thought to the kind of contribution—the kind of advancement of knowledge and understanding—which can be made from here. Because we cannot do everything, we must select those things we can do and which make a difference. This means we must know ourselves and the kind of institution which this can become. It means we must overcome a defeating self-pride.

I would not be true to myself or to you if I did not state my admiration for this faculty, collectively and individually, for the members of the Council and the Deans, Masters, and Chairmen who have carried a greater administrative burden than anyone would have known. Three great Deans have won the right to shed this burden. Two of them, Wayne Booth and Alton Linford, have returned to scholarly pursuits. The third, George Shultz, perhaps finds his arduous duties as Secretary of Labor as even something of a vacation.

Universities must respond and change. Their greatness, if they have it in any measure, is not to be found in their ability to express a popular will. They are very much of the society, but they are also separate from it. They are in themselves places of criticism, discovery, and dissent. They must often go it alone, just as the individual scholar must find his own way. They may not be the most important institutions in the world. If they lose their character, they have no importance at all.

I have taken pains to describe to you some of the practical difficulties which this University must face. We should not be fearful for this University's future. We should, rather, hope that in our hands it will continue to be worthy.

## SMALL BUSINESS SUBCOMMITTEE TO CONDUCT STUDY OF FRANCHISING

Mr. WILLIAMS of New Jersey. Mr. President, I invite the attention of Senators to two timely, important articles entitled "A Business of Your Own—The Growth of Franchising," and "Hard Work, Long Hours, a 15-Percent Return," published in U.S. News & World Report of December 8. I ask unanimous consent that the two articles be printed at the conclusion of my remarks.

I say these articles on franchising are timely and important because over the last several years the franchising system of doing business has experienced phenomenal growth. Franchising now accounts for $90 billion per year in annual sales. This is slightly more than 10 percent of our entire gross national product.

I was amazed to learn that there are over 600,000 franchised businesses in this country, most of which are small. Because of the enormous recent growth of franchising and the many implications it has on our entire economy, I have scheduled hearings on franchising before my Small Business Subcommittee on Urban and Rural Economic Development for January 20, 21, and 22. To my knowledge, no committee of Congress has ever before attempted a truly broad study of the entire franchising field. We will make every effort to explore the franchising concept in our effort to make small businessmen and potential small businessmen better informed and intelligently cautious in their franchising aspirations.

The subcommittee will hear witnesses representing the International Franchise Association, the National Association of Franchised Businessmen as well as representatives from Federal regulatory agencies, celebrities from the television, motion picture and sports world, and small businessmen who maintain and operate their own franchised business. One thing we want to determine is whether franchising can establish an effective formula for enabling the local small retailer to stage a comeback.

Mr. President, I commend the editors of U.S. News & World Report for their excellent treatment of this complex subject. We can all benefit from a thorough reading of these articles, which serves as a timely preface to our January hearings.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### A BUSINESS OF YOUR OWN—THE GROWTH OF FRANCHISING

For millions of American families, a long-cherished dream is to have "a little business of our own."

Now that dream is sparking a whole new industry—franchising—that is changing the face of retailing in this country.

The explosive growth in franchising shows up in a host of businesses. They run the gamut from hamburger, chicken and pizza drive-ins to beauty salons, nursing homes, car washes, carpet-cleaning stores and mobile-home dealerships.

Scarcely a community across the United States has escaped the retailing revolution.

There are franchises to sell ice cream, burglar alarms, household pets, auto supplies, doughnuts, income tax services and bridal accessories.

Almost every day the papers hold out fresh lures for the individual who wants to be his own boss. For example—

A physician in Sacramento, Calif., hopes to franchise a method he has developed for permanently sewing hair to bald scalps.

An auto-racing driver is launching a network of retail service centers for owners of foreign cars and "personal" American cars.

A New England executive talks of franchising a chain of "mini-theaters"—highly automated movie houses with low overhead and limited seating capacity, but showing first-run films.

A New Jersey firm offers franchises for the sale of its health-promoting whirlpool baths.

A company in Texas is looking for people to market its program for "motivation, personal development, sales training and management development."

#### HOW IT WORKS

Franchising basically is a system under which an individually owned business is run as though it were part of a large chain.

The small enterpriser signs an agreement and pays a fee for the privilege of using the parent company's trade marks, designs, equipment, products and management know-how. The parent company is called the "franchisor," the individual operator the "franchisee."

When a company's brand name is nationally advertised or widely known, the franchised store, it's claimed, has "instant" pulling power—something that might take years of promotion and investment for a man starting from scratch.

Says Jerry Kosseff, head of Franchise Analysts & Consultants, a Los Angeles firm: "Nine out of 10 persons who start businesses without the help of franchising fail. But 9 out of 10 who do have franchising help succeed."

" 'Get-rich-quick' schemes are nothing new to the business world," says Harry Winokur, founder and president of Mister Donut, a 14-year-old enterprise. However, he asserts, "The basis of franchising is so sound that companies which adhere to its principles and have salable products will continue to grow at a faster pace than the economy."

Partly for this reason, the Small Business Administration in Washington is showing increasing interest in the franchise idea. It recently granted $50,000 to the University of Wisconsin's graduate school of business to study the impact of franchising on small business and the general economy.

SBA has published a series of pamphlets for people interested in starting their own businesses, and for small manufacturers eager to expand sales through franchised outlets.

Other franchising developments are stirring in Washington.

The U.S. Department of Commerce has just issued a booklet listing nearly 300 firms with franchises "available to qualified persons regardless of race, color or national origin."

The Justice Department and the Federal Trade Commission are preparing reports for Congress on the pros and cons of franchising.

Bills are pending in the House and Senate to provide a greater degree of protection for holders of franchise contracts. Some franchisees have complained that their contracts were canceled just when they had built up prosperous businesses.

A nonprofit trade group, the National As-

sociation of Franchised Businessmen, Inc., has been set up in Washington to provide "assistance, information, or consultation" to existing investors or potential investors in franchised businesses.

ANCIENT HISTORY

Franchising is no newcomer to the American business scene. One of the oldest firms in the country, the F. W. Woolworth Company, for a time after its founding 90 years ago franchised its stores. The big auto and tire companies long have franchised most of their dealers.

Just in the past few years, however, franchising has rocketed to boom levels.

Some date the surge of development to the years just after World War II, when GI's returning from military service wanted to get into business for themselves, and often were able to do so with Government loans.

In any case, the system has grown to the point where almost 30 cents of every retail dollar is spent through franchised channels—about 90 billion dollars a year, all told.

How does a typical franchise operation work out in practice?

Suppose you have just invested in a popular franchise: an agreement with a nationally known doughnut firm to run a retail shop in your community.

You pay a franchise fee—in a range of $7,000 to $12,000—for the right to use the firm's trade name and its promotional materials.

You rent a shop—with advice from the parent company as to the location and interior layout—and buy from the franchisor the equipment for making doughnuts. You might also agree to buy ingredients, paper bags, cartons and other supplies from the parent firm.

Your contract provides that you must follow instructions in detail.

In return, the franchisor agrees not to sell a similar franchise to anyone in your immediate neighborhood. He promises, also, to give you marketing help, advice and training, and to answer questions that may arise as you go along.

If you are fortunate, and everything goes according to plan, within two or three years you should be getting an annual income of anywhere from $15,000 to $20,000 from a shop of typical size, after paying all expenses of the business, says the management of one national doughnut firm.

THE PITFALLS

While the franchising boom has produced some remarkable success stories, it also has created pitfalls for the unwary.

Some communities have become saturated with franchised stores, particularly those in the fast-food field. Newcomers find choice locations gone and competition rough.

"If you don't have the sites to put up your stores, you're out of business," according to Donald King, a real estate specialist who is executive vice president of Mister Donut. The reason, he adds, is the "terrific competition to get good locations. Everyone wants the same spots, and not too many good ones are available. The key is to know which is the right one for your future franchise, and then lease it at the right price."

In some instances, it's suggested, companies were organized primarily to unload franchises on unwitting buyers.

The attorney general of Michigan, in a complaint filed late in October against a cosmetics firm, accused the company of defrauding Michigan residents. The complaint charged the company with "concentrating on the sale of franchises rather than on the sale of cosmetics."

Income-reporting practices of some franchising companies have come in for criticism by financial authorities.

Leonard M. Savoie, executive vice president of the American Institute of Certified Public Accountants, said on November 18 that the promotion and sale of some franchises, and the financial reports on their operations, have led to "certain overindulgences." He referred specifically to financial statements which report as current income fees that are due to be collected over future years. This can lead to overstated income by the parent firm, he added.

Supporters of the franchise system assert that it represents the "last frontier" of the independent businessman.

At a time when economic assets are tending to be concentrated in big business concerns, they say, franchising gives the small operator access to top-quality advice and managerial talent.

Franchising, it's contended, is one way to keep competition alive at the retail level. It is seen, too, as a method for developing business opportunities and jobs for the economically disadvantaged and for minority groups.

THE CURRENT OUTLOOK

Several trends stand out in today's franchise operations.

One is a move toward diversification by franchise managements.

For example, Mutual Franchise Corporation, of Boston, started as a chain of fast-food, self-service restaurants.

Recently, it moved to acquire Mobile Brake Sales and Service System, a specialized brake-relining service.

AAA Enterprises, Inc., a franchisor of mobile-home dealerships, has expanded into the retail carpet business, and also operates a franchise chain for the preparation of income tax returns.

A second development is a big increase in the number of franchise firms that are "going public." About 75 franchising companies now have stock that is publicly held, according to a recent estimate, and many more new franchise-company stock issues are in registration at the Securities and Exchange Commission.

Still another recent development has been the use of big names in the sports or entertainment fields to head up newly organized franchising ventures. Some of the more volatile issues in the stock market lately have been such "celebrity-sponsored" enterprises.

Ahead, experts predict, is expansion into many service operations, including financial, real estate and advertising.

"Franchising has had its share of growing pains," says David Slater, president of Mutual Franchise Corporation. "Right now, it is plagued by tight money, heightened competition and rising costs.

"Still, I can't think of an area with more promise for people who are willing to work hard and stick with a venture until it begins to pay off."

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HARD WORK, LONG HOURS, A 15-PERCENT RETURN

(Interview with Dr. Charles L. Vaughn, executive director, Center for the Study of Franchise Distribution, Boston College)

Q. Dr. Vaughn, why are we hearing so much about the franchise business these days?

A. For one thing, we have seen some spectacular rags-to-riches developments in this field. They involve names that people are familiar with—McDonald's hamburgers, Kentucky Fried Chicken, Midas Muffler, Howard Johnson's restaurants and motor lodges—and scores of others.

Then, too, franchisors are good at publicizing their activities. Some of this exuberance has spilled over into the stock market, where stocks of some firms offering franchises have been active—not always for sound reasons.

Basically, though, I think franchising keeps making news because it is a way for the little fellow to get started in his own business—often with modest capital and with a good chance for success.

Q. Is this a new idea?

A. No. Franchising goes back to the early years of this century, though the emphasis has changed recently. The first franchisors were production men—auto makers, soft-drink manufacturers, oil producers—who were looking for a way to get their product to market.

In the case of Coca Cola, franchises to bottle and sell the drink were practically given away in the early days just to get the product to consumers. It's only in recent years that franchising has started to boom at the retail level.

Certainly the most successful developments in the fast-food field—hamburgers and fried chicken—offer little that's new in terms of product. But selling them has been given a new twist through standardization of quality and taking the product out to where consumers are—along the highways and in busy shopping areas.

Q. How fast is franchising growing?

A. We estimate the annual growth rate, over all, at about 10 per cent. The food field seems to be growing the fastest. The number of retail outlets there is increasing at a rate of 20 to 25 per cent a year.

Q. How big is the franchise business now?

A. All told, there are close to 600,000 franchised outlets in the U.S. They include auto dealerships, gasoline service stations, stores offering auto products and services, and such other types of retail outlets as restaurants and snack shops, pet stores, and a wide range of service-type businesses.

Q. Is there danger that the market for some of these things will get saturated—just too many outfits competing for the consumer's dollar?

A. It is getting harder to find good locations for some kinds of businesses, but I don't agree that we are approaching saturation. Remember that back in the early 1950s people were saying we had about reached the limits of ownership of television sets. Yet today we have households where there are two or three sets. The same can be said for car ownership and even home ownership. We're finding more and more families in the market for a second home—a vacation property. As long as our population continues to grow and our standard of living continues to rise, I think there will be a continued expansion in many lines of franchising.

Q. Are there dangers for the individual who is thinking of investing money in a franchised business?

A. Yes, there are many pitfalls, and the man who is thinking of getting into a franchised business needs to be aware of them:

First, a person taking out a retail franchise has to be prepared to work hard—put in long hours and maybe work a six or seven-day week. In that respect, franchising is no lazy man's way to get rich quick.

Second, a franchise holder has to be willing to follow instructions. That is one of the contradictory things about franchising: The big appeal lies in having your own business, but the chances for success are greatest when you hew strictly to the line your boss, the franchisor, has laid down. Many big franchising companies have told me they do not want to do business with a fellow who goes off on his own, who tries to develop new ways of doing things. The parent company has worked out products and processes and marketing plans that it has tested under all sorts of conditions. It doesn't want one of its franchisees upsetting the applecart.

Q. Does the parent company have close control over the people it licenses?

A. Yes. The franchisee has to sign a contract that spells out the terms under which he will operate. Generally, he must make a continuing payment—a royalty—that amounts to a percentage of his annual gross sales.

After two or three years in business, a man may tend to forget how he happened to

get started in it. He may not realize that he owes much of his success to the advice and supervision and quality controls of the franchisor. If he had gone into business on his own, the chances are 2 to 1 that he might have failed in a couple of years.

Q. Why do you say the man who operates a franchised business has a better chance for success than the man who has started out on his own?

A. The parent firm offers a great deal of know-how: management assistance, advice on hiring help, how to keep books, how to maintain strict standards of quality.

Often it provides a financial backstop that the man starting a business on his own can't get.

In the case of the better-known franchising setups, the businessman gets the benefit of an established name—something that can be a very valuable property.

Q. Would you suggest that the man who is going to invest money in a franchise get legal advice before he signs a contract?

A. Absolutely. He should consult his lawyer and his banker and perhaps an accountant. He may want to check with his local Better Business Bureau as to the reputation of the company with which he is considering signing up.

You will find that any reputable franchisor will be more than willing to give a prospective licensee the names of some of his franchise holders. I usually suggest that the prospective investor take a list of names and make a random selection out of that list—not just go to names the franchisor selects.

Q. What should he ask these people?

A. He will want to find out whether they are satisfied with their working arrangements with the parent company, how hard they have to work, what the drawbacks of the businesses are as well as the advantages. He will want to satisfy himself that the parent firm is stable and well financed, that its product has wide consumer acceptance, that the company has had experience in dealing with independent businessmen.

CHECKLIST FOR GOING IT ALONE

Q. Where can a person go for information about opportunities in franchising?

A. A basic source is a booklet published by the U.S. Department of Commerce: "Franchise Company Data." It is supplied free, and it lists some 250 to 300 franchise businesses and describes each one briefly. It also contains a checklist of points for a prospective franchisee to keep in mind. It's important to note that this booklet is in no sense an endorsement of any of the firms listed, nor does it offer any guarantees of success in any particular field.

Then there are many current books and magazines devoted to franchising. Here at Boston College Center we have published a folder that describes our activities and lists sources of information about the franchise field.

Q. What sort of return on investment can a person expect from putting money into a franchise?

A. We have been trying to work out some estimates, but there is no strict rule of thumb. One of the big fast-food chains says that after the first year or two in business, the franchise holder ought to get an annual return of 14 or 15 per cent. But this company also cautions that this sort of yield presupposes hard work, long hours and strict attention to detail.

Q. Does franchising offer a way for minority groups with limited capital and experience to get a start in business?

A. Yes. Franchisors are accustomed to dealing with untrained people who need advice and guidance and close supervision.

Often the two barriers that Negroes find when they try to get into business are lack of capital and lack of knowledge of where to turn for advice and assistance. On the latter score, franchise companies generally are top-notch. Their executives are not business-school theoreticians; they have been through the school of hard knocks. They are men who know how to train people for a specific type of retail venture.

GETTING STARTED ON A SHOESTRING

Q. Is shortage of capital a hindrance for people who would like to start a franchised business?

A. It is a problem, but steps are being taken to improve that situation.

For example, the Small Business Administration has been relaxing its lending policies, particularly to help members of minority groups. And when you have a nationally known name on a franchise operation, you'll usually find a lender more willing to put up some money than if you were starting a business from scratch with just your own name on it.

Q. Suppose a man has bought a franchise and after a year or two wants to get out of it. Is that hard to do?

A. One characteristic of franchising, as opposed to a company-owned outlet, is that the franchisee can sell his business to someone else. In that sense, he is an independent entrepreneur. Usually he can find a buyer to take over his business, or in some cases the parent company will help him find a buyer. Generally, however, the parent firm has to approve the buyer.

Q. Do you find interest in the franchise field growing?

A. Yes. We get inquiries here at the Center from all over the world—France, Australia, Finland, even from Czechoslovakia and some of the other Iron Curtain satellites.

Every spring we sponsor an international conference on franchising. The next one will be April 2–4, 1970, and already we are getting inquiries and requests for information. Last year we had 700 registrants when we had planned for only 300. Next year we expect about 1,000 registrants, although we may have to limit attendance.

Q. What specific advice would you offer the person trying to decide whether to take on a franchise?

A. Basically, he needs to size up his own risk quotient. That boils down to answering three questions: How much risk can he afford? How much risk is he willing to take? And what sort of return can he expect to get from that risk?

The man who is getting along in years—say, 50 to 55 years old—can't afford to take as many chances with his capital as the man in his 30s who still has time in his working years to recoup losses he might suffer.

There are plenty of risky franchises being offered today, and on some of them a man might as well put his money into a Las Vegas slot machine or bet on a horse. I would be leery of a new firm offering franchises with no record of accomplishment and no tested market for its product.

Only after weighing the risks and the possible rewards should an individual venture into franchising. But I am convinced that this is a field that still has great growth ahead and that offers opportunity for the man who is willing to give his full time and attention to a business he is temperamentally suited to run.

## DRAFT REFORM

Mr. KENNEDY. Mr. President, since I last placed in the RECORD a number of items relating to the establishment of a lottery for determining the order of induction into military service, a number of important evaluations of it have appeared in the press. I think it important that they, too, be generally available in one place to Senators. Consequently, I ask unanimous consent that these materials be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Post]

MARYLAND UNIVERSITY STUDENT SAYS DRAFT LOTTERY SYSTEM WAS RIGGED

(By Aaron Latham)

A University of Maryland student claims that, statistically speaking, the draft lottery was rigged so that those born in the first half of the year won and those in the second half lost.

Brian Reid, a mathematician who ran a computer check on the lottery results, said yesterday that draft officials evidently placed the dates in the big glass bowl in chronological order with January buried at the bottom and December on top.

When the numbers were drawn Sunday, December birthdates fared the worst with an average ranking of 121. November was close behind at an average of 149, October at 182 and September at 157.

The average January ranking was 201, February 202, March (which had the highest average ranking) 226, April 203, and May 208.

Reid says that there are "between five chances in a thousand and five in a hundred thousand that the draw was actually a random selection." Those are the odds that each birthday had exactly the same chance as every other.

Meanwhile the Los Angeles Times reported that John E. Ware, a student at the University of Southern California, conducted a similar statistical analysis and came up with the same results.

He concluded that the results were "too unusual, too bizarre," to have depended entirely on chance.

The draft next year will be based on the Washington lottery, with those whose birthdays were drawn first called first.

Reid says that the draft officials fell into the same trap that many television shows do: they assume that by putting cards in a drum and stirring them they will get a random sampling.

The birthdates drawn Sunday, each encased in a plastic capsule like the prizes in a gum machine, were placed in a glass bowl and stirred with a spade. He says that this is not good enough to give everyone an equal chance.

Ware says that in lotteries, as in the shuffling of cards, "Too many things are biased, too many things can occur."

Both Reid and Ware agree that it would have been more equitable to base the draft on a table of random numbers generated by a computer.

Reid is a 20-year-old senior physics major and his birthdate, Oct. 6, was ranked 87th. Ware is 27.

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[From the Washington Post, Dec. 4, 1969]

CHURCH LEADERS PLAN AID TO DRAFT RESISTERS

(By William R. MacKaye)

DETROIT, December 3.—The General Assembly of the National Council of Churches tonight narrowly defeated a proposal that the agency accept and "hold in trust" a draft card proferred by a 21-year-old draft resister.

Delegates agreed 228 to 184 to accept the card, which was offered by James D. Rubins, a student at Hope College in Holland, Mich., in the face of legal opinion by counsel that the action would be a violation of the selective service act.

But council president Arthur S. Flemming, in response to a point of order, ruled the measure had lost for lack of the two-thirds majority required under the rules.

Flemming's ruling stirred repeated efforts

by the measure's backers to find some technique by which they could associate themselves with what many called Rubins "act of conscience."

Finally Flemming ruled that council procedures permitting the formal recording of minority dissent would permit the preparation of a document on which delegates and others could subscribe themselves as individuals supporting the young Reformed Church member.

The document is to be readied for signatures Thursday.

Earlier the council, in another demonstration of the increasing opposition to the Vietnam war among its constituent members, called for an international investigation of atrocities against Vietnamese civilians allegedly committed by American servicemen.

The delegates also said they would welcome a congressional investigation, but they said the "belated" Army investigation now under way "is quite inadequate."

The tone of the debate on the war was set during the morning by a speech delivered to the assembly by former ambassador to Japan Edwin O. Reischauer.

Reischauer asserted that American policy toward Asia in general and Vietnam in particular has been deeply corrupted by racism.

As evidence of what he termed the "good mentality" to which governmental officials have succumbed, Reichauer cited the charges filed against 1st Lt. William L. Calley Jr. in connection with the Mylai incident.

The specifications, said Reischauer, charge the officer with responsibility for the deaths of "Oriental human beings."

"What is that adjective doing there?" he asked.

"We have to correct this sort of thing before we can play the sort of role we must play in the world."

Stressing that he has opposed the war for a long time, Reischauer urged other war critics in the council and elsewhere not to overact and force abandonment of the "useful residual roles" the United States may still have in Southeast Asia.

In still another action related to the war debate, an ad hoc committee of the council described a move to create a joint committee sponsored by the National and Canadian Council of Churches that would minister to draft resisters and deserters who have taken refuge in Canada and their families.

Council members reported that an estimated 50,000 draft-age Americans are now in Canada and that about 30,000 are in the process of acquiring permanent residence status there.

A resolution asking the council to give its official blessing to the pastoral project is to be brought before the assembly Thursday.

Preoccupation with the Vietnam issue, particularly the protracted and sometimes passionate debate on the request that the council accept Rubins draft card, tended to overshadow a reiteration by James Forman of his call for reparations for black people.

Foreman, who has played little part since July in the reparations program backed by the Black Economic Development Conference, told the delegates they were deceiving themselves if they thought the reparations demand would wither away.

"People who believe in the Black Manifesto will forever be a plague on the racist white churches and Jewish synagogues," he said.

He spoke with particular harshness of efforts he said some predominantly white churches had initiated to persuade "house niggers" in their denominations not to back the Manifesto demands.

This effort, he declared, has been "most blatant" in the United Methodist Church, the mainly white church that has the largest Negro constituency.

Foreman also charged that the FBI is seeking to obtain indictments against every officer of the Black Economic Development Conference "on orders of Attorney General John Mitchell.

(Federal grand juries in Detroit and South Bend, Ind., acting under the direction of Justice Department officials, are known to have subpoened and questioned church leaders and others about the conference's activities.)

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[From the New York Times, Dec. 4, 1969]

QUESTIONS AND ANSWERS ON DRAFT

(By David E. Rosenbaum)

WASHINGTON, December 3.—Since the draft lottery was conducted Monday night, the national Selective Service headquarters, local draft boards and newspaper offices have been deluged with telephone calls from persons with questions about their draft status.

Following are some of the most frequently asked questions and their answers:

Q. Who was affected by the lottery?

A. Men born between Jan. 1, 1944, and Dec. 31, 1950. In other words, men who have had their 19th birthday by Jan. 1 but not their 26th.

Q. Who will be affected by future lotteries? A. Only men whose 19th birthday occurs in the calendar year in which the lottery takes place. They will be liable for the draft in the following year—the one in which their 20th birthday occurs.

Q. So the talk about drafting only 19-year-olds is not precisely correct.

A. Right. Men without deferments will be vulnerable to the draft in the year in which they have their 20th birthday. Some, therefore, will have passed their 20th birthday when they are drafted. But the period of liability to the draft is only one calendar year.

Q. What happens if I do not have a deferment and I am not drafted in the year I am in the pool.

A. Then you will be safe from the draft forever. At least unless there is a national emergency.

Q. In what order will men be drafted?

A. They will be drafted in the order their birthday was picked in the lottery. Men born on Sept. 14 were assigned No. 1 because that date was picked first. They will be the first to be drafted. Nov. 9 was the 80th date picked, and men born on that day received No. 80. They will be drafted after men with No. 79 and before men with No. 81. Within a given birthday, men will be drafted in the order in which the first letter of their last name was picked in another drawing.

Q. What about men with deferments? Will they be drafted anyway? A. No. Men with deferments will not be drafted as long as they have deferments.

Q. My birthday is on Feb. 11. I am 20 years old and was assigned No. 150 this year. Now I have a deferment and will not be drafted in 1970. Will I be assigned another number in next year's lottery to apply in 1971? A. No. Absolutely not. You, like all men now between 19 and 26, will retain always the number you drew Monday night.

Q. Well, what happens when I lose my deferment in some future year? A. You will go into the draft pool with the number 150, even though men in future lotteries with Feb. 11 as a birthday will have a different number.

Q. Is there any way I can get my number changed? A. No.

Q. What happens if I lose my deferment in June and the number 150 has already been passed in the sequence?

A. You will be drafted just as soon as you pass physical examination and are otherwise processed. In other words, you will be drafted almost immediately.

Q. What if when I lose my deferment in June my number, No. 150, has not been reached in the sequence? A. You will not be drafted until the number is reached.

Q. I will be 26 years old in March, 1970. Will I be drafted if my number has not been reached by my birthday but is reached later in the year? A. No. Once you pass your 26th birthday, you are free from draft liability.

Q. What if my number is reached and I receive my induction notice just before my 26th birthday? Can I appeal the induction notice, which will take time, until after my birthday and then escape the draft?

A. Once you start the appeals process, you are liable for induction even if your birthday is passed by the time your appeals are exhausted.

Q. What if I keep my deferment past my 26th birthday? Is my period of liability extended? A. No. If you have a deferment on your 26th birthday you are safe from ever being drafted unless there is a national emergency.

Q. What about the rule that if you have a deferment your period of liability is is extended until you are 35 years old? A. This is technically true. But all men who are under 26 must be taken before any man 26 or over is taken. There are enough men under 26 to assure that men over 26 are not drafted.

Q. I have been hearing a lot about a loophole. I have a deferment, and my number is 165, which means I am a real borderline case. My number may be reached in the sequence and may not be. Can't I wait until late in the year and if it looks as if the number will be reached keep my deferment to wait for another year when the number might be reached? And if it looks as if 165 will not be reached, couldn't I drop the deferment, enter the pool and if I am not drafted be home free?

A. You can try all these things, and it might help. But by the time it is late enough in the year for you to know whether your number is going to be reached, it will probably be too late for the draft board to remove your deferment and change your classification to 1–A. This procedure often takes several months. If your status wasn't changed until after the first of the next year, you would have to take your chances in that year.

NATIONALLY OR LOCALLY?

Q. What numbers are likely to be called?

A. Pentagon experts say that the first third —numbers 1 to 122—are certain to be called; the last third, 245–366, certain not to be called; and the middle third not certain one way or the other. One expert who has done careful calculations believes the cutoff number will be somewhere between 165 and 195.

Q. Is the sequence applied nationally, or is it my place in the sequence within my own draft board that counts?

A. It is the sequence in each local board that matters. But the cutoff number between those who are drafted and those who are not will not vary much from board to board. This is because draft quotas are allotted to each draft board on the basis of the number of 1–A's in that board.

Q. In what order will conscientious objectors be called to report for civilian work? A. They will be called in the same sequence as the draft sequence.

Q. If I am in graduate school without a deferment, can I have my induction postponed until the end of the school year when my number is called? A. Yes. But you will be taken at the end of the school year.

Q. What if I am an undergraduate without a deferment? Can I finish the school year before I report for induction? A. Yes.

Q. What will be the size of next year's draft pool? A. About 850,000 men will be eligible for the draft in 1970.

FUTURE POOLS

Q. What about in future years? A. It is expected that pools in the few years after 1970 will contain about 700,000 men. But this is a less precise than the 850,000 figure.

Q. Then wouldn't my chances of being drafted be less next year than in future years because the pool is bigger? A. Possibly. But it is also possible that draft calls will be lower in future years, especially if President Nixon is successful in scaling down the number of American troops in Vietnam.

Q. How many men will be drafted in 1970? A. About 250,000.

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[From the New York Times, Dec. 3, 1969]

DRAFT BOARDS ARE PREPARING TO IMPLEMENT LOTTERY PLAN

(By David E. Rosenbaum)

Special to the New York Times

WASHINGTON, December 2.—With hundreds of thousands of young men having learned their place in the draft sequence from last night's lottery, draft boards began today preparing for the January call-ups.

The 12,500 men to be drafted next month—those whose birthdays were among the first drawn in the lottery—should begin receiving their "greeting" from Uncle Sam in the next two or three weeks.

The national headquarters of the Selective Service System sent the local boards today a memorandum informing them of the official order of call established last night and instructing the boards how to rearrange their files.

HOW SYSTEM WORKS

Officials here said that within a matter of days each board should have the files of its registrants who are eligible for the draft next year arranged in the order of their birthdays were picked in the lottery.

Here is how the new lottery system works:

Men who were born between Jan. 1, 1944, and Dec. 31, 1950, and who on Jan. 1 have had their 19th birthday but have not had their 26th, were assigned a number based on the order in which their birthday was drawn in the lottery.

Thus, men born on Sept. 14 received No. 1 because that was the first date picked. Men born on Oct. 20 received No. 192 because that was the 192d date drawn, and so on.

Men born on the same day will be selected in the order in which the first letter of their last name was drawn in another random drawing.

These are the men who will be drafted in 1970. Men between the ages of 19 and 26 who do not have deferments and who are not drafted next year will no longer be vulnerable to the draft unless there is a national emergency.

If a man reaches his 26th birthday during 1970 and his number has not been called by this birthday, he will escape the draft.

Deferments are not affected by the lottery. If a man is eligible for a deferment next year, he can get it from his draft board, regardless of his place in the draft sequence.

The same regulations apply for deferments that applied before the lottery. Thus, college undergraduates can still obtain deferments until they graduate, quit school or reach the age of 24.

Most graduate students cannot get deferments. Occupational deferments are granted at the discretion of the local boards, and criteria vary from place to place. In some areas teachers are granted deferments. In others, they are not.

No one's draft classification was affected by the lottery. For instance, men who have 4–F classifications (unfit for military service for physical, mental or moral reasons) will continue to be 4–F.

FUTURE LOTTERIES

Every year hence, there will be another lottery in the fall. These lotteries will affect only men whose 19th birthday fall in that calendar year.

They will be liable for induction during the following year, the year in which their 20th birthdays occur.

Thus, next fall, there will be a lottery to assign numbers to men born in 1951. These men will be eligible for the draft in 1971. If they do not have a deferment and are not taken in 1971, they will be free of draft liability unless there is a national emergency.

Although men with deferments in the 19-to-26 age group will not be drafted next year even if their number is reached in the sequence, they will always retain the same number they were assigned in last night's lottery.

When their deferments lapse for reasons such as leaving school or quitting their jobs, they will enter the pool immediately. If their number is reached in the year in which they enter the pool, they will be drafted. If the number is not reached, they will not be drafted.

For example, John Doe, a college undergraduate, was born Feb. 11, 1949. His birthday was the 150th one drawn in the lotter, so he was assigned No. 150.

Next year, he plans to stay in college and retain his deferment. He will not be drafted. In 1971, he plans to graduate. He will lose his deferment.

Even though the 19-year-old men in next year's lottery with Feb. 11 as a birthday will be assigned another number, John Doe will always have 150 as his number. So in 1971 he will be drafted after all men with 149 as a number and before all those with 151 as a number.

If, when John Doe leaves school, No. 151 has already been reached in the sequence, he will probably be called for induction very soon because his number has been passed.

Pentagon experts believe that men whose numbers are higher than the mid-200's will probably not be called next year and will be free from draft vulnerability forever, barring unforeseen circumstances.

The numbers from 1 to about 125 are considered certain to be reached in the sequence, and these men will be drafted. Men with numbers in the middle will have a year of uncertainty.

Pentagon experts believe that 500,000 men will be immediately available for the draft in 1970 and that another 350,000 will enter the pool during the year, for a total of 850,000.

Of these, about 250,000 are expected to be drafted. Another 290,000 are expected to volunteer for enlistment.

The manpower experts are estimating that draft pools in the few years after 1970 will total about 700,000 men, or slightly fewer than in 1970.

It is also likely, they say, that draft calls will be lower in future years if President Nixon is successful in scaling down the war in Vietnam and no other conflict develops.

The rough figure of 700,000 is reached by the following arithmetic. In 1971, there will be 1.9 million 19-year-olds. About 600,000 will fail to qualify physically, mentally or morally, leaving 1.3 million qualified.

Slightly more than half of these will have student or other deferments. Of the 600,000 remaining, half will enter the service, and half will go into the draft pool. The remainder of the draft pool will consist of older men who lose their deferments and enter the pool.

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[From the New York Times, Dec. 8, 1969]

DRAFT LOTTERY CHANGES VIEWS OF ELIGIBLES

The new draft lottery has set into motion a complex set of crosscurrents among young people that range from sharp changes in career plans to assertions from moderates and radicals that draft protests will continue unabated.

Interviews with draft-eligible young men, counselors, student activists and draft board workers in 20 cities since last week's draft lottery show the following things:

Many draft-age men appear to be relieved that they can now see their futures more clearly because they have a better idea of their chances of being drafted.

Both moderate and radical young people say that they will continue to protest the draft until the entire Selective Service System is eliminated, although some concede that the lottery has caused a division on the draft among the young.

Some of those who are now least vulnerable to the draft have dropped plans to pursue deferred careers such as teaching and are seeking to get out of military reserve commitments they had made before they were "safe."

There is some evidence that those who are now most vulnerable to the draft have been "radicalized" against the war in Vietnam, while those with the lowest risk have lost some of their antagonism.

College and occupational deferments continue as the most popular means of avoiding the draft, while a minority still says it prefers jail or exile to military service.

Military experts say the draft pool for the coming year will include about 850,000 men between the ages of 19 and 26, about 250,000 of whom will be drafted. Thus young men whose birthdays were picked in the lowest numerical third of the lottery are virtually assured of being drafted, while those in the highest third are relatively safe. Those in the middle third fall into the "uncertain" group.

THE SAFE NUMBERS

Generally, those who were awarded the "safe" numbers were jubilant. "You know, I was born a month late," said Peter Steinberg, a junior at Columbia College, who drew 366, the "safest" number. "I would just like to thank my mother."

But for others, the jubilation was tempered. The comment of Harold Kletnick, a 21-year-old University of Chicago senior, who also ranked 366th, was typical.

"I definitely didn't want to go to the Army," he said, "but I don't feel good at all about beating the system."

Others who drew high numbers said they still opposed the draft because of the "immorality of the war," the inequities that remain and the basic concept of forced military service.

Perhaps mindful of this, many in Congress, and possibly President Nixon himself, will push for more extensive draft reform next year. Mr. Nixon had asked for the lottery.

The Senate Armed Services Committee has already planned hearings for February to hear proposals for major new modifications and also for complete elimination of the draft in favor of an all-volunteer Army. But most observers agree that there is little likelihood that the draft can be ended as long as the Vietnam conflict continues.

PROTESTS TO CONTINUE

So student radicals and others say that protests against the war and the draft, which many regard as inseparable, will continue. But even the most active opponents of the draft seemed ready to concede that the lottery had taken some of the steam out of the movement.

"If the purpose of Nixon's lottery was to divide us, he's won quite a victory," observed Lawrence Cohen, a senior at the University of Pennsylvania. "Nevertheless," he said, "we must continue to refuse to participate in a Selective Service System that reduces men to animals."

Sue Ellen Dennis, a teacher in Dayton, Ohio, who has been counseling those eligible for the draft, considered the lottery an improvement but said the pressure for reforms

would continue as long as the Vietnam war made the draft necessary.

"Most resisters will continue resistance—with or without a lottery," she said. "It did help those who were uncertain, but the majority still won't buy involuntary servitude."

Cary Krumholtz, a 22-year-old graduate student who has been involved in antiwar protests at the City College of New York, also saw the lottery as divisive: "It's going to radicalize those people from 1 to 122," he said, "and I suppose it will make the ones in the [highest] third more complacent."

Cathy Kornblith, an active member of the Resistance, an antidraft organization that passed out flyers in front of draft boards in the San Francisco Bay area last Tuesday, the day after the lottery drawing, said the new system only emphasized the need for abolition of the draft.

"We'll continue our efforts," he said. "This is going to affect the need for resistance. The lottery still preys on the poor and the blacks and the Mexican-Americans."

Antidraft activists at other campuses and in cities and towns across the country reflected similar sentiments.

UNLIKELY TO BEND

Some of the opposition was clearly ideological and seemed unlikely to bend regardless of the extent of change. At Brooklyn College, Steven Eisenberg and Ira Perelson, members of the Progressive Labor wing of the Students for a Democratic Society, said in a statement that the lottery only obscured the real issue. The statement said:

"Students are fighting the imperialistic policies of the United States in Vietnam. They recognize that the draft—in whatever form—only serves to supply cannon fodder for a war that is benefiting only the capitalists."

But perhaps significantly, while antiwar activists tended to dismiss the lottery as meaningless, there were no reports of organized demonstrations in the cities or on the campuses surveyed.

This may have been due, in part, to lack of understanding of the new system. Many chose to simply wait and see. The Columbia draft counseling service reported more than 200 calls the day after the lottery—10 times normal.

David Sable, a counselor, said that more young men seemed to be gaining sophistication in avoiding the draft. In the last year, he said, "we have had more people apply for conscientious objector status than we have in the last two combined."

He also noted that some students had discussed the possibility of dropping their deferments for 1970 to take their chances in the larger pool. The 1971 pool will consist only of 19-year-olds.

DELUGED BY CALLS

Draft boards and counseling services elsewhere also reported a deluge of calls.

The Rev. Rodney Page, who conducts a draft counseling service near Portland State University in Oregon, reported the phone "ringing off the hook" with questions about the lottery. One trend, he noted, was that the likelihood of being drafted increased the pressure to seek conscientious objector status.

For many, the cold reality of a low draft number seemed to crystalize their resentment. William Tortu, a 19-year-old student at the University of Pennsylvania, who holds No. 18, said: "The lottery jolted me out of my complacency and made me realize the threat of the Army and dying in Vietnam.

"To call the lottery fair in comparison with the previous system is to call hanging fair compared to drawing and quartering."

But even those for whom the lottery was more benign had problems. Many students with high numbers were reported to be seeking ways to get out of R.O.T.C. commitments.

A Brooklyn College student who asked not to be identified because it would "sound like I'm gloating" over his No. 366, said he had planned to teach before the lottery. But now, he said, "I'm throwing it all out the window."

Others foresaw a similar pattern of young men with "safe" numbers giving up deferred status to enter the draft pool for the required period. If this happened, they said, more deferred jobs and reserve openings would be left to men with low numbers.

Some thought this could make matters more critical for men in the middle third, or "sweat zone," as one student called it.

Gary Bloom, 21, a civil engineering major at City College, explained why. Pointing a finger at a student sitting across the table from him in a campus cafeteria, he said:

"That guy there is No. 9. He knows he's going to go. People like him are going to make arrangements—leave the country, or go into a critical occupation or something. And that means that the uncertain group is not uncertain at all."

## TV COMMENTARY AND THE VICE PRESIDENT

Mr. GURNEY. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled, "TV Misses Public's Response to Agnew Speech," written by Mr. Richard Wilson, and published in the Washington Star of Monday, December 1, 1969.

It seems to me that the article is a significant contribution to the continuing dialog concerning the Vice President's recent speeches with regard to the news media. I quote the last paragraph of Mr. Wilson's article:

The listener, who likes comment, wishes along with it at least the versimilitude of fairness and wisdom, and it is perhaps the shortage of this quality in TV commentary which has caused the great majority to agree, in principle at least, with Agnew. The TV business would do better to examine itself a little further while warning of government repression.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TV MISSES PUBLIC'S RESPONSE TO AGNEW SPEECH

(By Richard Wilson)

The available evidence suggests that Vice President Spiro T. Agnew's criticism of bias in the mass media struck a responsive chord among the general public. There is nothing to suggest, however, that the tonal gradations of the responsive chord have penetrated deeply into the hushed chambers where radio-TV network policy is made.

A tonal deafness seems to have developed on what it was Agnew was talking about, with the network moguls all professing to see a dangerous frontal challenge to freedom of speech in their government licensed medium.

The radio-TV executives, therefore, may well ask themselves why it is that as many as three out of four persons think Agnew has a valid point.

The answer to that question could prove to be quite disconcerting. It may merely involve the simple conclusion of a great many people that the commentators now practicing are not qualified by background, information and depth of thought to share equal time with the President of the United States. This is the equivalent of heresy in the broadcasting business. It is unthinkable that some handsome, well-spoken broadcaster with five or 10 years experience should not be entitled to go on the air with his authoritative analysis and be listened to with the same attention and respect as the President or whomever it is the broadcaster is analyzing and judging.

Dr. Frank Stanton, president of Columbia Broadcasting System, Inc. expounds the current thought in the industry on the point. He attributes to these instant analyzers the ability to call "attention to emphases, omissions, unexpected matters of substance, long anticipated attitudes, changes of views, methods of advocacy or any other aspect of the speech." The analyzers function as critics, in other words, judging this omission or that change of attitude as it seems to strike them in the spirit of guiding and instructing the public on what they ought to think about the speech they have just heard.

In the case of the President's speech on Vietnam, Dr. Stanton points out that the text was handed out to the press and to radio-TV analyzers two hours in advance of delivery. He adds, "If a professional reporter could not arrive at some meaningful observations under those circumstances, we would question his competence." Two hours is enough, it is judged, to permit these highly skilled professionals to gather their thoughts for airing to an audience which assembled before their television sets to hear the President make a major announcement after weeks of study. Otherwise they had better look for work elsewhere than CBS.

It is at this point that a great many TV viewers turn off their sets and turn off Dr. Stanton. They are simply not convinced that the analyzers are professional enough, informed enough or profound enough to share time with the President on major U.S. policy. In the case of Nixon's speech, two hours of deep thought was not enough to reveal to the analyzers that four out of five of the listeners they were instructing would approve of Nixon's stated views on Vietnam.

The TV moguls, in their profound concerns for the right of analyzers to say anything that occurs to them after their gruelling two hours of thought, have simply missed the central point that a vast host of TV watchers do not share the respect with which the analyzers view themselves.

This would be as hard for a TV commentator to accept as for a newspaper columnist, the difference really being that many newspapers give their readers a wider choice of opinion which they can usually adequately sample by reading the first and last paragraphs and thus turn off before they become too deeply involved.

Analysis and interpretation is a great art which only a few, such as Eric Sevaried, have wholly mastered. As Sevareid handles his art, it is to explore a subject rather than to arrive at conclusions on it, and in this way to open his own mind and the minds of listeners to various inherent possibilities. This seems too inconclusive to others whose two hours of thought leads them toward conclusions they would not think so irrefutable if they could hear the concurrent comment of their listeners.

The listener, who likes comment, wishes along with it at least the versimilitude of fairness and wisdom, and it is perhaps the shortage of this quality in TV commentary which has caused the great majority to agree in principle at least, with Agnew. The TV business would do better to examine itself a little further while warning of the baleful potential of government repression.

## MRS. B. J. BANDY, DALTON, GA., A FINE AND COURAGEOUS LADY

Mr. TALMADGE. Mr. President, the Chattanooga Post recently published an extremely interesting article about Mrs. B. J. Bandy of Dalton, Ga. Mrs. Bandy is a fine and courageous lady who played a leading role in the development of the huge tufted-textile industry.

The article recounts how Mrs. Bandy and her late husband went into the tufted bedspread business in a laudable effort to pay off debts accumulated in their country store during the depression. They were determined to pay "100 cents on the dollar" that they owed, and it was this spirit that made their bedspread business such a notable success.

But even more notable is the fact that this business was the beginning of the tremendous tufted textile and carpet and rug industry of today. From this humble origin, the carpet and rug industry has grown into a $2,250 million business and a vital part of the economy of the Nation, and many States in particular. We are very proud that approximately 65 percent of the volume of this industry emanates from northwest Georgia, principally in the city of Dalton.

Mrs. Bandy is a grand lady, and she is certainly to be congratulated for the role she played as one of the principal pioneers in this important industry.

I bring this news article to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAUNCHED TUFTED SPREADS TO SAVE A COUNTRY STORE

(By Ronald V. Gunter)

DALTON, GA.—Mrs. B. J. Bandy looks no more like a pioneer than she does a moon maid, but she is truly one of the pioneers in one of the fastest growing and most dynamic industries in America.

The wife of the late B. J. Bandy, the man credited with being the first person to ever make a million dollars in the bedspread business, she was responsible for selling the first bedspreads that launched what became the largest single business in the industry.

Before his death in 1948 Mr. Bandy had bedspread plants in three states employing more than 1,000 persons.

Today Mrs. Bandy is the matriarch of a clan of tufting industrialists. Her son, B. J. Bandy, Jr., is vice president of Coronet Industries Inc. and was one of the founders of the firm, now one of the industry's largest.

Her daughter, Mrs. Joseph K. McCutchen, is the wife of the chairman of the boards of J&C Carpet Co. and Universal Carpets Inc. of Ellijay, Ga.

McCutchen, founder of these companies, is the holder of more than 30 major patents in tufting technology, patents that are recognized in both the United States and Europe.

Mrs. Bandy's grandson, Joe McCutchen Jr., is president of one of the faster-growing young carpet companies in the industry, Universal Carpets Inc.

Mrs. Bandy's reasons for entering the bedspread business are simple and eloquent.

"My husband and I wanted to pay our debts. You see," she says, "we were running a country store when the depression hit, and we did a large credit business. Many, many of our accounts took bankruptcy and never paid us anything. We owed our suppliers $22,000 and my husband and I were determined to pay 100 cents on the dollar for what we owed."

Besides running a country store, both Mr. and Mrs. Bandy were railroad telegraphers. Mr. Bandy still worked as a telegrapher when the depression hit.

Those were the days, she recounts, when the bedspread business was first getting off the ground.

"We went to see Mrs. Catherine Evans Whitener (the woman who made the first tufted bedspread in the area and who is credited with starting the industry), and she let us copy five different patterns of her bedspreads.

"Truly here was one of the grandest ladies and finest persons I've ever known," Mrs. Bandy says.

Mrs. Bandy hired some people to hand tuft the five bedspreads, and Mr. Bandy, still working on the railroad, was able to get passes on the railroad.

He obtained Mrs. Bandy a pass to Washington so that she could try to sell large numbers of the hand-made spreads.

"I'd never been farther away from home than Atlanta before this trip. I had one new dress, and I sat up all night long on the train. It was quite an experience," she remembers.

"I sat with my suitcase and my bundle of bedspreads. The next morning upon arriving in Washington I started walking to my first store. Frankly I didn't know you could check a suitcase in the terminal; so I carried both my suitcase and my bedspreads to Woodward & Lothrop and asked to see the buyer.

"I showed him what I had to sell. I also told him I'd never tried to sell anything before. He smiled at me and said, 'I know that,' but he was one of the nicest persons I ever met.

"He said he would take 400 spreads at $4 a spread. I was doubling our money at this price.

"I got back on the train and went to Baltimore, and at Hotchschild & Kohns I sold 200 more. I had planned on going to New York, but I turned around and came home. We had to hire people to tuft up 600 spreads. We shipped them all."

On her next foray into the buying centers she headed for the real big time and went to New York and to Macy's. Her first order there was for 1,000 if she would sell them for $3. She did and still made an excellent profit.

On subsequent trips with railroad passes she went to Chicago, Baltimore, Boston, New York and Washington and sold bedspreads by the hundreds.

"In those days I just prayed that the bedspread business would last long enough for us to pay all the $22,000 we owed," Mrs. Bandy recalls.

The Bandys had people throughout the area tufting bedspreads for them back in the days when the business was truly a cottage craft. Oftentimes the entire family, husband, wife and children, hand tufted spreads.

"It was not uncommon not to be able to ship some particular color of spreads because the creek might rise and the people tufting that color would be cut off from the main road. This type thing happened so many times," she laments.

When the wage-and-hour law came in with the New Deal, many people thought the business was doomed, but technology took over. A man took the head of an old fashioned "goose neck" Singer sewing machine and adapted it to the task of machine tufting spreads.

A new machine age was born. The Bandys were among the first to go mechanical. Mr. Bandy later bought a large plant in North Carolina; he established Southern Craft Co. in Rome, Ga., and built Bartow Textile Co. in Cartersville, Ga., then the largest in the industry.

Since his death in 1948, Mrs. Bandy has given much of her time to charitable and civic projects.

In memory of Mr. Bandy and a granddaughter who was killed in an accident at the University of Georgia, Mrs. Bandy and the McCutchen family contributed money to establish an intensive-care unit at the Dalton hospital. It now occupies an entire wing.

Mrs. Bandy has been honored by the Salvation Army with a life membership for her long-time work with and financial support of the Army.

Mrs. Bandy's admiration for the Salvation Army spans many years. Her father and brother were both physicians and her brother was killed in the trenches while serving as a doctor during World War I.

She has also been honored by two governors of Oklahoma and by former Gov. Ernest Vandiver of Georgia for her efforts and financial support in restoring the Chief Vann house near Chatsworth, Ga.

Former Oklahoma governors, Raymond Gary and J. Howard Edmonson, have cited her for her work and both made her an honorary colonel.

She also holds the title as Official Ambassador of the Cherokee Nation, an honor presented her by W. W. Keeler, now president of Phillips Petroleum Co., Bartlesville, Okla.

Today she says she enjoys playing bridge most every day and she spends a lot of time working with Dalton Junior College, where she is a trustee.

As one of the earliest pioneers in the tufting industry and as one of the more successful participants in it, Mrs. Bandy has realized great financial rewards. Her life has also been marked with great personal tragedy, but as a superactive person in many charitable and civic projects she appears to love and to live every moment of her life.

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## RACIAL ISOLATION AND DE FACTO SEGREGATION

Mr. SCOTT. Mr. President, our distinguished colleague from Mississippi (Mr. STENNIS) has in recent weeks pointed his finger at a problem which the people of Pennsylvania and many other Northern States are not aware of—the problem of racial isolation in large, industrial urban centers of the North.

The Senator seems to overlook the fact, however, that this racial isolation has unfortunately resulted from economic and housing patterns, and not from overt acts of discrimination. In addition, the Senator overlooks the fact that racial isolation is much less severe in the North than in the South. According to statistics which I have requested from the Department of Health, Education, and Welfare for example, over 87 percent of all Negro students in the State of Mississippi attend 100-percent Negro schools. By comparison, only 3.5 percent of the Negro students in Pennsylvania attend all Negro schools. I ask unanimous consent to insert further statistics prepared for me by the Department of Housing and Urban Development comparing the school systems in Pennsylvania with those of Mississippi.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

MISSISSIPPI AND PENNSYLVANIA—SCHOOL ASSIGNMENTS BY RACE, FALL 1968

| Reports | Mississippi | | Pennsylvania | | Jackson, Miss. | | Philadelphia, Pa. | | Pittsburgh, Pa. | |
|---|---|---|---|---|---|---|---|---|---|---|
| School systems reporting | 106 of 148 | | 568 of 610 | | 1 | | 1 | | 1 | |
| Schools reporting | 770 | | 4,412 | | 56 | | 278 | | 113 | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Student enrollment: | | | | | | | | | | |
| American-Indian | 112 | 0.0 | 411 | 0.0 | 17 | 0.0 | 0 | 0.0 | 15 | 0.0 |
| Negro | 223,784 | 49.0 | 268,514 | 11.7 | 17,919 | 46.2 | 166,083 | 58.8 | 29,898 | 39.2 |
| Oriental | 384 | .1 | 2,073 | .1 | 19 | .0 | 0 | .0 | 196 | .3 |
| Spanish Sur. American | 327 | .1 | 11,849 | .5 | 25 | .1 | 7,022 | 2.5 | 154 | .2 |
| Total minority | 224,607 | 49.2 | 282,848 | 12.3 | 11,980 | 46.4 | 173,105 | 61.3 | 30,263 | 39.7 |
| Nonminority | 231,924 | 50.8 | 2,013,163 | 87.7 | 20,793 | 53.6 | 109,512 | 38.7 | 46,005 | 60.3 |
| Total all students | 456,531 | 100.0 | 2,296,011 | 100.0 | 38,773 | 100.0 | 282,617 | 100.0 | 76,268 | 100.0 |

| Distribution of Negro students | Percent Negro students assigned to | Number of schools | Percent Negro students assigned to | Number of schools | Percent Negro students assigned to | Number of schools | Percent Negro students assigned to | Number of schools | Percent Negro students assigned to | Number of schools |
|---|---|---|---|---|---|---|---|---|---|---|
| 100 percent Negro schools | 87.4 | 269 | 3.5 | 14 | 94.6 | 19 | 3.2 | 6 | 8.2 | 4 |
| 99 to 100 percent Negro schools | 92.4 | 281 | 29.2 | 72 | 94.6 | 19 | 39.7 | 56 | 33.9 | 11 |
| 90 to 100 percent Negro schools | 92.7 | 283 | 47.8 | 126 | 94.6 | 19 | 63.1 | 93 | 52.6 | 19 |
| 80 to 100 percent Negro schools | 92.7 | 283 | 56.1 | 161 | 94.6 | 19 | 73.4 | 118 | 60.1 | 23 |
| 50 to 100 percent Negro schools | 93.3 | 292 | 71.6 | 243 | 97.0 | 22 | 89.2 | 158 | 78.8 | 34 |
| 0 to 49.9 percent Negro schools | 6.7 | 478 | 28.4 | 4,169 | 3.0 | 34 | 10.8 | 120 | 21.2 | 79 |

| Distribution of nonminority (white) students | Percent white students assigned to | Number of schools | Percent white students assigned to | Number of schools | Percent white students assigned to | Number of schools | Percent white students assigned to | Number of schools | Percent white students assigned to | Number of schools |
|---|---|---|---|---|---|---|---|---|---|---|
| 100 percent white schools | 12.1 | 86 | 27.7 | 1,678 | 12.6 | 5 | 3.7 | 8 | 3.1 | |
| 99 to 100 percent white schools | 25.8 | 138 | 57.2 | 2,613 | 55.8 | 19 | 17.9 | 21 | 9.2 | 12 |
| 90 to 100 percent white schools | 79.3 | 358 | 89.4 | 3,762 | 95.0 | 30 | 45.4 | 48 | 47.6 | 38 |
| 80 to 100 percent white schools | 94.9 | 439 | 94.3 | 3,941 | 95.8 | 31 | 59.1 | 67 | 74.7 | 56 |
| 50 to 100 percent white schools | 99.6 | 478 | 98.5 | 4,155 | 98.4 | 34 | 82.5 | 110 | 91.3 | 79 |
| 0 to 49.9 percent white schools | .4 | 292 | 1.5 | 257 | 1.6 | 22 | 17.5 | 168 | 8.7 | 34 |

Mr. SCOTT. I agree with the recent statement made by the distinguished Senator from New Jersey (Mr. CASE), who said:

> Two wrongs do not make a right. We must get at the problems in the North, but not at the expense of our efforts to correct even more severe problems in the South.

The above figures demonstrate that there are very severe segregation problems in the South brought about by, until recently, enforced legal segregation. Senator STENNIS, to my understanding, would desire to offer an amendment to the presently pending and already very late HEW appropriations bill before this body. This amendment would provide, again I understand, that Federal funds would be cut off to any school district wherein was located a school which was "predominantly" Negro and a school which was "predominantly" white not either under court order to desegregate or having an HEW-approved desegregation plan or presently providing the busing of students from one school to another.

This is a complicated and complex proposal which deserves the most far-reaching consideration of the Senate. It is my hope that the Senate leadership will attempt very hard to get commitments for hearings on the matter intended to be proposed by Senator STENNIS. Over a month ago I said to this body that I would normally object to such a provision as being legislation on an appropriation bill. The issue of de facto segregation in the North has long deserved the serious consideration of this body. I want to be recorded as in favor of considering ways and means whereby racial isolation in the North can be reduced and eliminated. However, de facto segregation has its roots in serious economic and social problems which are found in central cities. I would, for example, like to see permanent and well-considered legislation on this subject with appropriate Federal funds authorized and appropriated for clearly delineated purposes. Any rider to an appropriation legislation would only have an effect for 1 year. Therefore, I would hope that the Senate would immediately proceed with the HEW appropriation legislation soon to be before us and that the Senate leadership would proceed to join me in urging hearings on this matter at the earliest time next session. The problem with which we are faced is to not risk diminishing our attacks on the quite worse desegregation problems in the South. There is no reason to believe that the situation in the North, however serious and disheartening it may be, would in any way justify diminishing the pressure for desegregation in the South. I would hope that substantive and far-reaching legislation would evolve which would have as its purpose enforcing all the laws and all the decisions of the Supreme Court equally in all parts of the United States. I am firmly in support of such legislation and urge that the appropriate subcommittees and committee of this Congress diligently proceed to deliberate this matter for the full consideration of the Senate.

## CRISIS IN ENVIRONMENTAL QUALITY

Mr. McINTYRE. Mr. President, 200 years of neglect have brought about a crisis in environmental quality that may well pose the greatest challenge mankind has ever faced.

Just a few years ago concern over this crisis was limited almost exclusively to professional ecologists, conservationists, and a few far-visioned public servants.

Now, and none too soon, the crisis is beginning to come home to all the people.

In the last decade we have seen increased reaction at the national level. But the reaction has been sporadic and uncoordinated. Piecemeal laws have been enacted to meet piecemeal problems with piecemeal funding. And this response, of course, falls far short of meeting a challenge that is nothing less than a crisis in the quality of life itself.

In the crucial need to rise to that challenge, motivation of the private citizenry is the single most important factor, for it will be their concern, their demands, their efforts that will influence the Congress and the State legislatures to take the measures, however costly, to preserve our Nation in recognizable and livable form.

In my own State of New Hampshire, this private initiative is emerging in encouraging and effective fashion. A unique new approach to environmental problems, an approach called New Hampshire—Tomorrow, aims at meeting the environmental crisis in a most positive way.

New Hampshire—Tomorrow is a cooperative venture by Dartmouth College, the Society for the Protection of New Hampshire Forests, the Spaulding-Potter Charitable Trusts, and the New Hampshire Charitable Fund—along with help from Ford Foundation.

This program is designed to meet the needs of New Hampshire towns and villages offering the assistance of expert planners and providing options to solving specific environmental problems. The approach is practical for it recognizes that concern must first be mobilized at the local level before effective action can be taken.

It recognizes that many towns are in a position to do much on their own to preserve environment as well as to restore it, and yet New Hampshire—Tomorrow also recognizes the importance of the

programs and prerogatives of the State and Federal Governments and seeks to complement them.

I am certain that the future will see an accelerating assault on the problems of environment, more research, more funding, more governmental assistance at every level, and I shall work for all of this. But for me it is particularly heartening to see such an auspicious beginning being made in the communities of my own State.

Mr. President, because of the importance of this program, I ask unanimous consent to have printed in the RECORD an editorial originally published in the Concord, N.H., Monitor and later reprinted in the Berlin, N.H., Reporter. It not only provides further description of the program and its goals, but also offers it important support.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW HAMPSHIRE—TOMORROW

A unique program is underway in New Hampshire dedicated to finding ways and means of controlling, and improving, the state's most precious and perishable resource—natural beauty.

The program is called "New Hampshire—Tomorrow," and nothing quite like it, as far as we can determine, ever has been undertaken before.

It is practical, forward-looking and imaginative. It is an experiment in the concrete steps necessary to control our environment, to identify needs and to determine how best those needs can be met.

"New Hampshire—Tomorrow" is a cooperative undertaking by Dartmouth College, the Society for the Protection of New Hampshire Forests, the Spaulding-Porter Charitable Trusts and the New Hampshire Charitable Fund—with help from the Ford Foundation.

It is an exercise in feasibility, for the program is aimed at helping local communities, with minimum expense, undertake conservation projects or initiate corrective action to preserve and enhance the livability of our surroundings.

The Spaulding-Potter Trusts have granted "New Hampshire—Tomorrow" a total of $100,000 over a two-year period to get its "process of accomplishment" program off the ground.

Just yesterday, the Ford Foundation announced it had granted the New Hampshire Charitable Fund $84,650 to participate in the plan that will identify needs, encourage local action, provide expert advice and try to determine how goals can be accomplished.

The New England Regional Commission, a federal agency with offices in Boston, has chipped in $15,000. And still other federal funds may become available once the program gets under way.

Dartmouth College's contribution consists of headquarters and research facilities and the services of a full time water expert, or hydrologist.

For Dartmouth, it is a significant step forward, for the institution for too long has held itself aloof to the pressing problems of the state in which it has been situated for 200 years.

Dartmouth also will provide advisory teams of geographers, economists and scientists to help local communities tackle the sometimes seemingly unsurmountable problems of environmental control—cleaning up polluted streams, enhancing scenic vistas, creating land preserves, and abolishing unsightly junkyards, used car dumps, etc.

The thrust of "New Hampshire—Tomorrow" will be to find the means to accomplish limited local projects—and not to accomplish those projects itself. It will not draw up a master plan for beautifying our environment, but its activity may lead to the development of state policy toward this end.

Among other things, the program will provide legal help to local citizen groups that seek to improve the quality of their community environment.

In other words, the program is designed to guide and assist, and not dictate.

One of the most imposing tasks of "New Hampshire—Tomorrow" will be to educate and inform. Comparatively few persons recognize fully the gravity of the problems that will face New Hampshire in the next decade if the state's natural beauty is allowed to deteriorate at the present pace.

It is an historic undertaking stimulated largely by Concord Atty. Eugene C. Struckhoff. The enthusiastic backing he has received is indicative of the degree of importance attached to the nationwide problem of environmental control.

## HUNGER IN AMERICA

Mr. MONTOYA. Mr. President, many of us will be looking forward to celebrating the holidays through religious observance, gift exchanges, and sitting down with family and friends to a specially prepared dinner.

Unfortunately some Americans will barely have enough money to pay for rent and a subsistence diet, let alone sit down to a sumptuous dinner. Millions of Americans throughout our affluent United States will go to sleep Christmas day hungry, wondering if they will be able to stretch their food to the end of the week.

The recent White House Conference on Hunger in Washington did one very important thing; it underscored and brought to an even larger audience the cold hard facts—we have millions of hungry people living in America who need assistance. The Select Committee on Nutrition and Human Needs, of which the Senator from South Dakota (Mr. McGOVERN) is chairman, brought this fact to the attention of Congress and the American people earlier this year. Now the Nixon administration, realizing the gravity of the problem, called a White House conference to further dramatize the situation and draw up recommendations for the administration to act upon. It is my fervent hope that they do so very soon.

Congress has voted for more food stamp funds. The administration has endorsed the stamp-out-hunger plea and the recent hunger conference has recommended a course of action-now. Many New Mexicans go to sleep hungry every night. This must not continue.

My own formula for demonstrating the Government's resolve is by doing something immediately. To this end I have sent President Nixon a letter asking him to declare a National Stamp Out Hunger Week beginning December 21. This would require the Secretary of Agriculture to issue a directive providing sufficient free food stamps and commodities to all needy welfare recipients so all Americans will have a holiday dinner.

Unquestionably we in America must view the presence of hunger in the world's richest nation with alarm. Neglect and apathy in the past have made the solution to hunger more difficult each day. It is time we acted to follow the principles of our Founding Fathers, who wrote in the Constitution that we must "promote the general welfare."

Mr. President, I ask unanimous consent that the text of my letter to President Nixon be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
*Washington, D.C., December 9, 1969.*

President RICHARD M. NIXON,
*The White House,*
*Washington, D.C.*

DEAR MR. PRESIDENT: This past week the White House Conference brought to the attention of millions in America that we must do something as soon as possible to feed the hungry and malnourished Americans blighted by hopeless poverty.

I was very pleased to read your address delivered at the White House Conference on Hunger. In line with your endorsement to stamp out hunger I would like to urge you to do the following:

(1) Declare the week of December 21st 1969 as National Stamp Out Hunger week.

(2) In the spirit of the White House Conference on Hunger and recommendations set forth, begin a nationwide campaign immediately to distribute a free Christmas food stamp/commodity package to all poverty-level families during this week.

The best way I know to indicate to the many "have-not" people in America that the national leadership means business when they say stamp out hunger is my action. My own state of New Mexico is a case in point. The White House Conference may be remote and confusing to many, but if in line with the declared policy of the Administration an unprecedented act was undertaken to provide sufficient food for all the needy on Christmas, they will be more receptive and responsive to the food assistance programs you initiate in 1970.

Sincerely,

JOSEPH M. MONTOYA,
*U.S. Senator.*

## GOODELL PLAN SUPPORTED

Mr. McGOVERN. Mr. President, the response to a recent nationwide public television broadcast on the question, "Should Congress Adopt the Goodell Proposal Requiring Complete Withdrawal of All Combat Troops From Vietnam by December 1, 1970," indicated that 68 percent of the respondents favor the bill, with 32 percent opposed. As one who has long advocated our disengagement from the self-defeating involvement in Vietnam, I was gratified by this demonstration of support for the proposal of the distinguished Senator from New York (Mr. GOODELL).

I ask unanimous consent that a summary sheet on the response to this debate be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE NATION RESPONDS TO THE ADVOCATES ON VIETNAM

(By Robert Fisher, executive editor)

OCTOBER 28, 1969.

In response to the nationwide public television broadcast debating the question, "Should Congress Adopt the Goodell Proposal Requiring Complete Withdrawal of All Combat Troops from Vietnam by December 1, 1970," the Advocates received 2,151 letters (2,917 signatures) from 39 States. Of the people writing in, 68 percent favored the bill, 32 percent were opposed.

During the October 19 broadcast viewers heard Sen. Charles Goodell support his bill (S. 3000) and heard Senators Barry Goldwater and Gale McGee in opposition. Sen. Charles Mathias, as yet uncommitted, was the principal guest to whom the arguments were addressed.

The Advocates, a new, live, Sunday evening public affairs television series (10:00 p.m. EST), seeks to bring people into politics. Each week arguments are heard on both sides of an important "decidable question." At the end of each broadcast, viewers are encouraged to act on the question. The Advocates' staff has undertaken to tabulate views received and pass them on to the respondents' elected officials. The Advocates, as a program, takes no position on any issue debated.

The following is a detailed breakdown of the mail response to our Vietnam broadcast:

| State | Pro | Con | Total |
|---|---|---|---|
| Alabama | 3 | 4 | 7 |
| California | 310 | 92 | 402 |
| Connecticut | 15 | 9 | 24 |
| Delaware | 7 | 2 | 9 |
| Florida | 84 | 41 | 125 |
| Georgia | 9 | 6 | 15 |
| Idaho | 1 | | 1 |
| Illinois | 73 | 59 | 132 |
| Indiana | 9 | 9 | 18 |
| Iowa | 2 | 11 | 13 |
| Kansas | 10 | 8 | 18 |
| Kentucky | 4 | 2 | 6 |
| Louisiana | 8 | 3 | 11 |
| Maine | 7 | 3 | 10 |
| Maryland | 25 | 12 | 37 |
| Massachusetts | 137 | 77 | 214 |
| Michigan | 34 | 15 | 49 |
| Missouri | 12 | 6 | 18 |
| Montana | 3 | 2 | 5 |
| Nebraska | 8 | 8 | 16 |
| Nevada | | 4 | 4 |
| New Hampshire | 8 | 10 | 18 |
| New Jersey | 68 | 34 | 102 |
| New Mexico | 3 | 2 | 5 |
| New York | 331 | 108 | 439 |
| North Carolina | 8 | 8 | 16 |
| Ohio | 32 | 10 | 42 |
| Oklahoma | 14 | 8 | 22 |
| Pennsylvania | 87 | 54 | 141 |
| Rhode Island | 8 | 5 | 13 |
| South Carolina | 3 | 2 | 5 |
| South Dakota | 3 | 1 | 4 |
| Tennessee | 9 | 8 | 17 |
| Texas | 34 | 39 | 73 |
| Utah | 5 | 1 | 6 |
| Virginia | 6 | 8 | 14 |
| Vermont | 1 | 1 | 2 |
| West Virginia | 3 | 1 | 4 |
| Wisconsin | 41 | 19 | 60 |
| Washington, D.C. | 3 | 3 | 6 |
| Canada | 1 | | 1 |
| Unknown | 24 | 3 | 27 |

## "WE ARE ALL PILGRIMS"

Mr. GOODELL. Mr. President, Thanksgiving Day was an opportunity for all of us to reflect upon the traditions of our country and the meaning of these traditions today.

I would like to call to the attention of my colleagues a Thanksgiving editorial by radio station WNEW in New York City. In this period of disillusionment and skepticism, I think this editorial speaks to all Americans.

Mr. President, I ask unanimous consent that the text of this excellent editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A THANKSGIVING WEEK COMMENTARY BY RADIO STATION WNEW, NEW YORK CITY

Every Thanksgiving we recall the Pilgrims as a noble hardy band of pioneers who landed at Plymouth, Massachusetts in 1620, faced a dreadful winter but survived to reap a great harvest. Commemorating this nation's riches and the Pilgrim's courage is a national tradition.

So is the Pilgrim's crisis of spirit.

Financed in part by merchants who created them—accompanied by dissenting strangers—decimated by scurvy and pneumonia—saved ironically by the Indians they had come to serve with the Gospel—and uncertain in self-government, the Pilgrims were plagued with their own doubts. And so are we.

Even today—some of us reap great harvests while others labor in hard, unproductive soil. The process of building a colony into a nation included mutual trust and civil war.

Confirming our destiny has sometimes taken us far beyond our borders. Sometimes bearing arms.

And now in just such a time we are at odds with ourselves about the cause and purpose of our commitment in Vietnam.

We are facing one of the many hard winters since 1620. And because of it we are reminded of just how uniquely Thanksgiving summarizes our origins, trials and triumphs under one flag—a flag which allows us to pull together while arguing in which direction.

The American Flag does not belong to just some of us. It cannot be coveted as a partisan symbol. It cannot be hailed or dishonored for personal politics or prejudices. It is the banner of the very liberty we have to wrestle over what we believe is best for it.

To fly the American Flag on Thanksgiving Day is to give evidence of that liberty and to prove that the Flag represents all of us in our diversity and to rescue it from those who would make it a symbol of division.

If you have an American Flag—fly it.

Fly it for all of us. With all of our differences we are all Americans. We are all Pilgrims.

## SEGREGATION IN THE SCHOOL DISTRICTS OF NEW YORK

Mr. STENNIS. Mr. President, according to the 1968–69 HEW school survey, there was a total of 3,364,090 students in the elementary and secondary public schools of New York. Of this total, 2,601,708, or 77.3 percent of the total enrollment, were white; 473,253, or 14 percent, were Negro students; 263,799, or 7.8 percent were Spanish-speaking Americans; 19,620, or 0.6 percent, were classified as Orientals; and 5,710, or 0.1 percent were American Indians.

The HEW's IBM data reflects that there are 17 school districts in the State of New York with at least one school with a minority group enrollment of over 80 percent. However, in 14 of these cities, or school districts, there is an aggregate Negro enrollment of 403,127, or 85.2 percent of the total State Negro student enrollment in the New York City schools alone.

Let us take a look at New York City. It has a total enrollment of 1,363,067, of which 467,365, or 43.9 percent, are white, 334,841, or 31.5 percent, are Negro, 244,302, or 23 percent, are Spanish-speaking Americans, 15,573, or 1.5 percent, are classified as Oriental, and 1,526, or 0.1 percent, are American Indian students.

In New York City, there are 119 schools which are 99 and 100 percent minority group segregated, which have a Negro enrollment of 89,957, or 19 percent of the city's total Negro student enrollment. There are 207 schools having a Negro student enrollment of 146,575—43.7 percent of the city's total Negro enrollment—that are 95 to 100 percent minority group segregated. There are 269 schools with an aggregate Negro enrollment of 173,791—or 51.9 percent of the city's total Negro enrollment—in schools that are 90 to 100 percent minority group segregated. There are 322 schools with a total Negro enrollment of 201,462—or 60.1 percent of the city's total Negro enrollment—where the minority group enrollment is 80 to 100 percent. There are 18,865 white students—or 4 percent of the city's total white student enrollment—attending these 322 schools that are 80 to 100 percent minority group segregated. There are 82,794 white students—or 17.7 percent of the total white student enrollment—attending 50 to 100 percent minority schools.

Now let us look at the white majority schools. There are 211 schools which are 80 to 100 percent white, which are attended by 17,994 Negro students—or 5.3 percent of the city's total Negro student enrollment. In all, there are 393 majority white schools in New York City, and 65,490 Negro students—or 19.5 percent of the city's total Negro enrollment—attend these majority white schools.

In the public schools of the city of Buffalo there is a highly segregated Negro minority. Buffalo has a total enrollment of 72,115, in 101 schools, of which 43,942—or 60.9 percent—are white, 26,381—or 36.6 percent—are Negro, and 1,792—or 2.5 percent—are from other minority groups.

In the Negro majority schools, there are 16 schools with a total of 11,562 Negro students, which is 43.8 percent of the total Negro enrollment in Buffalo public schools, which are 99 and 100 percent Negro. There are 21 schools, with 66,122 Negro students—or 61.6 percent of the city's total Negro student enrollment—that are 95 to 100 percent Negro segregated. 19,268—or 73 percent of the city's total Negro students—attend majority Negro schools, and 27 percent attend majority white schools.

1,821, or 4.1 percent of the total white student enrollment of Buffalo, attend majority Negro schools, and 95.9 percent of the white students attend majority white schools.

There are a number of other interesting city school districts in New York State. For example, there is Rochester, which has a Negro student enrollment of 13,679, which is 28.9 percent of the total public school enrollment of the city, where there are six schools that are 90 to 100 percent Negro segregated.

In Utica, which has a Negro enrollment of only 11.8 percent, has one school that is 93.6 percent Negro.

Newburgh, N.Y., where the Negro student enrollment is only 23 percent of the total school enrollment of the city, has two schools which are 99 percent and above Negro segregated.

Monticello, N.Y., with only a 17.3 percent Negro student enrollment, has one school that is 100 percent Negro.

These facts and figures are presented for future consideration by the Senate of a national policy regarding integration of the races in the public schools of the State.

I ask unanimous consent to have information relating to the State of New York printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

NEW YORK STATE TOTAL

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT

DISTRICT: ALBANY. NUMBER OF SCHOOLS: 24. CITY: ALBANY

| | Students— | | | | | | | Weight: | Teachers—Assurance: 441 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Number | 8 | 3,685 | 15 | 30 | 3,738 | 8,722 | 12,010 | | 0 | 26 | 0 | 1 | 27 | 574 | 600 |
| Percents | 0.1 | 30.7 | 0.1 | 0.2 | 31.1 | 68.9 | 100.0 | | 0.0 | 4.3 | 0.0 | 0.2 | 4.5 | 95.5 | 100.1 |
| School 5 (2) | 0 | 80 | 0 | 0 | 80 | 5 | 85 | (94.1) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| School 6 (3) | 0 | 502 | 0 | 0 | 502 | 66 | 568 | (88.4) | 0 | 6 | 0 | 0 | 6 | 15 | 21 |
| School 7 (4) | 0 | 207 | 0 | 0 | 207 | 33 | 240 | (86.3) | 0 | 4 | 0 | 0 | 4 | 6 | 10 |
| Giffen Memorial School (18) | 1 | 757 | 0 | 16 | 774 | 176 | 950 | (81.5) | 0 | 4 | 0 | 0 | 4 | 54 | 58 |
| Philip Schuyler High School (21) | 0 | 302 | 0 | 0 | 302 | 327 | 629 | (48.0) | 0 | 2 | 0 | 0 | 2 | 42 | 44 |
| Philip Livingston School (20) | 0 | 351 | 1 | 0 | 352 | 406 | 758 | (46.4) | 0 | 3 | 0 | 0 | 3 | 54 | 57 |
| Thomas S. Obrien School (17) | 0 | 351 | 0 | 0 | 351 | 462 | 813 | (43.2) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| W. S. Hackett Junior High School (19) | 0 | 355 | 1 | 0 | 356 | 667 | 1,023 | (34.8) | 0 | 1 | 0 | 0 | 1 | 63 | 64 |
| School 22 (13) | 0 | 64 | 0 | 1 | 65 | 142 | 207 | (31.4) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| School 20 (11) | 0 | 175 | 0 | 1 | 176 | 477 | 653 | (27.0) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Scoool 17 (8) | 0 | 86 | 0 | 0 | 86 | 237 | 323 | (26.6) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Albany High School Annex (24) | 0 | 93 | 0 | 0 | 93 | 269 | 362 | (25.7) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| School 9 (5) | 0 | 50 | 0 | 0 | 50 | 163 | 213 | (23.5) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| School 27 (16) | 5 | 20 | 1 | 0 | 26 | 172 | 198 | (13.1) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| School 21 (12) | 0 | 45 | 0 | 0 | 45 | 315 | 360 | (12.5) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Sunshine School (23) | 0 | 7 | 0 | 0 | 7 | 51 | 58 | (12.1) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Albany High School (22) | 0 | 138 | 4 | 6 | 148 | 1,116 | 1,264 | (11.7) | 0 | 1 | 0 | 0 | 1 | 70 | 71 |
| School 10 (6) | 0 | 14 | 0 | 4 | 18 | 153 | 171 | (10.5) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| School 18 (9) | 0 | 25 | 0 | 0 | 25 | 283 | 308 | (8.1) | 0 | 0 | 0 | 1 | 1 | 12 | 13 |
| School 16 (7) | 2 | 18 | 6 | 0 | 26 | 643 | 669 | (3.9) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| School 23 (14) | 0 | 15 | 2 | 1 | 18 | 586 | 604 | (3.0) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| School 26 (15) | 0 | 12 | 0 | 0 | 12 | 402 | 414 | (2.9) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| School 19 (10) | 0 | 18 | 0 | 1 | 19 | 934 | 953 | (2.0) | 0 | 1 | 0 | 0 | 1 | 40 | 41 |
| School 3 (1) | 0 | 0 | 0 | 0 | 0 | 187 | 187 | (0.0) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |

DISTRICT: BUFFALO. NUMBER OF SCHOOLS: 101. REPRESENTING: 101. CITY: BUFFALO. COUNTY: 15 ERIE

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 429 | 26,381 | 85 | 1,278 | 28,173 | 43,942 | 72,115 | | 2 | 325 | 2 | 7 | 336 | 2,783 | 3,119 |
| Percent | 0.6 | 36.6 | 0.1 | 1.8 | 39.1 | 60.9 | 100.0 | | 0.1 | 10.4 | 0.1 | 0.2 | 10.8 | 89.2 | 100.0 |
| Public School 8 (5) | 0 | 1,124 | 0 | 0 | 1,124 | 0 | 1,124 | (100.0) | 0 | 9 | 0 | 0 | 9 | 36 | 45 |
| Public School 50 (41) | 0 | 135 | 0 | 0 | 135 | 0 | 135 | (100.0) | 0 | 5 | 0 | 0 | 5 | 4 | 9 |
| Public School 93 (78) | 0 | 180 | 0 | 0 | 180 | 0 | 180 | (100.0) | 0 | 3 | 0 | 0 | 3 | 6 | 9 |
| St. Augustines (101) | 0 | 35 | 0 | 0 | 35 | 0 | 35 | (100.0) | 0 | 2 | 0 | 0 | 2 | 1 | 3 |
| Clinton Junior High School (82) | 2 | 1,025 | 0 | 13 | 1,040 | 1 | 1,041 | (99.9) | 0 | 24 | 0 | 1 | 25 | 57 | 82 |
| Public School 17 (10) | 1 | 700 | 0 | 2 | 703 | 1 | 704 | (99.9) | 0 | 9 | 0 | 0 | 9 | 20 | 29 |
| Woodlawn Junior High School (81) | 0 | 1,198 | 0 | 2 | 1,200 | 2 | 1,202 | (99.8) | 0 | 21 | 0 | 1 | 22 | 48 | 70 |
| Public School 6 (4) | 0 | 1,010 | 0 | 76 | 1,086 | 3 | 1,089 | (99.7) | 0 | 12 | 0 | 0 | 12 | 29 | 41 |
| Public School 75 (64) | 0 | 661 | 0 | 0 | 661 | 2 | 663 | (99.7) | 0 | 9 | 0 | 0 | 9 | 18 | 27 |
| Public School 37 (28) | 0 | 1,256 | 0 | 5 | 1,261 | 5 | 1,266 | (99.6) | 0 | 19 | 0 | 0 | 19 | 36 | 55 |
| Public School 53 (44) | 2 | 1,152 | 0 | 6 | 1,160 | 6 | 1,166 | (99.5) | 1 | 7 | 0 | 0 | 8 | 33 | 41 |
| Public School 12 (8) | 0 | 352 | 0 | 0 | 352 | 2 | 354 | (99.4) | 0 | 7 | 0 | 0 | 7 | 9 | 16 |
| Public School 74 (63) | 0 | 889 | 0 | 0 | 889 | 7 | 896 | (99.2) | 0 | 10 | 0 | 0 | 10 | 25 | 35 |
| Public School 32 (23) | 0 | 340 | 0 | 14 | 354 | 3 | 357 | (99.2) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Public School 39 (30) | 0 | 908 | 0 | 0 | 908 | 8 | 916 | (99.1) | 0 | 6 | 0 | 0 | 6 | 26 | 32 |
| Public School 41 (32) | 0 | 597 | 0 | 1 | 598 | 6 | 604 | (99.0) | 0 | 5 | 0 | 0 | 5 | 19 | 24 |
| Public School 47 (38) | 0 | 449 | 0 | 0 | 449 | 5 | 454 | (98.9) | 0 | 10 | 0 | 0 | 10 | 15 | 25 |
| Public School 31 (22) | 1 | 1066 | 0 | 2 | 1069 | 12 | 1081 | (98.9) | 0 | 11 | 0 | 0 | 11 | 32 | 43 |
| Public School 48 (39) | 1 | 669 | 0 | 2 | 672 | 8 | 680 | (98.8) | 0 | 6 | 0 | 0 | 6 | 20 | 26 |
| East High School (96) | 0 | 1557 | 0 | 13 | 1570 | 31 | 1601 | (98.1) | 0 | 12 | 0 | 0 | 12 | 81 | 93 |
| Public School 59 (48) | 0 | 819 | 1 | 1 | 821 | 32 | 853 | (96.2) | 0 | 6 | 0 | 0 | 6 | 22 | 28 |
| Public School 35 (26) | 0 | 53 | 0 | 0 | 53 | 5 | 58 | (91.4) | 0 | 4 | 0 | 0 | 4 | 4 | 8 |
| Public School 16 (9) | 1 | 328 | 0 | 3 | 332 | 33 | 365 | (91.0) | 0 | 3 | 0 | 0 | 3 | 13 | 16 |
| Fosdick Masten Vocational High School (87) | 0 | 658 | 0 | 2 | 660 | 120 | 780 | (84.6) | 0 | 8 | 0 | 0 | 8 | 45 | 53 |
| Public School 4 (3) | 2 | 485 | 1 | 65 | 553 | 150 | 703 | (78.7) | 0 | 3 | 0 | 0 | 3 | 25 | 28 |
| Public School 90 (77) | 0 | 430 | 0 | 0 | 430 | 252 | 682 | (63.0) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Genese Humboldt Junior High School (80) | 0 | 642 | 2 | 3 | 647 | 418 | 1,065 | (60.8) | 0 | 4 | 0 | 0 | 4 | 54 | 58 |
| Public School 54 (45) | 0 | 414 | 2 | 8 | 424 | 345 | 769 | (55.1) | 0 | 3 | 0 | 0 | 3 | 26 | 29 |
| Public School 1 (1) | 46 | 136 | 2 | 194 | 378 | 366 | 744 | (50.8) | 0 | 3 | 0 | 0 | 3 | 34 | 37 |
| Public School 57 (47) | 0 | 160 | 0 | 0 | 160 | 161 | 321 | (49.8) | 0 | 2 | 0 | 0 | 2 | 10 | 12 |
| Public School 76 (65) | 65 | 80 | 6 | 213 | 364 | 407 | 771 | (47.2) | 0 | 6 | 0 | 0 | 6 | 31 | 37 |
| Boys Vocational High School (85) | 0 | 83 | 0 | 5 | 88 | 104 | 192 | (45.8) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| P.S. 23 (15) | 0 | 352 | 0 | 0 | 352 | 431 | 783 | (45.0) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| Fillmore Middle School (79) | 1 | 387 | 2 | 1 | 391 | 494 | 885 | (44.2) | 0 | 8 | 0 | 0 | 8 | 44 | 52 |
| P.S. 36 (27) | 80 | 14 | 2 | 111 | 207 | 300 | 507 | (40.8) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| P.S. 24 (16) | 3 | 72 | 0 | 3 | 78 | 115 | 193 | (40.4) | 0 | 4 | 0 | 0 | 4 | 16 | 20 |
| H. B. Emerson Vocational High School (89) | 0 | 243 | 0 | 1 | 244 | 371 | 615 | (39.7) | 0 | 1 | 0 | 0 | 1 | 34 | 35 |
| P.S. 73 (62) | 2 | 21 | 0 | 5 | 28 | 44 | 72 | (38.9) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| P.S. 62 (51) | 0 | 333 | 1 | 0 | 334 | 548 | 882 | (37.9) | 0 | 2 | 0 | 0 | 2 | 30 | 32 |
| Child care Center (97) | 1 | 5 | 0 | 1 | 7 | 12 | 19 | (36.8) | 0 | 1 | 0 | 0 | 1 | 2 | 3 |
| Burgard Vocational High School (86) | 5 | 378 | 0 | 19 | 402 | 695 | 1,097 | (36.6) | 0 | 1 | 0 | 2 | 3 | 55 | 58 |
| Bennett High School (84) | 1 | 740 | 2 | 7 | 750 | 1,417 | 2,167 | (34.6) | 0 | 5 | 0 | 0 | 5 | 88 | 93 |
| P. S. 3 (2) | 16 | 107 | 1 | 63 | 187 | 428 | 615 | (30.4) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| P. S. 64 (53) | 0 | 132 | 4 | 0 | 136 | 325 | 461 | (29.5) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Lafayette High School (92) | 2 | 376 | 1 | 13 | 392 | 1,073 | 1,465 | (26.8) | 0 | 4 | 0 | 1 | 5 | 64 | 69 |
| Southside Junior High School (99) | 8 | 308 | 1 | 39 | 356 | 1,016 | 1,372 | (25.9) | 0 | 8 | 0 | 0 | 8 | 64 | 72 |
| P. S. 61 (50) | 1 | 144 | 2 | 1 | 148 | 489 | 637 | (23.2) | 0 | 1 | 0 | 0 | 1 | 22 | 23 |
| P. S. 84 (73) | 2 | 36 | 1 | 1 | 40 | 158 | 198 | (20.2) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Grover Cleveland High School (88) | 20 | 147 | 2 | 71 | 240 | 979 | 1,219 | (19.7) | 0 | 4 | 0 | 0 | 4 | 54 | 58 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: BUFFALO. NUMBER OF SCHOOLS: 101. REPRESENTING: 101. CITY: BUFFALO. COUNTY: 15 ERIE—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| lementary School 33 (24) | 0 | 99 | 0 | 6 | 105 | 432 | 537 | (19.6) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Public School 42 (33) | 3 | 76 | 2 | 18 | 99 | 410 | 509 | (19.4) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Public School 40 (31) | 0 | 51 | 0 | 7 | 58 | 257 | 315 | (18.4) | 0 | 2 | 0 | 0 | 2 | 11 | 13 |
| McKinley Vocational High School (83) | 13 | 146 | 0 | 19 | 178 | 801 | 979 | (18.2) | 0 | 2 | 0 | 0 | 2 | 51 | 53 |
| Public School 44 (35) | 0 | 155 | 0 | 6 | 161 | 732 | 893 | (18.0) | 1 | 2 | 0 | 0 | 3 | 29 | 32 |
| Public School 79 (68) | 0 | 116 | 0 | 10 | 126 | 592 | 718 | (17.5) | 0 | 1 | 0 | 0 | 1 | 27 | 28 |
| Public School 26 (17) | 4 | 53 | 0 | 13 | 70 | 335 | 405 | (17.3) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Seneca Vocational High School (94) | 1 | 194 | 0 | 3 | 198 | 1,044 | 1,242 | (15.9) | 0 | 2 | 0 | 0 | 2 | 64 | 66 |
| Public School 80 (69) | 0 | 91 | 0 | 0 | 91 | 496 | 587 | (15.5) | 0 | 1 | 0 | 0 | 1 | 28 | 29 |
| Public School 82 (71) | 0 | 112 | 6 | 4 | 122 | 677 | 799 | (15.3) | 0 | 2 | 0 | 0 | 2 | 29 | 31 |
| Public School 18 (11) | 14 | 47 | 0 | 18 | 79 | 498 | 577 | (13.7) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Public School 78 (67) | 2 | 96 | 0 | 0 | 98 | 626 | 724 | (13.5) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Hutchinson Technical High School (90) | 5 | 144 | 1 | 5 | 155 | 1,015 | 1,170 | (13.2) | 0 | 2 | 0 | 0 | 2 | 64 | 66 |
| Public School 34 (25) | 0 | 30 | 0 | 8 | 38 | 249 | 287 | (13.2) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Public School 71 (60) | 0 | 48 | 0 | 3 | 51 | 357 | 408 | (12.5) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| South Park High School (95) | 1 | 245 | 0 | 25 | 271 | 1,971 | 2,242 | (12.1) | 0 | 6 | 0 | 1 | 7 | 94 | 101 |
| Public School 85 (74) | 0 | 28 | 5 | 0 | 33 | 250 | 283 | (11.7) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Public School 28 (19) | 3 | 42 | 0 | 32 | 77 | 596 | 673 | (11.4) | 0 | 1 | 0 | 0 | 1 | 29 | 30 |
| Public School 56 (46) | 10 | 74 | 14 | 8 | 106 | 839 | 945 | (11.2) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Public School 81 (70) | 0 | 95 | 0 | 0 | 95 | 779 | 874 | (10.9) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Public School 19 (12) | 1 | 87 | 0 | 5 | 93 | 763 | 856 | (10.9) | 0 | 3 | 0 | 0 | 3 | 32 | 35 |
| Public School 22 (14) | 0 | 43 | 1 | 0 | 44 | 365 | 409 | (10.8) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Public School 21 (13) | 0 | 44 | 0 | 1 | 45 | 390 | 435 | (10.3) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Public School 46 Reading Center (37) | 0 | 8 | 0 | 4 | 12 | 104 | 116 | (10.3) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Public School 51 (42) | 2 | 63 | 1 | 4 | 70 | 615 | 685 | (10.2) | 0 | 2 | 1 | 0 | 3 | 23 | 26 |
| Public School 77 (66) | 26 | 29 | 0 | 32 | 87 | 768 | 855 | (10.2) | 0 | 3 | 0 | 1 | 4 | 35 | 39 |
| Kensington High School (91) | 5 | 230 | 1 | 0 | 234 | 2,084 | 2,318 | (10.1) | 0 | 2 | 0 | 0 | 2 | 74 | 76 |
| Public School 69 (58) | 1 | 68 | 0 | 1 | 70 | 624 | 694 | (10.1) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Public School 30 (21) | 6 | 16 | 1 | 0 | 23 | 222 | 245 | (9.4) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |
| Public School 86 (75) | 0 | 25 | 2 | 2 | 29 | 312 | 341 | (8.5) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Public School 38 (29) | 21 | 30 | 2 | 4 | 57 | 627 | 684 | (8.3) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Public School 68 (57) | 0 | 56 | 0 | 0 | 56 | 680 | 736 | (7.6) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Public School 9 (6) | 9 | 31 | 1 | 1 | 42 | 530 | 572 | (7.3) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Public School 43 (34) | 1 | 67 | 1 | 1 | 70 | 964 | 1,034 | (6.8) | 0 | 1 | 0 | 0 | 1 | 33 | 34 |
| Public School 63 (52) | 0 | 34 | 6 | 0 | 40 | 643 | 683 | (5.9) | 0 | 1 | 1 | 0 | 2 | 19 | 21 |
| Public School 67 (56) | 0 | 30 | 0 | 4 | 34 | 565 | 599 | (5.7) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Public School 49 (40) | 7 | 1 | 0 | 3 | 11 | 191 | 202 | (5.4) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Public School 45 (35) | 15 | 18 | 0 | 7 | 40 | 867 | 907 | (4.4) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| South Park High School Annex (98) | 0 | 4 | 0 | 3 | 7 | 162 | 169 | (4.1) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Immaculate Heart of Mary Home (100) | 0 | 2 | 0 | 1 | 3 | 70 | 73 | (4.1) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Public School 29 (20) | 1 | 1 | 1 | 29 | 32 | 780 | 812 | (3.9) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Riverside High School (93) | 4 | 55 | 1 | 4 | 64 | 1,583 | 1,647 | (3.9) | 0 | 1 | 0 | 0 | 1 | 74 | 75 |
| Public School 65 (54) | 0 | 17 | 4 | 3 | 24 | 603 | 627 | (3.8) | 0 | 1 | 0 | 0 | 1 | 20 | 28 |
| Public School 66 (55) | 1 | 28 | 0 | 0 | 29 | 737 | 766 | (3.8) | 0 | 1 | 0 | 0 | 1 | 27 | 21 |
| Public School 11 (7) | 0 | 18 | 1 | 0 | 19 | 523 | 542 | (3.5) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Public School 88 (76) | 0 | 3 | 0 | 2 | 5 | 165 | 170 | (2.9) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Public School 52 (43) | 6 | 17 | 0 | 2 | 25 | 903 | 928 | (2.7) | 0 | 2 | 0 | 0 | 2 | 38 | 40 |
| Public School 72 (61) | 2 | 15 | 0 | 0 | 17 | 724 | 741 | (2.3) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Public School 60 (49) | 3 | 13 | 0 | 7 | 23 | 986 | 1,009 | (2.3) | 0 | 1 | 0 | 0 | 1 | 33 | 34 |
| Public School 70 (59) | 1 | 0 | 0 | 4 | 5 | 413 | 418 | (1.2) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Public School 27 (18) | 0 | 0 | 0 | 3 | 3 | 419 | 422 | (0.7) | 0 | 2 | 0 | 0 | 2 | 11 | 13 |
| Public School 83 (72) | 0 | 0 | 1 | 0 | 1 | 214 | 215 | (2.5) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |

DISTRICT: LACKAWANNA. NUMBER OF SCHOOLS: 10. REPRESENTING: 10. CITY: LACKAWANNA. COUNTY: 15 ERIE

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1 | 951 | 4 | 155 | 1,111 | 4,754 | 5,865 | | 0 | 5 | 0 | 0 | 5 | 258 | 263 |
| Percent | 0.0 | 16.2 | 0.1 | 2.6 | 18.9 | 81.1 | 100.0 | | 0.0 | 1.9 | 0.0 | 0.0 | 1.9 | 98.1 | 100.0 |
| Wilson Elementary School (5) | 0 | 188 | 0 | 12 | 200 | 47 | 247 | (81.0) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Roosevelt Elementary School (3) | 0 | 405 | 0 | 44 | 449 | 166 | 615 | (73.0) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| Lincoln Junior High School (6) | 0 | 185 | 2 | 33 | 220 | 108 | 328 | (67.1) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Bethelehem Park Elementary School (1) | 0 | 38 | 0 | 15 | 53 | 194 | 247 | (21.5) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| Lackawanna Senior High High School (8) | 1 | 119 | 1 | 17 | 138 | 1,007 | 1,145 | (12.1) | 0 | 1 | 0 | 0 | 1 | 56 | 57 |
| Franklin Elementary School (9) | 0 | 1 | 0 | 10 | 17 | 628 | 645 | (2.6) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| H. Hoover Junior High School (7) | 0 | 9 | 1 | 9 | 19 | 837 | 856 | (2.2) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| McKinley Elementary School (2) | 0 | 0 | 0 | 9 | 9 | 561 | 570 | (1.6) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Truman Elementary School (10) | 0 | 0 | 0 | 6 | 6 | 666 | 672 | (0.9) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Washington Elementary School (4) | 0 | 0 | 0 | 0 | 0 | 540 | 540 | (0.0) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |

DISTRICT: SALMON RIVER. NUMBER OF SCHOOLS: 3. REPRESENTING: 3. CITY: FORT COVINGTON. COUNTY: 17 FRANKLIN

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 717 | 0 | 0 | 0 | 717 | 1,185 | 1,902 | | 2 | 0 | 0 | 0 | 2 | 93 | 95 |
| Percent | 37.7 | 0.0 | 0.0 | 0.0 | 37.7 | 62.3 | 100.0 | | 2.1 | 0.0 | 0.0 | 0.0 | 2.1 | 97.9 | 100.0 |
| St. Regis Mohawk School (1) | 388 | 0 | 0 | 0 | 388 | 0 | 388 | (100.0) | 1 | 0 | 0 | 0 | 1 | 17 | 18 |
| Salmon River Junior-Senior High School (2) | 301 | 0 | 0 | 0 | 301 | 543 | 844 | (35.7) | 1 | 0 | 0 | 0 | 1 | 48 | 49 |
| Salmon River Elementary School (3) | 28 | 0 | 0 | 0 | 28 | 642 | 670 | (4.2) | 0 | 0 | 0 | 0 | 0 | 23 | 28 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: ROCHESTER. NUMBER OF SCHOOLS: 59. REPRESENTING: 59. CITY: ROCHESTER. COUNTY: 28 MONROE

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Number | 69 | 13,679 | 55 | 1,553 | 15,356 | 32,016 | 47,372 | | 1 | 12.5 | 2 | 2 | 130 | 1,926 | 2,056 |
| Percent | 0.1 | 28.9 | 0.1 | 3.3 | 32.4 | 67.6 | 100.0 | | 0.0 | 6.1 | 0.1 | 0.1 | 6.3 | 93.7 | 100.0 |
| School 4 (4) | 5 | 642 | 0 | 0 | 647 | 11 | 658 | (98.3) | 1 | 7 | 0 | 0 | 8 | 17 | 25 |
| School No. 9 (9) | 1 | 622 | 0 | 38 | 661 | 13 | 674 | (98.1) | 0 | 13 | 0 | 0 | 13 | 18 | 31 |
| School 3 (3) | 0 | 388 | 0 | 3 | 391 | 8 | 399 | (98.0) | 0 | 7 | 0 | 0 | 7 | 14 | 21 |
| No. 14 (12) | 0 | 590 | 1 | 120 | 711 | 46 | 757 | (93.9) | 0 | 5 | 0 | 1 | 6 | 27 | 33 |
| School 19 (16) | 0 | 841 | 0 | 2 | 843 | 62 | 905 | (93.1) | 0 | 7 | 0 | 0 | 7 | 25 | 32 |
| No. 6 (6) | 0 | 709 | 0 | 50 | 759 | 73 | 832 | (91.2) | 0 | 2 | 0 | 0 | 2 | 28 | 30 |
| Sylvanus A. Ellis Elementary School (23) | 0 | 112 | 0 | 17 | 129 | 21 | 150 | (86.0) | 0 | 2 | 0 | 0 | 2 | 6 | 8 |
| No. 2 (2) | 0 | 804 | 0 | 4 | 808 | 193 | 1,001 | (80.7) | 0 | 9 | 0 | 0 | 9 | 30 | 39 |
| No. 27 (24) | 0 | 620 | 1 | 91 | 712 | 208 | 920 | (77.4) | 0 | 6 | 0 | 0 | 6 | 29 | 35 |
| No. 20 (17) | 0 | 447 | 0 | 202 | 649 | 193 | 842 | (77.1) | 0 | 7 | 1 | 0 | 8 | 21 | 29 |
| Madison High School (50) | 3 | 1,180 | 0 | 16 | 1,199 | 518 | 1,717 | (69.8) | 0 | 7 | 0 | 0 | 7 | 94 | 101 |
| No. 29 (26) | 7 | 468 | 0 | 11 | 486 | 412 | 898 | (54.1) | 0 | 3 | 0 | 0 | 3 | 34 | 37 |
| Learning Skills Center (59) | 0 | 24 | 0 | 0 | 24 | 23 | 47 | (51.1) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| West High School (53) | 4 | 598 | 0 | 10 | 612 | 763 | 1,375 | (44.5) | 0 | 6 | 0 | 0 | 6 | 78 | 84 |
| No. 31 (28) | 0 | 153 | 3 | 5 | 161 | 201 | 362 | (44.5) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| World of inquiry (45) | 0 | 55 | 2 | 5 | 62 | 85 | 147 | (42.2) | 0 | 2 | 0 | 1 | 3 | 11 | 14 |
| No. 5 (5) | 0 | 137 | 3 | 135 | 275 | 413 | 688 | (40.0) | 0 | 1 | 0 | 0 | 1 | 36 | 37 |
| Benjamin Franklin High School (48) | 1 | 954 | 0 | 180 | 1,135 | 1,716 | 2,851 | (39.8) | 0 | 7 | 0 | 0 | 7 | 133 | 140 |
| No. 17 (15) | 8 | 209 | 0 | 66 | 283 | 604 | 887 | (31.9) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| School 15 (13) | 1 | 109 | 5 | 20 | 135 | 294 | 429 | (31.5) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| School 16 (14) | 1 | 245 | 0 | 14 | 260 | 603 | 863 | (30.1) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| School 13 (11) | 3 | 137 | 1 | 17 | 158 | 409 | 56u | (27.9) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| No. 39 (35) | 0 | 180 | 1 | 19 | 200 | 547 | 747 | (26.8) | 0 | 1 | 0 | 0 | 1 | 27 | 28 |
| Automobile annex (59) | 0 | 38 | 0 | 0 | 38 | 105 | 143 | (26.0) | 0 | 1 | 0 | 0 | 1 | 2 | 3 |
| No. 36 (32) | 0 | 174 | 5 | 47 | 226 | 642 | 868 | (26.0) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Frederick Douglas Junior High School (55) | 2 | 328 | 3 | 30 | 363 | 1,060 | 1,423 | (25.5) | 0 | 7 | 0 | 0 | 7 | 77 | 84 |
| No. 50 (43) | 0 | 91 | 0 | 1 | 92 | 299 | 391 | (23.5) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Main Street annex (57) | 0 | 96 | 0 | 29 | 125 | 409 | 534 | (23.4) | 0 | 2 | 0 | 0 | 2 | 21 | 23 |
| No. 1 (7) | 0 | 86 | 1 | 1 | 88 | 291 | 379 | (23.2) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Monroe High School (52) | 0 | 408 | 2 | 88 | 498 | 1,804 | 2,302 | (21.6) | 0 | 0 | 0 | 0 | 0 | 113 | 113 |
| No. 22 (19) | 1 | 124 | 1 | 46 | 172 | 658 | 830 | (20.7) | 0 | 2 | 0 | 0 | 2 | 30 | 32 |
| School 23 (20) | 0 | 95 | 0 | 4 | 99 | 380 | 479 | (20.7) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| School 33 (29) | 0 | 149 | 0 | 27 | 176 | 744 | 920 | (19.1) | 0 | 1 | 0 | 0 | 1 | 32 | 33 |
| No. 7 (7) | 0 | 126 | 0 | 5 | 131 | 563 | 694 | (18.9) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| School 28 (25) | 0 | 91 | 0 | 3 | 94 | 434 | 528 | (17.8) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| No. 8 (8) | 0 | 37 | 0 | 74 | 111 | 528 | 639 | (17.4) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| No. 37 (33) | 1 | 96 | 3 | 10 | 110 | 557 | 667 | (16.5) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Whitney Street Annex (56) | 0 | 16 | 0 | 2 | 18 | 96 | 114 | (15.8) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| East High School (47) | 1 | 284 | 2 | 32 | 319 | 1,958 | 2,277 | (14.0) | 0 | 2 | 0 | 0 | 2 | 116 | 118 |
| No. 21 (18) | 1 | 67 | 1 | 0 | 69 | 429 | 498 | (13.9) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| No. 30 (27) | 3 | 79 | 0 | 9 | 91 | 586 | 677 | (13.4) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| No. 44 (40) | 1 | 62 | 2 | 7 | 72 | 510 | 582 | (12.4) | 0 | 2 | 0 | 0 | 2 | 19 | 21 |
| No. 41 (37) | 5 | 83 | 1 | 10 | 99 | 719 | 818 | (12.1) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| No. 49 (42) | 0 | 44 | 5 | 1 | 50 | 378 | 428 | (11.7) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| No. 25 (22) | 0 | 50 | 0 | 12 | 62 | 486 | 548 | (11.3) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| School 11 (10) | 0 | 70 | 0 | 11 | 81 | 696 | 777 | (10.4) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| No. 42 (38) | 0 | 87 | 0 | 0 | 87 | 769 | 856 | (10.2) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| No. 24 (21) | 13 | 31 | 1 | 4 | 49 | 439 | 488 | (10.0) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| No. 43 (39) | 0 | 52 | 3 | 0 | 55 | 528 | 583 | (9.4) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Edison Industrial High School (54) | 3 | 69 | 1 | 33 | 106 | 1,035 | 1,141 | (9.3) | 0 | 0 | 1 | 0 | 1 | 75 | 76 |
| Number 38 (34) | 0 | 61 | 0 | 1 | 62 | 627 | 689 | (9.0) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Jefferson High School (49) | 4 | 77 | 3 | 26 | 110 | 1,124 | 1,234 | (8.9) | 0 | 2 | 0 | 0 | 2 | 68 | 70 |
| Number 35 (31) | 0 | 59 | 0 | 2 | 61 | 708 | 769 | (7.9) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Number 46 (41) | 0 | 34 | 0 | 3 | 37 | 436 | 473 | (7.8) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| John Marshall High School (51) | 0 | 111 | 0 | 6 | 117 | 1,535 | 1,652 | (7.1) | 0 | 1 | 0 | 0 | 1 | 81 | 82 |
| Number 52 (44) | 0 | 37 | 0 | 3 | 40 | 530 | 570 | (7.0) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Charlotte High School (46) | 0 | 86 | 0 | 0 | 86 | 1,288 | 1,374 | (6.3) | 0 | 1 | 0 | 0 | 1 | 63 | 64 |
| Number 34 (30) | 0 | 32 | 4 | 0 | 36 | 721 | 757 | (4.8) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| School 40 (36) | 0 | 25 | 0 | 1 | 26 | 528 | 554 | (4.7) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |

DISTRICT: HEMPSTEAD. NUMBER OF SCHOOLS: 9. REPRESENTING: 9. CITY: HEMPSTEAD. COUNTY: 30 NASSAU

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1 | 4,159 | 20 | 102 | 4,282 | 1,546 | 5,828 | | 0 | 29 | 1 | 1 | 41 | 210 | 251 |
| Percent | 0.0 | 71.4 | 0.3 | 1.8 | 73.5 | 26.5 | 100.0 | | 0.0 | 15.5 | 0.4 | 0.4 | 16.3 | 83.7 | 100.0 |
| Jackson School (3) | 0 | 452 | 0 | 0 | 452 | 14 | 466 | (97.0) | 0 | 3 | 0 | 0 | 3 | 16 | 19 |
| Franklin School (1) | 0 | 1,180 | 1 | 2 | 1,183 | 39 | 1,222 | (96.8) | 0 | 14 | 1 | 0 | 15 | 37 | 52 |
| Prospect School (5) | 0 | 363 | 0 | 0 | 363 | 15 | 378 | (96.0) | 0 | 7 | 0 | 0 | 7 | 14 | 21 |
| Jackson Annex School (9) | 0 | 386 | 0 | 0 | 386 | 16 | 402 | (96.0) | 0 | 3 | 0 | 0 | 3 | 9 | 12 |
| Marshall School (8) | 0 | 235 | 0 | 1 | 236 | 13 | 249 | (94.8) | 0 | 2 | 0 | 0 | 2 | 7 | 9 |
| Hempstead High School (7) | 1 | 1,022 | 7 | 24 | 1,054 | 507 | 1,561 | (67.5) | 0 | 6 | 0 | 0 | 6 | 73 | 79 |
| Washington School (6) | 0 | 250 | 0 | 28 | 278 | 276 | 554 | (50.2) | 0 | 2 | 0 | 1 | 3 | 18 | 21 |
| Fulton S. (2) | 0 | 138 | 5 | 31 | 174 | 318 | 492 | (35.4) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Ludlum School (4) | 0 | 133 | 7 | 16 | 156 | 348 | 504 | (31.0) | 0 | 2 | 0 | 0 | 2 | 17 | 19 |

DISTRICT: ROOSEVELT. NUMBER OF SCHOOLS: 7. REPRESENTING 7. CITY: ROOSEVELT. COUNTY: 30 NASSAU

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 2,751 | 4 | 43 | 2,798 | 1,108 | 3,906 | | 0 | 47 | 1 | 3 | 51 | 157 | 208 |
| Percent | 0.0 | 70.4 | 0.1 | 1.1 | 71.6 | 28.4 | 100.0 | | 0.0 | 22.6 | 0.5 | 1.4 | 24.5 | 75.5 | 100.0 |
| Prekindergarten School (7) | 0 | 74 | 0 | 3 | 77 | 12 | 89 | (86.5) | 0 | 4 | 0 | 0 | 4 | 2 | 6 |
| Washington Rose School (4) | 0 | 458 | 0 | 16 | 474 | 114 | 588 | (80.6) | 0 | 4 | 0 | 0 | 4 | 19 | 23 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: ROOSEVELT. NUMBER OF SCHOOLS: 7. REPRESENTING: 7. CITY: ROOSEVELT. COUNTY: 30 NASSAU—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Theodore Roosevelt School (3) | 0 | 225 | 0 | 0 | 225 | 55 | 280 | (80.4) | 0 | 5 | 0 | 0 | 5 | 11 | 16 |
| Centennial Avenue School (2) | 0 | 442 | 0 | 9 | 451 | 116 | 567 | (79.5) | 0 | 4 | 0 | 0 | 4 | 22 | 26 |
| Harry D. Daniels School (1) | 0 | 572 | 1 | 13 | 586 | 165 | 751 | (78.0) | 0 | 6 | 0 | 0 | 6 | 16 | 22 |
| Roosevelt Junior-Senior High School (5) | 0 | 967 | 2 | 0 | 969 | 487 | 1,456 | (66.6) | 0 | 21 | 0 | 3 | 24 | 68 | 92 |
| Cerebral Palsy School (6) | 0 | 13 | 1 | 2 | 16 | 159 | 175 | (9.1) | 0 | 3 | 1 | 0 | 4 | 19 | 23 |
| DISTRICT: NIAGARA WHEATFIELD. NUMBER OF SCHOOLS: 12. REPRESENTING: 12. CITY: SANBORN. COUNTY: 32 NIAGARA | | | | | | | | | | | | | | | |
| Number | 352 | 97 | 7 | 6 | 462 | 5,329 | 5,791 | | 3 | 0 | 0 | 0 | 3 | 263 | 266 |
| Percent | 6.1 | 1.7 | 0.1 | 0.1 | 8.0 | 92.0 | 100.0 | | 1.1 | 0.0 | 0.0 | 0.0 | 1.1 | 98.9 | 100.0 |
| Tuscarora Elementary (3) | 136 | 0 | 0 | 0 | 136 | 1 | 137 | (99.3) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Edward Town Junior High School (9) | 91 | 27 | 1 | 3 | 122 | 1,192 | 1,314 | (9.3) | 1 | 0 | 0 | 0 | 1 | 65 | 66 |
| Errick Road Elementary School (5) | 39 | 1 | 1 | 0 | 41 | 517 | 558 | (7.3) | 1 | 0 | 0 | 0 | 1 | 20 | 21 |
| Niagara Wheatfield Senior High School (10) | 77 | 16 | 0 | 0 | 93 | 1,442 | 1,535 | (6.1) | 0 | 0 | 0 | 0 | 0 | 91 | 91 |
| Nevada Avenue Elementary (7) | 4 | 7 | 0 | 0 | 11 | 200 | 211 | (5.2) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Colonial Village Elementary (4) | 3 | 33 | 3 | 3 | 42 | 779 | 821 | (5.1) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Pekin Elementary (8) | 0 | 6 | 0 | 0 | 6 | 132 | 138 | (4.3) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| River Road School (12) | 2 | 0 | 0 | 0 | 2 | 87 | 89 | (2.2) | 1 | 0 | 0 | 0 | 1 | 3 | 4 |
| Military Road Elementary School (6) | 0 | 6 | 2 | 0 | 8 | 530 | 538 | (1.5) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Sanborn Elementary (2) | 0 | 1 | 0 | 0 | 1 | 170 | 171 | (0.6) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Bergholtz Elementary (1) | 0 | 0 | 0 | 0 | 0 | 112 | 112 | (0.0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Nash Road Elementary (11) | 0 | 0 | 0 | 0 | 0 | 167 | 167 | (0.0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| DISTRICT: NIAGARA FALLS. NUMBER OF SCHOOLS: 28. REPRESENTING: 28. CITY: NIAGARA FALLS. COUNTY: 32 NIAGARA | | | | | | | | | | | | | | | |
| Number | 91 | 2,986 | 13 | 24 | 3,114 | 15,312 | 18,426 | | 0 | 36 | 0 | 4 | 40 | 825 | 865 |
| Percent | 0.5 | 16.2 | 0.1 | 0.1 | 16.9 | 83.1 | 100.0 | | 0.0 | 4.2 | 0.0 | 0.5 | 4.6 | 95.4 | 100.0 |
| Beech Avenue School (14) | 0 | 324 | 0 | 0 | 324 | 64 | 388 | (83.5) | 0 | 2 | 0 | 0 | 2 | 16 | 18 |
| Tenth Street School (2) | 0 | 99 | 0 | 0 | 99 | 169 | 268 | (36.9) | 0 | 2 | 0 | 0 | 2 | 9 | 11 |
| Cleveland Avenue School (16) | 0 | 149 | 0 | 0 | 149 | 371 | 520 | (28.7) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| North Junior High School (24) | 2 | 244 | 4 | 0 | 250 | 632 | 882 | (28.3) | 0 | 3 | 0 | 0 | 3 | 51 | 54 |
| South Junior High School (25) | 4 | 214 | 0 | 0 | 218 | 577 | 795 | (27.4) | 0 | 3 | 0 | 0 | 3 | 51 | 54 |
| Fifth Street School (1) | 25 | 63 | 0 | 0 | 89 | 242 | 331 | (26.9) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Niagara Street School (20) | 0 | 227 | 0 | 0 | 227 | 677 | 904 | (25.1) | 0 | 5 | 0 | 1 | 6 | 34 | 40 |
| Ferry Avenue School (17) | 0 | 97 | 0 | 0 | 97 | 322 | 419 | (23.2) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Maple Avenue School (19) | 0 | 105 | 3 | 0 | 108 | 437 | 545 | (19.8) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Ninety-Ninth Street School (12) | 3 | 67 | 0 | 0 | 70 | 284 | 354 | (19.8) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Sixtieth Street School (7) | 12 | 79 | 0 | 0 | 91 | 379 | 470 | (19.4) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Thirty-Ninth Street School (6) | 0 | 84 | 0 | 0 | 84 | 369 | 453 | (18.5) | 0 | 2 | 0 | 0 | 2 | 13 | 15 |
| Niagara Falls High School (27) | 6 | 289 | 1 | 4 | 300 | 1,625 | 1,925 | (15.6) | 0 | 0 | 0 | 0 | 0 | 106 | 106 |
| 95th Street South (11) | 0 | 89 | 2 | 0 | 91 | 495 | 586 | (15.5) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Trott Vocational High School (28) | 8 | 73 | 0 | 2 | 83 | 456 | 539 | (15.4) | 0 | 1 | 0 | 0 | 1 | 33 | 34 |
| Charles B. Gaskill Junior High School (22) | 6 | 204 | 0 | 0 | 210 | 1,173 | 1,383 | (15.2) | 0 | 3 | 0 | 0 | 3 | 75 | 78 |
| 17th Street School (3) | 10 | 72 | 0 | 0 | 82 | 492 | 574 | (14.3) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Hyde Park School (18) | 3 | 82 | 0 | 0 | 85 | 536 | 621 | (13.7) | 0 | 2 | 0 | 1 | 3 | 20 | 23 |
| Pacific Avenue School (21) | 0 | 55 | 2 | 0 | 57 | 432 | 489 | (11.7) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| 93d Street School (10) | 0 | 71 | 0 | 0 | 71 | 545 | 616 | (11.5) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| 24th Street School (5) | 2 | 37 | 0 | 5 | 44 | 348 | 392 | (11.2) | 0 | 2 | 0 | 0 | 2 | 13 | 15 |
| Cayuga Drive School (15) | 0 | 39 | 0 | 0 | 39 | 312 | 351 | (11.1) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| 66th Street School (8) | 0 | 57 | 1 | 0 | 58 | 495 | 553 | (10.5) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| 22nd Street School (4) | 0 | 18 | 0 | 0 | 18 | 246 | 264 | (6.8) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Ashland Avenue School (13) | 7 | 9 | 0 | 0 | 16 | 245 | 261 | (6.1) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| LaSalle Senior High School (26) | 1 | 70 | 0 | 13 | 84 | 1,603 | 1,687 | (5.0) | 0 | 1 | 0 | 2 | 3 | 86 | 89 |
| LaSalle Junior High School (23) | 1 | 52 | 0 | 0 | 53 | 1,176 | 1,229 | (4.3) | 0 | 0 | 0 | 0 | 0 | 69 | 69 |
| 79th Street School (9) | 0 | 17 | 0 | 0 | 17 | 610 | 627 | (2.7) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| DISTRICT: UTICA. NUMBER OF SCHOOLS: 22. REPRESENTING: 22. CITY: UTICA. COUNTY: 33 ONEIDA | | | | | | | | | | | | | | | |
| Number | 2 | 1,715 | 12 | 155 | 1,884 | 12,697 | 14,581 | | 0 | 10 | 0 | 1 | 11 | 644 | 655 |
| Percent | 0.0 | 11.8 | 0.1 | 1.1 | 12.9 | 87.1 | 100.0 | | 0.0 | 1.5 | 0.0 | 0.2 | 1.7 | 98.3 | 100.0 |
| Bitter School (10) | 0 | 209 | 0 | 11 | 220 | 15 | 235 | (93.6) | 0 | 2 | 0 | 0 | 2 | 13 | 15 |
| Poandegee School (13) | 0 | 207 | 0 | 50 | 257 | 338 | 595 | (43.2) | 0 | 0 | 0 | 1 | 1 | 32 | 33 |
| Miller School (9) | 0 | 224 | 0 | 6 | 230 | 360 | 590 | (39.0) | 0 | 1 | 0 | 0 | 1 | 22 | 23 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: UTICA. NUMBER OF SCHOOLS: 22. REPRESENTING: 22. CITY: UTICA. COUNTY: 33 ONEIDA—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Kernan School (16) | 2 | 245 | 0 | 8 | 255 | 805 | 1,060 | (24.1) | 0 | 3 | 0 | 0 | 3 | 50 | 53 |
| Christopher Columbus School (3) | 0 | 132 | 1 | 19 | 152 | 527 | 679 | (22.4) | 0 | 1 | 0 | 0 | 1 | 30 | 31 |
| Roscoe Conkling School (17) | 0 | 110 | 0 | 14 | 124 | 858 | 982 | (12.6) | 0 | 0 | 0 | 0 | 0 | 42 | 42 |
| Roosevelt School (18) | 0 | 90 | 0 | 1 | 91 | 706 | 797 | (11.4) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Thomas R. Proctor Junior High School (21) | 0 | 143 | 1 | 19 | 163 | 1,280 | 1,443 | (11.3) | 0 | 0 | 0 | 0 | 0 | 81 | 81 |
| Wetmore School (19) | 0 | 20 | 0 | 21 | 41 | 333 | 374 | (11.0) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Utica Free Academy (22) | 0 | 176 | 0 | 0 | 176 | 1,836 | 2,012 | (8.7) | 0 | 1 | 0 | 0 | 1 | 105 | 106 |
| Kemble School (15) | 0 | 69 | 1 | 1 | 71 | 905 | 976 | (7.3) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| John F. Hughes School (14) | 0 | 41 | 1 | 1 | 43 | 859 | 902 | (4.8) | 0 | 0 | 0 | | 0 | 38 | 38 |
| Horatio Seymour School (6) | 0 | 28 | 0 | 0 | 28 | 935 | 963 | (2.9) | 0 | 2 | 0 | 0 | 2 | 34 | 36 |
| Washington School (5) | 0 | 5 | 0 | 4 | 9 | 322 | 331 | (2.7) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| John F. Kennedy Junior High Schoool (20) | 0 | 7 | 3 | 0 | 10 | 494 | 502 | (2.0) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Lincoln School (8) | 0 | 3 | 2 | 0 | 5 | 247 | 252 | (2.0) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| General Herkimer School (4) | 0 | 4 | 3 | 0 | 7 | 456 | 463 | (1.5) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Sunset School (11) | 0 | 1 | 0 | 0 | 1 | 264 | 265 | (0.4) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Thomas Jefferson (12) | 0 | 1 | 0 | 0 | 1 | 401 | 402 | (0.2) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Hugh R. Jones School (7) | 0 | 0 | 0 | 0 | 0 | 268 | 268 | (0.0) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Mary Street School (1) | 0 | 0 | 0 | 0 | 0 | 140 | 140 | (0.0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Albany School (2) | 0 | 0 | 0 | 0 | 0 | 350 | 350 | (0.0) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| DISTRICT: LAFAYETTE. NUMBER OF SCHOOLS: 3. REPRESENTING: 3. CITY: LAFAYETTE. COUNTY: 34. ONONDAGA | | | | | | | | | | | | | | | |
| Number | 311 | 2 | 1 | 0 | 314 | 1,194 | 1,508 | | 0 | 0 | 0 | 0 | 0 | 78 | 78 |
| Percent | 20.6 | 0.1 | 0.1 | 0.0 | 20.8 | 79.2 | 100.0 | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 100.0 |
| Onon Indian Reservation School (2) | 169 | 0 | 0 | 0 | 169 | 0 | 169 | (100.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Lafayette Junior-Senior High School (3) | 119 | 0 | 1 | 0 | 120 | 559 | 679 | (17.7) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| Lafayette Elementary School (1) | 23 | 2 | 0 | 0 | 25 | 635 | 660 | (3.8) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| DISTRICT: NEWBURGH. NUMBER OF SCHOOLS: 18. REPRESENTING: 18. CITY: NEWBURGH. COUNTY: 36. ORANGE | | | | | | | | | | | | | | | |
| Number | 52 | 2,925 | 21 | 374 | 3,372 | 9,348 | 12,720 | | 0 | 31 | 0 | 4 | 35 | 552 | 587 |
| Percent | 0.4 | 23.0 | 0.2 | 2.9 | 26.5 | 73.5 | 100.0 | | 0.0 | 5.3 | 0.0 | 0.7 | 6.0 | 94.0 | 100.0 |
| Grand Street School (18) | 0 | 288 | 0 | 20 | 308 | 2 | 310 | (99.4) | 0 | 4 | 0 | 0 | 4 | 10 | 14 |
| Montgomery Street School (8) | 0 | 686 | 0 | 19 | 705 | 7 | 712 | (99.0) | 0 | 8 | 0 | 0 | 8 | 27 | 35 |
| Prekindergarten Program (17) | 0 | 153 | 0 | 12 | 165 | 66 | 231 | (71.4) | 0 | 1 | 0 | 0 | 1 | 7 | 8 |
| Washington Street Elementary (12) | 0 | 281 | 0 | 63 | 344 | 138 | 482 | (71.4) | 0 | 2 | 0 | 0 | 2 | 16 | 18 |
| Broadway School (2) | 0 | 271 | 1 | 40 | 312 | 165 | 477 | (65.4) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| Liberty State Elementary (7) | 0 | 55 | 3 | 63 | 121 | 247 | 368 | (32.9) | 0 | 3 | 0 | 0 | 3 | 10 | 13 |
| North Junior High School (14) | 0 | 300 | 0 | 12 | 312 | 729 | 1,041 | (30.0) | 0 | 1 | 0 | 0 | 1 | 47 | 48 |
| Gidney Avenue Memorial School (6) | 52 | 186 | 5 | 13 | 256 | 655 | 911 | (28.1) | 0 | 2 | 0 | 0 | 2 | 42 | 44 |
| Newburgh Free Academy (16) | 0 | 362 | 4 | 44 | 410 | 1,948 | 2,358 | (17.4) | 0 | 5 | 0 | 3 | 8 | 129 | 137 |
| South Junior High School (15) | 0 | 222 | 0 | 43 | 265 | 1,368 | 1,633 | (16.2) | 0 | 1 | 0 | 1 | 2 | 76 | 78 |
| West Street School (13) | 0 | 31 | 4 | 9 | 44 | 372 | 416 | (10.6) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Fostertown School (4) | 0 | 37 | 0 | 3 | 40 | 440 | 480 | (8.3) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Vails Gate School (11) | 0 | 23 | 1 | 8 | 32 | 624 | 656 | (4.9) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Union Grove School (10) | 0 | 14 | 1 | 4 | 19 | 403 | 422 | (4.5) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Chestnut Street School (3) | 0 | 0 | 2 | 9 | 11 | 320 | 331 | (3.3) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| New Windsor School (9) | 0 | 2 | 0 | 10 | 12 | 610 | 622 | (1.9) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Gardnertown Elementary (5) | 0 | 10 | 0 | 1 | 11 | 681 | 692 | (1.6) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Balmville School (1) | 0 | 4 | 0 | 1 | 5 | 573 | 578 | (0.9) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| DISTRICT: WYANDANCH. NUMBER OF SCHOOLS: 4. REPRESENTING: 4. CITY: WYANDANCH. COUNTY: 52. SUFFOLK | | | | | | | | | | | | | | | |
| Number | 0 | 2,110 | 3 | 46 | 2,159 | 145 | 2,304 | | 0 | 33 | 2 | 0 | 35 | 75 | 110 |
| Percent | 0.0 | 91.6 | 0.1 | 2.0 | 93.7 | 6.3 | 100.0 | | 0.0 | 30.0 | 1.8 | 0.0 | 31.8 | 68.2 | 100.0 |
| Mount Avenue Elementary (1) | 0 | 641 | 1 | 21 | 663 | 31 | 694 | (95.5) | 0 | 10 | 1 | 0 | 11 | 13 | 24 |
| Wyandanch Memorial Junior-Senior High School (2) | 0 | 758 | 0 | 21 | 779 | 49 | 828 | (94.1) | 0 | 10 | 0 | 0 | 10 | 43 | 53 |
| Straight Path School (4) | 0 | 199 | 0 | 4 | 203 | 14 | 217 | (93.5) | 0 | 1 | 1 | 0 | 2 | 7 | 9 |
| Milton L. Olive Elementary School (3) | 0 | 512 | 2 | 0 | 514 | 51 | 565 | (91.0) | 0 | 12 | 0 | 0 | 12 | 12 | 24 |
| DISTRICT: PATCHOGUE. NUMBER OF SCHOOLS: 10. REPRESENTING: 10. CITY: PATCHOGUE. COUNTY: 52 SUFFOLK. | | | | | | | | | | | | | | | |
| Number | 1 | 116 | 11 | 293 | 421 | 7,271 | 7,692 | | 0 | 6 | 1 | 1 | 8 | 371 | 379 |
| Percent | 0.0 | 1.5 | 0.1 | 3.8 | 5.5 | 94.5 | 100.0 | | 0.0 | 1.6 | 0.3 | 0.3 | 2.1 | 97.9 | 100.0 |
| South Ocean Avenue Junior High School (7) | 0 | 11 | 3 | 40 | 54 | 6 | 60 | (90.0) | 0 | 0 | 0 | 0 | 0 | 49 | 49 |
| River Avenue School (5) | 0 | 15 | 2 | 80 | 97 | 422 | 519 | (18.7) | 0 | 1 | 1 | 1 | 3 | 23 | 26 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: PATCHOGUE. NUMBER OF SCHOOLS: 10. REPRESENTING: 10. CITY: PATCHOGUE. COUNTY: 52 SUFFOLK—Continued

| | Students— | | | | | | | Weight: 1.0—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Medford Avenue School (4) | 0 | 26 | 0 | 48 | 74 | 615 | 689 | (10.7) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Bay Avenue School (3) | 0 | 3 | 0 | 31 | 34 | 561 | 595 | (5.7) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Patchogue Senior High School (8) | 0 | 29 | 2 | 49 | 80 | 1,836 | 1,916 | (4.2) | 0 | 1 | 0 | 0 | 1 | 95 | 96 |
| Oregon Avenue Junior High School (6) | 0 | 11 | 0 | 29 | 40 | 922 | 962 | (4.2) | 0 | 3 | 0 | 0 | 3 | 52 | 55 |
| Tremont Avenue School (2) | 1 | 5 | 4 | 3 | 13 | 553 | 566 | (2.3) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Eagle Drive Elementary School (9) | 0 | 10 | 0 | 13 | 23 | 1,213 | 1,236 | (1.9) | 0 | 0 | 0 | 0 | 0 | 42 | 42 |
| Barton Avenue School (1) | 0 | 3 | 0 | 0 | 3 | 515 | 518 | (0.6) | 0 | 0 | 0 | 0 | 0 | 16 | 18 |
| Canaan Elementary School (10) | 0 | 3 | 0 | 0 | 3 | 628 | 631 | (0.5) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |

DISTRICT: MONTICELLO. NUMBER OF SCHOOLS: 6. REPRESENTING: 6. CITY: MONTICELLO. COUNTY: 53 SULLIVAN

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 492 | 24 | 88 | 604 | 2,239 | 2,843 | | 0 | 2 | 0 | 3 | 5 | 146 | 151 |
| Percent | 0 | 17.3 | .8 | 3.1 | 21.2 | 78.8 | 100.0 | | 0 | 1.3 | 0.0 | 2.0 | 3.3 | 96.7 | 100.0 |
| Kenneth L. Rutherford School (4) | 0 | 130 | 4 | 15 | 149 | 0 | 149 | (100.0) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| George L. Cooke School (3) | 0 | 152 | 2 | 21 | 175 | 463 | 638 | (27.4) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Monticello Middle School (6) | 0 | 91 | 4 | 21 | 116 | 587 | 703 | (16.5) | 0 | 0 | 0 | 2 | 2 | 38 | 40 |
| Monticello High School (5) | 0 | 108 | 12 | 20 | 140 | 861 | 1,001 | (14.0) | 0 | 2 | 0 | 1 | 3 | 58 | 61 |
| Cornelius Duggan School (1) | 0 | 7 | 2 | 9 | 18 | 175 | 193 | (9.3) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Emma C. Chase School (2) | 0 | 4 | 0 | 2 | 6 | 153 | 159 | (3.8) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |

DISTRICT: MOUNT VERNON. NUMBER OF SCHOOLS: 17. REPRESENTING: 17. CITY. MOUNT VERNON. COUNTY: 60 WESTCHESTER

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Students | 4 | 6,336 | 49 | 173 | 6,562 | 5,770 | 12,332 | | 0 | 87 | 0 | 4 | 91 | 524 | 615 |
| Percent | 0.0 | 51.4 | 0.4 | 1.4 | 53.2 | 46.8 | 100.0 | | 0.0 | 14.1 | 0.0 | 0.7 | 14.8 | 85.2 | 100.0 |
| Nathan Hale School (8) | 0 | 556 | 0 | 0 | 556 | 15 | 571 | (97.4) | 0 | 10 | 0 | 0 | 10 | 20 | 30 |
| James M. Grimes School (3) | 0 | 535 | 1 | 7 | 543 | 46 | 589 | (92.2) | 0 | 6 | 0 | 0 | 6 | 22 | 28 |
| Robert Fulton School (2) | 0 | 650 | 0 | 3 | 653 | 56 | 709 | (92.1) | 0 | 10 | 0 | 0 | 10 | 18 | 28 |
| Washington Junior High School (13) | 3 | 654 | 2 | 8 | 667 | 88 | 755 | (88.3) | 0 | 15 | 0 | 0 | 15 | 30 | 45 |
| Graham Elementary School (10) | 0 | 891 | 0 | 7 | 898 | 138 | 1,036 | (86.7) | 0 | 9 | 0 | 1 | 10 | 41 | 51 |
| Longfellow School (7) | 0 | 395 | 2 | 3 | 400 | 110 | 510 | (78.4) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Child Development Center (17) | 0 | 190 | 1 | 1 | 192 | 94 | 286 | (67.1) | 0 | 4 | 0 | 0 | 4 | 8 | 12 |
| Graham House Annex (16) | 0 | 18 | 0 | 0 | 18 | 10 | 28 | (64.3) | 0 | 1 | 0 | 0 | 1 | 2 | 3 |
| Mount Vernon High School Annex (15) | 0 | 463 | 4 | 39 | 506 | 599 | 1,105 | (45.8) | 0 | 5 | 0 | 1 | 6 | 55 | 61 |
| Nichols Junior High School (14) | 1 | 291 | 0 | 10 | 302 | 458 | 760 | (39.7) | 0 | 6 | 0 | 0 | 6 | 38 | 44 |
| Mount Vernon Senior High School (12) | 0 | 999 | 5 | 25 | 1,029 | 1,758 | 2,787 | (36.9) | 0 | 11 | 0 | 2 | 13 | 138 | 151 |
| Holmes School (5) | 0 | 189 | 12 | 5 | 206 | 353 | 559 | (36.9) | 0 | 1 | 0 | 0 | 1 | 22 | 23 |
| Hamilton School (4) | 0 | 144 | 0 | 15 | 159 | 403 | 562 | (28.3) | 0 | 2 | 0 | 0 | 2 | 21 | 23 |
| Pennington School (9) | 0 | 123 | 0 | 0 | 123 | 367 | 490 | (25.1) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Traphagen Elementary (11) | 0 | 111 | 3 | 10 | 124 | 400 | 524 | (23.7) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| Columbus School (1) | 0 | 65 | 11 | 32 | 108 | 431 | 539 | (20.0) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Lincoln School (6) | 0 | 62 | 8 | 8 | 78 | 444 | 522 | (14.9) | 0 | 1 | 0 | 0 | 1 | 21 | 2 |

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1,526 | 334,841 | 15,753 | 244,302 | 596,422 | 467,365 | 1,063,787 | | 46 | 4,079 | 137 | 464 | 4,726 | 47,106 | 51,832 |
| Percent | 0.1 | 31.5 | 1.5 | 23.0 | 56.1 | 43.9 | 100.0 | | 0.1 | 7.9 | 0.3 | 0.9 | 9.1 | 90.9 | 100.0 |
| The Hillcrest School (440) | 0 | 155 | 0 | 2 | 157 | 0 | 157 | (100.0) | 0 | 7 | 0 | 0 | 7 | 15 | 22 |
| Public School 100, Matthew Henson School (570) | 0 | 1,079 | 2 | 2 | 1,083 | 0 | 1,083 | (100.0) | 0 | 24 | 0 | 0 | 24 | 59 | 83 |
| Public School 133 (595) | 0 | 526 | 0 | 14 | 540 | 0 | 540 | (100.0) | 0 | 11 | 0 | 0 | 11 | 12 | 23 |
| Public School 133 (540) | 0 | 526 | 0 | 14 | 540 | 0 | 540 | (100.0) | 0 | 11 | 0 | 0 | 11 | 12 | 23 |
| Public School 28 (225) | 0 | 1,199 | 0 | 24 | 1,223 | 0 | 1,223 | (100.0) | 0 | 9 | 0 | 1 | 10 | 60 | 70 |
| Public School 144, Hans C. Andersen School (555) | 0 | 760 | 0 | 0 | 760 | 0 | 760 | (100.0) | 0 | 10 | 0 | 0 | 10 | 22 | 32 |
| Public School 305, Dr. Peter Ray School (162) | 0 | 1,148 | p | 0 | 1,148 | 0 | 1,148 | (100.0) | 0 | 10 | 1 | 0 | 11 | 40 | 51 |
| J. F. Cooper Junior High School, P.S. 120 (538) | 0 | 1,032 | 0 | 38 | 1,070 | 0 | 1,070 | (100.0) | 0 | 32 | 0 | 0 | 32 | 45 | 77 |
| Public School 92, Mary M. Bethune School (568) | 0 | 976 | 0 | 36 | 1,012 | 0 | 1,012 | (100.0) | 0 | 26 | 0 | 0 | 26 | 21 | 47 |
| Public School 3, Bedford Village School (141) | 0 | 809 | 0 | 30 | 839 | 0 | 839 | (100.0) | 0 | 17 | 0 | 0 | 17 | 32 | 49 |
| H. B. Stone Junior High School, P.S. 136 (575) | 0 | 1,300 | 0 | 51 | 1,351 | 0 | 1,351 | (100.0) | 0 | 29 | 0 | 0 | 29 | 67 | 96 |
| Public School 192 (238) | 0 | 1,100 | 0 | 8 | 1,108 | 0 | 1,108 | (100.0) | 0 | 16 | 0 | 0 | 16 | 42 | 58 |
| F. Douglass Junior High School P.S. 139 (576) | 0 | 1,270 | 0 | 58 | 1,328 | 0 | 1,328 | (100.0) | 0 | 35 | 1 | 72 | 108 | 0 | 108 |
| Public School 68 (594) | 0 | 796 | 0 | 15 | 811 | 0 | 811 | (100.0) | 0 | 18 | 0 | 1 | 19 | 20 | 39 |
| Public School 15 (781) | 0 | 576 | 0 | 0 | 576 | 0 | 576 | (100.0) | 0 | 8 | 0 | 0 | 8 | 15 | 23 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Tota |
| Public School 21 Crispus Attucks School (223) | 0 | 703 | 0 | 40 | 743 | 0 | 743 | (100.0) | 0 | 16 | 0 | 0 | 16 | 12 | 28 |
| Public School 180, Hugo Newman School (561) | 0 | 944 | 0 | 5 | 949 | 0 | 949 | (100.0) | 0 | 14 | 1 | 0 | 15 | 22 | 37 |
| Public School 194, Countee Cullen School (586) | 0 | 795 | 0 | 51 | 846 | 0 | 846 | (100.0) | 0 | 15 | 1 | 0 | 16 | 20 | 36 |
| Public School 316, Classon School (268) | 0 | 1,687 | 13 | 102 | 1,802 | 0 | 1,802 | (100.0) | 0 | 5 | 0 | 1 | 6 | 101 | 107 |
| S. C. McKelway Junior High School (256) | 0 | 813 | 0 | 58 | 871 | 0 | 871 | (100.0) | 0 | 6 | 0 | 0 | 6 | 37 | 43 |
| S. C. McKelway Junior High School (435) | 0 | 813 | 0 | 58 | 871 | 0 | 871 | (100.0) | 0 | 6 | 0 | 0 | 6 | 37 | 43 |
| Public School 197, John B. Russworm School (87) | 0 | 799 | 0 | 68 | 867 | 0 | 867 | (100.0) | 0 | 25 | 0 | 0 | 25 | 22 | 47 |
| Public School 45 Baisley Park School (717) | 0 | 1,006 | 0 | 0 | 1,006 | 0 | 1,006 | (100.0) | 0 | 9 | 0 | 0 | 9 | 29 | 38 |
| Public School 123 Alexander Webb S. (572) | 0 | 1,246 | 0 | 13 | 1,259 | 0 | 1,259 | (100.0) | 0 | 19 | 0 | 0 | 19 | 52 | 71 |
| North Macon Junior High School, Public School 258 (156) | 0 | 1,600 | 0 | 0 | 1,600 | 0 | 1,600 | (100.0) | 0 | 50 | 0 | 0 | 50 | 58 | 108 |
| Public School 5 Blanche K. Bruce S. (222) | 0 | 1,659 | 0 | 21 | 1,680 | 0 | 1,680 | (100.0) | 0 | 16 | 0 | 1 | 17 | 36 | 53 |
| Public School 93 Wm. H. Prescott S. (152) | 0 | 907 | 0 | 0 | 907 | 0 | 907 | (100.0) | 0 | 9 | 0 | 0 | 9 | 48 | 57 |
| Public School 79 Robert J. Frost S. (532) | 0 | 868 | 0 | 108 | 976 | 0 | 976 | (100.0) | 0 | 17 | 0 | 0 | 17 | 42 | 59 |
| Public School 144 (251) | 0 | 675 | 0 | 300 | 975 | 0 | 975 | (100.0) | 0 | 8 | 0 | 0 | 8 | 54 | 62 |
| Public School 23 Woodstock S. (124) | 0 | 978 | 0 | 238 | 1,216 | 0 | 1,216 | (100.0) | 0 | 18 | 0 | 0 | 18 | 48 | 66 |
| Public School Mt. Morris School (593) | 0 | 385 | 1 | 77 | 463 | 0 | 463 | (100.0) | 0 | 8 | 0 | 0 | 8 | 21 | 29 |
| Public School 253 Benjamin Banneker (155) | 0 | 982 | 0 | 162 | 1,144 | 0 | 1,144 | (100.0) | 0 | 13 | 0 | 0 | 13 | 50 | 63 |
| Public School 99 (135) | 0 | 823 | 0 | 171 | 994 | 0 | 994 | (100.0) | 0 | 8 | 0 | 1 | 9 | 47 | 56 |
| Public School 144 (433) | 0 | 675 | 0 | 300 | 975 | 0 | 975 | (100.0) | 0 | 8 | 0 | 0 | 8 | 54 | 62 |
| (443) | 0 | 135 | 0 | 56 | 191 | 0 | 191 | (100.0) | 0 | 6 | 0 | 0 | 6 | 7 | 13 |
| Public School 24 Mt. Morris School (527) | 0 | 385 | 1 | 77 | 463 | 0 | 463 | (100.0) | 0 | 8 | 0 | 0 | 8 | 21 | 29 |
| Public School 148 Peter Cooper School (557) | 0 | 110 | 0 | 25 | 135 | 0 | 135 | (100.0) | 0 | 10 | 0 | 0 | 10 | 3 | 13 |
| Public School 298 (300) | 0 | 594 | 0 | 295 | 89 | 0 | 889 | (100.0) | 0 | 7 | 0 | 0 | 7 | 30 | 37 |
| Public School 61 (129) | 0 | 777 | 0 | 1,269 | 2,046 | 0 | 2,046 | (100.0) | 0 | 5 | 0 | 0 | 5 | 75 | 80 |
| T. Knowlton Intermediate Public School 52 (27) | 0 | 422 | 0 | 1,286 | 1,708 | 0 | 1,708 | (100.0) | 0 | 20 | 1 | 6 | 27 | 66 | 93 |
| Wadleigh Intermediate Public School 88 (552) | 0 | 1,394 | 2 | 24 | 1,420 | 1 | 1,421 | (99.9) | 0 | 42 | 1 | 0 | 43 | 56 | 99 |
| Public School 146, Edwin Jasper Godwin S (43) | 0 | 1,074 | 0 | 154 | 1,228 | 1 | 1,229 | (99.9) | 0 | 12 | 0 | 0 | 12 | 50 | 62 |
| Public School 44, Israel Putnam S (146) | 0 | 1,207 | 0 | 3 | 1,210 | 1 | 1,211 | (99.9) | 0 | 14 | 0 | 1 | 16 | 46 | 62 |
| A. Schomburg Intermediate School (596) | 0 | 1,033 | 0 | 173 | 1,206 | 1 | 1,207 | (99.9) | 0 | 65 | 2 | 3 | 70 | 36 | 106 |
| A. Schomburg JHS (543) | 0 | 1,033 | 0 | 173 | 1,206 | 1 | 1,207 | (99.9) | 0 | 65 | 2 | 3 | 70 | 36 | 106 |
| Public School 108, Peter Minuit School (482) | 0 | 240 | 0 | 813 | 1,053 | 1 | 1,054 | (99.9) | 0 | 7 | 0 | 0 | 7 | 37 | 44 |
| Public School 284 (298) | 1 | 824 | 0 | 215 | 1,040 | 1 | 1,041 | (99.9) | 0 | 7 | 0 | 0 | 7 | 52 | 59 |
| Public School 42, Claremont School (52) | 0 | 354 | 0 | 640 | 994 | 1 | 995 | (99.9) | 0 | 3 | 0 | 0 | 3 | 37 | 40 |
| S. Decatur JHS, Public School 35 (226) | 0 | 1,611 | 0 | 37 | 1,648 | 2 | 1,650 | (99.9) | 0 | 35 | 0 | 0 | 35 | 64 | 99 |
| Public School 62, Casanova School (29) | 0 | 370 | 5 | 1,251 | 1,626 | 4 | 1,630 | (99.8) | 0 | 10 | 0 | 0 | 10 | 52 | 62 |
| Public School 59, William Floyd School (180) | 0 | 742 | 1 | 398 | 1,141 | 3 | 1,144 | (99.7) | 0 | 7 | 0 | 2 | 9 | 50 | 59 |
| Public School 113 (553) | 0 | 1,061 | 0 | 14 | 1,075 | 3 | 1,078 | (99.7) | 0 | 9 | 0 | 0 | 9 | 28 | 37 |
| Public School 136 (797) | 0 | 1,072 | 0 | 0 | 1,072 | 3 | 1,075 | (99.7) | 41 | 7 | 0 | 0 | 48 | 34 | 82 |
| Public School 2, Morrisania School (46) | 0 | 576 | 0 | 406 | 982 | 3 | 985 | (99.7) | 0 | 0 | 0 | 0 | 0 | 43 | 43 |
| Public School 262, John H. McCooey School (242) | 0 | 1,179 | 0 | 0 | 1,179 | 4 | 1,183 | (99.7) | 0 | 22 | 0 | 0 | 22 | 26 | 48 |
| Public School 30 (6) | 0 | 298 | 0 | 1,092 | 1,390 | 5 | 1,395 | (99.6) | 0 | 4 | 0 | 0 | 4 | 58 | 62 |
| Public School 72 (479) | 0 | 155 | 0 | 676 | 831 | 3 | 834 | (99.6) | 0 | 3 | 0 | 0 | 3 | 48 | 51 |
| Public School 134, George F. Bristow School (136) | 0 | 638 | 0 | 653 | 1,291 | 5 | 1,296 | (99.6) | 0 | 3 | 0 | 0 | 3 | 72 | 75 |
| Public School 90, Riverside School (567) | 0 | 1,533 | 0 | 10 | 1,543 | 2 | 1,545 | (99.9) | 1 | 23 | 0 | 0 | 24 | 32 | 56 |
| Public School 36, St Albans School (785) | 0 | 685 | 2 | 7 | 694 | 1 | 695 | (99.9) | 0 | 7 | 0 | 0 | 7 | 17 | 24 |
| Public School 137, Bainbridge School (432) | 0 | 587 | 3 | 81 | 671 | 1 | 672 | (99.9) | 0 | 10 | 0 | 0 | 10 | 21 | 31 |
| Public School 23, Carter G. Woodson (172) | 0 | 742 | 8 | 475 | 1,225 | 2 | 1,227 | (99.8) | 0 | 6 | 0 | 0 | 6 | 41 | 47 |
| Public School 25, Lafayette School (224) | 0 | 1,452 | 3 | 332 | 1,787 | 3 | 1,790 | (99.8) | 0 | 13 | 0 | 0 | 13 | 77 | 90 |
| Public School 125, Richard H. Danas (278) | 0 | 358 | 0 | 83 | 441 | 1 | 442 | (99.8) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Public School 81, Thaddeus Stevens School (230) | 1 | 1,018 | 0 | 743 | 1,762 | 4 | 1,766 | (99.8) | 0 | 13 | 0 | 0 | 13 | 73 | 86 |
| Public School 332 (301) | 0 | 544 | 0 | 325 | 869 | 2 | 871 | (99.8) | 0 | 3 | 0 | 0 | 3 | 52 | 55 |
| Public School 23, Columbus School (506) | 0 | 0 | 427 | 3 | 430 | 1 | 431 | (99.8) | 0 | 0 | 3 | 0 | 3 | 19 | 22 |
| Public School 37 (8) | 0 | 384 | 3 | 897 | 1,284 | 5 | 1,289 | (99.6) | 0 | 1 | 0 | 1 | 2 | 59 | 61 |
| East NYS Public School 149 (312) | 0 | 855 | 2 | 666 | 1,523 | 6 | 1,529 | (99.6) | 0 | 6 | 0 | 0 | 6 | 47 | 53 |
| W. Reid Junior High School, Public School 57 (228) | 0 | 1,138 | 0 | 377 | 1,515 | 6 | 1,521 | (99.6) | 0 | 31 | 0 | 0 | 31 | 62 | 93 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 304 (245) | 0 | 685 | 1 | 576 | 1,262 | 5 | 1,267 | (99.6) | 0 | 9 | 0 | 0 | 9 | 52 | 61 |
| Public School 101 (536) | 0 | 546 | 0 | 690 | 1,236 | 5 | 1,241 | (99.6) | 0 | 9 | 0 | 1 | 10 | 50 | 60 |
| M. Hopkins Junior High School, Public School 33 (174) | 0 | 1,254 | 2 | 867 | 2,123 | 9 | 2,132 | (99.6) | 0 | 24 | 1 | 0 | 25 | 113 | 133 |
| Public School 20, Charles James Fox School (123) | 0 | 223 | 3 | 1,158 | 1,384 | 6 | 1,390 | (99.6) | 0 | 5 | 0 | 0 | 5 | 77 | 82 |
| Public School 297, Stockton School (192) | 0 | 760 | 0 | 335 | 1,095 | 5 | 1,100 | (99.5) | 0 | 8 | 0 | 0 | 8 | 54 | 62 |
| Public School 27, St. Marys Park School (4) | 0 | 236 | 0 | 1,072 | 1,308 | 6 | 1,314 | (99.5) | 0 | 3 | 0 | 1 | 4 | 43 | 47 |
| Public School 150, Christopher School (280) | 0 | 645 | 0 | 222 | 867 | 4 | 871 | (99.5) | 0 | 4 | 0 | 0 | 4 | 44 | 48 |
| Public School 7, Samuel Stern School (526) | 0 | 290 | 3 | 763 | 1,056 | 5 | 1,061 | (99.5) | 0 | 6 | 0 | 1 | 7 | 43 | 50 |
| Public School 80 (533) | 0 | 390 | 0 | 445 | 835 | 4 | 839 | (99.5) | 0 | 5 | 0 | 1 | 6 | 30 | 36 |
| Public School 51, John Pauling Elementary School (14) | 0 | 287 | 0 | 725 | 1,012 | 5 | 1,017 | (99.5) | 0 | 8 | 1 | 3 | 12 | 28 | 40 |
| Public School 156, Eugene P. Roberts School (579) | 0 | 457 | 0 | 148 | 605 | 3 | 608 | (99.5) | 0 | 10 | 0 | 0 | 10 | 24 | 34 |
| Public School 171, Patrick Henry School (493) | 0 | 376 | 3 | 609 | 988 | 5 | 993 | (99.5) | 0 | 5 | 0 | 3 | 8 | 39 | 47 |
| Public School 102, Cartier School (537) | 0 | 259 | 0 | 520 | 779 | 4 | 783 | (99.5) | 0 | 8 | 0 | 0 | 8 | 23 | 31 |
| Public School 110, Theo Schoenfeld School (64) | 0 | 609 | 0 | 354 | 963 | 5 | 968 | (99.5) | 0 | 5 | 1 | 0 | 6 | 75 | 81 |
| Public School 396, Ramon Emeterio Betances (270) | 1 | 481 | 4 | 275 | 761 | 4 | 765 | (99.5) | 0 | 2 | 0 | 1 | 3 | 50 | 53 |
| Public School 56, Lewis Latimer School (149) | 0 | 1,071 | 2 | 58 | 1,131 | 6 | 1,137 | (99.5) | 0 | 7 | 0 | 0 | 7 | 37 | 44 |
| Public School 175, Hopkinson S. (255) | 0 | 828 | 0 | 460 | 1,288 | 7 | 1,295 | (99.5) | 0 | 3 | 0 | 0 | 3 | 49 | 52 |
| Public School 150, Charles James Fox School (138) | 0 | 451 | 1 | 1,343 | 1,795 | 10 | 1,805 | (99.4) | 0 | 13 | 0 | 2 | 15 | 76 | 91 |
| Public School 123 (733) | 0 | 1,573 | 0 | 42 | 1,615 | 9 | 1,624 | (99.4) | 0 | 17 | 0 | 0 | 17 | 45 | 62 |
| Public School 45, Isaac Chauncey School (305) | 0 | 1,616 | 2 | 529 | 2,147 | 12 | 2,159 | (99.4) | 0 | 11 | 2 | 1 | 14 | 77 | 91 |
| Public School 309, George E. Becan School (246) | 0 | 1,314 | 0 | 113 | 1,427 | 8 | 1,435 | (99.4) | 0 | 5 | 0 | 0 | 5 | 45 | 50 |
| Public School 40, George W. Carver School (227) | 0 | 1,314 | 0 | 21 | 1,335 | 8 | 1,343 | (99.4) | 0 | 5 | 1 | 0 | 6 | 55 | 61 |
| Public School 60 (28) | 0 | 498 | 0 | 1,299 | 1,797 | 11 | 1,808 | (99.4) | 0 | 5 | 1 | 2 | 8 | 79 | 87 |
| Public School 148, Philip A. White School (186) | 0 | 382 | 0 | 433 | 815 | 5 | 820 | (99.4) | 0 | 9 | 0 | 0 | 9 | 27 | 36 |
| Public School 57, James W. Johnson School | 0 | 678 | 0 | 610 | 1,288 | 8 | 1,296 | (99.4) | 0 | 8 | 0 | 0 | 8 | 62 | 70 |
| Public School, Grove Hill School (20) | 0 | 399 | 2 | 989 | 1,390 | 9 | 1,399 | (99.4) | 0 | 6 | 0 | 2 | 8 | 54 | 62 |
| Public School 39, Longwood School (26) | 0 | 556 | 0 | 1,122 | 1,678 | 11 | 1,689 | (99.3) | 0 | 6 | 1 | 0 | 7 | 66 | 73 |
| Public School 156, Waverly School (252) | 0 | 1,317 | 1 | 805 | 2,123 | 14 | 2,137 | (99.3) | 0 | 0 | 0 | 0 | 0 | 74 | 74 |
| Public School 289, George V. Brower School (267) | 0 | 1,326 | 0 | 17 | 1,343 | 9 | 1,352 | (99.3) | 0 | 11 | 1 | 0 | 12 | 54 | 66 |
| Public School 75 (33) | 0 | 644 | 1 | 1,244 | 1,889 | 13 | 1,902 | (99.3) | 0 | 5 | 0 | 0 | 5 | 87 | 92 |
| Public School 66 (130) | 0 | 698 | 0 | 1,322 | 2,020 | 14 | 2,034 | (99.3) | 0 | 11 | 0 | 0 | 11 | 98 | 109 |
| Public School 60, Saw Mill Brook School (10) | 0 | 376 | 1 | 904 | 1,281 | 9 | 1,290 | (99.3) | 0 | 3 | 0 | 1 | 4 | 59 | 63 |
| Public School 121, Galiled School (485) | 0 | 221 | 0 | 470 | 691 | 5 | 696 | (99.3) | 0 | 2 | 0 | 0 | 2 | 36 | 38 |
| Public School 169, John Barry School (492) | 0 | 76 | 0 | 61 | 137 | 1 | 138 | (99.3) | 0 | 8 | 0 | 0 | 8 | 5 | 13 |
| W. J. Damrosch Junior High School, P.S. 136 (137) | 0 | 785 | 4 | 823 | 1,612 | 12 | 1,624 | (99.3) | 0 | 2 | 0 | 1 | 3 | 88 | 91 |
| Public School 41 (274) | 0 | 582 | 1 | 194 | 777 | 6 | 783 | (99.2) | 0 | 5 | 0 | 0 | 5 | 57 | 62 |
| David Marcus Junior High School, P. S. 263 (265) | 0 | 1,102 | 2 | 603 | 1,707 | 14 | 1,721 | (99.2) | 0 | 16 | 0 | 2 | 18 | 94 | 112 |
| Public School 40 (752) | 1,008 | 59 | 0 | 13 | 1,080 | 9 | 1,089 | (99.2) | 0 | 21 | 0 | 0 | 21 | 59 | 80 |
| Public School, Livingston School (503) | 0 | 110 | 0 | 9 | 119 | 1 | 120 | (99.2) | 0 | 3 | 0 | 0 | 3 | 18 | 21 |
| W. L. Ettinger Junior High School, P.S. 13 (476) | 0 | 510 | 0 | 671 | 1,181 | 10 | 1,191 | (99.2) | 0 | 23 | 0 | 2 | 25 | 60 | 85 |
| Public School 183 (282) | 0 | 1,089 | 0 | 425 | 1,514 | 13 | 1,527 | (99.1) | 0 | 2 | 0 | 0 | 2 | 60 | 62 |
| Public School 186, Alexander Hamilton School (582) | 0 | 1,256 | 20 | 235 | 2,511 | 13 | 1,524 | (99.1) | 0 | 29 | 3 | 0 | 32 | 38 | 70 |
| Public School 140, Eagle School (42) | 0 | 763 | 1 | 481 | 1,245 | 11 | 1,256 | (99.1) | 0 | 1 | 0 | 0 | 1 | 48 | 49 |
| Bronckland Junior High School. Public School 38 (9) | 0 | 359 | 0 | 807 | 1,166 | 11 | 1,177 | (99.1) | 0 | 15 | 0 | 2 | 17 | 71 | 88 |
| M. Knox Junior High School, Public School 99 (480) | 0 | 405 | 2 | 933 | 1,340 | 13 | 1,353 | (99.0) | 0 | 8 | 0 | 6 | 14 | 79 | 93 |
| Public School 168, Bartlett School (188) | 0 | 187 | 6 | 522 | 715 | 7 | 722 | (99.0) | 0 | 6 | 0 | 1 | 7 | 39 | 46 |
| Public School 54, Samuel C. Barnes School (48) | 0 | 838 | 0 | 430 | 1,268 | 13 | 1,281 | (99.0) | 0 | 6 | 0 | 0 | 6 | 54 | 60 |
| Charles R. Drew Intermediate Public School 148 (69) | 0 | 783 | 1 | 669 | 1,453 | 15 | 1,468 | (99.0) | 0 | 23 | 1 | 1 | 25 | 93 | 118 |
| Public School 58 (54) | 0 | 473 | 0 | 578 | 1,051 | 11 | 1,062 | (99.0) | 0 | 10 | 0 | 0 | 10 | 43 | 53 |
| Public School 48 (753) | 0 | 550 | 0 | 9 | 559 | 6 | 565 | (98.9) | 0 | 11 | 0 | 0 | 11 | 22 | 33 |
| Public School 109 (483) | 0 | 284 | 0 | 449 | 733 | 8 | 741 | (98.9) | 0 | 3 | 0 | 2 | 5 | 36 | 41 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 161, F. H. La Guardia School (542) | 0 | 500 | 2 | 823 | 1,325 | 15 | 1,340 | (98.9) | 0 | 13 | 0 | 2 | 15 | 37 | 52 |
| Public School 124 (16) | 0 | 363 | 2 | 654 | 1,019 | 12 | 1,031 | (98.8) | 0 | 5 | 1 | 0 | 6 | 42 | 48 |
| Public School 133, James A. Butler School (154) | 0 | 177 | 0 | 500 | 677 | 8 | 685 | (98.8) | 0 | 1 | 0 | 0 | 1 | 40 | 41 |
| Public School 174 Dumont School (318) | 0 | 569 | 0 | 687 | 1,256 | 15 | 1,271 | (98.8) | 0 | | 0 | 0 | 5 | 68 | 73 |
| Public School 328, C. Phyllis Wheatley (331) | 0 | 497 | 3 | 400 | 900 | 11 | 911 | (98.8) | 0 | 6 | 0 | 0 | 6 | 53 | 59 |
| Public School 107 (481) | 1 | 160 | 3 | 490 | 654 | 8 | 662 | (98.8) | 0 | 4 | 0 | 0 | 4 | 27 | 31 |
| Public School 158, Warwick School (314) | 0 | 979 | 3 | 816 | 1,798 | 22 | 1,820 | (98.8) | 0 | 10 | 0 | 0 | 10 | 81 | 91 |
| E. D. Shimer Junior High School, Public School 142 (766) | 1 | 1,244 | 1 | 47 | 1,293 | 16 | 1,309 | (98.8) | 0 | 18 | 0 | 0 | 18 | 66 | 84 |
| Public School 43, Jovas Bronck School (11) | 0 | 340 | 0 | 952 | 1,292 | 16 | 1,308 | (98.8) | 0 | 8 | 0 | 3 | 11 | 41 | 52 |
| Boys High School (166) | 0 | 1,888 | 0 | 749 | 2,637 | 33 | 2,670 | (98.8) | 0 | 17 | 0 | 1 | 18 | 140 | 158 |
| The Crutona P.S. 4 (47) | 0 | 517 | 2 | 993 | 1,512 | 19 | 1,531 | (98.8) | 0 | 5 | 0 | 0 | 5 | 51 | 56 |
| Public School 160 (269) | 0 | 1,028 | 0 | 5 | 1,033 | 13 | 1,046 | (98.8) | 0 | 15 | 0 | 0 | 15 | 38 | 53 |
| Public School 6, West Farms School (122) | 0 | 833 | 1 | 1,149 | 1,983 | 25 | 2,008 | (98.8) | 0 | 4 | 0 | 0 | 4 | 69 | 73 |
| Public School 65 (15) | 0 | 546 | 0 | 1,277 | 1,823 | 23 | 1,846 | (98.8) | 0 | 12 | 2 | 1 | 15 | 48 | 63 |
| Sands Junior High School, P.S. 265 (157) | 0 | 726 | 4 | 340 | 1,070 | 14 | 1,084 | (98.7) | 0 | 13 | 0 | 0 | 13 | 68 | 81 |
| J. Marshall Intermediate School (260) | 0 | 1,231 | 11 | 241 | 1,483 | 20 | 1,503 | (98.7) | 0 | 20 | 0 | 1 | 21 | 84 | 105 |
| Public School 287, Dr. Bailey K. Ashford School (160) | 0 | 507 | 2 | 145 | 654 | 9 | 663 | (98.6) | 0 | | 0 | 1 | 4 | 26 | 30 |
| Public School 54, Intervale School (127) | 0 | 746 | 3 | 1,180 | 1,929 | 27 | 1,956 | (98.6) | 0 | 10 | 0 | 0 | 10 | 83 | 93 |
| P. L. Dunbar Junior High School, Public School 120 (36) | 0 | 782 | 4 | 488 | 1,274 | 18 | 1,292 | (98.6) | 0 | 17 | 0 | 3 | 20 | 71 | 91 |
| Public School 182 (319) | 0 | 1,079 | 7 | 647 | 1,733 | 25 | 1,758 | (98.6) | 0 | 5 | 0 | 0 | 5 | 83 | 88 |
| Public School 73 (431) | 0 | 1,012 | 0 | 135 | 1,147 | 17 | 1,164 | (98.5) | 0 | 17 | 0 | 1 | 18 | 45 | 63 |
| Public School 327, Boise Sylvanus Dent (269) | 0 | 558 | 5 | 308 | 871 | 13 | 884 | (98.5) | 0 | 1 | 0 | 0 | 1 | 46 | 47 |
| Public School 19, John W. Bulkey School (171) | 0 | 46 | 8 | 1,882 | 1,936 | 30 | 1,966 | (98.5) | 0 | 1 | 0 | 3 | 4 | 79 | 83 |
| Morris High School (139) | 9 | 1,480 | 7 | 2,715 | 4,211 | 66 | 4,277 | (98.5) | 0 | 27 | 0 | 6 | 33 | 178 | 211 |
| E. W. Stitt Junior High School, Public School 164 (580) | 0 | 861 | 28 | 198 | 1,087 | 18 | 1,105 | (98.4) | 0 | 20 | 0 | 3 | 23 | 44 | 67 |
| Public School 120, Carlos Tapia School (236) | 0 | 153 | 1 | 984 | 1,138 | 20 | 1,158 | (98.3) | 0 | 11 | 0 | 0 | 11 | 64 | 75 |
| The Isaac Chauncey Public School 113 (311) | 0 | 594 | 2 | 312 | 908 | 16 | 924 | (98.3) | 0 | 4 | 0 | 0 | 4 | 39 | 43 |
| Public School 132, Louis Castagnetta (67) | 0 | 893 | 8 | 374 | 1,275 | 23 | 1,298 | (98.2) | 0 | 8 | 0 | 0 | 8 | 40 | 48 |
| Public School 67, Elliott School (150) | 0 | 874 | 1 | 286 | 1,161 | 21 | 1,182 | (98.2) | 0 | 7 | 0 | 0 | 7 | 44 | 51 |
| Public School 49, Willis Avenue School (13) | 0 | 665 | 5 | 846 | 1,516 | 28 | 1,544 | (98.2) | 0 | 9 | 0 | 0 | 9 | 56 | 65 |
| Public School 257 (191) | 0 | 446 | 1 | 686 | 1,133 | 21 | 1,154 | (98.2) | 0 | 0 | 0 | 0 | 0 | 60 | 60 |
| Public School 129 (539) | 3 | 799 | 12 | 207 | 1,021 | 19 | 1,040 | (98.2) | 0 | 20 | 0 | 0 | 20 | 32 | 52 |
| Public School 67 (131) | 0 | 700 | 2 | 1,213 | 1,915 | 37 | 1,952 | (98.1) | 0 | 6 | 1 | 0 | 7 | 65 | 72 |
| Public School 168, R. Montgomery School (491) | 0 | 269 | 8 | 595 | 872 | 17 | 889 | (98.1) | 0 | 5 | 0 | 1 | 6 | 70 | 76 |
| Public School 5, Port Morris School (2) | 0 | 494 | 3 | 758 | 1,255 | 25 | 1,280 | (98.0) | 0 | 8 | 0 | 1 | 9 | 45 | 54 |
| A. Burger Intermediate Public School 139 (17) | 0 | 323 | 0 | 1,257 | 1,580 | 32 | 1,612 | (98.0) | 0 | 13 | 0 | 5 | 18 | 95 | 113 |
| Public School 130, Abrams Hewitt School (39) | 0 | 242 | 1 | 744 | 987 | 20 | 1,007 | (98.0) | 0 | 6 | 0 | 0 | 6 | 30 | 36 |
| Public School 190 (320) | 0 | 947 | 6 | 564 | 1,517 | 31 | 1,548 | (98.0) | 0 | 2 | 0 | 0 | 2 | 72 | 74 |
| Public School 147, Isaac Remsen Elementary School (185) | 0 | 296 | 0 | 823 | 1,119 | 23 | 1,142 | (98.0) | 0 | 8 | 0 | 1 | 9 | 60 | 69 |
| Public School 134 (795) | 0 | 954 | 0 | 30 | 984 | 22 | 1,006 | (97.8) | 0 | 10 | 0 | 0 | 10 | 46 | 56 |
| Public School 76, St. Nicholas (549) | 0 | 1,015 | 0 | 1 | 1,016 | 23 | 1,039 | (97.8) | 0 | 14 | 0 | 0 | 14 | 27 | 41 |
| Public School 369, James D. Lawrence School (164) | 0 | 110 | 0 | 20 | 130 | 3 | 133 | (97.7) | 0 | 11 | 0 | 0 | 11 | 15 | 26 |
| Public School 191 (259) | 1 | 977 | 11 | 308 | 1,297 | 31 | 1,328 | (97.7) | 0 | 9 | 0 | 0 | 9 | 64 | 73 |
| Public School 270, Dakalb School (158) | 1 | 676 | 1 | 203 | 881 | 23 | 904 | (97.5) | 0 | 4 | 0 | 0 | 4 | 30 | 34 |
| Public School 15 (454) | 0 | 87 | 3 | 932 | 1,022 | 27 | 1,049 | (97.4) | 0 | 3 | 0 | 0 | 3 | 40 | 43 |
| Public School 63, The Hinsdale School (306) | 0 | 332 | 3 | 487 | 822 | 22 | 844 | (97.4) | 0 | 1 | 0 | 1 | 2 | 34 | 36 |
| Public School 11, Purvis J. Behan School (144) | 0 | 808 | 1 | 180 | 989 | 27 | 1,016 | (97.3) | 0 | 6 | 0 | 0 | 6 | 37 | 43 |
| Public School 37, Sylvester Malone School (177) | 0 | 39 | 0 | 569 | 608 | 17 | 625 | (97.3) | 0 | 4 | 0 | 1 | 5 | 32 | 37 |
| Public School 91, Fr. Parkman High School (465) | 0 | 80 | 0 | 26 | 106 | 3 | 109 | (97.2) | 0 | 4 | 0 | 0 | 4 | 15 | 19 |
| Public School 83, Luis Munoz Rivera School (534) | 0 | 247 | 19 | 716 | 982 | 28 | 1,010 | (97.2) | 0 | 10 | 0 | 2 | 12 | 0 | 12 |
| Public School 118 (792) | 0 | 889 | 2 | 7 | 898 | 26 | 924 | (97.2) | 0 | 12 | 0 | 0 | 12 | 38 | 50 |
| Public School 299, Thomas W. Field School (244) | 0 | 959 | 0 | 526 | 1,485 | 43 | 1,528 | (97.2) | 0 | 3 | 0 | 0 | 3 | 63 | 66 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: 1.0— | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 18, John Peter Zenger School (3) | 0 | 399 | 2 | 483 | 884 | 26 | 910 | (97.1) | 0 | 4 | 0 | 0 | 4 | 32 | 36 |
| Jane Adams Vocational High School (45) | 0 | 550 | 1 | 659 | 1,210 | 37 | 1,247 | (97.0) | 0 | 15 | 0 | 1 | 16 | 74 | 90 |
| Public School 154 (19) | 0 | 474 | 2 | 929 | 1,405 | 43 | 1,448 | (97.0) | 0 | 5 | 0 | 1 | 6 | 41 | 47 |
| Public School 140 (765) | 0 | 1,168 | 0 | 3 | 1,171 | 36 | 1,207 | (97.0) | 0 | 18 | 0 | 0 | 18 | 38 | 56 |
| Public School 155 (736) | 0 | 687 | 0 | 41 | 728 | 23 | 751 | (96.9) | 0 | 2 | 0 | 0 | 2 | 31 | 33 |
| Public School 345 Liberty School (332) | 1 | 1,020 | 3 | 879 | 1,903 | 61 | 1,964 | (96.9) | 0 | 2 | 0 | 0 | 2 | 92 | 94 |
| Public School 1 (1) | 0 | 410 | 2 | 773 | 1,185 | 38 | 1,223 | (96.9) | 0 | 8 | 0 | 2 | 10 | 64 | 74 |
| Public School 27 (198) | 0 | 713 | 0 | 415 | 1,128 | 37 | 1,165 | (96.8) | 0 | 2 | 0 | 0 | 2 | 51 | 53 |
| D. G. Farragut Junior High School, Public School 44 (125) | 0 | 505 | 2 | 629 | 1,136 | 39 | 1,175 | (96.7) | 0 | 7 | 0 | 1 | 8 | 73 | 81 |
| J. D. Wells Junior High School Public School 50 (179) | 2 | 183 | 3 | 1,219 | 1,407 | 50 | 1,457 | (96.6) | 0 | 10 | 0 | 0 | 10 | 87 | 97 |
| Public School 202 (321) | 0 | 1,386 | 8 | 904 | 2,298 | 82 | 2,380 | (96.6) | 0 | 7 | 0 | 0 | 7 | 105 | 112 |
| A. Toscanini Junior High School Public School 145 (68) | 0 | 1,023 | 4 | 736 | 1,763 | 63 | 1,826 | (96.5) | 0 | 18 | 0 | 1 | 19 | 101 | 120 |
| Public School 46, Edward C. Blum School (147) | 0 | 606 | 3 | 449 | 1,058 | 38 | 1,096 | (96.5) | 0 | 0 | 0 | 0 | 0 | 53 | 53 |
| J. M. Coleman Junior High School (266) | 0 | 1,525 | 0 | 135 | 1,660 | 60 | 1,720 | (96.5) | 0 | 45 | 0 | 0 | 45 | 65 | 110 |
| Public School 36 (176) | 0 | 100 | 0 | 35 | 135 | 5 | 140 | (96.4) | 0 | 3 | 0 | 1 | 4 | 7 | 11 |
| Benjamin Franklin High School (544) | 1 | 1,530 | 4 | 1,762 | 3,297 | 123 | 3,420 | (96.4) | 0 | 28 | 1 | 6 | 35 | 152 | 187 |
| Berriman Junior High School, Public School 64 (307) | 0 | 832 | 2 | 555 | 1,389 | 52 | 1,441 | (96.4) | 0 | 18 | 0 | 1 | 19 | 88 | 107 |
| F. S. Key Junior High School, Public School 117 (153) | 0 | 933 | 0 | 558 | 1,491 | 56 | 1,547 | (96.4) | 0 | 16 | 1 | 0 | 17 | 86 | 103 |
| Public School 78, Henry Clay School (531) | 0 | 389 | 2 | 853 | 1,244 | 47 | 1,291 | (96.4) | 0 | 7 | 0 | 1 | 8 | 37 | 45 |
| Public School 122, William H. Harrison (182) | 0 | 143 | 16 | 859 | 1,018 | 39 | 1,057 | (96.3) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| Public School 184 (283) | 0 | 598 | 0 | 310 | 908 | 35 | 943 | (96.3) | 0 | 4 | 0 | 0 | 4 | 37 | 41 |
| E. D. Clark Junior High School, Public School (18) | 0 | 586 | 10 | 902 | 1,498 | 58 | 1,556 | (96.3) | 0 | 16 | 0 | 2 | 18 | 82 | 100 |
| J. S. Roberts Junior High School, Public School 45 (529) | 0 | 382 | 6 | 908 | 1,296 | 51 | 1,347 | (96.2) | 0 | 25 | 1 | 4 | 30 | 62 | 92 |
| Public School 179, Daniel Webster School (560) | 0 | 478 | 10 | 566 | 1,054 | 42 | 1,096 | (96.2) | 0 | 5 | 0 | 2 | 7 | 52 | 59 |
| Public School 53 (53) | 0 | 714 | 17 | 652 | 1,383 | 59 | 1,442 | (95.9) | 0 | 7 | 0 | 0 | 7 | 43 | 50 |
| H. Ridder Junior High School, Public School 98 (134) | 0 | 600 | 7 | 1,298 | 1,905 | 89 | 1,994 | (95.5) | 0 | 16 | 1 | 3 | 20 | 122 | 142 |
| Public School 155, William Paca School (541) | 0 | 222 | 4 | 773 | 999 | 47 | 1,046 | (95.5) | 0 | 4 | 0 | 1 | 5 | 48 | 53 |
| Public School 161 (253) | 0 | 1,225 | 12 | 205 | 1,442 | 68 | 1,510 | (95.5) | 0 | 3 | 0 | 0 | 3 | 47 | 50 |
| Public School 261, Philip Livingston School (217) | 0 | 171 | 21 | 680 | 872 | 42 | 914 | (95.4) | 0 | 0 | 0 | 1 | 1 | 51 | 52 |
| Public School, 83, Nathaniel R. Dett School (231) | 0 | 87 | 0 | 15 | 102 | 5 | 107 | (95.3) | 0 | 8 | 0 | 0 | 8 | 19 | 27 |
| Public School 118, W. W. Niles Junior High School (88) | 1 | 335 | 1 | 674 | 1,011 | 50 | 1,061 | (95.3) | 0 | 6 | 0 | 1 | 7 | 53 | 60 |
| Public School 188, John Burroughs School (471) | 0 | 332 | 0 | 896 | 1,228 | 64 | 1,292 | (95.0) | 0 | 1 | 1 | 1 | 3 | 48 | 51 |
| Public School 75 (229) | 0 | 416 | 0 | 763 | 1,179 | 62 | 1,241 | (95.0) | 0 | 4 | 0 | 0 | 4 | 42 | 46 |
| Public School 140, Nathan Straus School (459) | 1 | 114 | 35 | 779 | 929 | 50 | 979 | (94.9) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Public School 42, Benjamin Altman School (591) | 0 | 34 | 487 | 476 | 997 | 54 | 1,051 | (94.9) | 0 | 2 | 1 | 0 | 3 | 51 | 54 |
| Public School 189, Lincoln Terrace School (258) | 1 | 1,051 | 12 | 425 | 1,489 | 82 | 1,571 | (94.8) | 0 | 2 | 0 | 0 | 2 | 70 | 72 |
| Public School 48 (12) | 0 | 565 | 3 | 1,241 | 1,809 | 100 | 1,909 | (94.8) | 0 | 9 | 1 | 1 | 11 | 67 | 78 |
| Public School 213, New Lots School (322) | 0 | 749 | 1 | 525 | 1,275 | 71 | 1,346 | (94.7) | 0 | 3 | 1 | 0 | 4 | 66 | 70 |
| Public School 92 (133) | 0 | 885 | 1 | 1,182 | 2,068 | 116 | 2,184 | (94.7) | 0 | 7 | 1 | 2 | 10 | 113 | 123 |
| Smith C. School (590) | 0 | 121 | 500 | 246 | 867 | 50 | 917 | (94.5) | 0 | 0 | 1 | 0 | 1 | 34 | 35 |
| Smith C. School (502) | 0 | 121 | 500 | 246 | 867 | 50 | 917 | (94.5) | 0 | 0 | 1 | 0 | 1 | 34 | 35 |
| Public School 16, Leonard Dunkly School (168) | 0 | 205 | 4 | 997 | 1,206 | 73 | 1,279 | (94.3) | 0 | 0 | 0 | 0 | 0 | 47 | 47 |
| Public School 274, Kosciusko School (243) | 0 | 558 | 2 | 996 | 1,556 | 97 | 1,653 | (94.1) | 0 | 4 | 0 | 1 | 5 | 49 | 54 |
| W. J. Gaynor J.H.S., P.S. 49 (178) | 0 | 325 | 13 | 1,168 | 1,506 | 94 | 1,600 | (94.1) | 0 | 18 | 0 | 2 | 20 | 96 | 116 |
| Public School 146, Anna M. Short School (486) | 0 | 406 | 12 | 487 | 905 | 57 | 962 | (94.1) | 0 | 11 | 0 | 0 | 11 | 75 | 86 |
| Public School 115, Humboldt School (571) | 0 | 102 | 1 | 1,070 | 1,173 | 74 | 1,247 | (94.1) | 0 | 5 | 1 | 2 | 8 | 50 | 58 |
| Public School 96 (726) | 0 | 293 | 1 | 53 | 347 | 22 | 369 | (94.0) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Public School 28, Wright Brothers School (565) | 0 | 1,176 | 5 | 370 | 1,551 | 99 | 1,650 | (94.0) | 0 | 15 | 0 | 0 | 15 | 44 | 59 |
| Public School 318, E. M. Dehostos Intermediate School (193) | 1 | 345 | 10 | 1,268 | 1,624 | 105 | 1,729 | (93.9) | 0 | 4 | 0 | 0 | 4 | 55 | 59 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 165, John Lott School (281) | 0 | 601 | 0 | 134 | 735 | 48 | 783 | (93.9) | 0 | 1 | 0 | 0 | 1 | 36 | 37 |
| Public School 157, Franklin School (187) | 0 | 352 | 0 | 671 | 1,023 | 68 | 1,091 | (93.8) | 0 | 1 | 0 | 0 | 1 | 55 | 56 |
| Public School 250, George H. Lindsey School (190) | 2 | 220 | 11 | 1,028 | 1,261 | 85 | 1,346 | (93.7) | 0 | 2 | 0 | 1 | 3 | 46 | 49 |
| Public School 130 (517) | 0 | 44 | 664 | 236 | 944 | 64 | 1,008 | (93.7) | 0 | 0 | 5 | 1 | 6 | 44 | 50 |
| Public School 37, Springfield School (786) | 0 | 593 | 0 | 22 | 615 | 42 | 657 | (93.6) | 0 | 10 | 0 | 0 | 10 | 35 | 45 |
| Public School 97, Mangin School (466) | 0 | 280 | 11 | 526 | 817 | 56 | 873 | (93.6) | 0 | 1 | 0 | 0 | 1 | 49 | 50 |
| Public School 17, Woodworth Elementary School (169) | 0 | 100 | 4 | 1,256 | 1,360 | 94 | 1,454 | (93.5) | 0 | 5 | 0 | 0 | 5 | 51 | 56 |
| Public School 20, Anna Silver School (456) | 0 | 56 | 37 | 1,013 | 1,106 | 79 | 1,185 | (93.3) | 0 | 2 | 0 | 0 | 2 | 41 | 43 |
| Public School 64, Henry P. O'Neil School (462) | 0 | 217 | 0 | 1,063 | 1,280 | 95 | 1,375 | (93.1) | 0 | 0 | 0 | 0 | 0 | 48 | 48 |
| Public School 82, Cyrus Field School (464) | 0 | 36 | 0 | 57 | 93 | 7 | 100 | (93.0) | 0 | 2 | 0 | 0 | 2 | 11 | 13 |
| Public School 35, Franz Sigel School (51) | 0 | 472 | 2 | 549 | 1,023 | 77 | 1,100 | (93.0) | 0 | 0 | 0 | 0 | 0 | 56 | 56 |
| A. S. Sumers Junior High School, Public School 252 (292) | 0 | 751 | 3 | 330 | 1,084 | 82 | 1,166 | (93.0) | 0 | 4 | 0 | 1 | 5 | 78 | 83 |
| Public School 38 (201) | 0 | 294 | 0 | 2,040 | 2,334 | 178 | 2,512 | (92.9) | 0 | 1 | 0 | 0 | 1 | 59 | 60 |
| Public School 96, Joseph C. Lanzetta (535) | 0 | 257 | 1 | 24 | 282 | 22 | 304 | (92.8) | 0 | 2 | 0 | 1 | 3 | 54 | 57 |
| Public School 12, Lewis and Clark School (96) | 0 | 138 | 0 | 40 | 178 | 14 | 192 | (92.7) | 0 | 9 | 0 | 0 | 9 | 21 | 30 |
| H. A. Eiseman Junior High School 275 (295) | 0 | 1,033 | 0 | 516 | 1,549 | 122 | 1,671 | (92.7) | 0 | 12 | 0 | 0 | 12 | 88 | 100 |
| Public School 57, Crescent School (128) | 0 | 728 | 0 | 1,101 | 1,829 | 145 | 1,974 | (92.7) | 0 | 3 | 0 | 0 | 3 | 70 | 73 |
| F. D. Roosevelt School, Public School 34 (457) | 0 | 147 | 10 | 397 | 554 | 44 | 598 | (92.6) | 0 | 1 | 0 | 0 | 1 | 28 | 29 |
| Public School 59 (80) | 0 | 307 | 0 | 720 | 1,027 | 82 | 1,109 | (92.6) | 0 | 5 | 1 | 0 | 6 | 29 | 35 |
| Public School 137, John L. Bernstein School (519) | 0 | 187 | 30 | 533 | 750 | 61 | 811 | (92.5) | 0 | 5 | 0 | 0 | 5 | 53 | 58 |
| Public School 160, James E. Sullivan School (470) | 1 | 50 | 64 | 534 | 649 | 53 | 702 | (92.5) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Public School 221, Empire School (261) | 2 | 1,110 | 13 | 146 | 1,271 | 104 | 1,375 | (92.4) | 0 | 4 | 0 | 0 | 4 | 40 | 44 |
| Public School 11, Highbridge School (48) | 0 | 592 | 0 | 494 | 1,086 | 89 | 1,175 | (92.4) | 0 | 2 | 0 | 2 | 4 | 47 | 51 |
| Public School 9, Teunis G. Bergen (143) | 0 | 1,210 | 12 | 506 | 1,728 | 146 | 1,874 | (92.2) | 0 | 6 | 0 | 0 | 6 | 61 | 67 |
| Public School 189 (21) | 0 | 129 | 0 | 47 | 176 | 15 | 191 | (92.1) | 0 | 4 | 0 | 0 | 4 | 20 | 24 |
| Public School 1 (197) | 0 | 40 | 2 | 1,264 | 1,306 | 116 | 1,422 | (91.8) | 0 | 1 | 0 | 0 | 1 | 57 | 58 |
| Public School 4, The William Pitt School (453) | 0 | 76 | 10 | 346 | 432 | 39 | 471 | (91.7) | 0 | 2 | 0 | 1 | 3 | 32 | 35 |
| Public School 9, Walter Reed School (625) | 0 | 76 | 0 | 12 | 88 | 8 | 96 | (91.7) | 0 | 7 | 0 | 0 | 7 | 0 | 7 |
| Public School 192, Jacob H. Schiff School (585) | 0 | 386 | 29 | 910 | 1,325 | 122 | 1,447 | (91.6) | 0 | 8 | 0 | 2 | 10 | 36 | 46 |
| Charles E. Hughes School (520) | 6 | 1,762 | 52 | 561 | 2,381 | 220 | 2,601 | (91.5) | 0 | 17 | 1 | 2 | 20 | 155 | 175 |
| Public School 106, Edward Everett Hale School (233) | 0 | 646 | 0 | 918 | 1,564 | 148 | 1,712 | (91.4) | 0 | 12 | 0 | 0 | 12 | 62 | 74 |
| Public School 282, Park Slope Elementary School (159) | 3 | 521 | 15 | 778 | 1,317 | 125 | 1,442 | (91.3) | 0 | 2 | 0 | 1 | 3 | 49 | 52 |
| Public School 29, Melrose School (5) | 0 | 1,041 | 0 | 1,348 | 2,389 | 227 | 2,616 | (91.3) | 0 | 12 | 0 | 2 | 14 | 124 | 138 |
| Robert E. Simon Junior High School, Public School 71, (463) | 0 | 146 | 54 | 1,099 | 1,299 | 126 | 1,425 | (91.2) | 0 | 8 | 2 | 0 | 10 | 71 | 81 |
| Public School 23, Lincoln School (656) | 0 | 70 | 0 | 1 | 71 | 7 | 78 | (91.0) | 0 | 7 | 0 | 0 | 7 | 8 | 15 |
| Public School 90 (61) | 0 | 823 | 11 | 642 | 1,476 | 147 | 1,623 | (90.9) | 0 | 3 | 0 | 0 | 3 | 62 | 65 |
| C. Sumner Junior High School (512) | 0 | 130 | 806 | 483 | 1,419 | 143 | 1,562 | (90.8) | 0 | 5 | 7 | 0 | 12 | 96 | 108 |
| Jordan L. Mott Junior High School Public School 22 (49) | 0 | 704 | 15 | 592 | 1,311 | 133 | 1,444 | (90.8) | 0 | 7 | 0 | 0 | 7 | 48 | 55 |
| Public School 128, Audubon School (573) | 0 | 505 | 16 | 585 | 1,106 | 113 | 1,219 | (90.7) | 0 | 7 | 0 | 1 | 8 | 48 | 56 |
| Public School 143, Meadow School (647) | 0 | 445 | 2 | 153 | 600 | 62 | 662 | (90.6) | 0 | 7 | 0 | 0 | 7 | 15 | 22 |
| Lefferts Junior High School, Public School 61 (248) | 0 | 1,199 | 11 | 156 | 1,366 | 142 | 1,508 | (90.6) | 0 | 10 | 0 | 1 | 11 | 74 | 85 |
| Public School 151 (240) | 0 | 441 | 0 | 635 | 1,076 | 113 | 1,189 | (90.5) | 0 | 2 | 0 | 0 | 2 | 38 | 40 |
| Children's Center (437) | 0 | 144 | 0 | 8 | 152 | 16 | 168 | (90.5) | 0 | 4 | 1 | 0 | 5 | 23 | 28 |
| Public School 196 (189) | 0 | 255 | 3 | 842 | 1,100 | 118 | 1,218 | (90.3) | 0 | 6 | 0 | 0 | 6 | 55 | 61 |
| Public School 85, Sterling School (151) | 0 | 96 | 0 | 24 | 120 | 13 | 133 | (90.2) | 0 | 9 | 0 | 0 | 9 | 14 | 23 |
| Public School 20, Clinton Hill School (145) | 0 | 903 | 7 | 299 | 1,209 | 133 | 1,342 | (90.1) | 0 | 11 | 0 | 0 | 11 | 60 | 71 |
| Public School 32, Sprole School (200) | 0 | 374 | 4 | 428 | 806 | 89 | 895 | (90.1) | 0 | 2 | 0 | 0 | 2 | 32 | 34 |
| Eastern District High School (194) | 6 | 895 | 16 | 2,031 | 2,948 | 330 | 3,278 | (89.9) | 0 | 12 | 0 | 4 | 16 | 123 | 139 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: 1.0—grades | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 1106, Bellevue Psychiatric Hospital (439) | 0 | 35 | 0 | 25 | 60 | 7 | 67 | (89.6) | 0 | 2 | 0 | 1 | 3 | 12 | 15 |
| Haaren School (521) | 2 | 685 | 134 | 951 | 1,772 | 211 | 1,983 | (89.4) | 0 | 12 | 0 | 1 | 13 | 114 | 127 |
| Public School 145 (556) | 0 | 305 | 6 | 700 | 1,011 | 130 | 1,141 | (88.6) | 0 | 5 | 0 | 0 | 5 | 34 | 39 |
| Public School 36–125 (528) | 0 | 856 | 33 | 453 | 1,342 | 173 | 1,515 | (88.6) | 0 | 23 | 2 | 0 | 25 | 61 | 86 |
| Public School 31, Wm. Floyd Garrison School (7) | 0 | 442 | 4 | 220 | 666 | 86 | 752 | (88.6) | 0 | 4 | 0 | 0 | 4 | 41 | 45 |
| Central Commercial High School (498) | 6 | 1,091 | 56 | 966 | 2,119 | 281 | 2,400 | (88.3) | 0 | 8 | 0 | 4 | 12 | 122 | 134 |
| Public School 18, Edward Bush Elementary School (170) | 0 | 47 | 0 | 299 | 346 | 46 | 392 | (88.3) | 0 | 2 | 0 | 0 | 2 | 13 | 15 |
| Public School 126, Jacob A. Riis (516) | 0 | 108 | 327 | 351 | 786 | 106 | 892 | (88.1) | 0 | 1 | 3 | 1 | 5 | 35 | 40 |
| Public School 112, Bronxwood School (114) | 0 | 393 | 2 | 151 | 546 | 74 | 620 | (88.1) | 0 | | 0 | 0 | 5 | 27 | 32 |
| Alfred E. Smith High School (22) | 4 | 436 | 5 | 931 | 1,376 | 188 | 1,564 | (88.0) | 0 | 4 | 0 | 3 | 7 | 90 | 97 |
| E. Fermi J.H.S. Public School 111 (234) | 0 | 517 | 8 | 1,167 | 1,692 | 235 | 1,927 | (87.8) | 0 | 46 | 0 | 1 | 47 | 84 | 131 |
| J.H.S. 294 Simon J. Rothchild (161) | 1 | 1,141 | 4 | 356 | 1,502 | 211 | 1,713 | (87.7) | 0 | 13 | 0 | 0 | 13 | 94 | 107 |
| East New York Intermediate Public School 292 (328) | 0 | 1,007 | 0 | 646 | 1,653 | 245 | 1,898 | (87.1) | 0 | 15 | 0 | 2 | 17 | 111 | 128 |
| Grace H. Dodge Vocational H.S. (95) | 0 | 543 | 4 | 1,167 | 1,714 | 258 | 1,972 | (86.9) | 0 | 7 | 0 | 0 | 7 | 122 | 129 |
| Public School 50 (754) | 0 | 726 | 1 | 37 | 764 | 119 | 883 | (86.5) | 0 | 3 | 0 | 0 | 3 | 39 | 42 |
| Public School 52 (788) | 0 | 663 | 5 | 64 | 732 | 115 | 847 | (86.4) | 0 | 6 | 0 | 0 | 6 | 37 | 43 |
| Public School 61 Anna Howard Shaw School (460) | 0 | 92 | 9 | 788 | 889 | 144 | 1,033 | (86.1) | 0 | 0 | 1 | 0 | 1 | 36 | 37 |
| B. T. Washington J.H.S. Public School 54 (547) | 0 | 307 | 11 | 563 | 881 | 143 | 1,024 | (86.0) | 0 | 11 | 3 | 2 | 16 | 66 | 82 |
| Public School 124 (734) | 0 | 673 | 2 | 6 | 681 | 119 | 800 | (85.1) | 0 | 5 | 0 | 0 | 5 | 23 | 28 |
| Ottilia M. Beha Junior High School, Public School 60 (459) | 0 | 174 | 51 | 724 | 949 | 166 | 1,115 | (85.1) | 0 | 9 | 1 | 3 | 13 | 52 | 65 |
| Public School 104 (62) | 0 | 646 | 6 | 543 | 1,195 | 211 | 1,406 | (85.0) | 0 | 4 | 0 | 0 | 4 | 41 | 45 |
| Halsey Junior High High School, Public School 296 (329) | 0 | 1,125 | 4 | 1,013 | 2,142 | 379 | 2,521 | (85.0) | 0 | 8 | 0 | 2 | 10 | 152 | 162 |
| Eli Whitney Vocational High School (196) | 0 | 854 | 2 | 904 | 1,760 | 315 | 2,075 | (84.8) | 0 | 14 | 0 | 0 | 14 | 115 | 129 |
| Woodrow Wilson Vocational High School, (780) | 0 | 879 | 1 | 113 | 993 | 178 | 1,171 | (84.8) | 0 | 12 | 0 | 0 | 12 | 85 | 97 |
| Public School 241, Emma L. Johnston School (262) | 1 | 882 | 25 | 130 | 1,038 | 188 | 1,226 | (84.7) | 0 | 3 | 0 | 0 | 3 | 51 | 54 |
| Public School 132 (794) | 0 | 414 | 1 | 19 | 434 | 80 | 514 | (84.4) | 0 | 3 | 0 | 0 | 3 | 14 | 17 |
| Public School 47, John Randolph School (126) | 3 | 457 | 13 | 848 | 1,321 | 247 | 1,568 | (84.2) | 0 | 5 | 0 | 0 | 5 | 65 | 70 |
| Public School 73 (58) | 0 | 558 | 0 | 503 | 1,061 | 199 | 1,260 | (84.2) | 0 | 7 | 0 | 0 | 7 | 51 | 58 |
| Public School 163, Alfred E. Smith School (558) | 0 | 281 | 22 | 414 | 717 | 135 | 852 | (84.2) | 0 | 6 | 0 | 1 | 7 | 35 | 42 |
| Mabel Dean Bacon Vocational High School (501) | 0 | 257 | 10 | 676 | 943 | 179 | 1,122 | (84.0) | 0 | 7 | 0 | 1 | 8 | 77 | 85 |
| Public School 187, Youth House Girls (44) | 0 | 87 | 0 | 83 | 170 | 33 | 203 | (83.7) | 0 | 32 | 0 | 0 | 32 | 7 | 39 |
| Public School 134, Henrietta Szolds (518) | 0 | 114 | 8 | 478 | 600 | 117 | 717 | (83.7) | 0 | 2 | 0 | 0 | 2 | 32 | 34 |
| Public School 75, Robert E. Peary School (635) | 0 | 44 | 0 | 6 | 50 | 10 | 60 | (83.3) | 0 | 2 | 0 | 0 | 2 | 5 | 7 |
| Public School 93 (34) | 0 | 428 | 8 | 612 | 1,048 | 212 | 1,260 | (83.2) | 0 | 5 | 0 | 0 | 5 | 45 | 50 |
| Public School 88 (60) | 0 | 161 | 1 | 258 | 420 | 85 | 505 | (83.2) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| Public School 63 (55) | 0 | 1,124 | 0 | 3 | 1,127 | 230 | 1,357 | (83.1) | 0 | 12 | 0 | 1 | 13 | 57 | 70 |
| Public School 80, Neptune School (368) | 0 | 156 | 0 | 282 | 438 | 91 | 529 | (82.8) | 0 | 1 | 0 | 1 | 2 | 37 | 39 |
| Metropolitan Vocational High School (522) | 0 | 209 | 6 | 141 | 356 | 74 | 430 | (82.8) | 0 | 1 | 1 | 0 | 2 | 40 | 42 |
| Public School 371 (219) | 0 | 68 | 0 | 47 | 115 | 25 | 140 | (82.1) | 0 | 4 | 0 | 0 | 4 | 19 | 23 |
| Samuel Gompers School (23) | 0 | 603 | 8 | 673 | 1,284 | 281 | 1,565 | (82.0) | 0 | 4 | 0 | 1 | 5 | 106 | 111 |
| Public School 10 (815) | 0 | 12 | 0 | 64 | 76 | 17 | 93 | (81.7) | 0 | 3 | 0 | 0 | 3 | 17 | 20 |
| Public School 77 (132) | 2 | 422 | 7 | 995 | 1,426 | 325 | 1,751 | (81.4) | 0 | 6 | 0 | 3 | 9 | 60 | 69 |
| Public School 63, William McKinley School (461) | 0 | 86 | 87 | 624 | 797 | 182 | 979 | (81.4) | 0 | 0 | 0 | 1 | 1 | 44 | 45 |
| Joan of Arc Junior High School, Public School 118 (554) | 1 | 457 | 11 | 631 | 1,100 | 253 | 1,353 | (81.3) | 0 | 17 | 2 | 4 | 23 | 78 | 101 |
| Julia Richman High School (497) | 2 | 1,680 | 59 | 1,560 | 3,301 | 763 | 4,064 | (81.2) | 0 | 13 | 1 | 7 | 21 | 203 | 224 |
| Public School 159, Pitkin School (315) | 0 | 534 | 8 | 576 | 1,118 | 263 | 1,381 | (81.0) | 0 | 5 | 0 | 0 | 5 | 50 | 55 |
| Public School 191, Amsterdam School (562) | 0 | 208 | 4 | 192 | 404 | 96 | 500 | (80.8) | 0 | 2 | 0 | 1 | 3 | 40 | 43 |
| Theodore Roosevelt High School (92) | 3 | 2,148 | 28 | 2,197 | 4,376 | 1,045 | 5,421 | (80.7) | 0 | 8 | 0 | 12 | 20 | 209 | 229 |
| Public School 19, Asher Levy School (455) | 0 | 32 | 96 | 338 | 466 | 113 | 579 | (80.5) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Public School 307, D. H. Williams School (163) | 0 | 513 | 1 | 166 | 680 | 165 | 845 | (80.5) | 0 | 7 | 0 | 0 | 7 | 69 | 76 |
| Philip H. Sheridan Public School 21 (99) | 0 | 786 | 2 | 10 | 798 | 195 | 993 | (80.4) | 0 | 6 | 0 | 0 | 6 | 39 | 45 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Manhattan Vocational and Technical High School (500) | 0 | 310 | 10 | 397 | 717 | 177 | 894 | (80.2) | 0 | 2 | 1 | 0 | 3 | 67 | 70 |
| Public School 91, Albany Avenue School (249) | 0 | 792 | 10 | 107 | 909 | 229 | 1,138 | (79.9) | 0 | 3 | 0 | 0 | 3 | 54 | 57 |
| Washington Irving High School (473) | 0 | 1,031 | 460 | 1,196 | 2,687 | 681 | 3,368 | (79.8) | 0 | 8 | 4 | 1 | 13 | 183 | 196 |
| Public School 4, Orville Wright School (599) | 0 | 108 | 0 | 17 | 125 | 32 | 157 | (79.6) | 0 | 7 | 0 | 1 | 8 | 6 | 14 |
| Public School 78, Anne Hutchinson School (103) | 1 | 757 | 4 | 11 | 773 | 199 | 972 | (79.5) | 1 | 4 | 0 | 1 | 6 | 44 | 50 |
| Thomas Jefferson School (334) | 0 | 2,408 | 17 | 1,234 | 3,659 | 972 | 4,611 | (79.4) | 0 | 8 | 1 | 2 | 11 | 212 | 223 |
| Louis D. Brandeis High School (564) | 4 | 2,556 | 61 | 1,477 | 4,098 | 1,075 | 5,173 | (79.2) | 0 | 25 | 1 | 12 | 38 | 196 | 234 |
| Public School 167, Parkway School (254) | 0 | 1,153 | 19 | 67 | 1,239 | 327 | 1,566 | (79.1) | 0 | 5 | 0 | 0 | 5 | 46 | 51 |
| Mother Cabrini School (442) | 0 | 27 | 0 | 48 | 75 | 20 | 95 | (78.9) | 0 | 3 | 0 | 0 | 3 | 7 | 10 |
| Public School 198, 15DR and Ida Straus School (496) | 0 | 195 | 18 | 584 | 797 | 221 | 1,018 | (78.3) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Public School 116, Plymouth School (235) | 0 | 111 | 1 | 767 | 879 | 248 | 1,127 | (78.0) | 0 | 1 | 0 | 0 | 1 | 52 | 53 |
| Queens Hospital School (451) | 0 | 76 | 3 | 50 | 129 | 37 | 166 | (77.7) | 0 | 0 | 0 | 1 | 1 | 16 | 17 |
| Public School 370, Jim Thorpe School (395) | 0 | 71 | 0 | 30 | 101 | 29 | 130 | (77.7) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| Maritime Food High School (525) | 2 | 246 | 8 | 353 | 609 | 180 | 789 | (77.2) | 0 | 1 | 0 | 0 | 1 | 67 | 68 |
| Public School 145 (239) | 0 | 356 | 0 | 1,015 | 1,371 | 407 | 1,778 | (77.1) | 0 | 6 | 0 | 2 | 8 | 83 | 91 |
| Public School 260, Breuckelen School (326) | 0 | 430 | 2 | 131 | 563 | 170 | 733 | (76.8) | 0 | 1 | 0 | 0 | 1 | 28 | 29 |
| W. Alexander Junior High School, P.S. 51 (203) | 1 | 386 | 24 | 605 | 1,016 | 312 | 1,328 | (76.5) | 0 | 5 | 0 | 2 | 7 | 77 | 84 |
| R. S. Grossley Junior High School, P.S. 8 (750) | 0 | 1,126 | 0 | 58 | 1,184 | 366 | 1,550 | (76.4) | 0 | 0 | 0 | 0 | 0 | 96 | 96 |
| L. Flower House Provid. (441) | 0 | 28 | 0 | 72 | 100 | 31 | 131 | (76.3) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Public School 127, East Elmhurst School (612) | 2 | 530 | 12 | 73 | 617 | 197 | 814 | (75.8) | 0 | 3 | 0 | 0 | 3 | 39 | 42 |
| Public School 111, Adolph S. Ochs School (515) | 0 | 98 | 55 | 513 | 666 | 219 | 885 | (75.3) | 0 | 3 | 0 | 0 | 3 | 34 | 37 |
| Stranahan Junior High School P.S. 142 (211) | 2 | 369 | 1 | 552 | 924 | 312 | 1,236 | (74.8) | 0 | 5 | 0 | 0 | 5 | 88 | 93 |
| Public School 28 Mount Hope School (50) | 0 | 531 | 20 | 529 | 1,080 | 366 | 1,446 | (74.7) | 0 | 3 | 0 | 0 | 3 | 57 | 60 |
| Sarah J. Hale Vocational High School (221) | 0 | 415 | 1 | 515 | 931 | 316 | 1,247 | (74.7) | 0 | 6 | 0 | 2 | 8 | 83 | 91 |
| Public School 51 Elias Howe School (511) | 0 | 29 | 11 | 267 | 307 | 105 | 412 | (74.5) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Public School 288 George L. Hentz (393) | 0 | 389 | 2 | 440 | 831 | 285 | 1,116 | (74.5) | 0 | 1 | 0 | 0 | 1 | 54 | 55 |
| East New York Vocational and Technical High School (335) | 0 | 574 | 4 | 565 | 1,143 | 402 | 1,545 | (74.0) | 0 | 6 | 0 | 0 | 6 | 108 | 114 |
| Public School 111 Seton Falls Elementary School (113) | 0 | 593 | 0 | 178 | 771 | 273 | 1,044 | (73.9) | 0 | 19 | 0 | 0 | 19 | 35 | 54 |
| Public School 70 (57) | 0 | 521 | 8 | 544 | 1,073 | 398 | 1,471 | (72.9) | 0 | 5 | 0 | 0 | 5 | 52 | 57 |
| Public School 11 William T. Harris School (504) | 1 | 97 | 14 | 407 | 519 | 194 | 713 | (72.8) | 0 | 0 | 0 | 1 | 1 | 67 | 68 |
| Bushwick High School (247) | 1 | 1,080 | 10 | 1,160 | 2,251 | 847 | 3,098 | (72.7) | 0 | 8 | 1 | 3 | 12 | 144 | 156 |
| Public School 95 Eastwood School (790) | 1 | 706 | 30 | 227 | 964 | 364 | 1,328 | (72.6) | 0 | 2 | 0 | 0 | 2 | 45 | 47 |
| Public School 92 Charles Leverich School (608) | 0 | 280 | 4 | 67 | 351 | 133 | 484 | (72.5) | 0 | 3 | 0 | 0 | 3 | 21 | 24 |
| Bronx Hospital School group 2 (448) | 0 | 66 | 0 | 50 | 116 | 44 | 160 | (72.5) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Public School 124 (208) | 0 | 42 | 6 | 408 | 456 | 173 | 629 | (72.5) | 0 | 0 | 1 | 0 | 1 | 25 | 26 |
| East Roosevelt Junior High School, Public High School 143 (577) | 0 | 768 | 20 | 871 | 1,659 | 634 | 2,293 | (72.4) | 0 | 15 | 2 | 2 | 19 | 95 | 114 |
| Macombs Junior High School Public School 82 (59) | 0 | 738 | 12 | 735 | 1,485 | 578 | 2,063 | (72.0) | 0 | 7 | 0 | 2 | 9 | 92 | 101 |
| Public School 92 Adrian Hegeman School (250) | 2 | 854 | 73 | 264 | 1,193 | 466 | 1,659 | (71.9) | 0 | 2 | 0 | 0 | 2 | 52 | 54 |
| Public School 219 (286) | 1 | 906 | 16 | 37 | 960 | 379 | 1,339 | (71.7) | 0 | 3 | 0 | 0 | 3 | 65 | 68 |
| Winthrop Junior High School Public School 232 (287) | 1 | 1,011 | 22 | 186 | 1,220 | 486 | 1,706 | (71.5) | 0 | 8 | 0 | 0 | 8 | 80 | 88 |
| J. P. Sinnutt Intermediate Public School 218 (324) | 0 | 743 | 7 | 472 | 1,222 | 494 | 1,716 | (71.2) | 0 | 12 | 0 | 2 | 14 | 101 | 115 |
| Public School 321 (218) | 0 | 353 | 22 | 553 | 928 | 381 | 1,309 | (70.9) | 0 | 0 | 0 | 1 | 1 | 44 | 45 |
| Public School 132, Fort Washington School (574) | 0 | 143 | 6 | 591 | 740 | 305 | 1,045 | (70.8) | 0 | 1 | 0 | 1 | 2 | 52 | 54 |
| Public School 29 (199) | 0 | 25 | 6 | 551 | 582 | 243 | 825 | (70.5) | 0 | 1 | 0 | 2 | 3 | 43 | 46 |
| School for Deaf, Public School 158 (489) | 0 | 90 | 5 | 120 | 215 | 90 | 305 | (70.5) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| LaSalle Junior High School, Public School 17 (505) | 6 | 73 | 18 | 325 | 422 | 180 | 602 | (70.1) | 0 | 5 | 0 | 1 | 6 | 36 | 42 |
| Public School 9, John Jasper School (545) | 0 | 149 | 14 | 404 | 567 | 243 | 810 | (70.0) | 0 | 2 | 0 | 2 | 4 | 43 | 47 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Henry Hudson Junior High School, Public School 125 (38) | 1 | 473 | 21 | 671 | 1,166 | 501 | 1,667 | (69.9) | 0 | 11 | 0 | 1 | 12 | 88 | 100 |
| School for the Deaf, Public School 47 (477) | 0 | 100 | 4 | 226 | 330 | 142 | 472 | (69.9) | 0 | 2 | 0 | 0 | 2 | 83 | 85 |
| Public School 147 (799) | 0 | 908 | 8 | 20 | 936 | 417 | 1,353 | (69.2) | 0 | 3 | 0 | 0 | 3 | 43 | 46 |
| Public School 76 Independence School (309) | 0 | 197 | 0 | 250 | 447 | 200 | 647 | (69.1) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Public School 172 Gowanus School (215) | 0 | 22 | 1 | 331 | 354 | 160 | 514 | (68.9) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| B. Schlesinger Junior High School, Public School 72 (757) | 0 | 1,228 | 0 | 33 | 1,261 | 577 | 1,838 | (68.6) | 0 | 31 | 0 | 0 | 31 | 77 | 108 |
| Springfield Gardens Junior High School (789) | 0 | 1,033 | 7 | 59 | 1,099 | 504 | 1,603 | (68.6) | 0 | 11 | 0 | 1 | 12 | 73 | 85 |
| Willoughby Junior High School, Public School 162 (241) | 0 | 532 | 3 | 260 | 795 | 367 | 1,162 | (68.4) | 0 | 5 | 0 | 1 | 6 | 67 | 73 |
| A. Finstein Intermediate School (40) | 0 | 552 | 4 | 579 | 1,135 | 536 | 1,671 | (67.9) | 0 | 10 | 0 | 5 | 15 | 89 | 104 |
| E. B. Browning Junior High School, Public School 115 (87) | 0 | 451 | 20 | 634 | 1,105 | 525 | 1,630 | (67.8) | 0 | 1 | 0 | 0 | 1 | 74 | 75 |
| Public School 69 (30) | 0 | 129 | 2 | 344 | 475 | 228 | 703 | (67.6) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Public School 111, Jacob Blackwell School (609) | 0 | 305 | 19 | 126 | 450 | 220 | 670 | (67.2) | 0 | 1 | 0 | 0 | 1 | 34 | 35 |
| Seward Park School (472) | 0 | 812 | 591 | 1,348 | 2,751 | 1,348 | 4,099 | (67.1) | 0 | 5 | 4 | 5 | 14 | 200 | 214 |
| Alexander Hamilton Vocational and Technical High School (273) | 2 | 409 | 9 | 262 | 682 | 337 | 1,019 | (66.9) | 0 | 0 | 0 | 0 | 0 | 69 | 69 |
| Prospect Heights High School (271) | 12 | 1,605 | 14 | 70 | 1,701 | 851 | 2,552 | (66.7) | 0 | 0 | 0 | 0 | 0 | 149 | 149 |
| Franklin K. Lane High School (333) | 5 | 2,691 | 23 | 860 | 3,579 | 1,795 | 5,374 | (66.6) | 0 | 14 | 1 | 0 | 15 | 247 | 262 |
| Public School 171, Peter G. van Alst School (620) | 0 | 455 | 2 | 228 | 685 | 346 | 1,031 | (66.4) | 0 | 1 | 0 | 0 | 1 | 69 | 70 |
| Automotive High School (195) | 0 | 396 | 18 | 370 | 784 | 397 | 1,181 | (66.4) | 0 | 4 | 0 | 0 | 4 | 83 | 87 |
| George Washington High School (588) | 2 | 1,443 | 40 | 1,563 | 3,048 | 1,585 | 4,633 | (65.8) | 0 | 14 | 0 | 3 | 17 | 203 | 220 |
| Public School 112, Dutch Kills School (610) | 0 | 246 | 7 | 120 | 373 | 194 | 567 | (65.8) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Public School 8, Robert Fulton School (142) | 0 | 343 | 7 | 159 | 509 | 267 | 776 | (65.6) | 0 | 2 | 0 | 0 | 2 | 31 | 33 |
| Public School 173 (581) | 0 | 185 | 25 | 533 | 743 | 392 | 1,135 | (65.5) | 0 | 1 | 1 | 1 | 3 | 47 | 50 |
| Public School 31 (173) | 0 | 15 | 0 | 309 | 324 | 171 | 495 | (65.5) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Public School 33, Chelsea School (508) | 0 | 108 | 8 | 264 | 380 | 203 | 583 | (65.2) | 0 | 2 | 1 | 1 | 4 | 47 | 51 |
| Public School 26, Burnside Avenue School (74) | 1 | 475 | 14 | 480 | 970 | 522 | 1,492 | (65.0) | 0 | 0 | 0 | 0 | 0 | 51 | 51 |
| George W. Wingate High School (303) | 1 | 1,339 | 27 | 204 | 1,571 | 851 | 2,422 | (64.9) | 0 | 9 | 0 | 0 | 9 | 133 | 142 |
| Public School 121 (763) | 0 | 481 | 12 | 149 | 642 | 352 | 994 | (64.6) | 0 | 3 | 0 | 0 | 3 | 48 | 51 |
| Public School 110, F. Nightingale School (514) | 0 | 81 | 26 | 224 | 331 | 182 | 513 | (64.5) | 0 | 1 | 0 | 0 | 1 | 36 | 37 |
| Public School 140 (344) | 1 | 27 | 17 | 1,355 | 1,400 | 784 | 2,184 | (64.1) | 0 | 0 | 1 | 0 | 1 | 79 | 80 |
| William H. Taft High School (70) | 1 | 1,669 | 31 | 1,110 | 2,811 | 1,598 | 4,409 | (63.8) | 0 | 10 | 0 | 6 | 16 | 196 | 212 |
| James Monroe High School (140) | 8 | 1,205 | 25 | 1,843 | 3,081 | 1,756 | 4,837 | (63.7) | 0 | 13 | 1 | 8 | 22 | 198 | 220 |
| G. Gershwin Junior High School, Public School 166 (316) | 0 | 791 | 0 | 311 | 1,102 | 629 | 1,731 | (63.7) | 0 | 8 | 0 | 0 | 8 | 112 | 120 |
| Public School 19, Lake School (629) | 0 | 193 | 22 | 709 | 924 | 530 | 1,454 | (63.5) | 0 | 4 | 0 | 0 | 4 | 62 | 66 |
| Public School 189 (584) | 0 | 210 | 12 | 656 | 878 | 506 | 1,384 | (63.4) | 0 | 8 | 1 | 1 | 10 | 48 | 58 |
| Public School 214, Michael Friedsam School (323) | 0 | 483 | 4 | 166 | 653 | 378 | 1,031 | (63.3) | 0 | 6 | 0 | 0 | 6 | 46 | 52 |
| Public School 181, William Malbin School (257) | 1 | 612 | 40 | 186 | 839 | 497 | 1,336 | (62.8) | 0 | 0 | 0 | 0 | 0 | 47 | 47 |
| Public School 306, Ethan Allen School (330) | 0 | 641 | 3 | 211 | 855 | 510 | 1,365 | (62.6) | 0 | 6 | 0 | 0 | 6 | 48 | 54 |
| Public School 31, William T. Davis School (831) | 0 | 420 | 1 | 96 | 517 | 309 | 826 | (62.6) | 0 | 3 | 0 | 0 | 3 | 65 | 68 |
| Public School 100, Isaac Clason School (35) | 0 | 400 | 12 | 361 | 773 | 466 | 1,239 | (62.4) | 0 | 4 | 0 | 0 | 4 | 43 | 47 |
| Public School 25, St. Joseph School for Boys (826) | 0 | 54 | 0 | 156 | 210 | 128 | 338 | (62.1) | 0 | 1 | 0 | 0 | 1 | 51 | 52 |
| Wm. J. O'Shea Intermediate Public School 44 (546) | 0 | 346 | 22 | 513 | 881 | 537 | 1,418 | (62.1) | 0 | 8 | 0 | 5 | 13 | 77 | 90 |
| Public School 76, William Hallett School (605) | 0 | 361 | 5 | 236 | 602 | 370 | 972 | (61.9) | 0 | 13 | 0 | 0 | 13 | 47 | 60 |
| P. Hoffman Junior High School Public School 45 (77) | 0 | 477 | 10 | 433 | 920 | 567 | 1,487 | (61.9) | 0 | 7 | 0 | 0 | 7 | 85 | 92 |
| Public School 84, Sol Bloom School (550) | 0 | 219 | 9 | 314 | 542 | 338 | 880 | (61.6) | 0 | 2 | 0 | 0 | 2 | 40 | 42 |
| J. P. Sousa Junior High School, Public School 142 (119) | 0 | 639 | 6 | 221 | 866 | 545 | 1,411 | (61.4) | 0 | 10 | 0 | 0 | 10 | 78 | 88 |
| Manhattan Occupational Training Center | 1 | 70 | 1 | 39 | 111 | 70 | 181 | (61.3) | 0 | 4 | 0 | 0 | 4 | 21 | 25 |
| Public School 80 (758) | 0 | 597 | 0 | 4 | 601 | 380 | 981 | (61.3) | 0 | 10 | 0 | 0 | 10 | 37 | 47 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 114 (65) | 0 | 202 | 23 | 381 | 606 | 393 | 999 | (60.7) | 0 | 1 | 0 | 0 | 1 | 33 | 34 |
| W. Whitman Intermediate Public School 246 (263) | 1 | 719 | 35 | 177 | 932 | 622 | 1,554 | (60.0) | 0 | 2 | 0 | 0 | 2 | 76 | 78 |
| R. F. Wagner Junior High School, Public School 167 (490) | 1 | 465 | 32 | 477 | 975 | 655 | 1,630 | (59.8) | 0 | 8 | 0 | 1 | 9 | 81 | 90 |
| Public School 132 (184) | 0 | 249 | 2 | 302 | 553 | 384 | 937 | (59.0) | 0 | 1 | 0 | 1 | 2 | 32 | 34 |
| Public School 109, Sedgwick School (63) | 0 | 306 | 3 | 354 | 663 | 461 | 1,124 | (59.0) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Public School 176, Cambria Heights School (801) | 0 | 316 | 2 | 39 | 357 | 254 | 611 | (58.4) | 0 | 5 | 0 | 0 | 5 | 17 | 22 |
| Inwood Junior High School, Public School 52 (566) | 0 | 816 | 26 | 280 | 1,122 | 800 | 1,922 | (58.4) | 0 | 7 | 0 | 3 | 10 | 95 | 105 |
| Public School 183, Beach Park School (738) | 0 | 458 | 0 | 129 | 587 | 421 | 1,008 | (58.2) | 0 | 4 | 0 | 0 | 4 | 72 | 76 |
| Public School 268, Emma Lazarus School (293) | 0 | 360 | 8 | 66 | 434 | 317 | 751 | (57.8) | 0 | 1 | 0 | 1 | 2 | 25 | 27 |
| William H. Maxwell Vocational High School (336) | 0 | 349 | 3 | 583 | 935 | 706 | 1,641 | (57.0) | 0 | 5 | 0 | 0 | 5 | 96 | 101 |
| J. Ericsson Junior High School, Public School (183) | 0 | 319 | 14 | 435 | 768 | 598 | 1,366 | (56.2) | 0 | 6 | 2 | 0 | 8 | 94 | 102 |
| Chelsea Vocational High School (523) | 0 | 177 | 15 | 396 | 588 | 459 | 1,047 | (56.2) | 0 | 4 | 0 | 0 | 4 | 70 | 74 |
| Public School 70, O. Henry School (513) | 6 | 190 | 15 | 494 | 699 | 562 | 1,261 | (55.4) | 0 | 7 | 2 | 2 | 11 | 71 | 82 |
| Public School 152 (578) | 1 | 302 | 24 | 269 | 596 | 483 | 1,079 | (55.2) | 0 | 1 | 0 | 1 | 2 | 39 | 41 |
| Public School 42, R. Vernam School (716) | 0 | 607 | 3 | 163 | 773 | 633 | 1,406 | (55.0) | 0 | 0 | 0 | 0 | 0 | 51 | 51 |
| Public School 35, Nathaniel Woodhull School (784) | 0 | 275 | 15 | 58 | 348 | 286 | 634 | (54.9) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Public School 199, Jesse I. Straus (563) | 0 | 133 | 9 | 135 | 277 | 229 | 506 | (54.7) | 0 | 2 | 0 | 0 | 2 | 42 | 44 |
| Public School 64 (56) | 0 | 188 | 19 | 420 | 625 | 522 | 1,149 | (54.6) | 0 | 1 | 0 | 0 | 1 | 29 | 50 |
| DeWitt Clinton High School (93) | 0 | 1,538 | 46 | 1,304 | 2,888 | 2,451 | 5,339 | (54.1) | 0 | 10 | 0 | 2 | 12 | 138 | 150 |
| Public School 149 (615) | 0 | 245 | 10 | 126 | 381 | 325 | 706 | (54.0) | 0 | 2 | 0 | 0 | 2 | 26 | 28 |
| Public School 154 (213) | 0 | 71 | 10 | 189 | 270 | 236 | 506 | (53.4) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Manhattan Hospital, S. G.R.P (444) | 0 | 25 | 3 | 40 | 68 | 60 | 128 | (53.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Public School 110, Monitor School (181) | | 198 | 0 | 195 | 393 | 350 | 743 | (52.9) | 0 | 3 | 0 | 0 | 3 | 42 | 45 |
| Public School 197, Ocean School (739) | 0 | 385 | 4 | 125 | 514 | 459 | 973 | (52.8) | 0 | 2 | 0 | 0 | 2 | 44 | 46 |
| Public School, 103 Borough Park School (340) | 0 | 100 | 4 | 35 | 139 | 125 | 264 | (52.7) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Walton High School (91) | 0 | 922 | 48 | 933 | 1,903 | 1,720 | 3,623 | (52.5) | 0 | 5 | 0 | 4 | 9 | 165 | 174 |
| Public School 30 (751) | 0 | 683 | 0 | 11 | 694 | 631 | 1,325 | (52.4) | 0 | 19 | 0 | 0 | 19 | 54 | 73 |
| John Jay High School (220) | 0 | 891 | 37 | 1,272 | 2,200 | 2,019 | 4,219 | (52.1) | 0 | 3 | 0 | 2 | 5 | 186 | 191 |
| Public School 83 (104) | 0 | 236 | 4 | 193 | 433 | 401 | 834 | (51.9) | 0 | 2 | 0 | 2 | 4 | 49 | 53 |
| Public School 166 (559) | 0 | 87 | 10 | 266 | 363 | 339 | 702 | (51.7) | 0 | 2 | 0 | 0 | 2 | 48 | 50 |
| Olinville Junior High School, Public School 113 (115) | 0 | 914 | 12 | 124 | 1,050 | 986 | 2,036 | (51.6) | 0 | 10 | 0 | 0 | 10 | 107 | 117 |
| Public School 107, John W. Kimball School (207) | 0 | 22 | 2 | 311 | 335 | 315 | 650 | (51.5) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Public School 89, Elmhurst School (639) | 0 | 107 | 59 | 463 | 629 | 593 | 1,222 | (51.5) | 0 | 1 | 1 | 0 | 2 | 35 | 37 |
| Public School 116, Mary L. Murray School (484) | 0 | 24 | 31 | 265 | 320 | 306 | 626 | (51.1) | 1 | 0 | 0 | 0 | 1 | 28 | 29 |
| Public School 148 (614) | 0 | 255 | 17 | 118 | 390 | 376 | 766 | (50.9) | 0 | 2 | 0 | 0 | 2 | 37 | 39 |
| Jamaica Vocational High School (779) | 0 | 240 | 2 | 63 | 305 | 295 | 600 | (50.8) | 0 | 4 | 0 | 0 | 4 | 47 | 51 |
| Evander Childs (121) | 0 | 1,781 | 14 | 502 | 2,297 | 2,239 | 4,536 | (50.6) | 0 | 10 | 0 | 4 | 14 | 193 | 207 |
| Public School 170 (770) | 0 | 113 | 22 | 124 | 259 | 256 | 515 | (50.3) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Public School 224, The Old Mill School (325) | 0 | 333 | 1 | 106 | 440 | 435 | 875 | (50.3) | 0 | 2 | 0 | 0 | 2 | 45 | 47 |
| Public School 138, Samuel Randall School (41) | 0 | 263 | 8 | 259 | 530 | 526 | 1,056 | (50.2) | 0 | 0 | 0 | 0 | 0 | 42 | 42 |
| Public School 75, Emily Dickinson School (548) | 1 | 178 | 23 | 295 | 497 | 497 | 994 | (50.0) | 0 | 1 | 2 | 0 | 3 | 46 | 49 |
| Public School 18, John Greenleaf Whittier School (820) | 0 | 469 | 5 | 71 | 545 | 555 | 1,100 | (49.5) | 0 | 2 | 0 | 0 | 2 | 71 | 73 |
| R. A. Van Wyck Junior High School (776) | 0 | 501 | 95 | 119 | 715 | 732 | 1,447 | (49.4) | 0 | 3 | 0 | 0 | 3 | 79 | 82 |
| Tri Community Junior High School P.S. 231 (804) | 0 | 827 | 5 | 35 | 867 | 896 | 1,763 | (49.2) | 0 | 19 | 0 | 0 | 19 | 71 | 90 |
| Public School 89 (106) | 0 | 316 | 8 | 318 | 642 | 665 | 1,307 | (49.1) | 0 | 3 | 0 | 0 | 3 | 59 | 62 |
| Public School 87 (551) | 1 | 132 | 10 | 275 | 418 | 445 | 863 | (48.4) | 0 | 2 | 0 | 1 | 3 | 50 | 53 |
| P. Rouget Intermediate Public School 88 (205) | 0 | 129 | 6 | 702 | 837 | 892 | 1,729 | (48.4) | 0 | 5 | 0 | 0 | 5 | 112 | 117 |
| Public School 121 (116) | 1 | 267 | 1 | 164 | 433 | 463 | 896 | (48.3) | 0 | 1 | 1 | 0 | 2 | 41 | 43 |
| Joseph H. Wade Junior High School, Public School 117 (66) | 0 | 425 | 0 | 316 | 741 | 795 | 1,536 | (48.2) | 0 | 2 | 0 | 0 | 2 | 84 | 86 |
| Public School 146 (212) | 0 | 82 | 5 | 372 | 459 | 493 | 952 | (48.2) | 0 | 1 | 0 | 0 | 1 | 43 | 44 |
| O. W. Holmes Junior High School, Public School 204 (621) | 0 | 305 | 20 | 172 | 497 | 535 | 1,032 | (48.2) | 0 | 6 | 0 | 0 | 6 | 67 | 73 |
| Public School 188 (379) | 1 | 305 | 6 | 165 | 477 | 518 | 995 | (47.9) | 0 | 0 | 0 | 0 | 0 | 43 | 43 |
| Public School 91 (84) | 0 | 192 | 13 | 283 | 488 | 532 | 1,020 | (47.8) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Public School 108, Arlington School (310) | 0 | 234 | 9 | 94 | 337 | 386 | 723 | (46.6) | 0 | 2 | 0 | 0 | 2 | 43 | 45 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 58, Carroll School (204) | 0 | 34 | 6 | 443 | 483 | 565 | 1,048 | (46.1) | 0 | 2 | 0 | 0 | 2 | 37 | 39 |
| Public School 41 (100) | 1 | 418 | 5 | 88 | 512 | 602 | 1,114 | (46.0) | 0 | 3 | 0 | 0 | 3 | 45 | 48 |
| Public School 103 (109) | 0 | 316 | 0 | 70 | 386 | 455 | 841 | (45.9) | 0 | 3 | 0 | 0 | 3 | 45 | 48 |
| Public School 44, Thomas C. Brown School (839) | 1 | 360 | 5 | 88 | 454 | 540 | 994 | (45.7) | 0 | 3 | 0 | 0 | 3 | 38 | 41 |
| Aviation High School (624) | 6 | 319 | 79 | 698 | 1,102 | 1,313 | 2,415 | (45.6) | 0 | 6 | 0 | 3 | 9 | 144 | 153 |
| Public School 235, Lenox School (289) | 0 | 202 | 5 | 43 | 250 | 301 | 551 | (45.4) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Public School 98 (569) | 0 | 138 | 29 | 405 | 572 | 699 | 1,271 | (45.0) | 0 | 2 | 0 | 0 | 2 | 37 | 39 |
| Public School 156 (800) | 0 | 469 | 4 | 11 | 484 | 595 | 1,079 | (44.9) | 0 | 4 | 0 | 0 | 4 | 31 | 35 |
| Public School 90, John J. Loftus School (369) | 0 | 105 | 5 | 203 | 313 | 391 | 704 | (44.5) | 0 | 2 | 0 | 0 | 2 | 34 | 36 |
| Mark Twain Junior High School, Public School 239 (389) | 0 | 272 | 4 | 412 | 688 | 865 | 1,553 | (44.3) | 0 | 1 | 0 | 0 | 1 | 86 | 87 |
| Public School 230 (216) | 0 | 180 | 11 | 101 | 292 | 368 | 660 | (44.2) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| Bay Ridge School (366) | 8 | 447 | 21 | 559 | 1,035 | 1,309 | 2,344 | (44.2) | 0 | 4 | 0 | 0 | 4 | 121 | 125 |
| Public School 187 (583) | 0 | 161 | 3 | 139 | 303 | 389 | 692 | (43.8) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Public School 39, Henry Bristow School (202) | 12 | 63 | 8 | 156 | 239 | 307 | 546 | (43.8) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| J. Pulitzer Intermediate (613) | 0 | 505 | 37 | 198 | 740 | 952 | 1,692 | (43.7) | 0 | 1 | 0 | 2 | 3 | 70 | 73 |
| Hospital Schools (597) | 0 | 46 | 0 | 5 | 51 | 66 | 117 | (43.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Public School 135 (279) | 1 | 251 | 2 | 67 | 321 | 418 | 739 | (43.4) | 0 | 2 | 0 | 0 | 2 | 32 | 34 |
| Public School 108 (112) | 0 | 164 | 8 | 97 | 269 | 352 | 621 | (43.3) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Public School 106 (111) | 0 | 198 | 9 | 160 | 367 | 492 | 859 | (42.7) | 0 | 2 | 0 | 0 | 2 | 40 | 42 |
| Public School 32, Belmont School (75) | 1 | 239 | 2 | 333 | 575 | 772 | 1,347 | (42.7) | 0 | 0 | 0 | 0 | 0 | 45 | 45 |
| Public School 151, Miles M. O'Brien School (487) | 0 | 33 | 19 | 132 | 184 | 249 | 433 | (42.5) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| George Westinghouse Vocational and Technical High School (167) | 1 | 896 | 72 | 461 | 1,430 | 1,960 | 3,390 | (42.2) | 0 | 1 | 1 | 2 | 4 | 127 | 131 |
| Public School 31, Bayside Elementary School (686) | 0 | 217 | 10 | 3 | 230 | 317 | 547 | (42.0) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Public School 82 (759) | 0 | 16 | 9 | 135 | 160 | 222 | 382 | (41.9) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Public School 94 (85) | 0 | 223 | 9 | 109 | 341 | 485 | 826 | (41.3) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Public School 97 (108) | 0 | 228 | 2 | 35 | 265 | 383 | 648 | (40.9) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Public School 244 (291) | 1 | 306 | 1 | 74 | 382 | 556 | 938 | (40.7) | 0 | 3 | 0 | 0 | 3 | 33 | 36 |
| Public School 33, Timothy Dwight School (76) | 2 | 205 | 18 | 174 | 399 | 585 | 984 | (40.5) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Public School 46, Alley Pond School (688) | 0 | 215 | 8 | 21 | 244 | 364 | 608 | (40.1) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Public School 269 (423) | 0 | 238 | 23 | 106 | 367 | 554 | 921 | (39.8) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 122, Marble Hill School (89) | 1 | 212 | 20 | 169 | 402 | 625 | 1,027 | (39.1) | 0 | 1 | 0 | 0 | 1 | 30 | 31 |
| Public School 76 (102) | 0 | 288 | 9 | 67 | 364 | 566 | 930 | (39.1) | 0 | 2 | 0 | 0 | 2 | 33 | 35 |
| Public School 61, Leonardo Da Vinci Intermediate (631) | 0 | 310 | 0 | 527 | 837 | 1,307 | 2,144 | (39.0) | 0 | 9 | 0 | 0 | 9 | 100 | 109 |
| Erasmus Hall High School (272) | 2 | 1,834 | 145 | 308 | 2,289 | 3,578 | 5,867 | (39.0) | 0 | 3 | 0 | 0 | 3 | 248 | 251 |
| Public School 164 (347) | 0 | 83 | 5 | 274 | 362 | 566 | 928 | (39.0) | 0 | 0 | 0 | 1 | 1 | 32 | 33 |
| Public School 123, Suydam School (237) | 0 | 95 | 8 | 434 | 537 | 843 | 1,380 | (38.9) | 0 | 3 | 0 | 1 | 4 | 56 | 60 |
| Public School 166 (619) | 0 | 121 | 22 | 175 | 318 | 502 | 820 | (38.8) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 233 (288) | 0 | 271 | 9 | 69 | 349 | 558 | 907 | (38.5) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Queens Village Junior High School, Public School 109 | 0 | 553 | 4 | 48 | 605 | 989 | 1,594 | (38.0) | 0 | 3 | 0 | 0 | 3 | 79 | 82 |
| Public School 169 (214) | 0 | 55 | 16 | 477 | 548 | 896 | 1,444 | (38.0) | 0 | 0 | 0 | 0 | 0 | 51 | 51 |
| Public School 154 (664) | 0 | 309 | 25 | 48 | 382 | 633 | 1,015 | (37.6) | 0 | 1 | 0 | 0 | 1 | 36 | 37 |
| Public School 201 (677) | 0 | 223 | 5 | 24 | 252 | 423 | 675 | (37.3) | 0 | 2 | 0 | 0 | 2 | 28 | 30 |
| Springfield Gardens High High School (805) | 6 | 1,604 | 11 | 87 | 1,708 | 2,894 | 4,602 | (37.1) | 0 | 22 | 1 | 1 | 24 | 190 | 214 |
| Public School 273, Wortman School (327) | 0 | 280 | 5 | 92 | 377 | 641 | 1,018 | (37.0) | 0 | 0 | 0 | 0 | 0 | 45 | 45 |
| New York School of Printing (524) | 0 | 258 | 7 | 248 | 513 | 875 | 1,388 | (37.0) | 0 | 3 | 0 | 2 | 5 | 96 | 101 |
| Public School 20, Bonne Elementary School (653) | 1 | 198 | 84 | 141 | 424 | 726 | 1,150 | (36.9) | 0 | 1 | 0 | 0 | 1 | 39 | 40 |
| Art and Design (499) | 2 | 343 | 309 | 40 | 694 | 1,194 | 1,888 | (36.8) | 0 | 6 | 1 | 1 | 8 | 129 | 137 |
| Grover Cleveland High School (652) | 1 | 1,336 | 14 | 224 | 1,575 | 2,712 | 4,287 | (36.7) | 0 | 2 | 0 | 2 | 4 | 206 | 210 |
| Woodside Junior High, P.S. 125 (645) | 1 | 216 | 44 | 190 | 451 | 780 | 1,231 | (36.6) | 0 | 2 | 1 | 0 | 3 | 39 | 42 |
| Mosholu Parkway Junior High, P.S. 80 (81) | 2 | 451 | 14 | 103 | 570 | 1,017 | 1,587 | (35.9) | 0 | 1 | 0 | 0 | 1 | 90 | 91 |
| Public School 105, Bay School (730) | 0 | 385 | 0 | 76 | 461 | 824 | 1,285 | (35.9) | 0 | 0 | 0 | 0 | 0 | 47 | 47 |
| Public School 192 (354) | 0 | 76 | 2 | 39 | 117 | 217 | 334 | (35.0) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Astoria Intermediate, P.S. 126 (611) | 0 | 186 | 6 | 142 | 334 | 622 | 956 | (34.9) | 0 | 5 | 0 | 0 | 5 | 65 | 70 |
| Public School 34, John Harvard School (783) | 0 | 187 | 11 | 62 | 260 | 486 | 746 | (34.9) | 0 | 3 | 0 | 0 | 3 | 30 | 33 |
| Public School 87 (105) | 0 | 189 | 6 | 48 | 243 | 458 | 701 | (34.7) | 0 | 1 | 0 | 0 | 1 | 30 | 31 |
| Abraham Lincoln Intermediate, Public School 171 (317) | 3 | 193 | 4 | 253 | 453 | 855 | 1,308 | (34.6) | 0 | 5 | 0 | 2 | 7 | 58 | 65 |
| Public School 131 (793) | 0 | 143 | 18 | 13 | 174 | 333 | 507 | (34.3) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Public School 7, Kingsbridge School (71) | 0 | 146 | 11 | 65 | 222 | 426 | 648 | (34.3) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Rockaway Beach Junior High, P.S. 180 (737) | 0 | 332 | 3 | 85 | 420 | 809 | 1,229 | (34.2) | 0 | 4 | 0 | 2 | 6 | 65 | 71 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 16, John Driscoll School (819) | 0 | 244 | 23 | 83 | 350 | 682 | 1,032 | (33.9) | 0 | 1 | 0 | 0 | 1 | 56 | 57 |
| Public School 151 (617) | 2 | 177 | 42 | 101 | 322 | 634 | 956 | (33.7) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Public School 56, Norwood Heights School (79) | 0 | 103 | 11 | 54 | 168 | 331 | 499 | (33.7) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Kings County Psychiatric Hospital, School (449) | 0 | 33 | 0 | 11 | 44 | 87 | 131 | (33.6) | 0 | 1 | 0 | 0 | 1 | 31 | 32 |
| J. M. Kieran Junior High School, Public School 123 (37) | 0 | 454 | 9 | 76 | 539 | 1,072 | 1,611 | (33.5) | 0 | 7 | 0 | 0 | 7 | 83 | 90 |
| John P. Tetard Junior High School, Public School 143 (90) | 0 | 383 | 8 | 70 | 461 | 917 | 1,378 | (33.5) | 0 | 2 | 0 | 0 | 2 | 74 | 76 |
| Public School 38, Rosedale School (787) | 0 | 113 | 0 | 4 | 117 | 237 | 354 | (33.1) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Public School 303, George C. Tilyou School (394) | 1 | 112 | 1 | 174 | 288 | 589 | 877 | (32.8) | 0 | 1 | 0 | 0 | 1 | 45 | 46 |
| Public School 12, James B. Colgate School (626) | 0 | 28 | 25 | 134 | 187 | 384 | 571 | (32.7) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Public School 16 (97) | 0 | 162 | 0 | 64 | 226 | 466 | 692 | (32.7) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Public School 36, Unionport School (25) | 0 | 215 | 11 | 238 | 464 | 968 | 1,432 | (32.4) | 0 | 1 | 0 | 0 | 1 | 38 | 39 |
| Public School 131 (210) | 0 | 152 | 8 | 172 | 332 | 695 | 1,027 | (32.3) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Public School 105 (110) | 0 | 249 | 10 | 198 | 457 | 961 | 1,418 | (32.2) | 0 | 3 | 0 | 0 | 3 | 59 | 62 |
| Queens Cluster School (450) | 0 | 25 | 0 | 4 | 29 | 61 | 90 | (32.2) | 0 | 3 | 0 | 0 | 3 | 28 | 31 |
| Public School 155, Nicholas Herkimer School (434) | 0 | 334 | 0 | 0 | 334 | 708 | 1,042 | (32.1) | 0 | 12 | 0 | 0 | 12 | 49 | 61 |
| Public School 215, the Lucretia Mott School (744) | 0 | 346 | 4 | 86 | 436 | 967 | 1,403 | (31.1) | 0 | 4 | 0 | 0 | 4 | 50 | 54 |
| Public School 198 (411) | 0 | 163 | 2 | 20 | 185 | 418 | 603 | (30.7) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Montauk Junior High School, Public School 223 (360) | 0 | 248 | 12 | 126 | 386 | 878 | 1,264 | (30.5) | 0 | 1 | 0 | 0 | 1 | 67 | 68 |
| Public School 20 Port Richmond School (822) | 0 | 194 | 1 | 21 | 216 | 499 | 715 | (30.2) | 0 | 1 | 0 | 0 | 1 | 33 | 34 |
| John Adams High School (749) | 1 | 1,386 | 23 | 157 | 1,567 | 3,641 | 5,208 | (30.1) | 0 | 12 | 1 | 5 | 18 | 253 | 271 |
| Public School 150 (616) | 0 | 82 | 21 | 70 | 173 | 403 | 576 | (30.0) | 0 | 2 | 0 | 0 | 2 | 34 | 36 |
| Public School 219 (681) | 0 | 245 | 8 | 13 | 266 | 625 | 891 | (29.9) | 0 | 2 | 0 | 0 | 2 | 31 | 33 |
| Dyker Heights Junior High School, Public School (356) | 1 | 262 | 8 | 133 | 404 | 953 | 1,357 | (29.8) | 0 | 0 | 0 | 0 | 0 | 75 | 75 |
| Public School 253 (391) | 0 | 104 | 9 | 193 | 306 | 730 | 1,036 | (29.5) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| F. D. Roosevelt High School (398) | 1 | 941 | 24 | 145 | 1,111 | 2,666 | 3,777 | (29.4) | 0 | 1 | 0 | 0 | 1 | 181 | 182 |
| Public School 40 (458) | 0 | 127 | 22 | 86 | 235 | 566 | 801 | (29.3) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Public School 40, Robert R. Randall School (836) | 0 | 97 | 2 | 29 | 128 | 310 | 438 | (29.2) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Public School 17, O. Henry D. Thoreau School (602) | 1 | 182 | 13 | 225 | 421 | 1,024 | 1,445 | (29.1) | 0 | 4 | 0 | 0 | 4 | 49 | 53 |
| Public School 135 (796) | 0 | 278 | 19 | 47 | 344 | 839 | 1,183 | (29.1) | 0 | 2 | 0 | 0 | 2 | 41 | 43 |
| Public School 14, Vanderbilt School (818) | 0 | 193 | 3 | 61 | 257 | 640 | 897 | (28.7) | 0 | 1 | 1 | 0 | 2 | 47 | 49 |
| High School of Music and Art (589) | 0 | 509 | 46 | 175 | 730 | 1,826 | 2,556 | (28.6) | 0 | 4 | 1 | 4 | 9 | 152 | 161 |
| Public School 46, Edgar Allen Poe School (78) | 1 | 151 | 20 | 108 | 280 | 713 | 993 | (28.2) | 0 | 0 | 0 | 0 | 0 | 41 | 41 |
| Public School 183, R. L. Stevenson School (494) | 0 | 72 | 32 | 27 | 131 | 334 | 465 | (28.2) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Public School 162 (698) | 0 | 190 | 4 | 30 | 224 | 581 | 805 | (27.8) | 0 | 1 | 0 | 0 | 1 | 29 | 30 |
| J. J. Pershing Junior High School, Public School 220 (359) | 1 | 256 | 12 | 202 | 471 | 1,227 | 1,698 | (27.7) | 0 | 2 | 0 | 0 | 2 | 93 | 95 |
| Public School 120 (663) | 1 | 134 | 80 | 10 | 225 | 590 | 815 | (27.6) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| W. Cowper Junior High School, Public School 73 (634) | 3 | 122 | 28 | 201 | 354 | 947 | 1,301 | (27.2) | 0 | 1 | 0 | 0 | 1 | 69 | 70 |
| Public School 18, Winchester School (684) | 0 | 88 | 0 | 12 | 100 | 269 | 369 | (27.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Public School 214 (679) | 0 | 95 | 10 | 96 | 201 | 541 | 742 | (27.1) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 249, Caton Avenue School (264) | 2 | 63 | 24 | 138 | 227 | 615 | 842 | (27.0) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Public School 199, M. A. Fitzgerald School (649) | 0 | 4 | 30 | 175 | 209 | 572 | 781 | (26.8) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Canarsie High School (304) | 1 | 952 | 13 | 317 | 1,283 | 3,542 | 4,825 | (26.6) | 0 | 3 | 1 | 1 | 5 | 235 | 240 |
| Queens Occupation Training Center (452) | 0 | 32 | 1 | 7 | 40 | 112 | 152 | (26.3) | 0 | 2 | 0 | 0 | 2 | 17 | 19 |
| Queens Vocational High School, Public School 600 (623) | 0 | 209 | 13 | 15 | 237 | 667 | 904 | (26.2) | 0 | 1 | 0 | 0 | 1 | 68 | 69 |
| Public School 102 (642) | 0 | 24 | 23 | 85 | 132 | 372 | 504 | (26.2) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Public School 71, East Williamsburg School (633) | 1 | 192 | 5 | 59 | 257 | 730 | 987 | (26.0) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Bayard Taylor School, Public School 158 (488) | 0 | 85 | 25 | 48 | 158 | 452 | 610 | (25.9) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Richmond Hill School (748) | 0 | 628 | 9 | 177 | 814 | 2,332 | 3,146 | (25.9) | 0 | 3 | 0 | 2 | 5 | 156 | 161 |
| Public School 139 (764) | 0 | 137 | 15 | 43 | 195 | 559 | 754 | (25.9) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Public School 90, Horace Mann School (725) | 154 | 0 | 18 | 43 | 215 | 619 | 834 | (25.8) | 0 | 5 | 1 | 0 | 6 | 27 | 33 |
| Public School 208 (284) | 0 | 234 | 6 | 23 | 263 | 764 | 1,027 | (25.6) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Public School 87, Middle Village School (637) | 0 | 129 | 0 | 18 | 147 | 428 | 575 | (25.6) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 88, Seneca School (638) | 0 | 120 | 5 | 68 | 193 | 567 | 760 | (25.4) | 0 | 1 | 1 | 0 | 2 | 30 | 32 |
| Meyer Levin Junior High School, Public School 285 (299) | 1 | 354 | 10 | 69 | 434 | 1,283 | 1,717 | (25.3) | 0 | 0 | 0 | 0 | 0 | 66 | 66 |
| H. Greeley Junior High School, Public School 10 (600) | 0 | 132 | 47 | 130 | 309 | 917 | 1,226 | (25.2) | 0 | 3 | 0 | 0 | 3 | 72 | 75 |
| Public School 200 (676) | 0 | 98 | 11 | 24 | 133 | 400 | 533 | (25.0) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Public School 144 (767) | 0 | 101 | 30 | 27 | 158 | 478 | 636 | (24.8) | 0 | 2 | 0 | 0 | 2 | 24 | 26 |
| E. Blackwell Junior High School, Public School 210 (743) | 0 | 375 | 9 | 95 | 479 | 1,450 | 1,929 | (24.8) | 0 | 4 | 1 | 0 | 5 | 94 | 99 |
| Jamaica High School (806) | 0 | 943 | 68 | 286 | 1,297 | 3,934 | 5,231 | (24.8) | 0 | 6 | 0 | 0 | 6 | 197 | 203 |
| Public School 225, Seaside School (745) | 0 | 75 | 0 | 13 | 88 | 267 | 355 | (24.8) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Castle Hill Junior High School, Public School 127 (117) | 0 | 250 | 15 | 157 | 422 | 1,283 | 1,705 | (24.8) | 0 | 6 | 0 | 1 | 7 | 85 | 92 |
| John Bowne High School (682) | 0 | 772 | 39 | 132 | 943 | 2,872 | 3,815 | (24.7) | 0 | 5 | 0 | 0 | 5 | 182 | 187 |
| Public School 229 (362) | 0 | 105 | 0 | 4 | 109 | 332 | 441 | (24.7) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Villa Loretto School (438) | 0 | 15 | 1 | 11 | 27 | 83 | 110 | (24.5) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Public School 104 (729) | 0 | 217 | 1 | 20 | 238 | 739 | 977 | (24.4) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 68 (101) | 0 | 163 | 2 | 103 | 268 | 840 | 1,108 | (24.2) | 0 | 1 | 0 | 0 | 1 | 40 | 41 |
| Ridgewood Junior High School, Public School 93 (641) | 0 | 298 | 2 | 38 | 338 | 1,060 | 1,398 | (24.2) | 0 | 4 | 0 | 0 | 4 | 70 | 74 |
| Public School 13, Clement C. Moore School (627) | 0 | 22 | 85 | 147 | 254 | 797 | 1,051 | (24.2) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Public School 11, Woodside School (601) | 0 | 59 | 28 | 160 | 247 | 781 | 1,028 | (24.0) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Public School 152 (618) | 0 | 15 | 61 | 179 | 255 | 808 | 1,063 | (24.0) | 0 | 1 | 0 | 0 | 1 | 36 | 37 |
| Public School 153 (648) | 0 | 91 | 0 | 98 | 189 | 600 | 789 | (24.0) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Public School 95 (86) | 0 | 146 | 0 | 117 | 263 | 853 | 1,116 | (23.6) | 0 | 0 | 0 | 0 | 0 | 42 | 42 |
| Public School 72 (32) | 0 | 198 | 4 | 175 | 377 | 1,232 | 1,609 | (23.4) | 0 | 0 | 0 | 0 | 0 | 49 | 49 |
| Public School 24, Andrew Jackson School (657) | 0 | 83 | 84 | 49 | 216 | 709 | 925 | (23.4) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Public School 139 (405) | 3 | 207 | 34 | 93 | 337 | 1,108 | 1,445 | (23.3) | 0 | 0 | 0 | 0 | 0 | 50 | 50 |
| A. Hudde Junior High School, Public School 240 (419) | 1 | 417 | 22 | 69 | 509 | 1,676 | 2,185 | (23.3) | 0 | 0 | 0 | 0 | 0 | 103 | 103 |
| Simon Baruch Junior High School, Public School 104 (467) | 1 | 177 | 37 | 16 | 231 | 761 | 992 | (23.3) | 0 | 2 | 0 | 0 | 2 | 59 | 61 |
| Public School 86, Irvington School (232) | 0 | 34 | 3 | 138 | 175 | 590 | 765 | (22.9) | 0 | 3 | 0 | 0 | 3 | 23 | 26 |
| F. D. Whalen Junior High School, Public School 135 (118) | 0 | 300 | 12 | 57 | 369 | 1,261 | 1,630 | (22.6) | 0 | 4 | 1 | 0 | 5 | 78 | 83 |
| Frances Lewis High School (712) | 1 | 921 | 40 | 38 | 1,000 | 3,424 | 4,424 | (22.6) | 0 | 3 | 1 | 0 | 4 | 157 | 161 |
| Public School 6 (475) | 1 | 142 | 18 | 17 | 178 | 613 | 791 | (22.5) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Public School 152, Glenwood Road School (406) | 1 | 191 | 17 | 83 | 292 | 1,009 | 1,301 | (22.4) | 0 | 0 | 0 | 0 | 0 | 45 | 45 |
| Public School 63, Old South School (722) | 0 | 224 | 2 | 38 | 264 | 916 | 1,180 | (22.4) | 0 | 0 | 0 | 0 | 0 | 48 | 48 |
| Public School, Hollis-wood School (701) | 0 | 71 | 7 | 0 | 78 | 271 | 349 | (22.3) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Public School 54 Hillside Avenue School (755) | 0 | 43 | 3 | 65 | 111 | 386 | 497 | (22.3) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Public School 242 (290) | 0 | 169 | 7 | 64 | 240 | 837 | 1,077 | (22.3) | 0 | 1 | 0 | 0 | 1 | 40 | 41 |
| B. M. Cardozo Junior High School, Public School 198 (740) | 0 | 321 | 0 | 45 | 366 | 1,279 | 1,645 | (22.2) | 0 | 2 | 0 | 0 | 2 | 85 | 87 |
| J. Wilson Junior High School, Public School 211 (385) | 0 | 295 | 3 | 80 | 378 | 1,330 | 1,708 | (22.1) | 0 | 0 | 0 | 0 | 0 | 86 | 86 |
| Public School 177, William Prince School (700) | 0 | 115 | 5 | 5 | 125 | 442 | 567 | (22.0) | 0 | 2 | 0 | 0 | 2 | 25 | 27 |
| Public School 26 (685) | 0 | 156 | 21 | 3 | 180 | 637 | 817 | (22.0) | 0 | 1 | 0 | 0 | 1 | 30 | 31 |
| James Madison High School (429) | 0 | 828 | 24 | 213 | 1,065 | 3,781 | 4,846 | (22.0) | 0 | 6 | 0 | 12 | 18 | 200 | 218 |
| Public School 86 (83) | 0 | 117 | 13 | 103 | 233 | 835 | 1,068 | (21.8) | 0 | 1 | 0 | 0 | 1 | 41 | 42 |
| Parsons Junior High School (1,668) | 0 | 234 | 23 | 55 | 312 | 1,119 | 1,431 | (21.8) | 0 | 2 | 0 | 0 | 2 | 71 | 73 |
| Public School 96 (107) | 0 | 127 | 1 | 91 | 219 | 792 | 1,011 | (21.7) | 0 | 1 | 0 | 0 | 1 | 34 | 35 |
| The Cambridge Public School 68 (632) | 0 | 126 | 2 | 100 | 228 | 840 | 1,068 | (21.3) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Public School 199, Elmwood School (380) | 0 | 123 | 9 | 29 | 161 | 595 | 756 | (21.3) | 0 | 0 | 0 | 0 | 0 | 40 | 40 |
| Public School 188 (705) | 0 | 96 | 0 | 0 | 96 | 355 | 451 | (21.3) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| E. B. Shallow Junior High School, Public School 227 (361) | 0 | 239 | 22 | 51 | 312 | 1,154 | 1,466 | (21.3) | 0 | 1 | 0 | 0 | 1 | 76 | 77 |
| Public School 272, Curtis Eastabrook School (294) | 0 | 189 | 5 | 60 | 254 | 957 | 1,211 | (21.0) | 0 | 1 | 0 | 1 | 2 | 43 | 45 |
| D. C. Beard Junior High School, Public School 189 (673) | 1 | 130 | 53 | 148 | 332 | 1,258 | 1,590 | (20.9) | 0 | 4 | 0 | 0 | 4 | 75 | 79 |
| Samuel J. Tilden School (302) | 0 | 796 | 20 | 33 | 849 | 3,219 | 4,068 | (20.9) | 0 | 3 | 0 | 0 | 3 | 178 | 181 |
| Public School 48, Mapleton School (337) | 2 | 118 | 8 | 15 | 143 | 552 | 695 | (20.6) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Public School 91, Richard Arkwright School (640) | 0 | 94 | 1 | 2 | 97 | 377 | 474 | (20.5) | 0 | 2 | 1 | 0 | 3 | 20 | 23 |
| Public School 130 (209) | 0 | 88 | 2 | 27 | 117 | 457 | 574 | (20.4) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 286 (426) | 0 | 125 | 3 | 3 | 131 | 512 | 643 | (20.4) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 14, Fairview School (628) | 0 | 48 | 35 | 165 | 248 | 972 | 1,220 | (20.3) | 0 | 2 | 0 | 0 | 2 | 44 | 46 |
| Far Rockaway High School (747) | 0 | 549 | 16 | 120 | 685 | 2,688 | 3,373 | (20.3) | 0 | 1 | 1 | 2 | 4 | 158 | 162 |
| Public School 101 (761) | 0 | 96 | 19 | 17 | 132 | 521 | 653 | (20.2) | 0 | 0 | 0 | 1 | 1 | 23 | 24 |
| Thomas A. Edison Vocational Technical High School (807) | 0 | 291 | 8 | 97 | 396 | 1,568 | 1,964 | (20.2) | 0 | 21 | 0 | 0 | 21 | 105 | 126 |
| R. Sage Junior High School, Public School 190 (773) | 0 | 204 | 42 | 60 | 306 | 1,219 | 1,525 | (20.1) | 0 | 2 | 0 | 0 | 2 | 72 | 74 |
| Public School 248 (390) | 0 | 105 | 5 | 23 | 133 | 533 | 666 | (20.0) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Public School 164 (666) | 0 | 85 | 27 | 42 | 154 | 619 | 773 | (19.9) | 0 | 1 | 0 | 0 | 1 | 27 | 28 |
| Public School 190, Paul Revere School (495) | 0 | 46 | 16 | 19 | 81 | 326 | 407 | (19.9) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| William C. Bryant High School, Public School 445 (622) | 1 | 354 | 95 | 357 | 807 | 3,269 | 4,076 | (19.8) | 0 | 7 | 0 | 10 | 17 | 196 | 213 |
| Public School 69, Jackson Heights School (603) | 0 | 13 | 47 | 115 | 175 | 715 | 890 | (19.7) | 0 | 1 | 1 | 0 | 2 | 27 | 29 |
| Public School 8, Isaac Varian School (72) | 0 | 53 | 8 | 41 | 102 | 418 | 520 | (19.6) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| A. S. Pral! Junior High School, Public School 27 (828) | 0 | 300 | 0 | 66 | 366 | 1,500 | 1,866 | (19.6) | 0 | 3 | 0 | 1 | 4 | 98 | 102 |
| Edward Eggleston Public School 19 (98) | 0 | 65 | 0 | 11 | 76 | 314 | 390 | (19.5) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Fort Hamilton High School (367) | 0 | 361 | 46 | 287 | 694 | 2,871 | 3,565 | (19.5) | 0 | 2 | 0 | 3 | 5 | 158 | 163 |
| Public School 117 (762) | 0 | 32 | 108 | 87 | 227 | 945 | 1,172 | (19.4) | 0 | 0 | 0 | 0 | 0 | 49 | 49 |
| Public School 104 (341) | 0 | 171 | 30 | 35 | 236 | 991 | 1,227 | (19.2) | 0 | 0 | 0 | 0 | 0 | 56 | 56 |
| Public School 206 (775) | 0 | 47 | 53 | 84 | 184 | 783 | 967 | (19.0) | 0 | 1 | 0 | 0 | 1 | 38 | 39 |
| Public School 59, Beekman Hill School and annex (478) | 0 | 58 | 15 | 10 | 83 | 356 | 439 | (18.9) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Public School 217 (415) | 0 | 119 | 42 | 46 | 207 | 890 | 1,097 | (18.9) | 0 | 0 | 0 | 0 | 0 | 41 | 41 |
| Public School 163, Bath Beach School (346) | 0 | 97 | 8 | 27 | 132 | 572 | 704 | (18.8) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| Ditmas Junior High School, Public School 62 (338) | 0 | 212 | 27 | 85 | 324 | 1,415 | 1,739 | (18.6) | 0 | 0 | 0 | 1 | 1 | 90 | 91 |
| Public School 41, Greenwich Village School (509) | 2 | 73 | 26 | 122 | 223 | 974 | 1,197 | (18.6) | 0 | 1 | 1 | 0 | 2 | 52 | 54 |
| B. A. Dreyfus Junior High School, Public School 49 (843) | 0 | 170 | 5 | 80 | 255 | 1,115 | 1,370 | (18.6) | 0 | 1 | 1 | 0 | 2 | 75 | 77 |
| Public School 205, Alexander G. Bell School (708) | 0 | 134 | 4 | 20 | 158 | 700 | 858 | (18.4) | 0 | 1 | 0 | 0 | 1 | 30 | 31 |
| Public School 128, Bensonhurst School (376) | 0 | 62 | 6 | 3 | 71 | 319 | 390 | (18.2) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Hillside Junior High School Public, School 172 (699) | 0 | 278 | 2 | 3 | 283 | 1,290 | 1,573 | (18.0) | 0 | 0 | 0 | 0 | 0 | 82 | 82 |
| Public School 121 (375) | 0 | 53 | 4 | 37 | 94 | 429 | 523 | (18.0) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Public School 225 (385) | 0 | 87 | 6 | 45 | 138 | 641 | 779 | (17.7) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Public School 187 (704) | 0 | 73 | 0 | 1 | 74 | 344 | 418 | (17.7) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Public School 181, Brookfield School (802) | 0 | 81 | 4 | 30 | 115 | 541 | 656 | (17.5) | 0 | 2 | 0 | 0 | 2 | 22 | 24 |
| Public School 160, William T. Sampson School (345) | 3 | 37 | 20 | 59 | 119 | 572 | 691 | (17.2) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| W. A. Cunningham Junior High School, Public School 234 (417) | 0 | 232 | 12 | 31 | 275 | 1,339 | 1,614 | (17.0) | 0 | 0 | 0 | 0 | 0 | 75 | 75 |
| Public School 220, Edward Mandel School (777) | 0 | 63 | 43 | 54 | 160 | 801 | 961 | (16.6) | 0 | 1 | 0 | 0 | 1 | 35 | 36 |
| W. McKinley Junior High School, Public School 259 (304) | 0 | 177 | 21 | 30 | 228 | 1,147 | 1,375 | (16.6) | 0 | 2 | 0 | 1 | 3 | 66 | 69 |
| Ralph McKee Vocational and Technical High School (853) | 0 | 108 | 2 | 43 | 153 | 770 | 923 | (16.6) | 1 | 2 | 0 | 0 | 3 | 71 | 74 |
| Brooklyn Technical High School (165) | 1 | 524 | 301 | 63 | 889 | 4,500 | 5,389 | (16.5) | 0 | 3 | 0 | 1 | 4 | 283 | 287 |
| J. J. Reynolds Junior High School | 0 | 217 | 7 | 89 | 313 | 1,588 | 1,901 | (16.5) | 0 | 1 | 1 | 0 | 2 | 89 | 91 |
| Forest Hills High School (778) | 0 | 468 | 52 | 110 | 630 | 3,204 | 3,834 | (16.4) | 0 | 2 | 0 | 3 | 5 | 177 | 182 |
| Public School 251, Paerdegat School (420) | 0 | 127 | 2 | 14 | 143 | 733 | 876 | (16.3) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Public School 205 (358) | 0 | 115 | 6 | 24 | 145 | 754 | 899 | (16.1) | 0 | 0 | 0 | 0 | 0 | 40 | 40 |
| Public School 70 (604) | 1 | 46 | 13 | 143 | 203 | 1,058 | 1,261 | (16.1) | 0 | 0 | 0 | 0 | 0 | 42 | 42 |
| Public School 179, Lewis Carroll School (702) | 0 | 55 | 10 | 0 | 65 | 339 | 404 | (16.1) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Curtis High School (851) | 0 | 260 | 18 | 80 | 358 | 1,872 | 2,230 | (16.1) | 0 | 1 | 0 | 2 | 3 | 109 | 112 |
| Public School 81 (82) | 0 | 38 | 104 | 15 | 157 | 832 | 989 | (15.9) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Public School 193 (407) | 0 | 140 | 11 | 21 | 172 | 915 | 1,087 | (15.8) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| G. J. Ryan Junior High School (710) | 0 | 193 | 20 | 5 | 218 | 1,162 | 1,380 | (15.8) | 0 | 6 | 0 | 0 | 6 | 63 | 69 |
| Public School 179 (350) | 0 | 80 | 6 | 96 | 182 | 973 | 1,155 | (15.8) | 0 | 0 | 0 | 0 | 0 | 47 | 47 |
| H. G. Campbell Junior High School, Public School 218 (680) | 0 | 191 | 26 | 16 | 233 | 1,249 | 1,482 | (15.7) | 0 | 3 | 0 | 0 | 3 | 78 | 81 |
| Public School 13, Rosebank School (817) | 0 | 56 | 6 | 34 | 96 | 515 | 611 | (15.7) | 0 | 0 | 0 | 0 | 0 | 43 | 43 |
| Public School 22, Thomas Jefferson School (655) | 0 | 14 | 59 | 75 | 148 | 799 | 947 | (15.6) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Martin Van Buren High School (713) | 1 | 634 | 21 | 28 | 684 | 3,713 | 4,397 | (15.6) | 0 | 3 | 1 | 1 | 5 | 190 | 195 |
| R. H. Goddard Junior High School, Public School 202 (741) | 0 | 248 | 6 | 53 | 307 | 1,669 | 1,976 | (15.5) | 0 | 3 | 0 | 0 | 8 | 96 | 104 |
| Public School 174, W. M. Sidney Mount School (771) | 0 | 32 | 46 | 44 | 122 | 667 | 789 | (15.5) | 0 | 1 | 0 | 0 | 1 | 30 | 31 |
| Public School 122, Silas Wright School (468) | 0 | 20 | 24 | 17 | 61 | 335 | 396 | (15.4) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Public School 112 (343) | 0 | 64 | 2 | 6 | 72 | 396 | 468 | (15.4) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Public School 146, Howard Beach School (735) | 0 | 112 | 0 | 12 | 124 | 685 | 809 | (15.3) | 0 | 1 | 0 | 0 | 1 | 29 | 30 |
| Stuyvesant High School (474) | 2 | 155 | 120 | 69 | 346 | 1,929 | 2,275 | (15.2) | 0 | 2 | 1 | 1 | 4 | 114 | 118 |
| Public School 212 (382) | 0 | 121 | 3 | 12 | 136 | 761 | 897 | (15.2) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 55 (756) | 0 | 46 | 4 | 54 | 104 | 585 | 689 | (15.1) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Public School 102 (339) | 0 | 97 | 22 | 64 | 183 | 1,030 | 1,213 | (15.1) | 0 | 1 | 0 | 0 | 1 | 59 | 60 |
| Public School 105 (342) | 1 | 86 | 12 | 51 | 150 | 858 | 1,008 | (14.9) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| Public School 185 (352) | 0 | 42 | 12 | 7 | 61 | 349 | 410 | (14.9) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Public School 180, Homebound School (351) | 0 | 65 | 4 | 15 | 84 | 481 | 565 | (14.9) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Edenwald School (446) | 0 | 11 | 0 | 8 | 19 | 109 | 128 | (14.8) | 0 | 2 | 0 | 0 | 2 | 15 | 17 |
| Public School 71 (31) | 0 | 246 | 8 | 9 | 263 | 1,512 | 1,775 | (14.8) | 0 | 1 | 0 | 0 | 1 | 62 | 63 |
| Midwood High School (428) | 1 | 501 | 35 | 58 | 595 | 3,474 | 4,069 | (14.6) | 0 | 5 | 0 | 0 | 5 | 165 | 170 |
| Public School 194 (408) | 0 | 119 | 3 | 10 | 132 | 771 | 903 | (14.6) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Louis Pasteur Junior High, Public School 67 (689) | 0 | 201 | 12 | 16 | 229 | 1,338 | 1,567 | (14.6) | 0 | 2 | 0 | 0 | 2 | 80 | 82 |
| Public School 254, Dag Hammarskjold School (421) | 3 | 43 | 4 | 15 | 65 | 380 | 445 | (14.6) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Public School 213 (709) | 0 | 74 | 0 | 41 | 115 | 684 | 799 | (14.4) | 0 | 1 | 0 | 0 | 1 | 35 | 36 |
| E. Markham Junior High School P.S. 51 (845) | 1 | 157 | 2 | 44 | 204 | 1,215 | 1,419 | (14.4) | 0 | 2 | 0 | 0 | 2 | 76 | 78 |
| Public School 133 (695) | 0 | 103 | 0 | 4 | 107 | 639 | 746 | (14.3) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Public School 65 (308) | 0 | 13 | 0 | 39 | 52 | 313 | 365 | (14.2) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Sheepshead Bay High School 530 (430) | 0 | 530 | 19 | 84 | 633 | 3,832 | 4,465 | (14.2) | 0 | 1 | 0 | 0 | 1 | 209 | 210 |
| Public School 170, Lexington School 66 (348) | 0 | 66 | 10 | 19 | 95 | 579 | 674 | (14.1) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Flushing High School 242 (683) | 0 | 242 | 65 | 161 | 468 | 2,864 | 3,332 | (14.0) | 0 | 3 | 1 | 1 | 5 | 141 | 146 |
| Public School 41, Crocheron School 41 (687) | 0 | 61 | 16 | 20 | 97 | 614 | 711 | (13.6) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Christopher Columbus High School (120) | 0 | 366 | 43 | 206 | 615 | 3,914 | 4,529 | (13.6) | 0 | 10 | 0 | 0 | 10 | 201 | 211 |
| Port Richmond High School (850) | 0 | 221 | 3 | 75 | 299 | 1,907 | 2,206 | (13.6) | 0 | 1 | 0 | 2 | 3 | 119 | 122 |
| Public School 26 (507) | 1 | 30 | 15 | 17 | 63 | 402 | 465 | (13.5) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Public School 177, Marlboro School (378) | 0 | 100 | 8 | 41 | 149 | 951 | 1,100 | (13.5) | 0 | 0 | 0 | 0 | 0 | 45 | 45 |
| M. Curie Junior High School, P.S. 158 (696) | 0 | 144 | 18 | 19 | 181 | 1,157 | 1,338 | (13.5) | 0 | 1 | 0 | 0 | 1 | 46 | 47 |
| Public School 34 (175) | 0 | 0 | 0 | 71 | 71 | 454 | 525 | (13.5) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Public School 33, Creedmoor School (782) | 0 | 92 | 0 | 51 | 143 | 927 | 1,070 | (13.4) | 0 | 0 | 0 | 0 | 0 | 40 | 40 |
| Public School 255 (422) | 0 | 87 | 9 | 20 | 116 | 760 | 876 | (13.2) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Public School 138, Sunrise School (798) | 0 | 127 | 3 | 6 | 136 | 893 | 1,029 | (13.2) | 0 | 3 | 0 | 0 | 3 | 35 | 38 |
| Public School 173 ( 70) | 0 | 80 | 16 | 1 | 97 | 648 | 745 | (13.0) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Public School 29 (659) | 73 | 0 | 0 | 9 | 82 | 549 | 631 | (13.0) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Bronx High School of Science (94) | 0 | 199 | 120 | 101 | 420 | 2,828 | 3,248 | (12.9) | 0 | 2 | 0 | 0 | 2 | 164 | 166 |
| Nathaniel Hawthorne Junior High School, Public School 74 (690) | 0 | 189 | 0 | 18 | 207 | 1,405 | 1,612 | (12.8) | 0 | 1 | 0 | 0 | 1 | 72 | 73 |
| Public School 81, Jean Paul Richter School (636) | 0 | 100 | 3 | 13 | 116 | 803 | 919 | (12.6) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Public School 176 (349) | 0 | 103 | 2 | 17 | 142 | 991 | 1,133 | (12.5) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| Bayside High School (714) | 0 | 444 | 28 | 45 | 517 | 3,687 | 4,204 | (12.3) | 0 | 4 | 0 | 1 | 5 | 186 | 191 |
| Public School 215 (383) | 0 | 76 | 14 | 7 | 97 | 694 | 791 | (12.3) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| S. A. Halsey Junior High School, Public School 157 (768) | 0 | 41 | 43 | 91 | 175 | 1,264 | 1,439 | (12.2) | 0 | 3 | 0 | 0 | 3 | 68 | 71 |
| Public School 221 (711) | 0 | 95 | 0 | 8 | 103 | 750 | 853 | (12.1) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Benjamin Cardozo High School | 0 | 339 | 5 | 12 | 356 | 2,625 | 2,981 | (11.9) | 0 | 0 | 0 | 0 | 0 | 149 | 149 |
| Public School 175 (772) | 0 | 35 | 31 | 55 | 121 | 894 | 1,015 | (11.9) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Public School 186 (353) | 1 | 85 | 14 | 19 | 119 | 883 | 1,002 | (11.9) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| Public School 226 (386) | 0 | 82 | 10 | 21 | 113 | 849 | 962 | (11.7) | 0 | 0 | 0 | 0 | 0 | 53 | 53 |
| Public School 207, Rockwood Park School (742) | 0 | 112 | 9 | 29 | 150 | 1,130 | 1,280 | (11.7) | 0 | 2 | 0 | 0 | 2 | 41 | 43 |
| Public School 64, Andre Ampere School (723) | 0 | 64 | 0 | 15 | 79 | 602 | 681 | (11.6) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Public School 165, Vleigh School (667) | 0 | 53 | 25 | 47 | 125 | 961 | 1,086 | (11.5) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Public School 119, Glendale Junior High School (644) | 0 | 77 | 4 | 7 | 88 | 682 | 770 | (11.4) | 0 | 2 | 0 | 1 | 3 | 40 | 43 |
| Public School 197 (410) | 0 | 97 | 0 | 0 | 79 | 754 | 851 | (11.4) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Public School 130 (694) | 0 | 36 | 7 | 20 | 63 | 493 | 556 | (11.3) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| William F. Grady Vocational Technical High School (399) | 1 | 83 | 3 | 74 | 161 | 1,270 | 1,431 | (11.3) | 0 | 1 | 0 | 0 | 1 | 108 | 109 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 281 Joseph B. Cavallaro Junior High School (392) | 0 | 167 | 7 | 35 | 209 | 1,678 | 1,887 | (11.1) | 0 | 3 | 0 | 0 | 3 | 97 | 100 |
| Abraham Lincoln High School (397) | 0 | 330 | 18 | 103 | 456 | 3,671 | 4,127 | (11.0) | 0 | 1 | 0 | 0 | 1 | 178 | 179 |
| Public School 279 (297) | 0 | 78 | 5 | 35 | 118 | 963 | 1,081 | (10.9) | 0 | 1 | 0 | 0 | 1 | 36 | 37 |
| Public School 206 (413) | 0 | 111 | 28 | 20 | 159 | 1,301 | 1,460 | (10.9) | 0 | 0 | 0 | 0 | 0 | 48 | 48 |
| Public School 113 (643) | 0 | 40 | 1 | 6 | 47 | 387 | 434 | (10.8) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Public School 99 Kew Garden School (760) | 0 | 20 | 18 | 20 | 58 | 478 | 536 | (10.8) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Public School 46 South Beach School (841) | 0 | 46 | 0 | 9 | 55 | 463 | 518 | (10.6) | 0 | 0 | 0 | 0 | 0 | 20 | 2 |
| Public School 98 (692) | 0 | 32 | 8 | 2 | 42 | 357 | 399 | (10.5) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Public School 114, Belle Harbor School (732) | 0 | 73 | 2 | 14 | 89 | 758 | 847 | (10.5) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 21, Edward Hart School (654) | 0 | 44 | 39 | 38 | 121 | 1,034 | 1,155 | (10.5) | 0 | 0 | 1 | 0 | 1 | 44 | 45 |
| Shell Bank Junior High, Public School 14 (400) | 0 | 131 | 3 | 13 | 147 | 1,275 | 1,422 | (10.3) | 0 | 0 | 0 | 0 | 0 | 69 | 69 |
| Public School 115 (693) | 0 | 62 | 10 | 9 | 81 | 704 | 785 | (10.3) | 0 | 1 | 0 | 0 | 1 | 33 | 34 |
| Lafayette High School, Public School (396) | 0 | 289 | 24 | 182 | 495 | 4,362 | 4,857 | (10.2) | 0 | 4 | 0 | 0 | 4 | 222 | 226 |
| 84 Steinway School (606) | 3 | 6 | 2 | 54 | 65 | 579 | 644 | (10.1) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Public School 229, James A. Garfield School (650) | 1 | 46 | 14 | 44 | 105 | 969 | 1,074 | (9.8) | 0 | 0 | 0 | 0 | 0 | 44 | 44 |
| Public School 247 (363) | 1 | 44 | 7 | 17 | 69 | 639 | 708 | (9.7) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Public School 163 (665) | 0 | 19 | 21 | 10 | 50 | 467 | 517 | (9.7) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Public School 52, Sheepshead Bay (402) | 0 | 93 | 2 | 2 | 97 | 909 | 1,006 | (9.6) | 0 | 0 | 0 | 0 | 0 | 40 | 40 |
| Public School 200 (355) | 1 | 97 | 9 | 40 | 147 | 1,388 | 1,535 | (9.6) | 0 | 0 | 0 | 0 | 0 | 54 | 54 |
| Public School 195 (409) | 0 | 20 | 8 | 8 | 36 | 341 | 377 | (9.5) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Public School 209, Clearview Gardens South (678) | 0 | 62 | 11 | 8 | 81 | 802 | 883 | (9.2) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| E. Bleeker Junior High School, Public School 185 (672) | 0 | 84 | 30 | 23 | 137 | 1,359 | 1,496 | (9.2) | 0 | 1 | 0 | 0 | 1 | 72 | 73 |
| Public School 191 (706) | 0 | 32 | 9 | 4 | 45 | 455 | 500 | (9.0) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Public School 95, Gravesend School (370) | 0 | 70 | 3 | 3 | 76 | 771 | 847 | (9.0) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Public School 19, Curtis School (821) | 0 | 33 | 1 | 15 | 49 | 504 | 553 | (8.9) | 0 | 0 | 0 | 1 | 1 | 21 | 22 |
| Public School 85, Humphrey Davy School (607) | 0 | 4 | 4 | 55 | 63 | 648 | 711 | (8.9) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Public School 108 (731) | 2 | 40 | 4 | 11 | 57 | 588 | 645 | (8.8) | 0 | 2 | 0 | 0 | 2 | 22 | 24 |
| Public School 94, David D. Porter School (691) | 0 | 34 | 2 | 4 | 40 | 429 | 469 | (8.5) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Public School 209 (381) | 0 | 71 | 7 | 11 | 89 | 957 | 1,046 | (8.5) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Public School 51, Arthur Middleton School (719) | 0 | 2 | 4 | 15 | 21 | 226 | 247 | (8.5) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| David A. Boody Junior High School, Public School 228 (387) | 0 | 138 | 11 | 0 | 149 | 1,616 | 1,765 | (8.4) | 0 | 3 | 0 | 0 | 3 | 90 | 93 |
| Seth Low Junior High School, Public School 96 (371) | 1 | 89 | 12 | 42 | 144 | 1,567 | 1,711 | (8.4) | 0 | 1 | 0 | 0 | 1 | 90 | 91 |
| Public School 107 (662) | 0 | 27 | 24 | 38 | 89 | 991 | 1,080 | (8.2) | 0 | 1 | 0 | 0 | 1 | 39 | 40 |
| Public School 21, Elm Park School (823) | 0 | 22 | 0 | 8 | 30 | 335 | 365 | (8.2) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Public School 29, Bardwell School (829) | 0 | 58 | 1 | 13 | 72 | 815 | 887 | (8.1) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Public School 32 (660) | 0 | 29 | 18 | 28 | 75 | 862 | 937 | (8.0) | 0 | 1 | 0 | 0 | 1 | 37 | 38 |
| Public School 24, Spuyten Duyvil School (73) | 0 | 7 | 77 | 8 | 92 | 1,059 | 1,151 | (8.0) | 0 | 0 | 0 | 0 | 0 | 42 | 42 |
| Public School 49 (630) | 0 | 26 | 10 | 15 | 51 | 596 | 647 | (7.9) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Public School 238 (388) | 1 | 60 | 1 | 20 | 82 | 960 | 1,042 | (7.9) | 0 | 0 | 0 | 0 | 0 | 44 | 44 |
| Public School 153, Homecrest School (377) | 2 | 35 | 17 | 23 | 77 | 916 | 993 | (7.8) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Marine Park Junior High School, Public School 278 (425) | 0 | 114 | 9 | 8 | 131 | 1,568 | 1,699 | (7.7) | 0 | 2 | 0 | 0 | 2 | 84 | 86 |
| Public School 99, Midwood School (373) | 2 | 45 | 22 | 15 | 84 | 1,041 | 1,125 | (7.5) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| Public School 195, William Haberle (803) | 0 | 44 | 0 | 0 | 44 | 563 | 607 | (7.2) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Public School 2 (598) | 0 | 21 | 5 | 23 | 49 | 635 | 684 | (7.2) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Public School 216 (384) | 0 | 65 | 2 | 4 | 71 | 969 | 1,040 | (6.8) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Public School 196 (774) | 0 | 17 | 21 | 26 | 64 | 880 | 944 | (6.8) | 0 | 0 | 0 | 0 | 0 | 41 | 41 |
| Isaac Bildersee Junior High School, Public School 68 (275) | 0 | 94 | 6 | 35 | 135 | 1,861 | 1,996 | (6.8) | 0 | 0 | 0 | 1 | 1 | 98 | 99 |
| Public School 3, Pleasant Plains School (810) | 1 | 18 | 4 | 8 | 31 | 428 | 459 | (6.8) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Public School 39, Arrachar School (835) | 0 | 8 | 8 | 15 | 31 | 432 | 463 | (6.7) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Public School 12, Ralph Waldo Emerson School (816) | 0 | 5 | 0 | 14 | 19 | 268 | 287 | (6.6) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Public School 186 (703) | 0 | 61 | 1 | 1 | 63 | 896 | 959 | (6.6) | 0 | 1 | 1 | 0 | 2 | 34 | 36 |
| New Utrecht High School (365) | 0 | 177 | 19 | 58 | 254 | 3,731 | 3,985 | (6.4) | 0 | 2 | 0 | 0 | 2 | 183 | 185 |
| Public School 45, John Tyler School (840) | 0 | 31 | 7 | 12 | 50 | 769 | 819 | (6.1) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Public School 52, John C. Thompson School (846) | 0 | 30 | 3 | 57 | 90 | 1,450 | 1,540 | (5.8) | 0 | 0 | 1 | 0 | 1 | 52 | 53 |
| Public School 119 (404) | 0 | 17 | 18 | 9 | 44 | 715 | 759 | (5.8) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 312, Bergen Beach School (427) | 0 | 48 | 4 | 4 | 56 | 921 | 977 | (5.7) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| W. H. Carr Junior High School, Public School 194 (675) | 0 | 76 | 12 | 20 | 108 | 1,891 | 1,999 | (5.4) | 0 | 2 | 0 | 0 | 2 | 100 | 102 |
| Tuttenville High School (852) | 32 | 0 | 6 | 52 | 0 | 1,600 | 1,690 | (5.3) | 1 | 0 | 0 | 3 | 4 | 90 | 94 |
| Public School 204 (357) | 0 | 43 | 0 | 3 | 46 | 842 | 888 | (5.2) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Public School 184 (671) | 0 | 24 | 9 | 3 | 36 | 687 | 723 | (5.0) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Public School 38, George Cromwell School (834) | 0 | 0 | 2 | 10 | 12 | 232 | 244 | (4.9) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Public School 97, Forest Park School (727) | 0 | 15 | 1 | 9 | 25 | 526 | 551 | (4.5) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| R. H. Mann Junior High School, Public School 78 (403) | 0 | 88 | 9 | 3 | 100 | 2,104 | 2,204 | (4.5) | 0 | 0 | 0 | 0 | 0 | 104 | 104 |
| Public School 222, Katherine R. Snyder (416) | 0 | 42 | 4 | 4 | 50 | 1,087 | 1,137 | (4.4) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Public School 193, Alfred J. Kennedy School (674) | 0 | 3 | 26 | 13 | 42 | 923 | 965 | (4.4) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 97, Highlawn School (372) | 0 | 38 | 1 | 4 | 43 | 964 | 1,007 | (4.3) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 79, Francis Lewis Elementary School (661) | 0 | 2 | 12 | 27 | 41 | 1,000 | 1,041 | (3.9) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Public School 100, Glen Morris School (728) | 0 | 19 | 3 | 25 | 47 | 1,148 | 1,195 | (3.9) | 0 | 1 | 0 | 0 | 1 | 44 | 45 |
| Public School 4, Kreischer School (811) | 0 | 6 | 0 | 0 | 6 | 151 | 157 | (3.8) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Public School 48, William G. Wilcox School (842) | 0 | 3 | 2 | 11 | 16 | 410 | 426 | (3.8) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Public School 62 Chester Park School (721) | 0 | 13 | 5 | 12 | 30 | 800 | 830 | (3.6) | 0 | 1 | 0 | 0 | 1 | 30 | 31 |
| Public School 23 Richmond Town School (825) | 0 | 22 | 4 | 7 | 33 | 882 | 915 | (3.6) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Public School 22 Graniteville School (824) | 0 | 19 | 7 | 14 | 40 | 1,080 | 1,120 | (3.6) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| E. Bernstein Junior High School Public School (813) | 0 | 19 | | 23 | 45 | 1,255 | 1,300 | (3.5) | 0 | 2 | 0 | 0 | 2 | 67 | 69 |
| Public School 14 Throggs Neck School (24) | 0 | | | 28 | 30 | 875 | 905 | (3.3) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| The Westerleigh Public School 30 (830) | 0 | 19 | 7 | 18 | 44 | 1,312 | 1,356 | (3.2) | 0 | 1 | 1 | 0 | 2 | 42 | 44 |
| Public School 232 Lindenwood School (746) | 0 | 26 | 6 | 7 | 39 | 1,163 | 1,202 | (3.2) | 0 | 0 | 0 | 0 | 0 | 41 | 41 |
| Public School 1 Tottenville School (808) | 0 | 17 | 0 | 5 | 22 | 690 | 712 | (3.1) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Public School 35 Clove Valley School (832) | 0 | 3 | 7 | 1 | 11 | 351 | 632 | (3.0) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Public School 42, Eltingville (838) | 0 | 4 | 1 | 15 | 20 | 666 | 686 | (2.9) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Public School 41, The New Dorp School (837) | 1 | 11 | 5 | 18 | 35 | 1,189 | 1,224 | (2.9) | 0 | 0 | 0 | 0 | 0 | 41 | 41 |
| Public School 60, Woodhaven School (720) | 0 | 10 | 6 | 16 | 32 | 1,141 | 1,173 | (2.7) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Egbert Junior High School, Public School 2 (809) | 0 | 12 | 5 | 14 | 31 | 1,171 | 1,202 | (2.6) | 0 | 0 | 0 | 0 | 0 | 62 | 62 |
| Public School 203 (412) | 0 | 20 | 12 | 5 | 37 | 1,479 | 1,516 | (2.4) | 0 | 0 | 0 | 0 | 0 | 48 | 48 |
| Public School 66, Oxford School (724) | 0 | 0 | 2 | 6 | 8 | 343 | 351 | (2.3) | 0 | 1 | 0 | 0 | 1 | 12 | 13 |
| New Dorp High School (849) | 0 | 26 | 4 | 30 | 60 | 2,737 | 2,797 | (2.1) | 0 | 0 | 0 | 1 | 1 | 134 | 135 |
| Public School 101 (374) | 0 | 2 | 4 | 13 | 19 | 874 | 893 | (2.1) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| Public School 203, Oakland Gardens School (707) | 0 | 3 | 6 | 10 | 19 | 934 | 953 | (2.0) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Public School 27, College Point School (658) | 0 | 2 | 1 | 7 | 10 | 546 | 556 | (1.8) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Public School 55, Henry M. Boehm School (848) | 0 | 7 | 0 | 10 | 17 | 950 | 967 | (1.8) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Public School 26, Carteret School (827) | 0 | 3 | 0 | 2 | 5 | 298 | 303 | (1.7) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Public School 169, Public School 168 (669) | 0 | 6 | 5 | 3 | 14 | 960 | 974 | (1.4) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| Public School 50, Frank Hankinson School (844) | 0 | 0 | 8 | 6 | 14 | 1,048 | 1,062 | (1.3) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Public School 114, Ryder Elementary School (276) | 0 | 4 | 6 | 2 | 12 | 1,014 | 1,026 | (1.2) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Public School 36, Annadale School (833) | 0 | 3 | 0 | 1 | 4 | 343 | 347 | (1.2) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Public School 8, Great Hills School (814) | 0 | 0 | 4 | 4 | 8 | 706 | 714 | (1.1) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Public School 115, Canarsie School (277) | 0 | 0 | 3 | 13 | 16 | 1,465 | 1,481 | (1.1) | 0 | 0 | 0 | 0 | 0 | 58 | 58 |
| Public School 207 (414) | 0 | 0 | 7 | 3 | 10 | 982 | 992 | (1.0) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Public School 5, Huguenot School (812) | 0 | 1 | 0 | 3 | 4 | 420 | 424 | (0.9) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Public School 236, Mill Basin School (418) | 1 | 0 | 4 | 0 | 5 | 1,021 | 1,026 | (0.5) | 0 | 1 | 0 | 0 | 1 | 34 | 35 |
| Public School 276, L. Marshall Elementary School (296) | 0 | 0 | 6 | 2 | 8 | 1,722 | 1,730 | (0.5) | 0 | 0 | 0 | 0 | 0 | 57 | 57 |

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: NEW YORK CITY PUBLIC SCHOOLS. NUMBER OF SCHOOLS: 853. REPRESENTING: 853. CITY: BROOKLYN. COUNTY: 63—Continued

| | Students— | | | | | | | Weight: | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | 1.0—grades | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Public School 53, Bay Terrace School (847) | 0 | 0 | 0 | 3 | 3 | 671 | 674 | (0.4) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Public School 159 (697) | 0 | 0 | 2 | 0 | 2 | 575 | 577 | (0.3) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Public School 277 (424) | 0 | 0 | 0 | 0 | 0 | 607 | 607 | (0.0) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Public School 128, Juniper Valley School (646) | 0 | 0 | 0 | 0 | 0 | 252 | 252 | (0.0) | 0 | 0 | 0 | 1 | 1 | 9 | 10 |
| Public School 47, Broad Channel School (718) | 0 | 0 | 0 | 0 | 0 | 164 | 164 | (0.0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Bronx Hospital School, Group 1 (447) | 0 | 0 | 0 | 0 | 0 | 139 | 139 | (0.0) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Newton High School (651) | 0 | 0 | 0 | 0 | 0 | 4,942 | 4,942 | (0.0) | 0 | 0 | 0 | 0 | 0 | 234 | 234 |
| Public School 94 (206) | 0 | 0 | 0 | 0 | 0 | 1,500 | 1,500 | (0.0) | 0 | 0 | 0 | 0 | 0 | 59 | 59 |

NEW YORK STATE TOTAL

[Number of districts: 686, Representing: 686, Number of schools: 4,292, Representing: 4,292]

| | American Indian | Negro | Oriental | Spanish American | Minority total | Others | Total |
|---|---|---|---|---|---|---|---|
| Students | 5,710 | 473,253 | 19,620 | 263,799 | 762,382 | 2,601,708 | 3,364,090 |
| Representing | 5,710 | 473,253 | 19,620 | 263,799 | 762,382 | 2,601,708 | 3,364,090 |
| Teachers | 87 | 6,054 | 251 | 762 | 7,154 | 152,204 | 159,358 |
| Representing | 87 | 6,054 | 251 | 762 | 7,154 | 152,204 | 159,358 |

Mr. JAVITS. Mr. President, the Senator from Mississippi (Mr. STENNIS) today introduced a series of figures relating to the concentration of children of minority families in certain schools and school districts in my State of New York.

I ask unanimous consent that the remarks I make will immediately follow the remarks of Senator STENNIS in the RECORD. I have advised Senator STENNIS that I will be doing this, so he is apprised of it and is entirely willing to have me do what I am doing.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a chart which was prepared at my request by the office of Civil Rights of the Department of Health, Education, and Welfare.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

MISSISSIPPI AND NEW YORK, SCHOOL ASSIGNMENTS BY RACE

| Reports<br>School systems reporting<br>Schools reporting | Mississippi<br>106 of 148<br>770 | | New York<br>686 of 760<br>4,292 | | Buffalo, N.Y.<br>1<br>101 | | Jackson, Miss.<br>1<br>56 | | New York City<br>1<br>853 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Student enrollment: | | | | | | | | | | |
| American Indian | 112 | 0.0 | 5,710 | 0.2 | 429 | 0.6 | 17 | 0.0 | 1,526 | 0.1 |
| Negro | 223,784 | 49.0 | 473,253 | 14.1 | 26,381 | 36.6 | 17,919 | 46.2 | 334,841 | 31.5 |
| Oriental | 384 | 0.1 | 19,620 | 0.6 | 85 | 0.1 | 19 | 0.0 | 15,753 | 1.5 |
| Spanish Sur. American | 327 | 0.1 | 263,799 | 7.8 | 1,278 | 1.8 | 25 | 0.1 | 244,302 | 23.0 |
| Total minority | 224,607 | 49.2 | 762,382 | 22.7 | 28,173 | 39.1 | 11,980 | 46.4 | 596,422 | 56.1 |
| Nonminority | 231,924 | 50.8 | 2,601,708 | 77.3 | 43,942 | 60.9 | 20,793 | 53.6 | 467,365 | 43.9 |
| Total all students | 456,531 | 100.0 | 3,364,090 | 100.0 | 72,115 | 100.0 | 38,773 | 100.0 | 1,063,787 | 100.0 |

| Distribution of Negro Students | Percent Negro students assigned to— | Number of schools | Percent Negro students assigned to— | Number of schools | Percent Negro students assigned to— | Number of schools | Percent Negro students assigned to— | Number of schools | Percent Negro students assigned to— | Number of schools |
|---|---|---|---|---|---|---|---|---|---|---|
| 100 percent Negro schools | 87.4 | 269 | 1.6 | 10 | 5.6 | 4 | 94.6 | 19 | 1.8 | 6 |
| 99–100 percent Negro schools | 92.4 | 281 | 4.6 | 24 | 28.2 | 11 | 94.6 | 19 | 4.2 | 13 |
| 90–100 percent Negro schools | 92.7 | 283 | 16.3 | 91 | 61.3 | 22 | 94.6 | 19 | 15.2 | 50 |
| 80–100 percent Negro schools | 92.7 | 283 | 22.3 | 133 | 65.0 | 24 | 94.6 | 19 | 21.9 | 79 |
| 50–100 percent Negro schools | 93.3 | 292 | 44.9 | 292 | 72.6 | 28 | 97.0 | 22 | 48.4 | 192 |
| 0–49 percent Negro schools | 6.7 | 478 | 55.1 | 4,000 | 27.4 | 73 | 3.0 | 34 | 51.6 | 661 |

| Distribution of nonminority (white) students | Percent white students assigned to— | Number of schools | Percent white students assigned to— | Number of schools | Percent white students assigned to— | Number of schools | Percent white students assigned to— | Number of schools | Percent white students assigned to— | Number of schools |
|---|---|---|---|---|---|---|---|---|---|---|
| 100 percent white schools | 12.1 | 86 | 12.4 | 635 | 0.0 | 0 | 12.6 | 5 | 1.9 | 6 |
| 99–100 percent white schools | 25.8 | 138 | 39.4 | 1,572 | 1.4 | 2 | 55.8 | 19 | 2.6 | 11 |
| 90–100 percent white schools | 79.3 | 358 | 74.2 | 2,904 | 31.6 | 24 | 95.0 | 30 | 19.5 | 95 |
| 80–100 percent white schools | 94.9 | 439 | 86.1 | 3,301 | 76.3 | 53 | 95.8 | 31 | 48.2 | 211 |
| 50–100 percent white schools | 99.6 | 478 | 96.3 | 3,722 | 95.9 | 72 | 98.4 | 34 | 82.1 | 394 |
| 0–49.9 percent white schools | 0.4 | 292 | 3.7 | 570 | 4.1 | 29 | 1.6 | 22 | 17.9 | 459 |

Mr. JAVITS. This chart demonstrates that the concentration of specifically Negro children in all-black schools in the State of New York is almost in inverse ratio to their concentration in the State of Mississippi, in that 87.4 percent of all Negro students in Mississippi attend schools which are 100 percent black while in New York, only 1.6 percent of the Negro students attend such schools.

At the other end of the scale, in Mississippi, in schools that have from zero to 49.9 percent Negro enrollment, there are only 6.7 percent of the State's Negro schoolchildren; whereas, in New York,

in 478 such schools, there are 55.1 percent of the Negro schoolchildren.

The essence of the point is this: I know what Senator STENNIS is trying to prove. I agree that where there is segregation on grounds of color, which violates law—that is, violates the Federal Civil Rights Act of 1964 and the Constitution—then I say we should have equal treatment everywhere, and we have actually had an injunction issued in Mount Vernon, N.Y., against the school districts because they were guilty of de jure segregation.

But where you have patterns of residence in a State like New York that bring about what I consider to be an undue and very unfortunate concentration of minority children in a given school, then there must be an effort directed through educational parks, through local busing, and through general pedagogical policies, even though there is some inhibition in using Federal funds and State funds for those purposes. The present Commissioner of Education, James Allen, was New York State's education commissioner and is a leader in the field of combating segregation. New York is striving in every way to dispel the de facto segregation which exists by virtue of housing patterns, and it has the most outstanding antidiscrimination laws in the country that seek to break open these housing patterns. I think there is no comparison between a State that is dug in and still clinging to the last vestiges of segregation as social and legal policy—such as the State of Mississippi—and a State that is leading the Nation in dealing with the problems attributable to housing patterns that lead to de facto school segregation—such as the State of New York.

I thought that distinction should be made very clear, back to back, as it were, with the presentation made by the Senator from Mississippi.

## CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

## TAX REFORM ACT OF 1969

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title.

The BILL CLERK. H.R. 13270, the Tax Reform Act of 1969.

The PRESIDING OFFICER. Without objection, the Senate will resume its consideration.

Under the previous order, the question is on agreeing to the amendment (No. 389) of the Senator from Tennessee (Mr. GORE).

Mr. GORE. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. GORE. Mr. President, I congratulate President Nixon upon a competent, well-prepared performance last evening. He demonstrated an awareness of the consideration foremost in the minds of the people and, of course, therefore apt to be submitted. I found myself in disagreement, of course, with his threat to veto the tax bill if it contained, when it reached him, the increase in personal exemption and the social security provisions that have been added. These remarks, however, are simply a preface to what I have to say with respect to the pending amendment.

Every tax amendment to the pending bill for which the senior Senator from Tennessee has voted will save revenues. That is true of the amendment increasing the personal exemption. That amendment, now in the bill, will cost $100 million less in lost revenue than the provisions for rate changes for which it was substituted. The President recommends the rate changes, but opposes. as I understood him, the increase in the personal exemption. My amendment will cost $100 million less than the provisions which the President recommends; so a veto could not be justified on the grounds of fiscal responsibility. Indeed, if measured in that regard, the rate changes for which my amendment was substituted would cost the Treasury more.

Mr. President, the amendment which the Senator from Delaware and I offer, which is now pending, would strike from the bill three new big loopholes recommended by the administration, and unfortunately approved by the Committee on Finance and included in the bill.

Mr. CURTIS. Will the Senator yield for 10 seconds at that point?

Mr. GORE. I yield.

Mr. CURTIS. All those provisions are supported by the Treasury Department, are they not?

Mr. GORE. I understand so. But why? What justification is there to permit the railroads to start taking tax deductions now for tunnels completed in 1850? There is no justification. Yet the administration recommended it, and unfortunately, as I say, the committee approved it and it is in the bill.

Not only will it permit railroads to start taking tax deductions now for tunnels built 100 or 150 years ago, but also deductions for the grading of the roadbeds. Oh, Mr. President, they will take a tax deduction for the Golden Spike—the grade for the Golden Spike that connected the transcontinental railroad just after the Civil War. But this is recommended by the same President who threatens to veto a bill because it raises the personal exemption for a dependent from $600 to $800.

I do not wish now to refight the battle about personal exemptions. I wish now to strike from the bill loopholes recommended by the administration and approved by the committee that would cost $720 million per year.

This should be called the syndicate loophole—or loopholes—because it opens the way for high bracket income tax payers, people in the 70-percent bracket, to combine into an investment syndicate to buy tax deductions from railroads, from housing combines, and from manufacturing combines with respect to pollution abatement. I shall not, in the now severely limited time for debate, undertake to spell it out in detail. Senators will find some illustrations in the speech which I made yesterday. At this point, I shall take only 2 or 3 minutes to illustrate.

A railroad wishes to acquire $100 million worth of rolling stock, including locomotives. It cannot use the rapid amortization deductions, because it is not realizing a profit. This is the kind of railroad that one would think would need the benefit, but the benefit flows to the railroad that is already making a profit. Tax deduction is not worth anything to a fellow who does not owe taxes.

The railroads, though in a losing position, go to a bank. The railroad's bank puts together a syndicate of 70 percent or 65 percent bracket taxpayers. The bank loans the syndicate $1 million on the basis of the railroad's ability to make "rental" payments sufficient to pay interest and principal on the loan. Payments are made by the railroad directly to the bank and do not even go through the syndicate.

What is the net result of this transaction? The syndicate members do not realize any cash flow benefit since the rent and the loan payments equal each other.

In the first year of the transaction the interest deduction and the rapid amortization deduction would more than offset the rental income for the syndicate members.

Their profit comes solely from the excessive deduction generated by the new loophole.

They would get a $200,000 deduction in year one for the rapid amortization to use against their other income.

Mind you, Mr. President, this $200,000 deduction in this instance goes to the high bracket syndicate investor. And it is this loophole that is created by the pending bill and recommended by the administration.

The Senator from Delaware and I wish to strike it out and save to the Treasury $720 million a year.

To continue this example, this $200,000 deduction compares to a proper deduction under the straightline method of depreciation of only about $71,000. Thus, the first year "profit" for the syndicate is 70 percent of $140,000 or $98,000. This comes out of the U.S. Treasury.

This "profit" is not an economic profit from the transaction; it is solely the result of tax profiteering—trafficking in tax deductions.

Thus, over a five-year period, the syndicate will realize a profit of almost $500,000 from tax reductions. Yet they have not put up one dime of their own money.

I should emphasize that railroads will still be able to use regular accelerated depreciation for rolling stock as under present law. My amendment does not affect those rules at all. But it does strike out unjustified new rules.

Mr. PEARSON. Mr. President, will the Senator yield for a question?

Mr. GORE. I yield.

Mr. PEARSON. Really, one of the very, very serious problems in the country today, and particularly in the transportation field, railroads, is the enormous shortage of boxcars. This does not just affect the great wheat lands. It is not seasonal any more. It occurs throughout the whole United States and in every part of the United States, caused by a shortage of cars, caused by cars in very bad repair through the failure of the ICC to properly execute the powers which Congress has given them. Because the traffic flows from West to East, the eastern railroads, through a per diem rate which is much too low, retains the cars in the East.

I understood that this particular provision in the tax bill was to provide, in lieu of the 7-percent investment tax credit, some means for the railroads to have additional funds with which to build boxcars. I am not sure that they would do it. However, that is the argument that is made.

We are today to the point where we are beginning to talk in terms of the Federal Government subsidizing the construction of passenger trains and actually constructing and building boxcars and leasing them to the railroads or individuals.

Mr. GORE. Mr. President, I thank the able Senator.

A great deal is being done here under the name of rolling stock.

The syndicate loopholes, the taking of tax deductions for tunnels built under the Rocky Mountains 100 years ago is not going to improve the rolling stock situation.

Mr. PEARSON. I concur.

Mr. GORE. The 20 minutes allotted to the supporters of the amendment is now down to 5. I must reserve the remaining 5 minutes for the distinguished senior Senator from Delaware.

Mr. President, I yield the remaining time to the Senator from Delaware.

Mr. WILLIAMS of Delaware. I am ready to yield back the time.

The PRESIDING OFFICER. Who yields time?

Mr. GORE. Mr. President, I would think the opponents of the measure would like to use some time.

Mr. CURTIS. Mr. President, how much time remains for the opponents?

The PRESIDING OFFICER. Twenty minutes.

Mr. CURTIS. Mr. President, I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 8 minutes.

Mr. CURTIS. Mr. President, let us get the amendment in perspective. It is greatly urged in this country that the taxpayers carry the full load on the matter of pollution. It is also greatly urged that the taxpayers carry the full load for housing and for the poor.

It is an established fact that most transportation systems in other countries are government-owned. Here in the United States, we are not following that procedure. We are putting private capital to work.

The provisions that the Senator from Tennessee would strike out are just and reasonable and sound.

Mr. President, I should like to speak in opposition to the Gore amendment. It would repeal the provisions of the bill for rapid amortization of rehabilitation expenditures for low- and moderate-income housing; for rapid amortization of the cost of new railroad rolling stock and for certain related provisions; and for rapid amortization of the cost of air and water pollution control facilities. Each of these provisions is strongly in the national interest.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield briefly.

Mr. GORE. Mr. President, I believe the Senator misspoke himself. He said the amendment would repeal these provisions. It would strike them from the bill. They are not in the existing law. This is a new loophole.

Mr. CURTIS. I thank the Senator.

They would provide important incentives to private business to solve pressing domestic problems.

The rapid amortization of rehabilitation expenditures for low-cost housing will provide a strong investment incentive in favor of rebuilding existing housing facilities. The provision is limited to facilities for families of low- or moderate-income consistent with the policies of the Housing and Urban Development Act of 1968. It does not apply to hotels, motels, or other facilities used primarily on a transient basis. The qualifying expenditures on any housing unit are limited to $15,000 and must exceed $3,000, thus insuring substantial but not luxurious rehabilitation. A recapture rule is provided to insure that if the facility is later sold, the tax benefit will be recaptured as ordinary income to the extent of any gain. And this amendment calls it a loophole. Thus, there is no possibility of abuse.

A 5-year writeoff of this nature is a powerful and effective incentive to rebuilding and rehabilitating existing housing facilities. It will result in rehabilitation of deteriorating neighborhoods and slum areas. It will do this with private capital, saving the taxpayers' money.

The provision is strongly supported by the Department of Housing and Urban Development and by the Treasury Department. Mr. President, in view of our housing crisis and the condition of our inner cities, we cannot afford not to provide an incentive of this nature to rehabilitation of our existing large supply of apartment buildings and other rental housing facilities. These facilities have been allowed to deteriorate to such an extent that they are frequently no longer useful or adequate for family use.

The railroad amortization and related provisions are urgently needed at this time to provide a special incentive for construction of additional rolling stock. The repeal of the investment credit will deny railroads the existing tax benefit they obtain on modernizing their equipment and increasing their facilities. It will benefit the nonprofitable railroads to the same extent as profitable railroads since it extends to leasing companies and will be reflected in lower car rentals. The House bill provided a special 7-year amortization provision, and there were strong pressures to provide an exception to repeal of the investment credit for railroads. As a matter of fact, the Finance Committee did so vote at one time.

The provisions of the Senate Finance Committee bill were developed by the Treasury Department to deal with the special problems of the railroad industry and are completely in lieu of the provisions of the House bill and any exception to the repeal of the investment credit. They are strongly endorsed by the Department of Transportation.

The most critical need is for additional freight cars to relieve the shortage during the harvest season and move our farm crops to market. The provisions of the bill are carefully designed to insure that they will meet our most critical needs. The Secretary of the Treasury with the advice of the Secretary of Transportation is to issue regulations indicating particular classes of cars or locomotives which are not in short supply. After 1972, rolling stock which are in these classes will not be eligible for the 5-year writeoff. The Senate Finance Committee report clearly indicates that railroads are expected to use these new provisions to increase their level of investment in rolling stock, and particularly in rolling stock which is in short supply. The report also states that the extent to which they do, or do not, so invest in additional equipment in order to sustain and improve railroad service will be taken into account in issuing the regulations as to equipment which is or is not in short supply.

These provisions will go a long way toward helping improve railroad efficiency, reducing freight car shortages during seasonal periods of critical need, and improving the ability of railroads to finance the acquisition and modernization of equipment. They deserve our wholehearted endorsement.

The provision for 5-year writeoff of the cost of installing air and water pollution control facilities in existing plants also deserves our complete support. Again, this provision has been narrowly limited to achieve a very specific purpose. The revenue cost will reach a maximum of only $120 million in the long run. It applies only to installation of facilities in existing plant, thereby recognizing that it is much less of a burden on industry to incorporate antipollution equipment in plants constructed in the future. It is also limited to the portion of the cost of the facilities that would otherwise have been depreciated over the first 15 years of the life of such equipment, so that it does not provide an undue tax benefit with respect to equipment having a very long life.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. May I have 2 additional minutes?

Mr. LONG. I yield 2 additional minutes to the Senator from Nebraska.

Mr. CURTIS. This provision recognizes the absolute need to deal with a major national problem today—environmental pollution. Our rivers, lakes, streams, and atmosphere are becoming increasingly "dirty." Smog is no longer a Los Angeles condition; we find it in

nearly every major industrial city in the United States. Congress has addressed itself to the problem in a number of ways, but the responsibility and burden must really be placed on privtae industry. Existing factories which attempt to curb pollution by installation of anti-pollution equipment face significant increases in capital costs, accentuated by repeal of the investment credit. Such expenditures do not result in any increase in profitability; they are in a real sense a total loss to the company. The burden is greatest with respect to existing plants where the equipment cannot be incorporated in the design of the facilities or the productive processes, but must be "added on." The bill recognizes this difference and allows the tax benefit only with respect to existing plants.

Mr. President, the increasing magnitude of our pollution problem fairly demands that we provide some tax benefit, some incentive, for installation of pollution control equipment. The provision of the bill will replace the investment credit in this respect and provide even greater incentive in the narrower and more specific areas to which it will apply.

Mr. President, these three provisions will provide major incentives to private industry to help us meet important national objectives. They will encourage the private sector to shoulder the burden in meeting our housing, transportation, and pollution control needs—three of our most important domestic problems. I strongly urge their adoption.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield 1 additional minute to the Senator from Nebraska.

Mr. BOGGS. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. BOGGS. Mr. President, I commend the distinguished Senator from Nebraska for the position he has taken. I support the committee language on amortization of equipment that will be used for pollution abatement, as well as the other items the Senator has discussed so eloquently.

I wish to ask the Senator one question. It appears to me that there is no danger that this incentive to achieve clean water and clean air would open a loophole into which industry could push a new blast furnace or elevator and call it "pollution equipment." The deduction would be available only after the facility was certified as a pollution abatement facility by the appropriate State and Federal agencies. Is that correct?

Mr. CURTIS. The Senator is correct. And it does not apply to new structures, because they can be designed to eliminate the problem.

Mr. BOGGS. Mr. President, the language of the section we are discussing permits industry to amortize the cost of pollution abatement facilities in a 5-year period. It would be applicable for the full cost of equipment with a normal life of 15 years or less. If the equipment has a normal life beyond 15 years, part of the equipment would be amortized over the regular depreciation basis, part under the accelerated schedule.



This provision, I believe, is a necessary incentive to assure that each of us will find a cleaner and better environment as quickly as possible. To assure that this vital end is accomplished rapidly, the Finance Committee wrote into this section a provision that this amortization would be available only if the abatement equipment is placed into operation by the end of 1974.

There is no danger that this incentive to achieve clean water and clean air would open a loophole into which industry could push a new blast furnace or elevator and call it "pollution equipment." The deduction would be available only after the facility was certified as a pollution abatement facility by the appropriate State and Federal authorities.

Such incentive will implement our national policy of environmental enhancement. This is a policy laid down in large part in legislation that has come from the Subcommittee on Air and Water Pollution, on which I have the honor to serve as ranking Republican.

Let me give two examples. The Federal Water Pollution Control Act declares a "national policy for the prevention, control, and abatement of water pollution." The Clean Air Act was written, according to its language, "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population."

But such improvements cost vast sums of money. This is not a modernization from which industry will profit. It is a modernization for the public health and welfare. Pollution comes from two major sources, industry and government. The Federal Government helps local communities battle pollution. It is only equitable to offer this small advantage to industry.

Our environmental quality standards require industry to meet those standards, or the Government will go into court in an abatement proceeding, seeking to close the plant down. This is a weary and tedious process. I believe it is a far wiser approach to offer the private sector an inducement, such as the committee's proposal. In return for an amortization schedule that would cost the Treasury $15 million in 1970, the private sector will install equipment to give every American a cleaner, healthier, and better environment in which to live.

According to the Cost of Clean Water, a study by the Department of the Interior, private industry faces a cost of as much as $2.6 billion to pay for the backlog of water pollution control facilities in the period from now through 1973. According to estimates prepared by the Department of Health, Education, and Welfare and contained in the study, the Cost of Clean Air, industry faces another 3.2 billion dollar bill for the control of particulate matter and sulfur dioxide emissions into the air we breathe. This cost from next year through 1974 may underestimate in part the full needs, for it was partially based on information for only 85 metropolitan areas and selected industries.

This expense will produce no private profit. Rather, it will produce a public benefit for each and every American. It will clean the air across this Nation. It will improve the quality of life across this Nation. It will enhance the environment in each of the 50 States of our Nation. Rather than providing any private loophole, this provision of the tax bill creates an incentive that will result in a great public benefit.

Mr. LONG. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Louisiana has 8 minutes.

Mr. LONG. How much time remains for the proponents?

The PRESIDING OFFICER. Five minutes.

Mr. LONG. I yield 4 minutes to the Senator from Maine.

Mr. MUSKIE. I thank the Senator from Louisiana.

Mr. President, I rise to oppose that portion of the Gore amendment which has to do with the amortization of pollution control facilities in the case of both air and water.

As chairman of the Subcommittee on Air and Water Pollution, I have been concerned, as have all my colleagues on the subcommittee, including the distinguished Senator from Delaware (Mr. BOGGS), with the problem of stimulating the construction of waste treatment facilities in the public sector.

This year, with the cooperation of the distinguished Senator from Louisiana (Mr. ELLENDER), Congress has approved the appropriation of $800 million for the construction of municipal waste treatment plants. This action on the part of Congress is consistent with the rising surge of interest and concern on the part of the people of America that we deal effectively with the pollution threat to our air and water.

Although in the subcommittee we do not have jurisdiction over tax legislation, the subcommittee—going back to 1966 in the report on the 1966 Clean Water Restoration Act—has advocated tax incentives to mount an industrial effort comparable to the public effort.

Mr. President, I ask unanimous consent that there be included in the RECORD at this point, a statement from that committee report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A number of witnesses testified on the need for tax incentives as a means of reducing the cost of noneconomic pollution control facilities. This is not a matter over which the Senate Public Works Committee has jurisdiction but it affects the overall effort to meet water pollution control and abatement needs. This committee strongly recommends that the appropriate congressional committees give consideration to tax relief proposals for industrial pollution control activities.

For the most part, pollution control does not provide a return on an investment to an industry. Installation of pollution control devices is costly and, in many cases, nonremunerative. The billion dollars of capital investment which will have to be made by the industrial sector for the benefit of the entire society will place a substantial burden on corporate resources, and ultimately on the general public.

Mr. MUSKIE. Mr. President, I ask

unanimous consent to have printed in the RECORD a letter which I addressed to the distinguished Senator from Louisiana, the chairman of the Committee on Finance, with regard to this matter on July 29, 1969.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 29, 1969.

HON. RUSSELL B. LONG,
*Chairman, Senate Finance Committee,*
*New Senate Office Building,*
*Washington, D.C.*

DEAR MR. CHAIRMAN: Pursuant to your request for comments and recommendations on pending legislation which would extend the income tax surcharge, I would like to propose changes to Sec. 168 which provides rapid amortization for air and water pollution control facilities investment.

This section has two major faults. First, the section does not take into account the provisions of the Federal Water Pollution Control Act or the Clean Air Act. Second, the requirement for the development of minimum performance standards is inconsistent with existing policy and would delay environmental improvement programs for several years.

As you know, Federal pollution control legislation has recognized the primary responsibility of the states and local government to control pollution. Federal responsibility is primarily directed to reviewing state standards to assure consistency with the national policy of the enhancement of air and water quality. Federal authority is provided for in those cases where the states have failed to carry out their responsibility to set or enforce standards.

Also, I am sure you are aware that these laws have been in effect for several years, the Water Quality Act since 1965 and the Air Quality Act since 1967. The procedures set forth by these acts are now being implemented by the States.

Any requirement for minimum performance standards would seriously delay effective implementation of these laws during the development of such minimum standards. Furthermore, because the regional approach is an integral part of effective air and water quality programs, minimum national standards would not be relevant to the specific problems of any given region.

Finally, minimum performance standards as defined in H.R. 12290 would be tantamount to national emission standards, a concept carefully evaluated and rejected in favor of the regional approach to air quality in 1967.

I have developed an amendment to Section 168 which I believe assures consistency with the Federal pollution law without jeopardizing the usefulness of special tax incentives for pollution control investment.

My amendment would:

1. Require certification from the state as to conformity with plans for implementation of air or water quality standards;

2. Provide Federal review of state certification to assure consistency with the purposes of the Federal Water Pollution Control Act or the Clean Air Act;

3. Eliminate the requirement for minimum performance standards;

4. Provide for annual state review, during the period of accelerated depreciation, to assure that facilities operate in the manner for which they were certified; and,

5. Disallow use of the tax deduction to the extent that such facilities produce income.

I sincerely hope that members of your Committee will give serious consideration to this amendment.

Sincerely,

EDMUND S. MUSKIE,
*U.S. Senator, Chairman, Subcommittee on Air and Water Pollution.*

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. RIBICOFF. Mr. President, no man in this country has done more in the field of controlling air and water pollution than the Senator from Maine. I am sure the distinguished Senator from Maine would agree that we will never solve the problem of air and water pollution unless we have the cooperation of private industry.

Mr. MUSKIE. I agree wholeheartedly with the Senator.

Mr. RIBICOFF. Is it not a fact that one of the great problems we have is the problem of costly installations and antiquated plants for air and water pollution devices?

Mr. MUSKIE. The Senator is correct.

Mr. RIBICOFF. What it often means is that an old company, which might be required to pay large sums for air and water devices, might determine that it is cheaper to go out of business rather than to undertake the rehabilitation of these old plants in the industrial sections of our Nation. Is that correct?

Mr. MUSKIE. The Senator is correct.

Mr. RIBICOFF. It is my understanding that through the landmark work of the Senator, the Congress this year has committed itself for an expenditure of $800 million in the entire field of water pollution alone. As a matter of public policy if we do not have an overall program that involves private industry, our public commitment will not achieve the result we seek. Is that correct?

Mr. MUSKIE. The Senator is correct. Under the Air and Water Quality Control Act we undertook to apply standards of quality in the cities which have air pollution problems, and all streams which have water pollution problems, and there are many of them. To apply those standards we must have the cooperation of industry.

Mr. RIBICOFF. The Senator may be interested in the fact that the act is so written by the Committee on Finance that the amortization deduction is available only when the facility is certified by the State and Federal agency.

The PRESIDING OFFICER (Mr. BAYH in the chair). The time of the Senator has expired.

Mr. LONG. Mr. President, I yield 1 additional minute.

Mr. RIBICOFF. So we tie up certification with State and Federal agencies.

Mr. MUSKIE. These are not profitmaking facilities. The language to which the Senator referred is part of the language I recommended to the committee to avoid the possibility that these facilities would be profitmaking facilities. What we are concerned with are facilities that deal wholly with control and regulation of pollution; no profit would be made from them, but there is still an investment to be made by the industry.

This tax relief is only a stimulation to industry to make the investments called for by air and water quality standards.

Mr. RIBICOFF. In addition, these amortization tax writeoffs are available only to old plants and not to new plants.

Mr. MUSKIE. The Senator is correct.

Mr. RIBICOFF. Mr. President, each day it is becoming more evident that man is destroying his environment. Each year, he pumps millions of tons of waste into the sky and dumps huge amounts of sewage and contaminants into streams and rivers.

Only the foolish can expect nature to be able to continue to absorb this pollution.

In the last 5 years, Congress has laid the foundation for a national effort against this problem by adopting comprehensive air and water pollution control legislation. And just a few short weeks ago, the Senate voted $1 billion to help our Nation's municipalities construct waste treatment plants.

But, by themselves, these efforts will not be enough.

To launch a truly comprehensive assault against air and water pollution, private industry, which is a major source of this waste, must be encouraged to purchase and utilize the best pollution abatement equipment available.

It has been estimated that it will cost industry $32 billion to control water pollution by the year 2000.

Private industry and municipalities will pollute two-thirds of our streams, the National Academy of Science predicts.

Forty percent of the contaminants in our atmosphere come from industry and utilities.

The bill before us now, will greatly encourage private industry's purchase of equipment to end this destruction of our environment by allowing it to amortize the cost of the equipment over a period of 5 years rather than over the period of the equipment's useful life.

We must be realistic.

Pollution abatement equipment is costly.

Pollution abatement equipment does not add to a company's profits.

Unless industry is encouraged by the enactment of a tax incentive, real progress in ending industrial pollution will take much longer than this Nation can afford.

By asking the public to bear a small share of the cost of abating industrial pollution, we will bring clean air and clean water much sooner to our Nation.

The committee's bill is very tightly drafted to encourage cooperation by industry without creating a loophole.

I support this bill.

The PRESIDING OFFICER. Who yields time?

Mr. GORE. Mr. President, I yield such time as he may use to the senior Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, in the bill before the Senate we have reduced the rate at which every taxpayer can depreciate his property for tax purposes, and that includes farm buildings and property used by small businesses. This was done by denying the use of the 200-percent declining balance method for all nonresidential property. Thus, taxpayers will only be able to depreciate the property under the 150-percent declining balance method.

That is true with respect to all groups of American taxpayers except these three

groups mentioned here which had lobbies strong enough to get special consideration. I recognize a good argument can be made on any one of these proposals, but I do not see why they should be singled out and allowed to depreciate their property in 5 years when we are making it more difficult for other taxpayers in America.

SPECIAL AMORTIZATION PROVISIONS

The committee bill adds three new special incentive provisions to the tax law. These special provisions allow a 5-year writeoff: for low-cost rental housing rehabilitation expenditures, for pollution control equipment, and for railroad rolling stock. In 1970 these special incentive provisions would cost the Government $155 million. This cost would eventually rise to $555 million a year.

Congress has already authorized an expenditure of $800 million to subsidize the correction of the pollution problem.

The special rehabilitation expenditure provision in the bill allows 5-year amortization of costs incurred in rehabilitating buildings for low cost rental housing—for up to $15,000 of costs per dwelling unit. This provision applies to expenditures before 1975.

It should be pointed out that in this bill, in addition to this provision, under certain conditions we have also allowed these persons to defer the capital gains treatment which would arise when they sell the housing. They could not only depreciate the property in 5 years, but they could sell it and reinvest in other similar property and pay no capital gains tax.

This would open a major loophole which will not benefit those tenants using this low cost housing. It is a landlords' amendment.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. AIKEN. Would it apply to individually owned homes or only to rental housing?

Mr. WILLIAMS of Delaware. No. Only to rental housing.

The special pollution control provision allows 5-year amortization of the costs of pollution control facilities added to existing plants. The amount amortizable is limited to the part of the facility's cost which is proportionate to the first 15 years of its useful life. A facility must be certified by the appropriate State and Federal authorities to be eligible for this special amortization. This provision applies to facilities placed in service before 1975.

The special railroad provision allows 5-year amortization for new railroad rolling stock—including locomotives—placed in service after 1969. The amortization is available either where the rolling stock is owned by a railroad or where it is owned by a person who leases it to a railroad—4-year amortization is allowed for rolling stock placed in service during 1969. If otherwise available, the investment credit also may be claimed on rolling stock subject to this fast amortization. Effective after 1972 the Secretary of the Treasury may determine which classes of rolling stock are no longer in short supply, and these classes will then cease to be eligible for the fast amortization. This provision applies to rolling stock placed in service before 1975.

The railroad package included in the bill also allows the cost of railroad gradings and tunnel bores, which at present may not be written off, to be amortized over a 50-year period. In addition the package allows railroads to write off rolling stock repair costs up to 20 percent of the rolling stock's original cost each year.

These special incentives included in the bill are an unwarranted and inappropriate use of the tax laws. There has been no adequate showing that these special incentives will, in fact, help to achieve their respective goals. More than likely these special incentives will only serve to provide undue tax benefits to a small number of taxpayers in the eventual large amount of $555 million a year.

Mr. GORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. GORE. Mr. President, in the colloquy just engaged in on this side of the aisle by the Senator from Maine (Mr. MUSKIE) and the Senator from Connecticut (Mr. RIBICOFF), both of them made commendable statements about the need for pollution control, but nothing that either one of them said had any bearing on the syndicate loophole. The same example I pointed out in the RECORD with respect to syndicate investment in a railroad locomotive would apply to an investment in machinery for pollution control. The Senator said they make no profit out of this. Of course not. But the syndicate will buy it under this loophole.

Mr. WILLIAMS of Delaware. Mr. President, I do not see why we should make the depreciation rate so much more liberal for these groups while at the same time we are restricting the depreciation rates allowed to all other American taxpayers, whether it be depreciation on a farm in Vermont or a poultry farm in some other State.

I have always felt we should allow more rapid depreciation rates for all buildings and equipment, but depletion rates should apply to all taxpayers, not just to a few select groups.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I have no time remaining.

Mr. LONG. Mr. President, I yield myself such time as I have remaining.

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. LONG. Mr. President, this amendment should be rejected. There may be some merit to some parts of the Gore amendment but there are other parts that are totally without merit. For example, the House of Representatives sent us a provision that would cost the Treasury $400 million by allowing a 5-year writeoff on pollution-control devices. The Senate committee reduced that to a provision which would cost less than one-third that much—only $120 million a year. The Senate committee would provide a 5-year amortization between now and 1974 for pollution-control devices which are installed, not on the new plants that will be built—they get no advantage—but on existing plants.

As far as people who own and operate plants are concerned, the requirement to install pollution control equipment is nothing more than a burden imposed upon them by Government. They do not want pollution-control devices. We are making them install this equipment under State and Federal law, and we now are allowing them 5 years to write it off. The equipment does not improve the operation of the plant.

It is an added cost to them which they do not want.

We are imposing the burden on them. So we are easing that burden by giving them 5 years to write off the costs of installing them in existing plants.

With regard to the second item, which would cost more than the other two put together, the $15,000 allowance is for rehabilitation of housing units in slum areas. It would allow no more than $15,000 per unit for rehabilitation of housing in slum areas. That provision was asked for by Secretary Romney of the Department of Housing and Urban Development. It initially was agreed to by the House, and then was approved by the Senate Finance Committee. It is an incentive of $330 million to provide poor people with better housing.

What on earth is wrong with that? I have not yet heard the first argument developed. If we want people living in slums in Washington, New York, Philadelphia, or elsewhere, to have better housing, cleaner housing, fewer rats, and more sanitation, then vote against the Gore amendment.

If the Senator wants to come back and offer his railroad amendment again, he can, but I submit that we need more new railroad rolling stock. The Treasury has recommended it. I think it should be agreed to.

I hope the amendment will be rejected.

The PRESIDING OFFICER. All time on the amendment has now expired.

Mr. GORE. Mr. President, I ask unanimous consent that the time be extended by 4 minutes, with 2 minutes to a side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

The Senator from Tennessee is recognized for 2 minutes.

Mr. GORE. Mr. President, for the last week, it has been rolling stock. Now it is pollution we hear about. No one defends the change of words. On page 443 of the bill it changes the House requirement from "owned" to "used." This opens up the syndicate loophole. And it is a big one.

Let me read what a committee of experts on pollution recommended. The committee was made up of representatives of the Bureau of the Budget, Treasury Department, Council of Economic Advisers, Water Resources Council, Office of Science and Technology, Department of the Interior, Department of Commerce

Department of HEW, and the Resources of the Future Committee.

What do they say?

In summary, clearly tax writeoffs are not needed nor are they a desirable form of offering further assistance to industries.

Mr. President, this is not a profit-making undertaking except for the syndicates. That is what the provision in the committee bill makes possible.

Mr. MUSKIE. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. MUSKIE. The report to which the Senator refers was made by the same representatives from the last administration who opposed a continuing grant program for waste treatment.

Mr. LONG. Mr. President, the Senator quoted from a report that considered the proposal relating to new plants as well as existing plants. It was partly because of that logic that the committee said it would not allow a rapid tax writeoff, or any tax advantage, for pollution control equipment in new plants. The people who build new plants will have to do it themselves by designing pollution control equipment and processes into their new plants, and they will receive no special tax advantage. In doing so, we save $280 million out of $400 million. The $120 million we retained applies to any situation where someone is required to add to an existing plant pollution control devices which are of no productive advantage to them whatever. These are costs which we will let them write off over 5 years.

Mr. MILLER. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. MILLER. The Senator from Tennessee read something to the effect that writeoffs would be no incentive. I hope he does not mean by that that the base would not be entitled to regular depreciation or to a double declining balance depreciation for that is another form of writeoff. The quick amortization is another form of writeoff. Thus, I do not see that that is responsive to the problem.

Mr. CURTIS. Mr. President, I ask unanimous consent that a letter from the Acting Secretary of the Treasury concerning the Gore amendment be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
*Washington, D.C.*

HON. CARL T. CURTIS,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR CURTIS: This is in response to your request for the Treasury Department's views with respect to Amendment No. 389, introduced by Senator Gore. The purpose of the amendment is to strike from the bill the provisions for 5-year amortization for the cost of rehabilitation of low-income housing, railroad rolling stock and pollution control facilities.

The Treasury Department opposes the amendment.

The first of these provisions will encourage the rehabilitation of low-income rental housing units which is needed if we are to provide adequate housing for all our citizens. The provision for amortization of railroad rolling stock will alleviate the critical shortage of railroad cars and has been provided in lieu of any exception to the investment credit. While we have been concerned about the amortization of pollution control facilities, we believe that the provision in the Senate bill has been sufficiently narrowed to prevent abuse.

It is important to note that all three of these provisions expire on January 1, 1975, thereby giving assurances that they will not be continued unless they accomplish the desired purpose.

Sincerely yours,

CHARLES E. WALKER,
*Acting Secretary.*

CONGRESS SHOULD NOT WEAKEN THE PROGRAM FOR POLLUTION CONTROL

Mr. RANDOLPH. Mr. President, it is vital to the maintenance of national policy of air and water pollution control that the language of section 704 of H.R. 43270, as reported by the Finance Committee, be retained. The investment credit with respect to pollution facilities is essential if we are to maintain and advance our efforts to protect our air and water environment from pollution.

Massive private investment in industrial air and water quality control devices are needed to insure that our production processes do not destroy the environment in which we live. Two recent reports, "The Cost of Clean Water," Senate Document 90–65, presented to the Senate January 10, 1968, and "The Cost of Clean Air," Senate Document 91–40, June 1969, describe in detail the magnitude of the private investment required.

The clean water report indicates that the cash outlays needed to meet industrial waste treatment requirements for fiscal years 1969 through 1973 are between $2.6 and $4.6 billion. The clean air report estimates the cost of control of just particulate emissions and sulfur oxides at between $266 and $500 million for fiscal years 1971 through 1974.

Until a better method of stimulating needed private investment and Government assistance to private industry in reaching this important public goal is achieved, the investment credit represents the best-known technique. The revenue loss entailed in this approach will be offset many times by the reduction in other public investments to counteract environmental degradation. Next year, the Committee on Public Works will look into other ways and means of effectively accomplishing the result we seek. In the meantime, the provisions of section 707 of the bill offer the best hope for insuring the full participation of the industrial community in our earnest efforts for a better, cleaner air and water environment.

The PRESIDING OFFICER. All time on the amendment has now expired.

The question is on agreeing to the amendment of the Senator from Tennessee (Mr. GORE).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the role.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Montana (Mr. METCALF), and the Senator from Missouri (Mr. SYMINGTON), are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri (Mr. SYMINGTON) and the Senator from Montana (Mr. METCALF) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 3, nays 92, as follows:

[No. 194 Leg.]

YEAS—3

| | | |
|---|---|---|
| Aiken | Gore | Williams, Del. |

NAYS—92

| | | |
|---|---|---|
| Allen | Gravel | Murphy |
| Allott | Griffin | Muskie |
| Baker | Gurney | Nelson |
| Bayh | Hansen | Packwood |
| Bellmon | Harris | Pastore |
| Bennett | Hart | Pearson |
| Bible | Hartke | Pell |
| Boggs | Hatfield | Percy |
| Brooke | Holland | Prouty |
| Burdick | Hollings | Proxmire |
| Byrd, Va. | Hruska | Randolph |
| Byrd, W. Va. | Hughes | Ribicoff |
| Cannon | Inouye | Russell |
| Case | Jackson | Saxbe |
| Church | Javits | Schweiker |
| Cook | Jordan, N.C. | Scott |
| Cooper | Jordan, Idaho | Smith, Maine |
| Cotton | Kennedy | Smith, Ill. |
| Cranston | Long | Sparkman |
| Curtis | Magnuson | Spong |
| Dodd | Mansfield | Stennis |
| Dole | Mathias | Stevens |
| Dominick | McCarthy | Talmadge |
| Eagleton | McClellan | Thurmond |
| Eastland | McGee | Tower |
| Ellender | McGovern | Tydings |
| Ervin | McIntyre | Williams, N.J. |
| Fannin | Miller | Yarborough |
| Fong | Mondale | Young, N. Dak. |
| Fulbright | Montoya | Young, Ohio |
| Goodell | Moss | |

NOT VOTING—5

| | | |
|---|---|---|
| Anderson | Metcalf | Symington |
| Goldwater | Mundt | |

So Mr. GORE's amendment was rejected.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 15090) making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes, in which it requested the concurrence of the Senate.

## ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 13767) to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes, and it was signed by the Acting President pro tempore (Mr. HUGHES).

## HOUSE BILL REFERRED

The bill (H.R. 15090) making appropriations for the Department of Defense for the fiscal year ending June 30, 1970,

and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

AMENDMENT NO. 364

Mr. McCARTHY. Mr. President, on behalf of myself, the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. PERCY), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. CURTIS), and the Senator from Kentucky (Mr. COOK), I send to the desk an amendment and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. McCARTHY. Mr. President, I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCARTHY's amendment (No. 364, as modified) is as follows:

On page 148, strike out lines 23 through 25 and in lieu thereof insert the following:

"(A) by striking subsection (g) and by redesignating subsection (d) as subsection (g), and"

On page 149, strike out lines 1 through 3 and in lieu thereof insert the following:

"(B) by striking out subsections (a), (b), (c), (e), (f), and (g) and inserting in lieu thereof the following:"

On page 153, strike out lines 15 through 25, and on page 154, strike out lines 1 through 16, and in lieu thereof insert the following:

"(C) INCENTIVE CHARITABLE DEDUCTION.—The limitations in subparagraphs (A), (B), and (D) shall not apply in the case of an individual for a taxable year beginning on or after January 1, 1970, who satisfies the requirements of (i) of this subparagraph and who makes the election in (ii) of this subparagraph.

"(i) ELIGIBILITY.—In order to be eligible for the incentive charitable deduction, in the taxable year and in eight of the ten preceding taxable years, either:

"(a) in a taxable year beginning on or after January 1, 1970, the amount of his charitable contributions to charities described in section 170(b)(1)(A), plus the amount of income tax (determined without regard to chapter 2, relating to tax on self-employment) paid during such year in respect of such year or preceding years, exceeds 90 percent of the taxpayer's taxable income for such year, and the amount of his charitable contributions to charities described in section 170(b)(1)(A) exceeds 60 percent of the taxpayer's taxable income for such year. For purposes of this provision the amount of charitable contributions for any taxable year beginning after December 31, 1963, shall be determined without the application of section 170(d)(1), and taxable income shall be computed without regard to:

"(i) this section,

"(ii) section 151 (allowance of deductions for personal exemptions), and

"(iii) any net operating loss carryback to the taxable year under section 172.

In lieu of the amount of income tax paid during any such year, there may be substituted for that year the amount of income tax paid in respect to such year, provided that any amount so included in the year in respect of which payment was made shall not be included in any other year; or

"(b) in a tax year beginning before January 1, 1970, the taxpayer satisfied the qualifications of section 170(b)(1)(C) and 170(g) as in effect for such tax year.

"(ii) ELECTION.—For taxable years beginning on and after January 1, 1970, a taxpayer who satisfies the eligibility requirements of (i) above may elect (at such time and in such manner as the Secretary or his delegate by regulations prescribes) to have section 170(b)(1)(C) be applicable to him. As a condition to such election the taxpayer shall agree:

"(a) that if his taxable income, computed with regard to this section, is less than 20 percent of his adjusted gross income, his taxable income shall be 20 percent of his adjusted gross income.

"(b) that no amount of charitable contributions made in the taxable year or any prior taxable year may be treated under section 170(d)(1) as having been made in the taxable year or in any succeeding taxable year, and

"(c) that he shall file annual information returns with respect to each taxable year referred to in section 170(b)(1)(C)(i)(a) in accordance with regulations prescribed by the Secretary or his delegate specifying the dates, amounts, and recipients of each contribution and the nature of the property contributed, which reports shall be made available to the public pursuant to regulations prescribed by the Secretary or his delegate."

(4) On page 169, strike out lines 4 through 24 and on page 170 strike out lines 1 through 6.

(5) On page 170, strike out lines 8 through 13 and redesignate subparagraphs (B) and (C) as (A) and (B), respectively.

Mr. LONG. Mr. President, I ask unanimous consent that debate on the pending amendment be limited to 40 minutes, to be equally divided between the Senator from Minnesota and the manager of the bill.

Mr. GRIFFIN. Mr. President, what is the number of the pending amendment?

Mr. McCARTHY. No. 364.

The PRESIDING OFFICER. Amendment No. 364, with modifications.

Mr. HRUSKA. Mr. President, may we have an explanation of its nature?

Mr. McCARTHY. I hope to explain it, after the agreement on time limitation is reached.

The PRESIDING OFFICER. For the information of the Senate, the Senator from Minnesota has the floor. The Senator from Louisiana has made a unanimous-consent request that the time be equally divided.

Mr. LONG. I temporarily withdraw that request, Mr. President.

The PRESIDING OFFICER. The Chair inquires of the Senator from Minnesota, does he request that his amendment be considered en bloc? Technically, it is a series of amendments.

Mr. McCARTHY. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I ask for order.

The PRESIDING OFFICER. The point of the Senator from Iowa is well taken. The Senate will be in order.

Mr. LONG. Mr. President, I ask unanimous consent that further debate on the amendment be limited to 40 minutes, to be equally divided between and controlled by the Senator from Minnesota and the manager of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Who yields time?

Mr. McCARTHY. Mr. President, I yield myself 3 minutes.

This amendment would add a provision to the bill before the Senate to provide, not for unlimited charitable deductions, but for charitable deductions in excess of what the Senate bill now provides.

Under existing law, charitable contributions deductions for individuals are limited generally to 30 percent of the taxpayer's adjusted gross income. An exception to this rule permits the taxpayer an unlimited charitable deduction if in 8 of the preceding 10 taxable years, the total of the taxpayer's charitable contributions plus the income taxes he has paid exceed 90 percent of his taxable income.

The committee bill proposes to reduce the amount that anyone can deduct as charitable contributions to 50 percent of his taxable income, this to take place over a 5-year period.

As the law has worked out, a few high income taxpayers using this provision have wound up paying little or no income tax at all, since they have contributed virtually all of their taxable income, or the equivalent of their taxable income, to charity. Both H.R. 13270 and the Finance Committee version of the bill provide for complete repeal of the unlimited charitable contributions deductions provision, to be phased out over a 5-year period. By that time such taxpayers would be permitted to deduct no more than 50 percent of their adjusted gross income for charitable purposes.

My amendment proposes to retain a modified version of the old provision. What is involved is that which is basic to the allowance of charitable deductions generally: the recognition and encouragement, and the incentive that we give in the tax law, to unusually large contributors to charity. It is in keeping with the tradition of philanthropy in this Nation.

Under the amendment which I have offered, charitable taxpayers who give up to 80 percent of their adjusted gross incomes to charity in 8 out of 10 years would be given some special consideration. If taxpayers choose to use this provision, they would be required to pay income tax on at least 20 percent of their adjusted gross income, and reduce it, thereby, from a 100-percent exemption to 80 percent, with taxes having to be paid on the remaining 20 percent.

Moreover, in order to tighten the provision, the combined total of charitable contributions and income taxes would still have to exceed 90 percent of the taxable income of the individual who took advantages of this provision. The amendment also requires that at least 60 percent of the adjusted gross income be contributed to public charities, as described in section 170(b)(1)(A), which tends to guarantee that the majority of such contributions will be used for immediately public purposes.

This is the substance of the amendment. There is no question of principle involved, since the principle is exactly

that which is involved in allowing the potential 50 percent charitable deduction for all taxpayers. The only difference is in the amount which a taxpayer might be permitted to contribute; and his eligibility depends upon his contributing in 8 years out of 10 the equivalent of 90 percent of his taxable income to charity, or to paying it in taxes.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from California.

Mr. CRANSTON. I want first to say that I think the Senator has offered an amendment that is of great constructive value. I believe with the Senator that we should encourage charitable giving, to allow for the diversity and creativity in our society that is brought about by use of such funds in the way that they would be used when given in accordance with the amendment the Senator has proposed.

Mr. President, I should like to ask if this is not quite similar to an amendment that was offered by the administration to the tax reform bill earlier this year?

Mr. McCARTHY. Substantially. It contains principles almost identical to those offered by the administration.

Mr. CRANSTON. The administration offered an amendment, though, that was quite similar, except that, as I understand it, the administration proposal was more restrictive. And the Senator's amendment calls for annual reports on contributions. It also provides that 60 percent of the amount given must be given to public charities, not to private foundations, thus causing the broadest possible use in the general public interest and not for use by private foundations that might not be to that degree in the public interest.

Mr. McCARTHY. The Senator is correct.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCARTHY. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 2 minutes.

Mr. McCARTHY. Mr. President, with respect to the 100 percent of adjusted gross income, 20 percent would be taxable under the amendment. At least 60 percent would have to go—although we might have the whole 80 percent go—to public charity, public foundations, and at most only 20 percent could go to private foundations.

This involves roughly 100 substantial taxpayers. For the most part, they are the easiest ones to supervise and watch, because they give large amounts and generally give to one or two foundations or charities, and, in one or two cases, to a particular school or charity that is almost entirely dependent upon the contributions from one large contributor.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. McCARTHY. Mr. President, I yield 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. CURTIS. Mr. President, I hope that the McCarthy amendment prevails.

When someone gives to an orphanage, that is not a tax dodge. That is not a tax shelter.

When someone gives income to arrest cancer, that is not a tax dodge. That is something that is done in the public interest.

When someone gives to spread their religious faith throughout the world, that is not a tax dodge. That is something that is done in the interest of humanity.

It has been the law for some time that if an individual gave all of his income to charity, if his giving plus his taxes equals 90 percent of his income for 8 out of 10 years, he can have an unlimited tax deduction.

The pending bill repeals that provision. I oppose that repeal. The McCarthy amendment would restore it in part. It would provide that an individual can give up 80 percent, if 20 percent of his income is subject to tax.

What is wrong with giving? What is wrong with giving all of one's income to charity.

The story is told of the widow's mite who gave all that she had and will be told as long as civilization stands.

There is nothing wrong with a tax law that encourages people to give all of their income to charity. There are other provisions of the bill that discourage charity. There is the repeal of the unlimited deduction. There are changes with respect, in certain instances, to the giving of appreciated property. However, there is something else.

I refer to the minimum standard deduction. I have in my files a letter from a lady who worked in Washington. Her salary was $6,000 a year. She gave $600 to charity and religious purposes. Her coworker also received $6,000 a year and gave a total of $15 to religious and charitable causes. Under the minimum standard deduction both were treated alike for tax purposes.

The minimum standard deduction seems to be a provision we will have to live with. However, there are so many sections of the bill that constitute an outright attack upon charity that we must enact the McCarthy amendment. Large givers are needed by our most valued institutions.

How does one receive the benefit of the McCarthy amendment? He has to have given his income away to the extent that it amounts to 90 percent of his income and taxes for 8 out of 10 years.

Someone must be very much interested in good causes, or they would not qualify.

To receive this privilege one has to give thousands of dollars away for which he receives no tax deduction. However, after one earns that right—this bill would take it away from them. The McCarthy amendment would restore 80 percent of it.

Make no mistake about it, a gift to a genuine charity is not a tax dodger. A gift to charity lessens the burden of government and does not increase it.

There is not a good cause supported out of the generosity of people's hearts that, if it were to fail, would not add more to the expense of government, locally, statewide, and nationally.

Mr. President, I beg that we enact the pending amendment and once again say to a taxpayer, "If you genuinely and truly give your income away, it will not be taxed."

There are those who say, "Well, a person should pay some tax."

The McCarthy amendment meets that test, because instead of giving an unlimited deduction, they would have to pay a tax of 20 percent.

Mr. President, I hope that the amendment is agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. McCARTHY. Mr. President, I yield 2 minutes to the distinguished Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 minutes.

Mr. PERCY. Mr. President, I am happy to join with the Senator from Nebraska with respect to this amendment. We had a different point of view on another amendment a few days ago. However, on this occasion we see eye to eye.

We are not talking here about a loophole.

As the Senator has pointed out, we are talking about making certain that we do not actually strangle philanthropy and the institutions that depend upon philanthropy in this country.

I think we should be very sensitive to any portion of the bill that strikes a blow at the essence of what American philanthropy has done in this country for the institutions which depend heavily upon it.

Mr. President, I add my support as a cosponsor of this very important amendment which I feel is essential not only for individuals who have contributed so heavily throughout the years to support private philanthropy through their own efforts time, and energy, and also through their great resources. They should be encouraged to do so. It is a matter of public policy to encourage and not discourage them from doing it so long as they are paying a fair and proportionate share of their income as provided in this amendment toward the support of government.

Mr. President, Government cannot itself solve the myriad of social ills that face our society today. Assistance from the private sector is vital financially. Each year, close to $20 billion is funded through charitable contributions to education, health, cultural, and other important interests. Private giving is even more essential from the standpoint of providing a diverse innovative approach to meeting our pressing urban and rural problems. And, the extensive contribution of volunteer assistance must be fully taken into account since it not only provides billions of dollars of financial assistance in kind, but also attracts a commitment by individuals to help in meeting our social needs.

When I am confronted with the financial problem faced by universities, health societies, boys clubs, YMCA's, orchestras, hospitals, and our other essential institutions, my determination to encourage increased charitable contributions to society is increased.

I recognize, Mr. President, that some individuals have taken advantage of our

tax laws to avoid the payment of a fair share of taxes. This is intolerble and enactment of the Tax Reform Act before us seeks to close these loopholes.

The present amendment is not a new loophole to permit tax avoidance. It is just the opposite—a provision to permit and encourage individuals to increase their contributions to public charities. Under this amendment, individuals would be entitled to give up 80 percent of their adjusted gross income to charities and yet would also have to have taxable income be at least 20 percent of adjusted gross income. Moreover, to meet the test of this provision, the individual's charitable contributions and income tax must exceed 90 percent of taxable income.

Adoption of this amendment should encourage the funneling of additional millions of dollars to public charities. I urge its adoption.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McCARTHY. I yield to the Senator from New York.

The PRESIDING OFFICER. How much time is yielded?

Mr. McCARTHY. One minute.

Mr. GOODELL. Mr. President, I ask unanimous consent that my name be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOODELL. Mr. President, many of us have argued that no high-income taxpayer should be exempt from paying some portion of his total income in Federal taxes. The Senate Finance Committee moved to eliminate the exemption of individuals who give large percentages of their fortunes to charity. I approve of the direction in which the Finance Committee moved, but they went too far.

The McCarthy amendment is a good amendment. It guarantees that every high-income taxpayer will pay a substantial tax on 20 percent of his income; but, unlike the Finance Committee provisions, the McCarthy amendment would leave a large element of freedom to the high-income taxpayer to contribute to charity. This is very important. The cost of the McCarthy amendment is estimated at $25 million.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCARTHY. I yield 1 additional minute to the Senator from New York.

Mr. GOODELL. If we take that $25 million into the Federal Treasury, it will be taken directly from charitable causes, and then the Federal Government will have to find ways to meet the needs that were in the past met by charitable contributions.

I believe this is a fair compromise which provides that all taxpayers will have to pay a substantial tax, but will leave the money free for high income individuals to continue their important charitable contributions to programs that are essential if we are to meet our social and economic problems in this country.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The time of the Senator has expired.

Mr. LONG. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. LONG. Mr. President, this amendment would retain much of what has been the biggest and most inexcusable loophole in the tax law.

The so-called taxpayer revolt started because a study revealed that 154 individuals who made large sums of money, most of them more than $1 million, paid little, if any, tax. That study indicated that one-third of those people who were paying nothing did so because of the provision in the law that relates to the unlimited charitable deduction.

This provision had its origin in 1924, when Congress passed a law that permitted one of the Drexel heirs, who had taken the vow of poverty as a nun, to have the advantage of an unlimited charitable deduction to meet her particular situation. Since that time, some of the most wealthy people in America have undertaken to qualify as a Philadelphia nun, and have proceeded to make money by giving money away to charity, mostly by giving appreciated property on which no tax has been paid on the appreciation. This has been the way that a great number of wealthy people, year after year, carry on the theory that they are giving all their money away to charity, when in fact they are making money by giving money away. This is the biggest, most inexcusable, planned loophole in the tax laws.

Mr. President, the charities presented statements to us, and in these 7,000 pages of testimony, I can't recall a single line to defend this big loophole, which has been on the statute books for almost 50 years. The House measured up to its responsibility and said 50 percent is the limit one can claim for charitable contribution purposes. The Senate Finance Committee has supported that provision.

The implication of this unlimited charitable contribution—and the Senator would limit it to 80 percent of adjusted gross income, whereas it used to be 100 percent—is that wealthy people have the right to determine where their tax money goes and for what their tax money is to be spent, although the rank-and-file taxpayers do not have the privilege of determining where their tax money goes. There is no reason for that. That is a concept of economic royalism that is out of date, and the time has come when these people should pay taxes just as everybody else does.

Mr. President, this provision can benefit only a few people. Who can afford to give away 80 percent of his income 10 years in a row, unless he is very wealthy?

This deduction is the way by which many people who would owe taxes to the Government have escaped taxation. It is the most difficult loophole to defend. Not a single witness dared even try to defend it. Not even the charities which benefit from it would speak in favor of this provision. It would hurt the image of the Senate, if the Senate, at this late date, after the House and the Senate Finance Committee have closed it, should support this loophole.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I support the position of the chairman of the committee. As he pointed out, under existing law by giving away 90 percent of his income to charity for 8 out of 10 years a taxpayer can get an unlimited charitable deduction for tax purposes, and he can use in those contributions appreciated property without paying the capital gains tax.

The committee bill provides that he can give away up to 50 percent of his income; but 20 percent of it must be in cash, and only 30 percent of it can be in appreciated property.

According to the staff, which has examined this amendment, by striking out those provisions a man presumably could have an income of $1 million a year and give away 80 percent of it; but the 80 percent could be all in appreciated property, and he could keep the million dollars in cash. If that is so we are opening a Pandora's box whereby, automatically upon giving away art objects and other items, a man could end up making money by giving money away.

The Finance Committee has tried to correct this loophole, and I hope we do not open it up again. While it is only eight-ninths as bad as existing law, nevertheless, that is too bad.

Mr. LONG. Mr. President, I have no doubt that if the Philadelphia nun, one of the Drexel heirs, had known of all the tax revenue that would be lost in her name, she would have asked, if she had anything to say about it, that this provision be repealed retroactively to the day it was passed for her benefit.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. KENNEDY. As I understand from the present action of the Senate bill, we have built into the Senate bill three additional provisions or three additional incentives for charitable contributions.

First, as I understand it, the ceiling on the charitable deduction has been increased from 30 to 50 percent. Second, under the Percy amendment, the private foundations will be required to give 6 percent of their income away. Third, raising the capital gains tax to 35 percent will serve as an additional incentive for individuals or foundations to give appreciated property to colleges, universities, and other charities, because they know very well that if they sell the property, they will have to pay a larger capital gains tax.

Moreover, with respect to charitable contributions of appreciated property, the Senate has already declined to include the appreciated value in the 5-percent minimum tax.

Under the present bill, therefore, we already built in additional kinds of incentives to our citizens—especially our wealthiest citizens—to make contributions to universities and foundations as well as to various other charitable organizations.

Mr. LONG. We think we have retained significant incentives, and we think that more money will be made available to charity as a result of what we have done in this bill. This is particularly true with regard to the pay-out provisions passed by the House, which we have increased by action on the Senate floor, that will

make foundations distribute larger sums for charitable, educational, and similar purposes. I do think that, on the whole, what we have done here will result in a larger amount being given to charity.

Mr. KENNEDY. Mr. President, I wish to ask the Senator from Louisiana if he would not agree with me that what really started the taxpayers' revolt this year was the disclosure of the tremendous loophole available to wealthy citizens able to take advantage of the unlimited charitable deduction. As I understand it, this amendment seeks to reestablish that concept. Is that correct?

Mr. LONG. Yes. This amendment would leave all but 20 percent of it in effect.

Mr. KENNEDY. Instead of what it was under the Philadelphia nun provision.

Mr. LONG. The nun provision was unlimited. Very wealthy persons could totally eliminate their tax liability by gifts to charity. This amendment would permit them to deduct up to 80 percent of their income as a charitable contribution. The committee bill would limit the deduction by preventing these taxpayers from deducting more than one-half of their income in the form of charitable contributions.

Mr. McCARTHY. It is true that under existing law people have avoided paying taxes because of a contribution, but if this amendment were agreed to, taken along with what the committee recommended, they could no longer offset all their income.

The Senator wants people to make contributions to charity. These people are not making contributions to charity out of other people's money.

Mr. LONG. I am not saying people would necessarily give to charity to make money, but I am saying that under the Senator's amendment it is possible for a man to deduct up to 80 percent of his adjusted gross income by donations to charity.

Mr. McCARTHY. Yes.

Mr. LONG. And it is the judgment of the committee to limit such deductions to 50 percent of adjusted gross income. Furthermore, the amendment definitely fosters the concept that a wealthy person should be permitted to determine how his tax money is to be spent while people who do not earn that much money are not allowed to make such a decision.

Mr. McCARTHY. We determine it by saying what is deductible in the first place. It is a question of whether it is 80 percent or 50 percent. That is the entire question involved.

Mr. LONG. Mr. President, if we were to agree to the amendment we would be making it possible for those 150 persons who made more than a million dollars and paid no taxes, to be in a position to determine for themselves how 80 percent of their income would be spent. We think that to let them make that decision with regard to 50 percent of their income is generous. Not a single one of the charities which appeared before the committee asked for continuation of this Philadelphia nun provision.

Mr. McCARTHY. I am not defending the Philadelphia nun rule.

Mr. LONG. The Senator is buying 80 percent of it.

Mr. McCARTHY. We will have our hypothetical nun around this Chamber for the next 50 years.

Mr. LONG. Not if the Senate agrees with my position.

Mr. McCARTHY. It is like the case of the hypothetical widow.

Mr. LONG. Mr. President, if we can defeat this amendment offered by the Senator from Minnesota (Mr. McCARTHY) and pass the bill without that amendment, we will not hear any more about the Drexel nun.

Mr. McCARTHY. They used to use the Drexel nun to defend the provision; now, it is the other way around.

Mr. CURTIS. Mr. President, the real issue here is the beneficiary. That is the issue. Many hospitals are staying open because some wealthy person picks up the deficit. We could go on and on with other matters. To think of talk about a tax shelter is nonsense. The issue at stake here is the beneficiary.

Under the bill you can give 50 percent in one shot. If it is to one's advantage, he can raise contributions to 50 percent in 1 year. Under this proposal, you have to work your way up in 8 out of 10 years.

It is the orphanages and research groups, the colleges and hospitals and religious organizations that have a stake in this matter, and not a tax shelter for any individual.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I have listened to this debate with great interest because although I am much in favor of encouraging honorable charitable giving, I had not intended to challenge the decision to repeal the unlimited charitable deduction. I think the Senator from Minnesota (Mr. McCARTHY) makes a point that I am fully sympathetic to. The point endemic in the argument of the Senator from Louisiana is that people cried out against the 155 taxpayers who may have avoided taxes through charitable contributions but not against the philanthropists themselves or philanthropy. Philanthropists still are one of the most recognized and highly respected groups in this country. It should also be noted that the charitable deduction is only one of several means by which tax liability may be reduced. In fact, I understand that only about one-third of those taxpayers utilized the unlimited deduction. The great bulk of those taxpayers used other means, such as the oil depletion allowance and other preferences which we are eliminating from the bill, to escape taxation.

The Senator from Minnesota is correct in pointing out that the balance of the public interest is to encourage rich people not to sit on the money, or to pay it in taxes, but to use it in the ways that have been described and which benefit society. We are making foundations pay out the funds contributed in an adequate way.

It is a close question but in my judgment it should be answered in the manner which preserves pluralism and individual initiative in our society.

I think the Senator from Louisiana makes a strong point when he says we should not allow the rich person, as contrasted with one of more modest means, to choose who will receive his tax money. I think, however, we should not ignore the fact that the charitable deduction is now 50 percent. Anyone can use the 50-percent advantage according to the Senator from Louisiana. The Senator does not explain why it is proper in the case of 50 percent and incorrect here.

Mr. McCARTHY. Mr. President, I do not think many Members are privileged today to say that no one escapes taxes.

I reserve the remainder of my time.

Mr. LONG. Mr. President, the Philadelphia nun rule becomes a device for tax avoidance with gifts of appreciated property when one pays $1 for a work of art, for example, and gives it away at an estimated value of $1,000, or when one pays $3,000 or $10,000.

The Finance Committee would permit a taxpayer to deduct gifts of appreciated property on which no taxes had been paid only to the extent of 30 percent of his adjusted gross income, although he could deduct an additional 20 percent for other contributions.

The McCarthy amendment would strike that provision and permit a taxpayer to deduct gifts of appreciated property up to 80 percent of adjusted gross income, and it would thus not only retain the so-called Philadelhia nun provision law for 80 percent of a taxpayers' income but also for gifts of appreciated property where the greatest abuse lies.

Furthermore, the committee has provided that a person who previously could deduct only 30 percent of his income for charitable contribution purposes, if he gave it to a church, could now deduct up to 50 percent of his income to give to a church. This amendment increases that limit to 80 percent but only for those people who have carefully planned, with the advice of tax counsel, to give away 90 percent of their income to charity for 8 out of 10 years. That takes careful tax planning.

Some Senators have criticized the depletion allowance. The study which we all cite indicated that 154 persons were paying virtually nothing, but only about three had achieved that result in large part because of the depletion allowance. But almost 20 times that number—52—achieved that result because of this provision in the law which the Senator for the most part would retain. This provision would still retain the philosophy of economic royalism that the rich and those who have a history of 8 years of systematic tax avoidance planned by tax counsel and accountants should be entitled to say where their tax money goes. They want to be able to continue to say where 80 percent of their income will go, although the ordinary taxpayer in this country could not say where his tax money will go.

I submit, Mr. President, that the amendment cannot be defended, certainly not to the rank and file of taxpayers in this country.

We should put an end, once and for all, to this device which has been the largest tax avoidance device consistently used by those who are able to plan to pay no taxes.

Mr. McCARTHY. I would much rather see this money go to charity than to the moon.

Mr. COTTON. Mr. President, I shall support the amendment of the Senator from Minnesota. My reason is that for the past 3 weeks, in the Appropriations Subcommittee on HEW, we have been literally buried and have been struggling with a $20 billion bill, second only to defense, covering all kinds of Government charity, research for heart, stroke, cancer, for higher elementary and secondary school education, aid to the handicapped, and aid to the blind. Every year more money is required. One reason for this is that private contributions have dried up.

If we curtail or discourage the giving to these causes, to education, for those who are ill, to the handicapped, it simply means that we dig deeper into the Federal Treasury. After all, Government charity is a pretty cold and inanimate kind of charity, and inefficient in many cases. It is simply taking money out of one pocket and putting it into the other, which has a hole in the bottom.

For that reason, Mr. President, with a clear conscience, I can support the McCarthy amendment.

Mr. KENNEDY. Mr. President, I hope that this amendment will be rejected. It appears to me that the committee has acted reasonably in closing what is generally recognized as one of the most extraordinary tax shelters in the entire Revenue Code.

This afternoon, we are being asked to reopen, at least partially, the loophole closed by the committee. If we accept the amendment, we will be encouraging a tiny percentage of American taxpayers with very high income levels to seek the benefit of a special tax provision that millions of ordinary taxpayers will be unable to reach.

If we are serious about tax justice, this amendment must be defeated. If the amendment is approved, the great majority of American taxpayers will feel that they are not being governed by a tax system that is fair or equitable.

Mr. HATFIELD. Mr. President, I ask unanimous consent that a letter I received from Mr. Don C. Frisbee, president of the Pacific Power & Light Co., be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PACIFIC POWER & LIGHT CO.,
*Portland, Oreg., December 5, 1969.*

Hon. MARK O. HATFIELD,
*U.S. Senator,*
*New Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR HATFIELD: With the Tax Reform Act of 1969 now before the Senate for your consideration, I do want to bring some concerns of mine to your attention. In doing so, let me assure you that one cannot help but respect the constructive efforts of the House and Senate Committees toward providing meaningful, progressive legislation in this important field.

I have become increasingly aware of the dynamic forces that the independent institutions in our country which rely on the contributions of individuals and corporations inject into our American system and the importance of their financial health to our nation's future. Such organizations as the YMCA, Boy Scouts of America, many other youth, health and welfare agencies supported by the community united funds, as well as the independent colleges and universities of our land, give a great deal more to our society than they take out. The dollars contributed to this part of the private sector can be multiplied several to many times in measuring their ultimate effectiveness because of the many volunteers who participate in the activities of these institutions. This latter is a phenomenon not present in the dollars expended by federal, state and local governments in similar endeavors.

With this in mind I feel justified in urging you to concern yourself with the provisions of the Tax Reform Act of 1969 which, if enacted, will hamper the fund-raising capacity of such private agencies and institutions. The provisions involved relate to "gifts of appreciated property," "allocation of deductions" and "life income gifts." Although seemingly designed to plug tax loopholes which are advantageous to wealthy givers, the overriding fact relative to their elimination is that this would dry up a highly important source of income to these voluntary agencies and private institutions.

In addition, such organizations as the Boy Scouts of America are concerned with the application of "unrelated business income tax provisions" as they would affect the advertising in Boy Scout publications. The argument against this provision is that a majority of the advertising in such publications is limited to the exempt purpose of the agency involved. This argument appears to be sound.

It is a pleasure to be able to communicate with you.

Sincerely,

DON FRISBEE.

The PRESIDING OFFICER. All time on the amendment has now expired.

The question is on agreeing to the amendment of the Senator from Minnesota (Mr. McCARTHY).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Montana (Mr. METCALF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 41, nays 54, as follows:

[No. 195 Leg.]

YEAS—41

| | | |
|---|---|---|
| Aiken | Gurney | Pell |
| Baker | Hart | Percy |
| Bayh | Hatfield | Prouty |
| Brooke | Hruska | Proxmire |
| Case | Javits | Ribicoff |
| Cotton | Jordan, Idaho | Schweiker |
| Cranston | Magnuson | Scott |
| Curtis | Mansfield | Smith, Ill. |
| Dominick | Mathias | Sparkman |
| Eagleton | McCarthy | Tower |
| Fannin | McGovern | Williams, N.J. |
| Fong | Murphy | Yarborough |
| Fulbright | Packwood | Young, Ohio |
| Goodell | Pearson | |

NAYS—54

| | | |
|---|---|---|
| Allen | Boggs | Church |
| Allott | Burdick | Cook |
| Bellmon | Byrd, Va. | Cooper |
| Bennett | Byrd, W. Va. | Dodd |
| Bible | Cannon | Dole |
| Eastland | Jackson | Pastore |
| Ellender | Jordan, N.C. | Randolph |
| Ervin | Kennedy | Russell |
| Gore | Long | Saxbe |
| Gravel | McClellan | Smith, Maine |
| Griffin | McGee | Spong |
| Hansen | McIntyre | Stennis |
| Harris | Miller | Stevens |
| Hartke | Mondale | Talmadge |
| Holland | Montoya | Thurmond |
| Hollings | Moss | Tydings |
| Hughes | Muskie | Williams, Del. |
| Inouye | Nelson | Young, N. Dak. |

NOT VOTING—5

| | | |
|---|---|---|
| Anderson | Metcalf | Symington |
| Goldwater | Mundt | |

So Mr. McCARTHY's amendment was rejected.

Mr. COOPER. I move to reconsider the vote by which the amendment was rejected.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROPERTY BEQUESTS TO AN EXEMPT ORGANIZATION

Mr. JAVITS. Mr. President, I send to the desk an amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

Mr. MANSFIELD. Mr. President, reserving the right to object, the amendment is short and I should like to hear it read.

The legislative clerk read the amendment, as follows:

On page 148, line 16 after the period, insert the following:

"Where an organization makes a bargain purchase of property before October 9, 1969, which is subject to a mortgage which was placed on the property more than 5 years before the purchase, and the organization pays the seller less than 10 percent of the value of his equity in the property, the indebtedness secured by such mortgage shall not be treated, notwithstanding the amendments made by subsection (d)(1), as acquisition indebtedness during a period of 10 years following the date of the transaction."

Mr. JAVITS. Mr. President, I have discussed this amendment with both the majority and the minority members of the committee. As a matter of fact, the technical drafting was done by the committee staff. It is essentially a technical amendment.

The purpose of this amendment, Mr. President, is this: Where a person donates or bequeaths property to an exempt organization, which property is subject to an indebtedness which was placed on the property more than 5 years in advance of the gift or bequest, such indebtedness will not be treated as an acquisition indebtedness for a period of 10 years, so as to meet the provisions of the bill with respect to ability to make and receive that kind of gift. Those provisions do not apply when an organization acquires property by what is called a "bargain sale." The bargain sale is a common method of donating property, and organizations which have received property in that manner are thereupon deprived of what is called the 10-year transition

period. This amendment would allow the same 10-year transition period where such property is acquired by bargain sale, provided that the donor is paid no more than 10 percent of his equity in the property.

In short, all that the amendment does is to change what the committee has already provided is this 10 percent of the equity provision.

The particular problem arose in connection with Trinity Church in New York, which ran into this kind of a situation. We submitted the proposal to the committee, and both the Senator from Delaware (Mr. WILLIAMS) and the Senator from Louisiana (Mr. LONG) worked this out with me; and, as I say, the actual text of the amendment was drafted by the staff.

I do not, and obviously they do not, feel that it violates the spirit of what the Committee on Finance was trying to accomplish by this particular provision.

Mr. TALMADGE. Mr. President, I have discussed this amendment with the distinguished ranking majority member of the Committee on Finance, and the staff has carefully reviewed the amendment. I think it has considerable merit, and I urge the Senate to agree to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

AMENDMENT NO. 399

Mr. COOPER. Mr. President, I call up my amendment, No. 399.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. COOPER. Mr. President, I ask unanimous consent that the Senate dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOPER's amendment is as follows:

Page 454, after line 2, insert the following new section:

Sec. 707. Amortization of certain coal mine safety equipment.

(a) ALLOWANCE.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding after section 186 (added by section 906 of this Act) the following new section:

"Sec. 187. Amortization of certain coal mine safety equipment.

"(a) ALLOWANCE OF DEDUCTION.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of the adjusted basis (for determining gain) of any certified coal mine safety equipment (as defined in subsection (d)), based on a period of 60 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the adjusted basis of the certified coal mine safety equipment at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such adjusted basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any certified coal mine safety equipment for any month shall be in lieu of the depreciation deduction with respect to such equipment for such month provided by section 167. The 60-month period shall begin, as to any certified coal mine safety equipment, at the election of the taxpayer, with the month following the month in which such equipment was placed in service or with the succeeding taxable year.

"(b) ELECTION OF AMORTIZATION.—The election of the taxpayer to take the amortization deduction and to begin the 60-month period with the month following the month in which the certified coal mine safety equipment was placed in service, or with the taxable year succeeding the taxable year in which such equipment is placed in service, shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time, as the Secretary or his delegate may by regulations prescribe, a statement of such election.

"(c) TERMINATION OF AMORTIZATION DEDUCTION.—A taxpayer which has elected under subsection (b) to take the amortization deduction provided by subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such equipment.

"(d) CERTIFIED COAL MINE SAFETY EQUIPMENT.—For purposes of this section, the term 'certified coal mine safety equipment' means property which—

"(1) is electric face equipment (within the meaning of section 305 of the Federal Coal Mine Health and Safety Act of 1969) required in order to meet the requirements of section 305(a)(2) of such Act,

"(2) the Secretary of the Interior certifies is permissible within the meaning of such section 305(a)(2), and

"(3) is placed in service before the expiration of six years after the operative date of title III of the Federal Coal Mine Health and Safety Act of 1969.

For purposes of this section, any property placed in service in connection with any used electric face equipment which the Secretary of the Interior certifies makes such electric face equipment permissible shall be treated as a separate item of certified coal mine safety equipment.

"(e) SPECIAL RULES.—

"(1) The adjusted basis of any certified coal mine safety equipment, with respect to which an election is made under this section, shall not be increased, for purposes of this section, for amounts chargeable to capital account for additions or improvements after the amortization period has begun.

"(2) The depreciation deduction provided by section 167 shall, despite the provisions of subsection (a), be allowed with respect to the portion of the adjusted basis which is not taken into account in applying this section."

(b) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 187. Amortization of certain coal mine safety equipment."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

Mr. COOPER. Mr. President, I offer this amendment for myself, the Senator from Tennessee (Mr. BAKER), my colleague from Kentucky (Mr. COOK), the Senators from West Virginia (Mr. RANDOLPH and Mr. BYRD), and the Senator from Virginia (Mr. BYRD).

Mr. President, I hope very much that the manager of the bill will be willing to accept the amendment.

Mr. TALMADGE. Will the Senator explain it, so that Senators can ascertain what it does?

Mr. COOPER. Yes. The purpose of the amendment is to permit the amortization of the cost of certain "permissible" coal mine equipment over a 5-year period. The usual period of depreciation, I am informed, is a period of 10 years. I shall explain the reason for offering the amendment.

Mr. JAVITS. Mr. President, will the Senator yield momentarily?

Mr. COOPER. I yield.

Mr. JAVITS. Before leaving the Chamber, I should like to inform my colleagues, if I could have their attention, that I am the ranking member of the Committee on Labor and Public Welfare which just handled the coal mine safety bill. That bill was drafted by the Senator from New Jersey (Mr. WILLIAMS) and myself.

One of the big problems that we had was to reconcile safety with economics. The Senator from Kentucky (Mr. COOPER) is laying before us a very grave problem affecting small miners, where we are trying to impose heavy safety precautions, and it costs money to provide them.

I should like to say to my colleagues who are interested in safety that what the Senator from Kentucky is now proposing is a way in which the small mine operator can be helped. We knew he had to be helped. We tried to get him small business loans and other things, which is a kind of long way around, but I think the Senator, with his tax amendment, has something which can directly help him, and I hope my fellow Senators will give the greatest sympathy to the Senator's proposition. I testify to my colleagues that one of the bases of the coal mine safety bill was an attempt to reconcile economics with human life. We did the best we could, but what Senator COOPER is now proposing would help us immeasurably to do justice on the economic scale.

Mr. COOPER. I thank the Senator from New York for his excellent statement. I have also been informed that the Senator from New Jersey (Mr. WILLIAMS), who was chairman of the subcommittee that had charge of the coal mine health and safety bill, also supports the amendment.

I ask unanimous consent also to add the names of the Senator from Virginia (Mr. SPONG), and the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from Alaska (Mr. STEVENS), as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOPER. Mr. President, on October 2 of this year the Senate passed S. 2917, the Coal Mine Health and Safety Act of 1969. On October 29, 1969, the House passed its bill. The conferees have met and it is expected that the conferees will file a conference report very soon.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. TALMADGE. Mr. President, do I understand correctly that this is the result of the action of Congress in requiring these coal mine safety devices in coal mines?

Mr. COOPER. The Senator is correct.

Mr. TALMADGE. And that the equipment must necessarily be bought, because an act of Congress has required it?

Mr. COOPER. That is right.

Mr. TALMADGE. And that the purpose of the equipment is to save human life?

Mr. COOPER. The Senator is correct. Both Houses of Congress have passed bills which include a provision requiring that "permissible" machinery be used in all coal mines by a specified date.

The provision included in both the Senate and House bills would abolish the present distinction between "gassy" and "nongassy" mines, a classification that up to this time had been preserved in the Federal Coal Mine Safety Act since its adoption. The chief purpose of proposing the merging of all mines in one classification as "gassy" mines, is to require operators of mines now classified as "nongassy" mines to purchase and install new equipment which is designated as "permissible" equipment under the Federal Coal Mine Safety Act. This equipment is designed to prevent "sparking" of the machinery which could, of course, cause the danger of ignitions and explosions in mines where a sufficient concentration of methane occurs.

Bureau of Mines statistics show that for the year 1967 there were a total of 3,191 nongassy mines employing 45,472 workers and producing 143 million tons of coal a year.

I ask unanimous consent that a compilation prepared by the Bureau of Mines be printed in the RECORD at this point.

There being no objection, the compilation was ordered to be printed in the RECORD, as follows:

NUMBER OF BITUMINOUS UNDERGROUND COAL MINES, EMPLOYMENT AND PRODUCTION BY STATES AND BY GASSY AND NONGASSY MINES—1967

| | Gassy | | | Nongassy | | |
|---|---|---|---|---|---|---|
| | Number of Mines | Employees | Production | Number of Mines | Employees | Production |
| Alabama | 17 | 3,222 | 8,443,850 | 85 | 1,633 | 739,350 |
| Arizona | | | | 1 | 3 | 969 |
| Arkansas | 5 | 61 | 93,690 | | | |
| Colorado | 23 | 1,026 | 3,008,995 | 36 | 239 | 569,915 |
| Illinois | 26 | 5,271 | 27,797,978 | 9 | 111 | 525,834 |
| Indiana | 7 | 421 | 1,564,831 | 4 | 285 | 142,483 |
| Iowa | | | | 5 | 51 | 244,917 |
| Kentucky | 32 | 3,851 | 18,996,388 | 913 | 10,687 | 42,000,000 |
| | | | | | 580 | 2,287,406 |
| Maryland | | | | 33 | 236 | 409,550 |
| Missouri | | | | 2 | 14 | 3,000 |
| Montana | | 16 | 6,200 | 12 | 41 | 22,650 |
| New Mexico | 1 | 98 | 625,000 | 7 | 22 | 4,375 |
| North Dakota | | | | 1 | 5 | 996 |
| Ohio | 18 | 2,115 | 8,922,588 | 55 | 1,244 | 4,496,000 |
| Oklahoma | 1 | 4 | 2,400 | | | |
| Oregon | | | | 1 | 5 | 1,000 |
| Pennsylvania | 68 | 13,973 | 46,110,933 | 279 | 3,007 | 8,302,238 |
| Tennessee | 7 | 57 | 135,250 | 142 | 1,924 | 4,364,750 |
| Utah | 10 | 799 | 2,785,122 | 17 | 359 | 1,478,102 |
| Virginia | 44 | 3,347 | 14,265,000 | 673 | 4,722 | 16,625,000 |
| Washington | 1 | 7 | 8,599 | 3 | 31 | 48,017 |
| West Virginia | 132 | 20,848 | 8,0348,324 | 908 | 20,181 | 61,037,451 |
| | | | | | 32 | 30,812 |
| Wyoming | | | | 5 | 60 | 118,942 |
| Totals | 392 | 55,116 | 213,115,058 | 3,191 | 45,472 | 143,453,737 |

Mr. COOPER. Since all mines are designated as "gassy" under the pending legislation, the operators of these 3,191 "nongassy" mines will be required to junk the nonpermissible machinery now used which has been installed at great cost and replace it with "permissible" equipment of greater cost. This will impose a burden which many operators cannot sustain, result in the closing of hundreds of mines, and will drive out of employment hundreds, if not thousands of miners. This drastic legislation will not only affect the mines and miners, but will result in severe economic hardship upon the communities and States in which the "nongassy" mines are located. The Bureau of Mines compilation for 1967 indicates that there were 913 "nongassy" mines in Kentucky, 908 in West Virginia, 279 in Pennsylvania, 142 in Tennessee, 55 in Ohio, 85 in Alabama, 36 in Colorado and smaller numbers in 10 other States.

Both in the Senate Labor and Public Welfare Committee and on the floor when the Senate considered S. 2917, I offered amendments to preserve the distinction between gassy and nongassy mines. I introduced statistics and geological data showing that nongassy mines are the safest mines and that there is no demonstrated need for abolishing the present distinction between "gassy" and "nongassy." However, my amendments were not agreed to.

The House and Senate conferees have agreed, first, that for all mines certain specified small electrical equipment must be made permissible within 1 year after the operative date of the act—which is 90 days after enactment; second, that heavy electrical face equipment employed in coal mines not classified as "gassy" prior to enactment of the act and which are located above the water table—which definition would include a great majority of mines now classified "nongassy"—must be made permissible within 4 years of the operative date of the act with the right to obtain extensions up to a maximum of 2 years. Thus, under this provision, all operators of the above described nongassy mines would be required at the conclusion of 6 years after the operative date to have replaced all existing nonpermissible equipment by permissible equipment.

In addition, nonpermissible equipment that has worn out is to be replaced 1 year after the operative date by equipment that is permissible.

The amendment I introduce today would permit the operators of nongassy mines located above the water table to amortize over a 5-year period the cost of heavy electrical permissible equipment that they are required to purchase and install, or the cost of converting existing equipment to a permissible condition within the 6-year period after the effective date of the act.

My amendment is limited to equipment required to be installed in this 6-year period and the 5-year amortization would not be available for equipment installed after the 6-year period has expired. In addition, the 5-year amortization provided by my amendment would not be available to write off the small horsepower equipment required to be permissible within a year after the effective date of the act. It is limited to heavy electrical face equipment and is extended only to operators of nongassy mines located above the water table. My amendment, therefore, is of limited scope and of limited duration.

I am informed by the Bureau of Mines that the useful life of coal mining equipment as determined by the Internal Revenue Service for accounting purposes is 10 years. I am informed that most operators employ straight line depreciation schedules in depreciating this equipment. During the debate on the Federal Coal Mine Health and Safety Act, statements were provided by the Senator from New Jersey (Mr. WILLIAMS), manager of the bill, concerning estimates of the cost of new equipment and of the conversion of old equipment. A letter from the Honorable Hollis M. Dole, Assistant Secretary of the Interior, addressed to Senator WILLIAMS, dated August 2, 1969, was included in the RECORD of September 25, 1969, at page 27117. In his letter, Assistant Secretary Dole stated that the Bureau of Mines has estimated the cost to be approximately $50 to $60 million. I would point out that these cost figures included the cost of converting or replacing small electrical equipment in both gassy and nongassy mines, which equipment would not be given the 5-year writeoff as proposed by my amendment. Therefore, I am informed by the Bureau of Mines that this $50 or $60-million total cost figure would be less when limited to the cost of heavy electrical equipment as provided for by my amendment.

Taking the cost estimates submitted by the Bureau of Mines, I requested the Treasury Department to give me an estimate of the revenue loss should my amendment be adopted.

In a letter dated December 8, 1969, I am informed by Mr. John S. Nolan, Deputy Assistant Secretary, that my amendment—and I read from his letter—"will result in a revenue loss of approximately $1 million per year for the next several years, reducing gradually to zero."

The new Federal Coal Mine Health and Safety Act will require many small

operators in nongassy mines to junk their existing equipment and purchase permissible equipment as required by this legislation at great expense for reasons of safety. It seems to me, Mr. President, that the least that the Congress can do is to provide, to this limited extent, financial assistance in meeting these costs. The tax reform bill provides a 5-year amortization to the railroad industry and to industries purchasing air and water pollution equipment. Certainly, the equities of the small coal operator are equal, if not greater, than the industries helped by the 5-year amortization provided in this bill.

Mr. President, reconversion must take place under S. 2917 which is now in conference, within a minimum of 6 years. In my judgment, based upon the letter from the Treasury Department, the overall cost of the amendment would probably be $5 million or less.

It affects approximately 45,000 miners who are working in these mines which produce about 40 percent of our bituminous coal.

It is a just amendment. Congress will enact the measure which is now in conference. Help should be given not only to the operators of the mines, but to the men employed in the mines. Keeping the mine open will continue their employment.

Mr. President, that is the basis of my argument for the measure.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. BAKER. Mr. President, I thank the Senator from Kentucky for yielding and my chairman, the distinguished Senator from West Virginia, for permitting me to speak at this time for the purpose of observing that I believe the Senator from Kentucky has done a great service to a great industry by offering the amendment.

I very much hope that it will be agreed to by the Senate as part of the bill.

It is a difficult task, that of providing for mine safety and coming to grips with the issue of whether gassy and nongassy mines should be preserved.

The Senate has worked its will in that respect. For my part, and I know, from the standpoint of the senior Senator from Kentucky, we had hoped that there would be a continuing distinction between gassy and nongassy mines. However, there is not under the present state of affairs. Therefore, it becomes essential and urgent that something be done to encourage those who operate in nongassy mines, and obviously designated so, to devote permissible equipment to the preservation of those jobs which are by and large in an area of the country that has chronic unemployment and thus promote employment of men who are, by and large, uniquely suited to only one occupation, that of mining coal.

I think the Senator from Kentucky would move a great distance in this direction and the amendment would encourage many operators of nongassy mines to devote permissible equipment to conserving those jobs, thus contributing to our area of Tennessee, Kentucky, Virginia, and West Virginia.

Mr. President, it is with great pride that I join with the Senator from Kentucky in sponsoring the amendment. I hope that the Senator promptly agrees to it.

Mr. COOPER. Mr. President, I thank the Senator from Tennessee.

Mr. President, I yield now to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, the amendment offered by the knowledgeable Senator from Kentucky (Mr. COOPER) indicates once again his very real concern for the problems of coal mining and the safety of the miners. These mining problems, particularly as relate to the smaller mines now classed as nongassy, are soon to become acute and expensive. With the Coal Mine Health and Safety Act nearing finalization in this Congress, most of these mines necessarily must install much new equipment at substantial cost to meet the strict new safety requirements. The amendment which I am privileged to cosponsor will help the smaller mining companies provide the equipment requisite to the safety of their miners. The amortization provided can be very important in the financing of the equipment changeover to satisfy provisions of the new safety measure.

Mr. President, I am very grateful that over a period of time the Senator from Kentucky has demonstrated detailed knowledge and has been realistic in evaluating legislation as it affected the mines of his own State and neighboring ones. The mines concerned in the amendment, frankly, are mostly in Kentucky.

But numerous others in Tennessee, Virginia, and southern West Virginia will have some measure of tax relief available to them under Senator COOPER'S amendment, and we are grateful to him for his alertness and his diligent attention to these matters.

Would amortization provisions, I ask the Senator from Kentucky, usually apply over a period of 10 years?

Mr. COOPER. That is the information we receive from the Department of the Interior and the Department of the Treasury. The usual depreciation is over a period of 10 years.

Mr. RANDOLPH. Mr. President, the Senator's amendment would reduce that to a period of 5 years.

Mr. COOPER. The Senator is correct.

Mr. RANDOLPH. And the letter the sponsor has referred to indicates that the cost to the Federal Government would not be a substantial sum.

Mr. COOPER. It would be $1 million a year for several years. It would then decrease to zero. The reason it would decrease to zero is that it ends as soon as the mines are reequipped in the 6-year transition period.

Mr. RANDOLPH. Mr. President, I am sure the estimate is correct. The estimate is that it would cost the eligible mining companies from $50 million to $60 million for this equipment.

Mr. COOPER. The letter is addressed to the committee of the Senator from West Virginia. The Committee on Labor and Public Welfare had charge of the bill. The letter was addressed to the Chairman of the Labor Subcommittee Senator WILLIAMS by Hollis M. Dole, Assistant Secretary of the Interior.

He states:

Since, in fact, the upgrading of non-permissible equipment would be expected to be a mixture of field conversion and purchase of rebuilt or new equipment, a more realistic cost estimate would be between $50 and $60 million.

Mr. President, I ask unanimous consent that the letter of Assistant Secretary Dole of the Interior Department and the letter of Deputy Assistant of the Treasury Nolan and a summary I have prepared explaining the amendment be printed at this point in the RECORD.

There being no objection, the letter and summary were ordered to be printed in the RECORD, as follows:

ESTIMATES OF THE COST OF CHANGING NON-PERMISSIBLE ELECTRIC FACE EQUIPMENT TO PERMISSIBLE CONDITION, BY THE DEPARTMENT OF THE INTERIOR

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
*Washington, D.C., August 2, 1969.*

Hon. HARRISON A. WILLIAMS, Jr.,
*Chairman, Senate Labor Subcommittee,*
*U.S. Senate, Washington, D.C.*

DEAR SENATOR WILLIAMS: Enclosed are two attachments (A & B) in response to your letter of July 5, 1969, requesting further information on the cost of changing non-permissible electric face equipment in underground coal mines to permissible condition under the procedures (Schedule 2–G) of the Bureau of Mines. These procedures are primarily designed to assure that such equipment, if maintained in permissible condition, will not emit a spark or arc and cause a mine fire or explosion.

The first of these attachments is an updating and correction of estimates previously prepared and supplied to your subcommittee in relation to the cost of changing non-permissible equipment to permissible and the time needed to accomplish it.

The other attachment is the results of a survey of underground coal mines conducted, at your request, by the Bureau of Mines in each of the 9 major coal producing States. The survey was undertaken through the Bureau's district offices and compiled here. While it included some contact with the industry, repair shops, and equipment manufacturers, it is largely a paper survey based on records and data of the Bureau, including inspection reports, etc. We have discussed informally the results of the survey with your staff.

At the request of your staff, we checked, after completing the survey, on whether a bias had been introduced inadvertently due to the small number of mines sampled in the 9 States. Time did not permit a greater sampling. We have concluded that the samples for at least 3 of the States, Virginia, Kentucky, and West Virginia, are not truly typical of the small mines in those States. Thus, a bias was, in fact, inadvertently introduced.

From the survey we have, at your request, estimated the cost of making this equipment permissible either by conversion or rebuilding. The estimates are as follows:

SMALL NON-GASSY MINES

*Estimated costs*

| | |
|---|---|
| Cost of "conversion"[1] of all equipment: | |
| Nine States only | $37,000,000 |
| County-wide basis (by extrapolation from data) | 42,500,000 |
| Cost of upgrading or using rebuilt equipment: | |
| Nine States only | 54,882,580 |
| County-wide basis (by extrapolation from data) | 63,000,000 |

Footnotes at end of table.

LARGE NON-GASSY MINES

*Estimated cost*

Cost of upgrading or using rebuilt equipment: [2]

| | |
|---|---|
| Seven States only | $13,475,650 |
| Country-wide basis | 18,100,000 |

[1] Assumes field permissibility approval will be feasible even for equipment that had never had permissible approval.

[2] Assumes that all equipment could be upgraded and none would be converted.

You also requested that we provide an estimate, based on the survey, of the costs of making this equipment permissible, through conversion, upgrading, purchasing rebuilt or purchasing new, in the case of those gassy mines with "grandfathered" equipment is still permitted under the 1952 Act. The estimates are as follows:

Grandfathered equipment, all Gassy Mines:

Cost to upgrade, $3,591,350.

Cost to rebuild, $14,158,060.

Cost new, $36,951,170.

Because of the bias mentioned above, you also asked if we could use the survey and make some estimates taking the bias into account. Probably the most appropriate way to make such an estimate is to use an average of the capital cost per yearly ton of coal produced. For these larger and more efficient mines covered by the survey a mine producing 20,000 tons per year would require an investment of about $16,000. If the equipment were used for 20 years this would represent a cost of 4 cents per ton of coal mined. There is, however, some tonnage produced in hand loaded mines where permissible equipment would not be required. On the other hand, smaller mechanized mines, also not included in the survey, would be expected to have a higher investment per daily ton than those included in the survey. In our estimate, we have assumed that these two factors are to be in balance.

Using this method then, the cost for the small non-gassy mines for the country as a whole to convert or rebuild the equipment would be $30 million.

If all the equipment could be converted rather than using a combination of conversion and rebuilt equipment, the cost would be about $21 million.

The total cost can thus be estimated at $51.7 million, broken down as follows:

Grandfathered equipment (all upgraded), $3.6 million.

Cost of upgrading or using rebuilt equipment in large non-gassy mines, $18.1 million.

Cost for converting or using rebuilt equipment in small non-gassy mines, $30 million.

These figures are lower than those in Attachment A because we have assumed that the new concept of conversion which we have discussed with your staff using field approval for permissibility will be possible and because the size of the sample in the latest survey introduced a bias. Since, in fact, the upgrading of non-permissible equipment would be expected to be a mixture of field conversion and purchase of rebuilt or new equipment a more realistic cost estimate would be between $50 and $60 million. It is probable, however, that some portion of this sum would be expended anyway due to normal replacement needs.

Another cost is that of the Government which would be appreciably higher if all the equipment were converted, since it would involve a large increase in the man-hours required for field inspections of field converted and approved equipment.

Sincerely yours,

HOLLIS M. DOLE,
*Assistant Secretary of the Interior.*

THE DEPARTMENT OF THE TREASURY,
*Washington, D.C., December 8, 1969.*

Hon. JOHN SHERMAN COOPER,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR COOPER: You have requested an estimate of the revenue cost of Amendment No. 399 to H.R. 13270, the Tax Reform Act of 1969, which you have introduced. The amendment would allow five-year amortization for certain equipment installed to comply with the Federal Coal Mine Health and Safety Act of 1969.

Treasury estimates that this amendment will result in a revenue loss of approximately $1 million per year for the next several years, reducing gradually to zero.

Sincerely yours,

JOHN S. NOLAN,
*Deputy Assistant Secretary.*

EXPLANATION OF COOPER, RANDOLPH, BYRD (W. VA.), COOK, BAKER AMENDMENT

*Purpose* is to permit amortization of the cost of certain "permissible" coal mine equipment over a five-year period. The usual period recognized by the Internal Revenue Service is ten years.

*Cost* of reequipping mines with "permissible" equipment, estimated by the Department of Interior, is $50 to $60 million. Cost, in loss of revenue, estimated by the Department of Treasury, is $1 million annually for the first several years, then reduced to no cost.

*Reason:* House and Senate conferees have agreed on a provision to be a part of the Federal Coal Mine Health and Safety Act of 1969 (S. 2917), which requires for the safety of miners that "permissible" equipment—that is, non-sparking equipment—be installed in "non-gassy" mines over a six-year period. "Non-gassy" mines number about 3,000 and employ about 45,000 men and produce about 40% of the nation's bituminous coal. These are chiefly small mines and the cost of reequipping will put many out of business and increase unemployment, unless some aid is provided.

The five-year amortization provided by the amendment is limited strictly to "non-gassy" mines located above the water table, and only to the cost of installation of heavy electrical face equipment of a permissible type or the cost of converting existing equipment to a permissible standard during the six-year transition period.

Mr. RANDOLPH. Mr. President, I do not wish to take more time except to say that this is desirable and necessary legislation. In the Coal Mine Health and Safety Act, we sought to be prudent without compromising the safety of miners. However, approval of this amendment would mean that we can be more careful in insisting that the smaller units in the industry are not put out of business with the resultant increase in unemployment.

Mr. COOPER. The Senator is correct.

Mr. RANDOLPH. And I have talked with the chairman of the Subcommittee on Labor. He is interested in the amendment and desires to support it.

I have listened to the acting chairman of the Finance Committee as he has questioned the principal author of the amendment. He indicates that he understands the problem we face in this matter.

It has been my privilege to join in cosponsoring the amendment. I do feel it is equitable. And I hope it will receive the unanimous approval of the Senate.

Mr. COOPER. Mr. President, I thank the Senator. We have conferred on the amendment and have worked out the amendment before us.

I yield now to my colleague from Kentucky.

Mr. COOK. Mr. President, although my distinguished colleague from Kentucky has said this would cost the Government $1 million a year for approximately 6 years, I think the weight of the argument is that it will cost the industry between $50 and $60 million during that same period of time.

This cost of $50 to $60 million is the direct action of Congress itself. Contrary to the Williams amendment of just a moment ago which, as the distinguished Senator from Delaware said slowly but surely pulls away this $1 million a year for approximately 5 or 6 years, the cost to the Federal Government is necessitated by the fact that the industry, by action of Congress, must expend between $50 and $60 million during that same period of time.

I say to the distinguished Senator from Georgia that the real argument is that, for the safety and protection of human life, the industry is required to pay some $60 million and Congress is asked for this opportunity to extend to the industry a rapid writeoff from 10 to 5 years at a cost to the Federal Government, for the safety of human lives, the sum of $1 million a year. I think this is the real argument, and this is the point that the distinguished Senator from Kentucky (Mr. COOPER) has so eloquently made. I hope that the committee will accept the amendment.

Mr. COOPER. I thank the Senator.

I yield to the Senator from Virginia.

Mr. SPONG. Mr. President, I commend the Senator from Kentucky for bringing this amendment to the floor. In my judgment, it is a necessary adjunct to the very fine mine safety legislation enacted earlier in this session.

I should like to associate myself with the remarks of the Senator from Kentucky and say that I am very pleased to be a cosponsor of the amendment, and I hope the committee will see fit to accept it.

Mr. TALMADGE. Mr. President, the distinguished Senator from Kentucky and the cosponsors of the amendment have made an impressive case for the amendment. It would authorize the same amortization that is already included in the bill for pollution control devices. Since this is a safety control device affecting human life, I have discussed it with the ranking minority member of the committee, and he and I are in accord that the Senate should adopt it and let us take it to conference.

Mr. COOPER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

EFFECTIVE DATE OF ACCUMULATION TRUST AMENDMENTS

Mr. MILLER. Mr. President, I send to the desk an amendment in behalf of myself and Senators TALMADGE, MATHIAS,

ERVIN, ALLOTT, FANNIN, BROOKE, TYDINGS, PERCY, JORDAN of North Carolina, SPONG, CURTIS, BAYH, and RIBICOFF, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Page 259 (relating to effective date of accumulation trust amendments) insert after line 10:

"(C) In the case of a trust which was in existence on December 31, 1969, the amendments made by this section shall not apply to distributions made to a beneficiary before January 1, 1972, if the beneficiary elects (at such time and in such manner as the Secretary or his delegate prescribes by regulations) to have existing law apply to such distributions. If the beneficiary is the beneficiary of more than one such trust, the preceding sentence shall apply to distributions from only one of such trusts, such one to be designated by the taxpayer in accordance with such regulations: *Provided*, That the preceding sentence shall apply to distributions from two trusts where one of such trusts is for the lifetime benefit of a surviving spouse."

Mr. MILLER. Mr. President, the purpose of this amendment is to avoid undue hardship by application of the provisions of the committee bill to those cases in which income splitting is not the motive for setting up a trust.

During the committee's deliberations, it was evident that considerable abuse exists under present law relating to multiple trusts, and the committee decided to not only go along with the House but to actually tighten up still further the proposed changes in the law which will either put a stop to the use of mutiple trusts as an income-splitting device or severely hamper their use and protect the revenue.

However, there are many situations in which a trust is established without regard to income splitting. For example, a trust may be established to take care of a mentally retarded person, or to insure funds for a child's education, or to provide for a spendthrift situation of a child, or for any one of a number of socially desirable purposes. Additionally, the Congress sought to place taxpayers living in noncommunity property States on an equal footing with those living in community property States by permitting those in noncommunity property States to obtain equal estate tax treatment through the device of the marital trust. Under the law, a husband will often leave one-half of his property to his wife outright and the other half to a trust for her use and benefit for life; or he will leave one-half of his property in trust for her life, with power in her to provide by will how the remainder interest is to go, and the other one-half in trust for her life, with the remainder over to the children.

In view of these non-income-splitting types of trusts, which have a socially desirable purpose, my amendment provides that the new rules set forth in the pending bill shall not apply until after January 1, 1972, in the case of a trust established prior to December 31, 1969, with these limitations: First, a beneficiary of one or more trusts can make an irrevocable election to not have the new rules apply with respect to only one trust; and second, a beneficiary of a trust created for the lifetime benefit of a surviving spouse; namely, the widow may have an election with respect to one additional trust. As I have pointed out, this would usually be the case of a situation where both a "marital" and a "nonmarital" trust situation exists.

By postponing until January 1, 1972, the time in which the new rules would apply to these limited situations, the Treasury Department and the Congress will have adequate time to work out special rules to cover these limited situations for the future.

That special rules will be required seems certain, because, as I have said, the new rules were intended to cover income-splitting trust devices and not the typical family-type trust which is not motivated by income splitting.

I should point out that the new rules would, for the first time, include long-term capital gains for purposes of computing distributable income, and this would be done under an unlimited throwback rule. Additionally, interest would be charged on any additional tax computed under the throwback rule.

Actually, there would not be much benefit to the revenue under the unlimited throwback rule insofar as capital gains are concerned, and the table set forth below discloses this. If one makes the extreme assumption that a trust has no other income except capital gains, the trust itself would not have an effective tax rate of 25 percent until its capital gains reached $140,000.

The following table indicates that the maximum savings possible is not sufficient to provide a significant tax avoidance incentive, nor to justify a complex set of new rules to nullify the savings. The savings indicated in the table would be substantially less if the beneficiary's tax bracket were less than 50 percent or if the trust had other income in addition to the capital gain involved—which would increase its effective tax rate on such gain—

| Capital gain | Tax at 25 percent | Tax to trust[1] assuming no other income | Maximum savings |
|---|---|---|---|
| $10,000 | $2,500 | $910 | $1,590 |
| $20,000 | 5,000 | 2,190 | 2,810 |
| $30,000 | 7,500 | 3,940 | 3,560 |
| $40,000 | 10,000 | 6,070 | 3,930 |
| $50,000 | 12,500 | 8,530 | 3,970 |
| $60,000 | 15,000 | 11,150 | 3,850 |
| $70,000 | 17,500 | 13,865 | 3,635 |
| $80,000 | 20,000 | 16,670 | 3,330 |
| $90,000 | 22,500 | 19,590 | 2,910 |
| $100,000 | 25,000 | 22,590 | 2,410 |
| $110,000 | 27,500 | 25,690 | 1,810 |
| $120,000 | 30,000 | 28,790 | 1,210 |
| $130,000 | 32,500 | 31,990 | 510 |
| $140,000 | 35,000 | 35,000 | 0 |

[1] Personal exemption and deductions disregarded.

For example, if in the case of a trust having $50,000 of capital gain indicated above there were also $10,000 of ordinary income, the trust tax on the capital gain would be $11,670, and the savings would be only $830, instead of the $3,970 indicated.

Let me cite a few examples to show the hardship that would be worked by applying the new rules—including capital gains, unlimited throwback, and the 3-percent interest charge—to a single trust situation:

EXAMPLE A

Assume that A dies with a will which leaves $200,000 in trust. All of the income is to be distributed each year to his daughter, D, during her lifetime. On her death the remainder is to be divided equally between D's children who survive her. D lives for 30 years following A's death. During those 30 years the trust has capital gains aggregating $80,000. An analysis of each of the years in which such gains were realized indicates that the aggregate tax paid by the trust on such gains was $12,000. D had the benefit of such gains insofar as they resulted in higher income distributed to her during her lifetime. On D's death her only survivors are two of her three sons, G–1 and G–2, and the corpus of the trust is divided equally between them.

Under the Senate amendments the following steps would be required:

First. The trustee would be required to analyze the trust tax returns for each year during the 30-year period in which the trust realized a capital gain and to determine the tax which was in fact paid by the trust on account of such gains. If there were capital loss carryovers involved, it might be necessary for the trustee to recompute trust taxes for several years in order to determine the net tax attributable to the capital gain realized by the trust in any one year.

Second. Each of G–1 and G–2 would be required to analyze his tax returns for each year of the 30-year period during which the trust was in existence, to determine, first, the portion of the capital gain realized by the trust in any year which was deemed to have been distributed to him on termination of the trust; and, second, to determine the amount of additional tax which he would have had to pay if such capital gains had been realized by him in the year in which they were realized by the trust. If the amount of such additional tax which would have been payable by G–1 or G–2 in any year exceeds the amount of tax which was in fact paid by the trust on such gains, then the amount of such excess would be considered to be owing by G–1 and G–2 as a "throwback" tax in the year the trust terminated.

If either the trust or the beneficiary, or both, should have capital loss caryovers, a series of computations would be required with respect to such years, and it would be extremely difficult to compute both the "throwback" tax on capital gains.

EXAMPLE B

Decedent establishes a trust under his will for his child who is suffering from cerebral palsy. The trustee has the discretionary power to distribute income and principal as needed for the child. Initially the income is adequate for the

child and during the years 1970 to 1975 most of the income but none of the principal is distributed, but the trustee does realize capital gains in each year as a result of changes in the portfolio. In 1976 a substantial amount of principal is needed for the child's medical care but in that year the stock values are down and in selling assets to raise the funds the trustee realizes losses which exceed the gain previously recognized. Nevertheless, the gains realized in 1970 to 1975 would be "thrown back" to the child's returns. A throwback tax would result—the child being in a higher bracket than the trust since most of the trust income was taxable to him. The 3-percent penalty would be applicable to that part of the distribution which represented a "throwback" of trust income—as distinguished from trust capital gains.

EXAMPLE C

The decedent's will provides that the residue of his estate is to be held in trust, with all of the income to go to his two sisters, with distribution of the corpus at the death of the survivor to a niece. The trust initially consists of a farm worth $100,000 which is sold for $150,000 in 1970. The proceeds are reinvested in Government bonds to provide the maximum income for the sisters. In 1989 one of the sisters is incapacitated and some of the income of the trust is accumulated. The trust is distributed in 1990 at the death of the surviving sister and the bonds are distributed to the niece. In the niece's return for 1990 the niece would be subjected to the throwback rule. If she had any taxable income in 1970 she would have paid a higher tax than the trust on the $50,000 capital gain—since the trust had no taxable income—and she would be required to pay a throwback capital gains tax on the 1970 sale of the farm.

EXAMPLE D

A and his wife die in 1970 leaving a son age 2. After estate taxes A's entire estate of $100,000 is placed in trust for the benefit of the son. The trustee has discretion to pay out such portion of the income as is required to support the son and the remainder is to be accumulated, with distribution of the principal to the son when he attains age 21. During all years most of the income was distributed for support of the son and during most years, including 1975, all of the income was so distributed. The sole asset of the estate is a building which is condemned in 1975, at which time it was worth $150,000. The condemnation proceeds are invested in mutual funds, which make an annual capital gain distribution allocable to trust corpus. Ordinary income is paid currently to the son for his care and the trust corpus is distributed to the son when he attains age 21 in 1989. In the son's return for 1989 the capital gain realized on the condemnation of the building in 1975 and the annual capital gain distributions received by the trustee and allocated to trust corpus are reported as a result of the throwback rule.

The capital gains throwback would apply as the trustee is authorized to—and does—accumulate income. There would be a throwback tax in each year because the greater part of the trust income was always distributed and taxable to the son, and the capital gains would thus produce a larger tax when combined with his income than when combined with the lesser trust income. The 3-percent per annum interest charge would be applicable to the extent the throwback represented trust income, as distinguished from capital gain.

From these examples, it seems clear that unnecessary hardship and administrative cost would be required if the new rules are made applicable to the typical single or marital trust situation—a result which, I am sure, none of us should wish to see happen.

My amendment has been carefully drawn to limit exemption from the new rules to nonincome splitting situations, and I hope that it will be adopted. May I say that I very much appreciate the number of my colleagues who have joined with me in sponsoring this amendment, and an even larger number who have spoken to me personally to indicate their strong support for my amendment.

This amendment has been gone over very carefully with the staff of the joint committee and of the Finance Committee, and I understand that it is acceptable to the manager of the bill.

Mr. TALMADGE. Mr. President, I have examined the amendment, and the staff has examined it in detail. I also have discussed it with the distinguished ranking minority member of the committee. It is my judgment that the Senator's amendment has considerable merit and that we should take it to conference. I urge the Senate to adopt it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

CONVERSION PRIVILEGE

Mr. MILLER. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 234, line 20, insert the following after the word "for": "(or pursuant to the exercise of a conversion privilege contained in)".

On line 24, after the comma (,) insert: "or if gain or loss is not otherwise required to be recognized upon the exercise of such conversion privilege,".

Mr. MILLER. Mr. President, this is a clarifying amendment to accord with the intent of this provision of the bill that "exchange" includes the conversion of a convertible debenture into common stock of the issuer—in accord with the longstanding IRS view that such conversion is merely a change in form or one step in an "open transaction" wherein a debenture holder is considered as owning substantially the same bundle of rights after conversion as he owned before.

I have checked this amendment with the able staff, and they agree, as I understand it, that it is merely a clarifying amendment, and I ask that it be adopted.

Mr. TALMADGE. Mr. President, I have discussed this amendment with the distinguished ranking minority member of the committee and with the staff. We are in agreement that it is a clarifying amendment, and we think it should be adopted.

The PRESIDING OFFICER (Mr. HART in the chair). The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

AMENDMENT NO. 398

Mr. BYRD of West Virginia. Mr. President, I call up amendment No. 398 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is at the end of the bill add the following new title:

TITLE X—AMENDMENTS TO THE SOCIAL SECURITY ACT

SHORT TITLE

SEC. 1001. This title may be cited as the "Social Security Retirement Age Amendments of 1969".

ACTUARIALLY REDUCED BENEFITS

SEC. 1002. (a)(1) Section 202(a)(2) of the Social Security Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(2) Section 202(b)(1) of such Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(3) Section 202(c) (1) and (2) of such Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(4)(A) Section 202(f)(1)(B), (2), (5), and (6) is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(B) Section 202(f)(1)(C) of such Act is amended by striking out "or was entitled" and inserting in lieu thereof "or was entitled, after attainment of age 62."

(5) (A) Section 202(h)(1)(A) of such Act is amended by striking out "62" and inserting in lieu theref "60".

(B) Section 202(h)(2)(A) of such Act is amended by inserting "subsection (q) and" after "Except as provided in".

(C) Section 202(h)(2)(B) of such Act is amended by inserting "subsection (q) and" after "except as provided in".

(D) Section 202(h)(2)(C) of such Act is amended by—

(i) striking out "shall be equal" and inserting in lieu thereof "shall, except as provided in subsection (q), be equal"; and

(ii) inserting "and section 202(q)" after "section 203(a)".

(b)(1) The first sentence of section 202 (q) (1) of such Act is amended (A) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's, widow's, widower's, or parent's", and (B) by

striking out, in subparagraph (A) thereof, "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(2)(A) Section 202(q)(3)(A) of such Act is amended (i) by striking out "husband's, widow's, or widower's" each place it appears therein and inserting in lieu thereof "husband's, widow's, widower's, or parent's", (ii) by striking out "age 62" and inserting in lieu thereof "age 60", and (iii) by striking out "wife's or husband's" and inserting in lieu thereof "wife's, husband's, or parent's".

(B) Section 202(q)(3)(B) of such Act is amended by striking out "or husband's" each place it appears therein and inserting in lieu thereof ", husband's, widow's, widower's, or parent's".

(C) Section 202(q)(3)(C) is amended by striking out "or widower's" each place it appears therein and inserting in lieu thereof "widower's, or parent's".

(D) Section 202(q)(3)(D) of such Act is amended by striking out "or widower's" and inserting in lieu thereof "widower's, or parent's".

(E) Section 202(q)(3)(E) of such Act is amended (i) by striking out "(or would, but for subsection (e)(1) in the case of a widow or surviving divorced wife or subsection (f)(1) in the case of a widower, be) entitled to a widow's or widower's insurance benefit to which such individual was first entitled for a month before she or he" and inserting in lieu thereof "(or would, but for subsection (e)(1), (f)(1), or (h)(1), be) entitled to a widow's, widower's, or parent's insurance benefit to which such individual was first entitled for a month before such individual", (ii) by striking out "the amount by which such widow's or widower's insurance benefit" and inserting in lieu thereof "the amount by which such widow's, widower's, or parent's insurance benefit", (iii) by striking out "over such widow's or widower's insurance benefit" and inserting in lieu thereof "over such widow's, widower's, or parent's insurance benefit", and (iv) by striking out "attained retirement age" each place it appears therein and inserting in lieu thereof "attained age 60 (in the case of a widow or widower) or attained retirement age (in the case of a parent)".

(F) Section 202(q)(3)(F) of such Act is amended (i) by striking out "(or would, but for subsection (e)(1) in the case of a widow or surviving divorced wife or subsection (f)(1) in the case of a widower, be) entitled to a widow's or widower's insurance benefit to which such individual was first entitled for a month before she or he" and inserting in lieu thereof "(or would, but for subsection (e)(1), (f)(1), or (h)(1), be) entitled to a widow's, widower's, or parent's insurance benefit for which such individual was first entitled for a month before such individual", (ii) by striking out "the amount by which such widow's or widower's insurance benefit" and inserting in lieu thereof "the amount by which such widow's, widower's, or parent's insurance benefit", (iii) by striking out "over such widow's insurance benefit" and inserting in lieu thereof "over such widow's, widower's, or parent's insurance benefit", (iv) by striking out "62" and inserting in lieu thereof "60", and (v) by striking out "attained retirement age" each place it appears therein and inserting in lieu thereof "attained age 60 (in the case of a widow or widower) of attained retirement age (in the case of a parent)".

(G) Section 202(q)(3)(G) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(3) Section 202(q)(5)(B) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(4) Section 202(q)(6) of such Act is amended (i) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's widow's, widower's, or parent's", and (ii) by striking out, in clause (III), "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(5) Section 202(q)(7) of such Act is amended—

(A) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's, widow's, widower's, or parent's"; and

(B) by striking out, in subparagraph (E), "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(6) Section 202(q)(9) of such Act is amended by striking out "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(c)(1) The heading to section 202(r) of such Act is amended by striking out "Wife's or Husband's" and inserting in lieu thereof "Wife's, Husband's, Widow's, Widower's, or Parent's".

(2)(A) Section 202(r)(1) of such Act is amended (i) by striking out "wife's or husband's" the first place it appears therein and inserting in lieu thereof "wife's, husband's, widow's, widower's, or parent's", and (ii) by inserting immediately before the period at the end thereof the following: ", or for widow's, widower's, or parent's insurance benefits but only if such first month occured before such individual attained age 62".

(B) Section 202(r)(2) of such Act is amended by striking out "wife's or husband's" and inserting in lieu thereof "wife's, husband's, widow's, or widower's, or parent's".

(d) Section 214(a)(1) of such Act is amended by striking out subparagraph (A), by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting the following new subparagraphs (A) and (B):

"(A) in the case of a woman who has died, the year in which she died or (if earlier) the year in which she attained age 62,

"(B) in the case of a woman who has not died, the year in which she attained (or would attain) age 62,".

(e)(1) Section 215(b)(3) of such Act is amended by striking out subparagraph (A), by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting the following new paragraphs (A) and (B):

"(A) in the case of a woman who has died, the year in which she died, or, if it occurred earlier but after 1960, the year in which she attained age 62,

"(B) in the case of a woman who has not died, the year occurring after 1960 in which she attained (or would attain) age 62,".

(2) Section 215(f)(5) of such Act is amended (A) by inserting after "attained age 65," the following: "or in the case of a woman who became entitled to such benefits and died before the month in which she attained age 62,"; (B) by striking out "his" each place it appears therein and inserting in lieu thereof "his or her"; and (C) by striking out "he" each place after the first place it appears therein and inserting in lieu thereof "he or she".

(f)(1) Section 216(b)(3)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(2) Section 216(c)(6)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(3) Section 216(f)(3)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(4) Section 216(g)(6)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60"

(g)(1) Section 202(q)(5)(A) of such Act is amended by striking out "No wife's insurance benefit" and inserting in lieu thereof "No wife's insurance benefit to which a wife is entitled".

(2) Section 202(q)(5)(C) of such Act is amended by striking out "woman" and inserting in lieu thereof "wife".

(3) Section 202(q)(6)(A)(i)(II) of such Act is amended (A) by striking out "wife's insurance benefit" and inserting in lieu thereof "wife's insurance benefit to which a wife is entitled", and (B) by striking out "or" at the end and inserting in lieu thereof the following: "or in the case of a wife's insurance benefit to which a divorced wife is entitled, with the first day of the first month for which such individual is entitled to such benefit, or".

(4) Section 202(q)(7)(B) of such Act is amended by striking out "wife's insurance benefits" and inserting in lieu thereof "wife's insurance benefits to which a wife is entitled".

(h) Section 224(a) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

SEC. 1003. The amendments made by this title shall apply with respect to monthly benefits under title II of the Socal Security Act for months after December 1969, but only on the basis of applications for such benefits filed after September 1969.

SEC. 1004. Section 8332(j) of title 5 of the United States Code is amended by striking "individual, widow," in the first sentence and substituting in lieu thereof "individual is at least 62 years of age, or if his widow".

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the names of the Senator from West Virginia (Mr. RANDOLPH), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Wisconsin (Mr. NELSON) may be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, this amendment, which I offered in behalf of the majority leader and myself, would lower from 62 to 60 the age at which actuarially reduced social security benefits would be made available to eligible individuals who voluntarily retire.

An estimated 3½ million persons, not otherwise eligible for benefits under social security, would become immediately eligible. Of these, an estimated 35,000 West Virginians would be eligible.

I am further advised by the Social Security Administration that, of the 3½ million who would become eligible, about 800,000 persons would actually apply for these benefits, 10,000 of whom would be West Virginians.

The short-range cost effect of adopting this amendment would be a little over $500 million in additional benefit payments. However, this initial impact would be offset subsequently, thereby resulting in no additional costs in the long run. The reason for this is that individuals who would elect voluntarily to retire at age 60 would take reduced benefits and would, therefore, receive the same net amount by the time of death that they would have been paid had they started receiving larger payments under the current system at age 62, 63, 64, or 65.

In view of the fact that this amendment would not result in any overall drain on the social security trust fund, no additional tax revenues would be necessary. Hence, it would not constitute any cost burden to either the employer or employee. It merely offers persons who have paid into social security a choice of retiring at age 60 at a reduced benefit or waiting until they are 62 to 65 to retire at a higher benefit. No individual would be forced to retire at age 60.

I think it is important to remember that there are millions of people in this country who, because of failing health or

loss of employment, are forced into retirement earlier than would otherwise be the case. As Senators know, it is becoming increasingly difficult to find employment after age 50, and sometimes even earlier. In any event, persons who cannot find employment because of age, or who are unable to get jobs because of bad health, should at least have the opportunity to voluntarily retire at an earlier age if they choose to take a reduced benefit in so doing. If individuals are denied this choice, some of them may be forced to go on welfare or they may become an additional burden upon their children or other relatives who have family responsibilities of their own.

Moreover, there are some persons who, although presently employed, would voluntarily elect to take reduced benefits at 60, thus vacating their jobs. Those jobs could then be filled by younger persons who are entering the labor market.

Mr. President, there is no sociological or other reason for drawing the retirement line at age 65. With the need for additional jobs increasing from year to year, and with the problems of cybernation and automation confronting us ever more daily, it seems to me that there is every justifiable reason for lowering the age of eligibility for retirement under social security. Those who feel it imperative to apply for their benefits early could do so. As long as there would be no additional longrun cost to the trust fund, why should we hesitate to offer Americans this choice?

This amendment will serve to alleviate hardship for persons who otherwise might be forced to retire and forced to wait a couple of additional years before being eligible for social security.

An indication as to what the exercise of the choice would mean, under existing law, those persons who elect under present law to retire at age 62 must accept a 20-percent reduction in their old age insurance benefits—in other words, five-ninths of 1 percent for every month in the period between the attained age and age 65. Under the amendment which I have offered on behalf of the majority leader and myself, the voluntary retiree at age 60 would accept a 33⅓ percent reduction in his benefits, or five-ninths of 1 percent for each month in the period between age 60 and the date the individual would attain 65.

Mr. President, I have offered this amendment a number of times during the 12 years I have been in the Senate, and the Senate has adopted the amendment upon each occasion. The House has always rejected the amendment in conference. I hope that the Senate will accept the amendment again. We should not tire in persisting. The amendment is a good amendment, and sooner or later it is going to become law. I hope that it will be this year.

I favor the payment of full benefits at age 62, but such action would constitute an additional drain on the trust fund, and I intend to press for such action when the social security bill is considered by the Senate early next year. For the present, I think we should act to lower the retirement age to 60 for all Americans who voluntarily elect to accept actuarially reduced benefits at that age.

I urge the adoption of the amendment.

Mr. WILLIAMS of Delaware. Mr. President, last night in colloquy with the Senator from Massachusetts (Mr. KENNEDY) I cited an example of a credit of $63 million for one company in Alaska under the investment tax credit. I have been advised by the staff, in looking over the Stevens amendment, that all of this company's expenditures would not be subject to the investment credit tax. While they would have an investment credit for the entire State of Alaska, it would not be in the amount I stated. The RECORD should be corrected in that respect. The cost of the Stevens amendment would be $70 million for the whole country instead of the earlier estimate as given of $300 million.

Mr. President, I ask unanimous consent that the RECORD be corrected accordingly.

The PRESIDING OFFICER. Without objection, the correction will be made.

Mr. TALMADGE. Mr. President, the distinguished Senator from West Virginia has offered an appealing amendment. It is easy to be sympathetic to the intent of the amendment. The Senate has passed the amendment twice, in 1965 and in 1967, as the Senator stated. As the Senator pointed out, the amendment is actuarially sound.

However, the Senate should be aware of the reasons the House conferees refused to accept the amendment in the past. The first reason is its budgetary impact. Although it is actuarially sound in the long run, the immediate effect of the amendment would be to increase social security payments by $600 million annually, and the Senate has already accepted quite a number of amendments that vastly increase the outflow of social security funds above the amounts under present law. The Senate has already approved amendments which will increase social security payments by about $6.5 billion a year. At a time when inflation is running rampant, we should be extremely careful about fueling further inflation.

In addition to its budgetary impact, the amendment would give people at age 60 permanently lower benefits, one-third less than they would receive at age 65. For example, a person who would be entitled to the $100 minimum voted by the Senate yesterday would only receive $67 at age 60. The reason is simple: The actuaries estimate that at age 65, a person will receive social security benefits about 15 years on the average. If he begins drawing the same total amount at age 60, 15 years' worth of payments must be spread out over 20 years, and each months' payment must be one-third less. While it can certainly be said that two-thirds of a benefit is better than nothing, the House conferees have taken the position that the Congress should not provide benefits that are permanently reduced by one-third.

One final word in conclusion. Under existing law, anyone under social security who is totally or permanently disabled can draw benefits regardless of age, so that the amendment would address itself only to able-bodied individuals at the age of 60.

Mr. WILLIAMS of Delaware. Mr. President, I join the distinguished acting chairman of the committee in expressing the hope that the Senate will not accept the Byrd amendment, as appealing as it may be. True, as the Senator points out, from an actuarial basis it is sound, but the impact on the Federal budget would be about $600 million additional per year. As the chairman pointed out regarding the bill as reported by the committee, its net result would have been to provide additional revenue of $6½ billion. The Senate has whittled that away by approving $12½ billion dollars in extra revenue loss, so that as the bill now stands we shall be losing about $6 billion in revenue instead of gaining $6 billion, even without the pending amendment, which would add another $600 million loss.

I am afraid that we cannot accept such an amendment and be fiscally solvent or responsible.

Another disadvantage to it, as people retire and as the years progress they will realize that they cannot live on that amount of two-thirds, and Congress will, as it did the other day in a previous amendment of my good friend from West Virginia, raise that minimum because it will be so low that they cannot live on it. I am not sure that we are rendering a service to these people when we hold out an incentive such as this, where they may be encouraged to retire on benefits which will not be enough over a period of time. I would, therefore, hope that the amendment would be rejected.

Mr. President, I believe we would want a record vote on this amendment, and when the Senator from Virginia has completed his remarks I shall ask for a call of the quorum in order that we may get the yeas and nays ordered on his amendment.

Mr. BYRD of West Virginia. Mr. President, I concede that what the able Senator from Delaware has said may be true, and that some persons who, at such time as the amendment takes effect, would elect to accept the actuarially reduced benefits at age of 60 might, may in later years, feel that they had perhaps erred. On the other hand, there are those who really have no choice, or who are unable to get work because of age, or who are unable to get work because of their physical condition, or who otherwise may be forced to go on welfare or to become the wards of their children. This amendment would at least give them the opportunity to make that choice.

In some cases, necessity would dictate that the individual elect to retire early. The Byrd-Mansfield amendment merely provides a choice. It is purely voluntary. If the individual elects to retire early, and if the $100 minimum is accordingly reduced, that would still be his choice.

I recognize, also, the validity of the statements made by the Senator from Georgia (Mr. TALMADGE) and the Senator from Delaware (Mr. WILLIAMS) with respect to the impact that this amendment might have upon inflation. I listened very carefully to what President Nixon said last night. In view of what the President said, and in view of the arguments which have been made here with respect to the inflationary effect which this amend-

ment might have, I wish to modify my amendment, to provide that it go into effect only when the President issues a proclamation that he has determined it to be desirable to expand consumer purchasing power by making additional persons eligible to receive social security benefits.

Mr. WILLIAMS of Delaware. Mr. President, would the Senator be willing to modify his amendment to make it go into effect when the President determined that we have a balanced budget?

Mr. BYRD of West Virginia. I would not want to modify my amendment beyond what I have already indicated. The modification I make would give the President the opportunity to trigger the effect of the amendment, and at such time as he feels that it would not have an undue inflationary impact upon the economy and might be desirable to expand consumer purchasing power, he may do so. My modifying language would leave it up to the President to trigger the amendment.

Mr. President, I offer the modification and send it to the desk and ask that it be read.

The PRESIDING OFFICER. The modification will be read.

The assistant legislative clerk read as follows:

On page 9 of the amendment strike out lines 17 to 21 and insert in lieu thereof:

"SEC. 1003. The amendments made by section 1002 of this title shall apply with respect to monthly benefits under title II of the Social Security Act for months after the month in which the President issues a proclamation that he has determined that it is desirable to expand consumer purchasing power by making additional persons eligible to receive social security benefits."

Mr. BYRD of West Virginia. Mr. President, I am ready for a vote, and I suggest the absence of a quorum in order that we might get the yeas and nays ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 398) of the Senator from West Virginia (Mr. BYRD) and the Senator from Montana (Mr. MANSFIELD), as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. YOUNG of Ohio (after having voted in the affirmative). Mr. President, on this vote, I have a pair with the Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. GRIFFIN (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from Wyoming (Mr. MCGEE). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Wyoming (Mr. MCGEE), the Senator from Montana (Mr. METCALF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. METCALF) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Maryland (Mr. MATHIAS) is detained on official business.

I have announced my pair with the Senator from Wyoming (Mr. MCGEE).

The result was announced—yeas 54, nays 37, as follows:

[No. 196 Leg.]

YEAS—54

| | | |
|---|---|---|
| Aiken | Harris | Moss |
| Bayh | Hart | Muskie |
| Bible | Hartke | Nelson |
| Burdick | Hatfield | Pastore |
| Byrd, W. Va. | Hollings | Pearson |
| Cannon | Hughes | Pell |
| Church | Inouye | Proxmire |
| Cook | Jackson | Randolph |
| Cooper | Jordan, N.C. | Ribicoff |
| Cotton | Kennedy | Russell |
| Cranston | Long | Schweiker |
| Dodd | Magnuson | Sparkman |
| Eagleton | Mansfield | Spong |
| Eastland | McCarthy | Stennis |
| Fulbright | McGovern | Tydings |
| Goodell | McIntyre | Williams, N.J. |
| Gore | Mondale | Yarborough |
| Gravel | Montoya | Young, N. Dak. |

NAYS—37

| | | |
|---|---|---|
| Allen | Ervin | Percy |
| Allott | Fannin | Prouty |
| Baker | Fong | Saxbe |
| Bellmon | Gurney | Scott |
| Bennett | Hansen | Smith, Maine |
| Boggs | Holland | Smith, Ill. |
| Brooke | Hruska | Stevens |
| Byrd, Va. | Javits | Talmadge |
| Case | Jordan, Idaho | Thurmond |
| Curtis | McClellan | Tower |
| Dole | Miller | Williams, Del. |
| Dominick | Murphy | |
| Ellender | Packwood | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Griffin, against.
Young of Ohio, against.

NOT VOTING—7

| | | |
|---|---|---|
| Anderson | McGee | Symington |
| Goldwater | Metcalf | |
| Mathias | Mundt | |

So the amendment (No. 398), as modified, was agreed to.

Mr. GRIFFIN. I move to reconsider the vote by which the amendment was adopted.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12964) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes; and that the House receded from its disagreement to the amendment of the Senate numbered 21 to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. KENNEDY obtained the floor.

Mr. KENNEDY. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Vermont (Mr. AIKEN) without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. At this point, Mr. President, I would like to ask the chairman of the Committee on Finance a question for the purpose of clarifying one section of the bill.

I notice that the bill—page 297, section 421—taxes dividends in stock in all cases where there are two classes of stock outstanding and there are different distributions with regard to these two classes such as stock on one class and cash on the other class or preferred stock on one class and common stock on the other class.

However, I note that the bill also provides that under certain conditions a recapitalization may be treated as a distribution of stock or property. It is my understanding that there is no intention to alter the status of a recapitalization in which, for example, the older stockholders exchange some or all of their common stock for preferred stock and retire from the business while the younger stockholders exchange some or all of their preferred stock for additional common stock and continue to be active in the business. This has been a classic type of recapitalization which has always been considered tax free in the past. Am I correct in that there is no intention to change the status of a recapitalization of this type with a bona fide business purpose?

Mr. LONG. The Senator is correct. There is no intention to impose a tax on a bona fide recapitalization of this type, except to the extent stock is given in payment for dividend arrearages on the preferred stock.

Mr. AIKEN. I thank the chairman of the committee.

I also thank the distinguished Senator from Massachusetts for yielding to me for the purpose of clarifying this point.

Mr. KENNEDY. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Wisconsin (Mr. NELSON) for a brief colloquy with the chairman of the Committee on Finance, without losing my right to the floor.

The PRESIDING OFFICER (Mr. PACKWOOD in the chair). Without objection, it is so ordered.

Mr. NELSON. Mr. President, I should like to ask a question of the manager of the bill for the purpose of clarification.

Section 901 of the bill as reported by the Committee on Finance would impose special limitations on contributions to pension plans of certain corporations, defined as professional service organizations.

I am anxious to make sure that this section of the bill is not intended to apply to a corporation like the Marshfield Clinic, in Marshfield, Wis. This corporation has operated a medical clinic in Marshfield, Wis., since it was organized in 1916. It employs 84 physicians as full-time employees. The Marshfield Clinic was not organized under one of the special State laws recently enacted for professional service corporations. Instead, it was incorporated in 1916 under the general business corporation law of the State of Wisconsin.

The Marshfield Clinic has the following characteristics of an ordinary business corporation: It is governed by a board of directors; it has an executive committee of directors; it issues certificates representing shares of capital stock; it is empowered to amend and has amended its articles of incorporation; it has purchased, constructed, leased, and mortgaged its assets; liability of its shareholders for its debts is limited; it has initiated suits as a corporation in the Wisconsin courts; it has continuity of life; it is liable for Wisconsin income tax as a general business corporation; it has always been subject to Federal income tax as a corporation; and it files required annual reports with the Wisconsin Secretary of State as a general business corporation.

Clearly the Marshfield Clinic was not set up to take advantage of pension plan benefits under the Federal tax law, since it was in existence for more than 25 years before the present tax treatment of employee pension plans was first enacted in 1942.

While the Marshfield Clinic is subject to no such requirement under the Wisconsin general business corporation law, its articles of incorporation provide that its shares of stock may be issued only to physicians licensed in Wisconsin and may be voted only by them.

I would appreciate it if the Senator could assure me that it was not the intention of the committee that section 901 apply to a corporation under these circumstances.

Mr. LONG. It would be my understanding that the new provision relating to professional corporations would not apply to the type of case the Senator refers to.

My reason for saying this is that although this corporation by its charter is limited to having only doctors as shareholders, this is not required by the State law under which it is organized. Nor is it my understanding that there is any indication that when this clinic was organized in 1916, this limitation in the charter was specifically required by the then-existing rules of professional ethics.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RIBICOFF. Mr. President, I think the chairman is absolutely correct. What we were seeking to do in the Committee on Finance was to close the loophole of those corporations which were seeking to circumvent the guidelines laid out in H.R. 10 of the so-called Keogh plan. Clinics such as the Marshfield Clinic, the Mayo Clinic, and the Lahey Clinic were established many years ago, long before H.R. 10 and the Keogh plan in 1962. They were established to give these particular services.

When a person goes to the Marshfield Clinic or the Mayo Clinic or the others, he knows he is going to a clinic. But when Dr. Jones forms a corporation, the patient thinks he is going to Dr. Jones. He does not know he is going to a corporation at all.

It is my understanding from the discussions in the Finance Committee that we specifically were determined that clinics such as described by the Senator from Wisconsin would not be covered by the changes adopted by the Finance Committee.

Mr. LONG. I believe that is true, for the reasons I indicated in my statement.

Mr. RIBICOFF. The Senator is correct.

AMENDMENT NO. 409

Mr. KENNEDY. Mr. President, I call up amendment No. 409. The amendment, which is cosponsored by the distinguished Senator from Kansas (Mr. PEARSON), proposes a tax credit for political contributions.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is at the proper place insert the following new section:

SEC. ——. INCOME TAX CREDIT FOR POLITICAL CONTRIBUTIONS.

(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A (relating to credits allowable) is amended by renumbering section 41 as 42, and by inserting after section 40 (as added by section — of this Act) the following new section:

"SEC. 41. POLITICAL CONTRIBUTIONS.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to one-half of so much of the political contributions as does not exceed $50, payment of which is made by the taxpayer within the taxable year.

"(b) LIMITATIONS.—

"(1) MARRIED INDIVIDUALS.—In the case of a joint return of a husband and wife under section 6013, the credit allowed by subsection (a) shall not exceed $25. In the case of a separate return of a married individual, the credit allowed by subsection (a) shall not exceed $12.50.

"(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"(3) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) DEFINITIONS.—For purposes of this section—

"(1) POLITICAL CONTRIBUTION.—The term 'political contribution' means a contribution or gift of money to—

"(A) an individual who is a candidate for nomination or election to any Federal, State, or local elective public office in any primary, general, or special election, or in any National, State, or local convention or caucus of a political party, for use by such individual to further his candidacy for nomination or election to such office;

"(B) any committee, association, or organization (whether or not incorporated) organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, State, or local elective public office, for use by such committee, association, or organization to further the candidacy of such individual or individuals for nomination or election to such office;

"(C) the national committee of a national political party;

"(D) the State committee of a national political party as designated by the national committee of such party; or

"(E) a local committee of a national political party as designated by the State committee of such party designated under subparagraph (D).

"(2) CANDIDATE.—The term 'candidate' means, with respect to any Federal, State, or local elective public office, an individual who—

"(A) has publicly announced that he is a candidate for nomination or election to such office; and

"(B) meets the qualifications prescribed by law to hold such office.

"(3) NATIONAL POLITICAL PARTY.—The term 'national political party' means—

"(A) in the case of contributions made during a taxable year of the taxpayer in which the electors of President and Vice President are chosen, a political party presenting candidates or electors for such offices on the official election ballot of ten or more States, or

"(B) in the case of contributions made during any other taxable year of the taxpayer, a political party which met the qualifications described in subparagraph (A) in the last preceding election of a President and Vice President.

"(4) STATE AND LOCAL.—The term 'State' means the various States and the District of Columbia; and the term 'local' means a political subdivision or part thereof, or two or more political subdivisions or parts thereof, of a State.

"(d) CROSS REFERENCES.—

"For disallowance of credits to estates and trusts, see section 642(a)(3)."

(b) CLERICAL AND TECHNICAL AMENDMENTS.—

(1) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof

"Sec. 41. Political contributions.

"Sec. 42. Overpayments of tax."

(2) Section 642(a) (relating to credits against tax for estates and trusts) is amended by adding at the end thereof the following new paragraph:

(3) POLITICAL CONTRIBUTIONS.—An estate or trust shall not be allowed the credit

against tax for political contributions provided by section 41."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1969, but only with respect to political contributions payment of which is made after such date.

Mr. KENNEDY. Mr. President, I should like to indicate to the chairman of the Committee on Finance that Senator PEARSON and I are prepared to agree to a time limitation, if the chairman so desires, for the convenience of the Members of the Senate.

Mr. LONG. Mr. President, I ask unanimous consent that debate on the pending amendment be limited to one-half hour, to be controlled by the sponsor of the amendment and by the manager of the bill.

Mr. KENNEDY. One hour.

Mr. LONG. One hour, to be equally divided.

The PRESIDING OFFICER. The Senator from Louisiana said a half hour.

Mr. KENNEDY. I should like to modify the unanimous-consent request to make it 1 hour, equally divided.

Mr. LONG. I thought I said 1 hour, equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes.

Mr. KENNEDY. Mr. President, amendment No. 409 proposes a tax credit of up to one-half of a taxpayer's political contributions. The maximum credit would be $25 for married couples filing joint returns, $25 for single persons, and $12.50 for married persons filing separately. If an individual gives in excess of $50, he would be entitled to a tax credit of only $25; if the amount of the contribution is less than $50, the amount of the tax credit would be one-half of the contribution. For example, if the contribution was $20, the tax credit would be $10.

Mr. President, as we are all well aware, the costs of campaigning for public office are escalating almost out of control. The current issue of Congressional Quarterly demonstrates the skyrocketing costs of running for President and Congress. Reports to the Clerk of the House and the Secretary of the Senate alone show that $70 million was reported as spent in 1968 in the campaigns for Federal office. Even this estimate, however, is far too low. The Citizens Research Foundation in Princeton estimates that $100 million was spent to elect the President in 1968. The cost of political activities at all levels in 1968—Federal, State, and local—was $300 million, up from $200 million in 1964.

According to other figures, the total cost per vote for the general election campaigns in 1962 was only 19 cents. In 1968, the cost was 67 cents per vote. The increase was more than 35 percent over the past two decades, and the rise has been especially steep in the last three presidential elections.

The largest single expense in most political campaigns is the expense of broadcast time. It is primarily because of what Senator PEARSON eloquently calls the "revolutionary role of television in American politics" that the overall increase in campaign costs has been so steep. According to data of the Federal Communications Commission, the total broadcasting charges for the 1964 primary and general election campaigns were $35 million. In 1968, the charges were $59 million, up 70 percent over 1964.

The high cost of campaigning for public office has produced concern that all but the wealthy are prohibited from running for public office. President Eisenhower clearly recognized the serious nature of this problem. As he stated in an article published in January 1968:

> We have put a dollar sign on public service, and today many capable men who would like to run for office simply can't afford to do so. Many believe that politics in our country is already a game exclusively for the affluent. This is not strictly true; yet, the fact that we may be approaching that state of affairs is a sad reflection on our elective system.

Our citizens are deeply concerned over this question. They believe that inordinate attention is devoted to financing political campaigns, and that too little attention is devoted to the presentation of the issues. The belief is rampant across the country that candidates are forced to rely on a few large contributors to finance their campaigns, resulting in the creation of ambiguous relationships in which the successful candidate is obligated, or at least appears to be obligated, to his large contributors.

I believe that the time is ripe to enact legislation to meet this problem, and that the most appropriate step we can take at the present time is to enact a tax credit for political contributions. The hearings last October before Senator PASTORE's Subcommittee on Communications on the Campaign Broadcast Reform Act, sponsored by Senator PEARSON and Senator HART, and the recent report of the Twentieth Century Fund's Commission on Campaign Costs in the Electronic Era have generated intense new interest in proposals for overall reform in the area of campaign financing, including proposals for a tax credit.

Although, to my knowledge, the substance of amendment No. 409 was not specifically considered by the Committee on Finance during its public hearings or its executive sessions, the proposal has had a distinguished history in the present decade.

In 1962, President Kennedy's Commission on Campaign Costs issued its report entitled "Financing Presidential Campaigns." One of the major recommendations in the Commission report was the enactment of a tax credit for political contributions. The report states:

> The recommended credit is intended to encourage large numbers of small gifts. The bulk of presidential campagn funds available to both parties is now supplied by a relatively small group of contributors, giving sums ranging from a few hundred to several thousands of dollars. . . . We hope that this . . . incentive to small gifts will stimulate the massive giving needed by the parties. If it does not, other forms of governmental subsidy may be inevitable.

The idea of the tax credit was also pursued extensively in the 89th and 90th Congresses. In October 1966, under the leadership of the distinguished Senator from Louisiana, the chairman of the Committee on Finance, Congress enacted the Presidential Election Campaign Fund Act of 1966, Public Law 89–809. Under that act, individual taxpayers were authorized to designate $1 of their income tax to be placed in a special fund to be used for financing presidential election campaigns. Under the act, only political parties whose candidates received at least 5,000,000 votes in the preceding election were eligible for payments from the fund. Because the tax check-off provision was based on the principle of direct public financing of political campaigns, the act was highly controversial. One of its principal virtues, however, was that it served the extremely useful purpose of stimulating a far-reaching national debate on a variety of possible methods for reforming the financing of political campaigns.

In his message to Congress on the "Political Process in America" in May 1967, President Lyndon Johnson emphasized his support for the principle of direct public financing of presidential election campaigns and suggested a series of basic amendments to the original 1966 act. In addition, President Johnson recommended that Congress undertake an extensive review of other methods of financing election campaigns, by methods such as direct appropriations, tax credits or deductions, treasury vouchers, and various matching grant plans. In June 1967, after extensive controversy, Congress enacted legislation prohibiting implementation of the 1966 act until statutory guidelines under the act were enacted.

Then, in November 1967, after comprehensive hearings and executive sessions by the Senate Finance Committee on numerous proposals, the committee favorably reported H.R. 4890, the Honest Elections Act of 1967. As reported by the committee, the bill contained three principal provisions.

First, it provided an income tax credit, up to $25, for one-half of the political contributions made by a taxpayer. Most important for present purposes, all but one of the 17 members of the committee supported this provision.

Second, it provided a complete revision of the Presidential Election Campaign Fund Act of 1966, authorizing direct public financing for both presidential and senatorial elections campaigns.

Third, it contained the Johnson administration's Election Reform Act of 1967, which had already passed the Senate 2 months earlier by the unanimous vote of 87–0, and which included a series of highly desirable measures designed to improve the Federal election laws and to require full reporting and disclosure of campaign contributions.

Unfortunately, no further action was taken on these proposals by the 90th

Congress. It is for us to continue the effort.

Amendment No. 409, as proposed by Senator PEARSON and me, is identical to the tax credit provision unanimously adopted by the Committee on Finance in 1967. In essence, its provisions are as follows:

First, as I have already stated, it authorizes a tax credit for one-half of an individual's political contributions, up to a maximum credit of $25;

Second, contributions qualifying for the tax credit may be made to any candidate for public office—Federal, State, or local. The amendment thus encourages contributions not only to presidential candidates, not only to candidates for the Senate and the House of Representatives, but also to any candidate for State or local office as well;

Third, contributions qualifying for the tax credit may be made not only in connection with general elections, but also in connection with special elections or primary elections; and,

Fourth, contributions may be made not only to candidates themselves, but also to political committees organized to support a particular candidate or candidates, or to national political parties.

According to the revenue estimates made by the Treasury Department the revenue loss generated by the amendment would be in the range of $60 million for presidential election years, $30 million for non-presidential Federal election years, and $15 million for non-Federal election years. To the extent the tax credit stimulates additional contributions over and above their present level, however, the revenue loss would be increased.

Mr. President, I believe that the tax credit approach to financing political campaigns—an approach that was strongly favored by President Kennedy, by Senator Robert Kennedy and by many others—has several advantages over all other methods that have been proposed for financing such campaigns.

First, the tax credit approach will provide a significant incentive for participation in the political process by a large proportion of the electorate. One of the most important goals in recent proposals to reform the political process has been to stimulate greater public participation in election campaigns. I believe that the modest tax credit I have proposed will significantly encourage political parties and political committees to broaden their base of support by soliciting contributions from small donors. In the election year 1964, for example, there were 12 million individual campaign contributors, the overwhelming majority of whom were $1 or $2 contributors. I believe that the tax credit I have proposed will encourage more individuals to contribute, and will encourage existing contributors to raise the level of their contributions.

Second, by encouraging contributions by small donors, the tax credit will help to break down the excessive reliance by candidates on large contributors. As a result, the credit will help to restore public faith in the integrity of the election process. It will help to eliminate the ambiguous relationships created for the successful candidate, in which he is obligated, or appears to be obligated, to his large contributors.

Third, the tax credit leaves the decision on the allocation of public funds through the tax subsidy to the choice of the individual taxpayer himself. This point is the central distinction between the tax credit approach and the various proposals for the direct financing of political campaigns. Under the tax credit approach, unlike these other proposals, the Federal Government plays no part in determining which candidates or committees are to receive public funds or the amount of such funds that are to be made available to particular candidates. It is the citizen, and the citizen alone, who makes this determination.

Fourth, the tax credit offers assistance to candidates not only at the general election stage, but at the primary stage as well.

Fifth, the tax credit offers assistance to candidates not only at the Presidential level, but at the congressional, State, and local level as well. This point is especially important. Men earn consideration for the Presidency by their performance in other public office—most often Governor or Senator. The expense of nomination to a governorship or a Senate seat—especially in the large States from which most presidential candidates are drawn—is by itself a substantial barrier to all but men of wealth or their favored candidates. Thus, fair consideration for the Presidency itself requires public support for campaigns for lesser offices at all levels. This support can only come from tax incentives to individual contributions.

Mr. President, before proposing this amendment, I gave serious consideration to offering a tax deduction in combination with the tax credit. A tax deduction approach would have many of the advantages of a tax credit, especially with respect to the encouragement of individual choice and participation in the political process. However, a tax deduction would cause substantial inequities and disparities in the benefits afforded to contributors. Those in the highest tax brackets, at whom the incentive should be least directed, would receive the greatest benefits, whereas taxpayers in the lowest brackets would receive the smallest benefits.

In closing, I would also like to deal briefly with two others, but less desirable, approaches to campaign financing reform: the concept of direct public financing of political campaigns, and the concept of the matching incentive plan, both of which have frequently been offered as alternatives to the tax credit.

1. DIRECT PUBLIC FINANCING

The debate on campaign reform in the 89th Congress and the 90th Congress involved extensive discussion of the merits of direct public financing. Under this approach, Treasury funds would be appropriated to finance presidential and possibly other election campaigns. Unfortunately, extremely difficult constitutional, practical and political questions arise under this proposal:

Unless the access of minor parties to the public funds is restricted in some way, the proposal will tend to encourage or stabilize minor parties, or will lead to the artificial proliferation of such parties merely to receive the Federal subsidy. Yet, any formula limiting the funds available to minor parties is open to substantial constitutional objections based on the rights of free speech and free association under the first amendment, and to substantial political objections based on the need to avoid "locking in" the present two political parties, and on the desirability of avoiding direct governmental participation in the allocation of funds among political parties.

Unless private contributions are prohibited to campaigns financed by direct appropriations, there is a serious danger that the public subsidy will become merely an additional layer on top of private funds already solicited. Yet, if private contributions are prohibited, serious constitutional doubts will be raised as to the validity of the prohibition, and equally serious practical difficulties will be raised in enforcing the prohibition.

A direct subsidy to politcal parties will have a potentially disruptive impact on the existing structure of political parties. Traditionally, political parties have been loose combinations of local, State, and national organizations without strong central authority, and the flow of power has generally been from the local to the national organization. The direct subsidy, under which large amounts of public funds would be made available to a national party or its candidates, would reverse the flow. It would concentrate political power in the national party or candidate, and might easily lead to national domination of State and local politics.

The direct subsidy fails to stimulate individual participation in the political process. To the extent that public funds are used to finance campaigns, the stake of individual voters in the process is reduced, and there is less incentive for the political parties to broaden their base of popular and financial support.

None of the various proposals for a direct subsidy offer assistance to candidates in primary elections. Nor does the direct subsidy offer assistance to candidates at the State or local level, or, in most of its versions, to Federal candidates at other than the presidential level. Yet, the need for financial assistance is especially great in primary elections and at the congressional, State, and local levels, where fundraising is extremely difficult and where the potential influence of large contributors may be far more significant than at the presidential level or in the general election.

All of these issues received extensive discussion in the hearings and debates in the 90th Congress, but they have not yet been satisfactorily resolved. Therefore, before a proposal for direct public financing goes forward, substantial additional study will be necessary.

2. MATCHING INCENTIVE PLAN

Under this approach, which has many of the virtues of the tax credit approach, the Federal Government would encourage political parties to seek out small contributors by offering Federal grants matching of up to, say, $10 for each cash contribution.

This proposal was first given special prominence by the report in 1962 of the President's Commission on Campaign

Costs. In his subsequent message to Congress transmitting legislation to implement a number of the Commission's recommendations, President Kennedy urged Congress to study the plan as—

An original and imaginative approach that would encourage concentrated party effort in broadening the financial base of presidential campaigns.

In spite of the initial appeal of the matching plan, it has never commanded broad support. It is my understanding that as recently as 1966, a matching incentive plan recommended by the Treasury Department in lieu of a tax incentive was rejected by President Johnson for inclusion in the Election Reform Act of 1966.

In recent years, the considerations for and against the matching plan have been well canvassed. In spite of the plan's merit, I believe that the balance of considerations argues persuasively against its adoption as a method of campaign financing reform.

The most serious administrative objection to the plan is the complex Federal machinery that would be required to implement it, including the probable need for separate matched and matching funds on deposit in the Treasury. The most serious substantive objection to the plan is the enormous potential for fraud that it may entail:

For example, a political committee could solicit $10 from each of its members, double the contribution by submitting a claim for Federal matching funds, and then repay each member from the funds of the committee.

Or, a committee could obtain matching funds by spreading a large contribution among several fake "donors," without actually having secured any bona fide small contributions.

Although the impact of these potential frauds is speculative at present, I know of no remedy that might effectively negate them. The potential for fraud is far more serious than in the case of the tax credit approach, since the tax credit offers neither of the above major inducements to engage in fraud.

Thus, none of the controversies surrounding the direct public financing approach or the matching incentive plan is relevant to the approach taken in amendment No. 406, a tax credit for political contributions. Although as a matter of general revenue theory and practice, the tax code and the tax return are inappropriate vehicles to accomplish social goals such as reform of the political process, I believe that very real difficulties are inherent in all of the alternative approaches that have been discussed thus far to help meet the urgent problem of escalating campaign costs.

Moreover, whatever the advantages and disadvantages of the proposals for public financing of election campaigns, there is wide support in both Congress and the Nation for the tax credit approach. The proposal has been specifically endorsed by a number of public groups and private studies concerned with the high cost of campaign financing, including the 20th Century Fund study and the 1968 report of the Committee for Economic Development.

I believe that a tax credit for political contributions will go far to alleviate the deep national concern over the high cost of campaigning for public office. Equally important, the proposal will provide a substantial incentive for candidates, political committees, and political parties to broaden their base of popular support by seeking contributions from small donors, thus stimulating greater public interest and participation at all levels of the political process—Federal, State, and local.

It seems entirely appropriate, therefore, that the tax credit proposed in amendment No. 409 should be adopted as part of the pending tax reform bill, and I urge Senators of both parties to give it their support.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. KENNEDY. Mr. President, the amendment would make it less necessary for candidates for public office to rely on major campaign contributions. I think it would reach out to meet one of the very great needs which exist within our political system today. It would provide a fair and reasonable incentive for increased financing of political campaigns, especially the campaigns of those whose financial resources are inadequate to meet heavy burdens of such campaigns.

Mr. PEARSON. Mr. President, will the Senator yield to me for 5 minutes?

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from Kansas.

Mr. PEARSON. Mr. President, the Senator from Massachusetts has correctly stated the amount of the tax credit and the elections to which it would apply.

The thrust of the amendment is very much the same as the so-called Campaign Financing Act which I introduced 2 years ago, which was reintroduced this year as S. 1692.

Campaign spending is now increasing at such an enormous rate that although we do not have actual figures, because of spotty reporting and because of the lack of statutory obligation to do so, it is estimated that in 1956 both parties spent $155 million; by 1968 that amount had increased some $300,000. Of course, the cost of broadcasting, and particularly television today, is an enormous expense. In the last 4 years money spent in broadcasting, for instance, has doubled from $35 million to over $60 million.

It seems to me, Mr. President, that with this enormous requirement of campaign funds today, whether one is talking about a national office, the office of Governor of a great State, or even an office at the local level, we are approaching a time when not only will we find only rich men will be candidates or men with rich friends, but it seems to me that the great obligation today to finance the effort to seek public office is really threatening the integrity of our political system.

There are several alternatives and they have been talked about for a number of years, not only in the excellent report to which the Senator from Massachusetts made reference, but also in Congress we have been discussing this matter off and on for many years.

The manager of the bill today had a proposal pending last year to provide for aid in elections. I think we are getting to the point where the alternatives will be either direct appropriations or we will have some type tax credit or deduction which will leave it in the hands of the individual to participate in the political system, leaving to the individual the freedom to choose what contribution he will make and to whom he will make it. I believe that will stimulate contributions from a great many people.

I recall that in hearings before the Committee on Commerce not long ago having to do with television and radio costs, someone estimated that 95 percent of all campaign costs are made up by 5 percent of the people.

Mr. President, the Government of this country stands on a parity with other charitable contributions we make for Red Cross and the Boy Scouts. The deductions route is another possibility.

I recall that in the legislation I introduced it would provide for a contribution of $50 with one-half being used as a tax credit with larger donations of $500 to be used as deductions. But the dual approach is not utilized here. This is a step to provide greater and freer participation of all the people in the public business.

I thank the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the concept of the tax credit was endorsed as long ago as 1962 by the President's Commission on Campaign Costs, which was headed by Alexander Heard, one of the outstanding authorities on campaign financing in the Nation. The tax credit concept was also endorsed in 1968 by the Committee for Economic Development, a bipartisan group that studied a variety of methods for better financing of political campaigns. Finally, the tax credit was endorsed by the recent report of the Twentieth Century Fund's Commission on Campaign Costs in the Electronic Era.

All three of these committees were bipartisan. Their members were outstanding individuals who have given great thought and concern to the entire problem of campaign reform. In their reports, they have proposed a variety of different proposals, but it is significant that all of them support the principle of the tax credit, whatever their other proposals.

The distinguished Senator from Kansas has introduced a number of these proposals in the form of legislation, especially the area of campaign broadcasting, and I commend him for his initiative in this area.

I would like to emphasize that the precise provisions of amendment No. 409 were approved by the overwhelming majority of the members of that committee in November 1967. Although other provisions in the bill—H.R. 4890—reported by the committee were controversial, the support for the tax credit approach was virtually unanimous.

Mr. GURNEY. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. KENNEDY. I yield.

Mr. GURNEY. Would this be limited

to one contribution of $50, or could one give a $50 contribution to each of three candidates?

Mr. KENNEDY. Contributions qualifying for the credit could be divided among several candidates. However, the maximum tax credit each year would be $25 for all contributions combined.

Mr. GURNEY. But it would be limited to $50.

Mr. KENNEDY. Yes. The contributions on which the credit would be calculated would be limited to $50.

Mr. GURNEY. In other words, it would not be three $50 contributions?

Mr. KENNEDY. No.

Mr. GURNEY. It would come under only one $50 contribution?

Mr. KENNEDY. That is correct. A total of $50 in contributions.

Mr. GURNEY. I thank the Senator.

Mr. BELLMON. Mr. President, I rise in support of amendment No. 409. I am a former State chairman of a political party organization. I know how difficult it is to raise campaign funds and I know that the problem is becoming more serious each year.

I have always felt that our present laws regarding political contributions make of a political contributor a second-class citizen because those who give money to such organizations as the Red Cross, the Community Chest, youth clubs, and other organizations, enjoy a tax-exempt status which is not given to the political contributor. They do not get the same tax treatment.

I feel that as our political system endures, the cost of campaigning will go up. I see no indications that it will go down. It is high time we recognize that those who do contribute to political campaigns do so out of a sense of being a good citizen, with the desire to help preserve our system of government.

We should therefore give them the same tax treatment, or partially the same tax treatment that other citizens get. The election process in this country is the basis of our representative system. I believe it is high time we begin to encourage greater citizen participation in that process.

The pending amendment, I believe, will go a long way in that direction and I am very pleased to have the opportunity to support it.

Mr. HARRIS. Mr. President, I rise in support of the Kennedy-Pearson amendment. I commend the distinguished Senator from Kansas (Mr. PEARSON) for his long efforts in this regard, and I also commend the distinguished Senator from Massachusetts (Mr. KENNEDY) for joining him in what I think is an eminently fair and workable proposal by which we may begin to solve a tremendous problem which strikes at the heart of the future of the democratic process in this country; namely, the enormous and increasing costs of campaigning.

In the presidential campaign of 1968, the major political parties spent a combined total of 74 cents for every vote cast. That may not sound like very much when broken down in that way, but that adds up to more than $50 million spent in that presidential campaign.

Estimates by reliable organizations involved in this subject matter reveal that $300 million was spent on all campaigns in 1968, local, State, Federal, and so forth; and that this was $100 million more than was spent in 1964, and $160 million more than was spent in 1952. In other words, there was a 50-percent increase in the cost of campaigns between 1964 and 1968.

The Federal Communications Commission has reported expenditures of $58.9 million for political broadcasting in all campaigns in 1968. These are record high political campaign expenditures, 70 percent higher—for broadcasting expenditures in campaigns in 1968—than those expenditures were in 1964.

Mr. President, I think it can be seen from these staggering figures and the enormous and increasing costs involved, that the future of the democratic process in this country is very much involved in consideration of the pending amendment.

I think that most people in this country who have thought about this serious problem feel that political candidates should not be limited to those who are themselves wealthy, or to those who are financed by people with great wealth, whose interests may not necessarily coincide with the public interest.

Mr. President, not enough public attention has been brought to bear on this problem. However, I do believe that the people are becoming increasingly aware of it and are, rightly, becoming increasingly alarmed about it.

There are many plans by which we might try to meet the problem. I testified before the subcommittee headed by the distinguished Senator from Rhode Island (Mr. PASTORE) earlier this year in support of the bill pending before his subcommittee having to do with television time for candidates. But the best way to get at the problem, it seems to me, is by the tax credit method. We would be limiting the amount of money which the contributor or donor could take as a credit, and say by this amendment that he could take as a credit only one-half of his contribution up to a total contribution of $50, or a total tax credit of $25 for any individual taxpayer.

That, it seems to me, is the best way to assure that a great number of people throughout this land may be involved in the financing of campaigns and of political costs, thereby assuring that a much larger number of people will be responsible for the financing of any individual campaign, or of a political party.

In this country, we have rightly felt that it is in the public interest to grant tax incentives for charitable contributions. In this bill we have tried to plug some loopholes in that existing system.

But, basically and fundamentally, we have agreed that it is in the public interest to give a tax incentive to a person who would make a charitable contribution. Why would it not also be true, why would it not also be good public policy, to give this same tax incentive to one who wants to contribute to the workings of our entire democratic system? Our system cannot work unless good men run for office, and good men cannot run for office unless they are able to pay these enormous campaign costs. Too many men are now barred from public office because of these great costs.

Adlai Stevenson once put it rather well when he talked about the requirement that people have a right to know about the candidates and where they stand. He said that his principal purpose in appearing before a congressional committee on this general subject in 1960 was to "support a proposal, calculated, I believe, to help furnish the American people with the knowledge which is prerequisite to an intelligent exercise of their duty as electors in a free society."

That is what this amendment would do. It would help assure that every candidate and every political party would have a minimum chance to get across its case to the electorate, to get across to the people where they stand on an issue, and thereby help the people in an individual contest make a decision as to what was best for their interests and also best for their country. Also, much more important and much more fundamental, it will help make our system work.

I hope that the amendment will be agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. KENNEDY. Mr. President, I reserve the balance of my time.

Mr. GRIFFIN. Mr. President——

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, does the Senator desire to speak in opposition to the amendment?

Mr. GRIFFIN. Yes.

Mr. LONG. How much time does the Senator want?

Mr. GRIFFIN. Five minutes.

Mr. LONG. I yield 5 minutes to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I find it very difficult to oppose this amendment on its merits. Like the college tax credit amendment and like a number of other amendments which have been tacked to this tax bill, I find this a very desirable and appealing legislative proposal. It has a lot of merit.

I am aware of the fact that if it should be adopted, it will probably be dubbed as a relief bill for politicians. I would not oppose it on that ground, but in the eyes of many I am sure this particular amendment would have that appearance.

I just believe that we are considering this legislative proposal at a most inappropriate time and in connection with a bill that is already badly overloaded.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield to the distinguished Senator from Nebraska.

Mr. CURTIS. I think we should point out that contributions generally are a deduction, and not a credit. Here is the difference it makes. If this amendment passes, if an individual in the 20-percent bracket gave $50 to his church, his taxes would be reduced $10. If he gave $50 to a politician, his taxes would be reduced by $25. That priority is in reverse, according to my thinking.

Mr. PASTORE. Mr. President, will the Senator yield just a second on that very point?

Mr. GRIFFIN. I yield.

Mr. PASTORE. By the same token, if

we are going to measure it in terms of deduction rather than credit, we are going to be in the position that a person in the 50-percent bracket can give $500 or $600 and deduct it. We are not going that far. We are trying to make this every man's business. That is why we took the alternative of credit rather than deduction.

I know the argument the Senator has made, and it is the present formula. The only trouble with it is that in order to get $25 as a credit on one's tax payment, a person in the 50 percent bracket can make a contribution of perhaps $1,000, which is too much.

Mr. CURTIS. I think the deduction should be limited.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. GRIFFIN I yield.

Mr. WILLIAMS of Delaware. Referring to what the Senator from Nebraska said, we had this matter before the committee a couple of years ago. The Treasury Department at that time took a strong position against the tax credit approach on the ground that it was not feasible to operate. The Department strongly urged that if this were to be approached at all, it should be done through a deduction. At that time I think it was proposing a $100 deduction. I know the former Senator from New York, the brother of the sponsor of this measure, and I joined together in introducing a bill, which was acted on, having to do with election reform which followed the deduction approach. As the former Senator Kennedy pointed out at that time, the most important part of the legislation that was needed was election reform.

Under the existing system, these contributions can be given to candidates, either this $25 or others. The Corrupt Practices Act provides that political committees operating in two or more States must file an accurate accounting. But the District of Columbia is not a State. Therefore, a man running for public office can have a committee in his own State and have as many committees as he wishes in the District of Columbia, and no filing or accounting is provided for as to how many contributions are made and where they are coming from. That is one of the long overdue corrections needed for large deductions.

The Senator from New York at that time, Mr. Kennedy, joined with me and we introduced an amendment as a substitute for H.R. 6950. We had a Senate bill at that same time which would have carried some election reform as well as carried a provision for the money.

I would dislike to see this amendment adopted now, in light of the revenue situation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. May I have 1 more minute?

Mr. GRIFFIN. Mr. President, will the Senator yield me some time?

Mr. LONG. Mr. President, I yield 5 additional minutes.

Mr. WILLIAMS of Delaware. I would like the amendment not to be accepted at this time, but if it is going to be accepted, I would certainly strongly recommend that the Senator from Massachusetts include with it an election reform proposal, so the American people would be assured that, to the extent they make these contributions, there will be an accurate accounting. In addition such a proposal would clean up many of the significant abuses by much needed reforms in the election laws. I know that reform was a part of the program of the Senator's brother. The Senate passed the bill in 1967 with a number of election reforms in it, but, unfortunately, it was not accepted in the House.

I think we would make a tragic mistake by allowing such a tax credit without having provided for an accurate accounting.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. PASTORE. As a matter of fact it is the best form of policing we have, because the amount of the contribution and a description of it must be stated. If the person whose name is given does not show it in his report, he is in trouble. It is the best policing we have.

Mr. WILLIAMS of Delaware. The Senator is correct, but contributions in general under existing law are not covered under the reporting rules. The measure proposed by the Senator from New York and me in 1967 covered all contributions. Under the present proposal, if someone gave $1,000, he would get a credit with respect to $50, and the other $950 would not be accountable for at all. What is needed is full and accurate accounting for all of a contribution and for all contributions.

Mr. GRIFFIN. Mr. President, who has the floor, and how much time does he have?

The PRESIDING OFFICER. The Senator from Michigan has the floor.

Mr. GRIFFIN. How much time do I have?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. GRIFFIN. I thank the Senator from Delaware for his very important contribution. As he points out, this proposal, which of course can be considered in connection with the tax bill, has a different object altogether. This amendment involves election reform, which is a matter that deserves hearings and careful consideration aside from the fact that its adoption would involve additional revenue loss.

The President's attitude toward this tax bill, as it has been amended by the Senate, was made very clear in his press conference last night.

The American people expect tax reform. They want a tax reform bill passed. So, if we are to get tax reform legislation enacted into law, I urge my colleagues to lay such subject matters as this aside and to get on with consideration of tax reform. Such matters as campaign reform and other reforms may be desirable, but they should not be attached to the pending bill.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. PEARSON. Mr. President, may I have a half minute?

Mr. KENNEDY. I yield the Senator one-half minute.

Mr. PEARSON. I say to the Senator from Michigan that I think he is absolutely right; the proposal does need study; but it has had study. This particular concept has been gone over two or three times. It has been passed by the Senate once. The amendment does not include the basis of complete reform, but I think the bill which came out of the Rules Committee, to which the Senator from Massachusetts made reference, and passed this body, went over to the House of Representatives, and was never acted on there, has been the subject of considerable study.

I agree with the Senator from Delaware that when we really solve some of the problems connected with politics in this country, we will have a reform of the electoral system by which we will know precisely who contributed to each campaign, and how much.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. LONG. I yield the Senator one-half minute.

Mr. WILLIAMS of Delaware. The Senator from Kansas stated that this measure had passed the Senate once. It did not pass it, as I understand, as a tax credit. As a tax deduction proposal, it passed the Senate, along with other election reform provisions.

Mr. PEARSON. I thought it had passed as a tax credit. I could be mistaken on that.

Mr. WILLIAMS of Delaware. But I do think it is very important. I believe that election reform is more important than tax reform.

Mr. KENNEDY. Mr. President, I yield myself 1 minute. As I understand it, the election reform bill to which the Senator from Delaware has referred passed the Senate in 1967 by a vote of 87 to 0, but was not passed by the House of Representatives. A similar bill is now before the Elections Subcommittee of the distinguished Senator from Nevada (Mr. CANNON). It is my hope that this important legislation will be enacted by the 91st Congress.

Since the Election Reform Act—S. 1880—passed the Senate by the vote of 87 to 0 only 2 years ago, I think we can expect expeditious action by this body today on the question. Certainly, it is not the intention of the distinguished Senator from Kansas or myself, in offering this tax credit amendment, to detract in any way from the importance of a thorough and comprehensive election reform.

Mr. WILLIAMS of Delaware. Mr. President, would the Senator be willing to modify his amendment to accept the election reform proposals which his late brother and I cosponsored with the Senator from Illinois (Mr. PERCY) and the Senator from Hawaii (Mr. INOUYE), who at that time was the head of the central campaign committee? I have stricken from this proposal, I might say, that section which would be——

Mr. KENNEDY. Mr. President, on whose time is the Senator speaking?

The PRESIDING OFFICER. He is speaking on the Senator's time.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent, having used a part of the Senator's time, that the Senator from Massachusetts be granted an additional 5 minutes.

Mr. KENNEDY. Mr. President, we have only a few minutes. There are other Senators who wish me to yield to them.

Mr. WILLIAMS of Delaware. I was asking that the Senator from Massachusetts be permitted to have 5 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WILLIAMS of Delaware. I might say that in that election reform bill, part 4 of it would have provided raising money by contributions. To conform with the Senator's amendment, that has been stricken from the bill as I have it here. But the rest of the titles that deal with reporting, I think, are very important, and I wonder whether the Senator from Massachusetts would be willing to modify his amendment to accept the reform package as a part of his proposal.

Mr. KENNEDY. If the Senator offers his amendment at the appropriate time, I would be pleased to accept it. The Senate has already voted unanimously in favor of it in 1967, and I believe that it is a major contribution to election reform and the cause of clean government. Although the provision is not directly relevant to the pending tax reform bill, I believe that it would be appropriate for the Senate to consider both provisions together.

Mr. WILLIAMS of Delaware. Paraphrasing the Senator's late brother, if Congress ever gets its hands on the money out of the Federal Treasury we will never get reform in our election laws. I think the two should be acted on together.

Mr. President, a parliamentary inquiry: As I understand, an amendment to the Kennedy amendment would not be in order until after all time on the amendment itself has expired?

The PRESIDING OFFICER. The Senator is advised that an amendment would be in order when time has expired, or by unanimous consent.

Mr. WILLIAMS of Delaware. All right. I shall propose the amendment when it is in order, after the time on the Senator's amendment has expired, because the Senator from Massachusetts apparently does not wish to join in offering it.

Mr. KENNEDY. Mr. President, exactly what is the nature of the question at this time?

The PRESIDING OFFICER. The Senator is asking when an amendment to the pending amendment would be in order, and he is advised that it would not be in order until time on the amendment has expired.

Mr. WILLIAMS of Delaware. I do not intend to offer the amendment to the amendment until after time on the Senator's amendment has expired.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I yield myself 9 minutes.

Mr. President, this is a letter I have received from the Deputy Assistant Secretary of the Treasury, explaining the Treasury's position on this proposal. I shall read the pertinent paragraph:

> This amendment would result in a revenue loss of $60 million per year. I am authorized to state that the administration opposes this amendment to the bill. While the principle is meritorious, the amount and scope of the credit and its technical implementation should be given careful consideration in hearings by the House Ways and Means Committee and the Senate Finance Committee before any such provision is enacted.

Mr. President, there are a number of things that I find wrong with the amendment. In the first place, the amendment would apply to any election. We have not yet found a way to properly finance Federal elections alone, much less trying to finance State and local elections. It seems to me if we are going to start a Federal program to finance elections, we ought to start out with Federal elections, and see how it works in the kind of elections over which we have jurisdiction, before we start trying to subsidize and finance State and local elections.

In the second place, there is no limitation on the uses for which the money could be spent. I was successful in placing on the statute books, some years ago, a proposal that said a person could contribute $1 of his tax money to be used to finance both the Republican and the Democratic campaigns, the money to be divided equally, with a formula that would make some of the money available, on a reimbursable basis, to a third party if that third party could qualify.

That proposal was frozen in the statute, and never permitted to go into law, because some Senators said they wanted guidelines to say what could or could not be done with the money; and we have never been able to implement those guidelines since that time.

In the third place, there is no assurance at all that the money would be channeled where it is needed. For example, most of the benefit of this proposal would go to people who were already contributing to and financing campaigns, and it would do little if anything to help people who are not able to make campaign contributions.

As George Meany has always expressed it to me, "If you want to do something to get people to help finance a campaign, permit everybody to put up $1."

If we did it that way, we would provide a $1 tax credit for everybody, so the little fellow down at the bottom would have just as much opportunity to contribute on a tax-exempt basis as the man at the top.

As a practical matter, if this proposal were put into effect, a man of modest means could not afford to take advantage of it anyway, even if he does get the benefit of half of it as a tax credit.

The Democratic Party platform spoke toward the idea of one man, $1. Here is what it said:

> To encourage citizen participation, we urge that limited campaign donations be made deductible as a credit from the Federal income tax.

That does not say allow half as a tax credit. It speaks toward the idea of one man, $1, one vote.

However, that is not in the amendment. This is a $25 deal. The man who can afford to put up $50 can get a larger tax benefit. This would not help the little fellow, the man in the 14-percent tax bracket or the man who cannot afford to pay anything. How about the man at the poverty level? It is quite possible to draft a provision where that man could have as much effect in an election as a man who is well to do financially and who can afford to put up a large contribution.

There is no way to indicate that the money raised by the proposal would be channeled where needed. It would be a case of a tax windfall to the people who are already contributing.

Mr. President, it would seem to me that this is a matter that does need more study. The Senator said something about the 20th. I would like to recall that for about 2 months, 2½ years ago, a number of Senators debated this subject. I am one of those Senators. The Senator from Delaware is another. And there are other Senators who stood on the floor and debated this issue of financial campaign contributions. And after we got through debating the matter and fighting it up hill and down dale, we finally arrived at a vote. And what we had done was neutralized—it was never put into effect.

The President appointed a group to study the matter and make recommendations. The group consisted of the most knowledgeable fellows he could find to advise him.

While they were trying to find source material to help educate them and find out what the problems were and what the various facets were, the debate on the floor of the Senate shed more light on the campaign finance problem than anything they could find anywhere in the Congressional Library or in the so-called studies of the 20th Century Fund or all the various groups put together.

I do think we might be able to come up with some suggestion that we might be able to agree upon so as to improve the situation. But merely to bring the matter to the floor of the Senate with the suggestion, "Here is how we ought to solve the whole campaign problem," under a 1-hour limitation is not the way to go at it. I do not think it could solve the problem half as well as we could by making a thorough study, getting everyone's views, and bringing out something recommended by a majority of the committee.

I do think it is a very difficult and complex problem. It is one that we cannot find a satisfactory answer for in 1 hour on the floor of the Senate without the benefit of the study that could be given to it by a group that was working on the matter to the exclusion of other things.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Sen-

ator from Massachusetts has 8 minutes remaining.

Mr. KENNEDY. Mr. President, I yield 3 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 3 minutes.

Mr. PASTORE. Mr. President, I would be insulting my own intelligence if I did not say at this moment that if the bill does pass the Senate, it does not have a chance of surviving in conference.

I applaud the Senator from Massachusetts for bringing up the matter. I think this is a problem that has to be decided, if not today, in the near future.

Only the other day I was reading in one of the weekly periodicals that it cost about $10 million to run for the governorship of New York. And in the mayorality contest in New York, the estimated cost for one candidate was about $3 million.

After all, it costs a lot of money to run for political office today. And the more it costs, the bigger the contributions the candidate needs. And the bigger the contributions he gets, the more beholden he becomes to the contributor.

That is a very dangerous trend in our democracy today. How to meet that problem is a very serious question as the Senator brought out.

Not long ago in exploring the cost of television time for the presidential campaign, a very distinguished committee came up with a recommendation before my Subcommittee on Communications to the effect that the networks would give the time to the presidential and vice-presidential candidates at half the cost and the other half of the cost would be picked up by the Government.

A lot of people in this country feel that the presidential campaign should be supported out of the general treasury. I do not feel exactly that way. However, I have before my committee now a bill which lists the following cosponsors: Mr. PEARSON, Mr. HART, Mr. ANDERSON, Mr. BROOKE, Mr. BURDICK, Mr. CASE, Mr. CRANSTON, Mr. DODD, Mr. EAGLETON, Mr. FULBRIGHT, Mr. GOODELL, Mr. GRAVEL, Mr. HARRIS, Mr. HARTKE, Mr. HATFIELD, Mr. HOLLINGS, Mr. HUGHES, Mr. INOUYE, Mr. KENNEDY, Mr. MCGOVERN, Mr. MATHIAS, Mr. METCALF, Mr. MONTOYA, Mr. MUSKIE, Mr. NELSON, Mr. PELL, Mr. PERCY, Mr. RANDOLPH, Mr. SAXBE, Mr. SCHWEIKER, Mr. SCOTT, Mrs. SMITH, Mr. SPONG, Mr. TYDINGS, Mr. YARBOROUGH, and Mr. YOUNG of Ohio.

If we were to circulate the bill, I think we would get the whole membership of the Senate to cosponsor it.

The bill calls upon the television broadcasters to give a reduction in rates to a person running for the Senate or for the House of Representatives.

I say very frankly that I have serious qualms about the particular bill. Talk about discrimination. This is out-and-out discrimination. This is something that applies only to Senators and Representatives.

I asked, "Don't you think we will be criticized for this?"

The reply, of course, was that we have to start somewhere. This is not the right answer.

The answer to the problem in America is to devise a procedure whereby every man in the country and every woman in the country would be able to make a modest contribution.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. Mr. President, I yield the Senator an additional minute.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for an additional minute.

Mr. PASTORE. And then they could deduct this modest contribution from their income tax. Whether it should be a deduction or a credit is debatable. Whether the amount should be $25, $10, or $5 per person is debatable. But something has to happen; something has to give. Unless something gives, I am afraid we are going to be in a bad way in this country. We will have to meet the situation where, actually, it will be necessary to buy an election, and I think that would be a deplorable situation.

The idea that in some of the medium-size States it takes $500,000 to run for a Senate seat indicates that conditions are completely out of hand. As a result, campaign committee after campaign committee is running to the big givers in order to get thousand-dollar contributions and $2,000 contributions. The bigger the contribution, the more the candidate becomes beholden to the person who makes it. That is bad for democracy.

I hope that the amendment will be agreed to.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. PASTORE. I ask for an additional half minute. The Senator from Massachusetts is not in the Chamber, so I will yield that much time to myself.

I say, in conclusion, that I think this is at least an example of what needs to be done. I hope the amendment will be agreed to.

Mr. KENNEDY. Mr. President, is the chairman of the Committee on Finance prepared to yield back the remainder of his time?

Mr. SCOTT. Mr. President, may I yield myself a minute, with the permission of the Senate?

Mr. LONG. I will yield a minute to the Senator from Pennsylvania. But first, did I understand the Senator from Massachusetts to say that it costs $60 million a year?

Mr. KENNEDY. The cost will be $60 million in presidential years, $30 million in nonpresidential Federal years, and $15 million in non-Federal years.

Mr. LONG. This amendment does not limit contributions to anybody.

I should say that I represent, in part, a State in which there is more intense interest in the race for governor than in a national election, as is shown by the fact that more people vote in an election for governor. I should think it might very well be that more money would be spent—and usually more money is spent—in a gubernatorial race than in a presidential race.

The Treasury states that this amendment will result in a revenue loss of $60 million a year.

Mr. SCOTT. The Senator from Louisiana had a good bill, that we did pass at the time—the $1 contribution bill.

Mr. GORE. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. How much time does the Senator from Tennessee desire?

Mr. GORE. Five minutes.

Mr. LONG. I yield 5 minutes to the distinguished Senator from Tennessee.

Mr. GORE. Mr. President, many people seem entranced with tax credits. Let it be realized that a credit against taxes is the same as an appropriation of public funds. If I owe the Treasury of the United States a tax liability of $100 and Congress passes a law that I shall have a credit of $50 against that $100, it would be identically the same as if Congress put an item in an appropriation bill appropriating $50 to ALBERT GORE. That is what we are asked to vote on here.

What safeguards does the proposed amendment throw around this public money? None. It will be commingled with private campaign money.

I am one who believes that election to public office is a public function of the highest order. It is remarkable upon what a relatively few public officials the efficacy of our federal system depends. The President, the Vice President, the Members of the House, and the Members of the Senate are the only elected public officials in the Government of the United States.

Mr. LONG. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GORE. The election of our public officials is a public function of such importance, such portent, that it should be regarded with top priority and protected against the corrupting influence of money.

The Committee on Finance reported a bill, not this year but last year, to declare election to Federal public office a Federal function of top priority, and therefore adopted the policy that such elections would be public functions, financially provided for out of public funds, and that private subsidy, private campaign expenditures, private contributions be forbidden by law. The Senate did not see fit to take the advice and recommendation of the committee.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG. Is it not true that the Finance Committee agreed—it was controversial, but the majority agreed—that the entire cost of one seeking election in that general election should be paid for by the Government and that every penny of it should be accounted for?

Mr. GORE. Every penny accounted for, all safeguards thrown around it, and that it would then be unlawful for a rich man to use his own funds to finance a political campaign; that it would be unlawful for anyone to depend upon private subsidy it he elected to seek public office at public expense. But that is not the question here.

The question here is the expenditure of public money without any safeguards whatever, credits against taxes owed to

the Treasury of the United States, to be commingled with private campaign money. One could not tell which was which.

This is a dangerous proposal. Not only does it apply to Federal elections, election to Federal office, as did the bill to which I referred, but also, this proposal applies to election to the office of sheriff. The candidate for sheriff always gets the largest votes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. I ask for 1 additional minute.

Mr. LONG. I yield 1 additional minute to the Senator.

Mr. GORE. I do not think this proposal has been thought out carefully. I think it is premature. It is an unwise measure, and I hope it will be rejected.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG. I yield myself whatever time is necessary.

Mr. President, this amendment would give a $25 tax advantage to somebody contributing to the election of an assessor. I do not know about Tennessee, but if anybody does not need a subsidy to get himself elected, it is an assessor. Does the Senator from Tennessee have a practice in his State similar to that in Louisiana, where an assessor never has difficulty raising money? It is just no problem. The people whose properties he assesses generally contribute. Perhaps somebody running against an assessor might have some difficulty, but there is no problem for the assessor.

With regard to most sheriffs, they have no difficulty financing their campaigns. It is the opponent who has the difficulty. Why should we provide a subsidy to finance an encumbent sheriff or assessor in State government, when they are well financed?

This proposal would provide a subsidy for a Governor who is in a position to put pressure for contributions on every State officeholder. A Governor is in a position to put pressure on every appointed State officeholder.

Mr. GORE. To do what?

Mr. LONG. To finance his campaign.

Mr. GORE. To put up $50 in order to get $25 of it from the treasury; and then there is no safeguard here that half of it could not be refunded to the man who put it up in the first place.

Mr. LONG. The Senator is correct.

Mr. President, a Governor is in a position to call on people who serve at his pleasure.

Mr. GORE. What about a sheriff?

Mr. LONG. The same thing would be true in many instances.

He is in a position to call on the people to whom he has given the most devoted law protection, sometimes to the prejudice of others, to contribute to his campaign, with the government paying half of it.

Mr. President, there was a time in Louisiana when we used to forthrightly finance campaigns by calling upon every State employee to contribute 5 percent of his salary. This would match it, if such a practice continued today.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Four minutes.

Mr. KENNEDY. I yield 3 minutes to the Senator from Georgia.

Mr. TALMADGE Mr. President, I rise in support of the amendment of the distinguished Senator from Massachusetts.

In 1967, the Committee on Finance approved a provision virtually identical with the amendment of the Senator from Massachusetts. In January of this year, I offered a similar provision, which is now before the Commitee on Finance.

Elections have become enormously expensive in recent years. That is particularly true in a Statewide election, a Nationwide election, or in congressional districts, where one must use television. Television is an extremely expensive but highly effective medium. It has now come to the point at which candidates for Governor, U.S. Senator, President, Vice President, and other national offices have to raise huge sums of money from some source or they must be independently wealthy.

It is my judgment that the national interest requires making it attractive for a large number of contributors to contribute small amounts to candidates for office, whether it be on a local, State, or national level. As the able distinguished Senator from Rhode Island pointedly stated a moment ago, when one receives large contributions, the obligation is greater than when one receives small contributions. I think the obligation would be much greater to a contributor who gave $10,000 to a campaign than it would be to a thousand people who gave $10 to a campaign.

I believe that this amendment will offer an incentive for the average man, whether he is employed in a filling station, a grocery store, on the farm, or in a factory, to take an interest in local, State, and national campaigns and to make modest contributions.

A leader in a particular area could go around and say, "You know, Senator PASTORE is running for reelection, or Senator X. We know you are for Senator PASTORE. We have this financing for his campaign. We hope you can give $50. The law states that one-half will be a tax credit, and therefore, it will cost you only $25."

Mr. President, I think you could raise a substantial amount of money in that way. That would be a far more desirable way than to have contributions from wealthy families or have candidates seek out people who can contribute substantial amounts or to have contributions from labor unions.

Mr. President, I think that this proposal is in the national interest and that it will stimulate small contributors to make contributions to all candidates at all levels of government.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield, if I have any time remaining.

Mr. KENNEDY. Mr. President, I yield one-half minute to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I associate myself with the statements that have been made by the distinguished Senator from Georgia. I agree that this proposal is in the national interest and it would be effective in getting a much broader base.

I associate myself with the Senator in this measure and I yield back whatever time I have remaining to the Senator from Massachusetts.

Mr. LONG. Mr. President, I ask unanimous consent that 10 additional minutes be allotted to the debate on this matter, 5 minutes for each side.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 2 minutes.

Mr. CANNON. Mr. President, for several years the Subcommittee on Privileges and Elections, of which I am chairman, has been considering the issue of contributions. I must stay that the logic for a broad base that has been made here is absolutely valid.

The unfortunate thing here is that the proposed amendment is far, far too broad and much more so than any of the amendments we sought to achieve, starting in 1961 when we first started to try to get legislation through to provide for a tax deduction to encourage broad base contributions from the American people.

In 1962, S. 2436 was introduced which would have provided for a tax credit of one-half of the contribution but not to exceed a total of $10 per year. In the alternative the bill would have provided for a tax deduction not to exceed $100. Unfortunately, that bill did not become law.

Those limitations were for candidates for Federal office on a national basis; not as has been proposed here, to every officer, constable, and every officeholder at the local level that might want to get into the race.

President John F. Kennedy made an effort to get tax credits for political contributions and President Johnson made similar recommendations but these efforts were in the field of Federal and national elections, the field that is normally legislated in by the Senate.

My latest bill, S. 734, introduced in 1969, contains a provision for a tax credit not to exceed $20.

There certainly is a lot of logic in support of this particular provision, but in view of the broadness of the proposed amendment I could not support it at this time. I do not believe it is justified by the hearings which were held. In the bill S. 734, section 40, there is provision for contributions to candidates for elective Federal office. This is what we tried to establish as a policy for supporting candidates at the Federal level.

If we cannot pass an amendment or a bill supporting those candidates at the Federal level, I would have to oppose going broadly across the field and apply-

ing it to every constable and every local officeholder.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes to respond to the Senator.

Amendment No. 409 has been introduced by the Senator from Kansas (Mr. PEARSON) and me, and the Senator from Oklahoma (Mr. BELLMON) and the Senator from California (Mr. CRANSTON) have asked to join as cosponsors. The amendment is identical to the provision favorably reported by the overwhelming majority of the members of the Committee on Finance in 1967 after 6 days of intensive hearings on financing political campaigns. There were three different aspects of the bill as reported by the committee in 1967. There was tax credit provision, a provision of direct public financing of political campaigns, and a provision for tightening the existing Federal elections laws on reporting and disclosure of campaign contributions. Although there was disagreement among the members of the committee on other provisions of the bill, the committee was virtually unanimous in supporting the tax credit provision.

The tax credit amendment now before the Senate has been, then, the subject of 6 days of hearings before the Committee on Finance. It was favorably reported by the Committee on Finance in November 1967. It has been endorsed by three prestigious independent commissions, having broad bipartisan membership.

We can try to find all kinds of supposed loopholes in the amendment, and mention extreme examples, but what remains is that the issue has been carefully studied and recommended by a committee of this body. There is an extraordinary need for new incentives to broaden the base of our political parties and to encourage better methods of financing campaigns. Obviously, this amendment is not the whole answer to this complex problem, but it is a step in the right direction, and I hope that the Members of the Senate will support it.

Mr. LONG. Mr. President, when the Senator said this measure had been reported by the Committee on Finance, that was just a part of the bill having many other facets to it, including a limitation of the way in which funds could be used to prevent abuse.

I believe the Senator from Kansas wanted me to yield to him.

Mr. DOLE. I thank the Senator.

I would like to ask the Senator a question with respect to page 4 of the amendment. I understand that a person could announce for office. He could announce that he is going to run for sheriff and if he met the qualifications for holding office he would be eligible to receive funds under this bill; he would not have to stay in the race, but he could quit after 30 days and take the money.

Mr. LONG. According to page 4, line 10, to make himself eligible for this Federal money, it makes reference to an individual who "has publicly announced that he is a candidate for nomination for election to such office."

Under the amendment a man could announce that he is a candidate for constable. Then, he and his friends could all put their money in the pot and go out and have a great big party with beer and all sorts of liquid and other refreshments and have what is called a great big beer bust. Then he could withdraw, and the entire party would have been paid for 50 percent by the Treasury. How completely lacking the proposal is in limitations.

As I said, the amendment refers to an individual who "has publicly announced that he is a candidate for nomination or election to such office." There is no limitation at all on how the money is to be spent. It could be a fraternity party. All he would have to do would be to announce that he is a candidate for office, assuming that he can meet the minimum qualifications to hold such office, and the Federal Government pays one-half of it for the tax credit whether it is spent for political purposes thereafter or not.

In other words, they can have a big beer bust, as some fraternities have had from time to time, and charge one-half to the Federal Government.

The Treasury has said there is no way on earth to police it.

Mr. DOLE. We would give this same credit to estates or trusts, which I think is another mistake which should be corrected.

I commend the Senator.

Mr. KENNEDY. Mr. President, if the Senator will yield on that point, his statement is not correct. The credit is available only to individuals, not to estates or trusts, as page 5 of the amendment makes clear.

Mr. DOLE. How can we tighten up the other section that announces he would be eligible?

Mr. KENNEDY. If the "beer bust" illustration that I heard were true, I imagine that those individuals would be guilty of Federal criminal fraud, because it would be an attempt to defraud the Federal Government.

Mr. DOLE. He would not be required to stay in the race. It just says to announce. If he decided to withdraw, that would be all right because that happens frequently. That is the point I make.

Mr. KENNEDY. Then he would no longer be a qualified candidate, and subsequent contributions made to him could no longer qualify for the tax credit.

Mr. LONG. Mr. President, there is a section on page 4 of the amendment which states:

> The term "candidate" means, with respect to any Federal, state, or local elective public office, an individual who,
>
> (A) has publicly announced that he is a candidate for nomination or election to such office;

Mr. KENNEDY. That is a provision which was retained in the section by the Finance Committee.

Mr. LONG. We have a lot more in the bill than that.

Mr. KENNEDY. It was retained in there by the Finance Committee.

Mr. LONG. The Senator says it was recommended. President John F. Kennedy recommended——

The PRESIDING OFFICER. All time has now expired to the Senator from Louisiana.

Mr. KENNEDY. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Massachusetts has 3 minutes remaining.

Mr. KENNEDY. Mr. President, it is my understanding that after the time expires on this amendment, there will be an amendment which will be offered by the distinguished Senator from Delaware on a provision which was enacted by this body in 1967 by an 88-vote majority.

I do not believe that we want to get away from what is the basic question now before the Senate; namely, are we going to be serious about trying to provide some kind of opportunity for those people of limited or modest wealth to run for public office in a way which has been embraced and supported by those who have given a considerable amount of time and study to the question and which has been embraced by bipartisan commissions on three different occasions, and embraced by the Finance Committee. We can quote examples here where the provision can be distorted and exaggerated, but either we are interested in providing some kind of means to provide for campaign contributions, or we are not. That, really, is the question.

Mr. PASTORE. Mr. President, the distinguished Senator from Massachusetts (Mr. KENNEDY) is not going to let this "beer party" go unchallenged, is he—the "beer party" mentioned by the Senator from Louisiana (Mr. LONG)?

Mr. KENNEDY. Why does not the Senator reply to that?

Mr. PASTORE. Yes, I will answer that if the Senator will give me the time.

Mr. KENNEDY. I yield.

Mr. PASTORE. If a group of persons got together when a fellow announced as a candidate for public office and they met to have a beer party, they would all land in jail for conspiracy. [Laughter.]

Mr. LONG. Mr. President——

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. KENNEDY. Mr. President, I am aware that Senators in the Chamber can look at the amendment and try to exaggerate its various provisions. The fact is, however, that after extensive hearings, the Committee on Finance overwhelmingly endorsed the very proposal I am offering today. Either we are serious about our efforts to broaden public participation in the political process, or we are not. That is the basic and fundamental issue for the Senate to consider. The amendment offers a reasonable approach to a difficult problem. It is the kind of approach that should be embraced by the Senate.

Mr. President, how much time remains to me?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. CANNON. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. CANNON. As one who conducted the hearings in the general area of election reform, I am wondering whether the Senator would not offer to amend his amendment to limit the contributions such as we determined as a result of hearings that would be proper to——

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. KENNEDY. Mr. President, I ask unanimous consent for 2 minutes to respond to the Senator from Nevada.

Mr. LONG. Mr. President, I ask unanimous consent for 4 minutes, with 2 minutes to a side on this question—the time to be equally divided.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

Mr. CANNON. I would ask the Senator from Massachusetts if he would consider amending his amendment to conform to what we arrived at in the hearings, to reduce this to a general election for President, Vice President, and the national committees, and not try to get down to the dog catcher level, or the county assessor level, or the State and local level. If it were so amended, I would be happy to support his amendment so that we had a very clearly defined limit and some safeguards.

Mr. KENNEDY. As the Finance Committee very clearly recognized in 1967, there is a great need for financial support for candidates at the State and local level. We are all well aware of the tremendous financial burden of campaigning for office at the State level, whether it be in California, New York, Massachusetts, or any other State in the Union. The same is true of local offices, such as the Boston City Council or the mayor of New York, Chicago, or Los Angeles. It seems to me that if we are going to get people to run for the State legislatures and other statewide offices, we should provide them with a better opportunity to go to their constituencies with as broad a base of political and financial support as possible. That is the thrust and purport of the pending amendment. I think this is one of the real strengths of the amendment.

Mr. LONG. Mr. President, as I said previously, all a man has to do under this amendment is to announce he is a candidate for public office and, once announced, he can put on a big party, a barbecue with beer and other refreshments, and after they get through, and they wake up with their heads hurting the next day, the candidate can decide that he is no longer interested in making the race, and the Government picks up the tab for that big party.

I contend that the Federal Government has no business getting involved in that kind of local politics. That, at the minimum, is why this amendment should be rejected.

I think such an amendment of this kind should be carefully considered. If it is to be adopted, it should be on the basis that it—and all its alternatives—have been carefully considered.

The PRESIDING OFFICER. All time on the amendment has now expired.

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment and ask that it be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The text of the amendment is as follows:

TITLE III—ELECTION REFORM ACT OF 1969

SUBTITLE A—AMENDMENTS TO CRIMINAL CODE

SEC. 301. Section 591 of title 18 of the United States Code is amended to read as follows:

"§ 591. Definitions

"When used in sections 597, 599, 602, 608, and 610 of this title—

"(a) The term 'election' means (1) a general, special, or primary election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, or (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President;

"(b) The term 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected. For purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he (1) has taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) has received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

"(c) The term 'Federal office' means the office of President or Vice President of the United States, or of Senator or Representative in, or Resident Commissioner to, the Congress of the United States;

"(d) The term 'political committee' means any individual, committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(e) The term 'contribution' means a gift, subscription, loan, advance, or deposit of money or any thing of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, and includes a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution, and also includes a transfer of funds between political committees;

"(f) The term 'expenditure' includes a purchase, payment, distribution, loan, advance, deposit, or gift of money or any thing of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, and includes a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make an expenditure, and also includes a transfer of funds between political committees;

"(g) The term 'person' or the term 'whoever' means an individual, partnership, committee, association, corporation, or any other organization or group of persons."

SEC. 302. Section 600 of title 18 of the United States Code is amended to read as follows:

"§ 600. Promise of employment or other benefit for political activity

"Whoever, directly or indirectly, promises any employment, position, comepnsation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $1,000 or imprisoned not more than one year, or both."

SEC. 303. Section 602 of title 18 of the United States Code is amended—

(a) by inserting "(a)" before "Whoever", and

(b) by adding at the end thereof the following new subsection:

"(b) Whoever, acting on behalf of any political committee (including any State or local committee of a political party), directly or indirectly, intentionally or willfully solicits, or in any manner concerned in soliciting, any assessment, subscription, or contribution for the use of such political committee or for any political purpose whatever from any officer or employee of the United States (other than an elected officer) shall be fined not more than $5,000 or imprisoned not more than three years, or both."

SEC. 304. Section 608 of title 18 of the United States Code is amended to read as follows:

"§ 608. Limitations on political contributions and purchases

"(a) It shall be unlawful for any person, directly or indirectly, to make a contribution or contributions in an aggregate amount in excess of $5,000 during any calendar year in connection with any campaign for nomination for election, or election, to any political committee or candidate, to two or more political committees substantially supporting the same candidate, or to a candidate and one or more political committees substantially supporting the candidate: *Provided, however,* That nothing contained in this subsection shall prohibit the transfer of contributions received by a political committee.

"(b)(1) It shall be unlawful for any political committee or candidate to sell goods, commodities, advertising, or other articles, or any services (except as provided in section 324(b)(2) of the Campaign Funds Disclosure Act of 1967) to anyone other than a political committee or candidate.

"(2) It shall be unlawful for any person, other than a political committee or candidate, to purchase goods, commodities, advertising, or other articles, or any services (except as provided in section 324(b)(2) of the Campaign Funds Disclosure Act of 1967) from a political committee or candidate.

"(c) Whoever violates subsection (a) or (b) of this section shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"(d) Subsection (b) of this section shall not apply to a sale or purchase (1) of any

political campaign pin, button, badge, flag, emblem, hat, banner, or similar campaign souvenir or any political campaign literature or publications (but shall apply to sales of advertising including the sale of space in any publication), for prices not exceeding $25 each, (2) of tickets to political events or gatherings, (3) of food or drink for a charge not substantially in excess of the normal charge therefor, or (4) made in the course of the usual and known business, trade, or profession of any person or in a normal arm's-length transaction: *Provided, however,* That a sale or purchase described in paragraph (1), (2), or (3) shall be deemed a contribution under subsection (a) of this section.

"(e) For the purposes of this section, a contribution made by the spouse or a minor child of a person shall be deemed a contribution made by such person.

"(f) In all cases of violations of this section by a partnership, committee, association, corporation, or other organization or group of persons, the officers, directors, or managing heads thereof who knowingly and willfully participate in such violation shall be punished as herein provided."

SEC. 305. Section 609 of title 18 of the United States Code is repealed.

SEC. 306. Section 611 of title 18 of the United States Code is amended to read as follows:

"§ 611. Contributions by Government contractors

"Whoever, including a corporation, entering into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (a) the completion of performance under, or (b) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"Whoever knowingly solicits any such contribution from any such person for any such purpose during any such period—

"Shall be fined not more than $5,000 or imprisoned not more than five years, or both."

SEC. 307. So much of the sectional analysis at the beginning of chapter 29 of title 18 of the United States Code as relates to sections 609 and 611 is amended to read:

"609. Repealed.
"611. Contributions by Government contractors."

SUBTITLE B—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

DEFINITIONS

SEC. 321. When used in this subtitle—

(a) The term "election" means (1) a general, special, or primary election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, or (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President;

(b) The term "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected. For purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he (1) has taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) has received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) The term "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Resident Commission to, the Congress of the United States;

(d) The term "political committee" means any committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

(e) The term "contribution" means a gift, subscription, loan, advance, or deposit of money or any thing of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office or as presidential and vice-presidential electors, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution, and also includes a transfer of funds between political committees;

(f) The term "expenditure" includes a purchase, payment, distribution, loan, advance, deposit, or gift of money or any thing of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or as presidential and vice-presidential electors, or for the purpose of influencing the result of a primary held for the election of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure, and also includes a transfer of funds between political committees;

(g) The term "Clerk" means the Clerk of the House of Representatives of the United States;

(h) The term "Secretary" means the Secretary of the Senate of the United States;

(i) The term "person" includes an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons;

(j) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 322. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution for a political committee shall, on demand of the treasurer, and in any event within five days after the receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address of the person making such contribution, and the date on which received. All funds of a political committee shall be kept separate from other funds.

(c) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the full name and mailing address of every person making any contribution, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) the full name and mailing address of every person to whom any expenditure is made, and the date and amount thereof.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee of $100 or more in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds $100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the Secretary or Clerk, as the case may be.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 323. (a) Each political committee which anticipates receiving contributions or making expenditures during the calendar year in an aggregate amount exceeding $1,000 shall, within ten days after its organization or, if later, ten days after the date on which it has information which causes it to anticipate it will receive contributions or make expenditures in excess of $1000, file with the Secretary or Clerk, as the case may be, a statement of organization. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the Secretary or Clerk, as the case may be, at such time as he prescribes.

(b) The statement of organization shall include—

(1) the name and address of the committee;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the committee;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting and (B) any other individual, if any, whom the committee is supporting for nomination for election, or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(7) a statement whether the committee is a continuing one;

(8) the disposition of residual funds which will be made in the event of dissolution;

(9) a listing of all banks, safety deposit boxes, or other repositories used;

(10) a statement of the reports required to be filed by the committee with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(11) such other information as shall be required by the Secretary or Clerk.

(c) Any change in information previously submitted in a statement of organization shall be reported to the Secretary or Clerk, as the case may be, within a ten-day period following the change.

(d) Any committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year in an aggregate

amount exceeding $1,000 shall so notify the Secretary or Clerk, as the case may be.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 324. (a) Each treasurer of a political committee supporting a candidate or candidates for election to the office of President or Vice President of the United States or Senator, and each candidate for election to such office, shall file with the Secretary, and each treasurer of a political committee supporting a candidate or candidates for election to the office of Representative in, or Resident Commissioner to, the Congress of the United States, and each candidate for election to such office, shall file with the Clerk, reports of receipts and expenditures on forms to be prescribed or approved by him. Such reports shall be filed on the 10th day of March, June, and September, in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the 31st day of January. Such reports shall be complete as of such date as the Secretary may prescribe, which shall not be less than five days before the date of filing.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in the aggregate amount or value of $100 or more, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all such transfers;

(5) each loan to or from any person within the calendar year in the aggregate amount or value of $100 or more, together with the full names and mailing addresses of the lender and endorsers, if any, and the date and amount of such loans;

(6) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising events; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt of $100 or more not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the full name and mailing address of each person to whom an expenditure or expenditures have been made by such committee or candidate within the calendar year in the aggregate amount or value of $100 or more, and the amount, date, and purpose of each such expenditure;

(10) the full name and mailing address of each person to whom an expenditure for personal services, salaries, and reimbursed expenses of $100 or more has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the calendar year;

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the Secretary or Clerk may prescribe;

(13) such other information as shall be required by the Secretary or Clerk.

(c) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

REPORTS BY OTHERS THAN POLITICAL COMMITTEES

SEC. 325. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, aggregating $100 or more within a calendar year shall file with the Secretary or Clerk, as the case may be, a statement containing the information required by section 324. Statements required by this section shall be filed on the dates on which reports by political committees are filed but need not be cumulative.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 326. (a) A report or statement required by this subtitle to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the Secretary or Clerk, as the case may be, in a published regulation.

(c) The Secretary or Clerk may, by published regulation of general applicability, relieve any category of political committees of the obligation to comply with section 324 if such committee (1) primarily supports persons seeking State or local office, and does not substantially support candidates, and (2) does not operate in more than one State or on a statewide basis.

(d) The Secretary or Clerk, as the case may be, shall, by published regulations of general applicablity, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

REPORTS ON CONVENTION FINANCING

SEC. 327. Each committee or other organization which—

(1) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(2) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President,

shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the Secretary a full and complete financial statement, in such form and detail as he may prescribe, the sources from which it derived its funds, and the purposes for which such funds were expended.

DUTIES OF THE SECRETARY AND CLERK

SEC. 328. (a) It shall be the duty of the Secretary and Clerk, respectively—

(1) to develop prescribed forms for the making of the reports and statements required to be filed with him under this subtitle;

(2) to prepare and publish a manual setting forth recommended uniform methods of bookkeeping and reporting for use by persons required to make such reports and statements;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this subtitle;

(4) to make the reports and statements filed with him available for public inspection and copying during regular office hours, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person;

(5) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as he shall determine and broken down into candidate, party, and nonparty expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as he shall determine and broken down into contributions on the National, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed the sum of $100 or more;

(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

(9) to prepare and publish such other reports as he may deem appropriate;

(10) to assure wide dissemination of statistics, summaries, and reports prepared under this subtitle;

(11) to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this subtitle, and with respect to alleged failures to file any report or statement required under the provisions of this subtitle;

(12) to report apparent violations of law to the appropriate law enforcement authorities; and

(13) to prescribe suitable rules and regulations to carry out the provisions of this subtitle.

(b) In the performance of their duties under this subtitle, the Secretary and Clerk shall coordinate their activities with the activities of the Comptroller General under the Presidential Election Campaign Fund Act of 1966 and the Senatorial Election Campaign Fund Act of 1967.

STATEMENTS FILED WITH CLERK OF UNITED STATES COURT

SEC. 329. (a) A copy of each statement required to be filed with the Secretary or Clerk by this subtitle shall be filed with the clerk of the United States district court for the judicial district in which is located the principal office of the political committee or, in the case of a statement filed by a candidate or other person, in which is located such person's residence. The Secretary or Clerk may require the filing of reports and statements required by this subtitle with the clerks of other United States district courts

where he determines the public interest will be served thereby.

(b) It shall be the duty of the clerk of a United States district court under subsection (a)—

(1) to receive and maintain in an orderly manner all reports and statements required by this subtitle to be filed with such clerks;

(2) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(3) to make the reports and statements filed with him available for public inspection and copying during regular office hours, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person; and

(4) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate.

PROHIBITION ON CONTRIBUTIONS IN NAME OF ANOTHER

SEC. 330. No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

PENALTY FOR VIOLATIONS

SEC. 331. Any person who violates any of the provisions of this subtitle shall be fined not more than $1,000 or imprisoned not more than one year, or both.

STATE LAWS NOT AFFECTED

SEC. 332. (a) Nothing in this subtitle shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this subtitle.

(b) The Secretary and Clerk shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.

PARTIAL INVALIDITY

SEC. 333. If any provision of this subtitle, or the application thereof, to any person or circumstance is held invalid, the validity of the remainder of the subtitle and the application of such provision to other persons and circumstances shall not be affected thereby.

REPEALING CLAUSE

SEC. 334. (a) The Federal Corrupt Practices Act and all other Acts or parts of Acts inconsistent herewith are repealed.

(b) In case of any conviction under this subtitle, where the punishment inflicted does not include imprisonment, such conviction shall be deemed a misdemeanor conviction only, and shall not carry with it a loss of citizenship.

CITATION

SEC. 335. This subtitle may be cited as the "Campaign Funds Disclosure Act of 1969".

SUBTITLE C—MISCELLANEOUS

SEC. 351. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

SEC. 352. This title shall take effect January 1, 1970.

SEC. 353. This title may be cited as the "Election Reform Act of 1969".

TITLE IV—PROHIBITION UPON CERTAIN CAMPAIGN PRACTICES IN FEDERAL ELECTIONS

SOLICITING VOTES NEAR POLLING PLACES; PAYING FOR TRANSPORTATION OF VOTERS

SEC. 401. (a) Chapter 29 of title 18 of the United States Code (elections and political activities) is amended by adding at the end thereof the following new sections:

"§ 614. Soliciting votes near polling places

"(a)(1) Except as provided in subsection (b), it is unlawful for any person, during the hours during which any polling place used in any Federal election is open for voting in such election, to solicit, or cause to be solicited, within five hundred feet of such polling place, any person to vote for or against any candidate in such election, in any manner or by any means whatsoever, including, but not limited to—

"(A) handing out campaign cards, pictures, or other campaign literature of any kind or description whatsoever; and

"(B) placing or displaying political signs, pictures, or other form of political advertising.

"(2) Any person who violates paragraph (1) shall be fined not more than $500, or imprisoned not more than six months, or both; and if the violation was willful, shall be fined not more than $1,000, or imprisoned not more than one year, or both.

"(b) Subsection (a)(1) shall not apply to the placing or displaying—

"(1) of political signs, pictures, or other political advertising on private property (other than property being used as a polling place) by the owner, lessee, or lawful occupant thereof, or by any other person with the consent of such owner, lessee, or occupant; or

"(2) of campaign cards or other campaign material on a table or shelf near a polling place at a location designated under a State law which provides for placing and displaying of campaign cards or other campaign material under conditions in which voters may select such material free from influence, solicitation, or suggestion of any kind.

"(c) For purposes of this section, the term 'Federal election' means any general, special, or primary election held solely or in part for the purpose of electing or selecting any candidate for the office of President, Vice President, presidential elector, Member of the Senate, or Member of, or Resident Commissioner to, the House of Representatives.

"§ 615. Paying for transportation of voters

"(a)(1) Except as provided in subsection (b), it is unlawful for any person to pay any other person for the transportation of any individual to enable such individual to vote in any Federal election.

"(2) Any person who violates paragraph (1) shall be fined not more than $500 or imprisoned not more than six months, or both; and if the violation was willful, shall be fined not more than $1,000, or imprisoned not more than one year, or both.

"(b) Subsection (a)(1) shall not apply to—

"(1) the payment by any person for his own transportation, or

"(2) the payment by any person for the transportation of another person who is accompanying him if such transportation is to enable both such persons to vote in the Federal election.

"(c) For purposes of this section, the term 'Federal election' means any general, special, or primary election held solely or in part for the purpose of electing or selecting any candidate for the office of President, Vice President, presidential elector, Member of the Senate, or Member of, or Resident Commissioner to, the House of Representatives."

(b) The analysis of chapter 29 of title 18 of the United States Code is amended by adding at the end thereof the following:

"614. Soliciting votes near polling places.
"615. Paying for transportation of voters."

EFFECTIVE DATE

SEC. 402. This title shall take effect on January 1, 1970.

Mr. PASTORE. Mr. President, I understand that this is a 25-page reform amendment?

Mr. WILLIAMS of Delaware. Twenty-four pages.

The PRESIDING OFFICER. This is an amendment to the Kennedy amendment; is it not?

Mr. WILLIAMS of Delaware. Yes.

Mr. PASTORE. Mr. President, here we are dilly-dallying. Maybe we should have the amendment read.

Mr. WILLIAMS of Delaware. I have no objection. If the Senator wants it stated.

Mr. PASTORE. We have a 25-page document here, have we not?

Mr. WILLIAMS of Delaware. Mr. President, do I not have the floor?

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. WILLIAMS of Delaware. Mr. President, this is not a 25-page amendment, but even if it were, it would still be worth reading. This was title III of the Election Reform Act as passed by the Senate in 1967. It has been lifted out of that bill verbatim as it was voted on and passed by the Senate. At that time, the Senate was passing a proposal to allow up to $100 as a deduction and not a tax credit. I will discuss the tax credit a little later and state why I cannot support the amendment of the Senator from Massachusetts, even if my amendment to his amendment were to be adopted. The Senator from New York and myself insisted at that time that if Congress were going to adopt a proposal using Federal money, we would need some form of election reform and an accounting system attached to it.

Certainly full public accounting of all campaign expenses is long overdue.

Mr. President, the amendment which I have sent to the desk is a revised version of S. 1880 that was accepted by the Senate in 1967. The only thing that is changed in this amendment from what was passed in 1967 by, I think, an 88-to-nothing vote is the effective date—from 1967 to 1969.

Mr. PASTORE. Is that the only change?

Mr. WILLIAMS of Delaware. That is the only change.

Mr. PASTORE. All right; I will accept it.

The PRESIDING OFFICER. Is the amendment intended as a substitute for the Kennedy amendment?

Mr. WILLIAMS of Delaware. No. It is an amendment to the Kennedy amendment. This is an amendment to insert certain language. It does not affect the financing provisions of the amendment of the Senator from Massachusetts as it is now pending.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. KENNEDY. As I understand it, and as the Senator has stated here this afternoon, his amendment is exactly the same measure—S. 1887—which passed this body in 1967 by a vote of 87 to zero?

Mr. WILLIAMS of Delaware. That is correct.

Mr. KENNEDY. The Senator's amendment reaches the basic questions of reporting and disclosure of campaign contributions. I think those are the fundamental aspects of the bill that passed and are included in the amendment of the Senator from Delaware. Is that correct?

Mr. WILLIAMS of Delaware. I have not checked the vote, but I think it is correct. I think it was 88 to zero. The Corrupt Practices Act provides that campaign committees operating in two or more States must make an accurate accounting for their contributions and expenses but committees operating in only one State are not concerned. The District of Columbia is not a State. Therefore, candidates in any one of the 50 States can operate as many committees as they wish in the District of Columbia, and there may be committees back in their State, and no accounting is required.

Let me read from a general explanation of the bill passed in 1967:

(1) Reporting of campaign expenditures made and contributions received is required of candidates for nomination to Federal office in primary elections and political conventions, as well as for election in general and special elections.

(2) Reporting is required of presidential and vice presidential candidates for nomination or election.

(3) Full reporting of expenditures made for candidates for nomination or election to Federal office and contributions received for the candidates is extended to political committees operating in only one State, which make such expenditures and receive such contributions of more than $1,000 a year.

(4) Disclosure to the public of information contained in reports filed by candidates and political committees is required.

(5) The statutory limitations on expenditures by candidates for the Senate and House and by national political committees are eliminated.

(6) The provisions of present law dealing, in general, with prohibitions on various types of activity designed to influence voters improperly, on soliciting political contributions from Federal employees, and on certain political contributions and expenditures (secs. 597, 599, 600, 602, 608, and 610 of title 18) are made applicable with respect to all candidates for Federal office and all political committees supporting them which make expenditures or receive contributions of more than $1,000 a year. In addition political committees are prohibited (sec. 602 of title 18) from soliciting contributions from Federal employees, and the $5,000 limitation in section 608 of title 18 is applied to the aggregate contributions made to a candidate himself and all political committees supporting him.

The amendment was debated at that time. I see no reason for extended debate. I understand the Senator from Massachusetts has no objection to this amendment and will accept it.

Mr. KENNEDY. I have no objection to it. I have had the opportunity to talk with the Senator from Kansas, and we are willing to accept it.

Mr. PASTORE. Mr. President, will the Senator yield for a clarification?

Mr. WILLIAMS of Delaware. I yield.

Mr. PASTORE. Do I understand this provision does not apply when committees are only in one State?

Mr. WILLIAMS of Delaware. Oh, yes, it would apply. The law now reads "in two or more States."

Mr. PASTORE. What is meant by "full reporting" under the amendment of the Senator from Delaware?

Mr. WILLIAMS of Delaware. Under the bill as it passed the Senate and under this amendment all committees established in a State or in the District of Columbia will be required to report.

Mr. KENNEDY. Mr. President, I am willing to accept the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I understand unanimous consent is required to accept the amendment. I ask unanimous consent that this amendment may be accepted as a modification.

The PRESIDING OFFICER. It would take unanimous consent, because the yeas and nays have already been ordered.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the amendment of the Senator from Massachusetts be modified to include my amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question now is on the amendment of the Senator from Massachusetts, as modified. The yeas and nays have been ordered, and the clerk——

Mr. PEARSON. Mr. President, has all time been yielded back, or how much time remains?

The PRESIDING OFFICER. All time has been yielded back.

Mr. PEARSON. Are we ready for a vote?

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that each side be given 5 additional minutes.

The PRESIDING OFFICER. Is there objection?

Mr. LONG. I have no objection.

The PRESIDING OFFICER. Without objection, each side is given 5 additional minutes on the Kennedy amendment, as modified.

Mr. WILLIAMS of Delaware. Mr. President, if the Senator wanted time——

Mr. KENNEDY. Mr. President, may I ask what the consent agreement was?

Mr. WILLIAMS of Delaware. I thought the chairman of the committee wanted some extra time.

Mr. KENNEDY. If the chairman desires additional time, I do not object. I am prepared to vote on the amendment. If the chairman desires more time——

Mr. LONG. Mr. President, I ask unanimous consent to have 5 additional minutes.

The PRESIDING OFFICER. If there is no objection, 5 additional minutes are granted to each side.

Mr. LONG. Mr. President, we have before us a bill which should be passed. I do not know why certain Senators have the impression that this is the bill above all bills to which they must offer their amendments. Next I suppose we will have a constitutional amendment offered to this tax bill. We have social security amendments on it, and now we have a corrupt practices law as an amendment to the tax bill—actually as an amendment to an amendment which contains a political campaign financing proposal.

This could go on forever. Next thing we know, we will have an appropriation offered on the tax bill.

I urge that the amendment be rejected and that we try to keep the bill what it was originally—a revenue bill, hopefully a tax reform bill.

We are tacking all sorts of proposals onto the bill. The President, on a nationwide television broadcast last night, said that if the bill stands as the Senate has amended it so far, he will have to veto it. How much more do we want to add to the bill with that kind of a Presidential comment on it? Do not the Senators think they have burdened the bill enough without adding anything more?

Mr. WILLIAMS of Delaware. Mr. President, if the amendment offered by the Senator from Massachusetts is to be adopted, I think the amendment I have offered to it is very important. As I told the Senator from Massachusetts before I offered my amendment to his amendment, I do not think this is the time we should offer either his amendment or this proposal to a revenue measure. I do not think this is the appropriate method in which to act on election reform. I know the Treasury Department today and in the past has opposed the tax credit approach because it means complications on the income tax returns. So I hope the amendment of the Senator from Massachusetts is defeated, even though my amendment has been accepted.

However, my point is that if the Kennedy amendment should be adopted it should not be adopted without including meaningful election reform that will require full public accounting.

Mr. LONG. Mr. President, we have the very proposal that in a prior Congress tied up the two Houses of Congress, without any resolution for an extended period of time, being added to a bill which the President has threatened to veto. It started out as a $7 billion bill. At last count, it was about a $15 billion bill. One of these days we ought to stop burdening this bill down with provisions that really have nothing essentially to do with the bill and work out something that can be sent to the President's desk and which can become law.

If this amendment is added on the bill, it will be one more problem and one more provision that we will have trouble working out if we are to lay a bill on the President's desk that he will sign.

Mr. HATFIELD. Mr. President——

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MANSFIELD. Mr. President, how much time was allowed?

The PRESIDING OFFICER. Five minutes on each side.

Mr. KENNEDY. Mr. President, I am prepared to yield back my time. How much time does the Senator from Oregon want?

Mr. HATFIELD. Mr. President, I move to lay the pending——

Mr. LONG. Does the Senator want time? I am prepared to yield back the remainder of my time.

Mr. CANNON. Mr. President——

Mr. HATFIELD. Mr. President——

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I move to lay the pending amendment on the table, and ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay

on the table the amendment of the Senator from Massachusetts, as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Montana (Mr. METCALF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 50, nays 45, as follows:

[No. 197 Leg.]

YEAS—50

| | | |
|---|---|---|
| Allen | Ervin | Miller |
| Allott | Fannin | Murphy |
| Baker | Goodell | Percy |
| Bennett | Gore | Randolph |
| Boggs | Griffin | Russell |
| Brooke | Gurney | Saxbe |
| Byrd, Va. | Hansen | Schweiker |
| Byrd, W. Va. | Hartke | Scott |
| Case | Hatfield | Smith, Maine |
| Cook | Holland | Smith, Ill. |
| Cooper | Hruska | Sparkman |
| Cotton | Javits | Stennis |
| Curtis | Jordan, N.C. | Thurmond |
| Dole | Jordan, Idaho | Tower |
| Dominick | Long | Williams, Del. |
| Eastland | McCarthy | Young, N. Dak. |
| Ellender | McClellan | |

NAYS—45

| | | |
|---|---|---|
| Aiken | Hollings | Nelson |
| Bayh | Hughes | Packwood |
| Bellmon | Inouye | Pastore |
| Bible | Jackson | Pearson |
| Burdick | Kennedy | Pell |
| Cannon | Magnuson | Prouty |
| Church | Mansfield | Proxmire |
| Cranston | Mathias | Ribicoff |
| Dodd | McGee | Spong |
| Eagleton | McGovern | Stevens |
| Fong | McIntyre | Talmadge |
| Fulbright | Mondale | Tydings |
| Gravel | Montoya | Williams, N.J. |
| Harris | Moss | Yarborough |
| Hart | Muskie | Young, Ohio |

NOT VOTING—5

| | | |
|---|---|---|
| Anderson | Metcalf | Symington |
| Goldwater | Mundt | |

So the motion to lay on the table was agreed to.

Mr. LONG. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I move to lay that motion on the table.

Mr. GRIFFIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TAXES ON EXCESS BUSINESS HOLDINGS

Mr. SCOTT. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. SCOTT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Beginning with line 25 on page 106 strike all through line 3 on page 107 and insert the following: "for tax under section 4943 (relating to taxes on excess business holdings) applied, in the case of a disposition before January 1, 1975, without taking section 4943(c)(4) into account, and it receives in return an amount which equals or exceeds the fair market value of such property at the time of such disposition or at the time a contract for such disposition was previously executed (without regard to any sales"

On line 6 page 107, strike "market)", and insert the following: "market) in a transaction which would not constitute a prohibited transaction (within the meaning of section 503(b) or the corresponding provisions of prior law)".

Mr. SCOTT. Mr. President, it is my understanding that this amendment is acceptable to the ranking member and to the chairman of the Finance Committee.

Mr. LONG. Mr. President, I know of no objection to the amendment.

Several Senators addressed the Chair.

Mr. RUSSELL. Mr. President, I have no objection to the amendment. However, I think the Senate as a whole might like to have some idea of what the amendment is about.

Mr. SCOTT. Mr. President, my amendment to section 101(1)(2) is intended to correct an unintended inequity resulting from certain technical changes in the bill as reported by the Finance Committee. A major objective of the committee and of the House bill has been to reduce needless involvement by a foundation in the ownership of a business, so that charitable purposes may predominate in the decisions of foundation management, as they should.

The attempt has been to encourage diversification of investments by selective sanctions without needlessly impairing the effectiveness of the foundations or imposing unreasonable burdens on the businesses involved or their stockholders or employees. In the years before the bill was introduced, some foundations on their own initiative had commenced responsible diversification programs involving orderly sales and other dispositions of stock in a corporation. Since public offerings of substantial holdings of stock in a corporation can have a depressing effect on its market price, to the disadvantage of the foundation, such a diversification program may involve sales to the corporation involved or a trustee under an employee trust.

Initially, the tax reform bill would have permitted this kind of reasonable divestiture program, including sales to a corporation which is a disqualified person, to the extent the foundation was required to divest itself of the holdings in order to avoid sanctions under the stock ownership limitations. Under the House bill, these sanctions would have applied if a foundation had retained nonvoting stock holdings in excess of a 2-percent de minimis allowance, so long as the foundation and all disqualified persons, in combination, retained more than 20 percent of the voting stock, even if the foundation itself held no voting stock.

The Finance Committee, however, voted to increase the allowable retention of voting stock by a foundation and disqualified persons in this situation to a maximum of 50 percent. Where this liberalizing rule has application, one result will be to permit nonvoting stock holdings to be retained by a foundation without sanctions, and this effect was intended. An unintended effect, however, was to impose sanctions under the self-dealing provisions of the bill on a foundation wishing to continue on a voluntary basis a responsible diversification program involving sales to a corporation which is a disqualified person.

Mr. President, the amendment being proposed would change this rule and permit continuation of such voluntary arrangements under appropriate safeguards. The amendment would have no adverse revenue effect and, as indicated, would advance the general objective of encouraging foundations to diversify their investments. With the safeguards provided, we believe the amendment merits the approval of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was agreed to.

AMENDMENT NO. 382

Mr. MATHIAS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 401, line 16, strike the numeral "5" and insert the numeral "10".

Mr. MATHIAS. Mr. President, this is a technical amendment.

Subchapter S of the Internal Revenue Code allows small corporations, those with 10 or fewer shareholders, to elect not to pay the regular corporate income tax and instead to have the income or loss of the corporation taxed directly to the shareholders. In a general way, this results in a pattern of taxation similar to that of partnerships. Subchapter S is now being used by more than 200,000 corporations and the number is constantly increasing. However, because of the hybrid nature of the subchapter S corporation—not quite a corporation and not quite a partnership—the governing rules have been quite complex. Under both the Johnson and the Nixon administrations, with the aid of the Committee on Partnerships of the American Bar Association, legislative proposals have been developed to alleviate problems associated with subchapter S corporations. The proposals have been designed to tax such corporations as much like partnerships as possible without conferring unwarranted advantages on them.

H.R. 13270 as passed by the House and reported by the Senate Finance Committee would apply the H.R. 10 ceiling—10 percent of earned income or $2,500, whichever is less—to deferred compensation of "shareholder employees" of subchapter S corporations. This amendment would change the section 531 definition of "shareholder employee" from an officer or employee who owns more than 5 percent of the corporation's stock to an officer or employee who owns more than 10 percent—by making the appro-

priate change at page 401, line 16, of H.R. 13270.

This amendment would conform to the Surrey proposals under the Johnson administration, the Cohen proposals under the Nixon administration, and present section 401(c)(3)(B) of the code.

Mr. President, I hope the Senate will support the amendment.

Mr. JAVITS. Mr. President, I understand there is some question with reference to an amendment that was to be offered by another Senator. That amendment would seek to take out the provision from the bill altogether.

Is the Senator aware of anything like that, and how does it tie in with his amendment?

Mr. MATHIAS. I am not aware of any such intention on the part of any other Member.

It is my understanding that when the Secretary of the Treasury came before the committee—the distinguished chairman of the committee can confirm this—he testified that the Treasury would like further time to study the whole question of subsection S matters in this general area of the economy. However, since the committee has elected to act, this amendment is intended to mitigate to the extent possible the action of the committee. It will not result in any loss of revenue to the Treasury. It will conform to present business practices, and I think it will have the effect of making the changes more circumspect and less far reaching than under the committee draft.

Mr. JAVITS. Will the Senator yield further?

Mr. MATHIAS. I yield.

Mr. JAVITS. How is this going to deal with the professional service corporations—that is, in States where they are permissible?

Mr. MATHIAS. Only if they come within subsection S categories, but they are in a different category from the usual subsection S situation.

Mr. JAVITS. In other words, an amendment relating to professional service corporations will not find itself in conflict with or contradicted by the amendment of the Senator from Maryland?

Mr. MATHIAS. I do not believe that they will have any impact on such an amendment, and I am advised that the distinguished Senator from Arizona (Mr. FANNIN) has such an amendment in preparation.

Mr. JAVITS. I thank my colleague. I just wanted to be sure that the field would be open.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. MATHIAS. I yield.

Mr. CURTIS. I have not been able to hear. Just what does the Senator's amendment do?

Mr. MATHIAS. In the case of subsection S corporations, it merely permits one to have 10 partners, instead of 20 for the purpose of treating his income on a partnership basis. It is 10 percent instead of 5 percent, which is the limitation in the bill.

Mr. CURTIS. The number of partners?

Mr. MATHIAS. The effect. Of course, they may not have an equal share. It permits the treatment which is accorded subsection S corporations to be available if you have 10- rather than 5-percent interest as provided in the bill.

Mr. CURTIS. But it relates to subsection S corporations generally and not in reference to retirement programs specifically. Is that correct?

Mr. MATHIAS. Just subsection S.

Mr. CURTIS. I mean, the Senator's amendment.

Mr. MATHIAS. Yes.

Mr. CURTIS. The Senator's amendment does not deal with the retirement but, rather, deals with subsection S generally?

Mr. MATHIAS. That is correct.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. FANNIN. Would the Senator object to my obtaining a parliamentary ruling that this will not affect the amendment I am going to offer?

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MATHIAS. I have yielded to the Senator from Arizona.

Mr. FANNIN. Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FANNIN. I should like to have a ruling as to whether or not this would affect the amendment I will call up later. I already have submitted the amendment.

The PRESIDING OFFICER. Will the Senator specify the amendment he is talking about?

Mr. FANNIN. Amendment No. 296.

The PRESIDING OFFICER. It will have no effect.

Mr. FANNIN. I thank the Chair.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. MILLER. I should like to ask the Senator from Maryland whether, by merely changing 5 to 10, representing the amount of outstanding stock a shareholder-employee must have, this does not restrict the privilege of one of these subsection (s) corporation pension plans rather than expand it. It seems to me that with only 5 percent required, this would indeed permit 20. But, as I understood the Senator's response to the Senator from Nebraska's question, he indicated that this would permit 10 instead of 20.

It seems to me that the Senator's amendment does not just permit 10 instead of 20, but it requires that there would be 10 instead of 20, because of the way the bill would read with his 10 percent added in lieu of the 5 percent.

If his intention is to expand the coverage, it seems to me that the 5 percent expands the coverage. If his intention is to restrict the coverage, then the 10 percent does restrict it. But I am not quite clear what he intends to do, because I had originally thought he was intending to expand the coverage.

Mr. MATHIAS. I am happy to respond to the distinguished Senator from Iowa.

He will note that on page 401, line 16, it says "more than 5 percent." This would be more than 10 percent; therefore, it provides an extra degree of flexibility.

Mr. MILLER. May I respond to the Senator from Maryland by reading the entire paragraph as it would now read if his amendment were adopted:

> For purposes of this section, the term "shareholder-employee" means an employee or officer of an electing small business corporation who owns . . . on any day during the taxable year of such corporation, more than 10 percent of the outstanding stock of the coropration.

That means that if one is a shareholder-employee and is to come under this subsection S pension plan, he must own more than 10 percent.

Mr. STEVENS. Less than.

Mr. MILLER. The Senator from Alaska suggests "less than," but that is not the language. The language is "more than."

If the Senator from Maryland is trying to expand the coverage—I would suppose that he is, and I think that is a good objective—perhaps it ought to read "not more than 10 percent," rather than just "more than 10 percent."

If that accords with his intent, I would suggest that he might wish to modify his amendment accordingly, and I would support it on that basis.

I am afraid that, as it now stands, the amendment is going to restrict the number who could be covered under these plans, and I think that our objective ought to be to expand the number

Mr. MATHIAS. Let me say to the distinguished Senator that the bill imposes a new limitation which has not existed heretofore. What I am trying to do is to bring that new limitation and the new rules which are being applied here into line with other appropriate statutes.

The Senator is not wholly wrong in his interpretation. The purpose is to apply only as is consistent with other aspects and with other features of the code. For that reason, we felt that the 10 percent would be a more desirable figure in line with the other provisions of the law, although it would be more restrictive in that respect, as the Senator has indicated.

It is my understanding that the distinguished chairman of the committee and the distinguished ranking Republican member of the committee are willing to accept this amendment.

Mr. MILLER. Mr. President, will the Senator yield further?

Mr. MATHIAS. I yield.

Mr. MILLER. Mr. President, I can visualize a situation in which we have, under present law, 20 members of a firm, each having 5 percent. They are all covered under present law. I can understand another situation in which 10 members have, let us say, 8 percent each, which would account for 80 percent of the ownership, and the balance, let us say, of five members have 4 percent each; and under the present law, only the five members with 4 percent each would be eligible.

Now, if we want to expand the eligibility we can do that by providing that a shareholder-employee have not more than 10 percent and that means that those who have 8 percent, since they did not have more than 10 percent, are eligible, and, therefore, coverage would be expanded and it seems to me would be desirable to do that.

But I think that this matter should be checked with staff further. Therefore, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside in order to consider an amendment to be offered by the Senator from Florida (Mr. HOLLAND).

Mr. HOLLAND. Mr. President, I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HOLLAND. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the proper place insert the following:

"SEC. —. PORTION OF SALARY, WAGES, OR OTHER INCOME EXEMPT FROM LEVY.

"(a) IN GENERAL.—Section 6334(a) (relating to enumeration of property exempt from levy) is amended by adding at the end thereof the following new paragraph:

"'(8) Salary, wages, or other income.—If the taxpayer is required by judgment of a court of competent jurisdiction, entered prior to the date of the levy, to contribute to the support of his minor children, so much of his salary, wages, or other income as is necessary to comply with such judgment.'

"(b) EFFECTIVE DATE.—The amendment made by this section shall take effect 30 days after the date of the enactment of this Act."

Mr. HOLLAND. Mr. President, I can explain the amendment briefly.

A distinguished circuit judge of Florida has protested that when such judges have issued decrees for the payment of support money for minor children by the father, they find that the levies of Internal Revenue Service on the individuals concerned, the fathers, tie up the entire revenue, the entire wages. All they are asking is that the levy not be effective to prevent payment of the awards for the support of the minor children made before the levy. The matters to which I refer are divorce cases.

Mr. President, this request seems completely equitable. I have taken it up with the distinguished Senator from Louisiana and the distinguished Senator from Delaware. I believe they have no objection.

Mr. President, the explanation above is all that the amendment would do if it is agreed to. It would not apply unless the decree allowing the award for the support of the minor had already been made and was in effect, prior to a levy being placed upon his earnings. It would exempt from the levy enough of the earnings of the father to permit the payment of the support award.

Mr. LONG. Mr. President, we have looked at the amendment and we find it does have merit. I know of no objection to the amendment. The Senator from Delaware has looked at it and the staff has looked at it. We find no objection to the amendment and we would be happy to agree to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

Mr. HOLLAND. I thank the Senator and I also thank the distinguished Senator from Maryland.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Maryland.

Mr. LONG. Mr. President, I ask unanimous consent that the amendment of the Senator from Maryland be temporarily laid aside in order that the Senate may consider an amendment to be offered by the Senator from North Carolina, which I understand will take only a few minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 401

Mr. ERVIN. Mr. President, I call up my amendment No. 401 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. ERVIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

Page 546, after line 12, insert the following new section:

"SEC. 915. CASUALTY LOSSES TO TIMBER.

"(a) AMOUNT OF DEDUCTIBLE LOSS.—Section 165(b) (relating to amount of deduction for losses) is amended by adding at the end thereof the following new sentence: "In the case of a loss sustained with respect to timber arising from fire, storm, or other casualty, the amount of the deduction for such loss shall not be less than the amount by which the fair market value of the timber immediately before the casualty exceeds the fair market value of the timber immediately after the casualty.'"

Mr. ERVIN. Mr. President, the desirability of an amendment of this kind has been called to my attention by one of North Carolina's outstanding lawyers, Kennedy Ward of Craven County.

It appears that an individual in North Carolina bought a lot of cut over land and that after this cut over land had been devoted to the growing of timber for many years there was a fire which destroyed many parts of the timber.

The Internal Revenue Service ruled that the owner of the land was not entitled to a deduction for the loss by fire because there was no costs basis for the timber as distinguished from the land, the timber having been grown after the land was acquired. Litigation is pending in both Federal and State courts on this matter now.

The amendment would provide:

In the case of a loss sustained with respect to timber arising from fire, storm, or other casualty, the amount of the deduction for such loss shall not be less than the amount by which the fair market value of the timber immediately before the casualty exceeds the fair market value of the timber immediately after casualty.

Mr. President, I think the amendment is just and that it should be a part of the Internal Revenue Code. In view of the fact that the matter was not called to the attention of the Ways and Means Committee of the other body or the attention of the Committee on Finance, and that it was not called to any attention until after this bill reached *the floor* of the Senate. I am not optimistic enough to believe I can persuade the Senate at this time to adopt the amendment or to persuade the conferees to retain the amendment in the case it were adopted. It is a just amendment, however, because it would allow a deduction for the actual loss sustained by burning of timber cut after the land on which the timber stood had been acquired. Also it is a highly desirable amendment because it would encourage owners of land to grow timber on that land.

I offer the amendment merely for the purpose of calling it to the attention of the Senate Finance Committee, the House Ways and Means Committee, and the Joint Committee on Internal Revenue Taxation, in the hope that the committees, at some convenient time in the immediate future, will study the question and reach a conclusion as to what is fair and just for them to do in connection with losses of this kind.

Mr. LONG. Mr. President, the Senator from North Carolina has made a good legislative record with regard to this problem. I assure the Senator that when we have the opportunity to get around to it, after we have disposed of these other things which are now pressing upon us, we will take a look at it and see if we can make some recommendations.

Mr. ERVIN. I thank my good friend from Louisiana, chairman of the Committee. On the basis of that assurance, and on the basis of my promise to him that I will also call this matter to the attention of the House Ways and Means Committee and the chairman of the Joint Committee on Internal Revenue Taxation, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 382

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Maryland (Mr. MATHIAS).

Mr. LONG. Mr. President, I ask unanimous consent for a time limitation on debate on the pending amendment, that it be limited to 20 minutes, the time to be equally divided between the sponsor

of the amendment and the Senator in charge of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, during the interval, I have had the opportunity to discuss this language with the distinguished Senator from Iowa, and we have agreed upon a modification which is agreeable to the distinguished chairman of the committee and to the senior Republican Member of the committee.

Therefore, I ask unanimous consent to modify my amendment so that it will read:

On page 401, line 16, strike the words "more than 5 percent" and insert the words "10 percent or more".

I believe that this will satisfy the objection which was raised by the Senator from Iowa, and will further conform to the bill and to other pertinent parts of the statute.

Mr. LONG. Mr. President, I understand this matter as well as I would like to understand it, but the Treasury studied it and they agree with the amendment. They think it is desirable.

The staff committee members also have studied it and think it is a good amendment. Therefore, in that spirit, I think it would be appropriate to agree to the amendment and take it to conference.

Mr. President, I yield back the remainder of my time.

Mr. MATHIAS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Maryland (Mr. MATHIAS).

The amendment was agreed to.

AMENDMENT NO. 403

Mr. BELLMON. Mr. President, I call up my amendment No. 403 and ask that it be stated.

The legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The text of the amendment is as follows:

At the proper place insert the following new section:

"SEC. —. RECOVERY OF REASONABLE ATTORNEY'S FEES AND EXPERT WITNESS COSTS AS A PART OF COURT COSTS IN CIVIL CASES INVOLVING THE INTERNAL REVENUE LAWS

"(a) IN GENERAL.—Part II of subchapter C of chapter 76 (relating to Tax Court procedure) is amended by adding at the end thereof the following new section:

" 'SEC. 7465. RECOVERY OF COSTS.

" 'IN GENERAL.—In any proceeding before the Tax Court for the redetermination of a deficiency, the prevailing party may be awarded a judgment of costs to the same extent as is provided in section 2412 of title 28, United States Code, for civil actions brought against the United States. For purposes of the preceding sentence, if in the opinion of the Tax Court the deficiency was assessed without good cause, or for purposes of harassment, the judgment of costs may include reasonable attorney fees and costs of expert witnesses.'

"(b) CLERICAL AND CONFORMING AMENDMENTS.—

"(1) The table of sections for such part II is amended by adding at the end thereof the following new item:

" 'Sec. 7465. Recovery of costs.'

"(2) Section 2412 of title 28, United States Code, is amended—

"(A) by inserting '(a)' before "Except", and

"(B) by adding at the end thereof the following new subsection:

" '(b) In any civil action which is brought by or against the United States for the collection or recovery of any internal revenue tax, or of any penalty or other sum under the internal revenue laws, and in which the United States is not the prevailing party, if the action was brought by the United States, and in the opinion of the court, was brought without good cause or for purposes of harassment, a judgment for costs may include reasonable attorney's fees and costs of expert witnesses.'

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to civil actions and proceedings commenced after the date of the enactment of this Act."

Mr. LONG. Mr. President, I ask unanimous consent that the debate on this amendment be limited to 40 minutes, with the time to be equally divided between the sponsor of the amendment and the Senator in charge of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, the amendment is offered and supersedes my previous amendment No. 352, which was discussed in this body on Saturday. For the benefit of those Members not familiar with my amendment, I should like to take a few minutes to explain exactly what the amendment does and the reasons I have for offering it as an amendment to the tax reform bill.

As I stated on last Saturday, I believe that this amendment corrects an injustice which occurs throughout the country. The complex nature of our Internal Revenue laws makes it necessary for individuals who have problems with their income tax to retain professional help in the form of accountants or attorneys. Many times, when a deficiency is assessed, the taxpayer finds it less expensive to go ahead and pay taxes and penalties that are not owed, than to contest unfair Internal Revenue assertions in the courts.

By offering this amendment I do not intend to allow citizens to escape the payment of taxes that they rightfully owe. But I do feel that the taxpayer does have a right to be protected from undue harassment by the Internal Revenue Service.

Now, the way the amendment works is this: When a taxpayer goes to court, either to the tax court for the redetermination of a deficiency or to the Federal district court to defend against the collection of a deficiency or to recover a deficiency already paid, he may recover certain costs if in fact he proves his case, that is, that a deficiency did not, in fact, exist. Then, if in the opinion of the court hearing the case, there was no good cause for the assertion by the Internal Revenue Service or the deficiency was assessed for purposes of harrassment, the judge can award reasonable attorney's fees and costs of expert witnesses to the taxpayer.

I might point out here that in the tax court the taxpayer can be represented by persons other than an attorney. For instance an accountant who qualifies can represent the taxpayer in a proceeding before that body. I feel that in a case of this kind the judge in an award of costs could include the fee of this type representation.

At the present time the taxpayer cannot recover attorney's fees or fees for expert witnesses in tax cases. My amendment would allow for recovery of these fees only when the taxpayer has won his case and the court in its opinion feels that the Government was not justified in bringing or pressing for the payment of the tax assessed.

Mr. President, some concern was expressed on Saturday that the term "prevailing party" was too broad, and that if the taxpayer recovered some of the deficiency that he could be awarded cost because he had in fact won his case. I feel that this has been corrected now because the language of the amendment leaves to the court the determination of when such fees should be awarded. Also it gives the court a guideline to follow in that the court may award such fees when only no good cause is found for the assessment or the assessment was considered to be made for purposes of harrassment.

The cost of this amendment is a question which I cannot answer. However, I feel the cost will be minimal. This amendment will be a safeguard for the taxpayer, in that he knows that he does have an opportunity to defend what he thinks is an assessment without good cause. Also I feel that this amendment will put the Internal Revenue Service on notice that there must be a sound basis for an assessment of a deficiency and that they must have a sound case to back up such an assessment.

Mr. LONG. Mr. President, when the Senator offered his amendment last Saturday, I would have felt it necessary to oppose it, but having had occasion to discuss it with the Senator since, and now that he has it in its present form, I am willing to take it to conference.

What the amendment would provide is that where a taxpayer must sue, and where the court finds that the Government's position was lacking in merit and there was really no good reason why the Government took the taxpayer to court in the first instance, it could be considered, as in Louisiana, to be a nuisance case, and the court could award reasonable attorney's fees to the defendant because he had been the victim of baseless litigation. It would also be a warning to the Government lawyers that before filing a lawsuit against a taxpayer they should be certain it has merit and is not in the nature of harassment or the judge may award attorneys fees to the taxpayer.

I think it would be a good warning to Government agents, especially when they

proceed against a taxpayer, that their case should have a modicum of merit.

Upon that basis, Mr. President, I am willing to take the amendment to conference. I believe that this amendment has also been discussed with other Senators, including the Senator from Delaware (Mr. WILLIAMS).

Mr. President, I yield back the remainder of my time.

Mr. BELLMON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back on the amendment.

The question is on agreeing to the amendment No. 403 of the Senator from Oklahoma (Mr. BELLMON).

The amendment was agreed to.

STATISTICS BASED ON ZIP CODE AREAS

Mr. WILLIAMS of Delaware. Mr. President, I send an amendment to the desk and ask that it be stated.

The legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The text of the amendment is as follows:

At the proper place insert the following new section:

SEC. —. STATISTICS BASED ON ZIP CODE AREAS.

(a) STATISTICS OF INCOME.—Section 6108 is amended by inserting the following at the end thereof: "In publishing such statistics taxpayers shall not be classified, in whole or in part, on the basis of a coding system for the delivery of mail. The preceding sentence shall not apply to statistics made available on an official basis to an agency or instrumentality of the United States or a State or any political subdivision thereof. Such agencies may not publish or otherwise disclose such information. The prohibitions of this section shall be deemed to be within the meaning of 5 U.S.C. Sec. 552(b)(2), the Freedom of Information Act."

(b) SPECIAL STUDIES.—Section 7515 is amended by inserting the following at the end thereof: "Such transcripts may not contain data based, in whole or in part, on the classification of taxpayers under a coding system for the delivery of mail. The preceding sentence shall not apply to statistics made available on an official basis to an agency or instrumentality of the United States or a State or any political subdivision thereof. Such agencies may not publish or otherwise disclose such information. The prohibitions of this section shall be deemed to be within the meaning of 5 U.S.C. Sec. 552(b)(2), the Freedom of Information Act."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect upon enactment.

Mr. WILLIAMS of Delaware. Mr. President, recently, considerable concern has been created by press announcements that the Treasury Department would be compiling tax statistics which would be available to so-called junk mail dealers, on the basis of ZIP code numbers. Allegedly this information would be furnished from the Internal Revenue Service and from this information they could determine the salary scale of people that lived in a certain area based on information gathered from the tax returns. Junk mail dealers could then zero in on certain areas.

For example, they could find out the difference between incomes in Northeast Washington, and in Northwest Washington, and so forth.

These statistics are now made up on a statewide basis, but under the new program this would be broken down by ZIP code areas. Considerable interest has resulted in taxpayers being fearful that this new plan may ultimately end up with an avalanche of junk mail descending upon them. Why should the Treasury Department make it easier for the junk mail artists to zero in on certain areas?

The pending amendment would prohibit the sale of this information and continue the existing law as it has been heretofore interpreted. It would stop this new plan.

It would, however, permit the Government to compile this information which it wanted for its own use and exchange it with other agencies of the Government as well as State agencies but they could not make it available for general distribution to the general public or to junk mail dealers.

I hope that the amendment will be agreed to. I do not think there is any objection to it.

Mr. LONG. Mr. President, I personally think the answer to the junk mail dealer is to charge him 6 cents on his letter, but in view of the fact that that does not seem to be possible and the Finance Committee, of course, has no jurisdiction over that kind of proposal, the Senator from Delaware (Mr. WILLIAMS) is doing what he can—with respect to what is within the jurisdiction of the Finance Committee—to try to prevent the Government from providing names of taxpayers to junk mail dealers so that they can fill our mailboxes with their junk mail.

I am happy to take it to conference.

Mr. WILLIAMS of Delaware. Mr. President, in fairness, I should point out that while the amendment has been prepared with the cooperation of the Treasury Department, they would rather not have it adopted. Nevertheless, it is a very important amendment and I hope that it will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware (Mr. WILLIAMS).

The amendment was agreed to.

AMENDMENT NO. 296

Mr. FANNIN. Mr. President, I call up my amendment, No. 296, pertaining to professional service organizations, which I offer on behalf of myself, the Senator from Illinois (Mr. PERCY), and the Senator from Texas (Mr. TOWER).

Before I do so, I ask unanimous consent that the names of Senators ALLOTT, BIBLE, CRANSTON, DOLE, GURNEY, HRUSKA, JAVITS, MURPHY, and SCHWEIKER be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. Mr. President, I call up my amendment, No. 296, to H.R. 13270.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, as follows:

On page 509, beginning with line 5, strike out all through line 18, page 512 (section 901 of the committee amendment), and renumber the succeeding sections.

The part of the bill proposed to be stricken, is as follows:

SEC. 901. QUALIFIED PENSION, ETC., PLANS OF PROFESSIONAL SERVICE ORGANIZATIONS.

(a) SPECIAL RULES FOR SHAREHOLDER-EMPLOYEES.—Section 72 (relating to annuities) is amended by redesignating subsection (p) as (q) and by inserting after subsection (o) the following new subsection:

"(p) SPECIAL RULES FOR SHAREHOLDER-EMPLOYEES OF PROFESSIONAL SERVICE ORGANIZATIONS.—

"(1) INCLUSION OF CERTAIN AMOUNTS IN GROSS INCOME.—Notwithstanding the provisions of section 402 (relating to taxability of beneficiary of employees' trust), section 403 (relating to taxation of employee annuities), or section 405(d) (relating to taxability of beneficiaries under qualified bond purchase plans), a shareholder-employee of a professional service organization shall include in gross income for his taxable year the sum of—

"(A) the excess of the amount of contributions paid on his behalf which is deductible under section 404(a) (1), (2), or (3) by such organization for its taxable year ending in or with his taxable year, over the lesser of (i) 10 percent of the compensation received or accrued by him from such organization during its taxable year, or (ii) $2,500, and

"(B) the amount of any forfeitures allocated to his account under a stock bonus or profit-sharing plan established by such organization during the taxable year of a trust forming part of such plan ending in or with his taxable year.

In the case of an individual on whose behalf contributions are paid under more than one plan to which subparagraph (A) applies or under a plan contributions to which on his behalf are subject to the limitations provided in section 404(e), the provisions of subparagraph (A) shall, under regulations prescribed by the Secretary or his delegate, apply with respect to the aggregate of the contributions paid on his behalf under all such plans.

"(2) TREATMENT OF AMOUNTS INCLUDED IN GROSS INCOME.—Any amount included in the gross income of a shareholder-employee under paragraph (1) shall be treated as consideration for the contract contributed by the shareholder-employee for purposes of this section.

"(3) DEDUCTION FOR AMOUNTS NOT RECEIVED AS BENEFITS.—If—

"(A) amounts are included in the gross income of an individual under paragraph (1), and

"(B) the rights of such individual (or his beneficiaries) under the plan terminate before payments under the plan which are excluded from gross income equal the amounts included in gross income under paragraph (1),

then there shall be allowed as a deduction, for the taxable year in which such rights terminate, an amount equal to the excess of the amounts included in gross income under paragraph (1) over such payments.

"(4) PROFESSIONAL SERVICE ORGANIZATION DEFINED.—For purposes of this subsection, the term 'professional service organization' means any corporation, beneficial ownership in which, or control of which, is limited under State or local law, applicable regulations, or rules of professional ethics to—

"(A) individuals who are required to be licensed or otherwise authorized under State or local law to perform the professional services necessary to carry on the trade or business in which such corporation is engaged, or

"(B) the executor or administrator of an individual described in subparagraph (A).

"(5) SHAREHOLDER-EMPLOYEE.—For purposes of this subsection, the term 'shareholder-employee' means any employee of a professional service organization who owns any beneficial interest in such organization."

(b) CONFORMING AMENDMENT.—Section 62 (relating to adjusted gross income) is amended by inserting after paragraph (9) (as added by section 531 of this Act) the following new paragraph:

"(10) PENSION, ETC., PLANS OF PROFESSIONAL SERVICE ORGANIZATIONS.—The deduction allowed by section 72(p)(3)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969.

Mr. FANNIN. Mr. President, I call up an amendment, which is printed as amendment 296 to H.R. 13270, and which restores to professional service corporation employees the same pension plan benefits which are available to employees of other corporations.

Now, Mr. President, the Tax Reform Act is a long and complicated measure. We all know that. And since we all know that a great number of proposed amendments are being considered, I will keep my remarks brief and to the point.

In executive session, and without the benefit of hearings, department reports, or other opportunity for comments from interested person, the Finance Committee added to the tax reform bill, section 901.

This section unfairly discriminates against employees of professional corporations by placing limitations on the amount of their earnings which they may contribute towards their retirement. No similar limitation is imposed on persons who are not required to adhere to professional standards of ethics and who organize under general corporation statutes.

Persons affected by this unfair change include lawyers, medical and osteopathic physicians and surgeons, dentists, architects, stockbrokers and accountants, as well as the many nonprofessional employees of professional service corporations.

The amount of revenue that can be gained by this section of the tax reform bill is small. The amount of ill will it generates is great—and justified.

The U.S. Treasury Department has gone on record as opposing the committee change at this time. The Department has said:

> As a general matter, the Treasury Department is opposed to the imposition of limitations or requirements on retirement plans solely because of the type of business engaged in or the form in which business is conducted.

My amendment restores to employees of professional service corporations the same rights and benefits which employees of other corporations enjoy. It eliminates an unfair discrimination, restores equality, and favors no one unjustly.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG. Mr. President, will the Senator yield?

Mr. FANNIN. I yield.

Mr. LONG. Mr. President, would the Senator be willing to limit the time on the amendment?

Mr. FANNIN. Yes.

Mr. LONG. Mr. President, I ask unanimous consent that the time for debate on this amendment be limited to 1 hour, to be equally divided between the sponsor of the amendment and the manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Mr. President, reserving the right to object, I did not hear the request.

Mr. LONG. I asked unanimous consent that there be a limitation of 1 hour on the amendment, one-half to each side.

Mr. TOWER. One hour to each side?

Mr. LONG. Half an hour to each side.

Mr. FANNIN. Mr. President, I have requests from other Senators to make it an hour on each side.

Mr. LONG. Mr. President, I ask unanimous consent that there be a limitation of debate on the amendment of 2 hours, 1 hour to each side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. FANNIN. Mr. President, I have been requested to add the name of the Senator from Vermont (Mr. PROUTY) as a cosponsor of the amendment, and I ask unanimous consent to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. Mr. President, I yield to the Senator from Texas such time as he may need.

Mr. TOWER. Mr. President, one of the greatest injustices apparent in the proposed bill approved by the Finance Committee is the discrimination that will be applied to the employees of professional service associations, such as doctors' and lawyers' offices and paramedical personnel. The primary purpose for the enactment of State laws to allow the creation of professional service corporations was to enable the building and processing of pension plans and funds for the benefit of all the employees of these associations.

For each individual who is a "professional" in such an organization, there are from four to six staff employees—secretaries, nurses, technical specialists, receptionists, bookkeepers, janitors, clerks—who must back up the entire operation. As a profession becomes more complex, still more such backup personnel will be needed, or the quality of professional service will decline. With the adoption of the committee's recommendations, the organizations will be unable to compete with other businesses and industry for the needed personnel. Professional employers will be discriminated against by being denied the tax treatment accorded other employers who create pension and retirement benefits. Likewise, their employees will be discriminated against by being denied the right to participate in such programs.

At a time when we are stressing equity of treatment for the taxpayer, it makes no sense to discriminate against the professional taxpayer and his employees. In the November 3 issue of the U.S. News & World Report there is an interview with Dr. John A. D. Cooper, president of the Association of American Medical Colleges. In this article, Dr. Cooper points out the need for more attractive jobs in the industry so that more people will consider them for careers. Retirement and other fringe benefits are an important part not only for securing career-type personnel, but also for retaining trained personnel once they have entered a given field. If the professional organizations are not put on an equal plane for competing for these people, the service they render will suffer and our quality of living will be diminished.

Recently, the Deputy Assistant Secretary of the Treasury, John S. Nolan, realized how inequitable the committee's position would be and had these comments on the matter:

> The Treasury Department is opposed to the imposition of limitations or requirements on retirement plans solely because of the type business engaged in or the form in which business is conducted. We believe that the distinction in present law between qualified retirement plans of self-employed persons and corporate plans generally is unwise and should be eliminated.

Then Mr. Nolan went on to say that the Department is currently drafting legislation on this problem which will deal effectively with allowing the professional corporations to compete and said:

> It is our position that it would be preferable to defer action on retirement plans of both professional service corporations and subchapter S corporations until next year when we expect to present comprehensive legislation recommendations concerning all employee benefit plans.

Mr. President, not only is the discrimination against professional service organizations opposed by logic and the Treasury Department, but such discrimination is also in contravention to the overwhelming weight of judicial authority on the subject. In the last 6 months, at least three separate circuit courts of appeal have upheld the equity of allowing professional service organizations, duly organized under State law, to be considered as corporations for income tax purposes.

In *O'Neill* v. *United States*, 410 F. 2d 888 (6th Cir. 1969), the court held that the definition of what is a corporation is well established in this country, dating to Chief Justice Marshall's declarations on the subject in the Dartmouth College case of the early 1800's. This definition, which would be changed if the committee's language is accepted, was held to be as good now as it was at the time it was announced. This definition allows professional service organizations to be considered as corporations for income tax purposes.

In a recent fifth circuit case, *Kurzner* v. *U.S.*, 413 F2d 97 (1969), the court was even stronger in the denunciation of attempts to deny corporate standing for tax purposes to the organizations. This court called such attempts "wholly arbitrary and discriminatory," and further concluded that they were "* * * bold attempts not to conform but to avoid judicial decision." "The only apparent expediency served by such attempts has been the collection of more taxes; in this regard, we need only observe that the courts have not yet become so cynical as to subscribe to the tax-dollar school of statutory construction." This rationale was even further buttressed in a tenth circuit case, *U.S.* v. *Empey*, 406 F2d 157 (1969), where the court under-

scored the right of professional service organizations to be considered corporations, where permitted by State law, and classified attempts to prevent such action as "unreasonable" and "invalid." As the courts have refused to give in to such openly "wholly arbitrary and discriminatory" characterizations of professional service organizations, which deny to them the rights granted to other, similar organizations, we in the Senate should do likewise.

Thus, Mr. President, I propose that we strike those provisions which would discriminate against the professional service associations and other similar organizations as being not in the best interest of the policy of the Nation. The Treasury Department has endorsed this proposal as best serving its policy of considering this entire field, which it is currently doing. The circuit courts of appeal of four of the circuits in the United States have held that to do any less is a discrimination against the rights of the associations and should not be allowed.

In the interest of elemental fairness, I urge that the amendment of the Senator from Arizona (Mr. FANNIN), which I am delighted to join with him in cosponsoring, deleting this discrimination, be adopted.

Mr. President, I commend the distinguished Senator from Arizona for bringing this issue to the floor and giving us an opportunity to redress what I consider to be an imbalance and an inequity.

Mr. PERCY. Mr. President, will the distinguished Senator from Arizona yield me 4 minutes?

Mr. FANNIN. I yield 4 minutes to the Senator from Illinois.

Mr. PERCY. Mr. President, I am seated in the Senate to the right of the Senator from Texas, though not very frequently do I find myself to the right of him ideologically. I find myself today foursquare behind him, and certainly behind the distinguished Senator from Arizona, in the amendment they are now offering.

This is an amendment that looks to equity, it looks to organization of our health resources, and it looks to how we are going to provide health care to the people of this country.

I rise in strong support of the pending amendment. It is vitally important to continued improvement of health care in this country.

In this richest most affluent nation in the world, we are deficient in many respects in the health care assistance we offer to Americans, especially those living on lower incomes. We are able to develop effective heart transplant procedures and advances in immunology are dramatic. Yet, when it comes to caring for health needs of the average citizen, our material advances and scientific achievements frequently seems to have deserted us.

Today the Nation's practicing doctors for the most part largely function as 300,000 independent and uncoordinated medical systems. We need to take measures to encourage and assist the medical profession to make more efficient and economical use of their strong and independent operations. It would seem logical to encourage wider multispeciality group practice to allow greater availability and utilization of expertise, ancillary personnel, and costly facilities. Closely related to group practice is the team approach to medical care. This technique has demonstrated an effective means of supplying sound health care where it has been tried.

The pending amendment would encourage the expansion of group practice by deleting restrictive provisions written in by the Senate Finance Committee. These provisions would limit members of professional corporations to the same pension and profit-sharing plan basis as self-employed individuals. This removes an important incentive for group practice.

If the committee provision prevails, members of professional corporations would be allowed to contribute only 10 percent of their income to pension plans up to a maximum of $2,500 per year. This is unrealistically low.

The Treasury Department is currently conducting a study of the whole area of deferred compensation. The study will be completed in the spring. At that time Treasury expects to recommend sweeping changes in the whole area affecting all taxpayers. In the meantime Treasury supports this amendment deleting section 901 of the tax bill. I feel that the current law should not be changed until such time as the Treasury report is ready. Edwin S. Cohen, Assistant Secretary of the Treasury for Tax Policy, has stated that—

> It would be preferable to defer action on retirement plans of . . . professional service corporations . . . until next year when we expect to present comprehensive legislation recommendations concerning all employee benefit plans.

Some other points I feel that are of importance:

The committee provision was written into the bill without hearings and without affording an opportunity to present counterarguments.

The benefits realized by existing law are not just for the employer, but must be given proportionately based on salary to all employees.

The courts consistently have ruled that professional corporations should be taxed no differently from other corporations and IRS has been rebuffed by the courts in every instance of trying to change this tax treatment.

This amendment would not allow professional corporation employees to deduct unlimited amounts of income. Any pension plan of a professional corporation must be an IRS qualified plan with benefits the same for all employees in the corporation—in the case of doctors that would mean for doctors, nurses, technical personnel.

Contributions to the plan must meet IRS standards of reasonableness and IRS will disallow excessive contributions. In any event contributions to profit-sharing plans are limited to 15 percent of salary.

For all the above reasons I strongly urge adoption of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I yield myself such time as I require.

I ask unanimous consent to have printed in the RECORD an article entitled "Physicians Profit From Tax Device," written by Sandra Blakeslee, and published recently in the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PHYSICIANS PROFIT FROM TAX DEVICE

(By Sandra Blakeslee)

Thousands of physicans across the country have begun to take advantage of a lucrative tax device that is saving many of them more than $15,000 a year in taxes.

Some doctors are finding they can use the same device to retire on 10 times as much money as they once planned—without earning a penny more during their careers.

The growing popularity of this tax mechanism—the professional corporation—was reflected in interviews with medical society officials, legal counselors, management consultants and physicians from around the country.

"It's the hottest thing to happen to us doctors since penicillin," remarked a heart specialist from California.

The tax device is also available to other professional men, such as lawyers and architects, but they do not appear to be utilizing it as widely as doctors because of *problems* peculiar to their professions. However, authorities said the concept might find wider popularity as the practice among doctors became better known.

The Treasury Department, which is alert to this trend and concerned about it, is studying the matter as part of a broad examination of deferred compensation plans. The agency intends to present legislation in 1970 that would seek to outlaw this practice and to deal with what it considers to be other inequities in the tax treatment of retirement plans for employes and the self-employed.

One reason for the doctors' enthusiasm for the professional corporation is illustrated in the case of a New Jersey physician who for years expected his retirement income to be $10,000 a year. He now expects to get $100,000 a year after age 65, without a change in his current standard of living.

The professional corporation, which has been repeatedly ruled legal by the courts despite frequent attacks by the Internal Revenue Service, is the same as any other corporation except that it is made up of several professional men, or even an individual professional man, rather than businessmen. Like most corporations, the professional corporation is a tax-sheltered entity that is in a special, often enviable position come tax time in April.

I.R.S. SHIFTS VIEW

Before 1950, the I.R.S. said that professional men could group together to form associations, or corporations, and that they would be taxed as corporations, which generally pay higher taxes than individuals.

After 1950, however, the I.R.S. changed its mind in view of amendments to its code that had been made in 1942. These changes allowed corporations considerable savings on taxes through corporate pension plans.

Under the tax agency's 1950 decision, professional men could not legally incorporate because, the I.R.S. argued, a professional corporation is inherently different from a business corporation.

In the eyes of the tax agency, the professional corporation had become no more than a lucrative tax dodge, and the agency sought to prove its point in court.

By 1960, the tax agency had not won its case, but it was making the establishment of corporations increasingly difficult for professional men. It did this by conducting special audits, by filing lawsuits and by doing what it could to discourage the trend.

In the last two years, the agency has fought and lost battles in nine district courts and three Federal appeals courts.

The thrust of the rulings was that I.R.S. opposition to professional corporations was "discriminatory" and "patently arbitrary."

On August 8, the door was thrown wide open. The I.R.S., giving up its legal fight, promulgated a new policy that "organizations of doctors, lawyers and other professional people organized under state professional association acts will, generally, be treated as corporations for tax purposes."

Physicians have been attracted to the concept of professional corporations for several reasons, according to doctors, lawyers and medical officials interviewed. One is that many doctors, in the higher income tax brackets, want to save money.

Another is that many more physicians in recent years have been tempted by the advantages of group practice—better hours, better business arrangements and better equipment—and find that incorporation of a group practice offers them the best financial arrangements as well.

Engineers, lawyers and other professional men who might qualify for corporate status have been slower to take advantage of the tax device, several observers said.

"Many lawyers just don't want to fool around with it yet," said a lawyer from Indiana. "They often practice alone and don't want to go into groups, since groups offer the best excuse to needing a corporation."

STATE ESTIMATES

Many engineers in New York State, for example, oppose professional corporations, a legislative adviser from Albany said. "Many people don't feel it's kosher," he said.

Estimates of how many doctors are turning to corporate practice are difficult to make, according to the American Medical Association.

The legal department of the A.M.A. receives dozens of requests each day from physicians asking for advice on incorporation procedures. The association mails them a brochure describing the situation in detail.

Some state medical societies will hazard estimates.

In California, for example, 30,000 doctors were said by officials to be lining up at lawyers' offices after a professional incorporation enabling law was passed in April.

The Indiana attorney general said that there were 121 new professional medical corporations in the state as of a month ago and that 5,000 to 6,000 doctors in the state practiced through corporations. The average size of a corporation is three physicians, and 14 corporations consist of only one physician.

Each state is empowered to pass its own laws regulating corporations and setting minimum standards for their organization. Professional corporations, often called associations, are flourishing in 48 states. New York, Wyoming and the District of Columbia do not allow them.

BILLS FAIL IN ALBANY

The battle to legalize professional corporations in New York is being carried on largely by the state medical society, which will try again next year to get the legislature to pass an enabling law.

In the last year in Albany, two enabling bills were defeated as legislators argued that professional corporations would serve no purpose other than to permit doctors to enrich themselves at the expense of the state and Federal Governments.

In other states, however, lawyers and business management consultants have been doing a thriving business with physicians.

One such consultant is Gene Balliet of Teaneck, N.J., who advises doctors in several surrounding states.

Recently, Mr. Balliet drew up a financial plan for a well-to-do client, a specialist in internal medicine with a subspecialty in ailments of the gastro-intestinal tract. If he incorporates, this physician is advised, he will save $17,280 a year in taxes and will be able to retire 23 years from now on an income of $99,900 a year.

The physician, Mr. Balliet said, is not atypical of many successful doctors found in all parts of the nation.

According to Mr. Balliet's analysis, this doctor would fare better financially next year by incorporating, while still maintaining the private, solo nature of his practice.

After incorporating, the doctor would probably pay more in overhead costs, due to added costs in bookkeeping and accounting. However, he would be able to deduct about 20 per cent of his gross income—free from all taxes—to put toward his retirement.

Over a 23-year period, before the doctor reaches age 65, he could thus amass $1,665,200 in investments, which he could draw upon as retirement income.

If he does not incorporate, the doctor is allowed to invest, tax free, only $2,500 a year of his gross income toward retirement. The $2,500 limit, called the Keogh Plan, is set by Federal law for all self-employed professional men except those establishing themselves as corporations.

TAKE-HOME PAY

The doctor's take-home pay, or the dollars in his pocket after taxes at the end of the year, is less after incorporation than before.

However, taking into account the money he has invested toward his future which is part of his income, he can increase his income from $60,800 before incorporation to $72,850 after incorporation—a gain of more than $12,000.

The A.M.A. Newsletter, in recognizing the advantages of incorporation, said recently:

"A major plus is that corporate practice offers physicians a greater potential economic benefit than any other single element in the financial environment."

The drawbacks of professional corporations, the A.M.A. said, are that the I.R.S. may still oppose professional corporations where it can, that it costs money in legal fees to set up the corporation and that patients may object to being treated by a corporation.

However, some physicians, who have been practicing as corporations for some time, said in interviews that there was no problem in the doctor-patient relationship resulting from the business move.

"My patients don't even know I'm a corporation," said one physician from Skokie, Ill., "and if they did I'm sure they wouldn't care."

There are probably some advantages in professional corporations for patients as well as doctors, according to Mr. Balliet.

Any doctor who has half a million or a million dollars in investments waiting for him at retirement is less likely to raise his fees, Mr. Balliet said. Professional corporations, he added, may serve to hold down medical costs for the welfare of all—doctors and patients alike.

A WEALTHY PHYSICIAN'S INCOME PLAN

[Following is a financial analysis prepared by Gene Balliet of Teaneck, N.J., for a well-to-do medical specialist]

| | Continuing in solo practice | As a corporation |
|---|---|---|
| Gross practice income for 1 year | $176,700 | $176,700 |
| Overhead costs | −$53,000 | −$55,650 |
| Amount deducted for tax-sheltered investment plan | −$2,500 | −$23,950 |
| All forms of insurance deductible | (1) | −$1,297 |
| Net practice income | $121,200 | $95,800 |
| Tax bracket (percent) | 64 | 66 |
| Federal tax paid | $64,180 | $46,900 |
| Personal take-home pay | $57,020 | $48,900 |
| Deductible investments added back to indicate total personal income | +$2,500 | +$23,950 |
| Personal insurance | −$1,297 | (2) |
| Net personal income (total assets) | $60,800 | $72,850 |

Footnotes at end of table.

A WEALTHY PHYSICIAN'S INCOME PLAN—Continued

| | Continuing in solo practice | As a corporation |
|---|---|---|
| Investment projection: Keogh plan to age 65 (23 years); corporate plan (to age 65) | $173,800 | $1,665,200 |
| Retirement income on a 6 percent withdrawal plan (per year) | $10,400 | $99,900 |

[1] Not allowed.
[2] Already paid and deducted.

Mr. LONG. Mr. President, this New York Times article by Sandra Blakeslee discusses the provision involved in the pending amendment as one of the growing bonanzas in terms of tax loopholes.

Some years ago, we had before us the proposal to allow self-employed people to deduct $2,500 or 10 percent, whichever was the lesser, of their annual incomes, to be set aside for retirement. Many of us thought that was a very generous provision. The doctors wanted it, and the lawyers wanted it, and certain other professional people wanted it; and while some of us thought it was altogether too generous, eventually it became the law.

Subsequently someone persuaded the doctors and certain other professional groups that they could have an even greater tax benefit by obtaining the passage of State laws allowing them to set up corporations for the practice of medicine, law, and the other professions.

Corporations, when they set up a retirement plan, are required to have nondiscriminatory plans. They cannot discriminate in favor of highly paid employees. Most corporations have a great many employees covered under their plans, so that the amount of each employee's pension is kept within reasonable bounds by virtue of the fact that benefits must be funded for a large number of employees.

But in the cases where doctors get together and form the kind of corporation that is authorized by these laws, in many instances the physicians are in the overwhelming majority. They are the stockholders of the company, and also account for perhaps 80 or 90 percent of the earnings of all the people working in the corporation. And they have one thing in common: the desire to shelter as much of their income from taxes as possible. Where, under H.R. 10, they can only put aside $2,500 or 10 percent of their earnings, whichever is lesser, under the State laws to which I refer they could put aside a much higher percentage of their earnings before taxes, so long as perhaps the one secretary they might have, or the two or three nurses that they might have, were also included in the plan on a nondiscriminatory basis.

Just to quote one paragraph of the article to which I have referred—and my staff advises me this is sound—

One reason for the doctors' enthusiasm for the professional corporation is illustrated in the case of a New Jersey physician who for years expected his retirement income to be $10,000 a year. He now expects to get $100,000 a year after age 65, without a change in his current standard of living.

Imagine that; he can step up his retirement income from $10,000 to $100,000

a year without any sacrifice in his current standard of living. Uncle Sam is paying for it. As Senators can well imagine, here is a fast-growing tax loophole in the making right now—a vast tax loophole, created by State laws to grant a loophole in a Federal law.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Tennessee.

Mr. GORE. And then he may draw this amount down so that it is not taxed as ordinary income, it is capital gains income.

Mr. LONG. If he takes a lump-sum distribution, that is true. But even if he draws it down in installments as ordinary income he has a great advantage. When he puts the money aside for retirement, that is deductible, he pays no tax on it. Then, let us say, it sits in a trust for 20 years earning income, so that the principal, perhaps, by that time, has doubled or tripled by the time he wants to draw it down. There is no tax when the income is earned by the trust—he is taxed only when he takes them down. At that time he may be enjoying the benefit of a much lower tax rate available for retired persons. And if a person is over 65——

Mr. RIBICOFF. Mr. President, the Senator makes a most significant point. Most of the officers of corporations have only themselves as an officer of the corporation.

An example is given in the New York Times of doctors setting up these corporations. A plan is drawn up for a practitioner in solo practice in a State, an internist, who makes $176,000 a year.

Under the Keogh plan adopted in 1962, he would retire with an income of $10,400 a year. Under the present plan, as a corporation, we find the same doctor saving $17,280 a year in taxes. However, in addition, with the use of the same plan, in 23 years he has a nest egg of $1,665,000 and he draws a $99,900 a year retirement payment.

Mr. President, I was very much interested when the distinguished Senator from Illinois talked about our needing doctors to take care of the health of our Nation. I assure the Senator that this doctor who is making $176,000 a year is not concerned with the slums or the poor or the people who really need decent health care.

The Keogh plan, adopted in 1962 at their request, to take care of doctors and lawyers was a modest plan. We agreed to it in Congress. It had rules and regulations making it possible for a self-employed person to put away $2,500 a year, or 10 percent of his income, whichever was lower. Now we suddenly find a new gimmick with corporations being formed.

This is not the situation of a clinic that has been established for a long time. This is a doctor who is practicing by himself and forms a corporation. When the patient goes to the doctor, he does not think he is going to a corporation. He is still going to see Dr. Jones.

Dr. Jones has a loophole and one of the best tax shelters ever devised. His income has been set aside. He will be drawing $99,900 a year retirement instead of $10,000. The taxpayers are paying for it.

It is the worst kind of subterfuge and tax dodge. We should not be encouraging this kind of tax avoidance.

The Treasury is studying the problem, but, we should wait for the Treasury report and allow this loophole to remain untouched.

Mr. President, I commend the Finance Committee for closing the loophole.

This is a tax gimmick that is going on all over the country for the benefit of a small group of doctors and lawyers.

Mr. LONG. Mr. President, the Senator is correct. If we are going to close a tax loophole, we ought to do it when there is some momentum in favor of closing tax loopholes.

I am in favor of tax reform. This is a case of laws being passed by State legislatures with no other purpose in mind than the avoidance of Federal tax laws. A State legislator can vote for such a law with a clear conscience. It will not cost the State government one dime. It will cost the Federal Government. He can vote for it for his doctor friends for the purpose of enabling them to avoid Federal taxes.

These corporations are formed for no other purpose than tax avoidance. There is no effective limit on how much money they can shelter from taxation.

Mr. COOK. Mr. President, if what the Senator is saying is true, where did the committee get the figure of $2,500?

Mr. LONG. I am talking about H.R. 10. That is the existing law. That is the limitation for self-employed people. That is how the doctors wanted it, until someone came up with this scheme.

Mr. COOK. Where did the committee get the figure in the bill of $2,500?

Mr. LONG. That is what they wanted and what is the law for a self-employed person. They were self-employed people. They came up here for it. They lobbied for it.

Now they can set aside a lot more than that under this scheme which we are trying to eliminate in the bill.

Mr. COOK. But the distinguished Senator from Connecticut said a moment ago that they could do all of these things.

We in the Senate have a pension plan. And the funds for that pension program come out of our check. It is a little over $230 a month. That means that we pay $2,500 and more into the pension program in a year. We have to invest in it for at least 6 years. I do not know how much the Government puts into it at the moment. It would be less than 3 percent a year. And we are trying to figure how on $2,500 a year this physician that everyone goes to can build for himself a decent pension plan. He cannot build on it at all.

Mr. LONG. We do not get a tax deduction on ours. We pay taxes on the money we put up. That is more than you can say for our doctor and lawyer friends. They have a tax deduction, and from a practical point of view they can put as much more into the plan as they want when they pay taxes on that extra money.

That is not what I am complaining about. I am complaining about putting this money aside without paying one penny in taxes. We pay taxes on the money we put in.

Mr. COOK. Mr. President, the reason I asked the question is that I am trying to figure how with a $2,500 limit on the pension plan they can build up much of a pension.

Mr. RIBICOFF. Mr. President, for many years a leader in the fight was Representative Keogh of New York. At the request of the doctors and lawyers, he fought for a special provision in the tax laws to allow a self-employed person to set aside 10 percent or $2,500 a year, whichever is lesser, from his income, which he could take as a tax deduction in order to build up a pension plan.

This took many years to go through. In 1962, Congress adopted H.R. 10, the Keogh plan, which for the first time allowed doctors and lawyers to have a pension plan of their own.

The pension system enabled a doctor to start building up an estate. If the Senator will follow with me this example that was cited in the New York Times of a plan, that was drawn up for a physician in New Jersey, we will see what happens under H.R. 10.

We have a physician with a gross practice of $176,700. He has overhead cost of $53,000. He has a little more overhead cost if he is a corporation.

He then deducts tax free, his investment plan under the Keogh plan of $2,500 a year. But, when he is a corporation, he can now deduct $23,950 a year. This is a new tax shelter.

Mr. COOK. He can do that.

Mr. RIBICOFF. Under the Fannin proposal, which is now advocated by the Senator from Arizona we would have this tax gimmick prevail. It is not illegal. The Treasury Department has ruled it is proper.

Mr. GORE. Mr. President, the Treasury has lost case after case in the courts until they say they cannot contest it further.

Mr. FANNIN. The Senator is saying that I advocate this. That is not so. The Senator is stretching the facts.

Mr. RIBICOFF. I say the Senator is trying to permit it to remain as it is at the present time.

Mr. FANNIN. Until we have hearings and treat everyone alike.

I am just asking for the same treatment for a professional corporation that is given everyone else, other corporations. I am not asking for any special privileges.

Mr. RIBICOFF. Not special privileges, but I am talking about the thrust of the Senator's proposal as against the thrust of the committee proposal, and I am comparing them.

Mr. FANNIN. The committee proposal is discriminating against one group.

Mr. RIBICOFF. No, I do not think the committee proposal is discriminating against anybody. The committee proposal wants to plug a loophole before it spreads like wildfire, all through America.

There is a paragraph here that, in California, officers said 30,000 doctors were lining up at lawyers' offices after the Professional Corporation Enabling Act was passed in April.

Mr. FANNIN. How many corporations do we have in the United States?

Mr. RIBICOFF. I do not know. Hundreds of thousands.

Mr. FANNIN. That is correct.

Mr. RIBICOFF. But I do not think we should be in a position, frankly, of giving doctors and lawyers this tremendous loophole.

Mr. FANNIN. Does the Senator favor passing measures without having hearings, without having departmental reports? Does he think it is fair and equitable to pass measures on that basis?

Mr. RIBICOFF. I think there is collective wisdom in the Senate of the United States, and I think that the collective wisdom of the Senate in many instances is superior to that of a bureaucracy or a department. I do not hesitate to have the Senate initiate the legislative process. What has been wrong with the legislative process over the last 30 years is that the Senate has failed to take the initiative and has waited, hat in hand, for a decision to be made at the other end of Pennsylvania Avenue.

Mr. FANNIN. Does the Senator think that we are prepared to pass judgment on matters with which we are not familiar, with which we can become more familiar by getting the departmental reports, by getting information, and by giving the people involved an opportunity to testify?

Mr. RIBICOFF. Yes, I do. I think that the Senator from Arizona, the Senator from Louisiana, the Senator from Tennessee, and I have sufficient knowledge and experience that we do not have to apologize to someone who is in the Treasury Department for making a decision. Members of the Treasury Department and even the Secretary of the Treasury, have only been there 5 or 6 months. I think that our collective experience and wisdom is equal to theirs. I do not hesitate to take the initiative in the legislative process, and I hope the day never comes when the Senate fails to take the initiative.

Mr. GORE. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. GORE. The distinguished Senator from Arizona indicates that the committee is trying to discriminate against professional corporations. As a matter of fact, the committee has a provision in this bill to put the same limits on subchapter S corporations, small business corporations.

Mr. FANNIN. Partnerships.

Mr. GORE. Similar to what it recommends for professional corporations. So, instead of the committee discriminating, the Senator from Arizona would discriminate against small business corporations by providing for so-called professional corporations a kind of tax benefit for retirement which is denied to the small business corporations.

Mr. FANNIN. They have the privilege of electing how they are going to be taxed. They have the privilege of making a determination. We are not giving the same privilege.

I am not talking about what should be done. I am talking about fairness and equity in permitting the people involved to come before us and testify and then getting departmental reports, so that we can evaluate.

Mr. GORE. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. GORE. I rose to make this comment because it was the distinguished Senator from Arizona, himself, who raised the question of discrimination. Discrimination is not involved in the provision in the committee amendment as between professional corporations and subchapters corporations. The discrimination would be worked if the amendment of the distinguished Senator from Arizona should be adopted.

Mr. COOK. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. COOK. First, let me say that I do not mean to disagree with the Senator from Tennessee. One has an election as to whether he wants to go under section 401 of the Internal Revenue Code or under chapter S, and I think it would be found that the same small corporation would elect to go under 401.

I should like to make one thing clear. When we talk about the fact that, somehow or other, it is like Senator PASTORE's poor widow who has to work in a grocery store or a department store, this just does not apply to a doctor. If he elects to have one of these programs under section 401, is it not true that he makes an election and that he has to file a qualified pension plan with the Department, and that it not only applies to the doctor but also to everybody else who works in his office? It applies to the nurses and to the secretaries. It applies to engineering firms and their employees. It applies to law firms and their secretaries. It does not apply to the individual alone.

Mr. RIBICOFF. That is correct. But there is a great difference in how this operates, because there is a sense of balance under the Keogh plan. I will cite the difference, with the same doctor.

Under the Keogh plan, which was passed in 1962, the investment projection in 23 years for the same doctor with a lucrative practice of $173,800, would give him a retirement income, on a 6 percent withdrawal plan, of $10,400 a year. But under the present corporate plan, the same doctor, with the same income, would have an investment projection of $1,165,200, with a retirement income of $99,900 a year. This is a great variable. The nurse who works there is not going to receive $99,900. The nurse who works there will probably retire at an income of $4,000, $5,000 or $6,000, depending on how many years she has worked for him.

What we have here is a situation that is going like wildfire, and we are trying to prevent a loophole from becoming larger and larger until we find out the Treasury's program to treat all retirement plans, which they do not have.

What we have here is a discriminating feature, because not every State has the same type of incorporation laws. Not every doctor is incorporated, not every lawyer is incorporated, when they are incorporated it is not a true corporation; because, basically, doctors still have to have ethical concepts; they are still personally liable. They do not have corporate liability.

Something completely false has been engrafted on our corporate system—not a true corporation but just a shadow corporation, taking advantage of a tax loophole gimmick.

Mr. President, our system of progressive taxation on higher incomes has been generally accepted for several generations.

But this system crumbles when a high income bracket taxpayer is permitted to take 20, 30, or 40 percent of his income which he earns in one year and defer it in such a way as not to pay any taxes until a much later date when he is in a considerably lower tax bracket.

The whole concept of deferring large chunks of income is contrary to the theory of our tax laws. Deferrals can only be used by people with high incomes. The vast majority of taxpayers must use all of their current income to meet current expense.

In 1962 Congress gave careful consideration to the area of allowable income deferrals for self-employed people. At that time the Congress set clear guidelines for future policy. These guidelines are known as the H.R. 10, or Keogh, plan.

Since that time a great many professional people have simply circumvented these guidelines by establishing professional corporations. There is no doubt that the major if not only motivation for these corporations was the tax angle to escape from H.R. 10 guidelines. No other basic change is made. These people are still self-employed. Often their clients do not know they are dealing with a corporation.

As a result, doctors, lawyers, engineers, who remain basically self-employed are not subject to the law for the rest of the self-employed. These people have been able to deduct tremendous percentages of their current income tax free.

The tax savings have been enormous. For instance, the professional with a net income of $100,000 who previously could deduct only $2,500 under the Keogh plan can, by simply incorporating, be able to deduct say $25,000. This permits him to decrease his taxes by over $15,000.

In only 10 years' time this man will be able to set aside a question of a million dollars—60 percent of which is tax money when he escaped from paying.

Mr. President, the Finance Committee studied this matter very carefully. It has recognized that the provisions of the bill may create a disparity among professionals and the corporate executive. But it has also recognized that the Treasury Department is at this moment carefully studying this area and will propose legislation to deal with these problems in the very near future.

But this Treasury study is no reason to delay closing off this loophole used by professional persons who are still essentially self-employed people.

Mr. LONG. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. LONG. Let us assume two doctors get together and form themselves into one of these professional corporations, set up a retirement plan, and put 25 percent

of the money they make into this tax shelter retirement plan. They can include in the plans, let us say, a 10-year vesting provision. Then, having set aside 25 percent of each nurse's salary for the retirement plan, if a nurse quits before the end of 10 years, they can use the amount they put in to fund her pension, to fund the other pensions including their own.

Mr. RIBICOFF. I quote from the AMA newsletter:

A major plus is the corporate plan which offers physicians a greater potential economic benefit than any other single element in the financial environment.

Mr. GORE. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. GORE. The irony of this debate is illustrated by the fact that last evening the distinguished President of the United States indicated a possible veto of this bill, for one reason, that it provides a 15-percent increase in the social security benefits——

Mr. COOK. The President did not say that last night.

Mr. GORE. I listened.

Mr. COOK. They asked him if he would veto the bill under the circumstances, and he said, "Yes." He did not expand. He did not say what the reasons were.

Mr. GORE. He did not say "yes."

Mr. COOK. He said, "No," that he could not support it.

Mr. GORE. As I understood the question—and it is in the newspapers today—the reporter rose and asked the President if he could sign the tax bill if it contained a 15-percent increase in social security benefits and an $800 personal exemption. He gave a one-word answer—"No."

Mr. COOK. The Senator does not have any illusions about the other things done in this bill, has he?

Mr. GORE. The irony of this is illustrated by the fact that the President is talking about vetoing this bill because it provides a meager personal exemption of $800 and a 15-percent increase in social security benefits. Social security benefits presently average only in the neighborhood of $150 a month and the 15 percent increase would raise this by less than $25 per month. Here we are talking about tax deductions for retirement systems running into hundreds of thousands of dollars a year, and then, an amendment is offered to strike it out. I suppose the President would sign the bill if we did that.

Mr. LONG. The Treasury opposes our doing anything about this fantastic loophole until we spend a year studying it.

Mr. FANNIN. Mr. President, that is not true. They said they will take it up all together.

Mr. RIBICOFF. Mr. President, I am amazed at where this discussion is going. Since when does the Senate depend for its decision on what any secretary has to say? What has hurt Congress is that we have forgotten there are two ends to Pennsylvania Avenue, one end where the President is, and the other end where we are. We should look at legislation and not wait for what the Treasury, the Department of Interior, or the Department of Commerce sends here. That is why we have debates. There is not a man here who did not come here with a great deal of background and experience in life and in Government. I do not defer to anyone in the agencies in my judgment as to what we should do. We can study the problems and we are qualified to act.

Mr. LONG. Mr. President, we have in this bill what is known as section 311. That was not the subject of the hearings. An article appeared in Forbes magazine that pointed out a device that insurance companies and others were relying on. I believe the Senator from Delaware dug it out and said "Look at this. It is awful." We asked the Treasury Department what they thought about it. They said corporations other than insurance companies also use that device.

The Treasury Department fought this device, but the courts were deciding the lawsuits in favor of these corporations. Finally the Treasury Department gave up.

We looked at the situation and decided to act. The Treasury Department did not speak, but they know something has to be done about it.

If they are not going to make doctors and other professionals pay taxes, how are they going to make others? The committee thought the doctors should pay taxes.

Mr. RIBICOFF. And the lawyers.

Mr. COOK. Mr. President, there is one point I would like to make to the Senator from Louisiana. I do not think he is just talking about doctors. I am not a doctor, and I could not get to be one, anyway, I expect. You could have the same situation if plumbers got together, and I suspect some of them have 401 plans. It could be a tile man or anybody else, if they are not a corporation. They could qualify under this if they got approval. This is not just professional groups of doctors and lawyers. I think it should be pointed out that is true under 401 pension plans, if you file with the Internal Revenue Service and get approval.

I recall talking to the Senator from Connecticut yesterday. We were talking about social security provisions. I gave an example. In the Senator's mind it was an example of extremes. I would say the example of the doctor with a pension plan under 401 who gets $99,900 a year—I am sure the Senator would admit it—is an extreme.

Mr. RIBICOFF. I would say that basically the medical profession is the highest paid profession in the country at the present time. The plumber does not earn $100,000 a year or $150,000 a year.

Mr. GORE. Mr. President, before the Senator leaves the Chamber I would like to clarify one matter. May I have the attention of the Senator from Kentucky?

Mr. COOK. I gave the Senator the article. I read it.

Mr. GORE. Mr. President, the Senator from Kentucky states "if they obtain approval." That is what the law suits have been about. The Internal Revenue Service has lost all the cases. Therefore, it is no longer attempting to enforce the regulations.

Now I wish to read to the Senator the question and answer to which reference was made earlier. The question asked the President at the news conference last night was:

Q. Sir, if the final version of the tax reform bill now pending in Congress includes the Senate-adopted $800 exemption provision and the 15 percent Social Security increase, can you sign it?

A. No.

Mr. COOK. I would hope the Senator would state for the RECORD that I gave him the article.

Mr. GORE. I appreciate it very much. However, it illustrates this point:

We have been debating for an hour and a half a reasonable provision in the tax bill to put some reasonable limit on tax deductions for personal corporation retirement systems when the President is threatening to veto the bill because we gave a 15-percent increase for the old people trying to live on social security.

Mr. FANNIN. Mr. President, I ask unanimous consent that the names of the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. ALLOTT), the Senator from Oregon (Mr. HATFIELD), and the Senator from Oklahoma (Mr. BELLMON), be added as cosponsors of the amendment.

The PRESIDING OFFICER (Mr. ALLEN in the chair). Without objection, it is so ordered.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. FANNIN. I yield 2 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, I was impressed with the talk about Congress acting independently of the executive departments. I seem to recall that a few days ago when the President complained that the legislative program was not moving rapidly enough through Congress that the response of congressional leadership was that there were many bills on which they had received no reports from executive departments and agencies. I think that is a rather moot point here.

I am concerned about what was brought out in the testimony. I would like to ask the Senator from Arizona the extent to which abuses under H.R. 10 were brought out in testimony before the committee. Were these abuses catalogued or inventoried? How many appeared before the committee?

Mr. FANNIN. We did not have testimony before the committee.

Mr. TOWER. No testimony on this?

Mr. FANNIN. No testimony and no departmental report.

Mr. TOWER. I find that shocking, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. Mr. President, will the Senator yield to me for 3 minutes?

Mr. FANNIN. I yield 3 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, I would not take a position on any subject brought before the Senate simply because a Secretary or anybody else said they had reached a particular conclusion. I do not think that is enough. I would like to know his reasons for that conclusion.

Mr. President, I rise to support the Fannin amendment for two reasons. First, there were no hearings, and sec-

ond, the Treasury is opposed for good and substantial reasons.

LIMITATIONS ON CONTRIBUTIONS TO PENSION AND PROFIT-SHARING PLANS

Mr. President, the Treasury is in opposition to sections 531 and 901 of the Tax Reform Act, which would impose limitations on contributions on behalf of shareholder-employees to qualified pension and profit-sharing plans of subchapter S corporations and professional service corporations. Its opposition results from the belief that an overall review of the entire deferred compensation area is necessary but that piecemeal amendments are not an effective way of dealing with the problems in this area.

During the past several months, I am informed, the Treasury has been studying intensively this area, with a view to submitting comprehensive recommendations to the Congress early next spring. One conclusion of this study is that the distinction in present law between corporations and unincorporated businesses is an unwise one. Not only is it questionable from the standpoint of tax policy, but it also has important nontax implications. This distinction is undoubtedly responsible for the enactment of special legislation in 47 States permitting professional persons to practice their professions in corporate form. While most of this legislation contains safeguards intended to maintain the traditional relationship between the professional and his client, it is not certain that this result will obtain, and this relationship may be altered.

One of the questions the Treasury is studying is the desirability of limits on contributions to or benefits under pension and profit-sharing plans, the form in which these limits should be cast, the effect of contributions or benefits in excess of these limits. Thus, the matter with which sections 531 and 901 deal will be specifically covered in the recommendations to be made next year.

With respect to section 531, it should be noted that this provision was recommended as part of a comprehensive revision of subchapter S of the Internal Revenue Code. This revision would have simplified subchapter S substantially and made the tax treatment of corporations electing its benefits more similar to that of unincorporated businesses. In this context, it was not unreasonable to extend certain of the limits on retirement plans of unincorporated businesses to retirement plans of subchapter S corporations. Whatever the merits of this argument, it clearly does not now apply since the comprehensive revision of subchapter S recommended by the Treasury was not adopted.

The Treasury Department supports the deletion of sections 531 and 901 from the Tax Reform Act. At a minimum, the Treasury believes that the effective dates of these provisions should be delayed for 1 year to permit consideration of the Treasury's recommendations in the deferred compensation area.

Mr. President, this Senator addressed a letter to the Treasury Department concerning these two sections, and under date of November 21, Assistant Secretary Edwin S. Cohen, directed a reply to me, and I ask unanimous consent that at the conclusion of my remarks the text of that letter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. Mr. President, among other things, here is what the letter says:

We believe that the distinction in present law between qualified retirement plans of self-employed persons and corporate plans generally is unwise and should be eliminated.

The elimination of this distinction is one of the objectives of the review which we have undertaken of the entire deferred compensation area. The accomplishment of this objective may involve the imposition of some form of limitation on contributions or benefits for high-paid corporate employees, at least for shareholder-employees, and the adoption of uniformly applicable requirements for vesting, eligibility, and other matters.

Mr. President, it seems to me that the reasons for the Secretary's conclusions are what are important. He is asking that this matter be deferred until a time that will be more suitable and in keeping with the rules or logic and of determination of sound, public policy.

Thus, I would urge that the amendment be agreed to achieve this objective.

Failing its adoption, Mr. President, I intend to offer an amendment which would make the subchapter S and the professional corporation sections applicable for tax years beginning after December 31, 1970. In the interim, the Treasury Department can submit to the committee and to the Senate the results of its study; we can then have hearings and proceed in a logical and deliberate fashion, which will be much more in keeping with the determination of policy in such an important area.

EXHIBIT 1

THE DEPARTMENT OF THE TREASURY,
*Washington, D.C., November 21, 1969.*

Hon. ROMAN L. HRUSKA,
*U.S. Senate, Washington, D.C.*

DEAR SENATOR HRUSKA: You have requested a statement of our position on the Senate Finance Committee action extending the limitations on contributions now applicable to retirement plans of self-employment persons to retirement plans of professional service corporations.

As a general matter, the Treasury Department is opposed to the imposition of limitations or requirements on retirement plans solely because of the type of business engaged in or the form in which business is conducted. We believe that the distinction in present law between qualified retirement plans of self-employed persons and corporate plans generally is unwise and should be eliminated.

The elimination of this distinction is one of the objectives of the review which we have undertaken of the entire deferred compensation area. The accomplishment of this objective may involve the imposition of some form of limitation on contributions or benefits for high-paid corporate employees, at least for shareholder-employees, and the adoption of uniformly applicable requirements for vesting, eligibility, and other matters. Action in these areas is consistent with our basic objective in this area, the formulation of a statutory framework which will encourage the development of a strong private retirement system, enabling us to decrease our reliance on the public system.

With regard to the particular matter under consideration, we believe that it would be preferable to defer action on retirement plans of both professional service corporations and so-called subchapter S small business corporations (also affected by the Tax Reform Bill) until next year when we expect to present comprehensive legislative recommendations concerning all employee benefit plans. At the very least, any provisions in the Tax Reform Act extending the limitations of present law applicable to self-employed retirement plans to retirement plans of subchapter S corporations or professional service corporations should be effective only for taxable years beginning after December 31, 1970. This postponement would provide sufficient time for us to complete our study and develop our recommendations and for the Congress to act upon them. Congress could act with the benefit of the views of the groups interested in corporate plans and the views of self-employed persons concerning our recommendations. This limited postponement would at the same time serve to make clear the intention of the Congress to act quickly in providing the much needed reforms in this area.

I hope that this expression of our views will be helpful to you in your consideration of this matter.

Sincerely yours,

EDWIN S. COHEN,
*Assistant Secretary.*

Mr. LONG. Mr. President, do I understand correctly that the Senator is suggesting we should make the effective date of the provision in the committee bill December 31, 1970?

Mr. HRUSKA. Yes. If the Fannin amendment is not agreed to, I intend to offer an amendment which would achieve that purpose.

Mr. LONG. In the spirit of compromise, I would be willing to agree that we would make the date in this proposal—and I should like to ask that the Senator from Arizona (Mr. FANNIN) be alerted about this matter—I would be willing to agree that we make the date of the provision we are discussing December 31, 1970. It will be a lot easier to close this loophole after we conduct the hearings and proceed with regard to this matter. All lawyers know that that will have to be passed on to close the loophole—something like getting the genie back inside the bottle, after Congress has reasonably agreed to it, to permit this claim to continue. This would be a better way to handle it when, next year, we finally agree on what would be in order to take effect, rather than acting without seeing what the situation would be.

Mr. FANNIN. I appreciate what the Senator is talking about.

Mr. LONG. We would continue existing law until December 31, 1970, and at that point the amendment would go into effect unless we have agreed to some other alternative between now and then. I think the Senator would agree that something must be done about this. The Treasury would be the first to agree that something must be done. It seems to me that if we are going to have to vote, in the long run, to plug a loophole of this kind, something must be done between now and the end of next year, because if nothing is done about the matter, the committee amendment would go into effect.

Mr. TOWER. Mr. President, I would urge the Senator from Arizona not to

accept that, because I think many of us feel that we should hold hearings before we positively enact legislation on this subject. Within 1 year's time, that can be done. Therefore, I would not like to see this locked into the law, on the basis of what we think may or may not be right.

Mr. FANNIN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Arizona has 36 minutes remaining and the Senator from Louisiana (Mr. LONG) has 26 minutes remaining.

Mr. FANNIN. Mr. President, I yield such time to the Senator from Texas as he may desire.

The PRESIDING OFFICER. The Senator from Texas is recognized further.

Mr. TOWER. Mr. President, therefore I urge the Senator from Arizona not to accept the proposal offered because I think we have adequate time to hold hearings, and to consider and enact constructive legislation based on the accumulation of the appropriate facts in the matter.

Mr. FANNIN. Mr. President, I thank the distinguished Senator from Texas. Let me say to the distinguished chairman of the committee that I appreciate very much his thoughts, but there are a number of cosponsors that I cannot contact immediately and therefore would like to defer the Senator's proposal at this time.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. LONG. Mr. President, from time to time, we have seen articles or cartoons to the effect that the Senate Finance Committee was whittling away at the bill. However, for those who have doubts about the ability of the majority of members of the committee to plug up loopholes when we find them and do what should be done in a certain area, I believe we have a good example of it right here.

The vote was 12 to 4 in the committee. One can say that we did not have hearings, but on the other hand, we did not have the opportunity of doctors and other professional groups bringing pressure on members of the committee who voted on this matter, before they voted on it.

The balance on the committee is about the same as in the Senate, and when we looked into the matter, we decided, by a vote of 12 to 4, that the loophole should be closed.

If legislation is desired in the future, we can have it. The Treasury can bring in its recommendations. But the Treasury's recommendations should come in against a loophole that has been closed, not against a newly created loophole that has gone into effect, because when we have people enjoying a tax advantage never intended, it is very difficult indeed to take it away. I submit it is better to close the loophole in the beginning rather than to allow people to create at all these plans authorized by State legislatures, and then say they are being discriminated against when Congress does what it should do.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GORE. I think it would be interesting to see how many Senators who voted against increasing the exemption for a dependent child from $600 to $800 will now vote to give tax deductions for retirement plans that are without limit. The Senator from Connecticut read into the RECORD the example of a deduction of $23,950 to provide a retirement plan of $99,900 a year.

The pending amendment by the Senator from Arizona is to continue the legality of these kinds of retirement plans and deductions for those kinds of plans. So it will be interesting to see how many Senators who opposed raising the personal exemption for a dependent child from $600 to $800 will now vote to continue tax deductions for such retirement plans as these.

Mr. LONG. May I say it would be even more embarrassing, if we are going to look at the record, to see how many could not vote for a social security increase but who will now vote that a doctor can take a $100,000 deduction to achieve that result. So, just comparing rollcall votes to see how it would be embarrassing, that might be equally worthy for comparison purposes.

Mr. GORE. But they say "fiscal responsibility."

Mr. COOK. Mr. President, I think if we are going to go into the record to see who voted for something and who voted against something, I think we should show for the record that the personal exemption was $500 in 1948 and it went to $600 in a Republican Congress. The President was President Truman. I think the record should likewise show that the now Senator from Tennessee was a Member of the Congress who voted against it, and when the President vetoed the bill, he voted to sustain the veto. So I think if Senators are going to show how one voted yesterday and today, we ought to have the full record.

Mr. LONG. Mr. President, I point out that under this tax avoidance device one can get a tax shelter and not pay a tax on part of his earnings until he retires and then pay the tax only as he draws down the money for his personal use. He will be in the more favorable situation which exists when he retires at age 65. He could even draw it down in a lump sum settlement, at capital gains rates.

Mr. FANNIN. Mr. President, this amendment does not change present law. All we are asking is to have hearings and to have departmental reports, and take it up in proper order.

Mr. LONG. All I am saying is that one does not need to look at this situation very long to see that those affected have a big tax avoidance device. Every defense against that argument has been a procedural defense rather than a defense on the merits. This is one of the big tax loopholes we discovered while we were considering this bill. This and section 311 were two big tax loopholes I was not apprised of until we commenced the executive sessions. I am happy to say for the Finance Committee that, having seen them, the committee then closed them.

Mr. FANNIN. The Senator understands the difficulty of arguments from the standpoint of news stories and news programs. The Senator made reference to a news article. There are other reports in the press we could use, but the Senator knows we are not going to get bogged down that way.

Mr. LONG. The difference is that no one in the Treasury says this is not a big loophole, nor would anyone on the staff or on the committee argue that this is not a very big loophole and should not be closed. Even the Treasury says it should be closed sometime.

Mr. FANNIN. But it should be done in an equitable, orderly manner. Fine, we go along with that.

I do not think it is necessary to argue further about it. We could talk all day. Is the Senator ready to yield back the remainder of his time?

Mr. CANNON. Mr. President, will the Senator yield briefly to me?

Mr. FANNIN. I yield.

Mr. CANNON. Mr. President, in almost all of the States today, doctors, lawyers, engineers, accountants, and other professional individuals have created corporate entities for the benefit of themselves and their shareholder-employees.

The right to establish professional corporations was won in a series of court actions contested by the Commissioner of Internal Revenue.

The Keogh bill (H.R. 10) gave self-employed individuals the right to establish pension plans not to exceed 10 percent of earned income or $2,500, whichever is less.

That measure helped the self-employed to lay away a nest-egg toward the retirement years.

Yet, the allowances under Keogh are less than those permitted to corporations.

Now, these self-employed professionals have the privilege of setting up new corporations and should also be able to enjoy the privilege of contributing more generous amounts to pension plans.

Corporations should be treated alike without discrimination against any one kind of corporate entity.

I support this amendment.

Mr. LONG. Mr. President, if there is no further request for time, I am glad to yield back my time.

Mr. FANNIN. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Arizona. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. TYDINGS (after having voted in the negative). Mr. President, on this vote I have a pair with the distinguished Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Indiana (Mr. HARTKE), the Senator from Mon-

tana (Mr. METCALF), the Senator from Georgia (Mr. RUSSELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Arkansas (Mr. FULBRIGHT) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced by the Senator from Maryland (Mr. TYDINGS).

The result was announced—yeas 65, nays 25, as follows:

[No. 198 Leg.]

YEAS—65

| | | |
|---|---|---|
| Allen | Eastland | McClellan |
| Allott | Ellender | Miller |
| Baker | Ervin | Moss |
| Bellmon | Fannin | Murphy |
| Bennett | Fong | Packwood |
| Bible | Gravel | Pastore |
| Boggs | Griffin | Pearson |
| Brooke | Gurney | Percy |
| Burdick | Hansen | Prouty |
| Byrd, Va. | Harris | Randolph |
| Byrd, W. Va. | Hatfield | Schweiker |
| Cannon | Holland | Scott |
| Church | Hollings | Smith, Ill. |
| Cook | Hruska | Sparkman |
| Cooper | Inouye | Spong |
| Cotton | Jackson | Stevens |
| Cranston | Javits | Talmadge |
| Curtis | Jordan, N.C. | Thurmond |
| Dodd | Jordan, Idaho | Tower |
| Dole | Magnuson | Yarborough |
| Dominick | Mansfield | Young, N. Dak. |
| Eagleton | Mathias | |

NAYS—25

| | | |
|---|---|---|
| Aiken | McGee | Ribicoff |
| Case | McGovern | Saxbe |
| Goodell | McIntyre | Smith, Maine |
| Gore | Mondale | Stennis |
| Hart | Montoya | Williams, N.J. |
| Hughes | Muskie | Williams, Del. |
| Kennedy | Nelson | Young, Ohio |
| Long | Pell | |
| McCarthy | Proxmire | |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Tydings, against.

NOT VOTING—9

| | | |
|---|---|---|
| Anderson | Goldwater | Mundt |
| Bayh | Hartke | Russell |
| Fulbright | Metcalf | Symington |

So Mr. FANNIN'S amendment was agreed to.

Mr. FANNIN. I move to reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REHABILITATION EXPENDITURES ON LOW-INCOME HOUSING

Mr. GORE. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. GORE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Page 389, line 15, after the period insert "An election may be made under this paragraph with respect to any rehabilitation expenditures only by the owner of the low-income rental housing with respect to such expenditures are incurred."

Page 432, line 12, strike out "Every" and insert "Except as otherwise provided in this subsection, every".

Page 433, line 6, after the period insert: "An election may be made under this subsection with respect to any certified pollution control facility only by the owner or lessee of the plant in connection with which such facility is used."

Page 441, lines 5 and 6, strike out "Every person, at his election" and insert "A taxpayer which is a domestic common carrier engaged in the furnishing or sale of transportation by railroad and subject to the jurisdiction of the Interstate Commerce Commission, at its election".

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. GORE. I yield.

## PROGRAM

Mr. GRIFFIN. Mr. President, while most of the Senators are in the Chambers, I should like to inquire of the distinguished majority leader if he can tell us where we go from here.

Mr. MANSFIELD. I will endeavor to answer the query raised by the distinguished acting Republican leader.

It seems to me that the overwhelming majority of the Senate is prepared to remain until a reasonably late hour this evening—not everyone, but the majority. I have discussed this matter with the chairman of the committee, the distinguished Senator from Louisiana, and the ranking Republican Member, the distinguished Senator from Delaware; and it seems to be the feeling that, if at all possible, we ought to remain and get to third reading. If we can, then we will vote on the bill itself tomorrow. There would very likely be a motion to recommit. There would also be an hour referred to by a distinguished colleague of mine in this body as the "alibi hour." [Laughter.] I am sure that the "alibi hour" would be applicable to both sides.

To get down to the answer to the question raised, and keeping in mind the President's promise to call us back the day after Christmas if we do not complete the work which he has laid out for us—rather late, I must say—I would point out that when we get through with the pending business, we have a District of Columbia appropriation bill and a Department of Transportation appropriation bill, a foreign aid authorization, a foreign aid appropriation bill, a Department of Defense appropriation bill, a Labor-HEW appropriation bill, a number of conference reports, and some other proposed legislation to consider which is of vital importance to the people of this country.

So what it adds up to is that the Senate is really under the gun so far as proposed legislation is concerned, and I would hope that the same spirit and the same understanding and the same degree of coordination which showed itself last week and so far this week would continue the rest of this week and the week or so after that. But if we are going to do that, I first will have to ask one question: How many Members have amendments which they intend to offer to the present bill?

I count 10.

Mr. GORE. Do not count any further.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. COTTON. I should like to say to the majority leader that for several days I have had an amendment at the desk, which has been printed. I was willing to agree to 10 or 15 minutes on a side. However, I have sought recognition again and again. I have been unable to get recognized, while the same Members put in amendment after amendment after amendment. Enough time has elapsed now so that the Secretary of Commerce has found out about my amendment and has sent a letter to the distinguished chairman of the committee and to me, demanding that my amendment be defeated. So I am not prepared to deal with it in 10 minutes, because it will take me 15 minutes to pay my respects to the distinguished Secretary of Commerce. [Laughter.]

So I hope I will have a chance, and I intend to have this very brief and limited debate on an amendment about which many of us feel deeply. My distinguished colleague from New Hampshire is a cosponsor of the amendment with me, as are both Senators from South Carolina. It has to do with jobs in this country, a subject that has not been of apparent concern downtown, and I want an opportunity to make a good Democratic speech, and I am sure the majority leader will give me that opportunity.

Mr. GORE. I will yield to the Senator from New Hampshire right now.

Mr. MANSFIELD. The Senator has been most patient for more than a week; that I know of. May I say that what he has just said reinforces the speculative reports which have appeared in the newspapers concerning the excellent liaison between the administration downtown and the Members here. [Laughter.]

Evidently, we cannot get to third reading now, but I think we had better continue as long as we can. It is my understanding that with respect to his amendment, the distinguished Senator from Tennessee has discussed with the manager of the bill the possibility of a 5- or 10-minute limitation on each side; that the distinguished Senators from Texas and Alabama are going to offer an amendment following, and that they are not averse to a reasonable limitation of time.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. TOWER. I have not had a chance to discuss this matter with Senator SPARKMAN. We were prepared tonight, and we were under the impression that our amendment would be the last substantive amendment to come up, and I see that there are some others. This amendment deals with some real estate items in the bill. It is a rather extensive

amendment, dealing with appreciation. A number of Senators have expressed an interest in it, and perhaps we can bring it up tonight; but it seems doubtful that we would get to vote on it. It might be better to vote on it tomorrow.

Mr. MANSFIELD. A pattern has developed in the Senate: the longer you take, the more amendments develop at the desk.

Mr. TOWER. I was ready to proceed.

Mr. MANSFIELD. I do not blame the Senator.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. LONG. May I say to the distinguished Senator from Montana that the longer he keeps Senators up at night, and the sooner he brings them in in the morning, the less time they have to think up more amendments. [Laughter.]

Mr. MANSFIELD. The Senator knows better than that.

## ORDER FOR RECESS TO 9 A.M. TOMORROW

Mr. MANSFIELD. Since the Senator has raised the matter, Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in recess until 9 o'clock tomorrow morning.

There will be no morning hour, no morning business. Evidently, the real-estate amendment will be pending.

I would hope that other Members would be cooperative and would get their amendments to the desk this evening, so that we can clear away as many as possible.

Remember, it is your Christmas, as well as mine. [Laughter.]

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. GORE. Mr. President, in the spirit of cooperation with the majority leader, if the Senate will hear me for 5 minutes, I will not ask for a rollcall vote and will not ask for any further time.

Mr. President, may we have order?

The PRESIDING OFFICER (Mr. McGOVERN in the chair). The Senate will be in order.

Mr. LONG. Mr. President, I ask unanimous consent that the debate on the amendment be limited to 10 minutes, 5 minutes to the Senator from Tennessee and 5 minutes to the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. May we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. LONG. Is there objection? Twenty minutes, for that matter.

Mr. GORE. I will take 5 minutes, and the Senator from Louisiana can take 5 minutes, and we can yield back the remainder of our time.

Mr. President, I shall not ask for a rollcall vote, but I cannot in good conscience let the loophole toward which this amendment is directed——

Mr. MILLER. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GORE. Mr. President, I offered the amendment out of a sense of duty. I am not going to ask for a rollcall vote. The Senate can work its will. The provisions of the pending bill provide a loophole for investor syndicates.

Earlier today, the Senator from Delaware and the Senator from Tennessee offered an amendment to deny the unjustified tax benefits in the bill to railroads, rehabilitation costs of certain housing, pollution control machinery, and to investment syndicates.

This amendment leaves all the benefits of rapid amortization to the owners of the railroads, the houses, and the factories; but it denies the benefits to investor syndicates.

I wish to briefly say how this would operate for the investment syndicates. Let us suppose that a railroad wished to buy or acquire rolling stock costing $1 million. It is not in a profitable position but it has credit at the bank. Therefore, the rapid amortization provision of the pending bill would be of no value to that railroad, but the financier might have a few friends in the 70-percent bracket. They form a combine and establish an investment syndicate to handle the deal. In one 5-year period the investor syndicate could realize a tax profit of $490,000 on $1 million of rolling stock.

The bill makes that possible. It establishes such tax preferential treatment. The same would be true of rehabilitation of housing; the same would be true on pollution control equipment.

I wonder if the Senate really wants to do that. I shall not take up more time. I urge that these provisions be stricken purely for investor syndicates. In my view it is not right.

Mr. LONG. Mr. President, the Senator directs his amendment to all of the 5-year amortization provisions, but as a practical matter, the only real impact would have to do with railroad rolling stock because that is an item on which someone could make money. No one makes money out of pollution abatement devices or on the rehabilitation of low-income housing units. But the bill wisely provides—and the Treasury recommended this to us; it was not the committee's idea—that the 5-year amortization provision should be drawn so that those railroads which are not making money, but losing money, could acquire rolling stock as well as those railroads which are in a profitable position.

The only way that railroads which are losing money could benefit from the tax advantage would be to permit them to make a contract with someone who would acquire the equipment, be it rolling stock or locomotives, and then lease that to the railroads.

The favorable tax treatment provided for the railroad is helpful and advantageous to the person who buys the equipment and that will reflect itself in a lower lease price when that equipment is leased to the railroad. If we do not do it in this way, there is no way that a railroad that is losing money could benefit from the provision.

Mr. President, more than one-half of the railroads in this country today are losing money, so if we do not vote to permit railroads to reach an agreement with someone who, in turn, enjoys the amortization provision and can pass the benefit on to the railroads under his lease, then the one-half of the railroads that need it most cannot take advantage of the amortization provision with regard to railroad rolling stock.

Senators have two choices. They can either vote with the committee, as the Senate did vote overwhelmingly with regard to the amortization provision, or they can support the Senator and deny this help to one-half the railroads in this country which need the benefit most.

Mr. GORE. Mr. President, the Senator just stated correctly that no benefit of the tax deduction could flow to a railroad that does not owe any tax. Therefore, what is the result here? By the provision in the committee bill we would be creating new tax preferential treatment of high-bracket-income taxpayers who form a syndicate, and it will be they who reap the benefit which we are proposing to provide for railroads.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an example bearing on this matter.

There being no objection, the example was ordered to be printed in the RECORD, as follows:

EXAMPLE

A railroad wants $1 million worth of rolling stock. It cannot use the rapid amortization deductions because it is not making money.

The railroad's bank puts together a syndicate of 70% bracket taxpayers. The bank loans the syndicate $1 million on the basis of the railroad's ability to make "rental" payments sufficient to pay interest and principal on the loan. Payments are made by the railroad directly to the bank and do not even go through the syndicate.

What is the net result of this transaction? The syndicate members do not realize any cash flow benefit since the rent and the loan payments equal each other.

In the first year of the transaction the interest deduction and the rapid amortization deduction would more than offset the rental income for the syndicate members.

Their profit comes solely from the excessive deduction generated by the new loophole.

They would get a $200,000 deduction in year 1 for the rapid amortization to use against their other income. This compares to a proper deduction under the straight-line method of depreciation of only about $71,000. Thus, the potential first-year "profit" for the syndicate from the rapid-amortization provision is 70% of $140,000 or $98,000. This "profit" is not an economic profit from the transaction; it is solely the result of tax profiteering.

Thus, over a five year period, the syndicate will realize a profit of almost $500,000 from tax reductions. Yet they have not put up one dime of their own money!

Mr. LONG. Mr. President, if a railroad were to permit someone to lease the rolling stock without being well aware of the fact that there is a very advantageous tax situation to the person who acquires the rolling stock and leases it to the railroad, they would be very unwise, indeed.

Mr. President, the railroads will be wise enough to see to it that whoever they do business with, whoever buys the rolling stock and leases to them, does it under favorable lease conditions. I think

they would insist on an option in the contract giving them the right to acquire the railroad rolling stock at very low prices after it had been amortized.

The PRESIDING OFFICER. The Senator's time has expired.

Without objection, the amendment will be considered en bloc.

The question is on agreeing to the amendments of the Senator from Tennessee. [Putting the question.]

The amendments were rejected.

AMENDMENT NO. 342

Mr. COTTON. Mr. President, I call up my amendment No. 342 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. COTTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with, and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

At the end of the bill insert the following:

"SUBTITLE E—PROTECTION OF AMERICAN INDUSTRY AND LABOR

"SEC. 971. AUTHORIZATION FOR IMPOSITION OF QUOTAS AND NONTARIFF BARRIERS.

"(a) IMPOSITION OF RESTRICTIONS.—Whenever the President finds that—

"(1) the importation of any commodity from a foreign country is at such levels so as to disrupt the domestic market or is causing injury to industries, firms, or workers in the United States, and

"(2) the foreign country producing such commodity is imposing restrictions (by means of quotas, import licenses, tariffs, taxes, or otherwise) against the importation into such foreign country of articles produced in the United States,

he is authorized, by proclamation, to impose such quantitative limitations and such other restrictions as he determines necessary on the importation into the United States of articles produced in such foreign country.

"(b) TERMINATION OF RESTRICTIONS.—In any case in which the President has imposed restrictions under subsection (a) on the importation of articles produced in any foreign country, whenever the President determines that the restrictions imposed by such foreign country on the importation into such country of articles produced in the United States no longer exist, he shall, by proclamation, terminate the restrictions imposed under subsection (a) on the importation of articles produced in such foreign country."

Mr. COTTON. Mr. President, I will explain the amendment as quickly as I can. The amendment has been offered by me and it is cosponsored by my distinguished colleague, the Senator from New Hampshire (Mr. MCINTYRE), the distinguished Senator from South Carolina (Mr. HOLLINGS), and the distinguished Senator from South Carolina (Mr. THURMOND).

Mr. LONG. Mr. President, would the Senator be willing to agree to a limitation of time on his amendment?

Mr. COTTON. Not yet. I shall shortly, but not yet.

Mr. LONG. I thank the Senator.

Mr. COTTON. Mr. President, the amendment provides a new subtitle E. The amendment states:

Protection of American Industry and Labor

SEC. 971. AUTHORIZATION FOR IMPOSITION OF QUOTAS AND NONTARIFF BARRIERS.

(a) IMPOSITION OF RESTRICTIONS.—Whenever the President finds that—

(1) the importation of any commodity from a foreign country is at such levels so as to disrupt the domestic market or is causing injury to industries, firms, or workers in the United States, and

(2) the foreign country producing such commodity is imposing restrictions (by means of quotas, import licenses, tariffs, taxes, or otherwise) against the importation into such foreign country of articles produced in the United States,

he is authorized, by proclamation, to impose such quantitative limitations and such other restrictions as he determines necessary on the importation into the United States of articles produced in such foreign country.

(b) TERMINATION OF RESTRICTIONS. In any case in which the President has imposed restrictions under subsection (a) on the importation of articles produced in any foreign country, whenever the President determines that the restrictions imposed by such foreign country on the importation into such country of articles produced in the United States no longer exist, he shall, by proclamation, terminate the restrictions imposed under subsection (a) on the importation of articles produced in such foreign country.

In other words, the amendment would simply authorize the President—it does not direct him; it does not say "he shall"—it authorizes him, if he finds that importation into this country of articles manufactured in a foreign country—any of them—has reached such a level that it is destroying American industry and American jobs, he may impose by proclamation restrictions against the importation of articles from that country if—and only if—that country has restrictions against our exports to them. No other country can be affected.

When he finds that such foreign country has removed the restrictions, such as tariffs or import licenses, or the other various means resorted to, he shall—it does not say "may"—he shall, by proclamation, remove the restrictions of importations from that country into the United States.

Mr. President, I think that every one of us—I am sure that includes most of us—is as dedicated to the promotion of free trade among the nations of the world as is the President, the State Department, the Commerce Department, or anyone else.

The only trouble today is that we do not have free trade. Free trade is a two-way street. We have no restrictions against imports manufactured by cheap labor in foreign countries, sometimes manufactured by labor that is employed by Americans who have constructed factories and mills in a foreign country, which are putting our workers out of jobs and so many of our industries out of business.

Mr. President, let me read a paragraph from a letter received from the general counsel of the Department of Commerce, written to the chairman of the Committee Finance, the Senator from Louisiana (Mr. LONG), in response to the chairman's request. The general counsel is giving the views of the Department. He says that the Department of Commerce is against my amendment. One reason he gives is a real jewel, the purest ray serene. This is how he tells what he believes is wrong with the amendment I am offering.

Amendment No. 342 defines what are to be considered restrictions of other countries in such a broad manner as to apply to practically all countries of the world since quantitative restrictions, tariffs and taxes are referred to without any qualification such as "unfair" or "unjustified".

We have this in writing over the signature of a representative of the Commerce Department. We also have in the letter from the Department a statement which we all know to be true; namely, that America is the dumping ground for cheap shoes, cheap textiles, for electronic and electrical component parts and all kinds of goods. The United States is the dumping ground of the world.

On the authority of this letter sent to the distinguished chairman of the committee, from the great Department of Commerce, representing the attitude of Mr. Stans, we are told, in plain black and white language, that my amendment is too broad because it would include practically every country in the world.

Mr. President, if you want proof that we have submissively and meekly submitted to letting them run our workers out of their jobs from every place, East, West, North, and South, you have it in this letter from the Department of Commerce.

Mr. President, I am the senior Republican on the Commerce Committee, and in that capacity I have had some dealings with the present Secretary of Commerce and with the Department of Commerce.

Mr. Stans is a very fine man. Far be it from me to attack my own administration. But if we wait until the Department of Commerce negotiates and stops the deluge of cheap commodities coming into this country, we will lose every single job in any industrial establishment all over the United States of America.

What is Mr. Stans doing? Well let us look at the record. He is negotiating on textiles. As far as New England is concerned, doing something about textiles, as we want it done, is a good deal like having an autopsy on a corpse, because the textile industry—certainly cotton textiles—is completely gone. Woolen textiles are nearly gone. Manmade fibers are fast disappearing.

I said to the Secretary, when we had a conference in the committee room of the Committee on Commerce, "While you negotiate, negotiate, and negotiate about textiles, week after week after week, and month after month after month, and while the shoe industry in my State and all over New England and throughout the rest of the country is falling by the wayside, nothing is being done. The manufacturers of component parts for electronics products are hard-hit. We know we have lost radio manufacturing, because almost every radio is now made in Japan. The American workers who used to work on American radios moved

to black and white television. But now black and white television is made in Japan, and the workers who moved to television now find that television sets and parts are being made in Japan, and shipped into this country."

Mr. President, no industry has been damaged so rapidly in the last few months as the electronics industry of New England.

The letter from the Department of Commerce refers to the Trade Expansion Act of 1962. Under that Act, before anything could be done, the Tariff Commission had to hold hearings and find that a business or an industry was in jeopardy. Then the President could act, and that is a much better way to handle the situation.

Mr. President, nothing has been done since 1962. The years have passed. Every President of the United States, of both political parties—and I say this with the deepest respect—has appeared—and most sincerely appeared—to fail to yield to the entreaties of the State Department and has put our foreign relations in such a high place, and justifiably so, that he has turned deaf ears to the outcries of our perishing industries. That has been going on ever since the enactment of the Trade Expansion Act of 1962.

Mr. President, Congress passed an act in 1969—this year—which contains certain provisions. But I ask, what is wrong with Congress simply saying to the President, "If you find, first, that imports from foreign countries are reaching such levels as to imperil the workers in our industries and to destroy American jobs; and if you find, second, that the country from which these commodities are being sent into the American market does not give us an equal opportunity to export our goods to that country, but raises restrictions of all kinds—which is true; if you find those restrictions do exist, we authorize you—we do not direct you, but we authorize you—to impose, by proclamation, quantitatively, or otherwise, such restrictions as you deem necessary to protect our workers, our jobs, and our industrial plants?"

Mr. President, I have something else I want to say, and I will say it very quickly, about the distinguished people in the Commerce Department. A little bird flew in the window of my office a few weeks ago and suggested that, as a Senator very much interested in protecting our industry and as the senior Republican on the Commerce Committee, I should circulate a letter addressed to the President to be signed by Members of the Senate, and hopefully get many Members of the Senate to sign. This letter referred just to textiles. That is all he thinks about. He is like the fellow who went after the pullet and left the hen house open, so he lost all the hens while he was trying to get that one pullet. It was whispered by someone who, I think, comes from down the avenue somewhere near the Commerce Department, that it would be appreciated, and he would take it to the President—and I honor him for it—and he would have it in his pocket when he had meetings with the Premier of Japan. At the psychological point, the President of the United States would pull out that letter signed by so many Senators, and that might convince the Premier of Japan that the Congress of the United States—or at least the Senate of the United States—was getting a little impatient and that the Congress might do something to see to it that trade between other nations with our country becomes a two-way street.

So I rushed around with the letter to the President. I ran all over the Senate. I pestered Senators. I asked my friends to get signatures. With a great amount of effort and about 3 days time and being rebuffed in several instances by impatient Senators, what did we get? Fifty-five Senators. More than half the Senate.

We sent the letter down. I do not expect ever to hear about it again, but I will tell you one thing, Mr. President: It will be a long cold day in August before a Cabinet member ever gets me to pester Senators again to stick a letter under their noses, asking them to sign it.

What happened after that? Well, I introduced this amendment, which is a free trade amendment, and cannot possibly do any harm. It does not force the President to take any action. The only thing that requires him to take action is that if the restrictions are removed against our country's sending goods into another country, the President shall immediately remove the restrictions, so that we may have free trade and commerce with nations, in which we truly believe.

I remember for years when we talked about Japanese shoes and Japanese textiles. I remember talks we had with people from the State Department—not in this administration, but former administrations—and people in the Commerce Department. They said, "But the balance of trade is in our favor. Look at all the automobiles we send to Japan." And now the Japanese will not let us send one single American car to Japan.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. PASTORE. As a matter of fact, we had one of the deputies of the Commerce Department come before our committee on a confirmation proceeding—a very fine gentleman, an economist, who had been affiliated and associated with Kodak Co. As he sat there, I said, "I am very glad you are connected with Kodak Co. Now you tell me this. Can we import Japanese cameras into this country without any restrictions?" He said, "Yes, of course we can." I asked, "Can Kodak Co. send any cameras from the United States to Japan?" He said, "No, they cannot."

That is the incongruity of this whole situation. This is what the Senator from New Hampshire is talking about. We are not saying to countries that have free trade with us, "Let us get on with our business." All we are saying is this—and I think this is the intent of the amendment—that where any country has any restriction against American exports, we in turn give discretionary power to the President, when those exports disrupt the American market, to relieve the situation. What is unfair about that—unless we are going to be Santa Claus forever?

Mr. COTTON. I thank the Senator for his observation.

I simply want to say that I took my amendment to the distinguished chairman of the Finance Committee. He was most courteous and kindly about it. He told me—and I do not blame him—that the Finance Committee did not want to get involved in trade matters.

On that, I merely want to say that it does not involve anybody in trade matters. It only authorizes the President to involve himself in trade matters without waiting for the Tariff Commission to go through a long line of hearings, and only against countries having restrictions against us. It provides that he shall—not may, but he shall—remove our restrictions against countries which had erected barriers against us but had then removed those barriers.

So anyone dedicated to free trade can vote for this amendment. It will not involve the committee in any entanglements. Unlike amendments that we have been considering day after day on this floor, this one will not cost the Treasury one single cent. It will not lose us any taxes. It will gain us revenue, and to that extent I believe that the distinguished members of the Committee on Finance ought to be interested in it.

Mr. PASTORE. Mr. President, will the Senator yield again?

Mr. COTTON. Yes, I am happy to yield.

Mr. PASTORE. The question is not whether it is going to save taxes or not. It is going to save American jobs. That is all we have been doing in this country, exporting American jobs, whether it be in textiles, whether it be in shoes, or whether it be in rubber goods. We have been exporting American jobs, and the time has come for us to tell countries that have restrictions against American exports that we will not tolerate the situation, and that we will reciprocate in like manner.

That is what this proposal amounts to.

Mr. COTTON. That is true, and I thank the Senator for his ringing statement. But I am addressing myself to the very natural objection which I understand has been made by the distinguished chairman of the committee. I think he had the feeling that this was an amendment which was hardly germane to the bill. But I say it is germane to the bill, because if we lose our industries, and if our people are out of work, and if our manufacturers continue to build factories in Taiwan, in Hong Kong, and other countries of the Orient, we are going to suffer a loss of revenue, because an industry that leaves our country or is forced out of business is not going to be of much help from the tax-paying angle.

Mr. President, I ask the distinguished Senator from Louisiana whether he would object if I ask unanimous consent to have printed in the RECORD this letter which was addressed to him by the General Counsel of the Department of Commerce, dated today, but a copy was sent to me. They were kind enough to send me a copy. If I could have inveigled the distinguished chairman into permitting me to offer my amendment the other day, when I wanted to, they would not

have had time to petition him; but they had time, and got a letter up here.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE
DEPARTMENT OF COMMERCE,
*Washington, D.C., December 9, 1969.*

Hon. RUSSELL B. LONG,
*Chairman, Committee on Finance,*
*U.S. Senate,*
*Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department on Amendment No. 342 re "Protection of American Industry and Labor" intended to be proposed to the tax Reform Bill (H.R. 13270).

The proposed amendment would authorize the President to impose, by proclamation, quotas or other restrictions on imports of any article whenever he finds that these imports are causing market disruption or injury to American industries, firms, or workers and that the foreign country producing the article is imposing restrictions against imports from the United States. The President would be authorized to terminate these restrictions whenever he determines that the restrictions imposed by the foreign country no longer exist.

On behalf of the Administration, the Department of Commerce is opposed to enactment of the proposed amendment.

Section 301 of the Trade Expansion Act of 1962 provides for the Tariff Commission to make a finding before the President may give relief to industries, firms or workers. Under Section 301 the Tariff Commission must conduct a fair investigation of the facts under procedures and criteria designed to assure accurate and objective findings. In contrast, Amendment No. 342 makes no provision for a thorough fact-finding investigation, including the presentation of views of all interested parties, prior to action by the President.

Moreover, in his Message to the Congress of November 18, 1969, to accompany the proposed "Trade Act of 1969", President Nixon proposed an amendment to Section 301 which would liberalize the criteria under which the Tariff Commission makes its findings "to provide for industries adversely affected by import competition, a test that will be simple and clear: relief should be available whenever increased imports are the primary cause of actual or potential serious injury." Similar liberalization is proposed in the terms under which firms and workers would be eligible for adjustment assistance. Under Section 252 of the Trade Expansion Act of 1962, the President currently has authority to impose duties or quantitative restrictions on imports of any foreign country imposing or maintaining unfair import restrictions on United States agricultural products. The proposed Trade Act of 1969 would amend Section 252 of the Trade Expansion Act of 1962 to enable the President to impose duties or import restrictions on foreign products in retaliation for foreign restrictions on U.S. nonagricultural products as well as agricultural products.

Amendment No. 342 defines what are to be considered restrictions of other countries in such a broad manner as to apply to practically all countries of the world since quantitative restrictions, tariffs and taxes are referred to without any qualification such as "unfair" or "unjustified".

We believe that the problems with which Amendment No. 342 is concerned are more properly covered in the Trade Act of 1969. Moreover, Amendment No. 342 is deficient in two respects in that it fails to define what types of restrictions, tariffs or taxes are referred to and it fails to provide any procedure for a fair and objective finding.

The problems to which Amendment No. 342 is addressed will be considered in depth by the Senate in the early part of the next session in connection with the proposed "Trade Act of 1969". These problems are difficult and important and should be dealt with in a comprehensive fashion with an opportunity for all interested parties to express their position.

We believe that the question of relief for American industries, firms and workers should be treatd separately from retaliation against unfair foreign import restrictions. There are many other foreign trade issues for which the Administration proposal in the "Trade Act of 1969" seeks solutions in a comprehensive legislative framework which retains those procedures in the Trade Expansion Act of 1962 which have proved effective over the years while creating new authority, where needed, to deal with the outstanding issues of the present. This approach rather than the fragmented approach of Amendment No. 342 should provide the President with the necessary flexibility while assuring thorough consideration of our over-all national interests.

Sincerely,

BURT W. ROPER,
(For General Counsel).

Mr. COTTON. All they hope is that I will not have a rollcall vote on this. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, will the distinguished Senator yield?

Mr. COTTON. I yield.

Mr. THURMOND. I commend the able and distinguished Senator from New Hampshire for sponsoring this amendment. I was pleased to join him as a cosponsor, and I think it is a most important measure.

This amendment is calculated to help preserve the jobs of American citizens. I ask the distinguished Senator this: Does not the amendment merely place the American worker on a basis of equal job security with workers of another nation, in that it provides that if a commodity from a foreign country is imported to such an extent that it disrupts the market here, and that country has import restrictions on American goods, then the President has the authority to discontinue that discrimination?

Mr. COTTON. That is exactly true. It will not put the American worker, really, on an equal basis with the foreign worker, because our wages are higher. But we are never going to pay starvation wages in this country, and we will meet the competition.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. COTTON. I yield to my distinguished colleague.

Mr. McINTYRE. Mr. President, I commend from the bottom of my heart my distinguished colleague from New Hampshire. I am a cosponsor of this amendment because it is needed to protect American industry and labor.

Under this amendment, the President is authorized to impose such quota limitations and other restrictions as he feels are necessary on foreign articles being imported into the United States in such quantities as to cause injury to American industries and workers engaged in like activities.

I am particularly concerned by the importance of this amendment to small shoe manufacturers and shoe workers. As chairman of the Small Business Subcommittee, of the Senate Banking and Currency Committee, I recently held extensive hearings here in Washington and in Boston and Manchester in New England to inquire into the plight of the shoe industry.

These hearings showed that in my own State of New Hampshire, a startlingly large number of small shoe manufacturing plants have shut down in recent months. They showed too that almost as many others are on the verge of following suit. Other New England States and communities across the country are also being hit.

As my hearings proved, the single most important cause of these closings has been the accelerating growth of shoe imports in recent years.

Since 1955, the number of foreign-made shoes imported annually into the United States has increased from 8 million to nearly 200 million pairs. In the first 6 months of 1969 shoe imports of all kinds have constituted nearly 40 percent of domestic shoe production. Despite those increased imports, the shoe industry until recently has been able to hold its own. But it is now beginning to reel. Domestic shoe production declined 12 percent in the first 6 months of 1969 and industry employment, at least in New England, was down nearly 10 percent over the same period.

This amendment would give the President authority to act in aid of the industry. It would make it clear to the President that Congress wants such action at this time. It is essential to the future of our Nation's shoe industry that this congressional intent be made known. I urge the adoption of my senior colleague's amendment.

I ask unanimous consent that the remarks I made at the beginning of the hearings in Massachusetts and New Hampshire be printed in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

OPENING STATEMENT BY U.S. SENATOR THOMAS J. MCINTYRE

This is the second in a series of hearings into the problems faced by our small domestic shoe manufacturers.

As I said at the outset of our earlier hearings in Washington, the shoe industry is one of this country's most venerable industries. It was in 1629 that Thomas Beard the first shoemaker in America, landed in Salem with a supply of upper and sole leathers and a guarantee of 10 pounds a year for his efforts.

The shoe industry has been, ever since, one of our most important industries, especially here in the New England states. It is today the largest nondurable industry employer in New England, providing jobs for some 72,000 people engaged in shoe production and for perhaps 20,000 more in dependent industries—such as lasts, heels, dressings, supplies, findings, leather, and machinery.

This venerable and important industry is now in trouble. In the past year and one-half some 31 New England shoe plants, employing several thousands of workers, have been forced to close their doors. Here in New Hampshire a large number of plants have shut down recently and almost as many others seem to be on the verge of following

suit. Other sections of the country also have been hit.

Most of the plants affected have been small businesses, vitally important to the small communities in which they operated. I therefore decided, as Chairman of the Senate Small Business Subcommittee, that hearings should be called to investigate in depth the causes of these recent closings.

On the 16th and 17th of September, my Subcommittee held such hearings in Washington. Appearing as witnesses were national representatives of shoe industry management and labor and of other concerned groups, including shoe importers. As might be expected, the witnesses at these hearings differed somewhat in their testimony.

My Subcommittee heard, for example, that shoe imports have increased in number from only 8 million pairs annually in 1955 to the over 200 million pairs projected for 1969.

We learned also that the type of shoes imported most heavily in recent years has been women's shoes, primarily from Italy, Spain, and Japan. In 1968, for example, over 73% of the shoes imported into the United States were women's shoes and imports in this category totalled a full 80% of domestic production. It was not surprising, under the circumstances, to be told also that the domestic manufacturers most affected in recent years have been manufacturers mainly of women's shoes.

But while these and other facts submitted to us indicated that imports are responsible for the industry's present problems, the testimony of some witnesses blamed a variety of other factors. The primary purpose of our hearings today in Manchester, as well as our hearings in Boston, tomorrow, is to clear up certain areas of controversy left unresolved by the Washington hearings.

During the next two days we will be hearing directly from some of the people most intimately affected by the recent plant closings. Our witnesses will include public officials from the states and communities in which these plants have been located, as well as local manufacturers and union leaders. We will hear from them first-hand about the closing of generations-old businesses, about the loss of long-held jobs, and about the inevitable repercussions on communities as a whole.

With these hearings concluded, the way should at last be clear for meaningful Federal action in aid of the shoe industry. Free traders, of course, will abhor such action. They are opposed to protectionism of any kind. I would like to conclude my remarks this morning by saying just a few words about the implications of the shoe industry's problems for our national trade policy.

In principle, I agree that free trade is a fine idea. What it requires, however, is cooperation between countries and not unilateral action on the part of one country alone. At present the tariffs of those countries whose shoes have been flooding our markets are considerably higher than the tariffs here at home. Yet these countries have shown no willingness either to lower their tariffs and expose their own industries to competition or to ration in some way the flow of their exports to the United States. I think it is high time that we made clear to our trading partners that this situation cannot continue.

I wonder also whether completely free trade can ever be justified in labor-intensive industries such as the shoe industry. Rapidly rising imports in the context of such an industry mean a wholesale loss of jobs, with widespread suffering for those abruptly laid off work. The prevention of such suffering, it seems to me, is a legitimate governmental objective.

And it is an objective which I think can be realized without abandoning the benefits of freer trade. This, in fact, is the purpose of the Orderly Marketing Legislation which Senator Muskie introduced earlier this year and of which I am pleased to be a co-sponsor. That legislation would not choke off entirely the flow of shoe imports to the United States. On the contrary, it would allow such imports to continue. It would ensure, however, that the growth of imports would be limited in a manner consistent with the health of the domestic economy. It would protect American workingmen and women from the disruptive effects they have been experiencing in recent days.

I am not opposed, then, to an expansion of international trade. I merely insist that freer trade must be the product of international cooperation and that it must proceed at a pace consistent with the realization of other social objectives. I do not think this is too much to ask. I just think it is time we realized that the United States cannot be the world's consumer any more than we can go on being the world's policeman.

Mr. COTTON. I thank the Senator for his remarks. I yield to my distinguished cosponsor, the Senator from South Carolina (Mr. HOLLINGS).

Mr. HOLLINGS. Mr. President, the distinguished Senator from New Hampshire, together with his distinguished colleague, the Senator from Rhode Island (Mr. PASTORE), have been working for some 12 or 13 years on this problem. I was glad, as a newcomer to Congress, to join in those efforts.

Year before last we passed by an overwhelming margin a bill commonly known facetiously as the Chinese Gooseberry amendment, because we had to attach it, for introduction purposes, to a House-passed measure.

The President's commitment on textiles was clear—he stated it in an exchange of telegrams used during the campaign—to give comprehensive treatment to the textile problem, not just the long term cotton arrangement among 34 countries, but rather an extension of this trade agreement to manmade fibers and woolens as well.

Since January, I have had the very positive feeling that we were PR-ing, jawboning, headlining, and politicing textiles, but we were not acting. I know that I have been in the minority school on this particular point, and some of my distinguished and more senior colleagues have counseled, "Wait, do not be so impatient, Fritz. Do not twist the tail of the tiger while your friends are riding on his back. Do not irritate the President."

I am glad now that I find myself, in the presence and company and under the distinguished leadership of the Senator from New Hampshire, twisting the tail of that tiger tonight. And I hope we do irritate him. I hope we do annoy him into action. I hope he proves us wrong. I hope he takes action and gets some results. Because no law is necessary.

He keeps running over here, asking us to threaten on the legislative end on this particular problem. "Sato is coming to town, so, Mr. Senator from South Carolina, you and the Senator from New Hampshire run around and get up a petition." I joined with the Senator from New Hampshire, and we had everybody signing up. Oh, we were going to scare Sato.

Other Senators made categorical statements that the textile problem should be tied to the resolution on Okinawa. I differed with them on that score. I think that is an all-encompassing problem, a matter far more important than any trade matter, involving the matter of world peace and our international commitments and national defense. So I would not join in that effort.

But more recently, to keynote another effort, there was a letter sent by my own congressional delegation. It started off:

DEAR MR. PRESIDENT: We, the undersigned members of the South Carolina Congressional Delegation, are pleased by the efforts you have made . . .

I disagreed with that. I think the President should have acted through the National Security provisions, as President John F. Kennedy did which brought about this so-called heinous protective measure, which 34 nations have voluntarily agreed to on cottons, the long term arrangement. President Kennedy did it without an additional Act of Congress, under the leadership of the Senator from Rhode Island (Mr. PASTORE) and the Senator from New Hampshire (Mr. COTTON). President Nixon could have acted under article 28 by the first of October this year on GATT.

The distinguished acting majority leader, the ranking member of the Finance Committee, the Senator from Georgia (Mr. TALMADGE), has acted in this particular capacity and knows of the provisions because he has been our representative from the U.S. Senate to Geneva on these problems.

However, President Nixon says we will get these results, all the time asking us to act and to hold off on acting, all at the same time. We keep threatening but it has no effect. The Japanese are not children. They are the best trade negotiators that I know. When they get a clear message such as our late senior colleague, Senator Dirksen of Illinois gave in the first of the year when he said with regard to steel, "I am going to get a bill."

As a result, Japan took action and we got voluntary steel quotas this year.

As Paul said to the Corinthians, "If the sound of trumpet is unclear, then who shall prepare himself for the battle?"

The Japanese received the clear signal when they appointed Gilbert, who was heading import organizations for the last 20 years and was interested in port authorities and not interested in jobs. They got a clear message, and what was the real intent.

The Senator from New Hampshire and the Senator from South Carolina worked on that.

What does the letter say that the Senator put into the RECORD?

First let me emphasize the legislation is merely permissive. It does not mention particular articles. It fixes the authority for foreign trade injury clearly with the President in a sense this amendment is the reverse of the Senate commitments resolution. By the commitments resolution, we wanted to make it absolutely clear to the Executive that the U.S. Senate had a role in treaty making powers of the country.

The Senate, through the Cotton amendment, wants to make it crystal clear that the Executive has the authority to handle free trade—that we prefer

not to legislate as in the past on milk and meat and electronics and all the other things that constitute what is called a Christmas-tree bill.

We cannot write into the bill everything on the basis of need that should be acted upon by the Executive.

The Executive has not acted. Instead, what position does the administration take?

It says to the chairman of the Finance Committee:

> This is in response to your request for the views of this Department on Amendment No. 342 re "protection of American industry and labor" intended to be proposed to the tax reform bill (H.R. 13270).
>
> The proposed amendment would authorize the President to impose, by proclamation, quotas or other restrictions on imports of any article whenever he finds that these imports are causing market disruption or injury to American industries, firms, or workers and—

This is conjunctive—

> and that the foreign country producing the article is imposing restrictions against imports from the United States. The President would be authorized to terminate these restrictions whenever he determines that the restrictions imposed by the foreign country no longer exist.

First, it applies only to countries that have restrictions against U.S. imports. Therefore, Presidential action against imports would reciprocate for similar restrictions against us.

It is the reciprocal free trade that Cordell Hull spoke of.

This provides for reciprocity.

I read again from the letter from the General Counsel of the Department of Commerce:

> On behalf of the administration, the Department of Commerce is opposed to enactment of the proposed amendment.

As his No. 1 objection he states:

> Section 301 of the Trade Expansion Act of 1962 provides for the Tariff Commission to make a finding before the President may give relief to industries, firms or workers. Under Section 301 the Tariff Commission must conduct a thorough investigation of the facts under procedures and criteria designed to assure accurate and objective findings. In contrast, amendment No. 342 makes no provision for a fair fact finding investigation, including the presentation of views of all interested parties, prior to action by the President.

Mr. President, I do not believe that a provision for an investigation is necessary. I know that we would conduct an investigation.

Under the present law, when President Kennedy appointed his five-member Cabinet committee, they in turn appointed a five-member sub-Cabinet committee. The Under Secretary of Commerce, Hickman Price, and I over a 3-week period of time in the Commerce Department brought in witnesses, examined them, and gave the findings to the sub-Cabinet committee which in turn gave them to the Cabinet committee which in turn gave them to the President. And the President acted under the present law. The present law allows investigations and hearings by the Executive.

However, somehow this says that we do not have any provision for it.

Would the distinguished Senator from New Hampshire by unanimous consent, beginning at the very beginning of his amendment, where it says, "Whenever the President finds that" change it to read, "Whenever the President finds, after such investigation and hearings as he may deem appropriate, that." That would let him go ahead and have the hearings. I do not wish to beg that question.

Mr. COTTON. Mr. President, I ask unanimous consent to so modify my amendment.

Mr. JAVITS. Mr. President, reserving the right to object, and I shall object, I think we ought to talk about this a little bit to find out what it is about and find out how important it is.

Only those in favor of the proposal have been heard. Before we rush into this, with all due respect to my colleagues—and I do not think I need to assure them of that—I feel constrained to object.

The PRESIDING OFFICER. Objection is heard.

Mr. COTTON. Mr. President, I promised the majority leader that I would not hold the floor.

Mr. TALMADGE. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HOLLINGS. Mr. President, I will limit my remarks. I am sorry that I was not present when the amendment came up. I wanted to cover the duplicity that is evident in the letter. I can point to where it states in the beginning that we do not have any guidelines and in the last paragraph they say the necessary flexibility is assured. They talk about the Trade Expansion Act and what it would do. Our amendment would do the same thing.

At the beginning of that last paragraph they say, "We believe that the question of relief for American industries, firms and workers should be treated separately from retaliation against unfair import restrictions."

But here is their bill, introduced by Mr. MILLS the day after the message was sent on November 18. In this bill they do not treat it separately, but conjunctively.

The administration has gone in both directions at the same time. It is time that the U.S. Senate dispassionately and impartially make it absolutely crystal clear what we expect of the Executive so that there will not be any misunderstanding downtown about the intent of Congress to protect American jobs.

Mr. COTTON. Mr. President, I thank the Senator. While I had no particular objection to the amendment offered by my friend, the Senator from South Carolina, I am perfectly satisfied to let the amendment stand or fall as it is. I am getting a little sick of investigations. I am getting a little sick of the findings of this and that commission.

The amendment, if it is adopted, is not unfriendly to the President. It would help the President.

The amendment provides a fair shake for the United States. After all this business of free trade should be a two-way street. This is something he can pull out of his pocket, if it should be adopted by the Senate. This is something he can show the Premier of Japan. It is something he can use in his negotiations. It is not just a roundrobin letter. It is an action by the Senate, and carries with it a broad hint, the implication that the time is coming that we are prepared to represent our constituents, and to protect the jobs of our people.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. DOMINICK. I thank the Senator from New Hampshire for yielding.

I ask the Senator if the would add me as a cosponsor of his amendment.

Mr. COTTON. It will be a pleasure.

Mr. President, I ask unanimous consent that the name of the Senator from Colorado be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. DOMINICK. Mr. President, we have been talking largely about people in the manufacturing business, but they do not get their leather unless they have cattle, and they do not get their wool unless they have sheep, and they do not get many other things unless we who grow these things and produce them are able to continue doing it.

I have been in Congress for 9 years—in the House and in the Senate—and in one meeting after another, as the Senator from South Carolina has said, have talked with the Senator from North Carolina about wool problems, the Senator from Maine about shoe problems, with our own people about problems on meat products.

I ask the Senator whether or not the word "commodity" is supposed to cover anything this country is producing which has a substantial impact on our economy.

Mr. COTTON. It certainly does. It is not confined in any sense to manufactured articles. It is what we produce on the farm or anywhere else that we have to sell and want to export, and we want to have the same privilege in exporting that other countries have with their exports to us.

Mr. DOMINICK. I sincerely appreciate that explanation and the colloquy, which I think will clear up the point I am trying to make.

I remember campaigning in 1962 outside the steel mills. No smoke was coming out of the steel mills, and there were no jobs. The company was almost totally shut down—steel wire, barbed wire, and the rest of it. I think that now it is one of the two nail companies left in the country. I do not think anybody else makes nails except one other company.

We have problems with all kinds of things of this nature, and I congratulate the Senator for pressing his point, and I hope he will stick with it.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. RANDOLPH. Mr. President, I commend my colleague, the Senator from New Hampshire. He speaks with vigor and validity. It is a privilege to support him. I will not take the time of the Senate tonight to affirm and reaffirm in my

own language the many points he has succinctly made.

I ask unanimous consent that my distinguised colleague from West Virginia (Mr. BYRD) and I be permitted to be cosponsors of the amendment of the Senator from New Hampshire.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, I have, with my able colleague, Senator BYRD, introduced S. 3022, legislation to regulate the rate of foreign imports of flat glass, glassware, steel, footwear, manmade fibers, and electronic products. The industries named in our bill, I emphasize, employ approximately 30,000 West Virginians. This represents nearly one out of every four manufacturing jobs in our State. Trade statistics prove that these import-sensitive industries not only are generally losing normal employment expansion, but are experiencing employment layoffs and loss of jobs as a result of imports.

West Virginia vitally needs the industrial expansion and new jobs which have been precluded by the rising tide of imports. We cannot afford to lose jobs by ill-advised neglect on the part of our Government to insist on reasonable ground rules to curb damaging imports. There is a pressing need for an equitable solution to this problem.

The bill introduced by Senator BYRD and me would establish mandatory import quotas based on the average imports of the products during the period 1966 to 1968 and would contain annual adjustments to increase quotas in proportion to the growth in domestic utilization. The statutory quotas would not apply to countries electing to negotiate with the President of the United States mutually acceptable trade agreements.

The less restrictive approach of the Senator from New Hampshire (Mr. COTTON)—which I shall support—differs from a mandatory system of import quotas. However, it does provide the President with strong negotiating power and effective authority to insure the security of American industry and labor. More importantly, this amendment will serve notice on our trading partners that we owe as much to our own people as we do theirs, and that we are not going to sacrifice our markets and our workers to foreign goods and foreign jobs.

Mr. COTTON. I thank the Senator.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. HANSEN. Mr. President, I rise in support of the amendment offered by the distinguished Senator from New Hampshire.

I believe there is at long last a growing awareness in Congress that we have traded off in recent years what little protection in the way of tariffs that we had left. We have done this in the interest of promoting free trade with other nations but it has not quite worked that way.

In opposing import quota bills, our free trade advocates have said because of the agreements we made under the auspices of GATT, the General Agreement on Tariffs and Trade, any nonnegotiated duty increase would be contradictory to the present U.S. liberal trade policy.

GATT is not a permanent world trade organization, but rather an ad hoc or advisory body. The so-called Kennedy round in negotiations produced few concessions for U.S. agricultural products. Rather, there has been an increase in agricultural protectionism in other countries while protective tariffs and trade controls have been used less and less by the United States. We have been assured by the advocates of free trade that increasing exports coming from freer trade would compensate for any injury inflicted by competitive imports. But even this argument has been punctured by a continually worsening balance of payments as imports have increased at far higher rates than exports. Even the International Wheat Agreement has failed to open markets for huge U.S. wheat crops as other nations with surpluses made special deals to get what they could for theirs. So I believe it is high time to take some effective action against the free traders who have sold the American farmer down the river and protect domestic agriculture and industry from its own Government.

Reciprocal trade is—or would be—a great thing but reciprocity means two-way considerations and unless we want to lower our living standards and wage scales down to the levels of those producing most of these imports, we had better act and act now.

It seems entirely inconsistent to me that we should have minimum wage laws on one hand and imports produced by cheap foreign labor displacing our more highly paid workers on the other.

It does not make sense to spend Federal funds for unemployment when such unemployment in many cases could be prevented by a more realistic approach to the whole import problem.

Mr. COTTON. I thank the Senator.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. TALMADGE. Mr. President, I commend the distinguished senior Senator from New Hampshire for the amendment he has offered.

I know something of the problems that American industries and employers have suffered as a result of imports from countries that have vastly lower wages for their employees than our country has.

I saw a report in the Wall Street Journal last week. Bibb Manufacturing Co., which is one of the oldest textile producers in the United States, has eight or more mills in the State of Georgia. They have thousands of employees there. They had sales of well in excess of $100 million in the last fiscal year, and their loss was in excess of $2 million. That has been caused by imports of foreign textiles from countries where the wage level is vastly lower than in the United States.

As the Senator from New Hampshire knows, he and I and other colleagues in the Senate have been calling on various Presidents of the United States, various Secretaries of State, and various Secretaries of Commerce for years, to try to get something accomplished in this field, without result.

I hope that the Senator's amendment will be agreed to, and I hope that the President of the United States will recognize that it is the voice of the country speaking. I hope that the President will take affirmative and positive action.

I compliment the Senator on his amendment.

Mr. COTTON. I thank the Senator.

I yield the floor.

Mr. JAVITS. Mr. President, it feels a little lonely to take the floor at this hour and under these conditions, especially when one has the affection for the Senator from New Hampshire that I have, and with much reason. I have been through many legislative struggles, in which he has been a prince. The manager of the tax bill on the floor, for the majority, says nice things about the amendment and would take it if we let him—

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. TALMADGE. The yeas and nays have been ordered.

Mr. JAVITS. I understand.

And when the other Senators who have been handling the bill and vigorously arguing about amendments that are one one-hundredth as important as this one was before the Senate, they sort of smiled and said, "Well, fellows have plants that closed in their districts, and we have to give them a chance to blow off some steam"—everybody knowing in his heart that this will probably never get anywhere, even if it is adopted by the Senate—and it is very likely to, on the rollcall vote.

This is a strange anomaly about our country. We all know that some "Big Daddy" somewhere will protect the interests of the Nation; and, by the skin of teeth, I suppose that "Big Daddy" has always appeared. But we are not going to do it—not on this one.

I have no pretensions to heroism in this matter, but I am sustained by one thing, and it is a little sentimental. There was a Senator in this body who occupied precisely the role that I do. His name was Paul Douglas, of Illinois, one of the proudest names this Nation has ever know. He is still with us, thank the Lord. I take great courage and great inspiration from the fact that I saw him on this floor not once or twice or three times, as perhaps I would, but time and time again, with the greatest virtuousity, with deep knowledge and insight, with great patience and understanding, address himself to precisely the very hardy perennial we are discussing today. That is the essential tariff policy of the United States.

The essence of this amendment is really this: Shall we tack onto a tax reform bill, already staggering under a load of many improvidences, a superimprovidence, which is not only an improvidence but also is not relevant to the bill at all? Shall we, in a few hours of debate in the night, deal with the foreign policy of the United States and the trade policy of the United States which has had weeks and weeks and years and months of consideration, and about which the President of the United States has just, in a very considered way, sent us a trade message—to which the Senator from South Carolina referred—of November 18? And shall we in this way short-circuit Congress? That is exactly

what it would mean. We can give the President the authority, but that is all the authority we have. This is a very sweeping amendment. An amendment could be offered, and a two-thirds vote could be obtained, to amend the Constitution and eliminate the first 10 amendments, and the Senate can do that not only at 7:10, but if the Senate is in session, it could do it at 11 p.m. or at 12 midnight; and it might be passed if Senators are tired enough or do not know what they are doing.

That is the way a democracy can hang—by the skin of its teeth. Fortunately, that does not happen. Whether I win or lose, we will know what it is about and what it does and how it affects the interests of the United States.

We are asked to deprive Congress of all tariff writing and tariff changing authority and turn it over to the President. That is the whole essence of the amendment; and not only that but on definitions which radically—and I use that word advisedly and I shall explain it further later—differ from the definitions we have in a most considered way passed in Congress. We are asked to do it—and I do not complain about it; that is our business and we all do what we feel has to be done—on the very threshold of what may be the breakup of world trade through a tremendous trade war which is very incipient in this situation. The President or anyone else who is deeply immersed in the field will tell you that the entire world trade situation right now is in great jeopardy.

I am the last one to try to please the Japanese or the European Common Market. I spoke on the floor of the Senate the other day about the fact that they themselves are guilty of the gravest kind of protectionism and barriers to trade; that they were mindless of the best interests of the world, in a trading sense. I made recommendations as to what we could do about it, and the President has addressed himself to the matter.

But to throw this kind of measure, as the considered judgment of the Senate, into the balance will do only one thing. I must tell you that honestly and sincerely as a Senate man. It will discredit the Senate. It is not going to change the situation or anything that happens but it will discredit the Senate because you are going to do improvidently and precipitately, without regard to an understanding of what is at stake, what the law is on the books already, and how to change it, what should be done in a most deliberate and considered way.

Maybe we will come to these considerations as a result of the new trade act that must be written, because the old one has expired. Maybe the world will make the United States go protectionist. The world may be so obtuse and bullheaded that it will make us go protectionist. It would be a tremendous source of grief to me, but it is possible, and the very instruments we thought would free and liberalize trade may be turned against freedom of trade; but we are not going to invoke that thoughtlessly, and if we are going to do it, we are going to do it with dignity, deliberation, and the workmanship that is worthy of the Senate.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. COTTON. Mr. President, I am a little surprised. I want to make sure I understand the Senator. In the first place, I admire the Senator. He is a great lawyer, and he was the distinguished attorney general of one of the great States of the Union. But his statement that in this amendment the Senate is abdicating and surrendering its jurisdiction, or that it prevents Congress from enacting some kind of legislation with regard to foreign trade, is surprising to me. This would not preclude it; it simply invites the President to do something he desires. I have confidence in the President. The indication is to the contrary, with regard to disturbing our trade relations or antagonizing the world.

Mr. JAVITS. Mr. President, I wish to point out to the Senator why I say what I do. I hope the Senator is not inviting the Senate to march up the hill and pass it, knowing in advance he is going to repeal it, or knowing in advance the President will not use it. Why are we going through these charades if it is a document emblazened before all the world that the United States is going to pursue a protectionist course?

I am a lawyer. I think I am a pretty good lawyer. There are other good lawyers in this Chamber. I ask my lawyer friends to look at this amendment. What does the word "disrupt" mean? The amendment uses the phrase "disrupt the domestic market." What does that mean? We have had many volumes written about what is serious injury to domestic enterprise. This is a new word, the word, "disrupt." I beg any lawyer in the Chamber to define it.

The amendment states, "disrupt the domestic market or is causing injury to industries, firms, or workers in the United States." Does it mean any injury by place or places, or products, or lines of commodities?

Then, we go to the next page and we see the language:

> The foreign country producing such commodity is imposing restrictions—

What kind of restrictions? Are they sanitary laws? I ask the Senate the meaning of the word "restrictions." What are its perimeters, up and down? Does anybody know?

Then, the amendment states "by means of quotas, import licenses, tariffs, taxes, or otherwise."

I wish to ask Senators who are lawyers if they are going to pass this measure. It states:

> The foreign country producing such commodity is imposing restrictions (by means of quotas, import licenses, tariffs, taxes, or otherwise).

Now, going on from there one Senator said awhile ago they are going to run workers out of their jobs. As I understand the foreign trade of the United States, fortunately for us it is about on balance. We have $30 billion in exports and about $30 billion in imports. What about those fellows who deal in exports? Are they bums? Are they not entitled to be considered? What about all the consumers in this country who are buying these shoes? If they are cheaper and better, that is their right. Is this a one-way street?

We are no longer the paramount economic power on earth. The European Common Market does a much bigger import and export business than we and they are only six countries. The most viable country in the world is the United States, but that is my judgment. Many people disagree with me. They think Japan and Germany are at least if not better able economically to stand the strain of modern competition.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. Can the Senator name one country in the European Common Market that does not have restrictions?

Mr. JAVITS. I cannot.

Mr. PASTORE. That is the point.

Mr. JAVITS. No, I am sorry. It proves the other point because the Senator's definition includes every country in the world. The Senator's letter from the Department of Commerce just said so.

As I said when I began my remarks—and I am not sure the Senator from Rhode Island was in the Chamber at that time—every country in the world can be excluded from the American market by the power of the President. This turns over the total authority over tariffs of the United States to the President. That is all the Senate would be doing by passing this measure. I do not think the Senate would be well advised to do it and I doubt very much that the Senate wants to do it.

Mr. PASTORE. Mr. President, will the Senator yield further?

Mr. JAVITS. I yield.

Mr. PASTORE. Have we not done that with the Trade Expansion Act?

Mr. JAVITS. No.

Mr. PASTORE. We turned it over to the administration.

Mr. JAVITS. I do not agree. We limited the right to raise taxes up 50 percent and that is circumscribed by conditions under which hearings must be held and findings of fact must be made by the Tariff Commission.

This measure has no such provision. The Tariff Commission Act—which I would like to read because I think it is important—gives the President the very broad authority, but it is authority which has been defined and considered to the extent that Congress felt in all good conscience and judgment it should be limited.

I should like to read to the Senate the provision of the law on this particular subject. First, we look at the authority of section 301 which provides under B:

> On request, the President, upon resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, upon its own motion, or upon filing a petition under subsection (a), the Tariff Commission shall promptly make an investigation to determine whether as a result in major part of concessions granted under trade agreement an article is being imported into the United States in such increased quantity as to cause or threaten to cause serious injury—

I beg the Senate to note those words "serious injury"—

to the domestic industry producing an article which is like or directly competitive with the imported article.

Now then, there is the very comprehensive procedure by which the commission is required to inquire into this matter and to make a finding of fact, if one can be made appropriately, and then the power of the President becomes the following—I beg the Senate to note that this is not mandatory, either. This is also permissive authority.

The power of the President—I now read from section 351——

Mr. MANSFIELD. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. Does the Senator from New York intend to allow his colleagues to vote on this measure tonight?

Mr. JAVITS. That is putting me in an awkward position.

Mr. MANSFIELD. No. I have to think of others besides.

Mr. JAVITS. I will be as frank with the Senator, if he will allow me. I do not believe that an amendment which has the implications of this amendment should be voted on in the middle of the night. I have only so much breath and so much strength. I may not last the course.

Mr. MANSFIELD. Will the Senator from New York yield further?

Mr. JAVITS. May I finish first?

Mr. MANSFIELD. I just wanted to say that the Senator has answered my question indirectly.

Mr. JAVITS. I have yielded, and if the Senator will allow me, I should like to finish. I do not want to stand in the way of Senators voting on this. I am not filibustering. There is no question that this amendment should be discussed further, and that there should be a pretty good attendance on the vote. My humble suggestion to the majority leader, who has tremendous problems, certainly, as I have said, perhaps I shall not last the course, but I would be willing to stay. There are many other Senators concerned. I would be willing to agree to some reasonable time limitation and have the vote first thing in the morning. But I say, with all humility, because I am not trying to dictate to anyone, that I will stay or do whatever the Senator wishes.

Mr. MANSFIELD. If I had my way, we would stay all night and bring this amendment to a vote because I think it is most unusual; but in view of the situation, and in deference to my colleagues and the Senator who has the floor, I would, with his agreement, propose a vote at a time certain tomorrow, on whatever conditions the Senator may wish to advance, because I do not think that we should keep our colleagues here. Many of them are very tired because they have put in a long, hard day, and they are entitled to some consideration.

I would withhold my personal feelings and agree to something for tomorrow——

Mr. JAVITS. If the Senator will yield, I would suggest this: I think the Senator knows that he is a little bit annoyed with me now, but he knows that I have the highest regard and the deepest affection for him. I would like to have 1 hour tomorrow in which to discuss and give others the opportunity to discuss it, if they are so moved.

Perhaps an hour on each side and then we can vote. I shall be here at 9 o'clock tomorrow morning, ready to go forward.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I would suggest and ask unanimous consent that beginning at 9:30 o'clock tomorrow morning—there will be other business at 9 o'clock—there be 2 hours set aside for consideration of the pending proposal of the distinguished Senator from New Hampshire (Mr. COTTON), and that the time be equally divided between the Senator from New Hampshire and the distinguished Senator from New York (Mr. JAVITS).

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The unanimous-consent agreement later reduced to writing, is as follows:

*Ordered*, That, on Wednesday, December 10, 1969, commencing at 9:30 a.m., further debate on the Cotton amendment (No. 342) to H.R. 13270, the tax reform bill, shall be limited to 2 hours, to be equally divided and controlled by the Senator from New Hampshire (Mr. COTTON) and the Senator from New York (Mr. JAVITS).

Mr. MANSFIELD. Mr. President, now, on the basis of the progress we have not been making, and that we will very likely not be able to finsh the bill tomorrow, with at least eight more amendments in the offing, and perhaps more, I would suggest to the Senate that it had better be prepared to stay in session through December 24, and if the President desires to call us back on December 26, I shall join him wholeheartedly in that request.

Mr. President, I would emphasize that we have an awful lot of legislation; that there is going to be debate at some length on the defense appropriation bill; that there is going to be debate at some length on the Labor and HEW bill; that there is going to be debate at some length on the foreign aid bill; that we have the District of Columbia appropriation bill and the Department of Defense appropriation bill, and a supplemental appropriation bill, and a newspaper bill, and other bills, all of which will have to be considered some time this year, or the next; and that this will not be done unless the Senate cooperates in the conduct of the business which will come before it.

I believe that I would be less than fair if I did not lay out the facts on the table.

Mr. PASTORE. Mr. President, I realize, I appreciate, and I sympathize with the Senator from Montana in his frustration and weariness at this moment.

Mr. MANSFIELD. Not on my part, I am fresh.

Mr. PASTORE. I know that the Senator is, but I believe that he is also a little bit disgusted with what has been going on. I should like to suggest at this time that we work out some kind of agreement to limit the time on all pending amendments.

Mr. MANSFIELD. I should like to do that, but I feel constrained not to do so because there are Senators who have to be considered who are not in the Chamber at the moment and I feel, in all fairness, that we will not do that at this time. Maybe tomorrow it might be possible.

Mr. COTTON. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. COTTON. I feel very much embarrassed. I did not know that I would touch off such a filibuster with this perfectly plain and simple amendment. I am not going to withdraw it. I am going to have a vote on it, but if the Senator from New York wants 45 minutes or 1 hour right now, he can have it. All I would take would be 1 minute. He can have the debate all by himself and he can plaster this simple amendment with all kinds of obfuscation and legal terms he wants to. We can have a time to vote on it and not hold up the Senate.

Mr. JAVITS. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I did not bring up this amendment. I did not bring it up at 6 o'clock at night. When it was brought up, I had to meet it.

Mr. COTTON. I brought it up at the first opportunity I had. I have been waiting for 3 days to do so.

Mr. JAVITS. I am not finding any fault with the Senator from New Hampshire. Considering the size of the engagement, and that I am undertaking to meet the arrangements made, I think it is reasonable rather than unreasonable. I will leave to the judgment of the Senate what is reasonable and fair in this matter.

Mr. MANSFIELD. Mr. President, I had intended to ask permission of the Senator from Alabama (Mr. SPARKMAN) and the Senator from Texas (Mr. TOWER) to lay their amendment No. 407 before the Senate tonight, on a time limitation, but I am precluded from so doing. There will be no further votes tonight.

Mr. COTTON. Mr. President, if the Senator will yield, would the Senator from Montana consider giving the Senator from New York, tomorrow morning, 1 hour, and giving me 10 minutes?

Mr. MANSFIELD. The Senator already has 1 hour, as does the Senator from New York. If the Senator does not use all his time, he can simply yield it back.

When I said that there would be no more votes tonight, I meant no more rollcall votes. If there are any amendments to be disposed of by a voice vote tonight, I feel that we can do so, but there will be no more rollcall votes tonight.

AUTHORIZATION FOR SMALL BUSINESS SUBCOMMITTEE OF THE BANKING AND CURRENCY COMMITTEE TO MEET TOMORROW AT 10 O'CLOCK A.M.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the Small Business Subcommittee of the Committee on Banking and Currency be authorized to conduct hearings, beginning at 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending amendment be laid aside temporari-

ly for the purpose of presenting another amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 254

Mr. MOSS. Mr. President, I call up my amendment, No. 254, and ask that it be reported.

The PRESIDING OFFICER. The amendment of the Senator from Utah will be stated.

Mr. MOSS. Mr. President, I ask unanimous consent to dispense with the reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the proper place insert the following new section:

"SEC.—WITHHOLDING OF INCOME TAX IN THE CASE OF STUDENTS.

"(a) WITHHOLDING BASED ON EXPECTED WAGES FOR TAXABLE YEAR.—Section 3402 (relating to collection of income tax at source) is amended by adding at the end thereof the following new subsection:

"'(n) SPECIAL RULE FOR STUDENTS.—

"'(1) WITHHOLDING BASED ON EXPECTED TOTAL ANNUAL WAGES.—In the case of an employee who—

"'(A) files with his employer a certificate that he will qualify as a student (as defined in section 151(e)(4)) for his taxable year, and

"'(B) sets forth in such certificate the total amount of wages which he expects to receive from all employers during his taxable year,

the amount of tax required to be deducted and withheld under this section upon the wages paid by such employer to such employee for each payroll period during such taxable year shall be the amount which would be required to be deducted and withheld if the amount of wages paid by such employer for such payroll period were the payroll-period equivalent to the total amount of expected wages set forth in such certificate.

"'(2) CERTIFICATE.—A certificate filed under paragraph (1) shall be in such form and contain such information, and shall be filed subject to such terms and conditions, as the Secretary or his delegate may prescribe by regulation.'

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to wages paid on or after the first day of the month which begins more than thirty days after the date of the enactment of this Act."

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG. Mr. President, I ask unanimous consent that further debate on the amendment be limited to 20 minutes, to be equally divided between the Senator from Utah and the manager of the bill.

Mr. MOSS. Mr. President, I have no objection.

Mr. GRIFFIN. Mr. President, may I know the number of the amendment?

Mr. MOSS. 254.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Louisiana? Without objection, it is so ordered.

Mr. MOSS. Mr. President, this amendment is relatively simple. It does not affect the tax income or outgo. It is simply an amendment to provide that students who work in the summer be given an opportunity to file a certificate of the amount of money they expect to earn during that summer period, and that the withholding that is then applied to their wages be prorated as though the summer's earnings were the annual income. Therefore, the students would not have withheld the larger amount, which they need at the end of the summer, ordinarily to go into college, pay their room dues, and all the rest of it.

At the present time, the withholding is made at whatever the salary rate is, as though it were going to continue the whole year.

The explanation of the bill as reported by the committee stated that section 803 (f) took care of this matter, but that is not so. It simply applies to a person who expects to have no income and who had no income the year before. He is forgiven the withholding.

This amendment applies to the special situation of students who work for a limited period of time, in the summer, say 3 months.

I have talked with the distinguished chairman of the committee about the amendment. I have also mentioned it to the distinguished Senator from Delaware. I think it is perfectly acceptable, and certainly would accomplish a useful purpose for students who work in the summertime and then go back to school.

Mr. President, on October 27, 1969, I introduced for myself and 25 other Senators an amendment to H.R. 13270 which would correct the unfairness of the tax withholding provisions toward students.

In the Finance Committee's summary of printed amendments, it is stated that the substance of my amendment was agreed to by the committee—see section 803(f). Unfortunately, however, I must disagree with the committee as to what the substance of my amendment is.

My amendment would permit students to have their withholding rates set on the basis of their total expected income rather than the present formula which assumes that they will be employed full time the year-round.

To qualify under this amendment, a student would have to file a certificate with his employer certifying that he is a student. The certificate would also contain a statement of the student's expected total wages for the taxable year. The Secreary of the Treasury would have the authority to prescribe regulations concerning this certificate.

Section 803(f) of the Finance Committee bill only partially accomplishes the objective of my amendment. Under this section an individual will not have any tax withheld if he can certify that he, first, incurred no tax liability during the preceding taxable year, and second, anticipates no tax liability for the current taxable year.

While this provision is a worthy improvement, many students will still not be helped by it. Most students who worked this last summer earned over $900, and therefore incurred at least some tax liability.

From now on, of course, under the low income allowance provision, $1,700 will have to be earned before any tax liability is incurred. But some students who only in the summer make more than $1,700 and those that continue to work part time during the school year almost certainly do.

Higher education is very expensive and many students pay for all or part of the tuition and other fees. These students expect to pay their fair share of the tax burden. But as with the draft, they have a legitimate complaint when the inflexible withholding system takes more from them than they will eventually owe in taxes.

This is a simple reform. It does not ask much. It does not give students any special tax break. It simply tells the Treasury to withhold only as much as the student will eventually owe in taxes and no more. The money will have to be returned to the student anyway.

Why should students simply because they are employed full time only in the summer be forced, in effect, to "lend" their money to the Government interest free? It is not fair. And it can be easily corrected by adopting this amendment.

Mr. LONG. Mr. President, we have looked at the amendment. Its purpose is very meritorious. If it can be worked out in conference, we would like to provide a more expeditious manner of taking care of this situation. I applaud the Senator for his effort. If it can be worked out technically, I would like to see the purpose the Senator seeks to reach with his amendment carried out.

I think the amendment was also discussed with the Senator from Delaware, and I believe he would agree to taking this amendment to conference.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I yield back my time.

Mr. LONG. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

AMENDMENT NO. 383

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside and that the Senate proceed to consider amendment No. 383, and ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 383) is as follows:

On page 136, after line 10, insert the following:

"For purposes of subparagraph (A), substantially all the use of a property shall be considered to be substantially related to the exercise or performance by an organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501 if such property is real property subject to a lease entered into primarily for purposes which are substantially related (aside from the need of such organization for income or funds or the use it makes of the rents derived) to the exercise or performance by such organization of its charitable, educational, or other purpose

or function constituting the basis for its exemption under section 501."

Mr. YARBOROUGH. Mr. President, this is a technical amendment which is designed to clarify an ambiguity in the proposed tax on debt-financed income of exempt organizations. This provision of the bill replaces the present tax on unrelated business lease income of exempt organizations. I understand that there is no intention to apply the new provision to rental income of exempt organizations that is exempt under present law because the leases are related to exempt purposes or functions of the lessor organizations. The amendment I am offering to section 121 of H.R. 13270 adds a sentence to section 534(b)(1) that provides this explicitly, resolving any possible ambiguity on the point in the present language of the bill.

I urge the distinguished chairman of the Committee on Finance to accept this amendment as a clarification of the committee's bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, the amendment is temporarily laid aside.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. COOPER. Mr. President, I want to submit to the distinguished manager of the bill a problem which has arisen in connection with a foundation in Louisville, Ky. I shall designate it. It is the James Graham Brown Foundation of Louisville, Ky. The foundation was created earlier, but Mr. Brown died testate on March 30, 1969, leaving to the foundation all of the stock of three companies that are operating companies with no ready market for their stock.

The question which I wish to direct to the chairman of the committee is the following:

I note that under the income payout requirement imposed on private foundations by the bill, long-term capital gains realized by a foundation are not required to be currently distributed. I would like to ask the Senator from Louisiana whether my understanding of the application of this rule to the following situation which has been called to my attention is correct.

The private foundation of which I have spoken owns all of the stock of a number of companies—to be exact, three. These companies were owned by the creator of the foundation, who died earlier this year and who left the stock to the foundation. There is not a ready market for the stock of these companies and, therefore, in order to comply with the stock ownership requirements of the bill, it is contemplated that a 5-year plan of complete liquidation of these companies will be adopted. I understand that under present law amounts received by a shareholder on a partial or a complete liquidation of a corporation are treated as in payment for the shareholder's stock rather than as a dividend.

Thus, any income involved is a long-term capital gain if the shareholder has held its stock for more than 6 months. In the case of the foundation I have mentioned, is my understanding correct that any amounts, including property, it receives as distributions in liquidation pursuant to the 5-year plan of liquidation from the corporations which it wholly owns will be treated as in payment for its stock rather than as a dividend, and thus any gain will be capital gain income, which will not have to be included in the income amounts which it is required under the bill to distribute currently, assuming the stock has been held by it for more than 6 months?

Mr. LONG. Mr. President, the Senator has stated the intent of this provision correctly. That is the way it would work.

The PRESIDING OFFICER. What is the will of the Senate?

AMENDMENT NO. 346

Mr. PACKWOOD. Mr. President, I call up my amendment No. 346.

Mr. MANSFIELD. Wait a minute. Mr. President, we have two or three amendments set aside already, and if we keep on multiplying them, I am afraid this joint is going to get out of joint. [Laughter.]

Mr. PACKWOOD. It will take only 5 or 6 minutes.

Mr. MANSFIELD. Will the Senator request a rollcall?

Mr. PACKWOOD. Oh, no.

Mr. MANSFIELD. Mr. President, I ask unanimous consent, even under these most unusual circumstances, that the two amendments now temporarily laid aside be continued to be laid aside temporarily, for the purpose of taking up an amendment to be offered by the distinguished Senator from Oregon.

The PRESIDING OFFICER. The amendment will be stated.

The BILL CLERK. The Senator from Oregon (Mr. PACKWOOD) proposes an amendment (No. 346), as follows:

On page 131, strike out the quotation marks in line 7, and after line 7 insert the following:

"'(19) Corporations, other than cooperative housing corporations (as defined in section 216(b)(1)), not organized for profit but operated exclusively for the preservation, maintenance, and repair of houses, apartments, or other dwellings owned by the members of such a corporation, and for the preservation, maintenance, landscaping, and operation of the common area owned by such members or such corporation situated contiguous to such houses, apartments, or other dwellings and used for noncommercial purposes, but only if—

"'(A) no part of the net earnings of such corporation inures (other than through the performance of related services for the members of such corporation) to the benefit of any member of such corporation or other person, and

"'(B) 95 percent or more of the gross receipts of such corporation consists of amounts received from such members for the sole purposes of providing such services.'

"On page 118, line 24, strike out 'or (9)' and insert ', (9), or (19)'.

On page 119, line 1, strike out 'or (9)' and insert ', (9), or (19)'.

"On page 119, line 18, strike out 'Such term' and insert 'In the case of an organization described in section 501(c)(19), such term does not include income received from any member of such organization with respect to the sale or lease to him by such organization of any house, apartment, or other dwelling or any interest in any common area situated contiguous to any house, apartment, or other dwelling. In the case of an organization described in section 501(c)(7) or (9), such term'.

"On page 130, line 1, strike out 'pension trusts' and insert: 'pension trusts and housing management corporations'.

"On page 130, line 5, strike out 'paragraph' and insert 'paragraphs'."

Mr. PACKWOOD. Mr. President, this is an amendment dealing with condominiums and their methods of ownership and taxation. Most Senators are familiar with the legal methods of condominium ownership. The persons who live in the apartments physically and legally own the condominium; the corporation that manages it normally owns the land.

In this situation, the Treasury Department has taken the position that when the owner of the condominium apartment contributes $15, $20, or $25 a month to the corporation for the maintenance of the building and for the landscaping of the common land, that is taxable income, and the corporation must pay a tax on it in the year received, whereas, if it were operated under a mutually beneficial trust, as many condominiums are, if it were operated under a partnership, as some small condominiums are—though that involves some problems of buying in and selling out—the money that was set aside—and that is exactly what it is, a fund set aside to take care of repairs which come up, or of necessary landscaping—is not taxable.

I asked the Treasury Department to draft an amendment for me that would permit corporations, if they are nonprofit and if they are organized solely for the purpose of repairs, maintenance, and taking care of the condominium common property, the landscaping, the roof, the painting, and other matters detailed in the amendment, and if 95 percent of the corporation's income—again, it is a nonprofit corporation—comes from receipts from the condominium owners, to make the receipts of that corporation nontaxable in the year received.

The Treasury Department drew the amendment and sent me a letter saying that they have no opposition or support, that they would neither propose nor oppose it.

I asked them what the revenue loss would be, and they said none or negligible, because, unfortunately, most people who build condominiums now are aware of the tax consequences if they organize corporations, so they find various other ways to avoid incorporating, which is inconvenient but necessary to find another way of avoiding taxability on the income.

That is the sum and substance of the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I have discussed the amendment with the Senator. I wish we could accept it, but I do not think we can.

I would like to point out some of the problems that would arise. It is true that

the income represents an advance payment which will be offset by expenditures later; but if the amendment is accepted, we will have established a precedent for exemption, for example, of automobile manufacturers. They put a lifetime guarantee on a car, the cost of which is built into the price of the car. They will be coming in next, asking for a similar exception. The same is true of all the termite companies: You pay an annual fee, but may go for years before the company has to treat your house. It works out, in the long run.

I hope the Senator will not press the amendment, because, after consultation with the staff, I think it would open a dangerous precedent for the Internal Revenue Code, which I would not want to see done.

Mr. PACKWOOD. Let me say to the Senator in rebuttal that we are not talking about a profitmaking corporation; we are talking about a nonprofit corporation. We are not talking about the condominium owners escaping anything that they cannot escape otherwise, if they want to use some other form of organizational structure. So it is not a question of evading taxes, it is a question of allowing nonprofit corporations to operate condominium properties and repair them, and permit the money to be set aside under corporate form rather than some other form of operation.

Mr. WILLIAMS of Delaware. That is true, but the basic problem is the same whether it is a profitmaking or a nonprofit operation. It is merely a matter of the mechanics of how they operate.

I would be willing to say that the committee could give it study, but I would be reluctant to accept it as an amendment on the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 346) of the Senator from Oregon.

The amendment was rejected.

Mr. HANSEN. Mr. President, I should like to ask the distinguished senior Senator from Delaware his view as to the application of the unrelated business income tax in the case of fraternal beneficiary societies—such as the Shriners, which is well known for their support of crippled children's hospitals—where they sponsor football games or present a Shrine circus. In this case will they be exempt from unrelated business income treatment on income from activities of this type?

Mr. WILLIAMS of Delaware. The answer is "Yes." The unrelated business income tax does not apply to income from activities which are not carried on by such an organization on a regular basis—that is, incidental or sporadic activities, such as the Senator has mentioned, the Shrine circus or annual football game, and similar activities would not constitute regularly engaging in a business.

Mr. HANSEN. The fact that the Shrine may carry on, for a week or so each summer, a Shrine circus, even though this may be something that is done year after year, would still not cause the income from the circus to be subject to the unrelated business income tax?

Mr. WILLIAMS of Delaware. The answer is "Yes." Our committee considered that very problem. We are confident that these activities are not taxed under the bill.

Mr. LONG. Mr. President, I affirm what the Senator from Delaware said. That was the intent of the committee.

Mr. WILLIAMS of Delaware. I do not think there is any question about it.

Mr. HANSEN. Mr. President, I thank the distinguished chairman of the committee and the distinguished ranking minority member.

Mr. CURTIS. Mr. President, as a matter of fact, there was a direct vote in the Finance Committee on this matter, and the committee voted not to tax such activities as circuses and other such activities.

AMENDMENT NO. 383

Mr. YARBOROUGH. Mr. President, I ask that my amendment 383 be called up at this time.

The PRESIDING OFFICER. The question recurs on the amendment offered by the Senator from Texas.

The question is on agreeing to the amendment.

Mr. YARBOROUGH. Mr. Prasident, I call the attention of the distinguished Senator from Louisiana to the fact that I call up my amendment and ask for action on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 383) was agreed to.

## SOUTHERN UTE TRIBE

Mr. MANSFIELD. Mr. President, I have one further piece of business, an item on the calendar that has been cleared all the way around after a hold had been put on it. There will be no more business tonight.

I ask unanimous consent to temporarily lay aside the pending business and that the Senate proceed to the consideration of Calendar No. 563, H.R. 12785.

The PRESIDING OFFICER. The bill will be stated by title.

The BILL CLERK. A bill (H.R. 12785) to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–568), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to transfer the title to 214.37 acres of land located in La Plata County, Colo., from the United States to the United States in trust for the Southern Ute Indian Tribe. The land has been determined to be excess to the needs of the Federal Government since 1940 and has been under permit to the Southern Ute Tribe. All of the land, except the 8-acre tract near Bayfield, Colo., is immediately adjacent to other tribal holdings. All of the land is within the exterior boundaries of the Southern Ute Reservation. It was acquired from allottees of the Southern Ute Tribe, or their heirs, and none of the land has ever been on the county tax rolls.

Although the conveyance is witout consideration, the Indian Claims Commission will consider the extent to which the value of the land will be set off against any claim against the United States that is determined by the Commission. A tribal claim against the United States is pending.

The land is now excess to the needs of the Department of the Interior, except for the temporary use of 1 acre.

The land is located within the boundaries of the Southern Ute Reservation and has been in the possession of the tribe since 1940 pursuant to a permit from the Bureau of Indian Affairs. It consists of some irregated cropland, some irrigated pastureland, and some dry grazing land. It is surrounded by other Indian trust land, and is within the areas which the tribe is attempting to consolidate in Indian ownership. The land is in the Pine River Valley, where most of the tribal members reside, and where the tribe plans to develop light industry, a commercial park, recreation facilities, tourism, and residential sites. Transfer of the land to the tribe will permit the tribe to pursue its reservation development plans more effectively, and will enhance employment opportunities for many Indians.

Leonard C. Burch, chairman of the Tribal Council of the Southern Ute Indian Tribe, in his statement to the committee on S. 1873, briefly explained the program for development of the reservation under the tribe's master plan. With respect to the overall objective, Mr. Burch ably expressed it as follows:

"As you may know, the Ignacio area is an E.D.A. designated, 'Economical Depressed Area,' and as you can see, we are making real progress toward eventually removing this designation. We have great hopes and dreams that we will, in time, be self-sufficient in all areas of our economic life.

"We feel that this legislation will be of real assistance to us in reaching that goal.

"We are confident that if we are fortunate enough to have these lands transferred to the tribe that it will result in the economic betterment of our tribe and the surrounding areas in which we live."

SETOFF PROVISION

The land was acquired by the United States by purchase in five different tracts from Indian allottees or their heirs. The five tracts were purchased for a total consideration of $9,630. They have a present estimated value of $39,250, exclusive of possible mineral value, which is purely speculative and unknown.

The House adopted an amendment, recommended by the Department, which provides for the Indian Claims Commission to consider this conveyance as a possible setoff against any claims of the Southern Utes pending before it. The Southern Ute Tribe has a claim pending before the Indian Claims Commission, docket No. 328, in which they are seeking fair payment for land on the Southern Ute Reservation in Colorado which was disposed of by the United States without the consent of the tribe. The setoff provision is permissive, that is, the Indian Claims Commission is not required to make a setoff, and may or may not make a setoff depending upon the equities of the overall situation. However, if a setoff is deemed to be appropriate, the following colloquy between Senator Allott and Assistant Secretary Loesch concerning the amount of the setoff is pertinent:

"Senator ALLOTT. * * * If the amendment which you have suggested is adopted by the committee with respect to claims before the Indian Claims Commission, would a proper figure for the setoff be the cost to the Federal Government?

"Mr. LOESCH. Yes, Senator Allott, it would, and that has been the practice, I am told. The claim of the tribe against the Govern-

ment will, of course, as usual, be based on the value of the lands at the time in particular and in all equity the value of this land should be determined as it was at the time the Government obtained it.

"Senator ALLOTT. So the approximately $9,630 in your opinion would be a fair setoff under your amendment?

"Mr. LOESCH. Yes, and of course this is what I would recommend. I have no control, naturally, over the Indian Claims Commission, but I certainly would anticipate this is the way it would go."

COST

Enactment of the bill will require no Federal expenditure of money.

COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs recommends that the bill be enacted.

## STATEMENT ON NOMINATION OF HENRY TASCA TO BE AMBASSADOR TO GREECE

Mr. PELL. Mr. President, as a matter of setting the record straight, I wish to state publicly that the dispatch in the New York Times of today which said that Henry Tasca's nomination as Ambassador to Greece had been delayed primarily by my efforts is simply not true.

Actually, I sought to bring up his nomination three times in the Foreign Relations Committee and supported it when it was reported out yesterday.

I have always believed that we should have ambassadors at the seats of those governments of which we most disapprove and that of the Greek junta certainly fills the bill in that regard.

I do accept with pride responsibility for authorship of my amendment cutting off additional military assistance to Greece for the time being. This, I believe, is the correct way of showing our country's disapproval of the present Greek Government and as the best way to encourage it on the road toward general elections and ending the torture of political prisoners there.

Not to have an ambassador in a sensitive post abroad is, I have always believed, an excellent example of the cutting off of our nose to spite our face. It simply reduces the level of government at which we can make our views known abroad. The correct way to express disapproval is to cut what hurts the regime of which we disapprove and not what hurts ourselves.

And, this is what the cutting of military assistance aid means. In addition, a pleasant fallout effect could be a substantial saving for the American taxpayers.

## TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. MOSS. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The BILL CLERK. The Senator from Utah (Mr. Moss) proposes an amendment, as follows:

On page 342, line 10, insert the following: "Delete the date 'October 9, 1969' and insert in lieu thereof the following 'December 31, 1969'."

Mr. MOSS. Mr. President, under the tax reform bill as reported out by the Finance Committee, all new provisions pertaining to mineral production become effective for calendar year taxpayers after December 31, 1969, except the change in the tax treatment of mineral production payments. For some reason this latter provision becomes effective October 9, 1969, except for such payments created before January 1, 1971, pursuant to binding contracts entered into before October 9, 1969.

I think the effective dates of these provisions should be uniform. Fixing the effective date at December 31, 1969, would also be consistent with the general practice of making changes in tax laws prospective to future taxable years. A uniform date would also be equitable in that it would treat taxpayers who had such payments under negotiation on October 9, 1969, in the same manner as taxpayers who had reduced their transactions to a binding contract on that date.

Mr. LONG. Mr. President, I regret that I cannot support the amendment. We felt that we had advanced the date to the date that committee commenced action in executive session and that we could not consider advancing the date on any prospective basis.

We discussed the amendment. And we think this is one of the areas where we expect to make a considerable amount of money in the reform features of the bill. In the event the date were advanced, we would lose a considerable amount. The amount of loss would be unpredictable. However, I feel constrained to oppose the amendment. I have discussed the matter with the distinguished ranking minority member.

Mr. WILLIAMS of Delaware. Mr. President, I have discussed the matter with the distinguished chairman of the committee. And I am afraid that we cannot accept the amendment.

The question is on agreeing to the amendment.

The amendment was rejected.

SENATOR BROOKE OPPOSES INFLATIONARY TAX PROVISIONS

Mr. BROOKE. Mr. President, the bill upon which we will soon be voting is described as a Tax Reform Act. As is true of all such shorthand terms, this title is less than adequate. It might as appropriately be called the Tax Reduction Act, or the Social Security Reform Act, or the Tax Adjustment Act, or even the Inflation Escalation Act of 1969.

No one in this Chamber, possibly no one in this Nation, would agree with all of the provisions of the bill as it passed the House, as it was reported from the Senate Finance Committee, or as it awaits our consideration here in the Senate.

All of us commend the diligent efforts of the members of the committee and their staffs. All of us feel strongly about certain provisions we would like to see included in the bill, or deleted from it. None of us will ever be completely satisfied with the legislation which is finally passed. But Mr. President, this country faces a grave fiscal crisis, and the choice is still ours whether to pass legislation which will deepen, or help to control, the unstable and gravely perilous economic position in which we find ourselves today.

The merits of this bill are many. In particular I believe the Senate has acted wisely in indicating its support for substantial increases in social security and in reducing the burden of medical expenses on our elderly. The fact that the House Ways and Means Committee has also accepted a 15-percent increase in social security benefits leaves little doubt that, whether in the tax bill or in separate legislation, the Congress will be moving on this essential front. Furthermore the minimum tax on persons with large incomes that were formerly exempt is a most significant step, as are the removal of several million low-income people from the tax rolls, the reduction of the oil depletion allowance and other measures closing loopholes. These forward-looking provisions can and should become law.

Unfortunately, certain amendments accepted by the Senate would have disastrous consequences for the entire Nation. They go far beyond the $9 billion in general tax relief recommended by the committee, but do not significantly increase the $6 to $7 billion to be gained by tax reforms. Therefore, in spite of my strong endorsement of many positive features in the bill, I cannot approve the legislation as it stands.

In particular the changes in the proposed repeal of the investment tax credit would drain over $1 billion a year from the Treasury. And this at a time when projected investment rates are already setting records. So strong has the investment surge been that it is questionable whether even the highest interest rates in a century will have the desired effect of dampening this counterproductive spiral. Who can claim that it needs further stimulus?

Most damaging of all, however, has been the addition of the blatantly inflationary increase in personal exemptions. By the most modest estimate this increase will cost approximately $6.1 billion in the next 2 years alone, precisely the period when we must cool the superheated economy on which all Americans depend. Under no test of economic responsibility could such an action be justified at this time.

The American people should really be dismayed when they consider that the increase in tax exemptions may soon be worthless as tax relief. The original $600 exemption has declined to a fraction of its original value as inflation has eroded the dollar. The $200 increase offered by the amendment fuels an even more intense inflation which will destroy its value also. The only meaningful tax relief, the only relief likely to survive inflation, is adjustment of the tax rates themselves.

Furthermore, the implication that the increase in exemption is of special benefit to lower and middle income groups is highly misleading. In truth the provision does not provide $200 in tax relief to the man with lower income and $200 in tax relief to the man with higher income; that would be regressive in itself. The situation is even worse, since the change really means that a taxpayer at

the bottom of the schedule would be paying $28 less in taxes for each exemption claimed, while taxpayers at the high rates would be paying $140 less for each exemption. Thus the real result of the allegedly progressive amendment on exemptions is to give actual relief of perhaps $112 to a low-income family of four while providing $560 to an affluent family of the same size. And because of the varying number of exemptions, the amendment certainly shifts more of the tax burden to smaller families and single persons, while affording disproportionate relief to larger families.

One of the more damaging aspects of this proposal, which I do not believe has been adequately examined, is the sizable reduction of the tax base it accomplishes. The committee bill had already trimmed the national tax base by $22 billion to a total of $350 billion. The ill-considered change in personal exemptions would remove another $23 billion from the base, reducing it to only $327 billion. If, as may well be necessary, future tax increases are approved, relatively higher levies must be placed on this smaller base. Those still in the tax-paying pool will have to pay still greater sums to compensate for this drastic curtailment in the country's taxable income.

These are not easy points to grasp and some people may be deceived into believing that their interest is being served by this superficially attractive measure.

But the fact is that its benefits are illusory and its potential harm to our common well-being, catastrophic.

Mr. President, the distressing thing to me about many of the amendments offered is that they were without question, worthwhile. I would have liked to vote for them. And under ordinary circumstances I would have been among the first to support measures which would lower taxes for individuals, and provide tax credits for investments which seek to correct our intolerable economic imbalances.

But these are not ordinary times. Our consumer price index is up nearly 6 points over last year. Housewives are paying nearly 12 percent more for meat; prospective buyers find the price of homes has risen 10.5 percent over the last year; medical costs are nearly 9 percent higher than they were just 1 year ago. At this rate, how much will the individual be helped by a $200 increase in the personal exemption? How much will the small company benefit from a retention of the 7-percent investment tax credit, if the cost of materials and labor goes up 10 percent or 15 percent? These meager benefits can easily be consumed before they ever go into effect by the rising cost of living.

An increase in the personal exemption may look like a boon to the taxpayer. In reality, however, it will put more paper money into the pockets of the consumers while at the same time driving up the costs of the goods they seek to buy.

During the last few days I have found myself asking hard questions, questions which I am sure every Member of this body has been considering: Are the tax reform provisions sufficiently constructive to merit passage of the bill in its present form even in view of its predictable inflationary effects? Is it fair of us to rely on the conferees to delete provisions which we find objectionable, to "save us from ourselves," in effect, and to report back a reasonably clean bill? Are we prepared to reject a conference report which has too many dangerous and inflationary aspects? Are we, in the final analysis, prepared to put aside parochial interests and to perform as responsible national legislators, acting in good faith in the best interests of the country as a whole? Or will we, for the sake of short-term political advantage, enact a measure which can, in the words of the President, "reduce taxes for some while raising prices for all?"

This is not a partisan issue, though partisanship has been clearly in evidence more often than not in this debate. This is not a regional or sectional issue, nor is it an issue even between conflicting private and public interests. We are dealing with an issue which clearly and deeply affects us all. The question before us is nothing less than the purchasing power of the dollar in domestic and international trade. It is a matter which affects the single taxpayer, the workingman, the welfare mother, the retired pensioner, the small businessman, and the giant corporation all at once.

Inflation may hurt some more than others, but none of us remains untouched.

As much as I favor the tax reform provisions of this bill and as urgent as I consider its social security provisions and related features, I cannot support the bill in its present form. The price is simply too high.

It is my profound hope that the conference committee will preserve the progressive elements of this legislation and produce a measure which Senators can support wholeheartedly. But if the conferees cannot remedy the central defects of this legislation, I will be compelled to vote "no" on the report.

### RECESS TO 9 A.M. TOMORROW

Mr. KENNEDY. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 a.m. tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 56 minutes p.m.) the Senate took a recess until tomorrow, Wednesday, December 10, 1969, at 9 a.m.

# HOUSE OF REPRESENTATIVES—*Tuesday, December 9, 1969*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*May the Lord make you increase and abound in love to one another and to all men.*—I Thessalonians 3: 12.

Almighty and eternal God, conscious of our obligation to the historic past, aware of the opportunities of the present, and with faith in the beckoning future, we humbly join our fathers in the affirmation—"glory be to Thee, O Lord most high."

Thou hast been wonderfully good to us and we are grateful. Thy spirit has led us. Thy hand has supported us, and Thy love has filled our hearts with good will. Make us one with Thee, we pray, as we face the duties of this day.

Standing as Americans together may we lift high the banner of freedom, strengthen the arm of justice, build bridges between races, classes, and nations, and keep ourselves ever mindful of Thy presence and ready to do Thy will.

In the spirit of Christ we pray. Amen.

### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 13767. An act to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 210. An act to eliminate requirements for disclosure of construction details on passenger vessels meeting prescribed safety standards, and for other purposes; and

H.R. 9163. An act to authorize the disposal of certain real property in the Chickamauga and Chattanooga National Military Park, Ga., under the Federal Property and Administrative Services Act of 1949.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1232. An act to declare and determine the policy of the Congress with respect to the primary authority of the several States to control, regulate, and manage fish and wildlife within their territorial boundaries; to confirm to the several States such primary authority and responsibility with respect to the management, regulation, and control of fish and wildlife on lands owned by the United States; and to specify the exceptions applicable thereto; and to provide procedure under which Federal agencies may otherwise regulate the taking of fish and game on such lands;

S. 2619. An act to amend section 5723(b) of title 5, United States Code, relating to length of service required by teachers in Bureau of Indian Affairs schools when travel and transportation expenses are paid to first post of duty; and

S. 2940. An act to amend the act of June 28, 1948, as amended, relating to the acquisition of property for the Independence National Historical National Park.

The message also announced that Senator GOLDWATER was excused as a conferee on the bill (H.R. 14751), an act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

## MASSACRE IN VIETNAM DEPRESSING TO EVERY AMERICAN

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONG of Maryland. Mr. Speaker, the alleged massacre of civilians by U.S. troops in Songmy, Vietnam, is deeply depressing to every American.

Reactions to the incident point up the deficiency in the training of our combat troops on the proper treatment of civilians. One soldier walking through Songmy afterward asked:

If you can shoot artillery and bombs in there every night, how can the people . . . be worth so much?

A member of Charley Company said:

It just seemed like . . . the natural thing to do . . . My buddies had been getting killed or wounded . . . it was just mostly revenge.

Still another soldier apparently shot himself to keep from participating in the massacre.

Our soldiers have a tough job made tougher by inadequate training.

I have urged Secretary of Defense Laird to upgrade combat preparation by instructing every American soldier on: First, U.S. policy on the treatment of Vietnamese civilians in combat situations; second, how to respond to a command which violates the policy toward civilians; third, how to report an illegal command or action without fearing reprisal; and, fourth, how to insure that unlawful acts will not be tolerated or "hushed up."

Finally, I have urged the Secretary to establish procedures for reporting and fully investigating charges of gross misconduct.

## PERMISSION TO FILE CONFERENCE REPORT ON H.R. 13763, LEGISLATIVE BRANCH APPROPRIATIONS, 1970

Mr. ANDREWS of Alabama. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill H.R. 13763, making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 91–727)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13763) "making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 36, 38, 42, 43, 44, and 45, and agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$468,165"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 37, 39, 40, and 41.

GEORGE ANDREWS,
TOM STEED,
MICHAEL J. KIRWAN,
SIDNEY R. YATES,
BOB CASEY,
GEORGE MAHON,
MARK ANDREWS,
ODIN LANGEN,
LOUIS C. WYMAN,
FRANK T. BOW,
*Managers on the Part of the House,*

JOSEPH M. MONTOYA,
WILLIAM PROXMIRE
(except on No. 37),
RALPH W. YARBOROUGH,
JAMES B. PEARSON,
NORRIS COTTON,
*Managers on the Part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13763) making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

SENATE AND HOUSE OF REPRESENTATIVES

Amendments Nos. 1 through 34, under the "Senate" heading, and Nos. 39, 40, and 41 under the "Architect of the Capitol" heading, relate solely to expenses of Senate operations and activities.

Amendments Nos. 36 and 38, under the "Architect of the Capitol" heading, deal with Senate matters.

Amendment No. 37 relates to the West Front of the Capitol.

Amendments Nos. 1 through 34, and Nos. 39, 40, and 41, relating to Senate operations, are reported in technical disagreement. But in accord with the long practice, under which each body determines its own housekeeping requirements and the other concurs therein without intervention, the managers on the part of the House will offer motions to recede and concur in these amendments.

Amendments Nos. 36 and 38, under the "Architect of the Capitol" heading, relate to appropriations that are joint in nature, but the amounts in conference relate to Senate operations and thus fall in the same category as the above bloc of amendments. The House recedes and concurs in Amendments Nos. 36 and 38.

JOINT ITEMS

*Joint Economic Committee*

Amendment No. 35 adds $27,000 to the amount in the House bill, instead of $35,000 proposed by the Senate.

ARCHITECT OF THE CAPITOL

*West central front of the Capitol*

Amendment No. 37, relating to the west central front of the United States Capitol Building, is reported in technical disagreement. The managers on the part of the House will offer a motion incorporating a conference agreement in the nature of a substitute for the House provision and the Senate provision.

The House bill provided $2,000,000 for preparation of detailed plans and specifications for extending the west central front in accord with extension Plan 2 approved by the Commission for Extension of the United States Capitol. The Senate bill, by floor amendment, struck this provision and substituted an appropriation of $250,000 to be transferred to the National Park Service of the Department of the Interior for use in conducting studies to determine the feasibility and cost of restoring the west central front.

*The case for extension* rather than restoration was stated in some considerable detail in House committee hearings held September 8; in House Report 91–487, of September 11, at pages 19–26; and in House floor debate of September 19. *The case for restoration* rather than extension was stated variously in Senate committee hearings on the 1970 appropriation bill, in the Senate committee report on the bill, but especially in Senate floor debate of October 21 when the $2 million extension funds were stricken and the $250 thousand inserted for a restoration study.

*The conference agreement*

The conference agreement to be put in the motion of the House managers will, as stated, be a substitute for both the House and Senate provisions. It will provide:

A. An appropriation of $2,275,000.

B. That the appropriation is to be expended under the direction of the Commission for Extension of the United States Capitol (now composed of the Speaker as chairman, the Vice President, the Majority and Minority floor leaders of the two Houses, and the Architect).

C. That such portion of the appropriation as may be necessary shall be used for emergency shoring and repairs and related work on the west central front. (The Conferees were, very recently, apprised of the results of a periodic but continuing engineering check on the condition of the west front which discloses the need for some emergency protective and maintenance measures.)

D. That not to exceed $250,000 shall be used for the employment of independent nongovernmental engineering and other services for studying and reporting (within 6 months after date of the employment contract) on the feasibility and cost of restoring the west central front, under such terms and conditions as the Commission may determine.

E. That pending completion and consideration of the restoration study and report, however, no further work toward extension of the west central front shall be carried on.

F. That after consideration by the Commission of the restoration study and report, the Commission is to direct the preparation of final plans for extending the west central front in accord with extension Plan 2 already approved by the Commission, *unless such restoration study report establishes to the satisfaction of the Commission:*

(1) That through restoration, such west central front can, without undue hazard to safety of the structure and persons be made safe, sound, durable, and beautiful for the foreseeable future;

(2) That restoration can be accomplished with no more vacation of west central front space in the building proper (excluding the terrace structure) than would be required by the proposed extension Plan 2;

(3) That the method or methods of accomplishing restoration can be so described or specified as to form the basis for performance of the restoration work by competitive,

lumpsum, fixed price construction bid or bids;

(4) That the cost of restoration would not exceed $15,000,000; and

(5) That the time schedule for accomplishing the restoration work will not exceed that heretofore projected for accomplishing the Plan 2 extension work.

G. In other words, if the restoration study report does *not* establish to the satisfaction of the Commission that restoration (rather than extension) treatment meets all five of the conditions noted above, then the extension work is to proceed.

H. If, on the other hand, the Commission, after consideration, concludes that the restoration study report meets all five of the conditions noted above, the Commission is then to make recommendations to the Congress on whether to extend or restore the west central front.

In recommending the language to be offered in the motion, the conferees of both Houses are agreed that the nongovernmental engineering and other necessary services engaged by direction of the Commission to study and report on the feasibility and cost of restoration should be, in the Commission's opinion, completely independent, with no previous connection with proposals to either extend or to restore the west central front, including any expressed predisposition for or against the extension or the restoration of the west central front. The conferees are especially anxious that the selection be made from among highly reputable firms or individuals generally noted or regarded for their excellence of ability, to the end that all Members may have confidence that whatever report is submitted is qualitative and impartial in character and content.

LIBRARY OF CONGRESS

Amendments Nos. 42, 43, and 44, make reductions, as proposed by the Senate, in Library appropriations proposed in the House bill, as follows:

| | |
|---|---|
| Library, salaries and expenses (No. 42) | —$23,500 |
| Copyright Office, salaries and expenses (No. 43) | —4,000 |
| Books for the blind and physically handicapped, salaries and expenses (No. 44) | —3,000 |

OFFICE OF SUPERINTENDENT OF DOCUMENTS

Amendment No. 45 reduces by $100,000, as proposed by the Senate, the appropriation proposed in the House bill for the Office of Superintendent of Documents.

GEORGE ANDREWS,
TOM STEED,
MICHAEL J. KIRWAN,
SIDNEY R. YATES,
BOB CASEY,
GEORGE MAHON,
MARK ANDREWS,
ODIN LANGEN,
LOUIS C. WYMAN,
FRANK T. BOW,
*Managers on the Part of the House.*

## PERMISSION FOR SUBCOMMITTEE ON COMMERCE AND FINANCE, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Commerce and Finance of the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## CONFERENCE REPORT ON H.R. 12964, STATE AND JUSTICE DEPARTMENT APPROPRIATIONS, 1970

Mr. ROONEY of New York. Mr. Speaker, I call up the conference report on the bill (H.R. 12964) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of December 8, 1969.)

Mr. ROONEY of New York (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers on the part of the House be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The gentleman from New York (Mr. ROONEY) is recognized.

(Mr. ROONEY of New York asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. ROONEY of New York. Mr. Speaker, this bill making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes contains a total of $2,354,432,700 in new obligational authority. It also contains an additional $195,815,000 for liquidation of contract authorizations.

This bill is $121,271,900 below the total amount of the budget estimates.

It is $27,922,000 below the bill as it passed the Senate.

It is $18,798,500 above the bill as originally passed by the House.

However, I must point out that this bill is $299,759,800 above the appropriations made for these purposes for fiscal year 1969. Practically all of this increase, $262,587,000 in fact, is for the Department of Justice. The total appropriations for the Department of Justice for fiscal year 1969 was $545,582,000. The amount provided in this bill for the Department of Justice as agreed to in conference is $808,169,000.

Mr. Speaker, I insert at this point in the RECORD a table showing the actions of the House-Senate conferees with regard to the various departments and agencies contained in the bill:

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES, 1970

| Department or agency | New budget (obligational) authority, fiscal year 1969 | Budget estimates of new (obligational) authority, fiscal year 1970 | New budget (obligational) authority recommended in House bill | New budget (obligational) authority recommended in Senate bill | New budget (obligational) authority recommended by conference action | Conference action compared with— New budget (obligational) authority, fiscal year 1969 | Budget estimates of new (obligational) authority, fiscal year 1970 | New budget (obligational) authority recommended in House bill | New budget (obligational) authority recommended in Senate bill |
|---|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Department of State | $398,091,600 | $408,381,000 | $404,122,600 | $407,174,100 | $404,132,100 | +$6,040,500 | —$4,248,900 | +$9,500 | —$3,042,000 |
| Department of Justice | 545,582,000 | 845,976,000 | 790,048,000 | 815,909,000 | 808,169,000 | +262,587,000 | —37,807,000 | +18,121,000 | —7,740,000 |
| Department of Commerce | 767,563,000 | 812,486,000 | 756,450,000 | 784,629,000 | 778,018,000 | +10,455,000 | —34,468,000 | +21,568,000 | —6,611,000 |
| The judiciary | 109,944,900 | 125,024,600 | 121,026,200 | 121,026,200 | 121,026,200 | +11,081,300 | —3,998,400 | | |
| American Battle Monuments Commission | 2,362,000 | 2,639,000 | 2,639,000 | 2,639,000 | 2,639,000 | +277,000 | | | |
| Arms Control and Disarmament Agency | 9,000,000 | 9,500,000 | 9,500,000 | 9,500,000 | 9,500,000 | +500,000 | | | |
| Commission on Civil Rights | 2,650,000 | 2,650,000 | 2,650,000 | 2,650,000 | 2,650,000 | | | | |
| Office of Education: Civil rights education | 10,817,000 | 20,000,000 | 12,000,000 | 20,000,000 | 14,000,000 | +3,183,000 | —6,000,000 | +2,000,000 | —6,000,000 |
| Equal Employment Opportunity Commission | 9,120,000 | 15,905,000 | 11,500,000 | 15,905,000 | 12,500,000 | +3,380,000 | —3,405,000 | +1,000,000 | —3,405,000 |
| Federal Maritime Commission | 3,743,000 | 3,715,000 | 3,715,000 | 3,715,000 | 3,715,000 | —28,000 | | | |
| Foreign Claims Settlement Commission | 791,000 | 781,000 | 450,000 | 781,000 | 650,000 | —141,000 | —131,000 | +200,000 | —131,000 |
| National Commission on Fire Prevention and Control | | 500,000 | | | | | —500,000 | | |
| National Commission on Reform of Federal Criminal Laws | 250,000 | 300,000 | 250,000 | 300,000 | 300,000 | —50,000 | | +50,000 | |
| Small Business Administration | 13,414,000 | 43,757,000 | 43,257,000 | 18,257,000 | 18,257,000 | +4,843,000 | —25,500,000 | —25,000,000 | |

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES, 1970—Continued

| Department or agency | New budget (obligational) authority, fiscal year 1969 | Budget estimates of new (obligational) authority, fiscal year 1970 | New budget (obligational) authority recommended in House bill | New budget (obligational) authority recommended in Senate bill | New budget (obligational) authority recommended by conference action | Conference action compared with— New budget (obligational) authority, fiscal year 1969 | Budget estimates of new (obligational) authority, fiscal year 1970 | New budget (obligational) authority recommended in House bill | New budget (obligational) authority recommended in Senate bill |
|---|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Special representative for trade negotiations | 482,000 | 625,000 | 482,000 | 559,000 | 482,000 | | −143,000 | | −77,000 |
| Subversive Activities Control Board | 344,400 | 365,000 | 344,400 | 344,400 | 344,400 | | −20,600 | | |
| Tariff Commission | 3,850,000 | 3,950,000 | 3,900,000 | 3,900,000 | 3,900,000 | +50,000 | −50,000 | | |
| U.S. Information Agency | 176,668,000 | 177,650,000 | 173,300,000 | 175,066,000 | 174,150,000 | −2,518,000 | −3,500,000 | +850,000 | −916,000 |
| United States-Mexico Commission for Border Development and Friendship | | 1,500,000 | | | | | −1,500,000 | | |
| Total, new budget (obligational) authority | 2,054,672,900 | 2,475,704,600 | 2,335,634,200 | 2,382,354,700 | 2,354,432,700 | +299,759,800 | −121,271,900 | +18,798,500 | −27,922,000 |
| Memoranda: Appropriations to liquidate contract authorizations | (207,485,000) | (195,815,000) | (195,815,000) | (195,815,000) | (195,815,000) | (−11,670,000) | | | |
| Total appropriations, including appropriations to liquidate contract authorizations | (2,262,157,900) | (2,671,519,600) | (2,531,449,200) | (2,578,169,700) | (2,550,247,700) | (+288,089,800) | (−121,271,900) | (+18,798,500) | (−27,922,000) |

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

AMENDMENT IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: On page 43 strike out section 404, as follows:

"None of the funds contained in this title shall be available for the salaries and or expenses of any deputy clerk in any District court clerk's office that does not accept applications for passports except in cities where the State Department presently operates passport offices."

MOTION OFFERED BY MR. ROONEY OF NEW YORK

Mr. ROONEY of New York. Mr. Speaker, I offer a motion. The Clerk read as follows:

Mr. ROONEY of New York moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: Restore the matter stricken, amended to read as follows:

"SEC. 404. None of the funds contained in this title shall be available for the salaries or expenses of deputy clerks in any office that has discontinued the taking of applications for passports subsequent to October 31, 1968 and has not resumed such service on a permanent basis."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the motion was laid on the table.

Mr. ANDERSON of California. Mr. Speaker, today the House adopted the Senate-House conference report granting appropriations for ship construction under the Maritime Administration. The conference report appropriates the amount of $15,918,000 as proposed by the Senate.

The authorization bill, H.R. 4152, approved by the President on October 10, 1969, authorizes $145 million for the purpose of ship construction. I believe that the authorization was an indication of our concern for the merchant marine and the deterioration of the merchant marine fleet.

The House Committee on Appropriations recognized that funds would have to be made available in order to keep an active merchant marine when they reported H.R. 12964, appropriating $200 million for the purpose of ship construction. Unfortunately, the $200 million was deleted from the bill due to a point of order.

Congress is aware of the sad plight of our merchant marine and is prepared to do something about it. The conferees said that they would be "receptive to a realistic substantial request in a supplemental budget for additional funds for ship construction."

The Federal Maritime Administrator has recognized the problem. He estimated "a loss of approximately two-thirds of our entire merchant fleet in the next 4 years—a loss of some 500 to 600 ships." The President has said that "a strong and profitable merchant fleet is vital to America's economic welfare and defense capability."

I concur with the Federal Maritime Administrator's estimate. I agree with the President in his remarks.

Now, I implore the President to take the action necessary to help this floundering, but essential, industry. The funds have been authorized. The President, if he intends to reverse the deteriorating situation and to avert the impending disaster of our merchant marine, should request additional funds for ship construction. The Congress has authorized the money—all he has to do is ask for it.

## PROVIDING FOR CONSIDERATION OF H.R. 15149, FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS, 1970

Mr. O'NEILL of Massachusetts. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 742 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 742

*Resolved*, That upon the adoption of this resolution, notwithstanding any rule of the House to the contrary, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15149) making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes, and all points of order against said bill are hereby waived.

## CALL OF THE HOUSE

Mr. SAYLOR. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 307]

| | | |
|---|---|---|
| Abbitt | Gallagher | Myers |
| Anderson, Ill. | Gettys | Nichols |
| Blatnik | Gubser | Pepper |
| Bolling | Hanna | Pike |
| Cahill | Hays | Powell |
| Clay | Hébert | Reid, N.Y. |
| Cowger | Heckler, Mass. | Reifel |
| Cramer | Hosmer | Riegle |
| Cunningham | Kirwan | Ruppe |
| Dawson | Landrum | Scheuer |
| Diggs | Lipscomb | Sisk |
| Downing | McEwen | Taft |
| Dwyer | McKneally | Teague, Tex. |
| Edmondson | Macdonald, Mass. | Tunney |
| Eilberg | Mailliard | Utt |
| Esch | Miller, Calif. | Vander Jagt |
| Fascell | Morse | Whalley |
| Flowers | Morton | Wydler |
| Fulton, Tenn. | | Young |

The SPEAKER. On this rollcall 377 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## AMENDMENTS TO THE ECONOMIC OPPORTUNITY ACT

(Mr. GUDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUDE. Mr. Speaker, I oppose the proposed amendments which would transfer the responsibilities of OEO to the States. I think we should look at the question in proper perspective. OEO is only a part of the Nation's program for ending poverty. By far the largest program of assistance to the poor—the welfare system—is already administered by

the States. Recognizing this, the President has proposed changes in the welfare system to aid the States in carrying the heavy financial burden of welfare. In addition, his proposed family assistance plan, including aid to the working poor, job training, and work incentives, will greatly expand the role of the States in combating poverty.

In addition, OEO as it is being redirected is not a "line" agency, but an agency designed to innovate, coordinate, and evaluate a limited range of experimental programs. When programs have been tried and tested, they may be spun off to other Federal departments or to the States. The Job Corps, Headstart, and Upward Bound have already graduated from the trial stage and are being administered by other Federal departments.

This accent on innovation and evaluation is the role the President and the Director conceive for the agency and I think it should be given a chance. If OEO under its new leadership fails to involve the States as Congress has already directed, there will be time to make the sweeping change proposed in the amendment.

I fear, too, that the administrative task of creating a new level of bureaucracy would bring the process of testing new programs to a standstill. The flexibility needed in administering small pilot programs would be sacrificed. A large portion of OEO funds would be diverted away from the program and into administration. From the standpoint of efficiency and economy, we cannot afford a huge antipoverty establishment.

Finally, I think that the administration of the program by the States would retard innovation by making every OEO project a political football. Many of us oppose the Murphy amendment because we realize that there will be strong pressures on our Governors to veto legal services projects which may cost the State money. The proposed amendment would have substantially the same effect on the legal services program as the Murphy amendment, and risks injecting lethal doses of local politics into every phase of this needed experimental program.

In short, I think it is too soon to delegate OEO's responsibilities to the States. We simply cannot expect continued development of an effective poverty program if we hand it over wholesale to State agencies which do not even exist and will have to weather severe political storms like this one as soon as they are formed.

## PERMISSION FOR SUBCOMMITTEE ON PUBLIC HEALTH AND WELFARE, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, TO SIT DURING GENERAL DEBATE TODAY

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Health and Welfare of the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS, 1970

The SPEAKER. The gentleman from Massachusetts (Mr. O'NEILL) is recognized for 1 hour.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 742 provides that during the consideration of H.R. 15149, Foreign Assistance Act appropriations for fiscal year 1970, all points of order against the bill are waived.

Due to the fact that some of the authorizations covered by H.R. 15149, though they have passed the House, have not been enacted into law, the waiver of points of order was granted in order to expedite consideration of the bill.

Mr. Speaker, I urge the adoption of House Resolution 742 in order that H.R. 15149 may be considered.

Mr. LATTA. Mr. Speaker, I should like to point out to the House that the passage of this resolution is an absolute necessity. As all Members know, the authorization bill has not yet passed the other body and been signed into law. This makes it absolutely necessary to waive all points of order on this legislation.

I should also like to point out to the House that the committee could have reduced the administration's bill just a little more.

In title I, the committee did an extremely good job, in my humble opinion, by reducing the $2,710,000,000 requested in the budget to $1,599,000,000, which is a reduction of $1,110,000,000. There has been no reduction in title II; a slight reduction in title III of $10,904,000; no reduction at all in title IV; for a total reduction of $1,121,544,000, making the total amount recommended in this bill $2,558,020,000 as opposed to the administration's request of $3,679,564,000.

I feel this is the year this legislation could have been completely omitted.

Mr. Speaker, if the Members will turn to page 5 of the report they will find that there is now in the "pipeline" a total of $18,708,016,000.

It seems to me that with this amount of money remaining in the pipeline and unexpended from prior years appropriations that this new appropriation is really not needed at this time. However, the passage of the resolution waiving points of order reported by the Committee on Rules is necessary in order to consider the bill and, therefore, I urge its adoption.

Mr. Speaker, I have no further requests for time and reserve the balance of my time.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Speaker, I take this time not to criticize the Committee on Rules. However, I do want to point out to the House that H.R. 15149, an appropriation bill of some 22 pages, one-half of it is authorizing legislation in an appropriation bill.

Mr. Speaker, I think it is high time that this body operate under the rules of the House. I submit authorizing legislation should remain within the jurisdiction of authorizing committees. The Committee on Appropriations, and certainly the authorizing committees should stay within their jurisdiction. If the House Foreign Affairs Committee dared put an appropriation in an authorizing bill the Committee on Rules would have to grant the Committee on Foreign Affairs a rule waiving points of order. The Foreign Affairs Committee has refrained from doing so.

Therefore, I think it is high time that the Appropriations Committee report a bill dealing only with appropriations. For years we have been trying to correct this situation.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I too would like to express my regret that it should be necessary to waive all points of order, especially since there is legislation of a substantial character contained in this bill. While I am on the subject of this bill, it also seems to me most unfortunate—and I cannot consider it necessary—that we should have to consider this bill on the very same day that the report and the bill itself become available to the Members.

There really is no way we can evaluate the very substantial reductions in a variety of programs that have been proposed to this bill, and there is no opportunity to develop amendments to restore some of these funds. What we are doing is just what we did last year. We are debating the bill without the opportunity to consider it adequately.

Mr. ZABLOCKI. Mr. Speaker, after perusing the bill and the report, I find that there are provisions in certain cases adding additional money. Further there are proposals that the Committee on Foreign Affairs did not have an opportunity to study for which funding is included in the appropriation bill. When the House considered the foreign aid bill 2 weeks ago these proposals could have been brought to our attention through amendments offered on the floor so we could have discussed them.

So, there is in this appropriation bill legislation, Mr. Speaker, if you please, that should have been considered by the Committee on Foreign Affairs.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Mississippi.

Mr. COLMER. I thank my genial friend from Wisconsin for yielding to me.

I would like to say also that I am appreciative of the position that the gentleman takes. I appreciate further the fact

that he said he did not intend to chastise the Rules Committee or words to that effect.

Mr. ZABLOCKI. Nor criticize.

Mr. COLMER. But the fact remains that that is exactly what is happening. I want to point out to my friend—both of my friends who have spoken on this matter—that I do not like this type of legislating any more than they do. But where is the fault? Whose fault is it? Certainly it is not the fault of the Committee on Rules and I am not sure that it is the fault of the Committee on Appropriations.

The fact remains that the gentleman's committee only recently, after some ten and a half months, or some such matter, has reported its authorizational bill out. The House of Representatives and the Congress are being criticized all over the country, even by the President of the United States, because these appropriation bills are not being enacted. I do not like it. I do not want any part of it. I do not like to waive points of order, but if we are going to get these bills enacted into law then we are going to have to take some drastic action. I just hope that those who are affected adversely by this—and I know there are, and my sense of propriety is outraged by doing these things—but let us take a cue from this and in the next year try to get these bills in a little earlier.

I thank my friend for yielding.

The SPEAKER. The time of the gentleman has expired.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I yield 2 additional minutes to the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Speaker, I thank the gentleman for yielding me this additional time.

Might I say that I stated to the chairman of the Committee on Rules, when appearing before that august committee, that the reason the Foreign Affairs Committee was reporting the bill at such a late date was because the Committee on Foreign Affairs did not receive the foreign aid message from the executive branch until the latter part of May. Hearings began immediately after the Memorial Day holiday. A very controversial point in the bill—the overseas private investment corporation proposal—necessitated lengthy hearings. It was necessary that we study that proposal in depth. The authorizing Committee on Foreign Affairs had intended and did give every member of the committee an opportunity to present amendments. The Foreign Affairs Committee extended every opportunity to interested Members and private individuals to be heard on amendments and principles contained in the bill.

If there were Members of this Congress who had amendments to the foreign affairs bill we welcomed their proposals. The Foreign Affairs Committee requested a rule as soon as we possibly could. For the purpose of emphasis I shall insert the committee action as listed in the report accompanying the aid bill, H.R. 14580:

COMMITTEE ACTION

On May 28, 1969, the President sent to the Congress a message transmitting proposals to redirect our efforts in foreign aid (H. Doc. 91–122), which was referred to the Committee on Foreign Affairs.

On June 2, 1969, the Congress received a letter from the Acting Secretary of State, transmitting a draft of proposed legislation "to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic, economic, social, and political institutions" (Executive Communication 818, which was referred to the Committee on Foreign Affairs).

On that same date, the Honorable Thomas E. Morgan, chairman, Committee on Foreign Affairs, introduced the bill H.R. 11792, which was referred to the committee.

Hearings on H.R. 11792 began on June 9, 1969, and continued through August 1, 1969.

The committee met in executive session during August, September, and October to mark up the bill, and on October 30, 1969, a clean bill, H.R. 14580, was ordered favorably reported by a vote of 28 ayes, 8 noes and 2 answering present.

The gentleman from Wisconsin is not blaming the Committee on Rules at all, but I do not believe that the Committee on Appropriations should be permitted under a rule waiving points of order to include legislation in an appropriation bill. This practice must stop. Concerned Members of the House were told it would stop in the last Congress, and in Congresses before. Unless the Committee on Rules denies rules waiving points of order, the Appropriations Committees will continue in their past habits.

Mr. COLMER. Mr. Speaker, I again will say, if the gentleman will yield further to me, that I have great sympathy for his position. I know of but one thing we can do under the circumstances, and that is what I propose to do. I am going to vote against the bill.

Mr. ZABLOCKI. I am tempted to do likewise.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, with regard to the rule, there are two things that it does: When an appropriation committee reports a bill that is supposed to lay over 3 days, and we have waived points of order on that. The second thing is that we are waiving points of order because the bill has not passed the Senate.

In all fairness to the Committee on Rules, we are only trying to expedite matters around here. The gentleman from Wisconsin, or any other member of his committee, had the right to come before the Committee on Rules yesterday when this rule was presented to us, and make his presentation and his objections at that time.

If criticism is going to be leveled around here then their committee ought to take a great part of the criticism.

Why did they take so long to submit a bill to the floor? Why is it almost the eve of Christmas when we are taking action on this matter, when we should have acted on it a long time ago? It is because the committee members themselves were lagging. Do not put all the criticism on the Committee on Rules.

Further, in that regard, if there are cuts in this budget in which they are not satisfied, there is going to be a time when the bill is authorized by the Senate, and there will be a conference committee. They can work out and agree on the differences. There will be the opportunity at a later date to go before the gentleman from Louisiana (Mr. PASSMAN) and ask for a supplemental budget.

But I do not think because this committee took so long that the Committee on Rules should take the brunt of this, or that this House should be in session this long without the committees acting.

For that reason, Mr. Speaker, I hope that the rule is adopted.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman from Massachusetts yield to me since he mentioned my name?

Mr. O'NEILL of Massachusetts. Yes, I will be happy to yield to the gentleman.

Mr. ZABLOCKI. Mr. Speaker, I wish to point out to the gentleman from Massachusetts that the bill, H.R. 15149, was introduced yesterday, December 8, 1969. The report accompanying it was issued on the same date. The rule was granted on the same date.

How could the members of the Committee on Foreign Affairs or the distinguished chairman of that committee, the Honorable THOMAS MORGAN, appear before the Committee on Rules in protest of some of the provisions in the appropriation bill? If the gentleman will yield further, I am not solely concerned about the cuts in funding amounts. I am primarily referring to the nine or 11 pages of legislation contained in the bill. Members of the Foreign Affairs Committee did not appear because we were not aware of the legislative provisions in the bill.

Mr. O'NEILL of Massachusetts. Mr. Speaker, in reply, all I can say is when I left the Congress last Friday to return to my home in Boston, I knew at that time that the Committee on Rules was going to meet on Monday morning and I knew that this bill was going to be before the committee.

It seems to me that the Committee on Foreign Affairs should have taken cognizance of the fact that the Committee on Rules was going to have a hearing and, therefore, they should have had a Member or a member of the staff there present to see what happened and what was transpiring.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15149) making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to not to exceed 3 hours, the time to be equally divided and controlled by the gentleman from Kansas (Mr. SHRIVER) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 15149, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Louisiana (Mr. PASSMAN) will be recognized for 1½ hours and the gentleman from Kansas (Mr. SHRIVER) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Louisiana (Mr. PASSMAN).

Mr. PASSMAN. Mr. Chairman, I yield myself whatever time I may use.

Mr. Chairman, at the outset I think we should set the record straight.

There is no legislation in this bill other than legislative provisions that we have carried in the bill in previous years. We have added several new limitations this year which we will discuss later. There are only two exceptions. One is the foreign military credit sales program, which has not been authorized yet, and the committee added $650,000 for a hospital and home for the aged in Israel, which was not in the House-passed authorization bill.

I do not want to have the Committee on Appropriations assume the blame for consideration of this bill by the House at this late date. We are only 16 days away from Christmas. I know the Members want to go home. I have been cooling my heels around here for some months waiting for an authorization bill. I spent 300 hours on my subcommittee hearings and I concluded them so long ago that I had to go back just recently and read the hearings to realize that this bill is for the fiscal year in which we are operating now.

I do not know why the Foreign Affairs Committee is so sensitive. We are operating under a completely legal rule. These are the procedures we follow when the business of the House gets bogged down. I do not think that that committee is holier than thou; neither do I think the Committee on Appropriations is holier than thou. It is a question of doing the right thing at the right time so that the Members can finish their work and go home for Christmas.

I am going to have to assume that most of the dissatisfaction about this bill is brought about by the very substantial reductions made by our committee. I want to, if I may, read an article from the local press. It is not very complimentary:

Acting with characteristic blind irresponsibility, however, OTTO PASSMAN'S aid appropriations subcommittee slashed the figure to $1.6 billion (against $1.75 billion finally appropriated last year); the Passman massacre is likely to be confirmed on the floor.

I certainly hope it will be, and if that is being irresponsible, I wish we had more irresponsible committees, because we are spending money we do not have for things which we do not need trying to be everything to everybody all over the world.

I want to say that it has been my privilege to walk into the well of this House for the 15th year to handle the foreign aid appropriations bill. I am going to give you some information on the first 14 years it was my privilege to handle the bill. The budget asked for $54,963,341,250. During that same period Congress—and I give the Foreign Affairs Committee credit for making some reduction, but most of the reductions were actually made in the Committee on Appropriations—actually reduced the budget request by $11,185,185,500, or an average cut of almost $800 million per year below what the budget had requested, and each and every year, without exception, we left the foreign aid bill overfunded.

There is not a Member on the floor of the House that can refute the accuracy of that statement.

We left the program overfunded and each and every one of those years the program had unobligated funds at the end of the year. And that is also true this year. With all the crying that took place last year about this Committee's recommendation to reduce foreign aid, the program still wound up with a substantial amount of unobligated funds.

Mr. Chairman, this program has been greatly fragmentized. The most astute Members of Congress has difficulty in keeping up with the actual amount of money in the foreign aid program. So for the benefit of the membership I am going to go directly to the record and read these figures:

Item 1 this year, mutual security, as we refer to it, or foreign assistance, the budget request was $2,710,020,000. That is spigot 1.

Item 2. Receipts and recoveries from previous programs, from previous years, $274,785,000.

Item 3. Military assistance—in Defense budget—$2,230,900,000, previously carried in this bill.

Item 4. Economic assistance—in Defense budget—$76,600,000, previously carried in this bill.

Item 5. Foreign military credit sales fund, $275,000,000.

Item 6. MAAG's, missions, and milgroups, $168,800,000.

Item 7. Export-Import Bank, long-term credits, $1,872,200,000.

Item 8. Export-Import Bank, regular operations, $570,423,000.

Item 9. Export-Import Bank, export expansion program, $100,000,000.

Item 10. Public Law 480—agricultural commodities—$986,600,000.

Item 11. Inter-American Development Bank (FSO), $300,000,000.

Item 12. International Development Association, request 1, $160 million.

Item 13. International Development Association, request 2, $160 million.

Item 14. Asian Development Bank—regular contribution—$20 million.

Item 15. Asian Development Bank—special funds—$25 million.

Item 16. Peace Corps, $101,100,000.

Item 17. Permanent military construction, foreign nations, $255,300,000.

Item 18. Contributions to international organizations, $130,187,000.

Item 19. Educational—foreign and other students—$43,614,000.

Item 20. Ryukyu Islands, $20,651,000.

Item 21. Migrants and refugees, $5,511,000.

Item 22. Trust Territories of the Pacific Islands, $41,612,000.

That makes a total of $10,528,303,000, that has been requested for authorization and appropriation for selected programs of foreign assistance.

In addition to that staggering total of over $10.5 billion, the President has sent a request to the Senate asking for an additional $890 million for the Export-Import Bank, which would bring the total aid program up to $11,400,000,000. This listing includes grant aid, sales, credits, and other programs. That is the grand total.

Now let us go over some of the items in this bill alone, which is indeed frightening. I want the Members to listen carefully, because this is a statement of fact. Last year the requests came in for approximately $10.5 billion for the 22 spigots of foreign aid.

We had in this country what we referred to as the Revenue and Expenditure Control Act. While we were cutting back expenditures in America by closing down projects all over America, and causing some small contractors to go into bankruptcy—some of them had contracts for projects which were 75 percent completed and the funds were impounded and the contractors could not proceed under these contracts—do the Members realize that not one single project of the 4,408 projects and subprojects in the AID program, in 99 nations and five territories of the world, was cut back as much as one dime?

This year, while we are again considering making available the aggregate sum of $11.4 billion, we have a freeze on 75 percent of all new Federal construction in America. I am not fighting that, but I want Members to understand that we are discriminating against our own people in favor of many of the recipient nations of this foreign aid program.

What are we confronted with? We have permitted something to grow up in our Government over which we have lost control. We have 51,936 individuals drawing monthly stipends from the AID Agency—U.S. personnel, foreign nationals, and participants.

This means there are 51,936 ambassadors for more foreign aid who are scattered in 99 nations of the world, with the support of all the ambassadors in those nations.

It is almost impossible for a small committee, spending part time, to stay on top of this mammoth program. I was in hopes that the Foreign Affairs Committee this year would come in and congratulate the Foreign Operations Subcommittee on Appropriations for going into this program and ascertaining the actual need, and not appropriating just what some bureau or bureaucrats downtown wanted. Evidently we are not going to get that commendation.

Let us go into the details of this wild and woolly foreign aid program. Let us take worldwide technical assistance. This year there is an authorization of $200 million. Our committee recommended

$150 million. Why did we recommend this reduction? One of the factors was because upon examination we found one consultant was getting $260 a day, in addition to all his expenses. There is only one other individual in Government drawing a larger salary, and that is the President of the United States.

We found another one drawing $250 a day with all his expenses paid. We found three drawing $200 per day. A listing of these consultants can be found on pages 311 and 312 of part 2 of the printed hearings.

Then the Agency comes along and says they want to allocate this money under a different system. They want us to permit them to go to the universities and the colleges and enter into a contract and give them a certain amount of money to do a job. In my opinion that would deprive our committee of the right of examination to determine how many they have under a contractual basis, how many they have on another basis, and what they are paying them.

While we do not think too well of this new proposal, we are going to let the Agency have a pilot program on that proposal.

There is an awful lot of feeling about another program which the administration says we have underfunded. But we are guilty of overfunding the supporting assistance program last year. Last year the budget request for supporting assistance was $595 million.

After a long and difficult time, we were able to reduce the request by $230 million, allowing $365,000,000, and of course, the Agency screamed bloody murder that this cut would destroy the program, that this money goes to Vietnam, Thailand, Laos, and Korea.

What are the facts? They came in this year, and upon examination this is what we found out: they actually needed only $241,394,000 last year. We gave them $365 million. We found on June 30 they had $55,680,000 on hand unobligated that lapsed because they had no use for it. In addition to that, we found that they had obligated $57,926,700 for projects on which they had not submitted one iota of supporting assistance program justification material.

In addition, we found that they ran a ghost project in South Vietnam. They discovered they would have to use legal bribery and pledge in advance to the Saigon legislature, "If you will pass a land-reform bill, we will give you $40 million." So, lo and behold, on June 27, 3 days before the funds would lapse, they had so much unneeded money, they allocated $10 million to a purely nonexistent ghost project.

I asked the Secretary of State, when he came before our committee, "Is the legislature in Saigon in session?" He said, "Yes." I asked, "Do you know whether or not they have passed this legislation?" He said, "I do not think so." I can assure the Members that he said, "I do not know whether they ever will pass legislation."

Yet these people allocated $10 million to a ghost project so as to obligate a lot of this supporting assistance money.

My friends, there has been much feeling about the supporting assistance program. What did the committee do this year? I want the Members to pay particular attention to this, so they will know we may have again overfunded this program. The committee recommended $300 million in new funds, and also recommended the reappropriation of the $55,680,000 in unobligated funds.

Also, they have another little trick known as obligating funds and then at some subsequent date, when we are home trying to seek reelection, they deobligate those funds and start new projects. This year, if you please, they are going to have $35,910,000 of deobligated funds.

So I say that we are going to allow in this bill funds in the amount of $391,590,000.

Listen to the record. The so-called deobligated $35,910,000, in all probability, will go to $100 million when we go home for a brief Christmas leave, because in supporting assistance in fiscal 1968 they came up meekly and said, "Yes, we are going to deobligate $18,850,000." What did they finally deobligate? $90,669,000.

In fiscal 1969 the estimate of deobligated funds originally was $29,400,000. What did they subsequently deobligate? $61,022,000.

I could go on for hours on this bill, pointing out its weaknesses, and I do regret that my good and able friends on the Foreign Affairs Committee do not have the time to go into the details as we do and establish for the record the actual need and not agree with the wish of some bureaucrat or some bunch of bureaucrats downtown.

The only apology I have is the fact that without exception during my 14 years serving as chairman of this subcommittee we have overfunded the entire program.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I will not yield to the gentleman at this time. I am stating facts and I ask the gentleman to challenge them. I shall not yield until I finish my statement.

Now, Mr. Chairman, let us look at another bogeyman.

Mr. ZABLOCKI. Mr. Chairman, since the gentleman referred to me, will the gentleman yield?

Mr. PASSMAN. I have not used your name. You are only one member of the Committee on Foreign Affairs, are you not?

Now, Mr. Chairman, some of us must assume the responsibility of facing up to the serious situation that we have in America, a public debt of $1,650 billion. when you include the borrowed money and the statutory obligations which say we are going to give you in subsequent years for some services you have previously rendered, and we have created no reserves for these statutory obligations.

Mr. Chairman, every man, woman, and child in this country is in debt to the extent of $8,250 because we do not have the time during which to go into these bills in great depth as is needed to be done rather than taking the recommendations from the bureaucrats downtown.

Mr. Chairman, I want to discuss one item which is the $75 million request which the committee did not approve for the new Overseas Private Investment Corporation, OPIC. What are the facts?

This is a reserve to guarantee credits to people who make investments abroad if their property is expropriated or if the currency is devalued. In other words, it is a guaranteed investment. This idea is 20 years old. About 8 years ago they came in and said, "We need $180 million for the Guaranty Fund and we must have it. It is important. We need to impress the American businessman to make investments abroad." I asked the question, "Is it not true that the full faith and cerdit of the United States backs up these loans?" They say, "Yes, that is correct, but it would be more attractive if we had the money appropriated."

As I said, they asked for $180 million. We gave them $30 million. We cut the request $150 million. Now, this year for some reason or other, they got the Foreign Affairs Committee to authorize $75 million for this account. I decided to do an examination on this particular account. We found we had appropriated $57,422,000 and they had collected as of December 31, 1968, $62,950,000 and as of October 31 they had collected an additional $9.6 million. So, they have $129,972,863 in that kitty.

What is the loss record? During the 20 years of its existence, they have paid out $11,820,000 in claims. So, they have sufficient funds on hand at this time to fund this program for 258 years and 4 months—I repeat, 258 years and 4 months. Despite that loss ratio they said, "We want the $75 million. We are not going to spend it. But if we put it in the fund then it will make it more attractive to businessmen who want to go abroad and make their investments."

If the $130 million were to revert to the Treasury, the investment guaranty program would still have the full faith and credit backing of the United States of America.

Let us go to another item in this bill. You have 39 different agencies and bureaus, not counting all the commercial banks, where American businessmen can borrow money to invest. They can go to three windows of the Export-Import Bank. The Alliance for Progress loan fund is available for up to 50 percent for that type of loan. The same thing is true of the development loans.

More importantly, of course, would be the fact that the American businessmen have the necessary capital and do not need to borrow from the Federal Government. But for some reason or other—and we hope to find out why some day—AID has come up with a proposal now that they will transfer $20 million per year for 5 years out of the repayments to the two Development Loan Funds, to set up a new lending program in OPIC.

This is just another little lending agency being created in the so-called Overseas Private Investment Corporation. There is absolutely no justification for it in my opinion, although there are some Members who feel there is.

Let us go a little bit further—and if you think you can keep up with all these people are doing, you had better have another think about it. There has been complaint about the multilateral organization technical assistance program.

This year we have recommended $88.8

million for this purpose, the same amount that was made available last year for this purpose. As mentioned in the committee report, the committee felt the request for the UNDP—an increase of $29 million—was excessive, so we reduced the total amount requested for this purpose.

For the Indus Basin they have asked for $7,530,000. We have set that out in a separate paragraph of the bill. So they are getting what they asked for.

American schools and hospitals abroad, the committee felt that it should recommend the entire amount.

We get down to the contingency fund. Last year the Congress appropriated $5 million, this year your committee recommends $10 million. This is double what we appropriated last year.

Alliance for Progress loans—at this stage last year we recommended $200 million; that is the identical amount we are recommending in this bill at this time for fiscal 1970.

For worldwide development loans, last year at this stage we recommended $265 million, and you voted for what we recommended. We are recommending this year the same amount, $265 million.

If you look at the actual record you will find that in all probability this program is going to be overfunded, because as of the first 5 months of the fiscal year they have committed themselves to only $217 million. And if you look at the two accounts it adds up, at this stage, to $465 million.

Again, we are not criticizing the great Committee on Foreign Affairs. But some individuals always worry about whether there is a budget request for a certain item.

We do not feel that way—because we are not holier than thou.

In the appropriation for American schools and hospitals abroad, there is a variety of projects numbering about seven. There are no budget estimates for those projects. The great Committee on Foreign Affairs put them in its authorization bill. They put them in without budget justification. We say they are good and we support them.

There are four or five schools in Israel and, of course, the prototype desalting plant where we recommended $20 million to provide enough funds to initiate planning, design, and prepare specifications. The committee will take a good look at this project next year to see how it is progressing.

Mr. Chairman, I have had the honor to chair this committee for 15 years. I am not smart, but I do follow the facts as they are. I would not want to do otherwise anyway.

There are a lot of things in this bill that in my candid opinion, if I were to go into them, we may not get a bill through the House. But I think I should state to the committee that the budget request for spigot No. 1 only, title I of this bill, the so-called foreign aid program, is $2,710,020,000. The bill before you, including the reductions the Committee on Foreign Affairs recommended, recommends a total reduction of $1,110,640,000 less than the budget estimate.

This is just about the same percentage cut we have made in prior years and without exception left the program overfunded.

We are recommending a reduction of $674,140,000 below what was authorized by the House when it passed the authorization bill on November 20.

You know, and I know, and the Committee on Foreign Affairs knows, that this bill has many more stations to pass before it finally comes back to this floor. It would please me very much to be able to say we will bring it back just as we are passing it. But I think it is only proper to call the attention of the committee to the fact that notwithstanding the fact that there is $10,528,000,000 in total foreign aid requests, there is a supplemental estimate for the Export-Import Bank for $890,338,000 over and above that $10.5 billion figure.

I would point out that there is a pipeline of unexpended funds from prior years programs of about $18,708,016,000.

If you want to get a general idea as to how much you have in the pipeline for some of the recipient nations, I respectfully refer you to page 5 of the committee report. Some of these nations have almost a half billion dollars in the pipeline to their credit.

I would respectfully refer you now to page 6 of the report and then you will get a general idea of what overspending in the foreign field has done to this country.

As I stand here talking to you, I can assure you that the deficit in the U.S. international balance-of-payments account in the past 19 years amounts to $36,896,000,000. We only had a surplus in 2 of the 19 years.

In 1956 we had a surplus of $500,000,000. Last year we had a surplus of $93,000,000. But we did not create a surplus by increasing our exports. Last year we had the black satchel man looking into the treasuries of the nations throughout the world, and every time we found a nation, whether it was one of the old aid recipients or one of the new ones, because this country borrowed money to pay for the commodities we gave them, we permitted them to build up a substantial foreign exchange surplus.

So the black satchel man arrived in those countries and said, "We want to borrow some of that money."

Our man arrived in Bangkok, Thailand, and said: "We have given you a billion dollars, but during that same period you have built up a surplus foreign exchange amount of over a billion dollars. Now we want to borrow back from you $250,000,000."

This is the way that works. We are going out and borrowing American tax dollars to ship the commodities to them and letting the U.S. Treasury pay the bill. That saves the foreign exchange they earn and permits them to build up their foreign exchange account.

We told Thailand we want to borrow $250,000,000. They said "No," but after a lot of pleading they agreed to let us borrow $100,000,000."

What are the terms? We will pay it back to them in 4½ years at 6-percent interest.

I am not going to go into all of that. I want to counsel with you. Our Nation gives them a billion dollars in aid which permits them to build up a billion dollar surplus foreign exchange. Then we go out and borrow it from them, but we have to pay it back in 4½ years plus 6-percent interest.

This is the way that program operates. If I were to go any further into it, you may defeat the bill. There is a lot of information in this committee report, and if you read it, this committee may have your commendations and not your criticism.

My friends, I am the biggest hawk on the Hill. When my country is at war, I support it. We are in trouble, and you know that we are in trouble, in many spots around the world.

Several years ago I made up my mind that I would be a hawk. I remember we lost 30,000 young men in Korea, and we have lost 40,000 in Vietnam. We have a few allies around the world. I think we are committed in Korea, where it cost us $2.5 billion to win the war. The figures are classified, but we have thousands of American soldiers there today.

In my candid opinion, if the doves, the hawks, or even the hummingbirds would read the secret reports I am going to make available, they would be here seeking to help correct this deficiency. It is tremendous.

If we consider Nationalist China, I can assure you that they are today spending tens of millions of dollars to purchase military hardware from us. This year they are going to spend some $50 million cash in the United States. You and I know that I cannot reveal top secret information. But I want the hawks, the doves, and any Member to come and read these secret letters. If they do, I do not believe they could possibly support an amendment to take the $54.5 million out, unless it is done on a personal basis, and I trust it shall not be. I want to debate the question on its merits. I do not want to hear the statement that there was no budget request. The policy in the Far East has been fixed, and it has been fixed for many years. The only thing we must do now is to decide at what level we shall replace obsolete equipment. The budget is nothing more than a guide. There is nothing sacred about that budget. I should like to ask those who argue that there is no budget request, about the other bills, covering some $2,985,000,000, that they increased without any budget request whatsoever.

And I want to discuss another project if you are going to get into the subject of budget requests. It will touch on a sacred agency, and we will have some warm debate. I ask you to take into consideration the direction in which we are traveling and how hard your committee has worked for many years and has now saved in excess of $12 billion.

Mr. Chairman, since the creation of this foreign aid program it has gone into 121 nations and seven territories of the world at an aggregate cost of $182,583 million. That figure itself should be convincing that we have gone too far afield with the foreign aid program. We have brought all the nations of the world in but 14, and some of the nations that we were once fighting, are getting money out of this program.

Mr. Chairman, I refer the members of the committee to the printed report of the committee.

Mrs. HANSEN of Washington. Mr. Chairman, will the distinguished gentleman yield?

Mr. PASSMAN. I am pleased to yield to the gentlewoman from Washington.

Mrs. HANSEN of Washington. I would like you to clarify the explanation of the $12 million for the United Nations Children's Fund, found on page 13 of the committee report. Is it not true that this amount is a "floor" and not a "ceiling" for the Children's Fund?

Mr. PASSMAN. The gentlewoman is absolutely correct. In previous years we had funded the U.N. Children's Fund at $12 million.

Last year we increased it by an additional $1 million because it was an anniversary, so they got $13 million. This year we thought we would return to the original figure, that no less than $12 million would be available, but there is no limitation. If the Department should decide they need $15 million, of course, then the legislation is broad enough to take care of it.

Mr. Chairman, I commend the gentlewoman for the great contribution she has made for funds for the Children's Fund. She has interrogated on this item every year and has made very sure that this item was adequately funded. I am very pleased the gentlewoman did ask this question so we could make this legislative history.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, I thank the gentleman for yielding. I do not rise at this time to take issue with the gentleman's figures.

Mr. PASSMAN. I commend the gentleman for modifying his feeling, and he will wind up supporting my bill, I hope. Does the gentleman have a question?

Mr. ZABLOCKI. I know figures can be juggled.

Mr. PASSMAN. If the gentleman is making a statement that I juggled the figures, I can assure him I did not.

Mr. ZABLOCKI. I did not as yet accuse the gentleman of juggling anything.

Mr. PASSMAN. I hope the gentleman makes sure he defines what is being juggled. What is the gentleman's question?

Mr. ZABLOCKI. The gentleman referred to the 22 foreign aid facets, listed on page 4 of the committee's report.

Mr. PASSMAN. Yes.

Mr. ZABLOCKI. I know the gentleman is very influential. Would the gentleman advocate the authorization of the funds for the 22 items listed on page 4 should be placed within the jurisdiction of the Foreign Affairs Committee? The gentleman from Wisconsin would like to point out that some included in the list should not be included as foreign aid. Specifically the Migrants and Refugees, Ryukyu Islands, Trust Territories of the Pacific Islands, and the Export-Import Bank, are not foreign aid programs. On the other hand since the gentleman has mentioned other programs such as Public Law 480, Inter-American Development Bank (FSO), International Development Bank, for example, would the gentleman use his influence to see that the authorization for these programs be placed in the Foreign Affairs Committee? The Foreign Affairs Committee could then take a look at all of these programs as the proper legislating and authorizing committee.

Mr. PASSMAN. I am so pleased the gentleman brought up that question. If I go any further into this bill, we may wind up without a bill. The people downtown are specialists in fragmentizing and hiding foreign aid. Does the gentleman realize that they proposed that only a small part is to be handled by the Foreign Affairs Committee?

Here is something I just want to whisk over, because we do not want to go into too much detail. This has grown up in the past few years. We have in this bill, not even included in the $2,710,000,000 estimate, an amount of $665 million for three banks. Let us take the International Development Association. This year there are two requests for $160 million each, totaling $320 million. What are the terms for IDA loans? Here are the terms: Fifty years, no interest, with a 10-year grace period, then 1 percent per year repayment of principal for 10 years, then 3 percent a year for the next 30 years. There is only three-fourths of 1 percent service charge for handling the loan.

IDA was created, I assume, because they detected other types of aid would go down, so they started creating these banks. If the gentleman will look at the total bill, he will find items totaling $665 million for these three banks which are also foreign aid and assistance but which are not included in title I of the bill, the so-called foreign aid program. So the gentleman is correct. This is only a small part. But the recapitulation is correct.

Mr. ZABLOCKI. I am not questioning the recapitulation. I am questioning whether some of the programs and agencies mentioned should be considered as foreign aid.

Mr. PASSMAN. I believe I can give the gentleman a better explanation. May I explain it so we can all understand it?

I have a friend in Monroe, La., who was an alcoholic. I went down and asked about him, and they said that old John had given up whisky. He had been on that stuff so long I did not think he would ever reform. Then, 3 months later, I went down and asked about old John. They said he was in the hospital. I asked, "What is the trouble?" They said, "Alcohol." I said, "I thought he gave up whisky." They said, "Yes, he did. But he is now on vodka."

That is the way this program is. They switched to a different brand, but it is still foreign aid.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. ZABLOCKI. Not being a drinking man, I would not know the difference.

Mr. PASSMAN. I do not drink, either.

Mr. ZABLOCKI. The gentleman's story reminds me of an earlier reference of the gentleman from Louisiana. In his opening statement the gentleman insisted that this bill does not contain any legislation except in two little instances. That is like being just a little bit pregnant.

Mr. PASSMAN. Let me repeat what I said. This bill does not contain any legislation. It includes only limitations we have been carrying in this bill for years and years. The only two exceptions would be the foreign military credit sales program and a small project in Israel, plus, of course, some new limitations the committee felt was necessary.

The other provisions we have carried in this bill year in and year out. Technically, I could say perhaps everything in the bill, if you want to get technical, the Foreign Affairs Committee should have looked at.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield further?

Mr. PASSMAN. I yield.

Mr. ZABLOCKI. I want to compliment the gentleman——

Mr. PASSMAN. I thank you for the compliment.

Mr. ZABLOCKI. For striking out the $75 million for OPIC.

Mr. PASSMAN. I knew the gentleman wanted it out, and that is why we took it out. I had reason to believe that, and we were glad to take it out for him.

Mr. ZABLOCKI. May I ask one final question?

Mr. PASSMAN. Yes.

Mr. ZABLOCKI. As the gentleman from Louisiana knows, the gentleman from Wisconsin is deeply interested in the military assistance program.

Mr. PASSMAN. Yes.

Mr. ZABLOCKI. The authorizing committee did include $50 million for Korea.

Mr. PASSMAN. Yes.

Mr. ZABLOCKI. And on the floor of the House during the consideration of the foreign aid bill $54.5 million was added for Taiwan. I noticed the Appropriations Committee has stricken the $50 million for Korea but has retained the $54.5 million for Taiwan. Would the gentleman enlighten the House, the members of the committee the justification and the logic for the committee's action? What was the reasoning? Did the Appropriations Committee hold hearings on these items?

Mr. PASSMAN. If you start using logic you are really going to embarrass me, because I am afraid we do not use too much logic in considering both the authorization and appropriation bills for foreign aid.

Mr. ZABLOCKI. Undoubtedly the gentleman would agree, however, we ought to return to logic?

Mr. PASSMAN. I am just as strong for the $50 million for Korea as I am for the $54.5 million for Taiwan. I pleaded with the members of my subcommittee not to take out of the $50 million for Korea. I supported it in my subcommittee.

We move on to the full committee. Again I supported an amendment for $50 million for Korea. I turned to my distinguished chairman yesterday, when it was defeated, and I said, "I must reserve on this, and if the rules will permit, if there is an amendment offered to put $50 million back for Korea, not only am I going to support it but also I am going to speak for it, because I know you know this is a very small percentage of the amount needed over there if we are going to protect our boys."

I support you. I have supported you. I have supported you at every station. I am going to support you if an amendment is offered to put it back.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. I note that when the Secretary of State appeared before the Foreign Relations Committee of the other body a few days ago, he said "we appear to be cutting back on our share of the job." In other words, we are not carrying out our share of the foreign handout load. Would the gentleman care to comment on this statement?

Mr. PASSMAN. The Secretary is a very personable type of fellow. This is standard. He picked it up. It was put in the direction books some 15 years ago. I am very fond of him.

This is the same type of statements they have made in previous years. I have reported this bill in my committee, and I have seen the white envelopes slipped under the door to my chairman, not to my present chairman but to a previous chairman, and to the ranking minority Member, saying, "Do not cut it. There are grave consequences."

So this does not cause me any alarm. That is the stock answer, the stock justification.

Mr. GROSS. And, I note that the Director of the foreign give-away outfit, Mr. Hannah takes the same view.

Mr. PASSMAN. That is the stock line.

Mr. GROSS. I wonder if the gentleman has ever inquired into the amount of money that has been allocated to Michigan State University and to the University of Michigan through the years? This so-called foreign aid program has been a bonanza for those two institutions. I tried to get together some figures for this occasion and it seems to me that it now runs to about $40 million, and there are open contracts in existence dealing with those two institutions. Dr. Hannah as the former president of one of those institutions had an interest in these lush contracts.

Mr. PASSMAN. May I say to the distinguished gentleman I think Dr. Hannah is one of the most dedicated Christian men I have ever met. I think his integrity is absolutely unimpeachable. I do not believe Dr. Hannah would under any circumstance recommend a contract for Michigan State University that could not be justified as a contract for any other college or university. I feel that way about the gentleman. I do not know that he knows anything about foreign aid. He knows what he is doing in supporting foreign aid and he knows only what we are going to give him.

Mr. GROSS. Anyway, those Michigan institutions have been and still are doing very well on contracts with the AID organization.

Would the gentleman address himself to the proposition of the obligations and commitments of money as of June 30, the last day of the fiscal year?

Mr. PASSMAN. Well, I might say this, that these people get very busy beginning about June 25 and the amount of work they do between June 25 and June 30 would justify three times the amount of salary they are receiving based upon how much money they can obligate in the last few days of the fiscal year. Does that answer the gentleman's question?

Mr. GROSS. They seem to have done an extraordinarily good job in shoveling out the money at the last minute.

Mr. PASSMAN. That is the period of time from which most of your deobligations eventually occur. As I say, I want to be complimentary about this bill because I want to see it passed but if I keep on talking, I might defeat it.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Yes, I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. The gentleman from Louisiana has said that his committee has taken a look at the actual need of the various programs prior to making recommendations. I have three questions.

Mr. PASSMAN. Yes, sir.

Mr. FRELINGHUYSEN. The first question is this: What is the justification for the very substantial cut in the development loan program for Latin America?

Mr. PASSMAN. Let me answer them one at a time.

Mr. FRELINGHUYSEN. The other question is, What is the purpose for these cuts in the development loans, generally?

Mr. PASSMAN. We are recommending the same amount for Latin America now that we recommended last year and that is $200 million. We have been into this fiscal year for a total of over 5 months and the gentleman will find that there is a considerable amount of money in that fund. I refer the gentleman repectfully to this report. Last year we recommended $200 million and this year we are recommending $200 million in this bill. In addition to that, you may find all kinds of spigots of foreign aid for Latin America. There is a pipeline of unexpended funds of about $1,162 million.

Mr. FRELINGHUYSEN. Mr. Chairman, if the gentleman will yield further, the gentleman is looking solely at the past, and not at this year's request.

Mr. PASSMAN. I am looking at the unexpended funds. After all is said and done, are we ever going to be able to say that now we can start going back the other way? Does this mean that for the remainder of our lives we must dissipate everything we see, hear, and taste? Is there a law that says that we must burn up the entire resources of America? I think they are doing very good to get the same recommendation this time as they did last year, $200 million. They do not need the $200 million, but we recommended the $200 million.

Now, the next question, please.

Mr. FRELINGHUYSEN. I assume the answer to the next question will be the same.

Mr. PASSMAN. I am giving you the best answers I have.

Mr. FRELINGHUYSEN. But if your same line of reasoning is applied to my question, I think I know the answer.

Mr. PASSMAN. What is the answer? Go to the next one, if you know the answer. I do not want to argue, but I am trying to save time.

Mr. FRELINGHUYSEN. If the gentleman would let me ask the question, why was so substantial a cut made in the Development loans, worldwide, not Alliance loans, but other loans? You recommend only 40 percent of what was requested.

Mr. PASSMAN. I can only say this to the gentleman. Development loans, worldwide, again last year we had some $265 million at this point. This year we are again recommending $265 million, the same amount we recommended last year.

Mr. FRELINGHUYSEN. This is simply looking backward.

Mr. PASSMAN. I do not know whether you call it looking backward or looking forward, I think it is looking forward because we are borrowing this money to give away and some day we might have to be called upon to pay it back.

Mr. FRELINGHUYSEN. I do not know what figures the gentleman is using. The report on page 22 says that $300 million was appropriated last year, but your recommendation this year is $265 million.

Mr. PASSMAN. I have to clarify my answer to the gentleman's question. I said at this time. We came to this floor last year recommending $265 million. We are on the floor today recommending $265 million. If it goes over to the Senate, they may increase it, and in all probability there will have to be a compromise.

Mr. FRELINGHUYSEN. If I could ask the gentleman one final question regarding the cutback in the multilateral programs: Is this attributable to a feeling that too much is being requested for the United Nations development program?

Mr. PASSMAN. Yes.

Mr. FRELINGHUYSEN. If that is the reason, why does the committee feel that way?

Mr. PASSMAN. Let me say to the gentleman—and I am very fond of the gentleman, I like to kid the gentleman because the gentleman is a good kidder.

Mr. FREYLINGHUYSEN. I thank the gentleman for the compliment—if it is one.

Mr. PASSMAN. It is a compliment. I am a lover always, not a hater; I am not a great foreign aid enthusiast.

I believe that if you go to page 13 of the hearings you will find the answer where, if you look at the multilaterial organizations, we are recommending $88.8 million. Is that true, or is that what you find? $88.8 million?

Mr. FRELINGHUYSEN. That is what the gentleman is saying. However, that is a substantial limitation from the request.

Mr. PASSMAN. I am going to explain to the gentleman what has happened—and I do not believe there are 20 experts in America who can match wits with the 51,000 people, directly and indirectly, who are spending their full time finding ways to give away our money.

First, they have changed its name. The name of it now is Multilateral Organizations, whereas previously it was International Organizations and Programs. The $88.8 million is recommended in new funds under the new name Multilateral Organizations. There is $19.6 million carried now under Supporting Assistance, which was previously carried under International Organizations.

In addition to that, last year they requested $17.6 million for the Indus Basin. They carried that under International Organizations and Programs. This year they deleted that likewise from the new appropriation, and they are

funding that as a separate item, $17,530,000, as you will find in the report, and we are recommending the full amount.

Mr. FRELINGHUYSEN. I might say that the gentleman has not answered my question at all, although he may have made a basis for an answer which he may still provide.

I understand from page 12 of your report that $122 million is requested, but something like $88 million is going to be recommended.

That means that something is going to have to be cut very substantially. The fact that certain programs are no longer included among those listed on page 12 is completely irrelevant to my question.

Mr. PASSMAN. I am going to make it abundantly clear that we are funding this program in accordance with the new name, and if you return to the new name the two programs that they transferred out of the old name, then you are going to come up with full funding.

I make that for a statement of fact. Subsequently, if the gentleman will take the time and give me a couple of minutes, I will convince you I am right.

Mr. FRELINGHUYSEN. I hate to impose on the gentleman's time.

Mr. PASSMAN. The gentleman is mixing up the budget request with the authorization of last year's appropriation and what we are doing at this point.

Mr. FRELINGHUYSEN. This gentleman is not doing any such thing. I am referring to the figure on page 12 which states $122,620,000 is needed. I am saying, if you only provide something like $89,000,000 for these same programs—and not some other programs—I am not talking about any other program—how will there be enough to finance these programs?

Mr. PASSMAN. I want to give you the grand total, so that the gentleman will understand—we are not reducing this from $126,000,000 to $88,800,000; am I correct there?

Mr. FRELINGHUYSEN. I think the gentleman is wrong, as I understand him.

Mr. PASSMAN. I can assure you I am not. I will be glad to reconcile this difference later for the gentleman.

Mr. FRELINGHUYSEN. This discussion proves the difficulty of legislating on the floor. I do not think there is any possibility of reconciling this.

Mr. PASSMAN. I will bring this paper directly to you so that you will get the correct record later and say that I was correct.

Mr. Chairman, I think this is as well balanced a bill as you can expect your committee to bring out. I want the committee to understand that the amount of the reductions made this year, percentagewise, is about the amount of reductions that we have made in prior years—make no mistake about that. Past experience has taught me—and the record is on my side, that we are again overfunding some of the programs.

But there has been so much noise and so much pleading until we were actually afraid to go any lower.

Mr. Chairman, I am going to support this bill and I certainly am going to support the amendment to provide the $50,000,000 for Korea.

I wish, if you would, recognize that this is my job. I spend some 400 to 600 hours every year on this bill. I think I understand it as well as any Member could possibly understand it.

I hope the Committee of the Whole House on the State of the Union will give this Committee a vote of confidence so that we may in subsequent years, as we have in prior years, continue to work for you and bring information to your attention by mail and on this floor which would justify your full confidence and your enthusiastic support.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Louisiana (Mr. PASSMAN) has consumed 1 hour.

Mr. SHRIVER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the subcommittee held many weeks of hearings on this bill under the leadership of the distinguished chairman of the committee, the gentleman from Louisiana (Mr. PASSMAN).

I certainly want to give credit to the members of this subcommittee who have worked along with the chairman and who have heard many, many hours of testimony—reams of testimony. The members of the Foreign Operations Subcommittee differ at times and we do not always agree on priorities as to where reductions could be made or increases made in the program. It certainly has been a pleasure for me to sit with the members of this subcommittee and to discuss this program since early in the year—and we concluded our hearings in late July.

Mr. Chairman, your Appropriations Committee has reported to the House the lowest foreign aid recommendation in the history of these programs. While the amounts recommended for the various categories will be strongly debated here today, I would like to take just a few minutes to discuss the long-range significance of our actions on this bill.

Some will say that the primary reason for the $1.1 billion cutback from the administration's foreign aid request is the lack of a constituency for these programs in an America beset by wartime and domestic priorities. There is some truth to that.

Some will say that the 40-percent cut in economic and military assistance stems from the disillusionment of former supporters of our aid efforts, due to deep involvement in the internal affairs of the recipient nations which accompany such efforts. There is also truth in that.

Others will point out the growing frustration of a generous and charitable people who have seen over $120 billion of their taxes spent for economic and social development overseas, then have waited with amazing patience for improvements which seldom came. We have all observed this frustration in our correspondence and in our opinion polls.

These practical, political observations will work their will on this bill when the votes are taken. My votes in the Foreign Operations Subcommittee, in the full Appropriations Committee, and here on the floor of the House are based this year on an overriding consideration—the future strength and success of our activities in and relationships with the developing world dictate a "bare bones" cutback in our existing foreign aid program now.

Last February, when I was on a foreign aid inspection trip for the committee, one of our top AID administrators in Turkey made an unusually candid observation to me. He said:

Aid too long continued at too high a level becomes counter-productive.

For years our committee has been told by a steady progression of foreign aid administrators, all dedicated men, that salvation for the developing world depended on ever-increasing appropriations levels for the existing assistance programs. Relatively small amounts of these appropriations were to be spent for evaluations of current efforts, but the resulting reports were generally printed and filed, never to be heard from again.

I am disappointed this year to say that the language of the fiscal 1970 budget request has not changed to any marked degree. However, there does seem to be more willingness on the part of the top administrators and the President to initiate increased discussion of the fundamental rationale of our role in the development process. In his foreign aid message to Congress last May, President Nixon called for "a fresh approach" to the problem.

Late in October, the President called for substantial and promising changes in our relationships with the Latin American nations. He proposed greater reliance on multilateral administration of economic assistance activities, less overbearing "leadership" by the United States, and for more emphasis on the developing potential of trade rather than continued dependence on the artificial foundation of aid. In short, the President advocated a badly needed restructuring of our participation in the Alliance for Progress.

There have been indications that some of these basic changes are being considered in relation to our aid programs in the rest of the world. In addition, this truly could be called the year of the foreign aid studies. The Peterson Task Force, appointed by the President as directed by Congress in the Foreign Assistance Act of 1968, is to submit its report on U.S. foreign assistance efforts by next March 31. On September 15 of this year, the Pearson Commission on International Development submitted its 400-page report to the World Bank. The private National Planning Association released an extensive report with recommendations on foreign aid policy last March. Several other private and congressional studies are currently in progress, or have recently reported their findings.

I would direct particular attention to committee print issued on March 24 of this year by the House Committee on Foreign Affairs entitled "Staff Memorandum on What To Do About Foreign Aid." I mention this specific report to point out that some of the questions and recommendations which are now being considered constitute a radical departure from some of our currently held theories about foreign aid.

It is not my purpose to discuss in detail all of the recommendations which are evolving from these studies. In rela-

tion to the bill before the House now which funds our ongoing foreign aid programs for the next 6½ months, it is important only that we acknowledge the existence of these serious efforts to redesign the aid vehicle. Let us remember that if the current foreign aid approach had been successful, these studies would not have been initiated. It makes no sense to continue funding at a high level the ongoing programs which have not worked, and thus add more superfluous projects to a gerry-built aid structure which has proved that it cannot work.

The present administration has determined that continued foreign aid is in our national interest. The appropriation recommended by the committee, with a few exceptions, will provide adequate funding for a low-level program pending the major redirection in our aid programs and a redefinition of the aid process itself which must come early next year.

An exception I have taken to the committee's recommendations concerns the reduction of over one-fourth of the House-authorized amount for the supporting assistance category. In the report accompanying this bill it is stated:

> The committee expects that in allocating the funds provided by this appropriation action will be taken to the maximum extent possible to assist in the Vietnamization of our programs in that country.

With the amount recommended, this cannot be done.

The President has pledged to the American people his intention as Commander in Chief to Vietnamize the war and to bring our troops home as soon as this process has succeeded. The original request for the supporting assistance funds deemed necessary for Vietnam in fiscal 1970 was $440 million. The House, in the authorizing legislation, cut the amount for all supporting assistance by $100 million, or to a total which is over $25 million below the amount needed for Vietnam alone.

Other supporting assistance program requests, such as those for South Korea, Thailand, Laos, Nigerian relief and U.N. peacekeeping activities in the Middle East, total more than $137 million. Even with a carryover of $55 million in the supporting assistance account, the total amount available for fiscal 1970 would be only $355 million, or $85 million short of what is estimated to be necessary for Vietnam.

There is no other item in our economic assistance programs which deals more directly with our own national interests and security than the supporting assistance category. Especially at a time when, by continuing and increasing our financial support for the Government of Vietnam, we can hasten the day when American combat troops will no longer be needed in that tragic war, we must not practice false economy here.

For the most part this is a good bill and I intend to support it.

The CHAIRMAN. The gentleman from Kansas consumed 10 minutes.

Mr. SHRIVER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I have been a member of the distinguished Subcommittee on Foreign Operations for 11 years now. During that time, I have consistently raised my voice in support of effectively planned and efficiently administered foreign assistance programs. I do so again today, and ask my colleagues to take a very careful look at what has happened to these programs.

To cut out foreign economic assistance would be to turn off the lights of the less developed world. That, however, is precisely what this body will be doing if it accepts all of the committee's recommendations.

The House authorized a bare bones budget of $1.8 billion for economic assistance under title I, and the committee cut those bones up into a thousand pieces. Our recommendation—$1.2 billion.

This is not surprising to me, but it is still a tragedy. Every time I have called for continued economic aid, that budget has been sliced and the military aid budget has been stuffed in its place.

As my colleagues will note, I filed supplemental views to the committee report. I was joined in them by my distinguished colleague, the gentleman from California (Mr. COHELAN). I strongly recommend that you read them because they raise questions that each of you will have to resolve in your own minds before voting on this bill.

Opposition to foreign aid stems from a variety of factors. One is the failure to distinguish military assistance from economic assistance. The result of this failure is all too clear—the widespread bitterness toward military programs that have tied us down all over the world has carried over to our economic programs.

This is unfortunate because it is through small and calculated economic investments—not large and misguided military adventures—that the best interests of the United States are served.

CONTE AMENDMENT

I have long felt that the United States should not become the weapons arsenal for the so-called free world.

It is bad enough when the recipient can afford our new and shiny weapons. It is even worse when the recipient cannot, and that is precisely why I amended our bill back in 1967 to prohibit the transfer of sophisticated weapons to underdeveloped countries.

In view of current efforts to water down my amendment, I would like to explain what the committee did with it.

You will note that in the second proviso under military assistance, we have retained a general prohibition on the use of aid funds to furnish sophisticated weapons to underdeveloped countries. There are five exceptions—Greece, Turkey, China, the Philippines, and Korea.

We have also retained section 119, the penalty clause. The President must withhold in economic assistance the amount a less-developed country, except the five just mentioned, spends on sophisticated weapons. This is mandatory, unless the President himself determines such purchase is important to our national security and reports such determination to us in 30 days.

The addition of new section 120 does not change what I have said.

In other words, the intent of the committee is to retain the Conte amendment as it was. I certainly support this action because, as I have said many times in the past, these countries do not have the money to waste on elaborate weapons systems.

JETS TO CHINA

By the same token, I do not believe we should give away sophisticated weapons to any nation just because it is excluded from the provisions of my amendment—especially when they are neither requested nor wanted by the President, the State Department, the Agency for International Development, or the Defense Department.

This, however, is precisely what happened in the case of the jets for the Republic of China. Over the strong objection of 169 of its Members, this body authorized $54.5 million for this outright gift. And the committee, I regret to say, went right along with it.

I strongly oppose this appropriation because there has been no justification whatsoever for it.

To begin with, I am deeply disturbed over the fact that no request was ever made for the planes, and over the circumstances surrounding its unexpected inclusion in the authorization bill. I think by colleagues should be equally disturbed.

Moreover, even during the very limited floor debate on this surprise move, serious doubts were raised about whether Taiwan had any real military need for the jets. One such doubt is that Communist China may very well not have the capability to invade the island republic.

It was also pointed out that Israel, which in contrast to China is faced with daily military threats, paid in full for the jets we sent her. The appropriation we are considering, however, is nothing more than a big fat $54.5 million handout at the expense of the American taxpayer.

This handout is as unnecessary from an economic point of view as it is from a military point of view. The economy of Nationalist China is booming—triggered in large part by some $5 billion in U.S. assistance over the last 20 years.

Now I ask my colleagues very pointedly—how do we know whether China needs these jets? Floor debate consisted of some five pages in the RECORD. No supporting material was sent up to Congress. In fact, barely anyone knew anything about these jets until that fateful day in November—the 20th to be exact—when an amendment was offered calling for the expenditure of $54.5 million of the taxpayers' money.

We are already half-way through fiscal 1970 and at the end of calendar 1969. Why, then, not wait on these jets and consider them at a later date in the new budget, or even now in a supplemental request? I might note that the Appropriations Committee is currently holding hearings on several supplemental budget requests.

Either way, the delay would give us a chance to question the right people, including Secretary of Defense Melvin Laird, about the need for them. I urge my colleagues as strongly as I can to adopt a wait and see attitude, and take a very, very hard look at this item.

My guess is that, if we do this, we will knock the money out. This action not only would save the taxpayers something, but also would improve the overall aid program.

For this reason Mr. Chairman, I plan to introduce an amendment at the appropriate time to delete these funds. I urge my colleagues to join me in supporting that amendment.

MILITARY ASSISTANCE PROGRAM

The problem of these jets is tied in with the entire question of what the relationship between economic and military assistance should be. As you can see from the budget, this relationship is just plain lopsided.

The committee recommended nearly $1.2 billion for economic assistance and $350 million for military assistance, not including the $54.5 million for jets to China, under title I of the bill.

Now for one who believes that economic assistance should take priority over military assistance, this all seems reasonable enough. It is not, because this is not the end of the story.

The military appropriation under title I is only a drop in the bucket compared to what we really give out. The fact is that an additional $2.2 billion comes out of the Defense Department budget to finance free world military assistance forces in Vietnam, Laos, and Thailand.

And this is not the end of the story either. When you add in military credit sales under title II, international military headquarters and agencies, NATO, MAAG's missions and milgroups, the grand total for fiscal 1970 reaches $3.2 billion—or nearly three times the economic assistance provided under title I.

It is also interesting to note that more than two-thirds of that $3.2 billion—specifically $2.5 billion—is funded by Department of Defense appropriations under a separate bill.

Our military interests permeate the far reaches of the earth. We give this money out right and left, often without regard to its need, and sometimes even in spite of the recipient. In the latter regard, I would cite the reported $40 million we paid the Philippines and the $1 billion we are paying Thailand to stand by us in Vietnam. It looks like we have to beg these countries to let us "save" them.

In spite of all this, we did not cut one penny from the regular military assistance authorization of $350 million, or the military credit sales proposed authorization of $275 million.

ECONOMIC ASSISTANCE PROGRAM

I am sorry the same cannot be said for the economic assistance authorization. However, as I noted at the outset, the committee cut some $600 million from the title I authorization of $1.8 billion.

I would like my colleagues to join me now in taking a look at these cuts, and I am only talking about cuts from the authorization—not cuts from the original request.

The committee cut $108.8 million from the authorization for technical assistance, and recommended only $313.8 million; or to put it another way, the lights in the less-developed world have been dimmed by that amount.

Technical assistance is the heart of our foreign aid program. It applies American technical and professional expertise to the problems of the developing countries.

It is what you read about when we go into the farmlands of a needy nation and help them produce a new grain of rice or a greater quantity of wheat per acre.

It is the bread and butter of our efforts to improve the basic quality of life in these countries. And it is what the committee has once again cut into a thousand pieces.

The committee cut $114.6 million from supporting assistance. It just happens that the bulk of this money goes to Vietnam where it is directed to the peace effort, not the war effort. It covers pacification, Vietnamization, land reform, and the like.

Thus, it represents the direction in which we should be moving. Nonetheless, the committee saw fit to cut it by more than 25 percent.

The committee cut $137.5 million from Alliance for Progress development loans, and recommended only $200 million. It did this in spite of the Rockefeller report and the crisis we are facing in our relations with Latin America.

The committee cut $160.5 million from worldwide development loans, and recommended only $265 million. Thus, it even denied the developing nations the right to borrow—yes, to borrow—enough money for their needs. Incidentally, the administration requested $675,500,000 for development loans.

The highly acclaimed Pearson Commission report was released in October. This comprehensive study of foreign aid comes at an important time—a time when, the report notes, enthusiasm for foreign aid is dwindling just as the drive for economic development is beginning.

The Pearson report also gives a good answer to the question of "Why Aid?" when it appeals not only to morality but also to enlightened and constructive self-interest.

I want to make it clear that I do not approve of these cuts in the economic assistance program. I am not proud of what the committee has done to the hopes and aspirations of the developing nations, and I do not think my colleagues should be either.

The committee seems to have cut this authorization up with an ax rather than with a scalpel. And like the surgeon who cuts freely with his instruments, we too will be called upon to explain our actions—except we will have to do it before the peoples of the developing world.

OVERSEAS PRIVATE INVESTMENT CORPORATION

The committee cuts did not stop here. It went on to knock out the $75 million requested for the Overseas Private Investment Corporation—even though there was overwhelming evidence to the effect that private investment has a real role to play in the aid program.

This is bad economics. In fact, it is among the worst I have seen on the committee. According to testimony I received from the administrator of AID, Dr. John Hannah, this $75 million would have generated some $900 million in new investment.

Or to put it another way, you would get $12 for each $1 invested. I think a ratio of 12 to 1 is pretty good, but apparently it was not good enough for the distinguished committee.

I know many of my colleagues share my interest in encouraging private aid programs. OPIC would have done this, and in an extremely businesslike manner. It would have administered two programs—an insurance program and a guarantee program. It also would have made direct loans using repayments from other loans covered by this bill.

But that is all over now, before it even started. The committee saw to it that OPIC would not get the money it needed to carry on these programs.

There is an $80 million reserve for the $7 billion insurance program, and a 25 percent reserve requirement for the guarantee program. Some $85 million is currently available to satisfy these reserves. However, by the end of fiscal 1971, a total of $165 million will be needed. Without approval of the OPIC request, this requirement cannot be met. In effect, the committee has killed these programs.

The committee has also made sure that the money from other loan repayments would not be available for use by OPIC for direct loans.

The overall impact of these two measures should be clear—no OPIC. Or to put it another way, the committee did not even give the corporation a chance—a chance to save the taxpayers some money and to bring a highly promising innovation to the aid program.

I strongly disagree with the committee on this.

CONCLUSION

The point in all that I have said is that our overall aid program has become self-defeating. Our noble efforts to lift the development burdens of the less-developed nations have been offset by a misguided and unfortunate preoccupation with military adventures—a preoccupation at odds not only with the goals of our economic aid program, but also with the resources necessary to accomplish those goals.

I urge my colleagues to take a very close look at the military assistance program. After you have done that, I urge you to ask yourself whether you think the committee is doing justice to the economic assistance program and the hopes of the developing world.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman from Illinois.

Mr. YATES. Was not the gentleman also joined in his views by the gentleman from Massachusetts (Mr. BOLAND) and the gentleman from Illinois (Mr. YATES)?

Mr. CONTE. I thank the gentleman from Illinois. I meant the subcommittee views.

The gentleman is absolutely correct. Coming out of the full committee I was joined by these two distinguished gentlemen.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman from California.

Mr. COHELAN. I thank the gentleman for yielding. I compliment the gentleman for the excellent statement he is making.

I should like to associate myself with his remarks.

Now, I voted against the authorization bill because of that and I can tell this subcommittee that there are many people who shared my view in the House and, therefore, that issue before us prejudices the legitimate objectives of the bill.

Mr. CONTE. I thank the gentleman from California. Certainly, I am not going to threaten this House as to how I am going to vote, but I must say that after giving this a great deal of thought and consideration and after standing in this well for 11 years in supporting the foreign assistance program, much to the dismay of my colleagues on my side of the aisle—supporting it under former President Eisenhower, former President Kennedy, former President Johnson, and now President Nixon—I have made myself about as welcome as a skunk at a lawn party and I am going to vote against the bill if that provision remains in the bill.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes, I yield to the gentleman from Illinois.

Mr. YATES. Did the gentleman's subcommittee have extensive hearings on military assistance?

Mr. CONTE. Yes, we had hearings.

Mr. YATES. In the course of those hearings was there any testimony offered in support of the provision for $54 million for planes for Nationalist China?

Mr. CONTE. Not a scintilla of evidence, not a scintilla of testimony. This came as a big surprise on the floor of the House during the consideration of the authorization bill.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, was there any testimony taken in connection with the supplemental bill justifying this appropriation?

Mr. CONTE. No supplemental at all.

Mr. YATES. I thank the gentleman.

Mr. ROONEY of New York. The distinguished gentleman from Massachusetts is not exactly correct.

Mr. CONTE. I do not yield to the gentleman from New York. I was going to yield to the gentleman——

Mr. ROONEY of New York. Oh, please do.

Mr. CONTE. If the gentleman wants to discuss some of these other programs in the bill I shall be glad to have a little colloquy with him later.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SHRIVER. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman yield?

Mr. CONTE. I do not care to yield to the gentleman from New York.

The CHAIRMAN. The gentleman declines to yield?

Mr. CONTE. I hate to continue to be bothered by the gentleman.

Mr. ROONEY of New York. Mr. Chairman, if the distinguished gentleman will yield, I am just trying to bring out the facts.

Mr. CONTE. Regular order, Mr. Chairman.

The CHAIRMAN. The gentleman declines to yield.

Mr. CONTE. The gentleman from Brooklyn got treated pretty well in the subcommittee.

Mr. Chairman, we are already halfway through fiscal year 1970 and are nearing the end of calendar year 1969. The gentleman from New York is holding up the secret document. The secret document says that should be brought in under a supplemental budget.

But that is the avenue which should be taken. That is what the secret document says—which I am sure is not secret.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. CONTE) has expired.

Mr. PASSMAN. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York (Mr. ROONEY).

Mr. ROONEY of New York. Mr. Chairman, I do not like to have to call to the attention of the Committee of the Whole the fact that the distinguished gentleman from Massachusetts (Mr. CONTE) has uttered remarks which might mislead the Committee.

The gentleman stated that the Committee on Appropriations, of which he is a member, had no information—not a scintilla of evidence—about these airplanes, these jet fighter airplanes, for the Republic of China Government.

Mr. Chairman, the fact is that information is contained in this top secret document dated December 5, 1969, which I hold in my hand and which the gentleman from Massachusetts himself has read, if only within the past hour. He has had the opportunity to read it previously. Any Member of the Committee of the Whole, as you were invited by the chairman of the subcommittee, the distinguished gentleman from Louisiana (Mr. PASSMAN) may come over here to the committee table and read this document and see how important these airplanes are—and to whose interest—to the interest of the Government of the Republic of China or to the interest of the Government of the United States? They are in the interest of the Government of the United States.

Mr. FRASER. Mr. Chairman, will the gentleman yield at that point?

Mr. ROONEY of New York. I yield to the gentleman from Minnesota.

Mr. FRASER. I understood the gentleman from Massachusetts to ask whether there had been any testimony on the question of airplanes, and I did not understand the gentleman from New York to indicate——

Mr. ROONEY of New York. The gentleman from Louisiana (Mr. PASSMAN) has already stated there was no testimony on this subject.

Mr. YATES. I asked that question.

Mr. FRASER. May I pursue another point on the same subject? We had before us Admiral McCain, who has the responsibility for the Pacific Command. He made the statement in his overall posture statement to the Committee on Foreign Affairs:

> Moving south, another area of Communist pressure is the Taiwan Strait. The Free Chinese defensive forces and the Seventh Fleet would render Chicon attack on Taiwan a foolhardy venture.

Mr. ROONEY of New York. The date, please? Will the gentleman tell us the date of this testimony.

Mr. FRASER. The date of Admiral McCain's testimony is June 26, 1969.

Mr. ROONEY of New York. This document in my hand is dated December 5, 1969. I should like to point out that it was utterly impossible for the Committee on Appropriations to hold any hearings, because it was only approximately a week ago that the authorization for the $54.5 million was inserted by the House in the authorization bill.

Mr. FRASER. If the gentleman will yield further, it was striking that when this subject came to the floor the other day in the Foreign Assistance Act there was no one who was willing or able to get up and indicate why these airplanes were needed, and I have yet to hear a responsible person say that there is evidence that the Chinese Communists have the seaborne capability of sending enough divisions across the strait to pose a major threat to Taiwan. I might say to the gentleman that I, too, have checked some of the classified information, and I find nothing there that justifies any different conclusion.

Mr. ROONEY of New York. I thought the distinguished gentleman from Minnesota was a member of the House Committee on Foreign Affairs. All he needs do is read the item appearing on page 51 of the report of the House Committee on Foreign Affairs on the authorization bill, dated November 6, 1969, which practically invites everyone to offer an amendment to supply these airplanes to the Republic of China.

Mr. FRASER. I am familiar with that.

Mr. ROONEY of New York. I do not know whether the gentleman voted for or against this language in his committee, but the fact is that this is in the report of the majority of his committee. I should like to read briefly a part of this language:

> The Committee on Foreign Affairs has in past years expressed its concern over the military capability of Nationalist China compared to the ever-present threat from the mainland of China. There is danger that the number and quality of aircraft in the Nationalist China inventory may not be adequate to cope with the new and sophisticated aircraft now appearing, in increasing numbers, in the armed forces of Communist China. However, the austere funding of military assistance programs in recent years has limited Nationalist China's ability to improve her air defense capability.
>
> The committee has been heartened——

I take it that that is the majority of the committee and does not include the distinguished gentleman from Minnesota——

> by the effort being made by the Department of Defense to contribute to the solution of this problem by developing and procuring aircraft adapted to the requirements of Nationalist China as well as other countries. Until such aircraft can be made available, Nationalist China should be aided in obtaining our most modern fighter aircraft.

Now, this is the gentleman's own committee.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY of New York. Surely, I yield.

Mr. FRASER. Let me tell you just two things about that statement of the committee report. No. 1, there is no testimony in the record to support that.

Second, that insertion was made at the request of the chairman of the Armed Services Committee, who went to our committee chairman and asked that it be inserted.

Mr. ROONEY of New York. Evidently the gentleman has fault to find with both his own committee and the Committee on Appropriations.

Mr. FRASER. I just wanted to make clear that this was not a genuine product of our committee's deliberations. It was inserted at the request of a member of the Armed Services Committee, and it ought not to be given any more weight than that fact deserves.

Mr. PASSMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, Members recognize that the China situation is fully covered with a top-secret document. I am not privileged to discuss the contents of this top-secret document but I can assure this committee that the $54.5 million recommended for appropriation for China is an extremely small percentage of the total program we may have to make available to Nationalist China in the immediate future. I am telling Members that what we must make available in the not-too-distant future is going to be in the neighborhood of $400 million. If we are not going to recognize the benefit of this appropriation to our own security and to that of our own Armed Forces in that part of the world, then I think we might as well pull out of that part of the world and come home.

Furthermore, as Members well know, Okinawa is now going to revert back to Japan in 1972. What will happen then, we do not know. If Members will have a look at this letter, I do not see how any person—hawk, dove, or hummingbird—could vote to take this money for China out of this bill.

Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Virginia (Mr. DANIEL).

Mr. DANIEL of Virginia. Mr. Chairman, I thank the gentleman from Louisiana for permitting me to speak at this time.

First of all, I want to say I support the committee in its attempt to provide fighter planes for Nationalist China. It is time, in my judgment, that we should make better use of the ready forces on Taiwan, because I believe it to be in our security interest.

Mr. Chairman, I rise in opposition to the Foreign Assistance Act. For 23 years now we have been attempting to buy friends over the bargain counter as we would ordinary merchandise, and we have fewer friends around the world today than we have had in my lifetime. I believe it was Bismarck who said:

> The word "gratitude" is not to be found in the international language.

Mr. Chairman, this program started out as the Marshall plan in 1946 and had for its purpose a very noble objective, which was to rehabilitate the war torn countries of Western Europe. The American people were told when this plan was inaugurated that it would last for 4 years and cost the American taxpayer $17 billion. It has lasted until now, and as far as we can see into the future, and it has cost us untold billions.

Each President since that time, be he Democrat or Republican, has requested an average of about $3 billion to carry on this program. In each instance they have predicted dire consequences for the country if all of the amount was not forthcoming.

Mr. Chairman, if we are really as bad off as all this would seem to indicate, then I suggest that our beneficiaries are about ready to collect on our insurance. What they are saying is that we are safe only as long as we are able to pay protection money. The fact of the matter is that many of our leaders have become so self-conscious of our self-wealth that they have developed a pathological passion for giving it away.

This is not to say that a case cannot be made for foreign aid, because it can. This has been true in the case of Greece, Turkey, Korea, and Formosa.

If projects can be brought forth which will serve our national interest, such projects can be funded out of pipeline money which has been alluded to here today.

Mr. Chairman, what I am saying is that this country cannot shoulder the financial burdens of the world, and if in our attempt to do so we allow our level of living to be dragged down to match that what we are attempting to raise then we will have served no man well.

The great tragedy, it seems to me, is that the vast majority of the countries into which we have poured our largess are victims of their own economic systems. What we are doing, in effect, is propping up economies which are rooted in shifting sand.

Mr. Chairman, I grew up on the farm and learned a long time ago that if any living thing is going to forage it must eventually be weaned. It may seem cruel, for example, to take a baby calf away from a mother cow, but it is not, really, because one of these days that cow is going to go dry and the calf, not knowing where else to find food, is going to starve to death.

I suggest to this Committee, Mr. Chairman, that we are not getting a fair return on our investment in foreign aid. The expenditure of these funds are contributing to deficit financing, fanning the fires of inflation, and aggravating our balance-of-payments problem.

This program ought to be phased out and a military assistance program brought to the floor for consideration on its merits.

Mr. SHRIVER. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

Mr. FRELINGHUYSEN. I am glad to yield to the gentleman from Illinois.

Mr. YATES. The gentleman from Louisiana indicated that in the not too distant future the sum of $400 million military assistance will have to be made available to the Taiwan Government. Has any indication of this been given to the gentleman's Committee on Foreign Affairs?

Mr. FRELINGHUYSEN. I might say to the gentleman, I am certainly not going to reply to that question directly. I believe we have probably said far too much already about subjects which may or may not be classified.

I should like to say also, on the basis of what has been said about the money proposed to be made available for planes for Taiwan, that I am glad, as a member of the Foreign Affairs Committee, that I voted against that proposal when it was considered under the authorization bill. In my opinion, this is no way to handle a serious problem.

If more money needs to be made available for updating the military equipment of any of our allies, it seems to me we have no reasonable alternative but to use the regular procedure and consider a supplemental appropriation, if necessary. That may well be necessary.

If I had any doubts about the wisdom of the item in this bill, those doubts have been resolved by what has been said already

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from California.

Mr. COHELAN. I want to say that I agree with the gentleman wholeheartedly.

I wonder, considering the gentleman's long experience on the Foreign Affairs Committee, if he could explain to us why this is being done, when we have so many other sections dealing with strictly military questions?

Mr. FRELINGHUYSEN. I might say to the gentleman that many aspects of the Appropriations Committee actions are incomprehensible to me. I assume the gentleman himself might have a better answer than I as to that.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Massachusetts.

Mr. CONTE. I want to compliment the gentleman from New Jersey for the observation he made with respect to the planes for Taiwan.

I agree that perhaps too much has been said already here with regard to top secret items.

I urge all of my colleagues here—I believe what I said on the floor has been misinterpreted, and I urge every one of my colleagues here to go to the table and read this so-called top secret document. I want them to note the first line, which I am sure is not top secret, and that is that the gentleman from Louisiana (Mr. PASSMAN) called them down there and discussed this with them after the authorization bill passed the House, putting the planes in; and the second thing which is very important, and I am sure not top secret, that the author of the letter says this should come up under the supplemental route.

Mr. FRELINGHUYSEN. I thank the gentleman for his comments. Let me say also that I compliment him on his initial statement.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Illinois.

Mr. YATES. Has the gentleman's Committee on Foreign Affairs been given

secret information before in connection with various programs, including the military assistance program, and has not testimony been given to the gentleman's committee in support of such secret programs? Has not the gentleman's committee brought its bill to the floor without revealing such secret information?

Mr. FRELINGHUYSEN. That is a fact. I might say also that Admiral McCain, commander in chief of the Pacific Fleet, appeared before the committee some months ago and discussed this area.

Mr. Chairman, apparently we are going through the same spectacle this year as we did last year. It had been my hope that we would not do this another year.

During the course of the debate on the foreign aid appropriations bill in September 1968, I commented on the disorderly manner in which we were proceeding. This year also it does seem to me, as it did last year, that an orderly consideration of this legislation should be possible even though we are nearing adjournment. I know as well as does the gentleman from Louisiana that it is close to Christmas. As a member of the Foreign Affairs Committee I know also that he is going to remind me that the authorization bill only came up for a vote a few weeks ago. However, that still is no excuse for us not to be given a reasonable opportunity to see what the committee's recommendations are. We need to get an understanding and appreciation of the reasons for the cuts, and to have an adequate consideration of a bill of this substance. We need also an opportunity fully to discuss it and to offer amendments.

The rules of the House were disregarded last year, and we are disregarding the rules of the House again this year. Granted the Foreign Affairs Committee has been late in bringing out an authorization bill and I think it is regrettable. Next year perhaps we can be more expeditious in bringing the authorization bill out so we will not share the blame for playing fast and loose with the legislative process.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Let me say to the gentleman, if I may, that we are operating under a proper procedure of the House in handling this bill.

Mr. FRELINGHUYSEN. I do not happen to think it is proper, I might say to the gentleman from Louisiana, even if it is legal, I think it is wrong to use this approach.

As I said last year, and I repeat now, just because we are in a hurry there is no excuse for us to play fast and loose with this kind of a bill. I do not think we should be called upon to accept or reject today the recommendations contained in this bill. We have read in the newspapers what the committee was going to recommend, but I might say to the gentleman from Louisiana that he has provided no enlightenment at all as to the reasons for the substantial cuts in the program. He has apparently been confused by his own eloquence in discussing the bill. I understood him to say, regarding the cuts that have been made in the multilateral programs, that not one dime has been cut from them.

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield further, I think I justified completely and fully my position and the commitee's position in defending the cuts made by the committee. The gentleman knows very well that we have justified each and every one of these cuts.

I would like to correct a part of the record and I will answer the gentleman by referring to page 13 of the report relating to technical assistance wherein it says:

> A large volume of technical assistance and preinvestment activity is handled by the UNDP and the specialized agencies, and they have played pioneering roles in many of the improvements of the past two decades. The world owes them great praise and appreciation for these vital contributions. Their operating capacity now, however, seems strained to the limit.

Mr. FRELINGHUYSEN. I thank the gentleman but I refuse to yield any further.

Mr. PASSMAN. The gentleman apparently does not want to listen to the facts.

Mr. FRELINGHUYSEN. I might say to the gentleman that all he is doing is reading from the committee report. He is not dealing in facts. The report says that in the opinion of the Pearson Commission the resources of the UNDP are strained to the limit. Yet the solution of the gentleman from Louisiana as to this strain is to cut back substantially on the funds requested.

This is a nonsensical way of treating the President's suggestion for making an improvement of a major multilateral program for development assistance. If we are cutting back on bilateral assistance in line with the recommendations of the Committee on Appropriations, and if we are also cutting back on multilateral assistance, is it because we are trying to get out of the picture altogether? If we are, why are we not frank enough simply to say we do not believe in any kind of assistance? My point is that if we believe in multilateral assistance, we should surely support the strongest element of that program, the United Nations Development Program. That would not mean a reduction of $29 million in the funds requested.

I see no other indication as to why there has been this reduction except that some commission says that the UNDP is strained to the limit.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding.

Would the gentleman agree with me that the program under the leadership of Mr. Paul Hoffman at the United Nations is taking steps to expand their resources for operations through the use of agencies not limited to the agencies that they have been using to date?

Mr. FRELINGHUYSEN. The gentleman is correct. The leadership of Mr. Hoffman has been of great significance, both to our country for providing a man of that caliber, and to the United Nations program which has done so much in so short a time. Quite obviously there have been problems in experience that the UNDP has experienced. They are providing about four times as much resources now as they were 10 years ago. This speaks well for the value of what the UNDP is doing.

No one is arguing that a look should not be taken at the way in which they are operating, but if we believe in a multilateral approach to aid we certainly should provide money to carry on that program and not cut it back.

That is the only point I was making. The chairman earlier seemed to think that the committee had not advocated a substantial cut in that program. I am glad at least he now recognizes there is a substantial cut recommended in that program.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from California.

Mr. COHELAN. Mr. Chairman, I wish to commend the gentleman again for his contribution, because I think we are clarifying a very important point. At the appropriate time I expect to offer an amendment to restore the funds that were requested. So I thank the gentleman for raising the point he did in connection with the item that was referred to by the Pearson Commission.

In discussing it with the people and the agencies involved, it is very clear they have allowed for an orderly progression because they have been limited by available personnel.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHRIVER. Mr. Chairman, I yield 5 additional minutes to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for the additional time.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, I want to join in commending the gentleman from New Jersey for bringing out this excellent point of his. I wonder if we could ask the chairman of the subcommittee what justification there was, whether there were any hearings, when the Committee on Appropriations decided to put the proviso in the bill as reported on page 13 of the report:

> *Provided further*, That none of the funds contained in this paragraph shall be available for transfers authorized by section 202 of the Foreign Assistance Act of 1969.

This to me appears as legislation in an appropriation bill. I wonder if the gentleman from New Jersey would care to comment on this proviso?

Mr. FRELINGHUYSEN. I would certainly agree with the gentleman from Wisconsin (Mr. ZABLOCKI) that this is legislation in an appropriation bill. It is the kind of thing I do not believe should be permitted. I would hope that the Committee on Appropriations could discipline itself not to include language of this kind, especially if the bill is considered on a basis where we are not able to raise points of order against it.

Mr. ZABLOCKI. Mr. Chairman, would the gentleman yield further?

Mr. FRELINGHUYSEN. I am reluctant to yield any further, because I have some things to say myself.

Mr. ZABLOCKI. Mr. Chairman, I wonder if the distinguished chairman would tell us whether he had hearings on that?

Mr. FRELINGHUYSEN. I will yield to the gentleman from Louisiana (Mr. PASSMAN) for that purpose.

Mr. PASSMAN. I have been in Congress for 23 years, and I must say to my distinguished friend that is the most ridiculous question I have ever been asked—the idea of having hearings as to whether we should place a limitation in the bill. Certainly, we did not have any hearings on placing the limitation in the bill and incidentally it is not legislation, it is a limitation.

Mr. FRELINGHUYSEN. The gentleman sometime ago revealed a reason why a cut was made in technical assistance. The reason seems to me very flimsy. The gentleman pointed out that there were some high paid consultants and this is the only reason he gave for cutting back on technical assistance.

If that is the sole reason, I would say we ought to take a second look at all these requests for cutbacks in these funds. If we believe in foreign aid at all, we would recognize that the knowhow that this country has can be usefully transferred to countries that need it—that is what technical assistance provides.

I would have hoped that we would approve the President's request for funds in this area and not be bemused by the allegation that there may be some high paid consultants.

If there are certain abuses of that kind, then why not check the abuses but not curtail the program?

I asked earlier about the development loan programs, both for the Alliance for Progress and worldwide development loans. There is a very substantial cut in both of these programs, far below the very substantial cuts made in the authorization bill.

It has been said that if we appropriate as much as the committee is recommending this year, we will be as generous as we were last year. My point is that this is not much of a basis to go on. You certainly do not need much intelligence to use as a blind reference point what we actually made available last year. Is it not more intelligent to look, as our Foreign Affairs Committee tried to, at what the money is to be used for this year?

Almost 40 percent of this development loan money is to be used to help people, both in Latin America and elsewhere, to develop their resources or for food so that they can feed themselves. Why should be try to slow down that process of letting these people feed themselves?

As the committee report points out on page 22, at the bottom, the basic purpose is "to finance loans to the less developed countries to provide capital resources needed for growth. The loans finance the commodities and technical services necessary for construction of factories, dams, education and health facilities, and the import from the United States of raw materials and capital goods needed."

Why—if that is what development loans are for—and we agree that these objectives are good—are we cutting back so drastically?

I would like to ask the gentleman from Louisiana or anyone else whether there is any reason for the drastic cutbacks other than the fact that only a certain amount was made available last year?

As an example, I point out that we should go along with this level of funding—India alone could use in development loans $200,000,000 for food programs. If only $265,000,000 is to be used worldwide for development loans, then obviously India is going to get a lot less from us. Also, if we cut back, it is obvious that other countries that are contributing assistance to India will cut back. Thus assistance to these developing countries will be cut back at a time when the needs are great.

Mr. PASSMAN. Mr. Chairman, I yield to the gentlewoman from Washington (Mrs. HANSEN).

Mrs. HANSEN of Washington. Mr. Chairman, we have heard a great deal of discussion about cutbacks. I think any of you who heard the President last night say to the underprivileged of America and to those who are on social security, "No, we cannot afford 15 percent for these people who are getting $50 a month," and "No, we cannot afford an $800 personal income tax exemption," can understand why there is a problem on cutbacks.

Mr. Chairman, I serve on the Interior Committee day after day, and day after day there are items before us relative to cutbacks and these are programs as widespread as schools for Indians—food and welfare for Indians and programs that mean development in the economy and of land which belongs to the Federal domain in the United States—some 752,000,000 acres.

I do think it only fair to point out that this House provided $150,000,000 last year—identical with this year. In the Alliance for Progress funds the House last year appropriated $70,000,000; this year there is $75,000,000. In the contingency fund the 1969 appropriation was $5,000,000; in the 1970 budget it is $10,000,000. Alliance loans in 1969 were $200,000,000; 1970 funds are $200,000,000. Development funds in the House 1969 were $265,000,000; it is identical this year. Administrative expenses have been cut $1,000,000 and with justification.

There are problems of inflation and budgetary restraints before each committee. This is no exception.

Now I would also like to point out that I personally have always supported, and will continue to support, technical assistance and economic assistance, and would support increased funds in this area. I think this is the most valuable part of this program, and I think it is something the United States can take credit for.

It is that program which the United States is extending to the less developed countries of the world. We try in this bill to make some contribution to the urgent and sometimes painful cries of help from men, women, and children in dire need of assistance and compassion. People of the less developed world look to Americans for leadership in the fields of health, nutrition, and education, and in the words of John Fitzgerald Kennedy:

> If a free society cannot help the many who are poor, it cannot save the few who are rich.

Each of us should remember our foreign aid technical assistance program is designed to help people—not governments, not economies, not balances of power—but, people. I have no enthusiasm for our foreign military aid enterprises nor will they in the long look build the genuine security that technical and economic assistance will.

As recently as 1880, only 14 percent of all Americans survived the years of working usefulness to reach 65. Every decade previous to 1880 revealed a darker situation. People died because of malnutrition, poor sanitation, and inadequate or unwise medical care. Babies were born weak and sick because of inadequate prenatal attention, and they succumbed to disease because they were too weak to fight it off. Primarily people died because they were expected to die—attitudes toward survival which were only realistic at that time are horrifying to us in 1969. Men married early and took the youngest wives they could find because young girls were stronger and more likely to last. People had six and eight children because they only expected to raise three or four. Epidemics struck communities time after time because no one knew how to stop them; children ate the wrong foods because no one knew what the right foods were, and too often there was no money to buy enough of even the wrong kind. Infant and child mortality was a prime causative factor in the low rate of survival, mortality due in turn to deprivation and lack of care, knowledge, and facilities—all the debilitating effects of economic disadvantage through lack of development. May I add, also, that in the United States, poverty, nutrition, and health require billions to make this Nation completely whole.

HEALTH

However there has been progress. The infant mortality rate in the developed countries of the world is 2.5 percent, and life expectancy is 70 years. Malaria has lost its terrifying aspects, as have pneumonia, influenza, and tuberculosis. Typhoid and small pox are virtually unknown in this country.

The reason for this dramatically improved situation is rooted in our economic and scientific advancement. We know more about the causes and prevention of illness and premature death; but more importantly, we have the means to sustain a healthy, sturdy, and highly productive population if all resources are utilized. We have found specific cures for many diseases traditionally assumed to be incurable, but far fewer people are contracting these diseases, because the population is healthier. And good health is the result of economic development, just as the economic development of a society is dependent upon the good health of its human resources.

The picture is different in underdeveloped areas in which two thirds of the world's population live. There, the infant mortality rate is 11 percent, while life expectancy is an average 48 years. Diseases which we in America long ago erad-

icated still rage in epidemic proportions—not only the traditional killers, but also simple childhood diseases are fatal or crippling. Measles, for example, kills one afflicted West African child in five, while it leaves many survivors blind or deaf. One out of every four Africans stricken dies of smallpox.

The age structure of an unhealthy population may yield twice the number of mouths to feed as it does hands to work, because of the smaller proportion that survive to enter the productive age. A large percentage of children are fed and housed and educated only to die before reaching an age at which they can contribute to the economy that supported them. This situation is further aggravated by the fact that the productivity of the survivors is reduced by the same diseases or deficiencies that kill their dependents who have never produced.

Therefore, the major contributions of health programs to economic development are to carry the population through the productive years and, at the same time, to increase productivity by the significant reduction of illness and the building of stronger bodies. If the object of our foreign aid is to help weak nations become strong, viable economies, one of our main efforts must be directed toward the support of their irreplaceable human resources. This is why AID has increased its programs of assistance dramatically in the area of health, working for the greater productivity and better life which good health makes possible.

Apart from the major work being done in the field of family planning and population growth, AID's health programs fall into three main categories: First, helping to reduce and ultimately to solve the problem of malnutrition, above all in mothers and children; second, assisting in the control and eradication of communicable disease; and third, helping the poor nations to find and train their own health workers.

NUTRITION

During the past year the world has been horrified by the deaths of 1 million people—mostly children—in the Nigeria-Biafra conflict. These deaths were not the result of bullets or bombs. They were caused by starvation and malnutrition.

And in the United States we have been especially appalled and ashamed by the disclosure that 14 million Americans are malnourished. For this to occur in the world's most affluent nation is incongruous and outrageous.

But malnutrition anywhere is unnecessary—in the 20th century. It need not and should not exist. It will not exist, if we provide the proper support for measures being taken to end malnutrition. We have the means to end it.

It is estimated that throughout the world 10,000 deaths per day are caused directly or indirectly by malnutrition. But the foreign assistance programs aimed at wiping out this statistic are not solely humanitarian—although that would be justification enough. These programs are also a means to an end—economic development.

For malnutrition affects learning capacity; it reduces productivity; it increases the frequency and duration of illness. It saps the strength of a people, and this retards the pace of economic and social progress.

Nutrition thus extends beyond the province of the dietitian and specialist. It becomes the concern of the economist, the educator, the agriculturist, the doctor, the lawmaker.

The Agency for International Development has recognized this. AID carries on a number of important programs aimed at ending malnutrition. One of these, of course, is the direct feeding of more than 50 million children in 105 countries. These children are not only getting the calories they need through the food-for-peace feeding programs, but through additives such as CSM—corn-soya-milk—they are getting the vital proteins required for health. Other high-protein food blends are being introduced, as, for example, WSM—wheat-soya-milk. And AID has taken the lead in developing FPC—fish protein concentrate—which is even higher in protein content than vegetable products.

AID works with and helps finance voluntary agencies in the school lunch and material feeding programs. AID also is encouraging private investment in the nutrition field, helping American firms develop foods and beverages that use indigenous products in the developing countries.

AID financed research projects are seeking new ways of fortifying foods with amino acids. And, most significantly, AID is helping researchers find ways of breeding strains of wheat, corn, and rice that carry their own high-protein content.

These are exciting programs and projects. They will be of immense benefit to the entire world. They should be encouraged and strengthened—so that malnutrition no longer will be the reason for a child's death, here or in Africa, or anywhere in the world.

DISEASE ERADICATION

Another major objective is the control and eradication of disease. In this area, AID plans to continue working with other government and international health organizations such as WHO and UNICEF, to combat the ravages of smallpox, cholera, measles, sleeping sickness, and other diseases on a worldwide scale. In the hot, often damp climates where most of the people of the poor nations live, disease travels like wildfire, crossing national boundaries and spreading contagion rapidly among hundreds of thousands of people who live in unsanitary, primitive conditions. Hence innoculation on a mass scale must be combined with specific research and technical projects, to identify sources of contagion and then to isolate and eliminate these sources, rather than simply containing them. At the same time, a basic education and information program must be conducted, to instruct real and potential victims in self-protection against future attacks of the same or similar diseases.

Typical of the projects in which AID has been cooperating is the West African vaccination program. The goals of this program include the immunization of 110 million people against smallpox and the eradiction of rinderpest among cattle in the region.

These are only a few of the better known epidemic diseases which AID is fighting. Many people have never heard of the others, but among them are some which have far more severe economic effects on the less-developed countries than diseases like measles. Onchocerciasis, or river blindness, alone infects 20 million people and prevents the settlement of some of the most fertile river valleys in Africa.

At the same time, enteric diseases are a major cause of death in developing countries, resulting from contaminated water and poor sanitation. Supplies of drinkable water and adequate sewage disposal are the only effective and economical solutions to this problem. AID has been working with the World Health Organization, the Pan American Health Organization, and international lending agencies and banks, to install or expand community water supply systems in a number of countries, and to train professional waterworks operators to maintain them.

MANPOWER FOR HEALTH

In regard to AID's third major health goal, it is clear that if health is a key to sound and rapid development, well-trained manpower is the key to effective public health systems. In the past 10 years, AID's efforts in the health manpower field have concentrated in higher education, facilities for producing a greater number of doctors and nurses in developing nations, and hospital construction.

But the more critical immediate obstacle to rapid and significant improvement in health conditions is the shortage of auxiliary workers or paramedical personnel, of trained technicians below the professional level, who are sufficiently skilled to be effective, particularly in rural areas remote from cities and doctors. AID has redesigned the emphasis of its assistance to help remove this obstacle, chiefly a problem in organizing and training on a scale commensurate with need. In Laos, for example, where there are almost 26,000 people per doctor, health workers are receiving short-term training as medical aides and in practical skills, enabling them to man health stations in remote rural areas. Mobile teams are an additional feature of similar programs in neighboring Thailand. In addition to providing basic health services, these workers also assist in better nutrition, family planning, and disease control through elementary sanitation.

Which brings us to the problem of education.

Americans are frequently being warned these days, "You cannot get tomorrow's jobs with today's skills."

That slogan is quite true of course. But there is another and meaningful message in it that applies not only in our own Nation but to conditions beyond our own shores. We have under training in less-developed nations of the world, many people who do not even have yesterday's skills, the basic skills needed to lift them

above the level of a life of mere subsistence. Many can neither read nor write.

No matter how many dollars we spend helping less-developed countries build up industry and agriculture, without education for their people they can gain no real self-sufficiency, no political stability, no democracy, and no future.

That is why our foreign aid program stresses a continuing spread of knowledge.

During fiscal 1969, AID committed about $115 million for education and manpower training in developing countries. The Agency is helping to strengthen educational planning and increase and upgrade the supply of teachers and teaching materials. AID is continuing to support development of educational facilities to serve regional and multicountry needs. Strong efforts in this direction are being made in both East Asia and Africa.

Some 430,000 students attended college level AID-assisted schools in fiscal 1969. Over 60,000 teachers complete their courses during the year. Just over 19,000 teachers received inservice training with AID help. Some 22 million students below the college level were enrolled in AID-assisted schools. About 10,000 classrooms were constructed with financial support from AID and over 17 million textbooks and other technical publications were either produced or distributed with AID assistance.

In India and Pakistan, AID continued to encourage science education with special summer science institutes. Over 20,000 Indian teachers at the college and polytechnic levels have received training since fiscal 1964. Six thousand were trained in fiscal 1969. An arrangement with the National Science Foundation is providing information on low-cost laboratory equipment which can be produced within the developing countries.

In support of innovations in education the Agency has provided additional funding for an educational TV project in El Salvador. This pilot project should bring about the most comprehensive reform of education yet begun in a developing country.

AID, in cooperation with the Organization of American States, is developing a series of regional training centers in educational broadcasting. Planning for a similar regional center in Southeast Asia is well advanced. The Agency has also made arrangements for a major feasibility study to explore the use of programed instruction in India and Pakistan.

In promoting self-help, a plan is now in effect for the Association of African Universities to take over the administration of the African higher education program through which the Agency supports study by African students in selected fields at African universities.

We are not only helping to build both educational structures within the developing countries—AID is bringing promising students to the United States to learn. This year there are about 10,000 foreign students studying in the United States—potential leaders in the fields of agriculture, education, public administration, health and family planning, public safety, and industry and transportation. Their average age is between 30 and 35. About half come from Asia, one-fifth from Africa, and a third from Latin America, and their average training period in the United States is 9 to 12 months. About half who come here are on academic programs, 25 percent on shorter specialized programs, 15 percent are on-the-job training, and 10 percent on observation training programs.

This is a kind of world university—whose faculty are the training and education facilities of American universities and colleges, American industry, American labor, American cooperatives, American foundations, American farmer associations, American government; an international university—whose students come from about 70 developing countries; and whose administration is handled by AID in cooperation with about 35 other Federal agencies and hundreds of private institutions across the United States.

There remains much to do in expanding, and giving greater priority to cooperative Government-private sector endeavors in "closing the worldwide learning gap."

This program combines low cost to the U.S. taxpayer and a potential for highest benefit to every country involved.

It is a program which can over the years do much to increase political and economic stability and well-being in the emerging nations of the world.

The argument that foreign aid technical assistance is a giveaway which hurts the U.S. economy is not true. The foreign assistance program pumps money into our economy and buys American goods and services which are sent abroad while the money stays home.

Except for assistance to Latin America, AID regulations require that almost all commodities financed by AID development loans and supporting assistance loans or grants must be purchased from U.S. sources. As a result, about 98 percent of the commodities financed by AID in fiscal 1969 were purchased from U.S. manufacturers. The total amount of money which these manufacturers received was well over $887 million.

These funds purchased such varied products as fertilizer, industrial machinery, steel, paper, tractors, oil, and textiles. American shipping lines earned millions of dollars from carrying these products to their destinations. One result of all this is the creation of permanent markets for future cash exports.

AID's technical service contracts give a further boost to our economy. As of December 31, 1968, AID had in effect over a thousand technical service contracts with private American institutions, companies, and individuals. The value of these contracts was $508 million.

Dollars return to the United States in interest payments and capital repayments on loans made in the past. In the current fiscal year, it is estimated that this net inflow of dollars under the AID program will total $197 million. The inflow will increase as receipts from interest and repayments continue to rise.

The U.S. economy benefits in another way from the AID program. Poor countries are poor markets for American exports. International development greatly expands the base of foreign trade. U.S. exports to Iran, Israel, and Taiwan—countries on the AID roles just a few years ago—doubled between 1963 and 1968.

In conclusion, the foreign economic and technical assistance is part of our national concept of decency and Christianity, we help the sick, the malnourished, the poor, and oppressed. In this Christmas season it seems fitting to remember Christ's words:

As ye have done unto the least of these, ye have done it unto Me.

Mr. SHRIVER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana (Mr. ADAIR).

Mr. ADAIR. Mr. Chairman, I have asked for this time to put some questions to the gentleman from Louisiana, the chairman of the subcommittee, concerning the Overseas Private Investment Corporation.

From what I read and understand, I take it that it is the will of the subcommittee that the Overseas Private Investment Corporation be not established. Would the gentleman comment upon that?

Mr. PASSMAN. If the gentleman will yield, the subcommittee and the full committee have provided for the Agency to be established, but we did not provide the $75 million requested for the Guaranty Fund. I can tell you why, and I am sure this was never brought to the attention of the gentleman from Indiana.

The agency has been attempting to promote this particular account for many, many years. A few years ago they came before the committee and stated they needed $180 million. They actually made a very poor case for the $180 million, so we cut them $150 million and gave them $30 million.

Since the creation of the Overseas Private Investment Corporation the amount of appropriated funds and fees collected gives the agency an amount on hand at this time of $129,972,000. They have paid out in claims during that entire 20-year period only $11,820,000. So on the basis of the record, they are presently funded for a period of 258 years and 4 months. They said to us that they would not spend the money but if we would appropriate it, it would look more attractive to American business people who wanted to invest abroad, even though all the accounts would already be guaranteed by the faith and credit of the Federal Government. That is in the hearings.

Furthermore, the second part of it, they wanted to transfer $20 million per year for 5 years out of repayments to the development loan funds so as to create a $100 million lending agency. We felt that inasmuch as we had 39 other agencies attempting to make loans for overseas investment and recognizing that under the Alliance for Progress and also on the development loan program 50 percent of the total funds can be used for this purpose alone, that there was no need for the additional $75 million.

For that matter, if we run the gambit we will find out there are 39 different sources of revenue for people who may

want to invest in businesses overseas. Experience certainly teaches, and the record backed us up in prior years, that most businesses have their own capital. We found that some of the applications were from businesses who were semi-insolvent, and in all probability should not go overseas anyway. So for many reasons the committee did not recommend these funds. But in a subsequent year, if there could be established the types of businesses and the type of credit and the type of security and the type of need, if I am still on the committee, whether I am chairman or not, I would be very happy to consider anything the gentleman recommends.

Mr. ADAIR. Let me put the question to the gentleman in a different way. Is it not true that the action of the committee has made impossible the establishment of the Overseas Private Investment Corporation?

Mr. PASSMAN. Absolutely not.

Mr. ADAIR. That is, as provided in the authorizing legislation?

Mr. PASSMAN. No. If the gentleman will turn to page 4 of the bill, beginning on line 8, he will see that the agency has been authorized. It is in the bill itself, not in the report.

Mr. ADAIR. Then is it true that all funds have been denied to that agency?

Mr. PASSMAN. At this time. That is, the guaranty fund of $75 million.

Mr. ADAIR. So at best what we would have would be an agency without any funds with which to operate.

Mr. PASSMAN. They have $130 million, and under this legislation there are certain ways to use it, and inasmuch as they have 258 years' supply of money, we just did not feel like loading the account with any further funds.

Mr. ADAIR. Mr. Chairman, I would like to ask the gentleman from Louisiana his interpretation of the effect of section 122 of the bill, on page 15.

Mr. PASSMAN. Under this section, it was intended to establish $100 million as a revolving fund, to be funded out repayments to the development loan fund, and to transfer $20 million per year over to this new revolving fund.

Mr. ADAIR. We provided 2 years.

Mr. PASSMAN. Is that not true?

Mr. ADAIR. The proposal was for five, and we provided two.

Mr. PASSMAN. We did not feel the witnesses made any reasonable justification for the fund. Therefore, the committee, by a very one-sided vote, denied it, and the full committee also denied it.

Inasmuch as we have so many lending agencies, and inasmuch as the President is impounding 75 percent of all funds for new starts, it would appear to me this new lending agency could be postponed until we do have better conditions in this country, and not create a brandnew agency overnight to do what other agencies are already doing. If we had any justification as to what types of loans and what businesses and in what amounts, we could have given some consideration to it, but these people did not know anything about it whatsoever.

Mr. SHRIVER. Mr. Chairman, I have no further requests for time.

Mr. HANNA. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 308]

| | | |
|---|---|---|
| Abbitt | Fuqua | Nichols |
| Addabbo | Gettys | O'Hara |
| Brademas | Gray | Ottinger |
| Broyhill, N.C. | Gude | Powell |
| Broyhill, Va. | Hays | Reid, N.Y. |
| Cahill | Hébert | Reifel |
| Carey | Hogan | Riegle |
| Celler | Hosmer | Rosenthal |
| Chisholm | Jarman | Ruppe |
| Clark | Kirwan | Scheuer |
| Clay | Kyl | Taft |
| Cowger | Landrum | Tunney |
| Cramer | Lipscomb | Utt |
| Dawson | Macdonald, Mass. | Vander Jagt |
| Downing | Mailliard | Whalley |
| Eilberg | Morton | Wilson, Charles H. |
| Evins, Tenn. | Murphy, N.Y. | Wydler |
| Fascell | Myers | Young |
| Flowers | Nelsen | |
| Fulton, Tenn. | | |

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 15149, and finding itself without a quorum, he had directed the roll to be called, when 376 Members responded to their names, a quorum, and he submitted the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. PASSMAN. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California (Mr. COHELAN).

Mr. COHELAN. I thank the chairman for yielding to me.

Mr. Chairman, I take this time not to add to your store of knowledge but to explain that the remarks which have been made by our distinguished colleagues from Massachusetts and New Jersey, I share them completely.

In relation to the report, I would hope that the members of the committee will take the time to read the additional views of our colleague the gentleman from Michigan (Mr. RIEGLE), a member of the committee, who speaks to the general problem of foreign aid and where we are going.

I will say to the Committee that I have learned a great deal while serving on this committee under the distinguished chairmanship of the gentleman from Louisiana. Much which the gentleman has said about this bill is unfortunately quite true. It has become a bag of worms.

I am very happy that the Rudy Peterson Commission headed by the distinguished chairman of the Bank of America is currently studying the foreign aid program. I feel confident, on the basis of the conversations which I have had with some of the people involved in that study, that we will come out one of these days, hopefully, with a development loan program and an assistance program that will be directed solely to the problems of developing nations. In addition it is my hope that military assistance will be transferred to the Department of Defense where it belongs. If this is done we would not be involved in the kind of hassle we are having here today over proper legislative methods.

It seems obvious to me that there should be a supplemental appropriation where at the end of the year we could have hearings. Or better still, it could be put over until next session. There is absolutely no reason why we cannot do this in an orderly legislative manner. Then there would be no doubt about whether or not this is a required military program.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. COHELAN. I yield to the gentleman from Minnesota.

Mr. FRASER. I want to say to the gentleman that not too long ago and during the discussion this afternoon there was reference to the secret report on China and it was alleged that this report gave support to the idea that we needed this $55 million for Taiwan.

I want to advise the gentleman that I for one have read the report and find that the report does not support the $55 million for Taiwan for jets. If one reads it one will find that other items are given a higher priority than the jets authorized or contemplated in the bill now pending before us.

I do not know if the gentleman from California has had the time during which to read the report, but I would recommend it to him.

Mr. COHELAN. I have heard of the report in the committee and I have had the opportunity to listen to the distinguished gentleman, but I am much less impressed by supporting arguments—I only wish I had heard a little from Mr. LAIRD and Mr. ROGERS on it. This whole thing has been so informal that it is shocking.

May I say to the committee that I am not against military assistance if we can justify it. Certainly there may be a case for it.

With reference to the Korean situation there has been some discussion with men whom I greatly admire about the Korean item. I have been to Korea enough times to know that there has been an argument going on for some years about whether or not we ought to keep 60,000 troops in Korea. As the distinguished gentleman from Michigan (Mr. RIEGLE) points out in his separate views, we had better commence "Koreanizing" there as we are "Vietnamizing" in Vietnam. Instead we have this amendment dropped in our lap. The question of deleting $50 million by subcommittee action, in striking it out, was more than justified. I am merely arguing on a procedural basis that the money for Korea and Taiwan was not adequately justified because I do not have enough time to develop the foreign policy questions thoroughly.

Might I say in one final pleading comment, this bill is measured far too much on the basis of our feelings about an ad hoc Taiwan amendment and I would hope that we can defeat the amendment at the appropriate time and go ahead and pass the other important provisions contained in the bill.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PASSMAN. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. COHELAN. I would like to ask the

members of the committee to give me your attention for just 1 minute. I intend to propose at the appropriate time a restoration of the funds which have been cut from the UNDP program. The committee report refers to the Pearson Commission and it points out the fact and says that this program is being operated at too tight a pace.

At the appropriate time I will give you the explanation for this. I have discussed it with the authorities, and they told me what is going to happen if we cut this International Organization's item by $34 million. We will, of course, seriously cripple one of the most important programs in the foreign aid bill if we sustain the cut.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHRIVER. Mr. Chairman, I yield 3 additional minutes to the gentleman from California (Mr. COHELAN).

Mr. COHELAN. Mr. Chairman, I thank the gentleman for the additional time.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. COHELAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I just want to point out in regard to the claims again, and again I urge everyone in the House to read this so-called secret document. There you will see that the author of the letter, at the request of the chairman of our subcommittee, who called him by phone, stated that that should come through the supplemental process, and he makes no mention of this.

Also I might point out that there is an article in the Washington Post of November 25 by Warren Unna, wherein he says that Rogers and Hannah "reserved judgment on an added $54.5 million, which Representative ROBERT L. F. SIKES, a major general in the reserve, had succeeded in tacking onto the House foreign aid bill to authorize granting a squadron of F-4D fighter jets for Chiang Kai-shek's government on Taiwan."

Also, I think it is no secret, it is just unfortunate, this document has been floating around the Hosue all day long, but there is nothing in there about F-4D's, is there?

Mr. COHELAN. Not to my knowledge.

Mr. Chairman, I just want to add to what the gentleman said. I think, if I may say this, that it will be a grave error for us to get involved in this at this time. I plead with the Members to go through the regular process. It seems to me it is vital to get supporting testimony on this. We have not heard from the State Department officially. A number of us have heard from them unofficially.

It should be no secret about what is happening in the new administration in its formulation of its foreign policy for the Far East. We are taking another look at our posture. There are a number of changes that are pending, and they are long overdue. The whole question of Okinawa, the recent Sato agreements, are very important developments, and it probably is the first step in what is eventually going to be the low posture that many of us have been talking about.

So that, when we take precipitous action on the spur of the moment on the floor because some people genuinely feel there is a need for jets for Taiwan, I think we make a terrible mistake; I think it is bad legislation.

Mr. Chairman, I want to spend the rest of my time on this item of the United Nations development program. I am going to ask for your support. I have talked to the parties involved, and they explained to me that there were two major studies; they are over 3 years old, but they find an enormous need for these programs. And what Mr. Hoffman has done is to keep manning his programs at an even pace and he is not going too fast. However, if we are going to cut this program, it will seriously cripple one of the best programs in the whole foreign-aid bill.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. PASSMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is my understanding that the executive branch of the Government establishes its foreign policy, and military assistance is a part of it. When that policy has been established then the level at which we shall fund the military assistance is a prerogative of the Congress. I make that as a statement of fact.

We have heard remarks about no justification for this small amount of money but this is only a very small percentage of the amount needed to update the military forces in China.

Some of the speakers gave a lot of support to amendments of as much as a billion dollars in one bill without any justification whatsoever. The total amount put in the President's budget without any justifications in other programs amounts to in excess of $2 billion.

Now I would never recommend for this Committee's consideration anything that was not supported with facts. This top secret document has material in it that I cannot use—and Members know that. But I am going to say again, upon my own honor, and I shall not give the source, that the need for China is almost $400 million—immediately—and not $54,500,000.

Mr. Chairman, I cannot go any further into detail because this top-secret document was sent to me. If we had hearings, it could not have been put in the record.

If we are going to fuss about not any hearings on something that is badly needed. I am wondering why that criteria did not apply to all of these other items when they were loading up this bill.

There are about seven projects in this bill that were put in by the Committee on Foreign Affairs. We had not one word of testimony before our committee for these programs. But we put them in because the Committee on Foreign Affairs felt those projects were needed.

So I ask you to follow the recommendations of the committee. The subcommittee put it in—the full committee put it in—and the House put it in a few days ago simply because we had proof then that it was needed and we have more proof now that it is very badly needed.

Mr. Chairman, I certainly hope the Members will back the committee up in its recommendations.

Mr. PASSMAN. How much time do we have remaining?

The CHAIRMAN. The gentleman from Louisiana has 4 minutes remaining.

Mr. PASSMAN. Mr. Chairman, I yield to the distinguished gentleman from California (Mr. SISK) 3 minutes.

Mr. SISK. Mr. Chairman, I ask unanimous consent to speak out of the regular order.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

### RADIO AND TELEVISION COVERAGE OF PROCEEDINGS OF THE HOUSE

Mr. SISK. Mr. Chairman, in a few weeks, if our present plans materialize, the special subcommittee of the Committee on Rules expects to come to the floor with a bill which would provide among other things for opening the House to radio and television coverage.

I expect to be arguing at that time in defense of the electronic media, but in fairness to the House I feel it is incumbent on me to call to the attention of the House those instances in which I feel the broadcasters for one reason or another have strayed off the reservation.

Last week it was my privilege—and I use the word advisedly—to have some fun with the Rowan and Martin "Laugh-In" show.

This week I call to your attention what I believe to be a unwarranted insult to the entire membership of the House of Representatives which occurred on the "Huntley-Brinkley Report" last Saturday. During a segment of less than a minute duration, Mr. Brinkley reported on the action of the other body in amending the tax reform and commented on the possibility that the President would veto the bill in the shape it was in at the time. He pointed out the bill would have to go to conference with the House and then stated that since "the House seems more determined to bleed the taxpayers than the Senate does" some of the Senate benefits would no doubt be removed from the bill.

We requested a copy of the script for the show to make sure we heard it correctly, and on examination of this script, I am unable to find anything in it which would justify a comment that the House of Representatives, or the other body either for that matter is inclined to "bleed the taxpayers."

Let me make it clear that I defend Mr. Brinkley's right to accuse the Congress of bleeding the taxpayers. He can take the whole half-hour show to do it, or he can do it in a 2-hour special in prime time if he chooses. But it seems to me that if he is going to do so, he should give his viewers some examples of House actions which lead him to that conclusion or in some fashion indicate why he believes the House is guilty of bleeding the people of this country. That way the viewers would be at least partially equipped to evaluate the validity of the conclusion reached.

This statement appears to be entirely gratuitous. It is unrelated to anything that preceded or followed it in the Saturday night newscast. It cannot by any stretch of the imagination be called an analysis of the news because no action of the House relating to tax matters is

reported or analyzed or examined in depth or in any fashion at all.

I consider this statement an insult to the House and to the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas (Mr. MILLS).

All of us, of course, recognize that the tax reform bill which passed the House is not perfect, but it represents a substantial improvement over the present tax laws and in some respects goes further to help the "little guy" than the Senate bill does.

I never really realized the impact of national network television until I had an encounter with the "Laugh-In" show. As a result of that brief encounter I have received more mail than I received following President Nixon's October speech on Vietnam. Most of it is critical, and some of it is highly abusive. In my judgment, Mr. Brinkley's unjustified attack on the integrity of the House does a great disservice to all of us and I for one resent it.

Mr. Chairman, I insert in the RECORD at this point the script of the portion of the Huntley-Brinkley Show to which I refer:

EXCERPT FROM REPORT

The Senate spent all day Saturday voting amendments to the so-called tax reform bill . . . including some the Treasury says will cost the government too much money.

In fact, it says the benefits put in by the Senate this week will cost the government 12 billion dollars.

And so there was some talk President Nixon might veto it . . . on grounds it wouldn't give the government enough money to spend.

Senator Williams of Delaware even said they ought to change the name of the bill and call it The Christmas Tree Act of 1969.

But . . . before any of this becomes law it all has to go to a conference with the House . . . and the House seems more determined to bleed the taxpayers than the Senate does . . . and a lot of the benefits now in the bill may then be removed.

And so there is some doubt in the Senate that when it's all finished, the President will veto it.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to my colleague from California.

Mr. COHELAN. The gentleman is not alluding to the fickle finger of fate, is he?

Mr. SISK. The gentleman can make up his own mind.

FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATION BILL, 1970

Mr. BROWN of California. Mr. Chairman, the term "foreign aid" for this legislation is a huge fraud, and any resemblance between the objectives of this bill and the overall long-range needs of developing nations must be the result of some mistake.

With this bill as a guide, America's commitment to helping developing countries becomes a mockery—both in its degree and in its direction.

For example, in a report published in September by the prestigious Committee for Economic Development—which was distributed to all Members of this body by my friend from New Jersey (Mr. FRELINGHUYSEN)—the following analysis was made dealing with capacities of developed nations to supply assistance to developing economies:

The capacity to provide assistance is generally related to some measure of the capital-supplying countries' total income. The United Nations Conference on Trade and Development (UNCTAD) in 1964 recommended that the combined public and private flows from advanced countries should equal at least one per cent of their national income. Then in 1968 it increased the target to one per cent of gross national products, or by more than one-fifth.

Although both formulas are completely arbitrary, they are easily understood visible targets and are the only ones on which the agreement of the capital-supplying countries could be reached. The formulas would moreover, produce the $15 billion to $20 billion of requirements estimated for the early 1970's. The first figure corresponds roughly to one per cent of the anticipated national income of the non-Communist industrial countries in the early 1970's and the second to one per cent of their GNP.

By comparison, the total net flow (public and private) in 1968 was 0.97 per cent of combined national income and 0.77 per cent of GNP for the 16 member countries of OECD's Development Assistance Committee. The United States ranked thirteenth among the DAC countries in 1968 in terms of the percentage of national income flowing to developing countries in the form of net official (governmental) flows and private investment. Our outlays for space exploration are substantially greater than official expenditures for economic assistance, and our outlays for national defense are over 20 times those for such foreign assistance.

We believe that a good basis for planning the future annual flow of official and private assistance of the advanced countries including that of the United States would be one per cent of national income initially, and ultimately one per cent of GNP. By 1970, an increase from the 1968 level of 0.79 per cent of national income to one per cent should be feasible for the total flow from the United States. Beyond 1970 the flow of resources to developing countries should increase at a rate that would permit the target of one per cent of GNP to be met by 1975.

A one per cent target would not imply a tax burden on the United States equivalent to the full amount of resource transfers. For one thing, more than a third of current resource transfers from the United States are in the form of private investment. For another, the bulk of the official flows is in the form of loans that will ultimately be repaid and some of which are financed not through taxation but through borrowing on the private capital market.

Mr. Chairman, if we take the Committee for Economic Development recommendation as the minimal level of U.S. development assistance, this bill should be asking for appropriation of at least $9 billion—instead of the measly $1 billion of this legislation which might be primarily for economic development purposes.

Such neglect by this country is shameful. Virtually every other developed nation in the world devotes more of its resources on a proportional basis for development than we do. And, of course, the situation becomes even more ludicrous when we realize that our foreign aid development commitment continues to decline year after year.

I stress development because it is obvious that this "foreign aid" bill has so little to do with development—at least in economic terms. Instead—and once again—the establishment tacks the "aid" label onto its schemes of military support and adventurism throughout the world.

It does not surprise me when this body slashes away at development aid at the same time it adds on new weapon giveaways for some of our entrenched totalitarian "friends." I am not surprised, but I am depressed.

America's commitment to the third world is in urgent need of major revision. My vote today against this appropriation is aimed at the structuring of our aid program—not because I am opposed to assisting development, but because I strongly believe our present attempts are patronizing and ill conceived.

As long as the practice continues of including military aid in with economic assistance, I shall not support any foreign aid legislation. Congress must realize that massive military aid programs rarely are positive actions toward economic development in recipient countries. Military aid tends to reinforce misallocations of resources away from areas of infrastructural economic growth and into wasteful assemblages of military paraphernalia.

As an alternative to the type of "aid package" we are considering today, I would prefer much more emphasis on multilateral assistance, and greater help in the key area of population control and family planning.

I certainly would vote for this bill if I thought it was in the best long-range interests of both the United States and the developing nations. It is not and I will not.

This is another legislative tool of the military complex and their friends, and I refuse to support their dangerous and tragic policies.

I am for foreign economic development aid, but this is not it at all.

Mr. REID of New York. Mr. Chairman, I rise in support of H.R. 15149, the foreign aid appropriations bill. Normally, my support for this legislation would be strong; but I find it difficult to applaud a bill which sets a new low of $1.6 billion or less than 0.25 percent of our gross national product for the U.S. foreign assistance program.

Yesterday, this House passed by an overwhelming margin a bill appropriating a total of nearly $70 billion to the Defense Department. Of that $70 billion, $1.5 billion—or roughly the amount we will be spending for foreign assistance in this fiscal year—is earmarked for Marine personnel alone. For "operations and maintenance," in the Defense Department, we will be spending more than $20 billion—or 12 times the amount we have allocated for foreign aid in the coming year. I submit that this investment in war rather than constructive economic assistance programs is just one more indication of the upside priorities of this body.

Three aspects of the measure we are considering today are, in my judgment, cause for considerable concern. The most disturbing cuts in the bill were those made in the programs of the Alliance for Progress, through which we assist our neighbors in Latin America in the development process. In the early years of the

Alliance, this country allocated approximately $1.1 billion annually to investment in the nations of this hemisphere. In 1967, following the Conference at Punta del Este, President Johnson requested that that amount be increased by $300 million annually, to a total of roughly $1.4 billion annually. The bill we have before us today provides a mere $275 million—roughly one-fifth of that amount—for loans and grants for the Alianza in fiscal 1970.

It is true that the United States contributes to development in Latin America through programs other than those contained in this bill, including the food-for-peace program and loans made through the Inter-American Development Bank. But it remains true that U.S. assistance to Latin America has shown a catastrophic decline in recent years, a decline which will surely hold back developments in agriculture, education, and family planning—areas in which multilateral organizations provide little assistance, making the U.S. contribution increasingly important. The President has called for "action for progress" in the Americas. Are we, the Congress, to preclude the action needed in the coming decade by refusing to provide the necessary funds? I would hope that we will not fall back on our commitment in this manner.

Another distressing cut is that made by the Appropriations Committee in the U.S. 1970 contribution to multilateral organizations. As my colleagues may recall, this body authorized a total allocation of $122,620,000 for multilateral organizations, of which it was expected that $100 million would go to the United Nations development program. The committee in its wisdom has cut the total appropriation for multilateral organizations to $88.8 million, with $12 million of that amount earmarked for the United Nations Children's Fund—UNICEF. It is currently estimated that the U.S. contribution to the U.N. development program will therefore be held to the fiscal 1969 level of $71 million.

In my judgment, it would be a tragic mistake not to restore full funding for U.S. contributions to multilateral organizations and thus make possible a contribution of the full $100 million to the UNDP. According to Mr. Paul Hoffman, administrator of the program, the U.S. contribution of $71 million in fiscal 1969 helped trigger additional contributions of approximately $425 million from other sources. It is estimated that a U.S. contribution of $100 million for fiscal year 1970, along with the $138 million already pledged by other donor countries and the $20 million expected from interest payments and other sources, could generate $500 million—funds which could have an important impact on the development of the 122 countries which participate in the program.

In my judgment, the United Nations development program is playing a vital role in economic modernization of many countries of the world. Certainly I think any serious student of the UNDP would dispute the Pearson Commission report's statement, with regard to the UNDP and the specialized agencies, that—

> Their operating capacity now . . . seems strained to the limit.

Mr. Hoffman and his staff appear to be doing a superb job, and I would hope that the Members will support the amendment being offered by the gentleman from California (Mr. COHELAN) later today, which would restore full funding for this program.

My colleagues, the gentleman from Massachusetts (Mr. CONTE), and the gentleman from California (Mr. COHELAN) have already called the other major problem to your attention in a letter to all the Members. That is the inclusion of $54.5 million for the gift of jets to Nationalist China—a gift which has been neither requested nor justified by the President, the State Department, AID, or the Defense Department. Furthermore, it is my understanding that none of the agencies involved desires that these jets be given to Nationalist China, and in view of that fact, I would hope that my colleagues will support the amendment of the gentleman from Massachusetts (Mr. CONTE) to strike the appropriation for this gift from the bill.

I recognize the futility of the attempts to restore funds to H.R. 15149, and I therefore urge the Members to support the bill in its present form, without any additional cuts. However, I would hope that the Congress will act more responsibly next year and once again begin to meet the Nation's obligation to the less developed countries of the world.

Mr. VANIK. Mr. Chairman, I must oppose this foreign aid bill because it fails to meet a minimal standard of morality and decency in American foreign policy.

I have been a strong supporter of foreign aid in the past. It was my hope that we would develop a prudent program which would clearly express our Nation's commitment to help developing countries help themselves. It was my hope that America would take world leadership in preventing starvation, poverty and the desperation which would ultimately lead to violence and war.

It was also my earnest hope that our foreign aid program would be utilized to actively support freedom and free governments. From what I can determine, the overwhelming portion of these foreign aid funds are destined for military dictatorships and antidemocratic governments. Foreign aid funds should be used to inspire freedom and free enterprise and not to smother it.

This bill is fatally defective in appropriating $54½ million to provide an additional squadron of jet fighters for Chang Kai-shek and his government of Taiwan. The American people should seek to learn more about the combination of forces, foreign and domestic, which skillfully organized such a coup at the taxpayers expense.

On the other hand, a decent and proper move to increase development loan funds to provide dignified self-help was quickly turned aside. Where have our priorities gone?

Last night, President Nixon, in a matter-of-fact tone, admitted that our country was paying for the services of "volunteers" from Thailand, Korea, and in South Vietnam. These "volunteers" are hired mercenaries and "hired" allies.

My fear is that most of the revenue appropriated under this bill will be diverted to the war effort rather than to urgent human needs. If foreign aid is to be war aid, it belongs in the defense budget.

The time is at hand for a complete review of the foreign aid program and its place in American foreign policy. The administration of foreign aid must meet our moral responsibilities in the world rather than offend them.

Our experience in Vietnam should have set new and positive directions in our foreign policy and the aid program which brings it life.

Mr. SIKES. Mr. Chairman, I am deeply concerned with the possibility that funds contained in this bill for multilateral organization may ultimately be allocated to hostile Communist nations, including Hanoi. To me it would be an inexcusable act to tax Americans to pay those who kill, maim, and imprison American youths. I trust that the committee has explored this possibility and has provided safeguards to insure against such an actuality.

Mr. RYAN. Mr. Chairman, the Foreign Assistance Act of 1969 authorized $40,000,000 for the U.S. share in the development of a prototype desalting plant for Israel as part of a dual-purpose power and desalting project.

The authorized amount of $40,000,000 was determined after full consideration by the House Foreign Affairs Committee and in the light of the recommendation for $40,000,000 made last January by the Department of the Interior.

I regret that the foreign assistance appropriations bill for fiscal year 1970 has cut the authorization by 50 percent—to $20,000,000.

I believe that the desalination plant should be funded to the full level. The proposed plant is important, not only to the immediate water needs of Israel, but also to the development of facilities and techniques for dealing with the problems which have to be solved in order to use sea water to make up for the water shortage in many areas of the world.

The concept of such a project has had support since 1964, when President Johnson announced a joint United States-Israel program of research and development. A year later, the American-Israel Desalting Board reported that a facility was technically feasible, and that it could produce the water and electricity needed by Israel.

In 1967 I first introduced legislation to authorize such a project.

In January 1969, President Johnson promised Premier Levi Eskol support for the plant's construction, and on January 17, 1969, Assistant Secretary of the Interior Max Edwards sent a bill to Congress similar to mine and recommended $40,000,000.

Although my original bill had proposed a plant which would be capable of producing 100 to 150 million gallons of fresh water daily, the plant authorized by the Foreign Assistance Act of 1969 will produce 40 million gallons a day, which will surpass any desalting plant in existence

today. There is no desalination plant with a capacity over 7.5 million gallons daily, although there is one under construction which will be able to handle 20 million gallons daily.

Both Israel and the United States will benefit. It will aid Israel to cultivate land which presently lies arid; it will contribute toward a stable Middle East by creating more arable land and by producing jobs, and it will enable Israel to maintain her industrial and economic growth in the 1970's.

At the same time our own saline water conversion program will benefit from the development of this plant. Techniques for desalination will be developed at a reasonable cost.

Full funding of the authorization is in the public interest, and I hope the other body will vote the $40,000,000 which has been authorized.

Mrs. REID of Illinois. Mr. Chairman, as a member of the Foreign Operations Subcommittee of the Committee on Appropriations, I would first like to say a special word of commendation for our subcommittee's distinguished and dedicated chairman, the gentleman from Louisiana (Mr. PASSMAN), and our extremely able ranking minority member, the gentleman from Kansas (Mr. SHRIVER), for the capable leadership they have afforded our group as we have endeavored to evaluate and assess foreign assistance requests for fiscal 1970. In view of the enormity of our Nation's aid commitments throughout the world—to 99 countries and five territories in 1970—and the increasing domestic needs here at home during a period when it is necessary to curtail Federal expenditures wherever possible because of continuing inflationary pressures, this annual reappraisal has been a most difficult task, to say the least; and we are fortunate to have the special knowledge and experience these gentlemen contribute to this discussion. I believe that the hearing record this year as well as the committee report gives all of us a better understanding of the strengths and weaknesses of our foreign assistance program. I consider it an honor and a privilege to serve with anyone on the subcommittee.

Few Government programs over the past 20 years have aroused as much controversy both in and out of Congress as foreign aid, and this year is certainly no exception. At a time when we are being called upon to provide more Federal aid to support educational needs, to provide help in curbing pollution of our streams and rivers, and to help solve a myriad of problems such as housing, welfare needs, hunger, manpower training, and means of mass transportation that plague our own cities and rural areas, it behooves all of us to take a long, hard look at any request for additional foreign aid funds. I did not support the Foreign Assistance Act authorization bill when it was passed by the House of Representatives on November 20 because of urgent domestic needs and the fact that I am sincerely concerned about our budgetary problems in this country and the need to reduce expenditures in order to help curb inflation and provide relief for our overburdened taxpayers.

A main question raised is how far our Nation should go in continuing to share its resources with the world when our own public debt now stands at more than $361 billion, which is some $57 billion more than the combined public debts of all the other countries. Through June 30, 1969, the United States has extended economic and military assistance, in one form or another, amounting to a net total of $122 billion—of which only $27.5 billion is in loans, with the remainder being in grants. In view of the fact that we have had a surplus in our administrative budget only five times since the end of World War II, it has been estimated that it has cost an additional $60.5 billion in interest on the money we have borrowed to assist other countries. Ironically, three countries which have received substantial U.S. aid—Korea, Thailand, and Taiwan—are now loaning money back to us at a 6 percent interest rate.

An example of the failure of the goals of the foreign aid program can be seen in the case of India. Since 1952, the United States has given this massive and strategic Asian nation more than $9 billion—about two-thirds of its entire outside assistance. During this time an increasingly militant brand of socialism has continued to squander the aid. The masses of Indians are poorer than ever, industry languishes and an increasing trend toward nationalization does not improve the outlook for the future. At the same time, India consistently opposes the United States in the United Nations and is talking about raising its relations with North Vietnam to the ambassadorial level after a break of seven years. Furthermore, the Indians see nothing wrong in using U.S. funds to reinforce their own multi-million dollar foreign aid programs which gives assistance to such countries as Nepal, Bhutan, Sikkim, Indonesia, Ceylon and Burma, while millions of its own citizens are jobless, homeless, and starving. We should ponder what we have actually achieved in our own national interest by supplying two-thirds of India's foreign aid in the last two decades compared to what Communists have achieved on the basis of the U.S.S.R. supplying 5.5 percent of that same total.

Testimony presented to our committee shows that this year's request for the economic and military assistance program is the lowest since the program began.

However, bits and pieces of both the economic and military programs have been transferred to other departments and agencies, and new agencies and programs have been created over the past several years that now handle programs that were formerly funded by the Foreign Assistance Act or its predecessor acts. A compilation of the various budget requests from January 1, 1969, to the present totaled over $10.5 billion for foreign assistance in the form of loans, grants and credits—and this scattered throughout the budget.

The bill before us today would provide new budget obligational authority for foreign assistance activities in the amount of $1,599,380,000. This is a cut of $1,110,640,000 from the budget request, and it is $156.2 million less than the 1969 appropriation of $1,755,600,000—which to date was the smallest amount since the program began. Certainly the reductions recommended by our subcommittee are giant steps in the right direction, but the fact remains that further cuts could and should be made. Also, there is an estimated $18.7 billion of unexpended balances in the pipeline available from prior years' appropriations.

On September 24, 1969, President Nixon named a Presidential task force of 16 private citizens, headed by Mr. Rudolph A. Peterson, the president of the Bank of America, to review the foreign aid programs. This action was taken pursuant to sections 501 and 502 of the Foreign Assistance Act of 1968, which requested the President to make a thorough and comprehensive reappraisal of U.S. foreign assistance programs, and to submit to the Congress, on or before March 31, 1970, his recommendations for achieving such reforms in and reorganization of future foreign assistance programs as he determines to be necessary and appropriate in the national interest in the light of such reappraisal. In my judgment, pending the report of this task force, we should not appropriate any additional funds because of the backlog of over $18 billion in the pipeline.

In view of past failings of our foreign assistance programs, I would hope that the task force will come forward with constructive recommendations. I believe that this is a time to unwind the program as we have known it for the past two decades. It seems to me that with the availability of substantial funds in the AID pipeline, it would not seriously jeopardize any essential foreign commitment of our country. Obviously, it may require additional special legislation to deobligate and reprogram some present commitments so that necessary assistance in some areas—particularly to Vietnam—would not be interrupted.

While I support the efforts of my Foreign Operations Subcommittee and the Committee on Appropriations to reduce foreign aid spending this year, I personally feel that the fiscal crisis in our own country—which made it necessary for the President to ask for a 75-percent cut in domestic public works projects as well as curtailments in other vitally needed programs—makes it imperative that we go even further in redirecting this program and setting new priorities—so for these reasons, I shall not vote for the bill.

Mr. RANDALL. Mr. Chairman, I oppose H.R. 15149, the foreign assistance appropriation bill for 1970, for substantially the same reasons that I have opposed this same appropriation bill in former years.

While it is true the bill, as reported, carries an appropriation of something over $2½ billion, this figure is still far out of proportion to any benefit the American taxpayers can receive from such an appropriation. It is true this appropriation bill is over a billion dollars

below the April budget request, meaning the Nixon budget, and is nearly $400 million below the figure in the authorization bill, and about $375 million below the appropriations for last year, being fiscal year 1969.

Notwithstanding, the facts are that through June 30, 1969, foreign aid had cost the American taxpayer $122 billion. It is argued that about $30 billion of this is in the form of loans and therefore, may at some time be repaid. The facts are, however, that there is no information whether any of these loans have been partially repaid or whether they are being repaid. Just about any way you can slice it, the U.S. taxpayers have been out of pocket a net of nearly $95 billion for foreign aid since 1948. But that is not all of the story. The really disturbing fact is that in interest alone the cost of the program has been over $60 billion.

For years I have opposed foreign aid because of its maladministration and the repeated instances of waste of these funds. I have repeated in the past, and I can now reassert that even if there could be established a good case for foreign aid, there is no justification for this appropriation bill because there is an unexpended balance of previously appropriated moneys in the pipeline of approximately $18 billion. Of course there are those who will offer a rebuttal to this contention by saying that all of these funds are committed. It may be true that they have been earmarked for certain projects but the money has not been actually spent and surely in this year when fiscal restraint is most needed, we could declare a recess for foreign aid appropriations for at least such period of time until these committed but unexpended funds could be used.

As in former years, there are some worthwhile items in the overall foreign aid package. I have always supported the Peace Corps, and there is money in this bill for the Peace Corps, but it is a very small overall percentage of the total. If this bill should be defeated I am sure there would be some type of separate or supplemental appropriation bill to provide for the Peace Corps, and it would receive the support of the majority of the Membership of the Congress.

Again, there is some money which will go to Vietnam as assistance for that country. This, too, should be considered in a separate appropriation and it would undoubtedly receive the support of the Congress. As it is we are not talking about either the Peace Corps or assistance for Vietnam. Instead, in the fiscal 1970 foreign aid appropriation bill, there are funds going to 99 countries.

For those who may be depressed that $2½ billion is an insufficient sum for foreign aid, their spirits can be revived by the knowledge that this appropriation bill certainly does not include all the bills for foreign aid programs. As it is today, foreign aid has been fragmented and scattered throughout several executive departments. When the funds contained in this bill are included with all of the other separate appropriations for foreign aid, the total will be about $10½ billion for fiscal 1970. Put in different terminology, there is $8 billion for foreign aid outside or beyond that appropriated by H.R. 15149.

Mr. Chairman, in consideration of the hard-pressed American taxpayers, and in further consideration of all our other priorities, the foreign aid appropriation bill for 1970 should be voted down.

Mr. OTTINGER. Mr. Chairman, I am voting against the foreign assistance appropriation bill today for the first time since I have been in Congress.

I oppose the bill, not because of its basic provisions appropriating funds for economic assistance, the United Nations, the Peace Corps, the Asian and Inter-American Bank, IDA and other worthwhile programs of assistance to the developing nations of the world. Quite the contrary. I feel the appropriations for these purposes have been cut shamefully, so far as to endanger the future security of the United States. Assistance to the less-developed nations is the constructive part of our foreign policy. It holds out hope to the deprived people of less-developed nations that their aspirations for a decent standard of living may be achieved under a free society. Today, our accent in approaching these people is far too heavily on threats and use of military force. The drastic cuts in the bilateral economic assistance and international assistance programs leave the United States looking at the rest of the world down the barrel of a gun, virtually eliminating the constructive tools of foreign policy, and leaving us only with military tools.

I oppose the bill today because of the series of amendments and legislative provisions that have been added to it that shift its emphasis from economic assistance to military assistance, from constructive help to free nations aspiring to stand on their own feet to an instrument in the cold war.

I particularly oppose the appropriation of $54,500,000 to the Republic of China for the purchase of modern war planes not requested by the administration and for which no justification has been made. Indeed, it is only on hearsay from individual Members that there is any evidence of departmental support for the planes at all, and the debate in the House indicates that the State Department has not declared itself at all on this question. No hearings have been held. No apparent justification exists. How and where are these planes to be used? The crucial question remains unanswered.

I oppose military and supporting assistance to dictatorships in Spain, Greece, Haiti, and various less-developed countries. While we are fighting in Vietnam ostensibly to defend the South Vietnamese right of free elections and self-determination, it seems anomalous to donate American treasure to the aid of Government systematically oppressing their citizens and this is particularly wrong in the case of military aid.

I oppose the large amounts in this bill for various aspects of the Vietnamization program in South Vietnam, feeling that support is being given to the repressive military regime of Generals Thieu and Ky without adequate insistance on elimination of corruption, broadening the base of that government, ending the imprisonment of political opponents, and assuring agricultural and other economic reforms. Every day we are treated to new revelations of how our assistance to that government is diverted into private pockets and Swiss bank accounts. The policy of bolstering the Thieu-Ky regime without insisting on political and economic reform is a bankrupt policy that will result in prolongation of the war.

Finally, I oppose the entire series of legislative restrictions in this appropriations measure. The appropriations committee is supposed merely to fund the programs authorized, not to legislate in the guise of fixing limitations on the use of funds. Various restrictions placed in this bill are likely to require termination of assistance to countries like Pakistan, Burma, Cambodia, Thailand, and the Philippines which will jeopardize our relations with these countries and the stability of Southeast Asia. Other restrictions tie the hands of the administration in its efforts to normalize relations with China. They seek greater efforts to tie U.S. assistance to purchases in the United States, whereas we should be seeking to untie our assistance in conjunction with other developed countries. The tying provisions of our aid cost the recipients dearly. In many cases if agreements could be reached for mutual untying with other developed nations, untying could be accomplished without any adverse balance-of-payments consequences or any dimunition of purchases of U.S. goods and services. The legislative restrictions in this bill also wrongly inhibit the freedom of the administration to try to exploit differences between Communist nations and to try to encourage these nations to exercise greater freedom from the Soviet Union and China.

Considering all these factors, I have come to the conclusion that the bad features outweigh the good in this bill and thus, reluctantly, have decided to oppose it. I earnestly hope that these bad features will be eliminated in conference and that I will be able to support the bill as it finally emerges.

Mr. ROBISON. Mr. Chairman, as my voting record over a 12-year timespan in this House will prove, I have always supported our programs of foreign assistance of one kind or another. This support has not always been politically easy to give, since my own constituents—like those, I suppose, of many of my colleagues—have tended to be disillusioned with foreign aid, as such, concentrating on its manifold and spectacular failures more than they have on the realities of global poverty, and the constant threat to world peace that lie inherently therein.

We must, of course, concentrate on our own problems. The same are widespread, complex in nature and costly of solution.

And, yet, we would ignore only at our peril the fact that there are, in Asia, Africa, Latin America, and the Middle East, hundreds of millions of poor people—people who live with hunger and often die of it; people who are pinned down by ignorance and cannot escape from it; people who are open to attack by every form of killing and crippling disease; people whose homes are rural

shacks or urban slums; people whose children move in appalling numbers directly from the cradle to the grave.

The growing frustrations felt by these global poor constitute an explosive force on the world scene greater in potential, one must believe, than even the atomic terrors we have learned to live with should a conflict break out leading to the use of such weapons of warfare.

Throughout my years of service in this body, and my efforts to communicate at least a bit better understanding of this peril to those I endeavor to represent here, I am pleased to have noted what I have felt to be a softening attitude on the part of my constituents toward the necessity for continued programs of foreign assistance in the fields of economic and developmental aid, technical cooperation, and the like. My last district questionnaire indicated, for the first time, that a slim majority supported such programs—and, apparently, understood the reasons why they should be supported—to which support, though not expressly stated, one has to assume those so voting attached a hope that such programs would be more carefully administered and parceled out than they had been in past years.

In any event, Mr. Chairman, the moneys as contained in this bill for such programs have been cut to a bare-bones state—substantially below President Nixon's budgetary requests for the same. This was, perhaps, a defensible decision in view of our own economic problems and the urgency of our own domestic problems that concurrently cry out for solution. At least, for me, it was an acceptable decision and, until a few moments ago, I had fully intended to vote for this bill.

However, in the past few hours it has become clear that the mood of the House is a continuing one—that has been exhibited all too often in past years—of preoccupation with our military ventures or interests abroad. Not only is the unasked for money for jets for the Republic of China evidently going to stay in this bill, but also, apparently, an additional $50 million in military assistance for the Republic of South Korea is going to take its place alongside that dubious item.

In short, Mr. Chairman, what we seem to be producing here is a sort of "supplemental" defense appropriations bill. I could swallow it, perhaps, if we were just considering the extra money for Korea, but I can see at the moment no justification—and possibly some future trouble for us—in the $54.5 million in the bill for jet aircraft for China. This last item came out of nowhere as the authorization bill passed this body a few weeks ago. I voted against it then, as I intend to do again tonight. It may, possibly, be a justfiable item, but I would like some proof of that before voting for it, and I have not yet seen such justification.

In any event, Mr. Chairman, I cannot support a so-called foreign aid program under which the sum total of our efforts to combat global poverty, and hunger, ignorance and disease, continues to shrink, while programs of military assistance of one kind or another—especially when one adds in the dollar total of such assistance as provided through other vehicles than this one—continue to burgeon and grow.

And, quite frankly, I am more than somewhat weary of watching my colleagues who are so inclined—though I surely do not question their motives in doing so nor their right to do so—vote, year after year, to turn this from an economic assistance program that holds some hope out to the underdeveloped world, and, I believe, gives some future hope for conditions conducive to world peace, into what is more and more a military assistance program that could lead us into further misadventures like that in Vietnam, while counting on Members who feel as I do to carry such bills through on final passage.

Thus, Mr. Chairman, I intend to vote "no" on final passage of this measure, breaking a 12-year string of "aye" votes in doing so, but believing that, in good conscience, I cannot do otherwise.

Mr. PASSMAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

(3) Multilateral organizations, $88,800,000 (section 401(a)(1)): *Provided*, That no part of this appropriation shall be used to initiate any project or activity which has not been justified to the Congress: *Provided further*, That the President shall seek to assure that no contribution to the United Nations Development Program authorized by the Foreign Assistance Act of 1961, as amended, shall be used for projects for economic or technical assistance to the Government of Cuba, so long as Cuba is governed by the Castro regime: *Provided further*, That none of the funds contained in this paragraph shall be available for transfers authorized by section 202 of the Foreign Assistance Act of 1969.

AMENDMENT OFFERED BY MR. COHELAN

Mr. COHELAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COHELAN: Page 2, line 14, after "(3) Multilateral organizations", strike out "$88,800,000" and insert "$122,620,000".

The CHAIRMAN. The gentleman from California is recognized.

Mr. COHELAN. Mr. Chairman, I rise to offer this amendment which will restore the fund to international organizations. The program that will be most affected by this huge cut—$34 million—will be the U.N. development program—UNDP—which is headed by the able Mr. Paul Hoffman. The committee cut this category which will adversely affect the desirable work of the UNDP. The committee report states that the Pearson Commission Report on the International Development states that the operating capacity of UNDP and other specialized agencies "seems strained". What the committee report fails to mention is that the U.S. contribution is the "lynch pin" of UNDP effort.

I recently spoke with Paul Hoffman and he said these cuts by the subcommittee would have a dire consequence on the orderly planning for UNDP. This organization has projections to expand at the rate of 15 percent per year. Mr. Hoffman assured me that this expansion would be orderly and not impede the quality of the work of UNDP. It was on this basis that UNDP has now solicited over $150 million from other nations for 1969. The United States is pledged to a $100 million contribution—a pledge that can never be fulfilled if this House allows this cut to stand. It should be noted in this regard that 62 countries have increased their 1969 pledges over 1968. It seems in the best interest of encouraging international self-help to fund UNDP at $100 million.

The need is painfully apparent. Two major studies, although 3 years old, came to the same general conclusions—that the need for UNDP projects—surveys to explore latent natural resources, work to strengthen educational and training program facilities for disseminating and applying new technologies, furnishing advisory personnel—was well over $400 million.

The need for these projects has grown considerably in recent years. Although there is this tremendous need, the UNDP moved at a fixed and orderly pace. As I have mentioned there was to be a 15-percent increment per year. This pace would enable the judicious and expert utilization of available resources. Now we are faced with a drastic reduction. It is argued that we are only appropriating what we did last year. Such an attitude leaves no hope for expansion and indeed in the inflated money market it means we have regressed.

In answer to the charge that UNDP is strained within its existing budget, I want to point out again that there is an orderly plan for a 15-percent increase in UNDP effort. This can be appreciated when the area of personnel is analyzed.

There will only be 62 additional staff at the New York headquarters to handle increased projects, a total of 479 people, and there will be a field increase of 195, a total of 2,305 staff. These field personnel will run the gamut from manual workers to economic planners. Of more importance is the plan for an increase of 1,400 expert man-years—EMY—over the next 5 years, to a total of 6,200 EMY. This concept of getting expert personnel to give guidance to the development effort represents the backbone of the UNDP effort. Thus, UNDP has planned for an orderly expansion. I feel that this is the correct direction in which to move, and I feel that with this orderly planning, the organization can relieve the strain, as charged in the Pearson report, and get on with its vital work.

It cannot do this with the existing cut. The increase recommended, $29 million, was to handle this increase in needed manpower and increased projects. Now we are asked to cut them.

This cut comes at a time when UNDP efforts are bearing fruit. For example, the Director announced that by the end of 1968, capital investment commitments of $2.8 billion had resulted from or were related to the findings of projects assisted by UNDP.

I want to point out to my colleagues on the other side of the aisle that this is a fight to save the priorities of your administration. The increase of $29 million for UNDP was done at the direction of President Nixon who wanted increased

emphasis on the technical assistance and the channeling of funds through multilateral agencies.

This then is Nixon priority—and it seems not a little strange that we on our side of the aisle are required to bear the burden, with some notable exceptions for the Republican side, for these Presidential priorities. For myself, I feel the President, in this instance, has made a wise choice. The UNDP shows how U.S. funds can be used not only to accelerate development but to encourage other nations to take up their burdens. It is important to keep this in mind. Every $4 donated by the United States generates $6 from other donors, and in addition, an equal contribution to their projects by the recipient developing nation. Now we are asked to regress. I do not think this is the time for the United States to back out of this effort—and this is exactly what will happen with this $34 million cut.

Given the Presidential support for the objectives for UNDP and the fact that most Members support the concept of self-help in international development and are increasingly accepting the multilateral approach as a valued tool, we should not allow this productive agency to be subject to the Procrustean approach—we should not negate its efforts with a sense of futile economy and at the same time give away funds to other questionable efforts.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I call the attention of the Committee to the fact that for this account, the international organizations and programs, as it was previously funded, as of June 30 had $171,740,000 on hand unexpended. Under the new budget request, they are asking for $122,620,000. However, as in previous years, we make reductions, but in this particular account on comparable programs last year we appropriated $88,800,000. That is the same amount we are recommending at this time—$88,800,000. I want to refer to the Pearson Commission report. I do not know why we just blind ourselves to the facts of life. This is from the committee report:

> The Committee is of the opinion that this proposed increase of approximately 41 percent in our contribution to the U.N.D.P. is excessive and notes that the recently released Pearson Commission Report on International Development stated, with reference to the technical assistance activities of the United Nations:
>
> A large volume of technical assistance and preinvestment activity is handled by the U.N.D.P. and the specialized agencies, and they have played pioneering roles in many of the improvements of the past two decades. The world owes them great praise and appreciation for these vital contributions. *Their operating capacity now, however, seems strained to the limit.*

There is absolutely no justification for increasing this program by one dime. There was no justification before our committee which would warrant increasing this account.

In voting, I hope the Members will take into account that we travel this same road every year. The Committee on Appropriations makes adjustments. Always those who are for the high dollar come in and offer amendments. Some of us must be responsible and realize that we are closing down projects in America. Seventy-five percent of all new starts will be closed down. Last year it was necessary to impound funds.

On that basis I ask Members to support the committee. This item has cleared the subcommittee. It has cleared the full committee. I certainly hope that the committee will vote down this amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in strong support of this amendment. The dollar amount is small, $34 million. However, as the gentleman from California has so eloquently stated, it is for a very good purpose. The committee itself recognizes the basic reason for the increase in the funds for the United Nations development program. It says, quoting from page 12:

> This increased estimate reflects the President's decision to increase emphasis in the overall aid program on technical assistance and on channeling of funds through multilateral organizations.

This emphasis would be possible if we would provide the $100 million which is being requested for the UNDP.

If I could borrow a couple of expressions from the gentleman from Louisiana, but not his argument, let us not blind ourselves to the facts of life, and let us remember that somebody must be responsible.

The facts of life are that multilateral organizations can do a meaningful job in assisting developing nations. One of the ways we can assist in that effort is through such programs as are financed by the UNDP. This involves not only contributions from the United States, but also contributions from other nations, which total already about $140 million and may go up to $150 million.

If we cut back because of an insistence on looking backward instead of at what the needs are today, we cannot expect other countries to come forward and help pay the bill. On the other hand, if we modestly increase our assistance there will be some solid benefits both in the field of technical assistance and in the channeling of funds for programs which are needed to help these developing countries.

I do hope we will recognize there is something of susbtance here. No case has been made for a reduction of these funds except for the blind fact that we did not utilize more money last year.

The UNDP has grown. As I said during general debate, four times as much is now available than was available in 1959. It is because this program has grown, and is increasingly useful, that we need to increase our emphasis in this area.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding.

Is it not true that this type of program, which Mr. Paul Hoffman has been in charge of for a number of years now, is truly a seed money kind of program? It concentrates either on training, such as vocational training, or on the type of investment that brings private investment and other investments afterward.

Over the years the total amount of investment produced as a result of these preinvestment activities, surveys and the like is truly enormous.

Would not the gentleman agree that it would be false economy to cut back on this program where we are getting big contributions from other countries relative to their strength and we are also getting such large total investment added to the projects after they are completed?

Mr. FRELINGHUYSEN. May I say to the gentleman from New York I agree with him. If we do decide to cut back on the bilateral assistance, we should be wary of also cutting back on multilateral assistance. It does seem to me that when you have a relatively small but expanding program such as this that we should continue with it. We should accept the fact that the President is requesting more and honor his request.

Mr. REID of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentleman from California (Mr. COHELAN). Because the hour is late, I shall not take the full 5 minutes. However, there are one or two points I would like to make. The United Nations Development Fund basically is a fund that supports an expanding world economy. It is in the interest of U.S. trade. It provides basic seed money for development, as the gentleman from New York (Mr. BINGHAM) pointed out. Last year, in 1969, the UNDP was working in 122 countries and 71 million U.S. dollars resulted in the generation of additional contributions of $400 million to $425 million for effective economic development.

It is estimated by Mr. Hoffman, Administrator of the UNDP, that if the House did restore the funds for multilateral organizations to the $122 million requested in this amendment, which has been offered by the gentleman from California (Mr. COHELAN), which I support, the $100 million U.S. contribution to the UNDP would make it possible to generate some $500 million in additional funds.

Mr. Chairman, I would point out to the Members of the Committee of the Whole House on the State of the Union that to date the United Nations development program has engaged in 1,100 projects resulting in $3 billion—$3 billion—in capital investment. Of the $500 million expected to be generated in 1970, it is anticipated that 40 percent of the funds will go to agricultural projects; 20 percent to investigations of various kinds; 20 percent to vocational training—for example, India, which once had a shortage of plumbers, now has 25 institutes to provide training to meet the demand in this field—and 20 percent for miscellaneous projects.

The most impressive feature of the UNDP is perhaps the multiplying value of its projects. A project to modernize a country's agriculture, for example, results in increased productivity of farmers and workers. With increased crop yields, the farmers have increased income; this leads to a market for industrial products—everything from farm

implements to bicycles. When industry expands, more people move to the country's cities, creating a demand for services. Therefore, a project which begins as an effort to improve a nation's agricultural techniques may in the end result in the modernization of that nation's economy and expanded world trade as that country begins to buy goods on the world market. The UNDP therefore works to the advantage of the developed, as well as the less developed, nations of the world to the extent that it contributes to expansion of the world economy.

One very specific example that could be mentioned that this provision for contribution to the UNDP would now do is to provide support to the Mexican Institute, which is on the verge of a breakthrough in placing more protein into cereals. With this breakthrough, it would be possible to double the world's food supply and provide a better diet for some 250 million children aged 2 through 5 whose growth otherwise could be seriously stunted without this breakthrough with reference to an adequate diet.

Mr. Chairman, I think this is one of the best investments we can make. A small amount of U.S. funds triggers vast additional resources and energizes the best kind of resource development.

I would say, finally, that Mr. Hoffman is not unmindful of the reference in the Pearson Commission Report and the feeling that fact that he is under some strain in this area and he has a problem of how more effective use can be made of UNDP resources. He is, indeed, currently engaged in a study to identify any existing problem areas and find solutions for the problems. It would be surprising, given the progress that has been made, if there were no strains—for strains and progress go hand in hand in this world.

Mr. Chairman, I believe for the small amount of money involved, this represents one of the best investments we can make—an investment in resource development, vocational training, higher crop yields, and a fundamental increase in productivity and trade.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding.

Knowing the gentleman's interest in the Middle East, I think it might be worth pointing out to the Committee that this amendment does not involve in any way whatsoever the funds for the Arab refugees with which some of us have great concern, in that camps for Arab refugees may be under the control of terrorists. I spoke on this the other day and have great concern about the way the UNRWA program is being run.

The Cohelan amendment concerns a totally different program. There is no money in this item we are talking about for the Arab refugee program. This is an area where the United Nations work is widely acclaimed. The UNDP is doing a splendid job, and needs the kind of support that the full request from the administration would present.

Mr. REID of New York. The gentleman is correct. I thank him for his contribution.

Mr. Chairman, this program is essential to help countries identify their own resources, train their own people, and achieve the higher productivity fundamental to the third world and to U.S. trade as well. Take, for example, Nigeria, where a dam is under consideration, and might be built. If it is built, it will provide a lake 15 by 70 miles providing hundreds of thousands of acres with irrigation, and would also provide for an inland fishery industry that would produce the protein that is so important here.

I believe this to be a self-help program that helps the developing nations, and for which we provide modest resources.

Mr. Chairman, I very much hope that in our interest the House will support the amendment offered by the gentleman from California.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRASER. Mr. Chairman, I rise in support of the amendment, and I move to strike the requisite number of words.

Mr. Chairman, at a time when the United States is being questioned around the world we find the committee is recommending that we turn our back on one of the most important multilateral programs that we have in the economic development field.

Mr. Chairman, up until a year ago the United States was making good on its pledge to put in 40 percent of the funds that were being spent through UNDP. Last year, because of the drive for economy, our share fell to something like 33 percent—the first time the United States has turned its back on meeting the commitment of 40 percent which it has had for so long.

Now, if this committee recommendation is sustained by the House our share will drop to 30 percent, or very close to that figure.

I think this is terribly important; that the United States show that it is prepared to sustain its commitments to these international programs. I cannot believe that it will reflect credit on this House to say that in a time when the United States is attempting to disengage from an unpopular war, to say that at a time there is danger of America turning isolationist, to say at a time when those who are criticizing the Vietnam war are the neoisolationists, that we shall draw back and reduce our support for those peaceful, constructive international programs to which we have been committed for so many years.

If we put the money in that this amendment calls for, it is a very small amount when you compare it to the totality of our defense and international programs where we are spending between $70 and $80 billion a year. This amendment calls for $20 or $30 million to redeem our commitment to the United Nations. I really think this is one place where the administration—and an administration I would be proud to support as it moves to give support to the United Nations—this is one place where we can help the administration show that America is not turning its back on the world; that we are prepared to do our part, and that we are not in the name of economy going to cut back and reduce the support that we have pledged for so long in these international programs.

I really think, Mr. Chairman, this is a very small amount of money to maintain the good name of the United States in its willingness to stay involved and committed around the world today.

Mr. Chairman, I yield back the balance of my time.

Mr. SHRIVER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the previous speakers have discussed the fact that the committee has cut back our support on multilateral international organizations. I fail to see that there has been any cutback—not from that which was appropriated in the prior year.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman from Kansas yield?

Mr. SHRIVER. I yield to the gentleman from New York.

Mr. ROONEY of New York. Mr. Chairman, I would like to inquire of the distinguished gentleman from Kansas (Mr. SHRIVER) with regard to the $88,800,000 at page 2 of the pending bill, how this amount compares with the amount appropriated for the same purpose in fiscal year 1969, the previous fiscal year?

Mr. SHRIVER. It is the same amount. It is the same amount that was appropriated.

Mr. Chairman, I would like to call your attention to the fact that $17,600,000 was transferred and has been provided for the Indus Basin and a multilateral project of $19,600,000 for UNRA and the U.N. peacekeeping force in Cyprus.

There has been no cutback. This has been a continuation of the efforts of this body to support at the same level as they did in the prior year.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman.

Mr. COHELAN. Mr. Chairman, in my basic arguments in support of my amendment, I made the point on the authority of the distinguished gentleman from the United Nations himself who has indicated that these funds are badly needed and for the reasons I described.

Of course, so far as the price level alone is concerned, it would be very clear that the full amount is needed.

Mr. SHRIVER. I understand that the amendment before the committee is for a 41-percent increase over the existing present year's appropriation. We have not increased other items in this bill or in other bills by this large of a percentage. In fact, there are many cutbacks as far as that is concerned.

Mr. PASSMAN. Mr. Chairman, will the gentleman from Kansas yield?

Mr. SHRIVER. I yield to the gentleman.

Mr. PASSMAN. Is it not true that on page 12 of the committee report that the Pearson Commission which was selected to study the foreign assistance programs around the world made this report to the committee.

**The Committee is of the opinion that this proposed increase of approximately 41 percent in our contribution to the U.N.D.P. is excessive.**

The significant statement of the Pearson Commission report is:

Their operating capacity now, however, seems strained to the limit.

Do we need any further justification?

Mr. SHRIVER. That comment was in the Pearson report that their operating capacity now, however, seems strained to the limit. So the committee has offered the same amount.

Mr. PASSMAN. The AID justification itself shows that that was the amount that was appropriated last year for this purpose.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman.

Mr. BINGHAM. I am sure that the distinguished chairman of the subcommittee did not mean to mislead the committee to the effect that the statement he quoted from the bottom of page 12 was from the Pearson Commission report.

That is the statement of the Subcommittee of the Committee on Appropriations.

Mr. PASSMAN. That is a committee statement. The Pearson Commission report statement is on page 13 of the committee report.

Mr. BINGHAM. I have the report in front of me, but the chairman did quote the statement that—

The committee is of the opinion that this proposed increase of 41 percent * * * is excessive—

As if that were the Pearson Commission's report.

That is not the report of the Pearson Commission.

Mr. PASSMAN. Is it not true that the Pearson Commission report stated that the U.N. agencies' operating capacity seem strained to the limit? Is that not part of the current situation?

Mr. BINGHAM. That is correct.

Mr. PASSMAN. Now if they are strained to the limit of $88,800,000, then they cannot possibly use additional money.

Mr. SHRIVER. I repeat there is no cutback.

Mr. BINGHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall not take the 5 minutes—but just to continue this colloquy for a minute, I think those of us who have read the Pearson Commission report—and I have read a good part of it—recognize it as a very splendid report, the entire thrust of which is that the developed countries are doing far too little today about the gap between the rich nations and the poor nations of this world.

The Pearson Commission report makes a most eloquent case for increasing technical assistance and economic assistance to the developing countries of the world.

If we are going to cut back on the bilateral programs, as apparently we are doing, then it becomes more important than ever that we transfer as much of the responsibility as we can to the multilateral operations where other nations are helping to carry the load.

As to the Pearson Commission's statement about capacity being strained, as one of the gentlemen pointed out earlier, this merely means that the international organization needs additional resources to improve its capacity. They are beginning to use additional organizations. They are not going to limit themselves, as they have in the past, to the Food and Agriculture Organization, the World Health Organization, and the others, as the only operating agencies to do the work. They are doing some of this under contract, and that means they will increase their capacity.

So I think it is quite clear that we should not take this one sentence out of the Pearson Commission report and use it as an excuse to cut back on the tentative commitment we made in the negotiations that have taken place at the U.N. We have solicited increased contributions from many other nations and 45 of them, according to the recent report from the UNBP, have agreed to increase their contributions.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Illinois.

Mr. FINDLEY. In an attempt to clarify the situation, am I correct that the amendment offered by the gentleman from California would restore this fund to the level requested by the administration?

Mr. BINGHAM. That is correct.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from New York.

Mr. REID of New York. There has been some reference to the phrase "strained to the limit." I would say to the gentleman that I have just talked with Mr. Paul Hoffman on this point. He said, "Of course, we are somewhat strained", but I think the remarkable thing is the multiplying effect the UNDP has had and the accomplishments they have succeeded in generating." However, Mr. Hoffman has set up a committee to identify any points of strain and to seek promptly to remedy them. But my point, which I think is also the gentleman's point, is that we should be grateful for the vast amount of progress that has been made; for the resources identified, for increased productivity, for increased investment and trade. If there was not some strain, they would not be doing their job.

Mr. BINGHAM. I thank the gentleman for his contribution.

It seems to me we might as well say that because the Post Office is strained today to handle the volume of mail, we should deny it funds to increase its capability.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the chairman of the committee.

Mr. PASSMAN. Is it not true that there is $171 billion on hand in the pipeline unexpended?

Mr. BINGHAM. I will take the gentleman's word on that.

Mr. PASSMAN. That is enough money for 2 full years without any additional appropriation; is that no so?

Mr. BINGHAM. The gentleman well knows—and this is something that he has been interested in for many years—there are always funds in the pipeline for this type of operation. I have sat in the Economic and Social Council as the U.S. representative at the United Nations. I know these are very difficult and complex programs to work out. It involves working with other nations, and using technicians from all parts of the world who speak many different languages. The UNDP does not rush into things. They wait until they have requests. So it does take time to negotiate. Unless they have the funds assured, they cannot negotiate for the projects, and it always takes time to work them out.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Minnesota.

Mr. FRASER. I thank the gentleman from New York.

One thing I want to make clear. I do not know whether the chairman acknowledges this or not. Last year we gave the UNDP $71 million. Under the bill before the House, that would drop to $66 million. I checked this with the Assistant Secretary of State for International Organizations as recently as 2 hours ago, and you can get the same figures by doing your own calculations from the committee report. The point I want to make is that we are moving backward at a time when all other countries are moving forward. This is not the time for the United States to go back.

Mr. PASSMAN. That assumption is not correct. They could get the entire $88.8 million, if the Executive so desires.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I do not believe the chairman would want to create the impression that there is a pipeline of funds available for contributions to the United Nations. I am sure he must know these funds are not available, in the sense that a way could be found to make an increase in the U.S. contribution to U.N. agencies over the amount that would be available in this bill. That surely is not the situation.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield for a correction?

Mr. FRELINGHUYSEN. Mr. Chairman, I do not have the floor.

Mr. PASSMAN. Mr. Chairman, will the gentleman from New York yield for a correction?

Mr. BINGHAM. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I said there was $171 billion in the pipeline, unexpended, that will be disbursed in subsequent years. I rest on that statement, because it is in AID's own justifications.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. COHELAN).

The question was taken; and on a division (demanded by Mr. COHELAN) there were—ayes 53, noes 75.

Mr. COHELAN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. COEHLAN and Mr. PASSMAN.

The Committee again divided, and the

tellers reported that there were—ayes 59, noes 75.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

American schools and hospitals abroad: For expenses authorized by section 304(b), $24,050,000, to be used solely for the following institutions or programs:

| | |
|---|---|
| American University of Beirut, Lebanon | $9,490,000 |
| American Farm School, Thessaloniki, Greece | 100,000 |
| Robert College, Istanbul, Turkey | 2,300,000 |
| American University in Cairo, Egypt | 200,000 |
| Escuela Aricola, Panamericana, Honduras | 200,000 |
| Admiral Bristol Hospital, Istanbul, Turkey | 75,000 |
| Project Hope | 500,000 |
| Weizmann Institute, Israel | 3,000,000 |
| Merkaz Lechinuch Ichud, Israel | 1,900,000 |
| Amana Ulpenat B.A., Israel | 600,000 |
| Hadassah (expansion of medical facilities in Israel) | 5,000,000 |
| Hospital and Home for the Aged, Zichron-Yaakov, Israel | 650,000 |
| Program Support | 35,000 |

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I have been looking at H.R. 14580, and nowhere can I find in the foreign aid authorization bill an item in this legislation which deals with the expenditure of $650,000 for the construction of a nursing home in Israel.

Can some member of the committee tell me how this got in the appropriation bill, not having been authorized? Are there any other items in this list to be found on page 3 that have not been authorized?

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. This is the only item in the bill that is not authorized, with the exception of the foreign military credit sales program. We can certainly justify this project, so we included it in our bill in the subcommittee, and it was approved by the full committee.

This is the only item in the bill of this nature.

Mr. GROSS. Is the gentleman saying I came in late or something? I do not understand how this item got into the bill, and who is responsible for it.

Mr. PASSMAN. If the gentleman can get it considered under the foreign aid program and come in and request it, we will give it consideration.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman from Iowa yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY of New York. I expect it is I to whom the distinguished chairman of the subcommittee is referring. This is my project. It is for a hospital and home for the aged in Israel and was inserted in this bill at my request. We expected it would be inserted in the authorization bill. Unfortunately, although it is a most deserving item, it was not.

Mr. GROSS. What am I to think in this situation? Am I to think that every one of the 435 Members of the House can walk in to the Appropriations Committee or any other committee and get their personal projects put into a bill?

Mr. ROONEY of New York. I do not think so, at all.

Mr. GROSS. What has the legislative process degenerated into, anyway?

Mr. ROONEY of New York. I do not think so, at all.

Mr. GROSS. This seems to be a first-come-first-served procedure, or something of that kind.

Mr. ROONEY of New York. The difficulty here was the lateness. It should have been included in the authorization bill. Fortunately, we were able to catch up with it in this appropriation bill. This is a very worthy project which is in the best interest of the American people.

Mr. GROSS. I am afraid I do not have a good explanation yet for this item of $650,000.

I will say to my friend from Missouri, Dr. HALL, that one of his favorites and mine is about to be brought to the attention of the House. I understand a message is coming down from the White House asking for some $40 million for the good old arts and humanities.

If we are going to build nursing homes and homes for the aged all over the world, from Timbuktu to Afghanistan and back again, I wish the gentleman from Missouri would tell me where it is proposed to get the money.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. And take care of special projects for each one of the 435 Members of the House.

I yield to the gentleman from Missouri.

Mr. HALL. Perhaps the arts and humanities request does not have an Israelite flavor.

Mr. GROSS. Well, that could be as good an explanation.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. ICHORD. I do not intend to spend my time on this particular question. I have a question which I would like to ask the chairman on another matter.

Mr. GROSS. I still do not have a good answer on this and I doubt if I ever get an answer. But just remember that any Member that has a project that he wants to construct somewhere in the world, should go to the Appropriations Committee and expect to get it.

Mr. ICHORD. Mr. Chairman, if the gentleman will yield, and if I may have the attention of the chairman of the committee, I would like to learn the rationale which the committee used to arrive at the figure of $265 million in the development loan program worldwide. That is, did you come in with a figure of $265 million, because this was the figure the committee came in with last year, did you study the projects, project by project, or does this figure represent a percentage cut?

Mr. PASSMAN. Mr. Chairman, if the gentleman from Iowa will yield, we try to be as reasonable as we possibly can in marking up this bill. We look at the justifications and we look at the commitments and obligations. Then on a subsequent day we spend many hours going over the testimony and we try to recommend a reasonable figure.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. ICHORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, pursuing this subject further, would the gentleman from Louisiana care to respond further?

Mr. PASSMAN. If the gentleman will yield? Then based upon the projects presented to our committee we reach what we think is a proper level to fund these programs. In many instances we cut them because there is no justification for the level requested.

For instance, on this particular item I want to point out to the gentleman on two programs, the Alliance loans and the development loans, there is a total of $465 million in the bill. We feel that is adequate. However, before this legislation finally becomes law it could be lower than that or it could be higher than that or it could be this figure. But based upon their commitments thus far we believe this is ample funding.

Mr. ICHORD. Is the gentleman saying that you look at the program project by project and the justification just happened to be $265 million, the same figure which you came in with last year?

Mr. PASSMAN. If the gentleman will yield, I can assure the gentleman it is not that scientific. Possibly, we could have come in with $245 million or $275 million. Nothing in this bill is so pinpointed in the justifications. We do not know the exact amount of money they need. This entire program is an "illustrative" program. They say, "We think we will need money for projects in these countries" and based upon our experience in handling this bill and looking at the amount of money they obligated last year and where they obligated that money, we felt that $265 million was the amount we should bring to the Floor at this time. The appropriation a year ago was $300 million and not $265 million.

Mr. ICHORD. Well, of course, the gentleman well knows if we again send over $265 million to the other body, we will probably end up with a figure again of $300 million which will constitute no cut at all.

I might say to the gentleman from Louisiana that I am quite put out with having a figure in this bill representing only a 61-percent cut from the amount requested by the administration when we had to experience a 75-percent cut on domestic Federal construction projects.

I am wondering if the committee has cut enough when it has only cut 61 percent from the figure requested by the administration.

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield further, the budget request was much higher than that. Also, the authorization bill that passed this House called for $425 million. So, we have actually cut it very substantially when you consider the authorization bill that approved $425.5 million and we are only coming in with $265 million which represents a very substantial reduction.

Mr. ICHORD. I thank the gentleman and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Development loans: For expenses authorized by section 203(e), $265,000,000, together with such amounts as are authorized to be made available under section 203(f), all such amounts to remain available until expended.

AMENDMENT OFFERED BY MR. FRASER

Mr. FRASER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRASER: On page 4, after line 7, and before line 8, insert the following new paragraph:

"Overseas Private Investment Corporation: For purposes of section 325(f) to remain until expended the sum of $75,000,000."

Mr. FRASER. Mr. Chairman, this is an amendment to put back in the amount requested by the administration to get the new Corporation launched that is going to help promote private investment overseas, the so-called OPIC. This is the amount of money which enables the OPIC to expand its loan guarantees and insurance programs so that investors who invest in other countries can have some protection against the contingency of expropriation, or loss from civil strife or inconvertibility, and so on.

This amount, which is the amount requested by the administration, would enable OPIC to get underway and to move as the Committee on Foreign Affairs hoped it would move in promoting the development of private investment in the developing world.

Mr. Chairman, I think it is important to know that almost every study of development that has taken place in recent years has laid great stress on the role which private investment has to play. I think this provision would help get OPIC off the ground, and I would certainly hope that we could support this amendment. While I have, myself, some uncertainty as to how it will fare, I think, it is important that if we have this program that we should launch it with the kind of support which will give it the best possible chance to prove itself.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I thank the gentleman for yielding. Am I correct that the amendment offered by the gentleman from Minnesota would place the appropriation at the level requested by the administration?

Mr. FRASER. That is right.

Mr. FINDLEY. Further, am I not correct that the OPIC provision is one of the main, if not the main, new elements injected or placed in the foreign aid program this year, at the urgent request of the Nixon administration?

Mr. FRASER. That is correct.

Mr. FINDLEY. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I should like to commend the gentleman from Minnesota for his amendment. I do so because the one new program and the one new concept, which was discussed at great length in the committee, is the OPIC corporation. If we fund it adequately, we will find it will be of great help in getting the private sector to invest in developing countries.

Mr. FRASER. Mr. Chairman, I thank the gentleman from New Jersey, and I do hope the Committee will give favorable consideration to the amendment. This matter was discussed at great length in the Committee on Foreign Affairs. It is one of the major new provisions in the foreign aid bill, and it does seek to help private investors to invest in these developing countries.

If we can induce private investment in these countries, we will at least save the taxpayers more money. So I think it is one amendment that deserves the support of the entire Committee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the investment guaranty program, as I said earlier today, has been in this bill for 20 years. During the 15 years that it has been my privilege to be chairman of the committee, the bureaucrats downtown have been trying to pyramid this account.

A few years ago they came in and wanted $180,000,000 added to this account. Upon examination, we could not find where they had adequately justified that amount. We gave them $30,000,000. We cut it by $150,000,000.

Now by any fair analysis, it simply means, if you did not provide one additional dime—and if the experience of the losses in subsequent years are in accordance with the losses during the past 20 years, then they have sufficient funds to carry on the program for 258 years and 4 months.

What justification would there be for putting an additional $75 million in this fund when you have $129 million in the fund at this time?

Mr. Chairman, these people say that they do not actually need the money and they are not going to spend the money, but believe if they can build this account up, it will look attractive to Americans who may want to invest their money abroad.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I certainly must always yield to the distinguished minority leader.

Mr. GERALD R. FORD. As the gentleman will recall, I discussed with him this fund problem as well as a limitation under section 122, on page 15.

Mr. PASSMAN. Yes.

Mr. GERALD R. FORD. Now as I understand the gentleman from Louisiana, he says that there is $129,000,000 available in a revolving fund for OPIC.

Mr. PASSMAN. That is for the Overseas Private Investment Corporation—OPIC fund, if you want to put it that way.

Mr. GERALD R. FORD. As I understand the limitation on page 15, section 122, it precludes OPIC from utilizing any of the $129,000,000 in the revolving fund for any of its set forth purposes. Is that correct?

Mr. PASSMAN. That is not correct. But if the gentleman will permit me to say—this organization has not yet come into being because they just desire to set up an agency within this insurance program and they have been trying to do this for many years. The committee found out that there were 39 agencies that these business people can borrow money from.

I might say that $130,000,000—and I am using round figures—is not available for loans. If you approve this amendment for the $75,000,000 addition—that will not be available for loans.

That is only so that American businessmen can look up and say—Well, there is a lot of money in this fund.

Now the revolving fund has to do with another section of the bill and that is they want to be able to accumulate up to $100,000,000, that was the request, $20,000,000 per year out of repayments to the development loan fund until they build up to $100,000,000 in the revolving fund.

I believe under the amended House resolution, it would be 2 years.

But there is no justification for it, I will say to the distinguished gentleman. They made no case whatsoever for a dime of this money other than that they want to give a job to some bureaucrat and set up another lending agency. The committee left the language in the bill in the event a case could be made subsequently, giving the names of the types of business, how much they would be financed for, and on what terms. Then we would have the basic legislation to back up the request if and when it could be justified, whether that would be this week or next week.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(On request of Mr. GERALD R. FORD and by unanimous consent, Mr. PASSMAN was allowed to proceed for 3 additional minutes.)

Mr. GERALD R. FORD. May I ask this question: Is the $75 million included in this amendment roughly in the same category or could it be used for the same purpose as the $130 million in the revolving fund?

Mr. PASSMAN. Identical. Identical.

Mr. GERALD R. FORD. Let me ask if this is true——

Mr. PASSMAN. That is true, I repeat.

Mr. GERALD R. FORD. I accept that. I see no need under the current circumstances for the additional $75 million if the $130 million in the fund is available for OPIC's use.

Mr. PASSMAN. It is available.

Mr. GERALD R. FORD. It is not available, as I understand it, because of section 122 in the bill on page 15. Is that correct?

Mr. PASSMAN. May I straighten this out. The $130 million is additional insurance funds. The $75 million would likewise become available to the insurance fund. That is to guarantee overseas investment. We gave the basic language that would permit setting up the fund, hoping that at some subsequent time, if it could be justified, we could make funds available through whatever means Congress in its wisdom should dictate. It may come this week.

Mr. GERALD R. FORD. If the gentle-

man will yield further, you have given them the right to operate, on the one hand, but then, on page 15, under section 122, you would in effect say that they cannot do it. I am against the $75 million amendment if you will give them the authority to use the $130 million in the fund. That is my point.

Mr. PASSMAN. This is an extremely complicated account. They come in with one approach and on a subsequent day they come in with a different type of approach. It is almost impossible for the members of the committee to know just what they have in mind. We went through the record to discover what they have on hand. We discovered the $75 million was to guarantee overseas investments, not to make loans. As I understand it, what they really want is the authority to transfer from the Development Loan Fund $100 million with which to finance loans abroad. It has no connection with this guaranty fund.

Mr. GERALD R. FORD. What I am concerned about, if the gentleman will yield again—and I want to make this point clear—if there is an amendment to or if there is a deletion of section 122, then I am against the $75 million, because I do not believe it is needed, as long as there is $130 million in the guaranty fund.

Mr. PASSMAN. That is correct. That is why the committee cut it out.

Mr. GERALD R. FORD. All right. What worries me is that you give them the authority to use the OPIC program, but then you turn around on page 15, section 122, and say they cannot use the revolving fund.

Mr. PASSMAN. As I understand it, in their presentation they did not ask for the right to use the fund for loans. The fund was to insure loans made abroad by businesses.

Mr. GERALD R. FORD. If they have $130 million in that kind of insurance backup, I do not think they need the $75 million.

Mr. PASSMAN. That is exactly why the committee did not allow it.

Mr. GERALD R. FORD. Then, Mr. Chairman, why do you put the limitation on it so they cannot use the $130 million? That is what bothers me.

Mr. PASSMAN. The limitation has nothing to do with this particular guaranty fund. It has only to do with the proposed revolving fund. This money is available for use. The $129 million is available to pay claims if they should come. The $75 million, if it is appropriated, would likewise become available to pay claims.

As I understand it, the way the legislation is written, the loans would be made out of the $100 million we would set up in a revolving fund out of repayments to the Development Loan Fund.

Mr. GERALD R. FORD. It seems to me by the language of section 122, we preclude them even from using any money that is in the bill—if there is any—and we also limit the authority to utilize the revolving fund, and I think that is the wrong approach.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent, Mr. PASSMAN was allowed to proceed for 1 additional minute.)

Mr. PASSMAN. Mr. Chairman, we are dealing with two separate and distinct funds. The $75 million has no connection whatsoever with section 122 as it applies to loans.

Mr. GERALD R. FORD. It seems to me then I had the wrong impression from my own understanding and what the gentleman said earlier when he said the two were one and the same, or they had one and the same purpose. That was the impression I got from the questions I asked.

Mr. PASSMAN. The $75 million and the $130 million, they are the same, identical, and for the same purpose—not for loans, I can assure the gentleman. It is for guarantees only, not for loans.

Mr. GERALD R. FORD. I must confess that still leaves me confused.

Mr. PASSMAN. Mr. Chairman, I ask that the amendment be voted down, because the $75 million will only load up this insurance account.

Mr. MORSE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me speak briefly especially to my colleagues on the minority side of the aisle about this particular aspect of the bill.

The one principal innovation that the administration came forward with this year was the Overseas Private Investment Corporation. The purpose of this particular proposal is to stimulate and to inspire greater private foreign investment, to accommodate the declining public appropriations that have been made for foreign aid.

The Republican Party—indeed all Americans—talk about the role of private enterprise. We are proud of the fact that we are a private enterprise economy. The provisions of this bill which the committee has recommended would prevent this administration from prompting greater participation by the private sector, so as to reduce the strain on the public accounts for foreign aid.

There has been for many years in AID an Office of Private Resources. It has had two kinds of activities, one an insurance program which guarantees against specific risks such as expropriation, unconvertibility, and war or insurrection, and an extended guarantee program which even guarantees against commercial risks.

The reserves of which the chairman of the subcommittee spoke are modest and relate only to the minimal program that has been able to function under the Office of Private Resources. This administration wants to expand this kind of activity, and to do so we need the additional funds for the reserves for the two programs—one, insurance, and the other, guarantees.

The other authority the administration has requested is merely the authority to take from repayments to development loans the amounts of $20 million a year for 5 years—from repayments to development loans—in order to provide a revolving fund which would permit the new corporation to do its work.

This is the one most important creative departure that the Nixon administration has advanced in the field of foreign assistance, and I think it is incumbent upon all of us to support the amendment offered by the gentleman from Minnesota.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield for a question?

Mr. MORSE. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, with reference to the colloquy that took place earlier between the gentleman from Louisiana (Mr. PASSMAN) and the minority leader, the gentleman from Michigan (Mr. FORD) does section 122 on page 15 then provide what the administration asks for, that $20 million a year be made available for these purposes?

Mr. MORSE. It does for all practical purposes.

Mr. ANDERSON of Illinois. It does?

Mr. MORSE. It does.

Mr. FARBSTEIN. Mr. Chairman, I move to strike the requisite number of words.

I am afraid that this amendment, which is really exceedingly simple and can be explained simply, has been confused all out of proportion.

Whatever moneys were originally authorized for the Overseas Private Investment Corporation for lending purposes have been stricken from the bill. There is no money to lend at all.

All this amendment seeks to do is to permit additional guarantees to be purchased by investors in undeveloped countries. In other words, today all guarantees have been used up. There has to be at least a 25-percent reserve. If this $75 million were added to the bill it would just extend the guarantees, so that this corporation could sell additional guarantees to the extent of $300 million. That is all it does.

It has nothing at all to do with any loans. It has nothing to do with any other funds, because no other funds can be used.

The only thing this does, I repeat, is to permit additional guarantees to be used. Incidentally, as a result of guarantees heretofore sold the Government has made very substantial sums of money. I cannot understand why anyone would object to adding the additional $75 million in order to extend additional guarantees, from which we are making money.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FARBSTEIN. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is it not true in this fund they have $130 million now unobligated?

Mr. FARBSTEIN. I do not know what they have unobligated, but it is restricted as a result of the bill presently before us.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield further?

Mr. FARBSTEIN. I yield.

Mr. PASSMAN. Is it not true this is merely putting $75 million more into an account where they already have $130 million and the loss has been only $11 million in 20 years? This is not a loan

fund. This is merely to guarantee investments made abroad, is that right?

Mr. FARBSTEIN. All that this does, I repeat again, is to provide for guarantees. The reserves have been used up. They cannot guarantee any more, because they have to have at least 25 percent of the money to guarantee in the "kitty." The "kitty" has no money. This would put an additional $75 million in.

Mr. PASSMAN. They have only used up $11 million and they have $130 million on hand unobligated. Let us not leave the RECORD showing they have used the money. They have $130 million, enough to last for 238 years.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, the committee is absolutely right. What is being attempted here is to fund a brandnew empire, another layer of bureaucratic fat in the Government. That is what this Overseas Investment Corporation is going to provide.

Mark well what I tell you here today. This will be the end result if you put any money back in. This Corporation will probably have to have a country club and golf course, as the International Monetary Fund has nearby in Maryland, at a cost of several million dollars.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Louisiana.

Mr. PASSMAN. The gentleman is a distinguished member of the Foreign Affairs Committee. Is it not correct that in this reserve fund they now have $130 million surplus?

Mr. GROSS. That is right.

Mr. PASSMAN. And the losses have been only $11 million in 20 years?

Mr. GROSS. That is right.

Mr. PASSMAN. If we put in $75 million they are only going to sweeten this account with funds they do not need and will not spend.

Mr. GROSS. It will become a bureaucratic empire.

Mr. PASSMAN. Did they not say they would not spend the money; that they only want it to look more attractive?

Mr. GROSS. That is right.

Mr. HANNA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, may I have the attention of the gentleman from Massachusetts (Mr. MORSE)? Mr. MORSE, may I have your attention please? In order to clarify my very low level of understanding on this thing, permit me to propound a couple of questions to the gentleman.

The gentleman from Louisiana (Mr. PASSMAN) said that there is $130 million of unobligated moneys available already for this organization. As I understand it—and please correct me if I am wrong—the way this program operates is that it guarantees loans, but the loan requires that it have 25 percent of the money in the kitty for the loan support guarantee; is that correct?

Mr. MORSE. That is absolutely right.

Mr. HANNA. Now, let me ask the gentleman the second question.

The gentleman from Louisiana has indicated that they have only spent $11 million since its inception. Is that how much of the total amount of loans that the insurance company has had to pick up?

Mr. MORSE. Precisely.

Mr. HANNA. If we leave it like it is, it would seem to me that Mr. PASSMAN has told the truth but not the whole truth and nothing but the truth, because it is true that this money which they have not spent is necessary under the law to support what has already been guaranteed and they cannot guarantee any more. The fact that they have only lost $11 million indicates that they have operated in an efficient manner in extending credit, but they cannot make another loan unless we make some more money available; is that correct?

Mr. MORSE. The gentleman is absolutely correct in every particular. Let me underline what he said. What we are talking about is $75 million which is the subject of the amendment offered by the gentleman from Minnesota to increase the reserve fund.

Mr. HANNA. Then, you will be able to make four times as much money available to qualified borrowers in private loan commitments guaranteed with the reserve of 25 percent?

Mr. MORSE. A guarantee of 25 percent investment on the part of the U.S. economy in the development process which is now going on abroad.

Mr. HANNA. The money discussed in the $130 million is guarantee money, not loan money. The 75 million suggested is guarantee money not loan money. In other words to make a loan of 100 percent they have to have a reserve of 25 percent in order to encourage someone to make the loan in the first place?

Mr. MORSE. The gentleman is absolutely correct in his statement. These moneys are not available for expenditure by the OPIC or the Office of Private Investments. They are reserve funds. The fact that they did not have but only $11 million in bad loans testifies to the efficiency of this operation.

Mr. HANNA. And this was precisely anticipated when the law was created in the first instance; is that right?

Mr. MORSE. That is right. I thank the gentleman for his contribution.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. HANNA. I yield to the gentleman from Illinois.

Mr. FINDLEY. I want to compliment the gentleman for his statement today and to also ask him if I am correct in my understanding, as the bill now reads, OPIC simply cannot operate?

Mr. HANNA. That I think is the answer, that they would not be able to make another guarantee of another loan under the existing legislation.

Mr. FINDLEY. So, if Members are determined to get OPIC out of the Foreign Assistance Act, the item that President Nixon wanted in it, the thing to do is to vote against this amendment?

Mr. HANNA. I am not arguing for or against it, but I would like to see some clarity with reference to it.

Mr. FINDLEY. In other words, those who want OPIC ought to vote for the amendment?

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent (at the request of Mr. PASSMAN) Mr. HANNA was allowed to proceed for 2 additional minutes.)

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HANNA. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, there is no legislation requiring a 25-percent reserve on these overseas investments at this time. It is presently in the authorization bill, but it has not yet become law. This program has been going on for 20 years. These are the facts and I want to state them concisely.

The so-called OPIC $75 million appropriation has no relationship to any revolving fund for making loans abroad. The $75 million is to be added to the $130 million presently on hand and unobligated. If we should at some subsequent date enact into law what the Foreign Affairs Committee has already proposed, creating a 25-percent reserve fund then, of course, in a few years we might use up the $130 million and we would have to provide additional funds. But at this time you have no such law, you have no such assurance that you will have any law requiring a 25-percent reserve. As of this time, they have only used $11 million to pay claims while they have $130 million on hand.

If the gentleman will yield further, has the gentleman ever associated himself with anything more confusing than this amendment?

Mr. HANNA. I have not associated myself with anything but the confusion. I would like to finish with this comment, Mr. Chairman: that as I see it, whether you have a law or you do not have a law, I should imagine that any person who goes to a bank for a loan to cover activities in an underdeveloped country would not be successful absent a program behind it with at least a 25-percent reserve.

So I think you can be assured that the bill as now written would take out of the very business community to which you wish to tie the program, the incentives which the guarantees have provided.

I suggest, if I may conclude, that it would be misleading to say that the $75 million is to be loaned any more than the $130 million is to be loaned; it is to guarantee loans to business establishments.

Mr. MORSE. If the gentleman will yield further, that is correct.

However, I would just like to take issue with the language of the distinguished chairman of the subcommittee in talking about the expenditure of these funds. These funds are not loaned, and are not intended, and cannot be loaned; they are for the purpose of guaranteeing. The mere fact that the programs have not worked on occasion does not indicate that the program is not successful.

The way the gentleman from Louisiana speaks, it seems to me that he would be happier if the businesses were going broke.

Mr. HANNA. Speaking for myself, I think if this program will encourage private money to get into the expansion of economies of underdeveloped countries. We ought to continue it that way, and hope the money will not get spent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CONTE. Mr. Chairman, I rise in support of the amendment, and I move to strike the requisite number of words.

Mr. Chairman, the committee knocked out the $75 million requested for the Overseas Private Investment Corp.—even though—and I am directing the attention of the Members to the hearings—even though there was overwhelming evidence to the effect that private investment has a real role to play in the aid program.

But that is all over with now, even before it got started. The committee saw to it that OPIC would not get the money needed to carry on these programs.

Let me tell you there is $80 million reserve for the $7 billion of insurance programs here, and a 25-percent reserve requirement for the guarantee program. There are two programs here, the insurance program and the guarantee program. Some $85 million is currently available to satisfy these reserves. However, by the end of fiscal year 1971 a total of $165 million will be needed. Without approval of the OPIC request, this requirement cannot be met.

In effect, what the committee has done is kill the whole program that the President wanted.

Now the committee has also made sure that the money from the other loan repayments, from the development loan repayments, would not be available for use by OPIC for direct loans.

The overall impact of these two measures should be clear—no OPIC. Or to put it another way, the committee did not even give the corporation a chance—a chance to save the taxpayers some money, and to bring a highly promising innovation to the aid program.

Therefore I favor giving OPIC $75 million. I offered an amendment in the committee to give them money in order to meet reserve requirements in both the insurance and the guarantee programs. I might note that in the case of guarantees, there is a 25-percent reserve requirement, because lenders must have assurance of prompt payment upon default. Lenders do not doubt the full faith and credit of the U.S. Government, but they do doubt our ability to act fast.

I also propose to give substance to section 322 of the Foreign Assistance Act by permitting the transfer of aid loan repayments to OPIC. And when we come to that part of the bill, section 122, I will move that that section be stricken.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes, I am glad to yield to my leader.

Mr. GERALD R. FORD. As the gentleman knows, I have had a colloquy with the distinguished chairman of the subcommittee, and by inference then I said I would oppose the $75 million. But I was very concerned about the limitation contained in section 122 on page 15 of the bill.

I am delighted that the gentleman from Massachusetts has just said that he is going to offer a motion to strike section 122 and I will support that—even though I oppose the amendment to add $75 million. I think it is a responsible position to take, to give them the availability in the revolving fund. I think that is sensible and right.

If you do that, then I think you can vote against the $75 million being added to the bill.

Mr. CONTE. I thank the distinguished gentleman from Michigan. I might point out that they will not need any new appropriation, and I would like to read from a document from the President of the United States—a message to the Congress on May 28, 1969. The President said:

A FRESH APPROACH

This Administration has intensively examined our programs of foreign aid. We have measured them against the goals of our policy and the goad of our conscience. Our review is continuing but we have come to this central conclusion:

U.S. assistance is essential to express and achieve our national goals in the international community—a world order of peace and justice.

But no single government, no matter how wealthy or well-intentioned, can by itself hope to cope with the challenge of raising the standards of living of two-thirds of the world's people. This reality must not cause us to retreat into helpless, sullen isolation. On the contrary, this reality must cause us to redirect our efforts in four main ways:

*We must enlist the energies of private enterprise,* here and abroad, in the cause of economic development. We must do so by stimulating additional investment through businesslike channels, rather than offering ringing exhortations.

*We must emphasize innovative technical assistance,* to ensure that our dollars for all forms of aid go further, and to plant the seeds that will enable other nations to grow their own capabilities for the future.

*We must induce other advanced nations to join in bearing their fair share*—by contributing jointly to multilateral banks and the United Nations, by consultation and by the force of our example, and by effective coordination of national and multilateral programs in individual countries.

*We must build on recent successes in furthering food production and family planning.*

To accomplish these goals, this Administration's foreign aid proposals will be submitted to the Congress today. In essence, these are the new approaches:

*1. Enlisting Private Enterprise*

*I propose the establishment of the Overseas Private Investment Corporation.*

The purpose of the Corporation is to provide businesslike management of investment incentives now in our laws so as to contribute to the economic and social progress of developing nations.

The majority of the Board of Directors including its President, will be drawn from private life and have business experience.

Venture capital seeks profit, not adventure. To guide this capital to higher-risk areas, the Federal government presently offers a system of insurance and guaranties. Like the Federal Housing Administration in the housing field here at home, the Overseas Private Investment Corporation will be able to place the credit of the United States Government behind the insurance and guaranties which the Corporation would sell to U.S. private investors.

The Corporation will also have a small direct lending program for private developmental projects. It will carry out investment survey and development activities. And it will undertake for A.I.D. some of the technical assistance required to strengthen private enterprise abroad The financial performance of OPIC will be measurable. It is expected to break even or to show a small profit.

The Overseas Private Investment Corporation will give new direction to U.S. private investment abroad. As such, it will provide new focus to our foreign assistance effort.

Simultaneously, I propose a mandate for the Agency for International Development to direct a growing part of its capital, technical and advisory assistance to improving opportunities for local private enterprise in developing countries—on farms as well as in commerce and industry.

We do not insist that developing countries imitate the American system. Each nation must fashion its own institutions to its own needs. But progress has been greatest where governments have encouraged private enterprise, released bureaucratic controls, stimulated competition and allowed maximum opportunity for individual initiative A.I.D.'s mandate will be directed to this end.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRASER).

The amendment was rejected.

AMENDMENT OFFERED BY MR. ICHORD

Mr. ICHORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ICHORD: Page 4, line 5, strike out the figure "$265,000,000" and insert in lieu thereof "$168,875,000."

Mr. ICHORD. Mr. Chairman, members of the committee: My amendment is very simple. It cuts the loan development program—worldwide—to 25 percent of the amount requested by the administration. The 25 percent of the $675,500,000 requested by the administration is $168,875,000, which represents a total cut of 75 percent, the same amount by which Federal construction projects were cut back earlier this year.

A few minutes ago, I inquired of the chairman, the distinguished gentleman from Louisaina as to the rationale used by the committee to arrive at the figure of $265 million. Whether this was the amount which the committee found to be justified after considering the program on a project to project basis; whether the committee intended to keep the development program at the same level as the $265 million is the same figure the committee brought to the floor last year; or whether the figure represents a percentage of the amount authorized by the Foreign Affairs Committee on the amount requested by the administration. It was not clear to me what rationale the committee employed. The rationale of my amendment is clear. I do not believe that the Members of this House want to appropriate the same amount this year as they did last year when our own domestic development projects are being deeply cut. Last year we sent $265 million to the Senate and I think it would be safe to predict that the figure will be returned to the House somewhere near or in excess of the $300 million finally appropriated for the 1969 fiscal year.

The time is past when the United States can continue to play Santa Claus through its foreign aid programs. If our own economy is to survive, this huge and unmanageable program must come to a halt, at least until such time as we get

our own fiscal affairs in order and Federal spending more in tune with total incoming revenue. A government, like an individual or business, reaches a point of "no return" when year after year after year spending exceeds income. If the United States would eliminate the entire system of foreign assistance, including disguised programs such as Public Law 480, Alliance for Progress, Asian Development Bank, Inter-American Development Bank, and the International Development Association—the latter three are destined to receive $480 million under H.R. 15149—and all others in which millions of American dollars are sent outside our country to "help" underdeveloped nations, we could, I am convinced, formulate government spending programs to operate "in the black" for a change.

The present foreign aid program, I firmly believe, is in serious need of new direction if it is to be continued, however. It is foolhardy to continue operating a program designed a quarter of a century ago and which, in many instances, has had entries in the record showing dismal failures and prime examples of exorbitant waste exceeding our wildest dreams. Despite my objections based on failures of the program, if we are to have foreign aid, new guidelines should be developed toward the establishment of an effective program, one which would help underdeveloped nations to help themselves through teaching and training by example, not by sending a check or money order or even sending supplies or goods. We should put into practice the immortal words of Abraham Lincoln:

> You cannot help men permanently by doing for them what they could and should do for themselves.

I submit that we should not let our own urgent needs at home go unattended while we send millions of dollars overseas, many of which could be put to much better and more practical use at home. For instance, let us look at the community development program of the Farmers Home Administration and compare it with the development loan program of the foreign aid program. The FHA community development program is designed to provide assistance to rural communities of less than 5,500 population for public utilities such as water and sanitary facilities. This program is without doubt one of the greatest boons to rural area development since the REA was formed. The 1970 appropriation of $78 million for the FHA community development direct loan program for operating in 50 States is a mere pittance in comparison to the foreign aid development loan program. The committee recommendation of $265 million is completely out of proportion to the amount of help we are offering to our own rural towns and cities. This huge appropriation will be used for loans to foreign countries for area development on 40- to 50-year terms at varying rates of interest from three-fourths of 1 to 3 percent while FHA insured loans for rural area development bear an interest rate of 5 percent.

It is difficult for me to explain to the officers and anxious subscribers of about 12 water or sewer districts in my own district that there is not enough money available to fund these vital community facilities while we are sending $1.6 billion overseas for less important purposes. Matter of fact, the FHA recently sent me a notice of the projects in my district which can be funded during fiscal year 1970 based on established priorities along with a list of those project applications which cannot be funded and were rejected solely for "lack of funds." It was interesting to note that only one-third of the FHA project applications in my district could be funded.

It is further distressing to me to see all this money going overseas when our own medical research programs are being drastically reduced because of budgetary problems. The Director of the National Institutes of Health is reported to have stated that 20 percent, 19 out of 93, of our governmentally supported experimental clinical research centers will have to be closed next year because of the announced policy of the administration to reduce operational costs of Government. He also reported, I understand, that a 4- to 10-percent slash in health research will be placed in effect at the National Institutes of Health, including current research projects and studies and impending new project research.

How foolish can we get to turn our backs on our own vital health services and then turn around and send a couple of billion dollars overseas, much of which will be wasted or will fund much less vital programs for people, many of whom really do not appreciate our gratuities.

And to add fuel to the foreign aid controversy, we are having to cut back 75 percent of our own Federal construction program, and this plan of action also affects a public works project in my district; namely, the flood control development in the Meramec Basin in south central Missouri. I am sure the reservoirs already in early stages of preconstruction planning and land acquisition could move along at a more accelerated pace if it were not for the foreign aid commitments.

I call the attention of the Members to certain figures on page 5 of committee report 91–708 which reveal the so-called "pipeline"—moneys appropriated in previous years which still remain unexpended—the total amounts to $18,708,016,000. Particularly interesting to me was the revelation that India still has to her credit in our foreign-aid pipeline $536,190,000. Yet, in H.R. 15149, the give-away artists propose that we give India another $385 million in the 1970 program. Likewise, Brazil has $404,051,000 in the pipeline and we are to give her another $174 million as proposed in H.R. 15149. These are only two startling examples of the fact that we are giving money away faster than it can be spent.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I say to the gentleman the bulk of our money is going for vast military hardware expenditures. Does the gentleman believe that all which is spent for military hardware is justified?

Mr. ICHORD. I would say it is a matter of priority. Of course, we all see our priorities differently. But I say to the gentleman he should also be interested in the amount going into our health research plan. I am sure the gentleman is.

Mr. FRASER. The gentleman is quite right. I would only suggest the United States has always been the leader in international development, but it now ranks eighth in international development aid. If this bill becomes law, we will drop to the basement. Does the gentleman think this is the role the United States ought to be playing in the world community?

Mr. ICHORD. I would say to the gentleman the United States is in a very serious financial condition, and if the gentleman wants to, he can vote for the same amount in this Development Loan Fund, and accept only 25 percent in our own construction programs, but I am not willing to do so. I put this on a basis of priority. If I can save money here, then I can have more money for our own construction and development projects. For that reason I hope the committee adopts the amendment.

AMENDMENT OFFERED BY MR. CAREY TO THE AMENDMENT OFFERED BY MR. ICHORD

Mr. CAREY. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Missouri (Mr. ICHORD).

The Clerk read as follows:

> Amendment offered by Mr. CAREY to the amendment offered by Mr. ICHORD: Strike "$168,875,000" and *substitute* "$425,500,000".

Mr. CAREY. Mr. Chairman, I have asked for permission to revise and extend my remarks, but not to revise and extend the amount in my amendment, because this gives a chance for a clear dichotomy to be set forth in this Chamber at this time.

The amount is not new. All I am recommending is the amount that President Nixon asked for to continue the program on the basis of his estimates. I think I heard rightly when I heard my President state that around the world we were going to use a different kind of quiet diplomacy that meant something to all the people of the world, and I do not know anything that means more to the people of the world in which we live than the maintenance of human life.

I know no program that goes more toward the maintenance of human life than the development loans we are using to try to shore up the living quality in the developing nations.

On page 23 of the report there is pointed out what the loans are used for: Dams, factories, education, and health facilities.

Take health facilities: I read the other day that we had achieved "the millennium," that we had vaccinated or immunized against malaria the 100 millionth African. It sounds like a great goal and a great achievement. In actuality, all we have insured is that one out of two children born in Africa or in

the troubled areas of Latin America or Asia will now live to age 7 instead of age 5 and die from something besides malaria.

Instead of dying from yellow fever or malaria they will now have the opportunity to die from diphtheria or amoebic dysentery combined or the river disease or scarlet fever or the measles or any of the diseases that we have cured in this country. Years ago, after the Louisiana Purchase, we had the courage to go forth into what a doctor by the name of Jackson called "those aboriginal areas" of the Louisiana Purchase to drive malaria and yellow fever and all those diseases out of Missouri and Tennessee and those aboriginal lands that were suffering from all the diseases we now find in Africa and in Asia.

All I am trying to do on the basis of 1970 dollars is to give the same opportunities under my President to the children who will be born in Africa and Asia which we formerly gave to those territorial citizens of Missouri so that they could live and bring up their families and see the day when they would be ready to develop their areas for urban and suburban assistance such as my colleague from Missouri is requesting now.

I have also heard that one of the big objectives in the administration—and I support this—is family planning and program assistance for birth control in these areas. This is in the development loan program. We are never going to get any kind of effective family planning until they develop a health system to deliver family planning adapted to the traditional systems of health which exist in Africa, South America, and Asia.

So if the Members are not prepared to deal with a population crisis, if they insist on the propagation of afflicting diseases in the underdeveloped world, then they will vote for the gentleman from Missouri or the committee sum. But if they are prepared to back President Nixon in 1970, to make this meager contribution to the wealth and the health of the world, then they will back my amendment, which is the President's authorization request.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. CAREY. I yield to my colleague from Minnesota.

Mr. FRASER. I commend the gentleman. I want to say I strongly support his amendment. His enlightened self interest, demonstrated here, reflects the statesmanship he has always shown in the House of Representatives.

Mr. CAREY. May I make one final point.

I checked with the House surgeon. I found out it is a most painful, painful experience for a Member to go abroad as a Member of the House if he has never gone abroad before, because he has to go into the House surgeon and request a full series of shots. He has to get yellow fever, malaria, tetanus, diphtheria—right down the line. When he comes out he should get a Purple Heart for the way his arm looks after this series of shots.

Do Members know why they have to get those shots? It is because there is not an area of the world they can go today to check on this program where they do not have to adopt a defensive health mechanism so they can live through the areas where people are dying.

If we pass this development loan program we can stamp out yellow fever, malaria, and all killing and crippling diseases which used to exist in this country, and we will never have to go to that surgeon again and defend ourselves with a puncture in the arm against the diseases we find around the world when we go to inspect these programs.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

(By unanimous consent, Mr. PASSMAN was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from Louisiana is recognized for 10 minutes.

Mr. PASSMAN. Mr. Chairman, let us discuss the position that we find ourselves in at this particular time. The adminstration or administrations requested $675.5 million. The authorizing committee reduced that to $425.5 million. The Committee on Appropriations dealing absolutely on facts and statistics reduced it to $265 million. Now we have an amendment to reduce it to $168,875,000 and you have a substitute to move it back up to $425.5 million.

Mr. Chairman, it is true that we had to impound funds last year and slow down projects where you had 4,408 projects in 99 nations and 5 territories of the world and not a one of them lost a single dime. But with privileges come responsibilities. I must be a responsible Member. There is no justification for the $425 million and you would wreck the program if you cut it back to $168,875,000. So, I certainly hope that the Committee will vote down the substitute and, of course, vote down the amendment based upon these actual facts that at this time last year for development loans your committee recommended $265 million. When it went to the other body they increased it to a higher figure, but the final appropriation was $300 million and that proved to be excessive.

Mr. Chairman, your committee believes that the $265 million that we are recommending is fully the amount needed to fund this program. We are now 5 months into the new fiscal year and they have only authorized and obligated $122,575,000. So based upon the obligations so far in these 5 months, they will have ample funds in this Development Loan Fund to take care of all the programs.

Further, may I call to your attention again that buried in this bill in the different titles is some $655 million in different banks such as the Asian Development Bank, the Inter-American Bank and in IDA, and I can assure you that this year as in the previous 14 years that it has been my privilege to report this bill, that we are not underfunding these programs. We are overfunding these programs.

So I plead with you that based upon the facts and statistics the $265 million is ample to fund this program. So I hope, Mr. Chairman, that the Members will vote down both of these amendments and stick with the committee that has been handling this successfully for so many years.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I would like to get something straight, if I may have the attention of the gentleman from New York (Mr. CAREY) who made quite an issue of the fact that he had to see a physician before he could take a junket overseas because he had to get shots or something of that nature.

Mr. CAREY. Mr. Chairman, will my distinguished colleague yield?

Mr. GROSS. Just a minute and then I will yield to the gentleman. What happens is you go to the physician and get your shots and then go overseas. Who do you see about your shots overseas or do you not get any shots overseas?

Mr. CAREY. Mr. Chairman, if my distinguished colleague will now yield, I said I referred to the records of the House physician and found that this represented quite an expenditure for shots for Members going overseas. I did not identify myself as one of those Members. But I understand those shots are quite painful and expensive as well to the House of Representatives. I indicated that you needed shots here in order to defend yourself against germs from overseas. Once you get overseas you can get a shot for anything you want, if you can afford to pay for it.

Mr. GROSS. I just wondered if those shots you got overseas are painful or pleasant.

Mr. CAREY. Mr. Chairman, will the distinguished gentleman yield further?

Mr. GROSS. I yield to the gentleman.

Mr. CAREY. If you get a shot from the House physician, it will take you all the way over and back without a secondary booster.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman from Iowa yield? I would like to say to the gentleman from Iowa——

Mr. GROSS. Mr. Chairman, just one moment. I did not yield.

Mr. ROONEY of New York. Mr. Chairman, I thought the gentleman from Iowa mentioned——

Mr. GROSS. Mr. Chairman, I want to properly identify the gentleman from New York who I am sure doles out more money for more representation allowances than any other chairman of a subcommittee in the House, who probably has in his jurisdiction more booze and entertainment funds than any other chairman in the House.

Mr. ROONEY of New York. I would like to say to my distinguished friend from Iowa, if he will yield at this point, that for over a quarter of a century I have found that the overseas shots are less painful than the shots downstairs in the Capitol physician's office referred to by my distinguished colleague from New York (Mr. CAREY).

Mr. GROSS. Now, Mr. Chairman, I would like to deal with a few facts of life.

The gentleman from New York (Mr. CAREY) mentioned Africa several times. Through the dispensation of the tax

dollars of the American taxpayers, and the Lord knows they are burdened enough, this handout program set out to create in Nigeria the showcase of all Africa. In Nigeria they have taken care of the diseases and the afflictions of children in a down-to-earth way. Thousands of children have been massacred in the war in Nigeria, the AID showcase, or have died of starvation. Yes, they really get down to earth to take care of the children in Nigeria, and by the thousands.

It makes little difference how much this $200 or $300 million is increased. There is little accomplishment except to add to the burdens of American taxpayers.

I discovered a day or two ago that this U.S. Government is financing in Tunisia the buying of crude oil. The chief export of Tunisia is oil.

Can the chairman of the committee give me any reason why this AID outfit should finance the buying of crude oil for Tunisia, from Libya?

Mr. PASSMAN. I cannot give the distinguished gentleman from Iowa an answer. I do not know what he is talking about, to be completely honest with him. We have never discussed Indonesian oil before my committee.

Mr. GROSS. Tunisian oil.

Mr. PASSMAN. Oh, Tunisia?

Mr. GROSS. That is where some of this giveaway money is going.

Mr. PASSMAN. I would answer the gentleman by saying I do not know anything about it.

Mr. GROSS. Here is Tunisia, a country whose chief export is oil, and we provided money for them to buy oil from Libya.

And how about the expenditure of funds from this foreign aid program to train bartenders?

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I must admit that in this bill you may find money to train bartenders, I must admit that. There are some programs much more foolish than that. And that is one of the reasons I have made my criticisms rather mild, so as to not kill the bill. But we had no information whatsoever about this country buying oil from Tunisia, or any other countries.

I can assure the gentleman from Iowa, and I can answer him seriously, this is the first time that I heard that we were buying cheap oil from Libya, and sending it to Tunisia. And I am just as opposed to it as the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, if I could get unanimous consent to proceed for an additional 10 minutes, I would read the President's message that is to come up, I guess, tomorrow noon—is this the 9th or the 10th of December? It will call for $40 million for the arts and humanities. I think we ought to interrupt this session for the reading of President Nixon's message so that everyone could be put on notice that $40,000,000 should be cut from this bill to finance the President's request for that amount to take care of the arts and humanities.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. CAREY) to the amendment offered by the gentleman from Missouri (Mr. ICHORD).

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. ICHORD).

The question was taken; and on a division (demanded by Mr. ICHORD), there were—ayes 29, noes 86.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Administrative expenses: For expenses authorized by section 637(a), $50,000,000.

AMENDMENT OFFERED BY MR. CAREY

Mr. CAREY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CAREY: On page 4, line 17, strike out "$50,000,000" and insert "$52,250,000".

Mr. CAREY. Mr. Chairman, I seek support for this amendment in a sense in order to pay my respects to the people who have been managing the AID program.

I have had occasion to look into this program as much as it is possible to do so without looking at the program in person around the world. That is why I have not needed to take the immunization shots to see the on-site developments of this program.

But I have been convinced by the statistics that have been shown to me and by pictures that I have seen and developments that I have been able to witness secondhand from my discussions with representatives of foreign countries who have benefited from this program. I think we ought to second the President's request in asking for the full amount of management funds for this program so that it can be properly managed.

I would like to ask the Committee of the Whole to recognize that what I am seeking here is money to manage the program which the gentleman from Iowa has indicated needs good management. This is just a few dollars less than we are willing to commit to the Chiang Kai-shek government in Formosa to manage world security by use of our latest model jet airplane.

In our system of priorities, it is far more important that we back the Agency for International Development which is our agency, managed by our people in the State Department, to carry our message around the world than it is to put ourselves on record for the Formosan government to take care of mutual security needs of this and other countries around the world with our airplanes.

I want to see where our system of values is in the committee today.

I want to see if we are going to back an American agency which has gone forward in the most trying areas of necessity in the world and which has mounted the programs in Asia, Latin America, and South America and in Africa against the most challenging conditions to try to bring the message of America into these lands in situations that are almost of indescribable in terms of human needs.

I wish the gentleman from Iowa would continue the colloquy with me that he raised before in connection with shots and the need for immunization and what it does for the people who are receiving this aid from America. The malaria program, I indicated, resulted in the immunization of at least 100 million Africans; and yellow fever, 25 million Africans. This means we have reached about 10 percent of those who might benefit from this program which would give them a chance at life. The reason we cannot go further with the program is that the agency itself lacks the manpower, lacks the capacity in terms of management, lacks the means, and lacks the clear rquisite means to go ahead with this program that would save literally millions of lives by the expenditures of relatively few dollars.

I came across this, which I would like to check with the chairman of the subcommittee. I know he knows this program firsthand. We heralded this new gain for America when we proclaimed that it immunized the 100 millionth African from yellow fever and the 25 millionth African from malaria. I asked how it is possible to accomplish this modern miracle of immunization. I was told that we had developed a new kind of vaccination technique, an immunization technique—an airgun which would project into the arm of the patient at a rate of 1,300 jets per minute, an immunization agent which rendered him, as I have said, free from the danger of yellow fever or malaria.

Then I asked, what about the other vaccines? What about measles? What about scarlet fever? What about diphtheria and all the things that save children from dying in this country? Why did we not do the same thing for each patient at the same time? And I was told the money was not there to do it.

I am wondering, as we talk about this program, how we can justify a program that, in one sense, saves a child from one killing disease but leaves him exposed to all others for the sake of a few million dollars.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

I do not think you want to vote until we give you an explanation. The gentleman has talked about a limitation. We are talking about administrative expenses. It takes more personnel to run a $5 million business than it does to run a $2 million business. The budget requests $2.71 billion, and they asked for administrative expenses of $51 million to administer $2.71 billion. In all probability, Congress somewhere along the way will provide $1.75 billion, which means the appropriate amount for this would be $37.5 million.

In our committee we have one distinguished member that wanted to cut it to $40 million. Finally he said he would compromise at $45 million. We insisted on keeping it at $50 million. But there is absolutely no justification for an increase over and above the $50 million,

and I trust the committee will vote the amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MILITARY ASSISTANCE

Military assistance: For expenses authorized by sections 504(a) and 504(e) of the Foreign Assistance Act of 1961, as amended, including administrative expenses and purchase of passenger motor vehicles for replacement only for use outside the United States, $404,500,000, of which not less than $54,500,000 shall be available solely for the Republic of China: *Provided*, That none of the funds contained in this paragraph shall be available for the purchase of new automotive vehicles outside of the United States: *Provided further*, That none of the funds appropriated in this paragraph shall be used to furnish sophisticated weapons systems, such as missile system and jet aircraft for military purposes, to any underdeveloped country other than Greece, Turkey, the Republic of China, the Philippines, and Korea, unless the President determines that the furnishing of such weapons systems is important to the national security of the United States and reports within thirty days each such determination to the Congress: *Provided further*, That the military assistance program for any country shall not be increased beyond twenty per centum of the amount justified to the Congress, unless the President determines that an increase in such program is essential to the national interest of the United States and reports each such determination to the House of Representatives and the Senate within thirty days after each such determination.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On line 17, on page 5, delete "sections" and substitute "section". Line 18, on page 5, delete "and 504(e)". Lines 21 through 23, page 5, delete "404,500,000, of which not less than $54,500,000 shall be available solely for the Republic of China:" and substitute "350,000,000:".

Mr. CONTE. Mr. Chairman, I rise to offer an amendment to strike $54.5 million for jets to China.

I do not think the United States should be the weapons arsenal for the so-called free world. The less developed countries cannot afford bright and shiny new weapons systems, and this is precisely why I amended our bill in 1967 to prohibit the transfer of sophisticated weapons to them.

By the same token, I do not believe we should give away sophisticated weapons to any nation just because it is excluded from the provisions of my amendment—especially when they are neither requested nor wanted by the President, the State Department, the agency for International Development, or the Defense Department.

This, however, is precisely what happened in the case of the jets for the Republic of China. Over the strong objection of 169 of its Members, this body authorized $54.5 million for this outright gift. And the committee, I regret to say, went right along with it.

I strongly oppose the appropriation this amendment would knock out because there has been no justification whatsoever for it.

To begin with, I am deeply disturbed over the fact that no request was ever made for the planes and over the circumstances surrounding its unexpected inclusion in the authorization bill. I think my colleagues should be equally disturbed.

Moreover, even during the very limited floor debate on this surprise move, serious doubts were raised about whether Taiwan had any real military need for the jets. One such doubt is that mainland China may very well not have the capability to invade the island republic.

It was also pointed out that Israel, which in contrast to China is faced with daily military threats, paid in full for the jets we sent her. The appropriation this amendment would delete, however, is nothing more than a big fat $54.5 million handout at the expense of the American taxpayer.

This handout is as unnecessary from an economic point of view as it is from a military point of view. The economy of nationalist China is booming—triggered in large part by some $5 billion in U.S. assistance over the last 20 years.

Now I ask my colleagues very pointedly—How do we know whether China needs these jets? Floor debate consisted of some five pages in the RECORD. No supporting material was sent up to Congress. In fact, barely anyone knew anything about these jets until that fateful day in November—the 20th to be exact—when an amendment was offered calling for the expenditure of $54.5 million of the taxpayers' money.

We are already halfway through fiscal 1970 and at the end of calendar 1969. Why, then, not wait on these jets and consider them at a later date in the new budget or even now in a supplemental request? I might note that our Appropriations Committee is currently holding hearings on several supplemental budget requests.

Either way, the delay would give us a chance to question the right people, including Secretary of Defense Melvin Laird, about the need for them. I urge my colleagues as strongly as I can to adopt a wait and see attitude by approving this amendment. My guess is that, if we do, we will see that these jets are not needed and that this money should, therefore, not be thrown down the drain.

Mr. Chairman, again I repeat, neither the Pentagon nor the Defense Department has asked for these planes. There never have been any committee hearings before our committee or the authorization committee, the Foreign Affairs Committee, for these planes. There has been no evidence presented or testimony presented to any committee in the Congress, and the Senate just knocked the planes out of their bill last week.

Mr. ECKHARDT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when I voted on the authorization bill I did not have available to me the document which the chairman of the subcommittee has presented to us in general debate, which is labeled "top secret." Therefore, I was somewhat concerned when I heard that this document was in existence. The able chairman, however, has made the document available to me, and I must say that my fears with respect to my first vote against the $54.5 million for planes for Taiwan have been greatly relieved.

However, I have not yet been able to peruse with any care the document labeled "top secret." Of course, I am not in a position even to say here what I noted in that document.

There is a second letter. First, I will ask the chairman if it is permissible for me to refer to its date and to the signature on the letter only? I do not want to violate the "top secret" nature of the letter.

Mr. PASSMAN. Revealing any part of this document which is stamped "secret" would be violating rules of handling classified documents. Nothing can be said without violating security.

Mr. ECKHARDT. I certainly have the highest respect for that limitation and shall entirely abide by it, but I wish to submit to the Members of the House that when such a "top secret" letter is not presented to the committees there is no way we can evaluate the letter to determine whether or not it should prevent us from voting for this amendment at this time. Unless the committees consider the letter there is no way the letter may be properly evaluated.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I can reveal that the letter was dated December 5 in the year of our Lord 1969.

Mr. ECKHARDT. Then I suppose it would be permissible for me to note that the previous letter in the file was dated November 19, 1969.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from California.

Mr. HOLIFIELD. These terrible secrets that are being released to the public astound me and concern me. I have looked at hundreds of secret letters and documents, but this is the first time I have ever been told that the date of a letter is to be considered secret.

Mr. ECKHARDT. I would in conclusion like to submit to the House that it would be proper to vote down the $54.5 million increase and, if these letters in fact convince any committee of this House that the $54.5 million is needed then there can be a supplemental appropriation to take care of it.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I respect the gentleman very highly.

The executive branch establishes our national policy. That policy says we will provide military equipment to our allies, including Korea and Taiwan. But it is also a prerogative of this Congress to decide the amount of the aid we shall furnish, just as we did in other bills that were passed by this House. There were

$2 billion of unbudgeted items contained in bills passed by the House. I did not hear the gentleman argue then about the need for justification.

Mr. ECKHARDT. Let me reply to that. I respect this House grealty. I respect the judgment of this House as superior even to the judgment of the committees. But I do not believe that this House can make a judgment without being able to see the letters on which the judgment is based.

Mr. LOWENSTEIN. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to my colleague from New York.

Mr. LOWENSTEIN. I was curious as to whether the gentleman has any idea about who it is the Taiwanese Air Force is supposed to fight with the planes we are asked to give them?

Mr. ECKHARDT. I might answer that, but I would be afraid I would reveal the confidence of the "top secret" letter.

Mr. LOWENSTEIN. Maybe we could discuss this question if we do not mention any specific country. Of course one country, perhaps the chief country, that the Taiwanese might be expected to fight is not supposed to exist at all, so maybe that would make it easier to discuss it without naming it. But my problem is that I want to understand the implications of giving a country an air force. Surely it is not unreasonable, if we are to give a country an air force, to have some idea of what that air force is supposed to be used for. Even if we were only selling someone an air force that question would interest me.

Since the planes we are being asked to give Nationalist China are bombers, presumably they will have to be used to drop bombs, or they will not be very useful. But once we give these planes away, presumably we also give away any control over whom they might be used against. Now, if Nationalist China used these planes to bomb the noncountry we cannot name, does the gentleman know if we would be expected to defend Nationalist China against retaliation? Are we going back in the unleashing China business again. Or perhaps the gentleman can suggest some other potential target for Nationalist Chinese bombers, one that has not occurred to others of us?

Mr. ECKHARDT. I can only say to my colleague that I am not at liberty to discuss the contents of the letter and I must confine myself to what has been prescribed by the chairman of the committee in revealing such information. Were I permitted to see this secret information I think I would be in a position to explain why I do not believe the letter compels me to vote against this amendment.

Mr. LOWENSTEIN. I appreciate the great discretion of the gentleman, and I thank the gentleman for yielding. I trust I will be giving away no secrets if I confess that none of the secrets of the secret letter have persuaded me that we should give away these airplanes. But then, very few facts, however secret, would persuade me that it is in the interest of the security of the United States to give an air force to Nationalist China. For that matter, I am not sure I would favor giving anyone an air force at this time. And what I find especially disconcerting is this procedure of giving one away rather casually, sort of as an afterthought. For all we know, we may be more or less whispering ourselves into a new and totally unexplained commitment, a commitment of which this appropriation is clearly only the first installment. What a strange way this is to do something that is, at best, unexplained and dangerous.

SUBSTITUTE AMENDMENT OFFERED BY MR. BROOMFIELD FOR THE AMENDMENT OFFERED BY MR. CONTE

Mr. BROOMFIELD. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. BROOMFIELD as a substitute for the amendment offered by Mr. CONTE: On page 5, in line 18, insert "SEC. 504(d); and in line 21, strike "$404,500,000" and insert "$454,500,000"; and, on line 23, after the word "China", add the following: "and $50,000,000 for the Republic of Korea."

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

(By unanimous consent Mr. BROOMFIELD was allowed to proceed for 3 additional minutes.)

Mr. BROOMFIELD. Mr. Chairman, I offer this amendment today because of my deep concern about the need for increased military assistance to the Republic of Korea and in order to provide an opportunity for the Members of the Committee of the Whole House to express themselves on this vital issue.

As the Members of this body will recall, the foreign assistance authorization bill approved on November 20 contained language to provide $50 million in fiscal 1970 and $50 million in fiscal 1971 for the modernization of South Korea's armed forces. This language originated as an amendment I offered to the Committee on Foreign Affairs and it received broad support among the committee's members.

The distinguished chairman of the subcommittee (Mr. PASSMAN) has in his possession intelligence information underscoring the urgent need for this appropriation.

There are a number of important factors to be weighed in consideration of this amendment.

As we are all well aware, the United States has maintained a large military contingent in Korea since the Korean armistice of July 27, 1953. That contingent now numbers over 50,000 men.

It supplements a well trained and extremely loyal South Korean military in excess of 600,000.

Together, this combined force confronts an increasingly bellicose and militant government to the north, one which almost daily renews its threats to reunite Korea by armed aggression.

That threat is supported by both word and deed. North Korea is a stable, solidly industrialized, hard-line police state with a military establishment far in excess of normal defense needs for a country of its size.

Five percent of North Korea's people—more than 400,000—are in the armed forces. In addition, it has a popular militia, exceeding 1 million in strength.

In terms of U.S. population, it is as if we had 10 million men in our regular military forces backed by 20 million in the National Guard. Nearly 40 percent of North Korea's annual budget is devoted to the support and maintenance of these forces.

All branches of North Korea's military are well-equipped with modern Soviet and Chinese weaponry, especially the Air Force which exceeds South Korea's both in quality and quantity of equipment.

By contrast, South Korean forces have very little sophisticated weaponry, most of it at least of Korean war vintage. Virtually all of our aid has gone for the repair and maintenance of that equipment, very little toward modernization.

War by miscalculation is a very real peril against this sort of backdrop. And, North Korea has shown no sign that it wants to avoid such a disaster.

Since 1965, the north has embarked on an overt and increasingly aggressive policy of harassment and infiltration aimed at disrupting the South Korean Government and establishing guerrilla bases in the south.

At first, infiltration was confined to the demilitarized zone, but later in 1966 and at an increasing rate since, the north has also launched a campaign of infiltration by sea.

The latter tactic has placed particular stress on the South Korean Navy which is badly underequipped and lacks the high speed patrol boats necessary to cope effectively with this threat.

In 1967 and 1968, the North continued to increase its already high-level of activity and in early 1968 staged two spectacular acts of belligerency.

On January 21, a specially trained team of 31 commandos attempted unsuccessfully to assassinate South Korean President Park and 2 days later North Korean patrol boats seized the U.S.S. *Pueblo*.

In November 1968, in the largest North Korean intrusion since the Korean war, 120 heavily armed commandos landed at points near Ulchin on the east coast. South Korea responded by mobilizing 40,000 militamen to track down the intruders and by strengthening security measures at threatened installations. By the end of the year most of the invaders had been killed or captured.

Major incidents have continued to occur each year until late in the fall when intrusions usually decline because of cold weather and the disappearance of foliage which provides cover for the infiltrators.

This constant and intensive probing by the North will quickly uncover and capitalize on any weakness in the South.

Because of our heavy commitment and preoccupation in Vietnam, the United States has tended to downplay the real potential for armed conflict in Korea and hope for the best. This is a policy which ultimately will lead to difficulty.

It is in this country's interest to maintain a strong counterforce in South

Korea both for the short- and long-range future. For the present, weakness is only an invitation for even greater harassment from the North and a heightened potential for U.S. involvement in another conflict.

For the long range, we can only hope to consider a reduction of U.S. forces in Korea—and I do not foresee that in the near future—after we have embarked on a reasonable military modernization program to preserve the balance of force after we are gone. For these reasons, Mr. Chairman, I urge careful consideration and support for this amendment.

Mr. MONAGAN. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Connecticut.

Mr. MONAGAN. Mr. Chairman, as a matter of information, I would ask the gentleman from Michigan this question:

Do I understand correctly that the gentleman seeks to restore the $54 million for China, and to add the equipment for Korea as well in this substitute?

Mr. BROOMFIELD. To answer the gentleman, because of the parliamentary procedure, I had to offer my amendment for Korea, otherwise I could be precluded in offering this amendment if the amendment offered by the gentleman from Massachusetts (Mr. CONTE) prevailed.

Mr. MONAGAN. But the net effect is to include both?

Mr. BROOMFIELD. The net effect is to include both.

Mr. PIRNIE. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from New York (Mr. PIRNIE).

Mr. PIRNIE. Mr. Chairman, I take this opportunity to commend the gentleman in the well for his amendment. It has been my privilege to see at first hand the need of the South Korean forces for this military assistance. I believe that their capability and their attitude create valuable assistance to the peacekeeping program. This will be timely assistance, which can pay dividends for the peace and security of the world. Again, Mr. Chairman, I commend the gentleman for his timely motion.

Mr. BROOMFIELD. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COHELAN. Mr. Chairman, I rise in opposition to the amendment, and I move to strike the requisite number of words.

Mr. Chairman, for the benefit of those Members who were not on the floor when I made my earlier remarks, this issue goes back to the argument that I made during general debate. There is absolutely no justification, in my opinion, for either the Korean amendment or the Chinese amendment.

If these military requirements are justified, the arguments that the gentleman from Massachusetts (Mr. CONTE) and I are making are to let it go through the regular legislative channels.

Mr. Chairman, I indicated in the committee at the time we were arguing this matter that this goes far beyond what is required. Such a serious matter as taking a floor amendment and putting it in on the floor, affects the very foreign policy of this administration. And as I indicated in my earlier remarks, we have not heard a thing from the State Department one way or another. And I can tell you—I assert from the floor of this House—that the problems related to this country's complex and evolving foreign policy in relation to the Far East are at stake. We have the question of Vietnamizing the Vietnam war. There are many people, including some policy planners who for some time have been arguing over the size of our manpower commitments in Korea. And I wondered as I listened to the gentleman from Ohio why it took so long for us to understand that maybe we would have to give military support to the Koreans instead of having 50,000 troops over there all these years. We have been in Korea since 1950. They have 19 divisions. And it is well known by those who are well informed that there has been a very, very hot argument internally over how long and in what number we should keep our troops there.

Now, as our colleague, the gentleman from Michigan (Mr. RIEGLE) said in his separate views—and I urge the Members to read them—if we are thinking about the Vietnamization of the war in Vietnam, we had better start thinking about the Koreanization of the Korean operation. I am not against military assistance to Korea, but I say that it is dead wrong to do it this way. I am more interested in what we should do on this bill as it pertains to helping developing nations.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. COHELAN. I yield to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I think it should be made clear first what the parliamentary situation is here.

I have offered an amendment to strike out $54,500,000 for jets for the Republic of China.

The gentleman from Michigan now moves a substitute adding $50,000,000 to the bill for military assistance to Korea.

If this substitute prevails, this bill will be inflated by $50,000,000 for Korea and planes for Taiwan. Therefore, the parliamentary situation is we have to knock down his substitute and then vote on my amendment.

I might say that we have worked very hard, the both of us, and the chairman of this committee, in helping Korea down through the years.

We did not need anybody to get up here on the floor with an amendment. We have given Korea $7.4 billion.

Now we did not need any generals on this floor to come in here and tell us what the new policy should be in Korea or Taiwan.

Mr. COHELAN. In addition to a lot of other supporters—as a matter of fact, and I am sure the gentlemen on the Committee on Foreign Affairs know on both sides of the aisle, this has been one of our stunning economic aid successes. I want to continue that, but I suggest to you the issue here is—how are we going to do this? As I said earlier in my remarks, let this be done in the proper way. Let it be done through the regular foreign policy and military channels—but keep it out of the AID program because as long as you get it all mixed up with this, we will be prejudicing this bill.

I want to say again for the benefit of the gentleman from Ohio, in my earlier remarks I tried to make it clear that you have already seen the House vote on this measure. There is a great deal of opposition to adding this item in this way, and you are prejudicing your own administration's Foreign Assistance Act. I plead with you to defeat this amendment. I support the foreign assistance development loans, technical assistance, and even supporting assistance. I supported the gentleman from Kansas (Mr. SHRIVER) in the full committee on supporting assistance for the reason I want to Vietnamize that war as rapidly as possible and I want to get our men out of there as I want eventually to get them out of Korea. I will say to the gentleman, that I believe they have been there in divisional strength far too long. I would much rather see those two Korean divisions in Vietnam up in Korea where they belong and where they would be operating in defense of their own country. This certainly does not preclude adequate military assistance by the United States.

Mr. SIKES. Mr. Chairman, I move to strike out the last word and rise in support of the substitute.

Mr. Chairman, the substitute amendment by the distinguished gentleman from Michigan will make it possible to vote for funds, badly needed funds for a measure of modernization of weapons for Korea and to retain funds for a squadron of modern aircraft for Taiwan.

There are some publications which have insisted day after day that the administration opposes this proposal—and this is not true; that the State Department opposes it, and that is not true; and even that the Department of Defense opposes it. It has been amply demonstrated here on the floor today that the Department of Defense supports what is proposed.

There are those who have said that the administration should ask for money for modernization of weapons for our friends, and that Congress should not take the initiative. But there have been many cases where the Congress has wisely acted on its own responsibility and has taken the initiative. We should act whenever we see a need. We are not an appendage of the White House or of the State Department or of any other department of Government. This bill contains unbudgeted programs for Israel, and I am glad it does. But no one has raised a question about that.

Now, Mr. Chairman, those who see through rose tinted glasses the prospect of a world in which we will live happily side by side ever after with Communist China—and apparently we have some here—will do well to take another look.

Red China is strengthening its defenses. It has a fleet that contains over

1,200 vessels including 36 submarines—and here in my hand is a listing of the numbers and the categories.

Its air force contains, within striking distance of Taiwan, over 1,400 jet aircraft. Many of them are modern Migs and Red China is manufacturing its own modern Migs.

Red China is promoting revolution all around its borders. Red China is the principal supplier of conventional arms to North Vietnam. Did you know that? I repeat, Red China is the principal supplier of conventional weapons to North Vietnam.

(On request of Mr. RIVERS and by unanimous consent, Mr. SIKES was allowed to proceed for 5 additional minutes.)

Mr. SIKES. Mr. Chairman, this is not a bright new weapons system for Taiwan. It will provide one squadron of 18 aircraft, not even the most modern aircraft in our inventory, but aircraft that are less costly than our most modern aircraft, and aircraft that are a match for the MIG's that Red China has. One squadron, 18 aircraft, to help replace some of the obsolete aircraft on which Taiwan must now rely for protection—F–86's, F–100's—absolutely incapable of withstanding an attack by Communist MIG's. No match for them.

Of course, the aircraft are needed. They are needed if Taiwan is to have a chance to survive in case of attack.

Why do we want to help them? Because they have demonstrated staunch friendship. They offered troops for South Vietnam. There can be no greater test of dependability in time of crisis. The offer was rejected, and many of us think this was a mistake. But they were offered.

Taiwan is a brake on Red China, a needed brake on Red Chinese aggression. Taiwan provides one of the best and surest forward bases now available to us in the far Pacific. Okinawa has been frittered away, making a mockery of the American lives lost there. We are now in the process of downgrading our base structure on Okinawa by making the weapons that we store there subject, to all intents and purposes, to Japanese control. This means Taiwan is doubly important as a secure forward base for U.S. and friendly forces.

As a part of the package which is offered by the substitute, we would be restoring to the bill the funds for Korea which were provided in the House authorization bill. Korea has troops in South Vietnam. They have made the most meaningful contribution of any nation other than our own forces and the South Vietnamese. They have weakened their own forces at home to help us.

Please remember also that U.S. forces along the DMZ between North and South Korea are exposed almost daily to harassment. American lives are being lost all too frequently there through enemy action.

The arrogant hostility of North Korea, her callous brutality toward American personnel, have been demonstrated time and again. There was the *Pueblo*, the EC121. The United States has literally been made to crawl when these incidents occurred. It would be folly to fail to help to strengthen South Korea's defenses to the point that enemy aggression can be thwarted. Here is an instance where American lives are going to be directly on the line if war breaks out. There are 50,000 U.S. troops in South Korea today. They will be directly and immediately involved in the event of hostilities and many more will be required. The funds contained in this bill are very small payment indeed for helping to avoid such a situation.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished majority leader.

Mr. ALBERT. Mr. Chairman, I appreciate the gentleman yielding.

I take this time only because I have just received a letter—and I think the gentleman from Michigan received a similar letter—from the Secretary of Defense strongly urging the adoption of the amendment relating to South Korea. The Secretary points out that South Korea is one of the most valiant allies of the United States. The letter is marked secret, so, if the gentleman will bear with me, I will merely summarize it.

It points out that the North Korean air and naval forces are more formidable than those of South Korea and that these forces are hostile, hard in position, and remain deployed to strike as in 1950 without warning. Of immediate concern are the actual hostilities that North Korea currently conducts throughout South Korea. The South Korean Government has taken the most resourceful and positive measures with some success but still requires substantial assistance from the United States to demonstrate conclusively its will and ability to resist aggression.

Then the Secretary states that the need for funding the $50 million authorized is urgent and has been stated to be such by the United Nations command, the Commander-in-Chief in the Pacific, and our Joint Chiefs of Staff, an opinion which, he says, "I share." The $50 million authorized would materially assist in meeting the needs of this area.

Mr. SIKES. Mr. Chairman, I thank the distinguished majority leader.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Chairman, as the distinguished majority leader indicated, not only he but I have received a letter from the Secretary of Defense, our former colleague, Melvin Laird.

This is a very persuasive document. Those of us who have had some background in the effort South Korea has made, an effort they are continuing to make, to be on our side, the willingness on their part to help in meeting the challenge in Southeast Asia, will be convinced as I am beyond any doubt that we ought to approve the substitute amendment.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from South Carolina.

Mr. RIVERS. Mr. Chairman, the Korean conflict is a United Nations obligation. Despite this, Korea has sent over 50,000 of their crack troops to Vietnam, never once questioning the fate of these men, and they have not asked yet that the men be withdrawn. They are face to face with the most insidious enemy civilization has ever known. Have we forgotten the *Pueblo* and what that crowd will do to civilized people? Have we forgotten the EC–121 that was shot down? Have we forgotten the countless hundreds of our helicopter pilots who have been trapped over the DMZ and shot down by this crowd of savages?

Are we going to walk out on Korea, one of the greatest allies we have ever known?

Take Nationalist China: Let us not forget that is one of our two allies. They are tying down 19 divisions of an enemy which is on the threshold of an intercontinental ballistic missile. We discussed that in connection with the ABM.

Are we going to walk out on these people to whom we are bound by the SEATO Treaty?

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. RIVERS. Mr. Chairman, I ask unanimous consent that the gentleman from Florida have 5 additional minutes.

Mr. CONTE. Mr. Chairman, I reserve the right to object. I want to ask the gentleman from South Carolina a question.

Mr. RIVERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is senseless to drag the red herring of Israel into this debate about Nationalist China. We are bound to these people by treaty, by the SEATO Treaty.

We know good and well there are plenty of us who have and will come to the aid of Israel. Nobody is going to accuse me of not having an affectionate and favorable regard for the existence of Israel. I have gone on record for that.

But, Mr. Chairman, we cannot and must not walk out on people who are committed to bringing the American boys home—and that is all these allies are asking of us. Korea has said time and time again: "Give us the guns. Take your boys home. We have the manpower and the will and the dedication."

Ask anybody who has been there about the Korean army. It is a carbon copy of the American troops—Army, Navy, Air Force, WAC's, WAVES, and everything—and they will die if necessary.

Now, let us get to Nationalist China. Nobody has asked them to come to Vietnam. Had anybody asked them, they would have been there.

Across those straits, as the gentleman from Florida has stated, stand these new MIG airplanes that not only do they possess but they manufacture, and they are committed to destroy this island of Formosa and hence envelop the rest of Asia and ultimately land on the doorsteps of Hawaii.

Are you going to help them?

Are you going to back out on them? That is left to you. I am not.

I agree with what has been said by some of these gentlemen, that this military assistance should be under the Armed Services Committee. But it is not, and I am not going to complain about that, because the great chairman of the Foreign Affairs Committee has seen his responsibility and he has fulfilled it. I believe we could handle the military assistance, but I am not here to debate that.

I know that the gentleman who is going to ask me a question—and I am just about to yield to him—would not vote to take that away from the Foreign Affairs Committee and to vest our committee with jurisdiction over military assistance. I know he would not do that, but if it were there we would be in the same position.

I do not believe this Congress is going tc turn its back on the two tried-and-true friends we have. If it is, God help the sacred signature of America and the pledged word of my country.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from California.

Mr. COHELAN. I thank the gentleman for yielding.

I merely remind the gentleman, having had the great privilege of serving with him on the Armed Services Committee, I am well aware of the courage of our allies, the South Koreans. But I should like to say to the gentleman that I have never been in favor of maintaining the strength we have in Korea at this time. It comes as passing strange to me that, considering our involvement in Korea since 1950, we are suddenly presented with this tremendous need for these airplanes.

Mr. RIVERS. They need them.

Mr. COHELAN. We have had a military assistance program there all this time.

Mr. RIVERS. Let me answer the gentleman.

Mr. COHELAN. Why do they need this now?

Mr. RIVERS. Let me tell the gentleman. There was a fellow named McNamara who had a policy of not giving them anything new. When the *Pueblo* was taken we had just three planes there. We did not have them. They have been begging plenty of times, begging us to give them the guns, the planes, the tanks and all this stuff to relieve these 50,000-odd men. We just have not done it.

This is a United Nations thing. We did not go there on our own. It is a United Nations force. Truman woke them up in the middle of the night, and told the United Nations to protect them.

Mr. ADAIR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from Michigan.

The gentleman from Florida made reference to the fact that this question was considered by the Committee on Foreign Affairs. That is true. It was given a detailed and lengthy consideration as to the need for it, as to the amount that could be properly used, and as to the effect that it would have on other parts of our program.

Having in mind especially the increased activity in North Korea it was determined, and if my memory serves me correctly by a rather substantial vote, that this amount of money was required and could be put to good use.

Therefore, I would urge the committee that the amendment offered by the gentleman from Michigan (Mr. BROOMFIELD) be accepted.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

I regret that this question cannot be divided. Under the parliamentary procedure it cannot be.

As I understand the amendment offered by the gentleman from Michigan it really is a substitute for the Conte amendment. It provides for both the $54.5 million for planes for China and $50 million for Korea.

I support the purpose of the amendment of the gentleman from Michigan with reference to Korea and I agree with the contents of the letters which were read by the distinguished minority leader and the distinguished majority leader with reference to Korea. I think we should have the opportunity to vote on that amendment alone, and if so, I would vote for it. But I am not going to vote for the substitute now. I am going to vote against the substitute. I will vote for the Conte amendment. There has been some expression here to the effect that we will spend $54.5 million for one squadron of planes for Nationalist China. That is only a down payment. The justification for planes for Nationalist China was made on this floor on November 20 and my friend and knowledgeable colleague, the gentleman from Florida (Mr. SIKES), indicated that his amendment of $54.5 million would provide one squadron of the F4–D planes. If that is so, that is a real bargain basement price, because the cost of a squadron of F4–D planes is $108.1 million. The breakdown for a squadron of such planes runs $83 million for the aircraft, $18.3 for avionier and other gear and $6.8 for spare parts.

Mr. Chairman, we ought to defeat the amendment which has been offered by the gentleman from Michigan. I say it regretfully because I do support his effort to assist Korea. What has been said about the need of additional military assistance in Korea is absolutely correct. I am not going to take a justification made on the floor of this Congress for $54.5 million when the Foreign Assistance bill was considered and vote for it. The justification for Korea was made, as the distinguished ranking Republican, the gentleman from Indiana (Mr. ADAIR), of the Foreign Affairs Committee, stated in the committee as a result of serious thought and consideration. However, that was not done with reference to the item for planes for Nationalist China. Therefore, insofar as I am concerned I am going to vote against the amendment offered by the gentleman from Michigan and I am going to vote for the amendment offered by the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Massachusetts.

Mr. CONTE. I certainly want to compliment my colleague, the gentleman from Massachusetts (Mr. BOLAND), and join with him in expressing the wish that this issue could be divided. The gentleman from Florida came down in the well of the House and talked about these planes in Taiwan becoming obsolete. Did they they become obsolete overnight? If they had become obsolete then why did not the administration come before our committee with reference to this situation?

Mr. Chairman, I have never voted once against military assistance. I joined with my minority leader and Melvin Laird in fighting for more funds for military assistance right in the well of this House. Now, I have to have someone come in here who is not on the committee, with no hearings, no evidence that the administration did ask for this, but they come in here and tell me that we have to do this, we have to give $54.5 million to Taiwan or else we will be knocked off overnight by mainland China. This is fishy and I do not like it. And, if it stays in the bill, for the first time since I came to the House I may vote against the entire bill.

Mr. BOLAND. May I say in conclusion, Mr. Chairman, that these planes as I understand it—and I use the argument of the distinguished gentleman from Florida—are in inventory. We have them as I understand it. Well, if we have them we can have hearings on these by way of a supplemental. This matter can be taken care of in the proper way—by detailed hearings and justifications. The House will be back here early in January, hopefully the third week in January. There is no great rush about these planes. We can give them to them if they justify the need. The fact of the matter is that they have not been justified. This is not the way to legislate. Therefore, I hope the Committee votes down the substitute amendment.

Mr. PASSMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in favor of the amendment.

I think it is rather obvious what it is all about by this time.

The Foreign Affairs Committee brought in a bill authorizing $50 million for Korea. There has been strong evidence given to many members of the Armed Services Committee as well as the Appropriations Committee indicating the need for Nationalist China being far greater than that for Korea and therefore the House of Representatives voted for the $54.5 million for Taiwan.

The subcommittee that I have the honor to chair considered this matter and kept in the money for Taiwan, but over my protest took out the money for Korea.

The bill moved on then to the full committee. The full committee supported the subcommittee and kept the money in

for Taiwan, but did not provide money for Korea.

Mr. Chairman, I fought for this all the way through, but evidently the subcommittee and the full committee felt that the requirement for China was greater than that of Korea. I think they are equal.

Remember, we lost 33,000 Americans in Korea, and at this particular time the people to the north can strike with not a moment's notice. Those people know this. It is important that we put the money in for Korea, and keep the money in for China.

If there is a need for one, then there is the need for both. I can tell the Members without violating any secrets given to me that the requirements for Nationalist China are not $54 million, they are in the neighborhood of $400 million, immediately—not something next year or 2 or 3 years from now—and we are going to have to give consideration subsequently to about $400 million. And when you move into Korea, the same thing is true. If you are going to update their forces, you are going to have to have this money.

Mr. Chairman, I am always trying to cut bills. I am not trying to increase bills. My record speaks for itself. But when my country is at war, I am going to support my country.

This money is needed. I want to assure the distinguished gentleman from Indiana that I fought his battle in the subcommittee, I tried to hold the money in for Korea. I did the same thing in the full committee, and I can tell you on the floor of this House I am just as interested in the money for Korea as I am for Nationalist China. So let us stop playing personalities with the security of our country, and vote this amendment the way that it should be voted so we can provide the funds for both.

Mr. MONAGAN. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. MONAGAN. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, can we fix a time on this debate? I think we can conclude in 5 minutes.

The CHAIRMAN. Is the gentleman making a unanimous-consent request?

Mr. PASSMAN. Mr. Chairman, I am making a unanimous-consent request that all debate on this amendment and all amendments thereto close in ten minutes.

The CHAIRMAN. On this paragraph of the bill?

Mr. PASSMAN. Yes, that is correct, on this paragraph of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. HOWARD. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, on this paragraph of the bill.

Mr. GERALD R. FORD. Mr. Chairman, may I ask the gentleman from Louisiana if he said on this amendment and all amendments thereto?

Mr. PASSMAN. On this amendment and all amendments thereto.

The CHAIRMAN. On this amendment and all amendments thereto.

Mr. GERALD R. FORD. To this section of the bill?

Mr. PASSMAN. To this section of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana that all debate on this section of the bill, and all amendments thereto, close in 15 minutes?

There was no objection.

The CHAIRMAN. The Chair will state that the gentleman from Connecticut (Mr. MONAGAN) has 5 minutes, the gentleman having been recognized prior to the unanimous-consent request.

Mr. MONAGAN. Mr. Chairman, the question here really is not whether or not we recognize that a threat exists to this country in Southeast Asia. I was in Korea 3 weeks ago and I am aware of the military facts of life there. We all recognize that. The real question is how we are going to handle this matter as a matter of procedure.

We do have committees here in the House. We do have set procedures that have been established over the years because we believe that that is the best way to winnow the programs that are presented, and to determine what is the best thing for us to do for the Nation.

Now I regret, as the gentleman from Massachusets also expressed his regret, that the parliamentary situation is what it is. I did support in the authorizing committee the authorization for the Korean military assistance. But we are now presented not only with that but also with the additional appropriation for the military assistance to China which was not presented to the authorizing committee.

If this is so urgent and so necessary, why was it not presented to the committee? It is only a few weeks ago that the committee on Foreign Affairs was sitting and that the committee presented its final legislative offering to the House.

Surely the facts of these situations could have been presented at that time and the legislative committee could have worked its will on mature consideration. Undoubtedly, such support would have been forthcoming if adequate proof had been provided.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. MONAGAN. I yield to the gentleman.

Mr. COHELAN. Mr. Chairman, there has been some confusion—and I want it to be clarified—about whether or not there were hearings held on the Korean question. Can the gentleman enlighten us on that?

Mr. MONAGAN. The matter of Korean assistance was discussed in the committee.

Mr. COHELAN. But there were no hearings.

Mr. MONAGAN. I have no recollection of any hearings.

Mr. COHELAN. May I say to the gentleman that I have discussed this with the distinguished gentleman from Wisconsin (Mr. ZABLOCKI) who is the subcommittee chairman on the Far East, and he advised me that the State Department gave no testimony on this issue. I merely want to say that I agree with the gentleman that this should go through the proper channels. If this is found to be justified, I would be more than willing to support it.

Mr. MONAGAN. I think all of us would. All we are suggesting is that the proper procedures should be followed. I have no recollection of the hearings. But at least this program was authorized by the legislative committee in contrast to the Chinese planes.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. MONAGAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, as a member of the Committee on Foreign Affairs I am very disappointed that we do not have a chance to vote separately for money for Korea and money for China. Since the two are coupled in the substitute, I am going to vote against the substitute—even though in committee I voted for the authorization for funds for Korea.

It seems to me that this whole debate about assistance for both countries demonstrates the necessity of a more orthodox procedure than we are using with respect to these countries. It is not a question of turning our back on our allies. If hundreds of millions of dollars more need to be spent to protect our friends in Asia, it seems to me that the Committee on Appropriations, the Committee on Armed Services and the Committee on Foreign Affairs should immediately get down to business. We should use the regular process for considering the requests for additional funds.

Mr. MONAGAN. I thank the gentleman for his observation and I fully agree with what he has said. Of course, the easiest way to prove the attitude of the committee is to point to the amount that we in the legislative committee actually authorized. This amply demonstrates the support that the committee has given this year, and also as you know has given in the past, to the military assistance program.

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. MONAGAN) has expired.

At the time the unanimous-consent request to limit debate was agreed to, the Chair observed the Members standing.

Each Member will be recognized for about 1 minute.

The Chair recognizes the gentleman from Massachusetts (Mr. KEITH).

Mr. KEITH. Mr. Chairman, I am going to vote for the Conte amendment, which in effect negates the Sikes amendment—and I am also going to vote against the Broomfield amendment.

The procedures in each case do violence to a logical legislative process. The emotional atmosphere that exists here tonight and that existed at the time the Sikes amendment was adopted is not

conducive to deliberate consideration of such important matters. It is much preferable that the arguments for these proposals be first considered in the calm that exists in the committee chambers.

By acting so hastily here we are playing into the hands of those who are critical of our priorities and of our legislative process.

Both here, in our country, and abroad, those who read the record of this debate will get a poor impression of how this House functions.

I would hope that the House in the future will pursue the more orderly procedure that brings measures to the floor in a way that assures logical debates and more informed decisions.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I rise in opposition to the substitute amendment, particularly against the provisions providing for the squadron of fighters for Nationalist China. It is my understanding that this is an appropriation for 18 Phantom attack bomber aircraft. The Phantom is an inferior aircraft to the Mig–17 with American pilots in it in a low altitude. It is an inferior aircraft to the Mig–21 at a high altitude. And the only possible purpose for which we could be buying these aircraft and giving them to Nationalist China would be to substantiate or possibly to carry on an attack against mainland China. It has no other purposes as a fighter aircraft. If American fighter pilots have to run with this kind of equipment, certainly Taiwan pilots would be in no better position. So I urge defeat of the substitute.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I rise in support of the substitute and urge its adoption by the committee. I am confident that both of these allies need more in terms of military assistance, not less than that provided in the substitute. If we are ever to reach the position in which we can meet the concern expressed by so many Members of this House that American forces not be engaged in land wars in Asia, it will require more military assistance and more economic assistance to such allies. I urge adoption of the substitute.

(By unanimous consent, Mr. BOLTON and Mr. LOWENSTEIN yielded their time to Mr. FRASER.)

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, I regret the parliamentary procedure that we find ourselves confronted with now. I have drawn an amendment which I will offer if we defeat this substitute which will provide in effect that the Korean money would be authorized in place of the money for the Republic of China. There is no credible threat today against the Republic of China. Admiral McCain testified before the House Foreign Affairs Committee and said it would be foolhardy for mainland China to attack Taiwan. I have in my hand a statement of the military balance published by the Institute for Strategic Studies in London, which is a very reliable authority on the forces of the various nations of the world. You cannot find in a statement of forces available to mainland China the seaborne capability which would enable mainland China to mount a successful attack on Taiwan, which was precisely the point Admiral McCain made to us. The secret letter which has been circulated here today does not support this request. The secret letter, if anything, suggests that there are other priorities for Taiwan than the jet aircraft which this amendment seeks to provide. I think we could make a much better case for Korea where there are American troops stationed, where there is always a threat of attack from North Korea into South Korea, than we can for Taiwan. Taiwan is relatively immune today from attack. Taiwan enjoys the protection of a bilateral mutual security agreement with the United States. Any sense of reason or perspective or balance suggests that this money should not go to Taiwan at the present time, certainly not under the kind of shortcut procedures that we have today.

Mr. Chairman, I supported the Korean money in committee. At least we had an opportunity to discuss that problem.

It is true the record itself and the testimony taken do not support the Korean request, but we did spend a great deal of time considering the question during the markup hearing, so there is some justification for that additional amount of money, and I would be prepared to see the money now going to China go instead to Korea.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I associate myself with the remarks of the gentleman from Minnesota. This is no way to legislate. I resent this confrontation of the Members with mysterious secret documents and a belated letter from the Secretary of Defense. This matter should have been considered by the House Committee on Foreign Affairs so that justifying testimony could have been offered for committee evaluation.

I shall follow the advice of the gentleman from Massachusetts (Mr. BOLAND) and vote accordingly.

Mr. FRASER. Mr. Chairman, I thank the gentleman from California.

Mr. Chairman, if this money goes to Korea, my own position on the total bill may change from the position I have taken in the past.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I recognize there are some people who do not consider Red China as a military threat to the peace and security of Southeast Asia or the Pacific or even the United States in the years ahead. It happens I do not share that viewpoint. That is the real issue involved here. In my judgment Korea and the Republic of China, the two countries that are under the gun as far as Red China is concerned, are the two countries that should receive full support from this country, as they have in the past. If anything, the support should be increased. This policy contributes directly to the future peace and security of Southeast Asia. And it contributes to the security of the United States. The need for these funds is urgent. I urge the approval of the substitute amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, I rise in opposition to the substitute amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. COHELAN).

Mr. COHELAN. Mr. Chairman, I merely reiterate what I said in my remarks in the general debate. I protest the method of bringing this before the committee. I feel strongly, and I could possibly vote for military assistance to both Korea and Taiwan if there was justification for it. I think it is absolutely shocking that there has been no testimony from the State Department even in the discussions we have had today.

As I said in my main remarks, I have been in contact with the people downtown, and there has been no official commitment in any way. We have heard from the military types, but we have not heard from the foreign policy types. It seems to me most essential for us to do this.

Mr. Chairman, if we confuse the object of this bill, which is basically development assistance for developing countries with all this military assistance, I think we are making a great mistake.

I have indicated that I protest what is happening because I think it can be done in the proper way.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I reject the implications of the statement made by the gentleman from Texas (Mr. FISHER) to the effect that those who are going to vote against this amendment are in any way not cognizant of the threat in the Far East. All of us are aware of that threat, but the fact that such a threat exists does not obviate the need to show the bans for this amendment. That has not been done. There has been sufficient explanation to justify a vote against the substitute and against the delivery of the planes to the Chinese. I, for one, am going to vote against the substitute and in favor of the Conte amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. BROOMFIELD).

(By unanimous consent, Mr. BROOMFIELD yielded his time to Mr. GERALD R. FORD.)

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, again I reiterate that I hope we will vote down the substitute and will vote for the

amendment to knock out the $54.5 million for the jet planes for the Republic of China.

I repeat I have the highest regard for the gentleman who offered the substitute amendment. The gentleman does not serve on our committee. There has been no testimony before our committee or the Foreign Affairs Committee for this money for these jet planes.

Again I reiterate I have never voted against the military assistance program, and if we had hearings, I might be on the floor defending this particular item. I just do not like the procedure used here. I want the administration to come down and make a case for this, and I will not buy a pig in a poke as a floor amendment.

Mr. Chairman, I hope the substitute will not prevail, and I hope the amendment I have offered will prevail.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, earlier in the debate I said this was no way to legislate. Developments since that time have proved that is the case.

I regret, as I said earlier, that there is not an opportunity to vote separately on funds for Korea and funds for China. Under the circumstances I shall vote against the substitute and vote for the amendment offered by the gentleman from Massachusetts.

Mr. Chairman, I might add also that I am considering voting to recommit the bill before the final vote.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Chairman, I am for the Broomfield amendment for two good reasons.

First, I am convinced that the military aid and assistance for South Korea is essential because of the previous recommendation of the House Committee on Foreign Affairs. That Committee with strong bipartisan support recommended this amount on this Korean program in the foreign aid authorization bill. I believe that is good evidence we ought to approve the Broomfield amendment.

Second, I am convinced that we should support the Broomfield amendment because of the communication received from the Secretary of Defense, the communication which was addressed to the majority leader and myself by our former colleague, Mel Laird.

For those two reasons I believe we ought to support the Broomfield amendment.

Let me make an observation, if I might, concerning the effort on the part of the gentleman from Massachusetts to delete the $54.5 million for the government in Taiwan. The same person who wrote to the majority leader and to me about the $50 million for South Korea military assistance communicated with me on his own initiative the day of consideration of the foreign aid authorization bill and said that the Department was not objecting to the proposed amendment of $54.5 million military assistance in the authorization bill for the Republic of China. Now, if his testimony is good in a letter in reference to South Korea his views to me personally on behalf of military aid to the Republic of China is also a good recommendation.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts.

Mr. CONTE. I appreciate this. This is the first time I have heard this. It really is.

Is this not an odd way to legislate? Why not come up to our committee? Why not say something to our chairman? Why not say something to the ranking Republican member? Why not send up a supplemental? We would have passed out a supplemental like that.

Mr. GERALD R. FORD. I cannot give the gentleman the answer. I know he called me personally the day of the foreign aid authorization and indicated he did not object to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina (Mr. RIVERS).

Mr. RIVERS. Mr. Chairman, I favor the Broomfield amendment.

(By unanimous consent, Mr. RIVERS yielded his remaining time to Mr. SIKES.)

Mr. SIKES. Mr. Chairman, we hope to change our policies and to be able to achieve a situation where friendly nations can stand on their own feet. We are going to have to provide them with modern weapons if they are to do so. We have been too complacent about this. I believe it is preferable to send weapons, rather than having to send American boys, as we have had to do so many times in the past. That is why I support the substitute amendment. It will be a beginning.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. PASSMAN) to close debate on the amendment.

(By unanimous consent, Mr. PASSMAN yielded his time to Mr. HALL.)

Mr. HALL. Mr. Chairman, I am not noted as a big spender or as going against the rules of procedure, but I am strongly in favor of the substitute amendment offered by the gentleman from Michigan.

I am a little tired of hearing those who decry military assistance and still insist upon keeping it as a sweetener for those who would disburse economic assistance around the world.

If this is a question of military intelligence versus State Department viewpoint, I, for one, having investigated the EC–121 incident and the seizure of the *Pueblo*, to say nothing of military assistance around the world, am going to make any error on my part in favor of protecting allies who come to our aid.

The question is not if, but when will we be sucked in to a "slaughter alley"? When will we be sucked into an incident like we were off North Korea when EC–121 was seized? It can happen in many places around the world and I do not want our men or our tried and true allies in any such "turkey shoot."

Mr. DE LA GARZA. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Michigan. I served in the military during the Korean conflict. I saw then the dedication and the devotion which the members of the military of the Republic of Korea and it's people had for the cause of freedom.

To this day I still communicate with one of those gallant soldiers. They are our stanch allies, we have no better friends. I have visited their great country not too long ago, and have seen the tremendous progress which they have made. I have had the honor to visit with their President, with their legislative leaders, with their businessmen, and with many of its people. They all expressed to me their feelings of solidarity with our country. They all expressed to me also their concern over the rapid development of the war machinery of North Korea. I saw evidence of the desires and aims of North Korea and it was not that of a peace loving group.

I have also visited with our Armed Forces in Vietnam and while there had the honor to also visit with our allies from the Republic of Korea. It was an honor to do so, and if I had to go into battle, I would be proud, very proud to have by my side any member of that group.

And now, Mr. Chairman, let me speak to the matter of Taiwan. Here again, Mr. Chairman, we have a great people, perhaps the greatest example in modern times of a freedom loving people who would not be conquered and would not surrender to Communist aggression. In that tiny island they have shown the world the strength and the determination to live as a free people while so many of their brothers, our brothers suffer the agony and the pain of Communist oppression.

I personally look forward to the day when they shall again return to the mainland and reunite all their people under a free and democratic government.

But until this is done, we must help them maintain their position in Taiwan. We must also help them, I believe, Mr. Chairman, for this other reason. While they hold out and live under the threat of the Communists, they still share their knowledge and their energy with others. They help the developing nations. I am well acquainted with the assistance they give in the field of agriculture to African nations.

So, Mr. Chairman, I very respectfully state to you and my colleagues that we have no better allies, we have no better friends, the world has no better example than these two nations of how a freedom loving people will survive and how they will resist with their last ounce of courage the Communist foe. We must stand by them, for in their own way, they stand with us.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Michigan (Mr. BROOMFIELD) for the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and on a division (demanded by Mr. CONTE) there were—ayes 113, noes 77.

So the substitute amendment was agreed to.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Massachusetts (Mr. CONTE) as amended.

The question was taken; and on a division (demanded by Mr. PASSMAN) there were—ayes 119, noes 82.

So the amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(b) No economic assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country which sells, furnishes, or permits any ships under its registry to carry items of economic assistance to Cuba, so long as it is governed by the Castro regime, or to North Vietnam.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 9, line 14, strike the period and insert a comma and add the following words: "or to Communist China."

Mr. GROSS. Mr. Chairman, the paragraph to which I have offered this amendment would read as follows:

No economic assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country which sells, furnishes, or permits any ships under its registry to carry items of economic assistance to Cuba, so long as it is governed by the Castro regime, or to North Vietnam. . . .

And I add the words "or to Communist China."

Mr. Chairman, it just seems to me that if this language is to be used elsewhere in the bill, precluding dealings with Communist China, that it certainly ought to be in this paragraph.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN Mr. Chairman, I am speaking for myself, and as far as I am personally concerned I want to commend the gentleman for offering this amendment. I have not checked this with the committee, but personally I am going to support the amendment.

Mr. GROSS. I thank the gentleman, and yield back the balance of my time.

Mr. FRASER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as I understand the amendment it would preclude the granting of any economic assistance to any country that might have trading relations with mainland Red China. Is that the intent of the amendment offered by the gentleman from Iowa?

Mr. GROSS. The gentleman is absolutely right.

Mr. FRASER. Could the gentleman tell us what countries would be affected by this amendment?

Mr. GROSS. I do not care how many are affected by it. If the Communist Chinese are going to continue to supply the arms for North Vietnam, I do not care how many countries are affected.

Mr. FRASER. The country of Pakistan has had relations with Red China, and I expect it may carry on some trade with it.

We have given Pakistan both military and economic aid for many years.

I am wondering if the gentleman is looking at this in our national security interest. We may suddenly find ourselves unable to maintain any kind of aid relationship with the country of Pakistan. I am sure the same problem arises in connection with other countries. This is one of those emotional, demagogic kind of amendments that does not do any credit to the House if it should be adopted, and I hope it will not be adopted.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman.

Mr. GROSS. Is the gentleman calling me a demagogue?

Mr. FRASER. No, I am calling the amendment that kind of an amendment. I think the gentleman is a very articulate and able gentleman and has done very well here in the House, as I have observed him.

Mr. GROSS. I just wanted to make sure.

Mr. FRASER. Mr. Chairman, this is the kind of amendment that is really substantive legislation and ought to be considered by the Committee on Foreign Affairs. It is ill-conceived. It could destroy aid relationships that we might have with any country trading with Red China and there might be a few we do not know, at this point, how many do carry on some kind of trade relationship with Mainland China.

Mr. Chairman, I certainly hope this amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GROSS).

The question was taken; and on a division (demanded by Mr. GROSS), there were—ayes 83, noes 54.

So the amendment was agreed to.

Mr. ZABLOCKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have resorted to the pro forma amendment in order to save some time.

I want to point out to the committee that this section—General Provisions title, beginning on line 18, page 6 through line 2, page 16, provides for some 22 sections. Six of them are clearly legislation.

Very wisely the subcommittee of the Committee on Appropriations has preceded most of the sections with the technical term "None of the funds here appropriated" or "None of the funds made available" and thereby technically qualifying them as limiting amendments.

But I still want to point out there are six sections that are pure and simple legislation. As I have stated in the colloquy with the gentleman from Massachusetts (Mr. O'NEILL) during the debate on the rule, that a rule providing waiving points of order is not the proper way to legislate.

There is no point of having authorizing committees if the Committee on Appropriations will legislate in an appropriation bill.

Mr. Chairman, I had intended to submit six amendments as follows:

On page 7, line 4, strike out section 102, providing for reporting engineering and architectural fees and services at least twice a year.

On page 7, line 22, strike out section 105, reiterating opposition to the seating in the United Nations of the Communist China regime.

On page 8, line 14, strike out section 106, a sense of Congress on attempts by foreign nations to discriminate because of race or religion.

On page 9, line 15, strike out section 108, providing for reporting of overseas procurement of any commodity in bulk and in excess of $100,000.

On page 14, line 10, strike out section 119, withholding economic assistance to any underdeveloped country purchasing sophisticated weapons systems.

On page 14, line 20, strike out section 120, providing reporting by the President before furnishing development loans, Alliance loans or supporting assistance after taking into account certain policies of recipient countries regarding military purposes.

I might point out that some of the provisions I happen to agree with, but again I submit such language should not be contained in an appropriation bill. In order to expedite consideration of the six amendments, I intend to ask unanimous consent to consider the six amendments en bloc.

First, I wish to point out they were not explained by the chairman of the subcommittee. They were not even touched upon. And I doubt whether some of them could be explained.

PARLIAMENTARY INQUIRY

Mr. PASSMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PASSMAN. Does not the gentleman's offer come too late, since we have already passed page 9, line 9?

The CHAIRMAN. The Clerk had read through page 9, line 14. Any amendment up to line 15 would not be in order at this time.

Mr. ZABLOCKI. I wish to offer an amendment on page 9, line 15.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 108. Any expenditure made from funds provided in this title for procurement outside the United States of any commodity in bulk and in excess of $100,000 shall be reported to the Senate and the House of Representatives at least twice annually: *Provided*, That each such report shall state the reasons for which the President determined, pursuant to criteria set forth in section 604(a) of the Foreign Assistance Act of 1961, as amended that foreign procurement will not result in adverse effects upon the economy of the United States or the industrial mobilization base which outweigh the economic or other advantages to the United States of less costly procurement outside the United States.

AMENDMENT OFFERED BY MR. ZABLOCKI

Mr. ZABLOCKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ZABLOCKI: Page 9, line 15, strike out lines 15 through line 2 on page 10, section 108.

The CHAIRMAN. The gentleman from Wisconsin is recognized in support of his amendment.

Mr. ZABLOCKI. Mr. Chairman, I regret that I was on the telephone and I was not aware that the Clerk had read through page 9, section 107. Thus I am precluded from introducing three of my amendments. The pending amendment strikes the language of section 108. This section as well as all the sections of the bill the gentleman from Wisconsin intended to amend by striking other language in the bill constitutes legislation on an appropriation measure. The other sections to which I referred earlier would be subject to a point of order if the rule waiving points of order had not been granted by the Rules Committee. Mr. Chairman, if this House is going to follow orderly procedure and if we are going to avoid some of the situations we have witnessed today, I submit that the rule should provide in order a point of order when there is legislation in an appropriation bill.

Section 108 provides:

SEC. 108. Any expenditure made from funds provided in this title for procurement outside the United States of any commodity in bulk and in excess of $100,000 shall be reported to the Senate and the House of Representatives at least twice annually: *Provided*, That each such report shall state the reasons for which the President determined, pursuant to criteria set forth in section 604(a) of the Foreign Assistance Act of 1961, as amended, that foreign procurement will not result in adverse effects upon the economy of the United States or the industrial mobilization base which outweigh the economic or other advantages to the United States of less costly procurement outside the United States.

The gentleman from Wisconsin desires to point out that these reports were not made available to the Foreign Affairs Committee. Certainly the authorizing committee should have these reports if they were requested in the past. Therefore, I suggest to the chairman of the Appropriations Committee that the provision in this section and similar such provisions should not be included in appropriation measures.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to this amendment. This provision has been carried in this bill for years. All we do is require any bulk purchase over $100,000 made outside the United States be reported to the committees twice annually.

What is wrong with having these people report to the committees of the Congress twice annually on these bulk purchases? I trust the Committee will vote it down and not start taking out provisions of this type which protect the Congress of the United States and the American taxpayers.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. ZABLOCKI).

The amendment was rejected.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. YATES. Mr. Chairman, how far has the Clerk read?

The CHAIRMAN. The Clerk has read down through line 2 on page 10.

Mr. YATES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I should like to get the attention of the chairman of the committee for an explanation with respect to the language that appears in subsection (b) on page 9 of section 107. I do not understand the intent of that language, which says:

(b) No economic assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country which sells, furnishes, or permits any ships under its registry to carry items of economic assistance to Cuba, so long as it is governed by the Castro regime, * * *

Mr. Chairman, does this mean, sells ships or furnishes ships or permits any ships—what does the language mean?

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield, my friend is a very able attorney, and I am only a layman. The provision means just exactly what it says, no more and no less. If the gentleman will read it again, he can convince himself there is some sense to it.

Mr. YATES. Mr. Chairman, I point out again the preceding subsection itemizes a number of items which relate to items which are listed as indicating items that cannot be sold or transferred or carried. This section does not.

Mr. PASSMAN. Now the gentleman understands it, does he not? It means just exactly what it says.

Mr. YATES. Mr. Chairman, will the gentleman permit me to ask another question?

Mr. PASSMAN. I will answer it the same way, but certainly.

Mr. YATES. Then there is no sense in asking another question.

Mr. PASSMAN. The gentleman is absolutely correct.

Mr. YATES. That is right under the present circumstances.

Mr. HALEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I very seldom use any of the time of the committee or of the Congress, but I am disturbed about some things that are in this bill.

I should like to direct the questions I have to the chairman. I might say he probably knows more about the foreign aid program than any 100 Members of the Congress. He studies it, I believe perhaps more than he should sometimes, and I am certain he is well qualified to give answers as to what this program will do.

Mr. Chairman, I have opposed this program ever since I have been in the Congress. I will continue to oppose it. I will oppose this bill.

I believe we have disbursed $182.5 billion of the wealth of the people of this Nation on the theory that we may buy friends. We cannot buy friends. They are either our friends because of their interest or they are not.

I believe this program should rapidly come to a conclusion. Originally, as Members well know, it was started under the so-called Marshall plan, for 5 years and $15 billion. We are now way up and past that.

I do not believe that this program is doing anything toward bringing us any real friends for the United States.

I should like to ask the chairman of the subcommittee if there is any money in this program for the nation of Thailand?

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HALEY. I yield to the gentleman.

Mr. PASSMAN. I might say to the distinguished gentleman that in the foreign aid bill the appropriations are made on an "illustrative" basis. Under the legislation they can ask for funds for a hospital in Brazil and take that money and use it to build a summer resort in Morocco and be within the law. That is a statement of fact. It is all on an "illustrative" basis.

According to the presentation to the committee there are substantial funds in this bill for Thailand in several different sections. The amounts go into tens of millions of dollars. I would have to do some research to be able to tell the gentleman the total amount of money in this bill for Thailand.

Mr. HALEY. The gentleman talks about spigots. I believe we will open another spigot with what I am about to bring before the House.

Is there any money in here for South Korea?

Mr. PASSMAN. Yes. There is substantial money in here for South Korea.

Mr. HALEY. What about Nationalist China?

Mr. PASSMAN. There is no economic aid in this bill for Nationalist China, but I may say to the distinguished gentleman there is a return aid program now, because Nationalist China is one of our cash customers. I believe in 1968 they purchased a net of about $68 million in the United States. Now money is coming in from Nationalist China.

Mr. HALEY. Of course the gentleman is well aware of the fact that we recently borrowed from Thailand $100 million.

Mr. PASSMAN. That is correct.

Mr. HALEY. Repayable at 6 percent interest. We also had borrowed from South Korea last July $15 million. And we have obtained a loan from Nationalist China in the amount of $20 million at 5½ percent interest.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HALEY. I yield.

Mr. PASSMAN. I might say this about Nationalist China. Uncle Sam's man was going around the world trying to borrow money to build up a surplus in our international balance of payments account. They finally offered to make this loan. They should not have, because it just about emptied their Treasury.

I am not a foreign aid enthusiast. I will give the membership the fact that we gave Thailand over a billion dollars during that same period when Thailand built up its foreign exchange reserves in excess of $1 billion.

We borrowed $100 million of it back from Thailand.

If I told you the whole story—the vote

would not be unanimous on this bill. But I have to be responsive to these questions when they are asked as the gentleman is asking them now.

Mr. HALEY. However, the chairman of the subcommittee will then agree with me that what we have done here is this: We have advanced this money from our own Treasury of the United States and we have given them this money and based upon the interest that we are going to have to pay, we are subsidizing them really to the extent of $40 million, which is going to be put on the backs of the taxpayers of the United States.

So I say to the gentleman from Louisiana you open up another spigot here because we have taken money that we must go out and borrow at 7 percent or 7½ percent, our own money, and we are borrowing it back and the taxpayers must pay $40 million interest for their own money. That is what it amounts to.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had not intended to take any time during this debate today. As a matter of fact I have not been in the well of the House for some time. However, I sense a feeling in the House that there are a lot of people concerned about this bill and many are going to vote against it who had previously voted for it because there are certain things in this bill which are not to their liking. I hope as one who has seldom supported this legislation and I have been more often in opposition. May I say to those of you who have been of like mind to me over the years who have voted against the bill, remember this: Remember that supporting assistance for the Vietnamization of the war in Vietnam is contained in this bill.

If you think we can turn this bill down and carry on the withdrawal of our troops from Vietnam, you are wrong. This is one of the reasons that I am going to support this bill this year.

Mr. Chairman, there are many parts of this legislation that I do not like. But I think the No. 1 priority in America today is to support the President of the United States in his desire to get our troops out of Vietnam and to turn it over to the South Vietnamese, this is needed to do it. You cannot do it without the supporting assistance to Vietnam which is contained in this bill.

Now, I know a lot of people who have always voted against this bill will continue to do so. I am one who is going to change. I know a lot of people on that side who have always supported this bill but because there are some jets to go to Formosa, people who are going to hang their hat on that are going to vote against it.

Mr. Chairman, the President of the United States held a press conference last night. He indicated in that conference that there is a possibility he may within a few weeks be able to announce a further withdrawal of our troops in Vietnam.

I say to you if the House of Representatives turns this bill down today for whatever reason you want to use, I do not think the President of the United States will be able to make that announcement until this issue is resolved.

Now, there are plenty of things in this bill that I do not like. But I believe very sincerely, very sincerely, that if we are going to proceed with the Vietnamization of the war we had better support this legislation and take some of the things we do not like and get on with the job of trying to withdraw our troops from Vietnam.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 119. The President is directed to withhold economic assistance in an amount equivalent to the amount spent by any underdeveloped country for the purchase of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes from any country other than Greece, Turkey, the Republic of China, the Philippines, and Korea, unless the President determines that such purchase or acquisition of weapons systems is important to the national security of the United States and reports within thirty days each such determination to the Congress.

AMENDMENT OFFERED BY MR. ZABLOCKI

Mr. ZABLOCKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ZABLOCKI: Page 19, line 10, strike out lines 10 through line 19 (Section 119).

Mr. ZABLOCKI. Mr. Chairman, the gentleman from Wisconsin is a realist. This is another instance of legislation on an appropriation bill. I know that my amendment to strike the language will not prevail, and the legislation will remain in the bill. The gentleman from Wisconsin takes this time to point up again that this section and the next section immediately following constitute legislation. As I said, I am a realist, and therefore I will not call up the amendments. The gentleman from Wisconsin wishes to reiterate that there are six sections to which I had intended to offer amendments. I had hoped that the subcommittee chairman would have explained the reasons why they are in the appropriation bill.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I will be glad to yield to my esteemed and beloved colleague.

Mr. PASSMAN. Mr. Chairman, may I say to my esteemed and beloved colleague——

Mr. ZABLOCKI. Will the subcommittee chairman explain the reasons why the various sections, 22 in all, were included in the bill.

Could the gentleman explain specifically why section 119 was included in the bill; similar if not identical language is in the authorization act.

Mr. PASSMAN. The gentleman would like to know why we put it in?

Mr. ZABLOCKI. Was the reason merely to duplicate language in the Foreign Aid Act?

Mr. PASSMAN. It was simply because the distinguished members of the Committee on Foreign Affairs are so very busy, and their bill is so voluminous, many times they have overlooked these items and we have included them in our bill.

This is known as the Conte-Long-Passman amendment. I am glad the gentleman recognizes the necessity of it, and I am glad he is willing to leave it in.

Mr. ZABLOCKI. Sections 119 and 120 of the bill before us, the so-called Conte-Long-Passman amendments, are in the Foreign Aid Act in the authorization bill.

Mr. PASSMAN. But it does not hurt to repeat it, it is just like making love to your sweetheart; you just tell her you love her over and over again. It will not do any harm.

Mr. ZABLOCKI. Then why not repeat everything in the authorization act in the appropriation bill?

Mr. PASSMAN. If the gentleman is recommending that, we will.

Mr. ZABLOCKI. I do not recommend it. I wish to reemphasize this procedure is not good and proper legislation. It is a violation of the House rules. Therefore, I submit in the future appropriation bills should not come under a rule providing points of order.

Mr. PASSMAN. I will try to be careful.

Mr. ZABLOCKI. Mr. Chairman, in order to save time, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin (Mr. ZABLOCKI) to withdraw his amendment?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 122. None of the receipts from loans made pursuant to sections 203(e) and 204(b) of the Foreign Assistance Act of 1969, or from loans made under the authority contained in the Foreign Assistance Act of 1961, as amended, or from loans made under the authority of the Mutual Security Act of 1954, as amended, shall be available to carry out the provisions of section 322 of the Foreign Assistance Act of 1969 (relating to the transfer of loan receipts to the Corporation).

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 15, strike out lines 19 through line 25 and on page 16 strike out lines 1 and 2.

Mr. CONTE. Mr. Chairman, my amendment quite simply would permit the Overseas Private Investment Corporation to use the money from loan repayments associated with the Alliance and Worldwide Development Loans in order to make direct loans itself.

The committee bill prevents these transfers from taking place. Thus, it prevents OPIC from making direct loans.

Earlier today, I spoke at greater length about the programs that OPIC would administer. As a result of the committee action, and the floor action in defeating an amendment offered by my distinguished colleague from Minnesota (Mr. FRASER) OPIC will not be able to engage in the insurance or the guaranty program. The reason is simple—there will not be enough money to satisfy the reserve requirements for these two programs.

I hope at least by this amendment to give OPIC part of the chance I think it deserves. Let us give it a try and see how

direct loans work out under this businesslike operation.

I urge my colleagues to join me in this amendment.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. PASSMAN. I think we should make a little legislative history on this item. This is not the reserve fund—the $75,000,000 account that we had so much confusion on today.

This limitation simply prevents the creation of a special revolving loan fund of $100,000,000 to be funded out of the development loan fund receipts. I believe the first slice is $20,000,000; is that correct?

Mr. CONTE. That is correct.

Mr. PASSMAN. I have discussed this amendment with the distinguished minority Member.

Mr. CONTE. The gentleman is absolutely correct.

Mr. PASSMAN. It is acceptable to him and I have no objection to it.

Mr. SHRIVER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. SHRIVER. Mr. Chairman, this amendment has been discussed with the minority and we are in agreement on it.

Mr. ZABLOCKI. Mr. Chairman, I merely rise to commend the gentleman from Massachusetts for once taking a piece of legislation out of an appropriation bill.

Mr. CONTE. I thank the gentleman.

Mr. PASSMAN. Mr. Chairman, I will state to the gentleman from Wisconsin that this is not legislation. This is a limitation. Let us have that understood.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to find out if I can from the chairman of the subcommittee (Mr. PASSMAN) whether this puts the Overseas Investment Corporation on the road. Does this get it started?

Mr. PASSMAN. OPIC was created by the Committee on Foreign Affairs. Of course, this bill must go over to the other body. I do not know what they are going to do. By removing this limitation, it simply means OPIC can draw $20,000,000 from repayments to the development loan funds. The gentleman from Iowa is well aware of the fact and I am aware of the fact that the Committee cannot have its way every time. We have to compromise and I think we have been very fortunate today not to load up this bill. Certainly, I agree; I do not think this new lending agency is needed. I hate to see it started. I think it is completely unnecessary, but since there seems to be some rather deep feelings about it, I decided that in this one instance I would go along and not object taking this limitation out.

Mr. GROSS. All right, I have supported in my feeble way as have other Members supported every move to hold the line on this bill and cut it if possible, and I intend to continue to do that. But now I must ask the question—the $64 question—is this bill going to conference and be loaded up?

Mr. PASSMAN. I can only say to the gentleman that we have never loaded up this bill in conference. You can look at the record—those of you who may be concerned about it—we do not agree to that. If the other body loads this bill, we just do not buy it.

Mr. GROSS. I am glad to have that assurance from the gentleman because with capitulation on this amendment, I am really beginning to wonder.

Mr. PASSMAN. I can assure the gentleman that when we go to conference, we are not going to capitulate. I do not want to give any statistics for the past 15 years because Members of the other body may read the RECORD, but history records what we have been able to accomplish in conference in upholding the position of the House.

Mr. OTTINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the chairman of the subcommittee the justification in the bill for providing $1,500,000 for supporting assistance for Haiti, one of the most repressive dictatorships in the world.

Mr. PASSMAN. That amount is in the budget and the budget is on an "illustrative" basis. It is going to be used entirely for eradication of malaria that we have been successful to some extent in eradicating in other countries around the Caribbean area and we do not want malaria to get started again in that area.

Mr. OTTINGER. I ask the gentleman whether that would come from supporting assistance.

Mr. PASSMAN. It comes out of supporting assistance.

Mr. OTTINGER. Does supporting assistance not have to do with military support?

Mr. PASSMAN. I might say that even though most people are under the impression that supporting assistance is given entirely to nations where they have a military force, that is not so. They can go into any country with supporting assistance.

Mr. OTTINGER. Mr. Chairman, it seems to me that we are fighting in Vietnam supposedly for the principle of self-determination and then we are turning around and aiding one of the most oppressive dictatorships that has ever existed in any part of the world.

Mr. PASSMAN. If I had my way, I would keep it as intended, but it has been based on an "illustrative" basis. They do not program all of these things. They say, "We may spend it here." You could actually insist that they come before our committee and justify funds for hospitals in the field. But I have never been afraid to tell the truth. And they say, "It is true, we are not going to do that." It is on an illustrative basis. I agree with the gentleman that there are some things about this bill I do not like.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I wonder if I heard the gentleman correctly. Did he say there was $150 million?

Mr. OTTINGER. I did but corrected myself thereafter indicating the amount was $1,500,000.

Mr. LONG of Maryland. Was it $1.5 million?

Mr. OTTINGER. That is correct. I was in error.

PARLIAMENTARY INQUIRY

Mr. CONTE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CONTE. Has the committee voted on my amendment?

The CHAIRMAN. I was just about to put the question.

The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 91, noes 19.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LIMITATION ON PROGRAM ACTIVITY

Not to exceed $2,537,343,000 (of which not to exceed $1,972,200,000 shall be for equipment and services loans) shall be authorized during the current fiscal year for other than administrative expenses.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we are at a critical time in this session. We are under a heavy mandate to finish our business before Christmas, and we are now moving along rather well. This is the last regular appropriation bill to be considered by the House for the current fiscal year. We will have a final supplemental, which will be reported Thursday of this week, and should be on the floor perhaps Friday, or certainly early next week. That will end the appropriations business of the session except for conference reports on the unfinished bills.

It would just be tragic, if by reason of misunderstanding, or otherwise, we did not pass this bill today and send it over to the other body and move toward a settlement of what shall be done about this bill. We could not afford to continue to operate on a continuing resolution.

I will say this is the lowest bill we have ever had for foreign aid. It is drastically reduced. It is reduced far below what the President had requested and not low enough in some respects. We have got to have a bill.

As the gentleman from Michigan (Mr. CEDERBERG) pointed out so well, without this legislation the President would be drastically restricted in his effort to try to do something about Vietnamization—about transferring more and more of the war effort to the fighting men of South Vietnam and from our own servicemen.

I earnestly hope there will not be a motion to recommit. If the bill were recommitted, it could throw a monkey wrench into the plans for adjournment of this session of Congress. We must move this bill to the other body for a final settlement in this session.

Mr. Chairman, this is a minimum bill. Although it contains some things I do not approve of and would not support if

brought up separately—nobody is totally pleased with it—we do have to have a bill of sorts before we adjourn, and it seems to me this is the best we are capable of doing at the moment. This is the 9th day of December. I just hope that, under all the circumstances, we will pass this bill today and send it to the other body for consideration.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. BOW. Mr. Chairman, I should like to advise the Chairman and the House that there will be a motion to recommit. It will be a motion to recommit with instructions, and I would like to advise the House what it will be.

On page 18, line 17, I will move to strike "$87,282,000" and insert in lieu thereof "$87,000,000."

In other words, Mr. Chairman, I am reducing the bill by $282,000.

Mr. MAHON. Mr. Chairman, in the circumstances, this seems to be a reasonable approach to the problem which confronts us.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, all I want to say is that the motion to recommit with instructions, as stated by the gentleman from Ohio, confirms the description by the gentleman from Texas (Mr. MAHON), that this is "a bill of sorts."

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. PASSMAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15149) making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the bill and all other amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. CONTE. Mr. Speaker, I demand a separate vote on the so-called Broomfield amendment, providing $50 million for Korea and $54.5 million for Taiwan.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 5, in line 18 insert section 504(d) and in line 21, strike "$404,500,000" and insert "$454,500,000" and, on line 23 after the word "China", add the following: "and $50,000,000 for the Republic of Korea."

The SPEAKER. The question is on the amendment.

Mr. YATES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 250, nays 142, not voting 41, as follows:

[Roll No. 309]

YEAS—250

| | | |
|---|---|---|
| Abbitt | Evins, Tenn. | Minshall |
| Abernethy | Fallon | Mize |
| Adair | Feighan | Mollohan |
| Albert | Fisher | Monagan |
| Alexander | Flood | Montgomery |
| Anderson, Calif. | Flynt | Morgan |
| Andrews, Ala. | Foley | Morton |
| Andrews, N. Dak. | Ford, Gerald R. | Murphy, Ill. |
| Arends | Foreman | Murphy, N.Y. |
| Ashbrook | Fountain | Myers |
| Ayres | Frelinghuysen | Natcher |
| Baring | Frey | Nelsen |
| Barrett | Friedel | Nix |
| Beall, Md. | Fulton, Pa. | O'Hara |
| Belcher | Fuqua | O'Konski |
| Bell, Calif. | Galifianakis | O'Neal, Ga. |
| Bennett | Gallagher | O'Neill, Mass. |
| Berry | Garmatz | Passman |
| Betts | Giaimo | Patman |
| Bevill | Gibbons | Pelly |
| Blackburn | Goldwater | Pepper |
| Blanton | Gonzalez | Perkins |
| Boggs | Goodling | Pettis |
| Bow | Green, Oreg. | Philbin |
| Bray | Griffin | Pickle |
| Brinkley | Grover | Pirnie |
| Broomfield | Gubser | Poage |
| Brotzman | Hagan | Poff |
| Brown, Ohio | Haley | Pollock |
| Broyhill, Va. | Hall | Preyer, N.C. |
| Buchanan | Hammer-schmidt | Price, Ill. |
| Burke, Fla. | Hanna | Price, Tex. |
| Burke, Mass. | Harsha | Pryor, Ark. |
| Burleson, Tex. | Hastings | Purcell |
| Burton, Utah | Hébert | Quie |
| Byrne, Pa. | Henderson | Quillen |
| Byrnes, Wis. | Hicks | Randall |
| Cabell | Hull | Rarick |
| Caffery | Hunt | Reid, Ill. |
| Camp | Ichord | Rhodes |
| Carter | Johnson, Pa. | Rivers |
| Casey | Jonas | Roberts |
| Cederberg | Jones, N.C. | Rogers, Fla. |
| Chamberlain | Jones, Tenn. | Rooney, N.Y. |
| Chappell | Kazen | Rostenkowski |
| Clancy | Kee | Roth |
| Clausen, Don H. | King | Roudebush |
| Clawson, Del | Kleppe | Ruth |
| Collier | Kluczynski | Sandman |
| Colmer | Kuykendall | Satterfield |
| Corbett | Landgrebe | Saylor |
| Crane | Langen | Schadeberg |
| Cunningham | Latta | Scherle |
| Daniel, Va. | Lennon | Sebelius |
| Davis, Ga. | Lloyd | Shriver |
| Davis, Wis. | Lujan | Sikes |
| de la Garza | Lukens | Sisk |
| Dellenback | McClory | Skubitz |
| Denney | McCloskey | Slack |
| Dennis | McClure | Smith, Calif. |
| Derwinski | McCulloch | Smith, Iowa |
| Devine | McEwen | Snyder |
| Dickinson | McKneally | Springer |
| Donohue | McMillan | Staggers |
| Dorn | MacGregor | Stanton |
| Dowdy | Mahon | Steed |
| Downing | Mann | Steiger, Ariz. |
| Dulski | Marsh | Steiger, Wis. |
| Duncan | Martin | Stephens |
| Dwyer | Mathias | Stratton |
| Edmondson | Matsunaga | Stubblefield |
| Edwards, Ala. | May | Stuckey |
| Edwards, La. | Melcher | Taft |
| Erlenborn | Michel | Talcott |
| Eshleman | Miller, Calif. | Taylor |
| Fraser | Miller, Ohio | Teague, Calif. |
| Gaydos | Mills | Teague, Tex. |
| Gilbert | Minish | Thompson, Ga. |
| Gray | Mink | Thomson, Wis. |
| Green, Pa. | Moorhead | Waggonner |
| Griffiths | Morse | Wampler |
| Gross | Nedzi | Watkins |
| Gude | Obey | Watson |
| Halpern | Olsen | White |
| Hamilton | Ottinger | Whitehurst |
| Hanley | Patten | Whitten |
| Hansen, Idaho | Pike | Widnall |
| Hansen, Wash. | Podell | Williams |
| Harrington | Railsback | Wilson, Bob |
| Harvey | Rees | Wilson, Charles H. |
| Hathaway | Reid, N.Y. | Winn |
| Hechler, W. Va. | Reuss | Wold |
| Heckler, Mass. | Robison | Wright |
| Helstoski | Rodino | Wyatt |
| Hogan | Roe | Wylie |
| Holifield | Rogers, Colo. | Wyman |
| Horton | Rosenthal | Yatron |
| Howard | Roybal | Zion |
| Hungate | Ryan | |
| Hutchinson | St Germain | |
| Jacobs | Scheuer | |
| Johnson, Calif. | Schneebeli | |
| Jones, Ala. | Schwengel | |
| Karth | Shipley | |
| Kastenmeier | Smith, N.Y. | |
| Keith | Stafford | |
| Koch | Stokes | |
| Kyros | Sullivan | |
| Leggett | Symington | |
| Long, Md. | Thompson, N.J. | |
| Lowenstein | Tiernan | |
| McCarthy | Udall | |
| McDade | Ullman | |
| McDonald, Mich. | Van Deerlin | |
| McFall | Vanik | |
| Madden | Vigorito | |
| Mayne | Waldie | |
| Meeds | Watts | |
| Meskill | Weicker | |
| Mikva | Whalen | |
| Minish | Wiggins | |
| Mink | Wolff | |
| Moorhead | Yates | |
| Morse | Zablocki | |
| Nedzi | Zwach | |

NAYS—142

NOT VOTING—41

| | | |
|---|---|---|
| Anderson, Tenn. | Hays | Powell |
| Blatnik | Hosmer | Pucinski |
| Brademas | Jarman | Reifel |
| Cahill | Kirwan | Riegle |
| Clark | Kyl | Rooney, Pa. |
| Cowger | Landrum | Ruppe |
| Cramer | Lipscomb | Scott |
| Dawson | Long, La. | Tunney |
| Dingell | Macdonald, Mass. | Utt |
| Eilberg | Mailliard | Vander Jagt |
| Fascell | Mizell | Whalley |
| Flowers | Mosher | Wydler |
| Fulton, Tenn. | Moss | Young |
| Gettys | Nichols | |
| Hawkins | | |

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Moss with Mr. Lipscomb.

Mr. Nichols with Mr. Reifel.

Mr. Clark with Mr. Coughlin.

Mr. Fascell with Mr. Cramer.

Mr. Macdonald of Massachusetts with Mr. Cahill.

Mr. Landrum with Mr. Kyl.

Mr. Tunney with Mr. Hosmer.

Mr. Young with Mr. Wydler.

Mr. Dingell with Mr. Vander Jagt.

Mr. Jarman with Mr. Utt.

Mr. Gettys with Mr. Whalley.

Mr. Long of Louisiana with Mr. Scott.

Mr. Brademas with Mr. Riegle.

Mr. Anderson of Tennessee with Mr. Mizell.

Mr. Pucinski with Mr. Mosher.

Mr. Hays with Mr. Mailliard.

Mr. Rooney of Pennsylvania with Mr. Ruppe.

Mr. Hawkins with Mr. Eilberg.
Mr. Fulton of Tennessee with Mr. Flowers.
Mr. Kirwan with Mr. Dawson.

Messrs. ARENDS, AYRES, POLLOCK, and MATSUNAGA changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BOW

Mr. BOW. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BOW. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Bow moves to recommit the bill (H.R. 15149) to the Committee on Appropriations with instructions to that committee to report it back forthwith with the following amendment: On page 18, in line 17, strike out "$87,282,000" and insert in lieu thereof "$87,000,000".

Mr. PASSMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 200, nays 195, answered "present"—2, not voting 36, as follows:

[Roll No. 310]

YEAS—200

| | | |
|---|---|---|
| Addabbo | Cederberg | Giaimo |
| Albert | Celler | Gibbons |
| Alexander | Conable | Gilbert |
| Anderson, Calif. | Corbett | Gonzalez |
| | Corman | Gray |
| Anderson, Ill. | Coughlin | Green, Oreg. |
| Anderson, Tenn. | Culver | Green, Pa. |
| | Cunningham | Griffiths |
| Andrews, N. Dak. | Daddario | Gubser |
| | Daniels, N.J. | Gude |
| Annunzio | Davis, Wis. | Halpern |
| Arends | de la Garza | Hamilton |
| Ashley | Dellenback | Hanley |
| Aspinall | Dennis | Hanna |
| Ayres | Diggs | Hansen, Idaho |
| Barrett | Dingell | Hansen, Wash. |
| Beall, Md. | Donohue | Harrington |
| Belcher | Dulski | Hastings |
| Bell, Calif. | Dwyer | Hathaway |
| Biaggi | Edmondson | Hébert |
| Biester | Erlenborn | Heckler, Mass. |
| Bingham | Esch | Helstoski |
| Blatnik | Evans, Colo. | Hicks |
| Boggs | Evins, Tenn. | Hogan |
| Boland | Fallon | Holifield |
| Bolling | Farbstein | Horton |
| Brasco | Feighan | Jacobs |
| Brooks | Findley | Johnson, Calif. |
| Broomfield | Fish | Jones, Ala. |
| Brotzman | Fisher | Kazen |
| Buchanan | Flood | Kee |
| Burke, Mass. | Ford, Gerald R. | Keith |
| Bush | Fraser | Kluczynski |
| Button | Frelinghuysen | Kyros |
| Byrne, Pa. | Friedel | Lloyd |
| Byrnes, Wis. | Fulton, Pa. | Long, Md. |
| Cabell | Gallagher | McCarthy |
| Carey | Garmatz | McClory |
| McCloskey | Patten | Shriver |
| McDade | Pelly | Sikes |
| McEwen | Pepper | Sisk |
| McFall | Perkins | Smith, Iowa |
| McKneally | Philbin | Smith, N.Y. |
| MacGregor | Pickle | Springer |
| Mahon | Pike | Stafford |
| Mann | Pirnie | Stanton |
| Mathias | Podell | Steiger, Wis. |
| Matsunaga | Preyer, N.C. | Stratton |
| May | Price, Ill. | Sullivan |
| Madden | Pryor, Ark. | Symington |
| Mayne | Purcell | Taft |
| Melcher | Quie | Talcott |
| Miller, Calif. | Railsback | Teague, Calif. |
| Minish | Reid, N.Y. | Teague, Tex. |
| Mize | Rhodes | Thomson, Wis. |
| Monagan | Rivers | Udall |
| Moorhead | Rodino | Vigorito |
| Morgan | Rogers, Colo. | Weicker |
| Morse | Rooney, N.Y. | Widnall |
| Morton | Rosenthal | Wiggins |
| Murphy, Ill. | Rostenkowski | Wilson, Bob |
| Murphy, N.Y. | Roth | Wilson, Charles H. |
| Nelsen | Roybal | |
| Nix | Ryan | Wold |
| O'Hara | St. Onge | Wolff |
| O'Neill, Mass. | Sandman | Wright |
| Passman | Schneebeli | Yatron |
| Patman | Schwengel | Zwach |

NAYS—195

| | | |
|---|---|---|
| Abbitt | Foreman | O'Konski |
| Abernethy | Fountain | Olsen |
| Adair | Frey | O'Neal, Ga. |
| Adams | Fuqua | Ottinger |
| Andrews, Ala. | Galifianakis | Pettis |
| Ashbrook | Gaydos | Poage |
| Baring | Goldwater | Poff |
| Bennett | Goodling | Pollock |
| Berry | Griffin | Price, Tex. |
| Betts | Gross | Quillen |
| Bevill | Grover | Randall |
| Blackburn | Hagan | Rarick |
| Blanton | Haley | Rees |
| Bray | Hall | Reid, Ill. |
| Brinkley | Hammer-schmidt | Reuss |
| Brock | | Roberts |
| Brown, Calif. | Harsha | Robison |
| Brown, Mich. | Harvey | Roe |
| Brown, Ohio | Hechler, W. Va. | Rogers, Fla. |
| Broyhill, N.C. | Henderson | Roudebush |
| Broyhill, Va. | Howard | Ruth |
| Burke, Fla. | Hull | St Germain |
| Burleson, Tex. | Hungate | Satterfield |
| Burlison, Mo. | Hunt | Saylor |
| Burton, Calif. | Hutchinson | Schadeberg |
| Burton, Utah | Ichord | Scherle |
| Caffery | Jarman | Scheuer |
| Camp | Johnson, Pa. | Sebelius |
| Carter | Jones, N.C. | Shipley |
| Casey | Jones, Tenn. | Skubitz |
| Chamberlain | Karth | Slack |
| Chappell | Kastenmeier | Smith, Calif. |
| Chisholm | King | Snyder |
| Clancy | Kleppe | Staggers |
| Clausen, Don H. | Koch | Steed |
| | Kuykendall | Steiger, Ariz. |
| Clawson, Del | Landgrebe | Stephens |
| Clay | Langen | Stokes |
| Cleveland | Latta | Stubblefield |
| Cohelan | Leggett | Stuckey |
| Collier | Lennon | Taylor |
| Collins | Long, La. | Thompson, Ga. |
| Colmer | Lowenstein | Thompson, N.J. |
| Conte | Lujan | Tiernan |
| Conyers | Lukens | Ullman |
| Crane | McClure | Van Deerlin |
| Daniel, Va. | McCulloch | Vanik |
| Davis, Ga. | McDonald, Mich. | Waggonner |
| Delaney | | Waldie |
| Denney | McMillan | Wampler |
| Dent | Marsh | Watkins |
| Derwinski | Martin | Watson |
| Devine | Meeds | Watts |
| Dickinson | Meskill | Whalen |
| Dorn | Michel | White |
| Dowdy | Mikva | Whitehurst |
| Downing | Miller, Ohio | Whitten |
| Duncan | Mills | Williams |
| Eckhardt | Mink | Winn |
| Edwards, Ala. | Minshall | Wyatt |
| Edwards, Calif. | Mollohan | Wylie |
| Edwards, La. | Montgomery | Wyman |
| Eshleman | Moss | Yates |
| Flynt | Myers | Zablocki |
| Foley | Natcher | Zion |
| Ford, William D. | Nedzi | |
| | Obey | |

ANSWERED "PRESENT"—2

| | |
|---|---|
| Bow | Jonas |

NOT VOTING—36

| | | |
|---|---|---|
| Brademas | Hosmer | Reifel |
| Cahill | Kirwan | Riegle |
| Clark | Kyl | Rooney, Pa. |
| Cowger | Landrum | Ruppe |
| Cramer | Lipscomb | Scott |
| Dawson | Macdonald, Mass. | Tunney |
| Eilberg | | Utt |
| Fascell | Mailliard | Vander Jagt |
| Flowers | Mizell | Whalley |
| Fulton, Tenn. | Mosher | Wydler |
| Gettys | Nichols | Young |
| Hawkins | Powell | |
| Hays | Pucinski | |

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Riegle for, Mr. Bow against.
Mr. Cahill for, Mr. Jonas against.
Mr. Clark for, Mr. Lipscomb against.
Mr. Fascell for, Mr. Cramer against.
Mr. Pucinski for, Mr. Mosher against.
Mr. Eilberg for, Mr. Scott against.
Mr. Kirwan for, Mr. Mizell against.
Mr. Hays for, Mr. Kyl against.
Mr. Vander Jagt for, Mr. Utt against.
Mr. Coughlin for, Mr. Reifel against.
Mr. Fulton of Tennessee for, Mr. Nichols against.
Mr. Macdonald of Massachusetts for, Mr. Flowers against.
Mr. Young for, Mr. Gettys against.
Mr. Hosmer for, Mr. Ruppe against.

Until further notice:

Mr. Tunney with Mr. Mailliard.
Mr. Rooney of Pennsylvania with Mr. Whalley.
Mr. Landrum with Mr. Wydler.
Mr. Brademas with Mr. Hawkins.
Mr. Dawson with Mr. Powell.

Mr. CABELL, Mr. DONOHUE, and Mr. LONG of Maryland changed their votes from "nay" to "yea."

Mr. BOW. Mr. Speaker, I have a live pair with the gentleman from Michigan (Mr. RIEGLE). If he had been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. JONAS. Mr. Speaker, I have a live pair with the gentleman from New Jersey (Mr. CAHILL). If he had been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. When the pairs were originally announced, was not the gentleman from Michigan (Mr. RIEGLE) announced as being paired?

The SPEAKER. The Chair will state, in response to the parliamentary inquiry, that the gentleman from Michigan (Mr. RIEGLE) was announced as paired for. The Chair does not take cognizance of pairs.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

## CONFERENCE REPORT ON H.R. 7491, STATE TAXATION OF NATIONAL BANKS

Mr. PATMAN submitted the following conference report and statement on the bill (H.R. 7491) to clarify the liability of national banks for certain taxes:

CONFERENCE REPORT (H. REPT. No. 91–728)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7491) to clarify the liability of national banks for certain taxes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

§ 1. Temporary amendment of section 5219, Revised Statutes

(a) Section 5219 of the Revised Statutes (12 U.S.C. 548) is amended by adding at the end thereof the following:

"5. (a) In addition to the other methods of taxation authorized by the foregoing provisions of this section and subject to the limitations and restrictions specifically set forth in such provisions, a State or political subdivision thereof may impose any tax which is imposed generally on a nondiscriminatory basis throughout the jurisdiction of such State or political subdivision (other than a tax on intangible personal property) on a national bank having its principal office within such State in the same manner and to the same extent as such tax is imposed on a bank organized and existing under the laws of such State.

"(b) Except as otherwise herein provided, the legislature of each State may impose, and may authorize any political subdivision thereof to impose, the following taxes on a national bank not having its principal office located within the jurisdiction of such State, if such taxes are imposed generally throughout such jurisdiction on a nondiscriminatory basis:

"(1) Sales taxes and use taxes complementary thereto upon purchases, sales, and use within such jurisdiction.

"(2) Taxes on real property or on the occupancy of real property located within such jurisdiction.

"(3) Taxes (including documentary stamp taxes) on the execution, delivery, or recordation of documents within such jurisdiction.

"(4) Taxes on tangible personal property (not including cash or currency) located within such jurisdiction.

"(5) License, registration, transfer, excise, or other fees or taxes imposed on the ownership, use, or transfer of tangible personal property located within such jurisdiction.

"(c) No sales tax or use tax complementary thereto shall be imposed pursuant to this paragraph 5 upon purchases, sales, and use within the taxing jurisdiction of tangible personal property which is the subject matter of a written contract of purchase entered into by a national bank prior to September 1, 1969.

"(d) As used in this paragraph 5, the term 'State' means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam."

(b) The amendment made by subsection (a) of this section shall be effective from the date of enactment of this Act until the effective date of the amendment made by section 2(a) of this Act.

§ 2. Permanent amendment of section 5219, Revised Statutes

(a) Section 5219 of the Revised Statutes (12 U.S.C. 548) is amended to read:

"Sec. 5219. For the purposes of any tax law enacted under authority of the United States or any State, a national bank shall be treated as a bank organized and existing under the laws of the State or other jurisdiction within which it principal office is located."

(b) The amendment made by subsection (a) becomes effective on January 1, 1972.

§ 3. Saving provision

(a) Except as provided in subsection (b) of this section, prior to January 1, 1972, no tax may be imposed on any class of banks by or under authority of any State legislation in effect prior to the enactment of this Act unless

(1) the tax was imposed on that class of banks prior to the enactment of this Act, or

(2) the imposition of the tax is authorized by affirmative action of the State legislature after the enactment of this Act.

(b) The prohibition of subsection (a) of this section does not apply to

(1) any sales tax or use tax complementary thereto,

(2) any tax (including a documentary stamp tax) on the execution, delivery, or recordation of documents, or

(3) any tax on tangible personal property (not including cash or currency), or for any license, registration, transfer, excise or other fee or tax imposed on the ownership, use or transfer of tangible personal property,

imposed by a State which does not impose a tax, or an increased rate of tax, in lieu thereof.

§ 4. Study by Board of Governors of the Federal Reserve System

(a) The Board of Governors of the Federal Reserve System (hereinafter referred to as the "Board") shall make a study to determine the probable impact on the banking systems and other economic effects of the changes in existing law to be made by section 2 of this Act governing income taxes, intangible property taxes, so-called doing business taxes, and any other similar taxes which are or may be imposed on banks. In conducting the study the Board shall consult with the Secretary of the Treasury and appropriate State banking and taxing authorities.

(b) The Board shall make a report of the results of its study to the Congress not later than December 31, 1970. The report shall include the Board's recommendations as to what additional Federal legislation, if any, may be needed to reconcile the promotion of the economic efficiency of the banking systems of the Nation with the achievement of effectiveness and local autonomy in meeting the fiscal needs of the States and their political subdivisions.

WRIGHT PATMAN,
WM. A. BARRETT,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
WILLIAM B. WIDNALL,
BILL BROCK,
DEL CLAWSON,
*Managers on the Part of the House.*

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON WILLIAMS,
WALLACE F. BENNETT,
JOHN TOWER,
*Managers on the Part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7491) to clarify the liability of national banks for certain taxes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck all after the enacting clause of the House bill and inserted a new text. The conferees agreed to a substitute for the entire Senate amendment.

Under the conference substitute, the House passed amendment to section 5219 of the Revised Statutes, with no change whatever in substance, will take effect on January 1, 1972. The only difference in form is that under the bill as passed the House, it was stated that for the purposes of State taxation, a national bank "shall be deemed to be" a State bank, whereas the conference substitute provides that a national bank "shall be treated as" a State bank. The change is totally without significance as to the effect of the legislation on State tax laws. The only purpose of the change is an attempt to avoid any expression of congressional intent as to whether the Federal instrumentality doctrine still has any viability as applied to national banks.

Under the bill as passed the House the amendment to section 5219 would have taken effect on January 1 of the first calendar year beginning after the date of enactment. As noted above, under the conference substitute, this amendment will not take effect until January 1, 1972. The reason for the delay is the fact that the tax laws of some of the States are built on the foundation of section 5219 as now in effect, and the delay will enable the legislatures of those States to make such changes as they deem appropriate.

In the meanwhile, section 1 of the conference substitute makes a temporary amendment to section 5219 which permits any State or political subdivision thereof to "impose any tax which is imposed generally on a nondiscriminatory basis throughout the jurisdiction of the State or political subdivision (other than a tax on intangible personal property) on a national bank having its principal office within such State in the same manner and to the same extent as such tax is imposed on a bank organized and existing under the laws of such State." In other words, the State in which a national bank's principal office is located may tax it substantially the same as a State bank, except that intangible personal property taxes may not be imposed. For the purposes of this provision, of course, the term "intangible personal property" includes cash and currency.

As previously mentioned, the tax laws of some States are premised explicitly or by implication on the present provisions of section 5219. For example, there may be a general tax of a type prohibited by section 5219, and instead of an express exemption of State-chartered banks from this type of tax, there may be a provision stating that State-chartered banks need pay no taxes not applicable to national banks. The State law may then further provide additional taxes (of a type permitted under section 5219) applicable only to banks. Thus the repeal of the prohibitions in section 5219, without any compensating action by the State legislature, would have the effect of substantially increasing the tax burden on the banks in that State. To avoid this result, while at the same time very firmly committing to the several States responsibility for their own tax policies, the conference substitute includes a saving provision to the effect that

except for sales taxes, documentary taxes, and property taxes, a tax may not be applied to a bank after the enactment of this legislation unless either the tax was applicable before the enactment of this legislation, or the State legislature authorizes its imposition by affirmative action taken after the enactment of this legislation. This saving provision is effective only until January 1, 1972.

As to taxation of a national bank by States other than the one in which its principal office is located, the temporary amendment to section 5219 made by the conference substitute limits the permissible types of taxes to sales and use taxes, real and personal property taxes, documentary stamp taxes, and license taxes, all of which are more fully and precisely described in paragraph 5(b) of the temporary amendment of section 5219 as set forth in the conference report. This temporary amendment is effective only for the period from the date of enactment to the taking effect of the permanent amendment to section 5219 on January 1, 1972.

On the latter date, States will become free to impose intangible property taxes on national banks just as they have always been free to impose such taxes on State chartered banks. Likewise, any State will be free to impose taxes on income derived within its borders by the operations of a bank having its principal office in a different State, regardless of whether the foreign bank is State or national. This has always been the law with respect to State banks. Some apprehension, however, has been expressed as to whether the expanded taxing powers might be used in a way which could impair the mobility of capital or the economic efficiency of the banking system. For this reason, the conference substitute includes a section requiring a study by the Federal Reserve Board "to determine the probable impact on the banking systems and other economic effects of the changes in existing law to be made by section 2 of this Act [the permanent amendment to section 5219] governing income taxes, intangible property taxes, so-called doing business taxes, and any other similar taxes which are or may be imposed on banks."

The Federal Reserve Board is required to transmit its report of this study to Congress not later than December 31, 1970. Thus, if the report should disclose a serious danger or deficiency in the amendment to section 5219 to take effect in 1972, the Congress would have a full session in which to take remedial legislative action. The conferees from both Houses were agreed that their respective committees would give prompt and serious consideration to any recommendations transmitted by the Federal Reserve Board as a result of its study.

WRIGHT PATMAN,
WM. A. BARRETT,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
WILLIAM B. WIDNALL,
BILL BROCK,
DEL CLAWSON,
*Managers on the Part of the House.*

## NEW ERA OF FLIGHT

(Mr. FRIEDEL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FRIEDEL. Mr. Speaker, the winds of change are once more upon us. A giant, new commercial air transport—the Boeing 747—has just made its transcontinental press-preview flight and will soon be operated by Pan American Airways over the air routes of the world. Many of us can reflect on the impact the first-generation jets, the 707's and DC-8's, had on air travel when they were first introduced 12 years ago. The debut of the super jet—the Boeing 747—by Pan Am on its maiden commercial flights heralds nothing less than a revolution in travel, a second coming of the jet age.

The 747 has truly been an American miracle in commercial development. Conceived only 3 years ago, the super jet became a reality when Pan American ordered the first 25. And today, under the dynamic leadership of the president and recently appointed chief executive officer, Najeeb Halaby, Pan Am has ordered eight more 747's in anticipation of growing public demand. Mr. Halaby, well known to us as former Administrator of the Federal Aviation Agency and a pilot in his own right, has summed up the merits of the new 747 quite simply, "It will be a strong, safe, reliable airplane."

I would like to include in the RECORD a recent article by Charles Yarbrough in the Evening Star describing his impressions of the 747 in flight. And, from what he relates, this new super jet is quite an airplane and will bring improved travel benefits to all of our citizens. The article follows:

[From the Washington (D.C.) Evening Star, Dec. 3, 1969]

WORLD'S LARGEST AIRLINER OPENS A NEW ERA OF FLIGHT

(By Charles Yarbrough)

NEW YORK.—Maybe a prophecy was being written as the Great Flying Machine's contrail traced a long, following shadow across the solid cloud deck 5,000 feet below.

And perhaps there was a symbol as the largest commercial airliner in the world rose through Seattle's opaque morning toward the dazzling sunshine of 33,000 feet and into a new jet generation.

Those are impressions from the flight of the Boeing 747 in its first transcontinental press preview—almost 600,000 pounds of vibrant machinery and its fuel; man, his baggage and his sustenance hurtling easily eastward at 90 percent of the speed of sound.

It was only 12 years ago that some of us sped across the continent in the Boeing 707 prototype's demonstration and assumed it to be the ultimate.

FLIGHT INTO NEW DECADE

Yesterday, as one of the 190-plus passengers aboard the 747's flight into the new decade, Boeing's Board Chairman William Allen said he had no such misconception about the old 707.

"We never achieve the ultimate."

Up until now, the awesome size of the new 747 had to suffice for most of us. Today, its comfort, performance and passenger compatability outboggle its magnitude.

It is an airplane that can cure high-level claustrophobia without leaving the feeling you're flying in a stadium. It is also an airliner, that, with a saturated capacity of almost 500, can bring woes to airports and ground transport systems.

The arrival at Kennedy airport here was enough to bring out Charles A. Lindbergh, first man to fly the Atlantic alone and now a Pan American consultant.

Here is an airplane which turns seeming incongruities into actualities.

Twelve laps through its widened aisles equals a mile.

A dozen passengers in the forward first class section get to their destination before the pilot because the flight deck above them is behind their seats in the nose.

The Wright Brothers' first Kitty Hawk flight could have been performed within the length of the 747 fuselage, but six functional and decorative galleys serve as "room dividers" to minimize its eye-straining length.

A veteran airline passenger, publisher Wayne Parrish, who averages 75,000 miles a year, was graphic enough:

"I am happy to be one of the few people in the world who sat in the 60th row of anything that can take off."

IN SERVICE SOON

The cabin of this plane is 20 feet wide, about twice that of the Boeing 707 and the DC-8. Seating is in clusters of three, four and two.

Pan American is scheduled to put the first one into service within a few months.

Beginning our Seattle-New York flight yesterday, man and machine weighed 589,630 pounds—200,000 of it fuel and 7,000 the carry-on luggage in attractive locker-type overhead racks. An official announcement on the public address system said there were 192 passengers aboard.

The sound system called frequently for someone to meet someone "in the lobby at the foot of the forward stair"—an arty spiral going to the upper deck lounge. Boeing points out that it has possibilities as a business office, a private stateroom, a private stateroom—or a luxury-lined lounge.

EYES POPPED AT PARIS

The preview airplane is the same one which brought eye-popping to the Paris Air Show a few months ago and paused at Dulles Airport long enough to permit hundreds to walk through.

Though most of yesterday's passengers were aviation oriented, it is highly probable that those who aren't quickly will become un-awed by the 747 width and walking room, or the presence of six galleys and 12 toilets.

The preview airplane (number 004 in the Boeing books) is the first of an eventual 33 on order by Pan American and a forerunner of 185 ordered by 28 of the world's airlines at more than $20 million each.

At the huge, sprawling Boeing plant near Seattle, there were 24 of them in neat array in various airline paint (350 pounds of it per plane).

"Oh, Oh Four" cruised across the Nation at 33,000 feet, encountering some clear air turbulence even at that altitude and, about an hour before beginning the descent into Kennedy airport, reached a peak ground speed of 722 miles an hour.

NO RECORD SOUGHT

The flight took 4 hours and 5 minutes. It is not a record, nor was one sought. But the 747 likely will make the trip about 45 minutes faster than a 707.

Down and rolling at Kennedy (with four hours' fuel still in the tanks the behemoth settled softly, drawing an armada of official cars out of taxiways. Workmen along its taxi route stood, stared and waved.

There was a record set: "The most miles walked in any airplane in the world."

A Pan American spokesman made a play on the company slogan as the 747 rolled to a stop: "Pan American just had another experience and we thank you for sharing it with us."

## EFFORTS TO CONTROL INFLATION BY MONETARY POLICY

(Mr. HANNA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANNA. Mr. Speaker, I would like to bring to the attention of the

House a very significant situation that I think is definitely debilitating any attempts that we have thus far made to control inflation by monetary policy.

Mr. Speaker, 3 years ago there was a little over $3 billion worth of commercial paper that was operative in the money market. Today there is over $32 billion of commercial paper in the money market.

Of this, $3 billion is due to the actions of the bank holding companies, and over $28 billion is because the corporations of America, the large corporations, are going to the money market rather than to the banks to get their money. The result is that they are bidding up the cost of money in the money market—the cost of money which the United States has to pay when it goes with its securities into that same market.

The cost of money to the States, to the municipalities, and to the various districts that are in your particular congressional districts, is going up. The result of this is that there is a shift of dollars from depositary institutions into direct investments which yield more money at these high-bid prices. The result of this is that there is less money in the banks, mutual savings banks, and savings and loan associations. The pressure is being applied by the customers of these depositary intermediaries to go to the euro dollar market for the money which cost them more, which means the prime rates are being pushed up.

I suggest, Mr. Speaker, that there are only 20 or 30 brokers who handle these issues, and there are only 200 major corporations in America bidding for the money. Let us examine the consequences of their actions which have, in the last 3 years, resulted in a 1,000-percent increase in the amount of commercial paper outstanding.

First, what are the restraints on the issuance of commercial paper by major corporations?

Theoretically, the competitive marketplace imposes a restraint on the price corporations can pay for money. This restraint is far more impressive in theory than in practice. This is so because of the lack of any meaningful price competition in most major product markets. The oligopolistic position of major producers means that they, not the market, fix prices. Their position of market dominance means that they can pass on the price of borrowing to their consumers without any reduction in corporate profits. Hence, corporations experience no meaningful restraint on their ability to pay whatever price is required to acquire the money they need. The Government now owns no ability to control the volume or rate at which corporations can issue corporate paper.

In view of the absence of effective restraints, the corporations' natural profit, motives stimulate them to seek out the money they need. The aggressive and unrestrained efforts of corporations to raise the money required to meet their needs has placed great pressure on the Federal Reserve established ceiling on the rates paid by banks on large certificates of deposit. It also exerts immense upward pressure on the prime rates fixed by banks and applying to corporate lending. By depriving the depository institutions of money they might otherwise receive, the issuers of corporate commercial paper tend to motivate the banks to ration credit through price increases which feed inflation. In addition, the competition of commercial paper issuers causes increases in the price of money to competitors, including Government issues, municipal bonds, Federal agency issues, and the instruments offered by State governments.

In short, the advent of large-scale offerings of commercial paper has significantly contributed to—in fact fed—the inflation which plagues our economy. It is ironical that this factor, so inimical to our national interest in price stability, is made possible by forces set in motion by the Federal Government. It is encouraged by a Federal tax structure which allows the corporation to use interest expenses to reduce the amount they would otherwise have to pay in Federal taxes. The use of commercial paper is also encouraged by the fact that the issuers need not admit to the same kind of rate controls imposed on significant competitors in the market, the depository intermediaries.

In a real sense commercial paper is unique. Unlike instruments issued by banks to attract funds, it need not submit to a ceiling on the rate the issuer can pay. It is also different from instruments issued by government which must—in one manner or another—pass the test of rate reasonableness. The only test on commercial paper is that of the marketplace. Such a check is, as indicated earlier, ineffective because the issuers, not the free market so dear to economic purists, control the price at which goods and services will be sold.

I suggest that this situation must be dealt with through effective Government action.

I suggest that the Federal Reserve Board should be empowered to control corporate participation in the market just as they are proposing to control the bank holding companies issuance of corporate paper to raise money in the money market.

Mr. Speaker, I hope the Members will follow my lead and support forthcoming legislation to give power to control this inflationary practice.

## FOREIGN TARIFF RESTRICTIONS

(Mr. DENT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, there was a historic decision made last week by the Labor Department in which it approved the payment of import damages to some 5,000 steelworkers at the rate of 65 percent of their normal week's pay. This will cost the taxpayers of the United States, not counting fringe benefits, but strictly on a wage base percentage and not counting losses to the social security system—will cost the Federal Government or the taxpayers $3,642,000 next year.

On top of that, 650 glassworkers were recently laid off, charged to the importation of glass; and the Tariff Commission also rendered a historic decision saying that it was because of imports, so they will be eligible for benefits at a cost of another $4 million this year.

The difference between exports of steel and imports of steel at this time is 17 to 18 million tons. At 7,000 men per million tons production we are faced with a possible cost of some $885 million for 1 year for over 126,000 steelworkers who have been put out of their jobs by imports.

The Germans have announced a decision on chickens that might put all the poultry growers and feed grain growers under this same type of subsidy assistance. They have announced that no chickens can be sold in the German market that have been slaughtered more than 1½ days. It takes 5 days to deliver chickens from the United States. Germany is setting the pace for our largest single market for chickens. They continue to go the route of NATO, but also they are going the route of enacting new protective actions through new nontariff barriers, and these emphatically and forcibly have barred U.S. poultry growers from shipping any chickens into West Germany.

Mr. Speaker, at the same time we are at this moment boycotting chrome and other ores from Rhodesia. The American steel producers in the United States today are paying as much as three times the price of a pound of chrome because we are buying it on the black market, and much of it from Russia.

The Russians are buying Rhodesian chrome and selling it to the United States through their agencies at black-market prices.

The price of nickel alone is going to cost the American steel plants many millions of dollars.

One steel plant in my community has already figured that their cost of production next year because of the black-market prices is going to cost them a million dollars more than they spent this year for their ingredients.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman.

Mr. GROSS. I commend the gentleman for his statement and point out that the Russians have increased the price of their chrome 81 percent since we started buying from them.

Mr. DENT. The gentleman is exactly right.

## NIXON PRESS CONFERENCE

(Mr. MADDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MADDEN. Mr. Speaker, I hold in my hand the last Sunday edition of the Gary, Ind., Post-Tribune, which has a Christmas story from Washington, D.C., under the following headline: "White

House Decorations Go Up, Nixons Plan Big Christmas."

Over 25,500,000 Americans receiving social security will not have such a happy Christmas if the President carries out the threat against Congress which he made over the networks last night to the American people.

Additional millions of taxpayers will not have such a happy Christmas if he carries out his threat to the Congress that he will veto the meager $200 additional tax exemption which the Congress has enacted to aid the wage and salary earner during these days of rising prices, high interest, and fabulous tax exempt profits of big oil, big foundations, big real estate, and so forth. The President last night seemed to be more worried about diminishing the meager buying power of millions in this country to the excuse that the Government needs more tax money to carry out its domestic and international obligations. This administration's policy of curtailing appropriations for education, health, housing, funds for water and air pollution, highway construction, post office construction, Federal building construction, and so forth, is bringing about a premature expansion of unemployment, scarcity of buying power, and it seems we are on our way to another good old Republican depression.

You younger Members of the Congress, if you review the 12 long years of Republican administration in the 1920's, will find that these same reactionary policies of drying up income and purchasing power of millions brought on the biggest depression in our history in the early 1930's. Thirty years later, during the Eisenhower-Nixon administrations we had three major depressions which were not as serious as the early 1930's because of the avalanche of progressive legislation of Franklin D. Roosevelt and Truman and Democratic Congresses which reestablished our prosperity through social security, wages, retirement funds, pension systems, millions of independent homeowners, and protection of bank deposits.

An economic catastrophe was averted during the Eisenhower period by reason of this financial cushion of prosperity enjoyed by millions of wage and salary earners throughout the country which did not exist in 1930 to 1933.

The President's veto threat speech last night on turning the clock back by a veto threat reminded us of the old days when three Republican Presidents served under the Nation's No. 1 banker, who was Secretary of the Treasury, Andy Mellon. Under President Eisenhower we had the great banker and super-industrialist from Cleveland, George M. Humphrey, who conducted our Nation's economy and gave us three depressions with their accompanying period of unemployment and discontent and misery to millions throughout the country. When the President threatened the Congress last night with a veto of the 15 percent social security increase and the $200 increased tax exemption it could not help but remind we older folks that the Republican leaders have not learned of the failures, or else have forgoten, the old reactionary Republican policies that have proven disastrous to our economy over the last half century.

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## THE ENVIRONMENTAL CRISIS: THE THREAT OF EXTINCTION

(Mr. THOMPSON of New Jersey asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. THOMPSON of New Jersey. Mr. Speaker, in 25 years, "somewhere between 75 and 80 percent of all the species of living animals will be extinct." That is the personal estimate of S. Dillon Ripley, Secretary of the Smithsonian Institution and a scientist in his own right.

When I first heard Dr. Ripley's statement, I thought he had gotten his figures mixed up. But no. He assured me he meant exactly what he had said: At the rate we are destroying our natural resources and pushing animals from their natural habitats, in 25 years, most animal species in this country will be extinct.

I was inclined to be skeptical at first. I asked for more information, which I have just received and which I intend to put in the RECORD. It is not the whole picture, but it is enough to realize that no one can afford the luxury of being skeptical. Twenty-five years is not a very long time.

What I think is most frightening, in terms of the challenge we have to face in order to prevent this prophesy from coming true, is that we do not have 25 years to do something about it. If 80 percent will be extinct by then, how many will be extinct in 5, 10, 15 or 20 years? Obviously, if Dr. Ripley is right, we do not have time even to be frightened.

What we are faced with is a calamity from which there is no recourse. Once a species becomes extinct, there is no regeneration, no bringing it back to life. Of course, this threat is nothing new. Conservationists have been warning us for years about the dire consequences of upsetting the balances of nature. Long ago they held forth the specter of a bleak landscape presided over by deadly silence. But that possibility seemed too distant, too incomprehensible. Not so any longer. Now the next generation, those being born today, faces the possibility.

Americans must be warned. For years we have gone about our lives, planned our futures and our children's futures under the assumption that the countryside with its mountains, forests, lakes and animals will always be there. That assumption is no longer valid. We must now realine our thinking. Once we struggled against nature; today we must struggle to preserve it.

There must be a line between "using" natural resources and "destroying" them. It is probably an invisible line, which makes it difficult to tell when it has been crossed. Unfortunately, I think we have crossed it too often in the last few decades, and now we are paying the penalty. Air and water pollution are good examples. I see nothing intrinsically wrong with drawing out natural resources to create a rich promise for a satisfying and comfortable life for Americans. But not if the bargain is trash dumps swelling and multiplying across the landscape; cities smothering in smog; lakes and waterways rendered lifeless by industrial poisons and oil leaks; and most irreplaceable of all: the species of animals being pushed to extinction.

There is nothing so valuable about the present that warrants destruction of the future. That is something we realize when we work for our children's futures to provide them with an education and material wealth. That same concern ought to extend to the condition of the land we bequeath them. If we leave them a wasteland of trash-scarred landscape, foul air, stagnant water, and no living animals aside from maybe rats, the other things we pass on are that much less attractive. That could be one big reason why today so many youths are rejecting so much of what their parents worked so hard to achieve.

Already, there are stirrings on American campuses that students are upset with the condition of our environment. I welcome their concern and applaud their awareness. One day the responsibility for running this country will be theirs, and I can think of few things I had rather see than a new generation fully conscious of the value of their natural surroundings and of the need to preserve them.

Still, there is the present to contend with: the threat of extinction of animal species and the destruction of our natural environment. We need thorough solutions, not temporary stopgaps. They must be as timeless as the laws of evolution.

Fortunately, concern is growing over the damage that has already been done to natural resources and animal life. Many dedicated people are working hard to save them, and equally hard to warn the public about the threat.

But it is an immense job. Dr. Ripley says neither the Smithsonian nor any other Government agency is equipped right now to mount the kind of program necessary to warn the American people. The alternative is chilling.

Maybe we can get by without wolves, pumas, beavers, ducks, eagles, and a lot of other species. If survival of the fittest is the rule to follow, then I fear for them—for it is clear they are not fit to live in the world we are creating. As a species I have begun to wonder if even we humans are going to survive in it.

### THREAT OF EXTERMINATION FACING MUCH OF THE EARTH'S ANIMAL LIFE

Virtually all extermination of animals in historic times has been caused by man's activities. The animals either have been killed directly, or their habitat has been so altered that they could no longer survive in it. The rate and the impact of these activities has increased more or less in direct proportion to the

increases in the human population and the level of its technology. Industrialization, agriculture, lumbering, livestock grazing, air and water pollution, and other forms of environmental change are constantly and irrevocably altering what was the natural environment, even in areas not directly occupied by man. For example, penguins and seals in Antarctica, and frogs living over 11,000 feet up in the Sierra Nevada Mountains now have significant amounts of DDT in their body tissues. As a consequence of these factors, the rate of extermination has increased almost geometrically, and the rate is accelerating each year.

Since the time of Christ, man has exterminated about 3 percent of the known species of the world's mammals. However, over half of these losses have occurred since 1900. During the past 150 years the rate of extermination of mammals has increased fifty-five fold. If exterminations continue to increase at that rate, in about 30 years all of the remaining 4,062 species of mammals will be gone.

The International Union for Conservation of Nature and Natural Resources—IUCN—maintains Red Data Books on species of living things which are rare and in danger of extinction. Today about 8 percent of the world's mammals appear in their Mammal Red Book, but the IUCN points out that for most of the world their information is so meager that they have only listed the large and conspicuous creatures, and if the information were available, the true figure would doubtless be many times 8 percent.

Information on rare and threatened species is most complete from the United States. In the "U.S. Red Book of Threatened Species," compiled by the U.S. Fish and Wildlife Service, 60 species of mammals are listed, which amounts to about 15 percent of the 395 species of mammals found in the United States, including Alaska and Hawaii, and in the surrounding waters. However, even here the information is far from complete, especially for the nearly 60 species of marine mammals, most of which do not appear on the red list but which are thought to be in danger.

The above figures refer only to mammals. Birds have certainly fared no better. The IUCN Red Book lists 320 kinds of birds on the danger list today, with the same caution that the information is insufficient and were it more complete the list would doubtless be many times greater.

Although mammals and birds often are conspicuous and are relatively well-known, new species still are being discovered. Our knowledge of the reptiles, amphibians, and fishes is far less complete, and our knowledge of invertebrates is only fragmentary. Scientists believe that only a relatively small percent of the world's invertebrates have been discovered or described as yet. According to one highly respected scientist's estimate, using current taxonomic standards, there are probably about 10 million species of organisms in the world, of which the world's scientists have decribed only 10 to 15 percent. This refers to plants as well as animals, but it does illustrate the state of our knowledge.

Further, given the present rates of extinction and increasing rates of pollution, it is estimated that most of the 80-odd percent of undescribed species will be exterminated before scientists have a chance to identify them. Examples include the estimated million species of mites, possible similar number of ichneumonid wasps, and unknown numbers of flies.

By far the largest number of existing kinds of animals are invertebrates. Although the vertebrate animals are highly vulnerable to extinction, the invertebrates are far more so. As far as we know they do and will continue to comprise the far greater proportion of animals exterminated.

Consequently, unless effective action is taken, both to protect those species and habitats directly threatened, and to avoid or reduce pollution and other forms of environmental modification inimical to animal life, a very large percentage of the world's remaining animal life faces extermination during our lifetime.

## FREEDOM FROM FORCE FOR STUDENTS

(Mr. THOMPSON of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of Georgia. Mr. Speaker, today is December 9 and I have taken the liberty of deliberately attempting to arouse the curiosity of the Members over the past week as to this date in order that they would give more than passing attention to one of the most important measures confronted by the American people: the freedom from force bill.

Some are familiar with the chaos brought about in the southern schools due to the arbitrary and sometimes abusive tactics of HEW in enforcing racial balance under the guise of desegregating the schools. I have identified more than 356 schools which have been closed due to the desegregation activities of HEW and the courts. Many of these schools are practically new. The waste to the taxpayers runs into the hundreds of millions of dollars. I sincerely believe that there will be no peace in our school system so long as the rights of the children to attend their neighborhood schools is arbitrarily denied them due to their race, creed, or color, whether this decision be to promote segregation or to promote racial balance. It is just as wrong, Mr. Speaker, to force a child out of his neighborhood school and into a school more distant to promote segregation as it is to force a child out of his neighborhood school and into a school more distant to promote racial balance. Freedom to Americans, even American students, is precious.

The measure I have asked my colleagues to cosponsor will in effect eliminate the race of the student as a factor in his assignment to a school. It is time, Mr. Speaker, that we stop referring to our schoolchildren as black children and white children but simply as students. Each student, of course, should be treated equally and without discrimination. My bill does this.

The law as related to nondiscriminatory education is being unequally applied and enforced in the South and not in the North. For example, in some of the counties in southern Georgia where the racial makeup of the faculty is 70 percent black and 30 percent white, the courts have ordered that this same exact ratio shall prevail in all of the schools. Yet here in Washington where more than 99 percent of the students attend segregated schools the standards established by HEW of such requirement is not enforced. The effect of such arbitrary requirements as this, as relates to the pupils and teachers, is resulting in great numbers of resignations by white teachers and white students fleeing into private schools. The private schools oftentimes are greatly lacking in facilities. Yet the students do not like being forced out of their neighborhood schools and into other schools. As a way of showing resistance to pressure and force in their desire for freedom from coercion they have chosen to leave the public school system. This, Mr. Speaker, is a travesty on the educational system and will be very detrimental, in my opinion, to the future of the country due to the probability of an inferior education for want of adequate facilities.

Mr. Speaker, in short the measure which I have proposed will eliminate the requirements of HEW that there be no racially identifiable schools and will simply state that there should be no discrimination against any students and all shall be treated equally. Mr. Speaker, may I say that I do not accept the premise made by many that a black child in a black environment receives an inferior education and that it is impossible for him operating in such an environment to receive an adequate education. I reject this, Mr. Speaker, because to accept it is to accept the premise that the black American is an inferior American. Rather I believe, Mr. Speaker, that the answer to black education lies in being absolutely certain that if there is a school that is all black due to the neighborhood in which it is located, the students in this area are perfectly capable of obtaining the same quality of education as a white student in a white environment so long as the facilities, instruction, and effort by the teachers is equal. Let me make one point very clear. This is not to say that there should be separate but equal facilities for black but simply that if due to the neighborhood patterns, there is a black school it does not necessarily follow that this is an inferior school for as stated before to accept this premise is a slur on a great number of Americans. In closing, I hope, Mr. Speaker, that my fellow Congressmen will support this measure which I call the "Freedom From Force" bill and recognize that the rights of students not to be shoved about as pawns by social planners is every bit as dear to the students as freedom of speech is to adults.

## A DIFFERENT VIEW: ONE HOUSEWIFE PRESENTS A CONSIDERED AND DOCUMENTED LOOK AT FOOD PRICES

(Mr. TEAGUE of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of my colleagues the following excerpt from the December 1 issue of the Council of California Growers' Newsletter relating to food prices:

Hardly any of the nation's food buyers . . . and certainly none of those who have been critical of food prices . . . have the clear insight . . . and good records . . . of the lady who recently wrote a letter to an Iowa newspaper.

"My recent grocery bill was over $24." But after she had deducted "59 cents, dog food" . . . "$1.79, bug spray" . . . "29 cents, paper napkins" . . . "89 cents, fabric softener" . . . "$1.59, band-aids and shampoo" . . . "$3.75, Thermos bottle and light bulbs" . . . she said that "deducting these, my groceries cost less than $16."

Examining her grocery store . . . the lady wrote that she "was amazed to discover that one fith of the area was used for what I call luxury and prepared foods. We, the consumers, pay for this preparation and we should not include the wages of a hired girl in the cost of food as such."

She said another two fifths of the store area was filled with non-food items . . . and added that "this leaves only two fifths devoted to plain foods."

This perceptive lady went on to say that she also used "prepared foods, snacks, pop and candy, and non-food items." But when she does . . . she takes the items home and then "I break the bill down into the proper categories before listing it in the household account book which I have kept since 1959."

Looking back into this excellent record . . . she wrote that "this book shows that my food bill for 1960 was $971.57 . . . and the household items, $347.98. For 1968 food cost $975.65 and household items, $752.82."

So . . . the normal shopper . . . who may keep records but does not allocate her expenditures . . . would see that her bill to the supermarket has risen 30 per cent in the nine year period. But this Iowa lady's records show that her food bill was up only $4.08 over nine years . . . while the non-food bill was more than double.

If some of our members have similar records . . . it would be interesting to make a comparison. Drop us a note.

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## DICK ALLISON DAY

(Mr. FULTON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FULTON of Pennsylvania. Mr. Speaker, on August 3, 1969, Neville Island of Pittsburgh, Pa., honored Dick Allison, often called the Patriarch of Neville Island. Neville Island is a fine industrial community on the island in the Ohio River, specializing in boat and barge building, steel fabrication, refining and chemicals.

Dick Allison celebrated his 86th birthday and has been a resident of Neville Island for 63 years. The whole town turned out to celebrate.

I am glad to bring to the attention of the Members of Congress and the American people the story of this fine patriotic and civic-minded man who has done so much for the citizens of Neville Island, our community, and our western Pennsylvania country as well.

It is a pleaure to read into the CONGRESSIONAL RECORD, the newspaper article from the Pittsburgh Press of July 8, 1969, as well as a copy of the resolution adopted by the board of commissioners of the township of Neville.

I am also placing in the CONGRESSIONAL RECORD the contents of the book, "This is your Life, Dick Allison," which was presented to Dick Allison by the Neville Island citizens.

I recall, with such pleasant memory, the wonderful day August 3, 1969, when the whole town of Neville Island turned out on a sunny, bright day for games, speeches from the bandstand, and tributes from everybody, young and old, to good-humored, healthy Dick Allison.

There were lots of long wood picnic tables on the field, row on row, filled to capacity with golden agers, fathers and mothers, a jillion kids, U.S. flags, as well as lots of dogs, bicycles with decorations, pretty little girls, and babies in their mothers' and dads' arms. Boy! Fried chicken, school band music, chocolate and vanilla cake, ice cream and watermelon. What a wonderful day and celebration.

### NEVILLE ISLAND SAYING THANKS TO DICK ALLISON

It's like everyone on Neville Island owes 86-year-old Dick Allison a tip of the hat.

So the tight little isle is planning to honor its "patriarch," a friend of three generations of children, with a "Dick Allison Day" on Aug. 3.

"I feel as though I've helped raise half the kids that grew up around here," he said.

Dick, of 205 N. Hubert St., is a graduate pharmacist who spurned his profession to become "a people-contacting storekeeper."

#### ONCE PRODUCE CENTER

"When I first came to Neville Island more than 60 years ago, there were swimming beaches along the Ohio River and the place was just one big truck-farm producing vegetables for the Pittsburgh market," he recalls.

He opened a combination barbecue-gas station back in 1926, then switched to a confectionery store later.

"I was Neville Island's penny-candy purveyor for years," he chuckled. "There's no better way to get to know young people than meeting them every day at the bubble-gum counter."

The Aug. 3 tribute is going to be a communitywide "thank you" for all the nice things Dick has done over the years for Neville's youth.

"You name it and he helped organize it," Francis Williams, a Neville resident and "Dick Allison Day" planner commented.

#### PRIME YOUTH ORGANIZER

"He formed the island's first Boy Scout troop, organized the high school band, and set up the youth group at the Neville Presbyterian Church."

Dick founded the Neville PTA and served 16 years on the school board.

That's just a starter.

During the Depression, he organized the island's Goodwill Club, which raised money to buy food for the needy.

"We used to sneak the food baskets into homes after dark," he recalls. "People were down on their luck but they were proud. They didn't want their neighbors to know they were accepting handouts."

Youngsters without shoes got jobs at Dick's business establishment and he persuaded other merchants to hire the needy to handle all sorts of chores.

During World War II, he founded the Servicemen's Club on the island, an organization that played host to Navy personnel which came to Neville's shipyards to pick up LSTs.

#### SAILORS ADOPTED

"We treated hundreds of sailors just as though they were our own sons," he said. Who founded the Little League on the island? Of course, it was Dick Allison.

Turnabout is fair play so there'll be every thing from commemorative Little League games on "Dick Allison Day" to a parade featuring the high school band the old-timer helped form.

"Kids grow up, you know, and a lot of us adults remember everything Dick did for us in bygone days when we were young," said Mr. Williams.

Dick's current interest?

"I'm president of the Coraopolis Golden Age Club," he explained. "Gosh, I guess that means I'm getting old."

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### NEVILLE DECLARES AUGUST 3 DICK ALLISON DAY

The Neville Township Commissioners at their regular monthly meeting, Thursday, June 12, adopted a resolution honoring Ennis W. "Dick" Allison and declared August 3, 1969 to be known as "Dick Allison Day" in Neville Township.

The resolution is as follows:

#### RESOLUTION 241

It is the desire of numerous citizens of the township of Neville to honor one in our midst; namely Ennis W. "Dick" Allison; by declaring a day to be set aside for this purpose: the board as the official delegate of the citizens wishes to accede to the request.

Whereas, Ennis W. "Dick" Allison has given unselfishly of his time and effort in serving the citizenry of Neville Township; and

Whereas, he has also for many years served as Chairman and worker for countless Community activities, and

Whereas, he has further devoted his energies to the school and its many programs and activities, one of which was in help to found the PTA., and

Whereas, he has inspired our children through example, word of mouth and good deeds and has taught good sportsmanship in all his activities, and

Whereas, for his many contributions for our well being we do hereby declare August 3, 1969 to be known as "Dick Allison Day" in Neville Township.

Now, therefore, be it resolved that the Board of Commissioners on behalf of a truly grateful citizenry extend to Mr. Allison its sincere gratitude and deep appreciation for his untiring and diligent efforts to make Neville Island a better and happier place to live.

Be it further resolved, that copies of this Resolution be a part of the Official Records of the Township of Neville.

Adopted this 12th day of June 1969.

Board of Commissioners, Township of Neville.

GUIDO BATISTA,
*President of the Board.*

Attest: Margaret Selzer, Secretary.

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### BOOK: "THIS IS YOUR LIFE, DICK ALLISON"

(Presented by grateful Neville Island Citizens)

On July 30, 1883 you were born in the little town of Fairview, West Virginia. You were the only child of Waitman C. and Margaret E. Allison.

Your father passed away in 1934 at the age of 82 and your mother in 1949 at the age of 89.

You attended a one-room country school in Gas Valley, known as Pittinger School.

Every day you rode your pony to school and back, a distance of seven miles. Every once in a while your pony would get a little peeved at you and throw you, and you would find yourself walking home from school.

As there were no high schools then, you went to Frankfort Springs Academy for two years—1896 to 1898. Two of your classmates at the Academy, Anna Krause and A. Dungan, still reside in this part of the country.

Your family moved to Coraopolis, Pa. in June of 1900 and resided at the corner of Fifth and Mulberry Streets. You were 17 at the time and drove a team of horses for Pugh and Curry. Then you went to work at Coraopolis Pharmacy for $2.00 per week as a delivery boy.

In 1904 you graduated from the Western Pennsylvania University as a registered pharmacist. In partnership with Dr. W. J. Stewart of Coraopolis, you bought a drug store on Fifth Avenue and went into business.

On June 20, 1906 you married Edith Gertrude Kleinman, an Island girl, and went to live at 6008 Grand Avenue, Neville Island, where with the exception of about six months, you have lived until this year—63 years in the same house.

At this time, along with the drug store, you also had a hand in drawing the first foamy root beer through a fountain. You advertised for a name for it but got none, and the next year Hires came out with the Root Beer Barrel.

You made the first ice cream cones in Coraopolis. You had a partner and a dozen girls rolling cones in the cellar. While you were on your honeymoon your partner and the cone machines disappeared and you were out of the ice cream cone business. You sold the drug store in 1907 to John Oellig.

Speaking of honeymoons, you and Edith had quite a send-off on yours. We understand some people even took the same train as you and Edith all the way to Youngstown Ohio, just to make sure you two were taken good care of.

You and Edith became the parents of three children: Edward Waitman, Harold Wayne, and Margaret Emma Allison.

You worked at Burns Pharmacy in Butler as a registered pharmacist for the sum of $37.50 every two weeks. From there you went to Chester, West Virginia, where you purchased a drug store and also managed a theater.

While living in Chester, your second son, Wayne, was born in February of 1912. Six months later you and your family moved back to the Island, to 6008 Grand Avenue.

You were sure a busy man thereafter. Upon coming back to Neville Island, you went to work at Sytes Pharmacy at Center and Herron Avenues in Pittsburgh.

After that, you operated an agency for a "tire patch" and then ended up in the used car business at 5919 Penn Avenue with Automobile Securities, the first firm to lend money on used cars. You took on an agency known as "Allison's Hills Motors" but that didn't last very long and you went to Bennett Wreckers and then back to the drug store business in Aliquippa for A. D. Klein. After that you worked for C. P. Sims, Ford dealer in Aliquippa, Pa.

In 1926 you opened the Red, White and Blue Filling Station and Barbecue Stand on Grand Avenue, Neville Island.

Your son, Edward, attended Coraopolis School and then went to Perkiomen Academy and Massanutten Military Academy.

Wayne graduated from Coraopolis High School in 1931 and went to work at Pittsburgh Screw and Bolt Corporation on Neville Island immediately after graduation.

Your daughter, Margaret, graduated with the first class from Neville Township High School in 1937 and attended Grove City College for four years.

In the early thirties you organized the Good Will and Moni Clubs. These organizations were formed to provide food for needy persons on the Island. Mrs. Frank Parsons was the first president of the Good Will Club. Some of the other members at that time were Mrs. Jake Esau, Mrs. William Rushby, Mrs. Ralph Moore, Mrs. Lewis, Mrs. Virginia Hinkle, Mrs. William Waters, Mrs. William Easton, Mrs. Beatrice Brough, and Messrs. Frank Parsons, James Woods, John Worgan, and Edward Martin. You were also a President of this Club.

Members of the Moni Club included James Woods, John Worgan, Frank Parsons, Alex Henk, Edward Martin, and E. J. Clancy.

At that time money was very scarce. There was none even for school picnics and a group of men and women would meet at the school at 3 or 4 o'clock in the morning before the picnic and pack lunches for the children to eat at the park.

Then came the great 1936 flood. The water rose to about eight feet in your first floor. Grand Avenue in front of your house was just like another river. In fact, the only way anyone could get on or off the Island was by boat. After the high water receded, you will remember that a truck load of food was sent here from a little church back of Sewickley and with the help of several school girls, you supervised the distribution of this food to those who needed it. At this time you were Custodian at Neville School and supervised boys from the school moving everything from the shop and basement to higher ground for 25¢ an hour.

You were a member of the School Board when the new High School was being built and fought for Neville all the way. You were a member of the Neville Township School Board for sixteen years.

Your daughter, Margaret, was Valedictorian of the first class to graduate from Neville Township High School.

Then came World War II. You didn't work for three years at this time but helped raise money to send packages to local boys in the service. You belonged to an organization known as the Service Men's Association, along with Mrs. Grace Ridosh, Mrs. Jack Wiley, Mrs. Julia Bereza, Mrs. Virginia Hinkle, Mrs. Steve Kosko, Mrs. William Easton, and Benny Reuben. Every week this Association sponsored card parties to raise money to send candy, etc., to boys in the service. After the war the money remaining in the treasury was used toward engraving names of service men on the monument here on the Island.

Your son, Edward, served with the Military Police Platoon in the Third Army in France and Luxemburg and was awarded the Bronze Star Medal for heroic service while overseas.

Your son, Wayne, served with the U.S. Army Air Force and was stationed on the Island of Guam.

It was a happy day in your life when both boys returned home safe and sound.

For many years you were a member of the Boy Scout Committee with Vern Gillock as Scout Master. All your life you have enjoyed working with and for the younger generation. The young girls and boys seem to have a special place in your heart.

You helped found the P.T.A. on Neville Island and were instrumental in seeing that the Neville School Cheerleaders had their first uniforms. These were hand sewn by Mrs. Sidum. While a member of the P.T.A. you supported them in influencing both the School Board and the Township to work toward supervised recreation in the summer months. This was the first supervised play program on the Island.

While a member of the School Board you were responsible for getting the students to work at the school in the summer instead of contracting the work to outsiders.

You also helped with the program of getting our football squad to Camp.

You have been an active elder in the Neville Island Presbyterian Church almost continually since 1932.

At one time the Church sponsored a softball and basketball team. After the regular basketball season was over, you sponsored, on your own, a team in the Tri-State Tournament in East Liverpool, Ohio. You took care of all the expenses and even though your teams never won the championship they were always in the semi-finals.

You have been active in all civic affairs on the Island for many, many years. Even today, you attend all school functions and can be seen at all football games.

You were a member of the first Planning Committee organized for zoning Neville Island.

On November 28, 1952 your family suffered a great tragedy. Your daughter, Margaret, her husband Sam, and your grandson, Sammy, were killed in a plane crash at Tacoma, Washington, while enroute home from Fairbanks, Alaska, where they had been stationed in the service. Crushing as this blow was, you were still able to bounce back and keep going, perhaps because of your great faith in the One above, and the fact that you were so active in everything that went on in this community helped you through this trying time by keeping your mind on others and their problems rather than your own.

On June 20, 1956 you and Edith celebrated your Fiftieth Wedding Anniversary with a family dinner and Open House. Many of your friends stopped by to extend their good wishes. It was a day to remember.

In June 1965 another sorrow had to be borne by you. In that year your beloved wife, Edith, passed away. Here again, however, you realize that life must go on regardless of what trials await us and you forced yourself to keep active and interested in your surroundings.

At the present time you are President of the Golden Age Club of Coraopolis; active in Boy Scouts; a committee member of the P.T.A.; an active elder in the church; and an Honorary member of the Lions of America.

You now reside at 205 N. Hubert Street, having had to vacate your home (after 63 years) because of the new bridge being built over the Island. The wheels of progress keep turning and we must move with them.

Your son, Edward, lives with you and is a Deputy Sheriff for the County of Allegheny, working out of the Pittsburgh Office.

Your son, Wayne, is married to the former Grace Bennett, and they have one daughter, Linda, who is 14. Wayne works for the U.S. Corps of Engineers on Neville Island and he and his family reside at 211 N. Hubert Street.

Your grandson, Eddie, and his wife, Josephine, and their two children, Alicia and Eddie, Jr., live at 207 N. Hubert Street. You have three great grandchildren living in San Francisco, California—Kenneth, Cynthia, and David.

We believe you are a fortunate man, Dick, to have practically all your family living near you right here on the Island—2 children, 2 grandchildren, and 5 great grandchildren in all.

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CELEBRATION IN HONOR OF DICK ALLISON—SUNDAY, AUGUST 3, 1969

(Excerpts from Sunday program of The Neville Island Presbyterian Church, First Street, Neville Island, Pittsburgh, Pa. 15225: *Commit thy way unto the Lord; trust also in Him; and He shall bring it to pass*—Ps. 37.5. Enter to Worship—Depart To Serve)

The Chancel Flowers are in honor of Mr. Ennis W. Allison for "Dick Allison Day" today, proclaimed by the community. Flowers are from the Session, the Allison Family, Church Organizations and friends.

Congratulations are extended to Mr. Ennis W. Allison on this particular day by the members of the Session. We thank you for your many years of being a member of this church and for the many years of being an Elder. Your faithful service is acknowledged

and greatly appreciated by the congregation. God Bless You, "Dick Allison."

The Community has planned a Parade and other events throughout the day and all are invited to participate in the celebration of "Dick Allison Day" today.

The Chairman of the General Committee for "Dick Allison Day" is Mr. F. C. Williams. Chairman of the Church Committee is Mrs. Richard Davis with Mrs. Grace Allison's assistance and cooperation of the Elders.

MORNING FESTIVITIES

11:00 A.M.—Church Service at Neville Island Presbyterian Church, Rev. Austin V. Hunter.

12:15 P.M.—Closed Luncheon for Allison Family, Clergy, and invited guests.

*Special groups attending Church Service include*

Coraopolis Womens Golden Age; Coraopolis Mens Golden Ave; Neville Island Boy Scouts Troop 533; Neville Island Cub Scouts Pack 373; Neville Island Board of Commissioners; Neville Island School Board; Neville Island Police, and Neville Island Firemen.

AFTERNOON FESTIVITIES

1:30 P.M.—Form Parade at Dravo Light Metals Plant Parking Lot, South Side Grand Avenue.

Free Balloons & Stickers.

2:00 P.M.—Start Parade to Neville Island Recreation Hall, Neville School Marching Band.

Dignitaries in cars: N. I. Fire Fighting Equipment; Civil Defense Aux. Truck; Friends Marching; Ballons Flying.

Everyone Singing "For He Is A Jolly Good Fellow", "Happy Birthday".

2:30 P.M.—Three Inning Ball Game Upper N.I. vs. Lower N.I.; Footraces—Relay Races; Wheelbarrow—Shoe Races; Three Legged—Piggyback Race, and Softball Throw.

4:00 P.M.—Concert Neville Island School: Stage Band; Boat Parade; and Greater Pittsburgh Aquatic Club.

EVENING FESTIVITIES

5:00 P.M.—Picnic Supper: Share your table and food with friends and neighbors of Dick Allison.

6:00 P.M.—Presentations to Dick Allison.

Welcome: F. C. Williams.

Resolution: Guido Batista.

Civic Presentations: Boy Scouts of America; Lions Club, etc.

Short Congratulatories by Dignitaries.

"This Is Your Life", Reading by Michael Raddick.

Closing Song & Prayer by All.

The "Dick Allison Day" Committee thanks everyone who participated in this wonderful celebration. Those who served in any capacity deserve a special thanks, they were so numerous we can't possibly list them all.

## NIXON ADMINISTRATION SUPPORTS TITLE II REPEAL

(Mr. MATSUNAGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MATSUNAGA. Mr. Speaker, it was indeed welcome news that the Nixon administration announced its support for legislation to repeal title II of the Internal Security Act of 1950.

This favorable nod by the administration gives added impetus to the move to expunge the disgraceful Emergency Detention Act from our law books. The Senate Judiciary Committee has already reacted by reporting favorably on the Inouye bill to repeal title II. Favorable floor action by the other body is expected within this week.

I know that the more than one-fourth of the members of this House who have joined with me in cosponsoring similar legislation to repeal the concentration camp authorization law, now join me in urging early hearings on this legislation by the House Internal Security Committee. There is no legitimate reason for any further delay.

## NEW MOBILIZATION COMMITTEE TO END THE WAR IN VIETNAM

(Mr. ICHORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ICHORD. Mr. Speaker, on several occasions I have expressed my grave concern about the activities sponsored by the New Mobilization Committee To End the War in Vietnam—New Mobe. On November 4, 1969, I placed in the CONGRESSIONAL RECORD a staff study prepared by the House Committee on Internal Security which I chair. The study disclosed that the leadership of the New Mobe is top-heavy with known Communists and their sympathizers, including members and partisans of both the Communist Party, USA, the Trotskyist Socialist Workers Party and the Communist youth front, the Young Socialist Alliance. The conspicuous Communist presence at major planning sessions of New Mobe indicates Communist manipulation, exploitation, and subversion of the protest movement against United States involvement in Vietnam. Further, the study disclosed that several national leaders of the New Mobe were among the delegates to the World Peace Assembly held in East Berlin during June 1969. That Assembly was sponsored by the World Peace Council, an international Communist front financed from Moscow.

The Communists are thriving on the aid and comfort realized from supporters in the United States and other Western countries. Spokesmen for Hanoi and the Vietcong have been hailing the so-called progressive elements in this country for launching a broad and powerful offensive to demand that the U.S. Government put an immediate end to the Vietnam war. As our enemy, they have every right to be grateful.

Now, the New Mobe has called a meeting of its leaders for Cleveland, Ohio, this weekend to discuss plans for future activities. New Mobe, which was organized in Cleveland last July 4, originally was intended to disband after the November mass march on Washington, D.C. However, dissatisfaction with the lack of militancy and vigor of the Vietnam Moratorium Committee apparently has persuaded the New Mobe to remain active. It is expected that at the meeting this weekend, set for December 13 and 14, the members of New Mobe's steering committee will ratify a decision by the group's executive committee that New Mobe be continued. Also to be discussed are detailed plans for new antiwar demonstrations. Among the possibilities that are to be discussed are "decentralized" demonstrations directed toward industrial suppliers of war materiel.

Another example of the closing of the ranks of New Mobe and the Communist Party, USA, took place at a New Mobe leadership meeting held in New York City on November 22, 1969. At that time Arnold Johnson, the national public relations director of the Communist Party, USA, was named to the executive committee of the New Mobe. Johnson had been a member of the steering committee of the New Mobe since its inception.

Meanwhile, the efforts by some groups to show their support for our enemy in the guise of seeking "peace" continues unabated.

On November 29, 1969, Cora Weiss, one of the cochairmen of the New Mobe, left the United States en route to Hanoi. Traveling with Miss Weiss are Madeline Duckles of Berkeley, Calif., and Ethel Taylor of Philadelphia, Pa., both of whom are leaders of the Women Strike for Peace, an organization represented by Miss Weiss on the steering committee of New Mobe. It is significant to note that Dagmar Wilson, a leader of the Women Strike for Peace, has publicly proclaimed her sympathy for the North Vietnamese forces.

Mr. Speaker, I cannot help but think that among the many individuals participating in the activities sponsored by the New Mobe are those who would withdraw if they knew just how much they are aiding Hanoi and the international Communist movement.

## GUARANTEED ANNUAL INCOME FOR TAXPAYERS

(Mr. RARICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RARICK. Mr. Speaker, the question of the "guaranteed annual income" is in the news again this week, both from the White House and from the other body.

First, the current White House Conference lived up to its advance publicity by recommending a guaranteed annual income—sometimes referred to as a negative income tax—of something like $5,500 for a family of four. The President, demonstrating his essential conservatism, recommended to the Congress a much lower figure of only $3,900 per annum.

Second, the other body amended our tax reform bill to increase the personal and family exemption, over a period of 2 years, from $600 to $700 then to $800. For a family of four, this would mean an increase from the present $2,400 to $2,800 in 1970 and to $3,200 in 1971. The President, again demonstrating his essential conservatism, let it be known that such a drastic tax reform would be highly inflationary and could well result in his veto of the whole tax reform measure.

Mr. Speaker, I am in favor of a guaranteed annual income for productive Americans.

I will support legislation guaranteeing to such citizens total freedom from Federal seizure of as much as $4,800 of their earnings each year. I have introduced legislation to that effect earlier in this Congress.

I am unalterably opposed to a guaran-

teed give away to the relief rolls, whether it is called an annual income or a negative income tax.

The American people, who are carrying the load, have a very clear understanding of two simple facts, which I call to the attention of this House.

First, if the spending of a dollar is inflationary, it makes no difference who spends it. The argument just will not sell that to take that dollar away from the man who has earned it and give it to the man who has not works some kind of black magic so that its spending becomes noninflationary.

Second, the finest kind of guaranteed income would be a very simple guarantee that the Federal Government would keep its hands off—would cease confiscating—enough of a man's earnings for him to make at least a minimum decent provision for his family. If it is proper to present to the nonproductive a gift of either $3,900 or $5,500 per year for a family of four, it is certainly proper to keep our hands away from the same amount of money earned by the productive citizens.

If fear of swelling inflation is grounds for denying the working taxpayers a long overdue exemption increase, how can the President overlook the inflationary effect of his guaranteed minimum income program?

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## NATION'S SYSTEM OF MILITARY JUSTICE—PARTICULARLY WEAKNESSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 15 minutes.

Mr. WHALEN. Mr. Speaker, the military court-martial held at the Presidio and the aborted Green Beret proceedings in Vietnam have served once again to bring to the attention of Congress this Nation's system of military justice, particularly its weaknesses. No doubt the court-martial stemming from the alleged Pinkville massacre will accentuate further the need for reform.

Gen. George Decker, former Army Chief of Staff, has stated:

> No single factor has a greater tendency to destroy public confidence in the (court-martial) system than allegations of command influence

As you will recall, this charge of "command influence" was present not only in the Presido and Green Beret cases, but also there are indications that it may have prevented the Pinkville massacre allegations from surfacing for more than a year and a half.

Because it was my constituent who was killed at the Presido, I was deeply involved in that case. As a result of that involvement, I became very familiar with many of the deficiencies of the present military justice system. Fortunately, the Secretary of Defense already has appointed a group to study stockade practices. However, it is the responsibility of Congress to revise the court-martial code, the procedures through which servicemen are confined to stockades.

It is for this reason that on November 26 I introduced H.R. 15016. This measure is designed to improve the judicial machinery of military courts-martial. First, it removes defense counsel and jury selection from the control of a military commander who convenes a court-martial. Second, H.R. 15016 creates an independent trial command for the purpose of preventing command influence or the appearance of command influence from adversely affecting the fairness of military judicial proceedings.

Last year Congress enacted Public Law 90–632 which requires each service to establish separate commands for military judges. H.R. 15016 incorporates the military judges command into the Military Trial Command which also has divisions for defense counsels and court members. The Command will be divided geographically into judicial circuits, each of which will be headed by a circuit judicial officer. The bill further stipulates that members of the Command will be under the supervision, direction, and control of only the superiors within the division, the circuit judicial officer, and the Judge Advocate General. In addition, the prohibition which prevents the convening authority or any member of his staff from preparing or reviewing any report concerning the effectiveness, fitness, or efficiency of the military judge is extended to defense counsels.

While the assignment of judges and court members by the circuit judicial officer is applicable only to general courts-marital, the bill provides that, subject to regulations of the Armed Forces Secretaries, the circuit judicial officer also may assign them to special courts-martial. Defense counsels will be assigned for both general and special courts-martial.

However, this legislation will not interfere with the convening authority's control over the prosecution of a case.

Mr. Speaker, I believe, as General Decker stated, that command influence can destroy public confidence in the courts-martial system. H.R. 15016 will be a first step in preventing this, and hopefully, it will restore faith in the system.

On December 3 the distinguished Member from Illinois (Mr. PRICE), with whom I serve on the Armed Services Committee, introduced H.R. 15074, a bill identical to H.R. 15016. Today 26 of my colleagues are cosponsoring this legislation. In listing their names here, I would like to thank them for their support. The cosponsors are: Congressmen ASHLEY, BIESTER, BINGHAM, BOLAND, BURTON, CONYERS, DIGGS, EDWARDS of California, LEGGETT, LOWENSTEIN, MCCLOSKEY, MIKVA, MOSHER, MOSS, OTTINGER, PUCINSKI, RAILSBACK, REES, ROSENTHAL, ST GERMAIN, SCHEUER, STAFFORD, STOKES, TAFT, CHARLES H. WILSON, and YATES.

Mr. ASHLEY. Mr. Speaker, today I am joining with several of my colleagues to introduce a bill designed to improve the judicial machinery of military courts-martial by, first, removing defense counsel and jury selection from the control of a military commander who convenes a court-martial and by second, creating an independent trial command for the purpose of preventing command influence or the appearance of command influence from adversely affecting the fairness of military judicial proceedings.

The commanding officer's control of the court-martial proceeding is the factor in the court-martial system which is most likely to produce an actual obstruction of justice or to scar the appearance of justice. As past Army Chief of Staff Gen. George H. Decker has stated:

> No other single factor has a greater tendency to destroy public confidence in the (court-martial) system than allegations of command influence.

The cogency of General Decker's observation was vividly illustrated by the recent public and congressional outcry caused by the suggestion that the court-martial proceedings in the case of the Green Berets were laden with command influence. One might recall that the Green Berets defendants charged that their impending trial could not be conducted in a setting free from bias because of the commander's personal interest in the outcome of their case and petitioned to have their trial removed from his command.

Moreover, the implications of command influence in the recent Presidio mutiny trials produced a similar public reaction including a petition to the Secretary of the Army signed by 45 members of the Harvard Law School faculty asking "whether the intense command interest in prosecuting these soldiers for serious crimes and the unusually severe sentences indicate that the court-martial proceedings did not result in a fair and impartial trial."

Opportunities for a commander to unfairly influence the course of a military trial are inherent in the nature of the military system. The commanding officer who convenes a general court-martial not only has the power to select the counsel for the prosecution but also the power to select the counsel for the defense and the members of the court as well. Moreover, because he selects these participants from his own command, he retains over them the awesome power to affect their efficiency reports, duty assignments, promotions, and transfers.

Surely such singular control over both sides of a criminal case as well as over the triers of fact is inconsistent with the basic principle of judicial impartiality as applied to our civilian courts.

While I firmly believe that this power is rarely abused, the basic structure of court-martial machinery remains an incubator in which improper court-martial influences are innocently and inadvertently bred. So long as the commanding officer retains his appointive and career determining powers court-martial personnel will remain sensitive to the practical realities of military life. As the Court of Military Appeals has noted:

> Courts-martial are manned by officers whose opportunities for advancement and promotion are controlled largely by their commanding officers and it is no reflection on their honesty and integrity to conclude that they desire to make a fine record.

In the same vein, court-martial participants are not oblivious to the risks

inherent in performing in a manner which displeases or is not in accordance with the interest of their military superiors. In this atmosphere, rumors, however unfounded, of the commanding officer's desires in the matter are not likely to go unheeded. And even when the commander in no way seeks to influence the participants, their court-martial performance may well be affected by a conscious or subconscious desire to do that which they presume will please the commander.

Recently, the American Bar Association, the American Legion and the American Civil Liberties Union have called for changes in the court-martial structure that would insulate key court-martial personnel from the influence of the commanding officer and erase the appearance of one-sided partiality.

The calls for reform have not gone unheeded by Congress. In 1948 Congress enacted legislation which criminally proscribed attempts to coerce or unlawfully influence actions of a court-martial. Further, in the Military Justice Act of 1968, Congress established an important safeguard against command influence by creating an independent judiciary of military judges who are completely insulated from the control of the local commanding officer.

Yet the problem of command influence over court-martial proceedings remains in the commander's power to select the defense counsel and his power to appoint and affect court members.

Command authority over the defense counsel represents the most serious weakness of the military judicial machinery. The basic problem is that the defense counsel operates in the same office as the prosecutor and under the direction and control of the staff judge advocate, whose primary responsibility is to assure that the interests of the commander, including his disciplinary interest, are preserved.

So long as the defense attorney remains a part of the military hierarchy responsible for preserving military discipline, he will be deprived of his traditional freedom of action in preparing a client's defense—and that freedom is the best assurance of fairness in any criminal proceeding.

The second obstacle to court-martial fairness is the commander's authority to handpick the members of the court. The inherent vice of this system is that it creates an appearance as well as the occasional fact of the commanding officer stacking the court with members who he believes will support his disciplinary policies and convict the accused.

Any system inviting abuse is as inimical to the appearance of judicial impartiality as an actual showing of abuse. If trials are to be impartial and to appear so, the selection of court members must be removed from the control of the commander and vested in an independent authority.

It is for all the above reasons that I am introducing this bill to prevent command influence or the appearance thereof from adversely affecting the fairness of military judicial proceedings. The bill would remove defense counsel and court member selection from the control of the military commander who convenes a court-martial and place these functions under the control of an independent trial command, along the lines of the independent judiciary which was created by the Military Justice Act of 1968.

I think that the bill strikes a balance between the legitimate interest of the military in preserving discipline and the interest of procedural due process. Thus, while the bill removes defense counsel and jury selection from command control, it does not interfere with the convening authority's control over the prosecution of a case.

With the implementation of this system, defense attorneys and court members will join military judges as independent operators in a court-martial proceeding, responsible only to their superior officers who are not responsible to the commanding officer who convenes the court-martial.

I firmly believe that this system will go a long way toward extending to our fighting men the democratic principles that they are so bravely fighting to preserve. I urge the Committee on Armed Services to give this proposal the closest scrutiny at the earliest possible time.

## SUPPORT FOR PRESIDENT NIXON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. RHODES) is recognized for 5 minutes.

Mr. RHODES. Mr. Speaker, those of us who support the President of the United States in his efforts to bring about a just peace in Vietnam, end inflation and reduce crime and drug usage here at home are encouraged to find that as the days go by increasing numbers of Americans join in that support.

I wish to call to my colleagues' attention the results of a Columbia Broadcasting System poll. The poll, conducted by telephone, found that 81 percent of the people are satisfied with the way the President is handling his job.

Eighty-eight percent identify with the silent majority on the issue of Vietnam, 73 percent approve of his efforts to end inflation, 77 percent like his law enforcement efforts, 73 percent agree with him on his handling of urban problems and 74 percent are in accord with his actions on race relations.

It is polls like this and like the recent Gallup poll which showed his popularity at 68 percent that perhaps have led a leading Democratic authority to predict an overwhelming victory for President Nixon were he to seek reelection today.

Richard Scammon, one of the Nation's top experts on polling and public opinion and a former Census Director, says Nixon would carry 48 States. James McCartney, writing in the Miami Herald, quotes Scammon as saying "right now Nixon has a massive majority behind him on Vietnam. And I choose the word 'massive' with care. Nixon would win by a larger margin right now than Lyndon Johnson had in his landslide victory over Barry Goldwater in 1964."

It appears, Mr. Speaker, that the country has indeed rallied around the President.

## LIEUTENANT CALLEY AND THE INCIDENT AT PINKVILLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 10 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, already the slow, premeditated trial of Lt. William L. Calley and his men has begun. Testimony is being heard. Eyewitnesses are being questioned. The jury—in this case, the American and world public—is deciding the case. And yet, the court has not even convened.

I am not going to pass judgment on the guilt or innocence of the lieutenant here today. I do feel, however, that a protest must be raised over the premature trial and verdict of a man who, by all standards of American jurisprudence, is still innocent until proven guilty by a court of law.

The headlines in the papers use such as "Viet Killings" and "Massacre" without any prefix such as "alleged." Radio and television commentaries talk about the massacre in a Vietnamese village or the killing of unarmed citizens, but not about the possibility that it might have been a legitimate act of war, an attack on a Communist stronghold. If the press is not careful in its zeal for the spectacular, it will have this case decided before it ever gets to trial.

The South Vietnamese Government has conducted an investigation and found the charges to be incorrect. But in the eyes of some, the South Vietnamese, who are our allies, are not to be trusted. Yet, we must remember that those in Vietnam who are yelling the loudest and charging the United States with the greatest guilt are the Communists—North Vietnam and the Vietcong. "Pinkville," as it was called, was well known as a Vietcong stronghold. So let us be cautious in throwing charges at our own boys until we know all the facts.

Statements by men of Calley's platoon, some of whom admit a dislike for the lieutenant, receive big play at the hands of the news media men. They seek out a controversial news story regardless of the possible cost to a man's reputation and a country's credibility. Many of these men, who were asked to refrain from commenting on the case by the Department of the Army for the sake of conducting a fair military trial, have disregarded this basic precept of American law.

Frankly, I question the motives of an Army photographer who allegedly *sold* Army photographs to the highest bidder.

Why are these people so quick to assume the worst? So quick to assume that the alleged atrocities must have been committed? We must question all of the circumstances surrounding the attack. We must not be too quick to condemn. We must search out all of the evidence. We must not conduct a kangaroo court in the front pages of the papers and during the prime time of the television and radio news shows.

The press has a great responsibility in reporting the news. Not only should the news be properly reported, but it must be done, in my opinion, in such a way so as not to prejudice a defendant's case.

When a hot issue such as this comes along, responsible journalism is really put to the test.

Consequently, the prudence of some headline writers and some headline seekers must be questioned when they bypass the normal American manner of trying a person by court of law. The facts must be fairly given and all stories should be thoroughly checked out.

Above all, we must not forget, as Gen. William T. Sherman said, that "war is hell." Neither can we forget what the Communists in Vietnam have done to thousands upon thousands of community leaders, and innocent civilians, men, women and children, over the last few years. It has been Communist policy to kill innocent civilians, to terrorize the populace into supporting the Communist cause. This is not the policy of the American Government, or our Armed Forces, and it never has been our policy. All of this should be reported so that we can maintain a proper perspective as we consider the actions of some of our men in Vietnam.

Freedom of the press is as American as apple pie. But so is responsible use of that freedom.

Lieutenant Calley and any others charged must be granted a fair, unbiased hearing in a proper court of law. Once the trial is concluded, then the press is free to condemn the man's guilt or acclaim his innocence as the case may be—but not until then and in any case, we must not tolerate a condemnation of our whole country for what may have been the act of a few.

## BILL TO SET REASONABLE LIMITS ON ACCEPTABLE MARKET PENETRATION BY IMPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SCHWENGEL) is recognized for 10 minutes.

Mr. SCHWENGEL. Mr. Speaker, with some reluctance, I introduce today a bill which seeks to set reasonable limits on the acceptable market penetration by imports so as to prevent them from overrunning our industry.

The Fair International Trade Act of 1969 which I am introducing today, will accomplish this objective, and will at the same time guarantee to foreign manufacturers an opportunity to participate in any future growth of our domestic consumption.

The problem of competition from low-cost goods manufactured in countries having low wage scales was brought to my attention forcefully by one of my constituents, long a manufacturer of work gloves within my district. It was called to my attention that imports of leather-palm work gloves, made of leather and canvas, have grown so steadily during the past 5 years that in 1968, such imports represented 34.8 percent of the domestic shipments of the same gloves. Back in 1964, imports of these gloves amounted only to 5.7 percent of the domestic production of the same gloves. And this trend has continued into 1969. Imports of these gloves during the first 8 months of 1969 were 83 percent higher than they were during the first 8 months of 1968.

I cannot help but sympathize with a situation such as this. During the last war, gloves were placed on the critical list, and there were not enough to supply the industrial and farmworkers. The War Production Board allocated gloves to important industries, leaving the consuming public practically without any supply.

Gloves are still on the critical list, and if this industry were to be destroyed by this low wage competition which is impossible to compete against, we could find ourselves in a difficult time during another emergency. I am, of course, interested in maintaining international trade on as free a basis as possible. But survival of these industries producing critical goods are definitely a matter of grave importance to the citizens of our country. Consequently, I am introducing this fair international trade bill and I join my numerous colleagues who have already introduced identical bills in asking support of a bill which might well be called a live and let live bill.

## TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, although the United States is not the only or even the oldest federal union of states in the world, is the first to operate successfully a federal system on a large and continental basis. This has been one of America's major contributions to the art and science of government.

## TELL IT TO HANOI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. BELCHER) is recognized for 5 minutes.

Mr. BELCHER. Mr. Speaker, this week one of the finest organizations of young people in this country, the Young Americans for Freedom, is carrying out a major, nationwide counterattack on the so-called Vietnam war moratorium.

There is no question in my mind, Mr. Speaker, that regardless of how many well-meaning, Christian citizens may participate in these moratorium activities—and I know there are many who fit that description—the organization effort behind these demonstrations comes basically from disruptive and destructive Communist and leftist-oriented individuals and groups. Regardless of their good intentions and regardless of the unfortunate fact that it leaves precious little opportunity for any legitimate protest of present policies, those who participate and lend their aid to the moratorium effort are aiding and abetting the enemies of this country and of free people everywhere.

If I may disgress for a moment on this point, I am becoming very alarmed by the usurpation of patriotic and religious symbols for political purposes, and it is happening on both sides. I resent the prevailing attitude that automatically categorizes anyone who displays the American flag as a war hawk. Likewise, I resent the use of the dove—a universal symbol of peace as old as Genesis—to represent the very special views of "peace" essayed by the "peace" demonstrators as if to say that anyone who is not with them does not love peace.

But I think, more than anything else, I resent the most recent usurpation by the supporters of the moratorium of the ancient tradition of caroling at Christmas. I understand that a part of the moratorium activities for December includes caroling. The carolers will be all decked out in armbands and other paraphernalia of the movement and will carol for the purpose, supposedly, of dramatizing the Christmas season as a time of "Peace on Earth—Goodwill to Men" as opposed to the prevailing atmosphere of war in Vietnam.

Whoever has trained the leaders of this movement in propaganda techniques certainly knows his business. I do not believe I have ever encountered a propaganda effort so diabolical and revolting—or so arrogant. It is diabolical because it is so emotion-oriented and therefore so potentially effective. It is revolting because it "uses" mankind's deep desire for peace in a twisted way to promote a chimerical peace—a peace which would be here today, only to be swallowed up in a tomorrow of wider war or peace enforced with chains and slavery. And it is rudely arrogant because it appropriates for a selfish political purpose a universal and beautiful custom and stigmatizes it for the many who would seek to bring happiness to the sick and afflicted by caroling the joy of Christmastide but wish in no way to be identified with the political cause of the moratorium.

Mr. Speaker, the theme of the effort by the Young Americans for Freedom will be "Give Peace a Chance—Tell It To Hanoi." I believe this effort deserves the support of every Member of the Congress and every citizen of this country who wants, with our President, a genuine and lasting peace for all men everywhere.

It is somewhat puzzling to me that the event now being characterized as "the massacre of Mylai" is receiving so much coverage in the news media and is being stamped into the national conscience as an unrivaled atrocity, before the facts are even in. Yet the experiences of a heroic young Army major who escaped as a prisoner of war from his Vietcong captors and who has some very enlightening information about the effects of the anti-war propaganda and activities in this country on our POW's morale, and on Hanoi's will to continue fighting, has received scant attention. It has, indeed, been attacked by some Members of Congress who have been quoted as calling this decorated Vietnam veteran, Maj. James N. Rowe, "a puppet of the Pentagon propagandists," and describing his questioning of the war critics in Congress as "unmitigated effrontery."

I have talked with this young man personally at some length. If some of the "authoritative" war critics had gone through what he went through, I might be more willing to give their views more

consideration. But I prefer to listen to a man who knows whereof he speaks. Major Rowe suffered much because of his devotion to his country and the cause of freedom, and he was betrayed by "peaceniks" in this country who nearly cost him his life while he was a captive. He has as much right to speak his views and have them heard as any Member of Congress—perhaps more. And I deeply resent the unwillingness of major news media outlets to give his story the fair and equal coverage it deserves.

In summary, Mr. Speaker, let me point out—as the Young Americans for Freedom will be doing this weekend—that we all are for peace. The question is, how to achieve peace. This Government has repeatedly made concessions to the Communist regime in North Vietnam, and those overtures for peace have been coldly and systemically rejected by the north. Look at the record:

The administration has set in motion the return of 60,000 troops from Vietnam.

The administration has given top priority to turning the war over to the South Vietnamese, allowing them to protect themselves when we withdraw.

The administration has offered to negotiate a cease-fire under international supervision and has declared that we will retain no military bases in South Vietnam after the war.

The administration has offered to negotiate everything except the right of the people of South Vietnam to determine their own future and has done so not only in the formal Paris peace talks but in informal, unpublicized contacts directly with Hanoi and through a number of intermediaries.

And what has Hanoi done to end the war in Vietnam? Nothing.

This is the message the Young Americans for Freedom carry to the country this week. It is a message all of us should bear in mind—along with the Vietcong atrocities against their own people as well as our young fighting men—along with Hanoi's flagrant violation of the Geneva Conventions regarding the treatment of prisoners of war.

Yes, it is long past time to tell it to Hanoi—and to tell it like it is.

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## RECREATIONAL BOATING SAFETY

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, our Nation's waters are a resource available for many purposes. They offer a man one of the few remaining natural frontiers which challenge his resourcefulness and excite his imagination. As the pressures of our complex society make their burden felt, we seek release in some form of recreation. Today, one such form of release is recreational boating—a recreation growing in popularity with amazing speed, so that on any given weekend during the boating season one can find more than 40 million Americans sailing or cruising on the Nation's waters.

It has been predicted that by 1975—just 5 years from now—at least 50 million people will be enjoying recreational boating. By 1980, with greater leisure and disposable income, coupled with more available water recreation areas, as we build more dams to save this precious resource, it is entirely likely that more than 60 million Americans will have discovered the pleasures of recreational boating.

But the growing popularity of this sport has brought with it many problems. There have been increasing numbers of deaths due to carelessness in the operation of these boats; increasing numbers of personal injuries, increasingly costly property damage. It also has brought a host of problems to confront the U.S. Coast Guard, which has responsibility for all boating on the navigable waters of our Nation.

The Special Studies Subcommittee of the Committee on Government Operations, of which I am chairman, has held several hearings in the past to evaluate the Coast Guard's administration of its statutory responsibilities for boating safety. These hearings have convinced me—as I know they have convinced the Coast Guard—of a need to require safer boats, more uniform regulations, and some form of compulsory seamanship education for boat operators.

The number of recreational boats on our waterways now approximates almost 9 million, and this figure is increasing at about 200,000 annually. Our bays, lakes, rivers, marinas, and launching ramps are being heavily used. As more and more people engage in this sport, the danger of accidents resulting in loss of life, injury, and property damage increases. Thus, every person who enjoys boating must accept his share of responsibility for minimizing the dangers to himself and his fellow boatmen.

But the boatman is not and should not be alone in carrying out this responsibility. It is and should be shared by government—Federal, State and local, and by the boating industry as a whole.

The Congress has not been indifferent to the problems of recreational boating safety. Back in 1940, when recreational boating was a sport only afforded by our most affluent citizens, Congress passed what has been since known as the Motorboat Act of 1940. This act dealt with specific items of safety equipment required to be carried in such boats. It was later amended to give the Coast Guard penalty procedures which could be invoked against the operator of a motorboat for negligent operation. These penalty procedures, I am sorry to report, have proven to be cumbersome and often ineffective—a fact which was clearly brought to the fore several times during hearings before our subcommitte.

In 1958, the Congress passed the Federal Boating Act. For the first time, State and local jurisdictions were involved in the problem of recreational boating. There was recognition at the Federal level of a need for both uniformity and reciprocity among Federal and State boating laws.

Today we have a situation in which the Congress has previously moved to establish two basic principles: First, that the Federal Government does not have exclusive interest in recreational boating safety, but must share this interest with the States; second, that reckless boat operators should be punished.

However, the hearings before my Special Studies Subcommittee have established the need for congressional enactment of a few more basic principles, foremost of which is the establishment of Federal safety standards for recreational boat manufacturers and producers of associated equipment.

Under the Federal Boating Act of 1958, the injunction that uniformity and reciprocity among and between Federal and State jurisdictions are essential continues to be a clear guidance for future action. Responsibility for safety on our waterways is logically assigned to the Coast Guard. However, the State can assume those safety functions that require direct contact with the boatman when the State has agreed to take on this responsibility in local navigable waters. At the same time, there should be Federal preemption where boating safety standards are concerned. This is necessary for achieving uniformity of standards, rather than having States formulating standards of their own.

I therefore propose a bill to correct the deficiencies in the present recreational boating laws which hearings before my subcommittee have uncovered, and to recognize the future implications of the continuing rapid growth of recreational boating, the amazing development of our technology, and the changing nature of Federal-State relationships.

The purpose of my bill is to broaden the Federal authority to establish minimum safety standards for recreational boats and associated equipment, while encouraging through financial assistance greater State participation in the boating safety programs of law enforcement and education. In the latter instance, it is more cost effective for State and local law enforcement officers to enforce boating safety laws on internal waters of the United States than it is for the Federal Government to do so.

More specifically, my bill would:

Update and consolidate the Federal Boating Act of 1958 and the Motorboat Act of 1940, as amended. The latter will remain in effect for all vessels other than noncommercial craft less than 65 feet in length. Present provisions of the Motorboat Act of 1940 relating to recreational boats would be issued as regulations.

Give broad authority to the Secretary of Transportation, together with the Commandant, U.S. Coast Guard, to establish minimum safety standards, safeguarded by a provision for mandatory consultation with a boating safety advisory council. The Commandant would also be able to consult with this council on other boating safety problems. Advisory panels to the council on enforcement and education matters, as well as safety standards, would be an expected development.

Provide authority for the Coast Guard auxiliary to assist State officials on waters under their sole jurisdiction at their request. This is in line with encouraging greater State participation in boating safety matters.

Provide for a 5-year financial assistance program to the States at a $5 million per year level of funding.

Protect the boatman who goes to the

aid of his fellow boatman in the form of a "Good Samaritan" clause.

Improve accident and casualty reporting.

Establish improved penalty provisions for the reckless and negligent boat operator, and permit the use of the new system of Federal magistrates to hear their cases.

As I have stated before, the hearings before my Special Studies Subcommittee have convinced me that enactment of this bill will reduce boating accidents, and make recreational boating a safer and more enjoyable pastime for the growing millions of Americans who pursue this activity in their leisure hours.

One of the benefits which I hope will result from passage of this legislation will be the certification of all operators of recreational boats subject to licensing. This one factor alone, I believe, would substantially reduce the present high death and accident toll on our waterways.

## CZECHOSLOVAK REFUGEES

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, on the night of August 20–21, 1968, the Soviet Union led hostile forces of Warsaw pact countries in an invasion of Czechoslovakia. Soviet troops and those of associated nations occupied the land.

Today, over 17 months later, there are over 70,000 Soviet occupation troops in Czechoslovakia. The action of the Communist Party in deposing Dubcek and Smrkovsky and sweeping out factions of the Communist Party opposed to the hard line continues to emphasize the suffocating effect of this military occupation.

Under the pressure of Soviet force, tens of thousands of Czechoslovak people have been forced to flee their homeland. Denied their basic human and civil rights they have fled the tyranny and oppression of an alien occupation and a subservient regime. These brave people are now attempting to make a new life for themselves in other areas of the world. In this endeavor they need all the help they can get.

Mr. Speaker, I am today introducing a resolution expressing the sense of the Congress that the President of the United States instruct the U.S. Representative to the United Nations to do whatever is necessary to have the U.N. High Commissioner for Refugees assist the Czechoslovak refugees and to provide the facilities and assistance required to enable them to find new homes. The world which wept at the rape of Czechoslovakia in August 1968, must be willing to help the Czechoslovak refugees to build a new life for themselves.

## OIL IMPORT QUOTAS—NATIONWIDE CONSUMER ROBBERY

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PODELL. Mr. Speaker, 10 years ago, America's oil industry approached the Eisenhower administration with a unique request. It was for Executive action to prevent cheap foreign oil from entering the United States—to be accomplished by establishing what we now recognize as the oil import quota system. Their request was quietly granted, and the oil import quota system remains clamped like a financial yoke on the neck of every American consumer who must buy oil and gasoline products. Take a close look at those pump prices or your home heating bill next time, and ponder on how much is pure, usurious profit, over and above a fair markup. Never let it be said that the oil industry ever misses a chance to bury the switchblade—in the consumer's wallet.

These import quotas are in force today, and estimates of what they cost us range from $3.5 to $8 billion annually. Suffice it to say that every American consumer pays twice the going world rate for oil and gasoline products. A barrel of sweet east Texas crude costs $3.98 delivered by tanker to New York. That same barrel from abroad costs $2 at the same place, until the quota system doubles its price—to you. The oil industry obviously believes cash broadens the soul—their souls.

The free world today is practically swimming in a glut of cheap foreign oil controlled almost entirely by major American oil companies. These same organizations made approximately 30 percent of their profits here and 70 percent abroad before the oil import quota system was established. Since then, as mass importation of cheap foreign oil has been dammed up, their profit sources have been almost exactly reversed. Most American oil companies now make about 70 percent of their profits domestically and only about 30 percent abroad. It is in their private vested interest to maintain U.S. prices artificially high through the quota system. Beside what they rake in from this privilege, the chicanery of the 27½-percent depletion allowance is petty larceny. This year, however, has been one of indignant outcry over tax reform. In the process, at last the rock was lifted and the Nation had a chance to see what our oil industry has been concealing. We began to understand the oil import quota system, which has been revealed for what it is—the most effective way of plundering the public since John Dillinger was forcibly retired from his labors.

It has been quite a year for oil stories. There is the major strike in Alaska, which insures us a major supply of cheap petroleum, although the oil industry would have us believe otherwise. Occidental, heretofore a smallish oil company, suddenly found itself sitting on an ocean of cheap crude oil in Libya, and no significant place in the lucrative American market to sell it. So it was willing to pass on to consumers some of the profit in return for a chance to sell it here. Establishing a free trade zone and refinery at Machiasport, Maine, would have turned the trick, allowing energy-poor New England to enjoy cheaper fuel costs. But then every part of the Nation would demand a Machiasport. Couldn't have that. So of course the oil industry fights it tooth and nail. Meanwhile, America's consumers pay ever higher costs for their fuel, as the oil industry has raised gasoline prices alone twice this year. Never let it be said that these boys were ever guilty of generosity or compassion. Cash is their middle name.

The present administration, as we all know, is not happy about erosion of oil industry profits and tax privileges. There is a lot of campaign money in them thar hills, pardner. It has already grumbled over congressional action cutting the depletion allowance. But the cat is already out of the bag. Therefore, we have had establishment of a cabinet-level task force on oil imports, which is due to report shortly to the President. Now whatever will it say? Millions are a-quiver in anticipation of their revelations. Billions may be at stake.

Hopefully, the task force will recommend to President Nixon that he favorably consider action which would allow cheaper oil into the Nation. Industry's national defense argument is so much hogwash, containing about as much truth as the latest U.N. resolution.

The industry bellows about becoming dependent on foreign oil sources. Yet these same sources are totally unsafe in case of world crisis. Better use them now than not at all. This industry has been getting away with perhaps more unadulterated commercial piracy than any other except auto insurance and drugs. Now is the time to make a first gaping slash in their lush private preserve. They plead "poverty" and "national defense" so often, they ought to pay these words overtime wages.

In some circles this is akin to committing treason, assaulting great-grandma, and knocking poor old General Custer. Clutching stock certificates and dividend checks, oil industry defenders will weep of the Battle of New Orleans, Barbara Fritchie, and give us a moving rendition of "America" on a convenient calliope. It will be termed a threat to the unborn, Old Faithful, and highway improvements. It is all specious.

The President may, by Executive order, undo what was done originally by Executive order. The immediate effect of allowing cheap foreign oil in would be to lower energy prices and make our oil industry truly competitive, which it now is anything but. If the task force recommends a system of tariffs and increased quotas and the President ignores their findings, America's consumer will know who to thank for ever higher fuel prices. "Blessed are the biggest contributors, for they shall stand first in line."

## THE MORALE OF OUR SERVICEMEN

(Mr. HUNT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HUNT. Mr. Speaker, over the recent past, considerable publicity has been given to statistics showing the number of men in the uniformed services who have gone AWOL or have deserted. Some have already played on these statistics for their own partisan purposes alleging that they illustrate a deterioration of morale among our servicemen, particularly in connection with our involvement in Vietnam.

To be sure, the uniformed services are no less vulnerable to the infiltration of dissident elements than any other or-

ganization and, in some respects, are more so because access to vital security information can be especially damaging to our national interests. Thus, the efforts of some to undermine the morale of personnel from within the organization of the services is a problem requiring the utmost vigilence in the face of the protection of expanding individual rights, regardless of an individual's affiliation.

While I would observe that the penalties imposed on those who have gone AWOL or have deserted have been extremely lenient, perhaps negating the affect of such penalties as a deterrent, I was pleased to note the recent observations of Vice Adm. Isaac C. Kidd, Jr., U.S. Navy, who puts the AWOL and deserter statistics in their proper perspective. Admiral Kidd, whose comments were carried in the November issue of the Officer, the official publication of the Reserve Officers Association, notes the following information which is unclassified and a matter of public record:

Less than *5-percent* of U.S. servicemen ever go AWOL;

*Ninety-nine point nine percent* of our men in uniform do not seek asylum in Sweden;

Since September 1965 to the present, some *47,000* Navymen have *volunteered* for duty in Viet Nam;

Since September 1966, *100,000* Navymen stationed in Viet Nam have *voluntarily extended* their tours for six months or longer;

*Thirty-three thousand* of our incomparable Marines in Viet Nam have done the same. (Emphasis added.)

I am sure a review of the record will reveal proportionately comparable figures for the other services. The great majority of our servicemen who have selflessly and with dedication done their jobs well, under the most adverse of circumstances and at the sacrifice of the lives of thousands among them, deserve the highest praise and gratitude of this Nation. This fact should not be tainted or diminished by the few who, for whatever reason, fail to live up to their responsibility.

## VOLUNTARY PRAYER IN THE PUBLIC SCHOOLS

(Mr. HUNT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HUNT. Mr. Speaker, it has come to my attention that one of the high schools in the State of New Jersey has instituted a voluntary prayer exercise, consisting of a reading of the Chaplain's prayer appearing in the CONGRESSIONAL RECORD every day the Congress is in session, subsequent to a ruling by State Attorney General Arthur J. Sills, in connection with another school—whose school board has since voted 7 to 1 to continue the prayer exercise—that such practice is unconstitutional.

How ironic it is that we in the Congress should be privileged to partake of the spiritual heritage of this Nation at the commencement of each daily session while, in the great State of New Jersey, Attorney General Sills has arrogated to himself the authority to declare this constitutional prayer exercise unconstitutional if undertaken in a public school with the blessing of the local school board. Heretofore, I had believed that such supreme authority rested in the U.S. Supreme Court, and only after litigation in a particular case.

It is to be noted that the high school in question instituted the prayer exercise on a strictly voluntary basis before regular school hours. At the first session, it is reported that 400 of the school's 580 students were in attendance.

I commend the school officials for undertaking this congressional prayer exercise and I encourage all public schools to consider doing likewise, despite whatever threat or intimidation might be forthcoming from the attorney general's office. In my estimation, it would be a very healthy thing to get this issue before the Supreme Court once again since, with its new constituency, the result might well be the restoration of some sanity to the Court's prior prayer decisions, a result that would certainly be in accord with the overwhelming majority of the American people. I look for New Jersey to be a leader in this cause and trust that the insistence of concerned parents will not permit the few to deprive their children of the right to participate in voluntary prayer in the public schools.

## DECLARATION FOR A REVISED AND UPGRADED NATIONAL MARITIME POLICY

(Mr. TIERNAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. TIERNAN. Mr. Speaker, due to the recent declaration for a revised and upgraded national maritime policy, and because of the current intermodal and joint rate endeavors by our transportation regulatory agencies, I bring to the attention of the Congress a speech recently made before the National Defense Transportation Association's Container Seminar by Commissioner George H. Hearn of the Federal Maritime Commission, stating some very important facts concerning our merchant marine and that of international maritime powers, as well as the cooperative manner in which the FMC is attempting to help the shipper by allowing joint or intermodal rates to be filed. The manner in which the Federal Maritime Commission is cooperating on this important procedure should be a good example to all regulatory agencies which function, as we all know, as arms of the Congress.

Mr. Speaker, it is my pleasure to place Mr. Hearn's speech in the RECORD at this point:

REMARKS OF COMMISSIONER GEORGE H. HEARN

Upon receiving your invitation to address this Container Seminar, my first thought was of the N.D.T.A. conventions, both here in the United States and abroad, that I have had the pleasure and privilege of participating in. I immediately called my old friend, Chuck Brazie, for a rundown of the event and when I heard that Irv Roth, the Director of the Bureau of Economics, of the Civil Aeronautics Board was also appearing on this panel, I was honored to have been invited. I am also happy for you since, in my opinion, he is eminently knowledgeable in not only aviation transportation, but in all aspects of this great transportation industry.

Although the topic of the panel is "Single Factor Tariff Rates", I thought that in addition to discussing that current important issue I would bring to the N.D.T.A.'s attention several facts concerning protectionism, maritime policy and national flag participation in foreign waterborne commerce by international maritime nations today. I would like to develop that topic rather than just make you aware of the current worldwide situation, but I leave that for a later talk at possibly another forum since "Single Factor Tariff Rates" are the order of the day here. For now I will make some brief comments concerning nationalism and protectionism in foreign commerce.

Recently we heard a plea from England which called for a reduction in government control over maritime affairs. It was alleged that the growth of nationalism and protectionism in shipping is affecting the ability of efficient ship owners to operate as cheaply as possible. The result, it was said, will be a rise in the cost of transportation.

Aside from these generalities, a specific charge was directed at the United States. It was contended that substantial subsidization and protection for a modern United States fleet would be disastrous for other flags.

These statements, I believe, lack a firm foundation in fact. There is no doubt that nationalism and protectionism is widely practiced in marine industries. A recent Maritime Administration publication, *Maritime Subsidies*, reveals that of 49 maritime nations examined 47 engage in some form of subsidization. Such practices take many forms. They include flag discrimination, direct subsidies, tax preferences, bilateralism and other devices.

All such practices should not, however, be condemned in toto. There must be a recognition of the purpose of the particular form of national protection for each country. The merchant marine industry does not play the same role in the economy of all maritime nations. I find surprising, therefore, the allegation that a maritime program in the United States designed to improve our fleet will have disastrous consequences around the world.

The crux of the complaint may be that the efficiency of some ship owners will be threatened by the more modern and more efficient fleets of other shipowners. My view is that if one country, such as the United States, can find a way to build a very modern and efficient merchant marine, other nations will be encouraged to meet the competition. And as it is so often said: in a service industry like transportation, competition is the name of the game.

The meaning of the challenge of competition can perhaps be seen in certain foreign trade figures. According to the latest available information, of the total foreign waterborne commerce of the United Kingdom, 37% is carried in British flag vessels. The comparable percentage for some other leading maritime nations is Norway—43%, Japan—46%, Greece—31%, West Germany—30%, Sweden—30%, France—48%.

In the United States the picture is quite different. While the United States ranks first in the value of its total foreign trade, our flag vessels carry only 6% of the cargo moving in our waterborne commerce.

This country cannot, therefore, be faulted for trying to revitalize and modernize its merchant fleet. The figures I have cited belie the charge that a modern and efficient United States fleet will be disastrous to world shipping when it is seen that some countries carry almost 50% of their ocean commerce, while we carry only 6%.

One further important point must, however, be borne in mind. While a subsidy program may rebuild and modernize our merchant fleet, it will be to no avail if American flag carriers do not increase their share of our ocean commerce.

If the United States is to improve its posi-

tion in waterborne commerce, a modern fleet is not enough. Among the crucial factors, within the United States the government and industry must be attuned to modern developments in transportation. One of these developments is joint rate and through route transportation systems.

In order to help bring the government into a concerted effort with industry, the Federal Maritime Commission is seeking to overcome regulatory inhibitions to the establishment of joint rate systems. I would like now briefly to indicate the steps that we have taken.

Revitilization by subsidy is fine but if American flag carriers are not carrying more of our cargo we will be in trouble and our fleets beyond help.

The entire subject matter of joint rates has been clouded over by doubts and confusion within the transportation industry and the shipping public. The source of the problems relating to joint rates is the fact that different modes of transportation subject to different regulatory agencies, are involved. All three of our transportation agencies are concerned—the Civil Aeronautics Board, the Interstate Commerce Commission and the Federal Maritime Commission. I will speak, however, only of the efforts being made by the Federal Maritime Commission and the Interstate Commerce Commission.

In August of this year the I.C.C. published a rule setting forth the requirements for the filing of joint rates with that agency. The immediate reaction of the Federal Maritime Commission was to request the I.C.C. to delay implementation of its rule pending consultation with the F.M.C., representatives of the industry and the shipping public.

The F.M.C. took that position because it is the agency which is responsible for the regulation of ocean transportation which forms a significant—if not dominant—part of joint rate systems. Thus the F.M.C. has a vital interest in any rule or regulation which affects ocean transportation. We wished to provide the I.C.C. with the best thinking of the agency having expertise in the field of ocean transportation in order to carry out and coordinate the desires of both agencies to facilitate the development of through intermodal transportation. The F.M.C is desirous only that the I.C.C. and F.M.C. work hand-in-hand so that joint rate transportation develops with a strong foundation.

In response to the F.M.C. plea for delay, the I.C.C. did postpone the implementation of its rule and asked for comments on the rule from interested parties. The F.M.C. filed comments with the I.C.C., and also initiated its own rule-making proceeding. These two actions by the F.M.C. are intended to insure a coordinated and effective control over through international rates.

The F.M.C. supports the intention of the I.C.C., but we believe that their rule in its proposed form is inadequate to carry out its purposes and might actually hinder them. If these shortcomings are not eliminated the proposed I.C.C. rule will have a number of undesirable consequences. I will briefly mention a few of these.

*First* of all, the rule as proposed does not distinguish between the portion of a joint rate which represents the inland carrier's participation as opposed to that of other participants. The failure to make that distinction will have several unfortunate ramifications.

Without the ability to determine the inland portion of a joint rate, the I.C.C. will be unable to determine whether a change in a joint rate is attributable to carriers subject to its jurisdiction. Thus, without a division of the rate in the tariffs, the I.C.C. might engage in inadvertent and unauthorized investigations into the lawfulness of ocean carrier rates. Furthermore, the legislative history of the Shipping Act of 1916 clearly indicates a Congressional intent that rates in foreign commerce should not be subject to suspension. The I.C.C. rule, as proposed, might cause confusion in this regard if the I.C.C. does not require that its regulated carriers separately state their portion of joint rates.

Without such separate statement, the I.C.C. might also disapprove an ocean rate by disapproving an entire joint rate. This should not be permitted because disapproval of an ocean carrier's rate is an action for which no standards exist under the Interstate Commerce Act. Standards for disapproval do exist in the Shipping Act of 1916.

Also, under the Interstate Commerce Act, the I.C.C. could not administer Shipping Act provisions such as the Section 17 prohibition against undue prejudice to exporters in our foreign commerce. The inability of the I.C.C. to apply such sections, together with the lack of separate identification of the inland carrier's rate, might appear to remove the protection which Congress intended the American exporter to have.

Other protections cast into doubt by the I.C.C. rule are those relating to dual rate contracts. Section 14b of the 1916 Act entrusts the F.M.C. with the responsibility for approving such contracts and insuring that the contracts contain statutorily required safeguards for shippers. The failure of the I.C.C. rule to distinguish between the ocean and inland carrier's participation makes uncertain the availability of the system itself and these safeguards.

Another problem involves the portion of a joint rate attributable to the foreign inland leg of the service. Unless the I.C.C. requires a break-out of the segment subject to its jurisdiction, there is no way the F.M.C. can identify the foreign inland portion. This will be true even though the F.M.C. already requires ocean carriers to separately state the port-to-port portion of their rates in tariff filings.

A *second* undesirable consequence is that the I.C.C. rule, as written, does not identify the carrier responsible for filing. This could lead to controversy as to whether the I.C.C. intends to require F.M.C. regulated carriers to file at the I.C.C., and I do not think the I.C.C. has the power to require and accept such filings.

*Third,* the rule as proposed is unclear as to whether conferences of ocean carriers may participate in joint rate tariffs filed with the I.C.C. Such conferences are the dominant factor in ocean commere and should not be precluded from participation.

To avoid these shortcomings the F.M.C. has included in its comments to the I.C.C. suggested modifications of its rule. We have suggested that the rule require identification of the portion of the rate to be collected by the I.C.C. regulated carrier, that the rule provide specifically that the I.C.C. regulated carrier is the participant responsible for filing the joint rate with the I.C.C., and that conferences of ocean carriers be permitted to participate in joint rates filed with the I.C.C.

As I said earlier, the F.M.C. has submitted its comments to the I.C.C. in a spirit of cooperation. We, therefore, have made no suggestions to the I.C.C. which we are not prepared to implement within the scope of the regulatory activity of the F.M.C. Evidence of this is in our own rule-making proceeding which the F.M.C. initiated concurrently with the filing of our comments with the I.C.C.

By our proposed rule we would require carriers subject to F.M.C. jurisdiction—and only those carriers—to file with the F.M.C. tariffs naming through rates. We believe the F.M.C. has the authority and regulatory responsibility to accept such tariffs for filing; but to avoid any uncertainty or confusion, and to establish coordination of regulation, the F.M.C. has initiated a rule-making proceeding in the matter of through rates.

According to our proposed rule, F.M.C. regulated carriers would be required to include in their tariffs a statement of the charges for the entire transportation service offered, a separate statement of the portion to be collected by the F.M.C. regulated carrier, a description of the service to be performed by each participant in the through rate, and the through route which has been established.

The F.M.C.'s rule would not extend the jurisdiction of the F.M.C. over the rates of carriers not subject to the Shipping Act of 1916. Consequently we would require F.M.C. regulated carriers to disclose their portion of through rates. This would enable the F.M.C. to determine the lawfulness of their portion under the standards of the 1916 Act.

In fact, however, ocean carriers are already required to state separately their portion of through rate arrangements. The failure to do so is a violation of Section 18(b)(1) of the Shipping Act. This requirement was affirmed last year by the F.M.C. in our famous *Container Marine Lines* case (Docket No. 68–8). That case involved tariffs of Container Marine Lines covering transportation between United States ports and points within the United Kingdom. In our decision, accepting CML's tariffs, the F.M.C. required CML to include in its tariffs an identification of the port-to-port or ocean portion of the through rate.

Nevertheless, the F.M.C. believes it desirable to have a rule as we have proposed. Such a rule would enable the F.M.C. to effectively regulate those matters within its jurisdiction and also eliminate misconceptions as to the regulatory authority involved. Hopefully the result will be that a joint rate and an authentic intermodal operation will finally come into play.

## TRIBUTE TO THE HONORABLE BROCK ADAMS

(Mr. TIERNAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. TIERNAN. Mr. Speaker, I would like to bring to the attention of my colleagues an article which appeared in the November 16 issue of the Washington Star. This focused on the consistent and conscientious work of the gentleman from the State of Washington on the District Committee.

All who know BROCK ADAMS are aware of his hard work on a committee which cannot enhance his own political career. BROCK has made it plain to all in Congress that he is interested in insuring that the people of the District of Columbia will be given their due consideration by the Congress. Certainly those who live in the District could have no better representative than BROCK ADAMS.

I have worked with BROCK on the Interstate and Foreign Commerce Committee, as well as on other congressional matters, and I concur with the statement made by another member of the District Committee, who said that BROCK is "one of the most brilliant and energetic men in Congress."

I am including a copy of this fine article in the RECORD so that all of my colleagues can join me in giving BROCK the recognition that he deserves:

BROCK ADAMS—HE'S GOT THOSE LONELY, LOSING-LIBERAL, HOUSE DISTRICT COMMITTEE-FIGHTIN' BLUES

(By Boris Weintraub)

Congressman Brock Adams is a Democrat who represents that other Washington, the state with the vote, beautiful mountains, and miles and miles of clean air. He is looked upon as the most ardent and effective procity advocate on John McMillan's House District Committee.

Adams should have asked Fred Schwengel,

or John Foley, or Abraham Multer, or even Jack Kennedy, what it was like before he agreed to serve under the rural-conservative coalition that rules the committee which more than any other single agency rules the District of Columbia. Actually, Adams probably knew what it was like because he refused the slot during his first term some six years ago. But then, second time around, he accepted, and today he pouts about the repeated frustrations of being a liberal, low-ranking member of a low-priority and low-prestige committee.

Congressman Adams is the inheritor of a long, losing tradition.

Adams is a lean, athletic-looking, youngish congressman (he's 42) in the Kennedy mold. This is not surprising, since then Attorney General Robert F. Kennedy appointed him to be a U.S. attorney in Seattle just a short spell before Adams made the run for Congress. Appropriately, his office is studded with Kennedy memorabilia, including a bust of President John F. Kennedy.

And there is another, coincidental, connection to the liberal wing of the Democratic party: Adams sounds remarkably like Hubert Humphrey, or perhaps like David Frey's imitation of Humphrey. He talks with a quivering, high-pitched, bubbling sort of stridency.

In his office, Adams unfolds his limbs around his desk chair, recounting disappointments for a reporter. 'Service on the committee is very difficult, very difficult," he says, shifting a leg for punctuation. "We are fighting an established system that's been in existence since 1948. They have done things in the same rather comfortable fashion all that time. They go on the floor on Monday (the House's traditional District Day) with their bills; few members have attended committee sessions, and those were friendly; they passed out bills as they wanted to, and they would put out any kind of bill they wanted to.

"The service can wear you down until you finally say, 'I'm getting off,'" says Adams. "I'm not a contentious person, but there is a constant rolling weight against you until someone has to stand up or violate his conscience."

Unlike those of any other House committee, the District Committee's subcommittees have no names, only numbers. Thus, McMillan has the power as chairman to assign bills as he sees fit, without worrying about whether a particular subcommittee has jurisdiction over the subject matter. In this way, he can carefully guide anything he considers important—or dangerous—to a favored subcommittee chairman like John Dowdy of Athens, Texas, or Thomas G. Abernethy of Okolona, Miss., and keep it away from a unit headed by Charles C. Diggs of Michigan, a liberal Democrat and, for good measure, a Negro.

"The leadership of this committee is such that discussions never really reach the liberal level, they only reach varying degrees of conservatism," Adams says. "Take, for example, increasing the sales tax on food. Around the country, this is no longer an issue; it's been pretty well decided that this is not a good thing. But it's still being debated here."

Getting specific, and sounding increasingly depressed, Adams talks about the parking bill fiasco. To begin at the beginning, he says, you study the parking situation here. Then you conclude that there isn't enough parking space, and that what space there is, is controlled by the big parking lot owners who set rates with no chance for the public to have a say.

As a result of your study, you work with officials and like-minded Senate colleagues and come up with a bill providing for a public parking authority with the power to condemn land for parking, set rates and in other ways work to eliminate some of the problems.

The bill is introduced in both houses. In the Senate, hearings are held before the District Committee, and everybody but the parking lot owners praises your bill. It zips through the committee and onto the Senate floor, where it breezes through on a mumbled, hurried vote of assent. And now it goes to the House and awaits only action there, and now . . .

And now nothing happens. Maybe Chairman John McMillan, of Florence, S.C., sits on the bill for months before assigning it to a subcommittee. And maybe that subcommittee is headed by Rep. Dowdy, who has a long history of opposition to any sort of public condemnation of private property.

So the session ends with no action on the bill, and a new Congress is elected, and the whole process must start all over again.

Adams and a handful of other liberals on the committee, notably Democrats Donald Fraser of Minnesota and Andrew Jacobs of Indiana and Republicans Frank Horton of New York and Gilbert Gude of Maryland, have been trying to shake things up a little, trying to convince the committee leadership that the city needs a little more and a little better than it's been getting. Adams' description of his committee battles is studded with phrases like "Fraser, Andy Jacobs and I" and "Don Fraser called Andy Jacobs and me."

But more than the others, Adams is regarded on the Hill and in the city as the key man—one of his friends on the committee calls him "one of the most brilliant and energetic men in Congress, with an absolute zest for work and natural ability for digging out information, organizing it and following through."

The proposals sponsored by or supported by Adams during his District Committee tenure include home rule, gun registration, the parking bill (twice passed by the Senate and stalled in the House), a constitutional amendment to provide the District with representation in the Congress, the commuter tax and a bill outlawing racial and religious restrictive covenants in the sale and rental of housing.

As befits a former prosecutor, he also has been concerned with crime, though in a different manner than the committee leadership. He has urged what he calls a "massive infusion of time, talent and money" into the police department, an increase in prosecution personnel, the doubling of court staff, a work release program and a big increase in parole and probation staffs to maintain "true supervision."

"This city should be a model," Adams says, sounding the idealistic line that, when you think about it, is responsible for his repeated disappointment. "We have the national treasury here, the attention of Congress, the greatest collection of intellectual talent anywhere. But instead of being a model, instead of being in the forefront of the national debate, we are arguing the concepts of being a small Southern town.

"As long as we won't let the people govern themselves, we should govern well. But we don't. I'm not talking about getting out in front of the nation; I'm talking about just getting even."

The long, generally unsuccessful, history of Adams-like liberals on McMillan's committee dates back to the 80th Congress when John F. Kennedy, a freshman congressman from Massachusetts, became a member. It is not recorded that he took much part in District affairs during his three terms on the committee, but others were pushing for home rule, for instance, even then. Hearings were held in 1949, but no bill emerged. It was to be 10 years later before hearings would be held again, this time spurred by Reps. Foley of Maryland, Multer of New York, two Democrats, and Schwengel of Iowa, a Republican.

But as happens to so many liberals in Congress, District Committee liberals often are from seats that are in jeopardy; if they are re-elected every two years by a "safe" Northern constituency, they move on to better things. Kennedy, of course, went to the Senate. Multer received a New York judgeship, and Foley and Schwengel were defeated in re-election campaigns, in each case by other liberals. (Schwengel won his seat back, and he even said he wanted back his spot on the District Committee, but he didn't get it.) Unlike some of their predecessors, Adams and his associates are trying to take a more active role in serving the city and fighting the establishment.

At the start of this year's term, Adams promised a fight against the leadership in the interest of cutting down on McMillan's power. He lost on the key issue, having subcommittees with specific areas of jurisdiction, but he won a few bones: the right of every member to question a witness for three minutes, the right to bid for membership on a subcommittee, and the right to be notified of subcommittee meetings and the subjects to be discussed at them. Incredibly, this last was an innovation on the District committee.

On a national level, Adams has passed the litmus test for liberalism—Americans for Democratic Action rated him as 92 percent liberal, with one wrong vote out of 12 last year and 88 percent correct on seven out of eight key votes this year. But he says that back home, he's considered more of a moderate, and faced opposition last year from a Peace and Freedom candidate who thought he wasn't strongly enough against the Vietnam war. Adams prevailed and won his third term since being elected in the 1964 Johnson landslide.

The Seattle district he represents is a heterogeneous one, with a little bit of everything. It has all of the state of Washington's minorities—blacks, Indians, Japanese, Chinese, Filipinos. It has Seattle's central core city with all the by-now typical problems. It has well-to-do suburbs with $50,000 homes. And it has the heart of the city's booming industrial area—the giant Boeing Aircraft plant, steel mills, shipyards—with its medium-well-off unionized workers. The people there, Adams says, don't pay much attention to his District Committee work; they're more interested in his service on Interstate and Foreign Commerce Committee.

Like most congressmen, Adams shunned District committee service when he arrived in 1965. He was approached by some people who had friends he knew in Seattle, primarily by Mrs. Joy Simonson, chairman of the District's Alcoholic Beverage Control Board, but he begged off, citing his lack of knowledge, the difficulty of service because of the committee's reputation, and what he feels is a definite attempt by the congressional structure to keep the District Committee conservative.

But Fraser, among others, kept nagging at him to join the committee—Fraser nagged at Jacobs, too, and got him to accept a spot—and Adams filled a vacancy on the committee after winning re-election in 1966. By that time, two of his four children were enrolled in the District's John Eaton School in the Woodley Park area of Northwest; he and his wife followed activities in the PTA and their church, and there was a definite interest established. "More of these congressmen who are trying ot run this city should live in it." Adams says.

He tries in other ways to find out what is going on in the city, what its needs are. He has visited the District jail, both General Sessions and District Courts, many of the schools. He has assigned a staff member, a sideburned young man named Jacques Du Puy, full time on urban problems, reasoning that Seattle will have some of the District's problems in a few years and wanting to have an expert around to help head them off. (This opens the ironic possibility that Adams' District Committee service will pay off—in Seattle.) He has met with city groups and encouraged them to take an active part in committee hearings—"otherwise, you get only those witnesses selected by the committee leadership," he says.

Another source is the District government. Adams says he has a good relationship with

Mayor Walter Washington, but recognizes the "difficult position" the mayor is in:

"He has to deal with the executive branch and the committee, so we have to request the information we want, rather than have them come to us with it. The government is responsive, aware and frustrated. They must have real support from the executive to be effective, and they don't have it now."

If there was a deviation by Adams from what might commonly be thought of as the straight liberal position on District affairs, it was in his role in forcing a rider to the District's revenue bill barring any federal payment until work started on the Three Sisters Bridge.

Adams is no visionary but is a pragmatic politician (a part of the Kennedy tradition often overlooked by hagiographers).

"Both parties on this issue had their feet stuck in concrete," he says. "The result was that nothing has happened and a real transportation crisis was approaching. The only way to break the logjam was to tailor a compromise to get the necessary majority. No one is happy about it. I did what was best for the city.

"Sure, I'm worried about what will happen to all those cars when the bridge is built. That's why it's essential to get the subway built at the same time. There is no hope of solving the transportation problem with more bridges and freeways. We should complete what's started, but the only way to solve it is to build an efficient mass transit system."

If discouragement can be defined as being a liberal—or, as Brock Adams would have it, a moderate—on the House District Committee, then Adams most of the time seems the soul of discouragement when District matters are mentioned.

"If I had lost the subway fight, if that money had stayed stuck, I would have felt so compromised I would have gotten off the committee," he says, sighing. "You've got to have some successes."

Adams, of course, is a practical man, not given to vituperative attacks on the committee leadership. "They just don't understand what I'm trying to do," he says, fretfully. "These men have a completely different viewpoint of what a major, heterogeneous metropolitan area should be. They relate to a completely different environment than what you actually have here."

But then there is that other side to Brock Adams, an optimism and prosecutor's combativeness that goes well with the hard, nonsense sound of his name. Sprawling in his office chair behind the big congressman's desk, one leg stuck straight out, the other tucked up onto the seat of the chair, he pronounces that "the only hope for change is what the leadership of the national parties will do."

Then, for just a minute, there is the fighter's glint, the quickening campaigner's pace in that Hubert Humphrey voice as Adams continues: "And the only way to change them is to carry the fight to Congress, and we must be contentious. We have to bring amendments, report out bills, get to the membership, and get them to understand."

## THE TACTICAL AIR COMMAND

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I believe all the Members of the House and all those who read this RECORD will be able to feel even prouder as Americans after reading the following statement regarding the Tactical Air Command. "They take the blue from the skies, a pretty girl's eye, and a touch of Old Glory too, and give it to the men who proudly wear the U.S. Air Force Blue" is part of a song written a few years ago for the Air Force, and it was never truer today. The men of the Tactical Air Command are today among the finest examples of that kind of pride a young man has in the service of his country and his flag, that kind of pride exemplified by the young men of the Tactical Air Command, the 4531st Tactical Fighter Wing at Homestead Air Force Base, Homestead, Fla. The men who proudly wear the U.S. Air Force Blue.

The Tactical Air Command is represented in southern Florida by the 4531st Tactical Fighter Wing at Homestead Air Force Base. This base, although under the control of the Tactical Air Command, is a unique base and known most appropriately as "the All American Base" since it supports units of the Air Force, the Army, the Navy, the Marines, and large elements of military reserve forces, not only on the base proper but as far as 120 miles south to Key West and as far as 140 miles north of Miami. This is an extremely diversified support mission since it encompasses everything from aircraft, missiles, radar installations, administrative supplies, and special support for the President of the United States.

About 18 months ago, the command jurisdiction of Homestead Air Force Base was formally transferred from the Strategic Air Command to the Tactical Air Command; receiving command of Homestead Air Force Base on behalf of TAC was Col. Wiltz P. Seguira, 4531st Tactical Fighter Wing.

This changeover was accomplished rapidly and efficiently. The responsibility for coordinating the highly complex job of economically realining the assets of the previous command and integrating these assets, was assigned to Col. Marion A. Bradshaw, director of materiel, for the base.

The job of supporting these tremendous projects fell, primarily, to the 4531st Supply Squadron under the comman of Maj. E. D. Doran, assisted by Mr. Lyman L. Dukes, assistant chief of supply. This mission was accepted and accomplished in an enthusiastic and professional manner by the highly dedicated members of this supply squadron.

I am most delighted to bring to your attention that as a result of this dedication in the highest traditions in the service of our country, the supply squadron has been officially recognized by the commander of the Tactical Air Command as the "Best in TAC," and as a result, it is now being evaluated by the U.S. Air Force for the award of the Daedalion Supply Effectiveness Award Trophy, awarded annually to the base supply organization with the best supply performance record for the report year.

An honor such as this speaks well, not only for the 4531st Supply Squadron, but for the attitude and teamwork of all other units on this "All American Base." It is gratifying to know that this supply squadron earned for itself the honor of being the best in a major Air Force command.

Mr. Speaker, I believe this outstanding unit should be saluted by Congress and receive the appreciation from our Nation for a job well done, and for being recognized as the first such organization to be so honored at Homestead Air Force Base.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CLARK (at the request of Mr. BARRETT), for today, on account of official business.

Mr. EILBERG (at the request of Mr. ALBERT), for today, on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MILLER of Ohio); to revise and extend their remarks and include extraneous matter:)

Mr. WHALEN, for 15 minutes, today.

Mr. RHODES, for 5 minutes, today.

Mr. EDWARDS, of Alabama for 10 minutes, today.

Mr. SCHWENGEL, for 10 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. BELCHER, for 10 minutes, today.

(The following Members (at the request of Mr. CAFFERY); to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. KOCH, for 60 minutes, December 10.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MADDEN and to include an editorial.

Mr. ANDERSON of California following adoption of conference report on H.R. 12964.

(The following Members and to include extraneous matter:)

Mr. STANTON.

Mr. THOMPSON of Georgia.

Mr. REID of New York in three instances.

Mr. MCDONALD of Michigan.

Mr. ZWACH.

Mr. CONABLE.

Mr. DUNCAN.

Mr. ARENDS.

Mr. WYMAN in two instances.

Mr. DERWINSKI in two instances.

Mr. SCHWENGEL in three instances.

Mr. CLANCY.

Mr. BELL of California.

Mr. ASHBROOK.

Mr. CUNNINGHAM in five instances.

Mr. TAFT.

(The following Members and to include extraneous matter:)

Mr. MOSS.

Mr. PICKLE in two instances.

Mr. YATES in two instances.

Mr. YATRON in two instances.

Mr. GAYDOS in three instances.

Mr. OTTINGER.

Mr. DENT.

Mr. HANNA in five instances.

Mr. FRASER in two instances.

Mr. LONG of Maryland in two instances.

Mr. BURKE of Massachusetts.
Mr. RARICK in three instances.
Mr. WOLFF in two instances.
Mr. LOWENSTEIN in five instances.
Mr. MIKVA in six instances.
Mr. HELSTOSKI in two instances.
Mr. HUNGATE.
Mr. GONZALEZ in two instances.
Mr. EVANS of Colorado.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1232. An act to declare and determine the policy of the Congress with respect to the primary authority of the several States to control, regulate, and manage fish and wildlife within their territorial boundaries; to confirm to the several States such primary authority and responsibility with respect to the management, regulation, and control of fish and wildlife on lands owned by the United States; and to specify the exceptions applicable thereto; and to provide procedure under which Federal agencies may otherwise regulate the taking of fish and game on such lands; to the Committee on Merchant Marine and Fisheries.

S. 2619. An act to amend 5723(b) of title 5, United States Code, relating to length of service required by teachers in Bureau of Indian Affairs schools when travel and transportation expenses are paid to first post of duty; to the Committee on Government operations.

S. 2940. An act to amend the Act of June 28, 1948, as amended, relating to the acquisition of property for the Independence National Historical Park; to the Committee on Interior and Insular Affairs.

## ENROLLED BILLS SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 13767. An act to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes.

## BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 13767. An act to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes.

## ADJOURNMENT

Mr. CAFFERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 40 minutes p.m.), the House adjourned until tomorrow, Wednesday, December 10, 1969, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1399. A letter from the Comptroller General of the United States, transmitting a report on U.S. assistance of the Kingdom of Thailand, Department of State, Department of Defense, Agency for International Development; to the Committee on Government Operations.

1400. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of the Interior for "Education and welfare services," Bureau of Indian Affairs, for the fiscal year 1970, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to the provisions of section 3679 of the Revised Statutes (31 U.S.C. 665); to the Committee on Appropriations.

1401. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in setting claims for termination of communications services, Department of Defense, Federal Communications Commission; to the Committee on Government Operations.

1402. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of August 9, 1955, to authorize longer term leases of Indian lands on the Yavapai-Prescott Community Reservation in Arizona; to the Committee on Interior and Insular Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 14733. A bill to amend the Public Health Service Act to extend the program of assistance for health services for domestic migrant agricultural workers and for other purposes; without amendment (Rept. No. 91–711). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 14790. A bill to amend the Public Health Service Act so as to extend for an additional period the authority to make formula grants to schools of public health; with an amendment (Rept. 91–712). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. House Joint Resolution 506. Joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas; without amendment (Rept. No. 91–713). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 14289. A bill to amend the act of March 4, 1921, to place the counties of El Paso and Hudspeth, Tex., in the mountain standard time zone; with amendments (Rept. 91–714). Referred to the House Calendar.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 13407. A bill to consent to the amendment of the Pacific Marine Fisheries Compact; without amendment (Rept. No. 91–715). Referred to the House Calendar.

Mr. HAYS: Committee on Foreign Affairs. H.R. 14789. A bill to amend title VIII of the Foreign Service Act of 1946, as amended, relating to the Foreign Service Retirement and Disability System, and for other purposes; without amendment (Rept. No. 91–716). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Committee on House Administration. H.R. 13954. A bill to amend the act of August 22, 1949 (63 Stat. 623), so as to authorize the Board of Regents of the Smithsonian Institution to plan and construct museum support and depository facilities; without amendment (Rept. No. 91–722). Referred to the Committee of the Whole House on the state of the Union.

Mr. THOMPSON of New Jersey: Committee on House Administration. H.R. 13956. A bill to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act; without amendment (Rept. 91–723). Referred to the Committee of the Whole House on the state of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 13959. A bill to provide for the striking of medals in commemoration of the many contributions to the founding and early development of the State of Texas and the city of San Antonio by Jose Antonio Navarro; with an amendment (Rept. No. 91–724). Referred to the Committee of the Whole House on the state of the Union.

Mr. THOMPSON of New Jersey: Committee on House Administration. H.R. 14213. A bill to amend sections 5580 and 5581 of the Revised Statutes to provide for additional members of the Board of Regents of the Smithsonian Institution; without amendment (Rept. No. 91–725). Referred to the Committee of the Whole House on the state of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 13448. A bill to authorize the exchange, upon terms fully protecting the public interest, of the lands and buildings now constituting the U.S. Public Health Service Hospital at New Orleans, La., for lands upon which a new U.S. Public Health Service Hospital at New Orleans, La., may be located; without amendment (Rept. No. 91–726). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDREWS of Alabama: Committee of Conference. Conference report on H.R. 13763 (Rept. No. 91–727). Ordered to be printed.

Mr PATMAN: Committee of Conference. Conference report on H.R. 7491 (Rept. No. 91–728). Ordered to be printed.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on Agriculture. H.R. 7161. A bill for the relief of Leonard N. Rogers, John P. Corcoran, Mrs. Charles W. (Ethel J.) Pensinger, Marion M. Lee, and Arthur N. Lee; without amendment (Rept. No. 91–717). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Agriculture. S. 65. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Emogene Tilmon of Logan County, Ark.; with an amendment (Rept. No. 91–718). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Agriculture. S. 80. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Enoch A. Lowder of Logan County, Ark.; with an amendment (Rept. No. 91–719). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Agriculture. S. 81. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to J. B. Smith and Sula E. Smith, of Magazine, Ark.; with amendments (Rept. No. 91–720). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Agriculture.

S. 82. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay and similar materials in certain lands to Wayne Tilmon and Emogene Tilmon of Logan County, Ark.; with an amendment (Rept. No. 91–721). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL of Virginia:

H.R. 15151. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries of officers and members of the Metropolitan Police force and the Fire Department, to amend the District of Columbia Teachers' Salary Act of 1955 to increase the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, to amend the District of Columbia revenue laws, and for other purposes; to the Committee on the District of Columbia.

By Mr. CHAMBERLAIN:

H.R. 15152. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DENT:

H.R. 15153. A bill to amend the Walsh-Healey Public Contracts Act, as amended, to exempt certain transportation employees of private carriers from the overtime compensation and hours worked provision of the act; to the Committee on the Judiciary.

By Mr. GIBBONS:

H.R. 15154. A bill to amend title 18 of the United States Code by adding a new chapter 404 to establish an Institue for Continuing Studies of Juvenile Justice; to the Committee on the Judiciary.

By Mr. HARRINGTON:

H.R. 15155. A bill to provide certain essential assistance to the U.S. fishing industry; to the Committee on Merchant Marine and Fisheries.

By Mr. SCHWENGEL:

H.R. 15156. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. SIKES:

H.R. 15157. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. SPRINGER:

H.R. 15158. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute of Gerontology; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself and Mr. SPRINGER):

H.R. 15159. A bill to amend the Public Health Service Act to provide for special project grants for the provision of family planning services and related research, training, and technical assistance; to the Committee on Interstate and Foreign Commerce.

H.R. 15160. A bill to amend the Mental Retardation Facilities Construction Act to extend and improve the provisions thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER of Arizona:

H.R. 15161. A bill to amend the act of August 9, 1955, to authorize longer term leases of Indian lands on the Yavapai-Prescott Community Reservation in Arizona; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of Georgia:

H.R. 15162. A bill to prohibit public officials from operating dual school systems, and from requiring racial balance in school systems, and for other purposes; to the Committee on Education and Labor.

By Mr. WHITEHURST:

H.R. 15163. A bill to prohibit public officials from operating dual school systems, and from requiring racial balance in school systems, and for other purposes; to the Committee on Education and Labor.

By Mr. BLATNIK:

H.R. 15164. A bill to amend the Tariff Act of 1930 so as to exempt certain private aircraft entering or departing from the United States and Canada at night or on Sunday or a holiday from provisions requiring payment to the United States for overtime services of customs officers and employees; to the Committee on Ways and Means.

By Mr. BLATNIK (for himself, Mr. HOLIFIELD, Mr. JONES of Alabama, Mr. ROSENTHAL, Mrs. DWYER, Mr. ERLENBORN, Mr. BROWN of Ohio, and Mr. FINDLEY):

H.R. 15165. A bill to establish a Commission on Population Growth and the American Future; to the Committee on Government Operations.

By Mr. FALLON (for himself and Mr. BLATNIK, Mr. JONES of Alabama, Mr. EDMONDSON, Mr. CRAMER, Mr. HARSHA, and Mr. DON H. CLAUSEN):

H.R. 15166. A bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and other purposes; to the Committee on Public Works.

By Mr. FARBSTEIN:

H.R. 15167. A bill to amend title 28, United States Code, to provide amnesty for certain first offenders under Federal criminal law, and for other purposes; to the Committee on the Judiciary.

H.R. 15168. A bill to amend title II of the Social Security Act to provide for the payment of social security benefits on a semimonthly basis; to the Committee on Ways and Means.

By Mr. THOMPSON of Georgia:

H.R. 15169. A bill to amend the Watershed Protection and Flood Prevention Act of 1954, as amended; to the Committee on Agriculture.

By Mr. TIERNAN (by request):

R.R. 15170. A bill to amend the Railway Labor Act in order to change the number of members of the National Railroad Adjustment Board; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN (for himself, Mr. HECHLER of West Virginia, Mr. SCHEUER, and Mr. STOKES):

H.R. 15171. A bill to amend the Communications Act of 1934 to prescribe fees for applications for new commercial television broadcasting station licenses and for renewal of such licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. WHALEN (for himself, Mr. BIESTER, Mr. MCCLOSKEY, and Mr. RAILSBACK):

H.R. 15172. A bill to amend title 10, United States Code, in order to improve the judicial machinery of military courts-martial by removing defense counsel and jury selection from the control of a military commander who convenes a court-martial and by creating an independent trial command for the purpose of preventing command influence or the appearance of command influence from adversely affecting the fairness of military judicial proceedings; to the Committee on Armed Services.

By Mr. WHALEN (for himself, Mr. ASHLEY, Mr. BINGHAM, Mr. BOLAND, Mr. BURTON of California, Mr. DIGGS, Mr. EDWARDS of California, Mr. LEGGETT, Mr. LOWENSTEIN, Mr. MIKVA, Mr. MOSHER, Mr. MOSS, Mr. OTTINGER, Mr. PUCINSKI, Mr. REES, Mr. ROSENTHAL, Mr. ST GERMAIN, Mr. SCHEUER, Mr. STAFFORD, Mr. STOKES, Mr. TAFT, Mr. CHARLES H. WILSON, Mr. YATES, and Mr. CONYERS):

H.R. 15173. A bill to create a catalog of Federal assistance programs, and for other purposes; to the Committee on Government Operations.

By Mr. BELL of California:

H.J. Res. 1025. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. COLMER:

H.J. Res. 1026. Joint resolution proposing an amendment to the Constitution of the Unnited States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. CORMAN:

H.J. Res. 1027. Joint resolution to give immediate effect to the provisions of the Child Protection and Toy Safety Act of 1969; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBBONS:

H.J. Res. 1028. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. MONAGAN:

H. Con. Res. 465. Concurrent resolution expressing the sense of the Congress concerning assistance to Czechoslovak refugees; to the Committee on Foreign Affairs.

By Mr. BROTZMAN (for himself and Mr. BIESTER):

H. Res. 745. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEALL of Maryland:

H.R. 15174. A bill for the relief of Mrs. Mary Jane Robb Frye Harden; to the Committee on the Judiciary.

By Mr. FLOOD:

H.R. 15175. A bill for the relief of Kimoko Ann Duke; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 15176. A bill for the relief of Miss Ngan Fei Mo; to the Committee on the Judiciary.

By Mr. UDALL:

H.R. 15177. A bill to authorize the Secretary of the Interior to convey certain lands situated in Arizona to Mrs. Hallie Griffin; to the Committee on Interior and Insular Affairs.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

352. By the SPEAKER: Petition of the 34th Infantry Division Association, Des Moines, Iowa, relative to equalization of retired pay of members of the uniformed services of equal rank and years of service; to the Committee on Armed Services.

353. Also, petition of the National Association of State Departments of Agriculture, relative to the repeal of cargo preferance; to the Committee on Banking and Currency.

354. Also, petition of the executive board, district 5, United Mine Workers of America, Pittsburgh, Pa., relative to a report of the U.S. Department of Labor concerning the United Mine Workers; to the Committee on Education and Labor.

# EXTENSIONS OF REMARKS

## REVERSION OF OKINAWA TO JAPANESE CONTROL

### HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, December 9, 1969*

Mr. BYRD of Virginia. Mr. President, the Northern Virginia Daily, of Strasburg, Va., published, on December 4, a thoughtful editorial on the subject of the recent talks between President Nixon and Japanese Prime Minister Sato relative to reversion of Okinawa to Japanese control. The editor of the Northern Virginia Daily is James J. Crawford.

I ask unanimous consent that the editorial, entitled "The Okinawa Talks," be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE OKINAWA TALKS

There appears to be wide-spread misunderstanding regarding the outcome of President Nixon's consultations with Japanese Prime Minister Sato on the future return of Okinawa to Japanese sovereignty.

We raise the question now because many Americans, including some of our readers, are under the impression that the communique issued by the President and the Prime Minister, at the conclusion of their talks on November 21st, categorically agreed to the return of the island to Japan by 1972. This was not the case.

Prime Minister Sato, who is under tremendous political pressure at home for return of the territory, did not get, nor did he expect to get, an unrestricted promise of compliance by the U.S.

What the President and the Prime Minister agreed to was, first, that the two governments would immediately enter into consultations regarding specific arrangements for the return of the territory to Japanese control. Secondly, it was agreed that the consultations would be "subject to the conclusion of these specific arrangements with the necessary legislative support."

Thus, the only commitment so far made is the agreement to work together in exploring possible avenues for the future return.

Sen. Harry F. Byrd, Jr., reminds us that on November 5th the Senate served notice that any changes in treaties previously ratified by the Senate must be submitted to the Senate for approval. President Nixon, and by indirection Prime Minister Sato, acknowledged this principle by specifying in their joint communique that any specific arrangements made by them in the future regarding the sovereignty of Okinawa would be subject to legislative support action. In view of the Senate's November 5th resolution, this can only mean subject to approval of the Senate.

Though the principle of consulting the Senate on matters of this kind has not always been followed by previous administrations, it is the proper procedure. In fact, under the Constitution, the President can make treaties only with the advice and consent of the Senate, and only after two-thirds of the senators present concur. By the same token, treaties which run in perpetuity can be abrogated or changed only with the consent of the Senate.

The fact that President Nixon openly and clearly recognizes the Senate's role is reassuring. Along with Sen. Byrd, we also feel that if the U.S. is to continue its widespread military commitments in the Far East we must retain unrestricted use of Okinawa as a base.

As a result of the Nixon-Sato talks we have surrendered nothing, nor have we agreed to anything except to consult and explore the possibilities of return of the islands to Japan sometime in the future.

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## CHARLES H. FLYNN, EDITOR AND FRIEND

### HON. JOHN S. MONAGAN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. MONAGAN. Mr. Speaker—

Whenever there was a good cause to support, a good man to encourage, a good fight to win, Mr. Flynn took part.

This was in part the editorial tribute paid by the Ansonia, Conn., Evening Sentinel to its eminent editor, the late Charles H. Flynn, who died on Thanksgiving Eve, Wednesday, November 26, 1969.

I valued Charlie Flynn as a warm, personal friend and I admired him as well as a newspaper man of talent, integrity, and outstanding ability.

Connecticut has lost a powerful newspaper voice with the death of Charles H. Flynn and I heartily concur in the Ansonia Sentinel's comment that "all of us whose lives he affected for the better know that his like will not be seen again."

As a further tribute to Charles H. Flynn, I include here the text of an editorial, an orbituary story, and commentaries on his passing which appeared in the Ansonia Sentinel on November 29, 1969:

[From the Ansonia (Conn.) Sentinel, Nov. 26, 1969]

CHARLES H. FLYNN

Charles H. Flynn, whose death we mourn today, devoted his life to the Valley. As a family man, devout communicant of his church, leader in civic causes and editor of The Evening Sentinel he played a prominent and beneficial role in our community for a long generation.

Whenever there was a good cause to support, a good man to encourage, a good fight to win, Mr. Flynn took part, either personally or through the editorial columns of The Sentinel.

His reputation and influence extended far beyond the Valley, however. In point of service he was the state's senior editor, widely recognized by his colleagues as being at the head of his profession.

He took a leading part in Connecticut journalistic activities, always working to improve newspaper standards and fighting encroachments on the free flow of the news. But it was for his personal qualities that he was most widely loved and respected. Firm but fair, occasionally quick to anger but always quicker to regain his equanimity, bright, charming and humorous in personal conversation or on the public platform, Mr. Flynn made an unforgettable impact on all who were fortunate enough to know him.

All of us whose lives he affected for the better know that his life will not be seen again.

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C. H. FLYNN, 62, DIES; EDITOR OF THE SENTINEL

Charles H. Flynn, editor of The Evening Sentinel and for a generation an influential voice in the Valley and the state, died this morning in Griffin Hospital. He was 62-years-old.

Mr. Flynn devoted his life to the newspaper profession in general and to The Evening Sentinel in particular. He started at The Sentinel in 1927 as a cub reporter and rose to the paper's top news and editorial posts.

For many years his lucid, erudite editorials clarified public issues, pricked the public conscience and prodded public officials into action. Some influenced the governor and the legislature.

But his influence was exerted personally as well as through The Sentinel.

He took a prominent part in a multitude of activities benefiting his community and his church: the Valley United Fund, Catholic Family Services, the Red Cross, an orphanage, a library, a children's camp and civic and fraternal organizations.

A devoted Catholic, he was a communicant of the Church of the Assumption, Ansonia, and a member of the Assumption Parish Council.

Some years ago he summed up his philosophy of life in two sentences:

"What can anyone do but his best? With trust in God, life turns out much better than can be hoped for."

Mr. Flynn's personality made a powerful impact on those who knew him. He was usually bright, cheerful and loquacious, a quip frequently on his lips.

Occasionally, however, his features would cloud, his long shock of gray-white hair would toss above his massive head and his voice would thunder out imprecations against some malefactor or some injustice. But if he was quick to anger, he was just as quick to forgive and forget.

His Irish wit and commanding presence made him much in demand as a speaker and toastmaster through the Valley.

Charles H. Flynn was born on New Year's Day, 1907, in Derby, son of the late Charles H. Flynn and Kate Killoy Flynn.

He was a graduate of Derby High School, Class of 1924, of which he was president. He earned his bachelor of arts degree at the College of the Holy Cross, Worcester, Mass., graduating in 1929 cum laude.

It was more than 42 years ago—in 1927—that he first joined The Sentinel, temporarily suspending his studies at Holy Cross to earn money for his education. He worked as a reporter for a year before returning to college, rejoining the paper after graduation.

At The Sentinel he became friendly with a fellow reporter, Miss Eileen V. Hennessy of Ansonia. They were married in 1938 in Ansonia's Church of the Assumption. They had three children. Mrs. Flynn died in 1956.

Mr. Flynn was promoted to managing editor in 1944. He took charge of all news and editorial operations of the paper.

"A local paper has a duty to keep the community informed," he said years later. And keeping the community informed is what Flynn devoted the rest of his life to doing.

He rejected all requests to keep names of arrested persons out of the paper.

"What is fair for one is fair for all," he would say.

As managing editor of The Sentinel, Mr. Flynn gradually won a state-wide reputation among newspapermen. They named him to serve on the Connecticut Associated Press continuing Study Committee—the body that

keeps a continuous check on the quality of wire service news. He was elected secretary of the committee.

Three years ago, Mr. Flynn was elected treasurer of the Connecticut AP Circuit. Two years later, he was named vice president and then president. Last May he was re-elected president, which office he held at his death.

Mr. Flynn was also a member of the new England Society of Newspaper Editors and of Sigma Delta Chi, the national journalism fraternity.

A life-long interest was freedom of information—the unfettered flow of news from public officials through the press to the people.

"The public does not realize why reporters should have access to public information," he said. "We are not asking for a commodity to sell (the papers sell anyway). We are fighting the battle of the people. The people have the right to know."

At the time of his death, Mr. Flynn was Connecticut's senior editor in point of service.

Mr. Flynn was the first president of the old Diocesan Bureau of Social Services. He was re-elected annually ever since, the last time in May 1969. The organization became the Catholic Family Services in 1967.

He served as president and chairman of the budget committee of the old Ansonia Community Chest. When the Valley United Fund was formed, in 1968, he became its first vice-president, a position he held until his death.

Mr. Flynn also served on the board of directors of the Highland Heights Orphanage, New Haven; on the Board of Directors of the Lower Naugatuck Valley Chapter, American Red Cross; as a director of the Ansonia Public Library, and as president of the Ansonia Board of Assessors.

He was also a member of Father McKeon Division, Ancient Order of Hibernians; past district deputy of the Councils of the Knights of Columbus of the Valley, and past grand knight of Paugasset Council, Knights of Columbus, of Derby.

Mr. Flynn lived at 141 Howard Avenue, Ansonia.

Mr. Flynn is survived by two sons, Joseph P. Flynn, an Ansonia lawyer, and Spec. 4 Michael A. Flynn, U.S. Army, stationed in Germany; a daughter, Miss Eileen M. Flynn of Ansonia; a sister, Mrs. Thomas F. Keane of Stamford, and a brother, Frank Flynn of Tallahassee, Fla.

Services will be held at 10:15 a. m. Friday at the William E. Stapleton Funeral Home, 72 Howard Ave., Ansonia, with a solemn high Mass of requiem at 11 a.m. at the Church of the Assumption. Burial will be in Mount St. Peter's Cemetery, Derby.

Calling hours are 7 to 9 p.m. today and tomorrow at the funeral home.

Members of the Valley Council, K. of C., Ansonia, will meet at 7:30 p.m. tomorrow at the funeral home to pay their respects.

Paugassett Council, K. of C., Derby, will pay its respects at the same time and place.

Members of Local 285, International Typographical Union, will meet at 6:45 p.m. tomorrow at the funeral home to pay their respects.

The Ansonia Library will be closed from 10:30 to noon Friday in respect for Mr. Flynn, a member of the library board of directors.

TRIBUTES TO CHARLES H. FLYNN

Tributes to Charles H. Flynn, editor of The Evening Sentinel, who died this morning at Griffin Hospital, poured into Ansonia today from the Valley, state and nation. Here are some of them:

L. P. YALE, STATE AP CHIEF

If I may use an old, but in this case true, cliche, Charlie Flynn was a newspaperman's newspaperman.

His long experience and vast knowledge of the news business made him a valuable adviser in handling problems of the industry.

His activities in the Associated Press Connecticut Circuit, capped by his service as president—a post he held at the time of his death—were always enthusiastic, knowledgeable and solid.

THOMAS J. DODD, U.S. SENATOR

The death of Charles Flynn, editor of The Evening Sentinel is a great loss to his family, community and indeed to the whole State of Connecticut.

He was a man of great intellectual integrity. Charlie Flynn was a journalist from the old school, a good school, the school of fact and not of fiction.

I have known him for a great many years, and have often sought his advice because he was a sensible, thoughtful and reflective man. He had no poison pens among his quills.

JOHN S. MONAGAN, U.S. CONGRESSMAN

Charles Flynn was a tower of strength in the advocacy of the principles by which he lived. He spokes clearly and with conviction in defense of the rights of the individual, and in support of things of local and national interest.

His editorials have influenced decisions at the local, state, and national levels on matters of significance to the Naugatuck Valley and the State of Connecticut.

WARREN F. GARDNER, MERIDEN RECORD

There wasn't a better newspaper editor in all of Connecticut, nor a more unassuming one. Charles Flynn had personal integrity and professional competency. He had a rare way with words.

Those of us who had a professional association with Charlie over the years feel his loss deeply. I am reminded of the words that the Guilford poet, Fitz-Greene Halleck, wrote of a friend: "None knew him but to love him nor mentioned his name but in praise."

STEPHEN A. COLLINS, DANBURY NEWS-TIMES

Charles H. Flynn held the esteem of his fellow editors for his high standards.

Their admiration was for his craftsmanship with words and their respect for his wide knowledge of his area and the manner in which he sought to serve the best interests of the readers of The Evening Sentinel.

Most of all he was a friendly man in the finest sense of that word. Even his frequent quips could not hide his deep affection for mankind.

JOSEPH B. BUCKLEY, STATE SENATOR

He did more than just put out a newspaper. He made news through his extensive investigations and questioning. Through his editorials and prodding of local officials and congressmen, he helped the $15.3 million flood-control project in Ansonia and Derby become a success. The project would not be there today without his efforts.

JOSEPH A. DOYLE, EX-ANSONIA MAYOR

Charles Flynn followed the flood-control program for 12 years on his own, often writing letters on his own in addition to his newspaper writings.

We are all saddened by his death. He dearly loved Ansonia and the Valley and through his pen, he inspired citizens in times of distress and stimulated all of us to achieve greater heights for our community.

GUY MARCUCIO, GRAND KNIGHT

Paugassett Council, Knights of Columbus, of Derby has learned with deep sorrow of the death of Past Grand Knight Charles Flynn. Although he had many commitments, his deep interest in the Council never abated.

REV. JOSEPH PETTIT, CFS DIRECTOR

As president of the Catholic Family Service Advisory Board he gave leadership and direction to the agency.

Without his help through many years, this agency could not have risen to the stature it now enjoys. For this untiring effort we in the community will always be grateful.

Charlie Flynn was a person of strong faith and manly love for God and his fellow human beings. Those who knew him will never forget him in death.

JOSEPH A. SMITH, VALLEY UNITED FUND

One of Charles Flynn's proudest accomplishments was to have worked successfully with others for the development of the Valley United Fund. This he did from the first days as president of the Ansonia Community Chest in 1965, a position he held until 1967 when he became first vice-president of the new United Fund.

In that office, one for which he was again nominated this year, he gave of his time and energy most unstintingly.

He was active at almost every executive and board meeting of the Valley United Fund. He discussed, and aided in the new approach to the new directions with which our emerging organization has been constantly confronted.

THOMAS J. NELLIGAN, EX-ANSONIA MAYOR

He was a tremendous help to me when I was mayor. His advice was always worthwhile and I will miss him very much. He was a wonderful man and will be missed by the whole city.

FRANK FITZGERALD SR., EX-ANSONIA MAYOR

Charlie was one of our foremost citizens with a deep interest in the affairs of the city. He was always willing to cooperate in anything in the interest of the welfare of the public.

PAUL SCHUMACHER SR., TOWN, CITY CLERK

There are many scrapbooks in the city that bear his wonderful editorials and his nostalgic recordings of events in the Valley. He fought like the devil for anything he thought was right for the Valley.

LEO T. MOLLOY, EX-DERBY EDITOR

Mr. Flynn was an excellent writer and a fine reporter. He had a profound knowledge of world and domestic affairs and was always keenly aware of happenings in the Valley.

His knowledge was reflected in his editorials. His passing will be deeply felt by his associates in the newspaper world and his many friends and acquaintances in the Valley.

HERBERT A. STOCKING, FORMER CITY EDITOR

The Connecticut newspaper profession has lost one of its ablest, honest and fearless members, one with keen editorial insight.

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## PRESIDENT'S NEWS CONFERENCE ON FOREIGN AND DOMESTIC AFFAIRS

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## HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, December 9, 1969*

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks the transcript of the President's news conference yesterday on foreign and domestic affairs.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 9, 1969]

TRANSCRIPT OF THE PRESIDENT'S NEWS CONFERENCE ON FOREIGN AND DOMESTIC AFFAIRS

*Following is a transcript of President Nixon's news conference last night, as recorded by The New York Times:*

Nixon. Won't you be seated, Mr. Smith.

Q. Mr. President, do you see any signs of the Vietnam war cooling off?

A. Well, looking over the long period—yes.

As far as recent weeks are concerned, since my speech of Nov. 3, no significant change. When we compare the situation with regard to infiltration and casualties this year with last year, there is a great difference. And looking to the future, if that situation continues I believe that we can see that the Vietnam war will come to a conclusion—regardless of what happens at the bargaining table. And it will come to a conclusion as a result of the plan that we have instituted, on which we are embarked, for replacing American troops with Vietnamese forces.

MYLAI MASSACRE

Q. In your opinion, was what happened at Mylai a massacre, an alleged massacre, or what was it, and what do you think can be done to prevent things like this? And if it was a massacre, do you think it was justifiable on military or other grounds?

A. Well, trying to answer all of those questions, in sorting it out, I would start first with this statement: What appears was certainly a massacre, and under no circumstances was it justified. One of the goals we are fighting for in Vietnam is to keep the people from South Vietnam from having imposed upon them a government which has atrocity against civilians as one of its policies, and we cannot ever condone or use atrocities against civilians in order to accomplish that goal.

Now when you used the word "alleged," that is only proper in terms of the individuals involved. Under our system a man is not guilty until proved to be so. And there are several individuals involved here who will be tried by military courts, and consequently we should say "alleged" as far as they are concerned until they are proved guilty.

As far as this kind of activity is concerned, I believe it is an isolated incident. Certainly within this Administration we are doing everything possible to find out whether it was isolated, and so far our investigation indicates that it was. And as far as the future is concerned, I would only add this one point: Looking at the other side of the coin, we have a million, two hundred thousand Americans who have been in Vietnam. Forty thousand of them have given their lives.

Virtually all of them have helped the people of Vietnam in one way or another. They built roads and schools; they built churches and pagodas. The Marines alone this year have built over 250,000 churches, pagodas and temples for the people of Vietnam. And our soldiers in Vietnam and sailors and airmen this year alone contributed three-quarters of a million dollars to help the people of South Vietnam.

Now this record of generosity, of decency, must not be allowed to be smeared and slurred because of this kind of an incident. That's why I'm going to do everything I possibly can to see that all the facts in this incident are brought to light, and that those who are charged, if they are found guilty, are punished, because if it is isolated it is against our policy and we shall see to it that what these men did—if they did it—does not smear the decent men that have gone to Vietnam in a very, in my opinion, important cause.

AGNEW AND MEDIA

Q. Mr. President, Vice President Agnew in recent weeks has made two speeches in which he has criticized the news media—broadcasting in particular.

A. Yes, I know.

Q. What, if anything, in those speeches is there with which you disagree?

A. Before this audience? The Vice President does not clear his speeches with me, just as I did not clear my speeches with President Eisenhower. However, I believe that the Vice President rendered a public service in talking in a very dignified and courageous way about a problem that many Americans are concerned about, and that is the coverage by news media—and particularly television news media—of public figures.

Now let me be quite precise. He did not advocate censorship. On the contrary, he advocated that there should be free expression. He did not oppose bias. On the contrary, he recognized—as I do—that there should be opinion.

Let me say on that score that I don't want a bunch of intellectual eunuchs either writing the news or talking about the news. I like excitement in the news, whether it's on television or whether it's in the columns.

He did say, and perhaps this point should be well taken, that television stations might well follow the practice of newspapers of separating news from opinion. When opinion is expressed, label it so, but don't mix the opinion in with the reporting of the news.

It seems to me these were useful suggestions. Perhaps the networks disagreed with the criticisms, but I would suggest that they should be just as dignified and just as reasonable in answering the criticisms as he was in making them.

TAX REFORM BILL

Q. Sir, if the final version of the tax reform bill now pending in Congress includes the Senate-adopted $800 exemption provision and the 15 per cent Social Security increase, can you sign it?

A. No.

Q. May I go back to Mr. Parnell's question, asked in the light of the Mylai incident. Would you prefer a civilian commission, something other than a military inquiry in this case?

A. Mr. Thyss, I do not believe that a civilian commission, at this time, would be useful. I believe that the matter now is in the judicial process and that a civilian commission might be, and very properly could be used, by the defendants' attorneys as having prejudiced their rights.

Now if it should happen that the judicial process, as set up by the military under the new law passed by Congress, does not prove to be adequate in bringing this incident completely before the public, as it should be brought before the public, then I would consider a commission. But not at this time.

Q. Mr. President, Secretary of Defense Laird is reported to have said that you would be expected to announce a further troop cutback from Vietnam later this month, probably 40,000 men. Also today, Senator George Aiken is reported as having said that you have already withdrawn, or ordered withdrawn, another 9,000 that was not announced. Could you give us your thinking and the prospects and the substance of both of those reports?

A. As I indicated in my speech on television on Nov. 3, the reports from Vietnam with regard to infiltration and with regard to casualties and with regard to the training of the South Vietnamese indicate more progress on all fronts than we had anticipated when we started our troop schedule withdrawal in June.

There will be a troop cut with a replacement by South Vietnamese later this month, I would say within the next two to three weeks. As far as the number is concerned, the number is still under consideration. It will depend upon the events and our analysis of the events between now and the time I make the announcement.

PENTAGON PERSONNEL

Q. Mr. President, there are two flagrant instances of intimidation and harassment and threats against Pentagon personnel who may have divulged information to Congress and to the public about cost overruns, and mismanagement and irregular industrial alliances. These two instances are related because some of the same people are involved.

I refer, one, to a disgusting, Gestapo-like interrogation of Pentagon personnel to see who leaked information to Sarah McClendon for news stories. This involves Barry J. Shilako and Edward Sheridan. I also refer to the firing of A. Ernest Fitzgerald, whose divulgement of cost overruns saved the American people $2-billion. His greatest critics were Dr. Robert Luke and Barry J. Shilako. Can you do something about this, please, sir?

A. I better after the way you put that question.

CONFERENCE ON FOOD

Q. Mr. President, last week the White House Conference on Food and Nutrition strongly recommended approval of a bill which has passed the Senate to reform the food stamp program, but it's locked in the House, and another bill which would reform the school lunch program, which has passed the House but is blocked in the Senate. Your Administration is reported to be lobbying against both bills. Will you follow the recommendations of your White House conference, and what course of action will you take?

A. I favor the approach that our Administration has put before the Congress as being the more responsible approach on both scores. I will, of course, consider the recommendations of the White House conference, which will be made to me, at my request, within approximately 30 days.

There is another recommendation by the White House conference which I unfortunately cannot give really sympathetic consideration to, and that is the one recommending a $5,400 minimum for a family of four in America. That would cost approximately $70- to $80-billion in taxes, or $70- to $80-billion in increased prices. I do not say that to discredit the conference.

I simply say that all of us in this country want to end hunger in the United States. All of us want the poor to have a minimum floor, and that minimum be as high as possible. All of us, for example, want Social Security to be higher. But when I consider all of these matters, I have to think also of this fact: the fact that I as President am the one who has the primary responsibility for the cost of living in this country. Referring a moment ago to the tax question, it would be very easy for me to sign a bill which reduces taxes. But if I sign the kind of a bill which the Senate is about to pass, I would be reducing taxes for some of the American people and raising the prices for all the American people. I will not do that.

FAIRNESS OF REPORTING

Q. How fair do you think the news media has been in reporting on you, and on Vice President Agnew, and on your Administration in general?

A. Generally, I think the news media's been fair. I have no complaints about the—certainly the extent of the coverage that I have received. And I also will have no complaints just so long as the news media allows—as it does tonight—an opportunity for me to be heard directly by the people, and then the television commentators to follow me. I'll take my chances.

Q. Mr. President, do you think that the wife of the Attorney General, like the Vice President, has rendered a public service by her statements on the protest movement and on her political activities?

A. Well now, I decided when this Administration came to Washington that I would take the responsibility for answering for my own personal family and for my Cabinet family, but that each Cabinet member would answer for his family, and so I'll leave that question to the Attorney General.

SUPPORT OF POLICIES

Q. To broaden that a little bit, on Nov. the 3d you called for support for your policies in Vietnam. You since received a response that some of your aides feel is gratifying. My question is, however, have you not, with the help of Vice President Agnew—and I'm re-

ferring to some of his recent speeches—purchased this support at the cost of alienating a sizable segment of the American public and risking polarization of the country?

A. Mr. Semple, one of the problems of leadership is to take a position. I like to be liked. I don't like to say things that everybody doesn't agree with. When peace marchers come to Washington, it would be very easy to say that I agree with them, I will do what they want.

But a President has to do what he considers to be right—right for the people; right, for example, in pursuing a just peace, not just peace for our time, for a little time.

I believe that I pursue that path. I do not believe that that is a disservice to the public interest, because I believe that sometimes it is necessary to draw the line clearly—not to have enmity against those who disagree, but to make it clear that there can be no compromise where such great issues as self-determination and freedom and a just peace are involved.

SPECIAL SESSION

Q. Could you assess for us how you see now the prospects of a special session of Congress during the Christmas holidays?

A. Well I've had some conversations with some of the members of the House and Senate since I indicated to the Republican leaders that I might call that session. And I would say the jury is still out. The House is moving much more speedily, the Senate has begun more speedily. If the present progress continues at this rate, it may be that we can all have some vacation after Christmas. But, if they do not pass the appropriations bills, as I indicated, I will have to call a special session, much as I would not want to do so.

SALT POSTPONEMENT

Q. The United States today asked for a postponement in the SALT talks, the strategic arms talks. Can you tell us why, and assess the talks for us, please?

A. Well, the postponement does not have any long-range significance. It's only for the purpose of developing the positions in a proper way. As far as the progress is concerned, I would say it is encouraging. I say that somewhat cautiously because I would not want to leave out the hope that we would have an agreement within a matter of weeks, or even months.

But it is encouraging because both sides are presenting positions in a very serious way, and are not trying to make propaganda out of their positions. Both sides, I believe therefore want a limitation on strategic arms. As long as this is the case, there is a chance for an agreement.

Now it's going to take some time because what is involved here, as distinguished from the test ban and as distinguished from the nonproliferation treaty—both of which were important but which were basically peripheral issues—here you have the basic security of the United States of America and the Soviet Union involved. Therefore both must bargain hard.

But I believe that the progress to date has been good. The prospects are better than I anticipated they would be when the talks began.

ADDITION OF TROOPS

Q. Mr. President, as the Vietnamization process moves along, are there any circumstances, such as perhaps a series of defeats by the South Vietnamese Army, that might lead you to want to reverse the process of troop withdrawals and increase our troops in Vietnam?

A. I do not anticipate that at this time. I want to make it of course clear that we do not anticipate that there will not be troubles. The enemy still has the capability of launching some offensive actions, not certainly the capability that it had a year ago. It's much less because their infiltration has been less.

But the present prognosis that I think I can make is this—that we can go forward with our troop withdrawal program and that any action that the enemy takes, either against us or the South Vietnamese, can be contained without that program.

ALLIES AND TROOPS

Q. Mr. President, is there any truth in the reports that have been rather persistent for the last couple weeks that we paid Thailand something like a billion dollars for their cooperation in Vietnam? And, in that connection, where do our allies, like Thailand, South Korea and their troops, fit into our withdrawal program?

A. Well, first, with regard to the second part of the question: Both Thailand and South Korea have no intention—at least none that has been indicated to us—of withdrawing forces at the time that we are withdrawing ours, because we have a much greater commitment there than they have.

Second, with regard to the billion dollars that allegedly has been paid to Thailand, the amount is, of course, far less than that. But, quite candidly, yes, the United States is subsidizing the Thai troops. We also are subsidizing the South Korean troops. We're doing exactly what we did in Western Europe immediately after World War II when we subsidized virtually all of Western Europe, due to the fact that they could not maintain forces themselves for their own defense. These are newly developing countries; they are unable to maintain their forces for their own defense, and, therefore, we think that subsidy is correct. And I could only say this: It seems to me it makes a gread deal of sense. The Thais are in Vietnam as volunteers, and if they are willing to go there as volunteers I would much rather pay out some money to have them there than to have American men fighting there in their place.

Q. Since Ambassador Lodge resigned, you've not named a successor as chief negotiator. Is this in effect downgrading the Paris talks because they have been nonproductive?

A. No. Mr. Habib is a very competent career diplomat, and he will be able to discuss anything that is brought up seriously by the other side. We're simply waiting for a serious proposal.

NEGOTIATED PEACE

Q. Considering how things have gone in Paris, how do you now rate the chances of a negotiated settlement of the war?

A. Not good. Quite candidly, I would like to say that they were good; but looking at the present situation, the enemy's line continues to be hard; their proposals quite frivolous as the ones by the VC today. And I do not anticipate any progress on the negotiating front at this time. But I have put in this one condition: As our program for Vietnamization continues to work, and as it becomes apparent, as I believe it increasingly will, that it will succeed. I think the pressures for the enemy then to negotiate a settlement will greatly increase, because once we are out and the South Vietnamese are there, they will have a much harder individual to negotiate with than they had when we were there.

INTEGRATION POLICY

Q. Before the Supreme Court ordered immediate school integration you said you preferred a middle road policy, that is, between segregation forever and instant integration. What's your policy now?

A. To carry out what the Supreme Court has laid down. I believe in carrying out the law even though I may have disagreed as I did in this instance with the degree that the Supreme Court eventually came down with. But we'll carry out the law. Yes, sir?

TAX PROBLEM

Q. The question on your broad philosophy on the tax problem that we're all struggling with. You often pointed out that this is a very rich country, and there are some people who argue that the American people can tax themselves whenever they want to and when they are prepared to make the sacrifice in order to provide the very substantial sums that are necessary for the big problems at home, the cities getting their housing program rolling and so forth, and that we might very well do it now and get on with the job because the end of the Vietnam war apparently is not going to release very substantial amounts of fresh funds. Could you comment on this hairshirted approach to the tax problem?

A. Well, it is, it is of course a very complicated but a very fundamental question. I would put it very briefly and answer in this way.

Approximately 35 to 37 per cent of the total income of the United States goes to taxes—that is, Federal, State and local taxes. I believe that amount is high enough. I believe that when a nation takes a substantially larger portion of the national income than that for taxes, that then the nation loses its character as a free private enterprise economy and turns over and becomes primarily a state-controlled and oriented economy.

Therefore, while I believe that the United States can afford what it needs to do in many fields—including the environment and others that I will be touching upon the State of the Union—I do not want to see a substantial increase in the tax burden, or as a percentage of our gross national income.

RECORD OF CONGRESS

Q. Mr. President, getting back to the Congress for a moment, House Democratic Leader Carl Albert today said that an Administration spokesman had issued misleading statements about the Congress in an effort to undermine public confidence in it, and he went on to say, and I quote him as saying, the Administration—it's the fault of the Administration for delays, obfuscations, confusion and lack of leadership on the part of the Administration. Would you care to comment?

A. Well, that sounds like a pretty good political statement by Mr. Albert, and I can understand why he, as the majority leader, might find it necessary to make that statement. However, I think he knows, as all of you know, that for six months we've had a major crime control package before the Congress with no action, for months, we've had other programs in a number of fields there without action.

This Congress has the worst record in terms of appropriations bills of any Congress in history. Now, let me say, I'm a defender of the Congress, and having said all this I'm also a defender of Carl Albert—I like him, I want to continue to work with him. I don't want to answer that question any further at this point.

NUMBER OF NEWS PARLEYS

Q. Mr. President, two related questions, sir: Why have you only had three full-dress news conferences in six months, and what is your reaction to the general philosophy among some of us in the press that the press is not doing its job if it doesn't hold an Administration—any Administration—to account without, shall we say, coziness?

A. Well, I don't think I've had any problem with regard to the press holding me to account in my political lifetime. I think if I could paraphrase Winston Churchill—a statement he made in 1914—I've always derived a great deal of benefit from criticism, and I've never known when I was short of it.

Now, as far as the press conferences are concerned, I try to have press conferences when I think there is a public interest—not just a press interest or my interest—but the public interest in having them. And

also, to use various devices; as you know, I've had conferences in my office, I had a conference in Guam, I've also made three major television addresses in prime time.

If I consider that the press and the public need more information than I'm giving through press conferences I'll have more. I welcome the opportunity to have them. I'm not afraid of them, just as the press is not afraid of me.

Q. Will our Vietnam involvement be reduced in your Administration to the point where it will command a little more public opinion than say, earlier than now?

A. Well that is certainly our goal. And I think we are well on the way to achievement of that goal. We have a plan for the reduction of American forces in Vietnam, for removing all combat forces from Vietnam, regardless of what happens in negotiations. That plan is going forward, and as I will report to the nation when I announce the troop withdrawal three weeks from now, I believe that developments since my Nov. 3 speech have been on schedule.

LIMIT ON INFORMATION

Q. Mr. President, what limits do you put on what the United — the people of the United States ought to know about the war that's going on in Laos and the American involvement in it?

A. The public interest, as far as I'm concerned, the people of the United States are entitled to know everything that they possibly can with regard to any involvement of the United States abroad. As you know, in answer to a question I think Mr. Potter asked at the last news conference, I pointed out what were the facts. There are no American combat troops in Laos. Our involvement in Laos is solely due to the request of Souvanna Phouma, the neutralist Prime Minister, who was set up there in Laos as a result of the Laos negotiation and accords that were arranged by Governor Harriman during the Kennedy Administration. We are attempting to uphold those accords, and we're doing that despite the fact that North Vietnam has 50,000 troops in Laos. We are also, as I have publicly indicated and as you know, we are interdicting the Ho Chi Minh Trail as it runs through Laos. Beyond that, I do not think the public interest would be served by any further discussions.

POSSIBILITY OF DEFICIT

Q. Budget director Mayo said recently that uncontrolled Federal spending is likely to push the fiscal '71 budget beyond the $200-billion mark and that the eventual elimination of the surtax could produce a deficit that year. I have two questions. Do you foresee the possibility of a deficit in '71? And, if that is the prospect, would you recommend continuing the surtax beyond June 30?

A. The answer to the first question—the second question is that I do not intend to recommend the continuation of the surtax beyond June 30. And with regard to the first part of the question, only by use of the Presidential veto and by impounding funds are we going to be able to avoid the kind of a situation that Director Mayo has described.

But I can assure you that I intend to use all the powers of the Presidency to stop the rise in the cost of living including the veto.

INFILTRATION INCREASES

Q. Mr. President, the enemy's infiltration has been up recently in Vietnam. Could you give us your assessment of this, specifically whether you think he is replacing losses, or building up for an offensive, and what significance could this fact have in terms of your own plans for troop reductions?

A. It has great significance because, as I have pointed out, enemy infiltration, the fact that it was down, is one of the reasons we've been able to go forward with our own troop-withdrawal programs. However, I have been analyzing these reports week by week.

The figures that we got two weeks ago seem to have been inflated. The inflation rate is not as great as we thought then. It is higher than it was a few months ago. It is still lower than it was a year ago.

We do not consider the infiltration significant enough to change our troop-withdrawal plans. Now something may occur in the next two or three weeks that may give me a different view on that, but at this time that would be my observation.

ANTIPOVERTY PROGRAM

Q. A move is under way in the House, and it's supported by the Republican leadership, to change the structure of the antipoverty program to give the Governors a veto over programs in their states. What is your position on that?

A. I support the director of O.E.O. He has asked for a two-year extension. He has pledged to reform the O.E.O., and I think he should be given the chance to reform it. I hope he's able to work out with the leadership in the House, most of whom are Republicans in this instance who want the changes and some Democrats will be able to work out some kind of accommodation with them. But of course I support my director that I've appointed.

REACHING THE YOUNG

Q. Mr. President, getting back to the polarization question. Your Administration has been charged with the failure to reach the young people—both those who protest and march and those who don't. Have you any specific plans for reaching the young people of this country?

A. I think you reach the young people more by talking to them as adults than talking to them as young people. I like to treat them as adults. I like to talk to them. I was rather encouraged by the number of letters and calls I received with regard to my Vietnam speech from young people. They didn't all agree, but at least they had listened, they had paid attention. I know a way not to reach them and that's to try to pick No. 1 as far as football teams are concerned.

## MYLAI—PROPAGANDA IS FAR FROM PROOF

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. RARICK. Mr. Speaker, those of our colleagues who are attorneys and who have been following the media trials of the alleged Mylai atrocity will, no doubt, be astounded by the actual charges and specifications on which Lieutenant Calley and Sergeant Mitchell are to stand trial.

I have received a copy of the charges from the Department of the Army on Lieutenant Calley and related material on Sergeant Mitchell which I include in my remarks for the benefit of members of the bar, with the suggestion that they conduct a mental exercise in an effort to determine how it is possible either to prosecute or defend an individual accused, and facing capital punishment, on such loose charges.

Where in the United States could anyone find a judge who would refuse a motion to quash such an indictment?

Under Anglo-American law it is necessary first to prove that a specific individual actually existed before charging someone with his murder. Even murder mysteries insist on the corpus delecti. From the shape of these charges it does not appear that the Government is prepared to prove the actual existence of a single one of the alleged victims of the alleged massacre.

Perhaps the missing piece to the puzzle is that at an appropriate time Hanoi will provide a list of names, ages, and so forth, through its "dear American friends."

Mr. Speaker, I include a copy of the above-named documents received from the Department of the Army as a part of my remarks.

The documents follow:

DEPARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
*Washington, D.C., November 24, 1969.*

*Information for Members of Congress:*

Major General Orwin C. Talbott, Commanding General of Fort Benning, Georgia announced today that First Lieutenant William L. Calley, Jr. will be tried by general court-martial for premeditated murder. This case will be tried as a capital offense. Charges and specifications are attached.

The trial will be held at Fort Benning. Date of trial is not known at this time. The date will be determined by the length of time needed by the defense and prosecution to prepare for trial. It is anticipated that this will require at least a month.

Lieutenant Calley will be represented at the trial by George W. Latimer (Salt Lake City, Utah, former judge of the Court of Military Appeals) and Major Kenneth A. Raby.

The trial will be open to the public. The Military Judge, however, is authorized to close portions of the trial to spectators to prevent the unauthorized disclosure of classified security information.

CHARGE: VIOLATION OF THE UNIFORM CODE OF MILITARY JUSTICE, ARTICLE 118

Specification 1: In that First Lieutenant William L. Calley, Jr., US Army, 40th Company, The Student Brigade, US Army Infantry School, Fort Benning, Georgia (then a member of Company C, 1st Battalion, 20th Infantry) did, at My Lai 4, Quang Ngai Province, Republic of South Vietnam, on or about 16 March 1968, with premeditation, murder four Oriental human beings, occupants of the village of My Lai 4, whose names and sexes are unknown, by means of shooting them with a rifle.

Specification 2: In that First Lieutenant William L. Calley, Jr., US Army, 40th Company, The Student Brigade, US Army Infantry School, Fort Benning, Georgia (then a member of Company C, 1st Battalion, 20th Infantry) did, at My Lai 4, Quang Ngai Province, Republic of South Vietnam, on or about 16 March 1968, with premeditation, murder an unknown number, not less than 30, Oriental human beings, males and females of various ages, whose names are unknown, occupants of the village of My Lai 4, by means of shooting them with a rifle.

Specification 3: In that First Lieutenant William L. Calley, Jr., US Army, 40th Company, The Student Bridage, US Army Infantry School, Fort Benning, Georgia (then a member of Company C, 1st Battalion, 20th Infantry) did, at My Lai 4, Quang Ngai Province, Republic of South Vietnam, on or about 16 March 1968, with premeditation, murder three Oriental human beings whose names and sexes are unknown, occupants of the village of My Lai 4, by means of shooting them with a rifle.

Specification 4: In that First Lieutenant William L. Calley, Jr., US Army, 40th Company, The Student Brigade, US Army Infantry School, Fort Benning, Georgia (then a member of Company C, 1st Battalion, 20th Infantry) did, at My Lai 4, Quang Ngai Province, Republic of South Vietnam on or about 16 March 1968, with premeditation, murder an unknown number of Oriental human beings, not less than seventy, males

and females of various ages, whose names are unknown, occupants of the village of My Lai 4, by means of shooting them with a rifle.

ADDITIONAL CHARGE: VIOLATION OF THE UNIFORM CODE OF MILITARY JUSTICE, ARTICLE 118

Specification 1: In that First Lieutenant William L. Calley, Jr., US Army, Hqs. Company, The Student Brigade, US Army Infantry School, Fort Benning, Georgia (then a member of Company C, 1st Battalion, 20th Infantry) did, at My Lai 4, Quang Ngai Province, Republic of South Vietnam, on or about 16 March 1968, with premeditation, murder one Oriental male human being, an occupant of the village of My Lai 4, whose name and age is unknown, by shooting him with a rifle.

Specification 2: In that First Lieutenant William L. Calley, Jr., US Army, Hqs. Company, The Student Brigade, US Army Infantry School, Fort Benning, Georgia (then a member of Company C, 1st Battalion, 20th infantry) did, at My Lai 4, Quang Ngai Province, Republic of South Vietnam, on or about 16 March 1968, with premeditation, murder one Oriental human being, an occupant of the village of My Lai 4, approximately two years old, whose name and sex is unknown, by shooting him with a rifle.

Staff Sergeant David Mitchell, currently assigned to Company C, 5th Battalion, 6th Infantry, 1st Armored Division, Fort Hood, Texas, has been charged with violation of Article 134, Uniform Code of Military Justice, assault with intent to commit murder. Charges involve offenses allegedly committed against Vietnamese civilians while Sergeant Mitchell was serving with the American Division in Vietnam in March 1968.

The case has been referred to investigation under Article 32, UCMJ. The investigation is continuing and the date of completion cannot be anticipated at this time. Whether the matter will be referred to trial by court-martial will be determined upon completion of the investigation. Prior to any decision to convene a court-martial it would be inappropriate for the Army to release details of the charges and specifications. To do so might prejudice the rights of the accused and of the Army.

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Statement of Service

Name: Staff Sergeant David Mitchell, RA 54 232 256.

Date and place of birth: 16 August 1940, Hardwood, Louisiana.

Home of record: St. Francisville, Louisiana.

SUMMARY OF SERVICE

From 1960 to 1962: U.S. Army Reserve not on active duty.

From Nov. 62 to Jun 63: Company A, 1st Battle Group, 12th Infantry, Fort Lewis, Wash.

From Jun 63 to Jul 64: Combat Support Company, 12th Infantry, Fort Lewis, Wash.

From Jul 64 to Aug 65: Company B, 1st Battalion, 8th Cavalry, Korea.

From Aug 65 to Sep 66: 5th Battalion, 1st Training Brigade, Fort Jackson, S.C.

From Sep 66 to Nov 66: Company C, 10th Battalion, 2d Training Brigade, Fort Bragg, N.C.

From Nov 66 to Jul 67: 5th Battalion, 1st Training Brigade, Fort Jackson, S.C.

From Jul 67 to Dec 67: Company C, 1st Battalion, 20th Infantry, 11th Infantry Brigade, Hawaii.

From Dec 67 to Nov 68: Company C, 1st Battalion, 20th Infantry, 11th Infantry Brigade, American Division, Vietnam.

From Nov 68 to Present: Company C, 5th Battalion, 6th Infantry, 1st Armored Division, Fort Hood, Texas.

AWARDS AND DECORATIONS

Vietnam Service Medal; Vietnam Campaign Medal (Vietnamese); National Defense Service Medal; Combat Infantryman Badge, and Good Conduct Medal—Second Award.

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## DEMOCRATIC PARTY REFORM IN IDAHO

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## HON. FRANK CHURCH

OF IDAHO

IN THE SENATE OF THE UNITED STATES

*Tuesday, December 9, 1969*

Mr. CHURCH. Mr. President, on August 25, 1968—prior to the opening of the Democratic National Convention at Chicago—I stated that the "time has come to face the fact that the convention system is obsolete. National conventions, for both parties, are a remnant of 19th-century horse-and-buggy politics."

The 1968 national conventions, of both parties, offered astringent proof of the need for reform. Indeed, this was apparent at the time, as evidenced by the Democratic National Convention's resolution directing State parties to democratize the selection of their convention delegates.

While such reform is an essential beginning, it is not a final answer. Selecting a presidential candidate is much too serious a business to be transacted at a political carnival—where the voice of the people is all too often lost in the clamor and confusion of the convention hall. Too often it is purely a matter of accident if the nominee turns out to be the man the people really want.

Because of my conviction that we must replace the archaic convention system with a presidential primary, national in scope, where party candidates for President and Vice President will be nominated by direct vote of the people, it was with great interest that I recently read a proposal of a longtime friend and fellow Idahoan, Mr. Charles E. Bilyeu of Pocatello, in support of these objectives.

"Chick" Bilyeu is no armchair politician. As Democratic Party chairman for Bannock County and a popular faculty member at Idaho State University in Pocatello, he serves an area noted for "politics by participation," where all are encouraged to take a hand in the political process. For Chick, politics is also a family avocation. Mrs. Bilyeu, in addition to her many other activities, is a State senator in Idaho's Legislature.

I found it significant that the opportunity for Chick Bilyeu's presentation calling for a presidential primary was a public meeting in Idaho Falls sponsored by the Idaho Democratic Party to obtain—directly from the voters—their views on election reform in Idaho.

This effort is being coordinated by a committee established by the Idaho Democratic Party under the able chairmanship of James Donart, a noted attorney from Weiser. The committee has held public meetings throughout the State. Shortly, it will draft recommendations for the Idaho State Legislature, looking toward the necessary changes in our election laws. The Republican Party is being asked to cooperate in a spirit of mutual accommodation.

In my State, it is the Democratic Party which is taking the lead in the long-neglected area of election reform. Men like Chick Bilyeu and James Donart, among many others, are demonstrating their concern with meaningful action and creative proposals.

Mr. President, I believe that the challenging outline for a presidential primary laid out by Mr. Bilyeu merits the attention of every Senator. I ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

DEMOCRATIC PARTY REFORM IN IDAHO

(By Charles E. "Chick" Bilyeu)

The Democratic Party of the United States has proved once again that it is the oldest political organization in the world not by accident but because it reacts with sensitivity and sensibility to the needs of the people in a world which is continually accelerating its rate of change.

The Democratic National Convention of 1968 in Chicago was brutal in its honesty of exposing to all Americans some of the antiquated political habits our nation has come to accept as doctrine. Although these habits may be comforting to certain segments of our population, they create great discomfort for millions of our younger citizens.

The Democratic Convention of 1968 exposed shortcomings in our political system under the brilliance of spotlights generally reserved for theatrical spectaculars, and, as a result, has given many citizens the impetus to cogitate about the American system of handling the all important political aspects of our national life.

First and foremost to be considered in the American political system must be the method used to choose our Chief Executive. No longer is it acceptable to the American voter to be allowed to choose between the single candidates presented by each of the nation's major parties!

The American citizen of today has far more comprehension of the effect of political action on his own individual welfare than any citizen of any period in history. The American of 1969 wants more voice in determining his own future than ever before. So I submit the following as a proposal which, if tempered by thoughtful discussion, might generate political action in our nation that could bring a new dimension to the concept of self determination and which might reaffirm our faith in democracy in the United States.

I propose a national presidential primary in which each major political party would endorse up to five (5) nominees in a national convention. These nominees would be acceptable to their parties traditional standards and historical philosophies. This would permit each party to present to the people of the U.S. nominees of liberal, moderate, and conservative stands. Or to use hindsight the Democratic party could have endorsed in its 1968 convention V. P. Hubert Humphrey, Senator Robert Kennedy, Senator Eugene McCarthy, Senator George McGovern, and Senator Edmund Muskie. The people of the United States, in a national presidential primary, would then have named from these five outstanding Americans the one to be the Democratic candidate in the general election.

This method would maintain the necessity of the candidates adherence to party responsibility thereby preserving one of the great strengths of the two party system. This method would give all American citizens the opportunity to determine which leaders they preferred from a field of many rather than a choice of one out of two as is currently the case.

In order to implement this proposal the

national conventions should name the men of their choice by the first week in June. The national primary should be accomplished in September by the first Tuesday after Labor Day and the general election should be accomplished by November 30 in presidential election years.

The State of Idaho, in order to conform to action taken by the 1968 National Democratic Convention, should elect its delegates to the National Convention (June) at its own state convention to be held no later than the last week in April. This would allow at least one month for the state delegates to prepare for the National Convention.

In order to comply with the spirit of the 1968 National Democratic Convention, all individuals instrumental in selecting delegates to the National Convention should be elected during the calendar year of that election year. The case in point would be the election year of 1972. Therefore Idaho law should spell out in detail an election calendar which would culminate in selection of state delegates to the National Conventions *to commence after January 1, 1972.*

In keeping with the main thrust of this proposal i.e. to implement more participation at the grassroots level, Idaho Law should stipulate that precinct assemblies would be held on the first Friday in February and that precinct delegates to the Legislative District Assembly be duly elected that day and reported in writing to the legislative district chairman no later than the following Monday and that the instrument sent to the legislative district chairman be certified by the precinct committeeman and two voters registered in the precinct.

Next—Each legislative district should hold a district assembly on the second Friday in March and should elect in addition to the legislative district chairman and incumbent legislators (all of whom shall be automatic delegates) eight delegates to the state convention. These delegates shall be certified to the state chairman no later than the Monday following the assembly by the district chairman and the duly elected secretary.

Thus the election calendar would look like this visual aid.

ELECTION CALENDAR—1972

1. February—Precinct Assembly.
2. March—Leg. Dist. Assembly.
3. April—State Convention.
4. June—National Convention.
5. September—National Primary.
6. November—General Election.

Item No. 1.—The Precinct Assembly in February would comply with the 1968 Democratic National Convention resolution which stated in part that "all feasible efforts be made to assure that delegates are selected through procedures open to public participation within the calendar year of the National Convention." The function of the Precinct Assembly is to elect delegates to the Legislative District Assembly.

Item No. 2.—The Legislative District Assembly in March is preferable to a county assembly in that it adheres to the democratic principle of one man-one vote and would more nearly accomplish reapportionment in political party activities than has been the case heretofore. The function of the Legislative District Assembly is to elect delegates to the state convention.

Item No. 3.—The State Convention would need to be held in April so that state strategy along with other planning could be accomplished in sufficient time previous to the National Convention. The State Convention would elect delegates to the National Convention.

Item No. 4.—The National Convention would serve its new function best in June. Naming several favorite sons instead of one would require considerable time for each to campaign for the National Primary.

Item No. 5.—A September National Primary. This would give the candidates almost three months in which to mount a campaign for the General Election to be held before the end of November.

The foregoing proposal would satisfy the most recent expectations for more public participation within political parties and is hereby submitted for consideration by the Idaho State Democratic Party and the 1970 session of the Idaho State Legislature.

## AIR POLLUTION AND THE AUTOMOBILE

### HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. PODELL. Mr. Speaker, on December 8, 1969, I sat as a member of a congressional panel investigating automotive air pollution. The seriousness of air pollution is increasing daily. In the United States, studies have shown that auto exhausts account for 60 percent of all air pollution.

The hearings in New York City provided an excellent opportunity to discuss the controversies surrounding the problems of our environment and the possible alternatives and solutions. I believe the hearing went a long way toward clarifying some of the issues and served as an important first step toward action in this area.

Because I feel that discussion should not stop with Monday's panel, I am inserting a transcript of my remarks into the RECORD:

TEXT OF TRANSCRIPT

A thought occurred to me the other day—What about passing a law that each automobile come equipped with the following warning: "Warning: automobiles may be hazardous to your health." A bit extreme you may think? I think otherwise, and just think what an effective bumper sticker it would make!

In the 1960's urban man has become the victim rather than the master of his environment. In past centuries, man was a victim of natural disasters; today he has fallen prey to manmade disasters. Over 173 million tons of pollutants fall on the United States each year. Over 88 million tons of such waste can be traced to motor vehicle emissions. Such residue falls heaviest on the shoulders, the lungs, the eyes, and the noses of the urban man.

Physicians have delved into the physical effects of air pollution. Our elderly, our youth, individuals suffering from respiratory and pulmonary diseases have become the helpless victims of our negligence in this area. Repeated exposures to contaminated air have been known to wear down the body's defense mechanisms against respiratory disease. An association between high density living, air pollution and respiratory illness has been found by researchers. Indeed, urban living may impair health!

In many areas we have come a long way from the "let the public be damned" attitude of the 19th century. The consumer today is assumed to have certain inalienable rights—rights that were alien only a few years ago. Unfortunately, there have been notable exceptions to this new policy. In still too many cases, technology and progress have been justified only on the basis of immediate economic benefits.

I feel that the automobile industry has been guilty of disregarding public demands. Only when the clamor became loud enough, did they finally begin to activate themselves. Yet, today, effective emission control devices remain the exception rather than the rule. Instead, the consuming public has been given engines with greater horsepower—which come in very handy in midtown traffic jams. Yet, anyone who has ridden behind a bus in one of those jams knows that he is facing a test of survival—he must prevent asphyxia from setting in.

Do we have to wait for major snowstorms when automobiles are banned from the streets to get air pollution down to a tolerable level?

Perhaps public clamor has not been loud enough. Or perhaps because there are only a few large firms controlling the market, these firms can afford to ignore public demands. Our legal system has ceased to tolerate contracts in restraint of trade. But it has not been forward looking enough to condemn *market practice* in restraint of trade. I think that our courts could become an arena for the solution of some of those problems.

In the past, we have looked upon air as the most infinite of our resources. We may have droughts; we may have to find new sources of fuel; but we always thought we would have a supply of air. It was invisible—yet omnipresent. As the amount of contaminated air over our cities increases, we must view that resource as finite, and in danger of possible extinction. A view from the New Jersey side of the Hudson or from the top of any large building will confirm the change that has taken place. As air ceases being invisible, it ceases to be healthy. To some extent, the old cliche "what we cannot see, cannot hurt us"; is true of air. It is time to make air invisible again.

I feel there has been a technological and institutional lag in the area we will be discussing today. Traditionally, nothing has been too much of a challenge to American industry or to the American scientists. The operating code has been: "the impossible takes a little longer". Yet, to achieve the impossible requires time, will, and resources. The Federal budget for air pollution control is only 1½% of our defense budget. Federal grants to New York City to combat air pollution totaled only $212,608 in the first half of the fiscal year 1969. I think the time for a basic reassessment of our national priorities has come.

I believe that today's hearings will go a long way toward clarifying some of the questions that are being raised. Is there a workable alternative to the internal combustion engine? Is there a device that can be installed on the engine that could cut the amount of poison spewing into the atmosphere? How far away are we from the development of such a device? And what can the Congress do to speed up the process?

Congress has been in the forefront of the fight against pollution. It has been the major innovative body. As a Member of Congress, I do not want to see that initiative fall by the wayside. I want to see it expand into broader and better programs. I want to see more imagination and insight brought to the difficult problems that require action.

I am, therefore, happy to be here to learn, to ask questions, and to voice my opinion on the matter of auto emissions and the pollution it has fostered. I plan to see that effective enforcement procedures are enacted.

Looking at our pollution problem, I now know why we are asked to see America first—If we continue to pollute our atmosphere at the rate we have been, we will find it difficult to see anything in the years ahead.

## EVERETT McKINLEY DIRKSEN—A FAREWELL

### HON. RALPH T. SMITH

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

*Tuesday, December 9, 1969*

Mr. SMITH of Illinois. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks an excellent letter entitled "Farewell to Dirksen From a School Boy," written by Doug Frazer.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Moline (Ill.) Daily Dispatch, Sept. 23, 1969]

FAREWELL TO DIRKSEN FROM A SCHOOL BOY

DEAR EDITOR: Politics, the saying goes, is the art of the possible, and in the world's preeminent deliberative body, Sen. Everett McKinley Dirksen was a practitioner of the possible "par excellence." With the late Sen. Robert Taft of Ohio, Sen. Dirksen probably was the most widely respected Senator of his generation.

Yet, whereas Sen. Taft was revered for the power of his intellect, Sen. Dirksen was admired for his gifts as a political technician.

Sen. Taft was a philosopher; Sen. Dirksen basically was a philosophical doer. In an age that practically has forgotten what rhetoric is, Sen. Dirksen was the closest thing we had to a Ciceronian rhetorician.

Perhaps when all else about him is forgotten, he will be remembered for that. Words fell from his mouth mellifluously. Listening to him in comparison with most other contemporary senators was like listening to a 33 rpm recording of the New York Philharmonic played on the best stereo set, in contrast to a 78 rpm recording to the local 5th grade band played on grandpa's old Victrola. He knew what well-chosen words, well-spoken and properly laced with humor, could do. For him and the United States, they did a great deal.

The essential purpose of rhetoric is to persuade. Sen. Dirksen's extraordinary talent as a legislator was his capacity to persuade a majority of senators to vote with him on a particular issue. As the Senate's Republican leader for 10 years, during none of which he had a Republican majority in the Senate, and during eight of which he had a Democrat in the White House, Sen. Dirksen worked political miracles.

In doing so, he infuriated all segments of the political spectrum. His efforts brought about Senate confirmation of the Nuclear Test Ban Treaty in 1963, and Senate passage of the Civil Rights Bill of 1964.

Yet, he was instrumental in the Senate's recent approval of the Safeguard Anti-Ballistic Missile System, and he labored diligently for the day when constitutional amendments could be approved that would alter the effect of the Supreme Court's reapportionment decisions and deny the court's authority in cases involving nondenominational prayers in the public schools.

"The letters of Cicero breathe the purest effusions of the exalted patriot," Jefferson wrote. So did the orations of the last Cicero, Everett Dirksen. He loved America, loved it absolutely. His patriotism was manifested in many ways, but perhaps no more clearly than in his constant forensic struggle to make the marigold the national flower.

The marigold, he told the Senate, has a "rugged humility of character; and, like the American eagle and the American flag, (is) an exclusively American emblem." He might as well have been describing himself, for behind the clouds of florid verbiage, there was a ruggedly humble senator who stood exclusively for American interests. For that, too, we who remain behind, must send him final gratitude and wish him every success as he delivers the votes on the celestial Senate floor.

DOUG FRAZER, age 15.

## WHEN RELIEF FROM TAX ISN'T

### HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. ARENDS. Mr. Speaker, President Nixon urged that the Congress institute certain reforms in our tax structure, with a view to closing the loopholes and insuring that the burden of taxes were more equally borne. He urged an undertaking that had long been neglected—all too long.

The House responded by the passage of a tax reform bill on August 7. It may not have been to the liking of the administration in every respect, nor to the liking of any one of us. It was nonetheless a tax reform measure of considerable magnitude and merit. In writing this measure our Committee on Ways and Means took into account not only the need for reform that all would pay his fair share, but also the need for revenue to keep our budget in balance.

What has been taking place in the other body may be politically popular, but it is fiscally irresponsible. What began as a tax reform bill is being converted into a tax relief bill. This is being done at a time when all of us are called upon to tighten our belts to combat inflation.

I am inserting as a part of my remarks an editorial entitled "When 'Relief' From Tax Isn't," which appeared on December 5 in the Danville, Ill., Commercial News. It well says what needs to be said on this vitally important matter.

The editorial follows:

[From the Commercial-News, Dec. 5, 1969]

WHEN "RELIEF" FROM TAX ISN'T

Tax relief is desired so universally that opposition to any form of it is bound to be unpopular.

But before Americans begin to applaud the Senate's action in raising personal income tax exemptions from $600 to $800 per year, some sober analysis is in order.

Ultimately, the approved amendment sponsored by Sen. Albert Gore, D-Tenn., would result in an annual revenue loss of some $8.8 billion to the government. This is about the same as the estimated cost of the House-approved tax reform measure, which leaves the personal exemption as it is. But the Gore bill, proposing a $100 hike in the exemption next year and in 1971 would cost $5 billion more in the first 2½ years.

If an expanding economy can make up the difference, or most of it, that is one thing. But some economists warn of at least a mild recession in the first half of 1970. Should their predictions prove correct, government income will drop.

This would make balancing the budget even more difficult. And unbalanced federal budgets have contributed substantially to a decline in value of the dollar—or to put it another way inflation.

The more the dollar drops in purchasing power, the higher prices will go. As cost of living rises, the demand for higher wages becomes more intense. The likelihood of strikes increases.

The question the public must ask itself is this: Would the extra amount taxpayers might keep through greater personal exemptions translate into more purchasing power? Or would it, in the end, contribute to an accelerated inflation that would more than wipe out this kind of tax "relief?"

Further, many of the senators who voted for the Gore amendment want the government to spend more in fighting poverty and pollution, more for mass transportation systems, more for education, more for almost everything—and the devil take the consequences fiscally. If they would promise prudence in demanding greater federal expenditures in return for assisting the taxpayers, their posture would seem reasonable.

Giving lower and middle income taxpayers a better break on rates, plugging up loopholes so that the tremendously wealthy may not escape paying their fair share, eliminating special concessions for favored groups all are legitimate and sensible phases of tax reform. So also, perhaps, is a stretched out plan to increase personal exemptions.

But the approach must be more reasoned than that exhibited by the Senate. It is simply impossible to have it all ways: Sizable and immediate increases in personal exemption; a slowing of inflation, hence, a brake on cost of living rises, and enough money for the federal government to fight the war and do those things for the nation which the big spenders in Congress are demanding.

Let us hope that the House, which has shown itself to be more practical about tax reform and relief, will be able to moderate the enthusiastic but imprudent zeal of the Senate.

## FLORISSANT TAKES LEAD IN BANNING OF DDT

### HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. HUNGATE. Mr. Speaker, the city of Florissant, Mo., in my district, has taken the lead in banning DDT. I believe my colleagues will be interested in the following communication from Florissant's mayor, James J. Eagen, which explains the city's position:

FLORISSANT TAKES LEAD IN BANNING OF DDT

Mayor James J. Eagan hailed the Florissant City Council's passage of the Bill he introduced, banning DDT, as a major breakthrough in Missouri. The City is the first municipality to ban the storage, use, sale, or disposal of DDT, effective January 1, 1970.

The Mayor took issue with the Federal Administration's plans to limit the use of DDT over a two-year period. "This is a small step forward," he stated, "because the Federal Administration has now gone on record that DDT is a threat, and that,—even if it were banned tomorrow,—purging the country of the effects of this toxic killer will take at least ten years!"

"Why must we wait over two years?" Mayor Eagan asks. "Overwhelming evidence is now at hand that this chemical and similar hard pesticides are destroying wildlife and fish, and are affecting human life."

A respected conservationist recently stated that the milk of human mothers is so poisoned with DDT that it would be illegal to ship it under inter-state commerce standards.

Over 180,000 tons of this toxic chemical are

being dumped yearly into our atmosphere and waterways. How many hundreds of thousands of tons are now being manufactured, or are in storage, waiting to be spread over the country?

A Comprehensive Report on the dangerous effects of DDT was recently compiled by Florissant's Director of Parks and Recreation Director, Jerry Bachmann. His conclusions are that the pollution caused by the use of DDT is the worst type of pollution threatening man and his environment today.

"A complete and immediate ban on this use of DDT," Mayor Eagan contends, "should have the highest priority with legislators and government officials everywhere!"

## THE GREAT RACE

### HON. DONALD D. CLANCY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. CLANCY. Mr. Speaker, recently I received a letter from a young man in my district, and I would like to present the remarks of a Cincinnati teenager regarding one of the most pressing problems facing us today—pollution. I am sure that all Members of the House of Representatives will be most interested in what this young gentleman has to say. His words demonstrate the sincere interest some teenagers have in solving the problems of our day. His letter reads as follows:

DEAR SIR: A race is being run in these United States, and we're losing. A dark finish line approaches as we round the final bend. A great cry has risen from the stands, and those stands are filled with American people. For that race is their race and the results will weigh down not only upon them but upon all the generations that follow them.

If you have not already guessed, the above paragraph refers directly to our fight against environment. Since the days of Teddy Roosevelt we have been engaged in a conflict of monumental proportions and now the final crisis has come. The time for words is over and the time for action is at hand!

In the name of "progress" and "prosperity" we have polluted our streams, poisoned our air, and, destroyed the natural blessings which God has bestowed upon our country. No longer can our natural resources be ruthlessly expoited by the hands of a few at the cost of all. The situation, to say the least, has grown out of hand, for even our own population threatens our future happiness.

The area in which you and I live is a perfect example. The Miami Rivers, the Ohio, or any of our streams have become terribly polluted. Park areas are undersized now. What will they be like twenty years from now? Our factories have been extremely lax about pouring their wastes into the air. (I know, because I live next to one). Many of us have waited patiently for action, but we are tired of being kidded and treated with apathy.

Though I am only of sixteen years, I do not feel that you and your generation are more responsible than mine; just as your parents were no more responsible than you for the things that happen. We collectively are responsible and we collectively can and must act!

I am thankful for this land, thankful for its government, and thankful for its leaders who have risen to every need. May they once again meet this challenge and seek to solve it through their unselfish devotion to this land and its people. We the American people are behind you. Do not hesitate to act. Now is the time oh statesmen and politicians to come to the aid of your people.

Sincerely,

ANDY BREWER.

131 Burns, Cincinnati, Ohio.

## THE DYING PASSENGER TRAIN

### HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. BURKE of Massachusetts. Mr. Speaker, may I take this opportunity to bring to the attention of the Members of Congress a very interesting article written by Sylvia Porter entitled "The Dying Passenger Train" that appeared in today's Evening Star. The slow progress being made in the field of improved passenger train service is very evident. The United States of America with its crowded highways and airways is fast approaching a crises.

This Government should be moving forward in the mass transportation field. The accent that has been placed on laying miles and miles of cement highways should be shifted to an area that can bring some relief to our urban areas. Commonsense is needed. A railroad policy is sadly helping to contribute to the disappearance of the train passenger. As we approach 1970 we find the railroad industry has not come up with one new idea. Foreign countries have put this Nation to shame. Japan, Canada, France, and Italy are a few of the nations of the world that have fast, comfortable passenger railroad service. Why not us?

The article follows:

[From the Washington (D.C.) Evening Star, Dec. 9, 1969]

THE DYING PASSENGER TRAIN

(By Sylvia Porter)

A San Francisco family is planning to come East for a visit next summer. They want to come by Pullman train because this might be the last chance the children have for a long-distance overnight train ride.

They cannot go directly from California to New York without changing trains in Chicago or flying the last leg of the trip. The last through California-New York sleeping car was discontinued in 1958.

Today you cannot get a direct train between such major cities as Pittsburgh and Cleveland, Memphis and Nashville, Tulsa and Oklahoma City, Boston and Portland, Me.

The truth is passengers have abandoned the passenger train. In 1968:

Long-haul train travel was cut 20 per cent—the biggest yearly drop in passenger miles since World War II.

The number of passengers carried by the long distance lines dropped to 296 million—one third the number carried in 1944.

Railroad passenger revenue on long-haul lines dropped to $291 million, against $1.7 billion a quarter century before.

The number of sleeping cars dwindled to 1,037 vs. 6,223 in 1948 and the number of dining cars to 627 from 1,730.

In 1929 there were 20,000 passenger trains. There are now fewer than 500.

So complete is our abandoning of the railroad that today only 1 percent of long-distance travelers in the United States go via trains. In contrast, the number of miles traveled on car trips each year has soared past one trillion and the number of miles by plane each year is over 100 billion.

A major factor in this, to be sure, has been the railroads' contempt for passenger convenience and comfort. Frequently, the dirt and discomfort, lack of dining cars and filthy bathrooms are enough to turn even the most sympathetic into a train hater.

But whatever the causes, the big long-haul trains are losing huge amounts today on passenger service—at a time when mail revenues, which for years have helped subsidize passenger trains, have also been dropping sharply.

Congress is now grappling with a half dozen different proposals for saving long-distance railroad passenger service. One bill, introduced by Sen. Vance Hartke, D-Ind., would require the federal government to cover the deficits on any long-haul passenger service it requires the railroads to continue for the public good. In addition, it would authorize the federal transportation department to invest in modern, new equipment which would then be rented to the railroads for long-haul runs. The precedents are: Washington already has invested billions in highways for automobiles and now wants to invest more billions in airports.

The Transportation Department wants to set up a Comsat-type private corporation which would try to run good, profitable, high-speed trains in high density corridors such as San Francisco-Los Angeles, Chicago-Cleveland, Houston-New Orleans, Chicago-Indianapolis-Cincinnati, Milwaukee-Chicago.

But, despite the instant success of the fast trains running between New York and Washington and New York and Boston, an astonishing point is that neither government officials nor the railroad have undertaken a definitive nationwide market survey to find out what kind of service you really want.

As congestion on the highways and airways intensifies, top-notch trains could have a real appeal to many people, even if they take considerably longer. We should find out how this service can be intergrated into our future transportation network.

## THE TAX REFORM MESS

### HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. CONABLE. Mr. Speaker, in today's New York Times appears an editorial entitled "The Tax Reform Mess," by Tom Wicker. I do not always agree with Mr. Wicker; indeed I do not subscribe to everything he says in this editorial feature. Nevertheless, I am placing what he has written today in the RECORD because I think it is a timely warning with taxes so much on our minds. Mr. Wicker points out that the bill being debated in the Senate is reform of increasing modesty, while it now represents about $12 billion loss in revenue. I addressed the House on this subject yesterday, and I am not here to repeat myself today. But I think my colleagues will be interested in Mr. Wicker's tentative conclusions. He seems to propose an extension of Presidential power over taxes, questioning whether Congress can or will be responsible enough to handle intelligently this central issue between the Government and the people. His voice is not a lonely one and we must realize that our branch of Government is constantly being tested by forces within and with-

out to see if it can measure up to the needs of the Nation. Those of us who believe in representative government had better be prepared to help it function responsibly, if we are not prepared to help liquidate its most basic functions, including the taxing power.

The editorial follows:

THE TAX REFORM MESS

(By Tom Wicker)

WASHINGTON, December 8.—Anyone who wonders why so many Americans have become skeptical, if not cynical, about the ability of their political institutions to function equitably and efficiently need only look at the mess being made of the tax reform bill by Congress, without much counterbalance from the Nixon Administration.

What started out as a tax reform bill has become much more nearly a straight tax relief bill. The essence of reform ought to be that it closes loopholes and enhances equity, raises some taxes and lowers others, but does not much affect total revenues. At last look, the bill now being debated in the Senate had some reform in it all right—notably a reduction of the oil-depletion allowance—but its net over-all effect on the budget, including $6.5 billion worth of increases in Social Security benefits, would be a loss of about $12-billion in revenue.

SHORT-RUN BONANZA

No doubt this revenue loss will be reduced in the Senate-House conference that will put together the final bill—but the wheeling and dealing is not over in the Senate and it now seems likely that the bill is going to be a short-run bonanza for taxpayers.

Short-run is the right word. One reason is the inflationary effect of a big tax cut, which could eat up much of the reduction before the taxpayer realizes it. Another is the blow to already poor prospects for funding the badly needed social programs which have been so long starved by the war, the inflation and the usual political penury in this field.

SPECIAL PROVISIONS

The biggest breaks are not even necessarily going to those who need them most. Moreover, the bill—unknown to the lay readers—apparently is full of special provisions for large corporations and foundations; one of these, for instance, might cost telephone and natural gas customers as much as $1 billion a year in higher rates.

Senator Edward Kennedy detailed some of these concessions, including one he sponsored for the Western Massachusetts Electric Company, on the sensible grounds that it was better for the public to know about such matters. Otherwise, Kennedy said, it might appear that "their sponsors had something to hide." Indeed it might. As Kennedy said, some of these special tax breaks are justified—but then so would be the special provisions thousands of individual American citizens might be able to get for themselves if they could afford to hire powerful lobbyists, batteries of tax lawyers, or even a politician or two, to handle their grievances.

Coming on the heels of the long battle President Johnson had to wage to get the original surcharge enacted, and the struggle Mr. Nixon had to go through to get it partially extended, the mess being made of tax reform will surely re-enforce those who believe Congress ought to delegate the taxing power—as it has already delegated the tariff power—to the executive branch.

The executive is by no means infallible. The inflation that is still one of Mr. Nixon's major problems got its biggest impetus when the Johnson Administration, for political purposes, underestimated the cost of the Vietnam war for fiscal 1967 by $10 billion—almost 50 percent. This helped create the kind of climate in Congress that caused Mr. Johnson to delay far too long in asking for the surcharge and stretched out the battle to approve it for more than a year. Had the President been more open about the cost of the war, and demonstrated the need for new taxes long before he did, the inflation might have been far more effectively controlled.

PRESIDENTIAL POWER PROPOSED

Nevertheless, President Kennedy's suggestion that the President should have the power to adjust tax rates up or down, subject to the veto power of Congress, looks better all the time. Herbert Stein of the Nixon Council of Economic Advisers has suggested a scheme by which Congress would set a basic tax rate for a period of years, but the President would propose for each year either a negative or a positive surcharge—that is a percentage to be either added to or deducted from a taxpayer's basic tax—for Congressional approval.

Considering the experience of recent years, this might make possible more sensitive and responsive budgetary and economic management, which only the executive branch can provide. Whether the executive could handle complex and subtle questions of major tax reform any more equitably than Congress is another question; maybe, as Stein recently said, the whole subject is a "Pandora's box" that cannot be opened without the wind of scrambling for advantage being seen in the Senate.

## BEHAVIOR OF TROOPS IN VIETNAM

## HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. LONG of Maryland. Mr. Speaker, our combat troops in South Vietnam must be prepared for moral as well as physical confrontations. Immediate steps must be taken to include specific instructions on behavior toward civilians in basic and advanced troop training. I have conveyed my views and recommendations on this subject to Secretary of Defense Melvin Laird in a letter which I should like to share with my colleagues:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D.C., December 4, 1969.*

Hon. MELVIN R. LAIRD,
*Secretary of Defense, Department of Defense, The Pentagon, Washington, D.C.*

DEAR MR. SECRETARY: The alleged massacre of hundreds of women, old men and babies by the United States Army troops in Song My, Vietnam, is deeply depressing to every American.

The Song My incident points up a serious gap in the training of our hand-to-hand combat troops with regard to treatment of civilians. I have learned that instructions given our fighting men on how to react to all the various situations involving civilian personnel, specifically the type of situation in which an officer or sergeant orders the killing of civilian non-combatants, are vague, general and inadequate. This was apparent at Song My, where members of Charlie Company, in some cases fearful of disobeying an order, reportedly took part in a massacre.

Combat calls for reflex action. Troops must be prepared to react instantly to every situation that might arise, including encounters with civilians. Otherwise, events such as at Song My—and others that have been reported—will be repeated. At the very least, a U.S. soldier in Vietnam should know:

(1) What is United States policy toward treatment of civilians in Vietnam? One soldier who walked through Song My after the alleged massacre told reporters, ". . . if you can shoot artillery and bombs in there every night, how can the people in there be worth so much?"

(2) How should civilians be dealt with in combat situations? A corporal said of one village: "They're all V.C., you can just tell. You don't see many young men in there, do you? All women, children and old men. Where'd all those guys go? Out with the V.C. that's where." American soldiers must be taught where to draw the line between Viet Cong and non-combatant civilians.

One of the participants of the alleged massacre at Song My is said to have told reporters, "It just seemed like it was the natural thing to do at the time. My buddies had been getting killed or wounded. What it really was—it was just mostly revenge." American soldiers must also be taught to draw the line on revenge!

(3) What to do if given a command which violates the U.S. policy toward civilians? One of the members of Charlie Company actually shot himself in order, so he reported, to keep from participating in the massacre!

(4) How and when to report an illegal command or an illegal action without fear of reprisal—when, for example, the command is accompanied by a threat? In another incident, not connected with Song My, one young patrol member—ordered by his sergeant to kill a Vietnamese girl that his four comrades had kidnapped and raped—was allegedly told that if he refused to carry out the order "he would be reported KIA"—killed in action.

(5) How to insure that unlawful acts will not be tolerated or "hushed up"? When the same young soldier reported the rape-murder to his platoon commander, he said he was told, "What's happened is the way things are, so why try to buck the system . . . its . . . hopeless to try to buck it in the middle of war. Better relax about that Vietnamese girl. The kind of thing that happened to her—what else can you expect in a combat zone?"

Indeed, one Congressman who attempted to initiate an investigation of the Song My massacre said publicly yesterday that had L. Mendel Rivers, Chairman of the Armed Services Committee, not interceded, "they [the Defense Department] would have routed [my letter] to some public affairs officer in Vietnam and I might never have heard anything." The Defense Department should set up effective and speedy channels through which to report charges of gross misconduct with the certainty that they will be fully investigated.

It is not enough to prepare our troops for physical confrontations; we must also prepare them for moral confrontations or dilemmas. I urge that immediate steps be taken to make instruction in how to behave toward civilians a part of both the basic and advanced training of our troops. I urge, too, that the Code of Military Justice be revised to deal specifically with these points.

I look forward to hearing from you on this grave and urgent matter.

Sincerely yours,

CLARENCE D. LONG.

## BIG TRUCK BILL

## HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. SCHWENGEL. Mr. Speaker, my editorials for today are from the Washington Star, and the Washington Daily News of July 19, 1969, and Septem-

ber 6, 1969, in the District of Columbia. The editorials follow:

[From the Washington Star, Dec. 9, 1969]

GRUMBLES ABOUT BELCHING GIANTS

(By John Sherwood)

Because he has voluntarily chosen the lot of the far-suburban dweller (with whatever hardships it may have to offer) over the lot of the city dweller (with whatever hardships that might have to offer) the Rambler, who occasionally finds himself driving home to the boondocks late at night, has had to deal with bellowing giants.

Gliding home toward Severna Park near Annapolis, on the John Hanson Highway (Route 50), he is often pursued by steel monsters weighing 73,000 pounds and loaded with cargoes of frozen shrimp and squawking chickens.

Their bright eyes seem to come out of nowhere until they're looking down the Rambler's back and blinking for him to get out of the way. There is much spitting and coughing and backfiring and smoke pouring out of the diesel-drinking dragons, and all the Rambler can say is that if he were about 80,000 pounds heavier he might give them a bit of a quarrel.

When they finally pass, after great struggles, the road shakes and the Rambler shakes. The muffler is sticking straight up to heaven and releasing poisonous fumes with a furious, frantic fury, and fiery sparks fly out of those rusted smokestacks.

The driver is bouncing up and down in his seat in a white, grayish undershirt, and he must have the feeling of getting out of hell safely as he passes the Rambler's weary six cylinders with a vengeance like that of bullies armed with brass knuckles. The Rambler slows down, thinks about hollering "Road Hog!" and then passes him at the crest of the next hill as the heavily loaded truck struggles to make it at 6 mph.

Tractor-trailers stink. They make far too much noise. They are sometimes operated recklessly. They are often dirtier even than the Rambler's machine, and even if they do deliver most of the consumer goods that sustain and sometimes please him, he is not a truck fan.

So now the Rambler hears that a House Public Works subcommittee is conducting hearings on a controversial bill that would allow these highway hogs to be increased in weight by more than 35,000 pounds from 73,280 pounds to a maximum gross weight of 108,500 pounds, increased in length to 70 feet and use up to nine feet of highway width.

And the Nixon administration is giving qualified support to the bill, calling it an economic boon.

Well, the Rambler doesn't think it will work.

Many a night over the last five years he has seen trucks wrecked and piled up in the ditches along the John Hanson Highway between Washington and Annapolis, and he can't help thinking that perhaps the drivers were being overworked and were falling asleep at the wheel. And now, apparently, there are drivers willing to testify to this.

Truck companies are being accused of forcing their drivers to drive to the point of exhaustion for increased profits. The Rambler doesn't dare to even think about safety and mechanical repairs.

The drivers also have a habit of pulling off to the shoulder of the road to sleep at the intersection of Rt. 50 and the Beltway, and there is much frantic jockeying for position as trucks come off the ramp at full chugging speed to encounter us little ones.

At one point in his commuter life the Rambler was confronted with a situation whereby a truck was zooming up the ramp as another truck was blasting out of a sleeping spot. The ramp truck jumped immediately into the eastbound passing lane and forced the Rambler across a muddy median strip, over the westbound lanes, and into a field.

No one stopped, and the Rambler's courageous little vehicle eventually had to be towed.

But the worst places to encounter trucks are in tunnels. Never has the Rambler heard such roars for the sheer sake of roaring. Truck mufflers must be built with holes in them.

No . . . the Rambler finds nothing glamorous and polite or knightly about these boxcars on rubber wheels.

Got time for a horror story? Once, as the Rambler was heading north toward Baltimore on Route 3 after leaving Rt. 50, he found himself in the passing lane, passing a car at about 60 mph.

On the rising side of a small hill, as he approached its crest, he thought he detected headlights coming head-on toward him in the wrong direction.

The Rambler jumped back into the right-hand lane just in time as two headlights of a roaring comet rocketed by.

Tooting his horn in righteous indignation, the Rambler watched the great tractor fly by. To this day he wonders if he ever made it to Richmond.

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[From the Washington Daily News, July 19, 1969]

THE TRUCK BILL AGAIN

Congress, which last year shelved a bill to permit longer, wider and heavier trucks on the Interstate Highway System, is engaged now in studying a somewhat modified version.

The new bill would lift the present 73,280-pound weight limit, extend the width limit from eight to eight-and-a-half feet and impose a length limit of 70 feet. This last provision was absent from last year's bill.

The trucking industry argues an axle-spacing formula set out in the new bill would permit more even weight distribution, thus easing the strain on bridges and highways despite heavier loads and greater length.

These factors, the truckers contend, also would promote safety by permitting improved braking ability for big rigs and better road visibility for their drivers.

The industry's primary interest in the bill, of course, is the greater "economic return" larger vehicles would provide for truckers and lower per unit hauling costs for customers—a legitimate interest, certainly.

But that interest must be weighed against the public's interest in the use of the Interstate System—a $60 billion, taxpayer-financed project—and the other highway arteries onto which it empties.

Executive Vice President George Kachlein of the American Automobile Association, which opposes the bill, charges the extra truck weights permitted (up to 108,500 pounds for a nine-axle truck) would cost $1.8 billion for road repairs in 10 years.

And even if the bigger rigs could operate safely on the Interstate, millions of miles of feeder roads on which some of them would have to travel are far below the Interstate's design and safety standards, Congress has been warned by the National Association of County Engineers, the National Association of Counties and other opponents.

Further, the improved safety factors of the bigger rigs are projected rather than proved. And the sight of a passing truck 15 feet longer and tens of thousands of pounds heavier than the 55-foot vehicles now permitted thruout most of the East seems unlikely to steady the nerves of the average motorist.

On balance, the truckers' interests are outweighed by the public interest in safe and economic use of the highways. The new bill should join the old one on the Congressional shelf.

[From the Washington Daily News, Sept 6, 1969]

SAFETY AND BIG TRUCKS

The campaign for longer, fatter trucks and buses on interstate highways has taken an odd turn that could lead to future trouble for the nation's motorists.

Tho it insists on a number of changes in the proposed bill, the Nixon Administration seems willing to accept a softening of the law before the safety factor is fully explored.

As a precaution, there would be a three-year delay in the effective date of the new regulations while the Department of Transportation devised safety standards for the bigger trucks.

It would be more logical to check the safety first and consider the bill later.

The bill, backed by the trucking industry, would increase the maximum truck width from eight to eight-and-a-half feet, increase the maximum weight (loaded) from 73,280 pounds to 108,500 pounds and set a 70-foot length limit—longer than now permitted in most states.

Federal Highway Administrator Francis C. Turner, who suggested the three-year moratorium, would like to set the maximum length at 65 feet and the maximum weight at 95,000 pounds.

Testifying before a House sub-committee on public roads, he said the new limits should apply to all roads built with Federal funds, not just to the 42,500-mile interstate system.

The motoring public is understandably wary of the big trucks now on the roads. And a glance at this week's newspapers shows why:

A Kentucky judge and his wife were killed when a tractor-trailer skidded on an Illinois highway, overturned and crushed their car.

A few hours later, a gas truck lost its brakes on a hill in upstate New York, collided with an oncoming station wagon and burst into flames, causing fires that destroyed four homes and popped the manhole covers from nearby sewers.

In view of the public concern about such accidents, Congress would be wise to go slow on the unproven super trucks.

Passage on a questionable bill—even with a built-in delay for safety testing—would not be in the public interest.

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## CAN WE PREVENT AN IRRITATION FROM BECOMING A MASSIVE INVASION OF PRIVACY?

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## HON. CORNELIUS E. GALLAGHER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. GALLAGHER. Mr. Speaker, if a man's home can be said to be his castle, then he needs the right to be able to raise the drawbridge occasionally. This means, among many other things, that he must be able to influence the contents of his family's mailbox. Yet, there is an industry in the United States which now has the capacity to diminish, if not destroy, this necessary part of civilized living, and which is becoming increasingly irritating to many of our citizens.

This is the complex of firms which have grown up around the renting and selling of names of individuals to commercial and nonprofit organizations. There is the suspicion that some commercial firms make more money selling lists of their customers than they do by servicing those customers, and there are

many firms who do nothing else but compile and distribute names, coupled with selected attributes or habits of our citizens. Those Americans who now regard the product of this virtually unregulated activity—junk mail—as an invasion of personal privacy have little recourse under current law.

Mailing list brokers and the direct mail industry do provide real and genuine services to the American people and to American business but, like any other group which touches every home in the Nation, they should be expected to balance the interests of their customers with the interests of our citizens. I intend to introduce, Monday, December 15, new legislation which, hopefully, will do just that.

Mr. Speaker, the Washington Post's Potomac of November 23, carried the following well-written article by Mr. Paul Hodge on this industry. It provides important background data for proposed action:

THOSE IRRITATING JUNK PHONE CALLS

(By Paul Hodge)

A young Capitol Hill woman, just two months pregnant, recently returned from her first visit to an obstetrician when she received a telephone call from a baby stroller salesman.

"I hardly knew myself that we were going to have a baby," her husband said, "when through the door comes a man with free baby gifts, trying to sell us a $369 stroller that converts into a crib, bassinet, high chair, rocker, table and nine other things.

"He plugs in this record player with slides, narrated by Hugh Downs, and he sits in a corner reading a Sam Snead golf book—'Do you mind, I've seen this so often,' he says—while we listen for 40 minutes to the machine. He offers to throw in a free youth bed if we buy the stroller that night and when we say no he packs up his machine and his Sam Snead book and disappears."

It was the first of a new round of calls, letters and visits they were to receive from local salesmen. Their names had been added again, in several places, to the more than 500 million names now on computerized, categorized, telephone numbered, addressed, Zip Coded lists.

The lists, rented back and forth among the nation's businesses—for $2.50 per 1000 names and up—are the source of most junk mail and junk telephone calls.

If you buy a car or boat, subscribe to a publication, give to a charity, attend a convention, have a telephone or charge account, belong to a club or church, buy a house or rent an apartment or even send in a cereal coupon you will probably be added to somebody's list.

Donors to the Catholic Missionary Society (USA) not only contributed cash but their names—114,000 contributors are now on a list for rent by Dunhill International List Co. for $22.50 per 1,000 names.

The New York based firm also offers lists of over 500,000 Republican and Democratic contributors, 93,000 doctors who attend conventions and even 28,000 supporters of anti-Vietnam War appeals (all for $22.50 per).

Many lists come from less obvious sources. The name of the woman who was two months pregnant was apparently given secretly to the stroller company by one of her friends, who was paid for the "referral" with a vaporizer or other small appliance, according to a spokesman for the Stroll-O-Chair Co. A nationwide door-to-door firm, it sells $1 million of its contraptions a year in the Washington area and "we've just opened a branch in England."

Even people with "unlisted" phones are listed, and sold. Haines "Criss Cross" directory of Ohio, which lists 870,000 Washington area residents by telephone number and address (for $95 a year) also offers its patrons "a select address" list of 30,000 unlisted and unpublished phone owners here.

"Only hermits could avoid getting on lists," says John J. Daly of the Direct Mail Advertising Assn., "but then they'd probably get on somebody's list of hermits."

"Where did you get my number. Where did you get my name?" is becoming a more and more common cry across the country as citizens, business and courts mull over whether the increasing quantity of junk mail and telephone calls is becoming an invasion of privacy.

The California Motor Vehicle Department is now being sued by car owners who object to the almost universal practice of selling their names (complete with number, make, model, year and license numbers of the cars they own) to the highest bidder. The car lists can provide names of all Cadillac or Mercedes owners in a state, names of two-car families, etc.

Maryland's Deputy Motor Vehicles Commissioner Ejner Johnson agrees the practice "raises the question of invasion of privacy. It is also an anachronism and the state will possibly modify the procedure."

Maryland has sold car owners names to commercial outfits for 30 years, Johnson says, first on an unofficial "handshake" basis and now under provisions of state law. The names were offered recently for $30,000 (for one year) to the R. L. Polk Co., a Detroit-based firm which publishes alphabetical and address directories in more than 1,000 U.S. cities.

Polk paid $11,000 last year for Virginia's computerized list of 2 million vehicle owners and $150 to the District for its list of 277,000 vehicle owners (it also gave the District 53 free copies of the list for police and city use).

Addresses and new phone numbers are a highly-prized source of potential customers for newspapers, dairies and other home-delivery firms, as well as for most stores.

New phone numbers—like unpublished numbers—are considered top secret by the Chesapeake and Potomac Telephone Co. In the past many telephone companies, including Baltimore's regularly sold such lists. Because of customers complaints, however, most stopped the practice.

Still, lists of new local numbers are bought and sold here regularly, as they are around the country. Fred Langbein, a C&P spokesman, insists the lists do not come from his company. The head of Phone Power, the only telephone interviewing and soliciting firm listed in Washington's Yellow Pages, is more skeptical.

"There's no question in my mind that there is collusion between phone company officials and various vested interests.

"Such lists are exchanged either *sub rosa* or above board. Many firms pay to get lists. I got them for years (in another city), not for folding money but from a friend who wanted to help me when I was starting out in the business," says Susan Klein. The wife of a Justice Department lawyer, Mrs. Klein began Phone Power in her Vienna home three years ago and now has accounts for weekly newspapers, cosmetic and industrial firms and also does public relations work for hotels and businesses.

It's definitely a black market situation, she says. "The list sells here for about 10 cents a name.

"Other solicitors confirm that lists of new numbers are sold in Washington, usually paid for in cash to unidentified persons, and probably are taken from the phone company's "Daily Addendum"—a closely guarded list of new and changed numbers.

The Addendum may be secret but some new numbers escape quickly. During the April 1968, riots an editor of a local newspaper installed a private hot line between his desk and other top editors. The number was known only to them and the telephone company. The first call on the hot line came the following morning. A woman cheerfully said "Good morning" and inquired if he wished to buy a subscription to his own paper.

It's not illegal to sell customers' names, but complaints have forced most utilities to keep them confidential. Washington Gas Light Co. PR man John Raymond admits "one employee was fired not too long ago for making extra copies of our list of new customers and selling it to a milk company.

Apartment houses and real estate dealers are additional suppliers of names. Some dealers feed names to movers and other appreciative parties. And apartment house managers, mostly women, are known to be easily persuaded—with Green Stamps—to do the same.

Getting names, addresses and phone numbers—the two-car family with the boat, executive father, three kids, rich census tract, choice Zip Code, new street in new development of $50,000 homes, right ethnic name, subscribes to Fortune and gives to charities (there is a listed prospect for every product)—that's only the beginning.

Then comes the "performance" for telephone and door-to-door salesmen and the mailing for the mailers.

"The telephone is a performance. Each time, a small dramatic performance," says Mrs. Klein. "First a telephone salesman must have a pleasant voice . . . sound attractive physically. The chances are they will have a pleasant conversation—the public is generally pleasant—for the majority of people are glad to receive calls.

"Remember 85 per cent of those who answer the phone are women. The world is becoming a lonelier and lonelier place each year (think of all the women who sit at home and drink all day). It makes them feel good when someone calls."

"I've employed handicapped, blind, every race, creed and color, but I'm just interested in how they sound. One problem with hiring the handicapped is it's often harder to get afflicted persons to laugh, to enjoy conversation. I have one 76-year-old girl working for me now, and one 300-pound woman, and they're doing very well."

Mrs. Klein, who admits to interviewing 10,000 persons before hanging up her headset for a managerial post, says "we're a threshing machine, we separate the suspects from the prospects." Most calls will not result in sales, she says, "the ratio depends on what you're selling. Maybe one in 100 will buy an airplane, maybe one in 10 will buy three pairs of nylons for $1.89 . . . we sift out the persons who are going to buy." Thus not only do her girls make sales, they create a new, preferred list of purchasers.

The actual purchases are consummated by door-to-door salesmen, she says, since "phone sellers usually are bad door-to-door salesmen, and vice versa. They're different types, different temperaments. The phone after all is a scientific instrument, requiring mental, not physical activity, and a person must be able to sit in front of it hour after hour."

On telephone abuses Mrs. Klein speaks out loud and clear. A former magazine solicitor—she opened Time Inc's first Southern office (New Orleans) in 1957—she criticizes most magazine sales pitches today as "not ethical, a very skillfully written hoax." "One pitch," she says, "makes the housewife answer yes, yes, yes and the first thing she knows she's said yes to 17 magazines for 60 months and a little man arrives at her door the next day."

Many names and numbers given by magazine solicitors are fictitious, she adds. They can reach you but you can't reach them. She supports the Oregon law that requires all callers to identify themselves within 30 seconds (recently enacted by several other

states). Her girls always identify themselves immediately, she says, and if a person objects in any way to a call "we say 'I'm sorry I disturbed you' and hang up. I have a very small business but an honest one. I don't have to resort to crud like using fictitious names."

Besides magazine solicitors—for whom almost no one has kind words—Mrs. Klein also detests commercial organizations which greet new residents.

"They are just little spy organizations. They walk into a woman's house with free toothbrushes and walk out knowing everything about the family. All that information is then published and sold to local merchants. It's worse than a fraud, because the hostesses come to new families on the pretense of being friends and welcoming you into the neighborhood. I have seen the lists; they make juicy reading . . . Mrs. Jones needs drapes, etc."

Welcome Newcomer, affiliated with the Washington Credit Bureau, is currently under investigation by the Federal Trade Commission. Rep. Cornelius E. Gallagher (D-N.J.), chairman of the special Subcommittee on the Invasion of Privacy, charged earlier this year that credit bureaus "were hiding behind the skirts of Welcome Newcomer hostesses" to gain information about new families for commercial purposes. Credit Bureau officials have declined to answer reporter's inquiries about Welcome Newcomer.

Telephone solicitation campaigns go in streaks. Last year magazine and encyclopedia salesmen ran rampant over the Washington area—followed by numerous complaints and newspaper stories about high-pressure sales.

This is the year of the land sale, free dinners, "free" Florida vacations (you pay for transportation and food) and expensive lots from the Pennsylvania mountains down to the Caribbean.

One of the larger Florida land-development firms, General Development Corp.—the Cowles family (Look Magazine) has long been a major stockholder—is a busy telephoner and dinner-giver here. Choosing names from the Criss Cross directory (avoiding only the poverty Zip Code area), they offer free three-hour dinners every night of the week.

"We used to offer free trips to our Florida properties but we dropped that. Too much of a gimmick," says Mrs. Ruby Moyer—whose first question was "How did you get this number? It's unlisted." (A "customer" revealed it).

"General Development owns St. Luci, near St. Petersburg, where Vice President Agnew played golf this summer," says Mrs. Moyer. Lots go for $2,395 for less than one-fourth acre ($300 down and $30 a month) then "all the way up," she says.

Not all land developers sell house lots. Indian Acres International, a 750-acre campsite near Fredericksburg, Va., offers a place to throw your sleeping bag or tent for under $1,000 ($995).

Located on the Po River, with man-made lakes, swimming pools, stables and a Teepee Pavilion now under construction, it offers "Heap Big Fun. That's our motto," says 33-year-old James C. Foote, president of Chase Continental Corp of Annadale, holding company for Indian Acres. Lots cost a minimum $195 down, $20 a month with $48 a year dues, he says. "We're having a corn roast in November, 6000 ears of corn, come on down . . . we're in business to have fun, to have a good time."

Telephone solicitors, as a rule, have little time for direct mailers. "A person phoning, who has taken the time to call you, is one thing," says Mrs. Klein. "But mail coming into a house . . . is just a piece of paper."

The bulk mailers return the compliment. "You can say anything you want over the phone . . . there's a lot of misrepresentation . . . just fringe operators use it . . . it's unregulated," says Henry Pearlman, manager of the "nation's largest single source of lists," Dependable Mailing Lists, 1025 Vermont Ave. NW.

"The public has confidence in mail," he says. "It's controlled and the average person knows about the controls (laws against obscene mail and mail fraud).

Like all salesmen, they both agree the public loves their products. "Most people enjoy getting direct mail," says Pearlman. "It's a highly sophisticated business now, often tied in with TV ads. And almost everything is sold through the mail, all the way down to peanuts . . . many people like peanuts."

Any restrictions on the right to send mail, junk or otherwise, "borders on restraint of trade and freedom of speech," declares John J. Daly. Anyway, "for most people receiving mail is a status symbol," he explains. "They want to get it."

He and Pearlman—broker for 15,000 mailing lists and 200 million names—believe strongly in the legitimacy of mailing lists and in the public's right to receive junk mail.

How can anyone protest the sale of his name, wonders Pearlman, when "a name is usually public property."

The few who do protest, however, can do little to remove their names from lists. They can write junk mail and phone solicitors and ask their names be removed, which may or may not help, and they can change their telephone number and ask for an unlisted number (not published in the white pages but still appearing in the commercial Street Address directory) or an unpublished number (theoretically LOT available anywhere).

The phone company does not encourage this as 141,000 area phones—15 per cent of Metropolitan Washington's 950,000 phones—are already unlisted or unpublished. It means more work for operators and problems for those who cannot reach friends' unpublished numbers.

Nonetheless, 57,000 new families have requested such phones in the past six years.

If families are harassed continually by one caller or receive obscene calls, the phone company can step in with detection devices to help identify the caller—who can then be prosecuted under the 1968 Federal abusive phone call act (it applies only in the District and across State lines).

One unusual approach to stopping junk mail is to claim it is obscene. In September, Wilber F. Lawrence, assistant general counsel for the Post Office, ruled that obscenity was in the eye of the beholder and a resident could claim all his junk mail obscene and have such mail stopped.

"Most people gripe about junk mail but don't do anything about it. But under the law, they can declare that an ad for a sack of potatoes looks sexy to them. And, if they do, we're obliged to act," Lawrence said.

Ultimately, the easiest method of disposing of junk mail and telephone calls and the one recommended by the Better Business Bureau, telephone companies, public officials and even solicitors (who are themselves bothered by solicitors) is to hang up the phone and throw out the mail.

That is seen as a negative approach by directory and mailing list men. They like to think of the good things that have come from their works.

One cites the extensive recalls of unsafe motor vehicles by Detroit auto manufacturers, all simplified by R. I. Polk's extensive lists of car owners.

John Nagy, general sales manager of Haines Criss Cross directory, remembers that Robert Kennedy "used our books" across the country in his 1968 Presidential mailing and phoning campaign.

Even Maryland's Ejner Johnson sees a somewhat patriotic duty to release his state's list of motor vehicle owners, despite his reservations about invasion of privacy. "If we can develop information that can be useful to industry in making proper corporate decisions, a legitimate concern of the State, all well and good."

But Nagy summed it up, perhaps even for the pregnant Capitol Hill wife—who will soon be receiving a rash of calls from diaper services and baby photographers—"Mail and phone solicitation have become a way of life."

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## FOOD IS REALLY A BARGAIN

### HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. ZWACH. Mr. Speaker, being a farmer, I am naturally concerned every time I hear someone complaining about the high price of food because I know the prices we get for our produce is not high. It is still at depression-level lows.

The other day I read a column by Paul Harvey which explained very clearly what is happening to our household budgets.

I recommend reading this column to all of my colleagues, who, too, may be wondering about the high price of their grocery budget:

FOOD IS REALLY A BARGAIN!

(By Paul Harvey)

When peanut butter recently went to 71 cents a jar at the store where the Harveys shop for groceries, Mr. Harvey became borderline indignant: "What are they trying to do to us!"

But before I could launch a proper tirade against the peanut-butter people, I heard from a housewife in Glidden, Iowa, Mrs. Frank West.

She made her food budget of 1960 and her more recent one available to the Des Moines Register. And Mrs. West just about has me convinced that food is not more expensive now than then. Let's hear her out:

Recently Mrs. West ran down the supermarket's cash register tape seeking to ascertain why such a small number of purchases came to more than $24 and she discovered that much of what she is now buying at the grocery store is not groceries.

There are paper towels and paper napkins, $1.66. In the old days Mrs. West and the Harveys and you took time to home launder and re-use cloth towels and napkins.

Here's 59 cents for dog food. In the old days, Rover used to eat table scraps.

$1.79 for bug spray to execute what we used to swat.

89 cents for fabric softener where we formerly depended on a windy day.

$1.59 for shampoo and Band-aids. In 1960 some of us were shampooing with soap and bandaging with strips of worn-out shirt.

$3.75 for light bulbs and Thermos bottle; items which formerly showed up on the "hardware" bill.

We've been complaining about the high cost of eating at home when many or most of the items which we pay for at the grocery store are inedible.

Mrs. West discovered that, of her $24 grocery bill, groceries cost less than $16.

Adding the Harveys' experience to hers and dividing by two, I was similarly surprised to see that fully one-fiftn of the floor space in a supermarket is occupied by luxury or prepared foods which were unavailable 10 years ago.

Two-fifths of the store is likely filled with nonfood items.

That leaves only two-fifths of the grocery store displaying plain old foods.

It may be that you do not use frozen foods or TV dinners or other pre-prepared items, but most housewives now do.

And the grocery list is likely to include snacks and pop and candy, too.

Some have been charging to "the exorbitantly high cost of groceries" such things as liquor and beer, seltzers and toothpaste, magazines and cosmetics, kitchen gadgets, even some dishes and nylon stockings.

Anyway, Mrs. West, who has kept categorized records, discovered that her food bill for 1960 was $971.57. Household items that year came to $347.98.

This past year she paid only $3 more for food. For household items, she paid $725.82!

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NEWSLETTER

## HON. FLETCHER THOMPSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. THOMPSON of Georgia. Mr. Speaker, in order that those who read the CONGRESSIONAL RECORD will have an opportunity to review the newsletter I send to my constituents I am inserting it in the RECORD at this point:

U.S. CONGRESSMAN FLETCHER THOMPSON REPORTS TO YOU

DEAR FRIEND:

Holidays approaching: Christmas is almost here and your Congressman longs to spend the season back home . . . but work of Congress continues, with occasional snow on the ground (see photo). (Photo not reproduced in RECORD.) Hopefully, we will recess by the 23rd of December . . . and be home for Christmas . . . and New Year's.

Why the long session: Nixon is first President in 120 years to take office with Congress controlled by opposite party. Delay in legislation has political overtones. Example: Fiscal year began July 1 but by December 1 only 4 of 13 appropriations bill had been sent to President. Some think this embarrasses the President. I believe it points out the foot-dragging tactics of Democrat committee chairmen trying to embarrass the President . . . but it won't work.

911 progress: Serious study is now being given to my bill to establish 911 as single national emergency telephone number. Through Justice Dept. grant, six pilot areas including Atlanta has been visited to evaluate feasibility of project. Strong backing from WQXI-TV who promoted idea, helps chances. If this becomes reality, you could reach any emergency service—fire, police, ambulance, etc.—by calling this number.

Rewarding work: Though a Congressman's prime duty is studying, proposing and voting on legislation, his most rewarding work is helping individuals who have problems involving federal agencies. Some victories we've won for you in 1969 were . . . getting badly wounded Vietnam veteran's disability rating upped from 70% to 80% . . . helping destitute wife qualify for over $4,000 in back Social Security benefits . . . obtaining compassionate leave for soldier with fatally ill mother . . . assisting disabled WW II vet with increased VA benefits and $2,000 in back Social Security payments. All you need to do to get help is ask for it.

Who's helping you: We win cases like those above because of competent staff help. Our Washington staff pictured with me are, left to right, Mrs. Pat Baldus, caseworker; Miss LeAnn Henche, grant applications; Miss Paulette Charney, receptionist; Miss Trudy Steckbeck, legislative assistant; Miss Kit Telfair, academies; Jim Sheldon, research assistant, and Richard Ashworth, Administrative Assistant. (Picture not reproduced in RECORD.)

My thanks . . . to the Air Line Dispatchers Association and the Americans for Constitutional Action for their recent awards honoring my service in Congress. Unanimous vote of Dispatchers giving me Honorary Membership for "outstanding contributions to advancement of Air Safety" . . . was first such award given a legislator in 30 years . . . ACA presented me Distinguished Service Award for 1969, a biennial award given to legislators whose voting records "serve to strengthen and defend spirit and principles of U.S. Constitution."

Stopping smut: Continuing to ignore items by Atlanta newspapers that my efforts to stop the flow of smut and filthy material into the District amounts to censorship, I am not deterred and will continue to fight this obscene material. It may take a constitutional amendment unless the Supreme Court loses its power to strike down lower court decisions banning pornographic films and literature . . . or Nixon appointees change court philosophy. You have a right not to have this material forced upon you against your will.

Atlanta staff: Left to right, Mrs. Connie Russell, stenographer; Mrs. Shirley Sutherland, receptionist; Knott Rice, field representative; Miss Susan Tucker, stenographer.

Freedom from force: To Americans, black or white, freedom is precious. The neighborhood school system is threatened with extinction because of bussing, pairing and closing of schools to force racial balance. Some Georgia Congressmen want me to do nothing but I believe you want something done. Below is a bill I am asking all Congressmen, black and white, from the North and the South to co-sponsor. Do you approve?

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A bill to prohibit public officials from operating dual school systems, and from requiring racial balance in school systems, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Freedom From Force Act."

TITLE I—GENERAL PROVISIONS

SECTION 1. The right of elementary and secondary education students to attend their neighborhood schools shall not be abridged by any person or authority based upon the race, creed or color of the student.

SEC. 2. Each local "unitary school system" shall have the right to determine their own attendance zones without interference from Federal authority as long as they are reasonably drawn so as to serve the needs of the community and no effort is made by drawing such attendance zones to force a student to attend a particular school because of his race, creed or color.

SEC. 3. Each local "unitary school system" shall have the right to determine the placement of any new school or school facility without interference from Federal authority so long as the new school or facility is placed so as to reasonably serve the needs of the community and no effort is made through its placement to discriminate against any student or group of students based upon race, creed or color.

TITLE II—DEFINITIONS

SECTION 1. For purposes of this Act:

(1) The term "unitary school system" whenever applied to any school system receiving public support means a school system wherein all schools comprising the system function as a part of an overall single administrative unit and in which there is no force or discrimination present, based upon race, creed or color, in establishing the makeup of the student body, faculty or in the allocation of funds, books and facilities to the respective schools.

(2) The term "dual school system" whenever applied to any school system receiving public support means any school system other than a unitary school system (as defined in subsection (1) of this section).

The term "pairing" whenever applied to any school or school system receiving public support means any act required by any governmental authority or person or board acting pursuant to such authority to cause the merger of schools or the alteration of the grade structure for the purpose of altering the race of ethnic make-up of the student body.

TITLE III—ILLEGAL ACTS

SEC. 1. (a) The operation of a dual school system shall be illegal.

(b) The pairing of schools shall be illegal.

(c) The closing of any school for the purpose of forcing any student into a different school so as to alter the racial or ethnic make-up of the student body shall be illegal.

(d) Forcing a child to leave his neighborhood school to attend another more distant because of his race, creed or color shall be illegal.

TITLE IV—PENALTIES

SEC. 1. Any person who violates section 1 of title III of this Act shall be subject to be imprisoned for not more than one year, or fined not more than $1,000, or both.

(Mail to: 514 Cannon Building, Washington, D.C. 20515.)

Do you favor:

1. Busing and closing of schools (356 closed so far) to force racial balance in the schools?

Yes ---------- [ ]
No ---------- [ ]
Undecided ---------- [ ]

2. "Freedom From Force" bill above which your Congressman is trying to get passed?

Yes ---------- [ ]
No ---------- [ ]
Undecided ---------- [ ]

Remarks:

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Name ----------
Address ----------
City ---------- Zip Code-------

It is a high honor for me to serve you in Congress.

Yours very truly,

FLETCHER THOMPSON,
*Member of Congress.*

(NOTE.—Printing and paper paid for by your donations sent in and by myself.)

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THE MISUNDERSTOOD MINORITY

## HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. PUCINSKI. Mr. Speaker, the Chicago Daily News, in its December 2 edition, carried an excellent article by Rev. Andrew M. Greenley which captures in great depth the problems and attitudes of America's ethnic communities.

The Daily News is to be commended for its daily feature, "Insight," which provides an outstanding form for discussion of the Nation's and the world's most pressing problems.

The problem of the Nation's ethnic communities is one which has been ignored much too long.

Reverend Greeley is a Roman Catholic priest and program director of the Uni-

versity of Chicago's National Opinion Research Center. He is a professor of sociology of education at the University of Illinois Circle Campus.

He has conducted very extensive research into the hopes, the aspirations, the fears, the insecurity and isolation of the white ethnics and has concluded that this subject needs a national dialog for thorough understanding.

I am placing into the RECORD today Reverend Greeley's excellent analyses and take this opportunity to congratulate the Chicago Daily News for making possible the beginning of what I believe will become a nationwide dialog on the misunderstood minority.

Reverend Greeley's article follows:

THE MISUNDERSTOOD MINORITY—FEAR, INSECURITY AND ISOLATION OF THE WHITE ETHNIC NEEDS MORE ATTENTION, A DISTINGUISHED SOCIOLOGIST SAYS

(By Rev. Andrew M. Greeley)

White ethnics are America's not-so-silent minority.

Their voices have been raised on the nation's most nagging problems, from public schools to foreign policy.

Their neighborhoods have been described as citadels of parochialism, marked by invisible boundaries of anger against outsiders.

The ethnic has been tagged with the image of national pride and racial prejudice.

Yet despite the conspicuous visibility of the white ethnic—and he will not melt mildly away into the American "mainstream"—he is only imperfectly understood.

There is, especially on the part of political, social and intellectual elites, a strong element of snobbery and even disdain toward white ethnic groups.

The liberal elite, in particular, often dismiss this larger part of our population with the sneer "white ethnic racist," a term as pejorative as "nigger."

The state of our knowledge about the present condition and the past social history of American ethnic immigrant groups is astonishingly bad. Sociologists have taken ethnicity so much for granted that they have barely bothered to study it.

The view that follows is an attempt to get inside the skin of a white ethnic, to analyze and explain, not to argue or advocate.

We should realize first that it is no longer appropriate to write off white ethnics as being "poor" or "working class."

Some white ethnics are indeed poor, although they are a small minority; others are indeed members of the working class. Nevertheless, many white ethnics, particularly in large cities, are college-educated, and many more have children going to college.

Some are firmly established in what may be considered, by anyone's standards, the upper middle class.

Whatever their ranking on the social scale, white ethnics are not far removed from their immigrant experience. A few years ago half the adult Catholics in the country—and most urban ethnics are Catholic—were either immigrants or the children of immigrants.

INSECURE ECONOMICALLY

Ethnics are well aware of, and indeed proud of, the fact that they are "different" from the rest of American society. At the same time, they hold a powerful loyalty to the United States while not being sure they are accepted by the United States.

In addition to feeling the social insecurity that comes from being relatively close to the immigration experience, ethnics also tend to be economically insecure.

The State income taxes being adopted around the country tend to fall hardest on the lower, middle and working classes. Given the fact that a great deal of tax money is going into welfare programs, it seems understandable that ethnics feel they are being taxed more heavily to subsidize other social groups.

They will argue that no such subsidies ever were offered to them.

The white ethnic's commitment to his family, home and neighborhood is profound in a way few who are part of the more cosmopolitan elite understand.

Any threat to home and neighborhood is a threat to the very core of the white ethnic's personality.

NEIGHBORHOOD PROTECTED

But in addition to having invested himself in his home and neighborhood, the ethnic also has invested a good portion of his economic resources. Given the feeling of financial insecurity that is still very much with him, a threat to this home and neighborhood is a threat of destruction.

It is extraordinarily difficult to persuade such a man that the arrival of other social groups in his neighborhood is not a threat.

We may tell him it is "block busters" who create panic. We may tell him that careful studies show that over the long run property values go up, not down, after blacks move in. We may even tell him statistics show only a slight increase in crime at the first sign of black in-migration.

The white ethnic may or may not believe such statements, but it does not matter. For him they are irrelevant. By any realistic standard he knows, the arrival of other groups in his neighborhood is a threat.

It always has seemed to me that the failure of the liberal elite to understand this reaction, much less to have compassion for it, is the greatest single evidence of snobbishness toward white ethnics.

I do not pretend to know how the problem of changing neighborhoods can be resolved, but I am appalled at the thought it is so casually dismissed as a manifestation of white ethnic racism.

It seems to me that much of the rhetoric of social reform not only is lost on white ethnics. It actually creates a greater sense of alienation and confusion among them.

PLIGHT OF BLACKS

We must remember that these groups are only a generation or two removed from the Old World. To be told that they are responsible, or ought to feel guilty, for the plight of blacks puzzles them.

It was not their ancestors who brought black slaves to this country. It was not their ancestors who kept blacks enslaved until a century ago. It was not their ancestors who arranged the national compromise whereby slavery was replaced by serfdom. It was not their ancestors who enacted the Jim Crow laws. It was not their ancestors who imported blacks to the big cities as cheap labor.

They may not like blacks—they may fear them—but it seems to the ethnic groups that they are being asked to pay the heaviest price for social wrongs for which they have little responsibility.

Furthermore, the white ethnics are close enough to their own immigrant poverty to realize that reform groups were not particularly concerned about them.

No one ever worried about the Polish poor or the Irish poor, and no one seems to worry much now about the residual poverty groups in both these populations.

Unless we understand that many white ethnics think this way with some justification, and that their feelings represent an important dimension of social reality, we shall never come to grips with the problem of unity in our big cities.

LAW AND ORDER

Another issue on which the voice of the white ethnic has been heard is "law and order."

White ethnics are afraid of violence. There was much of it in their own past, both here and in Europe. They have worked hard to achieve economic and social security. They now have much more to lose by violence than they did in the past.

We may argue that threats by militants to burn down the city or engage in guerrilla warfare in the streets are meant mainly for internal consumption.

But when someone postures like Mussolini on television and warns that he is going * * * destroy a city, white ethnics are quite prepared to take him at his word.

There are many responses we have offered to the law-and-order issue, all of them patently inadequate.

We have argued that the nation has a violent past. We have pointed out that violence is done daily to the black population. We have said so-called crime waves are exaggerated, and indicated many weaknesses in uniform crime statistics.

All of these arguments are quite correct, but they will do nothing to lessen the fear of violence among white ethnics. Nor does the tendency of the liberal elite to make scapegoats of the police lessen their fears.

The failure of the elites to understand the relevance of the law-and-order issue has been a disastrous political and social mistake. By denying the problem, they have turned its solution over to demagogues, and failed themselves to make much in the way of intelligent solution to the problem.

It ought to have been the function of the liberal elite to stress these points rather than to leave the field to those who think law and order can be achieved simply by "cracking down."

White ethnics are deeply committed to American society. While society may not have completely accepted them, the ethnics are close enough in memory to the poverty and tyranny of their own pasts to be grateful to a nation that has provided them both affluence and political freedom.

STUDENT PROTESTS

They are thus, for instance, completely incapable of understanding student protesters.

From the white ethnic viewpoint, the students are much worse than the blacks because the blacks at least have "real problems" to protest. But the students have no problems, in their view, and simply are spoiled children of the rich.

When the ethnic stops to think about it, he also is inclined to argue that these are the children of the elite group that are demanding that the ethnics yield their neighborhoods to blacks and pay higher taxes to support black "attacks" on their neighborhoods and cities.

This makes them even more angry at the students, and less likely to understand legitimate grievances.

While there are few things more valued by ethnics than a college education, there are few things they suspect more than intellectualism. In this they are not so different from the rest of society.

The moral and intellectual arrogance of university faculties and students as displayed in the mass media merely confirms what the ethnic thought all along—education doesn't guarantee that professors have much common sense.

The white ethnic also is concerned deeply about primary and secondary education.

He assumes, with little justification, that the increase in costs and deterioration in quality is related to the presence of large numbers of blacks in the public school system—blacks who appear to him more interested in protesting or demonstrating or engaging in vandalism than in getting an education.

It is all well and good for the suburban liberal elite to talk about integrating the school system, for he can send his children to suburban or private schools.

Once again, the elite appears to the ethnic to be bent on improving the lot of the blacks at no cost to themselves and a considerable cost to the white ethnics.

ISOLATION INCREASES

There are, of course, many holes in this line of argument. Yet, if we cannot understand why ethnics might think this way, we miss the whole point of the present crisis of unity in the cities.

Finally, we should notice that ethnics find themselves increasingly isolated from their own political leadership.

In cities like Chicago, where precinct organizations still maintain some communication between the grass roots and city hall, the problem is less acute than it is in cities where so-called "good government" has cut off the liberal elites who run the city from the ethnic hinterlands.

But even in cities where ethnic politics is still a way of life, the alienation of white ethnics from their leadership is growing. The leadership is forced to fall back on experts and technicians for solutions to grave social problems, and it is precisely these experts who arouse deep suspicions among the ethnics.

In summary, white ethnics in the large cities are afraid. They are afraid of what will happen to their neighborhoods, they are afraid of violence and of higher taxes and of black militants and of experts and of liberal do-gooders and of being left out by those who have real power in society.

They are wrong, one might say, but they don't think they are wrong. And it must be confessed the rest of us have done precious little to convince them that they are wrong.

It will not help to lecture them about their prejudices, or to demand of their religious organizations that they campaign against prejudice. It will do no good to moralize, to pontificate, to lecture or to blame.

DEMAND FOR DESTINY

We must first seek to understand, although whether we have the patience and the tact and the compassion to do so is open to serious question.

We must also realize that the desire to participate, to have some control over one's destiny, is every bit as legitimate when it is manifested by one social group as it is when manifested by others.

If demands for black power and student power are valid—despite the distortions and paranoia that sometimes accompany such demands—then are not the demands of ethnic groups for more control over their own destiny also valid, despite the bigoted and paranoid distortions that sometimes accompany them?

## SOKOLS HONOR "POP" ZABRANSKY

### HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. HELSTOSKI. Mr. Speaker, last year the Little Ferry Sokol organization celebrated the 70th anniversary of its existence, and it still continues to instill the spirit of its objectives into the Little Ferry community.

One of the principal organizers of the Little Ferry Sokols was William Zabransky, Jr., affectionately known as "Pop."

Mr. Speaker, I was pleased to be in attendance at the banquet which honored "Pop" for his constructive and valuable services in its primary objectives, that of promoting physical education and gymnastics among the Czechs and Slovaks of this country.

The constructive services of "Pop" Zabransky could just as well have been a reason for the community of Little Ferry in honoring this man as a cornerstone in the incorporation of the borough 75 years ago, and his continued interest in the civic and community affairs of Little Ferry.

"Pop" Zabransky numbers his friends by the thousands, for he has always been available to participate in any community function which younger persons were unwilling to tackle.

A happy person, "Pop" Zabransky has been an inspiration to the borough of Little Ferry. He mixes well among those he serves and meets. He is one of tremendous courage. He listens with interest. He likes to converse, to laugh, to assist, to encourage, to suggest, and to receive suggestions. At 81 he still has a magnetic personality. He has the ability to bring people close to him and leave them feeling at ease, comfortable, and happy in his presence. He is a man of impeccable character, of scrupulous dealings, of courteous manners, and of a humble spirit. He is always smiling and pleasant. He is a friend of all, and an enemy of none.

Mr. Speaker, as part of my remarks, I would like to include an article which appeared in the Sunday Record Call of November 30, 1969, and reflects Mr. Zabransky's activities in Little Ferry.

The article follows:

[From the Sunday Record Call, Nov. 30, 1969]

LITTLE FERRY HONORS ITS REVERED PATRIARCH

(By John Walker)

LITTLE FERRY.—It was a long time coming, but never in doubt as the American Sokol Organization of Little Ferry honored William Zabransky, Jr., at a testimonial dinner at Sokol Hall last night.

Pop Zabransky, as he is known throughout the borough, has been a resident since the borough's incorporation 75 years ago, and a member of Sokol since its backyard borough beginnings in 1896, all of which make him the community's most senior of citizens.

Although it is Sokol that honored him, it may as well have been the community fathers themselves. Many of whom are members of the organization that began in Czechoslovakia over 100 years ago.

Regarded as the borough patriarch, Zabransky has always been an active participant in community affairs, and his 81 years have not prevented his regular attendance at borough council meetings.

"I was a pretty fair gymnast in my young days with Sokol," says Zabransky, who attributes not only his physical health, but his spiritual and moral well-being to the optimistic philosophy of the organization.

Conversing with Zabransky is like perusing a volume of historical highlights of the borough. He has a huge collection of photographs and a little nostalgia for the old days, both of which add up the color of his stories about the borough's great historical tradition.

"It was once the site of an Indian massacre," he says of the community, "and later a haven for George Washington's troops, and finally (in his childhood) just a nice pleasant place to live."

From his own accounts, it seems that Zabransky grew up alongside and within most of the borough's organizations, and his name is no doubt a household word for residents.

Having been more notably a past president of the Community Savings and Loan, Chief of the Fire Department and a member for 61 years, and president of the school board, Zabransky has given two sons, six grandchildren, and 15 great grandchildren to the borough, many of whom have served, or may serve, as borough officials.

Zabransky is also a pretty fair country plumber, having begun his own business at age 19 and built it into one of the largest in Northern New Jersey. His experience got him a job making installations on battleships and destroyers during World War I for the Steam Engineering Dept. of the U.S. Navy at their yard in his native Brooklyn.

While he has adopted Little Ferry as his home, Zabransky has never forgotten his European origin. He and his wife and two sons took part in the 100th Anniversary of the Sokol held in Prague, Czechoslovakia in 1932, one of four times he has visited the country as a representative of the organization.

A treasurehouse of memories, Zabransky is proud of the tradition of his family and his community.

He will recount tales of the old savings and loan which did not cost its shareholders a penny during the Depression; of the great fire of 1937, which he recorded on film; and of countless borough celebrations up to the 70th Anniversary, when he was chairman of the Tercentenary Committee, a most fitting task for a man as long-lived as the community itself.

## MINNESOTA'S GOVERNOR OPPOSES THE MURPHY AMENDMENT, SUPPORTS THE ADMINISTRATION'S POVERTY BILL

### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. FRASER. Mr. Speaker, strong bipartisan support is developing for a simple 2-year extension of the Economic Opportunity Act. In the House, Members on both sides of the aisle are working to see that the poverty program is not crippled when the OEO bill supported by the administration, H.R. 12321, reaches the floor later this week.

Many State and local officials share our concern about the need to maintain the independence of the legal services program and the other important antipoverty activities authorized by the Economic Opportunity Act. Recently, the Governor of Minnesota, Harold LeVander, wrote to me expressing opposition to the Murphy amendment and support for the administration's bill. I am inserting Governor LeVander's letter in the RECORD at this point:

STATE OF MINNESOTA,
OFFICE OF THE GOVERNOR,
*St. Paul, Minn., December 1, 1969.*

Hon. DONALD M. FRASER,
*U.S. Congressman,*
*House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN FRASER: As Governor of Minnesota and one whose power would be extended by the Senate passed amendment to the Economic Opportunity Act, I wish to declare my opposition to the "Murphy Amendment" that would limit the OEO Legal Services program.

While I support Congressional attempts to gain greater State involvement and authority in the conduct of OEO poverty programs, I do not believe that giving state governors

a veto over the Legal Services would be wise and fair action.

It is my belief that states should be concerned and involved to a greater extent in assuring proper conduct in Community Action and other OEO programs. But, we must, at the same time, assure the poor and those working on behalf of the poor in our nation, that they have access to the legal process. Only through an unfettered Legal Services program can this assurance be given.

Public officials must not be in a position where legal recourse can be denied any of our citizens—rich or poor!

I urge that the House action be in favor of retaining an effective program of Legal Services, so that all citizens may have confidence in our legal institutions, and turn to the courts, rather than the streets, for the resolution of disputes.

I support with great enthusiasm the President's proposal for a two-year extension of the Economic Opportunity Act without crippling amendments.

Sincerely,

HAROLD LEVANDER,
*Governor.*

## THE PACIFIC ISLANDERS AND THEIR LAND

### HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mrs. MINK. Mr. Speaker, as the United States examines and redefines its role in the administration of the Trust Territory of the Pacific Islands, it is vital that we meet the responsibilities conferred upon us in trust by following an equitable land policy in the Pacific Islands.

Ownership of land is the very basis of the community and peer relationship in the trust territory. It is, therefore, vital we do absolutely the least necessary to disturb this factor in their social relationship. Therefore, our Government should avoid ownership of land in Micronesia and should instead arrange only leases for whatever land is required. The lease should provide rental payments which reflect this intrinsic value to the owners.

Mr. Frank E. Midkiff, who served as high commissioner of the trust territory is author of an essay, "The Pacific Islanders and Their Land," which was presented before the Social Science Association in Honolulu, Hawaii, on November 7, 1955. Because of its prophetic nature, and because Mr. Midkiff's views coincide with my own, I am pleased to present the essay at this point in the RECORD:

THE PACIFIC ISLANDERS AND THEIR LAND

(By Frank E. Midkiff)

It has been said that what a man sees is *back* of his eye. Certainly the attitudes of a man from the Middle West or the Great Plains of America transplanted to a small Pacific Island, are markedly different from the attitudes of the native of that little island toward the land of his atoll.

In our great country of America, we have had the habit of thinking that there is an enormous quantity of land awaiting occupation. We recall the settlement of the great homestead areas of Oklahoma. We think of the vast stretches of prairies where for mile after mile we see no human being. This tends to color our thinking toward the value and availability of land. Our American continent really is vast, and certainly it seems *big* to a Pacific Islander.

For on the small Islands of the Pacific, for the most part, land has been occupied for generations just about to the extent of its ability to sustain human life.

There are atolls where the economy is a subsistence economy based upon the coconut, together with taro in most areas, and the fish and sea plants of the lagoon. These atolls have been inhabited for centuries and are fairly crowded with coconut trees. They have a very thin lens of fresh water under them, adequate to permit the growth of coconuts and usually some taro, but in many cases not permitting growth of breadfruit trees or many other types of plants and vegetables. And although actually there may have been no institutionalized infanticide, the practical results were not far from institutionalized customs of population control. The older people succumbed through lack of food and care in many cases, and the infant death rate was exceedingly high.

Since the advent of modern medicine and improved public health practices throughout the Pacific Islands, the population increase has become alarming. It is estimated that the population, now somewhat in excess of 50,000 people in the Trust Territory of the Pacific Islands, exclusive of the Marianas, will be doubled by 1970 if continued at the present rate of increase. It is recognized that such an increase of population will be beyond the competence of many of the atolls to support. Land already is exceedingly scarce throughout the Trust Territory; and the problems of providing habitations and livelihood for the increasing population, emphasize to a distressing degree the value of land on the Pacific Islands.

*Alienation of Title:* Land is so limited and so basic to the entire society of the Pacific Islands that a man or a family or extended family, tribe or clan without land is simply a man or family "without a country." If his land is lost, his status is lost. The title which he has acquired by inheritance or otherwise is based upon and associated with the land which he has occupied, used and owned for many generations. He may be separated from the land temporarily and still retain his authority and the status of his family; but if he loses title to his land, he loses his "mana" or his authority or spirit and is without importance amongst other members of the area. This is true generally in Micronesia, although in the Saipan District the old land customs have become lost sight of to a large extent, and the Chamorros as a people are unstable because of it.

*The Case of the Land of the Hawaiians:* In accordance with ancient custom, title to all the land of the Kingdom was vested in Kamehameha I, the highest chief, or the "King", as he conquered and brought all the islands under his control. This was similar to our "Spoils System"; it followed a king's conquest.

The King, while still himself owning all land permitted very high chiefs on each island to retain, at the King's pleasure, possession and use of all the ahupuaas, or large divisions of the lands on such respective island.

A particularly competent chief of the island—or, island "Governor"—looked after the King's interest on each island and, in the name of the King, permitted high chiefs under him to occupy ahupuaas of land with their prerogatives; and they in turn permitted lesser chiefs (Konohikis) to occupy and use smaller areas (ilis, leles).

In turn, the lesser chiefs permitted small holdings of land—Kuleanas—by commoners and their families.

All such holdings were occupied at the pleasure of the next higher echelon of chiefs right on up finally to the King, the owner of all lands, and made the holder subject to annual hookupus, or taxes, and to provision of soldiery in case of war. As long as these dues were forthcoming, title and area occupancy were undisturbed; failing such, a new occupant was moved in. This, in oversimplification, was the old Hawaiian system of land tenure.

The business elements of Hawaii, being non-Hawaiians, were endeavoring long prior to the middle of the last century to produce a reliable export commodity to exchange for imported goods and equipment that would raise the standards of living above the mere subsistence level.

Sugar began to be milled in a small way, and was regarded as the most promising export possibility.

In order to set up expensive mills, plants, and other improvements, these entrepreneurs desired assurance of permanent land holdings for sites, so that after making large investments they could not be dispossessed by a whimsical chief.

They finally persuaded the King of Hawaii, a lineal successor to Kamehameha the Great, in 1848 to divide the lands so that title could be acquired in fee.

This was known as "The Great Mahele."

King Kamehameha III surrendered his feudal rights, and gave permanent title to large land divisions over to various chiefs.

At about the same time, and in part out of the personal lands held by King Kamehameha III, he set aside a substantial portion of land for the Government. These were the beginning of the "government lands." What he personally retained were known as "crown lands." In a similar manner, many other chiefs surrendered portions of their land to the government, thus further building up the "government lands"; in turn these chiefs were rewarded with clear titles to the remainder of their holdings.

Based on the Land Act of 1845, the great divisions held by the highest chiefs were to be divided in "The Great Mahele" for fee simple ownership amongst lesser chiefs who had been in possession of and using, these divisions. These were called "Konohiki lands." In turn, these chiefs were to provide smaller holdings of land—called Kuleanas—for fee simple ownership of the commoners who were in occupation at the time. Kuleanas also were provided for the commoners both from "crown" lands and from lands set aside as government lands. A law soon was passed permitting government lands to be sold to commoners at a low price.

Summarizing, in addition to the one third of all the land held personally by the King as "crown lands", there were two further parts: theoretically, one-third of the land was "government lands," to support the government of the Kingdom. Another third was to be divided amongst, and shared by, the chiefs or Konohikis—the "Konohiki lands." In each third there were to be areas set aside for the commoners. Appurtenant water rights went with the land titles.

However, through lack of understanding and default, the commoners actually acquired title to much less than a third of the total area, and what they failed to acquire was added as a general rule to the government lands although in many cases Kuleanas within a chief's ahupuaa escheated to the chief if the commoner did not prove up on his title. The government, therefore, at one time after "The Great Mahele", had ownership of more than 50 per cent of all the land in the Kingdom of Hawaii.

Alienation of the Hawaiians' Land: Somewhat later another law was passed permitting "alienation" of the Hawaiians' lands; i.e., permitting foreigners also to purchase and acquire title to lands.

About as soon as the Hawaiian individuals realized that they owned land and themselves could convert it into cash, most of

them sold it. Not very many actually kept their land. Selling land was a novel idea to the Hawaiians. Probably at the time of sale they had no true realization that they were to lose the right at a future time again to occupy and use it.

Having sold the land, they usually came to the seaport towns.

The Malihini (newcomer), according to foreign law, English common law, but not Hawaiian custom, had acquired ownership of the land, and availed himself of the opportunity after 1903 to secure a Land Court Award for the title, and held on to it.

The Hawaiian People learned the value of land the hard way. In general, the Hawaiians became a landless people with neither title to, nor occupancy and use of, lands that from time immemorial had been solely theirs to use and occupy.

However, there were exceptions:

*First:* A few commoners held on to their Kuleanas. These Hawaiians highly prized their Kuleanas and some do so to this day. There originally were about 13,000 awards of small Kuleanas but it is believed there may be less than a tenth of these held by Hawaiians today. Nearly all the Kuleanas that were good for sugar cane or agriculture or for city residences have been sold.

To show the extent of change today, there are around 7,000 purchasers of fee simple property each year. There are now over 65,000 owners of fee simple land in Hawaii, averaging around 6.8 acres each. However, most of the land purchased today is of house lot size. Most of the nearly 65,000 holders of small sized parcels in the Territory are non-Hawaiians.

*Second:* There are also eight *landed charitable* trusts—such as the Bernice P. Bishop Estate, which was the land of The Kamehameha chiefs and which is the endowment of the Kamehameha Schools for Hawaiian boys and girls. Other charitable landed trusts include the Zion Securities Company, whose beneficiary is the Mormon Stake in Hawaii; the Queen's Hospital Trust and the Queen Emma Estate, endowment of the Queen's Hospital; and the Roman Catholic Church lands.

These charitable trusts are perpetual trusts, and their income is used for public benefit. They are conservatively but efficiently managed, so as to increase the wealth and standards of living of the Territory as a whole. Eight such charitable trusts total 407,742 acres or 9.9 percent of the total land of the Territory.

There were other charitable trust estates such as the Lunalilo Trust for Aged Hawaiians created by Hawaiian chiefs, that originally were landed estates. However, these trusts converted their land holdings into so-called "gilt edge" securities long ago; thereupon they ceased to grow, but remained static as to the value of their corpus and today are very small estates.

*Third:* Several newcomers with business experience, had married Hawaiian chiefesses or landed women. Having seen how the Hawaiians were disposing of their lands and losing their heritage these men created trust estates, setting the land areas owned by their wives in trust as the corpus of such estates.

These private trust estates, by Hawaiian law, may continue for the life of the last beneficiary in being at the time of the death of the testator, plus 21 years.

*What has Happened to the Chiefs' Lands?* Of all the 252 chiefs acquiring title to "Konohiki" land under the Great Mahele, there now remain 24 substantial private landed trust estates owned by descendants of the Hawaiian chiefs, and they control about 9.4% of all the land of the Territory or around 387,000 acres.

Eight others of the chiefs set aside their Konohiki lands as charitable trust estates—now 9.9%.

As to other large land ownerships, 47 American corporations have acquired large land holdings totaling 18.6% or 768,000 of the Territory's acres. These holdings for the most part originally were "Konohiki lands" but they also included thousands of Kuleanas of the commoners.

Thirty-three non-Hawaiian individuals are "large" land owners (that is each owns over 600 acres) and control about 12% or around 496,000 acres of the Territory's land. These lands also originally were "Konohiki lands" plus Kuleanas. These holdings by foreigners contrast with the 9.4% held by the private Hawaiian Trust estates.

SUMMARY OF LARGE LAND HOLDINGS IN HAWAII TODAY

(These lands were very largely Konohiki and "Crown" Lands.)

There is shown below a summary of lands in excess of 600 acres each. The owners may be grouped as follows:

| | Number | Acreage | Percent of total of territorial land |
|---|---|---|---|
| 1. American corporations | 47 | 768,211 | 18.652 |
| 2. Caucasians: Individuals and C. trust estates | 21 | 414,824 | 10.072 |
| 3. Chartible trusts | 8 | 407,742 | 9.900 |
| 4. Private Hawaiian trusts | 24 | 387,285 | 9.403 |
| 5. Chinese landowners | 6 | 62,370 | 1.514 |
| 6. Japanese landowners | 3 | 14,591 | 0.354 |
| 7. Portuguese landowners | 3 | 4,640 | .113 |
| Total | 112 | 2,059,663 | 50.008 |

Combining all the foregoing, we see there are 112 so-called large land owners in the Territory, each of whose land holdings is in excess of 600 acres, and whose total acreage is about 50 per cent of the total or 2,059,663 acres.

This is in contrast with the 65,000 small land holders in Hawaii today, who won an average of 6.8 acres each. And relatively few of these small holders are Hawaiians. Most of the small holdings also have been alienated.

GOVERNMENT LANDS

A fairly recent summary showed about 303,536 acres, or 7.4 per cent of the total acre of Hawaii is held by the Federal Government, and about 1,267,576 acres or 30.8 per cent of the total 4,118,600 acres is held by the Territorial and City-County Governments. In other words, 38.2 per cent of all land in Hawaii is held and owned by the government.

In the days before the foreigners came, the land was held in feudal title by the King and the chiefs for the Hawaiians alone.

OWNERSHIP OF LANDS OF HAWAII AT VARIOUS PERIODS

| Period | King's land or crown land | Konohiki or chief's land | Government lands | Commoner's land |
|---|---|---|---|---|
| I. Prior to Great Mahele in 1848. | Title to the total lands of Hawaii was vested to the king. | Land for the chiefs was occupied at will of the king. | | Occupied at the will of the chiefs or King. |
| II. Just following the Great Mahele. | ½ of total lands were crown lands to support the crown. | ½ of total lands were chief's or Konohiki lands. These included the lands awarded to the Kamehamehas and their close kin personally as chiefs. | ½ of total lands were government lands. | Commoners were to be given the Kuleanas they occupied—whether from crown lands, Konohiki lands, or government lands. |
| III. A few years after the Mahele. | Reduces to about ⅛ of total lands, due to king's selling of crown lands to pay their personal debts, etc. | About ⅛ of total lands remained in possession of the chiefs. | About ½ of total lands | About ⅛ of total lands, a decrease from the intended ½, due to defaulting. |
| IV. Present day | Upon creation of the Republic, all crown lands passed to the government. This was the case with the success or territorial government at annexation. Former crown lands are now Government lands. | Over ½ of total lands. About 9.9 percent of all lands are now Konohiki lands set aside as charitable trusts. About 9.403 percent total lands are now held by descendants of Hawaiian chiefs. About 31.197 percent of total lands (61 percent of the Konohiki lands) now are owned by aliens (non-Hawaiians) such as American corporations, Caucasians, Chinese, Japanese and Portuguese. | Approximately 38.2 percent of total lands. Over ½ of all lands. | Approximately 11.79 percent of total lands or 487,225 acres are owned by nearly 65,000 small owners, very few of whom are Hawaiians. This percentage is increasing annually. Government lands and chief's lands are being subdivided and sold to small owners at the rate of several thousand lots each year. |

RESULTS OF THE MAHELE IN HAWAII

The "Great Mahele" proved to be beneficial for the economy of Hawaii, and at the time was believed to be necessary in order to encourage foreign or "Malihini" investment. But the question, "Was it for the best interests of the Hawaiians as a people?" causes us to reflect. Hindsight shows losses amongst the gains even in the new type of Paradise that has developed in Hawaii since the Mahele.

Of course discussion of a *fait accompli* is largely only academic and probably is best left alone. Little can be done about it now. In fact it is worse than pointless—it is destructive—to renew recriminations and arguments as to whether depriving the Hawaiians of their lands, or the American Indians of their lands, was very bad or not. There is much overall good that has resulted that it is unseemly to dwell on the losses and injuries.

Forced innovations amongst native peoples always cause changes. Adjustments are sometimes destructive. The advent of whalers and furriers in Hawaii, before the missionaries came, had a big part in the Hawaiians' loss of respect and fear of their dieties and kapus. This led to a decree to destroy the idols and abandon the kapus. For a time the Hawaiians suffered a degenerating license and disregard of the controls evolved by them through the ages.

This status is hardly to be confused with our present day American ideals of independence and freedom. At any rate, soon after the loss of the ancient controls and the idols, the Hawaiians espoused Christianity and its new and noble forms of controls.

The great growth of America and a wonderful American way of life causes us to give no time to philosophic consideration of what

happened to the American Indian and his loss of land. In some cases, those Indians who have survived and who have not been incarcerated in strange reservations, have made fair adjustments to new ways and are modern Americans learning to get along with different customs and in the new environment. As the years go by, more will make the adjustment, ceasing to be "Indians" and becoming normal American citizens.

As to the Hawaiians and the effect of the Mahele upon them, one seldom hears this mentioned today or if the subject is brought up the response is usually only a silence followed by changing the subject. This is indicative of the fact that little or nothing can be gained now by discussing it. Here, too, the American way of life has resulted in wonderful development of the islands and the land that once all belonged to the Hawaiians.

One fact however "can be tied to," and in any discussion of the status of the Hawaiians it is worth stressing: There is one large landed estate that is conserved for the benefit of the aboriginal owners of these islands. This is the Bernice P. Bishop Estate, which today has around 370,000 acres or about 9.23% of the area of the Territory. This is the foundation of the Kamehameha Schools, soon to enroll 2000 Hawaiian children each year.

There are other lands made available for long term occupancy and use of the Hawaiian people through the Hawaiian Homes Commission Act. These total 210,000 acres. Presently 54,000 acres are inhabited by 1621 Hawaiian families (10732 men, women and children). The remaining 156,000 acres are under lease to corporations or are waste lands, etc. Some of this Hawaiian Homes Commission land is fair to good agricultural land; some is homesites. Hawaiian Homes Commission lands are proving to be beneficial to an increasing number of pure Hawaiians and half-Hawaiians.

One lesson to be learned from the experience of the "Mahele."

It is fortunate that the Bishop Estate and the Hawaiian Homes lands exist. These provisions as a minimum should not be disturbed.

This is a fair and humane as well as practical conclusion to be drawn from the experiences of the Hawaiian People with the "Great Mahele." The Hawaiians on the average and as a general rule to date have not recovered from the cataclysmic changes wrought by loss of their lands, to the extent that they are equal in personal acquisitive powers to the more aggressive groups that have come to Hawaii in such large waves.

It is the basic desire of the Trustees of the Bernice P. Bishop Estate as rapidly as possible through the Kamehameha Schools education to aid the Hawaiian young people to hold their own with all other groups in all ways including home and land ownership, and *that* according to the American free enterprise system. But this is not going to be consummated in a year or a few years. It is a long evolutionary pull toward a new idea of land ownership.

Private land ownership and individual competitive activity for acquisition of land were entirely foreign to the Hawaiians' way of life, just as they are today amongst the other Islands of the Pacific. This was *not* true for the people of America, Asia, and Europe who have come to Hawaii since the Mahele. With these latter peoples, private land ownership was the rule from time immemorial.

In contrast with Hawaiian experience, land has never been alienated in Samoa because of the effect that alienation of land in Hawaii had upon the Hawaiian people. Similarly, it was decided that the Micronesians' land never should be alienated. This is an excellent basic principle and it is terrifyingly dangerous to consider the possibility ever to deviate from it.

While I was High Commissioner of the Trust Territory, I had many requests from well-to-do people for Islands that they might purchase. They stated that they would like to live on an Island for a part of the year, to come in with their yachts, enjoy the beautiful weather, get acquainted with the people and they promised to try to benefit the people by their presence. I informed them that it would be impossible to sell the islands to aliens, that it is prohibited by the terms of the trusteeship agreement and that it would be a serious precedent to establish, separating the natives from the land which they hold so dearly.

ALIENATION OF LANDS OF OTHER PACIFIC ISLANDERS

Authorities who have appraised conditions throughout the islands of the Pacific, including Tasmania, Australia and New Zealand, are inclined to deplore the fact that the original owners and occupants of the land have been summarily dispossessed. One has said, "Throughout the more sordid chapters of modern Oceanic history events have shown all too clearly that, next to introducing epidemics into their midsts or putting shots into their bellies, the most effective way to destroy natives is to take away their lands. *Land* is far more than a source of subsistence to the Pacific Islanders. It is a fundamental of their social groupings, a measure of their status and self-esteem, and an ingredient of their spiritual lives. If a single criterion were to be used to test the survival value of any native community it would be: To what extent have they retained their lands?

"No Oceanic areas have altogether escaped the aliens' quest for land, and in two cases, Australia and New Zealand, the colonists' greed for territory was the most characteristic and the most devastating feature of culture contact."

The appraisal goes on to show that very little consideration was given to the fate of the Australian aborigines in seizing their land and as a result these aborigines have almost disappeared except for some few thousands of scattered half castes and a few small groups or bands ekeing out meager existence over large unproductive areas. It is reported that thousands of the "abos" were exterminated when they attempted to kill or appropriate live stock pastured by the new settlers on the abos' horde territories. It is reported that there were systematic drives set up for the extermination of the aborigines in some cases. It is said that this tragedy was played to its finish in Tasmania. There the Tasmanian's land was taken and the people not only rendered landless but almost entirely exterminated. Doubtless there has been much exaggeration in such reporting but it is clear that the overall results have not been very favorable to those subject aboriginal people.

Conditions were not so bad in New Zealand, nevertheless I have often heard a former distinguished member of our association deplore the treatment the Maoris received at the hands of newcomers, and the resulting lack of status, and loss of spirit which followed dispossession of most of their lands—reportedly all but about 1/16 of their original holdings.

Where as the New Zealand colonial legislature expressed support for the Maori principle that regarded native land inalienable save by full tribal consent, it is stated that lawmakers devised sophistries that made it possible for individual Maoris to sell native land to the crown. This proceeded so far that the Maoris finally became disillusioned and angry, and they confederated themselves into a Kingdom—an entirely novel institution in native New Zealand—for defense of their property. Bloody Maori wars lasting for ten years were fought, which reduced the Maoris to a condition of abject misery. Three million acres of their remaining best lands are said to have been confiscated, and the Maori survivors were pushed back into unwanted and less desired corners or allowed to drift along, in the slums of the cities.

The fact that recently there has been a Maori revival is greatly to the credit of these people. For some decades Maori leaders have labored incessantly to revive their people's pride in their heritage and raise their status economically and politically. This has been of great value. According to students of the case, the future of the Maoris will depend to a large degree upon their ability to hold on to their main lands for without such lands the Maori people would be only Maori in the shape of their head and the color of their skin.

*Payment of Annual Rental Versus Eminent Domain for Lands Used for Public Purposes:* It is customary in lands using the basic concepts of English Common Law to acquire for public uses by the process of eminent domain any land that the government needs for administrative purposes. The fairness of eminent domain in our country is manifest, because the land is used for the benefit of the public in the first place and, in the second place, the payment for the land enables the man deprived of his land by eminent domain to buy land near to the land which he lost. In other words, there is ample land in our country to permit a subsequent land purchase, and the status and economy of the man whose land is taken is not materially effected adversely.

BUT IT IS DIFFERENT ON THE ISLANDS OF THE PACIFIC

Conditions are very different in the small islands of the Pacific. Already land has become crowded. There is not enough for the needs of the people except on the areas in the high islands back from the sea, usually having serious slopes or gradients.

Homesteading will care for some displaced persons on the big islands of Ponape and Babelthaup for a while, but not for long because most of these "high islands," like Oahu, must be kept as forest reserve.

Therefore, it is impossible, if land is taken away from a chief or his family or clan, for him to take the money he might receive pursuant to the use of eminent domain proceedings and go elsewhere and buy land so that his family will have status and be landed people.

Since the man's status derives to such a large extent from his land ownership—though he be removed from it for a time as for example by the use of his land by the government—if he still has title to the land and receives rental payments, he retains his status and is able to carry on his affairs according to the well-established customs of the islands.

A PROPOSED LAND POLICY FOR PACIFIC ISLANDS

I therefore propose for fullest consideration by our Government the following policy: In our Trust Territory of the Pacific Islands, over which we are Trustees and of which islands we have renounced any intention of ownership or title acquisition through our successful World War II conquest, the system of annual rental payments should be followed, for land occupied and used by our Federal Government for administration or security purposes, and we should avoid depriving the people of Micronesia of their title to scant land areas by eminent domain procedures.

It is my belief that the adoption of the above policy would be wise and in the light of history would be appraised as a high example of Trusteeship, consonant with trends becoming evident in the world today. I believe this would be for the best interests of the people on our Trusteeship islands.

The annual amounts involved in such rental would be small.

Rental payments, not the use of our customary Western style eminent domain seem to me to be best in the Pacific Islands.

*Fair Values of Land:* It is almost impossible for one who is accustomed to the vast areas of the United States to appreciate the intrinsic value of the limited land in the small islands of the Pacific where the population is increasing very rapidly.

The population probably will double by 1970. The limited area of land, therefore, have to provide the food and the residential sites for all the people. This limited area is intensively agricultural but, far more than that, every habitable atoll is so crowded that the entire atoll and its islands are also *in fact* residential subdivisions. The population on many islands, therefore, has reached the point where the land is inadequate for the very life of the people, and every foot of it is both intensely agricultural and intensely residential.

As one reflects upon the Pacific Peoples, he recognizes that these islanders have existed on their home atolls and high islands for centuries. He knows that they have been war-like people, driven by the desperate necessities of existence, of confronting a merciless sea and typhoon weather, and that they have shed their blood to retain their precious islands and lagoons. He sees how the people have come to respect their chiefs who have shepherded and helped them defend themselves and their islands and have helped them conserve their limited food and water.

One then grasps the idea that these Pacific isles are far more than mere farm land, or mere house lots such as a new subdivision in an American Mainland city. Thousands of new Mainland subdivisions are being opened up each year, and the possibilities are limitless. The islands and the lands of Micronesia are far from limitless. The limit of availability has been reached in many cases.

Ordinary land may be regarded as worth $100 an acre in many sections of the United States; this is good grazing land. Farm land is worth possibly several times that figure in most arable agricultural states. In Hawaii with highly scientific agricultural practices, cane and pineapple lands are valued at $1,000 per acre up. On the other hand, raw and unimproved *residential* lands run from 10¢ per square foot (i.e. over $4,300 per acre) upward to several dollars per square foot depending upon the location, desirability, and scarcity of the type of land. It can be seen, therefore, that by ordinary American appraisal criteria, agricultural land in the tiny and crowded islands of the Pacific can be worth $1,000 an acre for agricultural purposes alone and many times that for the residential purposes to which the land is put.

It is a fact that land is almost priceless to these people.

Thus rentals that might seem high for Mainland America *agricultural* land, could be very low and underpaid rentals for *residential* areas in even the smallest hamlet of our most backward states; and certainly they could be held to be too low for the desperately needed acres of islands of the Pacific.

It could prove to be a serious *mistake in the long run to under-value* the land of which the Micronesians have been and now are deprived and from which they have been removed to make it available for government administrative purposes. Whatever values are decided upon and annual rentals set, it must always be kept in mind that the areas used by the government and held from habitation by Micronesians will have to be kept to an absolute minimum.

It was the policy of my Administration carefully to look into the whole subject of *public domain* of land that has been expropriated by the preceding governments of Germany and Japan, in order to determine how much of this land is required for continued administrative uses and how much of it could be returned to former owners under policies to be agreed upon, and all according to old local customs of land tenure.

Today, there is an encouraging aspect to the matter of dependent peoples, even though the hour has become late insofar as many of them are concerned. There is a new attitude abroad in most nations of the Free World today, which are taking commendable humane and compassionate steps to improve the lot of such dependent people as fall to their jurisdiction. For example, we have an Office in our Department of State that is devoted to service of dependent peoples; and our Nation, through both State and Interior, is laboring to see that the lot of dependent peoples with whom we deal and also of all those dependent peoples with whom the United Nations deal, is steadily improved.

If one has the responsibility of governing the people on the islands of the Pacific, he must sense in them their desire to achieve and maintain a status equal to that of the other nationals who have inundated their shores from time to time. He must respond to their desires to acquire the ability to read and write, to use Arabic numbers, and to apply science to their endeavors. But even more basically, he must respond to their fierce desire to retain their land, and thereby retain their spirit, their courage, their self-confidence. He must see how they hate the idea of becoming wards of Uncle Sam or anyone else. They wish to be free and independent people.

As long as they own their land, they can go far. Their souls will not be submerged. They will feel secure and they will put forth the effort to attain suitable goals and to excel. Take away their land, limited in area though it is and not attractive to corporation exploitation, it is feared that as a People they would dwindle into nonentities, just wards.

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## DAVENPORT FIRE CHIEF SCHICK PRAISED

### HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. SCHWENGEL. Mr. Speaker, the November 1969 issue of Fire Chief magazine contains a story about our fire chief in Davenport, Lester R. Schick. The article rightly praises Chief Schick for the manner in which he operates the Davenport Fire Department. I would like to add my personal praise to that contained in the article. The chief has done an outstanding job, not only for Davenport, but for the State of Iowa, and the whole Nation.

Because of his broad interests in the field of fire safety and fire prevention, Chief Schick calls our attention to a very pertinent problem: that of adequate funds for the National Commission of Fire Protection and Control. It is hard to imagine many "investments" which the Congress could make and realize a more immediate and profitable return. The chief's advice should be heeded by the Congress.

The article follows:

LESTER R. SCHICK, NATIONAL LEADER

(Fire Chief Lester Schick, Davenport, Iowa, is a leader of national reputation, having served as IAFC President among his many fire service activities. The cover photo depicts Chief Schick's unique method of allocating manpower, and shows the new district headquarters station with hose tower that doubles as drill tower.)

Fire Chief Lester R. Schick, Davenport, Iowa, needs no introduction to most of the nation's fire chiefs. He is widely known for his leadership at the national level. He served the International Association of Fire Chiefs as its president during 1966–67. He was a member of the Wingspread Conference Committee, the ad hoc committee of distinguished fire service leaders who met in 1966 to discuss the nation's fire problem and offer recommendations.

Chief Schick has served on so many fire service committees and organizations it is not possible to list them all here, but here are a few: For the IAFC he served as first and second vice president before becoming president, the board of directors, and as a director of the Missouri Valley Association of Fire Chiefs. He has served as president of these organizations: Davenport Fire Fighters Association, Scott County Firemen's Association, and the Iowa Fire Chiefs Association. He is currently a member of the Board of Trustees and Executive Board Member of the International Fire Administration Institute, which has recently prepared a report on higher education for the fire service. Locally he is a member of the American Legion, Loyal Order of Moose, and Legion of Moose.

Chief Schick joined the Davenport Fire Department in 1939 and was promoted to chauffeur in May, 1944. In June of that year, he joined the U.S. Army and was assigned to the 2nd Division, 9th Infantry Regiment in the European Theatre of Operations. He was discharged in February 1946 and returned to the fire department. He was appointed Lieutenant in January 1947, at the same time that the former chief retired. A civil service examination was given and Lieutenant Schick ended up on top of the eligible list. He was appointed chief only three months after he had become Lieutenant. At the age of 31, he was one of the youngest men ever appointed chief of a major city.

Davenport, a city of some 100,000 plus population, covers an area of 61 square miles. The fire department consists of 126 paid men, operating in two districts.

Although Chief Schick feels that he will never outlive the thrill, excitement, and challenge of facing a fire situation, he says that he has gained the most satisfaction from this work in observing the personal development and progess of the men working under him.

He believes that motivation comes through challenge, "We continually challenge our personnel. We also encourage participation of all men in the development and improvement of the department. This creates an *esprit de corps* in that it now becomes 'our system' or 'our brain child.' Under this approach, the youngest member will often make a major contribution."

Here is one example of how the Davenport Fire Department challenges its men: Chief Schick, an excellent public speaker himself, believes that by digging into a subject to prepare a presentation, a man builds his self-confidence—first, by knowing his subject well, and second, by standing before others and speaking. The training officer assigns each company of the department a subject to prepare for presentation—salvage, ventilation, etc. (The men are in classroom session every day except Saturday and Sunday.) The company officer is in charge of developing the subject matter into a two-hour classroom training session. Everyone on the department is required to participate. For his first presentation a young recruit may only introduce the speakers or subject matter, but as he develops confidence he will take a more significant part in future presentations. The sessions are given at district headquarters or headquarters. All companies of that district will be brought in for the class.

Davenport firemen make up their own promotion examination questions. The questions are researched, developed, and categorized as to rank, by the department personnel. Then men pick the questions from the extensive libraries found in each station. The system takes much of the criticism from the Civil Service Commission as to examination content and its applicability to local situations. And, since the questions have come from their own libraries, if the men don't know the answers, they have only themselves to blame.

Davenport's new district headquarters building is unique (see cover photo). It has a two-story living section in the center with one-story apparatus floors on each side, providing space for the chief's car, aerial ladder, and two pumpers. The hose tower doubles as drill tower. It has windows and catwalks so that minor hose and ladder evolutions can be performed up to the third-story level at district headquarters.

The cover photo also shows Chief Schick's unique method of manning apparatus on the fireground. Davenport runs three-man companies. The District Chiefs' cars are manned with the chief officer, chauffeur, and two firefighters. The chauffeur and the two firefighters can man a second line to create a six-man engine company crew, or can be assigned to the ladder for rescue, ventilation, or other truck work. The system also offers flexibility of manpower. The men riding the chief's car can be split up on major fires with the chauffeur becoming aide to the chief officer. Often the chief's car is first on the scene. He can thus assign the extra men as he makes his size up.

While president of the IAFC, and in his many other fire service activities and speaking engagements, Chief Schick has traveled widely throughout the United States. While serving in Europe during World War II, he served for three weeks with the London Fire Brigade. He was recommended for entrance to the National Fire Service College (British Officer College), and completed 240 hours of instruction there. Chief Schick holds the only certificate of attendance from this college in the U.S. fire service.

Although Chief Schick has served his entire career with the Davenport Fire Department, his travels and keen perception have given him a panoramic view of our nation's fire service—and he has developed some strong feelings and bold ideas about the nation's fire service needs. About this he says:

"The basic organization of the U.S. fire service as local entities without a counterpart on the county, state, or federal level makes it virtually impossible to bring a coordinated attack on the fire problem as a whole. I sincerely and deeply feel that the major problem facing the fire service today is the inability to get the Congress of the United States to recognize the complexity of the entire fire problem, and the urgency of the need to fund the National Commission of Fire Protection and Control, as provided in the Fire Research and Safety Act. This appears to be the only hope of the American people to bring about a broad, in depth, objective study of the fire problem . . . It would also appear to be the only hope to bring the complete utilization of the knowledge, technological advancements, and administrative know-how of the space age in combating the fire problem in this country."

Chief Schick relates all this to the need for unity in the fire service, "The failure to impress this urgent need upon the members of the Congress is a prime example of the lack of coordination in the fire service and related groups. In the meantime the citizens of the United States continue to experience the most appalling loss of life and property of any country in the world."

Chief Schick's dedication to the fire service is founded in his devotion—he likes his work. When asked about his hobbies he replied, "My hobbies are confined primarily to golf, sports interests, and, truthfully, the fire service has been more of a hobby than a job to me."

A clue to the secret of his success may be his philosophy of leadership which he sums up with this quotation of Theodore Roosevelt: "A good executive is one who surrounds himself with good men, gives them a job to do, and has the intestinal fortitude to leave them alone while they are doing it."

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## RETIREMENT OF MONSIGNOR DEMJANOVICH

## HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. HELSTOSKI. Mr. Speaker, today I wish to recognize and pay tribute to a man in my congressional district, who has for 18 years rendered outstanding service to the community of Rutherford, and its adjacent areas.

The Right Reverend Monsignor Charles C. Demjanovich has retired from the pastorate of St. Mary's Roman Catholic Church, after serving 18 years in Rutherford.

It has been my good fortune to know Monsignor Demjanovich for many years. I have admired his courage in facing up to the many problems which confront the pastor of a parish of several thousand families.

In his position of overseeing the expansion of St. Mary's he has been responsive to the needs of his parishioners and the rest of community citizens. He has shown a progressive attitude toward every endeavor which would enhance the life of Rutherford citizens.

Monsignor Demjanovich had implicit faith in the potential capabilities of people and believed that these capabilities could be developed through education and training. And, in this respect we see the improved educational standards of the classes at St. Mary's.

The monsignor was vitally concerned with being effective than being merely efficient in the operation of his parish's activities. He had a quest for knowledge and was general in sharing it with others. He understood that cultural pursuits and opportunities are also necessary for a well-rounded individual and community development.

Monsignor Demjanovich was not content to conceive ideas and dreams, but has persisted sometimes in the face of grave obstacles, in putting these ideas and dreams into action. He has given graciously of himself and his resources to his adopted community of Rutherford, N.J., and the surrounding area.

We, in Rutherford will miss Monsignor Demjanovich, but we wish him well in his retirement years. May the good Lord provide him with the long life of ease in repayment for his 46 years of work in the House of the Lord.

Mr. Speaker, as part of my remarks, I would like to include an article which appeared in the Herald-News of December 1, 1969, a newspaper which has a wide circulation in the Ninth Congressional District of which Rutherford is but one small part.

The article follows:

[From the Herald-News, Dec. 1, 1969]

MONSIGNOR DEMJANOVICH, 18 YEARS IN RUTHERFORD, RETIRES

(By Howard B. Klausner)

RUTHERFORD.—Eighteen years is a fairly long time for a pastor to remain in one parish, and after 18 years in Rutherford, the Rt. Rev. Msgr. Charles C. Demjanovich has impressed his personality on both the parish and the community.

While officially retiring from the pastorate of St. Mary's R.C. Church yesterday, Msgr. Demjanovich will remain at the church "for a while." Then, he says, he will remain active in some new capacity.

"There are lots of things to do," he said, in his rectory office, recently. "There is plenty of work to be done."

Not an orator and not a diplomat. Msgr. Demjanovich has been a teacher and a builder.

A conservative in most matters, he has moved slowly in innovations but he has built solidly.

SON OF IMMIGRANTS

The son of immigrants from Ruthenia, a tiny, mountainous pocket in eastern Europe, he observed the Greek Rite of the Church until he was a young man.

"My parents were called dumb greenhorns because they couldn't speak English," he recalled. "But they knew German, Slovak and Polish, while the natives here spoke just one language."

A member of a minority within a minority, the Bayonne-born, first-generation American was ordained a priest on May 26, 1923, at the age of 24, in St. Patrick's Pro-Cathedral, Newark.

Both studious and practical, he was soon appointed to the faculty of Seton Hall College and Immaculate Conception Seminary. When the seminary was moved to Darlington from South Orange, he was appointed its procurator.

In this post, he was in charge of the physical plant of the seminary, handling its finances and its repair, and teaching as well. His subjects included the history and philosophy, canon law and Slovak.

He remained there until 1951, when he was named pastor of the Rutherford parish.

PARISH SMALL

At that time, the parish had some 4,000 members. The grade school had 11 classrooms, while the high school, with some 550 students, had a growing budget and limited facilities.

"They used to say that Rutherford had no bars and no Catholic Church. Today, that's changed. People know we're here, and they know that we are here for good purpose.

"Now I'm a member of the Ministerial Association. Only with my Jewish colleague and I, it is now the Clergymen's Association."

Parishioners were predominantly Irish, German and Italian, and some parents recall rehearsing their children in now to say the slavic name of the new pastor.

Father Demjanovich went to work vigorously.

NEW CONVENT RISES

He saw to it that the teaching Sisters were housed in a new convent, instead of the frame house, they had previously used. He began a fund raising drive for a new and larger church edifice.

He worked hard on the school to keep up its standards.

Three years later, in October, 1954, he was elevated to monsignor.

St. Mary's High School and Grammar School attracted more and more Catholic families to Rutherford. More grammar school classes were added. The school was

modernized, with new facilities added each year.

When more land was needed, the pastor bought the property indirectly, through a third party. "Today, people come to us to offer property for sale, but in those days, they would have been afraid to sell it to us."

Msgr. Demjanovich also worked to weld the Catholic community into an effective political force.

By 1956, he was engaged in a controversy with the Board of Health over the providing of physical examinations for parochial school pupils.

The parish wanted a complete, or "strip" physical. The board maintained it could only provide limited inspection by a nurse.

The growing controversy served to solidify the parish behind the pastor, as he insisted on a change in the Board of Education.

A MAYOR PROMISES

"The mayor at that time promised us he'd do something for us, but the Board of Health kept voting, 'No, No.' So we decided to do something about it.

"The candidate who ran against him promised to appoint someone to the board who would be unbiased. So I mentioned this to people, and this candidate won by a thousand votes.

"But then he appointed someone to the board whose wife had made speeches against our school program. And he kept voting the same way.

"Well, I told people about that. And the mayor came to my office and pleaded with me for over an hour, saying I was delivering the election to his opponent. And I had to tell him I could only tell the truth.

"So he lost by a thousand votes."

MONSIGNOR WINS POINT

After this election, the new mayor appointed members to the Board of Health who saw things differently about the strip physicals, and the pastor won his point.

Another time, the pastor took on the Board of Recreation and the Community Fund, arguing that they were funneling public money into a secretarian organization, the Young Men's Christian Association.

"Our children had to join the 'Y' and become dues-paying members in order to enjoy its benefits," he said. The Recreation Commission agreed to stop making contributions to the "Y". A few years later, the Rutherford YMCA became a branch of the Bergen County YMCA.

More recently, the pastor fought successfully to keep the street adjoining the Grammar School closed to traffic during certain hours, as a play street.

After a Rutherford resident obtained an injunction against the closing of the street, the pastor worked to have a new law passed by the state legislature, permitting a town to close streets to traffic.

AGAIN IN TRENTON

Then, after the law was enacted, the pastor discovered that a Trenton official still denied the town the right to close the street.

"I went to Governor Hughes, and told him about it. He picked up a telephone, and called Miss Strelecki (director of the State Division of Motor Vehicles). The permit was granted."

The last few years have been relatively tranquil on the political front.

With almost 11,000 parishoners, the parish is now more than half the population of the borough.

In its administration and outlook, the town remains as conservative as ever. In a sense, the town has absorbed the new population as much as the new population has absorbed it.

There are now 37 classes in the grammar school, with more expected. The high school population has been kept the same, while the standards have been steadily improved.

The school has been accredited by the Middle Atlantic States and Maryland Association, and more than half its graduates enter college.

EXPANDING AGAIN?

Masses now have to be offered in the Rutherford High School on Sundays, and it seems apparent that the parish must expand again.

The directions the parish will take are now to be left to others. The retiring pastor is of a generation now far removed from the management of the Roman Catholic Church in America.

On May 27, 1958, at a dinner honoring the 50th anniversary of the founding of St. Mary's Church, Msgr. Demjanovich said, "The seed was sown by those who were here in the early days. It was watered by those who followed. And we are still reaping the fruit.

"There is still much to do. Whatever material progress has been made has been because you want it."

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## FACT SHEET ON NEW INDUCTION PROCEDURES

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## HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. DANIELS of New Jersey. Mr. Speaker, my office has been receiving numerous requests for information regarding the new draft procedures and regulations. Recently the Honorable L. MENDEL RIVERS, chairman of the Committee on Armed Services, printed a copy of a "Fact Sheet on New Selective Service Induction Procedures" which I have found most helpful in answering questions from constituents. Chairman RIVERS is to be commended for this service. I recommend the "Fact Sheet," which follows, to any of my colleagues who have not yet seen it:

FACT SHEET ON NEW SELECTIVE SERVICE INDUCTION PROCEDURES

BACKGROUND

President Nixon, under the authority vested in him by the Selective Service Act of 1967, as amended by Public Law 91-124 of November 26, 1969, has issued a proclamation and an executive order which directs the implementation of important changes in draft policy and procedures.

The purpose of this fact sheet is to identify these major changes in draft procedures and briefly discuss their implementation.

MAJOR CHANGES IN DRAFT POLICY AND PROCEDURES

*1. The "First Priority Selection Group" during 1970.*—President Nixon has directed that during Calendar Year 1970 the "first priority selection group" from which inductees will be selected will consist of all registrants who were born on or after January 1, 1944, and on or before December 31, 1950, and who are classified I-A or I-A-O.

Stated another way, during Calendar Year 1970, the "first priority selection group" available for selection for induction will consist of those registrants who had attained their 19th birth date *prior* to January 1, 1970, and those registrants over age 19 who will not attain their 26th birth date *prior* to January 1, 1970, provided they are classified I-A or I-A-O.

It is important to note, however, that if a registrant in this age group (19 through 25) attains his 26th birth date during Calendar Year 1970 *before* his number has been reached by his local draft board for induction, he will be transferred out of this "first priority selection group" into a lower priority group of registrants not normally available for induction. Liability for induction of such registrants over age 26 will then, for practical purposes, be eliminated except in those instances in which the registrant had been deferred by reason of graduate student training in one of the health specialties and therefore subject to possible induction until age 35 under the so-called Doctor Draft Act.

On the other hand, any such registrant whose random sequence number has been reached and who would have been ordered to report for induction except for delays due to a personal appearance, appeal, preinduction examination, reclassification, or otherwise, shall, if and when found acceptable, and when such delay is concluded, be ordered to report for induction next after delinquents and volunteers, even if the year in which he otherwise would have been ordered to report has ended, and even if (in cases of extended liability) he has attained his 26th birth date.

*2. The "First Priority Selection Group" during Calendar Year 1971 and Later Years.*—The "first priority selection group" during Calendar Year 1971 and each subsequent year thereafter, will consist of:

(a) Registrants who prior to January 1 of each such calendar year have attained the age of 19 but not of 20 years and are in Class I-A or I-A-O; and

(b) Those registrants who prior to January 1 of each such calendar year have attained the age of 19 but not of 26 years, and who had not previously been fully exposed to vulnerability for actual induction in the "first priority selection group" (by reason of a student deferment or otherwise).

"Full" exposure is considered to have occurred if the registrant was in the "first priority selection group" on December 31 of the calendar year and his random sequence number had not been reached by that date.

Thus, during Calendar Year 1971 and in subsequent years, the "first priority selection group" will consist of registrants in their 19th year of age and those other registrants age 20 through 25, not previously fully exposed to induction by reason of deferment or otherwise.

*3. Order of Call for Inductees.*—Under previous draft selection procedures, registrants within the age group 19 to 26 who were classified I-A or I-A-O and otherwise available for induction were ordered for induction on the basis of the "oldest first system". Thus, the birth date of registrants in the "pool" established their sequential order of call.

President Nixon has now changed this procedure by instituting a random system of selection (authorized by Public Law 91-124 of November 26, 1969). The random selection procedure, as implemented by the Selective Service System, will determine the order in which registrants in any available "pool" will be ordered first for induction.

The system now adopted by the Director of Selective Service results in a scrambling of dates of birth of each registrant and the substitution of a randomly-arrived-at sequential number for each registrant.

A national lottery was held at Selective Service Headquarters in Washington, D. C. on Monday, Deecmber 1, 1969, which established the sequence of numbers which will be observed by each local board in ordering registrants for induction from its available manpower pool.

The order of induction for registrants (ages 19 through 25) in the "first priority selection group" during 1970 has been established as follows:

RANDOM SELECTION SEQUENCE, 1970

| | January | February | March | April | May | June | July | August | September | October | November | December |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 305 | 086 | 108 | 032 | 330 | 249 | 003 | 111 | 225 | 359 | 019 | 129 |
| 2 | 159 | 144 | 029 | 271 | 298 | 228 | 350 | 045 | 161 | 125 | 034 | 328 |
| 3 | 251 | 297 | 267 | 083 | 040 | 301 | 115 | 261 | 049 | 244 | 348 | 157 |
| 4 | 215 | 210 | 275 | 081 | 276 | 020 | 279 | 145 | 232 | 202 | 266 | 165 |
| 5 | 101 | 214 | 293 | 269 | 364 | 028 | 188 | 054 | 082 | 024 | 310 | 056 |
| 6 | 224 | 347 | 139 | 253 | 155 | 110 | 327 | 114 | 006 | 087 | 076 | 010 |
| 7 | 306 | 091 | 122 | 147 | 035 | 085 | 050 | 168 | 008 | 234 | 051 | 012 |
| 8 | 199 | 181 | 213 | 312 | 321 | 366 | 013 | 048 | 184 | 283 | 097 | 105 |
| 9 | 194 | 338 | 317 | 219 | 197 | 335 | 277 | 106 | 263 | 342 | 080 | 043 |
| 10 | 325 | 216 | 323 | 218 | 065 | 206 | 284 | 021 | 071 | 220 | 282 | 041 |
| 11 | 329 | 150 | 136 | 014 | 037 | 134 | 248 | 324 | 158 | 237 | 046 | 039 |
| 12 | 221 | 068 | 300 | 346 | 133 | 272 | 015 | 142 | 242 | 072 | 066 | 314 |
| 13 | 318 | 152 | 259 | 124 | 295 | 069 | 042 | 307 | 175 | 138 | 126 | 163 |
| 14 | 238 | 004 | 354 | 231 | 178 | 356 | 331 | 198 | 001 | 294 | 127 | 026 |
| 15 | 017 | 089 | 169 | 273 | 130 | 180 | 322 | 102 | 113 | 171 | 131 | 320 |
| 16 | 121 | 212 | 166 | 148 | 055 | 274 | 120 | 044 | 207 | 254 | 107 | 096 |
| 17 | 235 | 189 | 033 | 260 | 112 | 073 | 098 | 154 | 255 | 288 | 143 | 304 |
| 18 | 140 | 292 | 332 | 090 | 278 | 341 | 190 | 141 | 246 | 005 | 146 | 128 |
| 19 | 058 | 025 | 200 | 336 | 075 | 104 | 227 | 311 | 177 | 241 | 203 | 240 |
| 20 | 280 | 302 | 239 | 345 | 183 | 360 | 187 | 344 | 063 | 192 | 185 | 135 |
| 21 | 186 | 363 | 334 | 062 | 250 | 060 | 027 | 291 | 204 | 243 | 156 | 070 |
| 22 | 337 | 290 | 265 | 316 | 326 | 247 | 153 | 339 | 160 | 117 | 009 | 053 |
| 23 | 118 | 057 | 256 | 252 | 319 | 109 | 172 | 116 | 119 | 201 | 182 | 162 |
| 24 | 059 | 236 | 258 | 002 | 031 | 358 | 023 | 036 | 195 | 196 | 230 | 095 |
| 25 | 052 | 179 | 343 | 351 | 361 | 137 | 067 | 286 | 149 | 176 | 132 | 084 |
| 26 | 092 | 365 | 170 | 340 | 357 | 022 | 303 | 245 | 018 | 007 | 309 | 173 |
| 27 | 355 | 205 | 268 | 074 | 296 | 064 | 289 | 352 | 233 | 264 | 047 | 078 |
| 28 | 077 | 299 | 223 | 262 | 308 | 222 | 088 | 167 | 257 | 094 | 281 | 123 |
| 29 | 349 | 285 | 362 | 191 | 226 | 353 | 270 | 061 | 151 | 229 | 099 | 016 |
| 30 | 164 | ---------- | 217 | 208 | 103 | 209 | 287 | 333 | 315 | 038 | 174 | 003 |
| 31 | 211 | ---------- | 030 | ---------- | 313 | ---------- | 193 | 011 | ---------- | 079 | ---------- | 100 |

Since it is probable that in many instances local boards will have more than one registrant with the same "number" for induction by reason of their having the same birth date, their sequence of induction will be determined by the first letter of their names (last name and, if necessary, first name), which have also been arrived at in a random sequence established by a supplemental drawing which also was conducted at Selective Service Headquarters on December 1, 1969. The sequence of this alphabetical drawing for Calendar Year 1970 is as follows:

| | | | |
|---|---|---|---|
| 1 | J | 14 | C |
| 2 | G | 15 | F |
| 3 | D | 16 | I |
| 4 | X | 17 | K |
| 5 | N | 18 | H |
| 6 | O | 19 | S |
| 7 | Z | 20 | L |
| 8 | T | 21 | M |
| 9 | W | 22 | A |
| 10 | P | 23 | R |
| 11 | Q | 24 | E |
| 12 | Y | 25 | B |
| 13 | U | 26 | V |

The relative sequence established for all registrants, ages 19 through 25, as reflected in the number assigned to their birth date, will remain with the registrant permanently. Thus, despite the fact that a new "lottery" will be held each year for young men attaining age 19 on or after January 1, 1970, 1971, 1972, 1973, et cetera, these subsequent annual lotteries will not have any effect on registrants previously lotteried.

Stated another way, once a registrant receives a lottery number to establish his sequence for possible induction, he retains that number permanently, regardless of the calendar year during which he is actually exposed to induction.

*4. Transfer of a Registrant from the "First Priority Selection Group" to a Lower Priority Selection Group.*—A question may be raised as to the period of time which a registrant must spend in the "first priority selection group" in order to discharge his prime liability for induction. Generally speaking, registrants will remain in the "first priority selection group" during the entire calendar year of exposure, i.e., from January 1 to December 31. However, because of a possible deferred status, a registrant may only spend a relatively short period of time before the end of the calendar year in this "first priority selection group" as a registrant classified I–A or I–A–O and available for induction; therefore, the regulations issued by the President indicate that only those registrants who are in the "first priority selection group" on December 31 of the year of their exposure and whose random sequence number had *not* been reached by that date, shall be assigned to a priority group which is immediately below the "first priority selection group".

Stated another way, a *deferred* registrant (one not classified I–A or I–A–O) will remain liable for transfer back to the "first priority selection group" during any given calendar year until such time as he has had the maximum possible exposure to induction by virtue of having been in the "first priority selection group" on the last day of the calendar year and providing that his particular sequence number had *not* been reached by that date.

SUMMARY

The changes in draft policy announced by President Nixon and implemented by the Director of Selective Service make no changes in the manner in which young men are required to *register* for the draft at age 18; nor do they change existing law or regulations concerning the manner in which these registrants are subsequently *classified* by their local draft boards.

The changes merely involve the manner in which registrants are *selected* and the time frame of their *vulnerability*.

During Calendar Year 1970 the ages of registrants who have maximum vulnerability for induction will range from 19 through 25. Thus during Calendar year 1970, the only marked difference between the existing system heretofore observed by Selective Service, and the new system which will be placed into effect on January 1, 1970, relates to the manner in which these young men who are classified I–A or I–A–O and are available for induction are to be *selected* for induction. The existing system simply required that the "oldest first" in the pool be ordered for induction, the oldest first being determined on the basis of the registrant's birth date.

The new system selects registrants for induction on the basis of the sequential number assigned to the individual registrants in lieu of his birth date. As previously explained, the sequential number assigned to each registrant is one arrived at by "random selection". This number will establish the individual registrant's relative order of call.

Calendar Year 1970 is therefore a transitional period during which the Selective Service System hopes to move into the final phase of its announced policy to reduce the period of uncertainty facing young men as regards the draft from the present 19 to 26 year period down to the 19–20 year period.

The period of transition, i.e., Calendar Year 1970, is necessary so as to ensure that registrants above age 20 and below age 26 who have been given a deferred status will be given some exposure to the draft.

Beginning with Calendar Year 1971, the new system will become fully effective. At that time, the "first priority selection group" will then consist primarily of registrants ages 19 to 20 and those older registrants under age 26 who had not previously been "fully" exposed to the draft.

## GAINS IN REHABILITATION

### HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mr. REID of New York. Mr. Speaker, for 24 years, Dr. Howard Rusk, director of the Institute of Rehabilitation Medicine of New York University, has been writing a weekly column for the Sunday New York Times. The column that appeared yesterday was Dr. Rusk's last on a regular basis.

The reason for the termination of the column is quite related to the reason for its inception. In 1945, Arthur Hays Sulzberger, publisher of the Times, observed that if there was any good to war, it was that the good lessons of war could be utilized for the benefit of all people. He hoped that the rehabilitation programs for servicemen could be made available to all people and the wanted The New York Times to provide a "forum for public education and national and community action toward this end."

Largely through Dr. Rusk's tireless efforts and skill, this objective has been realized. The handicapped are employed regularly in offices and factories; hospitals provide comprehensive rehabilitation services where previously there were none at all; the training of physicians in this field and the number of physical and occupational therapists has increased enormously.

Too often, we take the accomplish-

ments of modern medicine for granted, and fail to recognize the years of painstaking research and experimentation that now make routine procedures possible. Dr. Rusk's final column reviews the strides we have made in the last quarter century in the field of rehabilitation medicine. I think that Members will find it of interest, and I hope that they will add between the lines as they read the fact that Dr. Howard Rusk, a great American doctor and humanitarian, made much of it possible.

The material referred to follows:

[From the New York Times, Dec. 7, 1969]

GAINS IN REHABILITATION—PROGRAMS FOR DISABLED OF WORLD WAR II NOW GENERALLY AVAILABLE TO WHOLE NATION

(By Howard A. Rusk, M.D.)

(This is Dr. Howard A. Rusk's final column for The Times on a weekly schedule. Dr. Rusk, director of the Institute of Rehabilitation medicine, New York University Medical Center, will remain as a contributing editor of The Times on health and medical affairs.)

This column first appeared 24 years ago this Sunday. It has been published each Sunday since with but two exceptions. One was in 1953 when it reported a stroke suffered by Sir Winston Churchill and its complications and prognosis. Since the British Government had not officially announced that Sir Winston had had a stroke, The New York Times felt such disclosure was not appropriate.

The writer was on his way to Korea at the time and could not be reached so the column was not published.

Two years later, however, when angered in a debate in the House of Commons, Sir Winston in true Churchillian rhetoric warned his opponents that he had had a stroke and conquered it and he would conquer his opponents in the same way. The story of Sir Winston's stroke was then reported in this column.

COPY LOST IN MAIL

The second instance was far less dramatic. The copy was lost in the mail between 34th Street and First Avenue and Times Square.

The genesis of this column 24 years ago resulted from a meeting with the lat. Arthur Hays Sulzberger toward the end of World War II.

In inviting the writer to join the staff of The New York Times, Mr. Sulzberger said, "If there is anything good about war it is taking the good lessons we have learned because of war and utilizing them for the benefit of all people. I think the program developed for our disabled servicemen should be made available to all people. I would like The New York Times to provide a forum for public education and national and community action toward this end."

During the last 24 years great strides have been made throughout the world in improving the lot of the physically handicapped. For those who were paralyzed by poliomyelitis or stroke or had suffered amputations from accidents or who had broken their back, there was little chance for employment.

Securing employment for the severely disabled is still not an easy task but it is commonplace now to see the severely disabled at all kinds of work. Labor and management have learned that hiring the handicapped is good business.

During World War II, Veterans Administration hospitals were termed the "backwash of American medicine." Shortly after the war they were completely reorganized and have functioned for the last two decades with high professional standards and efficiency.

At the end of World War II there was not a single comprehensive rehabilitation medicine service in any civilian general hospital in the United States. Now all modern hospitals have such services.

PROGRAMS IN SCHOOLS

At that time none of the medical schools in the United States had organized programs to teach young physicians the principles of rehabilitation medicine.

Now the majority of the nation's medical schools have departments of rehabilitation medicine and include this subject in their curricula.

The national supply of physical therapists and occupational therapists 24 years ago numbered in the hundreds. Although such people are still in short supply their numbers are now in the thousands.

In 1945, the total number of disabled persons rehabilitated into employment under the public program of vocational rehabilitation was but 41,925. In the fiscal year ended last June a record total of 241,390 disabled Americans were rehabilitated into gainful employment through the program.

The total Federal investment in vocational rehabilitation in 1945 was about $7-million. This year it is close to $558-million.

Studies show that these investments by the Federal Government are returned 10 times in income taxes alone paid by those rehabilitated.

RESEARCH IN UNIVERSITIES

There were no Federally supported research or training programs in 1945 and few universities trained rehabilitation personnel.

Today, practically every large university conducts extensive programs of research and training supported by both Federal and voluntary funds.

These gains have not been limited to the United States. Organized, effective rehabilitation services can be found in all of the developed nations of the world and in an increasing number of the developing nations.

This is the last Sunday that this column will appear as a regular feature in The New York Times. It will be published, however, from time to time and will deal not only with rehabilitation but also with the pressing problems of social medicine, medical economics, health manpower shortages and the delivery of health services.

The column is being discontinued on a regular Sunday basis, for after 24 years the objectives of the late Arthur Hays Sulzberger have been met and the rehabilitation program developed for our disabled servicemen in World War II has generally become available to our population.

## THE KILLING OF BABY SEALS

### HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. MILLER of California. Mr. Speaker, an article appearing in a national magazine has caused a great deal of concern among all nature lovers.

The result has been that the Bureau of Commercial Fisheries of the Department of the Interior and other Government agencies have received many letters of protest and letters inquiring as to the reliability of the story.

The Bureau of Commercial Fisheries has prepared a statement on this subject which was unofficially brought to my attention by the Library of Congress. I would like to make the report of the Library part of these remarks so that concerned people may know the truth in this matter. The killing of baby seals has never been practiced in this country. The report follows:

THE KILLING OF BABY SEALS

(By Elmer W. Shaw, analyst in conservation and natural resources, Environmental Policy Division)

The Legislative Reference Service has received many inquiries regarding the killing of baby seals in Alaska, based on a letter from a 9-year-old girl, Lillie Leonard, which was published in the November 4, 1969 issue of *Look Magazine* under the title "A little girl asks Why Must They Die?"

Some of the impressions created by this article are misleading. The killing of baby seals was formerly practiced in Canada, but not in Alaska. Sealing operations under the jurisdiction of the U.S. Government are frequently inspected by the Humane Society of the United States and the World Federation for the Protection of Animals. The following explanation prepared by the Bureau of Commercial Fisheries in the U.S. Department of the Interior refutes parts of the *Look Magazine* article and describes how fur seals are harvested in the United States.

"The letter from Lillie Leonard was in error since baby seals are not harvested in the United States nor in any sealing over which the United States has jurisdiction. Pup seals have been harvested on the ice off eastern Canada by Canadian and Norwegian nationals. The United States has no jurisdiction over those seal stocks since they are in Canadian and international waters. No U.S. citizens take part in the harvest. Recently Canada announced a ban on the taking of "whitecoats," which are the very young pups previously harvested. Seals now have to reach the "beater" stage before they may be taken. "Beaters" are seals whose coat has darkened and which are able to swim.

"The fur seal harvest on the Pribilof Islands, Alaska, is conducted under the jurisdiction of the Department of the Interior. Almost all seals harvested are 3- and 4-year-old males. No pups are taken. The northern fur seals of the Pribilof Islands are the subject of an international treaty first formed in 1911. Under the protection of this treaty and through the management of the Department of the Interior, the herd has increased from only about 200,000 animals in 1912 to the present level of over 1½ million.

## "SANTA LOOP"—DOWNTOWN CLEVELAND BUSLINE

### HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. STOKES. Mr. Speaker, approximately 2 weeks ago, the Urban Mass Transit Administration announced a $30,000 grant to the city of Cleveland to demonstrate the feasibility of a special downtown busline for use during the Christmas holidays. These funds, plus $35,000 in local money, are now being used to add 12 buses to the normal schedules to facilitate the circulation of Christmas shoppers in the downtown area.

Friday, December 5, I had the pleasure of accompanying my Cleveland colleague, BILL FEIGHAN, Carlos Villarreal, the Urban Mass Transit Administrator, and members of his staff, to Cleveland to formally dedicate the "Santa Loop." The trip, which was jointly coordinated by the Congressional Liaison Office at HUD, and the mayor's office in Cleveland, was both enjoyable and enlightening.

I was particularly impressed with the concept of inner-city circulation busing.

Revitalizing the downtown sections of our large urban areas is of tremendous importance to most of us here in Congress. We all equally understand the relationship between transporting people from their homes to downtown and such vitalization. I am afraid, however, that we often overlook the problem of inner-area transportation. In the large, spread-out territories that make up the hearts of our downtown districts, a day of shopping can often mean either a substantial expenditure for bus and/or cab fare, or very tired feet for a shopper wishing to cover all the stores. The usual result is that the buyer winds up using only a few shops in a limited area.

The "Santa Loop," which provides continuous circulating buses for a minimal fare—10 cents—appears to be an excellent solution to this problem. Mr. Villarreal assured me that if the project proves to be successful, it will be both continued in Cleveland and replicated in other downtown areas. Therefore, Mr. Speaker, I should like at this time to salute the Urban Mass Transit Administration and the city of Cleveland for their foresight in arranging and funding the "Santa Loop." I wish them every possible degree of success.

## MARYLAND SOLDIER, MARINE DIE IN VIETNAM

### HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. LONG of Maryland. Mr. Speaker, S. Sgt. Daniel L. Seekford and L. Cpl. Robert B. Hamblett, two fine young men from Maryland, were killed recently in Vietnam. I wish to honor their memories by including the following article in the RECORD:

SOLDIER, MARINE DIE IN VIETNAM—SEEKFORD AND HAMBLETT ARE KILLED IN ACTION

The Department of Defense announced yesterday the deaths of two Maryland servicemen in South Vietnam.

They were:

Army Staff Sgt. Daniel L. Seekford, 20, of 258 Baltimore avenue, Dundalk.

Marine Lance Cpl. Robert B. Hamblett, 19, of 3415 79th street, Forestville, Md.

Sergeant Seekford was killed last week by an enemy grenade while he was on patrol. He had been scheduled to return home December 15.

A native of Baltimore, he entered the Army in June, 1966, shortly after his 17th birthday. He attended Dundalk Senior High School, and completed high school while in the Army.

"I tried to talk him out of an extra six months tour of duty in Vietnam, but it didn't help," John E. Bender, his stepfather, said yesterday.

"He said the Vietnamese people needed him and the young fellows coming over also needed him to stay alive a little longer. He wanted to stay because he felt he belonged to Vietnam," Mr. Bender added.

Sergeant Seekford, who had belonged to Troop 438 of the Boy Scouts of America in Dundalk, received his basic training at Fort Jackson, S.C., and took advanced infantry training at Fort Dix, N.J.

He took airborne training at Fort Benning, Ga., and a special sniper course at Fort Bragg, N.C., where he also received Ranger training. He went to Vietnam in October, 1967, joining Company B, 3d Battalion, 503d Airborne Infantry in the 173d Airborne Brigade.

He participated in the fight on Hill 875 near Dak To during Thanksgiving, 1967, an action which won his unit a Presidential Unit Citation.

Sergeant Seekford was awarded several Air Medals and a Bronze Star.

He is survived by his father, John Seekford, of Florida; his stepfather and mother, Mr. and Mrs. John E. Bender, of Dundalk; two sisters, Mrs. Anne Tabor, of Brown Point, N.Y., and Mrs. Bonnie Bennett, of Baltimore; two stepbrothers, John Bender, Jr., of Fort Lee, Va., and Robert Bender, of Baltimore; and his maternal grandmother, Mrs. Anne Dice, of Baltimore.

Corporal Hamblett joined the Marine Corps in September, 1967. In the spring he had graduated from high school in Roanoke, Va.

He was the son of Mr. and Mrs. Silas D. Hamblett, of Forestville.

He had about 70 days to go in Vietnam, when he was killed on a mission November 12. He was in the 1st Battalion of the 7th Marines, 1st Division.

In addition to his parents, he is survived by three brothers, James, Lawrence and Mark Hamblett; and two sisters, Marsha and Terri Sue Hamblett; all of Forestville.

## A NATIONAL CORPS OF YOUNG IDEALISTS?

### HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. McDONALD of Michigan. Mr. Speaker, on July 9, informed the Members of the House of Representatives that I had formulated a proposal which I feel can serve as a general foundation upon which we can build a comprehensive program to fulfill the occupational needs of our technological society as well as to provide the chance for a young person to serve his or her country in some way other than in a military capacity. In order to study the feasibility of establishing a national service academy program, on August 5, I appointed a five-member task force of leading educators. Due to my interest in this area, I was particularly intrigued by an article in the Wall Street Journal written by Prof. Amitai Etzioni, chairman of the department of sociology at Columbia University. I feel his observations are certainly thought-provoking and I would like to share them with my colleagues at this time:

[From the Wall Street Journal, Nov. 28, 1969]

A NATIONAL CORPS OF YOUNG IDEALISTS?

(By Amitai Etzioni)

Many over 30 view America's youth as a drug-crazy, promiscuous, politically misguided, unwashed generation. A strong idealism, however, characterizes that same youth, particularly the sons of the affluent. While many of the young workers and children of minorities still seek the Good Life in the traditional terms of material objects, many of the middle classes sneer at the consumer culture and the hard labor required to attain it.

A study conducted for Fortune in mid-1969 divided the American youth into non-college, college and "forerunners." The forerunners (or activists), the study shows, set the patterns that many others soon follow. Asked what will affect their choice of career, only 21% of the forerunners mentioned "money" as a major determinant (compared to 58% of college and 57% of non-college), but 80% listed "opportunity to make a meaningful contribution" (compared to 55% of non-college youth and 71% of college youth).

FAVORING PUBLIC SERVICE

The young idealists see in most business pursuits a search for self-aggrandizement. They favor either public service that permits little self-gain (the Peace Corps and VISTA) or public service combined with a modestly comfortable career (teaching or social work). A June 1968 Gallup poll of students reports: "The traditional goals of college students of making money and 'getting ahead in the world's appear to have lost some of their charm. No less than two college students in every three said they would have an interest in working either in VISTA or the Peace Corps.'" This would total 4.3 million out of 6.5 million college students.

Much of this idealism is rather pliable; it can take a large variety of forms ranging from completely legitimate voluntary national service and political campaigning (the McCarthy kids) through peaceful demonstrations (the Vietnam Moratorium) to disruptions of campuses and cities (see any daily newspaper). Whether the idealism spills into the street or is channelled into constructive outlets depends on two major factors: The extent to which the active youth can identify with the national purpose, and the availability of concrete opportunities. The overwhelming majority of the young Americans not only seek no part of the war in Vietnam, but find it difficult to work for a nation that wages it. As the end of the war may be approaching, it makes sense to ask what opportunities for national service will be available after it is terminated. Around which projects may the youth and the nation be reconciled?

At first it might seem rather easy to ask these young persons, to put their shoulders where their mouths are; why not join the Peace Corps and VISTA? But these organizations can accommodate only a very small number of volunteers. VISTA involves about 6,000 full-time volunteers; the Peace Corps about 11,000. Last spring, the Peace Corps had 3,004 qualified applicants for 1,261 openings. At the same time, VISTA has become more selective, rather than more open. Each year about 4 million Americans reach the age of 19. If only one out of eight volunteered, the opportunities for national service would have to be multiplied 25 times.

A proposal that has small but active support, both in the educational establishment and in Congress, would offer each young person, on completing high school or college, a number of alternative forms of national service, including an expanded Peace Corps, a much enlarged VISTA. Conservation Corps (to help preserve or restore America's natural resources and beauty). Teacher Corps (to help tutor children in slums) and job Corps (to carry out public works and train those who would otherwise be unemployed). Military service, at this stage, might no longer require a compulsory draft and could be treated as one option available for national service.

Some advocates of the idea favor making such a year of service mandatory. This, however, would rob the service of much of its idealistic appeal. The young idealist who is forced to serve can hardly be expected to be enthusiastic; he may also find himself among people who do not wish to teach, work, or whatever, but are merely serving their year.

Some incentives would help a voluntary service. For instance, the universities may recognize the contribution of the young volunteers by making national service a prerequisite for awarding a fellowship. The civil and foreign service may prefer candidates who served their country first. Private employers may also come to take such service into account in their hiring.

Finally, colleges suffer today from too

many youths who enter "too young," without a clear vision of the world or what they will do in it. A study of "drop-outs" suggests that leaving the educational hothouse for a year often helps a young man find what he is after, as well as what he is himself. Unfortunately in the existing system, dropping out for a year entails stigma. A year of national service would provide a legitimate opportunity for "dropping out," and with a clear point for gracefully terminating the "moratorium" (as experts refer to the period of psychological suspension of career and identity decisions) once the year is out.

"A YEAR-LONG PAUSE"

Furthermore, a volunteer would be less alienated, as a major source of restlessness of students today is the highly regimented nature of the educational system. Students who move directly from high school into college feel that they "never had a break" or "moved from one marching team into another." A year-long pause, in which the young person can lead a less scheduled and less structured life without being labeled a "drop out" or considered a deviant might be extremely useful.

There is a small lobby for such a national service in Washington, which consists mainly of one young dedicated man, Donald J. Eberly, who has been promoting it for the last five years. Sen. Hatfield introduced a bill in the 91st Congress providing for the establishment of a National Youth Service Foundation. Sens. Mathias, Percy and Saxbe co-sponsored the bill. The Russell Sage Foundation financed a National Conference in which the idea was endorsed by a large number of educational and public leaders. But, so far, the measure has not been enacted; the White House, preoccupied with other matters, has not given the idea active support although President Nixon is on record as highly in favor of "the voluntary way."

A major deterent is the price. Somehow one does not expect idealism or a voluntary service to cost much. On the contrary, one expects the national servicemen to save some resources by providing free teaching, low cost labor for conservation projects and so on. Actually, voluntary labor is not free, and free labor is not wanted. To take a young person out of his home and to put him into the field means food and shelter, a minimum of clothing and some medical attention. Supervision is necessary to ensure the success of the programs. It is estimated that these services would cost $4,000 a year per youth. If all the 4 million who reach the age of 19 each year were to volunteer, this would amount to a hefty $16 billion a year, an amount few would be willing to pay for a national service, whatever its merits. Even if one out of four of the youth joined, $4 billion a year is still twice as much as the Government now invests in the war on poverty and almost the amount allotted by the Federal Government to support education at all levels.

Even if financial support could be found, there remains the question of what these young men and women would actually do. In a conference devoted to the subject two years ago both business and labor spokesmen warned against unfair competition. The AFL-CIO executive council stated. "The national service concept raises serious problems from a practical viewpoint . . . an artificially low pay rate will result in the emergence of a large manpower unfairly competing with the remainder of the labor force." Roland M. Bixler, president of J-B-T Instruments and a director of the National Association of Manufacturers, asked, "How can we reconcile the manpower needs of other sections of our society if we drain off the nation's young men and women into national service?" The problem is somewhat akin to the work of inmates in prisons. Although the work itself is desirable, almost everybody agrees that inmates, subsidized by the government, should not be allowed to provide cheap labor or to undercut the market prices of products produced by the private sector. Even without trespassing into the domains of business and labor, it might be difficult to find a million meaningful assignments a year for the national servicemen. The advocates of the plan, hence, call for starting with small contingents, to develop such roles and explore outlets. They seek a budget of nor more than $75 million for the first year, rising to $300 million for the third.

Part of the answer may be found in a very different corner. The Government is considering substantially expanding support for higher education after the war. There is already a grand debate among experts over how the new support should be allocated: Should it be given as institutional support to the colleges; allotted to states to hand out as they see fit, or provided to parents in the form of a tax deduction? A sizable body of experts favors still another option: Giving it to the students in the form of fellowships. This could be linked to national service by requiring the student, as a condition of receiving a public fellowship, to spend a set amount of time as a tutor of students from disadvantaged backgrounds on his own campus or in slum schools. Because such tutoring is LOW nobody's job, large numbers of servicemen could be employed without depriving others.

DRAWING IN THE DISADVANTAGED

Opportunities for volunteer service should also be provided to the more than 50% of our young who are not going to college. The Job Corps, which carries out projects and provides training, might be one way. As it would draw many persons from disadvantaged backgrounds, it could be financed in part from funds that otherwise would provide unemployment or relief benefits to the same persons. There would be much less stigma attached to such a service year in the Job Corps than there is now if it were part of a national organization in which young people of all backgrounds served.

Thus, part of the costs of the new program may be charged against Federal aid to education and against Welfare and Labor Department budgets. Still another part could be subsidized by the military, which would draw a significant part of the servicemen.

The program does face a number of difficulties and is much easier to endorse than to implement. However, its proponents argue that the country needs such a national service if the present alienation of the youth is not to extend deeply into the post-Vietnam area and if idealism is to be moved from the streets into a regeneration of America.

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## WHEN TRAFFIC JAMS STALL THE NATION

### HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. PICKLE. Mr. Speaker, during the 20th century, man has made more progress than in all the culmative centuries preceeding it. Ironically, man is beginning to realize that he must balance the promise of technological advance with its attendant problems.

Getting to specifics—transportation. We can move men and material to the moon and back—but we cannot get across town during the rush hour.

We are running out of time and this Government must take the lead. We cannot keep moving ahead with our random patterns of transportation. We must have a cohesive national transportation policy.

The dark side of our transport picture is wrapped-up in item-by-item fashion in the December 6 issue of Newsweek. At this time, I insert the following article:

WHEN TRAFFIC JAMS STALL THE NATION

Congestion—noisy, wasteful, polluting, frustrating congestion—will characterize transportation in, around, and above cities throughout the 1970s. It will become so bad that it will force New York to ban private automobiles from the middle of Manhattan Island before the conclusion of the decade.

For most of the 20th Century, Americans have taken for granted the right and ability to go anywhere at any time by any of a multitude of means. They are going to go right on believing this, building highways and buying cars and trucks and planes until, in a few key places, they run out of the one thing they cannot manufacture: space.

BETTER WAYS TO GO

Actually, there are all kinds of vehicles available today—or soon to become available—that can provide more efficient transportation and keep the cities from choking. High-speed mass transit systems, such as commuter railroads, subways, or even monorails, could be built relatively easily and cheaply to relieve the congestion.

But as Assistant Transportation Secretary Paul Cherington puts it: "The most efficient sleeping arrangements are those in barracks with triple-tiered bunks, and no one seriously suggests we should live that way." In city after city, a majority of the people has consistently failed to approve the necessary financing. In part, the voters assume that whatever is built will resemble the crowded, noisy, dirty transit systems of the Northeast. More important, no such mass transit system offers the instant door-to-door transportation provided by the automobile—instant, that is, in the sense that a person can leave whenever he wants. Getting there is often less than half the fun.

MOTORISTS' PLOY

Even in the San Francisco Bay area, a huge exception to the rule, a fascinating fact was uncovered after a $750-million bond issue just squeaked through several years ago to permit work to start on the Bay Area Rapid Transit System. A significant number of people who voted for the issue—probably the difference between passage and failure—later admitted they did not plan to use the high-speed trains. They voted for BART in the belief that enough of their neighbors would use the system to unsnarl the freeways; these voters could then have a pleasanter trip downtown in their automobiles.

Carlos C. Villarreal, Urban Mass Transportation Administrator, admits BART will be in trouble at first, with passenger loads failing to come up to expectations right away. But it will be only a matter of time, he believes, before the scales will tip in favor of the transit system. Once commuters see that the drive into San Francisco or Oakland is too time-consuming and costly—with hardly any place downtown for parking—they will switch to BART.

MANHATTAN DISARRANGEMENT

In the New York metropolitan area, which already has an intricate pattern of commuter railroads, the world's largest and possibly most unpleasant subway system, and untold thousands of urban and suburban buses, the sardine-packed crowds of today will seem pleasant compared to the horrifying congestion still ahead. The millions upon millions of square feet of new office space opened up in the 1970s will require hundreds of thousands of additional workers. Call them commuters, for most of them will insist on living outside of Manhattan.

"I don't know how it's going to be done, and I don't know what streets will be involved," says Cherington. "I can't say whether it will be prohibitive tolls on the bridges and tunnels or barriers across streets or gendarmes. But this I know: There will be no private traffic in midtown Manhattan. Nothing on the drawing boards will arrive in time to save New York."

URBAN SPRAWL

Most U.S. cities that do not have rapid transit systems now probably will not have them. Instead, each urban area will continue to spread out until it comes up against a neighboring city growing toward it. The whole sprawl will be connected by an ever-growing grid of highways and streets to accommodate the 130-million cars and trucks expected to be registered by the early 1980s.

Yet it is impossible to build enough highways and parking lots for all these vehicles. Something will be done to ease the congestion—but only when things get so bad that a majority of the population becomes sufficiently aroused to vote for relief. And that relief may put limits on a driver's right to go where he wants.

The first steps will be tiny. A few municipalities are trying exclusive bus lanes on highways and streets. The most closely watched experiment of this type is in northern Virginia, not far from the Washington offices of the Transportation Dept. One lane of a 15-mi. stretch of Interstate 95 is set aside for express buses from the suburbs during rush hours. These buses, which are well patronized, shave 15 to 20 minutes off the time it would take the average commuter to get to town in his own car, according to a Transportation official.

The bus lane idea will inevitably spread. Even this will take political courage to make it stick as motorist-voters sit stalled in traffic jams, glaring at empty concrete in the next lane or at an occasional, partially filled bus roaring by.

COMPUTERIZATION

The next step also is well within the present state of technology: using computers to control street signals and access to freeways. Again, this step will inhibit the freedom of motorists and also cost a lot. One city with computer control of traffic lights is Toronto. According to a long-time resident, the two Univacs that regulate most of the city's 870 traffic signals do a pretty good job of speeding traffic. The best measure of this, he says, is how big the traffic jams get when one of the computers breaks down.

But many U.S. cities will not vote money for the computer approach until the congestion problem gets much worse, even though there will in all probability be substantial sums of federal money made available on a matching basis in a few years.

ELECTRONIC ROUTE

The really big breakthrough will come out of a combination of exclusive lanes and computer controls—with an important addition: Control equipment will have to be installed inside the vehicle. When congestion becomes intolerable in another five to 10 years, this electronic solution may well be made mandatory.

In the probable chain of events, a few test highway lanes will be equipped with electronic devices to control vehicle speed. At first, only big buses will have the necessary hardware to operate in a controlled lane. The large bus has the same drawback, though to a lesser degree, as the rapid transit vehicle. It does not have enough flexibility in picking up and delivering passengers; its customers must go to it, instead of the other way around.

In time, therefore, six- to 10-passenger vehicles will circulate in bedroom communities, probably picking up passengers on call and then going to the nearest access to a controlled highway. There, they will be locked into a high-speed traffic flow, controlled from without the vehicle, that will carry them to the appropriate exit.

Eventually, private autos will be equipped to take advantage of the system. But few people think this will be widespread within the next 10 years.

FREIGHT FLOW

The system also will accommodate trucks. Probably within the Seventies, the 40-ft. truck trailer will have to be outlawed from some downtown city streets. (If political laws do not do the job, economic laws will.) Highway tractors will pull two, three or possibly even more shorter trailers over an expanded interstate highway network. On arrival at a terminal on the outskirts of a city, the highway tractor will drop one "train" and pick up another.

The trailers will be assigned to smaller tractors equipped with the electronic control devices needed to use the controlled highway lanes. This way the flow of goods to and from widely scattered suburban and exurban shopping centers and factories will continue with the reliability required for smooth inventory control.

For the railroad industry, which could do much to alleviate congestion on the roads, the early part of the 1970s will be a turning point. Within the past few years, service and profitability have deteriorated. Many railroad presidents are of the opinion that the rate of decline is quickening.

If management, labor, and the government do not succeed in changing conditions in a very few years, the industry will be nationalized within the next decade. "God knows, we aren't reaching out for it," said a high government official last week. "But I'm awfully afraid it's going to be forced on us."

The problems of air traffic congestion above the biggest cities today are similar to those on the highways and streets, and so are the solutions that will evolve during the Seventies.

What is planned for airplanes is, first, to get a far more accurate idea of where they are in the sky, both vertically and horizontally and then map out where each is going. Computers will plot courses that avoid collisions, and the information will move instantly, continuously, and automatically to control towers. Thus, a great many more airplanes will fit into the same amount of sky than is possible today.

Full operation of this system is at least 10 years away, however. To make it work, it will be essential that all planes entering such controlled airspace come equipped with very sophisticated and very expensive electronics. The occasional flyer is not going to like it, and if he cannot afford the equipment, he will have to stay out. Even with the best electronic gear, corporate jets are going to lose some of their appeal as the skies become more crowded and delays make travel plans less reliable.

Not so long ago, many seers predicted that as communications improved—with data transmission, picture telephones, and the like—there would be less need for travel. It has not yet worked out that way. But if transportation becomes harder and more uncertain, and corrective steps are not taken, Ma Bell's "next best thing to being there" will become far better than trying to get there.

## A VOTER'S OPTIONS

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. YATRON. Mr. Speaker, the right of the people to assemble peaceably is guaranteed by the first amendment. Civil disobedience, however, such as seizing buildings by force and disrupting traffic, clearly infringes upon the rights of others.

Ours is admittedly an imperfect society, but violating the law is neither a proper nor effective way of solving America's problems.

An editorial in the Reading Times of Saturday, December 6, written by editorial board member Harry Glover, explains in a brief and readable manner the various avenues of peaceful protest. I commend this editorial to my colleagues and to all Americans, and insert it in the RECORD at this point:

A VOTER'S OPTIONS

One way to let the government in Washington know you don't like what it is doing is to stage lie-downs on the street or in somebody's office, or to go around waving a Viet Cong flag.

Then there is another way—the better way, we suggest.

To point out how this second way works, let us take the resolution passed this week by the U.S. House of Representatives, 333 to 55, endorsing President Nixon's efforts to conclude the conflict in Vietnam.

This is a highly controversial issue, and many of the electorate are not going to like, for one reason or another, the decision by the House to back Nixon's endeavors. Any citizen has a right to be against it, of course.

And if he doesn't agree with what his representative in the House did, he has a choice of ways to let his congressman know. He can write a letter. He can get up a petition and seek signatures, and send the petition to Washington. Or he can go to Washington and see his congressman, if he has the time and the money.

These are civilized ways of doing it. We are not proposing these courses of action because we are against the resolution (our stand has been to give Nixon a chance to see what he can do), but because we want to remind voters that there are better ways of trying to persuade a congressman than by trying to harass him, or intimidate him through showier tactics than a letter or a conversation.

## LETTER FROM A FATHER

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. TEAGUE of Texas. Mr. Speaker, on the occasion of my three trips to Vietnam, I was flown about the combat area by a Maj. Samuel Hopper who was the personal pilot for General Westmoreland. He is one of the finest officers I have known, and his son Bobby has taken up flying helicopters in Vietnam where his dad left off upon his retirement.

Unknown to him, Major Hopper's wife has forwarded to me a copy of a letter which he wrote to his son in Vietnam on the occasion of Veterans' Day and I would like to share it with the Members of this body, as I think it is a typical American masterpiece:

NOVEMBER 11, 1969.

DEAR SON: Well son, today is Veterans Day. I'd like to be able to say something profound, new, and different to you and Chuck and Billy. But, I suppose all of the fancy phrases have been put together long ago, by men more clever than I. So all that remains, is for me to try to express my deepest gratitude to each of you for your willingness to

become a Veteran. Your willingness to serve your country at a time when the Vociferous Minority seems to be in control. But let me assure each of you that this is a deception that I've known about for a long time. I think I may have realized it first when as a young man in World War II, I was strengthened by the courage of other young men who were as afraid as I, yet they persisted. They—no, we persisted even though there were those who were not in tune with the then, current, national policy. Yes, we persisted, and you were born free.

You were all too young to know of the turmoil created by our National Policy during the Korean Conflict. But the Hue and Cry was on and our National Leaders were disected on the chopping block of world opinion—but we persisted, and you remained free.

You grew up leisurely, like little kittens in a warm loft of hay. The hardships you have known were simulated on the campus of the Air Force Academy, the dust and heat of El Paso and San Antonio and the swamps of Alabama and Georgia. You bet your sweet bippie those simulated hardships seemed real, I have experienced them all. But, they were simulated, for you knew that if you ever faltered, there would be immediate help available. You and I have never known the harshness of a prison compound or a refugee camp for displaced persons. But before I lose you in a flurry of reminiscent phraseology let me say it is not the purpose of this letter to chide you for having been born free, but rather to gently remind you that your legacy has been paid for. But another advance payment is due, so that one day each of you might sit down and address a letter, "Dear Son."

Now I have come to the real purpose of this letter. I want to thank you for picking up the ball that I had carried as far as I could—the one inscribed: Duty, Honor, Country. I would usually close by saying, "Love, Dad" but on this Veterans Day, I'll say.

Respectfully yours,

MAJ. SAMUEL L. HOPPER,
*U.S. Air Force, retired.*

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## ADDRESS BY UNDER SECRETARY OF STATE ELLIOT RICHARDSON

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## HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. GOLDWATER. Mr. Speaker, in a remarkably cogent address to the regional conference on foreign policy in Los Angeles, the Honorable Elliot L. Richardson, Under Secretary of State, recently addressed himself to the subject of United States-Soviet relations.

And while it is true that the Under Secretary said a lot of the usual things we have become accustomed to hearing from State Department officials, he also said some things that we are not used to hearing from State Department officials and it was these remarks that I found exceptionally refreshing.

For example:

Under Secretary Richardson pointed out that U.S. doubts and concerns about the Soviet Union that have characterized out post-war policies have not been conjured up in dread of some phantom but in response to palpable Communist threats and initiatives. The areas against which these agressive moves came, or where harshly threatened, sound a grimly familiar litany—Iran, Greece, Turkey, Czechoslovakia, Berlin, Korea and Hungary."

While the United States is more than willing to meet the Soviet Union halfway, the Under Secretary explained:

We cannot—until new evidence is upon us—allow ourselves to forget past manifestations of Soviet aggressiveness.

Other examples of Soviet recalcitrance and seeming reluctance to reduce tensions cited by Mr. Richardson were:

Vietnam: Although North Vietnam is not the puppet of the Soviet Union, it was noted:

They are the single most supplier of aid. Unfortunately, there is little to indicate that they have exerted any significant influence on North Vietnam to negotiate an end to this tragic conflict.

Laos: Despite the 1962 agreement that Laos would be neutral, there are North Vietnamese troops—some 40,000—in that country. Mr. Richardson asks:

Is the Soviet government willing to help Laos maintain its neutrality?

Middle East: The Under Secretary said:

The issue here is whether the Soviets will give sufficient priority to the long-term advantages of a genuine Arab-Israeli settlement or will instead focus on short-run gains that could only be swept away by another Arab-Israeli war.

All things considered, it is a good speech, and I include it in the RECORD and recommend my colleagues read it.

The State Department may not be as cleaned out as some of us might like it to be, but since we have taken over the rhetoric has improved; a considerable accomplishment in itself. The speech follows:

ADDRESS BY THE HONORABLE ELLIOT L. RICHARDSON, UNDER SECRETARY OF STATE

In one of the Disraeli novels there appears a character described as being "distinguished for ignorance; for he had only one idea and that was wrong." The character's name, curiously enough, was Mr. Kremlin.[1]

In the post World War II world our view of the goals of Communist governments, most particularly our view of the intentions of the Soviet state, has so dominated the direction of American foreign policy that those who disagree with that view have been ready to apply Disraeli's description of Mr. Kremlin to the entire policy.

Because our estimate of the potential for constructive relations with the Soviet Union is central to our entire international posture, any change in our assessment of this potential is bound to have wide significance. Indeed, this may well be the reason why the most quoted and most interpreted of all of President Nixon's statements since he took office has been the memorable passage in his Inaugural Address in which he said "After a period of confrontation we are entering an era of negotiation. Let all nations know that during this Administration our lines of communication will be open."

Our lines of communication are open. During the past nine months we have talked with the Soviet Union and with other Communist bloc nations on a large number of subjects. We have conferred with the Soviets about Vietnam, unfortunately with little effect, and have had a series of talks on the Middle East which we hope will be productive in leading the nations of the area toward a settlement.

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[1] *Sybil* (1845) Book IV Chapter V

This week an especially significant aspect of the new "era of negotiation" opened in Helsinki with the beginning of preliminary discussions on the limitation of strategic arms.

The current talks are probably the most critical negotiations on disarmament that the United States has ever undertaken, and we approach them—to use Secretary Rogers' phrase—"in sober and serious determination."

As the President himself put it: "There is no more important task before us. We must," he said, "make a determined effort not only to limit the build-up of strategic arms, but to reverse it."

Success would not only mean a great stride forward in the cause of disarmament generally, but would be accompanied by significant economic benefits. Strategic weapons systems have been costing us some eight billion dollars a year to purchase and maintain, and these costs are increasing. In bringing this enormously expensive and unproductive competition to an end, large sums in both countries could be diverted to other uses. Since the Soviet Union spends a greater proportion of its national product on strategic weapons than we do, we have good reason to hope that this incentive for strategic arms limitations is at least as important to them.

Success in these talks, then, seems clearly in the interest of both nations and presents both with exciting opportunities. In addition to the immediate material benefits, it would help to bring about a beneficial, if still only partial, unravelling of the skein of suspicion that has enveloped relations between us for a quarter of a century.

The doubts and concerns that have characterized our postwar view of the Soviet government are, unlike Disraeli's Mr. Kremlin, hardly "distinguished for ignorance." They were not conjured up in dread of some phantom but in response to palpable communist threats and initiatives. The areas against which these aggressive moves came, or where harshly threatened, sound a grimly familiar litany—Iran, Greece, Turkey, Czechoslovakia, Berlin, Korea, Hungary.

Nor were NATO and the other structures of defense and world order that we joined in erecting built merely as an excuse for maintaining an American presence abroad. The United States—contrary to Marxist dogma—had no need, desire, or intention of spreading influence or empire. We withdrew our troops following the second World War and returned them overseas only at the request of friendly nations which felt endangered. Our world-wide system of alliances was constructed in the face of a real, not an imaginary threat.

If we are prompted to recall this melancholy history now, it is not to reopen old wounds, nor to deny that our actions, though not so designed, might have been perceived as threatening by the Soviets. It is rather to remind a new generation—and ourselves—that we had reason for our caution. And now, even as possibilities present themselves for a lessening of tensions, it is prudent once again to examine coldly the total realities of the bargaining situation. The era of confrontation has left a complex inheritance of problems, alignments, and alliances which cannot be sorted out or changed overnight. Change will require hard, realistic, and—inevitably—protracted bargaining. For international negotiating is always a tough and difficult business, and those who sit across the table from us are no more eager than we to lose any advantages.

So as we seek to exploit as fully as we can any opening for meaningful negotiation, we must at the same time take advantage of opportunities to probe carefully and meticulously for fresh evidence indicating whether or not we can safely moderate our previous fears and doubts about Soviet intentions.

In viewing the Soviet government today

some are naturally more skeptical of evidence of its amenability to an era of negotiation than others. A wide shading of interpretation is possible. At the two poles, and perhaps somewhat overstated and oversimplified, the interpretations run something like this:

Interpretation one hypothesizes that basic Soviet attitudes are little changed and that the threat to our security is not significantly diminished. Those who propound this view point to the continuing and accelerating build-up of Soviet military strength, to the spread of Soviet power into the Mediterranean and Middle East, to the invasion of Czechoslovakia and subversion of its government, to Soviet support of Hanoi in its evident desire to take over South Viet-Nam. They see the continuation of Stalinist harassment and persecution of Soviet writers and intellectuals, the political trials and suppression of dissent, as evidence of a regime which is inherently authoritarian and aggressive, no matter what its ideological cast. They believe that basic to this authoritarianism is a fear of contamination by progressive tendencies both within the Soviet Union itself and in neighboring countries and a consequent need to extinguish such tendencies whenever they emerge. And they fear that a leadership basically isolated from public response is more liable to follow dangerous and adventuristic policies.

This interpretation also urges us to take Soviet ideological pronouncements at face value and not dismiss them as ritualistic Marxist rhetoric. It would take, for example, the statement adopted on June 17 of this year by the International Conference of Communist and Workers' Parties, which met in Moscow under the auspices of the Soviet Communist Party, as indicating that Soviet intentions are as inimical as ever. Among other things, that long and turgid document said: "To curb the aggressors and liberate mankind from imperialism is the mission of the working class, of all the anti-imperialist forces fighting for peace, democracy, national independence, and socialism."

Interpretation two, on the other hand, would read such polemics only as window dressing intended to proclaim Marxist-Leninist legitimacy. According to this view, actual Soviet policies bear little resemblance to official ideology. Those who espouse this interpretation see Soviet policies as having moderated greatly since the death of Stalin and believe the Soviets now display a genuine willingness to reach accommodations with us on issues on which we have common or parallel interests. The Soviet Union, they feel, no longer pursues expansionist ambitions; on the contrary, its posture appears primarily oriented toward protecting the security of the motherland. Soviet military strength is maintained at least partially in response to the military strength of the U.S. and our alliances.

Those who put this interpretation forward think the Soviet government, if only by necessity, is willing to allow a certain diversity among the countries close to its border. Though it is not a democracy, they believe it is still necessary for it to be responsive to the popular will of its people and that this fact is causing it to moderate its policies. For this reason, too, the Soviet government is held to be preoccupied with domestic affairs—with problems of agricultural organization and growing consumer demands.

Soviet society is pictured as conservative and essentially bourgeois in outlook, with all the cultural and artistic adventurism of George G. Babbitt. The ruling party bureaucracy, as seen by this interpretation, is like all entrenched bureaucracies, cautious, unimaginative, and a little dull, the Soviet leadership, since it is largely a product of the bureaucracy, is similarly gray, cautious, and devoted to the status quo. In sum, this view holds that as practical needs have become more insistent, Communist ideological fervor has waned. The Soviet leadership is viewed, like Candide, as increasingly content to cultivate its own garden.

The truth, of course, may simply be that both portraits of the Soviet Union are facets of the same reality, seen through different eyes. On the face of things, indeed, neither wholly excludes the other: No government, and certainly no government in a nation as large as the Soviet Union, can be entirely monolithic—monolithic, that is, in the sense of being free from divergent and competing interests, forces, or views. Thus, when we speak of "Soviet intentions," we obviously do not mean to imply that these remain static. The Soviet Union, we know, has its own hawks and doves, its hard-liners and soft-liners. It has its scientists and intellectuals who are quietly pressing for more freedom, as well as its Stalinists who favor greater repression, and through the shifting and coming to influence of different elements and personalities is forged the amalgam of its policies and intentions.

For us, of course, the importance of trends in Soviet life and government lies in their significance for Soviet attitudes and intentions toward the outside world. And on this score new and important evidence can be obtained through negotiations whose objective is the concrete resolution of those specific issues which continue to embody the risk of confrontation or to enhance the danger of its consequences. Such negotiations, whatever their outcome, can thus serve the wider purpose of testing the prospects for a more stable and peaceful world. Progress will come only through the concrete resolution of specific issues which continue to disturb international tranquillity.

In this, we are more than willing to meet the Soviet Union half way. The entire drive and approach of this Administration is designed to bring about movement in the solution of outstanding issues and the growth of international understanding. While we cannot—until new evidence is upon us—allow ourselves to forget past manifestations of Soviet aggressiveness, we are eager to put the accent on the future rather than the past, to stress our joint opportunities rather than our old divisions.

"I believe we must take risks for peace," President Nixon has said, "but calculated risks, not foolish risks." It is in this spirit that we have entered the talks on strategic arms and the other discussions in which we have been engaged.

It is in this spirit that the President emphasized at Guam that the job of countering insurgency in the field will hereinafter have to be conducted by the government concerned, making use of its popular support, and with the nature of our assistance depending on the realities of the particular situation. And it is in this spirit also that the President has changed the pattern of the Viet-Nam war by beginning the process of turning our share of the fighting over to the South Vietnamese and withdrawing American ground forces.

Underlying these steps is a fresh approach to, and a new implementation of, the traditional American desire to let peoples and nations determine their own destinies. President Nixon recently articulated our guiding principle, which, while stated in the context of the Western Hemisphere, is equally applicable elsewhere. Our approach, he said, is to "respect . . . national identity and national dignity in a partnership in which rights and responsibilities are shared by a community of independent states."

We seek, then, a structure of world order based on the independence and equality of states; we do not seek ideological domination or confrontation. We care less about the ordering of a nation's economy or even its political structure than we do about the evidence it presents to us about its willingness to live in peace with its neighbors.

What is all this evidence that I keep talking about? What specific moves do we think the Soviet government can make to reduce tensions? What tensions are in question? Let me briefly outline some of the areas and issues in which progress can be made.

First, there is Viet-Nam. Over eighteen months ago the South Vietnamese government and the United States entered negotiations in Paris with the hope of reaching an agreement that would bring the fighting to an end. For a long time the Soviet government had told us that, once these negotiations began, such a settlement should be possible. After a beginning in which there were some signs of progress, the talks ground to a standstill last spring. We continue to hope that these talks will succeed and are still looking for opportunities to move them forward.

Although the Soviets do not control North Viet-Nam, as the single most important supplier of aid to North Viet-Nam, they undoubtedly exercise much leverage. Unfortunately, there is little to indicate that they have exerted any significant influence on the North Vietnamese to negotiate an end to this tragic conflict. Are we then to believe that the Soviet government is encouraging Hanoi to reject a negotiated solution and to continue the effort to impose its will on the people of South Viet-Nam?

There is Laos. In 1962 we agreed with the Soviet Union and twelve other states that Laos should be neutral. But North Vietnamese troops in conjunction with the Communist Pathet Lao continue to threaten the government of Premier Souvanna Phouma. Is the Soviet government willing to help Laos maintain its neutrality?

The Middle East, on which we have been engaged in intensive talks with the Soviet, is another area where their actions will provide important indices of their intentions. For the situation in the Middle East today is so emotional and so explosive that a failure by the great powers to act firmly and responsibly in support of United Nations' efforts could mean yet another war in the area and perhaps even a wider catastrophe. The issue here is whether the Soviets will give sufficient priority to the long-term advantages of a genuine Arab-Israeli settlement or will instead focus on short-run gains that could only be swept away by another Arab-Israeli war.

Soviet attitudes on the development of firmer foundations for peace and stability in Europe will prove another key to their basic willingness to reduce tensions. The Soviet government has recently proposed the convocation of a European Security Conference. But when they reached the point of suggesting what such a conference might do, they and their Warsaw Pact colleagues avoided concrete issues and put forward only vague suggestions.

We and our NATO allies are more than ready, of course, to do our part in solving the manifold and complex problems which for so long have divided Europe. But we are convinced that the way to go about it is through dealing directly, through whatever forum or procedure is most appropriate to the subject, wtih the issues that generate tension. A Europe-wide conference might fittingly climax, but cannot substitute for this painstaking process.

A beginning might be made by improving the situation in and around Berlin, including access to the city. We have, along with the British and French governments, suggested this to the Soviet Union and are prepared to go forward with such a discusssion. An even more important opportunity for East-West negotiation is the subject of mutual and balanced force reductions. Certainly progress on the reducing of forces would significantly contribute to reducing tensions in Europe. We are working with our allies to develop specific negotiating proposals and will be pursuing the issue further at the NATO Ministerial Meeting later this month.

These are only some of the areas and issues on which tensions can be lowered—though perhaps they are the most important. Each is a part of an interrelated whole and each constitutes a test—for both the United States and the Soviet Union. Can we reach agreements which will contribute to the achievement of a lasting peace? We are determined to seek the answers, cautiously, but also with patience and determination.

After all, why should we not be able to settle the disputes that divide us? There are no quarrels of the traditional sort between us, no disputes over territory, no competition for trade. There is no historic enmity between our peoples.

The aims and ambitions of our peoples seem, in fact very similar—to live and prosper, to educate our children, to build our communities free of the threat of war and destruction.

There seems no final reason why this could not be so.

Having begun with a quotation from a Disraeli novel, it seems fitting to end with one. "Man is not the creature of circumstances," the British Prime Minister wrote, "Circumstances are the creatures of men." [2] If this indeed be so, then it becomes our peculiar obligation to mold those circumstances so that all nations, large and small, can live in peace together.

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## BANNING THE USE OF DDT IN THE UNITED STATES

### HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

*Monday, December 8, 1969*

Mrs. MINK. Mr. Speaker, as sponsor of legislation, H.R. 13340, to ban the use of DDT in the United States by June 30, 1970, I am among those concerned with the threat to our environment posed by this "uninvited additive." I am happy to see steps by our Government to curb the use of DDT and hope that with enlightened policies we can reverse the contamination by this pesticide as well as by herbicides which have been found to induce birth deformations.

Our use of herbicides and defoliants has been especially hazardous to health in Vietnam, where there have been extensive reports of birth defects among children whose mothers were exposed to defoliants used by the United States in connection with the war. I feel that this practice should be stopped immediately.

For the benefit of my colleagues, I include at this point in the RECORD an article from the November 21, 1969, issue of Science which outlines these dangers:

ENVIRONMENT: FOCUS ON DDT, THE "UNINVITED ADDITIVE"

Since mid-October, the federal government has ordered a halt in production of the artificially sweetening cyclamates and announced timetables for restricting use of the herbicide 2,4,5–T and the pesticide DDT. In each instance, disturbing results of laboratory tests on animals had preceded the announcements, but the most obvious common factor in the three cases seems to have been growing public concern about environmental hazards.

The outburst of official activity served to focus attention on the difficulties of determining long-term effects on humans of chemicals introduced into the environment. And the government finds itself faced with serious questions about the adequacy of testing procedures and of the machinery for setting "tolerance" levels for chemicals.

The most important pronouncement was the one on DDT. It called, in effect, for a phasing out of most domestic uses of the pesticide over a 2-year period. DDT is the particular target of conservationists because of its persistence in the food chain, but it is widely relied on for its relatively low cost and its vast contribution to the control of disease and the production of food.

THE DELANEY AMENDMENT

In purely legal terms, the banning of cyclamates involved the most clearcut decision. Secretary of the Department of Health, Education and Welfare (HEW) Robert H. Finch ordered cyclamate production halted after lab tests indicated that cyclamates caused cancer in the bladders of rats exposed to amounts of cyclamates equivalent to about 50 times the normal dose. To do so he invoked the food additive amendment of the Food, Drug and Cosmetic Act. This amendment, sponsored by Representative James J. Delaney (D-N.Y.) and passed in 1958, provides that "no additive shall be deemed to be safe if it is found to induce cancer when ingested by man or animal, or it is found, after tests which are appropriate for the evaluation of the safety of food additives, to induce cancer in man or animals. . . ."

At the time Finch made a point of saying that no evidence had been advanced that cyclamates caused cancer in humans, but he was acting "because it is imperative to follow a prudent course in all matters concerning public health."

The action on 2,4,5-T followed the report of findings (see story which follows) that offspring of mice and rats given large doses of the herbicide while pregnant showed a relatively large number of deformities at birth. Presidential science adviser Lee A. DuBridge, in announcing a series of government actions to restrict use of 2,4,5-T, said that "while the relationships of these effects on laboratory animals to effects on man are not entirely clear at this time, the actions taken will assure safety of the public while further evidence is sought." One step taken was a Defense Department order to restrict use of the herbicide, which has been heavily used as a defoliant in Vietnam, to "areas remote from the population," a move that may well have been hastened by a desire to forestall possible charges that the United States was waging chemical warfare against pregnant women in Southeast Asia.

Domestic regulation of pesticides is based on the registration provisions of the Pesticide, Fungicide and Rodenticide Act originally passed in 1947 and administered by the Department of Agriculture. When a proposed use of a pesticide will result in residues on or in food or feed crops, registration which makes the sale of the chemical legal will not be granted until a "tolerance level" has been established. The task of determining a safe level is delegated to the Food and Drug Administration (FDA) in HEW.

The FDA's responsibilities are set forth in a pesticide chemical amendment of the Food, Drug and Cosmetics Act which provides for the seizure and destruction of agricultural commodities that contain pesticide residue in excess of established tolerances. The burden of proof of safety has rested primarily on manufacturers, who must present convincing evidence of laboratory testing programs when they wish to market a new chemical.

Critics of the system say that one major flaw is that there is no group that monitors what's already on the market. They also complain that emphasis in testing has been placed primarily on establishing acute toxicity levels and that long-range chronic effects on humans of low doses (particularly of persistent chemicals like DDT) have been relatively ignored.

Establishing long-term effects of chemical residues is, of course, acknowledged to be very difficult. An analogy exists with the problems of determining biological effects of various levels and kinds of radiation. But experts say that it is probably easier to obtain quantitative results on biological effects of radiation than on chemicals because of the changes chemicals cause inside the body. For example, the behavior of breakdown products, synergistic effects, and variation in the bacterial population inside the bodies of different individuals could all affect the results. And obviously, most testing on humans is precluded.

ADVANCE IN TECHNOLOGY

Although it is still impossible to provide scientific proof of the long-term effects of chemicals such as DDT, advances in technology in recent years have made it possible to detect minute traces of DDT and other chemicals in food and in animal and human tissues (2,4,5-T, incidentally, seems to be regarded as nonresidual in humans).

This new capacity to detect the presence of chemical substances like DDT and recent research results that show DDT in large doses producing cancer in laboratory animals have caused some to ask why the Delaney amendment should not be applied to DDT, which former Interior Secretary Stewart L. Udall has called "the uninvited additive."

One study of carcinogenic effects of pesticides and industrial chemicals that gained wide notice last spring was commissioned by the National Cancer Institute and done under contract by Bionetics Laboratories. A "preliminary note" on "tumorigenicity in mice" was published in the June issue of the Cancer Institute's journal. But the study had attracted attention earlier, and an "interim report" had even been inserted in the *Congressional Record* for 1 May by Senator Philip A. Hart (D–Mich.). The researchers reported that 11 of the 120 compounds tested induced a "significantly elevated incidence of tumors, mostly hepatomas." [1]

One of the researchers involved in the study said that there had been debate within the group on whether to use the word "tumorigenic" or "carcinogenic." R. R. Bates, a National Cancer Institute researcher on the project said in an interview with Bryce Nelson, former member of the *Science* news staff, "I would use the word carcinogenicity. I am no longer satisfied with the word we used." The journal article did point out that the use of the word hepatomas (liver tumors) "should not be considered as implying that these tumors are benign."

The background to the government's initiatives on DDT is too complex to analyze in detail, but actions by states and foreign governments this year (*Science*, 23 May) probably created some momentum. Last spring, shortly after the government found it necessary to seize a quantity of coho salmon in Michigan because of elevated concentrations of DDT, Secretary Finch appointed a Commission on Pesticides and Their Relationship to Environmental Health. Chairman of the commission is Emil M. Mrak, a former chancellor of the University of California at Davis and a food scientist of wide reputation. Membership is drawn mostly from among recognized university experts with a ballast of government representativer. HEW provided the staff.

The commission undertook a broad review

[2] *Vivian Grey* (1826) Book VI, Chapter VII.

[1] These 11 compounds include 5 insecticides: *p,p'*-DDT, Mirex, bis(chloroethyl)-ether, Chlorobenzilate, and Strobane; five fungicides: PCNB, Avadex, ethyl selenac, ethylene thiourea, and bis(2-hydroxyethyl)-dithiocarbamic acid potassium salt; and the herbicide *N*-(hydroxyethyl)hydrazine.

of the research on active pesticide chemicals used in the United States. Only the first section of the report containing recommendations and summaries has been released; details of the study will follow in Part II and will include the findings of advisory panels on carcinogenesis, interactions, mutagenesis, and teratogenesis.

The commission asked that DDT and DDD be restricted "within two years to those uses essential to preservation of human health and welfare and approved unanimously" by the secretaries of HEW, Agriculture, and Interior. On this point and in its recommendations generally, the commission tactfully phrased their recommendations in a way that gives Finch and Agriculture Secretary Clifford M. Hardin room to maneuver. The commission found "adequate evidence concerning potential hazards to our environment and to man's health to require corrective action." But in the covering letter to Finch, Mrak writes in behalf of the commission, "Chemicals, including pesticides used to increase food production, are of such importance in modern life that we must learn to live with them."

The commission, in fact, makes several suggestions which affect administrative rather than scientific problems, including a recommendation that the Delaney amendment be altered so that the HEW secretary would be permitted to "determine when evidence of carcinogenesis justifies restrictive action concerning food containing analytically detectable traces of pesticides."

Finch's own view is expressed in this excerpt from the statement to the press when he made his DDT announcement of 12 November.

"The Delaney Amendment was conceived in high purpose and has served a useful function. The Department's General Counsel has pointed out that the Delaney Amendment does not apply to pesticide chemical residues in raw agricultural commodities or in foods processed from lawful crops. Nor does it apply to the unavoidable environmental contamination of foods. The unbelievably sophisticated and sensitive measuring devices now in the skilled hands of our laboratory technicians can measure one twentieth part of one unit in a billion. Measurement techniques have improved 1000-fold since the Delaney Amendment was enacted eleven years ago. If the Delaney Amendment, as it is now written, were to be strictly enforced for pesticide residues it would convert us to a nation of vegetarians. Much of our red meat, many dairy products, some eggs, fowl and fish—all parts of basic food groups deemed necessary to a balanced diet—would be outlawed because of very small pesticide residues from the ecological chain."

What appears to be shaping up is a battle over the issue of "zero tolerance" for DDT—in effect, a ban on the pesticide.

Aligned against those who take Finch's view are conservationists and scientists active in the cause of environmental protection. They regard DDT as a primary enemy because of its persistence in the food chain. To justify their apocalyptic vision they cite the damage to some species of animals, birds, and fish that has already been traced to DDT and the ominous reports of tests on lab animals.

Proponents of a zero tolerance level for DDT argue that Agriculture Secretary Hardin should immediately order that DDT be "deregistered," since the law provides for administrative review procedures which will allow manufacturers, in practice, to gain long delays while the scientific case on DDT is examined. The environmentalists are better organized and increasingly sophisticated in their tactics these days, as was shown by the recent petition of four conservation groups for government action against DDT (*Science*, 7 November). Whether they will now go to court to press their point probably depends on what action Hardin takes.

Still unsettled, of course, are the arguments as to whether carcinogenesis is "dose related" and whether causing cancer in small animals with a chemical substance proves there is real danger for humans. It will be interesting to note if more light is thrown on these questions by Part II of the Mrak report, particularly by the comments of the panel on carcinogenesis.

Other practical questions seem to defy categorical answers. Farmers, particularly in the cotton belt, are reportedly worried about finding a replacement pesticide that matches DDT's long-lasting, broad-spectrum action and its low cost. Partisans of DDT argue that studies by the World Health Organization show there is no practical substitute for DDT in malaria control in underdeveloped countries. The question of whether DDT might be replaced by biological controls or other pesticides or by a combination of these elicits conflicting answers from responsible scientists. And these conflicts help to explain the difficulty of carrying out a satisfactory risk-benefit analysis of DDT use.

Establishing or disproving long-term effects of chemical exposure—whether it be the carcinogenic effects of tobacco or DDT, teratogenic effects of 2,4,5-T, or the genetic effects of LSD—has become one of the troublesome scientific-political problems of the day. Secretary Finch has shown a greater willingness to deal with the problem than did his predecessors, but his performance can be judged only by the advice he gets and the advice he follows in the coming months.

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### Herbicides: Order on 2,4,5–T Issued at Unusually High Level

White House science adviser Lee A. DuBridge took the highly unusual action on 29 October of announcing partial curtailment of the use of a herbicide—2,4,5–T (2,4,5-trichlorophenoxyacetic acid). Although this defoliant is widely used in the United States, its most controversial application is on plant life in Vietnam. The decision was taken quickly after the attention of the White House was called to scientific studies indicating that there was strong evidence that herbicides such as 2,4,5-T and 2,4-D (2,4-dichlorophenoxyacetic acid) caused birth malformations in animals.

The herbicide industry was taken completely by surprise by the White House announcement. The reason for the abrupt governmental action seems to be that members of the scientific community had warned the government that the results of these scientific studies would soon become widely known and would result in a torrent of criticism because of the intensive use of these herbicides in Vietnam.

A substantial group of scientists has long tried to reduce the widespread application of herbicides in Vietnam. For the past 3 years, the AAAS Board of Directors and the AAAS Council have tried to force extensive scientific studies on this subject. For the most part, these requests have been met with Defense Department stalling. In the past, the primary worry of scientists has been that extensive use of herbicides in Vietnam would cause highly detrimental effects to Vietnamese forests and crops and would disrupt the ecological balance of the country. This recent study commissioned by the National Cancer Institute is the first substantial evidence of harmful effects to animal life, which, of course, also raises the question of possible danger to humans.

In this as yet unreleased study, two compounds, 2,4,5-T and PCNB (pentachloronitrobenzene), were called "probably dangerous" and were judged worthy of condemnation because their administration caused increased fetal malformations in mice and rats. The study was done by Bionetics Research Laboratories of suburban Washington, D.C.

Several compounds were labeled as having "potentially dangerous" teratogenic (fetus-deforming) effects but as "needing further study." These are: 2,4–D (isooctyl ester), Captan, piperonyl butoxide, ethyl carbamate, ethyleneimine, Amitrol, and 2,4-dichlorophenol. Seven other herbicides were classified as adversely affecting fetal development but were termed "probably not teratogenic."

One Yale biologist, Arthur W. Galston, a critic of herbicide use in Vietnam who has examined these data with the aid of several scientist colleagues, has estimated that human beings in Vietnam could possibly ingest 50 or more milligrams of 2,4,5-T or 2,4-D per day per kilogram of body weight by drinking water from rain-fed cisterns and ponds exposed to aerial spraying.

#### A hazard suggested

"There is a possibility that the use of herbicides in Vietnam is causing birth malformations among infants of exposed mothers. . . . It cannot be said that the margin for safety is adequate," Galston said in an interview. "Although the laboratory tests do not prove that 2,4,5-T and 2,4-D are able to cause birth malformations in humans at the dose levels experienced in Vietnam, the tests do suggest this possibility. While individual exposure to these chemicals in the United States is lower than in Vietnam, it too may represent a hazard."

A Yale embryologist, Clement L. Markert, chairman of the Yale biology department, agrees, saying that "there is no question about 2,4,5-T; it certainly showed a high order of toxicity." Markert, who has also examined the study, said that "the concentration is real in Vietnam" and posed "an unacceptable risk" to the people of Vietnam. Markert, who said he was "basically very offended about its [2,4,5-T] continued use," added that, even if the heavy concentrations used in Vietnam did not cause overt malformations in children, they could lead to hidden malformations such as a lessening of brain capacity.

Some scientists interviewed were also offended by the continued use of 2,4-D, one of the compounds listed as having "potentially dangerous" teratogenic effects. After having praised the White House for its partial curtailment of the use of 2,4,5-T, Galston warned that the "danger from 2,4-D is so great that more extensive tests are needed."

The herbicide 2,4-D presents a more difficult problem than 2,4,5-T for governmental decision-making. It is much more widely used, both in Vietnam and in the United States. In this country, 2,4–D is one of the six best-selling pesticides with annual sales of more than $25 million. In this country, 2,4-D is used on corn and wheat, whereas 2,4,5-T is used as a pasture herbicide and for brush control and clearance of rights-of-way. In high-level negotiations U.S. military leaders reportedly fought hard to prevent any curtailment in the use of 2,4-D. The White House also had reason to expect a much more significant protest from U.S. pesticide producers and agricultural interests if it had acted against 2,4-D.

Last summer, several South Vietnamese newspapers printed photographs and stories about deformed South Vietnamese babies. The stories generally related an increase in defects to the American presence in South Vietnam; some specifically attributed such defects to the defoliation program.

DuBridge announced that the Defense Department would hereafter restrict the use of 2,4,5-T "to areas remote from population." One knowledgeable scientist interviewed pointed out that this loosely worded directive probably would still permit spraying of extensive vegetated areas. Another exclaimed,

"There aren't really any large areas in Vietnam which are remote from population!"

The ambiguity of the White House statement was revealed later when the Defense Department said that no change would be made in the policy governing use of 2,4,5-T because the Defense Department felt that its present policy conformed to the White House directive.

However, according to an article by Washington *Post* reporter Richard Homan, an early Pentagon explanation differed markedly from a latter written version. The early version stated that 2,4,5-T was used against enemy "training and regroupment centers." This statement, the *Post* reported, was expunged after a reporter asked how such usage was compatible with the directive against the use of 2,4,5-T in populated areas.

In other actions related to 2,4,5-T, DuBridge announced:

That the Agriculture Department will cancel registrations of 2,4,5-T for food crops effective 1 January unless the Food and Drug Administration (FDA) has found a basis for establishing a safe legal tolerance in and on foods.

That the Department of Agriculture and the Department of the Interior will stop using 2,4,5-T in their own programs in populated areas or where the residue from use could otherwise reach man.

That the Department of Health, Education, and Welfare will complete action on a petition requesting that a finite tolerance be established for 2,4,5-T residues on foods prior to 1 January.

DuBridge, a physicist, added: "It seems improbable that any person could receive harmful amounts of this chemical from any of the existing uses of 2,4,5-T and, while the relationships of these effects in laboratory animals to effects in man are not entirely clear at this time, the actions taken will assure safety of the public while further evidence is being sought."

USE IN VIETNAM

DuBridge said that 2,4,5-T had helped save lives in Vietnam. He also added that almost no 2,4,5-T was used by home gardeners or in residential areas. (This statement seems to be in error. A spokesman for the Monsanto Company in St. Louis, one of the manufacturers of 2,4,5-T, indicated that combinations of 2,4,5-T and 2,4-D were widely used on residential lawns in this country.)

In the Bionetics study of the effects of 2,4,5-T on mice, there was an increased incidence of abnormal fetuses, regardless of the dosages, routes, and strains of mice used, except in the case of the lowest dosage used, 21.5 milligrams per kilogram of body weight. Outside scientists, who have studied the experiments in which 2,4,5-T was given to rats, find these data especially striking: In comparison to the usual proportion of abnormal fetuses (7 to 13 percent), a dosage of 4.6 milligrams or 2,4,5-T per kilogram induced 39 percent abnormal fetuses; at 10 milligrams per kilogram the proportion of abnormal fetuses was 78 percent; at 21.5 milligrams per kilogram it was 90 percent, and the proportion rose to 100 percent if a dosage of 46.4 milligrams per kilogram was administered between the 10th and the 15th days of pregnancy.

The study in the teratogenic ffects of these compounds will be published in a few months. The study is said to need further statistical elaboration. D. W. Gaylor, a federal statistician who has examined the study, said in an interview that the teratogenic effects were "somewhat overstated on some compounds and understated on others."

Commenting on these studies, columnists Frank Mankiewicz and Tom Braden thundered: "Not since Romans salted the land after destroying Carthage has a nation taken pains to visit the war upon future generations." While such a statement may be an exaggeration (this observer does not believe that the U.S. government began use of 2,4,5-T and 2,4-D in Vietnam with the knowledge that they would have teratogenic effects in humans), the whole 2,4,5-T matter does raise important and unsettling questions to the scientists who have studied it. Why were these herbicides allowed to be widely used in Vietnam before scientific studies on animals had been performed? Why has Fort Detrick, the Army's biological and chemical warfare research center, failed to impose some control in the use of these herbicides?—BRYCE NELSON

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## WALTER KANER

### HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. WOLFF. Mr. Speaker, each Thanksgiving, people join with friends and family to celebrate their blessings and enjoy the warmth that results from good food and good friends.

For those who are homeless or needy, especially for children, the time heralding Thanksgiving would be hollow and heartbreaking if not for the kindness of persons who look beyond their own joys and provide happiness for others. Among these rare men who believe that the greatest pleasure is giving, is Walter Kaner, a noted columnist with the Long Island Press and a close friend of mine.

Each year, for the past 16 years, he has brought untold joys to needy, homeless and handicapped children by hosting a party the likes of which could only have sprung from a man who truly understands children. This year, Mr. Kaner hosted a gathering for 700 children, a party which met with such success that it is doubtful that such an event will ever be seen again on Long Island until it is time for the next Kaner party.

Assuredly, his yearly party has generated such enthusiasm from participants and observers as well that President Nixon and Governor Rockefeller included their best wishes along with many others at this 16th annual party.

Mr. Speaker, since the coverage of this party by the Long Island Press best describes the worth of this man, and the delight he has given to so many, I would like to take this opportunity to extend my remarks to include the article from the Long Island Press on "Kaner's Party":

700 LONG ISLAND YOUNGSTERS HAVE A BALL AT KANER'S PARTY

Balloons and oranges, ice cream and popcorn, and 700 kids dancing, jumping, clapping and screaming with delight . . . The decibel level was gigantic . . . And it was just beeeoootiful!

It was Press Columnist Walter Kaner's 16th annual Thanksgiving Party for handicapped, homeless and needy Long Island youngsters. And those 700 kids were eating up every minute of joy in the jam-packed Boulevard Restaurant in Rego Park.

"What do you like best?" someone asked 10-year-old Danny who had come all the way from Melville with his classmates from the Suffolk State School.

He didn't have to think even a minute to answer that one. "The party!" he shouted enthusiastically over the music the Dinney Dinofer Orchestra was beating out.

"I like the dancing best," chimed in his friend, Gordon, 14, and then laughed as he added, "I like to eat, too!" and stuffed another handful of popcorn in his mouth.

Out on the dance floor there was just about room to wiggle to the beat, and Pete the Tramp (Peter Kaslaukas of Middle Village) waved gaily to TVs greenhaired Magic Clown, and the two managed to swing and sway through the mob of little people close enough to shake hands over a dozen little heads. Looking like benign giants, they grinned broadly but words out there were impossible to hear.

"Cowboy Joe" Philips of Lake Ronkonkoma found himself totally surrounded by admirers loathe to let him move from one corner of the room, wanting more and more of his spellbinding trick gunplay.

"Watch me," called 3-year-old Raymond to his twin sister, Sonoma, "I can make this go!" and he blew his blue pinwheel so it spun like mad. Meanwhile their twin friends Larry and Gary had slipped down from their chairs and joined a dozen other youngsters in an informal dance at a convenient space between tables.

The two sets of twins were among 30 youngsters from the Headstart program being run by South Ozone Park's CREED (Center for Recreation, Education, Employment and Development).

Michael, 5, and tiny for his age, slowly but determinedly walked to his chair and was helped up by one of the many volunteers on duty at the party. As the aide carefully laid his crutches nearby, she asked if he was having a good time. Mike's face crinkled with delight. "Yeh!" he responded, nodding vigorously. He was one of 25 youngsters from Queens Cerebral Palsy.

The youngsters came from Queens, Nassau, Suffolk, Brooklyn and Staten Island to enjoy the party, the delight of a lifetime for many to whom gay times are few and far between. Some were in wheelchairs and not a few, like Mike, on crutches. But if they couldn't dance, they bounced in their chairs or they clapped in time to the music. And they ate and bounced balloons back and forth and shouted, and it was like Thanksgiving and Christmas all rolled in one.

Walter Kaner, the man who master-minds the party every year, watched and smiled in his quiet way. And it was easy to see he didn't begrudge a minute of the tremendous amount of time he'd spent since Labor Day in the huge job or organizing the party which is made possible by the countless contributions of business firms, musicians, entertainers and others.

It was a good day.

And to top the "good day" was a telegram to Kaner from the President which read:

"My very best wishes go to all attending the 16th annual Thanksgiving party sponsored by Walter Kaner. It is my hope that the children enjoy themselves and that the spirit of Thanksgiving remains a part of their lives and of the lives of all those who are participating in this commendable effort." Signed—Richard Nixon.

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## THE UNIVERSALITY OF JERUSALEM

### HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. HALPERN. Mr. Speaker, the tragedy engendered by the hostilities in Israel has been fought in the deserts and mountains of the Near East as well as on the pages of the world's press. The image that emerges is one of bitterness and disaster, escalated by the uncom-

promising harshness of the diplomatic exchanges of the Israeli and Arab Governments.

In this human turmoil, to read the eloquence of Eliezer Ben Yisrael is to read of the universality of Jerusalem. For it is here in the heartland of the world's religions where humanity is learning to love and let live.

As Yisrael says, "For the first time since the Romans put the torch to the Temple everyone has equal rights, there is now complete religious freedom for all in Jerusalem. We are home."

I submit at this point for inclusion in the RECORD Yisrael's letter, published recently in the New York Times:

A LETTER TO THE WORLD FROM JERUSALEM

I am not a creature from another planet, as you seem to believe. I am a Jerusalemite, like yourselves, a man of flesh and blood. I am a citizen of my city, an integral part of my people.

I have a few things to get off my chest. Because I am not a diplomat, I do not have to mince words. I do not have to please you or even persuade you. I owe you nothing. You did not build this city; you do not live in it; you did not defend it when they came to destroy it. And we will be damned if we will let you take it away.

There was a Jerusalem before there was a New York. When Berlin, Moscow, London and Paris were miasmal forest and swamp, there was a thriving Jewish community here. It gave something to the world which you nations have rejected ever since you established yourselves—a humane moral code.

Here the prophets walked, their words flashing like forked lightning. Here a people who wanted nothing more than to be left alone, fought off waves of heathen would-be conquerors, bled and died on the battlements, hurled themselves into the flames of their burning Temple rather than surrender; and when finally overwhelmed by sheer numbers and led away into captivity, swore that before they forgot Jerusalem, they would see their tongues cleave to their palates, their right arm wither.

For two pain-filled millenia, while we were your unwelcome guests, we prayed daily to return to this city. Three times a day we petitioned the Almighty: "Gather us from the four corners of the world, bring us upright to our land; return in mercy to Jerusalem, Thy city, and dwell in it as Thou promised."

On every Yom Kippur and Passover we fervently voiced the hope that next year would find us in Jerusalem. Your inquisitions, pogroms, expulsions, the ghettos into which you jammed us, your forced baptisms, your quota systems, your genteel anti-semitism, and the final unspeakable horror, the holocaust (and worse, your terrifying disinterest in it)—all these have not broken us. They may have sapped what little moral strength you still possessed, but they forged us into steel. Do you think that you can break us now, after all we have been through? Do you really believe that after Dachau and Auschwitz we are frightened by your threats of blockades and sanctions? We have been to Hell and back—a Hell of your making. What more could you possibly have in your arsenal that could scare us?

I have watched this city bombarded twice by nations calling themselves civilized. In 1948, while you looked on apathetically, I saw women and children blown to smithereens, this after we had agreed to your request to internationalize the city. It was a deadly combination that did the job: British officers, Arab gunners and American-made cannon.

And then the savage sacking of the Old City: the wilful slaughter, the wanton destruction of every synagogue and religious school; the desecration of Jewish cemeteries; the sale by a ghoulish government of tomb stones for building materials, for poultry runs, army camps—even latrines.

And you never said a word.

You never breathed the slightest protest when the Jordanian shut off the holiest of our holy places, the Western Wall in violation of the pledges they had made after the war—a war they waged, incidentally, against a decision of the UN. Not a murmur came from you whenever the legionnaires in their spiked helmets casually opened fire upon our citizens from behind the walls.

Your hearts bled when Berlin came under seige. You rushed your airlift "to save the gallant Berliners." But you did not send one ounce of food when Jews starved in besieged Jerusalem. You thundered against the wall which the East Germans ran through the middle of the German capital, but not one peep out of you about that other wall, the one that tore through the heart of Jerusalem.

And when the same thing happened 20 years later, and the Arabs unleashed a savage, unprovoked bombardment of the Holy City again, did any of you do anything? The only time you came to life was when the city was at last re-united. Then you wrung your hands and spoke loftily of "justice" and the need for the "Christian" quality of turning the other cheek.

The truth is—and you know it deep inside your gut—you would prefer the city to be destroyed rather than have it governed by Jews. No matter how diplomatically you phrase it, the age old prejudices seep out of every word.

If our return to the city has tied your theology in knots, perhaps you had better reexamine your catechisms. After what we have been through, we are not passively going to accommodate ourselves to the twisted idea that we are to suffer eternal homelessness until we accept your Saviour.

For the first time since the year 70 there is now complete religious freedom for all in Jerusalem. For the first time since the Romans put the torch to the Temple everyone has equal rights. (You preferred to have some more equal than others.) We loathe the sword—but it was you who forced us to take it up. We crave peace—but we are not going back to the peace of 1948 as you would like us to.

We are home. It has a lovely sound for a nation you have willed to wander over the face of the globe. We are not leaving. We have redeemed the pledge made by our forefathers: Jerusalem is being rebuilt. "Next year"—and the year after, and after, and after, until the end of time—"in Jerusalem!"

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## MOUNTING CRISIS IN THE AMERICAN FOOTWEAR INDUSTRY

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### HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. WYMAN. Mr. Speaker, the latest reports from the National Footwear Manufacturers Foreign Trade Committee indicate that October imports of almost 15 million pairs of leather and vinyl footwear was 17 percent more than during October 1968. The total of imports to date this year of leather and vinyl types of footwear of 167 billion pairs is almost 15 percent ahead of last year.

This situation cries out for import restrictions. Quota limitations on foreign footwear imports is a necessity if the American industry is to be able to schedule ahead to successfully meet foreign competition. Apparently, relief is not to be forthcoming, at least in the near future, from Executive action.

In this situation, I urge the prompt enactment of my orderly marketing legislation proposal, H.R. 733. Congress should act to impose this policy upon an apparently unwilling and reluctant executive branch to protect the jobs of thousands upon thousands of American shoe workers.

Indicative of the situation to date this year is the following statement and schedule of U.S. footwear imports from January to October 1969, by the New England Footwear Association, issued December 5, 1969:

U.S. FOOTWEAR IMPORTS, JANUARY–OCTOBER 1969

October imports of 14.6 million pairs of leather and vinyl footwear amounted to 17% more than were shipped during the same time last year. Leather and vinyl imports were 28% of an estimated October production of 51.5 million pairs.

To-date imports of leather and vinyl types totaling 166.8 million pairs are nearly 15% ahead of last year. Average value per pair (f.o.b.) reached $2.16 for the 10-month period compared to the average of $1.86 during the same period last year.

In recent months shipments of leather shoes have been making greater gains than vinyl types. Women's types are still coming in heavily but men's are gaining at a faster rate than the overall trend.

| Shoes and slippers (leather and vinyl) | January to October | | | | |
|---|---|---|---|---|---|
| | Pairs (thousands) | | Percent change pairs 1969 over | Percent share of total | |
| | 1969 | 1968 | 1968 | 1969 | 1968 |
| From: | | | | | |
| Japan | 55,361 | 55,166 | +0.4 | 33.1 | 38.0 |
| Italy | 51,298 | 48,532 | +5.7 | 30.8 | 33.4 |
| Spain | 17,625 | 11,502 | +53.2 | 10.6 | 7.9 |
| France | 2,332 | 2,426 | −3.9 | 1.4 | 1.7 |
| From: | | | | | |
| China (Taiwan) | 20,203 | 11,821 | +70.9 | 12.1 | 8.1 |
| Other countries | 19,931 | 15,916 | +25.2 | 12.0 | 10.9 |
| Total pairs | 166,750 | 145,363 | +14.7 | 100.0 | 100.0 |

TOTAL IMPORTS OF OVER-THE-FOOT FOOTWEAR, DEC. 5, 1969

[Pairs and dollars in thousands]

| Type of footwear | October 1969 pairs | Percent change October 1969 over October 1968 | 10 months, 1969 Pairs | 10 months, 1969 Value | 10 months, 1969 Average value per pair | Percent change 1969 over 1968 Pairs | Percent change 1969 over 1968 Value |
|---|---|---|---|---|---|---|---|
| Leather and vinyl, total | 13,518.0 | +12.5 | 160,195.0 | $353,607.3 | $2.21 | +13.4 | +32.2 |
| Leather, excluding slippers | 7,052.1 | +11.0 | 82,315.4 | 290,129.5 | 3.52 | +16.1 | +33.1 |
| Men's, youths', boys' | 2,304.6 | +14.3 | 24,834.4 | 107,116.6 | 4.31 | +28.4 | +39.8 |
| Women's, misses' | 4,328.1 | +13.2 | 50,687.2 | 164,213.6 | 3.24 | +8.7 | +30.0 |
| Children's, infants' | 153.6 | −12.8 | 4,428.7 | 7,014.5 | 1.58 | +81.4 | +98.7 |
| Moccasins | 54.5 | +9.0 | 546.0 | 660.0 | 1.21 | +.3 | +11.8 |
| Other leather (including work and athletic) | 211.3 | −8.6 | 1,819.1 | 11,124.8 | 6.12 | −4.1 | +1.8 |
| Slippers | 26.0 | −56.2 | 302.4 | 641.5 | 2.12 | −2.9 | −8.3 |
| Vinyl supported uppers | 6,439.9 | +13.8 | 77,577.2 | 62,836.3 | .81 | +10.7 | +28.8 |
| Men's and boys' | 759.7 | +34.8 | 8,219.5 | 9,668.4 | 1.18 | +23.9 | +46.8 |
| Women's and misses' | 4,972.7 | +13.0 | 60,882.6 | 47,467.4 | .78 | +7.1 | +24.6 |
| Children's and infants' | 538.6 | −6.0 | 6,950.2 | 4,916.9 | .71 | +31.7 | +42.3 |
| Soft soles | 169.0 | +40.0 | 1,524.9 | 783.6 | .51 | +18.7 | +20.9 |
| Other nonrubber types, total | 1,050.9 | +137.8 | 6,554.6 | 7,132.8 | 1.09 | +59.0 | +115.4 |
| Wood | 178.3 | +974.1 | 964.7 | 2,355.5 | 2.44 | +368.3 | +429.0 |
| Fabric uppers | 757.4 | +102.3 | 4,813.4 | 3,804.4 | .79 | +36.8 | +55.8 |
| Other, not elsewhere specified | 115.2 | +126.3 | 776.5 | 972.9 | 1.25 | +94.5 | +129.5 |
| Nonrubber footwear, total | 14,568.8 | +17.0 | 166,749.7 | 360,740.0 | 2.16 | +14.7 | +33.2 |
| Rubber soled fabric uppers | 4,013.3 | −1.2 | 38,481.7 | 29,491.1 | .74 | −10.0 | +8.2 |
| Grand total, all types | 18,582.1 | +12.5 | 205,231.4 | 389,231.1 | 1.90 | +9.1 | +31.0 |

Note: Details may not add up due to rounding. Figures do not include imports of waterproof rubber footwear, zories, and slipper socks. Rubber soled fabric upper footwear includes non-American selling price types.

Source: National Footwear Manufacturers Association estimates from Census raw data. For further detailed information, address your inquiries to the association, Room 302, 342 Madison Ave., New York, N.Y. 10017.

## MYLAI PROPAGANDA: A STANDARD PSYCHOLOGICAL WARFARE ATTACK

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. RARICK. Mr. Speaker, the alleged Mylai massacre continues to be built up in the press and by the television networks. There even seems to be a campaign to "educate" the public in massacres generally, with recent stories discussing Lidice, and even the Katyn Forest. Hue was even mentioned, no doubt by an inexperienced reporter, in today's press.

A timely editorial in the Chicago Tribune, pointing out the Communist origin of the Mylai story, does much to explain the zeal with which it has been promoted by Hanoi's "dear American friends" in this country. Unfortunately, many Americans fail to recognize the Mylai atrocity story as standard psychological warfare against us because they have never understood that we are at war. Why blame the people, no one tells them.

Another timely editorial from the National Review Bulletin makes the connection between this particular propaganda attack and the recurring use of alleged atrocities as effective war propaganda.

I include both editorials in my remarks:

[From the Chicago (Ill.) Tribune, Dec. 6, 1969]

THE ATROCITY CAMPAIGN

(A guest editorial from the National Review Bulletin)

There have always been atrocities in war, but atrocity campaigns are an innovation of this century. The first large-scale atrocity campaign was conducted by the British, later joined by Americans under George Creel, against the Germans in World War I. Atrocity propaganda has been a feature of nearly every war since then. The campaign against the Nazis, the French in Algeria, the Kuomingtang in China, Batista in Cuba, the germ war campaign against the United States in the Korean war are conspicuous examples.

Atrocity campaigns are a weapon of modern warfare—often an effective weapon—and they usually manage to enlist a host of volunteers: humanitarians, dupes, and the sensation-mongering media. Atrocity propaganda has little to do with the truth about atrocities, tho, by the nature of war, there is often some underpinning of fact [Not always: cf. the germ war in Korea charges.]

The massive atrocity campaign in the Algerian war was directed against the French, tho the Algerian revolutionaries committed a thousand times more, and worse, atrocities. And generally speaking, the big campaigns have been against the relatively rightward side of the given combat—tho the atrocities of the left have usually far outweighted those of the right.

It is possible, it is likely, that American soldiers in Viet Nam have committed acts that, whatever the provocation, must be termed atrocities. The truths should be faced, and the individuals judged. But Americans will rightly reject and scorn the hypocritical, selective indignation of those for whom this atrocity-mongering is only a grovel in ugly sensationalism, and a mask for an attack on American policy and leadership, and a comfort to the enemy.

American atrocities are exceptions, flaws springing from the weakness of individual soldiers and the pressure of overwhelming circumstances. The enemy's multitudinous atrocities in this war—so little noticed by most of those now so occupied with ours—are deliberate, systematic, routine; they are of the essence of his doctrine, of his mode of struggle of his being.

[From the Chicago, Ill., Tribune, Dec. 6, 1969]

THE ENEMY CALLS IT A MASSACRE

The Guardian, a violently anti-American weekly published in New York, has printed a report by Wilfred Burchett, an Australian Communist and agent on Hanoi, on the alleged My Lai massacre. My Lai is one of the hamlets in Song My village. Burchett says the massacre charges were made in a letter from a Song My local section of the communist Liberation Women's association, which was released by representatives of the communist Provisional Revolutionary government [P. R. G.] in Hanoi and Paris.

Under a Paris date line, Burchett writes:

"Actually, long before reports about Song My were published in the United States, the letter had been presented to a press conference in Hanoi by P. R. G. Ambassador Nguyen Van Tien, who is now deputy chief of the P. R. G. delegation to the talks here."

Burchett quotes from the letter, which makes the same accusations against American soldiers that have been repeated across the country by a dozen or more former members of the company that assaulted My Lai on March 16, 1968. The letter says the troops arrived in helicopters, after an artillery bombardment, and "opened fire on everybody, sparing no one, destroying houses and live stock. Those in shelters were machine-gunned or killed by grenades." It charges that 502 civilians, including 170 children, and over 870 live stock were killed; that 300 houses were destroyed; that nothing was left but "ashes and cries of grief"; that in "virtually every home" candles were burning for the dead, etc.

One may wonder what homes the candles were burning in if nothing was left but ashes. Far more important than this contradiction in the communist letter, however, is the question whether Viet Cong villagers who made these charges against the American troops were the source of information about the alleged My Lai massacre which finally reached officials in Washington in the form of a letter from Ronald Ridenhour, dated March 29, 1969. Ridenhour, as described by Secretary of the Army Stanley R. Resor, is "a former soldier who had heard rumors about a supposed atrocity from fellow soldiers."

What was the original source of these rumors, and how exaggerated were they when they reached Ridenhour's informants? Communists are experts at starting such rumors, which grow as they are spread. Some participants in the My Lai assault have confirmed

the enemy charges, but how accurate are their recollections of the behavior of the troops under intense enemy fire, and what is their motive for charging that unarmed civilians were slaughtered? An army combat photographer asked $100,000 and was paid an estimated $40,000 for pictures he took of collections of bodies, not an uncommon sight after an artillery bombardment and infantry assault on an enemy fortified hamlet. It is reported that a television network paid $10,000 for the story of one former soldier, who said he killed many civilians.

Capt. Ernest Medina, the company commander in the My Lai assault, has denied that he either ordered or saw any intentional shooting of civilians. At the press conference in the Pentagon, he said he saw 20 to 28 bodies of women and children and so stated in his after-action report. He said he believed these women and children were killed by artillery or helicopter gunship fire, grenade-launcher fire, or cross-fire between American and enemy troops in the confusion of battle.

Capt. Medina himself, guided by a helicopter to "a Viet Cong lying on the ground and moving with a weapon," shot the person, who turned out to be a woman. This is not unusual in guerrilla warfare. AK-47s fired by women and grenades thrown by 10-year-old boys are just as deadly as they are in any other hands.

Other eyewitnesses have denied the massacre charges. If it turns out that the My Lai atrocity story is a gigantic hoax, planted by the Communists, the anti-war forces in this country who have pounced upon it so gleefully in an attempt to discredit the United States in Viet Nam will deserve and no doubt receive public scorn.

## ILLINOIS DIVISION OF POLISH-AMERICAN CONGRESS OBSERVES 25TH ANNIVERSARY

### HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. PUCINSKI. Mr. Speaker, on November 26, the Illinois division of the Polish-American Congress, which represents all of the Polish-American civic, social, religious, educational, and veterans' organizations in Illinois, observed its 25th anniversary.

In a most inspiring dinner held at the Sherman House and chaired by prominent Chicago attorney and banker, Mitchell Kobelinski, a number of distinguished Chicagoans were honored for their contributions to the congress.

Those receiving the Special Service Award included three of our colleagues, besides myself. These were Congressman DANIEL ROSTENKOWSKI, Congressman EDWARD DERWINSKI, and Congressman FRANK ANNUNZIO.

Those receiving the Past President's Award beside myself included Judge Thaddeus Adesko and Judge Edward Plusdrak.

Those receiving an award for distinguished service to the congress included Mrs. Lydia Pucinski, Mrs. Mande Rosnewic, and Mr. Bonaventure Migala.

The president of the Illinois division, Dr. Edward Rozanski, placed into dynamic perspective not only the role of the Illinois division during the past 25 years, but outlined an enthusiastic program of action for the future.

Highlight of the inspiring evening was an address by Aloysius A. Mazewski, president of the Polish American Congress and Polish National Alliance.

Mr. Mazewski today speaks with the confident voice of a leader who represents millions of Americans of Polish descent in the United States.

The inspiring message on this 25th anniversary brought an enthusiastic response from all present.

Because Mr. Mazewski today is the undisputed voice of Americans of Polish descent throughout this Nation, I believe it fitting that we place in the RECORD his entire address.

Mr. Mazewski's address follows:

ADDRESS BY ALOYSIUS A. MAZEWSKI, PRESIDENT, POLISH AMERICAN CONGRESS AND POLISH NATIONAL ALLIANCE

It is fitting and proper that the Chicago observance of the 25th anniversary of the Polish American Congress be viewed and appraised as the pacesetter and fixed star for similar festivities and commemorations of other Polish American communities across the land.

By virtue of demography, Chicago Polonia constitutes the hub for purposes, objectives and pursuits of those Americans of Polish ancestry who keep the flame of their cultural and spiritual heritage alive in their hearts.

For those Americans of Polish origin who are deeply and meaningfully aware of the fact, that by adhering to the best values of their ethnic legacy, they enrich and strengthen the social fabric of the American nation—Chicago Polania has been, is, and shall remain the hearth of collective aspirations of the entire American Polonia.

Thus it is no accident of history, that the Illinois Division of the Polish American Congress, centered primarily in the Chicago metropolitan area, has always been the leading and pace-setting force in the activities of various divisions organized in 38 states of the Union.

Although the Polish American Congress had been founded in Buffalo twenty five years ago, its nerve center of activity, inspiration and leadership was immediately transferred to Chicago.

And it is in this larger frame of reference that I state with all sincerity, that by observing the 25th anniversary of the Illinois Division of the Polish American Congress, we pay tribute to the entire nation-wide organization. And it is here that we put its future in a sharp focus and view it in an updated perspective, more relevant to the changing challenges of our turbulent times.

It is, therefore, with a sense of appreciation and gratitude that I acknowledge and praise the bold and imaginative leadership of Dr. Edward C. Rozanski as president of the Illinois Division. His dedication and fidelity to the purposes and objectives of the Polish American Congress are exemplary and inspiring, indeed.

A sincere accolade is also due the general chairman of today's celebration,—Mitchell P. Kobelinski. His commitment to the betterment of Polonia's standing in our land, his devotion to our ethnic heritage, and his prodigious expenditure of time and energy in the service for the organization and for Polonia, make him an outstanding activist with manifest potentialities for even greater leadership of tomorrow.

It can be stated in simplest terms, that the Polish American Congress was born of the love of freedom and of the awareness of the innate dignity of man.

The concomitant issue was a free and independent Poland, mortally endangered at the closing months of World War Two by the evil and suppressive forces of red tyranny and the Soviet design for world dominion.

To Americans of Polish origin, steeped in centuries-old tradition of individual freedom and recognition of the dignity of man—Poland of 1944–45, had become a test case on a universal scale.

When Poland, weakened by the indifference of the free nations of the West, fell victim of the communist aggression and of alien, eastern ideology, based on tyranny—half of the European continent has been engulfed by darkness. Nations of East Central Europe had their millennial ties with the West severed on orders from Moscow.

When Poland was neglected by the West as the test case of free people's determination, steadfastness and resolution in the defense of the freedom and dignity of man—cold war and nuclear arms race ensued leading to the present balance of terror between the two super powers—The United States and the Soviet Union.

On the curve of time spanning 25 years since the cessation of hostilities in World War Two, new challenges evolved from the old ones, new responses were made and new problems were faced. Uneasiness afflicts the man to today, for he knows that a world which is half free and half enslaved cannot enjoy peace or stability.

Yet in the expanding horizons of old and new challenges, of opportunities full of promise and of man's inherent longing for peace and justice—the central and crucial issue remains unchanged.

It is the issue of the individual freedom and dignity of man, born of Christian tenets and nourished by men of good will.

In this issue, the freedom and independence of Poland and other nations of East Central Europe, nations with millennial culture and progress, is paramount.

However, as I have stated before, it is rather concommitant of the larger, universal challenges in which man's future is inexorably involved.

Thus, the Polish American Congress, in its fight for justice for Poland and in its deeply considered opposition to communism, not only stands in the defense of its ancestral home, but, primarily, and above all, serves the cause of the freedom of man everywhere, thus fulfilling part of America's manifest destiny to be the torch bearer for freedom and enlightment of all mankind.

In order to pursue its fixed objectives more efficiently, the Polish American Congress is paying increasing attention to the internal affairs and well being of American Polonia. Its last Convention gave eloquent testimony to this pursuit declaring that among the principal aims of the Polish American Congress is to "protect the good name of Americans of Polish extraction and the people of Poland against unfriendly attacks of their enemies and against attempts to belittle the historic accomplishments of the Polish people, their contribution to the growth and development of the United States."

Today, the Polish American Congress carries a wide spectrum of activities aimed primarily at strengthening the position of our Polonia in the mainstream of American life; to secure long overdue and proper recognition for Americans of Polish origin in all walks of American life; to open new and wider opportunities for advancement and betterment of our young generations through educational aid.

That we are on the threshold of meaningful successes in this area, it is best and proudly attested at this banquet. I am truly happy to state that many of our eminent Polish Americans documented their interest in Polonia, by being with us tonight and buying $1,000 silver page for this banquet. (Will you please rise, etc.)

I welcome you with all sincerity of my heart. At the same time, I appeal to you, our distinguished guests, to go with us further along the road to a better future of Polonia. As participants at this banquet, you are trailblazers for those, who are yet to

come into our fold, those, whom we eagerly await. There are many Americans of Polish ancestry, who attained position of affluence and influence in American life. In certain aspects and measures, their successes could be attributed to the Polish American community in which they were born or in which they serve professionally.

Polonia has a right to expect their participation in our mutual pursuits and objectives. It's only fair that they contribute of their knowledge, their eminence and their wealth to the well being of their source of origin.

And, what's even more important, in the new set of emerging social concepts, Polonia can contribute much to their statute. Only last week at a sociological symposium in Chicago, an eminent American scholar stated that the ethnic identity of each American is "the in thing", is the new measure of individual values in our pluralist society.

And in this frame of reference, the Polish American Congress is the "in thing" for all Americans of Polish origin who have gained or who are striving for place of eminence in many areas of American life.

As I have stated in my brief Polish remarks, the Polish American Congress, while not re-arranging the sequence of its ideological and practical priorities, it does, nevertheless, place added emphasis on the American aspects of Polonia's pursuits and purposes. We realize, that these must be taken under deep and constant consideration, if we are to remain a viable organization in terms of influence, prestige and a better future for our young people.

Consequently, we will do more for the restoration of a free and independent Poland, as the keystone to European stability and its corollary, the American security, if we are internally strong and aware of our potentialities as a cohesive ethnic entity.

Those of us who through the determination and sacrifices of our parents and grandparents were fortunate to receive education and enter professional business life of our community, should share the benefits of our advancement with Polonia. After all, Polonia was constituted by our parents and grandparents. It is their creation and the living monument to their civic virtue and wisdom. And we owe it some of our filial attachment primarily for sentimental reasons and secondarily, for very practical reasons. For well organized, affluent and influent Polonia will immeasurably add to our stature as Americans of Polish ancestry.

To attain this stature, however, we must pay particular and increasing attention to one area of American life, in which we are rather deficient. Namely—the area of public affairs. Our participation in politics and public service could, and must be greater. Many of Polonia's well-to-do leaders in business and professions are reluctant to participate in political discussions and campaigns. And, what is even more detrimental to Polonia's position of prestige and influence, many affluent and qualified Americans of Polish origin hesitate to accept governmental positions on local, state and federal levels, because their salaried income would be lesser than the income they derived from their private enterprises. Many of them can easily afford such sacrifice for the public good.

I agree that the rough and tumble of politics does not appeal to a number of our prominent compatriots. This should not, however, keep them from indirect participation in politics—by supporting financially and otherwise, those among Polonia's political activists who are qualified and who are aspiring to position of public responsibilities, be they Democrats to us or Republicans. And support others who by deeds have shown their friendship.

Let this, then, be the message sent forth from this place and at this time to all Americans of Polish heritage:

Be a participatory member of the Polish American Congress, and actively support its pursuits and objectives.

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## EL SALVADOR-HONDURAS CONFLICT

### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. FRASER. Mr. Speaker, the aftermath of the July clash between Honduras and El Salvador continues to concern me. I include in the RECORD two news stories which tell of some consequences of that unhappy conflict:

[From the New York Times, Dec. 3, 1969]

HONDURANS RESENTFUL OF UNITED STATES AFTER THEIR CLASH WITH EL SALVADOR

(By Juan de Onis)

TEGUCIGALPA, HONDURAS, December 2—A Deep feeling of national injury in Honduras over El Salvador's military occupation of border areas of this country in July is mixed here with flashes of resentment toward the United States.

A stone-throwing crowd last month smashed windows in the United States Consulate and wrecked an official United States automobile in San Pedro Sula, the main city on the Banana-producing Atlantic Coast.

The motive for the outburst was unclear, although the crowd also stoned the hotel that held the headquarters of a representative of the Organization of American States, which has been arranging the repatriation of thousands of Salvadorians who have lost their jobs or been intimidated here since the conflict.

However, Honduran observers in San Pedro Sula say that the crowd, which gathered on a Sunday morning in the main plaza outside the Mayor's office, acted with at least official tolerance.

TROOPS ACTED SLOWLY

Troops that were on hand did not move in to disperse the rioters until after the damage had been done. Since then, following a United States complaint, things have been quiet both on the coast and in this highland capital.

But United States officials frequently hear the complaint from Hondurans, some members of the Government of Gen. Oswaldo Lopez Arellano, that the United States had "let us down" in the emergency with El Salvador.

The complaint is that the United States decision to halt all military assistance to both countries as soon as hostilities broke out favored El Salvador, which was better armed, and that the United States should have been able to stop the invasion anyway.

The United States feels that the Honduras-El Salvador dispute is a Central American problem that should be solved primarily by the five Central American countries with the good offices of the Organization of American States and its secretary General, Galo Plaza.

CEASE-FIRE SINCE JULY

The possibilities of success in this approach, which has maintained a cease-fire since July, will be tested tomorrow when the five Central American foreign ministers, of Honduras, El Salvador, Guatemala, Nicaragua and Costa Rica, meet in Managua, Nicaragua.

Their agenda includes the proposal that a Honduras-El Salvador mixed commission meet in a third country, probably Costa Rica, under the presidency of a moderator representing Mr. Plaza to work out negotiated settlement of the conflict.

The main issue for Honduras is agreement on boundaries. The border between the two countries has not been defined in a section of about 100 miles where the Lempa River crosses from Honduras into El Salvador.

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[From the New York Times, Dec. 8, 1969]

COPTERS FLY AID TO HONDURAN VILLAGES ISOLATED BY SALVADOR WAR

(By Juan de Onis)

VALLADOLID, Honduras, December 3.—Helicopter 584 bucked and pitched in the tricky gusts of wind blowing up to 50 miles an hour over the bare knob of a hill that is the only landing site near this old mountain village.

As the United States Army craft settled on the rock-strewn ground, scores of townspeople and barefoot children crowded under the whirling blades to greet a flight that has become their main contact with the outside world.

The United States is providing three helicopters and a reconnaissance plane for military cease-fire observers and civilian relief operations. Set up by the Organization of American States, the groups seek to bring about a peace settlement between Honduras and El Salvador after their four-day war in July.

El Salvador has rejected relief assistance from the hemisphere organization, so most of the work is concentrated in the western mountain region of Honduras, a sort of Appalachia of poor corn farmers in colonial villages that are days removed by mule trails from the nearest Honduran roads.

CUT OFF FROM MARKET

Valladolid, La Virtud, Guarita and other towns in the mountains along the border with El Salvador have been cut off from their natural market and source of supplies in the neighboring country since the border was closed during the war.

Although both countries have agreed to observe a cease-fire ordered by an emergency meeting of American Foreign Ministers, there are still frequent shooting incidents across the uneasy border and the small farmers and townspeople are afraid.

As recently as 10 days ago, night marauders crossing from El Salvador looted Zazalapa, a hamlet three miles from here. Two persons were killed, including an old shoemaker.

"The people are scared," said Miss Carmen Castillo Suazo, a student from the school of social work in Tegucigalpa ,the national capital, who has been working here for 10 days. "All the farm families, about 250 people, have abandoned the Zazalapa and Corozal valleys and gone farther back in the hills."

A squad of 20 Honduran soldiers armed with old Mauser rifles is here, but people have been so nervous that Miss Castillo has organized bingo games at night by a Coleman lamp in front of the old church so whole families will not leave to sleep in the pine forests nearby.

The half-dozen military observers of the O.A.S. on both sides of the border have not been able to control, or obtain accurate information on, the incursions that each side says are committed by the other.

There are more than 60,000 resentful Salvadorans across the border who had been living in Honduras, but were forced to flee, leaving behind small farm plots, jobs and homes. Their departure was brought about by a wave of anti-Salvadoran actions that

began before the war, giving rise to the conflict, and have continued since.

VIOLENCE, KILLINGS COMMON

These actions were mainly in other areas of Honduras, where cattle ranchers blamed Salvadoran migrants for land invasions, or where the Honduran Agrarian Reform Institute, to settle Honduran peasants forced Salvadoran squatters off lands they had tilled for years.

Violence and killings were common, and since the O.A.S. began a count of departing Salvadorans, 18,500 have gone out just through El Poy, a border point north of here. The total exodus is believed to exceed 65,000 people.

The hill people here have for centuries sold their pigs, chickens, corn and eggs in markets in El Salvador near the border, such as Chalatenago, because the roads in El Salvador come up to the border on the Sumpul River. In turn, basic goods and clothing have come from the neighboring country.

In the crisis since July, the United States helicopter flights have supplied the border towns with salt, sugar, powdered milk, medical supplies and gasoline drums for small electric power generators.

"The terrible thing here is the subnutrition of the children," said Miss Castillo. "We have counted 125 here under 15 years of age in a total population of 244. Sometimes they go all day without eating anything and the worst is, they don't even complain."

There is some question here among O.A.S. personnel about how long this type of relief work can go on while Honduras and El Salvador refuse to resume normal diplomatic and commercial relations.

"This is great public relations," said an O.A.S. observer here, "but it may be costing $1,000 a day to keep these birds flying around."

## OPTIMISM FOR THE FUTURE OF THE UNIVERSITY

### HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. BELL of California. Mr. Speaker, the Christmas season traditionally marks a time of renewed hope for the future. In the closing weeks of this decade, however, our optimism may be dimmed in reflection upon the tumultuous events of the past 10 years. Our universities particularly have come under a great deal of fire in recent years. As we enter the 1970's, many of us will question the future of these institutions which must, by their very nature, produce leaders of tomorrow.

My constituent, Rev. Donald P. Merrifield, S.J., a man I deeply respect, was inaugurated president of Loyola University of Los Angeles on October 22. He brings to the post an encouraging optimism in the future of the university as a human institution. The inaugural address he delivered in October reflects his great spirit and it is worthy of consideration as we contemplate the future of the Nation.

In addition to being a priest, Father Merrifield is a physicist and a dedicated educator. I found his speech enlightening and uplifting, and it is with great pleasure that I commend the wisdom of his message to my colleagues:

THE UNIVERSITY COMMUNITY AND THE SPIRIT OF GOD

(Inaugural address of Rev. Donald P. Merrifield, S.J.)

A mass of the Holy Spirit may be an unusual setting for a presidential inauguration in the contemporary American educational world. It certainly seems today that we have a pale imitation of a medieval consecration of king or bishop, hardly an appropriate scene for the taking of office by a university president, who is far from a medieval king or bishop in his authority and who is well aware of the great distinction between the university and any kingdom or church. Yet, I have chosen this particular format for my inauguration in order to stress certain aspects of the educational enterprise, some of them unique to a religiously oriented school, which seem to me in need of emphasis, which seem to me to be utterly relevant to the contemporary American and world scene.

1. Let me begin with the assertion that the Holy Spirit is today the most important element of the Christian faith. Let me further assert that dwelling upon the Christian understanding of the spirit of God at work in the world and in the hearts of men can lead the Christian into powerful and insightful dialogue with other men, both those who would describe themselves as religious and those who find religious categories useless or repugnant. If a Christian forcuses his attention and his worship on that mysterious divine presence which he calls "the Holy Spirit" and if he is aware of the scriptural development in understanding that took place concerning this spirit, in all its manifestations in Israel and in the other nations and in the Christian church, as well as in the ongoing creation of the universe which is man's environment, he can discover that he has much in his faith that can bring him closer to his fellow men, rather than separate him. In brotherly exchange with all men, he can grow in the understanding of his own religious experience and of his experience as a human being facing great challenges in the building up of human community and in the mastery of the environment in which we find ourselves.

2. As I see the religiously oriented university today, its great task is to save mankind from idolatry, to save mankind from taking itself or its enterprises with ultimate seriousness. True, religious people have been accused of such antihumanism and other worldliness as made them enemies of man and his serious tasks in this world. That deviancy always is a haunting possibility for the religious man and many have not escaped being drawn into a teaching and style of life that seemed essentially to deny the divine affirmation of Genesis: "And the Lord God looked upon all that he had made and saw that it was indeed very good." But the very tension in the religious world view between the goodness of man and his task of conquering the earth and becoming its master and the continual capability that man has for sinfulness, for self-destruction and foolish pride in his own accomplishments can be the source of a great and paradoxical wisdom. This is a wisdom that cannot be either pessimistic or optimistic in a simplistic way. Yet optimism, when somewhat cautious, is certainly the stronger emphasis of a religious faith, as I understand it.

Thus, in a university such as Loyola, which is free to explore not only the question of human values but also the meaning of religious faith, the experience of worship, the interplay of a commitment to God as the source and sustainer of all things and a commitment to the full range of human experiences, labors, and wonderous accomplishments, a unique educational opportunity exists which, at present, the secular university does not enjoy. Not only man, his universe, and his own spirit are open for exploration in his institution, but also we can and must explore the realms of human life in which men have claimed to discover the presence and movement of the spirit of God. These are complementary studies. Not that we any longer seek for a "God of the Gaps", a divinity to fill in where we do not yet have an answer through physics, biology, psychology, social science, philosophy, literature, the arts, or any other academic discipline and mode of discovery. Hopefully, the religionist has been purified enough through the last four centuries of battle with the ever-expanding human sciences and arts. Now the believer is free to rediscover his God anew as everywhere present and active, as the other dimension, as no particular explanation, but yet the whole explanation.

Affirming that God, the more of all things, the beyond in the midst, does, I believe deliver us from worshipping the works of our own hands or, worse, worshipping our own hands and minds. All in indeed put in our care. There are no easy solutions, no divine short-cuts to discovery or to mastery of our environment. Yet, the man who can worship and, what is not too far from worship, who can laugh with joy, he alone, it seems to me, can throw himself into the human enterprise without fear of losing his soul in a very immediate way.

3. If the spirit should be the source of a grand freedom, a simple joy, a wisdom that is not crushed by evil, it should also be the root of human community. Certainly, all will grant that the university is a community. It is easily enough said that the university is a community of scholars, in which the students share as apprentices or junior members. The emphasis properly enough is upon scholars, as the distinctive mark that sets the institution of higher learning apart from other institutions. But are there not dangerous overtones in this affirmation? Does it not allow a misunderstanding? Scholarship can become so professional, so detached, so apparently unconcerned about the immediate human anxieties. Publish or perish, as an academic ideal, does not guarantee genuine concern to discover what is going on in the universe, including Vietnam and central Los Angeles. Studies, done in a random and detached way according to fancy, may be well done, may make a scholar, but do they make a human scholar? I have no quarrel with the man who by interest and temperament is totally immersed in investigating the correspondence between Pope Boniface III and the patriarch of Antioch or searching out the migration habits of the Peruvian tree sloth. But is this ideal for the teacher of the undergraduate liberal arts college?

The scholar I am drawn to indeed is a searcher after truth, and a specialist who humbly takes up one area of the universe as his task and his interest. But he must be a man who is in community with other scholars, who shares his partial vision and is in turn completed by the discoveries and visions of others. Nothing human, and even divine, should be entirely foreign to him. He is a man first and an educator and scholar secondly.

Perhaps a better phrase for the university would be a community in which all know that there are a diversity of gifts of the spirit and that there is no end to learning. Freed from the false security of knowing it all, a form of idolatry, and sensitive to the obvious fact that all men have access to the universe and to life and all men by nature desire to know, the learner, be he faculty or student, should be able to listen to others. They may at least raise a question never yet raised, call attention to a piece of data so far ignored, or even pose a solution with some plausibility.

No, all do not have the same expertise in the techniques of each art and science, but one without that expertise may suggest too much slavish dependence on technique or too much isolation from other fields or a complete obliviousness to relevant questions. One does not have to be a selenologist to wonder whether man ought not tackle the inner city and pollution before more flights to the moon. One does not have to be an expert in international politics to wonder whether Vietnam continues to be worth it, even on the political level. One does not have to be an expert in liturgical art to wonder if redesigning religious worship is as relevant to salvation as a total dedication to facing the racial clash in our Nation.

On the other hand, a university cannot be one vast sensitivity workshop or a center for full time unreflective urban plunging, howsoever good-willed. Reflection, intelligent criticism, questioning are of the essence of this community. It is in function of this total dedication to get to the facts, to analyze them honestly, to seek explanations, even provisional, that the university is unique. And this seeking is a cooperative venture, since the variety of gifts of discernment and understanding are found dispersed among us. The man who isolates himself from the rest of the community of learners can be considered a sort of schismatic on the way to heresy, if I may use those terms. Without an open and human exchange with others he will not know by what spirit he is being led. On the other side, there is another sort of disorder which has both ecclesiastical and academic manifestations: The frenzied fanatic who alone has seen the true vision. Woe to him who is alone! Woe to him who does not listen to the others, be he a frenzied Maoist student who can hear no doubts or an assured faculty member who knows he knows both his sociology of the Norwegian farm village and knows that this is what his students ought to study.

4. Yes, as today's reading from Joel, quoted by Peter in the Acts of the Apostles, puts it: ". . . in the last days, God says, . . . I will pour out a portion of my spirit upon all mankind; your sons and daughters shall prophesy, your young men shall see visions, and your old men shall dream dreams." If we are aware, the voice of prophesy sounds in many places today, the voice of warning of questioning, strange, exaggerated as prophesy often is, disturbing. Simon and Garfunckle, the black power movement, the peace movements, the rejection by many of the young of the churches, experimental colleges, even the drug culture, are not these all prophetic cries to which we must listen? Even the long hair and wild clothes that seem to bother the elders so much, are not these prophetic gestures, some sort of judgment on our uptight civilization? In the university, more than anywhere else, the visions of the young and the dreams and wisdom of the elders can meet in open dialogue in one community of learners. Criticism can move here from mere defiance to a creative building of a new vision, well understood and justified, which incorporates the truly wise elements of the old men's dreams.

"Nothing is inevitable if we will contemplate what is happening," says Marshall McLuhan. The university is a community for contemplating what is happening. Not just blindly throwing ourselves into what is happening, nor just a detached and sterile analysis of what has happened, but a careful and committed consideration by earnest learners of what actually is happening, seen in function of our understanding of what has happened. It is a contemplation that must pour over into action or it is a fraud, action through the graduates, action through all those the university can influence by its persuasive voice, a voice whose persuasiveness will come from the clarity with which the facts and calls to solutions are set forth. Both the ability to contemplate well and with the whole of one's heart and mind and the ability to see what is happening are gifts of the spirit. The same spirit gives understanding and gives the fortitude to do what we must to help transform the human condition. If we have not both gifts in abundance within ourselves, perhaps we do as a community, if we will but listen and share.

5. The final aspect of the spirit I must touch upon is hopefulness and openness to the future. This is an echo of the affirmation that in spite of man's evil ways the world is good. It is rooted in the conviction that a community of men and women, be it university, church or state, who can listen to each other, believing that the spirit speaks where he chooses, stands a good chance of surviving and even of doing good things. It is based on the denial of inevitability, indeed an act of faith, but faith based in experience. I am hopeful about the future of the university in America and in the world. It is the place of freedom where all things can be questioned, where even Communists and Jesuits can be employed, where there is some possibility of healing many wounds, many divisions.

The very separation from the urgencies of daily life and business and government allows explorations in bridging gaps. The generations are thrown together in a less tense way than in the family living room or on the streets of Chicago. The races could face each other and hear what each is actually saying in a safer context than a neighborhood lately "invaded" by black home purchasers or a police court. Conservatives and liberals, believers and non-believers, hawks and doves, all can talk to each other, and about serious things, on the common campus, in the classroom and out. If there is to be a hope that these encounters be a true sharing of partial views, they must be meetings of those who can begin to love one another, which is to begin to accept one another as shares in the same spirit, even before there is agreement of minds. The attitude that demands of another man that he accept my truth before I can be at peace with him is not a gift of the spirit of God, but of the destroying spirit. And to despair of the university as a group of individuals which can build a community amid diversity, which can learn about the human condition and share what it learns, can intelligently criticize all institutions, even itself, is to choose darkness rather than the light, death rather than life. And light and life are the work of the spirit.

Let me finish with a quotation from Robert Kennedy. In terms of what I have said today, his reference to "pride" could be taken to that legitimate pride, which is humble in realizing that it is the spirit that moves in us to give us our possibility for good: Kennedy said: "Our future may lie beyond our vision, but it is not completely beyond our control. It is the sharing impulse of America that neither fate nor nature nor the irresistible tides of history, but the work of our hands, matched to reason and principle, that will determine destiny. There is pride in that, even arrogance, but also experience. and truth. In any event, it is the only way we can live."

## ASSISTANCE TO TUNISIA

### HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

**Mr. REID of New York. Mr. Speaker, this fall, the Republic of Tunisia experienced 2 months of violent rainstorms, massive floods, and inundation of catastrophic proportions.**

The damage is incredible; 10 out of 13 provinces are disaster areas and Tunisian resources to meet the crisis are exhausted. Five-hundred twenty people have died; 45,000 to 50,000 homes were destroyed; 165,000 people are homeless; 52 bridges were washed out; 60 miles of road and 120 miles of railroad track were ruined; one-quarter of the livestock is gone. In addition, a great deal of the topsoil—carefully preserved and cultivated in a country that has very little to begin with—was washed away. Irrigation networks were destroyed, especially in the area of Kairouan where Mexicana-high-yield wheat was being produced. It could take 7 or 8 years to restore Tunisia to economic viability.

From the outset, the United States has sought to be of assistance to Tunisia and her people. Initially, we provided helicopters and freed funds for emergency humanitarian aid. Later, we provided Baily bridges, additional doctors, food, and medical supplies. I am confident that the United States will continue to supply every measure of public and private aid that it can. I am particularly hopeful that the Department of State and our Embassy in Tunis will utilize for local costs of reconstruction some of the $7 to $8 million in counterpart funds that we have available.

Recently, Foreign Minister Habib Bourgiba, Jr., was in the United States and I discussed with him some of the avenues of assistance now being explored. These include a private proposal wherein the U.S. industrial and banking community might help with the establishment of a factory to produce prefabricated housing utilizing concrete on a scale large enough to replace that which was destroyed.

In addition, a private group, the Committee of American Citizens for Aid to Tunisia in the Flood Emergency, has been established to encourage private assistance for reconstruction, especially in terms of roads, railroads, bridges, and housing; the replenishment of livestock; and the recultivation of land. The committee was formed in Tunis on October 22 by the American participants in the African-American Dialogs which included our colleagues, Mr. DIGGS and Mr. CULVER, as well as myself. Mrs. Arthur B. Krim of New York is the executive secretary, and, along with Frank Ferrari, vice president of the African-American Institute, has provided much of the impetus to gather a group of prominent and concerned Americans to this cause. I include in the RECORD at this point a list of the members of the committee, as constituted to date:

AMERICAN COMMITTEE FOR ASSISTANCE TO TUNISIA

MEMBERS

Mr. Andre O. Backar, First Vice President, Shearson, Hammill & Company, Inc., New York, New York; Mr. Edgar M. Bronfman, President, Joseph E. Seagram & Sons, New York, New York, and Senator Edward Brooke, U.S. Senate, Washington, D.C.

Congressman John Culver, House of Representatives, Washington, DC; Congressman Charles C Diggs, Jr., House of Representa-

tives, Washington, D.C., and Mr. Frank Ferrari, Vice President for External Relations, African-American Institute, New York, New York

Mr. Wayne Fredericks, Vice President, Ford Foundation, New York, New York; Justice Arthur J. Goldberg, Paul Weiss, Goldberg, Rifkin, Wharton & Garrison, New York, New York, and Honorable Ernest A. Gross, Curtis-Mallet, Prevost, Colt & Mosle, New York, New York.

Dr. Charles V. Hamilton, Professor of Government, Columbia University, New York, New York; Honorable Paul Hoffman, Administrator, Development Program—United Nations, New York, New York, and Mrs. Jane Jacqz, Corporate Secretary, African-American Institute, New York, New York.

Senator Jacob K. Javits, U.S. Senate, Washington, D.C.; Senator Edward Kennedy, U.S. Senate, Washington, D.C., and Dr. James Kirk, Vice President, African-American Institute, New York, New York.

Mr. Arthur B. Krim, Chairman of the Board, United Artists Corporation, New York, New York; Mrs. Arthur B. Krim, Ph. D., Research Biologist, Executive Secretary, American Committee for Assistance to Tunisia, New York, New York, and Honorable David Lilienthal, Chairman & Chief Executive, Development and Resources Corporation, New York, New York.

Mr. George N. Lindsay, Partner, Debovoise, Plimpton, Lyons & Gates, New York, New York; Mr. Ian S. Michie, Vice President, Chase Manhattan Bank, New York, New York, and Mr. Bill Moyers, Publisher, Newsday, New York, New York.

Honorable Robert Murphy, Chairman of the Board—Former Under Secretary of State, Corning Glass International, New York, New York; Mr. Waldemar A. Nielsen, President, African-American Institute, New York, New York, and Honorable Christopher Phillips, U.S. Mission to the United Nations, New York, New York.

Honorable Ogden R. Reid, Congressman, House of Representatives, Washington, D.C.; Mr. David Rockefeller, Chairman of the Board, Chase Manhattan Bank, New York, New York, and Honorable Dean Rusk, Former Secretary of State, Rockefeller Foundation, New York, New York.

Mr. Harvey Russell, Vice President, Pepsi-Cola Company, New York, New York; Mr. Bayard Rustin, Executive Director, A. Philip Randolph Institute, New York, New York, and Mrs. Marietta Tree, New York, New York.

Mr. Jack Valenti, President, Motion Picture Association, Washington, D.C.; Mr. Whitney M. Young, Jr., Executive Director, National Urban League, New York, New York, and Mr. Osborn Elliott, Editor-in-Chief, Newsweek, New York, New York.

(Committee still in formation).

## TV NETWORKS, LICENSES AND THE LAW

**HON. JOHN M. ASHBROOK**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. ASHBROOK. Mr. Speaker, the current controversy over the objectivity of the TV news media in its reporting of the news doubtlessly raises many questions among laymen as to the rights and responsibilities peculiar to this vehicle. The Senate Republican Memo, which is issued by the U.S. Senate Republican Policy Committee, isued a short but useful study of various aspects of the TV field entitled "TV Networks, Licenses and the Law." Certainly not intended as a comprehensive treatment of this complex subject, the study explores briefly the public interest, licensing functions of the FCC, licensing procedure, the commission's authority to intervene, the issue of censorship, and a short comment on one piece of legislation now before the Senate.

Without going into the complexities of this sector of the communications field, "TV Networks, Licenses and the Law" provides useful information for use as background material in evaluating the pros and cons of the present TV imbroglio. Following is the text of the study which was issued on December 4, 1969:

TV NETWORKS, LICENSES AND THE LAW

INTRODUCTION

In the controversy over bias in television news reporting, the impression has been generated that the Nixon Administration can in some way censor what goes on the air.

Officials and commentators of the 3 major commercial networks have implied this threat of Government control by alluding to "licenses" which can be revoked, thus depriving them of the right to do business. To delineate the framework for any discussion of television's role in presenting news to the public, or Government "reprisals," several facts should be emphasized at the outset.

First, the billion-dollar television networks do not need, and have never needed, licenses to operate their networks.

Second, the power to license or refuse to license television or radio stations is vested solely in an independent agency, and not the Administration.

Third, *no* Government agency, Federal, State or local, has the power to dictate programming or internal management of any commercial television or radio station.

Finally, existing law clearly and without equivocation prohibits any agency from attempting to censor *any* radio or television program.

In sum, what goes on the air for profit in the United States is subject only to such restraints as television industry management itself dictates. Whether news is fair or unfair, objective or biased, accurate or careless, is left to the consciences of the commentators, producers and network officials themselves.

Government does not and can not play any role in its presentation.

In any discussion of this problem reference must be confined to commercial television and radio because many local government agencies, such as public as well as private colleges, schools, etc., do own and operate educational television stations and networks. Obviously, content of the programs of such institutions can be—sometimes even in the case of private schools—controlled by local government officials involved.

THE PUBLIC INTEREST

From the outset of radio communications, when radio was confined to ship-to-shore signaling, it was determined the airwaves were public domain, even international domain, and those who used them must be licensed. One of the early illustrations was the creation of an international distress frequency for ships of 500 kilocycles. Early radio licensing in the U.S. was done by the Secretary of Commerce, but by the middle 1920's the situation in this country had grown so chaotic that President Coolidge recommended a complete new approach.

In 1927 the Radio Act created a 5-member Federal Radio Commission with authority to allocate call letters, frequencies and power for both commercial and noncommercial stations. Its authority was expanded by the 1934 Communications Act which created the present 7-member independent Federal Communications Commission (FCC) and established its control over broadcasting and other interstate communication systems.

FCC Commissioners are appointed by the President subject to Senate confirmation. The FCC Act requires that no more than 4 Members be of the same Party.

The 1934 Act clearly reaffirmed ownership of radio frequencies by the United States and provided for "the use of such channels *but not the ownership thereof* by persons for *limited periods of time* under license granted by Federal authority . . ." (Emphasis added).

Section 309 of the 1934 Act provides, "The Commission shall determine whether the *public interest, convenience and necessity* will be served" by granting or renewing specific licenses (Emphasis added).

Licenses to operate radio and television stations are limited by law to 3 years. Such licenses may be renewed repeatedly, but in both the original application for a license and subsequent renewal applications the FCC is required to provide a hearing procedure, if there is a contest, at which all interested parties may present written evidence for or against the application.

The courts have held that the public has a right to be heard at these FCC proceedings. In a 1966 decision the U.S. Court of Appeals for the District of Columbia held that the listening public had a right to participate in hearings. In a landmark decision involving Station WLBT–TV, Jackson, Mississippi, on June 23, 1969, the same court held that complaining citizens should be considered allies of the Commission and that the burden of proof lies with the broadcasters in defending themselves against complaints by the public.

LICENSING FUNCTION OF FCC

As anyone who has twisted a radio dial knows, the number of channels available for radio and television broadcasting is limited, with the higher frequencies being able to accommodate more channels than lower ones. The FCC's first function was thus the licensing of those privileged to use the channels. There are only 107 AM channels and 80 FM channels for radio. The "TV band" can hold only 12 VHF and 70 UHF commercial channels. Other frequency bands are reserved for special uses such as defense, research, international short wave and the like.

By limiting power, type of operation and hours of use, the same channel can be used simultaneously in several different parts of the country without interference between the signals, although, even so, very powerful receivers must have special capability built in to screen out distant interference. In 1968 there were 642 television and 4,651 radio stations licensed by FCC throughout the country. Much thought, obviously, has had to go into the physical locations of stations on the same or very close frequencies.

Each of these licenses is immensely valuable. Last year, according to figures released by the Commission, the radio-television industry grossed some $3,543,800,000 with an industry-wide profit of some $608.2 million before taxes.

Because of the profit to be made there is intense competition for licenses. The FCC has developed an intricate procedure by which the licenses are granted.

LICENSING PROCEDURE

Applicants for radio or television station licenses must be American citizens or, if the application is made by a corporation, the principal owners of the corporation must be American citizens. The applicants must be able to prove their own technical, legal and financial ability to operate a station.

Applicants must also prove to the satisfaction of the Commission that they meet the standards of public need, convenience and interest.

If the application is unchallenged the Commission may grant a construction permit without holding a public hearing. But

if there is a challenge or if the Commission finds the applicants do not meet standards, a public hearing must be held. At such a hearing all interested parties including the listening public are invited to present factual testimony.

In renewing a license much the same procedure is involved. The station must provide the Commission with proof that it has lived up to its promises as to programming, and that it has fulfilled its obligations as to public need, convenience and interest.

If the application for renewal is unchallenged, the Commission can grant the renewal without a hearing. However, if there is a challenge, either by a competing applicant or by members of the community in which the station operates, the Commission is obliged to set a hearing, giving the parties concerned notice at least 60 days in advance of the hearing.

The applicant for renewal, any competing applicants, and the general public are entitled to present factual evidence at the hearing. The Commission may then grant or deny the renewal application, or it may turn the disputed channel over to a competing applicant.

NO AUTHORITY TO INTERVENE

Once a license is granted, however, the Commission has no authority to intervene in station policy, programming, or management. The only employees of a radio or television station who are required to hold licenses are the engineers who actually operate and maintain the transmitter, and this solely to insure that a station's signals remain rigorously on frequency and do not interfere with signals from some other licensee.

FCC has no authority over any other personnel, such as disc jockeys, announcers, newscasters, etc. The station's relations with its employees are also its own business.

The Commission has been under considerable pressure from time to time to take a more active role in "policing" broadcasts. It has invariably maintained that the basic law precludes such interference. In 1960 the Commission issued a statement on policy which reads in part:

"In the fulfillment of his obligation the broadcaster should consider the tastes, needs and desires of the public he is licensed to serve in developing his programming and should exercise conscientious efforts not only to ascertain them but also to carry them out as well as he reasonably can. He should reasonably attempt to meet all such needs and interests on an equitable basis. Particular areas of interest and types of appropriate service may, of course, differ from community to community, and from time to time. However, the Commission does expect its broadcast licensees to take the necessary steps to inform themselves of the real needs and interests of the areas they serve and to provide programming which in fact constitutes a diligent effort, in good faith, to provide for those needs and interests.

"The major elements usually necessary to meet the public interest, needs and desires of the community in which the station is located as developed by the industry, and recognized by the Commission, have included: (1) Opportunity for Local Self-Expression, (2) The Development and Use of Local Talent, (3) Programs for Children, (4) Religious Programs, (5) Educational Programs, (6) Public Affairs Programs, (7) Editorialization by Licensees, (8) Political Broadcasts, (9) Agricultural Programs, (10) News Programs, (11) Weather and Market Reports, (12) Sports Programs, (13) Service to Minority Groups, (14) Entertainment Programming.

"The elements set out above are neither all-embracing nor constant. We re-emphasize that they do not serve and have never been intended as a rigid mold or fixed formula for station operation. The ascertainment of the needed elements of the broadcast matter to be provided by a particular licensee for the audience he is obligated to serve remains primarily the function of the licensee. His honest and prudent judgments will be accorded great weight by the Commission. Indeed, any other course would tend to substitute the judgment of the Commission for that of the licensee."

NO CENSORSHIP

FCC has consistently declared that anything further would be in violation of section 326 of the Communications Act which states:

"Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication."

Congressional intent to prohibit any form of Government censorship was strengthened in 1948 by the 80th Congress which removed from section 326 a second sentence contained in the original Act of 1934, which was as follows: "No person within the jurisdiction of the United States shall utter any obscene, indecent, or profane language by means of radio communication." This provision of the law was removed because it contained the seeds of censorship.

Thus, the Federal Communications Commission is the *only instrument* of Government with any control over the operation of commercial radio and television stations in the United States. Its power is limited largely to the allocation of radio spectrum space between parties contending for the profitable use of the public's airwaves. The Commission is precluded by law from exercising censorship of any kind, or using its licensing power to enforce control, or influence, over the individual programming of individual stations. It has no control over, nor any means whatsoever of influencing, the programs offered by the networks to the broadcasting stations. Such controls do exist, for commercial purposes (to prevent duplication in the same broadcast area, for example), but these controls are strictly exercised by the networks themselves as a portion of the commodity they are selling.

NEW LEGISLATION

The Senate Commerce Committee is presently holding hearings on S. 2004, which would directly affect the renewal of broadcast licenses.

Sponsored by Sen. John Pastore (D., R.I.), S. 2004, which would "establish orderly procedures for the consideration of applications for renewal of broadcast licenses," is the direct result of an FCC decision denying renewal of the license of WWDH–TV, owned by the Boston Traveler-Herald newspaper. The application for renewal was challenged by a competing applicant because of the station's newspaper connection. FCC agreed that this connection was grounds for refusing renewal, and awarded the license to a competing applicant.

In effect, the Pastore bill requires the FCC first to consider the application renewal. Only if the FCC finds such renewal not in the public interest would it be allowed to consider applications by other parties for the license in question.

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## THE POLARIZATION ISSUE

## HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. OTTINGER. Mr. Speaker, the question of polarization in our society is being debated and discussed daily—in Congress, in the press, on college and university campuses, and in our communities. It is an issue vital to this Nation's future, for the quality of life in America can never be improved over the long haul if we find ourselves divided into hostile camps.

Two recent columns, one serious, the other humorous, give meaningful perspective to the polarization issue. I commend to the attention of my colleagues the wit and wisdom of Tom Wicker and Art Buchwald:

[From the New York Times, Nov. 30, 1969]

HOW TO "BRING US TOGETHER"

(By Tom Wicker)

WASHINGTON, November 29.—Because of Vice President Agnew's belligerent oratory and the Administration's recent counteroffensive against antiwar dissenters, it is now fashionable to charge Mr. Nixon and his associates with trying to "polarize" the citizenry. The irony of this is often remarked upon, since the President had proclaimed that he hoped to "bring us together."

In fact, it was apparent long ago, to anyone who looked closely, that the Nixon Administration was choosing a strange way to unify a country torn by racial animosity. This was apparent, as David Ginsburg put it in a hard-hitting speech he recently delivered in Pittsburgh, when there became visible "a series of signals to the South that the imminent threat of integration was over; that *Brown* v. *the Board of Education* would henceforth be enforced with more deliberation than speed; that voting rights would be put on a back burner, that there would be fewer blacks in high government offices, and all the rest. This was a program for liquidating old political debts and coining new political currency. It had potentially explosive and disastrous results. . . ."

Ginsburg is well qualified to make such a judgment; he was executive director of President Johnson's Commission on Civil Disorders, a body which probably inquired as closely as anyone ever has into the racial situation in America. But since that monumental effort, in 1967 and early 1968, he has discerned two significant shifts in the racial "battleground."

After the climactic big-city riots following the murder of Martin Luther King in April, 1968, Ginsburg told his Pittsburgh audience, public disorders began to occur mostly in small cities, while in major urban areas the action shifted to the black high schools.

WHAT DIDN'T HAPPEN

The result of this transition, Ginsburg said, was that "the quantity of racial disturbances has been rising steadily during the past two years with hundreds of small outbursts taking place during the hot months . . . but the most important thing about this period of transition is what did not happen. After the summer of 1967 all the experts—black militants, college professors, and Pentagon counterinsurgency types alike—were predicting a switch from ghetto rioting to guerrilla tactics in white neighborhoods . . . but that's not what happened."

Rather, Ginsburg said, impartial investigation showed that black violence in America was not conspiratorial nor revolutionary but was directed toward winning a place in the American system. In fact, "the frustration and rage that erupts in ghetto riots is a conservative, not a radical force. It seeks to participate in the system, not to destroy it. The proof lies in the fact that despite the intense emotional heat generated within the Negro community by the black revolt and the Black Power movement, radical elements have so far been completely unable to take charge."

That being the case, Ginsburg said, "again, the scene of the action is shifting—the new

battlegrounds are the police forces, the fire departments, the corporate headquarters, the craft unions and the military. This is where the real payoffs will come—in the institutions that control employment, and with it income, advancement and status."

THE POLARIZATION

It is precisely for this reason that the politics of polarization—the insistence upon a "great silent majority" opposed to black aspirations, liberal thought, and intellectual approaches—being practiced by the Nixon Administration is so irresponsible, dangerous and self-defeating. Obviously, the way to get things done in a democracy is to pull as many groups as possible together in support of common interests. Ginsburg brilliantly defined the most pressing of these interests:

"The reality of bad schools which can't teach kids to read in lily-white suburban areas any better than black center-city ghettos.

"The reality of housing costs which are out of reach of even middle class professionals, black and white, who now find themselves frightened out of the cities and priced out of the suburbs.

"The reality of crime that creates a terrifying sense of insecurity for all who cannot afford the private security systems that are available only in the 'best' neighborhoods.

"The reality of skyrocketing medical and hospital costs, auto insurance costs and utility charges.

"The reality of a legal system that alienates everyone it touches except the very rich who can keep out of its reach.

"The reality of inflation that steals the savings of every working man, without regard to color.

"The reality of a tax system whose highest rewards are reserved for those with the highest incomes."

Only of the last two of these realities can it fairly be said that the Nixon Administration is proceeding vigorously and with generous regard for a broad spectrum of popular interests. It would be better politics and better government if Mr. Nixon really tried to "bring us together" on these issues rather than giving his tacit consent to the barren and divisive tactics that would array the great silent majority against everybody else.

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THE SNAGGED FLAG

(By Art Buchwald)

President Nixon's promise to bring the country together doesn't seem to be working too well. If anything, people are more polarized than they've ever been before.

A friend of mine, Mrs. Johnston, told me the other day what happened to her when she decided to fly the flag on Veterans' Day. Mrs. Johnston's been flying the American flag every Veterans' Day without receiving much comfort. But this year her effort became the cause celebre on the block.

The first person to mention it was a neighbor from across the street who congratulated her for flying the flag and asked her to sign a petition to impeach Justice William Douglas of the U.S. Supreme Court.

Mrs. Johnston said she wasn't interested in signing any petitions against the Supreme Court.

"Then why are you flying the American flag?" the neighbor demanded.

"Because it's Veterans Day," she said.

"Would you be willing to go to a rally tomorrow against teaching sex education in the schools?" the neighbor demanded.

Mrs. Johnston said she wouldn't.

The neighbor said angrily, "And I believed you were a good American."

A little later the neighbor's son, a college student, said, "Mrs. Johnston, I thought you were sympathetic to our getting out of Vietnam."

"I am," Mrs. Johnston said.

"Then why are you flying the American flag?"

"Flying the American flag has nothing to do with my feelings on Vietnam, Bobby. It is our flag and I believe it should be displayed on national holidays."

"What about all the innocent people whose villages have been burned and bombed, and the profiteering South Vietnamese generals who have numbered bank accounts in Switzerland?" Bobby said.

"That has nothing to do with the flag."

"Only super-hawks fly the flag," said Bobby, as he walked away in a huff.

A little later Mrs. Johnston received a call from the lady down the street. "Mrs. Johnston, I notice you're flying the American flag. Would you be interested in joining the American Legion Auxiliary?"

Mrs. Johnston said, "No, my husband isn't a member of the American Legion so there is no reason for me to join the auxiliary."

"You had us fooled, Mrs. Johnston," the lady said, "I'm sorry I called."

The delivery boy from the local market arrived at this moment and he said, "You hate me because I have long hair, don't you, Mrs. Johnston?"

"I don't hate you," Mrs. Johnston protested.

"I saw the flag outside," the delivery boy said. "I know how you people think." He slammed the groceries on the table and left.

The plumber arrived to do some work, but when he saw the flag he decided Mrs. Johnston would be interested in how he felt about "People who are on welfare and don't do any work and who are always waiting for handouts, and how the protesters ought to all be put in jail . . ."

It cost Mrs. Johnston an extra $9 an hour to listen to the plumber's political philosophy.

When Mr. Johnston came home from work, Mrs. Johnston told him everything that happened during the day.

"Don't feel bad," he told her. "I was driving without my lights on today and a taxi driver yelled at me, 'If you don't like America, why don't you go back to the Soviet Union where you belong?' "

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## WHAT IS SOVIET GOAL?

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. DERWINSKI. Mr. Speaker, too often opinions on foreign affairs developments are based on wishful thinking and naivete rather than pragmatic perception of the developments.

Mr. Dumitru Danielopol, international authority of the Copley News Service has the facility to penetrate the clouds of wishful thinking to objectively report on current international developments. His article in the following November 19 Elgin, Ill., Daily Courier News demonstrates this:

WHAT IS SOVIET GOAL?

(By Dumitru Danielopol)

WASHINGTON.—Is the West being tempted by another baited Soviet trap? Is it going to take the proposed European Security Conference seriously?

From Prague on Oct. 31 the foreign ministers of the Warsaw Pact nations renewed their bid to Western Europe for such a conference sometime next year.

The idea in itself is ludicrous. Who but the Soviet Union and its satellites threaten the security of Europe?

NATO was created to protect the West against Russian expansionism which continues with unrestrained vigor in the Mediterranean, the Middle East and beyond.

Nonetheless the seed sown in Prague has found some fertile soil.

The proposal was discussed by NATO ministers in Brussels. Some members, notably Norway, Denmark, Holland, Belgium, Italy, and West Germany, were interested in an encouraging reply. Their enthusiasm was dampened by the U.S. delegation which argued that the Soviets have given no clear indication that they are genuinely interested in meaningful talks which could bring a genuine detente.

The idea isn't new. Russia tried it in 1954 as a "gimmick" to keep West-Germany out of NATO. It tried it again in 1966 to capitalize on De Gaulle's attempt to lessen American influence in Europe.

Another trial balloon was raised last April by Bulgaria when the Bulgarian ambassador in London approached former Tory Prime Minister Sir Alec Douglas-Home asking him to endorse such a conference. At the same time the President of the Bulgarian Parliament made a similar appeal to the President of the West German parliament.

"We want to force the hand of the United States," they told the West.

The question was discussed at the Council of Europe meeting in Strasbourg several weeks later and some Western delegates showed considerable interest in embarking on talks with the East.

The new proposals talk of "renunciation of the use of force or the threatened use of force in relations among European states."

Why is a new treaty necessary when all the nations involved have already made such a pledge under the United Nations Charter which says that:

"The signatories undertake to refrain from the threat of force or use of force . . ." pledges which were broken by the Soviet Union and some of her stooges when they marched into Czechoslovakia in August 1968.

What are the Russians really seeking? Several goals come to mind.

—The recognition of the status quo in Eastern Europe,

—The recognition of Eastern Germany as an independent entity,

—The weakening of the NATO alliance,

—The withdrawal of American forces from Europe.

Though the Prague suggestions have been rejected, that doesn't mean that the Russians have given up, or are likely to do so. The climate in Europe is playing in their hands.

The new Chancellor of West Germany Willy Brandt's overtures to the East must be very encouraging to the Communists.

In many Western capitals there also is serious concern about the United States reliability and an ally in a confrontation with the Soviet Union. Their confidence has been shaken by the anti-Vietnam demonstrations and "moratoriums."

There also is increasing uncertainty at the American resolve to risk nuclear devastation in the defense of NATO.

The next few months will tell. If pressures on President Nixon to bring the boys home increase, if the President is not given the respite he seeks to bring the Vietnam War to an honorable conclusion one might find our allies in Europe inclined to seek alternates to NATO.

The United States has already withdrawn 32,000 men from Europe. Canada's contribution has been slashed. If the trend continues in 1970, observers in Europe say, the Western Allies might seriously seek their own accommodations with the Communists.

## TO BEAUTIFY AMERICA—FATTEN UP A CHILD

### HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. CLAY. Mr. Speaker, the future of many children may well depend upon the conditions of their stomachs. There are reported to be 10,000 children in the District of Columbia who do not attend school regularly because they do not have food or clothing. Many mothers prefer to keep their children at home hungry than send them to school where other children will be eating.

The simple truth is that a hungry child cannot learn and a hungry adult cannot work. Until poor people are properly fed, we cannot expect to educate them, to train them, or to free them of the devastating effects of the poverty cycle.

We must remove hunger from the stage of reports, recommendation, and rhetoric. Hunger in America is a real problem—that it exists is shameful, but the lack of a national commitment to eliminate it is disgraceful.

As one mother put it—if you want to beautify America, fatten up a child. Trees would not fill his stomach or put a smile on his mother's face.

Mr. Speaker, I commend the following editorial from the St. Louis Post Dispatch of December 4, 1969, to my colleagues:

PLAYING POLITICS WITH HUNGER

President Nixon's claim that he accepts the responsibility to end hunger in the United States would be an assertion of statesmanlike proportions were it not that there is so little to suggest that he truly intends to accomplish such an enormous mission. His remarks at the opening of the White House Conference on Food, Nutrition and Health carry the ring of campaign rhetoric, reminiscent of platform promises that candidates make but rarely keep.

Having announced his responsibility for ending hunger, Mr. Nixon put forth not a single new proposal. He asked neither for money nor for more programs, choosing in their stead to emphasize legislative measures he already has sent to Congress. These include his family asssistance program and an expanded food stamp system, both of which will go a long way toward alleviating the misery of poverty and hunger. But they will not go all the way and it is wrong for the President to suggest that they will.

Several of the conference committees already have made public recommendations which go far beyond the Administration's proposals. A theme common to several of these is that food benefit programs, such as food stamps, should be expanded but only as an interim measure until a genuinely adequate national income maintenance program is established. "All other problems of nutrition fade into insignificance beside the fact that 25,000,000 Americans, or more, are living on an income that prevents them from getting enough to eat," one committee said.

This committee, representing community organizations, called for a minimum income of $6570 for a family of four. But pressure is building for an income of $5500 for families of this size. Other proposals included $125 worth of free food stamps each month to families with monthly incomes less than $100, the expenditure of 1.5 billion dollars for free or reduced-price school meals, mobile food stores for rural areas and a nationwide service to seek out the hungry and the malnourished.

By contrast, Mr. Nixon's proposal would guarantee poor families an annual income of $2350, which might eliminate outright starvation but, given the spiraling price of food, certainly not hunger. A bill to increase the federal food stamp budget to 2.5 billion dollars is stalled in the House and there is evidence that the Administration is lobbying for its rejection. Senator McGovern of South Dakota claims that an Agriculture Department memorandum calls for the defeat of the bill on the ground that "we can't afford it."

The question that emerges is why Mr. Nixon felt it necessary to make such an extravagant statement, especially before the bulk of the conference reports were considered. The most likely answer is that the President was playing politics, attempting, among other things, to silence critics such as Senator McGovern who contend that Mr. Nixon is substituting rhetoric for an effective plan of action. If it is politics he is playing, we think it will prove to be poor politics in the long run.

## NEW LAWYERS MOVE IN NEW DIRECTIONS

### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. BROWN of California. Mr. Speaker, we are all searching for relevancy—in our job, in our lives, and in our daily decisionmaking. Our educational institutions, in particular, grope and grasp for it; some vocations have responded, some continue to search, others have failed.

Legal education provides a good example. Most law schools in the past simply presented students basic hornbook bread-and-butter courses which were most meaningful for making money and representing those people, vested interests, and institutions which were the lawyer's traditional clients. I suppose the profession responded to what seemed to be its needs at that time.

Today, concepts of educational relevancy have changed. Take the law student who travels in from suburbia to the city school. His train or car takes him past the ghetto, the disenfranchised, the poor, the lost, and the outcast, and when he arrives in class he is taught, for example, the rule in Shelly's case. Is this relevant to the socially committed law student of today? I am not suggesting that the school do away with these courses, but I wonder if they could not broaden their perspectives, and the student's preparation to meet the relevant needs of society.

Attorneys, like many other professionals, are questioning their role in society. It is particularly a difficult task for the legal profession. Traditionally, the lawyer is the one who protects vested interests and institutions. He protects corporations, banks, clients with money to pay, the Federal Government, and so forth, leaving those outside the system without adequate legal assistance.

In the traditional sense, the lawyer is conservative; he protects the status quo. Even his argument process, the entire adversary procedure, is based on the slow system of arguing precedents and analogies.

Now, legal education in some universities is finally awakening to ideas that it is just as relevant to prepare lawyers to represent "outsiders" and that new types of legal aggression and dynamics can be applied to the profession. We see this in the Student Legal Aid Society and other sundry student law movements and programs.

The legal profession itself has begun to respond to these old needs, now first employed. Over the past years we have witnessed establishment of the Neighborhood Legal Services, Legal Aid Societies, Poverty Law Centers—places where poor citizens can feel they can get competent legal assistance.

While the legal profession—and legal education—have begun responding, it is just a start. More must be accomplished. I am proud to say that California has led the way among States in this progressive and worthwhile movement.

At this point I would like to insert in the RECORD an article from the November 19, 1969, New York Times which shows the willingness of new lawyers to enter new fields of relevancy—moves which I find quite encouraging. The article follows:

NEW LAWYERS BYPASS WALL STREET

(By Robert Reinhold)

CAMBRIDGE, MASS., November 18.—Back in 1958, the editors of the student-run Harvard Law Review took note of the mounting numbers of young lawyers rushing to join the large private law firms in New York and Washington.

"The opportunities offered by the large firms seem more attractive than ever," said the journal, then headed by Richard N. Goodwin, who was later to become a confidant of President Kennedy. "Of course no editor disdains these things and most are very grateful that there is a demand for young lawyers by the large firms."

Eleven years later, the editors of the Review and many of the 68,000 other law students across the country find much reason to disdain corporate law as they shift to areas traditionally neglected by law such as poverty, pollution, consumer affairs, social reform and research.

SYMBOL OF CHANGE

Of 39 editors graduating next spring—considered to be the top Harvard law students—it seems unlikely that any will enter private practice immediately. "We are not interested in what they are interested in," said one of the students of the Wall Street law firms.

This shift in attitude in a single decade symbolizes the changes that are sweeping American legal education, which critics have accused of preparing young lawyers to represent wealthy corporations and seldom the poor, the minorities or the consumer.

Traditionally among the most consecutive students on campus, many law students are now viewing law more as a powerful lever for the reform of society's ills and less as an intellectual or business endeavor. They are challenging the assumptions of law and are intensely unhappy with the quality of their education.

To assess the impact of these forces, deans, professors and students were interviewed at major American law schools from Cambridge to Berkeley. These are some of the trends taking shape in many of the nation's 169 law schools:

A broadening of course topics to equip lawyers to handle new clients. While they must still grapple with such pillars of legal

training as contracts, property, torts and legal methods, students can also choose from offerings such as "Race, Racism and American Law" (Harvard), "Law for the Poor in an Affluent Society" (Columbia), "Consumer Protection" (Stanford), "Natural Resources" (California) and "Urban Public Schools System" (Chicago). Even criminal law, once a poor second cousin to corporate law, has gained new glamour. The courses now frequently cover new urban problems—rent strikes, riots, drug use and the sexual revolution.

New emphasis on clinical work to impart practical skills, to bring students into contact with "real people" and to alleviate experience in their third year. Next semester, Stanford will send 14 students on experimental field projects. Last spring, eight Harvard students studied the workings of various city agencies in Boston.

New "ecumenical" appointments and joint programs with other departments in the university to help put law in social perspective. Stanford now offers economic, political science or business. The Harvard faculty includes a psychiatrist who also teaches at the medical school.

New small seminars and individual study projects to increase flexibility and allow the student to break out of the "monolithic block step" of three years in law school, as Prof. Tom Ehrlich of Stanford puts it.

A RELAXED CLIMATE

As these changes occur, even the appearance of the schools has been altered. Once havens of buttoned-down shirts, striped ties, dark suits and clean shaves, law school corridors are now filled with many Army jackets, bellbottom trousers and beards.

In this relaxed climate, students from minority groups and women are finding new opportunities. At Berkeley, a Mexican-American has been elected student body president. The student, Richard Bessera, walks around in sandals, a polo shirt under a vest and wears a big "Mexican-American Liberation" button.

"There's a real awakening among law students" he says. On graduation, Mr. Bessera may enter a rural legal aid association or even a private firm doing integration work. "I am not interested in the Wall Street-type," he says.

Just what all this augurs for the Wall Street firms, accustomed to taking the cream of the student crop, is not yet clear. There are no national statistics, but the portion of graduates going directly into private practice from Harvard, for example, has dropped from 65 per cent in 1968.

Some may drift back to establishment after brief tours with poverty agencies and offices of public prosecutors, or as law clerks for judges. But many experts believe the trend is a permanent one.

FEELING THE PINCH

"All I have to say is that the Wall Street firms are simply going to have to learn to broaden their representation or they will not get the very best people," says Prof. Alan M. Dershowitz of Harvard.

The firms have evidently begun to feel the pinch. Students report salary offers as high as $18,000 to start from big New York firms—a figure more than doubled in 10 years. In addition, many firms now encourage so-called "probono" work—time off from normal duties to perform public service.

The new student idealism is manifested in a greatly heightened interest in student legal aid bureaus. These groups, proliferating all over the country, represent the poor in family relations cases, rent disputes, criminal cases and other matters.

The desire to carry on these interests after graduation is sometimes thwarted by lack of opportunities. "Where do you go if you want to represent consumers against Con Edison?" says Robert Hornick, a 25-year-old college student from Pittsburgh.

Some go into poverty work. Programs funded by the Office of Economic Opportunity now have 1,800 staff lawyers who receive from $11,000 to $12,000. In addition, the Federal antipoverty agency offers 250 scholarships a year for training in poverty law.

Others are going to work as clerks for judges, into teaching or into law "communes" specializing in draft, tenant and consumer cases.

NIXON A FACTOR

But one important avenue to public service—through Federal Government agencies—is shunned by many students who are becoming increasingly skeptical of the Nixon Administration. "Nobody is going into the Justice Department under John Mitchell because they are going to have to leave after a few days," one Harvard student said.

All these factors have combined to place a heavy strain on the law schools. While most professors seem to welcome the new idealism of their students, many fear that the lawyerly skills will be lost in the shuffle.

"Our primary mission is to produce well-trained people with analytic skills and ability to express themselves effectively on legal matters, whether on Wall Street or in Harlem," says Prof. Richard H. Field of Harvard. "A good many come to law school with the notion that emotion is more important than reason and that if you are right enough it doesn't make any difference if you are analytically sound."

ROLE OF THE LAWYER

The academics point out that the system under attack has produced such effective social reformers as Oliver Wendell Holmes, Louis D. Brandeis and Learned Hand, as well as Ralph Nader, the consumer advocate.

"The fact that men like Nader have been able to be so effective is that they are so competently trained," says Philip C. Neal, the dean of law at the University of Chicago. The changes in attitude about legal education have led to some profound rethinking about the role of the lawyer in society. Is he just an advocate, or does he have some special responsibility as author of legislation and as court lawyer—to shape social policy?

"I think he has a unique capacity as a social engineer" says Prof. Albert J. Rosenthal of Columbia. "And I would like to see it employed in social problems rather than just helping some corporation cut down on its income taxes. We need everything. It is certainly not our intention to train only for Wall Street—in fact the firms complain we are turning out activists.

"My fear is that, when these students in their twenties become 40 or 50, they will enter the same stuffed-shirt Wall Street pattern they now deplore. I welcome this activism and hope they will live up to it."

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## BIG TRUCK BILL

### HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. SCHWENGEL. Mr. Speaker, my editorial for today is from the Provo, Utah, Herald, in the State of Utah. The editorial follows:

[From the Provo (Utah) Herald, Aug. 3, 1969]

BIGGER TRUCKS ON THE ROAD?

The trucking industry, engaged in a determined campaign for the last year or so to persuade the government to give even larger trucks the run of the nation's roads, has lately come up with a new argument to bolster its case.

Industry spokesmen asserted in congressional hearings that the size and weight hikes desired would actually contribute to highway safety. Their reasoning is that by abandoning the present weight limit—73,280 pounds—for trucks on the interstate system and adopting instead an axle-spacing formula, weight distribution would be improved. Trucks might be heavier—up to 92,500 pounds—and wider, but also better-balanced, and therefore less of a hazard to truckers, passenger car drivers, bridges and the roadways themselves.

There is no question that trucking is a vital element in the transport system of a consumption-happy society or that there are valid arguments for bringing existing regulations into line with changing needs of the industry and public, improved technology and highway facilities.

But this is one that is likely to be difficult to sell to drivers who have had white-knuckled experience maneuvering around and among present width and weight trucks, or struggled to keep a car on the road in the gale-force winds frequency created in passing or being passed by trucks.

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## SESAME STREET

### HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. PUCINSKI. Mr. Speaker, on Monday, November 10, a new era began in American educational television. "Sesame Street," a thoroughly researched and enjoyable children's educational program began a 26-week series on more than 170 television stations throughout the country.

"Sesame Street" is the result of a unique cooperative effort by the U.S. Office of Education, the Carnegie Corp., and the Ford Foundation. In 1968 these three agencies determined that extensive television viewing consumed a substantial portion of the children's time. More than 96 percent of all American homes have at least one television set and young children watch television for about 50 or 60 hours each week.

The Children's Television Workshop was created to research and develop an experimental series of programs which would educate young children and make them more receptive to learning. "Sesame Street," a program designed and produced for the preschool youngster, is the result of these efforts. This highly absorbing and delightful series was developed over a long period of intensive research into what children react to, how they learn, what they retain, and how they are able to apply what they learn to specific situations.

A few weeks ago, Mrs. Joan Ganz Cooney, executive director of the Children's Television Workshop, testified before the General Subcommittee on Education about the actual educational potential of American television. Mrs. Cooney said at that time that half of the Nation's school districts have no kindergartens and only about one in four children from so-called disadvantaged areas are exposed to any program that might be called potentially educative.

The General Education Subcommittee, which I serve as chairman, is now conducting extensive hearings on the

educational needs of the elementary and secondary schools for the 1970's. It is through projects such as "Sesame Street" that the children of this new decade which dawns in the next few weeks will be well prepared to face the challenges of school, and most important, to succeed as students and later as adults.

"Sesame Street" is for all youngsters of preschool age. This widely tested and finely crafted program for children can be seen in cities throughout America.

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## UNREST IN OUR COLLEGES IS MANY-FACETED, COMPLEX

## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. DULSKI. Mr. Speaker, discussions with students, faculty members, trustees, officers, and townspeople at 10 colleges and universities developed an intriguing pattern of what is at the base of the current unrest.

Such discussions were conducted, analyzed, and reported in a series of articles by Ronald J. Maselka of the Washington staff of the Buffalo, N.Y., Evening News.

In previous insertions in the RECORD on December 5 and December 8, I included the texts of the first 15 articles. Following are the remaining stories of this excellent 22-part series:

PART XVI—POLITICAL AND MORAL INVOLVEMENT: CRUCIAL DECISION FOR UNIVERSITIES

(By Ronald J. Maselka)

MADISON, WIS., October 23.—From a high-rise office building on the University of Wisconsin campus here, one gets two extreme views of sparkling Lake Mendota.

Short-range, one sees the water rippling along the campus shoreline. Long-range, one sees the water ending at a less distinct, distant shore.

Like other universities, Wisconsin today is acting with this dual vision in response to campus unrest.

It has taken short-range steps towards disciplinary procedures to contain the disruptive violence of the minority of students. However, it is also undergoing a massive re-evaluation of all aspects of university life, designed to defuse the underlying unrest and provide long-term direction.

"We've got to make a lot of changes," said Dr. Edwin Young, chancellor of the Madison campus. "Change for its own sake is not necessary but re-evaluating things is always necessary. We might end up doing the same things we are doing but we will do them with more assurance."

POLITICAL LIFE TOO?

To a certain extent, universities are hampered in their long-range efforts because some key issues fueling campus unrest—the Vietnam war and the draft—are out of their direct control.

One main question being debated today is to what extent the university should get politically involved.

The trend toward political involvement is evidenced in things like faculty resolutions urging an end to the Vietnam war and universities shutting down for the Oct. 15 moratorium.

Opponents feel this is a bad precedent that violates the rights of individuals.

As one dean, who finds the political trend disturbing, noted: "Universities as corporate bodies have not taken stands on political issues. The university is now being asked to be an advocate, where before it was a host of varying opinions . . . people see the university as a place of great prestige and influence and perhaps they are misreading the situation."

UNIVERSITIES NOT NEUTRAL

Steven Reiner, editor of Wisconsin's student newspaper, The Daily Cardinal, takes the opposite viewpoint.

"Increasing numbers of students are demanding that the university take moral positions on the great issues of the day," he said. He noted that because of involvement with government and the military, "the universities are not neutral."

This leads to another key issue: What kind of research should the university engage in? Who should make the decision, the individual researcher or the university?

Mr. Reiner, for instance, notes student opposition to Wisconsin's math research center, which is sponsored by the Army.

"We should use the buildings, money and space for more humane things," he said, suggesting a better student health clinic or a center for fighting pollution, preserving Wisconsin's lakes or studying the population explosion.

Some universities have responded to this type of criticism by dropping all classified or top-secret research as being alien to the university's climate.

SERVING SOCIETY

But there are some who argue that the government should be able to expect expert assistance from the university.

Each university community must work out for itself how it will strike a balance between education, research and public service.

The latter, however, raises another subject of vigorous campus debate: What balance will the university strike between being an "ivory tower" and a social service organization?

One professor says "The most ominous thing is the tendency for higher education to minister to every need of society . . . I feel there is still some room for an institution in American society that is above the battle, interested in the refinement of culture, the acquisition of knowledge."

In a recent interview, Dr. Andrew W. Cordier, president of Columbia University, noted that he believes the university's key role in the community is one of adviser. "We do not want to tell it what to do . . . if there's a sound relationship with the community, the intellectual life of the university is enhanced."

A DEAN FOR ALL SEASONS

Many universities are relying on discussions with community leaders to determine how the university can make its greatest contribution.

Like Wisconsin, many also are attempting to make "better communications" a reality, instead of just a hackneyed phrase.

For instance, Leroy Luberg, Wisconsin's dean for public services, explained his role is to do whatever possible to relate the university and its research to "Wisconsin's economy, government and culture."

For instance, he is planning 150 meetings during the coming year with area community leaders, bar associations, teachers, labor groups, parents and alumni to discuss the problems, goals and contributions of the university.

"This is the hard way to do it," he said. "The easy way is to send out a pretty brochure. But it's got to be a two-way thing. You need dialogue. It is hard for us to listen, though, because we have so much to say. But we need to know what people's understandings and misunderstandings are."

SELLING THE STORY

This series of meetings, Dean Luberg said, will help in university policymaking by learning the needs of the community. It will improve the university's image and base of support by reaching thousands of tax-paying opinion-makers.

Dean Luberg noted that plans include TV documentaries on the university's effect on the state's economy.

Part of this drive, of course, is a response to legislative cuts and threats of cuts in educational budgets.

Because of this "backlash," Wisconsin and other universities are looking to their alumni for more than money these days. For instance, Chancellor Young said that while alumni contributions are important "I think of alumni support in terms of their political help" in supporting aid to educational, opposing repressive laws and "in encouraging their youngsters and others to come to school here."

THE VISITORS

To make sure that alumni are getting the full picture, universities are plunking for alumni publications and campus speakers for local alumni clubs as well as increased alumni involvement in university policy-making roles.

Another example of Wisconsin's attempts to improve communications between its university population and the outside world is an attempt to revitalize its 12-member Board of Visitors.

An appointed group of citizens from all walks of life, the visitors are free to inspect whatever areas of university life they choose.

Noting that they aren't in the public eye like administrators and do not have to make final decisions like the Board of Regents, Dean Luberg said the visitors "are a good listening group . . . they get people to talk freely."

Discussions with the general public and discussions with students and faculty make them an invaluable communications link, he added.

EXAMINING ISSUES

It is in the area of on-campus issues, however, that the university's long-range efforts are most visible.

These include grading procedures, courses, admissions policies, class size and required courses, student governance, housing conditions and dormitory rules.

On every campus, there are a proliferation of committees examining these issues.

Some schools are creating new structures, like university-wide senates or forums for public discussions, or ombudsmen to handle complaints and cut red tape. Others are revitalizing old structures.

Campus unrest, therefore, seems to have speeded up the self-examination.

The number of issues raised, the number of people involved and the necessity for endless judgments indicates the complexity of the task. But this host of rational activity is the university's long-range hope, requiring time, patience and open-mindedness.

"The tone of this was captured by one administrator who noted: "I never make up my mind permanently."

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PART XVII—NOTRE DAME PROFESSOR IS NOT VERY SYMPATHETIC TO STUDENT PROTESTERS

(By Ronald J. Maselka)

SOUTH BEND, IND., October 29.—"I don't think you want to talk with me," Prof. Bernard Norling said. "I'm not very sympathetic to them."

The topic of discussion was the student protest movement and Dr. Norling, assistant chairman of the History Department at Notre Dame, has some very definite opinions.

A burly man, with glasses and a crew cut, Dr. Norling is a serious man. If you gave him a label, you'd have to say he is a conservative.

Bemoaning the "sudden rise of high principles" in the student protest to the Vietnam war, he said many of them are like the draft dodgers of the past, "just louder."

MAP SHOWS RED

"Student politicians should be in the library studying," he said. Some of them are intelligent, sensible fellows . . . But you have three or four blue sky types who want to have a say whenever a wastebasket is moved around here."

A large map on the wall of his office showed red-colored Communist nations and he added:

"The world went through this in the 1930s, with the defeatists, pacifists, isolationists, mainly on the political left . . ."

"Now those students whose sentiments are genuine are going to have to grow up and realize the world is an imperfect place. There are a lot of real frauds and phonies among them."

BEING LED BY NOSE

Stressing that "I can't prove this of course," he added: "A lot are being led by the nose by Communist propaganda . . . in the '30s, there were a lot of people who lent their names to all sorts of causes that seemed liberal and humanitarian but discovered 10 to 15 years later they were being led around."

One thing he finds particularly disturbing about the student protests against national policy, he said, is "they have no historical perspective at all . . . You get the impression the world was created 10 years ago and that there were no counterparts for today's problems in any society in any other time . . ."

"A lot of them are foolish idealists, who expect wonders to happen because of their activities and their emotionalism."

ACADEMIC REFORM NEEDED

As to faculty members who participate in student protests, Prof. Norling shrugged: "The faculty responsibility is greater. They should have more sense."

While he disagrees with student activism on off-campus politics and on-campus campaigns for more student rights, Prof. Norling agrees with student concerns about academic reform.

"Many things are badly awry at universities," he said, specifically noting student attraction to schools with big name professors only "to find them on sabbatical in Afghanistan or somewhere."

But complains about Vietnam, racism or Dow Chemical he added, are things "the university has nothing to do with."

DEATH OF EDUCATION

Prof. Norling also deplores the trend for universities to perform social service functions.

"That should be left to someone else," he said. "It distracts people's minds and energies from their real business—teaching and research . . . and getting the university into politics is absolutely wrong."

Pointing to the politicization of universities in Latin America and the Middle East, he added: "You see how close that came to the death of education."

Admitting he is prejudiced—as a history teacher—he grimaced: "People learn so little from history."

Pointing to the fall of the Roman Empire, he recalled that "morality declined, there were huge worthless mobs in the cities supported by the government . . . almost every Roman citizen refused to serve in the military . . . the literature was sterile, imitative."

LEARN AND LEAVE

Emphasizing that "this doesn't mean we're destined to follow in Rome's footsteps," he added: "Some of the problems and some of the attitudes are somehow similar."

Prof. Norling attributes the growth of campus unrest "a good deal to the faculty and administrations being spineless . . . this thing that everyone must be consulted."

Acknowledging that "students are profoundly dissatisfied and should be to some extent," he said: "But they don't realize how difficult it is to change something that is complex."

Noting that students "don't have the experience" to play a major role in running the school, he said: "They should learn as much as they can and leave."

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PART XVII—FATHER HESBURGH'S NOTRE DAME LETTER: THE ULTIMATUM THAT NEVER WAS TESTED

(By Ronald J. Maselka)

SOUTH BEND, IND., October 30.—Eight months ago, the Rev. Theodore M. Hesburgh, president of Notre Dame University, issued what popularly has become known as his "15-minute ultimatum letter."

That letter to faculty and students warned that any group that "substitutes force for rational persuasion, be it violent or non-violent, will be given 15 minutes of meditation to cease and desist."

If they refused to obey, they would be asked for their identity cards. Those who produced them would be suspended. Those who refused or were unable to produce the cards would "be charged with trespassing and disturbing the peace on private property and treated accordingly by the law."

Eight months later, the ultimatum has not yet been tested.

LOOKING FOR PROBLEMS

The immediate reaction is that it must have worked. But one administrator acknowledged that "we don't know if it was a deterrent" because it wasn't issued to counter some pending or expected protest.

It was written, however, after two incidents at Notre Dame, one involving CIA and Dow recruiters, one involving a pornography conference. Undoubtedly, it was partly aimed at preventing the spread of disruption.

But some student leaders said they didn't feel intimidated by the letter or that it acted as any deterrent.

"We never had that much trouble here anyway and there was nothing to test it on immediately," one student explained.

Trying to determine why it hasn't been tested requires taking into account factors like the uniqueness of Notre Dame, the uniqueness of Father Hesburgh and what else was said in that letter to indicate the administration was balancing firmness with flexibility.

IN THE BEGINNING

It begins with Father Hesburgh, who has been university president for more than 17 years. He is almost an institution within an institution.

As one student noted: "The faculty here really looks up to him."

Busy with the business, fundraising image-projecting tasks of a modern university president, Father Hesburgh tries to make himself available to students. Many of those student visits come in the wee hours of the morning.

"That's the way it really is," Philip Facenda, special assistant to the president, said. "They know he's here because they can see his light burning."

Another element, Mr. Facenda explained, is "that we are constantly trying to come up with new ways to improve communication."

There's a recognition, he said, that "kids today are three to five years ahead of students of earlier decades . . . Students are more sophisticated at 18 than we were at 21, for example, in terms of the knowledge they have about what's going on in the world.

HARNESSING ENERGIES

"They are becoming aware of some things while they still can do something about it . . . When we thought of it, we were already saddled with other problems, like three kids and a mortgage."

POLITICS FOR ALL

It is statistically sound to say that all of them are not happy about the student protest movement. Beyond that, the divisions of opinion are legion.

Some opposition comes from a feeling of self-preservation and individual rights, like the rights to research, scholarship and private files. Some is the natural suspicion of the professor who worked himself up from high school teaching posts and fears a lack of university continuity because of the transient nature of students.

Some of it stems from student turmoil conflicting with a faculty member's vision of the university. As one said: "The trouble with all this is that it makes politicians of everybody. You can't get your work done."

But while students have been alleging faculty aloofness, inaccessibility, over-indulgence in research and reputation building, the faculty has been sharing student concerns about large classes and courseloads.

THE TEACHERS' SIDE

This budgetary problem is out of the hands of the faculty, Associate Sociology Prof. Henry Finney of the University of Wisconsin explained. "But the small classes are a very important factor. You learn better when you have a feeling of closeness and contact with somebody you respect."

Noting that the faculty also has gripes about pay, promotion procedures, inadequate office space and secretarial help, one professor discussing campus turmoil said: "There is some satisfaction in sitting back and seeing the administration taking its licks."

Faculty too are caught up in the impersonalization of the university. As one Harvard committee reported: "The quadrupling of the tenured faculty since the turn of the century has necessarily reduced the frequency and intimacy of contacts among faculty members."

This growth, the demand for and shortage of professors, along with budgetary restrictions have forced many universities to rely on graduate students as teaching assistants and instructors.

A CLOSER LOOK

The latter is a group with one foot in the student camp, one in the faculty camp. This raises a whole set of separate concerns and problems.

Closer in age to the undergraduates, many graduate students have been found to be sympathetic to student demands.

There are also instances of older faculty members joining in protests, and reports of helping student activists with grades, adding fuel to charges that the faculty has helped the rebellion.

This has caused faculties to re-examine disciplinary procedures of their own members.

Defending faculty activists, Dr. Andrew N. Meyers, president of the faculty senate at Fordham University, said: "They are passionately interested and concerned, with a real conviction they are doing something right."

This returns to the original notion that because of their role and proximity to students, the faculty has a prime role in helping the university over these days of turmoil.

SETTING AN EXAMPLE

But each teacher must interpret his role for himself: How much of himself he will give to his students.

Some like Dr. Houck consider themselves "an honest broker" between the students and the administration.

"This takes a lot of time," he explained. "You can really burn yourself out."

For Genetics Prof. W. H. Stone of the University of Wisconsin, it is also setting an example.

Noting that this falls between joining students entirely and running for the bayonets, he said: "Older people, those in their 40s and particularly the professor, can do an

awful lot by being a model, by showing strength and conviction, trust and understanding."

For Phil R. McKenna, a senior from Chicago who is president of Notre Dame's student body, the important thing in faculty and administrators is "the way they think and behave about students."

And Guy DeSapio, editor of the school newspaper, The Observer, said he was impressed his first day in class this semester when his professor stressed that "this class is going to be run democratically."

"They really bent over backwards to say 'What do you feel about this course, where do you think we are going, any ideas on where we should be going?"

It really is the little things that mean a lot.

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PART XIX—COLLEGE PROTESTERS' NEXT TARGET: CURRICULUM SHIFT, BETTER TEACHING

(By Ronald J. Maselka)

SOUTH BEND, IND., October 31.—The faculty is going to feel the crunch of campus unrest more in the future as students focus on academic reform.

That opinion doesn't come from students. It comes from faculty members. It's based on the fact that teaching is the fundamental part of university life.

While students already are raising questions about the relevance of courses and the quality of teaching, their energies have been directed mainly at off-campus issues like the Vietnam war and the draft and at extra-curricular campus issues like student governance and rights.

For some faculty members, it seems only a matter of time before students focus their energies full-time on the nitty-gritty of academic life, on questions like curriculum course evaluation, degree requirements, grading.

This is faculty territory.

SNIPING AT MR. CHIPS

Campus turmoil has brought a revitalization of the faculty's role in the university. The whole trend toward democratization has brought faculty members more participation in administrative affairs, including questions of university government and wide policy-making. Faculty pronouncements—individually and as groups—are also becoming more noticeable on off-campus issues like the war and the draft.

Thus, faculty members cannot ignore the student sniping at their academic houses, departmental power structures over items ranging from hiring to tenure and curriculum.

Dean William B. Lawless of the Notre Dame Law School, however, sees a greater need for faculty democratization. "There is a need for deans to listen to their faculties and shape their policies with the faculty, to replace the arbitrary basis where the dean sets policy alone," he said.

The quality of the teaching and the relevance of the curriculum are the two areas where some faculty members see the future confrontations, some coming in debates between younger and older faculty generally, some in direct student-faculty contact.

THE DEGREE FACTORIES

This expectation of turmoil indicates that the faculty acknowledges there is room for academic improvement. The question is what to improve and how fast.

For Dr. John Houck, professor of business management at Notre Dame, concerned that universities are becoming factories, the key question is can "we do this more humanely."

Noting that even the need for the hallowed right of tenure is being debated in faculty councils, he said: "But our teaching is too much giving conclusions and not showing the difficulty in reaching those conclusions . . . We have to show that our competence is not in the conclusions reached but in the search."

He said faculty should serve as models "in the strength of our lives, in our reasons for being teachers . . . we should be saying to them to 'be like me, not for any answers I have but for the way I live.' We don't tell them enough of the complexities of problems, which tends to lead them to believe in easy answers."

WHAT OF POOR TEACHING?

A similar view was voiced by Dr. John Portz, head of the University of Maryland's honors program at College Park, who said: "The faculty should do more teaching and learning about teaching."

Dr. William E. Sedlacek, assistant director of Maryland's counseling center, agreed. Noting that when a student fails it is attributed to things like "incapable" or "lack of motivation," he added:

"Nowhere does it say 'poor teaching,' which is certainly a large variable . . . I see the next wave of student protest directed at the academics. I think the faculties at most universities have not looked into their house at all."

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PART XX—COLLEGES UP IN ARMS—OVER ROTC

(By Ronald Maselka)

ITHACA.—Any controversial issue presents two extreme alternatives: For or Against.

In between, however, is an encircling range of opinion.

Campus issues are no different.

As one Cornell University administrative aide explained: "The university is complex by its very nature. You have a fantastic variety of opinion on campus. It's the same variety you'd get in a national opinion survey but its' all jammed into the campus."

A basic issue raises a series of related historical, moral, legal, financial or practical questions.

The Reserve Officers Training Corps (ROTC) program illustrates this complexity.

ROTC IS COMMON TARGET

ROTC has been a common target of protest at universities experiencing campus unrest. Just like the intensity of the unrest varies, so does the intensity of the ROTC issue. While Columbia University has acted to phase out its ROTC program, for example, Fordham University's students are having a referendum on it.

The attacks range from efforts to drop ROTC entirely to those to strip it of academic credit and make it an extra-curricular activity. At some schools, the effort is directed only at making ROTC voluntary instead of mandatory.

A voluntary program at Cornell, Army, Air Force and Navy ROTC is a highly visible issue this year. Some 400 students are enrolled in ROTC out of a total male enrollment of about 7000.

Cornell's ROTC problem is complicated by its uniqueness as a privately endowed, Ivy League institution that is simultaneously a state-federal supported land-grant university.

REGARDING CHANGES AT CORNELL

In a report recommending some changes in ROTC at Cornell, a University Faculty Committee noted: "Military training is stipulated in the charter as one of the obligations of Cornell as a land-grant university. Although the federal land-grant act is not specific as to how this obligation is to be met, the ROTC program is the currently accepted mechanism at land-grant universities in every state."

The financial question arises here because Cornell receives millions of dollars in federal-state-county money annually because of this land-grant status.

Cornell's charter uses almost the exact language as the Morill Land-Grant Act of 1862—providing income from the sale of public lands to the states for use for higher education—that its leading object should be "to teach such branches of learning as are related to agriculture and the mechanic arts, including military tactics."

FUNDS JEOPARDIZED?

Debated is the question whether the money Cornell receives as a land-grant institution might be jeopardized if it dropped ROTC and what was selected to fulfill the military tactics requirement was found unsatisfactory.

The ROTC issue at Cornell is further complicated by this land-grant status because it resulted in its operating four divisions—agriculture, home economics, veterinary science and industrial and labor relations—in partnership with New York State. It also has a series of privately endowed colleges.

"There's a certain schizophrenia on campus as between the statutory and endowed colleges," explained Dean of Faculty Robert D. Miller. "The statutory colleges tend to be far more concerned about the original provisions that established the university, with its idea for training in the professions, as opposed to the college of arts and sciences, for example, which tends to concentrate on a liberal arts education."

SAME PROBLEMS AS OTHERS

While Cornell's land-grant situation compounds its ROTC problem, it also shares the diverse opinions on ROTC evident elsewhere at private universities.

In more than 50 years as a campus institution, ROTC has often been attacked for academic reasons. But the current attacks are augmented, because "ROTC is the most immediate symbol of the Vietnam war on campus." And this ties indirectly to the draft.

But the trend toward anti-militarism is not the only factor in the assault.

The range starts with the pro and con, as Barton Reppert, managing editor of The Cornell Daily Sun, explained: "There are all kinds of levels of concern about ROTC, ranging from the left demanding removal of anyone wearing a uniform from the campus to the far right who are very defensive about even the slightest infringement on ROTC."

QUESTION OF RIGHTS

Then there's the question of rights. "I don't feel it should be eliminated," said Peter A. Sepe, a freshman from Poughkeepsie. "ROTC has as much right to be here as anyone else."

The question of individual finances was cited by Better Mills, a junior from Washington, D.C., who said: "It should stay but be changed because many people think it would be unfair to those who depend on ROTC scholarships."

And Roger Kallina, a senior from Houston, Tex., added: "Anyone who wants to take it should have right to take it."

But Mark Goldman, a junior from Far Rockaway, who supports an SDS (Students for a Democratic Society) demand that ROTC be removed from Cornell by Nov. 13 because it keeps the pressure on the issue, said he doesn't think ROTC belongs at a university.

ALTERNATE TO DRAFT

Explaining his participation as an Army ROTC cadet for purely practical reasons, Peter Hopkins, a business school graduate student from Springfield, Mass., said: "It provides me with a viable alternative to the draft."

But other questions are raised like: Does military training on campus violate the university's neutrality? Is academic freedom violated by courses taught by military men? And one of the major arguments for retaining ROTC is to have a liberalizing effect on the military and prevent a military caste.

Much controversy stems from academic challenges coming from the faculty.

Some of this, Dean Miller explains, can be linked to the faculty's experience with ROTC. "They know that the intellectual content of many of these courses was nonexistent," he said.

ROTC HAS IMPROVED

The intellectual content has improved in recent years, partly because some ROTC course requirements, like military history, have been substituted by related ones taught by civilian faculty in normal academic departments.

Among proposals being considered by the Cornell faculty are further changes to switch instruction in ROTC required courses with political content to civilian departments, and leave purely military subjects like map-reading and drill to summer camp or put on an extra-curricular, non-credit basis.

There is also some concern about the status of the military faculty, selected by the Department of Defense, who receive professorial status and full votes at faculty meetings.

But the debate goes on in committees, in student newspapers, in private discussions.

And that's only one campus issue. Multiply these complexities and it does not require a searching analysis to determine there are no simple solutions to campus unrest.

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PART XXI—PROTEST BRINGS SCRUTINY OF ROLE OF TRUSTEES IN RUNNING COLLEGES

(By Ronald Maselka)

ITHACA, November 3.—Who runs the university? Who's in charge?

In the legal sense of ultimate responsibility, it's a university's governing board—whether it's called the regents, trustees or oversees—that has the final say.

But the trustees' power is not the power of a dictator. The trustees do not operate in a vacuum. They must be sensitive to the wishes and needs of the administrators, faculty and students. And at many state institutions, they are also directly subject to State Legislatures.

Since a university is not a dictatorship, it is this sense of community that really provides its powerful direction.

CITES ISSUE ON BOOKSTORE

"The institution very much runs itself," said Steven Muller, Cornell's vice president for public affairs, explaining that trustees over the years have delegated day-to-day operating powers to administrators and faculty.

Noting that membership on the Board of Trustees is "very much a part-time job," Mr. Muller said that trustees are heavily reliant on the administration for advice and information.

"Most of the things presented for final trustee action don't originate with the trustees, but with the administration," he said.

As an example, Mr. Muller cited a recent campus controversy over the location of a new bookstore.

TRUSTEES FINALLY APPROVED

"The campus couldn't agree where to put the bookstore," he recalled. "Then someone came up with the suggestion that it should be built underground. There was no strong minority opposed to that idea . . .

"The trustees finally approved the decision, but I don't recall it was ever debated at a board meeting."

Many policy and priority recommendations are made at below-trustee levels of the university and submitted to them for approval.

Explaining the university power structure, Mr. Muller said: "While Cornell is not the largest university in the nation, it is one of the most complex. The levers of power are so many and so varied, no one can tell you, no matter how much he knows, that the power of Cornell lies here."

DISPROPORTIONATE POWER

The extent of trustee involvement and expression of power varies from place to place.

As Mr. Muller noted: "Trustees at smaller colleges, where levers of authority are small in number and easily recognizable, have a disproportionate share of power."

Many administrators, while recognizing their responsibility and accountability to the trustees, probably would prefer a minimum of trustee intervention.

As one administrator noted: "If you have a working administration doing its job, the last thing you want is a bunch of trustees running around gumming up the works."

RESTUDY THEIR ROLE

Generally, however, as the university's legal guardian, trustees function as auditors insuring that it is keeping to its goals. Since they are entrusted with the good name and fiscal integrity of the institution, trustees must take a close hard look when administrators recommend certain priorities or policy decisions.

Campus disruptions, however, have prompted many governing boards to take a hard look at their role and at the aims of higher education.

Harvard's Board of Overseers, for example, recommended a faculty-student committee be formed to examine the whole question of university governance.

BASED ON MEAGER DATA

There are also indications that trustees are examining how well they have done their job.

As a report of the special trustee committee on campus unrest at Cornell last spring reported: "Members of the board are not without responsibility for recent campus problems. In retrospect, the evaluations made, in some instances, were based on too meager information or faulty judgments. Decisions or lack of them in these matters undoubtedly contributed to the campus unrest."

Before reaching decisions in the future, governing boards will probably tend toward greater discussion and questioning.

MUST MAKE POLICY DECISIONS

Campus unrest also seems to have had an impact on the relationship between the administrators and governing board (regents) at the University of Wisconsin, a state school.

"Legislators on both sides of the aisle tell me its our responsibility to make policy decisions," one regent said. "I think there has been a major change in that direction."

Members of governing boards at state schools generally are appointed by the state governor. Cornell's trustees are elected either by the board itself or by alumni and faculty, with some appointed by the governor.

TO VISIT CAMPUS MORE

It is impossible to make a general statement on how much public reaction and political backlash will force trustees into a more direct, active role in governing the universities.

One thing that has happened at Cornell and elsewhere, Mr. Muller noted, is that "trustees feel they have to know better what is going on here. There is also a move on for trustees to spend more time individually and collectively on campus speaking to people, finding out what people are saying, what's bugging them."

This desire for first-hand information is shared by Charles E. Treman Jr., an Ithaca banker who is a Cornell trustee.

TRUSTEE CALLED REMOTE

"I think the trustees feel the need, and are urged to come to Ithaca when they can, to talk with administrators, faculty and students to insure there is a maximum of communication," Mr. Treman said. "I think every effort is being made, not just as a result of last spring but as the university has grown in complexity, that trustees realize that they have to spend more time here."

One common student criticism is that trustees are remote from the problems of their university. Most trustees are businessmen or prominent citizens and community leaders who live away from the university.

MEETS 4 TIMES ANNUALLY

While trustees don't wear identifying badges when they are on campus, one trustee explained, "they are on campus a lot. Students just don't know that."

For instance, the full Cornell board generally meets four times annually, a day and a half each session. Its standing committees, like one on investments and its executive committee, generally meet monthly. But university trustees are also members of various administrative councils and advisory boards within the university system.

Another trend developing in the wake of campus unrest, however, is to make trustees more visible on campus.

SEEK WORD ON BOARD

Mr. Treman and Assemblywoman Constance E. Cook (R., Ithaca) are two trustee representatives at the Cornell Constituent Assembly, nearly 400 delegates from all sections of the university attempting to devise a new governance system.

Trustees elsewhere, like at the University of Notre Dame, are participating with students, faculty and alumni in forums to discuss campus issues.

Attacking the age of the trustees, students are also seeking representation on the university's governing board.

Students argue that if the university is a real community, they should have a voice in every aspect of it. Opposition to student seats on governing boards notes that the inexperienced student voice could play no role in complex budgetary and investment questions.

Some schools are meeting this demand by going half-way and adding recent graduates or relatively young alumni to the governing boards.

The big question facing governing boards at many universities is how much they will heed this student voice.

The point they have to get across to students, however, is that they are listening.

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PART XXII—STUDENTS HAVE GOOD QUESTIONS, FEW ANSWERS

(By Ronald Maselka)

WASHINGTON.—"Friends, Romans and countrymen, lend me your ears."

That Shakespearean line is timeless, yet particularly timely today. For answers to the tangle of academic-political issues underlying campus unrest lie along a rational road paved with listening.

It's listening with open eyes, open minds and open hearts, regardless of what lane you are in.

Impatience, intolerance, prejudged shouting are roadblocks. Stereotypes—like people over 30 are apathetic, selfish and materialistic, younger ones are disheveled, sex-crazy, smart alecks—merely clog the vision.

If there is one clear message after a tour of 10 campuses, it's that generalizations are misleading. There are no simple answers and very few simple questions.

NO ONE FULLY RIGHT OR WRONG

There is a need for the basic awareness that nobody is completely right or wrong, that confusion, idealism or wisdom are not the sole property of any age group.

Historians will decide if this is a misguided conspiracy, a passing phase or a revitalizing point.

Beyond judging whether students are right or wrong, whether their questions are valid or invalid, lies the clear fact that many are

troubled. They are troubled by a variety of things for a variety of reasons.

Can you minimize this student questioning because it is the product of only a vocal minority? Change is always fostered by a minority and many of these questioners are the brightest students from the elite schools.

At least, the questioning cannot be ignored.

SOCIETY IS GIANT PUZZLE

But to ask what is wrong with the universities is only part of the question, since society is a giant puzzle. The universities are separate but connected pieces and students are not in isolation booths.

Problems abound. The Vietnam War, the growth of the military giant, inflation, civil rights, crime, urban ills, poverty, welfare, pollution, changing morality, changing churches.

Things are changing and we all hope they change for the best.

Students do too. They see these problems, however, against a background of national ideals of democracy. Soaring ideals of equality and brotherhood clash with the reality of racial inequity and violence, public and private dishonesty.

TWO SIDES TO COIN

Man can step on the moon but can't swim in some of earth's lakes. Elsewhere money is wasted while worthy uses go begging.

Hypocrisy, students say. It's an imperfect world, their elders respond.

Are students being to impatient, too impractical? Has the older generation been too tolerant, too practical?

Give a qualified yes to those questions and today's student questioning can be viewed as a prod to improve things, to live up to stated ideals, to work harder at solving problems.

The solutions, of course, are imbedded in a web of economics, moralities, politics and ideology. Idealism doesn't solve problems.

Time will tell how much they can or will contribute.

Campus idealism has been muddled by violence. While concrete steps have been taken by universities to set limits on dissent and provide swift discipline, the students bear the prime responsibility. Tiny groups of violent-prone anarchists cannot be successful without wider student support.

VENTILATION HELPS

One particularly hopeful thing is that perhaps the combination of ventilating problems through debate, the awareness that trouble can happen at any time and the hope that change can come without trouble will provide the formula for that ounce of prevention.

National solutions like ending the war, draft reform and a lower voting age certainly would help.

There are disturbing sources of tensions that especially could be the seeds for future trouble. One is the easily misunderstood trend toward black separatism. Another is how the financial plight of the universities clashes with student demands for new programs that cost money.

THE QUESTIONS REMAIN

Do students need to request more, demand less? Do they need to realize that efforts to democratize the university are more than a token effort?

Would it help for adults to visit a campus and talk to students? Or to keep in mind that when 10 students threw paint in a classroom 500 were in the library?

The answer to all those questions? There is no big answer, just a lot of little ones. There's a need for all the virtues, like trust and understanding. There does seem to be a positive voice in all this, however, saying: "Friends, Americans and countrymen, lend me your ears."

No one can tell you how to listen. A lot depends on what you want to hear.

## C. B. DEANE

## HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. PREYER of North Carolina. Mr. Speaker, a quiet, unassuming citizen of North Carolina died a little over a week ago. He was in a real sense a hero of a sometimes tragic, often confusing period in the history of our Nation. There are those who will see in the passing of C. B. Deane, who for 10 years served as a Member of this body, the pathos of a politician who lost because he would not pay the price of conscience ignored. They will miss the special message of his life. It is doubtful if he ever thought of himself as a hero; it is certain he never thought himself pathetic. He simply came to a moment in his career when he was convinced that to take the easy way would be to deny truth, to subvert honor, and to betray the trust of the people who had elected him. To understand that is not to forget that other honorable men disagreed and took another path.

His courage and his faith give him a clearer vision than some and they are the qualities that make him an inspiration to all who knew him and who know of his dedication to the service of his God, his fellowman, and his country. In a time when we have too few heroes, I salute the heroic memory he leaves behind. It will be good for us to remember that in critical times the ability to meet difficult questions of national policy with the simple weapons of a decent man is the first requirement of greatness.

The following is the tribute to Congressman Deane of a distinguished young writer with the Greensboro Daily News, Mr. Ed Yoder:

REPRESENTATIVE C. B. DEANE AND THE NEXT GENERATION

When former Rep. C. B. Deane died last week, those who remembered Tar Heel politics in the mid-1950s recalled his refusal to sign the so-called "Southern Manifesto" of March, 1956—an act of conscience that cost him his seat in Congress.

"He was a man," said his daughter, "more interested in the next generation than in the next election."

It is an interesting distinction at this time, when most politicians strike the young as dedicated to political survival at all costs. They have become, in fact, remarkably cynical. There is in that "next generation" a certain cool heartlessness about acts of conscience once meaningful that remain so no longer. Certainly the controversy over the Southern Manifesto, with the dust of 14 years upon it, signifies little. Many of that "next generation" would say, presumably, that the architects of the Manifesto were so dead wrong, and the few dissenters so dead right, that refusing to sign it was the least a moral man could do. And so what—so what in A.D. 1969?

ANCIENT HISTORY

Perhaps they are right. Nothing is deader than a controversy that time has resolved. But if the Southern Manifesto fight is ancient history, it is instructive all the same.

It was hatched, this dignified document against the U.S. Supreme Court, in the spring of 1956 by some 20 Southern senators who believed then that if the South presented a solid front against the Court its decrees ending racial segregation in the schools might be stayed. The air was thick with bogus constitutional theory out of the 1830s, 40s and 50s.

According to one historian of the episode, the late Sen. Harry Flood Byrd, a leading draftsman of the manifesto, believed that solid resistance, were it lawful, would save segregated schools. He also felt Virginia should lead the way, for "if Virginia surrenders the rest of the South will go down."

In the background were other, less quixotic thoughts. More than one of the 20 senators knew that school segregation involved issues of justice that lofty rhetoric about "constitutional principles" could not hide. They condemned the Supreme Court decrees as "a clear abuse of judicial power . . . encroaching upon the reserved rights of the states and the people"; but in the back of their minds they suspected—a fear that was political, but not dishonorably so—that the furies loosed in the South might dislodge the best of their number.

It might, for instance, dislodge senators like the late Walter George of Georgia, who had come to the Senate with Klan backing in 1922 but had lived down that taint in the nation's service. Senator George was up for re-election; Herman Talmadge (the unreconstructed "Human" of that day) wanted in the wings.

SCRAPS FOR THE YAHOOS

So the Manifesto was, in the main, another of those endless acts of Southern realpolitik instigated by moderates who convinced themselves that they must periodically toss a few scraps to the yahoos, lest the yahoos overturn them.

When the Manifesto came to the House, 24 southerners refused to sign. Three North Carolinians—Deane himself, Thurmond Chatham and Harold D. Cooley—stood among them. Deane and Chatham fell in the 1956 election, Deane almost certainly because he had not supported the Manifesto, Chatham perhaps for other reasons. (His challenger, Ralph Scott of Danbury, did not use the Manifesto issue.) Cooley survived, to be conquered finally by Jim Gardner 10 years later.

Never, so far as I know, did Mr. Deane ever think of himself as a hero. His austere code of personal conduct—he was for years a Baptist lay-leader and was also deeply caught up in the worldwide Moral Rearmament movement—did not permit such posturings.

EXAMPLES OF BEHAVIOR

But the poignant tribute of his daughter suggests that his act was not without significance to him. Perhaps he believed, a bit crazily perhaps, that one generation is generally an improvement on the last, and that the "next generation" cannot thrive on admonition alone but needs examples of behavior that cost something to the giver.

The question is whether the best of that next generation, in their capacity for moral certainty and their abrupt judgment of a past they often do not trouble themselves to understand, will make a small effort to understand a man like C. B. Deane. It seems a modest favor, since he evidently had them much in mind at a crucial point in his life.

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## REPRESENTATIVE TAFT PRAISES OHIO STATE UNIVERSITY SCIENTISTS—NOTES TREMENDOUS ACHIEVEMENTS OF ANTARCTIC STUDY

## HON. ROBERT TAFT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. TAFT. Mr. Speaker, as most of my colleagues are aware, Ohio State Uni-

versity's Antarctic expedition, under the direction of an outstanding team of Ohio State scientists has made some truly remarkable discoveries of fossil beds.

The following news release from the National Science Foundation describes, in some detail, the accomplishments of the Ohio State University team. As an Ohioan, I am extremely proud of their accomplishments.

The National Science Foundation news release follows:

ANTARCTIC SCIENCE TEAM REPORTS MAJOR FIND OF FOSSIL REPTILES, AMPHIBIANS

Discovery of a bed of fossil bones, possibly one of the most important fossil finds in recent history, has been reported to the National Science Foundation by a team of scientists in Antarctica.

The initial report from the group indicates that they have found fossil bones of several types of vertebrates, including amphibians and reptiles. All appear to be remnants of now-extinct creatures that lived during the Triassic period, more than 200 million years ago.

Comparison of these fossil remains with those found in other parts of the world will provide further evidence about theories that Antarctica was once joined to other continents.

"This promises to be a most significant finding," said Dr. William D. McElroy, Director of NSF, in commenting on the discovery. "It shows once again the importance of good science everywhere in the world. Work such as this contributes greatly to our better understanding of the earth that we inhabit."

Among the fossils discovered were bones of an extinct reptile, the thecodont. Thecodonts were ancestors of the dinosaurs, and fossil remains have been found in North America and Europe. The only evolutionary descendants of these creatures living on earth today are crocodiles and alligators and, through a more complex evolution, birds.

Another fossil remnant found by the Antarctic team was of an extinct amphibian called labyrinthodont. The only previous find of fossil vertebrate remains in Antarctica was of a labyrinthodont jaw bone, a discovery made two years ago.

TEXT OF MESSAGE

Following is the text of the report sent by the scientists in Antarctica to the National Science Foundation:

"On November 23rd, 1969, the first day of work in the field, Dr. David H. Elliot of the Institute of Polar Studies and Department of Geology, Ohio State University, discovered fossil bones in a sandstone bed at Coalsack Bluff, Central Transantarctic Mountains, about 400 miles from the South Pole. Since the initial discovery by Dr. Elliot, the exposure has been systematically explored by a group of vertebrate paleontologists, including Dr. Edwin H. Colbert of the American Museum of Natural History, New York, and the Museum of Northern Arizona, Flagstaff, Arizona; Mr. James Jensen of Brigham Young University, Provo, Utah; Mr. William J. Breed of the Museum of Northern Arizona; and Mr. Jon S. Powell of the University of Arizona, Tucson.

"As a result of this work, now in the initial stages of an intensive collecting program, various types of vertebrate fossils have been discovered. Included among them are the fossil bones of labyrinthodont amphibians; and various reptiles, among which the remains of thecodonts, characteristic of the Triassic period of earth history, would seem to be present.

"The current geological investigations in the Central Transantarctic Mountains by the Institute of Polar Studies and the vertebrate paleontologists are an outgrowth of continuing geological study by the Institute of Polar Studies and, in particular, of the discovery by Dr. Peter J. Barrett in December 1967 of the first fossil bone of a land-living vertebrate in the Transantarctic Mountains, which was subsequently identified by Dr. Colbert as a labyrinthodont amphibian.

"This doscovery is of great significance to students of earth history. During recent years the so-called theory of continental drift has received increasingly favorable attention from geologists and other students of the history of the earth. This theory, developed in detail more than fifty years ago, supposes that the present continents are remnants of a once supercontinent, or perhaps two such continents, that fragmented, the separate pieces then slowly drifting across the face of the globe to their present positions. If this theory is valid, Antarctica was once part of a great southern land mass known as Gondwanaland.

"The presence of fresh-water amphibians and land-living reptiles in Antarctica, some 200 million years ago, is very strong evidence of the probability of continental drift because these amphibians and reptiles, closely related to back-boned animals of the same age on other continents, could not have migrated between continental areas across oceanic barriers."

OTHER ANTARCTIC FOSSILS

It has for many years been known that Antarctica once had a temperate climate. Fossil ferns and other plants were found as early as 1911, during Captain Robert Falcon Scott's expedition to the South Pole. The British leader and his party perished on the return trip, but specimens were found with their bodies, by a search party in 1912. Scott's party had discovered beds of coal, containing fossil leaves, in the mountain wall bordering the Beardmore Glacier not far from the site of the present scientific camp at Coalsack Bluff.

Coalsack Bluff, named by the 1961–62 New Zealand Geological and Survey Antarctic Expedition, takes its name from the coal seams in the bluff.

The labyrinthodont fossil discovery two years ago lay in an ancient sediment-filled stream bed, among plant fossils. It was also in the general area of the Beardmore Glacier, about 325 miles from the South Pole and within 100 miles of the newly reported find. Until its discovery, there had been no evidence of the existence of a vertebrate animal that lived on land or in fresh water and was common both to Antarctica and to other continents.

Last year, insect fossils were discovered for the first time in Antarctica. This find was made at the Carapace Nunatak, about 100 miles from McMurdo Station and roughly 300 miles from the site of the current paleontology work. Extinct dragonflies were found that appear to have been similar to the insect fossils contained in the Florissant beds near Colorado Springs, Colo.

COALSACK BLUFF CAMP

The discoveries and collections just reported to NSF are being made by members of two cooperating scientific groups supported by the Foundation through the U.S. Antarctic Research Program. Dr. Elliot is principal investigator of a nine-man geological field party that is mapping the geology of the area, measuring rock strata, and collecting rock and fossil samples for later laboratory analysis. Dr. Colbert is leading a four-man scientific team seeking land vertebrate fossils.

Coalsack Bluff Camp was established by a Navy construction crew, part of the Naval Support Force that provides logistics support for the scientific activities in Antarctica. Navy C–130 aircraft, equipped with skis, flew in supplies and equipment during the month of November, following a reconnaissance mission during which the scientists selected the site of their camp.

Finally, all the scientists were flown to the camp on November 22, and they began their field investigations the next day. It was then that the first fossil discoveries were made.

The Coalsack Bluff camp consists of Jamesway huts, which have prefabricated wooden floors and frames covered with insulated canvas. From the base camp the scientists shuttle to field work areas by Navy turbine helicopters.

The camp is in a mountainous, heavily glaciated area about midway between McMurdo Station and the South Pole, in the area of the Queen Alexandra Range. The scientists plan to work in various areas within about 100 miles of the Coalsack Bluff camp.

Following the initial discovery on November 23, word was quickly spread to other interested scientists in Antarctica. On November 26 a group of senior scientists visited the site. They included Dr. Lawrence Gould, Professor of Geology at the University of Arizona, who was chief scientist of the 1928 Byrd Antarctic Expedition, and Dr. Grover Murray, President of Texas Technological University, Lubbock, Texas, a member of the National Science Board. Drs. Gould and Murray were in Antarctica to observe and report on the operation of the United States Antarctic Research Program, and to observe the Fortieth Anniversary of the first flight over the South Pole by Richard E. Byrd in 1929.

They were accompanied on their flight by Dr. Alton Wade, Professor of Geology at Texas Tech, who has done research in Antarctica for many years, and Mr. Kendall Moulton, National Science Foundation representative at McMurdo Station.

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## SOLDIER SENDS THANKS FOR OHIO STATE FLAG

### HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. STANTON. Mr. Speaker, last month I received a thank you letter from a soldier from my district who had requested an Ohio State flag for his personal use while serving in Vietnam. Sp4c. George M. Bunner explained that in Vietnam he was working with a minesweeping team. Most of the time, he serves as a medic for A Company, 1st Engineer Battalion, 1st Infantry Division. Mr. Bunner went on to explain that his buddies have a great outfit and he was only sorry they never seemed to get credit for the job that they are doing. Most of the columnists seem to be interested in the "glamour units" like the 101st and the 82d Airborne.

Mr. Speaker, after reading this letter from Specialist Bunner, I contacted the Army Headquarters here in Washington. Maj. Gen. William R. Desobry, Director of Operations for the Deputy Chief of Staff, replied to my request for information concerning A Company, 1st Engineer Battalion, 1st Infantry Division. It is with great personal pride that I put into the CONGRESSIONAL RECORD General Desobry's letter to me and the history he enclosed concerning the great tradition of Company A, 1st Engineer Battalion, 1st Infantry Division—the oldest engineer company in the history of the U.S. Army.

I would like to add my own personal

note of congratulations to the officers and men of A Company, to their battalion commander, and to the commanding officer of the 1st Infantry Division for their outstanding record of performance, both in peace and war. I, personally, served with an infantry division for almost 3 years in the Southwest Pacific during World War II. I hope that this record of their service will be brought to their personal attention and that the men of this company, battalion, and division will know that the Congress of the United States expresses their thanks for their service on behalf of their fellow man.

The items referred to follow:

DEPARTMENT OF THE ARMY,
*Washington, D.C., December 3, 1969.*

Hon. WILLIAM STANTON,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. STANTON: Secretary Laird has asked me to reply to your request for a record of A Company, 1st Engineer Battalion, 1st Infantry Division, in order that you might put it into the Congressional Record.

I have inclosed a brief history of the company—the oldest Engineer Company in the history of the United States Army. It provides an interesting synopsis of the unit's long and distinguished service to our country. Specialist Bunner and his Engineer comrades in arms are carrying on that fine Engineer tradition today in Vietnam.

Your interest and initiative in providing recognition to these fine young men is most gratifying. If I can be of further assistance please don't hesitate to contact me.

Sincerely,

WILLIAM R. DESOBRY,
Major General, GS,
*Director of Operations.*

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COMPANY A, 1ST ENGINEER BATTALION, 1ST INFANTRY DIVISION—"123 YEARS OF DISTINGUISHED SERVICE"

Since 1846 members of Company A, 1st Engineer Battalion have served our country in peace and war. This service continues today in the Republic of Vietnam.

Performing nearly every function typical of the combat engineers, Company A is maintaining the distinguished tradition of the "Army's oldest engineer company." The rich tradition of the "1st Engineers" dates back to 1846, when Congress authorized organization of the first company of engineer soldiers. Company A was formed at West Point, New York, and served with distinction during the war with Mexico. Some of the young officers who served with the Company A at that time included Robert E. Lee, P. G. T. Beaureguard and George B. McClellan.

In 1861 Company A served with the Army of the Potomac in ten Civil War campaigns. In 1901 Company A participated in the battle of Manila, and throughout the hostilities of the Philippine insurrection, the engineers assisted in repairing roads and constructing ferries, bridges and railroads.

During World War I Company A became part of the 1st Engineer Battalion, assigned to the First Infantry Division. It fought with gallantry and honor in every major engagement in France and was cited three times by the French Government.

During World War II the "First Engineers" earned 10 campaign streamers as it fought through North Africa, Sicily, Normandy, and Germany.

In September 1965 company A, as part of the 1st Engineer Battalion, was alerted for deployment to Vietnam as part of "the big red one"—The first infantry division.

Since its arrival in Vietnam the company has participated in many combat operations, carried out effective civic action programs, constructed base camps, provided engineer reconnaissance and performed road maintenance. The company has frequently been in the thick of the action while conducting road opening and jungle clearing operations. During its service in Vietnam, Company A, as part of the 1st Engineer Battalion, has been awarded the meritorious unit commendation and the Republic of Vietnam's cross of gallantry.

Today in Vietnam the men of Company A, 1st Engineer Battalion are conscious of their company's rich traditions and distinguished record. They carry on the heritage so nobly and gallantly advanced by former members who served during the first 123 years. Truly this company lives by its motto—"Always First".

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## EDUCATORS URGE FULL HEALTH FUNDING

### HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. OTTINGER. Mr. Speaker, last Thursday I called for immediate reversal of the unwise cuts in Federal support for medical research and education and health services. At the time I warned that the Nation faces a serious health crisis unless we act quickly. The following comments that I have received from distinguished educators in the health professions throughout the Nation indicate the gravity of the situation and the importance of immediate action:

John F. Enders, Ph.D., Chief, Research Division of Infectious Diseases, University Professor, Emeritus, Harvard University, The Children's Hospital Medical Center, Boston, Mass.: "Thank you for sending me an advance copy of the remarks you propose to make on the Floor of the House, December 4, 1969. As one who has long been engaged in medical research, I warmly support your efforts to call to the attention of the Congress the harm that the recent curtailment of federal support is bringing and, if continued, will bring in increasing measure to the progress of medical research and teaching and so, fundamentally, to the quality of medical care in this country.

"I know from recent experience that certain young men who have spent several arduous years in preparing themselves for careers in medical teaching and investigation are losing heart at the prospect of fewer and fewer positions becoming available to them and many of these men may well enter other areas unless the situation is soon corrected. You will do a great service . . . in clearly pointing out how necessary such people are for the survival of sound medical teaching as well as for future advancement of medical care and how modest, or rather how absurdly low, is the cost of providing the nation with them and their brother practitioners compared with that of many other enterprises supported by government that appear to be less essential for the common welfare . . . Wishing you all success in your attempt to alleviate the present financial crisis in medical education."

Carelton M. Chapman, M.D., Dean, Dartmouth Medical School, Hanover, N.H.: "I have the release concerning your remarks on cutbacks in federal health programs and am most grateful to receive it. I am also gratified and heartened at its content. It is my privilege to work very closely with Dr. John Cooper, President of the Association of American Medical Colleges and, as a consequence, I am kept fully informed concerning the problems of and prospects for American Medical Schools. It boils down to this: if the House recommendations for cutbacks are final, we will be hard put to it even to hold the line. If the AAMC's recommendations for funding, which are relatively modest, are accepted, the schools will be able to embark on a program that will result in a 50% increase in places for entering students by 1975. This, as you no doubt know, is the generally accepted rate of expansion that is designed to end the physician shortage by the early 80's.

"There is a popular notion that we can, by getting the water out of our research expenditures, accomplish the same goal despite the cuts recommended by the House. This is not the case unless, of course, we ignore the implementation of some of the items you mentioned in your release. We have already moved a long way toward eliminating research outlays and we cannot go much further without degrading the quality of training . . .

"I write at such length because I seldom have the opportunity to address Members of Congress directly on the subject. But, as you say, current trends, if not successfully countered, will be ruinous to medical training and essential research and, ultimately, to the Nation's general well-being I suppose. In conclusion, the thing that distresses us most is the implication that much of what we are doing is a non-essential luxury and that we should be turning out a cheaper—and inferior—product."

John W. Patterson, M.D., Dean, University of Connecticut School of Medicine, Hartford, Conn.: "Thanks for privilege of reviewing your speech 'Pound Foolish Cut Backs in Federal Program Threaten Nation with Growing Health Crisis'. Your arguments are sound and your priorities well stated. Hope you will be successful in adjusting health research appropriations upward."

August G. Swanson, M.D., Acting Dean, University of Washington School of Medicine, Seattle, Wash.: "Thank your for sending a copy of your remarks on the federal medical education and medical research bills. Your strong support and interest is much appreciated. I concur entirely that unless continued adequate funding is made available irreparable damage will be done to both our research and educational mission. Many schools are attempting to increase the number of positions trained and to modify their curricula so that they will be better trained. Funds for educational innovation and for research are essential if we are to attack the crisis in health services facing this Nation."

John Parks, M.D., Dean, George Washington University Medical Center, Washington, D.C.: "You have clearly and succinctly defined the status of medical education and research as they relate to federal support and the American public. I trust that your colleagues in Congress and the Executive Branch of our Government will agree wholeheartedly, as I do, with your evaluations and recommendations. This is a critical period for the medical schools and research centers of our country. We need federal support more than ever before in order to fulfill our responsibilities to the public."

Raymond D. Pruitt, M.D., Director, Mayo Graduate School of Medicine, Rochester, Minn.: "May I express my appreciation of the comments you propose to make in the House of Representatives on Thursday, December 4, 1969 'Pound Foolish Cut Backs in Federal Programs Threaten Nation With Growing Health Crisis.' I share your concern in the gravity of that crisis. May I emphasize one point which I am sure is consonant with your own thinking, namely, that as we 'undertake reorganization of their research programs in such a way as to concentrate on solving health problems rather than funding medical education,' we take immediate and

major steps to provide for adequate funding of medical education in the name of education itself."

Charles C. Sprague, M.D., Dean, University of Texas Southwestern Medical School at Dallas, Dallas, Tex.: "Congratulations and thanks for your thoughtful and timely health message to Congress. You have covered the primary points of vital concern to the future health of our people and the stability of medical education and research. I hope your point of view is shared by more of your colleagues than was suggested by the House appropriation bill."

J. Lowell Orbison, M.D., Dean, University of Rochester School of Medicine and Dentistry, Rochester, N.Y.: "I believe you have stated the case succinctly and it emphasizes the very real concern of all of us in the medical profession in our efforts to educate future physicians and at the same time to continue and expand the health care needs in each of our communities. The financial situation in health care is desperate and I am most appreciative of your efforts on our behalf."

Mason Meads, M.D., Vice President for Medical Affairs and Dean, Bowman Gray School of Medicine of Wake Forest University, Winston-Salem, N.C.: "I have received your letter and the attachment of remarks you will make to the House of Representatives on Thursday, December 4, 1969. I wish to congratulate you on this strong, well written, and well documented statement and thank you for your efforts on behalf of medical education and medical research in this country. The situation as you portrayed is indeed critical and your leadership in this matter is deeply appreciated."

William H. Danforth, M.D., Vice Chancellor for Medical Affairs, Washington University School of Medicine, St. Louis, Mo.: "I appreciate the opportunity of seeing the advance copy of the remarks to be made on the floor of the House Thursday, December 4, 1969. I am in complete agreement with the tenor of your remarks. I wish you every success in your undertaking. I am extremely concerned about the future funding for biomedical research and education. Support of these two areas will pay off in better health care for the American people.

"A serious interruption of this support would set us back even if it were only temporary since many projects and groups which have started would have to be stopped and then set up again. . . . It certainly makes good sense to separate clearly the research projects from the education projects. This undertaking will not be easy since, in a given instance, it may be difficult to tell whether a professor is engaged in research or teaching. For example, he may be running a research program in a coronary care unit to which he brings students for part of their instruction. Students and house staff may participate in the treatment of these patients to the level of their competence. The only concern that I have is that there be plenty of time allowed to work out guidelines for this type of separation so that we do not find two halves of one operation—one of which is well funded and one of which is not funded at all.

"Finally, I believe that we need to continue a proper mix of basic research and mission oriented research. For example, we need continuing research in how best to treat patients in cancer. At the same time we need to recognize that we do not know enough about cancer to have a rational basis for the treatment of many types of tumors. Many cancers still have a 95 percent mortality in the first five years. We need to know more about the basis of why cells grow and what goes wrong with their growth patterns so that we can in turn develop new mission oriented research projects. Your support of biomedical research is very heartening."

R. E. Carter, M.D., Director and Dean, University of Mississippi Medical Center, Jackson, Mississippi: "Thank you very much for forwarding your remarks to be made in the House of Representatives on Thursday, December 4, 1969. We have been working closely with our congressional delegation from Mississippi, and realize that all medical schools need increased and continuing financial support if we are to meet the national health crisis."

W. N. Hubbard, Jr.,, M.D., Dean, University of Michigan Medical School, Ann Arbor, Mich.: "Thank you for letting me see an advanced copy of the remarks you will make on the floor of the House on Thursday, December 4, 1969. I am delighted to see that this problem will be brought forward for full discussion and debate rather than continue to be handled primarily as a portion of an over-riding and unexceptionable effort to control inflation. The order of magnitude of dollars concerned with adequate funding of the sole source of production of physicians in the United States as contrasted to the magnitude of dollars involved in control of inflation suggests that the validity of appropriations to support medical schools cannot properly be examined in the frame of reference of inflation control. There are, I believe, two major issues. The first is to determine the nature of the public benefit that the Congress wishes to obtain as a result of appropriating funds to medical schools. Here the classical divisions of teaching, research and service are simultaneously competitive.

"The second major question is the total volume of support that the Federal government wishes to provide for the gross operations of medical schools. This latter figure will control the total output of any and all of the three major divisions referred to above. That is to say, the total output of medical schools is immediately related to the gross dollar input. It is by labeling the purpose of funds at their source that the Congress can influence the emphasis on one or more of the three functions of teaching, research and service.

"It is by varying the total amount of money available to medical schools that the Congress can influence the over-all productivity of these institutions. In the best of all possible worlds it would be desirable for each medical school to be funded ito its full capacity for serving the public interest in teaching, research and service. Each of these functions can be and continue to be separately defended, with the result that the gross requests exceed political feasibility. Even more threatening is the fact that decreases in research and research training funds are not being offset by increases in teaching and service funds, with the result that the gross income to medical schools is being abruptly reduced in many instances at the very time that massively increased expectations for output are being unrealistically expressed. Please accept my thanks for your interest in these problems and my best wishes for your success."

Warren E. Weaver, Dean, School of Pharmacy, Virginia Commonwealth University, Richmond, Va.: "I have read with great interest your remarks which you will make on the floor of the House on Thursday, December 4. It is certainly heartening to know that Congressmen such as you are alert to the problems that are confronting us in health care and in health care education. At a time when all of us are trying to increase the number of persons entering the health care fields and improve the quality of health care, it is certainly discouraging to be faced with funding cut offs. The effect of these cuts on the future of health care research and our ability to provide the health professionals needed to meet the medical needs of our people can be frightening to consider. I do hope your remarks receive the consideration they deserve."

Robert G. Page, M.D., Dean, Medical College of Ohio, Toledo, Ohio: "Thank you indeed for sending me a preview of your speech which you will give on December 4th. I heartily agree with everything you say and have been urging those who are in a position to do so, to set national priorities in such a way, that many of the matters which you mention in your speech will be taken care of in a most expeditious fashion. If at any time, I can supply you with information which would be helpful in supporting your thoughts, please let me know."

George T. Harrell, M.D., Dean and Director, Pennsylvania State University College of Medicine, Hershey, Pa.: "Thank you for your note of November 26 with the enclosed copy of the remarks that you will make December 4. I was particularly pleased to note that you are aware of the different needs of new health schools over the old ones. I will follow with great interest the legislation you propose to introduce to meet our specific needs. Our students at Penn State have felt keenly this year the cutback in loans and scholarships. As a State institution, we do not draw from a wealthy clientele so that our students need all the financial support we can muster for them. The problem of recruitment of faculty for the new schools is, indeed a major one, as you point out.

"The past program of training grants has not produced all the faculty needed by the existing schools much less developed a pool for the new and developing schools. We are now in a position where we could begin to help through training grants in the preparation of young faculty members for the next generation of developing schools. The situation in research grants is particularly acute in new schools. With the cutback in funding, faculty members transferring from one school to another find it very difficult to insure continued funding of the grants in the new school. As a result, qualified faculty are reluctant to move to new schools. More liberal funding of research programs to permit all approved grants to be funded would help all medical schools. I hope these comments will be helpful. We sincerely trust that your efforts to improve the financial support of medical schools will be successful. Perhaps the greatest tragedy is the breaking-up of research teams which have taken in many instances as long as ten years to recruit and train. Even if funding were restored immediately, it would prove impossible to get the teams back together again and to restore the momentum of the past several years."

Robert B. Kugel, M.D., Dean, University of Nebraska College of Medicine, Omaha, Nebr.: "Thank you for sending me a copy of the remarks which you will be delivering in the House of Representatives this Thursday, December 4, 1969. May I start by commending you on a forceful and forthright presentation of the various factors contributing to the growing health crisis. I very much uphold your sentiments, and I am including some comments of my own delivered at our last year's Centennial Celebration on The Future of Medicine. At the University of Nebraska, College of Medicine, we have been experiencing the same cutbacks now characteristic of almost all medical schools in the country. That this has cut into our reserves is clear and that it will contribute to our difficulty is equally apparent. For the last five to seven years the University of Nebraska, College of Medicine, has been gradually improving our resources, our faculty, and our student body. We have just now reached a level where we can be on a reasonably competitive basis with any other medical school in the country. If the continued cutback at the federal level continues, our ability to sustain this effort which has improved the caliber of education being provided to students and at the same time has increased the number of students being graduated, will be in very serious jeopardy. If I can be of any further assistance to

you by providing additional information for testimony, I would be happy to do so."

Arthur P. Richardson, M.D., Dean, Woodruff Medical Center of Emory University, Atlanta, Ga.: "I have read a copy of your proposed remarks to be made on the Floor of the House on December 4th. I doubt if anyone would argue with the facts as you have stated them. You have made a good case for full funding of proposed programs—and then some. I suppose our problem, just as you have stated, comes down to a matter of establishing a proper order of priorities. To me, the first priority must be in the training of more health professionals. I am particularly concerned with the establishment of adequate training facilities for allied health professions. This in no way means that we should de-emphasize the efforts to train physicians. In general, I am very much in favor of the remarks which you plan to make."

George A. Wolf, Jr., M.D., Dean and Provost, University of Kansas Medical Center, Kansas City, Kans.: "Thank you for letting me see your presentation which will be presented to the House on Thursday, December 4, I can only agree with all the points you made. I particularly appreciate the way you have indicated the importance of Preventive Medicine and made the point that medical schools have not been adequately supported at any level."

James L. Dennis, M.D., Vice President and Dean, University of Oklahoma Medical Center, Oklahoma City, Okla.: "Thank you for sending me a copy of the remarks you propose to make on the Floor of the House on December 4, 1969. I know nothing of your political philosophy, but you are thinking straight in your projections of the devestation that is currently being dealt to medical education and medical research by indiscriminate cuts in Federal programs. The only area in which your remarks gave me concern relate to the recommendation that research programs be reorganized to solve health problems rather than to fund medical education. The principle is acceptable, but what I fear is that we will just continue to retract support for research without a balancing effort in support of medical education—for this is exactly what is happening. Many schools of medicine are on the edge of a cliff, one more push and it is all over. Thank you for your sagacity and your dedicated effort."

Darrel J. Mase, Dean, University of Florida College of Health Related Professions, Gainesville, Fla.: "I appreciated receiving the copy of the remarks made on the Floor of the House on Thursday, December 4, 1969 relative to medical research and health services. I was especially pleased to find that you recognized and included the need for allied health personnel. The Allied Health Professions Act of 1966 was the first attempt at funding for these many programs. However, it has never been funded in any fashion satisfactory for meeting the needs. Many universities arranged to get more health manpower in a much shorter time than we can get physicians and dentists to help provide good health care for all members of society. Then the funds were not forthcoming."

Sherman M. Mellinkoff, M.D., Dean, University of California, Los Angeles School of Medicine, Los Angeles, Calif.: "Thank you for your thoughtful note of November 26 and for the copy of your 'Pound Foolish' paper on the cutbacks in federal health support. I am sure this spirited, compelling and strongly documented brief was highly effective, not only in persuading those who did not already agree with you but in giving those already enlisted in the cause useful equipment for advancing it. I will see that it gets a good distribution in my sector. This harried medical educator is grateful for your initiative and commitment in this vital area of federal support of health services and training and research."

## TRIBUTE TO A GREAT AMERICAN INDIAN

### HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. ULLMAN. Mr. Speaker, it is with deep sadness that I report the untimely death at 51 of a great American Indian, Vernon Jackson, of the Confederated Tribes of Warm Springs Indians. The vision and dedication of Vernon Jackson were the driving force of an economic development on the Warm Springs Indian Reservation that has become a showcase for both the Second Congressional District of Oregon and the entire Indian community of this Nation.

Vernon Jackson was the chief executive officer and general manager of a highly successful corporation formed among the Warm Springs Tribes that built a multi-million-dollar operation on the reservation. The tribe now runs the $1 million Kah-nee-ta resort facility which is undergoing major expansion, and a $4 million logging and lumber product manufacturing enterprise that makes maximum use and profit from the reservation's timber reserves.

This success story is one of the brightest pages in the modern history of the American Indian. The Warm Springs Tribes have a highly promising livelihood. More importantly, they have a clear purpose and direction for themselves and their children. This would not have been possible without Vernon Jackson.

The long history of the American Indian is rich with the exploits of courageous men and women. In the lives of those past heroes there were common threads of strong character, pride in their race, and always a deep commitment to their own people. Vernon Jackson can rank among them for what he was and what he did.

In his work for the Warm Springs Tribe, he was single-minded in purpose and devotion. He dreamed of and reached for, goals that to others may have seemed beyond reach. In his lifetime, he saw some of those dreams brought to reality. And many of the goals he sought no longer seem so distant. There were times when some may have doubted, but his faith and his optimism remained constant. When some men might have given in to despair, Vernon Jackson maintained a cheerful, but stubborn, determination.

The extraordinary qualities that he displayed in carrying out his work made him a giant among the people and leaders of other tribes throughout the Nation. In expressing the hopes and aspirations of his own people at Warm Springs, and in carrying out the policies of wise councilmen elected to lead throughout his years of service, Vernon Jackson struck sparks of inspiration and hope wherever he went.

I listened to him speak many times. He talked with fervent passion about the feeling he had for his reservation and his people. He loved the land and he wanted it left secure and prosperous. But he looked and learned from the sad experience of others, and feared that it might not be so unless many things were done. It was to these things that he dedicated his life: to bring greater oportunity where there was little before; to offer a bright future to the young people of Warm Springs so they would not have to make a bitter choice whether to leave or to languish, to bring dignity and pride to young and old alike in building for the future, and to make the reservation a model for all to see and others to follow.

But in his lifetime, Vernon Jackson became far more than a builder for his own people. He became a symbol for others throughout the country who understood and shared his vision.

From remarkable parents, from his loving family, and from the people of the Warm Springs Tribe, Vernon Jackson, drew the wisdom, the character, the strength of will, and the inspiration to become such a man and such a leader. He has earned a high place in the hearts and memories of all who knew him and worked with him.

One of the greatest monuments a man can leave behind when he departs this life is that of esteem and admiration.

But I pray for something more. I pray that the beautiful dreams he had for this Warm Springs land will one day be brought to reality for all of you.

That will be Vernon Jackson's greatest and most lasting monument.

I close with the addition of tributes from Oregon newspapers to one of the State's finest citizens:

[From the Salem (Oreg.) Statesman, Dec. 5, 1969]

TRIBAL LEADER WHO SPURRED DEVELOPMENT FOR WARM SPRINGS RESERVATION DIES

PORTLAND.—Vernon Jackson, 51, whose vision brought commercial success to the Warm Springs Indian Reservation, died Thursday in a Portland hospital.

A reservation spokesman said Jackson entered the hospital Tuesday and died at 5 a.m. Thursday of natural causes that were not detailed.

Jackson was a 20th Century Indian, receiving a bachelor's degree in business administration in 1958 from the University of Oregon, and serving as general manager of the reservation from 1944.

He was believed to be the first member of the reservation to complete college. He often told the story of how an older Indian challenged him to get the education.

His leadership resulted in the transformation of the reservation's arid, Central Oregon land to a multi-million dollar commercial establishment.

The major industries are the Kah-Nee-Ta Vacation Resort and the Warm Springs Forest Products Industries, as well as a number of smaller businesses.

The Warm Springs Tribal Council invested a million dollars of its funds in natural hot springs to heat three mammoth pools to 85 degrees.

The resort includes cabins and tepees with dirt floors and center campfires, a campground, a lodge and a restaurant.

Jackson was a Wasco Indian who attended the Chemawa Indian School near Salem.

He was on the governor's Manpower Development Committee, the Committee for a Livable Oregon, was the governor's representative to the Interstate Indian Council and a member of the U.S. delegation at the Inter-American Indian Congress.

A lifelong friend of Jackson's, Mrs. Ruby

Leno, once said he had the ability to acquire the good points of people he met.

She said the teachers at Chemawa had a profound influence on his life, as well as his paternal grandfather, Jim Jackson, and his father, a tribal leader for many years.

[From the Portland (Oreg.) Oregonian, Dec. 8, 1969]

A LEADER OF HIS PEOPLE

Some of the self-appointed spokesmen for American minorities may have thought Vernon Jackson, Oregon's great, younger Indian leader, a square. He didn't encourage violence and demand pay-offs from the whites. He was an enthusiastic sports fan, particularly for teams of the University of Oregon from which he graduated at the age of 40. He didn't ride, hunt and fish very much, but he was an avid golfer.

But what Verne Jackson did for the Confederated Tribes of the Warm Springs Reservation of which his Wasco tribe is one, and for less fortunate Indian tribes throughout the nation, should be an example to all who put themselves forward in the cause of racial minorities.

Mr. Jackson was an activist and a politician who got things done. As general manager and chief executive officer of the tribal corporation, he provided the driving force in development of Kah-nee-ta Hot Springs, a $1 million resort with plans for a $4.3 million expansion. His was the primary responsibility for the Tribal Council's $3.8 million logging, sawmill and plywood complex to utilize reservation timber. He was a leader in obtaining adequate housing and in expansion and conservation of the reservation's fishery and grazing resources.

Not content to give all his time to the common benefit of his own people on the Warm Springs reservation, he traveled to many other reservations and attended all important Indian conferences to help tribes less favored with natural resources than the Warm Springs tribes. He was a national as well as an Oregon leader of the Indians. His death at 51, after several years of treatment for high blood pressure, is a loss Indians and other Americans can ill afford. The Warm Springs tribal council must continue to build on the solid foundation Vernon Jackson constructed.

## RESOLUTION SUPPORTING OUR SERVICEMEN IN VIETNAM

### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. DERWINSKI. Mr. Speaker, Mr. Jerome L. Danels, president of Local 558 UAW, of Willow Springs, Ill., has forwarded to me a copy of a resolution adopted by the membership of that organization supporting our servicemen in Vietnam. I insert the letter from Mr. Danels and his fellow officers and the resolution into the RECORD at this point:

LOCAL 558 U.A.W.,
*Willow Springs, Ill., December 3, 1969.*

Hon. EDWARD J. DERWINSKI,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. DERWINSKI: Enclosed is a copy of a resolution adopted by our Executive Board on October 27 and again at our November 16 Membership Meeting by those members in attendance.

We believe that the time has come to voice support of our sons and brothers who so loyally answered the call of their country as we witness the activity of those who give aid and comfort to the Hanoi dictatorship.

Please be advised that no labor body, International Union Officers or labor alliance is authorized to endorse any moratorium activity that associates the members of Local 558 United Auto Workers as a sponsor. Local 558 has 3100 members who are employed by the Fisher Body Stamping Plant in Willow Springs, Illinois.

Sincerely,

JEROME L. DANELS,
*President.*
TONY PETRUSONIS,
*Financial Secretary-Treasurer.*
BERNARD W. MCNAMARA,
*Recording Secretary.*

RESOLUTION UNANIMOUSLY ADOPTED AT THE MEMBERSHIP MEETING OF LOCAL 558 U.A.W., NOVEMBER 16, 1969

Whereas, the primary commitment to the people of South Vietnam by the Government of the United States is primarily to guarantee them freedom from rule by a communist dictatorship, and

Whereas, the investment in freedom from communist totalitarianism by the American people in this war is 40,000 dead and billions in tax dollars.

Whereas, the middle class and lower middle class American family is the greatest contributor to this cause, and

Whereas, we on the home front do not hesitate to stand up in solid support of our fighting men in Korea and Vietnam who have sacrificed so much in terms of life, limb, personal liberty and happiness, and

Whereas, the organizers and promoters of the moratorium movement have successfully misled many thousands of Americans in mass demonstrations demanding an abandonment of our aid to the people of South Vietnam to help them remain free from communist enslavement, and

Whereas, many of these organizers, spokesmen, and promoters are committed to the ideals of Marxist and Communist theory and teachings and are actively supporting anarchy, revolution and the destruction of our Republic, and

Whereas, any activity displaying lack of support for the elected leaders of our nation will give aid and comfort to the enemy and encourage them to kill even more of our sons and brothers on the front line in a desperate attempt to seek a final military victory that is not now possible,

Now therefore, be it resolved: That the members of UAW Local 558 in attendance at the November 16, 1969 Membership Meeting call upon all of their fellow members, their relatives and friends, to unconditionally support the policy of the President of the United States in his efforts to seek peace with honor in Vietnam,

And be it further resolved: That said members unanimously endorse the words of Vice President Spiro Agnew in his criticism of those persons involved in the moratorium activity and of the biased news commentary and programming of the major television networks.

## HEW FUNDS COMMUNIST ACTION GROUP

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. RARICK. Mr. Speaker, the local news media have remained strangely silent about a startling front-page story in the Chicago Tribune—a story detailing the granting of more than $1 million of taxpayers' money by the Department of Health, Education, and Welfare to a Communist-front organization active in promoting the Chicago riots of 1968. The HEW funding continues—promoting the North Vietnamese enemy today.

For the information of our colleagues who may not have access to the Chicago Tribune, I include the two days of front-page reports on December 7 and 8, 1969, in my remarks:

RADICALS GIVEN $1 MILLION—HEW FUNDS SURVEYS OF HEALTH NEEDS—GROUP OPENLY BACKS REDS

(By Ronald Koziol)

A student group which openly supports the Communist party has received more than one million dollars in federal funds in the last two years, a Tribune investigation has disclosed.

The group is the Student Health organization (S.H.O.), which has described itself in news letters as "a refuge for the left-of-center health student activists."

MONEY FROM HEW

It received the money from the department of health, education, and welfare to conduct surveys of health needs in Chicago and six other cities.

In Chicago, $183,953 was spent on the survey which was conducted in the summer of 1968. Other cities or areas surveyed included New York, Philadelphia, Colorado, and southern California. A total of $739,818 was given to five medical centers in the name of the S.H.O. to perform the surveys.

Money given to the S. H. O. during the Johnson administration continued to be funneled to the organization since President Nixon took office. This year, the government approved $254,800 for the S. H. O. to conduct similar surveys in Wisconsin and northern New England.

DEDICATED TO HO

The latest issue of the S. H. O. news letter is dedicated to the memory of North Vietnamese Communist leader Ho Chi Minh. Its cover shows a picture of Che Guevara, slain Cuban revolutionary, and it quotes favorably Mao Tse-tung, Red Chinese leader, and Eldridge Cleaver, self-exiled leader of the militant Black Panther party.

It also carries obscene cartoons critical of the military and the war in Viet Nam, and a favorable story on "Cuba's Revolutionary Medicine." One article attacks American liberals, such as Mayor John Lindsay of New York, and Walter Reuther, president of the United Auto Workers union.

Another article by the S.H.O. national service center staff, which formerly had offices at 2024 N. Halsted St., spells out the strategies and policies of the organization. It states:

"We feel that it is absolutely crucial to support third world liberation struggles in the mother country. To not do so would be an open form of racism. This means clear and real support of the NLF [National Liberation Front] and the Peoples' Revolutionary Government of Viet Nam.

CREATING MANY VIETS

"It means not only relating to the anti-war movement, but also relating to the strategy of creating 'one, two, three, many Viet Nams.'

"We should try to understand, relate to, and work with other revolutionary groups. This would mean that we should start working closer with the largest of these organizations, the Students for a Democratic Society."

Government's officials said the survey projects were devised, organized, and directed by S. H. O. members. The only federal requirement was that money for the surveys channeled thru medical schools or hospitals.

ST. LUKE'S IN CHICAGO

In Chicago, Presbyterian-St. Luke's hospital assumed the responsibility for the federal

funding contract. Dr. Joyce Lashoff served as adviser to the group.

"I believe the survey got across what was required and that the contract was fulfilled," Dr. Lashoff said. "The government's regional medical program felt the survey could be helpful in identifying certain programs."

She said students studying medicine, nursing, law, and social work were employed in the 10-week program.

Bryan Lovelace, assistant director of the Illinois Regional Medical program of HEW said he did not know anything about the survey report. However, Marilyn Voss, a public in the office, said that the report is in the process of being printed.

STUDIED BY 24 DEANS

When it is printed, the survey will be studied by 24 deans of medical schools and teaching hospitals which compose the board of the regional medical program, she said.

Officials in Washington contend that the surveys have turned up information that would not otherwise be available. One official in the health services and mental health administration said "the regional medical programs will know how to use the survey information."

It was also noted in a lengthy Washington report on the summer health project surveys that "it was readily obvious that such information could not be obtained thru traditional channels [formal surveys]."

PERTURBED BY AMBIGUITY

In the S. H. O. survey report, which was obtained for study by THE TRIBUNE, it is noted that "many students conducting the survey were perturbed by the ambiguity of their roles and complained that they did not know exactly what to do."

The report continued, "Part of this uncertainty was due to the deliberate attempt by the staff to avoid stifling student's creativity by a strict guidelining of their roles, thinking that the summer's experience would be more productive if students were independent to design their own activity."

Another chapter in the survey deals with interviews conducted in the Pilsen community by S. H. O. members. It was pointed out that students selected persons to be interviewed by chance and haphazardly. According to the report:

"We would walk thru the streets of the area and approach anyone we saw who was out on the sidewalk or on their front porch and appeared not to be doing anything pressing. We would then present ourselves.

INEXPERIENCE AND RELUCTANCE

"Our reasons for not using a more rigorous sampling procedure was our inexperience and our reluctance to engage in house-to-house canvassing."

Altho the survey report was to concern itself with health needs, it also devoted a section to attacking the Rev. Francis Lawlor and his southwest side block clubs.

"We do not wish to discount blatant racism as a force in the community," it said. "There are John Birchers, white supremacists, and nazis in some neighborhoods, but most of the people subscribe to the tried and true racial misconceptions pervasive in America."

Miss Voss said that the S.H.O. survey was responsible for the opening of a free inner-city medical clinic on the west side in an area which has had little previous medical care. The clinic was opened in September with a government grant of $71,400.

The survey also proposed several amendments to the state's medical assistance programs.

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HOW U.S. PAY AIDED 1968 RIOTERS—REBELS PAID BY UNITED STATES HELP PUSH RIOT HERE—THEY HELP PUSH CITY DISORDERS

(By Ronald Koziol)

Four student radicals helped organize demonstrations against the Democratic national convention last year while being paid by the federal government to conduct a health survey in the city, The Tribune has learned.

The four are listed as members of the Student Health Organization (S.H.O). The Tribune disclosed yesterday that the S.H.O received more than 1 million dollars in federal funds in the last two years, altho it openly supports the Communist party in Vietnam and thruout the world.

CLOSELY LINKED TO S.D.S.

S.H.O. is closely linked to the Students for Democratic Society (S.D.S.) and other radical and militant groups which have staged riots in Chicago at the 1968 convention, and in October, and last month in Washington.

The four are Marsha Steinberg, Barbara Britts, Mark Simons and James Pinney. Miss Steinberg was indicted by a county grand jury on charges of mob action and aggravated battery stemming from the Sept. 24 disturbances and attacks on police near the Federal building.

She has also been charged with mob action and disorderly conduct as a result of the S.D.S.-Weatherman faction rampage thru the near north side on the night of Oct. 8.

Miss Steinberg and Pinney are listed in the survey report as area coordinators. In this capacity they received a salary of $1,200 for the 10 weeks the survey was in progress. Miss Britts and Simons were participants in the survey-taking and received $90 a week for 10 weeks.

Investigators said that during the convention week Miss Steinberg was observed in several demonstrations and was also active in recruiting S.H.O. members into the S.D.S.

WRITES POSITION PAPER

Pinney is a leader of the R.Y.M. II or Revolutionary Youth Movement faction of the S.D.S. He was repeatedly seen during convention week at one of the S.D.S. prime movement centers at the Church of the Three Crosses, 1900 Sedgwick st.

Pinney recently wrote a position paper with four other activists which stated that R.Y.M. II should form a Marxist-Leninst organization. The paper noted:

"We must prepare ourselves and the masses for an armed struggle. People in our organization should be prepared to defend themselves and to use all the weapons necessary for revolutionary struggle."

NEGOTIATORS FOR COMMITTEE

The names of Miss Britts and Simons appear in testimony presented to the House internal security committee in hearings in October, 1968, during its probe into the convention week disorders.

Simon was a negotiator for the National Mobilization Committee to End the War in Viet Nam, the chief planners of the convention week disruptions. In his role as a negotiator, Simon met with city officials in an attempt to obtain permits for different demonstrations.

PAID DURING RIOTS

Also in attendance at the planning session was Miss Britts, who served as the liaison between the S.H.O. and the Medical Committee on Human Rights, a group that furnished medical aid to convention week rioters.

Investigators said she played an active role in organizing first aid stations and mobile first aid teams, and in training marshals in first aid.

Dr. Joyce Lashoff, of Presbyterian-St. Luke's hospital who served as faculty adviser for the 1968 survey said records showed that the four students were paid for the entire summer, including the months of July and August and during the convention week riots.

Presbyterian-St. Luke's hospital assumed responsibility for the federal funding for the survey in Chicago. The department of health, education, and welfare in making the money available for the S.H.O., insisted that it be channeled thru a hospital or medical group.

The S.H.O. role in the convention week disorders was brought out in the congressional testimony by James L. Gallagher, an investigator for the House committee.

SET UP STATIONS

Gallagher in a memo to the Cleveland chapter of S.H.O. noted that its responsibility in convention week would be to set up first aid stations and give medical attention to injured persons in jail. Medical supplies would also be collected in Cleveland in the preconvention period. He said:

"This I think is noteworthy because it implies an intention of creating a confrontation. Its members were informed that a camera crew would be set up to take pictures of alleged police brutality and arrests in Chicago."

The Tribune disclosed yesterday that S.H.O. chapters in New York City, Philadelphia, Colorado, California, Wisconsin, and New England received government funds to conduct health surveys.

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## CALIFORNIA ARCHITECTS ENDORSE STRONG PROGRAMS IN POPULATION CONTROL AND AIR POLLUTION

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## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. BROWN of California. Mr. Speaker, not too long ago, it would have been thought quite unusual for a major professional organization to be campaigning in areas beyond their own immediate scope of interest.

Fortunately, many of these narrow viewpoints seem to be disappearing, and I am grateful whenever I see one of these groups taking forthright stands on major issues.

One profession which always has been in the forefront of this effort of facing overriding national problems is that of the architect-planner. And recently, when the fall meeting of the board of directors of the California Council of the American Institute of Architects took place at Palm Springs, two significant resolutions were adopted by the organization.

I commend the council for its stand on these important questions of air pollution and population control, and I place the resolutions in the RECORD at this point:

RESOLUTION ADOPTED BY BOARD OF DIRECTORS, CCAIA

Whereas the aggravating increase in environmental pollution from the noxious and poisonous by-products of industrial machinery and especially of the internal combustion engine (automobiles, trucks, etc.) threaten not only the physical but also the economic health of this state and nation, and

Whereas the Chief Deputy Attorney General of California, in testifying to the need for changes in the state smog laws, has stated as follows: "Regardless of our growing concern over the quality of our lives, regardless of studies which have been conducted, and laws which have been passed, the air we breathe and the water we use continue to deteriorate" (L.A. Times, Friday, Oct. 3, 1969, Part 2 p. 8) and

Whereas the automobile manufacturers have not developed a positive and effective

remedy for these dangerous and poisonous emissions, and

Whereas the automobile manufacturers have been contending for an out of court settlement of the government's suit charging the automobile companies with conspiracy to obstruct efforts to clear the atmosphere of smog, and

Whereas a number of Air Pollution Control Districts have pledged united support in an attempt to halt the U.S. Justice Department's proposed out of court settlement of the Anti-trust suit against automobile manufacturers accusing the manufacturers of conspiring to delay development and installation of smog control devices on automotive equipment under consideration.

Therefore be it resolved that the CCAIA Board of Directors assembled, being fully convinced of the serious threat to urban existence posed by pollution of the environment by the internal combustion engine, does hereby commend and support the forthright action of the Chief Deputy Attorney General of California, his associates and other public officials, and

Be it further resolved that we commend those of our elected representatives who have worked for strong and workable anti-smog measures, and urge those others who have not done so to work for the same legislation, and

Be it further resolved that the CCAIA does urge its members to exert pressures on all elected representatives and legislators as citizens and taxpayers to obtain their interest and support for effective and constructive legislation directed at the elimination of all forms of environmental pollution.

Whereas our pollution problems and conservation problems relate directly to the number of people that now inhabit this planet and will inhabit it in the future.

Resolved that the California Council, The American Institute of Architects board of directors, encourages and supports all efforts of The American Institute of Architects to study the problem of population growth as it relates to the development and conservation of our environment.

## LEGAL AID—VICTIM OF SMEAR, CHEAP POLITICS, AND INTIMIDATION

### HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. CLAY. Mr. Speaker, the Legal Aid Society of St. Louis is in danger of being destroyed. The recent decisions by the United Fund of St. Louis and the county supervisor to withdraw financial support of the organization are irresponsible acts. It seems that the United Fund and County Supervisor Lawrence Roos have become part of the nationwide campaign to undermine and eventually destroy programs for the representation of the poor. Enemies of the legal services program have employed smear tactics, cheap politics, and intimidation to discredit the society. It is regrettable that an organization such as the United Fund would allow its judgment to be influenced by such a campaign. I expected Supervisor Roos to join the ranks of those screaming for the scalps of the protecters of the poor. His commitment both private and public has been to those who are enemies of the poor.

But the United Fund, an organization that solicits funds from the total community, has deserted the principle that every man is entitled to equal treatment under the law regardless of his financial status. The fund is decidedly more interested now—in protecting its "image" and in reaching its "goals"—than in its commitment to serve the unmet needs of society's poor, depressed and deprived.

It is most unfortunate that the fund, which originated to fill the vacuum created by inaction for the less fortunate—has now become "big business" and can afford only those popularly accepted needs. The United Fund withdrew its financial support of the Legal Aid Society because the attorneys for the society have defended some militant, poor organizations in court. Adverse publicity by a local newspaper and threats by industrialists, labor union leaders, and business tycoons that they would not contribute to future fund campaigns prompted the decision.

Mr. Speaker, the United Fund in St. Louis is not now tied to the needy, but to the benevolent—to those who seek to be charitable while maintaining the status quo. Their services are no longer based on the needs and rights of people—but upon the interests of large contributors.

Society has degenerated to a low ebb when a person's right to legal representation and protection depends on the popularity of the issue in which he is involved.

Who, if not the Legal Aid Society, shall offer legal counsel and representation to the poor? Where, if not in the courts, would you have these grievances resolved? When, if not now, do we commit to change within a system which has perpetrated poverty by its own immunity to the problems of the poor? Why, can you tell me, has the United Fund found it necessary to join the rigid power structure? And how, Mr. Speaker, do they defend their dastardly act and how, Mr. Speaker, shall they live with that decision?

Mr. Speaker, I commend to my colleagues the following articles from the St. Louis Post Dispatch: "United Fund and Legal Aid" dated December 4, 1969, and "Plea to United Fund on Legal Aid Ouster" dated December 6, 1969:

[From the St. Louis (Mo.) Post-Dispatch, Dec. 4, 1969]

UNITED FUND AND LEGAL AID

In withdrawing its support of the Legal Aid Society, the United Fund did not accuse the agency, which furnishes legal aid to the indigent, of failing to perform its function effectively. On the contrary, the suspicion is that support was withdrawn precisely because Legal Aid has been effective and, as a consequence, has been the object of a malicious campaign to discredit it.

By running out on Legal Aid, United Fund has told the community that the criterion for assisting an agency is not service, effectiveness or commitment, but popularity. We hope orphan homes never fall into disfavor.

Apart from the manufactured unpopularity of Legal Aid, the sole reason even suggested by United Fund for ending its help is that Legal Aid was included in the fund-raising campaign "on the understanding that the agency would provide legal services to the individual poor." As a matter of fact, the United Fund's own solicitation material acknowledged that Legal Aid not only helps individual indigents but provides "representation of groups of the poor with common legal problems." Thus, a reason advanced for contributing to the United Fund is now suggested as a reason for not renewing the $36,000 grant made this year.

Overlooked by United Fund and the irresponsible elements to which it has deferred is the function of the law in our society. The law is intended to provide citizens with a remedy for grievances, whether those grievances be against fellow citizens or institutions created to serve the public. Legal Aid's role is to see that poor people have the same access to this traditional, orderly means for correcting wrongs as other Americans, and it is being penalized for doing so.

If something so conservative as providing access to the law can be considered dangerous, St. Louis is in a bad way. When are the responsible, moderate elements of the community, especially the bench and bar, going to speak up in behalf of Legal Aid?

[From the St. Louis (Mo.) Post-Dispatch, Dec. 6, 1969]

PLEA TO UNITED FUND ON LEGAL AID OUSTER

The faculty of the St. Louis University School of Law yesterday asked the executive committee of the United Fund to reconsider its decision to expel the Legal Aid Society.

A resolution adopted by the faculty stated that "we express confidence in the operation and policies of the Legal Aid Society.

"We specifically reject any proposition that legal services should be denied to indigent advocates of unpopular causes as to lawful means of advancing their causes."

The society was expelled from United Fund because of a controversy over its activities.

The resolution which carried a dissent by Joseph Simeone, associate dean of the school, was the second by a university faculty group.

Twenty-one faculty members at the University of Missouri at St. Louis asked the United Fund to give their contributions to the Legal Aid Society or cancel their pledges.

Simeone, who expressed his personal wish that the United Fund would restore money to the society, said he did not believe it appropriate for a faculty to issue statements of an institutional nature on matters of controversy.

On another aspect of the case, however, Simeone noted that five students from Forest Park Community College who were represented Thursday by a Legal Aid attorney in Municipal Court were arrested on civil penalties and not criminal charges.

Civil penalties are violations of municipal ordinances, he pointed out, while criminal cases result from violations of state statutes. He said that the Missouri Supreme Court had held in several cases that violations of ordinances were civil and not criminal offenses.

The distinction is important, he said, because Harold L. Sarner, the Legal Aid attorney representing the students, had been accused of defending the students on criminal charges. The society's rules limit its attorneys to civil matters.

The students were charged with peace disturbance, interference with police and resisting arrest, and desecration of the flag, after a disturbance at the college Oct. 15.

The United Fund was criticized also yesterday by the North Side Team Ministry, an interfaith group of clergymen, for its expulsion of the society.

In a statement urging the United Fund to "give its fair share to Legal Aid," the clergymen said that, "the poor expect to have access to the courts of our land is the result of years of persuading them to use the existing legal system for the redress of their grievances. For years the poor have been told to operate within the framework of the system. The United Fund Board's decision has effectively and in a most sophis-

ticated manner, removed the one access of the poor to that system by which we expect all law abiding citizens to operate.

"The decision suggests, what I know no United Fund Board member wants, that the poor must operate outside of the established legal framework because the one we have is not accessible. Imagine what effect the rent strike in public housing would have had, had not there been some hope in the legal system."

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## THE OTHER SIDE OF PUPIL AID: JOHNNY LEARNS

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### HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. REID of New York. Mr. Speaker, at a time when we tend to emphasize those Federal programs which do not work, I think it important to bring to the attention of Members the story of a young man who is benefiting from the funds his school in West Virginia receives under title I of the Elementary and Secondary Education Act.

Title I has helped turn 15-year-old Johnny Powers of War, W. Va., from a poor reader into a good one, as a very moving story by William K. Stevens in today's New York Times makes clear. For Johnny and his classmates, title I has worked and it is desperately needed.

I am inserting the article in the RECORD at this point:

[From the New York Times, Dec. 9, 1969]

THE OTHER SIDE OF PUPIL AID: JOHNNY LEARNS; WEST VIRGINIA CLASS IMPROVES READING UNDER 1965 LAW

(By William K. Stevens)

WAR, W. Va.—While critics assail the alleged misuse of money in the nation's biggest Federal aid-to-education program, 15-year-old Johnny Lee Powers, one of its beneficiaries, goes on making B's and C's here at Big Creek High School.

Johnny's experience is evidence that the aid program—Title I of the Elementary and Secondary Education Act of 1965—has its positive side, too. It has turned him and many of his classmates in this coal-mining section of Appalachia from poor readers into good ones.

Under Title I, Congress over the last four years has provided $4.3-billion for the education of poverty-stricken children.

When the law was passed in April, 1965, Johnny Powers was finishing the fourth grade at War Elementary and Junior High School, an old-fashioned two-story brick building situated in a pocket at the foot of three mountains. (War, a town of about 2,000 owes its name to an Indian battle in frontier days.)

AVERAGE MENTALITY

The slim, neat, soft-spoken boy lived then, as he does now, with his mother, grandmother and older brother in a cleanly kept four-room cabin on one of those mountains. The family subsists on little more than $2,000 a year in welfare and Social Security payments.

Intelligence tests show Johnny to be of average mentality. But at the end of the fourth grade he was about a year behind where he should have been in reading ability. This has been a familiar story in Appalachia, in the rural South and in big city ghettos. Typically, children in Johnny Power's circumstances fall further and further behind and never learn to read well. Title I involves an attempt to remove such handicaps.

The law enabled War Elementary School to add to its staff three specially trained remedial reading teachers. The lessons they conduct are nothing fancy or faddish, as visits to their classrooms last week clearly disclosed. Remedial reading is simply a matter of concentrating an expert teacher's efforts on a small group of children—15 or fewer—every day, in a patient effort to discover specific reading weaknesses and attempt to eliminate them through drill, practice and coaching.

Johnny Powers was placed in such a class. He also got a free breakfast every morning, courtesy of Title I, to insure that he had enough energy for the day's work.

TESTS SHOW PROGRESS

His test scores show that he made sporadic progress through the fifth, sixth and seventh grades, and entered the eighth grade with a reading score in the 51st percentile, nationally; that is, he was able to read better than half the beginning eighth graders in the United States.

During the eighth grade the years of intensive work paid off. Johnny Powers ended the term reading at the 76th percentile, or better than three-quarters of his peers in the rest of the country.

The 12 other students in Johnny's eighth grade remedial reading class, virtually from poverty-stricken homes, made similar improvements, according to their individual records. On the average, the class gained 16 points on the percentile scale.

The experience of Johnny's class represents the remedial reading program near its best in McDowell County, where War is situated. Not all pupils do as well. Some continue to retrogress despite all efforts. But the average countrywide gain for the 2,000 pupils in the program was 12 percentage points during the 1966–67 school year and eight points in 1967–68. The pupils ended the 1967–68 year with an average percentile score of 45.

Last year, according to county records, the average score for third graders in the program rose from the 24th to the 49th percentile; for fourth graders, from the 22d to the 44th. Fifth graders remain at the 16th percentile. But sixth and seventh graders lost slightly, and the eighth graders dropped from the 12th to the 3d percentile.

John Drosick, the county's 36-year-old Title I administrator, considers the eighth-grade average an aberration, traceable perhaps to an error in reporting and recording. "You almost have to work at it to score that low," he said. An investigation is planned, he added.

Assuming the rest of the scores are error-free, they are considered remarkable by independent authorities on the reading performance of the disadvantaged. They say that if a child merely stops falling behind, that is considered success. Although no definitive nationwide study on the performance of Title I reading projects has been made, evaluators in the United States Office of Education say their field surveys show the projects to be successful in some cases, not successful in others.

FUND DIVERSION ALLEGED

Academic results of Title I programs were not dealt with in the critical report issued last month by the Washington Research Project of the Southern Center for Studies in Public Policy and by the N.A.A.C.P. Legal Defense and Educational Fund, Inc.

The report a major attack on the administration of Title I funds, charged, among other things, that in many instances the money was being diverted away from the poor children for which it was intended and used as general school aid instead, that it was being used for nonacademic purposes and that it was being spread among too many children and consequently was not producing favorable results.

In the wake of this criticism, Dr. James E. Allen Jr., the United States Commissioner of Education, announced that a 15-man task force had been appointed within the Office of Education to investigate Title I.

A visit to McDowell County turned up no apparent gross violations of the kind attacked by the critics, although the final word will come from state and Federal auditors now examining the county's Title I projects. Such audits are carried out routinely on a spot-check basis, and these audits in other parts of the country were relied on heavily by the critics in their report.

PER-PUPIL REQUIREMENT

The Office of Education requires that the Title I expenditure per child be at least half the local per-pupil expenditure from state and local funds. McDowell County does better than that in its remedial reading project, in which about $250 a year in Title I is spent on each student. McDowell's state-local expenditure last year was $44.59 per pupil.

In its other major Title I project, McDowell spends about $480 a year in Federal funds on each of about 550 children with severe learning deficiencies and intelligence quotients of less than 75. Some such students—15 at War Elementary, for example—have made gains enough so that they can return to regular classrooms.

The rest of McDowell's $1-million in Title I money this year goes for health examinations, free breakfasts, an extensive guidance and testing program, audiovisual centers in poverty-stricken areas, and administration.

McDowell, the southernmost county in West Virginia, suffered from great poverty and unemployment in the early and mid-1960's, largely because of automation in the coal mines. Since then many of the unemployed have left, times have got better for those who are working, and modern amenities abound.

But the county still has an unemployment rate estimated at 11 per cent (down from a high of 25 per cent in 1960) and a high enough concentration of poor people to qualify it for more Title I money than any other West Virginia county except Kanawha, the largest. Charleston, the capital, is situated there.

War Elementary School has the county's biggest concentration of pupils classed as economically and educationally deprived—about 400 of the school's 590 children. The principal, Glenn Hatcher, says Title I has enabled his school to do "things we've wanted to do for years and years but didn't have the money for."

But everything is not positive on the McDowell educational scene. For one thing, the requirement that Title I money be concentrated effectively on individual children means that only about half the 5,000 deprived children in the county are being reached by the limited funds. (The county's total school population is about 15,000.)

THE CASE OF MANY

And everywhere are some children like long-haired 6-year-old Mary, who comes from a mountain environment so harsh that when she entered the first grade at War Elementary last September she still crawled like a baby, would not respond to anyone, and often hid her head.

Now she is in an experimental "Follow Through" class—designed to continue the benefits of the pre-school Project Head Start—supported jointly by Title I funds and grants from the Office of Economic Opportunity. There she is surrounded by an educationally rich atmosphere that includes movies, toys, number games, puzzles and earphones through which to listen to private lessons.

Today, Mary no longer crawls. She is beginning to learn numbers, to recognize colors and to communicate with other children, her teacher and the teacher's aide.

But the teachers estimate that it will be

about three years before she even begins to decipher print, and that is a measure of how formidable a task still lies ahead in McDowell County.

## EXPLOITATION OF THE POOR—FOR PROFIT

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. RARICK. Mr. Speaker, recent news accounts of the apparent extension of credit by a national merchandising house to the recipients of public assistance raises questions of public policy which are addressed directly to the Congress.

In any sensible business transaction, the extension of credit is based upon an assumption that the account will be paid when due, and presupposes two things: That there is a dependable source from which payment can be made, and; that failing such payment, legal process to enforce payment will be available.

Insofar as welfare recipients are concerned, the only source of repayment is the welfare check—which is not subject to assignment, attachment, or seizure. This means that for the creditor to enforce his claim against a debtor unwilling to pay, there must be another means of collection. Such means have been long frowned upon by the very people who now propose this bizarre credit arrangement.

The exploitation of the poor is about to enter a new and very profitable phase. The agitators of the National Welfare Rights Organization are now living very comfortably on poverty—whether by the collection of dues from welfare money intended to feed children, or by collection of grants from tax-free foundations seeking votes to manipulate.

Landlords and loan sharks, both legitimate and illegitimate, have done very well in dealing with the poor and ignorant, whose checks will continue to arrive on schedule and without chance of interruption by layoff or recession. Now it is proposed to add to the list the purveyors of merchandise.

Make no mistake that such a service is neither free or totally altruistic. If purchases are charged, there will be a cost for the extended payment time. That cost will be paid by the welfare recipient, from the welfare money. Funds which are for the purpose of feeding children will be used to pay high rates of interest on loans—deferred purchase price, if you will.

If the merchant suffers a bad debt loss growing out of the welfare credit it will either be added to the operating cost of doing business or written off as a tax deductible bad debt—in either event it will be the productive citizen who pays—whether as a consumer or taxpayer. Prices and taxes will probably both go up.

It is said that this new credit approach will free the poor from the loan sharks of the ghettos, and hence is justified. I say that the scheme will only loose a new covey of sharks to prey on those least able to care for themselves.

I suggest a different approach, and invite Members who actually desire to protect the poor to join me in this idea.

I propose to introduce legislation prohibiting the making of loans or the extension of credit to recipients of public assistance, and providing that no action will lie for the collection of any indebtedness so incurred or the recovery of any merchandise so sold in default of payment. I further propose to prohibit the collection by the professional poverty crowd of any public assistance money for dues or membership fees, or the like, under the theory of advising or helping the poor, when we are already paying literally millions of dollars to welfare department employees throughout the land to perform precisely these same duties.

I include in my remarks the following news clipping:

[From the Evening Star, Dec. 8, 1969]

100 D.C. POOR TO GET CREDIT FROM WARDS

About 100 of Washington's poorer residents will receive credit from Montgomery Ward under a national agreement between the firm and the National Welfare Rights Organization.

Each will receive up to $100 in credit during the next year for purchases in the stores and through the catalog.

The 100 local residents are among 3,000 NWRO members who will take part. Welfare recipients and other poor people are included in the welfare rights organization.

"WILL STAMP OUT CROOKS"

Mrs. Etta B. Horn, chairman of the NWRO Credit and Ways and Means Committee, today hailed the agreement as a "great thing. This is something we have been fighting for. We feel like it's going to work."

Mrs. Horn, who also is chairman of the Citywide Welfare Alliance, said credit with a firm like Montgomery Ward "will stamp out the credit crook."

Edward S. Donnell, president of Montgomery Ward, said that "a pilot program to provide credit to responsible welfare recipients is a worthwhile step to make Ward's services uniformly available to all financially responsible consumers. We believe that our mutual efforts in this pilot program will demonstrate that large numbers of welfare recipients will be able to enjoy the same credit account benefits as other customers."

One Washington department store is carrying out an experiment in credit for poor people in cooperation with the United Planning Organization, the local antipoverty agency.

Ashley D. De Shazon, credit vice president of Montgomery Ward, said the program will be inaugurated as fast as Ward's and NWRO chapters are able to clear credit applications. NWRO members in Baltimore, Detroit, Cleveland, Chicago, Kansas City, Los Angeles, Fort Worth, Dallas and Oakland also are taking part. Several additional locations may be added early in 1970.

Those taking part will be issued a Ward's credit card that will be honored at all stores, with a revolving credit limit of $100. The usual Ward procedures for billing and repayment schedules for credit accounts will be used.

## COMMITMENT TO EDUCATION OF OUR YOUTH IS URGENT

### HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 9, 1969*

Mr. PUCINSKI. Mr. Speaker, recently, the censor of the Polish National Alliance, Dr. Walter L. Dworakowski, delivered an address which I should like to call to the attention of my colleagues for it places in proper perspective the problems facing our Nation today.

The address follows:

DWORAKOWSKI DECLARES IN DETROIT: COMMITMENT TO EDUCATION OF OUR YOUTH IS URGENT

DETROIT.—Impressive Pulaski Day Parade under the auspices of the Central Citizens' Committee culminated with a patriotic program during which the PNA Censor, Dr. Walter L. Dworakowski delivered the principal address.

President of the Committee, Mitchell Lewandowski welcomed the participants and asked Walter Gajewski, City Clerk of Hamtramck, to preside over the program.

In his address, Censor Dworakowski put strong emphasis on the urgent need of Polonia to pursue ever widening programs of education for our younger generations. His remarks follow.

The knowledge of Casimir Pulaski's deeds and sacrifice lives in the grateful memory of the American nation and dwells in the hearts of ten million Americans of Polish origin as their most precious and enduring heritage.

It would be, therefore, redundant to memorialize his biography. It is known to all of us.

It is, then, more proper and fitting on this occasion to delve into the transcendental meaning of his greatness and his legacy.

Like George Washington and his compatriots, the founders of our Republic, Pulaski was totally and unreservedly committed to the cause of freedom—and its concomitant, the dignity of man. This commitment led him to the historic struggle in the defense of his native Poland, and—later—to the patriotic deeds and military excellence during the American War of Independence.

Knowing Pulaski's dedication to freedom, we can state that, given the opportunity, he would have fought for freedom everywhere in the world.

Destiny led him to the American shores and to Savannah, Georgia, where he laid down his life for the freedom and independence of the United States.

Impressive monuments in Washington, in Savannah and in other American cities, as well as numerous counties, cities, parks, streets and highway named across the country in his honor, speak eloquently of the nation's appreciation of the service he rendered the American revolution.

This, however, is only the outward and visible part of the homage we pay to Pulaski's greatness.

To present-day Americans, and especially to Americans of Polish heritage, Pulaski left a legacy of lasting value and moral force that will always inspire men of civic virtue and wisdom to meaningful, deeply-felt patriotic living.

His example of total commitment to the cause of freedom was, and shall remain, the beacon light illuminating man's path of service to God, country, and nation. For we must realize, even as he realized two centuries ago, that the cause of freedom is the cause of God. It is the prerequisite of duties, obligations, and honor that enrich the meaning of our existence.

Today, the frontiers of the struggle for the freedom and dignity of man are shifting from the physical combat to an even more decisive contest in the areas of ideas and intellectual integrity and progress.

In general terms, this socio-political struggle is between the cultural and spiritual values of western man, and the totalitarian concept of dictatorship that built its stronghold in the east.

The central and crucial issue in this contest is this:—who will prevail in the mind and heart of modern man? Will the expansive and ennobling ideals of the western man,

born of wisdom and charity two thousand years ago in the Mediterranean basin, continue to lead mankind toward a better future, based on the inherent dignity of man and his good will? Or will the selfish and power-hungry forces of totalitarianism cast new foreboding shadows on the evolutionary, and—at times—tortuous progress of mankind toward a better future?

In his tormented era of technological revolution, intellectual dissent, uneasy search for new definition for old and accepted values, the cause of freedom of man stands in bold relief, perhaps in even bolder relief than during the times of Washington and Pulaski.

The history of mankind, according to the British historian Arnold Toynbee, is a series of challenges and responses. What humanity went through in past ages, what it attained, what it failed to accomplish, and the state of world affairs today, are the result of the nature and valor of the responses the past generations made toward evolutionary challenges.

Currently, the existing balance of terror in nuclear weaponry will, in all probability, save us from an atomic holocaust. Physical war is no longer a profitable venture for an aggressor. It cannot be confined to one area for any length of time. With major powers involved, it would become a global cataclysm. It would leave in its wake neither the vanquished nor the victors.

In this new frame of reference, forced upon mankind by the scientific release of atomic energy, the struggle for the supremacy of one of the two diametrically—opposed forces entered the arena of intellectualism, technological breakthroughs, and—above all—education.

Only the more enlightened, more progressive, bolder, and better-educated force will prevail. Socio-political philosophy, humanistic values, and the very way of life, are subordinate factors in this struggle. Their future and development is inexorably involved in the outcome of the current contest.

Thus, in order to contribute to the final victory of our ideals, our principles of freedom, our way of life, it is incumbent upon us to provide the best possible education for our young people.

They will be the intellectual sentinels guarding our expanding horizons of knowledge and freedom. Schooled in the eternal verties of our western civilization and culture, they will overcome the atavistic forces of totalitarianism and open new and happier vistas for our nation, for our ancestral home, Poland, and for humanity.

Mysterious and—at times—subterranean forces of history are always acting for the utlimate benefit of mankind. Ralph Waldo Emerson defined this truism concisely when he wrote that "the world exists for the education of man."

We learn from history in order to better understand the new, developing trends facing each generation.

And we know that the challenge we must be responsive to at the present time is the contest for the mind, soul, and heart of the modern man. The militancy of today, unless conceived constructively, has no place in our advanced, civilized, and educated society.

We realize that the road to victory leads through excellence in education. What an educated mind can conceive, man can accomplish.

We must be committed to the education of our children as firmly as Pulaski was committed to freedom. After all, true freedom can flourish and expand only in an enlightened society.

Our Polonia has a noble tradition in this respect. Our fathers and grandfathers were committed to the best possible education of their children, and we are the beneficiaries of their wise determination. Shining examples of this concern with education are the Orchard Lake Schools in your vicinity and Alliance College in Cambridge Springs, Pennsylvania.

As the chairman of the Board of Trustees of Alliance College, I am deeply grateful to Polonia in Detroit and in Michigan, generally, for the generosity you have proved in many occasions in effective support of Alliance College.

This nationally-known institution of higher learning will someday soon create a unique and vitally important center of Polish and Slavic studies in America, and you will share the credit for this accomplishment through your attachment and generosity to the college.

Both institutions close to your heart—the Orchard Lake Schools and Alliance College—are the gateways to Polonia's future, bright with promise.

As once was said by an eminent Polish-American scholar, "unity of purpose, one single goal for all of us, is what we need first. With it, we need unity of effort.

"Next, we ought to ask ourselves: 'What, in the history of mankind, always survives?'

"Knowledge. The accumulation of experiences, the achievements of classical literature, the written record of man's accomplishments—painting, music, scripture, the theater. Folk tradition—the language and the customs. These survive forever, unless they fall into disuse.

"These are the finest things which any national group can offer another, and enrich society by contributing to the whole."

We, Americans of Polish descent, should translate these thoughts into reality through our institutions such as Alliance College and the Orchard Lake Schools.

Casimir Pulaski died for a great vision—of a free renascent Poland and of a new, vibrant, and noble nation, conceived in freedom and nurtured by the wisdom of men of truly universal appeal, who gave us the Declaration of Independence and the Constitution of the United States.

This vision became the guiding light in the mysterious corridors of time, and inspired succeeding generations to a truly patriotic life.

This vision is the precious heritage Pulaski left to us as Americans of Polish ancestry.

And we would be remiss in our duties, both as Americans and as heirs to Pulaski's greatness, if we left this assemblage today without the firm resolve to meet with foresight and determination the primary challenge of our times—the challenge demanding higher and ever-more-excellent education for our children.

We shall pay a most fitting and enduring tribute to the Pulaski legacy by declaring here and now our commitment to the higher education of our young generation.

For the historic challenge of our times is educational imperative.

# HOUSE OF REPRESENTATIVES—*Wednesday, December 10, 1969*

The House met at 12 o'clock noon.

The Reverend Mr. Louis H. Zbinden, Jr., First Presbyterian Church, Lenoir, N.C., offered the following prayer:

*Let us not grow tired of doing good, for, unless we throw in our hand, the ultimate harvest is assured.*—Galatians 6: 9 (Phillips).

In this moment of quietness, we pause, Lord, not to escape the issues of our day, but to be fortified to meet them well without losing our tempers, without making hasty judgments. Recall in us our allegiance to Thee.

In this glad season of expectation, inspire us to live with infectious hope and contagious courage. May our impulses be true and generous. Give us the grit to do the things we talk about; the boldness to implement the things we write about.

Though our stance and methodology may differ, Lord, let our common desire to serve, our concern for the unproductive, our yearning for peace, unify us.

Deliver us from artificiality in life, arrogance in belief, and equip us for responsible performances.

Through Christ Jesus. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On November 18, 1969:

H.R. 10595. An act to amend the Act of August 7, 1956 (70 Stat. 1115), as amended, providing for a Great Plains conservation program; and

H.R. 11271. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

On November 21, 1969:

H.R. 14030. An act to amend section 358a (a) of the Agricultural Adjustment Act of 1938, as amended, to extend the authority to transfer peanut acreage allotments.

On November 26, 1969:

H.R. 474. An act to establish a Commission on Government Procurement.

H.R. 11612. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

H.R. 12307. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices and the Department of Housing and Urban Development for the fiscal year ending June 30, 1970, and for other purposes.

H.R. 12829. An act to provide an extension of the interest equalization tax, and for other purposes; and

H.R. 14001. An act to amend the Military Selective Service Act of 1967 to authorize modifications of the system of selecting persons for induction into the Armed Forces under this act.

On December 1, 1969:

H.R. 4284. An act to authorize appropriations to carry out the Standard Reference Data Act; and

H.R. 14020. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on U.S. savings bonds.

On December 2, 1969:

H.R. 7066. An act to provide for the establishment of the William Howard Taft National Historic Site.

On December 5, 1969:

H.R. 3666. An act to amend section 336(c) of the Immigration and Nationality Act;

H.R. 11363. An act to prevent the importation of endangered species of fish and wildlife into the United States; to prevent the interstate shipment of reptiles, amphibians, and other wildlife taken contrary to State law; and for other purposes;

H.R. 13018. An act to authorize certain construction at military installations, and for other purposes;

H.R. 13949. An act to provide certain equipment for use in the office of Members, officers, and committees of the House of Representatives, and for other purposes;

H.R. 14195. An act to revise the law governing contests of elections of Members of the House of Representatives, and for other purposes; and

H.J. Res. 1017. Joint resolution making further continuing appropriations for the fiscal year 1970, and for other purposes.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 2238. An act to provide for the relief of certain civilian employees paid by the Air Force at Tachikawa Air Base, Japan;

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross; and

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 10. Joint resolution authorizing the President to proclaim the second week of March, 1970, as "Volunteers of America Week."

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1646. An act to create an additional judicial district in the State of Louisiana, and for other purposes;

S. 2624. An act to improve the judicial machinery in customs courts by amending the statutory provisions relating to judicial actions and administrative proceedings in customs matters, and for other purposes; and

S.J. Res. 154. Joint resolution to authorize and request the President to proclaim the month of January of each year as "National Blood Donor Month."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12964) entitled "An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes," and that the Senate agrees to the amendment of the House of Representatives to Senate amendment No. 21 to the above-entitled bill.

## TRIBUTE TO REV. LOUIS H. ZBINDEN, JR.

(Mr. BROYHILL of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROYHILL of North Carolina. Mr. Speaker, our guest chaplain today is the Reverend Louis H. Zbinden, Jr., pastor of the First Presbyterian Church in my hometown of Lenoir, N.C.

Mr. Speaker, Mr. Zbinden is a native of Chattanooga, Tenn., a graduate of Southwest University in Memphis, Tenn., a graduate of Union Theological Seminary in Richmond, and he did additional graduate work at Princeton Seminary in New Jersey. He has served a pastorate in Fort Defiance, Va., which is in the congressional district of our colleague, JACK MARSH, and is now serving as pastor of the First Presbyterian Church in Lenoir, N.C.

Reverend Zbinden is making an outstanding contribution to the religious and civic life of my hometown. I know my colleagues will join me in welcoming him as guest Chaplain today.

## VOTE OF CONFIDENCE IN REPUBLIC OF CHINA AND SOUTH KOREA

(Mr. PASSMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PASSMAN. Mr. Speaker, I am extremely disappointed that one of the larger newspapers in Washington would misrepresent facts, and apparently intentionally. When a newspaper intentionally and knowingly completely misrepresents facts, it renders a great disservice.

Yesterday, the House of Representatives, by a vote of 250 to 142, approved an additional $54½ million for the Republic of China and $50 million for Korea. This was a vote of confidence for those who recognize the dire need to strengthen the military forces of these two allies.

Rather than bringing about the near defeat of the foreign aid bill, the amendment for military equipment for China passed the bill. Many Members who never before have voted for foreign aid voted for the bill on yesterday simply because in their wisdom they knew that we must delay no longer updating the military forces of the Republic of China and Korea.

I repeat, I am shocked and disappointed that an influential newspaper—not influential with me but with some—would try to influence people by misrepresenting facts, and by the wording of the article, intentionally and if we should lose our way of life, it will, to some extent, be because of people in high positions out of Government who endeavor to confuse responsible people through cold, calculated misrepresentation. Such an outfit cannot survive permanently, but I am afraid it will survive long enough to do some harm.

Some of us are determined to watch publications like the Washington Post and as far as possible set the record straight and establish the truth, and have no fear in so doing. I cannot restrain myself from saying that I am anxiously awaiting a copy of the Washington Daily Worker to see if they have the same interpretation of what happened yesterday.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Speaker, I commend the distinguished gentleman for straightening out the facts and bringing the truth to the attention of the House.

Just in case the publication in question made an honest mistake—sometimes this happens—and in case the editors failed to see the outcome of the vote for a small beginning to modernize the forces of Nationalist China and South Korea, I take pleasure in reminding them the outcome was 250 to 142. That is not close. It probably provided the impetus which passed the bill.

Mr. PASSMAN. Mr. Speaker, I thank the distinguished gentleman from Florida. If the publication made an honest error, then I will be very happy to apologize, but I am afraid I cannot share the gentleman's enthusiasm.

Mr. SIKES. I suggest it would be better for the publication to apologize. As usual they were in the wrong.

Mr. PASSMAN. Yes. I am sure it would be more appropriate for the Washington Post's news twisters to apologize, but their record for straightening out intentional misrepresentations is zero and, in all probability, will be the same this time. So, I shall not delay my departure for Louisiana after we finish our business here waiting for an apology.

## ANNOUNCEMENT OF RECEPTION FOR MEMBERS OF THE UNIVERSITY OF TEXAS FOOTBALL TEAM

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, I take this time to announce to the House that this afternoon at 1:30 there will be a reception in the Speaker's private dining room for three members of the University of Texas football team. Those members are James Street, Ted Koy, and Glenn Halsell, all tricaptains of the University of Texas football team.

All Members of the House, especially including friends of Arkansas and Penn State and Notre Dame, are welcome to come and shake hands with those members of the Nation's No. 1 football team. We are proud of these young men and I know you will want to express your thanks and appreciation for their outstanding athletic performance.

## PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE REPORT ON H.R. 15165, COMMISSION ON POPULATION GROWTH

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file a report on the bill (H.R. 15165) to establish a Commission on Population Growth.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## CALL OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 311]

| | | |
|---|---|---|
| Alexander | Fraser | Lukens |
| Anderson, Tenn. | Fulton, Tenn. | Mailliard |
| Ashley | Fuqua | Morton |
| Baring | Gallagher | O'Neill, Mass. |
| Blanton | Gray | Ottinger |
| Cahill | Green, Oreg. | Powell |
| Chisholm | Gubser | Reid, N.Y. |
| Clark | Hagan | Reifel |
| Clay | Hanley | Riegle |
| Collier | Hays | Rooney, N.Y. |
| Conyers | Hosmer | Ruppe |
| Cowger | Hull | Scheuer |
| Davis, Ga. | Karth | Smith, N.Y. |
| Dawson | Kirwan | Thompson, N.J. |
| Diggs | Kyl | Tunney |
| Dulski | Landrum | Utt |
| Eilberg | Lipscomb | Vander Jagt |
| Fascell | Long, La. | Whalley |
| | Lowenstein | Wiggins |

The SPEAKER. On this rollcall 377 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## MAKING IN ORDER THE CONSIDERATION OF SUPPLEMENTAL APPROPRIATION BILL FOR FISCAL YEAR 1970 ON ANY DAY AFTER TODAY

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on any day after today to bring up the supplemental appropriations bill for fiscal year 1970.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object—and I do not intend to object—does the gentleman from Texas, the chairman of the Committee on Appropriations, have any idea whether it will be programed this week or next?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, it is hoped that it will be programed this week. It will be reported out tomorrow as a minimum bill, the administration having pared the request down to a figure of something in excess of $200 million. I think it could be passed without any general debate. There will be a few items on which there will be differences of opinion. However, the report is available to Members and the bill is available at this time in the Committee on Appropriations. I would hope we could pass it and send it over to the other body, thus clearing all of the appropriations on the House side.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. Would it be possible to have some notification from the leadership, say, an hour or two or three before the bill is called up so we might have the information available?

Mr. MAHON. Mr. Speaker, if the gentleman from Michigan will yield further, I shall be glad to request the leadership to give ample notice and I am sure that the leadership can arrange to see that there is notice as to when the bill will be brought up. I would hope and believe that we can dispose of it within less than an hour because of the nature of the bill.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## NEWSPAPER ACCOUNTS OF VIOLENCE DURING PRESIDENT NIXON'S ATTENDANCE AT FOOTBALL HALL OF FAME DINNER IN NEW YORK

(Mr. ROONEY of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROONEY of Pennsylvania. Mr. Speaker, last evening I was privileged to fly with President Nixon aboard Air Force 1 to attend the Football Hall of Fame dinner in New York.

This morning I read newspaper accounts of the violence which occurred outside the Waldorf-Astoria Hotel where the President was honored by the National Football Foundation as recipient of its Distinguished American Award.

I traveled with the Presidential party in the motorcade to the hotel and I merely want to state that from my vantage point the President received a warm welcome from New Yorkers. The minority of protesters who resorted to violence while proclaiming a personal devotion to peace struck me as being hypocrites.

Their actions are a disservice to the vast majority of peace-loving Americans who champion peace through nonviolent expressions.

Aside from the violence, which we did not encounter, the trip to New York and attendance at the Hall of Fame dinner was an impressive experience. I was particularly proud to be on hand for the induction of one of my constituents and former junior high school classmate, "Chuck" Bednarik, of Bethlehem, Pa., into the Football Hall of Fame.

"Chuck"' was an outstanding athlete and has long been an outstanding example of the finest quality of good sportsmanship. He has a keen interest in American youth and has worked tirelessly to inspire young Americans to exemplify good sportsmanship.

"Chuck" has my warmest congratulations. His attainment of a place in Football's Hall of Fame is richly deserved. "Chuck" is the second football great from Bethlehem to achieve this distinction, sharing the honor with V. J. "Pat" Pazzeti, former all-American from Lehigh University.

## REQUEST FOR PERMISSION FOR THE SELECT SUBCOMMITTEE ON EDUCATION OF THE COMMITTEE ON EDUCATION AND LABOR TO SIT DURING GENERAL DEBATE TODAY

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Select Subcommittee on Education of the Committee on Education and Labor be permitted to sit today for hearings on the bill H.R. 13916, the Mobile Teachers' Retirement Assistance Act.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. HALL. Mr. Speaker, reserving the right to object, may I inquire if this has been cleared with the minority members?

Mr. BRADEMAS. Mr. Speaker, I would say to the gentleman from Missouri that I think that it has. I know that the ranking member of the full committee, the gentleman from Ohio (Mr. AYRES), has been advised of this several days ago, and that he has entered no objection.

Mr. HALL. Mr. Speaker, I suggest that the gentleman withhold his request for the time being until it is cleared; otherwise I shall be constrained to object.

The SPEAKER. Will the gentleman from Indiana withdraw his request?

Mr. BRADEMAS. If the gentleman from Missouri wishes to object, I shall have no other alternative.

Mr. HALL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

## TAX REFORM ACT

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, at such time as a request is made for a conference on the Tax Reform Act of 1969, I expect to offer a preferential motion to instruct the House conferees to insist upon the House provisions relating to the oil, gas, and mineral depletion allowance and to provide tax relief by way of increased dependency exemptions.

The House provisions relating to depletion allowance provides for a reduction of the depletion allowance to 20 percent and elimination of the foreign depletion allowance. The language relating to increased dependency exemptions instructs the conferees to accept the Gore amendment or a modification of that proposal.

I hope that the membership of the House will support this motion which will probably occur tomorrow or the next day. If a motion should be made to table my preferential motion, I hope that the membership of the House will vote against the motion to table, so that the House can express its will on these two important issues for which record votes were not allowed in the House.

## ROGERS OPPOSES CASSIUS CLAY-JOE FRAZIER FIGHT TO BE HELD IN TAMPA, FLA.

(Mr. ROGERS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS of Florida. Mr. Speaker, I was shocked to learn that the Governor of the State of Florida has given his official endorsement and the sanction of the State of Florida to a proposed heavyweight title fight between Cassius Clay, otherwise known as Muhammad Ali, and

Joe Frazier to be held in Tampa, Fla. early next year.

I do not feel that the boxing ability of Clay is the proper issue, but rather the issue is whether the official sanction of the State of Florida should be given to a sporting event involving a man who has been convicted in a U.S. district court in Houston, Tex. for refusing induction into the armed services of the United States.

Clay was convicted on June 20, 1967, for refusing induction, and was sentenced to 5 years in prison and given a fine of $10,000. That conviction was affirmed by the fifth circuit court of appeals in May, 1968. Clay petitioned the U.S. Supreme Court for a writ of certiorari. The Supreme Court granted the petition, vacated the judgment and remanded the case to the U.S. district court in Houston in order for that court to determine whether the unauthorized use of electronic eavesdropping equipment affected the original conviction.

The U.S. district court, on July 14, 1969, determined that the original conviction was proper and Clay has now appealed his conviction to the fifth circuit court of appeals.

Moreover, the cities of Dallas, Chicago, and Miami, Fla., have previously denied Clay permission to box.

I do not believe the citizens of the State of Florida want this man convicted of a crime in the U.S. courts to have the privilege of going about his business with the official blessings of the State of Florida and I earnestly hope that the city of Tampa will not permit this fight to be held.

## PERSONAL EXEMPTION

(Mr. HANLEY asked and was given permission to address the House for 1 minute.)

Mr. HANLEY. Mr. Speaker, on Monday of this week I was unavoidably detained from the Chamber, being on official business for the Committee on Banking and Currency.

Mr. Speaker, on the one vote which was taken, on the Defense appropriation bill, had I been present, I woud have voted "yea".

## INSULT TO HARD-WORKING FEDERAL EMPLOYEES IN BOSTON POST OFFICE

(Mr. DADDARIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DADDARIO. Mr. Speaker, I am sending to the Committee on Post Office and Civil Service today, to call to their attention, correspondence which I have received from the employees of the Hartford Post Office, forwarding a copy of a bulletin issued by the regional director of the Boston Post Office. The bulletin contains what appears to be a gratuitous and unnecessary insult to the hard-working Federal employees, with the implication that it is a common attribute and should be corrected.

Aside from the obvious consideration that the bulletin appears to be poorly done and must have been printed and distributed without careful editing by the director whose name headlines it, the exhortation is in poor taste to employees who are heading into the busiest season of the year. Many of them have expressed their indignation to me and I share their concern about this haphazard approach to an important aspect of the American system.

## "THE PURSUIT OF HAPPINESS"—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 91-202)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and referred to the Committee on Education and Labor and ordered to be printed:

*To the Congress of the United States:*

Americans have long given their first concerns to the protection and enhancement of Life and Liberty; we have reached the point in our history when we should give equal concern to "the Pursuit of Happiness."

This phrase of Jefferson's, enshrined in our Declaration of Independence, is defined today as "the quality of life." It encompasses a fresh dedication to protect and improve our environment, to give added meaning to our leisure and to make it possible for each individual to express himself freely and fully.

The attention and support we give the arts and the humanities—especially as they affect our young people—represent a vital part of our commitment to enhancing the quality of life for all Americans. The full richness of this nation's cultural life need not be the province of relatively few citizens centered in a few cities; on the contrary, the trend toward a wider appreciation of the arts and a greater interest in the humanities should be strongly encouraged, and the diverse cultures of every region and community should be explored.

America's cultural life has been developed by private persons of genius and talent and supported by private funds from audiences, generous individuals, corporations and foundations. The Federal government cannot and should not seek to substitute public money for these essential sources of continuing support.

However, there is a growing need for Federal stimulus and assistance—growing because of the acute financial crisis in which many of our privately-supported cultural institutions now find themselves, and growing also because of the expanding opportunity that derives from higher educational levels, increased leisure and greater awareness of the cultural life. We are able now to use the nation's cultural resources in new ways—ways that can enrich the lives of more people in more communities than has ever before been possible.

Need and opportunity combine, therefore, to present the Federal government with an obligation to help broaden the base of our cultural legacy—not to make it fit some common denominator of official sanction, but rather to make its diversity and insight more readily accessible to millions of people everywhere.

Therefore, *I ask the Congress to extend the legislation creating the National Foundation on the Arts and Humanities beyond its termination date of June 30, 1970, for an additional three years.*

Further, *I propose that the Congress approve $40,000,000 in new funds for the National Foundation in fiscal 1971 to be available from public and private sources. This will virtually double the current year's level.*

Through the National Foundation's two agencies—the National Endowment for the Arts and the National Endowment for the Humanities—the increased appropriation would make possible a variety of activities:

—We would be able to bring more productions in music, theatre, literature readings and dance to millions of citizens eager to have the opportunity for such experiences.

—We would be able to bring many more young writers and poets into our school system, to help teachers motivate youngsters to master the mechanics of self-expression.

—We would be able to provide some measure of support to hard-pressed cultural institutions, such as museums and symphony orchestras, to meet the demands of new and expanding audiences.

—We would begin to redress the imbalance between the sciences and the humanities in colleges and universities, to provide more opportunity for students to become discerning as well as knowledgeable.

—We would be able to broaden and deepen humanistic research into the basic causes of the divisions between races and generations, learning ways to improve communication within American society and bringing the lessons of our history to bear on the problems of our future.

In the past five years, as museums increasingly have transformed themselves from warehouses of objects into exciting centers of educational experience, attendance has almost doubled; in these five years, the investment in professional performing arts has risen from 60 million dollars to 207 million dollars and attendance has tripled. State Arts agencies are now active in 55 States and territories; the total of State appropriations made to these agencies has grown from $3.6 million in 1967 to $7.6 million this year. These State agencies, which share in Federal-State partnership grants, represent one of the best means for the National Endowment to protect our cultural diversity and to encourage local participation in the arts.

In this way, Federal funds are used properly to generate other funds from State, local and private sources. In the past history of the Arts Endowment, every dollar of Federal money has generated three dollars from other sources.

THE FEDERAL ROLE

At a time of severe budget stringency, a doubling of the appropriation for the arts and humanities might seem extravagant. However, I believe that the need for a new impetus to the understanding and expression of the American idea has

a compelling claim on our resources. The dollar amounts involved are comparatively small. The Federal role would remain supportive, rather than primary. And two considerations mark this as a time for such action:

—Studies in the humanities will expand the range of our current knowledge about the social conditions underlying the most difficult and far-reaching of the nation's domestic problems. We need these tools of insight and understanding to target our larger resources more effectively on the solution of the larger problems.

—The arts have attained a prominence in our life as a nation and in our consciousness as individuals, that renders their health and growth vital to our national well-being. America has moved to the forefront as a place of creative expression. The excellence of the American product in the arts has won worldwide recognition. The arts have the rare capacity to help heal divisions among our own people and to vault some of the barriers that divide the world.

Our scholars in the humanities help us explore our society, revealing insights in our history and in other disciplines that will be of positive long-range benefit.

Our creative and performing artists give free and full expression to the American spirit as they illuminate, criticize and celebrate our civilization. Like our teachers, they are an invaluable national resource.

Too many Americans have been too long denied the inspiration and the uplift of our cultural heritage. Now is the time to enrich the life of the mind and to evoke the splendid qualities of the American spirit.

Therefore, I urge the Congress to extend the authorization and increase substantially the funds available to the National Foundation for the Arts and Humanities. Few investments we could make would give us so great a return in terms of human understanding, human satisfaction and the intangible but essential qualities of grace, beauty and spiritual fulfillment.

RICHARD NIXON.

THE WHITE HOUSE, *December 10, 1969.*

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## CONFERENCE REPORT ON H.R. 4293, EXPORT ADMINISTRATION ACT

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 4293) to provide for continuation of authority for regulation of exports, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 24, 1969.)

Mr. PATMAN (during the reading). Mr. Speaker, in view of the fact that the statement has been available for at least 2 or 3 weeks, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. PATMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we bring you the conference report on export control, the Export Administration Act of 1969.

The Senate-passed bill proposed to let the existing Export Control Act expire on its termination date and proposed to regulate and promote the expansion of exports thereafter under authority of a new act. The House, on the other hand, had passed a bill to extend for 2 years the existing Export Control Act of 1949 with one amendment to the findings, one to the grant of authority, and one to the section on enforcement.

The Senate had struck out all of the House bill after the enacting clause and had inserted a substitute amendment. The committee of conference agreed to a substitute for both the Senate amendment and the House bill. The managers on the part of the House agreed to the appropriateness of enacting a new law to take effect on the expiration of the existing act. However, a preponderance of the provisions of the existing law would be reenacted under the conference substitute. Under it, the President retains plenary power to control exports.

The managers on the part of the House insisted upon and prevailed in their position that the legislation in conference was for purposes of regulation and control, not for the purpose of trade expansion, and that the President continue to possess full authority to control exports for reasons of national security, foreign policy, and short supply.

The Senate-passed amendment called for the establishment of an Export Expansion Committee composed of 15 members to be appointed by the President to study ways to promote, with special emphasis, trade with Communist countries. The managers on the part of the House, while recognizing the need and benefits of a continuing and expanded foreign trade, objected and prevailed, pointing out that the purpose of the legislation is regulation and control. In five other instances, Senate language with respect to expansion or promotion was rejected by the House managers. In each instance in which the House had passed provisions to amend or extend existing law, the intent of the House language is preserved in the conference substitute, and in all but one instance the specific language of the House amendments is preserved.

The White House has not indicated to me that it is opposed to the conference report, and rightly so, since it is well designed to remove the handicap with which our trade programs have been burdened in international competition, and to prompt efforts by our Government to achieve a more effective, multilateral export control mechanism with our allies.

Mr. Speaker, this is a good conference report, and I urge its adoption.

At this time I yield 10 minutes to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. I thank the gentleman from Texas for yielding.

Mr. Speaker, there may be some aspects of the conference report with which the Members of the House are not familiar because of the fact that the other body passed a bill with a substantial number of provisions found neither in the House-passed bill nor considered by the House.

The Senate-passed bill introduced, for the first time, a declaration of policy to restrict the export of goods and technology which would make a significant contribution to the military potential of a nation or nations which would be detrimental to the national security of the United States.

At the same time, the Senate-passed bill, in granting full authority to the President to prohibit and curtail exports, encouraged him to exercise that authority in a way which will increase exports. Because it found that the unwarranted restriction of exports and the uncertainty of policy toward many categories of exports were without efficacy and were diminishing our economic strength, the other body wrote provisions which would require the Secretary of Commerce to promptly review the control lists with a view to making changes consistent with a policy designed to remove the discrimination against American exports in international competition.

Mr. WHALEN. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I am happy to yield to the gentleman from Ohio.

Mr. WHALEN. As a member of the House Armed Services Committee I have several concerns with respect to this conference report. I wonder if the gentleman would yield for a series of questions I should like to pose.

The first has to do with the policy review of control lists.

The question of prompt review of the control lists is one of the objections which have been raised in connection with the conference report. As a member of the Armed Services Committee, I am as concerned as any of my colleagues to make certain that we continue to prohibit exports of significant military applicability to nations which threaten our national security.

Is there anything to the charge that the conference substitute places impossible demands upon the Secretary of Commerce by requiring him to canvass the Government defense, laboratories and private defense contractors and complete his review within 6 months?

Mr. ASHLEY. I am very pleased that the gentleman has asked that question.

There is no requirement for a canvass and there is no 6-month limit for review of the control lists.

Nothing in the language of the report puts such requirements on the Secretary. He is required to make "promptly such changes and revisions in such list as may be necessary or desirable in furtherance of the policy, purposes and provisions" of the act and to include an initial detailed statement with respect to actions taken with respect to review, changes, and re-

visions of the list in the second quarterly report following enactment. It is clear that the completion of a review within 6 months is neither anticipated nor required in view of the language calling for "a detailed statement with respect to actions taken in compliance in the second quarterly report—and in any subsequent report with respect to actions taken." There is to be a prompt initiation of review and revision, but there is no terminal date.

Mr. WHALEN. Mr. Speaker, will the gentleman yield for another question?

Mr. ASHLEY. I yield.

Mr. WHALEN. This has to do with another objection that has been made that products or technology available from any other source, including Russia and other Communist countries, cannot be subject to export control unless the President discloses the substance of intelligence reports, to the detriment of our national security. These are strong charges. Is there any foundation to them?

Mr. ASHLEY. These charges, which have received some publicity, are without substance.

Such charges could only be seen as rash and unwarranted.

Full Presidential authority to control exports in the interest of national security is maintained. Where reporting to the Congress is required, no stipulations whatsoever are made with respect to the release of classified information of any confidential business data.

Nothing prohibits export controls on items available from Russia or other Communist countries. The language of the report merely indicates that it should be made clear which categories of goods and information continue to be subject to express permission on national security grounds, for which nation or nations, and for what reasons other than unavailability from foreign countries. It may be that it has not yet been determined whether goods or information of comparable quality and technology are not readily available to such nation or nations from other sources. Or it may be that there are other reasons, which ought to be made clear to the Congress, for continued control of a category which is readily available to such nation or nations from other sources. In the past, hundreds of categories have been controlled for political purposes, foreign or domestic, and unreported on that basis, under a false cloak of national security. The character of the reasoning and the detail is left to the discretion of the President.

Mr. WHALEN. Mr. Speaker, will the gentleman yield further for one final question?

Mr. ASHLEY. I yield to the gentleman from Ohio.

Mr. WHALEN. Is there anything to the objection that the conference report fails to make provisions for the so-called "basket categories," which are essential for the control of new products and technology with strategic potential, but for which separate classifications do not exist?

Does the language of the report require advance individual identification of all products by the Commerce Department? I know this sounds like an extreme charge, but could it possibly authorize the uncontrolled export of new, strategic technology?

Mr. ASHLEY. The gentleman from Ohio is certainly correct if he surmises how extreme and unfounded such an objection is. A charge like this betrays a fundamental misunderstanding of the export control procedures and processes and it completely overlooks the provisions of section 13(b) of the conference amendment.

Under established procedures, two types of licenses, general and validated, are obtainable by the exporter. A general license permits certain categories of goods to be shipped to virtually any destination in the world.

If the exporter finds in reviewing the commodity control list of the Comprehensive Export Schedule, that his product does not fall into a commodity category for which only a general license is required, he must apply for a validated export license, which is a document issued only upon formal application. It is not up to the Commerce Department to identify new products in anticipation that someone may wish to export them in the future. It is incumbent upon the exporter to determine with certainty that his product is only subject to general license before he ships it without first obtaining a validated license. Section 13(b) preserves these forms of action required under existing law.

Hence, the charge with regard to the statement made with respect to the potential danger in connection with the "basket categories" simply is without foundation.

Mr. WHALEN. I certainly thank the gentleman for answering these questions and certainly the gentleman has removed the doubts which may have been planted in my mind as a result of some of the objections we have heard. I am most appreciative for the very close attention which the gentleman has given to this legislation over the last several months and for the clear explanation he has provided now.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Illinois.

Mr. FINDLEY. I have been very disturbed about some of the restrictions which our Government has placed upon the shipments of grain to bloc countries. Some of them I think could be removed by Executive order. For example, there is a requirement on grain shipments to almost all of the Eastern European countries that a specific license be secured for each shipment.

Another requirement that applies today on some grain is that an entire shipment cannot be unloaded in a country, but part of the cargo has to be first unloaded in a free world port. That is a ridiculous requirement.

Mr. ASHLEY. I agree with the gentleman.

Mr. FINDLEY. Another requirement is that half of some shipments must go in U.S. vessels. Can the gentleman from Ohio tell me if the conference report deals in any way, directly or indirectly, with these requirements, liberalizing them in some respect?

Mr. ASHLEY. In all truth, the conference was not in a position to deal with the matters which the gentleman has raised, mainly because neither the House bill nor the Senate-passed bill contained provisions with respect to these matters.

Mr. FINDLEY. May I ask the gentleman, does it deal——

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Ohio has expired.

Mr. PATMAN. Mr. Speaker, I yield 5 additional minutes to the gentleman from Ohio.

Mr. ASHLEY. Mr. Speaker, I thank the gentleman from Texas for the additional time.

Let me go on further to say that certainly our subcommittee and the full committee were fully aware of the problems raised and the gentleman from Kansas (Mr. MIZE) as a member of the subcommittee, can perhaps amplify further on this matter, and I will yield to the gentleman for that purpose.

Mr. FINDLEY. May I direct a further question to the gentleman from Kansas, then?

Mr. ASHLEY. By all means.

Mr. FINDLEY. Does the conference report in any way liberalize the requirement for a specific license on each shipment of grain?

Mr. MIZE. If the gentleman will yield, I would say to the gentleman from Illinois the answer to that question is "No." But I do think that in the hearings on this matter both in the House and in the Senate this problem was aired thoroughly, and the matter of whether or not to offer an amendment to cover the items that the gentleman from Illinois has alluded to was discussed. But we do feel that these matters can be resolved administratively, and the language in the hearings suggested that it look at these matters very carefully, and I think it will.

Mr. FINDLEY. Mr. Speaker, I have just one final question that I would ask to have considered.

Is there anything in the language of the conference report or the legislation to which it pertains which would restrict the authority of the President to lift by Executive order these restrictions on grain shipments?

Mr. ASHLEY. Absolutely none.

Mr. Speaker, I want to make it clear that there is nothing in the conference report that inhibits the authority of the President in any way whatsoever. In all truth, the main thrust of this legislation is to continue the restrictions on the export of strategic goods and materials largely for purposes of our national security.

At the same time, it has become abundantly clear that there are some 2,200 categories of goods, products, and technology, many of which have no strategic value whatsoever, and are by any definition peaceful goods, and yet the requirements for licensing do put our competitors at a very significant disadvantage.

It has been largely this kind of situation that is sought to be resolved by the

conference report. If the President continued to control grain commodities on grounds of national security, in view of their obvious availability elsewhere, he would be required to give his reasons for continuing to require express permission to export.

It has been largely this kind of a situation that is sought to be resolved by the conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding to me. Page 2 of the conference report, in paragraph (5), states:

It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, . . .

I have in mind the country of Rhodesia, which is certainly friendly to the United States, and which this Government is boycotting. This has forced American industry to buy chromium ore from Russia at an 81-percent increase in price since there is no other supplier of high-grade chromium other than Rhodesia capable of meeting the demands for this high-grade ore.

In the opinion of the gentleman does this language have meaning, or is it simply window dressing?

Mr. ASHLEY. As the gentleman knows, the boycott provision as retained by the Congress is operative at the discretion of the President.

Mr. GROSS. Then does that mean it is within the discretion of the President to elect to trade with Communist Russia rather than with Rhodesia; is that what the gentlemen is saying?

Mr. ASHLEY. The Export Control Act is an act, as the gentleman knows, which restricts the export of goods and commodities from the United States to the Soviet Union and to other Communist countries, and to such other destinations as the President may designate, for reasons for national security, foreign policy, or short supply.

Mr. GROSS. But this does not limit it in any sense. There is nothing that limits it to exports. The language I have just read to the gentleman is general language. Incidentally, I might say that our balance of trade with Rhodesia, prior to the boycott, was most favorable to the United States. I do not understand why any President would penalize this country by loss of exports and at the same time forcing industry to deal with and pay premium prices to Soviet Russia.

Mr. ASHLEY. I can appreciate the sentiments of the gentleman. In all truth I think it must be said that that is not covered by the conference report.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. PATMAN. Mr. Speaker, I yield 7 minutes to the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Speaker, we on the minority side are urging you to oppose the adoption of the conference report.

In view of the colloquy just prior to my rising, between the gentleman from Ohio (Mr. ASHLEY) and the gentleman from Ohio (Mr. WHALEN), I would like to read a letter which I received from the Secretary of Commerce, which was dated December 3, 1969, in which he says:

THE SECRETARY OF COMMERCE,
*Washington, D.C., December 3, 1969.*

Hon. WILLIAM B. WIDNALL,
*House of Representatives,*
*Washington, D.C.*

DEAR BILL: You have asked for the Administration's position on the Export Administration Act of 1969 as reported out of conference last month.

As you know, the Administration's preference from the outset has been for straight renewal of the Export Control Act of 1949. The House passed a two-year extension of this Act with a useful modification which presents no great difficulties internally nor could it be misinterpreted as an undue "liberalization" signal. However, we do not support the conference version which is being interpreted as calling for broad immediate liberalization. We feel strongly that any significant liberalization of East/West trade should be a part of broader improvements in overall East/West relations.

In addition to the policy difficulties which the conference-approved bill creates for the Administration, the language of the authority section is such a drastic change from the former act that a substantial question is raised as to whether, should it become law, the national security can be adequately protected. Specifically:

1. Section 4(a) calls for the Administration to review within six months all products and technologies with the intention of decontrolling those which do not make a significant contribution to the military potential of Communist countries. It is literally impossible to canvass defense laboratories and defense contractors with respect to all of the thousands of such highly sophisticated products in any short period, and even with a best efforts attempt, the margin for human error and the attendant security risk is great.

2. Section 4(b) provides that if strategic products or technology are available from any foreign source, comparable items from U.S. companies cannot be subject to export control, unless the President makes a specific determination that this is necessary in the interest of national security, and reports in detail to Congress the reasons for such determination. This requirement for detailed public disclosure of the reasons for retaining control over strategic commodities and technology despite foreign availability could be detrimental both to our national security and our foreign relations and also damage U.S. firms in regard to matters of trade confidentiality.

3. The language of the conference-approved bill is unclear as to whether the government maintains its authority as presently to control items involving new technology in "all other" or so-called "basket categories" until they have been reviewed and determined to be safe for export. Without such "basket categories" national security would be compromised by allowing uncontrolled export of many heretofore unidentified new products and technologies.

Failing the extension of the original Export Control Act of 1949 as amended by the House, the Administration strongly supports the substitution of the House Authority Section 3 of HR 4293 for the conference-approved Authority Section 4.

Sincerely,

MAURY,
*Secretary of Commerce.*

The three minority members of the conference sent a letter to Members of the House in which we urged opposition to the adoption of the conference report. We did not sign the report, and we hope it will not receive your support because the all-important section 4, the "authority" section, of the report is almost verbatim the Senate language to which we strenuously object for the following reasons:

First. It will be impossible to canvass the Government defense laboratories and private defense contractors throughout the United States to ascertain which of the many thousands of commodities, technologies, and information affected by the bill would, or would not, make a significant contribution to the military potential of Communist countries within the 6-month period to which such review is limited by section 4(a).

Second. Section 4(b) provides that if strategic products technology or information are available from any other source including Russia and other Communist countries or friendly nations not allied with the United States, such items cannot be subject to export control unless the President makes a specific determination that this is necessary in the interest of national security. Even if the President makes such a determination, the President then must report in detail to the Congress, his reasons for same. This reporting mandate will require detailed public disclosure which could, and no doubt would, be detrimental to our national security, our foreign relations and would damage U.S. firms in regard to matters of trade confidentiality.

Third. No provision is made for the maintenance of controls over "basket categories"—groupings of many similar products in general categories without individual identification. Use of basket categories is essential to control of the exportation of new products or technology having strategic potential but for which a separate classification does not exist because such new product or technology has never been previously identified. The Senate language in the report requires individual identification of all products subject to control and therefore inability to identify many new products and technologies would authorize their uncontrolled export even to the detriment of our national security.

In summary, we concur with many in the Congress who believe the Export Control Act needs updating. We agree that some of its provisions have been unnecessarily restrictive but we reject the radical changes proposed by the Senate and incorporated in the conference report.

We think it extremely unwise and not in this Nation's interest to shift the burden of proof to the President in total disregard of the fact that justification of his actions may entail the divulging of information which would be contrary to the national security interests of this country. When we in the House adopted an amendment to the Export Control Act making "availability" elsewhere of the proposed export a matter to be considered by the President in exercising his control authority, we restricted the application of such availability test to those nations with which we have de-

fense treaty commitments—in other words, we can have an impact upon trade policy and shipment of goods from other free world nations but we have no similar power or control with respect to the shipment of goods among and within the nations of the Communist bloc.

Defeat of the conference report will permit an opportunity to reexamine the questions and issues we have raised herein and hopefully the adoption of the House "authority" section.

Mr. PATMAN. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. I thank the gentleman for yielding.

Mr. Speaker, several weeks ago I came down to the well of this House and urged my colleagues to adopt an amendment to the Export Control Act which I was offering. I appreciated the substantial support the amendment received in the course of its adoption. Those who opposed the amendment looked upon it as a liberalization of the law, although I consider it a modernization or updating of the law.

This amendment to the "authority" section of the bill required the President to take into consideration the availability of items from other nations with which we have defense treaty commitments when making his determination as to whether or not an export from a firm in this country should be controlled or restricted. I argued then, as I argue now, that a realistic export control policy for this Nation must take into consideration the export policies of our friends and allies, for we are concerned with what Communist bloc nations, including Russia, receive from the free world in the way of exports more than we are in what nation does the trading. To the extent that we only interdict our source of supply by our Export Control Act, we do not deny receipt of strategic goods to our adversaries but in effect only penalize our exporters.

The modification in the "authority" section adopted by the House realistically dealt with the problem. But at the same time, it did not jeopardize the exercise by the President of proper controls over exports. It was a sensible modification of the Export Control Act, regardless of whether one views it as a liberal, a moderate, or a conservative, as those terms are used.

Subsequent to the House action the other body passed amendments to the Export Control Act which, in effect, constituted a rewriting of the law. Its action effected a significant liberalization of the law, and went far beyond what we had done in the House with respect to modification of the "authority" section of the law.

In conference, much of the policy thrust of the bill adopted by the other body was incorporated in the conference report, although some of us who participated in the conference thought some of the steps taken were too big and too fast, we acceded to the arguments and actions of the other body.

However, the mandate of the language of the "authority" section of the bill approved by the other body was such a departure from existing law, or even existing law as modified by the House version, that the gentleman from New Jersey, the gentleman from Kansas, and I could not accept the same, and as a consequence we did not sign the conference report.

I am sure you, too, are opposed to trade in strategic goods by exporters of this Nation with nations of the Communist bloc, including Russia; yet, the language of the "authority" section of the conference report, which was the Senate language, denies to the President the right to restrict or control such trade unless he satisfies the two-factor test of section 4(b) or makes an absolute determination that such trade would be detrimental to the national security of the United States and explains his reasons for such determination in a "full and detailed statement" in the next quarterly report to the Congress.

The strategic importance of most exports which may have military significance detrimental to the national security of the United States must necessarily be established from intelligence reports. Disclosure of the substance of these reports to the general public, through a detailed quarterly report to the Congress, would not be in this Nation's interest. It, therefore, would be almost essential for the President to attempt to satisfy the two-factor test of the "authority" section for the control of exports which does not necessitate the filing of such a report.

It is this two-factor test within the "authority" section that causes me the greatest concern. If you have read the language of the report, you will know that it denies to the President the right to control exports either through the establishment of restricted trade lists or by denial of export licenses, unless the President satisfies both requirements of such section. This test provides that with respect to any export control action, the President must determine: first, that the item to be restricted or denied a license "would make a significant contribution to the military potential of such nation or nations which would prove detrimental to the national security of the United States"; and, second, such item or items "sought to be exported are not readily available to such nation or nations from other sources." Since this is a twofold test, satisfaction of only one of the requirements is not sufficient to justify controls.

Once again I emphasize this says "other sources," not nations with which we have defense treaty commitments, as the House language said, but this says "other sources" and "other sources" under any interpretation means any sources within the world, and not just the free world.

The impact of this twofold test is to deny to the President the right to control the export of items to any nation even though such item or items may have substantial military significance detrimental to the United States, if such item or items are readily available to such nation or nations from any other source, including a source within the Communist bloc of nations, even Russia, since the term "other sources" has in no way been limited by the conference report.

The questioning of the Senator from Minnesota, the leading proponent of the Senate version, regarding his interpretation of this language of the conference report—I refer Members to the CONGRESSIONAL RECORD for November 14, pages 34290 through 34293—clearly establishes that either the Senator and his colleagues in the Senate did not mean what they had written or did not say what they meant.

Nevertheless, the language is not patently ambiguous and therefore is not subject to interpretation, regardless of the amount of legislative history which the Senate or this colloquy establishes in the pages of the CONGRESSIONAL RECORD.

My purpose in opposing the adoption of the conference report is to permit an opportunity for the Congress to adopt the House version of the "authority" section and for no other reason.

Section 4(b) of the conference report, which is the Senate language, is totally unacceptable to the administration, and to many of us on the committee, and should be unacceptable to the Members of the House.

I reiterate that urging the defeat of the conference report, as I am doing at this time, I am not advocating that I, or you, should reject all of that report.

Rather, it is necessary for us to reject the conference report if we are to be in a position to replace the objectionable provisions of the report's "authority" section only with the acceptable and responsible provisions originally adopted by the House. If we defeat the conference report, I will immediately move to have the House recede and concur in the Senate amendment with an amendment, and in this action I understand I have the concurrence of the chairman.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Illinois.

Mr. FINDLEY. Just to attempt to clarify in my own mind the essential issue here, is the gentleman's objection primarily the requirement of public disclosure which might in turn impair our security interests? Would that be an oversimplification?

Mr. BROWN of Michigan. Somewhat of an oversimplification, because it is only in the situation where the President cannot meet the two-factor test that he would have to make a determination of control just on the basis of the national security and give his reasons in the quarterly report. The two-factor test is primarily the test he should use. It is the two-factor requirement that makes it very difficult to control exports under that part of the law and as a consequence he would be required to rely upon the national security provision and give his reasons in the report.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Texas.

Mr. PATMAN. Do I correctly understand that the gentleman said that I had concurred with the gentleman in offering his motion?

Mr. BROWN of Michigan. Procedurally only, Mr. Chairman. I do not suggest that you concur in the substance of what I propose to do. I did mean you had procedurally agreed I could make such a motion, since otherwise it would be the prerogative of the chairman.

Mr. PATMAN. I had told you I had not made up my mind on what we should do, should the conference report be rejected.

Mr. BROWN of Michigan. That is not my understanding, Mr. Chairman, but if that is your understanding I accept it.

Mr. PATMAN. That is my understanding.

Mr. ASHLEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Ohio.

Mr. ASHLEY. The gentleman from Michigan was the author of the availability test that was written for consideration by our subcommittee and by the full committee. Can the gentleman tell me with respect to this dual test, which he feels is so onerous, what earthly difference it makes whether the commodity or the product or the technical knowledge is available from Great Britain, Italy, or from Czechoslovakia? If we are going to talk about availability as a rational, valid test, why do we choose to differentiate as to the source of that availability?

Mr. BROWN of Michigan. The gentleman from Ohio will agree that we have an export control law primarily to be able to control exports to the Communist-bloc nations and Russia. We think that should be a free world policy, a multilateral policy, more than just a policy of this Nation. We cannot have any control over exports from the nations of Eastern Europe or the Communist-bloc nations.

Mr. PATMAN. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. HALPERN).

(Mr. HALPERN asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. HALPERN. Mr. Speaker, my colleagues ought to be fully cognizant of the broad support which is being expressed for this legislation. I would like to address myself to this aspect of this issue.

On November 17 to 19, the 56th annual foreign trade convention was held in New York under the sponsorship of the National Foreign Trade Council.

The council is made up of more than 600 companies of highly diversified interests, representing every segment of the American economy, and drawn from all over this country.

Attendance at the convention is not confined to members of the council. Registered delegates to the convention numbered more than 2,000, including many officials of our Government along with representatives of the business community. The convention was chaired by James M. Roche, chairman of the board of General Motors.

The convention was very much aware of the conference substitute for H.R. 4293, agreed to on November 6, in its deliberations, and it addressed itself specifically to the question of East-West trade as it is affected by our export control policy and procedures. The convention adopted unanimously, a declaration with language on export controls, to which not a single objection was raised, as follows:

Subject to limitations imposed by considerations of national security, the Convention favors the relaxation of restrictions and simplification of regulatory procedures on export sales of nonstrategic goods and services to the Soviet Union and to the countries of Eastern Europe.

The Convention welcomes the detailed review of U.S. policies in respect to trade with the Soviet Union and Eastern Europe which has been occasioned in both the Senate and the House of Representatives by consideration and enactment of bills for renewal or modification of the Export Control Act of 1949, as amended, now due to expire on December 31, 1969.

The view of the Convention is that the terms and administration of the required new legislation as it emerges from Congress should assure, first, the effective prohibition of export of goods and technology which would be detrimental to United States security interests; and, second, that U.S. export controls in other respects are brought into closer conformity to the controls which other cooperating nations exercise through the Coordinating Committee of the Consultative Group (COCOM) of which the United States is a member.

The Convention recognizes that there are many obstacles to expansion in U.S. trade with the Soviet Union and the countries of Eastern Europe and that such expanded trade can only develop as there is a demonstration of mutual benefit. The Convention opposes, however, continuation of U.S. unilateral controls on the literally hundreds of products on non-military character which the Soviet Union and Eastern European Countries can readily obtain from COCOM countries other than the United States.

The National Foreign Trade Council endorsed this declaration of the convention and sent it to each Member of Congress, along with several other recommendations on foreign economic policy issues. I would like to insert at this point in the RECORD a listing of the distinguished members of the board of directors of the Council and of the delegates to the convention.

It seems clear, Mr. Speaker, that it is time to come into closer step with public opinion in this area. I believe the conference report accomplishes this and constitutes a signal achievement. I do not share some of the apprehension expressed. I urge the adoption of the report.

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ADVANCE REGISTRATION TO THE 56TH NATIONAL FOREIGN TRADE CONVENTION, NEW YORK, N.Y., NOVEMBER 17, 18, AND 19, 1969

(Includes guest observers from United States and foreign governments and from international institutions)

A

Arround, A. Robert, Vice President, International Section, First National Bank of Chicago, Chicago, Ill.
Achenbach, Dr. Richard, Consul, Consulate General of the Federal Republic of Germany, New York, N.Y.
Achikzad, G. F., Vice President, The Trading Company of Afghanistan, New York, N.Y.
Achilles, Theodore C., Vice Chairman, Executive Committee, Atlantic Council of the U.S., Washington, D.C.
Acosta, Allen H., Export Manager, Acheson, Colloids Company, Port Huron, Mich.
Adams, Frank J., Export Manager, The Jaeger Machine Company, Columbus, Ohio.
Adams, Professor Robert W., Institute for International Commerce, Graduate School of Business Administration, The University of Michigan, Ann Arbor, Mich.
Agnew, Harold A., Traffic Manager, Grancolombiana (New York), Inc., New York, N.Y.
Aguilar, Rafael, Head Commercial Office—Embassy of Spain, New York, N.Y.
Ahle, Rudolf, Consulate General of the Federal Republic of Germany, New York, N.Y.
Ahonen, Vaino A., Vice President and Manager, International Department, Peoples Trust of New Jersey, Hackensack, N.J.
Ahuja, V. K., Consul General of India, New York, N.Y.
Alexander, Gerald, Group Vice President, The B. P. Goodrich Company, Akron, Ohio.
Alexander, John L., Manager, Foreign Operations, Oneida Ltd., Oneida, N.Y.
Alexandrides, Dr. C. G., Institute of International Business, Atlanta, Georgia.
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Allen, Arthur P., Assistant Chief, General Commercial Policy Division, Department of State, Washington, D.C.
Allison, Duane, Director, Eastern Operations, Portland Public Docks, New York, N.Y.
Al-Qandi, Abdulla, Vice Consul, Consulate of the State of Kuwait, New York, N.Y.
Alvarenga Cabanas, Ruben I., Consulor, Embassy of Paraguay, Washington, D.C.
Alvarez, P. J., Manager, Financial Planning, International, Lone Star Cement Corporation, Greenwich, Conn.
Ammar, Hamed, Minister, Charge d'Affaires a.i., Embassy of Tunisia, Washington, D.C.
Andersen, Aksel, N., Banking Officer, Marine Midland Grace Trust Company, New York, N.Y.
Anderson, E. I., Vice President, Operations Planning, RCA Sales Corporation, Indianapolis, Ind.
Anderson, John C., Assistant Vice President, Foreign Credit Insurance Association, New York, N.Y.
Anderson, Richard E., Assoc. Technical Director, The Chase Manhattan Bank, New York, N.Y.
Andren, John H., Executive Vice President, Manufacturers Hanover Trust Company, New York, N.Y.
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Andrews, Lindsay T., Assistant Vice President, Franklin National Bank, New York, N.Y.
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Anschultz, James W., Vice President, Bank of the Commonwealth, Detroit, Mich.
Anthony, William J., Vice President, The Fidelity Bank, Philadelphia, Pa.
Apeseche, F. P., Johnson & Johnson International, New Brunswick, N.J.
Archer, A. J., Management Development Manager, E. R. Squibb & Sons, Inc., New York, N.Y.
Archibald, C. I., Assistant General Manager, International Banking Division, The Bank of Nova Scotia, Toronto, Ontario, Canada.
Arioka, Shigeru, Assistant Vice President, Sumitomo Shoji America, Inc., New York, N.Y.
Armishaw, W. F., Assistant General Manager, Republic Steed Corporation, General Export Division, New York, N.Y.
Armstrong, Col. Armour S., Chief Office of Ports and Intermodel Systems, Maritime Administration, Department of Commerce, Washington, D.C.
Armstrong, Donaldson, Deputy Consul General, Canadian Consulate, New York, N.Y.
Armstrong, Robert W., President, Revlon International Corporation, New York, N.Y.
Armstrong, Willis C., President, U.S. Council of the ICC, New York, N.Y.
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Arvani, Christopher C., Vice President, First National City Bank, New York, N.Y.
Ashton, Professor David J., School of International Business, Boston University, Boston, Mass.
Aspinwall, Robert A., Treasurer, United Aircraft Corporation, East Hartford, Conn.
Atherton, J. L., General Sales Manager, Port of Beaumont, Beaumont, Texas.
Austin, Donald E., Manager, Overseas Corporate Administration, General Motors Overseas Operations, New York, N.Y.
Austin, Dr. Ruben V., Dean, College of Business and Economics, Robinson Hall, University of Delaware, Newark, Del.
Avery, J. E., Jr., Vice President, Johnson & Johnson International, New Brunswick, N.J.
Ayers, Captain William M., President, Ayers Steamship Company, Inc., New Orleans, La.
Ayoub, Sam, Assistant Treasurer, The Coca-Cola Export Corporation, New York, N.Y.

B

Babb, F. F., Manager, Sales Projects Financing, General Electric Company, New York, N.Y.
Bachmeyer, William L., Export Manager, American Hospital Supply International, Edison, N.J.
Back, L. A., Assistant Vice President, First National City Bank, New York, N.Y.
Badour, Alan D., General Manager, Hendrickson International Corporation, Lyons, Ill.
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Baldwin, William H., Public Relations Director, National Foreign Trade Council, Inc., New York, N.Y.
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Ball, E. A., Boise Cascade International, New York, N.Y.
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Bardach, Henry, Country Officer for Korea, Department of State, Washington, D.C.
Bardenhagen, Arthur, Vice President, Irving Trust Company, New York, N.Y.
Bardsley, R. G., Senior Vice President, National Bank of North America, New York, N.Y.
Barnes, Edwin A., Jr., Director, Salaried Personnel Administration, General Motors Overseas Operations, New York, N.Y.
Barrand, Harry P., Executive Vice President, Manufacturers Hanover Trust Company, New York, N.Y.
Barrett, J. Patrick, Manager, Administrative Services, Carrier Overseas Corporation, Syracuse, N.Y.
Barron, James B., Vice President, New England Merchants National Bank, Boston, Mass.
Barsanti, William P., Partner, International Division, Arthur Andersen & Co., New York, N.Y.
Barss, Dr. Lawrence W., President, Barss, Reitzel & Assoc., Inc., Cambridge, Mass.
Bartlett, Albert J., Partner, Arthur Andersen & Co., Detroit, Mich.
Bashir, A. R., Economic Minister, Embassy of Pakistan, Washington, D.C.
Bass, Martin, PMA Coordinator, New York Area Office, Small Business Administration, Washington, D.C.
Bates, Ralph E., Director, International Distributors Relations & Services, RCA, New York, N.Y.
Batton, C. V., Administrative Vice President, The Hoover Company, North Canton, Ohio.
Baughman, Max L., Senior Vice Presdent, La Salle National Bank, Chicago, Ill.
Beal, Mahlon B., Division Chief, Exporter Credits, Guarantees, and Insurance, Export-Import Bank of the United States, Washington, D.C.
Bean, Robert L., Coordinator of Programs, State of Illinois, Department of Business & Economic Development, Chicago, Ill.
Beaumont, R., Agent-in-Charge, The Hongkong and Shanghai Banking Corp., New York, N.Y.
Bechtel, J. Frederick, Vice President, Clark Equipment Company, Buchanan, Mich.
Beck, Carl E., Vice President, Banco Credito y Ahorro Ponceno, San Juan, Puerto Rico.
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Williams, Timothy S., Senior Counsel Far East, International Telephone and Telegraph Corporation, New York, N.Y.

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Mr. PATMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, I expressed my own reservations about any changes in the Export Control Act when it first came before this body some months ago. At that time, frankly, I resisted any changes in the act because the administration had made it abundantly clear that it preferred an extension of the existing language. But now we find ourselves faced with a bill which is considerably different than what I objected to.

Let me touch upon a few of the things which I regard as most hazardous. First, there is this requirement that the President make known his reasons by setting forth in detail data for export which would make it possible for the whole world, perhaps, to obtain technical knowledge that we do not want certain countries to hear about.

I recall the colloquy of a few moments ago between the gentleman from Ohio (Mr. ASHLEY) and the question he asked the gentleman from Michigan (Mr. BROWN) about what difference does it make whether an item is available from Czechoslovakia or Great Britain. Let me address myself to that question for just one moment.

If Czechoslovakia has an item of extreme sophistication she is obligated by reason of her ties with the Soviet Union to sell whatever of her capacity she has to the Soviet Union, but if the Soviet Union needed more of that particular item the mere fact that item is being manufactured in Czechoslovakia, when perhaps no other country in the world except Communist-controlled countries would sell that item, that would be a sufficient justification under the language of this conference report to require the Secretary of Commerce to authorize the export by American manufacturers of that item which no other country in the western bloc would agree to sell to the Soviet Union.

I cannot possibly justify in my own mind, nor do I believe the majority of the Members of this body can justify that type of logic to open the floodgates of American industry and American technology to the Communist countries.

So, gentlemen, I earnestly hope the Members of this body can support the Brown amendment, or to support the proposal to send this matter back to conference. The administration is not sympathetic with the conference report as it now exists.

Those of us who have studied the conference report and understand the full implications of what can be developed in the logic, and the illogical results that can come about by applying the language in this conference report, will recognize and come to the same conclusion that the conference report should be rejected, and this matter should be sent back to conference for further review.

Furthermore it is interesting to note that the conference report regarding the extension of the Export Control Act has been awaiting action by the House for over 2 weeks. As you know, there is a great deal of controversy over the control and authority section of this conference report. This section would virtually allow American industries to export to Communist countries any material which could not be shown to have a direct military relationship. Specifically the bill requires the Department of Commerce to survey all laboratories and industrial products produced in the United States and form a list of those goods and technology which are strategic to our national security. First, it is almost impossible for the Department of Commerce to even conceive of surveying all the industries and laboratories within the United States which are producing strategic goods and decide whether or not they are of any military value.

I feel that if the Export Control Act as now drawn is adopted it will virtually open the floodgates and allow strategic materials to be exported to Communist-dominated countries. Recently, in the November–December issue to Ordinance magazine, Dr. Anthony C. Sutton of the Hoover Institution on War, Revolution, and Peace, which is located on the campus of Stanford University in California, presented an article entitled, "Soviet Export Strategy." It has been proposed by many Members of Congress, including myself, that the United States ship to Communist countries raw materials in order to make them dependent upon the United States for the supply of these vital necessities. However, we see that the reverse of this is becoming the accepted pattern. In Dr. Sutton's article, he clearly outlines this trend. I think that all Members of the House should review this article before casting their vote on the Export Control Act, and I hereby insert this article into the RECORD.

SOVIET EXPORT STRATEGY

(By A. C. Sutton)

Maj. Gen. A. N. Lagovskiy of the Red Army, a doctor of military science and a leading Soviet specialist in economic warfare, is also author of "Strategiya i Ekonomika"—a text on economic warfare recommended for study in the Soviet armed forces.* Given Lagovskiy's considerable status and wide influence, it is conceivable that the strategies outlined in "Strategiya i Ekonomika" constitute, at least in part, the basis for the operational directives of Soviet foreign economic polices.

The purpose of this article is to relate one Lagovskiy principle—the "weak-link principle"—to the pattern of recent U.S. trade with the Soviet Union and thus to test a stated Soviet strategic principle against empirical observations.

In a section discussing foreign trade as a weak link in the economy during a war, Lagovskiy notes the great independence of modern warfare on certain raw materials—such as chrome and platinum—and, simultaneously, notes the lack of major deposits of such raw materials in the United States and other capitalist countries.

As a consequence, he suggests, "the strategic material situation continues to be an urgent problem in war production for the U.S.A."

TABLE I—*Critical materials in a U.S. military jet airplane (from Lagovskiy)*

[Percentages of material imported]

| Material: | |
|---|---|
| Chrome (3,659 pounds) | 92 |
| Nickel (2,117 pounds) | 97 |
| Alumina (bauxite) (46,831) | 76 |
| Cobalt (436) | 88 |

A clear distinction is drawn by Lagovskiy between such "weak-link" strategic minerals and machinery with a technological component. Application of Lagovskiy's principle would require the Soviet Union to avoid import of weak-link mineral commodities—while simultaneously encouraging a potential adversary, such as the United States, to accept such exports from the Soviet Union.

On the other hand, the Soviet Union would deny exports of its own technology embodied in machinery and equipment, while maximizing imports of a potential adversary's technology.

As for the technological side of U.S.-Soviet trade, there is no question that export of worth-while Soviet technology to the West (or even to fellow socialist countries) is virtually nil, while Western and East European export of technology to the Soviet Union is not

* A. N. Lagovskiy, "Strategiya i Ekonomika" (Moscow: 1957), first Russian edition. A translated version of a second edition (1961) is "Strategy and Economics" (JPRS: No. 19,700 of June 17, 1963). There is significant difference between the two editions, and the material used here was largely added by Lagovskiy to the second (1961) edition. References are then to the second (translated) edition.

only both historically and currently of immense proportions but also of critical importance to Soviet economic and military development. Therefore, it is only the "weak-link"-import aspect which is now of interest.

Except for synthetic rubber, the Soviets do not import such mineral commodities from the United States; i.e., they have avoided any strategic dependence on their own part. In distinct contrast, the U.S. is a remarkably heavy importer of "weak-link" commodities from the U.S.S.R.

Let us first review the argument in detail.

Lagovskiy takes an American jet plane as his principal example and lists the amount of critical materials required in construction of a single aircraft (see Table I).

It is therefore, clear, says Lagovskiy, that a jet aircraft cannot be produced in the United States by utilizing only domestic raw materials, "since domestic production of the most important types of raw materials for it amounts to only 3 to 24 per cent of requirements." This example of dependence on imported materials for military aircraft is followed by a listing of United States imports of these materials (see Table II).

Many, but not all, of these raw materials, do have imperfect substitutes; synthetic rubber, for example, rather than natural rubber, is more important to industry in the United States, and butyl synthetics are equal in physical properties to natural rubber. It is rather the Soviet Union that is dependent on natural rubber, as its own development of synthetics (it has no natural rubber) is backward.

*Percentage imported by United States*

| | |
|---|---|
| Natural rubber | 100 |
| Tin | 100 |
| Industrial diamonds | 100 |
| Chrome ore | 99 |
| Platinum | 99 |
| Manganese | 95 |
| Cobalt | 80 |
| Tungsten | 72 |
| Bauxite | 70 |
| Mercury | 66 |

On the other hand, although substitution is possible for materials like chrome, manganese, and tungsten, such substitution is not complete and would be difficult to undertake on short notice. It is in U.S. imports of these minerals that Lagovskiy's argument has some force.

It is interesting that Lagovskiy avoids any further discussion of rubber but devotes a full page of discussion to U.S. dependence on imported chrome and emphasizes that "the U.S.A. has almost no chrome in its own country."

Chrome is required for production of alloys for jet engines, gas turbines, guns, and armor-piercing projectiles; it is used in both aircraft and motor vehicle manufacture The United States accounts for about two-thirds of the entire Western-world consumption. Lagovskiy points up as a "weak link" the "enormous geographic disparity" between world production and consumption regions:

"The imperialist countries, considering the enormous significance of chrome in war production and the lack of deposits of it in places where it is consumed, do not spare funds for the development of chrome reserves. However, this does not free them from the necessity of importing chrome ore in wartime as well."

*Amount of U.S. imports from U.S.S.R.*

| Weak-link commodity: | |
|---|---|
| Chrome ore | $3,433,000 |
| Diamonds, cut but unset | 5,681,000 |
| Platinum | 518,000 |
| Palladium | 15,540,000 |
| Rhodium | 2,348,000 |
| Nickel | 1,092,000 |
| Titanium | 899,000 |
| Lagovskiy's "weak links" | 29,501,000 |
| Total U.S. imports from U.S.S.R. | 35,359,000 |

*Source:* U.S. Department of Commerce, *Export Control,* 85th Quarterly Report, p. 19.

Clearly, then, Lagovskiy lays great faith in his "weak-link" theory, and he might be expected to recommend its use in Soviet economic relations with the United States.

Although we have no direct way of knowing whether the Soviets have indeed made use of the principle, we can examine the structure of U.S. imports from the Soviet Union to determine if the structure conforms, or does not conform, to Lagovskiy's theory.

If it does not, then either the Soviets have made no attempt to utilize the principle, or—conversely—they have attempted to do so, but the United States, aware of its potential weaknesses, has avoided dependence by diverting its purchases elsewhere. This is possible, as there are free-world as well as Soviet sources.

Table III contains U.S. imports of Lagovskiy's "weak links." While Lagovskiy lists "platinum," the table includes "platinum group" metals. Nickel and titanium are not in Lagovskiy's listing, but fulfill the Lagovskiy criteria.

This table contains data for the first half of 1969 (latest available in the Quarterly Reports on Export Control). U.S. imports of weak-link commodities constituted no less than $29 million out of a total import from the Soviet Union of $35 million of all goods. *A remarkably high percentage—84 per cent—of our total imports from the U.S.S.R. fall within the very narrow range of commodities covered by the Lagovskiy weak-link principle.*

If the comparison is extended to cover the previous full year (1967), 65 per cent of our imports from the U.S.S.R. fall into the category.

In brief, our import structure is almost unbelievably consistent with a principle of economic warfare that is advanced by a general of the Red Army.

The next relevant question concerns the proportion these imports from the U.S.S.R. constitute of U.S. *total* imports from *all* sources for specific commodities. In 1966 about one-third of U.S. chrome ore imports came from the Soviet Union.

In the same year, about one-half of palladium imports and just less than one-third of the rhodium imports came from the U.S.S.R.; in the case of other platinum-group metals, the Soviet proportion was somewhat less. However, it cannot be argued that the relative dependence is in any way a minor matter.

In general, it may seem improbable that the dependence is critical. Alternate sources of supply are available, stockpiles presumably are adequate, substitution is possible—and in time of war there would be diversion from considerable civilian end uses to military end uses.

But the Soviets, in case of war, also could divert these Russian deposits (developed with the aid of Western equipment and peacetime purchases) to their own military use. Such diversion would be relatively more important to them, as civilian uses in the U.S.S.R. are much smaller and they do not have the same range of substitution options. Further, free-world sources are in areas earmarked for "liberation" by the Soviets—Rhodesia, for example.

It cannot be argued that this coincidence between a Soviet strategic principle and its implementation is accidental. The Soviets have a foreign trade monopoly and can bring about, by manipulation of price and quantities marketed, a militarily desirable pattern of trade.

Any trade pattern therefore must reflect a conscious objective on the part of the Soviet Union. It has not resulted from the free play of market forces in international commerce.

The evidence suggests that the Soviets adopted the weak-link theory and have endeavored to put it into practice. Private American firms then responded (as they have every right to do) to the lower Soviet prices and more favorable offers. This pattern was encouraged by the Johnson Administration when Rhodesia was cut off as a source of supply for chrome.

The United States therefore is becoming increasingly dependent on Soviet raw materials of a critical nature. The only valid conclusion is that this was a conscious effort on the part of the Soviet Union as part of a wider scheme. If not, the pattern of U.S. imports from the U.S.S.R. would be distributed far more widely.

This also explains why the Soviet Union continued to ship chrome and manganese to the U.S. after the 1948 embargo and during the current Vietnamese war—*i.e.,* as a long-range effort to increase U.S. dependence. A few U.S. observers have noted the continuing import of Soviet chrome and concluded it is a sign of Soviet benevolence—a completely mistaken interpretation, inconsistent not only with Soviet strategy but also with our own defense posture.

For example, J. M. Chambers, testifying before the U.S. Senate Subcommittee on Banking and Currency (May 1969), argued: "The metallurgical-grade chrome consumed in the United States normally comes from two main sources; Rhodesia furnishes one-third, Russia one-third, and the balance from the rest of the world. With Rhodesia under sanction we cannot rely on them for any chrome and therefore the . . . availability of chrome ore from Russia is essential. . . .

"Since the importance of these materials to our industries is well known to the Russians I think that some of those who worry about our 'national interest' should take heart that Russia has continued to supply us . . . "

There are indeed two ways of looking at dependence on the Soviet Union for strategic materials. One way—put forward in the early 1960's in the Rock report—is to accept a strategy of interdependence as leading to peace.

Unfortunately, it has never been explained how interdependence between two countries leads to absence of conflict. Indeed, the argument is refuted by Soviet actions and their reasons for these actions in Vietnam.

Examination of the trade history of the past decade suggests certain firm conclusions. As the "bridge-building" policy took hold in the mid-1960's, the Soviets had an opportunity to make a reciprocal response according to the prevailing theory of "graduated reciprocation in tension reduction." How did they respond?

If Soviet actions had been guided by responsive reciprocity, they would have increased neither their trade in weak-link commodities nor their logistic supply of world revolution. They would have made a determined and conscious effort to deemphasize any action capable of misinterpretation, and so have marked their intentions to reciprocate.

Given the monopoly of foreign trade in the Soviet Union, such a policy could have been effected very readily, and it would have shown up long before 1966–1967.

The facts presented complement the evidence provided by Soviet logistic support of the Vietnamese war and the Middle East conflict—that the Soviets not only made no effort at reciprocity, but also seized the opportunity to further an over-all offensive strategy, an *economic* strategy with *military* objectives.

It appears that the United States, under the illusion that it was making an initial invitation for reciprocal disarmament and trading for peace, actually may have traded and reciprocated itself into a potentially dangerous corner.

The coincidence between Soviet strategic objectives and our imports from the Soviet Union is too great and has continued for too long a period of time to be dismissed as accidental. There is little question that Soviet

offers have been attractive enough to U.S. firms to induce such a dependence.

In "Strategiya i Economika," Lagovskiy makes explicit reference to this question: "Our strategy is a strategy of bold daring, always realistically considering the material, moral, and political capabilities of its accomplishment. In the Soviet Union, where economics and strategy are developed in an indissoluable dialectical unity under the leadership of the Communist Party, where the planned system of economy dominates, there is no expenditure of resources without plan, and never can be . . ."

It is the psychological effect on Soviet planners that contains a degree of danger. Although given to great realism, Soviet planners cannot help but observe the significant fulfillment of a strategic objective. If this be so, then it must weigh in the scale in consideration of future hostilities with the United States.

From the viewpoint of a soviet planner it is a distinct signal of United States weakness, and as such is generally considered a sufficient invitation to initiate aggression. It makes little sense, then, to defend ourselves at a cost of $X billions against Soviet missiles, without accompanying this move by the logical action—taken at the almost negligible cost of shifting supply sources—to remove a potential source of Soviet miscalculation.

Mr. PATMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, during the 87th Congress I was pleased to serve on the Select Committee on Export Control, where we spent many, many months in dealing with the matter of strategic exports. Since the dissolution of this committee, I have had continuing interest in this field.

I might say further that I have watched with more than a keen interest the attempts that have been made over the years to try to do to this act what this conference report is now proposing.

I might also say very forthrightly and frankly that this bill scares me to death from the standpoint of our national security. This morning I talked with the Secretary of Defense concerning this conference report. I have since received a communication from the Department of Defense relative to the same.

This is what the Department communication says about this conference report:

From the standpoint of DOD, we foresee serious problems if the conference report is adopted. The basic problem is that as now drawn, the bill shifts the burden of proof from the exporter to the government and requires the President in order to place an item under control to make positive findings that (a) it would make a significant contribution to the military potential of other nations to the detriment of U.S. national security, (b) an item of comparable quality and technology is not readily available from other sources, and (c) if available from other sources, the item should still be controlled in the interest of national security, which must be subsequently explained to Congress.

Such requirements pose insuperable administrative difficulties. We cannot, for example, provide conclusive evidence that communications equipment shipped to Warsaw Pact countries will be used for military purposes, or that technology for building a launch vehicle for a space satellite is being acquired by a Free World country for use in connection with a ballistic missile program, or that an advanced computer capable of being diverted to strategic uses will in fact be so diverted. Indeed, in some cases where we have such evidence, it cannot be presented publicly because it is sensitive.

The question of foreign availability creates similar problems since, except for a very few of the most strategic items, conclusive evidence that the U.S. equipment is significantly superior in quality and technology is seldom available without exhaustive investigation. As a result many items of strategic importance are likely to escape control and become freely exportable to the USSR and Eastern Europe merely because comparable items are available outside the United States.

The Department's position is quite clear. The Commerce Department's position, as referred to by the gentleman from New Jersey, is also quite clear. According to these Departments' statements this legislation is not in the best interests of our national security.

I might ask, what happened to the House bill we passed? When this matter was before the Committee on Rules, proponents were asking only for a simple extension of the Export Control Act of 1949 with a few minor amendments. Now the conferees have come back with a major overhaul of the act, and the bill now proposes to do the very things certain interests have been attempting to do for many, many years.

I say that if we are interested in the national security of this country, we will vote down this conference report.

The SPEAKER. The time of the gentleman has expired.

Mr. PATMAN. Mr. Speaker, I yield to the gentleman from Wisconsin (Mr. REUSS) such time as he may use.

Mr. REUSS. Mr. Speaker, there is an eerie quality about this debate. I rise in support of what I believe to be an excellent conference report. The reasons for it have been well given by the gentleman from Texas (Mr. PATMAN) and the gentleman from Ohio (Mr. ASHLEY).

In essence what the conference report does is to support American business, and to try to free it from some of the archaic and bureaucratic cobwebs that have hampered it.

It is ironic that the Republican party, the party of business, or at least big business, should be attempting to knock down this conference report.

Now, let us look at precisely what the conference report does. Basically, it does two things. It reaffirms and reinvigorates the power and duty of the President to see that no strategic materials of military significance get anywhere back of the Iron Curtain or into the hands of our adversaries.

Second, it gives the President the power to end the ridiculous practice of cutting off our nose to spite our face. That has been going on for years.

On the list of strategic materials unshippable to the bloc are, let us say, widgets. Well, what happens? The Russians want widgets. The Germans, Italians, and the French sell them widgets. So our European allies get the orders and the Russians get the widgets—giving us the doubtful satisfaction of having gratified the lust of some obscure bureaucrat in the Department of Commerce to find reason for banning the sale.

Let me call your attention to page 169 of the subcommittee hearings, and of the 130 pages following that, filled with fine type and setting forth things that are strategic and hence subject willy-nilly to export control, no matter what the President thinks.

Just take the start of the list—dairy products, milk and cream, wheat, barley, rye, oats, sorghum, and so on.

Now what happened on dairy products? Well, in the great State of New Jersey and in the great State of Michigan, they produce dairy products—they even produce some in my State of Wisconsin—though I shall try to be objective. Dairy products are an excellent export commodity of the United States of America. Yet what happens is that if a little Polish child needs dairy products, who gets the order? The Germans or the French get the order. And we, the taxpayers of the United States, then buy our dairy products to dump them for nothing in the foreign aid program. If that makes sense, I wish somebody would tell me how.

So all that happens under the existing regimen is that we deny American business and agriculture the opportunity to compete for orders which our allies then proceed to get.

Oh, I know the specter of security has been dragged out. Let me tell you what security really means. In the U.S. foreign economic policy, real security depends on getting our balance of payments under control. It has been a shame and a disagrace for years that we have allowed it to deteriorate. The best single way of getting our balance of payments under control is to increase our exports, not to cut off our noses to spite our faces.

Unless we get our balance of payments under control, the dollar will be jeopardized, and then our real security will be weakened. And, believe me, our real security is not going to be weakened if we compete with the Germans and French for the opportunity to sell dairy products or wheat to people behind the Iron Curtain who need those products.

If by some mishap this conference report is voted down this afternoon, then you have indeed cast the whole Export Control Act into limbo, because it expires on December 31, 20 days from now. And if you vote down the conference report, I have to inform you that the Senate has acted on it, has adopted it, and the conference is dissolved. So for approximately 130 good reasons, which are set forth on pages 169 to 291 of the subcommittee hearings, let us support this excellent conference report.

Mr. ASHLEY. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Ohio.

Mr. ASHLEY. I appreciate the gentleman yielding.

I ask him to do so only because it occurs to me that there is some confusion with respect to Presidential authority. Is it not a fact that under this conference report the authority of the President to ban the export of goods and commodities is retained?

Mr. REUSS. It is retained and reinvigorated.

Mr. ASHLEY. There are three rea-

sons that the President can use to prohibit or curtail the export of American goods, services, and technology. Foreign policy is the first, national security is the second, and short supply is the third. If the President chooses to use foreign policy as the reason for excluding exports, no explanation whatsoever is necessary as to whether or not those goods are available elsewhere. Where national security is the stated ground for control, and the goods are available from other sources, a very simple reporting requirement is necessary. Where reporting to the Congress is required, no stipulation whatsoever is made with respect to the release of classified information or of any confidential business data. If this does not answer the objection by the Defense Department to Mr. LATTA, I do not know what would satisfy him. The language of the report meerly indicates that it should be clear which categories, goods, and information continue to be subject to express permission on national security grounds, for which nation or nations, and for what reasons other than unavailability from foreign countries.

Mr. Speaker, let me say further, in connection with a question raised earlier, that the device of employing a strained and unreal hypothesis involving the presence of a source of supply among Communist countries fails to take into account the understanding of the language "readily available" held and conveyed by administration officials in public hearings. Ready availability embraces quantitative and delivery time capabilities, among others, of the supplier. With respect to the import requirements of the Soviet Union, if the Czechoslovakian capacity to deliver goods of comparable quality and technology in the desired quantities within a reasonable time differed ever so slightly from our own, the goods could be characterized as not readily available. If the Czechoslovakian capacity does not differ from our own, the Soviets are obviously not going to buy the goods from non-Communist sources.

Even in situations in which our exporters have attempted to compete with suppliers in countries allied with us, an inordinantly narrow construction has been put on the term "ready availability" by the Office of Export Control, so that an order which might be deliverable from a foreign competitor only a few weeks or months later than from one of our firms can be characterized as not readily available. There has been no great hesitation to require licenses for our exports vis-a-vis those of allied suppliers, so I find it difficult to imagine the Department of Commerce not finding a rationale for denying those which would compete with suppliers within Eastern Europe. I would like to make it clear now that, while the Department of Commerce should not employ too narrow an interpretation of "ready availability" which discriminates against our exports for civilian uses in competition with those of Western countries, the Department would certainly have the latitude to do so in situations involving goods of significant military applicability from Eastern European suppliers. And in any event, a careful reading of section 4(b) reveals that the President is still free to require express permission for the export of such goods.

Again I suggest, if the gentleman from Wisconsin will bear with me, that there is confusion with respect to Presidential authority, and I do not like to suggest that this is contrived confusion, but it comes close to it in my mind. I make that statement because throughout the hearings and throughout the conference it was abundantly clear that under no circumstances did any member of that conference want to disturb the authority of the President to regulate exports where national security and foreign policy were involved.

The gentleman from Michigan knows this. Other members of the conference know this. To suggest that somehow we are diluting this authority, somehow opening up some kind of bonanza for uncontrolled trade simply belies the facts of the matter. This is not the purpose of the conference and it is not the purpose nor the purport of the conference report. Would the gentleman not agree with me?

Mr. REUSS. I do. The gentleman has stated the letter and the spirit of the conference report precisely and concisely.

Let me add, in this connection, a word about that letter from some obscure bureaucrat in the Department of Defense, I do not know who he is to be writing a letter attempting to advise this House on economic matters. It is the Department of Defense which has gotten us into our balance-of-payments bind, a military deficit of about $7 billion a year. Now, when we are attempting to straighten out the mess into which the Defense Department has gotten us, the Department has the unparalleled gall to suggest it does not like the efforts we are making.

Mr. ASHLEY. Mr. Speaker, if the gentleman will yield further, we have had read to us letters from the Department of Commerce and the Department of Defense saying they do not support the conference report. I must say this is the first news the members of this committee have had of the position of the administration.

Putting that to one side, it is a fact that the Department of Commerce in conjunction with the Department of Defense and other departments have come up with a list of approximately 2,200 categories of goods, products and technology that are on the control list.

What are our COCOM neighbors doing? The multilateral group with which we seek to have a meaningful and effective free world export policy as far as significant military apparatus, and the like is concerned with respect to trade with Communist countries, our multilateral policy embraces less than 500 categories of goods and products. We have 2,200. So, of course, the question of availability exists.

But our allies are concerned with their national security just as we are. The fact of the matter is that in the testimony of the departments before our committee, there was tacit admission that hundreds upon hundreds of categories were peaceful goods, that there was no reason for foreign competitors to enjoy this position, which makes it difficult and often impossible for American exporters to compete in these areas. The witnesses admitted this. They admitted they do not review these categories, that they do it only on an infrequent basis, only when sufficient question is raised by the Congress. Is this not so?

Mr. REUSS. This is absolutely correct.

Let me say to the gentleman from Ohio, that if our friends here this afternoon, who seek to knock down and destroy this conference report, would only go over to Bonn and Rome and Paris and attempt to sell their restrictive programs to the Parliaments of Germany and Italy and France, and if by some chance they were successful, they would have done the greatest possible service for the United States of America. They would have diminished competition by those countries, and enabled us to sell our wheat, our dairy products, and our widgets in markets in which France and Germany and Italy are fast grabbing them from us, because of our ridiculous, self-imposed, feckless and reckless self-denial.

Mr. ASHLEY. Mr. Speaker, if the gentleman will yield further, we are talking about the export of peaceful goods and commodities. There can be no question about that. No effort is being made to facilitate the export of sophisticated, militarily-related technology or anything of this kind. We are talking about American businessmen who seek export markets for their peaceful goods and commodities, in competition with our European and other neighbors throughout the world. Is this not so?

Mr. REUSS. This is so.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. REUSS. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman from Wisconsin for yielding. Referring to the colloquy which has occurred between the gentleman in the well, the gentleman from Wisconsin, and the gentleman from Ohio, I think there is a total misunderstanding about the action I am suggesting the House take. I am only urging the defeat of the conference report so as to permit adoption by the House of the House authority section.

If the House does not want to impair the President's ability to control strategic goods, this can be done by defeating the conference report and adopting the motion I will make later on.

All of the conference report which relates to their colloquy will remain in the conference report. Only the area of the "authority" section, which deals with "strategic goods" that are available from a nonfree-world country and therefore authorized for shipment from this country, is the area we are talking about. So your discussion of widgets does not apply.

Mr. SMITH of California. Mr. Speaker, the conference report on the Export Control Act extension bill, H.R. 4293, which is before the House of Representatives at this time, must be viewed with deepest concern.

This bill was approved by the House on October 16, 1969, and provided essenti-

ally for a straight continuation of the Export Control Act of 1949. Extension of the act to provide authority to control exports from the United States is vital because of the significance of exports to our national welfare and security.

As agreed to in conference, H.R. 4293 is a different bill from that approved by the House. The conferees accepted almost entirely the version as passed by the other body. That version would continue to provide for an export control program but unfortunately its primary thrust appears to be toward forcing a weakening of the safeguard controls which now exist on proposed shipments of goods, equipment, and data to Communist nations.

The measure we are asked to put a stamp of approval on today contains what in my view is a questionable collection of findings, declarations, assessments of duties and reporting requirements which add up to uncertainty and inconsistency as to policy, and harassment and coercion of those who are supposed to administer the program. It is not spelled out on the face of the bill, but these requirements are included for the purpose of weakening our present program of controls on shipments to the Communists. Their purpose is to expand trade with the Reds.

Those who advocate gutting the export control program often assert or seek to advance the belief that there are prospects of greatly increased commercial East-West trade if we lower our control standards and that this would be a boom for our balance-of-payments situation and our economy. There is simply no evidence that this is the case. There are no prospects for substantially increased overall amounts of East-West trade with or without present controls.

The major effect of lowering barriers actually would be to remove restrictive controls on high quality, advanced machinery, techniques, equipment, data, and so forth. This is what the Communist nations are interested in obtaining here.

Allowing Communist regimes to acquire advanced equipment, machinery, and data here certainly must mean that they can continue to funnel that many more resources into their military, security, space, and related programs.

I think this is a dangerous policy to pursue and urge that the conference report on H.R. 4293 be rejected by the House of Representatives.

Mr. PATMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROWN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 157, nays 238, not voting 38, as follows:

[Roll No. 312]

YEAS—157

| | | |
|---|---|---|
| Adams | Giaimo | Obey |
| Addabbo | Gibbons | O'Hara |
| Albert | Gilbert | Olsen |
| Anderson, Calif. | Gonzalez | O'Neill, Mass. |
| Annunzio | Green, Oreg. | Ottinger |
| Ashley | Green, Pa. | Patman |
| Aspinall | Griffiths | Patten |
| Barrett | Halpern | Pepper |
| Biaggi | Hamilton | Perkins |
| Bingham | Hanley | Pickle |
| Blatnik | Harrington | Pike |
| Boggs | Hathaway | Podell |
| Boland | Hawkins | Price, Ill. |
| Bolling | Hechler, W. Va. | Pucinski |
| Brademas | Helstoski | Purcell |
| Brasco | Hicks | Rees |
| Brooks | Holifield | Reid, N.Y. |
| Brown, Calif. | Howard | Reuss |
| Burke, Mass. | Hungate | Rodino |
| Burton, Calif. | Jacobs | Roe |
| Byrne, Pa. | Johnson, Calif. | Rogers, Colo. |
| Carey | Jones, Ala. | Rosenthal |
| Casey | Karth | Rostenkowski |
| Celler | Kastenmeier | Roybal |
| Chisholm | Kee | Ryan |
| Clay | Kluczynski | St Germain |
| Cohelan | Koch | St. Onge |
| Conyers | Kyros | Scheuer |
| Corman | Leggett | Sisk |
| Culver | Long, Md. | Slack |
| Daddario | Lowenstein | Smith, Iowa |
| Daniels, N.J. | McFall | Steed |
| Delaney | Macdonald, Mass. | Stokes |
| Dingell | Madden | Stubblefield |
| Donohue | Mahon | Sullivan |
| Dulski | Matsunaga | Symington |
| Eckhardt | Meeds | Thompson, N.J. |
| Edwards, Calif. | Melcher | Tiernan |
| Evans, Colo. | Mikva | Udall |
| Fallon | Miller, Calif. | Ullman |
| Farbstein | Mills | Van Deerlin |
| Feighan | Minish | Vanik |
| Flood | Mink | Vigorito |
| Foley | Mollohan | Waldie |
| Ford, William D. | Monagan | Whalen |
| Fraser | Moorhead | White |
| Frelinghuysen | Morgan | Wolff |
| Friedel | Morse | Wright |
| Gallagher | Moss | Yates |
| Garmatz | Murphy, Ill. | Yatron |
| Gaydos | Murphy, N.Y. | Young |
| Gettys | Nedzi | Zablocki |
| | Nix | |

NAYS—238

| | | |
|---|---|---|
| Abbitt | Camp | Fisher |
| Abernethy | Carter | Flowers |
| Adair | Cederberg | Flynt |
| Alexander | Chamberlain | Ford, Gerald R. |
| Anderson, Ill. | Chappell | Foreman |
| Andrews, Ala. | Clancy | Fountain |
| Andrews, N. Dak. | Clausen, Don H. | Frey |
| Arends | Clawson, Del | Fulton, Pa. |
| Ashbrook | Cleveland | Galifianakis |
| Ayres | Collins | Goldwater |
| Baring | Colmer | Goodling |
| Beall, Md. | Conable | Griffin |
| Belcher | Conte | Gross |
| Bell, Calif. | Corbett | Grover |
| Bennett | Coughlin | Gubser |
| Berry | Cramer | Gude |
| Betts | Crane | Haley |
| Bevill | Cunningham | Hall |
| Biester | Daniel, Va. | Hammer-schmidt |
| Blackburn | Davis, Wis. | Hanna |
| Blanton | de la Garza | Hansen, Idaho |
| Bow | Dellenback | Harsha |
| Bray | Denney | Harvey |
| Brinkley | Dennis | Hastings |
| Brock | Dent | Hébert |
| Broomfield | Derwinski | Heckler, Mass. |
| Brotzman | Devine | Henderson |
| Brown, Mich. | Dickinson | Hogan |
| Brown, Ohio | Dorn | Horton |
| Broyhill, N.C. | Dowdy | Hunt |
| Broyhill, Va. | Downing | Hutchinson |
| Buchanan | Duncan | Ichord |
| Burke, Fla. | Dwyer | Jarman |
| Burleson, Tex. | Edmondson | Johnson, Pa. |
| Burlison, Mo. | Edwards, Ala. | Jonas |
| Burton, Utah | Edwards, La. | Jones, N.C. |
| Bush | Erlenborn | Jones, Tenn. |
| Button | Esch | Kazen |
| Byrnes, Wis. | Eshleman | Keith |
| Cabell | Findley | King |
| Caffery | Fish | Kleppe |
| Kuykendall | O'Konski | Smith, Calif. |
| Landgrebe | O'Neal, Ga. | Smith, N.Y. |
| Langen | Passman | Snyder |
| Latta | Pelly | Springer |
| Lennon | Pettis | Stafford |
| Lloyd | Pirnie | Staggers |
| Long, La. | Poage | Stanton |
| Lujan | Poff | Steiger, Ariz. |
| Lukens | Pollock | Steiger, Wis. |
| McClory | Preyer, N.C. | Stephens |
| McCloskey | Price, Tex. | Stratton |
| McClure | Pryor, Ark. | Stuckey |
| McCulloch | Quie | Taft |
| McDade | Quillen | Talcott |
| McDonald, Mich. | Railsback | Taylor |
| McEwen | Randall | Teague, Calif. |
| McKneally | Rarick | Thompson, Ga. |
| McMillan | Reid, Ill. | Thomson, Wis. |
| MacGregor | Rhodes | Waggonner |
| Mann | Rivers | Wampler |
| Marsh | Roberts | Watkins |
| Martin | Robison | Watson |
| Mathias | Rogers, Fla. | Watts |
| May | Rooney, Pa. | Weicker |
| Mayne | Roth | Whitehurst |
| Meskill | Roudebush | Whitten |
| Michel | Ruth | Widnall |
| Miller, Ohio | Sandman | Wiggins |
| Minshall | Satterfield | Williams |
| Mize | Saylor | Wilson, Bob |
| Mizell | Schadeberg | Winn |
| Montgomery | Scherle | Wold |
| Morton | Schneebeli | Wyatt |
| Mosher | Schwengel | Wydler |
| Myers | Scott | Wylie |
| Natcher | Sebelius | Wyman |
| Nelsen | Shipley | Zion |
| Nichols | Shriver | Zwach |
| | Skubitz | |

NOT VOTING—38

| | | |
|---|---|---|
| Anderson, Tenn. | Gray | Reifel |
| Cahill | Hagan | Riegle |
| Clark | Hansen, Wash. | Rooney, N.Y. |
| Collier | Hays | Ruppe |
| Cowger | Hosmer | Sikes |
| Davis, Ga. | Hull | Teague, Tex. |
| Dawson | Kirwan | Tunney |
| Diggs | Kyl | Utt |
| Eilberg | Landrum | Vander Jagt |
| Evins, Tenn. | Lipscomb | Whalley |
| Fascell | McCarthy | Wilson, Charles H. |
| Fulton, Tenn. | Mailliard | |
| Fuqua | Philbin | |
| | Powell | |

So the conference report was rejected.

The Clerk announced the following pairs:

Mr. Tunney with Mr. Hosmer.
Mr. Teague of Texas with Mr. Reifel.
Mr. Rooney of New York with Mr. Lipscomb.
Mr. Hull with Mr. Collier.
Mr. Charles H. Wilson with Mr. Utt.
Mr. Gray with Mr. Vander Jagt.
Mr. Clark with Mr. Cahill.
Mr. Philbin with Mr. Mailliard.
Mr. Fuqua with Mr. Cowger.
Mr. Evins of Tennessee with Mr. Kyl.
Mr. Hays with Mr. Riegle.
Mr. Anderson of Tennessee with Mr. Ruppe.
Mr. Fascell with Mr. Whalley.
Mr. McCarthy with Mr. Diggs.
Mr. Dawson with Mr. Eilberg.
Mr. Sikes with Mr. Hagan.
Mr. Kirwan with Mr. Powell.
Mr. Davis of Georgia with Mr. Fulton of Tennessee.
Mrs. Hansen of Washington with Mr. Landrum.

Messrs. LONG of Louisiana, EDMONDSON, STRATTON, QUIE, McCLORY, WATTS, and NATCHER changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert: "That this Act may be cited as the 'Export Expansion and Regulation Act of 1969'.

"FINDINGS

"SEC. 2. The Congress finds that—

"(1) the availability of certain materials at home and abroad varies so that the quantity and composition of United States exports and their distribution among importing countries may effect the welfare of the domestic economy and may have an important bearing upon fulfillment of the foreign policy of the United States;

"(2) the unrestricted export of materials without regard to whether they make a significant contribution to the military potential of any other nation or nations may adversely affect the national security of the United States;

"(3) the unwarranted restriction of exports from the United States has a serious adverse effect on the stability of our currency abroad and, therefore, upon the domestic economy; and

"(4) the uncertainty of Government policy toward certain categories of exports has curtailed the efforts of American business in those categories to the detriment of the overall attempt to improve the trade balance of the United States.

"DECLARATION OF POLICY

"SEC. 3. The Congress makes the following declarations:

"(1) It is the policy of the United States both (A) to encourage the expansion of trade with all countries with which we have diplomatic or trading relations, except those countries with which such trade has been determined by the President to be against the national interest, and (B) to restrict the export of goods and technology which would make a significant contribution to the military potential of any other nation or nations which would prove detrimental to the national security of the United States.

"(2) It is the policy of the United States to use export controls (A) only to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, (B) only to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and (C) to the extent necessary to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

"(3) It is the policy of the United States that any export controls found necessary should be applied uniformly to all nations with which the United States engages in trade, except where the national security, the foreign policy of the United States, or the need to protect the domestic economy from the excessive drain of scarce materials requires that an exception be made in the case of one or more nations.

"(4) It is the policy of the United States (A) to formulate, reformulate, and apply any necessary controls to the maximum extent possible in cooperation with all nations with which the United States has defense treaty commitments, and (B) to formulate a unified commercial and trading policy to be observed by all such nations.

"(5) It is the policy of the United States to use its economic resources and trade potential to further the sound growth and stability of its economy as well as to further its national security and foreign policy objectives.

"(6) It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another country friendly to the United States.

"AUTHORITY

"SEC. 4. (a) (1) The Secretary of Commerce shall institute such organizational and procedural changes in any office or division of the Department of Commerce which has heretofore exercised functions relating to the control of exports and continues to exercise such controls under this Act as he determines are necessary to facilitate and effectuate the fullest implementation of the policy set forth in this Act with a view to promoting the expansion of trade with all nations with which the United States is engaged in trade, with special emphasis on promoting such trade with (A) those countries or groups of countries having defense treaty commitments with the United States have a significantly larger percentage of volume of trade than does the United States, and (B) other countries eligible for trade with the United States but not significantly engaged in trade with the United States. In addition, the Secretary shall review any list of articles, materials, or supplies, including technical data or other information, the exportation of which from the United States, its territories and possessions, was heretofore prohibited or curtailed with a view to making promptly such changes and revisions in such list as may be necessary or desirable in furtherance of the policy, purposes, and provisions of this Act. The Secretary shall include a detailed statement with respect to actions taken in compliance with the provisions of this paragraph in the second quarterly report (and in any subsequent report with respect to actions taken during the preceding quarter) made by him to the Congress after the date of enactment of this Act pursuant to section 11.

"(2) The Secretary of Commerce shall use all practicable means available to him to keep the business sector of the Nation fully apprised of changes in export control policy and procedures instituted in conformity with this Act with a view to encouraging the widest possible trade.

"(b) To effectuate the policies set forth in section 3, the President may prohibit or curtail the exportation from the United States, its territories and possessions, of any articles, materials, or supplies, including technical data or other information, except under such rules and regulations as he shall prescribe. To the extent necesary to achieve effective enforcement of this Act, such rules and regulations may apply to the financing, transporting, and other servicing of exports and the participation therein by any person. Rules and regulations prescribed in the interest of the national security shall provide that express permission and authority must be sought and obtained to export articles, materials, or supplies, including technical data or other information, from the United States, its territories and possessions, to any nation or combination of nations, if the President determines that (1) such articles, materials, supplies, data, or information would make a significant contribution to the military potential of such nation or nations which would prove detrimental to the national security of the United States, and (2) articles, materials, supplies, data, or information of comparable quality and technology to that sought to be exported are not readily available to such nation or nations from other sources: *Provided*, That express permission and authority shall be required to be sought and obtained, in accordance with such rules and regulations, in order to export to any nation or nations articles, materials, supplies, data, or information with respect to which the President has not made the determination referred to in clause (2), if the President (A) determines such action to be necessary in the interest of national security, and (B) includes in the first quarterly report submitted, pursuant to section 11, after taking such action a full and detailed statement with respect to such action setting forth the pertinent articles, materials, supplies, data, or information; the nation or nations affected thereby; and the reasons therefor. Rules and regulations prescribed under this subsection shall implement the provisions of section 3(6) of this Act and shall require that all domestic concerns receiving requests for the furnishing of information or the signing of agreements as specified in such section must report this fact to the Secretary of Commerce for such action as he may deem appropriate to carry out the purposes of such section.

"(c) Nothing in this Act, or in the rules and regulations authorized by it, shall in any way be construed to require authority and permission to export articles, materials, supplies, data, or information except where the national security, the foreign policy of the United States, or the need to protect the domestic economy from the excessive drain of scarce materials makes such requirement necessary.

"(d) The President may delegate the power, authority, and discretion conferred upon him by this Act to such departments, agencies, or officials of the Government as he may deem appropriate.

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act.

"CONSULTATION AND STANDARDS

"SEC. 5. In determining what action to take with regard to regulating and expanding exports, any departments, agency, or official making these determinations shall seek information and advice from the several executive departments and independent agencies which are concerned with aspects of our domestic and foreign policies and operations having an important bearing on exports. Consistent with considerations of national security, the President shall from time to time seek information and advice from various segments of private industry in connection with the making of these determinations.

"VIOLATIONS

"SEC. 6. (a) Except as provided in subsection (b) of this section, in case of any knowing violation of any provision of this Act or any regulation, order, or license issued thereunder, the violator or violators, upon conviction, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than one year, or by both such fine and imprisonment. For a second or subsequent offense, the offender shall be punished by a fine of not more than three times the value of the exports involved or $20,000, whichever is greater, or by imprisonment for not more than five years, or by both such fine and imprisonment.

"(b) Whoever willfully exports anything contrary to any provision of this Act or any regulation, order, or license issued thereunder, with knowledge that such exports will be used for the benefit of any Communist-dominated nation, shall be punished by a fine of not more than five times the value of the exports involved or $20,000, whichever is greater, or by imprisonment for not more than five years, or by both such fine and imprisonment.

"(c) The head of any department or agency exercising any functions under this Act, or any officer or employee of such department or agency specifically designated by the head thereof, may impose a civil pen-

alty not to exceed $1,000 for each violation of this Act or any regulation, order, or license issued under this Act, either in addition to or in lieu of any other liability or penalty which may be imposed.

"(d) The payment of any penalty imposed pursuant to subsection (c) may be made a condition, for a period not exceeding one year after the imposition of such penalty, to the continued right to export of the person upon whom such penalty is imposed.

"(e) Any amount paid in satisfaction of any penalty imposed pursuant to subsection (c) shall be covered into the Treasury as a miscellaneous receipt. The head of the department or agency concerned may, in his discretion, refund any such penalty, within two years after payment, on the ground of a material error of fact or law in the imposition. Notwithstanding section 1346(a) of title 28 of the United States Code, no action for the refund of any such penalty may be maintained in any court.

"(f) In the event of the failure of any person to pay a penalty imposed pursuant to subsection (c), a civil action for the recovery thereof may, in the discretion of the head of the department or agency concerned, be brought in the name of the United States. In any such action, the court shall determine de novo all issues necessary to the establishment of liability. Except as provided in this subsection and in subsection (d), no such liability shall be asserted, claimed, or recovered upon by the United States in any way unless it has previously been reduced to judgment.

"(g) Nothing in subsection (c), (d), or (f) shall limit—

"(1) the availability of other administrative or judicial remedies will respect to violations of this Act, or any regulation, order, or license issued under this Act;

"(2) the authority to compromise and settle administrative proceedings brought with respect to violations of this Act, or any regulation, order, or license issued under this Act; or

"(3) the authority to compromise, remit, or mitigate seizures and forefeitures pursuant to section 1(b) of title VI of the Act of June 15, 1917 (22 U.S.C. 401(b)).

"ENFORCEMENT

"SEC. 7. (a) To the extent necessary or appropriate to the enforcement of this Act or to the imposition of any penalty, forfeiture, or liability arising under the Export Control Act of 1949, the head of any department or agency exercising any function thereunder (and officers or employees of such department or agency specifically designated by the head thereof) may make such investigations and obtain such information from, require such reports or the keeping of such records by, make such inspection of the books, records, and other writings, premises, or property of, and take the sworn testimony of, any person. In addition, such officers or employees may administer oaths or affirmations, and may by subpena require any person to appear and testify or to appear and produce books, records, and other writings, or both, and in the case of contumacy by, or refused to obey a subpena issued to, any such person, the district court of the United States for any district in which such person is found or resides or transacts business, upon application, and after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(b) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (27 Stat. 443; 49 U.S.C. 46) shall apply with respect to any individual who specifically claims such privilege.

"(c) No department, agency, or official exercising any functions under this Act shall publish or disclose information obtained hereunder which is deemed confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless the head of such department or agency determines that the withholding thereof is contrary to the national interest.

"(d) In the administration and enforcement of this Act, reporting requirements shall be so designed as to reduce the cost of reporting, recordkeeping, and export documentation required under this Act to the extent feasible consistent with effective enforcement and compilation of useful trade statistics. Reporting, recordkeeping and export documentation requirements shall be periodically reviewed and revised in the light of developments in the field of information technology. The Secretary of Commerce shall include a detailed statement with respect to actions taken in compliance with this subsection in the first quarterly report made by him, pursuant to section 11, after such actions are taken.

"EXEMPTION FROM CERTAIN PROVISIONS RELATING TO ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

"SEC. 8. The functions exercised under this Act shall be excluded from the operation of sections 551, 553–559, and 701–706 of title 5, United States Code.

"INFORMATION TO EXPORTERS

"SEC. 9. In order to enable United States exporters to coordinate their business activities with the export control policies of the United States Government, the agencies, departments, and officials responsible for implementing the rules and regulations authorized under this Act shall, insofar as it is consistent with the national security, the foreign policy of the United States, and the effective administration of this Act—

"(1) inform each exporter of the considerations which may cause his export license request to be denied or to be the subject of lengthy examination;

"(2) inform each exporter of the circumstances arising during the Government's consideration of his export license application which are cause for denial or for further examination;

"(3) give each exporter the opportunity to present evidence and information which he believes will help the agencies, departments, and officials concerned to resolve any problems or questions which are, or may be, connected with his request for a license; and

"(4) inform each exporter of the reasons for a denial of an export license request.

"EXPORT EXPANSION COMMISSION

"SEC. 10. (a) There is hereby established an Export Expansion Commission (hereinafter referred to as the 'Commission') to be composed of fifteen members to be appointed by the President. The President shall designate one of the persons appointed to the Commission to serve as Chairman.

"(b) The Commission shall conduct a study to determine practicable ways in furtherance of the national interest by which exports can be expanded, without jeopardizing the national security, to all nations with which the United States is engaged in trade, with special emphasis on promoting such trade with (1) those countries or groups of countries with which other countries or groups of countries having defense treaty commitments with the United States have a significantly larger percentage of volume of trade than does the United States, and (2) other countries eligible for trade with the United States but not significantly engaged in trade with the United States. The Commission shall coordinate its activities with the National Export Expansion Council, may make interim reports to the President and the Congress, and shall make a final report thereto with respect to its findings and recommendations not later than one year after the date of enactment of this Act.

"(c) Each member of the Commission who is appointed from private life may receive compensation at a rate of $100 for each day he is engaged upon work of the Commission, and shall be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

"(d) The Commission may, without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service or to classification and General Schedule pay rates, appoint and fix the compensation of an Executive Director, and the Executive Director, with the approval of the Commission, may employ and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission. No individual so appointed may receive compensation in excess of the rate authorized for GS–18 under the General Schedule.

"(e)(1) The Commission may require directly from the head of any Federal executive department or agency available information which the Commission deems useful in the discharge of its duties. All such departments and agencies shall cooperate with the Commission and furnish information requested by the Commission to the extent permitted by law.

"(2) The head of any executive department or agency of the Government may detail, on a reimbursable basis, any of its personnel to assist the Commission in carrying on its work.

"(f) Thirty days after submission of its final report, the Commission shall cease to exist.

"(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"QUARTERLY REPORT

"SEC. 11. The head of any department or agency, or other official exercising any functions under this Act, shall make a quarterly report, within forty-five days after each quarter, to the President and to the Congress of his operations hereunder.

"EFFECTS ON OTHER ACTS

"SEC. 12. (a) The Act of February 15, 1936 (49 Stat. 1140), relating to the licensing of exports of tinplate scrap, is hereby superseded; but nothing contained in this Act shall be construed to modify, repeal, supersede, or otherwise affect the provisions of any other laws authorizing control over exports of any commodity.

"(b) The authority granted to the President under this Act shall be exercised in such manner as to achieve effective coordination with the authority exercised under section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934).

"EFFECTIVE DATE

"SEC. 13. (a) This Act shall take effect upon the expiration of the Export Control Act of 1949.

"(b) All outstanding delegations, rules, regulations, orders, licenses, or other forms of administrative action under the Export Control Act of 1949 or section 6 of the Act of July 2, 1940 (54 Stat. 714), shall, until amended or revoked, remain in full force and effect, the same as if promulgated under this Act.

"TERMINATION DATE

"SEC. 14. The authority granted by this Act shall terminate on June 30, 1973, or upon any prior date which the Congress by con-

current resolution or the President by proclamation may designate."

Mr. BROWN of Michigan (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan.

There was no objection.

MOTION OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROWN of Michigan moves that the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'Export Administration Act of 1969'.

"FINDINGS

"SEC. 2. The Congress makes the following findings:

"(1) The availability of certain materials at home and abroad varies so that the quantity and composition of United States exports and their distribution among importing countries may affect the welfare of the domestic economy and may have an important bearing upon the fulfillment of the foreign policy of the United States.

"(2) The unrestricted export of materials, information, and technology without regard to whether they make a significant contribution to the military potential of any other nation or nations may adversely affect the national security of the United States.

"(3) The unwarranted restriction of exports from the United States has a serious adverse effect on our balance of payments.

"(4) The uncertainty of policy toward certain categories of exports has curtailed the effects of American business in those categories to the detriment of the overall attempt to improve the trade balance of the United States.

"DECLARATION OF POLICY

"SEC. 3. The Congress makes the following declarations:

"(1) It is the policy of the United States both (A) to encourage trade with all countries with which we have diplomatic or trading relations, except those countries with which such trade has been determined by the President to be against the national interest, and (B) to restrict the export of goods and technology which would make a significant contribution to the military potential of any other nation or nations which would prove detrimental to the national security of the United States.

"(2) It is the policy of the United States to use export controls (A) to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, (B) to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and (C) to the extent necessary to exercise the necessary vigilance over exports from the standpoint of their signficance to the national security of the United States.

"(3) It is the policy of the United States (A) to formulate, reformulate, and apply any necessary controls to the maximum extent possible in cooperation with all nations with which the United States has defense treaty commitments, and (B) to formulate a unified trade control policy to be observed by all such nations.

"(4) It is the policy of the United States to use its economic resources and trade potential to further the sound growth and stability of its economy as well as to further its national security and foreign policy objectives.

"(5) It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies, or information, to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another country friendly to the United States.

"AUTHORITY

"SEC. 4. (a) (1) The Secretary of Commerce shall institute such organizational and procedural changes in any office or division of the Department of Commerce which has heretofore exercised functions relating to the control of exports and continues to exercise such controls under this Act as he determines are necessary to facilitate and effectuate the fullest implementation of the policy set forth in this Act with a view to promoting trade with all nations with which the United States is engaged in trade, including trade with (A) those countries or groups of countries with which other countries or groups of countries having defense treaty commitments with the United States have a significantly larger percentage of volume of trade than does the United States, and (B) other countries eligible for trade with the United States but not significantly engaged in trade with the United States. In addition, the Secretary shall review any list of articles, materials, or supplies, including technical data or other information, the exportation of which from the United States, its territories and possessions, was heretofore prohibited or curtailed with a view to making promptly such changes and revisions in such list as may be necessary or desirable in furtherance of the policy, purposes, and provisions of this Act. The Secretary shall include a detailed statement with respect to actions taken in compliance with the provisions of this paragraph in the second quarterly report (and in any subsequent report with respect to actions taken during the preceding quarter) made by him to the Congress after the date of enactment of this Act pursuant to section 10.

"(2) The Secretary of Commerce shall use all practicable means available to him to keep the business sector of the Nation fully apprised of changes in export control policy and procedures instituted in conformity with this Act with a view to encouraging the widest possible trade.

"(b) To effectuate the policies set forth in section 3 of this Act the President may prohibit or curtail the exportation from the United States, its territories, and possessions, of any articles, materials or supplies, including technical data or any other information, except under such rules and regulations as he shall prescribe. To the extent necessary to achieve effective enforcement of this Act, these rules and regulations may apply to the financing, transporting, and other servicing of exports and the participation therein by any person. The rules and regulations shall provide for denial of any request or application for authority to export articles, materials, or supplies, including technical data, or any other information, from the United States, its territories and possessions, to any nation or combination of nations threatening the national security of the United States if the President determines, taking into consideration its availability from other nations with which the United States has defense treaty commitments, that the export would prove detrimental to the national security and welfare of the United States. The rules and regulations shall implement the provisions of section 3(5) of this Act and shall require that all domestic concerns receiving requests for the furnishing of information or the signing of agreements as specified in that section must report this fact to the Secretary of Commerce for such action as he may deem appropriate to carry out the purposes of that section.

"(c) Nothing in this Act, or in the rules and regulations authorized by it, shall in any way be construed to require authority and permission to export articles, materials, supplies, data, or information except where the national security, the foreign policy of the United States, or the need to protect the domestic economy from the excessive drain of scarce materials makes such requirement necessary.

"(d) The President may delegate the power, authority, and discretion conferred upon him by this Act to such departments, agencies, or officials of the Government as he may deem appropriate.

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act.

"CONSULTATION AND STANDARDS

"SEC. 5. (a) In determining what shall be controlled hereunder, and in determining the extent to which exports shall be limited, any department, agency, or official making these determinations shall seek information and advice from the several executive departments and independent agencies concerned with aspects of our domestic and foreign policies and operations having an important bearing on exports. Consistent with considerations of national security, the President shall from time to time seek information and advice from various segments of private industry in connection with the making of these determinations.

"(b) In authorizing exports, full utilization of private competitive trade channels shall be encouraged insofar as practicable, giving consideration to the interests of small business, merchant exporters as well as producers, and established and new exporters, and provision shall be made for representative trade consultation to that end. In addition, there may be applied such other standards or criteria as may be deemed necessary by the head of such department, or agency, or official to carry out the policies of this Act.

"VIOLATIONS

"SEC. 6. (a) Except as provided in subsection (b) of this section, whoever knowingly violates any provision of this Act or any regulation, order, or license issued thereunder shall be fined not more than $10,000 or imprisoned not more than one year, or both. For a second or subsequent offense, the offender shall be fined not more than three times the value of the exports involved or $20,000, whichever is greater, or imprisoned not more than five years, or both.

"(b) Whoever willfully exports anything contrary to any provision of this Act or any regulation, order, or license issued thereunder, with knowledge that such exports will be used for the benefit of any Communist-dominated nation, shall be fined not more than five times the value of the exports involved or $20,000, whichever is greater, or imprisoned not more than five years, or both.

"(c) The head of any department or agency exercising any functions under this Act, or any officer or employee of such department or agency specifically designated by the head thereof, may impose a civil penalty not to exceed $1,000 for each violation of this Act or any regulation, order, or license issued under

this Act, either in addition to or in lieu of any other liability or penalty which may be imposed.

"(d) The payment of any penalty imposed pursuant to subsection (c) may be made a condition, for a period not exceeding one year after the imposition of such penalty, to the granting, restoration, or continuing validity of any export license, permission, or privilege granted or to be granted to the person upon whom such penalty is imposed.

"(e) Any amount paid in satisfaction of any penalty imposed pursuant to subsection (c) shall be covered into the Treasury as a miscellaneous receipt. The head of the department or agency concerned may, in his discretion, refund any such penalty, within two years after payment, on the ground of a material error of fact or law in the imposition. Notwithstanding section 1346(a) of title 28 of the United States Code, no action for the refund of any such penalty may be maintained in any court.

"(f) In the event of the failure of any person to pay a penalty imposed pursuant to subsection (c), a civil action for the recovery thereof may, in the discretion of the head of the department or agency concerned, be brought in the name of the United States. In any such action, the court shall determine de novo all issues necessary to the establishment of liability. Except as provided in this subsection and in subsection (d), no such liability shall be asserted, claimed, or recovered upon by the United States in any way unless it has previously been reduced to judgment.

"(g) Nothing in subsection (c), (d), or (f) limits

"(1) the availability of other administrative or judicial remedies with respect to violations of this Act, or any regulation, order, or license issued under this Act;

"(2) the authority to compromise and settle administrative proceedings brought with respect to violations of this Act, or any regulation, order, or license issued under this Act; or

"(3) the authority to compromise, remit, or mitigate seizures and forfeitures pursuant to section 1(b) of title VI of the Act of June 15, 1917 (22 U.S.C. 401(b)).

"ENFORCEMENT

"SEC. 7. (a) To the extent necessary or appropriate to the enforcement of this Act or to the imposition of any penalty, forfeiture, or liability arising under the Export Control Act of 1949, the head of any department or agency exercising any function thereunder (and officers or employees of such department or agency specifically designated by the head thereof) may make such investigations and obtain such information from, require such reports or the keeping of such records by, make such inspection of the books, records, and other writings, premises, or property of, and take the sworn testimony of, any person. In addition, such officers or employees may administer oaths or affirmations, and may by subpena require any person to appear and testify or to appear and produce books, records, and other writings, or both, and in the case of contumacy by, or refusal to obey a subpena issued to, any such person, the district court of the United States for any district in which such person is found or resides or transacts business, upon application, and after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (27 Stat. 443; 49 U.S.C. 46) shall apply with respect to any individual who specifically claims such privilege.

"(c) No department, agency, or official exercising any functions under this Act shall publish or disclose information obtained hereunder which is deemed confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless the head of such department or agency determines that the withholding thereof is contrary to the national interest.

(d) In the administration of this Act, reporting requirements shall be so designed as to reduce the cost of reporting, recordkeeping, and export documentation required under this Act to the extent feasible consistent with effective enforcement and compilation of useful trade statistics. Reporting, recordkeeping, and export documentation requirements shall be periodically reviewed and revised in the light of developments in the field of information technology. A detailed statement with respect to any action taken in compliance with this subsection shall be included in the first quarterly report made pursuant to section 10 after such action is taken.

"EXEMPTION FROM CERTAIN PROVISIONS RELATING TO ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

"SEC. 8. The functions exercised under this Act are excluded from the operation of sections 551, 553–559, and 701–706 of title 5, United States Code.

"INFORMATION TO EXPORTERS

"SEC. 9. In order to enable United States exporters to coordinate their business activities with the export control policies of the United States Government, the agencies, departments, and officials responsible for implementing the rules and regulations authorized under this Act shall, if requested, and insofar as it is consistent with the national security, the foreign policy of the United States, the effective administration of this Act, and requirements of confidentiality contained in this Act—

"(1) inform each exporter of the considerations which may cause his export license request to be denied or to be the subject of lengthy examination;

"(2) in the event of undue delay, inform each exporter of the circumstances arising during the Government's consideration of his export license application which are cause for denial or for further examination;

"(3) give each exporter the opportunity to present evidence and information which he believes will help the agencies, departments, and officials concerned to resolve any problems or questions which are, or may be, connected with his request for a license; and

"(4) inform each exporter of the reasons for a denial of an export license request.

"QUARTERLY REPORT

"SEC. 10. The head of any department or agency, or other official exercising any functions under this Act, shall make a quarterly report, within 45 days after each quarter, to the President and to the Congress of his operations hereunder.

"DEFINITION

"SEC. 11. The term 'person' as used in this Act includes the singular and the plural and any individual, partnership, corporation, or other form of association, including any government or agency thereof.

"EFFECTS ON OTHER ACTS

"SEC. 12. (a) The Act of February 15, 1936 (49 Stat. 1140), relating to the licensing of exports of tinplate scrap, is hereby superseded; but nothing contained in this Act shall be construed to modify, repeal, supersede, or otherwise affect the provisions of any other laws authorizing control over exports of any commodity.

"(b) The authority granted to the President under this Act shall be exercised in such manner as to achieve effective coordination with the authority exercised under section 414 of the Mutual Security of 1954 (22 U.S.C. 1934).

"EFFECTIVE DATE

"SEC. 13. (a) This Act takes effect upon the expiration of the Export Control Act of 1949.

"(b) All outstanding delegations, rules, regulations, orders, licenses, or other forms of administrative action under the Export Control Act of 1949 or section 6 of the Act of July 2, 1940 (54 Stat. 714), shall, until amended or revoked, remain in full force and effect, the same as if promulgated under this Act.

"TERMINATION DATE

"SEC. 14. The authority granted by this Act terminates on June 30, 1971, or upon any prior date which the Congress by concurrent resolution or the President by proclamation may designate."

Mr. BROWN of Michigan (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with and it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROWN of Michigan. Mr. Speaker, I do not feel a great deal more time need be spent on the proposal that is before you.

As I indicated to you when we discussed the conference report and when I urged your opposition to that report, I said a motion would be offered to recede and concur in the Senate amendment, with an amendment. That amendment is now pending before you. The amendment that I now offer and which is included in the motion upon which I am seeking affirmative action is, in effect, the language of the conference report except for section 4(b).

Mr. Speaker, section 4(b) of this amendment is the House language of the authority section as distinguished from the Senate language of section 4(b) which is presently in the conference report.

All of the improvements in the legislation as now incorporated in the conference report, in other words, the conference report in its entirety, will still be in the bill except for the Senate authority section. And that is the section to which we devoted a great deal of time in explaining our objections as it was adopted in the conference report.

Mr. Speaker, the House has already given its approval to the change in the conference report that I am now suggesting. The language my amendment proposes is the same language that the House originally adopted. The opponents of this motion—and I trust that there will be few, can only argue that the Senate will not act if we take the action I am recommending. But in answer to that argument, I contend that the Senate should still approve of our action because the bill, as again transmitted to the Senate, will still embrace most of the Senate language which is compatible with the authority section of the House. In other words, all of the procedural improvement provisions will still be in the bill.

Mr. Speaker, for the Senate not to

act would mean that there would be no legislative basis for export controls unless there is another extension of the existing law to extend it beyond the present expiration date of December 31. I do not believe the other body will fail to act because if no action is taken on export control legislation at this time, and in view of the fact that the present extension expires on December 31, there would be no legislative basis for export control.

This possibly would require the administration to rely upon the Trading With the Enemy Act. I think this is irresponsible. The emergency provisions of the Trading With the Enemy Act should not be exercised to handle the export activities for which the Export Control Act is intended.

Even if one has some disagreement with the authority section assuming my motion prevails, the report has much to offer in improvements in export control.

I therefore, do not think any responsible Member of this House would like to have any of these alternatives come into being. It is my hope, and I would like to urge, every Member of the House to support the motion that is presently pending so that we can responsibly and effectively deal with export control legislation yet this year.

Mr. FRASER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Minnesota.

Mr. FRAZER. Mr. Speaker, I would just like to pursue for a moment this one alternative that the gentleman does suggest as not being acceptable; namely, that the legislation would expire altogether.

I gather what the gentleman is saying is that in this event there would be no control on American businessmen trading with anybody they would like to trade with?

Mr. BROWN of Michigan. Unless the administration invoked the provisions of the Trading With the Enemy Act of 1917.

Mr. FRASER. What restrictions could they impose through that legislation?

Mr. BROWN of Michigan. These restrictions certainly are much broader in what can be done and I think would have the impact of affecting trade that need not be controlled. I frankly am not an expert on the Trading With the Enemy Act, and would not attempt to say what total prerogatives the administration would have. But I am suggesting that act is a poor alternative to the course of action I am suggesting that we support at this time.

Mr. FRASER. This, of course, lies in the hands of the other body, but I was curious as to that alternative because it would seem to me the Senate has wanted to open up the trading opportunities more freely than the House apparently is willing to do, and I am wondering if they might not want to take a look at that possibility.

Is the gentleman from Michigan fairly certain that that will not be the result?

Mr. BROWN of Michigan. Of course, I cannot predict the action of the other body. I would hope they would concur in the action we take here today if my motion prevails.

The administration, I think, is in the best position to determine whether or not it would like to effect export controls through the invoking of the Trading With the Enemy Act, or would like to have the legislation passed in the form that it will be if my motion is successful, and they have chosen the latter; they would prefer to have this legislation with this amendment passed by the House and adopted by the Senate.

Mr. FRASER. I gather the gentleman from Michigan is not able to be certain as to the position of the Senate on this; he is just hoping or expecting they would approve his suggestion?

Mr. BROWN of Michigan. In view of the actions of the Senate in the past few days, I would think that anyone would be a little bit doubtful about being able to predict the action of the Senate.

Mr. FRASER. I thank the gentleman.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Ohio.

Mr. LATTA. I would ask the gentleman from Michigan this question: If we should adopt this amendment, what would the difference be, if any, between the bill if it should be amended according to the proposal offered by the gentleman from Michigan, and what the bill was that we passed and sent to the Senate?

Mr. BROWN of Michigan. The Senate adopted many provisions that deal with the mechanical aspects of export control. There are many things, I think, the Senate did that are improvements, procedural and otherwise, the purging of lists, the constant review of the restrictive trade lists, and all these things remain in the bill even if my motion prevails.

As far as the authority section is concerned, if my motion is successful, we will be sending back to the Senate the same authority provisions that we originally adopted in the House when the bill was passed by us.

Mr. LATTA. A further question:

Does the Department of Commerce support the amendment?

Mr. BROWN of Michigan. The Department of Commerce supports my amendment.

Mr. LATTA. I thank the gentleman.

Mr. BROWN of Michigan. Mr. Speaker, I think that the letter which was read by the gentleman from New Jersey from the Secretary of Commerce indicated that although they originally had been in favor of a straight 2-year extension of the Export Control Act, the conference report was acceptable to them if the authority section were changed to include the House language for section 4(b).

Mr. WOLFF. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. WOLFF. In other words, if your motion passes there are greater restrictions placed on the President; is that correct?

Mr. BROWN of Michigan. There is one basic factor involved that did not exist before; that is, the President would be required to take into consideration the availability of exports from nations of the free world with which we have defense treaty commitments in making a determination as to whether or not exports from this Nation shall be controlled or restricted.

Mr. WOLFF. Does this place added restrictions on the President?

Mr. BROWN of Michigan. No; because the administration has used this as an element in making its decision to date. But it has had no legislative basis for using it.

Mr. WOLFF. What you ask is a vote of no confidence in the President. In other words, we in the House do not feel confident the President should make the decision, we would like to place a restriction on his decisionmaking process.

Mr. BROWN of Michigan. No, if I understand the gentlemen correctly, it does not in any way indicate that we are not confident of the ability of the President to make these decisions.

Rather we are providing him with a legislative basis to use a factor or an element in making this determination that was not available in the legislation before. This certainly will be beneficial to us in attempting to establish a free world policy for trade which does not now exist.

Mr. WOLFF. It is a question of authority or restriction?

Mr. BROWN of Michigan. At this point, I would say probably one of semanitcs.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. EDMONDSON. A couple of years ago export controls were placed on cattle hides with the immediate result that the price on hides was depressed about 40 percent before any hearing was afforded—or any chance afforded to the cattle industry to make the showing which later resulted in the removal of those restrictions.

Would this amendment that you are proposing help to prevent a repetition of this in the future?

Mr. BROWN of Michigan. I cannot guarantee the gentleman that it would, for the amendment I am offering would not have an impact in that area.

Mr. BROCK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. BROCK. I think the gentleman from Michigan could categorically answer the question of the gentleman from Oklahoma—no. This would eliminate that sort of situation occurring and under the amendment I do not think there is any possibility of that situation happening again.

Mr. EDMONDSON. Could we have an explanation as to how that would be prevented and how a reoccurrence would be prevented of the incident that took place with cattle hides?

Mr. BROCK. What this does is if there are any materials commercially available so far as the Nation's defense is concerned, then we cannot prohibit the exports without an official decision as to

our national security and that would not be possible in this instance.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. SMITH of Iowa. I think the record ought to be clear that this has nothing whatever to do with the cattle hide restriction situation which was based on a shortage of supply. The Department got talked into that by the leather manufacturers.

I authored an amendment on an appropriation bill and it prohibited them from enforcing the order.

This has nothing to do at all with the permits based upon shortage of supply.

Mr. BROWN of Michigan. That is substantially correct. Although I think a much more active review of items in short supply and things of that nature will be made by the Department of Commerce, if the provisions of the conference report which are incorporated in my motion are adopted.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. BROWN).

The motion was agreed to.

A motion to reconsider was laid on the table.

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## GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just adopted and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

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## CONFERENCE REPORT ON STATE TAXATION OF NATIONAL BANKS

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 7491) to clarify the liability of national banks for certain taxes and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of December 9, 1969.)

The SPEAKER. The gentleman from Texas is recognized.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman give us at least a brief explanation of what transpired in conference?

Mr. PATMAN. Yes.

There was no contention in the conference among the conferees from either body. The conferees of both the House and the Senate signed the report, and there is no difference at all. We think it is a very fine conference report.

Mr. Speaker, the House will recall that when the other body considered H.R. 7491, it struck all after the enacting clause of the House bill and inserted a new text. The conferees on this legislation agreed to a substitute for the entire Senate amendment.

In my opinion, the House views on this legislation prevailed in conference. Under the conference substitute, the House-passed amendment to section 5219 of the Revised Statutes, with no change whatsoever in substance, will take effect on January 1, 1972.

Under the bill as passed the House, the amendment to section 5219 would have taken effect on January 1 of the first calendar year beginning after the date of enactment. Under the conference substitute this amendment will not take effect until January 1, 1972. The reason why the conferees extended the date to January 1, 1972, is the fact that the tax laws of some of the States are built on the foundation of the section 5219 as now in effect and this delay will enable those State legislatures to make such changes in their tax laws as they deem appropriate.

In the meanwhile, section 1 of the conference substitute makes a temporary amendment to section 5291 which permits any State or political subdivision therof to "impose any tax which is imposed generally on a nondiscriminatory basis throughout the division—other than a tax on intangible personal property—on a national bank having its principal office within such State in the same manner and to the same extent as such tax is imposed on a bank organized and existing under the laws of such State."

In other words, the State in which a national bank's principal office is located may tax it substantially the same as a State bank, except that intangible personal property taxes may not be imposed.

The conference substitute also includes a savings provision to the effect that except for sales taxes, documentary taxes, and property taxes, a tax may not be applied to a bank after the enactment of this legislation unless either the tax was applicable before the enactment of this legislation or the State legislature authorizes its imposition by positive action taken after enactment of this legislation. This savings provision is effective only until January 1, 1972.

The conferees included this savings provision because of the fact that the repeal of the prohibitions in section 5291 within any compensating action by a State legislature could have the effect of substantially increasing the tax burden on the banks in that State.

Mr. Speaker, regarding the question of taxation of a national bank by States other than the one in which its principal office is located—the so-called foreign bank problem—the temporary amendment to section 5291 made by the conference substitute limits the permissible types of taxes to sales and use taxes, documentary stamp taxes, and license taxes. This temporary amendment is effective only for the period from the date of enactment until January 1, 1972, when the permanent amendment to section 5219 takes effect.

On January 1, 1972, States will have full authority to impose intangible property taxes on national banks just as they have imposed such taxes on State-chartered banks. Likewise, any State will be free to impose taxes on income derived within its borders by the operations of a bank having its principal office in a different State, regardless of whether the foreign bank is a State or nationally chartered bank.

Finally, due to the fact that some apprehension has been expressed as to whether or not the expanded tax powers might be used in a way to impair the mobility of capital between States, the conference substitute includes a section requiring a study by the Federal Reserve Board "to determine the probable impact on the banking systems and other economic effect of the changes in existing law to be made by section 2 of this act governing income taxes, intangible property taxes, so-called doing business taxes, and any other similar taxes which are or may be imposed on banks.

This study is to be transmitted to the Congress by the Federal Reserve Board not later than December 1, 1970.

Thus, if the report should disclose any problems or deficiencies in the amendment to section 5219, which would take effect in 1972, the Congress would have a full session in which to take any necessary remedial action. The conferees from both Houses are agreed that their respective committees would give swift and serious consideration to the findings and recommendations of the Federal Reserve Board.

Mr. Speaker, in conclusion, it should be reiterated that the House-passed bill in essence prevailed in conference. The House-passed bill and the proposed conference substitute to take effect January 1, 1972, provides for equality of taxation by State legislatures of State chartered and nationally chartered banks. Beginning on January 1, 1972, no advantage in the area of taxation will be available to any State-chartered bank over a nationally chartered bank or a nationally chartered bank over a State-chartered bank.

Mr. Speaker, I trust the Members of the House will support the actions of their House conferees and the conference report on H.R. 7491.

Mr. PATMAN. I assure the gentleman that there is no difference between the House conferees and the Senate conferees or any members of the committee. They are satisfied.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Did the Senate insert an entirely new text from that approved by the House?

Mr. PATMAN. No; not in conference on the substance. There was a conference between the House and the Senate. They had placed some amendments on the bill that were unacceptable to the House. They yielded on those amendments. They yielded to the House. And there is no difference between us at all.

Mr. GROSS. But the other body did not insert a new text; is that correct?

Mr. PATMAN. No; not an entirely new text. They added some amendments that we were not willing to accept.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

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GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just adopted, and to include extraneous material.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Texas?

There was no objection.

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CONFERENCE REPORT ON LEGISLATIVE BRANCH APPROPRIATIONS, 1970

Mr. ANDREWS of Alabama. Mr. Speaker, I call up the conference report on the bill (H.R. 13763) making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of December 9, 1969.)

The SPEAKER pro tempore. The gentleman from Alabama is recognized.

Mr. ANDREWS of Alabama. Mr. Speaker, the conference report on this bill is printed in this morning's RECORD and is available in leaflet form at the Clerk's desk. You have just heard the Clerk read the statement of the managers explaining the conference disposition of each of the Senate amendments.

There were 45 Senate amendments, but 39 of them relate solely to the Senate housekeeping. One relates to the Joint Economic Committee; three relate to the Library of Congress; one relates to the Superintendent of Documents. Lastly, and by far more importantly to this conference, one—amendment No. 37—relates to the west front of the Capitol—the question of whether we should restore the west front or whether we should extend it.

There was no dispute whatever on 44 of the amendments. The report which you have just heard read explains why that was so.

SUMMARY OF CONFERENCE TOTALS

Before mentioning the west front matter, let me give the record some totals for the conference report.

The conference total, including the amount in the west front amendment reported in technical disagreement, is $344,326,817.

The conference agreement is $2,016,000 above the Senate bill.

It is $59,802,760 above the House bill. That, of course, is because the House bill did not include any provision for Senate housekeeping items.

The conference agreement is $27,826,-132 below the budget estimates.

The conference agreement is $32,584,-318 above fiscal 1969 appropriations.

I will insert, when I revise any remarks, a summation of these figures in tabular form by major sections of the bill.

WEST CENTRAL FRONT OF THE CAPITOL

Mr. Speaker, this bill went to conference on October 23. The sole controversy in the conference was over the west front project—whether to extend, as the House had originally voted, or whether to restore, as the Senate had voted.

We met in conference on three different occasions, seeking to uphold the position of the House. Based on the evidence adduced in the comprehensive hearings held earlier in the year, the House conferees—and I think it entirely fair to say, later the House itself—became thoroughly convinced, beyond reasonable doubt, that the most appropriate, the most permanent, the most enduring solution to correction of the dangerous condition of the west central portion of the Capitol was to extend rather than to restore. We came to that conclusion after considering the expert advice of the outside consulting engineers on how best to buttress the old walls. It was said emphatically and unequivocally that the safest, that the least hazardous and most permanent method would be to secure lateral support through extension of the west front. It was determined to be the most feasible procedure; the safest procedure.

During the long time that this bill has been in conference, the House conferees went to the extent of inviting the consulting engineer, Dr. Miles N. Clair, of the Thompson & Lichtner Co., and another noted and eminent consulting engineer, Mr. Fred N. Severud, to meet with the committee and go over the question of the best procedure to follow from an engineering standpoint. The distinguished gentleman from New York (Mr. STRATTON) who has been vociferous in his opposition to extension, was invited to sit in the meeting and ask questions. He did so.

These two widely known and highly regarded consulting engineers both agreed that the preferred procedure from an engineering and safety standpoint was to buttress the old walls by extending the west central front, which of course is what the House had originally voted for.

And this is the position that the House conferees have tried to maintain in the conference. But the Senate was adamant. They insisted that funds be appropriated for a study of the feasibility and cost of restoring the old walls.

They insisted that it be done under the jurisdiction and direction of the National Park Service.

The House conferees were equally adamant that nothing should be done to remove the direction of this project or this study from the Commission for the Extension of the Capitol, made up of eminent men of high position; namely, the Speaker, the Vice President, the majority and minority floor leaders of the House and Senate, and the Architect of the Capitol.

While the House conferees, like the House itself, were convinced that extension was the best solution, we had to reach some acceptable compromise in order to secure passage of this bill. So what we have done is to agree to an appropriation for a study of restoration. But we have insisted—and successfully—that neither the National Park Service nor any other agency of the executive branch of the Government have anything to do with directing the expenditure of the money. We insisted that the direction be under the Commission for Extension of the Capitol.

We have, however, in this compromise agreed that the Commission should seek a completely independent, nongovernmental engineering firm or firms, or individual or individuals, to make the restoration study. We have provided that no nongovernmental firm or individual who has had any connection with the project—either restoration or extension, and either for or against—should be selected for the new study. This would include any nongovernmental firm or individual with an expressed predisposition for or against extension or restoration.

And by way of further emphasis, let me repeat the closing sentence of the statement of the managers on this item:

> The conferees are especially anxious that the selection be made from among highly reputable firms or individuals generally noted or regarded for their excellence of ability, to the end that all Members may have confidence that whatever report is submitted is qualitative and impartial in character and content.

Now, Mr. Speaker, what happens when the report is submitted? What disposition is to be made of it?

We lay down five conditions or points that the study report must meet to the satisfaction of the Commission. They are in the language to be offered. They are recited in the statement of the managers. If, in the opinion of the Commission, the study report fails to meet any one of the five conditions, the Commission is to proceed with extension as heretofore agreed to by the House.

If, on the other hand, the study report, in the opinion of the Commission, meets all of the five conditions enumerated, then the Commission is to make recommendations to the Congress as to what should be done—that is, whether to extend or to restore. If that should happen, it would then be up to the Congress to decide what it wishes to do.

In the meantime, Mr. Speaker, the language of the bill puts a stop order on any further extension work being carried on.

And also in the meantime, Mr. Speaker, the agreement provides that such portions of the appropriation as may be necessary should be used for emergency shoring and repairs necessary in the interim to make the old west walls as safe as reasonably possible.

Now, one other thing: The amount of $2,275,000 in the agreement is above what was in either bill. We left in the $2 million for extension plans if that should be the course ultimately taken. We put in not to exceed $250,000—and I emphasize the words "not to exceed"—to be used for the restoration study. And we included $25,000 as an approximation of the cost of the immediate repair measures. But the Commission can direct expenditure of whatever they determine necessary for emergency shoring and repairs and related work; they are not limited to the $25,000.

Mr. Speaker, it is trite but true that legislation is a compromise. This is a compromise. I hope it is adequate to the necessities of the moment. I would not want to be here if some unexpected catastrophe should cause the old west front walls to tumble. All are agreed that some major work must be undertaken to make the building safe and sound. The question has been, and still is, What should be done?

We are offering the conference agreement, hoping that it is a reasonably acceptable compromise.

I urge its adoption.

Mr. Speaker, under leave to extend, I include a summary companion of the conference total in tabular form:

LEGISLATIVE BRANCH APPROPRIATION BILL, FISCAL YEAR 1970 (H.R. 13763)

CONFERENCE SUMMARY

| Item | New budget (obligational) authority, fiscal year 1969 | Budget estimates of new (obligational) authority, fiscal year 1970 | New budget (obligational) authority recommended in House bill | New budget (obligational) authority recommended in Senate bill | New budget (obligational) authority recommended by conference action | Conference action compared with— New budget (obligational) authority, fiscal year 1969 | Budget estimates of new (obligational) authority, fiscal year 1970 | New budget (obligational) authority recommended in House bill | New budget (obligational) authority recommended in Senate bill |
|---|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Senate | $49,839,669 | $54,849,076 | | $54,837,660 | $54,837,660 | +$4,997,991 | −$11,416 | +$54,837,660 | |
| House of Representatives | 91,372,495 | 105,754,815 | 104,813,635 | 104,813,635 | 104,813,635 | +13,441,140 | −941,180 | | |
| Joint items | 12,824,135 | 13,280,258 | 13,206,322 | 13,242,322 | 13,233,322 | +409,187 | +46,936 | +27,000 | −$9,000 |
| Architect of the Capitol | 16,613,800 | 39,355,200 | 18,967,500 | 22,011,100 | 24,036,100 | +7,422,300 | −15,319,100 | +5,068,600 | +2,025,000 |
| Botanic Garden | 587,500 | 599,800 | 599,800 | 599,800 | 599,800 | +12,300 | | | |
| Library of Congress | 41,712,900 | 44,677,800 | 43,886,800 | 43,856,300 | 43,856,300 | +2,143,400 | −821,500 | −30,500 | |
| Government Printing Office | 39,178,000 | 50,452,000 | 40,050,000 | 39,950,000 | 39,950,000 | +772,000 | −10,502,000 | −100,000 | |
| General Accounting Office | 59,614,000 | 63,184,000 | 63,000,000 | 63,000,000 | 63,000,000 | +3,386,000 | −184,000 | | |
| Grand total, new budget (obligational) authority | 311,742,499 | 372,152,949 | 284,524,057 | 342,310,817 | 344,326,817 | +32,584,318 | −27,826,132 | +59,802,760 | +2,016,000 |
| Consisting of: | | | | | | | | | |
| 1. Appropriations | 311,415,499 | 372,152,949 | 284,464,057 | 342,250,817 | 344,266,817 | +32,851,318 | −27,886,132 | | |
| 2. Reappropriation | 327,000 | | 60,000 | 60,000 | 60,000 | −267,000 | +60,000 | | |
| Memorandum: 1. Appropriations including appropriations for liquidation of contract authorizations | 311,942,499 | 373,850,949 | 284,871,057 | 342,657,817 | 344,673,817 | +32,731,318 | −29,177,132 | +59,802,760 | +2,016,000 |

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS of Alabama. I yield to my friend from Illinois.

Mr. YATES. I should point out that the principal opponent in another body to extension of the west front, who was in favor of restoration—and I speak about the senior Senator from Wisconsin—also was invited to attend that extra hearing along with the gentleman from New York (Mr. STRATTON). He was engaged in work which would not permit him to come.

The hearing was held, and I thought it went very well. I was pleased that the gentleman from New York was invited, because he had been the leader of the opposition in the House and I thought it only fair that he be present as we tried to resolve our differences.

Our chairman, Mr. Speaker, the gentleman from Alabama (Mr. ANDREWS), did an outstanding job in bringing the parties together. He was patient, he was determined, he was fair in his desire to achieve the best solution in this matter. I never have worked with a fairer chairman than the gentleman. He was not arbitrary. He did not insist upon the extension and so deprive those of us who wondered whether restoration was possible of an opportunity to achieve the result the conferees reached.

The chairman and the other House conferees appreciate that the Capitol is the Nation's most important building. It is an important part of our national heritage. All of us want to do what is right in this matter, whether it be restoration or extension. The gentleman from Alabama impressed the engineers who appeared before us over and over on that point.

The result of that conference will be explained by the gentleman during the course of his remarks. At this time I want to commend the gentleman for his patience and for his profound desire to do that which would be best to preserve this Capitol.

Mr. ANDREWS of Alabama. I thank the gentleman for his very kind remarks.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS of Alabama. I yield to my friend from Iowa.

VARIOUS PROVISIONS OF BILL

Mr. GROSS. I thank my friend from Alabama for yielding.

Let me see if I can get these figures straight. Incidentally, I do appreciate having this information prepared by the committee staff, but I would hope that next year the staff member who prepared it would write just a little larger for my particular benefit. My bifocals will not go down to quite this small print.

Do I correctly understand this housekeeping bill for the House and Senate now calls for $344,673,817?

Mr. ANDREWS of Alabama. The gentleman is correct. May I add, however, that the Library of Congress and the General Accounting Office are also in this bill and are included in the total figure.

Mr. GROSS. And that is an increase over the House bill. That figure, I believe, was $284,871,057. Is that the gentleman's figure?

Mr. ANDREWS of Alabama. That is correct.

I might say to the gentleman that virtually all of the additional funds provided in this bill over the House total were added by the Senate for their housekeeping expenses. It has been traditional through the years, under the rule of comity, for the Senate to appropriate whatever it deems necessary and sufficient to operate that side of the Capitol, just as we on the House side do.

Mr. GROSS. Of course I would not for the world, and I am sure the gentleman from Alabama would not even think of disturbing the comity with the other body.

Mr. ANDREWS of Alabama. If we did the west wall might fall.

Mr. GROSS. We might see a repetition of the Jericho episode.

Mr. ANDREWS of Alabama. It could be a calamity.

Mr. GROSS. I still believe we ought to know what we are called upon to approve here today. Does this figure by any chance provide for the preliminary steps to the building of another Senate office building?

Mr. ANDREWS of Alabama. It does. It is $1,250,000. It was put in by the Senate for a building to be constructed on their side of the Capitol. They insist that they need it, and I again say to the gentleman that it has been traditional for the House to go along with their requests for their operations.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, what estimate did they put on it? Is it to be a large office building or a small office building? I cannot conceive of a small one. But could the gentleman give us any idea of the proposed cost of this additional Senate building? Would not 100 Members of the other body rattle around in three big Senate office buildings?

Mr. YATES. Mr. Speaker, will the gentleman from Alabama yield to me?

Mr. ANDREWS of Alabama. I yield to the gentleman from Illinois.

Mr. YATES. The plans were not revealed, may I say to the gentleman from Iowa. The money that is contained in this bill is for the purchase of land. I do not know that the plans for the proposed Senate office building have yet been drawn. Therefore, we cannot give the gentleman a more precise answer to his question.

Mr. ANDREWS of Alabama. As I recall, there was some mention in conference that it would be used for committee rooms.

Mr. GROSS. For committee rooms?

Mr. ANDREWS of Alabama. Mainly, as I recall.

Mr. GROSS. Well, now, to more mundane things. Do they still enjoy free haircuts in the other body?

Mr. ANDREWS of Alabama. I have heard that. There is no money in this bill for free haircuts on the House side.

Mr. GROSS. Is there any money in this bill for the usual purchases of spring water?

Mr. ANDREWS of Alabama. Not for Members of the House.

Mr. GROSS. Bottled water. No; I mean for Members of the other body. I repeat, we do not want to do anything to disturb the comity which exists between the two bodies, but I would like to know what we are voting on.

Mr. ANDREWS of Alabama. I do not know what they drink over there.

Mr. GROSS. I thank the gentleman for yielding.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS of Alabama. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, does not the gentleman believe that he should tell the House about the condition of the Capitol at the present time, and about the letter the gentleman received from Dr. Clair, the consulting engineer about the movement of the Capitol?

Mr. ANDREWS of Alabama. Mr. Speaker, I will yield to the gentleman from Illinois in just a moment for that purpose. First, however, Mr. Speaker, I wish to yield 10 minutes to the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Speaker, I appreciate our chairman yielding to me, and I want to point out that the conferees did indeed reach a compromise. Those who favor a study will have that further study.

The proponents of restoration instead of extension came up with five points on conditions which if they can be met would be taken care of through restoration. Those five points are set out in the substitute amendment as well as in the conference report. As stated in the report, if the restoration—rather than extension—treatment meets all five of the conditions noted above, then the extension work is to proceed. If on the other hand, the Commission, after consideration, concludes that the restoration study report meets all five of the conditions noted above, the Commission is then to make recommendations to the Congress on whether to extend or restore the west central front.

Mr. Speaker, I would like to reserve the balance of my time.

The SPEAKER pro tempore. The gentleman from North Dakota reserves the balance of his time.

Mr. ANDREWS of Alabama. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, as has been indicated, the conferees are very much concerned about the condition of the Capitol. The hearings indicated, and the previous statements of the distinguished gentleman from Alabama, the chairman of our committee (Mr. ANDREWS), have revealed something of the concern of the members of the subcommittee to the deteriorating condition of the west front of the Capitol, and to the dangers that are present in its condition.

The Architect of the Capitol has been directed by the subcommittee to take constant readings of the condition of the Capitol. Recently a report was made by the engineering firm which is engaged in these readings, which indicate—and this is the fourth set of readings—that there is a downward movement of the Capitol at all eight points checked. This is his report:

There have been both outward and inward horizontal movements. He can't explain the inward movements, but raise the question of something may be giving way.

Dr. Claire (who is the engineer) feels that there should be a 5th reading and that certain maintenance work should be done to the present temporary shoreing, etc. whether extension or restoration is authorized or not. This would cost $26,500 and should not be delayed until spring.

If the 5th reading in February or March shows continued settlement should proceed with underpinning the wall and would cost from $500,000 to $3,000,000. Some of this underpinning would have to be done even if extension or restoration was undertaken, but I understand the cost was included in the 1969 estimates for extension. Dr. Claire is particularly concerned with the downward movement.

Mr. Speaker, in this agreement by the conferees, we determined and we have stated to the Architect of the Capitol that no expense should be spared to maintain the condition of the west wall in as safe a condition as possible, to take any and all steps to prevent any accidents.

A period of time will elapse before a study that is authorized under this conference report will be completed.

It is the intention of the subcommittee that every effort be made to maintain the condition of the Capitol as safely as possible pending that study and pending the decision of what should be done with the west wall.

Again, let me say that this committee has tried to find the right answer to this complex problem. The gentleman from North Carolina (Mr. ANDREWS) and I have attempted from the start to find a way in which the restoration was possible. We came to the conclusion that it was not possible. Nevertheless, in view of the determined arguments of the distinguished gentleman from New York (Mr. STRATTON), in view of the overwhelming vote in the other body, we decided that we ought to find out if restoration is possible.

Mr. Speaker, I attach hereto a copy of the transcript of the hearing at which Dr. Clair and Mr. Severud appeared. Extension of the west wall is indicated. Yet, our committee wanted to leave no stone unturned in coming to the correct conclusion for the problem of the west wall. That is why we agreed to the study authorized by the conference report to see if restoration is a feasible solution. This is the transcript:

LEGISLATIVE APPROPRIATIONS FOR 1970—
WEST FRONT OF THE CAPITOL

(Wednesday, Nov. 12, 1969)

WITNESSES: Mr. Fred Severud, consulting engineer, Senior Partner of Severud, Perrone, Strum, Conlin, and Bandel, consulting engineers; Dr. Miles N. Clair, president, The Thompson and Lichtner Co., Inc., engineers.

Mr. ANDREWS. The committee will come to order. I do not know whether we will come to order or not. This is a very informal meeting. We held etxensive hearings on the question of what should be done about the west front of the Capitol, and we had a fight on our suggested program which would follow the extension plan on the floor of the House, and we won.

They had a fight on the Senate floor and they lost two to one, the extension advocates were defeated two to one. So now we go to conference, and the question before the conferees at this time is essentially whether or not the west front should be extended or restored.

We are all in agreement with Dr. Clair's statement in his letter to Mr. Stewart dated October 24, 1969. This is your statement:

"There is a structural condition of the wall that requires prompt attention."

I do not know whether you read the hearings of our committee in connection with the extension.

Mr. SEVERUD. Yes, sir, I did.

Mr. ANDREWS. This committee unanimously agreed that the extension work was preferable. We are not architects, we are not engineers, we are trying to do what we all agree should be done, namely, protect in some way the existing west wall of the Capitol.

We believe that it poses a real hazard; that a sonic boom quiver of any kind could cause that wall to collapse. When we stop and think that the wall was put together in 1829 with sandstone blocks which were put together with mortar of that vintage, it makes me doubly sure that something should be done.

There are two things that address themselves to me that cause me to conclude that extension was the most appropriate action to take One, it would be more permanent. We were told that a restoration job at best would be good for only about 20 years.

Congressman Stratton is one of the great advocates of the restoration work. That is an informal meeting. We are trying to enlighten the members of this committee about wnat should be done. I want something done and I want something done as cheaply as possible, but if you are going to get a job of restoration which will be good for only 20 years or maybe a little more, then I think in the long run it will be more economical to extend according to the plans that have been made in the hope it would be as permanent as the rest, north, and south wings of the Capitol.

That was one thing that addressed itself very strongly to me.

Second, we were told that with an extension job you could get a contractor to give what we call a lock and key job, a fixed price contract. On the other hand, if you attempted to restore the west front, you could not get anything but a cost plus contract, and it was impossible to estimate the cost except between the range of ten million and 50 million, and if we followed that method of trying to protect the west wall, you would have a job there that would have to be redone in 20 or a few years. So that is the

dilemma the members of this committee are faced with now: What should we do?

I think all of us want to do what is necessary at the cheapest price.

Mr. Severud, you had several telephone conversations with Congressman Yates?

Mr. SEVERUD. Yes.

Mr. ANDREWS. Congressman Yates has been very much interested in this project as have all other members of this committee, but I think you understand the purpose of this meeting this afternoon.

Mr. SEVERUD. Yes, sir.

Mr. ANDREWS. We are going to have a record of it and use it for whatever purposes we might see fit.

Now I am going to yield to Mr. Yates to resume his conversation with you.

First of all, I want to thank you and Dr. Clair for coming down here today and trying to help us with a very difficult problem. Mr. Yates told me that you are an engineer who enjoyed the respect of all of the members of your profession.

I yield to Mr. Yates.

Mr. YATES. Thank you, Mr. Chairman.

Mr. Severud and Dr. Clair, as you have discovered as you have read the hearings and the record, I wanted restoration of the west front. I still want a restoration if that is possible.

My Good friend, Mr. Stratton, and I are together on this. We diverge, I think, in that I, in the course of the testimony before our committee became convinced that a restoration was not possible. I say again it is possible, I want a restoration.

This committee is now in a position where it is butting heads with the Senate. The Senate insists that a study be made which would decide whether a restoration is possible. It wants that study to be done by the National Park Service rather than the Commission on Extension of the Capitol. May I say to the committee, Dr. Clair, Mr. Severud met earlier this morning and went over this problem again. They had charts, they had plats, they had a construction of an arched room inside the Capitol at the west wall. I cross-examined them, I hammered them, and I still cannot get them to agree that a restoration is possible. They say, yes, a restoration is possible if you vacate the rooms next to the west wall, I think you said, Mr. Severud. Is that right?

Mr. SEVERUD. Yes.

Mr. YATES. Will you tell the committee what you told me at that conference.

Before I do that, Mr. Chairman, with your permission may I ask Sam Stratton if he wants to ask any questions at this point or wait until the explanation?

Do you want to ask any questions at this point?

Mr. STRATTON. Is this letter to Dr. Clair's part of the record to date.

Mr. YATES. There is no record.

(Off the record.)

Mr. ANDREWS. Mr. Yates.

Mr. YATES. Mr. Severud and Dr. Clair, whichever wants to answer first, what is meant by a restoration? When we talk of restoration of the west wall of the Capitol, in your judgment what is meant by that term?

Mr. SEVERUD. I think it would be good to separate the two items in this sense—that Dr. Clair has been on the record now, I have read the record and he has made a study of the wall. So I think when it comes to the wall itself, the constitution of the wall and the way it could be restored, it would be best for Dr. Clair to answer. Then when it comes to the over-all structural elements, I would like to bring in some points that have been overlooked, and in that sense I would then cover more of the general principle and Dr. Clair, who has been involved in all of the details, I think would be the man to answer questions of that kind.

Mr. YATES. Dr. Clair, what is meant in your judgment by the term "restoration"? That term was really never defined by the A.I.A.

Dr. CLAIR. I am assuming that when the term "restoration" is used that it means more than—I am going to say give some of the exceptions. It means more than sealing joints or taking the paint off or taking the surface layer that has been affected by the paint, the disintegrated portion. Restoration means replacing this structure back to its original form.

Mr. YATES. What do you mean by original form? Do you mean its composition when it was originally built in 1829?

Dr. CLAIR. Yes.

Mr. CASEY. With the original stone?

Dr. CLAIR. That is right. That is what restoration is.

If you mean repair, that is another thing. If you mean renovation, that is still another thing. But I assume, you see, when they talk about restoration they mean to bring this back to its original form.

Mr. YATES. What do you mean by restoration, Mr. Stratton?

Mr. STRATTON. What I am in favor of—I do not know whether you call it restoration or what you call it—is putting the building in a safe condition with as little change as possible. That is basically it.

Mr. YATES. Repair and rehabilitation then?

Mr. STRATTON. And also without adding to the area that it covers, without changing its basic architecture, and without changing any more of the stones and other fixtures than would be absolutely necessary. That would be my idea of what we ought to be shooting for.

(Off the record.)

Mr. YATES. With this definition by Mr. Stratton, Dr. Clair, what would have to be done to the west wall in order to put it in the type of condition Mr. Stratton speaks about? Is this a restoration?

Dr. CLAIR. It is not what I would call a restoration.

Mr. YATES. What would you call Mr. Stratton's description, a repair and rehabilitation job.

Dr. CLAIR. To me it is a repair, and rehabilitation is involved. However, it is not still a very simple thing because it involves the removal of cracked stones, the putting in of the arch stones, keystones and releasing the stresses on them and putting them in the right position. The wall of course, as you know from our report, has separations between the face stones and the body of the wall in many places, it has voids in many places, it has stones that are held together in the interior of the wall by inferior mortar, and it has face stones. You could not possibly think of just leaving those face stones there without either taking a part of them off down to sound stone. Then after that, of course, you would have to contemplate in doing this that you have thrusts on these walls, you have conditions that give rise to the question of the stability of the wall, you have a foundation that is obviously settling because we have records that show that.

We have foundations which in some areas are deficient in bearing capacity. Some do not go down far enough below the surface of the ground. You have sections of the wall——

Mr. STRATTON. We are——

Dr. CLAIR. You brought in stability. That is the reason I am bringing this up.

Mr. STRATTON. We are just trying to arrive at some conclusion and all of this is very familiar. You say here on page 1 of your letter, Doctor—

"Our study developed detailed factual information relative to the condition of the structure on which to base engineering judgment as to what was necessary to be done for complete and permanent correction of conditions."

I have read your study, all five volumes of it. You are absolutely correct, what that does is to develop detailed factual information relative to the condition of the structure. You never made any analysis of what had to be done or what should be done about it. It has just one paragraph in there that says we think it ought to be extended instead of restored.

Dr. CLAIR. We gave you our conclusions, sir.

Mr. STRATTON. Why did you not analyze them?

Dr. CLAIR. We had to for the report. We checked sections, forces on sections, forces on arches, forces on the walls.

Mr. STRATTON. Then why were these not put down on paper? There is nothing on paper there. You have more in this letter than is in your report.

Dr. CLAIR. Why was it not put down?

Mr. STRATTON. Yes.

Dr. CLAIR. Because we were asked for a conclusion and we gave the conclusion. Who would take our engineering computations and so on and analyze them?

Mr. STRATTON. You say this—in the next part of that sentence, which I did not read, you say this: "to secure against immediate failures and failures during the period that would be required for preparation of the plans and specifications and the letting of contacts for whatever was decided, repair, restoration or extension."

In other words, you are suggesting that your purpose was to get factual information and that is all that is in the five columns, all kinds of pictures of cracks and other things you have been talking about. But nowhere do you say we could do it this way or could do it that way. This is the thing I found out five years ago.

I tried to point this out on the House floor. Nobody would really believe that five volumes of a study were produced without a single discussion of the very thing that is really at issue here. Now you are giving us your analysis, but that was never committed to paper. I do not know whether you made the analysis then or whether you have made it since this argument came up.

Dr. CLAIR. How could we issue our report?

Mr. STRATTON. There is more in this letter than was in those five volumes on the subject.

Dr. CLAIR. The letter says I think the same thing as the first volume of the report.

Mr. STRATTON. It could not because there is only one paragraph in the 5 volumes. So all you have to do is have a third of a page of the letter to go beyond that and you have said more.

Dr. CLAIR. That is the conclusion.

Mr. STRATTON. Did you study these things?

Dr. CLAIR. Of course we did.

Mr. STRATTON. Why were they not in the report?

Dr. CLAIR. Why were they not, because we do not write a report with all of our computations and so on in it.

Mr. STRATTON. You do not even bother to give the discussion you have just given us right now, explaining why you cannot do these various things.

Dr. CLAIR. We do not. Maybe somebody else does. We gave a conclusion.

Mr. STRATTON. I do not understand how you can expect anybody to accept a conclusion if you do not give the reasoning and supporting material for the conclusion.

Mr. SEVERUD. May I inject?

Mr. STRATTON. This is Dr. Clair's study, is it not?

Mr. SEVERUD. But it has to be evaluated.

Mr. STRATTON. I am talking about the study the taxpayers paid for, which has been at issue in this matter on the floor, and an incredible thing is, with all of this study in all of the five volumes, we do not have any discussion even approximating what is in this letter. And I just find it difficult to understand how Dr. Clair can come in here now and say we concluded this and we concluded that and we got this and we got that, when none of that is in the original study.

Dr. CLAIR. We were asked for a conclusion as to what to do about it based on the findings that we got from the examination of

the structure. And to arrive at that conclusion, we did not sit down and in five minutes write a paragraph. We had to make computations of stresses, we had to analyze how this structure worked, we had to even go out and get some cost figures.

Mr. STRATTON. Even the United States Supreme Court, when they make a conclusion, write an opinion so that you know how they arrived at their study. This is the basic question now.

Mr. Andrews, the architect, Mr. Yates are all citing your study as proof of the soundness of your position. But the position is not there anywhere. All it is is just the conclusion. You knew what the conclusion was going to be before you started writing the study, you knew what Mr. Stewart wanted.

Dr. CLAIR. I beg your pardon.

Mr. STRATTON. All you have provided is the factual information, as you say here very truthfully in the first page, of the condition of the structure on which to base your conclusion.

Mr. ANDREWS. Do you want to make a statement there? I think you have the right.

Dr. CLAIR. How do you dare to sit there, Mister Stratton, and say I wrote a conclusion that was given to me to start with? I have not been in this business for 50 years and gotten to where I am based on writing reports that people want. I am a professional engineer.

Mr. STRATTON. I am sure you are, Doctor, but the fact of the matter is that the study that the taxpayers paid for does not have a single word of analysis whatsoever. And I do not know how you as an engineer or an architect, any more than a reputable physician or a judge or a lawyer, can come up with a conclusion on a serious matter on which people are deeply concerned and are going to be spending millions of dollars of the taxpayers' money without setting down a single step-by-step argument as to how you got what you concluded.

If I tell my wife something, I have to give her reasons for it. She is not going to go out and buy this or buy that unless I tell her why. Yet you conclude in a single paragraph, and you say you made all of these preliminary computations, but they do not appear anywhere in five volumes that come up about this high (indicating) from the floor.

Dr. CLAIR. The five volumes largely contain photographs, as you know.

Mr. STRATTON. That is right, and is what I said on the floor and they would not believe it.

Dr. CLAIR. Those photographs are facts.

Mr. STRATTON. Sure they are facts, they are the structural condition of the building.

Dr. CLAIR. That is right.

Mr. STRATTON. And this is the point. I tried in the 8 minutes allotted to me to refute my friend from Illinois, who spent two hours, because people could just not believe the architect could spend, what was it, $100,000 on this study and then have nothing but five volumes of photographs and a single typewritten page of conclusions.

Dr. CLAIR. Is that so?

Mr. STRATTON. They did not believe it.

Dr. CLAIR. There is no other data in that report?

Mr. STRATTON. There is about one paragraph of conclusions. There is some typewritten discussion.

Dr. CLAIR. There is no other data in that?

Mr. STRATTON. Oh, you have a certain amount of discussion of what is in the photographs.

Mr. YATES. Dr. Clair, Mr. Stratton contends your study was deficient.

As I understand the purpose of your study, it was to lay out certain conditions that you found in connection with your survey from which conclusions might be drawn as to what should be done, as to whether it should be restored, whether an extension should be made, or whether there should be some other kind of corrective steps taken.

Is your study deficient? Does it give enough data to the architect or to an outside engineer to reach a conclusion based on your study?

Dr. CLAIR. I certainly do not think it is deficient.

Mr. YATES. Mr. Stratton says that there are parts of your study that are not included. You talk about computations that were made in connection with stresses. I assume these are work papers.

Dr. CLAIR. How could I know whether or not the foundations were overloaded? How could I know whether or not on the various portions like the south side of the west front whether stresses were high? They are given in there. How could I know whether or not the walls were unstable?

Mr. YATES. Was that not to be part of your study, Dr. Clair?

Dr. CLAIR. I was supposed to give them an answer. I gave them an answer. I write many reports the same way, one page maybe, in which I give my opinion after looking at facts.

Mr. YATES. Are you saying now that in submitting a report to the people who hire you that you do not give the basis for your conclusions?

Dr. CLAIR. Not all the computations, and so on, because most of the people you give engineering reports to don't know what they mean, anyhow.

Mr. ANDREWS. Is that standard practice in your profession, the line which you followed here?

Dr. CLAIR. This is the way we write a report.

Mr. ANDREWS. That is what I asked, whether that is standard practice in your profession.

Dr. CLAIR. That is right. You have another engineer here with whom I had no contact either before or after. I have not seen Mr. Severud and I have not had contact with him in seven or eight years. I had no contact with him whatever. I will go by what he says.

Mr. YATES. Is it possible for an engineer like Mr. Severud to take your report and on the basis of that decide, is it adequate to decide, whether the wall should be restored or whether an extension is called for?

Dr. CLAIR. Of course it is.

Mr. YATES. Is it adequate for that purpose? Mr. Stratton believes there is not enough information in that report for any person to take it and decide what should be done.

Mr. STRATTON. He says he concluded that himself but he will not give us the reasoning behind it.

Dr. CLAIR. I will not give you the reasoning? I just went through the reasoning.

Mr. STRATTON. You did not give it in your report. You told the Chairman this is standard practice in your profession. You do not give the reasons. You give only the conclusions.

Dr. CLAIR. In very many reports you do not give anything but the conclusions because you give the facts and then you give——

Mr. STRATTON. I don't know what kind of profession yours is, doctor, and I do not pretend to know it, but if I went into an automobile body shop and asked them what was necessary to fix up my car and they said "You are going to have to do this, that, and the other, and it will cost you this much money," I would not go back to them unless they also told me what they were doing and why it had to be done in that particular way, and I don't think you would, either. I don't think any of us would buy a pig in a poke without knowing what and why.

Mr. YATES. Let us ask Mr. Severud the question. You have read Dr. Clair's report.

Dr. CLAIR. That depends on whether you know the man in your automobile shop. I wouldn't question a man in my automobile shop.

Mr. STRATTON. Not until I found out——

Mr. ANDREWS. Let us proceed in order.

Mr. Yates has the witness. If you have questions ask him to yield.

Mr. YATES. Mr. Severud, can you on the basis of Dr. Clair's report conclude whether there should be an extension or a restoration?

Mr. SEVERUD. That is my business. It is my responsibility. When the various experts are hired, for instance Bill Mueser, even as prominent as he is in the field of foundations, I do not take his judgment but the facts and it is up to me on the basis of the facts to arrive at the proper conclusion. The position we are in makes me the man who carries the whole load of responsibility.

Mr. YATES. Was Dr. Clair's report adequate for you to reach a conclusion?

Mr. SEVERUD. Yes.

Mr. YATES. Was there an adequate delineation of the condition of the wall to permit an outside engineer coming in and looking at the report to know what to do?

Mr. SEVERUD. Yes, sir.

Mr. YATES. In your opinion there was?

Mr. SEVERUD. Yes, sir.

Mr. YATES. Did you make an independent survey of your own or did you use Dr. Clair's report?

Mr. SEVERUD. Oh, no. We went beyond as we always do because in addition to the physical condition of the wall we have many other factors that if time permits I will be glad to explain.

Mr. STRATTON. If I may interrupt at this point. I do not want to be argumentative but I am trying to pin down two points. We have two different witnesses here on two different points.

Dr. Clair made a study a number of years ago. This is the study that we are all being told is the final definitive study. You don't need more money for studies, we are told, because we have had them all. Here is the study in five volumes, we are told. Everything has been studied and you don't need to study anything more we have been told.

This is the thing that I, as you know, have consistently objected to.

Mr. YATES. Yes.

Mr. STRATTON. I don't know whether you read the Clair study but I saw it three or four years ago and I was appalled to find out what was really in all of these volumes and this is the first time I have had an opportunity to argue the point with somebody that had something to do with the study.

I am concerned about whether this study really is an adequate study on the question of whether you can repair and renovate the West Front or whether you have to go to a four and a half acre extension. I have been saying this all along and everybody else has been saying no, we have all the studies we need.

Now we have here the statement of Dr. Clair that all he was really doing was collecting factual information. He has one paragraph of conclusions which he says he backed up with a lot of material that he did not put in his report because we are too dumb to understand what it was all about, and I would also call your attention to page 4 which says "We have no opinion and therefore have expressed no opinion relative to the proposed extension, and we are concerned only with avoiding the reconstruction of the West Wall because of the danger involved by using underpinning and lateral support."

He never discussed this item in his report, either. He just concluded that.

I would like to point out that even though Dr. Clair does not discuss that point he makes it perfectly clear now that his study was not in support of the extension. It was opposed only to the reconstruction of the West Wall. To use that statement as support for anything except opposition to the reconstruction of the West Wall, for reasons which he never gave us, is to me extremely misleading.

If Mr. Severud wants to go on from this to

support extension that would be an entirely different matter, but it seems to me we have established one thing that I tried to establish, that this Clair study tells us precisely nothing about what is to us the major question at issue now in this Congress.

Mr. YATES. I will tell you one thing you yourself repeated—he is opposed on the basis of the study to reconstruction of the wall.

Mr. STRATTON. I knew that because he had stated that conclusion.

Mr. YATES. That is right. He does tell you that.

Mr. STRATTON. But not why. Before I would spend $300 to get somebody to put a particular new engine in my car I would want to know why the heck I had to have that new engine and why I couldn't fix up my car with something else.

Unfortunately these five volumes do not tell you a darn thing. There is more in this letter than there was in that study.

Mr. YATES. It does not tell you and not me, but does it tell an engineer enough? That is what I am trying to find out.

Mr. ANDREWS. That is the whole thing. He said he followed standard procedure for his profession. Let us proceed in order here now and the witness is with you.

Mr. YATES. I was asking Mr. Severud whether he could take that study and reach a conclusion.

Mr. ANDREWS. His answer was yes.

Mr. SEVERUD. This should be clarified. The one that is responsible for the judgment in this matter is me personally, nobody else, so it is up to me, even with Bill Mueser being part of the team, evaluating part of the report——

Mr. ANDREWS. Who is he and what about him?

Mr. SEVERUD. He is supposed to be the world's greatest foundation expert. He goes all over the world.

Mr. ANDREWS. Where does he live?

Mr. SEVERUD. New York City. The firm used to to be known as Moran, Proctor, Freeman and Mueser. Now Mueser is the only surviving partner of this earlier firm. The firm is now known as Mueser, Rutledge, Wentworth & Johnston.

Mr. ANDREWS. Does he have a good reputation with the American Institute of Architects?

Mr. SEVERUD. The best, absolutely the top.

Mr. ANDREWS. Tell us something about you. What is your background?

Mr. SEVERUD. I was educated in Norway in the National Institute. I came here in 1923 and I established my business in 1928.

Not going through all the many ramifications of work that we have done, I might mention the Jefferson Memorial Arch which was engineered under tremendous opposition and finally proved to be eminently successful.

Various ones tried wind tunnel tests, they said it would wreck itself, we stuck to our guns, and we have been proven to be right.

We did Madison Square Garden, a very complicated job.

Mr. ANDREWS. It sure was. The one over Pennsylvania Station?

Mr. SEVERUD. Yes. I was called in in connection with a very complicated structure. They are going to house the entire complex with one roof. It took all kinds of crazy contortions. There was controversy in Germany and they called in an engineer from Switzerland, one from Denmark, and myself to decide what to do.

Time and again I have been involved in conditions of cracked buildings. I must mention the General Hospital in Philadelphia where it cracked so badly that they wanted a grand jury investigation. Some of these housewives want to see blood, you know. They wanted to put somebody in jail, so finally they called in all kinds of experts in Philadelphia and they could not figure it out.

I was finally called in.

Mr. ANDREWS. Did you correct it?

Mr. SEVERUD. Yes. We had a budget of $150,000 to correct it and we did it with $11,000.

Remember, gentlemen, that a crack is absolutely basic. What engineers often overlook is that a crack is an explosion. You have capacity of a member, and when the capacity is used up it goes and you have a dynamic reaction. It is mostly on the basis of that discovery and the conclusions built up that we have been able to build up an organization where we engage more than 120 men, and we have a special design department where we analyze very complicated structures.

Of course, we also have a computer in the office and we have some of the best engineers in the world who give lectures. Dr. Bandel, for example, is internationally known as one of the leading men in the field.

We are just now consulting on a restaurant in Sidney, Australia. It is a very slender restaurant, a revolving affair. It is so flexible that in order to dampen it so people do not get seasick we detach a doughnut water tank and suspend it so we get a sort of flexible support.

If you have a mass that is detached from the main structure, that mass is inertia and it prevents the shaft from going all the way.

We are just studying extending that principle into skyscrapers. We are writing an article about it. You can take the mechanical floor on top of a skyscraper and put it on roller skates with shock absorbers and you can save a tremendous amount of money and get something that is much more efficient.

You might say our contribution is to do engineering with a different outlook. We are not just static. We go into the whole structure. We live with the structure and try to find out exactly what goes on. I have a prepared statement here on my background which you might wish to include in your record.

FRED N. SEVERUD (PARTNER)

Born: Bergen, Norway—June 8, 1899. Degree in Civil Engineering from the Norwegian Inst. of Technology in 1923.

Experience: James B. French, Consulting Engineer (1924), Partner of Ruderman & Severud (1928), Independent Practise as Fred N. Severud (1931), Senior Partner of the firm of Severud-Elstad-Krueger (1950), Senior Partner of the firm of Severud-Perrone-Fischer-Sturm-Conlin-Bandel (1960).

Practice: As consulting engineer at 415 Lexington Ave., New York 17, N.Y. Office Buildings, Schools, hospitals, research centers, research laboratories, airports, housing developments, theatres, industrial buildings of all types, television development, consultant to the Norweigian government and other communities, new developments in wall and floor construction, marine construction.

Memberships: American Institute of Consulting Engineers. American Society of Civil Engineers. New York Association of Consulting Engineers. The Architectural League of New York. International Association for Shell Structures.

Lectures and Publications: Lectures at Harvard University, Yale University, Princeton University, City College of New York, Columbia University, Rhode Island School of Design, and many other colleges and universities, in Puerto Rico, Toronto Canada, Pennsylvania, A.I.A., Central States Conference, A.I.A.; Cleveland Chapter, A.I.A., and many others.

ARTICLES

*Architectural Record.* Structural Study: Jefferson Memorial Arch. This Engineer Travels in Comfort Forecasting a New Era for Concrete Hangers; Analyzed Efficiency in Structures; The Structures that House Us.

*Consulting Engineer.* New Engineered Structures.

*Civil Engineering.* Materials Combined to Advantage—Concrete in Compression, Steel in Tension; Cable-Suspended Roof for Yale Hockey Rink.

*Engineering News-Record.* Avoiding Cracks in Building Walls.

*Forum.* Turtles & Walnuts, Morning Glories and Grass.

*Ingenieria Internacional Construccion.* Porque Resultan Economics Los Pisos Con "Vigas-Losa."

*The Nation's Schools.* Concrete: Its Uses and Behavior.

*Progressive Architecture.* The Pros and Cons of Architecture for Civil Defense; The Load Bearing Structure; Hung Roofs; Suspended Porte-Cochers Roof.

*Books.* "Apartment Houses" by Abel & Severud (Reinhold Publishing Corp.). "The Bomb, Survival & You" by Merrill & Severud (Reinhold Publishing Corp.).

AWARDS

The Franklin Institute's Frank P. Brown Medal for Engineering Accomplishments in the Field of Building Construction.

Decoration by the Government of Norway for help in Reconstruction after occupation.

*Architectural League of New York.* Collaborative Medal of Honor, 1962 (IBM Research Center, Yorktown Heights, N.Y.). Gold Medal Award, 1953 (Raleigh, N.C. Pavilion).

*The American Institute of Architects.* First Honor Award, 1953 (Raleigh, N.C. Pavilion). Allied Professions Gold Medal (1958). Honorary Associate Membership (1962).

*Illinois and Missouri Society of Professional Engineers.* Ill-Mo Award for 1963 (St. Louis Arch).

*American Society of Civil Engineers.* Ernest E. Howard Award for 1964 (St. Louis Arch).

Fred N. Severud has been linked with many of the outstanding structures in the United States wherein development and application of improved or advanced principles of structural design and construction have been involved. His contributions in this respect have been recognized by the architectural profession which has conferred on him some of its highest honors.

Structures such as the House of Seagram, the I.B.M. Research Center, the Jefferson National Expansion Memorial Arch in St. Louis, Missouri, the United States and Johnson Wax Pavilions at the 1964–65 World's Fair, are in keeping with his position as perhaps the foremost contemporary designer in what may be termed the field of progressive structural design.

In the design of the Livestock Judging Pavilion for the North Carolina State Fair at Raleigh, N.C., a roof construction supported by steel cables was developed. That design has won a great deal of professional recognition and is being adopted on an international scale. Other solutions of cable-roof construction were employed by him in the design of the Congress Hall in Berlin, Germany and the Hockey Rink for Yale University at New Haven, Connecticut.

Mr. Severud developed the Slab-Band floor system for apartment buildings which became very widely used in major projects by the New York City Housing Authority. He also developed the engineering design of the Lift-Slab method of construction.

Mr. Severud's firm was selected to design the structures comprising the huge Air Force Base at Thule, Greenland, also the buildings, hangars and towers on the Distant Early Warning System in Alaska and Canada, the DEW line. In connection with these projects, intensive studies were made of the phenomenon of Permafrost and the type of construction developed which is now commonly adopted for the Arctic.

ADDITIONAL AWARDS

The Franklin Institute, Philadelphia, Pa., Frank P. Brown Medal for Outstanding Engi-

neering Accomplishments, given to Fred N. Severud in 1952.

American Institute of Architects First Honor Award, 1953, for the North Carolina State Fair Pavilion, Raleigh, N.C.

Architectural League of New York Gold Medal Award for 1953, for the North Carolina State Fair Pavilion, Raleigh, N.C.

Progressive Architecture Design Awards Program for 1954, Cherry Hill Project, Radio Corporation of America, RCA-Victor Division, Camden, N.J.

American Institute of Architects Allied Professions Gold Medal Award for 1958 to Fred N. Severud.

Architectural League of New York, Honorable Mention Award for 1960, David S. Ingalls Hockey Rink, Yale University, New Haven, Conn.

Architectural League of New York Gold Medal for Architecture in 1960, House of Seagram Office Building, New York, N.Y.

Progressive Architecture Design Award for 1961, Washington Square East, Section A, Housing, Philadelphia, Pa.

American Institute of Architects, New York Chapter, Honorary Award Membership conferred on Fred N. Severud, June, 1962.

American Institute of Steel Construction Architectural Award of Excellence for 1962, Johnson Hall Dormitory, Temple University.

Architectural League of New York Collaborative Medal of Honor for 1962, Thomas J. Watson Research Center, Yorktown Heights, N.Y.

American Institute of Steel Construction Architectural Award of Excellence for 1963, American Cyanamid Co., Wayne, N.J.

American Institute of Steel Construction Architectural Award of Excellence for 1964, United States Pavilion, New York World's Fair, Flushing, N.Y.

American Institute of Steel Construction Architectural Award of Excellence for 1964, Academic Center, Gwynedd Valley, Pa.

Illinois and Missouri Societies of Professional Engineers Ill-Mo Award to Fred N. Severud for 1963 for the St. Louis Gateway Arch.

American Society of Civil Engineers Ernest E. Howard Gold Medal Award for 1964 to Fred N. Severud for Outstanding Performance in the field of Structural Engineering.

Concrete Industry Board 1966 Annual Award for the Library-Footbridge-Dormitories Hofstra University, Hempstead, N.Y.

Missouri Society of Professional Engineers and National Societies of Professional Engineers "Engineering Wonders in Missouri" Award to Dr. Hannskarl Bandel in 1966 for the St. Louis Gateway Arch.

Engineering News-Record Award in 1966 to Dr. Hannskarl Bandel for serving the best interests of the construction industry.

Consulting Engineers Council Award for Outstanding Engineering Achievement in the Structural Field in 1966 for the St. Louis Gateway Arch.

American Society of Civil Engineers Outstanding Civil Engineering Achievement of 1967 Award for the St. Louis Gateway Arch.

Engineering News-Record Award in 1967 to Mr. Fred N. Severud for serving the best interests of the construction industry.

American Institute of Steel Construction Special Award for Excellence for 1967 St. Louis Gateway Arch.

American Iron and Steel Institute Excellence in Engineering Award for Public Works Construction in 1967 St. Louis Gateway Arch.

American Iron and Steel Institute Excellence in Engineering Award for Low Rise Commercial Construction in 1967 John Deere Co. Warehouse and Display Center Baltimore, Md.

Steel Plate Fabricators Association Steel Tank of the Year Award for 1967 Standpipe, Albany, N.Y.

Concrete Industry Board of New York Annual Award for 1967 Boardwalk Restaurant Jones Beach State Park, N.Y.

Concrete Industry Board of New York Award of Merit for 1967 Laurence G. Payson House, New York, N.Y.

New York Association of Consulting Engineers First Prize for Structure in Buildings in 1968 Madison Square Garden Sports Complex, New York, N.Y.

Consulting Engineers Council Award for Engineering Excellence for 1968 Madison Square Garden Sports Complex New York, N.Y.

New York Association of Consulting Engineers Special Award for Unique Structural Design for 1969 The L. Stockwell Jadwin Gymnasium, Princeton University, Princeton, N.J.

Consulting Engineers Council, National Competition Award for Engineering Excellence for 1969 The L. Stockwell Jadwin Gymnasium Princeton, University, Princeton, N.J.

Mr. ANDREWS. You have given us a very fine statement there about your connections with various people and projects and we will insert your prepared statement in the record. I have heard from many people that you have an excellent reputation with the architects throughout the United States.

I merely wanted something in the record so we can identify you when we discuss your testimony later.

Now we will return to Mr. Yates. You will pursue your questioning.

Mr. YATES. Mr. Severud, Mr. Stratton was developing the point that Dr. Clair's study was inadequate in order to make a judgment as to how to proceed on the West Wall.

Mr. STRATTON. If I may correct that. I did not say the study was inaccurate.

Mr. YATES. I said inadequate.

Mr. STRATTON. He just did not put anything into his study to justify his conclusions. There are all kinds of data, and if I understand what Mr. Severud is saying, you can look at this data and he as an engineer can come to certain conclusions.

Mr. YATES. Is that right, Mr. Severud?

Mr. SEVERUD. It is my business to draw conclusions.

Mr. YATES. It is your business to do what?

Mr. SEVERUD. Draw the conclusions.

Mr. YATES. On the basis of the facts as he developed them?

Mr. SEVERUD. Of course.

Mr. ANDREWS. If the gentleman will yield, Dr. Clair made an inspection and an investigation, call it whatever you want to. He furnished you with certain materials.

Mr. SEVERUD. Right.

Mr. ANDREWS. Did he give you enough as a professional man for you to form an opinion and give advice on what should be done? Was what he gave you sufficient?

Mr. SEVERUD. We have to go beyond.

Mr. YATES. What do you mean by going beyond?

Mr. SEVERUD. He gave us the physical data, but when it comes to an overall analysis we have to go a little further than that.

Mr. YATES. What did you do?

Mr. SEVERUD. Well, the situation in this building—may I demonstrate it?

Mr. YATES. Sure.

Mr. SEVERUD. We have a model, not a replica but something which gives major principles of floor construction. These arches give a thrust when a load is placed onto it. Obviously it is not stable until the supports are adequate.

All the way through the building there is a series of inbuilt thrusts.

It is true that the building has many cross walls, and if these were absolutely intact then, as proven, the building is still here, and these cross walls are the ones which are responsible for the stability in my opinion.

However, we have a situation where the foundation situation is very variable. There are all kinds of different materials and different time elements involved, and so on, so that it is foregone conclusion that in many cases the foundation condition under a cross wall is superior to the foundation condition under the front wall.

Let us say, for a moment, that this is the front wall. Here is the side wall.

Let us say this might be sitting on a rock, the major part of the building. That would mean to me that this wall acts as a cantilever and actually carries the front wall. The cracks indicate that that is the case in many instances.

This front wall then tries to carry the load from one sidewall to another.

If you take this entirely away then it would be resting on air.

Therefore there is inbuilt into this construction a situation where of necessity there will have to be a tremendous conflict of stresses. It is so indefinite that it would be utterly impossible for anyone to know which interior wall is ready to give up the ghost.

You can imagine this. Anyone can see that. This wall in many cases must, you might say, be riding on air and being supported with cross walls—not completely but relatively, let us say. There is more support on these walls than in the foundation underneath. That is the element that should be gone beyond the physical data we have here. That is what disturbed me the most.

Just to illustrate the point that cracks are explosive.

Mr. YATES. This is Statuary Hall?

Mr. SEVERUD. Yes. The piece of cornice was found 15 feet beyond the building.

Mr. YATES. You mean this broke off and was thrown off?

Mr. SEVERUD. Yes. You can imagine a heavy stone like that. It held in place. All of a sudden the static forces that are there are transformed into dynamic forces just as I ripped the paper for you a few minutes ago to illustrate.

Those conditions must exist all over the building to a great extent. How much, I do not know.

Mr. YATES. Can a study be made which will tell you how much of that exists throughout the building?

Mr. SEVERUD. I don't think anyone in a sane mind would try to restore this wall without giving it lateral support.

Mr. STRATTON. If I understood your point here, the thrust on these arches is carried mostly, you said, by the interior walls?

Mr. SEVERUD. Right. Not only the exterior—

Mr. STRATTON. So even if we fix the West Front you are suggesting we still have conditions on the interior side walls that could be just as bad as the West Front?

Mr. SEVERUD. Right. It could be worse.

Mr. STRATTON. So we are really not going to fix the building by undertaking an elaborate extension to correct the West Wall. We will still have other problems on the side walls?

Mr. SEVERUD. No, no, no. If you get lateral support it cannot fall out.

Mr. STRATTON. This is only one out of four walls. You are suggesting, I thought, that there are interior walls which also have problems.

Mr. ANDREWS of North Dakota. He is saying interior walls have the lateral support he is trying to get for the exterior walls. Each of these interior walls has a floor running against it and other walls and a ceiling.

Mr. STRATTON. What about the side walls?

Mr. SEVERUD. That is why it is carried all the way across. The extension is picking up all the weak spots. If it is held from falling out what can it do? It will stay there.

Mr. STRATTON. Let us say this is the West Wall. You still have a problem on this wall here.

Mr. YATES. That is just an arch. That is just a replica of one of the arched rooms in

the many that make up the whole along the west wall of the Capitol.

Mr. SEVERUD. This is just one room.

Mr. YATES. That is a room which fronts on the West Wall.

Mr. SEVERUD. Let us say——

Mr. STRATTON. But it has four walls. The problem is on each of the walls. The problem is as great on this side as on that side, is it not?

Mr. SEVERUD. That is held by the interior. It is only if the wall is free to fall out that there is danger.

Mr. STRATTON. You said the interior walls were equally bad. This is not the only interior wall. You have an interior wall here, do you not?

Mr. ANDREWS of North Dakota. He says the footings of the interior wall, Sam, and the interior walls are the things keyed into the outside wall and keeping it up; if one of those should pop while the outside wall is not braced from outside it will fall off.

This is exactly what he said.

Mr. SEVERUD That is right.

Mr. STRATTON. I don't think we are on the same wavelength. There are four walls here.

Mr. SEVERUD. In one room.

Mr. STRATTON. All we are talking about is fixing one of the four. What happens to the others?

Mr. SEVERUD. They are fixed because they get lateral support.

Mr. ANDREWS. What do you mean by lateral support? An extension?

Mr. SEVERUD. In the case of the interior walls the floor arches in the adjoining rooms furnish the lateral support.

Mr. YATES. Let me see if I can explain this. This is one of the rooms, and there is a series of rooms all the way along the West Wall that are like this.

What is happening is that this is the West Wall. These other walls also have thrusts from the arches but they are contained by other walls, interior walls along in here?

Mr. SEVERUD. Right.

Mr. YATES. So there is a thrust contained, there is protection, but there is no similar protection at the outer wall, the West Wall. So that the forces are moving against the West Wall which is not similarly protected. Is that correct?

Mr. SEVERUD. Right. The West Wall is the free end and that is the one that can fall.

I know that I am somewhat under a handicap in being the engineer, but I can guarantee you, gentlemen, that if you just go into this building and feel with it you will see there are conditions there where you have tremendous conflicts. Here foundations give way and something else is picking it up. You give away elsewhere and something else has to pick it up. It is such a delicate thing.

Mr. ANDREWS. What do you mean by lateral support? I think I know but I want it in the record.

Mr. SEVERUD. The floor slab.

Mr. ANDREWS. Does that mean extending the west part of the Capitol as we have been talking about?

Mr. SEVERUD. Yes.

Mr. CASEY. How far?

Mr. ANDREWS. 44 feet?

Mr. YATES. That is the next question.

Mr. ANDREWS. You say that in order to protect this wall and the exterior walls you need lateral support out here, which means an extension?

Mr. SEVERUD. That is right. This is what we did on the East Front.

Mr. ANDREWS. At the East Front?

Mr. SEVERUD. Yes. The same thing we did here.

Mr. ANDREWS. Let me ask one question while on this subject. During the debate in the other body the Senator from Wisconsin said that in repairing the wall "We wouldn't have the same sandstone, anyway. It would have to be new, so whether it was new sandstone or marble the best way to proceed would be in terms of economy but also in terms of durability."

He is inferring that you will take this West Wall and to get durability you will replace those sandstone blocks with marble blocks.

Following up your testimony here as an expert engineer, could this be done? Could we, if we decide tomorrow to replace those blocks in the old West Wall where they are now sandstone with marble, do this without the whole darn thing falling in? I think this is one of the important things because we should know whether we can, in fact, restore in place.

That is the crux of this whole problem.

Mr. SEVERUD. I have a delicate situation in a job in Vancouver. It was specified that workmen had to be imported from Italy. I don't know if you can get the workmanship to handle it.

Otherwise I would say that it probably could be done. I am not going into the details of the stone work because to my mind it would be utterly ridiculous.

Mr. ANDREWS of North Dakota. Why do you say "utterly ridiculous"?

Mr. SEVERUD. To restore a wall without giving it lateral support. Anything can happen. Engineering-wise it is utterly unthinkable. The only thing that could be done if you were desperately up against it would be to gut enough of the interior to create the same situation as we have here.

Mr. ANDREWS of North Dakota. In other words, what you are saying is that if you want to restore the old wall in place you would have to do as they did in the White House—

Mr. SEVERUD. Right.

Mr. ANDREWS of North Dakota. Gut the interior and move back a room or two and rebuild that whole thing from the inside out?

Mr. SEVERUD. Right. It is a ticklish proposition because you are up against the thrust of the interior. You have to hold that. As you gut it you have to be able to hold the thrust. That in itself is a very difficult proposition.

Mr. ANDREWS of North Dakota. And the only sure way of doing it would be going clear through to the other wall?

Mr. SEVERUD. I wouldn't go that far.

Mr. YATES. Off the record.

(Discussion held off the record.)

Mr. ANDREWS of North Dakota. Here is a chart of the design of this building and the floor plan. How far back would you have to clear out in your judgment as one of the top engineers in order to restore the wall that we now have in place?

Mr. SEVERUD. I hesitate to answer that question because of this: I will have to analyze the strength we could get from along this line——

Mr. ANDREWS of North Dakota. Here is a full-scale blueprint. What would you have to do——

Mr. SEVERUD. It is not that simple. From the standpoint of good engineering and economy we would have to utilize to the full extent any situation where you can gain depth against lateral support. It would take somewhat of a study.

Mr. ANDREWS of North Dakota. This would have to be done before you could begin to replace those sandstones with marble or new sandstone or whatever it is. You would have to go back at least one room.

Mr. SEVERUD. Naturally.

Mr. STRATTON. You said it would take something of a study before you could answer that, did you not?

Mr. SEVERUD. Yes.

Mr. STRATTON. In other words, the detailed study of just what would have to be done has not really been made yet, has it?

Mr. SEVERUD. I would say it would take one room and you can work it out close enough. That is the minimum.

Mr. STRATTON. Your statement there was a rather interesting one because this is the point I have been making, that nobody has ever really studied this thing carefully and in detail. You just admitted that before you could give an intelligent answer to Mr. Andrews' question you would have to make a little study, more detailed than just answering questions in a conference room of this kind.

Mr. SEVERUD. Obviously the minimum would be one room.

If we don't have to go beyond this you could take advantage of the absolute minimum, which is one room.

Mr. ANDREWS of North Dakota. This is on the basis of the study which already has been made and the facts you already have at your disposal?

Mr. SEVERUD. Yes.

Mr. STRATTON. You spoke about yourself and Mr. Mueser examining this data about the condition of the building. Is this a study that you made which is somewhere on paper? Does it involve certain conclusions or is this just something that you concluded in your head?

Mr. SEVERUD. We had a big conference among the team. The team includes the Architect and we the Engineers. We do our own engineering, but to protect the client we often welcome a foundation expert. We really don't need it.

In this case the team was Mueser, myself, and the Architect.

Mr. STRATTON. Which architect? The Architect of the Capitol?

Mr. SEVERUD. The Associate Architect.

Mr. STRATTON. Mr Campioli?

Mr SEVERUD. He was frequently at the conferences, but the conferences were among Bill Mueser, the Architect, and myself.

Mr. STRATTON. You say the client. Who was your client?

Mr SEVERUD. My client is the Architect.

Mr. STRATTON. Who is the Architect?

Mr SEVERUD. Alfred Poor and Associates.

Mr STRATTON. You are working for Mr. Poor?

Mr. SEVERUD. Yes.

Mr. STRATTON For whom is he working?

Mr. SEVERUD. He is working for the Government.

Mr STRATTON. He is working for the Architect of the Capitol. Is that correct?

Mr. SEVERUD. I don't know. My contact is with him.

Mr. STRATTON. He is paying you, then? Is that right?

Mr. SEVERUD. Right.

Mr. STRATTON. May I ask how much you are being paid?

Mr. SEVERUD. Normally we get half of one percent of the total cost of the building. That is it roughly.

In this case, this is very complicated and we always lose money. In fluctuations like this we can never get the fee to cover it.

Mr. STRATTON. What were you engaged to do and what was Mr. Poor doing?

Mr. SEVERUD. Mr. Poor, then, was——

Mr. STRATTON. What was his mission?

Mr. SEVERUD. To carry on the details with the owner and make various plans for submission for approval, and he works with us very intimately. We get together and find out how these plans lend themselves structurally——

Mr. STRATTON. Let us not put it in general terms. Mr. Poor is developing the detailed specifications for this four and a half acre extension of the Capitol. Is that not correct?

Mr. SEVERUD. Architecturally, yes.

Mr. STRATTON. Architecturally?

Mr. SEVERUD. Yes.

Mr. STRATTON. And he hired you to perform certain engineering studies in connection with that job; is that correct?

Mr. SEVERUD. That is right.

Mr. STRATTON. O.K. So you are working for

somebody who is in the process of extending the Capitol?

Mr. SEVERUD. Right.

Mr. STRATTON. He never said to you "Mr. Severud, we are not sure whether we want to extend it or not. Maybe we won't."? In fact, I wasn't aware that Alfred Poor had any contract for extending the Capitol. This is the first time I heard about it. I thought we were questioning whether we were going to spend some money to hire somebody to draw up detailed plans and specifications for such an extension. So this is a very interesting piece of information. But he never said to you "I would like to have you take a frank look at that and tell me whether it should be extended or not"?

Mr. SEVERUD. Of course he did.

Mr. STRATTON. He did?

Mr. SEVERUD. Sure.

Mr. STRATTON. You mean, he suggested that you might determine whether perhaps the job that he was embarked on should not be undertaken in the first place?

Mr. SEVERUD. Naturally, because that is in the cards. We knew the controversy and all that——

Mr. STRATTON. I see

Mr. SEVERUD. So that we had to analyze it very carefully.

Mr. STRATTON. So what was your assignment then?

Mr. SEVERUD. My assignment was to get together with Bill Mueser as far as the foundations are concerned, and I took care of the structure to determine on the basis of the information that we had received, the report from Dr. Clair, and our own investigations—I had one of my partners down there and we had done the East Extension and we knew all the——

Mr. STRATTON. But what were you trying to do? What did he tell you tc do?

Mr. SEVERUD. To determine if restoration would be possible.

Mr. STRATTON. To determine if restoration would be possible?

Mr. SEVERUD. Right. It is obvious. It would be ridiculous if he didn't because that was the controversy at the time.

Mr. STRATTON. I wouldn't agree that just because it is ridiculous it is therefore something that wouldn't be undertaken.

Now, did you submit a report to Alfred Poor and Associates on your conclusions on this study, or are you still in the process of making the study?

Mr. SEVERUD. We don't make reports, normally.

Mr. STRATTON. You don't make reports?

Mr. SEVERUD. No. We settle it in conference. We don't have these experts——

Mr. STRATTON. When were you engaged to undertake this duty?

Mr. SEVERUD. From the beginning, I don't remember when the job started, but from the very beginning Alfred Poor called me.

Mr. STRATTON. Are you talking about last fall? Are you talking about 1963, or what?

Mr. SEVERUD. Maybe Mr. Campioli would know.

Mr. CAMPIOLI. It was in 1965 after Dr. Clair's report.

Mr. STRATTON. You have been an employee of Poor Associates since 1965?

Mr. SEVERUD. An associate. We are not employed.

Mr. CAMPIOLI. A consultant.

Mr. STRATTON. A Consultant?

Mr. SEVERUD. Yes.

Mr. STRATTON. At what time did you conclude that this extension was not possible?

Mr. SEVERUD. Well, we had various conference and we were very conscious of the American Institute of Architects. We had correspondence with the American Institute to find out why they took such a position. From the beginning that was, of course, the basic decision that had to be made.

Mr. STRATTON. I am just trying to find out, Mr. Severud, how long it took you to make this study. You were hired in 1965. When did you conclude that it was not necessary, that it was not feasible, to restore the West Front or to renovate and repair it as we are talking about, but that it had to be extended?

Mr. SEVERUD. It didn't take me long.

Mr. STRATTON. Well, two months, two days?

Mr. SEVERUD. No.

Mr. STRATTON. Half an hour?

Mr. SEVERUD. As you can imagine, as a senior partner in a big firm, I don't spend just my full time on one job. So that I had one of my partners attending the conferences. On the important conferences, I was there personally. We had many discussions between Mr. Poor and myself personally. As a result, it might have taken, I would say, just a few weeks because we had the experience on the other job.

Mr. STRATTON. What other job?

Mr. SEVERUD. The East Front.

Mr. YATES. The East Front?

Mr. SEVERUD. The East Front.

Mr. STRATTON. You were also involved in that?

Mr. SEVERUD. Sure.

Mr. STRATTON. With Poor and Associates?

Mr. SEVERUD. Yes. We had to make the same decision at that time.

Mr. STRATTON. Then you are not really as dispassionate a witness in this case, are you, since you have been connected with this firm not only since 1965 but on the East Front?

Mr. SEVERUD. I—what difference does that make?

Mr. STRATTON. Pardon me?

Mr. SEVERUD. I don't see that that makes any difference.

Mr. STRATTON. I don't know whether it does or not, but I think it is something that certainly hasn't been brought out in this discussion before, because Mr. Yates, I know, mentioned on the Floor that an outstanding expert in engineering had been discovered and he had just rendered basically an independent judgment which supported the—

Mr. YATES. That isn't what I said at all. You are interpreting—you are not interpreting correctly.

Mr. STRATTON. You said he was a consultant. I had assumed this was something that was very recent.

Mr. YATES. I said on the Floor that I had called the office of the American Institute of Architects and asked them for the name of a person in whom they would have confidence to make the study that it wanted to see whether restoration was possible.

Mr. STRATTON. That is right.

Mr. YATES. The A.I.A. called me and gave me a list of six names of firms whom it felt were qualified to make the study. Mr. Severud's name led all the rest. His name was number one on the A.I.A.'s list, and frankly, I am somewhat surprised now that they are rejecting him. I said on the floor, too, I thought the Architect deserved some Brownie points because he had had the good sense to hire the man that the American Institute of Architects said was the outstanding structural engineer in the country for this job.

Mr. ANDREWS. That is right. I remember that.

Mr. YATES. That is what I said on the floor. Check the record. I think my memory is better on this point than yours.

Mr. STRATTON. You didn't indicate that he had been——

Mr. ANDREWS. Let's proceed in order, gentlemen.

Mr. YATES. Mr. Severud, in connection with your retainer by Mr. Poor, was it your job to advise Mr. Poor as to what should be done? As a part of that retainer did you have the responsibility of recommending to him that the wall could be restored if in fact it could be restored, that it should be extended if it had to be extended?

Mr. SEVERUD. Yes, sir.

Mr. YATES. In other words, you had to determine what was the best way to handle the problem of the deteriorating wall?

Mr. SEVERUD. That is right.

Mr. YATES. Well, that answer is clear enough.

Mr. STRATTON. Could I just develop these two points, because I think this is the key to the question here. That is, if you want me to participate in this.

Mr. YATES. Sam, I am glad to have you participate, but I don't think that you ought to be throwing slurs around against these people.

Mr. STRATTON. I am certainly not throwing any kind of slurs.

Mr. YATES. You are. You are saying they are biased.

Mr. STRATTON. Well, if a fellow is working for somebody for four years I would think——

Mr. YATES. This man has been working all over the world. He doesn't need this job even if it is an important one. He has been working all over the world. This isn't the only job your office has, is it?

Mr. ANDREWS. Off the record.

(Discussion off the record.)

Mr. ANDREWS. On the record.

Mr. YATES. Mr. Severud, specifically, is it possible to have a restoration of this wall?

Mr. SEVERUD. If you gut the interior.

Mr. YATES. What does that mean?

Mr. SEVERUD. It means at least——

Mr. YATES. Will you take that chart and show what that means?

Mr. STRATTON. Would you let me ask a couple of questions first, because this is the kind of thing, the very thing that I objected to before.

Mr. YATES. What?

Mr. STRATTON. What we have here now is just question and answer, and not a detailed study. I am trying to pin down what kind of study he has actually done and what kind of a study would be required.

Mr. ANDREWS. I think he answered those questions.

Mr. SEVERUD. It is plain enough. You need lateral support, you have to get it from the outside or from the inside, it is just as simple as that. What do you need a study for?

Mr. YATES. You say you don't need another study?

Mr. SEVERUD. No.

Mr. YATES. Tell me why you don't need another study.

Mr. SEVERUD. Because, first of all, if it is found that the gutting of these walls is necessary it would be ridiculous to spend the amount of money to go into every little detail. It does take a lot of study if you want to really do it, to provide the lateral support at the edge where you come to the old construction, so that if you have to study every little detail it is quite a chore. But to say that—just as we realize a certain extension on the outside gives it support, so we could say——

Mr. YATES. Suppose you were told, Mr. Severud, that we wanted a restoration and wanted to avoid an extension if that were possible. Suppose it were decided to have a restoration, that the question of extension of the wall of the Capitol was not involved. Would you have to make a study in order to do that?

Mr. SEVERUD. I could accept it and go through with it; if I were allowed to gut the interior I could do it.

Mr. STRATTON. Could I ask this question: You said, did you not, that it just took your firm a few weeks after you were engaged to conclude, as I understand it, that the conclusion which Dr. Clair had come up with, namely, that reconstruction of the West Wall was not feasible, was the correct conclusion?

Mr. SEVERUD. Yes.

Mr. STRATTON. That was the conclusion that you arrived at?

Mr. SEVERUD. We studied his five volumes

and it gave us enough within that short period of time.

Mr. STRATTON. Do you have documents in your files that could be assembled to put down on paper some of the things that you are telling this committee here?

Mr. SEVERUD. We can't afford to go through all of that on every job, it would be impossible.

Mr. YATES. What do you mean by "can't afford to"?

Mr. STRATTON. The Senate of the United States and also myself, along with 164 other Members of the House felt that it would be desirable before we embark on a $70 million spending job to spend a little money for a cost and feasibility study. We are all laymen in the House; we are not experts. We would like to know the reasons, not take it as somebody's conclusions, why we should do one thing rather than another. We were prepared in the House to spend $100,000 and the Senate is prepared to spend $250,000 for a study that would examine some of these things. Now, here is a chance for you to pick up a little easy money, I would think, because you have already studied at least part of this question, you say, and if the Congress of the United States would feel a little bit better about it before spending $45 million or $60 million or $70 million they could read in your studies some of these arguments which Mr. Clair's studies never did give us, and that might be helpful. Now, could you go back and assemble for $250,000 some of these documents and put them together and write them in such a way that a layman like myself could understand them?

Mr. SEVERUD. Wouldn't it be better to get another engineer?

Mr. STRATTON. Well, I don't know. But you say you have done this study and you just have not committed it to paper? Perhaps you are right; the study should be an independent one.

Mr. SEVERUD. I would think that since that question has come up it would be much betbetter to have an independent engineer, otherwise others may object the same as you object to me being in the picture.

Mr. STRATTON. The thing that disturbs me, Mr. Severud, is that this particular job has never been done, to my knowledge.

Mr. YATES. It has not been done to your satisfaction, not to your knowledge.

Mr. ANDREWS. Off the record.

(Discussion off the record.)

Mr. STRATTON. May I ask, Mr. Severud, whether your study, this one that you completed, also examined what would be the best and the simplest and the cheapest way of protecting this wall that you say cannot be restored in place but needs some kind of lateral support?

Mr. SEVERUD. Well, that is exactly what we did.

Mr. STRATTON. Is it your position that the only possible way of keeping this wall from falling down is to extend it by 44 feet?

Mr. SEVERUD. No; gut the interior and give the same lateral support on the inside as you would on the outside. These are the two alternatives. In my opinion, that is the only way.

Mr. CASEY. Will the gentleman yield at that point, please?

Mr. STRATTON. Yes.

Mr. CASEY. As an engineer, you are not concerned with how many rooms or such as that they put on the extension, are you?

Mr. SEVERUD. No.

Mr. CASEY. As an engineer, you are concerned with the lateral support and you figure the best method of lateral support is from the outside instead of inside, because you would have to gut those rooms?

Mr. SEVERUD. Yes.

Mr. CASEY. Now, then, what is the minimum amount of lateral support? How far would you have to go out?

Mr. SEVERUD. We could probably do it with one room. That would be the absolute minimum.

Mr. CASEY. One room?

Mr. STRATTON. Couldn't you do it with a few metal supports right on the outside?

Mr. SEVERUD. Those are toothpicks. We are dealing with tremendous forces here. We can't just put a toothpick to them.

Mr. ANDREWS. Answer him yes or no.

Mr. SEVERUD. No; impossible.

Mr. STRATTON. You couldn't do it with steel girders——

Mr. SEVERUD. Yes.

Mr. STRATTON. That are standing in place?

Mr. SEVERUD. As we discussed this morning, we could probably do it with 15-foot pilaster, reenforced concrete, with a footing and piles under it at each of these places.

Mr. STRATTON. Fifteen feet out, you mean?

Mr. SEVERUD. Yes, 15 feet out, the height of the building—probably the whole height of the building.

Mr. YATES. If you don't—if you do that, don't you change the architectural character of the building?

Mr. SEVERUD. Of course.

Mr. STRATTON. You could do what you did in the East Front, which is to reproduce what you had rather than to change it? You could do that, couldn't you?

Mr. SEVERUD. But then the interior walls may pop at any time.

Mr. STRATTON. No, no. The East Front was extended 34 feet.

Mr. CAMPIOLI. 32½ feet.

Mr. STRATTON. In that case you reproduced exactly out there in marble what you had back here in sandstone. Now, you could go out 15 feet from the present West Front and reproduce exactly either in sandstone from Virginia or marble what you have here presently, couldn't you, as far as preventing the collapse is concerned?

Mr. SEVERUD. Yes.

Mr. ANDREWS. Mr. Campioli has something to add.

Mr. CAMPIOLI. You cannot make that statement unequivocally. If you come out 15 feet here you have to come out 15 feet along here, along here, and here and here (indicating) and you would no longer have a reproduction of the existing building because this is what you would have—(indicating)—something like this. This central wing, instead of being that wide, would be 30 feet wider, 15 feet added on each side. This wing instead of being on that location would then be over here. The courtyards instead of being 44 feet wide would be only 29 feet wide. So you would no longer have a reproduction of the original architecture.

Mr. YATES. Do you concur with that, Mr. Severud?

Mr. SEVERUD. Yes; that is a possibility, I believe.

Mr. YATES. You mean, this is a possibility. Would it not alter the entire appearance of the Capitol?

Mr. SEVERUD. Yes.

Mr. YATES. By going out 15 feet from each portion of the wall?

Mr. SEVERUD. Yes.

Mr. YATES. It would be a parallel to the existing wall but it would be out 15 feet. This proposed 15-foot wall would have to be built the height of the building; is that correct?

Mr. SEVERUD. Yes.

Mr. STRATTON. Well, now, I don't accept this. What I understand that Mr. Campioli is trying to say is that the only way you can brace up this wall is to extend this section all the way out here?

Mr. CAMPIOLI. To beyond that point (indicating).

Mr. STRATTON. You don't have to go beyond the point.

Mr. CAMPIOLI. Yes, you do.

Mr. STRATTON. Because if you are bracing this wall you can go right out there.

Mr. CAMPIOLI. Well, except that you would have an exposed corner join there where you can't get an adequate expansion joint. You have to overlap this portion here and come out beyond that point (indicating) so that when you come right out this way and develop a buttress here you have a joint that is away from the existing sandstone corner of the west central wing.

Mr. STRATTON. Even if you do that, accepting this—and I won't accept it without a little bit more anaylsis than what we have here—you still don't have to go more than 15 feet out there, do you?

Mr. SEVERUD. No; I think we could handle it.

Mr. ANDREWS. Dr. Clair, do you have a statement you want to make in connection with this?

Dr. CLAIR. You are developing here into architecture which I refuse to comment on. Of course, it seems to me obvious that is an architectural question.

Mr. ANDREWS. Let me ask you this final question and then we will adjourn the committee and go answer the roll call: Is it your professional opinion that the proper thing to do is to give this West Front lateral support which means extending the West Front?

Dr. CLAIR. It means you have an extension of the West Front in order to do it.

Mr. ANDREWS. That is my question.

Dr. CLAIR. Of course you have to have it.

Mr. ANDREWS. Lateral support means extending the West Front?

Dr. CLAIR. And I am not saying how far. I am just saying you have to extend it.

Mr. ANDREWS. Mr. Severud, is that your opinion?

Mr. SEVERUD. Yes.

Dr. CLAIR. I think that is what we agree on.

Mr. ANDREWS. Now, the question of how far an extension, and so forth, is an architectural question?

Dr. CLAIR. That is an architectural question.

Mr. YATES. Structurally, in order to have the type of restoration here, would you have to vacate all these rooms (indicating) the rooms indicated on that chart, in order to have a restoration? You were indicating yes?

Mr. SEVERUD. Yes.

Mr. YATES. May I return to meaning of restoration. What is meant by restoration? We couldn't just have the same wall, could you? Wouldn't you have to rebuild the wall if a restoration were ordered?

Mr. SEVERUD. Yes.

Mr. YATES. What would you have to do in that event?

Mr. SEVERUD. Well, I would say that is something Dr. Clair can answer better because it is a question of removing certain stones, removing stones above that, and even so, with the evidence of the stresses in the wall, as indicated by the falling of that piece of the cornice, it is a dangerous thing. I venture to say it would be hard to do it without an accident.

Dr. CLAIR. You have to remove the architrave and rebuild it, there is no question about that whatsoever. You have to remove many of the arch stones and you have got to remove many of the stones already fractured. You have a wall then that is going to look like blazes but that is an architectural question. You are talking now on the structural aspect, what you have to do structurally; is that right?

Mr. YATES. Yes, that is right. Would you have to reconstruct that wall even with the so-called restoration?

Dr. CLAIR. You could hardly end up without removing at least 30 or 40 percent of the wall.

Mr. ANDREWS. Take the blocks out and see in what condition they are in?

Dr. CLAIR. To see what your condition is, yes.

Mr. ANDREWS. And put them back?

Dr. CLAIR. As soon as you take one out you

are usually in trouble with another one, and so on.

Mr. CASEY. In the meantime the roof falls in on some workingman.

Mr. ANDREWS. I don't want to be around here when that thing collapses.

Mr. YATES. How difficult a process is this, shoring this up?

Mr. SEVERUD. The main difficulty is in the borderline between what is gutted and what remains.

Mr. YATES. What can happen?

Mr. SEVERUD. You have to be able to take the lateral thrust before you gut the building. That requires ingenuity. It can be done. We did part of that in the East Front. We had to cut an opening in these arches. So we know it could be done but it would require shoring that would go beyond some of these rooms, the gutted portion, some of those would have to be vacated.

Mr. YATES. Have you any idea what the cost of that is likely to be?

Mr. SEVERUD. I have burned my fingers on so many costs that I don't quote them any more.

Mr. ANDREWS. Let me ask you one final question: When you were called in for professional advice on this West Front matter were you given a free choice to recommend restoration or extension?

Mr. SEVERUD. Yes, sir.

Mr. ANDREWS. And your recommendation was extension?

Mr. SEVERUD. Without hesitancy.

Mr. ANDREWS. There was no pressure put on you?

Mr. SEVERUD. No.

Mr. ANDREWS. No coercion?

Mr. SEVERUD. No, sir.

Mr. ANDREWS. Your recommendation for extension is your own free will recommendation based on your professional knowledge as one of the outstanding engineers in this country?

Mr. SEVERUD. And without the shadow of a doubt.

Mr. STRATTON. Just so you don't put any words in his mouth, Mr. Chairman, this is an extension up to 15 feet? You didn't necessarily maintain that the only way you could do the extension job was to go out 44 feet and put in all of the various appurtenances that are involved in the project which the architect of the Capitol has recommended.

Mr. SEVERUD. That is right?

Mr. YATES. That is an architectural question.

Mr. ANDREWS. Dr. Clair, I want to ask you the same questions I asked him about your professional opinion. You heard that question, did you not?

Dr. CLAIR. My answer is the same as his. I want to reiterate, and I sent something in this letter so that it is in writing, I say to you as I said to the architectural group: If you don't like what I wrote you go and write your own reply.

Mr. ANDREWS. That is a good statement.

The committee is adjourned.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. HALL. I appreciate the gentleman yielding and I appreciate the statement the gentleman has just made.

May I ask the gentleman if this accounts for the increase in the conference report over that of either body in the funding for the Architect of the Capitol?

Mr. YATES. Yes, I think that is the reason for the increase.

Mr. HALL. I thank the gentleman.

Secondly, may I ask him if the funding here for the Library of Congress involves the new so-called Madison Library?

Mr. YATES. I will say to the gentleman that there are no such funds in disagreement in the conference report.

Mr. HALL. May I ask the same question about the Government Printing Office—the item of $40,000,000; does that involve either land acquisition or a new building for the Government Printing Office?

Mr. YATES. I am quite sure that it does not.

Mr. HALL. Finally, may I ask about the General Accounting Office—the item of $63,000,000; is there a new building or land acquisition involved in that area?

Mr. YATES. There is no new building or land acquisition involved in that. Our committee was concerned with the necessity of having adequate supervision over the enormous budget of the Department of Defense by the General Accounting Office. A significant portion of the figure that the gentleman read would go toward a new organization in the General Accounting Office to provide adequate review of the operations of that department.

Mr. HALL. In other words, it is an operations matter and not brick and mortar?

Mr. YATES. That is right.

Mr. HALL. I thank the gentleman.

(Mr. YATES asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. ANDREWS of Alabama. I yield 10 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, as perhaps the principal opponent in the House of the proposal for extending the west front of the Capitol in the elaborate manner outlined in so-called plan 4, I would like to comment on this conference report and also to express my appreciation to the distinguished gentleman from Alabama (Mr. ANDREWS), the chairman of the subcommittee, and the distinguished gentleman from Illinois (Mr. YATES), for their courtesy in inviting me to sit in with the subcommittee when this matter of restoration, repair, and so forth, versus extension was explored in some detail.

I understand that the gentleman from Illinois has received unanimous consent to include in the RECORD today the text of the transcript of that hearing, and I believe it will bear out some of the points that I want to try to summarize very quickly in my remarks.

I am not sure that the gentleman from Alabama and the gentleman from Illinois would agree with all of the conclusions that I would draw from that hearing, but basically I think these are the main points:

First, the hearing supported my contention that there was never any study made of the reasons for extending the Capitol vis-a-vis simply repairing it and renovating it. Dr. Clair, who made the original detailed study which has been so frequently referred to, agreed—and the text that the gentleman from Illinois has put in the RECORD will bear this out—that he had arrived at that conclusion himself but did not include the reasoning behind that conclusion in his study. I think for most of us, however, before we embark on a $60-, $70-, or even a $45-million spending program, we would first like to know the reasons why it is desirable and not just the conclusion.

Mr. YATES. Mr. Speaker, will the gentleman yield briefly?

Mr. STRATTON. I yield briefly to the gentleman from Illinois.

Mr. YATES. The gentleman remembers that in the testimony it was pointed out that the report gave sufficient information so that an engineer could draw his conclusions from that. That appears in the transcript and will supplement the gentleman's statement.

Mr. STRATTON. That is true, but we in this body are not engineers and, as I said a moment ago, I think before we here embark upon a $45 million spending program or more likely $60 million or $70 million, I think we, as the people's representatives, ought to have reasons that would make sense to us and not merely those that would make sense just to professional engineers.

Second, Mr. Severud, who is the expert referred to by the gentleman from Illinois in his very eloquent presentation here several weeks ago before a hushed and spell-bound Chamber, also appeared at this hearing. He is associated with the architectural firm of Poor, and he was quite frank in admitting that he has not only been associated with them in connection with the preparation of the west front extension but had also been associated with them on the extension of the east front.

Frankly, I was impressed with him. He seems to be a competent engineer. He said himself that he made a study on his own and concluded that it would not be desirable to restore or to repair the west front but that extension would be better, but he himself agreed that this study of his had not been placed on paper. And when I said, "Well, we in the House and Senate would like to have your reasoning; could you not put it on paper for $250,000, since that is what the other body wants to spend for this study?" Very honestly and candidly he said, "I think you ought to have an independent engineer do that job. I have been too closely associated with the extension project."

Mr. YATES. Mr. Speaker, will the gentleman yield at that point?

Mr. STRATTON. I am glad to yield to the gentleman from Illinois.

Mr. YATES. As the gentleman knows, as a result of the conference, the study will be made by an independent firm.

Mr. STRATTON. I am going to get to all of those questions, I will say to my friend. I am trying to summarize what I take to be the results of our conference.

Mr. YATES. I was trying to help the gentleman.

Mr. STRATTON. The gentleman is always helpful.

Mr. Severud did not specifically say that the restoration or repair and renovation, which I would call it, was impossible. He said it could be done, but he said he felt himself such a job would require the emptying of certain rooms adjacent to the west front of the Capitol for a longer period than would be desirable and that he himself was in favor of an extension because it would supply

the necessary lateral support from the outside.

However, he also said—and I thought this was another rather frank admission—that we do not have to go 88 feet out from the old wall to get the necessary support, or even 44 feet. All we have to go is 15 feet.

He further said that in order to get the support he felt was necessary to keep the wall from falling down, we do not have to include all the escalators, restaurants, movie theaters, and lavatories that are included in extension plan No. 2, which has been before us for some time.

So on the basis of this rather frank statement, which I felt presented the situation more clearly than I had ever had it presented to me before, we have now before us the conference agreement which does provide for the study which many of us have been asking for, to examine exactly what needs to be done to repair and restore the building, and how much it would cost.

Mr. Severud's comments on repair versus extension to which I have already alluded, are of course his own. They do not represent a formal study. This is what we are now going to get: An independent study, as the gentleman from Illinois says, within a period of 6 months before the $2 million for plans and specifications of the familiar extension plan provided in the conference report will be available for spending.

The conference version also specifies certain steps which this restoration study has got to meet. Frankly, I think they are a little strict, but we cannot get everything, I guess, in a conference agreement. They provide, for example, that the cost of repair cannot exceed $15 million. That is only one-third of the expected cost of the extension. If we could get restoration for $30 million and save the taxpayers $15 million, I think it would still be very much warranted.

It also provides there should not be any more requirement to vacate spaces in the west side of the Capitol during restoration than would be required in extension. It requires further that the plan would have to put the building in as sound a condition for the foreseeable future as would extension.

As I say, I think some of these requirements are perhaps a little strict, but I would be prepared to live with them.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Speaker, I think it might be well for the RECORD and for the Members of the House to point out these five specifics were not put in there by those who favor extension. The were suggested by the champion of restoration, the senior Senator from Wisconsin, in the conference, and we went along with his suggestion.

Mr. STRATTON. Mr. Speaker, not being a member of the conference, of course, I would have to yield to the Senator from Wisconsin as being the champion of restoration within the conference committee, and he, of course, has done a very effective job. I am well aware of the points the gentleman makes.

I still say, however, that I think they are a little strict, but they are a vast improvement over what we have had before.

The way this works out is that the study will have to be done within 6 months, and then it will be presented to the Commission on Extension of the Capitol, made up of the Speaker and the Majority Leader and the Vice President and the Architect of the Capitol, and the leaders from the other body. And they will have one thing first of all to determine: whether the study meets the stiff requirements set out in the conference report to which I have just alluded.

Very frankly, I wish we were not giving as much authority to the Commission on the Extension of the Capitol. I think this has been one of the problems in this whole matter of the extension of both the East Front and the West Front, the fact that previous Congresses have delegated too much authority to this commission, and as a result we have not had a chance to analyze their decisions.

Secondly, if this particular jury—which does have, as I understand it now, some members now who favor restoration, but a majority of them are still in favor of the extension plan No. 2—decides that the independent study does not meet all the requirements, the $15 million, for example, the vacating of space, the soundness structurally, and so on, then the Commission is free to begin immediately with extension plan No. 2. And they alone will be the judge.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ANDREWS of Alabama. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. STRATTON. Mr. Speaker, I want to be able to tell the House how fair the gentleman has been, and I hope to be able to do it in the time that has been yielded to me.

As I say, not only are the Commission members the ones to be the judge, but if they decide the restoration study does not meet the requirements, then the commission majority certainly leans strongly toward extension and they can then move immediately to plan No. 2 without any opportunity to come back to the House and say, "We have to extend but perhaps it would be better to extend by only 15 feet instead of going out 88 feet, as Mr. Severud, the engineer, indicated would be the minimum in requirements."

It does seem to me, regardless of whether the study does or does not meet the specifications set out, the matter still ought to come back to the House to see whether we can somehow get a cheaper, simpler, more austere kind of extension without all the frills which would turn the West Front of the Capitol, this sacred and historic shrine of democracy, into a kind of Washington version of Disneyland.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I am glad to yield to the gentleman from Illinois.

Mr. YATES. I wish to point out, as I am sure the gentleman knows, two Members of the Commission from the other body voted in favor of restoration and would be in a position, if they did not agree with the majority of the Members, to file minority views.

Mr. STRATTON. That is true. On the other hand, three still is bigger than two.

Let me say that while these two points disturb me and while I believe the House probably made a mistake in turning over as much power as it did to the Commission on the extension of the Capitol, in the first place, there are several practical remedies which will still be available to us.

In the first place, it is going to take 6 months for this study to be completed. By that time we will be well into calendar year 1970 and presumably, if we do better than we have done this year, we will also be well into the legislative appropriations bill for fiscal year 1971. Even if the members of the Commission do not believe that the study meets their requirements the text of the study would be a public document, available to all Members of the House. So I believe it would be possible for Members of the House, when the legislative branch appropriation bill for 1971 comes up, to override the recommendations of the Commission and to require that instead of proceeding with extension plan No. 2 we come up with some alternative and cheaper plan.

In view of this practical opportunity that is given by this conference report to Members of the House like myself and the other 164 Members who voted with me when we had this issue before us, we are probably protected better under this conference report than we have ever been protected before.

Since we will now have a study, an independent study, I do believe that it will now be possible to consider the question of whether we have to have this kind of Howard Johnson Restaurant on the west front of the Capitol, and whether we have to destroy the Olmsted Terraces, and whether we have to deface the present west front architecture and come up with a poor man's imitation of the east front. I believe we probably would have an opportunity to argue all these questions before the $2 million which is appropriated here will actually be obligated in 1971.

In the few minutes which remain I want to reiterate my expression of esteem for the gentleman from Alabama, as I promised to do. He has been eminently fair with me. I believe the record of the hearings will show I was perhaps a rather rough interrogator of some of the witnesses who appeared before his subcommittee. But we did have an opportunity, I believe, to explore some of the basic issues, and I do appreciate being included in those deliberations.

Considering our failure to win a majority in the House, I believe the conference report does represent a livable and viable alternative.

I want to thank the chairman and the other members of the Committee for coming up with the recommendation they have come up with.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Illinois.

Mr. YATES. I commend the gentle-

man for the fight he has put on in the House over the years to have a study made as to the possibility of having restoration. In great measure I believe the study authorized by this conference is attributable to the eloquence of the gentleman and his determination. And, I think that this committee had the gentleman very much in mind in coming to the conclusion that a study should be made.

Mr. ANDREWS of Alabama. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

Mr. ANDREWS of Alabama. Mr. Speaker, inasmuch as the amendments numbered 1 through 34 pertain solely to housekeeping operations of the other body and amendments 39 through 41 pertain to the other body, the longstanding practice has been that we leave those matters to the other body. Therefore, in order to save time, I ask unanimous consent that Senate amendments numbered 1 through 34 and Nos. 39 through 41 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read as follows:

SENATE

COMPENSATION OF THE VICE PRESIDENT AND SENATORS, MILEAGE OF THE PRESIDENT OF THE SENATE AND SENATORS, AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND LEADERS OF THE SENATE

COMPENSATION OF THE VICE PRESIDENT AND SENATORS

For compensation of the Vice President and Senators of the United States, $4,685,530.

MILEAGE OF PRESIDENT OF THE SENATE AND OF SENATORS

For mileage of the President of the Senate and of Senators, $58,370.

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, AND MAJORITY AND MINORITY LEADERS

For expense allowance of the Vice President, $10,000; Majority Leader of the Senate, $3,000; and Minority Leader of the Senate, $3,000; in all, $16,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions and longevity compensation as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For clerical assistance to the Vice President, $281,187.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For offices of the majority leader and the minority leader, $106,930: *Provided,* That effective November 1, 1969, the respective leaders may each appoint and fix the compensation of an administrative assistant at not to exceed $31,317 per annum, a legislative assistant at not to exceed $28,908 per annum, an executive secretary at not to exceed $15,111 per annum, and a clerical assistant at not to exceed $12,921 per annum in lieu of the positions heretofore authorized by Senate Resolution 158, agreed to December 9, 1941, Public Law 86-30, approved May 20, 1959, and Senate Resolution 240, agreed to January 24, 1952.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For offices of the majority and minority whips, $68,730: *Provided,* That effective November 1, 1969, the whips may each appoint and fix the compensation of an administrative assistant at not to exceed $30,003 per annum, and an executive secretary at not to exceed $15,111 per annum.

OFFICE OF THE CHAPLAIN

For office of the Chaplain, $17,185: *Provided,* That effective November 1, 1969, the compensation of the Chaplain shall be $10,074 per annum and he shall be subject to election at the beginning of each Congress: *Provided further,* That the Chaplain may appoint and fix the compensation of a secretary at not to exceed $8,541 per annum.

OFFICE OF THE SECRETARY

For Office of the Secretary, $1,675,448, including $144,673 required for the purpose specified and authorized by section 74b of title 2, United States Code: *Provided,* That effective November 1, 1969, the Secretary may fix the compensation of the Assistant Secretary at not to exceed $11,826 per annum, employ and fix the compensation of a Special Assistant at not to exceed $10,293 per annum in lieu of an Assistant at $8,760 per annum, employ and fix the compensation of an Editor, Digest at not to exceed $21,024 per annum, an Assistant Editor, Digest at not to exceed $18,396 per annum, and a Clerk, Digest at not to exceed $8,541 per annum: *Provided further,* That, effective November 1, 1969, the Secretary is authorized to appoint a Comptroller of the Senate at a salary of $35,259 per annum, and a Secretary to the Comptroller at a salary of not to exceed $12,921 per annum, and the allowance for clerical assistance and readjustment of salaries in the disbursing office is hereby made available for personnel at such titles and per annum rates as may be necessary, at no time exceeding an aggregate of $249,660.

COMMITTEE EMPLOYEES

For professional and clerical assistance to standing committees and the Select Committee on Small Business, $4,017,014.

CONFERENCE COMMITTEES

For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, $115,619.

For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, $115,619.

ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

For administrative and clerical assistants to Senators, $24,656,608: *Provided,* That the clerk hire allowance of each Senator from the State of Connecticut shall be increased to that allowed Senators from States having a population of three million, the population of said State having exceeded three million inhabitants: *Provided further,* That, effective November 1, 1969, paragraph (1) of section 105(d) of the Legislative Branch Appropriation Act, 1968, as amended (2 U.S.C. 61-1(d)), is amended by increasing each of the amounts in the table therein relating to Senators' clerk hire allowances by $23,652, and paragraph (2)(i) of such section is amended to read as follows: "(i) the salary of two employees may be fixed at gross rates of not more than $23,652 per annum,".

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For Office of Sergeant at Arms and Doorkeeper, $4,915,909: *Provided,* That effective November 1, 1969, the Sergeant at Arms is authorized to employ the following additional employees: A Systems Programer at $15,987 per annum, a Production Manager at $14,454 per annum, an Applications Programer at $13,797 per annum, an Operator at $10,074 per annum, an Operator at $9,417 per annum, and six plainclothesmen, Police Force, at $8,760 per annum each in lieu of six Privates at $8,322 per annum each.

OFFICES OF THE SECRETARY FOR THE MAJORITY AND MINORITY

For the offices of the Secretary for the Majority and the Secretary for the Minority, $196,612.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $374,100.

PAYMENT TO WIDOW OF DECEASED SENATOR

For payment to Louella Dirksen, widow of Everett McKinley Dirksen, late a Senator from the State of Illinois, $49,500.

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $236,720 for each such Committee; in all, $473,440.

AUTOMOBILES AND MAINTENANCE

For purchase, exchange, driving, maintenance, and operation of four automobiles, one for the Vice President, one for the President Pro Tempore, one for the Majority Leader, and one for the Minority Leader, $50,880.

FURNITURE

For service and materials in cleaning and repairing furniture, and for the purchase of furniture, $31,190: *Provided,* That the furniture purchased is not available from other agencies of the Government.

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, including $431,775 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, $6,646,755, of which amount $6,000 is hereby made available for obligations incurred in fiscal year 1968.

FOLDING DOCUMENTS

For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding $2.82 per hour per person, $46,355.

MAIL TRANSPORTATION

For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, $16,560.

MISCELLANEOUS ITEMS

For Miscellaneous Items, exclusive of labor, $5,708,986 including $497,000 for payment to the Architect of the Capitol in accordance with section 4 of Public Law 87-82, approved July 6, 1961, and $15,000 for expenses of the Commission on Art and Antiques of the Senate.

For an additional amount for "Miscellaneous Items, fiscal year 1969", $300,000, to be derived by transfer from the appropriation "Salaries, officers and employees, Senate, fiscal year 1969".

POSTAGE STAMPS

For postage stamps for the Offices of the Secretaries for the Majority and Minority, $240; and for air mail and special delivery stamps for the Office of the Secretary, $350; Office of the Sergeant at Arms, $215; Senators and the President of the Senate, as authorized by law, $119,328: *Provided,* That

the maximum allowance per capita of $960 is increased to $1,056 for the fiscal year 1970 and thereafter: *Provided further*, That Senators from States partially or wholly west of the Mississippi River shall be allowed an additional $264 each fiscal year; in all, $120,133.

STATIONARY (REVOLVING FUND)

For stationery for Senators and the President of the Senate, $363,600; and for stationery for Committees and officers of the Senate, $14,250; in all, $377,850; *Provided*, That effective with the fiscal year 1970 and thereafter the allowance for stationery for each Senator and the President of the Senate shall be at the rate of $3,600 per annum; *Provided further*, That section 106 of the Legislative Branch Appropriation Act, 1969 (Public Law 90–417, approved July 23, 1968), is hereby made applicable to the President of the Senate.

COMMUNICATIONS

For an amount for communications which may be expended interchangeably, in accordance with such limitations and restrictions as may be prescribed by the Committee on Rules and Administration, for payment of charges on official telegrams and long-distance telephone calls made by or on behalf of Senators or the President of the Senate, in addition to those otherwise authorized, $15,150.

ADMINISTRATIVE PROVISIONS

Effective October 1, 1969, the third paragraph under the heading "Administrative Provisions" in the appropriations for the Senate in the Legislative Branch Appropriation Act, 1957, as amended (2 U.S.C. 53), is amended by striking out "$300" and inserting in lieu thereof "$400", and by inserting before the colon preceding the proviso therein a comma and the following: "or incurred for subscriptions to newspapers, magazines, periodicals, or clipping or similar services".

Effective July 1, 1969, the third paragraph under the heading "Administrative Provisions" in the appropriations for the Senate in the Legislative Branch Appropriation Act, 1959, as amended (2 U.S.C. 43b), is amended by striking out the portion thereof relating to payments from the Contingent Fund of the Senate and inserting in lieu thereof the following:

"The Contingent Fund of the Senate is hereafter made available for reimbursement of transportation expenses incurred by Senators in traveling, on official business, by the nearest usual route, between Washington, District of Columbia, and any point in their home States, for not to exceed twelve round trips (or the equivalent thereof in one-way trips) in each fiscal year,".

Section 6(c) of the District of Columbia Traffic Act, 1925 (D.C. Code, sec. 40–603(c)), is amended by inserting after "Senate and House of Representatives," the words "Comptroller of the Senate,".

The first sentence of the second paragraph under the heading "Administrative Provisions" in the Legislative Branch Appropriation Act, 1962, as amended (2 U.S.C. 127), is amended to read as follows: "The contingent fund of the Senate is hereafter made available for reimbursement of transportation expenses incurred in traveling by the nearest usual route between Washington, District of Columbia, and any point in the home State of the Senator involved, for not to exceed eight round trips made by employees in each Senator's office in any fiscal year, such payment to be made only upon vouchers approved by the Senator containing a certification by such Senator that such travel was performed in line of official duty." This provision shall take effect with respect to round trips commencing on or after the date of enactment of this Act.

No part of any appropriation disbursed by the Secretary of the Senate shall be available for payment of compensation to any person for any period for which such person is carried in a leave without pay status from a position in or under any department or agency of the Government.

SENATE OFFICE BUILDINGS

For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; including eight attendants at $1,800 each; for the care and operation of the Senate Office Buildings; including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902), to be expended under the control and supervision of the Architect of the Capitol; in all, $3,310,000, of which not to exceed $35,000 shall be available for expenditure without regard to section 3709 of the Revised Statutes as amended.

EXTENSION OF ADDITIONAL SENATE OFFICE BUILDING SITE

To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to acquire on behalf of the United States, in addition to the real property heretofore acquired as a site for an additional office building for the United States Senate under the provisions of the Second Deficiency Appropriation Act, 1948, approved June 25, 1948 (62 Stat. 1028) and Public Law 85–591, approved August 6, 1958 (72 Stat. 495–496), by purchase, condemnation, transfer, or otherwise, for purposes of extension of such site, all publicly or privately owned property contained in lots 863, 864, 892, 893, 894, and 905 in Square 725 in the District of Columbia, and all alleys or parts of alleys and streets contained within the curblines surrounding said square, as such square appears on the records in the office of the surveyor of the District of Columbia as of the date of the approval of this Act: *Provided*, That any proceeding for condemnation brought under this Act shall be conducted in accordance with the Act of December 23, 1963 (16 D.C. Code, secs. 1351–1368): *Provided further*, That, notwithstanding any other provision of law, any real property owned by the United States and any alleys or parts of alleys and streets contained within the curblines surrounding Square 725 shall, upon request of the Architect of the Capitol, made with the approval of the Senate Office Building Commission, be transferred to the jurisdiction and control of the Architect of the Capitol, and any alleys or parts of alleys or streets contained within the curblines of said square shall be closed and vacated by the Commissioner of the District of Columbia, appointed pursuant to Part III of Reorganization Plan Numbered 3 of 1967, in accordance with any request therefor made by the Architect of the Capitol with the approval of such Commission: *Provided further*, That, upon acquisition of any real property pursuant to this Act, the Architect of the Capitol, when directed by the Senate Office Building Commission to so act, is authorized to provide for the demolition and/or removal of any buildings or other structures on, or constituting a part of, such property and, pending demolition, to use the property for Government purposes or to lease any or all of such property for such periods and under such terms and conditions as he may deem most advantageous to the United States and to incur any necessary expenses in connection therewith: *Provided further*, That the jurisdiction of the Capitol Police shall extend over any real property acquired under this Act and such property shall become a part of the United States Capitol Grounds; and the Architect of the Capitol, under the direction of the Senate Office Building Commission, is authorized to enter into contracts and to make such expenditures, including expenditures for personal and other services, as may be necessary to carry out the purposes of this appropriation: $1,250,000, to remain available until expended.

SENATE GARAGE

For maintenance, repairs, alterations, personal and other services, and all other necessary expenses, $76,000.

Mr. ANDREWS of Alabama (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendments be dispensed with and they be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MOTION OFFERED BY MR. ANDREWS OF ALABAMA

Mr. ANDREWS of Alabama. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDREWS of Alabama moves that the House recede from its disagreement to the amendments of the Senate numbered 1 through 34, and nos. 39 through 41, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment numbered 37: On page 28, line 1, strike out:

"EXTENSION OF THE CAPITOL

"For an additional amount for 'Extension of the Capitol', $2,000,000."

And insert the following:

"WEST FRONT OF THE CAPITOL

"For the conduct of studies to determine the feasibility and cost of restoring the west-central front of the Capitol, without regard to any other act, $250,000, which shall be transferred to the appropriation for 'Preservation of Historic Properties', National Park Service, Department of the Interior."

MOTION OFFERED BY MR. ANDREWS OF ALABAMA

Mr. ANDREWS of Alabama. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDREWS of Alabama moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following:

"EXTENSION OF THE CAPITOL

"For an additional amount for 'Extension of the Capitol', $2,275,000, to be expended under the direction of the Commission for Extension of the United States Capitol as authorized by law: *Provided*, That such portion of the foregoing appropriation as may be necessary shall be used for emergency shoring and repairs of, and related work on, the west central front of the Capitol: *Provided further*, That not to exceed $250,000 of the foregoing appropriation shall be used for the employment of independent nongovernmental engineering and other necessary services for studying and reporting (within six months after the date of the employment contract) on the feasibility and cost of restoring such west central front under such terms and conditions as the Commission may determine: *Provided, however*, That pending the completion and consideration of such study and report, no further work toward extension of such west central front shall be carried on: *Provided further*, That after submission of such study and report and consideration thereof by the Commission, the Commission shall direct the preparation of final plans for extending such west central front in accord with Plan 2

(which said Commission has approved), unless such restoration study report establishes to the satisfaction of the Commission:

"(1) That through restoration, such west central front can, without undue hazard to safety of the structure and persons, be made safe, sound, durable, and beautiful for the foreseeable future;

"(2) That restoration can be accomplished with no more vacation of west central front space in the building proper (excluding the terrace structure) than would be required by the proposed extension Plan 2;

"(3) That the method or methods of accomplishing restoration can be so described or specified as to form the basis for performance of the restoration work by competitive, lumpsum, fixed price construction bid or bids;

"(4) That the cost of restoration would not exceed $15,000,000;

"(5) That the time schedule for accomplishing the restoration work will not exceed that heretofore projected for accomplishing the Plan 2 extension work: *Provided further*, That after consideration of the restoration study report, if the Commission concludes that all five of the conditions hereinbefore specified are met, the Commission shall then make recommendations to the Congress on the question of whether to extend or restore the west central front of the Capitol."

Mr. ANDREWS of Alabama (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with and it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

## GENERAL LEAVE

Mr. ANDREWS of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

## PERMISSION FOR COMMITTEE ON BANKING AND CURRENCY TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE CONFERENCE REPORT ON S. 2864, THE HOUSING ACT OF 1969

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a conference report on the Housing Act of 1969, S. 2864.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Texas?

There was no objection.

## AUTHORIZING DISPOSAL OF CERTAIN REAL PROPERTY IN THE CHICKAMAUGA AND CHATTANOOGA NATIONAL MILITARY PARK, GA.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9163) to authorize the disposal of certain real property in the Chickamauga and Chattanooga National Military Park, Ga., under the Federal Property and Administrative Services Act of 1949, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "under that Act" and insert: "subject to the retention by the Department of the Interior of a reversionary interest in perpetuity with respect to any portion of such property not utilized for educational purposes under that Act,".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, H.R. 9163 was considered by the House on October 20. At the same time that we discussed this legislation there was some concern with the prospects that the lands might be used for other than educational purposes. Since the purpose for this proposed disposal is to make presently unneeded park lands available for the development of a much needed educational complex, the enactment of H.R. 9163 is highly appropriate.

The other body has approved H.R. 9163 with an amendment providing that the Secretary of the Interior should retain a reversionary interest in the property in perpetuity. In the unlikely event that some or all of the property should not be needed or used for educational purposes at any time in the future, the amendment will assure that the property will revert to the United States for use for park purposes.

Mr. Speaker, I urge the House to concur in the Senate amendment to H.R. 9163.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

## EXTENSION OF VOTING RIGHTS ACT OF 1965

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 714, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 714

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4249) to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee of the Judiciary, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider, without the intervention of any point of order, the text of the bill H.R. 12695 as an amendment to the bill. At the conclusion of the consideration of H.R. 4249 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Indiana (Mr. MADDEN) is recognized for 1 hour.

## CALL OF THE HOUSE

Mr. BOW. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. MADDEN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 313]

| | | |
|---|---|---|
| Addabbo | Fulton, Tenn. | Powell |
| Ashley | Fuqua | Price, Tex. |
| Barrett | Hagan | Reifel |
| Brooks | Hays | Riegle |
| Byrne, Pa. | Hogan | Ruppe |
| Cahill | Hosmer | Saylor |
| Clark | Hull | Scheuer |
| Collier | Kirwan | Tunney |
| Cowger | Kuykendall | Utt |
| Cramer | Kyl | Vander Jagt |
| Dawson | Landgrebe | Vigorito |
| Dingell | Landrum | Whalley |
| Eilberg | Lipscomb | Wilson, |
| Evins, Tenn. | Mailliard | Charles H. |
| Fascell | Passman | Wright |
| Frelinghuysen | Pollock | |

The SPEAKER pro tempore. On this rollcall 387 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## EXTENSION OF VOTING RIGHTS ACT OF 1965

The SPEAKER pro tempore. The gentleman from Indiana (Mr. MADDEN) is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

Mr. Speaker, H.R. 4249 calls for an extension of the pending Voting Rights Act of 1965 for an additional 5 years. The rule calls for 3 hours' general debate, open rule, with permission for substitute amendments. Points of order are waived due to the fact that H.R. 12695 may not be considered germane.

The purpose of the 1965 Voting Rights was to aid American citizens who previously had been disenfranchised under local laws or technicalities to enjoy the right of franchise given to them under the 15th amendment of the U.S. Constitution. Previous enactment of Federal laws to eliminate discrimination in voting procedures in certain areas, primarily in the South, had failed to carry out protection for these disenfranchised citizens. Certain States initiated laws and procedures designed to block provisions of legislation pending before the enactment of the 1965 Voting Rights Act. The most common among these procedures of denying citizens the franchise was the use of literacy tests. For ex-

ample, in one State in the southern area, registration increased only 2 percent from 1954 to 1964—a period of 10 years. In this particular State 70 percent of the white citizens of voting age were registered, as compared with only 6.4 percent figure for nonwhites. In certain other States in the southern locality the same meager registration existed prior to the enactment of the 1965 Voting Rights Act, which this bill calls for extending for a 5-year period.

When the 1965 Voting Rights Act was passed in the Senate 4 years ago the roll-call vote was 77 to 19. The House passed the same legislation by a landslide vote of 333 to 85 on July 9, 1965. The 1965 act has been a remarkable success in giving previously disenfranchised citizens their constitutional right to vote. As an example, Negro registration has jumped in these areas from 29 percent to 52 percent. In those States covered by the 1965 act more than 800,000 Negroes have been registered and the number of blacks elected to office has increased from 78 to nearly 500. Despite this success, Negro voting registration is still low in numerous counties within these States. The provisions of the 1965 act are due to expire in August 1970. If this catastrophe should occur that this legislation were not extended, no doubt there would be massive reregistration drives to deny thousands of American citizens voting rights already won, as well as depriving relief still denied thousands of citizens in States and localities now covered. Weakening this voting rights bill will bring about adidtional dissension and racial bitterness in areas of disenfranchisement.

Under this law the Attorney General, guided by standards set out in the act, can appoint Federal examiners and observers in areas covered by the legislation. The appointment of examiners is only to be made where there is evidence of violation of the 15th amendment, due to the manipulation of the registration system. The examiners prepare lists of eligible voter applicants whom State officials are required to register.

I understand that in considering this extension three major amendments are anticipated. One is the administration's substitute; second a change in coverage formula; and, third, a national ban on literacy tests.

Regional legislation helping the disenfranchised voter is necessary when regional problems exist. The U.S. Civil Rights Commission already has statutory authority to conduct investigations and make recommendations regarding voting fraud and irregularities.

An amendment will be offered to base the act's coverage formula on 1968 election voter participation rather than 1964 election voter participation. If this amendment were accepted, Mississippi, Alabama, Louisiana, and Virginia—all presently covered—would escape coverage.

States that have in good faith eliminated discrimination in voting—as evidenced in 1968 results, compared to those of 1964—should no longer be punished for past wrongs.

The improvement in nonwhite voter registration and participation is the result of the law and its enforcement more than so-called good faith efforts on the part of the States. Continued resistance and defiance of this law can be documented. For example, after passage of the 1965 Voting Rights Act, Mississippi made three amendments to the Mississippi statutes which would have had the effect of interfering with Negroes' access to public office. These changes were made without Federal preclearance, in direct defiance of the law.

Despite general improvement, disparities in white and nonwhite participation still exist in many localities.

I hope the House membership will vote to extend the present effective Voting Rights Act of 1965 by a large majority.

Mr. Speaker, today I received a letter from President Theodore M. Hesburgh, president of Notre Dame University, who President Eisenhower appointed as a member of the original Civil Rights Commission in 1957, and he is still serving and enthusiastically endorsed the continuance of the Voting Rights Act of 1965. I ask unanimous consent to include his letter with my remarks and ask for adoption of the rule to extend the 1965 Voting Rights Act for a period of 5 years.

The letter referred to is as follows:

U.S. COMMISSION ON CIVIL RIGHTS,
*Washington, D.C., December 8, 1969.*

HON. RAY J. MADDEN,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. MADDEN: This week the House of Representatives will vote on the extension of the Voting Rights Act of 1965 for another five years. The Commission on Civil Rights has amply documented the need for a simple extension of the Voting Rights Act with all of its protective provisions intact. The Administration's substitute is a much weaker bill. It is the judgment of the Commission that general electoral reforms should not be tied with the extension of the Voting Rights Act because the effect would be to dilute and confuse enforcement of Fifteenth Amendment rights with general reforms based on other considerations.

I have been a Member of the Commission on Civil Rights since 1957 when the original Commissioners were appointed by our late President Eisenhower. From my perspective of 12 years on the Commission, I think I can say that there has been no more effective piece of civil rights legislation than the Voting Rights Act of 1965. Prior to the passage of that statute, a succession of legislative and judicial pronouncements had proven totally ineffective to deal with historic and deep-rooted voting denials.

The Members of Congress of both parties who shaped and supported the 1965 Act can rightfully point with pride to one of the great legislative accomplishments of this decade. Their proof lies in the nearly two million newly enfranchised Negro voters in the South, in the 463 elected Negro office holders, and in the many changes which have taken place as a result of greater participation by Negroes in the political life of their communities, cities, States and Nation. The passage of that Act was one of political and moral correctness.

I do fear that many Members of Congress feel that the voting problems at which the 1965 Act was directed have been solved. They have not. The Fifteenth Amendment remains to be fully implemented. We cannot retreat on this front. If we do, we run the risk of endangering the faith of many of our people in the ability of our Government to meet the legitimate expectations of its citizens.

Sincerely yours,

THEODORE M. HESBURGH,
*Chairman.*

Mr. ANDREWS of Alabama. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. Does the great State of Indiana have a literacy test for voting?

Mr. MADDEN. The State of Indiana allows its citizens over 21 years of age to vote, and every citizen who is qualified to vote, votes in the great State of Indiana.

Mr. ANDREWS of Alabama. My question is: Do you have a literacy test there? Can illiterates vote in Indiana?

Mr. MADDEN. What did you say?

Mr. ANDREWS of Alabama. Can illiterates vote in Indiana?

Mr. MADDEN. I say that everybody who votes in the State, qualified by age and citizenship, votes in the State of Indiana.

Mr. ANDREWS of Alabama. I do not think the gentleman has answered my question.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. May I state for the benefit of the gentleman from Alabama that the State of Indiana does not have a literacy test.

Mr. ANDREWS of Alabama. I thank the gentleman.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH) and reserve the balance of my time.

The SPEAKER pro tempore (Mr. ALBERT). The gentleman from California is recognized.

Mr. SMITH of California. Mr. Speaker, House Resolution 714 provides an open rule with 3 hours of debate for the consideration of H.R. 4249, extension of the Voting Rights Act of 1965. It also provides for the consideration of H.R. 12695 to amend the Voting Rights Act of 1965. The specific language in House Resolution 714 to make this possible is—

> It shall be in order to consider, without the intervention of any point of order, the text of the bill H.R. 12695 as an amendment to the bill.

Although the report states that the purpose of H.R. 4249 is to continue in full force and effect all the provisions of the Voting Rights Act of 1965 (79 Stat. 437) for an additional 5 years, it is noted that the title of the bill is to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices. It is further noted that the language refers specifically to section 4(a) and simply changes the word "five" to "ten" in three instances. Accordingly, some of us on the Rules Committee felt that some or possibly all of the provisions of H.R. 12695 might not be germane. This would be decided by the Chairman of the Committee of the Whole House. To avoid any question of germaneness, the "rule" was written as above indicated.

As of this moment, I am not absolutely certain whether H.R. 12695 will be offered in its entirety as an amendment, or by separate subjects. Nor am I definitely certain who will offer the same. But in any event, it is my understanding that all of the provisions offered will

also be subject to amendment. As I stated in the Rules Committee, it is not my intention to try to defeat H.R. 4249 by this rule. An opportunity will arise in due time to vote on the provisions of H.R. 4249 either in its entirety, or with any amendments that may be adopted. My intention is simply to permit the House to consider the language in the administration bill.

In view of the fact that we are now into December, and have considerable legislation to consider, particularly appropriation bills before adjournment, together with the fact that this act does not expire until August 1970, it would seem more practicable to me to defer this measure until we return next year.

And now, Mr. Speaker, I would like to review the two bills as I understand them to be.

H.R. 4249 extends for 5 years, until August 1975, those provisions of the Voting Rights Act of 1965 which are not permanent law. If not extended, such provisions would expire in August 1970.

Those provisions which will be extended include—

First, a suspension of any literacy test or device as a prerequisite for voter registration.

Second, this suspension is imposed on any State or political subdivision which on November 1, 1964, maintained such a test or device if in such State or political subdivision less than 50 percent of the residents of voting age were registered to vote or actually did vote in the 1964 presidential election.

Third. No new test or device could be enacted unless approved by the District Court of the District of Columbia or unless the proposed new test or device was submitted to the Attorney General who did not object to it within 60 days. Since passage of the act, over 225 voting laws have been submitted to the Attorney General for approval. Only four had been objected to as of July 1, 1969.

In 1966 the Supreme Court upheld the constitutionality of the 1965 act in *South Carolina* v. *Katzenback*, 383 U.S. 301.

States now covered by the act are: Louisiana, Mississippi, Georgia, Alabama, South Carolina, Virginia, 39 counties in North Carolina, one county in Arizona, and one in Hawaii.

The approach taken in H.R. 12695 is fundamentally different. No formula is used; the bill would apply equally to all jurisdictions; there is no "trigger." Basically, it would lessen the voter registration protection of the existing act while adding new provisions which are outside the scope of the act.

The differences are—

First. Section 5 of the Voting Rights Act requires a State or political subdivision covered by the act which seeks to change any voting law to first either obtain the approval of the Attorney General or sue for approval in the District Court of the District of Columbia. If there is no objection by the Attorney General within 60 days, such changes may be enforced. If he objects, such changes may not be enforced until the district court rules such changes are acceptable because they do not have the effect of denying any person the right to vote because of race or color. The burden of proof is clearly on the State to show no discrimination.

H.R. 12695 would repeal this section of the Act. For the existing procedure it would substitute statutory authority for the Attorney General to seek an injunction, in a three-judge Federal district court, against the enforcement of any voting qualification which has the purpose or effect of abridging the right to vote on account of race. This procedure would apply to all States and their political subdivisions, not just to those States covered by the 1965 act. This provision would place the burden of proof to show discrimination on the Government. The shift of the burden of proof is at least as significant as the removal of the triggering formula in favor of broadening coverage to all the States.

Second. The 1965 act contains a formula, or "trigger" which effectively limits the coverage of the act to a few States. The formula brings under the provisions of the act those States which on November 1, 1964, had a voter literacy test or other device if in such State or political subdivision less than 50 percent of the population of voting age were registered, or less than 50 percent of the population of voting age actually voted in the 1964 presidential election.

H.R. 12695 eliminates this provision from the act. In its place it provides a nationwide ban on all literacy tests until January 1, 1974.

Third. Section 6 of the Voting Rights Act authorizes the Attorney General to send Federal examiners into a State or political subdivision covered by the act if he has received 20 valid complaints alleging voter discrimination, or if he believes examiners are necessary to enforce the right to vote. These examiners prepare lists of voters whom State officials must register. Under section 8 of the act, Federal observers may be sent into areas previously designated to receive examiners in order to watch for irregularities.

H.R. 12695 broadens this authority to permit the Attorney General to send Federal examiners into any State or political subdivision if he has received 20 valid complaints or if he believes them necessary to enforce the right to vote; he is not limited to those areas covered by the 1965 act. Similarly, Federal observers may be sent to any State or political subdivision in the country if he believes it necessary to prevent discrimination. Examiners need not have been designated to be sent, as under the act, before observers go in.

Fourth. Present law and court decisions now permit States to condition the right to vote on literacy and other reasonable requirements not applied in a discriminatory manner. Some 20 States now have literacy tests. As indicated above, the 1965 act forbids the use of such tests if they were in effect on November 1, 1964, and if less than 50 percent of the voting age population was either registered on that date or actually voted in the 1964 presidential election.

H.R. 12695 would suspend all such literacy tests in all States until January 1, 1974. By that time the Congress would have received the report and recommendations of the new National Advisory Commission on Voting Rights which would presumably be used as a basis for further action.

Fifth. Under present law the U.S. Commission on Civil Rights is empowered to investigate complaints that citizens are being denied the right to vote by reason of their race, color, religion, or national origin.

H.R. 12695 would create a new, temporary, National Advisory Commission on Voting Rights composed of nine members, all Presidentially appointed, one of whom he would designate as Chairman. The Commission would be charged with the responsibility to make a study of the effects of laws restricting the right to vote, and of existing corrupt or fraudulent practices used to deny or abridge the right to vote. A report to the President and the Congress, including recommendations, is required by January 15, 1973, after which the Commission would cease to exist.

Sixth. H.R. 12695 deals with the existing problem of residency requirements in presidential elections. The bill provides that a newly arrived resident may vote in a presidential election in his new State of residence if he arrived there before September 1 of the election year. If he did not, then he could still vote at his former address in the State he left after September 1.

This subject is not included in the 1965 act.

EVALUATION OF THE TWO BILLS

The scope and thrust of the two bills, H.R. 4249 and H.R. 12695 are fundamentally different. The first extends existing law only. No change in the terms, provisions, or coverage of the Voting Rights Act of 1965 are included. The sum total of amendments to the 1965 Act is to strike the word "five" where it appears in three instances and substitute the word "ten" thus extending it for 5 additonal years, until August 6, 1975.

H.R. 12695 both strikes new ground and fundamentally amends the 1965 Act. It would: first, strike the formula and triggering device which now effectively limits coverage of the act to a few States; second, prohibit all States from using literacy tests until 1974; third, eliminate existing statutory requirements with respect to the manner in which a State covered by the 1965 act changes its voting laws and substitutes a new provision covering all States; fourth, with respect to such new provision, shifts the burden of proof from the States to show lack of discrimination over to the Attorney General who would have to assume the burden of affirmatively proving discrimination; and fifth, removes the existing problem with respect to residency requirements, a matter not touched by the 1965 act.

Mr. Speaker, I urge the adoption of the rule and reserve the balance of my time. I do have some requests for time.

Mr. MADDEN. Would the gentleman care to yield some of his time at this time?

Mr. SMITH of California. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I voted against the granting of

the rule in the Rules Committee because of my desire to indicate at the earliest possible opportunity my opposition to the offering of the substitute which has been adequately and, I think, very fairly described by the gentleman who preceded me in the well, the gentleman from California (Mr. SMITH).

Mr. Speaker, the substitute bill has been referred to as H.R. 12695. I shall not contest the granting or the adoption of the rule here this afternoon. I indeed think that today, due to the lateness of the hour, insofar as this session of Congress is concerned and the importance of this matter, we had best get on with the fundamental decision which confronts us.

There are some perhaps, but they are very few in number, who will not now concede that the Voting Rights Act of 1965 was not only necessary but that it has been a very effective instrument.

As I read the hearings on this bill, the figures I think were that something over 800,000 or 1 million persons had been added to the voting rolls since the adoption of this act on August 6, 1965.

Indeed, the Attorney General himself—and this appears at page 232 of the hearings—said his testimony was intended to convey the idea that the results that had been achieved under this legislation were truly tremendous.

There had been other voting rights statutes, 1957, 1960, and 1964—but there was still massive indication of discrimination in voting rights when this House in 1965 adopted this legislation.

Today, Mr. Speaker, we are going to be confronted with the argument that this is regional, that this is sectional legislation which should be abandoned in favor of a statute of more universal application. Let me say as for myself, and I think for the great majority of us who sit in this House, there was no intent by this enactment to humiliate our southern brethren, to press some crown of thorns to their brow or to in some manner mortify their flesh to gain some full expiation for past offenses which they had committed.

I believe charges of that kind belong to the George Wallace group, but it is not, I repeat, the spirit of this legislation. I think it was Will Rogers who once said "I have never met a man that I didn't like." Let me amend that statement to say I never met a southerner I did not like, and particularly those who serve, and serve honorably, in this body.

But this legislation was designed to focus on those jurisdictions where, unfortunately, there are those deeply ingrained patterns and practices of discrimination in the electoral process that have come over the years to be accepted as virtually a way of life, and this law was an effort to remedy ancient and legitimate grievances, and I think we have made progress toward that goal, and we ought to make further progress toward that goal, and to give it the impetus that it deserves by a straight extension of this act rather than perhaps running the danger, as I will point out for everybody this afternoon, of ensnaring this whole matter in the further toils of constitutional controversy to the point where we might indeed vitiate the very useful purpose of this act.

Now, it is true—it is true that under the substitute that I understand will be offered, the Attorney General could file suit and seek injunctive relief against those jurisdictions that seek to change their voting practices or their procedure in order to perpetuate discrimination or to return to the kind of discrimination that existed before by operation of local literacy tests which were suspended in those States.

But as my colleague from California has pointed out, there is a significant change in the burden of proof, and the Attorney General must not only use his vision to encompass the entire country with all of its thousands of voting districts all over the land, and make sure that there has not somewhere been a change in the law or in the procedure, but he must then go in and establish by a greater weight or a preponderance of the evidence that there is in fact discrimination.

Now, is it just an illusion that some of us cherish when we fear that perhaps there will be some who will seek to resort to new and sophisticated legal stratagems——

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, may I be granted additional time?

Mr. SMITH of California. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER pro tempore. The Chair will state the gentleman from California has 12 minutes remaining.

Mr. SMITH of California. Is it 12 minutes as of now?

The SPEAKER pro tempore. That is correct.

Mr. SMITH of California. Mr. Speaker, I yield 3 additional minutes to the gentleman from Illinois. I cannot yield more time, since I now have requests for additional time.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding me the additional time.

Mr. Speaker, is this mere illusion? I have in my hand the report of the U.S. Commission on Civil Rights for May of 1968, entitled "Political Participation." I do not have the time in 3 minutes to read the documented story of the very sophisticated efforts that have been made even since the passage of this act to subvert the provisions of the law, and to deny the rights granted to every citizen under the 15th amendment. I submit it is not merely an illusion when we fear that unless we have sections 4 and 5 retained in this law in their present form, that we may well see retreat and regression rather than the further progress that we would like to have.

Mr. Speaker, let me in the very brief time that I have remaining say to those who feel very sincerely that we ought to have universal application to all 50 States, we ought to have an absolute ban on literacy tests; let me say to them that in the last 2 or 3 days, after reading and rereading the unanimous opinion of the U.S. Supreme Court in *Lassiter* v. *Northampton County Board of Elections*, 360 U.S. 45—and, Mr. Speaker, this was the unanimous opinion of the Supreme Court 10 years ago—that on the basis of that opinion I think there is grave constitutional doubt as to whether or not you can simply ban these tests all over the country without any reference at all to whether or not they have ever been used as a matter of fact to attempt to discriminate against somebody in voting because of his race or because of his color.

I submit that the law of the land today at the very best places that question in very grave doubt.

Do we want to jeopardize the gains we have made under this statute and possibly risk its invalidation by a future court decision by adopting a provision that may not be consistent with the Constitution of the United States? Mr. Speaker, I would like to place in the RECORD at this time the Supreme Court's unanimous decision in Lassiter against Northampton County Board of Elections:

[360 U.S. 45]

LOUISE LASSITER, APPELLANT, v. NORTHAMPTON COUNTY BOARD OF ELECTIONS

(No. 584—Argued May 18, 19, 1959. Decided June 8, 1959)

Proceeding predicated upon denial by registrar of application of plaintiff for registration as a voter. The Superior Court, Northampton County, North Carolina, entered judgment adverse to plaintiff, and, preserving her federal question, plaintiff appealed. The Supreme Court of North Carolina, 248 N.C. 102, 102 S.E.2d 853, affirmed and plaintiff appealed. The Supreme Court, Mr. Justice Douglas, held that requirement of North Carolina statute and Constitution that a person as a prerequisite to registration as a voter be able to read and write any section of the Constitution of North Carolina in the English language, with such requirement applicable to members of all races, did not conflict with either the Fourteenth, Fifteenth or Seventeenth Amendments to the federal Constitution, and such requirements could not be condemned as unconstitutional on their face as a device unrelated to desire of the state to raise the standards for people of all races who cast the ballot.

Affirmed.

1. COURTS 399(1)

Where issue of discrimination in the actual operation of the ballot laws of North Carolina was not framed in issues presented for state court litigation over denial by registrar of application of registration of plaintiff as a voter because of her refusal to take a literacy test, question of such discrimination through granting of voting privileges to certain persons under a grandfather clause of the North Carolina Constitution, would not be discussed by the Supreme Court. Const. N.C. art. 6, § 4; G.S.N.C. §§ 163–28 to 163–28.3.

2. ELECTIONS 18

The states have broad powers to determine the conditions under which the right of suffrage may be exercised, in the absence of discrimination condemned by the Constitution.

3. ELECTIONS 18

While the right of suffrage is established and guaranteed by the federal Constitution, it is subject to the imposition of state standards which are not discriminatory and which do not contravene any restriction that Congress, acting pursuant to its constitutional powers, has imposed. U.S.C.A. Const. art. 1, § 2.

4. UNITED STATES 10

While the Fourteenth Amendment which provides for apportionment of representatives among the states according to their respective numbers counting the whole number of

persons in each state, except Indians not taxed, speaks of the "right to vote," the right protected refers to the right to vote as established by the laws and Constitution of the state. U.S.C.A. Const. Amend. 14, § 2.

5. ELECTIONS 18

Residence requirements, age, and a previous criminal record are examples indicating factors which a state may take into consideration in determining qualification of voters.

6. ELECTIONS 18

A literacy requirement may be set up as a prerequisite by a state to eligibility for voting without violation of the federal Constitution. U.S.C.A. Const. Amends. 14, 15, 17.

7. ELECTIONS 12

A literacy test as a prerequisite to eligibility for voting, even though fair on its face, may be employed to perpetuate discrimination which the Fifteenth Amendment was designed to uproot, and, also, a literacy test may be unconstitutional on its face where the legislative setting of the provision and the discretion vested in the registrar of voting make it clear that the requirement is merely a device to make racial discrimination easy. U.S.C.A. Const. Amend. 15.

8. CONSTITUTIONAL LAW 215—ELECTIONS 12

Requirement of North Carolina statute and Constitution that a person as a prerequisite to registration as a voter "be able to read and write any section of the Constitution of North Carolina in the English language" with such requirement applicable to members of all races, did not conflict with either the Fourteenth, Fifteenth or Seventeenth Amendments to the federal Constitution, and such requirements could not be condemned as unconstitutional on their face as a device unrelated to desire of the state to raise the standards for people of all races who cast the ballot. U.S.C.A. Const. Amends. 14, 15, 17; 28 U.S.C.A. § 1257(2); Const. N.C. art. 6, § 4; G.S. N.C. §§ 163–28 to 163–28.3.

Mr. Samuel S. Mitchell, Raleigh, N.C., for appellant.

Mr. I. Beverly Lake, Raleigh, N.C., for appellee.

Mr. Justice DOUGLAS delivered the opinion of the Court.

This controversy started in a Federal District Court. Appellant, a Negro citizen of North Carolina, sued to have the literacy test for voters prescribed by that State declared unconstitutional and void. A three-judge court was convened. That court noted that the literacy test was part of a provision of the North Carolina Constitution that also included a grandfather clause. It said that the grandfather clause plainly would be unconstitutional under Guinn v. United States, 238 U.S. 347, 35 S.Ct. 926, 59 L.Ed. 1340. It noted, however, that the North Carolina *statute* which enforced the registration requirements contained in the State Constitution had been superseded by a 1957 Act and that the 1957 Act does not contain the grandfather clause or any reference to it. But being uncertain as to the significance of the 1957 Act and deeming it wise to have all administrative remedies under that Act exhausted before the federal court acted, it stayed its action, retaining jurisdiction for a reasonable time to enable appellant to exhaust her administrative remedies and obtain from the state courts an interpretation of the statute in light of the State Constitution. Lassiter v. Taylor, D.C., 152 F.Supp. 295.

Thereupon the instant case was commenced. It started as an administrative proceeding. Appellant applied for registration as a voter. Her registration was denied by the registrar because she refused to submit to a literacy test as required by the North Carolina statute.[1] She appealed to the County Board of Elections. On the *de novo* hearing before that Board appellant again refused to take the literacy test and she was again denied registration for that reason. She appealed to the Superior Court which sustained the Board against the claim that the requirement of the literacy test violated the Fourteenth, Fifteenth, and Seventeenth Amendments of the Federal Constitution. Preserving her federal question, she appealed to the North Carolina Supreme Court which affirmed the lower court. 248 N.C. 102, 102 S.E.2d 853. The case came here by appeal, 28 U.S.C. § 1257(2), 28 U.S.C.A. § 1257(2), and we noted probable jurisdiction. 358 U.S. 916, 79 S.Ct. 294, 3 L.Ed. 2d 236.

The literacy test is a part of § 4 of Art. VI of the North Carolina Constitution. That test is contained in the first sentence of § 4. The second sentence contains a so-called grandfather clause. The entire § 4 reads as follows:

"Every person presenting himself for registration shall be able to read and write any section of the Constitution in the English language. But no male person who was, on January 1, 1867, or at any time prior thereto, entitled to vote under the laws of any state in the United States wherein he then resided, and no lineal descendant of any such person, shall be denied the right to register and vote at any election in this State by reason of his failure to possess the educational qualifications herein prescribed: Provided, he shall have registered in accordance with the terms of this section prior to December 1, 1908. The General Assembly shall provide for the registration of all persons, entitled to vote without the educational qualifications herein prescribed, and shall, on or before November 1, 1908, provide for the making of a permanent record of such registration, and all persons so registered shall forever thereafter have the right to vote in all elections by the people in this State, unless disqualified under section 2 of this article."

Originally Art. IV contained in § 5 the following provision:

"That this amendment to the Constitution is presented and adopted as one indivisible plan for the regulation of the suffrage, with the intent and purposes to so connect the different parts, and to make them so dependent upon each other, that the whole shall stand or fall together."

But the North Carolina Supreme Court in the instant case held that a 1945 amendment to Article VI freed it of the indivisibility clause. That amendment rephrased § 1 of Art. VI to read as follows:

"Every person born in the United States, and every person who has been naturalized, twenty-one years of age, and possessing the qualifications set out in this Article, shall be entitled to vote."

That court said that "one of those qualifications" was the literacy test contained in § 4 of Art. VI; and that the 1945 amendment "had the effect of incorporating and adopting anew the provisions as to the qualifications required of a voter as set out in Article VI, freed of the indivisibility clause of the 1902 amendment. And the way was made clear for the General Assembly to act." 248 N.C. at page 112, 102 S.E.2d at page 860.

In 1957 the Legislature rewrote General Statutes § 163–28 as we have noted.[2] Prior to that 1957 amendment § 163–28 perpetuated the grandfather clause contained in § 4 of Art. VI of the Constitution and § 163–32 established a procedure for registration to effectuate it.[3] But the 1957 amendment contained a provision that "All laws and clauses of laws in conflict with this Act are hereby repealed."[4] The federal three-judge court ruled that this 1957 amendment eliminated the grandfather clause from the statute. 152 F.Supp. at page 296.

"Every person claiming the benefit of section four of article six of the Constitution of North Carolina, as ratified at the general election on the second day of August, one thousand nine hundred, and who shall be entitled to register upon the permanent record for registration provided for under said section four, shall prior to December first, one thousand nine hundred and eight, apply for registration to the officer charged with the registration of voters as prescribed by law in each regular election to be held in the State for members of the General Assembly, and such persons shall take and subscribe before such officer an oath in the following form, viz:

"I am a citizen of the United States and of the State of North Carolina; I am — years of age. I was, on the first day of January, A. D. one thousand eight hundred and sixty-seven, or prior to said date, entitled to vote under the constitution and laws of the state of ———, in which I then resided (or, I am a lineal descendent of ———, who was, on January one, one thousand eight hundred and sixty-seven, or prior to that date, entitled to vote under the constitution and laws of the state of ———, wherein he then resided)."

The Attorney General of North Carolina, in an *amicus* brief, agrees that the grandfather clause contained in Art. VI is in conflict with the Fifteenth Amendment. Appellee maintains that the North Carolina Supreme Court ruled that the invalidity of that part of Art. VI does not impair the remainder of Art. VI since the 1945 amendment to Art. VI freed it of its indivisibility clause. Under that view Art. VI would impose the same literacy test as that imposed by the 1957 statute and neither would be linked with the grandfather clause which, though present in print, is separable from the rest and void. We so read the opinion of the North Carolina Supreme Court.

[1] Appellant argues that that is not the end of the problem presented by the grandfather clause. There is a provision in the General Statutes for permanent registration in some counties.[5] Appellant points out that although the cut-off date in the grandfather clause was December 1, 1908, those who registered before then might still be voting. If they were allowed to vote without taking a literacy test and if appellant were denied the right to vote unless she passed it, members of the white race would receive preferential privileges of the ballot contrary to the command of the Fifteenth Amendment. That would be analogous to the problem posed in the classic case of Yick Wo v. Hopkins, 118 U.S. 356, 6 S.Ct. 1064, 30 L.Ed. 220, where an ordinance unimpeachable on its face was applied in such a way as to violate the guarantee of equal protection contained in the

[1] This Act, passed in 1957, provides in § 163–28 as follows:

"Every person presenting himself for registration shall be able to read and write any section of the Constitution of North Carolina in the English language

It shall be the duty of each registrar to administer the provisions of this section."

Sections 163–28.1, 163–28.2, and 163–28.3 provide the administrative remedies pursued in this case.

[2] Note 1, supra.

[3] Section 163–32 provided:

[4] N.C.Laws 1957, c. 287, pp. 277, 278.

[5] Section 163–31.2 provides:

"In counties having one or more municipalities with a population in excess of 10,000 and in which a modern loose-leaf and visible registration system has been established as permitted by G.S. 163–43, with a full time registration as authorized by G.S. 163–31, such registration shall be a permanent public record of registration and qualification to vote, and the same shall not thereafter be cancelled and a new registration ordered, either by precinct or county-wide, unless such registration has been lost or destroyed by theft, fire or other hazard."

Fourteenth Amendment. But this issue of discrimination in the actual operation of the ballot laws of North Carolina has not been framed in the issues presented for the state court litigation. Cf. Williams v. State of Mississippi, 170 U.S. 213, 225, 18 S.Ct. 583, 588, 42 L.Ed. 1012. So we do not reach it. But we mention it in passing so that it may be clear that nothing we say or do here will prejudice appellant in tendering that issue in the federal proceedings which await the termination of this state court litigation.

We come then to the question whether a State may consistently with the Fourteenth and Seventeenth Amendments apply a literacy test to all voters irrespective of race or color. The Court in Guinn v. United States, supra, 238 U.S. 366, 35 S.Ct. 931, disposed of the question in a few words, "No time need be spent on the question of the validity of the literacy test, considered alone, since, as we have seen its establishment was but the exercise by the state of a lawful power vested in it not subject to our supervision, and indeed, its validity is admitted."

[2–4] The States have long been held to have broad powers to determine the conditions under which the right of suffrage may be exercised, Pope v. Williams, 193 U.S. 621, 633, 24 S.Ct. 573, 576, 48 L.Ed. 817; Mason v. State of Missouri, 179 U.S. 328, 335, 21 St.Ct. 125, 128, 45 L.Ed. 214, absent of course the discrimination which the Constitution condemns. Article I, § 2 of the Constitution in its provision for the election of members of the House of Representatives and the Seventeenth Amendment in its provision for the election of Senators provide that officials will be chosen "by the People." Each provision goes on to state that "the Electors in each State shall have the Qualifications requisite for Electors of the most numerous Branch of the State Legislature." So while the right of suffrage is established and guaranteed by the Constitution (Ex parte Yarbrough, 110 U.S. 651, 663–665, 4 S. Ct. 152, 158, 159, 28 L.Ed. 274; Smith v. Allwright, 321 U.S. 649, 661–662, 4 S.Ct. 757, 763–764, 88 L.Ed. 987) it is subject to the imposition of state standards which are not discriminatory and which do not contravene any restriction that Congress acting pursuant to its constitutional powers, has imposed. See United States v. Classic, 313 U.S. 299, 315, 61 S.Ct. 1031, 1037, 85 L.Ed. 1368. While § 2 of the Fourteenth Amendment, which provides for apportionment of Representatives among the States according to their respective numbers counting the whole number of persons in each State (except Indians not taxed), speaks of "the right to vote," the right protected "refers to the right to vote as established by the laws and constitution of the state." McPherson v. Blacker, 146 U.S. 1, 39, 13 S.Ct. 3, 12, 3b L.Ed. 869.

[5, 6] We do not suggest that any standards which a State desires to adopt may be required of voters. But there is wide scope for exercise of its jurisdiction. Residence requirements, age, previous criminal record (Davis v. Beason, 133 U.S. 333, 345–347, 10 S.Ct. 299, 301–302, 33 L.Ed. 637) are obvious examples indicating factors which a State may take into consideration in determining the qualifications of voters. The ability to read and write likewise has some relation to standards designed to promote intelligent use of the ballot. Literacy and illiteracy are neutral on race, creed, color, and sex, as reports around the world show.[6] Literacy and intelligence are obviously not synonymous. Illiterate people may be intelligent voters. Yet in our society where newspapers, periodicals, books, and other printed matter canvass and debate campaign issues, a State might conclude that only those who are literate should exercise the franchise. Cf. Franklin v. Harper, 205 Ga. 779, 55 S.Ed. 2d 221, appeal dismissed 339 U.S. 946, 70 S.Ct. 804, 94 L.Ed. 1361. It was said last century in Massachusetts that a literacy test was designed to insure an "independent and intelligent" exercise of the right of suffrage.[7] Stone v. Smith, 159 Mass. 413–414, 34 N.E. 521. North Carolina agrees. We do not sit in judgment on the wisdom of that policy. We cannot say, however, that it is not an allowable one measured by constitutional standards.

[7, 8] Of course a literacy test, fair on its face, may be employed to perpetuate that discrimination which the Fifteenth Amendment was designed to uproot. No such influence is charged here. On the other hand, a literacy test may be unconstitutional on its face. In *Davis* v. *Schnell*, D.C., 81 F.Supp. 872, 873, affirmed 336 U.S. 933, 69 S.Ct. 749, 93 L.Ed. 1093, the test was the citizen's ability to "understand and explain" an article of the Federal Constitution. The legislative setting of that provision and the great discretion it vested in the registrar made clear that a literacy requirement was merely a device to make racial discrimination easy. We cannot make the same inference here. The present requirement, applicable to members of all races, is that the prospective voter "be able to read and write any section of the Constitution of North Carolina in the English language." That seems to us to be one fair way of determining whether a person is literate, not a calculated scheme to lay springs for the citizen. Certainly we cannot condemn it on its face as a device unrelated to the desire of North Carolina to raise the standards for people of all races who cast the ballot.

Affirmed.

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[6] World Illiteracy at Mid-Century, Unesco (1957).

[7] Nineteen States including North Carolina, have some sort of literacy requirement as a prerequisite to eligibility for voting. Five require that the voter be able to read a section of the State or Federal Constitution and write his own name. Arizona Rev. Stat. § 10–101; West's Ann. Cal. Election Code § 220; Del. Code Ann. Tit. 15, § 1701; Mc.Rev. Stat. c. 3, § 2; Mass-Gen.L.Ann., c. 51, § 1. Five require that the elector be able to read and write a section of the Federal or State Constitution. Ala.Code, 1940, Tit. 17, § 32; N.H.Rev. Stat. Ann. §§ 55:10 to 55:12; N.C.Gen.Stat. § 163–28; Okla.Stat.Ann.,Tit. 26, § 61; S.C. Code § 23–62. Alabama also requires that the voter be of "good character" and "embraces the duties and obligations of citizenship" under the Federal and State Constitution. Ala.Code. Tit. 17 § 32 (1955 Supp.).

Two States require that the voter be able to read and write English. N.Y. Election Law § 150; Ore.Rev.Stat. § 247.131. Wyoming (Wyo. Comp.Stat.Ann. § 31–113) and Connecticut (Conn.Gen.Stat. § 9–12) require that the voter read a constitutional provision in English, while Virginia (Va.Code § 24–68) requires that the voting application be written in the applicant's land before the registrar and without aid, suggestion of memoranda. Washington (Wash.Rev. Code § 29.07.-070) has the requirement that the voter be able to read and speak the English language.

Georgia requires that the voter read intelligently and write legibly a section of the State or Federal Constitution. If he is physically unable to do so, he may qualify if he can give a reasonable interpretation of a section read to him. An alternative means of qualifying is provided: if one has good character and understands the duties and obligations of citizenship under a republican government, and he can answer correctly 20 of 30 questions listed in the statute (e.g., How does the Constitution of Georgia provide that a county site may be changed?, what is treason against the State of Georgia?, who are the solicitor general and the judge of the State Judicial Circuit in which you live?) he is eligible to vote. Ga.Code Ann. §§ 34–117, 34–120.

In Louisiana one qualifies if he can read and write English or his mother tongue, is of good character, and understands the duties and obligations of citizenship under a republican form of government. If he cannot read and write, he can qualify if he can give a reasonable interpretation of a section of the State or Federal Constitution when read to him, and if he is attached to the principles of the Federal and State Constitutions. LSA–R,.S. Tit. 18, § 31.

In Mississippi the applicant must be able to read and write a section of the State Constitution and give a reasonable interpretation of it. He must also demonstrate to the registrar a reasonable understanding of the duties and obligations of citizenship under a constitutional form of government. Miss.Code Ann. § 3213.

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Let me say in conclusion that today we are caught in a vortex of change, between the apostles of revolution and discord and dissent and those forces who say "Yes, this will possibly work within the system to do the things that will make American democracy meaningful to those who feel deprived in our society."

I submit, Mr. Speaker, we should make sure today and tomorrow as we debate and consider this legislation that we do nothing by way of amendment—by way of debilitating and weakening amendments—that will detract from the kind of progress that has clearly been made under the 1965 voting rights act.

I hope, therefore, when that decision is made and when the vote comes that it will be once again the overwhelming decision of this House to support the Committee on the Judiciary and to extend for another 5 years the provisions of this act.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. ANDERSON) has expired.

Mr. SMITH of California. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. THOMPSON).

Mr. THOMPSON of Georgia. Mr. Speaker, I thank the gentleman from California for giving me this time.

I must profess, Mr. Speaker, my absolute astoundment and amazement at the actions of the committee, and particularly of such a learned gentleman as the one who just preceded me in the well, who are attempting to make this body feel that only the civil rights of those in the South should be protected and that there is no need to protect the voting rights of those throughout the entire country.

Of course, there has been discrimination in the South. We do not deny this, but this is something in the past. Under the voting rights act, there has been great progress made in registering Negroes in the South.

According to the statement by Vernon Jordan who is the head of a Negro voting rights organization, more than 62 percent of all eligible Negroes in the South are now registered to vote. This compares with some 70-odd percent of whites registered to vote.

It is very interesting to me that the tack taken is not that we are just going to protect voting rights—but we are only going to protect voting rights in the South.

Can it be that some of the big city machines do not want to see Federal examiners come in and watch the elec-

tive process? Could it be that in some of the cities such as Chicago, Ill., and Detroit, Mich., and New York that they do not want voting rights protection in those areas?

What is the objection to protecting the rights of every citizen in the United States regardless of where they may live? Why should not the rights of every citizen in the North be protected as well as the rights of citizens in the South? There is no valid reason for this.

Five years ago when the bill was passed, in effect, a contract was made by this Congress which stated that certain provisions were going to apply in those States, and once they met those qualifications, they would then be exempt from the act. That was that more than half of the people had to be voting. These were the triggering provisions.

The statistics used, of course, for this were the figures of the 1964 presidential election.

In 1968 we had another election.

Now we hear people coming back and saying—Oh, let us forget all about the progress that has been made—let us forget about the fact that we set these standards at that time—let us not consider those standards—because if we do consider those standards, then that is going to eliminate all but two of the Southern States, if we consider those standards.

I think the Congress should, in effect, honor this contract that it made at that particular time and make this law apply uniformly throughout the entire Nation.

You know I was interested in reading the hearings that were held before the Committee on the Judiciary, and particularly some of the comments made by the Attorney General. He stated that a higher percentage of voting-age Negroes went to the polls in the Deep South than in Watts or Washington—a higher percentage of voting-age Negroes went to the polls in the Deep South than in Watts or right here Washington.

Furthermore, it is interesting to note that a little more than one-third of voting-age Negroes cast ballots in 1968 in New York City, including Manhattan, Bronx, and Brooklyn, and this amounted to less than one-half of the white turnout. So when you cite figures and statistics and say that there are fewer Negroes registered in the South than in the North, I submit to you that there may well be fewer Negroes registered percentagewise in the North than whites registered percentagewise in the North.

Today we have an opportunity. I understand a substitute will be offered which is basically the administration's bill, a bill which seeks to do one thing: treat each American citizen equally, not dependent upon his place of origin, not dependent upon what State he comes from, but if he is an American citizen, then he shall be treated the same, whether he happens to be a citizen from the State of Georgia or a citizen from the State of Massachusetts. That is the plea I make to you today, that when this rule is adopted—and I feel certain that it will be adopted—when we get into the amendment process I hope you will give serious consideration and study to the proposal that will be offered at that time, basically the administration proposal, which is one which seeks to provide justice and equity for all American citizens regardless of point of origin.

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the gentleman from New York, the chairman of the Judiciary Committee.

Mr. CELLER. Mr. Speaker, and Members of the House, I am very glad to embrace all the remarks made by the distinguished gentleman from Illinois (Mr. ANDERSON). Indeed, he put his finger upon the very important aspects of the so-called Mitchell substitute, which substitute, as I understand, will be offered by the gentleman from Michigan (Mr. FORD).

There is a sickness in certain parts of the country, a malaise, where certain groups of our citizens have been, for many, many decades, disenfranchised. We adopted the act of 1965 by way of, shall I say, bitter medicine to cure that illness. Much progress has been made, but the fever of depriving many of the citizens in particular areas continues. It has not completely vanished. And the reports of Father Hesburgh's commission indicate clearly it is very essential that we continue the Voting Rights Act of 1965 so as to obliterate that evil. That is why we are here today, to consider the extension of that act.

The effort of the Attorney General, Mr. Mitchell, as he put it, is to make the remedies apply all over the country.

I asked him, "What evidence have you got, for example, of any disenfranchisement through the application of any literacy tests in my own State of New York on the basis of race or color, what complaints have there been that anyone in New York is denied the right to vote because of the application of a test because of color?"

He had no answer. All he said is that he had heard from certain people about discrimination.

I said, "Name me the people."

He could not name the people. He said he would supply information subsequently. And what was the information he subsequently supplied? He said it was based upon psychological facts which were based upon political potentiality.

How in thunder can we legislate on potential psychological factors? You tell me.

The administration substitute is very much like building a dam in Idaho to control a flood in Mississippi. That is about what this means.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Mr. Speaker, if the gentleman is not concerned about the law as applicable to his own area and what it would do there, why does the gentleman object to the act being applicable to the area represented by the gentleman?

Mr. CELLER. I have no objection. All I say is that in my own area we do not have this malaise, we do not have this disease, we do not have this sickness. We must, therefore, apply a cure to the sickness where it exists.

Mr. ABERNETHY. If the gentleman does not object to it, why does he vote against it?

Mr. CELLER. I do not vote against it. Vote against what? I do not vote against anything. I am going to vote for the extension of the Voting Rights Act of 1965.

Mr. Speaker, I am afraid I cannot yield further. I will be glad to yield under the general debate or the 5-minute rule.

Mr. Speaker, I would say that the administration seems to be making much ado about this so-called Mitchell substitute. They are bringing up their heaviest battalions. Speeches have been written in the White House and distributed to certain Members of this House for delivery here—which is rather an unusual practice. They are tickling toes and twisting arms to get this Mitchell amendment through.

We have to beware of this. This Mitchell amendment is a part of a campaign to placate and appease. I am afraid that the Attorney General, who stubbed his toes heretofore on the question of desegregation of education, when he went against certain decisions of the judiciary and was reprimanded, and directed to support desegregation of schools at a certain date, will find he is stubbing his toes again. The administration is going to have for its work a failure in this regard.

I will say finally that this amendment is nothing but a sham and a subterfuge and misleading—and we must be very careful to reject the administration substitute.

Mr. MADDEN. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi.

Mr. ABERNETHY. Mr. Speaker, I oppose the rule and the bill.

If there was any necessity for the so-called Voting Rights Act of 1965, then, indeed, it has served its purpose and should be allowed to expire. If there is need for its further continuance, then certainly it should be made applicable to the entire United States.

Mr. Speaker, I have great respect for the Congress of the United States. It was designed as a representative body of the people, a forum where all could be heard and all treated equally. It was anticipated that the Congress would treat in similar fashion all sections of the country. It was anticipated that in this body there would be no discrimination and no prejudice against any section of the country.

And while I am proud of the Congress and its actions as a whole, the facts are that it occasionally exhibits shameful mistreatment of one section of the country or another, the most flagrant instance of such being the 1965 act now before us for extension.

Our liberal friends, many of whom thrive politically on bloc-voting groups, strongly contend that the regionally applied Voting Rights Act is a very great thing. While glorifying its accomplishments and virtues, most of them are unwilling to make the act applicable to themselves. I can think of no better test of the value of a proposed Federal law than the willingness of the author to make it applicable to himself and to his own people. But the chairman of the

Judiciary Committee and his Republican counterpart decline to do this. Instead they insist on their right to continue their discrimination against certain Southern States while insisting on the exemption of their own States. This is a shameful double standard of representative government, which can hardly be of credit to the fairness of the Congress of the United States.

The so-called Voting Rights Act is patently wrong in three respects: First, it does not accord equal treatment to each and every State with respect to voting qualifications; second, it is regionally rather than nationally applicable; and, third, it voids the fundamental presumption of innocence of the accused.

While I feel that the act should be allowed to expire, I think the least we should do is adopt the substitute proposal which corrects the three evils I have just mentioned.

Mr. Speaker, according to the criteria laid down in the 1965 act, several States should now be completely exempted from the act. The act clearly states that when a State performs in certain ways, when it meets specific criteria, when 50 percent or more of the minority adults are registered, then the State is exempted from the act.

But, true to form, the sponsors of the legislation put another construction on the formula. In fact, they clearly change the rules. In spite of the fact that several States, including my own, have met the formula, have complied with the criteria, these proponents of double-standard views insist we must do 5 more years of peonage and continue to be treated as second-class unequals.

Also, Mr. Speaker, the statistics reveal that we have a higher percentage of registered minority citizens in several Southern States, including my own, than numerous northern areas, including, if you please, the area represented by the gentleman from New York who is handling this bill. Although he and his Republican counterpart think this act is great and enthusiastically recommend its continuation, neither of them are willing to make the act applicable to their own areas or to the Nation as a whole.

Mr. Speaker, it is also true that we have a higher percentage of minorities participating in our elections than is the case in many northern areas, including the great metropolitan area from which the Judiciary Committee chairman comes. Yet, he looks us in the face with the expression of an innocent babe, and contends that his and all States outside of the South are so holy and clean while we are guilty of threats, abuse, and discriminations that keep down the voting activities of the minorities. If this be the case, then why are the minorities in other areas voting in lower percentages than in my own State?

Under the 1965 act, a southern city cannot even expand its corporate limits without coming to Washington on bended knee and begging permission of the Attorney General, the theory being that such might discriminate against minority voting blocs. We cannot even change the date of our primary elections, nor the dates when candidates must qualify in the primary elections. In Mississippi we were even denied the right to make uniform the last date candidates may be selected to run as Democrats, Republicans, or Independents. Voting precinct boundaries cannot be changed even though there may be shifts in population.

This act is fraught with mischief which tends to void or lead to voiding every election in certain Southern States; and this is the case no matter how open, how clean or how fair the elections may have been.

Furthermore, Mr. Speaker, the Congress should be ashamed of the double standard this act applies as regards voting qualifications. Numerous sections of this country have voter literacy tests laws. Some may be more strict than others; others may not be strict enough. But voter literacy tests have their place in our suffrage system and in the selection of our officials.

But, Mr. Speaker, while States beyond the southern area may continue to have literacy tests, and some do, the 1965 act we are discussing denies such to my State and others in the southern region. Mr. Speaker, under this law, the only qualifications one must have to vote in Mississippi is to be alive, breathing, and at least 21 years of age. Even though one is completely mentally incompetent, he is eligible to vote under the Voting Rights Act of 1965. What a law.

Mr. Speaker, I began my statement by saying I was proud of the Congress. I am also proud of our system of government. It was intended that all areas and all States should be treated equally, and that all should share equally in the fruits of our Government. I am not always proud of every act of the Congress. I have been here many years and on occasion I have seen it dilute its record of fairness with acts of discrimination against some States, some areas, or some people; and the act of 1965 is one of those instances.

If we are to have a continuation of this act—and I contend it is not at all necessary, nor will it contribute anything to better government—then do the fair thing by making it applicable to everyone, from north to south and from east to west. Do not allow yourselves to be guilty of that which you contend you are trying to eliminate—unequal treatment.

Mr. SMITH of California. Mr. Speaker, I yield to the gentleman from Minnesota for a parliamentary inquiry.

PARLIAMENTARY INQUIRY

Mr. MACGREGOR. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MACGREGOR. Mr. Speaker, under the resolution (H. Res. 714), if adopted, should the bill, H.R. 12695, be considered and rejected, would it then be in order, following rejection of H.R. 12695, should that occur, to offer a portion or portions of H.R. 12695 as amendments to H.R. 4249?

The SPEAKER pro tempore. The Chair will state that would be in order subject to the rule of germaneness, if germane to the bill H.R. 4249.

Mr. MACGREGOR. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MACGREGOR. Mr. Speaker, should a portion of H.R. 12695 be offered under the conditions set forth in my previous inquiry and should it not be germane, a motion to that effect, to rule it out of order, would be then in order and be sustained, I gather?

The SPEAKER pro tempore. That, of course, would be a matter for the Chairman of the Committee of the Whole to consider when it is before him.

Mr. MACGREGOR. Mr. Speaker, I have one additional parliamentary inquiry. Under House Resolution 714, if adopted, would it be in order to include in the motion to recommit a portion or portions of H.R. 12695 which might otherwise be subject to a point of order on the point of germaneness?

The SPEAKER pro tempore. The Chair would not want to pass upon that hypothetically. At the time the occasion arises the Chair would pass upon it.

Mr. MACGREGOR. I thank the Speaker.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4249) to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 4249, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York (Mr. CELLER) will be recognized for 1½ hours, and the gentleman from Ohio (Mr. MCCULLOCH) will be recognized for 1½ hours.

The Chair recognizes the gentleman from New York.

Mr. CELLER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, why did we pass the Voting Rights Act of 1965? It was necessary to bring about enfranchisements of a vast group of people in certain areas of our land who were denied that basic right for too long a time and also prevent the further erosion of that right.

This was not my judgment alone. The bill was passed in the House 328 to 74 and in the Senate 79 to 18—407 Members of the House and Senate agreed with me.

It was not comfortable for me and the preponderating Members of the Senate and the House to pass the act of 1965. It was not pleasant for me to touch the tender nerves of the Members from the States affected, but duty called. Ours was

a Hobson's choice. It was a choice of remaining apathetic and disregarding the evil and thus allowing our image of the land of freedom to become dim or taking steps to eliminate further wrong.

As I said a few moments ago, when the body is sick ofttimes bitter medicine is necessary. The medicine; namely, the act of 1965, has helped materially. The sickness has somewhat abated, but the fever of disenfranchisement has not vanished. The cure is not complete. The medicine, unfortunately, must be continued. That indeed is regrettable.

The act of 1965 has accomplished a great deal. It has done far more good than anticipated. As was said by the U.S. Commission on Civil Rights, "The gains have great potential but are fragile."

The act created administrative remedies that became automatically applicable under a statutory coverage formula to certain jurisdictions without the delays occasioned by prolonged litigation.

This approach has indeed worked impressively. Indeed many consider the Voting Rights Act the most effective of all civil rights enactments.

In the past 4 years over 1 million Negro applicants have been registered to vote in areas where literacy tests had formerly operated as "engines of discrimination."

I am informed that over 400 Negroes have been elected to public office in the areas covered as a result of the remedies of the act.

When the act was approved in 1965, it was hoped that within a 5-year period Negroes would have gained sufficient voting power and access to political processes in the States which were affected so that special Federal protection would no longer be needed. But reports of the U.S. Commission on Civil Rights, as well as the history of litigation over the past 4 years, all of which is set forth in the record of hearings held before our committee, has convinced the Judiciary Committee that it is essential to continue this act for an additional 5 years. It is necessary to do so not only to safeguard the gains thus far achieved but also to prevent future infringements of voting rights based on race or color.

Under the act, there are three central remedies which apply to those areas covered by the statutory formula. These include:

First, suspension of literacy tests and similar devices;

Second, prohibition against enforcing new voting rules or practices pending Federal review to determine whether their use would perpetuate voting discrimination, and

Third, assignment of Federal examiners to list qualified applicants to vote and assignment of Federal observers to monitor the casting and counting of ballots.

In order to obtain exemption from these remedies, a State or subdivision which is covered by the act must obtain a declaratory judgment to the effect that no literacy tests or similar devices have been used during the preceding 5 years for the purpose or with the effect of denying the right to vote because of race or color. Under this procedure several jurisdictions have been released from the prohibitions of the act. They include the State of Alaska, three counties in Arizona, one county in Idaho, and one county in North Carolina. Jurisdictions now subject to suspension of literacy tests and the other remedies of the act will be able to obtain exemption beginning in August 1970—5 years after the passage of the act. H.R. 1249 would continue the coverage of these remedies for 5 years—until August 1975.

We have seen dramatic progress in voter registration in the past 4 years. But it should not obscure significant disparities which continue between white and nonwhite registration. For example: Alabama—less than 50 percent of the Negroes of voting age are registered in 27 of 67 counties; in five counties Negro registration is less than 35 percent. Georgia—less than 50 percent of the Negroes of voting age are registered in 68 of 152 counties; in 27 counties it is less than 35 percent. Mississippi—less than 50 percent of Negroes of voting age were registered in 24 of 82 counties; in six counties it is less than 35 percent. South Carolina—less than 50 percent of the Negroes of voting age are registered in 23 of the 46 counties; in three counties it is less than 35 percent.

Mr. Chairman, although Negro registration has risen from approximately 29 percent to 52 percent of the Negro voting age population in Alabama, Georgia, Louisiana, Mississippi, and South Carolina, the percentage of Negroes registered still does not approach that of white persons registered; namely, 82 percent.

If the Voting Rights Act is not extended, resumption of unfair literacy tests and similar devices could occur. A wholesale reregistration of voters could be attempted, which would erase completely the gains thus far realized.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. The gentleman states that if this bill is not enacted that unfair literacy tests and so forth could be enforced once more.

I am sure that the gentleman is aware of the 1967 Civil Rights Act which places a criminal penalty on any person in any State who attempts to prevent a person from registering to vote or from voting because of race, creed, or color. That is something which preceded the 1965 act.

Mr. CELLER. I do not think that provision would apply here. So far as I know there has been very little if any enforcement of that provision.

Mr. THOMPSON of Georgia. Mr. Chairman, if the gentleman will yield further, if there is any attempt—and I believe the terminology of the 1967 Civil Rights Act which happens to be an act I voted for and supported, provides if there is any intimidation or threat or attempt to prevent a person from registering to vote or prevent a person from voting he is subject to a criminal penalty. That surely would prevent any efforts of the type which the gentleman from New York has described.

Mr. CELLER. It is undoubtedly true that one could go into court in such circumstance, but that is an entirely different matter. That statute refers to forcible or physical interference with the right to vote.

Mr. McCLORY. Mr. Chairman, will the gentleman yield to me?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. McCLORY. I have the 1968 Civil Rights Act in front of me. It provides penalties for anyone who "by force or threat of force willfully injures, intimidates, or interferes with" a person exercising the right to vote. It does not apply, for example, to a State that tries the many clever ways of discriminating now in vogue down South—as reported in "Political Participation," a report of the Civil Rights Commission.

Mr. CELLER. It is quite different. I do not think it is relevant here at all. Furthermore, as I said, there could be a wholesale reregistration of voters if we do not pass the extension of this Voting Rights Act that would cause very dire consequences. It would probably place the Negro population in the position they were prior to the passage of the Voting Rights Act of 1965.

The State legislatures in some of these States could very easily enact a statute requiring everyone who had been registered heretofore, to reregister. And then there would be an obliteration of all the benefits that had occurred under the 1965 act.

The Attorney General would be denied authority, if we do not approve the extension of the act, to appoint Federal examiners to register voters, and to assign Federal observers to monitor the conduct of elections. If the act were not extended, the existing protections against manipulative changes in voting laws would be eliminated.

Section 5 of the act requiring Federal review would no longer be a condition precedent to enforcing election law changes.

It has become very clear that various devices are being used in these States now covered by the act to dilute the newly gained voting strength of Negroes. The devices which have been resorted to include: Switching to at-large elections when Negro voting strength is concentrated in particular districts; extending the term of incumbent white officials, substituting appointment for election. In other words, they pass bills providing that offices previously elective shall be selective so that those who are now enfranchised will not be given the opportunity to vote for candidates to fill those offices.

Some of these devices also provide for increasing filing fees for candidates. In one of the counties—I think it was in Lowndes County in Alabama—they provided suddenly that a filing fee of $500 had to be exacted from a candidate for sheriff, whereas the annual income of a Negro in that county was only $525. In other words, they took away from him almost all his annual income if he wanted to run for sheriff.

That is only one of the many devices that has been used.

Under section 5 of the act, the enforcement of voting qualifications or pro-

cedures different from those in force and effect in November 1964——

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. In just one moment—is prohibited unless and until judicial approval or acquiescence of the Attorney General of the United States is obtained——

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield at that point?

Mr. CELLER. In just a moment.

In other words, if they want to make these changes in the election laws under the Voting Rights Act of 1965, they have to submit these changes to the Attorney General and he may approve. If he refuses to approve, the municipality or the State can go to court. In most instances there has been approval, there has been general acceptance of routine election law changes. But approximately 20 have been disapproved. But the fact that that provision is in the law is a significant deterrent to prevent enforcement of these rather unusual devices that are being used to deprive the Negro of his right to vote.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. In just a moment I will yield to the gentleman.

Thus, Federal review places the burden of proof on the covered jurisdiction.

Another significant advantage of this procedure is that private persons, not merely the Attorney General, have the authority to challenge implementation of new voting practices or election laws on the grounds that such changes have not been subjected to Federal review. This is a highly important remedy. It gives the individual an opportunity to test what he feels is an injustice and to police local authorities himself, without having to rely on the Attorney General to institute actions.

These provisions of the Voting Rights Act, similar to the authority to send examiners and observers assures a continuing Federal presence, and provides an essential safeguard that new subterfuges will be promptly discouraged and enjoined.

Now in the course of the subcommittee hearings on the bill, H.R. 4249, and similar measures, an alternative to simple extension of the Voting Rights Act was submitted by Attorney General Mitchell.

The Department of Justice recommendations, however, were not adopted. The committee preferred a simple extension of the provisions of the Voting Rights Act as presently constituted. The Attorney General wanted, as it were, to hold an umbrella of restraint over the whole country, even if the sun might be shining in most of the areas of the North where there has been no voting discrimination.

I tried to pin the Attorney General down to tell us where we could find the voting discrimination that required these drastic remedies outside of the particular areas where there had been the appointment of examiners and observers, and so forth.

But, he woefully failed to tell us or to convince us of the need for his amendment. But, as I said before, when speaking on the rule, there is something unusual about the administration proposal. There is something political about it—and politics often pollutes and poisons logic.

There is nothing logical about this amendment—it is all political. It is done by way of appeasement—appeasement of certain areas—and I fear me that that appeasement will not be successful.

I might use an old term in describing this Mitchell substitute. It is called the apple of Sodom—the apple of Sodom grew on a branch that flourished in the days of old on the shores of the Dead Sea. This fruit was fragrant and colorful on sight. But when it was torn from the branch and the so-called apple was plucked, it turned into smoke and ashes. So I call this Mitchell substitute the apple of Sodom—it is just ashes and smoke—and of no value. It will be of no value, if we adopt it.

I urge that when the time comes that we reject it.

During executive deliberations, the committee separately considered and rejected, first, an amendment providing a nationwide ban on literacy tests and devices until August 6, 1975, and second, an amendment establishing restrictions on residency requirements for voting for President and Vice President of the United States.

Outside of the seven Southern States which are covered in whole or in part by the act—Alabama, Georgia, Louisiana, Mississippi, South Carolina, and Virginia; Yuma County, Arizona; Honolulu County, Hawaii; and 39 counties in the State of North Carolina—there are 12 other States—Alaska, Arizona, California, Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New York, Oregon, Washington, and Wyoming—which today have constitutional or statutory provisions requiring a showing of literacy as a precondition to voting. But there has been no evidence nor any complaint to support the conclusion that the right to vote has been abridged in these areas on the basis of race or color by the application of literacy tests. No lawsuits have been instituted by individuals, civil rights groups, or the Federal Government alleging a discriminatory purpose or effect of such tests in these States. It should be borne in mind, moreover, that the act already provides that in any action brought by the Attorney General to enforce the 15th amendment anywhere in the country, the court is empowered to suspend tests or devices, authorize appointment of Federal examiners and Federal observers and determine the validity of any new voting law or procedure. In other words, the act already contains provisions which permit the application of the three central remedies of the statute to any State or to any political subdivision in the Nation. In the circumstances, the committee concluded that a nationwide literacy ban was not justified at the present time.

The committee also considered and overwhelmingly rejected the amendment to establish restrictions on State residency requirements for voting in presidential elections. This rejection resulted from the serious doubts of many Members as to the authority of Congress—absent a constitutional amendment—to legislate a minimum residency requirement for voting for President and Vice President. In addition, grave reservations were expressed concerning the practical operation of such an amendment in view of the wide variety of existing State election laws. The amendment affects not only residency requirements, but also provisions relating to absentee voting and absentee registration. One of its byproducts would appear to be to override the law in 13 States which at present do not permit absentee registration. In sum, the committee concluded that the proposed minimum residency requirement raises complex constitutional questions and requires additional study.

I should make clear that in rejecting these amendments to the Voting Rights Act we did not foreclose future consideration of any voting reform for which a sufficient need is demonstrated. However, the committee's approval of H.R. 4249, without amendment, indicates our studied judgment that all of the provisions of the act of 1965 are of proven effectiveness and their continuation without change is of highest national priority.

Mr. Chairman, the right to vote has an evanescent quality. Once an election has passed, interference with the right is irremediable. Unless the right to vote is made secure and free from racial discrimination, all other rights are insecure and subject to denial for all our citizens. Every American must have an equal right to vote. No duty weighs upon the Congress more heavily than the duty to assure that right.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Michigan.

Mr. O'HARA. I would like to direct an inquiry to the chairman.

I would like to ask if during the committee consideration of the extension of the voting rights act there was any consideration given by the chairman of the committee to the proposal to suspend literacy tests everywhere they are found—not in substitution for the provisions of the existing law—not as an apple of Sodom—but as an addition to the existing law? Did you give consideration to that?

Mr. CELLER. Yes. The problem you raise is a real problem and it was specifically considered in the course of the executive sessions of the committee. What I am here saying, I am sure has the approval of my very distinguished counterpart, the minority leader of the Committee on the Judiciary, the distinguished gentleman from Ohio (Mr. McCULLOCH). I have very carefully prepared this colloquy so there could be no misapprehension as to what was in the minds of most of the members on the Committee on the Judiciary, and the gentleman from Ohio (Mr. McCULLOCH) I am sure will bear me out in this regard.

Mr. McCULLOCH. Mr. Chairman, will the gentleman from New York, my chairman, yield for a brief statement?

Mr. CELLER. I yield to my colleague.

Mr. McCULLOCH. Mr. Chairman, I join in every statement that the chairman of our committee has made.

In addition, I said at the White House that we of the minority were ready, willing, and anxious to introduce legislation which would embody vote reform in its widest aspects and that the chairman had said to me that he would give it prompt hearings so that we could delve into corrupt exercise of the voting power, that we could have voting legislation in national elections that would be above reproach so that when the votes were counted, the people of this country would know that the man who had received the most votes was declared elected.

Mr. CELLER. Further answering the gentleman from Michigan, I say the problem of a nationwide literacy ban was specifically considered in the course of the executive sessions of the committee. It was considered and the nationwide literacy ban proposal was rejected. The committee concluded that whatever merits there may be to a nationwide literacy ban, the Voting Rights Act of 1965 should be extended in its present form.

The entire notion of a nationwide ban especially in jurisdictions where no evidence or claim of voting discrimination on the basis of race or color has been raised, presents difficult constitutional questions. As the gentleman knows, the Supreme Court in *Lassiter* v. *Northampton County Board of Elections*, 360 U.S. 45 (1959) held that literacy tests per se did not violate constitutional rights. Before the Congress extends a test suspension throughout the land, certainly a demonstration of the impact of such tests should be obtained and studied.

Mr. O'HARA. If the gentleman will yield further at that point. As the gentleman knows, having discussed this privately with him before, I am very reluctant to offer or support any amendment that will in any way delay the enactment of a simple and direct extension of the Voting Rights Act of 1965 because I think it is terribly important that we act and that we act quickly. However, I believe very strongly that literacy tests, wherever they are found, are devices of discrimination—perhaps not discrimination on the basis of race, but economic discrimination or ethnic discrimination. I want very much to get rid of them.

The gentleman from Ohio, the ranking minority member, mentioned that he wants to proceed with a study of this matter. Can the chairman tell me if he is ready to go ahead and begin work on this?

Mr. CELLER. Yes, we are indeed ready, and will—I emphasize "will"—come the first of the year, go into this matter of literacy tests, and their discriminatory impact on economic grounds or on any other grounds.

I will say to the gentleman that I personally share your views in this regard.

Mr. O'HARA. I thank the chairman.

Mr. CELLER. I want also to add the following:

I recognize the dilemma which the gentleman describes. Many of us may have philosophical objection to literacy requirements as such. I am pleased to inform the gentleman that the Committee on the Judiciary plans to hold hearings early in the next session of this Congress to consider the validity of and need for proposals to suspend literacy tests throughout the Nation and consider such proposals as separate legislation. In addition, there is need to consider other election reform measures, such as restrictions on residency requirements, and questions of election fraud and irregularities in voting tabulation.

Mr. O'HARA. If the gentleman will yield for just one more question——

Mr. CELLER. I yield.

Mr. O'HARA. I thank the gentleman for his comments.

Under the circumstances, I do not intend to offer or to support any amendment which would add a nationwide literacy test ban to the pending bill. I look forward to the early reporting of such legislation by your committee, because I want very much to have an opportunity to vote for such legislation during this Congress.

Mr. CELLER. The gentleman shall not be disappointed.

Mr. O'HARA. I thank the chairman.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. McCULLOCH. Mr. Chairman, I am very pleased to say I join in the statement of the very able gentleman from Michigan (Mr. O'HARA).

I am proud to say the great State of Ohio, since the day it was admitted to the Union in 1803, has never had a literacy test.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. Mr. Chairman, allow me to say I think when the gentleman is talking about discrimination in voting he is overlooking one of the greatest instances in which discrimination takes place, and it is an area that my State of Georgia is not discriminating in, but it is an area in which I know the gentleman, because I have seen him on television, is very much opposed, and that is not allowing the 18-year-olds and 19-year-olds to vote. Will the chairman have hearings in the first part of the year to allow this disfranchised group of Americans to vote?

Mr. CELLER. I shall not enter into any discussion at this time on the question of teenage voting. That is separate and distinct and has no relation to this bill.

Mr. THOMPSON of Georgia. It has a distinct and direct relation.

Mr. McCULLOCH. Mr. Chairman, I now yield 20 minutes to the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Chairman, there are several points upon which I hope we can all agree as we begin this debate.

First, we can surely agree with the statement of the distinguished chairman of the Committee on the Judiciary that—

> Every American must have an equal right to vote; no duty weighs upon the Congress more heavily than the duty to assure that right.

The gentleman from New York's eloquence was echoed by my friend from Ohio who is the ranking minority member on the committee, who said:

> The elective franchise is the cornerstone of our representative Republic.

We must agree with that, also.

The Voting Rights Act of 1965 was enacted to implement the guarantee of the Constitution that no American's right to vote should be abridged because of his race or color. At the time Congress took this action, it was apparent that the right to vote of many Americans, mainly black Americans, was being abridged on account of color; the remedy was compounded to fit the situation then prevailing. A formula was devised, based upon the registration and voting pattern of the 1964 presidential election. This formula was very carefully fashioned so as to include certain Southern States and exclude others.

Leaping over all the debate of 4 years ago, it was generally accepted then by the Congress that the unprecedented intervention of Federal authority, represented by the Voting Rights Act of 1965, into the constitutional power of States to determine the qualification of voters, would only be temporary. It was felt, quite properly, that the extension of the right to vote would, in time, be self-sustaining for those previously denied the franchise because of racial discrimination. Once they could vote they would, through the power of the ballot box, make certain that they were never disenfranchised again—this is the theory to which most of us subscribe. Therefore, the key provisions of the 1965 act were supposed to become unnecessary and to expire in August 1970—although there would still be a probationary period under the law.

It is these key provisions, which single out six Southern States and portions of several others, which the committee bill would have us continue unchanged for another 5 years. We are told we must not even change the existing law so much as to update its triggering formula from 1964 to the 1968 election statistics. Why not?

The answer is incredible, but here it is: The 1964 formula should not be changed because a 1968 formula would permit most, if not all, of those six or seven Southern States to escape further discrimination from the Federal Government. This is because they have now registered or now allow more than half their voting-age citizens to vote—because they have successfully passed the test Congress set in 1965.

I am highly gratified that 800,000—perhaps as many as 1 million black Americans in the seven specially covered States have been registered since the 89th Congress passed the 1965 Voting Rights Act. I believe the 91st Congress should not stop there but should go forward to protect and expand this fundamental right for all citizens, whatever their race, creed, or color, wherever they reside.

But I believe there are other fundamental rights that are equally precious to Americans—the right of equal justice under law, which surely applies to the 50

States of the Union as well as to individuals—the presumption of innocence which puts the burden of proof on the accuser—the principle that there is one law in this land for black and for white, for rich and for poor, for Georgian and for Californian.

If it is agreed we have a duty to implement the voting rights guaranteed by the 15th amendment and elsewhere in the Constitution, if we agree that substantial progress has been made under the 1965 act but that much room for improvement remains, and if we are honest enough to admit that the present law, for all its commendable results, is discriminatory in spirit and in practice against one part of our country, then let us get on with a nationwide standard in the spirit of 1970 rather than 1964.

To do this, President Nixon and his administration have proposed, and I have introduced—with my distinguished colleagues—H.R. 12695, the nationwide voting rights bill which will be before us as a substitute for the committee bill.

Mr. Chairman, I have in my possession a letter dated December 10 from President Nixon which I will not read at this point. I will insert it at this point in the RECORD as a part of my remarks:

THE WHITE HOUSE,
*Washington, December 10, 1969.*

HON. GERALD R. FORD,
*Minority Leader of the U.S. House of Representatives, Washington, D.C.*

DEAR JERRY: I am aware that the House is considering a five-year extension of the Voting Rights Act of 1965, and alternatively, as an amendment, the Administration-proposed nationwide voting rights bill, H.R. 12695.

I strongly believe that the nationwide bill is superior because it is more comprehensive and equitable. Therefore, I believe every effort must be made to see that its essence, at least, prevails.

I would stress two critical points:

1. Instead of simply extending until 1975 the present Voting Rights Act, which bans literacy tests in only seven states, as the Committee bill would do, the nationwide bill would apply to all states until January 1, 1974. It would extend protection to millions of citizens not now covered and not covered under the Committee bill.

2. H.R. 12695 assures that otherwise qualified voters would not be denied the right to vote for President merely because they changed their state of residence shortly before a national election.

In short, the nationwide bill would go a long way toward insuring a vote for all our citizens in every state. Under it those millions who have been voteless in the past and thus voiceless in our government would have the legal tools they need to obtain and secure the franchise. Justice requires no less.

For certainly an enlightened national legislature must admit that justice is diminished for any citizen who does not have the right to vote for those who govern him. There is no way for the disenfranchised to consider themselves equal partners in our society.

This is true regardless of state or geographical location.

I urge that this message be brought to your colleagues, and I hope they will join in our efforts to grant equal voting rights to all citizens of the United States.

Sincerely,

RICHARD NIXON.

Mr. Chairman, I will also ask unanimous consent to insert in the RECORD a copy of the nationwide voting rights bill of 1970:

H.R. 12695

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act shall be known as the "Voting Rights Act Amendments of 1969."

SEC. 2. Section 4 of the Voting Rights Act of 1965 (79 Stat. 438; 42 U.S.C. 1973b) is amended as follows:

(a) Strike subsection (a) and substitute the following:

"(a) (1) Prior to January 1, 1974, no citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device."

(b) Strike subsection (b) and designate present subsection (c) as (a) (2).

(c) Strike subsections (d) and (e) and add the following as subsection (b):

"(b) (1) No citizen of the United States who is otherwise qualified to vote in any State or political subdivision in any election for President and Vice President of the United States shall be denied the right to vote in any such election for failure to comply with a residence or registration requirement if he has resided in that State or political subdivision since the 1st day of September next preceding the election and has complied with the requirements of registration to the extent that they provide for registration after that date.

"(2) If such citizen has begun residence in a State or political subdivision after the 1st day of September next preceding an election for President and Vice President of the United States and does not satisfy the residence requirements of that State or political subdivision, he shall be allowed to vote in such election: (A) in person in the State or political subdivision in which he resided on the last day of August of that year if he had satisfied, as of the date of his change of residence, the requirements to vote in that State or political subdivision; or (B) by absentee ballot in the State or political subdivision in which he resided on the last day of August of that year if he satisfies, but for his nonresident status and the reason for his absence, the requirements for absentee voting in that State or political subdivision.

"(3) No citizen of the United States who is otherwise qualified to vote by absentee ballot in any State or political subdivision in any election for President and Vice President of the United States shall be denied the right to vote in such election because of any requirement of registration that does not include a provision for absentee registration.

"(4) 'State' as used in this subsection includes the District of Columbia."

SEC. 3. Section 5 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973c) is amended to read as follows:

"SEC. 5. (a) Whenever the Attorney General has reason to believe that a State or political subdivision has enacted or is seeking to administer any voting qualification or prerequisite to voting, or standard, practice or procedure with respect to voting which has the purpose or effect of denying or abridging the right to vote on account of race or color, he may institute for the United States, or in the name of the United States, an action in a district court of the United States, in accordance with sections 1391 through 1393 of title 28, United States Code, for a restraining order of a preliminary or permanent injunction, or such other order as he deems appropriate.

"(b) An action under this section shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall be to the Supreme Court."

SEC. 4. Section 6 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973d) is amended by striking the words "unless a declaratory judgment has been rendered under section 4(a)" and by striking, immediately after the words "political subdivision," the words "named in, or included within the scope of, determinations made under section 4(b)"

SEC. 5. Section 8 of the Voting Rights Act of 1965 (79 Stat. 441; 42 U.S.C. 1973f) is amended by striking the words "Whenever an examiner is serving under this Act in any political subdivision the Civil Service Commission may" and substituting the following:

"Whenever the Attorney General determines with respect to any political subdivision that in his judgment the designation of observers is necessary or appropriate to enforce the guarantees of the fifteenth amendment, the Civil Service Commission shall"

Section 8 is further amended by adding the following sentence at the end thereof:

"A determination of the Attorney General under this section shall not be reviewable in any court."

SEC. 6. Section 14 of the Voting Rights Act of 1965 (79 Stat. 445; 42 U.S.C. 1973l) is amended by striking subsections (b) and (d) and designating subsection (c) as (b).

SEC. 7. The Voting Rights Act of 1965 (79 Stat. 437; 42 U.S.C. 1973) is amended by redesignating sections 17, 18, and 19 as sections 18, 19, and 20, respectively, and inserting the following new section:

"SEC. 17. (a) There is hereby created a temporary Commission, to be known as the National Advisory Commission on Voting Rights (hereafter called the Commission), which shall be composed of not more than nine members who shall be appointed by the President. The President shall designate one member to serve as Chairman.

"(b) The Commission shall undertake to make a study of the effects upon voting and voter registration of laws restricting or abridging the right to vote, including laws making residence, economic status or passage of literacy tests and other tests or devices a prerequisite to voting. The Commission shall also study the impact of fraudulent and corrupt practices upon voting rights. The Commission shall conduct such hearings as it deems appropriate and shall consult with the Attorney General, the Secretary of Commerce, and the Civil Rights Commission, and with such other persons and agencies as it deems appropriate. The Commission shall report to the President and the Congress, not later than January 15, 1973, the results of its study and make its recommendations for legislative or other action to protect the right to vote. The Commission shall cease to exist thirty days following the submission of its report.

"(c) As soon as practicable following enactment of this statute and after consultation with the Attorney General and the Civil Rights Commission, the Secretary of Commerce shall make special surveys, in States which utilize literacy and other tests or devices, and in other States, to collect data regarding voting in presidential and other elections, by race, national origin, and income groups. The Secretary of Commerce shall transmit this data, together with other pertinent data from the Nineteenth Decennial Census, to the Commission.

"(d) The Commission is authorized to request from any executive department or agency any information and assistance deemed necessary to carry out its functions under this section. Each department or agency is authorized, to the extent permitted by law and within the limits of available funds, to cooperate with the Commission and to furnish information and assistance to the Commission.

"(e) Members of the Commission who are Members of Congress or in the executive branch of the Government shall serve without additional compensation, but shall be permitted travel expenses, including per

diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons intermittently employed. Other members of the Commission shall be entitled to receive compensation at the rate now or hereafter provided for GS–18 of the General Schedule for employees for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Commission. While traveling on official business in performance of services for the Commission, members of the Commission shall be allowed expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons intermittently employed. The Commission shall have an Executive Director who shall be designated by the President and shall receive such compensation as he may determine, not in excess of the maximum rate now or hereafter provided for GS–18 of the General Schedule under section 5332 of title 5, United States Code. The Commission is authorized to appoint and fix the compensation of such other personnel as may be necessary to perform its functions. The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code."

SEC. 8. The provisions of this Act shall become effective on August 6, 1970, except that Section 7 shall become effective immediately.

Mr. Chairman, I am motivated not only by the idea of relieving the citizens and authorities of a few States from unjust discrimination, but also by a firm conviction that the laws of the United States, which we write here, ought to be the same for all 50 States; that the benefits of good laws should benefit citizens everywhere; that the penalties for defiance or evasion should be the same North, South, East, and West; and that the right to vote may be—and often is—abridged in many ways and for many reasons in addition to race or color.

The right to vote for President and Vice President, and for other Federal elective offices, is a nationwide right entitled to nationwide protection. Our nationwide voting rights bill, to summarize it briefly, is nationwide in all of its parts. Specifically:

First. It would suspend, nationwide, all literacy tests in all 50 States until January 1, 1974.

Second. It would provide, nationwide, a uniform residence requirement for all Americans who want to vote in presidential elections.

Third. It would grant, nationwide, statutory authority to the Attorney General to station voting examiners and observers in any jurisdiction in all 50 States to enforce the right to register and to vote.

Fourth. It would provide, nationwide, statutory authority for the Attorney General to start voting rights lawsuits in Federal courts to prevent discriminatory practices and suspend discriminatory voting laws in all 50 States.

Fifth. It would launch a nationwide study of the use of literacy tests or devices and other corrupt practices which may abridge voting rights in all 50 States. A national voting advisory commission would be created to report its findings prior to the expiring of the nationwide literacy test suspension in 1974.

I cannot see anything among these five nationwide proposals to which any reasonable person could disagree except, perhaps, the temporary ban on all literacy tests for 4 years. Literacy tests are not wrong or unconstitutional in themselves; what is illegal is their misuse to deny the right to vote not for illiteracy but on account of race or color. Even the present act does not prohibit literacy tests in some 20 States that have them; it temporarily suspends them in six or seven States under certain conditions.

Our nationwide voting rights bill says, in effect, if any State is to be temporarily denied the right to have a literacy test of any kind, let us temporarily deny this right to all States; let us see what effect this has on registration of minority groups and upon voting patterns in all 50 States, and then let us decide what to do about such tests and other devices for the Nation as whole. What could be fairer?

There is one provision of my nationwide voting rights bill which the proponents of a simple 5-year extension do not, so far as I know, openly oppose; that is the provision nationalizing residency requirements for presidential elections. This simply recognizes the facts of life in the superhighway and jet age; Americans are the most mobile people in the world; more than 5½ million of them were prevented from voting in 1968 because they had recently moved. They lost their vote in their place of previous residence too late to reacquire it in their new home.

With all deference to my Vice President's reservations, the news media keep transient Americans just as well—or just as badly—informed of national issues and national candidates as they do voters who stay in one precinct all their lives. It makes no sense to deny anyone his right to vote because his employer, or his child's health, or whatever, transfers him abruptly to another part of the United States. The main argument against this overdue remedy seems to be that it has nothing to do with race or color—although population movements in recent years clearly have included both black and white citizens in large numbers.

Congress should not be precluded from doing anything to the legislation before us simply because it has no racial or color ramifications. Voting rights are voting rights and I have always believed we should be colorblind—nondiscriminatory if you will—about them.

The President is the representative of all the people and all the people should have a reasonable opportunity to vote for him.

Perhaps the most significant change which my nationwide voting rights bill would effect in comparison which the existing 1965 statute is found in the spirit of it. Today, any State or county which is under the shadow of the 1964 formula cannot make any change in its election laws without coming to Washington for permission. Under the 1965 act it is assumed that any such change is intended to cheat the law and circumvent the Constitution.

The fundamental presumption of innocence is denied these six or seven States, under an arbitrary, outmoded, mathematical formula. They are presumed guilty and prevented—though 43 Federal court—not their own district courts but in the District of Columbia.

Maybe, I do not concede it, but maybe, other States are not so prevented—from managing their own electoral affairs until they prove themselves innocent in past sins justified such severity in past legislation. But this is not the Reconstruction Era and neither is this 1965. Four eventful years have passed; evils and errors of another time have yielded. Now, today, it is wrong and it is shameful for this House to perpetuate a punitive and discriminatory provision for another 5 years beyond the point where the original authors of the act intended it to expire.

My nationwide voting rights bill shifts the burden of proof back where it ought to be—to the Attorney General—and empowers him to go after any State which does, in fact, discriminate against voters on racial grounds or which might backslide in the future. Just as we do not want any second class citizens in this country, neither do we want any second-class States.

My friends, the choices before us here are usually difficult choices.

I do not believe they are at all difficult today.

We have before us two proposals—one to continue unchanged for 5 more years a measure intended as strong temporary medicine to treat racial discrimination in one part of the country, which, in working a commendable cure, has itself discriminated in unnecessary ways. The alternative in my nationwide voting rights bill which builds upon the lessons of the 1965 act, continues its Federal oversight but eliminates its serious shortcomings.

This administration with this bill intends to protect all the gains in voting rights in one section of the country which have been made in the past 4 years. More than that, we intend to extend these gains to all States and all Americans who may still be denied their full franchise. The very fact we have made such spectacular gains rules out any notion of standing still, or of singling out a few scapegoat States. We mean to step up and broaden the Federal concern for voting rights anywhere and everywhere in America.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. McCLORY. Mr. Chairman, first of all I want to say that I do not want to get into a debate or discussion with the gentleman. I also want to emphasize that I do not impugn the motives or objectives of the Attorney General or of the gentleman in the well with regard to the substitute bill.

However, I must say this: Great progress has been made under existing legislation. But I do not think that the objective has been fulfilled. In the testimony before the committee, in a letter which came from former Assistant Attorney General Stephen J. Pollak, it was brought out that the original term of the bill was for 10 years. It was contemplated when the legislation was introduced that a 10-year period would be required in order to fulfill this objective.

So far as I am concerned, maybe a 10-year period is too long. But I do think that the objective has not been fulfilled at the present time. Thus, the act should be extended possibly 3 or 4 or 5 years, as the bill now provides. That is the point I want to make.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McCULLOCH. Mr. Chairman, I yield 1 additional minute to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, I appreciate the opportunity to answer the gentleman's question.

In 5 years, if my recollection is correct, five of the seven States that were under the automatic trigger provision of the 1965 act have made sufficient progress so that they, under the criteria of the original act, would no longer be covered by it in certain important respects.

I think that is substantial progress. In one State, I think it is the State of Mississippi, it went from about 6 percent to about 53 percent. That is very commendable progress and if they were starting from scratch under the original act would not now be covered by the triggering provision.

Under the existing formula, they would be in a different situation. I do not think you have to keep States in perpetuity as second-class States, as some people would like apparently, even though they have made substantial progress. I do not believe that keeping seven States under a special kind of servitude is fair, when you can accomplish the voting rights objective that we all want by having all States being treated the same under the substitute bill. I think that is the right approach for us to take.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. McCLORY. I would like to make this additional comment.

As I understand it, the only reason that the period was reduced from 10 years to 5 years was to secure a vote of cloture in the other body, and there was no showing that the 5-year period would be adequate. It was thought that a 10-year period would be needed.

It is the feeling of the majority of the committee, including the majority of our party, that unless the act is extended there is going to be retrogression and that we are going to lose some of the benefits that have been gained. We do not want to see this backward step taken.

Mr. GERALD R. FORD. May I respond by pointing out that under the substitute bill, the Attorney General has the authority to go in and prevent retrogression on his own initiative. I am sure that the Attorney General would take such action if there were such retrogression. He could go in and he could assume the burden of proof, with the facts at hand and he could prove his case for remedial action. I am certain Attorney General Mitchell would take such action.

Therefore, I do not see any possibility of any retrogression under the substitute bill and it would be far more equitable.

Mr. RIEGLE. Mr. Chairman, today I wish to speak in favor of the 5-year extension of the Voting Rights Act of 1965.—I urge this course on both moral and practical grounds. In my judgment, the number one moral imperative in America now is the need to finally insure the full and equal rights of each and every citizen.

In America today, while most of our people are free, many are not. The ugly realities of racial discrimination and racial denial continue as a bleeding wound on the soul of America, and America bleeds today for the racially disenfranchised.

This is wrong and must be changed. All our people must be free—equally, fully, and now.

And those among us who would promote or allow the transgression of the birthrights of other Americans, do more to destroy our Nation than any foreign aggressor.

Our national honor derives from our national meaning—a meaning centered in our unique view of man. That view is that each person born in America is born free—is born into freedom. And the human rights associated with freedom are God given and are not subject to the temporal whims of men or governments.

Thus, no one in this country can set aside the human rights of another man: neither elected officials nor nightriders; neither angry men blocking schoolhouse doorways nor silent men too timid to oppose injustice.

Nor can human rights be set aside by harsh demands to move to the back of the bus—or by subtle rationalizations that school desegregation deadlines be further delayed.

Nor can they be compromised by freedom-of-choice schools, separate-but-equal doctrines, voting restrictions, or "southern strategies."

Today the issue concerns voting rights—the right to self-government based on free and open elections—a practical issue of achieving a true democracy. Surely, men must be able to vote if they are to be free.

Failure to extend the Voting Rights Act of 1965 in its present form, and/or passage of amendments which would extend coverage to all 50 States, would, in effect, serve to dilute the corrective force of the act. It would do this in two ways:

First. The great bulk of the low voter registration problem is regional and is concentrated in the States of the Deep South. I feel that the proposed changes to this bill would so diffuse the Justice Department's efforts nationwide, but the recent gains in the Deep South would likely be lost or seriously eroded. We must not lose the corrective momentum we now have in the areas of our country with the greatest racial disenfranchisement. Any backsliding in this area would be disastrous.

Second. Should the provision be dropped to require Federal certification of election law modifications, clearly endless ways will be found to exclude certain minority groups from equal participation.

As President Nixon said 2 nights ago:

> I believe that sometimes it is necessary to draw the line clearly . . . to make it clear that there can be no compromise where such great issues as self-determination and freedom . . . are involved.

We can draw that clear line today by extending the Voting Rights Act of 1965 in its present form, and I urge that we do so.

Mr. McCULLOCH. Mr. Chairman, it is my great pleasure now to yield 6 minutes to the Governor-elect of the State of New Jersey, a member of the Committee on the Judiciary (Mr. CAHILL).

Mr. CAHILL. Mr. Chairman, let me first of all express my very deep appreciation not only for that generous welcome but for the generosity of all Members of the House as expressed to me personally so many times since the election. I am very grateful, and I hope that in the 4 years ahead I can, in New Jersey, bring into practice many of the lessons I have learned in this great House of Representatives, and I hope that the work in New Jersey will redound to the credit of the Congress of the United States.

Mr. Chairman, we and the civil rights movement are at an important crossroads today—a crossroads which, in my judgment, will serve as a test of the conscience of this great legislative body. The vehicle for that test is the proposed Voting Rights Act extension now before us. The measure, by which history will judge us, will be what we do here this week.

The issue is quite clear.

On the one hand we have an opportunity to move ahead with a renewed sense of hope, pride, and reaffirmation, an opportunity to breathe new life into the civil rights movement at a time in our Nation's history when it is needed most desperately, and in an area where the wrongs to our black citizens have historically been the most grievous. I am speaking of the constitutionally guaranteed right of franchise, which has been wrongly denied for too long to a large segment of our population.

Or, on the other hand, we can reject this opportunity and turn back from responsibility just at the moment when light is appearing at the end of what has been a tunnel of darkness. I say we can do this, but we surely must not.

There is little doubt that the Voting Rights Act of 1965 has been the most successful and effective civil rights legislation ever passed by the Congress. In the 5 years since its enactment, it has been directly responsible for insuring the voting privileges of nearly 1 million blacks in a seven-State region in the South—most of whom had never before voted.

This is an accomplishment of which all of us, particularly those of us on the committee, who worked so hard for its passage, can be proud. But we must now recognize that our task is by no means complete. Not only must we continue toward the goal of maximum voter registration, and toward redress of regrettable long-term deprivations, but we must now insure that we hold on to that which we have gained. That is why I urge the membership to lend its full support to a simple 5-year extension of the Voting Rights Act as drafted, and to reject any substitute proposals.

As the distinguished ranking minority member of the Judiciary Committee,

the gentleman from Ohio (Mr. McCULLOCH) has pointed out, when this act was first passed it was estimated that it would take at least 10 years "to overcome the effects of centuries of discrimination." Thus, while the gains during the first 5 years have been great, we cannot close our eyes to the fact that many in the South have not yet opened wide their arms to the new black voters. A 5-year extension holds out a hope of making today's gains permanent.

The substitute measure represents a retreat and a dilution of the force of the present legislation. It presumes to expand remedies to regions of the country where ample machinery already exists, in order to right wrongs which have not been shown to exist. The substitute measure deals only with the banning of literacy tests, and thus paves the way for expanded use of numerous other devices directed at depriving black citizens of the South of their constitutional right to vote.

I would like to read from a letter received by me today from Father Theodore Hesburgh, Chairman of the U.S. Commission on Civil Rights. In part, he said:

> The Members of Congress of both parties who shaped and supported the 1965 Act can rightfully point with pride to one of the great legislative accomplishments of this decade. Their proof lies in the nearly two million newly enfranchised Negro voters in the South, in the 463 elected Negro office holders, and in the many changes which have taken place as a result of greater participation by Negroes in the political life of their communities, cities, States and Nation. The passage of that Act was one of political and moral correctness.
>
> I do fear that many Members of Congress feel that the voting problems at which the 1965 Act was directed have been solved. They have not. The Fifteenth Amendment remains to be fully implemented. We cannot retreat on this front. If we do, we run the risk of endangering the faith of many of our people in the ability of our Government to meet the legitimate expectations of its citizens.

As I look back over my years in the House of Representatives I am most proud of the role I have been permitted to play in advancing the cause of civil rights. I entered the Congress at a time when America's conscience just seemed to be wakening. It is unfortunate that we are required to pass laws at all in order to protect rights that we all theoretically share. Nevertheless all of these laws have accomplished a great deal.

I regard the Voting Rights Act, however, as the greatest of all civil rights laws, since it deals with one of our most basic rights. With this right assured our citizens can seek redress of their own grievances peaceably at the polls. Without it, those denied often find themselves compelled to resort to other means, not always so lawful.

I said earlier that we now have a great opportunity. Let us not pass it up. Let us seize upon it and so advance the cause of civil rights for all our fellow citizens. At a time when there are so many divisions among our people, and the need to bring them together is so great, we cannot afford not to support an extension of the Voting Rights Act of 1965.

Mr. CELLER. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Chairman, I rise to express my support of H.R. 4249, a bill to extend for an additional 5 years provisions of the Voting Rights Act of 1965 relating to the discriminatory use of literacy tests and similar devices.

The record indicates that a substantial need remains to eradicate past evil effects and to prevent future repetition of discriminatory voting practices which are deeply ingrained in the laws, policies and traditions of certain areas of this Nation. The Voting Rights Act of 1965 constituted a national commitment to end the hypocrisy of a Nation which called itself a democracy but denied certain citizens the right to vote because of their color.

In brief, the act automatically suspends literacy tests and similar devices which had been used as prerequisites for registering or voting in States or political subdivisions which maintained them and in which fewer than 50 percent of the voting age population were registered for or voted in the 1964 presidential election. It also authorizes the assignment of Federal examiners to register eligible voters and Federal observers to monitor the casting and counting of ballots in areas where tests have been suspended. Further, the act prohibits the covered States and counties from enforcing changed voting qualifications without first obtaining the approval of the district court of the District of Columbia or the acquiescence of the U.S. Attorney General. These remedies were temporary. The act permits jurisdictions subject to these automatic provisions to obtain a release by petitioning the district court in the District of Columbia and establishing that tests or devices have not been used discriminatorily in the preceding 5 years. Since six States have been forbidden since 1965 from using any literacy tests or devices, they will be automatically exempted from these temporary remedies beginning in 1970 unless the Congress votes to extend coverage beyond the present 5-year period.

In determining whether or not to extend the provisions of the Voting Rights Act for an additional period of time, the Committee on the Judiciary examined in detail the record of accomplishment of the past 4 years. That record is impressive in terms of the vast numbers of Negro citizens who have been placed on voter rolls for the first time. Negro registration in many counties of Alabama, Georgia, Mississippi, North Carolina, South Carolina, Virginia, and parishes of Louisiana has more than doubled since the passage of the act. Through the patential and actual assignment of Federal observers on election day, many Negro citizens have felt secure enough to vote freely without fear and confident that their votes would be counted.

A large share of the credit for the outstanding accomplishments under the act must be given to responsible officials of these States and counties who may have been reluctant or recalcitrant at first, but have carried out their responsibilities in an exemplary manner.

While approximately 158,000 nonwhites have been registered by Federal examiners under the act, well over 500,000 Negroes have been registered by local officials since 1965. Moreover, we are beginning to see active participation by Negro citizens in the politics of the Southern States for the first time since Reconstruction. So the act has worked impressively. It has put large numbers of Negroes on the voting rolls in a short space of time. It has also resulted in the election of Negro officials where few, if any, such officials served 4 years ago.

On the basis of these accomplishments it may be urged by some that the act need not be extended. Some may say use 1968 presidential election figures rather than 1964 figures. Or leave the act alone altogether. Such proposals, I fear, do not take into account the true facts that exist in the areas covered today. The Judiciary Committee, after extensive hearings and on the basis of reports of the Commission on Civil Rights, and reviewing the approximately 20 lawsuits involving voting discrimination which have been decided in the last 4 years, has concluded that coverage for an additional period of time is essential to dissipate the long-established political atmosphere and tradition of voting discrimination.

Here is what the U.S. Commission on Civil Rights has concluded:

> The gains that have been made have great potential—but they are fragile. If the gains are augmented and strengthened by firm action to deal with the remaining barriers, Negroes may secure enough influence and representation in the political process that the need for Federal intervention will end. If, on the other hand, new barriers are not attacked, the progress made thus far may not be translated into effective political representation, the current Federal presence may be of diminishing effectiveness, and the gains may be destroyed entirely if and when the Federal Government decides to end its intervention and restore to the States control over the registration process and determination of the qualifications of electors. (*Political Participation*, p. 178)

To permit 1968 presidential election results to determine the application of the remedies of the Voting Rights Act would be to use the fruits of the act to release those areas where voting discrimination has been most persistent. Use of 1968 figures would result in releasing the States of Alabama, Louisiana, Mississippi, and Virginia. To use such figures would be to disregard the entire premise of the act itself; namely, that literacy tests and low voter registration or turnout go hand in hand with voter discrimination. The 1964 election was the last presidential election in which such tests and devices were used as engines of discriminations. The Voting Rights Act suspended their use during the 1968 election; Federal examiners listed new voters and Federal observers monitored the balloting itself. The circumstances in 1968 were entirely different from those in 1964. It would not be rational to permit 1968 results to determine where tests and devices should be suspended.

In 1965 the Congress hoped that a 5-year period would be a sufficient time within which Negroes could gain voting power in the affected States so that spe-

cial Federal protection would no longer be needed. But the job begun in 1965 is not yet complete. If the statutory automatic coverage of the act were to terminate, States and counties now covered would be in a position to reimpose those voting and registration requirements that made the law necessary.

The States involved have not repealed those requirements. They still remain on the statute books. Moreover, there is no assurance at the present time that voters who have been declared eligible by Federal examiners would be protected from a reregistration requirement or other attempts to reimpose the pre-1965 status quo. While such attempts or efforts would be challenged in court litigation, nonwhites would be required to prove that such efforts had the purpose or effect of discriminating on account of race or color. While those proceedings went on, elections would be held and results determined while the right to vote free of discrimination would have to wait for future vindication. We have been down that road. The Voting Rights Act of 1965 was designed to overcome the delays and frustrations to which the case-by-case approach gave rise. The statutory coverage formula of the present act focuses on those jurisdictions which have used tests and devices to discriminate, and which also have maintained dual school systems that have reinforced the discriminatory impact of literacy requirements. A continuation of the automatic suspension of tests and devices in these areas, therefore, is clearly indicated.

A similar conclusion is justified with respect to the authority to appoint Federal examiners and observers. This authority has proven invaluable not only in promoting increased Negro voter registration, but also in assuring that the franchise could be exercised free of fear and intimidation. An effort to expand the Attorney General's authority to assign examiners and observers throughout the Nation may be made in the course of our debate. However reasonable that proposal may appear, no need or justification for such expanded authority has been presented. The danger with such a proposal is that it will dissipate the effort in the areas where the need for Federal protection against voting discrimination is the greatest.

In addition to automatic test suspension and the appointment of Federal examiners and observers, the Voting Rights Act prohibits covered areas from enforcing any new election law or practice which would perpetuate discrimination. The record is replete with efforts, dedicated and ingenious, to evade the guarantees of the 15th amendment. Between 1957 and 1964 State and local circumvention of court orders and congressional enactments was common. Section 5 of the act was designed to protect against subterfuges which might be attempted to escape the act's purposes. The record of the past 4 years indicates that as Negro voter registration increased, several jurisdictions have attempted new and unlawful ways to diminish the Negroes' franchise and to defeat Negro or Negro-supported candidates for reason of their race. It thus remains essential to continue the requirement that covered jurisdictions submit new voting laws or regulations for Federal review. This requirement keeps the burden where it belongs, namely, on the covered jurisdiction to show that any given change does not violate the 15th amendment.

The requirement of Federal preclearance also enables private parties to institute their own actions to protect the right to vote without having to rely on the Attorney General. Private relief is facilitated in that in order to enjoin enenforcement it is only necessary to show that the changed voting rule or law has not been submitted for Federal review. Section 5 procedures are an integral part of the rights afforded by the 1965 act. The bulk of voting law changes which have been submitted to the Attorney General have been routinely approved. However, 11 changes have been objected to.

Those who propose, as the administration apparently does, to scrap section 5 and return instead to case-by-case litigation, would turn the clock back 4 years. The case-by-case, county-by-county approach through the courts with all its delays was one of the reasons for the 1965 act. Authority presently exists for the Attorney General to institute such court proceedings to challenge discriminatory voting laws or procedures. So nothing would be gained and much would be lost if preclearance of new voting laws as required in section 5 of the act were eliminated.

Mr. Chairman, I have dwelt at some length on the so-called automatic or administrative remedies of the Voting Rights Act. They are temporary and require the attention of the Congress today. Other provisions of the act, of course, are permanent. They include authority for the Attorney General to institute suits to enforce the guarantees of the 15th amendment anywhere in the country. Under these permanent provisions the Federal courts are authorized to suspend literacy tests and similar devices; to authorize the appointment of Federal examiners and Federal observers; and to prohibit the endorsement of new election laws or election requirements pending review by the Attorney General of the United States. In other words, the permanent provisions of the Voting Rights Act parallel the temporary provisions but require a court order to bring them into effect.

It is important to stress that the permanent provisions apply nationwide. Let those who urge a nationwide ban on literacy tests or nationwide authority to assign Federal observers or examiners, study section 3 of the act. All these remedies can be made applicable by a court proceeding. The difference is that the automatic or temporary provisions apply without a prior court proceeding. That was a deliberate and considered judgment of the Congress. The automatic or temporary provisions of the act apply to those areas where there is evidence of voting discrimination. If denial of the franchise on account of race or color exists in areas not covered by the temporary remedies of the act, ample authority presently exists for the Federal Government to challenge such practices and to enjoin them through court proceedings. I submit, Mr. Chairman, that the distinction between automatic administrative remedies and remedies imposed only after a judicial proceeding not only reflects the wisdom of Congress in protecting the federal system, but is in accordance with the true needs of the Nation.

In 1965, when the Voting Rights Act was being debated in this House, opponents challenged the validity of the act on constitutional grounds. That issue has been fully litigated and decided in favor of the act. The issue today, it appears, is regionalism. Lest anyone be misled by this label, let me make the issue plain. To adopt proposals in the guise of nationalizing voting rights protection instead of extending the coverage of the existing act in its present form, will undermine the voting rights program of the past 4 years and threaten a repetition of the practices of the past.

I urge my colleagues to support H.R. 4249 without amendment.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. RODINO. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Mr. Chairman, I rise in support of H.R. 4249.

After a century of almost total disfranchisement of the Negro population of the South the Voting Rights Act was passed in 1965, representing a new approach to the problem of discrimination in the political process. Let me briefly review the history that led up to that enactment.

The 15th amendment was ratified in 1870. It has two sections. The first declares that—

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

The second section gives Congress power to enforce the amendment "by appropriate legislation."

Yet through a long series of devices, ranging from "grandfather clauses" to literacy tests to requirements of "good moral character," the Southern States continued to deny the vote to their Negro citizens. In 1956 in the 11 Southern States, only 25 percent of the 5 million Negroes of voting age were registered.

In 1957, Congress made its first attempt since the post-Civil War era to end the unconstitutional disfranchisement of the Negro. The Civil Rights Act of that year, as well as those of 1960 and 1964, included provisions attempting to make State officials fairly apply their restrictive voting standards to both white and black people. But many State and local voting officials continued to ignore the Constitution, and the slow and painful process of case-by-case litigation achieved almost nothing. Even when the courts finally held a State law or practice invalid, the State remained free to adopt other devices to continue the disfranchisement of its Negro citizens.

The Department of Justice brought

approximately 50 lawsuits between 1957 and 1964 to enjoin discriminatory practices by registration officials. Only 36,000 Negroes were registered as a result of these lawsuits. In 1964, only 23 percent of voting-age Negroes were registered in Alabama; 32 percent in Louisiana; 6.7 percent in Mississippi. And of the approximately 5,000,000 voting-age Negroes in the South, less than half were registered in 1964.

In 1965, Congress, with strong bipartisan support, passed the Voting Rights Act. The act, in the words of the Supreme Court, "was designed by Congress to banish the blight of racial discrimination in voting, which has infected the electoral processes in parts of our country for nearly a century." *South Carolina* v. *Katzenbach,* 383 U.S. 301, 308 (1966).

By any standard the Voting Rights Act of 1965, has been a successful piece of legislation. Between 1965 and 1968, an estimated 800,000 additional Negroes in the South have been able to exercise the franchise guaranteed them by the Constitution. This is an approximate doubling of southern Negro voter registration.

Let me explain briefly some of the major reasons why the extension of the Voting Rights Act is so important.

First of all, the work of the act is far from accomplished. Although there have been dramatic increases in Negro voter registration throughout the South, Negro registration remains significantly below white in all of the States primarily affected by the act. In many individual counties, moreover, Negro registration is under 35 percent, a situation which shows that the Voting Rights Act's beneficial effects have not reached the local level uniformly. For such areas it is crucial that Federal examiners can be made available to list the remaining thousands of unregistered Negroes of voting age and that those tests and devices that have in the past been used with a discriminatory purpose and effect continued to be banned.

Second, there exists a justified fear that much backsliding will occur if the Voting Rights Act is not extended. If the act is not extended, resumption of literacy tests and similar devices could occur. For example, complete reregistration of voters would be probable which would erase all gains thus far realized. The Attorney General would be unable to appoint Federal examiners to register voters and to assign Federal observers to monitor the conduct of elections. To deal with such contingencies the Attorney General must have the stand-by power to dispatch examiners or observers if needed.

Third, the vital protection of rights afforded by section 5 of the Voting Rights Act must be continued. It insures that, with no discrimination in registration and at the polls possible, no State or county can use changes in legislation or administrative practices, to deprive Negroes of their recently won franchise.

In conclusion, let me state that this history of low Negro registration in the South before the passage of the Voting Rights Act and of considerable but uneven progress since the passage shows the effectiveness of this act as a means to overcome discrimination and the need to extend its operation for another period of years. It also shows that the problems that it is designed to deal with are different in nature from whatever voting problems may exist in the rest of the Nation, and that proposals for general voting reform should await separate consideration after they receive the necessary study and committee consideration.

Mr. MIZELL. Mr. Chairman, one of the tenets of democracy is that all men are created equal and have equal rights under the law.

Yet the voting rights bill of 1965 denies that. It says specifically that only those men shall have equal voting rights who live in certain States and certain counties.

Behind this alleged reasoning is the fact that in those States and counties it appears that more people are denied their voting rights than in other States and counties.

But, Mr. Chairman, that is a twisted kind of reasoning far removed from our belief in the rights of individuals not as members of groups or residents of areas but as individual American citizens.

If one man is denied his vote in the North and we do nothing about it we have denied him his rights just as surely as we have denied the rights of 1,000 men who may be prevented from voting in the South.

It is hard for me to understand those who call for equality in the South but ignore inequality in the North and East and West.

Mr. Chairman, the nationwide voting rights substitute measure introduced by the gentleman from Michigan (Mr. GERALD R. FORD) will provide voting equality throughout our Nation. How can we settle for less?

Mr. ANDERSON of California. Mr. Chairman, I rise in support of H.R. 4249, to extend the Voting Rights Act of 1965.

The success of the 1965 act in bringing many of our disenfranchised citizens into the political process has been tremendous. By this act alone, over 800,000 black applicants have been registered to vote in areas where literacy tests and other factors had formerly discouraged or prevented them from registering.

But discrimination still exists. The Voting Rights Act of 1965 suspended literacy tests—literacy tests that are still on the books—literacy tests that in some instances could again be used to frustrate and bar voter participation. If this law is not extended, those areas which are still advocating segregation and discrimination, some 15 years after the landmark Brown against Board of Education case, may revert to the old strategy of discouraging the black citizen from voting.

The Attorney General advocates a nationwide system of voter registration that has equal application for all 50 States. I believe that if there is discrimination in any form in any State, it must be stopped. But discriminatory voting practices have been found to exist only in a few selected areas. There is little to be gained by placing Federal observers in States where discrimination in voter registration is not evident.

Also, I might refer the advocates of the nationwide system to the Assistant Attorney General, Jerris Leonard, Chief of the Civil Rights Division, who cannot even muster enough "bodies" to enforce school desegregation. Could he muster enough "bodies" to insure voting rights on a nationwide basis?

Mr. CELLER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4249) to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices, had come to no resolution thereon.

## HOUR OF MEETING TOMORROW

Mr. CELLER. Mr. Speaker, I ask unanimous consent that when the House adjourns today that it adjourn to meet tomorrow at 10 o'clock a.m.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. ARENDS. Mr. Speaker, reserving the right to object, it seems strange to me that in order to accommodate one person here tonight, if this unanimous-consent request is agreed to, we will disaccommodate other people tomorrow night and the next night.

I see no reason in the world why we should not complete the general debate on this bill tonight and then come in tomorrow at noon and expedite the consideration of this legislation.

Mr. CELLER. The gentleman from Illinois has only to object to the request.

Mr. ARENDS. I am sure that is right.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Iowa.

Mr. GROSS. Well, Mr. Speaker, I think there ought to be some understanding that if we do come in at 10 o'clock tomorrow morning that we will not be here at 10 o'clock tomorrow night. I just do not see any reason, in light of what happened last week, for a session beginning that early in the morning and then going into the bowels of tomorrow night. I would like to have some assurance from someone that we will not be here tomorrow night until a late hour.

Mr. CELLER. There is nothing I can do in that respect.

Mr. GROSS. Oh, I think there is a good deal the gentleman could do.

Mr. CELLER. I hope we will be able to finish the bill long before 10 o'clock tomorrow night.

Mr. GROSS. I think with the persuasive powers the gentleman has with the leadership that he could very well do something about giving us some assurance that we would not be here.

Mr. CELLER. I think the gentleman exaggerates my powers with the leadership.

Mr. GROSS. I do not think I do.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

## REGARDING THE HOUR OF MEETING TOMORROW

(Mr. ARENDS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ARENDS. Mr. Speaker, I hope that on tomorrow night no one will ask this House to remain in session longer than 6:20 p.m., or the next night, or the next night.

## NEW CONCEPTS FOR MISSION BASED AUDIT ACTIVITIES OF AID

(Mr. MOSS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MOSS. Mr. Speaker, I would like to call the attention of my colleagues to an impressive, forward-looking change recently made by Dr. John A. Hannah, Administrator of the Agency for International Development, in the field of auditing and investigations. For the first time there has now been created within AID an independent internal audit activity along lines long advocated by the subcommittee on Foreign Operations and Government Information.

I want to congratulate Dr. Hannah on taking steps to elevate and consolidate the audit, investigative, and security activities into a single integrated Auditor General operation reporting direct to the Administrator. In doing this, he has taken a very far-reaching management improvement step and detached all audit personnel, whether in Washington or abroad, from the supervisory control of the operating officials. All members of the subcommittee, on both sides of the aisle, feel very strongly about the independence of the audit function. Our reports on various programs in Vietnam and Latin America frequently called attention to the fact that mission-based auditors were being inhibited by the unhealthy organizational arrangements abroad, where auditors were working for, and being rated by, the very people whom they were auditing. We also indicated that the audit function had not been receiving the top management attention necessary to assure an adequate impact on operational effectiveness.

Here in Congress we have often observed how difficult it is for new management to effectively change the entrenched ways of "bureaucracy." By this far-reaching change early in his administration, Dr. Hannah has shown that he is determined to manage the foreign aid program effectively and that he will listen to both the good and the bad news. He has now established an internal audit system which when fully and properly implemented will meet the requirements of the Congress as expressed in the Budget and Accounting Procedures Act of 1950. We wish him the best of success in implementing this new approach.

DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
*Washington, D.C., October 30, 1969.*

Memorandum for: The Executive Staff and Mission Directors.

Subject: New Concepts for Mission-Based Audit Activities.

On June 16, 1969, we announced the establishment of a single integrated organization for all auditing, inspection and security offices under an Auditor General reporting directly to the Administrator. A series of steps have been taken, and additional ones are underway, to revitalize and improve AID/W based review operations. We are now ready to move forward an improved overseas audit arrangements.

I want to again emphasize that the Auditor General operation is an internal review activity. It is a vital part of our overall team effort to improve the management effectiveness of the Agency. In my judgment, AID will be advantaged by a detached "in-house" group regularly checking on slippages and possible deficiencies. This group should emphasize working wherever weaknesses may appear in the Agency's operations. It is understood there will be no desire to embarrass or discredit in any way those who are honestly doing their best to carry out the Agency's mission. The goal will be to encourage prompt recognition of any weaknesses that may exist in our joint ventures with cooperating countries. It is expected that everyone in AID with operating responsibility will continue to do his best to correct these weaknesses so that we can continue to improve our operating effectiveness and our reputation in the eyes of the public and the Congress.

In this context, I am approving the integration of all mission-based audit activities into a single unified audit operation. This new arrangement will be implemented in accordance with the following concepts:

1. There will be established, at overseas locations to be approved by the Administrator, a series of "area audit offices." The locations of each office will be the subject of studies by the Auditor General and consultations with the respective bureaus. These efforts will be started immediately with the goal of having all offices operating by the end of the fiscal year.

2. On a phased-basis, the overseas audit function and personnel will be detached from mission operations and transferred to the Auditor General's direct control. Specific AID/W airgram instructions for functional transfers will be issued by region or area.

3. Wherever practical, overseas auditor personnel will be stationed in area offices to encourage greater independence, efficiency, and economy of operations. Where justified by workload or audit demands, resident auditors (American and Locals) may be retained at specific missions but under the supervisory control of the area audit offices.

4. Area audit offices will audit mission activities under a client-type relationship. Every effort will be made to be fully responsive to mission audit needs. The auditor-in-charge will consult with the mission director or his representative prior to commencing audits in his mission. The auditor will be guided by the director's assessment of cooperating country or other relationship problems. Scheduled audits which are unduly delayed or curtailed for such reasons will be reported to the Auditor General together with an explanation of the circumstances.

5. The auditor-in-charge will review the draft audit report with the mission director or his representative before finalization of the report and before it is given any distribution. This discussion will afford a full opportunity for an exchange of views, final verification of accuracy, and a presentation of any substantive conflicts of opinion by the mission. The auditor will give full consideration to mission comments and will report the mission views where substantive differences of opinion exist.

6. The area audit office will issue the official audit report under the authority of the Chief of the Area Audit Office. The report will be transmitted by the issuing office direct to the mission director for action. Distribution of the report within the mission or cooperating country will be as determined by the mission director. The area audit office will send copies of reports to AID/W as specified by Washington instructions.

7. During the course of each audit, the auditor-in-charge will discuss significant issues with senior mission officials on a preliminary or interim basis. The mission director will act promptly on critical findings to the extent he deems appropriate, consistent with his responsibilities for effective program and project management.

8. Periodically, the area audit office will develop a forward work plan consistent with professional audit approaches and technical guidance from the Auditor General. In developing these plans the area auditor will (a) consider mission and bureau suggestions and needs, (b) emphasize concurrent audits of on-going activities so that audit findings can be acted upon as a part of on-going activities and (c) build into his plan some unallotted time to handle emergency requests by client missions.

9. Audits will be conducted on a professional basis pursuant to generally accepted standards for internal auditing. Client missions are expected to make all records, files, etc., available to the auditor-in-charge and to cooperate with the audit teams in providing required information, and appropriate administrative support to visiting audit teams and to resident audit personnel.

10. Personnel ceiling and funding allocations for the overseas audit function will be made directly to the Auditor General. Over the next few months, steps will be taken to segregate the ceilings and funds from regular mission allotments so transfers can be made to the Auditor General. All personnel actions covering area auditor staffing will be approved by the Auditor General or his designee.

This separation of the audit function from the mission controller's jurisdiction is not intended to diminish in any way the importance of the mission controller's financial management activities. His role is vital to good program planning and effective program implementation. We need the very best efforts on budgeting, accounting, financial analysis, and related financial management activities. I've asked the Assistant Administrator for Administration to be sure that the resources provided for this function are adequate and to fill in any gaps (based on actual workload needs) that he or the missions may see occurring incident to the separation of the audit function.

The achievement of our overall agency goal for a fully-integrated, effective Auditor General operation will require an accelerated effort to meet my targets. It may involve some difficult problems of transition. I am asking the Auditor General to proceed as rapidly as possible. He will need your cooperation and assistance. With your help and support there should be many benefits from this new approach.

JOHN A. HANNAH,
*Administrator.*

DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
*Washington, D.C., June 16, 1969.*

Memorandum for: The Executive Staff and Mission Directors.

Subject: Activation of Auditor General Operation.

The President has announced in his Foreign Aid Message that we will establish "better means of continuous management inspection" in A.I.D. I am today establishing the

Auditor General operation referred to by the President. Mr. Edward F. Tennant is hereby named Auditor General reporting directly to the Administrator.

This innovation in the management of A.I.D.'s programs reflects this Administration's desire to assure that the Agency manage its business in the most effective way possible. All of us in this Agency have a great responsibility with respect to the handling of the public funds, and all of us want to discharge that responsibility properly and effectively. I am convinced a wide-ranging, independent internal review activity will help provide me, and all of our managers, the necessary protective and constructive services absolutely essential to good management.

The attached statement amplifies this new concept and sets out the mandate given to the Auditor General. The establishment of this new operation *does not* detract from the fundamental program and operating authorities and responsibilities of the Assistant Administrators, Mission Directors, and other operating executives throughout the Agency. They are the ones who, working with cooperating countries and others, must assure the success of technical assistance and development programs. They are the ones who must direct careful planning, balanced programming, and effective program and project management. The Auditor General function will supplement these programming and operating activities with audits, inspections, investigations, and reviews which will be useful tools to them in accomplishing their mission.

Our future emphasis should be teamwork and improved management effectiveness. We must detect problems and issues at the earliest possible stages and promptly effect corrective action. To help accomplish this, the Auditor General operation will be structured to meet both the needs of top management and subordinate levels. Thus, the Auditor General and his staff will be fully responsive to requests of operating managers for audits and investigations to help them discharge their basic operating responsibilities.

In establishing this single integrated organization for all auditing and investigating forces, I recognize that many of the Agency's auditors are stationed abroad either under Mission Directors or under varying regional arrangements. I am asking the Auditor General to review each of these decentralized arrangements to assure that the Agency's total system of audit control is organized in a way that best achieves our basic management improvement objectives. If we decide to continue the conduct of certain audits by decentralized audit entities, I want to be sure that any such arrangement is appropriate under our new concept and that any such decentralized auditing activity receives proper guidance from and provides reports to the Auditor General.

Effective with this announcement, the functions, records, positions, funding and personnel of the following AID/W organizational elements will be transferred to the Auditor General:

Organization and symbol:

Compliance and management effectiveness staff, A/CME.

Inspections and investigations staff, A/IIS.

Office of Security, A/SEC.

Audit Division (Office of Controller), C/AUD.

Pending completion of the Auditor General's review of present overseas audit activities, auditor personnel stationed abroad will continue to operate under existing overseas organizational arrangements with the understanding that (a) future technical audit guidance from Headquarters will be provided by the Auditor General and (b) copies of all new reports will be promptly furnished to him.

JOHN A. HANNAH,
*Administrator.*

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AUDITOR GENERAL CONCEPTS AND RESPONSIBILITIES

This Office establishes a new dimension within AID to maximize the quality, coverage, and coordination of the audit, investigation, inspection and security services of the Agency. It will stress the protective and constructive aspects of these services as a tool of management within a comprehensive Agency effort to attain improved management effectiveness.

The Auditor General reports direct to the Administrator. He operates a Headquarters Office and such Field Offices as are necessary to carry out his responsibilities. He has full access to all phases of the Agency's operations to carry out a management oriented comprehensive plan of selected audits, investigations, inspections, surveys, reviews and security services of sufficient coverage to provide reasonable protection for Agency management.

Within this broad framework the Auditor General has responsibility for the following principal functions:

1. Develops and maintains effective working relationships and appropriate cooperation with audit, investigation, and inspection forces outside of the Agency. Establishes and maintains appropriate relationships with operating management within AID.

2. Plans and directs the execution of a long-range, comprehensive internal audit program covering all phases of Agency operations including audits of (a) missions or other decentralized operations, (b) AID/W Headquarters activities, (c) functional and regional activities, (d) programs and projects, and (e) contractors and other external entities. Where appropriate, arranges for audits by other agencies and public accounting firms to supplement direct-hire audit activities.

3. Performs investigations with respect to alleged fraud, criminality, impropriety, dereliction, or malfeasance on the part of AID employees or persons or organizations doing business directly or indirectly with AID. Conducts inspections to uncover, deter, or prevent irregularities and deficiencies relating to compliance and integrity of operations.

4. Develops and directs a comprehensive Agency security program with respect to suitability, integrity, and loyalty of AID employees, prospective employees, AID financed contractors and contractor employees. Coordinates an agency-wide program to protect classified material against compromise.

5. Monitors replies to and actions taken by Agency management in response to all types of audits, inspections, investigations and related reports, both internal and external. Takes initiative in dealing with significant criticisms and, where necessary, particularly on external criticisms, mobilizes forces to respond to or correct deficiencies.

6. Organizes and digests the results of findings and observations of audit, inspection, and review activities, providing independent reports to various levels of management for use as a tool of management.

7. Proposes policy determinations, regulatory issuances, legislation and sanctions in the area of compliance and integrity of operations. Probes standards and performance with respect to compliance, integrity of operations, and management effectiveness.

8. Provides "bridge" between operating management and technical audit, inspection and investigatory work by interpreting the impact of findings in relation to the Agency's mission, its program targets, and its management effectiveness goals. Works with managers at all levels to assure effective use of internal and external findings, criticisms and recommendations.

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## MR. AGNEW MAY BE RIGHT—THE NEWS ON THE NEW YORK NAVY YARD IS MISLEADING

(Mr. CAREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CAREY. Mr. Speaker, the majority members of the New York delegation today seek clarification of the aims of the Nixon-AGNEW administration with regard to the transfer of the surplus New York Naval Shipyard to the city of New York.

Representative HUGH L. CAREY briefed the delegation on the details of the transfer as follows:

In order to develop the yard for industrial purposes the city of New York sought to purchase the yard in the best possible terms to facilitate development.

The plan was endorsed by the administration and Vice President AGNEW held a news conference on January 24, 1969, to record his support for a plan to convey the yard as something below market value at "an even lower price."

The Washington Evening Star in its issue of January 24 reported as follows:

U.S. LAND USE PLANNED BY NIXON TO AID CITIES

Vice President Spiro T. Agnew today announced President Nixon will soon propose legislation that the Federal Government divest itself of properties such as the Brooklyn Navy Yard to pave the way for private development to help the cities. "Agnew met the press with New York Mayor John V. Lindsay in front of the White House. The Vice President said the Nixon administration hoped to create 15,000 to 20,000 new jobs in New York's predominantly Negro Bedford-Stuyvesant area by turning over the Brooklyn Navy Yard—closed since 1965—at less than market value."

Mr. AGNEW stated further that transfer of surplus properties at less than market value would be a policy of the new administration and that the Brooklyn Navy Yard transfer would "set a practice" for similar actions to spur developments aiding slum areas across the country.

Similar reports of Mr. AGNEW's announcement made in connection with Mayor Lindsay's appeared in the New York Times and the New York Daily News.

The New York Times account in its page 1 subheadlines of January 24 stated "Nixon hopes to get a lower price through Congress, AGNEW assures Lindsay."

Today the delegation was informed the transfer to the city will be completed in a ceremonial at the General Services Administration.

The terms of the transfer, however, represent no bargain nor concession to the city of New York.

Represenative CAREY disclosed that the terms under which the yard is being transferred actually represent the full fair market value of the property and included no provision for extended pay-

ment, forgiveness of interest, or reduction in price such as Mr. AGNEW had promised.

He exhibited the terms of the city's offer pending in February and the details of the agreement finally accepted by the administration.

The only difference between the asking price of $23.5 million and the AGNEW price of $22,482,965 reflected the fact that a review of the land map by a congressional committee showed that the city was being asked to pay for some land which had never been acquired by the Federal Government from the city and State originally. For this we are grateful to Mr. BROOKS of Texas and the members of his subcommittee.

We are glad to get the transfer accomplished said the delegation but let it be clear—this deal represents no bargain, no windfall, no giveaway to the city of New York.

To indicate otherwise would be inaccurate and unfair in reporting the attitude of Mr. Nixon and Mr. AGNEW toward the city of New York.

The members of the New York delegation further reported none of them had been contacted by the administration or the Vice President with regard to sponsoring any of the legislation to implement the policy set forth by Mr. Agnew on January 24 in his news conference.

We really wish Mr. AGNEW loved us in December as he did in January but something must have happened.

The members of the New York delegation, therefore, seek the clarification of Federal policy in the future in order to have a feeling of confidence when purchasing used Federal property from Mr. Nixon and Mr. AGNEW.

Mr. Speaker, I include pertinent information, as follows:

EXHIBIT A

NEW YORK NAVAL SHIPYARD, BROOKLYN, N.Y.

CITY OFFER TO PURCHASE, DATED FEBRUARY 6, 1969

Price: $23,500,000.

Down Payment: None.

Date of Closing: 6 months after acceptance of offer.

Terms: Two separate amortization periods totaling 40 years from date of closing.

*First Period:* 30 years; interest at 5½% per annum compounded annually, commencing three years from date of closing; equal annual installments to principal and interest so as to liquidate 75% of the principal balance.

*Second Period:* 10 years beginning immediately after the 30-year period; with interest rate to be that in effect at that time, but no less than 5½% per annum, equal annual installments to principal and interest so as to liquidate the principal balance by the end of the tenth year.

A moratorium on annual payments of principal and interest is granted the purchaser during the first six years from the date of closing; no interest is charged during the first three years; interest starts to accrue and is compounded annually commencing three years from date of closing, with provision that if the city pays one-half or more of the purchase price plus interest during the six-year period, the interest to be charged commencing three years from date of closing will be at the rate of 3% per annum on the amount paid during the six-year period.

CITY DRAFT OF PROPOSED REVISED OFFER AS ACCEPTED BY FEDERAL GOVERNMENT

Price: $22,482,965.

Down Payment: A minimum of 10% ($2,248,296.50) evidently to take the form of payment in full for a portion of the property.

Date of Closing: 6 months after acceptance of offer.

Terms: Complete payout within two years from the date of closing as follows: At the option of the city either (a) payment in full one year after date of closing with no interest, or (b) payment in full within two years from the date of closing with interest at 5½% for one year.

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[From the New York Daily News, Jan. 25, 1969]

LINDSAY MAKES DEAL FOR NAVY YARD—SAYS TRANSFER MIGHT BE MADE FOR FREE

(By Gene Spagnoli)

Mayor Lindsay, who had haggled with the Johnson administration for months over the city's move to acquire the idle Brooklyn Navy Yard, announced yesterday that the Nixon administration was moving to transfer the yard to the city, possibly for free.

Lindsay met with Vice President Agnew at the White House to work out plans for the legislation necessary for the transfer.

After the session, Lindsay declared that the city hoped to get the 265-acre yard, for which he had agreed to pay $23.5 million last April, for free. But Agnew said the extent of "forgiveness"—or how much the $23.5 million "fair market price will be cut"—has not been worked out.

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[From the New York Daily News, Jan. 25, 1969]

JAVITS WOULD OFFER REQUIRED LEGISLATION

(By Owen Fitzgerald)

Sen. Jacob K. Javits cheered the Nixon administration's decision to give the Brooklyn Navy Yard to the city and volunteered to sponsor legislation to make the gift legal.

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[From the New York Times, Jan. 25, 1969]

UNITED STATES MOVES TO SELL NAVY YARD FOR $22.5 MILLION—NIXON HOPES TO GET A LOWER PRICE THROUGH CONGRESS, AGNEW ASSURES LINDSAY

(By Martin Tolchin)

WASHINGTON, January 24.—The Federal Government has agreed to sell the Brooklyn Navy Yard to New York City for $22.5-million, $1-million below a previous tentative agreement that the Government had rejected as too low.

Furthermore, Vice President Agnew said today, the Nixon Administration has promised to help the Lindsay administration get the property at an even lower price.

How much lower is still a question, the Vice President said, but Mayor Lindsay said his hope was that the city could get the Navy Yard for nothing.

The Vice President and Mayor Lindsay made the announcement at a White House news conference. They said the 265-acre property would be developed as an industrial site with the help of a "sizable" loan from the Economic Development Administration.

SEEKS NATIONAL PATTERN

"This is a pattern we hope to establish on a nationwide basis," Mr. Agnew said, standing beside Mr. Lindsay outside the White House west wing.

The city will acquire the property for $22.5-million under a 40-year loan with a six-year moratorium on principal and interest payments, Mr. Lindsay said. A previous agreement to purchase the property for $23.5-million was ultimately vetoed last fall by the General Services Administration, which considered the price below the fair market value.

In addition, the city will pay the state $2-million for its land on the Navy Yard site.

"There's a developer who's ready to go, who's prepared to install facilities that will provide 3,000 jobs," Mr. Lindsay said.

SEES MANY NEW JOBS

He declined to identify the developer, but said that the prospect intended to invest $41-million, and receive a loan of more than $10-million from the E.D.A.

Mr. Agnew said that "both of us are encouraged about the possibility of developing this area to provide 15,000 new jobs."

If Congress approves, the city could take possession within 30 days. Approval of any deal is required by the Committee on Government Operations of both houses. The New York City Board of Estimate already has approved the purchase of the yard, and additional approval is not required, Mr. Lindsay said.

A navy yard since 1801—its official name was the New York Naval Shipyard—the Brooklyn site was officially closed in June, 1966, 10,000 men lost their jobs. A few days later, Mayor Lindsay began tortuous negotiations leading toward a city take-over.

The Vice President, whose nomination at the Miami convention was seconded by Mr. Lindsay, said that the Nixon Administration would introduce legislation enabling the Federal Government to sell former military installations to cities for less than market value.

This is an investment, not an expenditure," Mr. Agnew said. "I find that one of the most neglected areas in the war against poverty was in the job area."

Mr. Agnew said the President was "extremely interested in this legislation."

Under existing law, the Federal Government can sell its property only for fair market value, except when the property will be used for parks or recreation.

"Fair market value is unworkable," Mr. Agnew said.

In response to questions, the Vice President said that the extent of the reduction from fair market value had not yet been determined.

CITY TO LEASE PROPERTY

The city, plans to lease the property to CLICK, a local nonprofit development corporation, that stands for Commerce, Labor, Industry Corporation of Kings (Brooklyn).

CLICK will then lease the property to developers, Mr. Lindsay said.

Richard Lewisohn, the administrator of the Economic Development Administration, said that the initial $41-million development would involve both sea and land. He noted that the yard's 265 acres include 72 under water, plus 14 acres of drydocks and 10 acres of piers.

Mr. Lindsay, who left New York at 7:30 this morning, also conferred with Commerce Secretary Maurice J. Stans and Daniel P. Moynihan, the President's adviser on urban affairs.

He will return to Washington on Monday for a conference with Mr. Agnew, Governor Rockefeller, Senator Jacob K. Javits, Senator Charles E. Goodell, Representative Emanuel Celler and Representative John J. Rooney, in whose district the Navy Yard is situated.

Rep. Shirley Chisholm, a Brooklyn Democrat, said:

"All New York members of Congress I am sure were delighted at today's announcement by Vice President Agnew and Mayor Lindsay that the Brooklyn Navy Yard will be turned over to the City of New York for industrial development.

"Early next week I hope to introduce the legislation needed to make the transfer. I am particularly delighted because I have been working with CLICK, a coalition of commerce, labor, industry and community leaders which was formed to promote exactly this development.

"The Bedford-Stuyvesant-Williamsburg-Greenpoint area of Brooklyn which I represent has one of the highest unemployment

rates in the country and the new jobs that will be created are desperately needed."

Representative Hugh L. Corey, a Brooklyn Democrat who has been one of the chief advocates of Federal transfer of the yard to the city, said, "If they were able to do it their way, I say hurrah for them."

Senator Javits cheered the agreement and volunteered to sponsor any needed legislation.

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[From the Washington (D.C) Evening Star, Jan. 24, 1969]

U.S. LAND USE PLANNED BY NIXON TO AID CITIES

Vice President Spiro T. Agnew today announced President Nixon will soon propose legislation that the federal government divest itself of properties such as the Brooklyn Navy Yard to pave the way for private development to help the cities.

Agnew met the press with New York Mayor John V. Lindsay in front of the White House. The vice president said the Nixon administration hoped to create 15,000 to 20,000 new jobs in New York's predominantly Negro Bedford-Stuyvesant area by turning over the Brooklyn Navy Yard—closed since 1965—at less than market value.

Lindsay said New York City had been negotiating with the General Services Administration which had agreed to sell the property for $23.5 million. Asked if he hoped the goal under the legislation would be to get the property for nothing, Lindsay replied, "That's the general idea."

Agnew said he hoped the Brooklyn Navy Yard property transfer to New York City would set a pattern for similar actions to spur development aiding slum areas across the country.

"This is an investment, not an expenditure," Agnew said. "The more the better. That's the way I feel."

Agnew said further study would be needed to determine how many federal properties where facilities have been shut down could be given—or sold below market value—to the cities for development.

Lindsay said that after several years of negotiating for the property, "Now, thanks to the vice president, the transfer will be expedited." Lindsay foresaw Nixon's proposed legislation coupled with loans and grants to "private developers who are ready to move" as having a major impact on slum-area development.

Agnew said he and Lindsay will meet formally Monday to wrap up the final details.

Even without legislation, Lindsay said, New York will be able to start projects immediately on the Brooklyn property. He said one $41 million project will create 3,000 jobs immediately and utilize the facilities of both land and sea frontage.

Lindsay said, "We can move ahead immediately. It's feasible to get the yard and start with the projects."

Agnew said, "This is the pattern we hope to get on a nationwide basis."

* * * properties has been "one of the most neglected areas in the war against poverty," Agnew said, adding that Nixon's proposal would be in line with his philosophy to have private enterprise do what it can do with the federal government then going in and picking up the slack.

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## AIRCRAFT HIJACKING

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, we have come a long way since the House Interstate and Foreign Commerce Committee held hearings last February on the problem of aircraft hijacking. At the time, it did not appear that any solution was in sight. But the Federal Aviation Administration of the Department of Transportation formed a Task Force on the Deterrence of Air Piracy and went to work immediately on the problem. A system was devised combining knowledge of the behavioral traits of hijackers with a weapons screening device. In addition, signs were posted warning of the penalties attendant with hijacking. The system was given field trials in nine cities, including San Juan, before it was placed in operation by Eastern Air Lines in mid-October.

I would like to take note of encouraging progress in the operational stage. Although Eastern Air Lines is the first U.S. air carrier utilizing this system, there are current indications that others will join soon.

There is no claim that this system is the final answer to hijacking, but there is no doubt it can be a powerful deterrent. There have been other developments which can be considered deterrents too:

The voluntary return of six U.S. hijackers from Cuba;

The prosecution of more than 20 persons, with at least a dozen more awaiting trial, including the six recent returnees;

A Cuban decree calling for the reciprocal extradition of hijackers, which caused conflicting interpretations;

International pressure to have countries either prosecute hijackers or return them to the country of origin for prosecution;

Threats by international pilots organizations to boycott countries which do not return hijackers, or do not take steps to insure the safety of aircraft, passengers and crew.

It is disturbing to note however, that some hijackings have been romanticized. Hijackers are not romantic highwaymen; they are desperate people who are creating a situation when a monumental tragedy can easily take place.

Hijacking is not just a joy ride. There have been many close calls. For example, on the recent hijacking of a TWA plane to Italy, a sympathetic picture was painted of the hijacker, a young AWOL marine. There is no question but that he was ready to use his weapons—and he was well armed. The fact that he fired a shot in the cockpit while the plane was refueling at Kennedy Airport in New York is evidence enough that he meant business. That situation came within a hair's breadth of becoming a full scale shootout, and who knows how many lives it could have cost.

Another example is the airliner hijacked in 1968 out of Miami. The hijacker stood in the cockpit with his gun at the ready. The first officer—or copilot—reached to his flight bag for a map, but the hijacker apparently thought he was reaching for a gun. The hijacker—who could not or would not speak English—cocked his gun and pointed it at the head of the first officer. The captain reacted instantaneously by shouting "stop." Only then did the hijacker lower his gun, thus narrowly averting a tragedy.

While there are other examples, the point is that hijackings are not to be treated lightly. Apparently there are those who do not have a full grasp of the seriousness and danger involved in these incidents. The flight crews do, and they should be congratulated for the calm courage they have displayed. On one occasion, one passenger said he was willing to take on the armed hijacker singlehanded. The crew had to literally shove him back into his seat.

Being forced to fly to a foreign country at gunpoint is unnerving to say the least, and it certainly takes tremendous courage to complete the flight without incident. We must not lose sight of the gravity of the situation. That point cannot be overemphasized. Meanwhile, we must push forward with the FAA's interim system until a permanent deterrent can be found.

Perhaps the FAA's system is being misunderstood. A recent newspaper article and remarks by a member placed too great an emphasis on technology. The weapons screening device used is a part of the detection system and was referred to as a "gadget." If the common connotation of "gadget" is applied, then it is wrong, for the device is not some frivolous contrivance. The magnetometry system in use is an advance in the state of the art. It is an adaptation of an existing device which has proved workable in its original context for sereval decades. As a matter of fact, the FAA is continuing its research and development into weapons screening devices to make them more discriminatory.

However, I would like to emphasize that the FAA's antihijacking system is based overwhelmingly on observed behavioral characteristics. Details regarding those characteristics have not been made public, thus it is not possible for a would-be hijacker to be able to disguise these traits. It is their behavior that triggers suspicion of a potential hijacking; the weapons screening device merely is the final and least important step in the system. Thus, emphasis on the "gadget" is misleading.

I must repeat that the FAA system is helping to deter hijackers. Hopefully, efforts in the international area will result in the return of hijackers promptly for punishment. However, we must realize that any permanent solution is going to involve all types of deterrents—interim and long range, domestic and international.

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## HEALTH CONSEQUENCES OF THE USE OF MARIHUANA

(Mr. MINSHALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINSHALL. Mr. Speaker, we have heard estimates that as many as 40 percent of our high school and college students have experimented with marihuana. The habit is spreading to junior high and grade schools. Arguments regarding the perils—or lack of peril—of indulging in "pot" are rampant.

In fact, virtually nothing is known about the nature and effect of this drug. No one knows what the long-term effects

are, either on the user's mental and physical health or on the health of any future offspring. We need to know how large a factor marihuana is in leading to the use of hard drugs. And we need to have some information as to why marihuana produces severe psychotic reactions in some users.

We hear much speculation and opinion, but we need facts. Before any changes are made in present law, competent research should establish health related aspects of the use of marihuana.

Therefore, I am today introducing legislation to require the Secretary of Health, Education, and Welfare, after consultation with the Surgeon General, to issue yearly reports on research developments concerning health consequence of marihuana use. The reports would be of the same nature as the famed report on tobacco smoking issued by the Government a few years ago.

My bill calls for a preliminary report to be made to the Congress within 120 days of its enactment and for a full report to be filed by January 31, 1971. I would hope that any other legislation, particularly that aimed at a softening of present law, be held in abeyance until a comprehensive study can be made by the Secretary of Health, Education, and Welfare in consultation with the Surgeon General and their findings, based on solid scientific research, have been evaluated by Congress.

I wish to call attention to the cautionary statement issued by the National Institute of Mental Health just this year:

> Statements being reported by students that the use of marijuana is "medically safe" are not supported by scientific evidence. It is hoped that research now underway may add to the little currently known about the effects of the use of marijuana . . . To be honest, scientists still don't know everything about the specific effects of marijuana . . . Today, research scientists are studying marijuana's effects on the brain, the nervous system, on chromosomes, and on various organs of the body. They're trying to find out why different people have different reactions to it . . . Maybe it will turn out that there's no reason for it to be illegal. But nobody can be sure until all the facts are in. And until they are, it's a pretty bum risk.

I sincerely hope that my legislation will be on the agenda early in the second session of this Congress. This is an important matter, affecting millions of young lives, and demands prompt action on our part.

## IS THE FCC DOING AN ADEQUATE JOB?

(Mr. TIERNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIERNAN. Mr. Speaker, as a member of the Communications and Power Subcommittee, I have endeavored to study communications in America and determine whether it is being regulated in the interest of the people. In the year that I have been on the subcommittee, more and more facets of this intriguing field have come to light.

What is distressing is that the Federal Communications Commission, at times, has been quite negligent in protecting the public in this vital area. The Commission has consistently failed to revoke licenses of those broadcasters who are not acting according to the dictates of the 1934 Communications Act. In October of this year, a case came into the limelight serving as ample proof that the FCC has been derelict in its duty.

We are aware of the WIFE case. There are other cases as preposterous. Can you imagine a station committing 122 violations? Is it conceivable that a station which failed to comply with FCC reporting requirements would be allowed to continue in operation for 10 years? What would you think of a licensee who failed to respond to FCC correspondence? What should be done if a franchisee failed to file timely statements? Should the Commission renew the license of a station which operated a transmitter site without FCC authorization? Is it possible that the FCC considered the actions of this station so much in the public interest that it should continue on the air?

It is amazing to consider that the franchise to broadcast is seemingly treated so lightly when one realizes how valuable it is to the community. There are hundreds of people throughout this country who would like a chance to use this broadcast franchise for a 3-year period, but they are unable to because the spectrum is so limited. There is room for only a small number of stations in each area, and they should be given to those who will best serve the public. We must ask if fraud, deception and 122 rule violations are services to the public, or if they are self-serving and selfish?

The Supreme Court has said in the Red Lion case that "It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount."

Justice Warren Burger, in a 1966 U.S. court of appeals decision, went a step further and said:

> The theory that the Commission can effectively represent the listener's interests in a renewal proceeding . . . is no longer a valid assumption which stands up under the realities of actual experience. After nearly five decades of operation the broadcast industry does not seem to have grasped the simple fact a broadcast license is a public trust subject to termination for breach of duty.

This is quite an indictment, but it seems valid when we realize what the Commission has done in the WIFE case. Now and in the future, the public will be watching to determine whether the FCC is protecting them and their airwaves.

I fear the FCC is not doing its job adequately. If the last 6 months has produced flagrant examples of malfeasance, we must wonder what has been going on since 1937 when the Commission was established. Is there any connection between these types of cases and the fact that the FCC has rarely revoked a broadcast license?

I hope that we in Congress will begin to realize that communications is not a matter to be dealt with lightly. If we do not begin to vigilantly and constructively deal with communications, we will have failed the public. Communications is one of the most vital backbones of a democracy. Let us make certain we treat it commensurately.

## REPEAL OF TITLE II GAINS SUPPORT OF NEW YORK TIMES AND WASHINGTON STAR

(Mr. MATSUNAGA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MATSUNAGA. Mr. Speaker, there is growing evidence of deep concern among responsible Americans throughout this country over the presence in our Federal statute books of a law which permits the detention in concentration camps of persons who would probably commit acts of espionage or sabotage in a national emergency.

Newspapers throughout the country are rallying to support the immediate repeal of title II of the Internal Security Act of 1950. Recently the New York Times in an editorial entitled "Freedom Under Law," and the Washington Sunday Star, in an editorial captioned "Repeal Overdue," joined in this growing support for the legislation, which more than one-fourth of the House Members and a substantial number of Senators have cosponsored. I include the two editorials in the RECORD at this point:

[From the New York Times, Dec. 4, 1969]

FREEDOM UNDER LAW

The Nixon Administration, in urging repeal of the McCarran Act's provision for detention camps for potential saboteurs, has given Congress an opportunity to eliminate one of the truly un-American sections of a generally bad piece of legislation. Although none of the six camps established in 1951 was ever used, two still remain as a reminder of an era of national shame and hysteria.

Assistant Attorney General Richard G. Kleindienst linked his announcement of the Government's request for the camps' abolition with a denial that he had ever advocated the detention of anti-war protesters. It may be true, as the Administration's recommendation to the Senate Judiciary Committee said, that the repeal is needed to put an end to false rumors about intended repression. But an even more basic reason for Congress to act is to do away with a provision that subverts the principle of freedom under law.

[From the Washington, Sunday Star, Dec. 7, 1969]

REPEAL OVERDUE

For nearly two decades, a national disgrace has been written into the laws of the United States: Title II of the 1950 Internal Security Act. This last major legislative vestige of the McCarthy paranoia provides that suspected subversives can be placed in detention camps—without trial and for an indefinite period.

The law was improper in the context of 1950. Today, it is an abomination. It is, in addition, a source of ammunition for those who peddle the fiction that ours is a Fascist society, with concentration camps ready for members of minority groups and for those who hold unpopular beliefs.

The law has never been applied, and never will be applied. But the fact is that the law and the detention camps exist.

The Justice Department has asked that the detention provisions be repealed. In a letter to the chairman of the Senate Judiciary Committee, Deputy Attorney General Richard G. Kleindienst in effect labeled the

provision as worthless, except as a tool for the New Left to spread fear and unrest.

Senator James O. Eastland, the Judiciary Committee chairman, is the author of a new internal security bill that includes a provision to repeal Title II. But there is no reason to wait for the prolonged debate that will inevitably accompany the complete rewriting of the Internal Security Act.

Senator Daniel K. Inouye has introduced a bill to repeal the detention section of the 1950 act. He has now asked Eastland to move his bill, independently of the over-all revision of the act, for immediate action by the Senate.

It is a request that should be granted. Nineteen years of legislative disgrace is enough.

## WASHINGTON METROPOLITAN SUBWAY SYSTEM

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker, a gentleman of the other body said yesterday that the Washington Metropolitan Subway System was the greatest public works project in the history of the country, that the system would aid numerous people in Washington, Maryland, and Virginia. I will agree with the gentleman that the project is beneficial to many persons in the area, and a subway will no doubt help solve many of the transportation problems of Metropolitan Washington.

However, there is a public works project elsewhere that is of equal, if not greater merit. While the subway may have been on the planning boards for 17 years, this other project has been in the minds and hearts of men since the early 1800's and before this body since the 1940's. This major public works project is the Tennessee-Tombigbee Waterway.

Like the Washington subway, this transportation project will benefit many people. Rather than just a one city area, the Tennessee-Tombigbee will directly benefit 23 States.

The Tennessee-Tombigbee Waterway will run through one of the most economically depressed areas of the country. Like the subway for the District, which Mayor Walter Washington said would bring jobs to the unemployed, the Tennessee-Tombigbee project when completed will provide the economic impetus to shift thousands of persons now on welfare rolls over to payrolls.

The Metro subway was lauded as being a catalyst for urban renewal and for new business. Similarly the Tennessee-Tombigbee Waterway would not only be a new business in itself, but would prove a catalyst for rural renewal in the southern Appalachian region and attract new business to this poverty-stricken area.

The two projects have many similarities, but one major difference. The subway project was located in an urban area and its need is directly felt by many in this Congress. The Tennessee-Tombigbee Waterway would be located in frequently forgotten rural America far removed from this Congress.

I have sat here many a day and listened to the indignant cries against poverty and malnutrition, against too little and too much welfare, against the plight of rural America, and the lack of concern for the farmer. But it is all so much worthless rhetoric unless those airy words are turned into concrete deeds.

In this case the concrete is for dams and locks, powerplants and industrial sites—the wherewithall to build a transportation link from the Tombigbee River in Alabama to the Tennessee River in Tennessee. When completed—and in fact, while being built—the Tennessee-Tombigbee Waterway will be in there fighting poverty and malnutrion, welfare, and the plight of rural America. The fight will not, however, be one of governmental subsidy to growing welfare rolls, but one of paychecks into the hands of the poor for honest work—work resulting from the countless jobs created by one of the great public works project in our history—The Tennessee-Tombigbee Waterway project.

## DEVELOPMENT OF UNITY

The SPEAKER pro tempore (Mr. ST. ONGE). Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 60 minutes.

Mr. FINDLEY. Mr. Speaker, the recent Hague meeting has focused our attention and the attention of the Western European nations on the concept and development of European unity. Fortunately, the concept of an expanded community was accepted, if with some mental reservations, by all of the member countries of the EEC and there is reasonable hope that the long stalled negotiations about British membership in the community will commence early next year.

At this juncture it is good for us to reflect on the trends of Western European integration efforts and their possible effects on the United States and our relationship with Europe. Five of our Presidents have, in the past, backed European efforts to create greater political, economic, and military units among the states of Western Europe and put our troops and our prestige on the line in the defense of the free part of this divided continent. We have accepted economic developments in the agrarian and even in the industrial sectors which seemed to be disadvantageous in order to promote the overall political goal: a strong and democratic Europe which speaks with one voice in international affairs and which is united with the United States in the goal of common defense and search for a durable peace.

An analysis of the present status of European integration and Atlantic partnership, two concepts closely interrelated, formed the main topic of the conference of a new scholastic group, organized in 1968 largely through the efforts of Prof. Z. Michael Szaz, called the American Institute on Problems of European Unity. The group specializes in research works and conferences on both Western and East Central Europe, but their conference at Georgetown University between October 17–19, 1969 was focused on the Concept of Atlantic Partnership alone.

Five panels discussed the various American, British, French, German, and Mediterranean approaches to the concept and in doing so, the scholars who came from the United States, Britain, Germany, and France, expanded their discussion into dealing with the domestic, political, and strategic problems of their countries as well. As a result, five reports and a background report were published by the institute and they are worthy of consideration as we face the problems of cooperation and integration in the coming 5 years.

The U.S. panel was chaired by our former representative to the NATO mission, now a professor at the School of Advanced International Studies of Johns Hopkins University, Dr. Timothy W. Stanley, author of several books on NATO and the United States. Members of the panel included such well-known experts as Dr. James E. King from the Institute for Defense Analyses, Dr. Ben T. Moore, formerly with 20th Century Fund, now the head of his own foundation, and one of the intellectual fathers of the Marshall plan, Gen. Robert Wood, U.S. Army, retired, from the Research Analysis Corp., the well-known international law specialist, Prof. William H. Roberts from the Catholic University of America, and many others.

Professor Szaz prepared the background report for the panel chairmen. The institute is planning a second conference on the subject, but with a topical rather than a geographic problem approach, in the first part of June in Paris, France, with the cosponsorship of the Centre d'Etude de Politique Etrangere and negotiations will be soon concluded.

I ask for unanimous consent for insertion into the RECORD the background paper by Professor Szaz and the report of the U.S. panel of the conference on the Concept of Atlantic Partnership held by the American Institute on Problems of European Unity.

There being no objection, the material was ordered to be printed in the RECORD:

THE CONCEPT OF ATLANTIC PARTNERSHIP

(By Dr. Z. Michael Szaz)

1. Outline of the Issues: It is assumed that there exists a political and cultural heritage common to the countries of Europe and the United States and also a philosophical-religious tradition which underlies the politico-social order and the economic systems of the states of Europe and the United States.

(a) A modification of this assumption is, however, that geography, historical development and politico-economic structure set the United States sufficiently apart from the European states so that mutual relationships must be based on cooperation and partnership, rather than on integration and/or confederation.

(b) In reverse, the historical, political and economic bonds among the states of Europe, reared for most of their history in the Greco-Roman tradition, Christianity and humanism, form a stable basis for reintegration in the economic and political spheres. It is also realized that the present demarcation line between Western Europe and the Soviet influence sphere in Central and Eastern Europe fail to coincide with the cultural frontiers of Western Europe and the large sections of Central Europe behind the "Iron Curtain" form part and parcel of Western European civilization.

2. Desirability of European Integration: If we assume that the common bonds of history, culture and economics render the creation of an integrated, or at least confederated, Europe intrinsically possible, we must ask:

is such a development desirable? It will be assumed that some form of confederation and integration is not only desirable but necessary for future development in Western Europe, for several reasons to wit:

(a) Militarily, European armed forces are sandwiched between the overwhelming powers of the Soviet Union and the United States and are inefficient in regard to cost efficiency because of the separate national defense efforts resulting in a full spectrum of national armed forces.

(b) Economically, the advances of American inventive and applied technology renders national efforts in Europe to complete an impossible task. This observation is valid despite the availability of capital and brainpower in Europe on a regional level and because of the necessity to create an integrated market with a free flow of goods for 250–300 million people in order to assure the needed rate of industrial expansion and increased living standards.

(c) Politically, only the emergence of common institutions can prevent either a return to isolationism, and/or ethnic nationalism, the scourge of Europe for 200 years, and can counteract Soviet Russian subversion and pressures.

3. Concepts of Europe: What kind of Europe would be suitable for integration purposes and would be in European regional and U.S. interest as well? For there are several concepts of Europe in the minds of politicians and the peoples.

(a) To Dr. Konrad Adenauer and Robert Schuman in the 1950s Europe was to consist basically of the Community of the Six, based upon a Bonn-Paris axis. Despite the inclusion of Mediterranean Italy with its different social, economic and technological structure, the above community possessed and continues to possess, several cohesive elements in the fields of industrialization, common cultural heritage, living standards, compact geography and mutual economic dependence. The successes of the European Economic Community, creating a well integrated market in twelve years, proves that for this subregional unit integration was feasible and that EEC will form the nucleus of European integration despite the *Sondersprünge* of France during the Gaullist regime.

(b) The former President of the French Republic, Charles deGaulle provided a different definition of Europe. He understood it less as a social-economic unit, and more as an ideology based upon common cultural and historical experience of all European nations, a result of their absorption of Christianity and humanism and their past struggles against eastern invaders. He strove to give political content to this concept of all-European community, but its realization would have necessitated a disintegration of the Soviet colonial empire in Asia and Russia's reintegration into Europe which are unlikely events for the next decade.

(c) The most common concept, however, remains that of the Community of the Six, plus Great Britain and Scandinavia, usually omitting Spain despite its 1500 years long struggle to preserve its Western and Christian culture against invaders. This solution would unite all European countries with similar socio-economic structures and significant industrial power. Its weakness lies in the different historical and political development of its parts resulting in divergent economic and political interests of Great Britain and Scandinavia from the Community of the Six and the difficulties in resolving such problems within an integrated economy and future political confederation.

4. Concepts of Relationship with the United States: Various approaches exist also on the relationship concepts of Europe with the United States. At first, we must eliminate for the next decade the possibility of a genuine European federal union. Thus we are left with the options of a confederated Europe with integrated economies and a partially integrated defense system, or a Europe of national states and an imperfectly integrated economy of the Community of the Six as it exists today.

As we trust that during the next decade progress will be made in Western Europe toward realizing the first option, with the concept of relationship with the United States will be dealt with from a regional point of view.

The most immediate relationship existing between the United States and Western Europe is a military one. For Western Europe is at the present defenseless against the aggregate military power of the Soviet Union unless reinforced by substantial components of American military power. This fact finds its concrete expression in the NATO alliance which attempts to integrate military planning and introduce some standardization into weaponry and command systems of the United States, Western Europe and Canada. In the economic field, too, the United States remains the most active trading partner of Great Britain and the EEC and through its subsidiary companies created an intermeshing of European and American economies which could not be dissolved without grave dangers to U.S. economy, or without a probable collapse of the present fabric of European economy.

Three different models are possible in the military fields: (1) the theory of the two weights within NATO by the creation of an integrated European military group (perhaps an extended WEU) within NATO. The advantages of such a solution are evident both for Europe (more effective representation in planning and decision-making in NATO and more defense for less cost through an integration and standardization of military equipment and forces by a regional division of labor) and the United States (more effective defense of Europe by the Europeans enabling reduction of American forces in Europe and creating a potent counterweight to Soviet aggression). However, the main difficulty remains that it presupposes great progress in European defense integration approaching the degree of integration proposed by the EDC which was rejected by the French Parliament in 1954. There is even the Gaullist concept of independent European defense which means a disengagement from American political and military concepts while building up a modest, but up-to-date nuclear deterrent by the European states. At the present, the costs for such a course have proven prohibitive even for Gaullist France and any attempt to do so on a regional level (British-French deterrent with German economic and technological participation) would negate the Gaullist concept of keeping military sovereignty with the individual states. The third concept of NATO-wide integration failed in the past less because of European but because of American refusal to subordinate vital components of American military power to NATO decision-making, especially with fifteen fingers on the trigger. There is no reason to believe that this solution is feasible without a much greater degree of economic and political integration between Western Europe and the United States as it is possible at this time.

In the economic field the relationship between the United States and Western Europe is based on clearer concepts. Integration is out of the question and is not desired on either shore. The United States is interested in freer trade and so is Western Europe. The difficulties arise from protectionist tendencies in certain industrial fields on both sides. The Kennedy round has removed some of the irritants, but the presence of an EEC which is now building its tariff and indirect subsidy fences against the areas outside of its jurisdiction raises problems as does the pressure groups in regard to agricultural and textile products in the United States. There is, however, general agreement that only through an expansion of trade volumina can cooperation and a certain division of labor be created.

In the political field, the relationship of the European states and the United States are not expected to undergo great changes in case of further progress in European integration. The creation of any consultative organ in NATO and/or outside NATO by the countries of Western Europe could create slightly divergent policies, but at least the divergencies would be coordinated rather than on a national level where the actions of one country can easily wipe out or neutralize the effects of the actions of others. Political consultation on an institutionalized basis or even a political confederation would strengthen the hand of Western Europe vis-a-vis the Soviet sphere of influence and permit it to influence developments toward a reforging of ties with Western Europe.

5. The Feasibility of European Integration: The feasibility of European integration is still being debated as ethnic nationalism slowly returns to some of the countries' politics.

It can be assumed that economic integration has created its own momentum not only among the idealists, but also the vested economic interest of the states of Western Europe and will continue on a slower, or faster, pace in the medium-range. There are certainly enough feasible measures which could be taken to establish a common agricultural market, labor legislation, social security legislation, and convergence of indirect economic subsidies to promote a true integration of the labor, industrial and economic system. Thus, further economic integration is a feasible proposition without underestimating the dangers of parochial nationalism displayed by enterprises and pressure groups and the danger of political slowdown of integrative trends.

Political integration over and beyond the consultative level is the *least* feasible proposition today, though without progress in this field the entire complex of economic and military integration remains tenuous and provisional. The feasible aims in the medium-range should be a direct election of the Parliament of the EEC, and its expansion to include Great Britain and some of the Scandinavian countries. Even such a development will need an additional three to five years.

Military integration on a continental European-British basis remains a feasible, though difficult, task and will determine the future of all integrative efforts. Europe desperately needs a drastic reform of its defense which cannot forever be based on American manpower and nuclear power. The only avenue open is the integration of the European armed forces and the creation of a modest European deterrent in the nuclear field. This cannot be done without the inclusion of Great Britain. Thus, the entry of Great Britain into Europe is not only important for economic and political, but also for military reasons, but the entry must be wholehearted and must include the military field.

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AMERICAN INSTITUTE ON PROBLEMS OF EUROPEAN UNITY, CONFERENCE ON THE CONCEPT OF ATLANTIC PARTNERSHIP, GEORGETOWN UNIVERSITY, WASHINGTON, D.C., OCTOBER 17–19, 1969

(NOTE.—This summary is based upon the Chairman's report to the plenary session of the Conference and does not purport to be a full reflection of the views of the panel, individually or collectively.)

U.S. PANEL CHAIRMAN'S REPORT

Panel Members:

Professor Timothy W. Stanley, SAIS, Johns Hopkins University.

Professor James D. Atkinson, Georgetown University.

Professor Louis Gerson, University of Connecticut.

Dr. Robert Gessert, Research Analysis Corporation.

Dr. James E. King, Institute for Defense Analysis.

Dr. Ben T. Moore, Twentieth Century Fund.

Professor William H. Roberts, Catholic University of America.

Darnell Whitt, SAIS, Johns Hopkins University.

General Robert Wood USA (Ret.), Research Analysis Corporation.

In attempting to assess American interests with respect to Europe in the coming decade, the panel found it necessary to consider a broader geo-political context than the term "Atlantic" normally implies. The key centers of power of the developed nations are linked not by the Atlantic Ocean but by the *Arctic* Ocean (and in the jet age, the polar linkage is the closest).

This "arctic arc" includes not only North America and Europe, but also Japan, as well as Russia—and perhaps China. The panel placed considerable emphasis on the future importance of Japan, which may soon emerge from the politically "low posture" adopted after World War II, and which has experienced an "economic miracle" surpassing even those in Euorpe. Japan may also be developing a "generation gap" which will dwarf that being observed in Europe and America. Thus, the importance of Japan to both America and Europe raises questions about the utility of an exclusively "Atlantic" focus.

The panel also took note of the Soviet emphasis on sea-power and mobility. This has, in effect, put Soviet power "out in the world," which means an increasing ability to pose challenges elsewhere than in the traditional European area of potential conflict.

In particular, Mediterranean and Middle East security problems (especially that of Israel), now complicated by the expanded Soviet naval presence, are of considerable importance to America and Europe in an area in which it would seem reasonable to expect a greater European role in international peacekeeping, including larger multilateral naval forces. Some members argued that Israel was strategically, if not geographically, a part of the arc of vital security interest to the United States; and that even American domestic opponents of the role of the United States in Vietnam would support a more active involvement in Israel's security. Another panel member felt that the West generally and the United States in particular had been remiss in not matching the Soviet naval buildup, especially in the Mediterranean, which has created a potential for trouble-making and nuclear confrontation, accidental or otherwise, in an unstable area. Several of the participants criticized the U.S. Navy's reluctance to become committed to multilateral naval forces in this region, thus reducing options for collective response and European participation in limited situations in order to keep American assets intact for the "least-likely" case of a general war.

With respect to the Soviet threat to Europe, the participants agreed that the Soviet hold on Eastern Europe and particularly on the German Democratic Republic would continue to provide opportunities for expanding its influence and that Soviet self-restraint could not be relied on to prevent taking advantage of these opportunities. Accordingly, continued military deterrence by NATO seems necessary during the decade of the nineteen seventies.

One or two members of the panel believed, however, that deterrence was increasingly a political phenomenon rather than a strategic function of military or "war-fighting" capabilities. If Soviet concerns in the seventies are (in order): China, Germany (East, West, or both), and the United States, then there should be room for maneuver in the more traditional diplomatic applications of the balance of power, in the negative value of potential alliances, as well as in military deterrence. But the panel agreed that the essential ingredient will be the U.S.S.R.'s estimate of the "Atlantic" community's "will" to resist; an adequate defense posture—and the NATO structure which gives credibility to the American nuclear guarantee—will remain important factors in the Soviet reading of Western "will," and of the unpredictable consequences of testing it too strongly.

The panel discussed at some length the nature and importance of American interests with respect to Europe. Although one member argued that Europe had passed from the center of the world stage and was increasingly peripheral to U.S. interests as compared with Asia, the other participants agreed that reasons of tradition and belief, preclusive factors, and certain positive objectives would continue to make Western Europe an area of primary interest and concern to the United States. For example, America has found twice in this century that European conflicts inevitably engage its own vital interests and lead to its eventual involvement. Even though America's strategic need for European bases has declined with the advent of intercontinental ballistic missiles and missile-equipped nuclear submarines, this is not necessarily true of tactical and mobility requirements. Moreover, cultural and historical ties, plus economic considerations reinforce political and strategic interests, i.e., the relevance of Europe to the global balance of power vis-a-vis Russia and China.

Consequently, the United States has a vital national interest in avoiding a "Europe." "Europe" (however defined) which would be: (a) dominated by the Soviet Union; (b) so weak as to tempt Soviet adventures; (c) unstable—either because of national rivalries or due to political-economic-social pressures within one or more countries; or (d) an independent third force—either with protectionist and isolationist tendencies or with the potential of becoming another major military nuclear power—which could be dangerously de-stabilizing on the world scene. (A "Scandinavia" type Europe might be acceptable to the United States if stable internally and externally, but such a Europe would be "unnatural" and, therefore, probably unstable.)

On the positive side, America will continue to need a relatively peaceful and stable world environment in which its own domestice goals can be pursued. In order to maintain that environment, the United States will need to engage Europe's technology, resources, and traditions in dealing with the problems of the "arctic arc" in relation to the less-developed Southern Hemisphere—e.g., economic aid and international peacekeeping in the Mediterranean and in the "third world" generally. If "Europe" is concerned to ensure the continuity of this substantial American interest and security guarantee, however, it would do well to enhance its relevance by intensifying its involvement in the world.

In reaching these general conclusions, the panel was concerned by the uncertainties of perceptions by a new generation of leaders—a new and still unknown leadership which might intensify the present radical disinterest in "peacekeeping" either at home or abroad, or might, on the other hand, represent a political reaction which would be conservative domestically and isolationist internationally. Adding to the uncertainties was a growing interaction of domestic and international politics in and among all countries, which is an increasingly important fact of life. For example, the age of mass intercontinental communications means that an American President, in speaking to his domestic constituency on, say, Vietnam, is nevertheless conveying signals—and not necessarily reassuring ones—to all of the allies of the United States as well as to its enemies.

With respect to the prospects for increasing European unity, the panel's estimates ranged from mildly optimistic, to quite pessimistic—and were weighted toward the latter. While current "European" institutions could be built into a federated structure—and economic, monetary, and technological reasons plus rising defense costs all argue for greater unity—the key ingredient of political will seems to be lacking. The political nexus—composed of Bonn, London, and Paris—always appears to have one or another capital out of phase with the other two. In that regard, West Germany with its new government, will be a particularly important factor in determining European political development.

But from the American point of view, how Europe organizes itself—as long as the status quo of a multilateral alliance continues—was not judged by the panel to be critical, although America's special responsibilities in Berlin must be taken into account. The United States ought not to *oppose* or obstruct further European movement towards unity—even though there are some national advantages to dealing individually with the various components of "Europe"—unless a type of Europe "to be avoided" seems likely to emerge. Nor does there appear to be much that the United States can or should do to promote European unity; the panel specifically rejected the currently popular notion that a massive reduction in American responsibilities and presence in Europe would cause the Europeans to unify and accept greater responsibility themselves.

Some adjustments in the U.S. military posture in Europe may be desirable and feasible over the long term; but (quite apart from the risks involved) the savings even from a massive withdrawal (up to $1.5 billion in balance of payments costs and perhaps $5 billion in budgetary terms if units were disbanded) would be likely to prove illusory (and, in any case, much smaller than those potentially available from Vietnam).

Although, as noted above, the panel was not optimistic about any short-term prospect of there being a united Europe with disposative powers over resources and centralized foreign policy responsibilities, they considered the possible effects of various developments on "Europe" and on the Atlantic relationship. One or two members thought that strategic arms limitation talks—"SALT" (which one described as being "rubbed in NPT wounds")—between the United States and the Soviet Union might trigger major anxieties in Europe, as would the mutual deployment of anti-ballistic missiles to reduce the vulnerability of the superpowers. The majority of the group, however, believed that these European concerns would be limited to a few elements and would not generate enough political steam to overcome present inertia and, for example, lead to European nuclear weapons collaboration.

In this context, German reunification was considered a key issue in both Western and Eastern European developments and, of course, in East-West relations. The panel noted that this issue was actively opposed in the East and not really supported anywhere in the West, except—and to a diminishing extent—among some German groups. Achievement of German reunification during the next decade thus seems unlikely, although this would not preclude a limited confederation through which a solution to the Berlin problem might be found.

Another factor considered was the effect on the Atlantic Alliance of a growing American self-perception on "non-omnipotence and non-omniscience." Unless this factor

goes so far as to undermine American self-confidence and the credibility of its military deterrent, the panel felt that it would not weaken and might even strengthen Atlantic relations.

Finally, the effects of the European unification movement itself were examined. Would it—even if unsuccessful—tend to turn Europe inward upon itself and away from a greater responsibility in the Atlantic and wider world? Such a development (which could add fuel to any isolationist tendency in the United States) was felt by the panel to be unlikely, because of the dynamics of "building" Europe seem to require an external image and a vocation. Since the fear of the Soviet Union is a diminishing incentive, and making the United States an artificial rival for this purpose is undesirable, then this vocation probably would be a constructive and responsible one—hence in America's interest. But American—as opposed to "European"—initiatives to "build" Europe are impractical. It was noted, however, that a transnational "Europeanism" appears to be growing, especially among the young, which might make formal unification irrelevant.

Turning to another important aspect of the European-American relationship, economic and fiscal matters proved to be of considerable relevance to the Atlantic Partnership theme of the Conference—although the panel was bothered again by the tendency of that terminology (as opposed to the "Artic Arc") to exclude Japan. For the Japanese are important members of the "Group of Ten," which plays a key leadership role in international monetary affairs, and have a gross national product larger than West Germany's. It was noted, however, that the Organization for Economic Cooperation and Development provides for closer Japanese involvement in the study of these problems and the recommendation of policy in economic affairs.

The panel spent some time discussing trade and liquidity problems, the effects of flexible exchange rates, SDR, revaluation of the mark, the unforeseen development of the Euro-dollar market, and the close national stability. Although neither time nor the expertise of members permitted the formulation of specific recommendations, the panel concluded that there is a need for tighter Atlantic integration and more effective international management; without progress in this direction, a breakdown in the international monetary system is possible which could cause a retrogression to the type of exchange controls in effect following World War II. Such a development could be even more disruptive to international trade and economic growth than major increases in world tariffs.

Progress is complicated, however, by a number of factors: first, a tendency for academic and governmental experts to differ with each other in their diagnoses and prescriptions—on flexible exchange rates, e.g.; second, the precedence which domestic problems and politics appear to be gaining over international cooperation in many key countries. Europe is more preoccupied with the agricultural policy issue in the European Economic Community than with trans-Atlantic cooperation; and for its part, the United States has not been able to implement fully the opportunities opened by the Kennedy Round negotiations. Third, undertakings which increase international cooperation often impinge on domestic undertakings regarding full employment and price levels.

The panel noted that strands of idealism and pragmatism are evident in American economic policies toward Europe. To some extent, U.S. interests are better served by individual and multilateral negotiations with the European countries than by policies which tend to enable Europe to bargain as a unit. Nevertheless, from the Marshall Plan through President Kennedy's approach to tariff negotiations, the United States has generally chosen the latter approach and has been consistent in trying to encourage European economic unity. (This has not been the case with regard to military security cooperation; in this regard, however, panel members differed on whether there has ever been a viable option.) But the objective of American willingness to suffer some economic disadvantage in the interest of long-term political goals—e.g., a strong and united Western Europe—had been largely frustrated by the policies of General De Gaulle.

With respect to the private sector, it was noted that Americans—by way of their direct financial investments—participate in European business decisions, accordingly providing some American opportunity to influence European government policies; and that there is no reason why it should not be as easy for a European corporation to acquire an American firm as vice versa. To a large extent, the problem is one of management rather than technology or investment and patent restrictions. For example, in bidding for large NATO projects, such as the air defense system called NADGE, only American firms have been able to put together consortia with European bidders in order to compete for contracts; Europeans can accomplish the highly technical work, but lack the experience in managing large-scale, transnational operations. One member of the panel felt, however, that the complex blend of administrative, legal, security, patent and anti-trust problems does not receive adequate attention as a major element of the "technological gap." These problems have to be rationalized in Europe, and to some extent in the United States, if any significant progress is to be made on an Atlantic basis.

Panelists agreed that these economic challenges during the coming decade are at least as important as the military and strategic aspects of the Atlantic relationship. A breakdown in the structure of international trade, investment, and finance would have the most serious consequences globally, as well as among the Atlantic nations and Japan.

In its concluding session, the panel discussed the relationship between American domestic issues and the concept of Atlantic Partnership. With respect to the key question of continued American support for NATO and the ability of the United States to maintain a substantial military presence in Europe, the panel felt that there were not any major objective (as opposed to subjective) pressures for changing the status quo in the near future. The American balance of payments is less critical, Congressmen are not under heavy constituent pressures, nor is isolationism a factor except for a handful of key Senators. But in the longer term, the answer depends on the changing views by the political elite and popular attitudes toward society and the world in general.

In discussing current attitudes, especially among the younger generations and in the academic world, three explanations were noted for the current unrest: *political* frustration with twenty years of America's involvement; *sociological* unrest and evolution, analogous to the Oxford movement after World War I—which was highlighted by refusal to fight for "King and Country;" and a *morality* watershed, in which "basic value systems have been shaken sufficiently to produce a widespread existential despair."

The resulting frustrations can be exploited by either or both the far left and the far right, making relevant the question of what the future leadership will be, and whether or how it can be influenced. One member felt that since the current mood is anti-elite and anti-leadership, it will be very difficult to influence it constructively. Another believed that the younger generation is not necessarily nihilist and will not be led into a neo-isolationist posture. On the other hand, the Trotskyite orientation of certain radical elements does not bode well for a responsible interest in international peacekeeping.

The panel agreed that domestic opposition to American involvement in Viet Nam is merely a symptom of a deeper problem, but panel members were divided on how much this can be attributed to reactions to the a-typical twenty-year period since World War II, and how much to a basic national psychosis involving moral and value system. Many of the young, it was noted, accuse their elders, of *dementia praecox*, while they themselves have been sometimes characterized as schizophrenic.

However defined and whatever the cause, the panel felt that the deeper problem is likely to persist—and perhaps ever worsen before it improves—and is already an international phenomenon with cross-cultural interactions. Accordingly, the question was raised as to what new "images" might involve the younger generations of the Atlantic world, replace the vanishing postwar dream (of a world "like a big, happy United States"), and broaden horizons in order to avert the key sectors of the societies in the developed countries from turning inward upon their own problems to the exclusion of international cooperation.

The initiative taken by President Nixon to focus some attention within the Atlantic Alliance on environmental factors and common qualitative problems of life among industrialized European and North American countries is one such new approach. Most of the panel found the objectives worthy, but some expressed doubts that NATO is—or could be made—a suitable forum for this purpose. One member reported that there are signs which indicate that the necessary bureaucratic readjustments are being made in the key capitals; and the project might prove successful, despite the large uncouraging history of prior efforts to implement Article Two of the NATO treaty.

The suggestion was also made that there might be a reawakened interest in the geopolitical ideas of MacKinder and Spykman, and that the geographic image of the Atlantic (or Arctic) world or of the Mediterranean Basin could provide a basis for engaging the younger generation in taking wider perspectives. The difficulties in adjusting the inherent conflict between the "haves" and "have-nots" of the northern and southern hemispheres also promise a worthy challenge for the next decade. The panel concluded its discussion on this note, with an apt quotation from *Faust:* "Wer immer strebend sich bemüt, den können wir erlösen." (Only those can be helped who are willing to broaden their horizons).

Mr. GERALD R. FORD. Mr. Speaker, today my distinguished colleague from Illinois and other Members are joining in a special order devoted to the concept of Atlantic partnership. In the wake of the recent meeting of the NATO Defense Ministers and the Head of Government conference of the EEC nations this is indeed timely and useful.

We Americans have always favored the emergence of a strong and integrated Europe. This has been the policy of five of our Presidents. Last February President Richard M. Nixon reaffirmed in Europe our commitment to the cause of Atlantic partnership and creation of a stronger and more united Western Europe.

While the aims are clear and our commitment is firm, the paths leading to the double concepts of Atlantic partnership for us and the Western European na-

tions, and to integration among the countries of the area, are often divergent. Several options are open. Exploring the best ways of proceeding is a task for both academicians and politicians. Therefore, I welcome the fact that a new group of scholars and research experts are devoting their energies to discussing and researching the problems of Atlantic partnership and European unity.

Between October 17 and 19, 1969, this group, the American Institute on Problems of European Unity, Inc., held a conference on the problem of Atlantic partnership at Georgetown University. The conference was attended by 44 American and European scholars, research experts and government officials. As a result of the conference, a report was published which again stresses the need for positive action by the countries involved toward European integration, with particular emphasis on a European nuclear force and a common currency. The report also analyzed the trends expected in the next 5 years and the possibility that integration in Western Europe and Atlantic partnership will make steady progress.

Several of my colleagues are inserting parts of the report into the RECORD today. For my part, I applaud the scholarly and detached tone of the report. I also congratulate the organizers, particularly the executive director, Dr. Z. Michael Szaz, and five panel chairmen, Professors Timothy W. Stanley, School of Advanced International Studies, Johns Hopkins University, David Calleo from the same university, William G. Andrews, State University of New York at Brockport, Dr. Alvin J. Cottrell, Center for Strategic and International Studies, Georgetown University, and Walter F. Hahn, deputy director of social sciences, Institute for Defense Analyses.

Mr. MINSHALL. Mr. Speaker, at the October 17–19 conference of the American Institute on Problems of European Unity at Georgetown University, one of the main questions discussed was Europe's importance in terms of United States' interests. Europe is the crucial factor in the balance or imbalance of power between the Free World and the Communist powers.

While progress toward a politically and economically united Europe remains painfully slow, despite the recent compromise at The Hague meeting of the Western European heads of state, experts cautiously express optimism about the long-range feasibility of such a development.

More important, the chairman of the U.S. panel at the conference, Prof. Timothy W. Stanley, School of Advanced International Studies, Johns Hopkins University, stated in his panel report:

> With respect to the Soviet threat to Europe, the participants agree that the Soviet hold on Eastern Europe, and particularly on the German Democratic Republic, would continue to provide opportunities for expanding its influence and that Soviet self-restraint could not be relied on to prevent taking advantage of these opportunities. Accordingly, continued deterrence by NATO seems necessary during the decade of the 1970's.

Soviet imperialism, though its meaning is often soft-pedalled these days, remains a fact that can be ignored only at grave risk. It should be remembered that Soviet influence pervades the large Communist parties of France and Italy, even Finland, despite the determination of this small nation to remain independent and democratic. Nor should we forget past Soviet aggressions against the Hungarian freedom fighters, the Czechoslovak liberalizers, or the "deviationists" in Yugoslavia, Albania, and in incipient liberalization movements in other satellites.

Soviet power remains a very real obstacle in the quest for unity among the European nations. It divides the continent and keeps forcibly under control several of the historical nations of Europe, to mention only Poland, Czechoslovakia, Hungary, and eastern Germany.

We must continue to work for the maintenance of a Europe free of Soviet influence and for the creation of a European community which prevents outside powers from playing one nation against the other. We must work actively for a strong and integrated Europe which can maintain prosperity, technological and economic development and which can assist us in our endeavor to help "third-world nations" to occupy a stable and economically advanced status in tomorrow's world. In doing so, we must keep in mind the existing Soviet threat, particularly obvious today in the Mediterranean area of NATO, and stress that promotion of peaceful relations with the East cannot be a substitute for stronger ties with NATO allies.

Mr. HELSTOSKI. Mr. Speaker, today I am joining my colleagues in discussing the findings of the conference of the American Institute on Problems of European Unity on the concept of Atlantic Partnership, which was held between October 17–19, 1969, at Georgetown University.

One of the topics discussed at the conference was the economic meaning of Atlantic Partnership in the light of the emergence of EEC and the coming talks between EEC and Britain. The various panels came to different conclusions as to the future effect of EEC on American economic status in Europe. Some pointed out that the favorable trade balance of the United States has already declined from $4 billion to near equality. The chairman of the British panel, Prof. David Calleo from the School of Advanced International Studies at Johns Hopkins University argued, in turn, that the balance-of-payments factor was different as the disappearance of the trade surplus was more than equated by a massive return on direct American investment in EEC countries and Britain.

Some panelists feared that there is a declining interest on the part of U.S. firms and government in Western Europe after the rush of the early 1960's in view of new negotiations with Russia and the complicated involvement in Asia.

In regard to Great Britain with its persistently unfavorable trade balance the conference participants felt its accession to the EEC would render the solution of several questions, particularly the crucial question of a common currency for the EEC countries, much harder. Some thought that association rather than membership might be an easier way.

Considerable space was devoted by the American panel of Prof. Timothy W. Stanley, School of Advanced International Studies, Johns Hopkins University, to the question of the international monetary system, particularly by Dr. Ben T. Moore, because of the often recurring crises of major Western currencies. In this regard, many of the participants felt that though British accession to EEC might aggravate existing problems of currency planning, it would also serve as a healthy catalyst for devising plans and means for solving the underlying prolbems of liquidity on a level higher than the EEC.

The participants of the conference should be congratulated on the high-level consultative and research work they have done and I hope that our Government agencies will take a serious look on the findings of these scholars and research experts from four countries.

Mr. ADDABBO. Mr. Speaker, it gives me great pleasure to join my colleagues led by the distinguished gentleman from Illinois in discussing the concept of Atlantic Partnership in the light of the recent Georgetown University conference of the American Institute on Problems of European Unity on that subject.

The conference dealt with the issue from the point of view of the United States and our various European allies and an entire panel was devoted to the problems of the Mediterranean countries in connection with their views on partnership.

Members of the panel included, besides the well-known strategic expert, Dr. Alvin J. Cottrell, Center for Strategic and International Studies of Georgetown University, as chairman, outstanding regional experts on Greece, Spain, Turkey, and the Soviet naval threat in the Mediterranean.

The panel also discussed the relevance of the Arab-Israeli conflict in the Middle East upon the Mediterranean allies and the Soviet-American participation by proxy. It was pointed out that Soviet naval power, while not directly involved in the 1967 conflagration, has in the past, helped the Arab nations in their confrontations with Israel but even more paved the way for Soviet political and military infiltration into the area.

Several of the panel participants of both the Mediterranean and the U.S. panels felt that the United States was not sufficiently competitive with the Soviet Union as far as naval strategy in the Mediterranean had been concerned. Since 1945 there has been an increasing tendency on the part of the United States to neglect the Navy in favor of the Air Force. The only major development in recent years has been the nuclear-powered submarine, and there have been reductions in naval personnel and retirement of ships without a concommitant replacement. In the meantime, urged by her atavistic memory of having been deprived from warm seaports, Russia has built up a considerable fleet in the Mediterranean.

The panel felt that this strategic fact should not be neglected by us, especially as it has already increased neutralist proclivities in almost all Mediterranean countries, even in Spain and Turkey. We must remember that the Soviet Union has in the not so recent past proven its expansionist designs and its abhorrence of any freedom for the peoples under her control. Hungary in 1956, and Czechoslovakia in 1968, remain effective mementos that only power restrains Soviet expansionism and totalitarianism.

Mr. Speaker, the Mediterranean panel of the AIPEU conference on the Concept of Atlantic Partnership has prepared an outstanding report for which I commeno them and I commend it for study to my colleagues.

Mr. HALPERN. Mr. Speaker, it gives me great pleasure to join the distinguished gentleman from Illinois in discussing the concept of Atlantic Partnership in the light of the recent conference of the American Institute on Problems of European Unity especially since I have the honor of serving as one of the trustees of the same Institute from its birth.

Today we see two dissimilar trends. One is the modest momentum toward expanding and deepening the bonds between the nations of Western Europe, proven by the results of the Hague Conference of December 1–3, 1969, which, for the first time, achieved agreement between all EEC members to open negotiations with Britain and other states on their accession to the community. Despite the considerable difficulties which the common agricultural policy infuses into the question of further economic and political integration, Western Europe is proceeding on the path to unity, though the progress seems to be painfully slow at times. The second trend is a growing isolationist trend in this country and the realization that European integration must be implemented by the Europeans and that American pressure might well be counterproductive.

Yet, we have a great interest in a strong and united Europe which would serve as the other pillar of our free world alliance and which would help us in maintaining peace and progress in the world.

President Nixon expressed this idea during his trip to Europe, soon after his inauguration, and we must assume that our policies are still molded by his recognition of the paramount importance of a strong Europe in our search for a durable and equitable peace.

Under these circumstances, it is important that Europeans, too, recognize the necessity of a Europe which, while integrating its national part, continues to deepen its bonds not only with Britain and Ireland and the Scandinavian countries, but with the United States as well. A Europe which recognizes that geography and constitutional development might prevent them from applying the same measures aimed at achieving a confederation among one another to the United States, but which do not lessen the need for creating a partnership between the European states and the United States in many endeavors, political, economic and technological.

Therefore, it gives me a special pleasure under unanimous consent to insert into the RECORD the keynote speech of the conference of the AIPEU at Georgetown University between October 17–19, 1969, not only because of its highly positive and well-thought out contents, but also because of the particular significance of the person of the speaker, the Archduke Robert von Habsburg. The scion of this historically prominent family in European history is not only the carrier of centuries-old, multinational, European culture and tradition, but also a very successful international who knows, from daily practice, the need for Atlantic partnership and cooperation in the economic field, and who added to the success of the conference both by delivering the keynote speech and even by participating actively in the workings of the Panel on France and the Concept of Atlantic Partnership. Archduke Robert von Habsburg stresses also the need for common space contract and the lessening of technological gap between Europe and the United States and also applauds American capital ventures within the Common Market.

At this time, the executive director of the institute, Dr. Z. Michael Szaz, should be commended for having organized and implemented this conference. An old political and personal friend, Dr. Szaz has formerly taught at St. John's University in my congressional district, and afterward at Seton Hall University as an associate professor of political science. Now he devotes his full time to the work of the American Institute on Problems of European Unity which was his brainchild. He succeeded in securing the active cooperation of numerous well-known academic figures both as members of his research advisory council and as participants and contributors to his various research projects and conferences, though the institute is only 15 months old.

The members of his Research Advisory Board are as follows:

Prof. William G. Andrews, State University of New York (Brockport).

Prof. James D. Atkinson, Georgetown University.

Prof. Brutus Coste, Fairleigh Dickinson University.

Dr. Alvin J. Cottrell, Center for Strategic and International Studies, Georgetown University.

Prof. Michael Curtis, Rutgers University.

Prof. H. Barry Farrell, Northwestern University.

Prof. Carl J. Friedrich, Harvard University.

Prof. Louis Gerson, University of Connecticut.

Prof. Franz Gross, P.M.C. Colleges.

Walter F. Hahn, Institute for Defense Analyses.

Prof. Wolfram Hanrieder, University of California (Santa Barbara).

Prof. Jerzy Hauptmann, Park College.

Prof. Jan Karski, Georgetown University.

Prof. Edward A. Kolodziej, University of Virginia.

Prof. Stephan Possony, The Hoover Institution, Stanford University.

Prof. Vladimir Reisky de Dubnic, University of Virginia.

Prof. William H. Roberts, Catholic University of America.

Prof. George Stambuk, George Washington University.

Prof. O. Carlos Stoetzer, Fordham University.

Prof. D. A. Tomasic, Indiana University.

Prof. James H. Wolfe, University of Maryland.

The address referred to follows:

KEYNOTE ADDRESS

(By Archduke Robert von Habsburg)

It has been my habit for several years, after many months of hard work and a hectic life, to take my holidays in the southernmost part of Italy, in Calabria. It is a wonderful country, far away from what one calls civilization. There is neither telephone nor telex. The next post office is ten miles away. There are no traffic problems or noise on the dirt roads. The weather is always fine, although not too hot, contrary to what one might think. An ideal place to rest and think.

Again this year in July I was there. It was, as usual, a lovely evening, and the television screen offered us an uninterrupted twenty-four-hour space program, including the landing on the moon. We decided to install the television set on the terrace. About midnight, local time, on this famous night of the 20th and 21st of July, the village shepherd arrived and asked whether he could watch with us. This man looks after about 100 sheep which belong to various people in the village. He takes them grazing on the mountains during the day and guards them in a corral at night. He can neither read nor write, although he is capable of signing official papers, instead of making the traditional cross. At 4:00 A.M., just as the first light of the new day appeared on the horizon, we saw on the television screen Commander Neil Armstrong and Colonel Aldrin descend from the LEM to the moon's surface. The first man had landed safely on our satellite.

My shepherd friend shouted with joy, "L'abbiamo fatto!" (We made it!). I could not resist correcting him by saying, "Yes, the Americans made it." He lifted his hand in a gesture of indifference. What are the Americans in their vast majority but descendents of people who lived in Ireland, Great Britain, Scandinavia, Germany, Poland, Italy, etc.? They are indeed our brothers, our cousins living across the sea.

There you have the feeling of the ordinary man in Europe. Not only has he the idea of Europe as a single entity in his mind, but he is already considering that Europe and America are one body, one soul and one united force for the progress of humanity.

You can imagine that such a straightforward and realistic answer from a very simple man incited me to prod a little deeper into his philosophy of life.

I, therefore, asked him what he thought of our present time. And here, too, I had an answer worth recording: "My grandfather and my father who, like me, were shepherds, lived a quiet life, not much changed in their time compared with their ancestors'. But with me things have changed deeply; everything happens quicker; everybody knows something about everything," and he reached in his pocket and took out a transistor radio, tapping it as if it were proof of his saying. "I am too old, alas, to see the results, but my son will. He will no longer be a shepherd. He has learned to read and write. He is now in a technical school for electricity, and he helps to make these inventions, to create a totally different world. Good luck to these youngsters, and may God help them."

Yes, the new era has begun and has been highlighted by the conquering of outer space, the landing on the moon. We witness today a second great industrial revolution with many new inventions in the traditional fields of industry and the opening of completely new fields, like space and oceanic research. The mechanization, the tremendous speed of calculation through computers and the consequent acceleration of production have obviously changed and adapted all ideas, all concepts, all methods. The idea that teamwork will promote efficiency and produce profit is flourishing everywhere. Values have totally changed. While before, certain raw materials made the wealth of a country, today the most expensive commodity is men—technical men, commercial men, research men, administrative men.

The old law of the war, "ve victis," is a good example. The victor tries always to appropriate the most valuable properties of the vanquished. After World War I, the Allies seized the Ruhr to find the coal and iron they needed badly and which, at that time, were Germany's greatest wealth. After World War II, one even thought in terms of coal and iron, but the race was on for Penemunde and such places where the great brains, the great researchers, the technical teams of Germany were located. The great wealth of Germany was no longer material; it was the men, the brains, the technical knowhow which everyone sought.

When General de Gaulle decided upon and implemented his decolonization policy, one of his great achievements, it cannot be denied that an economic factor, apart from the political and human aspects of his plan, influenced his decision heavily. The benefit France could reap from the material richness of its colonies could not be compared, by any stretch of the imagination, to the cost of financing them and the loss of manpower to the homeland. The so-called "pieds noirs," that is, the Europeans in North Africa who came back to France after the war have proved to be a real shot in the arm of the French economy.

When Holland lost her fabulously rich colony of Indonesia, thousands and thousands of Dutchmen were repatriated, leaving all their belongings in Indonesia. Holland, contrary to all prophecies, has never been so rich and so prosperous as now.

Finally, take the famous "German economic miracle" of which so much has been said. It could never have been realized, had it not been for the influx of East Germans, Sudeten Germans and others who, ousted by the communists from their country, arrived with only their intelligence, their technical capacity in many fields and their uncrushable will to create a new and better existence for themselves.

This change in values has been made possible by the extraordinary inventions of our time. Among the most important, let us mention the new power supply, the invention of computers, and lately the beginning of the conquering of space. Industry will no longer depend only on natural resources, coal and water, and, therefore, to the places where these commodities can be found. Atomic power can be produced anywhere, a fact which will force the transport industry to reconsider its policies and organization. Better location of industry will lessen transport cost, influencing total cost and, therefore, prices. You have seen in your own country that there has been a migration of industry to the south which enjoys better climatic conditions, allowing reduction of overall charges. It obviously creates certain social questions which, in many countries, arouse uneasiness, doubts, fears and unhappiness among employees and workers, and will have to be solved here.

The computer world, one too complex for many, of whom I must humbly admit I am one, to understand, renders untold services. Here you can amass information which a human memory could never retain. You can exchange information gathered from all corners of the world. Further, the computers are now the essential instrument for all research. What used to take many mathematicians many weeks, nay months, to achieve, the computer does in a few seconds, delivering men from tedious work and reducing the risk of errors due to human fatigue or distraction. Without the computers men could never have conquered the moon. The computer, too, owing to its rapidity and exactitude, is now, and here I speak from personal knowledge, the indispensable instrument for modern management. Each day you can see how your business develops, how much stock you have, in which way best to organize your deliveries, where there are delays or faults, and much more essential information. Thus, fully aware, you work with realities, and your decisions can, therefore, be rapid and efficient. In this it is true that European management was significantly behind that in the U.S.A. We have had and always will have capable men. Let me just mention people like Abs in Germany, Weinstock in the United Kingdom, Angeli and Pesenti in Italy, Martin, Rivoud and Ricard in France, and the list is not exhaustive. But we came to computerizing management later than you did. It is indeed not fate that IBM developed first in the U.S.A.

The acceleration in production, information and travel is sometimes terrifying. Just imagine that between the invention of the telephone (1820) and its industrial production (1876), fifty-six years elapsed, while between the time the revolutionary idea of the transistor was conceived (1948) and it first appeared on the market (1953), only five years went by. When today, in the era of the supersonic airliner, Concorde, it takes 28 minutes to cross all of France (calculated according to the longest possible route), 18 minutes to cross Germany and 3 minutes 15 seconds to cross Austria, all limits, all frontiers just fade away.

Then there are the mass information methods, like television, which not only fly across frontiers like Concorde, but come to you as you sit quietly in your easy chair and watch and hear Commander Anderson and Colonel Aldrin some 300,000 miles away walking and talking happily on the moon's surface. There, too, technical progress has been phenomenal.

The tourist industry, unknown to ordinary people a few years ago, is now a multi-billion-dollar industry stretching around the world. People learn to know each other whether they live in the East, South, North or West of our earth. The barriers of distance, language and, let us admit it, mistrust are breaking down also.

All this is, nevertheless, just a beginning, and one can visualize wider horizons. A great problem for us was, and still is, the question of water. Consumption rises enormously, and some people have thought rightly that a real danger exists that, in the not-too-distant future, there will be a shortage of this essential commodity. Human intelligence has already been applied to the solution of this problem, and research has advanced so far that in years to come, one can expect that we shall be able to desalt sea water at moderate cost. The same applies to air and water pollution, a major health hazard which is now being scientifically tackled and will certainly be mastered. In the field of food, it is quite certain that we have not even begun to exploit the possibilities of ocean products or synthetic foods.

This second industrial revolution has already deeply affected not only the mentality of people but also their employment. These changes will have to be accelerated if we want to keep developing.

In France at the end of World War I, 40 percent of the active population earned their living from agriculture. By 1954, this percentage had dropped to 27 percent and the latest statistics (1967) show that only 17 percent of the active population was still working in agriculture. These changes can be compared with the U.S.A., where in 1954 11 percent of the active population could be found working in agriculture; this percentage had dropped to 5.5 percent by 1967.

On the other hand, it is also interesting to compare the active population in the other sectors: in French industry in 1954: 35 percent and in 1967: 40 percent; in the U.S.A. in 1954: 35 percent and in 1967: 34 percent.

The most startling comparison is, nevertheless, in the creative and service sectors, those which we in France call terciere: in France in 1954: 38 percent of the active population and in 1967: 41 percent, while in the U.S.A. in 1954: 54 percent and in 1967: 60.5 percent.

All these statistics show not only the great shift in employment realized in the last few years, but for Europe its backwardness as compared to the U.S.A. Here lies the real technical gap in all its horror.

In the service sector, 41 percent as against 60 percent shows we have not yet developed our research and administrative and commercial activities sufficiently, and again in the industrial sector, 40 percent as against 34 percent in the U.S.A. shows that we have not utilized automation enough and that we use too many people who now could be replaced by machines.

Farsighted Europeans think of the French Minister, Robert Schuman, known as the father of the Common Market. He realized that this tremendous technical development, this industrial explosion, outdated the old concept of a Europe divided into small national units and was definitely harmful to the smooth, coordinated development of that Continent. Robert Schuman saw the necessity for one large market of at least 200 million inhabitants. Capital, manpower, technical knowhow and goods could be moved freely, according to economic laws only. Alas, this great man, this courageous pioneer of a new and exalted idea of progress, had to fight against ignorance, vested interests, laziness, nay, even the lack of courage to face the facts hidden under the false name of traditionalism in economy and politics. Nearly every European country has a system of law and taxation, a currency, a political structure, habits of living and a language different from all the others. These terrible barriers must be overcome if Europe is to survive as an industrial power. First, a small group of dedicated persons got to work to spread the idea, to convince their fellow countrymen of the absolute necessity for changes. It led, as you know, first to the European Coal and Steel Community (E.C.S.C.) which came into being on August 10, 1952 in Luxembourg. A few years later, on the 26th of March in 1957, a handful of courageous political men signed the Treaty of Rome and the Common Market was born. A cold wind blew across the ranks of industry. Finished were the good old protective days with their customs barriers. When faced with the possibility of terrible losses or outright ruin, it is marvelous how fertile the human brain can become and what energy and courage can be deployed to adapt to the new situation. During these years, with their backs to the wall, industrial leaders initiated enormous changes in concepts and methods of industry and commerce. Modernization, profits and new products were the leitmotiv. This new spirit had to be applied in two directions—order in one's house and collaboration with other groups, national and foreign, so as to be competitive in all of the old markets now in the process of becoming one unique general market.

Looking back over the past ten years, one must admit enormous progress, far outreaching the narrow limits of the Common Market, in the public sector. Take the transport section where, under the dynamic and far-

sighted leadership of Louis Armand, now a Member of the French Academy, a perfect integration of all Western European nations has been realized without any publicity. This progress has not been only a matter of time tables; in the technical field also European standardization was introduced. The same can be said of the various airlines whose collaboration is very close and friendly, while leaving a spirit of competition so necessary to progress and so advantageous to the consumer.

Two other facts should be mentioned here which will show the progress of European integration. Sweden has changed its motor car driving system to righthand driving, as is the habit in all of the other continental European countries. And finally, even the United Kingdom, always slow to change its traditional way of life, has decided to introduce the decimal system current in all other industrial countries. But this is only a beginning! Very much remains to be done, e.g., the standardization of various tax systems, a first step toward which has already been taken with the tax *a la valeur ajoute*. There is a need for identical legal systems and, finally, for a common currency which had a sort of beginning with the Eurodollar. In the private sector in France, equally enormous changes have occurred which one can apply *mutando mutandis* to other European countries.

France was, and to a certain degree is still, a country of medium-sized industrial units. Not one of its industries could have ranked as an international enterprise. Today this has changed and will change more. One can now see Michelin, the greatest tire producer in Europe; the Francaise des Petroles among the petrol giants; the Europeenne de Brasseries, the biggest brewery in Continental Europe. All of this has been achieved by a legion of dedicated men conscious of the tremendous changes of our new era. The first thing was to *restructure* each industry separately; to abandon products which could no longer find a large market; to produce new lines, to diversify; to put the accent on research, efficiency, cost and investment. Many a casualty fell on the battlefield, and many more will follow because this battle will remain a constant feature of our European economy. The better-situated ones, the most energetic and farsighted, will emerge as the victors.

The second stage, if one can so express oneself, is *concentration*. The old principle, *viribus unitis*, proved itself once again. This was particularly remarkable in those sectors of industry which require a lot of manpower like food, textiles, chemicals and steel. In France in 1965, there were seven iron and steel concerns worth mentioning. Today there are three. In the textile group, plagued by several hundred small industries, two groups emerged from the crisis. Agach Willot in 1963 had a turnover of 100 million francs and today has reached 427 million francs, and Dollfuss Krieg pasesd from 66 million francs to 289 million francs. There were in France in 1952 780 breweries; today there are but 150 units. The Europeen de Brasseries, which I mentioned before, produced in 1961 one million hectoliters and is today at nearly seven million hectoliters. Thus, bigger and more competitive units are emerging, and again, this will remain a permanent feature of the economic life of each country.

The third stage was the *internationalization* of enterprises. Here one must speak of the intervention of American private capital in Europe which I, for one, contrary to some official or private fears, welcome. It has not always been rightly handled, but what human venture can boast perfection? It has sometimes created much ill-feeling because of different methods, frontal attacks against traditional habits and, let us admit it, a little bit of a holier-than-thou attitude but, and the but is extremely important, it brought to Europe new ideas, new methods, new ways and a competition against which one had to fight. As long, therefore, as it does not degenerate into monopolies, a danger that really exists because of the vast superiority in American industrial power and financial possibilities, it is a real contribution that the new world has brought to a somewhat stale and retrograde Europe.

The internationalization in the limited framework of Europe, and by Europe I mean again industrial Europe, not the Common Market alone, has begun. Thus, we had the Belgian Empain Group coming into the French Schneider Group, the Fiat-Citroen merger, the Hoechst-Roussel Uclaf collaboration and many others.

Maybe my own very small and humble experience can throw light on these developments. I was a partner in a family-owned private bank in Paris which we changed into a limited company. Our main shareholders, apart naturally from the French, are English, Swiss and Italian.

The great changes which I have tried to describe to you have not been obtained without what Churchill described in his famous speech as blood, sweat and tears. Just look at the appalling agony of the agricultural world, politically still too powerful not to be left alone to fight for its own renovation, economically too feeble to carry on with its existent structures.

It is quite certain that today progress toward a united Europe varies, whether you consider the industrial and economic sector, public opinion or the national political structure. Economic integration is by far the dynamic factor behind a united Europe. Public opinion is not far behind. Take, for instance, the idea, recently much discussed in France, of regionalization, in my mind the only way to get out of this overaged concept of the sanctity of national sovereignty at any price. Regionalization involves the creation of local capitals or economic poles of attraction, behind which are grouped hinterlands big enough to be economic units, small enough to be easily administered by local authorities aware of local interests and possibilities rather than by a distant, central, omnipotent authority. Now in the public discussions in France, great was my surprise to find many people who approved the extension of these regions beyond the actual national frontiers, or even more astounding, the giving up of territories which naturally and economically should belong to one of those poles of attraction situated in another country.

Today the political machine is the obstacle to development. Indeed, it has not been able to adapt its structure to the revolution and has, up to now, shown little desire to do so. Again, I take the example of France which I admit is the most dramatic one in the Common Market. You speak sometimes of "red tape." You cannot imagine to what perfection the administrative structure of the French State, created 200 years ago by Napoleon and never really modernized since that time, has brought this art. The permanent and irresponsible personnel of the administration interferes in every facet of the citizens' lives. The thought of the administration appears to be that the State is not the servant of the citizens, but that the citizens are raw material to be fed into a wonderful machine called the State which they are called upon to organize according to their own ideas. The former Minister of Education, and probably one of the ablest political figures in France, Mr. Edgar Faure, called it the technostructure against which even responsible ministers are often completely powerless.

The technostructure is composed of able men with brilliant minds who have never been asked to think in terms of the practical business of daily life. To them everything can be reduced to a simple problem which you solve on paper, regardless of human reaction, or cost and profits. We have to admit that, in our day, more and more matters must be discussed and decided upon by professional men. The politicians elected to Parliament are obviously not professional people in all fields; nevertheless, they are called upon to discuss, propose and decide in all fields. This is why Parliaments, as we know them now in Continental Europe, are more and more losing their grip on public life, and their debates are less and less favored with public interest.

Aware of this trend, General de Gaulle suggested reforming the Senate by opening it up to responsible professional people, trade union leaders, agricultural experts, members of chambers of commerce, outstanding business people, technicians, etc., so that the political parties in Parliament, so necessary to the democratic process, would be balanced by another chamber composed of real experts. But he was defeated.

The resistance of the political technostructure to reform led directly, in my opinion, to the events of May 1968. The rowdyism of the students who protested against the teaching system, with the help of professional agitators, showed the very profound uneasiness of youth in the face of the rigid, outdated attitude of the technostructure. It was a clumsy, thoughtless reaction against an archaic form which no longer corresponds to the needs of our time. Later, the referendum which General de Gaulle called on the question of the regions, linking it with his own political future, was lost, I am convinced, not because people were against the regions, but because the General, rightly or wrongly in their minds, incarnated the old regime which they no longer wanted.

The new President, Pompidou, and his Government understood the warning and spoke of the new society they want to create. Let us hope that they will really do something; otherwise, they will be cast out because the citizens have decided that a change must be made.

I hope that in this short and obviously incomplete expose of the development of European integration, you will have seen that I am a deep believer in the future of a United Europe. We needed perhaps to go through the endless negotiations, frustrations and ill feelings which finally gave birth first, to the E.C.S.C. and later to the European Economic Community and the European Free Trade Association, so as to awaken to reality, to throw away the shackles of nineteenth-century concepts while keeping the good we have inherited from our forefathers, and to play again our role in the world.

In my mind, all of these organizations which we have created are only stepping-stones to a true United Europe. It appears therefore, of minor importance whether the United Kingdom joins the Common Market now or later. The United Kingdom is an essential element of Europe. It cannot free itself of this historic and mainly geographical reality and, as we all know, Englishmen are by nature realists and, therefore, will face up, at the moment they choose, to join either the Common Market or the European Organization that will follow, and thus open the way definitively to a United Europe.

As United Europe is being born amid great travail, the question naturally asked by my shepherd friend immediately jumps to one's mind: "What about relations with our brothers who live across the sea?" It is quite obvious that the U.S.A. has, for the moment, an enormous head start compared to Europe—a single market of 200 million people, a modern political and administrative organization, a federal capital, a single currency, a single language, a system of law applicable to the 3.5 million square miles which form the largest and most powerful industrial concentration in the world.

But with the tremendous development of technical knowledge and industrial production, even that market might become too

small. Even the 80 million active people in the U.S.A. will not be enough to tackle the final technical and industrial problems in front of us. As you know, you cannot, with all your political might, impose a global policy aimed at a better organization of human life everywhere. You will have to make a political choice; you will have to decide who your true friends, your brothers, are. Your choice can, I think, only be your brothers across the sea, the Europeans, who are inspired by the same ideals as you and prepared to share with you work and responsibility for this new world.

Obviously, you could make what I would call a colonial policy. You could drain any other country of its greatest wealth, implant your industrial machines where manpower is cheap, and impose your world monopoly on certain sectors of industry. History teaches us that this is the wrong solution, and we still have, alas, such examples in our time. I, for one, therefore, discard this short-term view, this facile solution which, in the end, would turn against its authors. You can and will associate yourselves with us, just as we try to associate with each other in Europe, and form an even more powerful unit. Today such an association across the Atlantic Ocean might seem a daydream, but do not forget the idea of a common market, much less a United Europe, was a daydream thirty years ago. With the tremendous acceleration of things in our time, even such a daydream can come true sooner than we can now imagine.

An association, and we are giving ample proof of it in Europe at the moment, does not grow all of a sudden. It needs preparation and previous contacts and collaboration; then and then only can it grow harmoniously. I think, therefore, that the time has come when real collaboration between the U.S.A. and a growing Europe should be started on a practical basis. We have already an example which is not talked about enough and which is highly successful. It is the communications satellite network which began as a purely American adventure, but in which American shareholding is now a little over 50 percent. The United States is, admittedly with every show of reluctance, beginning to concede some say in planning and management to foreign member countries. The benefit to Europe is that most of the communications satellites are now being built in Europe to American specifications. A few days ago, the BASF bought an American chemical concern, not paying in dollars, as has been the custom until now, but by exchanging shares. This shows a real change of mind on both sides of the ocean.

There is no reason why the same should not happen in the conquest of space, a new field where there is room for everyone. When 20,000 contractors and 500,000 men are required to put three astronauts in the orbit of the moon, you will agree that it is totally immaterial to the planning of the project whether components are built in Europe or the U.S.A.

It was calculated by Professor Hermann Bondi, Head of Europe's International Space Research Organization, that Europe spends 1.5 cents a year per head on space compared to 54.5 cents a year per head for the Americans. Professor Bondi should have added that Europe gets, and rightly so, only 1.5 cents worth of space. In fact, the biggest European rocket under development is not even capable of launching the smallest American communications satellite. We are, therefore, wasting our money stupidly.

I have learned from my experience as a banker that what you cannot do profitably with your own organization, you have always to call in experts to do for you for a fee. Thus, you have a better result with less expense in the end. Expensive as a lawyer, fiscal expert, or specialized engineer may be, he can save you from making costly and useless errors.

To put the cosmonauts on the moon, the N.A.S.A. has spent $3.7 billion in a year. This represents 0.4 percent of the National gross product of America. If the European Economic Community were to do the same alone, it would cost roughly $1.8 billion, and the E.E.C. and E.F.T.A. together would represent $2.2 billion. If their efforts were combined, the N.A.S.A., today without any doubt the most efficient instrument in space development, could have a budget of over $5 billion and I need not say what we could achieve together. My fellow Europeans could object that this would represent for them a very important new fiscal charge. Let me answer them by saying that the sum thus collected would represent less than one-third of what they spend on smoking. It would also bring a number of space contracts to Europe, benefitting all parties and keeping them abreast of technical developments, while now they are powerless onlookers, wasting valuable money in an effort which has already proved to be a failure. It would, on the other hand, give N.A.S.A. the possibility of accelerating its research and create between the U.S.A. and Europe a practical link of friendship, of partnership in these totally new fields which, gentlemen, will not only be the playground for your and my children, but may be the beginning of yet another completely new era.

If we can realize, and I believe we must, such collaboration, we can tell our children that we have lived through the greatest transition period of the world—where the future was shaped by foresight and courage. We are leaving you a practical plan for collaboration between America and Europe in many fields. It is up to you to create now an even larger and permanent association.

Mr. FISH. Mr. Speaker, today several of my colleagues, ably led by the distinguished gentleman from Illinois are discussing the concept of Atlantic Partnership.

As a man deeply interested in the promotion of French-American relations for years, it gives me a special pleasure to see a distinguished group of scholars and research experts meet and try to devise meaningful reports and practical solutions to the problems which face us and will face us in the next 5 years with regard to cooperation with Western Europe and integration of the Western European nations among one another.

The conference of the new academic group, American Institute on Problems of European Unity, consisting of a distinguished research advisory board of some 21 professors in the United States, was of particular interest to all of us interested in American-European relations, as it included several distinguished visitors from the other side of the Atlantic, particularly France. The French panel, for example, was composed of the world-renowned authority on strategy and NATO, the director of the French Strategical Institute, General of the Armies, André Beaufre who brought not only practical experience as a general, but also theoretical experience as the author of five books on strategy to the conference. Another participant was the former graduate of the Institut des Hautes Etudes de Défense Nationale, Dr. Henry Barbier who is now the head of the section in the French Premier's office coordinating French policy toward the EEC and OECD. Another very distinguished French member of the panel was the famous international banker and scion of one of the most European royal families, Archduke Robert von Habsburg. The American side was also very scholarly, Professors Daniel Lerner, MIT, Nicholas Wahl, Princeton University and the chairman William G. Andrews were particularly noted in the academic world for their many publications on France as were the other participants as well.

Mr. Speaker, in view of the excellent quality of the report of the French panel at this conference, I am placing the report of the panel into the RECORD:

AMERICAN INSTITUTE ON PROBLEMS OF EUROPEAN UNITY

CONFERENCE ON THE CONCEPTS OF ATLANTIC PARTNERSHIP

*French panel chairman's report*

Panel Members: Professor William G. Andrews, State University College of New York at Brockport; Dr. Henri Barbier, *Institut des Hautes Etudes de Défense Nationale;* General of the Armies André Beaufre, Paris, France; Professor Martin Heissler, University of Maryland; Archduke Robert von Habsburg, Paris, France; Professor Edward A. Kolodziej, University of Virginia; Professor Daniel Lerner, Massachusetts Institute of Technology; Professor George Stambuk, George Washington University, Naval War College Center; and Professor Nicholas A. Wahl, Princeton University.

*The first session: foreign policy in the De Gaulle period*

The session analyzed the various facets of the policies of President De Gaulle. There was agreement on the basic elements of the policy as stated by one of the French participants but disagreement as to the extent and correctness of American reaction to the same.

De Gaulle's main idea was to unite Europe by regrouping Western and Central Europe and thereby reconciling East and West, including Russia. Therefore, he had to move away from the United States and NATO. He refused the principle of integrated Europe because it would have interferred with the grouping of European state. It was necessary to build consensus throughout Europe which would require a long time. The French President was "European" in his own way. His considerations were influenced by the central European problem: Germany. A united Germany would be, in his opinion, too dangerous unless it emerges in the context of a united Europe. He wanted a Viennese solution to Europe and a Versailles solution to German unification. The Europe in question had to be "from the Atlantic to the Urals with Russia losing its Asian territories in order to contain growing German strength. His policy had some results, direct and indirect (liberalization in Czechoslovakia, more independent policies by Bucarest). But the events of 1968 proved that the Soviet Union would not allow the East European countries to liberalize themselves. This led the President to switch his policies and to seek rapproachment with the United States expressed during the visit of President Nixon last winter. In order not to lose his gains in Eastern Europe, he was moving slowly. In any case, the basic change in French policy occurred before the resignation of President De Gaulle.

Some participants pointed out that the basic goals of the policy were never achieved as Franco-German relations worsened, the force de frapp was a very limited and partial success, United States role in Europe was not reduced significantly and while Britain was kept out of EEC French domination was resented by the five partners and they are still in favor of including Britain.

Some of the restraining forces like the differing policies of French businessmen and the ambiguity of the concept of an elitist Versailles model for Europe in which France leads and the egalitarian concept of a Europe of the future ranging between the Urals

and the Atlantic were pointed out by other panel members. One member also raised the qustion how De Gaulle wanted to accomplish control over Germany in a Europe of states which would cooperate only loosely. While the Germans were interested in a West-European integration they would be unwilling to be controlled by a conglomeration of all European states. Another member pointed out that the concepts of President De Gaulle were shared by many opposition politicians, including Defferre whose ideas differed only in personal style and language and that the President was not opposed to large power hegemony and responsibility in various regions of the world as a principle.

It was also pointed out that President De Gaulle's policies were consistently guided by a set of psychological principles, to wit:

1. The most important social category above the family is the nation.

2. Culture can determine politics and French culture has a superior position in the hierarchy of world cultures.

3. Illusion can be transformed into reality by adept leadership.

4. Contingency is the basis of strategy.

5. Balance of power still rules international relations.

There was considerable discussion on the aims of the President in his famous proposal for a Three Power Directorate in NATO in 1958. One of the French members asserted that as late as 1960 the President accepted the big-power concept for Europe but was blocked by the Americans. He wanted to use the Congress of Vienna concept of international control on a global level. When he was convinced that this approach would not work he had decided to leave NATO as a means of pressure on the U.S. De Gaulle is a strategist, always trying new ways to the same end. That is why he has been so unpredictable in his means. The 1958 memorandum was left intentionally vague, insisting only on consultation on nuclear matters and on global strategy. There was strong feeling among panel members that the President was using European integration as a means of recovering a world leadership position for France. It was argued both that acceptance of the 1958 memorandum by the United States and Britain would have gone far in maintaining Western cohesion and that acceptance would not have made a substantial difference to French foreign policy and at some point of global strategy a serious disagreement would have occurred disrupting Western cohesion anyway.

Several panel members referred to Western opinion that France was terribly unreliable and pointed to the EDC debacle. The question was also raised, if the U.S. and Britain would have accepted the French claim what would have prevented the Germans and the Italians from asking to be included in an expanded directorate. There was discussion on the reasons for the defeat of EDC and it was argued that they were political rather than technical. One of the French members argued that the military organization of EDC was completely inadequate and carried the unification of the armies too far with respect to uniforms, discipline, etc. while other aspects, such as money, logistics and procurement were not unified at all. By instinct, French public opinion refused this tremendous technical mistake. In turn, several members pointed out that the defeat of EDC was a result of the opposition to it both by those who did not want German rearmament in France and those who feared that it would destroy the French army.

There was discussion on President Kennedy's "two-pillars" concept in NATO. One of the French members pointed out that under the terms nuclear sharing would have begun after European integration had been implemented and that De Gaulle considered impossible to realize in time. The "two pillars" approach should have been implemented already before the realization of West European unity. There are two ways of approaching European integration. One is the economic route which has merit but also slow speed and inherent difficulties. De Gaulle preferred the second, particularly strategic way which would have concentrated the strategic power of European powers. He was refused by the U.S., mostly because of the American position that the only proper form for concentration was NATO. But in fact, NATO is set up in such a way as to be a screen between European security problems and the European states.

Finally, the question was raised whether De Gaulle expected his 1958 Memorandum to succeed in Washington. One of the French members confirmed that he expected success and was shocked by President Eisenhower's answer which other panel members considered as a cautious feeler for further negotiations.

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Two panel members who arrived late for the session agreed that De Gaulle should be taken at his word when he says that national dynamics and the pursuit of rank and standing for the French nation have always been the major dynamics of his actions. One of them emphasized that the French President had no universalistic program for the West, or even for Europe, although he often dressed his French purposes into more universalistic terms. The second member added that De Gaulle was reared and educated during the heydays of nationalism in Europe and accepted the ideals of his youth. De Gaulle is both a great historian and a man with a vision for the future, but perhaps he was not the man of the moment. His vision of Europe to the Urals is certainly a far-sighted view which very few people had the courage to express. In his view De Gaulle had overcome his ultranationalist views and acquired a wide vision rendering even the Common Market too small for him. Naturally, he thought, however, that France should have the place to which it was entitled by its culture, economic power and intellectual capacity in it, and fought for the realization of this aim.

*Second session: France under President Pompidou*

There was a short discussion on French nationalism and DeGaulle. It was pointed out that there is a distinction between lower middleclass, activist nationalism and a belief in a specific national interest that is above all other interests such as class, professional, or ideological, but was stressed that even the Gaullists were not very successful in mobilizing French nationalism among the people. It was noted that De Gaulle's nationalism may have been an attempt to restore a situation that has already passed and that we are already in the post-nation state phase. Britain and Germany have also moved away from nationalism in the old sense. These developments favor European integration, but not an Atlantic integration, as the United States is still in the full nation state phase.

On the future of French foreign policy more flexibility was generally agreed as the likely course. All the collaborators of the President, including President Pompidou were shocked by the events of 1968 at home and abroad and will be more adaptable. It was emphasized that what is changing is more the style than the substance and that already DeGaulle began the change in policies. In order to follow him, his successors do not have to ask: "What was his policy," but "which of his policies would he have adopted under these circumstances?" One of the French panel members pointed out that because of the apparent failure of French policy toward the East, the weakening of French international economic position and even for psychological reasons, French policy is turning toward the United States. But because the French raised certain hopes in the Soviet satellites, they cannot switch too visibly toward the Americans. Another limit on change is the former French policy of urging Germany toward rapprochement with the East. We do not know what the German SPD Government will do but our concern for good relations with Germany certainly limits our freedom of action, he ended.

Some members thought that President Pompidou by calling happiness more important than grandeur in his Corsica speech would mean emphasis on domestic issues and retrenchment in foreign affairs. It was argued that people will no longer accept illusion for reality and that French policy toward Germany has failed and the Germans feel closer to the United States and even to Great Britain than to France. Under these circumstances, continued exclusion of Great Britain from EEC makes little sense as does obstructionism in NATO and the maintenance of the force de frappe. Several members dissented, stating that the French nuclear force would be kept as the political costs of liquidation would exceed the advantages and even economically there are good "fallout" effects of the nuclear force. Others cited the British example of the Blue Streak, though one member thought that by relegating the development of new weapons for the nuclear force Britain did not succeed in retaining the image of a viable nuclear force, but had to carry much of the costs anyway. Another member argued, however, that the French Government could claim that the force de frappe had reached such a point in its development that it no longer required the large expenditures of the past, and, therefore, more money could be transferred elsewhere.

One of the French panelists emphasized, however, that France shall not give up the nuclear force, because Debré is the defense minister, and he would consider abandonment as a betrayal of Gaullism. He would personally change the emphasis of the French nuclear force, putting more, more money into R&D and less into hardware which becomes very quickly obsolete. It must be remembered that France only spends 4.6 per cent of its national income for defense which is almost the minimum for a normal nation. Another of the French panelists emphasized that France's policy toward the East is stable, but its policies toward Europe are open. In regard to the coming conference of the Heads of States of the EEC members, he asked what do the French with a bad monetary policy and economic development have to offer? Yet, the Government has tried to give the nation and the other nations of the EEC a clear idea of the society it wants to create, with a greater emphasis on economic and technological development. France needs time to make these changes and hopes that the other EEC partners will not exploit the changes in the equilibrium resulting from the 1968 disturbances.

There was general agreement on the priority of domestic policy concerns by the Pompidou regime, a shift of the focus from "high politics" to "low politics." One member pointed out that the new regime has to pay for the neglect of social and economic problems of the De Gaulle regime and will not enjoy even the illusory blanket support of the people like De Gaulle did. In analyzing French policy we must now concentrate on the popular reaction to events rather than to government initiatives like during the past eleven years. It was argued by another member, however, that foreign policy is not a domain that excites the French and that De Gaulle's statement that the baggage train will follow, has some truth. Two factors are clear. One is that domestic policies will have greater priority and that Britain will join the Common Market, but perhaps not very fast. French businessmen and politicians, educated by De Gaulle, now consider Britain as the only competitor for leadership in Europe. It is feared by some

of them that Britain is very nationalist and would revive the imperialist will in a European, rather than global garb. This feeling will slow down the process of British entry until France recovers an economic equilibrium in its development plans. It was argued, however, that consolidation of German and French companies could eliminate any danger of British economic take-over, and that the real challenge comes from the United States and not Great Britain economically.

It was argued also that French concessions would not automatically clear the way for British entry into EEC and though President Pompidou no longer believes in the political necessity of excluding Britain, other members of the EEC might raise new obstacles. It was noted that only the Dutch were the enthusiastic protagonists of British entry while the Germans, Italians and Belgians were happy to see the French get the blame in the U.S. and Britain for rejection, but did not regret the decision of De Gaulle. There is also the question whether Britain would take a pro-European position upon entry into EEC. The French have been the major, but not the only problem.

Discussion now centered on the economic and political contingencies of British entry into EEC. It was noted that in sixteen months of negotiations in 1962 most of the economic technicalities of British accession to the Common Market were cleared up, though the political problems remained. One of the members tried to summarize the changes wrought by the new Pompidou regime as changes in the context in which French foreign policy is now made and referred to the conclusions reached during the first session about the 1968 events and the 1969 events like the American moon-landing and the beginning of American withdrawal from Viet Nam. He emphasized that the new President peasant and teaching background contrasts with the historian, military and nationalist background of de Gaulle. Already in his first press conference, he stressed domestic issues and he omitted foreign affairs from his second one. Also importantly, personnel changes were made on the top level of foreign policy making machinery. He mentioned the replacement of Debré by Schuman, the entry into the government of René Pléven, Jacques Duhamel and Joseph Fontant and added that even men like Valéry Giscard d'Estaing seem like Gaullists with a bad conscience who could easily shift to different foreign policies. He ended by stating that the departure of Debré and Couve de Murville from foreign policy posts and their replacement with Atlanticists and Europeans suggests a dramatic change in emphasis. However, a more cautionary view was expressed by others and the specifics of Foreign policy toward the United States and Europe were analyzed.

It was pointed out that while Europe is now an almost entirely economic organization (EEC) NATO, in turn, is almost completely military, so that the European vs. Atlantic approach does not only involve different composition of members, but also different approaches. One of the French panel members pointed out that there is a substantive difference between European unification and Atlanticism. European integration is one of internal balance, whether or not Britain is included and will ultimately be realized through various stages. Relationship between the United States and Europe can only be association or partnership as an integrative approach is impossible both because the United States is still in the fully nationalistic stage and because there can be no question of European matters to be decided by an American-dominated federation. The Americans would refuse federation even more than Europeans. He also agreed that the French cabinet changes mean that France is going toward Europe. While integration is an end that is to be reached ultimately, for the present, especially if Central Europe be included, cooperation must take place on a government-to-government level. This would enable the inclusion of such diverse states as Portugal and Yugoslavia.

Another French panel member stressed, however, that in the EEC we are at the limits of effectiveness of governmental meetings of which there are many and that a center of decision in Europe must be established in some form. Here British willingness to co-create such a center and assume heavy financial burdens are the proof of the pudding. There must be a structural improvement of decision-making mechanisms. One of the French participants underlined that true integration would entail the decay of certain regions and industries and the growth of others and its impact would have to be major for the domestic policies of these countries and that if there is a transition from governmental to federative level compensations must be made for the abandonment of veto rights of the national governments. Another French participant noted, however, that further integration is not limited by a lack of will but of management and time. Therefore, new structures are important for economic cooperation and policy coordination. The Council has not developed sufficiently. We are two to three years behind in developing machinery for economic policy coordination. This creates difficulties in agricultural policy, for if we do not have a common relationship between European currencies we cannot maintain a common agricultural policy. On certain questions, the Council has provided the structure, price committees, etc. and from time to time, these committees reported to the Council, but the Council does not make these decisions. A special board does. He thinks that the Council should only make political decision and surrender economic decisions to some committee or commission. This could also be done in the field of technical research. Political decisions, such as relations with associated nations, etc., are different including even the importation of Greek and Turkish tobacco because of their political effect on those countries.

The effect of British entry would complicate matters some, but it must be remembered that the structuring phase spelled out in the Treaty of Rome has come to an end. We know that we must do something, but the answers are not written into the Treaty any more like in the case of dismantling protectionist agencies and legislation. If the British and the Scandinavians have ideas, we would welcome them. A third French panel member pointed out, however, that the British are willing to come into Europe commercially, but not at this point, industrially. They have many problems of regrouping their own companies and even large units like ICI have no interest of coming to the Continent, except on a small scale. It was noted in this context that the former protagonist of British entry in Holland, Foreign Minister Luns failed to include the issue in any of his speech since the fall of De Gaulle.

The next discussion topic involved the evolution of the EEC Commission in Brussels and the Pompidou Government. It was noted that personnel changes in the EEC Commission are in the direction of greater economic and political integration. A cautionary note was sounded by one of the French panel members that the careers of civil servants depend upon their broad fidelity to their governments' policies, and that they do not make careers in international organizations. Also, they must do what they are told by their governments even if they do not agree. It was agreed upon, however, that modern administrators favor governments with open policies and a vision. Part of the modernization of the French civil service has led to changes in its behavior and facilitates "Europeanization" of the civil service corps in Brussels.

The question of industrial cooperation, not only between Britain and Europe but also the United States and Europe and within EEC was discussed next. While some members argued that European firms are reluctant to cooperate with one another and integration has proceeded much further in the public than in the private sector, one of the French participants pointed to the fact that integration has really started only a year ago. The Bull question was solved by General Electric but only after long discussions with other European companies had failed as Bull's financial situation was catastrophic. A change has been occurring, not because of anything specific in the Common Market agreements but because the companies in each country have regrouped themselves and now are looking for international opportunities to regroup further. The Fiat-Citroën case is a good example. This years results of Citroën are quite fantastic. Also, a lot of integration has taken place in the ranks of small and medium industries which are not reported in headlines. It was argued further that French policy now is more kind toward American capital flowing into France as long as the danger of monopoly does not arise as has been the case in electronics and that most European mergers are thought out clearly and are not resulting from impending bankruptcy danger. Another French panel member pointed out that some restrictions on American capital must remain, for while in regard to management and the rational distribution of capital activity American companies should have the right to act as they do, in a small sector of the economy their actions might have consequences of great regional social importance like uneven development, unemployment, etc. which must be absorbed by national governments. A more even involvement of American capital and offers of cooperation by the national government could bring about a better compromise. It was argued that such a compromise would presuppose the existence of better central planning in the EEC, or at least an understanding among European enterprises. One of the French panelists pointed out that as companies amalgamate pressure develops on the governments to integrate other than of their economies. Unfortunately, the differences in the tax systems make mergers very difficult. Techniques of takeover bids are still obsolete. Only in 1968 was the first such bid attempted in France, now there are two more in progress.

In this respect it was argued that takeover bids of sophisticated character do not yet mean much to the average European company which is family-owned and finds it hard to cede control even nationally, much less internationally. It was also asked why more has not been done to adapt corporate law in France to conditions of international integration. One of the French panelists answered that French corporation law was revised last year and all companies must conform to it by November 1969. The authors intended it to be a model code and it combines the best elements of French, Belgian, and German law. It is hoped that it could be adopted by all EEC countries. Its best feature is the increased responsibility it imposes on the boards of directors so that decision making is more focused. Also, it calls for a control board in addition to the board of directors and has strict provisions.

*The third session: the French economy and EEC*

One of the French panelists gave a detailed analysis of the events of May 1968 and their effect upon French economy, including agriculture. During the riots, the cities were blocked, but life went on without major dis-

turbances in the country, especially since in the countryside gasoline was available. Transportation stopped completely for railroads and ships but trucking continued normally. Air transport was about half normal, but trucking was unaffected. 96 million working hours were lost during the strike and its psychological impact was tremendous.

The extent of recovery since May 1968 is very difficult to assess, but probably 75 per cent of the loss has been recovered either by extra hours, or increased productivity. However, some sectors, like steel, mining and automobiles have not caught up by 75 per cent, while the more active sectors recovered almost fully. Using an index of 100 for production in 1965, we reached 120 by May 1968 and dropped to 84 by the end of the strikes. In July we have recovered to 122 and today we are roughly 132.

Great harm occurred in relation to foreign exchange. Foreign capital that was free left the country and lot of French capital also disappeared through devious ways. The abolition of exchange controls by the government proved to be a mistake which had to be restored a few weeks later after the exodus of the money reached immense proportions. Precise figures are difficult to furnish, except in the field of exports and imports. The corresponding figure for foreign trade volume for August was 82 and it has not improved much since, resulting in a heavy drain on our foreign exchange reserves. Moreover, the index continued to decline and the Pompidou Government had only two options: to adopt sweeping deflationary measures, or to devalue. It chose devaluation which was the wiser course.

The choice of dates and the maintenance of secrecy were marvelous. Very few people are around in August and only seven people in the government knew that devaluation was coming. They chose 12½ per cent because there existed a gentleman's agreement with EEC countries that under 13 per cent none of the others would follow in devaluating its own currency. The figure was also chosen in order to give Great Britain a margin of 2 per cent as her devaluation was 15 per cent. The 12½ per cent may have been a little short of what was needed, but the government had no choice. Public reaction was fairly good, after all any French citizen of 55 years of age has already experienced 13 devaluations of the franc. Whereas, the Germans always go back to zero, the French have done in small steps.

After the devaluation, however, the government made two psychological mistakes. First, the accompanying laws and decrees were not published until September 3, or for four weeks. People got nervous in the meantime and moved their capital out. Second, Finance Minister Giscard d'Estaing emphasized the positive too much on September 3. In addition, the UNR deputy M. Souchal attacked the speculators and asked for the creation of a commission to consider whether capital exports were legitimate or speculative and the government failed to react. The following week, the balance sheet showed that the returned capital had retreated abroad again. The French panelist believed that devaluation still be a success, in part because of the D-Mark which helps France very much.

The present budget is very strict, credit limits are controlled very closely, but the budget runs only until mid-1970. By that date the government hopes to have the inflation well in hand. Prices have gone up but not more than two per cent. Wages will rise and stopping their rise remains the most important problem for the government. They already rose about 30 per cent after the Grenelle accords. The SMIG and the SMAG affecting only the lowest wages can rise quietly but all other wages must be held. The argument that the price rise between May 1968 and the devaluation wiped out the wage increase is exaggerated. In fact, average wages rose between 15 and 20 per cent, while prices rose by eight per cent.

Production rose in 1968 four per cent despite the troubles and will again rise nine per cent over 1968, though industrial production is slowing down. Unemployment is stable and more jobs exists that they can be filled. On the whole, the economic picture is satisfactory. Economists are, however, divided on the long-range effects of the devaluation. The effects of the changes in the monetary system must remain to be seen. Once our exchange reserves had been reduced to a minimum we could defend our policy which is the reason for Giscard d'Estaing's acceptance of the decisions of the world monetary conference of last week in Washington. France does not see any positive benefits from the changes but it has so many debts that it cannot do anything about it. Only Italy among the EEC countries will benefit.

So far as the 1968 crisis is concerned it helped French attitudes toward European integration by evoking doubts in people's minds as to whether France can make it alone. In France, he argued regionalization is the only way to get away from the national supremacy principle which is the great barrier to integration. The referendum spoke of 21 regions, but eight to nine would be a better number. Regionalism is not dead because of the defeat of the referendum. One American panelists objected that even the referendum only called for formal and not substantive changes. The French panelist argued that the referendum had a provision that the regionalization measures may be changed later.

The relationship between demands for certain social and educational expenditures and the present austerity budget was the next subject. The French panelist pointed out that educational budgets were increased and reforms began at least on the primary and secondary school levels. Public works budgets, however, were cut. The road system will be built by private enterprises. As to the extant economic controls, people will probably accept them, except for the restriction of holidays abroad. The restriction placed upon small and medium enterprises were hard, led to demonstrations and the government had to give guarantees. The task of improving the export-import balance is more difficult and will require years to accomplish.

One of the American panelist raised the question: is not France losing some of the profit it has obtained from the agricultural system of the EEC by the suspension of the provisions of the EEC for common agricultural market, especially since the economic rationale of the EEC was that German profits in the industrial market would be offset by French gains in the agricultural sector?

Another French panelist pointed out that EEC has two years for adjusting agricultural prices by its member countries to a common level. If the Germans adopt parity and stick to the European system of fixed prices for the EEC in agriculture, we could afford to grant them a delay to adapt their price level to the European level. There is the problem, however whether the market should be allowed to set the prices, or shall they be regulated by production controls, investments, etc.? When the common agricultural market was established the European prices were fixed too high in order to protect Bavarian income levels. There exist, however, structural problems, including the problem of surplus. We must adopt some forms of management bearing more directly on production, investment and crop capacity. This may be an element of flexibility in negotiations with Britain and the Scandinavian countries. Perhaps they should find more flexible ways to adapt their agriculture to that of the Six. In advising the Council of Ministers, the EEC Commission strongly emphasized the necessity to maintain the fundamental lines of EEC agriculture.

One of the French panelists mentioned that a feeling of uneasiness persists in the French public because of the changing governmental approach to the difficulties. It is felt that the 1968 crisis was survived very well and there is not much understanding for new changes.

One of his French colleagues agreed that uneasiness is a result of mixing different policies. Restriction of credit leading to limited deflation would have no positive results because no similar demand exists in other major countries and deflation could have serious social consequences for France. Thus, a delicate period will exist for 18 more months until an equilibrium can be reached and the massive credits acquired which is needed to revitalize certain economic sectors. One American panelist questioned whether there is enough time before unbearable tension will recur between demands for such major sources of capital investment as housing and the present policy of currency stabilization. In answer, it was stated that the question hinges on the French public's confidence in the money and another French analyst added that the French are divided in their willingness to believe that the government can maintain stability.

One American panel member sees the danger of poujadism reviving. Gaullism has always had an ambiguity which has been both a strength and a weakness. In economic policy, the vagueness had become recently more apparent beginning with President Pompidou's statement that he wants to transform France into a Sweden with sun. Yet it is clear that Gaullist deputies are conservatives. Such ambiguity worked as long as the General was orchestrating all this with his magic baton, but can his successors keep this synthetic image effective? The government is surely not left-wing and must assure its base among the business class. But its continued ambivalence might cost him its natural supporters. It already lost the small businessman and some of the big businessmen always hoped for the revival of a Centrist force, because the Centrists are less ambivalent on these matters. Another panelist added that this is not a new phenomenon, already at the time of the referendum De Gaulle's support among businessmen fell from 63 per cent to 47 per cent. Another American panelist considered Giscard d'Estaing's policy correct, it is good policy to build the things that had to be built. Some of the French panelists complained about rising tax rates, one pointing out that his taxes have trebled under the Gaullist regime, while another stressed that 38 per cent of French national income goes for taxes, And called for a cutback of government subsidies to enterprises as the economy is modernized.

The French panelist also called for more flexibility and pointed to the housing issue. One of the American panelists pointed out that according to his information the French building code is so complicated that the main job of running a housing construction company is legal work. Is a reform of the building code with a few simplifications in the work? The answer was given that efforts were made but with no avail due to opposition from the building trades and the civil servants. Rather than encouraging building trades reform, developing of modular housing is stressed. It was also asked how the Pompidou regime will select its priorities in housing and educational reform endeavors. Will it again believe as De Gaulle did that these matters take care of themselves, or will a conscious policy aimed at a new Sweden be followed? One of the French panelists considers the issue not a technical, but a

political one. Does France have the means, the freedom of maneuvering with available resources? Some American members believed that concretization of demands and finding means for solving them can overcome the impasse. It was stressed by French panelists that this would only be necessary in a static economy and that French economy continues to expand. A list of industries were mentioned like chemicals, champagne, machinery, machine tools, textiles and even steel.

One American panelist asked about the effect of economic progress or stagnation upon French attitude toward admission of Britain into EEC. The French panelists thought that it depended whether the sector was dying, or expanding. Expanding sectors would generally welcome Britain. It was noted that in the field of commercial credit EEC is not very protective. The protective level is only six to eight per cent, so that the U.K. and the Scandinavian countries are already competing on the French market. As members of the decision-making organs of the EEC, however, they would also have an impact upon structural and long-term policies. The present Common Market and an expanded Common Market may not have the same response to these questions. This is important as France feels that good economic management requires strong policies for structure, investment, research, etc. One of the American panelists took issue with the view that expanding economic sectors in France would welcome Britain pointing out that the history of French industry has been one of resistance to changes more than in neighboring European countries.

The next topic discussed was what could the United States do in helping international economic cooperation with Europe. One of the French panelists called for European participation in NASA contracts also to receive valuable knowhow in the research field. Television was mentioned as a second line of cooperation where the French system is technically better. One American panelist added that revision of certain safety regulation on cars would also help.

It was generally conceded that a slow withdrawal of American interest from Western Europe is evident and that it might arouse fears of complete withdrawal and protectionist economic policies. American brokers have left Europe and the money market seems to provide clients for them only in London.

One of the French panelists did not see a real danger in this development. A Europe too closely protected by the United States is not a safe and sane situation. Europe must be taken care of by Europeans who were prevented from doing so until now by American presence. European decisions were taken not in consideration of European interests but in response to American requests in order to retain American protection for Europe. Western defense should be based on two pillars, one American and one European. The Americans can help building the European pillar. Each of the European countries has its own position on European defense. The European pillar cannot be built by encouraging opposition to a European system of defense, as Americans have done in the past. The mistake has been in not confronting the Europeans with their problems. In December 1968 there was a lot of talk about a "European Caucus," nobody knew what it was. The Europeans need to look at the problem of European security. This is what the Russians want with their proposed pan-European conference, but that would be too soon. We need some Western consultation which we have not yet begun. By insisting that only NATO should negotiate the United States is following the old pattern.

The danger in Europe is not a mass invasion of the West by the Russians as NATO had envisaged, but the mushrooming of incidents stemming from the unbalanced situation in Central Europe. This needs completely different arrangements dealing more with the pre-war than war situation. Even the "flexible strategy" response was to function after D-Day. But we must avoid D-Day and must, therefore, have precautions and arrangements. NATO has just begun to study the problem but if the governments will discuss the issue in these terms there will be much less disagreement and a solution will emerge. Economics may be one way toward European integration, but the strategic road may be simpler and quicker as the need and the issue are more compelling and simpler. American panelists generally agreed with the approach but pointed out that France and Germany cannot think of it in terms of expenditures for the necessary military hardware and the need for some American presence. The French panelist agreed but again stressed the need for a common security policy as none exists among the European governments today.



## AGAINST THE WAR IN VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 60 minutes.

(Mr. KOCH asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am pleased to associate myself with those Members who are conducting special orders each week here in the House on the Vietnam war.

When I ran for Congress, I stated to my constituency that for me the major and overriding issue in that campaign, as in the country, was the war in Vietnam and how to terminate our involvement. Here we are 11 months later not much further along in terms of achieving that goal. Indeed, it would appear that the President and the Secretary of Defense who had taken some halting steps in the direction of ending our participation in this internecine conflict have now turned the clock back and suggest the possibility of escalating the war with Defense Secretary Melvin R. Laird telling the House Appropriations Subcommittee in secret testimony now released that President Nixon's policy in Vietnam "could lead the way to a military victory." It even appears that were the President's announced policy of Vietnamization of the war to proceed, that many years would pass before even our combat forces were totally relieved of battle and our noncombatant armed support forces would continue to remain on in South Vietnam without any time limitation.

President Nixon came to the office unencumbered in terms of commitment to continuing the U.S. involvement in the war. He had a golden opportunity to free us of that burden which regrettably he has not taken. Every day, our Armed Forces suffer deaths and casualties and these deaths and casualties must be on the consciences of each and every one of us, especially those of us in public office who can end the war and who fail to do so. The President can do it by directing the immediate withdrawal of our troops. The Congress, however, also has a responsibility which it cannot avoid. It is this Congress which votes the funds required to carry on that war in Vietnam. If the President refuses to terminate the war, this Congress, by refusing to provide the funds needed to carry on that war, can just as effectively terminate it as the President.

Since coming to Congress, I have tried my best to make known my opposition to the war and its continuation by statements, the introduction of resolutions, my own as well as cosponsoring others, and votes. I would at this time, Mr. Speaker, like to set forth in the RECORD a very timely column by James Reston of the New York Times and an editorial both of which appeared in today's edition of that newspaper on the Vietnam war:

[From the New York Times, Dec. 10, 1969]

IN PURSUIT OF MILITARY VICTORY

Two months ago Defense Secretary Melvin R. Laird told a House Appropriations subcommittee in secret testimony, now released, that President Nixon's policies in Vietnam "could lead the way to a military victory in the sense of the South Vietnamese being able to defend their country, even against North Vietnam."

This perennial Pentagon faith in a favorable military solution in Southeast Asia was clearly reflected in President Nixon's remarks at his latest news conference. The President dismissed the chances for a negotiated settlement as "not good," then further undermined prospects for progress in Paris by making it plain that he planned no top-level successor to his former chief negotiator, Henry Cabot Lodge. Mr. Nixon appeared to embrace an early Lodge view that the war would end without negotiations by saying: "I believe that we can see the Vietnam war will come to a conclusion—regardless of what happens at the bargaining table."

Despite the President's promise to announce further American troop cuts later this month, there is still little apparent foundation for his belief that "Vietnamizing" the war can successfully continue regardless of enemy action. It is true that some South Vietnamese forces have performed better recently. The success of South Vietnamese militiamen in repulsing a North Vietnamese attack on the Mekong Delta district town of Tuyenbinh was an encouraging example. But this victory must be weighed against a number of serious defeats suffered in the Delta last month by South Vietnamese forces that have recently replaced American troops.

The enemy probably is weaker than he once was, as the American command contends. But it is difficult to believe that the North Vietnamese will abandon their effort of 25 years just as American forces are withdrawing. It is straining credulity to suggest, as President Nixon has done, that "the pressure for the enemy . . . to negotiate a settlement will greatly increase, because once we are out and the South Vietnamese are there, they will have a much harder individual to negotiate with than they had when we were there."

The Saigon Government is much tougher at the negotiating table—while it is backed by American might—than it is likely to be on the battlefield once American troops are withdrawn. The time to negotiate is now, before more American and Vietnamese blood is needlessly spilled in pursuit of an elusive military victory. The troop withdrawals Mr. Nixon has promised might come about more quickly if the President recognized that the problem in Paris stems not only from the intransigence of Hanoi but also, in part, from that "much harder individual to negotiate with" in Saigon.

[From the New York Times, Dec. 10, 1969]

WASHINGTON: THE UNANSWERED VIETNAM QUESTIONS

(By James Reston)

WASHINGTON, December 10.—Despite all President Nixon's efforts to clarify his Vietnam policy in the last few weeks, two fundamental questions remain.

First, does he intend to withdraw "all of our forces" from Vietnam, or all U.S. "combat forces"? He says one thing one time and the other another time, and the difference between the two is estimated in official quarters at between 100,000 and 200,000 men.

Second, does his peace plan depend on his assumption that the South Vietnamese can successfully defend their country either with or without the logistical support of noncombatant U.S. troops, and if they cannot, do we keep our troops their indefinitely?

In his Vietnam speech of Nov. 3, Mr. Nixon said: "The American people cannot and should not be asked to support a policy which involves the overriding questions of war and peace unless they know the truth about that policy." He added in this same speech that he not only wanted peace, but had put into effect "a plan which will bring the war to an end regardless of what happens on the negotiating front."

Against this background, it is not unfair to point to the ambiguities in this position. In the first place, it is impossible for one side in a war, particularly the side that is withdrawing its troops, to guarantee that its plan will "end" the war regardless of what happens on the negotiating front. This assumes either that the enemy will quit or can be compelled to quit the fighting, and there is no evidence to support this assumption so far.

HANOI'S OBJECTIVES

For over a quarter of a century, Hanoi has been fighting and negotiating to get rid of all foreign troops—first against the Japanese, then the French, and now the Americans.

During the last few years, the United States has built at Camranh Bay, on the coast of South Vietnam, an air and naval base which is the best in Asia.

Accordingly, it has been a fundamental question throughout the Paris negotiations whether the United States really meant to scale down its war effort or whether it meant to get out, leaving Camranh Bay and many other modern military bases as a potential prize in the future struggle between the Vietnamese themselves.

On May 14 of this year, President Nixon stressed that the United States wanted "no military bases" in Vietnam, "no military ties" and would accept "any government in South Vietnam that results from the free choice of the South Vietnamese people themselves."

In short, he was willing to risk then the chance that Camranh Bay and all the U.S. military supplies in the hands of the South Vietnamese would fall to a Communist government, though he has always rejected the enemy claim that there could be "no choice of the South Vietnamese people themselves" under the present Government in Saigon.

THE CHANGING EMPHASIS

In recent weeks, however, the Nixon Administration emphasis has seemed to change. The commitments to withdrawal have become less precise. In his Nov. 3 speech, Mr. Nixon talked both about withdrawing "all" American forces and at another place "all combat forces." In his press conference this week, he said merely:

"We have a plan for the reduction of American forces in Vietnam, for removing all combat forces from Vietnam, regardless of what happens in negotiations."

The questions here are fairly obvious. A plan to withdraw "all forces" is one thing, but a plan to withdraw all "combat forces" could leave a couple of hundred thousand Americans in Vietnam to maintain and fly the planes and helicopter gunships and continue to train and supply and help direct the Vietnamese.

A strong argument is made at the Pentagon for doing just that, but we do not know whether this is "the plan" and obviously it makes a difference in the enemy's calculations about whether to go on fighting or to negotiate.

The President's assumption that the South Vietnamese can successfully take over the fighting as we withdraw our combat units raises an equally interesting question. For if his policy is to stick with the South Vietnamese until they demonstrate that they are secure, all they have to do is prolong their inefficiency in order to guarantee that we will stay in the battle indefinitely

In recent weeks, the President has run a successful and even brilliant campaign on the politics of Vietnam on the home front; but he is still stuck on the war front and the peace front.

In fact, he has done so well against his critics recently that he may have been persuaded the original political and strategic objectives in Vietnam are still within his grasp. If so, he would not be the first to try it. Presidents Johnson and Kennedy passed that way themselves.

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## HALPERN URGES PLUGGING DECEPTIVE CONSUMER CREDIT INTEREST LOOPHOLES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, many consumers with charge accounts are paying double the 18-percent rate they think they are paying. Therefore, I will shortly ask Congress to plug the loopholes in the 1968 Truth-in-Lending Act, allowing creditors to compute interest charges on money consumers have already paid.

Too many merchants and department stores compute monthly interest charges before they deduct consumer payments. This means the consumer is really paying interest on part of the balance he has just paid off—which could equal interest rates of 36 percent annually or more.

As a member of the National Consumer Finance Commission, which is meeting formally for the first time this week, I will ask the commission to look into this practice, which is defeating the objectives of the truth-in-lending law.

Consumer credit transactions usually indicate the buyer is paying interest at an 8-percent annual rate. But, the rate is a true 18 percent only if the store subtracts payments and credits before figuring the next month's bill.

The key words are "previous balance." If the store's statement says the interest rate is computed on the basis of the previous balance, then the consumer knows he is likely to be paying more than the stated interest rate.

Here is an illustration of how deceptive high-interest charges come out: A consumer with a $300 balance makes $150 payment during a billing cycle to a department store, reducing the amount owed to $150. Charging 1½ percent per month on the net balance due, the store will apply the finance charge to the actual balance still owed against the previous bill, which is $150. The interest would be $2.25, which is the true annual percentage rate on 18 percent.

But, a store that computes its charges on the previous balance of $300 will charge $4.50. It too will state an 18-percent annual rate. But in fact, the month's finance charge amounted to 3 percent of the unpaid balance, a true annual rate of 36 percent.

If this example is any indication of a widespread practice, then clearly, accounting techniques are defeating legal objectives and truth-in-lending is leading less to disclosure than to deception.

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## ROONEY CHALLENGES COWLES' CLAIM HIS CHARGES ARE "UNFOUNDED,"—SAYS PENNSYLVANIA COURT PROCEEDINGS SUBSTANTIATED HIS CLAIMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 60 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, several weeks ago, in responding to my criticisms of deceptive and fraudulent sales practices employed by its nationwide magazine sales subsidiaries, Cowles Communications, Inc., issued the following statement to the press:

> Congressman Rooney is badly misinformed and has made completely unfounded charges. We have offered repeatedly to discuss all aspects of these subscription selling companies with him. We have also offered him the opportunity to meet and discuss the entire situation with a representative group of present franchise dealers. Rep. Rooney has not accepted any of these offers. He apparently prefers to get only one side of the story, and that side originates from former dealers, most of whom have been terminated for cause. This method of investigation obviously cannot be either accurate or fair.

Until today, Mr. Speaker, I had not intended to respond to this statement because it represents a gross distortion of fact and is as misleading as the sales practices employed by Cowles' subsidiaries. My decision to react today, Mr. Speaker, is the result of an editorial which has just been brought to my attention. The editorial appeared in Advertising Age magazine and, in many respects, is an accurate reflection of the sorry state of affairs which has existed in the magazine subscription sales industry for many decades.

Unfortunately, however, Cowles now has managed to add Advertising Age to the list of consumers it has "victimized." Advertising Age "consumed" the Cowles statement I cited above and went on to comment:

> If Rep. Rooney insists on making strong charges against Cowles' and other publishers' sales subsidiaries, while at the same time refusing to discuss matters with them, it is grossly unfair. And we cannot believe that Congress will enact any legislation without first allowing all parties to the dispute ample opportunity to tell their side of the story.

Mr. Speaker, the time has come to read the record on the part of my investigation of magazine sales practices which involves Cowles Communications. I will not disclose names of informants, because some who already are known to the Cowles organization and its representatives, have received threats and warnings in the past. One was advised five times during a recent personal visit

with a Cowles official to stop passing information to Congressman ROONEY, with the advice couched in veiled threats such as, "Drop the matter and enjoy the rest of your life." Telephone threats directed at another were referred by my office to the Federal Bureau of Investigation.

Before proceeding, I want to refer to a statement which appears in the RECORD for October 30, 1969, on page 32491 under the title, "ROONEY Blames Corporate Pressures for High Volume Sales as the Root Cause of Magazine Sales Frauds," and another in the RECORD for September 10, 1969, page 24988 under the title, "FTC Orders Full-Scale Investigation, Prosecution in Magazine Subscription Sales Frauds."

The October 30 statement details methods by which Cowles' corporate officials and agents pressure dealers to use deceptive and fraudulent practices to sell magazine subscriptions. The September 10, 1969, statement contains an exchange of correspondence I had with Gardner Cowles, chairman of the board of Cowles Communications in an effort to alert Mr. Cowles to practices of his magazine sales subsidiaries I feared possibly were being concealed from him by his subordinates.

My first letter to Mr. Cowles was dated May 22, 1969, and enclosed an item from page 12765 of the RECORD on May 15, 1969, containing the firsthand account of a magazine sales pitch received by my legislative assistant from a Cowles subsidiary, Home Reader Service. It should also be noted that the May 15, 1969 item from the RECORD indicates that Mr. Joseph Kelly, an attorney employed by Cowles at Des Moines, Iowa, the base of operations for the five Cowles' sales agencies, had visited my office in the company of another attorney, then vice president of the Magazine Publishers Association, Charles Ablard. I quote from the May 15 RECORD:

Mr. Kelly explained at some length the sincere efforts he said the Cowles organizations were making to stamp out deceptive and fraudulent practices. He said that many of the unscrupulous practices I had been attacking were not to be tolerated by Cowles of its subsidiary sales organizations. In response to his claims, copies of actual Cowles documents were produced to demonstrate for Mr. Kelly that some of his good intentions had not filtered down through the sales organizations.

In that same statement, I elaborated on my own files of abuses attributed to Cowles and commented:

Organizations which show no higher regard for the American consumer than do the five Cowles magazine subscription sales companies deserve to have the book thrown at them.

And I stated then what I still believe to be true, and what has now been established in a Pennsylvania court:

It is the officers of the parent sales corporation who are responsible for these abuses and that they not only tolerate but encourage this type of sales practice by personnel in the field.

But I am getting ahead of the RECORD. To return to my May 22 letter which appeared in the September 10, 1969, RECORD, I advised Mr. Cowles:

I know that the practices described are not limited to a few individuals or a few franchises in isolated parts of the country. I have polled the Attorneys General of every state and a number of them have singled out Cowles subsidiaries for special comment regarding deceptive practices.

I suggested to Mr. Cowles that some basic policies of his subsidiaries were in need of revision and that it seemed to me that effective action could best begin at the top.

His reply, dated June 2, 1969, was brief but did contain assurance that he would investigate my charges.

Six weeks later, on July 15, 1969, I again wrote to Mr. Cowles commenting in part as follows:

Naturally, I have no way of knowing what method of investigation you are employing. However, if you merely question top echelon personnel you will receive the "propaganda" which has been supplied freely to me and which is readily offered for public examination. This material reflects great concern that fair sales practices be adhered to, etc.

There is no offer to disclose the sales practices which are recommended by word of mouth and through personal contacts by officials of the Cowles subsidiaries to franchised dealers. Nevertheless, my own investigation is producing these in quantity, along with testimony of personnel who have been instructed by (Regional) Directors to use a variety of deceptive and fraudulent sales practices, "Because they are boosting production for this dealer or that dealer."

Mr. Speaker, that letter to Mr. Cowles continued for 10 more paragraphs outlining example after example of abuses I am able to document. It appears on page 24989 of the September 10, 1969 RECORD. Anyone who wishes to explore this matter in detail will find the response of Mr. Cowles, dated July 28, 1969, on pages 24989–24990 of the same RECORD. In his letter, the chairman of the board discussed the creation of a five-man committee of corporate executives to develop a course of action to combat deceptive and fraudulent practices and also disclosed that steps are being taken to establish a task force to audit sales practices in the field.

The purpose of this task force is to maintain a direct corporate check on the abuses taking place in the field. Its objective is commendable. But in a further letter to Mr. Cowles dated November 25, 1969, I felt it was only fair to tip him off that again his trusty old corporate officials and agents were feathering their own nests by directing his field investigators up blind alleys. I advised Mr. Cowles as follows:

You may be interested to know that franchised dealers are being advised by your officials working out of Des Moines to keep bad sales pitches, dunning letters, attorney letters and other evidence of PDS Code violations well hidden from Mr. Hart and members of his task force.

To disclose such evidence to Mr. Hart and his trouble-shooters is to ask to be "closed out," dealers are being informed. ("Closed Out" is an industry term for corporate takeover of a franchised dealer's operation in which the dealer invariably loses his shirt.) Regional Directors and other executives obviously fear for their own hides, should the operations of their franchises be discovered by your own task force.

What all of this means, Mr. Speaker, is simply that regional directors and other corporate officials—the parent company's production men—are telling franchised dealers they had better not admit to Mr. Cowles' investigators that they are using bad practices unless they want to lose their franchises. This is intimidation, if I have ever seen it.

By strange coincidence, my letter to Mr. Cowles under date of November 25, 1969, passed in the mail a letter directed to me on November 25 by Marvin Whatmore, president of Cowles Communication, Inc. By even more strange coincidence, Mr. Whatmore's letter made reference to the work of this corporate task force and stated in part:

Where there is a deviation, we are holding up financial support of the dealer violating the policies, and in cases where this is not effective we are terminating the dealer involved. We are making progress but there is still much to be done.

Thus, Mr. Whatmore gives credence to the specific policy at the root of Cowles' problems.

He went on to repeat the basic claims contained in the Cowles statement about my investigation considering only one side of the issue. For the record, Mr. Whatmore's entire letter will be inserted in the RECORD with these remarks.

Thus far, Mr. Speaker, I have described the exchange of correspondence I have had with the Cowles organization. There is still another aspect to this recent correspondence exchange which I intend to withhold from the RECORD at this point. To include it here would only tend to cloud the basic issue—whether I have failed to give the Cowles organization an opportunity to present its side of the story.

Now for the other types of communication with the Cowles organization. I already have related the gist of my first meeting with Cowles' representative, Attorney Kelly, and a former Magazine Publishers Association representative, Mr. Ablard.

In addition to that meeting, Mr. Kelly and Attorney John Eliott of Philadelphia, another Cowles attorney, visited my office on another occasion and discussed the matter at length and again viewed further evidence of abuses.

On still another occasion, my staff and I had a lengthy meeting with Mr. Richard Y. Long, vice president and general manager of Civic Reading Club, who was accompanied by a former Congressman and personal friend of mine, Frank Chelf, who is engaged as a Washington lobbyist for Cowles.

And on numerous other occasions members of my staff and I discussed the magazine matter with Congressman Chelf in my office. On one of these occasions my administrative assistant detailed item after item of a long list of abuses, deceptive and fraudulent practices which we are prepared to document.

It is important to note that during a number of these meetings, including that with the vice president and general manager of Civic Reading Club, the Cowles representatives made statements intended to discredit the character of individuals they know to be cooperating with my investigation. At the same time, it was customary practice for these of-

ficials of Cowles to discredit subscribers who had filed complaints with me and to discount documentary proof of abuses which my staff or I placed before them.

Both my administrative assistant and I have been invited on a number of occasions to "fly to Des Moines" to examine the Cowles operation there and to meet with Cowles officials. My administrative assistant was told his wife and children would be flown to Des Moines with him at Cowles' expense for a visit with Mr. Long and his family.

I indicated that these invitations would be considered and that I would contact Cowles officials if it appeared that such a visit could be arranged. I have not accepted the invitations until now because I do not want to become obligated directly or indirectly to the Cowles organization or any of its representatives. Both members of my staff and I share an interest in seeing the Des Moines operation but, beyond satisfying curiosity, I believe such a trip would have limited value.

As always, the door to my office is open to any of the Cowles officials or representatives to discuss any aspect of my investigation or the conduct of their business operations. I would welcome a visit by current Cowles franchised dealers. However, it is a simple reality of Cowles' modus operandi that any dealer who came to me and frankly admitted to using improper sales practices would invite disciplinary action against him via seizure of his franchise business operation. When dealers have $100,000 or $200,000 of their earnings tied up in such a business, they would be reluctant, at best, to jeopardize their careers and their assets.

This simple bit of reality explains why most of the individuals I have interviewed regarding corporate involvement in deceptive and fraudulent practices are individuals who have been forced out of business by Cowles. But the fact that a number of my information sources are ex-dealers, does not invalidate evidence and testimony they are prepared to provide.

I have just drafted a letter to Mr. Marvin Whatmore, Cowles' president, extending an invitation to submit any information he cares to about the ex-dealers who have been assisting me. The only restriction I will impose is that the information be supplied in writing or be delivered orally in the presence of investigators for the Federal Trade Commission or the U.S. Postal Inspection Service.

All of the ex-dealers I have interviewed in my office have done precisely the same. Some have been interviewed on tape—always with their consent. Many have submitted written statements and copies of documents. Most have been interviewed with Federal investigators present and participating. They are not the least bit reluctant to place their statements on the record and I will insist that Cowles do the same.

In addition to all of these contacts with Cowles officials or representatives, numbering possibly 20 or more meetings, letter exchanges and telephone conversations, my staff and I have participated in no less than a half dozen meetings with officials of the Magazine Publishers Association and its central registry of magazine subscription solicitors.

One of these was a meeting with Attorney Ablard; Robert Goshorn, the executive secretary of Central Registry; Earl Kintner, former FTC Chairman who is counsel to the Central Registry's paid-during-service section; and a member of Mr. Kintner's staff. On at least four occasions, I met with Steve Kelly, president of the Magazine Publishers Association, usually in the presence of Mr. Norman Halliday, who has succeeded Mr. Ablard as vice president of MPA for legislative affairs. In addition, there have been numerous telephone contacts with MPA and CR officials.

Evidence compiled during the course of my investigation has been discussed directly with MPA officials and I know for a fact that the MPA president frequently has met with the Cowles' representatives to discuss his meetings in my office and to reply to Cowles information regarding some of the abuses and practices I have challenged.

Of course, whenever I issue a new attack on some abuse or unfair practice, I am told that I am not giving the industry time to resolve the problems. Advertising Age, in the editorial to which I referred earlier, makes it quite clear the industry has had more than enough time already. Advertising Age recalled that Central Registry was established by the Magazine Publishers Association in 1940 to curb these abuses:

The editorial continued:

> But the abuses continued, and are still with us today, despite any efforts of Central Registry and of some individual magazine publishers to correct such abuses.

It is important to point out, too, that while many of my informants are ex-dealers, I have been able to develop a very effective communications system with individuals working today in magazine subscription sales organizations. This pipeline has provided me with extremely current information about developments within the various magazine agencies.

For example, it helped me disprove claims of Mr. R. Y. Long, vice president of Civic Reading Club, that the Home Reader Service dealer who made a bad sales pitch to my legislative assistant some months back, had been dismissed for unscrupulous practices. While it is true that the individual mentioned in that instance was forced to leave the northern Virginia franchise of Home Reader Service where the bad pitch was made, he merely has bounced from one Cowles agency to another for the past 6 months. He has been working for a Cowles' franchise in Maryland and another Cowles franchise in Ohio. And, as of November 19, he was working with the knowledge of Cowles officials for a Cowles franchise in Pittsburgh, Pa. And I would love to hear Mr. R. Y. Long talk his way out of that one.

To cite still another example of this pipeline's effectiveness, in May of this year I learned within 4 hours of the solicitation, that nationally syndicated columnist Jack Anderson had received a bad sales pitch by phone from Home Reader Service of Baltimore. Later the same day my office made contact with Mr. Anderson and within a short time supplied him with information he requested about magazine sales abuses.

In June, Mr. Anderson completed an article which his office advised was submitted to Parade magazine for publication. A short time later, a call from my office to Parade magazine in New York verified that the article indeed had been received and that it was awaiting placement on a publication schedule. That, of course, was 6 months ago. The article has not reached print to this day. And I would be interested to know who managed to sidetrack that one.

I think it is important that I make one more point. I have made clear in a number of statements, and in my correspondence with Gardner Cowles, that corporate officials are directly involved in the implementation of practices which violate the magazine industry's code of fair practices, and which often violate Federal, State, or local laws as well. At no time during my investigation has my contention been substantiated more effectively than during a civil court proceeding which unfolded in Pittsburgh, Pa., during the past 2 weeks.

For the information of my colleagues, and anyone interested in the serious, nationwide problem of wholesale deception and fraud in magazine selling by certain agencies including Cowles' five subsidiaries, this courtroom drama warrants review.

The stage was set for the drama when on November 19, 1969, Cowles' moved to "close out for cause" one of its franchised dealers, Joe Martinelli, operating as Mutual Readers League of Pittsburgh. According to documents filed in Pennsylvania civil court by Cowles, Mr. Martinelli had engaged in certain unscrupulous practices.

At the time, Mr. Martinelli was served with notice of his franchise cancellation the records of his dealership included open magazine subscription sales accounts totalling some $670,000 of which more than $250,000 represented Martinelli's gross income to be collected over the next 24 months as subscribers make their monthly payments on long-term payment plans for multiple-subscription contracts.

The purpose of the civil court proceeding was an attempt by Cowles, through its wholly owned Mutual Readers League subsidiary, to gain possession of all records of Martinelli's franchised dealership, including his uncollected accounts. Such seizure of accounts and subsequent collection by Cowles is a standard operating procedure of the corporation which I described in my statement on October 30, 1969, in the RECORD. He was to appear in court on Monday, November 24, 1969, to respond to the Cowles suit.

During the period between November 19 and November 24 my office learned of the impending action against Martinelli and the nature of the practices for which he was being terminated. On Saturday, November 22, and Sunday, November 23, this information was called

to the attention of U.S. Postal Inspection Service and the director of Pennsylvania's Bureau of Consumer Protection, Mrs. Bette Clemens. My office advised Mrs. Clemens that in addition to the use of routine deceptive sales pitches, the Martinelli franchise had distributed to subscribers payment books containing more monthly payment coupons than their contracts called for.

Also, on November 23, my office interviewed Mr. Martinelli by phone for a period of some 75 to 90 minutes during which he freely admitted that a number of practices he had engaged in violated the industry's code of fair practices, and possibly violated laws, but insisted that these practices were recommended to him, and in some cases implemented, by corporate officials or agents of Cowles Communications. He did not hesitate to name names.

Further, Mr. Martinelli related how he and other Cowles' franchised dealers, recognizing that their franchise contracts imposed impossible conditions and financial restrictions on their business operations, met several times during the past 2 years to form an association of dealers which could negotiate with Cowles for a more equitable franchise contract. Thus, by closing out Mr. Martinelli, Cowles was disposing of the man who was chosen president of that association of dealers and effectively serving notice on other "upstarts" not to get any fancy ideas about bucking the parent organization.

The story of course did not end there. Mr. Martinelli appeared in court as the defendant on November 24 and the Commonwealth of Pennsylvania immediately made known its interest in the case, from the standpoint of determining whether Pennsylvania consumers had been victimized. On November 25, Allegheny County Judge Arthur Wessel, Jr., who richly deserves commendation for his perception of an extremely complex subject, ordered that the accounts of Mutual Readers League of Pittsburgh be placed in a trust fund until the Commonwealth could examine records of the franchise to determine whether Pennsylvania consumers had been deceived or defrauded.

The case was continued from November 25 until Monday, December 1, when testimony of a long list of prosecution and defense witnesses continued. At this point, the Commonwealth of Pennsylvania formally entered the case amicus curiae as a friend of the court.

Suddenly, last Friday, after defense witnesses had linked corporate officials or agents of Cowles directly to the deceptive practices utilized in the Pittsburgh franchise of Mutual Readers League, Cowles and Mr. Martinelli reached an out-of-court settlement. There is no doubt in my mind that Cowles settled to halt the flow of damaging testimony which was establishing the very definite role of the parent corporation in the sales abuses of its franchise.

However, the settlement did not prevent the judge from issuing an injunction against both the Pittsburgh franchise and the parent Cowles' subsidiary, Mutual Readers League, Inc., prohibiting unethical business practices. Judge Wessel said from the bench that testimony during the hearing showed that the company helped Martinelli establish the sales techniques in question. The schemes included use of four extra monthly payment coupons in the payment books. The judge also stated that the decision to take action against both the franchise and the parent company was based on the fact Mutual Readers League has exclusive control over its dealers and collaborated with them on illicit ways to increase subscriptions.

Mr. Speaker, Judge Wessel from the bench of an Allegheny County Civil Court has fingered the corporate role of Cowles' subsidiaries in the sales abuses occurring around the country. Mr. Martinelli's case is not one isolated instance. Similar testimony could be produced in numerous other communities across the country.

As the result of my investigation of magazine sales abuses, I was able in this instance to help the Commonwealth of Pennsylvania and Judge Wessel raise a corner of the rug which until now has concealed the dirt which Cowles has long been sweeping under it. The Pennsylvania consumer, at least, has had his day in court in Pittsburgh and fared admirably. The air in Judge Wessel's courtroom is indeed refreshing.

The drama in that Pittsburgh courtroom very adequately disproved the claim of Cowles Communications, Inc., that my charges are unfounded. I claim credit for disproving Cowles' claim because if my investigation had not produced the information which prompted Pennsylvania's Bureau of Consumer Protection and Pennsylvania's attorney general William C. Sennett, to intervene, Cowles might very well have quietly grabbed one more franchised dealer's accounts and the deception and defrauding of thousands of Pennsylvania consumers would have gone undetected.

This was but the first confrontation. I am confident there will be more. And Cowles will most assuredly be the loser again, if it does not act immediately and decisively to end the policies—not discharge dealers—which permit thousands, perhaps millions, of Cowles' subsidiaries' customers to be defrauded. To Cowles Communications and to the editors of Advertising Age I merely want to make clear—my charges are very well founded. I look forward to the consumer's next day in court.

Mr. Speaker, I insert in the RECORD pertinent material:

[From Advertising Age]

MAGAZINE SALES CRACKDOWN

Would some of the senior members of the advertising fraternity like to participate in a simple little memory game? All that is required is to answer one question: For how many years now have certain magazine subscription selling tactics been under fire? The exact number of years, of course, isn't really important; what is important is that abuses in the business of selling magazine subscriptions have existed since those very early days when door-to-door magazine selling crews would use—and many still do use—any device they could dream up in order to build sales.

In an effort to curb these selling abuses, the Magazine Publishers Assn. in 1940 set up Central Registry. But the abuses continued, and are still with us today, despite any efforts of Central Registry and of some individual magazine publishers to correct such abuses. Over and over and over again magazine publishers have been warned, by ADVERTISING AGE and by others, that to permit such selling tactics to continue not only is bad business but is morally irresponsible.

Now the magazine people have Rep. Fred B. Rooney (D., Pa.) to contend with, and—as so often happens when an industry doesn't appear to be policing itself properly—before Rep. Rooney and his congressional colleagues are finished, the magazine business is likely to be licking some rather severe wounds.

Rep. Rooney has been a longtime foe of magazine subscription sales practices. But most of his earlier attempts to correct subscription sales abuses were directed at the crews doing the actual door-to-door selling, and an attempt to get Central Registry to perform aggressively the job that it was set up to do.

Now, however, Congressman Rooney has launched an all-out attack on the business offices of the magazines themselves, claiming that the root of the problem really is in franchise agreements which some major publishers have signed with dealers. He maintains that distributors are threatened with the loss of their franchises if they fail to meet stiff subscription quotas set by the magazine publishers. Thus, in order to meet these stiff quotas, distributors will in many cases resort to questionable selling tactics—and the publishers in question refuse to accept responsibility for the consequences, he maintains.

As his principal targets this time Rep Rooney singled out sales subsidiaries of Cowles Communications, Hearst Corp. and Curtis Publishing Co., with particular emphasis on Cowles. That company answered the congressman's severe criticism by saying that he is "badly misinformed" and that he has refused repeated offers from Cowles to come in and discuss all aspects of the subscription selling companies with him.

It is apparent, Cowles said, that Rep. Rooney "prefers to get only one side of the story, and that side originates from former dealers, most of whom have been terminated for cause. This method of investigation obviously cannot be either accurate or fair."

If Rep. Rooney insists on making strong charges against Cowles' and other publishers' sales subsidiaries, while at the same time refusing to discuss matters with them, it is grossly unfair. And we cannot believe that Congress will enact any legislation without first allowing all parties to the dispute ample opportunity to tell their side of the story.

The Magazine Publishers Assn. last week passed an amendment to its bylaws which will permit the MPA director, by a two-thirds vote, to expel any members who fail to abide by MPA laws and written standards. It is a forward move to have this strengthening of MPA's power to deal with members who break its laws. But that in itself is a far cry from solving the basic problem of eliminating those subscription sales practices that have plagued the industry for so long.

Many times in the past AA has urged members of the magazine industry to clean up this mess before someone else—like Rep. Rooney—decides to do the job for them. The industry is dangerously close to having a solution imposed on it; it has virtually no time left in which to put its own house in order.

Does anyone really need to be told any longer how swiftly some positive action must be taken?

[In the Court of Common Pleas of Allegheny County, Pa., Civil Division, No. 1433 January Term, 1970 In Equity]

MUTUAL READERS LEAGUE, INC., A CORPORATION, PLAINTIFF, V. JOSEPH MARTINELLI, D/B/A MUTUAL READERS LEAGUE OF PITTSBURGH, DEFENDANT

ORDER OF COURT

And now, to-wit, this 25th day of November, 1969, pending the outcome of this hearing, it is ordered, adjudged and decreed:

1. That plaintiff cause to be deposited when and as collected in a trust account at Dollar Savings Bank, Pittsburgh, Pennsylvania, to be designated "Mutual Readers League, Inc., Trustee Account", all monies due on accounts of Mutual Readers League of Pittsburgh so collected from November 19, 1969.

2. That plaintiff shall also cause to be deposited in said account when and as collected all monies coming into its hands hereafter on accounts of Mutual Readers League of Pittsburgh.

3. That Joseph Martinelli, defendant, cause to be deposited in said account, as and when received, all unremitted monies and all monies coming into his hands hereafter on accounts of said defendant's operations of Mutual Readers League of Pittsburgh.

4. That in the event any accounts of Mutual Readers League of Pittsburgh are now or hereafter become delinquent by three months, plaintiff shall immediately notify defendant of any such delinquent account whereupon defendant shall immediately set in operation all legitimate efforts to collect said delinquent account or accounts. The collections to be made in a manner complying with the Federal Trade Commission Guidelines and the Pennsylvania Bureau of Consumer Protection requirements.

5. That plaintiff and defendant shall furnish Commonwealth of Pennsylvania Bureau of Consumer Protection and each other daily statements of collections made showing thereon the amount of the payment, the account number and the number of the payment made on each account making payment.

6. That the proceeds of the trustee account be first used to pay the verified claims of individual subscribers and consumers as verified by the Pennsylvania Bureau of Consumer Protection, the balance of the fund to be paid in accordance with further orders of this Court.

7. That in the event plaintiff or defendant should receive notice of any cancellation, any address change or other relevant matters concerning these subscriptions, each shall immediately notify the other and the Pennsylvania Bureau of Consumer Protection of such information.

8. That the Pennsylvania Bureau of Consumer Protection be forthwith allowed access to all the defendant's contracts, orders, books of accounts, correspondence, mail, records, and other documents and materials pertaining to the operation of said franchise for inspection and copying.

9. That the defendant forthwith turn over Xerox copies of all McBee cards to the plaintiff. That the cards are to be used only for plaintiff's collection under the Court's supervision pursuant to this Order.

10. That plaintiff shall immediately forthwith lift the stop order on defendant's mail lodged with the United States Post Office Department.

_____, *Judge.*

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COWLES COMMUNICATIONS, INC.,
*New York, N.Y., November 25, 1969.*

Hon. FRED B. ROONEY,
*U.S. House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN ROONEY: I am deeply concerned with the publicity you have stimulated, and continue to encourage, in connection with your investigation of practices in the "Paid During Service" system of magazine subscription sales.

In July, Gardner Cowles, Chairman of Cowles Communications, Inc., wrote you and outlined a program we were instituting in respect to the operations of franchised dealers in our various PDS companies. The program outlined in that correspondence has been implemented and we now have men in the field charged with auditing such practices against our policies. Where there is a deviation, we are holding up financial support of the dealer violating the policies, and in cases where this is not effective we are terminating the dealer involved. We are making progress, but there is much still to be done.

It is quite clear that you are getting considerable information that could honestly be described as "one-sided." I refer to certain dissident dealers who were terminated for good and sufficient reason by one or the other of our PDS companies. They were not terminated for failure to live up to sales quotas—they were terminated for very basic reasons relating to improper business practices, such as misappropriating funds and bad sales or collection practices. I would like to expose to you the records of these terminated dealers because I am sure that if you had all of the facts you would agree.

I know that one of my associates orally extended an invitation to you several months ago to visit Des Moines and see for yourself what we are doing to control sales and operating practices in subscription sales.

I would like to extend again this invitation to you as well as to your administrative assistant, Mr. Huber. I believe that you would find this visit interesting and informative. I think it would contribute substantially to your knowledge and appreciation of Cowles' circulation operations. I believe, in view of some of your charges, this is only fair.

Whenever your schedule can accommodate this visit, you will be most welcome as our guests.

Sincerely,

MARVIN C. WHATMORE,
*President.*

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HOUSE OF REPRESENTATIVES,
*Washington, D.C., December 9, 1969.*

Mr. MARVIN C. WHATMORE,
*President, Cowles Communications, Inc.,*
*New York, N.Y.*

DEAR MR. WHATMORE: In reference to your letter of November 25, 1969, you may already be aware that I had written to Mr. Gardner Cowles on the same date citing weaknesses of the same corporate task force to which your letter made reference.

As you know, I have stated on repeated occasions that corporate officials or agents of Cowles Communications, Inc., and its PDS sales subsidiaries encourage, and help implement, the use of deceptive and fraudulent practices by franchised dealers. These same corporate agents back up their demands with threats that the dealer will be "closed out" if he fails to comply.

The validity of my charges was substantiated within the past two weeks during the proceedings of a civil court case in Pittsburgh, Pa., where Cowles, through Mutual Readers League, Inc., was proceeding to "close out" Mutual dealer Joe Martinelli for deceptive practices. The testimony presented during those proceedings, the statements of the presiding Judge, and the mandatory injunction against Mutual which has resulted are proof that corporate officials engaged in precisely what I have claimed.

It seems obvious to me that the out-of-court settlement agreed to by Mutual was intended to halt the chain of damaging testimony being presented by defense witnesses. Thus, Mr. Hart of your task force, who I have been told was present in the courtroom for much of the testimony, has been deprived of some additional information, including the testimony of Mr. Martinelli himself. My office, of course has had several lengthy discussions with Mr. Martinelli.

The corporate activities which emerged in the Pittsburgh courtroom are indicative of the fate which has befallen scores of other Cowles' franchised dealers across the country. You never will be successful in erasing bad sales practices unless you stop making scapegoats of dealers and deal with the problem where it exists—in the ranks of your corporate officials and production agents, and in your franchise contracts.

In your letter of November 25th you offered to "expose" to me the records of dealers who have been terminated, suggesting that if I had this information I would agree with you. I will be pleased to receive any such information you care to put in writing. Dealers, ex-dealers and others representing the magazine sales industry who have supplied me with information have done so in signed statements, often supplemented by personal interviews in the presence of witnesses and federal investigators, and substantiated with documents. If I am to be objective, I can ask no less of you.

I would also be interested to receive copies of your current franchise contract for each of the subsidiaries—Mutual, Home Readers, Civic, BBC and HRL—if individual contracts are still in use for all five. If all franchise contracts are identical, a copy of one would serve my needs.

Please be assured of my willingness to cooperate with you in your efforts to combat continuing abuses.

Sincerely yours,

FRED B. ROONEY,
*Member of Congress.*

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[From the Easton (Pa.) Express, Nov. 25, 1969]

STATE INVESTIGATES SALES OF MAGAZINE SUBSCRIPTIONS

PITTSBURGH.—A civil court suit brought by a subsidiary of Cowles Publications has resulted in a state investigation of magazine subscription selling practices in western Pennsylvania.

Allegheny County Court Judge Arthur Wessel ordered records of the Mutual Readers League held for examination by state investigators. He also ruled that $670,000 in customer receipts be held in a special trust fund.

The Commonwealth has been invited to make an investigation of the whole works to try to protect the plaintiff as well as the defendant until we see what this picture is all about," the judge said in court Tuesday.

"There is something radically wrong either with the modus operandi at the top or down the line in this whole operation," Judge Wessel added.

The possibility of illicit selling practices was brought to the attention of the State Bureau of Consumer Affairs when the Mutual Readers League, Inc., the Cowles Subsidiary brought the suit, Cowles publishes Look magazine.

The suit claims one of the franchises, the Mutual Readers League of Pittsburgh "dealt with dishonesty and with misrepresentation with respect to subscribers . . ." Cowles is seeking to have all records of the franchise returned.

An attorney for the Bureau of Consumer Affairs, Joseph Gelman, says his staff has begun an examination of the records of the firm.

The state intervened after Action! Express, the public service column of The Express, and U. S. Rep. Fred B. Rooney, D-Pa., furnished information to the Bureau of Consumer Protection that Cowles was trying to remove the records from Pennsylvania.

[From the Eastern (Pa.) Express, Nov. 26, 1969]

COURT GIVES STATE ACCESS TO COWLES SUBSIDIARY RECORDS

PITTSBURGH.—The Allegheny County Court ruled here yesterday the State of Pennsylvania should have access to the records of a franchise of a subsidiary of Cowles Communications, Inc., to determine if the records show magazine subscription sales are based on fraud.

Mutual Readers League Inc., a Cowles subscription sales subsidiary, petitioned the court to have Joseph Martinelli, operator of the Mutual Readers League franchise operation in Pittsburgh, turn his records over to it.

Judge Arthur Wessell also ruled that $670,000 in monies which have been or will be collected by Martinelli's franchise for magazine subscription sales be placed in a trustee fund in Pittsburgh and held until it is determined whether the money was obtained by fraud.

The judge said the money probably would be returned to the consumer if fraud is proven.

SEEK RECORDS

The state Bureau of Consumer Protection stepped into the case when it learned Martinelli's records were to be seized by the Mutual Readers League.

Martinelli said he feared the league would take over his business.

The state contends the records would be valuable in a phase of the investigation into the fraudulent and deceptive practices in the magazine subscription sales industry in Pennsylvania and the nation.

FIRST IN NATION

A postal inspector reported this was the first such case in the United States where a court ordered money held in escrow.

It was reported that Cowles had sent letters to its subscribers asking them to send money directly to the Mutual Readers League headquarters in Des Moines, Iowa, rather than to Martinelli.

The court ruled all money due Martinelli's franchise must be turned over to the court.

The bureau of consumer protection acted "swiftly" after learning of the Martinelli matter through Rooney and Action Express, the public service column of The Express.

Joseph Golman, an assistant attorney general for the consumer protection bureau, reported, "We have no judgments, no conclusions at this time."

The case has been continued until Monday at 9:30 a.m.

U.S. Rep. Fred B. Rooney, D-Pa., accused the Cowles organization in a House speech as being responsible for many of the faults in the subscription industry by using the franchise method.

Rooney also charged the contracts between Cowles and the franchise like Martinelli were unfair and that Cowles had seized many businesses from the franchise without notice.

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[From the Des Moines (Iowa) Register, Dec. 6, 1969]

ORDER ON SALE OF MAGAZINES

PITTSBURGH, PA.—A judge ordered Friday a national magazine sales subscription agency owned by the publishers of Look magazine to immediately halt what he called unethical business practices to increase sales.

The order, in effect, gives the court the power to enforce in Pennsylvania a voluntary national code of magazine sales ethics against the Mutual Readers League, Inc. of Des Moines, Ia., and its dealers.

THE CODE

The code, drawn up in 1967 by the magazine industry and enforced by the Central Registry of Magazine Subscription Solicitors, prohibits, among other things, misrepresenting the price or length of a subscription and failing to inform a customer a contract may be canceled within 72 hours after it's signed.

The Des Moines firm is one of five owned by Cowles Communications, publishers of Look. The others are the Home Readers Service, Civic Reading Club, Educational Book Club, Inc., and the Home Reference Library.

THE ORDER

The order came after Mutual Readers League, Inc., agreed to settle out of court a civil action against Joseph Martinelli, the holder of its Pittsburgh franchise.

The company sought to dissolve Martinelli's franchise because they said he used fraudulent sales practices, but Judge Arthur Wessel, jr., said testimony showed the company helped set up the sales techniques used by Martinelli and other franchise holders.

USED COUPONS

He said the schemes included use of installment payment books containing coupons for four payments more than the 25 a customer agrees to make on a five-year subscription package.

One of Martinelli's employes testified that as a general policy he altered almost all contracts after they had been signed by customers.

He said he changed magazines ordered and adjusted the length of some subscriptions.

But he said customers had always agreed to the changes in telephone conversations.

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## CHRISTMAS TREES AND RECLAIMABLE LAND

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, should there be doubt in anyone's mind about the "reclaimability" of land formerly used in coal mining areas, I have proof-positive in my office that land thought lost can be made beautiful and productive. My proof is a lovely Christmas tree which I received from the Ohio Power Co. and the American Mining Congress.

The tag on the tree sends more than a message of Christmas greetings, it sends a message of hope for all areas in the country where land is considered irredeemable because of mining activity. The message reads:

This Christmas tree is a gift of the Ohio Power Company, Canton, Ohio, and the American Mining Congress, Washington, D.C. The tree was grown on land voluntarily reclaimed from coal mining operations in southeastern Ohio. Fifty-seven other Ohio Power Company red pine trees—one for each state and U.S. territory—are decorating the Ellipse, south of the White House, as part of the 1969 Christmas Pageant of Peace.

There is another message, Mr. Speaker, which is just as important as the two I have mentioned. The trees come from land reclaimed voluntarily. I want to extend my congratulations to the Ohio Power Co. for its year-round Christmas gift to the citizens of the Canton, Ohio, area. There is no way to put a price tag on the gift of beautiful land, but we can and should recognize the concern this company has for the environment.

All too often, in coal mining regions throughout the country, the land is scarred from the results of mining operations. Strip mines have been abandoned, the owners may pay a pittance "fine," and simply leave the land with no thought to beautifying or even repairing the damage done whlie the mine was in operation. We hear a plaintive cry from mineowners that land reclaiming is "too expensive."

That traditional and short-sighted approach to the land has caused untold damage to the environment and to future generations of Americans. It is long since past the time when mineowners should recognize that the costs of operating a strip mine should include the reclaiming of land. We have seen an example of this type of forward-thinking by a utility company. It is my hope that the Christmas message of the Ohio Power Co. will spread to coal mine owners throughout the Nation.

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## COAL MINING AND THE PROTECTION OF THE ENVIRONMENT

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, on October 19, the American Mining Congress adopted a particularly noteworthy "declaration of policy" on the subject of "environment" which I wish to bring to the attention of our colleagues.

Specifically, the AMC accepts "responsibility for protecting the quality of our air and water and for reclaiming land that has served a commercial purpose." The AMC points out that this responsibility should be shared by the mining industry, Government, and the individual citizen, but the important fact is that the mining industry is publicly declaring its intention to help clean up and protect our environment.

It is my hope, and I am sure the hope of all conservationists, environmentalists, and Members of Congress, that the industry will start a crash program for reclaiming land heretofore lost to public use by strip mining. And next on the agenda, I hope the industry puts its thinking cap on tight and attacks the problem of gob and culm piles that blight the Nation's coal mining areas.

The outline of the AMC's policy is clear; I trust their follow-through action is equally clear. A copy of the portion of the AMC "Declaration of Policy" on the environment follows:

ENVIRONMENTAL QUALITY

Mining plays a vital role in maintaining the economic health of the United States and is a critical activity toward safeguarding the national security. Continued growth and development of the American mining industry must be encouraged if we are to continue to meet the ever-increasing demands of our complex, highly industrialized society for raw materials.

In fulfilling its mission of finding and producing the mineral resources needed by our society, the mining industry must necessarily effect some changes in the natural environment. It has long been the policy of the mining industry to minimize any adverse influences its operations might exert on the environment.

The responsibility for protecting the quality of our air and water, for reclaiming land that has served a commercial purpose, is one that the mining industry shares with the individual citizen, with government, and with all private enterprise. The activities of

American mining companies stand as very real evidence of their involvement in environmental quality control. The mining industry is convinced that it is possible and desirable to do more.

We believe that the following principles should govern any efforts to conserve and improve our land, air, and water resources:

1. Programs dealing with environmental quality control must reflect a careful balancing of national interests and objectives. There must be a realization that it is not possible to have a technological society without making some changes in the environment or producing wastes that require disposal.

2. Programs directed at improving the quality of our environment must have a basis in sound scientific evidence or conclusion. Only in this way can we avoid critical waste of time, money, and effort. Toward this goal, there must be continued and improved cooperation between industry and government.

3. Regulations should be promulgated only after close examination of the facts, a full exchange of the views of all parties concerned, and a careful reference to the technological and economic factors that will determine whether proposed controls are realistic and effective.

4. Authority to regulate should be vested in the lowest practicable level of government. Only in this way can there be an assurance that geographic and other factors receive proper consideration. Environmental conditions vary considerably across the nation. Federal guidelines, when proven necessary, should be broad and flexible enough to allow state and regional authorities to develop programs tailored to their actual requirements.

5. Regulatory measures based on a desire to protect the quality of land, air, and water should be determined only after consideration of the cost factors attendant upon enacted controls.

Where practicable, capital outlays of industry should be balanced by fair consideration such as tax incentives, accelerated depreciation provisions, or similar measures.

As our society becomes more industrialized, as our population expands and becomes concentrated in many areas, as our national need for raw materials becomes more varied and extensive, protecting the quality of our environment promises to become an increasingly greater challenge. Attainment of national goals will hinge on coordination and cooperation between public and private sectors of our society.

The mining industry will contribute to national environmental goals by continuing to emphasize the development and implementation of operational methods and techniques that will minimize adverse changes wrought in the environment. Correlative to this effort is the encouragement of associated industries in their development of improved mining equipment and the proper end-use of the raw materials we produce.

The mining industry will contribute, through applied or theoretical research, to the body of scientific knowledge concerned with environmental quality.

The mining industry will constructively inform government, the public, and other industries on those environmental quality control matters within its purview.

The mining industry will support governmental regulation that proves necessary and is reasonable and practicable. The industry recognizes the need to volunteer appropriate advice and counsel to any level of government considering such regulation when it affects mining operations—or to challenge through judicial or administrative means regulation it considers unworkable or unrealistic.

## BILL TO PROHIBIT HUNTING FROM AN AIRPLANE

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, with my friend from Wisconsin, Congressman DAVID OBEY, I am introducing today a bill that would prohibit the hunting of certain birds, fish, and wildlife from an airplane.

Incredible as it may seem, roaming loose in this grand country of ours is a certain low breed of the genus homo sapien who goes hunting from an airplane. I am not talking about the sportsman who travels by air to a hunting area—I am talking about the demented person who, while in an airplane, shoots at and destroys wildlife. It is hard to believe that such creatures exist but it is painfully true.

Recently, 60 million Americans witnessed the wanton slaughter and wounding of wolves in Alaska by human predators firing their weapons from low flying airplanes. I am of course referring to the television documentary, "The Wolf Men" where flying "hunters" were shown killing off one of America's endangered wildlife species. I have since learned that another low breed of human has started to "hunt" eagles from airplanes. Such activity churns the stomach.

While I was in my district—hunting—during the Thanksgiving recess, a number of my constituents vehemently expressed their revulsion at the sight of persons swooping down to kill wildlife from an airplane and calling it a sport. In no uncertain terms they said to me, "You are a conservationist—do something to stop it."

Congressman OBEY and I are confident we can put a stop to this form of wildlife murder. With the encouragement of conservationists and naturalists from all walks of life from all over the country and with the help of other Members of Congress, our bill will end this national disgrace. The provisions of our bill follow:

H.R. 15188

A bill to amend the Fish and Wildlife Act of 1956 to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Fish and Wildlife Act of 1956 is amended by adding at the end thereof the following new section:

"SEC. 13. (a) Whoever, while airborne in an aircraft, shoots at any bird, fish, or other animals of any kind whatever which is on or over any land (or on, over, or in any water) owned by or reserved to the United States, shall be fined not more than $5,000 or imprisoned not more than one year, or both.

"(b) This section shall not apply to any person in the discharge of his duties if such person is employed by any State or the United States to administer or protect land, water, or wildlife."

## SENSITIZING JUVENILE JUSTICE

(Mr. HANNA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANNA. Mr. Speaker, I am privileged today to cosponsor legislation which will establish an Institute for Continuing Studies of Juvenile Justice. No area of our judicial codes has been as neglected as those dealing with juveniles. While our neglect has reduced the administration of juvenile justice to the most archaic and arbitrary form, the rise in juvenile crime has skyrocketed.

This past weekend, the Washington Post reported that juveniles are responsible for more than 40 percent of the District's major crimes. A number of specific cases were used to illustrate the shambles in which juvenile justice is now administered. In almost every instance the young offender was given a minimum of attention until he commits a number of crimes. Rarely is there time for counseling, guidance, rehabilitation, and almost never will this young person receive the individual attention and treatment he so desperately needs.

Congressmen, as a rule, rarely intercede in their communities administration of juvenile justice. I seriously doubt, however, if any of the Members have not had at least one instance during which parents of a juvenile offender pleaded for the compassionate and understanding treatment of their child. And when one investigates, he often finds that the child has been a victim of agonizingly slow justice. I have found many of these youngsters living in institutions that, because of lack of resources, have been drained of almost all the elements of compassion and humanity. Here they remain until an understaffed, underfinanced juvenile court can handle their case. Sometimes it takes as long as a year, and by then this stark experience has taken root in an impressionable mind and the emotional and social damage is almost irreversible.

Perhaps a case history at this point in the RECORD will help to dramatize the point I am making. An 11-year-old girl, quite intelligent and very sensitive to an unfortunate home environment became hooked on drugs. While under the influence of these drugs she was apprehended during a shoplifting spree at a chain drugstore.

Her parents immediately responded to their daughter's arrest and she was released to their custody. A few days later, she ran away from home. When she was found, she was "stoned" on drugs and subsequently turned over to the juvenile authority. This time it took more than a month for her parents to regain custody. During this time, the girl was detained in an overcrowded, pitifully understaffed "home." After her release into the custody of her parents—mind you there had still been no hearing on her first offense—she took the first opportunity and ran away again. She has now been indefinitely detained at the "home." That was 7 months ago and she is still waiting for a hearing.

During this period the girl and her parents had one interview with a court-appointed psychiatrist. They had only one interview because that was all they could afford. The psychiatrist charged $35 an hour.

That has been the sum total of the "attention" provided this 11-year-old girl. In the 1-hour interview, the psychiatrist concluded the girl was emotionally ill and in need of immediate expert assistance.

Yet nothing was done to assist her.

And her detention in the "home" has only reinforced her sickened attitudes.

This is the way we treat our children.

I can only conclude our present system of juvenile justice is outdated and irrelevant. It is woefully underfinanced and understaffed. It is painfully slow and irritatingly arbitrary. It is miserably insensitive. The example reported illustrates that no distinction is made between a child and someone in their upper teens. In fact, consideration of individual circumstances is rarely recognized. And there lies the crushingly depressing state of juvenile justice—to the point of near crisis.

As one views the tremendous lack of concern in so many areas of domestic policy, one cannot help wondering where to rank meaningful and sensitive administration of juvenile justice. I personally believe it must rank near the top. A society insensitive to the problems of its problem young cannot consider itself civilized.

Obviously, the bill I am introducing will not solve all the many complex issues involved in the administering of juvenile justice or controlling juvenile crime. It is, however, a start. A summary follows:

SEC. 5041. Creates the Institute to provide a coordinating center for collecting useful data re the treatment and control of juvenile offenders; and to provide training for individuals in such treatment and control.

SEC. 5042. Authorizes the Institute to:

(a) serve as an information bank by systematic collection of data from all sources re juvenile delinquency;

(b) publish data in useful forms;

(c) disseminate published data to interested persons;

(d) conduct seminars and workshops;

(e) provide short-term training of law enforcement officers, juvenile welfare workers, juvenile judges, probation officers, correctional personnel, and other persons, including lay personnel, connected with the treatment and control of juvenile offenders, and

(f) send out training teams to work at State and local levels.

SEC. 5043. Director of the Institute shall be appointed by the President with advice and consent of the Senate.

SEC. 5044. Authorizes the Institute to obtain data, personnel, facilities and other cooperation from Governmental agencies and departments (Federal, State and local) as well as from private individuals and agencies.

SEC. 5045. Provides for Advisory Commission to set policy and supervise operations of the Institute. The Commission members would consist of:

(a) Director of the Institute;

(b) Attorney General (or designee);

(c) Director of U.S. Judicial Center (or designee);

(d) Secretary of Health, Education, and Welfare (or designee);

(e) Director of National Institute of Mental Health (or designee), and

(f) Fourteen persons having training and experience in the area of juvenile delinquency, to be appointed by the President from the following categories:

(1) law-enforcement officers (two persons);

(2) juvenile judges (two persons);

(3) probation personnel (two persons);

(4) correctional personnel (two persons);

(5) representatives of private organizations concerned with juvenile delinquency (four persons), and

(6) representatives of State agencies established under Juvenile Delinquency Prevention and Control Act or under title I of Omnibus Crime Control and Safe Streets Act of 1968 (two persons).

Commission members would have four year staggered terms.

SEC. 5046. Directs that a suitable location be selected.

SEC. 5047. Requires Advisory Commission to design and supervise a curriculum utilizing a multi-disciplinary approach (to include law enforcement, judicial, probation, correctional, and welfare worker disciplines) appropriate to the needs of the Institute's enrollees.

SEC. 5048. Candidates for admission and enrollment in the Institute shall be nominated by the State agencies or agency established under the Juvenile Delinquency Prevention and Control Act of 1968 or the Omnibus Crime Control and Safe Streets Act of 1968 (title I) with final decision concerning admission being made by the Institute Director.

RECAPITULATION

Rather than simply further study juvenile delinquency, this bill seeks to establish a clearinghouse or data bank for all the valuable information presently existing but not in any one convenient or central location—a function which could not be easily fulfilled except at the Federal level. The other main purpose is to provide expert "graduate" or "continuing" education and training for those persons who are now working to combat juvenile delinquency at the State and local level.

## HON. CURTIS L. WALLER

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on December 2 the Court of Appeals of the Fifth Circuit assembled in its courtroom in Jacksonville, Fla., to receive portraits to be hung in the courtroom of Judge Curtis L. Waller, and Judge Louie W. Strum, both distinguished former members of the court and Judge Warren Jones, distinguished present member of the court. On this occasion the court and members of the bench, bar, and the public in attendance heard addresses of tribute to the judges whose portraits were being received.

I had the honor and privilege to pay tribute to former Judge Curtis L. Waller, who for 6 years prior to my entering the Senate was my devoted and able law partner in Tallahassee, Fla. I should like to submit, following my remarks here, my address on that occasion in tribute to this great and noble jurist, friend, and citizen, Judge Waller.

I am grateful for the privilege of participating in this meaningful occasion and particularly to have the honor to pay tribute to a man whom I respected as a judge, admired as a lawyer, esteemed as a gentleman, and loved as a law partner and friend—Curtis L. Waller.

The address follows:

DEDICATION

On July 11, 1950, a judicial sun, in the full lustre and glow of noonday brilliance, after a brief flicker and pause dropped suddenly behind the horizon of life into eternity and immortality. For on that day, Curtis Longino Waller, of the United States Court of Appeals for the Fifth Circuit, Florida's highest ranking member of the federal judiciary, died after a brief illness, at 63. Into the grave with him went the hearts of a countless host who admired him for the virile strength of his mind and loved him for the grandeur of his character and the noble beauty of his spirit.

Appointed as United States District Judge for the Northern and Southern Districts of Florida in 1940, he was elevated to the circuit court in 1943. His judicial career climaxed a rich and full life which began in Silver Creek, Mississippi, where his family was rooted and reversed, and an uncle was governor. He took his literary work at Mississippi College and his law degree at Millsaps College. He was a high school teacher; secretary to the gifted Pat Harrison in the House of Representatives in Congress; an aviator in World War I. Returned from the war, he immediately gained distinction at the Bar of Mississippi. He served in the Mississippi House of Representatives. In 1924 he moved to Tallahassee, Florida, and at once assumed leadership in an eminent Leon County Bar.

His counsel was sagacious, his thinking astute and profound. His character, about which all of his life no man ever dared to whisper, won profound respect for every utterance he made to client or court. He was thorough, and when his preparation was finished, sure of his case. He had the genius as a lawyer of catching phrase and homely or humorous rhetoric which endeared him alike to court and jury. His standing at the bar and in the community caused him to be drafted against his will to serve Leon County in the House of Representatives, and to accept appointment as State Attorney for the Second Judicial Circuit of Florida for a brief period.

He had an enviable aptitude for the bench, for he had that balance of judgment, that innate sense of justice, that courage of conviction, as well as that saturation in legal principle and precedent, which makes the judge. To a judicial mind he brought a gentleman's code and a warm heart. His happy diversion from labor was fishing, and he wrote intriguing fishing stories for national sportsmen's magazines. In the camp or in the friendly circle which he so much loved, he had no superior as a storyteller.

He was too faithful a disciple of the law not to follow it, but he was too just a judge not to rebel at wrong—even what he thought was wrong law. He believed in social justice and progress, and as a citizen he supported liberal men and liberal movements; but when he sat as a judge he was the shield of the individual, and woe to those, pressing down upon the citizen, who fell upon the poniard of his pen. As a district judge he had the faculty to grasp the issues, to rule promptly and forcibly, and to dispatch the court's business both quickly and well. As an appellate judge he spurned verbosity; he scorned empty rhetoric and cut through the confusion of fact and word with the lance of a penetrating mind and what Mr. Justice Glenn Terrell called "incisive, pointed and direct statement."

In one of his dissenting opinions, Judge Waller said: "I hesitate to ascribe to Congress the absurd design to tax a gift to a babe in arms because his estate must be managed by someone sui juris, exercising the powers of a guardian or parent, while a gift to an adult, requiring no managing third party, is tax free. Congress likes adult voters, but surely not that well." Fondren v. Commissioner, 141 F. 2d 419, 422 (1944).

But he could put a romantic shaft upon his arrow; in Crews v. United States, 160 F. 2d 746, 747 (1947), he began the opinion of the court: "The beautiful Suwannee River—the mention of which calls to memory a plaintive melody of strumming banjos, humming bees, childhood's playful hours, a hut among the bushes, and a longing to go back to the place where the old folks stay—was the scene of the cruel and revolting crime that provoked the gesture of dealing out justice that is this case."

His judicial reputation was rising all over

the country. The law he loved has lost one of its finest and best.

We became friends shortly after 1925 and, until he went away, our lives, like our hearts, were close together. When he was lowered beneath the gentle pine which is his sentinel in Tallahassee, there came back to my mind the noble words of Antony over the body of Brutus at Philippi:

"His life was gentle, and the elements
So mix'd in him that Nature might stand up
And say to all the world 'This was a man!'"

And if we add "and a great and just judge," there is a fitting epitaph for Curtis L. Waller.

## BILL TO IMPROVE JUDICIAL MACHINERY OF MILITARY COURTS-MARTIAL

(Mr. WHALEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WHALEN. Mr. Speaker, in the listing of public bills and resolutions in yesterday's CONGRESSIONAL RECORD, H.R. 15173 was inadvertently introduced by me in behalf of Congressmen ASHLEY, BINGHAM, BOLAND, BURTON of California, DIGGS, EDWARDS of California, LEGGETT, LOWENSTEIN, MIKVA, MOSHER, MOSS, OTTINGER, PUCINSKI, REES, ROSENTHAL, ST GERMAIN, SCHEUER, STAFFORD, STOKES, TAFT, CHARLES H. WILSON, YATES, and CONYERS. This bill provides for the creation of a catalog of Federal assistance programs and for other purposes.

However, the bill which I intended to introduce in behalf of the above-named cosponsors would amend title 10, United States Code, to improve the judicial machinery of military courts-martial. I regret this error, and I wish to advise the cosponsors that the correct bill will be introduced today.

## TRADING WITH THE ENEMY

(Mr. CHAMBERLAIN asked and was given permission to extend his remarks at this point in the RECORD and to include a table.)

Mr. CHAMBERLAIN. Mr. Speaker, during November there were seven more free world ship arrivals in North Vietnam, according to information I have just received from the Department of Defense. This brings the total for the first 11 months of 1969 to 92 as compared to 135 for the same period in 1968. Overall, then, there seems to be reason for some cautious encouragement.

What continues to be most disturbing about this trading with the enemy is the major role played by vessels flying the British flag. Of the 92 arrivals this year, 67, or 72 percent were made by ships sailing under the Union Jack. This is basically the same percentage as last year when there were 104 British flag arrivals during the first 11 months.

The official explanations and excuses for this traffic state that these vessels are registered in the British crown colony of Hong Kong; that they are owned or controlled by Chinese Communists; and that the British Government is incapable or afraid to do anything about it.

No one questions the importance of Hong Kong, but it seems to me that the British are not without influence for it must be important to the Communists for the British to remain there, or otherwise they would have been pushed out years ago.

Frankly, I cannot help but wonder what London would do if these same ships tried to trade with Rhodesia. I am satisfied their policy toward their owners would be decidedly different. For reasons that have apparently been satisfactory to our State Department, it has been the policy of our Government to support the British position on boycotting trade with Rhodesia. Many factors undoubtedly went into that decision. Nevertheless, one certainly would expect at least equal concern on the part of London for a situation so vitally affecting the efforts of one of its oldest allies.

I urge the administration to make a greater effort to prevail upon the British Government to make a positive contribution to our efforts to bring peace to that tragic land.

At this point I include a chart detailing free world shipping to North Vietnam this year.

1969 FREE WORLD SHIP ARRIVALS IN NORTH VIETNAM

| | British | Somali | Cyprus | Singapore | Japanese | Maltese | Total |
|---|---|---|---|---|---|---|---|
| January | 8 | 2 | 1 | | | | 11 |
| February | 6 | | 1 | 2 | 1 | | 10 |
| March | 6 | 1 | | | | | 7 |
| April | 7 | 1 | | | 1 | | 9 |
| May | 9 | 1 | 1 | | | 1 | 12 |
| June | 6 | 2 | 2 | 1 | | | 11 |
| July | 6 | 1 | | | | | 7 |
| August | 4 | | 2 | | | | 6 |
| September | 4 | | 1 | 1 | | | 6 |
| October | 4 | | 1 | | 1 | | 6 |
| November | 7 | | | | | | 7 |
| Total | 67 | 8 | 9 | 4 | 3 | 1 | 92 |

## NATIONAL WELFARE AND JOB DATA BANKS TO BE ESTABLISHED IN LEGISLATION BEFORE CONGRESS

(Mr. BETTS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BETTS. Mr. Speaker, under provisions of two major proposals before Congress individual dossiers on some 33½ million Americans can be prepared and housed in Federal computers. These human intelligence centers are integral but little noticed parts of the Family Assistance Act of 1969 and Manpower Training Act of 1969 now in formative stages of consideration by House and Senate committees. If Congress approves these measures a national welfare data bank will be created and administered by the Social Security Administration and a national job bank established in the U.S. Department of Labor.

The proposed Family Assistance Act of 1969 is President Nixon's worthwhile effort to reform a welfare system in crisis. It encompasses many desirable improvements as well as a program to centralize the personal files of welfare recipients through national eligibility standards or direct payments to individuals. There are officially estimated to be 25 million Americans who are considered to be living at the poverty level. These citizens would be included in the income maintenance program and consequently their personal files prepared for use in the welfare data bank. Last year some 9,963,000 persons including only 1,825,000 eligible for public assistance, were served by public employment offices throughout the United States. These two groups total about 33½ million people.

Directly related to the family assistance program through its requirement that all adult recipients register with public employment offices for manpower services and training is the creation of a national computer job bank. I support the purpose of this job bank: Using computer technology to help solve the problems of finding the best workers for jobs and the best jobs for unemployed workers. This computer operation would be State based with Washington at its hub through which millions of registrants at public employment service offices would be profiled against job opportunities filed with these centers. The Secretary of Labor wants the elementary stage of the program installed in 55 major cities by June 1970, and the full integration of the matching process a short time thereafter. Once operational, anyone registering with a public employment service office would find a detailed personal file of facts about him, his financial situation and complete job experience record linked to a national network of computers and telecommunications machinery.

Mr. Speaker, I am wholeheartedly in favor of the unemployed having jobs and those on public assistance becoming self-sufficient. These objectives can no doubt be augmented by computer technology, perhaps by national dossier centers. My concern over the creation of any national data bank is based on the belief that Congress and the public should scrutinize what these storehouses of personal files will be once they are in operation. We must carefully examine the issues of privacy and confidentiality in terms of the use and possible abuse of data once recorded in Federal computers.

Recently the Senate passed legislation which would regulate the activities of credit reporting companies as they apply to investigative reports on consumers seeking credit, insurance or employment. The purpose of this bill was to prevent consumers from being impugned or harassed because of inaccurate information on a computerized credit report and to provide confidentiality and accuracy requirements in the collection and dissemination of credit information.

While I have long been concerned over the inability of consumers to protect

themselves from false credit information, I am amazed that Congress has not questioned whether a similar situation might not also exist in those Federal agencies which utilize personal data reports in their normal course of work. The vast amount of decentralized individual data stored in Washington, as well as the countless requests by Federal agencies for additional personal information, provides fertile grounds for invasions of individual privacy.

It is clear to me that built-in privacy protections should be legislatively provided at the outset of these human information banks. Restrictions on the integration and coordination of personal Government records are needed in order to prevent unlimited access to individual files. Individuals should be allowed to inspect, and challenge if necessary, the contents of his file for erroneous information. Once an individual terminates participation in a public assistance program his file should be destroyed and the subject person notified of this action. This view is not without substantial support from those who have spoken on the earlier plan for creating a National Statistical Data Center.

Congressional hearings abound with testimony which, when summarized, conclude that a statistical center where sterilized data, devoid of any individual identifiers and equipped with effective controls on access and dissemination to the information it houses, could be a constructive and worthwhile Federal enterprise. But any system that is exclusively designed to develop and maintain personal dossiers, uncontrolled in scope and subject was uniformly condemned, even by the Budget Bureau witness. New strong standards of confidentially and other special arrangements restricting access and reuse of these files, must be provided.

Mr. Speaker, the day has come when Congress must analyze and evaluate carefully any proposal which requires the establishment of a centralized data bank, particularly one which is specifically designed as a human intelligence system. It is imperative that we assert our authority and responsibility in this area which has long been a specialist's domain but wherein emanates programs having serious impact on the citizens' privacy.

I call the attention of my colleagues, the press and public to these important questions as several committees of Congress review the major elements and move toward final consideration of these national programs.

## HOMECOMING FOR KANSAS NATIONAL GUARDSMEN

(Mr. SHRIVER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SHRIVER. Mr. Speaker, this is a happy week for many Kansas families. The long-awaited return of the 69th Infantry Brigade of the Kansas Army National Guard is a reality. The officers and enlisted men of the brigade will be released from Federal active duty and returned to State service on Friday, December 12, 1969.

These units from the Kansas Army National Guard, along with the Kansas Tactical Air National Guard squadron were mobilized in May 1968 at the time of the *Pueblo* crisis.

The men of the Air National Guard returned from duty in Korea and other foreign assignments during the summer.

Formal military homecoming ceremonies will be held for personnel of the 69th Infantry Brigade in various Kansas cities today and Thursday. One of these ceremonies will be held in Wichita, which is in the Fourth Congressional District, tomorrow afternoon.

I truly regret that it is not possible for me to be present for those ceremonies because of the important legislative program which faces us in the House of Representatives this week.

We are happy for these men and their families. Reunions with one's friends and loved ones are always happy occasions, but it is even more significant when it comes at the Christmas season. They have sacrificed much to serve their country at a difficult time.

They left their jobs and other career pursuits to serve in the interest of the defense and security of this Nation. As one who served in our Armed Forces during World War II, I am well aware of their sacrifices.

Kansas has indeed done its share in providing a substantial percentage of the manpower mobilized in 1968. Approximately 900 men served on active duty with the 184th Kansas Tactical Air National Guard Squadron. There were 3,400 enlisted men and officers called up with the 69th Infantry Brigade, and of this number, 235 officers and approximately 1,800 enlisted men served in Vietnam. Unfortunately, all of these men did not come back. Twenty-four Kansans were killed in action in Vietnam, and five died from other causes.

The Nation owes a great debt to these men who symbolize the meaning of the National Guard's tradition of readiness. I salute those who this week return to civilian life and wish them success, happiness and peace. Congratulations certainly are in order for the officers and enlisted men of the 69th Infantry Brigade.

Under the leave to extend my remarks and include extraneous material, I include in the RECORD the units of the brigade to be honored and the time and place of the homecoming ceremonies:

STATE OF KANSAS, MILITARY DEPARTMENT, OFFICE OF THE ADJUTANT GENERAL,
*Topeka, November 25, 1969.*

Subject: Homecoming Ceremonies for 69th Infantry Brigade (Separate). See Distribution.

1. Reference is made to letter, AGO–AR, 19 November 1969, Subject: Return to State Status of 69th Infantry Brigade.

2. Formal military ceremonies will be held for all personnel of the 69th Infantry Brigade as follows:

A. TOPEKA, 1400 HOURS, WEDNESDAY, 10 DECEMBER 1969

(1) HHC (-), 69th Infantry Brigade (Sep) (Topeka).
(2) MP & Med Plat, HHC, 69th Inf Bde (St Marys).
(3) 169th Engr Co (-) (Emporia).
(4) 1st & 2nd Engr Plats, 169th Engr Co (Eureka).
(5) Bridge Plat, 169th Engr Co (Council Grove).
(6) Co A, 169th Spt Bn (Topeka).
(7) Co D (-), 169th Spt Bn (Marysville).
(8) Mech Maint. Plat, Co D, 169th Spt Bn (Belleville).
(9) Acft Maint. Plat, Co D, 169th Spt Bn (Topeka).

B. THURSDAY, 11 DECEMBER 1969

*1. Hiawatha, 1030 hours*

(a) HHB, 2nd, Bn, 130th Arty (-) (Hiawatha).
(b) Comm Plat, Sup & Maint Plat, HHB, 2nd Bn, 130th Arty (Troy).
(c) Btry A, 2nd Bn, 130th Arty (Sabetha).
(d) Btry B, 2nd Bn, 130th Arty (Horton).
(e) Btry C, 2nd Bn, 130th Arty (Paola).

*2. Wichita, 1500 hours*

(a) HHC, 1st Bn, 137th Inf (Wichita).
(b) Co A (-), 1st Bn, 137th Inf (Winfield).
(c) 2nd Rifle Plat & Wpns Plat, Co A, 1st Bn, 137th Inf (Arkansas City).
(d) Co B (-), 1st Bn, 137th Inf (Wichita).
(e) 2nd Rifle Plat & Wpns Plat, Co B, 1st Bn, 137th Inf (Wellington).
(f) Co C (—), 1st Bn, 137th Inf (Wichita).
(g) 2nd & 3rd Rifle Plats & Wpns Plat, Co C, 1st Bn, 137th Inf (Newton).
(h) Troop E (—), 114th Cav (McPherson).
(i) 3rd Armd Cav Plat & Trp Maint Sec. Troop E, 114th Cav (Manhattan).

C. KANSAS CITY, 1400 HOURS, FRIDAY, 12 DECEMBER 1969

(1) HHC (—), 2nd Bn, 137th Inf (Kansas City).
(2) Bn Recon, Bn Hv Mort & Bn AT Plats, 2nd Bn, 137th Inf (Lawrence).
(3) Co A, 2nd Bn, 137th Inf (Leavenworth).
(4) Co B (—), 2nd Bn, 137th Inf (Atchison).
(5) 2nd Rifle Plat & Wpns Plat, Co B, 2nd Bn, 137th Inf (Holton).
(6) Co C, 2nd Bn, 137th Inf (Kansas City).
(7) HHD, 169th Spt Bn (Kansas City).
(8) Co B, 169th Spt Bn (Kansas City).
(9) Co C, 169th Spt Bn (Kansas City).
(10) 169th Avn Co (Kansas City).

2. Additional information will be furnished to all concerned as it becomes available.

For the Adjutant General:

PHILIP W. SMYTH,
*BG, AGC, KanARNG,*
*Assistant Adjutant General.*

## GE STRIKE ISSUE

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, I want to express my support of the General Electric strikers, and I plan to personally join in the boycott of General Electric products.

The issues in this strike do not simply revolve around whether or not the ultimate settlement between the union and the company will compensate the workers for an increased cost of living, but goes to the very heart of the labor-management relationship and recognition of the judicial process.

Behind the motives and actions of the company lie their policy of "Boulwarism," a name derived from the tactics and beliefs of a former GE vice president. Boulwarism threatens the very right of any union, group, or individual worker to retain a viable and relistic involvement in salary negotiations.

Lemuel Boulware outlined his philosophy in a recently published book. Essentially, the policy works like this: A company will, through some responsible

and responsive process, arrive at a figure for the worker's contract; once made it should not be increased or altered.

This approach does not recognize the very right of the union or the worker to negotiate—to bargain. It permits the company to dicker with itself, demean the very existence of the union, and neglect the needs of the worker. Does this not reflect and remind us of the early struggles, the old economic class systems, the cries of the worker and the very reasons why trade unionism was created?

On October 28, the U.S. Court of Appeals for the Second Circuit in NLRB against General Electric handed down a long-awaited decision dealing with the unfair practices charges arising from the 1960 GE-union negotiations. An issue before the court was the legality of the "take it or leave it" method of negotiations.

The court, after examining the company's negotiation techniques, held "Boulwarism" to be unlawful and directed the company to engage in genuine collective bargaining. The court found that "Boulwarism" had two major facets. It stated:

First, a take-it-or-leave-it approach (fair firm offer) to negotiations in general which emphasized both the powerlessness and uselessness of the Union to its members and second, a communications program that pictured the Company as the true defender of the employees interests, further denigrating the Union, and sharply curbing the Company's ability to change its own position.

In criticizing the company's stiff and unbending attitude, the court said:

The Company's tactics seemed so clearly designed to show the employees that the Union could win them nothing more than the Company was prepared to offer, it is even more apparent that a unilateral offer—over which the Union may not bargain—diminishes the rewards and the importance of the bargaining at the end of the contract period. Thus, the Union's ability to function as a bargaining representative is seriously impaired. Indeed, such conduct amounts to a declaration on the part of the Company that not only the Union, but the process of collective bargaining itself may be dispensed with.

Prior to this past Saturday, the tactics by the company resembled those of 1960. They refused to submit the grievance to an impartial third party for arbitration. The company's offer of a 6-percent wage increase was far from being responsive and responsible when, during the last 3 years the Consumer Price Index has risen by 13 percent. In addition, the company has repeatedly refused to include a cost-of-living escalator clause in this contract.

I invite my colleagues to read the record and history of this strike to determine first, whether the offer by the company is in fact "responsible and responsive" and second, whether or not General Electric is, even now, unwilling to abide by the recent court decision—notwithstanding its recent offer.

I support this strike for I am against "Boulwarism" and everything that it implies and destroys. This is not just the fight of the 150,000 striking workers, but is the struggle of all union members and those who have compassion for the working man of America.

I urge my colleagues to join me in my declaration.

Following is the majority opinion in this recent case:

[U.S. Court of Appeals for the Second Circuit—Nos. 337, 338—September term, 1968]

(Argued June 3, 1969; Decided October 28, 1969.)

(Docket Nos. 29502, 29576)

NATIONAL LABOR RELATIONS BOARD, PETITIONER, *v.* GENERAL ELECTRIC COMPANY, RESPONDENT, AND INTERNAIONAL UNION OF ELECTRICAL, RADIO, AND MACHINE WORKERS, AFL–CIO, INTERVENOR.

Before: Waterman, Friendly and Kaufman, *Circuit Judges.*

Petitions to review and to enforce order of the National Labor Relations Board based on findings of unfair labor practices and failure to bargain in good faith in violation of sections 8(a) (1) and (5) of the National Labor Relations Act, 29 U.S.C. §§ 158(a) (1), (5). Order enforced.

KAUFMAN, *Circuit Judge:* Almost ten years after the events that gave rise to this controversy, we are called upon to determine whether an employer may be guilty of bad faith bargaining, though he reaches an agreement with the union, albeit on the company's terms. We must also decide if the company committed three specific violations of the duty to bargain by failing to furnish information requested by the union, by attempting to deal separately with IUE locals, and by presenting a personal accident insurance program on a take-it-or-leave-it basis.

I. THE PRIOR PROCEEDINGS

In the wake of what it regarded as unsatisfactory negotiations with the General Electric Company (GE) during the summer and fall of 1960, the International Union of Electrical, Radio and Machine Workers, AFL–CIO (IUE) filed unfair labor practice charges with the National Labor Relations Board. The General Counsel, on April 12, 1961, filed a complaint alleging that GE had committed unfair labor practices in violation of sections 8(a)(1), 8(a)(3), and 8(a)(5) of the National Labor Relations Act, 29 U.S.C. §§ 158 (a)(1), 158(a)(3), and 158(a)(5) (1964). Hearings were held before a trial examiner between July, 1961, and January, 1963, and included testimony, oral argument, and submission of briefs. The Trial Examiner issued his Intermediate Report on April 1, 1963, which found GE guilty of several unfair labor practices. GE and the IUE filed exceptions to the Intermediate Report, and on December 16, 1964, the NLRB agreed with the Trial Examiner. 150 N.L.R.B. 192 (1964).

There followed the race to the courthouse that is an unhappy feature too often encountered in these matters. See Carrington, *Crowded Dockets and the Courts of Appeals: The Threat to the Function of Review and the National Law,* 82 Harv. L. Rev. 542, 598–600 (1969). Since GE does business in every state, every court of appeals has jurisdiction, if GE's petition for review is first filed there. See 29 U.S.C. § 160(f) (1964); 28 U.S.C. § 2112 (1964). The IUE claimed that it filed in the District of Columbia Circuit 14 seconds before GE handed its petition to the clerk in the Seventh Circuit. GE's version of course differed. The NLRB, admitting its confusion (not without reason, it would seem), suggested that since the question of timing was incapable of rational solution, the Second Circuit, where the unfair labor practices complained of occurred, would be the logical place to begin. The District of Columbia and Seventh Circuits agreed. *IUE* v. *NLRB,* 343 F. 2d 327 (D.C. Cir. 1965); *GE* v. *NLRB,* 58 LRRM 2694 (7th Cir. 1965). Another year was required to determine that the Union's proper status in the action was that of intervenor. *NLRB* v. *General Electric Co.,* 59 LRRM 2094, 2095 (2d Cir. 1965), *vacated and remanded, IUE* v. *NLRB,* 382 U.S. 366 (1966), *modified on remand, NLRB* v. *General Electric Co.,* 358 F. 2d 292 (2d Cir.), *cert. denied,* 385 U.S. 898 (1966). See *International Union, Local 283* v. *Scofield,* 332 U.S. 205 (1965).

In order for the action to reach its present state of ripeness, this court consolidated GE's petition for review (No. 29576) with the Board's petition for enforcement (No. 29502). *NLRB* v. *General Electric Co.,* 358 F. 2d 292 (2d Cir. 1966), *cert. denied,* 385 U.S. 898 (1966). Another year and a half passed while the parties attempted to settle the case without recourse to further litigation. When a satisfactory settlement proved too elusive, they reentered the fray with renewed vigor, undiminished by the passage of time, two successive collective bargaining contracts (1963 and 1966), and by another suit over proper representation arising out of the 1966 negotiations. *McLeod* v. *General Electric Co.,* 257 F. Supp. 690 (S.D.N.Y.), rev'd 366 F. 2d 847 (2d Cir. 1966), remanded 385 U.S. 533 (1967). See also *General Electric Co.* v. *NLRB.* No. 32867 (2d Cir., June 9, 1969).

II. THE BARGAINING BACKGROUND

General Electric, a New York corporation, is the largest and perhaps the best known manufacturer of electrical equipment, appliances, and the like. Its products—manufactured in all the 50 states—range from refrigerators to atomic energy plants, from submarines to light bulbs. In 1960, it employed about 250,000 men and women; of these only 120,000 were unionized. The IUE is an international union, affiliated with the AFL–CIO, and had a total membership of about 300,000. In 1960 it represented some 70,000 of the 120,000 unionized GE employees, formally grouped in more than 105 bargaining units, and was far and away the largest single union with whom GE dealt. The next largest, the United Electrical Workers (UE), represented only 10,000 members, and the remaining 50,000 unionized employees were split among some 100-odd other unions or bargaining agents who dealt independently with GE. A high proportion of GE employees are supervisory or managerial personnel, who are available to the company in the event of a strike.

The present action has its roots deep in the history of prior negotiations and bargaining relationships. Before 1950, the major union was the UE. In 1946, negotiations reached an impasse and resulted in a serious and crippling strike. GE eventually capitulated, and agreed to a settlement that it later characterized as a "debacle," and beyond the company's ability to meet.

GE's response came in the form of a new approach to employee relations, urged by one of its vice presidents, Lemuel R. Boulware. Although GE generally objects to use of the term, describing it as a "hostile label," the tactic of "Boulwareism" associated with his name soon became the hallmark of the company's entire attitude towards its employees.

In many respects, GE's negotiating policy after the 1946 strike followed a predictable course. The Company had been concerned over the antipathy many of the employees displayed during the strike. It decided that it was no longer enough to act in a manner that it thought becoming for a "good" employer; it had to insure that the employees recognized and appreciated the Company's efforts in their behalf. The problem was perceived as a failure to apply GE's highly successful consumer product merchandising techniques to the employment relations field.

The new plan was threefold. GE began by soliciting comments from its local management personnel on the desires of the work force, and the type and level of benefits that they expected. These were then translated into specific proposals, and their cost and effectiveness researched, in order to formulate a "product" that would be attractive to the employees, and within the Company's means.

The last step was the most important, most innovative, and most often criticized. GE took its "product"—now a series of fully-formed bargaining proposals—and "sold" it to its employees and the general public. Through a veritable avalanche of publicity, reaching awesome proportions prior to and during negotiations, GE sought to tell its side of the issues to its employees. It described its proposals as a "fair, firm offer," characteristic of its desire to "do right voluntarily," without the need for any union pressure or strike. In negotiations, GE announced that it would have nothing to do with the "blood-and-threat-and-thunder" approach, in which each side presented patently unreasonable demands, and finally chose a middle ground that both knew would be the probable outcome even before the beginning of the bargaining. The Company believed that such tactics diminished the company's creditability in the eyes of its employees, and at the same time appeared to give the union credit for wringing from the Company what it had been willing to offer all along. Henceforth GE would hold nothing back when it made its offer to the Union; it would take all the facts into consideration, and make that offer it thought right under all the circumstances. Though willing to accept Union suggestions based on facts the Company might have overlooked, once the basic outlines of the proposal had been set, the mere fact that the Union disagreed would be no ground for change. When GE said firm, it meant firm, and it denounced the traditional give and take of the so-called auction bargaining as "flea bitten eastern type of cunning and dishonest but pointless haggling."

To bring its position home to its employees, GE utilized a vast network of plant newspapers, bulletins, letters, television and radio announcements, and personal contacts through management personnel.

Side by side with its policies of "doing right voluntarily" through a "firm, fair offer," GE also pursued a policy of guaranteeing uniformity among unions, and between union and non-union employees. Thus all unions received substantially the same offer, and unrepresented employees were assured that they would gain nothing through representation that they would not have had in any case. Prior to 1960, GE held up its proposed benefits for unrepresented employees until the unions agreed, or until the old contract with the Union expired.

The IUE split off from the UE in 1950, when the UE was expelled from the CIO for alleged Communist domination. Since 1950, the IUE and GE have bargained on a multi-unit basis, despite the presence of separate unit certifications for IUE locals. The pattern was continued in successive 1951, 1952, 1954, and 1955 renewal contracts. In practice, the IUE has dealt with the company through its General Electric Conference Board, composed of delegates elected from IUE locals. Under the Union constitution, the Conference Board may call strikes, make contact proposals, and conclude agreements, regardless of an individual local's consent. GE has dealt with, and recognized the status of, the Conference Board since 1950, although the national agreements frequently provided that some matters, usually minor, would be left to local agreement.

The 1955 Contract, which was to run for five years, contained a provision allowing the Union to reopen in 1958, solely on the issue of employment security. The union did so, but was unable either to gain concessions from the Company, or to elicit enough support for a strike.

### III. THE 1960 NEGOTIATIONS

Under the 1955 Contract, the earliest date that either party could compel the beginning of negotiations was August 16, 1960, 45 days before the end of the contract. Both sides, however, were anxious to take at least some preliminary steps before they were required to.

The IUE set up a loose alliance with several other AFL–CIO unions who bargained with GE, and they jointly polled their members on proposals. Before the actual beginning of formal negotiations, the IUE also began preparing its members through information about some of the possible demands that appeared likely to be presented to GE.

Since the linchpin of the "Boulware approach" was to bring GE's side of the story home to its employees and to the general public, it began in the latter part of 1959 to advise its Employment Relations Managers of the subjects that they should be prepared to discuss with employees. This was effected through various media, including plant publications and personal contact. General arguments in favor of keeping GE competitive through low costs, and the advantage of receiving GE benefits without having to wait for Union officials to approve them, were among the suggestions presented.

Informal meetings were first held in January, 1960, and Union and Company subsequently joined in preparing a body of information. Neither side felt any inclination to complain of want of cooperation at this stage. GE, in fact, took pains to suggest alternate information when the precise form the Union desired was unavailable.

Before another planned informal meeting in June, 1960, GE notified the IUE by letter that as of July it would institute a contributory group accident and life insurance plan for all employees, but if the Union objected, only unrepresented employees would receive the benefits. The Union protested that the Company had to bargain before making such a unilateral change, but GE insisted that the 1955 IUE–GE Pension and Insurance agreement waived all such requirements. The Union still objected, and the program was put into effect only for unrepresented employees.

At the June meeting, the Union stated its proposals, as they then stood. Without much discussion, other than some minor clarifications, Philip D. Moore, GE's Union Relations Service Manager and chief negotiator, called the proposals "astronomical" in cost, "ridiculous," and not designed for early settlement.

Following the presentation of these proposals, the early publicity phase of the Boulware swung into high gear. Employing virtually all media, from television and radio, to newspaper, plant publications and personal contact, the Company urged employees and the public to regard the Union demands as "astronomical" (then and later a favored Company term), and likely to cost many GE employees their jobs through increased foreign competition. GE, on the other hand, announced it would in time make a fair and "firm" offer that would give employees no reason to allow union leadership to impose a strike. The basic theme was that the Company, and not the Union, was the best guardian and protector of the employees' interests.

The IUE also tried its hand at publicity, including an "IUE Caravan" that travelled from city to city, and occasional articles in the International Union's newspaper. In scope and effectiveness, however, they were far outshadowed by the Company's massive campaign.

From July 19 to August 11, the Union presented its specific proposals on employment security, to which the Company replied with general expressions of disapproval, or simply rejected. GE spent the next five meetings delivering prepared presentations on the general causes of economic instability, which the Union branded as a waste of time.

In subsequent meetings, the Company's posture remained unchanged. It would comment generally on some Union demands, and consider them in formulating its offer, but would not commit itself in any way. While it complained that the IUE proposals were excessive, it replied to Union requests for cost estimates with "we talk about the level of benefits," or that the proposals cost "a lot." GE would not indicate the total cost of a settlement it considered reasonable ("we talk level of benefits"); the Union in turn refused to rank its demands by priority, describing them all as "musts." Indeed the entire early period—and the later negotiations as well—were characterized by an air of rancor on both sides, which provided each with welcome opportunities to downgrade the other in communications to Union members.

GE finally revealed its own proposal informally on August 29. While expressing distress at some features of the offer, Union negotiators urged the Company to delay publicizing its "firm, fair" offer, so that its position would not be frozen before the IUE had an opportunity to examine it and offer changes. GE refused, agreeing only to hold up most of the prepared and packaged publicity until after formal presentation of the offer on the next day.

Union officials frequently renewed their requests for cost information during the ensuing month of negotiations. GE consistently refused to estimate the cost of its proposal or of any of its elements, so that the Union might reallocate its demands. When pressed for some of the highly-touted GE cost studies, Moore frequently slipped into the "level of benefits" format, and generally showed no interest in presenting alternate information that was available and would have served the Union's needs.

There were few modifications made in the original GE offer. The Company did propose an extra week's vacation after 25 years in exchange for a smaller wage increase; but Union officials had indicated at the outset that they were uninterested in paring down what they considered an already inadequate wage offer. Despite this, and in the face of the departure by Union officials for their national conference, GE publicized the "new" offer heavily in employee communications.

After declaring late in September that the "whole offer" was "on the table," GE contrary to prior practice, brought its position home by making its three per cent wage increase offer effective for unrepresented employees before the end of the contract or IUE acceptance. Two days later GE also put its pension and insurance proposals into effect, despite IUE President James Carey's complaint that this would "inhibit" any subsequent modifications.

On September 21, Federal Mediation Service officials began to sit in on the negotiations at the request of the Union. Their presence does not appear to have measurably aided the negotiations. The Union, in response to Company complaints that the IUE proposals were too costly, submitted a written request for information on the cost per employee of the GE pension and insurance plans, as well as the number of employees who could be expected to benefit from GE's vacation and income extension proposals. The request was refused in part, and the remainder was not complied with until after the strike, when the information would be of no substantial value to the Union.

Similar difficulties confronted the Union in its efforts to change the effective date of the pension and insurance plans. The Company proposed a January 1 date for the first increase in pension and insurance benefits; the Union in turn suggested that the increase in benefits should coincide with the beginning of the contract. GE shifted its ground back and forth: first it claimed that the earlier date would be too costly; then it said that it was talking "level of benefits" and not cost; then it argued that prior contracts had always provided for pension increases on the first of the year. When this last ground proved to be incorrect, one GE

negotiator promised to "consider" the October date, although he insisted the January date was "appropriate." During that afternoon, however, even this concession was withdrawn, and later explanations included describing January again as "appropriate," and "the time that you make all the resolutions for the New Year."

Union officials complained that "it is just because we request something that you would refuse to give it," and subsequent Company explanations served to support, rather than to undercut, this feeling. On September 28, with three scheduled meetings left before the end of the contract, a Union negotiator, seeking to salvage something of the earlier IUE Supplemental Unemployment Benefits proposal, suggested a local option plan under which some of the funds the Company had allocated to wage increases and its income extension offer could be diverted to supplement unemployment compensation. He was clear that nothing was to be added to the Company's costs. Moore responded, "After all our month of bargaining and after telling the employees before they went to vote that this is it, we would look ridiculous to change it at this late date; and secondly the answer is no." A few moments later Moore reiterated his belief that "we would look ridiculous if we changed it." Hilbert, for GE, later gave three reasons why the Company would not consider the proposal—and two of them were that it would make GE "look foolish in the eyes of employees and others . . ."

GE on September 29 rejected a Union offer to maintain the status quo under the old contract until a new one was signed, specifically refusing the cost-of-living escalator clause, and stating that it would "consider" later Union-related terms such as dues check off. A strike (which took place on October 2, except for the Schenectady Local, which joined October 6) was clearly imminent. Although claiming to be uncertain about truce terms with national IUE negotiators, GE headquarters on September 29 authorized its Schenectady Employee Relations Manager, Stevens, to offer all the pre-existing terms of the contract (except for the cost-of-living term) to the local. Stevens did so in statements to Union members and to the local Business Agent, Jandreau. A similar offer was made to the Pittsfield local, and broadly publicized there.

By October 10, the Company (after the Union had filed an unfair labor practice charge) made the same offer to the Union's national negotiators, for any locals that returned to work. Despite rejection by the Union at the national level, the Company proceeded to deal directly with local officials, and to urge acceptance of the offer. When local officials demurred, as, for example, at Lynn, Massachusetts, publicity was aimed at the employees themselves, critizing the local officials' stand on the "truce." Similar events occurred at Waterford, Louisville, Bridgeville, and Syracuse.

Throughout the course of the strike, GE communications to the employees emphasized the personal character of the Union leaders' conduct, and threatened loss of jobs to plants that returned to work late. Negotiations were held during the strike until October 19, when the Company declared that an impasse had been reached. During that period, GE refused to give the IUE definitive contract language until the Union had chosen which of the options it preferred, and until it gave its unqualified approval of the Company proposal.

On October 21, it became clear that Union capitulation was near. The Company, which had previously refused to delete the retraining provision from its offer, felt free to relax its position, and granted the Union's request to permit a local option on retraining. While refusing a joint strike settlement agreement, which both parties would sign, GE did propose a unilateral "letter of intent," indicating that it was in agreement with most of the Union settlement proposals. On October 22, the Union capitulated completely, signing a short form memorandum agreement (they had not yet seen the complete contract language to which they were agreeing), and the Company alone issued its letter of intent. The strike ended on October 24.

Two matters were left open for settlement: seniority for transferred employees, and dues checkoffs. Neither, when finally settled, represented more than an adjustment to take account of NLRB decisions that rendered the original form of the agreement of dubious legality. Some minor changes also followed, none of any considerable significance.

The only other events of importance occurred at the Augusta, Georgia, plant. On October 5, the plant manager sent a letter to the four employees on strike (at that time the only ones), warning them that their employment would be terminated and replacements hired if they did not return to work. On October 13, however, he sent them telegrams, retracting the earlier letter as to job termination, but indicating the replacements would be hired. More employees (twenty in all) joined the strike after October 5, and on October 24 the Company refused their unconditional offer to return to work. It did, however, give physical examinations to three of the employees, and rehired the two who passed.

IV. THE SPECIFIC UNFAIR LABOR PRACTICES

*A. Unilateral Insurance Proposal*

On June 1, 1960, before the reopening of negotiations, but after GE had agreed to meet with the Union on June 13 to hear its proposals, the Company notified the Union by letter that it would unilaterally institute a personal accident insurance proposal. Under the Company plan, the insurance would go into effect on July 1, would be paid wholly by the employees, and would be in addition to existing insurance coverage provided by GE. If the IUE objected, GE would not offer the insurance to its members; it would, however, make it available to other employees regardless of the stand taken by the IUE.

Prior to the June 13 meeting, GE publicized the new insurance proposal along with the information that enrollment would take place later in the month. At the meeting, the Union objected strenuously to GE's failure to bargain over the insurance, claiming that it was clearly a bargainable issue, which GE had a duty to discuss with Union representatives.

Ordinarily, the matter would be relatively simple; it appears well settled that insurance is a mandatory subject for collective bargaining, and the employer violates section 8(a)(5) of the National Labor Relations Act by refusing to bargain over it. See *NLRB* v. *General Motors Corp.*, 179 F. 2d 221 (2d Cir. 1950); *Inland Steel Co.* v. *NLRB*, 170 F. 2d 247 (7th Cir. 1948), *cert. denied*, 336 U.S. 960 (1949) (dictum). He would, of course, also violate the Act if he unilaterally changed the conditions or terms of employment. See *NLRB* v. *Katz*, 369 U.S. 736 (1962). Here, however, both the policy of section 8(d) of the Act, and the 1955 IUE–GE Pension and Insurance Agreement (which was to remain in force until October 1, 1960) affect the issue, although it is correct that section 8(d) is not by its terms applicable. Section 8(d) provides that during the term of a collective bargaining agreement neither party need: "discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period, if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract." 29 U.S.C. § 158(d) (1964).

Under the 1955–1960 Pension and Insurance Agreement, each party waived the right to require the other to bargain as to pensions or insurance matters except during the stated renegotiation period—which, barring waiver, was months off.

Read expansively, and without any attention to the purpose of the section, the combination of 8(d) and the Pension Agreement might appear to protect any action that GE might take with respect to insurance during the term of the agreement. In *Equitable Life Insurance Co.*, 133 N.L.R.B. 1675 (1961), however, the Board took the view that 8(d) was designed to protect the status quo; it was to be used as a shield, not as a sword.

To support this view, the Board now urges that the legislative history demonstrates that the primary purpose to be served by the relevant portion of 8(d) was to achieve "peaceful industrial relations" through stable collective bargaining agreements which guard "the right of either party to a contract to hold firm to the terms or conditions of employment specifically provided for in writing." 133 N.L.R.B. at 1689. See II Legislative History, LMRA 1947, at 1625. See also *NLRB* v. *Jacobs Mfg. Co.*, 196 F. 2d 680, 684 (2d Cir. 1952). Indeed, a convincing *reductio ad absurdum* argument can be made that any other reading would construe 8(d) and the contract provision as permitting GE to make any modifications in the insurance terms that it sees fit—for example to increase or decrease its contribution to the existing policy—all without any consultation with or recourse for the Union. Section 8(d), the argument would run, covers "any modification," which would include a decrease in benefits. Such a construction is patently unsupportable; it would simply destroy the stability of the agreement that 8(d) is designed to protect. Moreover, viewing this as a matter of contractual interpretation, it seems highly unlikely that the Union would have ever considered such a clause.

An argument more reasonable superficially is that the Company might add to the agreement through unilateral action, but could not subtract from it. In a sense, of course, the difference is illusory. A collective bargaining agreement is a compromise not only between the parties, but of their past, present, and future goals. An insurance agreement that covers particular risks, in a specified way, impliedly rejects other risks, and other methods. Specifically, a Union may always oppose insurance plans to which its employees contribute, believing that the tax benefits of non-contributory plans to its members—and often to the company—in the long run will outweigh any present gains. Or, it may believe that it is important to keep insurance benefits within narrow bounds, so that at the next negotiating session it will be able to press more vigorously for other benefits. In this sense, then, even "additions" to the insurance agreement subtract from the basic compromise that the agreement represents.

Yet even if we were to ignore this threshold difficulty, there are serious objections to permitting one party to an agreement unilaterally to hold out this type of inducement to the other. It creates divisive tensions within the Union; employees with hazardous occupations will favor the proposal, while those with routine tasks will object. Whichever way the Union moves, it loses ground with some part of its constituency. Union democracy is not furthered by permitting the Company to pick the Union apart piece by piece. The same point may be made where there are both union and non-union employees. If the Union refuses the benefit, then it may appear, at least in the short run, to have disadvantaged its members vis-a-vis non-members. Thus it may be forced to sacrifice long-term goals to avoid short-term dissatisfaction.

In the context of this case, where the Company's tactics seemed so clearly designed to show the employees that the Union could win them nothing more than the Company was prepared to offer, it is even more apparent that a unilateral offer—over which the Union may not bargain—diminishes the rewards and the importance of the bargaining

at the end of the contract period. Thus the Union's ability to function as a bargaining representative is seriously impaired. Indeed, such conduct amounts to a declaration on the part of the Company that not only the Union, but the process of collective bargaining itself may be dispensed with. Cf. *Equitable Life Ins. Co.*, 133 N.L.R.B. 1675, 1693 (1961).

A far more subtle argument on behalf of the Company concentrates on the effect the *Equitable* rule has on non-Union employees. This line of thought suggests that the employer can always grant unilateral benefits to non-Union employees. If he were forbidden to do so whenever some of the employees chose a Union as their bargaining representative, then the Union would in effect have the ability to prevent non-Union employees from making an independent choice on benefits. In fact, the argument goes, he would be denying the unrepresented employees their right to refuse to be represented by the Union, and would thus be committing an unfair labor practice. See § 7, 29 U.S.C. § 157 (1964) ("Employees . . . shall also have the right to refrain from any or all of such activities. . . ."); § 8(a)(1), 29 U.S.C. § 158(a)(1) (19C4) (making violations of § 7 an unfair labor practice).

There are two answers to this argument. Section 8(a)(3), 29 U.S.C. § 158(a)(3) (1964), forbids discrimination in terms of employment that discourage or encourage union membership. Were GE unilaterally to give only non-Union employees a cash bonus, it would be violating the policy of section 8(a)(3), if its aim were to disparage the Union. Under some circumstances, in fact, its subjective state of mind would be wholly irrelevant. See Note, *Labor Law—The Decreasing Importance of Employer Motivation as an Element of Unfair Labor Practice*, 46 North Carolina L. Rev. 975 (1968). Hence it is not by any means clear that an employer may give benefits to non-union employees whenever he wishes; his freedom, and that of the non-union employees, is limited by section 8(a)(3).

Moreover, *Equitable* hardly says that an employer like GE may not offer to increase benefits during the term of the contract; rather, its thrust is that if an employer wishes to do so, he must be prepared to bargain with the union. The Act can hardly be read to require less.

GE attempts to distinguish *Equitable* by urging that only section 8(d) and not a contract provision was at stake in that case, and the employer attempted to capitalize on the dilemma it created for the union. The first ground is unconvincing. GE does not direct us to circumstances indicating a desire by the parties to the collective bargain agreement to do more than invoke the protections of section 8(d). Indeed, the Company described the contract language as "the standard 8(d) clause."

Although the Trial Examiner found that GE did not attempt to capitalize on the IUE's refusal to accept the personal accident insurance proposal, this case is not distinguishable from *Equitable*. The employer's attempt to use the Union's plight to its own advantage was not a determinative factor there. The dilemma created by an employer exists whether he uses it crudely or subtly; it is inherent in a take-it-or-leave-it bargaining approach. True, GE did not capitalize on the Union's refusal; but through its enrollment program late in June, and by the unavoidable controversy that the issue itself raised in Union ranks, the Company was able to profit from the situation without exploiting it outright. The rationale of the Board's *Equitable* rule reaches at least that far. Once it is clear that the party who disrupts the status quo cannot rely on section 8(d) to protect his conduct, then unilateral action over a mandatory matter, joined to a refusal to bargain, represents a straightforward rejection of the collective bargaining principle in fact. See *NLRB* v. *Katz*, 369 U.S. 736, 743 (1962).

Lastly, GE urges that since the *Equitable* decision was not filed until 1961, it should be found blameless, since it did not know that its conduct was proscribed. Of course, it is also true that the conduct, although not yet proscribed, had not been judged proper either, and indeed, Equitable Life Insurance Company itself stands on the same footing with GE in that respect. In any event, parties who make a practice of stretching the statutory fabric to the breaking point should not be surprised when the cloth gives way. Cf. *NLRB* v. *Gissel Packing Co., Inc.*, 395 U.S. 575, 620 (1969) (condemning "brinkmanship").

*B. Refusal to furnish information*

It is conceded that in the prenegotiation period GE was quite cooperative in aiding the Union to secure information. GE submits that it spent over $100,000 in fulfilling Union requests. Indeed, in several instances where the necessary data was too costly to obtain, or was unavailable, GE suggested a substitute, which substantially satisfied the Union's needs without straining the Company's resources.

Once formal negotiations were underway, however, GE's attitude changed markedly. A pattern gradually began to develop in which the Union would propose a particular benefit, Company negotiators would label it as "astronomical," or "costly," and when pressed by the Union for figures to back up their cost criticisms, would respond with "we talk level of benefits, not costs."

There were times when the format changed, but the result remained relatively the same. On occasion, the Company might suggest one set of employment security provisions, which the Union did not like. When the Union indicated that it preferred its proposals to the Company's, the Company responded that the Union alternates were too costly. GE refused to indicate the cost of Union proposals, or how much it was willing to expend, so that the Union might recast its demands. The following exchange is not atypical:

SWIRE (Union): We are asking for an improvement in maternity. We want the Company to pay everything up to $550, then coinsurance after that.

WILLIS (Company): Something like that is out of reach. Maternity is the most expensive item.

SWIRE: What does it cost, Sid?

WILLIS: We talk level of benefits, not costs.

The cases that have dealt with the difficult problem of giving meaning to "bargaining in good faith" are instructive. In *NLRB* v. *Truitt Manufacturing Co.*, 351 U.S. 149 (1956), the company claimed that a wage increase of over 2½ cents per hour would put it out of business, but refused to furnish the Union with any indication of its financial status. The Supreme Court, in finding that the Company had committed an unfair labor practice, commented,

"Good-faith bargaining necessarily requires that claims made by either bargainer should be honest claims. This is true about an asserted inability to pay an increase in wages. If such an argument is important enough to present in the give and take of bargaining, it is important enough to require some sort of proof of its accuracy." 351 U.S. at 152–53. See also *NLRB* v. *George P. Pilling & Son Co.*, 119 F. 2d 32 (3d Cir. 1941); *NLRB* v. *Western Wirebound Box Co.*, 356 F. 2d 88 (9th Cir. 1966).

Moreover, it is not always necessary that the Company put the cost of its proposals in issue, or even refuse Union demands on the ground that they are too costly. In *Sylvania Electric Products, Inc.* v. *NLRB*, 358 F. 2d 591 (1st Cir.), cert. denied, 385 U.S. 852 (1966), the court decided (without raising the issue of cost justifications by the company) that pension and insurance costs (which it labeled "collateral" issues) should be made available to the Union where it wished to weigh the value of such plans against an increase in take-home pay. This is is particularly true, of course, where the Company contributes to the plan, thus in effect substituting it for wages.

The rationale of these opinions seems obvious; if the purpose of collective bargaining is to promote the "rational exchange of facts and arguments" that will measurably increase the chance for amicable agreement, then sham discussions in which unsubstantiated reasons are substituted for genuine arguments should be anathema. See Cox, *The Duty to Bargain in Good Faith*, 71 Harv. L. Rev. 1401 (1958).

The Board and the Trial Examiner relied on two specific instances of refusal to furnish information to substantiate their unfair labor practice charge. The first was an oral request by the Union on August 24 for the number of employees with one year, and with twenty years, of service, so that the Union might determine the cost of its demand for a fourth week of vacation for employees with 20 or more years of service. Carey later pointed out that this request was in response to the Company's labelling the Union's vacation plan as "astronomical." Hilbert, for GE, stated that the Company did not have the information; on August 31 Moore responded that GE was discussing "the level of benefits."

The second refusal to furnish information relied upon occurred in September. When the Union, on September 8, sought to evaluate the number of employees who would have benefited from the Company's Income Extension Aid proposal, had it been in effect for the past two years, Moore responded, "Somewhere between zero and 100 per cent." Later in the month, on September 22, the IUE put this and other requests for information in writing, and submitted them to GE. Like the original August oral request, the cost information the Union wanted was put in issue by the Company's repeated references to cost as a justification for rejecting Union proposals, or as a reason for preferring Company plans. GE also frequently couched its objections to Union demands on the ground of "competition," thereby implying that the cost of the IUE proposals was a material element in its considerations. See *Local 5571, United Steelworkers of America* v. *NLRB*, 401 F. 2d 434 (D.C. Cir 1968); *NLRB* v. *George P. Pilling & Son Co.*, 119 F. 2d 32 (3d Cir. 1941)

The September 22 letter requested basically five categories of information: (A) cost per employee of proposed insurance benefits; (B) cost per employee of proposed pension benefits; (C), (D) number of employees likely to benefit from the Company's income extension aid (IEA) program; (E) number of employees with 20 or 25 years of continuous service The last request, like that made orally on August 24, was designed to test the Company's assertion that an extra week of vacation after 20 years would be too expensive, and that one after twenty-five years would be preferable.

Addressing ourselves first to the oral request of August 24, GE never did reply until it answered the same question, posed under "E," above, after the strike was over. While there is some dispute over whether the Union orally requested the information for the whole Company or for IUE units alone, there is no disagreement that GE had the figures available on a company-wide basis.

Even if we were to assume that the Union had asked for figures for IUE units alone, GE's failure to provide the information is inexcusable. The Trial Examiner appropriately found that GE could readily have obtained the data from local plants, and even had it

been unwilling to do so, it could, at a minimum, have informed the Union that it had the information available on a company-wide basis, which the Union probably would have found just as useful (since GE indicated that it would put the same benefits into effect for all employees, pursuant to its uniformity policy). Thus, under the most favorable interpretation of the facts, GE's offhanded refusal to submit information on an issue which it had itself raised, would amount to an unfair labor practice. This conclusion is fortified by GE's behavior in the prenegotiation meetings, when it demonstrated that it was capable of providing information—indeed even suggesting that it be provided—in a form different from that originally desired. If we were to hold that because the information requested did not conform precisely to the data in the possession of the Company, an employer might refuse to provide any data at all, we would, in our view, be taking a step backwards, towards incorporating all the worst features of the ancient common law pleading system into our present-day labor negotiations. GE seems to suggest that even an insignificant variance between the request and the available information would be a complete bar to the Union—even though it was utterly unaware of the precise form in which the Company kept its records, and the Company refused to enlighten it. In a day when liberal pleadings, liberal discovery, and modern rules of evidence have largely superseded ancient formalism, grafting such a pointless and dysfunctional rule cnto negotiating procedures is clearly out of place.

GE did finally respond to item "E," as well as items "C" and "D" in the September 22 letter, on November 7, after the strike had been settled and the contract agreed upon. All three of the requests required that the Company collect information from its local plant managers; GE, however, waited until October 24 to initiate the collection process. The Company also claims that mass picketing, violence, and problems of shutting down struck plants forced it to delay. But, as the Trial Examiner pointed out, this retrospective explanation fails to explain the initial delay of a week, before the strike began. The Trial Examiner, who had the opportunity to observe and evaluate the testimony, refused to credit this explanation. Finding that his conclusion (adopted by the Board) is supported by substantial evidence (and is not vigorously contested by the Company), we conclude that the Company committed an unfair labor practice by failing to provide the information, highly relevant to the negotiations, within a reasonable time. See *NLRB* v. *Fitzgerald Mills Corp.*, 313 F. 2d 260 (2d Cir.), cert. denied 375 U.S. 834 (1963); *Utica Observer Dispatch, Inc.*, 111 N.L.R.B. 5863, enforced 229 F. 2d 575 (2d Cir. 1956); *Reed & Prince Mfg. Co.*, 96 N.L.R.B. 850, enforced 205 F. 2d 131 (1st Cir.), cert. denied 346 U.S. 887 (1953). See also section 10(e), 29 U.S.C. § 160(e) (1964); *Universal Camera Corp.* v. *NLRB*, 340 U.S. 474 (1951) (Frankfurter, J.).

Items A and B, mentioned in the September 22 letter—the estimated per employee pension and insurance data—were never provided by the Company. It insisted that it was not legally required to disclose the cost of fringe benefits to it, and that in any case the information was so "purely speculative" that compiling it would be both burdensome and valueless. The first contention seems clearly wrong. In order for the Union to assess properly the Company's objections to some of its proposals, and to understand which of GE's objections to cost were soundly based, the IUE had to have the basic data on which to make informed choices.

A union weighing wages against benefits, or one form of benefit against another, should receive answers to its genuine non-burdensome requests for cost information. If the Union were denied such data, it would be unable to bargain intelligently, and arrive at sensible and reasoned decisions, particularly those involving reallocation of benefits within GE's cost framework. Even the first *Sylvania* decision indicated that when the employer (as here) puts cost in issue, or the discussion involves a contributory plan (as here), the Union may be entitled to cost information. See also note 6, *supra*.

The Company further urges that since the Trial Examiner found that some of the information would have been difficult or expensive to obtain in the form requested, it need not have provided it. But GE had most of the information in some form that would have been useful to the Union, and easily could have either presented it in that form, or at least advised the Union that it had other relevant information (like the C, D, and E data) available. The objection is unavailing.

The last major claim is that future pension and insurance costs were "purely speculative" and only "educated guesses." The difficulty with this stand is that it would excuse the Company from furnishing virtually all information of which it was not absolutely certain. In bargaining, as in most other circumstances, it is the use to which the information is put that should determine the degree of accuracy that is required. The root question, as posed in the second *Sylvania* case, is whether the data "would significantly aid in the bargaining process." 358 F. 2d at 592. There can be no question that the information available would have assisted the Union here; GE committed an unfair labor practice in withholding it.

*C. Bargaining directly with locals*

As we have pointed out above, GE and the IUE had a consistent pattern of national negotiations for over ten years before the 1960 strike. There can be little doubt that the Board's finding that GE recognized and dealt with the IUE–GE Conference Board as representative of all IUE locals was both supported by substantial evidence and correct.

Once the strike was imminent, however, GE abandoned this pattern, and dealt separately with several of the IUE locals. On September 29, GE notified the IUE at their bargaining meeting that after October 1, it would consider its contractual obligations at an end; it would continue current wages, benefits, and seniority, but such union-related matters as dues checkoff, grievance time pay and superseniority for union officials, would have to be "considered."

That same day, however, GE headquarters authorized their local Employment Relations Manager, A. C. Stevens, in Schenectady to offer more to the local there than had been offered to the national negotiators, if Schenectady Local 301 stayed at work. Specifically, all the union-related provisions of the old contract—dues checkoff and the like—were to remain in effect, while at the national level, GE had committed itself only to "consider" them. On October 4, Stevens wrote to Leo Jandreau, Local 301's business agent, stating:

"We agree to extend to you protection of the recent contract, including grievance machinery, protection covering working conditions, seniority, prices, wage rates, and any other condition of employment recited in the contract. Current cost-of-living adders will remain in effect. We will continue union representation recognition as presently constituted and all the above will remain in effect so long as we are not on strike."

On the same day, the local Employee Relations Manager at Pittsfield made a similar offer, containing the same truce conditions, which was broadly publicized. The IUE then filed an unfair labor practice charge, based on the offers to the locals. Several days later (about October 10), GE offered the same terms to the national negotiators.

On the day the Company made its Schenectady-Pittsfield terms available to the IUE generally, the Lynn, Massachusetts Employment Relations Manager, Robert Burns, wrote to Lynn Local 201's Business Agent, and proposed: ". . . we meet to work out a memorandum of intent which would reestablish for all employees represented by Local 201 all of the provisions which were in the contract . . . which . . . would go into effect when Local 201 terminates the strike in Lynn while contract negotiations continue."

At Waterford, a similar proposal was made to the local Business Agent, and union members were telephoned by their foremen and urged to convince their local officers to accept the return to work proposal.

At Louisville, Kentucky, the Employee Relations Manager forwarded a copy of the Company's October 10 proposal along with a noncommittal letter to the Local Business "helpful" in removing the "confusion" over Agent indicating that the copy might be how employees might return to work. The Bridgeville, Pennsylvania Employee Relations Manager also forwarded a copy of the proposal, but he in addition added that he was ". . . suggesting it to you and other Local 640 officials as a means of permitting local members to return to their jobs and to continue to earn their wages, until a settlement agreement is reached."

At Syracuse, in a phone conversation between the Local President and the Union Relations Manager, the Manager not only suggested accepting the terms now offered to the IUE nationally, but indicated that the President and several other Syracuse employees could have their alleged strike misconduct suspensions lifted if they returned to work.

The Trial Examiner and the Board agreed that in each instance GE committed an unfair labor practice when it went behind the backs of the national negotiators and offered separate peace settlements to locals. *Medo Photo Supply Corp.* v. *NLRB*, 321 U.S. 678 (1944) sustains this conclusion. In *Medo*, several employees who appeared to represent a majority met with their employer to express their dissatisfaction with the union representing them. They offered to abandon it if their wages were increased. When the Employer treated with the dissenting employees, the Court held, he violated section 9(a) of the Act, 29 U.S.C. § 159(a) (bargaining representatives of the union are "exclusive"). Therefore, he committed unfair labor practices under sections 8(a)(1) and 8(a)(5), 29 U.S.C. §§ 158(a)(1), 158(a)(5) (1964). *Medo* instructs that it does not matter who initiates the by-passing of the bargaining representatives 321 U.S. at 683. Subsequent cases appear to have applied the doctrine even where the offer to the local or to the employees was no better than that made to the bargaining representative. See, e.g., *Independent Stave Co.* v. *NLRB*, 352 F. 2d 553 (8th Cir. 1965), cert. denied, 384 U.S. 962 (1966) (by implication). We have, under similar circumstances, condemned efforts by an employer to take a matter up with his employees, where their bargaining representative had already taken a stand on the matter. *Utica Observer-Dispatch* v. *NLRB*, 229 F. 2d 575 (1956). But cf. *NLRB* v. *Penokee Veneer Co.*, 168 F. 2d 868 (7th Cir. 1948).

The terms offered at Schenectady and Pittsfield were in fact better than those made available to the national negotiators. There can be no question but that such offers clash with the *Medo* rationale, for they cut deeply into the Act's command that bargaining representatives be "exclusive." See § 9(a), 29 U.S.C. § 159(a) (1964). The Company's claim that it had to "clarify" its position to the Schenectady management so that they would know what terms to effectuate if the local there came to work ignores the fact that the Company's vagueness on return to work provisions that caused the need for clarification. In any case, the additional union-related terms should have been offered to

the national negotiators for their consideration before—or at least at the same time that—they were given to the locals; yet GE waited until the Union had filed an unfair labor practice charge to do so. We agree with the Board that GE committed an unfair labor practice by failing to respect the IUE–GE Conference Board's status as exclusive bargaining representative.

The other proposals complained of occurred after October 10, and so there is no question (with the possible exception of Syracuse) of offering more to the local than to the national negotiators. Yet, as we have suggested, this factor cannot be dispositive. The vice that *Medo* sought to avoid was the practice of undermining the authority of the union's bargaining representatives through direct dealings with the locals or employees they represented. Such tactics are inherently divisive; they make negotiations difficult and uncertain; they subvert the cooperation necessary to sustain a responsible and meaningful union leadership. The evil, then, is not in offering more. It is in the offer itself.

At Lynn and Waterford it is clear that the employment managers were proposing that they and the local make a separate settlement. At Lynn, GE even offered a separate "letter of intent." Bridgeville is similar, and though the evidence is not so strong, the Board might reasonably have found that the manager there was suggesting an independent settlement. The offers of reinstatement at Syracuse place that proposal as well in the forbidden category, for they indicate that an individual settlement was being held out to the local.

At Louisville, however, the only indicia the Board relies on pointing to a separate agreement, or to treating separately with the local, is the fact that the letter was addressed to the local's president. A fair reading of the brief missive, however, fails to disclose that it had anything more than an informational purpose, giving the content of the proposal made at the national level previously. The basic distinction is between attempting to reach a separate settlement with the local—as at Schenectady—and keeping the local informed of Company positions. In circumstances such as these, the interest in free speech and informed choice must prevail over the slight possibility that the representatives' positions might be undermined, and thus we believe the Board's finding is unsupported by substantial evidence. See *NLRB* v. *Penokee Veneer Co.*, 168 F. 2d 868 (7th Cir. 1948). Cf. *Linn* v. *United Plant Guard Workers of America*, 383 U.S. 53, 62 (1966) (favoring "uninhibited, robust" debate).

### V. OVERALL FAILURE TO BARGAIN IN GOOD FAITH

We now approach the most troublesome and most vigorously contested of the charges. In addition to the three specific unfair labor practices, GE is also charged with an overall failure to bargain in good faith, compounded like a mosaic of many pieces, but depending not on any one alone. They are together to be understood to comprise the "totality of the circumstances." Despite my brother Friendly's distaste for the term, past decisions have indeed emphasized that good faith—or lack of it—must in the absence of a per se violation depend upon a factual determination based on the overall conduct of the party charged. See *NLRB* v. *Insurance Agents' Union*, 361 U.S. 477, 498 (1960); *NLRB* v. *Truitt Mfg. Co.*, 351 U.S. 149 (1956). The Board can hardly be faulted for resting its finding on a ground that the Supreme Court has mandated. Certain specific practices, such as making unilateral changes in working conditions during bargaining, can be found to constitute per se violations of the duty to bargain, since they constitute a "refusal to negotiate in fact." See *NLRB* v. *Katz*, 369 U.S. 736, 743 (1962). When such conduct is present, the Board need make no finding that the totality of the party's conduct manifests bad faith; the practice itself is conclusive on that issue.

The Board, however, chose to find an overall failure of good faith bargaining in GE's conduct. Specifically, the Board found that GE's bargaining stance and conduct, considered as a whole, were designed to derogate the Union in the eyes of its members and the public at large. This plan had two major facets: first, a take-it-or-leave-it approach ("firm, fair offer") to negotiations in general which emphasized both the powerlessness and uselessness of the Union to its members, and second, a communications program that pictured the Company as the true defender of the employees' interests, further denigrating the Union, and sharply curbing the Company's ability to change its own position.

The Board relies both on the unfair labor practices already discussed and on several other specific instances to show that GE had develped a pattern of conduct inconsistent with good faith bargaining It points to GE's proposed personal accident insurance proposal on a take-it-or-leave-it basis as an example of an attempt to disparage its importance and usefulness in the eyes of its members. GE's response to this is that the *Equitable* case had not been decided in 1960. Therefore, it argues, its actions were based on a "justifiable belief" in the state of the law at that time and cannot support the view that the Company was motivated by bad faith.

This reasoning overlooks the principle that acts not in themselves unfair labor practices may support an inference that a party is acting in bad faith. See *NLRB* v. *Insurance Agents' Union*, 361 U.S. 477, 506 (1960) (Frankfurter, *J*, concurring). While GE may have believed that it was acting within its "rights" in offering a take-it-or-leave-it proposal, doing so may still be some evidence of lack of good faith. Here there was no substantial justification offered for refusing to discuss the matter, other than a niggling—and incorrect—view of the contract and the statute. Cf. *NLRB* v. *Reed & Prince Mfg. Co.*, 205 F 2d 131 (1st Cir.) (Magruder, *J.*) ("must make *some* reasonable effort in *some* direction"), cert. denied 346 U.S. 887 (1953). Given the effects of take-it-or-leave-it proposals on the Union, already set forth in our review of the specific unfair labor practice charges, the Board could appropriately infer the presence of anti-Union animus, and in conjunction with other similar conduct could reasonably discern a pattern of illegal activity designed primarily to subvert the Union.

We have already discussed at length the Company's failure to furnish information. As in the instance of the personal accident insurance proposal, GE's attitude on information was characterized by a pettifogging insistence on doing not one whit more than the law absolutely required, an insistence that eventually strayed over into doing considerably less. GE's conduct, as the Board's opinion points out, was all of a piece. It negotiated, to the greatest possible extent, by ignoring the legitimacy and relevance of the Union's position as statutory representative of its members. Thus it is hardly surprising that IUE requests for information were met (at least once negotiations had begun) with less than enthusiasm, for they reflected the Union's contrary belief that it had to know the worth of the Company proposals in order to valuate them for its members.

GE's reluctance to part with information was not limited to the specific instances complained of as an unfair labor practice. The record discloses that even before the general reopening of negotiations, GE displayed a patronizing attitude towards Union negotiators inconsistent with a genuine desire to reach a mutually satisfactory accord. During the early meetings devoted to employment security, GE's responses to the Union's detailed proposals were vague and informative, hardly calculated to apprise the IUE of GE's stand on any of the matters about which it wanted to negotiate. When the Union finished presenting its plan, GE, instead of offering counter-proposals, or commenting specifically on the IUE's suggestions, offered a prepared lecture series on the general causes of economic instability, a response not at all designed to enlighten the Union on specific bargainable matters. This impression is reinforced by Moore's consistent refusal to permit the lecturing Employee Relations Managers to answer specific Union inquiries.

More crucial, perhaps, was the Company's persistent refusal, after publicizing its proposal, to estimate not only the cost of components of its offer, but the total size of the wage-benefit package it would consider reasonable. Responses such as "it hasn't occurred yet" were interposed when IUE negotiators asked for estimates of the GE offer; yet the trial examiner found (as GE's bargaining philosophy required) that considerable cost studies had in fact been made, which would have been of substantial assistance to the Union. Without an estimate of the overall size of GE's offer, the Union was hamstrung in its efforts to decide which substitutions were reasonable, whether to press for more total benefits, or how much redistribution could be accomplished within GE's cost framework.

In addition to its reluctance to make meaningful cost disclosures, GE occasionally took untenable and unreasonable positions and then defended them, with no apparent purpose other than to avoid yielding to the Union. The most flagrant example occurred in setting the date for the beginning of pension and insurance benefits. As indicated in our opening discussion of the negotiating background, GE vacillated back and forth, chose inconsistent and confusing explanations at random, interposed some inconsequential attempts to pass the problem off with banter, and finally settled by characterizing the date it had chosen as "appropirate." See note 2 *supra*, and accompanying text. Certainly, GE could insist on any dates that it desired—but its manner of responding to Union inquiries reflected its philosophy of "bargaining."

When the last act was virtually played out and it had become apparent that the Union would have to end its abortive strike and concede to GE's terms, the Company continued to display a stiff and unbending patriarchal posture hardly consistent with "common willingness among the parties to discuss freely and fully their respective claims and demands and, when these are opposed, to justify them on reason." *NLRB* v. *George P. Pilling & Son Co.*, 119 F. 2d 32, 37 (3d Cir. 1941). With the Union, as it were, "on the ropes," the Company insisted that IUE choose the options that it preferred, and assent to the contract unconditionally, without ever seeing the final contract language. When the Union protested that the memorandum proposed for its signature was too vague, the Company refused to submit more definite language. Four days later, the Union capitulated completely and signed the short form memorandum, still without having seen the final contract to which it was agreeing.

In a similar vein the Company rejected the notion of a bilateral strike settlement agreement. Instead, it proffered a unilateral "letter of intent." While again, it is true GE did not have to sign a joint settlement agreement it gave no reason for refusing to do so (other than that this had been its past practice). The Board might reasonably infer that its prime purpose was to avoid recognizing the Union's status as bargaining representative of the striking employees, and not to further any legitimate business aim.

GE argues forcefully that it made so many

concessions in the course of negotiations—concessions which, under section 8(d), it was not obliged to make—that its good faith and the absence of a take-it-or-leave-it attitude were conclusively proven, despite any contrary indicia on which the Trial Examiner and the Board rely. The dissent proceeds under the misapprehension that we consider lack of major concessions as evidence of bad faith. Rather, we discuss them only because while the absence of concessions would not prove bad faith, their presence would, as GE claims, raise a strong inference of good faith. On close examination, however, few of the alleged concessions turn out to have a great deal of substance. Its offer of a wage reopener accompanied its original proposal; the option to choose a vacation instead of a wage increase was included over the Union's objections (at least during the negotiating meetings), and changes in the Pension Plan were more in the nature of clarifications than actual shifts in position, or in any case involved issues of quite minor significance.

The Company's stand, however, would be utterly inexplicable without the background of its publicity program. Only when viewed in that context does it become meaningful. We have already indicated that one of the central tenets of "the Boulware approach" is that the "product" or "firm, fair offer" must be marketed vigorously to the "consumers" or employees, to convince them that the Company, and not the Union, is their true representative. GE, the Trial Examiner found, chose to rely "entirely" on its communications program to the virtual exclusion of genuine negotiations, which it sought to evade by any means possible. Bypassing the national negotiators in favor of direct settlement dealings with employees and local officials forms another consistent thread in this pattern. The aim, in a word, was to deal with the Union through the employees, rather than with the employees through the Union.

The Company's refusal to withhold publicizing its offer until the Union had had an opportunity to propose suggested modifications is indicative of this attitude. Here two interests diverged. The command of the Boulware approach was clear: employees and the general public must be barraged with communications that emphasized the generosity of the offer, and restated the firmness of GE's position. A genuine desire to reach a mutual accommodation might, on the other hand, have called for GE to await Union comments before taking a stand from which it would be difficult to retreat. GE hardly hesitated. It released the offer the next day, without waiting for Union comments on specific portions.

The most telling effect of GE's marketing campaign was not on the Union, but on GE itself. Having told its employees that it had made a "firm, fair offer," that there was "nothing more to come," and that it would not change its position in the face of "threats" or a strike, GE had in effect rested all on the expectation that it could institute its offer without significant modification. Properly viewed, then, its communications approach determined its take-it-or-leave-it bargaining strategy. Each was the natural complement of the other; if either were substantially changed, the other would in all probability have to be modified as well. It is only in this context that GE's incomprehensible insistence on a January 1 starting date for the pension benefits, and the "explanations" that followed it, can be understood.

All this was brought into the open during the September 28 meeting. Virtually on the eve of the strike, Union negotiators were searching for a way to save face by reconstituting their SUB proposal within the outlines of the Company's costs. Far from being frivolous as the dissent seems to suggest, such last minute attempts at compromise are the stuff of which lasting accommodations and productive labor-management relations are made. The substance of the Company's response to this effort was well put by their chief negotiator, Philip Moore:

"After all our month of bargaining and after telling the employees before they went to vote that this is it, we would look ridiculous to change it at this late date; and secondly the answer is no."

The Company, having created a view of the bargaining process that admitted of no compromise, was trapped by its own creation. It could no longer seek peace without total victory, for it had by its own words and actions branded any compromise a defeat.

GE urges that section 8(c), 29 U.S.C. § 158(c) (1964), prohibits the Board from considering its publicity efforts in passing on the legality of its bargaining conduct. The section reads:

"(c) The expressing of any views, argument, or opinion, or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this subchapter, if such expression contains no threat of reprisal or force or promise of benefit."

GE would have us read that section as a bar to the Board's use of any communications, in any manner, unless the communication itself contained a threat or a promise of benefit. The legislative history, past decisions, and the logic of the statutory framework, however, indicate a contrary conclusion.

The bald prohibition of section 8(c) invited comment when it was enacted, as well as later. Senator Taft replied to some of the criticism of the bill that bears his name:

"It should be noted that this subsection is limited to 'views, arguments, or opinions' and does not cover instructions, directions, or other statements that would ordinarily be deemed relevant and admissable in courts of law." I Legislative History of the LMRA 1947, at 1541.

The key word is "relevant." The evil at which the section was aimed was the alleged practice of the Board in inferring the existence of an unfair labor practice from a totally unrelated speech or opinion delivered by an employer. Senator Taft later indicated, for example, in the context of a section 8(a)(3) discriminatory firing, that prior statements of the employer would have to be shown to "tie in" with the specific unfair labor practice. I Legislative History of the LMRA 1947, at 1545. Later references to the section described the barred statements as those which were "severable or unrelated," and "irrelevant or immaterial." II Legislative History of the LMRA 1947, at 429 (Senate Report), 549 (House Conference Report). The objective of 8(c) then, was to impose a rule of relevancy on the Board in evaluating the legality of statements by parties to a labor dispute. Its purpose was hardly to eliminate all communications from the Board's purview, for to do so would be to emasculate a statute whose structure depends heavily on evaluation of motive and intent. See e.g., §§ 8(a)(1), 8(a)(3), 8(a)(5).

The cases have largely supported this view. The Board may rely on communications to establish discriminatory treatment in violation of section 8(a)(3) and 8(a)(1). See *NLRB* v. *Lipman Bros., Inc.*, 355 F. 2d 15 (1st Cir. 1966); *Hendrix Mfg. Co.* v. *NLRB*, 321 F. 2d 100 (5th Cir. 1963). Employer communications were used to evaluate the presence of a state of mind inconsistent with the obligation to bargain in good faith in *NLRB* v. *Fitzgerald Mills Corp.*, 313 F. 2d 260, 268 (2d Cir.), *cert. denied*, 375 U.S. 834 (1963); and *NLRB* v. *Herman Sausage Co.*, 275 F. 2d 229 (5th Cir. 1960).

While it is clear that the Board is not to control the substantive terms of a collective bargaining contract, nonetheless the parties must do more than meet. Our brother Friendly makes much of the point that General Electric did bargain and reach an "agreement" with the Union. He says that prior 8(a)(5) cases demanded nothing less than a showing of no such desire to reach an agreement, and opines that without such a "definite standard" an 8(a)(5) violation may not be made out. Some cases have indeed spoken of the evil of a "desire not to reach an agreement with the Union" as crucial.

While the dissenting opinion cites *NLRB* v. *Reed & Prince Mfg. Co.*, 205 F. 2d 131, 134 (1st Cir.), cert. denied, 346 U.S. 887 (1953), for that authority, we hasten to note that Judge Magruder was careful in his opinion not to be misled, as our dissenting brother appears to be, by words that seem on the surface quite simple but in practice require a highly pragmatic and individualized interpretation. Judge Magruder did not suggest that "desire not to reach an agreement" could be found, as the dissent suggests, by a clearly delineated series of steps, $X_1$, $X_2$, $X_3$, taken to "point Y, plus a number of additional items, $Z_1$, $Z_2$, $Z_3$."

Far from being a devotee of the new math, he would have agreed with Learned Hand that numbers, even more than words, "are utterly inadequate to deal with the fantastically multiform occasions which come up in human life." In the case before Judge Magruder, Reed & Prince submitted a woefully inadequate and demeaning "offer" of a contract. Presumably, the Union could have seen no alternative but to accept it, and had it done so, our brother Friendly would have held that the Company bargained with a "desire to reach an agreement," and thus had not violated the proscriptions of § 8(a)(5). Judge Magruder, on the other hand, said that the "employer is obliged to make *some* reasonable effort in *some* direction to compose his differences with the union, if § 8(a)(5) is to be read as imposing any substantial obligation at all." 205 F. 2d at 135. His point, of course, was that "desire to reach agreement" may mean different things to different people, but in the context of a meaningful and purposeful reading of section 8(a)(5) it must mean more than a willingness to sign a piece of paper.

The statute does not say that any "agreement" reached will validate whatever tactics have been employed to exact it. To imply such a Congressional purpose would be to encourage parties to make their violation so blatant that it would be impossible for the other side to continue to exist without signing. Instead the statute clearly contemplates that to the end of encouraging productive bargaining, the parties must make "a serious effort to resolve differences and reach a common ground," *NLRB* v. *Insurance Agents' Int'l Union*, 361 U.S. 477, 486, 487, 488 (1960), an effort inconsistent with a "predetermined resolve not to budge from an initial position." *NLRB* v. *Truitt Mfg. Co.*, 351 U.S. 149, 154–55 (1956) (Frankfurter, J., concurring). These are not simple tests; they will not be resolved by formular incantations. Sadly, neither will they be so precise that one will always know the exact limits of what is allowed, and what forbidden—but this is a problem hardly unknown in the law or to judges. The difficulty here, however, arises out of the herculean task of legislating a state of mind. Congress has ordered the Board—and this court—to effectuate its policy of encouraging good faith bargaining, and not to avoid it because the mandate is difficult to apply. The Board has done just that. And, on the basis of substantial evidence we agree. A pattern of conduct by which one party makes it virtually impossible for him to respond to the other—knowing that he is doing so deliberately—should be condemned by the same rationale that prohibits "going through the motions" with a "predetermined resolve not to budge from an initial position." See *NLRB* v. *Truitt Mfg. Co.*, *supra* (concurring opinion).

The employer who leaves for a long vacation, giving his negotiator instructions not to budge is no different from the employer who remains on the scene and commands the same behavior daily. Cf. Cox, *The Duty*

*to Bargain in Good Faith*, 71 Harv. L. Rev. 1401, 1418 & n. 61 (1958). We are assumed to intend the natural and probable consequences of our acts.

The Company and the dissenting opinion seem to take the novel position that the holding in *Insurance Agents'*—that the Board might not forbid a partial strike during bargaining—ousts the Board's control over bargaining tactics. But in *NLRB* v. *Katz*, 369 U.S. 736 (1962), the Court held that at least one tactic—instituting unilateral changes during bargaining—was forbidden, for it put a bargainable topic outside the reach of the bargaining process. GE has done no less; it has, if anything, done more. By its communications and bargaining strategy it in effect painted itself into a corner on *all* bargainable matters.

In order to avoid any misunderstanding of our holding, some additional discussion is in order. We do not today hold that an employer may not communicate with his employees during negotiations. Nor are we deciding that the "best offer first" bargaining technique is forbidden. Moreover, we do not require an employer to engage in "auction bargaining," or, as the dissent seems to suggest, compel him to make concessions, "minor" or otherwise. See p. 44, *supra*.

Our dissenting brothers' peroration conjures up the dark spectre that we have taken a "portentous step" which " 'contains seeds of danger for unions' " as well as employers. This picturesque characterization is unfortunate for it is a scare-phrase which tends to distract from the facts in this case. It paints over with a broad stroke the care we have taken to spell out the bounds of our opinion. We hold that an employer may not so combine "take-it-or-leave-it" bargaining methods with a widely publicized stance of unbending firmness that he is himself unable to alter a position once taken. It is this specific conduct that GE must avoid in order to comply with the Board's order, and not a carbon copy of every underlying event relied upon by the Board to support its findings. Such conduct, we find, constitutes a refusal to bargain "in fact." *NLRB* v. *Katz*, 369 U.S. 736, 743 (1962). It also constitutes, as the facts of this action demonstrate, an absence of subjective good faith, for it implies that the Company can deliberately bargain and communicate as though the Union did not exist, in clear derogation of the Union's status as exclusive representative of its members under section 9(a). See *NLRB* v. *Herman Sausage Co.*, 275 F. 2d 229, 234 (5th Cir. 1960).

We have considered the Company's other arguments, including those in favor of disqualifying Board Member Fanning, and against reinstating the replaced workers, but we find them unavailing. The petition for review is denied, and the petition for enforcement of the Board's order is granted.

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## DISCRIMINATION AGAINST IMMIGRATION FROM IRELAND AND OTHER COUNTRIES

(Mr. BURTON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BURTON of California. Mr. Speaker, earlier today, our colleague, the gentleman from Ohio (Mr. FEIGHAN) conducted a very useful hearing of his important Subcommittee on Immigration.

This hearing involved testimony in support of legislation introduced by the gentleman from New York, Congressman RYAN, and others. I am pleased to have been associated with Congressman RYAN since the beginning of our fight to eliminate the current discriminatory operation of the immigration law with respect to immigration from Ireland, England, Germany, and other northern European countries.

The unintended—though undeniable—effect of the Immigration Act of 1965 has been to seriously and unfairly reduce the real opportunity for immigration from Ireland, and from some other countries as well.

There was a particularly eloquent and moving statement presented by Mr. John P. Collins, of New York—which I hope all of my colleagues will read with care.

The time is long overdue to correct the injustice in our immigration law—this statement cogently underscores the urgency of the problem:

STATEMENT BY JOHN P. COLLINS, NATIONAL CHAIRMAN OF THE AMERICAN IRISH NATIONAL IMMIGRATION COMMITTEE

Mr. Chairman, Distinguished Members of the Congress, one year ago we appeared before this Committee to offer testimony on Irish experience under the 1965 U.S. Immigration and Nationality Act. If we were to briefly sum up what that experience has been, we would have to say it has been a tale of shock and sadness.

On October 3, 1965, the new U.S. Immigration and Nationality Act was signed into law by the President of the United States. It was signed in New York Harbor on Liberty Island beneath the Statue of Liberty. The Emma Lazarus inscription on the base of the statue reads partially—

"Give us your tired, your poor, your huddled masses yearning to breathe free. . . ."

This inscription seems very odd indeed today, when we realize that for the first time in U.S. history, the doors of this nation have been effectively shut to the Irish. This is sad indeed when we contemplate all that Ireland has contributed to our nation in the arts, sciences, religion, government, business, labor and sports.

In a little known speech delivered by George Washington's adopted son, Custis, at the city hall, Washington, D.C., on June 20 1826, he declared: "When our friendless standard was first unfurled for resistance, who were the strangers that first mustered round its staff, and and when it reeled in the fight, who more bravely sustained it than Erin's generous sons? . . . I cap the climax of their worth, when I say, Washington loved them, for they were the companions of his toils, his glories, in the deliverance of his country."

The part the Irish played in the American Revolution was told in the Irish House of Commons on April 2, 1784, by Luke Gardner, when he said: "America was lost to England by Irish emigrants."

The major part of George Washington's army was composed of Irish, and the Irish language was as commonly spoken in the American ranks as English. It was their valor that determined the conquest.

Well might Lord Mountjoy have declared in the British Parliament: "You have lost America by the Irish." We all know of the magnificent work done on sea by Commodore John Barry, Father of the American Navy. That brilliant Irishman, Richard Montgomery, was the first American General to fall.

Matthew Thornton, James Smith, and George Taylor—all Irish born—signed the Declaration of Independence and five other signers were of Irish blood, namely Edward Rutledge, Thomas Lynch, Thomas McKean, George Reed and Charles Carroll of Carrollton.

Andrew Jackson, "Old Hickory," the first American President who rose from the rank and file was the son of an Irish exile. Another typical Irishman, "equally great in peace and war," was General James Shields. He was the hero of two wars—the Mexican War and the Civil War—a Judge of the Illinois Supreme Court, a Governor of Oregon and Senator from three States. The terrible famine in Ireland in 1846–47 sent hosts of Irishmen to this country, and it is not too much to say that had they not come our Union would have been rent in twain by the Civil War. They and their sons fought heroically to save the Union in the thickest of the wilderness, at the bloody battle of Gettysburg, on the crimsoned field of Chancellorsville and elsewhere. Who can tell the services to America of Sheridan, O'Brien, Meagher, Corcoran, Mulligan, Ford, Meade, Coppinger, and Trilley.

In the battle of Antietam the bloodiest one battle of the Civil War, the Sixty-ninth Regiment, New York Volunteers, Meagher's Irish Brigade lost in killed and wounded 61.8 per cent. For more than two hundred years the Irish have been among the pathfinders and builders of the American Nation.

If the handiwork of the Irish were painted green, the average American city would be splashed in all sides with emerald hues. Yet there are few who are aware of this. A New Yorker for example, may rise in the morning, bathe in water that comes from Croton Dam, built by James Coleman, then take the subway, built by John B. McDonald, pass the College of the City of New York, built by Thomas Dwyer and then Cable to Alaska over a line laid by David Lynch.

It is safe to say that all that the Irish have done for America has never been fully told. As Americans of Irish blood, we are proud of our ancestors and proud too that it was through their efforts that this country became the most prosperous country in the world, but despite these facts we now find that the restrictive new immigration law has drastically reduced the issuance of immigration visas to Irishmen. I ask the committee as a newspaper in New York recently asked, "Are their deeds forgotten?"

Certainly the 1965 U.S. Immigration and Nationality Act in its effect on Ireland does not demonstrate the thanks of a grateful nation. In its effect the present 1965 U.S. Immigration Law is neither fair nor just to Ireland but is beggarly and miserly.

IS THERE A PROBLEM?

We were told in 1966, that no problem existed. Then in 1967, we were told by the Labor Department, that the problem laid with the Congress and by the Congress that it laid with the Labor Department. Finally, the State Department admitted that there was a problem and so informed the Congress. The Congress replied that it would solve itself within the three year adjustment period. Of course Ireland did not adjust. Now we are told by some, wait another year—Ireland will adjust and by others that there is no problem at all. Well we've come the full circle, haven't we. We reply that Ireland will not adjust because it cannot adjust under the terms of a law which prevents adjustment. One year ago we made the projection before this very committee that less than 500 Irish would receive preference and non-preference visas in Dublin during fiscal year 1969. We were not very far from wrong, 538 received such visas.

ONE YEAR LATER

Before 1965, 5,000 to 7,000 Irish came here each year. In fiscal year 1969, under the new law only 1,407 Irish entered the U.S. As best we could, we explained the problem to you last year and our testimony is a matter of record. We come here today at your invitation not only to affirm what we have already said but also to offer the firm hand of cooperation.

We now know that the Irish immigration situation is far from better one year later. And I can assure you that if these invitations to testify continue to be on a yearly basis, no year will come when the Irish immigration

situation will be solved if no legislation is forthcomng.

THE PROBLEM OF DISCRIMINATION

No one can deny that many nationalities were the victims of discrimination as a result of past U.S. Immigration policy. We know that many nationalities had no quotas or small quotas which were consistently oversubscribed while Ireland had a large quota which for the most part went unused. However, neither Ireland nor the American Irish asked for the quota.

The law was changed in 1965 to provide equality for all. On its face the law does this and I'm sure we all remember those famous State Department statistics of 1965 which assured you that the law would be fair to Ireland in allowing in over 5,000 persons to enter each year. But we also know now that the law, however, well intentioned it was, is far from fair in its effect on Ireland and some other nations.

THE REASONS

The new immigration law eliminated the national origins quotas, promoted the reuniting of families and protected American labor with a few strokes of the pen. Each of these aims is good and is worthy of our support.

Ireland, England and Germany enjoyed a privileged position in U.S. immigration prior to 1965 partially because of the number of immigrants contributed by them in earlier years. Now all nations will have to compete equally for U.S. immigration numbers. This is good, except that the terms for competition are fairer to some nations than they are to others.

It is now evident that when the new law was drafted, there was a failure to anticipate the effect that the new law would have on the formerly so called "privileged countries" and in particular Ireland. Overlooked was the sociological pattern of immigration in these countries and the history of the country's immigration.

THE FAMILY PREFERENCES

The new law provides for a system of preferences based on family relationship and skills. These are of little help to Ireland, while they are of much help, particularly the family relationship preferences to other nations.

Ireland's immigrants to the U.S. have traditionally been of the non-preference unskilled variety. Had the present law been in effect some years ago, many of the members of the Congress would not be present in the U.S. today. Analyzing Irish families, one finds that a few brothers and sisters from the family emigrate while others remain at home. The mother and father remain at home. The Irish emigrant is generally young, unmarried and hence brings no spouse or children. It is the rare case in recent times when a whole Irish family emigrates to the U.S. Thus Ireland's sociological pattern of immigration does not permit it to compete equally with some other nationalities for family preferences.

THE PROFESSIONAL PREFERENCES

In fiscal year 1969 under the new law only 122 Irishmen qualified for a visa preference as a professional or a needed skilled worker. This is in part due to training and to economy of the country. In this area Ireland is the hardest hit of the three formerly "privileged countries".

Thus these two preferences, the third and the sixth, are of little help to Ireland. Of course, it may well be better that professionals and skilled workers remain at home in Ireland as in any technologically developing nation.

SECTION 212(a) (14)

The majority of Ireland's contribution of immigrants has always been in the unskilled labor area and will continue to be. They came here to better their lives economically and in turn hopefully they bettered the nation. We know that they contributed heavily to the independence and security of this nation down to this very day in Vietnam.

Until December 1965, the Irish unskilled immigrant had little trouble in entering the U.S. He or she could enter unless the Secretary of Labor said no. Now under the revised Section 212(a) (14) the immigrant can't enter unless the Secretary of Labor says yes. American Irish long active in labor unions as well as all Americans are desirous of protecting American labor and want to see no American worker put out of a job as the result of any immigrant coming into the U.S. But is Section 212(a) (14) necessary in its present form and is it accomplishing its intended purpose? We think not.

Immigrants add but a tiny fraction to the total U.S. labor force, so our government officials tell us. In fiscal year 1968, 58,954 of the total U.S. immigrants were of the non-preference variety. This is certainly a small number considering that close on 34,400 American born workers enter the labor force every four days. At the same time up to 153,000 immigrants in the preference categories can come into the U.S. each year and are free of any labor restrictions. They can take any job they want and put any American worker out of a job. The law seems overconcerned with the small remainder. This small remainder must comply with Section 212(a) (14). New seed immigration is being eliminated and the U.S. will be the loser.

SCHEDULES A, B, AND C

The jobs that the Irish traditionally took when they came here are on Schedule B, the prohibited entry list. One can seriously question whether there is an actual nationwide oversupply of workers of all jobs listed on Schedule B. One can also question the method and procedure by which such jobs come to be listed on this schedule. Certainly supply and demand for jobs may vary from locality to locality and from time to time. It can now be clearly demonstrated that the jobs listed on Schedules A and C are not by any means the sole ones for which there is a demand for workers.

THE DEFINITE JOB OFFER REQUIREMENT

The obvious truth is that employers do not want to hire workers sight unseen. Our country was built with new seed immigration—individuals who had no close relatives here but who were willing to come here and work hard for a better life. If an applicant desires to come here and work in a job category which has no oversupply of workers, then he should not be required to do the impossible to find an employer who will hire him sight unseen.

Three out of the five reasons given by the U.S. Embassy, Dublin for the decline in immigrant visas issued, dealt with the definite job offer requirement, labor schedules and labor certification. ". . . there is no doubt that Section 212(a) (14) of the Act has caused a decrease in Irish immigration to the United States. As many Irish visa applicants are unskilled or semi-skilled workers, they are unable to qualify under Section 212(a) (14) as amended."

Over two years ago we demonstrated to the staff of this Subcommittee and to the various government agencies that the bulk of prospective Irish immigrants were of the non-preference variety and would always be so. We were told at the time that the reason for this was that under the quota system the Irish never had need to use the preferences but that that would all change in due time. Mr. Chairman, in fiscal year 1968 out of 3,561 Irish visas issued 2,730 were still of the non-preference variety. In fiscal year 1969 out of 538 visas issued in Ireland, 220 were of the non-preference variety. There has been no change. Those are the government's statistics not ours.

How many more Irish want to come but cannot? They have few relatives here, they have no special skills, they have some education. They are similar to my father and mother and to the fathers and mothers of many members of my committee and of this Congress. They're the kind of people that helped found this nation and they're the kind of people that were once allowed into the U.S.

Irish men and women want to come here but they can't. Instead to England, Canada and Australia they are going. We say they should have the right to come here the same as any other nationality. Evidence that they want to come won't be found by making a short visit to Ireland or by sitting in the American Embassy in Dublin, the Consul's office in Belfast, a government minister's office or on the streets of Dublin. But if you want demonstration of the fact that the Irish want to come. I'll be glad to accompany any of you to parts of County Mayo, Galway, Cork, Kerry, Leitrim, Donegal and parts of occupied Ireland where you will get that evidence.

Something must be done, Mr. Chairman. Action must be taken.

THE CHALLENGE

I believe that every one of you agrees that a solution must be found. Over two years ago Congressman William Ryan came forward with a solution now embodied in H.R. 165.

Simply explained, it places a "floor" on immigration from each country. This "floor" would be equal to 75 per cent of a country's annual average immigration during the 10 year period 1955 to 1965 with a maximum floor limit of 10,000 for any country. In the case of Ireland, this number would be 5,390; for example, if in 1969, 1,000 Irish immigrated under the present law—under the new formula an additional 4,390 Irishmen could immigrate to the United States in 1970 and they would not be subject to the present labor restrictions.

Seventy-eight Congressmen have co-sponsored this bill. They came from both political parties and many different political persuasions. They regard it as do a number of labor unions as a fair solution and so do we. If enacted it would provide a fair U.S. immigration law for the nation.

Our problem is one that requires a permanent solution. Those many other bills pending which provide only a temporary answer are of no merit. Stopgap legislation is no answer. One other bill H.R. 13999 must be considered, that offered by yourself, Mr. Chairman. In that it offers a permanent solution, it has merit. However this modest proposal offers questionable and at most minimal benefits in comparison to the Ryan bill which we prefer.

OUR COMMITTEE

From Boston to San Francisco, from New York to Los Angeles, from Cleveland to Hartford, our committee exists. It is composed of representatives of every major Irish organization in the United States. It consists of Irish born and American born men and women, Protestant, Catholic and Jew, government leaders, clergymen, businessmen, union leaders and ordinary individuals who have been the backbone of this country. They are present here today and available for testimony should you desire to hear them.

Our committee is in existence for one purpose only, to right a wrong, to preserve the right of the Irish to enter the U.S. not to encourage Irish immigration and certainly not to deny other nations the right to come here. To the chagrin of many it is still in existence and I assure all it will be until justice is achieved.

Our heritage tells us that we're children of a fighting race that's never yet known disgrace and we represent that heritage and the interests of generations of Irishmen,

some yet unborn. The claim of these Irishmen on the U.S. was once spelled out by John Boyle O'Reilly, a great civil liberatarian, a great American, a great Irishman when he said:

"No treason do we bring from Erin
Nor bring we shame nor guilt
The sword we hold may be broken
But we haven't dropped the hilt.

The wreath we offer to Columbia
is fastened of thorns not bought
And the hearts we bring are saddened
by the thoughts of sorrowful days.
But the hearts we bring for freedom
are washed in a people's faith
outliving a thousand years."

Mr. Chairman, Members of the Congress, we believe we're entitled to a better day and a better law. We regard each of you distinguished members of the Congress as being sympathetic to the plight of the prospective Irish immigrant. We beg you now to channel that sympathy into an effective solution.

CHART NO. 1.—IRISH IMMIGRANT VISAS ISSUED (BY FISCAL YEAR, JULY TO JUNE)

| | Total | Portion of that total issued in Dublin |
|---|---|---|
| Old law: | | |
| 1962 | 5,345 | 4,076 |
| 1963 | 6,237 | 4,618 |
| 1964 | 6,328 | 4,914 |
| 1965 | 5,378 | 4,232 |
| 1966 (July–November) | 2,375 | 1,979 |
| New law: 1966 (December–June) | 696 | 585 |
| Total, 1966 | 3,071 | [1] 2,564<br>[2] 2,044 |
| New law: | | [1] 2,120 |
| 1967 | 2,665 | [2] 2,203 |
| 1968 | 3,619 | 2,764 |
| 1969 | 1,407 | 795 |

[1] Issued by U.S. Embassy.
[2] Issued by Visa Office.

Source: Statistics provided by Visa Office, U.S. State Department and U.S. Embassy, Dublin. A discrepancy exists between the figures issued by U.S. Embassy and Visa Office.

CHART NO. 2.—IMMIGRANT VISAS ISSUED AT DUBLIN TO ALIENS BORN IN IRELAND, FISCAL YEAR 1969

| | |
|---|---|
| 1st preference | 6 |
| 2d preference | 58 |
| 3d preference | |
| 4th preference | 11 |
| 5th preference | 188 |
| 6th preference | 55 |
| 7th preference | |
| Nonpreference | 220 |
| Total | 538 |
| Immediate relatives | 130 |
| Special immigrants | 127 |
| Special legislation | |
| Grand total | 795 |

CHART NO. 3.—VISAS ISSUED, CONDITIONAL ENTRIES AND ADJUSTMENT OF STATUS GRANTED IMMIGRANTS BORN IN IRELAND, FISCAL YEAR 1969

| | Visas issued | Conditional entries and adjustment of status | Total |
|---|---|---|---|
| 1st preference | 18 | 2 | 20 |
| 2d preference | 74 | 23 | 97 |
| 3d preference | 2 | | 2 |
| 4th preference | 15 | | 15 |
| 5th preference | 314 | 102 | 416 |
| 6th preference | 75 | 45 | 120 |
| 7th preference | | | |
| Nonpreference | 297 | 27 | 324 |
| Total | 795 | 199 | 994 |
| Immediate relatives | 245 | | 245 |
| Special immigrants | 168 | | 168 |
| Special legislation | | | |
| Grand total | 1,208 | 199 | 1,407 |

## TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, in 1967 the 530,387,000 tons of coal produced by the United States were more than any other nation and represented over one-quarter of the total world production.

## COMMITMENT TO THE CONTROLLING OF AIR POLLUTION

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, the continued pollution of our environment constitutes a serious threat to the very existence of advanced life forms on this planet. There is hardly a major urban or industrial area in which air pollution does not cause significant discomfort for its inhabitants.

After decades of ignoring this ever-worsening situation, the Federal Government, in cooperation with the States and private industry, is at last taking positive steps toward abating and controlling air pollution.

The commitment of the Federal Government to the task of upgrading the environment is described in recent articles published in Cahner's Critical Issue Report No. 2—Environmental Management. As one who fully supports a concentrated effort to clean up all aspects of our environment, I offer these articles to be printed in the RECORD:

[From Critical Issues Report No. 2—Environmental Management, November 1969]

AIR POLLUTION: PROBLEMS OF THE FIRST MAGNITUDE

(By Robert H. Finch, Secretary of Health, Education, and Welfare)

On May 29, 1969, President Nixon set up a new Environmental Quality Council, consisting of the Vice-President and Cabinet members, with the President himself as chairman and his Science Advisor as executive secretary. At the same time, he established a Citizen's Advisory Committee on Environmental Quality, headed by Mr. Laurence Rockefeller. I believe that, by these actions, President Nixon has begun to move the nation into a new era of effective action in its fight to maintain a clean environment. The Environmental Quality Council will serve as a focal point for planning and implementing national action. The role of the Citizens' Committee is equally vital, for every American has a stake in these matters, and all sectors of our society need to be involved in the search for solutions.

The Department of Health, Education, and Welfare has taken action to upgrade and strengthen its environmental programs and the consumer protection programs which are inherently related to them, by establishing the Consumer Protection and Environmental Health Service. As Administrator Charles C. Johnson, Jr., explains in his interview in this issue, CPEHS is now engaged in an intensive, coordinated assault on the problems of assuring clean air; safe food, drugs, and drinking water; safe working environments; and other consumer and environmental threats, all of which relate to the same problem—man's ability to adapt to an environment which he himself is subjecting to constant change.

As Secretary of the Department of Health, Education, and Welfare—which is concerned for the general welfare of all Americans—I shall certainly do all in my power to assure that we move ahead rapidly in this area. As a Californian, I know at first-hand the difficulty and complexity of bringing pollution and other kinds of environmental damage under control. I am convinced, as are so many Americans, that these are problems of the first magnitude and must be dealt with in our generation.

The successes of American industry have produced for our nation, and indeed for much of the world, unparalleled benefits. But, as we all know, the environmental and consumer problems which now mar the quality of our lives have arisen in large part from those very successes. We must, therefore, look to industry to apply to the solution of these problems the technological and management skills which have already given the nation so much benefit.

I am glad to say that, for the most part, American industry has shown itself willing and even eager to do this. For example, industry has used its own research dollars to accelerate the move from "hard" to "soft" pesticides. Many great industrial firms are spending millions of dollars to control their own pollution of air and water. Many enterprising firms are directing their resources more and more toward the development of advanced pollution control technology in awareness of this growing need throughout the country. All of us, in government and industry, know that these trends must be expanded and accelerated.

The time has come when we must give serious throught to seeking ways to avert undesirable impact on the environment, at whatever stage this may occur. As a Greek philosopher observed thousands of years ago, "All things change, nothing perishes." This, in essence, is what makes our environmental problems so difficult and complex.

President Nixon said when he established his new Environmental Quality Council and Advisory Committee, "The deterioration of the environment is in large measure the result of our inability to keep pace with progress. . . . But I am confident that the same energy and skill which gave rise to these problems can also be marshaled for the purpose of conquering them."

We have, in truth, a new national commitment. Government and industry must share the responsibility for achieving an environment in which the consumer and citizen can enjoy the benefits of technology without peril to his health. The "energy and skills" that have made our country the greatest industrial nation in the world are needed now to preserve that greatness.

AIR POLLUTION: INDUSTRY MUST HELP SOLVE THE PROBLEMS IT CREATES

(An interview with Charles C. Johnson, Jr., Administrator of HEW's Consumer Protection and Environmental Health Service)

(NOTE.—In this exclusive interview with Critical Issues Report, Mr. Johnson explains what his agency is doing to achieve the kind of environment Americans need and are starting to demand. He discusses what industry will be expected to do to help improve the quality of American life.)

How can a nation determined to preserve a free, creative, and productive industrial system continue to enjoy the benefits of that system while assuring its citizens reasonable protection from pollution and other industrial hazards?

In response to a need for new viewpoints and approaches, the federal government established, just over a year ago, the Consumer Protection and Environmental Health Serv-

ice. CPEHS, which is within the Department of Health, Education, and Welfare, brings together in a single agency all of HEW's environmental control and consumer protection programs. The federal government hopes that coordination of these programs will make possible a stronger and more effective attack on pollution and other complex problems associated with population growth, increased industrial productivity, and environmental change.

Question. Mr. Johnson, what HEW agencies have been combined to form the new Consumer Protection and Environmental Health Service?

JOHNSON. CPEHS includes the Food and Drug Administration, the National Air Pollution Control Administration, and the Environmental Control Administration. The latter is concerned with a variety of problems such as occupational safety and health, radiation hazards, water hygiene, rat control, sanitation, accident prevention, and other matters especially related to the impact of the urban and industrial environment on human life. The separate concerns of these three agencies form, in fact, a complex of interrelated problems whose ultimate solution requires the closely coordinated approach which the CPEHS structure can provide.

Question. Will CPEHS involve industry in developing new directions and approaches to our environmental problems?

JOHNSON. Yes, industry and others. In one way or another, the problems associated with environmental change are a source of concern, not only to people in public health, but to businessmen, conservationists, legislators, scientists and many others in all aspects of our national life. I believe that increasingly these various spokesmen for sane use of the environment are coming to realize that all are concerned with the same basic problem—the maintenance of an environment compatible with the needs of man. We cannot measure environmental improvement against a single balance sheet, representing economics, or health, or esthetics, or social impact, for all of these factors together form the fabric of human life. What we must do is to find a way to make decisions regarding environmental change on the basis of the total health and welfare of man, in full recognition of the fact that modern man is part of an ecological system which must increasingly bear the mark of his own necessary and valid objectives.

Question. A problem such as pollution seems to be the inevitable accompaniment of industrial productivity. How do you balance continued growth of our economy with the need to change and control our environment?

JOHNSON. In our highly urbanized, industrialized country, characterized by daily miracles of science and technology, yet threatened by increasing population and a seemingly endless build-up of pollutants, man needs jobs, transportation, and agricultural and industrial production. In fact, man cannot survive without all of these things. But he also needs clean air and water, pure food, an opportunity to renew ties with the natural world, and an environment free from excessive and preventable stress. The balance is a delicate one, but one that must be met. We cannot restore to Planet Earth the perfect balance and harmony which characterized the seventh day of creation. But we cannot, if we are concerned for our own health, welfare—and even survival—continue to pollute and destroy the land, air and water upon which human life depends.

Question. What goals has your agency set to change and improve our environment and how do you hope to achieve them?

JOHNSON. We believe that our agency has first a fundamental obligation to define as well as possible, and to enunciate as clearly as possible, the effect that various environmental factors have on man. We are giving first priority to the development of environmental criteria, whether these have the force of law, as in some of our programs, or serve only as recommendations to guide corporate, governmental, and public decisions. We will, of course, use our regulatory authorities fully and fairly, and will seek new authorities where needed. We are working with state and local jurisdictions to help them develop effective environmental and consumer protection programs. We are working closely with industry to prevent and control environmental hazards, for there is no doubt that the best energies of all sectors of our society, public and private, must be applied to the environmental problems that confront us. Let me point out that in arriving at environmental criteria, we are guided by the best scientific knowledge available. We rely not only on our own staff, but upon technical advisory committees of recognized competence.

Question. What categories of environmental change and control fall within your jurisdiction?

JOHNSON. We are concerned with all aspects of the human environment, since man's health and well-being are affected by the total environment in which he lives. We are concerned with the physiological effects on human beings of various rural and urban environments, particularly that of the ghetto. We are concerned with health factors in the occupational setting, with noise, either as an occupational or community hazard, with sanitation. We have responsibilities relating to the purity and safety of food, drugs, and other consumer products—for these too are part of the environment. In those areas generally categorized as "environmental pollution" we have primary jurisdiction in the control of air pollution and harmful radiation, in solid waste management, and in maintaining the purity of water for human consumption and use.

Question. Do you have any legal basis for changing and controlling pollution of the air?

JOHNSON. Yes. The Clean Air Act represents an unusual and comprehensive approach to a threat, which like most environmental problems, transcends boundaries and requires a high degree of coordinated effort on the part of all levels of government, industry, and the public.

Question. Would you explain the Clean Air Act? Just how much authority does it give CPEHS?

JOHNSON. In the Clean Air Act, as amended, CPEHS has a rational and deliberate approach to the control of air pollution in this country. The Act requires that we consider carefully all the ramifications of every step we don't take—and every step we don't take—in the control process. The Act says that we must protect the public in those places where air pollution has reached acute proportions, and further that we must prevent the problem from occurring in those places where fresh air is still enjoyed. To provide a geographic framework for regional control of air pollution, the Act calls on us to designate air quality control regions. This we have begun to do, in consultation with State and local officials. By the summer of 1970, we expect to have drawn the boundaries around a total of 57 air quality regions, involving all the 50 states. The combined population of the areas involved is about 97 million, a little more than 70 percent of the nation's total urban population.

Question. Once you have defined the most serious regions, how will you go about controlling air pollution?

JOHNSON. Knowledge of the harmful effects of air pollutants is being provided in the form of air quality criteria documents. These documents summarize what has been learned by research about the ways in which air pollutants threaten human health, soil and damage materials, injure plant and animal life, reduce visibility and, in general, impair man's well-being and degrade his environment. At the same time, knowledge of ways to control the sources of air pollution is being issued in the form of reports on control techniques and on their cost and effectiveness.

Question. Have you issued any of these reports yet?

JOHNSON. Yes, we have published air quality criteria documents and reports on control techniques for two important types of air pollutants—the sulfur oxides and particulate matter.

Question. What happens after these reports are issued?

JOHNSON. The next steps in carrying out the provisions of the Clean Air Act are up to state governments. They are expected to set air quality standards for the control regions for those pollutants for which air quality criteria have been issued. In addition, states must adopt plans for implementing the standards. An implementation plan must include specific requirements for the prevention and control of air pollution and a timetable for achieving compliance with those requirements.

Question. Does the Clean Air Act include a specific timetable which the states themselves must follow in complying with the Act?

JOHNSON. Yes. Once a region is designated, and criteria and control technique documents have been issued for a certain class of pollutants, the state or states responsible have 90 days to give notice of their intent to set standards, 180 days to hold public hearings and complete the standard-setting process, and another 180 days to develop implementation plans.

Question. These standards should do a great deal toward eliminating confusion in the industrial community.

JOHNSON. Exactly. From the standpoint of business and industry, this should eliminate, once and for all, the shadows of uncertainty which, according to many corporate planners, have heretofore prevented their applying the necessary resources to the job of controlling air pollution. In deciding on air quality standards and developing implementation plans, a state will, in effect, be establishing the long-range air quality goals it plans to reach.

Question. When states set new air quality standards, will industry have any voice in helping to establish them?

JOHNSON. Absolutely. An important element of this decision-making process is the requirement that states hold public hearings before adopting air quality standards. Here, leaders of business and industry can and should play an important role. They possess both the engineering know-how and the intimate knowledge of social, political, and economic considerations related to air pollution control in their areas to render invaluable assistance in reaching effective and equitable air quality decisions. If business and industry truly want clean air, and if control officials and the political decision-makers are made aware of this, we will be well on our way toward applying effective controls to the stationary sources of air pollution in the air quality control regions across the country.

Question. Does industry at present have a hand in helping your agency develop air quality criteria documents used by the states?

JOHNSON. Yes. We have entered into a number of demonstration contracts with industry to prove the technological and economic feasibility of the control of pollutants from the combustion of fossil fuels and to shorten the time-lag between research, development and full-scale application.

Question. What specifically is industry and your agency working on right now?

JOHNSON. There is underway, for example, a large-scale research and development effort

relating sulfur oxides, which involves several other federal agencies and more than 40 industrial firms and other private organizations. The importance of sulfur oxides pollution clearly warrants such a major effort; there are many other such urgent problems, and in time we expect to attack them in similar fashion. We are engaged in a series of systems studies to identify improved techniques, particularly process changes, for dealing with the air pollution problems of a number of major industries, including smelting and kraft pulping. Similar broad studies relate to the stationary sources of nitrogen oxides, from hot water heaters to power plants. This work is expected to lead to significant changes in the design of combustion units. Other large-scale projects included in our planning are a systematic evaluation of available gas cleaning equipment, aimed at reducing the costs of constructing and operating such equipment, and an across-the-board look at incineration of solid waste materials.

Question. What steps will be necessary to deal with large point sources of air pollution located just outside the boundaries of air quality control regions, particularly where such sources come into being after the boundaries have been defined?

JOHNSON. Answers to that question will depend in large measure on the extent to which state and local governments assume responsibility for attacking air pollution problems outside the air quality control regions. In this regard, the U.S. Senate Committee on Public Works spoke clearly in its report approving the 1967 amendments to the Clean Air Act: "It should be emphasized that it is the intent of the committee to enhance air quality and to reduce harmful pollution emissions anywhere in the country, and to give the Secretary authority to implement that objective in the absence of effective state and local control. It is believed that this legislation carries out that intent."

Question. The problem of disposing of billions of tons of industrial, commercial, agricultural, and household refuse isn't usually classified as pollution, but it certainly is an analogous problem isn't it?

JOHNSON. Yes, and the problem is increasingly one of direct and immediate concern to industries which produce certain types of waste in large amounts. Many have been required to develop their own methods of treatment and disposal rather than channeling their waste into public disposal systems. Of course the very affluence of our society, with its tremendous productive capacity and its ingenuity in merchandising and packaging is the root of the problem.

Question: Does your agency have a legal basis for acting in this area?

JOHNSON. The Solid Wastes Act of 1965 authorized the Department of Health, Education and Welfare and the Department of the Interior to "Initiate and accelerate research and development programs for new improved methods of proper, economic" disposal. Interior is concerned with mineral and fossil fuel wastes, HEW with all other types. The Act also authorizes us to assist local governments technically and financially in planning and executing disposal programs; and to provide demonstration and training in new methods. The Departments are directed to seek methods of salvaging useful products, of conserving resources, and of reducing the amount of waste that must ultimately be dumped. The federal role is limited, under this Act, to technical assistance, research, and training. Primary responsibility for collection and disposal of wastes and their regulation remains with state and local governments.

Question. What do you consider the key problems in solid waste management?

JOHNSON. First, the sheer size of the midden heap. Industrial waste now totals about 110 billions tons per year, not including the tonnage fed directly into public disposal systems, nor 2 billion tons of agricultural waste produced each year. Second, packaging. Some of the new packaging materials are difficult or impossible to incinerate and many resist biological degradation. An opportunity exists for industry to contribute greatly in this area. Third, recycling and reuse. Iron, aluminium, and zinc, even cellulose could be removed from the waste stream and returned to the economy. Likewise, the energy from burning waste could be put to use. Many of our studies are directed at these aims, a facet of the problem in which industry too has a major economic stake. Finally residue disposal. The sanitary landfill can enhance rather than damage land values. One at Virginia Beach, Virginia will provide high land for cottages and bay protection; one near Chicago will become a ski slope. However, the lack of suitable land for this process emphasizes the need for reducing the quantity of waste to be dumped.

Question. What would you suggest that industry do to help improve this situation?

JOHNSON. There are many examples of exemplary industry responsibility and of government-industry cooperation in combatting the solid waste problem. Canneries and other food processors have done much to develop accelerated composting methods, in some cases aided by our Environmental Control Administration, both technically and financially. The paper industry's Institute of Paper Chemistry has performed pioneer work in reducing the health hazard and esthetic offense of paper and pulping waste, improving efficiency and output at the same time. However, we need a great deal more on the part of the industrial community in helping the nation solve its growing solid waste problem.

Question. I can see where all of these problems overlap. Solid waste management and water pollution certainly must be studied together. Does your agency have any role in combatting water pollution?

JOHNSON. Our Environmental Control Administration is concerned with the health aspects of water pollution and has an enforcement role in certifying sources of drinking water for interstate trains, airlines, and buses. Contrary to the general view, America can no longer take for granted the purity of its drinking water. Population growth is putting a tremendous load on existing water treatment systems. Moreover, new hitherto unsuspected kinds of contamination—enzymes, trace metals, wastes from synthetics, adhesives, solvents, and pesticides—are reaching surface water as side effects of modern technology.

Question. Are you currently working on this problem?

JOHNSON. Yes. In the spring of this year our water hygiene program began to survey a representitive sample of community water systems across the nation as the first step in an inter-governmental effort to raise the quality of public drinking water. The sample includes nine metropolitan areas. We anticipate that information from this study will provide data that will lead to better control of health hazards and may point to the need for new legislation. For example, the survey, although still incomplete, already shows that urban water needs are often met by bewildering arrays of separate, interconnected systems, making continuous appraisal and quality control difficult and that bacteriological testing is often inadequate. It has also revealed that an unexpectedly large number of people are served by tank truck delivery of drinking water.

Question. Like so many of these problems, this one sounds as though it will cost the tax-payers a great deal of money to solve.

JOHNSON. I'm afraid so. It seems clear that during the next few years it will be necessary for many local jurisdictions to invest substantially in expanding and updating their water treatment systems. Water supply in this country already represents an investment of more than $50 billion, second only to the electric power industry.

Question. What would be the most advantageous ways for funds to be spent?

JOHNSON. One problem of increasing concern is the use of reclaimed waste water for human consumption. If we cannot maintain the quality of surface waters, it will be necessary for us to learn much more about detecting and removing viruses, hormones, antibiotics, and a whole range of industrial wastes from these waters. Another problem of direct and immediate concern to many industries is the hazard which can arise when systems of nonpotable water are installed for some processing use where possibility of accidental cross connection with the plant's or the community's drinking water can exist.

Question. Mr. Johnson, are you optimistic about solving all these problems?

JOHNSON. Yes, with industry's help. But it will require careful reexamination of traditional goals and prerogatives by industry, government, and the public itself. In an age such as ours, it is unthinkable that we should not hold pollution levels compatible with the requirements of human health and well-being. It is unworthy of the American system, which has created so much good for all men. Common sense demands and, increasingly, the public which we all serve insists that government and industry join hands to prove the American system can meet these unique challenges of our time.

## HOUSING ACT OF 1969— CONFERENCE REPORT

Mr. PATMAN submitted the following conference report and statement on the bill (S. 2864), the Housing Act of 1969:

CONFERENCE REPORT (H. REPT. No. 91-740)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2864) to amend and extend laws relating to housing and urban development, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Housing and Urban Development Act of 1969".

SEC. 2. Section 305(g) of the National Housing Act is amended—

(1) by striking out "$1,000,000,000" and inserting in lieu thereof "$2,500,000,000";

(2) by inserting "at par" immediately after "and to purchase": and

(3) by striking out "$15,000", "$17,500", and "$22,500" and inserting in lieu thereof "$17,500", "$20,000", and "$25,000", respectively.

### TITLE I—MORTGAGE CREDIT

#### EXTENSION OF PROGRAMS

SEC. 101. (a) Section 2(a) of the National Housing Act is amended by striking out "January 1, 1970" in the first sentence and inserting in lieu thereof "October 1, 1970".

(b) Section 217 of such Act is amended—

(1) by striking out "title VIII, or title X" and inserting in lieu thereof "section 235, section 236, title VIII, title X, or title XI"; and

(2) by striking out "January 1, 1970" and inserting in lieu thereof "October 1, 1970".

(c) Section 221(f) of such Act is amended by striking out "January 1, 1970" in the fifth

sentence and inserting in lieu thereof "October 1, 1970".

(d) Section 235 of such Act is amended by adding at the end thereof the following new subsection:

"(m) No mortgage shall be insured under this section after October 1, 1971, except pursuant to a commitment to insure before that date."

(e) Section 236 of such Act is amended by adding at the end thereof the following new subsection:

"(n) No mortgage shall be insured under this section after October 1, 1971, except pursuant to a commitment to insure before that date."

(f) Section 809(f) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

(g) Section 810(k) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

(h) Section 1002(a) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

(i) Section 1101(a) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

LOWER DOWNPAYMENTS FOR FHA-FINANCED SALES HOUSING

SEC. 102. (a) Section 203(b)(2) of the National Housing Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(b) Section 220(d)(3)(A)(i) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(c) Section 222(b)(3) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(d) Section 234(c) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

MOBILE HOMES

SEC. 103. (a)(1) Section 207(a) of the National Housing Act is amended—

(A) by striking out "trailer coach mobile dwellings" in paragraph (1) and inserting in lieu thereof "mobile homes";

(B) by striking out "trailer court or park" in paragraph (6) and inserting in lieu thereof "mobile home court or park"; and

(C) by striking out "trailer coach mobile dwellings" in paragraph (6) and inserting in lieu thereof "mobile homes".

(2) Section 207(c)(3) of such Act is amended by striking out "trailer courts or parks" and inserting in lieu thereof "mobile home courts or parks".

(b) Section 207(c)(3) of such Act is amended by striking out "$1,800 per space or $500,000 per mortgage" and inserting in lieu thereof "$2,500 per space or $1,000,000 per mortgage".

(c) Section 2 of such Act is amended—

(1) by inserting "(i)" after the words "for the purpose of" in the first sentence of subsection (a);

(2) by inserting "; and for the purpose of (ii) financing the purchase of a mobile home to be used by the owner as his principal residence" before the period at the end of the first sentence of subsection (a);

(3) by inserting "(other than mobile homes)" after "new residential structures" in clause (1) of subparagraph (iii) of the second paragraph of subsection (a);

(4) by inserting the following new sentence at the end of subsection (a): "The Secretary is hereby authorized and directed, with respect to mobile homes to be financed under this section, to (i) prescribe minimum property standards to assure the livability and durability of the mobile home and the suitability of the site on which the mobile home is to be located; and (ii) obtain assurances from the borrower that the mobile home will be placed on a site which complies with the standards prescribed by the Secretary and with local zoning and other applicable local requirements.";

(5) by inserting ", except that an obligation financing the purchase of a mobile home may be in an amount not exceeding $10,000" before the semicolon at the end of clause (1) in the first sentence of subsection (b);

(6) by inserting ": *Provided*, That an obligation financing the purchase of a mobile home may have a maturity not in excess of twelve years and thirty-two days" before the semicolon at the end of clause (2) in the first sentence of subsection (b); and

(7) by striking out "real property" each place it appears in subsection (c)(2) and inserting in lieu thereof "real or personal property".

MAXIMUM MORTGAGE AMOUNT UNDER SECTION 220 MULTIFAMILY HOUSING PROGRAM

SEC. 104. Section 220(d)(3)(B)(i) of the National Housing Act is amended to read as follows:

"(i) not exceed $50,000,000,".

MORTGAGE INSURANCE ON CONDOMINIUM UNITS FOR SERVICEMEN

SEC. 105. Section 222(b)(1) of the National Housing Act is amended by inserting "or 234(c)," immediately after "221(d)(2),".

ASSISTANCE PAYMENTS UNDER SECTION 235 FOR PURCHASER ASSUMING MORTGAGE

SEC. 106. (a) Section 235(c) of the National Housing Act is amended by striking out "subsection (j)(4)" and inserting in lieu thereof "subsection (i) or (j)(4)".

(b) Section 235(b)(2) of such Act is amended by striking out the first proviso and inserting in lieu thereof the following: ": Provided, That if any cooperative member who has received assistance payments transfers his membership and occupancy rights to another person who satisfies the eligibility requirements prescribed by the Secretary and undertakes the obligation to pay occupancy charges, the new cooperative member may qualify for assistance payments upon the filing of an application with respect to the dwelling unit involved to be occupied by him".

AUTHORIZATION FOR ASSISTANCE PAYMENTS UNDER SECTIONS 235 AND 236

SEC. 107. (a) The second sentence of section 235(h) of the National Housing Act is amended by striking out "$100,000,000 on July 1, 1969, and by $125,000,000 on July 1, 1970" and inserting in lieu thereof "$125,000,000 on July 1, 1969, by $125,000,000 on July 1, 1970, and by $170,000,000 on July 1, 1971".

(b) The second sentence of section 236(i)(1) of such Act is amended by striking out "$100,000,000 on July 1, 1969, and by $125,000,000 on July 1, 1970" and inserting in lieu thereof "$125,000,000 on July 1, 1969, by $125,000,000 on July 1, 1970, and by $170,000,000 on July 1, 1971".

INTEREST REDUCTION PAYMENTS UNDER SECTION 236 ON CERTAIN PROJECTS FINANCED UNDER STATE OR LOCAL HOUSING PROGRAMS

SEC. 108. The proviso in section 236(b) of the National Housing Act is amended by striking out "with respect to a rental or cooperative housing project" and inserting in lieu thereof "with respect to a mortgage or part thereof on a rental or cooperative housing project".

ASSISTANCE PAYMENTS WITH RESPECT TO EXISTING DWELLINGS UNDER SECTION 235

SEC. 109. Section 235(h)(3) of the National Housing Act is amended—

(1) by inserting "and" at the end of subparagraph (A); and

(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) 30 per centum of the total additional amount of contracts for assistance payments authorized by appropriation Acts to be made prior to July 1, 1971,".

PREFERENCES IN SECTION 237 MORTGAGE INSURANCE PROGRAM

SEC. 110. Section 237(d) of the National Housing Act is amended—

(1) by inserting "and in providing counseling services" after "applications"; and

(2) by inserting "(1) to families which are eligible for assistance payments under section 235, and (2)" after "this section".

EXPANSION OF THE FHA NURSING HOME PROGRAM TO INCLUDE INTERMEDIATE CARE FACILITIES

SEC. 111. Section 232 of the National Housing Act is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) The purpose of this section is to assist in the provision of facilities for either of the following purposes or for a combination of such purposes;

"(1) The development of nursing homes for the care and treatment of convalescents and other persons who are not acutely ill and do not need hospital care but who require skilled nursing care and related medical services.

"(2) The development of intermediate care facilities for the care of persons who, while not in need of nursing home care and treatment, nevertheless are unable to live fully independently and who are in need of minimum but continuous care provided by licensed or trained personnel.";

(2) by striking out "and" at the end of paragraph (1) of subsection (b);

(3) by redesignating paragraph (2) of subsection (b) as paragraph (3) and inserting after paragraph (1) of such subsection the following new paragraph:

"(2) the term 'intermediate care facility' means a proprietary facility or facility of a private nonprofit corporation or association licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located) for the accommodation of persons who, because of incapacitating infirmities, require minimum but continuous care but are not in need of continuous medical or nursing services; and";

(4) by striking out "a new or rehabilitated nursing home" in the introductory text of subsection (d) and inserting in lieu thereof "a new or rehabilitated nursing home or intermediate care facility or combined nursing home and intermediate care facility";

(5) by striking out "operation of the nursing home" in subsection (d)(2) and inserting in lieu thereof "operation of the home or facility or combined home and facility";

(6) by striking out paragraph (4) of subsection (d) and inserting in lieu thereof the following:

"(4) The Secretary shall not insure any mortgage under this section unless he has received, from the State agency designated in accordance with section 604(a)(1) of the Public Health Service Act for the State in which is located the nursing home or intermediate care facility or combined nursing home and intermediate care facility covered by the mortgage, a certification that (A) there is a need for such home or facility or combined home and facility, and (B) there are in force in such State or in the municipality or other political subdivision of the State in which the proposed home or facility or combined home and facility is to be located reasonable minimum standards of licensure and methods of operation governing it. No such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory

from the State agency that such standards will be applied and enforced with respect to any home or facility or combined home and facility located in the State for which mortgage insurance is provided under this section."; and

(7) by adding at the end thereof the following new subsections:

"(g) The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section relating to intermediate care facilities, after consulting with the Secretary of Health, Education, and Welfare with respect to any health or medical aspects of the program which may be involved in such regulations.

"(h) The Secretary shall also consult with the Secretary of Health, Education, and Welfare as to the need for and the availability of intermediate care facilities in any area for which an intermediate care facility is proposed under this section."

RENT SUPPLEMENT UNITS IN SECTION 236 PROJECTS

SEC. 112. Section 101(j)(1)(D) of the Housing and Urban Development Act of 1965 is amended by inserting before the period at the end thereof a comma and the following: "except that the foregoing limitation may be increased to 40 per centum of the dwelling units in any such property if the Secretary determines that such increase is necessary and desirable in order to provide additional housing for individuals and families meeting the requirements of subsection (c)".

INCREASE IN MAXIMUM MORTGAGE AMOUNTS UNDER FHA INSURANCE PROGRAMS

SEC. 113. (a)(1) Section 203(b)(2) of the National Housing Act is amended by striking out "$30,000", "$32,500", and "$37,500" wherever they appear and inserting in lieu thereof "$33,000", "$35,750", and "$41,250", respectively.

(2) Section 203(h) of such Act is amended by striking out "$12,000" and inserting in lieu thereof "$14,400".

(3) Section 203(i) of such Act is amended by striking out "$13,500" and inserting in lieu thereof "$16,200".

(4) Section 203(m) of such Act is amended by striking out "$15,000 and inserting in lieu thereof "$18,000".

(b)(1) Section 207(c)(3) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000" wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(2) Section 207(c)(3) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" and inserting in lieu thereof "$11,550", $19,800", "$24,750", and "$28,050", respectively.

(c)(1) Section 213(b)(2) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000 wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(2) Section 213(b)(2) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(d)(1) Section 220(d)(3)(A)(i) of such Act is amended by striking out "$30,000", "$32,500", "$37,500", and "$7,000" wherever they appear and inserting in lieu thereof "$33,000", "$35,750", "$41,250", and "$7,700", respectively.

(2) Section 220(d)(3)(B)(iii) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500" and "$21,000" wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(3) Section 220(d)(3)(B)(iii) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" wherever they appear and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(4) Section 220(h)(2) of such Act is amended by striking out "$10,000" and inserting in lieu thereof "$12,000".

(e)(1) Section 221(d)(2) of such Act is amended by striking out "$15,000", "$17,500", "$20,000", "$27,000", and "$33,000" wherever they appear and inserting in lieu thereof "$18,000", "$21,000", "$24,000", "$32,400", and "$39,600", respectively.

(2) Section 221(d)(2) of such Act is further amended by striking out "$25,000", "$32,000", and "$38,000", and inserting in lieu thereof "$30,000", "$38,400", and "$45,600", respectively.

(3) Section 221(d)(3)(ii) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$9,200", "$12,937.50", "$15,525" "$19,550", and "$22,137.50", respectively.

(4) Section 221(d)(3)(ii) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,925", "$18,400", "$23,000", and "$26,162.50", respectively.

(5) Section 221(d)(4)(ii) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$9,200", "$12,937.50", "$15,525", "$19,550", and "$22,137.50", respectively.

(6) Section 221(d)(4)(ii) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,925", "$18,400", "$23,000", and "$26,162.50", respectively.

(7) Section 221(h)(6)(A) of such Act is amended by striking out "$15,000" and inserting in lieu thereof "$18,000".

(f) Section 222(b)(2) of such Act is amended by striking out "$30,000" and inserting in lieu thereof "$33,000".

(g)(1) Section 231(c)(2) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$8,800", "$12,375", "$14,850", "$18,700", and "$21,175", respectively.

(2) Section 231(c)(2) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,450", "$17,600", "$22,000", and "$25,025", respectively.

(h)(1) Section 234(c) of such Act is amended by striking out "$30,000" and inserting in lieu thereof "$33,000".

(2) Section 234(e)(3) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000" wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", and "$20,350", and "$23,100", respectively.

(3) Section 234(e)(3) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(i) Section 235 of such Act is amended by striking out "$15,000", "$17,500", and "$20,000", wherever they appear and inserting in lieu thereof "$18,000", "$21,000", and "$24,000", respectively.

(j) Section 237(c)(2) of such Act is amended by striking out "$15,000", and "$17,500" and inserting in lieu thereof "$18,000" and "$21,000", respectively.

INCREASE IN GNMA PURCHASE AUTHORITY

SEC. 114. Section 302(b) of the National Housing Act is amended—

(1) by striking out "exceeds or exceeded $17,500" in clause (3) of the proviso in the first sentence and inserting in lieu thereof "exceeds or exceeded $22,000";

(2) by striking out "that exceeds $17,500" in the second sentence and inserting in lieu thereof "that exceeds the otherwise applicable maximum amount"; and

(3) by striking out "did not exceed $17,500" in the second sentence and inserting in lieu thereof "did not exceed the otherwise applicable maximum amount".

GNMA SPECIAL ASSISTANCE PURCHASES

SEC. 115. Section 305 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(j) Notwithstanding any other provision of this Act, the Association is authorized to purchase pursuant to commitments or otherwise mortgages otherwise eligible for purchase under this section at a price equal to the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items, and to sell such mortgages at any time at a price within the range of market prices for the particular class of mortgages involved at the time of sale as determined by the Association. Mortgages insured under title V of the Housing Act of 1949, except mortgages for above moderate income families insured under section 517(a) of such Act, are eligible for purchase under this section."

## TITLE II—URBAN RENEWAL AND HOUSING ASSISTANCE PROGRAMS

URBAN RENEWAL GRANT AUTHORITY

SEC. 201. Section 103(b) of the Housing Act of 1949 is amended—

(1) by inserting before the period at the end of the first sentence the following: ", and by $1,700,000,000 on July 1, 1970"; and

(2) by inserting after the first sentence the following new sentence: "Not less than 35 per centum of the amounts available to the Secretary for grants under this title during each of the fiscal years beginning July 1, 1969, and July 1, 1970, shall be for grants under part B."

EXTENSION OF URBAN RENEWAL ASSISTANCE TO THE TRUST TERRITORY OF THE PACIFIC ISLANDS AND TO INDIAN TRIBES

SEC. 202. (a) Section 110(h) of the Housing Act of 1949 is amended by striking out the second sentence and inserting in lieu thereof the following: "The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, the territories and possessions of the United States, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States."

(b) The first sentence of section 116 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

(c) The first sentence of section 117 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

(d) The first sentence of section 118 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

EXTENSION OF PERIOD OF ELIGIBILITY OF LOCAL GRANTS-IN-AID FOR CERTAIN URBAN RENEWAL AND NEIGHBORHOOD DEVELOPMENT PROJECTS

SEC. 203. (a) The second paragraph of section 110(d) of the Housing Act of 1949 is amended—

(1) by inserting "(except the second sentence of this paragraph)" after "any other provision of this subsection"; and

(2) by adding at the end thereof the following new sentence: "In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section

133(a) applies), the three-year period referred to above shall be extended to a period of four years prior to the authorization by the Secretary of a contract for loan or capital grant for the project."

(b) Section 112(b) of such Act is amended—

(1) by striking out "No expenditure" and inserting in lieu thereof "Subject to the second sentence of this subsection, no expenditure"; and

(2) by adding at the end thereof the following new sentence: "In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section 133(a) applies), the seven-year period referred to in clause (1) of the preceding sentence shall be extended to a period of eight years prior to the authorization by the Secretary of a contract for a loan or capital grant for the project."

(c) Section 133(a) of such Act is amended—

(1) by striking out "For" and inserting in lieu thereof "Except as otherwise provided in this subsection, for";

(2) by striking out "the second paragraph" and inserting in lieu thereof "the first sentence of the second paragraph"; and

(3) by adding at the end thereof the following new sentence: "In connection with any neighborhood development program for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and for which no contract for financial assistance under the program has been authorized by the Secretary, the three-year and seven-year periods referred to above shall be extended to periods of four and eight years, respectively, prior to authorization of (1) the first contract for financial assistance under the program which includes the urban renewal area benefited by the public improvement or facility (or the expenditures) for which credit is claimed, or (2) a contract for a loan or capital grant for an urban renewal project authorized after the date of the enactment of the Housing and Urban Development Act of 1969 in an area which is benefited by the public improvement or facility (or the expenditures) for which credit is claimed and which was included in the neighborhood development program application."

INCLUSION OF ENCLOSED PEDESTRIAN MALLS AS ELIGIBLE URBAN RENEWAL ACTIVITIES

SEC. 204. (a) Section 110(c)(3) of the Housing Act of 1949 is amended by inserting after "playgrounds," the following: "pedestrian malls and walkways (including in the case of an enclosed mall or walkway any necessary roofs, walls, columns, lighting, and climate control facilities),".

(b) The first sentence of the second unnumbered paragraph following paragraph (10) of section 110(c) of such Act is amended by inserting after "provided" the following: "in paragraph (3) with respect to enclosed pedestrian malls and walkways and as provided".

REHABILITATION GRANTS

SEC. 205. Section 115(c) of the Housing Act of 1949 is amended by striking out "or (2) $3,000" and inserting in lieu thereof "or (2) $3,500".

LOCAL GRANTS-IN-AID CREDIT FOR CERTAIN FACILITIES BUILT ON BEHALF OF PUBLIC UNIVERSITIES

SEC. 206. Clause (A)(ii) of the second proviso in section 110(d) of the Housing Act of 1949 is amended by striking out "by a public university" and inserting in lieu thereof "by or on behalf of a public university."

INCOME LIMITATION UNDER REHABILITATION LOAN PROGRAM

SEC. 207. Section 312(a) of the Housing Act of 1964 is amended by striking out the last sentence and inserting in lieu thereof the following: "In making loans with respect to residential property under this section, priority shall be given to applications made by persons whose annual income, as determined pursuant to criteria and procedures established by the Secretary, is within the limitations prescribed by the Secretary for occupants of projects financed with below-market interest rate mortgages insured (in the area involved) under section 221(d)(3) of the National Housing Act."

SUPPLEMENTAL GRANTS TO ENCOURAGE URBAN RENEWAL LOANS FROM PRIVATE SOURCES

SEC. 208. The proviso in the first paragraph of section 102(c) of the Housing Act of 1949 is amended—

(1) by striking out ", if";

(2) by striking out ", the interest rate on such a loan from a source other than the Federal Government is greater than the rate at which funds could be made available under the Federal loan contract,";

(3) by striking out "from such sources" and inserting in lieu thereof "from a source other than the Federal Government"; and

(4) by inserting "or a supplemental grant in an amount which he determines is necessary to enable a local public agency to obtain funds from a source other than the Federal Government" immediately after "contract rate".

REVIEW OF RELOCATION PLANS UNDER URBAN RENEWAL PROGRAM

SEC. 209. Section 105(c) of the Housing Act of 1949 is amended by adding at the end thereof the following new paragraph:

"(3) Within one year after the date of the enactment of this paragraph, and every two years thereafter, the Secretary shall review each locality's relocation plan under this subsection and its effectiveness in carrying out such plan."

REPLACEMENT OF HOUSING UNITS WHERE PROJECT INVOLVES DEMOLITION OR REMOVAL OF RESIDENTIAL STRUCTURES

SEC. 210. Section 105 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(h) If any urban renewal project which receives Federal recognition after the date of the enactment of this subsection includes the demolition or removal of any residential structure or structures (whether or not it is a project taken into account for purposes of applying subsection (f)), there shall be provided in the area within which the local public agency has jurisdiction (by construction or rehabilitation) standard housing units for occupancy by low and moderate income families (including but not limited to units provided under Federal- or State-assisted housing programs and including units of low-rent housing in private accommodations assisted under section 23 of the United States Housing Act of 1937) at least equal in number to the number of units occupied by such families prior to the demolition or removal of such structure or structures: Provided, That the Secretary shall have authority where he deems it appropriate to take into account suitable housing outside such area for purposes of meeting the requirement of this subsection. If the Secretary finds that the percentage of vacancies for all existing housing units in the area within which the local public agency has jurisdiction is 5 per centum or greater, he may waive the requirements of this subsection to the extent that he determines there are existing standard housing units in such area which will be available for occupancy by low and moderate income families who are being displaced by the urban renewal project."

LOANS FOR PUBLIC HOUSING PROJECTS

SEC. 211. Section 9 of the United States Housing Act of 1937 is amended by striking out the third sentence.

PUBLIC HOUSING ANNUAL CONTRIBUTIONS

SEC. 212. (a) The proviso in section 10(b) of the United States Housing Act of 1937 is amended by inserting after "any contract" the following: ", although not limited to debt service requirements,".

(b) The first sentence of section 10(e) of such Act is amended by striking out "$150,000,000 on July 1 in each of the years 1969 and 1970" and inserting in lieu thereof "$225,000,000 on July 1, 1969, and $170,000,000 on July 1, 1970".

REDUCED RENTALS FOR VERY LOW INCOME TENANTS OF PUBLIC HOUSING PROJECTS

SEC. 213. (a) The second paragraph of section 2(1) of the United States Housing Act of 1937 is amended by inserting after "rents" the following: "(which may not exceed one-fourth of the family's income, as defined by the Secretary)".

(b) The requirement in section 2(1) of the United States Housing Act of 1937 that the rents fixed by public housing agencies may not exceed one-fourth of a low-rent housing tenant's income shall be effective not later than ninety days following the date of the enactment of this Act. The requirement shall not apply in any case in which the Secretary of Housing and Urban Development determines that limiting the rent of any tenant or class of tenants, as provided by such section 2(1), will result in a reduction in the amount of welfare assistance which would otherwise be provided to such tenant or class of tenants by a public agency.

(c) The second sentence of section 14 of the United States Housing Act of 1937 is amended by inserting after "Government," the following: "or is necessary to insure the low-rent character of the project involved,".

NOTIFICATIONS TO APPLICANTS FOR ADMISSION TO PUBLIC HOUSING PROJECTS

SEC. 214. Section 10(g) of the United States Housing Act of 1937 is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (3) a new paragraph as follows:

"(4) the public housing agency shall promptly notify (i) any applicant determined to be ineligible for admission to the project of the basis for such determination and provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination, and (ii) any applicant determined to be eligible for admission to the project of the approximate date of occupancy insofar as such date can be reasonably determined."

ROOM COST LIMITATIONS FOR PUBLIC HOUSING PROJECTS

SEC. 215. The first sentence of section 15(5) of the United States Housing Act of 1937 is amended—

(1) by striking out "$2,400 per room ($3,500 per room" and inserting in lieu thereof "$2,800 per room ($3,900 per room";

(2) by striking out "$3,500 per room and $4,000 per room" and inserting in lieu thereof "$4,000 per room and $4,500 per room"; and

(3) by striking out "$750 per room" and inserting in lieu thereof "$1,500 per room in the case of accommodations designed specifically for elderly families, or $1,400 per room in any other case,".

MANAGEMENT AND SERVICES IN PUBLIC HOUSING PROJECTS

SEC. 216. The last sentence of section 15(10) of the United States Housing Act of 1937 is

amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

ELIMINATION OF WORKABLE PROGRAM REQUIREMENT WITH RESPECT TO LOW-RENT HOUSING IN PRIVATE ACCOMMODATIONS AND OTHER LOW-RENT PUBLIC HOUSING, AND WITH RESPECT TO MORTGAGE INSURANCE UNDER SECTION 221(d)(3) PROGRAM

SEC. 217. (a) Section 101(c) of the Housing Act of 1949 is amended—

(1) by striking out "or for annual contributions or capital grants pursuant to the United States Housing Act of 1937, as amended, for any project or projects not constructed or covered by a contract for annual contributions prior to August 1, 1956,";

(2) by striking out "or section 221(d)(3)";

(3) by striking out "(i)", and "or (ii) section 221(d)(3) of the National Housing Act if payments with respect to the mortgaged property are made or are to be made under section 101 of the Housing and Urban Development Act of 1965,", in the first proviso; and

(4) by striking out "or a contract for annual contributions or capital grants was entered into pursuant to the United States Housing Act of 1937,".

(b) The second proviso in section 10(e) of the United States Housing Act of 1937 is amended by striking out "no such new contract" and all that follows down through "Housing Act of 1949, and"

(c) Section 23(f) of the United States Housing Act of 1937 is amended by striking out all that follows "this Act" where it first appears and inserting in lieu thereof "shall not apply to low-rent housing assisted or to be assisted under this section."

AUTHORIZATION FOR HOUSING FOR THE ELDERLY OR HANDICAPPED

SEC. 218. Section 202(a)(4) of the Housing Act of 1959 is amended to read as follows:

"(4) There is authorized to be appropriated for the purposes of this section not to exceed $500,000,000, which amount shall be increased by $150,000,000 on July 1, 1969. Amounts so appropriated shall constitute a revolving fund to be used by the Secretary in carrying out this section."

AUTHORIZATION FOR COLLEGE HOUSING DEBT SERVICE GRANTS

SEC. 219. Section 401(f)(2) of the Housing Act of 1950 is amended by striking out all that follows "exceed" and inserting in lieu thereof "$20,000,000, which amount shall be increased by $4,200,000 on July 1, 1970."

ASSISTANCE FOR HOUSING IN ALASKA

SEC. 220. Section 1004(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "$7,500" and inserting in lieu thereof "$10,875".

## TITLE III—MODEL CITIES AND METROPOLITAN DEVELOPMENT PROGRAMS

AUTHORIZATION FOR MODEL CITIES PROGRAM

SEC. 301. (a) Section 111(b) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out "and" the third time it appears;

(2) by inserting before the period at the end thereof the following: ", and not to exceed $600,000,000 for the fiscal year ending June 30, 1971"; and

(3) by adding at the end thereof the following new sentence: "Under regulations prescribed by the Secretary, 10 per centum of the amounts appropriated pursuant to this subsection for the fiscal year ending June 30, 1970, and for any fiscal year thereafter shall be used for assistance to city demonstration agencies in cities or counties having a population (according to the most recent decennial census) of less than 100,000, and may be so used (to the extent specifically provided in such regulations) without regard to the limitation set forth in the first sentence of section 105(c)."

(b) Section 111(c) of such Act is amended by striking out "1970" and inserting in lieu thereof "1971".

AUTHORIZATION FOR COMPREHENSIVE PLANNING GRANTS

SEC. 302. The fifth sentence of section 701(b) of the Housing Act of 1954 is amended by striking out "and not to exceed $390,000,000 prior to July 1, 1970" and inserting in lieu thereof "and not to exceed $390,000,000 prior to July 1, 1971".

AUTHORIZATION FOR OPEN SPACE, URBAN BEAUTIFICATION, AND HISTORIC PRESERVATION GRANTS

SEC. 303. The first sentence of section 702(b) of the Housing Act of 1961 is amended by striking out "and not to exceed $460,000,000 prior to July 1, 1970" and inserting in lieu thereof "and not to exceed $460,000,000 prior to July 1, 1971".

AUTHORIZATION FOR NEW COMMUNITY SUPPLEMENTARY ASSISTANCE GRANTS

SEC. 304. Section 412(d) of the Housing and Urban Development Act of 1968 is amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

COMMUNITY FACILITIES GRANTS

SEC. 305. (a) Section 702(c) of the Housing and Urban Development Act of 1965 is amended by striking out "1969" in clause (2) and inserting in lieu thereof "1970".

(b) Section 708(b) of such Act is amended by striking out "1970" and inserting in lieu thereof "1971".

(c) The second sentence of section 708(a) of such Act is amended by inserting before the period at the end thereof the following: ", and not to exceed $100,000,000 for the fiscal year commencing July 1, 1970".

URBAN MASS TRANSPORTATION

SEC. 306. (a) The first sentence of section 4(b) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" the second time it appears; and

(2) by striking out the period and inserting in lieu thereof "; and $300,000,000 for fiscal year 1971."

(b) Section 5 of such Act is amended by striking out "1970" and inserting in lieu thereof "1971".

TRAINING AND FELLOWSHIP PROGRAMS

SEC. 307. Title VIII of the Housing Act of 1964 is amended to read as follows:

"TITLE VIII—TRAINING AND FELLOWSHIP PROGRAMS

"FINDINGS AND PURPOSE

"SEC. 801. (a) The Congress finds that the rapid expansion of the Nation's urban areas and urban population has caused severe problems in urban and suburban development and created a national need to (1) provide special training in skills needed for economic and efficient community development, and (2) support research in new or improved methods of dealing with community development problems.

"(b) It is the purpose of this title to provide fellowships for the graduate training of professional city planning and urban and housing technicians and specialists, and to assist and encourage the States, in cooperation with public or private universities and colleges and urban centers and with business firms and associations, labor unions, and other interested associations and organizations, to (1) organize, initiate, develop, and expand programs which will provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibility for community development, or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs, and (2) support State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems.

"FELLOWSHIPS FOR CITY PLANNING AND URBAN STUDIES

"SEC. 802. (a) The Secretary is authorized to provide fellowships for the graduate training of professional city planning and urban and housing technicians and specialists as herein provided. Persons shall be selected for such fellowships solely on the basis of ability and upon the recommendation of the Urban Studies Fellowship Advisory Board established pursuant to subsection (b). Fellowships shall be solely for training in public and private nonprofit institutions of higher education having programs of graduate study in the field of city planning or in related fields (including architecture, civil engineering, economics, municipal finance, public administration, and sociology), which programs are oriented to training for careers in city and regional planning, housing, urban renewal, and community development.

"(b) There is hereby established the Urban Studies Fellowship Advisory Board (hereinafter referred to as the 'Board'), which shall consist of nine members to be appointed by the Secretary as follows: Three from public institutions of higher learning and three from private nonprofit institutions of higher education, who are the heads of departments which provide academic courses appropriately related to the fields referred to in subsection (a), and three from national organizations which are directly concerned with problems relating to urban, regional, and community development. The Board shall meet upon the request of the Secretary and shall make recommendations to him with respect to persons to be selected for fellowships under this section. Members of the Board shall be entitled to receive transportation expenses and a per diem in lieu of subsistence as authorized for members of advisory committees created pursuant to section 601 of the Housing Act of 1949.

"MATCHING GRANTS TO STATES

"SEC. 803. (a) Subject to the provisions of this title and in accordance with regulations prescribed by him, the Secretary may make matching grants to States to assist in—

"(1) organizing, initiating, developing, or expanding programs to provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibilities for community development, or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs; and

"(2) supporting State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems, and collecting, collating, and publishing statistics and information relating to such research.

"(b) No grants may be made to a State under this section unless the Secretary has approved a plan for the State which—

"(1) sets forth the proposed use of the funds and the objectives to be accomplished;

"(2) explains the method by which the required amounts from non-Federal sources will be obtained;

"(3) provides such fiscal control and fund

accounting procedures as may be reasonably necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State under this section;

"(4) designates an officer or agency of the State government who has responsibility and authority for the administration of a statewide research and training program as the officer or agency with responsibility and authority for the execution of the State's program under this section; and

"(5) provides that such officer or agency will make such reports to the Secretary, in such form, and containing such information, as may be reasonably necessary to enable the Secretary to perform his duties under this section.

"(c) No grant may be made under this section for any use unless an amount at least equal to such grant is made available from non-Federal sources for the same purpose and for concurrent use.

"STATE LIMIT

"SEC. 804. Not more than 10 per centum of the total amount appropriated for the purposes of this title may be used for making grants to any one State.

"TECHNICAL ASSISTANCE, STUDIES, AND PUBLICATION OF INFORMATION

"SEC. 805. In order to carry out the purpose of this title, the Secretary is authorized to provide technical assistance to State and local governmental or public bodies and to undertake such studies and publish and distribute such information, either directly or by contract, as he shall determine to be desirable. Nothing contained in this title shall limit any authority of the Secretary under any other provision of law.

"APPROPRIATION

"SEC. 806. There is authorized to be appropriated for the purpose of making grants and providing fellowships under this title, without fiscal year limitation, not to exceed $30,000,000. Any amounts appropriated under this section shall remain available until expended.

"MISCELLANEOUS

"SEC. 807. (a) As used in this title the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands; and the term 'Secretary' means the Secretary of Housing and Urban Development.

"(b) There are authorized to be appropriated such sums as may be necessary for administrative and other expenses in carrying out this title."

EXTENSION OF URBAN INFORMATION AND TECHNICAL ASSISTANCE SERVICES AUTHORIZATION

SEC. 308. Section 906 of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

## TITLE IV—MISCELLANEOUS

FLEXIBLE INTEREST RATE AUTHORITY

SEC. 401. Section 3(a) of the Act entitled "An act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, is amended by striking out "January 1, 1970" and inserting in lieu thereof "October 1, 1970".

AUTHORIZATION FOR PROPERTY ACQUISITIONS IN APPLYING ADVANCES IN TECHNOLOGY TO HOUSING AND URBAN DEVELOPMENT

SEC. 402. The first sentence of section 1010(c) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by inserting "(1)" after "authorized"; and

(2) by inserting before the period a comma and the following: "and (2) notwithstanding any other provision of law, to acquire, use and dispose of land and other property as he deems necessary to carry out the purposes of subsection (a)(1) of this section".

EXTENSION OF CERTAIN PROVISIONS OF LAW RELATING TO HOUSING AND URBAN DEVELOPMENT TO THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 403. (a) Paragraph (12) of section 2 of the United States Housing Act of 1937 is amended to read as follows:

"(12) The term 'State' includes the States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and the territories and possessions of the United States."

(b) Section 206 of the Housing Amendments of 1955 is amended by striking out "and the Territories and possessions of the United States" and inserting in lieu thereof "the Trust Territory of the Pacific Islands, and the territories and possessions of the United States."

(c)(1) Section 201(d) of the National Housing Act is amended by inserting "the Trust Territory of the Pacific Islands," after "Guam,".

(2) Section 207(a)(7) of such Act is amended by inserting "the Trust Territory of the Pacific Islands," after "Guam,".

(3) Section 9 of such Act is amended by inserting "the Trust Territory of the Pacific Islands," after "Guam,".

EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION WITH HUD-ASSISTED PROJECTS

SEC. 404. Section 3 of the Housing and Urban Development Act of 1968 is amended to read as follows:

"EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION WITH ASSISTED PROJECTS

"SEC. 3. In the administration by the Secretary of Housing and Urban Development of programs providing direct financial assistance in aid of housing, urban planning, development, redevelopment, or renewal, public or community facilities, and new community development, the Secretary shall—

"(1) require, in consultation with the Secretary of Labor, that to the greatest extent feasible opportunities for training and employment arising in connection with the planning and carrying out of any project assisted under any such program be given to lower income persons residing in the area of such project; and

"(2) require, in consultation with the Administrator of the Small Business Administration, that to the greatest extent feasible contracts for work to be performed in connection with any such project be awarded to business concerns, including but not limited to individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the area of such project."

URBAN PROPERTY PROTECTION AND REINSURANCE—ENTRY INTO REINSURANCE CONTRACTS

SEC. 405. Section 1222(d) of the National Housing Act is amended by striking out all that follows "thereafter" the first time it appears and inserting in lieu thereof a period.

URBAN PROPERTY PROTECTION AND REINSURANCE—STATE SHARE OF REINSURED LOSSES

SEC. 406. Section 1223(a) of the National Housing Act is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) in any State which has not, after the close of the second full regular session of the appropriate State legislative body following the date of the enactment of this title, adopted appropriate legislation, retroactive to the date of the enactment of this title, under which the State, its political subdivisions, or a governmental corporation or fund established pursuant to State law, will reimburse the Secretary for any reinsured losses in that State in any reinsurance contract year, in an amount up to 5 per centum of the aggregate property insurance premiums earned in that State during the calendar year immediately preceding the end of the reinsurance contract year on those lines of insurance reinsured by the Secretary in that State during the contract year, to the extent that reinsured losses paid by the Secretary for such year exceed the total of (A) reinsurance premiums earned in that State during that reinsurance contract year plus (B) the excess of (i) the total premiums earned by the Secretary for reinsurance in that State during a preceding period measured from the end of the most recent reinsurance contract year with respect to which the Secretary was reimbursed for losses under this title over (ii) any amounts paid by the Secretary for reinsured losses that were incurred during such period;".

STUDY OF REINSURANCE AND OTHER PROGRAMS

SEC. 407. Section 1235(b) of the National Housing Act is amended by striking out "one year following the date of the enactment of this title" and inserting in lieu thereof "June 30, 1970".

EMERGENCY FLOOD INSURANCE PROGRAM

SEC. 408. Part A of chapter II of title XIII of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new section:

"EMERGENCY IMPLEMENTATION OF PROGRAM

"SEC. 1336. (a) Notwithstanding any other provisions of this title, for the purpose of providing flood insurance coverage at the earliest possible time, the Secretary shall carry out the flood insurance program authorized under chapter I during the period ending December 31, 1971, in accordance with the provisions of this part and the other provisions of this title insofar as they relate to this part but subject to the modifications made by or under subsection (b).

"(b) In carrying out the flood insurance program pursuant to subsection (a), the Secretary—

"(1) shall provide insurance coverage without regard to any estimated risk premium rates which would otherwise be determined under section 1307; and

"(2) shall utilize the provisions and procedures contained in or prescribed by this part (other than section 1334) and sections 1345 and 1346 to such extent and in such manner as he may consider necessary or appropriate to carry out the purpose of this section."

EXTENSION OF FLOOD INSURANCE PROGRAM TO COVER LOSSES FROM WATER-CAUSED MUDSLIDES

SEC. 409. (a) Section 1302 of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new subsection:

"(f) The Congress also finds that (1) the damage and loss which results from mudslides is related in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this title to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available

under this title for purposes of the flood insurance program, protection against damage and loss resulting from mudslides that are caused by accumulations of water on or under the ground."

(b) Section 1370 of such Act is amended by inserting "(a)" after "SEC. 1370.", and by adding at the end thereof the following new subsection:

"(b) The term 'flood' shall also include inundation from mudslides which are caused by accumulations of water on or under the ground; and all of the provisions of this title shall apply with respect to such mudslides in the same manner and to the same extent as with respect to floods described in paragraph (1), subject to and in accordance with such regulations, modifying the provisions of this title (including the provisions relating to land management and use) to the extent necessary to insure that they can be effectively so applied, as the Secretary may prescribe to achieve (with respect to such mudslides) the purposes of this title and the objectives of the program."

NATIONAL FLOOD INSURANCE PROGRAM—ADOPTION OF LOCAL FLOOD CONTROL MEASURES

SEC. 410. (a) Section 1305(c)(2) of the Housing and Urban Development Act of 1968 is amended by striking out "June 30, 1970, permanent" and inserting in lieu thereof "December 31, 1971, adequate".

(b) Section 1315 of such Act is amended—

(1) by striking out "June 30, 1970" and inserting in lieu thereof "December 31, 1971"; and

(2) by striking out "permanent" and inserting in lieu thereof "adequate".

(c) Section 1361(c) of such Act is amended by striking out "permanent" and inserting in lieu thereof "adequate".

INTERSTATE LAND SALES

SEC. 411. Section 1403(a)(10) of the Housing and Urban Development Act of 1968 is amended to read as follows:

"(10) the sale or lease of real estate which is free and clear of all liens, encumbrances, and adverse claims if each and every purchaser or his or her spouse has made a personal on-the-lot inspection of the real estate which he purchased and if the developer executes a written affirmation to that effect to be made a matter of record in accordance with rules and regulations of the Secretary. As used in this subparagraph, the terms 'liens', 'encumbrances', and 'adverse claims' do not refer to property reservations which land developers commonly convey or dedicate to local bodies or public utilities for the purpose of bringing public services to the land being developed, nor to taxes and assessments imposed by a State, by any other public body having authority to assess and tax property, or by a property owners' association, which, under applicable State or local law, constitute liens on the property before they are due and payable, nor to beneficial property restrictions which would be enforceable by other lot owners or lessees in the subdivision, if (A) the developer, prior to the time the contract of sale or lease is entered into, has furnished each purchaser or lessee with a statement, the form and content of which has been approved by the Secretary, setting forth in descriptive and concise terms all such reservations, taxes, assessments, and restrictions which are applicable to the lot to be purchased or leased, and (B) receipt of such statement has been acknowledged in writing by the purchaser or lessee, and a copy of the acknowledged statement is filed with the Secretary in accordance with such rules and regulations as he may require."

REPORTS

SEC. 412. (a) Section 1603 of the Housing and Urban Development Act of 1968 is amended by striking out "January 15," and inserting in lieu thereof "February 15,".

(b) The last sentence of section 235(h)(2) of the National Housing Act is amended by striking out "annually" and inserting in lieu thereof "semiannually".

(c) The last sentence of section 236(i)(2) of the National Housing Act is amended by striking out "annually" and inserting in lieu thereof "semiannually".

RURAL HOUSING

SEC. 413. (a) Sections 513, 515(b)(5), and 517(a)(1) of the Housing Act of 1949 are each amended by striking out "January 1, 1970" wherever it appears and inserting in lieu thereof "October 1, 1973".

(b) Section 517(c) of such Act is amended by striking out all that follows "section" and inserting in lieu thereof a period.

(c) Section 517 of such Act is amended by adding at the end thereof the following new subsection:

"(k) Any sale by the Secretary of loans individually or in blocks, pursuant to subsections (c) and (g), shall be treated as a sale of assets for the purposes of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser, holds the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser."

(d) Section 517 of such Act is further amended by adding at the end thereof (after subsection (k), as added by subsection (c) of this section) the following new subsection:

"(l) The Secretary may also, upon the application of lenders, builders, or sellers and upon compliance with requirements specified by him, make commitments upon such terms and conditions as he shall prescribe to make or insure loans under this section to eligible applicants."

(e)(1) Section 517 of such Act is further amended by adding at the end thereof (after subsection (l), as added by subsection (d) of this section) the following new subsection:

"(m) The assets and liabilities of, and authorizations applicable to, the Rural Housing Direct Loan Account are hereby transferred to the Fund, and such Account is hereby abolished. Such assets and their proceeds, including loans made out of the Fund pursuant to this section, shall be subject to all of the provisions of this section."

(2) The first sentence of section 517(d) of such Act is amended—

(A) by striking out "(a) and (b)" and inserting in lieu thereof "(a), (b), and (m)"; and

(B) by inserting "or otherwise acquired by" after "loans made from".

(3) Section 518 of such Act is repealed.

(4) Section 519 of such Act is amended by striking out "or the Rural Housing Direct Loan Account" and "or Account".

(f)(1) Title V of such Act is amended by adding at the end thereof a new section as follows:

"FINANCIAL ASSISTANCE TO NONPROFIT ORGANIZATIONS TO PROVIDE SITES FOR RURAL HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES

"SEC. 524. (a) The Secretary may make loans, on such terms and conditions and in such amounts as he deems necessary, to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to families, nonprofit organizations, and cooperatives eligible for assistance under section 235 or 236 of the National Housing Act or section 521 of this Act. Such a loan shall bear interest at a rate prescribed by the Secretary taking into consideration a rate determined annually by the Secretary of the Treasury as the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, and shall be repaid within a period not to exceed two years from the making of the loan or within such additional period as may be authorized by the Secretary in any case as being necessary to carry out the purposes of this section.

"(b) In determining whether to extend financial assistance under this section, the Secretary shall take into consideration, among other factors, (1) the suitability of the area to the types of dwellings which can feasibly be provided, and (2) the extent to which the assistance will (i) facilitate providing needed decent, safe, and sanitary housing, (ii) be utilized efficiently and expeditiously, and (iii) fulfill a need in the area which is not otherwise being met through other programs, including those being carried out by other Federal, State, or local agencies."

(2) Section 517(b) of such Act is amended by striking out "and 515" and inserting ", 515", and by adding after "(b)(4))," the following; "and 524,".

SALE OF LAND FOR HOUSING

SEC. 414. (a) Notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949, any surplus real property within the meaning of such Act may in the discretion of the Administrator of General Services be transferred to the Secretary of Housing and Urban Development at his request for sale or lease by him at its fair value for use in the provision of rental or cooperative housing to be occupied by families or individuals of low or moderate income. Any such sale or lease of surplus land shall be made only to (1) a public body which will use the land in connection with the development of a low-rent housing project assisted under the United States Housing Act of 1937, or under a State or local program found by the Secretary of Housing and Urban Development to have the same general purposes as the Federal program under such Act, or (2) a purchaser or lessee who will use the land in connection with the development of housing (A) with respect to which annual payments will be made to the housing owner pursuant to section 101 of the Housing and Urban Development Act of 1965, (B) financed with a mortgage which receives the benefits of the interest rate provided for in the proviso in section 221(d)(5) of the National Housing Act, or (C) with respect to which interest reduction payments will be made under section 236 of the National Housing Act: *Provided*, That prior to any such sale or lease to a purchaser or lessee other than a public body, the Secretary shall notify the governing body of the locality where the land is located of the proposed sale or lease and no such sale or lease shall be made if the local governing body, within ninety days of such notification, formally advises the Secretary that it objects to the proposed sale or lease. If the United States paid valuable consideration for any such land the Secretary shall not sell it for less than its cost to the United States at the time of acquisition. In addition, if such land contains improvements constructed by the Federal Government which have potential use in the provision of housing for low- or moderate-income families or individuals, the improvements shall be separately appraised for such use and the price for which such land is sold shall include an amount which is not less than the value of such improvements as so appraised.

(b) As a condition to any sale or lease of surplus land under this section to a purchaser or lessee other than a public body, the Secretary shall obtain such undertakings as he may consider appropriate to assure that the property will be used in the provision of rental or cooperative housing to be occupied by families or individuals of low or moderate income for a period of not less than forty years. If during such period the property is used for any purpose other than the purpose for which it was sold or leased it

shall revert to the United States (or, in the case of leased property, the lease shall terminate) unless the Secretary, after the expiration of the first twenty years of such period, has approved the use of the property for such other purpose. The Secretary shall notify the Committees on Banking and Currency of the Senate and House of Representatives whenever any surplus land is sold or leased by him, or he approves a change in the use of any surplus land theretofore sold or leased by him, pursuant to the authority of this section.

AUTHORITY TO TRANSFER ADDITIONAL AMOUNTS FROM GENERAL INSURANCE FUND TO SPECIAL RISK INSURANCE FUND

SEC. 415. Section 238(b) of the National Housing Act is amended by striking out "the sum of $5,000,000" in the first sentence and inserting in lieu thereof ", at such times and in such amounts as he may determine to be necessary, a total sum of $20,000,000".

SAVINGS AND LOAN ASSOCIATIONS

SEC. 416. (a) Section 5 of the Federal Home Loan Bank Act (12 U.S.C. 1425) is amended to read as follows:

"SEC. 5. No institution shall be admitted to or retained in membership or granted the privileges of nonmember borrowers, if the combined total of the amounts paid to it for interest, commission, bonus, discount, premium, and other similar charges, less a proper deduction for all dividends, refunds, and cash credits of all kinds, creates an actual net cost to the home owner in excess of the lawful contract rate of interest applicable to such transactions, or, in case there is no lawful contract rate of interest applicable to such transactions, in excess of such rates as may be prescribed in writing by the Board acting in its discretion from time to time. This section applies only to home mortgage loans on single-family dwellings."

(b) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof the following new paragraph:

"Without regard to any other provision of this subsection, any such association is authorized to invest in shares of stock issued by a corporation authorized to be created pursuant to title IX of the Housing and Urban Development Act of 1968, and is authorized to invest in any partnership, limited partnership, or joint venture formed pursuant to section 907(a) or 907(c) of that Act."

(c)(1) Section 404(d)(2)(B) of the National Housing Act (12 U.S.C. 1727(d)(2)(B)) is amended by striking out "1966" and inserting in lieu thereof "1965".

(2) Section 6(b) of the Act of September 21, 1968 (Public Law 90–505), is amended by striking out "1968" and inserting in lieu thereof "1965".

RESTRAINTS AGAINST USE OF NEW AND IMPROVED TECHNOLOGIES

SEC. 417. Section 1010(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (3) a new paragraph as follows:

"(4) assure, to the extent feasible, in connection with the construction, major rehabilitation, or maintenance of any housing assisted under this section, that there is no restraint by contract, building code, zoning ordinance, or practice against the employment of new or improved technologies, techniques, materials, and methods or of preassembled products which may reduce the cost or improve the quality of such construction, rehabilitation, and maintenance, and therefore stimulate expanded production of housing under this section, except where such restraint is necessary to insure safe and healthful working and living conditions."

MISCELLANEOUS AND TECHNICAL AMENDMENTS

SEC. 418. (a) Section 235(c) of the National Housing Act is amended by inserting immediately before the period at the end of the first sentence the following: ": *Provided further*, That the Secretary is authorized to continue making such assistance payments where the mortgage has been assigned to the Secretary".

(b) Section 236(b) of such Act is amended by striking out "*Provided*, That" and inserting in lieu therof the following: "*Provided*, That the Secretary is authorized to continue making such interest reduction payments where the mortgage has been assigned to the Secretary: *Provided further*, That".

(c) Section 223(d) of such Act is amended by inserting the following new sentence at the end thereof: "A loan involving a project covered by a mortgage insured under section 213 that is the obligation of the Cooperative Management Housing Insurance Fund shall be the obligation of such fund, and loans involving projects covered by a mortgage insured under section 236 or under any section of this title pursuant to subsection (e) of this section shall be the obligation of the Special Risk Insurance Fund."

(d) Section 223(e) of such Act is amended to read as follows:

"(e) Notwithstanding any of the provisions of this Act except section 212, and without regard to limitations upon eligibility contained in any section of this title or title XI, the Secretary is authorized, upon application by the mortgagee, to insure under any section of this title or title XI a mortgage executed in connection with the repair, rehabilitation, construction, or purchase of property located in an older, declining urban area in which the conditions are such that one or more of the eligibility requirements applicable to the section or title under which insurance is sought could not be met, if the Secretary finds that (1) the area is reasonably viable, giving consideration to the need for providing adequate housing or group practice facilities for families of low and moderate income in such area, and (2) the property is an acceptable risk in view of such consideration. The insurance of a mortgage pursuant to this subsection shall be the obligation of the Special Risk Insurance Fund."

(e) Section 214 of such Act is amended by inserting in the first sentence after "construct dwellings" the words "or mobile home courts or parks".

(f) Section 1101(c)(2) of such Act is amended—

(1) by striking out "value of the property or project" and inserting in lieu thereof "replacement cost of the property or project"; and

(2) by striking out "The value" and inserting in lieu thereof "The replacement cost".

And the House agree to the same.

WRIGHT PATMAN,
WILLIAM A. BARRETT,
LEONOR K. SULLIVAN,
THOMAS L. ASHLEY,
WILLIAM B. WIDNALL,
FLORENCE P. DWYER,
GARRY BROWN,
*Managers on the Part of the House.*

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON A. WILLIAMS, Jr.,
EDMUND S. MUSKIE,
WALLACE F. BENNETT,
JOHN TOWER,
EDWARD W. BROOKE,
*Managers on the Part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2864) to amend and extend laws relating to housing and urban development, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House amendment and the Senate bill. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House amendment and the substitute agreed to in conference.

TITLE I—MORTGAGE CREDIT

*FHA mortgage limits*

The House amendment contained a provision increasing all per unit and per room dollar ceilings in FHA title II mortgage insurance programs by 10 percent. The Senate bill provided that mortgage limits on FHA single- and multi-family housing be changed annually in accordance with the percentage change in average sales price of new homes since 1965; increased all section 203(b) mortgage limits by $2,500; and increased section 221(d)(2) and 235 limits in high cost areas up to 45 percent (existing law provides $2,500 increase in high cost areas over basic $15,000 and $17,500 mortgage limits).

The conference substitute (1) increases by 10 percent the dollar limits on section 203(b), section 207 (except for mobile home courts), section 213, section 220 (except subsection (h)), section 222, section 231, and section 234 housing; (2) increases by 15 percent the dollar limits on section 221 and section 236 multifamily housing; and (3) increases by 20 percent the dollar limits on section 203(h), section 203(i), section 203(k), section 203(m), section 220(h), section 221(d)(2), section 221(h), section 235 and section 237 housing.

*FHA mortgage insurance for mobile home courts*

The Senate bill contained a provision not in the House amendment increasing the maximum loan amount of FHA insured mortgages on mobile home courts from $500,000 to $1 million. The conference substitute includes the Senate provision.

The House amendment contained a provision not in the Senate bill limiting the maximum maturity of FHA insured mortgages on mobile home courts to 20 years (by administrative action, this term was increased from 15 to 40 years earlier this year). The conference substitute does not include the House amendment, but the conferees feel that this long-term insurance should not be granted without careful attention to urban planning considerations; therefore, the conferees expect the Secretary to make a determination, before granting insurance for the maximum term, that the location of the proposed court is not inconsistent with comprehensive planning for the area where such planning exists, or can reasonably be expected to be consistent with desirable growth patterns in the foreseeable future.

*Authorization for sections 235 and 236 interest subsidy programs*

The Senate bill contained a provision not in the House amendment authorizing increases of $170 million for fiscal year 1972 for each of the interest subsidy programs under sections 235 and 236. The conference substitute includes the Senate provision.

The conference substitute also extends to October 1, 1971, the mortgage-insuring au-

thority for these two sections (sections 235 and 236).

*Rentals in rent supplement and section 236 projects*

The House amendment provided that (a) rent supplement payments shall not exceed the difference between the fair market rental of a dwelling unit and 20 percent (instead of the present 25 percent) of a tenant's income; and (b) rentals in section 236 projects (in excess of basic rental charge) shall be based on 20 percent (instead of the present 25 percent) of a tenant's income. The Senate bill contained no similar provision and none is contained in the conference substitute.

*Section 236 projects for the elderly and handicapped*

The House amendment provided that (a) projects for the elderly or handicapped shall be administered, to the maximum extent possible, under the same terms as section 202 program; (b) the requirement for computation of rents based on income shall not apply to projects designed primarily for lower income elderly or handicapped families; (c) income verification for tenants in such projects shall be every 5 years (rather than 2 years); and (d) "Exception income limits" for the elderly or handicapped shall be $5,500 for individuals and $6,000 for couples, in lieu of 90 percent of 221(d)(3) BMIR limit otherwise applicable. There was no comparable provision in the Senate bill and none is contained in the conference report.

*Preferences in section 237 program*

The Senate bill contained a provision not in the House amendment giving applicants for section 235 assistance preference in receiving section 237 counseling services. The conference substitute contains the Senate provision.

*Intermediate care facilities*

The Senate bill contained a provision not in the House amendment expanding the FHA section 232 nursing home program to include intermediate care facilities for persons who do not need full nursing home care, but do need the aid of trained personnel. The conference substitute contains the Senate provision.

*GNMA ("Tandem") plan*

The Managers for the House prevailed in retaining the House version of section 114 which would authorize GNMA to purchase certain mortgages at par for subsequent resale at the market price to FNMA and others. This provision was amended on the House floor to make it clear that it applied to low and moderate income mortgages insured by the Farmers Home Administration under section 517(a) of the Housing Act of 1949. To assure that this action of the House is not negated, the Managers wish to emphasize that it is absolutely essential that the Administration expand its proposed use of this provision to all low and moderate income mortgages insured by the Federal Housing Administration as well as these Farmers Home Administration mortgages. It is the intent of the Congress that this authority be used to support cooperative and limited dividend mortgages, as well as nonprofit mortgages, under HUD's 236 and rent supplement programs. It is also Congress' intent that it be used to support single-family home mortgages under section 517(a) and HUD's 235 program.

*Rent supplements in section 236 projects*

The Senate bill continued a provision not in the House amendment authorizing the Secretary of HUD to increase where he deems it desirable the maximum percentage of rent supplement units in section 236 projects from 20 to 40 percent. The conference substitute contains the Senate provision.

TITLE II—URBAN RENEWAL AND HOUSING ASSISTANT PROGRAMS

*Urban renewal authorization*

The Senate bill authorized additional urban renewal grant funds of $1.3 billion for fiscal year 1971 and $1.7 billion for fiscal year 1972. The House amendment authorized an increase of $2 billion for fiscal year 1971. The conference substitute provides an increase of $1.7 billion for fiscal year 1971.

The House amendment contained a provision not in the Senate bill reserving a minimum of $400 million in fiscal year 1970 and 35 percent of the funds authorized for fiscal year 1971 for neighborhood development programs. The conference substitute provides that not less than 35 percent of the funds available in each of the fiscal years 1970 and 1971 shall be used for financing neighborhood development programs.

The House amendment required the Secretary to give priority to urban renewal projects that are part of model city programs. There was no similar provision in the Senate bill and none is contained in the conference substitute.

*Neighborhood development programs*

The House amendment authorized neighborhood development program projects to be carried out on the basis of 2-year increments instead of the 1-year increment provided in existing law. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

*Eligibility for urban renewal*

The Senate bill contained a provision not in the House amendment extending urban renewal assistance to Indian tribes and the Trust Territories of the Pacific. The conference substitute contains the Senate provision.

*Residential redevelopment in urban renewal*

The House amendment contained a provision not in the Senate bill requiring that (a) each urban renewal project involving demolition of any residential structures include the provision of standard housing units for low- and moderate-income families equal in number to the number of such units demolished or removed in the project area; and (b) residential redevelopment for low- and moderate-income families account for 35 percent of the total cost of redevelopment, or the ratio between the total appraised value of residential structures before demolition and the appraised value of all structures in the urban renewal area before demolition, whichever is greater.

The conference substitute contains a provision which requires that any housing units demolished by urban renewal projects which receive Federal recognition after the date of enactment of the bill must be replaced in the area with standard housing units for occupancy by low- and moderate-income families on a one-for-one basis. This requirement could be waived if the Secretary finds that there is a vacancy rate in the locality of 5 percent or more.

The term "area" means the city, county, or other political subdivision within which the local public authority has jurisdiction, with the further provision that the Secretary of HUD has authority to take into account housing beyond those limits in cases where he deems such housing to be appropriate to carry out the requirement of this section.

*Additional aid for very low-income tenants*

The Senate bill contained a provision not in the House amendment adding a new section 24 to the U.S. Housing Act of 1937 authorizing up to $75 million per year in contracts for annual rental assistance payments to public housing agencies to cover the amount by which rental charges allocated to a unit exceed 25 percent of the tenant's income and to provide improved operating and maintenance services.

Both the Senate (sec. 206(a)) and House (sec. 210(a)) bills also contained a provision making it clear that the Secretary of HUD has authority to fix the amount of annual contributions in excess of debt service requirements of the project so long as the fixed contribution does not exceed the statutory annual maximum.

The conference substitute retains the basic concept of section 211 of the Senate bill by generally limiting rents that may be charged public housing tenants to no more than 25 percent of their income. It provides Federal funds to cover the amount by which the appropriate rental charges exceed 25 percent of the income of the tenant and to cover the cost of adequate operating and maintenance services.

The conferees were concerned, however, that in a number of jurisdictions the benefits of limiting the rent which may be charged a tenant of public housing would not inure to those tenants receiving public welfare assistance, but would be captured by the public agencies administering the programs of assistance to these families.

The conferees realize the impracticality of attempting to provide through additional public housing subsidies the funding needed to make adequate the welfare payments provided by the various States. The conferees, therefore, have made clear that the requirements that the rents fixed by public housing agencies may not exceed one-fourth of a tenant's income shall not apply in any case in which the Secretary of HUD determines that limiting the rent of any tenant, or class of tenants, will result in a reduction in the amount of welfare assistance which would otherwise be provided to such tenant, or class of tenants, by the public agency.

The conferees are disturbed by the growing practice of stretching an inadequate welfare budget by placing in public housing increasing numbers of families who cannot pay even the operating costs of the unit they occupy. The conferees are hopeful that within the context of the welfare program, some means can be found to provide as much support for a welfare family in public housing as would be provided for that family in private housing. Accordingly, the Secretaries of HEW and HUD are requested to study the feasibility of developing a uniform policy concerning the rents which shall be paid in public housing for families whose rents come from public assistance.

The conference substitute deletes the provisions in section 211 of the Senate bill which authorized $75 million in contracts for rental assistance payments under a new section 24, on the basis that assistance for this purpose can be provided within the existing annual contributions framework as clarified by the bill, and transfers the $75 million to the authorization for annual contributions contracts provided under section 10(e) of the U.S. Housing Act of 1937.

The conferees intend that the Secretary's authority to make annual contributions in excess of debt service requirements may be used, to the extent that the statutory annual maximum permits, for (1) payments to cover existing operating deficits of public housing agencies and enable them to maintain adequate operating and maintenance services and reserve funds, and (2) additional payments to make up the amount by which the proportionate share of operating and maintenance expenses attributable to a public housing tenant's dwelling unit exceeds

25 percent of the tenant's income. The additional payments which are contemplated in clause (2) above may not be made with respect to a dwelling unit unless the rent paid for the unit is one-fourth of the tenant's income and such payments shall not be provided to make up any reduction in the amount of welfare assistance which is provided to a tenant.

The committee is deeply concerned over cases of lax management in many public housing projects which have led to high operating costs, deterioration of property, and an intolerable environment for the families who live there. Among the reasons given to the committee to demonstrate the need for additional subsidies for existing housing projects, a sharp increase in vandalism was frequently mentioned together with a sharp increase in crime which has driven many occupants out of these projects. Much of the blame for these conditions lies with project managers and local government officials. Too frequently individual projects have filled up with problem families to the exclusion of others with resulting vacancy rates which have caused local budget deficits.

The low-rent public housing program has a fundamental role to play in meeting the needs of low income families and a special importance in making possible urban renewal and other programs which result in displacement. It would be disastrous if the small but growing number of cases of mismanagement undercut the program by giving rise to public reaction against them and by driving out responsible families of low income. HUD should undertake promptly a review of its own local management guides with a view toward tightening them where necessary. At the same time it should make its own inspection and review of local practices to assure that project managers know the standards expected of them and fully enforce their own regulations. Project managers who do not enforce these standards are not doing the job expected of them by Congress.

The conferees wish to make it clear that the benefits of subsidized public housing, including those provided by this section, cannot be achieved without tenant responsibility, including responsibility for the protection and care of property. Irresponsible tenant behavior jeopardizes the future of this program and cannot be tolerated.

The conferees do not intend that all tenants in public housing should pay 25% of income for rent. Prior to the enactment of the Housing Act of 1959 giving local authorities autonomy over this and other tenant relationships, Federal law set as a rule that rents in public housing should be no more than ⅛ of income. Regrettably, upward pressures on local authority costs have forced cities to raise rents. The Congress has on several occasions provided special additional payments to maintain the low income character of public housing projects to meet the basic financial needs of local authorities through provisions such as the supplementary $10 per month provided for the elderly and handicapped and for families of very low income and for large families. The conferees wish to make it clear that nothing in this or any other section of this bill is intended as a substitute for such existing authorized contributions. The additional $75 million authorized by section 211 of the Senate bill is being provided as additional annual contributions contract authorization specifically for the payments contemplated above.

*Notification to applicants for admission to public housing*

The Senate bill contained a provision not in the House amendment requiring that local housing authorities (a) give prompt notice to applicants of any decision on eligibilty; (b) provide an opportunity for a hearing for those found ineligible; and (c) give eligible applicants the approximate date of occupancy. The conference substitute contains the Senate provision, with a clarifying amendment assuring that such hearings will be provided upon request and will be informal in nature.

*Room cost limits in public housing*

The Senate bill increased room construction cost limits in high-cost areas up to 45 percent (in place of the present $750 allowance) and authorized HUD to change their basic room cost limits (now $2,400) annually by the change in construction costs since 1965. The House amendment would have increased both the basic and high-cost area statutory room cost limits by 10 percent. The conference report provides for the increases shown below:

PER ROOM COST CEILINGS IN PUBLIC HOUSING

| | Regular area | High-cost area |
|---|---|---|
| Basic program: | | |
| Present law | $2,400 | $3,150 |
| Conference report | 2,800 | 4,200 |
| Elderly persons: | | |
| Present law | 3,500 | 4,250 |
| Conference report | 4,000 | 5,500 |

Note: Comparable increases are applied to the special limitations applicable to Alaska.

*Housing for the elderly and handicapped*

The Senate bill increased the authorization for direct loans under section 202 of the Housing Act of 1959 by $80 million in each of the fiscal years 1970, 1971, and 1972. The House amendment increased the authorization by $150 million upon enactment. The conference substitute contains the House provision.

The conferees want to emphasize their strong support for this valuable program. The Committees on Banking and Currency in both the House and Senate heard extensive testimony on problems which sponsors of housing for the elderly projects are confronted with in changing their applications from the 3-percent loan program to the new section 236 interest subsidy program. The conferees wish to emphasize their understanding that conversion to section 236 was intended to be voluntary on the part of the sponsor and that there was no intention that sponsors be required by administrative regulation to convert their project.

*Housing in Alaska*

The Senate bill contained a provision not in the House amendment increasing the maximum amount per dwelling unit under the remote area loan program from $7,500 to $10,875. The conference substitute contains the Senate provision.

TITLE III—MODEL CITIES AND METROPOLITAN DEVELOPMENT PROGRAMS

*Model cities authorization*

The Senate bill authorized $287.5 million for model city grants for fiscal year 1971 and $1.5 billion for fiscal year 1972; and made all authorized but unappropriated funds available through fiscal year 1972. The House amendment would have extended the availability of existing authorization for one year and authorized an additional $750 million for fiscal year 1971. The conference substitute extends the availability of existing authorization and authorizes an additional $600 million through fiscal year 1971.

*Model cities in smaller communities*

The House amendment contained a provision not in the Senate bill authorizing the use of 10 percent of the funds appropriated in fiscal year 1970 and thereafter in smaller communities without regard to the requirement that supplementary grants cannot exceed 80 percent of the local share of the cost of other federally aided programs involved in the locality's model cities program. The conference substitute retains the House provision with an amendment defining smaller areas to mean cities and counties of less than 100,000 population.

*Use of private planners in section 701 comprehensive planning program*

The Senate bill contained a provision not in the House amendment requiring that any funds granted for comprehensive planning be used in a manner consistent with the Federal Government's policy of relying on the private enterprise system to provide those services which are reasonably and expeditiously available through ordinary business channels. The conference committee deleted this provision. Present law contains language encouraging assisted governments to engage private consultants where their professional services are deemed appropriate. Although the Senate provision was deleted, the conferees wish to make clear that local assisted governments should have freedom to determine for themselves whether to use the services of private planning consultants or whether to use local, state, or regional planning facilities. The conferees expect the Department of Housing and Urban Development to assure that this option is fully available to all assisted governments.

*Small communities—Urban information and technical assistance program*

The Senate bill extended the availability of existing authorization for the urban information and technical assistance program for small cities through fiscal year 1972. The House amendment consolidated this program with the section 701 comprehensive planning grant program, using section 701 funds. The conference substitute contains the Senate provision.

TITLE IV—MISCELLANEOUS

*FHA–VA interest rates*

The Senate bill extended to April 1, 1970, the authority of the Secretary of HUD to set maximum interest rates on FHA and VA mortgage loans. The House amendment extended to October 1, 1971, the authority of the Secretary of HUD to set the FHA interest rate and authorized the Veterans' Administration Administrator to set interest rates on VA loans until October 1, 1971. The conference substitute extends to October 1, 1970, the authority of the Secretary of HUD to set maximum interest rates on FHA and VA mortgage loans.

*Trust Territory of the Pacific Islands*

The Senate bill contained a provision not in the House amendment extending to Trust Territory of the Pacific Islands eligibility for FHA mortgage insurance and property improvement loans, public housing, and the public facility loan program. The conference substitute contains the Senate provision.

*Interstate land sales*

The Senate bill contained a provision (1) adding to the existing exemption from registration requirements (for property which is free and clear of liens, encumbrances, and adverse claims if the purchaser has personally inspected his lot) property subject to (a) taxes and assessments imposed by property owners' associations (State and local taxes and assessments are now exempt); and (b) covenants, conditions and restrictions imposed to control future use of property and types of structures to be built; and (2) making existing and new exemptions available only if the purchaser receives a statement by the developer describing all applicable restrictions, taxes, and assessments.

The House amendment contained a pro-

vision (1) adding to the existing exemption property subject to restrictions on future use, if restrictions are beneficial to purchaser and enforceable by other lot owners; and (2) making existing and new exemptions available only if (a) there is personal "on-the-lot" inspection of property by purchaser, and (b) purchaser receives statement by developer, approved by HUD as to form and content, describing restrictions, taxes, and assessments.

The conference substitute contains the House provision with an amendment providing for an exemption from registration requirements for property subject to taxes and assessments by property owners' associations.

*HUD reports on sections 235 and 236 assistance programs*

The Senate bill contained a provision not in the House amendment requiring the Secretary of HUD to report semiannually rather than annually on the income levels of families assisted under section 235 (home ownership assistance) and section 236 (rental assistance). The conference substitute contains the Senate provision.

*Extension of rural housing programs*

The Senate bill extended for 4 years (to Oct. 1, 1973) the farm housing programs authorized by title V of the Housing Act of 1949. The House amendment extended these programs for 1 year (to Oct. 1, 1970). The conference substitute contains the Senate provision.

*Funding of rural housing programs*

The Senate bill increased the maximum amount of outstanding loans under title V of the Housing Act of 1949 that can be held at any one time in the Rural Housing Insurance Fund from $100 million to $350 million. The House amendment removed the $100 million limitation but in addition discontinued the Rural Housing Direct Loan Account and transferred all of its assets, liabilities, and authorizations to the Rural Housing Insurance Fund.

The conference substitute contains the House amendment. The conferees want to make it clear that by transferring the uncommitted funds from the Rural Housing Direct Loan Account to the Rural Housing Insurance Fund there is no intention of discontinuing or curtailing the use of the existing rural housing direct loan authorizations.

*Land acquisition loans for rural housing*

The Senate bill contained a provision not in the House amendment authorizing financial assistance to public or private nonprofit organizations for acquisition and development of building sites for low and moderate income families. The conference substitute retains the Senate provision.

*Population limitation on areas eligible for rural housing programs*

The House amendment contained a provision not in the Senate bill removing the 5,500 population limit on areas eligible for Farmers Home Administration programs. The conference substitute deletes this provision. However, the conferees recognize that a distinct gap does exist in those parts of rural America which have populations of more than 5,500 and which are not adequately served by either the housing programs administered by the Development of Housing and Urban Development or the Department of Agriculture. It was agreed that the two Departments should conduct a joint study of this problem with the view toward achieving greater coordination and cooperation in filling the housing needs of these areas, and report back to the Congress as soon as possible next year.

*Sale of surplus Federal land for housing*

The Senate bill contained a provision not in the House amendment authorizing the sale or lease of excess Federal land at its fair value for use for low- and moderate-income housing. The conference substitute retains the Senate provisions with amendments (1) requiring the land to be "surplus", rather than "excess", and (2) authorizing the Secretary of HUD to assure that the property will be used for low- and moderate-income housing for not less than 40 years, but permitting a changed use after the initial 20 years upon approval of the Secretary. The conferees do not intend that a special priority be given to the use of surplus land for low- and moderate-income housing.

*Federal home loan banks*

The House amendment contained a provision permitting a Federal Home Loan Bank, subject to Board regulation, to acquire, hold, or dispose of FHA-insured low- and moderate-income housing loans. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

*Safety standards for medicine cabinets*

The House amendment included a provision requiring HUD and VA to establish safety standards for latches on medicine cabinets in all federally assisted housing programs. There was no comparable provision in the Senate bill and none is included in the conference substitute. However, the conferees agree that the objective of this provision was desirable, but could be adequately accomplished administratively and that HUD and VA should take such appropriate regulatory action, promptly and fully.

*Group medical practice facilities*

The Senate bill contained a provision not in the House amendment authorizing FHA insurance of group medical practice facilities in declining areas under the special risk fund under section 223(e). The conference substitute contains the Senate provision.

WRIGHT PATMAN,
WM. A. BARRETT,
LEONOR K. SULLIVAN,
THOMAS L. ASHLEY,
WILLIAM B. WIDNALL,
FLORENCE P. DWYER,
GARRY BROWN,
*Managers on the Part of the House.*

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. EILBERG (at the request of Mr. ST. ONGE) for today on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STOKES); to revise and extend their remarks and include extraneous material:)

Mr. ROONEY of Pennsylvania, for 60 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

Mr. HALPERN (at the request of Mr. MESKILL), for 10 minutes, today; to revise and extend his remarks and include extraneous matter.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

All Members (at the request of Mr. FINDLEY) to extend their remarks during his special order today and to include extraneous matter.

Mr. ANDREWS of Alabama during consideration of the conference report on H.R. 13763 and to include extraneous matter.

Mr. CELLER during his remarks in the Committee of the Whole on H.R. 4249.

Mr. GERALD R. FORD during his remarks in the Committee of the Whole on H.R. 4249 and to include a letter from the President of the United States and a copy of H.R. 12695.

Mr. MIZELL immediately prior to the Committee rising today.

Mr. VANIK and to include extraneous material.

Mr. ANDERSON of California immediately prior to the Committee rising today.

Mr. RIEGLE (at the request of Mr. MCCLOSKEY) following the remarks of Mr. GERALD R. FORD in the Committee of the Whole today.

(The following Members (at the request of Mr. MESKILL) and to include extraneous matter:)

Mr. HALL.
Mr. WYMAN in two instances.
Mr. RHODES.
Mr. BROWN of Ohio.
Mr. CRAMER.
Mr. THOMSON of Wisconsin.
Mr. MORSE.
Mr. KUYKENDALL.
Mr. BUSH.
Mr. KLEPPE.
Mr. COLLINS in four instances.
Mr. O'KONSKI.
Mr. ASHBROOK.
Mr. WIDNALL.
Mr. MIZELL.
Mr. LIPSCOMB.

(The following Members (at the request of Mr. STOKES) and to include extraneous matter:)

Mr. EDWARDS of California.
Mr. HÉBERT.
Mr. OTTINGER.
Mrs. CHISHOLM.
Mr. RARICK in three instances.
Mr. FRASER in three instances.
Mr. BURTON of California in two instances.
Mr. RODINO in two instances.
Mr. MATSUNAGA.
Mr. BOGGS.
Mr. CHAPPELL in two instances.
Mr. GRIFFIN in two instances.
Mr. SCHEUER in two instances.
Mr. DORN in three instances.
Mr. HATHAWAY.
Mr. GONZALEZ in two instances.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1646. An act to create an additional judicial district in the State of Louisiana, and for other purposes; to the Committee on the Judiciary.

S. 2624. A act to improve the judicial machinery in customs courts by amending the statutory provisions relating to judicial ac-

tions and administrative proceedings in customs matters, and for other purposes; to the Committee on the Judiciary.

## ENROLLED BILLS SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2238. An act to provide for the relief of certain civilian employees paid by the Air Force at Tachikawa Air Base, Japan;

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross; and

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land.

## BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross; and

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land.

## ADJOURNMENT

Mr. STOKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 28 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, December 11, 1969, at 10 o'clock a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1403. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Student Loan Insurance Fund, fiscal year 1968, Office of Education, Department of Health, Education, and Welfare (H. Doc. No. 91–203); to the Committee on Government Operations and ordered to be printed.

1404. A letter from the Chairmen, National Endowment for the Arts, National Endowment for the Humanities, transmitting a draft of proposed legislation to amend the National Foundation for the Arts and the Humanities Act of 1965, as amended; to the Committee on Education and Labor.

1405. A letter from the Secretary, Export-Import Bank of the United States, transmitting a report on the amount of Export-Import Bank loans, insurance, and guarantees issued in October 1969 in connection with U.S. exports to Yugoslavia, pursuant to the provisions of the Export-Import Bank Act of 1945, as amended; to the Committee on Foreign Affairs.

1406. A letter from the Postmaster General, transmitting a report of claims paid during fiscal year 1969, pursuant to the provisions of the Military Personnel and Civilian Employees' Claims Act of 1964; to the Committee on the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON: Committee on Government Operations. Customs control over petroleum imports (13th report) (Rept. No. 91–729). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 6971. A bill to require a radiotelephone on certain vessels while navigating upon specified waters of the United States; with an amendment (Rept. No. 91–730). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARING: Committee on Interior and Insular Affairs. S. 1108. An act to waive the acreage limitations of section 1(b) of the act of June 14, 1926, as amended, with respect to conveyance of lands to the State of Nevada for inclusion in the Valley of Fire State Park (Rept. No. 91–731). Refererd to the Committee of the Whole House on the State of the Union.

Mr. DENT: Committee on House Administration. H.R. 9366. A bill to change the limitation on the number of apprentices authorized to be employees of the Government Printing Office, and for other purposes; with an amendment (Rept. No. 91–733). Referred to the Committee of the Whole House on the State of the Union.

Mr. DENT: Committee on House Administration. H.R. 14300. A bill to amend title 44, United States Code, to facilitate the disposal of Government records without sufficient value to warrant their continued preservation, to abolish the Joint Committee on the Disposition of Executive Papers, and for other purposes; with amendments (Rept. No. 91–734). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 14086. A bill to amend the Community Mental Health Centers Act to extend the program of assistance under that act for community mental health centers and facilities for the treatment of alcoholics and narcotic addicts, and for other purposes; with an amendment (Rept. No. 91–735). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 13816. A bill to improve and clarify certain laws affecting the Coast Guard; with amendments (Rept. No. 91–736). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 13716. A bill to improve and clarify certain laws affecting the Coast Guard Reserve; with an amendment (Rept. No. 91–737). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. H.R. 15165. A bill to establish a Commission on Population Growth and the American Future; with an amendment (Rept. No. 91–738). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. House Concurrent Resolution 454. Concurrent resolution calling for the humane treatment and release of American prisoners of war held by North Vietnam and the National Liberation Front; with an amendment (Rept. No. 91–739). Referred to the House Calendar.

Mr. PATMAN: Committee of Conference. Conference report on S. 2864 (Rept. No. 91–740). Ordered to be printed.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 1497. A bill to permit the vessel *Marpole* to be documented for use in the coastwise trade; without amendment (Rept. No. 91–732). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of Alabama:

H.R. 15178. A bill to prohibit public officials from operating dual school systems, and from requiring racial balance in school systems, and for other purposes; to the Committee on Education and Labor.

By Mr. BROYHILL of Virginia:

H.R. 15179. A bill to prohibit the use of the name of any of certain deceased servicemen unless consent to so use the name is given by the next of kin of the serviceman; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 15180. A bill to provide additional penalties for the use of firearms in the commission of certain crimes of violence; to the Committee on the Judiciary.

H.R. 15181. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

By Mr. EDMONDSON:

H.R. 15182. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Miami Tribe of Oklahoma and the Miami Indians of Indiana in Indian Claims Commission dockets No. 255, 256, 124–C, D, E, and F, and of funds appropriated to pay a judgment in favor of the Miami Tribe of Indians in the Commission's docket No. 251–A, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACOBS:

H.R. 15183. A bill to amend the Internal Revenue Code of 1954 to allow an income tax deduction for expenses of trash and garbage collection; to the Committee on Ways and Means.

By Mr. McKNEALLY:

H.R. 15184. A bill to provide for an additional payment of $165,000 (plus contingencies) to the village of Highland Falls, N.Y., toward the cost of the water filtration plant constructed by such village; to the Committee on Armed Services.

By Mr. MARSH:

H.R. 15185. A bill to amend the Social Security Act to provide for the disposition of certain moneys due the estate of a deceased beneficiary, and for other purposes; to the Committee on Ways and Means.

By Mr. MINSHALL:

H.R. 15186. A bill providing for the Secretary of Health, Education, and Welfare, after consultation with the Surgeon General, to report annually to the Congress concerning the health consequences of using marihuana; to the Committee on Interstate and Foreign Commerce.

By Mr. REID of New York (for himself, Mr. HORTON, Mr. WYDLER, Mr. VANDER JAGT, Mr. GUDE, Mr. McCLOSKEY, Mr. BUCHANAN, Mr. STEIGER of Arizona, and Mr. MYERS):

H.R. 15187. A bill to establish a Commission on Population Growth and the American Future; to the Committee on Government Operations.

By Mr. SAYLOR (for himself and Mr. OBEY):

H.R. 15188. A bill to amend the Fish and Wildlife Act of 1956 to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft; to the Committee on Merchant Marine and Fisheries.

By Mr. WHALEN (for himself, Mr. ASHLEY, Mr. BINGHAM, Mr. BOLAND, Mr. BURTON of California, Mr. CONYERS, Mr. DIGGS, Mr. EDWARDS of California, Mr. LEGGETT, Mr. LOWENSTEIN, Mr. MIKVA, Mr. MOSHER, Mr. MOSS, Mr. OTTINGER, Mr. PUCINSKI, Mr. REES, Mr. ROSENTHAL, Mr. ST GERMAIN, Mr. SCHEUER, Mr. STAFFORD, Mr. STOKES, Mr. TAFT, Mr. CHARLES H. WILSON, and Mr. YATES):

H.R. 15189. A bill to amend title 10, United States Code, in order to improve the judicial machinery of military courts-martial by removing defense counsel and jury selection from the control of a military commander who convenes a court-martial and by creating an independent trial command for the purpose of preventing command influence or the appearance of commad influece from adversely affecting the fairness of military judicial proceedings; to the Committee on Armed Services.

By Mr. CHARLES H. WILSON:

H.R. 15190. A bill to amend title 39, United States Code, to restrict the mailing of unsolicited credit cards; to the Committee on Post Office and Civil Service.

By Mr. DAWSON (for himself, Mr. GARMATZ, Mr. MOSS, Mr. FASCELL, Mr. REUSS, Mr. MONAGAN, Mr. MOORHEAD, Mr. WRIGHT, and Mr. HICKS):

H.R. 15191. A bill to establish a Commission on Population Growth and the American Future; to the Committee on Government Operations.

By Mr. MILLER of Ohio:

H.R. 15192. A bill to amend the Clean Air Act to authorize appropriations to carry out such act through fiscal year 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. WINN:

H.R. 15193. A bill to establish the Interagency Committee on Mexican-American Affairs, and for other purposes; to the Committee on Government Operations.

By Mr. JACOBS:

H.J. Res. 1029. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. MOSS:

H.J. Res. 1030. Joint resolution to repeal legislation relating to the use of the Armed Forces of the United States in certain areas outside the United States and to express the sense of the Congress on certain matters relating to the war in Vietnam, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CHARLES H. WILSON:

H.J. Res. 1031. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H. Con. Res. 466. Concurrent resolution expressing the sense of the Congress with respect to the elimination of the Castro-Communist regime in Cuba; to the Committee on Foreign Affairs.

By Mr. DADDARIO:

H. Con. Res. 467. Concurrent resolution terminating the joint resolution of August 10, 1964, relating to the maintenance of international peace and security in Southeast Asia; to the Committee on Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GILBERT introduced a bill (H.R. 15194) for the relief of Nicola Augelletta, his wife, Ida Augelletta, and their children Rosa Augelletta, Maria Carmela Augelletta, and Susanna Augelletta, which was referred to the Committee on the Judiciary.

# SENATE—*Wednesday, December 10, 1969*

*(Legislative day of Tuesday, December 9, 1969)*

The Senate met at 9 o'clock a.m., on the expiration of the recess, and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord, who hast promised that "they that wait upon the Lord shall renew their strength," come upon Thy servants here with renewing power. When the days are long, the labor strenuous, and the hours tedious, spare them from giving up or giving in until the best has been accomplished for all the people. Strengthen them in weakness, fortify them in fatigue, help them to surmount discouragement, and give them the assurance that underneath are the everlasting arms. Amen.

## DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate.

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, D.C., December 10, 1969.*

*To the Senate:*

Being temporarily absent from the Senate, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
*President pro tempore.*

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, December 9, 1969, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar, beginning with "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated, as requested by the Senator from Montana.

## U.S. CIRCUIT COURT

The assistant legislative clerk read the nomination of Henry L. Brooks, of Kentucky, to be U.S. circuit judge for the sixth circuit.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

## U.S. DISTRICT JUDGES

The assistant legislative clerk proceeded to read sundry nominations of U.S. district judges.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of Robert W. Rust, of Florida, to be U.S. attorney for the southern district of Florida, and Harry Connolly, of Oklahoma, to be U.S. marshal for the northern district of Oklahoma.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## LAW ENFORCEMENT ASSISTANCE

The assistant legislative clerk read the nomination of Clarence M. Coster, of Minnesota, to be an Associate Administrator of Law Enforcement Assistance.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

## U.S. PATENT OFFICE

The assistant legislative clerk read the nomination of John Henry Schneider, of

Virginia, to be an Assistant Commissioner of Patents.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## NEWS REPORTS REGARDING NOMINATION OF U.S. AMBASSADOR TO GREECE

Mr. MANSFIELD. Mr. President, I note in the press that our distinguished colleague, the Senator from Rhode Island (Mr. PELL), has been accused of holding up the nomination of the U.S. Ambassador to Greece. May I say that there is not an iota of truth in that statement. The truth is the exact contrary so far as the disinguished Senator from Rhode Island (Mr. PELL) is concerned. The record should be straight.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on National Security and International Operations of the Committee on Government Operations, the Committee on Rules and Administration, the Committee on Labor and Public Welfare, the Committee on the District of Columbia, and the Committee on Commerce be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DODD in the chair). Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT TO 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 o'clock tomorrow morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PRIVILEGE OF THE FLOOR—SERVICES OF PAGES

Mr. MANSFIELD. Mr. President, it has been called to the attention of the joint leadership that so many staff personnel are on the floor during the debate that 30 to 50 percent of the time of the pages is taken up in calling staff people to the telephone and carrying out other responsibilities which are not within the scope of their responsibility. The pages are here primarily to serve Senators. I would hope that the Chair from now on would make absolutely certain that persons other than official attachés of the Senate are kept to an absolute minimum. Furthermore, if telephone calls are to be made, staff members will make them and not use pages for that purpose. I would like the Chair to see to it that that particular suggestion is carried into effect from now on.

The PRESIDING OFFICER The Chair has heard the request of the Senator from Montana, and the suggestion will be carried out.

## STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATION BILL, 1970—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12964) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Dec. 8, 1969, pp. 37705–37706, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. McCLELLAN. Mr. President, I urge that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendment of the House to the amendment of the Senate numbered 21.

The legislative clerk read as follows:

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 21 to the aforesaid bill, and concur therein with an amendment, as follows:

Restore the matter stricken, amended to read as follows:

"SEC. 404. None of the funds contained in this title shall be available for the salaries or expenses of deputy clerks in any office that has discontinued the taking of applications for passports subsequent to October 31, 1968 and has not resumed such service on a permanent basis."

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 21.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. McCLELLAN. Mr. President, I shall make only a few brief remarks. The total appropriation allowed is $2,354,432,700. This sum is $121,271,900 below the total budget estimates, and $18,798,500 over the House allowance.

Mr. President, let me add that the main reason it is over the House allowance is that we increased the law enforcement funds under title I of the Omnibus Crime Control Act of last year by $18 million over the House, raising it to $268 million.

Another item of $15.9 million which we restored to the bill, and which was deleted on the floor of the House as unauthorized at that time, accounts for the conference bill exceeding the amount of the House bill.

These two items, less changes agreed to by the conferees in other items, brought it up to an amount in excess of the $18 million I have mentioned.

It is $27,922,000 below the sum recommended by the Senate. In my judgment it is a fairly good bill. Some of the amounts provided were not entirely to my satisfaction, however, in the main the bill will provide funds that are considered sufficient to meet necessary expenses of the departments, the judiciary, and related agencies included in the bill for fiscal 1970. As Members know, the expenses of the various activities have been under the continuing resolution of Congress for the past 5 months and will be until such time as the pending bill becomes law.

Major changes of Senate recommendations that were either reduced or denied in conference are the following:

For the Department of State, mutual educational and cultural exchange program, the sum allowed is $31,425,000, instead of $32,925,000 recommended by the Senate. The limitation on use of excess foreign currencies was set at not less than $6,000,000 instead of $8,500,000 provided by the House and as contained in the 1969 bill.

The Senate recommendation of $1,500,000 for flood construction on the lower Rio Grande was denied in conference.

For the Department of Justice, law enforcement assistance program, the conference agreed to $268,000,000 instead of $250,000,000 proposed by the House and $275,500,000 proposed by the Senate. This allowance will provide $21 million for planning grants; $215 million for action grants; $18 million for academic assistance; $8.5 million for the National Institute; $1.2 million for technical assistance, and $4.3 million for general administration.

For the Department of Commerce, economic development facilities, the conference agreed to $174,500,000 instead of $170,000,000 recommended by the House and $178,231,000 proposed by the Senate. And in the operations and administration program of EDA, the conference agreed to $19.5 million, instead of $19 million proposed by the House and $19,829,000 recommended by the Senate.

The conference disapproved the Senate recommendation of $350,000 for expenses incident to demolition of the New York World's Fair pavilion.

For the Environmental Science Services Administration, salaries and expenses appropriation, the conference agreed to $121,350,000 instead of $121,000,000 recommended by the House and $121,700,000 proposed by the Senate.

Of the increase over the House allowance, $100,000 was provided for aviation weather forecasts, and $250,000 for air pollution forecasts and for additional basic communications network.

The Conference agreed to the $15,918,000 proposed by the Senate for ship construction and indicated in the report that the conferees would be receptive to a realistic substantial request in a supplemental budget at an early date for additional funds for "ship construction." For the Health, Education, and Welfare, civil rights educational activities, the conference agreed to $14 million instead of $12 million proposed by the House, and $20 million proposed by the Senate. For the Equal Employment Opportunity Commission, the conference approved $12,500,000 instead of $11,500,000 allowed by the House and $15,905,000 recommended by the Senate.

For the Foreign Claims Settlement Commission, the conference approved $650,000, instead of $450,000 recommended by the House and $781,000 proposed by the Senate.

For the Special Representative for Trade Negotiations, the conference agreed to the House recommendation of $482,000 instead of the Senate proposal of $559,000.

For the U.S. Information Agency, salaries and expenses, the conference agreed to $160,750,000, instead of $160,000,000 proposed by the House and $161,500,000 recommended by the Senate.

Mr. President, I submit a summary of the bill and ask unanimous consent that it be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND THE BUDGET ESTIS FOR 1970MATE

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent" law w thout further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

| Agency and item | New budget (obligational) authority 1969 | Budget estimate of new (obligational) authority, 1970 | Increase (+) or decrease (—) |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| DEPARTMENT OF STATE | | | |
| Educational exchange fund | $354,000 | $353,000 | —$1,000 |
| International center, Washington, D.C. | | 1,020,000 | +1,020,000 |
| Payment to the Republic of Panama | 1,930,000 | 1,930,000 | |
| Total, Department of State | 2,284,000 | 3,303,000 | +1,019,000 |
| DEPARTMENT OF COMMERCE | | | |
| Maritime Administration: | | | |
| Operating differential subsidies | 229,244,000 | 213,600,000 | —15,644,000 |
| State marine schools | 1,365,000 | 1,415,000 | +50,000 |
| Total, Department of Commerce | 230,609,000 | 215,015,000 | —15,594,000 |
| SMALL BUSINESS ADMINISTRATION | | | |
| Payment of participation sales insufficiencies | 8,801,000 | 8,783,000 | —18,000 |
| Grand total, permanent new budget (obligational) authority, Federal funds | 241,694,000 | 227,101,000 | —14,593,000 |

Note.—Some items are indefinite in amount, and thus are subject to reestimation.

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—TRUST FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

| Agency and item | New budget (obligational) authority 1969 | Budget estimate of new (obligational) authority, 1970 | Increase (+) or decrease (—) |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| DEPARTMENT OF STATE | | | |
| Administration of foreign affairs: | | | |
| Foreign Service retirement and disability fund | $22,539,000 | $15,055,000 | —$7,484,000 |
| Miscellaneous permanent appropriations | 206,000 | 206,000 | |
| Total | 22,745,000 | 15,261,000 | —7,484,000 |
| International organizations and conferences: Gifts and bequests, National Commission on Educational, Scientific, and Cultural Cooperation | 3,000 | 3,000 | |
| Educational exchange: Educational exchange trust funds | 310,000 | 310,000 | |
| Total, Department of State | 23,058,000 | 15,574,000 | —7,484,000 |
| DEPARTMENT OF COMMERCE | | | |
| General administration: | | | |
| Gifts and bequests | 52,000 | 52,000 | |
| Special statistical work | 1,000 | 1,000 | |
| Total, general admin stration | 53,000 | 53,000 | |
| Office of Business Economics: Special statistical work | 25,000 | 25,000 | |
| Bureau of the Census: Special statistical work | 3,461,000 | 3,240,000 | —221,000 |
| Economic Development Administration: Regional action planning commissions | 6,776,000 | 7,087,000 | +311,000 |
| Business and Defense Services Administration: Special statistical work | 8,000 | 8,000 | |
| International activities: Contributions, educational and cultural exchange | 1,486,000 | 1,809,000 | +323,000 |
| Environmental Science Services Administration: Special statistical work | 175,000 | 180,000 | +5,000 |
| National Bureau of Standards: Clearinghouse for technical information | 3,000,000 | 3,250,000 | +250,000 |
| Total, Department of Commerce | 14,984,000 | 15,652,000 | +668,000 |
| THE JUDICIARY | | | |
| Judicial survivors' annuity fund | 1,100,000 | 1,140,000 | +40,000 |
| RELATED AGENCIES | | | |
| American Battle Monuments Commission: Contributions | 6,000 | 7,000 | +1,000 |
| U.S. Information Agency: U.S. Information Agency trust funds | 24,000 | 34,000 | +10,000 |
| Total, related agencies | 30,000 | 41,000 | +11,000 |
| Grand total, permanent new budget (obligational) authority, trust funds | 39,172,000 | 32,407,000 | —6,765,000 |

Note.—Some items are indefinite in amount, and thus are subject to reestimation.

ADMINISTRATIVE EXPENSES OF GOVERNMENT CORPORATIONS

[Limitation on amounts of corporate funds to be expended]

| Agency and item | New budget (obligational) authority, fiscal year 1969 (enacted to date) | Budget estimates of new (obligational) authority, fiscal year 1970 | New budget (obligational) authority recommended in House bill | Amount recommended by Senate committee | Increase (+) or decrease (−), Senate bill compared with— Appropriations, 1969 | Budget estimates, 1970 | House bill |
|---|---|---|---|---|---|---|---|
| (1) | | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| DEPARTMENT OF JUSTICE | | | | | | | |
| Federal Prison Industries, Incorporated | ($3,237,000) | ($3,849,000) | ($3,667,000) | ($3,667,000) | (+$430,000) | (−$182,000) | |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970

TITLE I—DEPARTMENT OF STATE

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

| Agency and item | New budget (obligational) authority, fiscal year 1969 (enacted to date) | Budget estimates of new (obligational) authority fiscal year 1970[1] | New budget (obligational) authority recommended in House bill | Senate bill | Conference action |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| ADMINISTRATION OF FOREIGN AFFAIRS | | | | | |
| Salaries and expenses | $207,095,600 | $207,422,000 | $207,095,600 | $207,095,600 | $207,095,600 |
| Representation allowances | 993,000 | 993,000 | 993,000 | 993,000 | 993,000 |
| Acquisition, operation, and maintenance of buildings abroad | 12,500,000 | 13,100,000 | 13,100,000 | 13,100,000 | 13,100,000 |
| Acquisition, operation, and maintenance of buildings abroad (special foreign currency program) | 3,050,000 | 2,186,000 | 2,186,000 | 2,186,000 | 2,186,000 |
| Emergencies in the diplomatic and consular service | 1,600,000 | 1,600,000 | 1,600,000 | 1,600,000 | 1,600,000 |
| Total, administration of foreign affairs | 225,238,600 | 225,301,000 | 224,974,600 | 224,974,600 | 224,974,600 |
| INTERNATIONAL ORGANIZATIONS AND CONFERENCES | | | | | |
| Contributions to international organizations | 118,453,000 | 130,187,000 | 130,187,000 | 130,187,000 | 130,187,000 |
| Missions to international organizations | 3,953,000 | 4,000,000 | 3,980,000 | 3,980,000 | 3,980,000 |
| International conferences and contingencies | 1,800,000 | 1,845,000 | 1,800,000 | 1,800,000 | 1,800,000 |
| World Health Assembly | 500,000 | | | | |
| Total, international organizations and conferences | 124,706,000 | 136,032,000 | 135,967,000 | 135,967,000 | 135,967,000 |
| INTERNATIONAL COMMISSIONS | | | | | |
| International Boundary and Water Commission, United States and Mexico: | | | | | |
| Salaries and expenses | 923,000 | 920,000 | 900,000 | 900,000 | 900,000 |
| Operation and maintenance | 2,029,000 | 2,320,000 | 2,300,000 | 2,300,000 | 2,300,000 |
| Construction | 5,806,000 | 400,000 | 400,000 | 1,900,000 | 400,000 |
| American sections, international commissions | 629,000 | 593,000 | 561,000 | 593,000 | 561,000 |
| International fisheries commissions | 2,075,000 | 2,155,000 | 2,335,000 | 2,354,000 | 2,344,500 |
| Total, international commissions | 11,462,000 | 6,388,000 | 6,496,000 | 8,047,500 | 6,505,500 |
| EDUCATIONAL EXCHANGE | | | | | |
| Mutual educational and cultural exchange activities | 31,425,000 | 35,400,000 | 31,425,000 | 32,925,000 | 31,425,000 |
| Center for cultural and technical interchange between East and West | 5,260,000 | 5,260,000 | 5,260,000 | 5,260,000 | 5,260,000 |
| Total, educational exchange | 36,685,000 | 40,660,000 | 36,685,000 | 38,185,000 | 36,685,000 |
| Total, title I, Department of State | 398,091,600 | 408,381,000 | 404,122,600 | 407,174,100 | 404,132,100 |
| TITLE II—DEPARTMENT OF JUSTICE | | | | | |
| LEGAL ACTIVITIES AND GENERAL ADMINISTRATION | | | | | |
| Salaries and expenses, general administration | $6,583,000 | $8,413,000 | $7,500,000 | $7,500,000 | $7,500,000 |
| Salaries and expenses, general legal activities | 24,975,000 | 28,919,000 | 28,000,000 | 28,000,000 | 28,000,000 |
| Salaries and expenses, Antitrust Division | 8,352,000 | 8,992,000 | 8,992,000 | 8,992,000 | 8,992,000 |
| Salaries and expenses, U.S. attorneys and marshals | 42,381,000 | 49,668,000 | 48,038,000 | 48,038,000 | 48,038,000 |
| Fees and expenses of witnesses | 4,200,000 | 5,500,000 | 5,000,000 | 5,000,000 | 5,000,000 |
| Salaries and expenses, Community Relations Service | 2,273,000 | 3,755,000 | 3,077,000 | 3,077,000 | 3,077,000 |
| Total, legal activities and general administration | 88,764,000 | 105,247,000 | 100,607,000 | 100,607,000 | 100,607,000 |
| FEDERAL BUREAU OF INVESTIGATION | | | | | |
| Salaries and expenses | 219,670,000 | 232,855,000 | 232,855,000 | 232,855,000 | 232,855,000 |
| IMMIGRATION AND NATURALIZATION SERVICE | | | | | |
| Salaries and expenses | 89,726,000 | 94,000,000 | 93,750,000 | 93,750,000 | 93,750,000 |
| FEDERAL PRISON SYSTEM | | | | | |
| Salaries and expenses, Bureau of Prisons | 62,048,000 | 77,077,000 | 74,179,000 | 74,540,000 | 74,300,000 |
| By transfer | (5,659,000) | | | | |
| Buildings and facilities | | 6,440,000 | 5,440,000 | 5,440,000 | 5,440,000 |
| By transfer | (4,650,000) | | | | |
| Support of U.S. prisoners | 7,400,000 | 8,470,000 | 7,900,000 | 7,900,000 | 7,900,000 |
| Total, Federal prison system | 69,448,000 | 91,987,000 | 87,519,000 | 87,880,000 | 87,640,000 |
| LAW ENFORCEMENT ASSISTANCE ADMINISTRATION | | | | | |
| Salaries and expenses | 59,407,000 | 296,570,000 | 250,000,000 | 275,500,000 | 268,000,000 |
| BUREAU OF NARCOTICS AND DANGEROUS DRUGS | | | | | |
| Salaries and expenses | 18,567,000 | 25,317,000 | 25,317,000 | 25,317,000 | 25,317,000 |
| Total, title II, Department of Justice | 545,382,000 | 845,976,000 | 790,048,000 | 815,909,000 | 808,169,000 |

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

TITLE III—DEPARTMENT OF COMMERCE

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

| Agency and item | New budget (obligational) authority, fiscal year 1969 (enacted to date) | Budget estimates of new (obligational) authority fiscal year 1970 [1] | New budget (obligational) authority recommended in House bill | Senate bill | Conference action |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| **GENERAL ADMINISTRATION** | | | | | |
| Salaries and expenses | $5,168,000 | $5,750,000 | $5,316,000 | $5,316,000 | $5,316,000 |
| **OFFICE OF BUSINESS ECONOMICS** | | | | | |
| Salaries and expenses | 3,075,000 | 3,320,000 | 3,162,000 | 3,162,000 | 3,162,000 |
| **BUREAU OF THE CENSUS** | | | | | |
| Salaries and expenses | 18,145,000 | 18,727,000 | 18,500,000 | 18,500,000 | 18,500,000 |
| Nineteenth decennial census | 17,000,000 | 147,854,000 | 137,850,000 | 137,850,000 | 137,850,000 |
| 1967 economic censuses | 7,085,000 | 3,487,000 | 3,487,000 | 3,487,000 | 3,487,000 |
| 1972 census of governments | | 200,000 | 200,000 | 200,000 | 200,000 |
| 1967 census of governments | 347,000 | | | | |
| Total, Bureau of the Census | 42,577,000 | 170,268,000 | 160,037,000 | 160,037,000 | 160,037,000 |
| **ECONOMIC DEVELOPMENT ASSISTANCE** | | | | | |
| Development facilities | 180,000,000 | 178,231,000 | 170,000,000 | 178,231,000 | 174,500,000 |
| Industrial development loans and guarantees | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| Planning, technical assistance and research | 25,000,000 | 29,880,000 | 27,000,000 | 27,000,000 | 27,000,000 |
| Operations and administration | 19,590,000 | 20,489,000 | 19,000,000 | 19,829,000 | 19,500,000 |
| Total economic development assistance | 274,590,000 | 278,600,000 | 266,000,000 | 275,060,000 | 271,000,000 |
| **BUSINESS AND DEFENSE SERVICES ADMINISTRATION** | | | | | |
| Salaries and expenses | 6,308,000 | 6,629,000 | 6,418,000 | 6,418,000 | 6,418,000 |
| **INTERNATIONAL ACTIVITIES** | | | | | |
| Salaries and expenses | 15,200,000 | 23,332,000 | 19,000,000 | 20,366,000 | 19,000,000 |
| Salaries and expenses (special foreign currency program) | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Export control | 5,494,000 | 5,358,000 | 5,358,000 | 5,358,000 | 5,358,000 |
| Total, international activities | 20,894,000 | 28,890,000 | 24,558,000 | 25,924,000 | 24,558,000 |
| **OFFICE OF FIELD SERVICES** | | | | | |
| Salaries and expenses | 5,042,000 | 5,160,000 | 5,160,000 | 5,160,000 | 5,160,000 |
| **PARTICIPATION IN U.S. EXHIBITIONS** | | | | | |
| Participation in New York World's Fair | | 350,000 | | 350,000 | |
| **FOREIGN DIRECT INVESTMENT CONTROL** | | | | | |
| Salaries and expenses | 3,673,000 | 4,175,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| **MINORITY BUSINESS ENTERPRISE** | | | | | |
| Salaries and expenses | | 1,500,000 | 1,200,000 | 1,200,000 | 1,200,000 |
| **U.S. TRAVEL SERVICE** | | | | | |
| Salaries and expenses | 4,500,000 | 6,000,000 | 4,500,000 | 4,500,000 | 4,500,000 |
| **ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION** | | | | | |
| Salaries and expenses | 118,254,000 | 124,246,000 | 121,000,000 | 121,700,000 | 121,350,000 |
| Research and development | 24,614,000 | 25,505,000 | 24,000,000 | 24,685,000 | 24,300,000 |
| Research and development (special foreign currency program) | 500,000 | | | | |
| Facilities, equipment, and construction | 3,200,000 | 5,151,000 | 4,385,000 | 4,385,000 | 4,385,000 |
| Satellite operations | 20,000,000 | 6,957,000 | 6,957,000 | 6,957,000 | 6,957,000 |
| Total, Environmental Sciences Services Administration | 166,568,000 | 161,859,000 | 156,342,000 | 157,727,000 | 156,992,000 |
| **PATENT OFFICE** | | | | | |
| Salaries and expenses | 43,240,000 | 46,110,000 | 44,500,000 | 44,500,000 | 44,500,000 |
| **NATIONAL BUREAU OF STANDARDS** | | | | | |
| Research and technical services | 36,100,000 | 38,700,000 | 37,000,000 | 37,100,000 | 37,000,000 |
| Research and technical services (special foreign currency program) | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Plant and facilities | 1,300,000 | (2) | (2) | (2) | (2) |
| Total, National Bureau of Standards | 37,900,000 | 39,200,000 | 37,500,000 | 37,600,000 | 37,500,000 |
| **OFFICE OF STATE TECHNICAL SERVICES** | | | | | |
| Grants and expenses | 5,300,000 | 290,000 | 290,000 | 290,000 | 290,000 |
| **MARITIME ADMINISTRATION** | | | | | |
| Ship construction | 119,590,000 | 15,918,000 | | 15,918,000 | 15,918,000 |
| Operating-differential subsidies (appropriation to liquidate contract authorization) | (206,000,000) | (194,400,000) | (194,400,000) | (194,400,000) | (194,400,000) |
| Research and development | 6,700,000 | 7,700,000 | 11,100,000 | 11,100,000 | 11,100,000 |
| Salaries and expenses | 16,536,000 | 23,978,000 | 20,578,000 | 20,578,000 | 20,578,000 |
| Maritime training | 5,277,000 | 6,164,000 | 6,164,000 | 6,164,000 | 6,164,000 |
| State marine schools | 625,000 | 625,000 | 625,000 | 625,000 | 625,000 |
| (Appropriation to liquidate contract authorization) | (1,485,000) | (1,415,000) | (1,415,000) | (1,415,000) | (1,415,000) |
| Total, Maritime Administration | 148,728,000 | 54,385,000 | 38,467,000 | 54,385,000 | 54,385,000 |
| Total, title III, Department of Commerce | 767,563,000 | 812,486,000 | 756,450,000 | 784,629,000 | 778,018,000 |

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

TITLE IV—THE JUDICIARY

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

| Agency and item | New budget (obligational) authority, fiscal year 1969 (enacted to date) | Budget estimates of new (obligational) authority fiscal year 1970 [1] | New budget (obligational) authority recommended in House bill | Senate bill | Conference action |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| **SUPREME COURT OF THE UNITED STATES** | | | | | |
| Salaries | $2,230,000 | $2,610,000 | $2,535,000 | $2,535,000 | $2,535,000 |
| Printing and binding Supreme Court reports | 182,000 | 195,000 | 195,000 | 195,000 | 195,000 |
| Miscellaneous expenses | 140,000 | 170,000 | 164,000 | 164,000 | 164,000 |
| Care of the building and grounds | 361,400 | 388,300 | 388,300 | 388,300 | 388,300 |
| Automobile for the Chief Justice | 9,500 | 9,900 | 9,900 | 9,900 | 9,900 |
| Books for the Supreme Court | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Total, Supreme Court of the United States | 2,962,900 | 3,413,200 | 3,332,200 | 3,332,200 | 3,332,200 |
| **COURT OF CUSTOMS AND PATENT APPEALS** | | | | | |
| Salaries and expenses | 521,000 | 577,000 | 577,000 | 577,000 | 577,000 |
| **CUSTOMS COURT** | | | | | |
| Salaries and expenses | 1,713,000 | 2,070,000 | 1,870,000 | 1,870,000 | 1,870,000 |
| **COURT OF CLAIMS** | | | | | |
| Salaries and expenses | 1,659,000 | 1,872,000 | 1,872,000 | 1,872,000 | 1,872,500 |
| **COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES** | | | | | |
| Salaries of judges | 18,743,000 | 22,765,000 | 22,765,000 | 22,765,000 | 22,765,000 |
| Salaries of supporting personnel | 45,912,000 | 49,445,000 | 47,957,000 | 47,957,000 | 47,957,000 |
| Fees and expenses of court-appointed counsel | 4,000,000 | 3,150,000 | 3,150,000 | 3,150,000 | 3,150,000 |
| Fees of jurors and commissioners | 11,900,000 | 15,800,000 | 15,000,000 | 15,000,000 | 15,000,000 |
| Travel and miscellaneous expenses | 6,850,000 | 7,533,000 | 7,000,000 | 7,000,000 | 7,000,000 |
| Administrative Office of the U.S. Courts | 1,944,000 | 2,267,400 | 2,050,000 | 2,050,000 | 2,050,000 |
| Salaries of referees (special fund) | 4,992,000 | 6,311,000 | 6,203,000 | 6,203,000 | 6,203,000 |
| Expenses of referees (special fund) | 8,448,000 | 8,926,000 | 8,650,000 | 8,650,000 | 8,650,000 |
| Total, courts of appeals, district courts, and other judicial services | 102,789,000 | 116,217,400 | 112,775,000 | 112,775,000 | 112,775,000 |
| **FEDERAL JUDICIAL CENTER** | | | | | |
| Salaries and expenses | 300,000 | 875,000 | 600,000 | 600,000 | 600,000 |
| Total, title IV, the Judiciary | 109,944,900 | 125,024,600 | 121,026,200 | 121,026,200 | 121,026,200 |
| **TITLE V—RELATED AGENCIES** | | | | | |
| **AMERICAN BATTLE MONUMENTS COMMISSION** | | | | | |
| Salaries and expenses | 2,362,000 | 2,639,000 | 2,639,000 | 2,639,000 | 2,639,000 |
| **ARMS CONTROL AND DISARMAMENT AGENCY** | | | | | |
| Arms control and disarmament activities | 9,000,000 | 9,500,000 | 9,500,000 | 9,500,000 | 9,500,000 |
| **COMMISSION ON CIVIL RIGHTS** | | | | | |
| Salaries and expenses | 2,650,000 | 2,650,000 | 2,650,000 | 2,650,000 | 2,650,000 |
| **DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE** | | | | | |
| Office of Education: Civil rights education | 10,817,000 | 20,000,000 | 12,000,000 | 20,000,000 | 14,000,000 |
| **EQUAL EMPLOYMENT OPPORTUNITY COMMISSION** | | | | | |
| Salaries and expenses | 9,120,000 | 15,905,000 | 11,500,000 | 15,905,000 | 12,500,000 |
| **FEDERAL MARITIME COMMISSION** | | | | | |
| Salaries and expenses | 3,743,000 | 3,715,000 | 3,715,000 | 3,715,000 | 3,715,000 |
| **FOREIGN CLAIMS SETTLEMENT COMMISSION** | | | | | |
| Salaries and expenses | 791,000 | 781,000 | 450,000 | 781,000 | 650,000 |
| **NATIONAL COMMISSION ON FIRE PREVENTION AND CONTROL** | | | | | |
| Salaries and expenses | | 500,000 | | | |
| **NATIONAL COMMISSION ON REFORM OF FEDERAL CRIMINAL LAWS** | | | | | |
| Salaries and expenses | 250,000 | 300,000 | 250,000 | 300,000 | 300,000 |
| **SMALL BUSINESS ADMINISTRATION** | | | | | |
| Salaries and expenses | 11,400,000 | 17,000,000 | 16,500,000 | 16,500,000 | 16,500,000 |
| (Transfer from revolving funds) | (47,647,000) | (50,111,000) | (50,000,000) | (50,000,000) | (50,000,000) |
| Payment of participation sales insufficiencies | 2,014,000 | 1,757,000 | 1,757,000 | 1,757,000 | 1,757,000 |
| Business Loan and Investment Fund | | 25,000,000 | 25,000,000 | | |
| Total, Small Business Administration | 13,414,000 | 43,757,000 | 43,257,000 | 18,257,000 | 18,257,000 |
| **SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS** | | | | | |
| Salaries and expenses | 482,000 | 625,000 | 482,000 | 559,000 | 482,000 |
| **SUBVERSIVE ACTIVITIES CONTROL BOARD** | | | | | |
| Salaries and expenses | 344,400 | 365,000 | 344,400 | 344,400 | 344,400 |
| **TARIFF COMMISSION** | | | | | |
| Salaries and expenses | 3,850,000 | 3,950,000 | 3,900,000 | 3,900,000 | 3,900,000 |
| **U.S. INFORMATION AGENCY** | | | | | |
| Salaries and expenses | 163,490,000 | 164,000,000 | 160,000,000 | 161,500,000 | 160,750,000 |
| Salaries and expenses (special foreign currency program) | 9,250,000 | 10,800,000 | 10,800,000 | 10,800,000 | 10,800,000 |
| Special international exhibitions | 3,500,000 | 2,850,000 | 2,500,000 | 2,766,000 | 2,600,000 |
| Special international exhibitions (special foreign currency program) | 428,000 | | | | |
| Total, U.S. Information Agency | 176,668,000 | 177,650,000 | 173,300,000 | 175,066,000 | 174,150,000 |

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

TITLE V—RELATED AGENCIES—Continued

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

| Agency and item | New budget (obligational) authority, fiscal year 1969 (enacted to date) | Budget estimates of new (obligational) authority, fiscal year 1970 [1] | New budget (obligational) authority recommended in House bill | Senate bill | Conference action |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| UNITED STATES-MEXICO COMMISSION FOR BORDER DEVELOPMENT AND FRIENDSHIP | | | | | |
| Salaries and expenses | | $1,500,000 | | | |
| Total, title V, related agencies | $233,491,400 | 283,837,000 | $263,987,400 | $253,616,400 | $243,087,400 |
| Total, titles I, II, III, IV, and V, new budget (obligational) authority—appropriations | 2,054,672,900 | 2,475,704,600 | 2,335,634,200 | 2,382,354,700 | 2,354,432,700 |
| Memorandums: | | | | | |
| Appropriations to liquidate contract authorizations | (207,485,000) | (195,815,000) | (195,815,000) | (195,815,000) | (195,815,000) |
| Total appropriations, including appropriations to liquidate contract authorizations | (2,262,157,900) | (2,671,519,600) | (2,531,449,200) | (2,578,169,700) | (2,550,247,700) |

[1] Reflects amendments contained in H. Docs. 91-85, 91-98, 91-100, and 91-113. [2] Language.

## LIMITATION OF STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a morning hour until 9:30 o'clock a.m. and that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. BURDICK) laid before the Senate the following letters, which were referred as indicated:

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of the Interior for "Education and welfare services," Bureau of Indian Affairs, for the fiscal year 1970, had been apportioned on a basis which indicates a need for a supplemental estimate of appropriations; to the Committee on Appropriations.

REPORT ON EXPORT-IMPORT BANK LOANS IN CONNECTION WITH EXPORTS TO YUGOSLAVIA

A letter from the Secretary, Export-Import Bank of the United States, Washington, D.C., reporting, pursuant to law, that the amount of Export-Import Bank loans, insurance, and guarantees issued in October 1969, in connection with U.S. exports to Yugoslavia total $89,297; to the Committee on Appropriations.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on examination of financial statements of the Student Loan Insurance Fund, fiscal year 1968, Office of Education, Department of Health, Education, and Welfare, dated December 10, 1969 (with an accompanying report); to the Committee on Government Operations.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GRAVEL, from the Committee on Interior and Insular Affairs, without amendment:

S. 778. A bill to amend the 1964 amendments to the Alaska Omnibus Act (Rept. No. 91-595).

By Mr. KENNEDY, from the Committee on the Judiciary, without amendment:

H.R. 4244. An act to raise the ceiling on appropriations of the Administrative Conference of the United States (Rept. No. 91-596).

By Mr. MANSFIELD (for Mr. FULBRIGHT), from the Committee on Foreign Relations, with an amendment:

H.R. 14580. An act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes (Rept. No. 91-603).

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, without amendment:

S. Res. 283. Resolution authorizing the printing of additional copies of "The Migratory Farm Labor Problem in the United States" (Senate Report Numbered 91-83); (Rept. No. 91-598);

H. Con. Res. 345. Concurrent resolution providing for printing as a House document "A Guide to Student Assistance" (Rept. No. 91-601); and

H. Con. Res. 407. Concurrent resolution to authorize the printing as a House document the pamphlet entitled "Our Flag" (Rept. No. 91-602).

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, without additional amendment:

S. Res. 279. Resolution authorizing expenditures by the Select Committee on Nutrition and Human Needs for an additional period to study the food, medical, and other related basic needs among the people of the United States (Rept. No. 91-597).

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, with an amendment:

S. Con. Res. 47. Concurrent resolution authorizing the printing of the report of the proceedings of the 44th biennial meeting of the Convention of American Instructors of the Deaf as a Senate document (Rept. No. 91-599).

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Charles D. Loos, of Indiana, to be U.S. marshal for the southern district of Indiana; and

Emmett E. Shelby, of Florida, to be U.S. marshal for the northern district of Florida.

By Mr. TYDINGS, from the Committee on the District of Columbia:

Graham W. Watt, of Ohio, to be Assistant to the Commissioner of the District of Columbia.

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services I report favorably the nominations of six flag and general officers in the Army, Navy, and Air Force. I ask that these names be placed on the executive calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to be placed on the executive calendar, are as follows:

Brig. Gen. Joseph G. May, Army National Guard of the United States, and Brig. Gen. LaClair A. Melhouse, Army National Guard of the United States, to be majors general of the Army;

Rear Adm. Evan P. Aurand, U.S. Navy, for commands and other duties determined by the President, for appointment to the grade of vice admiral while so serving; and

Lt. Gen. Arthur C. Agan (major general, Regular Air Force), U.S. Air Force; Lt. Gen. Benjamin O. Davis, Jr. (major general, Regular Air Force), U.S. Air Force; and Lt. Gen. Robert J. Friedman (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list in the grade of lieutenants general.

Mr. STENNIS. Mr. President, in addition to the above I report favorably 125 appointments in the Army in the grade of major and below, 3,107 appointments and promotions in the Navy in the grade of captain and below, 93 appointments in the Air Force in the grade of major and below, and 802 appointments in the Marine Corps in the grade of lieutenant colonel and below. Since these names have already been printed in the CONGRESSIONAL RECORD, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Jackie L. Slaughter, for reappointment to the active list of the Regular Air Force, in the grade of captain;

Robert E. Booth, and Frederick G. Tolman, for appointment in the Regular Air Force;

William E. Wymer, and sundry other persons, for appointment in the Regular Air Force;

Thaddeus J. Andreski, and sundry other distinguished graduates of the Air Force Officer Training School, for appointment in the Regular Air Force;

Kevin E. Booth, and sundry other distinguished graduates of the Air Force Reserve Officer Training Corps, for appointment in the Regular Air Force;

George E. Balyeat, and sundry other officers, for promotion in the United States Navy;

Barbara J. Lee, and sundry other women officers, for appointment in the Marine Corps;

James A. Albright, and sundry other staff noncommissioned officers, for appointment to the grade of second lieutenant in the Marine Corps;

Walter A. Divers, Jr., and Kerry L. O'Hara, for appointment in the Regular Army;

Carl C. Busdiecker, and sundry other persons, for appointment in the Regular Army of the United States;

Cmdr. Charles Conrad, Jr.; Cmdr. Richard F. Gordon, Jr.; and Cmdr. Alan L. Bean, for promotion in the Navy;

Lt. Cmdr. Donald W. Stauffer, U.S. Navy, for appointment to the grade of commander while serving as leader of the U.S. Navy Band;

James Robert Abbey, and sundry other officers, for promotion in the U.S. Navy; and

John E. Ailes, and sundry other officers, for promotion in the Marine Corps.

## BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. STEVENS:

S. 3224. A bill to confer veterans benefits upon persons who perform six years of creditable service in the Alaska National Guard; to the Committee on Labor and Public Welfare.

(The remarks of Mr. STEVENS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. EASTLAND:

S. 3225. A bill to provide that the U.S. District Court for the western division of the Southern District of Mississippi shall be held at Natchez;

S. 3226. A bill for the relief of Mrs. Bronson Clayton; and

S. 3227. A bill to allow the settlement of claims of military personnel and civilian employees of military departments for offbase property lost or damaged as a result of Hurricane Camille; to the Committee on the Judiciary

By Mr. MUSKIE:

S. 3228. A bill to provide for the balanced urban development and growth of the United States; to the Committee on Government Operations.

(The remarks of Mr. MUSKIE when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. MUSKIE (for himself, Mr. BAYH, Mr. EAGLETON, Mr. MONTOYA, Mr. RANDOLPH and Mr. SPONG):

S. 3229. A bill to amend the Clean Air Act in order to extend the authorizations for such Act, to extend the provisions of title II relating to emission standards to vessels, aircraft, and certain additional vehicles, and for other purposes, and to provide for a study of noise and its effects; to the Committee on Public Works.

(The remarks of Mr. MUSKIE when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. TYDINGS (by request):

S. 3230. A bill to authorize the construction of a low diversion structure of dam on the Potomac River, Maryland; to the Committee on Public Works.

By Mr. SCOTT (for himself and Mr. PERCY):

S. 3231. A bill to authorize the release of 40,200,000 pounds of cobalt from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

(The remarks of Mr. SCOTT when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mrs. SMITH of Maine (by request):

S. 3232. A bill to authorize the payment of annuities to certain widows of judges who remarry; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 3233. A bill for the relief of Luz Mercedes Celi; to the Committee on the Judiciary.

By Mr. NELSON:

S. 3234. A bill to amend the Fish and Wildlife Act of 1956, to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft; to the Committee on Commerce.

(The remarks of Mr. NELSON when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. ERVIN:

S. 3235. A bill for the relief of P. J. Leake; to the Committee on the Judiciary.

## S. 3224—INTRODUCTION OF A BILL RELATING TO RESERVISTS IN THE TERRITORIAL OR NATIONAL GUARD OF ALASKA

Mr. STEVENS. Mr. President, I want to speak today concerning legislation which is of great importance to Alaskans who have served as reservists in the territorial or National Guard. I introduce a bill to confer veterans benefits upon persons who perform 6 years of creditable service in the Alaska National Guard and ask that it be printed and appropriately referred.

This bill provides that members of either the territorial or National Guard who have completed 6 years of Reserve service be accorded the same benefits as those who have served 2 years of active duty in the Armed Forces.

Guard units in Alaska, particularly the Eskimo Guard of remote northern and western Alaska, are designated for the defense of the State and are, in a sense, on active duty all the time.

During World War II Lt. Col. Marvin—Muktuk—Marston, retired, organized territorial guard units throughout western Alaska. Even though the "tundra army" companies were not federalized at that time, Marston built them into a local defense system in a period when Japanese invasion was a danger and then a reality. Following the Dutch Harbor bombing in the Aleutians in 1942, the Japanese began to make coastal defenses and to develop submarine bases on another Aleutian island. They were undoubtedly totally familiar with every village in Alaska. The guard units had thousands of miles of coastline to patrol.

These troops proved so efficient during the war that Marston succeeded in having them included in the Alaska National Guard system as "scout battalions."

These and other Alaskan men who have loyally patrolled and guarded the tremendous expanse of Alaska during territorial and statehood days for 6 years deserve the same status as those men who have served 2 years of active duty.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3224) to confer veterans benefits upon persons who perform 6 years of creditable service in the Alaska National Guard, introduced by Mr. STEVENS, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

## S. 3228—INTRODUCTION OF BALANCED URBANIZATION POLICY AND PLANNING ACT

Mr. MUSKIE. Mr. President, I introduce, for appropriate reference, a bill entitled the "Balanced Urbanization Policy and Planning Act." I ask unanimous consent that the text, and a section-by-section analysis of the bill be printed in the RECORD following these remarks. The bill was prepared by the Advisory Commission on Intergovernmental Relations, of which I am privileged to be a member. I am introducing the bill at the request of the Advisory Commission for purposes of discussion and further study.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and section-by-section analysis will be printed in the RECORD, as requested by the Senator from Maine.

The bill (S. 3228) to provide for the balanced urban development and growth of the United States, introduced by Mr. MUSKIE, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD.

(See exhibits 1 and 2.)

Mr. MUSKIE. In one respect, this bill serves as a followup to title IV of the "Intergovernmental Cooperation Act of 1968"—Public Law 90-577—which deals with coordinated intergovernmental policy and administration of development assistance programs. More directly, it addresses the problem of urban growth documented in the report of the Advisory Commission on Intergovernmental Relations on "Urban and Rural America: Policies for Future Growth" and in the survey of "The New City" by the National Committee on Urban Growth Policy.

These two studies record the fact that the present pattern of urbanization is compounding the problems of our metropolitan areas. It is widening the gap between rural and urban America. It is exacerbating racial tensions. The prospective addition of 115 million new Americans to our population between now and the year 2000 plus the forecast that practically all of them will be urban residents accentuates the need to grapple now with the dynamics of the urbanization process.

Let me cite a few of the basic trends that underscore the need for an overall national urbanization policy.

First, the largest metropolitan areas have experienced the most rapid growth in recent years and will continue to do so if present trends persist.

Second, within these areas, however, the most rapid growth has been in the suburban and surrounding areas in which industry is more frequently locating.

Third, with the heavy increase in the black population of our central cities during the past two decades, 56 percent of this sector of our citizenry now reside in these large municipalities, in contrast to only 25 percent of the white population. The bulk of Black America today are either rural or core city citizens, while the bulk of white Americans are suburbanites.

Fourth, the Nation's smallest cities and villages outside of our metropolitan areas are growing at a much slower rate and are far more frequently bypassed by the mainsteam of national economic growth.

Fifth, in terms of employment, governmental services, and public finance, the great central cities as well as the smaller rural communities and counties share the increasingly more difficult task of maintaining a healthy level of economic activity and of providing jobs and adequate education for their residents.

Sixth, both the large central cities and rural jurisdictions with declining populations encounter a more costly task of providing public and private services.

Seventh, a continuation of the present pattern or urban growth in suburban areas foreshadows an extension of sprawl, and disorderly and wasteful use of land.

Finally, Federal efforts to facilitate coordinated and planned development are not enhanced by the separate planning requirements that now exist in more than 135 Federal grant-in-aid programs and by the 37 planning assistance programs now authorized by the Congress.

These findings prompt me to pose the question: Can we begin to fashion the instrumentalities and procedures which will facilitate the development of a sound, sensible, and consistent urbanization policy? As I see it, continuation of muddling through must be rejected, for that is what has brought us to where we are now. At the same time, the development of a meaningful urbanization policy faces numerous hurdles. Yet, if we continue to ignore the need for such a policy, we must also ignore the consequences of the existing urbanization process.

In very human terms, that means ignoring the concentration of more and more people in large urban centers.

It means overlooking higher costs of public and private consumption in these areas.

It means being willing to risk the heavy social and psychic toll that living in heavily crowded areas presents.

It means the probable addition of even more fuel to already incendiary conditions in the ghettos.

It means widening the gap between the declining economies of core cities and the expanding ones of their suburban neighborhoods.

It means a further widening of the economic, educational, health, and opportunity gaps between rural and urban America.

In short, a policy of more of the same means a continuation of these and other distorted, out-of-balance trends.

Mr. President, after weighing all these factors, I am convinced there is a clear need for a national policy for guiding the location and character of future urban growth. Given the nature of this undertaking, such a policy must involve the Federal, State, and local governments in collaboration with the private sector.

It must deal simultaneously with the problem of central cities in metropolitan areas, while planning for a more balanced geographic distribution of our future urban population.

It must lead to the development of machinery and processes within these governments for coordinating existing policies which affect urban growth and for developing new ones to guide future urbanization.

In terms of direction, it must involve a strategy which gives consideration to the declining economic base of our cities as well as to eroding of our rural economies.

Such a policy must also focus on both the form and quality of urban growth and come to grips with the enormous task of building and rebuilding which will occur during the final third of the century in order to accommodate the 115 million Americans which will be added to our population.

The Balanced Urbanization Policy and Planning Act is intended to initiate a process at the national level for hammering out a balanced urbanization policy. It is also designed to establish a complementary program of comprehensive planning assistance and requirements.

Title I states the purposes of the bill, and proposes definitions used within the measure. Responsibility for coordination and policy guidance is fixed in the Executive office.

Title II of the proposed legislation assigns planning, programing, and coordinating responsibilities in the urban growth area to the Executive Office of the President. The President is required to submit annually to Congress an urban growth report. The report would include data highlighting basic urbanization trends, a summary of key problems arising from those trends, an assessment of Federal progress in meeting these problems, and a review of related State and local policies as well as those of the private sector. The report would conclude with Presidential proposals relating to ways and means of achieving more orderly and balanced urban development. Funds are authorized for the Executive officer to carry out its responsibilities under this title and a new Joint Urbanization Committee of the Congress is established to serve as a major focal point of legislative analysis of the President's report.

Title III revamps the 701 comprehensive planning assistance program and seeks to develop an intergovernmental system of planning and coordination that buttresses the development of a national urbanization policy. Among the more innovative features of this title are the following:

Comprehensive planning assistance is confined generally to general purpose units of government, and one set of areawide multijurisdictional agencies within a State is used—unless no overall State assistance program is established;

Comprehensive planning must be consistent with that of the next larger jurisdiction—which complements the intent of title IV of the Intergovernmental Cooperation Act of 1968;

Functional plans must be consistent with comprehensive planning and not inconsistent with the functional plans of the next larger jurisdiction;

Responsibility is placed upon the States if they choose to take up the challenge laid down by this title, but direct Federal-local action is permitted to localities and areawide jurisdictions if this responsibility is rejected;

An attempt is made to place the allocation of funds on a formula basis, rather than on a statewide distributive basis of project-by-project; and finally,

Immediate responsibility for administering the program is assigned to the Department of Housing and Urban Development, but operating within broad guidelines to be established by the Executive Office of the President.

Title IV is designed to deal with the lack of uniformity and clear definition of the numerous planning requirements found in Federal grant-in-aid programs, and with the failure, in many instances, to identify the jurisdiction responsible for planning. In an attempt to bring some order out of the confusion in this planning requirement, title IV codifies and makes uniform the definition of comprehensive planning and standardizes the functional planning conformance requirements in five program areas—water, sewer, and other public works facilities; public health services; transportation; open space and recreation; and water resources.

Mr. President, the pressures confronting our cities and many of our rural areas are inextricably linked. The issues facing us on both fronts must be joined. Long-range solutions must encompass a grand design for fostering a pattern of urban growth that will be balanced—geographically, economically, socially, and environmentally.

This legislation is intended to initiate a policy process and a planning program that will begin to hammer out the components of a national policy on urban growth. Without such a policy, we will remain shackled to the past and will bind ourselves to the nightmarish prospect of a metropolitan urban future and further decline in rural America.

S. 3228

A bill to provide for the balanced urban development and growth of the United States

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Balanced Urbanization Policy and Planning Act".

TITLE I—GENERAL PROVISIONS

DECLARATION OF PURPOSE

SEC. 101. The purpose of this Act is to establish within the United States Government procedures—

(1) for analyzing urban growth and developing a national urbanization policy and reporting to the Congress on such growth and policy;

(2) to provide greater coordination in the administration of Federal urban and economic development grants and programs by

placing within the Executive Office of the President sole responsibility for policy development, coordination, and planning;

(3) to provide assistance to State and local governments for developing comprehensive coordination, programing, and planning agencies and activities;

(4) to consolidate comprehensive planning requirements for grant-in-aid programs; and

(5) to systematize other planning requirements.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "Secretary" means the Secretary of Housing and Urban Development;

(2) "comprehensive planning" means planning which—

(A) consists of the continuing process of assessing needs, resources, and development opportunities; formulating goals, objectives, policies, and standards to guide long-range physical, economic, and human resources development; and preparing plans and programs for such assessment and formulation;

(B) is not inconsistent with comprehensive planning undertaken by any other Federal or State governmental body and, when undertaken by a political subdivision, also is not inconsistent with comprehensive planning by the next larger jurisdiction; and

(C) meets criteria established by the Secretary; and includes—

(i) preparation of comprehensive plans, as guides for governmental policies and action, which identify and evaluate alternative courses of action and the relationships among the activities to be carried out under such plans, including the effective utilization of resources, the pattern and intensity of land use, and the provision of public facilities, and other government services;

(ii) programing of expenditures of major activities, including capital improvements, in the order in which they are to be commenced, together with definite plans for financing such activities;

(iii) coordination of all related plans and activities of the State and political subdivisions and agencies concerned;

(iv) provisions for a general guide for functional and project or agency program planning; and

(v) preparation of appropriate regulatory and administrative measures in support of the foregoing.

(3) "functional planning" means the preparation of a functional plan which—

(A) provides coordination of services, activities, and facilities, furnished by a State or political subdivision within the same functional area, including housing, public works, water and sewage facilities, transportation, recreation, open space, public health services and facilities, and pollution control; and

(B) is consistent with comprehensive planning;

(4) "State" means any of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico;

(5) "State comprehensive planning agency" means a State agency, or agencies, designated by the Governor of the State (or in the case of the District of Columbia, designated by the Commissioner), to conduct overall comprehensive planning for the State;

(6) "political subdivision" or "unit of general local government" means any ctiy, county, town, parish, village, or other general-purpose political subdivision of a State;

(7) "planning and development district" means any area that—

(A) is established under State laws, or in the absence of such laws, under a plan approved by the Governor of the State or States;

(B) is composed of one or more counties or two or more other political subdivisions of a State;

(C) has common or related problems of development requiring cooperative, comprehensive planning and concerted action for the effective solution of such development problems; and

(D) is composed only of political subdivisions and interstate compact areas now included within any other such district.

(8) "planning and development district agency" means the agency responsible for a planning and development district and which is, to the greatest extent feasible, composed of or responsible to the elected officials of a unit of areawide government or of the political subdivisions located partially or completely within the planning and development district;

(9) "areawide comprehensive planning" means comprehensive planning undertaken by a planning and development district agency;

(10) "metropolitan comprehensive planning" means areawide comprehensive planning undertaken by a planning and development district agency which includes within its borders a standard metropolitan statistical area as established by the Bureau of the Budget;

(11) "county comprehensive planning" means comprehensive planning undertaken by a county provided the county—

(A) has authority over planning, zoning, subdivision, and other land uses within the unincorporated area;

(B) coordinates its comprehensive planning program with those of the municipalities within the county; and

(C) is not included within the comprehensive planning of a State comprehensive planning agency or planning and development district agency; and

(12) "city comprehensive planning" means comprehensive planning undertaken by a city if the city—

(A) has authority over planning, zoning, subdivision, and other land uses and which authority extends beyond the boundaries of the city; and

(B) is not included within the comprehensive planning of a State comprehensive planning agency or planning and development district agency.

PRESIDENTIAL RESPONSIBILITY

SEC. 103. In order to assure that the comprehensive planning and coordination assistance authorized by title III of this Act and the comprehensive and functional planning requirements of title IV are consistent with the purposes of title II of this Act and section 401 of the Intergovernmental Cooperation Act of 1968 (80 Stat. 1098; Public Law 90-577), the President shall be responsible for continuing policy guidance and continuing review of the administration of this Act, and for promulgating general rules and regulations, which shall be as uniform as practicable to carry out the provisions of this Act and section 401 of the Intergovernmental Cooperation Act of 1968. Such rules and regulations shall provide for full consideration of the concurrent achievement of the objectives specified in the statutory provisions cited in this section, and, to the extent authorized by law, reasoned choices shall be made between such objectives when they conflict.

## TITLE II—DEVELOPMENT OF A NATIONAL URBANIZATION POLICY

FINDINGS AND DECLARATION OF POLICY

SEC. 201. (a) The Congress finds that the rapid growth of urban population and expanding urban development in the United States, together with a decline in farm population, slower growth in rural areas, and migration to the cities has created an imbalance between the Nation's needs and resources, and that the economic and social development of the Nation and the achievement of satisfactory living standards depend upon the sound, orderly, and more balanced development of all areas of the Nation.

(b) The Congress further finds that Federal programs already have a significant effect upon the location of population, economic growth, and on the character of urban development; that the purposes of such programs frequently conflict, thereby subsidizing undesirable and costly patterns of urban development; and that a concerted effort is necessary to interrelate and coordinate existing and future programs within a system of planned development and established priorities in accordance with a national urbanization policy.

(c) In order to promote the general welfare and to provide full and wise application of the resources of the Federal Government in strengthening the economic and social health of both rural and urban areas and of the Nation as a whole, the Congress declares that it is a continuing responsibility of the Federal Government, consistent with the responsibilities of State and local government and the private sector, to undertake the development of a national policy, to be known as the national urbanization policy, which shall incorporate social, economic, and other appropriate factors. Such policy shall serve as a guide in making specific decisions at the national level which affect the pattern of urban growth and shall provide a framework for development of interstate, State, and local policy.

(d) The Congress further declares that the national urbanization policy should—

(1) favor patterns of urbanization and economic development which offer a range of alternative locations and encourage the wise and balanced use of physical and human resources;

(2) foster the continued economic strength of all parts of the United States, including central cities, suburbs, smaller communities, and rural areas;

(3) reverse trends of migration and natural growth which create greater disparities among States, regions, and cities;

(4) treat comprehensively the problems of poverty and employment associated with urbanization and rural decline;

(5) develop means to alleviate present trends which accentuate racial conflict;

(6) define the basis for fulfilling the role of the Federal Government in revitalizing existing communities and encouraging carefully planned, large-scale urban and new community development;

(7) assist general governmental institutions in achieving balanced urban growth; and

(8) facilitate increased coordination in the administration of Federal programs so as to encourage desirable patterns of urban growth.

URBANIZATION POLICY, PLANNING, AND COORDINATION

SEC. 202. In order to develop the national urbanization policy, the following functions shall be performed within the Executive Office of the President—

(1) the preparation of an annual report, to be known as the Annual Report on Urban Growth;

(2) the collection, analysis, and evaluation of timely and authoritative information, current and prospective, concerning population growth and movement, urbanization, economic growth, patterns of land use, natural resource conservation and development;

(3) a continuing assessment of the progress and effectiveness of Federal efforts to carry out the policy described in section 201 (c) and (d) and developed pursuant to this Act, with particular emphasis upon the manner in which efforts involving economic development, health, education and training, the location and pace of population growth, resettlement and rehabilitation, housing and

large-scale urban development, and vocational and employment opportunities relate to and affect the pattern and quality of urban growth;

(4) a review and estimate of current and foreseeable needs of interstate, State, local and private plans, and programs affecting the policy described in section 201 (c) and (d) and developed pursuant to this Act;

(5) an evaluation of the relationship of Federal programs and policies to the plans, policies, and programs referred to in clause (4); and

(6) an estimate of current and foreseeable needs for Federal programs which affect the plans, policies, and programs referred to in clause (4).

URBAN GROWTH REPORT

SEC. 203 (a) The President shall transmit to the Congress, not later than February 20 of each year, the Annual Report on Urban Growth for the preceding year. The Report shall include—

(1) information and statistics describing characteristics of urban growth and identifying significant trends and developments;

(2) a summary of significant problems facing the United States as a result of urbanization trends and developments;

(3) an evaluation of the progress and effectiveness of Federal efforts designed to meet such problems and to carry out the policy described in section 201 (c) and (d) and developed pursuant to this Act;

(4) a reassessment of the policies and structure of existing and proposed interstate planning and developments, including interstate agencies, affecting such policy;

(5) a review of State, local, and private policies, plans, and programs designed to carry out such policy;

(6) current and foreseeable needs in the areas served by such policies, plans, and programs, and the steps being taken to meet such needs; and

(7) recommendations for programs and policies for carrying out such policy, including such legislation as may be deemed necessary and desirable.

(b) The President may transmit from time to time to the Congress supplementary reports on urban growth which shall include such supplementary and revised recommendations as may be appropriate.

(c) The Annual Report on Urban Growth and all supplementary reports shall, when transmitted to the Congress, be referred to the Committee on Government Operations of each House, the Committees on Banking and Currency of each House, the Joint Urbanization Committee, the Joint Economic Committee, and such other standing committees as the presiding officer of each House may designate.

AUTHORIZATION

SEC. 204. Not to exceed $500,000 per fiscal year for the fiscal year ending June 30, 1970, and for each fiscal year thereafter is hereby authorized to be appropriated to the Executive Office of the President for expenses necessary to carry out the purposes of sections 202 and 203.

JOINT URBANIZATION COMMITTEE

SEC. 205. (a) (1) There is established a joint congressional committee which shall be known as the Joint Urbanization Committee. The joint committee shall be composed of eight Members of the Senate appointed by the President of the Senate, three of whom shall be members of the minority party, and eight Members of the House of Representatives, three of whom shall be members of the minority party.

(2) The joint committee shall select a chairman and vice chairman from among its members.

(b) It shall be the function of the joint committee—

(1) to make a continuing study of the information and recommendations contained in the Annual Report on Urban Growth and supplementary reports on urban growth; and

(2) to study means of coordinating programs in order to further the national urbanization policy.

(c) The joint committee shall file a report with the Senate and House of Representatives of the Congress not later than April 20 of each year. The report shall contain the joint committee's findings and comments with respect to the recommendations made by the President in the Annual Report on Urban Growth. The joint committee may from time to time make such other reports and recommendations to the Senate and House of Representatives as it deems advisable.

(d) In carrying out its duties under this section, the joint committee or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act within or outside the United States at such times and places; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; to procure such printing and binding; and to make such expenditures as it deems advisable. The joint committee may make such rules respecting its organization and procedure as it deems necessary.

(e) Subpenas may be issued over the signature of the chairman of the committee or by any member designated by him or the committee, and may be served by such person as may be designated by such chairman or member. The chairman of the joint committee or any member thereof may administer oaths to witnesses. The provisions of sections 102–104 of the Revised Statutes (2 U.S.C. 192–194), shall apply in the case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this section.

(f) The joint committee is authorized to appoint and fix the compensation of such experts, consultants, and staff employees as it deems necessary and advisable.

(g) With the consent of any standing, select, or special committee of the Senate or House, or any subcommittee, the joint committee may utilize the services of any staff member of such House or Senate committee or subcommittee whenever the chairman of the joint committee determines that such services are necessary and appropriate.

(h) (1) The expenses of the joint committee shall be paid from the contingent fund of the Senate from funds appropriated for the joint committee, upon vouchers signed by the chairman of the joint committee or by any member of the joint committee duly authorized by the chairman.

(2) Members of the joint committee, and its employees, experts, and consultants, while traveling on official business for the joint committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses provided an itemized statement of such expenses is attached to the voucher.

## TITLE III—GRANTS FOR COMPREHENSIVE PLANNING AND COORDINATION

SHORT TITLE

SEC. 301. This title may be cited as the "Comprehensive Planning and Coordination Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 302. (a) The Congress finds and declares that—

(1) an effective national urbanization policy is directly dependent upon the cooperative action of the Federal, State, and local levels of government in developing a system of comprehensive planning and coordination in order to achieve a more balanced use of the physical, economic, and human resources of the Nation;

(2) development planning has tended to be too narrow, fragmented, and inadequately coordinated; that to be fully effective, such planning must be comprehensive, embracing the full spectrum of human, economic, and physical resource development and encompassing urban and rural growth and development; and that there is a vital need for the development of comprehensive planning and coordination agencies, processes, and systems that will provide the framework within which functional, project, and agency program planning can be related for fully coordinated development;

(3) urban growth and rural development needs may be coordinated most efficiently and economically at the State and local government level, based on the capability of State and local governments to develop comprehensive, policy-based planning processes which can serve as a guide for functional, project, and agency program planning and can provide a systematic basis for effective coordination of Federal, State, and local development programs; and that such planning and coordination, in order to be effective, requires a governmental organization and structure and accompanying powers and authority capable of implementing planning through effective decisions and for accomplishing coordination through meaningful management; and

(4) improved coordination of programs of Federal assistance administered by various departments and agencies can best be achieved at the Federal level through the Executive Office of the President which can provide an effective focal point for the formulation of consistent planning, policies, standards, and proceedures among such programs pursuant to section 202 of this Act and section 401 of the Intergovernmental Cooperation Act of 1968 (80 Stat. 1098; Public Law 90–577).

(b) It is the purpose of this title—

(1) to provide assistance for the development of comprehensive planning and coordination capabilities at the interstate, State, regional and local government levels;

(2) to encourage cooperation among local governments in solving mutual and areawide development problems by assisting them in developing or strengthening the comprehensive planning and coordination process;

(3) to foster intergovernmental cooperation in developing coordinated and concerted attacks on problems of national urban and rural development; and

(4) to establish a method for the exchange of development information among localities, the States, and the Federal Government, in order to assist development and implementation of the national urbanization policy described in section 201 (c) and (d), and to aid the States and their political subdivisions in the determination of their needs.

PLANNING AND COORDINATION GRANTS

SEC. 303. In order to carry out the purposes of section 302(b), the Secretary is authorized to make comprehensive planning grants in accordance with the provisions of this title—

(1) to collect systematically information concerning any public works, public capital improvements and capital acquisitions, and economic and human resources development programs, projects, and associated activities;

(2) to collect and analyze information related to—

(A) population characteristics, migrations, and densities;

(B) economic trends, location patterns, and projections;

(C) directions and extent of urban and rural growth and change;

(D) employment and unemployment trends and projections;

(E) social, educational, health, recreational, and cultural development trends and needs;

(F) governmental organization and financial resources available within the State and the political subdivisions thereof; and

(G) other information necessary to conduct comprehensive planning;

(3) to develop, use, and encourage common information and data bases for State, regional, and local comprehensive and functional planning;

(4) to establish arrangements for the exchange of planning information among State agencies, and among the various governments within each State and their agencies, including planning and development agencies and city comprehensive planning agencies; between such governments and agencies of neighboring States as appropriate; and with interstate compact agencies and regional commissions established pursuant to Federal law;

(5) to prepare and maintain a coordinated planning system and process including the formulation of long-range, comprehensive plans consistent with the national urbanization policy described in section 201 (c) and (d) and developed pursuant to this Act;

(6) to undertake studies, surveys, and other activities to facilitate the coordination of administration of similar and related programs;

(7) to provide technical assistance and training, and advice and consultation on comprehensive planning and coordination matters on an interagency, interprogram, and intergovernmental basis;

(8) to establish arrangements for the exchange of information with the Federal Government for use by the President in discharging his responsibilities under section 401 of the Intergovernmental Cooperation Act of 1968 and section 103 and title II of this Act; and

(9) to conduct such other related planning and coordination functions as may be approved by the Secretary.

ELIGIBLE AGENCIES

SEC. 304. The Secretary, pursuant to rules and regulations as provided in section 103, may make grants to—

(1) a State comprehensive planning agency to carry out the functions of section 303;

(2) a State agency, designated by the Governor, which has entered into an agreement with the Secretary in accordance with section 305(e) to provide assistance to planning and development district agencies, completely or partially within the State, and units of general local government, for carrying out the functions of section 303;

(3) a planning and development district agency, completely or partially within the State, in those States which have not entered into an agreement with the Secretary in accordance with section 305(e):

(A) for carrying out the functions of section 303; and

(B) to provide assistance to units of general local government, for carrying out the functions of section 303, when such district agency has entered into an agreement with the Secretary in accordance with section 305(f);

(4) the following local agencies, for carrying out the functions of section 303, in those States in which neither a State agency nor a planning and development district agency within which such local agencies have jurisdiction have entered into agreements with the Secretary in accordance with section 305 (e) or (f), respectively:

(A) a city or county comprehensive planning agency; and

(B) a government planning agency—

(i) for an area in which rapid urbanization has occurred or is expected to occur as the result of the establishment or rapid substantial expansion of a Federal installation; or

(ii) for an area in which rapid urbanization is expected to occur as the result of land developed, or to be developed, as a new community and approved under section 1004 of the National Housing Act or title IV of the Housing and Urban Development Act of 1968; or

(iii) for an area in which there has been a substantial reduction in employment opportunities as the result of the partial or complete closing of a Federal installation, or a decline in the volume of orders of the Federal Government for articles or materials produced or manufactured within such area;

(5) organizations of public officials eligible to receive grants pursuant to section 701(g) of the Housing Act of 1954, for carrying out the functions of section 303, when such organizations conduct comprehensive planning in parts of two or more States;

(6) the Appalachian Regional Development Commission to carry out the functions of section 303 for the area over which the Commission has jurisdiction;

(7) a regional commission established under the Public Works and Economic Development Act of 1965 to carry out the functions of section 303 for the area over which the commission has jurisdiction;

(8) a tribal planning council or other tribal body for comprehensive planning for an Indian reservation, as designated by the Secretary of the Interior; and

(9) political subdivisions which have suffered substantial damages as a result of a catastrophe which the President, pursuant to section 2(a) of the Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters and for other purposes," approved September 30, 1950, as amended (42 U.S.C. 1855(a)), has determined to be a major disaster.

PROPOSALS FOR GRANTS

SEC. 305. (a) An agency desiring to receive a grant shall submit to the Secretary a proposal in such form, at such times, and in accordance with such procedures as the Secretary may specify, indicating the comprehensive planning and, where relevant, the program of planning assistance that it will undertake, the period during which such activities will be conducted, and their estimated costs, and designating those functions enumerated under section 303 which qualify for Federal assistance pursuant to this title.

(b) From the sum allocated pursuant to section 310, the Secretary is authorized to make a grant to the agency whose proposal is approved of an amount not to exceed two-thirds of the estimated cost of the planning and, where relevant, the program of planning assistance, except that a grant may be made in an amount not to exceed three-fourths of such estimated cost to an agency referred to in section 304(4)(B)(iii).

(c) A grant to comprehensive planning shall be made to a planning and development district agency pursuant to this title only if the comprehensive planning of such agency is not inconsistent with the comprehensive planning of any interstate or State agency assisted by funds granted under this title.

(d) A grant shall be made to a unit of general local government only if its comprehensive planning is not inconsistent with or duplicative of the comprehensive planning of any interstate, State, or district agency assisted by funds granted under this title.

(e) In order to be eligible for a plant for a program of planning assistance, a State agency referred to in section 304(2) shall enter into an agreement with the Secretary to provide comprehensive planning assistance for eligible agencies specified in section 304(2). The agreement shall provide for the following:

(1) a designation by the Governor that the State agency shall have primary authority and responsibility for the development and administration of the local comprehensive planning assistance program;

(2) the relationship that will be maintained between and among local, areawide, and State comprehensive planning agencies, and the techniques that will be used to foster coordination and planning;

(3) specific policies, procedures, and priorities to assure that assistance will be made available to meet the needs of large cities and urban concentrations as well as smaller cities, rapidly urbanizing areas, outlying communities, rural regions, and federally impacted and depressed areas;

(4) the methods that will be used to relate comprehensive planning to functional planning within and among individual jurisdictions;

(5) a reasonable distribution of cost-sharing for the non-Federal portion of the planning conducted by the State, and eligible agencies specified in section 304(a), including staff assistance and cash payments;

(6) provisions for an adequate professional and trained staff for the designated State agency to assure a capability for offering technical training, educational assistance and consultants to eligible agencies specified in section 304(2);

(7) provisions for assistance to comprehensive planning agencies within the State to initiate surveys and to develop new program designs for acquiring basic data, information, survey results, and analysis; for establishing comprehensive planning and formulating implementing measures; for maintaining and updating plans and policies through comprehesive planning; and for meeting unusual or nonrecurring needs in existing programs;

(8) provisions that Federal funds made available for the purposes of this title shall increase, and not supplant, State or local funds available for such purposes; and

(9) provisions to establish such fiscal control and fund accounting procedures and administrative reports as may be necessary to assure proper disbursement of and accounting for funds received under this section.

(f) To be eligible for a grant for a program of planning assistance, a planning and development district agency referred to in section 304(3) shall enter into an agreement with the Secretary to provide comprehensive planning assistance for eligible agencies specified in section 304(3). The agreement shall include, to the maximum extent practicable, the same provisions as required by subsection (e) for an agreement with a State agency (except such provisions contained in clauses (1) and (5) of such subsection). The agreement with the district agency shall provide for a reasonable distribution of cost sharing for the non-Federal portion of assisted programs between the district and assisted eligible agencies specified in section 304(3).

(g) Planning assisted under this title shall, to the maximum extent feasible, cover entire areas having common or related development programs. The Secretary shall encourage cooperation in preparing and carrying out plans among all interested regions, States, political subdivisions, public agencies, and other parties in order to achieve coordinated development of entire areas. To the maximum extent feasible, pertinent plans, studies, information, and data already available for areas shall be utilized in order to avoid unnecessary repetition of effort and expense.

(h) Any grant made pursuant to this title shall be in addition to, and may be used jointly with, grants or other funds available for planning surveys, studies, and investigations under other federally assisted programs.

POWERS OF SECRETARY

SEC. 306. (a) In accordance with general rules and regulations promulgated by the

President pursuant to section 103 of this Act, the Secretary shall promulgate rules and regulations to administer the provisions of this title, including the terms and conditions under which grants authorized by this title may be made.

(b) In order to carry out the provisions of this title, the Secretary—

(1) is authorized to make advance progress, or other payments pursuant to any grant made under this title without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(2) is authorized to provide technical assistance to any State, local government, Indian tribal body, or any other eligible agency specified in section 304 undertaking comprehensive planning;

(3) is authorized, by contract or otherwise, to make studies and publish information on problems related to comprehensive planning;

(4) shall consult with other officials of the Federal Government responsible for the administration of Federal assistance programs to States, planning and development districts, political subdivisions, or other eligible agencies specified in section 304, in order to determine how such programs are affected by the provisions of this title;

(5) shall consult with the Secretary of Agriculture prior to approving any grant to be made pursuant to this Act to a planning and development district agency which does not include any portion of a metropolitan area; and

(6) shall consult with the Secretary of Commerce prior to approving any planning grant to a planning and development district which serves as an economic development district or includes any part of such a district as defined and designated under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121).

(c) The Secretary of Agriculture and the Secretary of Commerce, as appropriate, may provide technical assistance with or without reimbursement, in connection with the functions of such planning and development districts as may be assisted under this title.

INTERPROGRAM COORDINATION AND COMPREHENSIVE PLANNING SERVICE AGREEMENTS

SEC. 307. (a) In order to achieve a high level of interprogram coordination and to eliminate duplication of effort in the development of basic planning data and information, any State, regional or local governmental agency administering or receiving funds under any Federal assistance program may, notwithstanding any other provision of law, enter into agreements with comprehensive planning agencies for the provision of services thereby. Such agreements may provide for payments to a comprehensive planning agency (1) in support of comprehensive planning and coordination activities; (2) for planning review and advice, technical assistance, and consultation; (3) for the provision of basic and supporting planning and development information; and (4) for other similar services facilitating the efficient administration of such Federal assistance program.

(b) The head of any Federal department or agency administering a Federal assistance program under which an agreement is made as provided in subsection (a), may approve the expenditure of functioning planning funds granted under the program for payments to a comprehensive planning agency for services under the agreement under such conditions as he may deem necessary and desirable.

INTERSTATE COMPACTS

SEC. 308. The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in the comprehensive planning and development of interstate, metropolitan, or other development districts and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts.

APPROPRIATIONS AUTHORIZED

SEC. 309. For the purpose of making grants under this title, there are authorized to be appropriated not to exceed $75,000,000 for the fiscal year ending June 30, 1971; not to etxceed $100,000,000 for each of the fiscal years ending June 30, 1972, and June 30, 1973; and for each of the two succeeding fiscal years, such sums as may be necessary to carry out the purposes of this title. Any amount appropriated hereunder shall remain available until expended.

ALLOCATIONS TO STATES

SEC. 310. (a) Fifteen per centum of the amount appropriated pursuant to section 309 for each fiscal year shall be allocated by the Secretary among the States for State comprehensive planning. From such 15 per centum, each State shall be allocated $50,000 for each such year. From the remainder of such 15 per centum, each State shall receive an amount which bears the same ratio to such remainder as the population of each State bears to the population of all States.

(b) Sixty per centum of the amount appropriated pursuant to section 309 for each fiscal year shall be allocated by the Secretary among the States for comprehensive planning assistance to eligible agencies specified in subsections 304 (2) and (3). From such 60 per centum, each State shall be allocated $30,000 for each such year. From the remainder of the 60 per centum, each State shall receive an amount which bears the same ratio to the total remainder as the population of each State bears to the population of all States. If a State does not enter into an agreement pursuant to section 305 (e), each planning and development district agency within the State, which enters into an agreement pursuant to section 305(f), shall be allocated an amount which bears the same ratio to the total amount the State would be eligible for, if it had entered into an agreement, as the population of the planning and development district bears to the total population of the State.

(c) The remaining 25 per centum of the amount appropriated pursuant to section 309 for each fiscal year shall be expended, as the Secretary deems appropriate, as follows:

(i) for additional grants to eligible agencies referred to in section 304 to carry out the functions of section 303;

(ii) for research, technical assistance, publications, and demonstration projects conducted by the Secretary to advance the purposes of this title (which total expenditures shall not exceed 5 per centum of the amount appropriated for each fiscal year); and

(iii) for sums incurred by the Secretary in administering the provisions of this title.

(d) Any amount allocated to a State under subsection (a) or (b) and not used within such State may be reallocated by the Secretary and may be used for grants to any agencies referred to in section 304 except a State comprehensive planning agency.

(e) The population of a State, of all the States, and of any planning and development district shall be determined by the Secretary on the basis of the most recent satisfactory data available from the Bureau of the Census.

AMENDMENTS

SEC. 311. (a) Section 701 of the Housing Act of 1954 (40 U.S.C. 461) is amended as follows:

(1) Subsections (a)–(f) and (i)(4)–(6) are repealed.

(2) The first sentence of subsection (g) is amended to read as follows:

"(g) The Secretary is authorized to make grants to organizations composed of public officials representative of the political jurisdictions within the metropolitan area, region, or district for the purpose of assisting such organizations to undertake such activities, including implementation of metropolitan, regional, and district plans, as he finds necessary or desirable for the solution of the metropolitan, regional, or district problems in such areas, regions, or district."

(3) Subsection (h) is amended—

(A) by striking out the phrase "(h) In addition to the other grants authorized by this section, the Secretary" and inserting in lieu thereof "(h) The Secretary" and

(B) by striking out the last sentence and inserting in lieu thereof: "A grant under this subsection shall not exceed two-thirds of the cost of the survey for which it is made, and shall be made to the appropriate State, metropolitan, or regional planning agency, tribal planning council, regional commission established by the Appalachian Regional Development Act of 1965 or under the Public Works and Economic Development Act of 1965 for comprehensive planning for the regions established under such Acts, or local development districts certified under section 301 of the Appalachian Regional Development Act of 1965 for comprehensive planning or, if there is no such agency or entity which is qualified and willing to receive the grant and provide for its utilization in accordance with this subsection, directly to the city, other municipality, or county involved."

(4) Such section is further amended by adding at the end thereof the following new subsection:

"(j) There are authorized to be appropriated for the purposes of this section not to exceed $1,000,000 for the fiscal year ending June 30, 1971, and not to exceed $1,000,000 for the fiscal year ending June 30, 1972. Any amount appropriated under this section shall be subject to terms and conditions prescribed by the Secretary. No portion of any grant made under this section shall be used for the preparation of plans for specific public works. The Secretary is authorized to make advance, or progress, or other payments pursuant to any grant made under this section, without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529)."

(5) The caption for such section is amended to read as follows: "ASSISTANCE FOR ORGANIZATIONS COMPOSED OF PUBLIC OFFICIALS AND FOR HISTORIC SURVEYS".

(b) Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 334) is amended by adding at the end thereof the following new sentence: "Such rules and regulations may identify the type of projects which may be exempted from coverage because of their relative lack of significance for State or areawide planning and development."

## TITLE IV—UNIFORM PLANNING REQUIREMENTS FOR GRANT-IN-AID PROGRAMS

FINDINGS AND DECLARATION OF POLICY

SEC. 401. (a) (1) The Congress finds that the rapid increase in the number of Federal grant-in-aid programs has been accompanied by a comparable increase in planning requirements for such programs. These planning requirements lack uniformity, frequently fail to define clearly comprehensive or functional planning, or to identify the jurisdiction responsible for planning, and may result in a variety of overlapping and inconsistent activities related to the gathering and analysis of data.

(2) The Congress further finds that while sound, coordinated, and consistent comprehensive and functional planning is essential to the accomplishment of national objectives through grant-in-aid programs, the present overlapping and inconsistent requirements limit the accomplishment of this objective.

(3) The Congress further finds that Federal grants for comprehensive and functional planning should provide assistance for and encourage planning necessary to meet consistent and coordinated planning requirements in other Federal grant programs.

(b) It is the purpose of this title to eliminate inconsistent and overlapping grant requirements by standardizing the definitions of comprehensive planning and functional planning and to apply these definitions properly by providing a method of identifying planning jurisdictions and by establishing the basis for the development and use of common data and information bases.

USE OF COMMON PLANNING INFORMATION

SEC. 402. Federal agencies administering grant programs which require comprehensive or functional planning, or require conformity to existing planning as a condition in making the grants, shall require that such planning proceed from social, economic, demographic, and other base data, statistics, and projections that are common to or consistent with those being employed for planning related activities within the area. Such agencies shall assure that their data requirements for comprehensive and functional planning are common or consistent and shall assist in developing and expanding standard planning information bases.

COMPREHENSIVE AND FUNCTIONAL PLANNING REQUIREMENTS

SEC. 403. (a) Title II of the Demonstration Cities and Metropolitan Development Act of 1966 is amended as follows:

(1) Section 204(a)(1) (42 U.SC. 3334(a)(1)) is amended to read as follows:

"(1) to any State comprehensive planning agency or planning and development district agency, which is designated to perform metropolitan or regional planning for the area within which the assistance is to be used, and".

(2) Section 204(b)(1)(A) (42 U.S.C 3334(b)(1)(A)) is amended by striking out "areawide agency" and inserting in lieu thereof "State comprehensive planning agency or the planning and development district agency".

(3) Section 204(b)(2) (42 U.S.C. 3334(b)(2)) is amended by striking out "an appropriate areawide agency or instrumentality" and inserting in lieu thereof "the appropriate State comprehensive planning agency or planning and development district agency.".

(4) Section 208 (42 U.S.C. 3338) is amended—

(A) by striking out paragraphs (5) and (7); and

(B) by adding at the end thereof the following new paragraph:

"(11) The terms 'State comprehensive planning agency', 'planning and development district agency', 'areawide comprehensive planning', and 'comprehensive planning' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act".

(b) The Public Works and Economic Development Act of 1965 is amended as follows:

(1) The second sentence of section 301(a) (42 U.S.C. 3151(a)) is amended by inserting before the period at the end thereof a comma and the following: "except that on or after July 1, 1973, such assistance for comprehensive planning shall be made available only to a State comprehensive planning agency, a planning and development district agency, or a unit of general local government".

(2) Section 403(a)(1) (42 U.S.C. 3171(a)(1)) is amended—

(A) by striking out "and" at the end of clause (C);

(B) by striking out clause (D) and inserting in lieu thereof the following:

"(D) the proposed district has an overall district economic development program which is part of areawide comprehensive planning, includes adequate land use and transportation planning, and contains a specific program for district cooperation, self-help, and public investment and is approved by the State or States affected and by the Secretary; and"; and

(C) by adding at the end thereof the following new clause:

"(E) on or after July 1, 1973, the proposed district is a planning and development district;".

(3) Section 403(d) (42 U.S.C. 3171(d)) is amended by inserting before the period at the end thereof the following: "and which, on or after July 1, 1973, is a planning and development district".

(4) Section 706 (42 U.S.C. 3216) is amended by inserting before the period at the end thereof a comma and the following: "and the terms 'comprehensive planning', 'functional planning', 'areawide comprehensive planning', 'planning and development district agency', and 'unit of general local government' have the same meanings as given them in section 102 of the Balanced Urbanization and Planning Act.".

(c) The Housing Act of 1961 is amended as follows:

(1) Section 706(2) (42 U.S.C. 1500c–2) is amended to read as follows: "(2) is important to the development of the locality as provided for in comprehensive planning for the political subdivision within which the land is located.".

(2) The first sentence of section 709 (42 U.S.C. 1500d–1) is amended by striking out "the comprehensively planned development of the locality" and inserting in lieu thereof "comprehensive planning for the political subdivision within which the area, site, or structure is located".

(3) Section 710 (42 U.S.C. 1500e) is amended by adding at the end thereof the following new paragraph:

"(5) The terms 'comprehensive planning' and 'political subdivision' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(d) The National Housing Act is amended as follows:

(1) Section 1001 (12 U.S.C. 1749aa) is amended—

(A) by striking out "and" at the end of subsection (d);

(B) by striking out the period at the end of subsection (e) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new subsection:

"(f) the terms 'comprehensive planning', 'planning and development district agency', and 'unit of general local government' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(2) Section 1003(b)(3) (12 U.S.C. 1749cc(b)(3)) is amended to read as follows:

"(3) is consistent with comprehensive planning by the State, a planning and development district agency, or a unit of general local government for the area within which the land is located."

(e) The New Communities Act of 1968 is amended as follows:

(1) Section 404(4) (42 U.S.C. 3903(4)) is amended to read as follows:

"(4) the internal development plan is consistent with State or areawide comprehensive planning for the area in which the land is situated.".

(2) Section 415 (42 U.S.C. 3914) is amended by adding at the end thereof the following new subsection:

"(d) The terms 'State comprehensive planning' and 'areawide comprehensive planning' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(f) The Housing Act of 1949 is amended as follows:

(1) In the parenthetical matter in the last sentence of section 102(d) (42 U.S.C. 1452(d)), strike out "the general plan of the locality as a whole" and insert in lieu thereof "comprehensive planning by the unit of general local government for the area covered by the General Neighborhood Renewal Plan".

(2) The second sentence of section 103(d) (42 U.S.C. 1453(d)) is amended to read as follows: "Such programs shall conform, in the determination of the governing body of the locality, to comprehensive planning by the unit of general local government for the area covered by the community renewal program."

(3) Section 110 (42 U.S.C. 1460) is amended—

(A) by amending subsection (b)(1) to read as follows: "(1) shall conform to comprehensive planning by the unit of general local government for the urban renewal area and to the workable program referred to in section 101 hereof, and shall be consistent with definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements, and"; and

(B) adding at the end thereof the following new subsection:

"(1) 'Comprehensive planning' and 'unit of general local government' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(g) The Housing and Urban Development of 1965 is amended as follows:

(1) Section 703(c)(2) (42 U.S.C. 3103(c)(2)) is amended to read as follows: "(2) consistent with comprehensive planning by the unit of general local government and with public health, recreation, and other functional planning for the development of the community within which the facilities will be located, and".

(2) The first sentence of section 704(c) (42 U.S.C. 3104(c)) is amended to read as follows:

"(c) No grant shall be made under this section unless the Secretary determines that the land will be utilized for a public purpose within a reasonable period of time and that such utilization will contribute to economy, efficiency, and the development of the area as provided for in areawide comprehensive planning or comprehensive planning by units of general local government, and public works and facilities, public health, transportation, recreation, or other relevant functional planning."

(3) Section 706 (42 U.S.C. 3106) is amended by adding at the end thereof the following new subsection:

"(d) The terms 'comprehensive planning', 'areawide comprehensive planning', 'functional planning', and 'unit of general local government' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(h) The Housing Act of 1954 is amended as follows:

(1) Section 702(b)(2) (40 U.S.C. 462(b)(2)) is amended to read as follows: "(2) it conforms to comprehensive planning by the State, a planning and development district agency, or a unit of general local government, and to functional planning for official State, areawide, and local water, sewer and other public works or facilities, public health facilities, recreational facilities, and".

(2) Section 703 (40 U.S.C. 460) is amended—

(A) by striking out "and" before clause (4);

(B) by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new clause: "(5) the terms 'com-

prehensive planning', 'planning and development district agency', 'unit of general local government', and 'functional planning' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

WATER, SEWER, AND OTHER PUBLIC WORKS AND FACILITIES—FUNCTIONAL AND COMPREHENSIVE PLANNING REQUIREMENT AMENDMENTS

SEC. 404. (a) Section 702(c)(2) of the Housing and Urban Development Act of 1965 (42 U.S.C. 3102(c)(2)) is amended to read as follows: "(2) consistent with official areawide water and sewer functional planning, meeting criteria established by the Secretary, for a unified or officially coordinated areawide water and sewer facilities system as part of areawide comprehensive planning for the development of the area, except that prior to October 1, 1969, grants for projects may, in the discretion of the Secretary, be made under this section when such planning for an areawide water and sewer facilities system is under active preparation, although not yet completed, if the facility or facilities for which assistance is sought can reasonably be expected to be included as essential to such planning, and there is urgent need for the facility or facilities;".

(b) The Housing Amendments of 1955 are amended as follows:

(1) Section 202(b) (42 U.S.C. 1492(b)) is amended by adding at the end thereof the following new paragraph:

"(5) No financial assistance shall be extended under clause (1) of subsection (a) of this section unless the project is consistent with functional planning for official areawide water and sewer and other public works and facilities."

(2) Section 206 (42 U.S.C. 1496) is amended by inserting before the period at the end thereof a comma and the following: "and the term 'functional planning' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(c) Section 306 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1926) is amended as follows:

(1) Subsection (a)(1) is amended by adding at the end thereof the following sentence: "No loans shall be made or insured under this paragraph unless the Secretary determines that the project is consistent with functional planning for official areawide and local open space, recreation, and water and sewer and other public works and facilities."

(2) Strike out all the matter of paragraph (3) of subsection (a) following "(iii)" and insert in lieu thereof the following: "is necessary for orderly community development consistent with official areawide water and sewer functional planning and not inconsistent with any planned development under areawide comprehensive planning or comprehensive planning undertaken by the unit of general local government within which the project is located and the Secretary shall establish regulations requiring the submission of all applications for financial assistance under this Act to the city or county government in which the proposed project is to be located for review and comment by such agency within a designated period of time.".

(3) Subsection (a)(4) is amended by adding at the end thereof the following new subparagraph:

"(C) The terms 'comprehensive planning', 'areawide comprehensive planning', 'functional planning', and 'unit of general local government' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(4) Subsection (a)(6) is amended to read as follows:

"(6) The Secretary may make grants aggregating not to exceed $15,000,000 in any fiscal year to public bodies or such agencies as the Secretary may determine having authority to conduct official areawide water and sewer functional planning for the development of water and sewer systems in rural areas which do not have funds available for immediate undertaking of such planning."

(5) Subsection (c) is amended by inserting immediately after the word "section" the following: "but complying with the planning requirements of subsection (a)(1) and (3)".

(d) The Public Works and Economic Development Act of 1965 is amended as follows:

(1) Subsection 101(a)(1)(C) (42 U.S.C. 3131(a)(1)(C)) is amended to read as follows:

"(C) the area for which a project is to be undertaken has an approved overall economic development program, as provided in section 202(b)(10) and such project is consistent with such program and with functional planning for official areawide and local water and sewer and other public works and facilities;".

(2) Section 201(a)(5) (42 U.S.C. 3141(a)(5)) is amended to read as follows:

"(5) such area has an approved overall development program as provided in section 202(b)(10) and the project for which financial assistance is sought is consistent with such program and with functional planning for official areawide and local water and sewer and other public works and facilities."

(3) Section 202(b)(10) (42 U.S.C. 3142(b)(10)) is amended to read as follows:

"(10) No such assistance shall be extended unless there shall be submitted to and approved by the Secretary an overall economic development program for the area which is part of an areawide comprehensive planning and a finding by the State, or any agency, instrumentality, or local political subdivision thereof, that the project for which financial assistance is sought is consistent with such program and, where applicable, with functional planning for official areawide and local open space, recreation, and water and sewer and other public works and facilities. On and after July 1, 1973, such finding shall be made only by the State comprehensive planning agency, a planning and development district agency, or a unit of general local government for the area within which the project is to be located. Nothing in this Act shall authorize financial assistance for any project prohibited by the laws of the State or political subdivision in which the project would be located, nor prevent the Secretary from requiring such periodic revisions of previously approved overall economic development programs as he may deem appropriate."

(e) The Federal Water Pollution Control Act is amended as follows:

(1) Section 8(b)(5) (33 U.S.C. 466e(b)(5)) is amended to read as follows: "(5) no grant shall be made for any project under this section unless such project is in conformity with the State water pollution control functional plan submitted pursuant to the provisions of section 7 and with official areawide water and sewer functional planning and has been certified by the appropriate State water pollution control agency as entitled to priority over other eligible projects on the basis of financial as well as water pollution control needs;".

(2) Section 8(f) (33 U.S.C. 466e(f)) is amended to read as follows:

"(f) Notwithstanding any other provisions of this section, the Secretary may increase the amount of a grant made under subsection (b) of this section by an additional 10 per centum of the amount of such grant for any project which has been certified to him by an official State planning agency or a planning and development district agency empowered under State or local laws or interstate compact to perform metropolitan comprehensive planning, as being in conformity with metropolitan comprehensive planning for a metropolitan area within which the assistance is to be used. The provisions of this subsection may be extended to any urban area, including those surrounding areas that form an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth, location of transportation facilities and systems, and distribution of industrial, commercial, residential, governmental, institutional, and other activities, which in the opinion of the President lends itself as being appropriate for the purposes hereof for any projects certified by an official State planning agency or planning and development district agency as being in conformity with State or areawide comprehensive planning."

(3) Section 10(j) (33 U.S.C. 466g(j)) is amended—

(A) by striking out "the term" in the matter preceding paragraph (1); and

(B) by striking out "and" at the end of paragraph (1);

(C) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a comma and the word "and"; and

(D) by inserting at the end thereof the following: "(3) 'functional planning', 'functional plan', 'metropolitan comprehensive planning', 'State planning agency', and 'planning and development district agency' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

PUBLIC HEALTH SERVICES AND FACILITIES FUNCTIONAL PLANNING REQUIREMENT AMENDMENTS

SEC. 405. (a) The Public Health Service Act is amended as follows:

(1) Section 314(a)(1) (42 U.S.C. 246(a)(1)) is amended by striking out "comprehensive" wherever it appears and inserting in lieu thereof "coordinated".

(2) Section 314(a)(2) (42 U.S.C. 246(a)(2)) is amended by striking out all the matter preceding subparagraph (A) and inserting in lieu thereof the following:

"(2) In order to be approved for purposes of this subsection, a State functional plan for State public health services and facilities must—".

(3) The first sentence of section 314(b) (42 U.S.C. 246(b)) is amended by striking out "comprehensive regional, metropolitan area, or other local area plans for coordination of existing and planned health services" and inserting in lieu thereof the following: "functional planning to coordinate existing and planned regional, metropolitan area, or other local area public health services and facilities".

(4) The second sentence of section 314(d)(1) (42 U.S.C. 246(d)(1)) is amended by striking out "State plans for provision of public health services" and inserting in lieu thereof "functional plans for State public health services and facilities".

(5) All the matter preceding subparagraph (A) of 314(d)(2) (42 U.S.C. 246(d)(2)) is amended to read as follows:

"(2) In order to be approved under this subsection, a State public health services and facilities functional plan must—".

(6) Section 314(d)(2)(D) (42 U.S.C. 246(d)(2)(D)) is amended by inserting before the semicolon at the end thereof the following: "and not inconsistent with official functional planning for regional, metropolitan area, or other local area public health services and facilities".

(7 The second sentence of section 314(e) (42 U.S.C. 246(e)) is amended by inserting before the period at the end thereof the following: "and are in accordance with functional planning for regional, metropolitan areawide, and other local area public health services and facilities".

(8) Section 314(g)(4) (42 U.S.C. 246(g)(4)) is amended—

(A) by striking out "and" at the end of subparagraph (A);

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof a semicolon and the word "and"; and and

(C) by adding at the end thereof the following new subparagraph:

"(C) The terms 'functional planning' and 'functional plan' have the same meanings as given them in s ection 102 of the Balanced Urbanization Policy and Planning Act".

(9) The first sentence of section 604(a) (42 U.S.C. 291d(a)) is amended to read as follows: "Any State desiring to participate in this part may submit a State public health services and facilities functional plan."

(10) Section 391 (42 U.S.C. 280b–1) is amended—

(A) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and the word "and"; and

(B) by adding at the end thereof the following new paragraph:

"(5) the terms 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(11) Section 393(b) (42 U.S.C. 280b–3(b)) is amended—

(A) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon and the word "and"; and

(B) by inserting at the end thereof the following new paragraph:

"(4) the facility will be in conformity with the State public health services and facilities functional plan and with functional planning for regional, metropolitan area, and other local area public health services and facilities."

(12) Section 604(a)(4) (42 U.S.C. 291d (a)(4)) is amended by striking out "community, area, or regional plans" and inserting in lieu thereof "functional planning for regional, metropolitan area, or other local area public health services and facilities".

(13) Section 605(b)(3) (42 U.S.C. 291e (b)(3)) is amended to read as follows: "(3) that the application is in conformity with the State plan approved under section 604 and with functional planning for regional, metropolitan, or other local area public health services and facilities and contains an assurance that in the operation of the project there will be compliance with the applicable requirements of the regulations prescribed under section 603(e), and with State standards for operation and maintenance;".

(14) Section 625 (42 U.S.C. 291o) is amended by adding at the end thereof the following new subsection:

"(m) The terms 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(15) Section 702 (42 U.S.C. 292a) is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new paragraph:

"(5) the terms 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(16) Section 705(c) (42 U.S.C. 292(c)) is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new paragraph:

"(5) the facility for which assistance is sought is in conformity with the State public health services and facilities functional plan and with functional planning for regional, metropolitan area, and other local area public health and facilities.

(17) Section 721(c) (42 U.S.C. 293a(c)) is amended—

(A) by striking out "and" at the end of paragraph (5);

(B) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new paragraph:

"(7) the facility for which assistance is sought is in conformity with the State public health services and facilities functional plan and with functional planning for regional, metropolitan area, or other local public health services and facilities."

(18) Section 724 (42 U.S.C. 293d) is amended—

(A) by striking out "and" at the end of paragraph (4);

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by inserting at the end thereof the following new paragraph:

"(6) the terms 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(19) Section 762(a) (42 U.S.C. 295a(a)) is amended—

(A) by striking out "and" at the end of paragraph (1);

(B) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by inserting at the end thereof the following new paragraph:

"(3) the facility for which assistance is sought is in conformity with the State public health services and faciliites functional plan and with functional planning for regional, metropolitan area, or other local public health services and facilities."

(20) Section 766 (42 U.S.C. 295e) is amended—

(A) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and the word "and"; and

(B) by adding at the end thereof the following new paragraph:

"(3) the terms 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(21) Section 791(b)(2) (42 U.S.C. 295h(b)-(2)) is amended—

(A) by striking out "and" at the end of clause (D);

(B) by striking out the period at the end of clause (E) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new clause:

"(F) the facility for which assistance is sought will be in conformity with the State public health services and facilities functional plan and with functional planning for regional, metropolitan area, and other local area public health services and facilities."

(22) Section 795 (42 U.S.C. 295h–4) is amended by adding at the end thereof the following new paragraph:

"(6) The terms 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balance Urbanization Policy and Planning Act."

(23) Section 807(c) (42 U.S.C. 296f(c)) is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new paragraph:

"(5) provides that the facility will be in conformity with the State public health services and facilities functional plan and with functional planning for regional, metropolitan area, and other local area public health services and facilities."

(24) Section 843 (42 U.S.C. 298b) is amended by adding at the end thereof the following new subsection:

"(j) The terms 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(b) The Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended as follows:

(1) Section 122 (42 U.S.C. 2662) is amended—

(A) by striking out "and" at the end of paragraph (4);

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new paragraph:

"(6) the facility will be in conformity with the State public health services and facilities functional plan and with functional planning for regional, metropolitan area, and other local area public health services and facilities."

(2) Section 134(a) (42 U.S.C. 2674(a)) is amended—

(A) by inserting in the first sentence between the words "State" and "plan" the following: "public health services and facilities functional"; and

(B) by striking out clause (A) of paragraph (4) and inserting in lieu thereof the following: "(A) which is based on a statewide inventory of existing facilities, a survey of need, and (except to the extent provided by or pursuant to regulations prescribed under section 133) is in conformity with functional planning for regional, metropolitan area, and other local area public health services and facilities;"

(3) clause (C) in the next to the last sentence of section 135(a) (42 U.S.C. 2675 (a)) is amended by inserting immediately after "section 134" the following: "and with functional planning for regional, metropolitan area, and other local area public health services and facilities.".

(4) Section 142(a)(4) (42 U.S.C. 2678a(a)(4)) is amended to read as follows:

"(4) in case of an applicant which has in existence (A) a State public health services and facilities functional plan, including services for the mentally retarded, or (B) a State functional plan relating to the provision of services for the mentally retarded, the services to be provided by the facility are consistent with the plan and with relevant functional planning for the region, metropolitan area, and other area."

(5) Section 204(a) (42 U.S.C. 2684(a)) is amended—

(A) by inserting in the first sentence between the words "State" and "plan" the following: "public health services and facilities functional"; and

(B) by striking out paragraph (4)(A) and inserting in lieu thereof the following: "(A) which is based on a statewide inventory of existing facilities, a survey of need, and (except to the extent provided by or pursuant to regulations prescribed under section 203) functional planning for regional, metropolitan area, and other local area public health services;".

(6) Clause (C) in the next to last sentence of section 205(a) (42 U.S.C. 2685(a)) is amended by inserting immediately after "section 204" the following: "and with functional planning for regional, metropolitan area, and other local area public health services and facilities".

(7) Section 221(a)(5) (42 U.S.C. 2688a(a)(5)) is amended to read as follows:

"(5) the services to be provided by the center are included in the State public health services and facilities functional plan, in-

cluding mental health services, or in a State mental health functional plan submitted to the Public Health Service by the State mental health authority in accordance with title III of the Public Health Service Act and are not inconsistent with relevant functional planning for regional, metropolitan area, and other local area public health services and facilities."

(8) Section 401 (42 U.S.C. 2691) is amended by adding the following new subsection:

"(1) The terms 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

COMPREHENSIVE AND TRANSPORTATION FUNCTIONAL PLANNING REQUIREMENT AMENDMENTS

SEC. 406. (a) Section 101(a) of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"The term 'functional planning' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(b) The last sentence of section 134 of title 23, United States Code, is amended by striking out "comprehensive transportation planning" and inserting in lieu thereof "coordinated transportation functional planning".

(c) Section 11(f) of the Federal-Aid Highway Act of 1965 (82 Stat. 820; Public Law 90-495) is amended by striking out "comprehensive transportation planning" and inserting in lieu thereof "coordinated transportation functional planning".

(d) The Urban Mass Transportation Act of 1964 is amended as follows:

(1) Section 3(c)(1) (49 U.S.C. 1602(c)(1)) is amended to read as follows: "(1) the Secretary finds that such assistance is essential to a program, proposed or under active preparation, which conforms or will conform to official areawide transportation functional planning for a unified or officially coordinated urban transportation system as a part of areawide comprehensive planning for the development of the urban area,".

(2) The first sentence of section (4a) 49 U.S.C. 1603(a)) is amended by striking out "for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area", and inserting in lieu thereof the following: "and which conforms to official areawide transportation functional planning for a unified or officially coordinated urban transportation system as a part of areawide comprehensive planning for the development of the urban area".

(3) Section 12(c) (49 U.S.C. 1608(c)) is amended—

(A) by striking out "and" at the end of paragraph (4);

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

(C) by adding at the end thereof the following new paragraph:

"(6) the terms 'comprehensive planning' and 'functional planning' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(e) Section 202(d)(1) (42 U.S.C. 1492(d)(1)) of the Housing Amendments of 1955 is amended to read as follows: "(1) that there is being actively developed (or has been developed) for the urban or other metropolitan area served by the applicant a program, meeting criteria established by him and conforming to official transportation functional planning for the area, for the development of a comprehensive and coordinated mass transportation system;".

(f) The Federal Airport Act is amended as follows:

(1) Section 2(a) (49 U.S.C. 1101(a)) is amended by adding at the end thereof the following new paragraph:

"(13) 'Functional planning' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(2) Section 9(a) (49 U.S.C. 1108(a)) is amended by adding at the end thereof the following new sentence: "No project may be inconsistent with State, areawide, or municipal transportation functional planning which is not in conflict with the national airport plan."

COMPREHENSIVE AND OPEN SPACE AND RECREATION FUNCTIONAL PLANNING REQUIREMENT AMENDMENTS

SEC. 407. (a) The Land and Water Conservation Fund Act of 1965 is amended as follows:

(1) Section 5(d) (16 U.S.C. 460 1-8(d)) is amended—

(A) by striking out the first sentence and inserting in lieu thereof the following: "A coordinated, statewide, open space and outdoor recreational funcional plan shall be required prior to the consideration by the Secretary of financial assistance for acquisition or development projects and such acquisition or projects shall not be inconsistent with regional and local official open space and outdoor recreation functional planning,"; and

(B) by striking out all the matter following clause (4) and inserting in lieu thereof the following:

"The plan shall take into account relevant Federal resources and programs and shall be correlated so far as practicable with other State, regional and local comprehensive planning and official open space and outdoor recreation functional planning. Where there exists or is in preparation for any particular State a comprehensive plan prepared through comprehensive planning, financed in part with funds supplied by the Department of Housing and Urban Development, any statewide open space and outdoor recreation functional plan prepared for purposes of this Act shall be based upon the same population, growth, and other pertinent factors as used in formulating the Department of Housing and Urban Development financed plans.

"The Secretary may provide financial assistance to any State for projects for the preparation of a coordinated, statewide, open space and outdoor recreation functional plan when such plan is not otherwise available or for the maintenance of such plan.

"As used in this Act, the terms 'comprehensive planning', 'functional planning' and 'functional plan' have the same meanings as given them in section 102 of the Balanced Urbanization Policy and Planning Act."

(2) The second sentence in the third full paragraph of section 5(f) (16 U.S.C. 460 1-8 (f)) is amended by striking out "comprehensive statewide outdoor recreation plan" and inserting in lieu thereof "coordinated, statewide, open space and outdoor recreation functional plan."

(b) Section 7103(a) of the Housing Act of 1961 (42 U.S.C. 1500b(a)) is amended to read as follows:

"(a) The Secretary shall enter into contracts to make grants under sections 702 and 705 of this title only if he finds that such assistance is needed for carrying out a unified or officially coordinated program, meeting criteria established by him, and conforming to official areawide, open space and outdoor recreation functional planning for the provision of open space land as part of areawide comprehensive planning for the development of the urban area.".

(c) The Act entitled "An Act to authorize acquisition or use of public lands by States, counties, or municipalities for recreational purposes", approved June 14, 1926, as amended, is amended as follows:

(1) The second sentence of section 1(a) (43 U.S.C. 869(a)) is amended to read as follows: "Before the land may be disposed of under this Act, it must be shown to the satisfaction of the Secretary that the land is to be used for an established or definitely proposed project and that the project is not inconsistent with the open space and outdoor recreation functional plan for the State."

(2) Section 1 is amended by adding at the end thereof the following new subsection:

"(d) The term 'functional plan' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(d) Section 31 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010) is amended by adding at the end thereof the following: "Any project undertaken under this authorization may not be inconsistent with State and areawide open space and outdoor recreation functional plans. The term 'functional plan' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(e) Section 7(a) of the Small Business Act (15 U.S.C. 636) is amended by adding at the end thereof the following new paragraph:

"(8) Any loan extended to a small business concern for recreational development may not be inconsistent with areawide and local open space and outdoor recreation functional planning. The term 'functional planning' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

WATER RESOURCES FUNCTIONAL PLANNING REQUIREMENT AMENDMENTS

SEC. 408. (a) The Watershed Protection and Flood Prevention Act is amended as follows:

(1) Section 2 (16 U.S.C. 1002) is amended by adding at the end thereof the following new paragraph:

" 'Functional Plan'—the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(2) Insert after section 4 the following new section:

"SEC. 4A. Any planning or installation of works of improvement undertaken may not be inconsistent with the State and areawide water resources functional plans, and where the planning or installation includes recreational development, may not be inconsistent with the State and areawide open space and outdoor recreation functional plans."

(b) Section 104 of the River and Harbor Act of 1958 (33 U.S.C. 610) is amended as follows:

(1) Immediately after the first sentence in subsection (a) insert the following new sentence: "No such control operation may be inconsistent with the State or areawide water resources functional plan."

(2) Add at the end thereof the following new subsection:

"(c) The term 'functional plan' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(c) The Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946, as amended, is amended as follows:

(1) The first section (33 U.S.C. 426e) is amended by adding at the end thereof the following new subsection:

"(f) No project may be inconsistent with State and areawide water resources functional plans, and for those projects which include recreational beaches, they may not be inconsistent with State and areawide open space and outdoor recreation plans."

(2) Before the period at the end of section 4 (33 USC 426h) insert a comma and the following: "and the term 'functional plan' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(d) The Small Reclamation Projects Act of 1956 is amended as follows:

(1) Section 2 (43 USC 422b) is amended by adding at the end thereof the following new subsection:

"(f) The term 'functional plan' has the same meaning as given it in section 102 of the Balanced Urbanization Policy and Planning Act."

(2) Section 8 (43 USC 422h) is amended by adding at the end thereof the following new sentence: "Projects shall be consistent with State and areawide water resources functional plans, and if they include recreational development, they shall be consistent with State and areawide open space and outdoor recreation functional plans."

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EXHIBIT 2

SECTION-BY-SECTION ANALYSIS OF THE DRAFT BALANCED URBANIZATION POLICY AND PLANNING ACT

TITLE I—GENERAL PROVISIONS

*Declaration of purpose*

Section 101 declares the purpose of the Act is to establish procedures for developing a national urbanization policy, to provide greater coordination in the administration of Federal urban and economic development grants, to provide assistance to States and localities for developing comprehensive coordination and planning agencies and activities, to consolidate comprehensive planning requirements for grant programs, and to systematize other planning requirements.

*Definitions*

Section 102 contains definitions of 12 terms, including "comprehensive planning," "functional planning," and "planning and development district."

*Presidential responsibility*

Section 103 makes the President responsible for providing policy guidance and review of the administration of the Act, and for promulgating implementing general rules and regulations, with particular regard to maintaining consistency among the comprehensive and functional planning requirements of this Act and similar requirements of Section 401 of the Intergovernmental Cooperation Act of 1968. The latter deals with "Coordinated Intergovernmental Policy and Administration of Development Assistance Programs."

TITLE II—DEVELOPMENT OF A NATIONAL URBANIZATION POLICY

*Findings and declaration of policy*

Section 201(a) finds that rapid urban population growth and urban development, together with a decline in farm population and migration to the cities, has created an imbalance between needs and resources which threatens the Nation's achievement of satisfactory living standards.

Section 201(b) further finds that Federal programs already have a significant effect on population distribution, economic growth, and urban development; that the purposes of separate programs often conflict; and that a concerted effort is needed to coordinate existing and future programs within a system of planned development and priorities in accordance with a national urbanization policy.

Section 201(c) declares that it is a continuing Federal responsibility, consistent with the responsibilities of State and local government and the private sector, to undertake the development of a national urbanization policy to serve as a guide for specific decisions at the national level which affect the pattern of urban growth and provide a framework for development of interstate, State, and local policy.

Section 201(d) further declares that the national urbanization policy should—

(1) favor patterns of urbanization and economic development which offer a range of alternative locations and encourage the wise and balanced use of physical and human resources;

(2) foster the economic strength of all parts of the nation;

(3) reverse migration and growth trends which increase disparities among States, regions, and cities;

(4) treat comprehensively poverty and employment problems associated with urbanization and rural decline;

(5) develop means to alleviate present trends which accentuate racial segregation;

(6) indicate how the Federal Government can help revitalize existing communities and encourage large-scale urban and new community development;

(7) assist general governmental institutions in achieving balanced urban growth; and

(8) facilitate better coordination of Federal programs so as to encourage desirable urban growth patterns.

*Urbanization policy, planning, and coordination*

Section 202 provides that, in order to develop the national urbanization policy, a number of functions shall be performed within the Executive Office of the President. These include the preparation of an Annual Report on Urban Growth; the collection and evaluation of information on population growth and movement, urbanization, economic growth, land use patterns, and natural resource conservation and development; a continuing assessment of Federal efforts to develop and implement a national urbanization policy; an estimate of the needs of interstate, State, local and private plans and programs affecting that policy; an evaluation of the relationship of Federal programs and policies to interstate, State, local and private plans, policies, and programs; and an estimate of needs of Federal programs which affect those nonfederal plans, policies, and programs.

*Urban growth report*

Section 203(a) requires the President to transmit the Annual Report on Urban Growth to Congress not later than February 20. This Section specifies what the report shall contain, including data describing urban growth characteristics and identifying trends, a summary of key problems arising from those trends, an evaluation of Federel progress in meeting the problems and carrying out the urbanization policy, a review of interstate, State, local, and private policies and needs affecting the policy, and recommendations for implemental steps, including legislation.

Section 203(b) authorizes the President to transmit to Congress such supplementary reports on urban growth as he deems appropriate.

Section 203(c) provides that the Annual Growth Report and supplements shall be referred to the two Congressional Committees on Government Operations and on Banking and Currency, the Joint Urbanization Committee, the Joint Economic Committee, and other standing committees as the presiding officer of each House designates.

*Authorization*

Section 204 authorizes funds to be appropriated to the Executive Office of the President to carry out the development of the urbanization policy and preparation of the Annual Report on Urban Growth.

*Joint urbanization committee*

Section 205(a) establishes the Joint Urbanization Committee, composed of eight members from each of the Houses, three of whom from each House shall be members of the minority party. The Committee is to select its chairman and vice chairman from among its members.

Section 205(b) provides that the Joint Committee shall make a continuing study of the Annual Report on Urban Growth and its supplements, and study ways of coordinating programs in order to further the national urbanization policy.

Section 205(c) requires the Committee to file a report with each House not later than April 20 of each year. The report is to contain the Committee's findings and recommendations on the President's recommendations in his Annual Report on Urban Growth. The Committee may make such other reports from time to time as it deems advisable.

Section 205(d) spells out the powers of the Joint Committee or its subcommittees. Section 205(e) prescribes how the subpena may be used and oaths to witnesses administered. Section 205(f) authorizes the Committee to appoint and fix the compensation of staff and consultants, and Section 205(g) authorizes the use of staff of other committees or subcommittees of either House. Section 205(h) establishes the method of payment of the Joint Committee's expenses.

TITLE III—GRANTS FOR COMPREHENSIVE PLANNING AND COORDINATION

*Short title*

Section 301 provides that this title may be cited as the "Comprehensive Planning and Coordination Act."

In Section 302(a) Congress finds that an effective national urbanization policy depends upon Federal, State, and local cooperation in developing a system of comprehensive planning and coordination. It finds that development planning has tended to be too narrow and inadequately coordinated rather than comprehensive, and that comprehensive planning and coordination agencies and processes are needed to coordinate functional, project and agency program planning. It further finds that development needs may best be coordinated at the State and local levels through State and local comprehensive, policy-based planning processes and adequate governmental structure to implement the planning and coordination. Finally, Section 302(a) finds that Federal assistance programs can best be coordinated through the Executive Office of the President, using the powers granted in Section 202 of this Act and Title IV (coordination of development assistance programs) of the Intergovernmental Cooperation Act of 1968.

Section 302(b) declares that the purpose of this title is to provide assistance for comprehensive planning at the interstate, State, regional, and local levels; to encourage local governments to cooperate in solving areawide problems through comprehensive planning and coordination; to foster intergovernmental attack on problems of national urban and rural development; and to establish a method for exchange of development information among localities, the States, and the Federal Government.

*Planning and coordination grants*

Section 303 authorizes the Secretary of Housing and Urban Development to make comprehensive planning grants to carry out the purposes of Section 302(b). Activities comprising comprehensive planning include systematic collection of information on physical, economic, and human resource development programs and projects; collection and analysis of information related to population economic trends, urban and rural growth and change, employment, human resource trends and needs, State and local governmental organization and fiscal resources; development and use of common data basis for State, regional, and local planning; arranging for exchange of planning information among agencies at all levels of government; preparation and maintenance of a coordinated planning system, including long-range, comprehensive plans consistent with the national urbaniza-

tion policy; undertaking of studies and surveys to facilitate program coordination; provision of technical assistance and training on comprehensive planning and coordination matters on an interagency, interprogram, and intergovernmental basis; and arranging for exchange of information with the Federal Government for the President's use in discharging his responsibilities under this Act and Title IV of the Intergovernmental Cooperation Act of 1968.

*Eligible agencies*

Section 304 provides that the Secretary may make comprehensive planning grants directly to certain agencies and indirectly to others. The channel for making the indirect grants depends on whether a State agency or planning and development district (PDD) agencies administer the planning assistance funds from HUD.

Direct grants may be made to a State comprehensive planning agency, regional councils of government with jurisdiction in two or more States, the Appalachian Regional Development Commission, a regional commission established under the Public Works and Economic Development Act of 1965, an Indian tribal planning body, and political subdivisions in Presidentially designated disaster areas. In addition, where a State does not have a planning assistance program channeled through a State agency, direct grants for comprehensive planning may be made to PDD agencies. Finally, where neither a State agency nor planning and development districts administer planning assistance programs, direct grants may also be made to a city or county comprehensive planning agency and to governmental agencies planning for federally impacted areas, for areas undergoing rapid urbanization because of new community development aided by Federal housing programs, and for areas suffering substantial reduction of employment because of the closing of a Federal installation or the reduction of Federal procurement.

Where a State has an approved State agency administering comprehensive planning assistance to PDD agencies and local units, then the following agencies may obtain their Federal funds for comprehensive planning only through the State agency: PDD agencies, units of general local government, and governmental agencies planning for federally impacted areas, for areas undergoing rapid urbanization because of new community development aided by Federal housing programs, and for areas suffering substantial reduction of employment because of the closing of a Federal installation or the reduction of Federal procurement. If the State does not have an approved State agency for administering the planning assistance program, PDD agencies may administer it. In that case, all planning moneys from the Secretary of Housing and Urban Development must channel through the PDD agencies to all the local agencies who would otherwise have to get their grants from the State agency.

*Proposals for grants*

Section 305(a) sets forth the conditions that grant applicants must met in submitting applications.

Section 305(b) provides that planning or planning assistance grants shall not exceed two-thirds of the estimated cost, except that they may be up to three-fourths of the cost for agencies planning for areas suffering substantial reduction of employment because of the closing of a Federal installation or the reduction of Federal procurement.

Under Sections 305(c) and 305(d), a PDD agency may receive a grant only if its comprehensive planning is consistent with the comprehensive planning of any interstate or State agency assisted by funds granted under this title, and a local government's comprehensive planning must be consistent with that of any interstate, State, or PDD agency assisted by funds granted under this title.

In order to receive a grant for a planning assistance program, Section 305(e) provides that a State agency must enter into an agreement with the Secretary of HUD which:

Provides that the Governor designates the State agency as primarily responsible for the assistance program;

Establishes the relationship among local, areawide, and State comprehensive planning agencies;

Assures that assistance will be made available to all types of specified areas;

Sets forth methods for relating comprehensive and functional planning within and among recipient jurisdictions;

Prescribes a reasonable cost-sharing formula for the non-Federal portion of the planning conducted by the State and local assistance recipients;

Provides for an adequate State technical assistance staff and program;

Assures that the grant funds will not be used to supplant existing State or local funds; and

Provides necessary fiscal control and accounting procedures.

Section 305(f) required PDD agencies that apply for grants to conduct a planning assistance program to meet the same requirements as the State agency must meet under Section 305(e), except those relating to designation of the State agency, and cost-sharing of the non-Federal funds. For the PDD agencies, non-Federal costs must be shared between them and the assisted eligible agencies.

Section 305(g) states that planning assisted under the title must cover, to the maximum extent feasible, entire areas having common development problems. The Secretary must encourage cooperation among all parties to achieve coordinated development, and duplication of effort must be avoided. Section 305(h) requires grant funds to be used in addition to other funds available under federally assisted programs.

*Powers of Secretary*

Under Section 306, the Secretary is empowered to promulgate rules and regulations to carry out this title, in accordance with those promulgated by the President under Section 103. In addition, the Secretary specifically is authorized to make advance, progress, or other payments; provide technical assistance to eligible agencies; make studies and reports on comprehensive planning problems; consult with other Federal grant-administering agencies in order to determine how their programs are affected by this title; consult with the Secretary of Agriculture before making any planning grant to a nonmetropolitan PDD agency; and consult with the Secretary of Commerce before making such a grant to a PDD agency that serves as an economic development district. The Secretaries of Agriculture and Commerce may provide technical assistance to PDD agencies assisted under the title.

*Interprogram coordination and comprehensive planning service agreements*

Section 307 authorizes any State, regional, or local agency receiving any kind of Federal assistance funds to obtain certain services from comprehensive planning agencies, including planning review, advice, and information and technical assistance. Federal grant-administering agencies are authorized to allow grant recipients to spend functional planning grant funds to pay for such services.

*Interstate compacts*

Section 308 gives the advance consent of Congress to interstate compacts for comprehensive planning and development activities and to the formation of agencies to carry on such activities.

*Appropriations authorized*

Section 309 authorizes appropriations for the planning grants in the following amounts: up to $75 million for FY 1971; up to $100 million for FYs 1972 and 1973; and such sums as necessary for the following two fiscal years.

*Allocations to States*

Section 310(a) provides that 15 percent of each year's appropriation shall be allocated for State comprehensive planning, with each State getting a minimum of $50,000 and the remainder being allocated among the States on the basis of population.

Section 310(b) provides that 60 percent of the appropriation shall be allocated among the States for comprehensive planning assistance to eligible agencies, with each State getting a minimum of $30,000 and the remainder being allocated on the basis of State does not enter into an agreement to provide planning assistance, each PDD agency which enters into such an agreement will receive an allocation proportionate to its portion of the total State population.

Section 310(c) authorizes the Secretary to spend the remaining 25 percent of the appropriation as he deems appropriate for additional grants to eligible agencies; for research, technical assistance, publications, and demonstration projects (not to exceed 5 percent of the total appropriation); and for administration. He is further authorized under Section 310(a) to reallocate among eligible agencies any unspent State allocations.

*Amendments*

Section 311 repeals all sections of the existing 701 planning assistance statute except those authorizing nonplanning grants to councils of government and grants for historic surveys. It also appropriates $1 million for each of the fiscal years 1971 and 1972 for these two programs.

TITLE IV—UNIFORM PLANNING REQUIREMENTS FOR GRANT-IN-AID PROGRAMS

*Findings and declaration of policy*

Section 401(a) finds that there has been a rapid increase in grant programs and planning requirements for such programs; that these requirements lack uniformity and clear definitions of comprehensive or functional planning, and fail to identify the jurisdiction responsible for planning; that they produce a variety of overlapping and inconsistent activities in data gathering and analysis; and that they limit effectiveness of comprehensive and functional planning.

Section 401(b) states that the purpose of this title is to eliminate inconsistent and overlapping grant requirements by standardizing the definitions of comprehensive and functional planning and applying these definitions properly by providing a method of identifying planning jurisdictions and establishing the basis for developing and using common data and information bases.

*Use of common planning information*

Section 402 provides that Federal agencies administering grants that require comprehensive or functional planning, or require conformity to existing planning, shall require that such planning be based on social, economic, demographic and other data that are common to or consistent with those employed for planning related activities within the area.

*Comprehensive and functional planning requirements*

The remainder of this title amends the pertinent sections of existing Acts that deal with housing and urban development, water, sewer, and other public works and facilities, public health services, transportation, open space and recreation, and water resources, to make them conform with the definitions in this Act of planning agencies and comprehensive and functional planning.

## S. 3229—INTRODUCTION OF AIR QUALITY IMPROVEMENT ACT

Mr. MUSKIE. Mr. President, on behalf of myself and Senators BAYH, EAGLETON, MONTOYA, RANDOLPH, and SPONG, I introduce legislation today which amends and extends the Clean Air Act. This bill is designed to increase our capacity to deal with the Nation's growing air pollution problem.

The bill is a response to the growing public pressure for a clean environment and a recognition that certain kinds of air pollution control activities will not or cannot be carried out without Federal intervention. The bill would provide authority: First, to carry out low-emission vehicle research; second, to extend and expand the authorizations of the Clean Air Act for research and demonstration; third, to require public hearings in connection with the adoption of any plan for the implementation of air quality standards and to require 30 days notice of any hearing on air quality standards; fourth, for the Secretary to promulgate national emission standards for new and used aircraft, vessels, and other vehicles capable of moving interstate commerce; fifth, for the Secretary to set emission standards for existing commercial vehicles; sixth, to require the assurance of compliance with national emission standards for a period beyond the initial sale of a motor vehicle, vessel, or aircraft, and so forth; seventh, to set standards for low-emission vehicles and to test and certify vehicles as to their compliance with those standards; eighth, to set national emission standards for certain organic solvents, paints, and other oxidants which, because they are manufactured and shipped in interstate commerce, cannot be effectively controlled at their point of use; ninth, to establish an Office of Noise Pollution Abatement and Control in the Department of Health, Education, and Welfare; and tenth, to authorize the Office of Noise Pollution Abatement and Control to conduct a study of the health and welfare ramifications of noise and to include recommendations for needed legislation in a report to Congress.

Mr. President, as I said at the beginning of my remarks, this legislation is an outgrowth of the growing public demand for a cleaner environment. The Subcommittee on Air and Water Pollution has learned that the technology does exist to control the great majority of air pollution sources. In those few cases where control technology has not yet been developed, the stimulus of legal sanctions should hasten that development.

I ask unanimous consent that a summary of the major provisions of this legislation and the text of the bill be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and summary will be printed in the RECORD, as requested by the Senator from Maine.

The bill (S. 3229) to amend the Clean Air Act in order to extend the authorizations for such act, to extend the provisions of title II relating to emission standards to vessels, aircraft, and certain additional vehicles, and for other purposes, and to provide for a study of noise and its effects, introduced by Mr. MUSKIE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD.

(See exhibits 1 and 2.)

Mr. MUSKIE. Mr. President, one area of growing concern to the public is the smoke from jet aircraft engines, and I would like to take this opportunity to discuss that problem in light of the recommendations of this legislation.

One of the most important features of this legislation is the authorization that the Secretary of Health, Education, and Welfare may impose emission controls for jet aircraft.

In the context of my discussion of this provision, I would like to call my colleagues' attention to recent statements of the Secretary of Transportation and the Administrator of the Federal Aviation Administration, Mr. John H. Shaffer.

On December 3 Secretary of Transportation John A. Volpe announced that "The Federal Aviation Administration of the Department of Transportation is planning action to control the emission of smoke from aircraft engines in flight." The "proposed rulemaking" was expected "in the near future."

Less than a month before Secretary Volpe's announcement the House of Representatives rejected an attempt to give the Federal Aviation Administration the authority to regulate jet aircraft emissions. That action came after the Honorable HARLEY STAGGERS, chairman of the House Interstate and Foreign Commerce Committee, stated:

> I feel that we should, in an orderly fashion, carry on the laws of the Congress and we ought to keep health matters in the health field and safety matters in the safety field.

Representative STAGGERS, arguing for retaining air pollution control jurisdiction in the Department of Health, Education, and Welfare, emphasized the importance of preserving the distinction between those agencies which promote an activity and agencies which are concerned with the environmental effects of that activity.

There is good reason not to give the Federal Aviation Administration primary responsibility for air pollution control or for any other area of environmental protection in view of the recent remarks of the Administrator of the Federal Aviation Administration. In a press release which announced the FAA's intention to regulate aircraft emissions Mr. Shaffer is quoted as stating that, "pollution is one environmental problem that's not as bad as it is obvious."

Mr. President, that kind of an attitude is as dangerous as it is mistaken. Even in the early days of our legislative activity in this area no one suggested that the problem was merely one of visibility.

Mr. Shaffer also justified his lack of concern by nothing that only 1 percent of the Nation's air pollution is from jet aircraft and that "jet exhausts are—almost entirely nontoxic."

If the Nation only controlled sources which account for a significant percentage of air pollution, there would be little improvement in the quality of our air. Powerplants, steel plants, and refineries would argue that they are only a small percentage of "the total air pollution of the United States."

People living in the vicinty of airports would not agree that "1 percent" is a small amount of air pollution.

Furthermore, aircraft emissions are similar in composition to vehicular emissions. No evidence justifies the statement that "they are almost entirely nontoxic."

Mr. Shaffer's comments provide ample evidence that the FAA must not become involved in setting standards or compliance schedules for jet aircraft emissions.

I have also been informed, Mr. President, that representatives of the Air Transport Association and the FAA have been trying to find a way for the FAA to regulate jet engine emissions and compliance schedules in order to avoid litigation or legislation. This is unacceptable behavior for a Federal regulatory agency. We cannot tolerate these efforts to frustrate the public's demands for effective environmental quality control, interfere with pending litigation, and override the action of Congress.

The trail of smoke left by jets on takeoffs and landings consists of small particles of the size that most easily enters the lungs and causes health problems. In metropolitan airports with heavy air traffic, people are exposed to large concentrations of these exhaust particles in loading areas and aboard aircraft lined up awaiting takeoff.

Although aircraft smoke emissions account for only 1 percent of the Nation's air pollution problem by weight, the problem is much worse in metropolitan areas where jets operate most frequently. Pollutants are emitted from jet engines at the rate of 78 million pounds each year. In New York, planes dump 1½ tons of pollutants per day. Los Angeles gets almost 1 ton per day. In Washington, 1,200 pounds of pollutants are dumped per day—602,000 pounds per year.

Industry has developed the technology to stop this pollution, a combustor which will make new engines smokeless. The capability to refit existing engines with these smokeless combustors will be available in a very few months.

On August 12, the State of New Jersey sued seven airlines which operate at Newark Airport, charging them with violating the State's air pollution control code. The State went to court on October 10 with evidence and a plan upon which to base a consent decree. This plan includes three steps. First, all new aircraft will be equipped with smokeless combustors when built. Second, as of February 1970, the airline industry will replace existing combustors with smokeless ones at a rate of 45 sets per month. Third, beginning in August 1970, industry replacement will be at the rate of 200 sets per month.

Under this plan, all planes equipped with Pratt & Whitney JT–8 engines would be smokeless by October 1971. The airlines appear to agree to steps one and two, but have not accepted the third step.

This gesture involves no change from their normal schedule of placing the new combustors on new engines and replacing the old combustors on repaired engines.

Congress noted the problem of aircraft air pollution in amendments to the Clean Air Act and required an investigation and report by the Department of Health, Education, and Welfare. This report, submitted earlier this year, concluded:

A reduction of particulate emissions from jet aircraft is desirable and feasible.

The report also indicated that the Department intended to encourage voluntary control action by airlines and engine manufacturers. No legislation was recommended.

Because of the technological breakthrough and the desire to encourage voluntary control action, a Government-industry meeting was held on August 28. The National Air Pollution Control Administration noted that the smokeless combustors would soon be available and urged their use. The increased cost to the airlines was mentioned and estimates for this cost were put at between $13.5 and $15 million to refit approximately 3,000 engines. Pratt & Whitney said that by next spring it would be able to turn out 200 smokeless combustors per month for refitting existing engines.

The Air Transport Association said that the cost would be $30 million. The airlines want to wait until the present engines need replacement before installing the new smokeless combustors.

Mr. President, this meeting was called to encourage voluntary action by the airlines. If the airlines would meet their responsibility, most of the engines that now pollute the skies could be clean by 1972. But if the airlines wait until their existing engines wear out before replacing the combustors, it would be mid-decade before we would begin to see the disappearance of air pollution from jet aircraft.

Apparently the proposed FAA regulation would encourage this unnecessary delay. According to Mr. Shaffer—

A program to eliminate the smoke trails is underway and air pollution from jet engines should be a thing of the past by the mid-1970's or 1980.

The time for action by the airlines is now.

The cost to replace a regular combustor with a smokeless one has been estimated at only two-tenths of 1 percent of the purchase price of an aircraft and an increased maintenance cost of six-tenths of 1 percent, or 10 cents per $100. I am sure that people who use the airlines would be willing to pay this minuscule increase in fares when it means significantly cleaner air.

If the airlines do not move in this direction, it will be necessary to enact Federal legislation for this specific purpose. When it is technologically and economically feasible to control pollution, there is no conceivable excuse for delay. Congress and the people will not tolerate it.

With these failures by the industry as a background, Mr. President, it has been suggested that the FAA and the industry might devise some acceptable scheme of regulation.

There is no reasonable justification for authorizing Federal agencies to determine and police the environmental effects of their own activities. One of the most frequent complaints made to the Subcommittee on Air and Water Pollution has been that industries and communities are required to perform at higher standards than activities authorized and regulated by the Federal Government.

Air quality determinations should be made by agencies charged with air quality responsibilities. Clearly, the agency with the responsibility for promoting air commerce should not be the agency which determines the extent to which aircraft emission controls will be necessary to protect the public health and welfare.

Last month the Senate unanimously agreed to legislation which will require that water quality determinations associated with federally authorized activities be made either by the appropriate State water pollution control agency or by the Secretary of the Interior.

The bill which I have introduced today authorizes the Secretary of Health, Education, and Welfare to promulgate air pollution emission standards for jet aircraft, which shall take effect on a schedule determined by the Secretary after consultation with the Department of Transportation and the Federal Aviation Agency.

Whether or not the present litigation effort is successful, and I hope it is, we must assure uniformity in the standards and assure that future techniques for control of other emissions from aircraft are implemented on an orderly basis.

I sincerely hope the FAA will reconsider before it takes hasty action which might interfere with pending litigation and contravene congressional intent. The FAA will have an opportunity to discuss their views on this matter before the Subcommittee on Air and Water Pollution early next year. Hasty, ill-conceived action based on questionable legal authority should be avoided.

EXHIBIT 1

S. 3229

A bill to amend the Clean Air Act in order to extend the authorizations for such Act, to extend the provisions of title II relating to emission standards to vessels, aircraft, and certain additional vehicles, and for other purposes, and to provide for a study of noise and its effects

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

TITLE I

SECTION 101. This title may be cited as the "Air Quality Improvement Act".

SEC. 102. Section 104(a)(2) of the Clean Air Act is amended by striking out "and (B)" and inserting in lieu thereof "(B) part of the cost of programs to develop low emission alternatives to the internal combustion engine, including steam, electric, and fuel cells; and (C)".

SEC. 103. Section 104(c) of the Clean Air Act is amended by striking out "and for the fiscal year ending June 30, 1970, $45,000,000" and inserting in lieu thereof "for the fiscal year ending June 30, 1970, $45,000,000, for the fiscal year ending June 30, 1971, $125,000,000, for the fiscal year ending June 30, 1972, $150,000,000, and for the fiscal year ending June 30, 1973, $175,000,000".

SEC. 104. Section 108(c) of the Clean Air Act is amended in the first sentence by inserting before "a plan for the implementation" a comma and the following: "after further public hearings at least thirty days following the publishing of such standards and the proposed plan,".

"TITLE II—NATIONAL EMISSION STANDARDS ACT

"SHORT TITLE

"SEC. 201. This title may be cited as the 'National Emission Standards Act'.

"ESTABLISHMENT OF STANDARDS

"SEC. 202. (a) The Secretary shall by regulation, giving appropriate consideration to technological feasibility and economic costs, prescribe as soon as practicable standards, applicable to the emission of any kind of substance, from any class or classes of vessels, aircraft, commercial vehicles, new noncommercial vehicles, vessel, commercial vehicle, or aircraft engines, or new noncommercial vehicle engines, which in his judgment cause or contribute to, or are likely to cause or to contribute to, air pollution which endangers the health or welfare of any persons, and such standards shall apply to such vessels, aircraft, vehicles, or engines whether they are designed as complete systems or incorporate other devices to prevent or control such pollution. Any such standards shall include requirements with respect to the manufacturers' warranty of such systems or devices necessary for the purposes of this Act.

"(b) Any regulations initially prescribed under this section, and amendments thereto, with respect to any class of vessels, aircraft, commrecial vehicle, new noncommercial vehicles, vessel, commercial vehicle, or aircraft engines, or new noncommercial vehicle engines shall become effective on the effective date specified in the order promulgating such regulations, which date shall be determined by the Secretary after consideration of the period reasonably necessary for compliance.

"(c) Any such regulations, or amendments thereto, with respect to aircraft, shall not be made effective until determined by the Secretary of Transportation to not interfere with the safety of such aircraft.

"PROHIBITED ACTS

"SEC. 203. (a) The following acts and the causing thereof are prohibited—

"(1) in the case of a manufacturer of new vessels, new aircraft, new vehicles, new vessel engines, new aircraft engines, or new vehicle engines for distribution in commerce, the manufacture for sale, the sale, or the offering for sale, or the introduction or delivery for introduction into commerce, or the importation into the United States for sale or resale, of any new vessel, new aircraft vehicle, or new vessel aircraft, or vehicle engine, manufactured after the effective date of regulations under this title which are applicable to such vessel, vehicle, or engine unless it is in conformity with regulations prescribed under section 202 (except as provided in subsection (b));

"(2) in the case of an owner of a vessel, aircraft, commercial vehicle, or vessel, commercial vehicle, or aircraft engine, the use in commerec of such vessel, aircraft, vehicle or engine after the effective date of regulations under this title which are applicable to such vessel, aircraft, or engine unless it is in conformity with regulations prescribed under section 202 (except as provided in subsection (b));

"(3) for any person to fail or refuse to permit access to or copying of records or to fail to make reports or provide information, required under section 207;

"(4) for any person to remove or render inoperative any device or element of design installed on or in a vessel, aircraft, or vehicle, or vessel, aircraft, or vehicle engine in compliance with regulations under this title prior to its sale and delivery to the ultimate purchaser; or

"(5) for any person to remove or render inoperative, other than for purposes of maintenance or repair, any device or element of design installed on or in a vessel, aircraft, or vessel or aircraft engine in compliance with regulations under this title during the term of its use in commerce.

"(b)(1) The Secretary may exempt any new vessel, new aircraft, new vehicle, or new vessel, aircraft, or vehicle engine, or class thereof, from subsection (a), upon such terms and conditions as he may find necessary to protect the public health or welfare, for the purpose of research, investigations, studies, demonstrations, or training, or for reasons of national security.

"(2) A new vessel, new aircraft, new vehicle, or new vessel, aircraft, or vehicle engine offered for importation by a manufacturer in violation of subsection (a) shall be refused admission into the United States, but the Secretary of the Treasury and the Secretary may, by joint regulation, provide for deferring final determination as to admission and authorizing the delivery of such a vessel, aircraft, vehicle, or engine offered for import to the owner or consignee thereof upon such terms and conditions (including the furnishing of a bond) as may appear to them appropriate to insure that any such vessel, aircraft, vehicle, or engine will be brought into conformity with the standards, requirements, and limitations applicable to it under this title. The Secretary of the Treasury shall, if a vessel, aircraft, vehicle, or engine is finally refused admission under this paragraph, cause disposition thereof in accordance with the customs laws unless it is exported, under regulations prescribed by such Secretary, within ninety days of the date of notice of such refusal or such additional time as may be permitted pursuant to such regulations, except that disposition in accordance with the customs laws may not be made in such manner as may result, directly or indirectly, in the sale, to the ultimate consumer, of a new vessel, aircraft, vehicle, or engine that fails to comply with applicable standards of the Secretary of Health, Education, and Welfare under this title.

"(3) A new vessel, aircraft, vehicle, or engine intended solely for export, and so labeled or tagged on the outside of the container and on the vessel, aircraft, vehicle, or engine itself, shall not be subject to the provisions of subsection (a).

"INJUNCTION PROCEEDINGS

"SEC. 204. (a) The district courts of the United States shall have jurisdiction to restrain violations of paragraph (1), (2), or (3) of section 203(a).

"(b) Actions to restrain such violations shall be brought by and in the name of the United States. In any such action, subpenas for witnesses who are required to attend a district court in any district may run into any other district.

"PENALITIES

"SEC. 205. Any person who violates paragraph (1), (2), (3), (4), or (5) of section 203(a) shall be subject to a fine of not more than $1,000. Such violation with respect to sections 203(a)(1), 203(a)(2), 203(a)(4) and 203(a)(5) shall constitute a separate offense with respect to each vessel, aircraft, vehicle, or engine.

"CERTIFICATION

"SEC. 206. (a) Upon application of the manufacturer, the Secretary shall test, or require to be tested, in such manner as he deems appropriate, any new vessel, aircraft, vehicle, or engine submitted by such manufacturer to determine whether such vessel, aircraft, vehicle, or engine conforms with the regulations prescribed under section 202 of this title. If such vessel, aircraft, vehicle, or engine conforms to such regulations the Secretary shall issue a certificate of conformity upon such terms, and for such period of not less than one year, as he may prescribe.

"(b) Any new vessel, aircraft, vehicle, or engine sold by such manufacturer which is in all material respects substantially the same construction as the test vessel, aircraft, vehicle, or engine for which a certificate has been issued under subsection (a), shall for the purposes of this Act be deemed to be in conformity with the regulations issued under section 202 of this title.

"(c) Vessels and aircraft and vessel and aircraft engines used in commerce and subject to standards promulgated under section 202 of this title shall be periodically certified under such procedures as the Secretary may by regulation prescribe.

"RECORDS AND REPORTS

"SEC. 207. (a) Every manufacturer or owner of a vessel or aircraft shall establish and maintain such records, make such reports, and provide such information as the Secretary may reasonably require to enable him to determine whether such manufacturer or owner has acted or is acting in compliance with this title and regulations thereunder and shall, upon request of an officer or employee duly designated by the Secretary, permit such officer or employee at reasonable times to have access to and copy such records.

"(b) All information reported or otherwise obtained by the Secretary or his representatives pursuant to subsection (a), which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18 of the United States Code, shall be considered confidential for the purpose of such section 1905, except that such information may be disclosed to other officers or employees concerned with carrying out this Act or when relevant in any proceeding under this Act. Nothing in this section shall authorize the withholding of information by the Secretary or any officer or employee under his control, from duly authorized committees of the Congress.

"STATE STANDARDS

"SEC. 208. (a) No State or any political subdivision thereof shall adopt or attempt to enforce any standard relating to the control of emissions from new motor vehicles or new motor vehicle engines subject to this title. No State shall require certification, inspection, or any other approval relating to the control of emissions from any new motor vehicle or new motor vehicle engine as condition precedent to the initial retail sale, titling (if any), or registration of such motor vehicle, motor vehicle engine, or equipment.

"(b) The Secretary shall, after notice and opportunity for public hearing, waive application of this section to any State which has adopted standards (other than crankcase emission standards) for the control of emissions from new motor vehicles or new motor vehicle engines prior to March 30, 1966, unless he finds that such State does not require standards more stringent than applicable Federal standards to meet compelling and extraordinary conditions or that such State standards and accompanying enforcement procedures are not consistent with section 202(a) of this title.

"(c) Nothing in this title shall preclude or deny to any State or political subdivision thereof the right otherwise to control, regulate, or restrict the use, operation, or movement of registered or licensed motor vehicles.

"FEDERAL ASSISTANCE IN DEVELOPING VEHICLE INSPECTION PROGRAMS

"SEC. 209. The Secretary is authorized to make grants to appropriate State air pollution control agencies in an amount up to two-thirds of the cost of developing meaningful uniform motor vehicle emission device inspection and emission testing programs except that (1) no grant shall be made for any port of any State vehicle inspection program which does not directly relate to the cost of the air pollution control aspects of such a program; and (2) no such grant shall be made unless the Secretary of Transportation has certified to the Secretary that such program is consistent with any highway safety program developed pursuant to section 402 of title 23 of the United States Code.

"REGISTRATION OF FUEL ADDITIVES

"SEC. 210. (a) The Secretary may by regulation designate any fuel or fuels (including fuels used for purposes other than motor vehicles), and after such date or dates as may be prescribed by him, no manufacturer or processor of any such fuel may deliver any such fuel for introduction into interstate commerce or to another person who, it can reasonably be expected, will deliver such fuel for such introduction unless the manufacturer of such fuel has provided the Secretary with the information required under subsection (b)(1) of this section and unless any additive contained in such fuel has been registered with the Secretary in accordance with subsection (b)(2) of this section.

"(b) For the purposes of this section the Secretary shall require (1) the manufacturer of such fuel to notify him as to the commercial identifying name and manufacturer of any additive contained in such fuel; the range of concentration of such additive or additives in the fuel; and the purpose in the use of such additive; and (2) the manufacturer of any such additive to notify him as to the chemical composition of such additive or additives as indicated by compliance with clause (1) above, the recommended range of concentration of such additive, if any, the recommended purpose in the use of such additive, and to the extent such information is available or becomes available, the chemical structure of such additive or additives. Upon compliance with clauses (1) and (2), including assurances that any change in the above information will be provided to the Secretary, the Secretary shall register such fuel additive.

"(c) All information reported or otherwise obtained by the Secretary or his representative pursuant to subsection (b), which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18 of the United States Code, shall be considered confidential for the purpose of such section 1905, except that such information may be disclosed to other officers or employees of the United States concerned with carrying out this Act or when relevant in any proceeding under this title. Nothing in this section shall authorize the withholding of information by the Secretary or any officer or employee under his control, from the duly authorized committees of the Congress.

"(d) Any person who violates subsection (a) shall forfeit and pay to the United States a civil penalty of $1,000 for each and every day of the continuance of such violation, which shall accrue to the United States and be recovered in a civil suit in the name of the United States, brought in the district where such person has his principal office or in any district in which he does business. The Secretary may upon application therefor, remit or mitigate any forfeiture provided for in this subsection, and he shall have authority to determine the facts upon all such applications.

"(e) It shall be the duty of the various United States attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of such forfeitures.

"DEVELOPMENT OF LOW-EMISSION VEHICLES

"SEC. 211. In order to encourage research and promote the development of low-emission vehicles the Secretary is authorized to—

"(1) prescribe special low-emission standards for any class or classes of vehicles or engines and such standards shall permit an emission of not more than 50 per centum of the amount of pollutants permitted by standards established pursuant to section 202 for the same class of vehicle or engine;

"(2) provide testing procedures to determine if vehicles and engines meet such standards; and

"(3) certify vehicles or engines meeting such standards as low-emission vehicles or engines for the purpose of this section.

"SOLVENTS

"SEC. 212. (a) The Secretary by regulation may designate solvents, coating materials, organic or inorganic materials, and products containing any such substance as a constituent thereof, either singly or by classes or in combinations, which when used in uncontrolled situations, in his judgment, may cause or contribute to air pollution adversely affecting health or welfare; and after such date or dates as may be prescribed by him, no manufacturer of any such product or substance may deliver any such product or substance into interstate commerce unless such substance has been registered with the Secretary in accordance with this section.

"(b) For the purposes of this subsection the Secretary shall require (1) the manufacturer of any product which contains any such substance to notify him as to the commercial identifying name and the manufacturer of the solvent, coating material, organic or inorganic material, or other such substance contained in the product; the range of concentration of such substance; the purpose of such substance; and (2) the manufacturer of any such substance to notify him as to the chemical structure and composition of such substance as indicated by compliance with clause (1) above, the recommended range of concentration of such substance, if any, and the recommended purpose of such substance. Upon compliance with clauses (1) and (2), including assurances that any change in the above information will be provided to the Secretary, the Secretary shall register such product.

"(c) The Secretary may develop and publish proposed standards, either singly or by classes, for the use of those substances and products that are registered in compliance with subsections (a) and (b) above. The Secretary may from time to time review such proposed standards and make changes therein, taking into consideration increased knowledge regarding technology or effects on health or welfare.

"(d) If the Secretary determines that any such substance or class thereof constitutes a substantial and imminent danger to the health or welfare of any person, he may promulgate any of the proposed standards for such substance which have been developed and published pursuant to subsection (c) and he may prohibit the introduction of such substance into interstate commerce unless it complies with such regulations as he shall promulgate under this subsection.

"(e) If two or more manufacturers, vendors, or distributors of any such substance or product notify the Secretary that two or more State, interstate, or local agencies or authorities have established standards, rules, or regulations applicable to such substance or product and varying from each other in their terms or effects upon the manufacturer, vendor, or distributor, the Secretary may promulgate any of the proposed standards he has developed, and published for such substance or product under subsection (c) and they shall become effective after a date established by him.

"(f) At any time he shall deem it necessary, the Secretary may add additional substances or products to the designations made under subsection (a), add additional substances or products to those to which proposed standards existing under subsection (c) already apply, or promulgate under subsection (d) or (e) additional standards which have been proposed under subsection (c).

"(g) All information reported or otherwise obtained by the Secretary or his representative pursuant to this section, which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18 of the United States Code shall be considered confidential for the purpose of such section 1905, except that such information may be disclosed to other officers or employees concerned with carrying out this Act or when relevant in any proceeding under this Act. Nothing in this subsection shall authorize the withholding of information by the Secretary or any officer or employee under his control from the duly authorized committees of Congress.

"(h)(1) Any person who violates after the effective date the provisions of subsections (a), (d), or (e) or regulations promulgated pursuant thereto shall forfeit and pay to the United States a civil penalty of $1,000 for each and every day of the continuance of such violation, which shall accrue to the United States and be recovered in a civil suit in the name of the United States brought in the district where such person has his principal office or in any district in which he does business. The Secretary may, upon application therefor, remit or mitigate any forfeiture provided for in this section and he shall have authority to determine the facts upon all such applications.

"(2) It shall be the duty of the various United States attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of such forfeitures.

"DEFINITIONS FOR TITLE II

"SEC. 213. As used in this title—

"(1) The term 'manufacturer' as used in sections 203, 206, and 207 means any person engaged in the manufacturing or assembling of new vessels, aircraft, or vehicles, or new vessel, aircrafts, or vehicle engines, or importing such vessels, aircraft, vehicles, or engines for resale, or who acts for and is under the control of any such person in connection with the distribution of such vessels, aircraft, vehicles, or engines, but shall not include any dealer with respect to new vehicles or new vehicle engines received by him in commerce.

"(2) The term 'vessel' means any self-propelled watercraft designed for transporting persons or property on or in water.

"(3) The term 'new vessel' means a vessel the equitable or legal title to which has never been transferred to an ultimate purchaser; and the term 'new vessel engine' means an engine in a new vessel or a vessel engine the equitable or legal title to which has never been transferred to the ultimate purchaser.

"(4) The term 'aircraft' means any self-propelled contrivance designed for transporting persons or property in the air.

"(5) The term 'new aircraft' means an aircraft the equitable or legal title to which has never been transferred to an ultimate purchaser; and the term 'new aircraft engine' means an engine in a new aircraft or an aircraft engine the equitable or legal title to which has never been transferred to the ultimate purchaser.

"(6) The term 'vehicle' means any self-propelled vehicle designed for transporting persons or property on a street or highway or on rails, or any vehicle for agricultural use, and the term 'motor vehicle', means only such a vehicle designed for transporting persons or property on a street or highway.

"(7) The term 'commercial' means used with profit as the primary aim.

"(8) The term 'new' as used with respect to a vehicle, motor vehicle or vehicle or motor vehicle engine means a vehicle, motor vehicle, or engine the equitable or legal title to which has never been transferred to an ultimate purchaser.

"(9) The term 'dealer' means any person who is engaged in the sale or the distribution of new vehicles or new vehicle engines to the ultimate purchaser.

"(10) The term 'ultimate purchaser' means, with respect to any new vessel, aircraft, vehicle, or new vessel, aircraft or vehicle engine, the first person who in good faith purchases such new vessel, aircraft, vehicle or engine for purposes other than resale.

"(11) The term 'commerce' means (A) commerce between any place in any State and any place outside thereof; and (B) commerce wholly within the District of Columbia."

SEC. 106. Section 309 of the Clean Air Act is amended by striking out "and $134,300,000 for the fiscal year ending June 30, 1970" and inserting in lieu thereof "$134,300,000 for the fiscal year ending June 30, 1970, $150,000,000 for the fiscal year ending June 30, 1971, $175,000,000 for the fiscal year ending June 30, 1972, and $200,000,000 for the fiscal year ending June 30, 1973".

TITLE II

SEC. 201. This title may be cited as the "Noise Pollution and Abatement Act".

SEC. 202. (a) The Secretary of Health, Education, and Welfare shall establish within the Department of Health, Education, and Welfare an Office of Noise Abatement and Control, and shall carry out through such office a full and complete investigation and study of noise and its effect in order to determine—

(1) effects at various levels;

(2) projected growth of noise levels in urban areas through the year 2000;

(3) the psychological effect on humans;

(4) effects of sporadic extreme noise (such as jet noise near airports) as compared with constant noise;

(5) effect on wildlife and property (including values);

(6) effect of sonic booms on property (including values); and

(7) such other matters as may be of interest in the public welfare.

(b) The Secretary shall report the results of such investigation and study, together with his recommendations for legislation or other action, to the President and the Congress not later than one year after the date of enactment of this Act.

(c) In any case where a department or agency of the Government is carrying out any activity resulting in noise which amounts to a public nuisance or is otherwise objectionable, such department or agency shall consult with the Secretary of Health, Education, and Welfare to determine possible means of abating such noise.

(d) There is authorized to be appropriated such amount, not to exceed $30,000,000, as may be necessary for the purposes of this section.

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EXHIBIT 2

SUMMARY OF PROVISIONS

TITLE I

*Discussion*

*Low-Emission Vehicle Research*—This section expands the research programs authorized in the Clean Air Act to include research on the development of low-emission alternatives to the internal combustion engine.

*Extension of Authorization for Research and Development*—This section extends the research authorization of the Clean Air Act to provide the following amounts for the next three years:

| Fiscal year: | |
|---|---|
| 1971 | $125,000,000 |
| 1972 | 150,000,000 |
| 1973 | 175,000,000 |

*Notice of Public Hearings*—This section amends Section 108(c)(1) of the Clean Air Act to require public hearings on state plans for implementation of air quality standards as well as 30 days notice of these hearings required on standards.

*National Emission Standards for Vessels, Aircraft, Vehicles, and Engines*—This section amends title II of the Clean Air Act to extend the national emission standards authority of the Secretary of Health, Education and Welfare to vessels, aircraft, commercial vehicles and other many sources of pollution. All regulations relating to these sources of air pollution shall become effective on the date specified in the Secretary's promulgating order. Aircraft regulations will require consultation with the Secretary of Transportation as to safety.

*Necessary Regulatory Authority is provided*—The Secretary is authorized to include requirements with respect to the manufacturer's warranty to assure compliance with standards after initial sale of a vehicle, vessel, aircraft, etc.

*Development of Low-Emission Vehicles*—This provision authorizes the Secretary to set special low-emission standards for motor vehicles, and to test and certify vehicles as to their compliance with these low-emission standards.

*Extension of General Authorization*—This provision extends the general authorization of the Clean Air Act, for other than Section 104 research and demonstration programs, to provide the following amounts for the next three years:

| Fiscal year: | |
|---|---|
| 1971 | $150,000,000 |
| 1972 | 175,000,000 |
| 1973 | 200,000,000 |

*Registration and Regulation of Solvents*—This provision authorizes the Secretary to order registration of certain organic solvents, paints, and other oxidants, and to (develop and publish) recommend national emission standards for such solvents. The Secretary may set standards for solvents in the event of conflicting state regulations on solvents or a threat to the public health and welfare posed by a solvent and may prohibit the introduction into interstate commerce of this substance, until it meets the standards promulgated under this act. The Secretary may subject additional substances to the requirement of registration or of compliance with standards promulgated under this section.

TITLE II

*Noise Pollution*—This title establishes an Office of Noise Pollution, Abatement and Control in the Department of Health, Education and Welfare and requires the Secretary to conduct a study of the effects of noise at various levels on public health and welfare, including the effects on wildlife and property. The Secretary shall report to Congress on the results of this study with recommendations for needed legislation. Any Federal Department or agency engaging in activities which results in excessive noise is directed to consult with the Secretary on means of abating such noise.

An amount of not more than $30,000,000 is authorized to carry out the purposes of this section.

Mr. EAGLETON. Mr. President, I am pleased to join my colleague from Maine, Senator MUSKIE, the distinguished chairman of the Subcommittee on Air and Water Pollution of the Senate Public Works Committee, in sponsoring the Air Quality Improvement Act. His endeavors in developing legislation to control air and water pollution and to enhance the quality of our environment are widely recognized. These objectives, which have received increasing attention by governmental officials in recent years, have been pursued by the Senator for many years. He provided leadership when there was little political glamour in so doing.

The effective control of air pollution is a major national problem. This was recognized by the Clean Air Act of 1967. The urgency of effectively solving this problem is realized by ever greater numbers of our citizens as pollution alerts increase in cities throughout the Nation.

Such an episode occurred in St. Louis, Mo., in August of this year. Irate citizens were moved to ask what action was being taken on the local and State level to deal with air pollution in St. Louis. The Subcommittee on Air and Water Pollution held hearings in St. Louis on October 27, 1969, to seek answers to these questions and to find out how the Federal Clean Air Act of 1967 was operating. The testimony by governmental officials, academic and medical professional spokesmen, citizens organizations, and individuals will be useful to the subcommittee as it considers the bill introduced today.

Application of the Clean Air Act of 1967 by State and local officials is entering a crucial phase in many States. Air quality standards are being formulated and implementation plans for achieving the standards are being developed. The consideration of this bill will afford the Senate an opportunity to review the progress the States have made in pursuing the objectives of the act.

Air quality standards have recently been formulated for the St. Louis metropolitan area. Citizens of the area demanded that stringent standards and effective plans for meeting them be adopted. Public hearings on proposed standards were held by the Missouri Air Conservation Commission in St. Louis as required by the Clean Air Act. The testimony submitted at these hearings seemed to have little effect on the Commission's decision regarding standards for the area. Following numerous appeals for the adoption of more stringent standards for particulate matter and oxides of sulfur, only one minor change was made in the standards originally proposed. These standard-setting hearings should not be perfunctory or routine. They were not intended to be such by the Congress. The intention of Congress was to provide a meaningful forum for the voice of the public to be heard in the determination of the quality of air citizens will be forced to breathe in the future. I trust that the Secretary of Health, Education, and Welfare will carefully examine the procedures followed by State officials in adopting standards to insure that the opinions of the affected citizen have been heard.

The bill introduced today provides for the requirement of public hearings with adequate notice prior to the adoption of plans for the implementation and enforcement of air quality standards. That this is necessary was made clear at the St. Louis hearings. This is the action phase of the Clean Air Act and concerned citizens should have the opportunity to participate in the development of the action plan. Missouri and Illinois officials indicated to the subcommittee that such hearings would be held for the plans to control particulate matter and oxides of sulfur. I think it is most important that section 104 of the bill be made a part of the Clean Air Act.

The significance of the contribution made by automobiles to the air pollution problem was indicated at the St. Louis hearing also. Efforts to effectively confront this problem must be accelerated. Through the provisions of this bill and others being considered by the Congress, significant progress can be made in this area.

As Senator MUSKIE has indicated, the control of aircraft emissions and noise has become increasingly urgent. A typical situation illustrating this need is found in St. Louis County, Mo., near the Lambert-St. Louis Airport. Suburban communities surround the airport. As traffic increases and airplane engines become larger, and more powerful, the pollution and noise will undoubtedly increase. The citizens of Berkeley, Mo., for example, face this ever-growing problem with little hope of effective preventive action. Communities facing similar problems may be found throughout the Nation. Consequently, it is important that these provisions of the bill be given favorable consideration.

The air pollution crisis becomes more critical daily. Citizen demands for effective action grow louder and louder. The provisions of this bill would significantly strengthen the Clean Air Act. Therefore, I am happy to join with Senator MUSKIE in sponsoring this important legislation.

## S. 3231—INTRODUCTION OF A BILL RELATING TO RELEASE OF COBALT FROM THE NATIONAL STOCKPILE

Mr. SCOTT. Mr. President, I introduce, for appropriate reference, legislation to authorize the release of 40,200,000 pounds of cobalt from the national and supplemental stockpiles. I am advised by the General Services Administration that this is the amount of cobalt currently held by the Federal Government in excess of requirements for the national stockpile objective and already existing sales authorizations.

Although cobalt has been used primarily in the past as an alloy in the production of steel, it has become increasingly popular as a material to be used as a substitute for, or in combination with, nickel in the process of electroplating. As the nickel shortage, with which we have been dealing for years, was turned into an almost complete absence of the metal by the prolonged Inco strike, research and development divisions of American metal finishing companies devoted an increasing share of time and funds to the search for satisfactory substitutes. This was done not only because of the strike situation, but also because it was realized that even with a strike settlement, a shortage of nickel in this country will continue for some years to come.

One nickel substitute, of which industry has been aware for some time, is cobalt. New technologies, which are being adopted by industry on a continually growing scale, have now made feasible the use of cobalt as a complete substi-

tute for nickel in electroplating and metal finishing. Although a more usual approach is the use of cobalt in combination with nickel for this purpose, the fact still remains that cobalt can be used by industry to great advantage in extending the nickel supply.

Today, the Federal Government has in inventory some 82,800,000 pounds of cobalt. The present national stockpile objective for this metal is 38,200,000 pounds. This leaves an excess of 44,600,000 pounds, of which only 4,400,000 pounds can be disposed through GSA under existing authorizations. Current cobalt disposal plans call for the release of 2 million pounds this month, 2 million pounds in January, and the remaining 400,000 pounds in February.

Largely because of the new technologies in electroplating, all recent GSA sales of cobalt have been heavily oversubscribed. This situation, unless serious implications for employment, can be expected to continue unless further relief is provided. This is the purpose of my bill, which would make possible the sale of the additional 40,200,000 pounds of cobalt which is currently held by the Federal Government, but which is needed neither for stockpile purposes nor for existing sales authorization. I want to emphasize, however, that this legislation would do so while, at the same time, providing protection to the Federal Government against avoidable loss, and while providing to producers, processors and consumers protections against the avoidable disruptions of their usual markets.

Mr. President, this bill has the endorsement of the Metal Finishing Suppliers' Association, Inc., and the National Association of Metal Finishers, national organizations with extensive corporate membership in my Commonwealth of Pennsylvania and in the other industrial States. Information which I have received from both of these associations indicates that there is urgent need for cobalt release legislation. I urge immediate and favorable consideration.

Mr. President, I welcome as a cosponsor the distinguished Senator from Illinois (Mr. PERCY).

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3231) to authorize the release of 40,200,000 pounds of cobalt from the national stockpile and the supplemental stockpile, introduced by Mr. SCOTT (for himself and Mr. PERCY), was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. PERCY. Mr. President, I have cosponsored today with the Senator from Pennsylvania (Mr. SCOTT) a bill authorizing the General Services Administration to release 40 million pounds of cobalt for sale at market prices which have been declared surplus.

There has been for years a chronic nickel shortage. The Inco strike, which was only settled on November 19, has seriously aggravated this shortage since Inco supplies at least 70 percent of domestic nickel needs.

Nickel has in the past been vital to the operations of the metal plating and metal finishing industries. Illinois, in particular, has an important interest in this matter. According to a recent market survey released by a leading industrial publication, probably more metal plating and finishing businesses engage in business in Illinois than in any other State.

When the supply of nickel was cut off, the affected industries searched for a substitute to meet their needs. This search ended when it was discovered that cobalt was an excellent substitute in most cases. Available commercial supplies and production were not sufficient, however, to meet the new demands placed upon cobalt. GSA then came to the aid of affected industries by releasing 2 million pounds of excess cobalt for sale. The offered was heavily oversubscribed. This prompted GSA to offer an additional 6 million pounds at a rate of 2 million pounds per month during the months of November, December, and January. Even with this release, however, demand for cobalt will continue.

Although the nickel strike has been settled, estimates range from 6 months to 2 years for the nickel industry to come up to its previous level of production. Even then, production will be able to meet only about 70 percent of the ever-increasing domestic commercial demand. To cover the present and future shortfall in nickel production or against demand, cobalt is needed. It is essential that the only available large supply of cobalt is that held in surpus by GSA. I hope that early, favorable attention will be given to the bill.

## S. 3234—INTRODUCTION OF A BILL TO PROVIDE A CRIMINAL PENALTY FOR SHOOTING AT CERTAIN BIRDS, FISH, AND OTHER ANIMALS FROM AN AIRCRAFT

Mr. NELSON. Mr. President, today I introduce, for appropriate reference, a bill to prohibit the shooting of wildlife from aircrafts.

This bill will put an end to the so-called sport of hunting wildlife from airplanes on Federal lands. According to the recent television documentary "The Wolfmen," many hunters kill wolves in Alaska as a sport, declaring that the wolves are too smart to catch any other way. This bill will even the odds a bit not only in hunting wolves but practically any other form of wildlife you can think of, including, I am told, the shooting of eagles.

This bill will also cut down on much of the killing of wolves in Alaska. There are probably less than 800 wolves in the contiguous United States and approximately 5,000 wolves in Alaska. Yet, in the past 4 years, 5,693 bounties have been paid for wolves in Alaska. If that rate continues, there will be virtual extinction of wolves in a handful of years.

This bill will not give the protection to the timber wolf that it deserves but it will cut down on the mass extermination that is presently going on. I intend to introduce another bill in the near future that will extend the protection of endangered species to all Federal lands, not just Federal wildlife refuge areas. In the State of Alaska, that would mean the addition of over 322,000,000 acres to the already existing 26,000,000 acres on which wolf hunting is prohibited.

I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3234) to amend the Fish and Wildlife Act of 1956, to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft, introduced by Mr. NELSON, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 3234

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Fish and Wildlife Act of 1956 is amended by adding at the end thereof the following new section:

"SEC. 13. (a) Whoever, while airborne in an aircraft, shoots at any bird, fish, or other animal of any kind whatever which is on or over any land (or on, over, or in any water) owned by or reserved to the United States shall be fined not more than $5,000 or imprisoned not more than one year or both.

"(b) This section shall not apply to any person in the discharge of his duties if such person is employed by any state or the United States to administer or protect land, water or wildlife."

## ADDITIONAL COSPONSORS OF BILLS

S. 3204

Mr. MAGNUSON. Mr. President, I ask unanimous consent that at the next printing, the name of the senior Senator from Alabama (Mr. SPARKMAN) be added as a cosponsor of S. 3204, to amend the act requiring certain safety devices on household refrigerators shipped in interstate commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3220

Mr. RANDOLPH. Mr. President, I ask unanimous consent that, at the next printing, my name be added as a cosponsor of S. 3220, to protect a person's right of privacy by providing for the designation of obscene or offensive mail matter by the sender and for the return of such matter at the expense of the sender, introduced on yesterday by the able majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3223

Mr. MAGNUSON. Mr. President, I ask unanimous consent that at the next printing, the name of the senior Senator from Wyoming (Mr. MCGEE) be added as a cosponsor to S. 3223, to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission additional authority to alleviate freight car shortages and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATE CONCURRENT RESOLUTION 50—CONCURRENT RESOLUTION REPORTED AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF THE 1969 REPORT OF THE SENATE SPECIAL SUBCOMMITTEE ON INDIAN EDUCATION (S. REPT. 91–501)

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported the following original concurrent resolution (S. Con. Res. 50), and submitted a report (No. 91–600) thereon, which concurrent resolution was placed on the calendar and the report was ordered to be printed:

S. CON. RES. 50

*Resolved by the Senate (the House of Representatives concurring)*, That there be printed for the use of the Senate Committee on Labor and Public Welfare three thousand additional copies of the 1969 report of its Special Subcommittee on Indian Education entitled "American Indian Education: A National Tragedy—A National Challenge" (Senate Rept. 91–501).

## SENATE RESOLUTION 294—SUBMISSION OF A RESOLUTION TO PRINT THE NATIONAL ESTUARINE POLLUTION STUDY AS A SENATE DOCUMENT

Mr. RANDOLPH submitted the following resolution (S. Res. 294); which was referred to the Committee on Rules and Administration:

S. RES. 294

*Resolved*, That there be printed as a Senate document, in one volume, with illustrations, the National Estuarine Pollution Study, submitted to the Congress by the Federal Water Pollution Control Administration, Department of the Interior, in accordance with Section 5(g)(3), Public Law 89–753, Clean Water Restoration Act of 1966, and that there be printed two thousand five hundred additional copies of such document for the use of the Committee on Public Works.

## SENATE RESOLUTION 295—RESOLUTION REPORTED TO PAY A GRATUITY TO MARY K. DURISOE

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported the following original resolution (S. Res. 295); which was placed on the calendar:

S. RES. 295

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary K. Durisoe, widow of John E. Durisoe, an employee of the Senate at the time of his death, a sum equal to 8 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

## SENATE RESOLUTION 296—RESOLUTION REPORTED TO PAY A GRATUITY TO JAMES H. NEWMAN, SR.

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported the following original resolution (S. Res. 296); which was placed on the calendar:

S. RES. 296

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to James H. Newman, Sr., father of James H. Newman, an employee of the Senate at the time of his death, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

## ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 290

Mr. MAGNUSON. Mr. President, I ask unanimous consent that, at the next printing, the name of the senior Senator from New York (Mr. JAVITS) be added as a cosponsor of Senate Resolution 290, a resolution relating to support of the Senate for land reform in South Vietnam.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS TO DISTRICT OF COLUMBIA APPROPRIATION BILL, 1970

AMENDMENT NO. 418

Mr. BAYH submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 14916) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1970, and for other purposes, the following amendments, namely:

(1) on page 2, line 4, strike out "$100,000,000" and insert in lieu thereof "$100,500,000".

(2) On page 3, line 4, strike out "$39,201,000" and insert in lieu thereof "$39,701,000".

(3) On page 4, line 2, immediately before the period, insert a colon and the following: *"Provided further*, That $500,000 of this appropriation shall be availabe for municipal services at the local level, through Neighborhood Service Centers".

Mr. BAYH also submitted amendments, intended to be proposed by him, to House bill 14916, making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1970, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

## NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

John L. Briggs, of Florida, to be U.S. attorney for the middle district of Florida for the term of 4 years, vice Edward F. Boardman, resigned.

George A. Locke, of Washington, to be U.S. marshal for the eastern district of Washington for the term of 4 years, vice James E. Atwood.

Eugene E. Silver, Jr., of Kentucky, to be U.S. attorney for the eastern district of Kentucky for the term of 4 years, vice George I. Cline.

Loren Wideman, of Florida, to be U.S. marshal for the southern district of Florida for the term of 4 years, vice Guy W. Hixon, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee in writing on or before Tuesday, December 16, 1969, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

## "THE EFFLUENT SOCIETY"—A NEW YORK TIMES EDITORIAL

Mr. MANSFIELD. Mr. President, 2 weeks ago, the senior Senator from Wisconsin (Mr. PROXMIRE) introduced a bill which embodies a new and imaginative approach to the problem of water pollution. I strongly endorse the Proxmire proposal, and I have added my name as a cosponsor to his bill, the Regional Water Quality Act of 1970—S. 3181.

S. 3181 would establish a system of national effluent charges, imposed upon industries that pollute the water. Since waste disposal is one of the legitimate costs of doing business, industry should pay for the privilege of using public waterways to dispose of its waste.

Imposing these charges will give industry the incentive it needs to cut down on the waste it discharges. The money that is collected from the effluent charges by the Federal Government will be made available to help municipalities to build more adequate waste treatment facilities. Moreover, S. 3181 would accomplish its goals without increasing Federal spending and without requiring taxes to be raised.

Recently, the General Accounting Office—GAO—issued a report which concluded that the $5.4 billion spent by the Federal Government on water pollution has not reduced water pollution in this country at all. In other words, the present system simply does not work. The Proxmire bill resulted from this finding and from the need to find a solution that will work.

I believe Senator PROXMIRE's new approach can work. The New York Times does also. In the lead editorial from yesterday's edition, the Times found the GAO report "alarming" and supported Senator PROXMIRE's idea as "simple, fair, and extremely promising."

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE EFFLUENT SOCIETY

An alarming report compiled by the General Accounting Office indicates that an outlay of $5.4 billion to reduce water pollution in the past twelve years has left America's rivers as foul as they were before a dollar of it has been spent. The "shotgun" approach—Federal grants on a first-come, first-served basis without regard to regional needs, much less anything resembling a national plan—has allowed the effect of new municipal waste treatment facilities to be wholly negated by the continued freedom of private industries to pour their waste into public waters with no penalty worth considering.

The report raises the question of what good it did, for example, to lower the municipally produced pollution of Oregon's Williamette River by 20,000 units when two paper mills were allowed to dump up to a hundred times that amount of waste into the same waterway. What good did it do six Louisiana towns to cut pollution by 147,000 units along the Mississippi, mostly with Federal funds, when eighty industrial plants along the same stretch of water were allowed to put 2.4 million units into it?

An easy answer is that without the municipal plants these rivers, and others cited in the report, would be that much dirtier. But that is hardly a more satisfactory approach than the suggestion that Federal grants should be curtailed until much more planning can be done and a more effective distribution of funds can be made. The situation is far too urgent either for complacency or for protracted studies followed by equally protracted building schedules.

To cut through delaying tactics and achieve the quickest possible improvement, Senator Proxmire, Democrat of Wisconsin, has come up with a plan that is simple, fair, and extremely promising. He proposes that "effluent charges" be levied against industrial plants directly in proportion to the volume of waste they discharge into a stream and its relative strength and toxicity.

The Proxmire approach can be critized for appearing to uphold an industrialist's right to pollute the public waters—indeed, to make the Federal Government a party to the arrangement for a fee. Ideally, all such polluting should be flatly forbidden by law—a technically feasible solution that we hope to see enacted sooner rather than later. But it is not politically attainable now. Meanwhile, the need to reverse the trend toward contamination is too desperate to oppose Senator Proxmire's reasonable transitional step on the road to a fully effective prohibition.

The measure's purpose is not to punish industrial contaminators but to make it unprofitable for them to continue as such. Reducing their pollution tax would become as much an objective as cost-cutting anywhere else along the line of production, to the obvious advantage of the environment.

Realistically, it is probable that some of the added cost would be passed along to the customers, but that is hardly reason for ruling out the proposal. A consumers' society must recognize, sooner or later, that a high material standard can be hard on Nature and the damage must somehow be paid for. Americans may have to resign themselves to paying a little more for the fruits of industry if they are to enjoy them in an environment still tolerable enough to let them enjoy anything at all.

## RETURNING NATIONAL GUARDSMEN

Mr. DOLE. Mr. President, today in Topeka, Kans., ceremonies are being held to honor soldier citizens of Kansas who are returning to their hometowns and families.

In May 1968, the 69th Infantry Brigade of the Kansas National Guard was summoned to active duty following the *Pueblo* crisis. Across the State members of the 69th responded, as Kansans have done whenever America has needed them. They set aside civilian jobs and concerns and donned the Army green. They said goodby to loved ones and friends and went away with their comrades to serve America. Duty called and these brave men answered.

Mr. President, the men of the 69th have made a significant sacrifice in giving up 18 months of their civilian lives, careers, and service to their communities. The Nation owes a deep debt of gratitude to these men, not only for what they gave up but for what they gave. The 69th distinguished itself throughout its period of active duty by its dedication, its excellence and its contribution to the Army's defense effort. Men who one day had been civil servants, businessmen, and laborers, the next day were first-rate full-time soldiers. They gave real meaning to the National Guard's tradition of readiness.

I regret our business here in the Senate prevents my attendance at the Topeka welcoming ceremonies today. But I am also grateful that I may tell my colleagues of these returning soldiers.

I wish to express my congratulations and appreciation for the job the 69th has done and to extend best wishes and warm regards as our men resume their civilian lives.

## ANNIVERSARY OF THE UNIVERSAL DECLARATION OF HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, 21 years ago, on December 10, 1948, the United Nations General Assembly, meeting in Paris, adopted the Universal Declaration of Human Rights.

The declaration is concerned with two groups of rights. The first 21 articles set forth civil and political rights—such as the right to life, liberty, and security of person; equality before the law; freedom of opinion and expression; and the right of representative government. The next six articles set forth economic, social, and cultural rights—such as the right to social security, the right to a job, and the right to education. The last three articles of the declaration state the need for a social and international system in which these rights can be fully realized; declare that everyone has duties to the community; and prescribe certain limitations on the exercise of rights.

The adoption of the Universal Declaration of Human Rights can be considered a milestone for it was the first time the world community had agreed upon a set of standards for human rights for all men. The declaration is not a legal imperative, it is a moral one. It serves as a yardstick for each of its 48 signers in measuring the progress of human rights in their nation.

At the time of the adoption of the universal declaration, the United States Representative, Mrs. Eleanor Roosevelt, expressed her hope that this would be "an event comparable to the proclamation of the Declaration of the Rights of Man by the French people in 1789, the adoption of the Bill of Rights by the people of the United States, and the adoption of comparable declarations at different times in other countries."

Twenty-one years later, I still share Mrs. Roosevelt's hope.

It is time the Senate began to ratify these human rights treaties that have been pending before this body for so many years.

## SMALL BUSINESS LEGISLATIVE AUTHORITY

Mr. JAVITS. Mr. President, I ask unanimous consent that my statement before the Committee on Rules and Administration concerning Senate Resolution 30 be printed in the RECORD. Senate Resolution 30, which would give legislative authority to the Select Committee on Small Business, is a matter of grave importance to the Nation's more than 5½ million small businesses. I wish to acquaint the Senate as to my views on this matter and ask Senators to join with me in support of Senate Resolution 30.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JAVITS BEFORE THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. Chairman, I wish to thank the Committee for their generous invitation to appear before them today to give them the benefit of my views on this most serious subject. Since the Chairman of our committee has already—and so ably—stated the wide range of activities which the Small Business Committee is required to pursue, and there is nothing which I could add, I will therefore be brief.

Mr. Chairman, in my judgment, the facts compel the necessity of having one committee with jurisdiction to hear and report on legislation which principally affects small business. This judgment is supported by more than 5½ million small businesses throughout our country which account for approximately half of this nation's employment and approximately half of its gross national product. I might add that over the last several months, I have had considerable mail from small business concerns in support of S. Res. 30—in fact, I have received 400 such letters since this Monday.

I think that it is important to note that there has been a committee with the mandate to study the problems of small business since 1940. The very fact that the Senate has seen the need to have such a small business committee for 30 years and to make this committee permanent is substantial evidence of how the Senate views its importance.

I ask you now on the Senate Select Small Business Committee's thirtieth anniversary to finish the work which was begun here many years ago. It has remained unfinished for too long—much I fear to the detriment of small business. This committee deserves to be fully responsive to the needs and requirements of small business and to do so it needs to be able to hear and report to the Senate on small business legislation.

We are all aware of the fine job that the Small Business Subcommittee of Banking and Currency has done for small business. However, I submit that the committee was created many years ago as a substitute for what we are requesting today.

The committees and subcommittees of the Senate are becoming increasingly more burdened as the problems confronting our society become more and more complex. It

is not because of lack of desire but simply because of massive work loads that few committees can even physically give the special time and attention to legislation which is small business legislation. This situation often leads to such legislation being inadequately considered or being considered along with other legislation which is not necessarily of a small business nature where it may become submerged in the larger problems and lose its thrust.

Mr. Chairman, small business is the backbone of the American economy and it deserves the paramount attention of the Senate. On behalf of small business I ask you to complete the work which was begun 30 years ago.

## FREE CHOICE TELEVISION

Mr. MURPHY. Mr. President, once again I have requested Congress to permit the Federal Communications Commission ruling initiating subscription TV to take effect without further delay. This morning I presented my case for free choice television in testimony submitted to the Communications and Power Subcommittee of the House Interstate and Foreign Commerce Committee.

I firmly believe that subscription TV, or free choice television, as I prefer to call it, is an idea whose time has come. As a supplemental alternative to present commercial television the public would be given the right to choose what they want to watch and how they want to pay for it. The concept of subscription television will not succeed unless the public wants it and buys it. But the Congress, Mr. President, should not block the FCC's decision to allow the concept an opportunity to compete under our free enterprise system.

I look forward to the advent of this new medium and I urge my fellow Members of Congress to join in endorsing free choice television.

I ask unanimous consent that my testimony before the House Interstate and Foreign Commerce Committee be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR GEORGE MURPHY

I am indebted to you and your colleagues for permitting me to come over from the other body to address this distinguished subcommittee on an issue of especial importance, both to the nation and the State of California.

I have asked for this time with you today to plead for the case of free choice television.

Nothing could be more inappropriate than the slogan which has been adopted by those who oppose this new concept in home entertainment. They have called their crusade one to "save free TV," and as you gentlemen are well aware, there are few free things in this world—and certainly commercial TV is not among them. All of us who have used the media in our campaigns can agree.

As I am talking with you, four major Washington stations are beaming signals to your television sets and mine. Programs carried by these stations are paid for by the advertising dollars of their sponsors, which pass on this cost to the public. Today nearly every item we buy in the marketplace—from toothpaste to automobiles—bears a part of the cost of its advertising on television. At this moment, then, as in every moment during the broadcast hours, we and our fellow Americans are paying for the programs being put on the airwaves of commercial television. If you and I were addicted to television and our eyes could stand the continuous assault by the set, we still would be able to watch only one channel of the four—so even at the very best, we would be helping to pay for three programs more than the one we were watching. This is so-called "free TV." You are forced to pay for it whether you look at it or not.

Those of us who believe free choice television should be given its chance in the marketplace find it logical to argue that if we are involuntarily required to pay for programs we now do not watch on commercial television, can there be any justice if we are denied the right to select programs we would like to watch and pay for them in a more direct manner than through advertising?

I suggested a moment ago it would be an intolerable strain on the eyes to view television every hour of the broadcast day. But even if the eyes could stand the treatment, it is very doubtful the mind could.

There are many Members of Congress who have commented on the poor calibre of programming on some of today's commercial channels. Sociologists tell us there may be an equation between crime on the streets and crime on the tube. Educators warn us of the enormity of the influence of commercial television on our children. Our recent report estimated that by the time a child enters grade school he has been exposed to more hours of television than he will receive in hours of instruction during four years of college. Religious leaders warn us that in hours alone, television has thirty to forty times more influence on our young than does the church, and the Vice President of the United States begs those responsible to be more concerned about the proper dissemination of the news.

To make the above statistics frightening, you have only to spend an evening at the television set and see the mental level of the pablum or the variety of the violence which is spewed over the airways.

And if you have been one of those who like I have decried the level of the programs which are available to me in the evening hours, let me suggest an additional sobering thought. Perhaps some time in the last few years you have been confined to your home with a cold or flu and done some dial twisting during the daylight hours. While I am in full sympathy with those who worry about the influence of television on our young, the samples I have seen of daytime television makes me worry too about the network's underestimation of the intelligence of America's wives and mothers. But this is not the question before us now.

I do not see how any of us in Congress can on the one hand object to the calibre of present programming and on the other reject the only sensible alternative which has been presented.

What are the guarantees that Free Choice Television will offer a preferable alternative? The obvious answer to that can be found in the pocketbooks of the viewing public. If they don't like it, they won't buy it. Unless subscription television offers programs so superior to those which the public already is paying for through its purchase of advertised products, then it will fail. The demand for excellence, the demand to present a supplement, an alternative, something additional to and better than that which can be had for the turning of the dial—this demand must be met by Free Choice Television before it will succeed in attracting and holding the number of subscribers required to make the system an economic possibility.

Will free choice television bring an end to established commercial broadcasting? Certainly not. As long as there are products to sell, there will be advertisers who will want to use this excellent medium to sell them. Will free choice television take away from the already limited fare of commercial television? In my opinion, the answer again is no. I carefully have studied the rules under which the FCC will authorize free choice TV. These rules offer ample safeguards to insure that subscription television will only be supplemental television, giving the public a wider choice. Under these rules one might question whether Free Choice Television can succeed. But there is no question that they protect established broadcasting.

If, once Free Choice Television is in operation, there develops some infringement on established programming which we have not now anticipated, then it is reassuring to know that, Congress willing, the FCC will still be there and, the public willing, the Congress will still be here to add whatever additional restrictions are necessary.

Furthermore, Mr. Chairman, free choice television will present an opportunity for tens of thousands of new job opportunities. New industries always bring new employment possibilities. When television first entered the scene, theatre owners predicted it would put thousands out of jobs. The contrary was true. Today hundreds of thousands of new employees make their livings through television. It is always thus with new industries and so it will be with Free Choice TV.

Opponents of Free Choice TV raise the false spectre of unemployment in the theatrical industry, when the very reverse will be true.

We have read in the newspapers for many months of the opera companies and symphony orchestras which face doubtful futures of rising costs.

What better way to provide opera and symphony with a new source of income than to make them available to millions through the medium of free choice TV, millions who today are denied the cultural pleasures of fine arts.

As with the cultural community, the entertainment industry will be a beneficiary. Similarly, legitimate theatre and the movie industry will find significant new revenue opportunities in Free Choice Television, which will supply the finances for expanded new productions.

At the beginning of this year, underemployment was rife in my town, Hollywood, the film capital of the world, where, I'm sorry to say, 31% of the industry labor pool was unemployed.

The unemployment fell heaviest on the makeup artists, technicians, electricians, carpenters, and other skilled workmen because film-makers have gone abroad in search of cheap labor and lower production costs.

As a result, the State of California was paying these unemployed more than $400,000 a week in unemployment benefits while suffering a payroll loss of $200,000 a day.

The advent of Free Choice Television—which must under Federal Communications Commission rules—show new first-run movies might not completely cure the Hollywood unemployment problem, but it very likely would open for the industry a vast additional market with significant new sources of revenue for new and more numerous productions.

Because film presentations on Free Choice Television would be uninterrupted by commercials, filmmakers will be encouraged to develop new productions which lend themselves to the home screen—not truncated versions of old movies where only part of the film can be seen or capsule movies tailored to the one-hour time slot, but full-length features, extravaganzas, high-quality pictures permitting the full capabilities of the art.

Instead of the tawdry sexploitation films that now seem to dominate American studio production, Free Choice Television would provide an opportunity to strive for quality drama—films and plays that actors long to play and which a substantial part of the American public would like to see on tele-

vision. It would give the American producer an exact means of knowing precisely the type of film the American audiences want to see.

Freedom of choice—what could be a more inherent right in the free enterprise system. Mr. Chairman, it will be a shocking travesty if we deny the public its right to Free Choice Television. It will be a dark moment for that system if this Congress—or any Congress—ever legislatively denies a legitimate business its proper right to succeed or fail in the marketplace based upon its ability to provide new services for the public. We ask no more—we are entitled to no less.

Again my thanks for permitting me to submit this statement this morning.

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## A STRONGER POSITION FOR THE GOVERNMENT OF SOUTH VIETNAM

Mr. McGEE. Mr. President, there is good reason to believe, or at least to hope, that the course of events in Vietnam is leading toward a much stronger position for the Government of South Vietnam, militarily and politically.

As has been noted before, the distinguished British tactician, Sir Robert Thompson, has reported to President Nixon that there have been vital improvements in the situation in the Vietnamese countryside, where the Saigon government's authority is being extended and the Vietcong's influence eroded away. Columnist Joseph Alsop recently wrote about these developments in the Washington Post, while another observer, Crosby S. Noyes, of the Evening Star, saw, in speculation of a forthcoming offensive by the Vietcong and North Vietnamese, indications of a Communist plan to try to forestall the Vietnamization of the war in the South.

Mr. President, I ask unanimous consent that both articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 5, 1969]

BRITON'S REPORT ON VIETNAM MUST HAVE HEARTENED NIXON

(By Joseph Alsop)

Within the U.S. government, there is still an enormous diversity of viewpoint, and even of factual reporting, about the present stage of the war in Vietnam. Some time ago, this drove President Nixon to adopt an expedient without past American precedent, so far as is known.

To get a more solid feel of the real situation, and more particularly the situation in the Vietnamese countryside, the President asked Sir Robert Thompson to go to Vietnam on his behalf. One may guess the President chose this distinguished Englishman as his on-the-spot observer for two linked reasons.

On the one hand, he wanted a man who was free of all entanglement in the debates of our bureaucrats, analysts and policy-makers, which so often reflect debaters' vested interests. And on the other hand, he had to find a man with the solid experience to compare past and present, and therefore to measure progress—or the lack of it.

Sir Robert's qualifications were obvious. He was one of the masterminds of the successful British effort to defeat the Chinese Communist guerrillas in Malaya. In addition, he had intimate knowledge of Vietnam, where he served, from 1961 to 1965, as head of the British advisory mission. And his freedom from any optimistic bias had recently been proved by his decidedly gloomy book, "No Exit From Vietnam."

As an unobtrusive presidential emissary, Sir Robert therefore undertook a long journey in South Vietnam, covering key provinces from northern I Corps to the Delta in the south. As one must do to find the rice-roots realities, he did most of his investigating at the district level where the rice-roots war is fought. And he took along expert assistants, well qualified to check upon and also to amplify the facts that he gathered.

Sir Robert then returned to Washington a few days ago, and "The Thompson Report," officially so-called by the insiders, was formally delivered to the President on Wednesday. What he heard from Sir Robert must have encouraged the President very greatly.

The truth is that Sir Robert found a situation so radically changed that he largely abandoned the pessimism implied by the "No Exit"—that ominous phrase—in the title of his recent book. He did not paint a purely rosy picture, to be sure.

He was far from satisfied, for instance, with the effort made to date to track down and eliminate the higher command groups of the Vietcong. And he warned that if peace came with these command groups still in being, though in refuge, they might later attempt to regenerate a Communist resistance movement.

On the other hand, Sir Robert also found that the entire Vietcong structure was being powerfully and quite rapidly eroded, all over South Vietnam. The rates and degrees of erosion naturally varied from province to province, and even from district to district; but the main features were everywhere the same.

The guerrillas and local force soldiers, who are the "enforcers" of the VC bosses, are everywhere defecting or falling in battle in great numbers; and they are not being successfully replaced. The VC recruiting base is everywhere shrinking drastically, owing to the solid extension of government authority. And in these ways, the VC are progressively losing their former authority over the people of the countryside.

What this means to Hanoi can be gauged from a remark that Gen. Vo Nguyen Giap made to a European correspondent some time ago. "I am not concerned," said Giap, "with the military successes of the US/GVN. I would only become concerned when the US/GVN began to destroy the VC political infrastructure."

That grave cause for concern now stares Gen. Giap in the face. For the command groups, in their mountain and jungle refuges, are no more than the brains of this political infrastructure that Giap spoke of. Without their former apparatus of control of the countryside—above all, without guerrillas and soldiers to impose their will—the VC party secretaries are like Mafia bosses with no gunmen under their command.

Control of the countryside and its population is in fact the primary, most vital mission of this political infrastructure. This is why the VC structure in South Vietnam is Hanoi's primary, most vital asset. And the progressive erosion of this structure, reported by Sir Robert Thompson, is therefore a desperate matter for Hanoi—which probably explains the new infiltration figures that are the second part of the story.

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[From the Washington Star, Dec. 2, 1969]

QUESTIONS RAISED ON AIMS OF HANOI'S LEADERS

(By Crosby S. Noyes)

Continuing speculation about a forthcoming Communist offensive in South Vietnam raises a number of questions about the real objectives of the leaders in Hanoi.

The biggest question is whether these leaders really want the complete U.S. disengagement from Vietnam that they have been demanding for so long. A major offensive at this stage might indicate that they do not.

In any event, the expectation of a new Communist push that is something more than the periodic "high-points" of the last few months is widespread. The general estimate is that it will come in the first weeks or months of the new year.

One piece of evidence pointing to this conclusion is an increase in Communist infiltration rates after a six-month lull when replacements of North Vietnamese troops fell below casualty rates in the South. Within the last two weeks, infiltration has risen to about 1,000 men a day, which was the average for the peak year of 1968.

Even so, few American military experts believe that the enemy can mount an attack on the same scale as the great Tet offensive of 1968. The enormous losses taken at that time, particularly in local guerrilla forces, have never been made up. What the enemy can do, however, is to concentrate his strength to bring strong pressure to bear in the north and near the Cambodian border.

The question is why the Communists should decide to increase the level of fighting at a time when American troops are beginning to disengage from Vietnam. In his report to the nation on Nov. 3, President Nixon made it clear that the rate of withdrawal will depend on the level of enemy activity over the coming months. The low rate of Communist infiltration at the time was singled out as an encouraging sign.

The outlook is less encouraging today. A full-scale enemy offensive early next year could radically change the withdrawal schedule. In his November 3 speech, Nixon warned that if remaining American forces were jeopardized by increased enemy action, he would not "hesitate to take strong and effective measures to deal with that situation."

For the Communist leaders deliberately to provoke such measures makes little sense on the face of it. Logically, they might be expected to sit tight and wait for the departure of all American ground combat forces before heating up the war. The possible benefits they might hope for from an offensive at this time would be outweighed by a decision in Washington to halt the withdrawal of troops.

It may be, however, that the leaders in Hanoi have a good deal more faith in the success of "Vietnamization" than many Americans have. They may, in fact, believe that a continued American involvement in Vietnam is their only hope of reaching a satisfactory settlement of the war.

The Communists are very well aware of the very real progress that has been made over the past year in the program of rural pacification—which is a polite word for the destruction of the Communist infrastructure in the villages and hamlets. They know that the government in Saigon is consolidating its control over the great majority of the population.

These leaders may have reached the conclusion that, given a year or two of relative respite, the Saigon government will be too strong to be challenged successfully either on the battlefield or at the conference table. It also will be very much less vulnerable to pressure from Washington after the departure of American troops.

In this situation, the Communist leaders know that they could kiss goodby any hope of playing a significant role in the future political life of South Vietnam. Their major hope today is that the U.S. government, under pressure from anti-war sentiment, will impose on Saigon the kind of regime that they demand. A new Communist offensive at this stage, which might bring a halt in American troop withdrawals, could well be aimed at this result.

## PUBLIC WORKS IN MARYLAND FOR FISCAL YEAR 1970

Mr. TYDINGS. Mr. President, last Thursday the Senate accepted the conference report for the fiscal year 1970 public works appropriations bill. This bill contains five measures upon which I would like to comment briefly.

The first, and perhaps most important, is the $800 million appropriation for grants for the construction of water quality treatment facilities. This will make a significant contribution to our efforts to restore the quality of our waters. Water pollution is a major problem confronting our society, as everyone by now realizes. To achieve clean water requires technological skill and plenty of money. We already have the former. This bill will begin to provide us with the latter.

Our Nation owes a vote of thanks to the distinguished senior Senator from Louisiana who was responsible for an appropriation $586 million above the administration's budget request and $836 million above the House figure. Senator ELLENDER recognized the need for these funds, and I commend him for his leadership and foresight.

The appropriations bill contains $6.5 million to continue the enlarging of the Chesapeake & Delaware Canal. The canal, linking the Delware and Chesapeake Bays, is a major route of North Atlantic merchant ships and provides a direct and moneysaving passage between New York and Baltimore. With the new larger ships now coming into service, particularly the container vessels, the canal's enlargement is vital for Maryland's maritime interests and thereby crucial to the State's continuing economic prosperity.

I regret the full $10.8 million, which could be used for the project, was not appropriated. I thank the senior Senator from Louisiana for the Senate-approved $7 million appropriation and understand completely the pressures he was under in the conference to compromise. The $6.5 million appropriation is insufficient to accelerate the completion date of the canal project. This I regret. But it does maintain the pace of the work going on and, in a time when other projects have been cut back or eliminated for reasons of economy, I am pleased that the canal work will continue at its current momentum.

The Bloomington project in western Maryland receives $1.4 million in this bill. This will provide money to begin actual construction on this important dam. Bloomington will provide flood control, water supply, and recreation for the Upper Potomac Basin. It is a key project for Maryland. It is also vital for the Metropolitan Washington region, providing long-term water supply for the 2 million people of Maryland, Virginia, and the District of Columbia.

One important project beneficial to Maryland receives but a token payment in this bill. I am referring to the Chesapeake Bay model. Authorized a few years ago, the model is now expected to cost $15 million. It will enable us to understand more fully the hydraulics of one of the most complex and important estuaries in the world. The Chesapeake is vital to not only Maryland's well-being, but the Nation's as well. It is a natural resource of remarkable versatility. Yet its ecological stability is constantly endangered. The bay is threatened by increases in both pollution and population. We must know more if we are to protect and develop it wisely. The model will help provide us with the knowledge required. Yet only $30,000 is allocated for fiscal year 1970. This does not even allow the model to get off the ground. It is meaningful only to the extent that it provides an accompanying study with some money to continue. The model itself will never be built at this level of funding. If we are to have the model, we must appropriate far larger sums. The Chesapeake Bay model needs a yearly appropriation of $2 million, not a sum in the thousands.

The final project I would like to mention is one that truly benefits the entire Nation. It is the national shoreline study authorized last year by legislation I prepared. The study will give us an overview of our coastal erosion problems and recommend priority projects and a national program to combat erosion. The $150,000 provided in this bill starts the study off. A substantial increase in funding will be needed next year if the study is to be completed on time. I have brought this to the attention of the distinguished chairman of the Appropriation's Subcommittee on Public Works and he was most understanding. I expect to request the needed additional funds next year and hope that they can be provided. The study will make a major contribution to solving a significant problem in the coastal zone.

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## THE BUDGETARY PROCESS

Mr. TOWER. Mr. President, I think that it is an appropriate time to stop to consider for a moment the overall Government framework of expenditures and revenues within which we operate, and to consider whether we might improve the system in the next and succeeding years so that ill-considered, patch-work revenue bills and appropriations bills, such as the tax bill we have just debated, need not be foisted upon our constituents and our economy in the future.

Our major problem in Congress, it appears to me, is that of controlling expenditures. We can attribute the inflationary impetus in our economy today and the high taxes we pay to the lack of a thorough system of Government expenditure controls, and the related lack of a comprehensive, systematic approach to appropriation and tax legislation.

We have launched into major Federal expenditures in the social services sector in the decade of the 1960's which will total over $80 billion in this fiscal year alone. Of this incredibly large sum, I would guess that at least half is wasted and used ineffectively due to the lack of a thorough budgetary process and due to the multiplicity of Federal programs and their associated redtape.

I, and, I am sure, all other Senators, would like to see the social problems we face today conquered—slums, racial strife, crime, hunger, congestion in the cities, and water and air pollution. But to do so we must marshal our scarce resources better than we have in the past. We must control expenditures and make every tax dollar spent by the Government generate a dollar's worth of real benefit to the American people. And we must not allow our desire to give our constituents every tax break we can to result in closing off the critical source of capital in our economy, corporate retained earnings, when that source of capital is essentially what finances innovations and productivity increases in our economy.

I would plead, therefore, with my distinguished colleagues in the Senate and in the House that we more carefully plan our future appropriation and tax programs to make more effective use of our taxpayers' moneys, and in particular to coordinate the budgeting process of the Bureau of the Budget with our expenditure planning in Congress. To this end, we should attempt to cooperate with President Nixon in his recent moves toward rationalizing the expenditure process, such as his efforts to cut redtape in the Federal programs under the executive branch, to consolidate programs, and to expand the revenue-sharing concept which would eliminate so much waste in the maze of Federal programs. Also, we should consider the need to strengthen the legislative expenditure ceiling concept and the need for a "zero-base" budgeting process, whereby officials in charge of programs must justify all of their department's budget and not merely the increase over last year's budget.

I call to the attention of the Senate and House the recent speech by Dr. Arthur Burns to the Tax Foundation, in which he outlined the basic approach of the executive branch toward the rationalization of the expenditure-appropriation-tax process. I ask unanimous consent that his speech be printed in the RECORD.

I hope that Members of Congress will join with me in pursuing better structuring of the expenditure-appropriation-tax process in the next session of Congress and to help the President effect his plans in this regard.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CONTROL OF GOVERNMENT EXPENDITURES

(Address by Arthur F. Burns, counsellor to the President, to the Tax Foundation)

This year the Congress has devoted a great deal of attention to tax legislation. Besides aiding the fight against inflation by extending the income tax surcharge temporarily, the Congress has been heavily engaged in writing a tax reform bill that is of major significance to the American public. If the bill survives in something like its present form, some troublesome inequities under existing law will finally be corrected. However, the relative tax burden borne by individuals and corporations will also be changed, with corporate income tax liabilities gradually going up about 5 billion dollars by 1975 and individual income taxes coming down 12 billion dollars.

This projected shift in the tax structure will favor consumption at the expense of capital formation. Such a development will be useful in the short run by helping to cool off the business investment boom that is still under way, but it may damage prospects

for the long-term growth of our economy. We surely cannot afford to take capital formation or economic progress for granted. If our economy is to grow and prosper in the future, as it both can and should, business enterprise may well need the stimulation of an improving tax climate.

In recent times, our nation has moved rapidly towards the welfare state, such as various European countries previously developed. Unlike these countries, however, we also devote an enormous part of our resources to meeting the needs of an intricate and far-flung defense system. Thus far, the prodigious productivity of American industry has made it possible to finance liberally both our defense needs and the social services of government. But in order to continue to support the growing scale of our public consumption without doing injury to private consumption, the productivity of our factories, mines, farms, construction enterprises, and service trades may have to improve more rapidly than in the past. This will not be accomplished without substantial and increasing investment in new and better tools of production. The projected shift in the structure of taxation therefore seems undesirable to me, and I trust that the President's Task Force on Business Taxation will soon point the way to a better balance in our tax system.

I do not know at precisely what point the burdens of taxation will materially serve to check our nation's economic progress, but I also do not think it wise to test this issue too closely. The trend of governmental spending and taxes in the past forty years has been sharply and inexorably upward. In 1929, government expenditures at the Federal, state, and local levels amounted to about 10 percent of the dollar value of the nation's production. This fraction rose to about 20 percent in 1940, to about 30 percent in 1960, and to about 35 percent this year. The broad trend of taxation has been very similar. With over a third of our nation's output already moving into the hands of the tax collector, it seems hardly prudent to contemplate any further increase in the level of taxation. And yet, unless we bring government expenditures under better control than we yet have, the modest over-all reduction of tax rates that the tax reform bill projects will prove abortive and further increases in the level of taxation may become unavoidable.

As our nation's economy has grown and as our political democracy has widened, the responsibilities assumed by government have kept increasing. In fiscal year 1962, the rising curve of Federal expenditures first crossed the 100 billion dollar mark. It now appears likely that the 200 billion dollar mark will be crossed the next fiscal year; so that we will be adding as much to the Federal spending rate in a mere nine years as it took nearly two centuries to achieve previously.

The explosive increase of Federal spending during this decade is commonly attributed to the defense establishment, or more simply to the war in Vietnam. The fact is, however, that civilian programs are the preponderant cause of the growth of the Federal budget. When we compare the budget of 1964 with the estimates for this fiscal year, we find that total Federal spending shows a rise of 74 billion dollars, while defense outlays are larger by only 23 billion. If we go back to 1953, when the Korean war ended, and take into account state and local expenditures as well as Federal, we find that defense outlays have been responsible for only about one-sixth of the vast increase in the cost of government that has occurred since then.

Thus, the basic fiscal fact is that spending for social programs now dominates our public budgets. Although the Federal government's direct involvement in problems of social welfare is a recent development, it is already huge and is growing at a fast rate. This fiscal year, programs for education, manpower, health, income security, housing, community development, and crime prevention will cost over 80 billion dollars—a sum that exceeds all the spending done by the Federal government in the peak year of the Korean war. Federal aid to the poor will alone cost 27 billion dollars this year, in contrast to 12 billion in 1964. Grants in aid to states and localities will cost about 25 billion dollars, in contrast to 15 billion in 1967, 10 billion in 1964, and 5 billion in 1958.

This upsurge of Federal spending is a response to the economic and social difficulties that afflict many of our communities—witness the slums, ghettoes, racial strife, poor public schools, teenage unemployment, drug addiction, poor health, student disorders, inadequate transportation, traffic congestion, air and water pollution, and unsafe streets and parks. The Federal government has tried to solve these complex problems by spending large sums of money on projects that have often been hastily devised. Hundreds of grant-in-aid programs dealing with health, education, welfare, and other local needs were established in quick succession. Several regional commissions were established to seek better balance in economic development and social improvement. An Economic Development Administration was established to aid local communities, both urban and rural, that suffer from excessive unemployment or inadequate incomes. More recently, a Model Cities Program was established, aspiring to achieve what our best city planners can contrive. By proceeding in all these directions, we have created a costly governmental maze that involves much duplication and waste, that often hampers the constructive efforts of local officials, and—perhaps worst of all—that practically defies full understanding or evaluation.

Nowadays, many local government officials, instead of grappling with the most urgent needs of their communities, devote their finest energy to maximizing and husbanding the Federal grants that happen to be available. With over 600 categorical programs of Federal aid to choose from, there is plenty to keep them busy. Many of the programs involve tedious procedural steps extending over a number of months before a community can learn whether Federal funds are to be granted for its proposed project. Each program is equipped with its own set of administrative requirements involving endless forms and reports. If a local official attempts to draw upon several funding sources to help finance a neighborhood project, he may be confronted with a mass of complex application forms weighing several pounds, with Federal processing steps that may take well over a year to elicit a "yes" or "no" response, and with stringent requirements for hundreds of detailed reports. Further, this official will usually have to work with Federal representatives scattered in a number of different cities in order to arrange the project.

I am informed by the Bureau of the Budget that one Federal program requires over a hundred different kinds of forms and reports; that a grant involving $1,000 may require over 30 major Federal agency steps, including review by a 15-man advisory committee and headquarters approval; that a department of one state has counted 120 different reports that it is required to submit to a particular Federal agency, many of them on a monthly or quarterly basis; and that there are numerous instances in which Federal, state, and local governments make independent studies of the same community without one agency knowing what the other is doing or having an opportunity to share in the results of the other studies. The mere listing of all Federal requirements imposed on states and communities would be so voluminous that it has never been done.

As a result of this administrative morass, various Federal programs are half smothered in paper. Employees at all levels of government are required to devote time to detailed paper work which would be better devoted to rethinking program objectives or assessing the extent to which present objectives are being met. More important, help may not reach the people who need it until months—sometimes years—after it should, with much of the money meanwhile siphoned off by the bureaucracy. To give only a few outstanding examples, neither the achievements of the compensatory education program, nor of the urban renewal and slum clearance programs, nor of the public assistance programs have come very close to the expectations of our lawmakers.

In view of the explosive growth of Federal spending and the ineffectiveness or inefficiency of much of it, I am inclined to think that the need for expenditure reform may be even greater than the need for tax reform. One of the advantages of a new Administration is that it can move with energy to change the direction of governmental policy. President Nixon responded to this opportunity by taking major steps to win control over Federal spending. Needless to say, the rapid rise of the consumer price level has been the most troublesome economic problem facing the nation this year. In view of the inflationary pressures in our markets for goods and services, it was clearly important that the Federal government curb its spending beyond the earnest move to frugality that the previous Administration made in its closing days. In all, reductions of 7½ billion dollars from the January budget were therefore ordered by the President for this fiscal year. These reductions were widely distributed among government agencies, with 4.1 billion allocated to the Defense Department and 3.4 billion to the rest of the government. Moreover, when Congress later passed or considered legislation that foreshadowed an expenditure total well above the revised budget of $192.9 billion that the President had submitted, he firmly announced that he would try his utmost to see to it that Federal finances continue to be subject to the ceiling that he had imposed. Later in the year, in order to deal with the special problem of runaway construction costs, the President ordered a cutback of 75 percent in Federal construction contracts.

Administrative steps were also taken by the President to achieve greater efficiency in government spending. In March a carefully planned effort to cut red tape got under way. As a first step, the several agencies most closely concerned with human resources were directed to adopt common regional boundaries and to locate their regional offices in the same cities. Further, a review was started of the several hundred Federal assistance programs, with the objective of simplifying procedure, cutting down on the paper work, and shifting responsibilities to the field so that decisions could be made both more expeditiously and by officials who are in closer touch with the local problems.

The Administration has also sought legislation to correct the deficiencies of the grant-in-aid programs. In order to give local officials greater flexibility to meet their priority needs, the President has requested authority to consolidate existing grant-in-aid categories, subject to a Congressional veto within 60 days. Moreover, as legislation has moved through the Congress, the Administration has been alert to the opportunity of converting narrow categorical grants into block grants for broad functional areas. In line with this policy, proposals for grant consolidation were advanced in connection with legislation on hospital construction, on elementary and secondary school education, and on manpower training services, as well as through the appropriation route.

But by far the most important as well as

the most dramatic step that the President has taken to reform expenditure policy is his proposal to the Congress to inaugurate a system of revenue sharing. This proposal marks a milestone in Federal-State relations. It seeks to decentralize governmental power. It seeks to restore the balance that existed in earlier decades between the state capitals and the national capital. Or to be more precise, while it seeks to extend additional Federal assistance to state and local governments, it insists that this be done in a manner that will enable local officials to attend to urgent problems within their own jurisdictions as they deem best, without being subjected to rigid Federal controls or requirements.

The leading features of the Administration's revenue sharing proposal are as follows: First, in view of budgetary constraints, the revenue sharing fund will be limited in fiscal 1971 to a half billion dollars, but will subsequently grow fairly rapidly and reach 5 billion dollars by the mid-seventies. Second, the distribution of the fund among the states will be based on a simple formula that assigns primary weight to population, but also gives some weight to tax effort. Third, the distribution within each state between the state government and the localities will be likewise based on a formula, so that each unit of government within a state will be assured a share that is proportionate to its own tax revenues. Fourth, no restriction will be placed on the use of the funds made available by the Federal government; in other words, each state, county, city, or town will rely on its own judgment and use the money for education, health services, parks, law enforcement, or some other way, as it deems best.

The precise details of this revenue sharing plan grew out of detailed discussions among members of the Administration, Congressmen, Governors, Mayors, and county officials. In the course of these discussions the argument was sometimes encountered that revenue sharing may lead to fiscal irresponsibility, since local officials may be careless in using funds that they did not have to raise from their own constituents. This argument cannot be dismissed. It might in fact be decisive if the practical choice were between levying local taxes or Federal taxes. By all indications, however, Federal financial assistance to the states and localities will continue to grow, and the only real question is whether Federal grants will lead to more or to less centralized control. In taking a definite stand for decentralization, the Administration has enunciated a policy whose wisdom is now widely recognized by liberals as well as conservatives within our two major political parties.

As a result of the careful preparation of the Administration's revenue sharing plan, it has already won the general approval of the Governors Conference and also of the leading national organizations of mayors and county officials. The Administration's own thinking on the subject is not rigid, and it will entertain any reasonable proposal for change that would facilitate Congressional approval. In particular, the Administration would welcome an enlargement of the projected revenue sharing fund, provided categorical grants were correspondingly curtailed. If that happened, revenue sharing would grow more rapidly than presently contemplated, and the decentralization of government—which has become so vital to order and efficiency in the public economy—would be speeded.

This sketch of recent progress toward Federal expenditure reform should be reassuring to responsible citizens, but it certainly leaves no room for complacency. Much of the needed legislation has yet to be passed. Many of the administrative improvements are still in an early stage and remain to be tested. The ceiling of $192.9 billion on this year's expenditure is not entirely secure. True, the curve of Federal spending is now rising at a much slower pace than in recent years, but the improvement would be less impressive if the various government-sponsored financial agencies were all included in the budget. And, as far as I can judge, the growth of population, the need to improve our social and physical environment, and the widening concept of governmental responsibility will almost inevitably lead to large additions to Federal as well as state and local expenditures in the future. There will therefore be a continuing need to control governmental spending, first, in order to avoid strain on our physical resources of labor and capital, second, in order to assure the continuance of a vigorous private sector, and, third, in order to maintain pressure for discriminating judgment on priorities as well as for economy of execution in the public sector. These are difficult requirements and they will not be met without further significant expenditure reform.

One major step toward reform was taken last year and again this year by Congressional enactment of a ceiling on expenditures. A legislative budget is a radical departure in budget-making, and its significance should not be minimized by the rubbery texture of the ceiling. In the first place, the vigorous discussion surrounding the legislative ceiling has of itself served to dampen enthusiasm for larger spending. In the second place, the rubbery ceiling of today can become a rigid ceiling tomorrow. If the Congress moves in this direction, its fragmented approach to appropriations, which will doubtless continue, need no longer run up Federal spending as it has commonly done in the past.

To be sure, the individual appropriation acts may imply a much larger expenditure total than had previously been legislated. In that event, the Congress would in effect say to the President: "You are the manager of our national finances. We fixed a ceiling on expenditures earlier in the year, after considering your budgetary recommendations and making our own best judgment of what the national interest requires. But there are several hundred of us; each of us is subject to heavy pressure for appropriations that seem vital to our constituents, and we find it impossible in the time at our disposal to trim individual appropriations so that they be consistent with the expenditure ceiling. In view of our inability to agree on priorities, we assign this responsibility to you; but we naturally reserve the right to challenge your actions by new legislation." Such a mandate by the Congress would, of course, not make the President's job any easier; it could well lead at times to uneconomical cutbacks; and it might even mean that we will have only one-term Presidents in the future. However, by enabling the members of Congress to satisfy both their conscience and their constituents, such a mandate would probably assure that total expenditure is kept under decent control.

A second reform of vital significance would be adoption of the concept of zero-base budgeting. Customarily, the officials in charge of an established program have to justify only the increase which they seek above last year's appropriation. In other words, what they are already spending is usually accepted as necessary, without examination. Substantial savings could undoubtedly be realized if both the Budget Bureau examiners and the Congressional appropriation committees required every agency to make a case for its entire appropriation request each year, just as if its program or programs were entirely new. Such a budgeting procedure may be difficult to achieve, partly because it will add heavily to the burdens of budget-making, and partly also because it will be resisted by those who fear that their pet programs would be jeopardized by a system that subjects every Federal activity to annual scrutiny of its costs and results. However, this reform is so clearly necessary that I believe we will eventually come to it. I regard President Nixon's request of the Budget Bureau this year for a list of programs judged to be obsolete or substantially overfunded as a first step toward zero-base budgeting.

Several other reforms that I can only mention also deserve serious attention. First, earmarking of funds is often a dubious practice and should be carefully reappraised by the Congress. Second, agency heads should be subject to a Presidential requirement that if they request additional funds—whether for new or old programs—after the budget has been transmitted to the Congress, they must as a rule give up an equal amount of money from their ongoing activities. Third, new programs should be typically undertaken on a pilot basis and not launched on a national scale until their promise has been reasonably tested. Fourth, the law requiring that the cost of new programs be projected five years ahead when they are first presented to the Congress should be strictly enforced. In addition, comprehensive five-year budgetary projections should be constantly maintained by the Budget Bureau of the President's guidance. Fifth, I think that it would be useful to rotate the personnel of the Budget Bureau among its major divisions, so that the key examiners can periodically shed their preconceptions or frustrations and approach with a fresh eye the financial concerns of the agencies that are newly assigned to their scrutiny.

In addition to institutional reforms such as these, effective control of public expenditures will require larger reliance on volunteer efforts for dealing with our great social ills. It will also require thorough, realistic, and penetrating study of the promises, costs, and achievements of individual governmental programs. Although Federal agencies, particularly the Bureau of the Budget, need to augment their evaluative work, some doubt will always surround research that is carried out by agencies which originally advocated or subsequently supervised the programs under study. There is a great need therefore, for expenditure studies by organizations that are independent of government and have no direct stake in any of the programs. In view of its preeminence in fiscal research and public education, the Tax Foundation is especially well equipped to organize teams of economists, accountants, political scientists, and management experts for the concrete study and evaluation of some of the major branches of Federal expenditure.

I hope that the Trustees of the Tax Foundation will be able to find a way of making this additional contribution to good government. If you undertake to do so, I assure you that the evaluation teams you send to Washington will receive a very warm welcome.

## PROPOSAL FOR A SELECT COMMITTEE ON TECHNOLOGY AND THE HUMAN ENVIRONMENT

Mr. MUSKIE. Mr. President, a critical issue of national concern is the extent to which the effects of new technologies are examined prior to their introduction into the environment. Today's environmental crisis exists because past technological decisions were made without adequate consideration of the environmental effects of those decisions.

It is for this reason that I have recommended for some time the establishment of a Select Committee on Technology and the Human Environment.

It is for this reason that recently passed Senate legislation included a provision establishing an Office of Environmental Quality in the White House.

And it is for this reason that the Subcommittee on Air and Water Pollution continues to hold investigatory hearings

on the environmental effects of new technology.

Recently the subcommittee held hearings on the underground use of nuclear energy for excavation and other purposes. There is a brief discussion of the value of those hearings in the December 1 issue of Gershon W. Fishbein's "Environmental Health Letter." I invite the attention of Senators to that report and ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SENATE HEARINGS REFLECT FUNDAMENTAL CONCERN IN ENVIRONMENT

*The daily press missed a good story* when it failed to give attention to the hearings Nov. 18–20 before the Senate Air and Water Pollution subcommittee on S. 3042, which would provide an independent evaluation of the potential environmental effects of underground uses of nuclear energy.

*The issue, however, was much bigger than the immediate subject* at hand. It addresses it self to one of the most fundamental issues confronting those with the responsibility of protecting the public in the man-environment interface.

*Basically, it involves the question of how to assure pre-marketing* clearance of technological innovations before they become hazardous to the public or upset the ecology of the land, air or water. Such an assessment should be kept in balance, with the benefits and risk clearly weighed, in determining in advance by public agencies whether man will be the beneficiary or the victim of technology. Secondary to this issue is the related concern of whether an agency whose primary mission is to develop and foster a resource or an industry can simultaneously police it.

*Such were the stories behind the story in Room 4200* of the New Senate Office Building. But even the witnesses on the substantive issue would have made good copy. Dr. John W. Gofman of the University of California presented testimony indicating that "current radiation exposure guidelines are indeed dangerous—much too high."

*"Any release of radioactivity associated with Plowshare* or other programs to regions where humans or other members of our ecosystem can possibly be exposed should be documented by a truly independent agency and made immediately available to public sources for independent review. It may well turn out that attention to injury to other members of the ecosystem may be of greater long-range relevance to man than the immediate attention to man with extensive neglect of the ecosystem which supports his life." Dr. Gofman's view was disputed by Dr. C. L. Comar of Cornell.

*Dr. Edward P. Radford of Hopkins and Dr. Robert Platt* of Emory University each presented testimony which put the proposed legislation beautifully into the man-environment context.

*Note:* Still languishing is a possible legislative solution to the need to get more facts on technological innovations as they might affect man. Such a solution is contained in S. Res. 78, sponsored by Senator Muskie and others, to create a Select Senate Committee on Technology and the Human Environment. Although it was not intended that way, the information developed in the hearings on S. 3042, added to the urgency of enacting the Select Committee. Isn't it about time to enact this simple resolution?

## COMMUNIST ATROCITIES AT HUE

Mr. MURPHY. Mr. President, the Los Angeles Times of December 6 contains a poignant and thoroughly documented account by Times staff writer Robert S. Elegant of Communist atrocities committed at Hue. Mr. Elegant had interviewed Douglas Pike, a foreign service officer and author of "Vietcong," the book considered to be the single most authoritative and exhaustive study of communism in South Vietnam.

In these days when alleged atrocities by one American group have garnered so much publicity, Mr. Elegant and the Los Angeles Times have performed a service by printing the story of known, proven actions committed by the Vietcong Communists that are too terrible for civilized people to imagine.

An important point to remember, Mr. President, is that the alleged American atrocities at Mylai, if true, were committed against all instructions of the American Government. The known atrocities at Hue were carried out as part of the officially ordered plan and design to establish a Communist government in South Vietnam.

I wish to call the attention of Senators to the facts of the Hue massacre as described by Mr. Pike. I ask unanimous consent that the Los Angeles Times article entitled "Hue Massacre: Effort To Destroy Entire Society," written by Robert S. Elegant, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Dec. 6, 1969]

HUE MASSACRE EFFORT TO DESTROY ENTIRE SOCIETY—AUTHORITY SAYS MURDERS WERE ACCORDING TO PLAN AND PERHAPS 6,000 DIED

(By Robert S. Elegant)

HONG KONG.—"A squad with a death order entered the home of a community leader and shot him, his wife, his married son and daughter-in-law, his young unmarried daughter, a male and female servant and their baby. The family cat was strangled; the family dog was clubbed to death; the family goldfish were scooped out of the fishbowl and tossed on the floor."

Douglas Pike, a leading authority on communism in Vietnam, reports that scene after conducting an intensive investigation of events in Hue when the Communists held the old imperial city for 24 days in February 1968, and slaughtered what he estimates was almost 6,000 civilians for political purposes.

"When the Communist squad left," he continues, "no life remained in the house. A 'social unit' had been eliminated."

FOREIGN SERVICE OFFICER

Pike, a Foreign Service officer, is the author of "Viet Cong," the book generally judged the single most authoritative and exhaustive study of communism in South Vietnam.

The extinction of the community leader's family "was not due to rage, frustration or panic," Pike said. The "execution" was part of what Pike identifies as "Phase II" of the continuously sanguinary Communist occupation, when "cadres believed for a few days that they were permanently in Hue—and acted accordingly."

He notes that the Viet Cong thereupon launched "a period of social reconstruction, Communist style. Death orders went out against 'social negatives,' individuals or groups who represented a potential danger or liability."

There was no discernible personal animus, despite the wanton cruelty that tortured the pets.

"This was quite impersonal," Pike said. "It was not a blacklist of individuals but a blacklist of titles and positions in the old society. It was directed not against people, but against 'social units'—religious organizations, political parties and social movements like women's and youth associations."

5,800 DEAD OR MISSING

By Pike's count, based on his own research and local estimates, 5,800 Hue civilians are dead or missing, and the missing are not likely to reappear. In addition, 1,800 civilians were hospitalized, making a total of 7,600 civilians killed, abducted or injured by the Communists.

Pike said almost all the killing was dictated by political aims and ordered by political commissars. A few civilians, not more than several hundred at most, were killed or injured in the course of battle.

So far, 2,780 bodies have been recovered from the mass graves where the Communists carefully hid their victims. Further finds are made daily. But Pike does not expect all the bodies to be recovered because the Communists went out of their way to conceal the mass graves.

"The number of deaths would probably have been higher but for the limitations of time and circumstances," he said.

Out of approximately 75,000 persons under effective Communist rule for about three weeks, 7,600 became casualties. Even allowing the widest latitude for battle casualties and inadvertent killings, that means not less than 5% of the civilian populace and perhaps as high as 10% were deliberately slaughtered.

Pike, now stationed in Tokyo with the U.S. Information Service, lived in Vietnam for eight years before writing "Viet Cong." During a leave of absence he returned to Vietnam, as he does periodically, and spent more than a week early this November pursuing his research in Hue.

LENGTHY CONVERSATION

His findings and conclusions as reported here are abstracted from a lengthy personal conversation and the draft of his report on his investigations at Hue.

After his research, Pike believes that the massacre of Hue will be the pattern for nationwide action should the Communists conquer South Vietnam. He bases that conclusion upon the fact that the massacres were deliberate acts of policy, rather than random individual deeds.

He divides the Communist campaign against the civilians of Hue into three periods:

Phase I occurred during the first few days of the occupation, when the Viet Cong did not expect to stay but wished to make an example and to "break the enemy's administrative structure."

"Civilian cadres," Pike said, "accompanied by firing squads executed key individuals to weaken governmental administration following Communist withdrawal. This was the blacklist period, the time of the drum-head court.

KANGAROO COURTS

"Cadres with clipboards bearing lists of names and addresses summoned various 'enemies of the revolution' to kangaroo courts. Public trials usually lasted about 10 minutes, and there were no known not-guilty verdicts. Punishment, invariably execution, was meted out immediately."

Aside from "particularly venomous attack on Hue intellectuals," who despised communism as a philosophy, Phase I followed normal Communist procedure.

Phase II was the period of "social reconstruction." In order to "build a new social order, it was necessary to purge the old order." The "social negatives" were eliminated. Anyone who might stand in the way of the Communists' consolidating their hold and imposing their own rule was killed.

During Phase II approximately 2,000 of the 5,800 died, including a family that was slaughtered even to its cat, dog and goldfish.

WORST PHASE

Phase III, however, was the worst. During the last week of their stay, the Communists knew they would be forced to withdraw. They were determined to leave no witnesses who might testify against them or identify the 150 clandestine Communist cadres who had "surfaced" to rule Hue.

Most victims were killed in batches during this period. At the Sand Dune Grave they were tied together in groups of 10 and cut down with sub-machine guns.

Pike adds: "A favorite local souvenir is a spent Russian machine-gun shell taken from a grave. Frequently, the dead were buried in layers of three or four, making identification particularly difficult."

He believes the Hue massacres were different from other Viet Cong terrorism "not only in degree but in kind."

NEW GOVERNMENT

It was not the quick terror used to build Viet Cong morale or to frighten the populace but the slow, intensifying terror intended to create the basis of a new government.

"There was no agonized outcry, no demonstrations at North Vietnamese embassies around the world," Pike said. "Lord Russell has not sent his 'war crimes tribunal' to take evidence. In tones transcending bitterness, the people of Hue say the world does not know what happened or, if it knows, doesn't care."

There was, indeed, a remarkable lack of reporting on the Hue massacres, in part because the Communists had hidden their victims so well. However, as Pike indicates, there is much apathy regarding Viet Cong atrocities.

They are not news. Yet bodies have been turning up since March 1, 1968.

"In one place, a farmer walking across the sand dunes tripped over a piece of wire sticking out of the mud. In ire, he jerked at it. Out of the sand at the end of the wire came a bony hand and arm."

Victims' wrists had been bound with wire before execution.

Teams are still exploring the Hue area wearing surgical gloves, well doused in alcohol, their faces masked against the stench. They dig systematically, using archeological principles . . . with a shallow slicing movement."

Local techniques have appeared, Pike said, for digging has practically become a local industry.

"One old man has gained fame for his ability to identify acquaintances by the shape and feel of their skulls. Bright green grass is an almost certain sign that bodies lie underneath. Children, like one 14-year-old boy, have pinpointed bodies they watched the Communists bury."

In one find, "only 250 full skulls were found, but parts of many others had been washed to the mouth of the stream that was the execution ground. Among the dead were four Vietnamese and two foreign priests. Killed at the same time were a West German pediatrician and his wife who had devoted eight years to teaching medicine at the Hue Medical School and delivering babies at the Municipal Hospital. Two other West German doctors were also killed."

The pattern was clear. Anyone, Vietnamese or foreign, who sustained the old society in any way, political or social, was doomed.

What happens to a city that suffers so?

Pike believes that, despite material recovery, there are "deep recesses in the mind of Hue that will never again know the sun."

Resentment is still widespread against Saigon and Washington, which could not prevent the orgy of slaughter.

LOOK INTO FUTURE

"But spending an evening with survivors," Pike said, "one is submerged in hatred against the Communists like a thick fog. The fence-sitters and the advocates of nonviolence are gone. Hardly anyone did not find a relative or intimate friend in a Communist grave. Hue's implacable hatred of communism is as fixed as a mathematical law."

And the lesson of Hue, if there is one?

Pike believes it is clear: "If the Communists win decisively, all foreigners would be expelled from the south, particularly hundreds of newsmen. A curtain of ignorance would descend. Then the night of the long knives would begin.

"A new order is to be built. While the war was long, so are memories of old scores. All political opposition, actual or potential, would be eliminated. They would eliminate not the individual (for who cares about individuals?) but the latent danger to the dream, the force that might someday even inside the regime dilute the system," Pike said.

"Little would be known abroad," he concluded. "The Communists would create a silence of death, and the world would call it peace."

## FIFTIETH ANNIVERSARY OF OFFICE OF LEGISLATIVE COUNSEL

Mr. JORDAN of North Carolina. Mr. President, as we approach the end of this session, I think it is time for the Senate to give due recognition to the fact that this year has marked the 50th anniversary of one of its most important—though largely unsung—supporting units.

I speak of the Office of Legislative Counsel which, I think it is fair to say, has helped determine the form of virtually every major law adopted since it was established.

As chairman of the Committee on Rules and Administration. I have perhaps more reason than some other Senators to observe the activities of this office in recent years, and I have been tremendously impressed by the skill, efficiency and dedication of Senior Counsel John Herberg and the members of his staff.

Their performance, I think, is particularly outstanding in view of the fact that they are doing the job now with the same number of people authorized 20 years ago despite the vast increase in the volume and complexity of the issues with which they now must deal.

Every Senator who has served in the last half century is indebted, at least in some part, to the succession of attorneys who have, without public recognition, served so well in this office in the drafting of sound legislation.

By the same token, these anonymous shapers of the law deserve the thanks of the country as a whole.

In order that their service be given proper recognition I ask unanimous consent to have printed in the RECORD a statement describing the origin, development, functions, and operations of the Office of Legislative Counsel.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

ESTABLISHMENT

The offices of Legislative Counsel of the Senate and of the House of Representatives, originally referred to collectively as the Legislative Drafting Service, were created by an Act of Congress approved February 24, 1919, "to assist in drafting public bills and resolutions or amendments thereto on the request of any committee of either House of the Congress" (40 Stat. 1141).

The establishment of the service as an agency of the Congress followed a two-year demonstration to committees of the Congress of the value of specially trained legislative draftsmen in formulating technically effective legislative measures. The demonstration was conducted through the services of of a skilled draftsman, Middleton Beaman, furnished by the Legislative Drafting Research Fund of Columbia University (29 Col. L. Rev. 379, 385–386).

The Act of February 24, 1919 provided for the appointment of two draftsmen "without reference to political affiliations and solely on the ground of fitness to perform the duties of the office" (40 Stat. 1141). One was to be appointed by the President of the Senate, and one by the Speaker of the House.

The men first appointed to those positions were Thomas I. Parkinson, in the Senate, and Mr. Beaman in the House. Both previously had been engaged with Professor Joseph P. Chamberlain of Columbia University in research to develop improved techniques in the drafting of statutes (29 Col. L. Rev. 381).

PRIORITIES IN SERVICE

Although the office is required by the statute which created it to render service only to committees, it has long been the practice of the office to furnish drafting service also to individual Members of the Senate on their request to the extent permitted by its personnel strength.

The Committee on Rules and Administration of the Senate is authorized to determine the preference to be given by the office to requests for service. The order of preference in effect for many years is the following: (1) measures in conference; (2) measures pending on the floor of the Senate; (3) measures pending before a standing committee; and (4) preparation of original measures for individual Members of the Senate.

Within each of those categories, each attorney in the office gives preference to requests in the order of the time of their receipt, except that a request for a measure or amendment which can be prepared quickly may be given priority over one of earlier receipt which will require an extended period of time for preparation.

LIMITATION OF FUNCTIONS

The office has no part in the formulation of legislative policy. Its only concern with policy is to ascertain the desired policy in adequate detail and with sufficient precision to enable it to formulate a measure which is technically effective to carry out legislative intent.

It serves committees and Members of the Senate without regard to political considerations.

All service is rendered upon a confidential basis, and care is taken to prevent any violation of confidence.

CHARACTER OF SERVICES RENDERED

Service rendered to a standing committee with respect to a single measure may include assistance to subcommittee staff members in the preparation of amendments required to carry into effect policy decisions made from time to time by the subcommittee during its consideration of the measure, and in the preparation of the amended measure for reporting to the full committee. It may include similar assistance to members of the staff of the full committee before the measure is reported for floor action. Assistance also may be given in the preparation of any floor amendments requested on behalf of the Member in charge of the measure on the floor. In the case of a measure as to which a conference is requested to resolve differences between the Senate and the House of Representatives, assistance may be furnished in the preparation of the conference report.

During each session of the Senate, virtually

all Members request the preparation of original measures and amendments. The measure so prepared range from relatively simple private relief bills to omnibus measures of considerable technical complexity. When a major measure is called up for consideration on the floor of the Senate, the office usually receives requests from many Senators for the preparation of a wide variety of floor amendments.

Frequently the office is called upon to review drafts of bills prepared in executive agencies and elsewhere, and to make such revisions as may be required for technical sufficiency, before their introduction in the Senate.

Apart from the preparation and review of proposed legislation, members of the office are consulted often by members of the staffs of committees and subcommittees, and by members of the staffs of individual Senators. Such consultation occurs with respect to possible approaches to the legislative solution of particular problems, technical questions of substantive and procedural law, and such matters as the mechanics of the preparation of reports, the technical legal accuracy of reports, and fulfillment of the requirements of the Cordon Rule.

The range of subjects with which the office deals is very extensive. It is expected to render service with respect to all matters within the purview of proposed Federal legislation in a period in which the role of the Federal government is ever expanding. As stated by two qualified observers, "the scope of each attorney is formidably broad" (Lawyers for the Lawmakers, Krasnow and Kurzman, 51 Am. B.A.J. 1191).

In the past 20 years the number of measures and amendments prepared by the office during each Congress has increased greatly. During the 90th Congress approximately 4,500 were drafted. Of greater significance is the number of new subjects of Federal legislation which has occupied the attention of the Congress during that period, and the increasing technical complexity of many of those subjects. The increase in the number of subcommittees of the Senate which has occurred in that period has contributed materially to the increasing volume of business of the office.

RESPONSIBILITIES OF THE DRAFTSMAN

Legislative drafting in the Congress is an exacting occupation. Effective drafting requires careful analysis of the legal problems involved, arrangement of matter in a logical sequence, and accurate and unambiguous expression of the concepts set forth. Constitutional limitations must always be observed. Most legislative proposals deal with matters which have been the subject of one or more previous enactments. A new measure must be carefully related to earlier enactments to produce, as far as possible, a consistent body of law which will carry the Congressional purpose into effect without producing unintended consequences. A simply stated policy objective may require the identification and alteration of numerous provisions of existing law. Examples may be noted particularly in such highly structured bodies of law as the Internal Revenue Code and the many titles of the Social Security Act. A failure to make necessary conforming changes in existing law may lead to difficulties in administration and to judicial interpretations at variance with Congressional intent. Often the draftsman must work under severe time limitations.

Former Chief Justice Stone once observed that "The drawing of a legislative Act requires exceptional training, experience, and skill . . . No legislation can be enacted which does not have its effect, and oftentimes a serious effect, upon the existing law, written or unwritten, or both." (Harlan Fiske Stone: Pillar of the Law, Mason, Alpheus Thomas, page 119).

PERSONNEL OF THE OFFICE

In its first half-century of service, the Office of the Legislative Counsel of the Senate has been headed by eight men. The successors of Mr. Parkinson during that period were John E. Walker, Frederic P. Lee, Charles F. Boots, Henry G. Wood, Stephen E. Rice, John H. Simms, and Dwight J. Pinion. Upon the retirement of Mr. Pinion on October 31, 1969, he was succeeded by John C. Herberg.

Under the Act of 1919, each draftsman was authorized, with the approval of the President of the Senate and the Speaker of the House, respectively, to appoint and fix the compensation of necessary assistants. Later, in 1941, appointment of the Legislative Counsel of the Senate, and approval of the appointment of assistants, was made the responsibility of the President pro tempore of the Senate (55 Stat. 726).

In 1919 the office had a staff of three attorneys and one clerk. By 1945 the number of attorneys in the office had increased to six. Under the authority given by the Legislative Reorganization Act of 1946, the office reached its present normal strength of eleven attorneys in 1949. That increase was accomplished gradually because of the time required to select, train, and develop to special competence a new member of the office.

The ability of the office to deal with the increase in the volume of its business which has occurred since 1949, without an increase in the number of its attorneys, has resulted chiefly from two practices.

The first is the care taken in the selection of new attorneys. Almost invariably, new attorneys have been chosen from recent law school graduates of special promise who are interested in serving as legislative draftsmen on a career basis. Care is taken in the recruitment and training of staff attorneys to avoid any political coloration or bias. Because of the nature of their role in the legislative process, members of the office also must possess a "passion for anonymity" not common among competent attorneys.

The second factor is the development of a small corps of career attorneys whose growing experience and skill within the areas of their individual special competence has produced a progressively higher individual accomplishment. The median period of service of attorneys in the office is approximately 18 years. Within the past three years the office has lost the services of three experienced attorneys through retirement and resignation.

Promotion of attorneys within the office is based upon seniority in service. No change in personnel of the office has resulted from any change in political control of the Senate.

A fine spirit of cooperation among the members of the entire staff, professional and non-professional, has contributed to its effectiveness.

## TELEMEDICINE

Mr. BENNETT. Mr. President, in reading this week's edition of Rodale's Health Bulletin, I was extremely interested to note an article concerning the University of Utah Medical Center's use of telephones in neurology. The story points out that neurologists all over the world are expressing great interest in this new concept of Telemedicine.

This program, established by Dr. Donald R. Bennett and Dr. Reed M. Gardner, enables doctors to send brain waves from distant areas directly to the medical center at the University of Utah. I am excited by the opportunities which this suggests for all of medicine. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXAMINING PATIENTS BY PHONE

Requests are pouring in from neurologists all over the world for information about the University of Utah's new concept—telemedicine. Telemedicine is the examination of patients over long distance telephone. At present, Doctors in the Department of Neurology at the University are transmitting brain waves (EEG's) from distant communities to the Medical Center.

The system, established by Drs. Donald R. Bennett and Reed M. Gardner, has been used to relay 350 brain waves from Twin Falls, Utah to Salt Lake City, Utah, a distance of 240 miles, in the year it has been in existence. Dr. Bennett says, "Sending EEG's like this from a small city to a large one opens the door for some exciting new developments in medicine. Using the same methods, it is technically possible to send other medical data by telephone, including blood pressures, EKG's, and even closed circuit television pictures of patients."

Valley Memorial Hospital in Twin Falls has an EEG machine which sends brain wave readings over ordinary telephone lines. The signals are picked up in Salt Lake City on two dataphones and fed into another EEG machine for reproduction. According to Drs. Bennett and Gardner, this system is invaluable when a fast diagnosis is imperative and it is also beneficial in reducing costs and risks to patients by eliminating the need for an expensive, enervating trip to the distant city.

Dr. Bennett says that at this time the use of such facilities is "limited only by the cost of rental equipment, telephone rates and the need for additional technicians."

## ANTI-CRIME AMENDMENTS TO DISTRICT OF COLUMBIA APPROPRIATIONS BILL

Mr. TYDINGS. Mr. President, when the District of Columbia appropriations bill comes before the Senate later this week, I intend to offer amendments to restore prison funds cut by the Appropriations Committee from President Nixon's crime program for the National Capital.

The District of Columbia appropriations bill, as reported by the Senate Committee on Appropriations, sliced $2.9 million from President Nixon's request for funds to start reforming the prison system in the District of Columbia.

In addition, I intend to offer another amendment to strike money appropriated in the Senate bill for planinng a new District of Columbia government administration building. The money which would have been used for construction of that building would thus be available for executing the President's crime program here in the National Capital.

Reform of the National Capital prison system should have the highest priority in the District of Columbia budget. The hard fact is that the present prison system is a dismal failure. Half the convicts now released from the local felony prison at Lorton are arrested for another felony within 3 years. The District of Columbia jail, like Lorton, is a tinderbox stuffed to twice its capacity. The Women's Detention Center is equally obsolete and dangerous. These are not reformatories; they are crime factories. Their inmates and their prison terms more

hardened and dangerous than the day they began.

Fortunately, the President recognized this urgent need. In his January 31 message to the Congress, President Nixon said:

> As the local government is painfully aware, the existing facilities and programs of the Department of Corrections are woefully inadequate. On January 16, 1969, the Director of the Bureau of Prisons submitted a comprehensive report to Mayor Washington identifying the deficiencies and making a number of recommendations. I join the Mayor in urging the immediate implementation of those recommendations, and I will offer whatever Federal assistance is possible in doing so.
>
> All who have studied the problem agree that far-reaching changes are needed in the penal facilities and programs serving the District. I will press vigorously for accomplishment of the needed reforms.

My amendments will supply the necessary funds for implementation of these corrections portions of the President's crime program.

The first amendment will restore the $2.8 million cut by the Senate Appropriations Committee from the capital outlay budget the President requested for District of Columbia correctional institutions. Specifically, it will restore in the Senate bill the funds appropriated by the House for the planning of the new jail, the construction of additional maximum security cells at the Lorton prison, and the construction necessary to make the Women's Detention Center more secure.

All these projects were recommended by the Federal Bureau of Prisons. All were endorsed by the White House as part of the President's crime program. Just last week, the urgent need for these projects was emphasized again by the Advisory Panel Against Armed Violence, which reported to me on the steps necessary to reduce armed crime in the National Capital area. That panel reported to me that—

> In order for the D.C. Department of Corrections to meet its responsibility and help reduce violent crimes, it must be completely overhauled. It must be provided with massive resources, modified correctional structure, and more flexible authority to utilize correctional procedures in dealing with prisoners.

My second amendment would eliminate the funds the Senate bill would appropriate for planning a new District Building. These funds were denied by the House after Mayor Washington told the House Committee that the city could live without a new District Building but that it could not live without a new jail.

The third amendment I shall offer will restore a part of the President's crime program that was taken out of the bill by the House and not restored by the Senate Appropriations Committee. This amendment will provide the money to establish and operate three community-based work release centers in the last 4 months of this fiscal year, starting with March. That amendment will increase to 10 the number of work release centers—the number asked for by the President.

I believe these amendments provide the bare minimum necessary to begin to remedy the intolerable failure of the local prison system. I urge their adoption.

*Financial summary of Tydings amendment*

| | |
|---|---|
| Budget requests for District of Columbia prison construction | $5,353,700 |
| House bill | 5,353,700 |
| Senate bill | 2,397,900 |
| Tydings prison construction amendment* | 2,852,100 |
| Tydings work release amendment* | 113,000 |
| Less: District building planning funds | 335,500 |
| Net cost of Tydings amendments | 2,629,600 |

*Parts of President Nixon's crime program.

## EXTENSION OF SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS

Mr. SCOTT. Mr. President, I welcome the action taken by the Committee on Rules and Administration, of which I am a member, to extend for an additional year the Select Committee on Nutrition and Human Needs.

I cosponsored and strongly supported the legislation which created the select committee which was established to investigate the problems of hunger and to recommend some solutions. Over the past year, testimony taken by this committee influenced the drafting of welfare reform, improvements in the manpower program, and the food stamp amendments. Because of the work of this investigative committee, the substitute food stamp bill which passed the Senate on September 24 contained language similar to my amendment to extend the benefits of the food stamp program to elderly persons now denied eligibility because they are physically unable to cook for themselves. My amendment authorizes public and private, nonprofit organizations to exchange food stamps for cooked meals prepared for home delivery and for consumption in community dining halls. Without the testimony taken by the Select Committee on Nutrition and Human Needs, this great need of our incapacitated and homebound elderly might otherwise have remained unrecognized.

In its interim report of last August, the committee set forth its plans to examine, evaluate and make recommendations on the subjects of family food assistance, child nutrition, nutrition education, nutrition-related research, transferability of Federal and foreign experience to meet domestic needs, nutrition and the delivery of health care, nutrition and farm policy—and much more.

The oversight of the Select Committee is needed for the recommendations which will be forthcoming around January or February as a result of the White House Conference on Nutrition.

Mr. President, today, the Senate Committee on Rules and Administration, on which I serve, favorably considered the extension of the Select Committee on Nutrition and Human Needs for another year. Its chairman, Senator GEORGE MCGOVERN, believes that in order to fulfill the mandate from the Senate, the committee must remain in existence and carry on its activities during the year 1970. I fully support this position and Senate Resolution 279, to extend the Select Committee on Nutrition and Human Needs for an additional 12-month period.

## NAJEEB E. HALABY

Mr. TYDINGS. Mr. President, recently a pilot stepped out from the cockpit of a test version of the giant Boeing 747 transport and commented, "Never seen a better pilot's aircraft."

This pilot, however, was no ordinary pilot. He was Najeeb E. Halaby, the new president and chief executive officer of Pan American Airways.

"Jeeb" Halaby assumes his new post at a crucial time in the development of commercial aviation. The Jumbo Jet, the SST, and VSTOL all offer an exciting future. But this future is threatened by congestion, air piracy, environmental concern, and the simple inadequacy of our airways system to handle the new aircraft.

Mr. President, it will take more than a wing and a prayer to pilot our aviation industry through the next few years. It will take men with the foresight and vision of a Jeeb Halaby. By background, temper and ability he is uniquely qualified to assume the top executive position of America's leading overseas airline. Pan American's responsibility, after all, is beyond that of a domestic airline. It carries our flag abroad as well as our people. It is thus a reflection of America that is carried to all corners of the globe.

The task is a great one, a responsibility to be held in trust. Combined with the difficult problem now confronting commercial aviation, it represents a major challenge to Jeeb Halaby and Pan American. I am confident, however, that under his leadership Pan Am can still "make the going great."

Najeeb E. Halaby learned to fly at the age of 17. As a naval aviator, he helped test the first American jet, and made the first transcontinental jet flight in 1945. A lawyer as well as a pilot, he was one of the original group to submit proposals which led to the creation of the Federal Aviation Agency.

When he was named Administrator of the FAA in 1961, President John F. Kennedy said:

> We have looked for the best qualified and professionally competent man. We have him in Jeeb Halaby.

When he left the agency 4 years later, President Johnson praised his "vigorous and dynamic leadership" and added that "in 4 years of dedicated, tireless service he had done much to assure public confidence in the safety of air travel."

Najeeb E. Halaby is now assuming a different yet important position. I know he can do the job and wish him well in his new endeavor.

## OIL IMPORT CONTROL POLICY

Mr. INOUYE. Mr. President, it is my understanding that the Cabinet-level task force on this Nation's oil import control policy is currently planning to hold its final meeting this coming Monday. Predictably, the oil industry is mounting

a last-ditch offensive in an effort to prevent substantial change in the present quota system which has proven such a bonanza to the industry, and such a costly one to the consumer, while failing to contribute effectively to our Nation's security—the prime rationale for its original imposition.

Mr. President, I believe it is time that the interests of the consumer and the interests of our Nation's security be given prime consideration in any determination of oil import policy. Hopefully, the members of this task force will stand firm against the entreaties of those who seek rather a policy minimizing the withdrawal symptoms of an industry too long favored by our programs at the expense of the consumer and our security.

On December 1, I, together with Representatives PATSY MINK and SPARKY MATSUNAGA, sent a letter to Secretary Shultz setting forth our concern over possible changes in policy which would establish a Western Hemisphere preference tariff as the alternative to the present quota system. We outlined safeguards and procedures which would protect the interests of our state while serving the needs of the Department of Defense.

We in Hawaii are further concerned with a Western Hemisphere or what amounts to a Venezuelan preference tariff. Such sources are unavailable to us in Hawaii at a competitive price even if Venezuela does not—as news reports already indicate is planned—adjust the tax reference price upward so that any tariff preference is totally to their benefit and does nothing for the American consumer. We should be equally concerned with our relations with Indonesia—a nation whose friendship and economic development may well be far more important to our security and our interests.

Any policy which is established must encourage not only domestic development of our resources but also domestic refinery of foreign produced crudes. To do otherwise would be detrimental not only to our security but to our balance-of-payments situation. Under present policy we find more than 90 percent of our low sulfur residual fuels for the east coast area refined overseas. In 1965 less than 75 percent was refined abroad. Our electrical energy generating capacity is dependent upon such fuels and domestically refined sources are essential.

If a tariff on crudes is to be the alternative to present policy then it must be so imposed as to discourage the import of refined products. This can be achieved by permitting the full implementation of the Foreign Trade Zones Act and encourage the development of special purpose subzones not only to provide low cost bonded bunker fuels for the international market but also to permit the flow of low cost refined products to those areas without access to domestic crudes and sources.

Mr. President, I ask unanimous consent that the above-mentioned letter to Secretary Shultz be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 1, 1969.

Hon. GEORGE P. SHULTZ,
*Secretary of Labor,*
*Washington, D.C.*

DEAR MR. SECRETARY: The recently published stories relative to the deliberations of your Committee on Oil Import Policy (*Wall Street Journal,* November 24th, *Washington Post,* November 25th) lead us to believe that your Committee is seriously considering the elimination of the quota system and the adoption of some form of preferential tariff favoring Western Hemisphere oils. We wish to take this opportunity to express our deep concern over the impact which such a policy may have on the economy of our State.

I am certain you are well aware of the undue hardship which has been incurred by the people of Hawaii because of our inclusion under the present Oil Import Control Program as part of District V. As a non-oil-producing state with no economic source of domestically produced crudes we are naturally opposed to any protective tariff system which will place the burden of subsidizing the high cost domestic producers upon the consuming public. We are particularly opposed to a Western Hemisphere preference tariff which will further penalize us because such sources are too expensive to Hawaii. These require shipment in small tankers through the Panama Canal with the additional canal fees forcing us to be dependent upon higher tariff non-Western Hemisphere sources. We believe further that such tariffs would not only additionally penalize our State but would aggravate our relations with sensitive oil producing areas in the Middle East, Africa, and Indonesia.

While we can appreciate the desire of your Committee to revise present policy to permit the more normal functioning of the market forces we do feel the restraints which reportedly you will be substituting are particularly damaging to our efforts to reduce energy costs in a state which is so wholly dependent upon petroleum. To institute a new and higher tariff at this time would also be contrary to the President's announced policy in his address to the Congress on November 18th of this year. On that occasion he stated that he would pursue a policy of tariff reduction, the study of non-tariff barriers, and promote a general liberalization of the over-all foreign trade policy.

There is a channel of relief, however, within the policies and provisions of the present law. It is one which fits into our over-all trade posture and meets the national security criteria. We refer to our system of foreign trade zones.

The Foreign Trade Zone Act was adopted during a high tariff period in our history as a device whereby plants and industries could be located on United States soil and still permit such industry to compete with foreign producers in our domestic market as well as with such competitors for certain foreign markets.

The State of Hawaii has pending with the Foreign-Trade Zone Board an application for a sub-zone for an oil refinery. It has been pending for an extended period of time and action has been postponed pending the outcome of your deliberations. If a preferential tariff system is to be adopted it is imperative that provision be made to implement the Foreign Trade Zone Act. Properly implemented this Act enables plants within the zone to avail themselves of a so called "privileged tariff payment" procedure whereby they have the choice of paying tariffs on either the raw materials or on the finished products. Should higher tariffs on refined products be instituted as part of the new policy exclusion from such duties could be granted to those refined on American soil. Further if the Board upon the advice of the Defense Department wishes to place restrictions upon the type of refinery constructed to ensure that it will be geared to produce the necessary fuels for the military this is wholly feasible. Such a refinery would, of course, not pay duty on output sold in bond to either the Department of Defense or civilian consumers. It would also import into our island economy low cost residual fuels which bear a low tariff under present duty schedules.

An essential aspect of any new oil import policy should ensure the construction of refinery capacity within our national boundaries both in the interests of national defense and our balance of payments problem. Proper use of the foreign trade zone would be consistent with these two interests.

In summary, we feel that a case can definitely be made for special consideration of the unique problems which face the consumer in our State. Preferential tariffs work against their interests. Should they be adopted, however, our only relief would be through the prompt approval of the long pending application for a foreign trade subzone refinery and the effective implementation of a rational program under the provisions of the Foreign Trade Zone Act.

Your consideration of our problem in your over-all deliberations will be greatly appreciated.

Sincerely,

DANIEL K. INOUYE,
*U.S. Senator.*
SPARK M. MATSUNAGA,
*U.S. Representative.*
PATSY T. MINK,
*U.S. Representative.*

## WARNING SIGNALS FOR SMALL BUSINESS

Mr. BIBLE. Mr. President, on December 3, I reported on the current status of small business. I pointed out that the Nation's 5½ million small businessmen have been caught in a giant pincers effect between rising capital and labor costs, on the one hand, and increasing consumer resistance to overinflated prices for goods and services, on the other hand. I also stated that the small businessman's plight is further complicated by the administration's decision not to grant direct loans through the Small Business Administration and its advocacy of the repeal of the 7-percent investment tax credit and multiple surtax benefits for small business. My remarks were based in part on a survey conducted by the National Federation of Independent Business covering the experience of 80,000 small businessmen in the 50 States during the first 9 months of this year.

In today's Wall Street Journal, an article by Alfred L. Malabre, Jr., based on more recent information, strongly substantiates the fact that warning signals are indeed flying for the Nation's small businesses. On that point I ask that the Wall Street Journal article in its entirety be included in the RECORD at the conclusion of my remarks.

Mr. President, spokesmen for the administration have been warning us for some time now about the "crunch" and "squeeze" that lies in the months ahead. If, in our battle against inflation, our fiscal and monetary policies are designed to put the entire economy through the wringer, let us not take it out of the hides of the Nation's small businessmen. If, as Mr. Malabre points out, owners of small businesses are reluctantly selling

their businesses "usually through exchanges of stock, to big corporations," our current fiscal and monetary policies may well result in permanent damage to our American competitive business system.

Needless to say, the Senate Small Business Committee will be monitoring these developments closely in the coming months.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE LITTLE GUYS—GOVERNMENT'S EFFORT TO CURB INFLATION HITS SMALL FIRMS EXTRA HARD—TIGHT MONEY AFFECTS MANY; SOME POSTPONE EXPANSION; A FEW DECIDE TO SELL OUT—THE BOSS' SON GETS DRAFTED

(By Alfred L. Malabre, Jr.)

Times are getting uncomfortably difficult for many small companies.

Turning a profit has recently grown harder for business in general. But problems that are only beginning to trouble big corporations already are severely hurting many small firms. The list of woes includes super-tight money, scarce and costly skilled labor and slow payment of bills by some customers. Owners of some small firms, convinced that still more difficult times lie ahead, are reluctantly selling their businesses, usually through exchanges of stock, to big corporations.

That's the finding of a Wall Street Journal survey of several dozen relatively small companies in a variety of industries. More than 85% report that their profit margins are falling sharply. Nearly all view the year ahead as an extremely difficult period.

CASE OF DISCRIMINATION

Tilford Gaines, economist for Manufacturers Hanover Trust, New York, discussed the plight of small firms in a recent economic report published by the bank. The Federal Reserve's tight-money policy to curb inflation, Mr. Gaines stated, bears "more heavily upon small-to-medium-sized business concerns than upon large companies." Noting the "discrimination implied by this situation," the bank economist added that "those smaller companies who must rely upon their bank lines (of credit) have found it increasingly difficult to obtain new lines or to add to existing lines."

A few statistics clearly indicate that small companies are faring worse than their big brothers. Last month a Wall Street Journal survey of 436 large corporations found that after-tax profits in the third quarter were 3.7% higher than a year earlier. But a later Commerce Department survey of *all* corporations, small as well as large, found that after-tax profits in the third quarter were no higher than in the 1968 period.

"Obviously, the smaller companies, dragged the total down," says a Commerce Department economist.

Among the small companies feeling a pinch on profits is Wiremold Co., a Hartford producer of electrical equipment. Wiremold's 1969 sales are running some 10% above the 1968 pace, says Robert H. Murphy, executive vice president, but "our profits will be down a few percentage points" from the 1968 level. Looking ahead to 1970, Mr. Murphy believes that "we'll do well" to match 1969 results. The company, which employs some 600 workers, plans no expansion projects in the new year, Mr. Murphy adds, explaining that "getting money would be a problem."

C. Henry Bacon Jr., president of Simpson Timber Co. of Seattle, says his firm recently postponed two plant projects partly "because of tight money." The company had planned to begin building a $4 million plywood plant and a $3 million door-making plant. Mr. Bacon adds that the company, which is family owned, depends also on retained profits for expansion projects. Until July, he says, profits were running ahead of 1968 levels. But since then profits have been "substantially under" the year-earlier rate, he says. He cites as one reason the slump in home building, which has been one of the direct victims of the Government's fight against inflation.

A BIG CUTBACK

Profits are also down at Wean United Inc., a Warren, Ohio, equipment producer for such industries as steel, rubber and copper. "Our sales are off slightly from a year ago," reports R. J. Wean Jr., president, "and our profits are off more than 10%." The profits squeeze is a major reason Wean United plans to slash its plant-and-equipment outlays in 1970 by "about 60%," Mr. Wean reports. "Our last major borrowing was in March of 1968," the executive adds, "and I hope we won't have to borrow again until money rates ease a good deal."

A recent Government survey of all corporate plant-and-equipment spending suggests that many larger companies, in contrast, are continuing to spend heavily. The survey found that total capital outlays in early 1970 would rise sharply, rather than drop, despite the thinking at such firms as Wean United and Simpson Timber. Mr. Wean finds the Government report "unbelievable."

Some small firms that would like to expand say a major problem is that money is just too expensive to borrow. Many small firms traditionally have to pay more than the prime rate—the interest rate that banks charge on short-term loans to their most credit-worthy customers—and with the prime rate now at 8½% their borrowing costs are almost prohibitive. And some of those small firms that used to be able to borrow at the prime rate now find they can't.

"We've been told we would have to pay a full percentage point above the prime rate if we were to borrow," reports Raphael Blessinger, president of Jasper Desk Co., a Jasper, Ind., producer of wood office furniture that employs some 170 persons. The costlier borrowing has been imposed, Mr. Blessinger says, even though "our sales and profits are staying ahead of last year." Several months ago, he says, "our banks would still have given us the prime rate."

SLOWDOWN IN PAYMENTS

Jasper Desk is one of several small firms that report bill-collecting is growing more difficult. "Even our best customers are getting behind in their payments," Mr. Blessinger says. "Some are 20 and 30 days overdue." Another problem: Jasper Desk must renegotiate a mortgage loan next year. The present loan carries an interest rate of 6%. "We'll be lucky if we can get 8% when we renegotiate," Mr. Blessinger remarks.

Finding skilled labor is the main problem at Essex Brass Corp., a Warren, Mich., brass fabricator. Essex employs about 50 workers, says John Q. Nagel, president, "but we could certainly use another dozen." The executive has little hope of getting more, however, because "we're in an area of many big companies, which have much higher pay scales than we can afford." In recent years, Mr. Nagel adds, Essex has lost skilled workers to such giant neighbors as General Motors Corp., Chrysler Corp. and Ford Motor Co. Recent layoffs in the auto industry haven't led to more job applicants at Essex, he says.

Even the Vietnam war seems to weigh more heavily on relatively small companies, where management ranks are often thin. Mr. Nagel had counted on help from his 26-year-old son in running the company. But the youth was recently drafted and now is "in the thick of combat" in Vietnam, says the executive.

The expense of curbing pollution is often thought of as a big-company problem. Interviews show, however, that it can pose an even greater problem for many small outfits.

Berkmont Industries, Boyertown, Pa., recently had to spend $97,000 to install special smoke "scrubbers" to comply with new state pollution-control regulations, says an executive of the iron-castings foundry whose sales total about $2 million annually. In the past 15 months, the Berkmont officer estimates, about 10 foundries in the state have gone out of business because they were unable to raise the funds necessary for such equipment. "Our industry has a great many small firms," the executive says, "and many of them just weren't prepared for this type of expense."

Berkmont has managed to keep its profits at "about the same level as a year ago," he adds, largely because "we were able to put through a 7% price increase." He doubts that the market would bear another 7% price boost with about a 4% increase," the officer says.

Among the small firms that have recently become a part of a big corporation is Kusan Inc., a Nashville maker of plastic parts for autos and other equipment. Kusan recently decided to become a subsidiary of Bethlehem Steel Corp. through an exchange of stock, after operating as an "independent company for 23 years," says William R. McLain, chairman of Kusan. As a part of the big steel company, Mr. McLain says, "our borrowing will be a lot easier." Another benefit: Access to Bethlehem's huge research and development facilities.

Many other small companies, to be sure are clinging to their independence. "I have absolutely no intention of selling my business," asserts James M. Hagood, president of Tidewater Concrete Pipe & Block Co., Charleston, S.C. "My son is in the business with me, and he'll be taking it over when I retire." The company's pretax profits are "off about 10%" from last year's level, Mr. Hagood estimates, and "we haven't paid a dividend in a couple of years, and don't expect to next year either." The executive adds that a pickup in home building, which he anticipates, would greatly help Tidewater's performance. The firm has yearly sales of about $2 million and employs 70 persons.

While most small companies find money tight and costly, a few report they can still get relatively inexpensive loans at small country banks. An extreme example is provided by Nelson Muffler Corp., a Stoughton, Wis., supplier of mufflers for the farm equipment industry. "I know where I can still get money at 7½%" even though the prime rate at big-city banks is 8½%, says E. E. Bryant, president. "You can't do it at the big cities like Madison, but I know a bank in Black River Falls that will lend to us at that rate." But he isn't so sure how long his good deal will last. "The high rates are bound to spread eventually to all the small banks, too," he says.

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## RAILROAD RETIREMENT PAY

Mr. HATFIELD. Mr. President, for several months now 60,000 railroad employees have been awaiting their pay checks representing benefits gained from 25 or more years of service working for the railroad. Their checks have been held up—they have been written already—but due to the failure of the union to negotiate, these individuals are being deprived of money duly owed to them.

H.R. 13300, a bill to meet this problem, was proposed in the House and a substitute bill was developed in that body's Interstate and Foreign Commerce Committee. The bill is presently in the Senate Labor and Public Welfare Committee, and the full committee is awaiting the results of union negotiations which were finally entered into.

Mr. President, this is clearly a case of lack of responsibility on the part of the union. It is a disturbing event when the Congress is put in the position of not only pointing out but also taking on the responsibilities which rightfully and more appropriately belong elsewhere.

## THE EFFECTIVENESS OF THE CONTROL OF HANDGUNS—A NEW STUDY

Mr. TYDINGS. Mr. President, the controversy over gun control legislation continues. Every new measure, either to strengthen or weaken gun control laws, draws forth claims and counterclaims. Fortunately, as our experience with this legislation increases, new studies concerning their effectiveness have become more sophisticated and more reliable. One such study is an illuminating article in the 1969 Duke Law Journal, "The Effectiveness of State and Local Regulation of Handguns: A Statistical Analysis." This professional and extensive analysis uses the most modern methodologies and the most up-to-date data. It conclusion is clear: the regulation of handguns strongly decreases deaths due to homicide, suicide, and accident.

I ask unanimous consent that this article be printed in the RECORD for the critical scrutiny of all those interested in this issue.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE EFFECTIVENESS OF STATE AND LOCAL REGULATION OF HANDGUNS: A STATISTICAL ANALYSIS

(By Martin S. Geisel,* Richard Roll,** and R. Stanton Wettick, Jr.***)

(Note.—One aspect of the continuing debate over weapons control, apart from Constitutional issues, is whether legislation is inherently capable of reducing crime and deaths by shooting. The opponents of increased control, tacitly admitting that empirical evidence is one means for measuring the effect of weapons regulation, have contended that "[e]xpert opinion and compelling evidence seem to indicate that the amount or kind of crime in a community is not substantially affected by the relative ease with which a person can obtain a firearm." NATIONAL RIFLE ASSOCIATION OF AMERICA, THE GUN LAW PROBLEM 10. In the following study the authors employ data analysis techniques to examine the efficacy of state and municipal controls on handguns. They conclude that many lives would be saved if all states increased their level of control to that of New Jersey, the state having the most stringent gun control laws.)

The current controversy over gun control centers on the effectiveness of stringent gun control legislation.[1] Proponents of increased statutory control contend that rigorous laws will reduce death and crime rates by curtailing firearm possession by minors and such irresponsible adults as felons, mental, incompetents, addicts and alcoholics. They argue that this justifies minor inconveniences imposed on responsible citizens who use firearms for hunting, target-shooting and protection.

Opponents of increased control, however, argue that gun control legislation is not of sufficient value in the prevention of crime to justify the restrictions it places on the responsible citizen.[2] They contend that death and crime rates are not perceptibly reduced through gun control because such legislation does not prevent the professional criminal—the alleged "root" of the problem—from obtaining firearms. Furthermore, even if these laws did reduce the number of firearms possessed by professional criminals, other equally lethal weapons are readily available as adequate substitutes.[3]

One possible reason for this polarity of opinion is the lack of reliable empirical information describing the relationship between gun control legislation and death and crime rates. This article will attempt to alleviate this deficiency by presenting an empirical study which correlates gun control with various death and crime rates for states and cities, while simultaneously accounting for the influence of other factors such as per capital income, education and population density.

### DESCRIPTION OF THE STUDY

The study measures the effectiveness of gun control legislation by the extent to which differences in death and crime rates among the states and cities can be explained by the differences in gun control legislation while accounting for the effects of several other factors that may influence death and crime rates. Differences in death and crime rates among the states and cities were obtained by collecting data on the rates of homicide by firearm, total homicides, suicide by firearm, total suicide, aggravated assault by firearm, total aggravated assault, accidental death, by firearm and robbery (hereinafter referred to as "death and crime rates") for the fifty states, the District of Columbia and the 129 United States cities whose population exceeded 100,000 in 1960. Differences in the other factors which may account for variations in the death and crime rates were obtained by collecting data relating to income, education, sex, police, race, population density, licensed hunters, age and temperature for the states and cities.

For the gun control legislation of the states and cities it was necessary to devise a method to measure the differences in state and city firearm legislation. Since there is a wide range of differences in weapons regulation among the states and cities, it was impossible to characterize adequately these differences by means of a dichotomous variable such as "weak gun control states" and "strong gun control states." It was possible, however, to classify the various gun control regulations into eight major categories. This permitted quantification of the gun control provisions of state statutes and city ordinances by assigning numerical weights to each of the eight categories in a manner to be explained below. Once gun control legislation was so quantified, a well-known data analysis technique [4] was employed to obtain probabilistic estimates of the extent to which differences in the death and crime rates are related to the differences in gun control, while simultaneously accounting for other factors.

#### *Data*

The state death and crime death data used in this study are 1960 and 1965 rates of homicide by firearm, total homicide, suicide by firearm, total suicide and accidental death by firearm and in addition, 1965 rates of robbery, aggravated assault by firearm and total aggravated assault; for cities, only 1960 rates for total homicide and total suicide were available.[5] In all instances the data are in rates per million population per year.

For states, the following *explanatory* variables were used: 1960 and 1965 income (thousands of dollars per capita); education (median school years completed by persons older than 24); sex (males per 100 females); police employees (employees per 10,000 population); race (non-white percentage of total population—1960, and black males per 50 population—1965; population density thousands of persons per square mile); age (median age in years) and licensed hunters (number per capita—1965 only).

For cities, the variables were: 1960 income (thousands of dollars per capita); education (median school years completed by persons older than 24); race (non-white percentage of population); population density (thousands of persons per square mile); age (median age in years); temperature (minus thousands of mean annual degree days—65° base); [6] manufacturing employees (persons per 1000 population employed in manufacturing durable goods); and police expenditures (dollars per capita).[7]

#### *Gun control legislation*

*Federal legislation.* Since we are concerned with variations in firearm legislation among states and cities, federal legislation is relevant only to the extent that it sets minimum standards which exist throughout the United States. Prior to 1968, federal control over firearms was minimal: there were two federal statutes regulating the sale of firearms, both primarily aimed at the criminal purchaser. The National Firearms Act,[8] enacted in 1934, restricted trade in machine guns and short-barreled shotguns and rifles by imposing a prohibitive tax on their manufacture and transfer, and by requiring manufacturers, importers, dealers and transferees of such weapons to register. The Federal Firearms Act of 1938 [9] extended federal control by requiring all firearm manufacturers, importers and dealers engaging in interstate commerce to obtain a federal license and to maintain permanent records of importation, shipment and other disposal of firearms; prohibited dealers and manufacturers from knowingly selling and delivering firearms to felons or to persons without a license to purchase where one was required by state or local law; and prohibited felons from receiving firearms and ammunition which had moved in interstate commerce. In addition, postal regulations prohibited shipments of hand guns through the mails, except between manufacturers and dealers and to certain public officers.[10]

In 1968, stronger federal gun control legislation was enacted.[11] Aimed at reinforcing state and local gun control regulations by barring interstate firearm transactions, the basic provisions of this Act include prohibitions against shipments of firearms in interstate commerce *except* between licensed dealers; [12] prohibitions against persons, except licensed dealers, transporting into or receiving in the state of their residence any firearms obtained outside the state; [13] prohibitions against sales to non-residents with certain exceptions for sales of rifles and shotguns to residents of a contiguous state [14]; prohibitions against sales to or receipt by persons less than twenty-one years of age (eighteen years of age for rifles and shotguns), convicted criminals, drug users and persons adjudicated as mentally defective; [15] the imposition of licensing and record-keeping requirements on manufacturers, importers and dealers; [16] the imposition of controls over the manufacture, importation and sale of highly destructive weapons such as bazookas, mortars, grenades and bombs; [17] and the imposition of additional controls over weapons covered by the National Firearms Act.[18]

*State and local legislation.* There are substantial variations in state and local regulations over the sale, possession and use of firearms. States such as Ohio,[19] Minnesota [20] and Kentucky [21] impose almost no controls; while New Jersey,[22] Hawaii [23] and Michigan [24] strictly regulate such activities.

The present study was limited to state and local laws regulating *handguns,* which are usually defined as firearms of less than three

Footnotes at end of article.

pounds and less than 12 to 20 inches. In addition, laws which regulate the use of firearms at *particular* times or places, laws which regulate the *discharge* of firearms, and laws which make the *use* of firearms *in connection with other illegal conduct* unlawful, were not considered.[25] Table 1 lists the eight categories of gun control legislation used in the study and the states [26] and cities [27] which have regulations in these categories. A city is shown within a category only if the state has no substantially equivalent regulation.

TABLE 1.—STATE AND CITY GUN CONTROL LAWS

| State or city | Type of law [1] | | | | | | | | | | | | | | | | | | | | Total index value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | | 2 | | 3 | | 4 | | | | | 5 | 6 | | 7 | | 8 | | | | |
| | a | b | a | b | a | b | a | b | c | d | e | | a | b | a | b | | | | | |
| Alabama | X [2] | | | | X | | X | X | X | X | | X | X | X | X | X | | | | | 31 |
| Alaska | | X | | | | | | X | X | X | | | | | | | | | | | 5 |
| Arizona | | X | | | | | X | X | | | | | | | | | | | | | 4 |
| Arkansas | | | | X | | | | | | | | | | | | | | | | | 4 |
| California | X | | | | | | X | X | X | | | X | X | X | 0 [2] | X | | | | | 28 |
| Colorado | X | | | | | | | | | | | | X | | | | | | | | 10 |
| Connecticut | | | X | | | | X | 0 | | | | X | X | X | X | 0 | | | | | 29 |
| Delaware | X | | | | | | X | | | X | | X | X | | | | | | | | 20 |
| Florida | | | X | | | | X | X | | | | | | | | | | | | | 6 |
| Georgia | | X | X | | | | X | | | | | X | | | | | | | | | 15 |
| Hawaii | | | X | | | | X | X | | | | X | X | X | | | X | | | | 35 |
| Idaho | X | | | | | | X | | | | | | | | | | | | | | 3 |
| Illinois | | X | | | | | X | X | X | | | | X | | | | | | | | 13 |
| Indiana | | | X | | | | X | X | X | X | X | X | X | X | X | X | | | | | 32 |
| Iowa | X | | | | X | | X | | | | | X | | X | | | | | | | 17 |
| Kansas | | X | | | | | X | X | X | X | | | | | | | | | | | 7 |
| Kentucky | | X | | | | | X | | | | | | | | | | | | | | 3 |
| Louisiana | | X | | | | | X | | | | | | | | | | | | | | 3 |
| Maine | X | | | | | | X | X | | | | | X | | | | | | | | 12 |
| Maryland | | X | | | | | X | X | X | X | X | X | X | X | X | X | | | | | 30 |
| Massachusetts | | | X | | | | X | X | X | X | X | X | X | X | | | X | | | | 37 |
| Michigan | X | | | | X | | X | X | | | X | X | X | X | | | X | | | | 35 |
| Minnesota | | | | | | | X | | | | | | | | | | | | | | 1 |
| Mississippi | | X | | | | | X | | | X | | | X | | | | | | | | 12 |
| Missouri | | X | | | | | X | X | X | X | | | X | X | | | X | | | | 26 |
| Montana | | X | | | | | X | | | | | | | | | | | | | | 3 |
| Nebraska | | X | | | | | X | X | | | | | | | | | | | | | 4 |
| Nevada | X | | | | | | X | X | | | | | | | | | | | | | 4 |
| New Hampshire | X | | | | X | | X | X | | | | X | X | X | | | | | | | 26 |
| New Jersey | X | | | | X | | X | X | X | | X | X | X | X | X | X | X | | | | 39 |
| New Mexico | | X | | | | | | | | | | | | | | | | | | | 2 |
| New York | | | X | | | | | X | X | X | X | X | X | X | | | X | | | | 36 |
| North Carolina | | X | | | | | X | X | X | X | X | | X | X | | | X | | | | 27 |
| North Dakota | | | X | | | | X | X | X | X | | X | X | X | | | | | | | 28 |
| Ohio | | X | | | | | X | | | | | | | | | | | | | | 3 |
| Oklahoma | | | | X | | | X | X | | | | | | | | | | | | | 6 |
| Oregon | X | | | | X | | X | X | | | | X | X | X | X | | | | | | 27 |
| Pennsylvania | | X | | | | X | X | X | X | X | X | X | X | X | X | X | | | | | 32 |
| Rhode Island | | | X | | | | X | X | X | X | X | X | X | | X | X | | | | | 28 |
| South Carolina | | | | X | | | X | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | | | 25 |
| South Dakota | | X | | | | X | X | X | X | X | X | X | X | X | X | X | | | | | 32 |
| Tennessee | | | X | | | | X | X | X | X | X | X | X | X | X | X | | | | | 24 |
| Texas | | | X | | | | X | X | | | | | | | | | | | | | 6 |
| Utah | | X | | | X | | X | | | | | | | | | | | | | | 5 |
| Virginia | | X | | | | | X | | | | | | | | | | | | | | 3 |
| Washington | | X | | | | X | X | X | X | X | X | X | X | X | | | | | | | 29 |
| Vermont | | | | | | | | X | | | | | | X | | | | | | | 9 |
| West Virginia | | | | X | | | | | | | | | | | | | | | | | 4 |
| Wisconsin | | X | | | | | | X | | | | | | | | | | | | | 3 |
| Wyoming | | X | | | | | | X | | | | | | X | | | | | | | 11 |
| District of Columbia | | | X | | | | X | X | X | | | X | X | X | X | X | | | | | 30 |
| Duluth | | X | | | | | | | | | | X | X | | | | | | | | 18 |
| Jacksonville | | | | | | | | | | | | | X | X | | | | | | | 12 |
| Kansas City (Mo.) | | | | X | | | | | | | | | | | | | | | | | 4 |
| Lousiville | | | | | | | | X | | | | X | | X | | | | | | | 13 |
| Miami | | | | | | | | | X | X | | | | | | | | | | | 2 |
| Minneapolis | | | | | | | | X | X | X | | | | X | | | | | | | 7 |
| Nashville | | | | | | | | | | | | | X | | | | | | | | 8 |
| New Orleans | | | | | | | | | X | | | | | X | | | | | | | 5 |
| Oklahoma City | | | | | | | | | | X | | X | | X | | | | | | | 13 |
| Omaha | | | | | | | | | | | | | X | X | X | | | | | | 20 |
| Richmond | | | | | | | | | | | | X | X | X | | | | | | | 20 |
| Tulsa | | | | | | | | | | | | | X | X | | | | | | | 12 |
| Wichita | X | | | | | | | | | | | | | | | | | | | | 2 |

[1] Concealed; a. license, b. prohibition. 2. Carrying; a. license, b. prohibition. 3. Carrying in auto; a. license, b. prohibition. 4. Special prohibitions on possession; a. minor, b. felons, c. addicts, d. alcoholics, e. mentally ill. 5. Dealer licensing. 6. Recordkeeeping; a. by dealers, b. by governmental agencies. 7. Waiting period; a. fixed time between purchase and delivery, b. notification of authorities. 8. License to purchase.

[2] X represents all periods; 0 represents 1965 only.

The first three categories of Table 1 reflect state and city laws regulating the carrying of handguns. The first category covers laws restricting the carrying of concealed handguns; the second covers laws restricting all carrying of handguns; and the third covers laws restricting the carrying of handguns in motor vehicles.[28] Each of the categories is divided into two sub-categories—one listing states and cities which permit such activities by licensed parties and the other listing states and cities which totally prohibit such activities.[29] In some states within the first sub-category, licenses to carry handguns are issued to all persons with the exception of felons, addicts, and minors.[30] Other states have requirements that the applicant be of "good moral character," [31] or that he show a need to carry the weapon.[32] The issuing authority is usually a law-enforcement official, such as the chief of police.[33]

Footnotes at end of article.

Category 4, special prohibitions, lists five types of persons against whom additional restrictions are frequently imposed: felons, addicts, alcoholics, the mentally ill and minors.[34] These restrictions usually prohibit transfers of handguns to, and ownership or possession by such persons.[35]

Dealer licensing, the fifth category, refers to the requirement that firearms dealers be licensed.[36] Most of the statutes falling within this category impose licensing qualifications based on good character, age and a permanent business location,[37] and thus contain more restrictions than were imposed under the Federal Firearms Act.[38] Under this Act dealer licenses were granted to anyone submitting a one dollar fee with an application stating that he was not a felon.[39]

Under category 6, record keeping, are listed the states requiring the maintenance of records of handgun sales. Sub-category (a) lists those states which require the dealer to keep such records; [40] and subcategory (b) lists those states which require the dealer to file information concerning his handgun sales with governmental officials—usually a local law enforcement agency.[41] The required records usually include the name and address of the purchaser, the date of the purchase and the description of the handgun, including its serial number.

Category 7, waiting period, refers to a prohibition against the delivery of handguns for a specified time period after an application for purchase has been filed with the dealer. Listed in sub-category (a) are those states which impose any waiting period, the duration of which usually varies between one and fifteen days.[42] Listed in subcategory (b) are those states having waiting periods which require the dealer to notify a law enforcement official of the application for purchase prior to delivery of the handgun.[43]

The final category lists a requirement that the purchaser of a handgun obtain a license.[44] Such licenses are usually issued by

local law enforcement officers[45] and persons are excluded from obtaining licenses for a wide variety of reasons.[46] In several jurisdictions,[47] law enforcement officials have only a limited time to investigate the applicant.

Having categorized the gun control regulations, the next step was to quantify gun control legislation by assigning weights to each of the eight categories and summing the weights applicable to each state or city. Such a weighting procedure was necessary to permit the application of the multiple linear regression data-analysis technique[48]—the method used to analyze the differences in death and crime rates among the states and cities. Since some knowledge of multiple linear regression is essential to an understanding of the method of assigning numerical weights to the eight categories as well as to an intepretation of results, a brief description of the technique is presented at this time.

*Description of data analysis technique*

*Statistical methodology.* The basic hypothesis of this study is that the variable of interest (*e.g.*, the homicide rate) is a linear function of the selected independent variables (*e.g.*, gun control index, income, population density) and a random error term. That is,

$$Y_i=B_o+B_1X_{1i}+B_2X_{2i}+\ldots+B_kX_{ki}+U_i \qquad i=1,2,\ldots,n$$

where

$Y_i$=value of the dependent variable (*e.g.*, homicide rate) for the $i$th city or state;
$[X_{1i},X_{2i},\ldots,X_{ki}]$=set of values of the $k$ independent variables (gun control index, etc.) for the $i$th city or state;
$[B_o,B_1,\ldots,B_k]$=set of unknown coefficients which we wish to estimate;
$U_i$=random error term for the $i$th city or state. This includes both truly random (not related to the independent variables) variation and the effect of any omitted variables; and
$n$=sample size (the number of states or cities in the sample).

The unknown coefficients, $[B_o,B_1,\ldots,B_k]$, are estimated by the method of least square. That is, that set of estimates is chosen, $[\hat{B}_o,\hat{B}_1,\ldots,\hat{B}_k]$, which makes the sum of squared errors,

$$\sum_{i=1}^{n}\hat{U}_i^2=\sum_{i=1}^{n}(Y_i-\hat{Y}_i)^2=\sum_{i=1}^{n}(Y_i-\hat{B}_o-\hat{B}_1X_{1i}-\hat{B}_2X_{2i}-\ldots-\hat{B}_kX_{ki})^2,$$

as small as possible.[49]

The estimated total variance of $Y$ is defined as

$$S_y^2=\sum_{i=1}^{n}(Y_i-\bar{Y})^2/(n-1)$$

where

$$\bar{Y}=\sum_{i=1}^{n}Y_i/n.$$

The estimated unexplained variance is

$$S_u^2=\sum_{i=1}^{n}\hat{U}_i^2/(n-k-1).$$

Therefore, $S_u^2/S_y^2$ is the fraction of the total variance of $Y$ not explained by the regression.

An estimate of the uncertainty associated with a particular estimated coefficient may be obtained by computing the ratio of the estimated coefficient to the square root of its estimated variance. From this ratio the probability of sign error (assuming the errors are normally and independently distributed), which is the probability that the true coefficient is negative (positive) if the estimated coefficient is positive (negative), is computed.[50] A related measure, the 95% confidence interval, is also reported. In nonstatistical terms, there is a 95% probability that the true coefficient falls within this interval.

In addition to information about the individual coefficients, a measure of the overall adequacy of the assumed relationship is desirable. This is provided by

$$\bar{R}^2=1-S_u^2/S_y^2,$$

which measures the fraction of the variance of Y "explained" by the regression.[51]

*Quantifying gun control legislation.* One may have some intuitive feelings about the relative effectiveness of the various categories of gun control regulations listed in Table 1. Since opinions of this subject may vary substantially, however, numerical weights should be assigned to these categories on some basis more reliable than intuition. In the present study approximately thirty sets of weights were selected which displayed great variation in the relative importance of the eight different categories. For each death and crime rate thirty regressions were then computed. Since other explanatory variables were held constant for all thirty regressions, the only difference among the regressions was that each had a different index for gun control as an explanatory variable.

For a given death or crime rate the best index would be that which yielded the maximum value of $R^2$, or, equivalently, the smallest probability of sign error in the estimated gun control coefficient. This index explains the greatest amount of variation in the death or crime rate, having accounted for other explanatory variables.

Selection of the set of weights in this manner does not bias the results either in favor or against gun control. It simply chooses those weights which have the highest probability of measuring the true relative effects of various gun control laws, whether those true effects be positive, negative or null. For example, suppose that license to purchase legislation were twice as effective in reducing homicides as concealed weapons legislation. This would mean that part of the variation in homicide rates among the states is due to some states having none, some one, and some both of these laws. Our objective is to account for the homicide variation among the states and cities and, of course, the highest percentage of the variation will be explained by the set of weights that exactly matches the true cause of the variation. Reasoning backwards, this means that the index with the highest $R^2$ is most likely to be composed of the set of weights that most closely matches the true relative effect.

None of the thirty indices selected consistently produced the highest $R^2$ for the various regressions. Different indices performed better for different deaths and crimes. This is shown in Table A–2 of the Appendix which reports the estimated gun control coefficient and its probability of sign error for ten different indices which were selected to show substantial but systematic variation. However, while the magnitude of the effect of gun control legislation varied with the index chosen, the direction of the effect was (except for aggravated assaults by firearm and robbery) independent of the index chosen,[52] and thus inferences as to the effectiveness of gun control legislation may be made with confidence.

Results from the use of index 4 of Table A–2, the index which yielded the highest $R^2$ in the greatest number of death categories considered (five out of twelve), are reported in the text. This index is listed in Table 2. In terms of estimating the number of lives saved by gun control legislation, however, this index ranked seventh out of the ten reported in the Appendix. Another index, number 3, yielded the highest $R^2$ for four death categories and gave the highest estimate of the number of lives saved by gun control.[53]

TABLE 2.—WEIGHTS OF GUN CONTROL LEGISLATION CATEGORIES (INDEX 4)

| Legislative category | Numerical weight |
|---|---|
| 1. Concealed: | |
| License | 2 |
| Prohibition | 2 |
| 2. Carrying: | |
| License | 4 |
| Prohibition | 4 |
| 3. Carrying in auto: | |
| License | 2 |
| Prohibition | 2 |
| 4. Special prohibitions: | |
| Minors | 1 |
| Felons | 1 |
| Addicts | 1 |
| Alcoholics | 1 |
| Mentally ill | 1 |
| 5. Dealer licensing | 8 |
| 6. Recordkeeping: | |
| By dealers | 8 |
| By Government agency | 4 |
| 7. Waiting period: | |
| Time | 1 |
| Notice | 2 |
| 8. License to purchase | 8 |

The text also reports the effects of other explanatory variables on death and crime rates. These coefficients do not vary substantially with different gun control indices.

RESULTS OF THE STUDY[54]

Results of the study are stated in terms of estimated coefficients which set forth the relationship between the various independent variables and the death and crime rates. Each coefficient indicates the estimated extent to which a one unit increment in an independent variable (e.g., gun control) will affect the dependent variable (a death or crime rate).

There is some uncertainty associated with the value of the estimated coefficient. As previously indicated, two measures were utilized to determine the degree of uncertainty: the 95% confidence interval and the probability of sign error.[55]

*Homicide*

The relationship between gun control and homicide by firearm and total homicide rates in the states and cities for 1960 and 1965 is given in Table 3.[56] The data in Table 3, presented in terms of the effect which a one unit increment in gun control will have on homicide rates, indicate that gun control probably has a negative effect on homicide by firearm and total homicide rates. In all five sets of equations the estimated gun control coefficient is negative and in only one case is there more than a fifteen percent chance that the coefficient's sign is positive (see total homicide rate for "States-1965"—Probability of Sign Error).

TABLE 3.—EFFECT OF GUN CONTROL ON HOMICIDE

| Homicide rate (deaths/million/year) | Coefficient | 95 percent confidence interval | Probability of sign error |
|---|---|---|---|
| By firearm: | | | |
| States—1960 | −0.176 | −0.464–0.113 | 0.113 |
| States—1965 | −.228 | −.518–.0623 | .0602 |
| Total: | | | |
| States—1960 | −.228 | −.647–.191 | .140 |
| States—1965 | −.0951 | −.479–.289 | .310 |
| Cities—1960 | −.261 | −.758–.237 | .151 |

Table 4 presents the relationship of each of the independent variables to the death and crime rates. The results in Table 4 show that median income and population density are negatively related to homicides by firearm and total homicides; that the percentage of

Footnotes at end of article.

males, the number of police employees and the percentage of non-whites have strong positive relationships with homicide rates; and that the correlation between education and homicide was negative in 1960 and positive in 1965.

TABLE 4.—RELATION BETWEEN INDEPENDENT VARIABLES AND DEATH AND CRIME RATES

| | Constant | Gun control | Income | Education | Sex | Race | Police | Population density | Age | Hunters | Manufacturing | Temperature | $R^2$ |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| HF-60-S | −127 | −0.176 | −5.66 | −2.73 | 1.81 | 1.30 | 0.356 | −9.87 | 0.0965 | | | | 0.7382 |
| | | .113 | .224 | .109 | .0407 | .0253 | .270 | .198 | .458 | | | | |
| HF-65-S | −111 | −.228 | −17.8 | .195 | 1.33 | 1.96 | 1.73 | −24.1 | .819 | −23.0 | | | .7967 |
| | | .0602 | .0175 | .471 | .0772 | .0447 | .0377 | .0268 | .211 | .0816 | | | |
| HT-60-S | −122 | −.228 | −1.65 | −4.00 | 1.89 | 2.04 | 1.83 | −31.9 | −.371 | | | | .7358 |
| | | .140 | .440 | .107 | .0147 | .0894 | .0171 | .0316 | .389 | | | | |
| HT-65-S | −179 | −.0951 | −20.7 | .906 | 1.93 | 2.87 | 2.87 | −37.0 | 1.03 | −41.3 | | | .8110 |
| | | .310 | .0310 | .400 | .0300 | .0447 | .0532 | .0131 | .223 | .0310 | | | |
| HT-60-C | 149 | −.261 | −9.14 | −4.99 | | 2.36 | −.0301 | −.994 | −.908 | | 0.0627 | 5.29 | .6234 |
| | | .151 | .0660 | .454 | | .0894 | .459 | .126 | .141 | | .256 | .0110 | |
| SF-60-S | −86.8 | −.488 | −12.8 | 3.39 | .961 | .164 | 1.08 | −64.5 | 1.41 | | | | .4402 |
| | | .0221 | .150 | .175 | .0832 | .322 | .130 | .0731 | .173 | | | | |
| SF-65-S | −232 | −.472 | −17.3 | 5.41 | 2.05 | .855 | .680 | −41.3 | 2.34 | 36.6 | | | .6037 |
| | | .0183 | .0860 | .0957 | .0664 | .0197 | .235 | .0154 | .0671 | .0731 | | | |
| ST-60-S | −249 | −.389 | 4.70 | 5.25 | 1.67 | −.0401 | 2.13 | −98.2 | 4.05 | | | | .5667 |
| | | .0814 | .371 | .108 | .0210 | .461 | .0303 | .0307 | .0117 | | | | |
| ST-65-S | −108 | −.286 | −3.48 | 13.1 | 1.48 | .700 | 1.64 | −77.6 | 4.45 | 23.9 | | | .5503 |
| | | .163 | .416 | .0941 | .0327 | .0955 | .0943 | .0134 | .0167 | .233 | | | |
| ST-60-C | −134 | −.559 | 4.89 | 10.7 | | −.135 | −.231 | .466 | 4.64 | | .0915 | 6.22 | .1735 |
| | | .0557 | .280 | .0366 | | .366 | .284 | .350 | .0586 | | .245 | .0451 | |
| ACCI-60-S | −109 | −.196 | −16.1 | 2.29 | 1.42 | .279 | .722 | −9.99 | −.393 | | | | .6161 |
| | | .0478 | .0510 | .0997 | .0612 | .0557 | .0636 | .144 | .295 | | | | |
| ACCI-65-S | −36.8 | −.167 | −9.19 | −.219 | .753 | .384 | .533 | −.241 | −.319 | .310 | | | .7760 |
| | | .0726 | .0883 | .429 | .0648 | .0135 | .0321 | .483 | .246 | .0756 | | | |
| AGASF-65-S | −481 | −.423 | −68.0 | 19.2 | 4.12 | 12.1 | 15.2 | −223 | −1.33 | −239 | | | .7538 |
| | | .327 | .104 | .139 | .0569 | .0447 | .0255 | .0375 | .420 | .0146 | | | |
| AGAST-65-S | 246 | 3.00 | −282 | 53.1 | 2.27 | 33.2 | 75.6 | −857 | −23.0 | −1019 | | | .6048 |
| | | .248 | .131 | .259 | .425 | .0829 | .0115 | .0126 | .229 | .0227 | | | |
| ROB-65-S | 846 | −.418 | 549 | −96.7 | −13.3 | 6.16 | 62.2 | −1286 | −8.42 | −405 | | | .6594 |
| | | .444 | .0109 | .0430 | .0529 | .131 | .0751 | .0359 | .344 | .116 | | | |

H—HOMICIDE
S—SUICIDE
ACCI—ACCIDENTAL DEATH BY FIREARM
AGAS—AGGRAVATED ASSAULT
ROB—ROBBERY

F—BY FIREARM
T—TOTAL
C—CITIES
S—STATES

The upper number of each pair is the estimated coefficient. The lower number is the probability of sign error.

*Suicide*

Table 5 reports the relationship between gun control and suicide by firearm and total suicide rates. For all five equations the sign of the estimated gun control coefficient is negative, significant and sizeable. For four of the five equations there is a less than ten percent probability that the sign is incorrect. In comparison with the results for total homicide, there is a much greater probability that the gun control coefficient of total suicide is negative and of a greater magnitude—the estimated gun control coefficients of total suicide are approximately twice as large.

TABLE 5.—EFFECT OF GUN CONTROL ON SUICIDE

| Suicide rate (deaths/million/year) | Coefficient | 95-percent confidence interval | | Probability of sign error |
|---|---|---|---|---|
| By firearm: | | | | |
| States—1960 | −0.488 | −0.962 | −0.0132 | 0.0221 |
| States—1965 | −.472 | −.913 | −.0309 | .0183 |
| Total: | | | | |
| States—1960 | −.389 | −.940 | .163 | .0814 |
| States—1965 | −.286 | −.866 | .295 | .163 |
| Cities—1960 | −.559 | −1.25 | .131 | .0557 |

Under the heading Suicide-by-Firearm (SF) in Table 4, it can be seen that the number of years of school completed, median age, the number of licensed hunters, average temperature and the percentage of males have strong positive relations with suicides by firearm while population density has a strong negative relation. There is also an indication that median income is negatively related to suicides *by firearm* but not to *total* suicides.

*Accidental deaths by firearm*

Table 6, which shows the relationship between accidental deaths by firearm and gun control, indicates that the estimated gun control coefficients of accidental death by firearm are as significant (in terms of confidence interval and probability of sign error) as the suicide coefficients but only about the size of the homicide coefficients.

TABLE 6.—EFFECT OF GUN CONTROL ON ACCIDENTAL DEATH BY FIREARM

[Accidental death rate—death per million per year]

| | Coefficient | 95 percent confidence interval | Probability of sign error |
|---|---|---|---|
| States—1960 | −0.196 | −0.429 to 0.0361 | 0.0478 |
| States—1965 | −.167 | −.299 to −.0349 | .0072 |

The relationship between accidental deaths by firearm and other variables as shown in Table 4 indicates that the only significant negative factor is income. Significant positive factors include the percentage of males, the percentage of non-whites, the number of police employees and the number of licensed hunters.

*Aggravated assaults*

In Table 7 the relationship between gun control and aggravated assault is presented. There is a 67% probability that gun control is associated with a lower number of aggravated assaults by firearm (since the probability of sign error is .327), and about a 75% probability that gun control is related to a *higher* total of aggravated assaults (probability of sign error is less than .25).

Table 4 indicates that low income, a high percentage of non-whites, a high number of police employees, lower population density and fewer licensed hunters are associated with a higher number of aggravated assaults.

TABLE 7.—EFFECT OF GUN CONTROL ON AGGRAVATED ASSAULT

| Aggravated assault rate (assaults/million/year) | Coefficient | 95 percent confidence interval | Probability of sign error |
|---|---|---|---|
| States, 1965: | | | |
| By firearm | −0.423 | −2.32 to 1.47. | 0.327 |
| Total | 3.00 | −5.82 to 11.8. | .248 |

*Robbery*

The relation between robbery and gun control is set out in Table 8. The estimated gun control coefficient indicates that one unit of gun control will reduce the total number of robberies by less than one-half robbery per million population per year (or about 100 fewer robberies per year in the U.S.) and that there is only a 56% chance that the coefficients sign is correct.

TABLE 8.—EFFECT OF GUN CONTROL ON ROBBERY

| Robbery rate (robberies/million/year) | Coefficient | 95 percent confidence interval | Probability of sign error |
|---|---|---|---|
| States, 1965 | −0.418 | −6.38 to 5.55 | 0.444 |

Returning to Table 4, robbery is shown to be negatively related to education, population density, licensed hunters and the percentage of males; and positively related to income, the number of police employees and the percentage of non-whites.

*Observations*

The following observations may be drawn from the data presented in the previous section.

*One:* The data indicate that gun control legislation is related to fewer total deaths by homicide, suicide and accident by firearm. The estimated gun control coefficient is negative in the five homicide equations, the five suicide equations and both accidental death by firearm equations. Moreover, in seven of these equations the probability of error is less than ten percent and in only one of the equations does it exceed seventeen percent (total homicides—States—1965—31.0) %

The estimated gun control coefficients of total homicide, total suicide and accidental death by firearm for the states in 1960 were -.228, -389 and -196, respectively; and for the states in 1965 were -.095, -.286 and -.167, respectively. On the basis of these results it is estimated that one unit of gun control saves between .548 and .813 lives per million population per year. Thus it can be estimated

that the gun control legislation of New Jersey (39 untis) saves between 21 and 32 lives per million population per year. On a nationwide basis such legislation would save between 4200 and 6400 lives per year.[57]

The average index value (simple arithmetic mean) of gun control for the states in 1965, using the weights contained in Table 2, was 17.5. If all 28 states whose indices were below 17.5 were brought up to that number, an estimate based on the results of this study would indicate that about 505 fewer lives per year would be lost due to homicide, suicide and accidental death by firearm in those states. Furthermore, if all states were *raised* to the 39-unit level of New Jersey, about 1950 lives would be saved.

*Two:* A comparison of the results of the homicide and suicide *by firearm* rates with the *total* homicide and suicide rates provides an indication of the extent to which gun control legislation leads to the successful substitution of other weapons.[58] The similarity of the estimated gun control coefficients of homicide by firearm and total homicide for 1960 (-.176 and -.228) of suicide by firearm and total suicide for 1960 (-.488 and -.389) would support a conclusion that other weapons are not successful substitutes for firearms. However, the differences between the estimated gun control coefficients of homicide by firearm and total homicide for 1965 (.228 and -.0951) and of suicide by firearm and total suicide for 1965 (-.472 and -.286), would lead one to believe that other weapons are frequently *and* successfuly substituted for firearms.

The results showing a 75% probability that the gun control coefficient of total aggravated assaults is positive give some indication that more stringent gun control laws tend to cause the use of less effective weapons rather than to discourage homicide attempts. One explanation for the positive relation is that the additional aggravated assaults which occur in stringent gun control states are homicide attempts which are unsuccessful as a result of the use of less lethal substitutes. This explanation, however, can only account for part of the large (3.00) gun control coefficient for total aggravated assaults.

Another explanation for the positive relation is that the felon armed with a gun, assuming that he is responsible for a significant portion of the aggravated assaults, has less need to use force to obtain the victim's cooperation and to effect his get-away and that in stringent gun control states the hardened criminal is less likely to be armed with a gun and hence more likely to use force.[59]

*Three:* The evidence indicates that gun control has little effect on "ordinary" crime. As mentioned previously, there is a positive estimated relation between total aggravated assault and gun control; and while for robbery the estimated gun control coefficient is negative (−418), there is a forty-four percent chance that the coefficient's sign is incorrect. Moreover, even if the estimated coefficient is correct, the enactment of strict gun control legislation will not substantially reduce the robbery rate which exceeded six hundred robberies per million population for the nation in 1965.

*Four:* Results for other variables show that with the exception of robbery and total suicide, there is a negative correlation between income and the death and crime rates considered by this study; that education as measured by median school years completed is an important factor only for suicides (positive correlation) and robbery (negative correlation); that with the exception of robbery the relation between the percentage of males and the death and crime rates is strongly positive; that with the exception of suicide—1960, there is a strong positive relation between the percent of non-whites and the death and crime rates; that the relation between population density and the death and crime rates is strongly negative; and that the relation between the number of police personnel per capita and the death and crime rates is generally positive.[60]

LIMITATIONS

*One:* As previously indicated, certain types of state and local gun control legislation were not considered; the comparison between the states did not take into account the additional gun regulations of local governments within the state; and the gun control categories of Table 1 contained within the same category laws which differ to some extent. Since the evidence derived from this study indicates that additional gun control reduces the number of deaths, this has probably caused the effects of gun control legislation to be understated.

*Two:* The data used by this study do not account for differences in the enforcement policies of the different states and cities and for inaccurate reporting of deaths and crimes.

*Three:* The coefficients of certain demographic variables may not incidate a *causal* relation. The ecology of crime is more complex than this study's simple equations portray. The relation between the number of police personnel per capita and the death and crime rates illustrates this point.

Also, it is possible that important explanatory variables have been omitted. Two that are frequently mentioned in FBI reports are the number of transient residents and the penalty ordinarily imposed for the crime committed. Others that may be important include regional differences in attitudes towards firearms, regional religious differences, differences in level of frustration and differences in racial attitudes.[61]

*Four:* Since as of 1965 no state or city had totally prohibited the sale and possession of hand guns or imposed strict regulations on the sale and possession of rifles, the study tells little about the effectiveness of such types of gun control regulation. On the basis of this study's findings that additional controls, meaning increased units of gun control, reduce the homicide, suicide and accidental death by firearms rates, it would be expected that more stringent gun control, such as the regulation of rifles and the total prohibition of sale and possession of hand guns, would lower these death rates—but to what extent it cannot be said.

Also, this study does not indicate whether more stringent types of gun control would reduce "ordinary" crime. Perhaps measures such as prohibitions against the manufacture, sale and possession of all or certain types of firearms would disarm the professional criminal, and perhaps the disarmed professional criminal would be more hesitant to engage in criminal activity.

*Five:* While this study concludes that increases in the units of gun control decrease rates of homicide, suicide and accidental death by firearm, it does not show whether all unit increases in the amount of gun control are equally effective. It may be that the extent of the effectiveness of an increased unit of gun control is related to the amount of gun control which already exists within the state or city, or that certain types of gun control are effective only if other types of gun control are also enacted.

*Six:* The percentage of explained variation ($R^2$) in the death and crime rates was very similar for index weights that differed considerably from the weights listed in Table 2. Thus uncertainty remains as to the relative importance of the different types of laws.

CONCLUSION

The finding of the present study that gun control legislation reduces the number of deaths by homicide, suicide and accidents by firearms is inconsistent with three related research papers by Alan S. Krug which have received important circulation. Each of Krug's papers has been introduced into the Congressional Record, and the papers are presently being circulated in pamphlet form by the National Shooting Sports Foundation under the billing of "the first comprehensive study on a national basis ever made on the relationship of firearms to crime in the United States."[62]

Each of Krug's papers claims to discredit the position that gun control legislation reduces crime. In his first paper, Krug reports that the homicide by firearm rate has shown a decided downward trend from 1910 to 1967 while gun ownership has steadily risen.[63] In a second paper a simple comparison is developed which shows no significant differences between the crime rates of states with and states without firearm licensing laws.[64] The third paper reports a negative correlation between firearm ownership, as measured by the number of hunting licenses, and various crime rates for the fifty states.[65]

Krug's second study is of primary interest here since it, like the present study, compares differences in crime rates among states with differences in gun control legislation. In this paper, Krug first places the states into two groups: licensing and non-licensing states. Next, using 1965 data, Krug calculates average (arithmetic mean) homicide, robbery, aggravated assault and serious crime rates for licensing and non-licensing states and finds that the average homicide, aggravated assault and serious crime rates for licensing states exceeded the non-licensing states' average.

As a vehicle for discrediting gun control legislation, this study by Krug has several major deficiencies. First, the only death rate it considered was the homicide rate by firearm, and, as Krug admits in another section of the same study, this accounts for less than one-third of the nation's deaths by firearm.[66] Thus the conclusion that licensing has no effect on the homicide rate does not discredit a position that licensing reduces death by firearm.

Second, by using only two groupings for the fifty states and by examining only licensing requirements, the *True Facts* study failed to account for differences in state licensing requirements or other statutory controls over firearms. Moreover, by including within the licensing group any state which prohibits carrying firearms without a license, the licensing category included many states with weak gun control legislation. The legislation of six of the thirty-six states Krug included as licensing states had an index value of seven or less on the basis of the criteria used in the present study, while four of the fourteen states included as non-licensing states had an index value of seven or more.

Finally, although Krug recognized that factors such as population density, geography, per capita income and education appear to be significantly related to crime rates, these factors were completely neglected in his "statistical study." Thus, for these reasons it is submitted that the evidence presented in this study invalidates conclusions concerning death dates presented in these earlier papers.

Krug's other studies conclude that there is no relationship between the number of firearms and crime rates. These conclusions are of dubious merit for the reasons stated in an in-depth analysis of the Krug studies by Franklin E. Zimring.[67] Professor Zimring criticizes the first study, which examines the homicide by firearm and gun ownership trends, because (a) Krug's assertion that the homicide by firearm rate has shown a decided downward trend is questionable; (b) Krug failed to establish that *per capita* gun ownership is rising—he asserted only that the *number* of guns owned is rising; and (c) Krug's findings, even if accurate, do not

Footnotes at end of article.

preclude the possibility that stringent gun control legislation would have further reduced the homicide by firearm rate. Krug's third study, which finds a negative correlation between gun ownership and various crime rates for the fifty states, is criticized by Zimring for the use of hunting licenses as a measure of firearm ownership. Zimring asserts that hunting is not the major use of firearms in many areas of the nation or the major use of handguns, the weapons most frequently used in crime.

Nevertheless, even if Krug's conclusion that there is no relationship between the number of guns and crime rates should be correct, this in itself does not establish that gun control laws are ineffective. Most firearm legislation, according to its proponents, is not aimed at and does not prevent the law-abiding citizen from acquiring firearms. Rather, the legislation's purpose and effect is to keep guns out of the hands of minors and irresponsible adults.

This article has made no attempt to explain why gun control legislation reduces the number of deaths by firearm. To the authors' knowledge there is no reliable data on gun ownership, and hence it is not possible to agree with or dispute the thesis that there is no relationship between the number of guns and the death and crime rates. The findings here do indicate, however, that gun control legislation is most effective in reducing the number of suicides and accidents by firearm, less effective in reducing the number of homicides and generally ineffective in reducing the number of other crimes—all of which suggests that stringent gun control legislation reduces the number of persons possessing firearms. It seems likely that a high percentage of suicides, accidents by firearm and homicides are committed by adults who have never been convicted of a crime, adjudged mentally incompetent, or designated an addict or alcoholic.[68] Thus the most plausible explanation for the effectiveness of gun control in reducing these death rates is that the percentage of adults who could lawfully obtain firearms is reduced by stringent gun control legislation.

The concern of this study is with the effectiveness of gun control legislation. On this point evidence is presented that stringent gun control legislation reduces death by homicide, suicide and accidents by firearm. For each of ten varying sets of weights reported in the Appendix, the gun control coefficients of homicide, suicide and accidental deaths by firearm are negative. Thus the conclusions do not depend upon our choice of weights. The choice of weights does, however, make a difference as to the *size* of the gun control coefficients. Results based on the ten sets of weights reported in the Appendix ranged from 1520 to 3340 additional lives saved if all states were raised to the level of New Jersey.[69] Consequently, there is no doubt that gun control legislation saves lives but there is a question of *how many* lives it saves.

Footnotes at end of article.

APPENDIX

*Further results*

As mentioned in the text, we tried ten different sets of weights, each set yielding a different gun control index. These weights are given in Table A–1. Table A–2 lists for each index the gun control coefficient and the probability of its sign error for each crime or death rate.

TABLE A–1.—WEIGHTS FOR THE GUN-CONTROL INDEXES

| Legislative category | Index 1 | 2 | 3 | [1] 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 Concealed: | | | | | | | | | | |
| (a) License | 2 | 2 | 2 | 2 | 2 | 5 | 2 | 5 | 5 | 2 |
| (b) Prohibition | 2 | 2 | 2 | 2 | 2 | 5 | 2 | 5 | 5 | 2 |
| 2 Carrying: | | | | | | | | | | |
| (a) License | 4 | 4 | 4 | 4 | 4 | 10 | 4 | 10 | 10 | 4 |
| (b) Prohibition | 4 | 4 | 4 | 4 | 4 | 10 | 4 | 10 | 10 | 4 |
| 3 Carrying in auto: | | | | | | | | | | |
| (a) License | 2 | 2 | 2 | 2 | 2 | 5 | 2 | 5 | 5 | 2 |
| (b) Prohibition | 2 | 2 | 2 | 2 | 2 | 5 | 2 | 5 | 5 | 2 |
| 4. Special prohibitions: | | | | | | | | | | |
| (a) Minors | 1 | 1 | 1 | 1 | 1 | 1 | 8 | 1 | 8 | 8 |
| (b) Felons | 1 | 1 | 1 | 1 | 1 | 1 | 8 | 1 | 8 | 8 |
| (c) Addicts | 1 | 1 | 1 | 1 | 1 | 1 | 6 | 1 | 6 | 6 |
| (d) Alcoholics | 1 | 1 | 1 | 1 | 1 | 1 | 6 | 1 | 6 | 6 |
| (e) Mentally ill | 1 | 1 | 1 | 1 | 1 | 1 | 6 | 1 | 6 | 6 |
| 5. Dealer licensing | 2 | 2 | 2 | 8 | 8 | 2 | 2 | 8 | 2 | 8 |
| 6. Recordkeeping: | | | | | | | | | | |
| (a) By dealer | 2 | 2 | 2 | 8 | 8 | 2 | 2 | 8 | 2 | 8 |
| (b) By Government agency | 2 | 2 | 2 | 4 | 4 | 2 | 2 | 4 | 2 | 4 |
| 7. Waiting period: | | | | | | | | | | |
| (a) Time | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| (b) Notice | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| 8. License to purchase | 8 | 4 | 12 | 8 | 4 | 8 | 8 | 8 | 8 | 8 |

[1] This index was reported in the text.

TABLE A–2.—ESTIMATED GUN CONTROL COEFFICIENTS AND PROBABILITIES OF SIGN ERROR FOR ALL INDEXES[1]

| Crime or death | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Homicide by firearm: | | | | | | | | | | |
| States | −0.176 | −0.188 | −0.156 | [2] −0.176 | −0.185 | −0.0614 | −0.0537 | −0.124 | −0.0337 | −0.0741 |
| 1960 | .253 | .266 | .249 | .113 | .114 | .392 | .318 | .176 | .377 | .195 |
| States | −.333 | −.365 | −.287 | [2] −.228 | −.237 | −.249 | −.127 | −.195 | −.117 | −.119 |
| 1965 | .110 | .115 | .113 | .0602 | .0619 | .138 | .137 | .0733 | .143 | .0876 |
| Total homicide: | | | | | | | | | | |
| States | −.220 | −.220 | −.204 | [2] −.228 | −.236 | −.0684 | −.0597 | −.159 | −.0335 | −.0912 |
| 1960 | .283 | .307 | .270 | .140 | .144 | .417 | .357 | .205 | .415 | .233 |
| States | −.0787 | −.0278 | −.103 | [2] −.9051 | −.0866 | −.0640 | −.0210 | −.0620 | −.0753 | −.0375 |
| 1965 | .412 | .472 | .369 | .310 | .334 | .491 | .444 | .361 | .479 | .371 |
| Cities | −.418 | −.436 | −.374 | −.261 | −.260 | −.370 | −.0424 | [2] −.245 | −.0548 | −.0749 |
| 1960 | .176 | .204 | .164 | .151 | .167 | .169 | .419 | .146 | .391 | .318 |
| Suicide by firearm: | | | | | | | | | | |
| States | −.920 | −.995 | [2] −.808 | −.488 | −.491 | −.770 | −.368 | −.448 | −.359 | −.288 |
| 1960 | .0177 | .0231 | .0167 | .0221 | .0277 | .0189 | .0251 | .0217 | .0222 | .0225 |
| States | −.866 | −.894 | [2] −.785 | −.472 | −.470 | −.689 | −.322 | −.420 | −.307 | −.261 |
| 1965 | .0185 | .0290 | .0149 | .0183 | .0247 | .0244 | .0353 | .0208 | .0343 | .0261 |
| Total suicide: | | | | | | | | | | |
| States | −.868 | −.868 | [2] −.803 | −.389 | −.365 | −.742 | −.369 | −.368 | −.362 | −.259 |
| 1960 | .0414 | .0644 | .0320 | .0814 | .107 | .0400 | .0424 | .0741 | .0377 | .0573 |
| States | −.783 | −.474 | −.747 | −.286 | −.251 | −.693 | −.351 | −.287 | [2] −.347 | −.221 |
| 1965 | .0702 | .108 | .0529 | .163 | .207 | .0595 | .0601 | .139 | .0518 | .0995 |
| Cities | −1.45 | −1.34 | −1.38 | −.559 | −.467 | [2] −1.44 | −.387 | −.616 | −.449 | −.264 |
| 1960 | .0100 | .0334 | .0044 | .0557 | .106 | .0032 | .0905 | .0283 | .0505 | .115 |
| Accidental death by firearm: | | | | | | | | | | |
| States | −.429 | −.436 | −.391 | −.196 | −.187 | −.323 | −.192 | −.170 | −.178 | −.135 |
| 1960 | .0215 | .0355 | .0164 | .0478 | .0661 | .0363 | .0166 | .0574 | .0193 | .0253 |
| States | −.302 | −.332 | −.261 | [2] −.167 | −.171 | −.239 | −.239 | −.132 | −.117 | −.0988 |
| 1965 | .0084 | .0099 | .0089 | .0073 | .0087 | .0122 | .0107 | .0088 | .0107 | .0075 |
| Aggravated assault by firearm: | | | | | | | | | | |
| States | .0732 | −.0852 | .162 | −.423 | [2] −.513 | −.167 | .253 | −.428 | .176 | −.0116 |
| 1965 | .483 | .483 | .457 | .327 | .302 | .454 | .366 | .309 | .401 | .492 |
| Total-Aggravated Assault: | | | | | | | | | | |
| States | 10.3 | 10.5 | 9.38 | 3.00 | 2.65 | 7.09 | [2] 4.85 | 2.44 | 4.31 | 2.77 |
| 1965 | .100 | .123 | .0903 | .248 | .284 | .147 | .0780 | .272 | .0917 | .144 |
| Robbery | | | | | | | | | | |
| States | 1.17 | .168 | [2] 1.68 | −.418 | −.802 | .483 | .462 | −.467 | .336 | −.0038 |
| 1965 | .415 | .489 | .362 | .444 | .399 | .458 | .421 | .432 | .440 | .499 |
| Mean index: States, 1965 | 10.9 | 10.1 | 11.3 | 17.5 | 16.5 | 14.4 | 25.3 | 21.1 | 30.1 | 32.2 |
| Estimated lives saved per year [3] | 2,830 | 2,040 | 3,340 | 1,950 | 1,520 | 2,670 | 2,070 | 1,900 | 2,390 | 1,890 |

[1] The upper number of each pair is the estimated coefficient; the lower number is the probability of sign error.

[2] Highest $R^2$ of all indexes.

[3] This number estimates the additional lives that would have been saved if the gun control laws of New Jersey had been applied nationwide in 1965.

The next to last line of Table A–2 gives the mean value of the index for states in 1965. Some variation among estimated coefficients is due to changes in this average value.

The probabilities of sign error indicate that some of our conclusions, viz, gun control cuts down suicide and accidental death by firearm rates and has little influence on robbery and aggravated assault by firearm, would have been reached regardless of the index chosen. Homicides and total aggravated assaults are a different matter. For these crimes, the choice of index can make a considerable difference in the estimated effect of gun control. In total homicides—states—1960, for example, all the estimated coefficients are negative but the probability that the true coefficient is negative ranges from .14 (index 4) to .42 (index 6).

We attempted to use variations among indices to make inferences about the relative effectiveness of different types of laws. Indexes 4 and 5, for example, which weight dealer licensing and record keeping relatively heavily, generally perform well for homicide. On the other hand, index 3, which weights license to purchase very heavily, seems to do well with respect to suicides.

Unfortunately, when we employed more refined techniques in an attempt to isolate the effect of each type of law, we could obtain no significant or even meaningful results.[70] This failure may have been due to multicollinearity among individual law categories (a statistical difficulty) or to some circumstance such as interactions of laws which make combinations more effective than the sum of effects of individual laws.

Finally, we should mention that standard tests of regression model were made. We checked the assumption of normal disturbance terms with chi-square tests and normal probability plots of the residuals. Linearity assumptions were checked with residual plots. The regression assumptions were well approximated in all cases.

FOOTNOTES

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[1] For a general background to the gun control controversy see *Congress and "Gun Control" Proposals*, 45 CONG. DIG. 289 (1966); *Congress and the National Crime Problem*, 46 CONG. DIG. 193 (1967); Harris, *Annals of Legislation—If You Lose Your Guns*, THE NEW YORKER, Apr. 20, 1968, at 56.

[2] *See* THE TRUE FACTS ON FIREARM LEGISLATION, THREE STATISTICAL STUDIES (National Shooting Sports Foundation, Inc., 1968).

[3] M. WOLFGANG, PATTERNS IN CRIMINAL HOMICIDE (1958). "[F]ew homicides due to shootings could be avoided merely if a firearm were not immediately present . . . the offender would select some other weapon to achieve the same destructive goal. Probably only in those cases where a felon kills a police officer, or vice versa, would homicide be avoided in the absence of a firearm." *Id.* at 83.

[4] The basic statistical technique used in this study was multiple linear regression. See notes 48–51 *infra* and accompanying text. *See generally* A. GOLDBERGER. ECONOMETRIC THEORY (1964).

[5] Sources of all data are available from the authors on request.

[6] Mean annual degree days are calculated as follows: If the temperature is below 65° F., subtract the temperature from 65. If the temperature is above 65°, a value of zero is assigned. These daily averages are then added to determine the total number of degree days for the year. Thus, the colder the climate the greater is the number of mean annual degree days.

[7] For "States 1965", only 1960 age, education, race and police data were available. Data for all other explanatory variables were for the same year as the death and crime data.

[8] Ch. 757, 48 Stat. 1236 (1934). *Presently codified as* Pub. L. No. 90–618, § 201 (1968 U.S. CODE CONG. & AD. NEWS 1413–24), *amending* 26 U.S.C. §§ 5801–5862.

[9] Ch. 850, 52 Stat. 850 (repealed in 1968). The basic provisions of the Act are now contained in the Gun Control Act of 1968, Pub. L. No. 90–618, §§ 101–302 (1968 U.S. CODE CONG. & AD. NEWS 1397–1424). This Act amended Title IV of the Omnibus Crime Control & Safe Streets Act of 1968, Pub. L. No. 90–351, 18 U.S.C.A. §§ 921–28 (Supp. 1968), which had repealed the Federal Firearms Act of 1938.

[10] C.F.R. 125.5 (1968). Prior to 1968 no restrictions were placed on interstate firearm shipments by common carrier. The chief effect of the postal regulations was to send the purchasers of handguns by mail to the Railway Express Agency rather than the post office.

[11] Gun Control Act of 1968, Pub. L. No. 90–618 §§ 101–302 (1968 U.S. CODE CONG. & AD. NEWS 1397–1424), *amending* 18 U.S.C.A. §§ 901–28 (Supp. 1968).

[12] *Id.* (1968 U.S. CODE CONG. & AD. NEWS at 1404–05) (18 U.S.C.A. §§ 922(d), (f) & (h)).

[13] *Id.* (1968 U.S. CODE CONG. & AD. NEWS at 1401) (18 U.S.C.A. § 922(a)(3)).

[14] *Id.* (1968 U.S. CODE CONG. & AD. NEWS at 1401–02) (18 U.S.C.A. § 922(a)(5)).

[15] *Id.* (1968 U.S. CODE CONG. & AD. NEWS at 1404) (18 U.S.C.A. § 922(d)).

[16] *Id.* (1968 U.S. CODE CONG. & AD. NEWS at 1406–09) (18 U.S.C.A. § 923).

[17] *Id.* (1968 U.S. CODE CONG. & AD. NEWS at 1402, 1406–07) (18 U.S.C.A. §§ 922(b)(4), 923(a)).

[18] See note 8 *supra* and accompanying text.

[19] OHIO REV. CODE ANN. §§ 2023.01-.06 (Page 1954 & Supp. 1968).

[20] MINN. STAT. ANN. §§ 609.66–.67 (1964).

[21] KY. REV. STAT. ANN. § 435.230 (1963).

[22] N.J. STAT. ANN. §§ 2A:151–1 to 151–56 (1953 & Supp. 1968).

[23] HAWAII REV. LAWS §§ 157–1 to –33 (1955).

[24] MICH. COMP. LAWS §§ 28.421–434, 750.222–.239 (1967 & Supp. 1968).

[25] *See. e.g.*, CONN. GEN. STAT. ANN. §§ 53–203, 53–204, 53–207 (1960); IOWA CODE ANN. § 110.23 (1949); N.Y. PENAL LAW § 265.35 (McKinney 1967).

[26] State data was obtained from ROSENTRATER, SAYLES & CONNER, STATE FIREARMS CONTROL A COMPILATION OF DIGESTS OF STATE LAWS (Library of Cong. Legis. Reference Service, 1968). *See also* Note, *Firearms: Problems of Control*, 80 HARV. L. REV. 1328, 1336–42 (1967); Note, *Firearms Legislation*, 18 VAND. L. REV. 1362, 1366–69 (1965).

[27] City data was obtained through correspondence with city solicitors. Replies were received from 94 cities. Of the 94 replies, 58 stated that there were no local firearms regulations. The other 36 replies either summarized or enclosed copies of local firearms regulations. Only 14 of the cities with regulations fitting within the categories of Table 1 were located in states which did not have similar regulations.

[28] Category 3 (carrying—motor vehicle) includes only states and cities within category 1 (concealed) with laws which expressly restrict the carrying of firearms in motor vehicles. Category 3 does not include laws which generally prohibit the carrying of concealed weapons even though such laws may be construed to prohibit carrying concealed weapons in a motor vehicle, particularly if the weapon is within reach of occupants of the car. States within category 2 (carrying) usually prohibit the carrying of handguns on the person and in a motor vehicle.

[29] Generally state and city laws within the first three categories of Table 1 exempt law-enforcement officers military personnel private guards and persons carrying firearms at their home or place of business. *See e.g.*, CAL. PENAL CODE §§ 12026–27 (West 1956); New York is the only state which requires a license to possess a handgun in the home or place of business. N.Y. PENAL LAW §§ 265–05 (3), 400.00(2) (McKinney 1967).

[30] *Sec., e.g.*, CAL. PENAL CODE §§ 12021, 12050, & 12072 (West 1956) (license to carry may be issued to person of good moral character, but restrictions as to minors, addicts and felons); CONN. GEN. STAT. ANN. § 29–29 (1960) (no permit shall be issued if the applicant has ever been convicted of a felony); IOWA CODE ANN. § 695.26 (Supp. 1968) (sale to minors forbidden).

[31] *See, e.g.*, CAL. PENAL CODE § 12050 (West 1956); ME. REV. STAT. ANN. tit. 25, § 2031 (Supp. 1967); N.Y. PENAL LAW § 400.00 (McKinney 1967).

[32] *See, e.g.*, WASH. REV. CODE ANN. § 9.41.070 (1961) (for purposes of protection, or while engaged in business, sport or while traveling).

[33] *See, e.g.*, IOWA CODE ANN. § 695.20 (1950); WASH. REV. CODE ANN. § 9.41.070 (1961).

[34] Minors, as defined by the various states, range from persons under fourteen to persons under twenty-one. Also, some states exclude from the law's prohibitions minors with parental consent to purchase and possess firearms. Certain states limit restrictions against felons to persons who were convicted of crimes of violence within a specified time; restrictions against addicts to persons convicted under narcotics laws; restrictions against alcoholics to persons under the influence of alcohol; and restrictions against the mentally ill to persons committed for mental disorder. Other states either do not define these terms or use broader definitions. *See generally* Note, *Firearms: Problems of Control*, 80 HARV. L. REV. 1328 (1967).

A state is within a sub-category of category 4 (Table 1) if it requires a license to purchase handguns and prohibits the issuance of such a license to persons covered by the subcategory. A state is not included within a subcategory of category 4, however, if it only prohibits persons within the sub-category from receiving a license to carry handguns.

[35] *See* CAL. PENAL CODE §§ 12021, 12072 (West 1956).

[36] *See, e.g.*, N.Y. PENAL LAW § 400.00(1) & (2) (McKinney 1967). A South Carolina law repealed in 1965 prohibited the sale but not the possession of handguns within the state. Since South Carolina was the only state to prohibit sales, Table 1 does not have a separate category to cover this type of restriction. Since category 5 appeared to be the most appropriate category, South Carolina was included therein.

[37] *See* N.Y. PENAL LAW § 400.00(1) (McKinney 1967).

[38] See note 9 *supra* and accompanying text.

[39] *Hearings Before the Subcomm. to Investigate Juvenile Delinquency of the Senate Comm. on the Judiciary*, 88th Cong., 1st Sess., pt. 14, 3209–10, 3426 (1963).

[40] *See, e.g.*, ILL. ANN. STAT. ch. 38, § 24–4 (Smith-Hurd 1964); N.C. GEN STAT § 14–406 (1953).

[41] *See, e.g.*, IOWA CODE ANN. § 695.21 (1950).

[42] *See, e.g.*, CONN. GEN. STAT. ANN. § 29–33 (Supp. 1969) (one week waiting period following mailing of application for purchase); OREG. REV. STAT. § 166.470 (1965) (firearm shall not be delivered to purchaser on the day of the application for its purchase).

[43] *See e.g.*, WASH. REV. CODE ANN. § 9.41.070 (1961).

[44] *See, e.g.*, N.Y. PENAL LAW § 400.00 (McKinney 1967); N.C. GEN STAT. § 14-402 (Supp. 1967).

[45] *See, e.g.*, N.C. GEN. STAT. § 14-403 (Supp. 1967).

[46] For an example of a statute which is very specific as to who may obtain a license to purchase, see N.J. STAT. ANN. §§ 2A:151-33 to 2A:151-39 (Supp. 1968). For a more "general" statute, see N.C. GEN. STAT. §§ 14-402, 14-404 (Supp. 1967).

[47] *See, e.g.*, N.J. STAT. ANN. § 2A:151-36 (Supp. 1968).

[48] For a description of multiple linear regression, see J. JOHNSTON, ECONOMETRIC METHODS 106-42 (1960).

[49] *Id.* at 108-09.

[50] "Probability of sign error" is not the conventional interpretation of the numbers given here. They are usually termed "levels of significance," and the interpretation of them is somewhat different. The terminology used herein results from a Bayesian approach to the regression problem in which the parameters are considered random variables. The prior distributions which the authors have implicitly used here are locally uniform probability measures.

[51] The number is $R^2$ adjusted for degrees of freedom. *See* A. GOLBERGER, ECONOMOMETRIC THEORY 217 (1964).

[52] See Appendix, Table A-2.

[53] Set 4 best explained homicide by firearm, (i.e., had the highest $R^2$), and total homicide for the states (1960 & 1965), and accidental death by firearm (1965). Set 3 best explained suicide by firearm for the states (1960 & 1965), total suicide (1960), and accidental death by firearm (1960).

[54] The material appearing in the Results section are based upon the use of the set of weights for the various categories of gun control legislation listed in Table 2 (Index 4).

[55] The 95% confidence interval is the range within which there is a .95 probability that the true coefficient will lie. The probability of sign error, as previously indicated, reflects the chance that the sign of the estimated coefficient is incorrect.

[56] All relationships reported in this study are conditional because the effects of other demographic variables are taken into account.

[57] The estimates on lives saved include lives *already* saved by existing gun control legislation. In 1965 in the United States there were approximately, per 100,000 population, 3.05 homicides by firearms, 5.5 total homicides, 5.02 suicides by firearm, 11.1 total suicides, and 1.2 accidental deaths by firearm. *See* 1967 STATISTICAL ABSTRACT OF THE UNITED STATES 59, 168 (U.S. Dep't of Commerce).

[58] In Zimring, *Is Gun Control Likely to Reduce Violent Killings?* 35 U. Chi. L. Rev. 721 (1968), the author describes a study measuring the effectiveness of substituted weapons based on data from reported homicides and serious assaults.

[59] A third explanation for the direct relationship between gun control and aggravated assaults is that stringent regulation of weapons increases crime by reducing the number of persons possessing firearms for protection. However, the findings on robbery (see Table 8 and the textual discussion appurtenant thereto) are not consistent with such an explanation.

[60] Significant positive coefficients for the number of police personnel is not necessarily indicative of a causal relationship. Another explanation is that states and cities with high death and crime rates employ more police personnel in an attempt to reduce these rates, but that such additions to police forces are not significantly effective.

[61] In a separate tabulation, a dummy variable for the eleven states which formed the Confederacy was included. Results obtained indicated that homicides and aggravated assault rates are positively related to these eleven states; that accidental death by firearm is negatively related to these states; and that robbery and suicide are unrelated to these states.

These results do not weaken the conclusions of this paper concerning the effectiveness of gun control because the stringency of gun control legislation in the eleven Confederate states and in the remaining states is not dissimilar. The mean index value of gun control legislation for the fifty states based upon the set of weights reported in the text was 17.5. In comparison, for the eleven Confederate states the mean index value was 14.2, and for the seven Confederate states with the highest homicide rate the mean index value was 16.6.

[62] THE TRUE FACTS ON FIREARM LEGISLATION—THREE STATISTICAL STUDIES (National Shooting Sports Foundation, Inc., 1968), 114 CONG. REC. H570 (Jan. 30, 1968) [hereinafter cited as TRUE FACTS]. *See* Zimring, *Games with Guns and Statistics*, 1968 WIS. L. REV. 1113.

[63] Krug, *The Misuse of Firearms in Crime*, in TRUE FACTS.

[64] Krug, *The Relationship Between Firearms Licensing Laws and Crime Rates*, in TRUE FACTS.

[65] Krug, *The Relationship Between Firearms Ownership and Crime Rates: A Statistical Analysis*, in TRUE FACTS.

[66] See note 57 *supra*.

[67] Zimring, *Games With Guns and Statistics*, 1968 WIS. L. REV. 1113.

[68] During 1965, 79% of all murder victims were acquainted with the offender. Killings resulting from robberies, sex motives, gangland slayings, and other felonious activities accounted for only 16% of the total of reported homicides. *See* REPORT BY THE PRESIDENT'S COMMISSION ON LAW ENFORCEMENT AND ADMINISTRATION OF JUSTICE. THE CHALLENGE OF CRIME IN A FREE SOCIETY 39 (1967).

[69] The index reported in the text, number 4, ranked seventh out of ten in terms of estimated total lives saved.

[70] We tried entering each legislative category as a "dummy variable" and we also split the categories into blocks and attempted to measure the effect of each block independently.

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## INDIANS

Mr. KENNEDY. Mr. President, Vine Deloria, Jr., a Standing Rock Sioux Indian, wrote mockingly in his recent book "Custer Died for Your Sins":

There appears to be some secret osmosis about Indian people by which they can magically and instantaneously communicate complete knowledge about themselves to these interested whites. Rarely is physical contact required. Anyone and everyone who knows an Indian or who is *interested*, immediately and thoroughly understands them.

In fact, Mr. Deloria makes it clear that we have not begun to understand the desires, the traditions, even the needs of the Indian people. More importantly, we have shown a callous—almost wanton—disregard for those desires, traditions, and needs.

Mr. Deloria's article in the New York Times magazine for December 7, 1969, highlights a number of issues dealt with in his book, focusing especially on Government policies resulting in dissipation of the Indian's land and water resources. He begins to roll back the carpet from over a century of sweepings, and vividly relates the Indian's cry to our society at large. We are listening to this cry; we will try to understand.

I ask unanimous consent that the Times magazine article be included in the RECORD at this point, because of its utility in pointing up so many of the misunderstandings which have characterized our Government's management of American Indian affairs.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WAR BETWEEN THE REDSKINS AND THE FEDS

(By Vine Deloria, Jr.)

If Secretary of the Interior Walter Hickel has any sense of history, he must have been impressed with his situation at the convention of the National Congress of American Indians held earlier this fall in Albuquerque, N.M. Not since George Armstrong Custer's sensitivity-training session on the banks of the Little Big Horn had so many angry Indians surrounded a representative of the United States Government with blood in their eyes. Of the estimated million Indians in the United States, the N.C.A.I. represents the reservation population of some 400,000. With spokesmen for the remaining urban and other Indian communities of the East (500,000 urban Indians and 100,000 scattered Eastern bands) attending the convention, Hickel was greeted by representatives of the entire Indian community, including Eskimos, Indians and Aleuts from his home state of Alaska.

All summer, tension had been building within the Indian community as the tribes fearfully awaited the pronouncement of Indian policy by the new Nixon Administration. During the 1968 Presidential campaign Nixon had promised that, if elected, he would not unilaterally sever Federal relations with the tribes, nor would he allow the tribes to be pressured to alter the relationship themselves. Indian leadership, recalling that Nixon had been Vice President during the Eisenhower Administration, when the hated policy of termination of Federal responsibilities for Indians had been forced on the unwary tribes, was alerted for any signs of change, and skeptical of the "New Federalism."

Hickel's performance in 1969 appeared to have justified Indian suspicions. In late July, at a Western Governors' Conference in Seattle, he characterized the relationship of the Federal Government as "overprotective" of Indian rights. With a foot-in-mouth aplomb so characteristic of some of Nixon's interchangeable Cabinet members, Hickel compounded this error by labeling the reservations as "crutches" by which Indians avoided their full responsibilities as citizens.

By late summer, the moccasin telegraph was buzzing with rumors that the new Secretary of the Interior was a "terminationist," and that a great battle over the very existence of the reservations was imminent. Indian reservations have a total land base of more than 52 billion acres, scattered in 26 states and providing a home for people of 315 different tribal groups. The life expectancy of a reservation Indian is 46 years, rising nearly a year each year under current programs. Although the average income is slightly over $1,500 per family annually, and the housing is generally substandard, the reservations are all that remain of the continent the Indians once owned, and they are determined to fight for every handful of dust that remains.

The National Traditionalist Movement, spearheaded by the Iroquois League, called for Hickel's removal from office. The Iroquois (the only Indian tribe to declare war on Germany in 1917) set a strong nationalistic tone to the resistance, which quickly sprang up in Indian country.

From the urban Indian centers on the West Coast, the third-world-oriented United Native Americans took up the battle cry. "IMPEACH HICKEL" bumper stickers blossomed beside "Red Power" and the multitude of "Custer" slogans on Indian cars. Petitions

calling for Hickel's removal began to circulate on the Coast.

As the N.C.A.I. convention opened, there was considerable discussion by the delegates as to the length at which Indians should *stabilize* Hickel's hairline. This remark was an obvious reference to Hickel's conception of his role as trustee in defending the water rights of the Pyramid Lake Paiutes of Nevada. The Pyramid Lake tribe has a beautiful lake, the largest fresh-water lake in the state. For the major part of this century it has tried to insure that sufficient water is delivered to the lake to maintain its excellent cutthroat trout fishery and its flocks of pelicans. But the Federal Government has continually refused to defend the tribe's water rights by allowing other users to take water which is rightfully owned by the Paiutes. Consequently, the lake has had a declining shoreline for most of the century, a condition that precludes development of the reservation for recreation purposes.

Hickel's solution, proposed after a meeting with Governors Reagan of California and Laxalt of Nevada, was to reduce the water level 152 feet, creating a mud flat of 40,000 acres and thus "stabilizing" the water level. It was the same logic used by the Army to destroy a Vietnamese village—"We had to destroy the village to save it." It naturally followed that the only way to save Pyramid Lake was to drain it.

With these remarks to his credit, it is a wonder that Hickel was the recipient of only sporadic boos and catcalls when he attempted to address the Indian convention. No one even speculated on the possibility of a canine ancestor in Hickel's immediate family tree. "Terminationist" is a much dirtier word in the Indian vocabulary.

Wally Hickel is not that bad a guy. He was genuinely puzzled by the reactions which his remarks had created in the Indian community. In his own mind he was simply searching for a new approach to a problem that he, as Secretary of the Interior, had a responsibility to resolve. But he had unexpectedly hit the one nerve which had been frayed raw by a century of abuse and betrayal: the treaty-trust relationship between Indians and the Federal Government.

Hickel's remarks at Seattle and on the water problems in Nevada prior to the meeting of the National Congress of American Indians fitted exactly into prior speeches and problems of other times and places which had resulted in policies and programs destructive of the reservation communities. He could not have said anything more inflammatory than that the Federal Government had been "overprotective" of Indian rights, implying that the Government would be less zealous in fulfilling its responsibilities during his tenure as Secretary of the Interior.

Had Hickel been thoroughly briefed on the sterling record his predecessors had achieved, it is doubtful that he would have made the "overprotective" statement. The Government has been overprotective of Indian rights only in the sense that John Dillinger "overprotected" banks by robbing them before other criminals showed up.

In 1908 the Supreme Court decided the case of *Winters v. United States* in which Indian water rights were given priority over any other rights on streams running through Indian reservations. It has been clear, therefore, for most of this century, that the Pyramid Lake Paiutes have first priority for sufficient water in the Truckee-Carson river system to stabilize their lake *at the level at which it stood when the reservation was established*. Yet Interior had watched as the Indian water went elsewhere and the lake declined precipitously each year.

In 1924 the Secretary of the Interior was authorized to construct the Coolidge Dam in Arizona. In the authorizing legislation it clearly stated that the project was "for the purpose, first, of providing water for the irrigation of lands allotted to Pima Indians on the Gila River Reservation, Arizona." The Federal Government delivered just about enough water for Ira Hayes, Pima Indian and Marine hero of Iwo Jima, to drown in. Never was there any good faith by the Government to help the Indians irrigate their lands. Consequently, the water made available by the project went to non-Indians residing off the reservation.

With water the crucial element in the development of Indian reservations, the concept of "overprotection" appears nonsensical in view of the fact that, attached to every major Interior Department appropriation bill is a little rider stating that no Federal funds can go to develop the water rights of the tribes in California, Oregon and Nevada. Indian reservations thus lie dormant and undeveloped in those states, while non-Indians have sufficient water to develop their own lands.

To add to the irony of the "overprotection" which Indian people supposedly receive is the fact that, when the United States has to deal with foreign nations, it presents a clean and pious front. In 1913 the case of the Cayuga Nation, member of the Iroquois League, came before the American-British Claims Arbitration. The British Government wanted just compensation from the United States under the provisions of the Peace of Utrecht for lands which the state of New York took from the Cayugas after the War of 1812.

In the appendix to the answer filed by the United States to the British complaint, the Government declared:

"Under that system the Indians residing within the United States are so far independent that they live under their own customs and not under the laws of the United States; that their rights upon the lands which they inhabit or hunt are secured to them by boundaries defined in amicable treaties between the United States and themselves; and that whenever those boundaries are varied, it is also by amicable and voluntary treaties, by which they receive from the United States ample compensation for every right they have to the lands ceded by them."

Traditionally, Indian tribes had been treated in this manner. They were early regarded as distinct and sovereign nations fully capable of entering into compacts, agreements and contracts with the United States. The Delaware Treaty of 1778, the earliest published treaty, spoke of "peace and friendship" which was necessary between the peoples of the United States and the tribe. It described the Delawares as being "dependent upon the (United States) for all articles of clothing, utensils and implements of war." It was fundamentally a trade agreement.

Until 1871 the tribes were treated as sovereign yet dependent domestic nations with whom the Federal Government was bound to treat for land cessions. In the treaties, the Government accepted the responsibility to protect the lands reserved by the tribes for their own use against encroachments by its own citizens. In that year, however, Congress decided that it would sign no more treaties with tribes. Instead, a policy emerged aimed at breaking up the tribal structures, even though the United States had promised in good faith that it would not interfere with traditional tribal customs and laws.

The shift in policy placed major emphasis on enticing, threatening, or deceiving individual Indians into forsaking their tribal relations. A comparable situation would exist if the Government refused to recognize General Motors as a corporation and insisted that it would become concerned with the individual stockholders, enticing them to sell their stock and liquidating the assets of the corporation, all the while wondering why General Motors was declining as an economic entity.

The tribes fought back. Asserting that the treaties were contracts between two parties, the tribe and the Federal Government, they often punished with death any leaders who signed away tribal rights. While fundamental logic supported the tribal position, overwhelming power and deceit by Government officials were able to carry the day. The treaties had been signed by nations, not an arbitrary conglomerate of individuals. Yet the official Federal policy was to assimilate individual Indians even if their rights as members of tribes had to be breached.

A major influence against the tribes was the ideology of the missionaries who were attempting to force their own ideas of culture on the captive audiences on the reservations. The missionaries believed that only by inculcating selfishness and the concept of private property into tribal society would individual Indians be able to become Christians and be saved.

Church pressure to individualize the tribes and dispose of the tribal land estate resulted in the passage of the Dawes Act in 1887. This act divided the reservations up into allotments of 160 acres, and each Indian was given a piece of land for farming. The remainder of the tribal holdings was declared "surplus" and opened to settlement by non-Indians.

Before allotment was forced on the tribes, there was no poverty on the reservations. The minority report issued against the policy mentioned the complete absence of pauperism among the Five Civilized Tribes of Oklahoma. It suggested that the Indian method of holding land for an entire community might be superior to the idea of non-Indian society, in that this method precluded a class of people that was perennially poor, while non-Indian society was plagued with poverty in its lower economic class.

The effect of individualizing the tribal estate was the creation of extreme poverty on many of the reservations. Individual Indians, unaccustomed to viewing land as a commodity, were easily swindled out of their allotments. Good farm land often went for a bottle of liquor, white trustees of individual Indian estates often mysteriously inherited their wards' property, and dying Indians were known to have mysteriously given their lands to churches before expiring. One Indian commissioner trod on eggshells during his term because a half-million-dollar Indian estate passed on to a missionary society instead of to the Indian heirs. Between 1887 and 1934 some 90 million acres of land left Indian ownership in a variety of ways. The actual circumstances in some cases have never seen the light of day.

Indians who sold their lands did not merge into white society and disappear. They simply moved onto their relatives' lands and remained within the tribal society. Thus, the land base was rapidly diminishing while the population continued to remain constant and, in some cases, grew spectacularly.

The situation had become so bad by 1926 that a massive study was authorized. It was called the Meriam Survey, and it pointed out that if the allotment process was not solved, the United States would soon have on its hands a landless, pauperized Indian population totally incapable of succeeding in American society.

In 1933, the New Deal Administration appointed John Collier as Indian Affairs Commissioner. He helped to write into law the basic charter of Indian rights called the Indian Reorganization Act. Indian tribes were given status as Federal corporations under this act, allotment was stopped and efforts were made to rebuild a land base for the Indian communities.

Tribal governments allocated a substantial portion of tribal income to purchase the allotments of individual Indians, thus holding in Indian hands the land that would have been lost forever. Tribes began their gradual revival of traditional ways, and were making excellent progress when World War II caused a dreadful reduction in domestic

spending. Programs could not be funded until after the war.

In 1954 the chairmanship of the Indian Subcommittee of the Senate Interior Committee was taken over by Senator Arthur Watkins of Utah. Watkins was an archconservative who understood nothing of Indian treaties, was contemptuous of Indian people, and was determined to solve the "Indian problem" in his short tenure as chairman of the committee. He began a unilateral war against Indian communities that was known as "termination."

Watkins visualized himself as the Abraham Lincoln of the 20th century. Characterizing the reservations as havens of irresponsibility, and accepting the thesis that the Federal Government had been too protective of Indian rights, the Senator was determined to break the long-standing commitments of the United States to its Indian tribes—whether it was just or not.

"With the aim of 'equality before the law' in mind, our course should rightly be no other," Watkins announced. "Firm and constant consideration for those of Indian ancestry should lead us all to work diligently with all other Americans. Following in the footsteps of the Emancipation Proclamation of 94 years ago, I see the following words emblazoned in letters of fire above the heads of the Indians—these people shall be free."

If Watkins was determined to *free* the Indians, he was a generation too late. In 1924 the Indian Citizens Act was passed making all noncitizen Indians American citizens with full rights and privileges. The act further declared that the "granting of such citizenship shall not in any manner impair or otherwise affect the right of any Indians to tribal or other property."

The Indian Citizens Act thus gave full constitutional rights to individual Indians insofar as they were individuals. It specifically exempted any rights that individual Indians may have had in tribal property from its operation. The dual citizenship of Indian people was thus recognized.

But Watkins was convinced that holding an interest in tribal property in addition to holding citizenship was a handicap. Under this theory, everyone who benefited from a trust fund was automatically a second-class citizen.

A number of tribes fell victim to Watkin's crusade. The Menominees owned a forest in Wisconsin. They had a tribal sawmill and operated it to provide employment for tribal members, rather than to make a profit—although with their exemption from corporate taxation they often showed a profit. The tribe spent most of its income on social services, supporting its own hospital and providing its own law enforcement on the reservation. It was more genuinely a self-supporting community than many non-Indian communities near it.

Termination of Federal supervision meant an immeidate tax bill of 55 per cent on the sawmill. To meet this, the saw mill had to be automated, thus throwing a substantial number of Indians out of work and onto the unemployment rolls. To meet the rising unemployment situation, the only industry, the sawmill, had to be taxed by the county. There was an immediate spiral downward in the capital structure of the tribe so that, in the years since the termination bill was passed, it has had to receive some $10-million in special state and Federal aid. The end is not yet in sight.

When the smoke had cleared, some 8,000 Indians had been deprived of rights their grandfathers had dearly purchased through land cessions. The Paiutes of Utah and Klamaths of Oregon were caught in a private trusteeship more restrictive than their original Federal trust relationship, from which they were to have been "freed." Fortunately, Texas made a tourist attraction out of the Alabama-Coushatta reservation in that state, thus preserving most of the tribal assets. The mixed-blood Utes of Utah formed their own organization and tried to remain together as a community. The Siletz and Grande Ronde Indians of Oregon, the California Indians, and the Catawbas of South Carolina simply vanished. Menominee County became the most depressed county in the nation.

In Watkins' mind, and in the mind of his successors on the Senate Interior Committee, the opportunity to remake American Indians into small businessmen was too much of a temptation. The termination policy continued to roll in spite of its catastrophic effects on the Indian communities.

Tribes refused to consider any programs, feeling that it was no use to build good houses when the reservation might be sold out from under them at any time. Development schemes to upgrade reservation resources were turned down by people with no apparent future. The progress which had been made by the tribes under the Indian Reorganization Act ground to a halt. Indian people spent a decade in limbo, hesitant to make any plans for fear they would come under attack by the irrational policy.

Watkins' rationale at the beginning had been that he was making the individual Indians first-class citizens, where they previously had been handicapped by maintaining their tribal relationships. It was the same reasoning that had led policy-makers in the last century to force allotment on the tribes and create the original poverty conditions on the reservations. When the termination legislation was finally drawn for the Menominees, the concluding phrase in section 10 of the bill was illuminating: "Nothing in this act shall affect the status of the members of the tribe as citizens of the United States"!

The argument of "freeing" the Indians was as phony as could be. The act did nothing but dissipate tribal capital and destroy the rights of Indian tribes to have their own communities. But termination fitted exactly into the integrationist-thought world of the period, and the expanding Civil Rights movement of the black community, which had been given impetus by the decision of *Brown v. Topeka Board of Education*, the famous school desegregation case of 1954. So it *seemed* the right thing to do.

Society has come a long way in its understanding of itself since 1954. The ensuing civil rights movement, which has shaken the foundations of society during the nineteen-fifties, changed abruptly into the black power movements of the late sixties. For half a decade we have been struggling to define the place of a group of people in American society and, as numerous reports have indicated, the divisions in the society have become more pronounced, the hatreds more violent and lasting.

Termination slowed down during the Kennedy-Johnson Administrations, but the basic Congressional directive has never been changed. Policymakers in Congress and in the Interior Department continue to regard decisions made in haste in 1954 as imperatives which they must follow today. Only by a vigilant National Congress of American Indians watching the Washington scene day and night have Indian people been able to stop further implementation of this policy.

Walter Hickel, in his casual remarks, stirred up a hornet's nest of Indian concern. It did not seem possible to tribal leaders that the new Administration would return to a policy proven bankrupt when it was applied to their land holdings in 1887, again proven bankrupt in 1954 with the further dissipation of their remaining lands and resources, and completely out of tune with the social movements of today.

Indian tribes have been able, in spite of all pressures exerted against them, and the failure of the Federal Government to defend their rights, to maintain a capital in land and resources by which they can maintain their own communities. They have been able to keep tribal governments alive and functioning. In the War on Poverty, tribes provided services for all people within reservation boundaries, red or white, and many children received services that they would not have otherwise received because their counties did not want to sponsor programs under the Office of Economic Opportunity.

The record of Indian people as a recognized self-governing community is enlightening. The progress of the last decade is spectacular and sophisticated for a people with a national average of eight years of education. Indian people are now demanding control of education programs through the creation of Indian reservation school boards. They are certain they can do better than either the state or Federal education they have been given in the past. The variety of projects undertaken by Indian communities is staggering and encompasses everything from sawmills to ocean-going fishing vessels, motels to carpet factories.

American society has much to learn from Indian tribes. It may all be lost if another era of struggle over reservation existence is initiated. The black community, spearheaded by the demands for reparations by James Forman, is desperately seeking capital funds. Indian tribes already have capital in land and resources and have demonstrated how well it can be used.

Blacks and Mexicans are developing rural cooperatives in an effort to solve the poverty of their people in the rural areas. Indian tribes have already proven that rural corporations and cooperatives can and do work when undertaken by a united community.

Conservationists are pointing out the rapidly dwindling natural resources of the nation, the danger of total extinction of life unless strong conservation practices are begun at once. The Quinault and Lummi Indian tribes have already zoned their beaches to conserve their natural state, while the White Mountain Apaches have developed nearly 30 artificial lakes and maintain the best fishing and recreation areas in Arizona.

The power movements, the Amish situation in the Midwest, the desire of the Acadians in Louisiana to have French taught in schools, the conflict between the ethnic groups in the urban areas, all point toward new social concepts revolving around a number of ethnic and racial communities desiring to conduct their own affairs. Even the rising conservative trend in politics seeks power at the local level rather than continued direction from long distance.

Tribes have overcome enmities of the past. They were once far deeeper and more bitter than in the current impasse between black and white. Unemployment is declining as tribal programs are committed to creating jobs, not simply making profits. Land is being renewed, beaches and rivers are being cleared and the reservations are becoming models of proper land use. Indian society is stabilizing itself to face the instantaneous electric world of today far better than are other segments of American society.

The Indian outrage at Hickel was a cry to society at large. "If you destroy us," it really said, "you will destroy your last chance to understand who you are, where you have been, and where you have to go next in order to survive as a people." One hopes Secretary Hickel and the Senators and Congressmen will hear this cry and understand.

## GRAZING FEES

Mr. METCALF. Mr. President, on November 25, 1969, Secretary of the Interior Hickel advised the chairman of the Senate Committee on Interior and Insular Affairs (Mr. JACKSON) that he had tentatively concluded not to increase grazing

fees on the public lands for 1970. He said he would publish in the Federal Register before December 1, 1969, proposed new rules and afford the public 45 days in which to comment. A Department of the Interior press release outlined the decision.

Mr. President, also on November 25 some of our colleagues spoke to the Senate of Secretary Hickel's action. Their remarks may be found in the CONGRESSIONAL RECORD on pages 35729–31.

At the time I looked for information basic to an informed opinion, having found the Secretary's justification wanting in substance, as we will see. I therefore wrote Secretary Hickel requesting further information.

December 1 came and went, and the proposed rules were not in the Federal Register. They appeared on December 4. Now only 30 days remained for comment, instead of the promised 45.

I ask unanimous consent that the Secretary's letter, the press release, the proposed rules, and my letter, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
*Washington, D.C., November 25, 1969.*

Hon. HENRY M. JACKSON,
*Chairman, Interior and Insular Affairs Committee, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in further response to your letter of August 7, 1969, enclosing the unanimous resolution by the Senate Interior and Insular Affairs Committee requesting a review of the grazing fee schedule announced on January 14, 1969.

The requested review has been completed by this office. As noted in the resolution, the questions raised before the Committee, considered in connection with the language and legislative history of the Taylor Grazing Act, cast doubt upon the propriety of the 1969 fee schedules. They may not have taken into account consideration of the full purpose and intent of Congress as established in the Taylor Grazing Act and in Title V of Public Law 137, 82nd Congress (65 Stat. 290).

As you are aware, the Public Land Law Review Commission is presently studying the matter and will during calendar 1970 make its recommendations thereon. This Department, of course, is awaiting with great interest the results of the Commission's work.

Meanwhile, we think it appropriate to delay implementation of the next increment until the views of the Commission have been made known and evaluated. At that time, my Department will take such further action as it may determine to be proper.

We plan to publish before December 1, 1969, a proposed rulemaking, copy of which is attached hereto.

We will appreciate your observations.

Sincerely yours,

WALTER J. HICKEL,
*Secretary of the Interior.*

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GRAZING REGULATIONS FOR PUBLIC LANDS—NOTICE OF PROPOSED RULE MAKING

*Basis and purpose.* Notice is hereby given that pursuant to authority vested in the Secretary of the Interior by the Act of June 28, 1934, as amended (48 Stat. 1270; 43 U.S.C. § 315), it is proposed to amend and revise the regulations as set forth below.

The purpose of this change is to defer for one year (the grazing use year beginning March 1, 1970) the implementation of annual increment to the range forage fees, in order to permit time for the consideration of the report of the Public Land Law Review Commmission.

It is the policy of the Department, whenever practicable, to afford the public an opportunity to participate in the rule-making process. The Department also desires to conform to the provisions of § 18(b) of the Act of June 28, 1934, as amended (48 Stat. 1270; 43 U.S.C. § 315o–1), which provides in part that, except in a case where in the judgment of the Secretary an emergency shall exist, the Secretary shall request the advice of the advisory board in advance of the promulgation of any rules and regulations affecting the district.

Accordingly, interested persons may submit written comments, suggestions, or objections with respect to the proposed amendment to the Bureau of Land Management, Washington, D.C. 20240, within forty-five (45) days of publication of this notice in the Federal Register.

Sub-subparagraph (ii) of subparagraph (1) of paragraph (k) of § 4115.2–1 is amended as follows:

§ 4115.2–1 License and permit procedures; requirements and conditions.

* * * * *

(k) *Fees, payments and refunds.*—(1) *Fees.*

* * * * *

(ii) Fees will be established by the Secretary in 9 equal annual increments, effective with the grazing use year beginning March 1, 1971, to attain the fair market value of range forage at the 1979 grazing use year. Fair market value is that value established by the Western Livestock Grazing Survey of 1966 or as determined by a similar study which may be conducted periodically to update the fee base, if deemed necessary. Annual adjustments may also be made for any of the 1970–79 grazing use years, and thereafter, to reflect current market values.

SECRETARY OF THE INTERIOR.

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SECRETARY HICKEL ANNOUNCES PUBLIC LAND GRAZING FEES WILL REMAIN THE SAME THROUGH 1970

Secretary of the Interior Walter J. Hickel announced today that grazing fees on Western public lands will remain at their present rate during the 1970 grazing season.

The Secretary said he had directed his Department's Bureau of Land Management to delay implementation of further scheduled increases for one year.

This action, he explained, will allow the Department of the Interior to evaluate a study and report by the Public Land Law Review Commission on the subject.

The 19-member Commission, composed of Congressional and Presidential appointees, is due to issue its final report in mid-1970 on a wide range of public land matters, including grazing fees.

Secretary Hickel made it clear that he will take into account the Commission's recommendations prior to any future increases, but that his Department will not necessarily be bound by such recommendations.

Last January 14, during the previous Administration, the Bureau of the Budget announced a plan to raise grazing fees in annual increments over a 10-year period beginning March 1, 1969. The 1968 level of fees was 33 cents per animal unit month. The final objective, to be reached in 1978, was to be about $1.25—the amount the Bureau of the Budget considered to be the fair market value of forage grazed by cattle on public lands.

In February, Secretary Hickel went along with the first increment, to 44 cents per animal unit month. He explained at the time that the new grazing season was just about to begin and time did not permit revision of the billing process.

The Secretary emphasized at that time, however, that the Department "will keep this whole matter under review in the future, taking into account new information and new circumstances, including those developed in judicial proceedings, Congressional hearings, and recommendations of the Public Land Law Review Commission."

Today the Secretary said his new order does not change either the rate or the total amount of projected increases, but simply delays their implementation for one year, pending study of the Commission's report.

Had his new order not been issued, the standard BLM grazing fee would have risen under the Budget Bureau formula by at least 9 cents per animal unit month, the base rate, beginning March 1, 1970, plus an adjustment for the current forage price index.

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U.S. SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
*Washington, D.C., November 26, 1969.*

Hon. WALTER J. HICKEL,
*Secretary of the Interior, Department of the Interior, Washington, D.C.*

DEAR MR. SECRETARY: Chairman Jackson of the Committee on Interior and Insular Affairs has kindly shared with me your 25 November letter requesting observations on your tentative decision to retain the present level of grazing fees for the coming year.

As you know, I am deeply interested in this subject, which is important not only to the stockmen but also to the agencies which share in the revenue from the fees and to the general public.

I will have some comments to make. In order that they be observations that are considered in accordance with the material upon which you based your action and to fulfill the request in our 7 August resolution, will you please supply as soon as possible, a copy of each report or analysis which you had before you when you reached the conclusion outlined in your 25 November letter.

Very truly yours,

LEE METCALF.

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[From the Federal Register, Dec. 4, 1969]

GRAZING REGULATIONS FOR PUBLIC LANDS—NOTICE OF PROPOSED RULE MAKING, DECEMBER 2, 1969

*Basis and purpose.* Notice is hereby given that pursuant to authority vested in the Secretary of the Interior by the Act of June 28, 1934, as amended (48 Stat. 1270; 43 U.S.C. § 315), it is proposed to amend and revise the regulations as set forth below.

The purpose of this change is to defer for 1 year (the grazing use year beginning March 1, 1970) the implementation of annual increment to the range forage fees, in order to permit time for the consideration of the report of the Public Land Law Review Commission.

It is the policy of the Department, whenever practicable, to afford the public an opportunity to participate in the rule-making process. The Department also desires to conform to the provisions of § 18(b) of the Act of June 28, 1934, as amended (48 Stat. 1270; 43 U.S.C. § 315o–1), which provides in part that, except in a case where in the judgment of the Secretary an emergency shall exist, the Secretary shall request, the advice of the advisory board in advance of the promulgation of any rules and regulations affecting the district.

Accordingly, interested persons may submit written comments, suggestions, or objections with respect to the proposed amendment to the Bureau of Land Management, Washington, D.C. 20240, within thirty (30) days of publication of this notice in the FEDERAL REGISTER.

Subdivision (ii) of subparagraph (1) of paragraph (k) of § 4115.2–1 is amended as follows:

§ 4115.2–1 License and permit procedures; requirements and conditions.

* * * * *

(k) *Fees, payments, and refunds*—(1) *Fees.* * * *.

(ii) Fees will be established by the Secretary in 9 equal annual increments, effective with the grazing use year beginning March 1, 1971, to attain the fair market value of range forage at the 1979 grazing use year. Fair market value is that value established by the Western Livestock Grazing Survey of 1966 or as determined by a similar study which may be conducted periodically to update the fee base, if deemed necessary. Annual adjustments may also be made for any of the 1970–79 grazing use years, and thereafter, to reflect current market values.

WALTER J. HICKEL,
*Secretary of the Interior.*

Mr. METCALF. Fifteen days have elapsed since Secretary Hickel notified the chairman of the Committee on Interior and Insular Affairs of his decision. Fifteen days have elapsed since I asked Secretary Hickel for a copy of each report and analysis that had been prepared for him. Beyond a routine acknowledgment of my request, there has been no reply.

If the Secretary of the Interior of the United States has access to machines which reproduce documents, I assume it would be a simple matter for someone to run copies of the reports and analyses that resulted in his decision and find a messenger to travel the mile or so between our offices to deliver them to me. Yet my reminders by telephone have failed to produce more than assurances that a reply is in process.

When Interior Secretary Udall announced the grazing fee schedule last year, a substantial amount of information had already been made available to the public. That was responsible administration and a good example. I am at a complete loss to understand why this administration has not answered a simple request for information about the public business, required by Members of Congress who would like sensibly to respond to Secretary Hickel's own invitation to comment.

Even a tentative decision must be justified, particularly when it is a reversal of previous policy and particularly when public comment is invited.

On November 25, Secretary Hickel stated flatly that he had completed his review and indicated that it had cast doubt "upon the propriety of the 1969 fee schedule." He ignored his obligation to say why, notwithstanding a resolution of the Senate Committee on Interior and Insular Affairs urging that a review include consideration "whether the public interest and equity are reflected in the criteria used in the setting of said fee schedule." I ask unanimous consent that the full text of the resolution be printed in the RECORD, at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, U.S. SENATE

Whereas, the Department of the Interior did on January 14, 1969 under the authority of the Taylor Grazing Act (Act of June 28, 1934; 43 U.S.C. 315 et seq.) promulgate a schedule raising grazing fees substantially for the grazing year beginning March 1, 1969 and providing for further accelerated, progressive increases in such fees for each of the next 10 years (F. R. Doc. 69–527);

Whereas, the Committee on Interior and Insular Affairs, by its Subcommittee on Public Lands, did on February 27, and 28, 1969 hold open public hearings on the announced schedule of increases, and at these hearings representatives of grabiers and persons directly affected by the fee increases, as well as spokesmen for the administrative branch of the Federal Government, and other interested citizens, did make oral and written presentations to the Committee;

Whereas, testimony presented to the Committee raised questions as to whether the January 14, 1969 fee schedules do conform with the criteria established by Congress in the Taylor Grazing Act and in Title V of Public Law 137, 82nd Congress (65 Stat. 268,290);

Whereas, there are pending before the Interior Committee of the Senate two bills, S. 716 by Senators McGee and Moss, and S. 1063 by Senator Montoya, both of which would have direct effect upon the January 14, 1969 grazing fee schedule;

Now therefore, be it resolved That the Committee on Interior and Insular Affairs of the Senate of the United States requests and calls upon the Secretary of the Interior and the Secretary of Agriculture with other officials of the Executive Branch of the government, to undertake and complete not later than December 1, 1969 a comprehensive review of the grazing fee schedules imposed by the order of January 14, 1969. Said review shall include consideration of whether the public interest and equity, as well as the purpose and intent of the Congress as expressed in the Acts cited above, are reflected in the criteria and methods which were used in the setting of said fee schedule.

Mr. METCALF. The Secretary of the Interior has an obligation to state why it isn't sound public policy to continue the schedule of proposed increases in grazing fees; he has an obligation to cite negative impact, if any, and to whom; he has an obligation to describe why the U.S. Government should forego increased revenue, a substantial part of which would be available to conserve the watershed and grass on the public range.

And finally, Secretary Hickel has an obligation to explain why the public should respond in 30 days when it has taken him at least 15 days to reveal the substance of a review undertaken months ago.

If we are charitable, always remembering that the shoes of his predecessor are very large indeed, we might say that the Secretary of the Interior has been inept. But I remain hopeful that Mr. Hickel will remember the promise he made to the Senate Interior and Insular Affairs Committee in his confirmation hearings when he said:

I will also need the help of you and other Members of Congress for "advice and consent" in the future so that we can attempt to solve the problems in a spirit of constructive cooperation.

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## AIR FORCE INVESTIGATION OF ALLEGED KICKBACK IRREGULARITIES IN THAILAND

Mr. STENNIS. Mr. President, late yesterday, I was advised by the Air Force of their investigation concerning certain alleged irregularities including kickbacks in Thailand in connection with the operation of the officer and noncommissioned officer club activities. Both Secretary Seamans and General Ryan, the Chief of Staff, indicated their desire to keep the committee fully informed and to cooperate in any way the committee might desire.

Today, I have appointed a special subcommittee consisting of the Senator from Hawaii (Mr. INOUYE) as chairman, and the Senator from Virginia (Mr. BYRD), and the Senator from California (Mr. MURPHY) as additional members. The subcommittee will undertake a review in depth of what has occurred on this entire matter up until now and will maintain close surveillance over it. The subcommittee, of course, will make such recommendations to the full committee as it deems necessary.

I have received this date a letter from the Air Force on this matter with certain attachments consisting of a memorandum from Secretary Seamans to the Secretary of Defense together with a memorandum for correspondents. All of these items are being released to the press this date.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter to me from the Air Force together with the attachments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
*Washington, December 10, 1969.*

HON. JOHN STENNIS,
*Chairman, Committee on Armed Services, U.S. Senate.*

DEAR MR. CHAIRMAN: Knowing of your interest in the management of nonappropriated funds within the military services, inclosed is a copy of a memorandum sent by Secretary Seamans to Secretary Laird, this date, concerning an investigation being conducted into allegations of kickbacks and other possible irregularities in non-appropriated funds at Air Force clubs in Thailand

We shall continue to keep you informed in this matter.

Sincerely,

JOHN R. MURPHY,
*Major General, USAF,*
*Director, Legislative Liaison.*

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DECEMBER 10, 1969.

MEMORANDUM FOR THE SECRETARY OF DEFENSE

I share with you the deep concern you expressed in your memorandum of August 12, 1969, concerning the possibility of alleged irregularities in the handling of non-appropriated funds involved in the operation of officer and non-commissioned officer clubs. As you know, the Air Force has for some time been conducting an inquiry into these activities.

Primary responsibility for this review was placed in the hands of the Air Force Office of Special Investigations, which is charged with maintaining world-wide investigative surveillance of Air Force activities, for the purpose of keeping the Chief of Staff and me informed of any irregularities or wrongdoings.

About a year and a half ago General J. P. McConnell, then Chief of Staff, personally instructed Brigadier General Joseph J. Cappucci, the Director of the OSI, to pay particular attention to the operation of officer and NCO clubs and other non-appropriated fund activities. To supplement information collected through its normal investigative processes, the OSI since then has been conducting unannounced surveys and spot checks into all aspects of Air Force club activities. This surveillance will continue.

As a result of our initiative, we have developed sufficient information to warrant the undertaking early last month of a detailed investigation into allegations of kickbacks and other possible irregularities in non-appropriated fund Air Force clubs in Thailand.

General John D. Ryan, the Chief of Staff, and I directed General Cappucci to accord a high priority to a full-scale investigation into this matter and to keep us informed of its progress.

Although the investigation has not yet been completed, it is quite apparent to me that we have a problem. I intend to resolve this problem fully and promptly. If warranted, appropriate disciplinary action will be taken against the individuals involved.

I have advised appropriate Congressional Committees of the status of the case, of the actions which the Air Force has taken, and of our plans to pursue this matter vigorously. In accordance with your policy, we are making pertinent information available to these committees. You may be certain that there will be no "cover up" of any irregularities which are uncovered as a result of the Air Force investigation.

I shall continue to keep you fully informed in this matter.

ROBERT C. SEAMANS, Jr.

DECEMBER 10, 1969.

MEMORANDUM FOR CORRESPONDENTS

Secretary of the Air Force Robert C. Seamans, Jr., reported to Secretary of Defense Melvin R. Laird today that the Air Force has, as a result of investigative action over an extended period of time, uncovered alleged irregularities, including kick-backs, in the operation of certain non-appropriated funds in Officer and NCO Club activities in Thailand.

Secretary Seamans said: "Although the investigation has not yet been completed, it is quite apparent to me that we have a problem. I intend to resolve this problem fully and promptly."

(Attached is the text of the memorandum from Secretary Seamans to Secretary Laird.)

## LET US EASE THE BOXCAR SHORTAGE

Mr. HRUSKA. Mr. President, I join the senior Senator from Washington (Mr. MAGNUSON) and other of my colleagues in introducing and sponsoring a bill to relieve the Interstate Commerce Commission of its discretionary authority in setting the basic rates for boxcar use.

Since 1954, the railroads and the Interstate Commerce Commission have been litigating in court the issue of how the railroads should pay for the use of boxcars. Now, 15 years later, the problem remains no closer to a workable solution. It is for this reason that Congress must act.

Mr. President, this is not the first time the Congress has had to intervene in this matter. In 1966, the Congress enacted an amendment to the Interstate Commerce Act to authorize the Interstate Commerce Commission to set incentive per diem rates and in doing so to consider the factors affecting the adequacy of the national boxcar supply.

The ICC then issued an order in 1968 prescribing reduced daily rental charges for railroad cars, and adding a mileage charge, but concededly gave no consideration whatever to the effect its order would have on car supply. Thereafter 21 State regulatory commissions brought an action to set that order aside on the ground that it would make the car shortage worse and that, by failing to consider car supply factors, the Commission's action violated the congressional mandate. Many railroads shared that position, although some agreed with the ICC.

In any event, a three-judge district court sustained the Commission's order but split three ways on whether the congressional mandate had been obeyed. Then recently the U.S. Supreme Court affirmed by per curiam opinion and without argument, the judgment below.

Mr. President, there is no doubt that if that judgment becomes final the Commission will seek to implement its order establishing its system of rates based on both time and mileage. There is no doubt that this rate system will pose an even greater obstacle to the movement of boxcars back to the West that now exists.

It is very common for an eastern railroad or shipper to get a western boxcar and then to hold it overtime rather than to return it to the owning railroad. The eastern carrier uses it to haul its local freight, and the eastern shipper uses it for storage. This is possible because the existing per diem charges are sufficiently low that it is cheaper for the offender to pay the extra daily charge than to build boxcars or storage of its own. This deplorable system will be even more common if a lower per diem charge is placed in effect by the Commission along with a mileage charge; the lower per diem will encourage eastern railroads to keep the boxcars longer, and the mileage charge will discourage them from returning the cars empty and having to pay that charge without any offsetting income.

Since the Interstate Commerce Commission is intent upon ordering this time plus mileage use charge into effect, the Congress is the last resort to prevent this travesty. Western railroads and shippers have too long been discriminated against in their ability to move the grain and other produts of the West. Presently western and midwestern railroads are able to supply an average of only about 70 percent of their own cars for the shippers they serve, because the remaining equipment is being used in the East. A time plus mileage formula, as proposed by the Commission, would only compound this problem.

I am told that not only would this formula increase the boxcar shortage in the West, but would also be a great administrative burden on the railroads to administer.

The bill being introduced today is based on a formula developed by an association of American railroads task force. The ICC would be required to adopt this formula in developing an effective time per diem system and the formula would act as an incentive to alleviate th car shortage problem.

Mr. President, in my home State of Nebraska, there is in excess of 40 million bushels of grain on the ground awaiting shipment. During many of the past weeks, the number of boxcars available has been only one-third to one-half of the number available in 1968. Although Nebraska has suffered annually from such boxcar shortages, this year's crisis is the worst in Nebraska history. It could result in the loss of millions of dollars to Nebraska shippers and producers.

We have waited for many years for the Interstate Commerce Commission to end this annual boxcar shortage. We have waited long enough. It is time for us now to act.

## JOHN H. CLINE RETIRES AT WASHINGTON STAR

Mr. GRIFFIN. Mr. President, one of the country's leading editorial writers, John H. Cline, retired yesterday after more than 41 years as a member of the Washington Star's editorial department.

For 20 of those years, Mr. Cline was an associate editor in charge of the Star's editorial page. I am only one of many Members of Congress who have found Mr. Cline to be eminently fair, informative, and always persuasive in his editorial comment.

I join his many friends and his associates at the Star in wishing him many happy retirement years.

Mr. President, I ask unanimous consent that an editorial from today's edition of the Star be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN EDITOR RETIRES

John H. Cline left us yesterday. After a brief vacation his retirement will become effective the last day of this month, which happens to be the 20th anniversary of his appointment as Associate Editor in charge of this editorial page.

He will have completed more than 41 years as a member of The Star's editorial department, which began when he came to work as a reporter in 1928. Like his late father, a managing editor of The Star, he was an excellent newspaperman. In the performance of his daily task over these past two decades, he has been a principal keeper of this newspaper's conscience. That is no small task.

We wish him happiness in the new leisure he has won. From time to time, as the spirit moves, he will be giving us a helping hand with an important and difficult editorial. Meanwhile, we hope he drops by whenever he can and enjoys an unprecedented opportunity to watch his friends at work while he sits idly by.

## THE TEXARKANA PROJECT

Mr. MURPHY. Mr. President, in the December issue of the magazine "Nation's Schools," Dr. Leon M. Lessinger, Associate Commissioner of Elementary and Secondary Education, discusses the Texarkana project, funded under the dropout prevention program which, as Senators know, was authored by me in 1967.

As Dr. Lessinger notes in the article, the Texarkana project has great implication for education in the decade of the 1970's. Under the Texarkana project a private corporation has subcontracted with the Texarkana schools on a performance contract basis. This means that the company has agreed to raise disadvantaged students' reading and math scores up to grade level at a fixed cost or else accept a penalty. In other words, a contractor must perform in

terms of student learning in order to get paid.

I ask unanimous consent that this excellent article by one of the Nation's most exciting educators, Dr. Lessinger, be printed in the RECORD at the end of my remarks. I hope that Senators will read it carefully. I am sure that if they do, they will agree with me that the Dropout program, which includes other projects of great potential, should be funded at the $24 million level.

On December 9, I had printed in the RECORD, at p. 37829, my testimony before the Appropriations Committee on this program. I hope that Senators will have an opportunity to study my recommendation before the Labor-HEW appropriations bill reaches the Senate floor and that the Appropriations Committee and the Senate will follow my recommendations. It is a good investment, having the potential of returning rich education dividends to the Nation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFTER TEXARKANA, WHAT?

(By Leon M. Lessinger)

What's going on in Texarkana schools today may be going on all across the country in the next decade. Tied up with the idea of schools being accountable for their educational output, the Texarkana plan revolves around a performance contract in which a special teaching group will be reimbursed according to how well the students in its program do on a set of standardized tests.

Texarkana's implications are vast. If funds for education depend on educational output, not input, then schools will be concerned with learning, not teaching, and the development of a science of performance measurement may create a new type of educational planning in this country.

The article that follows discusses the problems and promises of accountability and performance contracts and reveals some of the thinking that is going on about them at the most influential educational and political levels.

As major federal financial support for schools broadens, people increasingly ask, "What are we getting for our money?" Traditional answers in terms of money spent, number of teachers on the staff, and buildings in use are no longer sufficient. The public wants to know if young people can read, can get and hold a job, and can successfully compete at a higher level of education. This call for accountability of results is a demand for changes in education of such size and influence that the results can only be characterized as revolutionary.

If schools are to be held accountable for results, a new approach to the basic mission of the schools is necessary. First, the focus must shift from teaching to learning. Second, a technology of instruction based on specific learning objectives will start to build. Finally, a rational relationship may be established between costs and benefits.

While the idea of accountability is seemingly simple, its implementation is not.

Performance contracts: The August 13, 1969, Congressional Record includes remarks by Roman C. Pucinski (D., Ill.), the chairman of the House Subcommittee on General Education, about a description of the experiment then about to be launched in Texarkana, Ark., appearing in an article by Jonathan Spivak of the Wall Street Journal. Under the heading "The Coming Revolution in American Education," Pucinski stated, "The unique aspect of the Texarkana experiment is 'guaranteed performance.'" The contractor must promise to bring backward Texarkana students up to normal grades for their age levels at a given cost and in a given time—or else pay a money penalty.[1]

This notion of someone guaranteeing educational performance embodies generally the concept of accountability and illustrates specifically an approach to achieving accountability through performance contracts with private enterprise. Such a concept may have far-reaching implications toward efficiency of education in years to come. A description of the project and its ramifications can demonstrate the use of performance contracts.

THE TEXARKANA MODEL

A local education agency, the Texarkana, Ark., school district, applied to the U.S. Office of Education for funds to conduct a dropout prevention program under a proper Title of the Elementary and Secondary Education Act. It proposed to translate its compensatory training objectives, e.g. reading, arithmetic and study skills for disadvantaged students in six junior and senior high schools, into performance criteria for competitive bid by private contractors.

The school district then employed an actor's agent," in the form of outside technical assistance from a nonprofit firm, to help them translate their objectives into an evidence framework and to develop a Request for Performance (RFP), the specification document for bidders. The firm also supervised the bidding, developed the performance contract with the successful bidder, and served as liaison to school staff and community.

Terms of agreement of the Texarkana program are:

1. Students who are two or more grade levels below standard in basic skills, and whose family income is $2,000 per year or less, are to receive a training program for up to three hours per day in a portion of the school plant. The students remain in the total school program to receive other school benefits.

2. The contractor agrees to use school personnel so that the school system can carry on successful practice after the project is terminated.

3. The contractor agrees to be paid only on the basis of a stipulated amount of money for each student who successful completes the training program.

4. A penalty is assessed for those students who do not achieve specified performance levels.

5. Six months after the termination of the project, school officials have a right to reassess student performance. If it is less than the specified level achieved, a penalty may be assessed.

6. The school system, not the contractor, selects the student.

7. The training program of the successful bidder must be cost effective, and not labor intensive.

The assumption behind the program is that a private contractor, in concert with regular school personnel in the overall school setting, will have greater freedom to innovate and may be more successful in motivating students than the regular school system.

PERFORMANCE OBJECTIVES

Performance contracts are not new to education. Elements of the notion can be seen in a variety of experiments during the 1920s and even earlier. But the concept of holding an educational agency *accountable for results* is new. This hardnosed approach has grown out of careful study of current reports on the various programs administered through the U.S. Office of Education.

These reports—evaluations of the various titles of the Elementary and Secondary Education Act—raise questions as to whether such funds are flowing into the most appropriate channels or whether a good part is drained off in poorly conceived, improperly managed programs. Much loss might be avoided if those seeking funds submitted proposals based upon specific performance objectives, including a clear statement of the conditions, evidence and standards used to show the degree to which objectives had been met. Such proposals could be solicited in response to a Request for Performance (RFP). The agreement arrived at through bid or through other arrangements could then take the form of a performance contract.

When a student is able to demonstrate in concrete terms what he has or has not learned, educators and the funding agencies will be in a better position to judge where and why a program succeeds or fails and to make the changes needed for success.

Thus a proposal for funds to back a reading program might stipulate that 90 per cent of the participating students would be able to achieve a partular grade level increase within a specified time. In requesting funds for teacher training, the agency might be able to prescribe the teaching skills to be imparted and the criteria for measuring the "proficiency level" of participants in the program. In both cases, the funded agency would then be prepared to explain any failure—to achieve the performance levels on which such a contract is based—preferably in terms of suggested changes in the program that might be expected to guarantee results.

Many programs have been funded, and are now underway, which at no point describe what students are expected to gain from their educational experiences. Instead of vague promises to provide "an opportunity to learn, to communicate effectively," instructional program objectives should be stated in terms as specific as these:

Given three days and the resources of the library, the student completing this program will be able to write a 300 to 500 word set of specifications for constructing a model airplane that another student could follow and build.

There are, of course, larger objectives in education that are difficult to define and impossible to measure as the consequence of any given program. The training components of education, illustrated in the basic skills of reading, arithmetic and the like, are most amenable to performance contracts, and it would be tragic to go beyond the training component at this time. Only those aspects of education that can be operationally defined and for which acceptable methods of assessment can be used are eligible for inclusion in a performance contract.

A performance contract approach to federal resource allocations promises greater economy in the use of federal funds and in the allocation of general education resources as well. Educational objectives pinned to predictable, measurable student performance, which are necessary parts of these contracts, would offer a much needed basis for measuring program cost against program effectiveness.

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[1] Readers of Nation's Schools news columns have been kept up to date on the Texarkana performance contract right along. Announcement of the bidding by some 90 private companies was made in our August issue (p. 66). Last month (p. 96), a story was published on the winner—Dorsett Educational Systems, a medium-sized developer of teaching machines based in Norman, Oklahoma. In bagging the contract, Dorsett beat out such corporate giants as RCA, McGraw-Hill, Westinghouse, IBM and Singer.

## SAFETY

Mr. HRUSKA. Mr. President, with the Christmas and New Year's long weekend traveling ahead of us, and with the usual dangers of driving in the winter season, I believe it to be most appropriate if the message of safety in driving, safety within the home, and safety at work and play, be fully dramatized, publicized, and recognized at this time of the year.

A longtime friend, Governor Howard Pyle, who now serves as the President of the National Safety Council, has sent me a letter and the Report to the Nation 1969, which begins as follows:

Public and official preoccupation with other crises continues to obscure the bitter tragedy and awful cost of accidents on our highways, in our homes, in public places and at work . . .

Particularly depressing is the fact that so many of government's promises of assistance have fallen so far short of fulfillment.

It is strange paradox that we can be so properly concerned about Vietnam, and violence in the streets, and so unmoved when accidents in the decade of the sixties killed more than a million men, women and children—injured 103 million—and accounted for $180 billion in economic waste.

The seventies will be even more disastrous if we don't decide to do something about it and act accordingly.

Your help will be appreciated.

Sincerely,

HOWARD PYLE.

Mr. President, the U.S. Senate Antitrust and Monopoly Subcommittee, on which I serve as its ranking minority member, has been conducting public hearings on two broad fronts, automobile insurance and automobile repairs, and everyone agrees that the reduction of accidents are absolutely mandatory to save lives, to reduce injuries, to lower economic loss, and equally, to reduce the cost of insurance to the consumer. The facts show that in 1960 there were 38,137 auto deaths and 1970 is predicted to have 60,000 auto deaths if the 6 percent increase of the past few years continues. The facts show that 2 million serious injuries occur each year, and automobiles are damaged at a cost equal to deaths and injuries. In view of these facts one can understand the concern of State governments, insurance commissioners, the insurance industry, and the insurance policyholders as to the cost of insurance for automobiles, and what must be done to resolve this issue. Hence, the reduction of accidents is absolutely mandatory. It takes the combined efforts of the drivers of autos, of the safety of the autos, and the safety features of the highways and streets of America—plus good government administration and enforcement of traffic laws.

Mr. President, I ask unanimous consent to have the National Safety Council material of the above-mentioned report placed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

*Motor vehicle accident toll in the 1960's*

(Cost, $90 billion)

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| Dead | 475,000 |
| Permanently disabled | 1,500,000 |
| Temporarily disabled | 16,000,000 |
| Partially disabled | 15,000,000 |
| Vehicles in accidents | 250,000,000 |

SOURCE.—National Safety Council estimate based on reports from state motor vehicle departments: National Health Survey.

The battle to reduce the highway death toll has many fronts. Two of these are worth special attention here:

1. *The Defensive Driving Course* has now trained more than a million and a half drivers. It is approaching its goal of a million graduates a year. DDC is now putting increased stress on building public support for sound traffic safety policies and on developing attitudes of courtesy and cooperation among drivers. This supplements the established emphasis on teaching drivers professional defensive driving techniques.

2. *The Highway Safety Program Analysis,* now functioning in 24 states, assists states, countries and cities to assess their traffic safety programs in relation to national standards promulgated under the Highway Safety Acts of 1966.

In other program areas—public, farm, home, youth, women, labor, school, motor transportation and religion—there have been noteworthy developments. Details will be found in the following pages.

The Council continues to tell the safety story to the American public through many channels. The Public Information Department works with the various communication media to deliver the safety message to mass audiences. One part of this program—the Advertising Council's traffic safety campaign—accounts for more than four billion listener and viewer impressions on radio and TV networks annually.

Publications of the Council—magazines, posters, newsletters and technical and specialized publications—reached a record circulation last year. They serve the entire spectrum of the Council's program responsibility with material from the broadly popular to the narrowly technical.

Organizationally and financially the National Safety Council continues to show growing strength. As the demand for more and better safety services is increased by the mounting complexity of the hazards our society faces, the Council is capitalizing on electronic data processing to increase staff productivity.

To sum up . . . The National Safety Council is determined to meet its responsibilities to its members and the nation. It is creatively developing new fields of service and new techniques. At the same time, it is faithfully maintaining the many established services which have played so large a part in the great progress of accident prevention over the last half century.

Yet this is not enough!

The organized safety movement is confronted by the problems of a troubled society. The tremendous explosions in productive capacity, scientific knowledge, communications, transportation, education and population have seriously altered our way of going.

Progress has brought a broadly based affluence—but it has also brought new and troublesome issues. It has aggravated a great number of old ones.

The safety movement is already addressing itself to a wide variety of challenges which, ten years ago, would have been considered outside its range of interest and competence.

The data, especially the data from the occupational and traffic fields, are clear proof that the safety movement and the Council cannot afford a single moment of complacency or relaxation of effort.

The easy victories are behind us! It will take the best brains and the most devoted service to achieve the future progress that society has a right to demand of us. The challenge demands that all of us "Speak Up for Safety."

SAFETY ON THE ROAD

More than a trillion miles are now driven each year by America's motor vehicles. The price of this mass movement is 1,000 deaths and 36,000 injuries a week, and more than $11 million in economic loss each year. The problem continues to grow, as 2,000,000 new drivers and 2,000,000 new cars are fed into the traffic stream each year.

State officials have praised the Council's Highway Safety Program Analysis as an important tool in coping with the growing complexities of traffic accident prevention. Detailed analyses are prepared for participating localities, telling them how they conform or fail to conform to new traffic safety standards. At the same time, guidelines are submitted to improve traffic control machinery in the contracting communities. The Council thus acts as a catalyst and a rallying point around which officials at all levels of government may work.

Although the Highway Safety Program Analysis is little more than three years old, it is already functioning in 24 states. Last year 10 states contracted to make use of the program and it was thus put to work in seven counties and 295 cities within these states. This does not include another 21 cities and four counties that were making use of this program analysis on their own without the help of state or federal funds. In one state, the findings and recommendations of the Highway Safety Program Analysis led to the formation of 19 local traffic safety commissions.

Shortage of trained men and women continues to be a major problem. If the states are to implement the safety standards of 1966, they must have available to them more and more men and women who are trained in the techniques of traffic safety. To encourage qualified people to enter this field, the NSC Traffic Education and Training Committee cooperated with the National Highway Safety Bureau in developing a career guidance program that seeks to attract more young people into this all-important activity. Printed materials have been distributed to high school guidance counselors and college and university advisers. To help states train people now working in traffic safety departments, the committee has published a guide entitled *Highway Safety Manpower and Training.*

A revised Manual on Classification of Motor Vehicle Traffic Accidents is intended to refine systems of record keeping. The NSC staff has also prepared a new traffic accident summary form, which will include cross-compilation of accident data. This information will be classified according to instructions established in the new manual.

The fight against the hazards of winter driving continues. The annual tests conducted at Stevens Point, Wis., yield a wealth of facts that are compiled into reports for engineers and researchers. The public then reads and hears of these findings through a public education program.

Action to increase safety at railroad grade crossings has been intensified. An educational program includes new television, radio and newspaper materials.

Members of the Department staff continued to work with the National Joint Committee on Uniform Traffic Control Devices and the National Committee on Uniform Traffic Laws and Ordinances. The Uniform Vehicle Code and Model Traffic Ordinance has been revised and distributed, while revision of the Manual on Uniform Traffic Control Devices is scheduled for completion in 1970.

DRIVER IMPROVEMENT

More than a million and a half persons have graduated from the Council's Defensive Driving Course. May of 1969 was the largest training month in the history of the program with more than 70,000 graduates.

The U.S. Navy has adopted the DDC program for all its military personnel after four years experience with the program in some installations. About 400,000 members of the Armed Forces will soon be enrolled in DDC courses annually.

Aims of DDC have been redefined and expanded on the basis of the first four years' experience. The stated objective for the years ahead is to:

a. Train drivers in professional traffic accident avoidance techniques.

b. Build informed and constructive citizen support for official federal, state and municipal traffic safety programs.

c. Promote among all motorists an attitude of mutual understanding, courtesy and cooperation so that driving a motor vehicle on our streets and highways becomes a more civilized, pleasant, safe and successful activity for all concerned.

These expanded objectives have been implicit in the program up to this point, but will be made more explicit through a recasting of emphasis in the Instructor's Manual and the Student Workbook. They are also more consistent with America's growing recognition that the quality of American life cannot be the sole concern of government and business but is also a responsibility of citizens individually and through volunteer group action.

MOTOR TRANSPORTATION

Can television help men and women to drive safely? The Motor Transportation Department thinks it can, just as it has been used in many fields as an effective teaching tool. So enthusiasm for the Council's video experimental program remains high. This specially designed electronic system records on film a driver's decisions and reactions as he guides his vehicle to its destination.

Early experience with the video system reveals that it can show a driver, later studying himself on a television screen, what he has done right and what he must correct. As the Council accumulates data from this experimental program, guest drivers will be studied to see if the instant playback possible with the television recorder system can help to improve their driving habits.

Record-keeping has also been expanded and refined this past year. Fleet accident records have been added to categories dealing with accident statistics submitted by official agencies. Review of fleet accidents enables researchers to answer questions that until now have been unanswerable. Using the NSC computer, the Conference expects to identify the significant causes of collisions.

We have advanced during the past year on a number of fronts:

More "key man" supervisors are enrolled in the popular Fleet Home Study Course.

School bus impact tests, conducted by the Institute of Transportation and Traffic Engineering at UCLA, continue to occupy our attention, as the subject did when we first recommended such tests in 1965.

Staff members are revising the Fleet Safety Manual, widely used throughout the U.S. and Canada, which is scheduled for a second edition printing in 1970.

SCHOOL AND COLLEGE

Accidents claim the lives of more children between 5 and 14 years of age than any two diseases combined. For young people between 15 and 24, accidents account for more deaths than all other causes combined. In the next academic year, nearly 850,000 school children will be injured in or near their schools.

Because every school in the country needs a program of safety education, the School and College Conference has prepared a model safety policy for adoption by school administrators. A Conference objective is a safety education supervisor for every school system.

To encourage the nation's educators to be ever more conscious of safety in the schools, the Conference has urged that the subject be included in the agenda of the 1970 White House Conference on Children and Youth.

The Council believes every school throughout the country should use the National School Safety Honor Roll as a means of maintaining precise safety records that will enable the school to evaluate its progress. The information thus acquired and made available to NSC will provide invaluable assistance in future planning.

Driver education engages the continuing attention of the Conference. In the past year a workshop has been conducted for teachers covering emergency and winter driving hazards. More of these teacher training sessions will be held in the future as emphasis is placed on training students to cope with emergencies and to acquire skills. The Conference also continues to conduct research in the interest of a new and more effective driver-education curriculum.

Safety progress is being made in our academic institutions and is increasingly evident in campus activity. Last year 16 colleges hosted campus safety conferences conducted by the Campus Safety Association. At present, 31 colleges maintain safety centers. Using available federal funds, more schools are expected to establish these centers in the immediate future. A recent NSC survey of 969 institutions showed 303 offering safety courses and 196 with campus safety committees.

LABOR

The Labor Department and Conference work with many agencies, associations, organizations, and governments—federal and local—in the promotion of the modern techniques necessary to reduce accidents in the workplace, on the road, at home and at play. No longer does the Labor Department devote its attention exclusively to safety on-the-job. Growing with today's sophisticated approach to safety, international unions have established safety and health departments with professional staffs of engineers, hygienists and consultants.

More than 40 international unions participate in NSC's work. They are thus able to advance safety concepts to more than nine million working men and women. Their magazines carry invaluable safety and health information. It is estimated that about 20 million persons see these messages each month.

The Labor Department and Conference cooperate fully in the development of NSC testimony pertaining to proposed safety and health legislation at federal and state levels. They continue to urge the Bureau of Labor Statistics to create national uniformity of occupational injury statistics; they have contributed hundreds of man-hours in helping to develop recommendations for occupational safety and health programs in individual states; they continue to urge adoption of national traffic safety standards among the states.

RELIGIOUS ACTIVITIES

Because safety is concerned with the conservation of human life, it is inevitably a religious concern. For this reason, the Conference for Religious Leaders continues to receive growing support from all religious denominations.

In cooperation with business, industry and community groups, the Conference has distributed, on request, more than 10,000 NSC Holiday Safety Campaign kits. Other new materials developd this year were a brochure that describes the work of the Conference and a kit of basic program materials for use by religious leaders. In September, the Conference for Religious Leaders offered a national seminar to discuss "The Church's Role in Accident Prevention."

Many national and local church leaders have increased their efforts this past year to develop support for the national highway standards, especially those dealing with alcohol and highway safety. Several of the denominations have published articles on accident prevention, prepared safety resolutions, developed guidelines for congregational studies of the problem and have offered programs and courses that would help their members to lead safer and healthier lives. More and more, churches and synagogues are offering the Defensive Driving Course to their congregations.

The Conference for Religious Leaders, for the ninth consecutive year, discussed the moral implications of traffic laws and traffic courts at the five regional conferences sponsored by the American Bar Association.

WOMEN

To duplicate the work accomplished by volunteers, according to a study by the Department of Labor, organizations of all kinds would be required to hire 900,000 persons. It has been revealed that half of all volunteers are between 25 and 44 years of age—and most are women. Women, in short, can be a powerful force for good in the work they do.

In the past year, as in earlier years, women working through local and national organizations have done much to make their communities safer and better places in which to live. They have organized a campaign against accidental poisoning that has reached into 38 states. In Toledo they worked to improve the building code; in Oklahoma, they sponsored a Teen Sitter Workshop that attracted more than 2,000 young people; in Arizona, they helped to pass legislation that requires the use of safety glasses by students and teachers engaged in hazarous school work.

In Washington, women's safety activities included an elementary school pedestrian program, "Safe Route to School," and an auto anti-theft program; a boat and water safety program stressing safety as a year-round practice was established in one of the resort communities. In Florida, they promoted the use of Defensive Driving Courses—148 of them with 3,000 students. The Defensive Driving program, which was championed by women and pre-tested by the Women's Division of the Toledo-Lucas Safety Council, is approaching a current rate of one million drivers trained a year.

Represented on the Women's Conference are 48 national women's organizations with a combined membership of about 18 million women. Providing these women with an increasing number of guidelines for their safety activities is one of the principal functions of the Women's Conference.

RESEARCH

The work of the National Safety Council's Research Department has increased in quantity and grown in depth.

Among the highlights of 1969: research on the aged driver completed and published early in the year; the first phase of NSC's three-year bicycle safety research project completed and the announcement of a grant of $10,000 to support further effort to compile and analyze bicycle accident data. A grant of $100,000 over a four-year period has been awarded to NSC for the study of the Defensive Driving Course as an adjunct to high school driver education programs.

PUBLICATIONS

*Family Safety*, the Council's mass circulation magazine, now enters 1,675,000 households, bringing home, traffic and recreational safety information to more than 5,000,000 readers—an all-time high. Another huge segment of the nation's work force receives regular reminders of the safe and right way of doing their jobs through the pages of the *Safe Worker* and *Safe Driver* magazines. Together their monthly circulation now tops 1,150,000—up 50,000 from 1968. During the past year NSC produced more than 10,000,000 posters to be displayed as graphic safety reminders in plants from coast to coast.

PUBLIC INFORMATION

The Public Information Department is the Council's "hot line" to mass and specialized media. News stories on safety, feature articles and public service broadcasts on radio and television inform the public of potential

hazards in the home, on the job, at play and on the road, and how to cope with them.

The goal of Public Information is not merely to reach millions of Americans with safety information, but to persuade them to believe in the safety messages they see, hear and read, and—more importantly—to encourage them to take positive action toward accident prevention.

The rising popularity of winter sports prompted a series of television spot announcements on snowmobile safety, as well as radio spots and press releases on all aspects of recreation.

A special grant financed production of TV public service spot announcements on highway safety and a series of spot announcements by television and radio personalities, and distribution was made to 5,000 radio stations. Live copy covering home, public, farm and traffic safety is mailed quarterly to all radio stations in the United States.

Information concerning safety, both on and off the job, is channeled to the labor, farm, industrial and general press, as well as to company house organs. Photo features, press releases and feature articles cover such familiar problems as material handling and such timely subjects as NSC testimony before Congressional Committees.

A Quarterly News Release Program, initiated this year, is designed to assist local councils in generating public information programs at the grass roots level.

The Advertising Council's traffic safety campaign, planned in cooperation with NSC Public Information, included radio and television public service spot announcements sent to 700 TV stations, 5,000 radio broadcasters and the Armed Forces Network. These broadcasts resulted in more than four billion viewer and listener impressions from network exposure alone.

The campaign—in both print and broadcast media—is estimated at 51.5 million dollars in value. This amount, combined with other public service time and space contributed to NSC, is valued at more than 100 million dollars of media exposure. This figure does not include inestimable amounts of editorial time and space.

Using all available channels of communication, the Public Information Department aggressively conveys activities of NSC management and safety information from all departments to mass and specialized publics in a creative and positive manner.

FIELD SERVICE

The Field Service Department represents the National Safety Council as one of 26 organizations participating in the "States" Program, initiated as a result of a series of meetings held over the last several years among field managers of national organizations. The goal is to build support for the 16 National Highway Safety Standards promulgated by the National Highway Safety Acts of 1966. With this program, the Field Service Department coordinated the production of materials with the NSC Public Information Department. These were distributed to state officials and public support organizations in the 47 states whose legislatures met during 1969.

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## OUR NATIONAL NONSYSTEM OF HEALTH CARE—A NEED FOR A NEW STRATEGY

Mr. PELL. Mr. President, in the coming weeks the Senate will be considering the appropriations for the Federal Government's major health programs. In the course of that debate we will be, once again, facing the perplexing question of the inadequacies of health care in a nation which is capable of placing men on the moon, but which is not yet capable of delivering adequate health services to its citizens.

I do not believe we will be able to find those answers that will assure us that increased health appropriations will resolve our Nation's crisis unless we consider the significance of those appropriations in the perspective of the changes that need to be made in the methods by which health care is provided to the citizens of this country.

To gain this wide perspective, I believe we must use a systems approach in our analysis of the Nation's health problems.

In order to do this I will first describe what I mean by the term "health care system" and how I would use a systems approach as the means of approaching a solution to our impending health crisis.

The systems approach is a dynamic concept used to describe interrelated organizations or machines which operate together for the purpose of accomplishing common goals. The goal of the health care system of the United States is usually understood by most people to be a long life free of disease and incapacitating or debilitating illness.

Systems theory assumes that there are alternative strategies which can be followed to reach the goals established for the system and that the effectiveness of the various strategies or methods can be analyzed by comparing the output of the system under each strategy. I will first describe what I believe the present health care strategy is, and then I will suggest what I believe is a better alternative strategy.

If the strategy implicit in the operation of our present day health care system were analyzed, it would be described as an unconscious hospital-oriented strategy based on the premise that health care is a marketable item, that is, the level of health care an individual may receive in great part depends on the amount of money he can spend. The premise is rooted in a laissez-faire concept of medical care which predicated the doctor as an individual economic unit who determines his level of income by the level of demand for his services.

I describe the present strategy as hospital-oriented because the hospital is considered the heart of our health care system. In the mind of the average man, the hospital is the only place where health care takes place. It is the only place where a doctor can provide health care and it is where private and government insurance plans are most likely to provide the largest reimbursement.

I describe the present strategy as unconscious because it is not the result of any conscious decision by any representative body to provide health care in such a manner. Since our present health care system is rooted in a laissez-faire concept of medical care, the collective decision-making necessary for the rational planning of our health care system has not been possible until recent years. Consequently, our present health care strategy is the result of the interrelationships of various ad hoc decisions made by many different groups in the fields of health, insurance, finance, and government. Our present strategy has resulted in a nonsystem of health care.

To implement this unconscious hospital-oriented strategy, the United States now spends more money than any other country in the world for health care, 6.5 percent of the gross national product in 1968. Of the $53 billion spent in 1968, private sources contributed 63 percent, the Federal Government spent 24 percent and the State and local governments expended 13 percent.

From the Federal level, there are three main fiscal inputs into our national health care system which are funneled through 23 separate Federal agencies. First, there is the development of health resources for which the Federal Government spent $2.8 billion in 1968, second, there is the provision of hospital and medical services for which the Federal Government spent $10.8 billion in 1968, and third, there is the prevention and control of health problems for which the Federal Government spent $565 million in 1968.

Having described the present health care strategy and the costs of implementing that strategy, I would now like to outline the results of that strategy and those expenditures, what is known in system terms as the outputs of our health care system.

There is no doubt that the level of health care in the United States, for those of us who can afford it, is the highest and best in the world. Our doctors are highly trained and are among the world's best.

Yet, our Nation, also the first in expenditures for health, ranks 14th among nations in terms of infant mortality and 16th among countries in terms of life expectancy. Between 1958 and 1966, the expectation of a healthy life at age 65 increased only by a scant four-tenths of a year to 13.5 years after the age of 65 in the United States.

In 1963, the last year for those figures, an estimated 6.2 million man-years were lost from the U.S. economy through illness. In 1968, in the health care system there was a shortage of 145,000 nurses, 52,000 physicians and 9,000 dentists in the United States.

Between 1958 and 1966 physicians' fees have risen 38 percent and hospital daily service charges have risen 100 percent. According to the Department of Health, Education, and Welfare, medical costs are now rising at more than double the increase in the cost of living. Physicians' fees are now increasing at 6 percent a year. Daily hospital costs which average $70 today are expected to be $100 a day within 3 years.

Besides the low ranking the United States receives according to international health indicators, the impact of the present hospital-oriented and market determinative health care system of the United States is even more shocking when nonquantitative reports such as the Kerner Commission report are examined and the relationship of our health crisis to the problems of the cities, of race, and inflation become more evident.

In its analysis of the root causes of civil disturbances, the Kerner Commission said:

The residents of the racial ghetto are significantly less healthy than most other Americans. They suffer from higher mortality rates, higher incidences of major diseases and lower availability and utilization of medical services.

In its study of the relationship of hunger and income, the Senate Select Committee on Nutrition and Human Needs, of which I am a member, said in its interim report that "clinical validated malnutrition exists in serious proportions in the United States and is a particularly acute problem among infants and preschool and school children from low-income families. Malnutrition is both a major cause and a common result of ill health." Witnesses before the committee also suggested that there is a correlation between slow learners in school and the incidence of ill health in schoolchildren.

The effect of the present high cost hospital care and income focused strategy of the health care system on its accessibility to the lower middle class and the poor has been strikingly outlined by statistics developed by the Government.

For example, during 1963 and 1964, while 54 percent of children under 17 years of age in families whose incomes was in excess of $10,000 had at least one general physical examination, only 16 percent of those children under 17 years of age with family incomes of less than $2,000, had such a routine checkup. More than 20 percent of the people in families with incomes under $3,000 have never visited a dentist as compared to 7.2 percent of those in families with incomes of $10,000 who have never visited a dentist.

While to this point I have painted a somewhat depressing picture of the health care system in the United States, this does not mean that I do not believe that improvements cannot be made. I believe progress can be made if the Congress is willing to replace our present nonsystem of health care with a national system of health care based on a new strategy.

I believe we must develop a new strategy of health care capable of providing a floor of basic health care for all our people regardless of income.

Each citizen of this bountiful country should have a right to a minimum standard of health care. Reasonable health care should not be a function of the vicissitudes of the marketplace. It should not be dependent on the socioeconomic condition of the consumer. We must work to abolish the great disparities in the standards of health care that are now evident in the United States.

I believe a new strategy should be considered which emphasizes the preventive aspects of health care rather than the curative aspects of health care. Our present health system provides excellent care for the patient only after he has reached the hospital bed. A hundred dollars a day in a hospital is too expensive a way of providing health care. A strategy should be developed based on diagnostic and neighborhood health centers which allow for the preventive treatment of illness before hospitalization is required. People should be encouraged to have periodic checkups and the medical profession should attempt to find the time needed to provide those checkups.

Unfortunately, the majority of existing private and public health insurance plans do not create an incentive in their plans for preventive care, nor is there adequate medical personnel available to give the level of preventive care needed today. Both Government and private health insurance plans usually pay the largest amount of reimbursement for hospital care rather than ambulatory care.

The experience of the Kaiser plan in California, which provides coverage for adequate preventive care is further evidence of the necessity of following a strategy based on ambulatory care rather than hospital care. The age adjusted utilization rates for Kaiser hospitals have been more than 30 percent below the average for California hospitals and the rise in expenditures for Kaiser hospitals has been considerably below the national average.

The experience of health care plans in two foreign countries also suggest changes which might be considered in our present health strategy. Under the old Chinese system of care, the doctor was not paid for his services unless the patient recovered. While I would not favor implementing such a drastic system, I think a new health care strategy should include some consideration for the development of incentives for doctors to provide quicker, more effective, and less costly health services.

Perhaps the health insurance companies could give doctors a bonus payment for patients who spend less bedridden time than is normal for their particular illness or perhaps the Government could pay doctors to take midcareer courses designed to update them with new discoveries and more effective ways of delivering health care.

The experience of the Australian plan suggests another consideration. In Australia, the costs of catastrophic illnesses are covered by a national plan. In the development of a new health strategy, I would suggest that consideration should be given, not only to the provisions of preventive care, but also to the coverage of the astronomical costs that are incurred as the result of a catastrophic illness or accident.

The final characteristic of the new strategy I suggest would be strong adherence to comprehensive health planning for localities, regions, and the Nation. The health care system can no longer be managed as a cottage industry. Allocation of our limited health resources must be made in a rational manner according to where the need exists not where the dollar has the greatest pull. We must have a conscious and a coordinated health care strategy.

The implementation of the national health system's strategy, which I propose, will place a heavy burden on the Congress for new legislation. It will require legislation for the following purposes:

First, to provide a health care floor for all Americans, I see no other alternative for the future than a universal health insurance plan for the United States. Such a universal health plan would provide financial coverage for a minimum floor of preventive care such as multiphasic screening. At a maximum it might also provide some form of protection against the high costs of catastrophic illnesses. While there are a number of financing arrangements that could be considered, I would hope that the national insurance plan finally proposed would be paid for by some sort of taxing structure with the Federal Government picking up the health insurance premiums for the very poor. I am not sure whether such a plan would be best administered by the Government like the medicare and medicaid programs or by nonprofit bodies such as Blue Cross, but I believe the Congress should begin in 1970 an investigation into possible alternative national health insurance measures.

For, I do know that, if expensive operations such as organ transplants are to become more widely available, if high-cost medical technology like kidney dialysis machines are going to become available to the people who need them, if a basic level of health care is to become part of the normal expectation of all our citizens—as is the expectation of a basic level of education, and police and fire protection, some form of a national health care system such as I suggest must be developed.

Second, I think greater authority should be given to State, regional, and national planning mechanisms, such as those that were established in Rhode Island and other States under the partnership for health legislation. Where comprehensive health plans have been developed, I believe Federal health funds should be spent only in conformance with those plans. I look to changes in the Federal health facilities construction programs which would not allow Federal expenditures to be made in violation of State comprehensive health plans. I look to changes in the hospital and long-term care facilities reimbursement formulas under the medicare and the medicaid programs which would prevent reimbursements to health facilities not in conformance with State plans. I hope that these are changes that both the Finance Committee and the Labor and Public Welfare Committee will consider.

Third, I believe a greater effort must be made to increase the supply of health manpower. This requires us to fully fund the health manpower programs.

Money to increase our country's supply of health manpower is in no way an inflationary pressure. As a matter of fact, by reducing the gap between the supply and demand for health manpower, expenditures for health manpower programs provide a deflationary pressure in the long run.

The development of health manpower requires many years of education. Our failure to act this year to reduce the health manpower shortage will make it even more difficult to fill that gap in future years. There are few other investments for which the Federal dollar can receive a greater return than health manpower programs. If we are to have a universal health coverage in the fu-

ture, we must make the investments today to provide the manpower needed to operate such a system.

Fourth, a national health system means that steps will have to be taken to coordinate the Federal Government's 23 health programs under one Federal official and establish a Council of Health Advisers, similar to the Council of Economic Advisers, as Senator RIBICOFF has ably suggested.

I am hopeful that the actions we take on the health appropriations bill and on the many extensions of health authorizations which will be required in the coming year will represent the initial consideration of the new health strategy I propose.

While I realize that the changes I suggest will demand many hours of work by the Congress, I believe that the seriousness of our national health crisis justifies such actions.

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## HEALTH BUDGET CRISIS

Mr. KENNEDY. Mr. President, during last week's subcommittee hearings on appropriations for the Department of Health, Education, and Welfare, Dr. George James, dean and president of the Mount Sinai Medical School & Center of New York, testified on the effect of administration budget requests and House action upon programs in health manpower. He presented an excellent analysis of the problems involved, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

TESTIMONY BY DR. GEORGE JAMES

HEALTH PROFESSIONS SCHOLARSHIP PROGRAM

Scholarship funds are awarded to health professions schools by statutory formula. The formula is 10 percent of the school's full-time enrollment times $2,000.

The President's budget requested $16 million which provides full funding of the statutory formula and will assist about 18,000 medical, dental and other health professions students. These funds will provide scholarship aid to students of exceptional financial need enrolled in all years of study. Fourth year students became eligible to receive scholarships for the first time this year. The $16 million is an increase of $4,781,000 over fiscal year 1969 appropriations.

House action transferred the increase of $4,781,000 for scholarships over to the health professions loan program. It is cause for serious concern:

1. Such a transfer does not increase the aggregate amount available for student assistance.

2. Based on the Notice of Award for fiscal year 1970, schools have already made commitments of scholarship support to students. (Scholarship funds are awarded under 100 percent advanced obligational authority, i.e., in the last quarter of fiscal year 1969 awards against the fiscal year 1970 appropriation were made in the full amount. The appropriation act of 1969 provided the authority for making such awards.) Such a transfer would require the schools to renege on commitments already made to students.

3. *Because fourth-year students were not eligible to receive scholarship aid until this year, the proposed transfer would deny about 4,500 first-year students scholarship support should the schools award scholarships only to students previously assisted.*

HEALTH PROFESSIONS STUDENT LOAN PROGRAM

The fiscal year 1970 budget requests an appropriation of $15 million for the Health Professions Student Loan Program. This sum, together with an estimated balance of $1,113,000 on deposit in the Health Professions Educational Fund, provides $16,113,000 for fiscal year 1970, which is approximately $10 million below the fiscal year 1969 program level.

The proposal of the House to transfer $4,751,000 from the Health Professions Scholarship Program to increase the availability of loans offers no relief since it does not increase the aggregate amount available to assist students of medicine, dentistry, osteopathy, podiatry, optometry, pharmacy and veterinary medicine.

The House transferred the scholarship increase to loans, thus providing only about $1 million more in loan funds this year than last, at the same time decreasing scholarship aid by $5.5 million, or 5,500 scholarships, or the same level as last year!

*In effect, the House made available only $1 million more (in loans) for all of nursing student aid.* The same number of scholarships will be available as last year. This, when we need *141,000 nurses right now* (House Report on Health Manpower Act of 1968)!

The effect of this transfer would be to prevent many students from entering nursing. Many are too poor to enter on their own, and are reluctant to commit themselves to long range loans. We know that the percentage of female high school graduates entering nursing has decreased from 4.9% in 1965 to 4.5% in 1968. In order to reverse this trend, and in order to provide career opportunities otherwise not possible, it is necessary to increase scholarship aid. *Even at the $12 million level, scholarships would be provided only for less than 10% of the student nurse population, even though at least 30% of nursing school students need financial help badly.*

Further, loss of students whose actual enrollment depends on the availability of scholarships will mean that at the $6.5 million scholarship level, it is probable that *overall enrollment will be decreased,* at a time when our need for nurses is staggering (the committee report for the Health Manpower Act of 1968 states that *we need 141,000 more nurses right now!*).

Further, with respect to loan versus scholarship aid, the present value of the loan dollar to be repaid perhaps ten years hence, is very small, especially when compared to the potential return from scholarship funds that would provide a productive future for students from low income families and perhaps help to break the poverty cycle.

GRADUATE PUBLIC HEALTH TRAINEESHIPS

The situation concerning student assistance for *Graduate Public Health Traineeships* is clearly, yet unfortunately, depicted in the appropriation history which shows the FY 1970 budget request of $8,000,000 preceded by that same amount in 1967, 1968, and 1969. When needs for health professionals with graduate or specialized training in public health are rising rapidly and severe shortages already exist, and when the costs of education are rising, too, a constant appropriation for traineeship grants can only mean that not enough physicians, dentists, nurses, sanitarians, and other health personnel are receiving training which prepares them to serve in leadership and administrative positions in public health.

*The legislative authorization of $10,000,000 would appear to be a minimal level of traineeship support,* to regain lost ground and begin to build a stronger base from which to produce numbers of professional public health manpower more in line with current needs.

TRAINEESHIPS IN NURSING

At present, one of the most serious constraints in increasing the numbers of nurses in practice is the faculty shortage in nursing schools. Lack of prepared faculty to fill existing positions and those in new programs causes an acute problem at a time when greater numbers must be taught. In 1968 there were 1,793 unfilled budgeted positions for faculty members. Even more discouraging was the fact that of the teachers filling positions, over 23 percent were not qualified to teach. Any increase in enrollment and development of new programs is completely dependent upon the increase in numbers of teachers for all types of educational programs.

Between 1950 and 1968, the estimated number of practicing professional nurses increased from 375,000 to 659,000, a gain of 76 percent. In the same interval both practical nurses and nursing aides more than doubled. This means that a larger number of prepared nurse supervisors are needed to effectively utilize these nursing team members in providing patient care.

There is an increasing specialization in medical practice requiring more nurse specialists in the clinical areas. The practice of nursing is becoming more and more complex and calls for an increasingly higher level of nursing skills and academic preparation to staff the growing number of specialized service units, such as coronary care, kidney dialysis, and intensive care units.

The full authorization for Traineeships is needed to help decrease the growing gap between the supply and demand for these types of nurse leaders.

ALLIED HEALTH TRAINEESHIPS

Traineeships under the program assist individuals who have completed basic professional allied health training to pursue advanced training to become teachers, supervisors, administrators, or specialists. It is a fact that the grated ingredient to increasing additional allied health personnel is the lack of qualified teachers. Health education institutions know this—but the 1970 budget request, agreed to by the House; is far below the level the institutions are anxious to accept.

Too many students have been unable to take desired advanced education because they cannot obtain financial aid. Numerous allied health training centers have seen their approved traineeship grant applications go unfunded, while even the more fortunate grantees have had to accept reduced awards.

Another serious shortcoming which results from the lack of appropriations at full authority is the inability of institutions to locate short-term traineeship monies. Through short-term traineeship support, personnel already employed in allied health occupations could update and improve their skills, and individuals returning to this labor force after being inactive could update their respective competencies.

Below is a table comparing authorizations and appropriations, as well as the budget request of this year.

| Traineeships: | |
|---|---|
| 1968 appropriation | $1,500,000 |
| 1968 authorization | 2,500,000 |
| 1969 appropriation | 1,550,000 |
| 1969 authorization | 3,500,000 |
| 1970 budget requests | 1,550,000 |
| 1970 authorization | 5,000,000 |

As can be seen, now, when the enormous deficit in allied health manpower is becoming increasingly evident, the same amount, $1.5 million is requested for 1970 as was requested in 1968 and 1969, even though the authorizations have been increasing from $2.5 million in 1968 to $5.0 million in 1970.

THE HEALTH PROFESSIONS EDUCATIONAL IMPROVEMENT GRANTS

*The Health Manpower Act of 1968* authorizes institutional (formula) and special project grants to schools of medicine, dentistry, osteopathy, optometry, podiatry, pharmacy and veterinary medicine. The formula grants are to assist schools in increasing their enrollments and in improving the quality of their educational programs. The special project grants are to assist schools in (1) increasing their enrollments, (2) providing for accreditation, (3) meeting serious financial difficulties and (4) for other purposes specified in the Act.

The President's budget requests $101.4 million for fiscal year 1970 for health professions educational improvement grants. Of this amount, $46.5 million is requested for institutional (formula) grants. *Most of the $12,784,000 increase for institutional grants will be awarded to schools of pharmacy and veterinary medicine which became eligible to receive these funds for the first time in fiscal year 1970.* The balance of $54.9 million is for special projects. A total of $34 million is needed for continuation of previously awarded special project grants; $10 million is to be used for the physician augmentation program, *leaving only about $10.9 million for new special projects.*

The legislative authorization for educational improvement grants for fiscal year 1970 is $117 million. The President's budget request is $15.6 million short of the authorized level. Appropriation of the full amount authorized would provide $26.5 million for new grants this year. Considering the number of medical and other health professions schools in serious financial plight, even the full authorization is inadequate to meet the need. Nevertheless, with full funding the immediate financial crisis of the schools can be ameliorated. Schools planning to develop special programs to reduce attrition, thus increasing the supply of health manpower, require additional funds to implement these programs. Special tutorial services are also needed as disadvantaged students are accepted in increasing numbers into the rigorous curricula of the health professions schools. Experimental projects to reduce the length of training also require support. With more dollars available, the schools will be able to begin to carry out these important changes which will ultimately have a beneficial effect on the supply of health manpower and the delivery of health care.

NURSING INSTITUTIONAL AID

The Health Manpower Act of 1968 authorizes a combined appropriation of $35 million (the budget request and House action was $7 million—one-fifth of authorization) for two separate programs: *Institutional (formula) Grants to over 1,300 schools of nursing* to assist them in carrying out their functions and *Special Project Grants for the Improvement of Nurse Training.* The law further specifies, of the sums appropriated, $15 million shall be for Special Project Grants.

Institutional support grants will enable all schools to improve student-faculty ratios, attract more highly qualified faculty and strengthen and enrich basic curricula. They will also permit schools to apply new educational methods and innovations to professional nursing education. However, *it would require a $20 million appropriation if each of the 1,300 nursing education programs were to receive the basic $15,000 institutional grant.*

With the trend of nursing moving from hospital based programs into the mainstream of education in junior colleges and universities, the acute shortage of qualified teachers of nursing becomes critical. Because of this, new ways have to be found to train nursing students in shorter periods of time and to train larger numbers of students with the same short supply of qualified teachers.

*The nursing project grant program* was expanded under the Health Manpower Act to provide funds with a preference to schools of nursing in need of financial assistance to continue in operation or avoid curtailment of enrollment or reduction in the quality of training provided. Full authorization in 1970 for this program is $15 million for applicants among 1,300 schools of nursing and public and non-profit institutions now authorized under the law.

As the American Nurses Association reports, of extreme concern is the reduced amount which the House has approved for the two types of institutional grants and the construction grants under Title II of the Health Manpower Act of 1968. The Law authorized a maximum of $35 million for institutional grants, yet only $7 million is provided by the House measure, H.R. 13111. This drastic reduction carries double significance if it is remembered that there are two types of grants in this category: one relates to special projects for improvement in nursing education (Section 805); the other provides basic support funds for schools of nursing (Section 806). However, the law stipulates that no basic support funds can be available unless $15 million is first allocated for the special projects. Thus, the appropriation of only $7 million for both types of grants has the effect of wiping out the basic support program entirely and sharply reduces the funds available for projects to improve nursing education.

Unless the total authorization of $35 million is made available, there will be no funds for institutional grants. Unless Congress will consider an amendment to Title II, P.L. 90–490, which would set up separate authorizations for each of these programs, the same problem is likely to occur in each fiscal year.

PUBLIC HEALTH INSTITUTIONAL AID

Although *Project Grants for Graduate Training in Public Health* are authorized at $8,500,000 for FY 1970, the budget request is held at the 1969 level of $4,917,000. Consequently, there is a continuing backlog of approved but unfunded grant applications from institutions which seek to modify existing and develop new academic programs to meet changing social and health needs, to relate to new health technologies, and make utilization of scarce public health manpower more effective. These schools are unable to hire new faculty and otherwise invest in the educational resources necessary to initiate, strengthen, and expand public health courses at the graduate level. Further, there can be no expansion of support to the broader base of institutions that provide graduate professional education in the administration, delivery, and evaluation of community and environmental health services.

Educational institutions in this field have consistently appealed for the higher level of fiscal support required by public health manpower demands and which they have demonstrated they can utilize effectively.

*Formula Grants to Schools of Public Health,* which are authorized at $7,000,000 for FY 1970, are intended to assist these schools in providing comprehensive professional education and training, specialized consultative services, and technical assistance in the field of public health. These grants serve to help the schools improve, modify, and expand their teaching programs in an attempt to meet the constantly growing demand for professional public health personnel. However, in spite of the rising deficit in the supply of these health workers, increases in costs of educational activities, and the participation of additional schools in this grants program, *the budget request for FY 1970 is held at $4,554,000 the same level as in FY 1969.* This means that a greater potential teaching resource, in the aggregate, faced with almost overwhelming costs and demands, has proportionately less support to hire new faculty, add needed supporting staff, and face other elements of keeping its programs up-to-date.

*It seems more than evident that the full $7,000,000 authority is needed to provide an adequate base of support for the 15 schools which were receiving these grants prior to FY 1969, and the new school which became accredited and then eligible for support in that year.*

The House voted, in both instances, the budget request.

ALLIED HEALTH INSTITUTIONAL AID

Under the Allied Health Professions Personnel Training Act of 1966, as amended by the Health Manpower Act of 1968, accredited junior colleges, colleges and universities which meet certain eligibility criteria may receive Basic Improvement Grant awards for the improvement and strengthening of their training programs in specified allied health curriculums. Unfortunately, the funds available for this program for the past three years have covered only 40.6% (1967), 95.6% (1968) and 78.1% (1969) of the formula amount to which the schools were entitled. The FY 1970 budget request for these grants, *held at $9,750,000 again,* as in FY 1968 and 1969, *and will result in a lower proportion of the statutory entitlement's being funded since the base of grantee institutions and their enrollments is increasing.*

Despite the significant advances the schools have made in improving their teaching programs and expanding their enrollments, their progress has been delayed by the lack of full funding for the Basic Improvement Grants. They have been unable to hire greater numbers of faculty under the reduced grants, and even the level of program support reached in FY 1968 has been cut back severely. If the appropriation picture does not improve, these institutions will be further discouraged from establishing additional training programs and developing them to a point where they are eligible for formula grant support.

*If the full authorization of $20,000,000 were appropriated in FY 1970, these grants could be funded at 100% of the entitlement, leaving an estimated $3,000,000 to initiate the program of Special Improvement Grants.*

The latter grants are authorized to support the provision, maintenance, or improvement of specialized functions of allied health training centers. However, no Special Improvement projects have been supported since they may be made only from funds remaining after the Basic Improvement Grants have been awarded at 100% of the entitlement.

*The Allied Health Developmental Grants* to develop, demonstrate, or evaluate curriculums and methods for the training of health technologists were funded in FY 1969 at $1,225,000, which was far short of the $3.5 million authorization. For FY 1970, under a $5 million authority, the budget request is still only $1,238,000, and the consequences of such low resources have been clear.

These grants, if funded at higher levels, would offer the invaluable potential to develop health manpower resources which can extend the availability of health services. This can be accomplished through more efficient and effective teaching programs and through the preparation of health workers at the associate or baccalaureate degree levels whose functions will augment those of more highly trained professionals. *Without this type of institutional grant support educational institutions do not have sufficient means by which to help meet changing manpower needs of existing and future health services delivery systems.*

Faced with scant prospects of competing successfully for the limited funds available, many agencies, institutions and organizations have been discouraged from even applying for these grants. Other applicants have invested their staff resources in designing

and submitting developmental projects, only to be informed that their proposals, even though approved, will not be supported due to lack of funds.

CONSTRUCTION OF HEALTH EDUCATIONAL FACILITIES

Despite the general agreement that the United States faces a critical health manpower shortage, the health professions schools are generally filled to capacity. There are just not enough educational facilities to meet the Nation's needs. It was in recognition of this problem that the Congress authorized a program of construction grants to schools of the health professions beginning in 1965. Since then the number of health professions students has increased but the manpower shortage remains a critical problem and the existing facilities remain filled to capacity. Clearly, the construction program must be stepped up.

A total of $205 million is authorized for Fiscal Year 1970: $170,000,000 for construction of medical, dental, and related health professions schools; $25,000,000 for schools of nursing; and $10,000,000 for schools of the allied health professions. Of this $205 million authorization, however, the Administration has requested only $126,100,000.

Large-scale construction programs are very expensive and contribute to inflation. Nevertheless, the health manpower shortage is critical enough to warrant a massive program of health facilities construction.

## AID TO NIGERIA AND THE CALABAR-IKOM ROAD

Mr. GOODELL. Mr. President, what the U.S. Government does in Nigeria and Biafra is of deep concern to the American people.

The Senate will soon be considering the Foreign Assistance Act of 1969. During debate on this bill, I intend to raise questions on several aspects of our project assistance to Nigeria.

I am considering various amendments to deal with certain issues raised by ongoing and planned program aid to Nigeria. I would like to make it clear, however, that I have no plans to move to eliminate all aid to Nigeria. As I have stated on many occasions, our aid should continue, but with special emphasis on relief assistance to those people suffering from starvation in both Nigeria and Biafra.

What I am concerned about is to see to it that our foreign aid projects for Nigeria conform to a "neutral policy" approach to Nigeria and Biafra.

In view of the fact that many Senators have expressed their interest in developments in Nigeria and Biafra, I ask unanimous consent that the following article "AID Bureaucrats Going Full Speed Against U.S. Neutrality on Nigeria" in this morning's Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, Dec. 10, 1969]

AID BUREAUCRATS GOING FULL SPEED AGAINST U.S. NEUTRALITY ON NIGERIA

(By Rowland Evans and Robert Novak)

Although top policymakers in the White House and State Department have ordained a new policy of neutrality toward Nigeria's civil war, a highway of great value to Nigerian federal forces—and potential military use against Biafran secessionists—is being built with U.S. foreign aid.

The decision to build the road with American tax dollars was taken quietly inside the Agency for International Development, with neither specific approval from the White House nor a single word of discussion in Congress.

This project, along with the over-all pro-federal tone of foreign aid to Nigeria, reflects the inability of top policymakers to execute their orders inside the bureaucracy. All the more remarkable, the Nigerian highway project directly contradicts overt congressional reluctance to get entangled in foreign internal disputes following the Vietnam experience.

Actually, the pro-federal bias by AID is a holdover from the official U.S. position of July, 1967, when leaders of the Ibo tribe seceded from the Nigerian federation to form the republic of Biafra. U.S. Foreign Service officers on the African desk, expecting the Biafran revolt to be quickly subdued, sided with their counterparts in the British Foreign Office against the secession. That became Johnson administration policy.

But with the Nixon administration came faint stirrings of change. The new National Security Council staff at the White House under Dr. Henry Kissinger prepared secret memoranda proposing strict neutrality.

Urged by Sen. Charles Goodell of New York and opposed by the AID bureaucracy, President Nixon appointed a special relief administrator to get food to starving Biafra. Finally, on Nov. 12, the switch to neutrality was made official—against the wishes of the State Department's African desk—when Secretary of State William P. Rogers called for a negotiated settlement without the customary pro-federal declaration.

But while the policymaking machinery of the U.S. government was ponderously changing direction, AID bureaucrats went full speed ahead. Unknown even to the NSC, construction started on a new U.S. foreign aid project: a road from the southern port of Calabar running 127 miles northward.

That road constitutes unauthorized intervention into a civil war that could lead to unintended U.S. involvement. About 40 miles of the highway come within 6 to 15 miles of the Cross River, dividing line between Nigerian and Biafran troops. That raises the danger that Biafran troops could kill or kidnap Americans working on the road in Nigerian-held territory—the fate met by European workmen in Nigeria.

Moreover, the highway could be of direct military aid. When it is only half completed north from Calabar, it will form a 200-mile link for the federals to their forward bastion of Enugu. That would mean a major short-cut for the federals, who now send supply convoys some 500 miles east to Enugu from the western port of Lagos. In fact, some military traffic has already been seen on completed portions of the new road.

When AID officials testified before Congress last summer, nothing was said about the road. Its existence was discovered by a private citizen—Christopher Beal, a student at the Fletcher School of Law and Diplomacy—who passed the information on to amazed officials at the White House and on Capitol Hill.

Official assurances that the Calabar road means little have been less than candid. "The contractor working on the road reports only insignificant military traffic," asserts a State Department letter of Nov. 18 to Sen. Goodell. But a confidential AID memorandum for internal use, dated Oct. 26, is less categorical: "Some military and commercial vehicles have been reported using some of the roughly graded sections of the road."

Furthermore, the road reflects over-all AID policy. The agency's official justification for aid to Nigeria (which mentions Biafra only between quotes) is geared to rebuilding federal public works while the war continues.

But curiously, AID bureaucrats show no interest in getting food inside the landlocked Biafran enclave. Prof. C. C. Ferguson, named by Mr. Nixon as Nigerian relief administrator, has been deluged with legalistic nitpicking but very little help from AID. Accordingly, when the foreign aid bill reaches the Senate floor, Goodell will try to eliminate either the Calabar road or all aid to Nigeria.

What makes AID's persistent pro-federal policy peculiarly irrational is the fact that the U.S. cannot possibly compete with the Soviets and the British, currently bidding each other up for influence in Lagos by supplying arms to the federals. Rather, the Calabar road is one more example of the mindless devotion that some Foreign Service and AID officers have for their client countries, despite the risk of U.S. involvement. It is a syndrome that so far the Nixon administration is no more able to break than its predecessors.

## PROF. HAROLD M. GROVES

Mr. KENNEDY. Mr. President, Prof. Harold M. Groves, one of the Nation's most effective and revered public finance professors, died last week. I believe that it is particularly fitting that the Senate take recognition of his contribution to improved fiscal and tax policy in the United States at this time, when the most thorough-going tax reform bill in a generation is being considered by the Congress.

Professor Groves spent his professional career at the University of Wisconsin, where he developed many of the current group of the Nation's foremost tax experts. His students are a "Who's Who" in public finance. They include Walter W. Heller, Jesse Burkhead, Richard Goode, John Gronouski, C. Harry Kahn, Joseph A. Pechman, and many others.

In addition to teaching, Professor Groves authored a continuous stream of articles and books on Federal, State, and local taxes. His major objective was always to promote an effective and equitable tax system, at all levels of government.

The Nation will long benefit from his work and it is appropriate that we salute him at this time for his many contributions.

Mr. President, I ask unanimous consent that two obituary notices on Professor Groves, which appeared in the Capital Times and the New York Times, be printed in the RECORD.

There being no objection, the obituary notices were ordered to be printed in the RECORD, as follows:

[From the Capital Times, Dec. 3, 1969]

MEMORIAL RITES SET FOR HAROLD GROVES—NOTED U.W. ECONOMIST

Memorial services for Prof. Harold M. Groves, nationally-known University of Wisconsin economist and a long-time local civic leader, who died Tuesday, will be conducted at 1:30 p.m. Saturday in the First Unitarian Society Meeting House, 900 University Bay Dr.

Friends may contribute memorials to the Harold M. Groves Scholarship Fund, care of the University of Wisconsin Foundation.

The 72-year-old authority on taxation died in his sleep at the family home at 1418 Drake St.

Among his greatest achievements was the enactment of Wisconsin's unemployment compensation law, known as the "Grove's

Law," which was adopted by the Legislature in the early 1930s, the first such law in the nation.

He was an active leader in the co-operative movement and took a leading part in both state and local government.

Prof. Groves also served in Wisconsin's State Senate as a Progressive Republican from 1934 to 1936, and previously in the Assembly in 1930-31. He was an influential force in the world's money market through his studies in economics.

Some time ago he gave an interview praising the establishment of a two-price gold system, and predicted it would work out without disrupting the world's moneys.

His prediction was vindicated recently when the price of gold in Europe's free markets fell close to the official inter-government price of $35 an ounce.

Prof. Groves wrote the foreword for Capital Times Editor and Publisher William T. Evjue's book, "A Fighting Editor."

He was long active as a advocate of Frank Lloyd Wright civic auditorium plans for Madison.

In the Legislature Prof. Groves had been influential in developing teacher tenure legislation. In 1933 he served on the State Tax Commission, in 1934 on the Interstate Commission on Conflicting Taxation, and at other periods on the Madison Citizens Committee on Financial Problems and the Legislative Interim Committee on Unemployment.

A native of Lodi, Prof. Groves studied labor relations and economics at Wisconsin, where he received his Ph.D., studied law at Harvard, and obtained a teaching certificate from UCLA.

He taught history and physics for four years in Rice Lake and Waupun high schools before moving to the UW in 1924 to teach taxation and public finance.

Subsequently he was named John R. Commons professor of economics.

He served two years as an instructor and organizer for the AFL Labor College.

Until retirement in May 1963, Prof. Groves taught "The Industrial Society" in the Integrated Liberal Studies program at Wisconsin. He was the author of several books and frequently served as consultant and adviser in taxation and public finance.

Among his students were Walter Heller, former chairman of the President's Council of Economic Advisers; State Supreme Court Justice Horace Wilkie; Federal Judge and former Gov. John Reynolds, and Leon Epstein, former dean of the UW College of Letters and Science.

Prof. Groves is survived by his wife, Helen, with whom he worked on many city problems and organizations.

Also surviving are three sons, Thomas, Naperville, Ill., a researcher for Argonne Laboratories; Steven, Lexington, Mass., a professor at the Massachusetts Institute of Technology; Rod, De Kalb, Ill., a professor at the University of Illinois; a daughter, Susan, Berkeley, Calif.; two sisters, Susan, 1420 Drake St.: and Mrs. Lerna Steckelberg, Lodi, and eight grandchildren.

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[From the New York Times, Dec. 3, 1969]

HAROLD M. GROVES, EX-PROFESSOR, 72—ECONOMIST WHO WROTE FIRST JOBLESS-PAY LAW IS DEAD

Harold M. Groves, an economist and tax expert who devised the nation's first unemployment compensation law, died yesterday at his home in Madison, Wis. He was 72 years old.

Mr. Groves was professor emeritus of economics at the University of Wisconsin, where he had taught for 41 years until his retirement in June, 1968.

He first came to national prominence during the Depression. The Wisconsin Legislature had refused to pass an unemployment compensation bill that had been drafted by University of Wisconsin economists. Mr. Groves himself ran for the State Assembly in 1930, won, and guided the bill through the Legislature.

Mr. Groves was widely expected to be appointed as a tax expert in the Treasury Department by the incoming Roosevelt Administration, but the appointment was canceled by Secretary Henry Morgenthau, Jr. Mr. Groves later spoke critically of the Administration's economic policies.

In 1944 Mr. Groves wrote "Production, Jobs and Taxes," a prescription for a smooth transition to a postwar economy, for the Committee for Economic Development. He advocated a broadly based personal income tax as the main source of government revenue thereafter.

Although he never held an official position, Mr. Groves was often called upon to assess the Government's economic performance. At a symposium of economists organized in 1956 by Harvard University, Mr. Groves criticized the Eisenhower Administration's allergy to public spending."

He was appointed to an advisory panel in 1961 by the House Judiciary Committee, which was studying state taxation of interstate commerce.

Mr. Groves was born in Lodi, Wis. He graduated from the University of Wisconsin in 1919 and received his Ph.D there in 1927. He joined the faculty the same year.

He leaves his wife, the former Helen Hoppes; a daughter, Mrs. Susan Bement; three sons, Thomas, Steven, and Roderick; two sisters and eight grandchildren.

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## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there any further morning business? If not, morning business is concluded.

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## TAX REFORM ACT OF 1969

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. H.R. 13270, the Tax Reform Act of 1969.

The Senate resumed consideration of the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, now that the hour of 9:30 has arrived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair now lays before the Senate the unfinished business, the question being on adoption of the amendment by the Senator from New Hampshire. The Chair advises that debate on this amendment is limited to 2 hours, the time to be evenly divided.

Mr. JAVITS. Mr. President, I yield 10 minutes to the Senator from Illinois (Mr. PERCY).

Mr. PERCY. Mr. President, I was extremely sorry that physically I was not able to be here last night, but I carefully read the RECORD this morning, and if I heretofore had high regard, as I have had, for the distinguished senior Senator from New York (Mr. JAVITS), it was enhanced even further last night. I could not help but think of the comments I had made before 2,000 members of the National Foreign Trade Convention earlier this month in New York, many of them residents of New York City. In that speech I had described the senior Senator from New York, who is termed a liberal, as one of the great believers in the free enterprise system in America and a man who understood the whole basic principles of capitalism better than almost any man I know in the U.S. Senate.

I do not know what a "conservative" is or what a "liberal" is when a "liberal" is fighting to protect the whole essence of our economy and when "conservatives" are asking for protections against the workings of the free market and to disrupt and wreck the free market, using all the restrictive devices we can think of.

As I read the debate that was carried on last night in this Chamber, I could not help but think of the same arguments that are used to protect and impede the flow of goods coming into this country from abroad. Such import restrictions would impede the flow of goods exported from this country because exports are directly related to imports from any particular country.

I could not help but think that the same arguments could be used when we have a textile industry that has moved from New England to the South. Why not then ask for protection against the disruption of an industry in one part of the country when economic forces are causing it to move to another part of the country? Is not that the same kind of argument that could be used?

Also, if we are going to go to that extent, we could just as well protect one industry in one area from disruption because of technical innovations that have been made. We might as well say that if a man is engaged in the manufacture of ice boxes and someone comes along with a refrigerator, we had better protect the workers making those ice boxes from the unfair competition of the manufacturers of refrigerators. We may as well protect the manufacturers of buggies from the unfair competition of automobiles We may as well protect manufacturers of piston airplanes against the unfair competition of the jet.

It is this kind of logic that I think is causing us to distort our economy.

If the Senate enacts the amendment before us today, I think it would do irretrievable damage. I oppose the amendment for several reasons. I think it is irrelevant, I think it is inconsistent. I think it is unconscionable. I think it is irresponsible. I think it will create unemployment. I think it will lower the standard of living of Americans. I think it will wreck our economic trade policy. I think it shows lack of appreciation and consideration of what the economy of the United States is.

Let me go back over these points briefly. From the standpoint of being irrelevant, this is not an amendment to

increase Federal revenue or bring about any reform in our tax laws. It is a measure purely designed to limit imports and protect and give a subsidy to manufacturers who might otherwise have to adjust because of international competition.

It is not a revenue measure. This country has long since abandoned the thought that taxes or tariffs on imports are for the purpose of raising revenue. So it is irrelevant to the purpose of this particular bill.

It further strengthens the hand of the President when he says he is going to veto this bill if it does not fulfill the function and purpose we set out to accomplish in this particular bill. I for one could not possibly think the President would sign this bill if it had this amendment in it, which is so totally irrelevant to the purpose of the measure being considered by this body.

Mr. GRIFFIN. Mr. President, will the Senator yield for an observation?

Mr. PERCY. I am happy to yield.

Mr. GRIFFIN. I want to associate myself with the remarks just made by the distinguished senior Senator from Illinois and to join him in commending the distinguished senior Senator from New York. Aside from the merits of the particular amendment before us, it seems to me it should be rejected on the same ground that some other amendments have been rejected, and on which some others should have been rejected.

I argued yesterday, for example, that one of the amendments of the Senator from Massachusetts (Mr. KENNEDY) should not be adopted because it was campaign reform, not tax reform, and the bill before us is supposed to be tax reform.

As one who served a number of years in the other body, I must say frankly that there are times when I believe it would be well if the Senate had a rule of germaneness so we could confine our deliberations to the subject addressed in the particular bill reported to the Senate.

There is no doubt that questions involving tariffs, imports, and exports are very important matters, but they are so important that they should be dealt with separately and after very careful committee hearings and consideration. Aside from the merits of the pending amendment—and I am sure that it has great merit in the eyes of many in my own State, I believe the amendment should not be adopted under the existing circumstances.

Mr. PERCY. I thank the distinguished assistant minority leader. The Senator again has demonstrated his clairvoyance in this area and his full understanding of the facts.

I have already mentioned that this amendment is totally irrelevant to the purpose of the bill pending before us. That is the first reason why I would be opposed to the amendment.

The second reason is that I think it is totally inconsistent with what we are trying to do in this body. We are trying to reform taxes, bring about equity, and we are reducing the tax burden on some people, particularly low-income people and middle-income people.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. PERCY. I am happy to yield.

Mr. WILLIAMS of Delaware. As one who agrees with much of what the Senator has said, let me also say that the Senate has not been dealing with tax reform in the last 2 weeks.

Mr. PERCY. I accept the correction. It is why I am coming closer and closer to the conclusion that I simply could not vote for the bill in its present condition. I would like to raise the further point that we would be going against the very thing we have been trying to acomplish—not actually accomplishing, but trying to accomplish in some respects—because what we would be doing by this measure would be raising prices. We would be increasing the cost of living because we would be subsidizing the inefficient industries that cannot compete on the same basis for the consumer dollar. We are going to raise prices by taxing the consumer in order to subsidize the producer.

So it really takes the heat off the fight on inflation. The biggest weapon we can use against inflation today is the threat of imports if our prices so consistently get higher.

The thing that will hold union wage demands down is the facts of life if they see themselves faced with increasing competition from abroad. Otherwise protected and highly cloistered, they can continue to raise wages and companies will simply continue to charge higher prices for every single product. But, threatened with competition from abroad, they are going to have to start thinking in terms of economic sanity and economic balance.

So it is inconsistent with what we are trying to do when, on the one hand, we say, "Let us reduce taxes for lower-income people," and then, at the same time, take another action in the same bill that inevitably will raise prices for those same consumers.

Third, I believe this bill is unconscionable. I simply believe we cannot, as a matter of policy, shift——

Mr. HOLLINGS. Mr. President, will the Senator from Illinois yield?

Mr. PERCY. I shall be happy to yield to the distinguished Senator.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PERCY. I yield myself 10 more minutes.

I point out to the Senator from South Carolina that I must leave the Chamber to sit in the chair of the Small Business Committee hearings at 5 minutes to 10. I have only a few minutes; and because of that, I would very much appreciate being able to finish my argument, and then I shall be happy to yield whatever time may be required.

Mr. HOLLINGS. Just one point. Reference is constantly being made to our amendment as "unconscionable." Is it not within the Senator's knowledge that we do have this provision and authority for the President within the Tariff Act now, in section 1330, and also in the Trade Expansion Act of 1962? What the Senator is objecting to is, for all intents and purposes, written into law today.

Mr. PERCY. Well, if that is true, if we already have it, why should we enact this amendment? I believe the present law is more understandable and clear than this amendment. As the Senator from New York said last night, as an able lawyer he cannot even understand the language in the amendment, and as a law school dropout I cannot understand the language, either. I do not know how the President would apply it. It applies to every country in the world, and to virtually every disruption, whatever the company may be.

Mr. HOLLINGS. Mr. President, if the Senator will permit me, I think the distinguished Senator from New York understands it all too clearly. I do not think there is any lack of understanding on the part of the Senator from New York. He knows, and the Senator from Illinois knows. We have had hearings on this thing. It is not a matter of a lack of understanding, or unconscionable conduct, or discrediting the Senate. What we are trying to do is reaffirm to the Executive our belief that he should handle these foreign trade matters, rather than requesting Congress, and the Senate particularly, to pass these trade measures, with all the different items. We are trying to ask the President to use his authority, and to fix that authority over there, and reiterate it one more time, so there will be no misunderstandings.

Mr. PERCY. I thank the Senator. I wish that on his own time he would explain to us, then, if we already have this power provided in the law, why we need a second measure at this time.

Second, I hope the Senator will explain why it is that Congress, which has always had and cherished this power and authority, should now delegate and shift that responsibility to the President of the United States. It is for that reason I say this measure is unconscionable. We cannot shift to the President, already overburdened as no human being in the world today is overburdened with pressures of all conceivable kinds, the responsibility to determine when there is disruption in a domestic industry, when he should impose quotas, or when he should impose higher tariffs.

I think that responsibility must remain in Congress; and those who think otherwise are motivated, in my judgment, by the feeling that they either want to shift the responsibility and get it away from us so we can always just say it is up to the President, or else they feel that, by exerting pressure in election years on the President of the United States, they can perhaps get a better bargain than by keeping that responsibility where it belongs, in Congress.

Fourth, I consider this measure irresponsible. It is irresponsible because it is irrelevant; it is irresponsible because it is inconsistent; it is irresponsible because it could only invite a veto. If we are trying to kill the tax reform bill, then this would be the way to do it, by adding a measure like this, which is totally inconsistent with the message given by the President of the United States just 2 weeks ago—a brilliant message on our foreign economic trade policy. In that message he reiterated consistently the

policy that he, as President of the United States, felt this country should have, which was consistent with the policy that five other Presidents have enunciated since 1932.

I feel also that we should defeat this amendment because, in essence, I believe it will actually create unemployment. Surely we cannot sit here and be so naive as to think that we could raise tariffs, or we could impose quotas, without having the whole world retaliate against us overnight. In fact, I could name dozens of countries that are just waiting to have the United States of America impose a quota so that they can retaliate. They have been at this business far longer than we have been. They are far more ingenious in devising ways of preventing an American product from coming into their markets. They are the ones that keep saying it is unfair for them to compete with the highly developed industries of the United States, which have a virtual monopoly on certain types of technical knowledge, and which have almost unlimited amounts of capital, resources, skill, and automation. So the producers in those countires are waiting to retaliate against us.

So, Mr. President, because it would actually create unemployment, and because other countries would retaliate by imposing import quotas and it would stop or impede our exports abroad, I further oppose this amendment. I maintain it would actually lower the standard of living in this country. A standard of living is made up of the wages we receive and the prices we must pay for the products we purchase for our standard of living.

I cannot imagine any measure ever imposed and implemented by the President that would do more to increase prices in this country, and thereby lower the standard of living, in addition to sacrificing hundreds of thousands of jobs that depend upon our exports. Three and one-half billion other people across the world want the products of our factories and our farms. The only reason they cannot buy more of them is that they cannot sell us enough of their own products.

I think it would wreck the foreign policy of this country. Other countries would retaliate—countries like Japan, that are now beginning to see the light. I could not be more harsh in my criticism of Japan's foreign economic policy, nor could the Senior Senator from New York. We have both spoken to Japanese officials and indicated we would lead the fight to retaliate against them if they did not open up their country to the importation of products as well as capital.

It is for those reasons, I feel, that we are now making progress, and the Department of Commerce and the President have made considerable progress in recent months. We would simply be reversing that process if we were to start to do the very thing we have been warning Japan and other developed nations of the world against.

Last, I think this amendment misses the whole point of the economy of the United States of America. It is about time we stopped considering that this should be a producer's economy, and recognize that it is not our only job to come on this floor and fight for every single vested economic interest that exists in our States.

I have shoe factories in Illinois, I have steel mills in Illinois, I have many producer friends who come down to me and tell me their tales of woe. But there is not one of them who could ever come down and tell me that they had more trouble than I had, for 25 years in industry, in the highly protected photographic products industry, with imports flowing in from Japan and Germany.

I took the position then—for 25 years—that we should put the interest of the country ahead of those of any single company, that we simply could not ask the country to reverse a foreign economic trade policy because there were adjustments that were required by us because of imports.

This is a consumer economy, it is not a producer economy, and we had better start to have some recognition that we have more consumers in our States than we have producers. It is for that reason that I think the consumers of this country need to be organized better. They had better get a better lobby. They had better get a better understanding as to what is being done to them every time we start to tinker with the whole economic system of this country by trying to gerrymander and rig up the sort of controls that impede the free flow of products.

It is about time we say to the consumer, "You must have a voice." For that reason, I have introduced a strong consumer bill in Congress. For that reason, I feel certain that the consumer interests and the consumers would revolt, when they understand what we would be doing to them with this amendment. If they understood, every single consumer in every single State of every Senator who would vote for this amendment would be calling him to a reckoning.

As I say, I share the Senator from New York's view that the President has ample authority to redress legitimate import complaints. And I also believe that the Congress was too strict in the Trade Expansion Act of 1962 in its prescriptions as to eligibility for "escape clause" relief. However, the President's recommendations in his sound message to the Congress of November 18, 1969, on international trade, would remedy the problem by liberalizing the "escape clause" criteria. Tariff or quota relief would become more readily available to industries seriously injured by imports and direct economic assistance would be easier to obtain by firms and workers under the President's proposals.

Foreign trade is an intricate subject—as are taxation and tax reform. I strongly share the belief the late and great minority leader, Senator Everett M. Dirksen, expressed a year ago—when the Senate was considering Senator HOLLINGS' amendment to tax legislation that would have imposed import quotas on textiles—that trade proposals require careful hearing and deliberation rather than hasty consideration on this floor. If only for this reason alone, I object to Senator COTTON'S proposed amendment to H.R. 13270.

However, I object for a more basic reason than that. As Senator JAVITS has said, this amendment is not germane to the business before us—taxes and tax reform. If this body is concerned with matters of foreign trade, the opportunity for careful consideration of this subject will be afforded in 1970, when hearings undoubtedly will be held on President Nixon's November 18 message and legislative recommendations concerning foreign trade.

As the President stated in that message—

> It is clear that the trade problems of the 1970's will differ significantly from those of the past. New developments in the rapidly evolving world economy will require new responses and new initiatives.

I heartily commend the President for that statement and for ensuing recommendations for new trade legislation that he made to the Congress. It is in that spirit of recognition of change that trade policy for the 1970's must be fashioned.

Policy for the future certainly cannot be advanced by the kind of legislation Senator COTTON has put before this body today. While I commend the Senator for his concern that the President have the necessary authority to defend the domestic economy from injurious imports from abroad, I call his attention to existing legislation providing exactly such authority, as mentioned by the distinguished Senator from New York.

Let us be on with the compelling business before the Senate and leave matters of foreign trade to appropriate hearings in 1970. We then will have the opportunity and the time objectively to review past and present policy and to chart the course for the future.

To describe this amendment in a different manner, what this amendment really calls for is increasing Government interference in the flow of economic forces. Yet the problems of U.S. foreign trade today have been caused by Government actions and policies.

As we meet today, circumstances are far from bright. Some $75 billion in Federal deficits over the past 8 years have helped create rampant inflation in the United States. The deficits have played a major role in wiping out our traditional trade surplus. They have helped produce a $10.7 billion annual balance-of-payments deficit based on seasonally adjusted figures for the first 9 months of 1969.

Meanwhile, we are burdened down by a complex variety of controls on the free flow of capital. In Congress and in the business community, we hear increasing calls to restrict access to the U.S. market for products from other countries. A tragic war continues in Vietnam, draining our resources, contributing to inflation and harming our image in many nations.

The Government is tampering with the basic free flow of economic forces while its proper role should be to improve mechanisms to allow these basic economic forces to operate more freely.

I deplore the role of Congress today. The effect of several hundred import limitation bills threatens to wreck our

foreign economic trade policy. I am pleased to report that my name is not attached to a single one of these bills. Now we have an amendment before us which would affect all commodities.

Domestically, we have rising prices and wages. It is difficult to blame labor for wanting more, just as it is difficult to blame business for passing on their increased costs to customers. Yet, sooner rather than later, we must face up to the fact. Unit labor costs are soaring. In 1968, the increase in hourly compensation outstripped increases in productivity by more than 4 percent. Such inflationary wage increases rob us all of purchasing power, pick the pockets of those who are living on fixed incomes, undermine the job security of American workers and seriously damage our position in competitive world markets. As inflation has accelerated, our manufactured goods have become less and less competitive in world markets. This is why I strongly opposed repeal of the 7-percent investment tax credit. It is vitally needed to help American industry remain competitive.

What, then, is the outlook for U.S. foreign trade?

Looking ahead, I see the prospect of a brighter day for domestic economic stability, which, in time, may ease current pressures for restrictive trade policies. President Nixon is determined to bring the war in Vietnam to an end. He has also demonstrated the kind of needed fiscal responsibility to stem inflation. There has been a budget surplus in the current fiscal year and there should be one next year. I am confident that the administration will bring inflation under control. This would be the largest single factor in improving the competitive position of U.S. goods in world trade. And this is why I fully concur in this anti-inflation program. Domestic economic stability is a prerequisite to export growth and the natural curbing of imports. The President's anti-inflation program is a must and I support extension of the surtax and curbing unnecessary Federal expenditures, including a substantial cut in military spending.

It is true that we must remove barriers many other countries have erected. Clearly, many of the practices engaged in by our trade competitors are unfair to the United States and world trade interests.

The Common Market common agricultural policy, for example, has severely and unjustly hindered our domestic agricultural sector and damaged our trade balances. While U.S. nonagricultural trade rose by approximately 12 percent between 1967 and 1968, agricultural trade declined by close to 3 percent. I believe recent exchange rate changes in France and Germany have begun to awaken our friends in the European Economic Community to the headaches that can arise from such an exclusive policy. As subsidy payments rise to burdensome levels, the Common Market in my opinion, will negotiate a reasonable solution.

Japanese restrictions on the other hand, are more appropriate to a developing country than to one with a highly developed economy. Japan will probably have a $1.5 billion trade surplus with the United States this year. Japanese trade policy has played a major role in arousing the U.S. business community and the Congress to call for protection from foreign imports. Japan must realize that if such actions are taken, they will pay a heavy price. It behooves Japan now to liberalize its trade policies and take steps more suitable for the powerfully developed industrialized country that she now is.

The time is fast approaching then when a new round of negotiations must be scheduled on the issue of nontariff barriers. Preliminary work has commenced in Geneva under GATT's auspices.

Let the administration, then, commence now to lay the foundation for a Nixon round on nontariff barriers and let it move ahead as rapidly as possible in this area.

But let us take positive and constructive steps which will stimulate trade and remove barriers, not create new ones.

We can improve our performance in credit extension, insurance, and guarantee programs. The Export-Import Bank, under the direction of Henry Kearns has begun to guarantee loans of foreign financial institutions to finance purchases of U.S. exports. The Bank has also agreed to extend direct credits to foreign financial institutions on a selective basis for relending to private foreign enterprises to purchase U.S. products.

As good a job as Eximbank is doing, I believe we need to expand its authority to meet the longer credit terms that competitors of U.S. businesses can now offer through Government assistance. The advantage frequently runs to 3 or more years. Terms of interest are also a major cause for loss of foreign trade offers. Under present commercial or Eximbank financed arrangements, American exports must charge 8 to 11 percent interest, as against a subsidized rate of 5 to 6 percent by foreign competitors. If we are serious about expanding our foreign trade, we should more earnestly explore the possibility of conferring authority upon the Eximbank to discount paper under subsidy arrangement or else to authorize the Federal Reserve to provide direct subsidized credit. And, while we are at it, more serious attention should be given to taking the Eximbank out from under budgetary restrictions so that committed loan accounts are not charged against current appropriations.

The tax treatment of U.S. foreign trade operations also must be carefully scrutinized. The Treasury has proposed that American corporations be allowed to establish subsidiaries within the United States for the purpose of selling goods overseas. Payments of U.S. taxes could be postponed so long as the revenue continued to be used in foreign trade and export activity. This provision would enable U.S. exporters to compete more fairly against foreign-owned or foreign-based businesses abroad which benefit from tax preferences and tax shelters. Such corporations could also counter the establishment of subsidiaries overseas and thereby aid our domestic job market and balance-of-payments position.

I believe we should gain the permission of GATT to subsidize U.S. exporters on some percentage basis, for example, 5 or 10 percent, at such times when we are in overall balance-of-payments deficit. Many European members, under the value-added tax arrangement, grant subsidies to exporters even when the economy is in heavy trade and payments surplus. I believe the United States should be able to employ the same authority in cases where we are in payments deficit. Foreign nations would not be so likely to retaliate under such conditions.

But, let me restate my conviction that healthy open economies and vigorous freer trade are an essential foundation for prosperous democratic societies. We are threatened today with trade restrictions and retaliations. Some in this very body are egging us on to engage in similar behavior. We must resist these forces while at the same time taking action to expand freer trade. If we are reasonable and firm, I believe most nations will respond favorably to our leadership.

To show how important exports are to U.S. workers, I ask unanimous consent to have printed in the RECORD a table showing amounts of principal commodities exported in 1968 and the first half of 1969.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. EXPORTS OF SELECTED PRINCIPAL COMMODITIES BY HALF YEARS, 1968-69

[In millions of dollars]

| Commodity | 1968 | | | 1969 |
|---|---|---|---|---|
| | January–June | July–December | Total 1968 | January–June |
| Nonagricultural products, total | 13,658 | 14,314 | 27,972 | 15,148 |
| Engines, turbines, and parts | 536 | 524 | 1,060 | 557 |
| Agricultural machinery; tractors and parts | 438 | 435 | 823 | 473 |
| Computers and parts | 219 | 268 | 487 | 318 |
| Construction and maintenance equipment | 168 | 187 | 355 | 178 |
| Materials handling equipment | 222 | 240 | 462 | 247 |
| Other nonelectrical machinery | 1,702 | 1,628 | 3,330 | 1,834 |
| Electrical power machinery | 259 | 273 | 532 | 282 |
| Telecommunications apparatus | 263 | 272 | 535 | 303 |
| Other electrical machinery | 604 | 615 | 1,219 | 714 |
| New automobiles | 522 | 450 | 972 | 523 |
| Automotive parts | 749 | 781 | 1,530 | 888 |
| Commercial motor vehicles | 303 | 320 | 623 | 380 |
| Civilian aircraft | 725 | 681 | 1,406 | 701 |
| Military aircraft | 115 | 293 | 408 | 332 |
| Other transport equipment | 355 | 315 | 670 | 434 |

U.S. EXPORTS OF SELECTED PRINCIPAL COMMODITIES BY HALF YEARS, 1968-69—Continued

[In millions of dollars]

| Commodity | 1968 | | | 1969 |
|---|---|---|---|---|
| | January–June | July–December | Total 1968 | January–June |
| Chemical elements and compounds | 608 | 633 | 1,241 | 638 |
| Plastic materials and resins | 274 | 316 | 590 | 277 |
| Other chemicals | 690 | 768 | 1,438 | 687 |
| Fuels | 495 | 561 | 1,056 | 524 |
| Iron and steel mill products | 251 | 331 | 582 | 371 |
| Nonferrous metals | 380 | 484 | 864 | 399 |
| Professional and controlling instruments | 236 | 234 | 470 | 274 |
| Pulp; paper and manufactures | 389 | 433 | 822 | 408 |
| Other nonagricultural products | 3,155 | 3,272 | 6,427 | 3,406 |
| Agricultural products, total | 3,119 | 3,108 | 6,227 | 2,632 |
| Wheat | 556 | 437 | 993 | 351 |
| Corn | 361 | 373 | 734 | 259 |
| Soybeans | 354 | 456 | 810 | 328 |
| Unmanufactured tobacco | 209 | 315 | 524 | 192 |
| Cotton | 288 | 171 | 459 | 157 |
| Other agricultural products | 1,351 | 1,356 | 2,707 | 1,345 |

Note: Data are unadjusted for seasonal variation.

Source: Department of Commerce.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. JAVITS. Mr. President, I am very grateful to the Senator for the statement he has made.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, I am very grateful to the Senator for the statement he has made.

I will, on my own time, deal with the questions that have been raised by the Senator from South Carolina.

The Senator from Illinois is quite right. The Cotton amendment is not the same as the provisions of the act with respect to escape clause relations, and so forth. And in addition, even if it were, it is a fine argument for not having it, as the Senator has said.

My point in asking the Senator to yield is so that I might recall that last night, when I started to speak, I was inspired by the memory—although he is still very much with us, but no longer in the U.S. Senate—of Paul Douglas, Senator PERCY's predecessor whom the Senator from Illinois cherishes.

I said that my labors do not seem very arduous or even important compared to the struggle waged on the floor for years by former Senator Paul Douglas in respect of an open or a closed U.S. economy.

I say to the Senator that not only in this matter, but also in many other things, the Senator is distinguished himself as a Senator of independence, foresight, and statesmanship. And I think he would feel as I feel, more than anything else, well worthy of the line of succession in which Paul Douglas stood. I thank the Senator.

Mr. PERCY. Mr. President, I thank the Senator for reminding me of that section of his comments. I read them this morning with the same deep feelings that I know he has used in expressing them.

I have differed with Paul Douglas in years past on some matters. I suppose the most prominent matter was the Vietnam war. However, I must say that through the years I have worked side by side with him on this one particular subject area.

We did television and radio programs together when I was in business and he was in the Senate. We consistently saw eye to eye. And he has had the enlightened viewpoint of one of the finest economists of this country. And although Paul Douglas was considered a liberal—and by some an extreme liberal—he has more confidence in the American economy and a free trade economic policy and how the business world must operate to serve the consumers than any other man I know who was an economist as well as a legislator.

I am very proud and honored to be able to carry on his work in this area.

I would never want it to be felt that even though we cannot make up for his lack of presence on the floor, many of his good works would be lost because of the turnout of an election.

I am very grateful for my colleague bringing his name into the debate at this time. He was a champion for the cause of the consumer and a believer in the American free enterprise system, as exemplified by the positions he took year after year in this regard.

Mr. JAVITS. Mr. President, the Senator has made two points which seem to me to be critically important and very deserving of comment.

One point that he has made concerns the liberal and conservative. How is it that in trade, it is the liberals who are for the conservative position of an open, competing world and an open, competing country, whereas it is the conservative who takes the position of wanting to close, regulate, and shut off competition both for the consumer and for the producer.

The second point which I think is critically important—and which I made inadequately compared to the way in which the Senator made it—is the question of looking at our country through the eyes of other producers in other countries and what they fear from us, a great colossus of technology and enterprise.

If we are going to have a protectionist world, they would be a lot more afraid than we would. I think if we give them half an opportunity, we can get along.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, they have good reason to fear us, because after the war, we dominated the world economically in a way which, had we not been a people of rather sporting and rather warm and broad feelings, could have easily imposed a tyranny on the world, a tyranny with which we were charged in many quarters with having imposed, even though it was economic.

This represents a real fear by foreign businessmen, foreign producers, and foreign manufacturers. That is a very healthy observation to inject into the debate.

The Senator from Illinois has put it extremely well from the international point of view.

Mr. PERCY. Mr. President, if the amendment were proposed in the parliament of India, I might well understand it. After all, developing nations see things differently. And 200 years ago something like this might have been appropriate for our country. However, for us to deal in fear, for us to be dealing as a country that thinks it needs this kind of protection and needs to have Congress give this kind of authority to the President would be inconsistent with the role a developed, rich nation, the most powerful economic nation on earth has today.

We have heard a great deal from our colleagues about supporting the President. I cannot imagine that we can say on the one hand we should support the President and on the other, when he has made it so unmistakably clear on this issue, that we should try to force authority on him and try to force him into a position of taking responsibility when he does not want it and does not feel it should be appropriately taken.

I quote once again one sentence from the letter addressed to the honorable RUSSELL B. LONG, chairman of the Committee on Finance, from the General Counsel of the Department of Commerce, He states:

> On behalf of the administration, the Department of Commerce is opposed to the enactment of the proposed amendment.

If we want to support our President, let us do it. And this is a good chance to do it during the consideration of this legislative matter, in which we have full responsibiilty and authority.

For all of the reasons I have given heretofore, I vigorously oppose the amendment. I feel that it would be wrong for the country to do it. And this is certainly the wrong bill on which to impose such an amendment.

I yield the floor.

Mr. HOLLINGS. Mr. President, will the Senator yield?

Mr. JAVITS. Mr. President, I do not yield now for one reason. I would deeply appreciate it if the Senator from South Carolina would speak on the opposition

time. I would be happy to yield under those conditions.

Mr. HOLLINGS. Mr. President, will the Senator from New Hampshire yield some time to me in which to ask a question of the Senator from New York?

Mr. COTTON. Mr. President, I yield 2 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 2 minutes.

Mr. HOLLINGS. Mr. President, I am delighted to hear a speech made about supporting the President. I went around here trying to get everybody to support the President for the last 3 months. I think we are making real progress now.

The distinguished Senator from Illinois and the distinguished Senator from New York harken to the memory of the former Senator from Illinois, Paul Douglas, whom I never really had the pleasure of knowing intimately. However, since we are talking about liberalism and free trade, I would like to ask the Senator from Illinois if it is not a fact that the Kennedy Trade Expansion Act of 1962 and the Kennedy round itself for expanding trade and removing tariffs and liberalizing free trade was attributed to President John F. Kennedy because of his leadership in this regard.

Mr. PERCY. Mr. President, I think that all Presidents who have had the opportunity to look at the total picture have had this position. Every single President from Franklin Delano Roosevelt has been consistent in national trade policy. By this amendment, we are attemping to junk totally everything that we have learned during the past 35 years.

I had conversations with former President Kennedy on this very subject. He was considerably enlightened. He recognized that world trade could be advanced by the freedom of U.S. trade policies from restrictions and the removal of barriers erected for that purpose. He dedicated himself to that position.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLINGS. The Senator also appreciates the fact that President John F. Kennedy used the same authority as enunciated in the Cotton amendment in order to obtain the long-term arrangement between 34 countries on cotton textiles.

Mr. PERCY. If he used authority which he possessed, and if the President of the United States still possesses such authority, and if that authority is adequate for the distinguished Senator from South Carolina, I cannot see why we should delay passage of this tax reform bill by imposing the very same kind of authority which the distinguished Senator says the President already has. Is this not redundant?

Mr. HOLLINGS. It is redundant in that context, but not according to the Executive; because, while we tell him he has the authority, he keeps running over asking us to put this in, which is substantially what we threatened at his request with the visit of Prime Minister Sato just 2 weeks ago.

Now we put into an amendment what the President, himself, requested by way of a letter to be used in his conferences with Prime Minister Sato, and it is now called unconscionable and redundant.

Of course, we are trying to carry through a policy of consistent free trade, and I will exchange comments with the Senator from New York about the language and the wording and how unconscionable and how un-understandable this thing is.

Mr. PERCY. Mr. President, will the Senator yield for a question?

Mr. HOLLINGS. I yield.

Mr. PERCY. Does the Senator think that if the late President Kennedy were alive today, he would be asking today, under these circumstances, for this authority, or would he be taking exactly the same position President Nixon has taken?

Mr. HOLLINGS. I believe that President Kennedy would be acting under the present authority, and I have said that time and again when I could not get President Johnson to do it, when I could not get President Nixon to do it. They both talked about it, but they did not act, and I am trying to motivate the President into action. That is the purpose of this.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD of West Virginia. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. JAVITS. I yield.

## SUBCOMMITTEE MEETINGS DURING SENATE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Subcommittee on Patents, Trademarks and Copyrights, of the Committee on the Judiciary, be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. JAVITS. I yield myself 1 minute, to learn whether the proponent of the amendment proposes to use any time now. If not, I will proceed.

Mr. AIKEN. Mr. President, will the Senator yield me 30 seconds?

Mr. JAVITS. I yield.

Mr. AIKEN. I want to say, in regard to the statement that President Johnson would not act in time of crisis, that I never found that to be a fact. I found that when there was a real crisis and action was warranted, President Johnson did not hesitate to take action.

Mr. JAVITS. Does the Senator from New Hampshire desire to use any time? If not, I will proceed.

Mr. COTTON. I will say to the distinguished Senator that this matter was well debated last night. It is at his desire that we have 2 hours this morning. The Senator from Illinois has just talked about how sad it is to delay this bill by discussing the benighted amendment offered by the less intelligent Members of the body. I certainly do not want to delay. The only speech I intend to make this morning is: Let us vote.

So the Senator can go ahead and use his time. I hope I will not have to use mine, because I cannot see that it helps anybody.

Mr. JAVITS. That is fine.

I yield myself 10 minutes.

Mr. President, I feel that the Senate and the country were well served last night. I do not know what the result will be today, but I think that what I did last night was essential to our national health and security and future. I hope I have other such times in the Senate. I thoroughly believe that a very important issue is at stake here and that it is my duty and that of every other Senator who is similarly motivated to lay it before the Senate.

The issue, I repeat, is what I tried to put before the Senate last night. It has three elements:

One, this amendment is completely irrelevant to this bill, absolutely so, and should be tested on that ground; and I will propose in due course to do so.

Two, this amendment endeavors to change, in an amendment on the Senate floor which is irrelevant to the pending bill, not only the existing carefully considered and drafted legislation of the United States in the trade field, but also, it aborts—and I say this to my fellow Republicans—the President's own intention. I will demonstrate that completely in a moment, from his message delivered to us on November 18.

Three, it is unworthy of the Senate to adopt an amendment which will signal to all mankind the fact that the Senate of the United States is going protectionist at the very moment when there is the gravest danger of a trade war in the world.

Therefore, the Senate's views are essentially dictated by a very local and sectional interest, which I do not in any way depreciate, and on which I make no findings as to the general interest in the country. If Senators feel that they have a particular sectional interest which should prevail in a given case, it is their duty to fight for it. But it is also the duty of other Senators who see the total of the national interest to fight at least as hard in order to prevent what could be a disaster for the country, and that is the purpose of my undertaking the opposition to this amendment.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from New York has 25 minutes remaining.

Mr. JAVITS. Taking these arguments, in turn, I said that this endeavor to reverse existing law and this question have been challenged.

Mr. PROXMIRE. Mr. President, will the Senator yield to me now, or would he prefer to do so later?

Mr. JAVITS. I yield to the distinguish Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I commend the distinguished Senator from New York on what I think is one of the

most remarkable performances I have seen in the 12 years I have been in the Senate.

I was in the Chamber last night when the Senator from New Hampshire called up his amendment. I have great respect for the Senator from New Hampshire. I think NORRIS COTTON is a man of great ability, and, of course, I respect him as the ranking minority member of the Committee on Commerce and a man who has demonstrated again and again his ability in this area and his great concern and knowledge.

However, what the Senator from New York did last night is unusual, because the Senate was sweeping along with an amendment which has great popular appeal and, on the face of it, great merit.

I should like to ask the distinguished Senator from New York whether, to his knowledge, there were any hearings in the Ways and Means Committee or in the Finance Committee on this very far-reaching amendment which is before the Senate, which I understand the Senator from New York has told the Senate would give up, in his view, control over tariff policy to the President of the United States, would surrender it.

Mr. JAVITS. I know of none whatever.

I am grateful to the Senator from Wisconsin for his gracious statement about me. I should like to point out to him that the President has asked for a new test altogether different from the one that is in the Trade Act now, and different from the one contained in Senator COTTON'S amendment.

The President says in his message:

> I recommend the liberalization of the escape clause to provide, for industries adversely affected by import competition, a test that will be simple and clear: Relief should be available whenever increased imports are the primary cause of actual or potential serious injury.

I shall read that again:

> Relief should be available whenever increased imports of a primary cause of actual or potential serious injury.

Now I should like to read what Senator COTTON'S amendment says:

> (2) the foreign country producing such commodity is imposing restrictions (by means of quotas, import licenses, tariffs, taxes, or otherwise) against the importation into such foreign country of articles produced in the United States,

The key comparison is on page 1 in lines 7 through 10 of the Cotton amendment which states:

> (1) the importation of any commodity from a foreign country is at such levels so as to disrupt the domestic market or is causing injury to industries, firms, or workers in the United States, and

I cannot see the remotest relationship or comparison, except for the use of the one word "injury," between this definition and the President's requested definition, or the definition of the Trade Adjustment Act which reads:

> The President may proclaim such increase in or the imposition of any duty or other import restriction on the article causing or threatening to cause serious injury—

Mr. President, I wish to repeat those words: "causing or threatening to cause serious injury to such industry as he determines to be necessary to prevent or remedy serious injury to such industry."

The courts have a stack of cases and the Tariff Commission has a great many cases interpreting "serious injury." There is always a major argument about whether or not the serious injury is attributable to imports or how the President wants to clarify that.

I challenge anyone to find the word "disrupt" anywhere or to bring in a definition which will be credible to the Senate in passing any such operative statute which is based on an undefinable concept or one so broad a concept that the President could do anything he pleases.

If one uses the word "disrupt" literally, everyone disrupts. A tariff disrupts, any regulation disrupts. The United States, under section 22 of the Agriculture Adjustment Act is disrupting in all commodities in which it imposes quotas. I can read the list.

In addition I do not understand this situation. Our farmers now have $2.6 billion worth of exports a year. We are complaining against the Common Market and say they are messing up the world because they want to turn protectionist. Here we give them an open invitation. I do not understand it. The farm bloc is supposed to understand the farmer. I do not understand anything like this.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. AIKEN. Mr. President, with respect to what I said about President Johnson taking action when there was a crisis and action was needed, we had a case of Common Market countries undertaking to submerge our dairy market in the United States and President Johnson, under existing law, took action and established quotas which really saved the American dairy industry from disaster. That is in the law now.

Mr. JAVITS. I am grateful to the Senator from Vermont.

Mr. AIKEN. I want to give President Johnson all the credit I can because he did not take all my advice.

Mr. JAVITS. I thank the distinguiished Senator from Vermont.

Mr. President, I wish to read this language to the Senate:

> Pursuant to authority important restrictions are presently applied in the United States against imports in certain specified dairy products and also on cotton, wheat, and peanuts.

So right now we are disrupting.

Mr. PROXMIRE. Mr. President, will the Senator yield further?

Mr. JAVITS. I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 additional minutes.

Mr. PROXMIRE. I wish to ask the Senator from New York if it is not true that if some Senator took the message and extracted from it the legislative proposals and introduced them as amendments on this bill there would be a tremendous protest on the floor of the Senate because we would have short-circuited the hearing process, there would have been no legislative hearings, and no one could have appeared and testified for or against it.

Mr. President, I submit that the Senator from New Hampshire, who is a great man and a man with vast experience, in a sense is doing this.

Let us assume——

Mr. COTTON. Mr. President, will the Senator yield to me on my time?

Mr. JAVITS. I have the floor. I yield to the Senator.

Mr. COTTON. Mr. President, I yield myself one-half minute.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. COTTON. How many hearings did they hold on the social security amendments? How many hearings were held on all of the many amendments that have been tacked on to this bill? It is a little ridiculous to wail and wring one's hands on the floor of the Senate that the committee did not hold hearings. We have in the tax bill so many matters on which the committee had no hearings that one can hardly count them. This is ridiculous.

Mr. PROXMIRE. Mr. President, I wish to say to my good friend from New Hampshire it is true that no hearings were held on some matters involved in the tax bill and that is regrettable. However, extensive hearings were held on most provisions that have been offered and agreed to; although not all of them.

In this case we have a completely different kind of consideration. The Senator from New York has made the point. This amendment is not relevant. This is a trade matter and the amendment goes very far. Here, above all, we should have hearings.

When the Reciprocal Trade Act was passed, and it is not as far reaching as this, there were extensive hearings which took many weeks and months. Under these circumstances, where we have something that is not relevant to a tax bill and something that is very far reaching and something which runs counter to the proposal of the President, we should have a record and we should know what we are doing.

Mr. President, I want to thank the Senator from New York for his outstanding service in calling this matter to the attention of the Senate so ably.

Mr. JAVITS. Mr. President, now to proceed to a few other points with respect to the amendment, I promised yesterday I would call to the attention of the Senate what is being jecpardized here, and what we are dealing with, especially in terms of money and jobs. The foreign trade of the United States, export and import, is estimated to provide jobs for 4.5 million Americans. Mr. President, I repeat that figure: 4.5 million Americans. The trade amounts to in excess of $70 million a year.

While it is easy to fix our attention on shoes and textiles, what about fixing our attention on agriculture, which I referred to before, where our agriculture exports, on the whole, run to something in the neighborhood of $3 billion a year every 6 months, according to the record

of 1968, and $2.632 billion for the period January to June of 1969.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. THURMOND. Mr. President, I would like to inquire if the figure which the Senator referred to includes the Public Law 480 funds we send and do not get cash for but merely a credit.

Mr. JAVITS. I will find out.

Mr. THURMOND. I understand the figures the Senator has referred to do include that amount. If that is the case it would hardly be a fair figure to use because the farmers in our country do not actually see that money.

Mr. JAVITS. I will check to determine that information. But even with it, it is a fair figure because it represents money in the pockets of the American farmer, whether he gets it from other taxpayers of the United States or in foreign dollars.

Mr. THURMOND. But it comes from the Treasury of the United States.

Mr. JAVITS. I know, but he gets it from other taxpayers who are not farmers and I feel that is a legitimate source of income to him.

Mr. THURMOND. Do we not now have millions of dollars known as counterpart funds in other countries that we will probably never use growing out of this?

Mr. JAVITS. All the Senator is making is a foreign aid argument. I say the farmer gets the money out of other taxpayers of the United States, but he gets it. I will check on the figures and the amount of Public Law 480 funds in it, but I do not think it is relevant to the $2.632 billion for 6 months in 1969.

Those Senators who have automobile factories, computer factories, agriculture machinery factories, engines, turbines, parts, electronic power equipment and telecommunications industries had better take a good look at the figures before they decide what is in their interest because it appears that automobiles, automotive parts, and so forth exported by the United States run in the neighborhood of $2.5 billion a year. Senators who have airplane factories in their States had better consider the fact that $1.8 billion in airplanes and airplane parts go out of the United States.

In short, what is completely omitted—and a sudden strange silence pervades the Chamber when this kind of protectionist approach—and that is what it is—is asked from the Senate, when trade is certainly a two-way street—is that other countries, and labor, will be disposed, as we ought to know by now, to be very happy to retaliate against us, once we start the idea that we are ready for a trade war. That is what the Senate would be signaling.

I do not agree that the best way to negotiate with nations which are just as proud as we are is by making threats. I do not agree with that. I do not agree that the best way to get a voluntary agreement on textiles, or anything else, is by threatening another power.

If we had threatened Mr. Sato, it would have made his position untenable, and he would not be running for re-election if he had yielded to the United States.

Yet, thoughtlessly, that is exactly what the Senate, in my judgment, will be lending itself to if it adopts the pending amendment.

Another point is that New England has changed. It has changed because its textile mills did not have to worry about competition from abroad. They all moved into the South, and New England was practically a whole area of deserted villages. Until what happened? Until miscellaneous industries, such as electronic equipment manufacturers, and other industries which needed highly skilled workers, came to New England and took up the slack.

Now New England is flourishing again.

One of the critically important aspects of the economy of New England, the traditional home of protectionism, is its ability now to trade throughout the world in terms of the highest levels of American technology.

It seems to me that that is a very critical and important point in respect to what is happening in this country, even by section.

Mr. President, the interest of the consumer is at stake.

The PRESIDING OFFICER. The time the Senator from New York allotted to himself has now expired.

Mr. JAVITS. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. In addition, Mr. President, before we signal to the world that the Senate is lined up on the protectionist side, whatever the President may say, if we are going to run it our way, without giving considered judgment to the recommendations in his presidential message which he sent us only a few weeks ago, we had better think about the interests of the consumer which are involved as well, because producers are also consumers.

The consumers of the United States—and the Senator from Illinois (Mr. PERCY) never said a truer word—had better ask themselves the question: "What is happening to us?" Two things are happening having to do with putting American industry on its toes because of the competitive factor. First is the proposal of the United Kingdom to get into the European Common Market, which is critically important to health as well as to the prosperity and the keenness in change, and so forth, of British business.

One of the really strong reasons why the British want to get into the European Common Market is their sensitivity on that particular point.

So far as our own producers are concerned, they need the competition, especially in soft goods, the very goods being discussed here, such as shoes and textiles, in order to keep American business competitive. After all, if things get too expensive and too high in costs of production, our economy will get completely out of line.

Point 2, which puzzles me about the conservative point of view on this trade quota and trade restriction picture, is the issue of labor. That is a very interesting point.

On the one hand, there are claims that American labor knows no limitations in terms of wages, fringe benefits, and in terms of continually shortening the hours of work; that they are just running roughshod over the American economy without any real understanding of the competitive demands upon the economy. On the other hand, the very same people, almost to a man, when we seek to furnish competition for that in terms of the export-import policy of the United States, try to dam up instead of promote and accelerate that kind of healthy competition.

It seems to me that just as we want to keep American business on its toes in terms of giving it some competitive standards that it must meet and deal with, we should want to keep American labor on its toes for precisely the same reason.

Yet, as I say, we have this very strange dichotomy on the part of the very same people who, on the one hand, want to keep American labor competitive and, on the other, will kill off, or endeavor to kill off, any measure designed toward that end.

Mr. President, I should like to sum up our side of the debate regarding the proposed amendment as follows.

First, it is irrelevant to the bill. That is irrefutable.

Second, it represents a signal to the world that the Senate, without waiting for any deliberate consideration even of the President's message, is committing itself definitely to a protectionist and retaliatory course, the effect of which will do only the United States considerable harm; because, as we all know, they have retaliated and they will retaliate because many of the forces within these other countries will be very glad of the opportunity.

Third, the amendment itself, in its terms, represents the kind of law which is so loose in its application and so indefinite as, in effect, to transfer the authority of Congress to the executive.

The PRESIDING OFFICER. The time which the Senator from New York allotted to himself has now expired.

Mr. JAVITS. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 additional minutes.

Mr. JAVITS. Mr. President, as to transferring the whole authority of Congress to the Executive, that is something which I can hardly expect, although it may well be that the Senate should consider the fact that this amendment is being offered to an alleged tax reform bill without the deliberation and consideration which even such a move should require.

Again, I have defined and compared precisely the words of the amendment with the words of the Trade Adjustment Act itself and with the words and the definitions that are recommended by the President. It is my deep conviction that the words used in the amendment are the most indefinite, hardest to define, and broadest in terms of a completely blanket grant of authority that we could possibly use in transferring au-

thority to the President of the United States.

For all these reasons, I very much hope that at the appropriate time the Senate will reject the amendment.

Mr. PROXMIRE. Mr. President, will the Senator from New York yield briefly?

Mr. JAVITS. I yield.

The PRESIDING OFFICER. (Mr. TALMADGE in the chair). The time yielded to himself by the Senator from New York has expired.

Mr. JAVITS. Mr. President, I yield myself 2 additional minutes. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, the Senator from New York has made a strong and convincing case, but I think he has understated his economic argument so far as jobs are concerned. It is true that our exports and imports are in balance. But over the years, we have had a favorable—I repeat favorable—balance of trade. We have had it until recently. I do not know of any economist who does not think we will have a favorable balance in the future. This means that there have been and will be more jobs in the export industries than in industries adversely affected by exports. And this means that to the extent this amendment restricts trade—and it certainly will—it will abolish jobs, not protect them.

The Senator from New York is fighting restrictive legislation. He is fighting to preserve an opportunity for American workers to produce goods for export throughout the world. He has also made a devastating argument for trade providing effective competition at home, so that our prices can remain reasonably stable. We need all the weapons we can get to combat inflation and world trade is a potent weapon.

The PRESIDING OFFICER. The time yielded to himself by the Senator from New York has expired.

Mr. JAVITS. Mr. President, I yield myself 1 additional minute.

I am grateful to the Senator from Wisconsin for pointing out the export surplus proposition. In 1966 we had an export surplus of $3.786 billion; in 1967, $4.033 billion; in 1968, $1.1 billion; for 1969, the indications are that, notwithstanding the disagreement which we have had, we will have an export surplus of $889 million. As a matter of fact, it is expected that we will again resume the export surplus status which has essentially sustained the economic policy of the United States throughout the years.

To the Senator from South Carolina (Mr. THURMOND), I should like to say that the Department of Commerce statistics which I read—and they have just been checked out—do include Public Law 480 funds in the total of $1.4 billion, and they should be added to the figures.

I point out that the figures which I gave would indicate a rate of export of agricultural products of, roughly, $5.2 billion for 1969, assuming the record of 1968 is sustained. Of that amount, 20 percent, or $1.2 billion, is Public Law 480 funds. From the economic point of view, I think that properly represents income. In other words, if it is never paid for or set off by counterpart funds, it is income to the farmers of the Nation from other taxpayers.

Mr. THURMOND. The figures do include Public Law 480?

Mr. JAVITS. They do; that is exactly right.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator has 4 minutes.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. COTTON. If we have a quorum call at this time, it has to be taken out of some Senator's time. Is that correct?

The PRESIDING OFFICER. That is correct, and under the precedents, the Senator from New York does not have sufficient time to complete a quorum call. He has only 4 minutes remaining.

Mr. JAVITS. I yield myself 1 minute. In view of the fact that the Senator from New Hampshire obviously does not intend to use any time, I do believe that Members of the Senate ought to be advised that this matter is coming to a vote by a quorum call.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield time for it? Under the precedents of the Senate, the 4 minutes remaining of the time of the Senator from New York is insufficient for a quorum call.

Mr. COTTON. Mr. President, I yield myself 1 minute to say to the Chair that the Senator from New Hampshire may have to yield some time, and the Senator from New York demanded this time for debate in the Senate this morning. He has used almost all of his time, and I must object to a quorum call being taken out of my time at this point until I know whether I have to use it.

The PRESIDING OFFICER. The Chair will state to the Senator from New York that he has a constitutional right to suggest the absence of a quorum, but not until all time has been yielded back or has expired.

Mr. JAVITS. Mr. President, a parliamentary inquiry, still on my time.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. May I move to table this amendment when my time has expired? Do I have a right to do that?

The PRESIDING OFFICER. The Senator may move to table when all time has expired or has been yielded back.

Mr. JAVITS. And I will be recognized for that purpose?

The PRESIDING OFFICER. The Senator will be recognized.

Who yields time?

Mr. COTTON. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator is recognized for 1 minute.

Mr. COTTON. I gave my word last night to the distinguished majority leader that if he acceded to the demand of the Senator from New York for 1 hour on each side, I would try my best—in view of the extent of the debate we had last evening to use only a minimum of time. I do not, however, want to gag any of my good friends.

The distinguished Senator from Maine (Mr. MUSKIE) did not have an opportunity last night to engage in debate. Therefore, I yield the Senator from Maine 5 minutes.

The PRESIDING OFFICER. The Senator from Maine is recognized for 5 minutes.

Mr. MUSKIE. I thank the Senator.

Mr. President, I have listened with great interest this morning to the remarks by the Senator from New York. The implication from what he has said is that the question is one of whether we have unlimited free trade or no trade at all with other countries around the globe.

I suggest that the amendment of the distingiushed Senator from New Hampshire is not addressed to either of those very unrealistic objectives.

Every Senator, I think, recognizes the part that international trade plays in the role of the United States around the globe, in the growth of the American economy, and in the interest of our consumers.

The question really is whether, under any conceivable circumstances, the Senate or the Congress of the United States ought to be concerned with the kind of competition which American industry faces in our own markets: whether, under any conceivable circumstances, the American people ought to be concerned as to whether or not unfair competition from imported goods in our own markets threatens the existence and the survival of American interests and American industry.

In my part of the country we have special concern about the imports of textiles and shoes, and, indeed, increasingly about imports of electronic equipment. In all of these three areas competition from abroad in our own markets has grown steadily and at a rate which I think is of concern to all of us.

Using the shoe industry alone as an example, in 1954 imports of shoes from abroad were insignificant, almost at the zero point. Today imports of foreign shoes into our own markets exceed 30 percent of domestic consumption, and in recent years the rate of increase has been steeper than is suggested by those two figures.

The shoe industry, Mr. President, is a very mobile industry. It does not take a great deal of capital to set up a shoe plant and it does not involve much loss to move it, or even to close it, on the part of the entrepreneurs who have invested in it.

There is a disposition in the shoe industry in this country, which can be accelerated very quickly if the present trend in shoe imports continues, to move their operations abroad. This would, in effect, be the movement of American jobs abroad.

What the Senator from New Hampshire is frustrated by is that, in the name of free trade, we are asked to defend the importation of shoes, and other commodities, into this country from countries which themselves impose restrictions on the same commodities.

Consider, for example, Japan. Japan resists, with all the vigor of which she is capable, any import quotas on shoes into the United States; but Japan herself im-

poses quotas upon the importation of shoes from the United States into Japan.

Japan concedes this inconsistency. Japan defends this inconsistency as her right, unilaterally, to protect the Japanese shoe industry.

I agree with the distinguished Senator from New York that trade is a two-way street. But other countries, including Japan—which is possibly the greatest trading nation on the face of the earth—impose restrictions upon the importation of commodities from elsewhere. I think it has been said, and accurately, that Japan at one and the same time may be the world's greatest trading nation and also the world's greatest protectionist trading nation. But Japan recognizes that until the time when we reach the millennium where there can be absolute unrestricted movement of goods and people across international borders, she has a national interest to protect Japanese industry against the disruptive effect of import competition.

Japan promotes that kind of policy. Many of our European trading partners promote similar policies. The European Common Market promotes that kind of policy. All the distinguished Senator from New Hampshire is saying is that until we reach the millennium, there are circumstances——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COTTON. I yield the Senator from Maine 3 more minutes.

Mr. MUSKIE. Circumstances in which American policy also ought to be concerned with import competition in our own markets, when that competition promotes disruptive conditions which are destructive to the health and survival of American industry.

The vote this morning, Mr. President, is on an amendment which I expect will not be written into law, but the vote this morning gives those of us who are concerned about disruptive import competition in our markets an opportunity to express our concern.

There are negotiations underway in Geneva at the present time, in the field of textiles, involving some of our trading partners. I think it would be in our national interest for them to know, on the basis of this vote in the Senate, that we are concerned. We want to move back the barriers to trade. We want eventually to eliminate the barriers to trade. But when we do so, we must take into consideration the legitimate interests of American industry and American jobs.

I repeat, Mr. President, this is not a question of whether we have no trade abroad. This is not a question, at this point in time, since we have not reached the millennium, of unlimited free trade around the globe. No nation on the face of the earth practices a free trade policy today, and none is likely to next week or next month. We are talking about a policy which will enable American industry to adjust to import competition in our own markets when that competition is disruptive, when that competition takes place under conditions in which foreign imports are given a better break, in our own market, than our own goods.

That is what the Senator's amendment is about. That is the concern it expresses, and because it expresses that concern, I support it.

Mr. PASTORE. Mr. President, will the Senator from New Hampshire yield me 2 or 3 minutes?

Mr. COTTON. Mr. President, first I yield myself one-half minute. I shall be delighted to yield to the distinguished Senator from Rhode Island; I merely wish to repeat what I have said before, that I promised the majority leader that we would hold down the debate.

I yield 5 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I shall not require 5 minutes. I have already said on the floor of the Senate dozens of times what I am repeating now. I have worked with the Senator from New Hampshire, the Senator from South Carolina, the Senator from Maine, and the Senator from Georgia in what has been, actually, an operation of frustration from beginning to end.

I shall never forget the years when John F. Kennedy was a Member of the Senate. He would be sending me telegrams, asking, "Will you cooperate with me to do something about saving the textile industry in New England?"

We would send letters and telegrams down to President Eisenhower, and nothing ever happened. Then John Kennedy became the President of the United States, and, as I think the Senator from New Hampshire has brought this out, we all marched down there saying to ourselves, "Now we have a friend in court. Maybe John Kennedy, who used to send all those telegrams, will do something about the situation."

But what his response? The response was, "Oh, now that I am President of the United States, I have to worry about Okinawa; I have to worry about Matsu and Quemoy, I have to worry about Pakistan; I have to worry about India," until I began to wonder, who is going to worry about the American worker?

Nothing ever happened. We started in 1958. The historic resolution on the decline of the textile industry was introduced by the Senator from New Hampshire. We held hearings all along the Atlantic seaboard. We had labor leaders come in, we had businessmen come in, we had everybody come in and all established that the textile industry was deteriorating.

Realize, Mr. President, that today our exports of textiles are absolutely nil. Nil, and here we are, with one country alone in this world exporting to us 50 percent of the American consumption in certain articles of textiles.

True, Mr. President, we have Vietnam on our hands today. We are pumping $30 billion into Vietnam now. That is giving an artificial boost to our economy; and I certainly hope that kind of artificial boost comes to an end tomorrow. But when it does, where are we going to find the mills that we used to have? Where are we going to find the jobs that we used to have?

We are busy now manufacturing bombs and bullets, and maintaining defense bases everywhere while the people whom we are defending are making refrigerators and televisions, and sending them over here to the American market. I say the time has come when America must look at itself in the mirror, to see what is happening to us.

Here we have this distressing problem of Appalachia, the poor section of the country. That is where our textile mills could do us much good. Yet here we are, pumping more money, seeking to train and retrain people whose jobs have deserted them.

It is a generous act to take a poor fellow who has worked in a textile mill from the age of 20 to the age of 50 and try to retrain him, after his textile job has disappeared. But when he gets to be 50 years old, what are you going to train him for? To run an elevator? Where is he going to get that job running an elevator, if there is no elevator to run? That is our problem.

All we are saying is this: We do not want to be unfair. All of us have voted to extend the Trade Expansion Act. We voted for it time and time again. We were told that this matter would be adjusted. Not too long ago, I had some distinguished parliamentarians from Japan come into my office. I was told, in a very subtle way, that maybe they could reduce textile exports if we gave back Okinawa. That is how ridiculous this is getting to be. What is the connection? What is the connection between Okinawa and the plight of the textile industry in the United States of America?

Here we are. A tremendously prospering Japan today is relying, for its security, on the umbrella of American protection. Europe is doing the same thing; and I am being told here that the Common Market is exporting more than we are. Why not? We cannot go to them because they have restrictions against us, and they can unload on us because we have no restrictions against them.

That is all we are trying to correct here. We are just saying, here today, "Tit for tat." That is all we are asking: reciprocity.

All we are asking here is that, in the case of any nation that has restrictions against us, the President ought to have the right to impose restrictions against them, until and unless they remove theirs. Then we will have a 2-way street. We do not have it today, and that is our problem and our peril.

I do not want to take any more time. I have made this speech a dozen times on the floor of the Senate. I hope that today, Mr. President, our voices will be heard, and that the pending amendment will be agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. COTTON. Mr. President, I yield myself one-half minute. I thank the distinguished Senator from Rhode Island and the distinguished Senator from Maine.

The distinguished Senator from South Carolina (Mr. THURMOND) has been kind enough to say that he would use 1 minute, and then put his statement in the RECORD to enable the Senate to get to a vote. I yield 1 minute to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 1 minute.

Mr. THURMOND. Mr. President, there are a number of industries in this Nation whose continued existence is being threatened by the imports of goods produced in other nations by virtual slave labor. I am concerned with the economic health and well-being of American industries in general and the textile industry in particular.

The need for a solution to the textile import problem rests on the overriding importance of the textile and apparel complex to our country. No other industry is as widely dispersed over the length and breadth of our land. No other industry can count some 35,000 separate establishments, has as many employees—2.4 million workers—one-eighth of total manufacturing employment, offers as many increasing opportunities for the minority groups in our country or for others who are disadvantaged in our society, contributes so uniquely to the economic health and growth of so many small communities, and no other major industry is as heavily labor intensive.

The uniqueness of the textile and apparel complex would not in itself cause us to be concerned about its future. But when this industry is confronted by import competition which cannot be offset by any volume of investment, technology, or mechanization—where labor costs abroad are but a fraction of these costs at home—$2.31 per hour for an apparel worker, on the average, at home, and 10 cents an hour for an apparel worker in Korea, for example—and the volume of imports is growing substantially and threatening to grow even further—we have a special problem which cries out for solution.

Imports of cotton textiles and apparel are reasonably restrained through the mechanism of the long-term cotton textile arrangement. Many in the industry, I know, are not pleased that during the 8 years since this arrangement and its 1-year predecessor arrangement have been in effect, imports of cotton products have more than doubled. In the case of several categories of cotton products, the growth of imports has been even more spectacular. But the existence of this arrangement provides a brake on disruptive imports which permits the textile and apparel industry to view its future, in the cotton area, with a considerable degree of certainty. However, this device is not entirely satisfactory.

But we cannot say the same for textiles and apparel made from wool and manmade fibers which are not now subject to import restraints as in the case of cotton. Wool product imports have also more than doubled in this 8-year period. Imports of manmade fiber products have increased 14-fold in the same period.

In 1969, our imports of manmades have been running higher than our imports of cotton products, the first year that this has occurred. At the rate these imports are growing, our imports of manmade fiber textiles and apparel will reach 1.8 billion yards this year—about double what they were just 2 years ago. In fact, over the last 8 years our imports of manmade fiber textiles and apparel have doubled roughly every 2 years.

Imports of apparel made from manmade fibers and blends have experienced the most dramatic growth. They have increased 70 percent in 1968 over the preceding year. In the first 6 months of this year they were up 83 percent over the same period of 1968.

Increases from some countries have been notably spectacular. In the first 6 months of 1969, manmade fiber textile imports from Japan increased 51 percent; from Hong Kong, 43 percent; Taiwan, 132 percent; Korea, 71 percent; Israel, 82 percent—and the list goes on.

The effects on our trade balance are serious. On an overall basis, the United States used to enjoy a trade surplus of as much as $5 billion or more a year. In 1968, that trade surplus showed a substantial reduction to only $835 million. In the first 6 months of 1969 our overall trade surplus was at an annual rate of only $301 million.

The textile trade balance—even if we look only at cotton, wool, and manmades—showed a dramatic change in 1968. Our excess of imports over exports which had been running at about $500 million a year in 1966 and 1967, increased by 60 percent in 1968, to over $800 million. In the first 7 months of this year the annual rate of our textile trade deficit was over $1 billion.

Two recent developments underline so dramatically the need for restraint on imports of wool and manmade fiber textiles and apparel.

In August 1969, textile mill employment was the lowest since December 1967. Total textile and apparel employment fell below 2.4 million workers for the first time since May 1968.

During fiscal year 1969, the ratio of imports to consumption of cotton, wool, and manmades reached an alltime high. During the last 8 years, the share which imports had of our domestic market, doubled for wool products, more than doubled for cotton producers, and more than quadrupled for manmade fiber products.

Mr. President, I have no objection to fostering foreign trade but not at the expense of American jobs or at the expense of American industry. I recognize that it is considered good to be charitable to our neighbors throughout the world but let me remind you, Mr. President, that charity begins at home and my neighbors are Americans and I certainly intend to look out for their interest as wage-earning, job-holding, responsible citizens, first.

An article that appeared in the Journal of Commerce last week has just come to my attention. This article is a report of testimony by witnesses before Congressman Boggs' Joint Economics Subcommittee which is trying to chart U.S. foreign economic policies for the 1970's.

A Mr. Arthur K. Watson, chairman of the board of the IBM World Trade Corp. testified and he endorsed what might be called the "one world" theory of trade and he suggested in effect the eradication of over 2.4 million jobs in this country and the willful destruction of an industry that operates in every State of the Union.

This is the almost unbelievable statement this man made which concerns me so much:

> It would be absurd . . . to predicate future policy on the idea that we are raising another generation of mill hands in America. I'd personally rather have my son in the automotive than in the footwear or textile industries.

Mr. President, this statement is ridiculous.

I resent this smug and ludicrous statement for it is insulting to millions of Americans and it reveals a shortsightedness on the part of one of our so-called industrial "leaders" which amounts to blindness.

I demand an apology by Mr. Watson to every man and woman engaged in the textile and apparel industry in the United States.

Let Mr. Watson make no mistake about it that it is no disgrace to be a millhand and that it never has been. Great generations of America have worked hard and long in the textile industry of this country at all levels and through their efforts the people of this Nation have been clothed. This Nation and Mr. Watson, whose company sells many machines to the textile industry, should be thanking our textile workers for their great contribution not only to America's material wealth, but to the basic bedrock of our way of life.

Mr. President, you can say what you will about the millworkers of this country but they have never sold out American jobs in favor of those in foreign nations. Say what you will, no one can ever accuse the American textile worker of being more interested in his pocketbook and his narrow-sighted selfish goals than in his fellow Americans and their economic well-being. The people who work in textile mills are among the finest in this land. Some of the best people in my State work in textile mills.

Here is a basic industry that is giving thousands of people who are unskilled and untrained an opportunity to earn an honest day's wage in a business that will teach them and educate them to a trade that will stay with them the rest of their lives, provided we do not allow this country to heed the bad advice of Mr. Watson.

Mr. President, there are those who have talked about helping the poor, the underprivileged, and the Negroes in this country, and no industry has done more than the textile industry. The textile industry has made great strides in hiring people who are otherwise unskilled and untrained. They have hired the poor, they have hired the black, they have hired everybody they could, and they are paying them excellent wages.

Mr. Watson probably does not know it but the American apparel industry is paying $2.31 on the average per hour to its workers and yet we would allow the barriers to be dropped so that the country would be flooded by foreign made goods created by individuals who earn 50¢ or less per hour, thereby destroying almost 2½ million jobs.

If Mr. Watson's advice is heeded and we destroy the millhand in this country the economic consequences would shake

the very foundation of the economic structure of America.

Mr. President, Mr. Watson has slandered an entire group of people who are good, solid, strong, God-fearing Americans that constitute part of the great "silent majority" of this Nation, and I will not silently allow any man to glibly cast irresponsible dispersions upon them, or to encourage the genicidal philosophy that he espouses.

Mr. President, I ask unanimous consent that this entire article which appeared in the Journal of Commerce on December 3, 1969, entitled "Congress Gets Foreign Economic Initiative" be inserted in the RECORD at the conclusion of my remarks.

Mr. President, I strongly support this legislation and urge its passage.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Journal of Commerce, Dec. 3, 1969]

CONGRESS GETS FOREIGN ECONOMIC INITIATIVES

(By Richard Lawrence)

WASHINGTON, December 2—A host of foreign economic initiatives was suggested for the United States today, ranging from a major new trade negotiation and codes to guide international investment policy to a bigger food aid program to stamp out malnutrition around the world by 1980.

The recommendations came from a diverse panel of Congressional witnesses, but each interested in promoting a better international economic climate.

FIRST PRIORITY

Arthur K. Watson, board chairman of IBM World Trade Corp., told a joint Congressional subcommittee that a more flexible exchange rate system should be the "first priority" of U.S. foreign economic policy in the 1970s.

A Japanese businessman—Akio Morita, Sony Corp. executive vice-president—called on the United States to boldly take the lead for an international negotiation to reduce or end worldwide non-tariff trade barriers.

Former Agriculture Secretary Orville Freeman urged a larger American effort to wipe out world hunger. He also championed a series of international commodity agreements to bring supply into better balance with demand.

One other subcommittee witness—Prof. E. B. Neufeld of Toronto University—echoed Mr. Watson's thoughts about more flexible exchange rates, but also recommended U.S. action in the field of international investment.

INTERNATIONAL RULES

International rules, he said, ought to be devised for such problems as extraterritoriality, including antitrust regulations, export controls and balance of payments restrictions. Governments also should lay down common rules for operations of multinational corporations, he said.

While conceding political problems, Prof. Neufeld tried to encourage the United States to move toward complete free trade with Canada. On "strictly economic grounds," he said, a U.S.-Canadian free trade pact "may well have substantial appeal."

The opinions were delivered at the start of a long set of hearings to try to chart U.S. foreign economic policies for the 1970s. Rep. Hale Boggs (D-La.), chairman of the Joint Economic subcommittee seeking the policy options, promised today that "no significant viewpoint" will be overlooked.

The hearings, he said, will delve into trade, foreign investment and aid, with businessmen, academicians and former government officials slated to testify. Late next year, the Congressional unit will publish its findings, as a guide for both Congress and the administration.

"I am convinced," said Mr. Watson today, "that a degree of flexibility must be returned to monetary arrangements and I believe that world business can live with more frequent and therefore smaller exchange rate adjustments. We much prefer them to the trauma and uncertainty of today's arrangement."

Mr. Watson's testimony indicated that after years of resistance business leaders are coming around to accepting as desirable something other than rigid exchange rates. A lot of today's problems, he said, stem from somewhat outdated international trade and monetary rules. "There is a built-in tendency," he said, "for (economic) imbalances to continue too long."

Mr. Watson lauded U.S. trade policy over the past 30 years as contributing to an unprecedented world growth. The "second priority" for the '70's, he said, ought to be prompt passage of the administration's new trade bill.

By making government help for the import-stricken easier to get, some of the protectionist pressures in this country may be diluted, he suggested. The bill also would help pave the way for nontariff trade negotiations, the IBM executive said. He refuted charges that American business, by investing abroad, is "exporting" jobs. Rather, he said, jobs are being "traded", to U.S. advantage. He cited a 3.6 million increase in U.S. manufacturing employment during the last 10 years.

JOBS CREATED

American jobs, he said, are being created in high profit, high wage industries like computers, while the import surge has been largely in "the older, lower wage and lower technology," industries.

"It would be absurd . . . to predicate future policy on the idea that we are raising another generation of mill hands in America." He added, "I'd personally rather have my son in the automotive than in the footwear or textile industries."

Mr. Watson endorsed President Nixon's recent decision to work for general tariff preferences for the developing nations. And, if a generalized system cannot be developed, "I see nothing wrong with recognizing Latin America and perhaps some Asian nations, certainly including The Philippines, as objects of special concern."

Mr. Morita recommended that in nontariff trade negotiations, the United States first tackle the easier problems, such as formulating international rules in health, sanitary and technical standards and harmonizing patent laws.

TARIFF IS ONLY ONE NEEDED MEASURE

Mr. FANNIN. Mr. President, our problem in this international trade area is the fact that we have allowed ourselves to be priced out of the international markets largely because of labor leaders' demands for wage increases that outstrip productivity. Thus we are faced with a situation where not only are we unable to compete in world markets, but right here at home the U.S. market is flooded with merchandise that threatens the jobs of millions of American workers.

There can be no doubt that we are confronted with some serious trade difficulties today. One of the most alarming facts is that the surplus in our balance of trade—that is, of exports over imports—has virtually disappeared. In the early 1960's this country had a trade balance in its favor of $5 to $6 billion a year. This went a long way to offsetting other elements in the balance of payments, such as foreign aid and foreign investments which have shown a greater outflow of dollars than inflow to this country. By 1968 our trade balance fell to less than $1 billion, and there seems to be no immediate prospect for an improvement this year or even in 1970. And it is not because our exports have shrunk. On the contrary they have been growing at about 8 or 9 percent a year, and by 10 percent last year although much of this increase results from inflation. At the same time, imports rose even faster, by a full 24 percent last year. And here we come to the crux of our difficulty, or at least one of them. We have been losing jobs to our overseas competitors at a rate that cannot be anything but disturbing to us. As the Secretary of Commerce, Maurice Stans, pointed out in September:

If imports of textiles and apparel continue to grow at the present rate there could be a loss of 100,000 jobs a year in this country. (U.S. News & World Report, Sept. 8, 1969, p. 56.)

It is this relationship between inflation and our foreign trade that is far too often lost sight of in the course of labor-management contract negotiations, by labor representatives who push for wage gains that are higher than productivity increases warrant, and by management spokesmen who give in to excessive wage demands in the belief that the consumers will be willing to pay the additional tab.

There is no question that many foreign producers are becoming more advanced in their technology, in their management, in their marketing skills and are consequently becoming increasingly competitive. Their modernization has in many cases followed the American model.

Part of this increased efficiency of production abroad is due to the rapid rise in American owned plants and facilities abroad. Instances are easy to note. The Singer Co., for example, sells its American customers two machines produced in its overseas plants for every one made in the United States. A direct consequence is that its Elizabethport, N.J., plant which once employed 10,000 workers, now employs only 2,000. The Weyenberg Shoe Manufacturing Co. of Milwaukee is currently building a shoe plant in Ireland and plans to ship its annual output of 750,000 pairs to the United States.

There is a growing trend in many parts of the world to put into effect a host of trade barriers against American goods that are a serious handicap to domestic producers. These include quotas, subsidies to their own exporters, border taxes, restrictions on purchases by government agencies and nationalized industries, and a variety of excessive technical restrictions.

How much more critical will the job situation be once we are able to pull out completely from Southeast Asia? Surely we must prepare now to see that we have jobs available for returning servicemen and for those now engaged in production for the war effort in Asia. This makes even more urgent the need to see that our domestic producers are free from unfair and indiscriminate imports from abroad.

While, as I have suggested, there are not a few cases in which we need to pro-

vide specific protection against excessive imports, it is obvious that our primary thrust must be in achieving a higher level of exports.

The responsibility of labor and management in this effort is clear as I indicated in pointing to the need for restraint in the collective bargaining process.

Others have spoken extensively on textiles and I do not wish to dwell on this long, but it is an area in which we must find agreement with Japan or face the destruction of this domestic industry. The President himself recognized the problem when, in his trade message to Congress, he said:

> The textile import problem is a special circumstance that requires special measures We are trying to persuade other countries to limit their textile shipments to the United States in return for provisions which would let foreign producers share equitably in the American market.

For far too long, American producers have been shut out of other nation's domestic markets by various trade barriers, some quite subtle. Now in this and possibly several other areas, we are simply going to have to insist on equal treatment.

American industry, and as a result our domestic economy, is caught between labor demands for wages which exceed productivity, and management's willingness to grant such unwarranted increases if they feel they can get away with it. One basic American industry played that game for too long and is now having a whale of a fight to catch up.

For years major steel producers went along with wage demands which they knew were excessive because they also knew that other domestic producers would have to go along, too. But no one said that Japanese steel producers had to abide by those agreements. As a result, for several years it has been possible to buy certain kinds of steel products—even after adding on overseas shipping costs—from Japanese producers cheaper than these same products can be bought at home. That is bringing competition right to the doorstep.

Television Digest, which is a trade bulletin for consumer-oriented electronics manufacturers, says that TV imports in the first 9 months of 1969 were up 65.1 percent over 1968. Specifically, total imports for this 9-month period were a massive 2.8 million TV sets. At the same time, our country exported for the first 6 months of 1969 a total of only 65,000 TV sets—a negligible quantity.

Of the 2.8 million imported TV sets mentioned above, you will be interested to know that some 653,000 of these sets imported to this country were manufactured by American corporations operating in foreign lands who have felt it necessary to build their plants abroad in order to be able to compete in the face of high wage rates in this country brought about by the imbalance in the laws in our country affecting labor-management relations.

Bear in mind, while total sales are apparently increasing, this same industry source says that major domestic manufacturers such as RCA and Zenith have scheduled production cutbacks with resultant layoffs. Meanwhile, one of the major Japanese labels reports its sales have increased 50 percent in every one of the last 5 years in the export market and it has continuing plans to keep up that kind of marketing.

This year will possibly be the first that domestic brands of color TV will show no increase at all in sales. What is the solution? A friend of mine who is in the electronic distribution business wrote to me·

> It is interesting to note that domestic manufacturers, almost 100%, are importing from their own foreign plants or purchasing from other Asian companies, as well as West Germany and Mexico. The Japanese are finding this competition most difficult to meet, all of which points up how decisively we must move if we are not only to keep up with Japan but all the other countries that are eager to get their products into the United States, thus displacing U.S. citizens from employment.

Later, I intend to offer legislation to further help correct the problem. My proposed assistance is this. You will note that domestic manufacturers have set up plants overseas from which they buy parts of their products. There are three reasons for this: Lower labor costs; fewer redtape problems with the Government; and they are allowed to defer the income tax on the profits of that operation.

I will propose that we allow the same kind of tax treatment to a domestic manufacturer who sets up a plant or a corporation in the United States for the purpose of building products primarily for export.

My proposal would allow a new category of domestic corporation just set up for export manufacturing. The U.S. tax on export income derived through such a corporation would be deferred as long as it is used in the corporation's business or invested in export related assets and not distributed to shareholders. Similarly, the income from such export related investments would be deferred. This would allow the income from financing the acquisition of domestic capital equipment, allocated to export production, to be deferred.

The resulting higher level of U.S. output will mean better job opportunities and will allow more tax revenues thus reducing the current cost to the Government of the deferred tax on export income.

But perhaps the most important thing this proposal would do is to help stop the job drain. This is only a small step compared to the need for action in this field.

We presently have increased demand upon our domestic industry because of the level of Vietnam spending, but when this pressure is eased, as I expect it shall be in a relatively short time, we will really be faced with much more urgent problems.

I want to make it clear that I support the action proposed by the Senator from New Hampshire this morning. He is an able and distinguished Senator and has the welfare of not only his people in his State in mind, but also the general welfare of the Nation. I applaud his efforts and support his amendment. He is taking a much needed step. The long-range solution must, however, be economic and I trust we shall be able in the future to shape legislation together that will help accomplish that objective.

Mr. COTTON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Hampshire has 41 minutes remaining.

Mr. COTTON. Mr. President, how much time does the the distinguished Senator from New York have remaining?

The PRESIDING OFFICER. The Senator from New York has 3 minutes remaining.

Mr. COTTON. I yield myself 1 minute. Mr. President, it is my understanding that the Senator from New York quite properly desires a quorum call in order that Senators may be appraised of the fact that we are going to have a vote.

The PRESIDING OFFICER. The 1 minute of the Senator has expired.

Mr. COTTON. Mr. President, the only speech that I want to make this morning, having listened again to all the charges about this alleged devastating measure, which is not devastating at all, is a two-word speech, "Let's vote."

If the Senator from New York will permit his 3 minutes to be used toward the quorum call, so that we will not have a rehash afterwards, I am willing to have the remainder of the time for the quorum call taken from my time.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. PASTORE. I think we ought to hear the other 3 minutes.

Mr. COTTON. That is agreeable with me.

Mr. JAVITS. Mr. President, I yield myself one-half minute.

I comment that I know of the good old New England practice of horse trading. However, I must yield 1 minute at this time to the distinguished Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 1 minute.

Mr. HART. Mr. President, I wish to join in opposing this proposed amendment to the tax reform bill. The amendment is not germane to the legislation before the Senate. Clearly, the subject matter with which it deals should be fully considered by the Congress after deliberation by the appropriate committees and a full opportunity for debate and public comment.

The President, on November 18 of this year, sent to the Congress a comprehensive message on trade and submitted his bill to the Congress. This measure, at the request of the administration, has been introduced by Chairman MILLS of the Ways and Means Committee for himself and for Mr. BYRNES of Wisconsin, the ranking Republican on the Ways and Means Committee. I understand that hearings will commence early next year, and in due course the Senate Finance Committee and the Senate will consider this measure. President Nixon, in submitting this bill to the Congress, has continued a bipartisan tradition of support

of liberal trade policies endorsed by six successive administrations.

Certainly, Mr. President, it is within the context of trade legislation, rather than the tax measure which is now before the Senate, that the amendment of the Senator from New Hampshire should be examined.

This amendment appears to be dealing with two serious problems in international trade policy. In my view, however, the amendment does little to contribute to a solution of these problems and is unnecessary. One part of this amendment ostensibly deals with the problem of disruption or injury to U.S. industries, firms, or workers, due to imports. Mr. President, there is extensive law on this subject and President Nixon's proposed bill proposes important changes in the procedures by which such determinations shall be made. The other part of this bill—discrimination against American exports—also is dealt with in the President's bill and also will receive careful consideration.

It would not be wise to attempt to perfect the language of this amendment by drafting on the floor of the Senate. Rather, it would appear to be the better part of wisdom to consider trade legislation in an orderly fashion. Therefore, Mr. President, I will vote against this proposed measure and urge my colleagues to do likewise.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. COTTON. Mr. President, I yield 3 minutes to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 3 minutes.

Mr. BYRD of West Virginia. Mr. President, the free trade amendment that has been introduced by the distinguished Senator from New Hampshire (Mr. COTTON) should go a long way toward protecting our perishing industries and the jobs of millions of Americans.

The amendment authorizes the President to impose, by proclamation, restrictions against imports when foreign countries export products to the United States at will, but establish restrictive tariffs on the importation of American products into their own countries. It directs the President to remove such tariffs, imposed by proclamation under this amendment, once the foreign country in question does away with its restrictions on products manufactured in the United States.

Mr. President, I am proud to join in supporting this amendment, which serves notice to all the world that free trade is indeed a two-way street; and that the time is past when the United States will offer the jobs of its citizens as sacrificial lambs at foreign policy bargaining tables.

I recently introduced, along with my distinguished colleague (Mr. RANDOLPH), S3022, a measure to regulate the rate of foreign imports in selected industries—glassware products, flat glass, electronic products, footwear, steel, and man-made fibers. These industries provide nearly 25 percent of all the manufacturing jobs in West Virginia—jobs that West Virginia, like every other State in the Nation, cannot afford to lose.

The unchecked flow of cheap products from practically every country into the United States poses a serious threat to our working men and women. Both S. 3022 and the amendment offered by the distinguished Senator from New Hampshire are designed to alleviate that threat and rescue America from the role of being a dumping ground for cheap goods produced by cheap labor from abroad. Neither is designed as a restrictive measure, but rather as a measure that will enable America to compete more equitably in the world marketplace—with a work force employed to its fullest potential.

Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 minute.

Mr. JAVITS. Mr. President, I think the arguments have been very well marshaled on both sides.

I wish to address an inquiry to the Chair concerning the amendment of the Senator from New Hampshire. I have the greatest respect and regard for him. It is my purpose when the time has expired or has been yielded back to seek a quorum.

Mr. President, it is my intention to suggest the absence of a quorum after the time has expired. Am I correct that I need no time remaining to call for a quorum?

The PRESIDING OFFICER. The Senator has a right to call such a quorum after all time has been used or yielded back.

Mr. JAVITS. Mr. President, also, I have a right to move to table the pending amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. Mr. President, I would not do that as a tactic, because I have the deepest regard for the Senator from New Hampshire. I think I could say safely that I would never move to table an amendment of his as a tactic. However, I submit to him for his really sympathetic consideration the fact that one of the most important arguments against his amendment is the fact that it does not belong in the pending bill. It does not belong in this bill especially in view of the fact that we have a Presidential message concerning which I think the Senator from Rhode Island (Mr. PASTORE) in a most interesting way made the best argument against the amendment.

The Senator from Rhode Island pointed out that when he went to the White House, then President John F. Kennedy said:

> I am sorry, my old friend, John, but I have a much bigger panorama now that I must deal with. It is much different from that of the United States Senate as a whole. I appreciate and value the views of my friends and former colleagues. I appreciate the fact that they fight for what they believe is in the best interest of their country.

The economy of New England has changed rapidly. Our economy has changed rapidly. We cannot continue to have a wagon wheel industry forever. However, be that as it may, I feel that the issue should be tested as whether we should try to put this issue in this bill and in this compass or not. And the only way in which I can test that is by a motion to table.

I apologize to the Senator from New Hampshire, who is a most distinguished Senator, but I feel that it is my duty to test the question by a motion to lay on the table.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. Mr. President, I yield 1 minute to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 minute.

Mr. JAVITS. Mr. President, that is the only way I can test out the question without testing what will be done on another vote, if that loses, on the substantive matter involved.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I yield 3 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, inasmuch as a question was raised about my arguing on the side of the amendment, the business of these restrictions has been a new gimmick invented since the days of John Fitzgerald Kennedy.

They meet with us in GATT and on the Reciprocal Trade Agreements. They then undermine us with these unilateral prohibitions and limitations. That is not what we are trying to get at.

No one is trying to disturb free trade or the trade expansion agreement. No one is trying to do that at all.

What we are saying is that we want to be treated the way we treat them. We are the only Nation in the free world that does not have a limitation. Every nation has limitations against American exports.

We are saying that where a nation has imposed restrictions against us, we ought to insist upon the removal of those restrictions or we should impose restrictions against them.

All of this came about in recent years. That is the reason why we are in this trouble today.

I know the point of the Senator from New York. And I have been just as much a free trader as he has been. And I still am. But I am saying to Japan, Italy, France, and the other nations, "You take the restrictions off that are imposed against American goods, if you expect us not to impose restrictions against your goods."

What is wrong with that?

Mr. COTTON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.

Mr. COTTON. Mr. President, I wish to point out to the distinguished Senator from New York that I appreciate his kindly feelings toward me. I reciprocate.

His speech last night was hardly a tribute to the supposed intellect of the Senator from New Hampshire. It was rather patronizing, but that is fair in this debate. As far as the Senator from New York exercising his right to move to lay the amendment on the table, he

does not need to apologize to me for exercising any right he has. I do not consider it in any way to be an action taken against me. If the Senator wants to deal with the question in that manner, he may do so.

I would like to say that this is not a protectionist approach. It simply says to the President, "If you need and feel you ought to do some of these things to make trade truly free trade on a two-way street, we want you to know that the Senate will authorize you to do so." But it goes on to say, "If you do, and the country involved removes its restrictions then you shall immediately remove ours."

If that is a threat, if that is an affront, if that is going to disrupt our foreign relations, I just cannot understand it.

Mr. President, in closing this debate, I ask unanimous consent to have printed at this point in the RECORD excerpts from one letter that I selected from many, many letters I have received in the past few weeks. It is a rather pathetic letter from Mrs. Evelyn Erickson, 44 Lone Star Avenue, Farmington, N.H., dated October 21, 1969.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

FARMINGTON, N.H.,
*October 21, 1969.*

DEAR MR. COTTON: I have done as much as I can to obtain help in our problem. I have even written letters to the local shopping centers where these shoes are sold and told them that my buying power is gone because by selling these shoes that I have very little work and that my factory is in financial difficulty and I know it too could close at any time. I said multiply me by all the shoe workers and you have to eventually feel it too. I asked them to place my letter in the right hands of the owners of these J. M. Fields, etc. to put my case before them to plead for *voluntary restrictions* on *buying* these *foreign made shoes*. For five winters at least we have seen this coming to our factory, but this is the worst year I have ever seen. We are usually busy by this time of the year. We usually have 25 or 30 racks in our line to do a day. When I left Thursday night there were 3 racks and a couple with nearly no work on them at all. A case or two. Some girls have no work at all. Out for a week at a time, some get a day's work in a week. The steward told me not to quit as they have some 800 cases of women's shoes but to us this is not much. We get $1.50 to $4.50 roughly a rack of 10 cases, so 800 cases won't hold us workers long. But these same cases bring the stitchers $2.00 and more or less pr. case. We get pennies per case.

Someone should be watching things like these foreign imports. I believe we should help people but charity begins at home.

* * * * *

We need help so badly. Some of the men are leaving and trying to get into other jobs. One started at age 16 to be a cutter and is 49 years old now and is leaving. That's a long time to spend in one shop and at 49 to have to leave it.

* * * * *

I want to have that same measure of faith that God is able to help us in our times of need but this really isn't an easy one but He is able to move things for us and I pray He will and soon.

MRS. EVELYN ERICKSON.

Mr. PROXMIRE. Mr. President, I rise to oppose the Cotton amendment. I do so for many reasons.

First of all, it is hastily and generally drawn. Its meaning is unclear. Its implications for the export trade of this country are ominous. It takes an end run around the laws and proceedures and protections which have been hammered out by statute and by negotiation ever since Cordell Hull first nursed the Reciprocal Trade Act through Congress.

It means higher prices for the consumer. Tariffs and restrictions raise the price of goods. They are a subsidy paid for by the ordinary people of this country through higher prices.

This amendment would avoid the antidumping laws and substitute for them, and their requirement that proof and evidence be submitted, strong political and regional pressure on the President of the United States to do by proclamation that which could not be proven under the law.

This amendment would be an end run around the escape clause provisions of the tariff acts.

This amendment could spell disaster to the billions of dollars of American goods which the United States sells abroad. It could mean a great reduction in farm prices, since any action under this amendment would, in my judgment, bring quick retaliation from every importing country in the world. And farm products are among our biggest exports.

This amendment violates the whole idea of freer trade, competitive industry, and international markets. No country can be self-sufficient. It is silly to grow bananas on Pike's Peak or to grow jute in New Hampshire. These products should be imported from those countries which produce them more cheaply, more efficiently, and who have a natural climate in which they grow.

But under this amendment the President could act against banana imports if they tended to hurt some inefficient American producer.

This country has a great genius in industrial production. We are more efficient than most countries in this endeavor. We should concentrate on those things in which we have a natural advantage. But we should properly buy from abroad those things where they are more efficient.

To give the President the authority, and then to press him for action, to place barriers against imports which in some way may harm an inefficient American producer, goes against every principle of freer trade, capitalism, competitive industry, and a market economy.

What we should be doing is pressing every country to remove restrictions on trade. Instead, this amendment is based on the premise that one restriction should lead to another—that two wrongs make a right. That is not true. That will stifle trade and industry and our economy. That is the road to ruin and restriction and recession.

This amendment should be rejected. It fails to meet the real problems of freer trade and the real problems of restrictions, wherever they may lie. It substitutes a meat ax for a scalpel.

It would harm the farmers. It would harm our efficient industries. It would hurt shipping. It would protect the inefficient.

It has little merit. It should be rejected.

Mr. COTTON. Mr. President, I understand that the time of the Senator from New York has expired. I yield back the remainder of my time. Let us vote.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALLEN in the chair). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I move to table the pending amendment.

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays on the motion to table the pending amendment.

The yeas and nays were ordered.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. It is my understanding that under this vote, a vote "nay" would be a vote for the amendment.

The PRESIDING OFFICER. The Senator's understanding is correct.

Mr. PASTORE. It would be a vote not to table the amendment.

The PRESIDING OFFICER. A vote "nay" would be a vote not to table the amendment. The vote would then come on the amendment.

The question is on agreeing to the motion of the Senator from New York. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 22, nays 73, as follows:

[No. 199 Leg.]

YEAS—22

| | | |
|---|---|---|
| Case | Harris | Mondale |
| Cranston | Hart | Nelson |
| Eagleton | Hatfield | Percy |
| Ellender | Jackson | Proxmire |
| Fong | Javits | Tydings |
| Goodell | Kennedy | Williams, N.J. |
| Gravel | Mathias | |
| Griffin | Metcalf | |

NAYS—73

| | | |
|---|---|---|
| Aiken | Bible | Church |
| Allen | Boggs | Cook |
| Allott | Brooke | Cooper |
| Baker | Burdick | Cotton |
| Bayh | Byrd, Va. | Curtis |
| Bellmon | Byrd, W. Va. | Dodd |
| Bennett | Cannon | Dole |

| | | |
|---|---|---|
| Dominick | McCarthy | Saxbe |
| Eastland | McClellan | Schweiker |
| Ervin | McGee | Scott |
| Fannin | McGovern | Smith, Maine |
| Gore | McIntyre | Smith, Ill. |
| Gurney | Miller | Sparkman |
| Hansen | Montoya | Spong |
| Hartke | Moss | Stennis |
| Holland | Murphy | Stevens |
| Hollings | Muskie | Talmadge |
| Hruska | Packwood | Thurmond |
| Hughes | Pastore | Tower |
| Inouye | Pearson | Williams, Del. |
| Jordan, N.C. | Pell | Yarborough |
| Jordan, Idaho | Prouty | Young, N. Dak. |
| Long | Randolph | Young, Ohio |
| Magnuson | Ribicoff | |
| Mansfield | Russell | |

NOT VOTING—5

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Fulbright | Mundt | |

So Mr. JAVITS' motion to lay Mr. COTTON's amendment (No. 342) on the table was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from New Hampshire (Mr. COTTON).

All time on the amendment has now expired.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Do I correctly understand that we vote now on the substance of the amendment, and that a vote of "yea" will be to approve the amendment, and a vote of "nay" will be to reject it?

The PRESIDING OFFICER. The Senator is correct.

Mr. YOUNG of Ohio. Mr. President, I ask that the Chair direct that throughout the remainder of today all attachés will either be seated beside their Senators or, in any event, will be seated in the rear of the Chamber, and that the Sergeant at Arms be directed to keep the Chamber clear.

Mr. ALLOTT. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. YOUNG of Ohio. Mr. President, I ask that the Presiding Officer make that order to clear the aisles of everyone not a Senator, and that all attachés must be seated in the rear of the Chamber, or leave the Chamber, unless their Senators specifically request that they remain in the Chamber. That would, of course, not include members of the staff of the chairman of the Finance Committee.

The PRESIDING OFFICER. All attachés will take their seats.

Mr. RANDOLPH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from West Virginia will state it.

Mr. RANDOLPH. Is the Senate in order when the well of the Chamber is filled with those persons who are walking around? [Laughter.]

The PRESIDING OFFICER. All Senators will please return to their seats.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 65, nays 30, as follows:

[No. 200 Leg.]

YEAS—65

| | | |
|---|---|---|
| Allen | Fannin | Pastore |
| Allott | Gurney | Pearson |
| Baker | Hansen | Pell |
| Bayh | Hartke | Prouty |
| Bellmon | Holland | Randolph |
| Bennett | Hollings | Ribicoff |
| Bible | Hruska | Russell |
| Boggs | Inouye | Saxbe |
| Brooke | Jordan, N.C. | Schweiker |
| Byrd, Va. | Jordan, Idaho | Scott |
| Byrd, W. Va. | Long | Smith, Maine |
| Cannon | Magnuson | Smith, Ill. |
| Church | Mansfield | Sparkman |
| Cook | McCarthy | Spong |
| Cotton | McClellan | Stennis |
| Curtis | McGee | Stevens |
| Dodd | McGovern | Talmadge |
| Dole | McIntyre | Thurmond |
| Dominick | Miller | Tower |
| Eastland | Montoya | Young, N. Dak. |
| Ellender | Murphy | Young, Ohio |
| Ervin | Muskie | |

NAYS—30

| | | |
|---|---|---|
| Aiken | Griffin | Mondale |
| Burdick | Harris | Moss |
| Case | Hart | Nelson |
| Cooper | Hatfield | Packwood |
| Cranston | Hughes | Percy |
| Eagleton | Jackson | Proxmire |
| Fong | Javits | Tydings |
| Goodell | Kennedy | Williams, N.J. |
| Gore | Mathias | Williams, Del. |
| Gravel | Metcalf | Yarborough |

NOT VOTING—5

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Fulbright | Mundt | |

So Mr. COTTON's amendment was agreed to.

Mr. COTTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TALMADGE, Mr. RANDOLPH, and Mr. THURMOND moved to lay the motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. SCOTT. Mr. President, the amendment just acted on does not diminish the revenue to the Treasury.

I supported the Cotton amendment to authorize import quotas not because I believe it to be a proper concern of the tax reform bill, but because I wish to register again my deep concern for those hard-working individuals employed by the shoe industry, the textile industry, the steel industry, and others. The very livelihoods of these people are at stake here, and I cannot stand idly by while Pennsylvania continues to be hurt by the present level of import quotas.

The Cotton proposal has been challenged because no hearings have been held on the President's recent trade bill, from which this amendment was excised. This criticism has some validity. The proposal has also been challenged because it may not work. This may be a valid point. But I cast my vote for this amendment in the hope that the administration will recognize the very critical problem encountered by some of our domestic industries.

## OIL SHALE DEFINED

Mr. PROXMIRE. Mr. President, I would like to ask the distinguished chairman of the Finance Committee whether the sentence on page 181 of the Finance Committee's report on H.R. 13270 defining oil shale was intended to change the detailed definition on page 104 of part 2 of the Ways and Means Committee Report.

Mr. LONG. No, that sentence was just intended to be a very general introduction to section 504 of the bill. It was not intended to provide a technical definition of oil shale.

## ARTICLE I STATUS FOR THE U.S. TAX COURT

Mr. TYDINGS. Mr. President, sections 951 to 962 of the pending tax reform bill work a substantial change in the present status and procedures of the U.S. Tax Court. These sections create, by statute, a long-needed small claims procedure and confer article I status on the court.

The need for a small claims procedure has long been advocated by my colleague, the senior Senator from Washington (Senator MAGNUSON), and he has been joined in his efforts by many of us. I am gratified to see that this tax bill recognizes the need for better treatment for those having small tax disputes with the Government.

By granting article I status to the Tax Court, the bill works a substantial change and elevates the court from its current status as little more than an administrative section of the Treasury Department. Giving the Tax Court article I status is a major improvement; but it does not confer true judicial status upon the court nor does it alleviate the myriad of problems plagueing our tax litigation system.

The Federal tax litigation machinery desperately needs a complete overhaul.

The Subcommittee on Improvements in Judicial Machinery, of which I am chairman, has been engaged in a continuing study of our Federal tax litigation procedures. Our inquiry had its genesis in the hearings held during the 90th Congress on a proposal to grant article III status to the Tax Court. Those hearings revealed that there are serious defects and deficiencies in the structure of the litigation system, which often give rise to gross inequities in treatment among different taxpayers.

As a result of the further studies which came as a result of these revelations, I introduced last year and again in the present session a series of measures calculated to reform the tax litigation system. Hearings of these measures were held by my subcommittee in May of this year, at which time many of the most knowledgeable people in the field addressed themselves to the problems in the structure of the system and suggested possible remedies.

Conferring article I status makes the

Tax Court more like a court. That is salutary but it does not supply the complete answer and that answer must await another day.

I cannot conclude my remarks on the pending legislation without commenting on one further feature of the bill. Under section 954 a judge of the Tax Court will be forced to retire at age 70. That is a salutary provision. I have proposed similar legislation, S. 1507, for all Federal judges, and I note that such a retirement system, in my mind, is not a conflict with article III of the Constitution.

This mandatory retirement age will assure that the benches are manned by men who are physically and mentally able to do the work.

I would also like to point out for the record that the judges of the Tax Court, although now not truly judges, are learned in the law and are dedicated to their "judicial" task. They have worked without the shelter and gift of true independence which other Federal jurists have. This legislation will bring them much closer to that day when they will be joined with the rest of the Federal judiciary.

## MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that the President has approved and signed the following acts:

On December 5, 1969:

S. 2056. An act to amend title 11 of the District of Columbia Code to permit unmarried judges of the courts of the District of Columbia who have no dependent children to terminate their payments for survivors annuity and to receive a refund of amounts paid for such annuity; and

S. 2276. An act to extend for 1 year the authorization for research relating to fuels and vehicles under the provisions of the Clean Air Act.

On December 9, 1969:

S. 2185. An act to authorize a Federal contribution for the effectuation of a transit development program for the National Capital region, and to further the objectives of the National Capital Transportation Act of 1965 (79 Stat. 663) and Public Law 89-774 (80 Stat. 1324).

## EXTENSION OF LEGISLATION CREATING THE NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 91-202)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred to the Committee on Labor and Public Welfare:

*To the Congress of the United States:*

Americans have long given their first concerns to the protection and enhancement of Life and Liberty; we have reached the point in our history when we should give equal concern to "the Pursuit of Happiness."

This phrase of Jefferson's, enshrined in our Declaration of Independence, is defined today as "the quality of life." It encompasses a fresh dedication to protect and improve our environment, to give added meaning to our leisure and to make it possible for each individual to express himself freely and fully.

The attention and support we give the arts and the humanities—especially as they affect our young people—represent a vital part of our commitment to enhancing the quality of life for all Americans. The full richness of this nation's cultural life need not be the province of relatively few citizens centered in a few cities; on the contrary, the trend toward a wider appreciation of the arts and a greater interest in the humanities should be strongly encouraged, and the diverse culture of every region and community should be explored.

America's cultural life has been developed by private persons of genius and talent and supported by private funds from audiences, generous individuals, corporations and foundations. The Federal government cannot and should not seek to substitute public money for these essential sources of continuing support.

However, there is a growing need for Federal stimulus and assistance—growing because of the acute financial crisis in which many of our privately-supported cultural institutions now find themselves, and growing also because of the expanding opportunity that derives from higher educational levels, increased leisure and greater awareness of the cultural life. We are able now to use the nation's cultural resources in new ways—ways that can enrich the lives of more people in more communities than has ever before been possible.

Need and opportunity combine, therefore, to present the Federal government with an obligation to help broaden the base of our cultural legacy—not to make it fit some common denominator of official sanction, but rather to make its diversity and insight more readily accessible to millions of people everywhere.

Therefore, *I ask the Congress to extend the legislation creating the National Foundation on the Arts and Humanities beyond its termination date of June 30, 1970, for an additional three years.*

Further, *I propose that the Congress approve $40,000,000 in new funds for the National Foundation in fiscal 1971 to be available from public and private sources. This will virtually double the current year's level.*

Through the National Foundation's two agencies—the National Endowment for the Arts and the National Endowment for the Humanities—the increased appropriation would make possible a variety of activities:

—We would be able to bring more productions in music, theatre, literature readings and dance to millions of citizens eager to have the opportunity for such experiences.

—We would be able to bring many more young writers and poets into our school system, to help teachers motivate youngsters to master the mechanics of self-expression.

—We would be able to provide some measure of support to hard-pressed cultural institutions, such as museums and symphony orchestras, to meet the demands of new and expanding audiences.

—We would begin to redress the imbalance between the sciences and the humanities in colleges and universities, to provide more opportunity for students to become discerning as well as knowledgeable.

—We would be able to broaden and deepen humanistic research into the basic causes of the divisions between races and generations, learning ways to improve communication within American society and bringing the lessons of our history to bear on the problems of our future.

In the past five years, as museums increasingly have transformed themselves from warehouses of objects into exciting centers of educational experience, attendance has almost doubled; in these five years, the investment in professional performing arts has risen from 60 million dollars to 207 million dollars and attendance has tripled. State Arts agencies are now active in 55 States and territories; the total of State appropriations made to these agencies has grown from $3.6 million in 1967 to $7.6 million this year. These State agencies, which share in Federal-State partnership grants, represent one of the best means for the National Endowment to protect our cultural diversity and to encourage local participation in the arts.

In this way, Federal funds are used properly to generate other funds from State, local and private sources. In the past history of the Arts Endowment, every dollar of Federal money has generated three dollars from other sources.

THE FEDERAL ROLE

At a time of severe budget stringency, a doubling of the appropriation for the arts and humanities might seem extravagant. However, I believe that the need for a new impetus to the understanding and expression of the American idea has a compelling claim on our resources. The dollar amounts involved are comparatively small. The Federal role would remain supportive, rather than primary. And two considerations mark this as a time for such action:

—Studies in the humanities will expand the range of our current knowledge about the social conditions underlying the most difficult and far-reaching of the nation's domestic problems. We need these tools of insight and understanding to target our larger resources more effectively on the solution of the larger problems.

—The arts have attained a prominence in our life as a nation and in our consciousness as individuals, that renders their health and growth vital to our national well-being. America has moved to the forefront as a place of creative expression. The excellence of the American product in the arts has won worldwide recognition. The arts have the rare capacity to help heal divisions among our own people and to vault some of the barriers that divide the world.

Our scholars in the humanities help us explore our society, revealing insights in our history and in other disciplines that will be of positive long-range benefit.

Our creative and performing artists give free and full expression to the

American spirit as they illuminate, criticize and celebrate our civilization. Like our teachers, they are an invaluable national resource.

Too many Americans have been too long denied the inspiration and the uplift of our cultural heritage. Now is the time to enrich the life of the mind and to evoke the splendid qualities of the American spirit.

Therefore, I urge the Congress to extend the authorization and increase substantially the funds available to the National Foundation for the Arts and Humanities. Few investments we could make would give us so great a return in terms of human understanding, human satisfaction and the intangible but essential qualities of grace, beauty and spiritual fulfillment.

RICHARD NIXON.

THE WHITE HOUSE, *December 10, 1969.*

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 15149) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes, in which it requested the concurrence of the Senate.

## ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 2238. An act to provide for the relief of certain civilian employees paid by the Air Force at Tachikawa Air Base, Japan;

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross; and

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land.

## HOUSE BILL REFERRED

The bill (H.R. 15149) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

## ORDER OF BUSINESS

Mr. TOWER. Mr. President, I intend to call up my amendment No. 407. Prior to calling it up, I ask unanimous consent that I may yield to the distinguished Senator from Michigan (Mr. GRIFFIN) to proceed on a nongermane matter for 12 minutes, without losing my right to the floor.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. SCOTT. Mr. President, prior to that request, will the Senator yield so that I may pose a suggestion as to a limitation of time?

Mr. TOWER. I thought we would get a time limitation after the Senator from Michigan had spoken.

Mr. SCOTT. I withhold that request at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? Without objection, it is so ordered, and the Senator from Michigan is recognized for not to exceed 12 minutes, on a nongermane matter.

## PROJECT XUAN THUY

Mr. GRIFFIN. Mr. President, we are in the midst of another holiday season. Christians are looking forward to Christmas, birthday of the Prince of Peace; and people of the Jewish faith are celebrating Chanukah.

This is a time that brings forth evidence of the goodness in people and genuine expressions of love for their fellow man. For most, this is a time of family reunion.

As Americans celebrate this year, many will need no reminder of the grim fact that we are a nation at war. For thousands of families, with sons, brothers, and husbands in the service, there will be no reunion this year—except in spirit and prayer.

For many families, the anguish of separation will be all the more poignant because they do not know whether their loved ones in service are even alive.

I speak of the families of 1,359 Americans who are either missing in action or held captive in Communist prison camps.

These men are in the hands of a ruthless enemy which flagrantly disregards accepted standards of humane treatment of war prisoners.

Both the United States and North Vietnam are bound by the Geneva Convention on Protection of Prisoners of War. So are 123 other countries, including more than 100 members of the United Nations.

The convention covers both declared and undeclared wars. In the language of the document, it applies to "all cases of declared war or of any other armed conflict which may arise between two or more of the high contracting parties, even if the state of war is not recognized by one of them." Accordingly, it binds the United States, which ratified it in 1955; the Republic of Vietnam, which agreed to it in 1953; and North Vietnam, which acceded in 1957.

But North Vietnam has not abided by the Geneva Convention.

North Vietnam has refused to provide a list of Americans it holds captive.

It has tortured prisoners—tortured them physically, and mentally.

It has refused to release the seriously sick or injured.

It has refused to allow inspection of its prison camps by a neutral third party, such as the United Nations or the International Red Cross.

And, with few exceptions, it has denied prisoners the right to correspond with their families.

There is evidence that prisoners receive both an inadequate diet and inadequate medical care. Enemy-released films and those taken by foreign news services bear witness to this. Two recently released prisoners had lost more than 50 pounds in Communist prison camps.

As of December 1, the Department of Defense was able to confirm, through various sources, that North Vietnam is holding at least 421 American prisoners. But we are certain that the Communists are holding many more prisoners than that.

We know that one U.S. serviceman has been in enemy hands for nearly five and a half years. Four others have been missing or held captive for 5 years. More than 200 Americans have been missing or captured for nearly 4 years. That is longer than any American was held prisoner in World War II.

The Geneva Convention specifically provides that the detaining power—in this case—North Vietnam—shall accept a neutral party, such as the International Committee of the Red Cross, to act as a protecting power for the prisoners. The detaining power must provide the names of prisoners to their families, as well as to the protecting power—such as the Red Cross—to be passed on to the prisoners' country of origin.

North Vietnam has consistently refused to comply with these provisions of the Geneva Convention.

Unlike the Government of North Vietnam, the United States has carefully observed the Geneva Convention.

At present, there are approximately 30,000 North Vietnamese and Vietcong prisoners of war being held in South Vietnam. All have been accorded the status and rights of prisoners of war as spelled out in the convention.

With the cooperation of the United States, the South Vietnamese Government has opened all its detention facilities to inspection by the International Red Cross. The names of prisoners have been made available to the Red Cross, and prisoners have the right to send and receive mail and packages.

Regular and impartial third party inspections have established that the six prisoner camps under control of the South Vietnamese Government conform to requirements of the Geneva Convention.

As Ambassador Rita Hauser, U.S. representative to the United Nations, said in an address on this topic last month:

> We are not claiming a perfect record on this subject. War is ugly and brutal by nature, and violations by individuals have occurred. The point is, however, that the allied command has made every effort to ensure that the Convention is applied. This includes the issuance of clear and explicit orders, and, even more important, thorough investigations and puishment of those found guilty. This policy is confirmed and supported by the continuous review, both official and unofficial, which results from free access to POW's by delegates and doctors of the International Red Cross.

The uncivilized attitude of North Vietnam toward prisoners of war has not gone unnoticed in international circles.

Secretary General U Thant of the United Nations said on October 30:

It is the view of the Secretary-General that the Government of North Vietnam ought to give an international humanitarian organization such as the League of Red Cross Societies access to the Americans detained in North Vietnam.

Only recently, the 21st International Conference of the Red Cross adopted a resolution that appeared to be aimed at Hanoi's callous disregard of its responsibilities toward prisoners of war. On September 13 at Istanbul, the Red Cross Conference approved, 114 to 0, a resolution calling upon all parties—in the words of the document—"to abide by the obligation set forth in the convention and upon all authorities involved in an armed conflict, to ensure that all uniformed members of the regular armed forces of another party to the conflict and all other persons entitled to prisoner of war status are treated humanely and given the fullest measure of protection prescribed by the Convention."

The conference took pains to note that, apart from the convention:

The international community has consistently demanded humane treatment for prisoners of war, including identification and accounting for all prisoners, provision of an adequate diet and medical care, that prisoners be permitted to communicate with each other and with the exterior, that seriously sick or wounded prisoners be promptly repatriated, and that at all times prisoners be protected from physical or mental torture, abuse and reprisal.

Mr. President, if anyone, anywhere, thinks or assumes that North Vietnam is abiding by accepted humanitarian standards, he should listen to the words of Navy Lt. Robert Frishman, who was freed a few months ago after almost 2 years in a North Vietnamese prison camp. Frishman, 45 pounds lighter as a result of his ordeal, made this public statement after his release:

My intentions are not to scare wives and families, but Hanoi has given false impressions that all is wine and roses—and it isn't so.

All I'm interested in is for Hanoi to live up to their claims of humane and lenient treatment of prisoners of war. I don't think solitary confinement, forced statements, living in a cage for three years, being put in straps, not being allowed to sleep or eat, removal of finger nails, being hung from a ceiling, having an infected arm which was almost lost, not receiving medical care, being dragged along the ground with a broken leg, or not allowing an exchange of mail to prisoners of war are humane.

Why don't they send out a list of their prisoners of war? Why do they try to keep us from even seeing each other? Certain prisoners of war have received publicity. Others are kept silent. Why aren't their names officially released? If they don't have any secondary alternatives or motives in mind, then release the names of the prisoners of war so their families will know their loved ones' status. I feel as if I am speaking not only for myself but for my buddies back in camp to whom I promised I would tell the truth. I feel it is time people are aware of the facts.

Those are the words of Navy Lt. Robert Frishman who was released with two others in August of this year.

Mr. President, perhaps it would surprise no one if I were to observe that the Vietcong, as well as the Hanoi Government, has ignored international standards of decency.

The Vietcong contends that it is not bound by the Geneva Convention. But the International Red Cross says that the Vietcong is bound since both North and South Vietnam are parties to the Geneva Convention.

But even if the Vietcong were not legally bound by treaty, there could be no excuse or justification for the savage treatment which it accords prisoners of war. The Vietcong should stand condemned in the eyes of the world for its flagrant violation of general principles of international law, apart from the Geneva Convention.

Close to 400 Americans are missing or held captive by the Vietcong in South Vietnam.

It is believed that Communist forces in Laos are holding a number of American prisoners.

I use the word "believed" because this is the crux of the problem. We simply do not know how many Americans are held prisoner by the enemy and we do not know how many are seriously wounded.

Faced with this situation, the U.S. Government is doing everything possible to ease the burden of American families who wait anxiously for word about their loved ones.

Joint teams from the Pentagon and the State Department have been holding meetings across the country briefing families and reporting candidly on the situation.

Through television news film, we have witnessed the painful and heart-rending sight of servicemen's wives traveling to Paris and other world capitals to seek information about their husbands. As one of them said to a North Vietnamese official:

"Please tell me if I am a wife or a widow."

Instead of providing answers to such questions, the North Vietnamese sought cruelly to exploit the anxiety of these brave women by "lecturing" them on the war and by trying to recruit them into the antiwar movement.

Such odysseys of agony have helped to focus attention upon a situation that the world should no longer tolerate.

What can the American people do about this shocking state of affairs?

During this season of good will I have a suggestion to advance—a suggestion which just might make a difference.

I urge all Americans, young and old, to join in a kind of "demonstration" that will register our deep concern about this appalling situation.

I call upon all Americans, regardless of their feeling about the war, to join in putting as much moral pressure as possible on those responsible.

As I noted earlier, this is the holiday season. During these busy days, Americans are addressing cards in the traditional exchange of greetings.

In the spirit of the season, my family has sent a greeting card to Minister Xuan Thuy, chief of the North Vietnamese delegation to the Paris talks.

I urge other families to send cards too; and in each case to include a message calling upon Communist authorities to release the names of American prisoners, to treat them humanely in accordance with directives of the Geneva Convention—and to free them soon.

They could be freed quickly, for example, if Hanoi would agree to negotiate a release of prisoners on both sides.

Perhaps one card will make no difference, but who can say what a million will do.

In this season of good will—in this time of yearning for peace on earth—certainly nothing can be lost by approaching Hanoi in the spirit of the season.

I am pleased to announce that the U.S. Jaycees, a nonpartisan organization of public-spirited young men, is enthusiastic about this idea; that one chapter in Virginia Beach has been working along similar lines, and that the national Jaycee organization has decided to promote the idea as a national project.

In consultation with the U.S. Jaycees, their national president, Andre C. Le Tendre, their national chairman, Wendell Smith, and other officials of the organization, arrangements have been made for a single mailing address.

Cards should be addressed to:

Project Xuan Thuy,
Box 2600,
Washington, D.C. 20013.

After the mail has been collected here in Washington, the Jaycees will arrange for delivery to the North Vietnamese leaders.

It is my fervent hope that civic, religious, veterans, and other organizations, large and small, will lend their support to this expression of national concern.

In particular, I hope college and high school students will join in this demonstration of human compassion.

It might be said that this effort will be only an exercise in futility. However, let me make this point. The men who run North Vietnam have demonstrated that they can be heartless. But they are not fools. As we have seen, they are interested in American public opinion. And they are not oblivious to world opinion.

Mr. President, I have addressed myself only to one aspect of the Vietnam war, but an extremely important one.

It is my earnest desire that some good will come from this undertaking.

If there is a favorable response, it could well hasten the time when a just and honorable peace will reign over South Vietnam.

Mr. TOWER. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Virginia (Mr. SPONG) for 4 minutes on a nongermane matter, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPONG. Mr. President, I thank the Senator from Texas. First, I commend the Senator from Michigan (Mr. GRIFFIN) for his remarks on Project Xuan Thuy, the project of the Jaycees which has just been announced.

Mr. President, the position which the North Vietnamese have taken with regard to American servicemen held as prisoners of war is indefensible. This must be obvious to all our citizens and

to citizens of other nations of the world.

The policy followed by the North Vietnamese represents a callous disregard for these men and their families and a total failure to adhere to international agreements.

During the past few months, there have been numerous expressions of concern for the prisoners of war, the treatment of these men has been discussed by Ambassador Lodge at the Paris negotiations, and officials of international organizations have felt it necessary to call upon Hanoi for a change in policy.

Thus far, all these actions have been to no avail.

Project Xuan Thuy offers a new hope. It can provide the means for an outpouring of United States and even worldwide sentiment against the North Vietnamese position. It may provide a public pressure which will help evoke a beneficial change in the policies of Hanoi.

I am pleased to note that this project originated with the Jaycees in Virginia Beach, Va. This group of young men has worked long and hard for many months to have the project adopted on a wider basis. It is to their credit that this has happened.

The people of Virginia Beach, and of the Tidewater area of Virginia in general, are particularly close to the prisoner of war matter. There are many service-connected families in the area.

There are families with members who are suspected of being prisoners of war. There are wives living in this area who have made unsuccessful trips to Paris in attempts to gain information about their husbands.

For these reasons, I believe the Virginia Beach Jaycees are in a special position to know the anguish caused by Hanoi's action and the importance of making new efforts to assist our servicemen who are being held.

I am pleased to endorse Project Xuan Thuy, and I shall participate in it.

Mr. TOWER. Mr. President, before returning to the consideration of the pending business, I associate myself with the remarks made by the Senator from Michigan and the Senator from Virginia, and add my word of support for this project. I believe that I have probably spent more time in Southeast Asia with our combat troops than almost anyone else in Congress.

Mr. President, I have visited every one of our major combat units in Vietnam several times.

I can say without any reservation or qualification that this is the finest class of American fighting men this country has ever seen. They are not chips off the old block. They are an improvement. I include in that my own buddies from World War II.

I commend the Senator from Michigan for his endorsement of a very human project.

I think all of us have done everything we conceivably could do as Members of the Senate to try to get the release of the list of the prisoners of war from North Vietnam.

I think that now some citizen action is indicated. I hope that it will be successful.

I add my word of endorsement to that of the Senator from Michigan.

Mr. President, I ask unanimous consent that I might yield 2 minutes to the Senator from Oregon (Mr. HATFIELD) without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oregon is recognized for 2 minutes.

Mr. HATFIELD. Mr. President, I commend the Senator from Michigan for his presentation this morning. I associate myself with his project.

I believe that all of us should consider the fact that we are engaged today in international conferences on many subjects—arms limitations, health, food, labor, and many other important issues.

I would like to see grow out of this kind of project a greater concern on the part of our Government to engage in international talks on the handling of prisoners of war, not only in reference to Vietnam and our prisoners there today, but also with respect to prisoners of war in general.

Second, I reemphasize the point that not only do we have servicemen who are captives or held as prisoners of war, but also we have missionaries who have been captured by the North Vietnamese and are being held as prisoners.

Mr. President, I hold world opinion to be of the utmost importance in today's times. That is one reason why I avidly support the United Nations. It creates a forum for the expression of opinions.

I think that as members of great countries, the United Nations recognizes the right of free speech. We should all engage in that effort and express our personal views on these matters.

I am proud to associate myself with the Senator from Michigan in his suggestion.

Mr. TOWER. Mr. President, I ask unanimous consent that I might yield 2 minutes to the distinguished Senator from Virginia without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Virginia is recognized.

Mr. BYRD of Virginia. Mr. President, I concur in the views expressed by the distinguished Senator from Michigan. I am delighted that he brought the project to the attention of the Senate. I am proud that the idea was conceived and the program first initiated by the Jaycees of the city of Virginia Beach, Va.

I do not know of anything more inhumane than the way the North Vietnamese have treated the American prisoners of war.

I think it is important that the American people rally behind those Americans who have been captured and are prisoners of the North Vietnamese.

We see a lot of demonstrations these days throughout our Nation. I think one of the finest demonstrations would be a demonstration against the inhumane treatment being accorded Americans by Hanoi.

I again commend the Senator from Michigan for inviting the attention of the Senate to this program.

I believe, as does he, that it is a worthwhile project and is one which should be supported by the American people.

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## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. TOWER. Mr. President, on behalf of the distinguished Senator from Alabama (Mr. SPARKMAN) and myself, I call up our amendment No. 407 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk proceeded to state the amendment.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, reads as follows:

Page 387, strike out lines 17 through 25 and lines 1 through 7 on page 388 and insert in lieu thereof the following:

"(4) USED SECTION 1250 PROPERTY.—In the case of section 1250 property acquired after July 24, 1969, the original use of which does not commence with the taxpayer, the allowance for depreciation shall be determined in the following manner:

"(A) in the case of such section 1250 property which is residential rental housing (as defined in paragraph (2)(B)) having a remaining useful life on the date of acquisition of 30 years or more, the allowance for depreciation under this section shall be limited to an amount computed under any of the methods provided for in paragraph (1);

"(B) in the case of such section 1250 property which is residential rental housing (as defined in paragraph (2)(B)) having a remaining useful life on the date of acquisition of between 20 and 30 years, the allowance for depreciation under this section shall be limited to an amount computed under—

"(i) the straight line method,

"(ii) the declining balance method, using a rate not exceeding 125 percent of the rate which would have been used had the annual allowance been computed under the method described in clause (i), or

"(iii) any other method determined by the Secretary or his delegate to result in a reasonable allowance under subsection (a) not including—

"(1) the sum-of-the-years digits methods, or

"(2) any other method allowable solely by reason of the application of subsection (b)(4) or paragraph (1)(C) of this subsection; and

"(C) in the case of such section 1250 property which is either residential rental housing (as defined in paragraph (2)(B)) having a remaining useful life on the date of acquisition of less than 20 years, or which does not qualify as residential rental housing, the allowance for depreciation under this section shall be limited to an amount computed under—

"(i) the straight line method, or

"(ii) any other method determined by the Secretary or his delegate to result in a reasonable allowance under subsection (a), not including—

"(1) any declining balance method,

"(2) the sum-of-the-years digits method, or

"(3) any other method allowable solely by reason of the application of subsection (b)(4) or paragraph (1)(C) of this subsection."

Page 393, strike lines 1 through 7 and insert the following:

"(iii) in the case of residential rental housing (as defined in section 167 (j) (2) (B)) other than that covered by clauses (i) and (ii), or in the case of rehabilitation expenditures (as defined in section 167 (k) (3)) allowed with respect to section 1250 property, 100 percent minus 1 percentage point for each full month the property was held after the date the property was held 60 full months; and

"(iv) in the case of all other section 1250 property, 100 percent minus 1 percentage point for each full month the property was held after the date the property was held for 120 full months."

Page 393, line 8, strike out "Clauses (i), (ii), and (iii)" and insert in lieu thereof: "Clauses (i) and (ii)."

UNANIMOUS-CONSENT AGREEMENT

Mr. TOWER. Mr. President, I ask unanimous consent that the time on the pending amendment be limited to 1 hour and 30 minutes, 45 minutes to a side, the time for the proponents to be controlled by either the Senator from Alabama or me, and the time for the opponents to be controlled by the distinguished Senator from Louisiana (Mr. LONG).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Does the Senator wish that the amendments be considered en bloc?

Mr. TOWER. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 10 minutes.

Mr. TOWER. Mr. President, the amendment which the senior Senator from Alabama and I are jointly offering will lessen to some extent the serious impact the bill before you would have on real estate, without at the same time seriously affecting the projected overall revenue gain estimated by the Finance Committee. The amendment is directed at assuring that we are able to continue to build the housing which the Nation so desperately needs and that there is a reasonable incentive to continue the nonresidential building that our urban communities need to assure their continued vitality.

Our proposed amendment will carry one step further the action of the Finance Committee when it modified the provisions of the House-passed bill to restore to residential buildings the possibility of full capital gains treatment upon sale, if the property is held long enough. Under the House bill, any depreciation taken in excess of straight line would have been recaptured and taxed as ordinary income at the time of sale. This in effect negated the House decision to retain for newly constructed residential housing the availability of 200 percent accelerated deprication.

The Finance Committee recognized this inconsistency and provided that after a 10-year holding period, the owner of residential property could start reducing the amount of this excess which would be treated as ordinary income by 1 percent a month. This, Mr. President, I commend the committee, but I am concerned that its change is still not enough to encourage the construction of sorely needed rental housing. Our amendments would reduce this required 10-year holding period to 5 years. This is still substantially longer than the required 20-month holding period under present law.

For all other newly constructed real property, both the House bill and the Finance Committee version provide for full recapture of excess depreciation, no matter when the property is sold. Although there is an undoubtedly greater need to provide incentives for the construction of housing than there is for commercial and industrial property, there is also a significant need in our cities for the removal of old, rundown, and deteriorating structures and the construction of new office buildings, shopping areas, and other needed nonresidential facilities. In order to encourage the construction of these buildings, this amendment would permit the owner of a newly constructed nonresidential building to obtain full capital gains treatment if he held the building for 18 years and 4 months. This is the same holding period that the Finance Committee's bill would have permitted for residential property—now to be reduced under this amendment to 13 years, 4 months.

This, Mr. President, would restore some semblance of balance between the treatment of new residential buildings and the treatment of new nonresidential buildings. A new residential building would be entitled to up to 200 percent depreciation and there would be required a 5-year holding period before any capital gains treatment could be achieved. The owner of a nonresidential building would be entitled to up to 150 percent depreciation and would be required to hold that property for at least 10 years before any capital gains treatment would be available.

Following through on this concept of balance between residential and nonresidential property, and to provide for a greater incentive with respect to residential property, our amendment would also modify the Finance Committee's treatment of used residential property. Under the committee's bill, all used property would be relegated to straight line depreciation. This we do not believe is adequate to attract investment into used residential property, nor to assure the first owner of a new rental project that, when it comes time for him to sell his project, there will be an adequate market for that property. To accomplish these goals, these amendments will enable the second or later purchaser of residential property, which has a useful life of 30 years or more, to utilize 150 percent depreciation as is permitted under present law.

For residential property which has a useful life of 20–30 years, the owner would be entitled to up to 125-percent depreciation. For those older properties having a useful life of less than 20 years, many of which are kept standing only because of the availability of 150-percent depreciation under present law, the owner would be entitled only to straight-line depreciation.

This, Mr. President, assures that we will continue to give a reasonable incentive to residential housing by maintaining a significant difference in the incentive available to the investor in such housing as opposed to what is available to the investor in nonresidential property. This amendment, since it restores accelerated depreciation for residential property, also provides for the application of the same recapture rules as would be available for new residential property. Thus, after a 5-year holding period, any depreciation taken in excess of straight line would gradually shift from ordinary income treatment to capital gains treatment.

One further change would be made by this amendment. Both the House and the Finance Committee bills provide for a 5-year writeoff of rehabilitation expenditures on low-rent residential properties. However, to the extent that this accelerated writeoff exceeds what it could have been under the straight-line method, the excess would be fully recaptured and taxed as ordinary income at the time of sale. To be consistent with our other changes providing for a gradual decline of full recapture after a 5-year holding period, this proposal would make the same provisions applicable to these special rehabilitation expenditures.

Mr. President, what the senior Senator from Alabama and I are attempting to do is to avoid further crippling of the production of housing. Today, when we are faced with a severe shortage of long-term mortgage money available to finance housing, and the highest interest rates in over 100 years for the limited amount of money that is available, it would be catastrophic to hamper further the incentives that now exist to produce rental housing. Last year, Congress, in the Housing and Urban Development Act of 1968, set a 10-year national goal for the production of 26 million housing units. That is 2.6 million housing units per year. Yet, in this the first year, we will be lucky if we produce 1.4 million units, about 600,000 less than the 2 million units that we should be producing this year. Prospects for next year, when we should be producing over 2.2 million units, are for a level about the same as this year; this falls short of our goal by some 800,000 units.

Congress cannot in 1 year establish a housing goal and then turn around and thoroughly decimate the prospects of achieving that goal by removing one of the principal incentives to the production of housing. Since 1954, when the existing incentives for the producton of rental housing were added to our tax laws, rental housing has played an increasingly large role in total annual housing production. In 1954, only 8.7 percent of the starts were rental units. For the first 10 months of this year, they represent 44.5 percent. It is absolutely essential that this percentage not be severely cut back by our actions on this tax bill.

This amendment will assure that this will not occur, by retaining an appropriate degree of incentive for the production of housing, while at the same time removing present provisions which might be construed as encouraging the

speculator and the quick-turnover investor. These figures which I have alluded to are set out in detail in the excellent statement of the senior Senator from Alabama on December 4, at pages 37070–37074 of the RECORD. I commend this statement to every Member of this body.

Many Senators might be wondering what the reaction of the Treasury is to this amendment. I am extremely pleased to report that the Treasury Department has today informed me that they endorse these modifications to the Finance Committee's bill. I am also pleased to report that the Department of Housing and Urban Development fully endorses the pending amendment.

I congratulate the administration for its recognition of the need to avoid too severely cutting back on the present incentives for the provision of housing and new nonresidential properties. The moderate incentives provided for by this amendment will enable us to go forward in achieving the national housing goals while not negating the tax reform goals of this important bill. I urge all Senators to join us in this effort.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. SPARKMAN. I am very glad the Senator has referred to some remarks I made on December 4 and also to the tables that were printed in the RECORD. I just refreshed my recollection by looking at those tables. I invite attention to the remarks and the tables, which are to be found on pages 37070 through 37074. I hope that Senators will look at those figures.

There never was a time when housing was more badly needed than at present, and there never was a time when housing was treated so roughly, so far as being able to build is concerned, as at present. I am sure the Senator will agree with me on that.

Mr. TOWER. I certainly do agree.

Of course, with mortgage rates at a century-high level, and having other investments which are more attractive than mortgage investments, makes it very difficult. We are really in a state of crisis insofar as home construction is concerned.

Mr. SPARKMAN. The funds are not available and, even if they were, at these rates many people would be deprived of the privilege of buying or building a home.

Mr. TOWER. The Senator is correct.

Mr. SPARKMAN. The Senator knows that I had two amendments relating to housing, and the remarks I made and the tables that both he and I cited relate to housing. Am I not correct in saying that the revised amendment Senator TOWER and I are now offering is primarily limited to residential housing.

Mr. TOWER. It is, indeed.

Mr. SPARKMAN. And that the amendment that is now being offered is a revision of the original amendment that was offered?

Mr. TOWER. It is a revision of amendments that were introduced by both the Senator from Alabama and the Senator from Texas.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TOWER. I yield myself as much time as is necessary.

Mr. SPARKMAN. I should like to ask one more question. I hope the chairman of the committee, the Senator from Louisiana (Mr. LONG), will listen to this question. Is it not true that the revised amendment was worked out with the collaboration of the Treasury Department and the Department of Housing and Urban Development?

Mr. TOWER. The Senator is absolutely correct. As a matter of fact, we might call this the "everybody-is-happy" amendment, because the homebuilders are happy, the real estate people are happy, the Treasury Department is happy, HUD is happy, the Senator from Alabama is happy, and the Senator from Texas is happy.

Mr. SPARKMAN. How about the Senator from Louisiana?

Mr. TOWER. I hope the Senator from Louisiana is ecstatic.

Mr. LONG. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. LONG. The Treasury Department agreed to this for fear they would get something worse if they did not. That is what it amounts to, as I see it.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. CURTIS. I hold in my hand what appears to be a copy of a letter dated December 8, 1969, addressed to the distinguished Senator from Texas, signed by John S. Nolan, Deputy Assistant Secretary of the Treasury.

My question is this: Is the Senator's new, revised amendment in accord with this letter? Does it meet the conditions set forth therein?

Mr. TOWER. Yes. I should like to read the letter into the RECORD. This letter is addressed to the amendment now before the Senate, and this is the amendment that was worked out in collaboration with the Treasury Department.

Mr. CURTIS. Does the Senator's revised amendment, No. 407, from the standpoint of revenue, go beyond what Mr. Nolan has agreed to in this letter?

Mr. TOWER. It does not. As a matter of fact, the revenue impact is really relatively light.

I think we must consider that it is a very small price to pay in light of the fact that we are so far behind on our national housing goals, and we must preserve incentives for the construction of residential units in this country.

I shall read the letter from the Treasury Department into the RECORD:

DEAR SENATOR TOWER: You have requested a statement of the position of the Treasury Department on Amendments 297 and 298 to H.R. 13270, the Tax Reform Act of 1969, which you have proposed. In general, these amendments would change the provisions of the bill which allow only straight-line depreciation in the hands of a second owner (so-called "used" property) and which eliminate the phase-out of recapture of the excess of accelerated over straight-line depreciation for buildings and other real estate improvements. They would allow 150 percent declining balance depreciation if the life of the property exceeds 30 years, 125 percent if the life is between 20 and 30 years, and straight-line depreciation if the life is less than 20 years. The phase-out of recapture would be reinstituted to begin after the fifth year of ownership.

The Treasury Department will support these amendments if they are limited to housing, rather than being applicable to all real estate construction as they are in their present form. Treasury would also support a reinstatement of the phase-out of recapture beginning after the tenth year for real estate improvements other than housing if it were coupled with a limitation of Amendments 297 and 298 to housing.

It is my understanding from recent discussions with officials of the Department of Housing and Urban Development that HUD will also support the amendments in this revised form.

Sincerely yours,

JOHN S. NOLAN,
*Deputy Assistant Secretary.*

Mr. President, amendment No. 407, which is cosponsored by the distinguished Senator from Alabama and me, is precisely that which is referred to in this letter. This letter is an endorsement of amendment 407 on which the Treasury Department collaborated with us. The Treasury Department said the revenue measures, as presented, were not primarily to raise revenue but to give housing additional incentives. That is what we are seeking to do, and I think it is a most constructive amendment.

Mr. President, I ask unanimous consent at this time that the Senator from New Jersey (Mr. WILLIAMS), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY), and the Senator from New York (Mr. GOODELL) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 10 minutes.

Mr. LONG. Mr. President, the Sparkman-Tower amendment is a major step backwards in the area of tax reform in the case of depreciation. On an overall basis, this amendment loses $90 million in the case of two provisions dealing with depreciation. The total revenue which would have been picked up from these two provisions in the absence of the Sparkman-Tower amendment would be $350 million. In other words, the Sparkman-Tower amendment in these two areas is knocking out over one-quarter of the tax reforms, a reduction of $90 million.

The first area in which the Sparkman-Tower amendment opens up a loophole is in the case of depreciation on used property. The House and the Senate Finance Committee required that straight line depreciation was to be required in the case of used property. The Sparkman-Tower amendment restores existing law in the case of used property with a remaining useful life of 30 years or more. It provides 125 percent depreciation for used property with a useful life of 20 to 30 years remaining.

This greatly complicates existing law by substituting three different categories of depreciation rates for used property, according to estimated remaining useful life. It is very difficult to determine estimated remaining useful life in the case of used property and, as a result, the

Sparkman-Tower amendment represents an administrative nightmare.

In addition, this amendment is a bonanza for real estate speculators in used property. Increasing depreciation helps the market for new housing only very indirectly, if at all. Actually, the only part of the market for new housing it helps is the person who is a quick in-and-outer, someone who wants to dispose of new property quickly. There is $50 million loss in this provision, and it does nothing but set back the cause of tax reform. It does not really help new housing at all.

The second feature of the Sparkman-Tower amendment deals with the recapture rules. Here the Sparkman-Tower amendment sets back the cause of reform very substantially. The total revenue pickup under the recapture provisions in the House and Senate bills is estimated at $100 million. The Sparkman-Tower amendment would junk $50 million of this or, in other words, would throw out nearly one-half of the reform. It does this by easing off the recapture rules both for housing and nonhousing. The amendment loses $30 million out of the $45 million which would be picked up under the recapture rules in the case of housing and $20 million of the $55 million which would be picked up in the case of nonhousing. There really is no excuse for these changes at all. The real estate tax shelter is one of the major loopholes in existing law. The House and the Senate Finance Committee dealt with this problem only very lightly. Now the real estate industry would destroy most of that little amount in the area of recapture which the bills do accomplish.

I am well aware of the fact that the sponsors of this amendment have a letter from the Treasury Department indicating that the Treasury goes along with this amendment. We all know how these things happen. The amendment which the Senators have introduced now destroys less of the House and Senate Finance Committee bills than did an earlier amendment which they introduced. It seems obvious to me that the Treasury Department has merely endorsed this amendment to keep the sponsors from pushing an amendment which would go still further and lose still more of the reform in the committee bill.

I call special attention to the fact that this amendment eases off the recapture rules for other than housing. In fact it loses $20 million out of the total of $55 million picked up in this area. I can see no way in which this would help the housing market. The only thing it could possibly do is to draw construction workers from housing projects to nonhousing projects and in this way slow down the development of new housing.

I urge the rejection of this amendment.

Mr. TOWER. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, I think that we sometimes get the idea we have to institute tax reform just for the sake of reform. Certainly, there is an incentive inherent in this proposal which will result in some people making money; but since when is it evil for people to make money? I assume this is still a capitalist country.

I think we must recognize the fact that the Government alone has not the resources to cure all the social and economic ills which exist.

One of those ills is the fact that many of our citizens—millions of them—are inadequately housed in substandard housing. Only the private sector of the economy can remedy this situation and for this sector of the economy to do so, we must give them an incentive. People are not going to invest money that does not produce a return.

I think that if people, properly motivated, make a little money off the fact that they have resolved a social or economic ill, so much the better; that is the only way problems are going to be solved.

I cannot see that just for the sake of reform, just for the sake of punishing people who are in the real estate or construction business we are going to destroy the incentive necessary to try to achieve our national housing goal; this goal will average, over the next 10 years, 2.6 million units per year. We are falling short in our first 2 years. We are falling far short. We are not going to achieve much more than half our goal over the next 2 years.

As was pointed out by the distinguished Senator from Alabama, mortgage money is tight; interest rates are high; and it is difficult to get capital into homebuilding.

I do not think that for the sake of perhaps $80 million we ought to destroy the incentive for more construction of residential units. Already the real estate people and the construction people will pay more than $1 billion in additional taxes as a result of this bill. We are just relieving them of about $80 million of it. They are still paying the big bite in this tax bill, more than any other industry, more than any other business, and more than any other trade or profession. Real estate is carrying the load. This, to me, is not a very good time for them to have to carry the load.

Mr. President, this proposal calls for $80 million to $100 million, but think how much more in the way of Government resources it is going to cost us if we cannot stimulate the private segment of the economy to build the residential units we need in this country.

Some allusion has been made to the fact that commercial property would get a little relief. Mr. President, you cannot rehabilitate the poor cities in this country unless you provide both adequate residential and commercial construction. Where people live they need certain commercial facilities. They need retail outlets, and they need goods and services. So we have to have commercial building.

The big relief in the amendment proposed by the Senator from Alabama and me is that there will be a stimulus for the construction of residential units of all types, single-family and multifamily units of all types.

That is what is so desperately needed in this land today. I certainly hope that the Senate will, in its wisdom, adopt this highly constructive amendment, designed to try to help us achieve the goal of 26 million residential units in 10 years. We will never resolve the problem of the core cities until people are adequately housed.

We have passed housing bill after housing bill aimed at promoting construction of low-income housing and in promoting home ownership for low-income families.

Think what a great stabilizing influence that would be on our society, if most of the low income families in this country could own their own homes.

That is what we are aiming for.

I know that sometimes I am regarded as some kind of mossback reactionary, but this is one area in which I am a liberal since I believe that the key to a stable society and to a prosperous society, the key to self-respect and pride in people, is the ability to own our own homes.

That is the thrust of the amendment being offered by the Senator from Alabama and me.

Mr. President, I ask unanimous consent that I may suggest the absence of a quorum with the time consumed by the call not to be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCARTHY. Mr. President, will the Senator from Texas yield?

Mr. TOWER. Mr. President, I yield such time to the Senator from Minnesota (Mr. McCARTHY) as he may deem necessary.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. McCARTHY. Mr. President, on January 18, 1962, before the Joint Committee on Internal Revenue, former Secretary of the Treasury Douglas Dillon, in connection with legislation recommended by the Treasury at that time, stated:

> The existing depreciation guidelines are outmoded and in need of revision.

It is my understanding that in order to give more realistic recognition of obsolescence and technological trends, the Internal Revenue Service adopted Rev. Proc. 62–21 on July 17, 1962, to provide a comprehensive and basic reform in guideline lives for depreciation of a great variety of categories of personal property; however, the section relating to depreciation of buildings provided no basic reform and the revision at that time was limited to a listing of composite lives only of limited types of buildings somewhat less advantageous than those contained in bulletin "F."

Mr. President, in view of the material restrictions contained in this bill on the methods of depreciation and the provision relating to recapture of depreciation, the Treasury Department should reduce the guideline lives of buildings and their components in keeping with the statutory requirement that a "rea-

sonable allowance" for depreciation be allowed including technical and economic obsolescence of the various types of buildings and their components.

Mr. President, despite the Nation's requirement for a drastic increase in housing for low- and middle-income Americans in the decade ahead, the Senate Commitee on Finance has reported a bill which runs counter to this goal. Under proposed legislation, all purchasers of section 1250 used property, are limited to the straight line method of depreciation. Current depreciation schedules are retained for certain low- and moderate-income housing projects, while all other types of residential housing are taxed with full recapture of accelerated depreciation over the straight line method for the first 10 years, with capital gains treatment after 18 years, 4 months. Nonresidential, commercial sales are to be taxed on all depreciation taken over the straight line method.

While recognizing that abuse of the depreciation schedules has occurred, I feel that the proposed legislation will seriously impair our national responsibility to provide decent housing, a decent environment, and decent neighborhoods for America's expanding urban and rural population. At least one-sixth of our population now lives under less than adequate conditions. We must move quickly to provide them with housing and supportive industries so that they may improve their lives and that of the community. The social cost of delay in the related areas of industrialization and unemployment, is an exorbitant and unwarranted expense. The time has come to provide decent housing for all Americans.

The main argument advanced in favor of the provisions affecting depreciation deductions for sellers and owners of revenue producing properties is the purported increase of Federal revenues by $1 billion. The Treasury estimate of the billion dollar per year recoupment by 1979 assumes that the current rate of investment activity in housing and related commercial construction will remain about the same. In light of rising interest rates and higher labor and construction costs, the optimism of the Treasury Department is suspect. It is quite possible that the purported increase in revenues will be offset by additional Federal expenditures in housing. By removing features attractive to investment, the Federal Government will, in the long run, have to assume many of the burdens of construction and investment now borne by the private sector of the economy.

Leon Keyserling, former Chairman, Council of Economic Advisers, in his testimony on September 26 before the Finance Committee, correctly identified the problem sought to be corrected by the tax bill when he stated:

> Equity in a narrow sense depends upon having allowable depreciation deductions equal the actual decline in the economic value of a property, and determining the actual decline is a very difficult question of fact.

Determinative data on this question is difficult to obtain. It is possible that the decline in economic value actually does occur at the rate of accelerated depreciation. The tax treatment of new housing investment, is, as Mr. Keyserling notes:

> Double barrelled because in two ways it makes the tax treatment of investment in new housing much less favorable than the tax treatment of other investments. First, any time this investor wants to sell his building, the price will be depressed because the buyer cannot take advantage of even 150 percent declining balance depreciation. Second, if the original investor does sell anyway, the Bill requires that any capital gains, up to the excess of accelerated over straight line depreciation, be taxed as ordinary income. This means that only the postponement of ordinary taxable income, but never its conversion to capital gains, will be possible under the new law. This change might be conceivably desirable if it could be shown conclusively that accelerated depreciation as to housing and other real estate investment is always excessive, and that true economic income was being converted into capital gains . . . Further, it is probable in many cases that the gain being "recaptured" was never ordinary income in the first place, but rather a wise speculation on the value of a particular capital asset. Some tightening of the tax treatment of capital gains is desirable, and this conclusion might seem to contradict what I am saying here about recapture. However, it is important to note that the recapture provisions of the current Bill apply only to investments in housing and other real estate, not to capital gains generally.
>
> I find it difficult to justify these provisions, at a time when housing and other real estate investment should be stimulated in relation to other kinds of investment.

I ask unanimous consent that extracts from Mr. Keyserling's testimony be printed in the RECORD at the conclusion of my remarks.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

> The tax effect of accelerated depreciation is to postpone ordinary taxable income from the early years of a project's life, when depreciation deductions are higher than they would be otherwise, to the later years, when these deductions are lower. (Immediate deduction of interest and other expenses, in years when reported income from the investment project is not large enough to cover them, has a similar effect of postponing taxable income.) Postponing taxable income of course postpones taxes, so the effect of accelerated depreciation is an interest-free loan as against straight-line depreciation. Accelerated depreciation is thus more favorable than straight-line depreciation.
>
> But this does not mean that accelerated depreciation is an inequitable tax concession, even in the narrow sense where equity depends solely upon having taxable income equal currently realized economic income. Equity in this narrow sense depends upon having allowable depreciation deductions equal the actual decline in the economic value of a property, and determining the actual decline is a very difficult question of fact.
>
> Assuming for the moment (although I seriously challenge) that some of those who have studied the problem are right in their finding that the actual economic or value depreciation of office buildings, and even of some other real property, is less rapid than straight-line, the primary consequence of allowing accelerated depreciation (under this assumption or finding) is that the postponed ordinary taxable income can be taken at a later date as a capital gain, taxed to favorable rates, instead of as taxable future ordinary income. This is done by selling the property, at some later date, at a price which capitalizes the ordinary income expected to accrue after that date. The current Bill is apparently designed to correct this alleged inequity (in the narrow sense of equity) of the present tax laws. But if the finding is incorrect (which I think to be the case), if the decline in economic value actually does occur at the rate of accelerated depreciation, then the capitalized value of postponed ordinary income only offsets what would otherwise appear on an investor's tax return as a capital loss.
>
> In any event, the assumptions and findings which I deem to be so highly questionable (and certainly not supported by adequate empirical testing), have no direct bearing upon the various provisions of the current Bill which effect housing. The most important of the provisions affecting housing are the elimination of accelerated depreciation for purchasers of used buildings, and the recapture provision (sec. 521). These provisions deny the housing investor most of the advantages of the double declining balance method for depreciating new buildings, even though those who have made the findings with which I disagree do not purport to show that accelerated depreciation is inequitably rapid for housing.
>
> The effect of these two provisions on an investor in *new* housing is double-barrelled, because in two ways it makes the tax treatment of investment in new housing much less favorable than the tax treatment of other investments. First, any time this investor wants to sell his building, the price will be depressed because the buyer cannot take advantage of even 150 percent declining balance depreciation. Second, if the original investor does sell anyway, the Bill requires that any capital gains, up to the excess of accelerated over straight-line depreciation, be taxed as ordinary income. This means that only the postponement of ordinary taxable income, but never its conversion to capital gains, will be possible under the new law. This change might conceivably be desirable if it could be shown conclusively that accelerated depreciation as to housing and other real estate investment is always excessive, and that true economic income were being converted into capital gains. But to my knowledge there has been no such showing as to housing, nor do I believe that such showing can be made. Further, it is probable in many cases that the gain being "recaptured" was never ordinary income in the first place, but rather a wise speculation on the value of a particular capital asset.
>
> I have stated earlier in my testimony that some tightening of the tax treatment of capital gains is desirable, and this conclusion might seem to contradict what I am saying here about recapture. However, it is important to note that the recapture provisions of the current Bill apply only to investments in housing and other real estate, not to capital gains generally. This is why I find these recapture provisions so unwarranted, at a time when housing and other real estate investment should be stimulated relative to other kinds of investment, not depressed.
>
> The combined effect of recapture and of straight-line depreciation for all acquisitions of used buildings is to make investment in residential construction much less liquid than it is presently. Since housing generally has such a long life, any decrease in liquidity is apt to depress severely investment in housing, and this is patently undesirable. It is recognized that rapid turnover is a problem, and that present phasing out of recapture may be viewed by some as inadequate to prevent unduly rapid turnover. In that case, full recapture of excess depreciation could be extended to five years, with the recaptured percentage of the excess depreciation declining by one percent per month for 100 months thereafter.
>
> Recapture and straight-line depreciation for used buildings are not the only provisions adverse to housing. The limitation on tax preferences (sec. 301), the allocation of de-

duction (sec. 302), and the limitation on interest deductions (sec. 221) also affect housing (and other real estate investment) adversely. LTP prevents investors in housing from taking the full benefit of accelerated depreciation, where the amounts involved (when combined with any other tax preferences the taxpayer may have) exceed 50 percent of economic income. ADR requires that investors in housing (and other real estate) allocate some of their deductions to the excess of accelerated depreciation over straight-line depreciation, leaving lesser amounts to be deducted from income subject to taxation, and this too reduces the benefits that can be obtained from accelerated depreciation. Although these provisions would make investment in housing less attractive to most investors, I believe, as I have explained, that they are the proper way to prevent gross abuse of the tax stimuli favoring investment in housing. However, I do not agree with the Treasury that interest and taxes paid during construction of real property improvements should be included at this time as a tax preference. My reason is that the use of this practice has received much less scrutiny than the use of accelerated depreciation, and it is not clear at this time that treatment of these interest and tax costs as a preference item is justified. It should also be noted that the Treasury proposal discriminates against housing and other real property, in that other kinds of property are not subject to similar tax treatment.

Although I do favor LTP and ADR, as I have explained, I want to emphasize that their application to housing (and other real estate investment) will have an adverse effect. For this reason it is even more important that the other provisions of the Bill damaging to housing not be adopted.

RETROACTIVE FEATURES OF THE BILL, AND SOME OTHER TECHNICAL PROBLEMS

Before leaving the subject of housing, I should like to point out some retroactive features of the Bill in its current form, and also comment on one other technical problem.

(1) The following sections of the Bill apply retroactively, in that they deny certain tax concessions on commitments made before the Bill was reported. This occurs because the income or deduction accrues after the Bill is effective, and thus is covered by its terms.

(a) Sec. 221, limitation on interest deduction: The problem here is long-term net leases entered into before the Bill was reported. Interest deductions by the lessor may be limited, even though the investor has a long-term commitment. Also, the lessor is not making unreasonably high after-tax returns over the life of the project—the effect of tax concessions, at least in significant part, is passed on to the lessee in the form of lower rental prices than would otherwise obtain:

(b) Sec. 301 and 302, LTP and allocation of deductions: Accelerated depreciation of real property is a tax preference for purposes of LTP and allocation of deductions. Even where a transaction has been committed before the Bill was reported, the transactor loses some benefit from accelerated depreciation. The allocation of deductions is most serious, because it hurts all amounts of accelerated depreciation. The LTP only hurts if the taxpayer has excess depreciation amounts greater than his other income;

(c) Sec. 521, recapture of accelerated depreciation: Persons who invested in real estate before the Bill was reported may have done so only in expectation of converting some income to future capital gains, and they have offered lower rentals in anticipation of this tax advantage. The rental commitments continue, but the tax advantage is gone.

(2) The allocation of deductions to untaxed excess depreciation would not operate fairly: A taxpayer taking accelerated depreciation only postpones taxable income (and perhaps converts later to capital gains, but not as sec. 521 is now written). However, deductions disallowed are lost forever. Therefore, deductions disallowed on account of excess real estate depreciation should be added back to basis cost for purposes of later determining capital gain. (This treatment would correspond to the treatment of that part of excess depreciation which is itself disallowed under LTP).

PROVISIONS OF THE BILL DIRECTLY AFFECTING NONRESIDENTIAL CONSTRUCTION, AND THEIR EFFECTS

In addition to all the provisions adversely affecting both housing and other real estate investment, there is one very important provision in the current Bill which applies only to nonresidential construction. This provision, in sec. 521, would limit the use of accelerated depreciation by the original owner of new non-residential structures to the 150 percent declining balance method, instead of the presently allowed double declining balance method. The 150 percent method is substantially slower than the 200 percent (double declining balance) method, and it therefore reduces very substantially the incentives for investment in non-residential construction.

The reason given for treating housing and nonresidential construction differently is that "Congress [has] expressed its desire to stimulate construction in low- and middle-income housing to eliminate the shortage in this area" (Ways and Means Report No. 91-413, Part 1, p. 166). However, as I have developed in detail earlier in my testimony, it is entirely unrealistic to posit that better housing in a better environment can be achieved by stimulating residential construction alone. Proper community development requires the blending and integration of housing, appurtenant community facilities, and commercial structures. Without the latter, developers may be unable to open up new areas for housing, because no one wants to live where there are no stores, amusements, or other attractions. This is especially true of low-income persons, because they are known to be much less mobile than persons with higher incomes (the two-car family can live where it pleases; the one-car or no-car family cannot).

Within the cities, it is especially desirable to encourage the development of commercial structures, because such buildings increase the tax base and provide the cities with sorely needed revenues. These revenues are obtained without placing additional tax burdens on urban residents, and they may thus help to stem or reverse the flow of middle-income families away from the cities, allowing a better mixture of income groups in all residential loci.

It should be clear, therefore, that there is no sound basis for limiting the tax advantages of the double declining balance method only to new housing, because proper and full development of the nation's housing requires a correlative stimulus for nonresidential construction.

The need for favorable tax treatment of new nonresidential construction can also be developed from a more general approach, comparing commercial construction with other sectors of the economy (commercial construction is the largest component of nonresidential, nonfarm buildings, and it is the one on which the Bill in its current form concentrates). As my earlier discussion indicates (see again Charts 22 and 23), investment in both housing and commercial structures has been growing much less rapidly than other forms of investment, although sound national economic and social policy requires that both of these sectors grow much more rapidly than they have been growing, and also more rapidly than GNP and other major components thereof.

The deficiency in the pace of housing investment is clearly much greater than in the pace of investment in commercial structures, but that is no reason for removing tax advantages from the latter. The present tax advantages for commercial construction are inadequate in terms of our national needs, and they should be strengthened rather than weakened. In this connection, it should be observed that the current Bill places as great an additional burden on investment in nonresidential real estate as it does on investment in producers' durables. The repeal of the investment tax credit, the only provision directly affecting investment in producer durables, is expected to yield 3.3 billion dollars in 1979, when fully effective (projections based on current volume of activity—see H.R. Report 91-413, Pt. 1, p. 16). This is only 5.6 percent of the 1968 investment in this category. In contrast the reduction in accelerated depreciation on new nonresidential buildings alone is expected to yield 960 million dollars, or 5.1 percent of the 1968 investment in such buildings, and the other tax provisions affecting real estate will certainly increase substantially the tax effect on new construction in this field, although the Committee Report does not give revenue estimates in sufficient detail to determine these effects exactly.

The immediately preceding discourse implicity assumes that there is merit in the proposition that commercial buildings (if not housing) depreciate (in an economic or value sense) less rapidly that straight line. For reasons already stated, this proposition has nowhere to my knowledge been vindicated, nor do I agree with it. A recent study by Taubman and Rasche,[1] made available to the U.S. Treasury may well have attained some influence in directions contrary to those I recommend. My analysis of this study, showing its shortcomings, is attached as Appendix Two.

The foregoing indicates that the current tax treatment of all real estate investment, both housing and nonresidential, is desirable on the general grounds of public economic policy. However, the current Bill is directed more narrowly to the question of tax equity, and it is important that the tax equity arguments be faced on their own grounds, even though I feel that these grounds are not the best grounds for resolving the basic issues of our national needs for accelerated investment in these sectors.

EQUITABLE CONSIDERATIONS

It must be emphasized that tax concessions to the real estate industry do not "enrich" real estate investors generally, as shown on my earlier Chart 27. Thus, the current tax concessions available to real estate enable lower rents than would otherwise obtain, and stimulate construction, but they do not provide real estate investors generally with inordinate gains. This indicates that the equity issue may be somewhat specious: investors in real estate generally are no better off after paying their (allegedly) reduced taxes than other investors paying (allegedly) higher taxes.

The question of equity is thus transformed into a question of resource allocation—is it proper that real estate continue to receive the economic stimulus they now receive from current tax provisions? I feel that the materials I have incorporated in this testimony provide an affirmative answer to this question.

ADDITIONAL CONSIDERATIONS

The increasing burden of State and local property taxes weighs most heavily upon resi-

[1] P. Taubman and R. H. Rasche, "Economic and Tax Depreciation of Office Buildings" (University of Pennsylvania, Wharton School of Finance and Commerce, Department of Economics, Discussion Paper No. 111, January 1969).

dential and commercial construction, and indeed upon the owners and renters of such properties, including average business people and, most importantly, families of low and lower-middle income. Federal tax concessions for real estate thus serve in part to redress the balance, not disturb it (and they are also a way for the Federal Government to ease the plight of the States and localities).

Second, as already discussed, high interest rates are more burdensome to housing and other aspects of real estate investment than to other industries, because these endeavors are much more dependent upon external financing (rather than retained earnings) and upon debt financing (see again Chart 27). These high interest rates, however, are not necessarily a true measure of either the scarcity or the value of capital for investment, but rather they are contrived by Government policy. It is therefore extremely appropriate that tax concessions to real estate be used to offset some of the distortions caused by artificially high interest rates.

Third, most other forms of investment will retain the advantages of shortened guideline lives and accelerated depreciation, and similar treatment of real estate is again a balancing force rather than a disturbing one.

Consideration of these three factors is an application of what is called the theory of second-best. As a general principle, subsidy for one industry leads to inefficient allocation of resources; but this principle applies only when there are no taxes or subsidies for any other industries. Viewed against the background of an established tax structure, containing many different types of taxes imposed by many different jurisdictions, the simple rule that subsidies cause inefficiency can no longer be applied (if it has any large validity in principle). Given the present tax structure, it seems clear that continued Federal income tax concessions for real estate are appropriate. Of course, major changes in other parts of the structure might be desirable, and it might then become desirable also to modify the tax treatment of housing and other aspects of real estate investment, but that is not a controlling factor at this time.

Another broad class of reasons for applying only with caution the general rule that subsidies, including those in the form of tax concessions, are inefficient is the incidence of external economies and diseconomies. External factors exist which cause the private signals of market prices to register only partially and inaccurately the values of everyone in the economy. Where this happens, collective action to redirect market incentives is appropriate, and special concessions become necessary. The whole field of housing, urban development, and land use is a classic example of external effects, and there are many economists who argue that such concessions for real estate development are in fact necessary for economic efficiency, not inimical to it.

Finally, in a period of inflation, the Federal tax structure (and income taxes generally) imposes an especially heavy burden on investors holding assets with relatively long lives. The problem is the tax treatment of depreciation allowances, which supposedly enable a taxpayer, in determining his income, to deduct from his revenues the amounts that are only a recovery of his initial capital costs. Taxation is based upon the principle that a dollar is a dollar, whenever it is received or paid, and the owner of property can only obtain depreciation allowances equal to his original dollar cost, even though some of the depreciation is taken many years after the cost was incurred. This means that, in a period of general inflation, the depreciation dollars deducted from revenue, which are supposed to constitute recovery of cost, are worth less (in purchasing power) than those used to construct or acquire the property. The result is that the taxpayer must pay income taxes on funds whose receipt is necessary just to maintain the value (in goods) of his investment (see Table 1).

The first column of the table shows what would happen in some arbitrary future year *t*, on the assumption that there is no change in the general price level. Revenues, costs and taxes are listed, and in this hypothetical example there is a cash flow (depreciation plus income after tax) equal to 15 percent of the assumed value of the property in that year. This cash flow represents both the recovery of the investor's cost and his income from the investment.

The second column of the table shows what would happen on the assumption that the price level in year *t* were double that in year zero, owing to inflation during the intervening period. Revenues, current costs, and the current value of the property are double what they would be with the price index at 100. Allowable depreciation, however, is not doubled, so that taxable income and thus income taxes are more than doubled (in this example, income tax is tripled). The result is that cash flow is less than doubled, and cash flow is therefore a smaller percentage of the property's value than it would be in the absence of inflation.

The third column shows how a doubling of the deprecation allowance (in proportion to the amount of inflation) would exactly compensate for the effect of inflation, reducing income taxes to twice the amount that would be collected in the absence of inflation, and thus restoring cash flow to the same percentage of current value as would be obtained if no inflation had occurred.

I do not contend that depreciation, for tax purposes, be calculated on a basis other than recovery in current dollars of initial cost—any change would make administration of the tax laws very much more difficult. However, it should be observed that office buildings have longer lives than most other assets, so the effects described here have a greater impact on them than on, say, investment in producer durables. For this reason one should perhaps make other adjustments in the handling of depreciation for long-lived assets, and shorter guideline lives plus accelerated depreciation seem appropriate.

TABLE 1.—EFFECT OF INFLATION ON INCOME AND TAXATION OF OWNERS OF DEPRECIABLE PROPERTY

| | | | |
|---|---|---|---|
| Year zero: | | | |
| Price index | 100 | | |
| Initial cost of property | $500,000 | | |
| Year t: | | | |
| Assumed price level | 100 | 200 | 300 |
| Revenues | $180,000 | $360,000 | |
| Operating and maintenance cost | 120,000 | 240,000 | |
| Gross return to capital | 60,000 | 120,000 | $120,000 |
| Depreciation allowed | 30,000 | 30,000 | 60,000 |
| Taxable income | 30,000 | 90,000 | 60,000 |
| Income tax | 15,000 | 45,000 | 30,000 |
| Income after tax | 15,000 | 45,000 | 30,000 |
| Cash flow after tax | 45,000 | 75,000 | 90,000 |
| Current value of property | 300,000 | 600,000 | 600,000 |
| Cash flow as percentage of current value | 15.0 | 12.5 | 15.0 |

Note: All data are artificially constructed for this example.

Mr. TOWER. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time consumed being charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. LONG. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I yield such time as he requires to the Senator from Delaware (Mr. WILLIAMS).

Mr. WILLIAMS of Delaware. Mr. President, I hope the pending amendment will not be agreed to. The bill, as it came from the House, would have provided $375 million in additional revenue by plugging various real estate loopholes. The Senate Finance Committee action reduced that amount somewhat, and, the bill as reported by the committee, would provide $350 million in additional revenues.

This amendment loses $90 million of that revenue—over one-fourth of it—in a further erosion of the efforts to close what has been recognized by many as one of the most glaring loopholes. We still do not have a number of them closed.

I should like to cite an example of just how this real estate gimmick could work, and to show that we not only have not done too much, but in fact have failed to do enough. This was a specific case where an individual borrowed the money from a Government agency—it was of these 100 percent financed, so-called nonprofit operations—and built an apartment project down in Florida. The total cost was around $10.5 million. He had less than $25,000 of his own money involved, because it was almost 100 per cent financed. The project ultimately went broke, and so there was never anything paid as far as the Government was concerned. But during the year or two while the project was going broke, or being taken over by the Government, he took depreciation on this property, and in addition to that, being under the accrual accounting method, he accrued the interest which he should have paid, but did in fact pay, to the Government on the borrowed money. These deductions gave him a sizable tax loss each year.

Then this operator consolidated the corporation results with his other corporation for tax purposes. This meant that by filing consolidated returns he brought the losses over to his major company, where he did have a big income, and was able to write off a substantial part of those losses against this income. So he was actually writing off depreciation on buildings built not with any of his money but with the U.S. Government's money, and writing off an allowance for interest on money borrowed from the U.S. Government, where neither the interest nor any part of the principal was paid, and he got a tax benefit—a tax reduction—from all that.

This is just one example of how a person can work this real estate gimmick and make a tax profit out of a deal where he does not put up one dime of his own money.

We have not closed that loophole in this bill. A person can still go into these Government financed projects without

putting up his own money. I failed in my effort to close this loophole.

In fact, there is a provision of the bill which allows special treatment for low-cost housing projects. Under this provision, the investor can sell the property, and he does not have to pay capital gains on the profit; he then can take all of the proceeds, reinvest it in similar property, and keep pyramiding it over and over, not only not paying capital gains, but paying no taxes whatever.

I wonder how much more we want to do for this industry. I think the least we can do is stand by what little corrections the committee has made, which is a very small part of what is needed to really close this loophole. If the Senate, wants to correct some of the inequities and loopholes, I hope the committee bill will be supported and this amendment will be rejected. I personally would prefer going in the opposite direction. I tried to do that in the committee, but lost. Certainly the very least we can do now is to hold the very small attempt we have succeeded in making to close what we have recognized as one of the glaring loopholes in our tax law.

The approval of this amendment will lose $90 million in revenue.

Mr. TOWER. Mr. President, I do not think passing this amendment would give rise to speculation. You have to hold residential property for over 13 years and commercial property for over 18 years to get full capital gains treatment.

The goal of 2.6 million units a year will require about $52 billion in annual investment. What is a tax loss of $80 to $100 million a year when compared with the importance of investment in new housing? We need to attract private investors into rental housing; otherwise, the Federal Government becomes more and more involved. This will cost us more over the long pull. The Federal commitment now for rental housing is nearly $1.5 billion. That amount will drastically increase unless more private investment is made in rental housing.

Mr. PERCY. Mr. President, I am pleased to cosponsor the Tower-Sparkman amendment providing for accelerated depreciation on residential construction.

In 1934, Congress called for the construction of a "safe, decent, sanitary home for every American family." We have failed them ever since. In 1937, it enacted legislation to do away with slums and blight. These conditions still exist. In 1949, Congress prescribed for the construction of 810,000 public housing units. Thirty-five years later, only 700,000 units have beeen built.

In 1968, Congress rededicated itself to meeting our peoples' need for adequate housing by prescribing a national housing goal calling for a "decent home and a suitable living environment for every American family." Pursuant to this, Congress resolved that 26 million housing units had to be built or rehabilitated within the next 10 years, 6 million of which are intended for low- and moderate-income families.

Mr. President, our society can no longer permit the record of broken promises to continue. We cannot hope to promote sound health among our citizens if they are ill-housed. We cannot expect to instill a desire to obtain a sound education if one knows only the hardknocks of a slum environment. We cannot contemplate reductions in crime, delinquency, and drug abuse if people are forced to live under ghetto conditions where substandard housing is the rule. The time has come for us to recognize that housing must be considered as a basic need and requirement of life in the same manner as health, food, education, and a livable income.

There are those who argue that we are not going to be able to meet our housing promises of 1968; that we must face the facts of economic life. I disagree, the facts of life are that the lives of people are being seriously adversely affected as a result of inadequate housing.

We cannot fail our citizens again. They no longer will tolerate failure.

More than 6 million homes and apartments in the United States are delapidated or deteriorating today. One quarter of all U.S. housing is now classed as substandard. The depressed condition of the housing construction market these past 4 or 5 years has meant that we have been unable to contain this rate of deterioration. Whereas, we should be building or rehabilitating 2 to 2½ million homes each year, we have been limping along at a 1.3 to 1.5 million rate. Instead of advancing toward our goal, we are falling farther behind each year.

Generally, it is the old, the ill, the minorities, the large families, and the poor who have been unable to locate decent housing. Today, however, as supply falls even farther behind demand, citizens in all walks of life are being harmed. In one sense this is bad. Realistically, however, a universal unrest over housing conditions may now enable us to commit housing to the priority status it deserves. Up to now, housing has been sacrificed as a leading scapegoat to eccnomic pressures or other claimed needs. We must resolve to no longer permit this.

Under the present law, owners of residential property are entitled to accelerated depreciation against the early years of the property's life. This not only encourages a greater incentive for construction, but provides the release of cash flows which may be directed to new construction. Owners of used buildings also are entitled to reasonable depreciation rates which, if properly administered, can have the effect of encouraging new construction.

The proposed legislation reported out of the Senate Finance Committee would have reduced this accelerated depreciation incentive on existing structures. In addition, the committee proposal would have altered the recapture provisions in all structures, except moderate-income housing projects, so as to impose higher tax burdens on those investing in real estate.

These provisions could seriously impede residential construction. While preferences must be denied those who take unfair advantage of the tax laws on real estate and while our laws must not encourage slum development, we must not at the same time discourage construction—especially residential structures.

Investment is based upon yield and risk. Depreciation cushions these conditions. If we jeopardize a fair recovery through an adequate depreciation and the market for real estate thereby begins to dry up, this not only adversely affects the used housing market, but depresses new construction as well. In addition, lower yields and higher risks due to inadequate depreciation will force housing owners to raise rents or other costs and may also cause the deterioration of buildings. Both cases are harmful to the construction of adequate supplies of new housing or the rehabilitation of existing housing.

Existing changes in the tax laws relating to real estate will provide increased revenue exceeding $700 million in taxes over the next 10 years. There are estimates that the present committee provision may produce additional millions of dollars in revenue. The figures upon which this is based are questionable. Even if accurate, however, the gain cannot equal the potential loss to new or rehabilitated housing so vitally needed to meet our housing goals.

The Treasury Department and the Department of Housing and Urban Development both support this amendment. Its adoption should help assist us as one step—at least we can take today—to overcome the serious housing crisis now facing us.

Mr. TOWER. I am prepared to yield back my time.

Mr. LONG. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. CANNON in the chair). All time having been yielded back, the question is on agreeing to the amendment of the Senator from Texas (Mr. TOWER). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Georgia (Mr. RUSSELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Arkansas (Mr. FULBRIGHT) and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Vermont (Mr. PROUTY) is detained on official business.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from Vermont (Mr. PROUTY) would each vote "yea."

The result was announced—yeas 69, nays 24, as follows:

[No. 201 Leg.]

YEAS—69

| | | |
|---|---|---|
| Allen | Bible | Byrd, W. Va. |
| Allott | Boggs | Cannon |
| Baker | Brooke | Church |
| Bayh | Burdick | Cook |
| Bellmon | Byrd, Va. | Cooper |

| | | |
|---|---|---|
| Cotton | Jackson | Percy |
| Curtis | Javits | Proxmire |
| Dodd | Jordan, N.C. | Randolph |
| Dole | Jordan, Idaho | Schweiker |
| Dominick | Magnuson | Scott |
| Eastland | Mansfield | Smith, Maine |
| Ellender | Mathias | Smith, Ill. |
| Fannin | McCarthy | Sparkman |
| Fong | McClellan | Spong |
| Goodell | McGovern | Stennis |
| Gravel | McIntyre | Stevens |
| Griffin | Miller | Talmadge |
| Gurney | Mondale | Thurmond |
| Hansen | Montoya | Tower |
| Hartke | Murphy | Tydings |
| Hatfield | Packwood | Williams, N.J. |
| Hollings | Pastore | Yarborough |
| Hruska | Pearson | Young, N. Dak. |

NAYS—24

| | | |
|---|---|---|
| Aiken | Hart | Moss |
| Bennett | Holland | Muskie |
| Case | Hughes | Nelson |
| Cranston | Inouye | Pell |
| Eagleton | Kennedy | Ribicoff |
| Ervin | Long | Saxbe |
| Gore | McGee | Williams, Del. |
| Harris | Metcalf | Young, Ohio |

NOT VOTING—7

| | | |
|---|---|---|
| Anderson | Mundt | Symington |
| Fulbright | Prouty | |
| Goldwater | Russell | |

So the Tower-Sparkman amendment (No. 407) was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DIVESTITURE OF CERTAIN STOCK

Mr. ERVIN. Mr. President, I call up my amendment, which I have just sent to the desk, and ask that it be stated.

The PRESIDING OFFICER (Mr. HUGHES in the chair). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ERVIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 13 after line 14, insert the following:

"(D) Section 4943 shall not apply to require the divestiture of the stock of an incorporated business enterprise acquired by a private foundation where: the private foundation is a testamentary trust; at least 95 percent of the stock of such enterprise was acquired by bequest from the creator of the trust; the creator of the trust died more than ten years before the date of enactment of this Act; all of the net income of the foundation is required to be distributed annually in specified percentages to specified churches, educational institutions, and orphanages and historical societies; no member of the family (within the meaning of section 4946(d)) of the creator of the foundation is a manager of the foundation (as defined in section 4946(b)) on or after December 31, 1959; such enterprise on October 9, 1969, is of substantially the same character as the enterprise which was conducted by such incorporated business enterprise on the date of the creation of such foundation; and such enterprise, in 3 of the last 5 taxable years ending on or before December 31, 1969, and in each taxable year ending after such date, distributes to its shareholders more than 40 percent of the amount by which its taxable income exceeds the tax imposed by section 11 for the taxable year. This subparagraph shall continue to apply only so long as such enterprise continues to be of substantially the same character as the enterprise which was conducted by such incorporated business enterprise on the date of the creation of such foundation."

On page 112, line 19, strike out "Subparagraph (A)" and insert in lieu thereof "Subparagraphs (A) and (D)".

Mr. LONG. Mr. President, will the Senator yield?

Mr. ERVIN. I yield

Mr. LONG. Mr. President, the Senator's amendment has to do with a foundation that owns a newspaper in Morganton, N.C. The committee did agree to a couple of exemptions to the divestiture rule with regard to foundations, where certain members of the committee found that a severe problem was created. The Senator's amendment has the same merit as the other two exceptions we made.

Would the Senator mind telling me the name of the foundation?

Mr. ERVIN. The organization is a testamentary trust created by the will of Miss Beatrice Cobb, who died in September 1959.

Mr. LONG. Mr. President, I have discussed this matter with the Senator. If this amendment were offered as a private relief bill, I would have no objection to it. In view of the fact that the committee made two exceptions to the divestiture rule when it considered the matter, on the urging of Senators who had a particular problem with regard to some foundation created by a former citizen of their State, I feel that it would be fair to make an exception with regard to this situation, which the Senator finds would create a hardship for the people involved by requiring them to divest under the general language of the bill.

I am informed that the Senator from Delaware (Mr. WILLIAMS), who voted against making any exception at all, will vote against the amendment, as a matter of consistency. I believe he is willing to let this matter be decided on a voice vote.

Mr. WILLIAMS of Delaware. The Senator is correct. I think a mistake was made when an exception was made for the other foundation, but I must admit that there is some similarity between this one and the other. I objected to the other amendment, and I hope this amendment will not be accepted.

Mr. ERVIN. This would be within the provision of section 4943(A)(i) as set forth on page 111 of the bill, except for the death of the testator, which occurred about 2 years and 9 months later. My proposed amendment is stricter because it provides that the testamentary trust must disburse all net income each year. I do not know any other foundation that would come under this amendment.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. CURTIS. I ask this question of the distinguished Senator: Is this the case we discussed in which the trust owns 100 percent of the stock of a going business?

Mr. ERVIN. It owns virtually 100 percent of the stock. It has just enough shares outstanding to have one share held by the members of the board of directors. It owns approximately 99 percent of the stock.

Mr. CURTIS. I wholeheartedly support the Senator's amendment, and this is why: There is absolutely no revenue involved.

I disagree with the idea of divestiture, but I can understand the argument made for it where a foundation owns part of a business and private individuals own part of the business; because there is always the fear that perhaps the foundation would be maneuvered in voting as shareholders, to the advantage of private parties. When the foundation is the owner of substantially all of a business, there can be no conflict of interest, and for that reason it should be exempted from the divestiture. It is right and it is fair. To do otherwise would violate the will of the testator. It would bring no revenue. It would be an attack upon some very fine activities of a foundation.

Mr. LONG. Mr. President, Miss Beatrice Cobb, who published and edited the Morganton, N.C., News Herald for approximately 50 years, died September 11, 1959. Under her last will and testament, she left all of her property to a trust whose trustees are directed to pay out all of the net income of the trust each year by specified percentages to various churches, educational institutions, and orphanages named by her in her will. This trust owns virtually 100 percent of the entire stock of the Morganton News Herald which, as a corporation, pays taxes upon its income. Any dividends paid to the trustees upon the stock held by them in the News Herald is paid out each year along with the other income of the trust for the charitable purposes stated above. The will requests the trustees to continue the publication of the Morganton News Herald in accordance with the policies which Miss Cobb herself followed in operating such newspaper.

Miss Cobb requested in her will that this trust continue to operate the Morganton News Herald and any money made by the newspaper should be donated to charity. I am sure that the testator would not have created this foundation if she had known that it would be required to divest itself of the stock. She probably would have left it to an individual, a public-spirited person upon whom she could rely to continue to operate the newspaper.

This is the kind of situation people cannot forsee, and I think there is much merit to permitting this newspaper to be operated as the testator intended, with the money donated to charity. That being the case, I think it is a meritorious amendment. I would be willing to vote for it as a private relief bill. We already have some exceptions in the bill that have similar merit.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. CURTIS. Is it not also true that if a forced sale of a business takes place by reason of the operation of this law, there is a great risk that, because it is

a forced sale, it will be sold at a very low price or that it will be sold to a national chain or other large group, and thus contribute to the problem of merger and monopoly?

Mr. ERVIN. That is true. That is one of the reasons why this testamentary trust was established by this lady, who had published the paper for more than a half century, and she requested that the trustees continue the publication according to her policies and as a local paper.

Mr. CURTIS. And I dare say that the newspaper itself is paying every tax that any other corporation pays.

Mr. ERVIN. Yes.

Mr. BYRD of Virginia. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. BYRD of Virginia. Is it a good newspaper?

Mr. ERVIN. Yes, very good.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina. [Putting the question.]

Mr. WILLIAMS of Delaware. I vote "No."

The amendment was agreed to.

AMENDMENT NO. 370

Mr. SPARKMAN. Mr. President, I call up my amendment No. 370 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Amend H.R. 13270 by adding as subsection (5) to section 509(a) of the Internal Revenue Code of 1954 as added by section 101(a) of H.R. 13270, Tax Reform Act of 1969, the following:

"(5) Nor shall the term 'private foundation' include an organization or trust created or established under the terms of a will or a codicil to a will executed on or before March 30, 1924, by which the testator bequeathed all of the outstanding common stock of a corporation in trust, the income of which trust is to be used principally for the benefit of those from time to time employed by the corporation and their families, the trustees of which trust are elected or selected from among the employees of such corporation, and which trust does not own directly any stock in any other corporation."

Mr. SPARKMAN. Mr. President, this amendment is sponsored by the distinguished Senator from Alabama (Mr. ALLEN), who is presently occupying the Presiding Officer's chair, and by me.

This amendment is almost on all fours with the amendment offered by the Senator from North Carolina. I hope the Senator from North Carolina will remain in the Chamber and hear my case because it is almost on all fours with his case.

What happened in this matter is that back in 1924 Mr. John J. Egan, a citizen of Atlanta, Ga., who owned the American Cast Iron Pipe Co. in Birmingham, died and left a will.

He had set up a profit-sharing plan for the employees of that company whereby they received all profits over and above 6 percent. He had provided for 6-percent earnings on his investment, and that was all. In his will he transferred complete ownership, every part of that company, to the employees. He did it in the form of a trust, a foundation set up to handle the matter. The employees today own 100 percent of that plant and its operation.

The number of employees back in those days was much smaller than it is now. I do not know how many employees they had but, I daresay, they did not have over 1,000 employees, and perhaps 750. Today they have 3,000 employees.

Back at the time he made his will, the company was worth approximately $1 million. Today the company is worth $43 million, every part of which is owned by the employees, and no member of the Egan family has anything to do with it. They are not connected with it or with the foundation. The foundation uses the proceeds in accordance with the will Mr. Egan made about 45 years ago for the purpose of taking care of employees and their families in case of sickness, in case of unemployment—or where because of an accident or something of that nature they could not carry on the work—medical treatment when they needed it, and things of that kind.

Mr. President, the business is operated by a corporation, and the foundation is to get all the benefits. Last year the company had gross revenues of approximately $5 million. They had taxes of more than $2 million. Every part of the earnings of the corporation, as such, is taxable. Every part of the earnings of the employees is taxable, and all those taxes have been paid. That left profits of approximately $2.7 million.

Now, they do what any prudent business management would do. They put aside funds to take care of expansion. They are now engaged in an expansion program involving $12 million. This one plant they are now in the process of constructing will cost $9 million. They put aside something for that each year.

Last year the need for services that I mentioned to take care of employees required only $42,000. The remainder of the money they used in paying their taxes, in construction and expansions, and setting up reserves to take care of those things.

They have borrowed $12 million and they need to build up a reserve. Not one part of this money has gone to profit any individual. Mr. Egan was one of the great public spirited men of all time. I had the pleasure to know him and to know something of the good work he did before he died. He left something here that has been handled in accordance with the directions in his will. I venture the assertion that nobody can find anything irregular in the administration of this affair. I believe it is unique and I believe it is deserving of special treatment, just as others have received special treatment.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I did not support the amendment of the Senator from North Carolina but I did recognize there was some similarity between that measure and the previous amendment which the committee had agreed to. However, there is little similarity between the Ervin amendment and the pending amendment.

Under the amendment of the Senator from North Carolina (Mr. ERVIN) at least 40 percent of the corporation's income was being distributed to the foundation and was being redistributed to charity. Under the preceding amendment there was an easing only of the divestiture rules as far as that foundation was concerned. I think even that was a mistake.

However, in this case, we would be carving this foundation out from any of the rules of the bill as it is before us. For example, we would be exempting this foundation from the self-dealing rules, we would be exempting it from the divestiture and payout rules and from the audit tax.

The company is now distributing about 1.5 percent of its earnings after taxes to the foundation. This means that on a $43 million investment, the foundation is receiving only about $42,000. The rest of the corporation's earnings are being plowed back in new investment in the business and are providing no benefit to charity.

There is a vast difference between this amendment and the other amendment. I would certainly want a rollcall vote.

Mr. President, if the Senate is going to completely exempt this foundation, the Senate might just as well eliminate from the committee bill all provisions dealing with foundations.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. ALLEN in the chair). Is there a sufficient second? There is not a sufficient second.

Mr. WILLIAMS of Delaware. Mr. President, I will suggest the absence of a quorum in just a moment and renew the request.

Mr. MILLER. Mr. President, I share the concern of the Senator from Delaware in that the amendment does go very far in eliminating the application of any of these rules that the committee adopted. It seems to me that there is a laudable purpose for a trust that has been established for the use and benefit of the employees of the trust. If that is the purpose, I cannot understand why the application of self-dealing rules of the committee bill would be objectionable to such a trust. I cannot understand why the payout rule would be objectionable to such a trust.

I am wondering if the Senator from Alabama might not see fit to redraw his amendment so that it would be, let us say, excepted from the divestiture rule. If he were to do that, it might get away from some of the objections of the Senator from Delaware and some of the concern that I have.

Mr. LONG. Mr. President, it seems to me if we agree to the amendment, we will be looking at this problem in conference. I should think that in view of the fact that the self-dealing rules and the dives-

titure rules are House provisions, we could look into this problem in conference and agree to such part as the House and Senate conferees would be willing to accept and eliminate the rest of the amendment.

In view of the fact there are other exceptions in the measure that we will be considering at the same time, we could take a look at this foundation and see to what extent we could go along with the relief it seeks.

I hope we do not spend days on end here trying to pick apart amendments and taking some parts and rejecting other parts when the entire thing will be in conference anyway.

Mr. MILLER. Let me say in response to the able chairman of the committee that I am sure all of us are acutely aware of the fact that there has been criticism in the press for some special interest legislation which has been adopted on the floor.

Mr. CURTIS. Mr. President, will the Senator from Iowa yield right there?

Mr. MILLER. I should like to complete my thought first. The amendment could be modified so that any criticism that this is special interest legislation would be poorly taken, so long as it would not impinge upon the objective that the proponent of the amendment is trying to achieve.

It seems to me that in a matter of moments the amendment could be modified, especially if I am correct in my thinking that the main concern is the divestiture provisions which are quite harsh, I might say, in the case of a trust set up for employees of a corporation and could work a hardship. To that extent, I would think progress could be made. It would still be in conference and I think that some of us would feel more comfortable about it if it did not go quite so far as the amendment, now drawn, would go.

Mr. WILLIAMS of Delaware. Mr. President, striking out the divestiture rule would not eliminate the objection. The amendment was drafted to keep the foundation from the need to comply with any of the rules so far as the tax bill is concerned.

Mr. President, I suggest the absence of a quorum and I will ask for the yeas and nays.

Mr. SPARKMAN. Mr. President, will the Senator from Delaware withhold his request for a moment?

Mr. WILLIAMS of Delaware. I withhold my request.

Mr. SPARKMAN. The Senator knows that I have stated to him and to the chairman that if there is objection to the form of the amendment, we can still take it to conference and it will be wide open. If the conferees agree with the suggestion made by the Senator from Iowa, I would have no objection. That is the thing I have been primarily concerned with. The workers there own every bit of the company, but the provisions in the bill, if I understand them correctly, state that each year they will have to pay out, or will have to distribute, 6 percent of their assets. The assets are now about $42 million.

One way they can do that is to divest themselves of their stock. In other words, in 16 years they will put themselves out of business. They will be taxed out of business.

Mr. CURTIS. Mr. President, the distinguished Senator from Iowa (Mr. MILLER) made reference to what certain of the press might say about some of the provisions of the bill. I have a high regard for the press. I think they realize when a Senator is demagoging or when he knows what he is talking about. I do not think it comes as a surprise to them.

We, too, can realize when someone writes well. We know when they do not know anything about what they are writing, or when they are demagoging.

Mr. President, a certain newspaper in Washington—I shall not mention its name, but it is published in the morning—[laughter]—carried a statement by a distinguished Senator with a list of loopholes in the bill.

Now, two of those items did not have one bit of reference to revenue. That newspaper deceived the public. It either did not know what it was talking about, or it deliberately deceived the public. This newspaper can take any position it wants to, of course, but it enumerated a group and said, "These are loopholes in the tax program."

As a matter of fact, the business owned by that foundation pays every tax that any other corporation pays.

I am not concerned about having the press write the tax bill. They can criticize me. I can take it. That is why we have a free press. I am glad when they do. It shows that our country still breathes.

But they should realize, just as they can recognize when someone here does not know what he is talking about, that this is a two-way street. I, for one, feel that the tax bill should be written by the elected representatives of the people and not anyone's propaganda organ.

I do not know the details about the foundation to which the distinguished Senator from Alabama is referring. I suppose it will do no great harm to take the amendment to conference and look into it.

The other day, when we voted on the 6-percent compulsory payout, the information was presented here to the effect that the major foundations had no objection to it. But, of course, the small ones have terrible objection to it.

As a matter of fact, I found out that the major foundations have no objection. I hold in my hand a letter from one of them which repudiates what was said about them. I was called on the telephone by another one. That was not an amendment that was lacking in opposition. It is over now. Fortunately, it is not in the House bill. I hope that adequate information can be laid before the conferees.

Mr. President, I did not want this moment to pass without raising my voice against a deliberate deception, or else it was gross ignorance, on the part of a publication that held up as tax evasion an amendment placed in the tax bill by the Finance Committee that did not affect revenue one bit. As a matter of fact, when the Treasury Department testified before the committee, I asked the question, "Is there any revenue involved in the issue of divestiture?" and the answer was "No."

Mr. President, I yield the floor.

Mr. WILLIAMS of Delaware. Mr. President, in this particular case, I think it should be said that no one could have presented his amendment more fairly or more openly than the Senator from Alabama. We were given a copy of the amendment a couple of days ago so that we could study it. It was outlined to the chairman of the committee, not only as to the amendment but also as to the name of the foundation involved, and when the Senator from Alabama made his opening remarks he also outlined all the details. So there is no question that there is anything personal about this.

The point I make is—and it is true—that we could take the amendment to conference but why approve it at all? There is no question that it does exempt this particular foundation from all provisions of the tax bill.

The Senator from Alabama admitted that was his objective, and I respect him for his frankness. We can achieve the objective of the amendment, conceivably, by eliminating from the bill all provisions dealing with foundations and then all foundations would be in conference, including this one. But the reason I have to object to this one is that I have been contacted by any number of foundations, including some from my own State—and worthy foundations—who likewise would like to be exempted from some of the provisions in the bill.

I have said that I would not go along with any exceptions. They should all be treated alike. I know that the Senator from Alabama understands my position.

That is the point I am making. That is the reason I would ask for a rollcall vote and abide by the decision of the Senate.

Mr. LONG. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, all of the issued and outstanding common stock, 1,085 shares, of American Cast Iron Pipe Co.—Acipco—is owned by the trustees of the trust created by the codicil to the will of John J. Eagan, who died on March 30, 1924. The trustees, as provided in the codicil to the will, are the members of Acipco's board of management and board of operatives, all of whom are officers or employees of Acipco, and none of whom are members of the Eagan family. The trust, which is commonly referred to as the Eagan trust, is for the benefit of employees of Acipco and their families. The will provides, in essence, that income from the trust shall be used by the trustees to insure to the employees an income equivalent to a living wage, to pay an income to any employee, or to the wife and minor children of any employee, at such times as the plant of Acipco may be shut down, or at such times as an employee through accident, sickness, or other unavoidable cause shall be unable to work, and to provide other benefits for employees and their families. The Eagan trust has been held to be a charitable trust by both Federal and State courts in the cases of *Eagan*

v. *Commissioner of Internal Revenue* (5th Cir., 1930), 43 F. 2d 881, and *Mrs. Susan Young Eagan and Marion M. Jackson, as Executors of the Last Will and Testament of John J. Eagan, Deceased,* v. *W. D. Moore, et al.* (No. 61106, Superior Ct. of Fulton County, Georgia, 1924). The trust is presently exempt from Federal income tax under section 501(c)(3), having received a ruling from the Commissioner of Internal Revenue by letter dated February 15, 1946, that it was exempt from Federal income tax under the provisions of section 101(6) of the Internal Revenue Code, the predecessor section of 501(c)(3).

The trust also bought from Acipco at par, and now holds $1,400,000 par value of 5 percent noncumulative preferred stock of Acipco. The common stock has a book value of approximately $40 million. The Eagan Trust has no assets other than the Acipco common and preferred stock and there have been no donations to the trust by anyone since Mr. Eagan died.

Acipco employs approximately 3,000 people directly at its plant and offices in Birmingham, Ala. Acipco's payroll in Birmingham will amount to over $25 million this year. The company spends approximately $30 million annually in the Birmingham area for raw materials, goods and services. In addition to wages and salaries Acipco provides very substantial fringe benefits for its employees and members of their families in the form of bonuses based on profits, medical services, pensions and retirement benefits and group insurance. The effect of providing such benefits is to further the purposes of the trust. Each year Acipco retains a portion of its earnings—in 1968, $2,754,398—for general corporate purposes, principally to protect, preserve and maintain its facilities. Of course, Acipco pays income taxes on its net earnings on exactly the same basis as any other business corporation—in 1968, approximately $2,883,000 to the Federal and State governments—and all amounts paid by Acipco to its employees as wages or other compensation are fully taxable to the employees.

The definition of a "private foundation" contained in H.R. 13270, the Tax Reform Act of 1969, could be held to include the Eagan trust. Other provisions of the act would, in effect, require "private foundations" to divest themselves of stock constituting in excess of 50 percent—20 percent in the House bill—of the stock of any corporation. In addition, under the act "private foundations" would be required to distribute all of their income currently and, in determining income, the act would impute income to the foundation of 5 percent of the fair market value of its assets.

As indicated above, the Eagan trust owns all of the outstanding common stock of Acipco and $1,400,000 of preferred stock. Furthermore, the income of the Eagan trust does not even approach 5 percent of the value of its assets; that is, the value of the Acipco common and preferred stock or approximately $41,400,000. In view of the substantial fringe benefits provided by Acipco to its employees and their families as indicated above, the trustees, as owners of the Acipco stock, have requested the company from time to time to distribute to the trust as dividends only such amounts as have been reasonably required to carry out fully the purposes of the trust. In 1968 the trust received $42,000 in dividends which it used exclusively for purposes of the trust. The requirement for distribution of income not less than 5 percent of the value of assets of the trust would substantially eliminate the benefits that Acipco furnishes and seeks to furnish to its employees. If 5 percent of $41,400,000, which is $2,070,000, has to be distributed each year there would be no way to furnish substantial fringe benefits and to maintain the plant and operate the company. Any sales of stock to create funds for distribution would be impossible because of the provisions and purposes of the trust.

The effect of the provisions of the proposed act referred to above, if applied to the Eagan trust, would be to require the trustees in some fashion and probably only after litigation, to divest themselves of 50 percent—80 percent under the House bill—of the stock of Acipco, contrary to the terms of the will and probably ultimately to destroy the trust estate entirely by forcing the trust to distribute principal as imputed income. As to any amounts required to be so distributed beyond what is required for the charitable purposes of the trust, it is, of course, impossible to say to whom, for what purposes and with what effect amounts in excess of those required for the purposes of the trust would be distributed. There is certainly no reason to limit to 40 years the tax-free status of such a trust.

Application of the provisions of the proposed act to the Eagan trust would not only result in little or no additional revenue to the Government, but would completely defeat the testator's benevolent, praiseworthy and legitimate intent. It could well be disastrous to Acipco by forcing it to pay out as income greater amounts than would be prudent. It would without question materially adversely affect the employees of Acipco and members of their families by depriving them of the benefits of the trust.

Since tax avoidance is not in any manner involved in this trust, the bill should be amended to remove it from the definition of private foundations subject to new rules and taxes aimed at preventing abuses. Indeed, the Eagan trust is probably unique in this country and is entitled on its merits to continue because of the social and charitable advantages that it affords to its beneficiaries and to the public.

Mr. WILLIAMS of Delaware. Mr. President, I am ready to vote.

Mr. LONG. Vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Missouri (Mr. SYMINGTON), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 49, nays 45, as follows:

[No. 202 Leg.]

YEAS—49

| | | |
|---|---|---|
| Allen | Harris | Moss |
| Bayh | Hart | Pell |
| Bible | Hatfield | Randolph |
| Burdick | Holland | Russell |
| Byrd, Va. | Hollings | Sparkman |
| Byrd, W. Va. | Hruska | Spong |
| Cannon | Hughes | Stennis |
| Cranston | Inouye | Stevens |
| Curtis | Jackson | Talmadge |
| Dodd | Javits | Thurmond |
| Dole | Jordan, N.C. | Tower |
| Eagleton | Long | Williams, N.J. |
| Eastland | Magnuson | Yarborough |
| Ellender | Mansfield | Young, N. Dak. |
| Ervin | McGee | Young, Ohio |
| Fannin | Mondale | |
| Gravel | Montoya | |

NAYS—45

| | | |
|---|---|---|
| Aiken | Gore | Nelson |
| Allott | Griffin | Packwood |
| Baker | Gurney | Pastore |
| Bellmon | Hansen | Pearson |
| Bennett | Hartke | Percy |
| Boggs | Jordan, Idaho | Prouty |
| Brooke | Kennedy | Proxmire |
| Case | Mathias | Ribicoff |
| Church | McClellan | Saxbe |
| Cook | McGovern | Schweiker |
| Cooper | McIntyre | Scott |
| Cotton | Metcalf | Smith, Maine |
| Dominick | Miller | Smith, Ill. |
| Fong | Murphy | Tydings |
| Goodell | Muskie | Williams, Del. |

NOT VOTING—6

| | | |
|---|---|---|
| Anderson | Goldwater | Mundt |
| Fulbright | McCarthy | Symington |

So Mr. SPARKMAN's amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. (Mr. HUGHES in the chair). The Senator from Kansas is recognized.

AMENDMENT NO. 413

Mr. DOLE. Mr. President, I call up my amendment No. 413, with certain modifications.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Kansas (Mr. DOLE) proposes an amendment as follows:

On page 216, strike out lines 9 through 25, and insert in lieu thereof the following:

"(8) PERCENTAGE DEPLETION.—

"(A) MINERAL PROPERTIES OTHER THAN OIL AND GAS.—In the case of a mineral property (other than an oil or gas well located in the United States) the excess of the deduction for depletion allowable under section 611 for the taxable year with respect to each property (as defined in section 614) over the adjusted

basis of the property at the end of the taxable year (determined without regard to the depletion deduction for the taxable year).

"(B) OIL AND GAS WELLS.—In the case of oil and gas wells located in the United States the excess of the deduction for depletion allowance under section 611 for the taxable year from all oil and gas wells in which the taxpayer has an interest (including nonoperating mineral interests, as defined in section 614(d)) over the amount which the aggregate adjusted basis of all such interests in the hands of the taxpayer would have been at the end of the taxable year (determined without regard to the depletion deduction for the taxable year) had the aggregate basis of such interests been increased by intangible drilling and development costs incurred by him with respect to such interests (other than those incurred in drilling nonproductive wells) and deducted under section 263(c). For purposes of this paragraph the term 'oil and gas wells' includes undeveloped oil and gas properties."

Mr. LONG. Mr. President, I ask for the yeas and nays. The yeas and nays were ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG. Mr. President, is the Senator from Kansas willing to agree to a time limitation?

Mr. DOLE. Yes.

Mr. LONG. How much time does the Senator need?

Mr. DOLE. 20 minutes for each side.

Mr. LONG. Mr. President, I ask unanimous consent that debate on the pending amendment to be limited to 40 minutes, the time to be equally divided between the sponsor of the amendment and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, the purpose of amendment No. 413 to H.R. 13270 is twofold:

First, it would remove from the bill before us an inequity; namely, the taxation of an ordinary business expense. This inequity is created by the tax on preference items provided for in subparagraph (A) of paragraph (8) of section 57 on page 216 which would subject ordinary business expenses of any taxpayer engaged in the exploration and development of oil and natural gas reserves to a special 5-percent tax on preference items as defined in that section. Under the bill, intangible drilling and development costs are defined as a preference item and would be subject to the 5-percent tax. Intangible drilling and development costs are the oil man's ordinary business expenses. They include expenses for nonsalvageable items and, therefore, constitute nonrecoverable business expenses. It is not logical or reasonable to tax ordinary business expenses.

Second, a basic purpose of this amendment is to provide an incentive to the taxpayer to reinvest or plow back into his business funds derived from the depletion provision of the tax law. The amendment provides that the taxpayer would be subject to a 5-percent tax on allowable depletion. But the amendment further provides that to the extent that the taxpayer reinvests funds on intangible drilling and development costs, the amount of depletion subject to the tax is reduced accordingly. In other words, a person who receives a depletion deduction but who does not engage in exploration and development activity will be subject to the full 5-percent tax. On the other hand, if the taxpayer engages in exploration and development activity then the amount of depletion subject to the tax is reduced by the amount of intangible drilling and development expenses that have been reinvested.

Mr. President, this incentive to reinvest funds derived through the depletion provision is in accord with the recognized need on the part of officials in Government and industry that, if we are to meet the rapidly growing demand for both oil and natural gas, very substantially increased funds must be invested in the exploration and development of these resources. The amendment will serve the best interest of our Nation by encouraging expansion of our domestic economy. More important, it will serve our military security by encouraging the development of reserves of a vital commodity.

Mr. President, without attempting to discuss the merits of the entire provision of the pending bill pertaining to the proposed tax on preference items, I wish to point out that this provision was designed to insure that all citizens should pay a minimum tax on income which under present law is sheltered. The error of the bill is that under subparagraph (A) it would tax an expense—money paid out by the taxpayer—not income. I urge my colleagues in the Senate to consider the adverse impact that this provision could have on oil and gas consumers, on the economy of the oil and gas producing States, and on our national security posture.

The most important question for the Senate to consider in reaching a decision on my amendment is—what will be the effect on the ability of the petroleum industry to meet the future requirements of this Nation?

In this regard I wish to point out that according to a study by the Department of the Interior we have not been carrying on an adequate exploration and development program for more than 10 years because of excessive imports and other economic reasons. If we are to meet the needs for the next 10 years these exploration and development efforts must be increased by at least 50 percent. Under these circumstances we in the Congress would be acting irresponsibly if we should take action that would discourage exploration and development activity. Rather, we should be encouraging this effort and that is the purpose of my amendment.

Mr. President, historically most of the exploratory or wildcat drilling that is done in the search for new reserves of oil and natural gas is conducted by independent producers rather than the large integrated companies. The independents are relatively small. They have limited capital. They also have limited means of raising capital. The independent must look to sources outside the industry to supplement his own funds in order to accumulate sufficient capital to drill wildcat wells or development wells in his search for new petroleum reserves. His ability to do this would be very greatly impaired if the proposal to tax ordinary business expenses, as set forth in subparagraph (A), is permitted to stand. Intangible drilling and development expenses, which this proposal would subject to a 5-percent tax, comprise some 60 percent of the cost of the drilling of a well and, therefore, are a large factor in the total drilling and development costs. It is obvious that a tax on an expenditure would be a very telling impediment to the outside investor and to the flow of capital into the petroleum industry.

At a time when our Government recognizes the need to substantially increase the search for new oil and gas supplies, this is not the time to adopt a tax provision which would drive capital away from oil and gas drilling.

No tax provision should make it impossible for taxpayers to deduct their ordinary and necessary business expenses. Yet that would be the result if there is a penalty tax placed on such expenditures as would be the case under this proposal.

Mr. President, I cannot overemphasize the importance of not further discouraging investment in oil and gas exploration. This industry has not been attracting sufficient capital for the past 10 years and we are seeing the results of this situation.

Last year, for the first time in our history, U.S. oil producing capacity declined. We know from the 1967 Middle East war that our oil producing capacity at that time was at a bare minimum to meet a very short emergency. Since then our requirements and that of our allies have grown. We need more capacity, not less.

Furthermore, the Department of the Interior and the Federal Power Commission have warned that the Nation faces a critical situation with respect to natural gas supplies and many in Government and the industry feel immediate corrective actions are urgently needed. Last year for the first time in this Nation's history we consumed more natural gas than we found.

This serious situation will be further aggravated if essential funds needed for drilling are driven away from this industry by the unwise policy of taxing ordinary business expenses.

Mr. President, let me point out how this would work. For example, if an oil producer had gross income from his business, of say $100,000 for a year, he would be entitled to the depletion allowance. Independent producers, receive on the average a depletion allowance of between 15 to 20 percent.

In this regard I emphasize that although the present law provides for 27.5 percent, it will be reduced to some smaller figure because of the action of Congress this year.

The producer very often receives much less than the full percentage depletion allowance, because the law provides that the depletion exemption cannot exceed 50 percent of the net income.

As a result, producers in my State generally receive an actual depletion allowance about 18 to 20 percent. This means in my example that if the producer's gross income is $100,000, the depletion allowed would be $18,000.

Mr. President, under my amendment a producer would be subject to a 5-per-

cent tax, or $900 on the $18,000 depletion if he did no drilling for additional reserves of oil or gas and thus incurred no intangible drilling costs.

However, if he did drill for additional reserves of oil or gas and incurred costs of, say $10,000, the amount of depletion subject to the 5-percent tax would be reduced by $10,000. That is, the 5-percent rate would be levied on the $8,000 balance and he would pay a tax of $400.

Mr. President, I think it is important to note that the House of Representatives in its bill dealing with so-called tax preferences did not include "intangibles" as a preference item. Further, the comprehensive recommendations dealing with the minimum tax provision as sent to the Congress earlier this year by the outgoing Johnson administration did not include "intangibles" as a tax preference item. And most importantly, the Treasury Department in its testimony submitted to the Senate Finance Committee declared:

> First, in view of the substantial reduction in percentage depletion contained in the bill, the inclusion of the intangible drilling cost deduction as a tax preference item could work an unintended hardship in the case of an individual whose principal business is exploration for oil and gas.

Accordingly, the administration proposed that intangible drilling and development costs be excluded from the proposal pertaining to "tax preferences."

Mr. President, let me say as simply as I can that all the amendment would do would be to permit a man in the business of exploring for oil and gas to deduct his intangible expenses for drilling from the allowed depletion and pay a tax of 5 percent, a supertax, on the excess of depletion over intangible costs.

He would not be required to pay an additional 5-percent tax on the expenditures. I believe that the theory of income tax law is to tax income, not expenditures.

Mr. PEARSON. Mr. President, this is a somewhat complicated matter, as are all the tax matters in dealing with specific industries.

I ask my distinguished colleague if he will once again go over the example he set forth so that those who are present in the Senate Chamber will have a very clear understanding of what the amendment would do.

Mr. DOLE. Mr. President, let me restate that a firm or an individual in the business of gas or oil exploration with a gross income of $100,000 is entitled under the present law to a depletion allowance of 27.5 percent.

Because of the limitation on the depletion deduction, most producers get an effective rate of around 18 or 20 percent.

Let us say that a man's depletion does work out to 18 percent, because of the 50 percent net income limitation already in the law. Under my amendment the producer would be subject to the 5 percent tax or a tax of $900 on the $18,000 of depletion he would be entitled to take if he had not drilled further for oil or gas. He would pay 5 percent on the full amount of $18,000. However, if he does what the amendment will encourage him to do and goes out to drill and explore for oil and gas, he is entitled to deduct the intangible drilling costs from the sum allowed for depletion. And he would be entitled to deduct $10,000 from the $18,000 depletion figure. That would mean he would pay at a 5-percent rate on the remaining $8,000, or a tax of $400.

Let me stress again that during the committee hearings the Senator from Iowa stressed the need to provide some incentive for independent oil and gas producers.

The pending amendment would permit a man to plow the money back into the industry to find more oil and gas.

That is purely and simply the thrust of our amendment.

Mr. President, I respectfully urge the Senators to support amendment No. 413 as modified.

Mr. PEARSON. Mr. President, I thank my colleague. The Senator is precisely correct. This is a tax on a business expense. It is a great burden to the independent oil producers, particularly in the State of Kansas.

The oil industry is made up of two parts—the great majors and the independents.

I had thought and wondered about the rationale of the 5 percent. Why should we not make it 10 percent, or 2.5 percent? It seems to me that the raticnale of those for this particular proposal reaches the point where they say, "There ought to be some tax here. We do not know what it ought to be, but we will just put 5 percent on."

This, I might say, is a middleground, a reasonably moderate course, and a just one, it seems to me. It is still more than that recommended by the House or that recommended by the administration. I think it will provide the incentive to reinvest and discover and meet the growing demand of the national security interests involved here.

I congratulate my colleague for leading the effort in this modification, which would be of great benefit to the producers in the State of Kansas.

Mr. DOLE. I thank my colleague from Kansas, who has been most helpful and has worked diligently with me on this amendment.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. HANSEN. I thank the distinguished Senator from Kansas, and I compliment him for the leadership he has demonstrated in trying to bring about justice and equity to a very much beleaguered industry.

Certainly, everyone agrees with the concept that tax reform is indicated; but, unfortunately, in the minds of too many people the word "oil" is synonymous with tax reform. Unfortunately, many people think that all that is required today to bring about tax reform is to sock it to the oil industry.

Let us take a look at what we are doing here. In the first place, let us remember that 80 percent of all the new discoveries in the continental United States, excluding those on the outer continental shelf, in the last several years have been made by independents. These are not big oil companies. These are hard-working, small outfits that require the additional financing that has been available to them in order to continue their expensive exploration activities. These activities have been good for the United States. They have added significantly to the security that we have by virtue of controlling our own sources of supply for energy which are so important to us, and we should remember that 75 percent of all the energy that is produced in the United States today comes from oil and natural gas.

So what this amendment will do is to help those independents to continue their search for this elusive natural energy resource that is so important to the security of the United States and is equally important to the economy of America.

Let me underscore the significance of that statement by inviting attention to the fact that in my State of Wyoming the oil and gas industry pays one-third of all the county taxes levied in that State. It pays almost 26.5 percent of the ad valorem tax that is levied by the State of Wyoming. It represents 29.6 percent of the total assessed valuation of Wyoming.

This sort of tax—the sort of tax that my colleague the Senator from Kansas hopes to eliminate through the adoption of his amendment—would put us back on a course that this country has followed for a long time. Never before in the history of the United States, insofar as I know, has there been a tax levy on an expense item. But, as the distinguished Senator from Kansas has pointed out, this tax reform bill, as it is written, does not levy a tax on assets. It does not levy a tax on income. It levies a tax on expenditures. If a man has to take money out of his pocket, as all oil people do, to drill oil wells, this puts a tax on that expenditure.

Is that not what my colleague has been saying?

Mr. DOLE. That is my understanding. I think this proposal to tax expenditures is probably unprecedented.

I know that the purpose of the tax preference amendment is to make certain that everybody pays some tax. We are not objecting to the theory. In fact, I believe the oil industry has made a substantial contribution to tax reform. They have accepted the depletion reduction in good grace. They do not like it, but they have accepted it. We have told them to accept it. But it seems to me unconscionable to ask these independent oil and gas producers and developers to dig into their own pockets and spend their money and pay a 5 percent tax on the money they invest. I believe it is wrong in principle, and I believe the small producers should receive fair treatment.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. LONG. Mr. President, I ask unanimous consent that the time in opposition to the amendment be controlled by the Senator from Delaware (Mr. WILLIAMS), inasmuch as I favor the adoption of the amendment.

The PRESIDING OFFICER (Mr. GURNEY in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. LONG. Mr. President, most people think of this bill, as it affects the oil companies, as accomplishing tax reform, because it reduces the depletion allowance from 27½ percent to 23 percent, which is approximately a 20 percent reduction. But it is not generally known that, in addition, we have in this bill approximately $650 million of additional taxes on the oil industry.

This particular item, if I do say it, is one that just happened by accident, in my judgment. We should not have done it. Before we received an estimate, based on a computer run, of the full effect of the provision on the oil and gas industry, the committee moved to report the bill. If there had been more time available, I would have suggested a revision along the line the Senator from Kansas has suggested, and I am confident that the committee would have agreed to it. Under the circumstances, I have no alternative but to support the Dole amendment on the floor.

What is not realized is that, in addition to reducing depletion allowances in this bill by 20 percent, we have raised $200 million by additional taxes on production payments. This so-called supertax of 5 percent raises another $200 million by taxing an expense, as the Senator has mentioned—the intangible drilling cost. It also puts an additional tax of 5 percent on depletion allowances. In addition, it taxes accelerated depreciation, and the industry loses the benefits of accelerated depreciation, which is an especially big item at the corporate level. In addition, the industry loses much of its benefits under capital gains, which also are big items in the minimum tax. Those two items go unmentioned so far as the tax burden on the oil and gas industry is concerned. They constitute another $250 million tax on the industry.

Mr. DOLE. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. DOLE. I yield 1 minute to the Senator from Iowa.

Mr. MILLER. Mr. President, how much time remains on the other side?

The PRESIDING OFFICER. Twenty minutes.

Mr. MILLER. Mr. President, I am not sure whether I am going to vote for or against the amendment.

Will the Senator from Delaware yield me 2 or 3 minutes?

Mr. WILLIAMS of Delaware. I yield 2 minutes to the Senator.

Mr. MILLER. Mr. President, I am in sympathy with what the Senator from Kansas is trying to do. But I am not quite sure how the amendment would work out.

I understand from his illustration that in the case of, let us say, an independent oil company with $100,000 of gross income and $20,000 percentage depletion and $10,000 intangible drilling and development costs, under the amendment the $20,000 percentage depletion would exceed the $10,000 intangible drilling and development costs by $10,000, and the bill would then, as modified, apply a 5-percent tax on the $10,000. Is that correct?

Mr. DOLE. That is correct.

Mr. MILLER. However, what troubles me is a case in which there would be $100,000 of gross income and $20,000 percentage depletion and $80,000 intangible drilling and development costs, so that there would be no tax under the present law. Here is a situation in which intangible drilling and development costs exceed the percentage depletion, rather than the percentage depletion exceeding the intangible drilling and development costs, which is what the amendment seems to be limited to.

What would happen in the case I have put, in which there is an excess of intangibles over percentage depletion?

Mr. DOLE. First of all, it is not a preference; second, I doubt that it would happen.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MILLER. Will the Senator yield me 2 minutes?

Mr. WILLIAMS of Delaware. I yield 2 additional minutes to the Senator.

Mr. MILLER. It seems to me that under the Senator's amendment, the situation in which there is an excess of intangible drilling and development costs over depletion is not covered. If the bill were so amended there would be a gap.

Mr. DOLE. I believe it is covered. It would, as I understand, be added to the base, in view of the fact depletion runs ahead of costs by a 3-to-1 ratio.

Mr. MILLER. Mr. President, one can find every kind of example under the sun in the case of the oil industry. When these matters are clarified, percentage depletion is exceeded by intangibles in a given year. That is what concerns me where they have percentage depletion which is exceeded by intangibles in the given year.

Mr. DOLE. I understand you pick up the depletion only after you have written off all the cost, or this would never occur.

Mr. MILLER. I do not read the amendment in that way.

Mr. DOLE. Mr. President, the Senator has a great understanding of the general problem but I am speaking of a particular problem. I have discussed this matter at great length with the staff and understand it is not likely to happen because, first, you write off your costs.

Mr. MILLER. I am in sympathy with the objection, and as far as the example the Senator gave is concerned, his approach is proper, but during the time remaining I shall discuss it further with the staff.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. DOLE. I yield if I have any time remaining.

Mr. ALLOTT. Mr. President, I applaud the Senator for bringing forth this matter because he knows that many of us worked for some time in the middle of the summer with respect to it. I think the Senator's conclusions and examples are entirely correct. We studied the matter at great length and I know they are true.

What we are doing, in effect, is setting up an expense as a capital item and taxing it. To me this does not make good sense and it is going to destroy exploration.

Mr. DOLE. Mr. President, I thank the Senator. I reserve the remainder of my time.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS of Delaware. Mr. President, first, let me clarify what we are talking about. These intangible costs have been called expenses—in fact, they are capital expenditures which in any other industry would have to be capitalized. In the oil industry, however, we let them write these costs off currently, which means they are treated differently than in all other industries. However, in the bill we say these costs must be brought back into the minimum tax base—a 5-percent minimum tax must be paid on these items. Therefore, it is just the other way around from what my friends are saying.

Mr. President, I recognize the futility of opposing this matter, but I am opposing it. There are just 11 shopping days until Christmas and considering the fact that the Senate is in the process of erecting a $12 billion Christmas tree. I suppose this bulb will be attached.

This amendment would make two changes in the 5-percent minimum tax provision. First, it would exclude as a preference item the deduction allowed for intangible drilling and development costs incurred in drilling successful oil and gas wells. Second, it would substantially reduce the amount of the preference attributable to percentage depletion taken with respect to oil and gas wells—while not similarly reducing the amount of the preference with respect to percentage depletion taken on other minerals.

The Treasury opposes this amendment. The deduction allowed for the expenses of drilling successful oil and gas wells is utilized by some investors to substantially reduce their income subject to tax.

These expenses are deducted and then, in addition, percentage depletion is claimed when the oil is produced.

The second aspect of the amendment—allowing recovery of all intangible drilling expenses before percentage depletion is treated as a preference—would mean that depletion on oil and gas would be treated as a preference only to the extent the amount of the depletion deduction for the taxable year exceeded the taxpayer's expenses in drilling successful wells during the year—notwithstanding the fact that these expenses are also allowed as a deduction against taxable income and are not themselves treated as a preference. Unless these expenses are treated as a preference item, there is no justification for allowing recovery of the expenses in computing the percentage depletion preference.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. AIKEN. Mr. President, I would like to say to the Senator from Delaware that up to now I had not realized what a good old tax bill we already have on the books. I think I will stick with it.

Mr. WILLIAMS of Delaware. At the rate this is going, instead of tax reform, this is turning into a tax relief bill. We have already in this bill increased the net income limitation on the percentage depletion deduction from 50 percent to 65 percent for persons with under $3 million of gross income from oil and gas and for some minerals we raised the limitation to 70 percent. In many categories, this bill is more generous than the existing law.

Mr. AIKEN. Why do we not add another amendment saying that anybody engaged in the extracting industries shall not be subject to any tax of any kind and then we will probably make better progress.

Mr. WILLIAMS of Delaware. It probably would save a lot of time.

Mr. McINTYRE. Mr. President, will the Senator yield to me for 3 minutes?

Mr. WILLIAMS of Delaware. I yield to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I wish to join the distinguished Senator from Delaware in voicing my opposition to this amendment. There is no industry in this entire country that has as many tax advantages as the oil industry. I think the distinguished Senator from Kansas, in bringing up this amendment, may be trying to backtrack on some of the small ways in which we were trying to bring this industry into line as far as paying its fair share of the taxes. Perhaps he is taking advantage of the reported Christmas tree attitude.

In my study of the oil industry and its tax loopholes and advantages, I am convinced they have a real bonanza. I refer to the ability, through treatment and development costs, to write off as a deductible expense what in my mind is an investment and what most other individuals have to treat as an investment.

It seems to me the committee is saying that this is an area that gets away from taxes almost scotfree. This is a loophole. Here they are at this late hour trying to get more advantages beyond what the committee gave them.

It is too bad that every time I get involved with the oil industry and listen to their hardships and difficulties, I feel that I want to pass the hat for them. I think we should pass the hat for them today. Here is an opportunity to bear down and to make this industry pay its share of the taxes. At this late hour they are trying to take the opportunity to ride the gravy train once again. I urge every Senator to oppose the amendment.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield if I have any time remaining.

Mr. DOLE. Mr. President, I was very impressed with the Senator's argument on the previous amendment of the senior Senator from New Hampshire about industry in New Hampshire. I supported the amendment because I believe there is a problem. I only ask the same consideration for the oil industry, particularly the small independent producer. We see in Kansas and in the Midwest small oil operators and are only asking they be able to stay in business and not be taxed out of business.

Mr. McINTYRE. Mr. President, I informed myself before I spoke. This amendment was not directed at only small operators. The "biggies" would enjoy this, too.

As far as my position on the amendment of the Senator from New Hampshire, my distinguished senior colleague, and my position on this oil question, I do not find them inconsistent one bit.

I thank the Senator from Delaware for yielding.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. TOWER. I thank the Senator from Kansas for yielding and I would like to thank him for offering the amendment. I do support the amendment. If this measure is not agreed to, it will mean an awfully cold winter in New Hampshire because they will not have natural gas from domestic sources. Watch the Arab sheiks when they fix the price of oil.

Sometimes somebody is going to say, "You can have Israel and no oil or you can have oil and no Israel." I want those people to remember when the Arab sheiks fix the price that they are the ones who did it.

I have always been a strong supporter of maintaining a vigorous and healthy domestic oil and gas industry. I would like to join my colleague (Mr. DOLE) in supporting the amendment to delete intangible drilling costs, and allowable depletion from the list of tax preference items.

I fear the oil and gas industry is being made a scapegoat as the result of efforts to take vengeance on a few wealthly individuals, some of whom have nothing to do with the oil business. Mr. President, in a time when we are facing a serious shortage of natural gas, may I remind you that a large percentage of new gas is discovered during the exploratory drilling of oil prospects. And it has been further determined in the recent natural gas hearings before the Interior and Insular Affairs Committee that it takes 6.4 years from the time of acquisition of prospective acreage until the time of the first pay check for gas. This means that the oil and gas operator has made a substantial capital investment that is frozen for 6.4 years with no return on his investment.

We are already experiencing a time of shortage of investment capital for this high risk business. We can not further dissipate the oil industry's working capital and this is exactly what the 5-percent minimum tax does when piled on top of regular taxes.

To permit this discouraging condition to exist for this vitally important industry will undoubtedly reduce the number of exploratory wells to be drilled and will retard the full development of new oil and gas fields as they are discovered.

We cannot permit this punitive action to be taken against the industry that supplies the major portion of the energy upon which the United States depends for its existence, as we know it today. Our wheels of industry would grind to a halt and rust in a short period of time if not powered by, and lubricated by, the products of the oil and gas industry.

And to become dependent upon foreign petroleum would be the greatest mistake we could make in this area. Until the oil producing areas of the Middle East assume some permanent order of political stability we could never depend on this source for our national power requirements.

My experience on the Committee on Armed Services has convinced me that this Nation cannot afford to be dependent upon reliable sources of essential defense needs of any kind. And this is true even if the cost is high. National security, like freedom itself, does not come cheaply. It never has, and it never will.

To complement my remarks on the importance of the continued existence of a viable domestic oil industry to our national defense, I should like to quote briefly from the most recent report of the Department of Defense report on the role of petroleum products in military effectiveness:

> The part that oil plays in the defense posture of the United States is vitally important. It is a strategic material and one of the few items that is *absolutely essential* and foremost in the minds of military commanders. Along with weapons and ammunition, the needs of petroleum get the most attention. Petroleum cannot be stockpiled like hardware—the quantities required are too great, nor can our military forces operate very long without back-up support from refinery and production sources.
>
> In Southeast Asia today, about 50% of the military tonnage consists of petroleum products. While only about 10% of the petroleum required to support the war effort is supplied from the U.S., we must maintain a capability in the U.S. to supply our war needs in case foreign sources are denied. . . .
>
> Information available today indicates that, with few exceptions, military equipment will continue to derive energy from liquid petroleum and its products for some time to come.

In short, gentlemen, the national security of this country depends upon its ability to insure an adequate supply of petroleum products. It will continue to be dependent upon that for years to come. I, for one, do not intend to let this Nation become dependent upon unreliable sources of supply for this essential defense product.

Mr. President, there are numerous economic reasons for hesitancy in any legislative sanctions on the oil and gas industry, but I wholeheartedly support the Dole amendment even if for no other reason than our national security.

Mr. DOLE. Mr. President, let me say that my intent is only to help the independent oil industry. They are the ones who go out and do the exploration all over America and these independents do not have the internal capital to do the work. This puts the independent oil operator under a tight strain. The oil industry will pay $700 million more in revenue under the bill. They accept that. But I do believe in fairness that there should not be a tax on expenditures. It is my understanding tax is on income and not expenditures.

I merely say that for the independent oil operators in Kansas, Oklahoma, Texas, Louisiana, West Virginia, Penn-

sylvania, Illinois, Colorado—wherever they may be, they need our help.

Sixty-six percent of the small wells in this country are discovered by the independent oil operator. So far as I am concerned, this is just as important an amendment as any other we have been considering. It is in no way an attempt to avoid taxes.

Mr. McINTYRE. Why does not the Senator modify his amendment and get it down to what we would call the small oil companies? Why let it go all the way? Why let Standard Oil and the rest of the "biggies" enjoy it?

Mr. DOLE. As a practical matter, this applies to the independent oil operator, because most major companies capitalize their expenditures.

Mr. President, I yield back the remainder of my time.

Mr. WILLIAMS of Delaware. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back on the amendment.

The question is on agreeing to the amendment of the Senator from Kansas (Mr. DOLE).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOPER (when his name was called). On this vote I have a pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. ALLEN (after having voted in the negative). On this vote I have a pair with the distinguished Senator from Arkansas (Mr. FULBRIGHT). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. McCARTHY), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

The result was announced—yeas 44, nays 47, as follows:

[No. 203 Leg.]

YEAS—44

| | | |
|---|---|---|
| Allott | Fannin | Montoya |
| Baker | Gravel | Moss |
| Bellmon | Griffin | Murphy |
| Bennett | Gurney | Pearson |
| Bible | Hansen | Randolph |
| Burdick | Hollings | Smith, Ill. |
| Byrd, W. Va. | Hruska | Sparkman |
| Cannon | Inouye | Stennis |
| Cook | Jordan, N.C. | Stevens |
| Curtis | Long | Talmadge |
| Dole | Mansfield | Thurmond |
| Dominick | McClellan | Tower |
| Eagleton | McGee | Yarborough |
| Eastland | Metcalf | Young, N. Dak. |
| Ellender | Miller | |

NAYS—47

| | | |
|---|---|---|
| Aiken | Hatfield | Pell |
| Bayh | Holland | Percy |
| Boggs | Hughes | Prouty |
| Brooke | Jackson | Proxmire |
| Byrd, Va. | Javits | Ribicoff |
| Case | Jordan, Idaho | Russell |
| Church | Kennedy | Saxbe |
| Cotton | Magnuson | Schweiker |
| Cranston | Mathias | Scott |
| Dodd | McGovern | Smith, Maine |
| Fong | McIntyre | Spong |
| Goodell | Mondale | Tydings |
| Gore | Muskie | Williams, N.J. |
| Harris | Nelson | Williams, Del. |
| Hart | Packwood | Young, Ohio |
| Hartke | Pastore | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Cooper, against.
Allen, against.

NOT VOTING—7

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Ervin | McCarthy | |
| Fulbright | Mundt | |

So Mr. DOLE's amendment was rejected.

Mr. WILLIAMS of Delaware. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Are the yeas and nays on the motion to reconsider or on the motion to table?

The PRESIDING OFFICER. On the motion to table the motion to reconsider.

Mr. LONG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. Who made the motion to reconsider?

Mr. WILLIAMS of Delaware. I did.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. YOUNG of Ohio. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. YOUNG of Ohio. There is a man in the well of the Senate. He should be ordered out.

The PRESIDING OFFICER. The clerk will suspend until there is order. Staff personnel and staff assistants of Senators will leave. The Sergeant at Arms is requested to ask staff members if they are needed in the Chamber; and if they are not needed, they are requested to leave immediately.

The clerk will continue with the call of the roll.

The rollcall was resumed and concluded.

Mr. KENNEDY. I announnce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. McCARTHY), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 46, nays 48, as follows:

[No. 204 Leg.]

YEAS—46

| | | |
|---|---|---|
| Aiken | Hartke | Pastore |
| Bayh | Hatfield | Pell |
| Bennett | Holland | Prouty |
| Boggs | Hughes | Proxmire |
| Brooke | Jackson | Ribicoff |
| Byrd, Va. | Javits | Russell |
| Case | Jordan, Idaho | Saxbe |
| Church | Kennedy | Schweiker |
| Cooper | Magnuson | Smith, Maine |
| Cranston | Mathias | Spong |
| Dodd | McGovern | Tydings |
| Fong | McIntyre | Williams, N.J. |
| Goodell | Mondale | Williams, Del. |
| Gore | Muskie | Young, Ohio |
| Harris | Nelson | |
| Hart | Packwood | |

NAYS—48

| | | |
|---|---|---|
| Allen | Ervin | Montoya |
| Allott | Fannin | Moss |
| Baker | Gravel | Murphy |
| Bellmon | Griffin | Pearson |
| Bible | Gurney | Percy |
| Burdick | Hansen | Randolph |
| Byrd, W. Va. | Hollings | Scott |
| Cannon | Hruska | Smith, Ill. |
| Cook | Inouye | Sparkman |
| Cotton | Jordan, N.C. | Stennis |
| Curtis | Long | Stevens |
| Dole | Mansfield | Talmadge |
| Dominick | McClellan | Thurmond |
| Eagleton | McGee | Tower |
| Eastland | Metcalf | Yarborough |
| Ellender | Miller | Young, N. Dak. |

NOT VOTING—6

| | | |
|---|---|---|
| Anderson | Goldwater | Mundt |
| Fulbright | McCarthy | Symington |

So the motion to lay on the table the motion to reconsider was rejected.

The PRESIDING OFFICER. The question recurs on the motion to reconsider the vote by which the amendment was rejected.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senate will be in order.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PERCY (when his name was called). On this vote, I have a pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. McCARTHY), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Oregon (Mr. PACKWOOD) is detained on official business.

If present and voting, the Senator from Oregon (Mr. PACKWOOD) would vote "nay."

The pair of the Senator from Illinois (Mr. PERCY) with the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

The result was announced—yeas 47, nays 45, as follows:

[No. 205 Leg.]

YEAS—47

| | | |
|---|---|---|
| Allen | Ervin | Montoya |
| Allott | Fannin | Moss |
| Baker | Gravel | Murphy |
| Bellmon | Griffin | Pearson |
| Bennett | Gurney | Randolph |
| Bible | Hansen | Scott |
| Burdick | Hollings | Smith, Ill. |
| Byrd, W. Va. | Hruska | Sparkman |
| Cannon | Inouye | Stennis |
| Cook | Jordan, N.C. | Stevens |
| Curtis | Long | Talmadge |
| Dole | Mansfield | Thurmond |
| Dominick | McClellan | Tower |
| Eagleton | McGee | Yarborough |
| Eastland | Metcalf | Young, N. Dak. |
| Ellender | Miller | |

NAYS—45

| | | |
|---|---|---|
| Aiken | Hart | Nelson |
| Bayh | Hartke | Pastore |
| Boggs | Hatfield | Pell |
| Brooke | Holland | Prouty |
| Byrd, Va. | Hughes | Proxmire |
| Case | Jackson | Ribicoff |
| Church | Javits | Russell |
| Cooper | Jordan, Idaho | Saxbe |
| Cotton | Kennedy | Schweiker |
| Cranston | Magnuson | Smith, Maine |
| Dodd | Mathias | Spong |
| Fong | McGovern | Tydings |
| Goodell | McIntyre | Williams, N.J. |
| Gore | Mondale | Williams, Del. |
| Harris | Muskie | Young, Ohio |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Percy, against.

NOT VOTING—7

| | | |
|---|---|---|
| Anderson | McCarthy | Symington |
| Fulbright | Mundt | |
| Goldwater | Packwood | |

So the motion to reconsider was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment.

Mr. DOLE. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. MONDALE. Mr. President, I rise to——

The PRESIDING OFFICER. Debate is not in order now. The time on the amendment is under control. No time is left for debate.

Mr. MONDALE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Is it the ruling of the Chair that the merits of the pending amendment cannot be discussed at this point?

Mr. LONG. Regular order, Mr. President.

The PRESIDING OFFICER. All time on the amendment has been consumed. The question now recurs on agreeing to the amendment.

Mr. MONDALE. I ask unanimous consent that I be given an opportunity to discuss the merits of this amendment.

Mr. TOWER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 206 Leg.]

| | | |
|---|---|---|
| Aiken | Gravel | Muskie |
| Allen | Griffin | Nelson |
| Allott | Gurney | Packwood |
| Baker | Hansen | Pastore |
| Bayh | Harris | Pearson |
| Bellmon | Hart | Pell |
| Bennett | Hartke | Percy |
| Bible | Hatfield | Prouty |
| Boggs | Holland | Proxmire |
| Brooke | Hollings | Randolph |
| Burdick | Hruska | Ribicoff |
| Byrd, Va. | Hughes | Russell |
| Byrd, W. Va. | Inouye | Saxbe |
| Cannon | Jackson | Schweiker |
| Case | Javits | Scott |
| Church | Jordan, N.C. | Smith, Maine |
| Cook | Jordan, Idaho | Smith, Ill. |
| Cooper | Kennedy | Sparkman |
| Cotton | Long | Spong |
| Cranston | Magnuson | Stennis |
| Curtis | Mansfield | Stevens |
| Dodd | Mathias | Talmadge |
| Dole | McClellan | Thurmond |
| Dominick | McGee | Tower |
| Eagleton | McGovern | Tydings |
| Eastland | McIntyre | Williams, N.J. |
| Ellender | Metcalf | Williams, Del. |
| Ervin | Miller | Yarborough |
| Fannin | Mondale | Young, N. Dak. |
| Fong | Montoya | Young, Ohio |
| Goodell | Moss | |
| Gore | Murphy | |

The PRESIDING OFFICER. A quorum is present.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Will the Senator suspend until the Senate is in order?

The Senate will be in order, so that we can carry on the business of the Senate.

Senators will take their seats. Staff members also will take their seats.

Mr. KENNEDY. Mr. President, as I understand the parliamentary situation, all time has expired on the amendment that is being debated under a unanimous-consent agreement. Is my understanding correct?

The PRESIDING OFFICER. The Senator's understanding is correct.

Mr. KENNEDY. Does the unanimous-consent agreement that applied to that particular amendment preclude any additional amendment from being offered?

Mr. LONG. A point of order, Mr. President. These are clearly dilatory tactics. The time has expired.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. LONG. He cannot have the floor, because time for debate has expired.

The PRESIDING OFFICER. A parliamentary inquiry has been propounded. The Chair will answer the question, and then the Senate will get on with the business.

The Chair is ready to announce its ruling.

Mr. LONG. Mr. President, these are dilatory tactics. I demand——

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. LONG. Mr. President, he cannot have the floor because the time for debate has expired.

The PRESIDING OFFICER. The Senator has a parliamentary inquiry which the Chair is trying to answer. If the Senator will be patient we will answer the Senator's question and get on with the business.

The Chair is now ready to announce the ruling. An amendment is in order. However, under the previous ruling of a limitation of time, the offering of an amendment would not permit further debate under this circumstance; and the agreement was that there would be no further debate. So in the opinion of the Parliamentarian, although he cannot find a precedent in the volume on Senate Procedure, he is of the opinion that no further amendment could be offered which would permit further debate.

Mr. KENNEDY. Mr. President, do I understand the Chair correctly that when a unanimous-consent agreement on the limitation of time on one amendment is obtained, that that precludes a limitation, within that definition of time, on the opportunity for the offering of any amendment to that amendment in the future?

The PRESIDING OFFICER. It does unless there is additional time given.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. Mr. President, is it not a fact that in offering unanimous-consent agreements to limit the vote on an amendment, that the normal language in such agreements, to be all-inclusive, have under the traditions of the Senate read something as follows: That it will apply to the amendment and all amendments thereto?

Mr. KENNEDY. It seems to me that is frequently done also. Was it done in this particular case?

The PRESIDING OFFICER. It was not done in this particular case.

Mr. KENNEDY. Can the Presiding Officer inform us the reasons, therefore, that time would not be available on amendments that could be offered at this time?

The PRESIDING OFFICER. The reason would be if you get a unanimous consent to limit debate on a particular amendment there would be no point in such unanimous consent if you are going to open it up again, without limitation, by offering another amendment thereto.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. Mr. President, there was a question raised by the Senator from Massachusetts. I understand the yeas and nays have been ordered and we are now ready for the yeas and nays. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. Would ordering of the yeas and nays preclude further amendments after that point?

The PRESIDING OFFICER. No, it would not.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. To pursue the inquiry made by the junior Senator from Washington, by inference the Senate has always made it clear in the past that if you are to lock up debate on an amendment it must include amendments thereto because this is the traditional standard language that we have always applied under the precedence of the Senate from many, many years back.

I would suggest if it was the intent, therefore, to include amendments thereto, that the unanimous-consent agreement should have been explicit on this point.

Mr. President, may I have a response? There is a long, long line of unanimous-consent agreements on this very point in which the agreement has been made to include not only the amendment but amendments thereto if it were the intent to stop all debate beyond the amendment itself.

Mr. DOLE. Mr. President, I demand the regular order.

The PRESIDING OFFICER. A parliamentary inquiry has been propounded. The Chair is waiting to reply. The Senator from Washington propounded a parliamentary inquiry.

Mr. METCALF. Mr. President, may I speak on the parliamentary inquiry proposed by the Senator from Washington?

The PRESIDING OFFICER. Yes, the Senator from Montana may be heard for the edification of the Chair.

Mr. DOLE. Mr. President, I demand the regular order.

Mr. METCALF. Mr. President, I concur with the Senator from Washington that in these unanimous-consent requests we close debate, but that does not foreclose the opportunity to offer an amendment on which a rollcall vote could be requested. It would seem to me that if no further debate is allowed, that amendment could be proposed. If a rollcall vote is demanded we could have a rollcall vote on that amendment.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Do I understand the ruling of the Chair to be that an amendment to the pending amendment can be offered but that there will be no further debate?

The PRESIDING OFFICER. That is the ruling of the Chair.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The question is that on the adoption of the amendment—the yeas and nays have been ordered.

The clerk will call the roll.

Mr. JAVITS. Mr. President, Mr. President——

Mr. McINTYRE. Mr. President, I send to the desk an amendment.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The PRESIDING OFFICER. The Senate will be in order.

The ASSISTANT LEGISLATIVE CLERK. The Senator from New Hampshire proposes an amendment as follows:

At the end of amendment No. 413 add a new subsection (C) as follows:

"The effect of this amendment shall be limited to persons and corporations where gross annual income does not exceed $3 million."

Mr. WILLIAMS of Delaware. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS of Delaware. Mr. President, yesterday the Senator from Massachusetts had an amendment upon which time was limited.

The PRESIDING OFFICER. May we have order in the Senate. Senators will please take seats. The Presiding Officer cannot hear. Senators will please be seated.

Mr. WILLIAMS of Delaware. Mr. President, yesterday the Senator from Massachusetts had an amendment pending upon which the Senate had a unanimous-consent agreement to limit debate on his amendment. I was going to submit an amendment to the amendment offered by the Senator from Massachusetts. The Chair ruled that would not be in order until after all time had expired. After that time expired I offered my amendment and the Chair ruled we could have debate.

Mr. KENNEDY. The Senator is correct.

Mr. DOLE. Mr. President, I make a point of order against the amendment and ask that I be heard.

The PRESIDING OFFICER. The amendment is in order.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. Do I understand that the motion to reconsider was to reconsider the vote on the amendment and amendments thereto?

The PRESIDING OFFICER. The question is on the adoption of the amendment, and now an amendment has been offered thereto.

Mr. MUSKIE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUSKIE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Hampshire.

Mr. MUSKIE. Mr. President, is that amendment debatable?

The PRESIDING OFFICER. It is not debatable.

Mr. MUSKIE. Is the ruling of the Chair subject to appeal?

The PRESIDING OFFICER. Yes, it is.

Mr. MUSKIE. I appeal the ruling of the Chair.

Mr. LONG. Mr. President, I move to lay that on the table.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll and Mr. AIKEN voted in the negative.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. Will the Chair please ask all of us Senators to take our seats.

The PRESIDING OFFICER. The point is well made. Senators will please take their seats. The Senate is in the process of voting.

Mr. CRANSTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. CRANSTON. I want an explanation as to whether a vote of "yea" is a vote to sustain the ruling of the Chair.

The PRESIDING OFFICER. A "yea" vote is a vote to sustain the ruling of the Chair.

Mr. CRANSTON. I thank the Chair.

Mr. MANSFIELD. Mr. President, will the Chair once again ask us Senators to please take our seats and try to keep reasonably quiet.

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats. The clerk cannot be heard. Senators will please take their seats. The Chair requests once more that Senators please take their seats and please limit conversation while the vote is going on.

Mr. CASE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Jersey will state it.

Mr. CASE. Do I correctly understand that a "yea" vote will sustain the Chair? Or will it reject the ruling of the Chair?

The PRESIDING OFFICER. A "yea" vote will sustain the Chair.

Mr. CASE. Mr. President, I vote "yea."

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 57, nays 38, as follows:

[No. 207 Leg.]

YEAS—57

| | | |
|---|---|---|
| Allen | Curtis | Holland |
| Allott | Dole | Hruska |
| Baker | Dominick | Javits |
| Bellmon | Eagleton | Jordan, N.C. |
| Bennett | Eastland | Long |
| Bible | Ellender | Mansfield |
| Brooke | Ervin | McClellan |
| Burdick | Fannin | McGee |
| Byrd, Va. | Gore | Metcalf |
| Byrd, W. Va. | Gravel | Miller |
| Cannon | Griffin | Montoya |
| Case | Gurney | Moss |
| Cook | Hansen | Murphy |
| Cotton | Hatfield | Pearson |

| | | |
|---|---|---|
| Randolph | Smith, Ill. | Thurmond |
| Russell | Sparkman | Tower |
| Saxbe | Stennis | Yarborough |
| Schweiker | Stevens | Young, N. Dak. |
| Scott | Talmadge | Young, Ohio |

NAYS—38

| | | |
|---|---|---|
| Aiken | Hughes | Packwood |
| Bayh | Inouye | Pastore |
| Boggs | Jackson | Pell |
| Church | Jordan, Idaho | Percy |
| Cooper | Kennedy | Prouty |
| Cranston | Magnuson | Proxmire |
| Dodd | Mathias | Ribicoff |
| Fong | McCarthy | Smith, Maine |
| Goodell | McGovern | Spong |
| Harris | McIntyre | Tydings |
| Hart | Mondale | Williams, N.J. |
| Hartke | Muskie | Williams, Del. |
| Hollings | Nelson | |

NOT VOTING—5

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Fulbright | Mundt | |

The PRESIDING OFFICER. By this vote, the appeal has been tabled, and the ruling of the Chair has been sustained.

The question now is agreeing to the McIntyre amendment to the Dole amendment.

Mr. McINTYRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MONDALE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Would a vote in favor of the McIntyre amendment be a "yea" vote?

The PRESIDING OFFICER. Yes, it certainly would. [Laughter.]

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HOLLAND. Mr. President, I ask that the clerk be requested to read the amendment. Many of us were on other Senate business when it was read previously.

The PRESIDING OFFICER. The clerk will state the McIntyre amendment.

The ASSISTANT LEGISLATIVE CLERK. At the end of the amendment offered by the Senator from Kansas add a new section as follows:

The effect of this amendment shall be limited to persons and corporations where gross annual income does not exceed $3 million.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. DOLE. Is a motion to table the McIntyre amendment in order?

The PRESIDING OFFICER. Yes, it is.

Mr. DOLE. I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the McIntyre amendment. The yeas and nays are requested. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The Senate will be in order.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, will the Chair once again request Senators to take their seats and lower their voices?

The PRESIDING OFFICER. Will Senators please take their seats and keep conversations to a minimum so that we can complete this rollcall?

The rollcall was resumed and concluded.

Mr. COTTON (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from New Mexico (Mr. ANDERSON). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withdraw my vote.

Mr. LONG (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withdraw my vote.

Mr. McCARTHY (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from Arkansas (Mr. FULBRIGHT). If he were present and voting, he would vote "yea." If I were free to vote, I would vote "nay." Therefore I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The Senator from New Hampshire (Mr. COTTON) has previously announced his pair.

The result was announced—yeas 39, nays 53, as follows:

[No. 208 Leg.]

YEAS—39

| | | |
|---|---|---|
| Allott | Ervin | Moss |
| Baker | Fannin | Murphy |
| Bellmon | Gravel | Pearson |
| Bennett | Gurney | Randolph |
| Bible | Hansen | Russell |
| Burdick | Hollings | Scott |
| Byrd, W. Va. | Hruska | Smith, Ill. |
| Cannon | Jordan, N.C. | Stennis |
| Cook | Mansfield | Stevens |
| Dole | McClellan | Talmadge |
| Dominick | McGee | Thurmond |
| Eastland | Miller | Tower |
| Ellender | Montoya | Young, N. Dak. |

NAYS—53

| | | |
|---|---|---|
| Aiken | Hart | Packwood |
| Allen | Hartke | Pastore |
| Bayh | Hatfield | Pell |
| Boggs | Holland | Percy |
| Brooke | Hughes | Prouty |
| Byrd, Va. | Inouye | Proxmire |
| Case | Jackson | Ribicoff |
| Church | Javits | Saxbe |
| Cooper | Jordan, Idaho | Schweiker |
| Cranston | Kennedy | Smith, Maine |
| Curtis | Magnuson | Sparkman |
| Dodd | Mathias | Spong |
| Eagleton | McGovern | Tydings |
| Fong | McIntyre | Williams, N.J. |
| Goodell | Metcalf | Williams, Del. |
| Gore | Mondale | Yarborough |
| Griffin | Muskie | Young, Ohio |
| Harris | Nelson | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—3

Cotton, against.
Long, against.
McCarthy, against.

NOT VOTING—5

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Fulbright | Mundt | |

So the motion to lay Mr. McINTYRE's amendment on the table was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from New Hampshire (Mr. McINTYRE) to the amendment of the Senator from Kansas (Mr. DOLE). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COTTON (when his name was called). On this vote, I have a pair with the Senator from New Mexico (Mr. ANDERSON). If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The Senator from New Hampshire (Mr. COTTON) has previously announced his pair.

The result was announced—yeas 74, nays 20, as follows:

[No. 209 Leg.]

YEAS—74

| | | |
|---|---|---|
| Aiken | Gore | Mondale |
| Allen | Griffin | Montoya |
| Baker | Gurney | Moss |
| Bayh | Hansen | Muskie |
| Bellmon | Harris | Pearson |
| Bible | Hart | Pell |
| Boggs | Hartke | Percy |
| Burdick | Holland | Prouty |
| Byrd, Va. | Hollings | Proxmire |
| Byrd, W. Va. | Hruska | Randolph |
| Cannon | Hughes | Schweiker |
| Case | Inouye | Scott |
| Church | Jackson | Smith, Maine |
| Cook | Javits | Smith, Ill. |
| Cooper | Jordan, N.C. | Sparkman |
| Cranston | Kennedy | Spong |
| Curtis | Long | Talmadge |
| Dodd | Magnuson | Thurmond |
| Dole | Mansfield | Tydings |
| Dominick | Mathias | Williams, N.J. |
| Eagleton | McCarthy | Williams, Del. |
| Ervin | McClellan | Yarborough |
| Fannin | McGovern | Young, N. Dak. |
| Fong | McIntyre | Young, Ohio |
| Goodell | Metcalf | |

NAYS—20

| | | |
|---|---|---|
| Allott | Jordan, Idaho | Ribicoff |
| Bennett | McGee | Russell |
| Brooke | Miller | Saxbe |
| Eastland | Murphy | Stennis |
| Ellender | Nelson | Stevens |
| Gravel | Packwood | Tower |
| Hatfield | Pastore | |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Cotton, for.

NOT VOTING—5

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Fulbright | Mundt | |

So Mr. McINTYRE's amendment to Mr. DOLE's amendment (No. 413) was agreed to.

The PRESIDING OFFICER. The question now occurs on agreeing to the Dole amendment as amended by the McIntyre

amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent to withdraw my request for the yeas and nays.

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

I voted against the last amendment, and I will vote against this one.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG (when his name was called). On this vote I have a pair with the Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. McCARTHY (when his name was called). On this vote I have a pair with the Senator from Arkansas (Mr. FULBRIGHT). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Tennessee (Mr. GORE), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee (Mr. GORE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 58, nays 34, as follows:

[No. 210 Leg.]

YEAS—58

| | | |
|---|---|---|
| Allen | Ellender | Montoya |
| Allott | Ervin | Moss |
| Baker | Fannin | Murphy |
| Bayh | Fong | Pearson |
| Bellmon | Gravel | Percy |
| Bennett | Griffin | Prouty |
| Bible | Gurney | Randolph |
| Boggs | Hansen | Scott |
| Burdick | Harris | Smith, Ill. |
| Byrd, Va. | Holland | Sparkman |
| Byrd, W. Va. | Hollings | Spong |
| Cannon | Hruska | Stennis |
| Cook | Inouye | Stevens |
| Cotton | Jordan, N.C. | Talmadge |
| Curtis | Mansfield | Thurmond |
| Dodd | McClellan | Tower |
| Dole | McGee | Yarborough |
| Dominick | McIntyre | Young, N. Dak. |
| Eagleton | Metcalf | |
| Eastland | Miller | |

NAYS—34

| | | |
|---|---|---|
| Aiken | Javits | Proxmire |
| Brooke | Jordan, Idaho | Ribicoff |
| Case | Kennedy | Russell |
| Church | Magnuson | Saxbe |
| Cooper | Mathias | Schweiker |
| Cranston | McGovern | Smith, Maine |
| Goodell | Mondale | Tydings |
| Hart | Muskie | Williams, N.J. |
| Hartke | Nelson | Williams, Del. |
| Hatfield | Packwood | Young, Ohio |
| Hughes | Pastore | |
| Jackson | Pell | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Long, for.
McCarthy, against.

NOT VOTING—6

| | | |
|---|---|---|
| Anderson | Goldwater | Mundt |
| Fulbright | Gore | Symington |

So the Dole amendment, as amended, was agreed to.

Mr. McINTYRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McINTYRE. Is a motion in order to reconsider the vote by which the amendment was adopted?

The PRESIDING OFFICER. It is.

Mr. McINTYRE. I move to reconsider the vote by which the amendment was adopted.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, could we have some idea as to how many more Senators will offer amendments tonight?

I count eight.

I think we ought to stay as late as we can tonight, in the hope that we can at least get to third reading. It is not a very happy outlook, but I hope that the usual consideration and accommodation of the Members on both sides of the aisle will prevail throughout the early hours of the evening, and that we will be able to get a time limitation on these amendments as they come along.

## REQUEST FOR AUTHORIZATION FOR THE COMMITTEE ON THE JUDICIARY TO MEET DURING THE SESSION OF THE SENATE TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. SCOTT. Mr. President, by request, I am constrained to object.

The PRESIDING OFFICER. Objection is heard.

Mr. BAYH. Mr. President, I do not want to have it pass unnoticed that for the second time in 2 days the Committee on the Judiciary has been denied the opportunity to sit. The pending order of business is electoral reform. It has been the pending order of business before the committee since the middle of August.

I think it is critical that the Judiciary Committee have an opportunity to sit and to debate this very important matter. I appreciate the fact that the chairman of the Committee on the Judiciary has made these efforts to try to call the committee. While the Senator from Pennsylvania was the one who objected, my remarks are not directed at him. I am certain that he, as an individual Senator, is not opposed to the committee meeting. He is, in fact, a supporter of electoral reform.

Mr. President, I wish to point out that it has been over a year now since our Presidential election machinery came very close to malfunctioning.

I hope the Senate and the Committee on the Judiciary can take action before we are faced with a catastrophe in 1972.

## THE VICE PRESIDENT AND SENATOR GORE

Mr. GORE. Mr. President, at 6 o'clock this morning I was greeted in the morning news by a report of remarks made by the distinguished Vice President of the United States in a speech in Washington last evening in which he referred to me and to my amendment to increase the personal tax exemption.

I consider it a mark of distinction that I am so much in the thoughts of the Vice President these days that he finds occasion to refer to me frequently. I am particularly honored that in his speech last night he said:

> My only thought is that Senator Gore is living up to his name.

The Vice President is too modest; I am practically certain he has had other thoughts. And, to adapt a phrase made famous by another distinguished statesman—if you gave me a week, I might be able to think of one.

In any event, so honored, I hastened to the Capitol for the convening of the Senate. I must confess, Mr. President, that as I strolled across the Capitol grounds beneath the ancient Elms the Vice President was a bit on my mind, too.

The Vice President said, also, that my amendment to increase the personal exemption from $600 to $800 would "pump" $2 billion into the economy. The Vice President is, of course, entitled to his opinion concerning my amendment. So is the President, who has threatened to veto the tax reform bill if my amendment and social security benefit increases approved by the Senate remain in it.

But I think it is important that we keep the record straight.

My amendment would actually cost the Treasury of the United States less money than would the tax relief provisions it replaced, which provisions had the approval of the Nixon-Agnew administration.

Moreover, the Gore amendment proposes to stop the Government from pumping out of people's pockets and pinching taxes out of everybody's paycheck until each taxpayer has a low income allowance of $1,000 plus a personal exemption of $800 for himself and for each of his dependents.

The principle of allowing a taxpayer a fair and reasonable personal exemption before the Government takes part of his paycheck is not new; it is as old as the Federal income tax itself. This is not intended to "pump" money into the economy but, instead, it is permitting a taxpayer to have enough for him and his dependents barely to live on before the Federal Government starts taxing his income.

Now, both the bill as passed by the House of Representatives and the bill approved by the Senate Finance Committee provide tax relief, as does my amendment.

The question at issue is, Who gets it?

The administration proposes to give more relief to those with high income. My amendment is designed to give proportionately more relief to those of low and moderate income—more specifically, to taxpayers with families to raise and support.

On this question I am delighted to join issue. I join, too, on the issue of a 15-percent increase in social security benefits, already approved unanimously by the House Ways and Means Committee and overwhelmingly by the Senate.

Now, Mr. President, the Vice President is denied the opportunity for debate in this forum. This is a privilege with which the people of Tennessee have honored me. But I do not wish to take advantage of our distinguished Vice President.

I respectfully suggest, therefore, that should the Vice President wish to explore these and related questions further and in depth, it might be useful for the distinguished Vice President and the Senator from Tennessee to have a mutual discussion of the issues contained in the Vice President's statement of last evening in another forum. Subjects alluded to by the distinguished Vice President, and which would appear appropriate for public examination, the public interest being acutely involved, would appear to be:

First, the adequacy and fairness of a $600 personal exemption for a taxpayer, for a taxpayer's wife, and for a taxpayer's dependent children;

Second, the relative values and social justices of giving most tax relief to those in the high income brackets or to the mass of our people who are desperately trying to make ends meet; and

Third, interest rates and the cost of living in the Nixon-Agnew administration.

Perhaps we could add the proposed increase in social security benefits in view of the remarks of President Nixon.

Now, if the distinguished Vice President should find a mutual discussion agreeable, then I would respectfully leave entirely to him the choice of place, time, or forum, though I must say I would prefer Tennessee. Should Tennessee be favorably considered, the grass is usually green and the buttercups out about April 15; the foliage golden and beautiful in late October.

Now, the distinguished Vice President, heaping favor upon honor, has made me political target No. 1 for next year, and has promised to come to Tennessee and campaign against me. I am grateful for this promised service. There is nothing the voters of Tennessee appreciate more than having distinguished outsiders come in and instruct them on how to vote.

Since I am sure to be touched by these promised services, neither my gratitude nor my conscience will give me peace of mind if I fail to repay the Vice President in kind. Though it is not normally the function of a member of the opposition party to rise to the defense of a beleaguered public official, in view of all the extenuating circumstances, I do.

He has brought such unique contributions to the high office of Vice President that they deserve recognition.

First of all, the Vice President warrants our gratitude for all that he has done to rejuvenate public usage of the English language.

When in this era of "cool" disdain and sly innuendo have we heard such Churchillian rhetoric as that of the Vice President when he thunders fulminations against "vultures who sit in the trees and watch lions battle," plotting from their treetops to "pervert honest concern into something sick and rancid"? Who can hear such beautiful words without a stirring of the blood, without feeling inspired to sally forth against those "sick and rancid vultures" in our midst. "Their names;" we are moved to cry out.

But poetry is the least of the "Veep's" contributions. Bard though he is, he claims our gratitude even more as a philosopher. He strongly favors, he tells us, "constitutional dissent." But, improving on both Jefferson and Justice Holmes, he is very precise about his limits.

Quite obviously these limits have been exceeded, when elected representatives of the people ask troublesome questions, or when television commentators, who have not even been elected to their jobs, respond to a Presidential speech with critical analysis instead of rhapsodies of praise.

Going on to make one of these "fine distinctions" in which he specializes, the Vice President points out that when the purpose of the dissent is "unsound," or when it is, in his view, "idiotic" as well, the limit of toleration has been reached. Here, Mr. President, a milestone in jurisprudence has surely been reached, the drawing at last of a clear distinction between "constitutional" and "idiotic" dissent.

As a legal and political philosopher, the Vice President has illustrated for each of us—if only we would listen—the kind of "subtlety" and "fine distinctions based on acute reasoning" which we, too, could perhaps make if we would stick to the text of statements, listen respectfully to the teachings of our leaders and stop asking impudent questions about morality, the priority of values and the national interest.

Such things as these, after all, are best left to wiser heads—to such wise and venerable men as the Vice President of the United States and to those who have made such a stunning success of American foreign policy in this decade. Or, better still, as the distinguished Vice President himself has put it:

> Saying that the President should understand the people's view is no solution. It is time for the people to understand the views of the President they elected to lead them.

But elected representatives of the people, in contradistinction to reporters and commentators, are concerned with the drift of things, with seeming misdirection and perhaps a warped sense of values. Some of them, undoubtedly in the mundane process of getting elected, have let their heads get filled with a lot of questions about social justice, about fairness in taxes, about peace and about the sanctity of human life. They are so literal-minded, these impertinent demagogues. In their innocence and naivete, they talk as though that propaganda they picked up from the people, to say nothing of Jefferson and Lincoln and Wilson, were good for something more than inscriptions on stone monuments. Somehow they have got it in their heads that all those fine phrases, even the Bill of Rights in our Constitution, were to be taken seriously, perhaps even put into practice.

And how have our young people become infected with such "idiotic" constitutional radicalism? How have we, their parents and teachers, failed them? The "Veep" has an explanation and it must give us pause. "Parental-type power must be exercised," he points out. "Some parents have forgotten how." As a result of misguided permissiveness our children have fallen under the spell of "political hustlers."

They do not seem to have understood—they do not seem capable of understanding—that one must attain a certain age and eminence before one has earned the right to corrupt one's country's institutions.

Clearly, as the Vice President suggests, "it is time to question the credentials" of these Americans and, perhaps, to "separate them from our society." We separated our Japanese fellow-citizens from our society during World War II, it will be recalled, to our eternal pride and credit.

None of this is meant to suggest that the distinguished Vice President is opposed to dissent as long it is "constitutional," as long as it is not "unsound" or "idiotic" and as long as it does not involve criticism of the President's policies and speeches until the people have time to "digest" them, or does not involve tax policies that are fair to all of our people.

In his short tenure as President of the Senate the Vice President has become a teacher and an example of sorts for his colleagues. He warns us against ideological eunuchry; he urges us to "divide on authentic lines," and he, himself, has made an unparalleled contribution to this end.

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## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

AMENDMENT NO. 353

Mr. McCARTHY. Mr. President, I call up amendment 353 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McCARTHY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 508, after line 20, insert the following new section:

"SEC. 805. INCOME SPLITTING FOR UNMARRIED INDIVIDUALS.

"(a) IN GENERAL.—Section 2 (relating to tax in the case of a joint return) is amended to read as follows:

"'SEC. 2. TAX IN CASE OF INDIVIDUALS ENTITLED TO SPLIT-INCOME COMPUTATION.

"'Except in the case of a married individual filing a separate return, a nonresident alien individual, or an estate or trust, the tax imposed by section 1 on the taxable income of any individual shall be twice the tax which would be imposed if the taxable income were cut in half. For purposes of this section, the determination of whether an

individual is married shall be made as of the close of his taxable year, and an individual legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married.'

"(b) CONFORMING AMENDMENTS.—

"(1) Effective with respect to taxable years beginning after December 31, 1969, and before January 1, 1972, section 1 is amended—

"(A) by striking out so much of subsection (a) as precedes the last table therein and inserting in lieu thereof the following:

"'(a) RATES OF TAX ON INDIVIDUALS.—There is hereby imposed on the taxable income of every individual a tax determined in accordance with the following table:'; and

"(B) by striking out subsection (b).

"(2) Effective with respect to taxable years beginning after December 31, 1970, section 1 (as amended by subsections (a) and (b) of section 803 of this Act) is amended—

"(A) by striking out, in the matter preceding the table in subsection (a), '(other than a head of a household to whom subsection (b) applies and an unmarried individual to whom subsection (c) applies)'; and

"(B) by striking out subsections (b) and (c).

"(3) Section 51(a)(2)(B) (relating to the tax surcharge) is amended to read as follows:

"'(B) LIMITATION.—In the case of—

"'(i) an individual whose tax under section 1 is computed as provided in section 2 and whose adjusted tax for the taxable year is less than $580, and

"'(ii) any other individual (other than an estate or trust) whose tax under section 1 is computed without regard to section 2 and whose adjusted tax for the taxable year is less than $290,

the tax imposed by subparagraph (A) shall not be greater than an amount equal to twice the tax which would be imposed by subparagraph (A) if the tax were imposed on the amount by which the adjusted tax exceeds $290 or $145, respectively.'

"(c) EFFECTIVE DATE.—Except as otherwise provided in subsection (b), the amendments made by this section shall apply to taxable years beginning after December 31, 1969."

Mr. LONG. Mr. President, does the Senator desire the yeas and nays on the amendment?

Mr. McCARTHY. I do.

Mr. LONG. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. LONG. Mr. President, is the Senator willing to limit debate?

Mr. McCARTHY. I am.

Mr. LONG. I ask unanimous consent that time on the amendment be limited to 1 hour, half under the control of the Senator from Minnesota (Mr. McCARTHY) and the other half under the control of the manager of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Minnesota is recognized.

Mr. McCARTHY. Mr. President, my amendment (No. 353) is cosponsored by the Senator from Connecticut (Mr. RIBICOFF) and the Senator from Indiana (Mr. HARTKE). The purpose of the amendment is to make the same rate of taxation applicable to taxpayers having the same level of taxable income.

The PRESIDING OFFICER. The Senate will be in order. The Chair cannot hear what the Senator is saying. The aisles will be cleared, and Senators will be seated. The Senate will be in order.

The Senator from Minnesota may proceed.

Mr. McCARTHY. Mr. President, the amendment is directed toward both justice and equity and it provides that all citizens will be subject to the same rates of taxation on comparable taxable income whether they are single persons, widows, widowers, married persons, or those unmarried persons who are under existing law classified as head of household taxpayers.

It accomplishes this by making the rates of taxation applicable to married persons filing a joint return available to nearly all taxpayers. It does not increase the rate of taxation on married persons who filed joint returns. It simply extends the benefits of their rates to single taxpayers.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. RIBICOFF. Mr. President, I wish to commend the distinguished Senator from Minnesota for having carried on this fight for many, many years. As the Senator knows this matter has been raised for a long time by a constituent of mine, Miss Vivien Kellems of Connecticut.

To make this situation graphic, is it not true that a married couple with a joint income of $20,000 would pay $4,380 in taxes, but the single person who earned $20,000 and who has about the same expenses as the married couple must pay $6,070 or about 40 percent more than the married couple. Therefore, there is a gross inequity for the single person who works and who also has the expenses of maintaining herself.

Mr. McCARTHY. The Senator is correct. It can run to 40 percent, although there is not that much difference in the lowest brackets.

Mr. COOK. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. COOK. Has the Senator determined what this amendment will cost in relation to income?

Mr. McCARTHY. In relation to income?

Mr. COOK. In relation to income to the Government.

Mr. McCARTHY. It would result in an estimated additional reduction in tax liability of $1.45 billion over and above the $445 million reduction provided by the Finance Committee in its treatment of single persons. This is a substantial amendment. It is worthy of the Senator's attention.

Mr. President, the adoption of the amendment would be a significant step in making the income tax liability of all citizens more equitable.

I have grave doubts whether the existing law as it is drafted and has been in effect is, in fact, constitutional.

The basic method of recognizing family obligations is provided for in the Internal Revenue Code by the allowance for various kinds of deductions. The Senate has now adopted the Gore amendment which increases the amount of the deduction for each dependent. Having made this adjustment in the bill, which recognizes the special expense of maintaining dependents, we should move to provide equity for single persons by adopting this amendment. In fact, the Gore amendment has the effect of increasing the inequity against single persons over and above that which is in the existing law.

This discrimination against single persons has not always been in the Internal Revenue Code. It got in the code almost by accident in 1948 when Congress adopted the income-splitting provision. It was not adopted because it was thought the tax liability of married couples was too great compared with single persons. The income-splitting provision was adopted because of the practical problems of married persons in community property States being treated more favorably. One half of the income of a person is attributed to the other, and there was pressure to extend the consequent more favorable rates available to married couples in community property States to married persons in common law States; and so the income-splitting device available to married couples in States with community property laws was authorized for married persons in common law States.

This change in 1948 seemed to solve the problem for married couples in different States, but the method greatly increased the tax burden on single persons compared to that of married couples filing a joint return. I do not think anyone any longer questions the discrimination against single persons which resulted. The language of the report of the Finance Committee concedes the existence of the problem. As the report states: ". . . a single person's tax is as much as 40.9 percent higher than the tax paid on a joint return with the same amount of taxable income."

Several years ago the Congress attempted to reduce the discrimination for some single persons by creating a head of household category with rates about half way between the more favorable rates for married couples filing joint returns and those for single persons. It improved the situation somewhat for a minority of single taxpayers, but did not diminish the discrimination against the majority of single taxpayers.

The House Committee on Ways and Means considered this inequity in drawing up H.R. 13270 and so did the Senate Committee on Finance. Each committee has proposed a different partial solution, but in my judgment the only satisfactory solution is to remove the inequity altogether, and that is the purpose of this amendment.

The partial remedy adopted by the House is to extend the head of household schedule to widows and widowers, regardless of age, and to unmarried individuals age 35 and over. Also the House bill permits a surviving spouse to receive the full benefits of income splitting accorded to married couples filing joint returns as long as she continues to support a dependent child in her household. I ask unanimous consent to have printed at this point the statement from House report dealing with "head of household and surviving spouse tax treatment."

There being no objection, the state-

ment was ordered to be printed in the RECORD, as follows:

*4. Head-of-household and surviving spouse treatment (sec. 803 of the bill and sec. 1 of the code).*

*Present law.*—Since the Revenue Act of 1948, married couples have had the option of being taxed under the split-income provision. This, in effect, taxes a married couple as if it were composed of two single individuals each of whom had one-half the couple's combined income. This 50–50 split of income between the spouses for tax purposes generally produces a lower tax than any other division of income since the application of the graduated tax rates separately to each of the two equal parts comprising the couple's income keeps the total income in lower tax brackets. In effect, the split-income provision achieves this result by allowing married couples who exercise the option of filing joint returns to use a tax-rate schedule with tax brackets twice as wide as those applying to single people and spouses filing separate returns.

As a result of income splitting, married couples pay lower taxes than single people at the same income levels.

In 1951, a head-of-household provision was enacted to grant partial income-splitting to widows, widowers, and certain other single persons with dependents. Individuals who qualify under this provision are allowed approximately one-half of the income-splitting benefits given to married couples. These heads of households use a different tax rate schedule which, at any given level of income, produces a tax liability about halfway between the tax paid by a married couple filing a joint return and a single individual.

*General reasons for change.*—Widows, widowers, and unmarried individuals who do not support dependents in a household cannot qualify for head-of-household treatment under present law. As a result, such individuals are taxed as single individuals and do not receive the income-splitting benefits accorded to heads of households (that is, one-half the income-splitting benefits granted to married couples filing joint returns). This treatment places unduly heavy tax burdens on mature single individuals, widows and widowers. Such individuals more often than not have to incur the expense of maintaining a household; and in any event they should receive some income splitting in order to be treated fairly compared with married couples. Moreover, for widows and widowers present law is harsh in that it withdraws all the benefits of income splitting after their spouse dies despite the fact that they may continue to have relatively heavy living expenses. Furthermore, your committee believes that the discrepancies in rate between single and married persons are too great. Accordingly, your committee believes some measure of relief with regard to income splitting is warranted for widows, widowers, and mature single individuals.

Present law also does not give adequate income splitting to surviving spouses who support dependent children. It provides full income splitting to such spouses only for 2 years. At the expiration of these 2 years, the surviving spouse may qualify as a head of household if she supports a dependent in her home. However, your committee does not believe this is adequate relief. Since such surviving spouses have the full obligations of a married couple toward their children without the help of a marital partner, they should continue to receive full income splitting.

*Explanation of provisions.*—Your committee's bill provides that widows or widowers, regardless of age, and unmarried individuals age 35 and over are to be treated as "intermediate tax rate individuals." As such, they will be entitled to receive one-half the income-splitting privileges received by married couples filing joint returns; and their tax liabilities will be halfway between those of other single people and married couples filing joint returns at the same taxable income levels.

In addition, a surviving spouse who maintains a dependent child in her home is no longer to be subject to the present 2-year limit on the full-income-splitting privilege. As a result, such a surviving spouse will continue to receive the full-income-splitting benefits accorded to married couples filing joint returns so long as she continues to support a dependent child in her household.

*Effective date.*—The amendments made by this provision are to apply to taxable years beginning after December 31, 1969.

*Revenue effect.*—It is estimated that the amendments made by these provisions will reduce revenues by $650 million for 1971 and thereafter.

Mr. McCARTHY. The approach adopted by the Finance Committee is to establish a new schedule of rates applicable to all single persons, regardless of age, under which the tax of single persons will never be more than 20 percent greater than that of married persons filing a joint return and having the same amount of taxable income. The Finance Committee bill also provides for a new schedule of rates for head of household.

I ask unanimous consent that the statement in the report of the Finance Committee, with its appropriate tables, regarding tax treatment of single persons be printed at this point in the RECORD.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

3. Tax Treatment of Single Persons (sec. 802 of the bill and sec. 1 of the code).

*Present law.*—Since the Revenue Act of 1948, married couples have had the option of being taxed under the split-income provision. This, in effect, taxes a married couple as if it were composed of two single individuals each of whom had one-half the couple's combined income. This 50–50 split of income between the spouses for tax purposes generally produces a lower tax than any other division of income since the application of the graduated tax rates separately to each of the two equal parts comprising the couple's income keeps the total income in lower tax brackets. In effect, the split-income provision achieves this result by allowing married couples who exercise the option of filing joint returns to use a tax-rate schedule with tax brackets twice as wide as those applying to single people and spouses filing separate returns.

As a result of income splitting, married couples pay lower taxes than single people at the same income levels.

In 1951, a head-of-household provision was enacted to grant partial income-splitting to widows, widowers, and certain other single persons with dependents in their households. Individuals who qualify under this provision are allowed approximately one-half of the income-splitting benefits given to married couples. These heads of households use a different tax rate schedule which, at any given level of income, produces a tax liability about halfway between the tax paid by a married couple filing a joint return and a single individual.

Beginning in 1954 surviving spouses with dependent children were permitted to use the joint return tax rates with full income-splitting for two taxable years following the death of the husband or wife.

*General reasons for change.*—The committee conclude that the difference in tax liability between single persons and married couples filing joint returns is too large. Under present law, the tax rates imposed on single persons are too heavy relative to those imposed on married couples at the same income level; a single person's tax is as much as 40.9 percent higher than the tax paid on a joint return with the same amount of taxable income. While some difference between the rate of tax paid by single persons and joint returns is appropriate to reflect the additional living expenses of married taxpayers, the existing differential of as much as 41 percent which results from income-splitting cannot be justified on this basis.

The committee concluded that the proper solution to the tax differential between married and single taxpayers is a new single person rate schedule that insures that the tax of single persons will never be more than 120 percent of that of married taxpayers with the same amount of taxable income.

*Explanation of provision.*—The Committee amendments provide a new, lower, rate schedule for single persons (as well as a new regular rate schedule and head-of-household rate schedule) shown in Table 20. This rate schedule is designed to provide tax liability for single persons which is 17 to 20 percent above that of married couples for taxable incomes of between $14,000 and $100,000, with the maximum differential of 20 percent being reached at $20,000. (See col. 7 of Table 21 below.) Below $14,000, where income-splitting is less beneficial, the excess of the single person's rates over those of married couples gradually decreases. This is also true above $100,000, again where the benefits of income-splitting become less significant.

The committee amendments also provide a new rate schedule for heads of households which is halfway between the new rate schedule for single persons and the rate schedule used by married couples (the "regular" rate schedule with brackets twice as wide). The "regular" rate schedule is maintained for married couples filing separate returns and for estates and trusts. The rates in all schedules reflect the general rate reduction provided elsewhere in the bill.

TABLE 20.—SENATE FINANCE COMMITTEE RATE SCHEDULES (TO BE EFFECTIVE IN 1972)

| Taxable income bracket | Regular rate schedule [1] | Head-of-household rate schedule [2] | Single person rate schedule [3] |
|---|---|---|---|
| 0 to $500 | 13 | 13 | 13 |
| $500 to $1,000 | 14 | 13 | 14 |
| $1,000 to $1,500 | 15 | 15 | 15 |
| $1,500 to $2,000 | 16 | 15 | 16 |
| $2,000 to $4,000 | 18 | 17 | 18 |
| $4,000 to $6,000 | 21 | 19 | 20 |
| $6,000 to $8,000 | 23 | 20 | 22 |
| $8,000 to $10,000 | 27 | 22 | 24 |
| $10,000 to $12,000 | 30 | 23 | 26 |
| $12,000 to $14,000 | 34 | 25 | 28 |
| $14,000 to $16,000 | 37 | 27 | 30 |
| $16,000 to $18,000 | 40 | 29 | 32 |
| $18,000 to $20,000 | 42 | 31 | 34 |
| $20,000 to $22,000 | 44 | 32 | 35 |
| $22,000 to $24,000 | 47 | 34 | 37 |
| $24,000 to $26,000 | 47 | 36 | 37 |
| $26,000 to $28,000 | 49 | 38 | 42 |
| $28,000 to $32,000 | 49 | 40 | 42 |
| $32,000 to $36,000 | 50 | 43 | 47 |
| $36,000 to $38,000 | 50 | 45 | 47 |
| $38,000 to $40,000 | 52 | 47 | 52 |
| $40,000 to $44,000 | 52 | 48 | 52 |
| $44,000 to $50,000 | 54 | 50 | 54 |
| $50,000 to $60,000 | 58 | 54 | 58 |
| $60,000 to $80,000 | 60 | 55 | 60 |
| $80,000 to $100,000 | 61 | 57 | 61 |
| $100,000 to $120,000 | 62 | 60 | 62 |
| $120,000 to $150,000 | 63 | 62 | 63 |
| $150,000 to $160,000 | 64 | 62 | 64 |
| $160,000 to $200,000 | 64 | 63 | 64 |
| $200,000 to $300,000 | 65 | 64 | 65 |
| Over $300,000 | 65 | 65 | 65 |

[1] This schedule is in the House bill.
[2] Available to taxpayers who qualify for head-of-household status.
[3] Schedule for all single persons and widows and widowers.

TABLE 21.—TAX LIABILITY FOR JOINT RETURNS AND SINGLE PERSONS AT SELECTED LEVELS OF TAXABLE INCOME, AT RATES PROPOSED TO BE EFFECTIVE IN 1972

| Taxable income | Tax liability under House bill | | | | | Senate Finance Committee, single persons | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Single, 35 and over | | | | | |
| | Joint returns [1] | Single under 35 | Percent above joint return | Tax | Percent above joint return | Tax | Percent above joint return | Percent different from House for singles over 35 | Percent different from House for singles under 35 |
| $2,000 | $270 | $290 | 7.4 | $280 | 3.7 | $190 | 7.4 | +5.7 | 0 |
| $4,000 | 580 | 650 | 12.1 | 620 | 6.9 | 650 | 12.1 | +4.8 | 0 |
| $6,000 | 940 | 1,070 | 13.8 | 1,000 | 6.4 | 1,050 | 11.7 | +5.0 | −1.9 |
| $8,000 | 1,300 | 1,530 | 17.7 | 1,420 | 9.2 | 1,490 | 14.6 | +4.9 | −2.6 |
| $10,000 | 1,720 | 2,070 | 20.3 | 1,900 | 10.5 | 1,970 | 14.5 | +3.7 | −4.8 |
| $14,000 | 2,600 | 3,350 | 28.8 | 2,980 | 14.6 | 3,050 | 17.3 | +2.3 | −9.0 |
| $18,000 | 3,600 | 4,890 | 35.8 | 4,240 | 17.8 | 4,290 | 19.2 | +1.2 | −12.3 |
| $20,000 | 4,140 | 5,730 | 38.4 | 4,940 | 19.3 | 4,970 | 20.0 | +.6 | −13.3 |
| $26,000 | 6,026 | 8,490 | 41.0 | 7,260 | 20.6 | 7,150 | 18.8 | −1.5 | −15.3 |
| $32,000 | 8,180 | 11,430 | 39.7 | 9,800 | 19.8 | 9,670 | 18.2 | −1.3 | −15.8 |
| $38,000 | 10,620 | 14,430 | 35.9 | 12,520 | 17.9 | 12,490 | 17.6 | −.2 | −13.4 |
| $44,000 | 13,220 | 17,550 | 32.8 | 15,380 | 16.3 | 15,610 | 18.1 | +1.5 | −11.4 |
| $50,000 | 16,040 | 20,790 | 29.6 | 18,440 | 15.0 | 18,850 | 17.5 | +2.2 | −9.0 |
| $100,000 | 41,580 | 50,790 | 22.2 | 46,140 | 11.0 | 48,850 | 17.5 | +5.9 | −3.3 |
| $150,000 | 71,180 | 82,090 | 15.3 | 76,740 | 7.8 | 80,150 | 12.6 | +4.4 | −2.8 |
| $200,000 | 101,580 | 114,090 | 12.3 | 108,140 | 6.5 | 111,650 | 9.9 | +3.2 | −2.4 |
| | | | | | | | | | 1 |

[1] Under Senate Finance Committee bill, as well.

The committee agrees with the House that the tax differential between single and married taxpayers is excessive but does not believe that the differential should be reduced only for single persons age 35 and over (and widows and widowers) as provided in the House bill. This age 35 test seems arbitrary and unrelated to the basic issue of whether there is too great a tax difference between single and married taxpayers resulting from marital status. In additional, there is good reason for maintaining a tax differential between single persons and heads-of-households who in fact maintain a household for a dependent. This distinction would, of course, be eliminated under the House bill. In view of these considerations, the committee substituted for the House provision the rate schedule which limits the tax paid by all single persons regardless of age to no more than 120 percent of the tax paid by married taxpayers at the same taxable income level.

*Revenue effect.*—The revenue loss from this provision is $445 million annually. The revenue cost of the rate schedule for single persons in the House bill would be $650 million.

*Effective date.*—The new rate schedule for single persons is effective in two stages, in 1971 and 1972, with over one-third of the reduction from present rates to take place in 1971 and the remainder in 1972 (as is also the case with the general rate reduction).

Mr. McCARTHY. The joint committee has prepared a table with estimates of the revenue loss under this amendment, compared to revenue losses under the Finance Committee treatment of single persons. They estimate that this amendment would reduce individual income tax liability by $1.45 billion more than the $445 million reduction estimated under the Senate Finance Committee treatment of single persons.

I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FEDERAL INDIVIDUAL INCOME TAX ESTIMATED ADDITIONAL REDUCTION IN TAX LIABILITY OVER THE $445 MILLION REDUCTION UNDER SENATE FINANCE COMMITTEE TREATMENT OF SINGLE PERSONS FROM APPLICATION OF JOINT RETURN TAX SCHEDULE TO SINGLE PERSON AND HEAD OF HOUSEHOLD RETURNS

| Adjusted gross income class (thousands) | Single persons | | Head of household | | Total | |
|---|---|---|---|---|---|---|
| | Number of returns (thousands) | Reduction in tax liability (millions) | Number of returns (thousands) | Reduction in tax liability (millions) | Number of returns (thousands) | Reduction in tax liability (millions) |
| 0 to $3 | 3,007 | $14 | 100 | (1) | 3,107 | $14 |
| $3 to $5 | 6,080 | 159 | 530 | $7 | 6,610 | 166 |
| $5 to $7 | 2,971 | 188 | 548 | 16 | 3,519 | 204 |
| $7 to $10 | 2,782 | 314 | 145 | 8 | 2,927 | 322 |
| $10 to $15 | 873 | 179 | 211 | 27 | 1,084 | 206 |
| $15 to $20 | 201 | 103 | 51 | 19 | 252 | 122 |
| $20 to $50 | 205 | 231 | 39 | 37 | 244 | 268 |
| $50 to $100 | 20 | 63 | 6 | 14 | 26 | 77 |
| $100 and over | 9 | 66 | 2 | 7 | 11 | 73 |
| Total | 16,148 | 1,317 | 1,632 | 135 | 17,780 | 1,452 |

[1] Less than $500,000.

Mr. LONG. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. LONG. Mr. President, the compelling reason why we should not agree to this amendment is that it would increase the revenue loss under the bill by $1.5 billion. I personally saw the President on television say that he would veto this bill if it lost the Government as much revenue as it does now, referring to the two big items by which the expense of the bill had been increased at that time.

If we were to take the amendment, and the House were to agree to it, it seems to me it would guarantee a veto of the bill.

On the merits of the amendment, it is true that the costs for one person living alone are more than one-half as much as for two people living together. At the same time that logic does not extend to saying it costs twice as much. After having studied the problem, we have undertaken to help the single person by providing that his tax rate would be no more than 20 percent above the rate that applies to a married couple with the same taxable income.

The cost of that provision is $445 million. That is about as far as we think we can go and still act responsibly at this time. It would further seem that we should let this provision that provides some tax relief to single people go into effect. At some future date perhaps we will be able to afford to extend additional tax relief to them.

We cannot afford it now. To add this amendment might result in their not getting the favorable tax treatment already in the bill. It amounts to $445 million. It would be in the best interest of single people to have this amendment put in the bill because it might result in preventing them from getting any relief.

Mr. WILLIAMS of Delaware. I completely agree with the Senator from Louisiana. Single people would get $445 million in tax relief under the bill. There is no question in my mind that if the amendment would be agreed to and placed in the bill that they would get no relief at all. Unless we can trim back the bill as it is now, we will not have any bill to consider at all.

Mr. LONG. It seems to me that should this amendment carry, it would make it even harder to cut back on the amount of tax relief to the amount the committee felt could be afforded in any event.

I hope that the amendment will be rejected.

Mr. McCARTHY. I hope that the distinguished chairman will not be frightened by the threat of a Presidential veto. He has never shown any inclination along that line before on other amendments to the bill. I would suggest that the Senator would not want to make that as a statement or argument in the Senate today because it would undermine his whole record.

I do not think the Senator from Louisiana has ever voted for a tax increase—or when we proposed to cut taxes—that he brought up the question that a veto would be threatened. The Senator from Louisiana has never before been intimidated——

Mr. LONG. Let me say to the Senator from Minnesota that the bill we have now gives a lot more in tax relief than it would take from tax reform. I do not regard it as a tax increase bill in its present status.

But I do not believe that the Senator's amendment should be agreed to on its merits. I applaud his interest in the problems of single people. For years, he has been trying to help them, but it seems to me that we have gone about as far as the Senate should be asked to go at this time. I believe that the amendment should be rejected.

Mr. McCARTHY. I would suggest to the Senate that the point on which the administration seems distressed is the question of revenue. It does not want the Senate to take irresponsible fiscal action.

Requests for military expenditures and military appropriations are fiscal irresponsibility in two ways. First, it involves an increase in the national debt and in Federal expenditures which is inflationary; and, two, it also involves most wasteful expenditures.

Those who have been voting for these appropriations over the past 20 years know that billions of dollars in military expenditures have been spent which have been militarily useless. We know that an increase in Government expenditures for military purposes is in itself wasteful. Perhaps the only way we can bring the Department of Defense and the administration to some sense of reality—we cannot do it with an authorization which we approve and we have not been able to do it by cutting down appropriations—is to follow the practice of British nobility during the Middle Ages, to stop their kings from invading France, or Normandy, or carrying on attacks on Ireland, and that was not to give them any tax money. So that finally they had to either give up the crown or give up military action.

Mr. LONG. I am familiar with the Senator's views, with regard to military expenditures, the war in Vietnam, and so forth, but I believe that the Senate is anxious at this time to vote on the bill. I shall, therefore, just speak to the amendment and perhaps we can debate those other matters at some future time.

Mr. President, I yield back the remainder of my time.

Mr. MCCARTHY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Minnesota (Mr. MCCARTHY).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

On this vote, the Senator from Rhode Island (Mr. PASTORE) is paired with the Senator from Missouri (Mr. SYMINGTON). If present and voting, the Senator from Rhode Island would vote "yea" and the Senator from Missouri would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Alaska (Mr. STEVENS) is detained on official business.

On this vote, the Senator from Alaska (Mr. STEVENS) is paired with the Senator from Arizona (Mr. GOLDWATER). If present and voting, the Senator from Alaska would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 25, nays 66, as follows:

[No. 211 Leg.]

YEAS—25

| | | |
|---|---|---|
| Bayh | Inouye | Pearson |
| Burdick | Jackson | Prouty |
| Byrd, W. Va. | Magnuson | Proxmire |
| Church | Mansfield | Randolph |
| Cranston | McCarthy | Ribicoff |
| Dodd | McGee | Young, N. Dak. |
| Hart | McGovern | Young, Ohio |
| Hartke | Moss | |
| Hughes | Nelson | |

NAYS—66

| | | |
|---|---|---|
| Aiken | Fong | Mondale |
| Allen | Goodell | Montoya |
| Allott | Gore | Murphy |
| Baker | Gravel | Muskie |
| Bellmon | Griffin | Packwood |
| Bennett | Gurney | Pell |
| Bible | Hansen | Percy |
| Boggs | Harris | Saxbe |
| Brooke | Hatfield | Schweiker |
| Byrd, Va. | Holland | Scott |
| Cannon | Hollings | Smith, Maine |
| Case | Hruska | Smith, Ill. |
| Cook | Javits | Sparkman |
| Cooper | Jordan, N.C. | Spong |
| Cotton | Jordan, Idaho | Stennis |
| Curtis | Kennedy | Talmadge |
| Dole | Long | Thurmond |
| Dominick | Mathias | Tower |
| Eagleton | McClellan | Tydings |
| Ellender | McIntyre | Williams, N.J. |
| Ervin | Metcalf | Williams, Del. |
| Fannin | Miller | Yarborough |

NOT VOTING—9

| | | |
|---|---|---|
| Anderson | Goldwater | Russell |
| Eastland | Mundt | Stevens |
| Fulbright | Pastore | Symington |

So Mr. MCCARTHY's amendment was rejected.

CHANGE FROM INSTALLMENT TO ACCRUAL METHOD OF ACCOUNTING

Mr. LONG. Mr. President, I have an amendment at the desk which I call up at this point.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, as follows:

At the end of title IX, add the following new section:

"SEC. —. (a) Section 453(c) of the Internal Revenue Code of 1954 (relating to change from accrual to installment basis of reporting) is amended by adding at the end thereof the following new paragraph:

"'(4) REVOCATION OF ELECTION.—An election under paragraph (1) to report taxable income on the installment basis may be revoked by filing a notice of revocation, in such manner and place as may be set forth in regulations or rulings prescribed by the Secretary or his delegate, at any time before the expiration of 3 years following the date of the filing of the tax return for the year of change. If such notice of revocation is timely filed—

"'(A) the provisions of paragraph (1) and subsection (a) shall not be applicable to the year of change or for any subsequent year;

"'(B) the statutory period for the assessment of any deficiency for any taxable year ending before the filing of such notice, which is attributable to the revocation of the election to use the installment basis, shall not expire before the expiration of two years from the date of the filing of such notice, and such deficiency may be assessed before the expiration of such two-year period notwithstanding the provisions of any law or rule of law which would otherwise prevent such assessment; and

"'(C) if refund or credit of any overpayment, resulting from the revocation of the election to use the installment basis, for any taxable year ending before the date of the filing of the notice of revocation is prevented on the date of such filing, or within 1 year from such date, by the operation of any law or rule of law (other than section 7121 or 7122), refund or credit of such overpayment may nevertheless be made or allowed if claim therefor is filed within 1 year from such date. No interest shall be allowed on the refund or credit of such overpayment for any period prior to the date of the filing of the notice of revocation.'

"(b) The amendment made by subsection (a) shall apply to an election made for any year of change (as defined in section 453 (c)(1) of the Internal Revenue Code of 1954) ending on or after the date of the enactment of this Act, and shall also apply to any such year of change which ended before such date if the 3-year statutory period for assessment of any deficiency for such year has not expired on the date of the enactment of this Act."

Mr. LONG. Mr. President, the amendment I have offered is one which I would have offered in committee, except that I was waiting for the Treasury to report on it, though I did not see how the Treasury could possibly report adversely.

This amendment would permit a taxpayer to change from the installment to the accrual method of accounting.

I know of but one taxpayer who would be involved, and by changing from the installment to the accrual method of accounting, that taxpayer would pay $49,972 in additional taxes, but he finds it very inconvenient to do business under the installment method of accounting, and therefore would like to change.

I know of no objection to the amendment. I have discussed it with the senior members of the committee—and, in fact, with almost all the members of the committee—and I believe the amendment would have been unanimously agreed to by the committee if the Treasury had reported to us in time, or if I had been able to state the Treasury's views. Not having had that opportunity, I have to either offer it now or forever hold my peace. I hope the amendment will be agreed to.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WILLIAMS of Delaware. The Senator is correct; he withheld the amendment from the committee until he had talked with the Treasury. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. LONG. Mr. President, the one taxpayer I mentioned who would be effected is Mr. Meyer Barton of New Orleans, La. I ask unanimous consent to have printed in the RECORD a statement explaining the purposes of the amendment.

There being no objection, the explanatory statement was ordered to be printed in the RECORD, as follows:

ELECTION TO CHANGE FROM INSTALLMENT TO ACCRUAL METHOD OF ACCOUNTING

Installment reporting for federal income tax purposes has been recognized as a proper method of tax accounting since the Revenue Act of 1921. In 1925, the Board of Tax Appeals held, however, that installment reporting did not clearly reflect income. The 1926 act authorized and validated installment reporting both for future and past taxable years. The purpose of allowing this method was to more closely match tax liability with cash flow, thus, reducing the

harshness of the immediate tax bit. This action was another step in bringing tax accounting into agreement with generally accepted accounting principles.

The accounting profession continued to recognize installment reporting as proper accounting through December 1966. However, an opinion, dated December 1966, of the Accounting Principles Board stated that the installment method of recognizing revenue is no longer acceptable except in exceptional cases where receivables are collectible over an extended period of time and because of the terms of the transactions or other conditions, there is no reasonable basis for estimating the degree of collectibility. The essence of this opinion is to require accrual reporting for accounting periods beginning after December 31, 1966. Taxpayers who have elected to report on the installment basis for tax purposes are now required to maintain sufficient records to satisfy two methods of reporting. Another recent opinion (dated December 1967) of the Accounting Principles Board requires taxes to be accrued as a deferred liability on revenue which is reported on the financial statements even though a large portion of this revenue is deferred for tax reporting purposes. This requirement can result in a firm showing a large deferred tax liability resulting in a large tax expense being shown on the income statement which will result in a material reduction in the firm's financial net income. This depressed financial picture would well hamper a firm's efforts to secure the necessary working capital needed to continue its present level of operations. In these situations, it would be virtually impossible to obtain working capital which would be needed to expand operations. In several cases, firms can rectify this situation by reverting from installment reporting to accrual reporting for federal income tax accounting.

Section 453 of the Internal Revenue Code of 1954 does not preclude revoking the election to report on the installment basis. However, the Internal Revenue Service has been reluctant to allow revocation of the election since section 453 does not specifically provide for such an election. In one instance, the Internal Revenue Service has refused to grant an election for revocation even though the firm would pay $43,972 in additional taxes in the year of revocation if allowed, and even though there would be increased additional taxes in each year thereafter for as the firm continues to grow. The required changes in acceptable accounting principles coupled with the indecisive position of the Internal Revenue Service necessitates statutory action to remedy a hardship which could be detrimental to several small and medium size merchandising firms which have elected the installment basis of reporting before becoming aware of the effect of the changes made by the Accounting Principles Board.

Let me now deal specifically with the changes which would be made by the bill which I am introducing at this time.

Section 453 of present law allows a taxpayer to elect the installment method of reporting without permission to change accounting methods in the following situations:

(a) upon the sale of personal property on an installment plan by dealers;

(b) upon the sale or other disposition of real property, providing that payments in the year of sale do not exceed 30 percent of the selling price;

(c) in the case of a casual sale or casual disposition of personal property providing the price exceeds $1,000 and the payments in the year of sale do not exceed 30 percent of the selling price.

A taxpayer who changes his accounting method from the accrual to the installment method pays a double tax on certain income. Under the accrual method, the entire profit from a sale is taken into account in the year of sale, regardless of when the collection is made. The installment method requires that the profit from a sale be recognized ratably as the cash is collected. In the early years following a change from the accrual to the installment method, profit recognized under the installment method is taxable despite the fact that this same profit previously had been reported as taxable income under the accrual method. To preclude this profit from being taxed twice, the tax attributable to an amount included in income for the second time is eliminated or at least decreased to the extent of the tax attributable to its inclusion under the earlier method of accounting.

Although the Internal Revenue Code does not preclude change to some other method of accounting from the installment method, Treasury regulations on section 453 state that a dealer may not change from the installment plan to the accrual method or to any other method of accounting without the permission of the Commissioner. However, neither the Internal Revenue Code nor the related regulations allow for, or preclude, retroactive revocation of the election to report on the installment method.

The bill I am today introducing corrects this type of situation. It amends section 453(c) of the Internal Revenue Code by allowing a taxpayer to revoke an election to report on the installment basis by filing a notice of revocation. The Secretary or his delegate shall describe by regulations or rulings the method by which the "revocation of election" is to be made. The election to revoke must be made within three years following the date of the filing of the tax return for the year that the election to file on the installment method was made. A timely filed revocation applies to the year that installment reporting was elected plus all subsequent years. The statutory period for the assessment shall extend for two years following the date of the filing of the notice of revocation. Interest will not be allowed on refunds paid or credits due as a result of filing an election of revocation. The election to revoke shall apply to all open years under the statutory period for assessment.

AMENDMENT NO. 387

Mr. COOPER. Mr. President, for myself and my colleague from Kentucky (Senator COOK) I call up amendment No. 387, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, as follows:

On page 198, line 12, strike out the figure "5" and insert in lieu thereof the figure "7".

Mr. COOPER. Mr. President, I ask unanimous consent that a summary and explanation of the amendment No. 387 as introduced be included at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 387

*Summary:* The Committee bill would establish a presumption that an individual is engaged in an activity for profit, and therefore not subject to the "hobby loss" provision prohibiting the deduction of losses resulting from that activity, if the activity shows a profit in 2 out of 5 years. The amendment No. 387 would establish that presumption if the activity shows a profit in 2 out of 7 years. The purpose of the amendment is to allow a reasonable time for activities having a long cycle of investment and a recognized element of risk, such as thoroughbred breeding and training, to meet the test required by the Committee bill.

*Explanation:* Section 213 of the Senate Committee substitute for H.R. 13270 would *disallow* deductions for losses from an activity "not engaged in for profit." This provision is much more stringent than the existing "hobby loss" provision (section 270) which limits to $50,000 per year the losses that can be used to offset other income, but imposes that limitation only when such losses exceed $50,000 for *each* of five consecutive years.

Section 213 also establishes a presumption (paragraph (d) page 198) that the taxpayer is engaged in business for a profit if the gross income from the activity exceeds deductions attributable to the activity in 2 out of 5 consecutive years. If this test is not met (or if the Secretary or his delegate establishes that the activity is not engaged in for profit) losses may *not* be used to offset other income. If the test *is* met, in the case of *farm* losses, section 211 of the bill then applies. Section 211 in general limits to $25,000, plus one-half of the amount over $25,000, the losses which may be used to offset other income. The Senate on Saturday rejected the Metcalf and the Miller-Metcalf amendments which would have further limited farm losses allowable as deductions.

Amendment No. 387 would in no way change the tax liability of individuals engaged in the business of farming and subject to section 211, which imposes limitations on deductible farm losses and which has evidently been settled upon by the Senate. It would make subject to those limitations individuals having a profit from farm operations in 2 out of 7 years, in addition to those having a profit in 2 out of 5 years.

Farm operations which did *not* show a profit in 2 out of 7 years (and in any case those determined by the Secretary as not engaged in for profit) would not meet the presumption, and would be subject to section 213, the stringent new "hobby loss" provision recommended by the Committee which prohibits *any* losses to be used to offset other income.

*Need for the amendment:* The breeding, training, showing and racing of horses is an important business in Kentucky and 26 other States. Testimony before the Committee estimated: Capital investment in horse breeding, equipment and facilities of $543 million; value of commercial horses of $1.1 billion; total capital investment $2.34 billion. Labor for breeding, training and showing commercial horses provides 150,000 full-time jobs, total annual wages $727 million. USDA estimates horse owners spend $5 billion annually for feed and equipment. The number of registered horses (1.2 million) doubled in last 8 years—832,000 recreational and 428,000 commercial registered horses. At the heart of this great industry is the breeder, who is engaged in a long-cycle operation of recognized uncertainty, often requiring investment over several years of funds from other sources.

*Example of cycle in horse business:* A person entering or established in the thoroughbred business may purchase breeding stock in 1969, in the hope of making successful matings and producing a popular line. Bred in the Spring of 1970, the mares would foal beginning in late February and through May of 1971. The foals would become yearlings, according to the horse calendar, on January 1, 1972. They would be trained and may try out as two-year-olds in 1973, but would not seriously race until three-year-olds (as in the Kentucky Derby) in 1974. Only then—in the *sixth* consecutive year counting the year breeding stock was purchased and plans made in 1969—would the result of that breeding begin to be proved. Under the favorable assumption that a new breeder is skillful, and successful in producing winners and desirable stock, that would be his first profitable year in six and it would require seven years, as provided by the amendment, to meet a

presumption that he is in business for a profit.

Even for established breeders, it could easily happen that there would be no profit for four consecutive years—or perhaps a profit only every third year—which would make it impossible for him to meet the presumption required by the Senate bill. A single breeding mistake—selection of a line which does not prove popular, or the wrong judgment in matching studs and mares—will not be known until the offspring begin racing as two or three-year-olds, in the fourth or fifth consecutive year, at which point the breeder must change lines and start over. Reliable thoroughbred breeders have indicated that while the industry may be able to live with the new Committee farm loss restrictions imposed by Section 211, and is willing to accept the "hobby loss" provision prohibition the deduction of losses by those not engaged for a profit, the long cycle of horse breeding and training operations requires that the presumption established by paragraph (d) of Section 213 be extended to seven years.

Mr. COOPER. Mr. President, if I may have the attention of the distinguished chairman of the committee and manager of the bill (Mr. LONG), and also the attention of the Senator from Georgia (Mr. TALMADGE) and the Senator from Delaware (Mr. WILLIAMS), I shall modify my amendment. I expect that my amendment can be disposed of in a reasonable time.

If Senators will follow the bill as printed, my modification, which I offer in lieu of the amendment as printed, is self-explanatory.

I modify my amendment to read as follows:

Page 198, line 18, before the closing quotation marks, insert the following new sentence: "In the case of an activity which consists in major part of the breeding, training, showing, or racing of horses, the preceding sentence shall be applied by substituting the period of 7 consecutive taxable years for the period of 5 consecutive taxable years."

Senators will recall that section 211 of the tax reform bill provides a procedure by which, under certain conditions, farm losses may be offset against nonfarm income. Section 211 was thoroughly debated last Saturday when an amendment was offered by the Senator from Montana (Mr. METCALF), and later another amendment was offered by the Senator from Iowa (Mr. MILLER). In both cases the Finance Committee provision was ably sustained by the Senator from Georgia (Mr. TALMADGE) and the Metcalf-Miller amendments, were rejected.

I wish to make it clear that the amendment I offer today does not disturb section 211 in any way. It is directed to section 213 of the bill. As Senators will remember, the title of section 213 is "Deductions Attributable to Activities Not Engaged in for Profit."

The Committee on Finance, interpreting section 213 in their report said, in effect, that they would consider all businesses to be engaged in for profit—and I think this correct—but unless a profit were made in 2 out of 5 consecutive years, a rebuttable presumption would arise that the business was not engaged in for profit.

The relation of my amendment to section 211 is this: Before a person engaged in a business under section 213 may claim the advantages of section 211, he or she must, in their business, have a profit in 2 out of 5 years.

My amendment applies to horses. Of course it does apply to racing horses, but I point out to Senators that it applies to all horses. It applies to running horses—thoroughbreds which, of course, are bred in Kentucky, as well as in other States. It applies to harness horses, trotters, and pacers; to saddle horses, 3-gaited and 5-gaited riding horses and Tennessee walking horses; to quarter horses; Appaloosas; and to the draft horses which are still bred for show—the Belgian, the Percheron, and the Clydesdale.

So, as far as racing horses are concerned, this amendment is of great importance to Kentucky and 26 other States. But when you consider it in terms of breeding horses for pleasure riding and for show as well as for racing, it probably involves nearly every State in the Union.

Why do I offer the amendment? I do not ask for any special privilege. I think Senators will recognize this when I make the explanation. I do not ask for any privilege for the breeders of racing horses or any other horse. I point out that section 278(e)(4)(A) added by section 211 of the bill provides that "in the case of a taxpayer engaged in the raising of horses, the business of farming includes the racing of horses." By extending the period to 7 years, we simply ask that horse breeders be given a reasonable opportunity to claim the benefit of section 211, as all other farmers may do, and I shall make clear why this period of time is necessary.

Mr. President, section 211 which deals with businesses not engaged in for profit, applies to any kind of activity. People may have art galleries or antique shops. There are all kinds of business activities which are engaged in, and not necessarily for profit but perhaps for their pleasure, perhaps also for a tax offset of losses. The section seems to me properly directed to such activities.

But it is almost impossible for anyone seriously engaged in the horse breeding business to have a profit in 2 years out of 5. I will explain why.

I will give an example of the breeding of a thoroughbred race horse, which would also be applicable to a standard bred harness horse and, I would assume, to a show horse. Suppose a person wants to engage in the breeding of fine horses. He buys stock; he buys a mare, say, in 1969. That is the first of the consecutive years in which he has expenses and perhaps losses.

The mare would be bred in the spring of 1970, in the second tax year. In 11 months a foal is born in March or April of 1971. That is the third year. The colt or filly remains a foal through 1971.

On the first day of January 1972, the foal is designated a yearling. All racing horses have the same birthday—January 1—and as far as this yearling is concerned, 1972 would be the 4th year of expenses.

In 1973, it becomes a 2-year-old, in the 5th tax year. There is some racing of 2-year-olds in this country, but the breeder cannot determine their class, or really their ability until they are 3 years old. That would be in 1974, the sixth year.

So it is only in the sixth consecutive year—after 6 years of work and expense maintaining and training the colt that results are known and, with skill and good fortune, that a profit may be made.

In this business, a single breeding mistake, the selection of a line which is not popular, the crippling of a horse, or any of a number of other risks, could ruin the breeding and training process.

I point out that this long cycle of investment is applicable not only to thoroughbred racing horses, but also to harness horses, and to a degree to show horses and other types of horses such as those bred for riding—"pleasure horses" as we call them—or for profit.

This is an important industry in my State and in other States. The commercial horse industry as a whole has an investment of over $2 billion in the United States. It pays, I think, something like one-half billion dollars in taxes.

I know it brings about $50 million a year to Kentucky. Moreover, in 27 States breeding, training, racing, and showing of horses provides 150,000 full-time jobs. It is a legal business, and recognized throughout the United States and the world.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG. Mr. President, would the Senator be willing to limit debate?

Mr. COOPER. I would be agreeable.

Mr. LONG. Mr. President, I ask unanimous consent there be a time limitation of 30 minutes on the remainder of the debate on the pending amendment, the time to be equally divided between the manager of the bill or those in opposition and the Senator from Kentucky.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

Mr. COOPER. Mr. President, I have almost finished.

I simply want the Senate to be fair and give this farm industry, which is tied down by a 5-year breeding and training cycle, a chance to make a profit. In 2 years out of 5, it is not likely that one can do it. We ask for 2 years out of 7. And I think that is fair.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. CURTIS. Mr. President, I support the amendment of the Senator from Kentucky.

The raising of horses is a business. And they want it to be treated as a business and not as a hobby.

There are other ways in which the Internal Revenue Service can reach the abuses. But these people are in a business for a profit. And they should be treated like all other taxpayers. Under the present law and under the committee bill they are not.

Mr. President, I support the amendment.

Mr. COOPER. Mr. President, I thank the Senator for Nebraska—a ranking member of the Finance Committee.

Mr. President, I yield to the senior Senator from Maryland.

Mr. TYDINGS. Mr. President, I support the amendment of the distinguished Senator from Kentucky. As he pointed out, there are some 30 States which now have parimutuel racing. And racing provides a major source of revenue for many States.

Certainly it is an important source of revenue for my State. I know that it is also an important source of revenue for the State of Kentucky and for other States.

I think that for Congress to take action to deprive the States of tremendous sources of revenue in a period when we are trying to stress federalism and State responsibility and State initiative would be a great mistake.

I am delighted to add my voice along with many of my colleagues in support of the amendment of the Senator from Kentucky.

Mr. COOK. Mr. President, will the Senator yield?

Mr. COOPER. Mr. President, I yield to my colleague.

Mr. COOK. Mr. President, I associate myself with the remarks of my senior colleague from Kentucky.

I would like to add that the racing business also involves a tax procedure to the extent that those who participate in the parimutuel races pay taxes in that they raise for the United States somewhere in the neighborhood of $500 million.

I think the case has been laid out well by my colleague.

I reiterate that I associate myself with his remarks.

Mr. COOPER. Mr. President, I thank my colleague, and especially for his fine sponsorship and support.

I yield to the junior Senator from Maryland.

Mr. MATHIAS. Mr. President, I thank the Senator from Kentucky for yielding. I associate myself with his remarks.

The sportswriters sometimes call horseracing the sport of kings. That may well have been true through years gone by. However, today it is a very important element of income for many of the States.

I think the amendment of the distinguished Senator from Kentucky recognizes the modern fact of life that racing does play an important role which has significance to the smallest taxpayers of the States.

The Senator's amendment, I think, is worthy of support on that basis.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. TOWER. Mr. President, would the Senator's amendment extend to quarter horses also?

Mr. COOPER. The Senator is correct. It would take care of them and the Appaloosas, too.

Mr. TOWER. I thank the Senator.

Mr. WILLIAMS of Delaware. Mr. President, I am in a position of having to object to an amendment offered by my friend, the Senator from Kentucky.

The committee went pretty far into what we thought was the question involved and I cannot support this amendment. However, recognizing that we are dealing with a Christmas-tree measure, perhaps it would be proper to put a hobbyhorse under this Christmas tree.

I hope that the amendment would be defeated and that we could at least hold what little reform we have in the bill.

I do not care to debate it further. I think everyone understands that it involves the liberalization of the provision on hobby farming.

Mr. President, I yield back the remainder of my time.

Mr. COOPER. Mr. President, this is a serious amendment. The horse business is important to the economy of my State and other States, I believe and hope very much that it will be approved. I hope very much that the Senator from Delaware, (Mr. WILLIAMS), and the Senator from Louisiana, (Mr. LONG), and the conferees will support the measure in conference.

One cannot make a profit in 2 years out of 5 when the breeding and raising cycle is 5 years. We ask only that this important business be treated equally with other farming businesses.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

## AUTHORIZATION FOR COMMITTEES TO FILE REPORTS

Mr. MANSFIELD. Mr. President, will the Senator yield me one-half minute?

Mr. COOPER. Mr. President, I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the chairman of the Foreign Relations Committee be authorized to file reports from his committee and that all other committees be authorized to file their reports following the close of business today until midnight, including any minority, individual, supplemental, or additional views.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

MINIMUM TAX FOR TAX PREFERENCE

Mr. MILLER. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 212, commencing with line 15 strike out all through line 2 on page 214 (relating to minimum tax for tax preferences) and insert the following:

"SEC. 56. IMPOSITION OF TAX

"(a) IN GENERAL.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year, with respect to the income of every person, a tax equal to 10 percent of the amount (if any) by which—

"(1) the sum of the items of tax preference in excess of $30,000, is greater than

"(2) the taxes imposed by this chapter for the taxable year (computed without regard to this part and without regard to the taxes imposed by sections 531 and 541) reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income), and

"(C) section 38 (relating to investment credit)."

For purposes of paragraph (1), the items of tax preference shall be reduced by the amount of deduction allowable under subsection (b) (relating to net operating losses) to the extent the taxpayer chooses to take such deduction.

"(b) Net Operating Losses.—In the case of any taxable year for which the taxpayer has a net operating loss (as defined in section 172(c)) or for which a net operating loss deduction is allowable under section 172 (a), the taxpayer may elect to deduct, for the purposes of subsection (a) (1), from the items of tax preference so much of such net operating loss or of such net operating loss deduction as he chooses. To the extent any loss is deducted under this subsection for purposes of subsection (a) (1), it shall not be allowed as a deduction under section 172. Any deduction under this subsection shall be treated as availed of first from the earliest loss which is carried over to the taxable year under section 172. The election for any taxable year to take a deduction under this subsection may be made or changed at any time before the expiration of the period provided for making a claim for credit or refund of the taxes imposed by this chapter for the taxable year."

Mr. LONG. Mr. President, does the Senator desire the yeas and nays on this amendment?

Mr. MILLER. Yes.

Mr. LONG. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG. Mr. President, will the Senator agree to a limitation of time on the amendment?

Mr. MILLER. Mr. President, I should like to suggest that I be allowed to proceed for 5, 6, or 7 minutes, and we may be able to wind this up in a matter of a few minutes if my colleagues would not mind staying in the Chamber.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MILLER. Mr. President, on the desk of each Senator is an explanation of the pending amendment, which is designed to cure some inequities that are in the minimum tax part of the pending bill.

During the last few days I have heard many conversations about what is regarded as inequity contained in the minimum tax provisions of the bill. For one thing, it is said that in the case of a taxpayer not paying any tax under present law, to put a tax of only 5 percent on the amount of his tax preference is terribly low. For another thing, it is said that there are many taxpayers who are

paying a substantial amount of tax, but under the bill they would have 5 percent of their tax preferences added on top of their substantial tax bill.

My amendment seeks to get at these two inequities in this way: First, it provides that those people who are paying taxes can subtract from their tax preferences the amount of their tax. That gives those who are paying some tax a break. It gives those who are paying little or no tax very little break or none at all.

Second, my amendment increases the minimum tax rate in the bill, which is now 5 percent, to 10 percent.

As will be found in the example sheet on the desk of each Senator, under the bill, consider a taxpayer whose regular tax is $80,000, with tax preferences—in excess of $30,000—amounting to $100,000. Under the bill, 5 percent of that $100,000 of tax preferences would be a minimum tax to be added to the regular tax of $80,000 for a total tax bill of $85,000, just adding insult to injury. But under my amendment the $80,000 of taxes would be subtracted from the $100,000 of tax preference, and a 10-percent rate would be applied to the difference, which would bring that tax bill to $82,000. So we would not be adding as much insult to injury under my amendment as we would under the pending bill.

But the gross case in which somebody is not paying any tax at all shows in the second example. The tax under the regular tax rates is zero. Tax preferences of $100,000; and under the bill the total tax would be only 5 percent, or $5,000.

This, mind you, while many low-income people in this country have a minimum tax rate of 13 or 14 percent.

Under my amendment, of course, there would be no tax to subtract from the tax preferences, which would leave the entire $100,000 subject to a 10 percent rate, or a $10,000 total tax bill double what it would be under the bill.

I know that many of us are concerned about some of the revenue-losing features of the amendments that have been offered on the floor. I am very pleased to tell the Senators that, whereas, under the pending bill the minimum tax would pick up $700 million additional revenue, my amendment would pick up $740 million.

A few moments ago, we adopted the Dole amendment, as modified by the McIntyre amendment. This is going to cost upwards of $20 to $25 million loss in revenue.

My amendment does equity. It makes sure that those who are not paying any taxes at all will have to pay at least 10 percent of their tax preferences, and it will bring added revenue into the Treasury compared with what the tax bill does—certainly enough to offset the loss under the Dole amendment.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. LONG. The prime example that we have heard mentioned about the oil companies, over and over again, is the situation that existed with regard to Atlantic Richfield, which made a substantial amount of money and paid no taxes. The Senator's amendment would hit Atlantic Richfield Corp., under the same facts, twice as hard as the minimum tax.

On the other hand, if someone is paying a great deal of taxes he would not be affected by the minimum tax, because the taxes he pays would completely offset his tax preferences. However, with regard to people such as the 154 who were found to be paying no taxes, most of them would pay twice as much under the Senator's proposal as they would pay under the minimum tax in the bill.

Personally, I think the Senator has a good amendment. Frankly, I am aware that some people who suggested to us the minimum tax which appears in the bill have studied the proposal of the Senator. They tell me that if you want to tax foreigners, if you want to tax the people who are paying no tax or who are getting by with paying little, you will tax them twice as much with this amendment as you will with the minimum tax in the bill.

This proposal was not considered in the committee, but I think it has more merit than what we did in the committee.

Mr. MILLER. I appreciate the comments of my colleague.

May I say that everyone knows that the Finance Committee was under terrible pressure and limitation of time when it considered this bill.

What we were distressed about was the so-called limited tax preferences and allocation-of-deductions provisions in the House bill, which were terribly complicated and, in many cases, inequitable.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. MILLER. I will yield in a moment.

In an effort to simplify the House bill's approach to a minimum tax, on very short consideration, we decided on the 5-percent minimum tax. It certainly simplified things; but in working simplicity, I think we worked inequity.

I have spoken with many people who have criticized the pending bill because they said, "Here you were supposed to do something about people who weren't paying any tax. Now the best you have come up with is 5 percent of those tax preferences."

By doubling it to 10 percent, we will do a better job along this line.

There also has been the criticism on the other side, by those who have been paying a substantial amount of taxes, who say, "Now you're going to pile another 5 percent on top of us."

My amendment takes care of both those inequities and, at the same time, does bring in a little more revenue from the minimum tax than does the bill.

I yield to the Senator from Massachusetts.

Mr. KENNEDY. Will the Senator give us some indication of the revenue increase, both for corporations and for individuals, under his amendment?

Mr. MILLER. May I say to the Senator from Massachusetts that I think we can get that information for him. I received this estimate from the staff based upon a computer run on the entire picture—both corporations and individuals.

Mr. KENNEDY. The Senator will correct me if I am wrong, but my understanding of what the Finance Committee has done is that is has identified nine areas which are generally recognized as tax shelters.

There are some taxpayers who will shelter more income than others. The Committee on Finance applied a 5-percent rate on the committee's minimum tax base. Of course, the committee omitted from its minimum tax base the appreciation in value of property donated to charity.

What is suggested by the Senator from Iowa is the following: We are going to provide an opportunity for those in corporations and industries who are now making hundreds of thousands of dollars in salaries to shelter enormous amounts of their income from all Federal taxes.

Mr. MILLER. Mr. President, I am afraid that the Senator from Massachusetts does not quite understand my amendment. Take, for example, a corporation which has $50,000 of tax under the regular computation method.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. MILLER. If I may, I would like to complete my example.

Mr. KENNEDY. Mr. President, I wish the Senator would use the illustration of an individual, because I think that the concept of the minimum tax is more appropriate for individuals than for corporations.

Would the Senator please use as his example an individual with $100,000 of income?

Mr. MILLER. I thought the Senator was talking about corporations. That is why I was going to use an example of a corporation. I can do it either way.

Mr. KENNEDY. I wish the Senator would make his explanation with reference to individuals. Perhaps he would use the example of a corporate executive who receives $100,000 in salary and has $100,000 in tax shelters.

Mr. MILLER. I would guess that on an average, a person with $100,000 of income would pay, let us say, $40,000 in taxes.

Mr. KENNEDY. He would normally have taxes of $70,000 on the $100,000 income, if his total taxable income is such that the $100,000 is taxed at the rate of the highest bracket, 70 percent. Of course, if his total taxable income is only $100,000 altogether, his tax would not be $70,000.

Mr. MILLER. I must say to the distinguished Senator from Massachusetts that I do not believe such a case exists. A married person with an income of $100,000, no children, just a husband and wife, with normal deductions, I would say on an average, would have a tax of $40,000.

Let me use that example to give the illustration the Senator would like to have. Let us say he has a salary of $100,000 and a regular tax of $40,000. In addition to that he has $100,000 of tax preferences. Now, under the bill that is pending before us he would have $5,000, which is 5 percent of that $100,000, to pay on top of the $40,000 he is already paying.

Under my amendment he would subtract the $40,000 tax he is paying from the $100,000 tax preferences, and he would have $60,000 left over. He would

have to pay 10 percent on that, and that would increase his minimum tax by $6,000 over the $5,000 provided by the bill.

Mr. President, I use that example to illustrate how a person with large tax preferences, and not a large tax, will actually have his tax increased under my 10-percent approach. But if he had a larger tax in comparison to his tax preferences, then my tax of 10 percent would not add so greatly to his burden. The equity of the amendment is that a person with low taxes compared to his tax preferences will pay more under my amendment; if he has high taxes compared to his tax preferences, he will pay very little more.

Mr. KENNEDY. I do not dispute that under the Senator's amendment, someone with very high tax preference income in relation to his taxes would pay a larger minimum tax than that he would pay under the committee bill. At the same time, however, the Miller amendment is far weaker than the committee bill for someone who has both high taxes and high preference income. This is the flaw in the Senator's amendment. I prefer the simple committee approach of a flat 5-percent minimum tax for all of the tax-sheltered areas that have been recognized by the committee. This is the essence of the minimum tax. All taxpayers should pay at least some tax on their income from tax loopholes. This is what the taxpayer's revolt is all about.

Although the Miller amendment has the virtue of closing more loopholes for individuals who have considerable income purely from tax-free sources, it opens up new loopholes for individuals whose tax shelters are accompanied by high taxes or their other income. I am just as concerned with an individual who pays $100,000 in taxes and has $100,000 in tax-free income as I am in the individual who has no taxes and $100,000 in tax-free income. Yet, the Miller amendment would not apply at all to the first individual, even though he is enjoying $100,000 in tax-free income. Simply because a tax dodger is paying tax on some of his income is no excuse to allow his preference income to go scot free of taxes.

Ideally, we should try to combine the virtues of the Miller amendment and the virtues of the committee bill. Perhaps the best answer would be to adopt both provisions as alternative versions of the minimum tax. The individual would calculate his minimum tax each way, and he would pay whichever tax was greater. If we have to choose one or the other, however, I prefer the committee flat rate of 5 percent on all preference income. It is simple and easy to understand, and it means that no one gets a free ride for the use of tax shelters.

I recognize that there are taxpayers who use tax preferences to reduce their taxes to zero. That is the case of the 155 nontaxpayers we have heard so much about since last January. I agree that the Miller amendment would attack this problem more effectively than the committee bill, but the difference is not all that great. The committee rate is 5 percent and the Miller rate is 10 percent. Both of these rates are still only slaps on the wrist for anyone with huge tax shelters. So the Miller amendment is not all that much of an improvement even in getting at those 155 nontaxpayers.

At the same time, we must realize that the Miller amendment would open a huge loophole in the minimum tax for anyone who is already paying high taxes. Executives with hundreds of thousands of dollars in taxable salaries, and individuals with hundreds of thousands of dollars in dividends, would be able to avoid any minimum tax whatever until their tax loophole income exceeded their taxes. Worse, even at this level, the Miller tax would not be as effective as the committee tax until an individual's tax preference income exceeded twice his taxes.

In essence, the Miller amendment is similar in principle to the House bill's minimum tax, which was adopted from the Treasury study last December. The House bill was subject to the same basic defect as the Miller amendment, and that is why I, for one, am glad the committee chose the broad-based 5-percent rate approach.

One other issue ought to be raised here. Last Saturday, when we debated the minimum tax, one of the principal objections raised against my amendment to make the rate progressive was it would raise the top tax rate on capital gains to 42½ percent. I believe that the Miller amendment would raise the rate of tax on capital gains for some people to 40 percent.

Mr. MILLER. Mr. President, the Senator does not interpret my amendment accurately.

Mr. KENNEDY. I think I understand the Senator's amendment. It has some merit, but it also has a serious defect, because it gives a big tax break to persons with high taxable income.

Mr. MILLER. The Senator does not accurately interpret the amendment, and I shall try to clear up his problem. Let me give the Senator two examples.

The PRESIDING OFFICER (Mr. SPONG in the chair). The Senate is not in order. The Senate will be in order.

Mr. MILLER. Let us take the example of A and B. Let us say each of them has a salary of $100,000 and each of them has $40,000 in taxes. A has tax preferences of $50,000 and B has tax preferences of $100,000. In relation to tax preferences, A obviously has a much higher tax load and, therefore, he should have a better break, which he receives under my amendment. But as far as B is concerned, he has a much lower tax load in comparison to his tax preferences, and my amendment adds to his burden over what the committee bill would do.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. LONG. Mr. President, the study made by the Treasury Department indicates that taxpayers making over $100,000 on the average pay about 35 percent of their income in taxes. The Treasury, in moving toward tax equity, sought to bring those people paying nothing up to that 35 percent that the average person in that categeory pays.

The Senator's amendment goes further in that direction than does the bill reported by the committee. In that respect, it is striving toward tax reform.

I am sure we will find plenty of those people if we leave the amendment pending overnight.

Mr. MILLER. I thank the Senator.

Mr. President, another answer to the Senator from Massachusetts is this. Where does the Senator from Massachusetts think we get the extra revenue so that we come out with more money under my amendment than under the tax bill? We get it by taxing those people with low taxes in comparison to preferences more—through a 10-percent tax rate—than does the bill with its 5 percent rate.

I would be amazed if the Senator from Massachusetts would not support my amendment, and I think he will when he understands it.

This, to me, as between two taxpayers, one who pays low taxes in comparison with the tax preferences and the other who pays high taxes in comparison with the tax preferences, seems a fairer approach. One with the low tax in comparison to his tax preferences should have a bigger tax than we give him under the tax bill, and under my amendment this will happen.

Mr. LONG. There are more than just working people who have a right to a taxpayers' revolt. Some fellow who sees 70 percent of his income going in taxes, while his neighbor down the street is paying zero in taxes but making the same income, has a more compelling reason to complain about the present tax system than those who pay very little, if any, tax because they are in a low-income bracket.

Mr. MILLER. May I say this to my colleague, in response to what he has just said, that I have received criticism and have heard criticism about the fact that when Congress comes in under the name of tax reform to put an end to the group of taxpayers who pay no tax but earn large incomes, the answer we propose in the bill is that we will tax them at 5 percent. This is not satisfactory. Ten percent, which doubles it, is certainly better. What I am striving to do in this amendment is to come out with the same revenue as the minimum tax in the bill. It does. In fact, it adds $40 million over the revenue provided by the bill. As time goes on, we may find that we should improve the minimum tax approach, but the one in the bill is inequitable, and my amendment corrects the inequities.

Mr. WILLIAMS of Delaware. Mr. President, the amendment of the Senator from Iowa raises an interesting point. I frankly am not sure that I understand it completely so that I could say whether I like it or not. I have talked with the Treasury Department and they are checking it. They will not be able to have it checked out in time as to how they think it would work under various circumstances for a vote at the immediate time.

Therefore, I am wondering, rather than delay any further, if the Senator would withdraw his amendment without prejudice, with the clear understanding that he can offer it later and not be precluded from that. In the mean-

time, that would give us an opportunity to get the Treasury to check it out and some of us can sit down without delay and find out a little more about the matter.

Mr. MILLER. That is, I think, certainly a fair request. I do not wish to——

Mr. CURTIS. Mr. President, will the Senator from Iowa yield to me?

Mr. MILLER. Mr. President, I ask unanimous consent to yield to the Senator from Nebraska (Mr. CURTIS) without losing my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, I rise for the purpose of reciting a little legislative history.

The investment credit was repealed. This means that the 7-percent credit is no longer allowed.

The President made a statement to that effect on April 21.

Word had leaked that he might make such a statement and it was alleged that certain taxpayers rushed in and closed deals over that weekend.

Therefore, the Ways and Means Committee drew the curtain down on the investment credit at midnight of April 18, so that transactions on April 19 and thereafter would not get the investment credit.

The question arose, what about the transaction that was in progress, where parties, in good faith, had contracted to buy equipment, or to build something, or to buy something so that the investment credit would be allowed?

The Finance Committee, in dealing with the subject, tried to do the fair thing. It tried to close out the alleged contract that had no previous history, but it tried to take care of that contract which, in truth and in fact, was under way at the time the repeal became effective.

As a matter of fact, as shown by the committee report on page 230, the committee even directed that certain oral contracts be validated.

I read as follows:

> A contract for this purpose may be oral or written. However in the case of an oral contract the taxpayers must establish by appropriate evidence that a contract was, in fact, entered into before the close of April 18, 1969. This may be done by memorandums, the conduct of the party, or other evidence that a contract was, in fact, entered into.

Mr. President, it happened that a certain taxpayer had this experience. I read this information into the record before the executive session of the Finance Committee. The minutes of the board of directors of the purchaser recorded a formal authorization to complete the transaction in February 1969. The executive committee of the selling corporation authorized acceptance of the offer in March 1969. Both corporations proceeded to complete the details of negotiation and they did not get the loose ends wound up prior to midnight of April 18. But it was clear that they had a binding contract. There was the written evidence of the one corporation in February and the other one in March.

Now, Mr. President, I recited the facts I have here before the Finance Committee in executive session. The question was discussed as to whether there should be an amendment to take care of the situation and see that the purchaser obtained the investment credit, because the Finance Committee did adopt amendments in cases where there were borderline cases and as a matter of justice, it should be done.

At that time, the view was expressed by some staff members, in fact, by all staff members who spoke up, conveying the idea that an amendment was not necessary. As a result, an amendment was not offered.

Inasmuch as this took place in executive session, where there is no printed record, I felt impelled to recite it here because I am convinced that this particular transaction falls within the intent of the committee and that the investment credit should be allowed in this case.

Let me add further that a quorum was present of the committee. The Treasury Department was there. We were well advised by staff so that the record was made to show the intent of the committee to allow the investment credit in a case of this kind and to show the intent of the committee that an amendment was not necessary. Therefore, I have chosen to make this statement at this time.

Mr. President, I yield the floor.

Mr. MILLER. Mr. President, I understand we are still waiting for some information for the Senator from Delaware, and since we are, I ask unanimous consent that my amendment be temporarily laid aside so that other amendments can be considered.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment of the Senator from Iowa is temporarily laid aside.

CERTAIN ITEMS OF TAX PREFERENCES

Mr. HANSEN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment of the Senator from Wyoming will be stated.

The assistant legislative clerk read the amendment, as follows:

> On page 354, strike lines 20 through 24 and insert the following:
> "If, for any taxable year, a taxpayer has items of tax preference specified in section 57(a) (excluding the capital gain preference described in section 57(a)(9)(A)) in excess of $10,000 ($5,000 in the case of a married individual filing a separate return), an amount equal to such excess shall be subtracted from the amount of long-term capital gains specified in paragraph (3)."

Mr. HANSEN. Mr. President, the Finance Committee amendments to H.R. 13270 provided some relief for taxpayers with relatively small amounts of capital gain by permitting the 25-percent alternative rate to remain applicable. Accordingly, single persons and married couples filing joint returns may continue to apply the 25-percent rate in the case of capital gains of up to $140,000—$70,000 in the case of married persons filing separate returns. However, this rate is available only if the taxpayer does not have tax preference income as described in the bill—other than the excluded one-half of capital gains—in excess of $10,000—$5,000 in the case of married persons filing separately.

The complete elimination of the alternative tax, as proposed by H.R. 13270, would impose a heavy burden on capital investment, and it would discourage investment in new ventures. The Treasury Department recommended against the complete elimination.

However, the alternative rate of tax on long-term capital gains has been abused by some wealthy taxpayers who consistently have very large amounts of capital gains and small amounts of ordinary income. The result is that their effective income tax rate is very low.

To insure against this continued abuse, and, at the same time to allow continued capital investment and market transactions by relatively small investors without an increased tax burden, $140,000 of long-term capital gains remains subject to the alternative rate in the Finance Committee version of the bill. However, this provision becomes inapplicable if the taxpayer has tax preference income in excess of $10,000. The effect is to completely deny this relief in many cases where the 25-percent rate should be applicable. For example, a taxpayer who, in addition to other income, has $10,000 of capital gain and $11,000 of accelerated depreciation on real property will be unable to use the 25-percent rate. In order to achieve a more equitable result and eliminate the "notch" of $10,000 of tax preferences as an absolute cutoff, a taxpayer with tax preference income in excess of $10,000 should be permitted to reduce the $140,000 of capital gain, subject to the 25-percent rate, by the amount of such excess. For example, if the tax preference income is $50,000 for any year, the taxpayer would reduce his limit of $140,000 subject to the alternative by $40,000—which would be $50,000 minus $10,000—and, therefore, a maximum of $100,000 of long-term capital gains would be subject to the 25-percent rate.

This amendment would insure that the 25-percent rate remains available to the taxpayer with relatively small amounts of capital gain.

Mr. President, I have asked the Treasury for an opinion on this amendment. I have a letter here from Mr. John Nolan, of the Treasury Department, saying that the Treasury has reviewed the amendment and agrees with it and recommends its adoption.

Mr. TALMADGE. Mr. President, this is a recommendation that the Treasury Department has made. It would relieve to some degree the burden on capital gains.

I have conferred with the distinguished ranking minority member of the committee. He is agreeable to accepting it. Our staff recommends it. I urge the Senate to approve it.

The PRESIDING OFFICER. The question is on agreeing to the amendment by the Senator from Wyoming.

The amendment was agreed to.

AMENDMENT NO. 314

Mr. HART. Mr. President, I call up my amendments (No. 314).

The PRESIDING OFFICER. The clerk will read the amendments.

Mr. HART. I ask unanimous consent that the reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (No. 314) are as follows:

On page 514, line 18, strike all after TRUST LAWS.—to page 515, line 16 and insert in lieu thereof the following:

"No reduction shall be allowed under subsection (a) for two-thirds of any amount paid or incurred on any judgment entered against the taxpayer or in settlement of any action by reason of anything forbidden in the Sherman Act (Act of July 2, 1890, ch. 647, 26 Stat. 209, as amended) brought against the taxpayer under section 4 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914 (38 Stat. 731; 15 U.S.C. 15), by reason of anything forbidden in the antitrust laws."

On page 517, after line 22, insert the following:

"(d) (1) Part III of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by inserting at the end of part III the following new section:

"'SEC. —. TREBLE DAMAGE PAYMENTS RECEIVED UNDER THE ANTITRUST LAWS.

"'Gross income does not include two-thirds of any amount received during the taxable year on any judgment entered for treble damages or in settlement of any action by reason of anything forbidden in the Sherman Act (Act of July 2, 1890, ch. 647, 26 Stat. 209, as amended) brought by the taxpayer to recover treble damages under section 4 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 731; 15 U.S.C. 15), by reason of anything forbidden in the antitrust laws.'

"(2) The amendment made by paragraph (1) shall be applicable only with respect to amounts received after the date of the enactment of this Act."

Mr. HART. Mr. President, the effect of the amendment would be to extend the action that the Finance Committee has recommended with respect to the treatment of moneys paid as a result of an antitrust treble damage judgment or settlement.

The bill before us allows the deduction of two-thirds of sums paid to the prevailing party in a Clayton section 4 action for treble damages, provided, however, that the civil action relates to an incident or transaction which has been the subject of a Department of Justice criminal action which has been concluded with a conviction.

This is a desirable advance in the treatment of sums so paid by businesses which have offended the antitrust laws, but the amendment I now offer would not condition the adjustment on a prior Department of Justice action.

Whether or not there had been a successful criminal prosecution, the firm against which the civil judgment had been rendered would not be permitted to deduct two-thirds of that sum.

Earlier in the proceedings, I inserted in the RECORD, under date of November 26, at page 35905, an explanation of the amendment. Printed there is the amendment which is now before us. Additionally, the day before, as I recall, which would be November 25, I sent my colleagues a letter which included an explanation of this amendment.

Further, Mr. President, the amendment would exclude from taxable income two-thirds of the payment to a plaintiff who had succeeded in obtaining a treble damage judgment. This second feature of the amendment, however, becomes effective only after the effective date of the act with respect to amounts received after that date.

It is my feeling that it is not inappropriate to achieve a socially desirable end through the Internal Revenue Code itself. We have on many occasions used the Code for that purpose. This admittedly would seek to make more effective the discipline of antitrust statutes on business practices by way of antitrust treatment.

Mr. President, amendment No. 314 would be a substitute for that part of section 903 of the tax bill which relates to the tax deductibility of treble damage payments by defendants in private suits for antitrust violations. This amendment also would exclude from gross income of plaintiffs the penalty part of the judgment in such cases.

We recall the shocking price-fixing cases against the manufacturers of electrical equipment by the Department of Justice in Philadelphia in 1962 and 1963. Following the indictments some 2000 private damage suits were filed by States, cities, TVA, and private power companies claiming damages from the price fixing by the equipment manufacturers. Section 4 of the Clayton Act requires the court to treble the actual damages in such cases.

The courts have frequently considered this trebling of the actual damages as a penalty for the violation of the antitrust laws. As late as 1955 the Supreme Court in *Commissioner of Internal Revenue* v. *Glenshaw Glass Co.*, 348 U.S. 426 treated the trebled part of the judgment as a penalty.

These court decisions are in line with the purpose of section 4 of the Clayton Act. That purpose was and is to serve as an additional deterrent to antitrust violations. Assessment of a civil penalty in the form of trebled damages is indeed a deterrent.

It is important to note that section 4 assessed the penalty without reference to any civil or criminal prosecution by the Government. It is punishment of the restraint or monopolizing of trade entirely separate and apart from the penalties provided in the Sherman Act. The penalty is the result of private action for damages caused to private parties by the restraints or monopolizing.

This is important to remember because it is the essence of the difference in my amendment and section 903 as now written with respect to taxes to be paid by the defendants in such private cases.

But first let me explain the need for this in the tax bill. In 1964, the Internal Revenue Service issued a formal ruling at the request of some of the defendants in the Philadelphia electrical equipment cases. The ruling 64–224, held that all of the treble damage judgment in a section 4 private suit was deductible as ordinary and necessary expenses of doing business.

This ruling was a reversal of the Service's informal rulings prior to 1964. It seemed to ignore the very nature and purpose of the punishment fixed in section 4. By allowing the penalty to be deductible as ordinary and necessary expense of doing business, thus greatly reducing the statutory punishment for law violation, it runs contrary to general public policy. It further violated our specific national policy against restraints of trade and monopoly by greatly reducing the civil penalty for such violations and removing much of the deterrent effect of section 4.

Since 1964, I have undertaken in each Congress to restore the effectiveness of section 4 by reversing this Internal Revenue ruling. This can be done only by restoring the penalty in section 4 without regard to or being dependent on prosecution by the Department of Justice. That was the effect of section 4 prior to the tax ruling and it cannot be restored to its full and intended effectiveness without reversing in full the tax ruling. In brief, the result of the ruling was to short circuit the policy and law on antitrust enforcement as Congress had written it.

Section 903 as now written would reverse the tax ruling only in those cases of private damage judgments under section 4 which follow criminal judgments obtained by the Department of Justice. Section 903 would have no effect on the tax ruling in cases where the Department had not criminally prosecuted or filed only a civil case or took no action at all.

Section 903 would reverse the tax ruling in only a small number of antitrust violations. It ignores or thwarts the vital purpose of section 4; namely, to create an additional arm of enforcement through private action and a deterrent to violations.

Section 903 would apply only in cases in which the Department has criminally prosecuted and collected criminal penalties which might include a jail term as well as a fine. Those are the cases in which private treble damage cases are least needed. My amendment would reverse the tax ruling in full and restore the effectiveness of section 4 to the degree that Congress intended.

This amendment would make one-third of the treble damage judgment deductible by the defendant for income taxes. This would represent the amount paid by him as actual damages to the plaintiff. The other two-thirds of the judgment representing the penalty assessed by law for the antitrust violation would not be deductible. The penalty of section 4 would not be lessened and the deterrent to violations through private action again would be fully effective.

Amendment No. 314 would also restore the inducement to private suits to enforce the Sherman Act. Section 903 as written does nothing on this.

The amendment would remove from gross income of the plaintiff in antitrust treble damage judgments two-thirds of the judgment. One-third would be included in gross income. The two-thirds

would again be considered as a penalty for a law violation. This was generally believed to be the law until the Glenshaw case by the Supreme Court in 1955. Even at that time the lower court and the Court of Appeals for the Seventh Circuit held the penalty was not income. The Supreme Court held that section 22(a) of the tax law defining gross income as "income from any source whatever" did not exclude "money received as the punitive two-thirds of a treble-damage antitrust recovery."

My amendment would conform the definition of gross income to that generally understood prior to the 1955 decision. It would thereby restore the inducement to private plaintiffs.

I urge that my colleagues support amendment No. 314. It is of national importance. If each of you could have sat with me through the Antitrust Subcommittee's many hearings on the growth of industrial concentration in our economy you would, I believe, agree with me on the need for stronger and more effective antitrust enforcement. This can be greatly aided by private action.

This amendment, just as section 4, does not place any burden on the public. It shifts the tax burden from the public to the law violators where it should be. It gives the Treasury the money the tax ruling took away. It carries out the national policy against restraints and monopolies of trade. And we should keep in mind that every such act in violation of the Sherman Act is a criminal offense, whether or not the Department of Justice prosecutes.

Objection is made that we should not attempt to achieve such goals by use of tax provisions. But Congress has used a tax effect to accomplish a nontax social purpose in many instances—depletion, interest equalization, investment credit—are a few examples. This is not a valid objection to the amendment if it is otherwise meritorious. And I have outlined its merits and value.

I would hope very much that we would extend, by the adoption of this amendment, the constructive action that the committee itself has taken in this area.

Mr. HRUSKA. Mr. President, I rise in opposition to the amendment proposed by the Senator from Michigan.

Mr. HART. Mr. President, will the Senator yield so that I may ask for the yeas and nays?

Mr. HRUSKA. Surely.

Mr. HART. I ask for the yeas and nays.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. HART. Very well.

Mr. HRUSKA. This amendment should be defeated, Mr. President. It seeks to disallow income tax deductions for the amounts paid by a defendant in any action in which a treble damage judgment or settlement is paid.

It also provides that two-thirds of any such payment is not to be included in the gross income of the recipient thereof.

Mr. President, in order to achieve proper perspective, we ought to note that there is a provision in the committee bill providing for nondeductibility of treble damage assessments and payments made thereunder after conviction in criminal prosecutions, and also that conviction must occur after January 1, 1970. So it should be stated at the outset that the question at hand is not whether offenders against antitrust laws should be punished; it is not whether they should be treated leniently or in a more favored way than other law violators.

The antitrust law violator should be punished. It should be by a penalty in keeping with the gravity of the offense. It should be such that it will operate as a deterrent for others as well as the violator as to future or further violations. It should be in keeping with the principles and application of sentencing which have evolved through generations in this field and in the general field of sentencing.

Mr. HART. Mr. President, will the Senator yield briefly, for the purpose of again asking for the yeas and nays?

Mr. HRUSKA. I yield.

Mr. HART. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. TALMADGE. Would the Senator from Michigan and the Senator from Nebraska agree to a time limitation on this amendment?

Mr. HRUSKA. The Senator from Nebraska would rather that that request were postponed until after he has made his statement.

The Sherman Antitrust Act from the time of its passage to the present has provided criminal penalties, and properly so. From time to time these sanctions have been reviewed and changed. Pending in the Congress right now is another measure which seeks to substantially increase maximum fines—from $50,000 to $500,000, a tenfold increase.

This Senator introduced that bill. It has the support of the administration.

It is hoped the Congress will approve it soon.

The method of sentencing sought by this amendment does not have any of the provisions of virtually all of our criminal laws—namely, a judge to apply a punishment to fit the crime or offense, with a range of upper and lower limits depending on the seriousness of the crime, the record of the accused in similar situations, and the impact the punishment will have upon him and those about him, and upon the public.

The issue before the Senate now, therefore, is not whether an antitrust offender should be punished but whether the method and degree of punishment provided in the pending amendment is proper, desirable, and fair.

In the Tellier case, decided about 3 years ago, the opinion read in part:

> We start with the proposition that the Federal Income Tax is a tax on net income, not a sanction against wrong-doing. This principle has been firmly imbedded in the tax statute from the very beginning.

The proposed amendment seeks to make of the income tax a method and a course whereby punishment can be inflicted upon the offender—the violator of the antitrust laws—through the income tax statutes, and that is not good legislation.

Second, the proposed amendment would discourage settlement of such treble action suits; thus further clogging court dockets which are already overcrowded. Thus enforcement would be impaired.

Third, the penalty provided is excessive. Considering the corporate tax rate currently applicable, the approval and passage of this amendment would result in a sixfold burden, not a threefold burden.

Fourth, the penalty resulting from nondeductibility is not sufficiently related to the seriousness of the offense committed.

Finally, the penalty would often be unfair and harsh because of difficulty of determining when the antitrust law is applicable and when it is violated.

Mr. President, the subject of deductibility of treble damage payments has a long history.

That history was made chiefly in the Committee on the Judiciary and rightly so because the provision providing treble damages is a part of the antitrust statute.

Any proposal for a change in that law should originate in that committee where due consideration can be given to the entire context and purpose of the statute involved.

That is not the case here. The Senate is asked to consider a feature of antitrust law in the debate and action on a tax measure.

This is most unfortunate and unfair.

The income tax law, I repeat, should not be used—or rather abused—to punish wrongdoing. Criminal laws and penalties should be used for that purpose.

A basic tenet of income tax law is that "ordinary and necessary business expenses" are deductible.

Treble damage payments are ordinary and necessary business expenses. They have been held and treated as such for a long time; and they have been deductible on that basis for a long, long time.

The Supreme Court has described the treble damage provision as a "remedial provision for redress of private injuries in several decisions (*Eastman Co.* case, 273 U.S. 359, 373. Also *U.S. v. Cooper Corp.*, 312 U.S. 600, 608).

The overwhelming weight of judicial authority supports the proposition that treble damages provisions are compensatory in nature, not punitive. Yet, the amendment seeks to put treble damages in the same class as fines imposed upon conviction in a criminal action.

Fines are not tax deductible. The amendment seeks to make damage judgments not deductible, and have them occupy the same relationship in the tax picture as fines.

Therefore this question can well be put, Mr. President: Why discriminate in this field by depriving this type of damage of its deductible classification? There are many decisions in many causes that are in effect similar, if not identical, to treble damage payments, which are deductible and would remain so, notwithstanding the approval of the Hart amendment.

And the basis of their deductibility is that they are held to be ordinary and necessary business expenses. There is no reason to single out treble damages compensatory cases and not treat other situations in like manner.

There are many examples of similar and even identical cases. For example, I cite the payment of treble damages in price ceiling violations under the Price Control Act. That was a circuit court case, second circuit court.

In the instance of multiple damages paid to an employee for violation of the Fair Labor Standards Act, that was held to be deductible by the Internal Revenue Service. The settlement of a judgment against a taxpayer for fraud was deductible as ordinary and necessary business expense. That is a ninth circuit case.

In the Tellier case, decided in 1966 in the Supreme Court of the United States, a taxpayer was convicted of fraud in the sale of securities. That is certainly as venal a crime or offense as the violation of the Antitrust Act. The Supreme Court held that the fine was not deductible, but that $22,000 paid as attorneys' fees were deductible.

And it was in that case that the opinion read in part:

> We start with the proposition that the Federal income tax is a tax on net income, not a sanction against wrong-doing. This principle has been firmly imbedded in the tax statute from the very beginning.

The proposed amendment seeks to violate that principle and, worse yet, to violate it in only one instance and disregard it in numerous similar and even identical situations.

The amendment is unconscionable because in many cases it is difficult to determine when the law is violated. It is difficult to determine in which cases that are prosecuted criminally it would apply. It would apply to all cases in which treble damages are awarded. The unconscionable nature arises from the fact that a business firm may subject itself to treble damage action even though it has made every effort to avoid antitrust violations.

Here is one very spectacular example. Back in 1926 the U.S. Supreme Court approved as valid a consignment arrangement for merchandise. That is the *General Electric Co.* case in 272 United States 476. The use of that contract did not violate the Sherman Act, the Court held. That was in 1926.

Mr. President, in 1966, 40 years later, after the economy and commerce in this Nation had in large measure, and over a tremendously larger sector of transactions of this nature, been based upon and operated upon the validity of that type of consignment arrangement, the Supreme Court changed its mind.

The Supreme Court sustained an action by a service station operator against an oil company for treble damages. And it held that a consignment contract, parallel to the 1926 situation, was in violation of the Sherman Act.

If that situation would be repeated, and it will be because the examples are so numerous, any company or taxpayer basing his operations on what is as good authority as any—the opinion of the Supreme Court—would be caught in the proposition of paying, not treble damages, but damages that would consist of a sixfold increase.

There are other examples. I refer to the White Motor Co. case, and also the Federal Trade Commission ruling on newspaper advertising of retail druggists.

There a bulletin was released by the Federal Trade Commission saying that this type of newspaper advertising is not valid and violates the antitrust law. In reply to that, and in short order, the Antitrust Division of the Department of Justice came out with a ruling saying, "This type of newspaper advertising is valid, and it does not violate the antitrust law."

What is a businessman to do under those circumstances? He has to proceed at his own hazard.

The amendment that is proposed here would say not only that, but would also say that if one has guessed wrong, then he will pay a sixfold burden instead of the treble damages that are now proposed.

Yet, the proposed amendment would impose a mandatory penalty in such an instance, a punitive action making the treble damages equivalent to a fine paid to the Government—that is, they would be nondeductible as ordinary and necessary business.

Situations for punitive damages should be provided in criminal statutes with opportunity for the court to exercise the same kind of judgment as to severity as in other criminal cases.

It should be noted that there is pending in the Senate now a bill calling for an increase in Sherman Act violation fines, raising the maximum from $50,000 to $500,000. That is a tenfold increase over what it is today.

Deterrents in these cases can be adequately exercised and will have a proper deterrent effect upon those who had contemplated conduct that would be criminal in character in this field.

And there, of course, would enter the committee amendment. There would be a criminal trial. And there would have to be a conviction and a sentence before the nondeductibility would attach to the treble damages which are awarded later on in a civil suit.

So we have some sense in that part and some protection against the harshness which otherwise would be visited upon the business of commercial firms of the Nation.

It is clear that the proposed amendment depends on inherently uncertain enforcement factors. Its provisions are not sufficiently related to the seriousness of the related and pertinent offense.

It is intrinsically unfair and should be rejected.

The amendment would militate against another well imbedded principle of antitrust law that has been the case ever since antitrust law was enacted originally, and that is that the settlement of cases should be encouraged.

The imposition of nondeductibility on treble action cases will force defendants in those cases to engage in protracted and extensive and expensive litigation. They would have no other recourse whatsoever.

And because of the nature and the harshness of the penalty that would be imposed upon them, with the protracting of these lawsuits, with their multiplication, and their increase in number, the already overcrowded courts would be clogged even further, not only for the purpose of trying antitrust cases, but also for all other purposes.

This is not the time. This is not the way. This is not the fashion in which we should consider penalties for antitrust violators.

The income tax law ought not to be prostituted with that end and with that goal in mind.

That is exactly the attempt that is being made. The amendment should be rejected.

We ought to consider criminal penalties that are this severe and this harsh in the proper fashion when we could apply the rule that goes with penology, a rule that will have some purpose in getting at the matter of sentencing.

We should not do that in this meat cleaver way.

I hope the amendment will be rejected.

Mr. TALMADGE. Mr. President, I ask if the Senator from Nebraska and the Senator from Michigan are willing to agree to a time limitation of 10 or 15 additional minutes to the side. Would that be agreeable?

Mr. HART. Mr. President, there would be on objection on my part. The Senator from Nebraska has made a full explanation of his position.

Mr. HRUSKA. Is there any desire on the part of any of our colleagues to be heard?

Mr. TALMADGE. Mr. President, I will speak briefly on this amendment.

The House bill did not have any item relating to this particular feature. The Senate bill included a provision which would disallow as deductions fines and penalties paid to the Government for violations of any law and a provision which would disallow deductions for two-thirds of the amounts paid as treble damages for criminal violations of the antitrust laws. In 1965, at the direction of the distinguished chairman of our committee, who was then chairman of the Small Business Committee, our staff did a detailed study of this entire area.

Part of the report reads as follows:

> Under the bill there would have to be a conviction in a criminal prosecution before deductions would be denied for treble damage payments under the antitrust laws and bribes and kickbacks of other than public officials. Except where payments to the public officials are involved, it appears undesirable that a revenue agent be permitted to determine whether a taxpayers' payment to a third party is in violation of a law. If an agent is granted such authority, the deduction of the payment is disallowed unless the taxpayer—carrying the burden of proof—establishes in court that he is innocent of the violation. It is understood that this is the present position of the Internal Revenue Service. On the other hand, if the taxpayer had been convicted in a criminal proceeding, he was protected by the requirement that the prosecutor must prove him guilty beyond a reasonable doubt. In such a case it is clear that the taxpayer's payment was in violation of the public policy involved.

That is a provision of the Finance Committee bill. It appeared to the Finance Committee that it would be dan-

gerous, indeed, to set up a system that would encourage lawsuits. If A sued B and won that lawsuit, B could not deduct his losses, and A would not have to report his gains. In other words, he would win a lawsuit and have tax-free income. I think that is an extremely dangerous policy.

That is what the amendment of the Senator from Michigan provides, and it goes even beyond that. It makes it retroactive to a degree that if a cause of action arose before this bill becomes law and a recovery is made after this bill is signed into law, the same situation would arise. I do not know of anything more dangerous than to say to a taxpayer, "You go out and sue somebody, and if you recover a judgment, you do not have to pay income taxes on what you collect, and the man you recovered from cannot deduct his expenses."

I urge the Senate to reject the amendment.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. HRUSKA. Mr. President, the purpose of the bill is to close loopholes for taxpayers. It seems to me that the creation of this nonreportable income in the case of recipients creates a loophole of gigantic proportions, and it would be available to literally thousands of people engaged in business, even if there were no criminal conviction of the defendant in the original instance, as a hard-core antitrust law violator.

Is that not true?

Mr. TALMADGE. I agree with the Senator. I think it would create a new loophole.

Mr. HART. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield the floor.

If the Senator will conclude his remarks, and if the Senator from Nebraska has concluded, and if the distinguished chairman does not want to make a statement, that concludes our argument.

Mr. President, I ask unanimous consent that we vote on the pending amendment at 6:10 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HRUSKA. I am ready to vote now.

Mr. HART. Mr. President, I think that perhaps the Senator from Georgia overstates the extent to which the sums paid would be nondeductible. Only two-thirds would be nondeductible, and to the extent that the recipient would be exempt from the payment, that would be true with respect to only two-thirds. But he is correct in saying that the effect of this amendment would be to encourage lawsuits. This, indeed, is a purpose of the amendment.

Given the limitations of personnel of the Department of Justice, a most effective salutary plus in antitrust enforcement would be the self-help road of civil damages. That, in my book, is what section 4 had in mind. I think we will advance antitrust enforcement by the adoption of this amendment and, rather than it being an objection, I think it is an argument for it.

Mr. BAYH. Mr. President, I salute the Senator from Michigan for bringing to the attention of the Senate what is a gross injustice; namely, permitting the treble damages in antitrust actions to be assessed, in reality, on the taxpayers as a whole by having them deducted as a business expense.

While I recognize the injustice of this practice, I feel compelled, nevertheless, to vote against the amendment of the Senator from Michigan. I have discussed this with him earlier.

My concern centers on the fact that in purely civil treble damage cases, the amendment can be applied retroactively. I am not concerned about those cases where civil action follows a criminal prosecution, but the Senator goes one step further and covers treble damages in purely civil cases that originated prior to the date of enactment.

Again, I salute the Senator from Michigan for being a watchdog on this matter.

Mr. TALMADGE. Mr. President, I ask unanimous consent that we vote now on the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Michigan. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Kentucky (Mr. COOPER) is detained on official business.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 25, nays 66, as follows:

[No. 212 Leg.]

YEAS—25

| | | |
|---|---|---|
| Burdick | Inouye | Mondale |
| Byrd, W. Va. | Jackson | Moss |
| Church | Kennedy | Muskie |
| Cranston | Magnuson | Nelson |
| Dodd | Mansfield | Pell |
| Eagleton | McGee | Proxmire |
| Gravel | McGovern | Yarborough |
| Hart | McIntyre | |
| Hughes | Metcalf | |

NAYS—66

| | | |
|---|---|---|
| Aiken | Dole | Hollings |
| Allen | Dominick | Hruska |
| Allott | Eastland | Javits |
| Baker | Ellender | Jordan, N.C. |
| Bayh | Ervin | Jordan, Idaho |
| Bellmon | Fannin | Long |
| Bennett | Fong | Mathias |
| Bible | Goodell | McClellan |
| Boggs | Gore | Miller |
| Brooke | Griffin | Montoya |
| Byrd, Va. | Gurney | Murphy |
| Cannon | Hansen | Packwood |
| Case | Harris | Pearson |
| Cook | Hartke | Percy |
| Cotton | Hatfield | Prouty |
| Curtis | Holland | Randolph |
| Ribicoff | Smith, Ill. | Thurmond |
| Russell | Sparkman | Tower |
| Saxbe | Spong | Williams, N.J. |
| Schweiker | Stennis | Williams, Del. |
| Scott | Stevens | Young, N. Dak. |
| Smith, Maine | Talmadge | Young, Ohio |

NOT VOTING—9

| | | |
|---|---|---|
| Anderson | Goldwater | Pastore |
| Cooper | McCarthy | Symington |
| Fulbright | Mundt | Tydings |

So Mr. HART's amendment was rejected.

Mr. HRUSKA. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. TALMADGE and Mr. LONG moved to lay the motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 351

Mr. YARBOROUGH obtained the floor.

Mr. TALMADGE. Mr. President, will the Senator from Texas yield to me for a unanimous-consent request?

Mr. YARBOROUGH. I yield.

Mr. TALMADGE. Would it be agreeable to the Senator from Texas for a 40-minute limitation on his amendment, when it is called up, with 20 minutes for each side?

The PRESIDING OFFICER. The Chair would inform the Senate that the amendment has not yet been presented to the Senate.

Mr. YARBOROUGH. I should like to have a time limitation of 1 hour, with 30 minutes to a side, if that is agreeable to the Senator from Georgia.

Mr. TALMADGE. Mr. President, I ask unanimous consent that there be a time limitation on amendment No. 351 to be offered by the Senator from Texas, with the time to be equally divided, 30 minutes to a side, to be handled by the distinguished Senator from Texas, and the floor manager of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the amendment of the Senator from Iowa (Mr. MILLER) be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. YARBOROUGH. Mr. President, I call up my amendment No. 351 and ask that it be stated.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). The amendment will be stated.

The bill clerk read as follows:

On page 420, beginning with line 21, strike out all through line 9 on page 421.

Mr. YARBOROUGH. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. YARBOROUGH. Mr. President, my amendment No. 351, to H.R. 13270 would delete from the tax bill a provision which would exempt certain gas pipeline contracts from the repeal of the 7 percent investment tax credit.

One of the most significant tax reform proposals contained in H.R. 13270 is the repeal of the 7 percent investment tax credit. It is widely recognized that the investment tax credit has long since out-

lived any usefulness that it might have ever had and is now nothing more than a vast loophole through which the Government loses billions of taxable dollars each year.

H.R. 13270 provides for the permanent repeal of the investment tax credit in the case of property acquired or construction which is begun after April 18, 1969. However, to avoid economic injustice to those taxpayers who have commenced construction or acquired property pursuant to a binding contract entered into before April 18, 1969, the bill specifically exempts such taxpayers from the repeal of the investment credit and makes the credit available to them. This is a fair and reasonable exemption since it has never been the policy of this country to penalize those who in good faith have relied on existing laws.

Unfortunately, H.R. 13270 does not stop with this one justified exemption from the general repeal of the investment tax credit. There has also been inserted into H.R. 13270 a special exemption for gas pipeline contracts which cannot be justified on any basis except that its proponents desire additional special treatment for an industry which is already specially protected and specially favored by our laws. The exemption to which I refer may be found on page 420, at line 21 of H.R. 13270 and provides:

(B) Where, in order to perform a binding contract of contracts in effect on April 18, 1969, (i) the taxpayer is required to construct, reconstruct, erect, or acquire property specified in any order of a Federal regulatory agency for which application was filed before April 19, 1969, (ii) the property is to be used to transport one or more products under such contract or contracts, and (iii) one or more parties to the contract or contracts are required to take or to provide more than 50 percent of the products to be transported over a substantial portion of the expected useful life of the property, then such property shall be pre-termination property.

On its face this seemingly innocuous language would not appear to be a vehicle for serving special interest. However, on closer examination it is clear that the only purpose for this provision is to grant to certain gas pipelines a special privilege in dealing with the investment tax credit which no other industry or taxpayer in America has.

The taxpayers in my State and in other States are paying through the nose in income taxes to grant special privileges to 29 companies by granting them a largess of $49 million.

To appreciate the necessity for striking this insidiously clever provision from H.R. 13270, it is important to understand: First, the nature of a gas pipeline contract; second, why there is no reason for a special treatment of these contracts; and, third, the history of the gas pipeline industry and the investment tax credit.

A gas pipeline contract, unlike the other contracts, to which the exemption from the repeal date of the investment tax credit applies, is not a contract for the purchase of capital goods, but is a contract for service or supply. That is, the gas pipeline contract obligates the company to supply its customers with a specified number of units of natural gas. Nowhere in this contract between the company and the customer does the gas pipeline company obligate itself to build or expand its facilities to perform the contract. However, section 7C of the Natural Gas Act of 1938 requires:

No natural-gas company or person which will be a natural-gas company upon completion of any proposed construction or extension shall engage in the transportation or sale of natural gas, subject to the jurisdiction of the Commission, or undertake the construction or extension of any facilities therefor, or acquire or operate any such facilities or extension thereof, unless there is in force with respect to such natural-gas company a certificate of public convenience and necessity issued by the Commission authorizing such acts or operations . . .

Therefore, until the FPC grants the gas pipeline company a certificate of public convenience and necessity, the company cannot lawfully fulfill its contract to the customer. Thus, the certificate is a necessary prerequisite to a valid binding gas pipeline contract.

In determining whether to grant a certificate to a gas pipeline company, the FPC takes into consideration whether the proposed expansion in service is physically and economically feasible. The FPC will, and often does, allow a gas pipeline company to withdraw its application for a certificate upon a showing of just cause. The "just cause" for which an application may be withdrawn might well include a showing by the company of a loss in profits by the repeal of the investment credit.

In other words, if they cannot make a profit on their investment, they can get the order rescinded.

Furthermore, the regulations of the FPC afford a company with a way of having the application dismissed by the FPC. Section 157.12 of the FPC regulations provides that in the absence of a showing of good cause, "failure of an applicant to go forward on the date set for hearings and present its full case in support of its application will constitute grounds for summary dismissal of the application and the termination of the proceedings." Therefore, without showing just cause, an application can be dismissed by inaction on the part of the gas pipeline company.

I point out that there is no binding contract. They have applications pending. They can play them like the keys of a piano. They can let them die or pursue them by the diligence with which they pursue them or by the lack of diligence with which they pursue them. So they do not have binding contracts. Until that certificate is issued by the Federal Power Commission, they are not bound to do it.

What this amounts to is that gas pipeline companies are not subject to the same economic hardships as taxpayers who have bound themselves contractually to construct, reconstruct, or acquire property.

They do not have to acquire or reconstruct the property unless they want to, because, unless they diligently pursue it, they will not have that obligation, and they are not under the same obligation other taxpayers are.

The simple truth is that without the certificate of public necessity the gas pipeline company is not contractually bound to do anything. This gives the gas pipeline company the right to have the benefit of the investment tax credit for contracts that it may void at will.

They have an option to construct or not to construct. It is not like a binding contract.

There is no justification for this type of special advantage.

As I have previously pointed out, these gas pipeline contracts are not binding on the company in the absence of a certificate of public necessity and convenience. Thus, this special exemption is not justified. Are there any economic reasons for this special treatment? A review of the facts clearly reveals that the answer is "No."

The gas pipelines are strong and financially healthy. It is one of the very few operations in America which is guaranteed a profit by the Federal Government.

It is the one utility group whose rates charged for natural gas are regulated by the Federal Power Commission so as to assure them a reasonable profit. So they are going to have their profit without the investment credit. The rates charged for natural gas are regulated by the FPC so as to assure the gas pipelines a reasonable profit each year. Very few other industries in America can be assured that, year in and year out, they will be operating in the black.

Since 1958, the revenues and assets of the gas pipeline companies have doubled. According to a recent industrial survey conducted by Standard & Poor's, the revenues of gas pipeline companies are expected to reach new highs in 1969. The American Gas Association estimates that gas sales in 1969 will reach 152,650 million therms. This is an increase of 5.7 percent from 1968.

The outlook for future growth is also quite encouraging. The American Gas Association estimates an increase in sales of 6 percent for each year from 1967 to 1980. By 1985, gas utilities sales are expected to reach 356 billion therms. This is an increase of 144 percent from the amount of gas sold in 1968.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). The Senator will state it.

Mr. YARBOROUGH. How much time do I have left?

The PRESIDING OFFICER. The Senator has used only 10 minutes of his time.

Mr. YARBOROUGH. Mr. President, in addition to the increase in sales, the rate of return to the companies is also increasing. At present, the rate of return on old contracts is between 6½ to 6⅔ percent. However, the FPC recently granted one company an annual rate of return of 7¼ percent. There are numerous other applications pending before the FPC which request returns of 8 to 8½ percent.

The alleged purpose behind the enactment of the investment tax credit in 1962 was that it would encourage business investments in new machinery and equipment. The plain facts reveal that the large gas pipelines companies never needed enactment of the 7 percent investment tax credit; the large gas pipeline companies did not suffer from lack of growth, because they could already raise their rates enough to pay for any

replacement of equipment, and they never suffer from lack of growth.

From 1957 to 1961, the net investment in gas utility plants rose from $6 to $8 billion. After the enactment of the investment tax credit, the net investment in gas utilities plants grew at about the same rate, $8 to $10 billion. It did not need the stimulus of the investment tax credit to get them to grow. This clearly shows that the investment tax credit was not needed to stimulate growth.

The whole history of the investment tax credit and the large gas pipeline companies has been one of special and unjustified favoritism over other companies in our economy.

To begin with, the gas pipeline was allowed the 7-percent credit whereas the other major public utilities were allowed only 3 percent. What was the reason for this? I submit that the only reason for it was the strength of the gas pipeline industry's lobby.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the time taken to get order not be charged out of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

May we have order, please?

Mr. YARBOROUGH. I again ask unanimous consent that the time to restore order not be taken out of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator will continue.

Mr. YARBOROUGH. Furthermore, the FPC is prohibited by a 1964 amendment to the Internal Revenue Act from treating a reduction in income tax, arising from the investment tax credit, as a reduction in the gas pipeline cost for determining rates.

Let me repeat that. Under the Internal Revenue Act there is a provision that they cannot treat a reduction in income tax credit as a reduction in the gas pipeline cost for determining rates.

Thus, a gas pipeline company is free either to retain the tax savings for reinvestment or payments to stockholders, or pass along the tax savings to its customers in the form of volunteer rate reductions. It should come as no surprise that, according to figures compiled by the FPC in 1967 alone, more than 94 percent of the amounts generated and utilized by gas pipeline companies from that investment tax credit was retained by the companies and less than 6 percent passed on to the consumer by rate reductions.

They just took that 7 percent and put it in their pockets.

Mr. LONG. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. LONG. Mr. President, does not the Senator recall that when we passed the investment tax credit law, we expressly provided in that law that it was intended to encourage the construction of new transportation facilities? Not just pipelines, but railroads, airlines, and other transportation facilities got the 7-percent investment tax credit. We specifically said, in section 207—depending on whether you look at the House bill or the Senate bill it was section 207(e)(2) or 202(e)(2)—that it was intended that they be permitted to keep the 7-percent investment tax credit to encourage them to improve the transportation facilities of this country.

Mr. YARBOROUGH. Mr. President, as I just pointed out, gas pipeline companies already have built-in protection in that they are guaranteed a profit by the Federal Power Commission. Those companies were building and expanding rapidly before the investment tax credit was ever instituted.

Mr. LONG. Mr. President, they would have cut the activity down. It would have gone down.

Mr. YARBOROUGH. That conclusion is too speculative. The facts reveal that these companies were experiencing rapid growth when the investment tax credit was first passed.

This provision of H.R. 13270, which my amendment is designed to eliminate, is the sort of special interest legislation which has generated the present demand for tax reform by the majority of the people of the United States. Our people are tired of carrying the greater portion of this Nation's tax burden while their own elected representatives write special exemptions into the tax laws for big business.

The people of the United States have challenged the 91st Congress to reform this Nation's tax laws. They expect their interest to come first for a change. Special exemptions and favortism for these companies that are sound financially is not needed—I have no prejudice against gas pipelines, we need them; they perform a vital service; my State produces a lot of gas, and we need a market for it. I remember when flares burned all over Texas and there was no market for the gas. However, today these companies are doing very well. Therefore, I think the 11 million people of my State are more entitled to tax relief, than the 29 companies who would get the $40 million largesse under this provision.

I submit that it is time for Congress to turn its attention to problems and needs of average Americans. These people cannot afford expensive lobbying efforts to get their point of view across. They must depend on us to represent them. I hope we will show them that we are concerned by closing this loophole.

I urge all of my colleagues to join with me in remedying this inequity. The total estimated cost of the applications for certificates for public convenience and necessity pending before the Federal Power Commission on April 18, 1969, was $611,874,000. As adjusted to reflect the property subject to the investment tax credit, it would be $570 million. This means that approximately $40 million would be available to these 29 companies under the provision in the House and committee bills.

Mr. President, I yield the floor.

Mr. LONG. Mr. President, I yield myself such time as I may require.

In repealing the investment tax credit, the House of Representatives wrote into its bill the provision that the Senator seeks to strike. This is not something the Senate Finance Committee did. The House did it. We thought they were right, and so we did not change it.

Let me explain what we are talking about. Here is a situation where a pipeline signs a contract with its customer to deliver more gas to that customer. The customer can be a city or some other unit of government. This is a binding contract to deliver more gas. Let us say, just for the sake of argument, that they are going to have to deliver twice as much gas as they are delivering now because of industrial expansion and a population increase in the area.

When that contract is signed, it is a binding contract on the pipeline to deliver, and on the customer to take, the additional gas that will be transported. The pipeline company is then bound to apply to the Federal Power Commission for permission to loop its pipeline, to use the term by which that is usually referred to. To loop the pipeline means to lay another pipeline alongside the one already in place. But with that binding contract in effect, subject to the approval of the Federal Power Commission—and the Federal Power Commission looked at the rates to be charged, the desirability of the service, and all the rest of it—the pipeline company cannot back out of that contract, and neither can the city or other governmental unit. They are both bound by their contract. The Federal Power Commission approves the contract, and then the pipeline company must construct the additional pipeline.

In view of the fact that they are committed to build the pipeline, subject only to the approval of the Federal Power Commission, that is a binding contract. The same thing would apply, Mr. President, to other types of contracts. Under an ordinary contract to erect a plant on a plantsite, if a contract was in effect prior to April 18, the company would be eligible to receive its investment tax credit, because the company in making its plans, was relying on the tax law as of the time it signed the contract in determining whether its investment would be profitable or unprofitable.

If you are considering buying a piece of land, and you have an option to buy it, the option will say that the seller must provide good title, and he might even have to go to court to cure his title in order to deliver. It might be subject to that condition, but it is a binding contract which every court recognizes.

There are other parallel situations in this bill, and in every case where this type of adjustment was asked, we gave it to those who asked for it. Let me point out some of the situations we had. Keep in mind, the Senator wants to strike what the House of Representatives did, and what the Senate Finance Committee agrees with in the House bill. We did not even amend this section.

Let us talk about some of the things we did in committee. The committee heard testimony from coal industry representatives which, in effect, said, "I have signed a contract to deliver coal. That means I will have to open this coal mine, and in order to open the coal mine and deliver the coal, I will have to acquire machinery."

The committee considered this situation to involve a binding contract which

makes it necessary to acquire additional machinery in order to meet its obligation. In treating this as a binding contract we acted in the same way that Congress did in 1966 when it suspended the credit.

The aircraft companies appeared before the committee to state that they have binding contracts to deliver a new type of airplane. In order to deliver the airplanes, they must acquire the machinery with which to manufacture the airplanes, otherwise the planes cannot be delivered. The price charged for the planes was dependent on what it would cost to acquire the machinery, assuming availability of the investment credit, to manufacture them. That provision is right here in the bill, and the Senator is not seeking to do a thing about that. The House saw that the problem existed with regard to Lockheed Aviation Corp., and they wisely took care of that problem by providing a carefully phrased transitional amendment.

Mr. President, that was right. The Senate Finance Committee looked at the House proposal, found that McDonnell-Douglas had exactly the same problem—technically different, but exactly the same in justice and equity—and we added an amendment to provide the same transitional adjustment.

An adjustment was made for contracts to build a new type of oceangoing ship, which will carry loaded barges aboard the ship, and the barges are used to deliver the product to the final customer. There was the contract for the ship—no problem there—but the contract had not yet been signed for all of the barges, because they did not require as long a lead-time. But, the ship would be of no use without the special barges to go aboard that type of ship. The House and the Finance Committee decided that this is a transitional situation to which the investment tax credit should apply.

There also was a problem with regard to a contract to build a shopping center. That provision was in the 1966 law to suspend the credit where someone had signed a contract to lease space in a shopping center. The shopping center had to be built in order to provide the space.

The contract is signed to provide space in a shopping center which does not exist, but which is going to be leased. Let us say the lessee is supposed to move into that space on the 1st of next year, or in 6 months. The shopping center owner has not signed a contract with the man who is going to build it, but he has signed a contract to provide the space for the lessee to move into. He has no choice but to build the shopping center.

In this case, a contract was signed which leaves no choice with regard to the second contract.

That principle was followed consistently. We treated them all the same in that respect.

I regret that the Senator from Texas seems to have difficulty with respect to pipeline companies. However, when we passed the investment tax credit, we said that it applied to pipeline companies as well as any other company.

When we voted for the investment credit we were providing this incentive for the railroads, and for the airlines, and for the truckers, and for anybody in any line of transportation or any other industry to make it more profitable for them to modernize their plant and equipment, and to improve their service. We said it was an incentive to all industry, not just pipelines. We said that everybody would get this investment credit as an incentive to make the American economy more productive and American industry more competitive in world markets.

When we considered the repeal of the investment credit we treated them all the same in common justice and common equity. We have not discriminated against anybody. Everybody and every company who is bound and committed as of April 18, 1969, to build a plant or acquire a machine or equipment, if they have a binding commitment that requires them to perform, would not be prevented from receiving the investment tax credit under the Finance Committee bill. The committee applied the same principle to every similar situation.

That is the only way we could be just and fair.

To adopt the Senator's amendment, in my judgment, would be extremely unfair, particularly after we had accepted this principle and extended it to other situations which the Senator would not challenge with his amendment.

Mr. SPARKMAN. Mr. President, do I correctly understand from the Senator's statement that everybody, not just the transportation segments of our economy, but everybody who is obligated in some way prior to April 18, 1969, to do some building or expanding, would still have the investment tax credit pertain to him?

Mr. LONG. Mr. President, let me make it more explicit. Many witnesses who came before the Finance Committee testified that they had a binding contract that require them to acquire some machinery or build something on which they expected to receive an investment tax credit in order to perform the contract. The fact that they had not signed a binding contract for the machinery should not deny them the benefit of the investment credit in this situation.

Mr. SPARKMAN. Mr. President, let me go a little further. I did not use the term contract. I used the word "obligation." In other words, if they are obligated to move forward, do I understand that situation applies whether it is a manufacturing plant or a transportation industry or communication industry or whatever industry it might be?

Mr. LONG. It applies generally to many different situations. However, it is not drafted to apply to everything. It could not be. We drafted it to apply to those situations directed to our attention. I put it this way, if the Senator from Alabama were standing on the floor and offered an amendment and said, "Look. You did not seem to know of this situation. However, in addition to the situations you provide for, we have a situation in Alabama which is slightly different that you have not covered."

We would say, "Well, fine. Offer an amendment because we have done this for others who have a similar problem."

So, we would put a provision in the language of the bill to take care of this situation.

We have been consistent in that we did not draft our language to go beyond the type of problems directed to our attention.

We tried to provide fair and equal treatment. When it was called to our attention that the House had provided for Lockheed but not the McDonnell-Douglas, we said, "Let's apply the provision to McDonnell-Douglas equally as well because the situations are the same." We took different language, but the problem was the same.

Mr. SPARKMAN. Mr. President, I appreciate the explanation. I should like to make this further comment. I believe the first time the recommendation was made to Congress for some kind of investment tax credit, it was made in a report. There was a study by the Small Business Committee. The study was made in 1952, and the Senator was a member of that committee.

I have always believed in the investment tax credit. I believe in it strongly. And I say very frankly that I think the action in repealing the investment tax credit, even with these exceptions, may be necessary on a short-range basis, but on a long-range basis, I think it is bad. I think it is shortsighted. I think we ought to have an investment credit allowance.

I believe that most of the industrial countries in the world do have one and have one much greater than we have had.

I hope the time will come when the economy will be strong enough so that we can reestablish a good investment credit provision.

I would hate very badly to see us repeal it, even though we are not happy with the manner in which we had to handle it a few years ago when we voted to suspend it for a certain period of time and then reinstate it.

If it is necessary for us to do something at this time, I would rather not see it done away with, which would naturally make it more difficult to reinstate.

I believe we ought to have in investment tax credit allowance. We ought to have some regard for what other industrial countries do.

By the way, let me say this: I recently talked with the president of one of the largest chemical manufacturing companies in this country, and he told me that his company was building a big plant in Germany, a tremendous plant. I was impressed by what he said to me. He said, "I hate to do it, but I can't keep from doing it. Over there they give me a 40-percent investment credit. In addition, they lend the money on very liberal terms, and they also have an export subsidy."

That is what we are up against in trying to sell in the world market.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. STEVENS. The Senator from Louisiana is familiar with our situation in Alaska. We have a pipeline that three companies agreed to build. They are not required by any order to build it. They agreed with one another to build it. It is all in the State of Alaska, even though

it is 800 miles long. Therefore, they did not make any application to the FPC.

As I understand the Senator's statement of policy, which I think is very fair, they would have to have had an agreement with a third party to deliver the oil in order to qualify as this gas pipeline qualifies to deliver the gas.

Am I correct that this is the only thing that differentiates our Alaskan pipeline, the reason why our Alaskan pipeline was left out, as compared with the Texas pipeline?

Mr. LONG. There are two differences. One is that you have to have the contract to deliver. Also, this amendment requires that the equipment that is going to be needed must be specified. Neither of those requirements could be met by the Alaskan pipeline, so far as I know.

Mr. STEVENS. I intend to call up an amendment in a little while, depending upon the outcome of this amendment, as the chairman knows. But it is my understanding that invitations to bid were let out in February of this year and that we are actually proceeding on a pipeline, whereas the Texas pipeline may not be built for a couple of years.

Mr. LONG. I was hoping the Senator would not ask me to debate the Alaskan pipeline in comparison with these pipelines. We will face that pipeline when we get to it.

Mr. STEVENS. I wanted to get the facts with regard to this pipeline. Is there any property that has been ordered for this pipeline? Have they ordered the steel?

Mr. LONG. The pipelines to which we are making reference in this provision involve situations where there is a binding contract to deliver the gas, where the equipment that will be needed is specified in an application that is subject to Federal Power Commission approval, and where the contract for constructing the pipeline cannot be signed until the Federal Power Commission approves it. Sometimes the Federal Power Commission is slow in approving these things.

Mr. STEVENS. I thank the chairman.

Mr. YARBOROUGH. Mr. President, I yield myself 4 minutes.

The examples given by the distinguished Senator from Louisiana of coal mines, of manufacturing airplanes, of building a shopping center have no relevancy to the amendment under consideration. They are not cases in point.

On the contrary, we are dealing here with gas pipeline companies that are public utilities and are guaranteed a profit by the Federal law. These rates are fixed so as to assure them a profit. So all the nonutility examples the Senator has mentioned just beg the point. They simply are not relevant.

I say that the law and the facts are against the distinguished Senator from Louisiana.

On page 240 of the report of the committee, in the last paragraph, appears an example:

> An example of the type of case covered by this provision would be a situation where a company has entered into a binding contract to buy or sell fuel and is required to construct a new pipeline or add capacity through an existing pipeline in order to transport such fuel.

Mr. President, that contract is binding only when the Federal Power Commission enters an order granting the company a certificate. My amendment is directed at cases where no certificate has been granted, therefore the company can, at will, withdraw or let lapse its application. Consequently, this gives them the right to determine in the future whether they will create a binding contract. Those contracts to sell fuel are not binding if the company does not obtain permission to build or expand its facilities. It is a matter of general knowledge that often they do not push these applications. In such event it is automatically dismissed.

Consequently it takes a definition of law created by this bill to create the idea that these are binding contracts when in reality they are not. They are not binding, because without this definition in the bill, if the general binding contract provision, would not apply to these contracts. If they had a truly binding contract before April 18 why would they need this provision? I submit that they would not have to write this special provision into the law if these contracts were in fact binding. In truth, they are not binding. Since they are not binding, this provision is necessary if they are to continue to have the benefit of the investment tax credit.

When the investment tax credit was passed, it was hoped that the profits would be passed on to the consumer. However, 94 percent of the amounts generated and utilized by these companies from the investment tax credit are retained by these companies, and less than 6 percent is passed on to the consumers in rate reductions.

I have no prejudice against these pipelines. I recall 30 years ago when the skies of Texas were red at night with gas wasted, and we wanted and needed the pipelines. They give us a market and an opportunity to sell the gas produced in Texas. Much of the byproducts of oil were then burned in the air without the pipelines. But I say, on behalf of the other 11 million people of Texas, it is not right to have 29 companies make contracts after the date of this law and get this $40 million benefit and while other millions of taxpayers in my State reach down into their meager earnings and savings and pay a high price for gas from these companies who obtain this tax break.

The law says that if you have a binding contract on April 18, 1969, you are protected. They do not have binding contracts, and that is why they need a special provision in the law to continue to have the benefit of the investment tax credit.

I yield the floor.

Mr. LONG. Mr. President, how much time do I have left?

The PRESIDING OFFICER (Mr. HARTKE in the chair). Twelve minutes.

Mr. LONG. Mr. President, on page 241 of the report is another example. The same basic principle is applied over and over:

> An example of the type of case covered by this provision would be a situation where a person is obligated under the terms of the contract to build an industrial gas plant—

That is usually a plant, as I understand it, that uses coal to manufacture gas—

> which is specified in the contract for the purpose of supplying the industrial gas to a steel or chemical company. Another example of a type of case covered by this provision would be a situation where a coal company must acquire equipment (including items such as a bulldozer which removes overburden) in order to carry out a binding contract under which the company is obligated to open new coal mines on specified mineral properties.

We proceeded upon the very principle which was applied similarly to a number of other concerns where the same principle was equally applicable. It would be extremely inappropriate to deny the same consideration to pipelines when they are bound to construct the pipelines to deliver more gas. When they negotiated their contract with the city they had in mind the prices they could charge under the assumption that they would receive the investment tax credit.

That is a binding contract subject to Federal Power Commission approval. It would be inappropriate to deny those pipelines that consideration, when the same principle has been extended to everybody else who had a similar problem.

I hope the amendment will be agreed to.

The Senator from Delaware (Mr. WILLIAMS) expressly asked the Treasury when they appeared before the committee, "Do you approve of this particular provision that the House has agreed to with regard to pipelines?"

The Treasury said, "We approve of it."

It is because the principle was approved and agreed to by the Treasury and by a majority of the committee and by the House of Representatives that we extended it to other similar situations.

Those cases are equally justified, and no one has suggested that they be stricken out. I do not think they will, because the principle is correct. It should be extended to anyone who is similarly obligated to construct something under a binding contract, even though there is no construction contract but there is a contract that made the construction contract necessary and from which they could not escape as of April 18.

Mr. YARBOROUGH. Mr. President, I wish to point out to the Senate that if a gas pipeline company has a contract in existence on April 18, 1969, with a gas pipeline contractor to build a pipeline, they are protected under the general provision. This special provision is not to protect a construction contract. On the contrary, this provision protects the contract in which the company must obtain a certificate from the Federal Power Commission, to be binding. There is no obligation on the company to fulfill the contract unless they get the certificate. This does not involve a contract to build a pipeline. It involves contracts to furnish or buy gas which requires an order of the Federal Power Commission to be enforceable. Whether or not they get that order depends on whether or not they ask for it. Many times these applications lie over at the FPC for years without action. I

am familiar with that procedure. They file the application in order to get ahead of some other company and then, if they want to activate it, they present their evidence. There is nothing binding on them at all.

The examples which the distinguished and able Senator from Louisiana read from page 241 of the committee report have no application to my amendment. They apply to construction contracts. That example does not refer to a public utility, guaranteed a profit. Under existing rates they would probably get a 7-percent return.

Mr. MONDALE. Mr. President, does the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. MONDALE. Does the Senator know of any other industry that gets this kind of prospective treatment?

Mr. YARBOROUGH. I am advised that is the only industry in the bill that gets that prospective treatment on something that is not now a binding contract. This is a contract for services and it only becomes binding if they later get a permit from the Federal Power Commission. This does not refer to any existing contract to build a pipeline.

Mr. MONDALE. Mr. President, I would like to join the Senator from Texas in his measure and I ask to be made a cosponsor.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the Senator from Minnesota (Mr. MONDALE) be added as a cosponsor of the amendment.

The PRESIDING OFFICER (Mr. HARTKE in the chair). Without objection, it is so ordered.

Mr. LONG. Mr. President, I wish to make clear again that the contracts to which we are referring are contracts that were entered into by the pipeline company, which will be the seller, and the city, which will be the buyer of gas. An application for permission to construct the pipeline was filed with and must be approved by the Federal Power Commission. That specifies how big the pipeline is to be, the kind of pipe with which it is to be constructed, the size of the pipe, the diameter and the material. It also specifies what kind of pipeline must be built to deliver the gas. The whole transaction is binding on the buyer and the seller, subject to the approval of the Federal Power Commission.

We applied the same provision with regard to every industry that showed a similar problem and where there was a binding contract. We gave them the same consideration that was given to them in the House bill.

Mr. YARBOROUGH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. YARBOROUGH. Mr. President, I wish to point out, as explained in the Tax Reform Act reported by the committee, this would apply to a contract to buy or sell fuel not to a construction contract.

If one made a contract and said, "We will buy so much fuel from you in the future if we get a certificate from the FPC," and then, they let the contract lie there to see if they could get a contract to sell, then all they have is a nonbinding agreement, while they decide if the market is good enough to go through with it. They put their evidence before the Federal Power Commission to get the Federal Power Commission certificate in the future. Then, they make a contract to build the pipeline. This would grant the investment credit where there is no contract to build anything at all. It is not a contract. It is an agreement with a condition precedent and they control whether that condition is fulfilled, depending on the diligence with which they pursue our certificate.

Mr. President, this is a benefit granted to 29 companies. It is a $40 million gift to 29 companies. The record shows they build them when they get the chance because the Federal Power Commission guarantees a profit to them. We submit there is no reason for this type of privilege.

It is true the committee did not include it in here. I do not charge the Committee on Finance with including the provision in the bill. I believe that if the provision had been submitted to the Committee on Finance originally they would have turned it down. This was inserted in the other body over the objection of a Representative from my State. He opposed it on the floor of the House of Representatives.

Mr. LONG. Mr. President, again, let me say that we are talking about firm and binding contracts subject only to the approval of a regulatory commission that under the laws has to approve the contract before it can be carried out.

In view of the fact that they are binding contracts that require delivery of the gas and the equipment was specified the committee felt that the fact that the Federal Power Commission had not yet approved the construction of the pipeline needed to carry out the contract should not foreclose the pipeline companies from getting an investment credit to which they are entitled as a matter of justice and equity.

Again I wish to say that every other company that presented a similar problem was given the same consideration.

Mr. TOWER. Mr. President, I must voice my opposition to the amendment offered by my colleague from Texas. It eliminates a part of the Finance Committee bill which must be retained if we are to treat gas transmission companies fairly.

Simply stated, the committee merely provided a transition period for the application of new, increased taxes which will result from repeal of the investment tax credit. What the Finance Committee has done is to prevent the occurrence of a situation where a business attempting to act in accordance with the Government's understanding of what is in the national interest is penalized by government action.

We will have forced the pipeline companies to wait for FPC approval before expanding operations on the one hand, and then imposed a tax on them while they wait. This does not strike me as fair no matter how you look at it.

This is no loophole, Mr. President. The staff of the Committee on Finance, under the able leadership of the distinguished chairman of that committee, examined the circumstances under which pipelines would be granted the transition and wrote very "tight" provisions into the bill which restrict the use of the credit appropriately.

Now it has been argued that we should oppose the transition rules because the 7 percent investment tax credit never should have been extended to regulated industries in the first place. I do not happen to agree, Mr. President, but even if it were so we should not eliminate the transition rules.

The fact is that the tax credit was extended to regulated industries. They were not wrong or somehow immoral to make use of it. Their justified reliance on the credit, and their allowance for it in calculating expansion plans should not be punished merely because the tax credit was repealed while they were waiting for Government approval.

The committee bill protects a company or individual who had become obligated to purchase or construct equipment in order to perform a binding contract but, because of the necessity of the approval of a Federal regulatory agency, had not entered into a binding contract to purchase or construct the equipment necessary to complete the contract. Such a taxpayer who had bound himself as fully as was within his power and who was forced to await the approval of the Federal regulatory agency before proceeding to purchase or construct the equipment should not be penalized simply because he was subject to such regulation. This is especially true when the Federal approval is determined upon a finding that the contract and the purchase or construction of the equipment necessary for its performance are required by the public convenience and necessity.

Mr. President, the word "equity" has been bandied about quite a bit in this Chamber here lately. I think it is time we applied a little of it and rejected this amendment.

Mr. McINTYRE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. LONG. I yield.

## SUBCOMMITTEE MEETING DURING SENATE SESSION TOMORROW

Mr. McINTYRE. Mr. President, I ask unanimous consent that the Subcommittee on Small Business of the Committee on Banking and Currency be permitted to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4293) to provide for continuation of authority for regulation of exports; and that the House receded from its disagreement to the amendment of the Sen-

ate to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7491) to clarify the liability of national banks for certain taxes.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 9163) to authorize the disposal of certain real property in the Chickamauga and Chattanooga National Military Park, Ga., under the Federal Property and Administrative Services Act of 1949.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13763) making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 1 through 34, and 39 through 41 to the bill, and concurred therein; and that the House receded from its disagreement to the amendment of the Senate numbered 37 to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

## TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. LONG. Mr. President, if the Senator from Texas is ready to yield back his time, I am ready to yield back the remainder of my time.

Mr. YARBOROUGH. Mr. President, I yield back the remainder of my time.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Texas. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN (after having voted in the negative). On this vote, I have a pair with the Senator from Oklahoma (Mr. HARRIS). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. BYRD of West Virginia (after having voted in the affirmative). On this vote I have a pair with the Senator from Georgia (Mr. RUSSELL). If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Oklahoma (Mr. HARRIS), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 36, nays 51, as follows:

[No. 213 Leg.]

YEAS—36

| | | |
|---|---|---|
| Aiken | Hart | Moss |
| Allen | Hollings | Muskie |
| Bayh | Hughes | Nelson |
| Bible | Inouye | Pell |
| Byrd, Va. | Jackson | Proxmire |
| Cannon | Kennedy | Randolph |
| Case | Magnuson | Ribicoff |
| Church | Mansfield | Schweiker |
| Cranston | McGee | Spong |
| Eagleton | McGovern | Williams, N.J. |
| Goodell | Metcalf | Williams, Del. |
| Gore | Mondale | Yarborough |

NAYS—51

| | | |
|---|---|---|
| Allott | Fannin | Miller |
| Baker | Fong | Montoya |
| Bellmon | Gravel | Murphy |
| Bennett | Griffin | Packwood |
| Boggs | Gurney | Pearson |
| Brooke | Hansen | Percy |
| Burdick | Hartke | Prouty |
| Cook | Hatfield | Saxbe |
| Cooper | Holland | Scott |
| Cotton | Hruska | Smith, Maine |
| Curtis | Javits | Smith, Ill. |
| Dodd | Jordan, N.C. | Stennis |
| Dole | Jordan, Idaho | Stevens |
| Dominick | Long | Talmadge |
| Eastland | Mathias | Thurmond |
| Ellender | McClellan | Tower |
| Ervin | McIntyre | Young, N. Dak. |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Sparkman, against.
Byrd of West Virginia, for.

NOT VOTING—11

| | | |
|---|---|---|
| Anderson | McCarthy | Symington |
| Fulbright | Mundt | Tydings |
| Goldwater | Pastore | Young, Ohio |
| Harris | Russell | |

So Mr. YARBOROUGH's amendment was rejected.

Mr. BENNETT. Mr. President, I have two amendments which are highly technical. They have been discussed with the chairman of the committee, the ranking minority member of the committee, and the Treasury, they are both acceptable. I would like to send them up to the desk and ask for their immediate consideration, but before I do so, without losing my right to the floor, I ask unanimous consent that I may yield to the Senator from Alaska for 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. Mr. President, earlier today, I offered an amendment pertaining to the Alaska pipeline. After examination of the code, section 49(b)(1), the committee report, and discussing the matter with the staff, I would like to withdraw that amendment. I ask unanimous consent that I may withdraw it at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, I ask unanimous consent that the pending amendment by the Senator from Iowa (Mr. MILLER) may be temporarily laid aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The first amendment of the Senator from Utah will be stated.

The assistant legislative clerk proceeded to read the amendment offered by Mr. BENNETT, for himself, and Mr. MURPHY.

Mr. BENNETT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. GORE. Mr. President, I object. I want to hear what it is.

Mr. BENNETT. I will be glad to explain it.

The PRESIDING OFFICER. Does the Senator withdraw his objection?

Mr. GORE. I do.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 303, after line 25, insert the following new paragraph:

"(6) Notwithstanding any other provision in this subsection, the amendments made by subsection (a) shall not apply to a distribution of stock (or rights to acquire stock) made or considered as made before January 1, 1991, with respect to common stock if, except for this paragraph, such distribution would be taxable by reason of the existence of shares of a class of convertible preferred stock outstanding on April 22, 1969, which are issued not later than December 31, 1974, and if the terms of such convertible preferred stock provide that the conversion ratio thereof may be increased or decreased dependent, in whole or in part, upon the market value of the stock into which such preferred stock is convertible. The preceding sentence shall not apply in the case of shares of such convertible preferred stock (even if issued not later than December 31, 1974) if and to the extent that such shares exceed 25 per centum of the number of shares of common stock outstanding on April 22, 1969, but in no event more than 3,000,000 such shares."

Mr. BENNETT. Mr. President, the purpose of the amendment is to permit a company to issue a limited number of shares for a limited period of time in order to bring the total number of preferred shares up to a number where the stock would have some chance of attracting enough interest on the part of institutional investors to enable the stock to sell at its intrinsic worth.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. GORE. I find it all right.

Mr. BENNETT. I thank my friend.

Mr. President, I ask for a vote on my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

Mr. BENNETT. Mr. President, I send another amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BENNETT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

That subsection (e)(2) of section 333 of the Internal Revenue Code of 1954 (relating to the election as to recognition of gain in certain liquidations) is amended by adding at the end thereof the following new sentence:

"For purposes of this subparagraph (2), stock or securities acquired by a corporation after December 31, 1953, solely in exchange for stock permitted to be received under section 351 without the recognition of gain or loss, shall be treated as acquired before December 31, 1953 if the period for which the stock or securities is deemed to be held by the corporation, determined by applying section 1223(2), includes any period prior to December 31, 1953."

That subsection (f) of section 333 of the Internal Revenue Code of 1954 (relating to the election as to recognition of gain in certain liquidation) is amended by adding at the end thereof the following new sentence:

"For purposes of subparagraph (1), stock or securities acquired by a corporation after December 31, 1953, solely in exchange for stock permitted to be received under section 351 without the recognition of gain or loss, shall be treated as acquired before December 31, 1953 if the period for which the stock or securities is deemed to be held by the corporation, determined by applying section 1223(2), includes any period prior to December 31, 1953."

The provision of this section shall apply to liquidations occurring prior to January 1, 1971.

Mr. BENNETT. Mr. President, I would like to explain that this is an amendment which I have been asked to present by the Senators from Washington (Mr. MAGNUSON and Mr. JACKSON). It is the policy of Congress to encourage liquidation of personal holding companies. In the State of Washington there is a holding company that cannot qualify technically because after the cutoff date of December 1953 it acquired additional stock. This stock, however, was acquired as a tax-free contribution to its capital from a contributor who acquired that stock prior to December 31, 1953.

Because of that condition, the Treasury has indicated that it feels this minor exception should be made.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. GORE. I would like to take a brief moment to pay tribute to the distinguished Senator. If he will permit a Southern Baptist to so characterize him, I would like to describe him as a Christian gentleman.

Mr. BENNETT. The Senator from Utah greatly appreciates that designation, but it puts a tremendous responsibility on the Senator from Utah to try to live up to it.

Mr. President, I ask that the amendment be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I ask unanimous consent that the amendment of the Senator from Iowa (Mr. MILLER) be temporarily laid aside so that I may offer a conforming amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will read the amendment.

The assistant legislative clerk read the amendment as follows:

On page 115, after line 13, insert the following new subparagraph:

"(7) Section 508(e)—Section 508(e) shall not apply to require inclusion in governing instruments of any provisions inconsistent with paragraph (4) of this subsection.

Mr. CURTIS. Mr. President, this amendment does not change anything in the bill. It is a conforming amendment. It has been submitted to the staff. I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

Mr. HRUSKA. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator from Nebraska ask unanimous consent to lay aside temporarily the amendment of the Senator from Iowa (Mr. MILLER)?

Mr. HRUSKA. Yes; I ask unanimous consent that the pending amendment be laid aside temporarily for this purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment of the Senator from Nebraska will be stated.

The assistant legislative clerk read the amendment, as follows:

On Page 399, line 3, strike out "1969" and insert "1970".

On Page 401, line 9, strike out "1969" and insert "1970".

On Page 402, line 6, strike out "1969" and insert "1970".

Mr. HRUSKA. Mr. President, by way of explanation, yesterday the Senate deleted from the bill the provisions with reference to professional corporations and a limitation on the deductible contributions that they may make to pension funds.

There is a similar limitation on contributions to pension funds to be found in section 531, pertaining to subchapter S corporations. The purpose of this amendment is to postpone the effectiveness of section 531 until taxable years following December 31, 1970, instead of December 31, 1969. There has been consultation with the manager of the bill and with other members of the Committee on Finance. There appears to be a consensus that the effective date of section 531 should be set back for the same reason that section 901 was deleted; that is, to allow the Treasury Department ample time in which to complete its study, make its recommendations, and have the Finance Committee recommend such legislation as necessary in the entire pension field.

In my statement of yesterday I referred to the effect of section 531 of the bill. This provision would impose a limit of $2,500 or 10 percent of compensation, whichever is the lesser, on contributions to qualified pension and profit-sharing plans on behalf of shareholder-employees of subchapter S corporations. This limit would apply to taxable years beginning after December 31, 1969.

I concur in the belief of the Treasury Department that there are a number of matters in the deferred compensation area which need careful examination and that a comprehensive review of this area is necessary. In order to permit this review to be undertaken in an orderly fashion, the effective date of section 531 should be postponed for 1 year. As I said earlier, piecemeal amendments are a poor way to deal with difficult matters. The postponement that I recommend will afford us the required time to deal properly with this and related problems.

I call for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska.

Mr. LONG. Mr. President, this amendment would postpone for 1 year the retirement provisions under the new rules for subchapter S corporations. In view of the fact that this matter would be in conference in any event, I am willing to take this amendment to conference. It might be desirable to take more time to study the matter before it goes into effect. I personally do not object to the amendment, and I do not believe the other members of the committee do, either.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GORE. I find serious objection to this proposal. It permits professionals—especially the doctors who have large incomes—to be taxed as a partnership, but still have the benefit of corporate pension and profit-sharing plans.

I do not know why the Senate seems determined to confer such undeserved tax reduction benefits for retirement plans of high-income taxpayers. That is not right.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. GORE. I simply cannot stand here and let this happen unless the Senate is advised. That is all I have to say.

Mr. HRUSKA. Mr. President, we dealt with the section dealing with professional corporations yesterday. The Senate, in its wisdom, deleted that entire section. Whether that was right or wrong is beside the point here. We have a comparable situation in subchapter S corporations, where Congress, as a national policy, has adopted and maintained in force a law giving certain partnership arrangements a corporate quality and cloak for certain purposes.

It seems to me, if the Senate has given the professional corporations total deletion, it would be within the Senate's discretion and would be consistent with its decision yesterday not to delete the subchapter S corporations, but simply to postpone the effectiveness of that section until after December 31 of next year, to give the Finance Committee a chance to receive the report and recommendations of the Treasury Department, and to legislate on the entire subject.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HRUSKA. Surely.

Mr. LONG. This is a compromise previously discussed, and on which I tried to get agreement on yesterday with regard to professional corporations; and I wish we could have agreed to that compromise, because the failure to achieve the compromise caused us to have that provision knocked completely out of the bill.

The effect of the Senator's amendment

would be that with regard to subchapter S corporations, if the House of Representatives agrees to it, 1 year from now the bill would become law anyway, and we could have a look at it, and have the Treasury make recommendations prior to the time it would go into effect.

Mr. GORE. Mr. President, the distinguished Senator from Nebraska advances the unusual logic that because we extended an undeserved benefit yesterday, we should also do so today.

I ask for a rollcall.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Oklahoma (Mr. HARRIS), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) and the Senator from Oklahoma (Mr. HARRIS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Colorado (Mr. DOMINICK), the Senator from Maryland (Mr. MATHIAS), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Illinois (Mr. SMITH) are detained on official business.

If present and voting, the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The result was announced—yeas 52, nays 32, as follows:

[No. 214 Leg.]

YEAS—52

| | | |
|---|---|---|
| Allen | Eastland | McClellan |
| Allott | Ellender | McIntyre |
| Baker | Ervin | Miller |
| Bellmon | Fannin | Murphy |
| Bennett | Fong | Packwood |
| Bible | Griffin | Pearson |
| Boggs | Gurney | Percy |
| Brooke | Hansen | Prouty |
| Burdick | Hatfield | Schweiker |
| Byrd, Va. | Holland | Sparkman |
| Cannon | Hollings | Spong |
| Cook | Hruska | Stennis |
| Cooper | Inouye | Stevens |
| Cotton | Javits | Thurmond |
| Curtis | Jordan, N.C. | Tower |
| Dodd | Jordan, Idaho | Young, N. Dak. |
| Dole | Long | |
| Eagleton | Mansfield | |

NAYS—32

| | | |
|---|---|---|
| Aiken | Gravel | McGee |
| Bayh | Hart | McGovern |
| Byrd, W. Va. | Hartke | Metcalf |
| Case | Hughes | Mondale |
| Church | Jackson | Montoya |
| Goodell | Kennedy | Moss |
| Gore | Magnuson | Muskie |
| Nelson | Ribicoff | Williams, N.J. |
| Pell | Saxbe | Williams, Del. |
| Proxmire | Smith, Maine | Yarborough |
| Randolph | Talmadge | |

NOT VOTING—16

| | | |
|---|---|---|
| Anderson | Mathias | Smith, Ill. |
| Cranston | McCarthy | Symington |
| Dominick | Mundt | Tydings |
| Fulbright | Pastore | Young, Ohio |
| Goldwater | Russell | |
| Harris | Scott | |

So Mr. HRUSKA's amendment was agreed to.

Mr. HRUSKA. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. Mr. President, I move to lay that motion on the table.

Mr. CURTIS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. MILLER. Mr. President, I ask unanimous consent that I may yield to the Senator from New York without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I shall be very brief. I have amendment No. 309 which calls for certain types of information to be included in the Secretary of the Treasury's annual report.

Mr. President, I ask unanimous consent that the text of amendment No. 309 be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

The following new section is to be added at the end of the bill:

"SEC.—. INFORMATION TO BE INCLUDED IN SECRETARY'S ANNUAL REPORT.

"(a) REVENUE LOSSES.—The Secretary of the Treasury shall include in his annual report to the Congress estimates of the losses in revenues for the fiscal year for which such report is submitted which result under the provisions of subtitle A of the Internal Revenue Code of 1954 and other laws of the United States from—

"(1) the exclusion of items of income for purposes of the taxes imposed by such subtitle,

"(2) the deductions allowed under such subtitle.

"(3) the deferral of the imposition of the taxes imposed by such subtitle, and

"(4) such other special tax provisions in such subtitle or in other laws of the United States as the Secretary considers appropriate to carry out the purposes of this subsection."

The Secretary shall include in such report only those revenue losses which in his judgment are significant and can be ascertained with reasonable accuracy.

"(b) TAX EXPENDITURES.—The Secretary of the Treasury shall include in his annual report to the Congress estimates of the indirect expenditures made and to be made by the Government through the application and operation of the Federal income tax laws for the fiscal year for which such report is submitted and for the succeeding two fiscal years. Such indirect expenditures shall be related, insofar as possible, to budget outlays as set forth in the Budget of the United States Government for the same fiscal year for which such report is submitted. Such indirect expenditures shall be based on the revenue losses described in subsection (a), but, for purposes of this subsection, such losses may be qualified in such manner as the Secretary considers appropriate to carry out the purposes of this subsection."

Mr. JAVITS. Mr. President, this very information I asked for was included in the 1968 annual report of the Secretary of the Treasury. What it deals with is the amount which the various tax preferences, and so forth, really cost us.

This is a very important question which has arisen time and time again in the debate.

I would like to ask the manager of the bill a question. It is my understanding that the Secretary is now committed to include the same information in all future reports.

If that is the understanding of the manager of the bill as well, there is no need for pursuing amendment No. 309.

Mr. LONG. Mr. President, I believe that to be the case. And I think it is a good idea.

Mr. JAVITS. Mr. President, I thank the Senator very much.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. MILLER. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The question now recurs on the amendment of the Senator from Iowa.

UNANIMOUS-CONSENT AGREEMENT

Mr. MILLER. Mr. President, I am perfectly agreeable to entering into a time limitation if the manager of the bill would like to do so.

Mr. LONG. Mr. President, I ask unanimous consent that further debate on the pending amendment be limited to 20 minutes, the time to be equally divided between the Senator from Iowa and a Senator in opposition to be designated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 4 minutes.

Mr. MILLER. Mr. President, the reason for laying the amendment temporarily aside was to enable the representatives of the Treasury staff to do some work on analyzing some further implications in the amendment. I am pleased to tell my colleagues that the Treasury representatives believe that my amendment is a better approach than the one in the bill. Additionally, it will bring in $740 million of revenue as against $700 million under the bill.

The Senator from Massachusetts asked for the impact of this amendment on corporations and individuals. I am advised that the estimate is that this amendment would bring in $400 million more revenue from corporations and $340 million more from individuals—in just about the same proportion as the pending bill would affect corporations and individuals.

Mr. President, I think the proposition before the Senate is very simple. Are we going to be satisfied with the application of the pending bill to those taxpayers who are paying no tax, for example, by taxing them only 5 percent on their tax

preferences, or do we want to do a better job, a more equitable job?

My amendment will tax them to the extent of 10 percent.

On the other hand, it seems that it is inequitable to take those taxpayers who are already paying a large amount of tax in relation to their tax preferences and just add another 5 percent on top of it. I propose to allow them to deduct their taxes against their tax preferences and on the balance apply a 10-percent rate.

As I explained earlier, the higher taxes are in relation to tax preferences, the greater the benefits under my amendment. The lower the taxes in relation to the tax preferences, the harsher my amendment is.

I suggest to my colleagues that what we are trying to do is to get at the real abuses. The most glaring example is that of a large corporation that pays no taxes because of its tax preferences. Under my amendment, they would be taxed 10 percent. Under the pending bill, they would be taxed only 5 percent, and I suggest that that is not adequate.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. CHURCH in the chair). Who yields time?

Mr. KENNEDY. I yield myself 4 minutes.

Mr. President, the difference between the revenues which would be achieved by the amendment of the Senator from Iowa and the committee amendment are virtually the same.

It has been estimated that the committee's 5-percent minimum tax would raise $700 million and that the amendment of the Senator from Iowa would raise $740 million. The figures are virtually the same, within about 5 percent. The real question is, How are we going to approach the question of tax-free income?

Let us take, for example, an individual with $100,000 in taxes and another $100,000 in tax-free income. Under the Miller amendment, he would subtract his $100,000 in taxes from the $100,000 in tax preference income, and he would have a zero base for the minimum tax.

When we apply the Miller amendment's tax rate of 10 percent to that zero base, we still get zero. So no minimum tax would be paid at all for this individual under the Miller amendment. Under the committee bill, however, he would pay a minimum tax of $5,000. Under the present Finance Committee bill, if he has $100,000 of taxable and has $100,000 in preferences, he will know that he must pay a minimum tax.

In fact, before the Miller amendment becomes more effective than the committee bill in taxing what is now tax-free income, the individual must have twice as much tax preference income as the tax he owes to the Federal Government. Only at this level and above does the Miller amendment place a more effective minimum tax on an individual than the present Finance Committee approach.

In other words, the committee recognizes what I think is a very sound principle, and that is the following: Regardless of a person's taxable income, he will always pay 5 percent on his tax loopholes. Of course, I would have liked to see a progressive rate used in calculating the minimum tax. But that proposal was defeated in the Senate last Saturday afternoon. Given this history, I think it would be better to provide an across-the-board 5-percent rate, as the committee provision does. If we adopt the Miller amendment, we will be granting an open invitation to high-salaried corporate executives to pyramid their tax preferences right up to their high tax level. The committee bill is open to no such abuse.

Mr. President, time and time again we have seen instances in which the Finance Committee or the Senate has calculated a meritorious formula, only to have the formula recalculated by those who are in the higher income brackets, in order to take advantage of tax loopholes.

I believe that the minimum tax devised by the Finance Committee, which provides an across-the-board 5-percent tax, is really a more sound, fair, and equitable way to reach the problem of tax shelters than the amendment of the Senator from Iowa.

Mr. MILLER. Mr. President, in response to the Senator from Massachusetts, I say that I think he has fairly put the case. It is true that, unless the tax preferences are much greater than the taxes, they are not going to be hit with higher taxes under my approach. But when I hit them, I hit them twice as hard as the committee bill does, and I suggest that that is the area we should hit harder.

This is another reason why I think the suggestion of the Senator from Massachusetts may not be as well taken as it sounds. I know it is sincere. The Finance Committee already has attacked frontally some of these preferences. For example, the preference of depletion. We have attacked that frontally. Also, the preference of accelerated depreciation. We have attacked that frontally. We have tightened up on it. We have provided for tighter recapture rules to cut down on the opportunities for capital gains. We have tightened up on capital gains by increasing the rates. We have tightened up on amortization, and I suggest that already we have achieved, by a frontal attack in the main bill, the very objectives that the Senator from Massachusetts is suggesting should be achieved.

So, I think that if we have the blend of what we have already done frontally in the committee bill with respect to tax preferences, and then we add the minimum tax of 10 percent, which I suggest, we will have a reasonably balanced package.

I want to make it clear that I do not claim that this is a perfect amendment, and I do not think anybody claims that the pending bill is perfect as to the minimum tax. What I want to see happen is for this proposal to go to conference, where, if perfections can be made, they will be made.

I have three objectives in mind by this amendment: No. 1, to do more equity; and I suggest that taxing at the rate of 5 percent of their tax preferences people who are paying no tax is not doing equity; 10 percent certainly is better. No. 2, I want to see the revenue protected, and this protects the revenue, indeed it adds $40 million. No. 3, I would like to see an alternative type approach brought to the conference, so that the conferees will have a broader opportunity to do a better job.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. KENNEDY. Mr. President, in order for the Miller amendment to improve on the committee bill, an individual's tax preference income must be double the taxes he would pay. Only after his tax shelters reach twice his taxes would the Miller amendment provide additional resources to the Treasury. Only at this point does the Miller amendment offer any advantage whatever over the committee. Meanwhile, it places no minimum tax at all on those who are high-bracket taxpayers and who are enjoying large amounts of tax-free incomes.

Mr. President, ideally I would prefer to have Senator MILLER accept a modification of his amendment, so that an individual would have to pay whichever minimum tax is higher—the Miller version or the committee version. But the hour is late, and I do not wish to subject the matter to a vote. In the circumstances, if we must choose one or the other, I believe that the committee version of the minimum tax is the best approach, and I hope the Miller amendment is rejected.

Mr. MILLER. Mr. President, what is the remaining time on both sides?

The PRESIDING OFFICER. The Senator from Iowa has 4 minutes remaining.

Mr. MILLER. And how much time is remaining to the other side, Mr. President?

The PRESIDING OFFICER. The other side has 5 minutes remaining.

Mr. MILLER. Mr. President, if the Senator from Massachusetts is ready to yield back his time, I am ready to yield back my time.

Mr. BAYH. Mr. President, will the Senator from Iowa yield for a brief question?

Mr. MILLER. Yes, indeed.

Mr. BAYH. Would it be agreeable to the Senator to have a combination of his amendment and the committee amendment and then to say that the high-income taxpayer would pay whichever is greater. The result of this compromise, as the Senator knows, would be to include in the bill the best of the committee version and the best of the Senator's ingenious formula. The revenue produced would be greater than for either formula individually.

Mr. MILLER. I have discussed this with the Senator from Massachusetts. I want to be perfectly fair about it. There is some merit to the Senator's suggestion. However, what bothers me is that we have already had frontal attacks on these tax preferences and we should have an analysis by the Treasury Department as to what this would do.

I understand from the manager of the bill that this can be considered in conference. It would give them a chance to work it out. I do not know how this would apply in view of the frontal attack we have already made.

Mr. LONG. Mr. President, I do not know of anybody who would be adversely affected by the amendment, but who-

ever is adversely affected should be adversely affected because that person must be making a lot of money and have a lot of tax preferences but must be paying very little in taxes. The Senator's amendment would keep us from further increasing taxes on people who are already paying the lowest amount in taxes; and it would raise more money than we have in the committee bill. In this bill we are hitting capital gains four different ways. The House hit capital gains six different ways. The oil industry is being hit nine different ways. The real estate industry is being hit no telling how many ways. I have lost count. With all the different ways we are hitting those interests, it is enough to hit them one more way rather than two.

The Senator's amendment proceeds on the principle that if one is already paying a lot of taxes, the minimum tax will not be an additional burden, but if he is not paying much in the way of taxes he will pay twice as much minimum tax. I think it is a good amendment and I would be willing to vote for it. However, if it is going to be a proposition of "heads you win and tails I lose," I would vote against it.

Mr. MILLER. Mr. President, I agree with the Senator. We have frontally attacked these preferences. I would like to see this bill do more equity than it is doing now. I do not think anybody in the Senate could be proud of going before the American people and saying, "The best we could do with people not paying taxes is to nip them 5 percent."

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. MILLER. I think we could hold our heads higher if we set it at 10 percent.

Mr. KENNEDY. We had a chance to do that last Saturday, and I wish the Senator had been willing to provide progressive rates up to 15 percent for the minimum tax. I am glad the Senator is so concerned about the 5-percent figure. I wish the Senator had been as forceful in his support of the progressive tax.

Mr. MILLER. The Senator was aware of what was going on. What the Senator from Massachusetts would have done would have been to heap 15 percent on top of the tax being paid by people who were paying a lot of taxes already.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

SEVERAL SENATORS. Vote! Vote! Vote!

The PRESIDING OFFICER. Who yields time?

Mr. HARTKE. Mr. President, will the Senator from Massachusetts yield to me for a question?

Mr. KENNEDY. Mr. President, I am prepared to vote.

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. KENNEDY. Mr. President, I yield for a question.

Mr. HARTKE. Mr. President, I wish to ask the distinguished Senator from Massachusetts whether or not he would be willing to accept an amendment of the principle of the Senator from Iowa by reducing the amount of taxes by 50 percent. This would increase the revenue to $990 million. It would provide the same basic principle of a 10-percent tax, but reduce the amount of offset, instead of by the 100 percent suggested by the Senator from Iowa, by 50 percent.

Mr. KENNEDY. That question should be addressed to the Senator from Iowa. That kind of adjustment would make the Senator's amendment a great deal more desirable and more fair. However, once again we are getting into a field where the Treasury Department does not have the figures and it is difficult to predict. I think that the question should be addressed to the Senator from Iowa.

If the Senator from Iowa desires, I would be glad to yield him a minute to respond to the question.

The PRESIDING OFFICER. Does the Senator from Iowa desire to respond in the minute which has been offered to him?

Mr. MILLER. Mr. President, I thank the distinguished Senator from Massachusetts.

With all deference to the suggestion of the distinguished Senator from Indiana, I do think that the idea that the Senator from Massachusetts had of an alternate—either taking the 5 percent or my 10 percent, whichever is higher, has a lot more logic behind it than to just take a fraction of the tax, whether it is one-fourth or one-half. There is merit in the suggestion, but let us go out of here with a measure that can go to conference, something that is open to what the Senator from Indiana has suggested and what the Senator from Massachusetts has suggested; but at least we will have said that anyone who pays no tax is not going to get off the hook for 5 percent; he will have to pay 10 percent at least. With that, I think we will have taken a big step in the right direction.

Mr. KENNEDY. Mr. President, I yield back whatever time I have remaining.

Mr. HARTKE. Mr. President, I send to the desk an amendment and ask that it be stated. I understand the ruling is that no debate is allowed but we can ask for the yeas and nays.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Indiana (Mr. HARTKE) proposes an amendment to the amendment proposed by Mr. MILLER, as follows:

In the proposed subsection (G)(2) strike out "the taxes imposed by this chapter." and insert in lieu thereof "one-half of the amount of the taxes imposed by this chapter."

After the word "reduction" insert "one-half".

Mr. BAYH. Mr. President, a point of order. Perhaps a parliamentary inquiry would be best.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAYH. Mr. President, it seems to me that since we have had two different rulings by the Chair, the present Presiding Officer is in a position to decide if we can accept an amendment to the tax bill without one word of debate.

Is it possible for us to have some debate to find out what is in the amendment? I believe that if we had that opportunity, the Senate would agree to the Hartke amendment.

The PRESIDING OFFICER. First, does the Senator from Indiana offer his amendment as an amendment to the amendment offered by the Senator from Iowa?

Mr. HARTKE. That is correct.

The PRESIDING OFFICER. In accordance with the ruling of the Chair, which was sustained by the Senate this afternoon, the Chair must rule that although an amendment offered by the Senator from Indiana (Mr. HARTKE) is in order, no further debate is in order and the Senate will proceed to vote on the amendment offered by the Senator from Indiana.

Mr. HARTKE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Indiana will state it.

Mr. HARTKE. If unanimous consent is granted then debate could be had, is that correct?

The PRESIDING OFFICER. The Chair would advise the Senator from Indiana that if unanimous consent is granted, almost anything can be done.

Mr. HARTKE. Mr. President, I ask unanimous consent.

Mr. EASTLAND. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HARTKE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana (Mr. HARTKE).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll and Mr. AIKEN voted in the negative.

Mr. LONG. Mr. President, I move to table the Hartke amendment.

The PRESIDING OFFICER. The Chair would advise the Senator from Louisiana that the vote is now in progress. The Chair announced the beginning of the rollcall and since a rollcall vote is in progress, the request of the Senator from Louisiana is out of order.

The clerk will continue the call of the roll.

The bill clerk resumed and concluded the call of the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Oklahoma (Mr. HARRIS), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

On this vote, the Senator from Oklahoma (Mr. HARRIS) is paired with the Senator from Rhode Island (Mr. PASTORE).

If present and voting, the Senator from Oklahoma would vote "yea" and the Senator from Rhode Island would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Vermont (Mr. PROUTY) is necessarily absent.

The Senator from Colorado (Mr. DOMINICK), the Senator from Maryland (Mr. MATHIAS), the Senator from Pennsylvania Mr. SCOTT), and the Senator from Illinois (Mr. SMITH) are detained on official business.

If present and voting, the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Vermont (Mr. PROUTY) and the Senator from Illinois (Mr. SMITH) would each vote "nay."

The result was announced—yeas 31, nays 52, as follows:

[No. 215 Leg.]

YEAS—31

| | | |
|---|---|---|
| Bayh | Hollings | Moss |
| Burdick | Hughes | Muskie |
| Cannon | Inouye | Nelson |
| Church | Jackson | Pell |
| Dodd | Kennedy | Proxmire |
| Eagleton | Magnuson | Randolph |
| Goodell | McGee | Spong |
| Gore | McGovern | Williams, N.J. |
| Gravel | McIntyre | Yarborough |
| Hart | Mondale | |
| Hartke | Montoya | |

NAYS—52

| | | |
|---|---|---|
| Aiken | Ellender | Murphy |
| Allen | Ervin | Packwood |
| Allott | Fannin | Pearson |
| Baker | Fong | Percy |
| Bellmon | Griffin | Ribicoff |
| Bennett | Gurney | Saxbe |
| Bible | Hansen | Schweiker |
| Boggs | Hatfield | Smith, Maine |
| Brooke | Holland | Sparkman |
| Byrd, Va. | Hruska | Stennis |
| Byrd, W. Va. | Javits | Stevens |
| Case | Jordan, N.C. | Talmadge |
| Cook | Jordan, Idaho | Thurmond |
| Cooper | Long | Tower |
| Cotton | Mansfield | Williams, Del. |
| Curtis | McClellan | Young, N. Dak. |
| Dole | Metcalf | |
| Eastland | Miller | |

NOT VOTING—17

| | | |
|---|---|---|
| Anderson | Mathias | Scott |
| Cranston | McCarthy | Smith, Ill. |
| Dominick | Mundt | Symington |
| Fulbright | Pastore | Tydings |
| Goldwater | Prouty | Young, Ohio |
| Harris | Russell | |

So Mr. HARTKE's amendment was rejected.

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from Iowa (Mr. MILLER). All time on the amendment has expired. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Oklahoma (Mr. HARRIS), The Senator from Michigan (Mr. HART), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. HARRIS) and the Senator from Rhode Island (Mr. PASTORE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Vermont (Mr. PROUTY) is necessarily absent.

The Senator from Colorado (Mr. DOMINICK), the Senator from Maryland (Mr. MATHIAS), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Illinois (Mr. SMITH) are detained on official business.

If present and voting, the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Vermont (Mr. PROUTY), and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The result was announced—yeas 72, nays 11, as follows:

[No. 216 Leg.]

YEAS—72

| | | |
|---|---|---|
| Aiken | Ervin | Miller |
| Allen | Fannin | Montoya |
| Allott | Goodell | Murphy |
| Baker | Gravel | Nelson |
| Bayh | Griffin | Packwood |
| Bellmon | Gurney | Pearson |
| Bennett | Hansen | Pell |
| Bible | Hartke | Percy |
| Boggs | Hatfield | Proxmire |
| Brooke | Holland | Randolph |
| Burdick | Hollings | Ribicoff |
| Byrd, Va. | Hruska | Saxbe |
| Byrd, W. Va. | Hughes | Schweiker |
| Cannon | Inouye | Smith, Maine |
| Case | Jackson | Sparkman |
| Church | Javits | Spong |
| Cook | Jordan, N.C. | Stevens |
| Cooper | Jordan, Idaho | Talmadge |
| Cotton | Long | Thurmond |
| Curtis | Magnuson | Tower |
| Dodd | Mansfield | Williams, N.J. |
| Dole | McClellan | Williams, Del. |
| Eastland | McGee | Yarborough |
| Ellender | McIntyre | Young, N. Dak. |

NAYS—11

| | | |
|---|---|---|
| Cranston | Kennedy | Moss |
| Eagleton | McGovern | Muskie |
| Fong | Metcalf | Stennis |
| Gore | Mondale | |

NOT VOTING—17

| | | |
|---|---|---|
| Anderson | Mathias | Scott |
| Dominick | McCarthy | Smith, Ill. |
| Fulbright | Mundt | Symington |
| Goldwater | Pastore | Tydings |
| Harris | Prouty | Young, Ohio |
| Hart | Russell | |

So Mr. MILLER's amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 358

Mr. SPARKMAN. Mr. President, I call up my amendment, No. 358, offered in behalf of myself, the Senator from Tennessee (Mr. BAKER) and my colleague from Alabama (Mr. ALLEN), and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk proceeded to read the amendment.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senate will be in order.

Mr. SPARKMAN's amendment (No. 358) is as follows:

SEC. —. (a) Section 3(a) of the Securities Act of 1933 (15 U.S.C. 77c) (relating to exempted securities) is amended by adding at the end of paragraph (2) the following: "or any security consisting of an obligation evidenced by any bond, note, debenture, or other evidence of indebtedness issued by the United States or any territory thereof, or by the District of Columbia, or by any State of the United States, or by any political subdivision of a State or territory, or by any public instrumentality of one or more States or territories, which is payable from payments to be made in respect of property or money which is or will be used, under a lease, sale, or loan arrangement, by or for industrial or commercial enterprise, if under section 103(c) of the Internal Revenue Code of 1954 (exclusive of section 103(c)(7) thereof) gross income does not include interest on such bond, note, debenture, or other evidence of indebtedness;".

(b) Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c) (relating to exempted securities) is amended by inserting after "any municipal corporate instrumentality of one or more States;" in paragraph (12) the following: "or any security consisting of an obligation evidenced by any bond, note, debenture, or other evidence of indebtedness issued by any one of the foregoing governmental units which is payable from payments to be made in respect of property or money which is or will be used, under a lease, sale, or loan arrangement, by or for industrial or commercial enterprise, if under section 103 of the Internal Revenue Code of 1954 (exclusive of section 103(c)(7) thereof) gross income does not include interest on such bond, note, debenture, or other evidence of indebtedness;".

(c) The amendments made by this section shall apply with respect to securities consisting of obligations evidenced by any bonds, notes, debentures, or other evidences of indebtedness sold after January 31, 1968.

Mr. SPARKMAN. Mr. President, this is a very simple amendment. I have talked with the manager of the bill and with the senior Republican member of the committee, the Senator from Delaware (Mr. WILLIAMS), and I believe they are willing to accept the amendment.

The situation is simply this: A year or so ago, the Congress passed a bill that exempted from taxation industrial development bonds in amounts not to exceed $1 million.

Mr. CURTIS. Was it not $5 million?

Mr. SPARKMAN. It was first proposed to be $5 million, but the amount of $1 million was finally agreed upon.

Later, the Securities and Exchange Commission, by administrative action, instituted a regulation requiring these development corporations to register with the Securities and Exchange Commission. That never was the intent of the legislation at all; and it is a very expensive, long-drawnout operation. It costs, I would estimate, between $50,000 and $75,000.

That means that the little industrial development programs that we intended to help are simply denied the benefit.

Mr. LONG. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LONG. What the Securities and Exchange Commission has done is to increase by about $75,000 per bond issue the cost of issuing less than $1 million worth of bonds to help finance some local type of industrial development.

As I understand it, the amendment would cost the Federal Government nothing.

Mr. SPARKMAN. Nothing.

Mr. LONG. The amendment just takes a burden off the communities and State governments which need not exist; and, if anything, it would tend to save the Government money, rather than cost the Government anything. It is just an un-

necessary burden on a function of government. There is no revenue loss at all, and, if anything, as I say, it would save money.

Mr. SPARKMAN. The Senator is exactly right, and the provision was not in the law itself.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama.

Mr. BAKER. I rise to support the amendment of the distinguished Senator from Alabama.

Mr. President, on May 27 of this year I introduced an amendment to the Internal Revenue Code pertaining to the income tax treatment of interest on industrial development bonds. A section of this bill provided for a requirement of registration of State and local securities with the Securities and Exchange Commission only in such instances as the obligations are defined as industrial development bonds and taxable under the Internal Revenue Code. The amendment offered by this distinguished senior Senator from Alabama (Mr. SPARKMAN), which I am cosponsoring, is identical to the language of the section in my earlier bill.

As Senator SPARKMAN points out, the Senate in 1968 curtailed large industrial development bond issues and firmly fixed a tax-exempt ceiling of $1 million or, under special circumstances, $5 million for any one company in any one county. The intent of the Congress was to permit these smaller issues to continue to be considered on the same basis as ordinary municipal bonds. Unfortunately, however, on January 31, 1968, the Securities and Exchange Commission established a registration requirement which effectively emasculated the decision by the Congress on these small issues by requiring that the small issues be registered in accordance with SEC regulations. This emasculation results from the substantial cost involved in complying with SEC regulations which range from a low of $50,000 to a high of $75,000 in legal, auditing, and printing costs and also means a delay of issuance of 4 to 6 months. It is this cost and delay that effectively prohibits the use of small issues.

The Commission took this action even though the Securities Act of 1933 and the Securities Exchange Act of 1934 specify that obligations of State governments and their local entities are exempt from registration and even though the Congress continued the tax exemption for small issues. The amendment offered today provides that those obligations that are taxable under the Internal Revenue Code be registered with the Securities and Exchange Commission while those obligations that the Congress has specified are not taxable under the Code would not have to be registered.

I urge the adoption of the amendment to fulfill the original intent of Congress and to relieve an unwarranted and costly restriction that the Commission has imposed on State and local governments.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama.

The amendment was agreed to.

AMENDMENT NO. 416

Mr. DOLE. Mr. President, I call up my amendment No. 416, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The BILL CLERK. The Senator from Kansas (Mr. DOLE) proposes amendment No. 416, as follows:

At the proper place insert the following new section:

"SEC. —. POLITICAL ACTIVITIES OF LABOR ORGANIZATIONS.

"(a) IN GENERAL.—Section 501(c) (relating to list of exempt organizations) is amended by striking out paragraph (5) and inserting in lieu thereof the following:

"'(5) Labor organizations which do not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office, and agricultural or horticultural organizations.'

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act."

Mr. LONG. Mr. President, will the Senator from Kansas agree to a time limitation? How much time does the Senator require?

Mr. DOLE. I think 10 minutes on a side.

Mr. JAVITS. Mr. President, will the Senator from Louisiana yield, before he makes his unanimous-consent request?

Mr. LONG. I yield.

Mr. JAVITS. I hope my colleagues understand that in my judgment—I have read the amendment, and have remained here tonight to try to do something about it—it essentially reargues the case which we debated at considerable length respecting alleged union political activities.

I think personally that notwithstanding the lateness of the hour, none of us individually is keeping the Senate in session; it is the majority's decision. That does not mean that these things have to be pushed off as if they were unimportant. They can be very important.

Therefore, I would most respectfully suggest that there be a time limitation of at least a half hour on a side, so that if Senators want to be heard or say something about it, they will not be suddenly snuffed out.

Mr. LONG. Mr. President, I ask unanimous consent that there be a time limitation of one-half hour on each side.

Mr. MANSFIELD. Mr. President, reserving the right to object—and I shall not object—I think the issue is very plain. There has been an amendment somewhat similar to this, and I hope, in the interests of the Senate as a whole, we will not use up all that time.

The PRESIDING OFFICER. Is there objection?

Mr. FANNIN. Mr. President, reserving the right to object, this amendment does not pertain to voter registration. Most of the debate when I offered a similar amendment a few days ago was on voter registration. So this is a different amendment, and I trust that it will be given consideration as such.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

Mr. LONG. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I hope we will not use all the time on this amendment. Although I think the amendment contains merit and will muster a substantial vote, I do not think it will carry, and it is almost the same thing that the Senate spent about 4 hours debating the other day.

In the Committee on Finance, when we considered the Fannin amendment on the same point—it might not have been as well drafted, but it was basically the same amendment—the chairman said to the members of the committee, "I think everybody knows how he wants to vote. We are either in favor of it or against it. All in favor say aye, all opposed say nay." We disposed of it in 60 seconds, although it took 4 hours on the Senate floor yesterday.

So I hope the Senators will keep in mind that yesterday we have had a vote on this type of amendment, to see what the general philosophy of the Senate was. We determined that, and I hope we will not debate this issue further. We will just arrive at the same conclusion on it. I have no doubt the vote will go basically the same way.

The PRESIDING OFFICER. The Senate is now proceeding under a unanimous-consent agreement giving 30 minutes for debate to each side. The Chair recognizes the Senator from Kansas. How much time does he yield himself?

Mr. DOLE. Mr. President, I yield myself 5 minutes.

I certainly concur in the general statement made by the Senator from Louisiana. I think we all recognize the basic thrust of the amendment, but I would point out that when we discussed at some length yesterday the Fannin amendment, there was much discussion about the fact that it contained a provision prohibiting voter registration.

And this amendment does not do that. And this is the basic difference. Let me point out that the Fannin amendment applied to all section 501(c) organizations. The Dole amendment, amendment No. 416, treats unions the same as section 501(c)(3) or organizations, such as the United Givers Fund, Easter Seals, and so forth.

It would place labor organizations in the same position as corporations for profit in that all such activities would be taken out of aftertax dollars. Our amendment would assure that political activities of unions would use aftertax dollars. To recap what happened yesterday in the debate, the Fannin amendment denied the use of tax-exempt money for, first of all, support of candidates and, second, support of parties, and the most controversial section was with reference to voter registration drives.

My amendment uses the same language contained in section 501(c)(3) but only insofar as it would deny tax-exempt status for labor organizations supporting candidates in political campaigns.

My amendment would not prohibit unions from carrying on propaganda. It would not prohibit lobbying or voter registration drives, but it would deny tax-exempt status to unions which partici-

pated in or conducted any political campaign on behalf of any candidate.

Mr. President, I recognize the lateness of the hour. And I certainly recognize that the issue is very simple. It is whether labor unions should be using tax-exempt dollars to engage in political campaigns to influence the election of any candidate for public office.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. TOWER. Mr. President, this would not make it impossible for organizations like the League of Women Voters or the Jaycees, or any of these other organizations to engage in voter registration drives. They would be exempt from the provisions of the amendment?

Mr. DOLE. That is the intent of the amendment, yes. No section 501(c) organization would be prohibited from conducting voter registration drives by my amendment.

Mr. HATFIELD. Mr. President, would the amendment put the labor organizations in the same category as the Grange, the Farmers' Bureau, and the Farmers' Union?

Mr. DOLE. It would not put them in the same position. However, I do not think they engage in political activity. I think they engage in lobbying efforts, but I do not know of any of them that have engaged in political activity.

Mr. HATFIELD. The Senator should come to Oregon.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. GRIFFIN. Mr. President, at first blush I thought the amendment was one that I could support. I supported the Fannin amendment. However, as I read and think about the amendment, I am concerned about a labor organization which uses not dollars—which I would object to for any political purpose—but COPE funds. Let us assume that they are collected voluntarily. What would be the impact or effect of the Senator's amendment?

Mr. DOLE. Mr. President, I do not think it would have any effect at all. We are talking about unions which use tax-exempt dollars.

Mr. GRIFFIN. Mr. President, I appreciate the Senator's answer. I am not quite sure that it is clear that that is the case as I read the amendment.

It seemed to me that a labor organization which under any circumstances intervened in a political campaign would be denied its tax-exempt status, whether it was using union dues or not. If that is what we want to do, I think we ought to be clear on it.

Mr. DOLE. Mr. President, the present section 501(c)(3) deals with corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or for the prevention of cruelty to children or animals.

This says in part that they are tax exempt and the funds are tax exempt unless they "participate in or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office."

In an effort to avoid controversy about voter registration or even about party, I incorporate in my amendment the same language just cited from section 501(c)(3).

It is my purpose to make it very clear that the conducting of voter registration drives does not infringe on the right of the League of Women Voters or the AFL–CIO, or COPE. It is intended to keep labor unions from engaging in any election campaigns for public office with tax-exempt funds.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOLE. Mr. President, I reserve the remainder of my time.

Mr. LONG. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. MONDALE. Mr. President, this is the fourth of a series of amendments which have been presented designed to cripple the opportunity of organized labor to present their points of view in an effective way.

In a real sense, this goes further than any of the others, because the past three would not have prohibited the use of voluntarily contributed money, usually known as COPE funds, as well as union treasury funds.

Treasury funds cannot be used anyhow. It is prohibited by Federal law.

This would deny tax exemption to any union which used money that was contributed voluntarily, with the specific consent of an individual union member, for political purposes.

I think this goes further than any other amendment that has been presented to cripple and paralyze labor unions.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. AIKEN. Mr. President, does the Senator think that would include REA cooperatives, as well?

Mr. MONDALE. Mr. President, the amendment is unique in another respect. I would say to the Senator from Vermont that some of the three preceding amendments at least presented the appearance of applying to tax-exempt associations generally. This does not. The facade is dropped, and they apply a belly punch to the labor organization.

It does not apply to the chamber of commerce or to the American Medical Association, or to the National Association of Manufacturers, or to the National Right To Work Committee or to any of the other tax-exempt organizations, but only to organized labor.

It reaches beyond treasury funds of the union to prohibit the use of voluntary funds as well. This goes further than any of the others.

It does not affect corporate officers' giving whatsoever, even though every report shows that more outside funds from that source find their way into campaigns than money from any other source. However, not a word is included in the amendment about that.

These amendments are not offered on behalf of officers who are required to be elected by democratic processes and work in plants of the union.

These amendments are designed to intimidate and to destroy the capacity of an association of people, joining together in a union, to have any influence in the political sector whatever.

It assumes that labor leaders, the stewards at regular annual meeting, and all the rest, in no way accurately reflect the will of the people working in factories in this country.

These amendments come from sources such as the National Right To Work Committee and the chamber of commerce and the antilabor groups which want to shackle the vibrant source of labor strength in this country.

Mr. President, I hope the amendment will be rejected.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. YARBOROUGH. Mr. President, I ask the Senator from Minnesota, looking at lines 6 through 9, where it reads, "Labor organizations which do not participate in, or intervene in—including the publishing or distributing of statements—any political campaign on behalf of any candidate" whether that wording includes the publishing of statements, including the publishing of the organization's own paper that goes to its members?

Mr. MONDALE. I would also take this to mean that if a labor union, in its regular newspaper, wrote an editorial in support of a candidate, it would lose its tax exemption and would have to pay corporate tax rates on all the dues and assets of that organization.

Mr. YARBOROUGH. That is only if they limited this to the newspaper.

Mr. MONDALE. The Senator is correct.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, will the Senator yield me 5 minutes?

Mr. LONG. I yield 5 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I requested more time than we obviously will need to deal with this amendment. The Senator from Kansas (Mr. DOLE), commendably, has made his statement brief, and so has the Senator from Minnesota (Mr. MONDALE), and I will be brief, also.

The only point that has not been made is that every illegitimate union activity which Senator DOLE says he believes his amendment reaches is dealt with by the Corrupt Practices Act. Beyond that, if he goes beyond that, and I think his amendment does, you are dealing with first amendment rights. Not even the right of a trade union to tell its own members what it thinks about anything or to write an editorial in its newspaper. Whether it is for or against any of us, we should be vigilant to protect those rights. Again, the penalty is much greater than any crime that is likely to be committed, because they lose their whole tax-exempt status. I cannot conceive of that.

In addition, this amendment is very vague, and I think courts would hold it is vague and indefinite. This is a penalty provision, let us remember. What is meant by the words "participate in" or,

what is even worse to my mind, "intervening"?

It seems to me that if you publish an article in which you say this union has or has not endorsed so and so, that is intervening in an election. So I do not think the amendment is saved for the fact that it is confined to candidates. The Corrupt Practices Act is confined to candidates in Federal elections.

What the appendage "an agricultural or horticultural organization" means, I do not know. It is apparently a tail which may be wagging this dog and may be insignificant; but it is there, and we have to take it for what it is, and it leaves us in considerable doubt and will worry any court. What does it mean in terms of "an agricultural or horticultural organization" in respect of participation in or intervening in any political campaign?

On those grounds, and because it seems to me the question was thoroughly debated and decidedly decided by the Senate, I hope very much that the amendment will be rejected.

The PRESIDING OFFICER. Who yields time?

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. DOLE. I yield 5 minutes to the Senator from Arizona.

Mr. FANNIN. Mr. President, this matter was debated yesterday, but most of the time was devoted to a discussion of voter registration. It seems peculiar to me that these objections come up now.

One of the principal objectives of these amendments, and the objective in my amendment, are to bring about a better balance between labor and management. A drastic situation is facing this country. We are gradually seeing jobs moved out of our country, exported to other nations. And why? Because we do have this imbalance—the great power that labor unions possess.

We have talked about the Corrupt Practices Act. I covered that thoroughly in my statement earlier, and explained that the Corrupt Practices Act does not cover the abuses mentioned here.

If we look at it from the standpoint of what is best for this country and what will best bring about the conditions we all desire we will try to put both unions and managment on an equal footing. We all must realize that the unions do have special statutory privileges today, and this has been brought out by the distinguished Senator from Kansas. He is just attempting to bring about a correction to this problem.

Let me stress again what is happening. Companies are moving into neighboring countries. We have seen them move across the waters, placing plants in other nations, rather than in this country. Why? Not only because of the wage rates. Surely, that is a very important matter—but also because of the factor of productivity and the ability of the mangement of these companies to work with their employees. This is a most important matter.

I feel that if we correct these imbalances, and eliminate some of the undue power of the union officials and their vast treasury, we will be doing a great benefit to all the people of our Nation. Consider that over a billion dollars in dues is collected each year by unions. Without political activities that could possibly be cut in half.

I know that all that amount is not contributed to political candidates. But, knowing how unions operate, I submit that a vast amount of money is lost to the union worker. In most instances the union member is not voluntarily contributing his money. A union attorney appearing before the Supreme Court gave examples of what happened when he was questioned. He admitted that they could not voluntarily raise the amount of money they needed to carry on their work. Consequently, they did use dues money. That is a matter of record.

I know that the reports have been given to the House of Representatives. These disclosures indicate what has happened. Vast sums of money are utilized that are not given voluntarily.

I feel that by adopting this amendment the Senate will be doing a great service for the future of this Nation.

The PRESIDING OFFICER. Are there further requests for time?

Do Senators yield back their time?

Mr. LONG. I yield back the remainder of my time.

Mr. DOLE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Kansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS (when his name was called). Mr. President, on this vote I have a pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HOLLAND (after having voted in the affirmative). Mr. President, on this issue I announce a pair with the senior Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "nay." I have already voted "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Oklahoma (Mr. HARRIS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. HARRIS) and the Senator from Rhode Island (Mr. PASTORE) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Vermont (Mr. PROUTY) is necessarily absent.

The Senator from Colorado (Mr. DOMINICK), the Senator from Maryland (Mr. MATHIAS), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Illinois (Mr. SMITH) are detained on official business.

If present and voting, the Senator from Colorado (Mr. DOMINICK) and the Senator from Vermont (Mr. PROUTY) would each vote "nay."

The Senator from Alaska (Mr. STEVENS) has previously announced his pair with the Senator from Arizona (Mr. GOLDWATER).

The result was announced—yeas 10, nays 71, as follows:

[No. 217 Leg.]

YEAS—10

| | | |
|---|---|---|
| Bennett | Gurney | Tower |
| Curtis | Hansen | Williams, Del. |
| Dole | Hruska | |
| Fannin | Thurmond | |

NAYS—71

| | | |
|---|---|---|
| Aiken | Fong | Mondale |
| Allen | Goodell | Montoya |
| Allott | Gore | Moss |
| Baker | Gravel | Murphy |
| Bayh | Griffin | Muskie |
| Bellmon | Hart | Nelson |
| Bible | Hartke | Packwood |
| Boggs | Hatfield | Pearson |
| Brooke | Hollings | Pell |
| Burdick | Hughes | Percy |
| Byrd, Va. | Inouye | Proxmire |
| Byrd, W. Va. | Jackson | Randolph |
| Cannon | Javits | Ribicoff |
| Case | Jordan, N.C. | Saxbe |
| Church | Jordan, Idaho | Schweiker |
| Cook | Long | Smith, Maine |
| Cooper | Magnuson | Sparkman |
| Cotton | Mansfield | Spong |
| Cranston | McClellan | Stennis |
| Dodd | McGee | Talmadge |
| Eagleton | McGovern | Williams, N.J. |
| Eastland | McIntyre | Yarborough |
| Ellender | Metcalf | Young, N. Dak. |
| Ervin | Miller | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Stevens, against.
Holland, for.

NOT VOTING—17

| | | |
|---|---|---|
| Anderson | Mathias | Scott |
| Dominick | McCarthy | Smith, Ill. |
| Fulbright | Mundt | Symington |
| Goldwater | Pastore | Tydings |
| Harris | Prouty | Young, Ohio |
| Kennedy | Russell | |

So Mr. DOLE's amendment was rejected.

Mr. CURTIS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read the amendment as follows:

At the end of the bill insert the following new section:

"SEC. ——. POSTPONEMENT OF EFFECTIVE DATES OF CERTAIN PROVISIONS.

"Notwithstanding any other provision of this Act, the following amendments made by this Act shall be applicable only to taxable years beginning on and after the first day of January which falls within the first fiscal year following the date of the enactment of this Act for which it is estimated that there will be a surplus in the administrative budget of the United States Government:

"(1) The amendments made to sections 1 and 3 of the Internal Revenue Code of 1954 (relating to tax tables applicable to individuals).

"(2) The amendments raising the deduction for personal exemptions of individuals.

"(3) The amendment granting a credit against tax for certain expenses of higher education.

"(4) The amendment granting an increase in the amount deductible for medical expenses.

"(5) The amendment providing an exception to the repeal of the investments credit in the case of certain depressed areas.

"(6) The amendment granting an annual exception to the repeal of the investment credit for the first $20,000 of investments in section 38 property.

"The determination as to whether there is to be a surplus in the administration budget for a fiscal year ending after the date of the enactment of this Act shall be made by the Secretary of the Treasury and published in the Federal Register."

Mr. GRIFFIN. Mr. President, will the Senator from Nebraska yield to me briefly?

Mr. CURTIS. I yield.

Mr. GRIFFIN. Because a number of Senators have inquired of me, I should like to ask the distinguished majority leader what he thinks the prospects are for finishing the bill.

Mr. MANSFIELD. First, before responding to the question of the distinguished acting Republican leader, the amendment just read seems like a recommital before third reading. However, it is my understanding that this will be the last amendment——

Mr. CURTIS. This will be the last one for me.

Mr. MANSFIELD. Well, the Senator from Nebraska thinks it will not take very long.

Mr. CURTIS. No.

Mr. MANSFIELD. The Senator from Nebraska says he can finish up his amendment in 5 minutes. The Senator from Alabama says he can do better and finish up in less than a minute?

Mr. SPARKMAN. Two or 3 minutes. If I do not receive too much "fire" from other Senators.

Mr. MANSFIELD. Mr. President, barring unforeseen circumstances, it is our hope that we can reach third reading, and that will be the end of business for tonight.

It is my understanding that there may well be a motion to recommit the bill to come at some time on tomorrow, possibly in the late morning or early afternoon.

It is the intention of the joint leadership, if we do get to third reading tonight—and what a relief that will be—that on tomorrow we will take up, at 9 o'clock a.m., the conference reports on the legislative appropriation bill, and following that the District of Columbia appropriation bill; and then, at that time, hopefully, we can return to consideration of the tax bill on a post-third-reading basis.

Following disposition of the tax bill, it is the intention of the joint leadership to consider taking up various other measures, such as the foreign aid authorization bill, maybe the cigarette labeling bill, and other measures which have been enunciated before this time.

Thus, we will have a pretty busy week, but it will be a lot easier if we ever get third reading on this particular measure.

Mr. CURTIS. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President, will the Senator from Nebraska yield to me briefly?

Mr. CURTIS. For a question, I yield.

Mr. SPARKMAN. I wish to ask a question of the distinguished majority leader. There are two very brief conference reports, one on housing and one on taxation of national banks by the States which were unanimously agreed to, and I think we can dispose of them right off, tomorrow.

Mr. MANSFIELD. Tomorrow morning, or tonight?

Mr. SPARKMAN. No, not tonight. The Senator from Utah (Mr. BENNETT) does not want it tonight.

Mr. TOWER. Mr. President, if the Senator will yield, speaking to the housing conference report, the minority is perfectly willing to take it up tomorrow. I cannot speak for the conference report on taxation.

Mr. SPARKMAN. The Senator from Utah (Mr. BENNETT) wanted that one held for tomorrow.

Mr. MANSFIELD. Very well.

Mr. SPARKMAN. He does not want to take up either one tonight.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska?

Mr. CURTIS. I thank the Chair. I can be very brief. The only argument I have to make is to tell Senators what the amendment contains.

It is my hope that there will not be a motion to table it. I think there is a basic policy involved and we are entitled to have a vote.

Mr. President, the amendment would provide that the major reduction of taxes in the bill shall not take effect until the budget is balanced and there is a surplus in the Treasury.

It calls upon the Secretary of the Treasury, at the first of the year, to estimate whether there will be a surplus at the end of the fiscal year and, if so, the reductions will go into effect.

Now, here are the reductions.

The reductions in rates, I realize, were knocked out by the Gore amendment, but they may be in conference. The Gore amendment raises the exemption, which is a laudable thing, and most of us favor it. But I am opposed to reducing taxes if we have to borrow the money and go into debt to do it.

The next reduction is the amendment granting credit for certain expenses of higher education. I think that is a good thing, but I am opposed to doing it with borrowed money. I am opposed to setting a tax reduction if we have to increase the national debt to do it.

The next one is the amendment granting an increase in deductible medical expenses. That affects only those in the higher income brackets. Eighty percent of people over 65 years of age do not file an income tax.

The next reduction is the amendment providing an exception to the repeal of the investment tax credit in certain depressed areas, a very desirable thing. But, to me, it is not desirable enough to go into debt to do it, to borrow the money to make such a reduction.

The last one is an amendment granting an annual exception to the repeal of the investment credit for the first $20,000 of investment.

Mr. President, this involves $5 billion in tax reductions. I do not strike any of it from the bill. All it does is provide that the effective date of the reductions shall be on January 1, when the Secretary of the Treasury can estimate that the budget will be balanced and there will be a surplus at the end of the fiscal year.

Mr. GORE. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. GORE. I hope the Senator will not press his amendment. It is now 9:30 o'clock and I have been to the desk to try to read the Senator's amendment but I cannot even find a copy. It has not been printed. The Senator proposes to open up the whole bill and yet we cannot even find a printed copy. Since it is now 9:30 o'clock in the evening, we should not pass it in just a few moments. I therefore suggest to the able chairman of the committee that if we are going to follow that procedure, let us adjourn until Monday next and start all over again.

Mr. CURTIS. Mr. President, this is not a technical amendment changing the bill. What the distinguished Senator says has no relevance at all.

Mr. GORE. How do I know it does or does not, because I cannot see a copy of the amendment.

Mr. CURTIS. It is merely an issue: Shall we borrow money to reduce taxes? Shall we vote $5 billion in tax reductions when, without it we will have a deficit next July?

Mr. PERCY. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. PERCY. Mr. President, I commend the Senator from Nebraska for introducing this amendment which will delay the effects of any amendment adopted by the Senate that causes a loss of revenue to the Federal Treasury until such time as the Federal budget is in surplus. I intend to support this amendment. If it is adopted, it will be the only basis upon which I can vote for this "so-called" tax reform bill.

Mr. President, I intend to vote "no" if the so-called Tax Reform Act of 1969 is presented to the Senate for final passage tomorrow in its present form as amended.

I know of few more urgent domestic needs before us than the reform of our tax code, the necessity to strike from our tax laws the many inequities and loopholes that now exist and to restore tax justice to our society.

In advancing that goal, I have sponsored and supported numerous reform proposals incorporated within the pending tax measure—proposals that would end tax avoidance by the wealthy, that would provide for low-income allowances for the poor and that would curb self-dealing by foundations while helping legitimate charitable institutions to pursue their urgent tasks.

Yet I can no longer regard the measure before us basically as a tax-reform bill. For it has been twisted on the Senate floor into an unwarranted, unjustified, dangerous and ill-timed tax cut that would only play a cruel trick on the very people it is supposed to relieve. For this reason, I cannot and will not vote for this bill.

As passed by the House, the Tax Reform Act of 1969 would lead to a long-term net revenue loss to the Treasury of $3.3 billion a year. The tax bill approved by the Senate Finance Committee, while differing from the House measure in several respects, would have a similar $3.3 billion impact on Treasury revenues.

The bill as altered by the Senate would more than triple this loss. Action on the Senate floor has now resulted in an additional revenue loss of more than $9,000,000,000 for 1970 over the Senate Finance Committee bill and a revenue loss of more than $11,250,000,000 in 1971. The immediate effect of these actions on our economy could surely be to induce an inflationary spiral without precedent in modern times. While all Americans would be injured by such an unchecked inflation, the blow would fall most heavily upon people with low wages, fixed incomes and limited means—the poor, the elderly, the retired pensioner.

In principle, some of the revisions that have been made to the bill—increased social security payments, higher personal exemptions—are legitimate and I would support them within a sound fiscal climate. But as inserted in this bill, the cumulative effect of these and other revenue losses strips the measure of its basic fiscal soundness and, most importantly, imperils its many needed tax reforms.

They would, of course, all go down the drain with a Presidential veto. And the President, having rightly warned of the dangers of such an inflationary approach, has clearly indicated that he cannot sign the Senate tax bill in its present form.

Not the least of my intentions in voting against this bill—should it nevertheless pass—is to add my weight to those who would have the Senate's conferees join those of the House in drafting a more responsible tax measure that would create greater tax justice for our people while preserving the integrity of the economy under which we live.

That is the kind of measure I had hoped the Senate would write.

That is the kind of measure I can support.

Mr. CURTIS. Mr. President, a vote on this amendment will in no sense prejudice the right of any Senator to make a motion to recommit tomorrow. I merely ask a vote on the policy issue: Shall we borrow money to reduce taxes, or shall we postpone the effective date until there is a surplus in the Treasury?

Mr. President, I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska.

Mr. LONG. Mr. President, what the Senator has done here is to pick out the expensive items that were added to the bill on the Senate floor. Then he proposes that all those items should be postponed and not take effect until the Director of the Budget, or someone in the administration, the President, estimates that he is going to have a balanced administrative budget. That would not be next year, or anytime soon. Mind you, Mr. President, that is not a balance in the unified budget, which would be easier to achieve. The Senator is talking about a balance in the administrative budget.

The Senator is proposing that no part of the Gore amendment would go into effect next year—no part whatever. That means, having debated that matter for almost a week, he wants to reopen it tonight, at 9:32 p.m., when we are hoping to get to third reading.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. in just a moment. I know what is going to happen if we permit this amendment to go to a vote on its merits. Just for fear that it might carry, the Senator from Tennessee will move to strike the part that affects the Gore amendment. If I were the Senator from Tennessee, that is what I would do.

Then the Senator from Colorado or the Senator from Indiana will get up and move to strike out the part that affects his amendment. Then the Senator from Alaska will offer an amendment to strike out the part that affects the Stevens amendment.

I guess after a while the Senator from Louisiana will get up and move to strike the part that affects the Long amendment, the social security amendment.

We will be here all night long.

As the Senator from Tennessee has suggested, we might as well quit now, go home, get a good rest over the week-end, and then start on the bill all over again Monday—after 3 weeks of work.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. I yield for a question.

Mr. CURTIS. Social security is not involved. This amendment has been drawn with compassion. The low-income taxpayer is not touched at all. It is not complicated at all. It is merely a question of the effective date.

Mr. LONG. The Senator from Nebraska in effect is making a motion to recommit before the appropriate time for it to be made. That should be made after third reading. I reserve the right to vote for a motion to recommit, if a Senator wants to make one, after we have had a chance to look at it and see what the motion is.

Mr. CURTIS. That is not a correct statement. All I am doing is offering an amendment relating to the effective date. It is not a motion to recommit. It does not send the bill to committee. I hope the distinguished Senator——

The PRESIDING OFFICER. The Chair must insist on proceeding in the regular order. The Senator from Louisiana has the floor.

Mr. LONG. Put it any way one wants to, this proposal opens up the major provisions in the bill. Furthermore, this amendment is subject to amendment, so every Senator who is dissatisfied with what happened to some amendment of his is privileged to get up and move to amend this amendment and reopen the issue. So all these major issues that we have been debating for 3 weeks would be opened up to a vote again.

If this amendment is going to be insisted on, I will insist on a division and a vote on the Gore amendment, and then the Ribicoff amendment, and all the other amendments, if we can muster a quorum by that time.

The only thing I am interested in is getting on with our business, reserving to the Senator from Nebraska, or any other Senator, the right to move to recommit the bill with any instructions they suggest, if we ever get to a third reading.

On that basis, Mr. President, because this amendment reopens all of the amendments that are most controversial, except the social security amendment, I move to lay the amendment on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Nebraska.

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Oklahoma (Mr. HARRIS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. HARRIS), and the Senator from Rhode Island (Mr. PASTORE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Vermont (Mr. PROUTY) is necessarily absent.

The Senator from Colorado (Mr. DOMINICK), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Illinois (Mr. SMITH) are detained on official business.

If present and voting, the Senator from Vermont (Mr. PROUTY) would vote "yea."

On this vote, the Senator from Colorado (Mr. DOMINICK) is paired with the Senator from Arizona (Mr. GOLDWATER). If present and voting, the Senator from Colorado would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 56, nays 28, as follows:

[No. 218 Leg.]

YEAS—56

| | | |
|---|---|---|
| Aiken | Gore | Mondale |
| Allen | Gravel | Montoya |
| Bayh | Hart | Moss |
| Bellmon | Hartke | Muskie |
| Bible | Hatfield | Nelson |
| Brooke | Holland | Pell |
| Burdick | Hollings | Proxmire |
| Byrd, Va. | Hughes | Randolph |
| Byrd, W. Va. | Inouye | Ribicoff |
| Cannon | Jackson | Schweiker |
| Case | Jordan, N.C. | Sparkman |
| Church | Long | Spong |
| Cranston | Magnuson | Stennis |
| Dodd | Mansfield | Stevens |
| Eagleton | Mathias | Talmadge |
| Eastland | McGee | Williams, N.J. |
| Ellender | McGovern | Yarborough |
| Ervin | McIntyre | Young, N. Dak. |
| Fong | Metcalf | |

NAYS—28

| | | |
|---|---|---|
| Allott | Goodell | Packwood |
| Baker | Griffin | Pearson |
| Bennett | Gurney | Percy |
| Boggs | Hansen | Saxbe |
| Cook | Hruska | Smith, Maine |
| Cooper | Javits | Thurmond |
| Cotton | Jordan, Idaho | Tower |
| Curtis | McClellan | Williams, Del. |
| Dole | Miller | |
| Fannin | Murphy | |

NOT VOTING—16

| | | |
|---|---|---|
| Anderson | McCarthy | Smith, Ill. |
| Dominick | Mundt | Symington |
| Fulbright | Pastore | Tydings |
| Goldwater | Prouty | Young, Ohio |
| Harris | Russell | |
| Kennedy | Scott | |

So Mr. LONG's motion to lay Mr. CURTIS' amendment on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. The Chair recognizes the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I call up my amendment No. 202, as modified.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Alabama (Mr. SPARKMAN) proposes an amendment, identified as No. 202, and modified to read as follows:

At the proper place insert the following new section:

"SEC. —. DISTRIBUTIONS PURSUANT TO SAVINGS AND LOAN HOLDING COMPANY AMENDMENTS OF 1967.

"(a) IN GENERAL.—Subchapter 0 of chapter 1 (relating to gain or loss on disposition of property) is amended by adding at the end thereof the following new part:

"'PART X—DISTRIBUTIONS PURSUANT TO SAVINGS AND LOAN HOLDING COMPANY AMENDMENTS OF 1967

"'Sec. 1121. Distributions pursuant to Savings and Loan Holding Company Amendments of 1967.

"'Sec. 1122. Special rules.

"'Sec. 1123. Definitions.

"'SEC. 1121. DISTRIBUTIONS PURSUANT TO SAVINGS AND LOAN HOLDING COMPANY AMENDMENTS OF 1967.

"'(a) DISTRIBUTIONS OF CERTAIN NON-SAVINGS-AND-LOAN PROPERTY.—

"'(1) DISTRIBUTIONS OF PROHIBITED PROPERTY.—

If—

"'(A) a qualified holding company distributes prohibited property (other than stock received in an exchange to which subsection (c) (2) applies)—

"'(i) to a shareholder (with respect to its stock held by such shareholder, without the surrender by such shareholder of stock in such company; or

"'(ii) to a shareholder, in exchange for its preferred stock; or

"'(iii) to a security holder, in exchange for its securities; and

"'(B) the Corporation has, before the distribution (or January 1, 1971, if later), certified that the distribution of such prohibited property is necessary or appropriate to effectuate section 408 of the National Housing Act,

then no gain to the shareholder or security holder from the receipt of such property shall be recognized.

"'(2) DISTRIBUTIONS OF STOCK AND SECURITIES RECEIVED IN AN EXCHANGE TO WHICH SUBSECTION (C) (2) APPLIES.—If—

"'(A) a qualified holding company distributes—

"'(i) common stock received in an exchange to which subsection (c) (2) applies to a shareholder (with respect to its stock held by such shareholder), without the surrender by such shareholder of stock in such company; or

"'(ii) common stock received in an exchange to which subsection (c) (2) applies to a shareholder, in exchange for its common stock; or

"'(iii) preferred stock or common stock received in an exchange to which subsection (c) (2) applies to a shareholder, in exchange for its preferred stock; or

"'(iv) securities or preferred or common stock received in an exchange to which subsection (c) (2) applies to a security holder in exchange for its securities; and

"'(B) any preferred stock received has substantially the same terms as the preferred stock exchanged, and any securities received have substantially the same terms as the securities exchange,

then, except as provided in subsection (f), no gain to the shareholder or security holder from the receipt of such stock or such securities or such stock and securities shall be recognized.

"'(3) NON PRO RATA DISTRIBUTIONS.—Paragraphs (1) and (2) shall apply to a distribution whether or not the distribution is pro rata with respect to all of the shareholders of the distributing qualified holding company.

"'(4) EXCEPTION.—This subsection shall not apply to any distribution by a company which has made any distribution pursuant to subsection (b).

"'(5) DISTRIBUTIONS INVOLVING GIFT OR COMPENSATION.—In the case of a distribution to which paragraph (1) or (2) applies, but which—

"'(A) results in a gift, see section 2501, and following, or

"'(B) has the effect of the payment of compensation, see section 61(a) (1).

"'(b) COMPANY CEASING TO BE A HOLDING COMPANY OR MULTIPLE HOLDING COMPANY.—

"'(1) DISTRIBUTIONS OF PROPERTY WHICH CAUSE A COMPANY TO BE A HOLDING COMPANY OR MULTIPLE HOLDING COMPANY.—If—

"'(A) a qualified holding company distributes property (other than stock received in an exchange to which subsection (c) (3) applies)—

"'(i) to a shareholder (with respect to its stock held by such shareholder), without the surrender by such shareholder of stock in such company; or

"'(ii) to a shareholder, in exchange for its preferred stock; or

"'(iii) to a security holder, in exchange for its securities; and

"'(B) the Corporation has, before the distribution (or January 1, 1971, if later), certified—

"'(i) in the case of a multiple holding company, that such property is all or part of the property by reason of which such company controls two or more insured institutions (as defined in section 408(a) (1) (A) of the National Housing Act), or such property is part of the property by reason of which such company did control two or more insured institutions before any property of the same kind was distributed under this subsection or exchanged under subsection (c) (3); or

"'(ii) in the case of any other holding company, that such property is all or part of the property by reason of which such company controls an insured institution (as defined in section 408(a) (1) (A) of the National Housing Act) or holding company, or such property is part of the property by reason of which such company did control an insured institution or holding company before any property of the same kind was distributed under this subsection or exchanged under subsection (c) (3); and

"'(iii) that the distribution is necessary or appropriate to effectuate section 408 of such Act,

then no gain to the shareholder or security holder from the receipt of such property shall be recognized.

"'(2) DISTRIBUTIONS OF STOCK AND SECURITIES RECEIVED IN AN EXCHANGE TO WHICH SUBSECTION (C) (3) APPLIES.—If—

"'(A) a qualified holding company distributes—

"'(i) common stock received in an exchange to which subsection (c) (3) applies to a shareholder (with respect to its stock held by such shareholder), without the surrender by such shareholder of stock in such company; or

"'(ii) common stock received in an exchange to which subsection (c) (3) applies to a shareholder, in exchange for its common stock; or

"'(iii) preferred stock or common stock received in an exchange to which subsection (c) (3) applies, to a shareholder in exchange for its preferred stock; or

"'(iv) securities or preferred or common stock received in an exchange to which subsection (c) (3) applies to a security holder, in exchange for its securities; and

"'(B) any preferred stock received has substantially the same terms as the preferred stock exchanged, and any securities received have substantially the same terms as the securities exchanged.

then, except as provided in subsection (f), no gain to the shareholder or security holder from the receipt of such stock or such securities or such stock and securities shall be recognized.

"'(3) NON PRO RATA DISTRIBUTION.—Paragraphs (1) and (2) shall apply to a distribution whether or not the distribution is pro rata with respect to all of the shareholders of the distributing qualified holding company.

"'(4) EXCEPTION.—This subsection shall not apply to any distribution by a company which has made any distribution pursuant to subsection (a).

"'(5) DISTRIBUTIONS INVOLVING GIFT OR COMPENSATION.—In the case of a distribution to which paragraph (1) or (2) applies, but which—

"'(A) results in a gift, see section 2501, and following, or

"'(B) has the effect of the payment of compensation, see section 61(a) (1).

"'(c) PROPERTY ACQUIRED AFTER APRIL 14, 1967.—

"'(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), subsection (a) or (b) shall not apply to—

"'(A) any property acquired by the distributing company after April 14, 1967, unless (i) gain to such company with respect to the receipt of such property was not recognized by reason of subsection (a) or (b), or (ii) such property was acquired by it in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or (iii) such property was acquired by the distributing company in a transaction in which gain was not recognized under section 305(a) or section 332, or under section 354 with respect to a reorganization described in section 368 (a) (1) (E) or (F), or

"'(B) any property which was acquired by the distributing company in a distribution with respect to stock acquired by such company after April 14, 1967, unless such stock was acquired by such company (i) in a distribution (with respect to stock held by it on April 14, 1967, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b), or (ii) in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or (iii) in a transaction in which gain was not recognized under section 305(a) or section 332, or under section 354 with respect to a reorganization described in section 368(a) (1) (E) or (F), or

"'(C) any property acquired by the distributing company after April 14, 1967, in a transaction in which gain was not recognized under section 332, unless such property was acquired from a company which, if it had been a holding company or multiple holding

company, could have distributed such property under subsection (a)(1) or (b)(1).

"'(2) EXCHANGES INVOLVING PROHIBITED PROPERTY.—If—

"'(A) any qualified holding company exchanges (i) property, which, under subsection (a)(1), such company could distribute directly to its shareholders or security holders without the recognition of gain to such shareholders or security holders, and other property (except property described in subsection (b)(1)(B) (i) or (ii)), for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) immediately after the exchange, the qualified holding company distributes all of such stock in a manner prescribed in subsection (a)(2)(A); and

"'(C) before such exchange (or January 1, 1971, if later), the Corporation has certified (with respect to the property exchanged which consists of property which, under subsection (a)(1), such company could distribute directly to its shareholders or security holders without the recognition of gain to such shareholders or security holders and other property (except prohibited property) for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) immediately after the exchange, the qualified holding company distributes all of such stock in a manner prescribed in subsection (b)(2)(A); and

"'(C) before such exchange (or January 1, 1971, if later) the Corporation has certified (with respect to the property exchanged which consists of property which, under subsection (b)(1), such company could distribute directly to its shareholders or security holders without the recognition of gain) that the exchange and distribution are necessary or appropriate to effectuate section 408 of such Act, then paragraph (1) shall not apply with respect to such distribution.

"'(3) EXCHANGES INVOLVING INTERESTS IN SAVINGS AND LOAN PROPERTY.—If—

"'(A) any qualified holding company exchanges (i) property which, under subsection (b)(1), such company could distribute directly to its shareholders or security holders without the recognition of gain to such shareholders or security holders and other property (except prohibited property) for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) immediately after the exchange, the qualified holding company distributes all of such stock in a manner prescribed in subsection (b)(2)(A); and

"'(C) before such exchange (or January 1, 1971, if later) the Corporation has certified (with respect to the property exchanged which consists of property which, under subsection (b)(1), such company could distribute directly to its shareholders or security holders without the recognition of gain) that the exchange and distribution are necessary or appropriate to effectuate section 408 of such Act, then paragraph (1) shall not apply with respect to such distribution.

"'(d) DISTRIBUTION TO AVOID FEDERAL INCOME TAX.—

"'(1) PROHIBITED PROPERTY.—Subsection (a) shall not apply to a distribution if, in connection with such distribution, the distributing corporation retains, or transfers after April 14, 1967, to any corporation, property (other than prohibited property) as part of a plan one of the principal purposes of which is the distribution of the earnings and profits of any corporation.

"'(2) SAVINGS AND LOAN PROPERTY.—Subsection (b) shall not apply to a distribution if, in connection with such distribution, the distributing corporation retains, or transfers after April 14, 1967, to any corporation, property (other than property described in subsection (b)(1)(B) (i) and (ii) as part of a plan one of the principal purposes of which is the distribution of the earnings and profits of any corporation.

"'(3) CERTAIN CONTRIBUTIONS TO CAPITAL.—In the case of a distribution a portion of which is attributable to a transfer which is a contribution to the capital of a corporation, made after April 14, 1967, and prior to the date of the enactment of this part, if subsection (a) or (b) would apply to such distribution but for the fact that, under paragraph (1) or (2) (as the case may be) of this subsection, such contribution to capital is part of a plan one of the principal purposes of which is to distribute the earnings and profits of any corporation, then, notwithstanding paragraph (1) or (2), subsection (a) or (b) (as the case may be) shall apply to that portion of such distribution not attributable to such contribution to capital, and shall not apply to that portion of such distribution attributable to such contribution to capital.

"'(e) FINAL CERTIFICATION.—Subsection (a) or (b) shall not apply with respect to any distribution by a company unless the Corporation certifies that, before the expiration of the periods permitted under the relevant provisions of section 408 of the National Housing Act (including any extensions thereof granted to such company under such provisions), the company has (1) disposed of all the property the disposition of which is necessary or appropriate to effectuate such section, or (2) ceased to be a holding company or multiple holding company (as the case may be).

"'(f) CERTAIN EXCHANGES OF SECURITIES.—In the case of an exchange described in subsection (a)(2)(A)(iv) or subsection (b)(2)(A)(iv), subsection (a) or (b) (as the case may be) shall apply only to the extent that the principal amount of the securities received does not exceed the principal amount of the securities exchanged.

"'SEC. 1122. SPECIAL RULES.

"'(a) BASIS OF PROPERTY ACQUIRED IN DISTRIBUTIONS.—If by reason of section 1121 gain is not recognized with respect to the receipt of any property, then, under regulations prescribed by the Secretary or his delegate—

"'(1) if the property is received by a shareholder with respect to stock, without the surrender by such shareholder of stock, the basis of the property received and of the stock with respect to which it is distributed shall, in the distributee's hands, be determined by allocating between such property and such stock the adjusted basis of such stock; or

"'(2) if the property is received by a shareholder in exchange for stock or by a security holder in exchange for securities, the basis of the property received shall, in the distributee's hands, be the same as the adjusted basis of the interest or securities exchanged, increased by—

"'(A) the amount of the property received which was treated as a dividend, and

"'(B) the amount of gain to the taxpayer recognized on the property received (not including any portion of such gain which was treated as a dividend).

"'(b) ALLOCATION OF EARNINGS AND PROFITS.—

"'(1) DISTRIBUTION OF STOCK IN A CONTROLLED CORPORATION.—In the case of a distribution by a qualified holding company under section 1121(a)(1) or (b)(1) of stock in a controlled corporation, proper allocation with respect to the earnings and profits of the distributing corporation and the controlled corporation shall be made under regulations prescribed by the Secretary or his delegate.

"'(2) EXCHANGES DESCRIBED IN SECTION 1121(c) (2) OR (3).—In the case of any exchange described in section 1121(c) (2) or (3), proper allocation with respect to the earnings and profits of the corporation transferring the property and the corporation receiving such property shall be made under regulations prescribed by the Secretary or his delegate.

"'(3) DEFINITION OF CONTROLLED CORPORATION.—For purposes of paragraph (1), the term 'controlled corporation' means a corporation with respect to which at least 80 percent of the total combined voting power of all classes of stock entitled to vote and at least 80 percent of the total number of shares of all other classes is owned by the distributing qualified holding company.

"'(c) PERIODS OF LIMITATION.—The periods of limitation provided in section 6501 (relating to limitations on assessment and collection) shall not expire, with respect to any deficiency (including interest and additions to the tax) resulting solely from the receipt of property by shareholders or security holders in a distribution which is certified by the Corporation under subsection (a), (b), or (c) of section 1121, until 5 years after the distributing company notifies the Secretary or his delegate (in such manner and with such accompanying information as the Secretary or his delegate may by regulations prescribe) that the period (including extensions thereof) prescribed in the relevant provision of section 408 of the National Housing Act, or section 1121 (e), whichever is applicable, has expired; and such assessment may be made notwithstanding any provision of law or rule of law which would otherwise prevent such assessment.

"'(d) ITEMIZATION OF PROPERTY.—In any certification under this part, the Corporation shall make such specification and itemization of property as may be necessary to carry out the provisions of this part.

"'SEC. 1123. DEFINITIONS.

"'(a) HOLDING COMPANY.—For purposes of this part, the term 'holding company' means any corporation which is a savings and loan holding company as defined in section 408(a)(1)(D) of the National Housing Act.

"'(b) MULTIPLE HOLDING COMPANY.—For purposes of this part, the term 'multiple holding company' means any corporation which is a multiple savings and loan holding company as defined in section 408(a)(1)(E) of the National Housing Act.

"'(c) QUALIFIED HOLDING COMPANY.—

"'(1) IN GENERAL.—Except as provided in paragraph (2), for purposes of this part the term 'qualified holding company' means any corporation which is a holding company or multiple holding company (as the case may be) and which holds prohibited property acquired by it—

"'(A) on or before April 14, 1967,

"'(B) in a distribution in which gain to such company with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1121, or

"'(C) in exchange for all of its stock in an exchange described in section 1121(c)(2) or (c)(3).

"'(2) LIMITATIONS.—

"'(A) A holding company or multiple holding company shall not be a qualified holding company, unless it would have been a holding company or multiple holding company, respectively, on April 14, 1967, if the Savings and Loan Holding Company Amendments of 1967 had been in effect on such date, or unless it is a holding company or multiple holding company, respectively, determined solely by reference to—

"'(i) property acquired by it on or before April 14, 1967,

"'(ii) property acquired by it in a distribution in which gain to such company with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1121, and

"'(iii) property acquired by it in exchange for all of its stock in an exchange described in section 1121(c)(2) or (3).

"'(B) A holding company or multiple holding company shall not be a qualified holding company by reason of property described in subparagraph (B) of paragraph (1) or clause (ii) of subparagraph (A) of this paragraph, unless such property was acquired in a distribution with respect to stock, which stock was acquired by such holding company or multiple holding company, respectively—

"'(i) on or before April 14, 1967,

"'(ii) in a distribution (with respect to stock held by it on April 14, 1967, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b) of section 1121, or

"'(iii) in exchange for all of its stock in an exchange described in section 1121(c)(2) or (3).

"'(C) A company shall be treated as a qualified holding company only if the Corporation certifies that it satisfies the foregoing requirements of this subsection.

"'(d) PROHIBITED PROPERTY.—For purposes of this part, the term 'prohibited property' means in the case of any holding company or multiple holding company, property (other than nonexempt property) the disposition of which would be necessary or appropriate to effectuate section 408 of the National Housing Act if such company continued to be a holding company or multiple holding company (as the case may be) beyond the relevant period specified in such Act.

"'(e) NONEXEMPT PROPERTY.—For purposes of this part, the term "nonexempt property" means—

"'(1) obligations (including notes, drafts, bills of exchange, and bankers' acceptances) having a maturity at the time of issuance of not exceeding 24 months, exclusive of days of grace;

"'(2) securities issued by or guaranteed as to principal or interest by a government or subdivision thereof or by any instrumentality of a government or subdivision; or

"'(3) money, and the right to receive money not evidenced by a security or obligation (other than a security or obligation described in paragraph (1) or (2)).

"'(f) CORPORATION.—For purposes of this part, the term "Corporation" means the Federal Savings and Loan Insurance Corporation.'

"(b) CLERICAL AMENDMENT.—The table of parts for subchapter O of chapter 1 is amended by adding at the end thereof the following:

"'Part X—Distributions pursuant to Savings and Loan Holding Company Amendments of 1967'

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years ending after the date of the enactment of this Act.

Mr. SPARKMAN. Mr. President, I have modified the amendment as printed by changing the date "1970" to "1971" in the following places:

Page 2, line 20.

Page 5, line 15.

Page 10, line 21.

Page 11, line 21.

Mr. President, I shall be very brief, and I shall not ask for a record vote.

This is an amendment requested by the Home Loan Bank Board. The amendment was prepared by the Treasury Department, and it seeks to do simply this: When we passed the Bank Holding Act, providing a time to divest of certain properties they owned, they were given a particular tax treatment. Last year or 2 years ago, we passed the Savings and Loan Holding Act, and required time to divest. That act was patterned exactly after the Bank Holding Act.

This amendment provides only that the Savings and Loan Associations be given the same tax treatment we gave the banks.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. WILLIAMS of Delaware. I have looked at the Senator's amendment, and I do not know just how much is involved—what treatment is to be provided and what effects it will have. It does embrace a new formula for taxing this particular group. While I realize that the Senator has great interest in it, I have been wondering if he will not withdraw his amendment tonight in order to give our committee a chance to look at it to see just how far-reaching it is and just what treatment it will provide. I will assure him, as one member of the committee, that we will give it our attention, and I think the chairman will concur in that, but I hate to vote on it tonight when we do not know what the effect of the treatment provided is going to be and how far it is going to reach.

As I say, I hope the Senator will withdraw it, with the promise that it will be given consideration by the committee. That is not just a brush-off; it is a promise.

Mr. SPARKMAN. Mr. President, let me say this: I do not agree that it provides a new formula, because this is the first treatment since we passed the Savings and Loan Holding Act, and it applies the same formula that we did apply to the banks under the same pattern of divestiture.

I offered this amendment before the committee, in September, I think it was. But I have talked with the Senator from Delaware and the Senator from Louisiana. The Senator from Delaware has told me that there will be other tax bills during this Congress—though not this session—and that that will give us an opportunity to present it again, and give him and his staff and the committee staff an opportunity to examine it and go into it carefully.

Mr. President, with that assurance from both the chairman of the committee—I think I have his assurance—and the ranking Republican member of the committee, I withdraw the amendment, and will present it at the first opportunity.

The PRESIDING OFFICER. The amendment is withdrawn. The bill is open to further amendment.

Mr. CANNON. Mr. President, I send to the desk an amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CANNON. Mr. President, I ask unanimous consent that further reading of the amendment be waived, and I shall explain it very briefly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON's amendment is as follows:

At the proper place insert the following new section:

"SEC. —. INCOME TAX CREDIT FOR POLITICAL CONTRIBUTIONS.

"(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A (relating to credits allowable) is amended by renumbering section 41 as 42, and by inserting after section 40 (as added by section — of this Act) the following new section:

"'SEC. 41. POLITICAL CONTRIBUTIONS.

"'(a) GENERAL RULE.—In the case of an individual there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to one-half of so much of the political contributions as does not exceed $50, payment of which is made by the taxpayer within the taxable year.

"'(b) LIMITATION.—

"'(1) MARRIED INDIVIDUALS.—In the case of a joint return of a husband and wife under section 6013, the credit allowed by subsection (a) shall not exceed $25. In the case of a separate return of a married individual, the credit allowed by subsection (a) shall not exceed $12.50.

"'(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"'(3) VERIFICATION.—The credit allowed by subsection (a) shall be allowed with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"'(c) DEFINITIONS.—For purposes of this section—

"'(1) POLITICAL CONTRIBUTION.—The term "political contribution" means a contribution or gift of money to—

"'(A) an individual whose name is presented for election as President of the United States, Vice President of the United States, an elector for President or Vice President of the United States, a Member of the Senate, or a Member of the House of Representatives in a general or special election, in a primary election, or in a convention of a political party, for use by such individual to further his candidacy for any such office; or

"'(B) a committee acting in behalf of an individual or individuals described in paragraph (A), for use by such committee to further the candidacy of such individual or individuals.

"'(d) CROSS REFERENCES.—

"'for disallowance of credits to estates and trusts, see section 642(a)(3).'

"(b) CLERICAL AND TECHNICAL AMENDMENTS.—

"(1) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof:

"'Sec. 41. Political contributions.

"'Sec. 42. Overpayment of tax.'

"(2) Section 642(a) (relating to credits against tax for estates and trusts) is amended by adding at the end thereof the following new paragraph:

"'(3) POLITICAL CONTRIBUTIONS.—An estate or trust shall not be allowed the credit against tax for political contributions provided by section 41.'

"'(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1969, but only with respect to political contributions payment of which is made after such date.'"

Mr. CANNON. This is the same amendment that the Senator from Massachusetts (Mr. KENNEDY) offered a few days ago, except that his was a broader amendment, providing an across-the-board deduction for political contributions. This amendment relates only to contributions for campaigns for Federal offices—for Congress, for Senator, for Vice President and President of the United States—and contributions to national committees.

Senator KENNEDY's amendment lost by five votes the other day, on the basis—and I voted against it—that it was too broad, because it would have gone down to every local office, including those of dog catcher and assessor. As the distinguished Senator from Kentucky pointed out, it might even have resulted in some parties of some sort being paid for by the Federal Government.

The amount of deduction is exactly the same in this amendment as was proposed in the Kennedy amendment except that it is very clearly limited to candidates for Federal office and for President and Vice President of the United States in national political elections.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PEARSON. Mr. President, would that apply to primaries as well for Federal office?

Mr. CANNON. It would apply also to primaries for Federal office. It would apply to whoever files under State law whether or not he is elected, in a political primary.

Mr. STEVENS. Mr. President, is it a deduction or a credit?

Mr. CANNON. It is a tax credit. It will not exceed $25 per couple if a husband and wife file jointly, or $12.50 for a single individual.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. LONG. Mr. President, the amendment raises once again a problem that I thought we had disposed of. The matter ought to be studied.

We have done a lot of work in this area. We did report a bill out to do what we thought ought to be done about campaign financing. I thought we had voted on the issue. Those who voted against the Dole amendment did so because they did not think that matter ought to be brought up again. It seems to me that at this late hour it is not appropriate to consider this matter—something like this ought to be studied. We could point out a number of things that we think are wrong.

There is no assurance that a candidate would stay in the race at all. We would give the taxpayer a tax credit for contribution to a race for an office, even though the candidate might withdraw.

If we do this, we ought to look into the corrupt practices aspect of the matter.

We should not be putting Federal money into campaign financing effort unless we have tighter regulations as to how it should be spent and unless we tighten up the corrupt practices law.

In view of all the different things we could get involved in through this amendment, I hope that we will not be asked to do this.

I hope that the Senator will be willing to withdraw the matter and give us a chance to study the proposal in the Finance Committee, where we have jurisdiction if it is going to involve a tax credit, rather than insisting here at 6 or 7 minutes to 10 o'clock at night that we consider the matter.

Mr. CANNON. Mr. President, I have no desire to take up the time of the Senate. Forty-five people voted for the proposition straight across the board the other day.

I would have been tempted to go along, but I withheld for consideration by the Finance Committee.

Forty-five Senators the other day said they wanted to give this same exemption all the way across the board for every candidate for office, including dog catcher and justice of the peace. I voted against it. I will vote for this one, and I think we ought to have at least 46 votes tonight.

I am willing to vote at any time.

Mr. WILLIAMS of Delaware. Mr. President, I hope that we do not get into this area tonight. It is almost 10 o'clock. We are trying to reach third reading. We acted upon this measure before and reported a bill from the Finance Committee. We included in that measure a section dealing with election reform. This does not do that. This would just raise the money.

If this amendment is agreed to, I would be compelled to bring up the matter of the campaign reporting system. That has nothing to do with this bill.

I hope that we can lay this aside tonight and proceed to third reading on a bill that we have been working on for 3 months.

Mr. LONG. Mr. President, if we get involved in this extraneous matter, it seems to me that we should consider the suggestion of the Senator from Delaware and also consider amendments in the corrupt practices area of the law, because we insisted on making that part of the campaign financing law when we considered it before. I believe that the votes are there, but I believe we ought to stay out of the campaign financing field at this time. We would have to debate the matter, offer amendments, and consider the various phases of it.

Mr. COOK. Mr. President, how could any Member of the United States Senate vote on this and say that he had voted to provide for the tax credits with respect to contributions for himself to run for the United States Senate but that with respect to a man running for Governor of his State or for the State legislature or for any local office at the State level, the contributor could not get a tax credit for his contribution.

It seems to me that we are somehow or other setting ourselves aside as a different kind of candidate than other people who run for responsible offices at the State level.

We have former State Governors who are Senators. How could they vote for this and say to a candidate in their respective States, "Someone can give me a contribution and get a tax credit for it. However, if you run for a State office, no one can do that in your case."

Mr. LONG. Mr. President, there are many things that are wrong with the proposal. It should be studied so that we might correct some of the shortcomings.

We want to reach third reading tonight. We ought to leave this issue with the committee that has jurisdiction to study it and have it bring in a proposal that would meet the objections that have been raised.

Mr. MANSFIELD. Mr. President, I am more interested in electoral reform than in the tax credit on the basis just proposed by the Senator from Nevada.

Mr. LONG. Mr. President, that being the case, in the hope that we will not have the campaign finance reporting fight all over again and will not get involved in those amendments, I promise the Senator that as far as I am concerned I am willing to study the proposals in the reform area early next year.

Mr. President, so that we can get a third reading and not have to consider the amendments and suggestions and proposals, including one that I have in mind, I move that the amendment of the Senator from Nevada be tabled.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Nevada.

Mr. CANNON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Nevada. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

On this vote, the Senator from Rhode Island (Mr. PASTORE) is paired with the Senator from Oklahoma (Mr. HARRIS). If present and voting, the Senator from Rhode Island would vote "yea" and the Senator from Oklahoma would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Vermont (Mr. PROUTY) is necessarily absent.

The Senator from Colorado (Mr. DOMINICK), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Illinois, (Mr. SMITH), and the Senator from Texas (Mr. TOWER), and the Senator from Ohio (Mr. SAXBE), are detained on official business.

If present and voting, the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Vermont (Mr. PROUTY), and the Senator from Texas (Mr. TOWER), would each vote "yea."

The result was announced—yeas 55, nays 26, as follows:

[No. 219 Leg.]

YEAS—55

| | | |
|---|---|---|
| Aiken | Ervin | McClellan |
| Allen | Fannin | McIntyre |
| Allott | Fong | Miller |
| Baker | Goodell | Murphy |
| Bellmon | Gore | Packwood |
| Bennett | Griffin | Percy |
| Bible | Gurney | Randolph |
| Boggs | Hansen | Schweiker |
| Brooke | Hatfield | Smith, Maine |
| Byrd, Va. | Holland | Sparkman |
| Byrd, W. Va. | Hollings | Spong |
| Case | Hruska | Stennis |
| Cook | Javits | Stevens |
| Cooper | Jordan, N.C. | Talmadge |
| Cotton | Jordan, Idaho | Thurmond |
| Curtis | Long | Williams, Del. |
| Dole | Magnuson | Young, N. Dak. |
| Eastland | Mansfield | |
| Ellender | Mathias | |

NAYS—26

| | | |
|---|---|---|
| Bayh | Hughes | Muskie |
| Burdick | Inouye | Nelson |
| Cannon | Jackson | Pearson |
| Church | McGee | Pell |
| Cranston | McGovern | Proxmire |
| Dodd | Metcalf | Ribicoff |
| Eagleton | Mondale | Williams, N.J. |
| Gravel | Montoya | Yarborough |
| Hart | Moss | |

NOT VOTING—19

| | | |
|---|---|---|
| Anderson | McCarthy | Smith, Ill. |
| Dominick | Mundt | Symington |
| Fulbright | Pastore | Tower |
| Goldwater | Prouty | Tydings |
| Harris | Russell | Young, Ohio |
| Hartke | Saxbe | |
| Kennedy | Scott | |

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair wishes to announce for the information of the Senate that the Senate has just completed its 20th rollcall today.

Mr. LONG. Mr. President, I have amendments at the desk. I ask that they be read.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to read the amendment.

Mr. LONG. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

TECHNICAL AND CLERICAL AMENDMENTS

Page 51, line 4, after "tion" insert a comma.

Page 64, line 22, strike out "a State" and insert "an appropriate State".

Page 72, line 17, strike out "audit" and insert "audit-fee".

Page 72, line 20, strike out "881" and insert "861".

Page 74, lines 17 and 18, strike out "transaction to which paragraph (1) applies" and insert "prohibited transaction".

Page 77, line 25, beginning with ", if", strike out all through "on" in line 5, page 78.

Page 83, line 4, strike out "section" and insert "subsection".

Page 84, line 10, strike out the comma after "(a)".

Page 91, line 18, strike out "title" and insert "heading".

Page 97, line 12, strike out "title" and insert "heading".

Page 97, line 22, strike out "five" and insert "5".

Page 102, line 10, strike out "title" and insert "heading".

Page 120, line 23, strike out "corporation" and insert "organization".

Page 122, line 4, before "property" insert "for purposes of this paragraph as personal property any".

Page 122, line 14, strike out "such personal property" and insert "personal property described in subparagraph (A)(ii)".

Page 126, line 11, strike out "organizations" and insert "persons".

Page 128, line 23, strike out "paragraph" and insert "paragraphs".

Page 129, lines 11 and 12, strike out "or educational" and insert "educational, and fraternal".

Page 131, line 10, after "(j)" insert "(7)".

Page 134, line 11, strike out "subsection" and insert "paragraph".

Page 134, line 15, strike out "carryover or" and insert "carryback or".

Page 141, line 6, after "etc."—insert "For purposes of this subsection—".

Page 142, line 9, strike out "An" and insert "For purposes of this section, an".

Page 142, lines 11 and 12, strike out ", for the purpose of this section.".

Page 142, line 14, after "section" insert a comma.

Page 144, line 1, after "amount" insert a comma.

Page 144, line 13, strike out "If the" and insert "For purposes of this subtitle, if".

Page 144, lines 15 and 16, strike out ", for the purposes of this subtitle,".

Page 164, line 7, strike out "so sold" and insert "sold by the taxpayer at its fair market value (determined at the time of such contribution)"

Page 186, line 20, beginning with "with" strike out all through "in" in line 22, and insert "to".

Page 188, line 16, strike out "(c)" and insert "(C)".

Page 199, line 13, strike out "subchapter 1" and insert "subchapter P of chapter 1".

Page 200, line 2, strike out "nine" and insert "9".

Page 213, line 12, after "liability" insert "not imposed for the taxable year but".

Page 213, line 16, strike out "subparagraph (B)" and insert "paragraph (1)(B)".

Page 221, beginning with "(other than" in line 13, strike out all through line 20, and insert: "shall be treated as items of tax preference of the shareholders of such corporation, and, except as provided in paragraph (2), shall not be treated as items of tax preference of such corporation. The sum of the items so treated shall be apportioned pro rata among such shareholders in a manner consistent with section 1374(c)(1).

"(2) CERTAIN CAPITAL GAINS.—If for a taxable year of an electing small business corporation a tax is imposed on the income of such corporation under section 1378, such corporation shall, notwithstanding the provisions of section 1371(b)(1), be subject to the tax imposed by section 56, but computed only with reference to the item of tax preference set forth in section 57(a)(9)(B)."

Page 221, line 25, after "fund" insert "(and not as items of tax preference of such fund)".

Page 222, line 10, after "is" insert "attributable to amounts".

Page 222, line 20, after "trust," insert "(and not as items of tax preference of such company or such trust)".

Page 224, line 5, strike out "held for more than 6 months".

Page 228, line 20, after "221" insert "(b)".

Page 229, line 22, strike out "individual" and insert "person".

Page 233, line 25, strike out "individual" and insert "person".

Page 234, strike out lines 1, 2, and 3 and insert: "shall be allowed for the taxable year of such person which ends with or within the taxable year in which such amount is included in gross income of the person who performed such services."

Page 240, line 9, strike out "five" and insert "5".

Page 245, line 4, after "allowed" insert "as".

Page 245, line 6, after "distributed" insert "to such beneficiary".

Page 246, line 24, strike out "(i)".

Page 247, line 4, beginning with "less" strike out all through the comma in line 6.

Page 247, line 7, strike out "(i)".

Page 247, line 19, beginning with "less" strike out all through line 21 and insert: "less an amount equal to the amount of taxes deemed distributed to the beneficiary under sections 666(b) and (c)."

Page 248, line 4, strike out "each".

Page 248, strike out lines 5 through 20 and insert:

"(B) The partial tax shall not be computed under the provisions of subparagraph (B) of paragraph (1) if in the same prior taxable year of the beneficiary in which any part of the accumulation distribution is deemed under section 666(a) to have been distributed to such beneficiary some part of prior accumulation distribution by each of two or more other trusts is deemed under section 666(a) to have been distributed to such beneficiary.

Page 248, line 25, strike out "of the average".

Page 249, line 1, strike out "undistributed net income deemed distributed" and insert "accumulated distribution divided by the number of preceding taxable years to which the accumulation distribution is allocated under section 666(a)".

Page 250, line 15, after "income" insert "(other than amounts deemed distributed under section 666 and 669 by the same or other trusts)".

Page 252, line 4, strike out the period and insert a comma.

Page 252, beginning with "The" strike out all through "by" in line 6 and insert "less".

Page 253, line 4, before the period insert "and without regard to any capital gain distribution for any succeeding taxable year".

Page 296, line 14, before "Subchapter" insert "(a) IN GENERAL.—"

Page 297, after line 20, insert:

"(b) CLERICAL AMENDMENT.—The table of parts for suchapter C of chapter 1 is amended by adding at the end thereof the following new item:

"'Part VI. Treatment of certain corporate interests as stock or indebtedness.'"

Page 323, line 6, after "elects" insert "at such time and".

Page 327, line 11, after "services" insert "or other communication services if furnished or sold by the Communication Satellite Corporation for purposes authorized by the Communications Satellite Act of 1962 (47 U.S.C. 701),".

Page 350, line 19, strike out "(e)" and insert "(f)".

Page 409, strike out lines 10 through 14, and insert:

"(b) RECEIPT OF MINIMUM DISTRIBUTIONS.—Section 263(b) (relating to receipt of minimum distributions) is amended—

"(1) by striking out 'surcharge period' in the heading of paragraph (1) and inserting in lieu thereof 'surcharge period ending before January 1, 1970';

"(2) by striking out '1964' in the heading of paragraph (2) and inserting in lieu thereof '1964 and taxable years beginning in 1969 and ending in 1970 to the extent subparagraph (B) applies'; and

"(3) by striking out the last two sentences and inserting in lieu thereof the following:

"'In the case of a taxable year beginning before the surcharge period and ending within the surcharge period, or beginning within the surcharge period and ending after the surcharge period, or beginning before January 1, 1970, and ending after December 31, 1969, the required minimum distribution shall be equal to the sum of—

"'(A) that portion of the minimum distribution which would be required if the provisions of paragraph (1) were applicable to the taxable year, which the number of days in such taxable year which are within the surcharge period and before January 1, 1970, bears to the total number of days in such taxable year,

"'(B) that portion of the minimum distribution which would be required if the provisions of paragraph (2) were applicable to such taxable year, which the number of days in such taxable year which are within the surcharge period and after December 31, 1969, bears to the total number of days in such taxable year, and

"'(C) that portion of the minimum distribution which would be required if the provisions of paragraph (3) were applicable to such taxable year, which the number of days in such taxable year which are not within the surcharge period bears to the total number of days in such taxable year. As used in this subsection, the term "surcharge period" means the period beginning January 1, 1968 and ending June 30, 1970'."

Page 444, line 21, strike out "of the Department".

Page 445, line 24, strike out the comma.

Page 453, in the matter following line 2, strike out the closing quotation marks after "stock.".

Page 453, line 18, strike out "unadjusted".

Page 518, line 8, after "(E)" the second place it appears insert a comma.

Page 523, line 20, after "excess" insert "as if the property distributed had been sold at the time of the distribution".

Page 535, line 4, strike out "of a" and insert "of such".

Page 539, line 13, after "construction" insert ", reconstruction,".

Page 539, line 15, after "struct" insert ", reconstruct,".

Page 550, line 14, strike out "(c).'" and insert "(c);'."

Page 554, strike out lines 17 through 23 and insert:

"(c) LIMITATIONS AND SPECIAL RULE.—

"(1) Additions under more than one paragraph.—

"(A) With respect to any return, the amount of the addition under paragraph (1) of subsection (a) shall be reduced by the amount of the addition under paragraph (2) of subsection (a) for any month to which an addition to tax applies under both paragraphs (1) and (2).

"(B) With respect to any return, the maximum amount of the addition permitted under paragraph (3) of subsection (a) shall be reduced by the amount of the addition under paragraph (1) of subsection (a) which is attributable to the tax for which the notice and demand is made."

Page 554, line 24, strike out "less" and insert "more".

Page 556, line 21, after "prescribed" insert "by law (without regard to any extension of time)".

Page 557, line 8, strike out "(c)" and insert "(e)".

Mr. LONG. Mr. President, these are purely technical amendments that have been prepared by the staff. They are technical and conforming amendments, for clerical purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## COMMITTEE MEETING DURING SENATE SESSION TOMORROW

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs be authorized to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## CHANGE OF VOTE

Mr. BYRD of West Virginia. Mr. President, the Hartke amendment to the Miller amendment was defeated by a vote of 31 to 52 on rollcall 215. I voted in the negative. I ask unanimous consent that my vote be changed to a "yea" vote and that the Journal and permanent RECORD so show.

The PRESIDING OFFICER. Without objection, it is so ordered.

## VETERANS DAY ADDRESS BY BILL ALLEY, FORMER OLYMPIC CHAMPION

Mr. MILLER. Mr. President, one of America's finest athletes is Bill Alley, former Olympic champion in the javelin throw.

Now a resident of Morrisville, Vt., and originally from New Jersey, Bill is a graduate of the University of Kansas. His college days brought him into national prominence, and the people of my State of Iowa were privileged to see him in outstanding performances at the annual Drake Relays in Des Moines.

Bill delivered a magnificent message on the occasion of Veterans Day, November 11, 1969—one which everyone should have an opportunity to read because of its meaningfulness.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STRUGGLE AND FIND HAPPINESS

I would like to tell you one of the most moving sports stories of all time. It began with a boy named Charlie Paddock, back in 1920, who went to a track coach one day and said: "I want to be an Olympic champion. I want to be the fastest sprinter in the world."

"Well, Charlie," the coach told him, "You can if you think you can, but more than that, you will have to work, discipline yourself, live a clean life, and put your faith in God. The secret of becoming a greater sprinter is to develop your legs until they are like pistons. To get this kind of strength in your legs, you have to have it in your heart and in your mind. And when you get it, then you can pull up your knees to your chest and drive like a locomotive on a railroad."

Charlie Paddock did go on to be an Olympic champion and the world's fastest sprinter. His fame brought him many speaking engagements. Once before a group of young people he spoke about what you can do through struggle and hard work. Then he looked about him and said, "Somewhere in this room maybe there is another Olympic champion, but if not in sports, at least in life. It's more important to be a champ in living."

After the speech, a shy little spindly Negro boy came up and announced, "Mr. Paddock, you've done something to me. I would like to be an Olympic champion."

Paddock put his hand on the lad's shoulder and said to him: "Son, you can, if you think you can. Then to that you must add real hard work. Give it all you've got and discipline yourself, and have a lot of faith in God."

And eventually the time came when that boy, whose name was Jesse Owens, won four Olympic championships. And he was asked to make many speeches. Remembering the inspiration he had received from Charlie Paddock, he told one audience of youngsters: "Somewhere in this room there is, I am sure, another Olympic champion, if not in sports at least in life."

And afterwards, a skinny little Negro boy came up to him, shook hands and told him exactly what he himself had told Charlie Paddock many years before. Owens looked at the boy and thought he had never seen a skinnier youngster in his life; indeed it turned out that the boy's nickname was "Bones". But nevertheless, Owens said, "You can if you think you can, if you are willing to struggle, work and believe. Harrison "Bones" Dillard went on to break Jesse Owens Olympic record.

Each of these great athletes struggled to achieve their successes and the happiness that came to them. And of course, all of us must struggle if we wish to receive real happiness. Struggle isn't destructive, it's constructive, and it makes success and happiness all the sweeter.

Harrison Dillard came to my high school in my sophomore year and showed pictures of the 1952 Olympics, I didn't at all think then that my athletic career would unfold as it did, but I can remember very vividly the great crowds and the feelings that I had inside—I wanted to be a great athlete and wanted to participate in the Olympics. I too, wanted to be an Olympic champion.

During the summer of 1960, I was very fortunate in being chosen to represent the United States in the 17th Olympiad. The opportunity to participate in the Olympic games had been my goal for many years, and I looked forward to my trip with much anxiety and anticipation. The pageantry and excitement of this great event were paramount. People from the world over came to watch this great exhibition of athletic prowess. However, the greatest thrills of all did not come from the competition. Thrills of a greater magnitude than one could imagine were prevalent among all in attendance.

As we marched into the stadium for the opening ceremonies, I realized (and I was not alone) how proud I am to be an American. And then as our flag was raised to the top of the standard and our National Anthem played, the team members stood at attention. It seems as though one really never learns to appreciate the "Star Spangled Banner" until one hears it played in a foreign land. We tried to sing the words, but nothing came out. We were choked up inside. Outwardly, tears were falling from the eyes of world-record-holders and some of the greatest athletes were realizing for the first time what it meant to represent the greatest nation in the world.

The competition commenced the following day and continued for two weeks. Each day, and when I was not competing, I would go to the stadium and watch the events. Every jump, every dash, every throw had me on the edge of my seat. At the conclusion of each event, I would look out onto the field and try to recognize the familiar U.S.A. on the shirts of the winners. In some events, we didn't fare well at all, but in the events that we placed, I felt like running onto the field and being the first to congratulate a teammate.

The slogan of the games brought out the point that the greatest achievement is not winning but having the opportunity to compete against one's fellowmen. And so the days went by, and the greatest athletes in the world competed against each other. Win or lose, I am sure they all felt the same.

The closing ceremonies officially ended the competition. Again, the athletes from all over the world marched into the stadium. The flag of each nation was lowered and its National Anthem was played. We then marched out of the stadium and for me the greatest thrill in my life had come to an end. As I walked through the long tunnel leading from the stadium to our village, I had but one thought in mind.—I am proud to be an American.

So never give up struggling in your own life. If you attain your dream, go after another and greater one. In the long run the happiest achievement in this life is making a man out of yourself; and the greatest joy of all is in the struggling to do something really worthwhile. Struggle and happiness are opposite sides of the same coin. As each of us go out into the world in our daily quest for happiness and security, keep in mind a little saying, it is my favorite—If what you did yes-

terday seems great, you've not done much today.

My thanks to each and everyone of you who by serving your country has made is possible for me to have achieved this great love of our country. I want you to personally know that here is a fellow who scorns the activities of the dissenters and the draft card burners, that here is a fellow who says to you—Thanks!

May God bless each and everyone of you.

## ADJOURNMENT TO 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 10 o'clock and 10 minutes p.m.) the Senate adjourned until tomorrow, Thursday, December 11, 1969, at 9 a.m.

## NOMINATIONS

Executive nominations received by the Senate December 10 (legislative day of December 9), 1969:

DIPLOMATIC AND FOREIGN SERVICE

The following-named person, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a Consular Officer of the United States of America:

Thomas D. McKiernan, of Massachusetts.

For appointment as a Foreign Service officer of class 4, a consular officer, and a secretary in the diplomatic service of the United States of America:

Howard K. Walker, of Maryland.

For appointment as a Foreign Service officer of class 5, a consular officer, and a secretary in the diplomatic service of the United States of America:

Robert E. Day, Jr., of Virginia.

For promotion from Foreign Service officers of class 7 to class 6:

Frederick Brenne Bachmann, of the District of Columbia.
Ralph Edwin Bresler, of Ohio.
Hugh D. Camitta, of New York.
Lewis I. Cohen, of New York.
Michael W. Cotter, of Wisconsin.
Jon D. Glassman, of California.
David Crane Halsted, of Vermont.
David Taylor Jones, of Pennsylvania.
Miss Alexandra B. Keith, of New York.
Thomas L. Lauer, of California.
James A. S. Leach, of Iowa.
Elliot Rothenberg, of Minnesota.
Joseph C. Snyder, III, of Connecticut.

For promotion from Foreign Service information officers of class 7 to class 6:

Dennis A. Allred, of Illinois.
Sheldon H. Avenius, Jr., of New York.
Robin A. Berrington, of Ohio.
Russell T. Campbell, of Colorado.
Stephen M. Chaplin, of Hawaii.
Ronald D. Clifton, of Florida.
Miss Margaret A. Eubank, of Maryland.
Richard B. Fitz, of California.
Ludlow Flower, III, of California.
John Frankenstein, of the District of Columbia.
Wayne F. Gledhill, of Utah.
Frederick E. V. LaSor, of California.
Miss Marilyn McAfee, of Pennsylvania.
Robert E. McDowell, Jr., of New York.
Miss Caroline V. Meirs, of New Jersey.
H. James Menard, of California.
Robert W. Proctor, of New Mexico.
Christopher W. S. Ross, of the District of Columia.
Miss Janet E. Ruben, of Pennsylvania.
Michael R. Saks, of Indiana.
E. David Seal, of Missouri.
Jack A. Sears, of South Dakota.
John Scott Williams, of Virginia.
Michael M. Yaki, of California.

For promotion from Foreign Service officers of class 8 to class 7:

Morton R. Dworken, Jr., of Ohio.
Hartford Jennings, of Ohio.
George L. Knox, Jr., of Alabama.
Nicholas R. Lang, of New York.
Harlan Y. M. Lee, of Hawaii.

For promotion from Foreign Service information officers of class 8 to class 7:

Raymond D. Anderson, Jr., of the District of Columbia.
Miss Jan Carol Berris, of Michigan.
Miss Ruth L. Greenstein, of New York.
Michael Patrick Phelan, of Michigan.
Boyd Poush, of Virginia.
Leonardo M. Williams, of Minnesota.

For appointment as Foreign Service officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

Jack Aubert, of New Jersey.
John Eignus Clark, of Maryland.
W. Douglas Frank, of Indiana.
Hilton L. Graham, of Oregon.
Miss Anne D. Jillson, of Connecticut.
David I. Kemp, of New York.
Howard H. Lange, of Washington.
John Egan McAteer, of West Virginia.
Alan R. McKee, of New Hampshire.
Mark E. Mohr, of New Jersey.
Anthony Carson Perkins, of the District of Columbia.
Mark J. Platt, of Connecticut.
Craig Emerson Richardson, of Ohio.
William van B. Robertson, Jr., of California.
Richard W. Ruble, Jr., of California.
Paul I. Schlamm, of New York.
Raymond F. Smith, of Pennsylvania.
Douglas K. Stevens, Jr., of Florida.
William H. Twaddell, of Maryland.
Miss Mary von Briesen, of Massachusetts.
Frank Joseph Zambito, Jr., of Florida.

For appointment as Foreign Service information officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

John L. G. Archibald, of Massachusetts.
Thomas W. Switzer, of Colorado.

For appointment as Foreign Service officers of class 8, consular officers, and secretaries in the diplomatic service of the United States of America:

Donald Lee Field, Jr., of California.
Lawrence Mrashall Grossman, of Nebraska.
Albert Lee Halff, of Texas.
David Ellis Henderson, of Illinois.
Robert Taylor, of Texas.

Foreign Service reserve officer to be a consular officer of the United States of America:

Charles E. Behrens, of Pennsylvania.

Foreign Service reserve officers to be consular officers and secretaries in the diplomatic service of the United States of America:

Raymond J. Albright, of Maryland.
Terry T. Baldwin, of Virginia.
James Taylor Blanton, of California.
Richard A. Cleveland, of Pennsylvania.
Jacques Cook, of the District of Columbia.
Christopher D. Costanzo, of the District of Columbia.
Roy G. Davis, of Ohio.
José L. Fernández, of Puerto Rico.
Joseph P. Forry, of Massachusetts.
William J. Galbraith, Jr., of Virginia.
Frederick P. Hitz, of Virginia.
Naran S. Ivanchukov, of New Jersey.
Samuel L. Jefferson, of the District of Columbia.
Miss Patricia Ann Langford, of Mississippi.
Edward R. McGivern, of Maryland.
James F. Myrick, of Illinois.
Robert L. Padgett, of Washington.
Robert K. Sharkey, of the District of Columbia.
Miss Marguerite M. Simonson, of Pennsylvania.
Harry S. Slifer, Jr., of Michigan.
Osborn T. Smallwood, of the District of Columbia.
John H. Trattner, of Virginia.
Mrs. Gerry Van der Heuvel, of Virginia.
James E. Walker, of New York.
James H. Yellin, of Pennsylvania.

Foreign Service staff officers to be consular officers of the United States of America:

Joseph N. Alexander, of North Carolina.
Miss Grace M. Glasgow, of Ohio.
Russell L. Keeton, of California.
Richard E. Kibel, of Ohio.
John M. Long, of Maryland.
Samuel E. Lupo, of North Carolina.
Miss Dolores J. Mann, of Ohio.
David W. McCoy, of California.
James W. McWilliams, of Virginia.
Charles E. Pedonti, of Massachusetts.
Richard A. Ronollo, of Pennsylvania.
L. Benjamin Sargent, Jr., of Wisconsin.
Carroll L. Simmons, of Georgia.
Mitchell Styma, of Ohio.

IN THE COAST GUARD

The following-named officers of the Coast Guard for promotion to the grade of lieutenant commander:

David W. Hiller
Nils Linfors, Jr.
Leon Z. Katcharian
Bruce W. Thompson
Joseph J. O'Connell
Franklin B. Taylor
Roy L. Foote
Harold J. Gellert
Richard J. Kiessel
John G. Denninger, Jr.
Lawrence M. Schilling
David H. Whitten
Jon P. Ryan
Lance A. Eagan
Hugh L. Thomas, Jr.
William J. Wallace, Jr.
Harold L Bonnet
Arthur W. Mergner, Jr.
Elmer Sorensen, Jr.
Frederick A. Kelley
Raymond D. Bland
James F. Greene, Jr.
Joseph J. Smith
Peter C. Hennings
Walter M. Coburn
Henry B. Traver
Wade M. Moncrief, Jr.
David S. Gemmell
Carl H. Burkhart
Neal Mahan
Glenn E. Haines
Timothy G. McKinna
Peter T. Muth
Richard E. Shrum
Michael O. Murtagh
Joseph L. Crowe, Jr.
Cary R. Hall
David Corson
Anthony J. Soltys
William H. Roth
William C. Heming
James A. Umberger
Kwang Ping Hau
Albert F. Baker
William S. Murray
George E. Mason
Norman H. Huff
Don M. Keehn
Thomas D. Smith
Raymond J. Houttekier
David K. Carey
Louis M Casale
Peter M. Bernstein
Wayne P. Stevens
Harry N. Hutchins, III
Thomas W. Watkins, III
James F. Sanders
Hugh W. Nabors
Bly R. Elder
Gary L. Rowe
Branson R. Epler
Stephen L. Richmond
Richard L. Kaufman
Theodore H. Hofer
John K. Andrews
Alan B. Pell
Cyrus E. Potts
Billy D. Lovern
John E. Streeper
Charles J. Niotke
Billy G. Cunningham
Alfred T. Miles
Harold T. Sherman
Heloma L. Goforth
Edward G. O'Keefe
James R. Walsh

The following named Reserve officer to be a permanent commissioned officer in the Coast Guard in the grade of lieutenant commander:

Paul L. Milligan

The following-named Reserve officers to be permanent commissioned officer in the Coast Guard in the grade of lieutenant:

Theodore M. Nutting
Joseph O. Fullmer

## CONFIRMATIONS

Executive nominations confirmed by the Senate December 10 (legislative day of December 9), 1969:

U.S. CIRCUIT JUDGE

Henry L. Brooks, of Kentucky, to be U.S. circuit judge for the sixth circuit.

U.S. DISTRICT JUDGES

David L. Middlebrooks, Jr., of Florida, to be U.S. district judge for the northern district of Florida.

Alfred T. Goodwin, of Oregon, to be U.S. district judge for the district of Oregon.

R. Dixon Herman, of Pennsylvania, to be U.S. district judge for the middle district of Pennsylvania.

Cristobal C. Duenas, of Guam, to be judge of the district court of Guam for the term of 8 years.

U.S. ATTORNEY

Robert W. Rust, of Florida, to be U.S. attorney for the southern district of Florida for the term of 4 years.

U.S. MARSHAL

Harry Connolly, of Oklahoma, to be U.S. marshal for the northern district of Oklahoma for the term of 4 years.

LAW ENFORCEMENT ASSISTANCE

Clarence M. Coster, of Minnesota, to be an Associate Administrator of Law Enforcement Assistance.

U.S. PATENT OFFICE

John Henry Schneider, of Virginia, to be an Assistant Commissioner of Patents.

# EXTENSIONS OF REMARKS

## ALL KINDS OF PEOPLE CAN WORK TOGETHER

### HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. BURTON of California. Mr. Speaker, on October 26, 1969, the San Francisco Examiner contained an article entitled "All Kinds of People Can Work Together" concerning the firm of Fred Meyer of California, and the men and women who make up that firm.

It was a warm story, a story of the American ideal at its brightest and best. It was the story of Fred Meyer himself, but it was also the story of everyone who is a part of this unique fireplace accessory firm in San Francisco's Potrero District.

It is the kind of thing that can happen in San Francisco and be taken for granted by all who are directly concerned.

I am taking the liberty of placing the full text of the article in the RECORD at this time, to share it with my colleagues and to give special recognition to the men and women of Fred Meyer of California for whom humanity and decency and democracy are not words but a way of life:

[From the San Francisco Examiner, Oct. 26. 1969]

ALL KINDS OF PEOPLE CAN WORK TOGETHER

(By Jim Harwood)

After a visit to Fred Meyer's little fire-screen factory, you wonder where the rest of the country went wrong.

Because a lot of American industry seems to have lost—or never latched onto—what Fred and his 80 employees take for granted: People can work together without a lot of hassle between races, between management or between male and female.

There are no real clues at Fred Meyer of California on Potrero as to why this is so. But there's considerable evidence that it is so.

First, there's Meyer himself, a semibearded Jewish leprechaun who goes around dropping lines not usually heard from company presidents. "I might be a Communist if I thought Communism would work. Let everybody own everything. But Communism doesn't work—it's too afraid of freedom. So I'm not a Communist."

Although a lot of his liberal ideas would rattle the china at the Commonwealth Club, Meyer actually makes a fairly good exhibit for the capitalistic system. Fleeing the Nazis who murdered his parents in Hamburg, Meyer arrived in New York in 1938 with his wife Ellen. As in all good immigrant success stories, he only had $8.50 in his pocket.

Drifting to California during the war ("I had to go west since on the East Coast we Germans were considered 'enemy aliens.' But out here, the Japanese were the 'enemy' and nobody worried about me"), Meyer fell into selling steel fireplace grates and andirons, two items he knew nothing about.

Joined by several boyhood friends from Hamburg who are still with him, Meyer formed his manufacturing company in 1948 and took off in a Hudson on a national sales tour, driving at night, selling by day and often sleeping in the car.

Today, Fred Meyer of California is among the top six in the fireplace accessory industry, averaging sales of 100,000 screens a year and 60,000 accessories. And Fred Meyer is presumably a moderately wealthy man.

A lot of his employees have been with him the whole 20 years. And it's out in the plant where a visitor finds more evidence that people don't have to claw to accomplish something.

The tour is led by the plant production chief, Hank Morioko, a Japanese who's been with Meyer for 15 years. "When I got married, he bought champagne for all my guests. Four hundred people." He's a great guy." Morioko notes that all employees are members of Local 128 of the Metal Polishers union, but there's never been a strike or even an arbitration case

The employee names roll by. Gus Gimarelli and Joe Rio and Robert Rios and Ernesto Fernandez. A Chicano in charge of this. A Black in charge of that. An Oriental running something else. And there's Millie Robinson, 21 years with the company, boss of the paint department

At big corporations they hire labor experts who go around hanging labels like "fully integrated work force" on such situations and try to figure out how they come into being.

At the little factory on Potrero St., nobody worries about it. "We never set out to hire any particular kind of people," says Fred Meyer. "They all just kind of wandered in here."

## EUGE POETA

### HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

*Wednesday, December 10, 1969*

Mr. METCALF. Mr. President, Congressman PODELL of New York, on May 20, 1968, inserted in the CONGRESSIONAL RECORD the poem of our colleague, the senior Senator from Minnesota, GENE MCCARTHY, entitled "Three Bad Signs." This poem has now been awarded a prize by the National Endowment for the Arts. This award confirms Congressman PODELL'S evaluation of Senator MCCARTHY as one who "belongs in the front rank of American lyric poets."

As the Senator from Idaho, Mr. CHURCH, has said, there is no record of another Senator achieving this distinction. For most of us poetry is not our cup of tea.

Senators have written erudite tomes, economic studies, historical reminiscences, essays, doggerel, but never has a Senator earned a prize for poetry.

In achieving distinction as a genuine poet, Senator MCCARTHY can bask in the opinion of Oliver Wendell Holmes who said:

There was never a poet who had not the heart in the right place.

The poem, "Three Bad Signs" inserted in the RECORD by Congressman PODELL and the poem "Ares" called to our attention by Senator CHURCH, are genuine poetic accomplishments.

It used to be that poetry had to rhyme and scan. It was Dorothy Parker who declared:

FIGHTING WORDS

Say my love is easy had,
Say I'm bitten raw with pride,
Say I am too often sad—
Still behold me at your side.
Say I'm neither brave nor young,
Say I woo and coddle care.
Say the devil touched my tongue—
Still you have heart to wear.
But say my verses do not scan
And I get me another man!

The poetry of MCCARTHY is not tnat of the scanning and rhyming variety. It is the modern poetry of *T. S. Eliot*, E. E. Cummings, Marianne Moore, and others. It is of an excellence entitled to be considered with these paragons.

Therefore, I was disturbed that the Washington Star commented on MCCARTHY'S prize-winning poetry as follows:

POET MCCARTHY

The National Endowment for the Arts has awarded a $500 prize to Senator Eugene McCarthy for his poem, "Three Bad Signs." This confirms a long-held suspicion of ours that McCarthy is better at being a poet than he is at the other trades he's dabbled in, such as baseball and politics.

It has been reported that McCarthy, on being informed of his windfall, express the hope that politicians would now stop criticizing his poetry. That seems fair enough. Only those with some knowledge of poetry are properly qualified to comment on the work of a poet.

By the same token, it would seem reasonable to suggest that Poet McCarthy should stop sounding off on the work of professional politicians.

I wonder what test the Evening Star would put on professional politicians. GENE MCCARTHY has won five elections to Congress and two elections to the U.S. Senate. That is playing in the professional league for quite awhile. In addition, he has made a substantial showing in the presidential league. If not being professional means not winning a presidential nomination then there are few professional politicians. If being a professional means success in the highest professional challenge, then GENE MCCARTHY meets the test.

As only an amateur in the poetry business, I salute Senator McCARTHY.

As one professional politician to another, I salute a pro for his achievement in an area in which most of us are dilletantes.

Euge Poeta.

## LETTERS TO PARIS

### HON. DURWARD G. HALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. HALL. Mr. Speaker, during the week of the 24th of November, I took great pride in calling the attention of this body to the "We Love America Week," which blossomed in Joplin, Mo., and spread to many neighboring cities and States.

The observance was highly successful, attested to by the fact that more than 73,000 red, white, and blue armbands were distributed and worn by the people of the area.

Now, the city of Neosho, Mo., has added a bit more luster, to the already shining example set by the patriotic Americans of southwest Missouri.

The Optimist Club of the city of Neosho in Newton County, has had a quantity of letters printed to be distributed to the Neosho area residents. The letter is addressed to the North Vietnam delegation to the Paris peace talks. The letter pledges support to the American peace effort and requests open inspection of the North Vietnam prison camps by the International Red Cross.

The individuals who live in the area, have been requested to sign and mail them to Paris. It is hoped by the Neosho, Mo., Optimist Club, that hundreds of these letters will be mailed.

Mr. Speaker, I commend these people on their resourcefulness and offer a copy of the letter, to be read by the Members of this body.

The letter follows:

Mr. XUAN THUY,
*North Vietnam Delegation, Paris Peace Talks, Paris, France.*

DEAR SIR: I am just an average American who has become concerned over the conditions of the Vietnam War. Like any decent American or human being, I desire the war to be over, but I believe in a just and honorable peace for all men, both North and South. Therefore, I pledge my support for our valiant American effort to bring peace in Vietnam as well as the rest of the world. I also pledge my support of the policies of the past administration of President Johnson and the present administration of President Nixon.

There is one thing that bothers me extremely, and that is the condition of our American prisoners in North Vietnam. I appeal to your basic goodness as a member of the human race to open the prison camps for inspection by the International Red Cross. Also, I further appeal to you as a fellow human being to release our prisoners as a measure of good will. Please, sir, make an effort for the benefit of the good people of both America and Vietnam to ease the tragic conditions of this terrible war.

Sincerely,

## YOUNG PEOPLE DO UNDERSTAND ISSUES OF TODAY

### HON. PAUL J. FANNIN

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

*Wednesday, December 10, 1969*

Mr. FANNIN. Mr. President, because of the work on the tax bill that has taken us far beyond a normal adjournment date, many of us have been forced to cancel speaking engagements of long standing that were made months ago when we thought surely this Congress would conclude its business at a reasonable time.

One of the addresses which I was scheduled to make was at the Flowing Wells High School in Tucson, Ariz. Unfortunately, I was forced to cancel that speech, but the patriotic program was held anyway and a friend read the speech in my place.

Shortly afterward, I received a copy of an "answer" to my remarks by Miss Stephanie Daniel, a student at Flowing Wells High School. Miss Daniel has, I believe, demonstrated an extraordinary and lucid understanding of the problems facing America. Her statement is particularly welcome because we hear so much about certain small irresponsible elements in today's society of young people.

I was impressed with Miss Daniel's presentation. I feel other Members of the Senate will share my appreciation for her statement and I ask unanimous consent that her remarks be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AN ANSWER TO SENATOR FANNIN

(By S. Daniel)

Senator Fannin, honored guests, Dr. Yoder, Mr. Meneley, faculty, and the Student Body: On behalf of Flowing Wells High School, we thank you for your provocative words, your philosophy and your challenge.

We are a restless generation, a generation in search of true knowledge. We listen to your words of wisdom, your words of experience. And with your words and your suggestions, we will attempt to guide the United States toward a more complete, successful and accomplished society. The time is now for positive thinking and constructive action on the part of our nations youth. If we are to survive, if we are to continue in the greatness of our Founding Fathers, if we are going to be the World Leader, if we are to have peace at home and abroad, we must bind the wounds of the Generation Gap, and accept the guiding hand of all generations. We will need your help, you the "older" generation. And we will need your patience, for sometimes we appear too eager, too aggressive, and too thoughtless. But our youthfulness cries out for action now. Action to rebuild our cities. Action to eradicate air pollution, action to feed the hungry, and action to find jobs for the jobless.

We know these programs take time. And let me also say to those who would destroy the nation with lawlessness, our nation was built on laws and rules of conduct, and without the protective hand of Law and lawmakers, our nation's future is one of anarchy and total destruction. Little is gained, and much is lost when we ignore the property rights of every individual, and take up the rioter's call of "Change through destruction". The many problems of our society can be healed, but must be healed, with laws to abide by and strong men to guide us.

We hear your challenge, Senator Fannin. We answer your call for understanding between peoples and nations. As the class of 1969 moves into the '70's with footprints small in size, we realize that one day our footprints will be the giant steps that will cure cancer, stop the common cold, rebuild our cities, make people laugh again, smile at one another, and say, "Hi brother", what can I do for you today?", and really mean it! Let us from this moment on, move into a new era of greatness for our country. Let the 1970's be remembered as the turning point in American History. A turning point from want, from destruction, from suspicion, from gaps between ages and races, and a move towards a century of goodness, love, peace and understanding. We thank you Senator Fannin, for "lighting the first candle for us". Now it is up to my generation to take up the light, and shine ahead and up, instead of behind and down.

Thank you.

## EDGAR ALLEN POE

### HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. BOGGS. Mr. Speaker, the New Orleans Times Picayune recently published a well-deserved tribute to its Washington correspondent, my good friend, Edgar Allen Poe.

Needless to say, it is unusual for a newspaper to publish a tribute to one of its own reporters, but Edgar Poe is no ordinary reporter. He is a professional journalist with almost 40 years of outstanding reporting experience.

Because of his ability and warm disposition, Edgar Poe's colleagues have elected him to offices in numerous professional organizations' including the White House Correspondents Association, and Sigma Delta Chi journalism fraternity.

For these reasons, I am inserting in the RECORD the following article by Craddock Goins and calling it to the attention of my colleagues:

POE'S CAREER IS LIVING PROOF NICE GUYS DON'T FINISH LAST

(By Craddock Goins)

(NOTE.—This being the Christmas season, publication of a newsman's rhapsody about a fellow newspaperman (particularly when the latter happens to be our favorite Washington correspondent) seems in order. Mr. Goins has known Mr. Poe in New Orleans, in Jackson and in Washington when both were writing news in those cities.)

WASHINGTON.—Perhaps no paper has had superior capital coverage more consistently in this century than The New Orleans Times-Picayune. That is believed by many who have known the late Paul Wooton and the unassuming chap who now walks his beat—one Edgar Allen Poe.

In his 22 years here Poe has been up front where the action is and the pressure runs high. He lists himself on the press-gallery roster as Edgar Poe, refers to himself as plain Ed and leaves the thought that he is just another Poe boy trying to get along.

Poe had to walk high and fast to match Wooton's strides. That spectacular man had kept pace with the period's public giants, including founding fathers of the National Press Club and the prestigious Gridiron Club, to rate high favor in the White House.

Wooton was probably the only newsman to achieve family-friend status with the presidency. That was won by his empathy for a child in tears. This child had fallen in front of her parents' apartment. As Wooton helped her up, she said her name was Margaret and "my father—boo hoo—is Senator Troo—boo hoo hoo—Trooman!"

Wooton's kindness to Margaret was so appreciated that Truman's ear was always ready when he needed information not available elsewhere. The Times-Picayune had status position on the executive's reading table.

"NICEST MAN"

Before going to Washington, in 1947, Edgar Poe served in The Times-Picayune's Mississippi bureau. Ten years in Jackson won him esteem for integrity and graciousness. Washington Post's Jack Gould described him in these words:

"Edgar Allen Poe was once described by his wife as 'the nicest man I ever met.' She's right. It was a privilege to work with Ed in New Orleans, Baton Rouge and Jackson, and see him help others, particularly other newsmen. He is a man of his word, a great reporter and as respected in Washington as he was there."

Mississippi's Secretary of State Heber Ladner backs that thought: "It is appropriate that you do a profile on my long time personal friend Edgar Poe. I am glad to have the opportunity to endorse his contributions in journalism to our state, the South and the nation. Ed exemplifies the highest ideals, always sticking to truth and fact, refusing to take statements out of context to mislead the public. He reports objectively without inflicting injury."

Poe is a member of the Gridiron Club, treasurer of the White House Correspondents Association and a past president of the Washington group of Sigma Delta Chi, a journalistic body.

As a member of the Senate and House Standing Committee of Correspondents governing admission to the galleries, Poe resisted a step to bar Soviet Russia's Tass correspondent in respect for America's free-speech traditions.

FAIRNESS, ACCURACY

Two senators who have known Poe from early days are Mississippi's James O. Eastland and Louisiana's Allen J. Ellender. Ellender knew Poe from stormy days when the Senator was speaker of the Louisiana House of Representatives and believes he is "a credit to journalism, very personable, trustworthy and, unlike some Washington commentators, is not prone to exaggerate. His reputation is based upon close attention to facts. He views thorny problems incisively while presenting an objective view."

Senator Eastland could recall Poe's record from early Mississippi days: "Ed Poe is one of the finer newspapermen in Washington. He had the ability to dig out stories where other reporters often miss them. You can count on him to make an in-depth treatment of any story. His reputation for fairness and accuracy is unequalled. I am proud to call Ed my friend."

A Poe story that drew admiration from Georgia's Senator Herman Talmadge was a review of Senator Ellender's long public career. In asking for unanimous consent to have that story published in The Congressional Record, Talmadge said: "One of the most respected newsmen in the nation's capitol is Edgar Allen Poe. He writes with balance and insight and is a credit to New Orleans and the South."

Louisiana's Senator Russell Long believes Poe is "one of the fairest, most conscientious men I have ever known. He has a tough job and he does it well. He has the ability to write and the ability to convey, an asset very important to the American republic. Ed is truly outstanding."

WAR CORRESPONDENT

One knowing Poe longest is Louisiana's First District Rep. F. Edward Hébert. He remembers when Poe was a local staffer on The Times-Picayune while Hébert was a New Orleans State deskman. "Ed Poe is one of the nicest guys I ever met," he said. "His compassion is something foreign to many newshounds. He is a mixture of good and accurate reporting and human understanding. Will Rogers said, 'I never met a man I didn't like.' Edgar could say he never met a man who didn't like him."

A tribute that touched Poe very much was never intended for publication. He received it in May, 1968, from Mrs. Ruth Lloyd Miller of Jennings, La. Congratulating him for an award from Alabama University "for outstanding political and legislative reporting," she added "a belated thank-you for something you did for me 23 years ago. It was your radio message from the USS Mississippi in Tokyo Bay that brought the first word that my husband, who had been missing, was alive."

Poe had taken time out from his Mississippi bureau assignment to be a war correspondent. He steamed from Okinawa to the Yokoshuba Naval Base to cover the Japanese surrender on the USS Missouri. His Pacific reporting won commendation from Navy Secretary James Forrestal.

Poe joined The Times-Picayune in 1930 after experience on a Birmingham newspaper. In his Deep South days, he covered historic political events: the campaign of the Longs, Theodore G. Bilbo, Pat Harrison, Hugh L. White, Martin Sennett Conner, Jimmy Morrison, Dudley LeBlanc and others. He was born in Jasper, Ala., first met printer's ink on The Mountain Eagle, a weekly published by his grandfather, James R. Gunter. He is married to the former Frances Margaret Harwood. They have two sons, Edgar A. Jr., of Washington and Thomas L., of McLean, Va.

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## PENNSYLVANIA SUPPORT FOR REPEAL OF UTILITY EXEMPTION FROM THE TRUTH-IN-LENDING ACT

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## HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

*Wednesday, December 10, 1969*

Mr. METCALF. Mr. President, on October 13, Senator SCOTT and I introduced S. 3018, to repeal the unfair exemption from the provisions of the Truth-in-Lending Act now enjoyed by utilities. As I pointed out in my introductory remarks, this exemption was never discussed in hearings on truth in lending, but rather was added to the legislation in conference, in acquiescence to the powerful utility lobby.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a recent front-page editorial from Building and Realty Record, a Pennsylvania publication, objecting to this discriminatory treatment of the oil heat and other industries and supporting repeal of that exemption as we have proposed.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ELECTRIC & GAS UTILITIES

(By S. Beryl Lush)

The electric and gas utilities are exempt from the Truth-in-Lending act.

The oil heat industry is not.

As the law now stands it penalizes the independent businessman—and favors the utilities.

Truth-in-lending legislation was before the Congress for many years prior to passage of the Consumers Credit Protection act of 1968. When the bill was passed they snuck in a clause whereby the utilities were exempt.

The reason is obvious! Most people believe that when they get the bill from the electric or gas company they get a discount when they pay within 20 days.

Thus a bill for $4.42 carries an imaginary discount if paid within 20 days.

This would make the actual cost $4.10 and not $4.42.

But what are the facts?

When you are billed a net and a gross amount depending upon whether the bill is paid before or after a specific date, it is not a discount from the bill for prompt payment as many people believe.

The amount you owe is really the net sum.

The Gross Sum is a Charge for Credit!

Thus the 32c charge in this case makes an interest rate of 142% per annum.

No wonder the utilities fought tooth and nail not to be included in "truth in lending."

If the truth were known the people would be justly disturbed.

The Utility companies run very little risk on late bills, because no one wants to risk having the service cut off.

We know of no other business that has such a club to hold over the head of their slow paying customers.

Where there are late payment penalties they would be regulated under State law, but very little attention is paid to the subterfuge of an imaginary discount which carries a hidden penalty of interest at the rate of 142%.

A bill has now been introduced to repeal the exemption of utilities—but the chances are good that the utility lobby will let it die with the Committee on Banking and Currency.

Utilities are supposed to be regulated by State agencies and the rates are approved by these agencies.

But this approval does not call for penalty allowances. The utilities get around that by billing gross and net.

They have no right to bill gross, as the net charge is the actual amount due.

The difference between the gross and net is the interest for delayed payment and, assuming they are entitled to some interest, how by the stretch of imagination can they have the nerve to charge 142%?

And no regulation is in effect to hinder this charge.

In addition, the poor consumer relishes the idea that he is getting a discount when in fact he is getting nothing.

We have nothing against our utilities. In fact we own stock in them. But when an injustice appears our duty is to reveal it.

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## GUARANTEED ANNUAL INCOME

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## HON. THOMAS S. KLEPPE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. KLEPPE. Mr. Speaker, I want to share with my colleagues a letter I received from a constituent. This letter again, I think, exemplifies the fact that normal, every-day people can probably express themselves better than the rest of us on a subject of vital importance to all of us. In this instance, Mrs. Weyrauch has said so well what she and her husband believe and think about the pros-

pects of a guaranteed annual income of $5,500. As for me, I find it most difficult to argue with her. I commend her for her very brief and exacting explanation. I particularly call your attention to her remarks regarding work:

TIOGA, N. DAK.,
*December 3, 1959.*

Mr. KLEPPE: I have just finished listening to the Huntley-Brinkley report on TV. I am writing you regarding the demonstration in progress urging Mr. Nixon to pass legislation guaranteeing everyone a minimum income of $5,500 yearly, plus free food stamps. What is this country coming to, that people have the idea that someone else owes them a living? Have they not heard of an old-fashioned project called work? My husband listened to this report on TV tonight, and made the remark that if the government would put out a guarantee of $5,500, why should he work? I believe a huge majority of people have this same idea. I do not mean to say that people should go hungry, as a child, I know my parents got commodities from the government; sacks of potatoes, onions, oranges, et. We did not go hungry. Nowadays, I see people using food stamps to buy steaks, frozen TV dinners and fresh coconuts, for example, while I buy hamburger and macaroni to feed my family. As for the housing a lot of these people live in, granted it is terrible, but do they try to improve it? Soap and water is cheap, and a can of paint goes a long ways if a person has the ambition to use it. My family lives in a house that two rooms were built by homesteaders to this state. It is clean, warm and comfortable. Even if you should provide the majority of these people new housing, would they furnish upkeep on it, or say in 10 years, would it look exactly the way the tenements do now? It is very discouraging to work for a living, and then hand over part of it to someone else who is too lazy to hold a job. Anyone can have hard luck, due to illness or accident—and temporarily need a helping hand. These are not the people who are demonstrating and constantly demanding more for nothing. These are the people who make a career out of being lazy leeches who want someone else to support them.

I urge you to do something in Congress to clean up this welfare mess.

Sincerely,

MRS. FRANK WEYRAUCH.

## A GREAT PATRIOT

### HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. CHAPPELL. Mr. Speaker, we are sometimes prone to think of too many Americans as being self-seeking; to feel that too many distain our Government, and that the love and respect of the very symbol of our liberty—the flag—has been too often trampled underfoot.

There is an opposite side to this picture, Mr. Speaker. This brighter side is epitomized by a great patriot from my own hometown in Ocala. I speak of Mr. Herb Romines, who 21 years ago as he traveled about Florida, suddenly realized how very few flags were flying and determined to do something about it.

Since that day, 21 years ago, Mr. Romines has personally donated 386 flag poles in Florida, from Miami to Tallahassee. Not content with donating the flag poles, Mr. Romines has personally helped in the actual installation of the poles.

I know the various schools, Little League ball clubs, and the many civic and fraternal organizations which have received these flag poles, will join with me in paying tribute to Herb Romines as a great and truly patriotic American.

## TRIBUTE TO DAVID R. COKER

### HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

*Wednesday, December 10, 1969*

Mr. THURMOND. Mr. President, a great South Carolinian was honored recently, and I would like to make note of this occasion. Coker Life Science Building, located on the University of South Carolina campus, was named in honor of Mr. David R. Coker, one of the finest citizens our State has produced. The dedication remarks were made by Hon. R. Beverley Herbert, Sr., an able lawyer from Columbia. The remarks adeptly portray Mr. Coker as the type of man who makes this country great.

Mr. David Coker was an able and courageous man who contributed greatly to the progress of South Carolina and the Nation. Members of his family are equally distinguished. He married the daughter of the Honorable Daniel Roper, who served as Secretary of Commerce under President Franklin D. Roosevelt. His son, Robert R. Coker, is one of the foremost plant breeders in the country, and an estimable and highly esteemed citizen. His other children and his grandchildren are also talented and gifted citizens.

Mr. David R. Coker is a man whom we in South Carolina and the South held in high esteem and admiration, and are pleased that he was our own. He will be long remembered as a distinguished citizen who rendered great service to his State and Nation. During his lifetime, I was honored to know him and to claim him as a friend. I am also proud to claim the friendship of his distinguished son, Robert R. Coker, and of other members of the Coker family.

Mr. President, I ask unanimous consent that the remarks by Mr. Herbert eulogizing Mr. David Coker at the dedication ceremony, and those of Mr. Robert Coker in response, be included in the Extensions of Remarks.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

COKER LIFE SCIENCE BUILDING

(Remarks of R. B. Herbert, September 1969)

We are met here today to name and dedicate this splendid and useful building. It is named Coker Life Science Building in honor of David R. Coker who was a graduate of this University in 1891 and was a trustee of the University from 1911 until his death in 1938.

He was Chairman of the Board at the time of his death.

The Board of Trustees and the President are to be congratulated on their honoring one of its greatest alumni and a truly great man and at the same time of honoring and perpetuating the name of the Coker family of which David R. Coker was a member. The Coker family and David R. Coker believed in South Carolina and have helped to make it a great State, and this University does well to perpetuate their name and example. I have sometimes wondered if we sufficiently appreciate and honor our home people. The Cokers have been remarkable for many splendid qualities, and one of the most notable is that they have found in South Carolina the conditions and products they needed for success, and it is therefore peculiarly appropriate that their name should be honored in their State.

David R. Coker was the son of Major James Lide Coker of Hartsville, who, when I came to South Carolina seventy years ago, was known as the great man of the PeeDee. Although terribly wounded and left a cripple by the Civil War and living in a country that was left prostate by the War, Major Coker built a career that any man might envy. He became a highly successful trader and farmer. He raised a family of distinguished children. He helped his oldest son, James Lide Coker, Jr., found Sonoco Products, one of the great corporations of America. He helped his second son, David R. Coker, develop the Coker Seed business, and he helped his third son, William C. Coker, to become the great botanist of the University of North Carolina. He built a railroad into Hartsville, and he founded and endowed Coker College—some achievements for a man left a cripple in a desolate country. Perhaps greater than any or all of these and more important was Major Coker, the man. Countless people have been influenced for good by him and by people who he influenced. If I may say a personal word, my old friend Judge Woods, the greatest man I ever knew, used to talk more about Major Coker than anyone else. He told me the most important things any of us do are not some achievements on some great occasion but are things we do as a matter of course, the standards we set from day to day and he cited Major Coker.

David R. Coker was the second son of Major Coker. After he graduated at this College in 1891, he clerked for a time in his father's store and became a humble farmer and learned the problems of the farmer and cotton grower. He learned as tens of thousands of other farmers had done how hard it was for our farmers to make a living, the small yield, the short staple and poor price of the crop and he set out to do something about it. Let us consider for a moment the courage of this man who at the turn of the century was starting out to grow a better product for a better price. He relied only on intelligence and hard work and endless care in his seed breeding experiments. He had not long been at his work when he was faced with a crisis. An invader more ruthless than Sherman's Army crossed the Rio Grande River without sound of trumpet or beat of drum and came steadily northward and eastward destroying the South's great money crop as it came—the Mexican boll weevil. It is doubtful if any agricultural people ever faced such complete destruction of their money crop. The weevil came at the rate of about fifty miles per year, and I well remember that the Governor of South Carolina and associates visited the boll weevil area and came back and reported they traveled a whole day and did not see a single cotton bloom.

What did David Coker do? Did he give up as many thousands did? Not only did he not give up, he redoubled his efforts. The plight of the Southern cotton planter became to him the plight of David R. Coker and he risked his all. He not only continued to improve his seed, to grow a tougher longer staple, a tougher boll, but he circulated information in every way he could how to plant and grow cotton and poison boll weevils.

Then came on top of the boll weevil the depression years and bank failures, and Dave Coker's brother, J. L. Coker, Jr., in true Coker fashion, knowing his difficulties came to him and said "When you go broke, I go broke."

There is no more dramatic story in America than how he strove and he won. When he started his work, the staple South Carolina was growing was less than an inch long; today 90 per cent of it is over an inch long. The yield than was 159 pounds of lint cotton per acre; today by the last Clemson report,

it is 443 pounds, nearly three times as much and David R. Coker is the man who wrought the change.

The University of North Carolina Press has published a book entitled "The Cokers of Carolina" by Mr. Simpson. Two of the Coker family were eminent professors at that University. I wish that book could be made required reading in our schools in South Carolina. It is a good book. I do not find but one thing in it I would change. It says in effect the great success of the Cokers has been due to fair dealing and technical skill. I would add as a third—invincible courage. They like Columbus "sail on" when lesser men stop.

David Coker was a great man and his widow, who we are fortunate to have with us today, is a great lady. Every measurement I can put on Dave Coker gives but one answer—greatness. In an excellent paper about him, Mr. A. L. M. Wiggins quotes Dr. Douglas Freeman who wrote the biographies of George Washington and General Lee and knew greatness when he saw it, he said David R. Coker "was one of the half-dozen inately great men I ever had the honor of knowing." As long as South Carolina continues to produce such men and the University keeps their example before our people, we shall have a great State. It is a splendid thing that this building carries his name.

Having been privileged to know Mr. David Coker and having read much about what he did and said, I have asked myself wherein his greatness lay.

His greatness lay in his consuming passion to lift the South Carolina and Southern farmer out of the drab poverty-stricken life he had been leading and set him on the high road to prosperity and happiness. He had proved to himself it could be done and he wanted to give it to the world. The great heart of this truly great man beat for his fellow man.

I am sure he must have been internally a very happy man because he was being used for a very great purpose.

This University could not possibly do better than to hold up his example to her people.

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REMARKS OF ROBERT R. COKER AT DEDICATION CEREMONIES OF THE DAVID R. COKER LIFE SCIENCES BUILDING, UNIVERSITY OF SOUTH CAROLINA, COLUMBIA, S.C., SEPTEMBER 9, 1969

Mr. Herbert, Chairman Osborne and members of the Board of Trustees, President Jones, distinguished guests, and ladies and gentlemen: For myself and the other children of David R. Coker; for Mrs. May Roper Coker, his widow who shared in full measure his dreams and aspirations and who, as his co-worker, walked faithfully by his side during many years of humanitarian and scientific endeavor; for his grandchildren and great grandchildren; for his relatives beyond the immediate family; for the family members of his colleagues and contemporaries in scientific plant breeding; for his successors who carry on the work in the company he founded; for all these I bespeak profound and humble gratitude to the trustees and administration of this institution for their decision to memorialize, in this center of learning, the life and work of the one whom we loved, whose memory we cherish, and whose heritage and tradition are our constant inspiration.

When a great university honors the memory of one of its sons by giving his name to a building dedicated to the discipline to which he gave himself, it is his family, most of all, who is moved by that decision; for it is we who knew him best, who loved him most, who more than any others were influenced by his counsel, and who were most inspired by his spirit of selfless devotion to the great cause to which he committed his talents and gave the full measure of his mental and physical energies. We are, therefore, deeply moved by the events of this day, by the gracious words which have been spoken, and by the thought that this building shall memorialize in perpetuity, through succeeding generations of students and teachers, the spirit and work of David Robert Coker.

It is impossible, of course, for brick and mortar to capture the spirit of a man. But it IS possible for a building of brick and mortar to be so dedicated to learning and service, and for those who pursue learning within its walls to be so imbued with the desire to know and to share that knowledge with their fellowman, that the building itself shall come alive with the spirit of the one whose name it bears.

It is our sincere hope, indeed our prayer, that the Coker Life Sciences Building shall be such a place; that within these walls the students of this and succeeding generations shall so apply themselves to the principles of scientific learning, and so go from here with a desire to make their learning serve the cause of human progress, as to make this building, its classrooms, its lecture halls, and its laboratories a continuing center from which enlightened minds and dedicated spirits go to serve all mankind.

In so doing, it will do more than honor the memory of a man. Far more importantly, it will be a lasting interpretation of the spirit of education and service itself. It will build character as it expands knowledge; it will grow men as it furthers learning; it will enlighten man's spirit as it stimulates his curiosity and cultivates his intellect. This was the combination my father sought to achieve in his life, and for which we, the members of his family, are indebted as his heritage.

Again, we are deeply grateful for this memorial tribute to him on the campus of the university where, as a student, he found added stimulation to that obtained from his father before him to make the life sciences the commitment of his life, and through their discipline a life service to his native and beloved South.

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## "SESAME STREET"

### HON. WILLIAM D. HATHAWAY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. HATHAWAY. Mr. Speaker, 1 month ago today, American educational TV commenced the daily broadcast of a children's educational program which is fast proving itself as an invaluable learning tool for millions of this Nation's preschool children.

I refer to a program called "Sesame Street," a creative, enjoyable, and well-planned ETV production, which began a 26-week series on more than 170 television stations throughout the country on November 10.

"Sesame Street" is the product of a unique cooperative effort undertaken about 2 years ago by the U.S. Office of Education, the Carnegie Corp., and the Ford Foundation. The three organizations determined that extensive television viewing consumed a substantial portion of a child's day. Indeed, they learned that most young children were exposed to television for about 50 or 60 hours per week—that is quite an audience, when you consider that more than 96 percent of all American homes have at least one television set.

Based on this evidence, the cooperating organizations created the Children's Television Workshop, to research and develop an experimental series of programs which would educate young children and help make them more receptive to learning and more eager to learn. "Sesame Street," designed and produced for the preschool youngster, is one of many laudable results of this effort—developed over an extended period of intensive research into what children react to, how they learn, what their minds retain, and how they are able to apply what they have learned to specific situations. Among the show's many features are exercises with letters, words, and numbers, as well as with impressive personal and social values, which are enlivened by a cast of human and illustrated characters.

Not long ago, Mr. Speaker, the executive director of the Children's Television Workshop, Mrs. Joan Ganz, appeared before a subcommittee of the House Education and Labor Committee to discuss the educational potential of American television. Mrs. Ganz related the sorry facts that half of the Nation's school districts have no kindergartens and that only about one out of every four children from so-called disadvantaged neighborhoods are exposed to social services in any way educative.

The Education Committee has undertaken extensive hearings relative to the educational needs of our elementary and secondary schools for the 1970's. It is hoped that "Sesame Street" will provide a model for some of the committee's considerations.

"Sesame Street" and projects like it, whether commercial or noncommercial, can have a very large role in preparing our children during the new decade to face the challenges of learning and the challenges of life. This is public service in its highest state.

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## BUSINESS BARRELS TOWARD A TRILLION DOLLAR ECONOMY

### HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. PUCINSKI. Mr. Speaker, for sometime now I have been calling attention in my public speeches to the fact that the United States is headed toward a trillion dollar economy by next year.

I have pointed out time and again that this phenomenal growth has created many of our social problems and that these problems must be met.

I have stressed the need for intensified and vastly expanded education to produce the skilled manpower that this Nation will need to sustain a trillion dollar gross national product.

On many occasions, some doubting colleagues challenged my confidence in the future in America and some even accused me of exaggerating our fantastic growth.

I am including in the RECORD today an article which appeared in the November issue of Nation's Business which shows how this Nation is headed toward a trillion dollar economy.

I am pleased that this very prestigious business publication confirms what I have been saying for a long time.

I am even more pleased to have been a Member of this Congress during the past 11 years and have participated in many landmark legislative decisions which have brought America to this fantastic pinnacle of economic growth.

All of us who have served in the Congress during this past decade can take great pride in having been partners in his magnificent and enormous growth of our Nation.

But this is only the beginning. While it took us almost 19 decades as a nation to reach a trillion dollar GNP, our Nation's wealth will more than double in the decade of the 1970's.

By 1980, I have every reason to believe that America's GNP will surpass the $2 trillion mark.

It is important for us in Congress to realize that this fantastic growth will bring problems never anticipated by civilization and we as responsible legislators should begin to start addressing ourselves to these problems today.

As we anticipate this fantastic growth during the next 120 months, it would be my hope that much of the petty and meaningless debate which so frequently divides us in this Congress would be set aside and that we—as Americans—would address ourselves to a realization of the problems ahead.

In this next decade we can bring about the fulfillment of man's eternal dream—the hope to stamp out want, destruction, brutality, and conflict.

We shall make discoveries in medicine and environmental health never before dreamed of by the human mind.

The article which I am enclosing in the RECORD today clearly demonstrates the degree of achievement that the human animal is capable of projecting and is indeed a prelude of what enormous opportunities lie ahead for our Nation and mankind so long as we remain—above all—free and resolute.

The article follows:

THE 1970'S: BUSINESS BARRELS TOWARD A TRILLION DOLLAR TOMORROW

The big American Airlines 727 jet roared at dusk into Washington's National Airport. Only 65 minutes earlier, it had taken off from Boston.

As the plane braked to a halt, a safety-belted businessman peered out a window and turned to a companion.

"Everywhere you go," he said, "you see the same thing. . . ."

He gestured toward a massive new airport terminal wing being built for TWA

"Either tearing down, or building up."

He had summed up a major quality of American business in the 70's: Change—highlighted by growth.

Much of it will be due to America's two greatest resources—technology and an educated people.

John Diebold, whom many credit with coining the word automation, points out:

"Half the research conducted in the United States since the republic was founded has been crowded into the last eight years. And 90 per cent of the scientists who ever lived, live today.

FASTER AND FASTER

The result: a highly technical, sophisticated society, its foot on the gas pedal, traveling at an ever faster clip.

Here are some statistics which show where we stand today, and how far we will go in the next 10 years.

In 1969, our gross national product will reach $932 billion, according to financial consultant Louis J. Paradiso, former assistant director of the Commerce Department's Office of Business Economics.

Next year, the National Planning Association estimates, it will be more than $1 trillion. By the decade's end, NPA says, it will be nearly $2 trillion in then-current dollars.

In 1969, 81 million Americans held jobs. By 1980, close to 100 million will. The increase alone nearly equals the entire population of Canada.

In 1969, we're spending $580 billion on food, fun, health, housing, education and other personal items. By 1980, we'll spend almost $1.2 trillion.

But we'll be able to afford it.

At the end of the 70's, nearly one third of the nation's families will be in the $10,000 a year bracket and up—in 1969 dollars. They will receive more than half the national income.

That's growth. It will help business.

Change will hurt as well as help.

Change means three Japanese firms, Canon, Inc., Hayakawa Electric Co., Ltd., and Tokyo Shibaura Electric Co., Ltd., grabbing off a big share of the U.S. market for calculators. It means Volkswagen selling more than 500,000 German-made autos a year in the country where the Tin Lizzie was born.

But it also means IBM cornering a large part of the world market for computers.

HIGH ON TECHNOLOGY

That's the recent past. The future will mean an even more rapid ebb and flow in markets and products.

In this environment, well-run, high technology firms will flourish, experts say.

But some other companies will fall by the wayside. In the 60's, scores of the big, well-known American companies disappeared. Some are just names on corporate headstones. Most were swallowed up in mergers.

The accompanying table (pages 30–31) summarizes how major American industries will fare in the next decade. It tells what their output is now (based on latest available figures) and what it will be in 1980.

It gives also their average annual rate of growth in the 70's.

The table was adapted from the National Planning Association's "National Economic Projections Series."

From the evidence, America won't have enough workers, skilled and unskilled, to do all it wants to do.

Today, the U.S. population totals about 204 million. In 1980, it will be some 235 million.

With few dissents, most forecasters see American prosperity hitting new peaks in the 70's.

Arthur Okun of Brookings Institution, a chairman of the Council of Economic Advisers during the Johnson Administration, says:

"I think we're going to stay on a high growth path. We're going to have to try to solve the problem of inflation. And I think we're going to."

A FLATTER BUSINESS CYCLE

NPA economist Morris Cobern notes his Association's forecast assumes the economy will have a real growth rate of 4.4 per cent a year. It adds 2.7 per cent a year for inflation, which it expects to ease, but not stop.

"Our Future Business Environment," a General Electric Co. study based on the views of "upwards of 100 of this country's best thinkers" on social, political and economic trends, says economic stabilization is expected to be a hallmark of the next decade.

"There is now widespread agreement," it says, "on the prediction of a further flattening of the business cycle. Whereas in the 15 years, 1949–64, the unemployment rate had a five-point swing, from a low of 2.5 per cent to a high of 7.5 per cent, the next 15 years may see the swing kept within a 1–1.5 point range, at a level of about 3–4.5 per cent.

"Again, whereas post-World War II recessions have averaged 10 per cent cutbacks in industrial production, future declines are expected to be only half as deep."

It adds that large-scale unemployment "has become too great a political liability for any Administration to tolerate for long." And it also cites these new factors which tend to keep factories running and people at work:

Technology and automation, which involve long-range programs and high fixed overhead, and place a premium on stable production.

Computerized inventory control, which helps to narrow wide swings in the inventory-sales ratio.

A new kind of labor force, with more and more men and women in white collar jobs where layoffs are fewer.

Higher unemployment compensation, plus company-paid supplemental unemployment benefits, which make layoffs more costly.

UNPARALLELED PROSPERITY

All this helps add up to unparalleled prosperity.

U.S. per capita income, now $3,420 a year, will be $6,340 in 1980, NPA says.

If this outlook sounds unduly rosy, a look back may put it in perspective.

In the last 10 years, one authority points out, "this nation has doubled the value of its annual output of goods and services.

"What we now produce in a month ($78 billion) approaches in value the total annual output in 1939—or even 1929."

Will only corporate giants be able to survive in this new decade? Jesse W. Markham, Harvard Business School professor of business administration, thinks not.

"Actually," he says, "the number of businesses big and small tends to grow roughly at the same rate as the population." That means that small businesses will continue to outnumber corporations about 10 to one.

In 1966, the last year for which Internal Revenue Service has statistics, 1,468,725 U.S. corporations filed returns, compared to 9,086,714 proprietorships and 922,680 partnerships.

THE CLIMATE IS CHANGING

There will be some sweeping changes in the climate, at home and abroad, in which American businesses will operate.

Domestically, our rising affluence, economic growth and higher and higher level of education will be major influences.

Just as in the 60's, new industries will rise or mature in the 70's.

Prof. Kenneth R. Andrews, chairman of Harvard Business School's Advanced Management Program, sees industry taking over many tasks once considered government's private preserve—for example, in health services, in social service functions such as operating day care centers, and in education, especially vocational or technical.

Prof. John G. Kemeny of Dartmouth College foresees a national network of large time-sharing computer systems, comparable to today's public utilities. They could be used, among other ways, to match jobseekers with job openings in an entire city or region; to help would-be college students find colleges which want applicants, and to replace costly private and public libraries with an electronic reference service.

SMALL WORLD

American business will operate in an expanding economy, but a shrinking world.

"The impact on world trade will be tremendous when we get new aircraft like the C5A," predicts Harvard Business School Prof. John Glover. "Mozambique will then be closer to Boston than Chicago was in 1940.

"The total cost of air transport will be so cheap that it will cost a German manufacturer less to roll an auto aboard a plane and fly it to St. Louis than to load it on a

truck or train, carry it to a port or dock, put it on an oceangoing cargo carrier, take it off at New York City, then ship it overland.

"Our old natural tariff barriers—distance and cost of handling and shipping goods—will disappear."

Experts predict a great upsurge in U.S. world trade. Today, Americans are importing goods made abroad at annual rate of $35.3 billion, and exports come to $36 billion. By 1980, some experts say, annual imports will be $90 billion, but our net exports will top that by $15 billion.

Commerce Secretary Maurice Stans is a bit more cautious. He says, "Our exports could be close to $100 billion by 1980.

"To do this, of course, we need a great deal of successful negotiating to reduce trade restrictions and provide for orderly markets."

As for the American economy as a whole, the Secretary says:

"We have every reason to expect a substantial growth in the 70's, provided that we manage our economic affairs properly, and don't allow inflation to get out of hand again.

"If we do that, we can operate at a high level of prosperity with a high level of employment.

"But to finance this growth will take money. We must see that our tax laws don't inhibit capital formation. That's why the bill recently passed by the House is unfortunate. It taxes industry too heavily.

"For progress in the 70's, we must find ways to reduce taxes on corporations and permit the capital growth that is necessary.

"After all, it is American enterprise that has given us everything we have now. If we encourage it, it can give us about anything we want."

GROSS PRODUCT BY INDUSTRY—THE NATIONAL PLANNING ASSOCIATION, LOOKING INTO THE DECADE AHEAD, SEES THIS

[Billions of dollars]

| Industry | Now | 1980 | Average annual growth rate percent |
|---|---|---|---|
| Agriculture, forestry, fisheries | 27.2 | 28.5 | 0.4 |
| Farms | 25.0 | 24.9 | 0 |
| Agricultural services, fisheries | 2.2 | 3.6 | 4.3 |
| Mining | 14.2 | 20.2 | 2.9 |
| Metal minig | .8 | 1.9 | 6.9 |
| Coal mining | 1.7 | 1.6 | −.7 |
| Crude petroleum, natural gas | 9.8 | 13.2 | 2.5 |
| Nonmetallic mining | 1.9 | 3.5 | 5.3 |
| Contract construction | 39.5 | 99.9 | 8.0 |
| Nondurable goods manufacturing | 98.7 | 179.7 | 5.1 |
| Food | 23.3 | 38.9 | 4.3 |
| Tobacco | 3.6 | 5.2 | 3.0 |
| Textiles | 7.6 | 8.2 | .6 |
| Apparel | 8.8 | 14.6 | 4.3 |
| Paper | 8.8 | 17.0 | 5.7 |
| Printing | 11.5 | 23.9 | 6.3 |
| Chemicals | 18.3 | 41.1 | 7.0 |
| Petroleum refining | 7.9 | 13.3 | 4.4 |
| Rubber | 6.6 | 14.0 | 6.5 |
| Leather | 2.4 | 3.7 | 3.7 |
| Durable goods manufacturing | 147.7 | 324.6 | 6.8 |
| Lumber | 5.9 | 6.6 | 1.0 |
| Furniture | 3.7 | 9.2 | 7.9 |
| Stone, clay, glass | 7.2 | 14.1 | 5.8 |
| Primary metals | 19.4 | 33.6 | 4.7 |
| Fabricated metals | 15.8 | 31.5 | 5.9 |
| Machinery, except electrical | 25.4 | 52.4 | 6.2 |
| Electrical machinery | 21.5 | 55.6 | 8.2 |
| Transportation equipment (except motor vehicle) plus ordinance | 18.1 | 58.3 | 10.2 |
| Motor vehicles | 21.0 | 40.5 | 5.6 |
| Instruments | 6.3 | 17.6 | 9.0 |
| Miscellaneous manufacturing | 3.6 | 5.2 | 3.1 |
| Transportation | 34.6 | 78.9 | 7.1 |
| Railroads | 9.3 | 9.9 | 0.5 |
| Local plus highway passenger transportation | 2.9 | 3.6 | 1.8 |
| Motor freight transportation | 12.6 | 32.5 | 8.2 |
| Water transportation | 2.5 | 3.9 | 3.6 |
| Air transportation | 5.2 | 25.2 | 14.0 |
| Pipeline | 0.7 | 1.2 | 4.5 |
| Transportation services | 1.3 | 2.7 | 6.3 |
| Communications | 19.0 | 49.8 | 8.4 |
| Telephone plus telegraph | 17.2 | 44.9 | 8.3 |
| Radio plus TV | 1.8 | 5.0 | 8.9 |
| Electric, gas plus sanitary services | 20.0 | 50.5 | 8.0 |
| Wholesale plus retail trade | 142.2 | 263.7 | 5.3 |
| Wholesale trade | 56.5 | 111.2 | 5.8 |
| Retail trade | 85.7 | 152.5 | 4.9 |
| Finance, insurance, real estate | 117.1 | 296.4 | 8.1 |
| Banking | 13.8 | 26.9 | 5.7 |
| Security brokers | 4.5 | 12.5 | 8.8 |
| Insurance carriers | 8.1 | 17.7 | 6.8 |
| Insurance agents | 3.6 | 8.9 | 7.9 |
| Real estate plus combination offices | 87.3 | 230.4 | 8.4 |
| Services | 95.3 | 261.2 | 8.8 |
| Hotels | 4.9 | 8.9 | 5.1 |
| Personal services | 8.3 | 15.1 | 5.1 |
| Miscellaneous business services | 13.0 | 51.4 | 12.1 |
| Auto repair services | 4.2 | 12.3 | 9.3 |
| Miscellaneous repair services | 2.1 | 4.0 | 5.5 |
| Motion pictures | 1.8 | 2.6 | 2.9 |
| Amusements | 3.9 | 8.9 | 7.1 |
| Medical services | 24.4 | 66.3 | 8.7 |
| Legal services | 5.4 | 16.8 | 10.0 |
| Educational services | 5.9 | 18.0 | 9.7 |
| Nonprofit membership organizations | 8.3 | 21.1 | 8.1 |
| Misc. professional services | 8.5 | 29.1 | 10.8 |
| Private households | 4.6 | 6.7 | 3.1 |
| Government plus government enterprises | 108.0 | 251.7 | 7.3 |
| Federal general government | 39.5 | 72.5 | 5.2 |
| Federal government enterprises | 6.1 | 8.7 | 2.9 |
| State plus local general government | 55.7 | 153.1 | 8.8 |
| State plus local government enterprises | 6.7 | 17.4 | 8.3 |
| Total GNP | 865.7 | 1,920.1 | 7.1 |

## LEGAL ACTION TO PROTECT RIGHTS OF STUDENTS

### HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. KUYKENDALL. Mr. Speaker, back in October, instigators of the Vietnam moratorium promised widespread disruption of classes at universities across the Nation. Their escalating timetable called for 1 day in October, 2 in November, 3 in December, and so on through 8 days in May.

The October event did result in the shutdown of certain universities. But the November and December moratoriums seem to have fizzled out. The 27 days of threatened lockouts simply have failed to materialize. Why?

Perhaps one reason is that the prospect of protracted lawsuits have been made painfully clear to those few college administrators who would accede to radical demands for formal cancellation of classes.

In August, Young Americans for Freedom held its national convention in St. Louis. At that convention, a plan proposing lawsuits for money damages against the universities and their administrators was proposed.

It was pointed out that the U.S. Supreme Court has approved the proposition that the "First amendment rights—are not a license to trample upon the rights of others." Those who demand "free expression have no right to deny to those who disagree with their demonstrations the equal right to express themselves freely at attending classes rather than marching. Nor do the universities have any right to yield to demands for a lockout of the scholarly."

The universities have accepted the students' money. YAF feels that even if only one student demands it, the university must give that one student the education for which he—or his father—paid. When a teacher willfully refuses to show up for a scheduled class, the university has breached its contract. Courts long have held that college catalogs are binding contracts. The schedule of classes printed in the catalog forms a part of the contract.

Legal action already has been taken as a result of isolated class cancellations on October 15. News travels fast in academic circles. No doubt the painful prospects of litigation and publicity had a salutary effect in November and December. Perhaps YAF has succeeded in encouraging certain university administrators not to falter in the exercise of their leadership.

Typical of the nationwide publicity accorded YAF's legal attack on disorder are the following news items:

[From the Sunday Star, Washington (D.C.), Aug. 31, 1969]

LAWYER SUGGESTS TUITION REFUNDS IN CAMPUS DISORDERS

ST. LOUIS.—A lawyer recommended yesterday that college students sue for a refund of tuition fees for days classes are interrupted by campus disorders.

Maurice R. Franks of New Orleans, legal adviser to the Louisiana delegation to the Young Americans for Freedom convention, said courts have held that a college catalog is a binding contract between the school and its students.

"Whenever the class schedule listed in the catalog is altered, as for example by leftist campus disorders, any student has a right to sue to compel refunds to all students of tuition for the days on which classes were interrupted," he told a news conference.

He said he would place his proposal before the convention today during a panel on YAF's legal attack on the new left.

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[From the New Orleans (La.) Times-Picayune, Oct. 5, 1969]

TUITION REFUND POSSIBLE—YAF STUDENTS CAN SUE WHEN CLASS DISRUPTED, VIEW

Tuition-paying college students have a right to demand refunds if their education is denied by class disruption, representatives of the Louisiana Young Americans for Freedom said here Friday.

YAF spokesmen declared at the Press Club of New Orleans that the parents of disruptors who are minors are legally responsible for any damages caused by their children.

The press conference conducted here was one of several held across the nation by the YAF Friday to alert students and parents of the possible legal consequences of student disruption on the campus.

The time is ripe for massive lawsuits against certain universities, according to Maurice R. Franks, legal adviser to the Louisiana YAF.

Under a 1968 federal court decision in Louisiana, he said, "College officials have a legal duty to expel students for attending meetings of groups conspiring to breach the peace."

Franks added that other federal appeals court decisions and the First Amendment to the U.S. Constitution "are not a license to trample on the rights of others" and that any unlawful obstruction which denies the majority of students the right to attend classes for which they paid "constitutes illegal interference with the contract between the students and their university."

YAF representatives from Tulane, Loyola and Louisiana State University in New Orleans attended the conference.

Franks called a college catalog a binding contract between the students and the university.

He said that whenever the class schedule listed in the catalog is altered, "as for example by leftist campus disorders, any student has the right to sue to force a tuition refund to each and every student for the days on which classes were interrupted."

Franks said that this could amount to a quarter of a million dollars in a short disruption at the larger private universities.

He urged students to file "representative suits" on behalf of their fellow students when disturbances occur.

In the case of public high schools which do not charge tuition, Franks said students should "file for a mandamus to compel the school's leaders to hold classes."

Franks said the national YAF has prepared several briefs to help the student who feels he is being deprived of his education by class disruption but that the YAF does not file suits or act for the student in such cases.

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[From the Dyersburg (Tenn.), Mirror, Oct. 16, 1969]

HIT WHERE IT HURTS

One of the sidelights of the campus coddling of disruptive demonstrators in recent years is the drop in donations to colleges and universities. The normal level of contributions from graduates to their alma maters has declined in many instances, and the reason frequently cited has been the failure of school administrators to punish those who use destruction and obstruction as a means of registering their grievances.

No matter what the cause, graduates are not going to give their dollars to a college only to see a mob of radicals tear down its facilities, go scot-free and be readmitted for a repeat performance. We cannot fault this logic. We are of course, not discussing legitimate protest by law-abiding students. We limit these observations to the wrecking crews and sit-in types who disrupt the studies of other students.

The Young Americans for Freedom (YAF), a campus-oriented, conservative group, recently held its national convention in St. Louis. One of the programs proposed by the group was a legal action plan to be taken against radical student groups and the college and university administrations that take no steps to halt disruptive actions.

Maurice R. Franks of New Orleans, legal adviser to the Louisiana YAF delegation, stated that college catalogs have been held by the courts to be binding contracts between the school and its students and, as such would justify suit against the school by students whose class meetings are interrupted by campus disorder.

Mr. Franks said: "Whenever the class schedule listed in the catalog is altered, as for example by leftist campus disorders, any student has a right to sue to compel tuition refunds to all students for the days on which classes were interrupted."

We favor the use of legal action to stop the wreckers and their protectors. Perhaps the administrations will begin to understand that there are rights for law-abiding students—notably the right to the education they are paying to get.

There is reason to believe that the SDS is planning to invade more schools in the new academic year with their message of rule or ruin. Perhaps it's time to warn public boards that the right to sue may well extend to taxpayers, whose children lose school sessions due to the codling of offenders.

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## VIOLENCE

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## HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. EDWARDS of California. Mr. Speaker, recent events in Chicago and Los Angeles have demonstrated that violence continues unabated even as we enter into the Christmas season and prepare for a new decade.

Eight of my colleagues and I have asked President Nixon in the light of those recent events to continue the National Commission on the Causes and Prevention of Violence in order that it may investigate the running war between some police departments of our Nation and the Black Panthers. I made the request not as judgment, but as a request for an impartial investigation; one which can gain the trust of both sides. There has been no reply yet from the President and it may well be that there will be no reply, or a negative reply. Even so the need for this kind of study, investigation, mediation, and reconciliation is self-evident. If the President does not choose to act, then the Congress in some form must act.

The National Commission on the Causes and Prevention of Violence has done much to explore and expand our knowledge of the violent side of American life. Marquis Childs in today's Washington Post has outlined the work of the Commission and its Chairman, Dr. Milton Eisenhower, in an excellent article, I ask that this article be reprinted in the RECORD for the benefit of all Members of this House. The article demonstrates why the Commission should be continued.

Mr. Childs also points to the Commission's excellent work on the causes and prevention of violence on the campuses. His comments, and the Commission's work, are particularly applicable to my home State of California. I recommend all Californians study the underlying cause of campus unrest. They are far different than one might believe if one listens to some Californians who have political stake in continuing violence on campus.

I would hope the Commission will be continued. It could do further valuable work, and there are areas where its efforts are sorely needed. If this healing work is not done, we will face a bleak future.

We must in the next decade come to grips with the problem of violence in America and overcome it.

The article follows:

VIOLENCE COMMISSION PROVIDES ACCURATE STORY OF DIVIDED U.S.

(By Marquis Childs)

In the babble of angry and excited voices rising from every quarter the task of separating fact from impassioned prejudice seems hopeless. But even as the clamor has grown there has been a guide to sanity and reason.

The staff reports of the National Commission on the Causes and Prevention of Violence have in one instance after another put the facts on the line. Demonstrations, the black militants, student rebellion—all the symptoms of upheaval in a time of troubles have been subjected to clear, cool analysis by specialists and scholars. Their conclusions have often been contrary to popular prejudice as they have looked beneath the boiling surface into underlying causes of divisiveness and unrest.

Chairman of the commission for the past year and a half is Milton S. Eisenhower, brother of the late President Dwight Eisenhower.

In assuming a demanding and difficult chore at the age of 69, Milton Eisenhower showed once again the response to public service that has marked his career. As government official, educator and, above all, as close adviser to the President during the eight Eisenhower years, this youngest of the five Eisenhower brothers has dedicated himself to the public good.

In the age of the quick buck and the cynical grab for profit and power, the Eisenhower example—and a host of men and women like him in education, the foundations, at every level of public office—is too seldom noted. As did two of the five brothers, Milton might have gone in for money-making with the rewards so conspicuous in a money-oriented society.

If his name had not been Eisenhower he might have held high public office. As confidant and adviser to President Eisenhower he was content to subordinate himself, keeping out of the news and rarely, if ever, speaking out in public. His advice was on the moderate-liberal side, countering, it was reported at the time, the conservative businessmen in the Eisenhower Cabinet. During those years Milton was, first, president of

Pennsylvania State University and then of Johns Hopkins.

Staff reports of the Eisenhower commission do not necessarily reflect the views of the commission itself. A foreword by Chairman Eisenhower in each report specifically states that it is a work of scholarship to be judged on its merits so that the commission as well as the public may benefit from the study and the debate growing out of it. This disclaimer does not, however, lessen the usefulness of the reports.

A recent report deals with the politics of protest and the violent aspects of protest and confrontation. It would be hard to conceive of a touchier subject generating more hostility and prejudice. Nevertheless, the voice of reason comes through clear and strong.

"The overriding issue," the report states, "is whether an educational system can endure without the consent and support of faculty and students and whether such higher authorities as trustees, boards of regents and legislatures can expect tranquility on a campus that is governed on controversial issues by remote authorities whose understanding of academic values is minimal and who are empowered to undercut academic and administrative decisions with which they disagree. Reform of the present condition of university governing boards is a prerequisite to campus order in the future."

Essential, too, the report declares, is the increased participation of students in university decision and policy-making. This last taking hold on campus after campus recovering from painful disorders. It is not an infallible solution but, as the report notes, it is neither realistic nor justifiable to expect students today to be content with second-class citizenship.

Some admirers of the impressive work of the commission have been disturbed by a statement on group violence issued under the imprimatur of the chairman. As a means of coping with right of free speech in violation of the first amendment, the commission recommends giving the federal courts the power, on request of the attorney general or private individuals, to grant injunctions against "threatened or actual interferences" with speech or assembly. The proposed law would also authorize suits for either damages or an injunction by persons believing themselves aggrieved and allow the attorney general to intervene in such suits.

This would put the federal government in the role of policeman and arbiter in disputes without end. It would give the attorney general extraordinary powers and, in light of the record established by the current incumbent, John M. Mitchell, the Congress will want to think twice before any such grant of power.

The long series of reports by the commission, soon to conclude its work, tells the story of divided and disrupted America as it is. To cloud this monumental work, to which seekers after the truth can repair, with a dubious and highly controversial proposal is a disservice to the scholars and specialists who have given so much of their time and effort.

## MASSACRE AT MYLAI

### HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. MORSE. Mr. Speaker, the reports of the alleged massacre at Mylai have stirred the conscience of every American and deeply troubled the people of this Nation, a compassionate people who cherish human life.

The article by Emanuel Goldberg in the Jewish Times of December 4, is a demonstration of the profound impact that these events have had on a nation founded on the basic principles of humanity and freedom. It is a moving testimony to the desire to preserve these principles, our hopes, and our idealism, and I include it here for the consideration of my colleagues.

[From the Jewish Times, Dec. 4, 1969]

HEAVEN AND HELL AT SONGMY: A PROPOSAL

(By Emanuel Goldberg)

Just before the national moratorium against the Vietnam war, a Valparaiso University professor of government, Dr. Albert Wehling, gave a newspaper interview in which he endorsed "ten moral issues" intimately connected with the participation of the United States in the conflict. He was not a proponent of the demonstrations.

Topmost was his assertion that four Presidents and four secretaries of state had agreed upon our country's commitment under the Southeast Asia Collective Defense Treaty and its protocol, "both made to respond to the criminal trespass of international villains."

He repeated President Nixon's assurance that our presence in Vietnam 'and the devotion of our troops there in support of our position constitute one of the finest hours in our history.' Dr. Wehling also stated that our military forces have fought "under unprecedented orders" not to seek a military victory but "to use every reasonable precaution to protect noncombatants, while fighting an enemy who rejected the laws of war and gave no quarter."

Then came the revelation of the massacre of Songmy—and I wonder if Professor Wehling is having any afterthoughts.

The world obviously is and so is every thinking American.

Adequate ventilation of mankind's latest agony has been made by the much-maligned media. Whatever the investigations and trial further bring out will probably do little to ease the initial trauma—for, in microcosm, the merciless slaying of men, women and children by American soldiers in the little South Vietnamese village has the grim, apocalyptic design of the holocaust and the bombings of Hiroshima and Nagasaki.

The religious among us live under the shadow of atonement and eventual punishment for crimes of this magnitude. Even some nonbelievers recognize a threat to self-preservation.

I would like to see the village of Songmy become an international shrine—a hallowed, functioning, dedicated place where a vast hospital and medical research facility, free and available to all who can come, would be built.

Nearby perhaps—an international airport, an agreed upon strip of extraterritoriality, and the place where many visitors could also arrive—to gaze upon a suitable scroll containing each slain person's name, biography and reconstructed likeness. The latter would stress the sacredness of every human life, no matter how humble in origin or defiled—a reminder to the world that there have been societies in which a Zola could write "J'Accuse!" and a Gandhi could starve out the human conscience.

All of this should be financed by America and my only misgiving here is the fear that this nation would be accused of trying to buy off a bad conscience. Nevertheless, the federal government should provide the capital outlay for hospital, research buildings and laboratories, perhaps even a medical school, the airport and other enriching, surrounding institutions that might grow in the future.

The American people—you and I—would be asked to give individual gifts of $1 or more, annually (for mankind apparently needs constant reminder) to the Village of Songmy. This would account for operating costs, the wherewithal to provide doctors, nurses, administrators, other staff and equipment designed to offer hope and relief to hundreds, perhaps thousands, of unfortunate persons who would come regularly to the village and begin to recount its name with a gradually changing connotation.

If money mounted and Songmy's installation was well underwritten, others in other lands could spin off and underscore the testament that Americans still cherished their humanity and freedom, and could never forgive themselves (and here I intentionally omit reference to the benighted, criminal soldiers) for what had transpired.

This sort of practical, idealistic action is now needed in our country.

## HE DID NOT WANT TO GO INTO THE SERVICE, BUT WHEN HE WAS DRAFTED HE WENT IN TO SERVE HIS COUNTRY TO THE BEST OF HIS ABILITY

### HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. WIDNALL. Mr. Speaker, in our congressional district, we have the good fortune to have a very dedicated young man, who has served with outstanding distinction during the Vietnam conflict. The people of Ramsey, N.J., and the State, and the Nation, are very, very proud of his record.

Sgt. Richard S. Polak has demonstrated extraordinary courage in the performance of his duty. He is today New Jersey's most decorated soldier in the conflict. He wears two Silver Stars, two Bronze Stars, three Air Medals, and he has also received the South Vietnamese Gallantry Cross.

The young sergeant is presently an instructor at the Scofield Barracks in Oahu, Hawaii. According to his mother, "Richard didn't want to go into the service any more than anyone else, but when he was drafted he went in to serve his country to the best of his ability." He certainly has. His sense of responsibility to his country and to his fellow servicemen transcended any self-serving actions he might have taken. His courage and realization of duty are in such marked contrast to the comparatively few young men in our country who scurry across our border when they are drafted, or create pockets of revolt in the service.

We salute him and congratulate him on his record, and the example that he has set. I am appending an editorial from the Ridgewood, N.J., Herald News of December 4, 1969, which speaks for itself. Also appended are articles from the Ridgewood Herald News of December 4, 1969, and the New York Sunday News of November 30, 1969.

The materials follow:

[From the Ridgewood Herald, Dec. 4, 1969]

PICTURE OF AMERICA

The nation is now embarked on a long galling journey into shame in the investigation of the alleged atrocities by our soldiers in Vietnam, but no matter what finding issues from the slow-grinding mills of the military, we will declare right now that we

do not associate atrocity with our concept of the typical American youth in war. Our own thoughts tend more toward the words of a mother of a man who has been in action: "He didn't want to be drafted but when he was he went in to serve his country to the best of his ability." This was not merely wish-fulfillment by the mother, because her son is Staff Sergeant Richard S. Polak of Ramsey, who is one of the most decorated soldiers of the unhappy conflict in the Far East.

Neither do we mean to imply that every young man bearing arms is a hero; but we do think that every American tries to do his best, in service and otherwise. The nation, our area and Ramsey may be particularly proud of Sgt. Polak, who has been breath-taking in his deeds. He wears two Silver Stars, two Bronze Stars, three Air Medals and the South Vietnam Gallantry Cross. He achieved aerial distinction, fought off a sally single-handed, almost miraculously destroyed two fortified enemy bunkers when he was under direct fire. No, we cannot expect every soldier to equal the feats of the Don Bosco graduate who won that school's athletic award of the "Iron Man" but we do believe the vast majority of our men in arms is somewhere near Sgt. Polak in spirit at least.

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[From the Ridgewood (N.J.) Herald-News, Dec. 4, 1969]

RAMSEY HERO RECEIVES PLAUDITS OF HIS NATION

(By Pat Hall)

RAMSEY.—What makes a hero? Staff Sgt. Richard S. Polak of 58 Lake St. is one. He is winner of two Bronze Stars, two Silver Stars, and three Air Medals as well as the Gallantry Cross with Bronze Star from the Vietnamese government.

"Richard didn't want to go into the service any more than anyone else," says his mother, Mrs. Stanley Polak. "But when he was drafted he went in to serve his country to the best of his ability. I think he has," she added quietly.

The number of medals won by the 22-year-old Don Bosco graduate makes him one of the most decorated servicemen in the county.

The two Bronze Stars were awarded "for heroism and outstanding achievement involving conflict with an armed hostile force in the Republic of Vietnam," according to the citations accompanying the medals.

Each of the Air Medals, issued by direction of the President, commemorated more than 25 aerial missions over hostile territory in support of counterinsurgency operations. "During all these flights he displayed the highest order of air discipline and acted in accordance with the best traditions of the service in spite of inherent hazards," according to the citations.

Staff Sgt. Polak was awarded a Silver Star on June 21 for gallantry. While on a reconnaissance mission, serving as Platoon Sergeant with Company D, 4th Battalion, 39th Infantry, his group was ambushed. After positioning his men for return fire, he was suddenly confronted with two Viet Cong charging his position. According to the citation, "he showed absolute disregard for his own safety by standing up completely exposed to the enemy and eliminating them."

Again, in July, he was awarded the Silver Star. On a reconnaissance mission with Company D, the group came in contact with North Vietnamese soldiers in well fortified bunkers, according to the citation. Repeatedly exposing himself to enemy fire, he destroyed one bunker with an M–72 anti-tank weapon. He crawled 75 meters, again through heavy fire, to a position from which he was able to destroy another bunker with a hand grenade. The Silver Star citation notes extraordinary heroism in close contact with an armed hostile force.

His latest medal, the Gallantry Cross with Bronze Star, awarded by the government of South Vietnam, cites action in search and destroy operations late last spring. In Dinh Twong province, under enemy fire, Staff Sgt. Polak led his platoon to deliver an assault on the Viet Cong. The citation terms him an "excellent platoon leader with abundant experience in combat, and with exemplary service spirit."

Staff Sgt. Polak entered the army in 1968 with basic training at Fort Dix, advanced training at Fort Polk infantry school in Louisiana and was graduated from Airborne School at Fort Benning, Ga. in November, 1968. He was sent with his outfit, 39th Infantry, 9th Infantry Division to Vietnam, the Mekong Delta area. He has recently been transferred to Scofield Barracks, Oahu, Hawaii, to instruct at the non-commissioned officers school.

Staff Sgt. Polak has a younger brother serving in the Air Force. His father, Stanley Polak served during World War II in the Air Force.

What sort of a boy becomes a war hero? "A typical American boy," according to his father noting the advantages of growing up in this community. Richard liked sports and the tall, brownhaired youth was selected as an "Iron Man", an athletic award given at Don Bosco.

The family is counting the days for his return ("He'll be home 99 days from this past Thanksgiving"), said his mother.

Seated on a hassock, and flanked by two of the family pets, friendly sandy colored dogs, Polak's sister, Eileen, aged 10, speaks of her big brother.

Do you feel proud of Richard? "Oh very proud!"

Do you miss him? "Yes, I do. He used to play with me."

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[From the Sunday News, Nov 30, 1969]

RAMSEY MAN BECOMES TOP NEW JERSEY SOLDIER

(By Brian Vachon)

When Staff Sgt. Richard S. Polak of Ramsey received the Silver Star for bravery for action in Vietnam recently the 22-year-old became New Jersey's most decorated soldier in the war.

The Silver Star was Polak's second in his one-year tour of duty in Southeast Asia. He has also received two Bronze Stars, three Air Medals and the Vietnamese Gallantry Cross with Bronze Star.

Polak, the son of Mr. and Mrs. Stanley Polak of 58 Lake St., was a draftee and he's uncertain whether to become a career soldier or return to civilian life when his time is up in March.

NOW AN INSTRUCTOR

He is presently an instructor at the Scofield Barracks in Oahu, Hawaii.

In the special order awarding Polak his second Silver Star, which his parents received this week, his actions were described this way:

"S Sgt. Polak is awarded the Silver Star for gallantry in action involving close combat with an armed hostile force in the Republic of Vietnam. He distinguished himself by exceptionally valorous action on 27 June 1969 while serving as a platoon sergeant with Company D, 4th Btn., 39th Infantry, on a reconnaissance mission. When his lead squadron came in contact with North Vietnamese soldiers in well fortified bunkers.

"Sgt. Polak moved through the murderous hail of rounds to an exposed position in the front of the battle where he destroyed one bunker with an M–72 light anti-tank weapon. Showing complete disregard for his own life, Polak boldly crawled 75 meters through the hostile fusillade to a position from which he was able to destroy another bunker with hand grenades.

"His valiant actions were instrumental in crushing the enemy force," the order concluded.

"He's alive and we're satisfied," said his father, who ran unsuccessfully last year for the Assembly on the Conservative ticket. "He figured when he was drafted it was his job to serve his country and do the best job he could. But who would have expected this?"

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## IS OUR FLAG WORTH THE TROUBLE?

## HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. DUNCAN. Mr. Speaker, in the Sunday Knoxville, Tenn., News-Sentinel, I read what I consider the best letter I have ever seen written by a representative of young America. Miss Kay Lovett's statements are penetrating and thought provoking, and I only wish that all high school and college students in this country could have the opportunity to hear what she has to say about our flag and the meaning of this great country.

Her letter follows:

DOYLE HIGH SENIOR ASKS: IS OUR FLAG WORTH THE TROUBLE?

EDITOR, THE NEWS-SENTINEL: An article appears in the newspaper entitled, "New Look on Campus: Stark Naked Flagpole", and continues with, "The U. of Penn., fearing a confrontation with student war protesters, has lowered its American flags and placed them in storage . . ."

When the people of America are afraid to fly the emblem of their heritage, it is a sad commentary on the sacrifices of our forefathers. It is shameful easy way out of bowing to a handful of student protestors. In a situation of this kind, surrender is much simpler than fighting, even when fighting for what is right.

If our ancestors had yielded so effortlessly, perhaps the United States would never have been created, and the colonies would still be bound to Great Britain by the invisible chains of slavery. To many people of the Twentieth Century, the names Bunker Hill, Saratoga, and Valley Forge are merely words in a history book. Have the bold endeavors of the American colonists been so carelessly obliterated from our memories?

The American Flag represents all the struggles of our ancestors to attain the wealth we enjoy today. This wealth is not measured in terms of riches and money, but it refers to the rights and freedoms so precious that thousands of our forefathers sacrificed their lives so that future generations might inherit them.

When we salute the Flag, we are honoring much more than a colorful piece of cloth with 50 stars and 13 stripes upon it. We are recognizing the sweat, blood, and tears of the many devoted men and women who helped build our great nation to remarkable heights. The American people should not sit back and allow various organizations and individuals to slowly but steadily erode all these efforts commemorated in one noble symbol of national honor.

When an American sees his country's Flag, he should think about its true meaning and feel in his heart a throb of loyalty, courage, and dedication to freedom of mankind. Like our ancestors, one should be proud to exhibit this banner, instead of thinking, "What does it matter to me?" When one has this kind of attitude and is afraid or ashamed to fly the Flag of the United States, he is no longer a true American.

Hopefully the time will come (with God's help) when the Star-Spangled Banner will again wave "o'er the land of the free and the home of the brave."

KAY LOVETT,
*Senior, Doyle High School.*

## THE TRAGEDY AT MYLAI 4

### HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. WOLFF. Mr. Speaker, the tragedy of Mylai 4, like so much that has surrounded our existence in the war, has raised many questions. However, this incident more than any one event of our involvement, has raised a question that we cannot let pass with the mere statement that it was the alleged decision of a single man.

Rather, it brings us irrefutably to the reality which is war.

This reality was recently discussed in an exceptionally fine editorial in the Westbury Times, an important weekly newspaper in the Third Congressional District that has gained a strong and consistent following among its readers. Mr. Martin E. Weiss, the outstanding editor and publisher, and a man whom I have had the good fortune of knowing for a long time, approaches the tragedy of Mylai 4 in a manner deserving of all our attention. He deftly discusses the breadth and depth and impact of this event, an impact which we know is far greater than the appalling tragedy of the wanton destruction of so many lives.

I, therefore, would like to take this opportunity to extend my remarks to include this editorial in the RECORD:

THE TRAGEDY AT MYLAI 4

The alleged massacre at Songmy, and there would seem to be enough confirmation that it is fact, brings up far more than the legal question as to whether the lieutenant already charged, and those who may have participated, can adequately be judged.

We will, at some point, have to define war. And this, even in its simplest terms, will be difficult.

The focus of the tragedy at Mylai 4, one of the six Songmy hamlets, is 1st Lt. William L. Calley, Jr., who is charged with having ordered the death of anywhere from 100 to 370 Vietnamese living in what the Army has labelled as "Pinkville".

Everyone is suddenly "shocked" and "sick" over what Lt. Calley's orders may have caused.

So are we at the reported deaths of men, women and children by American bullets—but we can be no less concerned over this specific brutality than we can over the random destruction which has been visited over both North and South Vietnam by the indiscriminate bombing and shelling of such hamlets by American planes, artillery and warships.

Are those who drop the bombs and fire the shells any less guilty than Lt. Calley?

The recent history of warfare has distinguished only lightly between the military and the civilian; we suggest that though this is where the error lies, it is impossible, because of the nature of such warfare, for troops in the field to distinguish between "right" and "wrong".

Let us say that if the charges against Lt. Calley are correct, the first platoon of Company C, 1st Battalion of the 11th Infantry Brigade's 20th Regiment, engaged in an action which was, at best, criminal.

However, how can we reasonably delineate the charge against this platoon without indicting all of our forces in Vietnam? Or all of the U.S. troops who fought in Korea? Or of all the Americans who battled in World War II?

The fact is that we have suddenly been confronted by a reality of war—and it is war itself, not individuals, which must answer.

History has given us siege and starvation; history has given us slaughter on the battlefield and subjugation by force; history has given us the martyrs of Rome and those destroyed in a moment at Hiroshima; history has given us a generation emaciated at Verdun and the fact of genocide as practiced by Nazi Germany.

Songmy is but a moment in the chronicle of man's inhumanity to man. It is a chronicle which will end only when we learn to live in peace.

## ARCHBISHOP IAKOVOS OF GREEK ORTHODOX CHURCH VISITS LATIN AMERICA

### HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. BRADEMAS. Mr. Speaker, the primate of the Greek Orthodox Church in North and South America, Archbishop Iakovos, recently traveled to five Latin American countries, where he visited Greek Orthodox parishes in 17 cities of Argentina, Chile, Uruguay, Venezuela, and Brazil.

Upon his return, Archbishop Iakovos released a statement commenting upon his impressions of his Latin American tour.

Mr. Speaker, I am inserting this statement, made on November 24, 1969, at this point in the RECORD:

ARCHBISHOP IAKOVOS SEES "REVIVED RELIGIOUS FEELING" IN LATIN AMERICAN COUNTRIES

Upon my return to the United States of America today, I thank the Lord and Glorify His Name for these past thirty days. I have been on a pastoral and missionary tour and study of our Greek Orthodox parishes in five countries in South America—Argentina, Chile, Uruguay, Brazil and Venezuela. Truly, this month has been most rewarding. The experience I gained through my countless contacts with religious, state and civic leaders, in addition to the "ordinary people" and congregations, can be categorized as follows:

(1) There is a revived religious feeling; a definite spiritual thirst for revised and purified religious standards and concepts.

(2) People are becoming more ecumenical minded, less chauvinistic, and are in general most interested in the Church Unity movement. They hope that Churches will be able to do what other institutions (political, social and economic) have failed to achieve. In other words a more enlightened leadership.

(3) They pray that the revolution or crisis which the Church is presently experiencing may result in a renewal of the individual as a believer, with a new, more dynamic interpretation of the Gospel of Christ, the God of love.

(4) They expect, in fact, they demand, that the Church part with the "ceremonial" and embark upon a more activist policy. This will come closer to satisfying the "modern man" and help to detach him from the vain sloganisms and the empty verbalism of our times.

(5) They also seem to prefer a good neighbor, rather than an exploiter, freedom instead of protectionism, which in their minds belittles their dignity and offends their sensitivity.

(6) Our neighbors to the south are not anti-United States nor anarchistic. In only one city did I observe anti-American slogans still in use. Latin-Americans are concentrating their efforts on improving their standards of living and elevating their industrial, cultural and academic levels.

(7) There is poverty, even in the richest lands, but it seems to exist for one reason only: to put to shame those of us who are concerned with, yet not brave or determined enough to bring an end to it, through our personal work, sacrifice and sharing.

(8) People are concerned with many problems: the rather slow pace of the ecumenical movement, the pill (contraceptives), the celibacy of the clergy, youth, the war in Vietnam and the Middle-East, social injustice, political sterility and instability, inflation and racism and with technology and disbelief. I found, however, that their concern is more sincere and more painful than ours. They think that these issues need to be confronted with greater seriousness and a higher sense of responsibility than they are met with today.

(9) I found that political freedom is restricted in many facets of public life. I will refrain, however, from expressing any criticism, for I am convinced that a clergyman's task and obligation is to announce good news and not to denounce situations unless he is in a position to do something more essential than mere criticism.

(10) Catholics, Protestants and Orthodox in Latin America are experiencing a state of spiritual re-awakening and ecumenical agony. They reach for one another in search for solidarity and unity. While they join their hearts in prayer, they also join their hands in an effort to break down existing prejudices. They desire to lay the groundwork for cooperation, so that they may rebuild the image of the Church to the point that the people expect. They will become involved in the kind of Christian activism which will free them from self-illusion, and their respective congregations from the state of frustration that keeps them confused. Unhappy in their distrusts, and pessimistic in their very personal and subjective way of thinking, Latin American Christians need to be convinced of the possibility that the spiritual and moral values of Christianity may at last regain their powerful impact in the lives of men and replace materialistic and nihilistic views that seem to torment their minds and hearts.

## MYLAI—MANKIEWICZ AND BRADEN

### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. FRASER. Mr. Speaker, the Washington Post printed December 9 a Frank Mankiewicz-Tom Braden column concerned with the Songmy incident:

Vice President Agnew was right—

About the news media—

but for the wrong reasons. The press, yielding to Pentagon direction and public expectation, has largely failed to make Americans see what this war was.

This is the theme of their statement. Vietnam is not the sort of war we have

experienced previously. This column is useful in reminding us just what kind of war it is:

[From the Washington Post, Dec. 9, 1969]

MYLAI IS A TYPICAL VIETNAM BATTLE IN A WAR THAT'S DIRECTED AT CIVILIANS

(By Frank Mankiewicz and Tom Braden)

An unconscious yearning does much to explain American shock at the massacre of Mylai.

Unconsciously Americans want the war in Vietnam to be like the wars they've fought before. They want "fronts"; "battle lines"; progress in ground taken and cities held. They want to think of their boys—upholding the right—fighting against enemy soldiers—upholding the wrong.

The press, because it also yearns, has by and large given the people what they want. The daily communique from Pentagon East becomes the wire service account of action in Vietnam. The body count indicates "progress," and it is always the "allies"—that comfortable, reassuring and in this war totally meaningless word—who are making it.

There have been exceptions to this standard fare and those exceptions—filmed scenes of U.S. troops burning villages, or written reports by special correspondents on the use of chemicals—have shocked a public longing for the familiar past.

The result of yearning is that Americans were unprepared for Mylai. Vice President Agnew was right but for the wrong reasons. The press, yielding to Pentagon direction and public expectation, has largely failed to make Americans see what this war was.

Take, for example, the public testimony of Capt. Ernest Medina. It reveals the problem in whole. His orders, he said, were to destroy Mylai and its livestock. He did not find it in the least extraordinary to receive an order not to kill women and children. The village, he explained, was a "free fire zone," meaning a shooting gallery into which death could be poured without nice distinctions about innocent people. Customarily, he explained, it is permissable anyhow to shoot anyone who runs, and his words recalled the familiar complaint of Vietnam veterans: "Sometimes it's awful hard to tell the difference between a run and a fast walk."

But Medina went on. He saw 20 to 28 civilian bodies, and he didn't bother to count how many were those of women and children. He felt a little uncomfortable when he discovered that the woman he shot had been unarmed. But she had moved and he had a right to be afraid. The 20 to 28 bodies did not seem to him to evidence atrocity or deliberate action against civilians.

The terrible truth is that Medina was describing a rather typical day of battle in a war which is largely a war against civilians.

Three-hundred-thousand of them have been killed in the past four years, mostly by United States troops, mostly by bombing. The Senate Subcommittee which released these figures cannot say how many of these dead are Vietcong and how many are "Friendlies" or "Gooks," as the soldiers say. Neither can anybody else.

We kill civilians because the enemy is among them. We kill their livestock because it may feed the enemy. We use chemicals forbidden in the United States because—although they may cause deformed births—they defoliate so that the enemy can be found. By these standards, can Medina be far from the mark by suggesting that there was no "atrocity" at Mylai.

The press is guilty, not for doing what Agnew said it was, but for not doing it enough. It failed to bring home to Americans that they were sending their uniformed sons into battle—not primarily against other uniformed sons, but against civilians, women and children and aged men. Americans have never understood that there are no young men in the villages. Young men are gone to the uniformed ARVN or are out in the countryside with the civilian-clad Vietcong.

The American people are guilty, too—we didn't want to hear it the way it was. In a war where friend is distinguishable from foe only by what is in his heart and mind, you can always win the count of bodies, but you must always lose the count of souls.

## EMOTIONAL REACTION IN AGNEW–TV HASSLE

### HON. GLENARD P. LIPSCOMB

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. LIPSCOMB. Mr. Speaker, I would like to call to the attention of my colleagues an editorial which appeared in the Progress-Bulletin, a newspaper which has served the residents of the Pomona Valley in California for 84 years. The editorial is concerned with the speech Vice President AGNEW made on November 13, 1969, on the subject of the television news medium and in my view is very helpful in setting the record straight with regard to what the Vice President actually said in his speech as opposed to what has been implied from his remarks by representatives of the broadcasting industry.

In my view the editorial is correct in its interpretation of Mr. AGNEW's speech as a direct challenge to the broadcasting industry for self-improvement in connection with its presentation of the news rather than a call for Government censorship of the television medium which has been suggested by some critics of the Vice President's remarks.

The editorial is also helpful in that it focuses on the fact that in our free and democratic society the only control which can be maintained over the powerful medium of television is one of the main elements of our free enterprise system itself—competition. In this case, the competition is provided by other information media. The editors of the Progress-Bulletin further emphasize the need for initiative on the part of the American public to broaden their knowledge of the news rather than relying on the television medium alone for information of world events.

Because of the importance of an informed citizenry to a free and representative democracy, I consider the views expressed in this editorial to be worthy of the consideration of my colleagues and under leave to extend my remarks, I insert it in the RECORD at this point:

EMOTIONAL REACTION IN AGNEW-TV HASSLE

Vice President Spiro Agnew's attack on the television industry unmistakably touched a responsive chord among a lot of not-so-silent-any-more Americans. The vibrations go on.

Letters and telephone calls to the headquarters of the three major broadcasting networks and to local stations all over the country have run overwhelmingly in his favor. Even more than his remarks about an "effete corps of impudent snobs" (or was it an "impudent corps of effete snobs?") involved in the October 15 Vietnam Moratorium, the vice president's targeting of "a small group of men" which determines what news goes out over the air clearly hit something close to the heart, or guts, of many people.

As usual, however, it is not what the vice president said but what he allegedly implied that has caused the agitation.

What he implied, some defenders of the industry have been quick to warn, is government censorship of television, followed inevitably by censorship of the press, followed eventually by a police state and dictatorship and the abolition of all the freedoms Americans hold dear.

What he actually said, and it bears repeating, is this:

"Tonight, I have raised questions. I have made no attempt to suggest answers. These answers must come from the media men. They are challenged to turn their critical powers on themselves. They are challenged to direct their energy, talent and conviction toward improving the quality and objectivity of news presentation. They are challenged to structure their own civic ethics to relate their great freedom with their great responsibility.

"And the people of America are challenged, too—challenged to press for responsible news presentations. The people can let the networks know that they want their news straight and objective. The people can register their complaints on bias through mail to the networks and phone calls to local stations. This is one case where the people must defend themselves, where the citizen—not government—must be the reformer, where the consumer can be the most effective crusader."

This does not sound like a call to censorship and repression.

Unfortunately, these words came near the end of the vice president's address, following many paragraphs criticizing the shortcomings—which are numerous—of the television industry, and neither his critics nor his supporters seem to have heard them. The total effect was to appeal not to our intellects but to our emotions.

One wonders whether the popular enthusiasm which has greeted the vice president's speech stems from real dissatisfaction with the way in which the broadcasting industry presents the news or from dissatisfaction just with the news itself, which has been uniformly dismal for the past half-decade, it seems. One wonders if many of us are not, in fact, guilty of failing to distinguish between the news broadcaster and the news he broadcasts.

By its very nature, television is a medium unlike any other in the immediacy and concentration of its impact.

While a newspaper may center a story on the front page and proclaim it with bold headlines, the printed news is still passive and is surrounded by a mass of other news, advertising and features. The newspaper reader scans, but the television viewer is forced to concentrate his whole attention on whatever happens to be playing in that small square of light at a given moment. He lives what he is seeing.

This is television's greatest strength and also its severest limitation.

The only kind of control over television that is permissible and practical in a democracy is that which results from the competition of other information media—newspapers; magazines and books, which by their nature are able to examine news and social developments more leisurely and in greater depth and width.

To utilize them, of course, requires a measure of initiative on the part of the public beyond that required for the mere flipping of a dial, sitting back and sponging up sensory impressions from a flickering tube.

Another alternative is the system they have in South Africa, where the govern-

ment has never permitted any kind of television at all, good, bad or indifferent. There the people are spared this problem by the thoughtful men who rule them.

## LOWERING THE VOTING AGE

### HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. PUCINSKI. Mr. Speaker, the Chicago Sun-Times of December 1, 1969, put into proper perspective the need for lowering the voting age in America.

I believe this is a most timely editorial and performs a notable public service.

The editorial follows:

LOWER VOTING AGE

A plank in The Sun-Times' platform calls for a voting age lower than 21. We have suggested that the Constitutional Convention could consider such a change when it meets to modernize the state's basic charter.

Now, the National Commission on Causes and Prevention of Violence has lent its considerable support to a reduction in the voting age, suggesting a minimum age of 18.

The commission contended that much of the frustration of today's youth, and some of the violent manifestations of that frustration, might be eased if youth were given earlier access to the ballot box. Milton S. Eisenhower, commission chairman, said also that "there is a lot of good common sense in the statement that those who are old enough to carry out the foreign policy of this country by offering their lives in war are also old enough to decide (through voting) if they are to have a war."

The Sun-Times, which has supported a reduced voting age since 1954, took a position similar to that of the commission's two years ago. Recognizing that dissent was rising among the young, we said: "While violence must not be countenanced . . . the right to dissent must be protected. The best way to protect that right is to channel it constructively in a way that will encourage response from national leaders. The answer is to channel dissent through the ballot box."

Granting of the right to vote should not, of course, be considered a means of lowering the decibel count, or a means of buying society's way out of uncomfortable situations created by youthful questioning and vigor. The fundamental reason for lowering the voting age is that, because of improved education and communications, today's younger generation is smart enough and alert enough to vote as wisely as any older age group does.

It won't be easy to lower the voting age. Citizens of Hawaii, one of the four states with a voting age under 21, last year rebuffed an effort to lower the standard from 20 to 18. Also, entrenched politicians always are fearful of unleashing a new bloc of potentially independent votes.

Nonetheless, the voting age should be lowered, as the violence commission has said, and as we have said so often. And since the Congress is reluctant to act, and since the Illinois Legislature has failed to act, the matter should certainly be on the agenda for the Constitutional Convention.

## WHAT MORE, FOR PEACE, COULD MR. NIXON DO?

### HON. WILLIAM C. CRAMER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. CRAMER. Mr. Speaker, the Miami Herald on December 4 asked a reasonable question: What more could the President reasonably do to obtain a just peace?

The implied answer was "nothing."

Most of the Nation agrees that the President is doing all that can be done in that regard.

The text of the Herald editorial follows:

[From the Miami Herald, Dec. 4, 1969]

WHAT MORE, FOR PEACE, COULD MR. NIXON DO?

Hawks and doves in the House became birds of a feather in voting 333 to 55 for a resolution endorsing President Nixon's efforts to negotiate a "just peace" in Vietnam.

For that reason the resolution, which seems to mean all things to all men, is meaningless. But it does serve to highlight the Nixon program in Vietnam which goes far beyond the position of the Johnson administration and, indeed, rather out-doves the rejected minority plank in the 1968 Democratic platform.

That plank, which was howled down in Chicago, called for immediate cessation of the bombing of North Vietnam and of the offensive search and destroy missions by combat units, for a negotiated withdrawal of troops by opponents in the hostilities and for a negotiated coalition government that would include the Communists.

In his speech Nov. 3, Mr. Nixon "set forth our peace proposals in great detail," as follows:

"We have offered the complete withdrawal of all outside forces within one year.

"We have proposed a cease-fire under international supervision.

"We have offered free elections under international supervision with the Communists participating in the organization and conduct of the elections as an organized political force . . ."

To be sure, Hanoi rejected these proposals but in other respects the President was acting on his own.

He had already withdrawn unilaterally the 60,000 troops—including 20 per cent of all combat troops—he promised would be out by Dec. 15.

He has put into effect the Vietnamization plan announced in March.

He has worked out a plan for the withdrawal of a U.S. troops and their replacement by Vietnamese.

He has continued the bombing suspension ordered just before the election last year by President Johnson, who also decreed no other change whatsoever in his own Vietnam program.

So Mr. Nixon has gone beyond the dove at Chicago and he has reversed most of the Johnson policy. Thus it is all the more remarkable to us that the vote Tuesday on the House resolution was not unanimous. What more, as of today, could the President reasonably have done?

# SENATE—*Thursday, December 11, 1969*

The Senate met at 9 o'clock a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

God of our fathers, who in times past hast called men to serve Thee in the Government of this Nation, and hast not ceased to call, call us this day from life on all lower levels to service in the higher realm of Thy kingdom of righteousness and truth. Bless the labor of the Members of this body for the welfare of the whole Nation. Keep us from running out or wearing out until our work is done. When nerves grow taut and spirits tense, bring us to Thy peace. Walk with us amid the difficulties and uncertainties of the day's work that we may have Thy light upon our pathway, and with joyful hearts and radiant spirits bring to completion the divine intention for all men: For Thine is the kingdom and the power and the glory forever. Amen.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, December 10, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, the Committee on Labor and Public Welfare, and the Subcommittee on Small Business of the Committee on Banking and Currency be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar, beginning with "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated, as requested by the Senator from Montana.

## U.S. AIR FORCE

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## U.S. NAVY

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## DISTRICT OF COLUMBIA

The assistant legislative clerk read the nomination of Graham W. Watt, of Ohio, to be Assistant to the Commissioner of the District of Columbia.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

## U.S. MARSHALS

The assistant legislative clerk proceeded to read sundry nominations of U.S. marshals.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## NOMINATIONS PLACED ON THE SECRETARY'S DESK—THE AIR FORCE, THE ARMY, THE NAVY, AND THE MARINE CORPS

The assistant legislative clerk proceeded to read sundry nominations in the Air Force, the Army, the Navy, and the Marine Corps which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of executive business.

There being no objection, the Senate proceeded to the consideration of executive business.

## THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with Calendar No. 576 and the succeeding measures in sequence.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## CIVIL SERVICE COMMISSION REVOLVING FUND

The Senate proceeded to consider the bill (H.R. 9233) to amend title 5, United States Code, to promote the efficient and effective use of the revolving fund of the Civil Service Commission in connection with certain functions of the Commission, and for other purposes, which had been reported from the Committee on Post Office and Civil Service with amendments, on page 4, after line 3, insert a new section, as follows:

SEC. 2. The provisions of section 8341(e) of title 5, United States Code, as amended by section 206(b) of Public Law 91–93 (83 Stat. 140), shall be effective as of October 20, 1969.

And, after the amendment just above stated, insert a new section, as follows:

SEC. 3. Section 8340 of title 5, United States Code, is amended by adding the following at the end thereof:

"(g) Each annuity payable from the Fund based on involuntary separation and having a commencing date after November 1, 1969, but before January 2, 1970, shall be increased, from the commencing date of the annuity, by 5 percent."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 581), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The basic purpose of H.R. 9233 is to increase the scope of the reimbursable services for which the revolving fund of the Civil Service Commission may be used. In 1952, Congress appropriated $4 million to be established by the Civil Service Commission as a revolving fund to finance full-field investigations conducted by the Commission for other departments and agencies (5 U.S.C. 1304(e)). The cost of the investigations to the Commission is paid by the agencies into the revolving fund so that the fund is continually replenished (5 U.S.C. 1304(f)).

Since 1952, the Civil Service Commission has been called upon to perform a number of additional services, which are reimbursable, for the departments and agencies. Among these services are training courses, executive seminar centers, examining Peace Corps applicants, and scores of other services performed for agencies under individual agreements involving reimbursement.

This bill provides that the revolving fund may be used to finance all reimbursable services performed by the Commission for other Government departments and agencies if those services are covered by budget estimates submitted to the Congress for that fiscal year.

COST

No additional cost is involved.

STATEMENT

The Civil Service Commission states that in 1968 a general overhaul of its accounting system was completed and that a new system has been installed. With use of revolving-fund financing limited to investigations only, budgeting and control over funds have become difficult, and the Commission's financial structure has been made unduly complex. These conditions contribute to lack of efficient program administration. Revolving-fund financing of all reimbursable activities combined with the revised accounting system, will correct these deficiencies.

This measure was recommended by the Civil Service Commission in 1968. In the 90th Congress, the House passed a similar measure; and the Senate approved its provisions as part of another bill. Final action, however, was not taken prior to adjournment.

AMENDMENTS

The committee has amended H.R. 9233 by the addition of two sections unrelated to the revolving fund.

Section 2 corrects an error in the effective date of survivor annuity protection for the children of a Federal employee who died with fewer than 5 years' service between October 20, 1969, and November 1, 1969. The amendment makes the survivor annuity protection effective on the date of enactment of Public Law 91–93 (October 20, 1969) rather than the effective date included in Public Law 91–93 (November 1, 1969). Thus the children of such an employee would be entitled to a survivor annuity. The committee knows of one such case. The cost of the amendment would be minimal.

Section 3 would amend section 8340 of title 5, United States Code, to provide a 5-percent cost-of-living annuity increase for those who retire after November 1, 1969, and before January 2, 1970, and whose retirement is based upon involuntary separation. Subsection 8340(b) of title 5, as amended by Public Law 91–93, approved October 20, 1969, authorized a 5-percent cost-of-living annuity increase for annuitants on the rolls as of November 1, 1969.

The Department of Defense advises that it is closing a number of bases and reducing the size of its civilian work force. On October 29, 1969, the Department announced its intention of eliminating approximately 27,000 civilian positions. The timing of the announcement allowed employees affected only 2 days in which to decide whether to undergo the forthcoming reduction in force or to retire and receive the 5-percent annuity increase.

It is the view of the Department—and the committee agrees—that it was not possible, in the time span available, for many employees to make reasoned decisions on a matter of such importance.

Section 3 would remedy the inequity by extending eligibility for the 5-percent annuity adjustment for 2 months to those involuntarily separated—for the period after November 1, 1969, but before January 2, 1970.

COST

The Secretary of Defense states that he is unable to estimate the number of employees facing involuntary separation who would avail themselves of the extension. Therefore, he cannot determine the cost of this provision. The best estimate is that the cost to the retirement fund would be approximately $3,000 per retiree over the full length of the annuity.

## BILLS PASSED OVER

The bill (H.R. 13000) to implement the Federal Employee Pay Comparability System, to establish a Federal Employee Salary Commission, and a Board of Arbitration, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

## SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT, COLO.

The resolution (S. Res. 239) to refer S. 2807, together with all accompanying papers, to the Chief Commissioner of the U.S. Court of Claims was considered and agreed to, as follows:

*Resolved,* That the bill (S. 2807) entitled "A bill for the relief of the Southwest Metropolitan Water and Sanitation District, Colorado", now pending in the Senate, together with all the accompanying papers, is hereby referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner of the United States Court of Claims shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–584), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the resolution is refer S. 2807 entitled "A bill for the relief of the Southwest Metropolitan Water and Sanitation District, Colorado," now pending in the Senate, together with all the accompanying papers to the Chief Commissioner of the U.S. Court of Claims; and the Chief Commissioner of the U.S. Court of Claims shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

STATEMENT

The Executive Office of the President in its report to this committee opposes S. 2807 but states that if the claim is to receive further consideration, Senate Resolution 239 would be an appropriate means for this purpose and if this resolution be passed, it would be glad to further review and comment on the bill in light of the Chief Commissioner's report.

The Office of the Deputy Attorney General opposes S. 2807, but states that "whether peculiar equities of the Southwest Metropolitan Water and Sanitation District are such as to justify special relief from Congress in this case is, of course, a legislative rather than a judicial determination."

The Department of the Army in it report to this committee recognizes that there may exist equitable considerations in this case which the Congress may determine justify granting of the relief sought and further states that the Department in view of the difficulty present in the determination of the amount of compensation due, if any, and of the desirability for a thorough review of the claim to determine whether sufficient equities are present to justify relief, referral of the bill S. 2807 to the Court of Claims, as provided for in Senate Resolution 239, would be appropriate. The Department of the Army would have no objection to Senate Resolution 239.

Copies of the reports of the Department of the Army, the office of the Deputy Attorney General and the Executive Office of the President are attached hereto and made a part hereof.

The facts relative to this claim are set forth in the report of the Department of the Army as follows:

"The Southwest Metropolitan Water and Sanitation District was organized in 1961 and is a governmental subdivision of the State of Colorado. The district encompasses about 6,000 acres in Arapahoe, Douglas, and Jefferson Counties. The outfall sewer, which is the subject matter of the bill, was constructed to service a planned industrial park at Blakeland, Colo.

"The industrial park, comprising about 500 acres, was established by the Rio Grande Land Co., a subsidiary corporation of the Denver & Rio Grande Western Railway. Acquisition for the park, for resale, began in 1954. Sales were made by the land company in 1963 to the International Pipe & Ceramics Corp., and in 1964 to the U.S. Rubber Co., both of which firms have constructed industrial facilities. These plants are served by the outfall sewer constructed by the district from the Littleton sewage disposal plant, Littleton, Colo., to the industrial park. The district also furnishes potable water to the plants.

"The Chatfield Dam and Reservoir project was authorized by the act approved May 17, 1950, and is one unit of a comprehensive plan for flood control of the South Platte River and its tributaries. Funds for initial construction and land acquisition were appropriated in 1966 and construction and land acquisition were commenced in 1967. The damsite is located in the South Platte River immediately downstream of the confluence of the South Platte River and Plum Creek, approximately 8 miles south of Denver, Colo. It is estimated that approximately 6,135 acres of land will be required for the project, of which about 1,075 acres are within the boundaries of the Southwest Metropolitan Water and Sanitation District. A major portion of the industrial park will be taken.

"The basis for the relief sought by the district is the loss of lands, particularly within the industrial park, which constitute a portion of its tax base for repayment of its bonded indebtedness. With further development of the industrial park foreclosed by construction of Chatfield Dam, the district's capability of repaying its bonded indebtedness is seriously impaired. It is understood that the amount of the recovery sought by the district represents the cost incurred by it in construction of sewer and water facilities to serve the industrial park.

"Present plans of the Department of the Army are to negotiate a contract with the district for the relocation of the affected portions of its facilities. The large outfall sewer serving the park will be left undisturbed, as it will be able to continue to operate under project conditions without any adverse effects either to it or to the Chatfield project, and will continue to serve the two existing industrial facilities, which will not be affected by the project.

"It is noted that, while the district is apparently seeking to recover the entire cost of constructing the sewer and water facilities involved, some of the capacity of these facilities will continue to be utilized. In addition, although the present high mill levy has tended to depress the market value of lands lying within the district, future urbanization of the area within the district's boundaries, which is within the metropolitan area of Denver, Colo., may be anticipated which would broaden the tax base and its immediate effect upon the district's ability to discharge its indebtedness may be of temporary rather than permanent duration. Complete factual data concerning the facilities are not available so a recommendation concerning the amount of the payment cannot be made by the Department of the Army.

"We note that there has been referred to your committee Senate Resolution 239, 91st Congress, which would refer the bill to the Chief Commissioner of the U.S. Court of Claims for preparation of a report to the Senate giving such findings of fact and conclusions as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, and the amount, if any, due the claimant.

"The Department recognizes that there may exist equitable considerations in this case which the Congress may determine justify granting of the relief sought. However, the Department considers that, in view of the difficulty present in the determination of the amount of compensation due, if any, and of the desirability for a thorough review of the claim to determine whether sufficient equities are present to justify relief, referral of the bill S. 2807 to the Court of Claims, as provided for in Senate Resolution 239, would be appropriate. The Department of the Army would have no objection to Senate Resolution 239."

In view of all of the foregoing the committee believes that there is sufficient conflicting evidence of the claimant and the Government to warrant the Chief Commissioner of the Court of Claims to make his findings and conclusions as to whether or not there is a legal or equitable claim existing against the United States and report thereon to the Congress.

The committee therefore recommends that the resolution, Senate Resolution 239, be agreed to.

## WYLO PLEASANT

The bill (H.R. 11503) for the relief of Wylo Pleasant, doing business as Pleasant Western Lumber Co.—now known as Pleasant's Logging & Milling, Inc.—was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–585), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The proposed legislation would authorize the payment of $12,000 to Wylo Pleasant, doing business as Pleasant Western Lumber Co. (now known as Pleasant's Logging & Milling, Inc.) in full settlement of his claim for losses sustained in performing a timber sales contract with the Forest Service as the result of performing work elsewhere at the request of Government personnel.

STATEMENT

The Comptroller General of the United States has no objection to the enactment of this legislation as amended in the House of Representatives. The House report on H.R. 11503 relates the following:

"The bill, H.R. 11503, was introduced in accordance with the recommendations of the Comptroller General transmitted to the Congress in accordance with the meritorious claims provisions of section 236 of title 31 of the United States Code. In accordance with the provisions of that section the Comptroller General has determined that the claim of Wylo Pleasant contains in the language of that section "such elements of legal liability or equity as to be deserving of the consideration of the Congress."

"The contract referred to in the bill was a timber sales contract dated November 17, 1959, with the Forest Service of the Department of Agriculture. This contract was designated No. 12–11–092–29 and provided for an estimated 3,843,000 board feet of timber to be cut in the Tower Mountain area of the Rio Grande National Forest by November 30, 1962.

"The Forest Service established the appraised value for the timber at $6 per thousand board feet. The successful bid submitted by the contractor was $9.61 per thousand board feet which became the tentative contract rate.

"Section 2B of the timber sale contract provides for adjustments to the $9.61 tentative contract rate, based on fluctuations in the quarterly market price indexes for Engelmann spruce. The contract specified a base payment rate of $4 per thousand board feet which was set forth in the advertisement for bids. This rate is a minimum rate representing the floor below which the selling price cannot be reduced by subsequent price adjustments no matter how much the relevant market prices fall below the original lumber price index. The contract has been extended three times to December 31, 1969, pursuant to section 5a3 of the contract, and this is a relevant fact in view of the Government-induced delay involved in this matter.

"The sale contract originally specified that rate adjustments would be based on the 1953–54 Western Pine Association (currently the Western Wood Products Association) quarterly adjusted lumber price index for Engelmann spruce. The contract stated the lumber price index to be $86.63 per thousand board feet. This price index was to be used as a basis for determining the subsequent changes in the market price indexes.

"The Comptroller General in his explanation noted that under the provisions of the Tower Mountain contract the sale timber is subdivided into blocks, or payment units, and is released for cutting by payment units, ordinarily upon the request of the timber purchaser. The units are charged for, and the required deposits are made, at the adjusted rates in effect when the timber units are released for cutting.

"Thus, in November 1962, at the time of the first contract extension, the market price index for Engelmann spruce lumber had fallen from the original $86.63 to $75.32 per thousand board feet. Accordingly, the adjusted payment rate for the Tower Mountain contract would have been $4 per thousand board feet for any blocks of timber released during the quarter ending December 31, 1962.

"During the second quarter of 1966, due to a rising market, the stumpage rate required to be paid by the contractor increased substantially because of application of the section 2B escalation clause. However, on May 22 and June 15, 1961, prior to beginning the logging of the Tower Mountain sale, the contractor had purchased two additional timber sales in the Middle Cross Creek and West Cross Creek sales units of the Rio Grande National Forest. Both of these sales were salvage sales of timber that had become insect infested. In addition, the contractor continued to log another insect salvage sale on the Upper Pass Creek sales unit which he had purchased on September 24, 1957.

"The contractor states that he was directed by the Forest Service to cease logging operations in the Tower Mountain area and concentrate on harvesting the insect salvage sales. It is the contractor's position, therefore, that operation of the insect salvage sales at the direction of the Government entitled him to an extension of time for the Tower Mountain sale equivalent to the time spent operating the insect salvage sales. The contractor also contends that the stumpage rate should have been frozen at $4 since it understood from comments made by representatives of the Forest Service that in such cases it was Forest Service policy to freeze the payment conditions (apparently meaning to stop any further adjustments to the payment rate by suspending the escalation clause contained in the contract for a period of time) for the same period of time that the contractor was engaged in harvesting the insect salvage sales. The contractor has cited in support of this contention Forest Service Handbook, title 2400, paragraph 2433.12, which provides in pertinent part that—

" 'There may be cases in which it is to the advantage of the United States to terminate the adjustment provision and extend the sale at flat rates.'

"The administrative office reports that, while it may have urged the contractor to bid on the two insect-infested sales and may have agreed to consider favorably future requests for extension of sales already under contract, it can find no evidence to show that either party considered any such urging as constituting a directive to operate those sales in preference to Tower Mountain. In view of the report of the officials denying that they neither directed cessation of logging operations on Tower Mountain nor promised to freeze the rates in such event, the Comptroller General was unable to find a legal basis for reforming the contract to reduce the stumpage rate to $4 per thousand board feet as requested by the contractor.

"The committee is impressed by the fact that the officials of the Forest Service admit that Mr. Pleasant was urged to bid on the salvage sales of timber that had become insect infested and to give priority to cutting such salvage timber. Further the Comptroller General states that he was advised that favorable consideration would be given to extending the Tower Mountain contract period, and therefore it is not only possible but probable that Mr. Pleasant was misled in believing that he would have the time extended for cutting the Tower Mountain timber for the same period of time that he was engaged in harvesting insect sales without inclusion of the escalation clause of the contract. Since this is true and since the Government did derive a considerable benefit in that the spread of infestation was successfully controlled in the Rio Grande National Forest, which undoubtedly resulted in substantial savings to the Government, the Comptroller General concluded the claim does contain such elements of equity, as to be deserving of consideration of the Congress under the provisions of the act of April 10, 1928, 45 Stat. 413, 31 U.S.C. 236, which provide as follows:

" 'When there is filed in the General Accounting Office a claim or demand against the United States that may not lawfully be adjusted by the use of an appropriation heretofore made, but which claim or demand in the judgment of the Comptroller General of the United States contains such elements of legal liability or equity as to be deserving of the consideration of the Congress, he shall submit the same to the Congress by a special report containing the material facts and his recommendation thereon.'

"The General Accounting Office received a letter dated April 15, 1969, from the contractor enclosing assigned statement agreeing to accept the sum of $12,000 in full and final settlement of his claim. Mr. Pleasant's original claim was submitted in the amount of $14,680.02. In a letter dated February 20, 1969, he had stated that his losses then amounted to over $17,000. At the time General Accounting Office representatives examined the records of the Forest Service on the Tower Mountain sale it was determined that as of July 31, 1968, Mr. Pleasant had been charged about $27,000 for the timber cut, whereas had he paid the $4 rate the charge to him would have been about $15,000. Thus, at that time, the amount of Mr. Pleasant's claim, as verified by the General Accounting Office, was $12,000. It was therefore the conclusion of the Comptroller General that a bill be enacted to authorize payment of that amount.

"In view of the facts outlined above and referred to in the recommendations of the Comptroller General, the committee concluded that this matter is a proper subject for legislative relief. The equitable considerations referred to by the Comptroller General provide a firm basis for relief in this instance and establish the meritorious nature of the claim. Accordingly it is recommended that the bill be considered favorably."

After a study of all of the foregoing together with the letter of the Comptroller General of the United States the committee concurs in the action of the House of Representatives and recommends that the bill (H.R. 11503) be considered favorably.

## COMMUNITY MENTAL HEALTH CENTERS AMENDMENT OF 1969

The Senate proceeded to consider the bill (S. 2523) to amend, extend, and improve certain public health laws relating to mental health, and for other purposes, which had been reported from the Committee on Labor and Public Welfare, with an amendment, to strike out all after the enacting clause and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Community Mental Health Centers Amendments of 1969".

TITLE I—GRANTS FOR CONSTRUCTION OF COMMUNITY MENTAL HEALTH CENTERS, EXTENSION OF DURATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. (a) Section 201 of the Community Mental Health Centers Act (42 U.S.C. 2681) is amended (1) by striking the word "and" which appears immediately before "$70,000,000", and (2) by inserting immediately before the period at the end thereof the following: ", $95,000,000 for the fiscal year ending June 30, 1971; $115,000,000 for the fiscal year ending June 30, 1972; and $115,000,000 for the fiscal year ending June 30, 1973.

(b) Section 207 of such Act (42 U.S.C. 2687) is amended by striking out "1970" and inserting in lieu thereof "1973".

ALLOTMENTS TO STATES; INCLUSION OF TRUST TERRITORY

SEC. 102. (a) The first sentence of subsection (a) of section 202 of such Act (42 U.S.C. 2682) is amended by striking out "and Guam," and inserting in lieu thereof "Guam, and the Trust Territory of the Pacific Islands,".

(b) The second sentence of such subsection (a) is amended by inserting after "State" the first time it appears ", other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands,".

(c) Such subsection (a) is further amended by adding at the end thereof the following new sentence: "Sums so allotted to the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands, for a fiscal year and remaining unobligated at the end of such year shall remain available to it for such purpose for the next two fiscal years (and for such years only), in addition to the sums allotted to it for such purpose for each of such next two fiscal years."

(d) Section 401(a) of such Act (42 U.S.C. 2691(a)) is amended by inserting immediately before the period at the end thereof the following: "; and, for purposes of this title and title II only, includes the Trust Territory of the Pacific Islands".

(e) The amendments made by this section shall be effective with respect to allotments under section 202 from funds appropriated for fiscal years beginning after June 30, 1970.

PERCENTAGE OF ALLOTMENTS AVAILABLE FOR STATE PLAN ADMINISTRATION

SEC. 103. (a) Effective with respect to expenditures referred to in paragraph (1) of subsection (c) of section 403 of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 made after June 30, 1970, such paragraph (42 U.S.C. 2693) is amended by striking out "2 per centum" and inserting in lieu thereof "5 per centum".

(b)(1) The first sentence of section 403(c)(1) of such Act is further amended—

(A) by inserting "for any fiscal year" immediately after "title II";

(B) by striking out "during such year";

(C) by striking out "for a year" and inserting in lieu thereof "for any fiscal year"; and

(D) by striking out "for such year".

(2) Section 403(c)(1) of such Act is further amended by inserting immediately after the first sentence thereof the following new sentence: "Amounts made available to any State under this paragraph from its allotment or allotments under part A of title II for any fiscal year shall be available only for such expenditures (referred to in the preceding sentence) during such fiscal year or the following fiscal year."

COST OF LAND INCLUDED IN COST OF CONSTRUCTION

SEC. 104. Effective with respect to projects approved after June 30, 1970, under title II of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, section 401(e) of such Act is amended by striking out "architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land" and inserting in lieu thereof "architect's fees and the cost of the acquisition of land, but excluding the cost of offsite improvements."

FEDERAL SHARE TO BE MAXIMUM; HIGHER SHARE FOR DISADVANTAGED AREAS

SEC. 105. Effective with respect to projects approved after June 30, 1970, under part A of title II of such Act—

(1) section 402 of such Act (42 U.S.C. 2692) is amended by striking out "or title II";

(2) subsection (h) of section 401 of such Act is amended by redesignating clauses (1) and (2) as clauses (A) and (B), respectively, by inserting "(1)" after "(h)", by inserting under part C of title I" after "with respect to any project", and by adding at the end thereof the following new paragraph:

"(2)(A) The term 'Federal share' with respect to any project approved under part A of title II means the portion of the cost of construction of such project to be paid by the Federal Government under such part A.

"(B) The Federal share with respect to any project approved thereunder in the State shall, except as provided in paragraph (3), be an amount equal to 66⅔ per centum, or the Federal percentage for the State, if lower, or such lesser amount as may be determined by the State agency designated in the State plan. Prior to the approval of the first such project in the State during any fiscal year, such State agency shall give the Secretary written notification of the maximum Federal share established pursuant to this paragraph for such projects in such State to be approved by the Secretary during such fiscal year and the method of determining the actual Federal share to be paid with respect to such projects; and such maximum Federal share and such method of determining the actual Federal share for such projects in such State approved during such fiscal year shall not be changed after such written approval has been given.

"(3) In the case of any facility or center which provides or will, upon completion of the project for which application has been made under part A of title II, provide services for persons in an area designated by the Secretary as a rural or urban poverty area, the maximum Federal share shall be equal to such per centum of the costs of the construction of the project as may be determined by the State, except that such per centum shall not exceed 90 per centum.

PERIOD FOR PROMULGATING FEDERAL PERCENTAGES

SEC. 106. Section 401(j)(1) of such Act is amended by striking out "August 31" and inserting in lieu thereof "September 30".

## TITLE II—GRANTS FOR OPERATION OF COMMUNITY MENTAL HEALTH CENTERS

FEDERAL SHARE

SEC. 201. Effective with respect to cost of establishment and operation of any center, for any period after June 30, 1970, for which a grant has been or is made under subsection (a) of section 220 of the Community Mental Health Centers Act (42 U.S.C. 2688), subsection (b) of such section is amended to read as follows:

"(b) Grants for such costs for any center under this part (other than grants made from funds made available under section 224(b)) may not exceed—

"(1) except as provided in paragraph (2), 75 per centum of the costs for each of the first two years after the first day of the first month for which such grant is made with respect to such center, 60 per centum of such costs for the third year after such first day, 45 per centum of such costs for the fourth year after such first day, 30 per centum of such costs for each of the next six years after such first day; and

"(2) in the case of grants to any center which provides services for persons in an area designated by the Secretary as a rural or urban poverty area, 90 per centum of such costs for each of the first two years after the first day of the first month for which such grant is made with respect to such center, and 75 per centum of such costs for each of the next eight years after such first day.

No grant shall be made under this section, in the case of any center referred to in paragraph (1), for any period of time which is later than the last year referred to in paragraph (1), or, in the case of any center referred to in paragraph (2), for any period of time which is later than the last year referred to in paragraph (2)."

INITIATION AND DEVELOPMENT OF SERVICES

SEC. 202. (a) Section 224 of such Act (42 U.S.C. 2688d) is amended (1) by inserting "(a)" immediately after "Sec. 224," and (2) by adding at the end thereof the following new subsection (b):

"(b) Not to exceed 5 per centum of the amount appropriated for grants pursuant to subsection (a) for any fiscal year shall be available to the Secretary to make grants to local public or nonprofit private organizations to cover up to 100 per centum of the costs (but in no case to exceed $50,000) of projects, in areas designated by the Secretary as rural or urban poverty areas, for assessing local needs for mental health services, designing mental health service programs, obtaining local financial and professional assistance and support for community health services, and fostering community involvement in initiating and developing community mental health services. In no case shall a grant under this subsection be for a period in excess of one year; nor shall any grant be made under this subsection with respect to any project if, for any preceding year, a grant under this subsection has been made with respect to such project."

(b) Section 221(a) of such Act (42 U.S.C. 2688a) is amended (1) by striking out "and" at the end of paragraph (4), (2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and", and (3) by adding after paragraph (5) the following new paragraph:

"(6) in the case of a grant from funds made available pursuant to section 224(b), the Secretary is satisfied, upon the basis of evidence supplied by the applicant, that persons broadly representative of all elements of the population of the area will be given an opportunity to participate in the project with respect to which application for such grant is made."

MAINTENANCE OF EFFORT

SEC. 203. (a) Paragraph (4) of such subsection (a) of section 221 of the Community Mental Health Centers Act (42 U.SC 2688a) is amended to read as follows:

"(4) the Secretary determines that there is satisfactory assurance that (A) the services to be provided will constitute an addition to, or a significant improvement in quality (as determined in accordance with criteria of the Secretary) in services that would otherwise be provided, and (B) Federal funds made available under this part for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds, including third party health insurance payments, that would in the absence of such Federal funds be made available for the program described in paragraph (2) of this subsection; and".

(b) Section 221(a) of such Act (42 U.S.C. 2688a) is further amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of paragraph (2) of this subsection, the requirement therein with respect to essential elements of comprehensive mental health services shall not apply, in the case of an application for a grant to any center which will provide services in an area designated by the Secretary as an urban or rural poverty area, for the eighteen-month period commencing on the date such applications is filed, if the Secretary is satisfied that such center will meet such requirement prior to the end of such period."

CONTINUATION GRANTS

SEC. 204. Section 221(b) of such Act (42 U.S.C. 2688a) is amended by striking out "1970" each place it appears and inserting in lieu thereof "1973".

AUTHORIZATION OF APPROPRIATIONS

SEC. 205. (a) The first sentence of section 224(a) of such Act (42 U.S.C. 2688d), as amended by section 202(a) of this Act, is amended (1) by striking out the word "and" which appears immediately after "1969" and (2) by inserting immediately after "1970," the following: "$60,000,000 for the fiscal year ending June 30, 1971, $60,000,000 for the fiscal year ending June 30, 1972, and $80,000,000 for the fiscal year ending June 30, 1973."

(b) The second sentence of section 224(a) of such Act (42 U.S.C. 2688d), as amended by section 202(a) of this Act, is amended by striking out "seven" and inserting in lieu thereof "fifteen".

STAFFING, OPERATION, AND MAINTENANCE GRANTS FOR CENTERS

SEC. 206. (a) Effective with respect to costs of operation of any center, for any period beginning after June 30, 1970, for which a grant has been or is made under subsection (a) of section 220 of the Community Mental Health Centers Act (42 U.S.C. 2688), such subsection is amended by striking out "a portion of the costs (determined pursuant to regulations under section 223) of compensation of professional and technical personnel for the initial operation" and inserting in lieu thereof "a portion of the costs (determined pursuant to regulations under section 223) of operation, staffing, and maintenance".

(b) The heading of part B of such Act (42 U.S.C. 2688 et seq.) is amended to read as follows:

"GRANTS FOR INITIAL COSTS OF OPERATION OF CENTERS"

## TITLE III—ALCOHOLISM AND NARCOTIC ADDICT REHABILITATION

EXTENSION OF PROGRAMS FOR FACILITIES FOR ALCOHOLICS AND NARCOTIC ADDICTS

SEC. 301. (a) Section 261 (a) of such Act (42 U.S.C. 2688o) is amended by striking out "and $25,000,000 for the next fiscal year" and inserting in lieu thereof $25,000,000 for the fiscal year ending June 30, 1970, $25,000,000 for the fiscal year ending June 30, 1971, and

$30,000,000 for the fiscal year ending June 30, 1972".

(b) Subsection (a) of such section 261 is further amended by inserting before the period at the end of the first sentence the following: "and section 246".

(c) Section 261 of such Act is further amended by adding at the end thereof the following new subsection (c):

"(c) (1) Not to exceed 5 per centum of the amount appropriated pursuant to the preceding provisions of this section for any fiscal year shall be available to the Secretary to make grants to local public or nonprofit private organizations to cover up to 100 per centum of the costs (but in no case to exceed $50,000) of projects for assessing local needs for programs of services for alcoholics or narcotic addicts, designing such programs, obtaining local financial and professional assistance and support for such programs in the community, and fostering community involvement in initiating and developing such programs in the community. In no case shall a grant under this subsection be for a period in excess of one year; nor shall any grant be made under this subsection with respect to any project if, for any peceding year, a grant under this subsection has been made with respect to such project.

"(2) A grant under this subsection with respect to any project may be made only if the Secretary is satisfied, upon the basis of evidence supplied by the applicant, that persons broadly representative of all elements of the population of the area will be given an opportunity to participate in the development of the project with respect to which application for such grant is made."

(d) Subsection (b) of such section 261 is amended by striking out "three" and inserting in lieu thereof "ten", and by striking out "for the fiscal year ending June 30, 1969, or the fiscal year ending June 30, 1970" and inserting in lieu thereof "for any fiscal year ending prior to July 1, 1972".

CONSTRUCTION GRANTS; ALCOHOLISM AND NARCOTIC ADDICTION

SEC. 302. Effective with respect to the cost of construction of any facility, for any period beginning after June 30, 1970, for which a grant from appropriations under section 261 of such Act has been or is made, subsection (b) of section 241 of such Act, subsection (d) of section 243 of such Act, and subsection (b) of section 251 of such Act are each amended by striking out "66⅔" and inserting in lieu thereof "90".

STAFFING, OPERATION, AND MAINTENANCE GRANTS; ALCOHOLISM AND NARCOTIC ADDICTION

SEC. 303. (a) (1) Effective with respect to the costs of operation of any facility, for any period after June 30, 1970, for which a grant from appropriations under section 261 of such Act has been or is made, subsection (a) of section 242 of such Act is amended by striking out "a portion of the costs (determined pursuant to regulations of the Secretary) of compensation of professional and technical personnel for the initial operation" and inserting in lieu thereof "a portion of the costs (determined pursuant to regulations of the Secretary) for operating, staffing, and maintenance".

(2) Effective with respect to the costs of operation of any facility, for any period beginning after June 30, 1970, for which a grant from appropriations under section 261 of such Act has been or is made, subsection (a) of section 243 of such Act is amended by striking out "compensation of professional and technical personnel" and inserting in lieu thereof "operation, staffing, and maintenance", and subsection (c) of such section is amended by striking out "compensation of professional and technical personnel" and inserting in lieu thereof "operation, staffing, and maintenance".

(3) Effective with respect to the costs of operation of any facility, for any period beginning after June 30, 1970, for which a grant from appropriations under section 261 of such Act has been or is made, subsection (a) of section 251 of such Act is amended by striking out "the costs, determined pursuant to regulations of the Secretary, of compensation of professional and technical personnel for the initial operation" and inserting in lieu thereof "the costs, determined pursuant to regulations of the Secretary, for the staffing, operation and maintenance", and subsection (c) of such section 251 is amended by striking out "Grants made under subsection (a) for the cost of compensation of professional and technical personnel" and inserting in lieu thereof "Grants made under subsection (a) for the costs of operating such facilities".

(b) Effective with respect to costs of establishment and operation of any facility for any period after June 30, 1970, for which a grant has been or is made under subsection (a) of section 242, 243, or 251 of the Community Mental Health Centers Act (42 U.S.C. 2688g, 2688h, 2688k), subsection (b) of section 242 of such Act is amended to read as follows:

"(b) Grants for such costs for any facility under this section may be made only for the period beginning with the first day of the first month for which such a grant is made and ending with the close of ten years after such first day; and such grant with respect to any facility may not exceed 90 per centum of such costs for each of the first two years after the first day of the first month for which such grant is made with respect to such facility and 75 per centum of such costs for each of the next eight years after such first day."

DIRECT GRANTS FOR SPECIAL PROJECTS; ALCOHOLISM

SEC. 304. Part C of the Community Mental Health Centers Act is amended by redesignating section 246 as section 247, and adding after section 245 a new section 246 to read as follows:

DIRECT GRANTS FOR SPECIAL PROJECTS

"SEC. 246. The Secretary is authorized during the period beginning July 1, 1970, and ending June 30, 1972, to make grants to any public or nonprofit private agency or organization to cover part or all of the cost of (A) developing specialized training programs or materials relating to the provision of public health services for the prevention or treatment of alcoholism, or developing inservice training or short-term or refresher courses with respect to the provision of such services; (B) training personnel to operate, supervise, and administer such services; (C) conducting surveys and field trials, to evaluate the adequacy of the programs for the prevention and treatment of alcoholism within the several States with a view to determining ways and means of improving, extending, and expanding such programs; and (D) programs for treatment and rehabilitation of alcoholics which the Secretary determines are of special significance because they demonstrate new or relatively effective or efficient methods of delivery of services to such alcoholics."

DIRECT GRANTS FOR SPECIAL PROJECTS; NARCOTIC ADDICTS

SEC. 305. (a) Section 252 of the Community Mental Health Centers Act is amended (1) by striking out "1970" and inserting in lieu thereof "1972", (2) by striking out "and" at the end of clause (B), and (3) by adding immediately before the period at the end thereof the following: "; and (D) programs for treatment and rehabilitation of narcotic addicts which the Secretary determines are of special significance because they demonstrate new or relatively effective or efficient methods of delivery of services to such narcotic addicts".

(b) The heading to such section 252 is amended to read as follows: "DIRECT GRANTS FOR SPECIAL PROJECTS".

TITLE IV—MENTAL HEALTH OF CHILDREN

CONSTRUCTION AND STAFFING OF TREATMENT FACILITIES

SEC. 401. The Community Mental Health Centers Act is amended by adding at the end thereof the following new part:

"PART F—MENTAL HEALTH OF CHILDREN

"GRANTS FOR TREATMENT FACILITIES

"SEC. 271. (a) Grants from appropriations under section 272(a) may be made to public or nonprofit private agencies and organizations (A) to assist them in meeting the costs of construction of facilities to provide mental health services for children within the States, and (B) to assist them in meeting the costs, determined pursuant to regulations of the Secretary, of the staffing, operation, and maintenance of (i) facilities providing such services which were constructed with grants made under this part or part A, or (ii) existing facilities which provide new mental health services for children.

"(b) The grant program for construction of facilities authorized by subsection (a) shall be carried out consistently with the grant program under part A of the Act except to the extent, in the judgment of the Secretary, special considerations make differences appropriate; but (1) before the Secretary may make a grant under such subsection for the construction of a facility for the provision of mental health services to children he must find that the application for such grant meets the requirements of section 205(a)(5) (relating to the payment of prevailing wages), and (2) the amount of any such grant with respect to any project shall be such percentage of the cost thereof, but not in excess of 90 per centum as the Secretary may determine

"(c) Grants for the costs of staffing, operation, and maintenance of facilities providing mental health services to children, authorized by subsection (a) of this section, may not exceed 90 per centum of such costs for each of the first two years after the first day of the first month for which such grant is made with respect to such facility, and 75 per centum of such costs for each of the next eight fiscal years after such first day. No grant may be made for any period of time which is later than the last year referred to in this subsection.

"(d) Grants may be made under this section only with respect to (1) facilities which are part of or affiliated with a community mental health center providing at least those essential services which are prescribed by the Secretary, or (2) where there is no such center serving the community in which such facilities are to be situated, facilities with respect to which satisfactory provision (as determined by the Secretary) has been made for appropriate utilization of existing community resources needed for an adequate program of prevention and treatment of mental health problems of children.

"(e) No grant shall be made under this section with respect to any facility unless the applicant for such grant provides assurance satisfactory to the Secretary that such facility will make available a full range of treatment, liaison, and followup services (as prescribed by the Secretary) for all children and their families in the service area of such facility who need such services, and will, when so requested, provide consultation and education for personnel of all schools and other community agencies serving children in such area.

"SEC. 272. (a) There are authorized to be appropriated $18,000,000 for the fiscal year ending June 30, 1971, $30,000,000 for the fiscal year ending June 30, 1972, and $45,-

000,000 for the fiscal year ending June 30, 1973, for grants authorized under this part.

"(b) There are also authorized to be appriated for the fiscal year ending June 30, 1971, and for each of the next thirteen fiscal years such sums as may be necessary to continue to make grants with respect to any project under this part for which a staffing operation and maintenance grant was made under this section for any fiscal year ending before July 1, 1973".

TITLE V—MISCELLANEOUS

APPROVAL BY NATIONAL ADVISORY MENTAL HEALTH COUNCIL

SEC. 501. (a) Section 303(b) (42 U.S.C. 242a) of the Public Health Service Act is amended by inserting after the words "subsection (a)" the following: "or under title II of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, as amended".

(b) Part E of the Community Mental Health Centers Act, as amended, is amended by adding a new section 264 at the end thereof to read as follows:

"APPROVAL BY NATIONAL ADVISORY MENTAL HEALTH COUNCIL

"SEC. 264. Grants under this title may be made only upon recommendation of the National Advisory Mental Health Council, established by section 217(a) (42 U.S.C. 218(a)) of the Public Health Service Act."

Mr. YARBOROUGH. Mr. President, I recommend to the Senate enactment of S. 2523, to amend, extend, and improve the community mental health center program.

This program was started in 1963. It was a response to recognition that the millions afflicted with mental illness recover sooner and more fully when they have treatment and care in their home communities. The old practice of sending people to State institutions was better than no care at all. But rates of admission to these institutions soared after World War II. Mental hospitals were crowded with men and women whose sheer numbers prevented individual treatment.

Under the program begun in 1963, local health agencies were encouraged to develop a unified mental health service to serve a local population. Continuity of care and inclusion of a basic group of essential srevices were stressed. As a result of this improved local care, plus great advances in medication, the need to hospitalize the mentally ill has greatly declined, and the length of hospitalization for emergency cases has been greatly shortened.

We are already reaping great returns from this program, in other words. But it is still not available to many millions of Americans. In 1963, we envisioned 2,000 centers, each to serve an average of 100,000 people. From July 1965 when the first center was funded until the end of fiscal year 1969, 376 centers had been funded. By the time the present law expires next June, it is anticipated that only 450 centers will have been funded, when 2,000 are needed.

So the number funded is still less than a fourth of the number needed. And many of these funded are not not yet operational, due to difficulty in gaining local financial support to sustain them after Federal support runs out.

Therefore, in extending the law for 3 years, the Committee on Labor and Public Welfare has also amended it to assure Federal support for operation of the centers for a total of 10 years, rather than the 51 months now permitted, and has provided a higher level of Federal participation in construction and operation of centers to be located in low income communities. It is in areas of widespread poverty, both urban and rural, where the most difficulty is encountered in setting up a center. Yet, it is these very communities, and the people in them, who need centers the most.

In addition, the committee added a special section to encourage development of children's services within the centers. Mental and emotional disturbances among children and young people afflicts some 8 million; fewer than half a million of them receive appropriate attention. Services for children and adolescents need to be specially designed for them, and professional people need to be specially trained to handle their problems.

Finally, the committee extended for 2 years rather than 3 the grants for alcoholism and narcotic addiction services within the centers. This was because our Subcommittee on Alcoholism and Narcotics is making a separate study of these problems, and working to develop a long-range program.

Enactment of S. 2523 will assure extension of one of the most effective health programs we have. More people suffer from the blight of emotional and mental illness than from all physical illnesses combined. We are making great strides in treating it effectively. I urge that we expand, enlarge, and continue this progress. This bill does expand, enlarge, and continue this progress.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "To amend the Community Mental Health Centers Act to extend and improve the program of assistance under that act for community mental health centers and facilities for the treatment of alcoholics and narcotic addicts, to establish programs for mental health of children, and for other purposes."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–583), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND

The bill reflects the committee's determination to respond to mounting evidence that the mentally ill recover sooner and more fully when they have a comprehensive treatment program in the home community. It was this determination that led to enactment in 1963 of Public Law 88–164 (title II). That act authorized grants to meet part of the cost of constructing community-based treatment facilities, and marked the beginning of the community mental health centers program.

Because newly developing centers were shown to need funds to help meet the initial costs of their operation, the act was amended in 1965 to provide grants to cover part of initial costs for professional and technical staff. In 1967, the act was further amended to extend construction and staffing grants through fiscal year 1970.

In 1968, the Alcoholic Rehabilitation Act and Narcotic Addict Rehabilitation Act were added in growing recognition of the detriment to persons and communities from alcoholism and narcotics addiction.

The total program has been guided by fundamental concepts of a catchment area of specified population size to be served, continuity of care, and inclusion in all centers of a basic group of essential services. Thus, a center affords unified treatment and rehabilitation for the general population of the community.

From July 1965, when the first center was awarded a grant, until the end of the fiscal year 1969, 376 community mental health centers had been funded. These centers are located in every State, and will provide services to 52 million people when fully operative. They will serve every kind of community—rural, suburban, urban, Appalachia, and Great Plains.

Applicants include State and local government units, public mental hospitals, public and nonprofit private general hospitals, independent mental health cliics, charitable institutions, and community mental health boards.

By Jue 30, 1970, when present law expires, about 62 million people will be served by an anticipated 450 centers.

S. 2523 will extend the program for 3 years, and make changes designed to speed the organization of centers, and improve their services.

CONSTRUCTION GRANTS

The bill extends for 3 years the authorization for construction grants for community mental health centers, as follows:

$95 million for fiscal year 1971;

$115 million for fiscal year 1972;

$115 million for fiscal year 1973.

Section 104 amends present law to permit the cost of acquisition of land to be included in the cost of construction. This change is especially important to low-income communities, where the high cost of land has often been a prohibitive factor in the establishment of centers.

The present minimum Federal share of one-third of construction cost is eliminated. The two-thirds maximum is retained, except that in poverty areas, as defined by the Secretary, the Federal share may go as high as 90 percent.

GRANTS FOR OPERATION

A major hindrance to the creation of centers has been the limited Federal support for their operation. Present law permits such support for only 51 months, and for only a portion of salaries of professional and technical people employed in them. In order to organize and develop quality services, the center must have assistance for a greater share of operating costs and for a longer period of time. Federal support now starts at 75 percent of salaries the first 15 months, and declines to 30 percent the fourth and final year thereafter. Thus, Federal staffing grants account for only 40 percent of the average center's first year operating cost, and a declining rate in succeeding years.

The committee therefore recommends that all operational expenses be covered in the continuation grants (section 206), and that the Federal share continue at 30 percent for 6 additional years (section 201).

An exception is made for centers to serve poverty areas. Here, the committee bill permits the Federal grant to cover 90 percent of operating costs the first 2 years and 75 percent for 8 years thereafter.

A change is made in existing law to permit centers to begin operation in poverty areas without furnishing all the "essential" services as defined by regulation. Centers in these areas will be given 18 months in which to furnish all these five services (day care,

outpatient care, inpatient care, 24-hour emergency service, and education and consultation).

It is the hope of the committee every effort will be made to provide full services as soon as possible.

Authorization of grants for initial operating expenses is extended for 3 years, as follows:

$60 million for fiscal year 1971;
$60 million for fiscal year 1972;
$80 million for fiscal year 1973.

Authorization for continuation grants is open, as it is in present law.

ALCOHOLISM AND NARCOTICS ADDICT REHABILITATION

The committee decided to extend this section of the law for 2 years, rather than 3, because its Subcommittee on Alcoholism and Narcotics is separately studying this area, and working to develop a long-range program for alcoholism and narcotics addiction.

The authorization for all construction, operating costs, and special project grants is in one sum, fixed by the bill at $25 million for fiscal year 1971 and $30 million for fiscal 1972.

However, construction grants may cover 90 percent of the total cost, all operating expenses are included in continuation grants, and such grants may cover 90 percent of operating costs for the first 2 years and 75 percent for 8 additional years.

The committee notes with disappointment that the alcoholism portion of the Narcotic Addiction and Alcoholism Amendments of 1968 has not yet been implemented, although alcoholism is a major mental health problem in the United States. It directly affects over 5 million persons, plus their families and associates.

In an effort to stimulate imaginative treatment for both alcoholics and narcotics addicts, the committee added an authorization for the Secretary of Health, Education, and Welfare to make direct grants for special projects, not necessarily tied in with a community mental health center. These grants may be for specialized training programs, training of personnel, the conducting of surveys, or to support programs for treatment and rehabilitation which demonstrate new techniques or show special promise of effectiveness.

SERVICES FOR CHILDREN

The committee added to existing law a new category of aid for community mental health centers, to encourage them to provide services aimed at children and adolescents.

The recent report of the Joint Commission on Mental Health of Children so recommended, after noting that 10 to 12 percent of the under-18 population needs mental health services. Of these estimated 8 million emotionally disturbed young people, only about 500,000, or 6 percent, receive appropriate attention.

All centers funded under the act do provide some services for children; but few provide a comprehensive program oriented to meet their special needs.

Therefore, the committee bill authorizes grants for construction and to operate these special services, as follows:

$18 million for fiscal year 1971;
$30 million for fiscal year 1972;
$45 million for fiscal year 1973.

Continuation grants may be made out of this authorization to support the operation of children's services for a total of 10 years, covering 90 percent of their costs the first 2 years, and 75 percent for 8 additional years.

A new service applicable to children is required. The applicant must assure that followup service will be provided, so the disturbed child will have continuous supervision in his dealings and relationships with schools and other community agencies.

GRANTS FOR INITIATION OF A PROGRAM

Another crucial new provision in the bill allows up to 5 percent of money appropriated for initial operating grants to be used in poverty areas without any matching requirement, to help local communities in poverty areas do the organizational groundwork leading to development of a community mental health program. This groundwork includes assessment of local mental health needs, the design of appropriate services, and acquiring financial support. Grants for this work may go only to local agencies.

The same arrangement is made in the bill for initiation of alcoholism and narcotics addiction programs as an incentive for their development.

STATE ADMINISTRATION

Another provision in the bill increases from the existing 2 percent to 5 percent the amount of a State's construction allocation that may be applied to the cost of administration of the State plan. This change was prompted because of the small amounts available to States with minimum construction allocations. However, the current maximum of $50,000 is retained.

The committee included in the bill S. 3101, by Senator Dominick, allowing these funds to remain available for State use in the year following the year of allocation.

ADDITION OF TRUST TERRITORY

The definition of the term "State" has been amended to include the Trust Territory of the Pacific Islands, previously excluded. The territories will be allowed to use their allocations for 3 years, since these allocations are very small.

## BILL PASSED OVER

The bill (S. 2809) to amend the Public Health Service Act so as to extend for an additional period the authority to make formula grants to schools of public health was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

## ALEX G. W. MILLER

The bill (S. 1389) for the relief of Alex G. W. Miller was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purposes of the Immigration and Nationality Act, Alex G. W. Miller shall be held and considered to have been lawfully admitted to the United States for permanent residence as of October 25, 1959, and the periods of time he has resided in the United States since that date shall be held and considered to meet the residence and physical presence requirements of section 316 of such Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–587), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

## JAMES HIDEAKI BUCK

The bill (H.R. 2208) for the relief of James Hideaki Buck was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–583), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill to facilitate the adjustment of status as an immediate relative of the adopted child of citizens of the United States.

## SA CHA BAE

The bill (H.R. 4560) for the relief of Sa Cha Bae was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–589), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Sa Cha Bae. The bill provides for payment of the required visa fee, and for deduction of an appropriate visa number.

## PAGONA ANOMERIANAKI

The bill (H.R. 5133) for the relief of Pagona Anomerianaki was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–590), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant to the adopted daughter of U.S. citizens the status of a first-preference immigrant, which is the status normally enjoyed by the natural-born alien sons and daughters of U.S. citizens.

## PANAGIOTIS, GEORGIA, AND CONSTANTINA MALLIARAS

The bill (H.R. 6600) for the relief of Panagiotis, Georgia, and Constantina Malliaras was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–591), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Panagiotis, Georgia, and Constantina Malliaras. The bill provides for payment of the required visa fees, and for deduction of appropriate visa numbers.

## LIDIA MENDOLA

The bill (H.R. 10156) for the relief of Lidia Mendola was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–592), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to deem the adopted daughter of lawful residents of the United States to be a child within the meaning of section 101(b)(1)(E) of the Immigration and Nationality Act.

## PERCY ISPAS AVRAM

The Senate proceeded to consider the bill (S. 2102) for the relief of Percy Ispas Avram, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the periods of time Percy Ispas Avram has resided in the United States and any State since his lawful admission for permanent residence on December 15, 1962, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Percy Ispas Avram."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–593), explaining the purpose of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable the beneficiary to file a petition for naturalization. The bill has been amended in accordance with established precedents and to correct the spelling of the beneficiary's name.

Mr. MANSFIELD. That concludes the call of the calendar, Mr. President.

## LEGISLATIVE BRANCH APPROPRIATIONS, 1970—CONFERENCE REPORT

Mr. MONTOYA. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13763) making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of December 9, 1969, pp. 37946–39947, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MONTOYA. Mr. President, the House concurred in all Senate amendments except No. 37. The only real difference between the two Houses on this appropriation bill was on amendment No. 37, which related to the west front of the U.S. Capitol.

The House bill provided $2 million for preparation of detailed plans and specifications for extending the west central front. The Senate bill struck this provision and substituted an appropriation of $250,000 to be transferred to the National Park Service for use in conducting studies to determine the feasibility and cost of restoring the west central front. The conference agreement which has been adopted in the House will provide an appropriation of $2,275,000. The language reads that not to exceed $250,000 shall be used for the employment of independent, nongovernmental engineering, and other services for studying and reporting on the feasibility and cost of restoring the west central front, under such terms and conditions as the Commission for Extension of the Capitol may determine. The language further provides that pending completion of the restoration study and report, none of the funds shall be available for any further work toward extension of the west central front.

The language provides further that after the submission of such a report and study, the Commission shall direct the preparation of final plans for extending the west central front unless such restoration study report establishes to the satisfaction of the Commission certain criteria. Among these criteria are:

First, that the work can be done without undue hazard to safety of the structure and persons and that the west front can be made safe and beautiful for the foreseeable future;

Second, that restoration can be accomplished with no more vacation of west central front space that would be required under the extension plan;

Third, that the method or methods of accomplishing restoration can be so described and specified as to form the basis for performance under a competitive fixed-price contract;

Fourth, that the cost of restoration would not exceed $15,000,000; and

Fifth, that the time schedule for accomplishing restoration would not exceed the time projected for accomplishing the extension plan.

Should the restoration study meet all five of the conditions I have described, the Capitol Building Commission would then make recommendations to the Congress on the question of whether to extend or restore.

In the statement on the part of the managers of the House it has been made very clear that the Senate and the House desire the Commission to secure the services of a completely independent group to make this study and this group should have no previous connection with proposals to either extend or restore the west central front.

Mr. President, I believe a fair compromise has been agreed to and I hope it will be adopted by the Senate.

Mr. PROXMIRE. Mr. President, as I understand it, the conference report has not yet been agreed to. I have some concern about this matter, and I might require a rollcall if we cannot reach an agreement.

Mr. MONTOYA. If the Senator from Wisconsin has any questions, I would be willing to answer them.

Mr. PROXMIRE. Mr. President, I have serious reservations with regard to the agreement reached by the House-Senate conferees on the legislative appropriations bill. There was really only one point of disagreement on this bill. There was cooperation between the Senate and House on all other points.

I thought the Senator from New Mexico (Mr. MONTOYA), the chairman of the subcommittee, handled this extremely well. But there was one point on which there was sharp disagreement because, as we know, the House had passed a bill providing for $2 million to begin a $45 million project for the extension of the west front of the Capitol. The Senate discussed this matter at some length, and by a 2-to-1 margin, the Senate rejected the notion of proceeding with the extension of the west front, provided no money for the extension, and provided $250,000 for a study of the feasibility of restoration.

Frankly, although the House and Senate did reach an agreement in conference, I, for one, refused to sign the conference report so far as it pertains to this amendment.

Nevertheless, I believe we can make useful floor history today in discussing the amendment. We can inform the Commission for the Extension of the U.S. Capitol, which has been charged by the conference agreement with overseeing a restoration study of the west front, exactly how we interpret the language of the conference report. In this way, the Commission can proceed with an adequate knowledge of what the Senate expects of it, as it contracts for the restoration study.

My major reservation to this provision, arises from the conference committee's decision to place the matter in the hands of a Commission, which by its very title—"Commission for the Extension of the United States Capitol"—can be expected to favor extension rather than restoration. In other words an extension commission will be commissioning a restoration study.

However, the Commission is made up of honorable men, including the distinguished majority leader and the distinguished minority leader, and other of our colleagues in both Houses of Congress. Furthermore, it would appear to me from the language of the conference report that the one noncongressional member of the Commission—J. George Stewart—who is deeply committed to extension would be barred from taking part in the process of selecting the firm or firms performing the restoration study. Mr. Stewart and his office have been com-

pletely committed to extension of the west front since early in this decade. Over 6 years ago—on June 5, 1963—Mr. Stewart told the Legislative Subcommittee of the Senate Appropriations Committee:

I am on record as advocating extension and reconstruction of the west front at an early date.

I believe that the following language in the conference report would be considered by the Senate to bar Mr. Stewart's participation in the selection of a restoration study firm:

The conferees of both Houses are agreed that the nongovernmental engineering and other necessary services engaged by direction of the Commission to study and report on the feasibility and cost of restoration should be, in the Commission's opinion, completely independent, with no previous connection with proposals to either extend or to restore the west central front, *including any expressed predisposition for or against the extension or the restoration of the west central front.*

I believe that it would be a patent conflict of interest if, given this language, Mr. Stewart, who strongly supports extension, were to play a role in choosing the firm to do the restoration study.

I wish to ask the distinguished Senator from New Mexico this question: The language on page 5 of the report indicates that the firm to make the study on the feasibility of restoration of the west central front of the Capitol should be, as I quoted earlier, "completely independent with no previous connection with proposals to either extend or to restore the west central front, including any expressed predisposition for or against the extension or the restoration of the west central front."

First, would this mean that the determination would be made by the Commission but without that decision being influenced by the Architect of the Capitol or his Office?

Second, it is my understanding that it will be necessary for the independent firm to work with the contracting officer, who will give them an interpretation of the contract during the 6 months' study and will provide details and information needed to complete the study. Can the chairman of the subcommittee assure the Senate that this function can be performed independently of the Office of the Architect of the Capitol, inasmuch as the Architect is the principal advocate of extension and is recognized as completely opposed to restoration?

Mr. MONTOYA. Mr. President, in answer to the Senator's question, and I think he will agree with me that we both recognize the Commission for the Extension of the Capitol is the administering agency of the will of Congress in this matter. I would expect the Commission for Extension of the Capitol to be completely cognizant of the vote taken here in the Senate with respect to this issue and what considerations played a part in arriving at the vote here in the Senate on the issue. I believe the vote and the debate eloquently expressed the feeling that this evaluation and feasibility study should be done completely independent of the Office of the Architect and that the Commission should undertake to insure that a firm is selected separate and apart from any possible loyalty or leaning toward the Architect's wishes. The conference report has endorsed this plan. The conference report enunciates it and I would certainly express, as part of the history of this legislation, the urgent desire on the part of the Senate conferees as well as the Senate that the Architect not play any dominant or substantial or significant part in this endeavor, but that the Commission should speak as one authority in trying to bring about a completely independent study as described herein.

Mr. PROXMIRE. Mr. President, I appreciate the response.

It might well be asked if, in the absence of Mr. Stewart's recommendation, the Commission can make an informed choice. Certainly. In fact this is a golden opportunity for the Commission to lay to rest claims that a favored few firms have been engaged for all work contracted for by the Commission and the Capitol Architect's office. This can be done by inviting all qualified firms to submit their qualifications, by making the selection process a matter of public record, and by seeking the advice of the General Services Administration and the Interior Department's historic buildings staff in evaluating potential contractors. These are suggestions only, but they would guarantee full acceptance by the Congress and the American people of the result of the restoration study.

I would also hope that the Commission, because it has in the past taken a firm stand in support of extension, would release to the Congress and the public the restoration study and its result as soon as they were made available. If the study shows restoration to be feasible then the Congress should have an opportunity to decide on whether to extend or restore. Thus the Commission ought not to proceed with extension without consulting Congress if restoration is feasible.

We should all recognize that the Commission will fairly evaluate the possibility of restoration. I know that they will keep Congress and the public informed of the progress of the restoration study. Given all of these conditions I am very hopeful that we can lay to rest once and for all the question of whether the west front of the Capitol should be restored or extended.

This Senator expresses the hope and desire that the Commission will designate and retain a person or agency that will handle day-to-day details during the 6 months' study on behalf of the Commission, and that that person or agency be assigned apart from the Architect of the Capitol or his office inasmuch as that office has taken a clear and conspicuous position on this matter.

Mr. MONTOYA. I would certainly agree and express the hope that the Commission would do just that.

Mr. PROXMIRE. Mr. President, I wish to say to the Senator, who is the chairman of the subcommittee, that I think he has done a very fine job in this regard. I think the House has gotten a considerable concession from the Senate. I think the Senate should know that what we have done is to provide that the study of the feasibility of restoration must meet certain specific criteria, that it must be done on the basis of a fixed price, cannot be open-ended, must cost less than $15 million which is a third as much as extension, and has to be done in a way so as not to evacuate part of the capital for a longer period than extension would require. Other criteria are specified.

The Commission will be the judge of whether these criteria of feasibility are met. We are leaving it up to the Commission which has been studying this matter to determine whether or not this restoration feasibility study meets certain very strict criteria. Under the circumstances this is the best we can do in a very difficult situation.

I think the chairman did an excellent job and I thank him for his patience and consideration.

Mr. MONTOYA. Mr. President, I wish to thank the Senator from Wisconsin for his kind remarks. I also wish to say to this body that the Senator from Wisconsin made a very valuable contribution in trying to resolve this issue. I believe the solution we arrived at is a worthy solution and that it approximates the position the Senate has expressed heretofore.

The PRESIDING OFFICER (Mr. MONDALE in the chair). The question is on agreeing to the conference report.

WEST FRONT OF THE CAPITOL

Mr. KENNEDY. Mr. President, I do not intend to object, but I would like to take this opportunity to present some views and comments on the question of the west front extension.

Once again I wish to express my appreciation to the distinguished Senator from New Mexico (Mr. MONTOYA) for permitting me to testify on this question, and for exploring in the kind of detail he and his committee did, the whole question of the extension.

I wish to commend the distinguished Senator from Wisconsin (Mr. PROXMIRE) for providing such leadership on this entire question, because it is a matter, I think, of great significance. Although it is initially a matter of small funding, the potential is for a considerable outlay—some $45 million.

I know the very deep consideration that the chairman of this committee gave to this entire project, and I would like to take this opportunity to comment on the action of the conference committee.

When the House bill came over here, carrying in it $2 million for beginning the work on extending the Capitol's west front, I was pleased to have the opportunity to testify against the extension. We have never had an independent study of the feasibility of costs of restoration, and that consequently my recommendation was to authorize such a study. This was reinforced by the need to hold down all but the most vital public works spending when inflation is such a peril to a sound economy.

The Senate Appropriations Committee recommended, and the Senate overwhelmingly approved, this position. Those of us concerned with the preservation of the last original remaining portion of the Capitol were greatly heartened.

The conference committee's resolution of the two differing versions of the bill is somewhat mixed, from my own viewpoint. On the one hand, no work on extension can go forward until after a study on restoration. On the other hand, the study's criteria are very restrictive, and the identity of the organization to carry out the study is less than clear.

It is my hope that the Commission on the Extension of the U.S. Capitol—the entity charged with administering this bill's mandate—will be imaginative and sensitive in selecting a study contractor, and in monitoring the study itself. For example, I am sure that the American Institute of Architects, the National Trust for Historic Preservation, and other organizations would be pleased to advise and consult on the study. I would hope that the Commission would invite their expert and committed suggestions.

We must not forget that if the west front is extended, we will have shrouded the last remaining original exterior portion of the Capitol forever from view. It now stands as it stood when our first Presidents saw it. We do not often have an opportunity to preserve something so priceless. But when we do, then we should be vigilant to do so.

Let me thank the Senator from New Mexico and once again commend him for his work.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendment of the House to the amendment of the Senate numbered 37.

The assistant legislative clerk read as follows:

In lieu of the matter stricken out and inserted by said amendment, insert the following:

"EXTENSION OF THE CAPITOL

"For an additional amount for 'Extension of the Capitol', $2,275,000, to be expended under the direction of the Commission for Extension of the United States Capitol as authorized by law: *Provided*, That such portion of the foregoing appropriation as may be necessary shall be used for emergency shoring and repairs of, and related work on, the west central front of the Capitol: *Provided further*, That not to exceed $250,000 of the foregoing appropriation shall be used for the employment of independent nongovernmental engineering and other necessary services for studying and reporting (within six months after the date of the employment contract) on the feasibility and cost of restoring such west central front under such terms and conditions as the Commission may determine: *Provided, however*, That pending the completion and consideration of such study and report, no further work toward extension of such west central front shall be carried on: *Provided further*, That after submission of such study and report and consideration thereof by the Commission, the Commission shall direct the preparation of final plans for extending such west central front in accord with Plan 2 (which said Commission has approved), unless such restoration study report establishes to the satisfaction of the Commission:

"(1) That through restoration, such west central front can, without undue hazard to safety of the structure and persons, be made safe, sound, durable, and beautiful for the foreseeable future;

"(2) That restoration can be accomplished with no more vacation of west central front space in the building proper (excluding the terrace structure) than would be required by the proposed extension Plan 2;

"(3) That the method or methods of accomplishing restoration can be so described or specified as to form the basis for performance of the restoration work by competitive, lumpsum, fixed price construction bid or bids;

"(4) That the cost of restoration would not exceed $15,000,000; and

"(5) That the time schedule for accomplishing the restoration work will not exceed that heretofore projected for accomplishing the Plan 2 extension work: *Provided further*, That after consideration of the restoration study report, if the Commission concludes that all five of the conditions hereinbefore specified are met, the Commission shall then make recommendations to the Congress on the question of whether to extend or restore the west central front of the Capitol."

Mr. MONTOYA. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 37.

The PRESIDING OFFICER. The question is on agreeing to the notion of the Senator from New Mexico.

The amendment was agreed to.

Mr. MONTOYA. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a tabulation which gives by appropriation line item in the bill the comparisons of the budget, estimates, House bill, Senate bill, and final conference report.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE BILL, H.R. 13763

| Item | New budget (obligational) authority, 1969 | Budget estimates of new (obligational) authority, 1970 | House bill | Senate bill | Conference action |
|---|---|---|---|---|---|
| **SENATE** | | | | | |
| **Vice President and Senators** | | | | | |
| Compensation of the Vice President and Senators | $3,762,565 | [1] $4,703,270 | ..... | $4,685,530 | $4,685,530 |
| Mileage, President of the Senate and Senators | 58,370 | 58,370 | ..... | 58,370 | 58,370 |
| Expense allowance, Vice President, majority and minority leaders | 16,000 | 16,000 | ..... | 16,000 | 16,000 |
| Total, Vice President and Senators | 3,836,935 | 4,777,640 | ..... | 4,759,900 | 4,759,900 |
| **Salaries, Officers and Employees** | | | | | |
| Office of the Vice President | 262,216 | [1] [2] 281,187 | ..... | 281,187 | 281,187 |
| Offices of the majority and minority leaders | ..... | [2] 106,930 | ..... | 106,930 | 106,930 |
| Offices of the majority and minority whips | 42,188 | [2] 68,730 | ..... | 68,730 | 68,730 |
| Office of the Chaplain | 17,711 | 17,711 | ..... | 17,185 | 17,185 |
| Office of the Secretary | 1,621,287 | [2] 1,675,448 | ..... | 1,675,448 | 1,675,448 |
| Committee employees | 3,908,360 | [1] 4,017,014 | ..... | 4,017,014 | 4,017,014 |
| Conference, majority | 114,691 | [1] 115,619 | ..... | 115,619 | 115,619 |
| Conference, minority | 114,691 | [1] 115,619 | ..... | 115,619 | 115,619 |
| Administrative and clerical assistants to Senators | 22,250,010 | [1] [2] 24,656,608 | ..... | 24,656,608 | 24,656,608 |
| Office of the Sergeant at Arms and Doorkeeper | 4,871,271 | [1] [2] 4,915,909 | ..... | 4,915,909 | 4,915,909 |
| Offices of the secretaries to the majority and minority | 192,554 | [1] 196,612 | ..... | 196,612 | 196,612 |
| Total, salaries, officers and employees | 33,394,979 | 36,167,387 | ..... | 36,166,861 | 36,166,861 |
| **Contingent Expenses** | | | | | |
| Senate policy committee | 507,490 | [1] 473,440 | ..... | 473,440 | 473,440 |
| Automobiles and maintenance | 50,880 | 50,880 | ..... | 50,880 | 50,880 |
| Furniture | 31,190 | 31,190 | ..... | 31,190 | 31,190 |
| Expenses of inquiries and investigations | 6,592,225 | [1] 6,646,755 | ..... | 6,646,755 | 6,646,755 |
| Folding documents | 46,355 | 46,355 | ..... | 46,355 | 46,355 |
| Mail transportation (motor vehicles) | 16,560 | 16,560 | ..... | 16,560 | 16,560 |
| Miscellaneous items | 4,528,600 | [1] [2] 5,751,636 | ..... | 5,708,986 | 5,708,986 |
| Postage | 109,020 | [2] 120,133 | ..... | 120,133 | 120,133 |
| Stationery | 361,200 | [2] 377,850 | ..... | 377,850 | 377,850 |
| Communications | 15,150 | 15,150 | ..... | 15,150 | 15,150 |
| Total, contingent expenses | 12,213,670 | 13,529,949 | ..... | 13,487,299 | 13,487,299 |
| **Other, Senate** | | | | | |
| Legislative counsel | 364,085 | [1] 374,100 | ..... | 374,100 | 374,100 |
| Payment to widow of Hon. E. L. Bartlett | 30,000 | ..... | ..... | ..... | ..... |
| Payment to widow of Hon. Everett McKinley Dirksen | ..... | ..... | ..... | 49,500 | 49,500 |
| Total, other | 394,085 | 374,100 | ..... | 423,600 | 423,600 |
| Total, Senate | 49,839,669 | 54,849,076 | ..... | 54,837,660 | 54,837,660 |

Footnotes at end of table.

SUMMARY OF THE BILL, H.R. 13763—Continued

| Item | New budget (obligational) authority, 1969 | Budget estimates of new (obligational) authority, 1970 | House bill | Senate bill | Conference action |
|---|---|---|---|---|---|
| **HOUSE OF REPRESENTATIVES** | | | | | |
| Gratuity, deceased Member | $90,000 | | $42,500 | $42,500 | $42,500 |
| **Salaries, Mileage for the Members, and Expense Allowance of the Speaker** | | | | | |
| Compensation of Members | 16,135,700 | [1] 20,085,000 | 20,074,000 | 20,074,000 | 20,074,000 |
| Mileage of Members and expense allowance of the Speaker | 200,000 | 180,000 | 180,000 | 180,000 | 180,000 |
| Total, Members compensation and mileage | 16,335,700 | 20,265,000 | 20,254,000 | 20,254,000 | 20,254,000 |
| **Salaries, Officers and Employees** | | | | | |
| Office of the Speaker | 143,845 | [2] 151,850 | 151,850 | 151,850 | 151,850 |
| Office of the Parliamentarian | 134,420 | [1] 152,310 | 152,310 | 152,310 | 152,310 |
| Compilation of precedents of House of Representatives | 13,210 | 13,210 | 13,210 | 13,210 | 13,210 |
| Office of the Chaplain | 17,965 | 17,965 | 17,965 | 17,965 | 17,965 |
| Office of the Clerk | 2,050,000 | [2] 2,237,900 | 2,205,000 | 2,205,000 | 2,205,000 |
| Office of the Sergeant at Arms | 2,352,000 | 3,016,650 | 2,950,000 | 2,950,000 | 2,950,000 |
| Office of the Doorkeeper | 2,065,000 | [3] 2,298,130 | 2,275,000 | 2,275,000 | 2,275,000 |
| Office of the Postmaster | 612,110 | [1] 625,870 | 625,870 | 625,870 | 625,870 |
| Committee employees (standing roll) | 5,200,000 | 5,300,000 | 5,300,000 | 5,300,000 | 5,300,000 |
| Special and minority employees: | | | | | |
| 6 minority employees | 142,245 | [2] 182,885 | 182,885 | 182,885 | 182,885 |
| House Democratic steering committee | 53,710 | [1] 59,040 | 59,040 | 59,040 | 59,040 |
| House Republican conference | 53,710 | [1] 59,040 | 59,040 | 59,040 | 59,040 |
| Majority floor leader, office | 111,915 | [1] 119,915 | 119,915 | 119,915 | 119,915 |
| Minority floor leader, office | 101,295 | [1] 111,295 | 111,295 | 111,295 | 111,295 |
| Majority whip, office | 75,990 | [1] 90,990 | 90,990 | 90,990 | 90,990 |
| Minority whip, office | 75,990 | [1] 90,990 | 90,990 | 99,990 | 90,990 |
| Caucus rooms, 2 clerks | 18,745 | 18,745 | 18,745 | 18,745 | 18,745 |
| Technical assistants, attending physician | 15,780 | 16,845 | 16,845 | 16,845 | 16,845 |
| Official reporters of debates | 316,570 | [1] 324,410 | 324,410 | 324,410 | 324,410 |
| Official reporters to committee | 311,015 | 322,040 | 322,040 | 322,040 | 322,040 |
| Committee on Appropriations (investigations) | 890,000 | 890,000 | 890,000 | 890,000 | 890,000 |
| Office of the legislative counsel | 403,890 | [2] 465,595 | 465,595 | 465,595 | 465,595 |
| Total, salaries, officers, and employees | 15,159,405 | 16,565,675 | 16,442,995 | 16,442,995 | 16,442,995 |
| **Members' Clerk Hire** | | | | | |
| Clerk hire | 41,192,500 | [3] 47,200,000 | 47,000,000 | 47,000,000 | 47,000,000 |
| **Contingent Expenses of the House** | | | | | |
| Furniture | [4] (250,000) | 240,000 | 240,000 | 240,000 | 240,000 |
| Miscellaneous items | 8,000,000 | [1] 5,460,000 | 4,960,000 | 4,960,000 | 4,960,000 |
| Government contributions | | 3,240,000 | 3,240,000 | 3,240,000 | 3,240,000 |
| Reporting hearings | 368,000 | 325,000 | 325,000 | 325,000 | 325,000 |
| Special and select committees | 4,950,000 | [2] 6,850,000 | 6,800,000 | 6,800,000 | 6,800,000 |
| Telegraph and telephone | 3,500,000 | 3,750,000 | 3,650,000 | 3,650,000 | 3,650,000 |
| Stationery (revolving fund) | 1,308,000 | 1,308,000 | 1,308,000 | 1,308,000 | 1,308,000 |
| Postage stamps | 320,390 | 320,390 | 320,390 | 320,390 | 320,390 |
| Revision of laws | 30,750 | [1] 38,000 | 38,000 | 38,000 | 38,000 |
| Leadership automobiles: | | | | | |
| Speaker | 14,250 | 14,250 | 14,250 | 14,250 | 14,250 |
| Majority leader | 14,250 | 14,250 | 14,250 | 14,250 | 14,250 |
| Minority leader | 14,250 | 14,250 | 14,250 | 14,250 | 14,250 |
| New edition, District of Columbia Code | 75,000 | | | | |
| New edition, United States Code | | 150,000 | 150,000 | 150,000 | 150,000 |
| Total, contingent expenses | 18,594,890 | 21,724,140 | 21,074,140 | 21,074,140 | 21,074,140 |
| Total, House of Representatives | 91,372,495 | 105,754,815 | 104,813,635 | 104,813,635 | 104,813,635 |
| **JOINT ITEMS** | | | | | |
| Joint Committee on Reduction of Federal Expenditures | 55,000 | 90,000 | 55,000 | 55,000 | 55,000 |
| **Contingent Expenses of the Senate** | | | | | |
| Joint Economic Committee | 430,650 | [1] [2] 477,165 | 441,165 | 477,165 | 468,165 |
| Joint Committee on Atomic Energy | 398,605 | [1] 400,595 | 400,595 | 400,595 | 400,595 |
| Joint Committee on Printing | 210,865 | [1] 212,855 | 212,855 | 212,855 | 212,855 |
| Joint Committee on Inaugural Ceremonies | 400,000 | | | | |
| **Contingent Expenses of the House** | | | | | |
| Joint Committee on Internal Revenue Taxation | 531,905 | [1] 597,650 | 597,650 | 597,650 | 597,650 |
| Joint Committee on Defense Production | 107,950 | 107,950 | 107,950 | 107,950 | 107,950 |
| Office of the attending physician | 56,000 | 61,800 | 70,800 | 70,800 | 70,800 |
| **Capitol Police** | | | | | |
| General expenses | 134,000 | [3] 136,000 | 134,000 | 134,000 | 134,000 |
| Capitol Police Board | 900,000 | 909,936 | 900,000 | 900,000 | 900,000 |
| **Education of Senate and House Pages** | | | | | |
| Expenses | 113,160 | 112,307 | 112,307 | 112,307 | 112,307 |
| **Official Mail Costs** | | | | | |
| Expenses | 9,473,000 | [1] 10,161,000 | 10,161,000 | 10,161,000 | 10,161,000 |
| **Statements of Appropriations** | | | | | |
| Preparation | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 |
| Total, joint items | 12,824,135 | 13,280,258 | 13,206,322 | 13,242,322 | 13,233,322 |
| **ARCHITECT OF THE CAPITOL** | | | | | |
| Salaries, Office of the Architect | 775,000 | [1] 855,300 | 825,000 | 825,000 | 825,000 |
| Contingent expenses | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Capitol buildings | 2,084,700 | [1] [2] 2,157,400 | 2,002,400 | 2,127,400 | 2,127,400 |
| Extension of the Capitol | | [6] 2,000,000 | 2,000,000 | 250,000 | 2,275,000 |
| Capitol Grounds | 792,300 | [1] [2] 874,100 | 842,100 | 874,100 | 874,100 |
| Senate Office Buildings | 3,052,900 | [1] [2] [7] 3,310,000 | | 3,310,000 | 3,310,000 |
| Extension of additional Senate Office Building site | | 1,250,000 | | 1,250,000 | 1,250,000 |
| Senate garage | 68,800 | 76,600 | | 76,600 | 76,600 |
| House Office Buildings | 5,145,600 | [1] 5,479,000 | 5,479,000 | 5,479,000 | 5,479,000 |
| Acquisition of property, construction, and equipment, additional House Office Building (liquidation of contract authorization) | (527,000) | (1,398,000) | (107,000) | (107,000) | (107,000) |
| Capitol Power Plant (operation) | 2,954,500 | [1] 3,462,000 | 3,512,000 | 3,512,000 | 3,512,000 |
| Expansion of facilities, Capitol Power Plant (Liquidation of contract authorization) | | (300,000) | (300,000) | (300,000) | (300,000) |
| Structural and mechanical care | 1,013,000 | [1] 1,052,800 | 1,047,000 | 1,047,000 | 1,047,000 |
| Reappropriation | 327,000 | | 60,000 | 60,000 | 60,000 |
| Furniture and furnishings | 350,000 | 378,000 | 350,000 | 350,000 | 350,000 |
| Library of Congress James Madison Memorial Building | | [7] 18,410,000 | 2,800,000 | 2,800,000 | 2,800,000 |
| Total, Architect of the Capitol | 16,613,800 | 39,255,200 | 18,967,500 | 22,011,100 | 24,036,100 |

Footnotes at end of table.

SUMMARY OF THE BILL, H.R. 13763—Continued

| Item | New budget (obligational) authority, 1969 | Budget estimates of new (obligational) authority, 1970 | House bill | Senate bill | Conference action |
|---|---|---|---|---|---|
| **BOTANIC GARDEN** | | | | | |
| Salaries and expenses | $587,500 | [1] $599,800 | $599,800 | $599,800 | $599,800 |
| Total, Architect of the Capitol, including Botanic Garden | 17,201,300 | 39,955,000 | 19,567,300 | 22,610,900 | 24,635,900 |
| **LIBRARY OF CONGRESS** | | | | | |
| Salaries and expenses | 18,019,300 | [1] 19,380,000 | 19,085,000 | 19,061,500 | 19,061,500 |
| Transfer from HEW | (478,000) | (478,000) | | | |
| Copyright Office, salaries and expenses | 2,987,800 | 3,140,000 | 3,128,000 | 3,124,000 | 3,124,000 |
| Legislative Reference Service, salaries and expenses | [3] 3,820,000 | [1] 4,196,000 | 4,135,000 | 4,135,000 | 4,135,000 |
| Distribution of catalog cards, salaries and expenses | 7,300,000 | 7,728,000 | 7,728,000 | 7,728,000 | 7,728,000 |
| Books for the general collections | 665,000 | 840,000 | 750,000 | 750,000 | 750,000 |
| Books for the law library | 125,000 | 140,000 | 140,000 | 140,000 | 140,000 |
| Books for the blind and physically handicapped, salaries and expenses | 6,668,000 | 7,015,000 | 7,000,000 | 6,997,000 | 6,997,000 |
| Organizing and microfilming the papers of the Presidents, salaries and expenses | 118,800 | 118,800 | 118,800 | 118,800 | 118,800 |
| Collection and distribution of library materials (special foreign currency program): | | | | | |
| Payments in Treasury-owned foreign currencies | 1,807,600 | 1,907,000 | 1,603,000 | 1,603,000 | 1,603,000 |
| U.S. dollars | 201,400 | 213,000 | 199,000 | 199,000 | 199,000 |
| Total, Library of Congress | 41,712,900 | 44,677,800 | 43,886,800 | 43,856,300 | 43,856,300 |
| **GOVERNMENT PRINTING OFFICE** | | | | | |
| Printing and binding | 31,000,000 | 30,300,000 | 30,300,000 | 30,300,000 | 30,300,000 |
| Office of Superintendent of Documents, salaries and expenses | 8,178,000 | [1] 10,052,000 | 9,750,000 | 9,650,000 | 9,650,000 |
| Selection of site, general plans, and designs of buildings | | [2] 3,600,000 | | | |
| Payment to GPO revolving fund (for special improvements) | | 6,500,000 | | | |
| Total, Government Printing Office | 39,178,000 | 50,452,000 | 40,050,00 | 39,950,000 | 39,950,000 |
| **GENERAL ACCOUNTING OFFICE** | | | | | |
| Salaries and expenses | 59,614,000 | 63,184,000 | 63,000,000 | 63,000,000 | 63,000,000 |
| Grand total, new budget (obligational) authority | 311,742,499 | 372,152,949 | 284,524,057 | 342,310,817 | 344,326,817 |
| Consisting of— | | | | | |
| 1. Appropriations | 311,415,499 | 372,152,949 | 284,464,057 | 342,250,817 | 344,266,817 |
| 2. Reappropriation | 327,000 | | 60,000 | 60,000 | 60,000 |
| Memorandum— | | | | | |
| 1. Appropriations and reappropriations including appropriations for liquidation of contract authorizations | 312,269,499 | 373,850,949 | 284,931,057 | 342,717,817 | 344,733,817 |

[1] As amended in H. Doc. 91-100.
[2] As amended in S. Doc. 91-37.
[3] As amended in H. Doc. 91-140.
[4] To be derived by transfer from funds previously appropriated under this head.
[5] As amended in H. Doc. 91-113.
[6] Submitted in H. Doc. 91-154.
[7] As amended in H. Doc. 117.
[8] Plus $50,000 by transfer.

## DISTRICT OF COLUMBIA APPROPRIATIONS, 1970

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 559, H.R. 14916.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 14916) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1970, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the District of Columbia appropriation bill.

Mr. PROXMIRE. I thank the Chair.

Mr. President, on behalf of the Committee on Appropriations, I report to the Senate the 1970 appropriations bill for the District of Columbia, H.R. 14916, in the amount of $645,342,000, which is $37,764,300 below the House bill and $107,602,300 below the revised budget estimate. Although the bill and the report reflect the economies which the committee was compelled to make in restricting the appropriation to funds available to the District government, it is important to note that significant new programs have been begun in an effort to make the District government responsive to the needs of the District's citizens and to improve the quality of life here. Among these are:

First and foremost, full funding of every dollar requested for the police department and the courts and implementation of all priority programs in the President's recommendation to curb crime in the District of Columbia. Crime in the Nation's Capital is a national disgrace and the committee has dealt with the problem as a matter of grave concern and utmost importance.

Second, new personnel have been provided in the executive office to assist the city's able new executive team to implement creative and resourceful new methodology and to revitalize old programs to make them more responsive to the needs of the people living here, the almost 20 million visitors, and all Americans who desire that the Nation's Capital be the type of city upon which they can look with pride—not only in its spectacular beauty, but in the quality of its institutions as well.

Third, a record school operating budget with priorities as to programs and the allocation of available funds established by the city government and board of education—not by a committee sitting far from the day-to-day problems of improving education for those who need it most to survive and compete in today's world.

Mr. BYRD of West Virginia. Will the Senator from Wisconsin yield?

Mr. PROXMIRE. I am happy to yield to the Senator from West Virginia who for many years had this job as chairman of the Appropriations Subcommittee on the District of Columbia and did such a tremendously effective one that none of us who follow him will be able to achieve the diligence and the ability the distinguished Senator put into his work.

Mr. BYRD of West Virginia. I am very grateful for the kind remarks of the Senator from Wisconsin. I merely interrupted to invite attention to the fact that the committee report is not on the desk of each Senator. I think it would be well if someone would instruct the pages to put the committee report on the desk of each Senator.

Inasmuch as the Senator so kindly yielded to me, I want to take this opportunity to say that the distinguished Senator from Wisconsin has, in my judgment, performed admirably as chairman of the Appropriations Subcommittee on

the District of Columbia. He has done an excellent job and has been most diligent.

He brings to the Senate today a good bill and committee report when one considers the limited revenues available. I have seen the report prior to today but I thought it should be on the desk of each Senator.

Mr. PROXMIRE. I thank the distinguished Senator from West Virginia. That concerns me also, but I am delighted that the Senator is insisting on the committee report being on the desk of each Senator. I think that the Senate in an appropriation bill involving such enormous amounts of money, should know what it is doing. That is the function of the committee report. We worked hard on it. It is a good report.

In this regard, let me attempt to set the record straight on what I believe to be one of the greatest misapprehensions with reference to the problems of this city, namely, that the problems of the schools are directly related to congressional neglect. There are contained in the report accompanying this bill comparative tables on expenditures per pupil and professionals per 1,000 pupils in eight comparable jurisdictions, together with a statement of appropriations for the District of Columbia public schools for the last 10 years.

Mr. President, I ask unanimous consent that these tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

1969-70 SCHOOL YEAR ESTIMATES [15]
EXPENDITURE PER PUPIL IN EIGHT COMPARABLE CITIES

| School system | Expenditure per pupil | Costs relating to capital outlay projects included | Present and anticipated future costs of retirement programs included |
|---|---|---|---|
| Atlanta | $772.00 | No | Yes. |
| Baltimore | 814.19 | No | Yes. |
| Boston | 885.00 | No | Yes. |
| Cleveland | 800.00 | No | Yes. |
| Milwaukee | [16] 840.06 | No | Yes. |
| St. Louis | 871.87 | Yes [17] | Yes. |
| San Francisco | 830.00 | No | Yes. |
| Average of expenditures in above jurisdictions. | 830.00 | | |
| District of Columbia (budgeted). | [18] 982.00 | No | No. |

[15] Data based on estimated average daily attendance and supplied Senate Appropriations Committee by school systems concerned. In the District of Columbia, average daily attendance computations are considered to be 91 percent of average daily membership computations. Also included in the per student cost figure are Federal grants which the District of Columbia estimates will be $79 per student for fiscal 1970.

[16] Including $29.06 per pupil as employer contribution to teachers retirement.

[17] However last successful bond issue was passed in 1962 and there is no existing authority to issue additional bonds.

[18] The District of Columbia school budget provides only $4,000,000 of $19,100,000 estimated by the U.S. Treasury Department as being necessary to fully fund present and anticipated future costs of the District of Columbia Teachers Retirement System. When adjusted to include full funding of Teachers Retirement System. District of Columbia per pupil cost would be $1,094.51.

COMPARISON OF PUPIL ENROLLMENT AND PROFESSIONAL STAFF PER 1,000 PUPILS FOR THE YEARS 1964-65 AND 1968-69 (EXCEPT WHERE INDICATED, WHEN LATEST AVAILABLE DATA ARE GIVEN) IN 8 SELECTED SCHOOL SYSTEMS HAVING AN ENROLLMENT OF OVER 90,000 PUPILS

| | Pupil enrollment | | Professional staff per 1,000 pupils | | | |
|---|---|---|---|---|---|---|
| | | | Fiscal year 1965 | | Fiscal year 1967 or 1968, total professional staff | |
| | Fiscal year 1965 | Fiscal year 1969 | Teachers | Total professional staff | | |
| Washington, D.C. | 141,396 | 152,400 | 37.7 | 41.8 | 58.8 | 1968 |
| Atlanta | 107,770 | 114,184 | 37.7 | 40.5 | 42.1 | 1967 |
| Baltimore | 188,020 | 192,362 | 34.5 | 39.5 | 49.3 | 1968 |
| Boston | 94,266 | 94,766 | 39.4 | 43.5 | 55.2 | 1968 |
| Cleveland | 151,242 | 153,043 | 33.9 | 37.9 | 40.3 | 1967 |
| Milwaukee | 120,045 | 130,540 | 35.7 | 38.7 | 36.3 | 1967 |
| San Francisco | 91,577 | 93,672 | 41.0 | 44.7 | 43.0 | 1967 |
| St. Louis | 114,987 | 116,102 | 34.2 | 38.7 | 39.7 | 1967 |

Note: Data for this study were obtained from Educational Statistics of the Office of Education, U.S. Department of Health, Education, and Welfare and from the Research Division of the National Education Association.

APPROPRIATIONS, DISTRICT OF COLUMBIA PUBLIC SCHOOLS, 1959-69

| Fiscal year | Operating expenses | Capital outlay | Federal funds | Total |
|---|---|---|---|---|
| 1959 | $44,043,668 | $8,920,300 | (1) | $52,963,968 |
| 1960 | 47,184,500 | 6,911,000 | (1) | 54,095,500 |
| 1961 | 51,652,700 | 6,944,000 | (1) | 58,596,700 |
| 1962 | 54,016,210 | 8,886,000 | (1) | 62,902,210 |
| 1963 | 59,504,750 | 7,693,000 | (1) | 67,197,750 |
| 1964 | 63,860,593 | 15,626,000 | $1,751,280 | 81,237,873 |
| 1965 | 72,038,300 | 14,405,100 | 3,280,626 | 89,724,026 |
| 1966 | 75,641,500 | 17,568,950 | 15,375,280 | 108,585,730 |
| 1967 | 86,114,000 | 30,105,100 | 15,088,882 | 131,307,982 |
| 1968 | 101,876,900 | 49,054,600 | 20,577,268 | 171,508,768 |
| 1969 | 115,931,930 | 35,950,900 | 20,442,499 | 172,315,329 |
| 1970 (as recommended) | 122,583,000 | 28,132,400 | 20,799,000 | 171,514,400 |

[1] Unobtainable.

Mr. PROXMIRE. Mr. President, the table on professionals per 1,000 shows that the District of Columbia with 58.8 professionals per 1,000 in 1968 is far ahead of such cities as Atlanta with 42.1, San Francisco with 40.3, or Milwaukee with 36.3. There might be some variation, inasmuch as the latter three figures were the latest available, which were for 1967, and the Washington figure is for 1968. However, the spread is so great as to make the fact clear.

Insofar as per-pupil expenditures are concerned, the table referred to indicates that the average of seven comparable cities computed on the basis of average daily attendance is $830 with none exceeding $900, and each reporting to the committee that the estimate reflected full funding for present and anticipated future costs of retirement programs for teachers and other school personnel. For the District of Columbia, per-pupil expenditure computed as above on an average daily attendance basis is $982, as provided in this bill. This estimate does not take into consideration full funding of present and future costs of retirement programs for District school personnel. If this figure were adjusted to include full funding of retirement costs, as it is understanding the other cities reporting to the committee have done, the figure for the District would become $1,094.51. This compares with the $830 per-pupil average in other cities so the District pays more than 30 percent more per pupil than the average of comparable cities and 23 percent more than the next highest.

The last of the three tables clearly shows that at least for the last 10 years the Congress has been most responsive in providing for the educational needs of the District.

Fourth, in addition, the bill, as recommended, provides full support of the programs proposed to deal with the very grave narcotics problem confronting the District and significant new funds—$1.4 million—and personnel—215—for the District of Columbia General Hospital.

There is no question in my mind that the narcotics problem is closely tied in with crime and that one of the big reasons for the phenomenon of increase in crime in the District of Columbia and the Nation at a time when we have unparalleled prosperity and very low unemployment is the need of many drug addicts for money to purchase drugs, and the only way they can do it is by committing crimes.

Last, but by no means least important, are the funds provided in the bill for sufficient modernized equipment which, as soon as it can be made available, will make possible the long sought goal of biweekly collection of refuse at every residence from the far southeast to the far northwest.

While the report makes clear that the committee strongly supports the able Commissioner and outstanding City Council and Board of Education, it deals forthrightly with the problems of budgeting within available resources, cooperation with the Congress, reprograming of activities, and restriction of supplemental appropriations.

The committee report also points out that total Federal assistance in the District of Columbia, as estimated by the General Accounting Office, is in excess of a half billion dollars per year—or, more graphically, it is an equivalent to $2,381 for every family in the District of Columbia. Also noted is the often overlooked fact that the Federal contribution to the District's budget of $100 million is $30 million in excess of the amount which the Federal Government would be required to pay in real property taxes,

which of course it is not, either here or anywhere else.

The question of soaring personnel rolls which committee estimates constitute a ratio of one District of Columbia employee to every six employed District citizens has been a matter of grave concern to this committee as to its sister committees in both Houses of the Congress.

In other words, if you take all the people employed in the District of Columbia, one out of six works for the District of Columbia Government.

The committee fully supports the personnel limitation imposed in the Revenue Act, and when considered in conjunction with the personnel freeze proposed by the Commissioner, the bill before you establishes a limitation which is almost 700 below the 41,500 which was established through the revenue bill's personnel ceiling. The committee also strongly urges vigorous and inclusive study and critical analysis of the District's present and future manpower needs with a first-year goal of reducing by at least 1,000 the total of authorized positions established in this bill.

Because only a portion of the year remains for the District of Columbia to undertake a capital outlay program, and because of the committee's feeling that the District of Columbia has a special obligation to respond to the President's request to curtail new construction starts, the bill, as recommended, is $70 million below budget estimates and $30 million below the House bill. These reductions are primarily related to funding and scope and are within priorities established by the District Government.

When we made this cut we did not make it arbitrarily. We made it on recommendations to us of the Mayor, and of city officials who indicated projects that could be stretched out or deferred in response to President Nixons' request that we curtail Federal construction wherever it could be done.

Included is the full amount of $40 million for the Washington Metropolitan Area Transit Authority, $28 million for public school construction, and initial funding for a new jail, new District of Columbia court building, and a new administration building.

There is one error in the hearing record that should be noted. Upon inquiry the committee has been informed that certain information relating to the pay of District of Columbia chauffeurs was incorrectly computed and reported to the committee by the District of Columbia government, and therefore, appears incorrectly in the hearing record.

On page 1105, the calendar 1968 gross salary, including overtime of the chauffeur to the Commissioner, is correctly stated $16,951.69—a combination of $6,385.60 in regular pay and $10,566.09 in overtime. There was also, however, a submission of regular pay from January 1 to June 14, 1969 as $3,474.40 and overtime for the same period as $9,381.59. The latter figure was a result of an erroneous computation in the District's Department of Highways and Traffic and should correctly read $5,907.19. This rate of pay projected through calendar 1969 would result in a total pay of the Commissioner's chauffeur of $17,791.10.

The committee strongly supports the District's very capable Commissioner and believes that we of the Nation's Capital are fortunate to have him as the leader of the District government. We are also aware of his dedication to the people of the District and his untiring effort to meet the almost limitless demands upon his time.

It goes without saying, however, that there are countless other responsible government officials who have virtually impossible schedules to meet who are not furnished transportation of any type, much less a chauffeured limousine.

I shall not object to the Chief Executive Officers of the District government being furnished a limousine—if he feels he needs one—and driver who is reasonably compensated for reasonable daily requirements. It is my position, however, that additional chauffeurs and limousines for District officials are a luxury that the District—which for the lack of resources has been compelled to curtail and eliminate so many vital and needed projects—cannot afford. To pay a chauffeur more than $17,000 a year, no matter how many hours a day he works, is hard for taxpaying American citizens anywhere to understand. This practice should stop now.

Lest there be any doubt, I make specific reference to the six other chauffeurs whose pay cost alone was over $50,000 in calendar 1968. These are listed on page 1105 of the committee hearings. In addition, I include a number of others throughout the District government who serve largely as personal drivers although their titles and job descriptions do not identify them as such.

Last, let me state, in no uncertain terms, that the committee fully recognizes its obligations to provide the funds that are necessary not only to continue and expand the physical beauty of this Capital City, but to improve the quality of life here. At the same time, the committee recognizes that money is only part of the problem. Washington residents should show a deeper and broader willingness to work and help their educational, law enforcement, and administrative officials.

With the greater amount of funds devoted by this city and the Federal Government to education, to welfare, and to law enforcement in relation to population than elsewhere in the Nation, the results in a better life are not forthcoming. The answer must lie in securing a greater participation and a deeper sense of responsibility from this city's residents.

Mr. President, I understand the distinguished Senator from Missouri may have an amendment to offer.

Before the Senator from Missouri gets the floor, Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall have been considered to have been waived by reason of this order.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 3, after "1970", strike out "$107,000,000" and insert "$100,000,000".

On page 2, line 15, after "(D.C. Code, Sec. 9–220 (b); 81 Stat. 339)", strike out "$77,763,000" and insert "$60,263,000"; and, in line 19, after the word "fund", where it appears the first time, strike out "$74,735,000" and insert "$57,235,000".

On page 3, line 4, after the word "expenses", strike out "$39,209,000" and insert "$39,201,000".

On page 4, line 14, after the word "purposes", strike out "$130,324,000" and insert "$129,724,000,".

On page 5, line 15, after the word "amended", strike out "$140,077,000" and insert "$137,767,000,".

On page 6, line 7, after the word "Park", strike out "$18,337,000" and insert "$16,984,000,".

On page 6, line 16, after the word "Health", strike out "$137,382,000" and insert "$134,638,000".

On page 8, line 10, after the word "only", strike out "$18,450,000" and insert "$18,006,000,".

On page 8, line 18, after the word "only", strike out "$33,340,000" and insert "$33,019,000,".

On page 10, line 15, after the word "expended", strike out "$149,928,000" and insert "$119,943,700,"; and, in line 18, after the word "That", strike out "$65,170,000" and insert "$15,024,000".

AMENDMENTS NO. 394

Mr. EAGLETON. Mr. President, I have amendments at the desk, No. 394, which I offer for myself and Senators GOODELL, KENNEDY, and MATHIAS.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (No. 394) are as follows:

On page 2, line 4, strike out "$100,000,000" and insert in lieu thereof "$108,706,000".

On page 3, line 4, strike out "$39,201,000" and insert in lieu thereof "$39,971,000".

On page 4, line 14, strike out "$129,724,000" and insert in lieu thereof "$130,801,000".

On page 5, line 16, strike out "$137,767,000" and insert in lieu thereof "$141,250,000".

On page 6, line 7, strike out "$16,984,000" and insert in lieu thereof "$17,419,000".

On page 6, line 17, strike out "$134,638,000" and insert in lieu thereof "$137,297,000".

On page 8, line 11, strike out "$18,006,000" and insert in lieu thereof "$18,206,000".

On page 8, line 19, strike out "$33,019,000" and insert in lieu thereof "$33,101,000".

Mr. EAGLETON. Mr. President, this amendment, No. 394, is offered by myself and cosponsored by Senators GOODELL, KENNEDY, and MATHIAS.

Mr. President, this amendment would restore to the District of Columbia budget $8,706,000 which the committee has set aside as a reserve to finance possible future increases in the salaries of District police, firemen, and teachers.

In order to find the money for this reserve in a budget which had already been heavily cut—some $99 million below the District request and $29 million below the amount approved by the House—the committee reached into the budget base and reduced the level of

funds for current programs by an average of about 2 percent across the board. The effect is the same as any other budget cut. It means the District will have an $8.7 million cut on top of the $99 million reduction otherwise made by the committee.

The departments which will suffer and the amounts involved as a result of creating this reserve are as follows:

| | |
|---|---|
| Schools (millions) | $3.14 |
| Health (millions) | 1.23 |
| Welfare (millions) | 1.40 |
| Fire department | 580,000 |
| Corrections | 360,000 |
| Federal City College | 240,000 |
| Washington Tech Institute | 103,000 |
| Recreation | 245,000 |
| Library | 116,000 |
| All others (millions) | 1.27 |

In seeking to have this salary reserve eliminated, I do not mean to leave the impression that there will be no pay increases. On the contrary, as the chairman of the Senate District of Columbia Subcommittee considering the legislation, I believe there is an excellent chance the increases will be approved in this Congress, although it will not be until the next session in 1970.

But I do not believe that we ought to deprive our schools and our health programs to pay for them. The District has requested, and I for one strongly support, the authorization of new revenue to cover whatever increases are granted. Any other course would, in my view, be fiscally irresponsible. The District budget has already been cut by $99 millions and some of its most urgently needed programs have had to be cut back sharply. Additional reductions could seriously impair the efforts of the District government to begin meeting the enormous backlog of problems in this city.

I know that the senior Senator from Wisconsin has acted with the greatest reluctance in setting aside this reserve. He did so on the judgment that there is little chance of new revenue being approved by the Congress to pay for the salary increases which almost certainly will be enacted. I disagree with that view, but I respect and admire the Senator's adherence to the principle of fiscal responsibility even when it means taking a painful course.

Nevertheless, I feel compelled to introduce this amendment and in its support I would make four principal points:

First. The salary legislation in question is not likely to be passed in this session of Congress, and it may be many weeks into the next session before it is acted upon. At the present time neither the Senate nor the House District Committees have reported bills, and the House has not even held hearings as yet. Certainly, it is premature to say that there is no chance that this legislation will contain revenue measures sufficient to meet the cost of the increases.

Second. By setting aside a salary reserve to cover these prospective increases, the committee tends to foreclose any chance there may be of getting additional revenue. Again, as the chairman of the principal Senate legislative subcommittee involved, I am confident that we can make the case for this revenue, and I would note in this connection, that the Bureau of the Budget has fully supported the District's request. It prejudges the issue, however, to provide for a salary reserve and I believe that action, if allowed to stand would just about eliminate any chance we have.

Third. Further, I submit that a salary reserve is unnecessary regardless of what happens to the District request for new revenue to pay for salary increases. Assuming the worst and the District is not given new revenue, it would have no choice but to make room for the increases by cutting back its other programs. In short, it would have to do about what the committee has done in setting aside a salary reserve. The difference is that the District will have the opportunity at least to make a case for the additional revenue.

Fourth. Finally, I would note that the House Appropriations Committee took no action to provide for these prospective salary increases even though it was aware that such legislation is pending. I think that in itself is evidence that there is indeed a chance that new revenue to meet the costs of any salary increases will be forthcoming.

The amendment I have sent to the desk contains a number of line item changes, but its purpose is quite simple. It would restore the cuts made to establish the salary reserve by:

First. Increasing the Federal payment from $100 million to $108,706,000, which would be higher than the $107 million approved by the House but below the $110 million authorized this year.

Second. Putting back the appropriations which were taken from the various departments as their share of this reserve.

Mr. President, the District of Columbia budget has already been cut to a point where many urgently needed programs will be jeopardized. It cannot afford to absorb these additional cuts, and it is unnecessary, in my judgment, to make them at this time.

Mr. President, so that what we are discussing here does not remain in the realm of the vague, the ethereal, and the unidentifiable, I think it is appropriate that we consider some of the matters, some of the programs, which will inevitably have to fall by the wayside if the position of the Senator from Wisconsin prevails. In other words, when you cut $3.14 million from the District of Columbia school budget, something has to give. Some program that is either in being or contemplated will have to be eliminated.

What are some of these programs that would inevitably have to be canceled in order to place $3.14 million of school funds into a contingency reserve? It is my information that they would include the following:

Orders for new textbooks, library books, and other school supplies would have to be canceled.

A freeze would have to be placed on all nonteaching positions, including teacher aides.

There would have to be a sharp curtailment of school dental examination and school health services, including testing of children for hearing and vision problems.

Let us consider these matters for a moment because they would be directly affected by the funds the Senator seeks to strip from the educational budget.

In recent weeks, much has been said and written in the public arena concerning the inadequacies of public education throughout this country—and much, specifically, with respect to the District of Columbia. Can the U.S. Senate, at this particular time in history, say that it is going to cut back on an educational program that already, in the minds of almost every knowledgeable educator in the country, is inadequate? Are we going to cancel orders for new textbooks? Are we going to fail to expand the public school libraries?

We heard much testimony at President Nixon's Conference on Food, Nutrition, and Health held here in the Nation's Capital in the past few days, about the inadequacy of diet and consequences for the health of youngsters, and their ability to adjust in school and absorb education. With these facts in mind, are we going to cut back on the health services of the District's public schools? Is this fiscally prudent? Is it normally prudent?

Are we so obsessed and possessed by our zeal for neat figures on a balance sheet that we are willing to cut back on the textbooks, health services, and ancillary teaching personnel connected with the District's public schools?

Mr. President, I for one am not.

Another reduction that will have to be made as a result of this resrve is $1.23 million in public health services.

What will that cut mean to the District? It will mean a reduction in birth control services, crippled children's services, and in the availability of infant and preschool and maternity clinics open to the public. It will mean an elimination of some visits by public health nurses.

It will mean an elimination of community health education programs which are designed to foster better health standards and practices. It will mean a reduction in the number of persons who will be treated in the community mental health and retardation program and an increase in the physician-patient ratio.

It will mean a cutback in the services of the Glenn Dale Hospital for tuberculosis and other chronic diseases. The options there are, increasing the nurse-patient ratio, deferring needed maintenance cost, or closing some of the wards and discharging some of the employees.

Mr. President, these health services reductions could mean a cutback in the immunization program. This could lead to an increase in the incidence of communicable diseases. These are some of the hard choices that will have to be made—the atrocious choices that will be forced upon Mayor Washington and the District of Columbia government if this $1.23 million is stripped from the health budget. This comes at a time when the Nation's health has to rank on anyone's list as one of the top five priority issues in this country.

Is the U.S. Senate, which has jurisdiction of the District of Columbia—sadly speaking, insofar as the people of the District is concerned—going to say to its citizens: "We will cut back on

health. We are not moving forward. We are not even standing still. We are going to cut you back $1.23 million. We are going to reduce the availability of birth control services. We are going to reduce the availability of infant and preschool and maternity clinics."

Is this the kind of answer that the U.S. Senate wishes to give to the residents of the District of Columbia? I do not think that any of them ever asked that this Congress take control of their destiny. It was foisted upon them years and years ago. I daresay if the option were theirs to get out from under the yoke of Congress, the vote would be overwhelming to so do. However, for so long as Congress has the distasteful and unhappy responsibility of controlling the destiny and the welfare of the hundreds of thousands of residents of the District, can it in conscience tell them that, "Although as Members of the Senate we advocate expanding better health care services for the rest of this Nation"—and I am a member of the Senate Subcommittee on Health—"and although we are going back to our home States where we are politically accountable and give our usual pious speeches in favor of expanding and improving health services, when it comes to doing something for the people of the District of Columbia, to whom we are not politically accountable, we will cut back health programs by $1.23 million."

What do these cuts mean in the correctional field? The dollar figure is $263,000. No issue is talked about more in this day and age than law and order, safety on the streets, punishing the offenders, taking care of them when they are in jail, preventing them from abusing each other, and so forth.

So we go home to our respective States and tell the voters how much we are for law and order, how we are for building bigger and better prisons. And what do we do for the nonvoters of the District of Columbia? Apparently we are going to cut their correctional program $360,000. And in so doing, we will leave vacant about 80 prison guard positions in the city jail, the Women's Detention Center, the Lorton Reformatory, and the Lorton Youth Center.

One does not have to be an expert in penology or have a graduate degree in criminology to understand what this will mean. All one has to be is to be a daily subscriber of the local press and he will quickly learn that there is already inadequate supervision of the institutions I have mentioned.

Almost daily there are reports of drug abuse and attacks on other inmates.

We decry these things. We say, "Isn't it deplorable? Isn't it awful?" But then how do we act? We cut back 80 positions in the number of prison guards in these same institutions.

What does this reserve mean insofar as recreation is concerned? Well, in dollars, it seems $245,000. But, what does it mean in terms of humanity? What does it mean in terms of people, not figures, but people.

It means that 15 large swimming pools, which normally would open May 15, next summer will not open until July 1. It means that day camps, that normally open on May 15, next summer will not open until July 1.

It means that 165 playground facilities for school children, which normally open on June 15, will not open until July 1.

It means the closing of the mobile recreation program which brings recreational facilities to the poor and the infirm.

It eliminates the position of 20 young leader aides who work with juveniles in the streets.

Perhaps it does not mean an awful lot to the 100 of us whether the swimming pools open on May 15 or July 1. It is perhaps of little immediate consequence to us in terms of the enjoyment of those facilities. However, I would say it means an awful lot to those who do not have the kind of recreational opportunities and facilities available to so many of us.

We talk about crime in the streets. We talk about it in the summer months. We are always reminded of the hot summers that commenced with Watts and continued with Newark and Detroit.

We remember what happened last summer.

The summertime can be troublesome. Children are out of school. Time lays heavily on their hands. We worry about these things and talk about them among ourselves in the corridors. We say that we have to devise programs to help the youth in the summer. We vote for a large amount of funds for the summer job corps.

We try to get the Nation's businessmen to emphasize summer jobs.

That is our thinking.

These are the things we favor for public consumption nationwide. And we are deemed to be modern, progressive thinkers.

We say this, but when we apply our philosophy to the District of Columbia, the unrepresented, we then say, "Well, delay the opening of your swimming pools from May 15 to July 1. There will be enough time to splash around in the months of July and August. You don't have to be in the pool in June. It is not a make or break situation."

To me this is an indication of cynicism. We advocate a sound public program for our Nation. Yet we sadly fail to not apply the same policies in our treatment of those who are under our charge by no choice of their own—the residents of the District of Columbia.

Mr. President, I think if we proceed with this reserve, if we set aside this $8.7 million, two things will happen:

First, we will be foreclosing any chance of getting additional revenue in order to pay for the salary increases that unquestionably are forthcoming.

I am for those increases. So is the Senator from Wisconsin. And I dare say there would be almost a unanimous vote in the Senate in favor of this legislation which would apply to teachers, police, and firemen.

But, if we set up this reserve, then it is inescapable that there will be no additional funding to pay for those salary increases, and those budget cuts that I have enumerated will of necessity go into effect.

That is the financial argument. That is the budget argument. That is the dollars-and-cents bookkeeping argument. And I think it is a persuasive one, in its own right.

But, we will also be doing a second thing. This is not dollars and cents. This is not the kind of thing that a certified public accountant can put down neatly on a ledger sheet with red ink or black ink and strike a balance. This is not the kind of thing one can approach with the precision of figures or arithmetic. But it is the kind of thing that one can feel in his heart and knows to be true. If we go ahead with these cuts, we are telling the people of the District of Columbia that, they are not to participate fully in the benefits of the abundant society that we espouse for the rest of the country.

I do not think any one of us would go to our respective States—I know I would not go to my State of Missouri—and say, "Gentlemen, I'll tell you what I've done for you. I'm canceling your new textbooks. I'm going to curtail your public educational health services, even though I know many students come to school with deplorable health conditions and need help. But I'm going to cut those back for you, my good citizens, and I'm going to cut the number of nurses and the maternity care center.

"I know you have a bad crime situation in Missouri, you 4½ million people who sent me to the Senate, but I'm going to help you out by cutting your correctional program and cutting back the number of guards, so that the inmates can go at each other with even more reckless abandon. I'm going to cut your day care and day camp programs in the summer and restrict the operable dates of your swimming pools as narrowly as I possibly can. My good citizens of Missouri, I want to tell you how progressive and forward looking I am, how imaginative I am, in serving your public interest."

If I went to my State and made those recommendations, I guess that would be my farewell address, as well it should be, to the electorate of my constituency. How is it that I would be reluctant to make those recommendations in my own State, as indeed I think any Member of the Senate would be with respect to his State? How is it we can so easily, so casually, make similar recommendations to those to whom we are not politically accountable? I think I have already answered my question. We are not politically accountable to the residents of the District of Columbia. They cannot elect us, and they cannot defeat us. What they have to say about how we manage their destiny is of little moment or of little concern.

I ask, Mr. President, that the Senate give its respectful attention to what I think is embodied within this amendment. Its significance transcends the $8.7 million involved. It indicates to me the true feeling of the U.S. Senate toward the voteless people of the District of Columbia.

Finally, let me say this: I think political observers would agree that insofar as District of Columbia appropria-

tions are concerned—especially in recent years—the House of Representatives has been, shall we say, enormously cautious in its allocation of funds while the Senate has been, shall we say, somewhat more enlightened. Yet, in this instance we find that the budget, as recommended by the Senate committee, is $29 million below the amount approved by the House.

So with this bill we are taking a new turn in the course of governmental history so far as the District is concerned. Now the House can be considered the enlightened body, sensitive to the District's needs; and the Senate will be the cautious, citadel of fiscal integrity. I much prefer the older arrangement.

The PRESIDING OFFICER. Does the Senator from Missouri wish to have his amendments considered en bloc?

Mr. EAGLETON. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield to the Senator from Indiana.

Mr. BAYH. Mr. President, I do not want to deny the Senator from Wisconsin the opportunity to immediately rebut or address the Senator from Missouri, but I would like to compliment the Senator from Missouri.

I have an amendment which is not as far reaching as his. It is amendment No. 418, which I intend to offer later. It deals with another item which has been stricken from the bill, that of community centers.

It is not, I suppose, a profitable business for a Senator from Missouri or a Senator from Indiana to become overly exercised about what is going on in the District of Columbia. We do not have any constituents living here. But I think it is absolutely imperative for all the Members of this body to realize that, as the law reads now and as the Constitution is structured, we are indeed the representatives of the people of the District of Columbia, and we have a deep responsibility to see that they get the kind of government they deserve.

I salute the Senator from Missouri for taking the lead in this area. I think we must do everything we can in this body to see that the District of Columbia becomes truly an example to the rest of this Nation—indeed, to the entire world—as to what enlightened government can do with respect to municipal leadership and representation and organization. I intend to support the Senator, and I salute him again for his efforts.

Mr. EAGLETON. I thank the Senator from Indiana.

Mr. PROXMIRE. Mr. President, the Senator from Missouri obviously feels very deeply and very sincerely about this matter. He is an extremely eloquent speaker, and I think that his statement this morning and his amendment serve useful purpose.

What we have done in going below the House figure in the area of District operations is simply to recognize—and I think it is almost impossible to expect that this is going to happen—that unless Congress, the House and the Senate, both pass one more revenue act and pass it in a few months, the cuts we recommend here will have to be made.

The Senator from Missouri spent some time in detailing the inhumanity of these cuts and the shortsightedness of these cuts and the lack of enlightenment in these cuts. These cuts were recommended to us by Mayor Washington and the City Council. We are doing exactly what Mayor Washington asked us to do—no more and no less. These are his recommendations.

I am sure that the position taken by the Senator from Missouri does reflect the feeling of the City Council and the Mayor, that they would like to be able to proceed without making cuts of this kind, without setting aside a reserve; but, under the circumstances, I think that would be irresponsible.

Let us consider: We now are acting in December on an appropriation bill for fiscal 1970, the fiscal year having begun July 1, 1969.

Mr. President, this is a disgraceful situation. This is something that should never happen. It is something that no responsible chairman of the Subcommittee on the District of Columbia should permit to happen, if it possibly can be avoided. Why are we permitting it to happen? It is being permitted to happen because we waited 5 months for a revenue act. We could not act until it was passed. But it did not pass until relatively a few weeks ago.

The Senator from Missouri said there will be another revenue act. I suppose it will be a very hot day in January, when we get another revenue act this promptly.

Everyone I have talked to has agreed that the likelihood of getting another revenue act passed is nil. This means that in the event we knock out this reserve, either there will be no salary increase for teachers, no salary increase for policemen, and no salary increase for firemen, or the cuts we provide will have to be made under circumstances far more difficult and under those circumstances there will be real misery in health services and law and order services. Instead of a moderate 2-percent cutback for 6 months, you will have a 6-percent cutback for 2 months.

I yield to the Senator from Missouri.

Mr. EAGLETON. Mr. President, at this point I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EAGLETON. Mr. President, I wish to respond to the two points made by the Senator from Wisconsin. First, with respect to the delay the Senator mentions in the enactment of the tax authorization measures. There was a delay. I wish to set the record straight, however, that such delay as did result was not the work of the Senate and most certainly not of the Subcommittee on the District of Columbia of the Senate.

The District government submitted its recommendations to the House on January 14, 1969. That is about as early in the year as it could be done. It passed the House on August 11, 1969, 7 months later. It was referred to the Senate on August 13. We commenced hearings on August 14, just about as quickly as they could be begun after receiving the report—only 1 day later. It was passed by the Senate on October 3, after time out for 3-week summer vacation.

As far as expedition of the tax authorization bill is concerned, the record of the Senate is commendable.

My second point is that I think the Senator from Wisconsin, and I am sure it is done unwittingly, leaves the impression that the District of Columbia recommends these budget cuts. That is very important. Let us set that straight. I wish to read from the letter of Assistant Mayor Fletcher, which was also signed by Mayor Washington. The letter is dated November 20, 1969, and it reads as follows:

> The Commissioner strongly favors enactment of the salary proposals for policemen, firemen, teachers, and school officers, so long as the Congress also authorizes the revenue to finance the costs of those proposals. In the Commissioner's view, it would be imprudent and not responsible fiscal policy to enact the one without the other.

Now, I wish to direct attention to the language, "so long as the Congress also authorizes the revenue to finance the costs of those proposals."

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. EAGLETON. If I may, I would like to finish my thought. What happened is that the District government was asked by the Senator from Wisconsin and me, "What would happen, Mr. Mayor, and what would you do if we foisted this reserve on you? Where would you make these cuts if we foisted this upon you?"

He said:

> I do not want it that way because I believe these salaries should be taken care of by additional revenue, but if it is thrust upon me I would be forced to make the cuts as follows.

That is the origin of the cuts enumerated in my amendment, some of which I have referred to earlier.

I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I think what the Senator said about the delay in the Revenue Act is exactly correct. The District asked for the money early in January; the House passed it in August.

Does the Senator really think if we have no reserve in this bill the House District Committee and the House are going to act in the next few weeks to pass any revenue act? Is this a reasonable and responsible expectation?

Mr. EAGLETON. It might surprise the Senator, but I do. In the first place, the House has never taken any position with respect to setting up the kind of reserve the Senator from Wisconsin envisions.

Mr. PROXMIRE. That was the House Appropriations Committee.

Mr. EAGLETON. The Senator is correct.

Mr. PROXMIRE. I am talking about the House District of Columbia Committee. They, not the Appropriations Committee, act on the revenue bill.

Mr. EAGLETON. That is right, but as the Senator will acknowledge there is

some interplay, some back and forth relations between these two committees.

I am not going to quote bookmaker odds on whether it is a 2-to-1 shot or a 3-to-1 shot, or what have you, that we will be able to get the additional revenue. But I will quote these odds to the Senator: If this reserve is set up, then the odds are 100 million to 1 our getting additional revenue to pay for increased salaries for teachers, policemen, and firemen. You will have obliterated any chance we have. From an odds-making point of view, the merits of the case are abundantly on our side.

Mr. PROXMIRE. Indications are clear that public assistance payments, welfare payments, are $3 million over the budget estimate. If this situation continues, we will run out of funds for these payments in March or April. How would the Senator meet this situation? Would he await the enactment of the revenue bill?

Mr. EAGLETON. I understand there is an additional $2.4 million set up in the revenue reserve which would cover the items to which the Senator has referred, which are untouched and unaffected by the $8.7 million amendment which I introduced.

Mr. PROXMIRE. It is my understanding that the amendment of the Senator from Missouri would only leave $1.5 million. This is running at a deficit of $3 million so that it would not be sufficient to fund for that purpose.

Mr. EAGLETON. I wish to read a portion of the report of the District of Columbia Appropriations Committee, page 3:

> In order to create a portion of these unobligated reserves, program reductions totaling $2.4 million and across the board reductions in 1970 base programs totaling $8.7 million have been necessary.

I was referring to the $2.4 million.

Mr. PROXMIRE. If the Senator will yield I wish to go a little further.

The legislative committee proposed a bill to accomplish court reorganization, which the Senate passed, and the matter is before the House. If this bill becomes law in January or February, how would the Senator propose to finance it? Would he have to await enactment of the revenue bill?

Mr. EAGLETON. Mr. President, in the first place, the bill has not been enacted; and, in the second place, if and when it is enacted, it would not be effective until 6 months after it had been signed by the President. It would not be effective, in all likelihood, during the next fiscal year.

I have a copy of the bill dealing with court reorganization here before me. I direct the attention of the Senator from Wisconsin to page 315, section 602 of the bill wherein he will note that it does not become effective until 180 days, that is 6 months, after it is signed by the President.

Mr. PROXMIRE. It is our understanding that substantial money would be needed in that area. In addition, there may well be need for medical services and overtime for police. How should that be met? Wait for a new revenue bill?

Mr. EAGLETON. I do not know about police overtime problems or how much that would involve. I do know that we have already cut the budget $29 million below the House, so I presume those cuts took into account the need for adequate money to take care of any overtime situations.

Mr. PROXMIRE. That is one of the reasons why we are providing for the reserve.

Mr. EAGLETON. May I respond to that by saying that it is my understanding the reason the Senator has provided for the reserve is to set aside $8.7 million to pay for salary increases for police, firemen, teachers, and other nonprofessional teaching personnel.

Now, do I understand correctly that the reserve is not for them but now will be used for police overtime and unexpected increments on welfare cases and a whole assortment of other things that the Senator now has in mind as a different reserve from what we were talking about originally?

Mr. PROXMIRE. Yes. A big part of the reserve is the salary increases—$10½ million in reserve which would allow for calling up within that reserve priorities desired by the District government.

Mr. EAGLETON. Of that $10.5 million, $8.7 million is directly attributable to police, firemen, and teachers, which is left untouched. The remainder of that $10.5 million in reserve would be for such other unforeseen contingencies that in due time will develop.

Mr. PROXMIRE. Does the Senator from Indiana (Mr. BAYH) want me to yield to him?

Mr. BAYH. Yes.

Mr. PROXMIRE. I yield.

Mr. BAYH. I appreciate the Senator from Wisconsin yielding to me. I am not a member of the committee or of the Appropriations Committee, so perhaps I should not get involved in this colloquy. But I believe that there is a need for us to do more than is being done to help the residents of the Nation's Capital. If we are going to be consistent, if we are going to set up this type of reserve as good business practice, then there are other areas in Government where we should also establish similar reserves. I have not been in the Senate as long as has the Senator from Wisconsin (Mr. PROXMIRE), but we are continually passing special legislation and making appropriations, while the other committees of Congress are deliberating on measures to provide revenue for services. For us to establish this method of operating for the District of Columbia, where we are anticipating many possible extra expenses, even before the legislation is passed, is the first time this has ever been done, to my knowledge, since I came here.

Mr. PROXMIRE. There is a difference.

Mr. BAYH. One other observation. I deplore the somewhat slow pace of passing some of the appropriations bills and revenue bills.

Mr. PROXMIRE. That is the trouble. We wait and wait for a revenue act. There is delay, delay, and more delay.

Mr. BAYH. Let me continue on a moment.

When Congress has been presented with a "crunch" when the disabled, the unemployed, those on welfare, or indeed policemen, teachers, and firemen are out of money, or when the legislative branch itself needs funding, it has passed in a matter of hours such contingency funds as reasonably could be expected; and that is what would no doubt happen in this instance.

Mr. PROXMIRE. There is a difference. The difference is that this is one appropriation bill and the only appropriation bill on which there is a street limit. The limit is the amount of funds made available under two things: Federal payments, and the Revenue Act. We know what the limits are and what can be spent and no more can be spent than that. This is a different appropriation from those of other departments and agencies. They do not have a strict limit on them, but we have it here.

When the Mayor and the City Council recommends a salary increase, which the Senator has said everyone in the Senate virtually agrees must be provided, we should provide the funds, so that it is irresponsible for us not to provide the funds when we all are virtually certain—at least I am, although the Senator from Missouri disagrees—that there will not be a revenue bill enacted. My experience is that there will not be. We all know that it is virtually certain that there will not be, under these circumstances, a responsible way to handle it is to provide funds for the salary increase which they have requested in a reserve. Either we will not give them the salary increase or we will vote it the other way.

I wish we had a more generous bill. I was for an increase in the tax on cigarettes, as I am sure the Senator from Missouri was, and for increasing other taxes, but that was not done. That was a decision made by Congress. Under these circumstances, we have to act, and unfortunately the needs of the budget are strictly limited. Thus, it seems to me that this is the way to do it.

Mr. BAYH. I have great respect for the judgment of the distinguished Senator from Wisconsin, but I respectfully suggest that Congress will pass a revenue bill and will make the necessary appropriations when its feet are put to the fire, as in other supplemental matters. I see no reason to regard this appropriation any differently than we have treated others.

Mr. PROXMIRE. It took until October of 1969 for Congress to come up with a revenue bill. We waited and waited and waited. I thought the Senate District Committee did an outstanding job on responding so quickly when the revenue bill cleared the House. The Senate Appropriations Subcommittee acted within 24 hours after the House subcommittee had acted. On this bill we set a new record for prompt action. Now we are being asked once more, really, to condition our action on the prospects, which I think are not hopeful, that the House District Committee will pass another revenue act.

Mr. EAGLETON. Let me make one brief observation and then I will have said all I care to say or, indeed, can say on this subject.

I wish to set the RECORD straight as to

where the District will get this additional revenue if Congress authorizes it. It is not requesting a Federal handout. It is not requesting a Federal subsidy. It is sometimes lost sight of that 83 percent of District's general fund expenditures are financed through local taxes. The local people pay it out of their pockets, whether through a property tax, or a tax that the Senate imposes on nonprescription drugs, or groceries, or all the other "lovely" taxes we have so eagerly imposed upon them recently. That 83 percent comes out of the pockets of the residents of the people of the District of Columbia.

Only 17 percent of the District general fund comes from the Federal Government.

Now, so far as the pay increases are concerned, it is requested by the District government that they be given some help only for the first partial year, and in the first full year of operation the full weight and burden of the additional salary increases would be borne by the residents of the District of Columbia through an increase in income taxes.

All they are asking us to do is to give them the authority to tax their citizens. That is a pretty "gutty" request they are making. They want authority to tax their own citizens. I do not see how we can deny them that. I think, in good conscience, that Congress will grant them that authority, in due course. For that reason, I believe the reserve proposed by the Senator from Wisconsin (Mr. PROXMIRE) is unnecessary, unneeded, and unwarranted.

Thank you, Mr. President.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Missouri for himself and other Senators. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Maryland (Mr. TYDINGS), are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), the Senator from Oklahoma (Mr. HARRIS), and the Senator from Maryland (Mr. TYDINGS), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT), is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 46, nays 43, as follows:

[No. 220 Leg.]

YEAS—46

| | | |
|---|---|---|
| Baker | Griffin | Muskie |
| Bayh | Hart | Nelson |
| Bellmon | Hatfield | Packwood |
| Boggs | Hughes | Pell |
| Brooke | Inouye | Percy |
| Burdick | Jackson | Prouty |
| Cannon | Javits | Ribicoff |
| Case | Kennedy | Saxbe |
| Cook | Long | Schweiker |
| Cooper | Magnuson | Scott |
| Cotton | Mathias | Spong |
| Eagleton | McGee | Stevens |
| Fong | McGovern | Williams, N.J. |
| Goodell | Metcalf | Young, Ohio |
| Gore | Mondale | |
| Gravel | Moss | |

NAYS—43

| | | |
|---|---|---|
| Aiken | Fannin | Pearson |
| Allen | Fulbright | Proxmire |
| Allott | Gurney | Randolph |
| Bennett | Hansen | Russell |
| Bible | Holland | Smith, Maine |
| Byrd, Va. | Hollings | Smith, Ill. |
| Byrd, W. Va. | Hruska | Stennis |
| Church | Jordan, N.C. | Talmadge |
| Curtis | Jordan, Idaho | Thurmond |
| Dodd | Mansfield | Tower |
| Dole | McClellan | Williams, Del. |
| Dominick | McIntyre | Yarborough |
| Eastland | Miller | Young, N. Dak. |
| Ellender | Montoya | |
| Ervin | Murphy | |

NOT VOTING—11

| | | |
|---|---|---|
| Anderson | Hartke | Sparkman |
| Cranston | McCarthy | Symington |
| Goldwater | Mundt | Tydings |
| Harris | Pastore | |

So the amendment was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONDALE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 418

Mr. BAYH. Mr. President, I call up Amendment No. 418, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BAYH. I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH's amendment (No. 418) is as follows:

On page 2, line 4, strike out "$100,000,000" and insert in lieu thereof "$100,500,000".

On page 3, line 4, strike out "$39,201,000" and insert in lieu thereof "$39,701,000".

On page 4, line 2, immediately before the period, insert a colon and the following: "*Provided further,* That $500,000 of this appropriation shall be available for municipal services at the local level, through Neighborhood Service Centers".

Mr. BAYH. Mr. President, I shall be be brief. My amendment would increase the appropriations by $500,000, which is half of the amount originally requested in the budget, to provide——

The PRESIDING OFFICER. The Chair informs the Senator from Indiana that his amendment is not in order. It strikes out the same items that were just voted on. It is a duplicitous amendment.

Mr. BAYH. Mr. President, I respectfully suggest the absence of a quorum.

Mr. PROXMIRE. Mr. President, will the Senator withhold that, so that I can discuss another amendment with the Senator from Virginia?

Mr. BAYH. Mr. President, I ask unanimous consent that I may temporarily withdraw my amendment, without prejudice.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 404, 405, AND 406

Mr. SPONG. Mr. President, I call up amendments Nos. 404, 405, and 406.

The PRESIDING OFFICER. Does the Senator ask for unanimous consent that the three amendments be considered en bloc?

Mr. SPONG. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the amendments.

The LEGISLATIVE CLERK. The Senator from Virginia (Mr. SPONG) offers amendment No. 404, as follows:

On page 10, line 15, strike out "119,943,700" and insert in lieu thereof "$119,608,200".

The PRESIDING OFFICER. Amendment No. 405 is not in order since it amends figures already agreed to by the Senate.

Mr. SPONG. Mr. President, I ask unanimous consent that amendment No. 405 be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state amendment No. 406.

The LEGISLATIVE CLERK. The Senator from Virginia (Mr. SPONG) offers amendment No. 406, as follows:

On page 10, line 15, strike out "$119,943,700," and insert in lieu thereof "$122,795,800,".

On page 10, line 18, strike out "*Provided,*" and insert in lieu thereof the following: "*Provided,* That $5,250,000 of this appropriation shall be available for capital outlay for the District of Columbia Department of Corrections: *Provided further,*".

Mr. SPONG. Mr. President, I call up these amendments on behalf of Senator TYDINGS, who is unavoidably absent today.

Amendment No. 406 would restore all of the money for the correctional facilities in the President's crime program for the District of Columbia. It restores funds for the planning of a new District of Columbia jail, the building of three additional security units at Lorton, and the modernization and securing of the women's detention center.

Amendment No. 404 relates to amendment 406 in that this strikes out $335,500 which had been inserted in the House bill for the planning of a new District government administration building, it being the position of Mayor Washington, in which the Senator from Maryland (Mr. TYDINGS) and I concur, that the need for new penal facilities is more important and has higher priority than a District administration building.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. SPONG. I yield.

Mr. MATHIAS. Mr. President, I associate myself with the remarks of the distinguished Senator from Virginia.

I think the amendment is a very necessary part of the program in which every Member of Congress is interested in an effort to try to find some way to mitigate the terrible burden of crime and the cost of crime to every resident of the Washington metropolitan area.

The penal institutions and the penal programs constitute a part of the entire spectrum of law enforcement. And unless we have the ability to improve the penal program in the District of Columbia, we are not going to improve the total spectrum of law enforcement.

I very strongly urge that the Senate approve the amendments.

Mr. SPONG. Mr. President, I thank the Senator. I would say that insofar as the jail project and the facilities at Lorton are concerned, they are all a part of the President's crime program and have within the last 2 days been specifically endorsed by President Nixon.

Mr. PROXMIRE. Mr. President, I have had a chance to discuss this with the Senator from Virginia (Mr. SPONG), the Senator from Maryland (Mr. TYDINGS), and the Senator from Maryland (Mr. MATHIAS). They have made a very strong case for it.

They are all items in the area of public safety. They do affect the President's crime package.

I have discussed it before. They are capital outlay items in the amendment as amended.

Though the committee felt we ought to restrict ourselves on construction at the present time because of the fiscal situation and the desire of President Nixon to do so, under the necessity of putting more resources into the area of public safety, I am happy to accept the amendment. I have discussed it with the Senator from Kansas (Mr. PEARSON), the ranking minority member, and I understand that he is willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to Amendments Nos. 404 and 406.

The amendments were agreed to.

AMENDMENT NO. 418

Mr. BAYH. Mr. President, a moment ago I called up amendment No. 418, which was ruled out of order because it dealt with a previous line.

My only alternative is to ask unanimous consent, which I intend to do in a moment, which would permit any Senator to object and exercise his right.

I have previously discussed the matter with the subcommittee. They agree to accept the amendment and take it to conference.

The amendment provides $500,000 to implement recommendations made recently in San Diego by the National League of Cities.

This would establish in the District of Columbia an innovative creation known as Neighborhood Multi-Service Center.

I read from the policy adopted at the conference in San Diego. On section 203.1, it says that these centers will perform wherever possible the everyday functions of the city government through the neighborhood centers and other centers in the community to help contribute to greater citizen involvement and confidence in the government.

As I see it, there are four good reasons for this type of government center.

It would strengthen the delivery of government services and do a better job providing services.

It would provide better coordination and less duplication. I am advised by those who know that there are as many as 10 different departments providing government services in the District of Columbia. Some duplication in overlapping exist, and indeed, because of the lack of knowledge, some citizens are omitted altogether.

It would make the services more acceptable to the public so that those who are ill or disabled, as well as those who are uninformed, would have a better chance to get the services.

Most important, in this day of increasing pensions in our cities, it creates a better sense of citizen involvement so that the local citizens feel they are a direct part of their government.

With that explanation, and with the hope that no one will object, I ask unanimous consent that amendment No. 418 be considered.

Mr. PROXMIRE. Mr. President, I have had a chance to discuss the amendment with the Senator from Indiana and the Senator from Kansas (Mr. PEARSON), the ranking member on the committee.

We agree that it is a meritorious amendment. It involves $500,000, which is a modest sum. We think it is a very good cause.

I would be happy to take the amendment to conference.

The PRESIDING OFFICER. The amendment is still not in order; it amends items already agreed to by the Senate.

Mr. BAYH. Mr. President, I ask unanimous consent that it be considered.

Mr. MANSFIELD. Mr. President, that is impossible. It has to be corrected.

Mr. PROXMIRE. Mr. President, I misunderstood. I thought the amendment had been corrected.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN in the chair). Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I direct the attention of the chairman, the manager of the bill, to page 53 and page 54 of the Senate report, under "Summary of Capital Outlay, by Project." I direct his attention to "Public schools" under "Public building construction." I note that on these pages in the report, perhaps 30 or 35 schools in the District are named. After the naming of the final school, the West Elementary School addition, there is a total for public schools. The budget estimate is some $55 million. The House bill provided some $43 million, and some $28 million is recommended to the Senate.

## TAX REFORM ACT OF 1969

The PRESIDING OFFICER. The hour of 11 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (H.R. 13270), the Tax Reform Act fo 1969.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid aside temporarily, and that the Senate continue consideration of the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## DISTRICT OF COLUMBIA APPROPRIATION BILL, 1970

The Senate resumed the consideration of the bill (H.R. 14916) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1970, and for other purposes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, some $28 million is recommended to the Senate, which is one-half of the estimated funds necessary for the building, renovation, and reconstruction of the District schools.

I have had the opportunity in the last year to visit six of these schools on my own, and to speak to some of the classes and some of the assemblies. I—as well as any members of the committee who have taken the time to visit the schools—realize the extraordinarily dilapidated conditions of schools attended by many of the young people who live in the District.

I wonder whether the chairman of the committee, the manager of the bill, could review this matter with us, at least to the extent possible. I have not had a chance to give him additional notice on this question. As I understand, the hearings just came to the floor a few minutes ago. I wonder whether the Senator could review the overall budget item and give us some general observations on this very dramatic reduction in the outlay, and then perhaps review, to some extent, why these significant cuts were made.

Mr. PROXMIRE. There were two principal reasons for the reduction.

One reason is that we felt that it was proper for the Nation's Capital, of all the cities in the country, to respond to the President's request for a delay, a stretchout, in construction projects by States and localities, especially when Federal money was involved.

As the Senator is aware, the President has made this request, and we felt that, to the extent that we could do it in the District, we should do it.

The second reason is that it was late in the year. It seemed to us unlikely, with only 6 months left, that the same amount of funding could be used appropriately if we funded in full funds that would be available for only 6 months.

Taking these two considerations into account, we then asked the District itself to make its own recommendations as to where the stretchouts and the postponements should be, where was the greatest need, and so forth. We followed the recommendations of the District government, the responsible officials, to the letter. These are their recommendations. These are not arbitrarily made.

We do feel, however, that it is proper for Congress to react constructively to the President's request that we postpone those construction projects that can be properly postponed.

Mr. KENNEDY. One fact exceedingly distressing to me, as I am sure it is to all of us, is that if we look at the results of the Armed Forces Qualification Tests, which are given to people in all parts of our country, we find, with respect to those who have graduated from the District schools or those who, perhaps, have not graduated but are still taking these tests, that in excess of 60 percent do not pass this examination.

I am sure that many different kinds of factors and considerations enter into those results, other than the facilities themselves. But I certainly think that when we are taking into consideration the President's request for austerity and for budgetary ceilings, and when we, in Congress, have attempted, under title I and the other education bills, to recognize the concept of compensatory education, we ought to be willing to be more understanding of the needs of schools in the District, rather than cutting back.

Mr. PROXMIRE. I think the Senator makes a good point. I direct his attention to the fact that we have funded the teaching aspect of education very fully. As a matter of fact, we now provide an average of $1,094 per pupil, which is 30 percent higher than other comparable cities, 23 percent higher than the next most generous city with respect to its teachers. We provide far more professionals including teachers per pupil than any other city in the country. I think we are devoting a substantial amount of resources to education in the District.

I agree with the Senator from Massachusetts that it could be more. But I think it would not be proper for me, as the chairman of the committee, to say that the committee has not been extremely generous in this area over the years and in this year, also. In the area of construction, we are providing $28 million. It is less than the House. It is less than we would like it to be. But in a period of inflation, it seems to me that this is a responsible position to take.

Mr. KENNEDY. Mr. President, I am aware of the estimates——

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. KENNEDY. Mr. President, I am aware of the per-pupil expenditures indicated on page 34, and the statement the chairman gives on page 33. But this really does not tell the story.

In many ways we have seen that when a child goes to school hungry in the morning, no matter how many teachers there are to teach him, he is going to have a good deal of difficulty in learning. No matter how many teachers there are per pupil, if the classroom is noisy, if it is a classroom in which the pipes rattle, he is going to have even more difficulty in learning.

For instance, in the Anacostia school, the number of seats necessary in their common room to provide not just facilities for lunch, but for rotation of those students who bring their own sandwiches, we see the kinds of interruptions which work adversely to the learning process.

I think all the educators we have had a chance to listen to in the Subcommittee on Education pointed out very plainly the relationship between the facilities, the curriculum, the adequacy of books, and also the physical facilities. I think we delude Members of this body in suggesting that only with the per pupil expenditure and the professional staff per thousand pupils can we feel we are really meeting the demands which exist in the schools of the Nation's Capital. This is true particularly when we have seen that there really is a growing need in the Capital's schools, if we take any kind of testing, such as the armed services test. Of course, that it is not the most scientifically devised test or the most perfect test, but it does provide some kind of medium for testing the young people in the kinds of education they are receiving.

I think, as well, that educators themselves talk about the atmosphere and the climate within the home, the interest in studying, and study habits. When we come to Congress and to the Senate and talk about the needs of the District of Columbia, the fact which distresses me is the fact that we have not had much higher consideration given to this matter than we have to the matter of construction. I am deeply concerned about the kinds of recommendations made, even with the fiscal position in which we find ourselves.

I think it would be extremely unfortunate to apply those fiscal standards to the opportunity for young people in the District of Columbia to study and learn in an atmosphere and in classrooms which are now not really conducive to learning.

Mr. PROXMIRE. Mr. President, I thank the Senator. I think this colloquy has been extremely helpful. It highlights a great need in the District of Columbia. It is true. I am conscious of the fact that the committee did not fully fund the construction; we are substantially below the House. I do not think the Nation could make a better investment than education. We should make a better investment than we have in the past. If I am chairman of the committee next year, I intend to do all I can to respond to the very eloquent, moving, and proper observations of the Senator from Massachusetts in this area.

Mr. KENNEDY. Mr. President, I wish to go into one additional area—the District of Columbia Hospital. I think all of us are aware of the tremendous demands that exist upon the urban hospitals in our country.

At the present time the Hill-Burton Act is before the Subcommittee on Health of the Committee on Labor and Public Welfare, and there is consideration within that committee, with respect to altering or changing the formula, because there is a recognition that we are really not meeting our responsibilities in the urban hospital field.

Mr. PROXMIRE. Mr. President, the Senator is correct. I wish to point out that the committee not only funded the original estimate, but we went beyond that and above the House and provided more funds than the House provided because we fully funded the final request.

This is an area in which the Senator is properly interested and the committee was also.

Mr. KENNEDY. Mr. President, I commend the chairman for going higher. Directing the attention of the Senate and the manager of the bill to page 55, we see the estimate was $3 million. Although there was nothing in the House bill for it, the Senate included $1.118 million and that is higher than the House bill. But it is considered below the estimate.

I think all of us realize we have a number of teaching colleges, teaching universities, and medical schools in this area. We know there is some effort, although I am not satisfied there is a sufficient effort, to try to coordinate the kinds of medical services among the teaching schools in the District of Columbia and the District of Columbia General Hospital.

We know certain teaching opportunities are available in the District of Columbia General Hospital. But in providing the real kind of quality there, I do not believe there is the kind of coordination, communication, and interrelationship which should exist.

However, Mr. President, at this time I want to direct attention to the fact that although the Senate placed in the bill in excess of $1 million of the $3 million estimated, the $3 million estimate was a very hard figure.

I have had an opportunity to visit the District of Columbia General Hospital myself, and to see the enormously crowded conditions which exist in the waiting room, and the new X-ray areas, and in many of the outpatient areas. It is an area of great need.

I would certainly hope that in a new budget the committee would be as sympathetic as possible in its consideration of this problem.

Mr. PROXMIRE. I thank the Senator.

Mr. President, I yield to the Senator from Virginia.

The PRESIDING OFFICER. The pending business before the Senate is the request of the Senator from Indiana for unanimous consent to be allowed to offer an amendment at this time.

Mr. PROXMIRE. That is my understanding. For that purpose, I ask that the Senator from Virginia (Mr. SPONG) be allowed to make a unanimous-consent request because that is the amendment to be modified.

The PRESIDING OFFICER. The Chair directs its statement to the Senator from Indiana.

Mr. BAYH. Mr. President, I yield to the Senator from Virginia.

Mr. SPONG. Mr. President, I ask unanimous consent that amendment No. 404, previously agreed to, be reconsidered and disagreed to; that amendment No. 406 be reconsidered, modified, and agreed to as modified, and that the clerk report the modification.

The PRESIDING OFFICER. Is there objection?

Mr. PROXMIRE. Mr. President, as far as the proposal being agreed to, it would be desirable if the Senator from Indiana would let us know what we are voting on.

Mr. BAYH. I think we are dealing with two different lines.

The PRESIDING OFFICER. The Senator from Virginia will state the first portion of his request.

Mr. SPONG. Mr. President, I ask unanimous consent that amendment No. 404, previously agreed to, be reconsidered and disagreed to.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment is reconsidered and rejected.

Mr. SPONG. Mr. President, I ask unanimous consent that amendment No. 406 be reconsidered, modified, and agreed to as modified.

I might say for the benefit of the Senate that this is done to combine the two amendments so that they are not in conflict with each other as far as the mathematics are concerned.

Mr. PROXMIRE. To make it possible to provide funds for the community centers which was the thrust of the amendment of the Senator from Indiana. Is that correct?

Mr. SPONG. No. That is not correct. The Senator from Indiana was correct in stating that what he seeks to do is not related to what I have done.

Mr. PROXMIRE. Very good.

The PRESIDING OFFICER. The Senator from Virginia requires unanimous consent that amendment 406 be reconsidered and that it be modified—and that it be reconsidered on that basis—be adopted as modified. Is there objection?

Mr. PROXMIRE. I wish we could get an explanation of what the modification is.

Mr. HOLLAND. Mr. President, yes, I do not object at this time, but I would like to know what the modification is, too.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

On page 10, line 18, strike out *"Provided,"* and insert in lieu thereof the following: *"Provided,* That $5,250,000 of this appropriation shall be available for capital outlay for the District of Columbia Department of Corrections: Provided further,".

Mr. PROXMIRE. Will the Senator from Indiana yield? Does this mean he is satisfied that the community centers he has provided are——

Mr. BAYH. Let me make one motion on behalf of the Senator—if the Senator will permit me. I should like to move that—have unanimous consent that—amendment No. 418 be accepted, despite the fact that the line to which amendment No. 418 addresses itself has been amended previously. This is the request made by the Senator from West Virginia, only he used different verbiage. I think this one will deal with the problem of adding $500,000, as the Senator discussed earlier, for municipal services at the local level through neighborhood services centers.

The two amendments are not related.

Mr. SPONG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Virginia will state it.

Mr. SPONG. Has the unanimous-consent request on amendments Nos. 404 and 406 been acted upon?

The PRESIDING OFFICER. Amendment No. 404 has been acted upon. Now the Senator from Virginia asks unanimous consent that amendment No. 406 be reconsidered—that it be modified and agreed to as modified.

Mr. HOLLAND. Mr. President, I am not objecting, but I certainly would like to know what the modification is.

Mr. SPONG. Mr. President, I would be glad to tell the Senator from Florida what the modification is. It takes $335,500 out of the total figure. What the two amendments sought to do was to put money in the appropriations bill to take care of the crime package insofar as a new District jail and improvements at Lorton were concerned, and take out of the appropriations bill the money for a new administration building in the District.

The PRESIDING OFFICER. Without objection, the amendment will be reconsidered and as modified is agreed to.

Mr. BAYH. Mr. President, I ask unanimous consent that amendment No. 418 be in order.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, I should like to know what the amendment does.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. MANSFIELD. No. Let us read it all.

The assistant legislative clerk read as follows:

On page 2, line 4, strike out "$108,706,000" and insert "$109,206,000".

On page 3, line 4, strike out "$39,971,000" and insert "$40,471,000".

On page 4, line 2, immediately before the period, insert a colon and the following: *"Provided further,* That $500,000 of this appropriation shall be available for municipal services at the local level, through Neighborhood Service Centers".

The PRESIDING OFFICER. Is there objection to the offering of the amendment of the Senator from Indiana? Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MATHIAS. Mr. President, I should like to thank the chairman of the committee not only for his work on the whole bill but also for his clear explanation this morning of some of the possible economies which he sees as proper and necessary in the District of Columbia, and with which I agree.

He has pointed out some of the frills that could and should be eliminated over the whole structure of government where we can try to find places for economy. I want the distinguished Senator from Wisconsin to know that although I have been one who has urged him on on a number of occasions to approve larger amounts than he has, I am basically in accord with his desire to get a dollar's worth of value for every dollar invested in the government of the District of Columbia.

The Senator from Massachusetts (Mr. KENNEDY) has raised the question of the District of Columbia General Hospital.

Again I want to thank the chairman of the committee for his support of the requests that were made by the Commissioner of the District for a total of $3.2 million in additional funds for the District of Columbia General Hospital which will permit the addition of 254 people in new positions.

The committee report states on page 39 that no overall reduction is to be made in the 1970 base program for the District of Columbia General Hospital. The committee has been extremely fair with the District in this matter and, as the report notes, the figures which have beeen recommended here are those which I understand, to the penny, are those requested of the District.

What I should like to say at this point is that I hope the whole community of the District of Columbia not just the Commissioner or the city council, but the whole community, will raise its sights with respect to what is needed at the District of Columbia General Hospital.

I ask unanimous consent to have printed in the RECORD just one example, a letter from the Department of Health, Education, and Welfare, dated September 23 of this year, in which it withheld approval of eight of 13 of the laboratories in the District of Columbia General Hospital. Only five were approved as meeting minimal standards of the Public Health Service. This is the kind of situation that cannot be tolerated in any hospital, certainly not one in which the Congress has direct responsibility.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
*Atlanta, Ga., September 23, 1969.*

Dr. JOHN P. NASOU,
*Medical Director, District of Columbia General Hospital, Washington, D.C.*

DEAR DR. NASOU: Based upon our on-site examination of your laboratory on August 29, 1969 and a review of your application, we are recommending the Main Laboratory, Division of Pathology be approved for interstate licensure only in the following categories:

Syphilis serology, urinalysis, histopathology, nonsyphilis serology, and immunohematology.

We cannot recommend approval in the following categories:

Bacteriology, parasitology, endocrinology, hematology, mycology, blood and cerebrospinal fluid chemistry, toxicology, and exfoliative cytology.

Please note that the items of noncompliance indicated on the enclosed "Suggestions for Laboratory Improvement" refer to specific Sections of the Regulations. You should read these Suggestions, and the Regulations, carefully to determine how you may make appropriate corrections.

Enclosed is your license covering the approved categories. We look forward to working with you in this program and will schedule your laboratory for reinspection on or about December 1, 1969.

Sincerely yours,

DAVID J. SENCER, M.D.,
*Assistant Surgeon General, Director, National Communicable Disease Center.*

Mr. MATHIAS. Mr. President, I concur with some of the complaints which have been made about the situation at the District of Columbia General Hospital where we find that people with serious health problems and injuries are not treated promptly. In one case in particular, a man with a broken neck had to wait 45 minutes to be moved from one part of the hospital to the other. These are conditions which are so far below the adequate level that they must not and cannot be tolerated.

Thus, Mr. President, in expressing my appreciation to the committee for having gone as far as it went in meeting the requests of the District government, let me say a word beyond these walls to the residents of the National Capital, who must develop a sense of public awareness and conscience so that the area's requests to Congress can be brought up to a level commensurate with need.

I thank the distinguished Senator for yielding to me.

Mr. PROXMIRE. I thank the Senator from Maryland. He has served so well on the District Committee and is an ex officio member of the subcommittee. His interest and his ability in this area have been most helpful.

Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I send to the desk two technical amendments and ask that they be agreed to.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

On page 2, after line 21, insert:

"THE COMMISSION ON REVISION OF CRIMINAL LAWS OF THE DISTRICT OF COLUMBIA

"For expenses necessary to carry out Title X of the Act of December 27, 1967 (81 Stat. 742, 743), establishing The Commission on Revision of the Criminal Laws of the District of Columbia, $150,000 to remain available until expended."

On page 5, line 3, strike out "$620,000" and insert "623,000".

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc; and, without objection, the amendments are agreed to.

Are there further amendments? If not, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. PROXMIRE. Mr. President——

Mr. SPONG. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SPONG. Mr. President, before we vote on the bill, I would like to commend the Senator from Wisconsin and the Senator from Kansas for their diligence with regard to the bill. I particularly would like to say to the Senator from Wisconsin that I applaud the efforts he has made to inject a higher degree of efficiency in the operation of the District of Columbia government.

I might say to the Senator that on yesterday, when the hearing on the nomination of a new Deputy Mayor, Mr. Watt, was being considered, both Mayor Washington and Mr. Watt pledged themselves to work toward a survey of the District government in its entirety, with a view toward seeking every way possible to make the District government more efficient and less expensive.

Again I commend the Senator.

Mr. PROXMIRE. I thank the Senator. Of course, we have had much talk in the past about the need for further financial aid for the District, but there is no question that there is a tremendous amount of waste in every sector of the operations of the District government. We must concentrate on more corrective action to remove that waste.

Mr. MONTOYA. Mr. President, recently, I have received several communications from responsible civic leaders from the Mount Pleasant, Columbia Heights, and Adams-Morgan areas in the District, expressing their concern that the District of Columbia government has thus far failed to effectively deal with the problems of language, unemployment, and other problems related to Washington's Spanish-speaking Americans.

I believe it is time the District of Columbia government does something about assisting the Spanish-speaking American community. They could do this by establishing within the office of the Mayor an investigating committee who will: first, prepare a report to the Congress on the extent of poverty, hunger, unemployment, and other problems confronting the Spanish-speaking American; and second, make recommendations to the Mayor and Congress as to how to alleviate these problems. I strongly recommend that the city government undertake such a venture immediately.

I find that apparently only the Metropolitan Police Department has recently taken steps to meet the problems of the District's Spanish-speaking citizens and their families. They have done this by assigning several policemen to a Spanish language course. Other than this isolated instance, apparently no other funds are being used by the District of Columbia government to aid Spanish-speaking citizens, and yet, as we look to Arlington County, we find that an office has been specifically established to deal with the problems confronting the Spanish-speaking community. No comparable office has been established for the Spanish-speaking citizens in the District despite the fact there is 10 times the number of Spanish-speaking people living in the District. The information I have is that the Spanish-speaking citizens in Arlington are living under better conditions.

The Spanish-speaking population in the District of Columbia has grown rapidly since the 1960 census. Although there are no accurate numbers on the size of the community, it is estimated there are upwards of 50,000 to 70,000. I am confident that when the facts related to the problems of the Spanish-speaking community are presented to the Mayor and to the Congress, the help that Spanish-speaking people are asking for will be undertaken.

For this reason, I am at this time calling upon the District government, as we consider the District budget, to make the necessary funds available to establish within the office of the Mayor a committee to investigate immediately the problems confronting the Spanish-speaking citizens of this city. Once the problems have been investigated—and it is my hope they will be promptly—and recommendations are presented to the Mayor and the Congress, I would recommend to the District of Columbia government that they continue the special office on Spanish-speaking affairs in order to carry out the recommendations and insure that the various programs reach the Spanish-speaking residents of this city.

Mr. President, as a member of the Appropriations Subcommittee on the District of Columbia, I intend to continue following actions of the city government in this respect.

I am taking particular interest in this, Mr. President, not only because I wish to improve conditions for the Spanish speaking here in Washington, D.C., but because I think this will help us focus national attention on a problem which is in fact nationwide. The Spanish-speaking citizens of this Nation, as a group, are living in substandard conditions. They are at the bottom of the totem pole, as an ethnic group, in education, employment, housing, and all the other segments of American society. And, yet, we have been unable to bring the necessary national attention to bear on this situation. Perhaps by focusing national attention on conditions of the Spanish speaking in our Nation's Capital, we can have the necessary attention focused on the disgraceful conditions in other parts of the Nation.

I have sponsored legislation, S. 740, which hopefully will be enacted before we adjourn this year to establish a Cabinet Committee on Opportunities for the Spanish Speaking. This committee will be the spokesmen for the Spanish speaking to the administration and the Congress. However, unless we are able to make all Americans aware of the problems confronting the Spanish speaking of this country, little progress may be made in providing equal opportunities for them.

We have made progress in many areas of the country. In New Mexico, for example, we enjoy a very harmonious tricultural society, with Spanish Americans, American Indians, and other Americans living together as equals. There is still lack of opportunities for some, but they are isolated instances and not as a matter of policy. We must do away with all vestiges of discrimination and lack of opportunity wherever they exist and the place to begin is our Nation's Capital.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point copies of correspondence regarding problems confronting the Spanish speaking here in the District of Columbia, including my letter to Mayor Walter E. Washington of November 6, 1969, on which I am still awaiting a reply; my letter to Gilbert Hahn, Jr., Chairman of the District of Columbia City Council of December 9, 1969; and, correspondence with enclosures from

Mr. George Frain, Secretary of the Adams-Morgan Federations, Inc., Washington, D.C.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NOVEMBER 6, 1969.

HON. WALTER E. WASHINGTON,
*Mayor, District of Columbia,*
*Washington, D.C.*

DEAR MAYOR WASHINGTON: I have long wanted to discuss with you personally a matter which has been of great concern to me, and which I feel must be of equal concern to you as well. I speak of the plight of the estimated 50,000 to 70,000 Spanish-speaking residents of the District of Columbia.

As you so well know, the Spanish-speaking residents of the District have in recent years been congregating in the Mt. Pleasant, Columbia Heights, and Adams-Morgan areas. Because of the common problems and common cultural ties, this congregation has been inevitable. As a result, many of the problems have been compounded.

In June of this year, I testified before the Senate Subcommittee on the plight of the Spanish-speaking Americans throughout the country. I also testified in support of my legislation, S. 740, a bill to establish a Cabinet Level Committee on the Opportunities for Spanish-speaking people. I felt it was essential that we have a Federal office, of a cabinet level, to ensure that Federal programs were reaching the Spanish-speaking people.

While it would seem only natural that all Americans should have an opportunity to participate in our Federal programs—especially those designed to assist the underprivileged—it is a fact that the Spanish-speaking American has been left out of the mainstream. Until my testimony, the Congress appeared to be completely ignorant of the fact that the Spanish-speaking people of this country ranked at the bottom of the totem pole on education, employment, housing, poverty, and all the other segments of our society. From what I have seen and from what I have been told, conditions for the Spanish-speaking in Washington, D.C., are no exception.

I wish to enlist your own personal assistance and cooperation in improving the terrible conditions which exist here in the District for Spanish-speaking residents, with the hope that by improving conditions here in the Nation's capital, we can point to our accomplishments here with pride and use our experiences here in improving conditions throughout our Nation. I am hopeful that we may be able to meet on this matter some time in the near future to discuss it in more detail. In the meantime, I would appreciate being supplied with the following information in order that I may be better able to assess the problem here in the District. Your answers to the following questions would be most helpful and appreciated.

1. What is the size of the Spanish-speaking population in the District of Columbia?

2. Are most of these individuals concentrated within one specific area, and if so, where?

3. Are most of these individuals American citizens?

4. What is the educational attainment of the Spanish-speaking American in the District as opposed to the Negro and other Americans?

5. What is the rate of unemployment of the Spanish-American as opposed to the above groups?

6. What percentage of the Spanish-speaking residents in the District live in substandard housing; how does this compare with other groups in the city?

7. Do you have an office within the District Government, or any individuals, whose specific duties are to assist in the peculiar problems of the Spanish-speaking?

Your response to the above questions would be most helpful to me. Assuring you of my desire to cooperate with and assist you on this and all other problems confronting the District, I am

Sincerely,

JOSEPH M. MONTOYA,
*U.S. Senator.*

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DECEMBER 9, 1969.

Mr. GILBERT HAHN, Jr.,
*Chairman, District of Columbia City Council,*
*Washington, D.C.*

DEAR CHAIRMAN HAHN: I am enclosing a copy of the November 6 letter which I addressed to Mayor Walter Washington expressing my concern for the well being of Spanish-speaking residents in the District of Columbia, and raising a number of questions. I am presently awaiting a response from the Mayor.

I have noted present accounts quoting you as announcing "hearings next March on the problems of the city's Spanish-speaking community. I commend you for this action and anticipate that the hearings will be extremely valuable in pinpointing the problems of this particular group of citizens. I am concerned, however, that the hearings will not be held until next March. I anticipate that one reason I have not received a reply from Mayor Washington to my November 6 letter is because the information I have requested is simply not available. To wait until March for this information would certainly not be acceptable.

As a member of the Appropriations Subcommittee of the District of Columbia, I wish to assure you of my every interest on behalf, and cooperation in, seeking to improve conditions for the Spanish-speaking citizens of the District. I wish to be of all possible aid to you and to the Mayor in attacking the problems of these citizens.

In order to provide me and the other members of Congress the necessary data that we need, and as promptly as possible, I urge that you reschedule your proposed March hearings for January. This will assist in providing those of us in Congress interested in this matter the additional data that we will need in order to assist wherever we can, and will also permit the City Government to move expeditiously with your present resources and authority to attack the particular problems which your hearings will reveal.

Urging your every cooperation, I am

Sincerely,

JOSEPH M. MONTOYA,
*U.S. Senator.*

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ADAMS-MORGAN FEDERATION, INC.,
*Washington, D.C., December 8, 1969.*

HON. JOSEPH M. MONTOYA,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR MONTOYA: Growing concern is being expressed over the problems of the 50,000 Spanish-speaking residents of the District of Columbia, as shown by the attachments which include:

1. An "Open Letter" to Mayor Walter E. Washington, and the D.C. City Council, presented by the Rev. Antonio R. Welty, head of the Good Shepherd United Presbyterian Church in the Adams-Morgan area at 15th and Irving Streets, N.W.

As you will note, Mrs. Geneva K. Valentine, president of our Adams-Morgan Federation, points out the "Open Letter" was unanimously adopted at the conclusion of the luncheon meeting which was attended by two City Councilmen, Vice Chairman Sterling Tucker, and Dr. Henry S. Robinson, Jr.

2. A proposal to teach Spanish to the Police.

3. Hearings by the D.C. City Council on the problems of the Spanish-speaking community.

Rev. Welty, & Carlos Rosario—chairman of "The Committee for the Aid and Development of Latin Americans in the Nation's Capital" ("CADOLANCA"), feel these hearings should be held early in January, as shown by the "Open Letter" attached. We agree, and we urge you to support holding the hearings in January. We feel this is an entirely reasonable request by the Spanish-speaking community. We urge you to write at once.

May we hear from you at your earliest convenience, and please send us copies of any correspondence on the above points.

Respectfully yours,

GEORGE FRAIN,
*Secretary.*

ADAMS-MORGAN FEDERATION, INC.,
*Washington, D.C., December 6, 1969.*

*Hon. Walter E. Washington, Mayor, and Hon. Gilbert Hahn, Jr., Chairman, and all Members, D.C. City Council:*

We note in the *Washington Post* (Dec. 3, page C5) that the City Council will hold hearings "next March on the problems of the city's Spanish-speaking community."

We understand that this March date was decided on because, in the meantime, the City Council would be deeply involved in the development of the District Budget. But it is vitally important to provide funds in the D.C. Budget to help solve the Spanish problems. It is clear that it is absolutely essential to provide funds in the D.C. Budget to aid and help the D.C. Government establish—(1) a permanent office to serve the Spanish-speaking community, and (2) a high-level Spanish-speaking advisory committee in the Office of Mayor Walter E. Washington, to consider and advise the District Government on all problems related to the Spanish-speaking citizens and their families. Arlington County has such an office and it is directed by the Spanish-speaking community, yet the number of Spanish-speaking citizens in the District is 10 times the number in Arlington County; and they are relatively better off, and better provided for, in Arlington.

It is astounding that only the Metropolitan Police Department is taking steps to meet the problems of the District's Spanish-speaking citizens, and only this week the leaders of the Spanish-speaking community met with Dr. Robert Shellow, director of the Pilot Police Project in the Third Police District to start a crash program. This was reported in both the *Washington Post* and *Evening Star* on December 5, attached herewith.

We, the undersigned, urge hearings be held on the Spanish-speaking problems early in January by one or more members of the D.C. City Council so that funds can be included immediately in the D.C. City Budget to help meet these problems by the steps cited above. May we have an immediate answer to this reasonable request, since these problems can not, and must not, be put off year after year? The Spanish-speaking District citizens must no longer be ignored by Congress, the District Government, or the White House.

Sincerely,

Rev. Antonio R. Welty, Good Shepherd United Presbyterian Church; Mrs. Margaret Wilde, reporter, Spanish Panel, Adams-Morgan Federation Conference; Carlos Rosario, Chairman, "Calolanca," 1614 Hobart Street NW.; Garry Garber, member, Spanish-speaking community; Luis H. Vidana, member, Spanish-speaking community; John J. Schulter, editor, News and Views; Prof. Juan Casasco, City and Regional Planning Department, Catholic University of America; Rev. B. Frank Foster, Assistant Pastor, National Baptist Memorial Church, Inner City Ministry; William K. Scheirer, president, Kalorama Citizens Association; George Frain, administrator-secretary, 18th and Columbia Road Business Association.

DECEMBER 8, 1969.

The above "telegram" to Mayor Walter E. Washington, Chairman Gilbert Hahn, Jr., and all members of the D.C. City Council, was presented to the Adams-Morgan Federation—MEDCO-BLACK ECONOMIC UNION—Conference on December 6 by the Rev. Antonio R. Welty, Pastor, Good Shepherd United Presbyterian Church, at the end of the conference luncheon. City Council Vice Chairman Sterling Tucker, and Councilman Dr. Henry S. Robinson, Jr. were present. After spirited discussion, it was unanimously adopted by a show of hands. We urge immediate scheduling of the Council hearings on the Spanish-speaking problems early in January, 1970, instead of in March 1970 for the reasons stated in this vitally important message to the D.C. City Council.

Mrs. GENEVA K. VALENTINE,
*President, Adams-Morgan Federation.*

P.S.—There were over 200 people present at the luncheon when the above message (or letter) was adopted. They were drawn from all walks of life and all groups in the Adams-Morgan area. This letter represents a real consensus that immediate steps must be taken to solve the problems of the 50,000 Spanish-speaking citizens of the District of Columbia, most of whom live in the Adams-Morgan-18th & Col. Rd. area, served by the Adams-Morgan Federation. The Rev. Welty's Church has one of the largest Spanish-language congregations in the District of Columbia.

Mrs. GENEVA K. VALENTINE,
*President, Adams-Morgan Federation.*

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COMMITTEE FOR THE AID AND DEVELOPMENT OF LATIN AMERICANS IN THE NATION'S CAPITAL ("CADOLANCA"),
*Washington, D.C., October 20, 1969.*

Hon. JOSEPH M. MONTOYA,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR MONTOYA: We are writing with regard to two matters (1) we want to express strong support for your bill, S. 740, to establish a Cabinet Committee for Spanish-Speaking People, which we understand has passed the Senate but is log-jammed in the House; and (2) to request you to urge Senators Tydings, Mathias, and Spong to take whatever steps are necessary—including the early establishment of a permanent Spanish-speaking office or Agency in the District Government—to meet the needs of the 50,000 Spanish-speaking District residents—as the needs of Spanish-speaking residents are being met in other major cities from coast-to-coast. We urge you to meet personally with the leaders of the Spanish-speaking community resident in the Nation's Capital which includes six churches, the American Legion Puerto Rican Post 69, Curculo de Puerto Rico, the Coordinating Council for the Metropolitan Area, and CADOLANCA. We would have a delegation of 12 (approx.) to meet with you on this issue—and to meet also with Senators Tydings, Mathias and Spong.

Maryland and Virginia governments, at all levels, State, county, and municipal, are helping their Spanish-speaking residents, but the 50,000 Spanish-speaking citizens of D.C. —whose numbers compare with that of many cities—are largely ignored and by-passed while others unqualified and unfamiliar with their culture and needs speak for them. That there are some 50,000 Spanish-speaking citizens in the District was noted by the *Washington Post* (Dec. 28, 1968) in an article titled "50,000 Latin Good Neighbors Settle Here." The *Sunday Star* (Jan. 5, 1969) published an article titled "The Silent Minority". These 50,000 residents live in the Mt. Pleasant, Columbia Heights, and Adams-Morgan areas—where they are largely concentrated, and in many other areas of the District of Columbia. Spanish-language restaurants: Omega, El Caribe have been written up as fine restaurants in the newspapers. They are located on Columbia Road, and a large number of stores, a barber shop are located on Columbia Road, and on 18th Street.

The White House, in a letter dated May 12, 1969, said that: "The condition of Spanish-speaking residents of the District of Columbia is of course a concern to the President. I am sure he would be the first to assert that our efforts in housing, education, and other areas of need have not been adequate. Steps to meet these problems for Spanish-speaking residents of Washington and for others, not only here but across the country, are being pursued and that effort will continue." The 50,000 Spanish-speaking residents of the District are encountering major problems in education, housing, recreation, health, crime—they are often the subject of criminal attack and assault. The requirements of Title VII of the Elementary and Secondary Education Act of 1965 as to bilingual education have never been implemented in the District of Columbia. We invite you and Senators Tydings, Mathias, and Spong to tour the Mt. Pleasant, Columbia Heights, and Adams-Morgan areas and see our problems for yourself at first-hand. We also urge you to meet with us, and to bring this matter to the attention of the Senate D.C. Committee. May we hear from you?

Respectfully yours,

CARLOS ROSARIO,
*Chairman.*

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[From the Washington Post, Dec. 3, 1969]

SPANISH HEARINGS

Washington City Council Chairman Gilbert Hahn Jr. said the Council will hold hearings next March on the problems of the city's Spanish-speaking community.

Representatives of that community asked city officials two weeks ago to establish a liaison office through which they could work for the community's betterment.

Hahn said the March hearings will attempt to identify the problems of Washington's Spanish-speaking community and try to find out which of its needs that could be cared for at the municipal level were not being met.

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[From the Washington Post, Dec. 5, 1969]

GROUP URGES PILOT PROJECT TO TEACH SPANISH TO POLICE

(By Martin Weil)

Representatives of Washington's Spanish-speaking community called yesterday on the police pilot district project to start a crash program of Spanish language training for 10 to 15 policemen.

The representatives said that the city has 50,000 Spanish-speaking people, most of them within the pilot (third) district, who face a "sound barrier" that makes them a "silent majority," often unable to communicate with police.

Dr. Robert Shellow, director of the pilot project, expressed enthusiasm for the community proposal, which asks also that residents be used as teachers. Dr. Shellow said he will work to see that instruction begins as soon as possible.

Carlos Rosario, speaking for 12 Spanish-speaking organizations, called also for hiring bilingual persons at the third district station house. Yesterday's meeting was held at the Spanish Catholic Center, 3055 Mt. Pleasant St. N.W.

Community representatives asked that police be trained in Spanish culture and behavior. While asserting their belief that few Spanish-speaking people violate the law, they cited examples of how misunderstandings can occur when such citizens do meet police.

The Rev. Antonio R. Welty, of the Good Shepherd United Presbyterian Church, told of watching recently as an officer dealt unsympathetically with both a Spanish-speaking-man charged with running a red light, and with a Spanish-speaking witness in the man's favor.

In talking with each other, Mr. Welty said, the suspect and his witness used "their hands, their heads, their eyes."

The officer decided they were both drunk, Mr. Welty said. Asked why, Mr. Welty said the officer cited "the way they moved their hands, their heads, their eyes."

"We Spanish-speaking people are different in so many ways" Mr. Welty said. "We are a little more emotional . . . There is a desperate need to train police in the way of living of Spanish-Americans . . ."

Interviewed later, Shellow said he believes that no more than two or three of the 300 officers in the pilot district speak Spanish. To insure 24-hour availability of a Spanish-speaking officer, he said, 10 would be desirable, 15 even better.

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[From the Washington Evening Star, Dec. 5, 1969]

TRAIN POLICE IN SPANISH, EDUCATIONAL GROUP ASKS

(By John Fialka)

Members of the District's Spanish-speaking community have asked the city for more involvement in the Pilot Police District Project.

Carlos Rosario, president of the Educational Organization for Latin Americans, a coalition of 12 organizations, said the project should train 10 policemen in Spanish and give more training in the customs of the Spanish community.

The project, a $1.4 million experiment in improving police services in an inner-city area, is located in the Third Police District, an area in Northwest Washington bounded by L Street, 4th Street, Harvard Street and Connecticut Avenue.

The area also is the home of many of the 50,000 persons of Latin origin living in Washington, Rosario pointed out.

He said that the Spanish community supports the city's attempts to plan an election in the Third District to choose a citizens' board to help determine police policy.

At a press conference held yesterday at the Spanish Catholic Center, 3055 Mount Pleasant St. NW, Rosario and 10 other community leaders said their main concern was the rise in crime.

"President Nixon talks about the silent majority. The Spanish-speaking people are in the silent majority in this town. People are afraid to move here," said Luis Vidana, one of the leaders.

Another, the Rev. Antonio R. Welty of Good Shepherd United Presbyterian Church, said that the problem is compounded when people are unable to express themselves to the police.

"This morning I had a man who had a run-in with a policeman. He was charged with crossing against a red light. This man had a witness, but the police did not recognize him. The policeman thought they both were drunk because they were talking with their hands, and moving their heads and eyes. That's the way we talk," said Welty.

Dr. Robert Shellow, director of the project, said he would take up the question of language and cultural training with the mayor and the chief of police.

"I think what you're asking for here makes a good deal of sense," he said.

Shellow said the department is now paying for Spanish courses for 20 officers at the Washington Technical Institute.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this ques-

tion the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. ELLENDER) is absent on official business.

I further announce that, if present and voting, the Senator from New Mexico (Mr. ANDERSON), the Senator from Louisiana (Mr. ELLENDER), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Maryland (Mr. TYDINGS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 92, nays 0, as follows:

[No. 221 Leg.]

YEAS—92

| | | |
|---|---|---|
| Aiken | Gore | Moss |
| Allen | Gravel | Murphy |
| Allott | Griffin | Muskie |
| Baker | Gurney | Nelson |
| Bayh | Hansen | Packwood |
| Bellmon | Harris | Pearson |
| Bennett | Hart | Pell |
| Bible | Hartke | Percy |
| Boggs | Hatfield | Prouty |
| Brooke | Holland | Proxmire |
| Burdick | Hollings | Randolph |
| Byrd, Va. | Hruska | Ribicoff |
| Byrd, W. Va. | Hughes | Russell |
| Cannon | Inouye | Saxbe |
| Case | Jackson | Schweiker |
| Church | Javits | Scott |
| Cook | Jordan, N.C. | Smith, Maine |
| Cooper | Jordan, Idaho | Smith, Ill. |
| Cotton | Kennedy | Sparkman |
| Cranston | Long | Spong |
| Curtis | Magnuson | Stennis |
| Dodd | Mansfield | Stevens |
| Dole | Mathias | Talmadge |
| Dominick | McClellan | Thurmond |
| Eagleton | McGee | Tower |
| Eastland | McGovern | Williams, N.J. |
| Ervin | McIntyre | Williams, Del. |
| Fannin | Metcalf | Yarborough |
| Fong | Miller | Young, N. Dak. |
| Fulbright | Mondale | Young, Ohio |
| Goodell | Montoya | |

NAYS—0

NOT VOTING—8

| | | |
|---|---|---|
| Anderson | McCarthy | Symington |
| Ellender | Mundt | Tydings |
| Goldwater | Pastore | |

So the bill (H.R. 14916) was passed.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PROXMIRE, Mr. MONTOYA, Mr. EAGLETON, Mr. PEARSON, and Mr. YOUNG of North Dakota conferees on the part of the Senate.

## DANGERS OF POLITICAL PARTISANSHIP IN THE FIGHT AGAINST HUNGER

Mr. JAVITS. Mr. President, I take this time today, and I shall be brief, to call the Senate's attention to the issue of hunger, in which we have a burning interest. I address the Senate as a member of the Select Committee on Nutrition and Human Needs—of which the Senator from South Dakota (Mr. MCGOVERN) is the chairman. This issue is very pertinent because the other body is now in committee considering what to do about the food stamp program and is going through the administration bill section by section. We understand that the House Agriculture Committee has already rejected the Senate-passed bill sponsored by the Senator from South Dakota (Mr. MCGOVERN) and me.

We have had in the select committee a very fine spirit of bipartisanship. Only in that way can we achieve our objectives. The select committee is being continued until the end of January.

Mr. President, over 7 months ago, early in his new administration, President Nixon called for substantial improvements in our Federal food programs and for an "end to hunger in America—for all time."

The administration followed up by breaking the redtape barriers that inhibited its predecessor administrations from acting decisively to meet the challenge of hunger in our society. Its record is certainly better than that of the predecessor administrations and it has been responsible for specific highly commendable initiatives, including free food stamps in two South Carolina counties; a supplemental food program for pregnant women and infants in the District of Columbia; a reduction in the number of counties without food assistance programs from nearly 500 at the first of the year to 307 today; the establishment of new food-stamp allotments based on uniform national standards which will enable all participating families to purchase the Department of Agriculture's "economy diet"; a reduction, to the extent permissible under present law, of the amount that a family must pay for its stamp allotment; and new "outreach" efforts.

A number of these steps were taken in response to initiatives of the Select Committee on Nutrition and Human Needs, on which I have served as the ranking Republican for the past year. The impact and success of these steps thus far is in large part attributable to the select committee's search for bipartisan commitment in the fight against hunger.

Last week, the President convened the White House Conference on Food, Nutrition, and Health. The high purpose of the Conference, an end to hunger in the Nation, was a tribute to the President and to Dr. Jean Mayer, his special consultant on nutrition. Most importantly, President Nixon, by being the first President to convene such a conference, became the first to give explicit recognition to the fact that hunger does exist in America. The controversy over the concrete accomplishments of the Conference in no way detracts from its historic significance. It signaled the support of the President and the wide breadth of public support in the Nation—at all levels—for ending hunger in America.

Now, as a result of the Conference recommendations and proposals, I believe the President is in a position to declare that the existence of hunger in the United States constitutes a national emergency and to order the prompt distribution of commodities and free food stamps under existing emergency authority.

We must now move forward from the White House Conference, and in that regard, the select committee has an important role to play. However, the achievement of that objective hinges on a continued spirit of bipartisanship. There must be continued cooperation between the Senate committee and the administration. The committee has cooperated with the administration—particularly with Secretary of Agriculture Clifford Hardin—in pursuing the administration's initiatives.

The administration has also introduced a food stamp bill—which seeks very material reform, although it does not go as far as the Senator from South Dakota and I would like to go or as far as the Senate would like to go.

But now there is a clear and present danger that this spirit and this cooperation could be eroding. We could be headed for a partisan struggle over what to do about hunger in America. And the ending of bipartisanship could signal also a material reduction of our chances of ending hunger and malnutrition—and this would be a tragedy for the hungry poor of our Nation.

I would consider the end of bipartisanship in the select committee a grave mistake.

In this regard, I am concerned about one matter. I have conferred with the chairman of the select committee, the Senator from South Dakota, about this. He knows what I am going to say and is prepared to make his own statement on the subject. Senator MCGOVERN, on the television interview show, "Face the Nation," broadcast on Sunday, November 30, said: "I call on the administration to stop this doubletalk and get behind a serious effort to push that bill through the House of Representatives, where it is now blocked."

Senator MCGOVERN was referring to the Senate-passed food stamp bill in which some two months ago the Senate adopted a major reform and expansion of the food stamp program. That bill, which could not have been passed without Republican support and is now pending in the House of Representatives, would give the administration the tools that are needed to wage the battle against hunger.

The administration advises me it is not lobbying against or speaking against the Senate-passed bill, and that it does not propose to do so. No good can come from partisan efforts to describe its position in any other way; nor does the

administration deserve such condemnation.

Reference was there made to a memorandum which had fallen into his hands. This was an internal memorandum from an official from the Department of Agriculture, passed on, ostensibly, to the Secretary. I am advised that this particular memorandum was not circulated and that it has no official standing in terms of the administration. It was an internal memorandum and it expressed a particular point of view. It began with a particular official and that is where it ended. The memorandum expressed concern over the costs of the Senate-passed bill. It is understandable in a cost-conscious administration for an official to make that kind of analysis.

No good can come, in my opinion, from part of the efforts to discredit the administration upon this issue, nor do I believe it deserves it.

One of the counter bills on hunger is the school lunch bill. On the school lunch bills pending in the Senate and already passed by the House, to which Senator McGovern also referred in the interview, I am advised that the administration has generally expressed a favorable position except for the "special milk" provisions and that it is up to the Senate Agriculture Committee—of which the chairman of the select committee is a member—to take action. Even in that regard, the administration was unfavorable because this is a general program, that does not zero in on the hungry poor. I think that is creditable.

In the televised interview, Senator McGovern, referring to the House and Senate Agriculture Committees, also said:

> And I do regard them as the principal bottlenecks at the present time to adequate food assistance reform—that, plus the lack of real leadership in the Executive Branch.

Now, I definitely agree that the Agriculture Committees could certainly move more expeditiously in their consideration of these vital antihunger measures, but this is ours—not the executive branch's—problem. Yet, the statements I have quoted regarding the executive branch could, if persisted in, unwittingly undermine the bipartisan effort to combat hunger.

The select committee has brought the attention of the Nation and the power of Congress to bear on appalling conditions of hunger and deprivation. As the ranking Republican member of the committee, I would consider it a grave mistake to draw the lines with the administration on hunger on a partisan basis. I hope the administration will conclude that it should show its support of the Senate-passed reform of the food stamp program. I hope also that the chairman of the select committee will moderate his criticism of the administration in the interest of a framework of balance and objectivity within which there is the best chance for ending hunger in America.

Mr. President, I should like to yield to the Senator from South Dakota. But, first, how much time do I have remaining?

The PRESIDING OFFICER. Six minutes.

Mr. JAVITS. Mr. President, I yield 3 minutes to the Senator from South Dakota (Mr. McGovern) and 1 minute to the Senator from Kentucky (Mr. Cook).

Mr. McGOVERN. Mr. President, let me first commend the senior Senator from New York for his statement. I think it once again demonstrates his deep concern about this issue and his sincere desire to see every hungry American receive an adequate diet.

I especially appreciate his comments about the need to maintain a completely bipartisan stance in the effort to end hunger in America. I am sure that Senator Javits knows that I am aware of the tremendous contribution that he, as the ranking member of the select committee, and Senator Cook and Senator Percy and other Republicans on the committee and in the Senate as a whole have made to the great progress we have made this year.

We all know that the passage of the historic food stamp reform bill in the Senate this year would not have been possible without Republican leadership and support.

I also want the Senator from New York to know that I fully appreciate the efforts that have been made by the President and the administration. They have gone further than any previous administration in recognizing the problem and recommending measures to deal with it.

Any statements I have made that might appear critical of the administration's commitment to end hunger have stemmed from my sincere conviction that when we are dealing with this most basic human problem—hunger—it is simply not good enough to do better than we have before. When dealing with hunger, we simply must go all the way—as the bipartisan bill of the select committee did go. I have spoken out of a sense of urgency and commitment, not with an eye to partisan advantage. It is my conviction that there has been a struggle within the administration as to how big a commitment should be made for food assistance. My public comments including my criticism has been designed to strengthen the hand of Secretary Finch, Secretary Hardin, Dr. Mayer and others in the administration who have been pushing as the Senator from New York has for a more adequate food program.

But the position of the administration has been somewhat confusing. For this reason, I am particularly pleased with Senator Javits' remarks today.

I am particularly gratified to learn that the President is now "in a position to declare that the existence of hunger in the United States constitutes a national emergency and to order the prompt distribution of commodities and free food stamps under existing emergency authority." Perhaps the Senator from New York and I should join in a call for the declaration of a national emergency. The request that hunger be declared a national emergency was at the top of the list of action recommendations adopted by the President's White House Conference on Nutrition. To meet this request would be a statesman-like response of the highest order. It would surely put to rest the understandable doubts about the administration's response to the White House conference which have been expressed by many of its participants who have so often been disappointed in the past.

I also join with the senior Senator from New York in calling upon the administration to support the Senate-passed food stamp reform bill. While I am pleased that the administration has now at least adopted a position of neutrality with respect to the Senate food stamp bill and Senator Talmadge's school lunch bill, I believe, as I know the Senator from New York believes, that the need for food stamp and school lunch reform and for adequate funding of those programs requires the active leadership of the executive branch and action by the Congress.

If the White House Conference on Nutrition demonstrated nothing else, it demonstrated that the day has passed when America's poor families will be satisfied with more promises and more rhetoric. The White House conference by acclamation adopted at its closing session last week an action statement proposed by seven voluntary action task forces. The 3,000 conference participants—including representatives of the food industry, the health professions, religious groups, students, labor, women's organizations as well as the poor and their representatives—called on the President to implement a five-point action priority program.

The first call to action was that the President immediately declare a national hunger emergency and invoke the Disaster Relief Act of 1969, revise food stamp price schedules, implement a food program in every county using section 32 funds, support immediate passage of the Senate food stamp bill, the Talmadge school lunch bill, and instruct schools to provide all children on public assistance with free school meals.

The action statement also called for a guaranteed adequate income, immediate reform of food stamp and school lunch programs, the institution of a national free lunch and breakfast program and transfer of program administration to the Department of Health, Education, and Welfare.

I hope that these recommendations will be implemented by the administration and the Congress.

Because questions have been raised about the administration's previous position on school lunch and food stamp legislation, I believe the record should speak for itself. Accordingly, I ask unanimous consent that the following materials be printed in the Record.

The first item is a memorandum from the Department of Agriculture dated October 23, 1969, together with a paper entitled "Fact Sheet—S. 2547." As the memorandum states, it was distributed within the administration at the subcabinet level. The memorandum states:

> The food stamp legislation passed by the Senate is not acceptable to the Administration.

This memorandum will speak for itself.

I ask also that an analysis of this Department of Agriculture memorandum which has been prepared by the staff of the Select Committee on Nutrition be printed in the Record. I also ask unanimous consent that two documents be

printed in the RECORD at this point. The first is a letter to the chairman of the Senate Agriculture Committee in response to the chairman's letter of July 8, 1969, requesting an Agriculture Department report on S. 2548, Senator TALMADGE's bill to amend the National School Lunch and Child Nutrition Acts. As this letter states, the department then opposed several of the key reform provisions of S. 2548.

Finally, I ask that an editorial from the Des Moines Register of December 6, 1969, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
*Washington, D.C., October 23, 1969.*

From: Philip C. Olsson, Assistant to Assistant Secretary for Marketing and Consumer Services.

Subject: Food Stamp Legislation.

The draft memorandum on Food Stamp Legislation which was distributed at this morning's Subcabinet Working Committee meeting contains a critical error on page 2.

The projected cost estimate for the Senate Food Stamp bill with a $4,000 cutoff and our best estimate of participation should read *$5.6* billion.

A corrected draft is enclosed. Would you please destroy any copies which you picked up this morning.

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FOOD STAMP LEGISLATION

The food stamp legislation passed by the Senate is not acceptable to the Administration. Its cost is excessive. It would make it hard to limit eligibility to the poor. It is incompatible with the current trend toward more cash assistance. It contains a number of inflexible provisions that would be difficult to administer. These are described in more detail on the attached fact sheet.

The Administration believes that it is urgent and important that the House act on the Administration food stamp proposals. These proposals are contained in H.R. 12222, a bill introduced by Congresswoman Catherine May and 38 of her colleagues.

The changes in food stamp legislation requested by the President will:

1. Provide a participating family with enough stamps to purchase food for a nutritionally adequate diet.
2. Assure that no family pays more than 30% of its income for its food stamp allotment.
3. Provide food stamps at no cost to the very poorest families.
4. Allow simultaneous operation of commodity distribution and food stamp programs.
5. Establish uniform national eligibility standards for recipients.
6. Establish a fair hearing procedure for aggrieved participants.
7. Permissive variable purchase of food stamps is not now included in the bill but an amendment will be requested by the Administration for this purpose.

FACT SHEET—S. 2547

*Large Overall Cost:* The following table shows projected costs under the Senate and Administration bills:

*Cost with best estimate of participation*

| | |
|---|---|
| Senate with $4,000 cutoff (billion) | $5.6 |
| Participants (million) | 21.6 |
| Administration with $4,000 cutoff (billion) | 2.4 |
| Participants (million) | 13.7 |

The $2.5 billion authorized by the Senate Bill for fiscal '72 would be inadequate to support the program.

Under each proposal participation is concentrated at the lowest income brackets. At higher income levels participants pay larger amounts for their stamps and receive proportionately smaller bonuses. Therefore, participation tends to fall off at higher income levels of any food stamp plan.

*Incompatible with Move to Cash Assistance:*

*Senate Bill Provides:* Large allotments of stamps will only be good for a limited range of purchases (chiefly food).

*Comment:* Families with income below $150 per month will have more stamps than cash and this will create pressure to use stamps for ineligible purchases in violation of Federal law.

*Senate Bill provides:* Senate Bill allows purchase of non-food hygiene items and of complete meals by the elderly.

*Comment:* These special needs could be better met with cash assistance.

*Eligibility Not Limited to the Poor:* $4,000 eligibility cutoff contained in Bill inconsistent with $1,500 allotment at not more than 25% of income.

*Comment:* If all those people for whom $1,500 is more than 25% of income are included, families will be eligible up to $6,000. This embraces 63.5 million possible participants.

*Inflexibility:* Stamps to be issued by participating retail food stores.

*Comment:* Difficult to monitor stores that both issue and redeem stamps.

*Inflexibility:* Households "shall be certified for eligibility solely by execution of an affidavit . . ."

*Comment:* USDA should be allowed to continue working with HEW toward common procedures of simplified certification.

*Inflexibility:* Provides that "a household may . . . purchase any amount of coupons less than the full coupon allotment."

*Comment:* Secretary should have discretion to set levels for variable purchases that will be administerable by local issuing offices.

*Inflexibility:* Senate bill sets out precise levels for food stamp allotments and free stamp eligibility.

*Comment:* Preferable to give Secretary discretion to determine these levels within guidelines set by Congress.

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ANALYSIS OF DEPARTMENT OF AGRICULTURE MEMORANDUM OPPOSING SENATE FOOD STAMP BILL (S. 2547)[1]

*Department of Agriculture Memorandum:* The food stamp legislation passed by the Senate is not acceptable to the Administration.

*Comment:* White House Press Secretary, Ron Zeigler, said on September 25 that the President "is very pleased that the Food Stamp Bill has passed [the Senate]." The Press Secretary said that he knew of "no discussion within the White House which indicates that there is going to be a move to forcefully push for another position when it [the Senate bill] goes to the House."

*Department of Agriculture Memorandum:* Its cost is excessive.

*Comment:* The cost of the Senate bill is fixed at 1.5 billion dollars for F.Y. 70, 2.0 billion dollars for F.Y. 71 and 2.5 billion dollars for F.Y. 72. The cost is in line with estimates of the likely expense of operating an adequate food stamp program in conjunction with an expanded welfare system and continued economic growth.

*Department of Agriculture Memorandum:* It would make it hard to limit eligibility to the poor.

*Comment:* Under the Senate bill the Secretary of Agriculture is specifically authorized to establish an eligibility level of $4,000 per year. This is only $400 above the $3600 poverty line established by OEO December 1, 1969. Since the $3,600 poverty line is arbitrary and widely regarded as too low, the inclusion of a limited number of near poor Americans in the Food Stamp Program should be seen as an advantage of the Senate bill over other food stamp proposals.

*Department of Agriculture Memorandum:* "It is incompatible with the current trend toward more cash assistance."

*Comment:* The food stamp program passed by the Senate is compatible with the trend toward more cash assistance. Like all food stamp programs, it considers welfare payments as income and therefore would be automatically phased out as cash assistance rises to a level which is adequate to provide a family with a nutritious diet.

*Department of Agriculture Memorandum:* "It contains a number of inflexible provisions that would be difficult to administer."

*Comment:* While the Senate bill does establish national guidelines for the food stamp program, the Secretary retains the flexibility to vary standards within the guidelines set by the Senate. The purpose of S. 2547, the Senate bill, is to insure minimal adequacy of program benefits without establishing rigid administrative requirements.

*Claims for the President's food stamp proposal (H.R. 12222):* 1. "Provide a participating family with enough stamps to purchase food for a nutritionally adequate diet."

*Comment:* According to USDA itself the amount of stamps provided under the President's bill is not enough to provide a nutritionally adequate diet. In written testimony prepared for the Nutrition Committee USDA estimates that "less than ten percent" of the families spending $100 per month for food actually achieve a nutritious diet. Speaking of the $100 per month "economy" diet the Agricultural Research Service of the USDA says, "* * *. Many welfare agencies base their food cost standards on the USDA Low-Cost Food plan ($125 per month plan written into the Senate bill) which costs about 25 percent more than the Economy Plan."

*Claims for the President's food stamp proposal (H.R. 12222):* 2. "Assure that no family pays more than 30% of its income for its food stamp allotment."

*Comment:* The Senate bill asks a payment of 25% of family income. The average American family spends only 17 percent of its total income on food.

*Claims for the President's food stamp proposal (H.R. 12222):* 3. "Provide food stamps at no cost to the very poorest families."

*Comment:* The "very poorest families" under the Administration bill means families earning less than $360 per year. This figure is 1/10th of the poverty level and ¼th of the cost of food alone.

Under the Senate bill free stamps would be available to families earning up to $750 per year. This figure is still only half the cost of buying food alone. Even the $750 figure leaves many very poor families paying for food stamps. To require families earning less than $750 per year to pay for their stamps is simply to write them out of the food stamp program.

*Claims for the President's food stamp proposal (H.R. 12222):* 4. "Allow simultaneous operation of commodity distribution and food stamp programs."

*Comment:* The Administration bill *permits* simultaneous distribution of commodities and stamps during the transition from the commodity program to the stamp program. The Senate bill *requires* simultaneous distribution during such transition until participation in the new stamp program equals previous participation in the commodity program. This provision of the Senate bill is designed to prevent participation drops during transition. The Select Committee found earlier this year that participation has declined by an average of 40% and a total

[1] Prepared by the Select Committee on Nutrition and Human Needs.

of over 1.1 million persons in counties which have switched from commodities to stamps.

*Claims for the President's food stamp proposal (H.R. 12222)*: 5. "Establish uniform national eligibility standards for recipients."

*Comment:* The Administration stamp bill does establish the principle of national standards, but it fails to set guidelines for such standards. It does little to prevent the continued tailoring of program regulations to the availability of appropriations rather than to the need of the hungry.

*Claims for the President's food stamp proposal (H.R. 12222)*: 6. "Permissive variable purchase of food stamps is not now included in the bill but an amendment will be requested by the Administration for this purpose."

*Comment:* A variable purchase provision is already written into the Senate bill to insure that lump sum purchase requirements will no longer be permitted to keep the poor out of the stamp program.

*Department of Agriculture Fact Sheet:* "The $2.5 billion authorized by the Senate bill for fiscal '72 would be inadequate to support the program. The Senate program will cost '5.6 billion' and will have '21.6 million participants' and '63.5 million possible participants.'"

*Comment:* According to the Agriculture Department fact sheet, the Senate food stamp bill would reach 21.6 million participants at an annual cost which would reach 5.6 billion dollars by 1972. This figure does not appear to take into account either the large new family assistance program which the Administration itself has said will be operating by 1972 or the fact that the Senate bill permits partial purchase of food stamps by recipients. Both of these factors would substantially reduce the 5.6 billion dollar figure cited by the Administration. While it has frequently been testified that it is impossible to calculate the precise cost of a program whose expense varies according to such unpredictable factors as unemployment, it appears that the 2.5 billion dollars authorized by the Senate bill for F.Y. '72 should be sufficient to finance the food stamp program in that year so long as unemployment remains at a low level and the Family Assistance System proposed by the President is fully implemented. If the 2.5 billion dollar figure is not enough to end hunger, it would seem appropriate to raise that figure to an adequate level rather than to propose a less adequate program to fit a low cost figure.

*Department of Agriculture Fact Sheet:* The Administration plan will cost 2.4 billion and will reach 13.4 million people.

*Comment:* Neither the 2.4 billion cost or the 13.4 million participation figures for the Administration program have been actually requested by the Administration. If their program will cost 2.4 billion dollars, they should request that amount.

*Department of Agriculture Fact Sheet:* Incompatible with move to cash assistance.

*Comment:* The Agriculture Department fact sheet claims that the Senate food stamp bill is incompatible with the move to cash assistance for a number of reasons. It says first that "large allotments of stamps will only be good for a limited range of purchases." It contends that because of this limitation families with incomes below $150 per month will have more stamps than cash and will therefore, be tempted "to use stamps for ineligible purchases in violation of Federal law." It then reverses itself and criticizes the Senate bill for allowing food stamp users to purchase items necessary for personal cleanliness and hygiene on grounds that these needs "could be better met with cash assistance."

The comment of the Agriculture Department fact sheet with respect to the alleged pressure to use stamps illegally is neither backed by experience with existing food stamp programs nor does it take into account the fact that the new food stamp program will be operating in conjunction with an expanded family assistance system. The Administration has said that it intends to be operating a liberalized family assistance system by 1972. If this promise is carried out, then there will no longer be a single family in the category which the Agriculture Department claims will be tempted to use food stamps illegally.

*Department of Agriculture Fact Sheet:* Eligibility not limited to the poor.

While it may be true that the need for items necessary to personal cleanliness could be met with cash assistance, it is not consistent to claim on the one hand that limiting the use of food stamps to the purchase of food creates pressure for illegal use of food stamps and to claim on the other hand that broadening the use of food stamps to include items necessary for personal cleanliness dilutes the program and is an inadequate substitute for cash assistance. The fact is that a clean home and sanitary cooking conditions are prerequisites to proper nutrition and cannot be provided with present or projected welfare level budgets. Unless the food stamp program is expanded to meet these needs they will not be met.

*Comment:* Contrary to the Agriculture Department fact sheet, the Senate food stamp bill specifically provides the Secretary with the authority to establish a $4,000 national eligibility limit for the food stamp program. The Secretary is given the flexibility to raise the standard if he feels it is necessary, but the implication that the Senate food stamp bill would require distribution of stamps to "63.5 million participants" is totally false and misleading.

The question as to whether or not a 25% purchase requirement is compatible with a $4,000 per year eligibility limit can only be answered through actual experience with the program.

If it were to pose a major problem, the Secretary of Agriculture would be free under the Senate bill to raise the eligibility limit to whatever level he felt necessary to eliminate that problem. If it were not a problem the eligibility limit would remain at the $4,000 level specified in the Senate bill.

*Department of Agriculture Fact Sheet:* Inflexibility.

*Comment:* The Agriculture Department memorandum charges that the Senate food stamp program would require issuance of food stamps by participating retail stores. It claims that this sort of issuance would be difficult to monitor. In fact, the Senate food stamp bill simply permits the issuance of food stamps in this manner. It also permits the issuance of food stamps in a number of other specified ways and states that stamps should be issued in whatever manner best insures the participation of needy households.

The Agriculture Department memorandum also criticizes the Senate food stamp bill for permitting certification "solely by execution of an affidavit." It says that "USDA should be allowed to continue working with HEW toward coordinated procedures of simplified certification." Since certification by execution of an affidavit is precisely the same method of certification suggested by the President in his new family assistance system, it is hard to understand why USDA should object to use of this procedure in the food stamp program.

According to the USDA fact sheet, another inflexibility in the Senate bill is its setting of "precise levels for food stamps, allotments and free food stamp eligibility." "It is preferable," says USDA, "to give the Secretary discretion to determine these levels within guidelines set by Congress." It is simply not true that the Senate bill ties the Secretary to precise levels of any kind. Actually, the Senate bill merely establishes minimum requirements. The Secretary is free to establish whatever levels and allotments he deems appropriate so long as he respects minimum guidelines established by the bill.

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DEPARTMENT OF AGRICULTURE,
*Washington, D.C.*

HON. ALLEN J. ELLENDER,
*Chairman, Committee on Agriculture and Forestry, U.S. Senate.*

DEAR MR. CHAIRMAN: Your letter of July 8, 1969, requested a report on S. 2548 to amend the National School Lunch and Child Nutrition Acts in a number of respects.

The Department does not favor enactment of this bill in its present form. Although this Department believes steps should be taken to improve the child nutrition programs, and we favor many of the concepts in this bill, a number of the provisions of S. 2548 would present serious administrative and operational problems.

1. The first section of the bill provides that appropriations for the child food service programs may be made a year in advance and that the data upon which State apportionments are calculated shall be the program year completed two years immediately prior to the fiscal year for which the appropriation is requested. This section also provides that funds appropriated shall remain available until expended.

The Department does not object to the provisions of this section.

2. Section 2 provides for funding of section 5 or the nonfood assistance phase of the National School Lunch Act in the amounts of $38 million for fiscal year 1970; $33 million for fiscal year 1971; $15 million for fiscal year 1972 and $10 million for each succeeding fiscal year. The funds are to be apportioned to the States in amounts "which bear the same ratio to the total amount to be apportioned among all the States as the number of schools programed for new or replacement food preparation facilities in all the States."

The Department does not favor enactment of this provision.

Section 5 of the National School Lunch Act has not been funded since the first year after enactment and the appropriation bills for the Department of Agriculture have for many years carried an explicit prohibition against the use of section 5 purposes of any of the funds appropriated for the National School Lunch Program. On the other hand, section 5 of the Child Nutrition Act of 1966 authorizes assistance in the acquisition of food service equipment by low-income area schools and carries permanent authorization authority. It also provides that States shall finance at least one-fourth of the cost of any equipment financed.

The Department believes this provision of the Child Nutrition Act is preferable to that contained in S. 2548, particularly since the latter in no way differentiates between those schools that can well afford to finance equipment and those that cannot. The use of the number of schools in the apportionment of funds rather than enrollment would also result in serious inequities in the disbursement of funds. Generally, we feel that the factor of enrollment or average daily attendance in schools without a food service combined with a need factor would better reflect the relative magnitude of need in each state.

3. Section 3(a) would authorize the Secretary to provide foods acquired by direct purchase under section 6 of this Act for use in school breakfast programs and to service institutions such as day-care centers, settlement houses and summer recreational projects.

This section also provides for a program of nutritional training and education for workers, cooperators and participants in the broadest sense.

The Department favors this provision.

Section 3(b) states that the Secretary shall, to the maximum extent practicable, use this

authority to purchase "highly nutritious foods, especially those foods with a high content of vitamin A or vitamin C."

Both vitamins A and C are essential nutrients. However, as a practical matter, the greatest need lies in assisting schools in meeting the protein requirement. Meat and meat alternates are the most expensive elements of the meal and the most difficult for the schools to finance day-in and day-out. Foods with a good vitamin A content are, for the most part, more palatable to children when served raw rather than cooked. This means that procurement locally is more practical in many instances than a nation-wide purchase program. As for vitamin C, the recommended daily allowances for school-age children were substantially reduced by the Food and Nutrition Board of the National Research Council in 1968.

The Department does not believe that it is either necessary or advisable to designate in legislation specific nutrients for special attention. However, we will continue to place emphasis in the section 6 procurement program on foods rich in vitamins A and C as well as those including other important nutrients.

4. Section 4(a) provides for amending State matching requirements by gradually substituting a one-to-one State-Federal matching for the present three-to-one basis. Section 4(b) provides that State tax funds must be used to meet a portion of the matching requirement.

The Department favors utilizing State revenues in financing the National School Lunch Program. At present the States are more than achieving the existing matching requirement by relying on children's payments and local contributions. The Department believes that State revenues should bear at least a portion of what has always been designated the "State share" of National School Lunch costs. If the "State share" is properly borne by State revenues, children's payments and local contributions there will be no need to alter the present three-to-one matching requirement.

5. Section 5 is a technical and clarifying amendment with reference to assistance to State agencies for administrative expenses where more than one State agency is providing direct services to child food service programs.

The Department has no objection to this section.

6. Section 6(a) would place a ceiling of 20 cents on any reduced price meal offered under the School Lunch Program.

The Department does not favor this provision because it imposes a restriction that many schools may not be able to meet until the time comes that fully adequate funding from Federal, State and local sources is assured. This concept could more effectively be fulfilled through program regulations that can be adopted to changing situations.

Section 6(b) provides that in the child food service programs there shall be no overt identification of those children who receive free and reduced price meals.

The Department favors this approach but believes it should be strengthened by requiring that each school's policy and procedures with respect to eligibility for free and reduced price meals should be a publicly announced policy setting forth the specific criteria for eligibility. Only in this way can there be assurance that everyone in the community knows and understands the rules.

Section 6(c) provides a legislative base for strengthening regulations related to the donation of price support and Section 32 foods to schools that do not participate in the National School Lunch Program. The provisions of section 6(c) would enable the Secretary to establish standards for these schools similar to the policies with respect to free meals and nutritional requirements as now apply to schools in the National School Lunch Program.

The Department favors this provision.

7. Section 7 proposes substantial changes in the administration of section 11 of the National School Lunch Act with respect to special financial assistance to particularly needy schools.

Section 7(a) authorizes $200 million for section 11 in fiscal year 1970; $250 million for fiscal year 1971 and $300 million for fiscal year 1972.

Section 7(b) would, in effect, permit section 11 money to follow the child rather than restricting assistance to reach only eligible schools. Section 7(b) would also authorize reimbursement for up to 80 percent of the cost of operating a lunch program in situations of severe need.

The Department is sympathetic to the intent of these proposals. However, we believe it would be preferable to have an appropriation authority but to eliminate specific authorizations and to amend section 11 to eliminate the criteria involving school eligibility and substitute a simple, direct authority for the Secretary to provide additional assistance for any needy child in any participating school.

8. Section 8 authorizes the issuance of standards relating to the operation of separate food services in a school that are in direct competition with the nonprofit programs assisted under the National School Lunch and Child Nutrition Acts.

The Department favors this provision.

9. Section 9 provides for assistance in a variety of ways to strengthen State and local administration and training in child food service programs.

At the present time, funds are available to assist in strengthening State administration of the food service programs directed primarily to needy children. The Department does not favor the extension of this type of assistance to the local level. Basically, this would involve the Department in financing a part of local administrative costs in thousands of individual school districts throughout the country.

Section 9 would also establish a National Advisory Council on child food programs. Although the Department does not object to the formation of such a Council, it is felt that the proposal should not specify in detail, as it does, the membership of such a Council. As the provision now stands, Council membership would draw from a very limited group of experts.

10. Section 10 extends school food service participation to the Trust Territory of the Pacific Islands. This is consistent with the authority in P.L. 90–302 to assist food service operations in the Trust Territories for children in pre-school and summer recreation programs.

There was not sufficient time prior to the hearing of this bill to obtain the advice of the Bureau of the Budget.

Sincerely,

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DEPARTMENT OF AGRICULTURE,
*Washington, D.C., September 29, 1969.*

Hon. ALLEN J. ELLENDER,
*Chairman, Committee on Agriculture and Forestry, U.S. Senate.*

DEAR MR. CHAIRMAN: Your letter of July 23, 1969, requested a report on H.R. 11651, a bill to amend the National School Lunch Act, as amended, to provide funds and authorities to the Department of Agriculture for the purpose of providing free and reduced price meals to needy children not being reached.

This Department is in agreement with the objectives of H.R. 11651. The level of funding proposed in the revised budget for 1970 which has been approved by both Houses of Congress, will fulfill the intent of H.R. 11651 by providing free or reduced price meals for the estimated 6.6 million needy children who require this level of assistance during the 1969–70 school year.

The total budget request for child feeding for fiscal 1970 is $638 million. This includes $133.8 million for cash grants to States for free and reduced price lunches for needy children, for school breakfasts and for assistance in providing equipment to initiate or expand food service in low-income area schools and for State administrative expenses And $10,750,000 (of which $750,000 would be for State administration) would be available to assist in providing food service to children in non-profit day-care centers, settlement houses and summer recreational projects.

In addition to the funds directed specifically to low-income area schools and needy children, $168 million is proposed for cash grants under the regular school lunch program and $301.6 million in donated foods for child feeding programs.

The budget request also included $20 million to continue the special milk program on a limited basis and to shift the bulk of these resources to providing complete meals to children that include milk. The House has passed an appropriation bill that includes $120 million for the milk program this fiscal year and the Senate has passed an appropriation bill that includes $104 million. Until this difference and others are resolved in conference, the Department of Agriculture is temporarily operating its programs under a joint resolution of the Congress. Under the terms of the resolution, the special milk program will be continued at last year's rate.

Given these circumstances, the Department recommends that the bill not be passed.

There was not sufficient time prior to the hearing of this bill to obtain the advice of the Bureau of the Budget.

Sincerely,

J. PHIL CAMPBELL,
*Under Secretary.*

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TASK FORCE ACTION STATEMENT

INTRODUCTION

In opening the White House Conference on Food, Nutrition and Health, President Nixon said: "This meeting sets the seal of urgency on the national commitment to put an end to hunger and malnutrition due to poverty in America." We who have come here are already firmly dedicated to that goal. The President said: "Our job is to get resources to people in need, and then to let them run their own lives." He did not provide any new or meaningful program by which this can be accomplished. Obviously, he wanted us to do this, and intended that we should do so. To paraphrase the President, we "not only accept the responsibility, (we) claim the responsibility." Therefore, the combined task forces on Voluntary Action by Women, Consumers, Religious Organizations, Community Organizations, Health Organizations, Faculty and Students, and Organized Labor,[1] present the following action priority program:

I. *A national emergency:* There is a hunger and malnutrition emergency in this country today. Therefore the President must immediately declare that a national hunger emergency exists, and under existing authority must now free funds and implement programs to feed all hungry Americans this winter.

II. *Guaranteed adequate income:* The overriding remedy for hunger and malnutrition is a minimum guaranteed adequate cash income with a floor of $5500 annually (for a family of four). The government must also

[1] The AFL–CIO endorsed the policy statement in principle with no opposition on certain specifics. The Alliance for Labor Action (ALA), including the United Auto Workers, the International Brotherhood of Teamsters, and the International Chemical Workers Union, endorses this statement as written.

guarantee a meaningful job with a living wage to those who can work, elevation of wages and benefits to those presently underemployed, the "adequate income" to those unable to work or find employment, and maximization of the purchasing power of the food dollar for all.

III. *Interim food programs:* As interim measures only, present food programs must be reformed and expanded immediately in order to assure truly adequate benefits and participation by all who need them in all parts of the country.

IV. *Universal school food programs:* A national free lunch and breakfast program must be made immediately available to all children, through secondary school and regardless of income, that will provide at least ⅔ of the minimal requirements of the Recommended Dietary Allowance, while respecting cultural food preferences.

V. *Running the programs:* All administrative responsibilities for all hunger relief and nutrition programs must be shifted from the U.S. Dept. of Agriculture to the U.S. Dept. of Health, Education and Welfare, with corresponding shifts in Congressional committee responsibilities. The recipients of these programs must have responsibility for local administration of the programs under standards determined at the Federal level.

To put these priorities into action requires the following:

This nation today faces a national hunger and malnutrition emergency. This emergency situation requires emergency action.

While we initiate long-term programs to eliminate hunger in America, action must be taken immediately to deliver food now to the millions of Americans whose chronic malnutrition the nation can no longer tolerate. Only within the context of adequate food now can a program of nutrition education for all Americans have meaning.

We therefore call on the President to adopt immediately the following emergency program to feed hungry people this winter:

(a) Invoke Section 11 of the Disaster Relief Act of 1969 and like statutes in order to supply free food stamps to meet the needs of hungry people.

(b) Instruct the Secretary of Agriculture to immediately revise food stamp price schedules of less than $100 per month (based on a family of four) and at a maximum cost of 20% of income.

(c) Instruct the United States Department of Agriculture to implement directly a food program in every county and town in the United States within the next three months using all available funds, including the customs receipt funds (Section 32 funds).

(d) Actively support immediate passage and funding of the following essential legislation.

1. The Senate-passed Food Stamp Reform Bill (S. 2547).

2. A School Lunch Program Reform which consists of the Talmadge school lunch bill, the McGovern amendments and the Javits proposals.

3. The Economic Opportunity Act, particularly its section on emergency hunger relief (Section 401, Title X), and without the Green-Quie type state control amendments which will in effect destroy OEO.

(e) Instruct the Department of Agriculture to immediately require that all schools receiving Federal financial and commodity assistance for their lunch and breakfast programs provide free meals to all children whose families are receiving any type of public assistance.

Because each of these actions is either already authorized or embodied in pending legislation, action to meet this emergency can be taken within the next month.

### II. GUARANTEED ADEQUATE INCOME

To implement this number one remedy to hunger and malnutrition, the following program is imperative:

(a) The adequate cash income presently at $5500 annually for a family of four sets a floor. It should automatically follow the cost of living as defined by the Low Standard Budget of the Bureau of Labor Statistics.

(b) Establishment of government careers in nutrition and allied health professions, in connection with other private and public efforts to solve simultaneously social problems and unemployment problems. These suggestions alone should provide two million new jobs.

(c) Grants to encourage and support broadly based organizations of low income citizens in local ownership and operation of such services as food production and distribution.

(d) Establishment of housing factories on the order of the automotive industry to serve the dual function of provision of low-cost housing and the provision of jobs at desirable wages. This involves creation of 750,000 to 1 million new jobs to produce 3–4 million housing units.

(e) Extension to all working people of the right to bargain collectively for wages, hours, and working conditions, including the right to strike or boycott when necessary.

(f) Extension of unemployment insurance coverage to working groups presently excluded, such coverage to be on the same terms and conditions as provided for other workers now covered.

(g) Improvement of the scope of Social Security laws with a 50% raise this year, so that the program provides a reasonable return on investment.

(k) Reform of certain pricing, packaging, promotion and other food industry policies and practices which add unnecessarily to the cost of food. This cost inflation is unfair to every consumer and particularly disastrous to the poor. We need:

1. Price reduction through mandatory limitation of promotional and advertising expenditure and other means suggested in the Food Marketing Commission Report.

2. Mandatory price marking and posting which facilitates and simplifies price comparison.

3. Effective inspection and regulation to insure availability of safe nutritious food at fair prices and conditions of sale.

4. Mandatory processing, packaging, and labeling requirements to identify and preserve nutrient content and assure accurate and honest promotion.

5. Encouragement of retail distribution systems which take special account of the needs of the poor.

(I) Establishment of a national prepaid health insurance program and new methods for the delivery of health care and extension of existing health programs to all states. The Medicaid Bill should be fully implemented by 1971.

The task forces feel that it is especially important to note that many of the above programs can be self-supporting and/or income-producing, and none will require appropriations higher than a fraction of the cost of the space program. Together they should create substantial new tax revenue (4 million jobs should produce an average increase of $5 billion a year in taxes), substantial increase in income through increased buying power, and a saving of $7 billion of funds misspent under the present public assistance programs.

### III. INTERIM FAMILY FOOD PROGRAMS

None of the existing family food programs—food stamps, commodity distribution, emergency food and medical services—provides an adequate diet or permits the participation of all who have need. Major reforms and expansions are necessary to make sure that all people in need have access to an adequate diet until an adequate income becomes a reality.

As an interim measure only, the food stamp program must be altered so that it can become the primary vehicle for providing an adequate diet to those in need in all parts of the United States and its territories, and on Indian reservations. Free food stamps to those whose income is less than $100 a month (for a family of four), modification of the price schedule so that no recipient must pay more than 20% of his income for food stamps, national eligibility standards, self-certification, a coupon issuance to all recipients equal to the Low Cost Food Plan of the Department of Agriculture, a several-fold expansion of the program—all are necessary to make the food stamp programs adequate. The commodity distribution program should no longer serve as a means of surplus disposal but should provide direct food aid adequate to a nutritious diet wherever necessary, fully respecting the ethnic and cultural preference of the recipients. Hunger programs of the Office of Economic Opportunity should also be expanded to supplement the above.

We must do the following:

(a) The President should support, and the House quickly approve, the Senate-passed food stamp bill. The program should be fully funded and fully implemented in all parts of the United States and its territories, including Indian reservations, before the end of this fiscal year.

(b) The Economic Opportunity Act Amendments of 1969, particularly the new section on emergency hunger relief (Title 4, Section 401—Title X), should be quickly approved and fully funded by the Congress, without crippling amendments subjecting part or all of the programs to state and local government control.

(c) The Federal Government should immediately initiate food programs in the 321 counties still without them.

### IV. UNIVERSAL SCHOOL FOOD PROGRAM

There must be established a national child feeding program which will make available at least ⅔ of the Recommended Dietary Allowance. This is to be accomplished by implementing a free lunch and breakfast program for all pre-school elementary and secondary school children.

To assure maximum participation in the program, the following steps should be taken:

(a) Nutritious food selected shall be consistent with the cultural preferences of the children to be fed.

(b) Funds shall be provided to enable schools, child care centers, and other participating groups lacking adequate facilities for food preparation, to obtain such facilities or to devise ways to provide meals by other means.

(c) Community groups shall be eligible to operate child feeding programs.

(d) Local poor residents must be trained for careers in nutritional planning and food preparation for employment in the program.

(e) Food provided at the schools shall be available at the choice of the children and their parents.

### V. RUNNING THE PROGRAMS

There is a conflict of interest established in the U.S. Department of Agriculture in its dual role—primarily the advocate for the producers of food, and secondarily the distributor of food to the needy, Therefore, all programs relating to the provision of food, services, food stamps, commodity distribution and nutrition services should be removed from the administrative jurisdiction of the U.S. Department of Agriculture and be established in the Department of Health, Education and Welfare, whose primary concerns are the needs and well-being of the people these programs were created to assist. Within that department, the provisions of food services of all kinds should be tied as closely as possible to the provision of overall comprehensive health care. We call on the President to use his Executive authority to initiate these changes.

To provide maximum coordination, Con-

gressional responsibilities for both funding and programming should be reassigned to coincide with the above administrative changes.

The provisions of food services has too often been thwarted by lack of responsiveness at the state and local governmental levels. The poor should run their own programs. Maximum dignified participation by recipients is insured by transferring organizational and operational responsibilities to duly constituted, broad based, local community organizations of the recipients themselves. Certification, review and auditing must be done entirely at the Federal level to circumvent parochial political implications and to insure the protection of individual rights of those presently living in hunger and despair.

From all corners of this nation we have come together out of a deep concern to end hunger in America now. We feel a heavy sense of obligation to follow through on our commitment and on the commitments of this Conference. We brought with us the diversity that is the American people and we believe there is need for on-going active participation of all people in implementing the recommendations of this Conference.

Therefore, we call upon the organizers of this Conference to provide an effective continuing mechanism by which all of us who have this concern can contribute vigorous continuing leadership to ensure that this Conference produces action. Today is a beginning, not an end, of our commitment to end hunger in America.

And the appropriate beginning is conference-wide adoption of the 5 points.

1. A National Emergency.
2. Guaranteed Adequate Income.
3. Interim Food Programs.
4. Universal School Food Program.
5. Running the Programs.

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[From the Des Moines Register, Dec. 6, 1969]

FOOD ACTION, NOT WORDS

Of all the suggestions which emerged from the stormy White House hunger conference this week, the soundest came from the Rev. Ralph Abernathy, head of the Southern Christian Leadership Conference. It was simply that the House get moving and pass the food stamp bill which cleared the Senate over two months ago.

Representative W. R. Poage (Dem., Tex.), chairman of the House Agriculture Committee, feels food stamps promote laziness. He is keeping the Senate bill on the back shelf, while he holds hearings on watered-down versions of the food stamp bill.

The Senate-passed bill was drafted by Senator George McGovern (Dem., S.D.), chairman of the Senate Select Committee on Nutrition and Human Needs, with the help of three Republican members of the committee. On Sept. 24, in a vote which ranks as a major victory for McGovern's war on hunger, the Senate voted 54-40 to consider his bill instead of the food stamp bill voted out by its own Senate Agriculture and Forestry Committee. The McGovern bill was then passed, 78–14.

The McGovern bill goes far beyond provisions of the original Senate committee bill, which generally followed President Nixon's proposal. Food stamp appropriations for fiscal 1969 amounted to $225 million. Under the McGovern bill, the 1970 appropriation would be $1.25 billion; the 1971 appropriation, $2 billion; and the 1972 appropriation, $2.5 billion.

The bill offers free food stamps in some cases, as for a family of four earning less than $60 a month or for a family already spending 25 percent of its income on stamps. It provides that where local officials will not run a food stamp program, the secretary of agriculture can take on the job.

The plight of the hungry in this country was relatively ignored until 1967, when the then surgeon general of the United States, Dr. William H. Stewart, told the Senate Labor and Public Welfare Subcommittee on Employment, Manpower and Poverty, "we just don't know" the extent of hunger in the nation. "It hasn't been anybody's job," he said. Later, after various investigations began to give some hints as to the extent of the misery, it became the job of Senator McGovern's committee.

Some grim facts spotlighted by the committee—among them, that there are children not getting enough to eat to keep their tapeworms healthy—helped the problem of hunger in America achieve a place in the national conscience. The issue has been showered with some noble phrases, such as Nixon's May 6 special message to Congress, in which he called for "an end to hunger in America itself for all time."

But there have been disturbingly ignoble words, as well—such as Nixon's well-publicized remark to Agriculture Secretary Clifford Hardin: "You can say that this Administration will have the first far-reaching attack on the problem of hunger in history. Use all the rhetoric, so long as it doesn't cost any money." This remark was quoted (from minutes of an Urban Affairs Council meeting) by Nick Kotz, of The Register's Washington bureau, in an article in Look magazine.

It was natural to suspect that the White House hunger conference was another attempt to delay action by substituting another avalanche of rhetoric. But buried within the avalanche were the words of Abernathy, calling not for another study or formation of another committee or another declaration of policy, but rather for immediate action on a food stamp bill which is a vital weapon in the war on hunger. Its passage would demonstrate more clearly our commitment to the problem than have all the words.

Mr. COOK. Mr. President, I want to associate myself with the remarks of the Senator from New York (Mr. JAVITS), the ranking Republican on the Select Committee on Nutrition and Human Needs.

He has forthrightly set the record straight in regard to the administration's intentions in the area of food and food distribution programs.

The distinguished Senator from New York pointed out that President Nixon only recently reiterated his call for an "end to hunger in America—for all time."

This is the administration which has first moved to recognize the seriousness of the hunger problem in America. I am delighted that the distinguished Senator from South Dakota (Mr. MCGOVERN) has as much as said that this administration has done more.

Just as the Senator from New York (Mr. JAVITS) has said, I regret very much the partisan tone which has been much in evidence in recent days. I have worked closely with the majority members of the Nutrition Committee and would like to be able to continue to do so.

However, the spirit of bipartisanship must work both ways. This requires a recognition by the Democrats on this committee of the strides the Nixon administration has made in this whole area.

Once again, let me congratulate the Senator from New York (Mr. JAVITS) for his remarks. I might say, in regard to the memorandum under discussion, that it is really unfortunate that it was ever written because I think the Senator from South Dakota would agree with me that although turned over to the House Agricultural Committee, it was never necessary to write it in the first place, because the bill that was passed by this body and sent to the House would never have moved out of that committee under its present membership.

I can only say that the Senator from New York has been an outstanding advocate for our party on this committee and I certainly hope to be able to continue to work with him, and with the Senator from South Dakota (Mr. MCGOVERN), to make whatever contribution I can towards the elimination of this disgraceful state of affairs in regard to hunger and malnutrition in the United States of America.

Mr. JAVITS. I am very grateful to my colleague for his kind words.

Mr. DOLE. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I am happy to yield to the Senator from Kansas.

Mr. DOLE. I thank the Senator from New York for his very fine statement today and for the work of the select committee.

I have said before, and I say it again, that if the committee is to be used to undercut the administration, whichever administration it may be, it will serve no useful purpose. In fact, it will have a negative impact.

Certainly, there is no place for politics in hunger. There is no reason to pick out the "good guys" or the "bad guys" in this body, or the other body.

I commend Secretary Finch, and Secretary Hardin and Dr. Jean Mayer, and others in this administration, and in past administrations, who have tried to meet this problem head on.

I repeat, I commend the select committee for having prodded the American people into action, but if this is going to be used as a political springboard to undercut the administration, then of course, it should not be allowed to continue.

Mr. JAVITS. Mr. President, to complete this discussion, I recall that the Senator from California (Mr. MURPHY), the former Senator from Pennsylvania, Mr. Clark, and Senator Robert F. Kennedy of New York, and others on the subcommittee, were the ones who unearthed this enormous problem in Mississippi. I remember the tremendous struggle that took place with Secretary Freeman trying to get something done. He said that the bureaucracy blocked action.

I must pay tribute to the present Secretary of Agriculture that he did not let the bureaucracy block action. We will find that the President is in the same mood.

I welcome very much the fine expressions of cooperation and understanding just made by the Senator from South Dakota (Mr. MCGOVERN). It indicates a resumption of the bipartisan cooperation which we have enjoyed on that committee and which is so essential to the achievement to the goals we all seek.

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## TAX REFORM ACT OF 1969

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which the clerk will state.

The ASSISTANT LEGISLATIVE CLERK. The bill (H.R. 13270), the Tax Reform Act of 1969.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk a motion and ask that it be read.

The PRESIDING OFFICER. The motion will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Delaware (Mr. WILLIAMS) moves that the bill (H.R. 13270) be recommitted to the Committee on Finance with instructions to report back forthwith an amendment, in the nature of a substitute for the bill as passed by the House, containing the provisions of the committee amendment, as reported on November 21, 1969, as amended by all amendments adopted by the Senate prior to the offering of this motion with the following exceptions and modifications:

First. The amendment proposed by the Senator from Connecticut (Mr. RIBICOFF) relating to a tax credit for expenses of a higher education shall not be included;

Second. The amendment proposed by the Senator from Indiana (Mr. HARTKE) relating to an exemption from the termination of the investment credit for up to $20,000 of qualifying investment each year shall not be included;

Third. The amendment proposed by the Senator from Alaska (Mr. STEVENS) relating to an exemption from the termination of the investment credit for certain investments in depressed areas shall not be included;

Fourth. Section 515 of the committee amendment—relating to total distributions from qualified pension, and so forth, plans—which was stricken by the amendment proposed by the Senator from Hawaii (Mr. INOUYE) shall be restored;

Fifth. The amendment proposed by the Senator from California (Mr. MURPHY) relating to the medical deduction in the case of individuals who have attained the age of 65 shall not be included;

Sixth. The amendment proposed by the Senator from Arizona (Mr. FANNIN) relating to a deduction for commuting expenses of disabled persons shall not be included;

Seventh. The amendment proposed by the Senator from Tennessee (Mr. GORE) relating to increases in personal exemptions, and making other changes in the provisions of sections 801, 802, and 803 of the committee amendment, shall not be included; and

Eighth. The various amendments proposed with respect to social security benefits—proposed as a new title X of the bill—shall not be included.

Mr. WILLIAMS of Delaware. Mr. President, the motion strikes provisions from the committee bill. It is not a delaying tactic. If the motion should be approved the bill would be reported back forthwith.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LONG. Mr. President, would the Senator desire the yeas and nays?

Mr. WILLIAMS of Delaware. Yes.

Mr. LONG. Mr. President, while there are enough Senators present, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG. Mr. President, would the Senator be willing to agree to a time limitation on his motion?

Mr. WILLIAMS of Delaware. I would rather wait until the Senator from Tennessee is present to make sure he is protected. I told him I would not get any unanimous-consent agreement while he was not present.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HRUSKA. Mr. President, is the motion amendable?

The PRESIDING OFFICER. The motion consists of instructions to the committee. Therefore, it would be amendable.

Mr. LONG. Mr. President, could we agree to consider the amendments en bloc? I would just as soon vote the motion up or down one way or the other.

Mr. WILLIAMS of Delaware. I am going to ask for that later. I did want to wait until the Senator from Tennessee was present to make sure that if he wished to object he would be protected.

I was going to point out that the motion is subject to amendment. Each of these sections would be subject to amendment; however, if we start all over again, we will be back where we were before.

Later I shall ask the Senate for unanimous consent that these sections be considered en bloc in order that we may have a vote on the merits of the issue.

I respect the right of any Senator to vote for his amendment; however, it would only result in moving this matter back into debate.

The effect of the motion very simply would be to strike from the bill the Senate amendments which would result in a loss of revenue in 1970 totaling $10.65 billion.

There will be a total annual revenue loss of $12.35 billion when we include the effect of the Ribicoff amendment, which will result in a revenue loss of $1.7 billion. That provision would become effective in 1972.

The breakdown of the proposals that this motion would delete is as follows:

The Ribicoff amendment, the No. 1 item, would lose $1.7 billion annually in revenue; however, that would not be lost until 2 years hence.

The Hartke amendment, which reinstated a portion of the 7-percent investment tax credit, would cost $720 million a year.

Under the Stevens amendment for the depressed areas, which would restore the investment tax credit for depressed areas, we would lose $70 million a year.

Under the Inouye amendment, which would restore the capital-gains treatment which comes from distribution under pension funds, $10 million a year would be lost.

Under the Murphy amendment for unlimited deductions for medical expenses after age 65 we would lose $210 million per year.

Under the Fannin amendment, which deals with the deductions for commuting expenses for disabled persons, and so forth, we would lose $90 million per year.

The Gore amendment would result in a $2.3 billion additional loss of revenue in 1970. The additional loss of revenue in 1971 would be $3.8 billion.

When we add the Ribicoff amendment to it, we have a loss of revenue as the result of Senate action totalling over $12 billion annually.

The social security amendments that would be deleted involve some $7.5 billion. That refers to the social security 15 percent increase across-the-board amendment at a cost of $4.5 billion; this is the amendment of the Senator from West Virginia (Mr. BYRD) to raise the minimum to $100. That would cost another $2 billion immediately while the second Byrd amendment would cost $600 million for each of the next 2 years.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BYRD of West Virginia. Mr. President, I ask the Senator from Delaware, does not the amendment offered by the distinguished majority leader and me pay its own way?

Mr. WILLIAMS of Delaware. It does after 1972 when the new tax would become effective. It does not do so for the next 3 years.

I am talking now about the loss in fiscal 1970. The Senator is partially correct in his statement, as I was going to point out.

The second Byrd amendment, which reduces the retirement age to 60, while actuarially sound over a long period, results in $600 million loss in revenue next year.

The Harris amendment would result in a $150 million annual loss in revenue.

Taking the social security amendments together, we have an annual loss of $7.25 billion.

The Senate action on social security would drain over $20 billion from that trust fund during the next 3 years and there is no method provided for financing these extra costs.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield again?

Mr. WILLIAMS of Delaware. I yield.

Mr. BYRD of West Virginia. Mr. President, the Senator referred to the second Byrd amendment. While it would have an initial impact on the trust fund in the first year, is it not true that in the long run it would level out so that there would be no overall impact? And does the Senator not also agree that it would not likely go into effect next year because of the triggering mechanism which was added?

Mr. WILLIAMS of Delaware. The Senator is correct—5 or 10 years hence. However, I am speaking of the triggering effect for the fiscal year 1970 if all of the amendments are agreed to by the Senate and by the conferees. It would result next year in an additional loss of revenue over and beyond what it would be if we had enacted the bill, as reported by the Senate Finance Committee of $10.650 billion.

Our Government just cannot afford

such a loss in revenue, to do so would be fiscally irresponsible.

That total of $10.5 billion does not include the Ribicoff amendment which goes into effect a couple of years later. Including that revenue loss in the year 1973 would be $12.150 billion. The total loss of revenue for the next 2 years, the 2 calendar years of 1970 and 1971, if the Senate bill were enacted into law as it stands now, would be $22.800 billion. How can we reduce taxes or increase expenditures by such an amount when we are already operating at a deficit.

That is the loss of revenue over and beyond what would have been lost by the bill if the bill approved by the Finance Committee had been approved by the Senate without amendment the day it was reported.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BROOKE. Mr. President, if the motion is agreed to, would that prohibit a vote in this session on an increase in social security benefits?

Mr. WILLIAMS of Delaware. It would not. I was getting ready to mention that point. That is why these social security amendments were included. It was the thought of some of us that social security should not be a part of the tax bill.

I have conferred with the chairman of the committee and with all the members on our side of the committee, and we are in complete agreement that the social security bill would be stopped at the desk if this motion were to be agreed to.

We make this as a pledge. The House is acting on a social security measure this week. There is no question about that. I suppose that it will be a 15-percent increase across the board. However, it will be subject to whatever amendments may be offered in the House or the Senate.

We agree, and the chairman of the committee will concur on this, that if this motion is agreed to we will stop the bill at the desk when it comes over so that it can go direct to the Senate Calendar.

The question of whether the Senate wants to vote for or against a 15-percent increase in social security and whether it wants to vote for or against the other social security amendments will all be germane to the social security bill and can be acted upon at that time.

This will assure the Senate that if the motion is carried, the Members of the Senate will have an opportunity to vote on the question of whether they should or should not raise social security benefits before we go home this year.

Mr. BROOKE. Mr. President, if the social security bill from the House comes over and is stopped at the desk, would that bill then be amendable in the Senate?

Mr. WILLIAMS of Delaware. Yes. It would be the same position as any other bill. The advantage of stopping it at the desk is that it would eliminate the necessity of the bill going to the committee and the committee having to meet, with or without hearings, and order the bill reported. And the members of the Finance Committee will no doubt be tied up for a day or two in the conference on this bill no matter what we do on the motion.

So, being realistic, I doubt that the Senate Finance Committee would have a chance to hold hearings and report a social security bill. The chairman of the committee and the minority committee members have agreed that we would stop it at the desk, if this amendment is adopted, and then it could be brought before the Senate at the convenience of the leadership.

Mr. BROOKE. That would enable the Senate to vote on an increase in social security benefits in this session, prior to our recess?

Mr. WILLIAMS of Delaware. That is correct. And the motion is being offered with that understanding.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. SCOTT. That is a very reassuring statement, because I am sure that Senators will want to know about that if they vote to support the Senator's motion to recommit—and I intend to support it, because the President has made it quite clear that the bill in its present form is entirely unacceptable. What I want is a bill. What I want is tax reform. Therefore, I also want to know, as the Senator has given this assurance to the Senator from Massachusetts (Mr. BROOKE), that the Senate will have a reasonable expectation of treating the 15-percent increase in social security proposal, now in the other body, in the current session of Congress. It can be so handled only, in my judgment, by stopping it at the door. The other body has that measure before it and reportedly may act on it today.

If we have this reasonable assurance that we can get the social security increase this year, I believe that the Senator's motion offers the Senate an opportunity to go on record with regard to the features of this bill which we may severally and effectively regard as bad. For example, I do not regard as seriously or as ominously bad certain of the amendments which the Senator from Delaware includes in his motion to recommit. But I hope that he will ask that they be voted on en bloc, as he says, in order that we do not have to again go through this lengthy exercise of trying new amendments to the bill by handling his motion other than as a single motion.

Mr. WILLIAMS of Delaware. I thank the Senator. I will make that request at the appropriate time, when Members are advised.

I say to the Members that the position I am taking today, to try to hold what I personally consider is a fiscally responsible position, is not taken because we have a Republican President in the White House. I am not offering this as an administration proposal, although I know the President is very much concerned about the revenues loss entailed in this bill.

I remind Senators that a little over a year ago I stood in this same place and took the same position when President Johnson was in the White House. At that time I cosponsored, with the Senator from Florida, a bill which we felt was essential to the country, the 10-percent surcharge; and I pleaded with my colleagues on both sides of the aisle to support it because I thought our country needed that revenue in order to maintain the solvency of the dollar. I thought that in order to check the threat of inflation that action had to be taken.

I am making the same plea today. I am going to ask at the appropriate time that we can have a vote on this motion en bloc. I would like to think that I am entitled to such a vote, because I feel very strongly that we cannot afford this loss of $10 billion in revenue next year.

So far as the particular amendments are concerned I cosponsored three similar amendments on prior occasions, but today we just do not have the revenue.

I cosponsored on one occasion the amendment sponsored by the Senator from Connecticut (Mr. RIBICOFF). I think there is a great deal of merit to the proposal that we allow some form of tax credit for college tuitions, and I am looking forward to the day when we can afford it. But I do not think we can do it today and remain fiscally responsible and make progress toward checking inflation.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. DOMINICK. I wish to comment on item No. 1, referred to in the Senator's memorandum as the amendment of the Senator from Connecticut (Mr. RIBICOFF). Of course, he and I were cosponsors and the principal sponsors of it. Is is not a fact that this amendment would not become effective until 1972 and that it would not be reflected in revenues until 1973?

Mr. WILLIAMS of Delaware. I have so stated in my opening remarks. The Senator is correct.

Nevertheless, if we have the revenue to do it in 1972 it could then be done. I shall not be in the Senate, but I look forward to the day when this amendment can be made part of the law. I think it is something Congress should consider whenever the money is available, but we do not have it now.

What I was confronted with was not singling out those amendments which I felt were not meritorious. They all have merit. I took them across the board, on both sides of the aisle.

On a few occasions I have offered in the committee the same amendment that was offered by the Senator from California (Mr. MURPHY), and I tried to get it adopted. I think there is merit to it. I think there is great merit to the amendment of the Senator from Arizona. I will not quarrel with the merit of the amendment of the Senator from Tennessee. I know that there is a great deal of sentiment in this country for these exemptions.

The amendment of the Senator from Connecticut and the Senator from Colorado would not become effective until 1972. On the other hand, the Gore amendment represents an additional loss in revenue in 1970 of $2.3 billion beyond the committee bill, and in 1971, $3.8 billion. But the long-range effect of the Gore amendment is that it would not lose any more revenue than would the committee bill. I think in fairness that it should be stated.

So I am not attacking any of these amendments on their merits; not one of them. I am not discussing their merits. I am discussing only the fiscal impact on our budget for the years 1970 and 1971.

Mr. DOMINICK. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I will yield for a question. I promised the Senator from New York that I would yield to him.

Mr. JAVITS. Mr. President, I ask the Senator, who has gone a little further with his speech than he thought he would have to, if he would yield to me. We are tying up a number of Senators on another matter. I think we could finish all our business within 15 minutes. I will try to make it 10 minutes. We have the hunger problem before us now. I ask him to yield to me, without losing his right to the floor.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that I may yield for 10 minutes to the Senator from New York, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, will the Senator yield for a question on this colloquy?

Mr. WILLIAMS of Delaware. I yield.

Mr. DOMINICK. If the Senator from Delaware should try to get unanimous consent to consider these items en bloc, would that then prohibit an amendment to strike out one item or another?

Mr. WILLIAMS of Delaware. No; I have checked with the parliamentarian.

I would hope that such amendments would not be offered, and I am appealing to my colleagues not to do that for this reason: If anyone offers an amendment to protect his amendment, naturally each Member will feel obligated to have his amendment restored, and we shall be back on the merry-go-round.

All I am asking for is a vote on this as a package because I believe we have debated the merits of it. There is no question in my mind that the Senate is on record for these amendments. For example, the amendment of the Senator from Connecticut and the Senator from Colorado was adopted by a substantial margin. I do not question the sentiments of the Senate. I would merely like to have one vote. That is all I am asking for.

I was interested in good tax reform measures as early as any other Member of this body. I have been advocating tax reform for years, as Senators know. I regret that this bill has been converted into such a revenue-losing measure. I would like to support it, but I cannot do so unless some adjustment is made.

Since Labor Day our committee has been in session almost daily and occasionally on Saturdays. For months I have neglected other matters in my office for the one purpose of expediting this bill in order to get before the Senate a measure the Senate could support.

But the bill now before us, as amended by the Senate, is not one I can support. I am trying to make one last effort to bring it in line. All I ask is the right to vote on that question.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. RIBICOFF. Mr. President, I would like to make the record clear at this point, because of the debate which has taken place and the discussion between the Senator from Delaware and the Senator from Colorado that the Senator from Delaware points out the merits of the Ribicoff-Dominick approach in the tax credit and expresses the hope that in some time in the future this legislation is adopted.

The only way to get this philosophy impressed upon the country is to pass it as law.

The Senator from New York (Mr. GOODELL), the Senator from Colorado (Mr. DOMINICK), and I were well aware of the problems involved insofar as fiscal responsibility and shortfall are concerned. In our discussions we determined why we believed in the principle. We were deeply concerned that there would not be a revenue loss for the coming year. Consequently our amendment affected 1972, which would first show up in 1973 when the tax returns for 1972 were filed.

So the Senator from Colorado, the Senator from New York, and I do believe that we were being very fiscally responsible on a measure that had great popular appeal not only in the Senate but in the country.

I am at a loss to understand why item 1 is included when we were being so careful to make sure there would not be a revenue impact until 1973.

Mr. WILLIAMS of Delaware. Mr. President, I stated in my remarks that the revenue loss would not take effect until 1973. I shall outline why I still think it should be eliminated from the bill.

Mr. LONG. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG. Mr. President, I have discussed the possibility of a limitation of debate, hoping we can vote on final passage of the bill today. For that reason, I believe we have an understanding. I will put the request, and see if we can agree to it. I am going to ask that we limit debate on the motion, and on that I am going to ask for time to be controlled by the author of the motion and the Senator from Tennessee.

Then I am going to ask that we have 2 hours on the bill, to be controlled by the Senator from Louisiana and the Senator from Delaware.

I want to make it clear that if amendments are offered to the motion, the Senator from Louisiana would plan to offer, in the event time on the motion had expired, at such time as seems appropriate, time on the bill to any Senator who wants to offer an amendment to the motion, in order to explain his amendment. No Senator would be foreclosed from making a statement, although we would have a 2-hour limitation on the bill and a 1-hour limitation on the motion, if agreement is reached on the request.

Mr. WILLIAMS of Delaware. Mr. President, if the Senator will yield, as I stated earlier, it is my hope that we can get a straight up-and-down vote on this motion, but I have talked with Senators whose amendments are affected and have assured them that they would be protected. I said that if we agreed to any consent agreement we would have 20 minutes, 10 minutes on each side, on any amendment they wanted to offer.

I hope no amendment will be offered, but I am committed to protecting their rights if Senators want to amend the motion.

Therefore, I would suggest that we have 1 hour on the motion itself to be controlled, as I understand, by the Senator from Tennessee, and myself, equally; and if there should be any amendments offered to the motion that they be limited to 20 minutes, to be divided between the maker of the motion and myself, 10 minutes each; and then on the bill we could have 2 hours.

I think that would protect every Senator's rights. Some Senators who are not presently on the floor could be assured they have this protection.

Mr. LONG. Mr. President, I think it would be better to have more time on the bill, which could be yielded. The reason why I say this is that if a Senator wanted to engage in dilatory tactics—and no Senator has indicated any desire to do so—the kind of consent agreement the Senator is suggesting is even more subject to dilatory tactics than would be the ordinary Senate rules.

My thought would be that if a Senator really needed time, I would be happy to yield him time on the bill. I am sure the Senator from Delaware would be happy to yield some time also, if he had time remaining, to any Senator who needed it.

I would suggest that we have 4 hours on the bill, so that any Senator who wants to offer an amendment can do so. Then we will know that eventually we can vote on the bill.

Mr. WILLIAMS of Delaware. I assure the Senator we can vote on the bill at an early hour. This is not going to be a dilatory tactic. In fact, I talked with the majority leader and told him my plans. If it should develop into such a delaying procedure I would withdraw my motion. I do not anticipate any problem at all in that direction. I only want a vote.

I have promised Senators that there would be no unanimous-consent agreement if they were off the floor unless they were protected in their rights.

I am hoping there will not be any amendments offered, but I would suggest, in case there are that we have 1 hour on the motion itself, equally divided, and 20 minutes on any amendment if there should be one, equally divided between whichever Senator makes the motion and myself. I think we can dispose of this matter in very short order.

Mr. LONG. Could we have an agreement on how many amendments can be offered? For example, if we are going to allocate time for amendments to the amendment, since the Senator's motion would strike, as I understand, about 10 amendments from the bill, I would suggest we have no more than 10 minutes on a side for each amendment, with time allocated for those amendments. That is

200 minutes, if we actually take 20 minutes on each one.

I cannot for the life of me see any reason why any Senator, other than Senators interested in the amendments referred to, would want to offer an amendment to the Senator's motion.

Mr. WILLIAMS of Delaware. I do not think they are going to offer amendments. The only reason I offered that suggestion is that we make haste better if a Senator does not think his rights have been ignored. I told certain other Senators that their rights would be protected whether they were on or off the floor, just as I promised the Senator from Tennessee. He is present and can speak for himself.

I would suggest that we proceed in this way. I am confident it will not delay a vote.

Mr. LONG. I am not going to ask for 20 minutes on amendments. That could go on forever.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GORE. Perhaps I can offer a suggestion. I have examined the motion of the distinguished Senator from Delaware to recommit. His instructions would direct the committee to strike out eight amendments. I find that on all amendments, except the amendment relating to the social security benefits and the amendment relating to an increase in personal exemption, items 7 and 8, I voted the same as the Senator from Delaware. In other words, on his first six items, his position and mine have been exactly the same. Therefore, if we could eliminate 7 and 8, I would be wholeheartedly in favor of his amendment. But if I removed from the instructions, or attempted to remove from the instructions, what I do not like, I daresay other Senators would do the same, and that would open up the bill again.

I am willing to have a vote up or down on the motion to recommit, but I realize that if other Senators start offering amendments, I will feel a necessity to do so—which comes to the suggestion I arose to make: If we could agree to a time limitation on the motion to recommit, plus 20 minutes for any amendment to strike out any one of the eight items of instructions, that would limit it to 160 minutes at a maximum.

Mr. LONG. Item 8 is three amendments.

Mr. GORE. I understand it is, but it would all be together by a motion to strike out item 8 in the Senator's instructions.

Mr. LONG. Mr. President, suppose I put it this way: I ask unanimous consent that further debate on the motion of the Senator from Delaware be limited to 1 hour, to be divided between the Senator from Delaware and the Senator from Tennessee—the manager or a Senator to be designated by him—and that the time on amendments to the amendments that would be stricken—they are listed as eight, but item 8 is three amendments, one by the Senator from Louisiana and two by the Senator from West Virginia—be limited to 20 minutes, to be divided between the sponsor of the amendment and the Senator from Delaware—not to exceed 20 minutes, to be equally divided—and that there be 2 hours of debate on the bill itself, to be controlled by the manager of the bill and the Senator from Delaware (Mr. WILLIAMS).

Mr. WILLIAMS of Delaware. That is agreeable.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, reserving the right to object, does that mean there would not be an opportunity for anyone else, other than the sponsors of the affected amendments, to offer amendments?

Mr. LONG. No; it does not. That is the purpose of asking for 2 hours. If someone else wants to offer something, the manager of the bill and the Senator from Delaware then have 2 hours in which they can yield to Senators who might wish to discuss some thought of theirs, or might wish to bring up some additional item of debate on something that may come up later.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

Mr. HOLLAND. Mr. President, will the Senator from Delaware yield to me so that I may propound a parliamentary inquiry?

Mr. WILLIAMS of Delaware. I yield.

Mr. HOLLAND. Mr. President, it seems to me that it is of the utmost importance that Senators understand what will be the situation in the event that this motion of the Senator from Delaware—or, if it be modified, any modification of it—be agreed to, and if the Finance Committee, acting instanter, reports back a bill shorn of the amendments, heretofore voted, mentioned by the Senator from Delaware in his motion, or any portions thereof.

Therefore, I make this parliamentary inquiry: In the event of the adoption of the motion of the Senator from Delaware to recommit, and the immediate action, as directed by that motion, of the committee in reporting back the bill shorn of the various amendments heretofore voted which are recited in the motion, or which may be recited in the motion as modified, the question is, Would the bill still then be in the position it now is; that is, of having passed third reading and being subject to being voted up or down on the question of passage?

The PRESIDING OFFICER. In the opinion of the Chair, the bill having been read the third time, the question would be on the adoption of what the committee reported back forthwith.

Mr. HOLLAND. I thank the Presiding Officer.

As I understand the ruling of the Presiding Officer—and I think it is correct—it is that, as reported back, the bill would not then be subject to amendment, but the question would be on passage, up or down, in the condition reported back by the committee.

The PRESIDING OFFICER. As reported back; the Senator is correct.

Mr. HOLLAND. I thank the Chair.

Mr. WILLIAMS of Delaware. Mr. President, I might add that having consulted with the Parliamentarian before I made the motion, I concur completely with the ruling. It was for that reason that I waited until after third reading of the bill to make my motion, so that we would not be opening it up for another donnybrook of amendments.

I state again that I advised those whose amendments are proposed to be deleted by my proposal. Senators knew what action I was planning to take here. I have tried to protect their interests so that they will have an opportunity to defend their proposals.

I have checked with the Parliamentarian and am advised that I can ask unanimous consent that the various items in my motion be considered en bloc and that, at the same time, obtaining unanimous consent for that would not preclude any Senator who might wish to offer an amendment to my motion from doing so. Their rights would be protected.

With that understanding I ask unanimous consent that the eight points in my motion be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I realize that an excellent argument can be made for any one of these amendments, and I realize also that the sponsors of the individual amendments feel very strongly about the merits of their particular amendments and could make a good argument that I should exempt this or that proposal.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LONG. I have been furnished with a tabulation showing the revenue impact of the various items in the Senator's motion, and I find that the biggest revenue item on the Senator's list includes the amendment I offered, which embodied the provisions of the House bill for an increase in social security benefits.

The Senator need not apologize for moving to strike my amendment. If his motion is agreed to, that is perfectly all right with me. When the House bill comes over, we can pass it. There is no problem about that, as far as I am concerned.

Mr. WILLIAMS of Delaware. I appreciate that. I have discussed the matter with the chairman of the committee, and we agreed that when the House bill comes to the Senate, we would stop it at the desk so that Senators would be assured they would have a chance to vote on that social security measure, as the Senator has stated.

We are trying to protect the rights of all Senators, but I say again, the position I am taking, as the Senator from Louisiana knows, is the same as I took very strongly last year, when President Johnson was in office. I thought then that our fiscal situation was such that we could not afford to do without the revenue in the 10-percent surtax proposal. I feel equally strongly now that we cannot afford to lose this revenue, and I am asking my fellow Senators to give me a straight up or down vote on my motion. I certainly hope amendments to my motion will not be offered, although I un-

derstand we could be confronted with an almost indefinite donnybrook here. I do not want that, and I do not think we are going to get it; but at the same time, I did tell the Senators they would be protected in their rights.

The chairman of the committee has been very generous, and I say that, having worked with him for weeks and months in the committee on this bill. He has done a tremendous job as chairman in trying to get out of the committee and before the Senate a bill balanced as to revenue and one that would provide some tax reform and at the same time give some tax relief in other areas.

What the committee was trying to do was report a bill which would not be a tax increase or a tax reduction bill, but one that would be more or less an equalization of the tax load. We were adding taxes in some areas and distributing the benefits of the tax reduction in other areas to people we thought were now paying more than their proportionate share. This was to be more or less an adjustment bill. For those in the higher brackets we were raising their taxes by raising the capital gains tax or by eliminating some of their benefits under pension plans. While we were eliminating benefits in many areas, at the same time we sought to offset the increases for those in the higher brackets where possible by reducing their rates to 65 percent.

For those we felt had been overburdened with taxes we eliminated over 5 million taxpayers from the tax rolls entirely. We passed on to them the benefits of the revenue gained from the repeal of the investment credit, which is really a tax on corporations of about $3 billion. We distributed revenue to the low-income groups. The committee bill was a fair bill.

We tried to be fair. I recognize that there are those who may differ with the bill, but we tried to come up with an answer that would not upset the budget in the long run. But since the bill came to the floor of the Senate it has, in the opinion of some of us, gotten out of hand, and I do not think we can afford the impact of its additional $10 billion loss in revenue. As I stated earlier, one of the biggest items I have in mind, especially for fiscal 1970 and 1971, is the amendments of the Senator from Tennessee (Mr. GORE). This one amendment in 1970 and 1971 would cost the Federal Treasury over $6 billion. That would be highly inflationary.

However, as I stated earlier, the long-range effect of the Gore amendment a few years hence would not lose any additional revenue from the committee bill. In fact, if I recall correctly, it picks up $100 million over a period of time and would be less costly when it gets fully implemented.

Mr. GORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. GORE. Mr. President, I am very grateful for the forthright statement of the senior Senator from Delaware. There have been a great many loose statements made to the effect that the amendment which I sponsored to increase the personal exemption was fiscal irresponsibility.

The fact is that my amendment replaced other tax relief provisions in the bill and, as the distinguished Senator has just said, the responsible estimates by our technical staff are that, when fully implemented, the amendment which I sponsored would cost an estimated $100 million less than the tax relief in the bill which my amendment replaced.

I hope that Senators and the American people who read the RECORD will now realize that this is the case. I read editorials and I hear comments to the effect that the Gore amendment is going to bust the budget. As a matter of fact, the Gore amendment, as the able senior Senator from Delaware just said, will, when fully implemented, cost $100 million less than the provisions in the bill which it replaces.

If we look at it in the short run, the amendment which I offered will just about be even with the revenue gains in the bill in the calendar year 1970.

There is a shortfall in the calendar years 1971 and 1972. However, it would not be enough seriously to affect the budget.

So, I rise to express my gratitude to the able Senator not only for his statement, but also for his responsibility and willingness to refrain completely from misinterpretations of the facts with respect to the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator. I tried to point out in presenting this matter earlier when the Senator was not present, both the short- and long-range effect of this bill. The Senator is correct. At the same time, I outlined the financial effect of the amendment of the Senator from Connecticut and the Senator from Colorado, the Ribicoff amendment has no impact whatever in the years 1970 and 1971 but becomes effective after 1972.

I tried to outline statistically exactly what the effect would be of each of these amendments.

Mr. GORE. Mr. President, will the Senator yield again?

Mr. WILLIAMS of Delaware. I yield.

Mr. GORE. Mr. President, there is one other distinction that we need to be reminded of. That relates to the difference between the calendar year and the fiscal year.

The Government budget is made on a fiscal-year basis. However, taxes are generally levied and collected with respect to calendar years. So, one can take his choice as to which is the most appropriate period to use. As a matter of fact, the able senior Senator from Delaware has referred to both calendar year and fiscal year.

Mr. WILLIAMS of Delaware. The Senator is correct, and changes made in the bill will only have half of the effect for fiscal year 1970, whereas in calendar year 1970 it would be fully effective.

I have tried to keep in context the provisions of the various amendments and the impact they would have in the respective years. Likewise, the provisions of the social security amendments will result in a $7.25 billion drain on the trust fund in 1970, and there would be about the same drain in 1971 and 1972. But in 1973, as the Senator from West Virginia pointed out, there would, under his amendment, be a tax to offset the cost of his amendment. However, in the next three years under the Byrd amendment and the Long amendment we would have a $21.75 billion drain from the social security trust fund over and above the revenue being provided.

I recognize that Congress will pass some kind of social security increase measure in this session of the Congress, but surely it will be properly financed.

I am confident that before Congress goes home it will pass some kind of social security measure, but let the increased taxes for that measure be a part of the same bill. However, my tabulation concerns the next 2 years' loss of revenue in this bill, and as I stated, I hope that we can get a vote up or down on this pending motion, which would save this revenue loss.

Last year I introduced President Johnson's tax bill and coupled it with what I thought was an important additional measure providing for expenditure controls and reducing the expenditures by $6 billion.

A lot of people ask why the surtax was not more successful. It may not be a part of this debate, but I think that it should be mentioned. One reason that the surtax was not successful in controlling inflation was that Congress was a year late in getting it enacted. And after that there was a gradual whittling away by Congress and the administration of the expenditure controls. Expenditure controls were eroded by a series of exemptions, and during the latter half of last year the Federal Reserve Board pumped money into the economy at a faster rate than normal. Both steps contributed to the inflation in my opinion.

Again, if Congress had acted on the administration's recommendations for a repeal of the investment tax credit and extension of the surtax a little earlier, it would have helped. I think Congress could have acted earlier. We delayed and have not acted yet on investment credit. The taxpayers do not know whether they are going to get the tax credit or whether it will be repealed. That has created a problem.

Let us eliminate this uncertainty and take action on the bill, either pass it or do not pass it, and either accept or do not accept my motion. However, we should act so that the taxpayers will know where we stand.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LONG. Mr. President, the Senator from Delaware has compiled two tabulations, I believe with the help of the Joint Committee on Internal Revenue Taxation, which show the increases and decreases in revenues from the committee bill which result from the various actions taken here on the floor. One table shows this information on a fiscal year basis and the other is on a calendar year basis. I ask unanimous consent that the tables, which I understand have been laid on Senators desks, be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

DECREASES (—) AND INCREASES (+) IN TAX LIABILITY AND SOCIAL SECURITY BENEFITS RESULTING FROM SENATE APPROVED AMEDNMENTS AS COMPARED TO SENATE FINANCE COMMITTEE BILL, CALENDAR YEARS 1969–1974 AND LONG RUN

[In millions]

| | 1969 | 1970 | 1971 | 1972 | 1973 | 1974 | Long run |
|---|---|---|---|---|---|---|---|
| Tax relief for individuals | | −$2,251 | −$3,739 | +$85 | +$85 | +$85 | +$85 |
| Investment credit: | | | | | | | |
| Small business exemption | −$520 | −720 | −720 | −720 | −720 | −720 | −720 |
| Depressed area exemption | −10 | −70 | −70 | −70 | −70 | −70 | −70 |
| Medical expenses for aged | | −225 | −225 | −225 | −225 | −225 | −225 |
| Transportation deduction for disabled | | −90 | −90 | −90 | −90 | −90 | −90 |
| Exemption for foster children | −(1) | −(1) | −(1) | −(1) | −(1) | −(1) | −(1) |
| Credit for higher education expenses | | | | −1,800 | −1,800 | −1,800 | −1,800 |
| Capitalization of certain citrus grove costs | | +5 | +10 | +10 | +10 | +10 | +10 |
| Total distributions from pension plans, and so forth | | −(1) | −5 | −10 | −15 | −20 | −55 |
| Reduction of audit fee tax on foundations | | −20 | −20 | −20 | −20 | −25 | −25 |
| Liberalization of children's support test | | −75 | −75 | −75 | −75 | −75 | −75 |
| Alternative capital gains rate provision | | −50 | −65 | −80 | −80 | −80 | −80 |
| Accumulation trusts | | −5 | −15 | | | | |
| Tax on preference income | | −20 | −20 | −20 | −20 | −20 | −20 |
| Real estate | | (1) | −10 | −20 | −30 | −45 | −90 |
| Percentage depletion (molybdenum) | | −5 | −5 | −5 | −5 | −5 | −5 |
| Total | −530 | −3,526 | −5,049 | −3,040 | −3,055 | −3,080 | −3,160 |
| Social security: | | | | | | | |
| Benefits | | −5,700 | −6,400 | −6,400 | −6,400 | −6,400 | −6,400 |
| Tax | | | | | +6,700 | +6,700 | +6,700 |
| Total including social security | −530 | −9,226 | −11,449 | −9,440 | −2,755 | −2,780 | −2,860 |

[1] Less than $2,500,000.

DECREASES (—) AND INCREASES (+) IN TAX RECEIPTS AND SOCIAL SECURITY BENEFIT PAYMENTS RESULTING FROM SENATE APPROVED AMENDMENTS AS COMPARED TO SENATE FINANCE COMMITTEE BILL FISCAL YEARS 1970-74

[In millions]

| | 1970 | 1971 | 1972 | 1973 | 1974 |
|---|---|---|---|---|---|
| Tax relief for individuals | −$970 | −$3,040 | −$2,095 | +$85 | +$85 |
| Investment credit | −585 | −780 | −790 | −790 | −790 |
| Medical expenses for aged | −25 | −225 | −225 | −225 | −225 |
| Transportation deduction for disabled | −10 | −90 | −90 | −90 | −90 |
| Credit for higher education expenses | | | −180 | −1,800 | −1,800 |
| Capitalization of certain citrus grove costs | (1) | +5 | +10 | +10 | +10 |
| Total distributions from pension plans, and so forth | (1) | (1) | −5 | −10 | −15 |
| Reduction of audit fee tax on foundations | −5 | −20 | −20 | −20 | −20 |
| Liberalization of children's support test | −30 | −75 | −75 | −75 | −75 |
| Alternative capital gains rate provision | −5 | −50 | −65 | −80 | −80 |
| Accumulation trusts | (1) | −5 | −15 | | |
| Tax on preference income | | −20 | −20 | −20 | −20 |
| Real estate | (1) | (1) | −10 | −25 | −30 |
| Percentage depletion (molybdenum) | (1) | −5 | −5 | −5 | −5 |
| Total | −1,630 | −4,305 | −3,585 | −3,045 | −3,055 |
| Social Security: | | | | | |
| Benefits | −2,600 | −6,300 | −6,400 | −6,400 | −6,400 |
| Tax | | | | +700 | +6,700 |
| Total including social security | −4,230 | −10,605 | −9,985 | −8,745 | −2,755 |

[1] Less than $2.5 million.

Mr. LONG. Mr. President, I think it is correct to say that the calendar year table shows that the bill as presently tailored, would produce a revenue decrease as compared with the committee's bill of $530 million this year—1969; in 1970, the decrease would be $9,226 million; in 1971, it would be $11,449 million.

Mr. WILLIAMS of Delaware. For 1970 it is $9,226 million.

Mr. LONG. For 1971, $11,449 million; for 1972, $9,440 million; and for 1973, $2,755 million. It would stay at about that level thereafter. In the long run, the bill as it now stands would result in an additional revenue loss of $2,860 million.

Mr. WILLIAMS of Delaware. That is correct.

Mr. LONG. The evaluation contained in the Senator's table is a precedent that is desirable. Just as we today are evaluating the revenue impact of this bill, we also at the end of each year, ought to take a look at what we have done, to see where we stand in terms of appropriations, and to determine what is needed in terms of revenue. We should seek to arrive at a balance that would be responsible, so that we would not continue indefinitely to have the fantastic national debt that at present overhangs the economy and the Nation.

We should think about the economic condition of the country, and all other relevant factors being equal, we should try to raise at least as much money as we spend.

The Senator from Delaware is seeking to provide that, at least so far as this bill is concerned—and that is, after all, what the members of the Committee on Finance have to think about—the Government will not be placed in a very bad fiscal situation.

I think I would vote for the Senator's amendment. If we do not do so, we will have something of this sort in conference. In other words, the House of Representatives, having sent us a tax reform and tax reduction bill that it regarded as being fiscally responsible, will undoubtedly be extremely concerned about the fiscal impact of the bill as it now stands. They will say they sent us a bill that was fiscally responsible, taking into account the inflationary pressures, the budgetary problems, and the various other factors that confront this Nation, its tax system and its economy at this point, but that we, on the floor of the Senate, played politics and voted for many things with political appeal and many things that are desirable if we can afford them, without providing the funds to pay for all this.

The Senator knows how concerned House confereees can be when they feel the Senate has put many amendments on a basically good bill which do nothing but create mischief. I find it somewhat embarrassing to go into a room with those men, who have been responsible on their side, and tell them that we have overburdened the bill to the tune of approximately $11 billion.

There is no doubt in my mind that if the Senator's motion is not agreed to, we still will have to take a good amount of the revenue loss out of this bill—in fact, much of what the Senator is seeking to strike from it, including my amendment. So far as I am concerned, I would be content to look at the social security bill when the House sends it to us this week or next week, as the case may be, and consider those items individually and also the administration's objections to putting the program into effect as of January 1. I know they prefer that the effective date be March 1, with the first increased checks being received in April. Also, we could then consider the amendments that have been added to this bill. There is no doubt in my mind that if we consider the social security bill by itself, it will pick up other amendments which may be meritorious and worthy, but I should think we could vote on the social security bill within a week.

Mr. WILLIAMS of Delaware. I think we can. I appreciate the remarks of the Senator from Louisiana.

It should be pointed out that the figures he read from the chart being placed in the RECORD are the differences as compared with the bill reported by the Senate Finance Committee.

The reason I want to make this motion is that if we go to conference with the bill as it is I am afraid that we shall not be able to complete the work in time to get the bill back and signed by the President. Furthermore, it will be

sheer hyprocrisy on the part of the Senate to pass this bill in its present form and then expect the conferees to eliminate those same provisions for which they are now voting. Let us each be man enough to take a firm stand. Congress has already waited too long to act on some of these measures.

For example, the investment tax credit: Either this bill becomes law at the end of this year, or there will be no repeal effective for 1969. We cannot repeal the investment tax credit next year and make it retroactive in the calendar year 1969. We have never done that in our committee. This bill would be retroactive to April 18. Soon the taxpayers will be filing their returns. They get their tax returns in the mail the first of the year, and they have a perfect right to compute their tax liability based on the law as it was at the close of the year, and the present law still provides for a 7-percent investment tax credit. We must complete action on this bill within the next few days, or it will be too late. That is why my motion is so important.

The same is true with the excise taxes, which expire December 31, 1969. The surcharge expires at the end of this year. There is no good reason why the Senate has delayed action on these proposals until this late hour.

With my motion I am trying to get a decision as to what the Senate expects the conferees to do if we go to conference. Members may disagree with what I am proposing to do in this motion, but let us vote. I understand their right for disagreement.

I do not know of a single amendment I propose eliminating that I could not give a good argument for and cosponsor if we only had the revenue. I am not attacking any of them on their merits; none at all. I am trying to present the case of each of them as fairly as I can, because I do not think we get anywhere by trying to misrepresent; but the sum total of these amendments which I propose to delete from the bill would result in a revenue loss next year of over $10 billion.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LONG. The Senator has presented this table to us. While it is true that in the long run the revenue impact of what we have done on the floor is not unusual—$2.8 billion in 1974 and thereafter—it is rather startling to note that as compared to the committee's bill we have an adverse impact on the budget of $9 billion in 1970 and $11.4 billion in 1971.

The Senator is well aware that in the Finance Committee—actually, it was on the suggestion of the Senator from Delaware—we proceeded with our bill step by step through our tax raising sections, our reform sections, to see how much money we would raise; and, having tabulated how much we would raise, we then proceeded to see how much tax relief we could provide.

Mr. WILLIAMS of Delaware. That is correct.

Mr. LONG. The Senator is going about this in an organized fashion, having laid the whole business before us, to see how much we raise and how much we lose by our actions on the floor. The Senator now is offering a motion to bring the bill back into the balance it had when the committee reported it for next year and the year after.

With all deference to what some of these amendments would do in the long run, as a practical matter we had better be thinking about what we do for 1970 and 1971. The impact on the economy of a revenue shortfall as great as we now have in the bill for these years could be exceedingly inflationary.

The Senator has indicated his desire to retire. I hope he will change his mind, and I believe that hope is shared by every Member of this body.

The good Lord could call us home between now and then. But, there will be other Congresses and other sessions when people can think about what happens to the Government in later years. We had better concern ourselves now about what happens in the immediate future. What the Senator seeks to do at this point is to save the Government approximately $20 billion in the next 2 years.

Mr. WILLIAMS of Delaware. The Senator is correct.

I call attention to the fact that 17 months ago, on June 30, 1968, the national debt was $350.7 billion. On November 20 of this year, 17 months later, our national debt was $369.5 billion, or an average increase of over $1 billion per month.

We cannot keep going down this road of deficit spending and finance it with the debt. It should be pointed out that a part of this large increase in debt is because the revenues the first 5 months of a fiscal year are always lower than in the second half. So it would not be quite fair to say that we are running behind at the rate of $1 billion per month, even though the debt has increased that much, because it will average out later. But we are running a deficit of an average of approximately $700 million per month at this time. We just cannot afford to continue down this road. toward fiscal insolvency. We can have a bond-buyers' strike in this country unless this inflation is brought under control.

I promised to yield to the Senator from New York (Mr. GOODELL). He has been very patient.

Mr. GOODELL. I thank the Senator. I appreciate his yielding to me. It has been a pleasure to listen to the Senator from Delaware, and I commend him for his motion. I intend to support it.

I wish to congratulate him for the tremendous contribution he has made to this legislation in committee and in debate on the floor of the Senate. He has made a tremendous contribution over the years in connection with tax legislation.

In the past weeks the Senate has virtually washed tax reform away in a deluge of indiscriminate tax cuts.

We have before us now a bill which is nothing more than an overstuffed Christmas stocking. In its present form, it is not so much a tax reform as a tax relief measure. Its overall impact will not strengthen the Federal tax structure while eliminating inequities. Its wholesale tax cuts will feed inflation and take away revenues desperately needed to meet the social problems facing this Nation. This is particularly true in the next 2 fiscal years.

Amendments to the tax reform bill adopted on the Senate floor will cost about $10 billion a year in each of the next 3 years. Much of this additional cost is attributable to two amendments which I would have favored under circumstances of fiscal responsibility with the provision of adequate revenue to pay for them, but had to oppose under present circumstances because of their inflationary effect. These are the increase in the personal exemption from $600 to $800 and the increase in social security minimum benefits to $100.

Surely, even in the Christmas season we cannot afford to be so prodigal.

A revenue loss of the magnitude contemplated by the Senate bill will gravely aggravate the inflation this Nation is now facing—thus further eroding the savings of millions of Americans and diminishing the purchasing power of their earnings.

Perhaps still more serious, such a loss will make it impossible for the Federal Government to provide effective programs for alleviating poverty, hunger, and urban decay.

Frankly, I find it difficult to comprehend how some of my colleagues, who have been highly vocal in calling for massive new programs at the Federal level for dealing with our social problems, could support enormous cuts in tax revenues needed to fund these programs.

The PRESIDING OFFICER (Mr. SPONG in the chair). All time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 10 additional minutes on the bill.

Mr. GOODELL. Mr. President, it is difficult enough under present budgetary limitations to provide sufficient funds for welfare reform, revenue sharing, and adequate health, urban rehabilitation, education and job training programs. It is stating the obvious that a reduction of billions of dollars in Federal revenues will make it literally impossible to finance these efforts at adequate levels.

Our budgetary problems have been aggravated by excessive military spending that many of my colleagues and I have opposed. Such military spending, however, remains a reality. The bitter experience of many years suggests that if revenues are cut, it will be domestic programs, not military expenditures, that will suffer most.

I have long been an advocate of tax reform to make the tax structure more equitable and to eliminate the favoritism that now exists in the tax laws for special interest groups.

There are tax reform provisions of this bill that are improvements over present law—such as the imposition of a minimum tax on many wealthy individuals who are now escaping taxation through various deductions; a low income allowance for the poor; a limitation on hobby farm losses for the rich; and various other loophole-closing measures. Several

of these reform measures should, however, have been made much tougher.

In a number of respects, this bill is an improvement over the House bill. It has, for example, eliminated provisions of the House bill that would have made it difficult or impossible for States and localities to obtain financing for needed capital improvements. It adopted more sensible rules for the treatment of capital gains and charitable contributions. And it mitigated the highly punitive provisions of the House bill regarding private foundations.

I very much hope these improvements will prevail in conference.

In other respects, the Senate bill has been unduly solicitous of private interest groups, at the expense of real reform. A glaring example is the oil depletion allowance—which was reduced in the House to 20 percent but only decreased to 23 percent in the Senate.

The Senate bill should be judged, however, not on its individual provisions, but on its total impact.

It has become a wholesale tax cutting bill more than a tax reform bill.

Its tax cuts are so deep as to cripple our economy and hamstring our efforts to solve the Nation's pressing social programs, particularly in the next 2 years.

Its total impact, in short, is negative.

I shall vote against the bill in its present form.

Mr. President, I shall support the motion of the Senator from Delaware to recommit the bill. If the Senator's motion is not agreed to, I shall vote against the bill on the final vote.

I might say to the Senator from Delaware that I was a cosponsor of one of the amendments to which the Senator refers, namely, the tax credit for expenses of higher education. I regret that he has included that proposal, because the Senate at my request amended it so as to have deferred its fiscal impact until taxable year 1973. As much as I have favored this educational tax credit for the 10 years I have been in the House and the Senate, I did not feel we could responsibly put it into effect before 1973.

However, since the Senator from Delaware has included the educational tax credit in his proposal, I want him to know I do not intend to offer an amendment to delete it from his motion to recommit. I believe the Senator from Delaware should have an opportunity to have a vote up or down on his entire motion.

I believe the overall impact of the motion to recommit is so meritorious that even though I do not agree with all its provisions, I will support it.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I shall yield in just a moment.

The Senator mentioned the fact we do not have as much reform in this measure now before us as some of us would like to have. I certainly concur in that point, but at the same time I think I should add this comment.

I have explained the financial impact of some of the amendments which I am trying to delete, including the amendment of the Senator from Connecticut (Mr. RIBICOFF) and the Senator from Tennessee (Mr. GORE). I have tried to outline fairly the impact in my remarks. But I should add that throughout the work on this bill in the Committee on Finance and by our efforts on the floor of the Senate we have been together 90 percent of the time in our efforts to get needed tax reform. I compliment both of those Senators on the efforts they have made. I differ with them on this particular motion. I realize that. But at the same time as one who worked to get needed reform, as the Senator from Tennessee and the Senator from Connecticut know, we have joined together on many of the items.

When it came to trying to get real reform in our Revenue Code I compliment both of those gentlemen for the efforts they made. I wish we had been more successful. At the same time I am now trying to delete a couple of their amendments from the bill which would cost over $4 billion and which I do not think we can afford. I thought the RECORD should show that.

Mr. LONG. Mr. President, I ask unanimous consent that the time in opposition be assigned to the Senator from Tennessee (Mr. GORE).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, as I listen to the distinguished Senator, I know from my 7 years on the Committee of Finance there is no Senator in this body more interested in reform than the Senator from Delaware. But on listening to the Senator's remarks, I cannot help commenting that if it were not for the reforms the Senator from Delaware, the Senator from Tennessee, and myself consistently voted for in committee, and in this Chamber, we would not have this problem because those reforms not only would have closed the loopholes and brought real reform but would have also brought in a considerable amount of revenue.

Mr. GORE. Mr. President, will the Senator from Delaware yield at that point?

Mr. WILLIAMS of Delaware. I yield.

Mr. GORE. The record should also show, somewhat in contradiction of the statement of the Senator from New York (Mr. GOODELL), that the reform provisions remaining in the bill, despite the barrage of amendments, will still produce additional revenue over present law of $5.590 billion. That is to be compared with additional revenue that would have been provided by the reform provisions of the bill as reported by the Finance Committee of $6.650 billion.

Thus, despite all the talk about the barrage of amendments, and all the votes, the amendments have lessened revenues from reform measures only by one-sixth of added revenue from reforms in the bill when fully implemented.

So those who condemn the bill as being without tax reform are beside the point. They have become victims of the noise.

Unfortunately, amendments were adopted that, in my view, should not have been adopted. I think, by and large, that the Senator from Delaware and I voted together about 90 percent of the time on these amendments.

But, Mr. President, the thing I rose to nail down is that the bill still contains a large measure of tax reform.

Mr. WILLIAMS of Delaware. The Senator is correct. I made that point earlier. This is the reason for making this motion. We need a bill to go to conference which could become the law.

Mr. CURTIS. Mr. President, will the Senator from Delaware yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. Is it not true that if we retain those portions in the bill that pick up revenue, including the repeal of the investment credit, extension of the surtax, the other miscellaneous items, and eliminated the tax reduction, a reasonable amount of restrained appropriations and a balanced budget could be a reality?

Mr. WILLIAMS of Delaware. It could. I do not know that it could at the end of this fiscal year, but——

Mr. CURTIS. No. This would take a while.

Mr. WILLIAMS of Delaware. But I think that should be the No. 1 objective. I do not think we shall get control of inflation until we can convince the American people that we are going to stop pyramiding the national debt and balance this Federal budget.

Mr. CURTIS. That is why the vote coming up on recommittal is one of the most far-reaching votes that will be cast in this Congress, or perhaps the next. It is the one chance to obtain a balanced budget. If we miss this, we may miss it for a long, long time.

Also, if we miss it, does not the Senator from Delaware agree that we will have rendered a disservice to the American people, both now and future years?

Mr. WILLIAMS of Delaware. That is my opinion. While tax reductions are very attractive and everyone would like to reduce taxes, I do not believe we should lose sight of the fact that for each 1-percent increase in the cost of living it adds $5 billion to the cost of consumer goods. Thus, we would be taking that money away by fanning the fires of inflation.

Inflation, which I recall was around 6 percent last year, has got to be checked. We have got to bring it under control.

Say a wage earner gets a salary increase. It looks nice. He will get more money. But before he can get home the increase in the cost of living, in groceries, in clothes, and so forth, will have so advanced in price that his salary increase has been gobbled up.

Mr. CURTIS. Does not the Senator believe that the voters of any State in the Union will not demand reductions if we have to borrow the money to do it?

Mr. WILLIAMS of Delaware. Personally, I do not think so. It is not sound practice to cut taxes with borrowed money.

Mr. CURTIS. Is it not also true that if we increase the national debt by $1 billion, at the present cost of borrowing money we would add to the burden of carrying the interest at least $60 million a year, and that $60 million a year will have to be paid year after year after year, until a Congress is elected which will

have the courage to start paying off on the debt; is that not correct?

Mr. WILLIAMS of Delaware. The Government the other day paid 7¾ percent for an 8-year bond. So it will cost $77 million.

Mr. CURTIS. I understand that, but I am figuring it over the long run.

Mr. WILLIAMS of Delaware. That is correct.

Mr. CURTIS. I thank the Senator.

Mr. WILLIAMS of Delaware. Mr. President, I withhold the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GORE. Mr. President, the distinguished former Governor of Alabama, the Honorable George Wallace, appeared today on a national television program which originated in Washington.

Governor Wallace endorsed an increase in the personal exemption as a method of tax relief.

From this, I have taken encouragement in two respects:

First, the influence of Governor Wallace may prove helpful in the conference between the House and the Senate in securing adoption of the Gore amendment. I appreciate his endorsement and welcome his assistance. All assistance is needed. Indeed, every ounce of support on behalf of the people will be needed in that conference, because there are great forces arrayed against the amendment. They are arrayed against the amendment because this benefit for the mass of the people of this country will replace the benefit proposed for the few by the Nixon-Agnew administration. The few are powerful and they have friends in very high places. All of the strength of the White House, the President, the Vice President, the Department of the Treasury, and their political affiliates are moving heaven and earth to defeat the amendment.

The distinguished former Governor of Alabama is a man who has been demonstrated to command the loyalty, respect, and support of millions of Americans.

As a candidate for President, he ran second in the State of Tennessee, and a close second. The people who supported him in my State were, largely, working people, largely people who have been friends and supporters of mine because in my career my efforts have been devoted earnestly to an improvement of the economic status of the people who toil.

So I take encouragement from the endorsement by Governor Wallace of this method of tax relief as one more piece of evidence that I represent the wish and the will of the mass of men and women, young and old, in Tennessee for economic justice which, I think, is demonstrated by the pending amendment.

Mr. President, I ask unanimous consent to insert at this point in the RECORD excerpts from the remarks of Governor Wallace on the television interview this morning.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Well, I advocated during the presidential campaign a $1200 tax exemption, the same as Senator Allen has introduced. The $800 is a start but it is not enough. It should go more than $800; it should be at least $1000 or $1200. I don't consider it inflationary. I consider the high government spending that brings no return to the American people as inflationary. And I say this Administration ought to remove the inequities in the tax structure that let the filthy, multi-million-billion dollar rich—such as the foundations—get by scot free while every working man and little businessman and little farmer has his nose to the grindstone. And this Administration must give tax relief to this mass of people in our country or they are going to find that it is one of the prime issues of 1972.

Mr. GORE. Mr. President, much has been said and written about fiscal responsibility with respect to this bill. I have a tabulation of measures rejected by the Senate that would have increased revenues to the Government in the sum of $4.170 billion. These amendments were supported by the senior Senator from Tennessee. I do not criticize any of my colleagues in any way when I say that in voting on these amendments there was a composite vote by the members of the minority party of 350 against these revenue-raising measures, and only 71 in favor. The senior Senator from Tennessee supported all these amendments.

So, Mr. President, let us examine the question of fiscal responsibility. The amendment which I offered, and which was adopted by a vote of 58 to 37, does not lose revenue for the Government. Indeed, it represents an increase in revenue of $100 million, when fully effective, as against the provisions in the committee bill which the amendment replaced, it being a substitute amendment.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. RIBICOFF. Is it not true that the list of the amendments the Senator refers to that would have raised substantial sums of money represents attempted corrections of some of the most glaring and consistent loopholes in our entire Internal Revenue Code?

Mr. GORE. Indeed so, and I am sorry that the Senate did not see fit to adopt them.

Second, I would like to refer to amendments that were adopted by the Senate that lost revenue for the Government. These amendments produced a revenue loss of more than $3 billion. The senior Senator from Tennessee opposed each of them, but my distinguished colleagues on the other side of the aisle, in large majority, supported them.

So if the performance of Members of this body need be measured by fiscal responsibility, then I submit that the two Members of this body, by the record, whose votes were most closely parallel during this whole fight are the senior Senator from Delaware and the senior Senator from Tennessee.

I am not sure that he claims that as a mark of prideful distinction or association. I do, and I say now on the floor of the Senate that I hope the senior Senator from Delaware will reconsider his decision and offer to serve another term in this body. I know of no one who can adequately fill his shoes.

Mr. President, this has been a very long and arduous task. I suppose the senior Senator from Tennessee has been the most persistent voice for tax reform in the Senate for the last decade. I am glad to say that we are accomplishing tax reform. I do not like to see the bill blackened and discredited because the Senate has, in my view, committed some errors. There is a great deal of tax reform left in the bill—as I have said, reforms that bring in additional revenues of $5.5 billion. This is a sizable sum, but this is not the end of tax reform. We will try again, and I will try again, to raise the personal exemption to $1,000, where it should be.

Of course, when we consider that my amendment has a low income allowance of $1,000, then the $800 exemption can be realistically interpreted as being equal to $1,000 in personal exemptions for a family of four.

No, tax reform will not end with this, but despite its shortcomings, this is still a good bill, not in all respects, but, as amended, I would rather have it than not have it.

Mr. President, I yield 10 minutes to the Senator from Oklahoma (Mr. HARRIS).

Mr. HARRIS. Mr. President, I rise in opposition to the pending motion of the distinguished Senator from Delaware.

May I say first, Mr. President, as has already been said, that I think the distinguished Senator from Delaware and the distinguished Senator from Tennessee have been as consistent supporters of real tax reform during this and prior sessions of the Senate as any Member of this body.

None of us can overlook the appearance of serious disease in the economy of this country. The consumer price index on meat, fish, and poultry, for example, rose almost as much during the first 8 months of this year as it did in all the previous 8 years combined.

There have been major increases in prices in the basic industries of steel and copper, for example, whence price increases roll ocean waves throughout the rest of our economy. The President of the United States, very early in his administration, indicated quite clearly that he intended to pursue a hands-off policy in regard to price and wage decisions, even in the basic industries. That has been the policy which he has pursued, and I think very unfortunately and with very seriously detrimental consequences for the economy generally.

I was glad that, at long last, he did alter that hands-off policy to some degree recently; but even then, Mr. President, he only sent out a letter to labor and management representatives, simply urging their support in holding the line on wages and prices. It seemed to me that that was a rather halfhearted effort, which came much too late in the day.

I do not think that the President of the United States ought to try to twist arms out of sockets, but I think most of the economists, the experts on the economy of this country, would say with President Theodore Roosevelt that the Presidency of the United States is "a

bully pulpit." It is the focal point for the moral power and influence of this great people. The Presidency is, today, an office which must be occupied by an activist, and in no field is that more true than in the field of the economy. I think we have seen the consequences of a passive Presidency in regard to wage and price decisions.

Second, Mr. President, I think that the worst thing that has happened in this economy, and the worst thing that could happen in this economy, is the fact that interest rates have been permitted to rise to their highest level in 100 years of this Nation's history. I do not think that this kind of tight money policy serves either the cause of the people of the United States—the plain people of this country—or the cause of curbing inflation. Rather, Mr. President, I think it can be clearly demonstrated that the outrageously high, scandalously high interest rates now in effect in this country fuel the fires of inflation and will, unless curbed, unless acted upon, cause this Nation, I am afraid, to fall upon even more difficult economic times.

The stock market does not, in my judgment, serve as a very good barometer to predict the shortrun future of the economy of the country. However, I think there is merit in the belief of many economists that it does serve as some kind of barometer as to what may happen in the economy for the longer run. We have only to look at what is happening in the stock market, Mr. President, and judge by that standard to find that, unless something happens to right this economy and to cure its serious ills, we may be headed for very serious troubles in the months ahead.

This, incidentally, is the first time in history—or it certainly is the first time in history so far as I know anything about it—that this country has had a conscious policy of raising interest rates at a time when we are trying to publicly finance a major war. That is exactly what we have done during the time of the policies which are now in effect.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HARRIS. I am happy to yield.

Mr. GORE. For those who say that there is no way to control interest rates, I should like to recall a little history. Former Presidents Roosevelt and Truman took this country through World War II and the Korean war maintaining an interest rate on Government obligations of 2.5 percent.

Mr. HARRIS. The Senator is quite correct; and, if he will recall, we had before the Senate not long ago a bill which sought to provide more mortgage credit, and at the same time—and as I understood it over the objections of the administration—provide some kind of voluntary credit restraints and credit rationing similar to that system which was in effect during the Korean war. That bill was passed, but that provision was adopted, as I understand it, over the objections of the administration.

Furthermore, as I understand it, there is a bill to provide for a system similar to the kind of system which was in effect during the Korean war presently pending in the House Banking and Currency Committee; and I only hope that finally, at long last, this administration and its Secretary of the Treasury will reverse themselves, and see that it is not in the public interest, that it is not in the interest of the plain people of this country, to continue this outrageously high interest rate policy which is sapping the strength of our economy, which is killing the housing industry, and which is distorting the economy generally.

The President of the United States has, I think, tremendous powers of suasion—and, more than suasion, of actually holding down interest rates—if he desires to use them. So far as I know—and I have watched it rather closely—to this good moment, the President has yet to say that it is against the national interest, as he sees it, to continue these high interest rates.

Furthermore, the President has lately appointed a man, Dr. Arthur Burns, to the Federal Reserve Board chairmanship; and I would think that, with that appointment of his own man, the President could finally, if he wanted to do so, see that the Federal Reserve Board reversed this high interest rate policy which is causing such tremendous economic troubles in this country—and is going to lead us down the road to a recession, in the eyes of so many economic experts whose opinions I trust—unless it is curbed, unless it is reversed, and unless that is done right away.

I think we have to be fiscally responsible, as well. But I wanted to point out these other items to indicate that we have run the wrong course monetarily, in my judgment, with this tight money policy. We have to be fiscally responsible, as well. That is why so many Senators, in recent months, have stood here and attempted to hold down nonessential expenditures, particularly nonessential military expenditures, to which we have to look first if we are really serious about trying to hold the line on the budget and provide a budget surplus. I hope that we will have greater help from the administration in that regard.

I saw a report on some action in the House Committee on Appropriations the other day to cut substantially from the administration budget request for military expenditures. As I understand it, the administration's position is that it is opposed to such deep cuts.

I think we must be fiscally responsible, and that means responsible not only so far as the amounts of revenue raised are concerned, but responsible also with respect to the amounts spent.

That brings us to this bill. I have tried to be responsible in my votes on the bill. In this time of continuing inflation and rising prices, Congress must be responsible in its fiscal policies, so as not to increase the inflationary pressures.

I voted for the Metcalf amendment, which would have raised an additional $200 million; for the Tydings amendment, which would have raised an additional $2.5 billion; and for the Kennedy amendment, which would have raised an additional $480 million. The total increase in revenue that would have been raised had those amendments been adopted by the Senate was $3.18 billion above the revenues that are raised by the bill.

I voted against the Ribicoff amendment, which was agreed to and will cost $1.8 billion in lost revenue.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. HARRIS. Mr. President, I yield myself an additional 5 minutes.

I voted against the Murphy amendment, which was adopted and will cost $225 million in lost revenue; against the Tower amendment, which was adopted and will cost $100 million in lost revenue; against the Hartke amendment, which was adopted and will cost $1.02 billion in lost revenue; and against the Inouye amendment, which was adopted and will cost $55 million in lost revenue. The total revenue that will be lost in those amendments, among others which I opposed but which were adopted by the Senate, is $3.2 billion.

Mr. President, I wish this bill were in better balance. I believe it will be—and it must be—as it comes back from conference.

I could support the motion of the distinguished Senator from Delaware in all particulars except in regard to items 7 and 8. I say, first, in regard to item No. 7, which would strike the increase in personal exemptions, which was adopted by the amendment of the distinguished Senator from Tennessee (Mr. GORE), that the attempt to make a distinction in the bill between tax relief and tax reform, to some degree, is, in my judgment, valid.

However, basically and fundamentally, I believe that tax relief is tax reform. Tax relief is a part of tax reform, especially since at the present time and without the pending bill, the lower and middle income tax payers in America are paying more than their fair share of the taxes.

I believe that the amendment of the distinguished senior Senator from Tennessee with regard to personal exemptions provides the kind of tax relief which a great majority of Americans can understand and, in my judgment, a great majority of Americans support.

It is in line with the kind and amount of tax relief which had been granted in the House bill.

I supported an increase in social security benefits to the extent of 15 percent because it seems to me that if any segment of our society is to have some relief from the growing inflation in this country and these alarmingly rising prices in our country, it ought to be this group of Americans.

I support the statements which were made in support of that increase, which is not inflationary and can be paid out of existing rates.

I believe that when the bill comes back from conference, decisions will have to be made weighing revenue and reform which will strike a balance to the degree that the Senate can agree to it.

There is not any question that changes have to be made in the measure along the lines I indicated I had voted. However, since the changes eventually have to be weighed and decided upon in the conference with the House of Representatives, I believe it would be well not to agree to the motion of the Senator from Delaware now, but, instead, to send the bill to the conference committee so that the conferees may begin immediately to work their will upon the measure

and both Houses will have an opportunity to take another look at it.

I believe that we can then hurry along with what I believe is absolutely essential—not next year, but this year—substantial tax relief and tax reform which is long overdue.

Mr. GORE. Mr. President, I yield 5 minutes to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Tennessee only has 3 minutes remaining.

Mr. GORE. Mr. President, I yield him 2 minutes in addition on the bill.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 5 minutes.

Mr. STEVENS. Mr. President, there seems to be a great penchant here to equate tax reform with increased revenue to the Federal Government. I would like to get the matter back in perspective, at least as far as my State is concerned.

The investment tax credit has been in effect for the past few years. Just as my State is coming into a period of development, Congress wants to take it away.

We tried to limit the relief provided by my amendment to depressed areas. And Alaska is a depressed area. If my amendment is agreed to it will mean that when new jobs are created in my State, there will be a $1,050 tax benefit for each new job created by people investing in my State.

The real problem concerning the approach to the bill as far as I am concerned is that no attention has been paid to the impact of what will happen as a result of both the House and Senate bills concerning the decrease in depletion allowance.

I have predicted that the price of gasoline all over the country will go up at least 1.5 cents a gallon. How inflationary is that as compared to continuing the depletion allowance that was built into the fabric of our economy for so many years?

In terms of the total impact of the bill, what will be the effect of the exemption we have voted for the individual taxpayer if the taxpayer gets a $200 increased exemption over the period of time provided in the bill in individual exemptions? We talk, and the Senator from Oklahoma has just tal"ed, about the concept of the rising interest rates. Instead of complaining about making more money available to individual taxpayers, if we find ways to encourage our people to save, the money made available by increased exemptions would go into the private stream of investments and would decrease interest costs for everyone, including the Federal Government, because more private capital would be available.

When I look at the decrease in tax liability and social security benefits resulting from the Senate approved amendment—and this table predicting the effect of our amendments has been placed on the desk of every Senator—it reminds me of the numbers game in accounting. One can do almost anything with figures. I do not believe that the impact of the Senate action on the bill can be interpreted simply by a look at the Federal Treasury today—we must realize that increased employment means increased tax revenues—increased savings means lower interest costs.

The investment credit is in effect today. By preserving it for small businesses and depressed areas, how in the world have we affected the budget?

I oppose the Senator's motion to recommit because I feel it does not show confidence in the conference committee.

I did not offer the amendment on depressed areas with respect to investment credit until the Hartke amendment was agreed to. I assume that the conference committee will be composed of people who serve on the Finance Committee who were opposed to these amendments to begin with. We have little chance to succeed in the conference committee. Yet, we are asked to make a decision now.

I note that we are not asked to take out all of the amendments agreed to on the floor, but just a selected few. I would like to have my amendment receive the same consideration in the conference committee as the amendments of the Senator from Tennessee or the Senator from Indiana. I am prepared to abide by the decision of the conference committee, but not by a selective recommittal motion which says that we should take out some measures but that the rest of them are OK. Some of the amendments that are not listed in the motion to recommit have a great deal more effect on the budget than my amendment would have.

This table presented to us today states my amendment would cost $70 million with relation to investment tax credit for depressed areas in the fiscal year 1970. If the Treasury lost $70 million in 1970 as a result of my amendment, there would be 70,000 people who are currently unemployed and probably on welfare rolls who would be put to work and would be paying taxes.

Anyone who states that we would lose $70 million from my amendment is completely unrealistic in my opinion.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. GORE. Mr. President, I yield 5 minutes on the bill to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 5 minutes.

Mr. MOSS. Mr. President, we have heard much about fiscal responsibility recently, but we have been hearing it from the wrong people.

Some Senators have been moaning and groaning about the revenue loss of the much-needed tax relief now provided for in this bill. They claim it is fiscally irresponsible. Yet when opportunities are presented to them to vote for amendments which would make up for this revenue loss, they are suddenly very quiet about fiscal responsibility.

Where were all the noisy advocates of fiscal responsibility when the Tydings capital gain amendment, the Kennedy minimum income tax amendment, and the Metcalf hobby farmer amendment were being voted on? Not only were these three amendments desirable on equitable grounds, but, in addition, together they would have added at least $3.2 billion to tax revenues. This sum could easily enough "pay" for the extra $2.3 billion that raising the personal exemption would cost.

Those Senators who are attempting to discredit the tax relief voted by the Senate are also including the 15-percent increase in social security as a further revenue loss. But this increase is not a revenue loss to the General Treasury. Social security is paid for out of a self-supporting trust fund which, without this 15-percent increase, would have an unnecessary surplus.

Although done for legislative convenience, it was perhaps a tactical mistake to add the social security to the tax bill. It really has nothing to do with tax relief, but the confusion has given the traditional opponents of social security a chance to distort it as fiscally irresponsible.

Mr. President, "fiscal responsibility," like "law and order," has become an abused term in the American political language. Behind the rhetoric of fiscal responsibility is the clear but unspoken message of the status quo—keep the loopholes open but oppose tax relief for everybody else.

But we should not let the enemies of meaningful tax reform get away with it. In my opinion, those who vote against tax reform are being fiscally irresponsible, not those who vote for tax relief.

Nor should President Nixon be allowed to get away with the rhetoric of fiscal responsibility. If the President had fought for tax reform with the same determination that he exhibited in the ABM and Haynsworth battles, we could have closed these loopholes and had more than enough increased revenue to cover the revenue loss of the barely adequate tax relief voted by the Senate.

Instead, the Nixon administration not only opposed some of the reforms in the House bill, but also wanted to cut the meager relief in the House bill by $1.7 billion and turn $1.6 of it over to the corporations in the form of a 2-percent reduction in corporate tax rates.

Mr. President, I shall vote against the motion to recommit. The Senate has exercised its responsibility in writing this bill, and I think we must send it on now to the President and let him exercise his function as he sees fit.

I yield the floor.

Mr. DOMINICK. Mr. President, will the Senator yield me 2 minutes?

Mr. GORE. I yield 2 minutes to the distinguished junior Senator from Colorado.

Mr. DOMINICK. Mr. President, I am not going to delay the Senate, but it seems a little difficult—to me, at least—to understand why we should go through 2 weeks of rather heated debate on many of these amendments, take vote after vote on the floor, and decide, as the Senate, what we are going to do, and then be asked to take all this and put it back in committee and vote it out as though we had never considered these items before.

I do not happen to be in agreement with the Senator from Tennessee on his exemption, but the Senate has decided this. I happen to be in favor of the tuition tax credit. It is my recollection that the Senator from Tennessee was not in favor of that. But the Senate has voted on both amendments, and it would seem to me only proper, having had those

votes at this time, that we should send it to conference and see what can be worked out between the differing bills. Heaven knows, we have enough points which differ in both bills to take a rather extensive amount of time in conference if they are going to be gone over with care. So I find great difficulty in seeing why we should do it this way.

Obviously, I could support a motion which provides for taking out the amendment of the Senator from Tennessee, and he could support a motion which provides for my amendment for tuition tax credit to be taken out. What we are doing is saying that we should take out all the major things that have been put into the bill after extensive debate by the Senate, and I cannot see the point in going through this type of exercise.

The PRESIDING OFFICER (Mr. SAXBE in the chair). The time of the Senator has expired.

Mr. GORE. I yield 1 additional minute to the Senator.

Mr. DOMINICK. Insofar as the tuition tax credit is concerned, on which I have been working for 15 years, that was passed by the Senate once. It was taken out in conference last time on the ground that the revenue loss was too high. This time it was passed by the Senate and its effectiveness was postponed until 1973. It seems to me that there is room in this budget, as we go on, to take another look at this matter. If it looks bad at that time, we can change it around or reduce the amount, but at least we will have established a tax reform principle by which one is allowed to use his own gross earnings to further the national policy of making available the opportunity for more people to have an adequate education. This is the basic principle. It is a total reform concept. It seems to me that, in view of the postponement of the effective date so that there would be no real effect on the budget until 1973—not 1972, as shown in the schedule—we should retain this amendment.

Mr. GORE. Mr. President, I yield such time as he desires to the majority leader.

Mr. MANSFIELD. Mr. President, I have been informed that the revenue gain from reforms in the bill reported by the committee and as presented to the Senate amounted to $6.6 billion and that as of now, with all the amendments put in by the Senate, the amount comes to $5.6 billion. That is still a great deal of reform in my judgment—reform that in the end will distribute the tax burden in our society more equitably.

I would point out, Mr. President, that, to achieve this, the Senate has sweated for a number of days, for long hours, voted time and time again on amendments—20 of them yesterday—and that now the Senate is faced with a proposal to undo in a matter of minutes all the work we have done over the past 2 weeks.

What would be the effect of the loss of the amendment offered by the distinguished Senator from Connecticut (Mr. RIBICOFF) and the distinguished Senator from Colorado (Mr. DOMINICK) insofar as helping out the overwrought and overpressed parents who are saddled with the high tuition and expense costs of education.

What would happen to the amendment offered by the distinguished Senator from Indiana (Mr. HARTKE), which would give some small degree of relief to small businessmen—and really small businessmen?

What would happen to the amendment offered by the distinguished Senator from Alaska, who is trying to look after the interests of his State and to compensate, at least in part, for the damages caused by floods, tidal waves, earthquakes, and other disasters?

What would happen to the sound proposal of the distinguished Senator from Hawaii (Mr. INOUYE), which will provide some consideration for retirees under qualified pension plans?

What would happen to the amendment offered by the distinguished senior Senator from California, which only asks that older Americans be given a full deduction for their medical costs?

What about the amendment proposed by the distinguished senior Senator from Arizona (Mr. FANNIN), relating to a deduction for the commuting expenses of disabled persons?

What about the amendment of the distinguished senior Senator from Tennessee, who is trying to raise the income exemption from a piddling $600 to a mere $800—and even that through stages? I think the $600 exemption has been long outmoded, out of date, ridiculous, and in reality without any meaning. Frankly, I do not think the distinguished Senator from Tennessee went far enough. I joined the distinguished Senator from Alabama (Mr. ALLEN) in seeking to raise the exemption rate to $1,200, and even then I do not think you approach the level in a fashion that gives justice to the people who are being hit the hardest—not the rich, but the poor and the middle income groups. These are the citizens who contribute most of the funds which this Government so willingly takes and which the Senate spends, along with our colleagues in the other body.

Next we find that the pending motion would knock out the social security benefits—15 percent. The administration recommended a 10-percent increase. But that would only cover the increase in the cost of living since the last raise in social security. This motion would knock out as well the proposal of the distinguished Senator from West Virginia and the Senator from Montana, which would raise the social security minimum from $55 a month to $100 a month.

Who can live on $55 a month?

It would also knock out the provision that would lower the eligibility age from 65 to 60 with actuarially reduced benefits and to 50 for women—the latter feature with little or no effect on the fund.

Well, Mr. President, all I can say is I have taken my stand on the bill. I voted for some amendments; I voted against others. I am willing to take my chances when I go back to my people and tell them how I voted, whether it was for a depletion allowance, for an increase of 15 percent in social security payments or for whatever. The record is there. We voted. We know where we stand.

I hope most sincerely the Senate will reject the motion to recommit the pending bill. I hope most sincerely the Senate refuses to undo now what it has spent more than 2 weeks to achieve.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. MILLER. Maybe I did not hear the Senator from Montana correctly, but would the Senator mind repeating what he told the Senate about the state of the budget for calendar year 1970 under the bill as it has been amended, as against the bill reported by the Committee on Finance?

Mr. MANSFIELD. I did not refer to the state of the budget. I referred to the fact that the revenue gained from reforms by the committee bill was $6.6 billion, but that as the bill stands now, with all the amendments, there is still a $5.6 billion gain from reforms.

Mr. GORE. From the reform provisions in the bill.

Mr. MANSFIELD. That is correct. From the reform provisions in the bill.

Mr. MILLER. Mr. President, I would like to comment on that statement because, while I am sure these figures are accurate, I do not think they convey the true picture as far as the overall budget is concerned. That is what we have to look at.

Mr. MANSFIELD. We are not talking about the budget, but rather a bill which was reported by the Committee on Finance, a tax reform and tax relief bill. We have expressed our views on it. We had almost 100 votes, I believe. The situation is quite clear. Now is the time to vote it either up or down.

If you are not for the bill, which all of us voted for in part, with one exception, possibly, then I think the best way to do it is to face up to the matter as is; and the best way to do that is to vote down the motion of the Senator from Delaware.

Mr. MILLER. Mr. President, will the Senator yield further?

Mr. MANSFIELD. I yield.

Mr. MILLER Mr. President, I think it is terribly important to look at the budget, that is, the way the budget is under the bill of the Committee on Finance and the way it would be under the bill as now amended with all of these Christmas tree ornaments.

The Senate will find in the committee report that under the committee bill there would be a surplus of $6.5 billion for calendar year 1970, but under the bill as now amended we would have a deficit of nearly $3 billion.

Mr. MANSFIELD. Though I did not refer to the budget, I can suggest to the Senator some areas where we could cut that budget. For instance, I think we could cut it very easily in the Defense Department. Indeed, some of the cost overruns on some of its projects alone exceed many revenue items in the tax bill. There are other exotic items that have been funded in the past in the name of Defense that have been wrong decisions. It seems that all the people in the Defense Department have to do is ask and they receive. The fact is, the budget can be cut and redistributed in line with the needs and priorities of this Nation and we in the Congress have had that opportunity every year. With re-

spect to the redistribution of the tax burden, however, it is not often that we have had the opportunity to provide reforms with a view to greater equity; certainly not every year, not even every decade. I hope we take advantage of the opportunity today.

Mr. MILLER. That is not the proposition before the Senate. That proposition will be reached by the Appropriation Committees, by the Senate and the House Committees on Appropriations.

Mr. MANSFIELD. The Senator used the word "budget" and to me the defense aspect of the budget comprises the overwhelming part of the money spent.

Mr. MILLER. I thoroughly agree on that, but I must point out to the Senator we are not dealing with the budget here; we are dealing with the Finance Committee bill, and the budget will come along later.

The PRESIDING OFFICER. Who yields time? The Senator from Tennessee (Mr. GORE) controls the time on the bill.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes to the Senator from Iowa on the bill.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. MILLER. Mr. President, I agree with the figures which the Senator from Montana has presented here. They are correct. My point is that they do not go far enough in presenting the true picture. If we are so concerned about high interest rates in this country, we had better keep the Federal Government from competing in the money market with private industry and with individuals who want to buy homes. But we cannot do that if we continue to build up deficits.

The best part of the bill of the Committee on Finance was that it assured a surplus. But under the amendments that have been agreed to, which the Senator from Delaware is trying to get off the backs of the American people, we are not going to eliminate this competition from the Federal Government for money. That is the way high interest rates can go down.

Mr. President, I have one further comment. I think we should recognize this fact and I want to repeat it.

When we increase the personal exemption from $600 to $800, that means that people like most of my colleagues in the Senate, who are at least in the 50-percent tax bracket, get $400 in tax benefits for every exemption they have and the little fellow in the 15-percent tax bracket gets a $120 crumb.

Mr. GORE. Mr. President, will the Senator yield on that point?

Mr. MILLER. I yield.

Mr. GORE. I think frankly that is a poor excuse when the amendment was offered as a substitute for rate changes which would have given $10,000 or more in tax reductions for the wealthy. The Senator is talking about a difference between $400 and $10,000.

Mr. MILLER. If the Senator's amendment would give every taxpayer a similar tax break, that would be one thing, but to give every Member of Congress a $400 tax break and the little fellow who is in the 15-percent bracket $120 is not very much equity and is not tax reform.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia (after having voted in the negative). On this vote I have a pair with the Senator from Louisiana (Mr. ELLENDER). If he were present and voting, he would vote yea; if I were at liberty to vote, I would vote nay. I withdraw my vote.

Mr. LONG (after having voted in the affirmative). On this vote I have a pair with the Senator from New Mexico (Mr. ANDERSON). If he were present and voting, he would vote nay; if I were at liberty to vote, I would vote yea. I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. ELLENDER) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 31, nays 60, as follows:

[No. 222 Leg.]

YEAS—31

| | | |
|---|---|---|
| Aiken | Goodell | Pearson |
| Allott | Griffin | Percy |
| Baker | Hansen | Russell |
| Bennett | Holland | Saxbe |
| Boggs | Hruska | Scott |
| Brooke | Javits | Smith, Maine |
| Cooper | Jordan, Idaho | Thurmond |
| Cotton | Mathias | Tower |
| Curtis | Miller | Williams, Del. |
| Dole | Murphy | |
| Fannin | Packwood | |

NAYS—60

| | | |
|---|---|---|
| Allen | Gurney | Montoya |
| Bayh | Harris | Moss |
| Bellmon | Hart | Muskie |
| Bible | Hartke | Nelson |
| Burdick | Hatfield | Pell |
| Byrd, Va. | Hollings | Prouty |
| Cannon | Hughes | Proxmire |
| Case | Inouye | Randolph |
| Church | Jackson | Ribicoff |
| Cook | Jordan, N.C. | Schweiker |
| Cranston | Kennedy | Smith, Ill. |
| Dodd | Magnuson | Sparkman |
| Dominick | Mansfield | Spong |
| Eagleton | McCarthy | Stennis |
| Eastland | McClellan | Stevens |
| Ervin | McGee | Talmadge |
| Fong | McGovern | Williams, N.J. |
| Fulbright | McIntyre | Yarborough |
| Gore | Metcalf | Young, N. Dak. |
| Gravel | Mondale | Young, Ohio |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Byrd of West Virginia, against.
Long, for.

NOT VOTING—7

| | | |
|---|---|---|
| Anderson | Mundt | Tydings |
| Ellender | Pastore | |
| Goldwater | Symington | |

So the motion to recommit the bill was rejected.

The PRESIDING OFFICER. The question now is on passage of the bill.

Who yields time?

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes.

I regret very much that the Senate rejected this motion, which would have established some degree of fiscal responsibility as far as this bill is concerned.

I worked hard for the last 3 months trying to get a tax reform bill that would be properly balanced. The bill as it is now before us, which the Senate is about to vote for, as compared with the bill that was reported by the Finance Committee will lose $10.656 billion next year in additional revenues. That does not count the $1.7 billion amendment sponsored by the Senator from Connecticut and by the Senator from Colorado, which is in the bill but which does not become effective until 1972.

I do not think we can afford that. We are already confronted with a budget deficit of staggering proportions. I know they are projecting a $3.4 billion surplus under this unified phoney budget, but that surplus is only based on the premise that they count as normal revenues the $10.6 billion of accumulations in the trust funds. If those trust fund accumulations were eliminated—which never have been counted before, and they should not be counted—then there is a projected deficit of $6.8 billion for next year, and that does not include the $10 billion extra loss in revenue contained in the bill now before us.

In addition, even that deficit is based on the premise that Congress will increase postal rates retroactive to last July. It is also based on the assumption that social security increases will be effective April 1, 1970, instead of January 1, 1970. It does not include the extra $600 million Congress provided for pollution control. It does not include the $400 million extra for veterans benefits.

The appropriation for HEW has been increased over $1 billion. It does not take into consideration any salary increases over and above what have already been provided for in the budget.

There is no question that we are headed into a serious deficit situation next year and that this bill will only further aggravate the problem.

I regret very much that the Senate has turned what was supposed to be a tax reform bill into a political Christmas package which promises everything to everybody when I do not think Members of the Senate ever expect those promises to be delivered.

Senators speaking against my amendment have said, "Let us pass the bill as it is." I have confidence in the conferees. They want to vote for these top reductions on the floor of the Senate, and then they can go home and tell their constituents how they voted for them, but the conferees took it away.

I will not be a party to any such political hypocrisy. I am sure we are going to pass the bill, but as one member of the committee who has worked long and hard on it and who believes in tax reform, I will not be a party to the irresponsible action the Senate is about to take. I am going to vote against the bill.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. If the bill is not passed, is it not true that, from the standpoint of the administrative budget, the deficit will be less than if it is passed?

Mr. WILLIAMS of Delaware. Benefits amounting to $10.650 billion were added on the floor of the Senate to what was already provided in the bill as it was reported from the committee. There were some tax reductions already in the committee bill. The increased revenue to be derived from repealing the investment tax credit, extending the surcharge and the excise taxes all that has gone down the drain under this Senate bill.

This bill represents the most irresponsible piece of legislation that I have seen since I have been in the Senate.

Mr. CURTIS. If the Senator will yield further, I believe it is grossly unfair to ask the American people to accept repeal of the investment credit and extension of the surtax and the many increases that are in this bill for naught, because after all that is done, the deficit will be greater and the debt will be greater. A nay vote is a vote to improve the condition of the budget.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 more minutes.

There is no question about what the Senator from Nebraska has said. As I mentioned earlier in the debate, in the last session when we enacted the 10-percent surcharge, when President Johnson was in office—and I supported that because I thought we ought to have it—as of June 30, 1968, our national debt was $350.7 billion. The national debt on November 20 of this year, just 17 months later, was $369.4 billion, or an increase of over $1 billion per month for that 17-month period.

Now the Senate proposes to increase that debt further by reducing revenues and increasing expenditures by another $10 billion.

I think it is the most irresponsible action ever taken in my 22 years in the Senate. We have cast the impression to a lot of people that they are going to get something. This is a political hoax for the American people. The people have been told that when the bill is passed they will get an increase of 15 percent in their social security benefits. They are told they will get an increase in their minimum social security payments to $100 a month. They are told they can retire at age 60. Under this bill they are being promised a big tax reduction next year. Parents with a child in college have been told they will get a generous tax credit for that student's expenses in college.

They have been promised all these things. How are we going to deliver when we do not have the money to pay for it?

Perhaps I am wrong, but if there are Senators who think that can be done I shall be looking forward to seeing how they do it.

Mr. CURTIS. Mr. President, will the Senator yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. Mr. President, I shall not delay the Senate, but I take only one moment to praise the Senator from Delaware. Future generations will appreciate him for the fight he has made here, not only today, not only last week, but throughout his career. He has not won on every vote, but he has been true to his convictions. While opinions differ, and I respect the right to have differing opinions, in my opinion he has been eminently right, and I commend him.

I commend the distinguished chairman of the committee for the way he has handled the bill.

Once more I want to raise my voice in praise of the staff of the Joint Committee on Internal Revenue Taxation and the staff of the Senate Committee on Finance.

The task that was imposed upon them by browbeating the committee to bring about this monstrosity in so few short weeks resulted in night work, working weekends, and a very great burden. We must remember also that the end product of their work must stand testing, in court, by the best legal talent in the country. They have done an outstanding job, and they are deserving of the gratitude of the entire Senate.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. In a moment. I yield myself one-half minute.

I thank the Senator from Nebraska. I might say that I am not so conceited as to think that any future generations will remember what I have been doing, but I will say this: The generations to come will remember what the Senate is doing here today because they will be paying the cost of our votes today.

I yield 1 minute to the Senator from Illinois.

Mr. PERCY. I think 1 minute will be sufficient to indicate that I shall vote against this bill. Last night I placed in the RECORD my reasons for voting against the bill as amended by the Senate. I believe that a vote of "no" is really a vote of confidence in the work the Finance Committee originally did. Even though I think it is apparent that the bill will pass, a strong "no" vote will be an indication to the conferees to put the bill more in line with the House bill or the bill as originally reported by the Finance Committee, so as to provide a revenue loss of not more than $3 billion or $4 billion, rather than the $21 billion revenue loss we will otherwise suffer during the next 2 years.

Mr. GORE. Will the Senator from Louisiana yield me 5 minutes?

Mr. LONG. I yield 5 minutes to the Senator from Tennessee.

Mr. GORE. Mr. President, I should like again to spend a moment talking about fiscal responsibility and this bill. A great deal has been said about social security. The fact is that there is a social security trust fund, in which there is now a surplus—a social security trust fund with respect to which the actuarial experts of the Social Security Board testified that there was sufficient surplus to provide for a 15-percent increase in social security benefits across the board; and the record was so impressive that the House Ways and Means Committee reported such a bill unanimously.

How does it happen that now it is fiscally irresponsible to provide the benefits in the social security program, for which the people have already paid and have built up a surplus sufficient to provide for those benefits?

So much for social security. We now come to the tax provisions of the bill. I know we have had a great many votes and a great furor over amendments. I voted against most of the amendments that reduced revenues; but be that as it may, what is the result? As the Committee on Finance brought the bill to the Senate, its tax reform provision would bring in, according to experts in the Treasury Department, $6,600,000,000 in additional revenue. After all of our furor, the tax reform provisions in the bill as it is now ready to be voted, up or down, will produce $5,600,000,000 in additional revenue.

The committee chose to recommend that this additional revenue be used to provide tax relief for individuals. The principal choice before the committee has been who would get the tax relief. The administration recommended that it be done by a change in tax rates, lowering the top bracket on earned income from 70 percent to 50 percent. If Congress should approve that recommendation, it would mean that in one 5-year period, gradualism in our income taxes, above a reasonable level, would have been obliterated. It would mean that in one 5-year period, we would have cut the top rate from 91 percent to 50 percent on earned income. Striking that provision out was the first amendment the Finance Committee approved.

Then the bill came to the floor of the Senate, with the choice whether this additional revenue brought into the government by tax reform measures—more than five sixths of which are still in the bill—should be distributed in tax relief by way of rate changes running to 8 percentage points in the high brackets and only 1 percentage point in the low brackets, or whether that tax relief should be provided by way of increasing the personal exemption. After long debate the Senate chose the latter by a vote of 58 to 37.

So we have a bill that is not perfect, but one that is, on balance, good. It does not accomplish all the tax reform we desire.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GORE. I ask for 1 more minute.

Mr. LONG. I yield the Senator 1 additional minute.

Mr. GORE. But tax reform will not end with this measure, either. Many of us will be pressing harder and harder for more equitable tax reforms.

But this is a great start. Banish those who say it represents fiscal irresponsibility. This is a good bill, and I am prepared to vote for it.

Mr. LONG. Mr. President, I yield myself 1 minute.

I recorded myself as in favor of the Williams amendment, because I like the idea of being fiscally responsible with all revenue bills. But, as the Senator from Tennessee has so eloquently pointed out, there is a lot of good tax reform in this bill, and we are certainly justified in providing tax reduction to the extent that we provide tax reform. If the House of Representatives could do that, I see no reason why the Senate cannot do it. But the House position of a balanced bill for

1969, 1970, and 1971 will be in conference, and we can discuss that there.

After all the long, hard work that the Senate has done on the bill, I certainly would regret to see all this work done for naught. I very much hope that the bill will pass.

I believe that Senators will be happy with the final result of the bill. Between 500 and 700 amendments will be in conference. But it is my judgment that by the time we shape the bill into final form in conference, although it will not please everyone, the Senate will be better satisfied than it is at this moment. I believe that on balance it is a good bill, and that Senators will regret a vote against it.

Mr. METCALF. Mr. President, will the Senator yield 5 minutes to me?

Mr. LONG. Mr. President, I yield to the Senator from Montana as much time as he may desire.

Mr. METCALF. Mr. President, I am going to digress from the vehemence and the eloquence that have been spoken about the bill. I have asked for this time to ask a question of the Senator from Louisiana, who is managing the bill. I wish to ask him about a provision on page 349 of the bill, section 638, of the Internal Revenue Code, a provision which is discussed also in the committee report on page 189, section 7, regarding the Continental Shelf.

The Continental Shelf is the subject of great concern for several committees of the Senate. The distinguished and able Senator from Rhode Island (Mr. PELL) heads a subcommittee of the Committee on Foreign Relations; the able and distinguished Senator from South Carolina (Mr. HOLLINGS) is in charge of a subcommittee of the Committee on Commerce; and I am chairman of a subcommittee of the Committee on Interior and Insular Affairs. The Comittee on Interior and Insular Affairs is the committee that last had jurisdiction over Continental Shelf legislation.

This is a subject of concern in the United Nations, as it was also in the last Interparliamentary Conference, the U.S. delegation too, which was headed by the distinguished Senator from Alabama (Mr. SPARKMAN). It was a matter of much discussion.

We are concerned about whether we should have a 3-mile shelf or should have jurisdiction for 20 miles or, as some South American nations have asserted their jurisdiction, for 200 miles.

The Department of Defense, the Department of State, and other departments have yet to reach a conclusion as to what the recommendation should be made.

The bill provides that the United States shall have jurisdiction to tax provided such area is adjacent to our territorial waters and we have exclusive rights to such area under international law. I understand that the committee has written a provision in accordance with international law with respect to the exploration and exploitation of natural resources. But already we have demonstrated the ability to explore and exploit far beyond the 3-mile limit or the 20-mile limit.

I should like to make it clear today that this is only a tax bill and that we are extending only our tax jurisdiction; that this provision does not establish any precedent or make any statement so far as U.S. jurisdiction over the outer Continental Shelf is concerned for defense purposes or for fishing or for the water column or air column overhead.

Mr. President, for the benefit of my colleagues, I ask unanimous consent that section 507 of the tax reform bill be printed at this point in the RECORD.

SEC. 507. CONTINENTAL SHELF AREAS

(a) IN GENERAL.—Subchapter I of chapter 1 (relating to natural resources) is amended by adding after part IV (added by section 505 of this Act) the following new part:

"PART V—CONTINENTAL SHELF AREAS

"SEC. 638. CONTINENTAL SHELF AREAS.

"For purposes of applying the provisions of this chapter (including sections 861(a)(3) and 862(a)(3) in the case of the performance of personal services) with respect to mines, oil and gas wells, and other natural deposits—

"(1) the term 'United States' when used in a geographical sense includes the seabed and subsoil of those submarine areas which are adjacent to the territorial waters of the United States and over which the United States has exclusive rights, in accordance with international law, with respect to the exploration and exploitation of natural resources; and

"(2) the terms 'foreign country' and 'possession of the United States' when used in a geographical sense include the seabed and subsoil of those submarine areas which are adjacent to the territorial waters of the foreign country or such possession and over which the foreign country (or the United States in case of such possession) has exclusive rights, in accordance with international law, with respect to the exploration and exploitation of natural resources, but this paragraph shall apply in the case of a foreign country only if it exercises, directly or indirectly, taxing jurisdiction with respect to such exploration or exploitation.

No foreign country shall, by reason of the application of this section, be treated as a country contiguous to the United States."

(b) SOURCE OF INCOME FOR WITHHOLDING OF TAX.—Section 1441 (relating to withholding of tax on non-resident aliens) is amended by adding at the end thereof the following new subsection:

"(e) CONTINENTAL SHELF AREAS.—

"For sources of income derived from, or for services performed with respect to, the exploration or exploitation of natural resources on submarine areas adjacent to the territorial waters of the United States, see section 638."

(c) CLERICAL AMENDMENT.—The table of parts for subchapter I is amended by adding at the end thereof the following new item:

"Part V. Continental shelf areas."

Mr. LONG. Mr. President, I yield myself such time as I might require to answer the question.

Mr. President, the Senator can rest assured that the Finance Committee has no intention whatever of usurping the functions of the Senate Foreign Relations Committee in this matter.

If the Senator will look at lines 12 through 16 on page 349 of the committee substitute, he will see that in modifying the term "United States" it says:

For purposes of applying the provisions of of this chapter (including sections 861(a)(3), and 862(a)(3) in the case of the performance of personal services) with respect to mines, oil and gas wells, and other natural deposits—

So the application of this provision is limited to chapter 1 of the Internal Revenue Code. It is also limited in that it has application only in the case of natural resources.

It is not intended to affect any other questions which may arise with regard to the Continental Shelf. We are not trying to regulate these activities or get involved in foreign affairs.

All we want to do is clarify the status of the Continental Shelf for income tax purposes in this context. And that is what we are seeking to do—to provide the proper tax treatment for income from natural resource activity on the Continental Shelf.

Mr. METCALF. I am in complete accord that they should be taxed.

Mr. LONG. Mr. President, I yield to the Senator from Rhode Island.

Mr. PELL. Mr. President, I ask the Senator from Louisiana if it would not be correct that the very wording here, where the bill says "submarine areas which are adjacent to the territorial waters of the United States and over which the United States has exclusive rights"—it does not say sovereignty, but it says "exclusive rights, in accordance with international law" underline the point that has just been made in the colloquy between the Senator from Montana and the Senator from Louisiana to the effect that this bill is not a step forward in extending the exercise of national sovereignty?

Mr. LONG. We do not get into the subject of national sovereignty. I have thought about the item. However, all we seek to do is collect the income tax due from U.S. firms who earn income on the Continental Shelf, just as we are collecting income taxes from people who make it within the 3-mile limit.

They owe income taxes to the Federal Government. We do not prejudice what any foreign government can do.

Mr. PELL. Mr. President, what is meant by the phrase:

No foreign country shall, by reason of the application of this section, be treated as a country contiguous to the United States.

Does that mean that resources from the continental shelves of Mexico and Canada will not be included?

Mr. LONG. We just do not want islands in that area to be regarded as continguous for purposes of income tax.

The matter was very carefully considered by the Treasury. That is what the Treasury thinks ought to be done for tax purposes.

There are certain provisions in the law that apply where a nation is contiguous to the United States. And we do not want to get involved in that.

That is why the language is there.

Mr. PELL. It is a self-denying ordinance.

Mr. LONG. The Senator is correct.

Mr. METCALF. Mr. President, the only point is that this definition only has application for tax purposes.

Mr. LONG. The Senator is correct. There is nothing more.

Mr. President, I yield such time as he may require to the majority leader.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, at this time it would be appropriate to refer

to those whose devotion and dedication made possible a tax relief-tax reform bill this year. To the committee, to its members and staff, to the staff of the joint committee and most of all to the able and distinguished chairman, the Senator from Louisiana (Mr. LONG), and the able and distinguished ranking member—the Senator from Delaware (Mr. WILLIAMS)—we owe our deepest gratitude. Their effort has produced the most singularly outstanding achievement of this session and perhaps of the entire 91st Congress. During the past 2 weeks or so, we in the Senate who are not members of the committee experienced only a little of what was necessary to pass a proposal of this magnitude. In all of my years, in fact, I have never witnessed any committee devote itself more diligently to a task, working from early in the morning until late in the evening, not just for a matter of days but for nearly 4 solid months.

Frankly, I do not know how to express in words my gratitude, the gratitude of the Senate and of the Nation for the service that has been so magnificently performed.

Perhaps no Member will agree that the measure in its present form provides the reform and relief that will achieve absolute equity in our tax structure. No proposal could. In my opinion, however, it goes a long way in that direction and certainly much further than ever before. I am confident as well that when the conferees return with their recommendations it will be an even better proposal.

But the remarkable story is how this measure was achieved.

Last July when the question of extending the surtax was before the Senate, Chairman LONG and the members of the Finance Committee agreed that they would report the tax reform bill in 3 months. I do not believe that even they realized at the time just how much work would be involved in meeting that timetable. But rather than extend the period to accommodate the workload, they intensified their efforts to meet the schedule. In setting such a timetable for his committee, Chairman LONG is to be particularly lauded for his efforts, for his commitment, for his cooperation and performance.

In like manner, the ranking minority member, Senator WILLIAMS of Delaware—who has for years championed the cause of tax reform—as well as all members of the Finance Committee who hammered out a full and distinct set of proposals in a relatively short period, deserve the praise and respect of the entire Senate and of the country.

The expeditious attitude of the Finance Committee set the example for the entire Senate. The bill was scheduled for floor action at the beginning of Thanksgiving week. Voting began the very first day and I must say that from then on the cooperation and consideration exhibited by all Members on both sides of the aisle was of the highest order. Speaking for the joint leadership, we are most grateful. This experience has established beyond question that the Senate can be most efficient when it devotes its full energies to a task. It has taken less than 3 weeks—just 13 working days—to do the job. There are 11 days left to pass at the least five appropriation bills and a foreign aid bill and a comparability pay bill.

Finally, I should say that the achievements of the 91st Congress shall be many, but none can surpass those which will flow from the enactment of the tax reform-tax relief act. It should be highlighted that this bill is one that originated solely within the Halls of Congress. The initiative as well as the follow-through was in the Congress. This act will highlight again that our actions in the Congress are far more significant than anyone's words.

To the chairman of the committee, the Senator from Louisiana (Mr. LONG), to the Senator from Delaware (Mr. WILLIAMS), to the members of the committee, and to the entire Senate I extend my deepest gratitude; and I express the hope that this bill will be reported back to us so that we can consider it once again before we adjourn sine die the first session of the 91st Congress.

Mr. LONG. I thank the Senator for his kind remarks. I thank every Member of this body and the members of the Finance Committee in particular for the very generous cooperation they gave to the chairman.

In some instances, the chairman decided that we would never conclude the hearings unless we strictly limited Senators in their questioning. It was very considerate of the members of the committee to go along with that mandate, without which we never could have concluded these 7,000 pages of hearings on the bill.

But, more than any Senator, I believe the staffs of the Finance Committee, headed by Tom Vail, and the Joint Committee on Internal Revenue Taxation headed by Larry Woodworth deserve all the praise we can heap upon them.

They have been working 20-hour days—and I do not think too much praise can be accorded to them—to work out the technical sections of this 585-page bill. They have worked around the clock in many instances, on Sundays and holidays as well as the ordinary workdays. I do not think there are more overworked people anywhere in Government than these two staffs, and they deserve all the praise the Senate can accord them. I do not think there are many people in America who are as competent to work on the bill as those we had working for us.

I would also like to make special and fond mention of Harry Littell of the Legislative Council's office. Words cannot begin to adequately praise Harry for the superb craftsmanship of his efforts on this massive task and for his devotion to the job. Without the extremely long and difficult hours put in by Harry, we would not have this bill before us. Without his efforts and skill we would not have a bill that is in such excellent technical shape. We cannot begin to praise Harry enough.

Mr. MANSFIELD. Mr. President, what the distinguished Senator has said is not only well merited, but also very much deserved. The staff members have worked long. They have a good deal of work ahead of them. I think that out of the efforts of the committees and their very capable staffs, the tax reform-tax relief bill this year will be one of the hallmarks, the benchmarks, the landmarks of this Congress.

Mr. LONG. The RECORD also should reflect that many dedicated employees of the Treasury Department volunteered to work with our staffs on this bill.

I yield to the Senator from Massachusetts such time as he requires.

Mr. KENNEDY. Mr. President, in the exchange which has just taken place, the distinguished majority leader has paid a great and well-deserved tribute to the distinguished chairman of the Committee on Finance and to the members of the committee. I warmly associate myself with his remarks, because I feel that this praise and this acclamation is well due.

In addition, as we go into the final minutes before we vote, we ought to recognize the eminent role played by the distinguished majority leader in our efforts to achieve meaningful tax reform. Indeed, I believe that it was the Senator from Montana who articulated most clearly the relationship between the extension of the surcharge and the inequities which existed in our present tax system. It was he who emphasized to us that the surcharge was unfair, because it requires no contribution from those who escape their taxes. It was he who demanded that the surcharge should be coupled with tax reform. Only in this way, he realized, could we bring maximum pressure to bear on tax reform. Indeed, in main part, it is because of the majority leader's strong and dedicated commitment to tax reform, and his leadership in working with the distinguished chairman of the Committee on Finance and the members of the committee that we find ourselves in the successful posture we are in today.

There were those who said we need not act hastily on the question of tax reform. There were those who said the matter ought to be studied. The administration told before the Ways and Means Committee last spring that we should wait until November for yet another review of tax reform proposals.

Throughout this year, the position taken by the majority leader on tax reform was hard and difficult and courageous. He performed a great service not only to the Senate, but also to all our citizens. I am pleased, therefore, to rise at this time to join in acclaiming the members of the Finance Committee and the majority leader for their magnificent effort.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MUSKIE. Mr. President, I should like to join in this well deserved tribute to the distinguished Senator from Montana, the majority leader (Mr. MANSFIELD). I know of his singleminded commitment to the objective of tax reform which he expressed first in the Democratic Policy Committee early in the summer. He sensed the interest of the country in the objective of tax reform. He understood, from his many years in the Senate, that unless such a commitment were made by the leadership, tax reform might well fall through the cracks as we considered the tax questions raised

by the surcharge. He has stuck to his commitments steadfastly.

He was criticized considerably for making that commitment in July and August. Doubts were raised later as to whether or not, because of the sheer immensity of the task, that commitment could be made. It was with the cooperation of the distinguished chairman of the committee, the Senator from Louisiana (Mr. LONG), that it was possible for the majority leader to make that commitment.

It seems to me most appropriate, as the distinguished Senator from Massachusetts has pointed out, that at this point, prior to final vote on this tax package, the Senate and the country be reminded of the leadership role played by the distinguished Senator from Montana.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Florida such time as he desires.

Mr. HOLLAND. I thank the Senator.

In the first place, I want to compliment in the highest possible terms the chairman of the Committee on Finance and the ranking minority member of that committee; and the members of the committee generally also are entitled to their share of congratulations. I have noted particularly the fidelity with which the chairman and the ranking minority member have stuck by the committee bill. I think that is the finest evidence of real leadership, and I compliment them for doing that.

The second thing I would like to say, Mr. President, is that I have frequently found occasion in the past to express regret about the complex which seems to seize upon the Senate when we consider an important and involved tax measure. It is the type of measure in which most consideration should be given to the committee recommendations, particularly in a matter of this kind, in which after 3 months of hearings, a 585-page bill, which is offered as a substitute for the House bill or to replace the House bill, is the fruit of all that work.

I do not know whether it is because we in the Senate are somewhat frustrated because under the Constitution we are banned from initiating legislation in this field, or what the reason may be; but I think that the most unsound thing we do in the Senate is in attempting to write on the floor a tax bill, no matter how complex or involved the matter may be, and that is exactly what we have done in connection with this bill.

I regret that we show that attribute almost yearly; and I must express regret again this time, because I think it is unsound to follow that practice. It is not a compliment to the committee or its fine leadership or its fine work. To the contrary, it seems to be born in the idea that individual Senators, on the floor, in their judgment, many times most impulsively, have sounder views on the complex matter of Federal taxation than does the committee after its months of study, hearings, and testimony. I cannot join in that kind of approach to the passage of an involved tax bill and that is one of the reasons I shall vote against the bill.

The principal reason, though, why I shall vote against the bill is that it attempts to undo one of the real things that had been attempted to be done by this bill, and that was to fight inflation The fight against inflation will be a particularly tough and important one in the next 2 years, 1970 and 1971.

The bill which is now ready for adoption, and it will be passed so far as the Senate is concerned by its vote, shows this kind of net result in revenue in 1970 and 1971. I am using the composite table prepared by the staff of the Committee on Finance.

In the year 1970, this particular bill, which is now before us and about to be voted on, has a net reduction from the committee bill of about $3.0526 billion. If that is an attack on inflation, if that is an effort to regularize our fiscal practices, this Senator cannot see it. For the year 1971, from this same table, it appears that the amendments we have agreed to on the floor of the Senate will cut the revenue provided by the committee bill by $5.049 billion. In other words, there would be a net reduction in revenue of over $8 billion in those 2 critical years, and they are the 2 critical years in the fight against inflation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. Mr. President, will the Senator yield to me for 3 additional minutes.

Mr. LONG. Mr. President, I yield to the Senator from Florida 3 additional minutes.

The PRESIDING OFFICER. The Senator from Florida is recognized for 3 additional minutes.

Mr. HOLLAND. The net reduction in those critical years is better than $8 billion. That is moving exactly in the wrong direction rather than in the right direction. That is the principal reason I shall vote against the bill.

There is one ray of hope in this matter. I have found it possible at least three times before, and maybe more, in voting against the complex bills in this field which have been rewritten by the Senate on the floor to vote for a much better bill which came back from conference; and I do hope in this instance we will have that kind of record made again by the conferees of the two Houses.

In my mind it would be not only unfortunate but most misleading to the public and would defeat the objectives of all concerned in trying to bring about this legislation, to come back with this bill in its present form, with a net reduction in revenue as against the committee bill, of over $8 billion in the 2 critical years.

Mr. President, having made those brief remarks and again expressing my compliments to the distinguished Senator from Louisiana, the chairman of the committee, and the Senator from Delaware, I wish to inform the Senate I shall vote against the bill and hope that when they take it to conference we will get back a vastly improved bill.

Mr. ALLOTT. Mr. President, I also join in complimenting the members of the Committee on Finance, the chairman, the ranking minority member, and also all the other members who just as diligently through all the many days and weeks of hearings attended to their business in attempting to fulfill the mandate of the Senate, a mandate which I think was foolish and which I think should never have been given. According to the statement of the majority leader at the time of the passage of the surtax bill, it was a mandate of the Democratic policy committee. I think it was a short-sighted and foolish mandate which we will all live to regret in this country.

Mr. President, for the past 2 weeks or more the Senate has been operating in a circus-like atmosphere. The political Christmas tree known as the Tax Reform Act of 1969 has not only been decorated, it has been gaudily overdressed with flashy and topheavy economic ornaments which threaten to short circuit every light, and may well end up burning down the house.

In the Senate's unprecedented spending spree, it has ignored the cruelest tax of all, inflation. Commonsense and reason has been cast into the fire of political advantage. Champagne has been dished out when the budget can scarcely afford 7-Up.

There is scarcely a citizen of this Nation who has not felt the effects of continued deficit spending by the Federal Government. For the 8 years prior to President Nixon's inauguration America suffered from the combination of the policies of those in Congress who cannot bear to see the budget balanced and administrations which did not have the will to face the economic realities of life.

Now we have an administration which has pledged itself to fiscal sanity. We have an administration which has told its individual departments: "Keep the spending and the hiring down."

The policies of this administration are just beginning to work, but every bit of good which has been accomplished through squeezing and belt tightening and economic restraint will be undone if the Senate version of the tax reform bill becomes law.

While some good things have been accomplished in the bill, the fact remains that the U.S. Treasury would end up with a short fall in revenue for the calender years 1969–72 of $27 billion—$26.284 billion, to be exact—if the bill in the form I find it today is enacted. In addition, in the calender year of 1973 alone the effect of the Mansfield-Byrd amendment for social security would be an added social security tax bill of $6.7 billion for middle-income taxpayers.

Because I cannot in conscience contribute to the destruction of fiscal responsibility, which the American people demand and which this administration stands for, I find it necessary to announce that I shall vote against the final passage of the bill, a self-created economic monster. If it passes, and if the Senate-House conference does not restore sanity to this legislation, I shall vote against the conference report.

However, I have a very good feeling that the bill which comes from the conference is not going to be identifiable with the bill which passes the Senate this afternoon. I also want to make it perfectly clear that I will be among those Senators who have announced they will vote to sustain a veto by the President. In fact, on behalf of the taxpayers of this country, I urgently recommend to the President that he exercise his veto responsibility, as he has indicated he

will, if the bill contains anywhere near the degree of fiscal irresponsibility it now contains, because the vast majority of citizens are in accord with his aim and goal to curb inflation.

Since politically the present bill is supposed to please about everybody, I suppose that taking the position I have enunciated carries with it certain risks. Then so be it. I cannot and will not vote for a measure which could well bring about a situation which in turn would precipitate an economic collapse in this country.

Yesterday afternoon the distinguished Senator from Nebraska offered an amendment in which was incorporated the concept of an administrative budget. I hope we get off this unitized budget kick we have been on for the last 2 years. It does not mean a thing. It is misleading to the people of the country. We will never understand where we are until we get back to the concept of an administrative budget. How in the world can we claim that we have a surplus in this country when we are counting as a surplus the dollars which are paid into trust funds such as social security, highway funds, and other such earmarked accounts?

I have termed this bill the Lawyers and Accountants Civil Relief Act of 1969.

I predict, and believe, that we will have created, if the bill as it now stands is enacted into law, a heyday which will keep our accountants and lawyers busy not only for the space of years but for many years to come. I do not begrudge them their fees, but I am concerned about those middle-income taxpayers who are going to have this additional expense.

There is this to say about the bill, many of us have advocated, and sought, relief in the past for the average citizen. I am talking about those in the lower income and lower median income brackets. This bill does not now do this. It has been rendered completely out of balance by floor amendments. Educational investment credits have been added. This is one of the more meritorious floor amendments. It is a benefit which I have previously supported. In another climate, in another situation, this benefit has been completely logical, because it would give assistance to these low- and middle-income taxpayers and would have helped them to educate their children. I have supported it.

I also advocated at times an increase in the personal exemption, but that was not done at a time when we had taken 5 million people from the tax rolls and had decreased the taxes of some 7 million others.

So it is not that these things are bad, but rather that as amendments to the tax reform bill which the committee brought out, taken together, they are unacceptable for anyone who gives consideration to fiscal responsibility in this country.

I believe that the bill will be a better bill when it comes back from conference. I hope it will not look like the bill which will probably pass this afternoon.

Mr. President, let me say this in conclusion: There is no tax which is as cruel as inflation. It is said over and over. There are many Senators who are wealthy, but they will take care of themselves in an inflationary period, but the man who cannot properly take care of himself is the poor fellow working for perhaps $3,000, or perhaps even $8,000 a year to support his family, or the man and woman who have finished the productive years of their lives and are dependent upon social security, a pension, or fixed incomes. How can we say that we are being honest with them if we do not exert our last and best efforts to maintain the stability of the dollar by holding down inflation as the President has asked?

Senators telling constituents that we are giving them more and saying, "Look at what we did for you," is like Little Jack Horner who sat in the corner saying "What a great boy am I" when he pulled out a plum. We cannot tell them things like that and at the same time pursue a policy which destroys every hour of every day, the very thing we are giving them, with the other hand.

Therefore, Mr. President, I shall vote against the bill and pray that when we see the bill come back from conference, it will be a much better bill as far as the best interests of our country and its citizens are concerned.

Mr. President, I ask unanimous consent that a chart which has been prepared by the Treasury Department showing the revenue loss of the bill, which is illustrative of the remarks I have previously made, be printed in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

REVENUE EFFECT OF SENATE AMENDMENTS TO H.R. 13270

[In millions of dollars]

| | Calendar years | | | | | | |
|---|---|---|---|---|---|---|---|
| | 1969 | 1970 | 1971 | 1972 | 1973 | 1974 | Longrun |
| Total, as approved by Senate Finance Committee | +900 | +6,458 | +301 | −3,298 | −3,373 | −3,438 | −2,318 |
| Floor amendments: | | | | | | | |
| Accumulation trusts | | −5 | −15 | | | | |
| Medical expenses, aged | | −225 | −225 | −225 | −225 | −225 | −225 |
| Real estate | | | −10 | −20 | −30 | −45 | −90 |
| Transportation expenses, disabled | | −90 | −90 | −90 | −90 | −90 | −90 |
| Alternative tax | | −50 | −65 | −80 | −80 | −80 | −80 |
| Foundations | | −20 | −20 | −20 | −20 | −25 | −25 |
| Minimum tax | | −20 | −20 | −20 | −20 | −20 | −20 |
| Education expenses, credit | | | | −1,800 | −1,800 | −1,800 | −1,800 |
| Depletion | | −5 | −5 | −5 | −5 | −5 | −5 |
| Investment credit: | | | | | | | |
| Small business exemption | −520 | −720 | −720 | −720 | −720 | −720 | −720 |
| Depressed areas exception | −10 | −70 | −70 | −70 | −70 | −70 | −70 |
| Foster children | | −75 | −75 | −75 | −75 | −75 | −75 |
| Tax relief (Gore) | | −2,250 | −3,740 | +85 | +85 | +85 | +85 |
| Pensions | | | −5 | −10 | −15 | −20 | −55 |
| Citrus groves | | +5 | +10 | +10 | +10 | +10 | +10 |
| Subtotal, floor amendments | −530 | −3,525 | −5,050 | −3,040 | −3,055 | −3,080 | −3,160 |
| Social security: | | | | | | | |
| Payments | | −5,700 | −6,400 | −6,400 | −6,400 | −6,400 | −6,400 |
| Taxes | | | | | +6,700 | +6,700 | +6,700 |
| Grand totals, floor amendments | −530 | −9,225 | −11,450 | −9,440 | −2,755 | −2,780 | −2,860 |
| Total Senate bill, currently | +370 | −2,767 | −11,149 | −12,738 | −6,128 | −6,218 | −5,178 |

Source: Office of the Secretary of the Treasury, Office of Tax Analysis.

Note: Net revenue loss 1969–74 $38,630,000,000, net revenue loss 1969–72 $26,284,000,000.

Mr. GRIFFIN. Mr. President, I wish very much that it were possible for me to join in the expressions of praise by the distinguished majority leader on the work of the Senate in connection with this bill.

Regretfully, as one Member of this body, I have very little reason to be proud of its collective performance in connection with this product of its deliberations. It is now a hodgepodge of political "goodies" which no longer deserves the title of tax reform.

But, Mr. President, I do join the distinguished majority leader and the distinguished majority whip in their high praise of the chairman of the Finance Committee, the ranking minority member, and all other members of the Finance Committee who worked so hard on this bill. I think it is obvious, in most cases, that by and large, the committee tried to achieve responsible and meaningful tax reform in their deliberations as evidenced by the bill that they reported.

In particular, I want to refer to and commend the great Senator from Delaware (Mr. WILLIAMS).

The other day, I had reason to have printed in the CONGRESSIONAL RECORD an article about the fact that the distinguished Senator from Delaware has announced his retirement, an announcement which I think everyone in this body hopes he will reconsider and change his mind.

The article referred to the Senator from Delaware as being a giant in the Senate.

Mr. President, the Senator from Delaware (Mr. WILLIAMS) is not only a giant in the Senate today but, in the opinion of this Senator, his performance in connection with the pending bill, as in connection with so many other bills, will demonstrate that he is a giant in the history of the Senate.

Time will surely make it clear that he was not only a friend of the taxpayer but that he was also a friend of the consumer as he fought for sound fiscal principles.

Mr. President, many of the amendments which were adopted and added to the pending measure to make it a "Christmas tree" are amendments of great merit.

So far as I personally am concerned, for many years I have advocated and have introduced bills to provide tax

credits for expenses in connection with higher education.

I found it very difficult and distasteful to vote against that amendment when it was offered to the bill, but I felt that the Senate must not abandon fiscal responsibility.

We have to face reality, and this is not the time when we can add to our revenue losses.

For our Nation, like a fat man, to continue eating candy and double helpings of ice cream, would be the height of irresponsibility.

Senior citizens need and deserve an increase in social security benefits. In my view, a 15-percent increase in benefits is not too great, although I believe that a 10-percent increase now, coupled with an automatic escalator provision, based on the cost of living, would be a better deal in the long run for those who rely on social security.

We do a disservice to our senior citizens by tacking social security legislation onto a tax package which is certain to push the cost of living up at an even faster pace.

As it stands, this package contains too little tax reform, too much tax relief and a mighty big boost in prices for everyone.

Mr. President, I have the utmost confidence in the good judgment and commonsense of the American people. I believe that too many politicians do not give them enough credit.

The housewife, the businessman, the worker, are all deeply concerned about galloping inflation. I think they know and understand that Government spending, based upon borrowing, is largely responsible for the plight of our Nation today.

Mr. President, I have little doubt that the bill before us will be passed by the Senate, but, in good conscience, I cannot vote for it. I want the Senator from Delaware to know that he does not stand alone and that the President does not stand alone. Both of them are right, and I am confident the people know they are right.

I shall cast my vote against the bill.

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAMS of Delaware. Mr. President, I yield 1 minute to the Senator from New York (Mr. JAVITS).

Mr. JAVITS. Mr. President, I can state my position on this bill very simply and very directly. I have searched my conscience. If I voted "no" I would do so in the hope that the bill would be carried to conference in spite of my vote.

It is easy to vote either way, because none of us want the bill as it is, neither those who will vote "yes" nor those who will vote "no."

Because I believe in doing something rather than doing nothing, I shall vote "yes," but I shall feel free to debate and to reject the conference report. I want this bill to go to conference, so I must be honest with myself and vote for it.

I take this action with considerable reluctance, because I am deeply troubled by certain provisions in the Senate bill. I have grave reservations about these provisions in this bill, which I opposed when they were offered as amendments. Yet, there is much which is good and worthwhile in it, and I am prepared, at least, to send it to conference and to keep an open mind until the conference report is received.

I have long sought meaningful tax reform, introducing bills to achieve that objective not only in this Congress, but in previous Congresses. However, this bill has been transformed into a tax rate-cutting bill, as well as a tax reform bill, and this poses considerable problems in these inflationary times. I am deeply troubled, in particular, by the Gore amendment, which increases the personal exemption; this would seriously impede our efforts successfully to battle inflation in the present and next fiscal year. I opposed the Gore amendment for that reason. In addition, I am concerned about the amendment which gives tax credits for education which must be costly to Federal aid to education. And by the Cotton amendment, which gives the President unlimited authority to impose import restrictions. The Cotton amendment is particularly unfortunate, since its subject is totally unrelated to the tax bill to which it was added, and it signals to the world that the United States may be entering a protectionist era. Should it survive the conference I would consider seriously opposing the conference report on that ground.

It must be emphasized that this bill contains many valuable reforms, reforms which many of us have sought for years: Improvement in the oil depletion allowance, a fairer tightening of the real estate tax shelter, and the low-income allowance, to mention but a few. In addition, this bill also contains a very important anti-inflationary provision—that is, the 6-month extension of the income tax surcharge—at a reduced 5-percent rate, as requested by the administration.

In some areas the Senate bill is a great improvement over the House-passed measure. Changes made in the Finance Committee and on the floor of the Senate in the past 2 weeks have brought about a bill which contains equitable tax reform in the area of foundations, charitable contributions and real estate. The bill, as amended in the Senate, also contains valuable incentives for low- and moderate-income housing and a deduction for the transportation expenses of the handicapped—a provision which I have been seeking for many, many years.

A provision of this bill would also increase social security payments by 15 percent. I supported this provision, and, while this increase has been cited as having an inflationary impact, I am not persuaded that its inclusion in this bill is a reason for rejecting it. These increased benefits are financed from the social security trust fund—outside of general revenues—and the House of Representatives is now considering an increase of this amount in a separate bill. An increase of benefits for those over 65 cannot be viewed in the same light as other provisions in this bill which would have a negative revenue effect. Rather, it represents a correction of inequities. Like those disadvantaged in need of the immediate establishment of a humane and efficient system of family assistance, social security beneficiaries need this increase in benefits if they are to stay above the line of dependency and poverty.

I am reluctant to see these very positive features of the Senate bill now go down the drain. I do not want to see all these many months of creative and committed work on tax reform wasted. I am particularly reluctant to vote against this bill when to vote for it would be a vote to send it to a Senate-House conference which will have the opportunity to alter or eliminate the more unfortunate features of the bill and to limit its inflationary impact.

On balance, I still believe that it is possible to salvage an equitable and fiscally responsible bill, in which tax reform will predominate over tax-rate cutting and inflationary impact. For that reason I will vote for this bill. It is my intention to carefully examine the work of the conference, to evaluate its report independently, to make a fresh judgment at that point on the virtues of the tax reform bill, and to cast my final vote on the conference report accordingly. Only then can a definite judgment be made on the measure. For now, the momentous work done on the measure should not be aborted.

Mr. President, in conclusion, I want to note that the Senator from Delaware is a really great Senator. I only regret that he cannot live eternally. He has performed a great duty for the U.S. Senate.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. May I have 30 seconds?

Mr. WILLIAMS of Delaware. Mr. President, I yield whatever time the Senator needs.

Mr. JAVITS. He has exposed all aspects of this bill. As a Senator representing a State with 18 million people, I thank him and I ask him to feel that, no matter what else he may have done in his life, this is an historic and a great example of the capacity, the patriotism, and the devotion which he has shown.

I would also like to pay tribute to Senator LONG, Senator TALMADGE, Senator GORE, and other Senators who have fought so hard and so valiantly in respect of the bill. I know they will forgive me if I pick JOHN WILLIAMS, who sits in front of me, as my favorite.

Mr. TALMADGE. Mr. President, I yield 4 minutes to the Senator from Indiana (Mr. HARTKE).

Mr. HARTKE. Mr. President, I intend to vote for the bill. I think it is a good bill. It is far from perfect, but it is far better than it would have been without some of the changes that have been made in the Finance Committee and on the floor of the Senate.

I would like to make a brief statement about the amendment that I offered yesterday, and two of the amendments that I did not offer, but plan to pursue in the future at an appropriate time.

First, the amendment that I offered last night as an amendment to Senator MILLER'S amendment would have raised almost $1 billion. Senator MILLER'S amendment is good in that it raised the rate of the minimum tax from 5 to 10 percent. On the other hand, it raises the question of the possible creation of a tax shelter for some taxpayers. This is because Senator MILLER'S amendment allows a deduction from the preferred items of the amount of taxes on ordinary income. It is therefore conceivable that

a taxpayer with large, ordinary income, and also a goodly amount of preferred income, could use the taxes paid on the ordinary income to escape paying any taxes at all on the preferred income. Of course, there is some justice to Senator MILLER's claim that a taxpayer who was paid a large amount of taxes should be treated differently from the taxpayer who has paid little or no taxes. Recognizing this principle, my amendment would have allowed a deduction of one-half of taxes paid. I believe that this would achieve equity while at the same time foreclosing any possible loophole. The different revenue estimates justify this assertion.

The Senate Finance minimum tax provision would have generated $700 million in additional revenue. Senator MILLER's proposal which was finally adopted, by his estimations, generated $740 million. My proposal would have generated slightly less than $1 billion.

Mr. President, I ask unanimous consent that a letter from the Joint Committee on Internal Revenue Taxation setting forth revenue estimates of my proposal be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
*Washington, D.C., December 11, 1969.*

Hon. VANCE HARTKE,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR HARTKE: This is in reference to your request for an estimate of the effect on income tax liability of a provision to impose a 10 percent tax on the preference items in the Senate Finance Committee version of the tax on preference items after deduction of one-half of Federal income tax otherwise payable and $30,000.

Time did not permit of a computer run for this estimate; we estimate, without benefit of a computer run, that this proposal would result in an increase over present law of approximately $440 million in individual income tax liability and $550 million in corporate income tax liability.

Sincerely yours,
LAURENCE N. WOODWORTH.

Mr. HARTKE. Mr. President, I would now like to discuss two amendments that I did not offer. I did not offer these amendments because the Senate has been overburdened with amendments to the tax reform bill, and because my amendments raised profound and fundamental questions. While I believe these proposals have merit, it may be that some modifications or changes are desirable. My first amendment, No. 369, would repeal some of the more outstanding preferences in our tax code. Beginning in 1985, the following tax preferences would no longer be allowed:

First. Intangible drilling and development costs in the case of oil and gas wells would have to be capitalized and could not be taken as a deduction in the year that they were paid or incurred.

Second. Percentage depletion on natural resources would be repealed, and only cost depletion would be used.

Third. The capital gain provision of the tax laws would be treated as ordinary income.

Fourth. The special treatment of stock options would be repealed and all income arising from stock options would be taxed as any other type of income.

Fifth. Interest received from State and local bonds issued after December 31, 1984 would be taxed.

Sixth. New residential rental housing and property constructed after July 25, 1969, could only be depreciated by a method which did not exceed the amount available under the 150 percent declining balance method.

Seventh. Personal property subject to a net lease could only be depreciated on methods which are not faster than the 150 percent declining balance method.

Eighth. Any deduction for a charitable contribution of appreciated property would have to be reduced by the amount of gain which would have been realized if the property had been sold at its fair market value.

Ninth. Provisions of the tax law permitting financial institutions to deduct reserves for losses on loans would be repealed.

Tenth. The amount of any excess investment interest for a taxable year could not be deducted.

This amendment in no way implies hostility or objection to the social and economic goals to be achieved by the various named preferences. A provision in the tax code is a preference to the extent that it allows any taxpayer to accumulate wealth or enjoy personal consumption without paying the full tax. A preference, then, means deviation from the norm, and the proponents of a preference should have the burden of proof as to the use of the tax code for such a purpose and the measure of its success. My amendment would place the burden of proof on those enjoying special tax treatment, and not make tax reform conditioned upon public outrage.

No one has a permanent right to the U.S. Treasury. Nothing in this life is permanent, and the ordinary taxpayer must make his plans with the realization that his tax burden can change from time to time. It is only fair that those who enjoy preferences face the same uncertainty. For as John Steinbeck said, "in the long run, we are all dead."

My second amendment, No. 385, would create a Senate Tax Reform Commission, composed of 12 members selected for their professional qualifications, excellence, experience in finance, public finance, taxation, or related fields. They would be selected by various Members of the Senate. In the drafting of this amendment, I tried to achieve as much independence for this Tax Reform Commission as possible. Once the members of the commission are selected by the Members of the Senate, they should be entirely on their own to suggest desirable changes in our tax code.

It is my hope that this 2-year commission would create an expertise and fund of knowledge that the Members of the Senate could draw from. The debate of the last 2 weeks shows rather convincingly that there are many ideas for beneficial change in our tax code, but little concrete knowledge.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. Does the Senator desire additional time?

Mr. HARTKE. Yes, 1 minute.

Mr. TALMADGE. I yield 1 minute to the Senator from Indiana.

Mr. HARTKE. This commission, then, would consider the various tax reform proposals and more importantly try to determine the various proposals' economic and social consequences. Tax reform is insufficient in itself if it does not include careful evaluations of the economic and social change. Also, this commission in evaluating a certain area would develop various alternative approaches. In this way, the Senate could select from a series of possible changes, and not be faced with the rather sterile rejection or approval of one proposal. This commission would also consider desired changes in the tax code to enhance productivity, strengthen our economy, and the achievement of social goals. Finally, this commission would study the relationship between Federal, State, and local, and property taxation. The present U.S. taxation system is a crazy-quilt of different systems, often working against each other.

A columnist recently suggested that taxes are too complex to be handled by Congress. He suggested turning the entire function over to the executive branch. I consider this a most unwise proposal. Taxes are becoming increasingly technical and complex, but every administration is subject to the same pressures that are more conspicuously revealed in Congress. The administration, however, has the expertise and the technical staff so that their decisions seem neater. If Congress is to meet its increasing responsibility in the field of taxation, it must create the necessary machinery.

Mr. WILLIAMS of Delaware. Mr. President, I yield 5 minutes to the Senator from Pennsylvania (Mr. SCOTT).

Mr. SCOTT. Mr. President, I wish, first, to commend the two principal staff aides and their assistants who have worked so well and diligently on this bill in helping solve numerous difficult problems which have faced us. I am referring to Tom Vail, of the Finance Committee, and Larry Woodworth, of the Joint Committee on Internal Revenue Taxation. I also express our appreciation and thanks to the Treasury experts and advisers.

I think all of us would agree that there are few committees whose work is so conscientiously performed as that of the Finance Committee, and there can never be too many tributes to the ranking minority member, Senator WILLIAMS of Delaware, whose conscience and conscientiousness are a byword, and to the work which was done by all the members of the committee on both sides of the aisle, by the very distinguished chairman, who has patiently given consideration to individual concerns and problems of each Senator and has aided them, and to the Senators on his side of the aisle, and to our members on this side of the aisle on the Finance Committee, including the Senator from Utah (Mr. BENNETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Iowa (Mr. MILLER), the Senator from Idaho (Mr. JORDAN), the Senator from Arizona

(Mr. FANNIN), and the Senator from Wyoming (Mr. HANSEN).

For all of the work done and the contributions made, we are all appreciative.

At the same time, as many of them have pointed out and as other Senators have pointed out, this bill is, by the largest understatement of the year, far from perfect.

It has much in it which is designed to meet the true needs of tax reform. It has much added to it which operates to increase the burden on the Treasury, and to reduce the revenue to a point where normal caution would, it seems to me, have dictated otherwise.

I am reassured that the social security increases will be taken care of in another bill if removed from this one. They should be treated in a separate bill. I favor the increases in social security. I do not know of a matter which has aroused more interest in Pennsylvania, as a matter of fact, than the plight of the social security beneficiaries who have been too long denied the very reasonable amounts which they surely need.

There are many reasons why the allowance for dependents should be increased from $600. It has not been increased since 1948. I believe that at least some modest increase is desirable. I would like to see one that does not result in the removal or deprivation to the taxpayer of the proposed increases in the standard deduction allowances.

An amendment which I supported, the Percy amendment, would have preserved, for the most part, this important feature in the Senate bill as it came to us. I am not sure what the conferees will do, but I have a suspicion that the conferees are more than likely to come up with something similar to the Percy amendment, which was defeated.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SCOTT. I ask for 3 additional minutes.

Mr. WILLIAMS of Delaware. I yield the Senator 3 minutes.

Mr. SCOTT. Or which is more likely to resemble the Percy amendment than either the House bill, the Senate bill, or the Gore amendment.

I agree with the Senator from New York when he says he reserves the right to either support or oppose the conference report if it does not remove some of the unwisdom which has now become embedded in the bill. Each of us approaches his final decision in full awareness of the fact that, in seeking to do good for some, we have not done well by all; and therefore, we ask ourselves, "Shall I vote for the bill, or against it?"

My reasoning follows that of others who say that if we throw overboard all the hard work that has gone into this bill for many weeks, we may not have tax reform at all.

On the other hand, if the bill comes back to us in anything like the shape it is in now, perhaps we ought not to have a tax bill at all, or perhaps the President will veto the whole thing; and I would suspect that a veto, under those circumstances, would not be overridden.

Therefore, it is my hope that the conference will result in a bill which represents the distilled wisdom of the conferees, and which can be found acceptable to both parties. Because I want to see tax reform and tax relief, and because I want to see tax reform and tax relief, and because I favor many of the features of the bill, I shall vote for it.

Finally, Mr. President, just a word to express the great regret that all of us feel that the distinguished Senator from Delaware has announced that he will not be a candidate to succeed himself.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SCOTT. Will the Senator from Delaware yield me 1 additional minute to further extend my praises of him?

Mr. WILLIAMS of Delaware. I yield the Senator 2 minutes.

Mr. SCOTT. There is a rule in Delaware that the distinguished senior Senator from Delaware can be reelected for as long as he wishes, and they wish he would wish for longer than he wishes for. He is the only American Senator who has, by custom and tradition, the same privilege which is extended under the Constitution of Canada to Canadian Senators, who serve for life. The Senator from Delaware could indeed serve for life if he so desired. It is our loss that he has reached another conclusion, and we will miss, indeed irreplaceably, the great, courageous, and dedicated service which he has performed.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, I yield 1 minute to the Senator from Texas.

Mr. TOWER. Mr. President, I think much of what has been done here was an exercise in futility, because I think a great portion of it will be stricken out by the conference committee; and if it is not, there is great probability that the bill will be vetoed.

It is, in many respects, a bad bill. I think the bill is too punitive of some elements in our society which have provided the capital flow which has been the dynamic behind the great economic growth of the United States of America.

I think there are other provisions, designed to help people, which will have the ultimate effect of doing them grave injury, through the debasement and destruction of the buying power of their money.

Therefore, I intend to vote against the bill. I join my colleagues in commending my distinguished friend from Delaware, an able and tremendously patriotic Senator. In spite of my battles with him over the depletion allowance, I wish him well, and wish he were not leaving.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, I yield myself 2 minutes.

In my judgment, much of the harsh criticism this bill has received is premature. I think most of us recognize that there are provisions in the bill which perhaps should not be in it. On the other hand, there are many that should be there. In the time I have been a Member of the Senate, it has been my experience that bills of this magnitude usually come back from conference in far better shape than when they left the Senate. In my judgment, that will be true this time. After a conference between the House and the Senate, this bill will be put into shape, where it will be less inflationary in the years 1971 and 1972, and the relative inflow and outflow of funds will be substantially the same.

I pay tribute to the distinguished chairman and the ranking minority member of our committee, who have worked so diligently, as have all the members of the Committee on Finance, in perfecting this measure. As the distinguished majority leader has stated, it required almost 4 months' work. We heard witnesses day after day, and week after week, and we sat in executive sessions for the same period of time. We had outstanding attendance of the members of our committee, both at the hearings and at the executive sessions.

Lastly, I pay tribute to the excellent staff that provided us so much outstanding assistance.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TALMADGE. I yield myself 1 additional minute.

In my judgment, Dr. Larry Woodward, the chief of staff of the Joint Committee on Internal Revenue, and Tom Vail, the chief counsel for the Senate Committee on Finance, did one of the most outstanding jobs I have ever experienced in my more than 20 years in government. They are knowledgeable, dedicated, and candid. When you ask them a question, you get a responsible, forthright, honest answer. The Senate owes them a great debt of gratitude, and I cannot pay them tribute in terms too warm.

Mr. President, I yield the floor.

Mr. MILLER. Mr. President, will the Senator yield me 2 minutes?

Mr. TALMADGE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. TALMADGE. How much time does the Senator from Delaware have remaining?

The PRESIDING OFFICER. Three minutes.

Mr. TALMADGE. I yield 2 minutes to the Senator from Iowa.

Mr. MILLER. Mr. President, to put in perspective what we are doing with this bill, the Committee on Finance reported out a bill which would have resulted in a surplus of $6.5 billion for 1970. Now that we have the amendments put on it, it will result in a deficit of $2.7 billion.

For 1971, the Finance Committee bill would have just about broken even, with a surplus of $3 million. Under the bill as now amended, we would have a deficit of $11 billion.

For 1972, the Finance Committee bill would have had a deficit of a little over $3 billion; and under the bill as amended, there will be a deficit of $12 billion.

If we really want to do a job in increasing inflation and high interest rates, the bill presently before the Senate is the way to do it.

Mr. President, I ask unanimous consent that the lead editorial in the New York Times entitled "Inflationary Blackmail" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INFLATIONARY BLACKMAIL

The Senate's decision to incorporate a 15 per cent increase in Social Security benefits and a $100 monthly minimum into its version of the tax bill is a disgraceful exercise in political blackmail. It is, unfortunately, thoroughly in keeping with the irresponsibility that has marked every step of the Senate's effort to distort what began as a tax reform bill into an engine of accelerated inflation.

We have no quarrel with the notion that Social Security benefits need improvement to offset the cost-of-living increases that have cut the value of present pension payments since the last 13 per cent raise in benefits went into effect in February 1968. And certainly there is room for debate as to whether that improvement should be the 10 per cent recommended by President Nixon or the 15 per cent the Democrats favor.

But tacking the higher benefits onto the tax bill is a transparently cynical device to deter President Nixon from vetoing a bill that is turning into a Christmas tree loaded with inflationary candles. Few Congressional actions are more popular than putting more money in the pockets of the elderly, and the imperturbable Senate majority feels rubber dollars are as good as ones that have genuine purchasing power. On that basis, it apparently feels the President will have no option except to sign the omnibus tax measure, however uneconomic it becomes.

It is the President's obligation to insist that increased Social Security benefits be considered on their merits in a separate measure. The actual increase in the Federal consumer price index since the last benefit rise comes to 9 per cent. The Nixon proposal of a 10 per cent across-the-board increase in benefits not only covers that rise but also provides an escalator to keep pace with future increases in living costs.

The question that Congress ought to weigh is whether the present period of rampant inflation is the right one in which to lift the benefit level on a more fundamental basis. We have no doubt that a strong argument can be made for such action once the price level returns to some semblance of stability, but it certainly should not be a matter of shotgun determination now.

That reserve applies even more strongly to the steep increase the Senate has voted in the benefit floor. This newspaper has long contended that the present $55 minimum is scandalously low. Yet a precipitate jump to $100 sets a wretched example for the exercise of restraint in wage-price decisions in the private economy.

It will require political courage for Mr. Nixon to stand up against these giveaways and defend both the nation's fiscal soundness and its ability to meet the social needs that cry out for expanded Federal aid. The President can and must demonstrate that courage by making it plain now that he will veto any tax bill that spurs inflation, even one packed with goodies for Social Security pensioners.

Mr. SCOTT. Mr. President, will the distinguished Senator yield?

Mr. MILLER. Mr. President, there is not much time remaining. I would like to complete my statement.

I supported the Williams motion to recommit. I regret very much that it was defeated. I intend to vote for the bill only for the purpose of getting it to conference with the clear understanding and the hope that the conference committee will come back with a bill which will be fiscally sound, one that I can support.

If they do not do so, I will not be able to vote for the conference report. And I am quite sure that the President will veto it.

Mr. WILLIAMS of Delaware. Mr. President, I yield 1 minute to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 1 minute.

Mr. HANSEN. Mr. President, I shall vote against the bill. In so doing, I want it to be understood that I have nothing but the greatest respect for the members of the Finance Committee. It has been my privilege and pleasure to serve with them since early September.

I pay my respects also to the staff which has been most helpful to me despite the fact that I am the most junior member of that committee. Their impartial, ever-obvious willingness to serve all of us fairly and patiently attests to their commitment to duty.

Mr. President, I take this opportunity to say a word about the distinguished Senator from Delaware.

Impelled not by political motivation, but only by what he believes is best for our country, JOHN WILLIAMS often stands alone in taking the honest, responsible position.

He pleads unpopular causes.

The very nature of representative government gives encouragement to those who would engage in political demagoguery, and I think that is what has characterized the actions of many on this matter for the last several days.

I leave to history, as all of us must, the rendering of final judgment and decision upon the wisdom of the distinguished Senator from Delaware. Insulated from the heat of present emotions, given the advantage of looking back upon events still before us, I predict history will make an objective evaluation of this man that will fully confirm the great regard in which he is held by all of us.

Mr. WILLIAMS of Delaware. Mr. President, I join the chairman of the committee and others in paying my respects to the staff of the Joint Committee on Taxation.

I also pay my respects to the chairman of the committee for the excellent job that has been done in trying to get a bill before the Senate. I agree completely that we could not have had a more competent staff. We could not have done our job without them. Larry Woodworth and Dennis Bedell are two of the most competent staff members that I have ever worked with.

As to the complimentary remarks concerning me, I thank all Senators.

I was sitting here thinking what consternation there would be if I were to say that I had changed my mind, but I will not so they are safe.

Much has been said concerning the $6.4 billion additional revenue raised by tax reform in this bill. That $6 billion is not all tax reform. I think we should point out the breakdown. The $6.4 billion is arrived at in this manner; $4.2 billion is represented by the extension of the surcharge another 6 months and extending the excise taxes. The repeal of the investment credit accounts for $2.5 billion additional revenue in the bill as reported by the committee, and the tax reform accounts for $1.4 billion.

When we add that up we have $8.1 billion, and the tax relief measures in the Finance Committee bill, as reported, totalled $1.7 billion.

That brings us back to the net gain under the committee bill of $6.4 billion. I repeat, the $6.4 billion surplus for 1970 represented in the committee bill does not altogether consist of reform. It is the revenue derived from the extension of the surtax, the extension of the excise taxes, and the repeal of the investment tax credit. Furthermore, the $1.4 billion from tax reform that was in the bill, as it came from the committee, has been whittled down on the floor of the Senate by $500 million. That only leaves $900 million of actual tax reform in the bill. The $2.5 billion to be gained from the repeal of the investment credit has been whittled down on the floor by $800 million. That leaves only $1.7 billion.

The PRESIDING OFFICER. All time of the Senator has expired.

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PEARSON. Mr. President, I shall vote against H.R. 13270, the Tax Reform Act of 1969. The original purpose of this bill was to remove from our tax structure certain inequities which have accumulated during the past 56 years. The act purported to provide fairness to those who are able to pay, to remove from the tax roles millions of citizens who fall into the very low income or poverty levels, and to do these things in a fiscally responsible way, having due regard for the goals of the Nation and the dangers of inflation.

The measure now before the Senate fails to achieve these purposes.

Inequities have been added to inequities.

Many of the very low income citizens continue on the tax roles.

The revenue lost to the Federal Treasury by virtue of amendments honestly conceived and properly proposed offers the prospect of a huge budget deficit.

I did not find it an easy matter to vote against an amendment to raise the standard deduction.

Nor was it a simple decision to vote "no" regarding a 15-percent increase in social security benefits.

Particularly, it was a hard matter to vote against the amendment granting tax credits for expenses of the higher education of our young people. As a matter of fact, I have previously introduced legislation to grant such tax credits as a way to help families bear the burden of ever-increasing costs of college educations for their children.

I did vote in favor of the amendment providing the retention of the 7-percent investment credit on investments of up to $20,000 per year, primarily to aid small businessmen and farmers.

I also voted in favor of the amendment adding a new section to the bill providing that the 3-percent floor on medical expenses and the 1-percent floor on medicine would not apply to individuals who are 65 years of age or older.

But aside from the effect of the several individual amendments, the total effect of Senate floor action on this bill would mean that the Federal Government must borrow money to finance the tax benefits

added, and that it must do so at the very same time we are increasing taxes by the continuation of the surcharge.

Moreover, Mr. President, these revenue losses to the Federal Treasury increase the supply of money and thereby fire the flames of inflation precisely at the time when this administration, by resorting to some very difficult measures in cutting Federal spending and halting inflation, has reduced inflationary pressures.

President Nixon has announced his intentions to veto this tax bill if it comes to his desk in the form in which the Senate is attempting to pass it. He has given us his reasons for feeling that this would be necessary. I agree with those reasons—they are exactly the same ones which compel me to vote against final passage.

This bill, before us now, is a fiscally irresponsible bill which gives tax cuts at a time when tax cuts feed the fires of inflation as they already threaten to engulf the economy of this Nation.

Fiscal responsibility is not a matter of being all head and no heart; it is a matter of social responsibility, too.

The country's troubles multiply when legislators do not add and subtract properly.

It is no kindness to the electorate to legislate without regard to the connection between spending and taxing. Inflation eats into every paycheck, and undermines the Nation's ability to put its troubled house in order.

Mr. President, one is compelled to express appreciation for the work of the Senate Finance Committee, and to recognize that they worked under a time limitation, as did the Senate itself as we near the end of the first session of the 91st Congress. Many factors worked against a more orderly and deeper study of tax reform. Yet, to recite these serves no purpose.

The bill before us simply fails to provide tax reform which is urgently required and sought by all.

If this bill passes the Senate today, and if the conference report comes back to this body reporting a fiscally responsible bill, I shall, at that time, vote in favor of the acceptance of that conference report.

Mr. HART. Mr. President, two of the facts of life of this body are that a Senator cannot vote "maybe" and that often the final vote does not present a clear-cut choice between "yea" and "nay".

The Tax Reform Act of 1969 is a case in point.

When discussion of tax reform started last spring, I listed certain goals which I thought the bill should attempt to meet.

There were: First, meaningful tax relief for low- and moderate-income families; second, no extension of the surtax without meaningful tax relief, and maybe not even then; and third, a balance or near balance between revenue lost through tax relief and revenue gained through tax reform.

The bill we vote on today does provide the first item, or at least directs more tax relief to those income groups than the House- or Senate Finance Committee-approved bills.

Of course, the bill also contains extension of the surtax—reduced to 5 percent for an additional 6 months. When I tied surtax extension to tax reform last spring, I had two thoughts in mind.

First, separation of the surtax question from tax reform might have weakened the push for the latter. By keeping the two together, we have at least accomplished a step toward putting more equity into our tax system.

Second, I was not persuaded that the surtax had been or would be effective in slowing the climb in prices. I am still not persuaded, but on balance the long-range pluses from the tax relief provisions outweigh the short-range minuses resulting from a 6-month extension of the surtax.

The gap between the revenue which will be lost and the revenue which will be gained in the Senate bill is a more difficult problem with which to deal.

Without getting into specific figures, it is clear that as now presented, the Senate bill will cost the U.S. Treasury more than the House bill. And it goes without saying that with increasing demands on the Federal dollar, such a decrease cannot be accepted lightly.

Certainly we could have closed or partially closed numerous loopholes untouched or only slightly touched by this bill, and I voted for a number of such amendments.

And certainly we have cut back on loophole closing recommended by the Senate Finance Committee or approved by the House, and I have voted for several such amendments. The problem, of course, is that many such provisions do serve a useful social benefit.

Because some tax benefits are good for society, such as those which might help small businesses to compete better with conglomerates, it becomes difficult to close them all.

A better approach, it seems to me, might be to enact a stiffer minimum tax for persons taking undue advantage of loopholes and limiting the way they can make deductions. This stiffer approach would not necessarily seriously affect useful tax benefits but everyone would pay more for the privilege of using the loopholes. That is why I cosponsored an amendment to set a graduated minimum tax. Unfortunately, that amendment was defeated.

At any rate, I am faced with a "yea" and a "nay" vote on the Tax Reform Act of 1969. Mindful of the revenue lost which would result if the Senate bill became law without change, I will vote yes with the hope that the conferees will do what they can to correct the revenue shortfall.

Mr. DOLE. Mr. President, the passage of my amendment deleting intangible drilling and development costs as a preference item under H.R. 13270 was a victory for the independent oil producers and the economies of our oil- and gas-producing States.

That amendment deleting intangible drilling and development costs for taxpayers who gross $3 million or less annually was necessary to encourage greater investment in the exploration and development of our oil and gas resources by the independent producer. Industry spokesmen indicate the producer of not more than 3,000 barrels a day will receive the greatest benefit from this legislation, thus covering approximately 90 percent of our Kansas oil producers.

Witnesses before the Finance Committee indicated that more than 85 percent of the Nation's efforts to search for oil reserves is conducted by these independent producers. Government and industry report that the lack of incentives, not lack of prospects, has been the principal reason for the sharp reduction in exploration drilling during the past 12 years.

Reports from independent oil producer spokesmen indicate Kansas is an area of great potential. In particular, northeastern Kansas is demonstrating the largest leasing and drilling campaign seen in Kansas for many years. That activity along with heavy leasing in northwestern and western Kansas indicates the potential for profitable oil production. This legislation should provide the necessary economic incentives to increase that exploration and development.

Further, assistance was provided by rewriting the section which included depletion as a preference item and subjected it to a 5-percent tax. Under the amendment accepted by the Senate, the depletion allowance would be set off against intangible drilling and development costs, and the only tax paid would be on the excess of depletion.

Without this amendment and because the Senate later approved a 10-percent tax on preference items, the amendment is, in effect, worth twice as much to those taxpayers who gross $3 million or less annually.

During Senate debate, Senator LONG, chairman of the Finance Committee, made a very good point—that the oil industry would have paid $650 million in additional taxes under the House-passed bill and that the section dealing with intangibles alone would have constituted a burden of $250 million in additional taxes.

In Kansas, where oil and natural gas production means one-half billion dollars to the economy, the small independent producers and the supply, equipment and services firms servicing the oil and gas industry depend directly on the vitality of that industry. The 27,800 Kansans employed in oil and gas production in 1968 and the 100,000 persons in the families of those employees are affected by this tax legislation. But more than that, a combination of these tax incentives will give new vigor to the economy of Kansas and other oil and gas producing states, and all consumers will benefit by increased oil and gas supplies.

Mr. BYRD of Virginia. Mr. President, I strongly favor an audit fee for private foundations, as provided in the present legislation.

The foundations operate wtih tax-free funds. The Treasury Department should police these funds to be certain they are used for public purposes. The audit fee would pay for this.

In this legislation for the first time we are attempting to distinguish between operating foundations and to set them aside from private foundations in general, which act only as conduits to pass income onto others. In the bill, the House committee, the House itself, and the Senate Finance Committee clearly recognized the differences between an operat-

ing and a grant-making foundation, and for the first time we have provided language defining an operating foundation.

By operating foundations, I refer to those foundations which expend their own resources, not derived from tax income, entirely for educational and museum purposes. I have in mind, for example, two operating foundations in the State of Virginia—Colonial Williamsburg and the Mariner's Museum at Newport News—which are engaged solely in educational endeavors completely analogous to tax-exempt museums operating in the same field across the Nation.

The Ribicoff amendment, which I supported, provides for an audit fee equal to one-fifth of 1 percent of the assets in 1970, one-tenth of 1 percent in 1971, and thereafter. That amendment further provides for an annual report to the Joint Committee on Internal Revenue Taxation by the Treasury in regard to the costs of enforcement. The Treasury shall recommend the rate of the audit fee to cover the costs.

Therefore, I say we should point out in the record that we are dealing with an unknown and that we do not have enough information to determine just what the audit fee should be. In view of this, we should request the Treasury in its annual report, as required under the Ribicoff amendment, to look specifically at the distinction to be made between operating foundations and private foundations in general.

In closing, let me reemphasize I am advocating a reasonable fee, not an exemption, for operating foundations. Therefore, what I am saying is let us go ahead for now, but be certain that Treasury recognizes this problem, and the distinction between operating foundations and private foundations in general. Treasury should concentrate on this in developing its report to the Joint Committee on Internal Revenue Taxation.

The PRESIDING OFFICER. All time having expired, the question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MATHIAS (when his name was called). On this vote I have a live pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. STEVENS (after having voted in the affirmative). On this vote I have a live pair with the Senator from Louisiana (Mr. ELLENDER). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withdraw my vote.

Mr. SAXBE (after having voted in the negative). On this vote, I have a live pair with the Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

The bill clerk concluded the call of the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. ELLENDER) is absent on official business.

I further announce that, if present and voting, the Senator from New Mexico (Mr. ANDERSON) and the Senator from Maryland (Mr. TYDINGS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent on official business, and his pair has been previously announced. The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) have previously announced their respective pairs.

The result was announced—yeas 69, nays 22, as follows:

[No. 223 Leg.]

YEAS—69

| | | |
|---|---|---|
| Aiken | Gore | Mondale |
| Allen | Gravel | Montoya |
| Baker | Harris | Moss |
| Bayh | Hart | Muskie |
| Bellmon | Hartke | Nelson |
| Bible | Hatfield | Packwood |
| Boggs | Hollings | Pastore |
| Burdick | Hughes | Pell |
| Byrd, Va. | Inouye | Prouty |
| Byrd, W. Va. | Jackson | Proxmire |
| Cannon | Javits | Randolph |
| Case | Jordan, N.C. | Ribicoff |
| Church | Kennedy | Schweiker |
| Cook | Long | Scott |
| Cooper | Magnuson | Smith, Ill. |
| Cranston | Mansfield | Sparkman |
| Dodd | McCarthy | Spong |
| Dominick | McClellan | Stennis |
| Eagleton | McGee | Talmadge |
| Eastland | McGovern | Williams, N.J. |
| Ervin | McIntyre | Yarborough |
| Fong | Metcalf | Young, N. Dak. |
| Fulbright | Miller | Young, Ohio |

NAYS—22

| | | |
|---|---|---|
| Allott | Griffin | Percy |
| Bennett | Gurney | Russell |
| Brooke | Hansen | Smith, Maine |
| Cotton | Holland | Thurmond |
| Curtis | Hruska | Tower |
| Dole | Jordan, Idaho | Williams, Del. |
| Fannin | Murphy | |
| Goodell | Pearson | |

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—3

Mathias, for.
Stevens, for.
Saxbe, against.

NOT VOTING—6

| | | |
|---|---|---|
| Anderson | Goldwater | Symington |
| Ellender | Mundt | Tydings |

So the bill (H.R. 13270) was passed.

Mr. LONG. I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG. Mr. President, I move that the Senate insist upon its amendment in the nature of a substitute for the House passed version of H.R. 13270 and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. LONG, Mr. ANDERSON, Mr. GORE, Mr. TALMADGE, Mr. WILLIAMS of Delaware, Mr. BENNETT, and Mr. CURTIS conferees on the part of the Senate.

Mr. LONG. Mr. President, I ask unanimous consent that the amendment of the Senate to the bill (H.R. 13270) be printed; and that in the engrossment of the amendment of the Senate to the bill the Secretary of the Senate be authorized to make appropriate technical, clerical, and conforming changes and corrections, including the placement of new provisions added to the bill by floor amendments, corrections in section, subsection, and so forth, designations, and cross references thereto, of the bill and of the sections of the Internal Revenue Code, and corrections in the table of contents of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, no one in the Senate respects the tradition of the Senate more than I. I have served on conference committees when we knew there would be disagreement. It is the duty of the conferees to work out an agreement between the House and the Senate versions of the bill. Nevertheless, it is the tradition of the Senate that they put on the conference committees those Members they feel can reasonably support the Senate position.

I felt so strongly I could not support this bill in its present form, and it was with great regret I had to vote against it after having worked on it so hard for the past several months.

I cannot in good conscience serve as a conferee and pretend to support the position of the Senate on something which I think is so radically wrong and irresponsible. I opposed all of the major amendments by the Senate, and it would not be fair to serve as a conferee.

I ask to be excused as a conferee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia, Mr. President, may we have order? Would the Chair direct Senators to take our seats?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Montana was recognized.

Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. MANSFIELD. I yield.

Mr. LONG. Mr. President, I would hope the Senator from Delaware would relent in his decision about this matter, but if he insists on it I will have to ask unanimous consent that the Senator from Iowa (Mr. MILLER) be added as a conferee.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Iowa is added as a conferee.

Mr. DOLE. Mr. President, I understand the conferees have been named by the Senate.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. I understand the conferees do not now include the name of the Senator from Delaware. Is that correct?

The PRESIDING OFFICER. The Senator is correct. The Senator from Delaware withdrew.

Mr. DOLE. Mr. President, could the Senator from Delaware be reinstated at his request?

The PRESIDING OFFICER. Not without unanimous consent.

Mr. MANSFIELD. Would the Senator like him to be reinstated?

Mr. DOLE. Yes.

Mr. MANSFIELD. I would like to see him reinstated. Would he approve?

Mr. DOLE. I hope he will reconsider. I think it would be a great tragedy if he were not a conferee. Every Member on this side of the aisle shares that view.

The PRESIDING OFFICER. I think it would be inappropriate unless the Senator from Delaware were present.

Mr. MANSFIELD. The Presiding Officer is correct.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Leonard, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate a message from the President of the United States submitting the nomination of Gerald J. Gallinghouse, of Louisiana, to be U.S. attorney for the eastern district of Louisiana, which was referred to the Committee on the Judiciary.

## LEGISLATIVE PROGRAM

Mr. SCOTT. Mr. President, I rise to ask the distinguished majority leader the order of business today, tomorrow, and Monday?

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished Republican leader, I think we should indicate for the RECORD tonight where we stand for the rest of the week, next week, and up to and including the day on which Christmas Eve will fall.

Before I answer the question, I wish to express once again to the distinguished Senator from Delaware my deep understanding of the situation in which he found himself. It is just another indication of his integrity and honesty. Despite the fact that he is not going to be a member of the conference committee I would hope he would reconsider his position, resolve his doubts, and do what he can, because his presence would be constructive in bringing about a resolution of the differences between the House and the Senate.

Mr. President, getting back to the question at hand:

## FOREIGN ASSISTANCE ACT OF 1969

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 600, H.R. 14580.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 14580) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations, with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Foreign Assistance Act of 1969".

### PART I—ECONOMIC ASSISTANCE

#### DEVELOPMENT LOAN FUND

SEC. 101. Section 202(a) of the Foreign Assistance Act of 1961, which relates to authorization, is amended—

(1) by striking out "and" after "fiscal year 1968,";

(2) by inserting after "fiscal year 1969," the following: "and $390,000,000 for the fiscal year 1970," and

(3) by striking out "June 30, 1969" in the second proviso and inserting in lieu thereof "June 30, 1970".

#### TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

SEC. 102. Section 212 of such Act, relating to authorization, is amended by striking out "$200,000,000 for the fiscal year 1969" and inserting in lieu thereof "$167,000,000 for the fiscal year 1970".

#### AMERICAN SCHOOLS AND HOSPITALS ABROAD

SEC. 103. Section 214 of such Act, which relates to American schools and hospitals abroad, is amended—

(1) by striking out of subsection (c) "fiscal year 1969, $14,600,000" and inserting in lieu thereof "fiscal year 1970, $25,900,000"; and

(2) by striking out of subsection (d) "fiscal year 1969, $5,100,000" and inserting in lieu thereof "fiscal year 1970, $3,000,000".

#### ALLIANCE FOR PROGRESS

SEC. 104. Section 252(a) of such Act, which relates to authorization, is amended—

(1) by striking out "fiscal year 1969, $420,000,000" and inserting in lieu thereof "fiscal year 1970, $419,000,000";

(2) by striking out "$90,000,000" and inserting in lieu thereof "$81,500,000"; and

(3) by striking out "June 30, 1969" and inserting in lieu thereof "June 30, 1970".

#### PROGRAMS RELATING TO POPULATION GROWTH

SEC. 105. Section 292, relating to authorization, is amended by striking out "fiscal year 1969, $50,000,000" and inserting in lieu thereof "fiscal year 1970, $100,000,000".

#### INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 106. (a) Section 301(c) of such Act, relating to general authority, is amended to read as follows:

"(c)(1) In determining whether or not to continue furnishing assistance for Palestine refugees in the Near East through contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East, the President shall take into account (A) whether Israel and the Arab host governments are taking steps toward the resettlement and repatriation of such refugees, and (B) the extent and success of efforts by the Agency and the Arab host governments to rectify the Palestine refugee relief rolls.

"(2) No contributions by the United States shall be made to the United Nations Relief and Works Agency for Palestine Refugees in the Near East except on the condition that no part of the United States contribution shall be used to furnish assistance to refugees who are receiving military training as members of the so-called Palestine Liberation Army or any other guerrilla-type organization or to refugees who have engaged in any act of terrorism."

(b) Section 302(a) of such Act, relating to authorization, is amended by striking out "fiscal year 1969, $135,000,000" and inserting in lieu thereof "fiscal year 1970, $150,750,000".

#### SUPPORTING ASSISTANCE

SEC. 107. Section 402 of such Act, relating to authorization, is amended by striking out "fiscal year 1969 not to exceed $410,000,000" and inserting in lieu thereof "fiscal year 1970 not to exceed $420,000,000".

#### CONTINGENCY FUND

SEC. 108. Section 451(a) of such Act, relating to authorization, is amended by striking out "fiscal year 1968 not to exceed $50,000,000, and for the fiscal year 1969 not to exceed $10,000,000" and inserting in lieu thereof "fiscal year 1970 not to exceed $20,000,000".

### PART II—MILITARY ASSISTANCE

#### MILITARY ASSISTANCE AUTHORIZATION

SEC. 201. Section 504(a) of the Foreign Assistance Act of 1961, relating to authorization, is amended—

(1) by striking out "$375,000,000 for the fiscal year 1969" and inserting in lieu thereof "$325,000,000 for the fiscal year 1970"; and

(2) by adding at the end thereof the following new sentence: "Amounts appropriated under this subsection shall be available for cost-sharing expenses of United States participation in the military headquarters and related agencies program; and no part of any funds made available under any other provision of law shall be used for such expenses."

#### SPECIAL AUTHORITY

SEC. 202. Section 506(a) of such Act, relating to special authority of the President, is amended by striking out "1969" wherever it appears and inserting in lieu thereof "1970".

#### RESTRICTIONS ON MILITARY AID TO GREECE

SEC. 203. Part II of such Act, relating to military assistance, is amended by inserting between sections 508 and 509 the following new section:

"SEC. 508A. RESTRICTIONS ON MILITARY AID TO GREECE.—Military assistance to Greece under this Act shall, until further action by the Congress, be limited to expenditure of funds obligated prior to the date of enactment of the Foreign Assistance Act of 1969."

#### RESTRICTIONS ON TRAINING FOREIGN MILITARY STUDENTS

SEC. 204. Chapter 2 of part II of such Act, relating to military assistance, is amended by inserting at the end thereof the following new section:

"SEC. 510. RESTRICTIONS ON TRAINING FOREIGN MILITARY STUDENTS.—The number of foreign military students to be trained in the United States in any fiscal year, out of funds appropriated pursuant to this part, may not exceed a number equal to one-half the number of foreign civilians brought to the United States under the Mutual Educational and Cultural Exchange Act of 1961 in the immediately preceding fiscal year."

### PART III—GENERAL, ADMINISTRATIVE, AND MISCELLANEOUS PROVISIONS

#### ADMINISTRATIVE EXPENSES

SEC. 301. Section 637(a) of such Act, relating to administrative expenses, is amended by striking out "fiscal year 1969, $53,000,000" and inserting in lieu thereof "fiscal year 1970, $50,000,000".

## LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, it had been anticipated that we would consider two conference reports from the Committee on Banking and Currency. They will not be considered this afternoon, but they will be considered some-

time tomorrow. Following their disposal and the disposition of the foreign aid authorization bill, it is anticipated that the Senate will turn to the consideration of Calendar No. 561, H.R. 6543, the cigarette smoking bill.

If we finish the foreign aid authorization bill tomorrow, it is the intention of the joint leadership to take up the cigarette smoking bill tomorrow and hopefully finish it. If not, we have no choice but to come in Saturday. It is with reluctance I raise this possibility because I thought it might be possible to have either the defense appropriation bill complete on Saturday, or Labor-HEW, or the Department of Transportation appropriation bill, but because of a pile-up of factors over which no one seemingly had control, it will be impossible to get up any of these bills before Monday.

Hopefully on Monday we can take up the Defense Department appropriation bill, to be followed by the Labor-HEW bill or the transportation appropriation bill.

Then, we will have a foreign aid appropriation bill and a supplemental appropriation bill.

In other words, in the next 11 days—and that is all the time we have in which to work before Christmas—we will have five appropriation bills and a cigarette bill, as well as the authorization bill for foreign aid. There may be one or two other bills in the meantime, but it indicates that we have a pretty tough schedule ahead of us.

I am only sorry we do not have a good deal more legislation waiting.

## ORDER FOR ADJOURNMENT TO 10 A.M. FRIDAY AND FROM FRIDAY TO 10 A.M. SATURDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. If we do not finish the foreign aid bill and the cigarette bill tomorrow I ask unanimous consent that at the conclusion of business on Friday we stand in adjournment until 10 o'clock Saturday morning.

The PRESIDING OFFICER. Without objection, it so ordered.

Mr. SCOTT. Mr. President, if the Senator will permit a question at this point, I assume that if we do finish those two bills Friday it will be possible for Senators to do some Christmas shopping and buy their wives a present on Saturday; otherwise not, is that right?

Mr. MANSFIELD. Yes, indeed. I devoutly hope we will finish. I do want to make this announcement as definite as I can because Senators have been faithful and canceled many important appointments which were of importance to them.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MAGNUSON. Mr. President, I hope that timewise the distinguished majority leader makes it as emphatic as he can. I feel sure the defense bill will be ready and I do not see why the Labor-HEW bill should not be ready also. It could be ready Saturday but the clerks have to do some work on it. I do not see any reason why the bills will not be ready. I think every Senator has some interest in those bills. We could get to that matter before the Defense bill or vice versa.

At any rate, I hope that on Monday we are not confronted with someone saying, "Do not bring that bill out because I cannot be here until Tuesday."

Mr. MANSFIELD. It would be too late for that.

Mr. TOWER. Mr. President, I wish to ask the Senator about the housing bill.

Mr. MANSFIELD. That bill will be reached some time tomorrow.

Mr. DOMINICK. Do I understand the Defense appropriation bill will not come up until Monday?

Mr. MANSFIELD. The Senator is correct. It will not be taken up in full committee until tomorrow, and it would be an impossibility to get the volumes of hearings from the Government Printing Office before sometime Saturday. I think that in the interests of all concerned, we could not possibly proceed before Monday.

Mr. DOMINICK. I thank the Senator.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. MANSFIELD. Mr. President, if the Senator will allow me, I would like to yield to the Senator from Florida who has been waiting very patiently.

The PRESIDING OFFICER. The Senator from Pennsylvania had the floor originally and he yielded to the Senator from Montana.

Mr. SCOTT. Mr. President, I will yield the floor after I have an opportunity to ask the majority leader this question. Does the majority leader expect any further votes tonight?

Mr. MANSFIELD. No.

Mr. SCOTT. I yield the floor.

Mr. HOLLAND. One of the two bills that the Senator referred to is a banking tax bill which the Senator from Alabama and the Senator from Utah had expected to take up earlier today, but they have been unable to do so. May that bill be taken up in the morning?

Mr. MANSFIELD. Yes. The Senator from Alabama was called away on official business unexpectedly. He will be back at 10:30 or so tomorrow morning, and upon his return we will take up the two conference reports.

## ORDER FOR A BRIEF PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business.

The PRESIDING OFFICER. Does the Senator from Montana wish the statements to be limited to 3 minutes?

Mr. MANSFIELD. Not now, not with a morning hour in the afternoon.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of the Interior for "Management of lands and resources," Bureau of Land Management, for the fiscal year 1970, has been apportioned on a basis which indicates a need for a supplemental estimate of appropriation; to the Committee on Appropriations.

PROPOSED LEGISLATION RELATING TO THE NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

A letter from the Chairman, National Foundation on the Arts and the Humanities, Washington, transmitting a draft of proposed legislation to amend the National Foundation on the Arts and the Humanities Act of 1965, as amended (with an accompanying paper); to the Committee on Labor and Public Welfare.

## PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the City Council of Pomona, Calif., remonstrating against certain statements published in the National Enquirer.

## REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 2244. A bill to amend section 212(a) of the Interstate Commerce Act, as amended, and for other purposes (Rept. No. 91-605).

By Mr. HARTKE, from the Committee on Commerce, with amendments:

H.R. 8449. An act to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1906 (Rept. No. 91-604).

## BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. SPONG:

S. 3236. A bill to amend the Public Health Service Act to establish the eligibility of new schools of medicine, dentistry, osteopathy, pharmacy, optometry, veterinary medicine, and podiatry for grants under the existing program of grants to improve the quality of such schools; to the Committee on Labor and Public Welfare.

By Mr. GOODELL (for himself, Mr. BROOKE, Mr. CANNON, Mr. HATFIELD, Mr. JAVITS, Mr. PERCY, Mr. PACKWOOD, Mr. SAXBE, and Mr. SCOTT):

S. 3237. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities concerning ecological-environmental education, and to establish a National Advisory Commission on Technology and the Environment; to the Committee on Labor and Public Welfare.

(The remarks of Mr. GOODELL when he in-

troduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. JAVITS (for himself, Mr. PELL, Mr. CRANSTON, Mr. MURPHY, and Mr. NELSON):

S. 3238. A bill to amend the National Foundation on the Arts and Humanities Act of 1965, as amended; to the Committee on Labor and Public Welfare.

(The remarks of Mr. JAVITS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. JAVITS (for himself and Mr. GOODELL):

S. 3239. A bill to amend section 302(b) of the National Housing Act; to the Committee on Banking and Currency.

(The remarks of Mr. JAVITS when he introduced the bill appear later in the RECORD under the appropriate heading.)

## S. 3237—INTRODUCTION OF THE ENVIRONMENTAL RECLAMATION EDUCATIONAL ACT OF 1969

Mr. GOODELL. Mr. President, Americans of 1969 are in some ways born into the most enlightened age in history.

Propelled on the strength of a revolution in science and technology, our country has evolved from a rural to a predominantly urban Nation that finds itself on the moon and rocketing beyond.

In less than 200 years—blessed with that particular grace shed upon her by divine providence—America has turned her remarkable energies from the fertility of her soil, to the engine of the industrial revolution, to the metabolism of urbanization.

Yet in terms of their knowledge of their environment and of ecology itself—"the great chain of life"—our people may be said to be living in the stone age. In a sense, they might easily believe that the earth is flat, the oceans bottomless, and our atmosphere limitless.

They have little understanding in an immediate, personalized way of the challenge to our survival posed by our deteriorating environment.

At the heart of that deterioration is planless industrialization, urbanization, and the population explosion. Together they have combined to threaten seriously the continuation of life on this planet.

World population will double by the year 2000.

Here in the United States, land is being urbanized at the rate of 3,000 acres per day.

Waste producing concentrations of people and industry are fouling our air, polluting our water and contaminating our land at a frenetic pace.

As one indication of this, we are spewing 150 million tons of pollutants into our atmosphere annually.

In the last few years, State and Federal governments have begun to move firmly toward control of air and water pollution in the United States.

If, however, we are to survive in a society which uses enormous amounts of matter and energy, I believe that we must create a broad understanding among our people of the complex public issues involved in the maintenance of environmental quality, and the preservation of the delicate, life sustaining ecological cycle.

Mr. President, I believe that it is a matter of the utmost urgency that we embark upon a national effort to create a citizenry that is sensitive and alert to the need for developing informed attitudes of concern for environmental quality. We must sow the seeds of such awareness throughout the entire continuum of American education. We must plant those seeds for tomorrow, and we must marshal the entire community in the effort.

To assist in this objective, I introduce the Environmental Reclamation Education Act of 1969, on behalf of myself and Senators BROOKE, CANNON, HATFIELD, JAVITS, PERRY, PACKWOOD, SAXBE, and SCOTT.

Title I of the bill authorizes the Secretary of Health, Education, and Welfare to develop a truly national environmental-ecological education program ranging from the preschool to the graduate school level. A 3-year $37 million authorization is recommended.

It contemplates the utilization of such programs—which will include curriculum development and teacher training—in State and local school systems, institutions of higher education, adult education courses, community action programs, and in educational television.

It also authorizes the establishment throughout the Nation of a system of regional ecological-environmental education centers, which would develop, collect, and disseminate to the general public information, materials, data, and statistics concerning—

First, the specific ecological-environmental problems peculiar to their particular regions;

Second, the nature, sources, causes, extent, prevention, control and abatement of air and water pollution, and activities affecting undesirable environmental and ecologic change;

Third, establish requirements for the control of emissions of air contaminants and water pollutants, including relevant State and local laws and public hearing requirements, and the enforcement thereof;

Fourth, the present and prospective impact of technology upon the environment and the ecological cycle;

Fifth, methods for monitoring atmospheric waste, the measurement and forecasting of air and water pollution, and the identification of significant meteorological, geographical, and ecological factors within their particular regions; and

Sixth, environmental and ecological factors related to long-term urban and regional planning.

Our people must be marshaled in the effort to preserve our environment through the long-term approach of education.

They must realize that environmental deterioration is not a plague visited upon their community by one industry or group. It is the common problem of all, the inevitable accompaniment of social activity in a producer-consumer society.

While American technology has contributed significantly to the unprecedented economic and social progress of the United States, its development in some instances has been without adequate consideration of its consequences upon the human environment. It is clearly desirable that we have a broad overview of technological developments, their applications, and their impact upon our society in environmental and ecological terms.

Certainly within the Federal Government particular attention must be given to this question in the context of Federal policy priorities and objectives.

It is hoped that the Federal Government can point the way—for State and local governments and the private sector—to more responsible management of technological change consistent with our national environmental goals.

Title II of my bill would create a National Advisory Commission on Technology and the Environment to examine the capacity of the Federal Government to accomplish this at the present time.

It would investigate, analyze and recommend methods to identify deficiencies in the existing processes of governmental assessment and decisionmaking, as they relate to the continuing evolution and impact of technology upon the quality of our environment.

Mr. President, we are approaching the 200th anniversary of the birth of our Nation. We have long since mastered her mountains and plains with physical and social organization, communication, transportation, and economics.

In some respects and in many areas America is monotonous, faceless, and out of touch with nature. The air is foul, the water black, the streets crowded and dangerous. The vast, suffocating urban colossus imposed on so many of our people causes many to doubt our ability to manage effectively ever again the quality of our environment.

What is needed to meet this challenge to mind, body, and spirit is a national commitment to effective substantive programs to clean up and police our environment.

President Nixon has already committed his administration to a national approach to environmental protection, with the establishment of the Environmental Quality Council. I am confident that he will move decisively in this area.

What is called for in addition is a new kind of patriotism—rooted in the very soil, air and waters of America—which seeks to preserve and protect our life sustaining environmental resources for the benefit of present and future generations of Americans.

Environmental education can be the catalyst of that new patriotism—a challenge and a determination to develop a better informed, more effective citizenry willing and able to meet the threat of our degraded environment.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3237) to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities concerning ecological-environmental education, and to establish a National Advisory Commission on Technology and the Environment, introduced by Mr. GOODELL, for himself and other Senators, was received, read twice by its title, referred to the Committee on Labor and Public Wel-

fare, and ordered to be printed in the RECORD, as follows:

S. 3237

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Environmental Reclamation Education Act of 1969".

TITLE I—ECOLOGICAL-ENVIRONMENTAL EDUCATION PROGRAMS—STATEMENT OF PURPOSE

SEC. 101. (a) The Congress hereby finds and declares that air and water pollution, environmental debasement, industrial and technological development which interferes with the ecological cycle, and the denuding of our land poses a serious threat to the health, strength and vitality of the people of our nation, the propagation and protection of plant and animal life and the protection of property and other resources; that the tremendous growth of population and industry has resulted in substantial increases in atmospheric waste, and air and water pollution throughout the United States; that such abuse of the environment and interference with the ecological cycle is increasing, particularly in our urban and suburban areas; that there is a lack of authoritative information and creative projects designed to educate the American people about meeting the threat posed to our environment and to life itself, by industrialization and technological development, undertaken without regard to their long term effects and upon our environment and the ecologic cycle; and that public support and understanding of the need for prevention and control of such environmental abuse requires intensive and coordinated efforts on the part of Federal, State and local governmental agencies, business and other private organizations, and community action groups.

(b) It is the purpose of this title to encourage the development of new and improved programs in the field of ecological-environmental education for use in State and local school systems, institutions of higher education, adult education courses, community action programs and in educational television programing, to encourage the development of curricula and teacher training programs in such field at all educational levels, including community education programs; and to demonstrate the use of such curricula in model educational programs and to evaluate the effectiveness thereof.

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. There are hereby authorized to be appropriated $10,000,000 for the fiscal year beginning July 1, 1970, $12,000,000 for the fiscal year beginning July 1, 1971, and $15,000,000 for the fiscal year beginning July 1, 1972 for the purposes of carrying out this title. Sums appropriated pursuant to this section shall remain available until expended.

USES OF FUNDS

SEC. 103. From the sums appropriated pursuant to section 102, the Secretary of Health, Education, and Welfare, hereinafter referred to in this Act as the "Secretary," shall assist in educating the American people on the problems of environmental abuse and the long term consequences of advertent and inadvertent interference with the ecological cycle by—

(1) making grants to or entering into contracts with institutions of higher education and other public and private agencies, institutions, or organizations, for—

(A) the development and implementation of ecological-environmental education programs, including curriculum developments, for use in State and local school systems, institutions of higher education, community education programs, including seminars, workshops, conferences, and summer camps, and in educational television:

(B) the formulation and organization within institutions of higher education of integrated courses of study in the field of ecological-environmental education leading toward the establishment of degree-granting programs in such field;

(C) the development of specialized teacher-training program in the field of ecological-environmental education at all educational levels;

(D) the establishment of a system of regional ecological-environmental education centers, which shall develop, collect, and disseminate to the general public information, materials, data, and statistics, concerning—

(i) the specific ecologial-environmental problems peculiar to their particular regions;

(ii) the nature, sources, causes, extent, prevention, control, and abatement of air and water pollution and activities affecting undesirable environmental and ecologic change;

(iii) established requirements for the control of emissions of air contaminants and water pollutants, including relevant State and local laws and public hearing requirements, and the enforcement thereof;

(iv) the present and prospective impact of technology upon the environment and the ecological cycle;

(v) methods for monitoring atmospheric waste, the measurement and forecasting of air and water pollution and the identification of significant meteorological, geographical, and ecological factors within their particular regions; and

(vi) environmental and ecological factors related to long-term urban and regional planning; and

(E) the establishment of State and local councils to encourage ecological-environmental education among the general public, utilizing the resources of institutions of higher education, schools and regional education centers created pursuant to clause 1 (D) of this section; and

(2) undertaking, directly or through contracts or other arrangements with institutions of higher education, and public and private agencies, institutions, and organizations, evaluation of the effectiveness and relevance of the program funded pursuant to clause (1) of this section.

ADVISORY COUNCIL ON ECOLOGICAL-ENVIRONMENTAL EDUCATION

SEC. 104. (a) An Advisory Council on Ecological-Environmental Education (hereinafter referred to as the "Council") is hereby created to—

(1) advise the Secretary concerning the preparation and implementation of regulations and criteria governing programs funded pursuant to the provisions of this title; including criteria designed to achieve an appropriate geographical distribution of funded projects throughout all regions of the Nation;

(2) evaluate such applications for grants and contracts made pursuant to the provisions of this title as the Secretary may direct, and make recommendations to the Secretary concerning approval or disapproval of such applications;

(3) review the administration and operation of programs funded pursuant to this title, including the effectiveness of such programs in meeting the purposes for which they are established and operated, making recommendations with respect thereto, and making annual reports of its findings and recommendations to the Secretary;

(4) receive and review progress and evaluation reports on programs and projects carried out under this title; and

(5) propose comprehensive ecological-environmental education goals toward which unified national action can be directed.

(b) The Council shall consist of twenty-one members, including the Secretary of Housing and Urban Development, the Secretary of Transportation, and the Secretary of the Interior or their duly designated nominees, the Science Advisor to the President, the Chairman, President's Council on Environmental Quality, the United States Commissioner of Education, the Surgeon General of the United States, the Director, United States Public Health Service, the Director, National Institute of Mental Health and twelve other persons appointed by the President who shall select such persons from the public and private sector with due regard to their fitness, knowledge and experience in academic, scientific, medical, legal, conservation, urban and regional planning, and information media activities, as they relate to our industrialized consumer-oriented society, and its effect upon our environment and the ecologic balance.

(c) Members of the Council not regularly employed by the Federal Government shall, while serving on the business of the Council, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $125 per day, including travel time; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

TECHNICAL ASSISTANCE

SEC. 105. The Secretary shall, when requested, render technical assistance to local educational agencies, public and private nonprofit organizations and institutions of higher education in the development and implementation of programs of ecological-environmental education. Such technical assistance may, among other activities, include making available to such agencies, organizations, or institutions personnel of the Department of Health, Education and Welfare or other persons qualified to advise and assist the development and carrying out of such education programs.

PAYMENTS

SEC. 106. Payments under this title may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

ADMINISTRATION

SEC. 107. In administering the provisions of this title, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

TITLE II—NATIONAL ADVISORY COMMISSION ON TECHNOLOGY AND THE ENVIRONMENT

STATEMENT OF PURPOSE

SEC. 201. (a) The Congress hereby finds and declares that American technology has contributed significantly to the unprecedented economic and social progress of the United States and its people; that technological advancement has proceeded without adequate consideration of its consequences upon the human environment; that industrial and technological advancement has created certain adverse effects upon our environment and the ecological cycle upon which all life depends; that new, independent, institutionalized organizations are needed within the Federal Government to assess on a continuing basis the impact of the growth and spread of various technologies upon national environmental goals and resources; that decisions affecting the course of technology and its long term effects upon environment require the broadest possible public participation, and should not be delegated solely to governmental, business, scientific and political interests; and that the future of American technology can best promote the continued economic and social advancement of the Nation, if systematic assessment of the nature and effects of its development is undertaken.

(b) It is the purpose of this title to create an Advisory Commission to investigate, analyze and recommend methods to identify deficiencies in existing processes of assessment and governmental decision-making with respect to the evolution of technology and its adverse effect upon environmental quality and ecological regimes.

ESTABLISHMENT OF COMMISSION

SEC. 202. There is hereby established an Advisory Commission on Technology and the Environment (hereinafter referred to as the "Commission").

MEMBERSHIP

SEC. 203. (a) The Commission shall be composed of twenty-one members to be appointed by the President from the public and private sector with due regard to their fitness, knowledge and experience in scientific, medical, legal, public administration, social and physical science, business, and local, State and Federal Government activities. Representatives of the public at large shall be included. Not more than eight members shall be full time employees of the United States.

(b) Any vacancy in the Commission shall not affect its powers.

(c) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

(d) Eleven members of the Commission shall constitute a quorum.

DUTIES OF THE COMMISSION

SEC. 104. (a) The Commission shall undertake a comprehensive investigation and study of the present and prospective impact of technology upon the environment and the ecological cycle, and the existing governmental processes of assessment and decisionmaking with respect to the evolution of technology in the United States as it relates to environmental quality. It shall include without being limited to—

(1) an analysis and evaluation of particular areas of technology by contracting with institutions of higher learning and other private nonprofit organizations to undertake studies of specific problems defined and selected by it, except that such problems shall involve technological developments or applications that are sponsored by the Federal Government or are otherwise affected in a direct way by federal activity or regulation;

(2) an analysis, review, and evaluation of basic research on the subject of technological development and its impact upon the environment;

(3) a review and evaluation of specific assessments of present and future technological impact upon the environment made by Government agencies and departments, including criteria and procedures employed in the assessment process, the nature and technical adequacy of the evidence relied upon, and the representation of potentially affected interests; and

(4) an analysis and evaluation of continuing assessment systems in relevant departments and agencies of the Federal Government and in the Congress.

(b) The Commission shall transmit to the President and to the Congress interim reports and, not later than three years after the first meeting of the Commission, one final report, containing detailed statements of the findings and conclusions of the Commission, together with its recommendations, including such recommendations for legislation and administrative action as it deems advisable.

POWERS OF THE COMMISSION

SEC. 205. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this title, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commisison, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this title.

(c) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an executive director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS–18 of General Schedule under section 5332 of such title, and

(2) procure temporary and intermittent services of the same as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $50 a day for individuals.

(d) The Commission is authorized to enter contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

COMPENSATION OF MEMBERS

SEC. 206. Members of the Commission not otherwise employed by the Federal Government shall receive compensation at the rate of $100 per day for each day they are engaged in the performance of their duties as members of the Commission. All members shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incured by them in the performance of their duties as members of the Commission.

APPROPRIATIONS AUTHORIZED

SEC. 207. There is hereby authorized to be appropriated for the purpose of this title the sum of $1,000,000 for the fiscal year beginning July 1, 1970; $1,000,000 for the fiscal year beginning July 1, 1971; and $1,000,000 for the fiscal year beginning July 1, 1972.

TERMINATION

SEC. 208. On the nineteenth day after the date of submission of its final report to the President, the Commission shall cease to exist.

## STATEMENT OF SENATOR HUGH SCOTT COSPONSORING THE ENVIRONMENTAL EDUCATION RECLAMATION ACT

Mr. SCOTT. Mr. President, I am pleased to be among those who have joined today with the distinguished Senator from New York (Mr. GOODELL) in the introduction of the Environmental Reclamation Education Act of 1969. It is the purpose of this bill to enhance the preservation and protection of our life sustaining environmental resources for the benefit of present and future generations of our citizens. As such, this legislation represents a major, substantive effort to improve the quality of American life.

President Nixon has already committed his administration to a national approach to environmental protection through the establishment of the Environmental Quality Council. I have every confidence that decisive moves in this area will be forthcoming.

The Environmental Reclamation Education Act offers such an opportunity. It would authorize the Secretary of Health, Education, and Welfare to develop a truly national environmental educational program ranging from the preschool to graduate school level. Proper emphasis on a curricula development and teacher training would be provided. Adult education courses, community action programs and the use of educational television are also contemplated as a part of this broad, national approach which would be funded under an initial 3-year authorization of $37 million.

Title II of this act would create a National Advisory Commission on Technology and the Environment to examine both the impact of technological change on the environment, and the ability of the decisionmaking and other governmental processes to deal effectively with environmental concerns.

Mr. President, only an informed citizenry can act willingly and intelligently to reverse the trends which threaten to continue to degradation of our environment. Our bill has this as its goal, and I urge early and favorable consideration.

## ADDITIONAL COSPONSOR OF BILL

S. 3220

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Wisconsin (Mr. PROXMIRE) be added as a cosponsor of S. 3220, to protect a person's right of privacy by providing for the designation of obscene or offensive mail matter by the sender and for the return of such matter at the expense of the sender.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXTENSION OF PUBLIC HEALTH PROTECTION WITH RESPECT TO CIGARETTE SMOKING—AMENDMENT

AMENDMENT NO. 419

Mr. COTTON submitted an amendment, intended to be proposed by him, to the bill (H.R. 6543) to extend public health protection with respect to cigarette smoking, and for other purposes, which was ordered to lie on the table and to be printed.

## FOREIGN ASSISTANCE ACT OF 1969—AMENDMENTS

AMENDMENTS NOS. 420 AND 421

Mr. GOODELL submitted two amendments, intended to be proposed by him, to the bill (H.R. 14580) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 422

Mr. MUSKIE (for himself, Mr. MAGNUSON, Mr. PACKWOOD, Mr. HART, Mr. CRANSTON, Mr. DODD, and Mr. JACKSON) submitted amendments, intended to be proposed by them, jointly, to House bill 14580, supra, which were ordered to lie on the table and to be printed.

(The remarks of Mr. MUSKIE when he submitted the amendments appear later in the RECORD under the appropriate heading.)

AMENDMENT NO. 423

Mr. KENNEDY. Mr. President, I submit an amendment intended to be proposed by me to H.R. 14580, the pending Foreign Aid Authorization Act of 1969. The purpose of the amendment is to establish a modest pilot program of loan guaranties for community self-development in Latin America. The principal feature of the amendment is its emphasis on Latin America financing for Latin American development. Today, loan guaranties from the Agency for International Development are available only for U.S. investments in foreign countries. The amendment I have proposed will encourage Latin American banks and other private sector institutions to lend funds for community development projects in their own nations. In so doing, it will promote a system of joint participation by both the rich and the poor in Latin American development.

Under the amendment, a 3-year pilot loan guaranty programs could be established in no more than five Latin American countries, and the total amount of loans outstanding at any one time would be $15 million.

Mr. President, I ask unanimous consent that the amendment be printed at this point in the RECORD.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 423) is as follows:

AMENDMENT NO. 423

On page 89, insert the following new part after line 12:

PART IV—AGRICULTURAL CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT PROJECTS

"SEC. 401. Title III of part I of the Foreign Assistance Act of 1961, which relates to investment guaranties, is amended by adding at the end thereof the following new section:

"'225. Agricultural credit and self-help community development projects

"'(a) It is the sense of the Congress that in order to stimulate the participation of the private sector of Latin American countries in the economic development of such countries, the authority conferred by this section should be used to establish pilot programs in not more than five Latin American countries to encourage private banks, credit institutions, similar private lending organizations, cooperatives, and private nonprofit development organizations to make loans on reasonable terms to organized groups and individuals residing in a community for the purpose of enabling such groups and individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. Agricultural credit and assistance for self-help community development projects should include, but not be limited to, material and such projects as wells, pumps, farm machinery, improved seed, fertilizer, pesticides, vocational training, food industry development, nutrition projects, improved breeding stock for farm animals, sanitation facilities, and looms and other handicraft aids.

"'(b) To carry out the purposes of subsection (a), the President is authorized to issue guaranties, on such terms and conditions as he shall determine, to private lending institutions, cooperatives, and private nonprofit development organizations in not more than five Latin American countries assuring against loss of not to exceed 25 per centum of the portfolio of such loans made by any lender to organized groups or individuals residing in a community to enable such groups or individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance from other sources on reasonable terms. In no event shall the liability of the United States exceed 75 per centum of any one loan.

"'(c) The total face amount of guaranties issued under this section outstanding at any one time shall not exceed $15,000,000. Not more than 10 per centum of such sum shall be provided for any one institution, cooperative, or organization.

"'(d) Notwithstanding the limitation contained in subsection (c) of this section, foreign currencies owned by the United States and determined by the Secretary of the Treasury to be excess to the needs of the United States may be utilized to carry out the purposes of this section, including the discharge of liabilities incurred under this section. The authority conferred by this subsection shall be in addition to authority conferred by any other provision of law to implement guaranty programs utilizing excess local currency.

"'(e) The President shall, on or before January 15, 1972, make a detailed report to the Congress on the results of the pilot programs established under this section, together with such recommendations as he may deem appropriate.

"'(f) The authority of this section shall continue until June 30, 1972'."

AMENDMENT NO. 424

Mr. JAVITS (for himself, Mr. ALLOTT, Mr. BENNETT, Mr. BROOKE, Mr. CRANSTON, Mr. DOLE, Mr. FONG, Mr. GOODELL, Mr. HART, Mr. MCGEE, Mr. MILLER, Mr. PELL, Mr. SCHWEIKER, Mr. SCOTT, Mr. SMITH, Mr. STEVENS, and Mr. WILLIAMS of New Jersey) submitted an amendment, intended to be proposed by them, jointly, to H.R. 14580, supra, which was ordered to lie on the table, and to be printed.

(The remarks of Mr. JAVITS when he submitted the amendment appear later in the RECORD under the appropriate heading.)

## NOTICE OF HEARINGS ON S. 5

Mr. MONDALE. Mr. President, as chairman of the Special Subcommittee on the Evaluation and Planning of Social Programs, I wish to give notice that the current series of hearings on S. 5, the proposed Full Opportunity Act, will resume on next Tuesday, December 16. The hearing will begin at 10 o'clock in the morning in room 1318.

Witnesses to be heard by the subcommittee are Mr. Joseph A. Califano, Jr., and Prof. Ernest Hilgard of Stanford University.

Other members of the subcommittee are the Senator from Wisconsin (Mr. NELSON), the Senator from Missouri (Mr. EAGLETON), the Senator from California (Mr. CRANSTON), the Senator from New York (Mr. JAVITS), the Senator from Vermon (Mr. PROUTY), and the Senator from Illinois (Mr. SMITH).

## HIGHWAY SAFETY BUREAU

Mr. RIBICOFF. Mr. President, Secretary of Transportation John Volpe recently announced the appointment of a new Director for the Highway Safety Bureau and a reorganization of the agency. I commend Secretary Volpe on his choice of Mr. Douglas Toms to head the Bureau. He is well qualified for the post and will bring new energy and direction to a program that has been stagnated and leaderless for nearly 10 months.

The reorganization of the Bureau, removing it from the Federal Highway Administration and placing it directly under the office of the Secretary, is a significant decision. For months the safety program has been seriously limited by inadequate organization. Given the priority it deserves, the program should begin to achieve the results we all hoped it would.

Mr. President, for more than 6 months I have urged that the Safety Bureau be given independent status within the Department of Transportation. I am highly gratified that Secretary Volpe has taken this step and am confident it will improve the effectiveness of the safety program.

I ask unanimous consent that the text of Secretary Volpe's announcement and a brief biography of Mr. Toms be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY SECRETARY JOHN A. VOLPE AT PRESS CONFERENCE WITH DOUGLAS TOMS, FRIDAY, DECEMBER 5, 1969

One of the most disturbing and distressing problems facing me as Secretary of Transportation is the fact that we are killing 55-thousand people on our streets and highways every year. We are determined to stop this slaughter.

Yesterday, President Nixon announced his nomination of Douglas Toms of Olympia, Washington, to be Director of one of our Department's most important constituent agencies, the National Highway Safety Bureau.

We are extremely fortunate to have obtained Mr. Toms services. He is eminently qualified and is a widely-recognized expert in the field of highway safety.

We have spent considerable time in filling this most-important post, but we took the time because the responsibilities and challenges are such that a truly top caliber official had to be found. We needed a leader who was not only capable and skilled, but also dedicated and concerned. Doug Toms is just such a person.

He has served as my special consultant for highway safety since September. He has thoroughly reviewed the present organization and programs of the Highway Safety Bureau and has filed a report with me containing a number of recommendations. He did his job well, and we are giving all his recommendations thoughtful consideration.

One of the recommendations that I have acted upon concerns the status and position of the Bureau.

The enabling act that created the Highway Safety Bureau allowed for it to be placed under the immediate direction of the Secretary of Transportation. By administrative action, however, it was subsequently placed under the Federal Highway Administration. We are, today, reversing that action and placing the Bureau directly under the Office of the Secretary.

Such action has been recommended on two previous occasions—by the following statutory groups—this past summer.

The National Motor Vehicle Safety Advisory Council and

The National Highway Safety Advisory Committee.

We feel that this will allow us to give safety the attention and emphasis it demands and deserves.

All of the N-H-S-B functions relating di-

rectly to motor vehicles and their drivers will come under the Office of the Secretary. Several other functions, such as safety design engineering in the construction of new highways, will remain in the Federal Highway Administration.

The actions we are taking now—the appointment of Doug Toms and the initial realignment of highway safety responsibilities—are first steps. We now have our man, and we now have our organization in the right place. We will follow these first steps with a fulfillment of our responsibilities as we work strenuously to assure that our highways and vehicles are safer, and that the terrible toll of over 150 Americans killed in crashes every day will be cut sharply.

Safety—in all aspects and all modes—has top priority in this Department. We look forward to significant accomplishments.

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BIOGRAPHY OF DOUGLAS W. TOMS, DIRECTOR-DESIGNATE, NATIONAL HIGHWAY SAFETY BUREAU

Mr. Toms has served in the field of traffic management since 1960 having been successively as an an educator, consultant, and administrator in that field. At the time of his appointment by President Nixon, Mr. Toms was serving as Special Consultant to Secretary of Transportation John A. Volpe for Highway Safety and was on leave of absence from his position as Director of the Department of Motor Vehicles for the State of Washington.

Born: September 17, 1930, Michigan.

Legal residence: State of Washington.

Home address: 1907 Lakehurst Drive Olympia, Washington 98502.

Marital status: Wife, Geraldine: children, Gregory.

Education: Central Michigan University, BS, Accounting; Michigan State University, MA, Traffic Administration, and he has completed all work except the dissertation towards a Ph. D. with the emphasis in Traffic Administration at Michigan State University.

Experience: Since March, 1965, Director, Department of Motor Vehicles of the State of Washington and for two months prior was Acting Director. In 1964, he served as consultant to the Department of Licenses and the Legislature of the State of Washington. From 1960 through 1964, Mr. Toms was an Assistant Professor at California State College at Los Angeles.

Professional memberships: President of the American Association of Motor Vehicle Administrators; former National Chairman of the Registration and Title Commission; past chairman of the Driver Licensing Committee of Region IV; former member of the U.S. Air Force Traffic Safety Advisory Committee; in 1963–1964, he was Conference Chairman of the California Driver Education Association.

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## THE VICE PRESIDENT HONORS HIS FATHER

Mr. DOLE. Mr. President, last evening the Vice President spoke in Baltimore at a dinner organized to honor the memory of his late father, Theodore Spiro Agnew.

The theme of his Greek heritage led the Vice President into an exploration of the present-day status of what the ancient Greeks considered man's most enobling endeavor, the pursuit of knowledge. Mr. AGNEW raised many well-considered and highly pertinent questions about education in America and its role, influences and responsibilities today and in the coming years. I commend these thought-provoking observations to the Senate.

Mr. President, I ask unanimous consent that Vice President AGNEW's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS BY THE VICE PRESIDENT, THEODORE SPIRO AGNEW SCHOLARSHIP FUND DINNER, BALTIMORE, MD., DECEMBER 10, 1969

I am grateful for your presence tonight. More than an honor to me, it is a profound tribute to the memory of my father. Many of you knew him, knew the kind of man he was and knew that such men are rare in any community—at any time.

I am proud to say that I grew up in the light of my father. My beliefs are his and my father believed deeply in America. My father was deeply involved in the life of the Greek community, for this, to him, was part of being an American.

"My Brother Ahepans" he said eight years ago, "Who better understands the true value of freedom and dignity than *we* . . . who are the direct descendants of the authors of those principles—the Ancient Hellenes? Who better understands the true value of freedom and dignity than *we* who have matured and prospered in the workshop of democracy, the United States of America?"

This Ahepa-conceived Scholarship Fund is particularly appropriate to honor my father's memory, for he cherished education as the key to a better life. That belief is Greek as much as it is American.

Pericles, the father of the first democratic state, said in the fifth century before Christ, "Athens is the school of Hellas." The Athenian ideal was that of the free citizen in the free state. But a state of freedom was never a state of ignorance. Education was, and always will be, integral to civilization.

As Pericles said, "The grave impediment to action is . . . not discussion, but the want of that knowledge which is gained by discussion preparatory to action." Courage from conviction distinguishes the free and civilized citizen.

To Socrates, to Plato, to Aristotle, all education served the soul. The Golden Age of Greece gave birth to the concept that public education was prerequisite to intelligent citizenship. Twenty centuries before Thomas Jefferson, Aristotle connected the public and private interest with cultivation of the mind as a free society's ultimate aim.

Never was there a separation of individual and collective good nor was there a distinction between a life of pleasure and a life of civic fulfillment. The Athenian spirit was not only to live but to live well. Civic duty was an honor, and a life balancing work and comfort was the goal. Neither property nor prosperity were vices, only their misuse or a misunderstanding of their value was deplored.

This is our Greek heritage—deeply philosophical and political—and while the world has grown in technical prowess, it has never surpassed the Athenian ideal of free citizenship. Ancient Athens remains the school of civilized nations. And from ancient Athens we can draw lessons of good and evil applicable today.

The rise and fall of all free nations mirrors the rise and fall of Athens. The overall lesson is that freedom and the good life are demanding possessions. To use them well and possess them permanently, discipline and education are required.

If I am known to raise my voice in criticism, it is because I see danger in our nation's course. Because America, like ancient Athens, can become foolish and corrupt; because a life of ease is not synonymous with a life of fulfillment; and because no generation can confer wisdom upon its children. Each generation must work to earn its own.

Heraclitus, one of Greece's earliest philosophers, perceived that all is flux. Change is the only constant. Arcesilaus, the skeptic, said, "Nothing is certain, not even that." Is this not true of today? Power is ephemeral and no excuse for conceit. Freedom, prosperity, moral and military strength are evanescent, not eternal. They cannot be secured once and then forgotten but must be carefully and continuously cultivated.

Education is the source to replenish a free society. America understands renewal and reform. We labor to renew our cities and reform our government. Yet we have left education—the source—relatively untouched. Of course, we have expanded and multiplied educational opportunities. We have had added preschool programs, community colleges, and enlarged universities to multiversities. But we have not sufficiently probed to the essence of the pure institution, and this explains much of our present problem.

By inclination, Americans think quantitatively. We are appreciators of the bigger. The danger in this lies in possible error in the original assumption. If what we are doing is not right to begin with, quantitative adjustments compound the wrong.

We have sometimes failed to perceive that as times change, we must not only change our programs but our premises governing education. Albert Einstein once defined education as "that which remains after you have forgotten everything you learned in school." Yet the American public continues to think of education as a terminal process limited to the youthful years of life. In a society where skilled laborers must learn new techniques six times before retirement, where 50 percent of technical engineering knowledge becomes obsolete within a decade, where 70 percent of all knowledge that will serve our present student generation during their lives is as yet unknown and undiscovered . . . it is time to stop regarding education as circumscribed by a particular period of a lifetime.

We must stop developing educational programs for twelve years, or sixteen, or twenty years and start creating programs that gear themselves to useful, satisfying lives.

In the first place, the penchant for clustering higher education in the post adolescent decade adversely affects the human spirit. We are consigning a huge group of our young citizens to an academic limbo totally alien to their human instincts. Whether we realize it or not, whether we intend it or not, we have created a disenfranchised social class called youth.

How? Although our young population—between the ages of eleven and twenty-five—has not grown disproportionately, the proportion of young people in school has increased dramatically. High school attendance has doubled in two decades; 94 percent of our young people attend high school; 75 percent graduate from high school; and in higher education, the growth is even greater. College enrollment has tripled in twenty years; 40 percent of all young people attend college for at least a year. Including advanced technical training, the figure approaches 50 percent.

By pricing teen-age labor out of the market and expanding secondary and higher education, we have stretched post-adolescent dependency a full ten years. While the age of physical maturity has declined, we have confined a generation on campuses at a point in life when their fathers and grandfathers were supporting households. We have subsidized youths' education at the expense of many of their human rights. And society, in many cases, has forced its youth into an academic mold alien to their aptitudes or inclinations. The distinguished psychologist, Dr. Bruno Bettelheim, writes of higher education's debilitating effect;

"What makes for adolescent revolt is the fact that a society keeps the next generation too long dependent in terms of mature responsibility and a striving for independence . . . . all too many who now go to college have little interest, ability, and use for what constitutes a college education. They would be better off with a high level vocational education which is closely linked to a work program which gives scope to their needs for physical activity and visible, tangible

achievement. The complaint of many of these students is that nobody needs them. They feel parasites of society, and hence, come to hate a society which they think makes them feel this way."

In our reverence for education and our desire to do right by our children, we have inadvertently denied this generation's right to participate as mature citizens. The damage it does to the individual is no greater than the damage it does to the university. Denied political participation in the real community, the youth seeks to politicize the only community he has, the academic one. This defeats the purpose of the university which journalist William Shannon notes:

". . . . is to transmit knowledge and wisdom and to enhance them by research and study. The university is not a forum for political action. It is not a training ground for revolutionaries. It is not a residential facility for the psychiatrically maladjusted. It is not a theater for the acting out of racial fears and phantasies."

As we demean, we pervert. Consider the single problem of those black students, trapped by the best intentions into a situation where he cannot compete. The demands for black studies, black dormitories, special black grading systems, are often smoke-screens evading the basic failure in black primary and secondary education. Brandeis professor and former Presidential Aide, John P. Roche, sees black separatism on the campus as a last ditch attempt for survival by culturally deprived students who have been admitted to college just because they came from inner city ghettos. They are bright, but unprepared to compete with their highly articulate classmates. Without swimming lessons, they have been dumped in the mainstream and they are not going to drown without a struggle. Bayard Rustin, pioneer in civil rights and Executive Director of the Philip Randolph Institute, takes a harder line:

"Everyone knows that education for the Negro is inferior. Bring them to the University with the understanding that they must have (the) remedial work they require. The easy way out is to let them have black courses and their own dormitories and give them degrees. . . . What in hell are soul courses worth in the real world? No one gives a damn if you've taken soul courses. They want to know if you can do mathematics and write a correct sentence . . . an element in that society.

The point remains that we have neglected the real problem of compensatory education for the shallow solution of sympathy. And there are other equally compelling areas of neglect.

We have neglected vocational and technical education for the elegant ornament of liberal arts. Certainly, the social sciences are important but they are not sacrosanct. And in our society, which needs skilled labor, we must restore the manual arts to their rightful place of esteem. We have done a grave disservice to the working man by neglecting his central importance to our society. We have failed his appetite for the arts, his preparation for leisure, and, in many cases, his need to renew his skills.

If we are not going to have revolution within our educational community, we will be wise to take a revolutionary look at our institutions of education. We should not be reluctant to ask daring questions or consider bold solutions. Is the four year college necessary in all cases? Are there better ways to combine secondary and undergraduate programs? To accelerate graduate work? Or to space it out over the years? Should we invest more in adult education and enrichment? Are present primary and secondary school programs creating enough outstanding citizens—citizens with an appetite for learning and an aptitude for service to others?

The answers require courage and cooperation from every sector of our society. There is little point in questioning the value of graduate degrees in the soft sciences if businessmen continue to treat these degrees as keys to open the inner doors to better jobs. There is no point in discussing black studies without an objective ordering of educational priorities by the black community. There is no hope for major academic reform without the support of America's academicians.

There is no chance for change if parents revere the college degree as a symbol of their parental success. Until every interest group reappraises its attachments to existing institutional forms, we cannot achieve a new structure.

Today's students have an obligation, too, to question radicalism and demands for relevance as satisfactory answers. Revolution is ridiculous and relevance often an excuse for more amusing and less arduous involvement. Where is this drive for reality in the demand for non-graded courses? The real world distinguishes between excellent and mediocre effort. Is doing one's own thing ennobling or selfish; profound or simply vacant?

Finally, I think government has an obligation to review its many programs affecting youth and ask itself whether it is doing a good job or even what it intends to do? Right now, this Administration is taking a hard look at youth policies. We are looking at the ways we have prolonged the period of dependency . . . disenfranchised our young adults . . . discriminated against non-college youth and directed others, in disregard of their desires, into higher education.

We are saying that many young people have cause to complain. They are alienated—not by our hypocrisy, or racism, or the war in Vietnam—but by our best intentions and inappropriate institutions. Their claims of hypocrisy, racism or immoral wars are not borne out by the facts. Their frustration at being held apart from responsibility and reality is understandable.

The educational community should ask whether encouraging ever increasing numbers of young people to attend college—when 40 per cent already do—benefits the lower half of the intelligence scale. We should question whether society's demand for college attendance compounds social antagonisms between those who go and those who do not. For if everyone is expected to attend college, life will only be harder on those who simply cannot achieve in an academic setting.

The Federal government should re-evaluate those policies which protract dependence . . . civil service age requirements, restrictive apprenticeship programs, present age limits on voting and public candidacy.

We should question whether some programs do, in effect, discriminate against the working young . . . such as the Peace Corps and VISTA which could benefit greatly from their marketable skills.

All of these questions should be asked not in the fear that we are out to destroy popular education, but as a positive search to broaden educational opportunities and to make our educational institutions fit the public rather than make the public fit the institutions. The threat to education does not lie in asking these questions but in not asking them.

The challenge of American education from the cradle to the doctoral degree is our most important work. Our nation's future depends upon it, for as the Greek maxim goes, in the face of youth we find the future. America need not falter like ancient Athens if we learn from ancient Athens. We can retain our vigor and replenish our power by renewing our institutions.

Hope brought my father to America, and in honor of his limitless hope, the Theodore Spiro Agnew Scholarships will be bestowed. Because he was a child of Greece, they will go to youths of Greek descent. And because he was a citizen of America, their recipients will study here.

For as my father revered his Greek heritage and, like Pericles, saw Athens as the school of Hellas, so he would want . . . as we want . . . America to be the school of free men everywhere.

Above all, this scholarship is established in the spirit of my father's legacy to me—his painfully accumulated knowledge that the principles of freedom need and deserve our constant protection—that we must work to make democracy live.

## NOMINATION OF CLARENCE M. COSTER AS ASSOCIATE ADMINISTRATOR OF THE LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

Mr. MONDALE. Mr. President, for approximately 3 years the city of Bloomington, Minn., has had the good fortune to have as its chief of police, Clarence M. Coster, whose nomination has been confirmed by the Senate as Associate Administrator of the Law Enforcement Assistance Administration. In his brief but effective tenure in Bloomington, Mr. Coster built a fine reputation as a first-rate administrator and a forward-looking policeman.

Both of these qualities will serve him well in his new position. Through the Law Enforcement Assistance Administration program, the Nation has a unique opportunity to effect meaningful improvements in law enforcement. Mr. Coster's years of personal experience in various law enforcement functions—from patrolman in San Fransico to narcotics agent and coordinator of riot control activities for the State of California to Chief of Police in Bloomington—will be invaluable in LEAA's efforts to help the States develop the most effective improvements for police.

Although Mr. Coster's background is in police work, he has had ample opportunity to view the other parts of the criminal justice system at work. He knows the sad state of corrections and the huge backlogs that clog the courts, and I am sure he will bring a sense of urgency to meeting the needs of all parts of the criminal justice system.

In addition to his duties as Bloomington police chief, Mr. Coster served on the Governor's Commission on Law Enforcement, Administration of Justice and Corrections. He was chairman of the science and technology subcommittee of that commission and helped to formulate its recommendations. His awareness of the relevance of modern technology for law enforcement is another indication of his innovative approach to police work.

Mr. Coster is, I believe, well qualified to be Associate Administrator and I support his nomination.

## REMARKS OF THEODORE R. McKELDIN AT THE WHITE HOUSE CONFERENCE ON FOOD, NUTRITION AND HEALTH

Mr. MATHIAS. Mr. President, the White House Conference on Food, Nutrition, and Health was an important and constructive undertaking. Although some of its recommendations cannot be fully implemented at once, the conference did give us new insights into the problems of hunger and malnutrition in this country, and also gave new impetus to the search for solutions.

One of those who addressed the conference was the Honorable Theodore R. McKeldin, former Governor of Maryland, twice mayor of Baltimore, and a leader in the national Republican Party for many years. In his brief remarks, Governor McKeldin outlined the scope of some of the problems in Maryland, and pledged his support for the efforts initiated by President Nixon and the conference.

I ask unanimous consent that Governor McKeldin's statement be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THEODORE R. MCKELDIN AT THE WHITE HOUSE CONFERENCE ON FOOD, NUTRITION, AND HEALTH

The Nixon Administration is less than one year old. In that year we have seen, I believe, an unprecedented commitment to meet the needs of the poor, the underfed and the sick. This White House Conference, and the President's commitment yesterday to a follow-up conference next year, show that he means business. He is our President and whether we are rich or poor, well or ill, Republican or Democrat we must support this effort to make our Nation healthy, well-fed and socially sound.

I, for one, want to do all I can to help the President succeed in this task for, if he succeeds, we all succeed!

As a former Governor of my State of Maryland and as a former Mayor of Baltimore, I am thoroughly familiar with the need, not only in our cities but in our rural areas, and I believe I know how important it is for us all to succeed. For example, in Maryland in 1969, with our national economy producing more goods than ever before, we are told that elderly poor people use food stamps to buy dog food and cat food for their own consumption because they do not have enough money for decent diets.

In Balimore City, we know that 40,000 school children need free school lunches. Last October (1969) we were feeding only 5,000 of these children. Today we are feeding 30,000.

The money came from the hard-pressed city and state—not from the Federal Government. With Federal aid we could meet the need in our city.

In Maryland 25% of the children under one year of age have been found to suffer from malnutrition. Among our school age children about 10% suffer from malnutrition.

These conditions cannot be permitted to continue. This Conference can and must help America come to grips with this problem. I believe it will, and I congratulate the President on his speedy recognition of the necessity for immediate action.

## THOMAS C. HENNINGS MEMORIAL LECTURE AT WASHINGTON UNIVERSITY, ST. LOUIS—STATEMENT BY SENATOR FULBRIGHT

Mr. EAGLETON. Mr. President, this year the Thomas C. Hennings memorial lecture at Washington University in St. Louis was delivered by the chairman of the Committee on Foreign Relations, the distinguished Senator from Arkansas (Mr. FULBRIGHT).

Speaking before the audience, Senator FULBRIGHT discussed in depth and with perception the war in Vietnam. He analyzed the effects of that war upon our society and presented his views as to the way in which it might be ended.

I believe Senator FULBRIGHT's speech deserves careful reading not only by Senators but by high administration officials and the American public.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE WAR AND WHY WE MUST END IT

(Statement by Senator J. W. Fulbright, Chairman, Committee on Foreign Relations)

In his speech of November 3 President Nixon spoke of the "right of the people of South Vietnam to determine their own future" as the single American war aim which is not negotiable. "Let historians not record," declared the President, "that, when America was the most powerful nation in the world, we passed on the other side of the road and allowed the last hopes for peace and freedom of millions of people to be suffocated by the forces of totalitarianism."

The President's words are a reasonable expression of the *theory* behind our war in Vietnam. Like many theories, however, it does not tell us much about the *practice*. To remedy that ommission a few additional quotes are necessary—such as the following:

"They just marched through shooting everybody. Seems like no one said anything—they just started pulling people out and shooting them. They had them in a group standing over a ditch—just like a Nazi-type thing." *

These words are probably familiar to you by now. They are an eye-witness description of the alleged massacre at Songmy.

Another illustration of the Vietnamese war in *practice* is provided by an American soldier who had reported four other GI's with whom he had been on patrol for the abduction, rape and murder of a young Vietnamese girl. This soldier recalled the following reaction from a member of the military police company to which he was subsequently assigned:

"One M.P., I remember, told me he could have understood it if I'd gone to bat for a G.I. who was murdered, but how could I do it for a Vietnamese? But he was very tolerant about it. He said it was only human to make mistakes." [1]

I recall to you also the now famous words of an American major after the Tet offensive in 1968: "We had to destroy Ben Tre in order to save it." This statement comes as close as any I have heard to summing up the theory and practice of America's war in Vietnam. It may stand some day as Vietnam's epitaph.

### *I. The stakes*

American intervention in Vietnam never has been rationalized primarily in terms of indigenous Vietnamese considerations. It was said—and is still said—to be an exemplary war—an object lesson for the makers of "wars of national liberation," and a war designed to inspire worldwide confidence in America through a demonstration of fealty to our presumed commitments. For these great purposes it has been judged necessary to make use of the Vietnamese people—or at any rate the "silent majority" of the Vietnamese people—as pawns—luckless expendables in a test of America's will.

Mr. Nixon has long subscribed to this theory of an exemplary war. Early in his campaign for the Presidency he made reference to Vietnam as "the cork in the bottle of Chinese expansion in Asia." [2] In the spring of 1968 he asserted that the war was "not for the freedom and independence of South Vietnam alone, but to make possible the conditions of a wider and durable peace. . . ." [3] And in his speech of November 3 the President predicted that American withdrawal from Vietnam—our "defeat and humiliation," as he chose to put it—"would spark violence wherever our commitments help maintain the peace—in the Middle East, in Berlin, eventually even in the western hemisphere."

Rooted in the analogy of Munich, the idea took firm hold during the Johnson Administration that, by fighting a relatively small war in Vietnam now, we were sparing ourselves a much greater war—or a whole series of wars—later on. This notion has been reaffirmed by President Nixon. Again speaking on November 3 of the consequences of "precipitate" American withdrawal from Vietnam, the President laid it down as a flat prediction that "Ultimately, this would cost more lives. It would not bring peace. It would bring more war."

With due respect for the President's strong conviction, I submit that the theory of the exemplary war—a war to end "wars of national liberation"—is unsound.

Analogies are dangerous devices, giving people who take them very seriously an erroneous conception of their ability to read the future. Drawn upon in this way, the past is far more likely to deceive than to enlighten. History, as any good historian will tell us, does not really repeat itself in the sense of a pattern of events unfolding in one set of circumstances in exactly the same way that they did in seemingly similar circumstances in the past. All that history can ever provide is a general insight into the broad tendencies of political behavior and a certain sense of what is and is not possible in human affairs. History can endow us with wisdom but never with prescience because nothing is foreordained. There may, for example, be certain similarities between Hitler's design for conquest and Mao Tse-tung's concept of wars of liberation, but whatever element of truth there may be in the analogy, there is a larger element of untruth. For one thing, Hitler acted on his plan while Communist China is neither participating in the Vietnamese war with her own troops nor otherwise engaged in military activities anywhere outside of her own borders. This strikes me as a significant flaw in the Mao-Hitler analogy.

Expanding on the exemplary war thesis, President Nixon expressed the opinion on November 3 that calling off our war in Vietnam "would result in a collapse of confidence in American leadership not only in Asia but throughout the world." The President's own chief foreign policy adviser, Mr. Kissinger, effectively challenged this proposition in an article written shortly before he went to work in the White House. "Whatever the outcome of the war in Vietnam," he wrote, "it is clear that it has greatly diminished American willingness to become involved in this form of warfare elsewhere. Its utility as a precedent has therefore been importantly undermined." [4]

Wedded as they have been to the idea of Chinese communism as a conspiracy for the conquest of Asia, if not of the world, our policy makers have been more than resourceful in disposing of facts that do not fit the cherished preconception. Conceding in *principle* that the world communist movement is divided, and that North Vietnam is not merely a pawn of China, our policy makers nonetheless invoke these very specters in their efforts to justify our involvement in Vietnam. Mr. Rusk used to warn of a "world cut in two by Asian communism." The President's speech of November 3 was suffused with associations of this kind, including a reference to "those great powers who have not yet abandoned their goals of world conquest." For whatever their reasons—conviction, pride, or dogmatic anticommunism—our policy makers have never been willing to recognize the Vietnamese conflict for that which virtually every expert and seasoned observer has long recognized it to be: a civil conflict in which

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communism is and always has been secondary to the drive for national independence. As the former Secretary of the Air Force, Mr. Townsend Hoopes, put it in his excellent memoir on the reversal of the Johnson escalation policy:

"North Vietnam was fighting *primarily* to achieve an unfulfilled national purpose. While it was, to be sure, fully aware of the implications for the wider application of the Mao-Ho-Giap insurgency doctrine, it was fighting not an abstractly ideological war, but a very particular war—in a particular place, characterized by a particular kind of terrain and weather, peopled by a particular breed of men and, above all, conditioned by a particular history. What really drove Ho's sacrificial legions was not the dream of world conquest, nor even the notion of generating a new momentum for Communist advance and triumph throughout Asia. What motivated Hanoi and enabled its leadership to hold 19 million primitive people to endless struggle and sacrifice against odds that were statistically ludricous was the goal of national independence." [5]

Once it is clear that the war in Vietnam is neither a valid global testing of the liberation-war doctrine nor a proxy war in a grand Chinese strategy for the conquest of Asia, it follows inescapably that the United States has been fighting a war without need or justification—a war based on demonstrably false premises. My own premise of course is that our legitimate interest in southeast Asia is not ideological but strategic, having to do not with the elimination of the Vietcong or of any other indigenous communist movement but with the discouragement of overt Chinese military expansion. The prevalent view among southeast Asian specialists outside of government is that the Chinese challenge in south Asia is more political and cultural than military, that a strong independent Communist regime is a more effective barrier to Chinese power than a weak non-Communist regime, that the Hanoi government is nationalist and independent, and that, accordingly, once peace is restored—if ever it is—North Vietnam will serve as a barrier rather than as an avenue to Chinese expansion.

Assuming still that our national interest in Asia is strategic rather than ideological, it follows that the United States has no vital security interest in the preservation of South Vietnam as an independent, non-Communist state. Indeed the United States has no vital interest in whether South Vietnam is governed by Communists, non-Communists or a coalition; nor is it a matter of vital interest to the United States whether North and South Vietnam are united or divided. Our interest is in the prevalence, whatever its form, of indigenous Vietnamese nationalism; beyond that strategic interest gives way to ideological preference—if not, indeed, to ideological obsession.

On the basis of their grudging, minimal contributions to the fighting in Vietnam it would appear that our Asian and Pacific allies either do not take the ostensible threat to their own security very seriously or are content to have the United States do their fighting for them. Of our nominal allies Thailand is the closest geographically to Vietnam; it is challenged by a minor communist insurgency within its own borders and its leaders have been effusive in their enthusiasm for the American involvement in Vietnam. Nonetheless, we have paid the Thais an enormous sum in military equipment and financial support, including salary bonuses and PX privileges for their soldiers, to get them to send a force to Vietnam which at its maximum reached twelve thousand men.

South Korea has provided 48,500 tough, effective combat soldiers, with the United States paying for everything above the base pay of the troops: premium pay for combat, food and shelter, logistic support—and generous additional support for the Republic of Korea's home army.

The Philippines, after haggling and entreaties, sent a noncombatant engineer battalion of about two thousand men to South Vietnam in 1967, for which the United States gratefully agreed to bear all costs in addition to maintaining military assistance to the Filipino home force. President Marcos recently announced his intention of withdrawing the Filipino battalion from Vietnam.

Australia, which raised an army of 682,000 in the Second World War, has, at its own expense, provided a token force of 7,600 men for Vietnam, more, quite obviously, as an investment in Washington's gratitude than as a serious contribution to the war. New Zealand, which had raised an army of 157,000 men in World War II, provided what Townsend Hoopes describes as the "astonishingly token contribution of 450 men;" [6] it has since been increased to 550 men. Both Australia and New Zealand have been rewarded with lavish praise and gratitude from the United States.

Gratitude for what? for making a tiny contribution to what they themselves consider their own defense? for patting America on the back at a time when most of the world was pelting us with epithets? How has the United States, the greatest and strongest nation on the face of the earth, been reduced to such pitiable gratitude for such small favors? The explanation, according to our policy makers, is that the United States has global responsibilities which compel us to bear burdens which no one else will bear. Then the familiar image is invoked: of America, the martyred giant, manning the ramparts of freedom, humoring the recalcitrance and enduring the insults of those who are free from the "discipline of power," bearing without complaint the unfair burdens which destiny has thrust upon us. Diplomats have described this role as the "responsibility of power"; others have called it imperialism.

I call it nonsense. Power is a narcotic, a potent intoxicant, and America has been on a "trip." We soared for a while, gladly dispensing goods and services for the tribute which nourished our vanity. Then our unpiloted space ship came down in the swamps of Vietnam, and suddenly, instead of soaring, we found ourselves slogging in mud. The contrast could not have been greater and it has shocked and confused us. We must hope that it will also have sobered us, and that we will be able to find our way out of the swamp, not, let us hope, to take flight again, but just to get back on our feet, which is the posture that nature intended for us.

To get back on our feet we will have to shake off the lingering effects of the narcotic of power. For a start we might stop the prideful nonsense about "defeat" and "humiliation." Liquidating a mistake is neither a defeat nor a humiliation; it is a rational and mature way of accommodating to reality, and the ability to do it is something to be proud of. When President Johnson used to declare that he would not be the first American President to lose a war, and when President Nixon warns, as he did on November 3, against "this first defeat in American history," they are not talking about the national interest but about the national ego and their own standings in history. A war is not a football game which you try to win for its own sake, or in order to maintain an unblemished record of victories. A war is supposed to be fought for purposes external to itself, for substantive political purposes, not just for the glory of winning it. When its political purposes are recognized as unworthy, as they have been in Vietnam, it is rank immorality to press on for a costly, destructive and probably unattainable victory.

As to their own personal roles, both the incumbent President and his predecessor seem to have subscribed to an essentially military view of history's judgment. "History," as they have invoked it, is a kind of divine magistrate, lavish in its praise of victors and scornful of all losers. To some extent that is probably true—witness the glorifications of despots like Caesar and Napoleon—but if it is true, all it shows is that historians, like laymen, employ some primitive standards in judging their fellow men.

Everybody knows that we could "win" in Vietnam; we could wipe that poor country and every living thing within it off the face of the map. What would "history" have to say about that?

*II. The kind of war it is*

The stakes of the war in Vietnam have been debated, without resolution, for five years. In recent weeks we have learned something about the way the war is being fought. What emerges from the atrocities, from the destruction of whole villages by artillery and B–52 raids, and from the indiscriminate killing of the "free fire" zones is the picture of a war whose means have consumed its ends. As the major said of Ben Tre, we are having to destroy Vietnam in order to save it.

A whole new set of questions now arises. Even if all of the rationalizations for this war were valid—even if it were containing China, preventing future "wars of national liberation," and upholding the principle of self-determination—would we have the right to do what we are doing to the people of Vietnam and to ourselves in the process?

I am not advocating an exercise in national flagellation. Quite a number of people—I among them—suggested the need for a national effort at critical self-evaluation after the murder of President Kennedy. It seemed appropriate at the time but nothing came of it. We did not look into ourselves and, instead of the cathartic reconciliation that we hoped might come of the shock we had experienced, there has occurred over the last six years a rising tide of both personal and political violence in American society.

Soul-searching and expiation are preacher-talk; they make good sermons but how many people have ever walked out of a church and really searched their souls? As any good psychiatrist is likely to tell you, moral incantation seldom if ever results in serious self-examination, much less in altered behavior. It ought to, but it doesn't. What it does result in is *rationalization,* in the reinterpretation of disagreeable facts and events in such a way as to make them bearable. That is what we did after each of the political assassinations of recent years, and that is what we are starting to do with the information we have been given about atrocities in Vietnam. Arousing as it does our natural defenses, guilt is simply not very useful as a means of eliciting serious introspection. The people who are most willing to feel guilty are usually blameless humanitarians; perhaps, for some reason, guilt has a certain attraction for them. The rest of us are usually satisfied to rationalize, improvising whatever arguments are necessary for self-justification.

If we really want to understand the meaning of the Songmy massacre and all the other acts of indiscriminate killing in Vietnam, we are not going to do it by declaring a national day of atonement. That might satisfy other needs but it is not likely to result in the acquisition of accurate and useful information about ourselves. That can only come from an appreciation—as guiltless an appreciation as possible—of the *common* human susceptibilities with which every one of us—old and young, communist and noncommunist—is endowed by the simple virtue of being human. I stress *this point to* you as students because I have had the impression of a certain Puritanical stuffiness on the part of many young people, a certain reluctance to face the likelihood that deep in the soul of the most high-minded student activist are

Footnotes at end of article.

some of the same fears and longings that lurk within the soul of the most ravenous, bloodsucking, imperialist warmonger.

The really important and useful thing to know about Songmy is not the unspeakable things that certain GI's did but the unspeakable things that most human beings are capable of doing in extreme circumstances. The American soldiers who wiped out the civilian population of that Vietnamese village were not monsters but ordinary young men acting under the pressures of intense fear and anger. "You see," said one major, recounting the confession of one of his men that he had killed three children, "a half hour before, a kid had thrown a grenade that killed the guy's best buddy. So you have to understand." [7] Another veteran of the Songmy massacre, Mr. Paul David Meadlo, who admitted on national television that he shot some thirty or forty men, women and children, is described by people in his home town of New Goshen, Indiana, as "a very nice boy," "the nicest guy you'd ever want to meet." [8]

In his chilling account of the rape and murder of a Vietnamese girl by four American soldiers on a patrol, Daniel Lang recounts how the fifth member of the patrol, who turned the others in, encountered almost uniform hostility for his act of conscience. As the fifth soldier himself later recalled, "They were among the ones—among the few—who did what everyone around them wanted to do." At their trials numerous witnesses testified to their good characters and soldierly virtues. One of the defense lawyers summed things up:

"There's one thing that stands out about this particular offense. . . . It did not occur in the United States. Indeed, there are some that would say it did not even occur in civilization, when you are out on combat operations." [9]

Most of what is happening in Vietnam—the face-to-face killing of women and children as at Songmy, the out-of-sight killing of women and children by artillery and B–52 raids in the "free-fire zones," the deliberate burning of entire villages by the so-called "Zippo squads," and the assassination of thousands of presumed Vietcong cadre under the "Phoenix" program—all these things are happening outside civilization. They are happening in a jungle of our own creation. That is the kind of war it is—a war in which civilians are indistinguishable from soldiers, a war in which mass murder is the strategy of both sides, a war which has released the furies within the human soul, a war which degrades all those whom it does not destroy.

These atrocities in Vietnam, committed by Americans, must be taken as a warning and a symbol of what can happen to a whole society. We are, I believe, far short of the state of moral disintegration that Germany reached in the 1940's and I am all but certain that we will not descend into that abyss. It is not, however, utterly and eternally out of the question. We are susceptible to the same virus of brutalization that other societies have come to, and nothing contributes more to the moral breakdown of a society than the long continuation of an unjust and unnecessary war.

It is more nearly an inevitability than an accident that a war of this kind should make a travesty of its own ominal objectives. Finding himself in a strange, dangerous and technologically primitive place, the ordinary GI responds with something short of the perspective of a cultural anthropologist. Not only are the Vietnamese primitive by the American soldier's standard but they are also dangerous; combatants and civilians are indistinguishable; even a woman or child may throw a grenade at him. Fearing and despising the people he is supposed to be saving, the GI soon dehumanizes them, or is likely to; they are not people but "gooks" and "dinks." Again, I emphasize these are not monsters but perfectly decent Americans who are dehumanizing the Vietnamese people; they do it almost as an act of self-defense. Nonetheless, it brutalizes them. As the anthropologist Edward T. Hall has commented, "Without widespread acceptance of the 'gook philosophy' Pinkville could never have happened." [10]

I would not want the perpetrators of the Songmy massacre let off. On the contrary, I want them tried and, if guilty, punished—not for retribution but for deterrence, not because they are different from the rest of us but because they are so much like the rest of us, because what they have done almost any of us could have done.

Vietnam has knocked us Americans off our pedestal. It has taught us that we are no better than the rest of the human race—although neither are we any worse. And that is the useful thing to be learned from all these horror stories and from the war itself. It was moral presumption—the so-called "responsibility of power" and the traditional American notion that we are better than other people—that led us into this war in which we have largely destroyed Vietnamese society while brutalizing ourselves. If out of all this we learn to respect and guard against the destructive instincts that lie within all of us, then something at least will have been retrieved from the disaster.

President Nixon said one thing in his recent speech with which I agree. He said that "North Vietnam cannot defeat or humiliate the United States. Only Americans can do that." In my opinion we have already done it, but I also think we can undo it—not with glory, because there is no glory in a charnel house, and not with "honor" in the sense in which soldiers use that term. But we can do it with dignity and we can do it with self-respect—the self-respect of human beings who have learned something about their own humanity and its terrible fallibilities. The question of course is how.

### *III. The way out*

The Administration has a plan—so they tell us—for getting out of Vietnam. They won't tell us exactly what it is, or exactly how it will work, or when it will be accomplished, but they insist that they have a plan. They call it "Vietnamization."

As defined in the President's speech of November 3, "Vietnamization" means that American forces will be withdrawn gradually while the Saigon army is built up to take over a greater share of the war. How far this process will go remains unspecified. In recent closed hearings of the Senate Foreign Relations Committee both Secretary of State Rogers and Secretary of Defense Laird refused to answer these questions: how long will "Vietnamization" take? and does it mean that all American troops will be withdrawn or only American ground combat troops, leaving a residual support force of 100,000 or 200,000 or 300,000 men? All that the two Secretaries would tell us was that the President has a "plan," that he does not deem it wise to divulge it to the public—or to the Senate Foreign Relations Committee—but that, if we were patient, took things on faith, and watched developments, we would be pleased with the result.

Equally unclear is the crucial question of what the President's plan calls for if "Vietnamization" fails, if the Army of the Republic of Vietnam comes near to collapse as it did in 1964? In his speech of November 3 the President warned of reescalation. As he put it, "If I conclude that increased enemy action jeopardizes our remaining forces in Vietnam, I shall not hesitate to take strong and effective measures to deal with that situation." Pressed for an explanation of the meaning of the President's words, all the Secretary of State would say in the Foreign Relations Committee was that the Administration did not expect the Army of the Republic of Vietnam to collapse and therefore had no plan for that contingency. The Secretary of Defense was equally unenlightening but he told a House Appropriations Subcommittee on November 17 that Vietnamization "could lead the way to a military victory in the sense of the South Vietnamese being able to defend their country, even against North Vietnam." [11] Asked whether the United States might reescalate the war if Vietnamization should fail, Mr. Laird replied, "I would not rule out that possibility completely." [12]

Until and unless the Administration provides clear, specific evidence to the contrary, Vietnamization can only be taken as "heads I win, tails you lose," a strategy aimed at victory for the Thieu-Ky government. And that, as the Paris peace talks have shown, is an outcome which the North Vietnamese and the Vietcong will never accept, unless it is forced upon them by military defeat.

Since it is all but inconceivable that the shaky Saigon army can hope to win the victory which half a million Americans and the Saigon army besides have been unable to win, it would appear that the best possible prospect for Vietnamization—"best," that is, for Thieu and Ky and for the Nixon Administration's prestige—is a continuing war of stalemate and attrition, with a reduced number of Americans reverting to their pre-1965 "advisory" role in a semi-permanent war of counterinsurgency. For the Vietnamese people this of course would mean continuing terror and death for the indefinite future. That is the price which it is proposed to exact from them so that the Americans can withdraw with what their leaders conceive of as "honor."

Whether the Army of the Republic of Vietnam can be gotten to fight even this well is by no means certain. After twenty years of warfare the South Vietnamese army still has failed to demonstrate anything approaching the fighting spirit of their Vietcong countrymen. Information gathered by the *New York Times* this fall in a three-week countrywide survey of South Vietnamese fighting proficiency showed that the brunt of the fighting is still being carried by the Americans, who, by the favored yardstick of success in this war, the "body count," are responsible for two of every three North Vietnamese and Vietcong reported killed. Promotions in the Army of the Republic of Vietnam still depend greatly upon a man's family background, wealth and political influence. The result is in an unaggressive, unmotivated, demoralized, war-weary fighting force, greatly superior to its enemy in numbers, equipment, and in every respect—except the ability to fight and win battles. [13]

American soldiers in the field have little confidence in the ability of the Army of the Republic of Vietnam to take over the fighting. One Green Beret captain, part of a 12-man team which has been trying to shape up a South Vietnamese force in an outpost near the Cambodian border, commented to a reporter: "Let our glorious allies in on anything, and the enemy knows about it within an hour." [14] A group of GI's gathered around their radio at an outpost in Vietnam greeted President Nixon's glowing account of the progress of Vietnamization on November 3 with what one account describes as "loud, ironic laughter." [15]

The crucial issue of the war is the character of the government which rules in Saigon. As long as American policy is committed to survival of the Thieu-Ky regime or one very much like it, "Vietnamization" will remain a euphemism for victory. The North Vietnamese and the Vietcong have said that they will fight indefinitely to prevent that and they have shown their ability to do so. As outlined by President Nixon, Vietnamization, according to a Rand Corporation expert, "is a policy that must goad the Hanoi leadership to challenge it by increasing the pressure of United States casualties; to which

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the President promises to respond by re-escalation against all past evidence (and consistent, reliable intelligence predictions) that this would neither deter nor end such pressure." [16]

A recent American visitor to Hanoi (Richard Barnet) told me, upon his return, that the North Vietnamese are confident that the South Vietnamese are incapable of taking over the war; that they doubt that President Nixon thinks they can either; that they do not believe the United States is sincerely willing to give up its control of South Vietnam; and that, accordingly, they anticipate the strong possibility of reescalation by the United States. The North Vietnamese leaders also emphasized that, while they might agree to the participation of Thieu and Ky themselves in a new government, they will not agree to the continuation of the "Johnson constitution," as they call it, which they regard as an instrument of American control, nor to an election managed by the Thieu-Ky government. Rather than accept any of these, they said, they are prepared to go on fighting indefinitely.

The weakness of the policy of "Vietnamization" is the weakness of the South Vietnamese government itself. Its claims to legitimacy is based on rigged elections and on an American-sponsored rather than an authentic Vietnamese constitution, which specifically bars all Communists from participating in the government. The electoral law barred "neutralists" as well as Communists from running for office in the supposedly free election of 1967. In a memorandum to the Secretary of Defense on March 14, 1968, Under Secretary of the Air Force Townsend Hoopes gave the following characterization of the Saigon government:

"The GVN is a narrowly based military clique. While it is systematically corrupt, this fact does not particularly distinguish it from other military governments in Asia. . . . What does distinguish the GVN are its inefficiency, lack of popular support, and inability to protect or govern large areas of South Vietnam. . . . For better or worse, it is Ho Chi Minh and Hanoi who have harnessed nationalism to their cause and who have demonstrated superior determination, organization, and fighting qualities. To survive without permanent massive U.S. support, the GVN must win broader allegiance and extend its effective authority. Yet its will and ability to do either of these things have never been in greater doubt." [17]

In his speech of November 3, President Nixon said that "we really have only two choices open to us if we want to end this war:" either "precipitate" withdrawal or, failing acceptance of our terms in the Paris peace talks, Vietnamization. The President, I think, is mistaken. There is a third and better option than either of these: the negotiation of arrangements for a new interim government in South Vietnam, for elections conducted by the interim coalition regime with or without international supervision, and for complete American withdrawal. The obstacle to such a negotiation is our continuing attachment to the Thieu-Ky government. If we could bring ourselves to deprive Saigon of its veto on American policy—as we could do without impairing either our own vital interests or, I daresay, the best interests of the South Vietnamese people—there would be no need either for the "precipitate" withdrawal which the President likes to talk about or for the condemnation of the Vietnamese people to prolonged war, which is the true meaning of "Vietnamization."

There is good reason to believe that, in return for our agreement to an interim coalition government and to ultimate total American withdrawal from Vietnam, the Vietcong and the North Vietnamese would be willing to make significant concessions. They have already indicated that they would not expect total American withdrawal prior to substantive negotiations but only a commitment to a definite schedule for withdrawal. They have also indicated that a transitional government need not necessarily include members of the National Liberation Front. In addition, the North Vietnamese government is on record as being willing to accept a neutralist, independent South Vietnam which they would not seek forcibly to reunite with North Vietnam. It should also be possible, in such a negoiation, to make arrangements for a general amnesty on both sides and for prevention of the "blood bath" which the Administration confidently predicts should the Vietcong ever gain power in South Vietnam.

Whether and to what extent the North Vietnamese and the Vietcong are sincere in the concessions they say they are willing to make can only be ascertained in serious, substantive negotiations. To get these negotiations going two things are required of the United States: our willingness to require Thieu and Ky to take their chances along with the other factions in South Vietnamese politics and our willingness to commit ourselves to a phased but total American military withdrawal from Vietnam.

We do not have to force such a settlement on the South Vietnamese government. We need only put them on notice that these terms have become our war aims, that we hope they will join us in negotiating their realization, but that, if they are not, we shall nonetheless negotiate the conditions of American withdrawal, while they, in turn, will be at liberty to continue the war on their own, to negotiate for new alliances, or to come to their own terms with the Vietcong. If we did withdraw and the Army of the Republic of Vietnam, with its one million well-equipped soldiers, could then be inspired to defend the Saigon government, it would survive. If it could not be so inspired, then the South Vietnamese government would not survive. But we have done enough, having fought their war for over four years at the cost of over forty thousand American lives thus far.

As long as the Nixon Administration adheres to its present position that it will "discuss" but not "negotiate" a settlement without Saigon's approval, thereby giving Saigon a veto on our policy, Mr. Thieu will have every incentive for continued adherence to his present uncompromising stance. He minced no words in stating his government's position upon his return from Midway last June. "I solemnly declare," he said at that time, "that there will be no coalition government, no peace cabinet, no transitional government, not even a reconciliatory government." Again, on Vietnamese television on September 19, Thieu dismissed the idea of a standstill cease-fire as "unrealistic," pledged never to cede "so much as a hamlet" to the Vietcong and said he would make no further concessions at Paris. He said that his government would never accept the existence "in any way" of a communist party in South Vietnam.

Lacking either a reliable army or the support of their own people, the Saigon generals have only one solid base of power; their veto over American war policy. If they had anything like the same influence in Vietnam that they have had in Washington, Thieu and Ky would have beaten the Vietcong long ago. The critical question therefore remains: Are we going to allow Saigon to continue to exercise this veto or are we going to give them the simple choice of joining us in making a compromise peace or continuing the war on their own?

Our basic asset, which neither the Johnson nor the Nixon Administration has been willing to acknowledge, is that this war is not now and never has been essential to our interests, essential, that is, to the freedom and safety of the American people. The exact terms of peace do not, therefore, matter very much from the standpoint of American interests, but the early restoration of peace matters enormously, because every day that this war goes on the sickness of American society worsens.

Looking back on the history of Vietnam since World War II, if we had not intervened in any way either to support the French or to create the Diem Government, the nationalists would probably have achieved the independence of a unified Vietnam. It would have been achieved under the only authentic nationalist leader in Modern Vietnamese History, Ho Chi Minh, and we would probably be today on as good terms with a unified Vietnam as we are with Yugoslavia.

After all this killing and destruction, and unless we remain in peramanent occupation of Vietnam, the eventual outcomes will probably be the same that it would have been if Americans had never gone to Vietnam. Our leaders may then suffer a loss of prestige but our country will have recovered its self-respect. And, as for the Vietnamese, they are a nation of tough, resilient peasants who will make their own accommodations to reality. As a young South Vietnamese army officer told an American reporter: "In thousands of years of our history we have seen the Chinese and the French and the Japanese come and we have forgotten them all. In time we will forget the Americans, too. Whether they did good or ill, they will only be a footnote to our history." [18]

FOOTNOTES

[*] Private Michael Torry, quoted by Robert M. Smith in "G.I. Says He Saw Vietnam Massacre," *The New York Times*, November 20, 1969, p. 14.

[1] Quoted by Daniel Lang in "Casualties of War," *The New Yorker*, October 18, 1969, p. 132.

[2] Dover, New Hampshire, February 12, 1968.

[3] Cincinnati, Ohio, April 2, 1968.

[4] Henry Kissinger, "Central Issues of American Foreign Policy," in *Agenda for the Nation* (Kermit Gordon, ed., Washington: The Brookings Institution, 1968), p. 591.

[5] Townsend Hoopes, *The Limits of Intervention* (New York: David McKay Company, Inc., 1969), pp. 126–127.

[6] *Ibid.*, p. 170.

[7] Quoted by Henry Kamm in "Songmy 2: The Toll of Frustration and Fury," *The New York Times*, November 23, 1969, p. E2.

[8] Quoted by J. Anthony Lukas in "Meadlo's Home Town Regards Him as Blameless," *The New York Times*, November 26, 1969, p. 10.

[9] Daniel Lang, "Casualties of War," *The New Yorker*, October 18, 1969, pp. 124–132, 146.

[10] Letter to *The Washington Post*, December 5, 1969, p. A26.

[11] *Department of Defense Appropriations for 1970*, Hearings before the Subcommittee on Department of Defense of the Committee on Appropriations, House of Representatives, 91st Cong., 1st Sess. (Washington: U.S. Government Printing Office, 1969), p. 415.

[12] *Ibid.*, p. 412.

[13] B. Drummond Ayres, Jr., "South Vietnamese Soldier, Still Untested in Major Combat, Shows Little Willingness to Be Aggressive," *New York Times*, November 21, 1969, p. 7.

[14] Arnold Abrams, Southeast Asia correspondent of the *Seattle Times*, "Holding the Fire in Vietnam," *The New Leader*, November 10, 1969, p. 8.

[15] "Soldiers Laugh at Nixon's Optimism on Vietnamization of the Fighting," Reuters report in the *Arkansas Gazette*, November 5, 1969.

[16] Daniel Ellsberg, "Notes on the President's Speech of November 3, 1969," November 4, 1969, p. 4.

[17] Townsend Hoopes, *The Limits of Intervention* (New York: David McKay Company, Inc., 1969), pp. 188–189.

[18] Maynard Parker, "Preparing for the Worst," *Newsweek*, November 24, 1969, p. 40.

## VOCATIONAL EDUCATION

Mr. SAXBE. Mr. President, many have spoken out about the need to expand vocational education opportunities for our young people. In my own State, only 14 percent of our youngsters complete a 4-year college program. The question of what happens to the other 86 percent is of concern to many of us. They, too, must become self-sufficient, productive citizens in our society. The subject of vocational education was discussed in a speech earlier this year by Alice Widener during a Governor's Symposium on Vocational Education in Columbus. I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

[From U.S.A., June 1969]

COLLEGE EVERYONE? *

It has been said we have a sick society. I don't believe this. But I do believe we have a sick public education system. It is predicated on the mistaken belief that every boy and girl should go to college and that those who don't go are doomed to inferiority. That system is injuring about 85 per cent of the youth in America. These are the boys and girls who are not going to be graduated from a four-year college course and emerge with an academic degree in hand. Certainly, they are not material for a junk heap. But they are led to believe that if they are *academic* high school drop-outs or college drop-outs, they cannot "make it" in our society.

You're all familiar, I'm sure, with an advertisement in slick magazines, newspapers, and on television, showing a young mother and father bending over an infant in a cradle. "Insure your child's future," says the ad. "Take out a college education policy." That ad is relevant to the family situation, of course, only if the infant shown in the cradle is exactly like every other infant in every other cradle, regardless of what the individual talents, aptitudes and mental gifts of that baby might be. Let us suppose that the infant is going to be greatly gifted in a field of endeavor unrelated to purely academic studies. Are a mother and father going to doom that infant in the cradle to a future of frustration? I think they should not.

The myth or slogan "Every boy and girl should have a college education" is largely responsible for juvenile delinquency in the United States of America. It is largely responsible for the welfare problem, for the high crime rate, for the Hippies and Yippies, the freak-outs and drop-outs. It is largely responsible for the narcotics problem among youth today. I think it's about time we junk the inflexible educational snobbery that junks youth. It's about time that the great business corporations and enterprises in our country stop saying about employment, "College graduates only need apply." This snobbery, intellectual snobbery, is like all snobbery—it is grounded on wrong assumptions. It is beginning to destroy the great universities and colleges in our country. Many victims of the "college everyone" myth are suffering from a most acute financial burden. Still worse, college populations are exploding by thousands and thousands of boys and girls who don't belong on campus and are raising hell because they really don't belong there.

We in the United States have a great stake in the field of education. We fail to understand that the problems we are discussing here today are those of every advanced nation in the world. It is a problem in Italy and Japan, West Germany, France and Great Britain. In the advanced nations, people no longer are living in a mainly agricultural society. A few enormously productive farms can produce food enough to sustain large populations. So there is a migration of population away from small uneconomic farms to the cities. The education of mass population in urban public school systems is a gargantuan task.

In France, for example, every problem being discussed by American vocational and technical education teachers is being discussed with utmost urgency. I discussed these problems with Yves Jaigu, a government official occupied with what the French call "l'aménagement du territoire," the refurbishment of the territory. In Brittany, for example, 85 per cent of the farms were owned by widows—small, uneconomic farms operated by the survivors of two world wars. Naturally, those farms couldn't make money enough for modern needs. Naturally, the families there are moving to urban communities to try to make a living. So France has to try to find out what to do with Brittany and is seeking to make it into an advanced technological communications center. But there is a language problem with aspects similar to that in our own racial problems. In Brittany, many older people speak only Breton. They have spoken that language in the area for a thousand years or more. There are French and Frenchwomen from Brittany who can't speak French, only Breton, and go to the Ile de France area—Paris and its environs—to get jobs. And so their is a language-employment problem.

We have it too in our country. We have hundred of thousands of people in urban and industrial communities who don't speak English, they speak American Negro. There is nothing wrong with it and nothing to criticize about it. But they speak it. Therefore, when their children enter academic school system in which the major language is English, they have severe difficulties. The problem arising from this situation is very similar to that in many other lands—in Northern Italy, for example, where Sicilians and Neapolitans come to find employment. In Milan newspaper help-wanted ads, I have read "No Sicilians need apply." It isn't that northern Italian industrialists are so prejudiced against Sicilians, it really is very difficult to employ a Sicilian who doesn't speak North Italian. The situation involves a language problem and other problems of social adjustment.

In general, we Americans don't know very much about modern, progressive vocational-technical education as it exists today in many countries of Western Europe. We discuss the subject in terms of a Europe before it had electric light. Time and again, I've asked public officials, labor leaders, industrial plant managers and educators in our country whether they are familiar with what the best vocational-technical education schools abroad are doing. "Well, what are you doing?" they say to me. "Are you pleading for vocational-technical education in order to have a European-type class structured society in America? Do you want schools like those in Europe where a boy of ten is forced to decide his future and if he can't pass an exam the university doors are shut to him? Do you want vocational-technical schools that will sentence boys and girls forever to the working class?"

When I ask these officials and managers whether they ever have visited the marvelous CERIA School in Brussels, or the Fiat Free School in Turin, they say, "I never heard of 'em." Their knowledge is so limited about the modern schools in Europe that they might as well be discussing Ohio when it had only gaslight and outhouses. Yet in Europe today, a funny thing is happening. The best vocational and technical education schools are in danger of becoming the snob schools. At CERIA in Brussels, Professor Doms told me last spring, "You know we don't know what to do because we had 2,500 boys and girls here. We increased it to 3,000. We have 6,000 on the waiting list, from 25 nations, and some of the richest families in Europe are trying to induce us through offers of high tuition fees to accept their sons and daughters as pupils at CERIA. You see, many of the wealthy people in Europe today are not men and women of hereditary fortunes. They are people who earned their wealth and came up the hard way. They study their children and see that perhaps Jean or Marie is not interested in going to the University of Louvain or to the Sorbonne. But Jean or Marie has ideas about wanting to start a hotel somewhere, or an industry, and is eager to learn the know-how. These wealthy parents want to send their children where they can get such training. Of course, the vocational and technical-training students receive basic academic training too. And if they develop a keen interest in academic studies they can pursue them."

I have met hundreds of CERIA students and I can assure you they are literate. They read, write and spell correctly, which is more than I can say for a lot of college graduates in the United States today.

Each time I plead in my newspaper columns for vocational-technical education in our country, someone from a university sociology or political science department writes to the editor, "Mrs. Widener is an anti-intellectual that I don't like Ph. D.'s! It is fantastic. For the benefit of the press here today, let me make myself so clear that what I'm saying cannot be distorted: I am *for* every academically gifted boy or girl going to college if he or she really wants to learn and can learn. I am *for* a progressive, dynamic vocational-technical education system suited to the last third of the 20th century and the challenges of the 21st century. I am *for* a vocational-technical education system that will provide boys and girls in grade school with opportunities to develop themselves as individuals, according to their own natural gifts and desires. I believe such a system should have equal status and equal pay to those of the academic system. I am *for* the kind of vocational-technical education systems that will not close any doors to future academic learning and will not draft any boy or girl in America into the labor market against his or her will.

I predict that if we don't provide the right kind of vocational-technical education that will give 85 per cent of our young people the opportunities they need, and also keep the doors wide open for them to go as high educationally as they want, then we're going to fail in public education. If we think we have severe problems now, just wait until we get a few more! Ladies and gentlemen, I am not going to talk any bunk from this podium if I can help it. So let's get down to cases:

In San Francisco, a few years ago when

* Editors' note: Last spring there was held in Columbus, Ohio, a Governor's Symposium on Vocational Education, convoked by Governor James A. Rhodes and sponsored by the Ohio State University College of Education. The theme was "Learning to Serve to Earn" and the official program stated; ". . . like other resources, skilled manpower must be cultivated and replenished. . . . A most fundamental fact of life is that people need jobs, not only as a means of earning a living, but as a basis for identity, a basis for participating citizenship, a basis for worthy leisure, a basis for participating in the fruits of a technological society."

This is the full text of the speech delivered by Alice Widener to the Governor's Symposium, April 8, 1969. Requests for copies have come from educators, public officials and business executives throughout our nation *U.S.A.* is grateful to Dr. Robert M. Reese, chairman, Academic Faculty for Vocational-Technical Education, College of Education, Ohio State University, and chairman of the Governor's Symposium, for kind permission to publish the text in advance of publication by The Ohio State University College of Education.

the Job Corps was started, I was stuck in the airport between plane trips for five hours. The ladies in Traveler's Aid were enormously busy so I offered to help them, thinking their work was due to the Vietnam War. "We'd be delighted if you'd help that boy over there," they said. "But he looks too young to be going to Vietnam," I remarked. "We're not busy with war work," they explained. "We're helping the Job Corps enrollees." So there was a big fat boy who said he was 14. (He must have told the government he was 16.) He was crying his eyes out. He was from Grand Rapids and had been flown by jet plane to San Francisco to study electronics at a Job Corps center. "I don't want to be here," he cried. "I love farming and I love pigs. Ever since I had a baby pig, I wanted to be a hog farmer." I said "Good for you. You're lucky. You know what you want to be." But he wasn't lucky, because evidently someone in government thought there was something wrong about his wanting to be a hog farmer, and here he was at the airport in San Francisco, having been flown from Grand Rapids at taxpayers' expense, crying his eyes out.

I wrote a newspaper column about it and right away I heard from Washington, D.C. The Office of Economic Opportunity invited me to tour some Job Corps centers. I went to Camp Kilmer in New Jersey on a hot August day. In the broiling sun, I sat on the grass for hours talking with 19 boys of whom 15 were black. Seventeen had criminal records. Their ages were 19 to 21. They were unhappy boys; boys from the junk heap piled up in the academic public education system. All were high school drop-outs. I found out why. It went like this: "Ma'am, I just couldn't stand all that book learnin'. I didn't see the sense in it. I had to get me some pocket money. I wanted to work to help out with my family, Ma'am, I don't mind studyin' for two or three hours a day, but then I wanted to go out and learn me a trade or get a job and I didn't know how to work. They told me it was against the law and I was a problem." One boy said to me, "It wasn't my prostitute mother or drunk father that done me out. I got done out in school."

Sitting with those boys on the grass in the sun and listening to their problems, I thought maybe I was the first person they'd met who didn't want to do something to them but was willing to listen to what they had to say. At other Job Corps centers, I learned other facts. For instance, if you take a pre-adolescent girl of 11 or 12 who wants to know what she looks like with lipstick, and if she doesn't know how to earn any pocket money and is forbidden to earn any and can't get any from her family, she is going to steal a lipstick at a ten cent store. That starts her on the road to delinquency, if she is caught. Do you think that hasn't happened? It happened to my maid's granddaughter.

I am not against the Job Corps. It was a crisis program that came along much too late. It cost the Federal Government hundreds of millions of dollars to maintain. How long are we going to continue a public school system that produces an army of drop-outs who will grow into candidates for a Job Corps? It tries to do for young men and women of 19, 20, and 21, what should have been done for them when they were 10, 11, and 12. We have a misfit public school system in our nation. As Governor Rhodes said this morning, we have a "decadent education system." It is unsuited to the social and economic needs of our times and future times. If it is true that we have a "sick society," then I am all for children not getting the disease! The only way they are going to remain immune is for them to have the right kind of opportunities when they are young, extremely young. I believe that vocational-technical education should begin in grade school. The Job Corps, well-intentioned as it was, is only a palliative, trying to job-train boys and girls who should have been job-trained years earlier before they became drop-outs and delinquents.

In reply to my newspaper columns about our national need for vocational-technical education, I have received heartrending letters from parents of every race, color and creed, victims of intellectual snobbery and financial servitude thrust on them by the intellectual snobs. The "college everyone" slogan has forced them to try to keep up with the Joneses and send Johnny and Mary to college whether or not Johnny and Mary wish to go or are capable of spending all their time profitably in the pursuit of academic "higher learning." Parent after parent has written to me, "I know my boy likes to work with his hands, but the teacher says if he doesn't go on to college he has no future." Or, "My daughter can't pass math; she wants to be a beautician. But her guidance counselor says if she doesn't go to college she can only do menial work."

*I believe the word "menial" as applied to honest work ought to be struck out of the dictionary and people's vocabulary.*

Invited to Ohio in 1967, I went to the Mahoning Valley School for problem boys. There were 350 boys, 325 with criminal records. I guess the percentage was about 60% black, 40% white. In the cafeteria and library with the vocational-technical education students, I heard exactly what I'd heard at the Job Corps. "Ma'am, we got done out in school. I knowed I wasn't as smart as some of the others. I jes' couldn't get the hang of it. The first time I made two and two come out five, the teacher marked it right. I knowed it wasn't right. She passed me along anyway. I knowed it was a lie. I hated her and I hated the school." Or, "Ma'am, school to me was the place to get out of my daily life, my home life. When the school let me down, that's when I got done out." I heard that over and over again. If you citizens of Ohio let that wonderful Mahoning Valley school go down the drain, you're out of your mind! One of the boys, with a criminal record, talked his heart out to me. Afterwards, he wrote to me and now we correspond regularly. That was two years ago. There hasn't been a holiday since—Valentine's Day, Easter, Fourth of July, Christmas, Thanksgiving, that I haven't heard from him. He has made it all the way from a reformatory to the Air Force.

From Mahoning Valley, I went to the Thomas Edison School in the Hough area of Cleveland. That is the big problem area where they had the riots. Every window pane within blocks of the school—which used to be for "bad boys" and was converted into a vocational-technical school several years before the riot—was smashed. Every blade of grass was trampled on. But not a window pane at the Thomas Edison School was broken or a blade of grass trampled. Why? The teachers and pupils there explained it to me. "It's our school, our hope," they said. "It was a holy area during the riots. God ran that place. The people in Hough know it is our ray of hope."

At Mahoning Valley School, I asked the boys if I could visit the toilets. They were stunned. A woman comes to this boys' school and wants to go into the toilets. Why? Here's why: Because the condition of the toilets tells volumes about a school. In some of the best private schools in New York City, the walls are scribbled with obscenities and vile messages. In the toilets at Mahoning Valley School, I discovered, the walls were absolutely spotless. Moreover, it is one of the few schools I have seen where there isn't a scratch on the desks. I asked the boys why they don't deface the school and smash windows there. "It's ours," they said. "It's our place where we can learn what we need to learn and want to. It's the place that we can learn how to earn a living, where there's hope, a place of real use to us. We want to keep it the way it is so that other guys can use it after we leave."

After Chesly Manly of the *Chicago Tribune* read my columns about Mahoning Valley and the Thomas Edison School, he teased me about having written a sob story. I told him to go there and see for himself.

"You're one heck of a good reporter," I said. "You'll see." He did go and then phoned me. "I went to the Thomas Edison School," he said, his voice choked with emotion. "I talked to the students and teachers there. That's the greatest place. Why can't we have schools like that all over the country?"

Last summer, the State of Florida held its first statewide convention of vocational and technical education teachers. That conference, in just about the southern-most state of the Union, was a model for America in good race relations. There was complete interracial communication and cooperation. Nobody gave a damn about "integration." It was the most beautiful experience I've had in many years. I asked a Negro teacher who has been in the Florida State education system for 25 years why conditions were so ideal at the conference. "We're working together towards a good goal for a common, constructive purpose," she replied.

I dedicate myself to that purpose and I believe every single one of you should dedicate himself and herself to it. Go out and preach the gospel of vocational-technical education. Follow your lifework; carry out your programs; let the opponents do as they wish. You stick to your guns and make a sick public education get well. When it is well, American society will have solved its biggest problem.

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### Children's Educational Rights

(By Alice Widener)

In 1776, a small group of far-sighted men, who had been thinking long and hard about the art of politics, gave the American people a Constitution ensuring their political, economic and religious liberty. In 1862, a small group of men, who had been thinking long and hard about the art of education, gave the American people a Land-Grant Colleges Act ensuring their educational liberty. The Act entitled each State in the Union to select 30,000 acres of public land per each Member of Congress for use in constructing vocational-technical colleges.

On July 2, 1862 when President Abraham Lincoln signed the Land-Grant Act establishing the land-grant colleges, or "cow colleges" as academic opponents snobbishly called them, he freed more slaves than he did on January 1, 1863, when he signed the Emancipation Proclamation. The slaves freed by Lincoln in 1862 were all the young people in America, regardless of race, sex, color and creed. From then on they were able to strive for a high degree of education in science, mechanics, agriculture, industry and business. Previously, the earning of a college degree was almost entirely restricted to two per cent of male Americans pursuing mainly classical studies in Latin, Greek and Hebrew for the professions of the ministry, law and medicine.

What the great education revolutionists of mid-19th century America really did was to create in our nation a college system of vocational and technical education. Just as our 18th century political revolution had its Founding Fathers, whose names today are known to all, so did our 19th century educational revolution have its Founding Fathers. But though their wisdom, courage and vision were in many ways as great, their names—with the excepton of Lincoln's—are not generally familiar to us today.

They should be. The social ills they correctly diagnosed in 19th century society as being due to an out-of-kilter college education system are precisely the same as the social ills requiring correction in 1969 due to an out-of-kilter elementary and seconday education system.

Unless our century produces now a new group of revolutionary Founding Fathers

in education, to do for young Americans what our 18th and 19th century great revolutionists did, our nation will not be able to continue its marvelous advancement which affords most citizens in the United States the highest standard of living in the world.

In the middle of the 19th century, a few great men—Jonathan Baldwin Turner, Justin S. Morrill Hoarce Greeley Ezra Cornell and their allies—became aware that though 93 per cent of Americans lived on farms higher education in our nation was geared to about two per cent of American youth whose families for the most part lived in cities and belonged to a wealthy minority.

Among these 19th century education revolutionists Turner was the ideological leader. A native of Massachusetts graduate of Yale and professor of *belles lettres*, Latin and Greek at Illinois College, Jacksonville, Illinois, Turner conceived in the early 1850's the "Turner Plan" for a system of practical higher education. He delivered a speech calling for the democratization of higher education and for "industrial universities." Persistent, patient and persevering, Turner spoke his piece, always the same piece, whenever he could and wherever he could for ten years. It influenced progressive thinkers throughout the nation, and it influenced Justin S. Morrill, son of a blacksmith in Vermont, who became a member of the U.S. House of Representatives and later a U.S. Senator. Justin Morrill was the main Congressional author of the Land-Grant Colleges Act.

In 1859, President Buchanan vetoed the Morrill Act. But neither Morrill nor Professor Turner abandoned their common cause.

In 1931, Professor Eugene Davenport, Dean Emeritus, University of Illinois College of Agriculture, recalled, "Professor Turner told me personally in his study a few years before his death that he and Mr. Lincoln were discussing the Buchanan veto when Lincoln jokingly remarked, 'Turner, get me elected President, then put your bill through Congress again and I'll sign it.' "

1852 BILL OF RIGHTS

What were Turner's ideas, the ones that led Lincoln to emancipate all American youth from educational slavery? Here they are as adopted in an educational Bill of Rights by the Turner-inspired State of Illinois Farmers Convention of 1852:

"(1) As representatives of the industrial classes, including all cultivators of the soil, artisans, mechanics, and merchants, we desire the same privileges and advantages for ourselves and our posterity in each of our several pursuits and callings, as our professional brethren enjoy in theirs.

"(2) The institutions originally and primarily designated to meet the wants of the professional classes as such cannot, in the nature of things, meet ours, any more than the institutions we desire to establish for ourselves, meet theirs.

"(3) Immediate measures should be taken for the establishment of a university, in the State of Illinois, expressly to meet these felt wants of each and all of the industrial classes of our state."

The Convention favored the Turner Plan for "a university for the industrial classes in each of the States to apply existing knowledge directly and efficiently to all practical pursuits and professions in life, and to extend the boundaries of our present knowledge in all possible practical directions."

President Lincoln's signing of the Morrill Act gave the impetus to men seeking solutions to the problems arising from the agricultural, scientific and industrial development of our nation, and to its geographical exploration. The Morrill Act created a social bond among Americans, bringing them together while permitting them to develop their individuality.

"Conditions in America during the early part of the [19th] century . . . were largely those of a frontier country," wrote W. J. Kerr, President of Oregon State Agricultural College, in 1931. "The great mass of the people were uneducated and provincial. Despite their many admirable qualities, the majority . . . knew little about science or the applications of it. . . . Higher education was strictly traditional and classical. It had no relation to the resources of the country or to the occupations and objectives of the great mass of the people. Yet it was securely entrenched in both public and private support, all classes contributing to its maintenance."

HISTORY REPEATS ITSELF

Today, in 1969, precisely the same situation exists in relation to our elementary and secondary education. Geared to pursuit of an academic or professional education in college, our elementary and secondary schools do not meet the needs of the great mass of people or the resources of our nation.

In 1862, when the Morrill Act was passed, 93 per cent of Americans lived on farms and seven per cent in the cities. Higher education was geared to the needs of the urban minority. Now, a century later, seven per cent of Americans live on farms and 93 per cent are in urban communities. Lower education (that is, elementary and secondary schools) is geared to the needs and desires of a minority, the third (approximately) who enter college, of whom only half are eventually graduated from a four-year course. Nationwide, only 12 per cent of our youth in public schools are receiving any kind of vocational/technical education. Yet the felt wants of the mass urban populations, and their needs, require education affording them gainful employment according to their aptitudes as mechanics, merchants, distributors, service and technical personnel, and other practical occupations.

In 1967, 60 per cent of all new employment opportunities were in the service areas. In 1967, Congress appropriated several billion dollars in aid to education, but only $252 million under the Vocational-Technical Education Act of 1963 and other vocational education acts.

Yet the 1966 Digest of Education Statistics, Office of Education, U.S. Department of Health, Education and Welfare reported: 99 percent of our children are attending school; and in the 14 to 17 age group (the usual high school age), 93 per cent are enrolled in educational institutions. Approximately 70 per cent of the young people graduate from high school today, and more than one-third of the young adults [graduating] may be expected to enter college.

These statistics show that as of 1965 almost a third of our high school students were drop-outs. The latest figure from the Office of Education shows that despite all efforts to keep students in school, 25 per cent are high school drop-outs. Furthermore, approximately two-thirds do not go on to college, yet their education is directed at college entrance.

Worse, of the third who do go to a four-year college, only half remain there and earn a degree. The other half drop out, mainly in the first and second years. And so the following comparison can be made.

In 1861, American higher education was geared to the real needs of only two per cent of youth; in 1969, American elementary and secondary education is geared to the needs of about 15 per cent of American youth.

FULFILLMENT MAKES FOR CLAIM

It is interesting to note that by far the biggest number of college dropouts is in the liberal arts and social sciences, not the professional schools. Also, the acute social unrest in colleges occurs mainly among students in the arts and social sciences, not in the professions.

In cities, almost all social unrest has been among students in academic high schools and colleges. The vocational and technical schools have been virtually free of it.

On October 18, 1968, the *London Sunday Times* reported in an article entitled "The Detonators" that all recent student rebellions in England had occurred in the academic colleges; none in the technical and vocational institutions. Everywhere, students are crying out for "relevance" in education.

Is the calm in vocational and technical schools due to students' inferior intelligence, or is it due to their receiving the kind of education that fulfills their individual needs, enables them to display their individual aptitudes, and furnishes them with definite, practical goal?

FULFILLMENT MAKES FOR ACHIEVEMENT

Many theories are being advanced about the relative intelligence of children, and about the influnece of environment and heredity on their intelligence. These theories are mainly guesswork; most of the same notions were advanced during the 1850's in the fight against the Land-Grant Colleges Act. Then, it was thought that only upper class "gentlemen" were mentally and morally fit for a higher education. It also was thought that only the "higher subjects" of classical studies were fit for scholarly degrees. Agricuture, mechanics, science and industry were considered to be lower subjects of study fit only for lesser intellects.

Few Americans today are aware that the great Massachusetts Institute of Technology, for example, is a land-grant college.

In 1931, when eminent American scholars assembled at the 45th Annual Convention of the Association of Land-Grant Colleges and Universities in Chicago, Dr. W. J. Kerr said:

"Progress today is based on science. . . . The science first taught in the land-grant colleges was of the most objective and practical kind. These early beginnings led to larger and more intensified applications of science, producing cumulative results, which in turn gave fresh momentum to the movement."

The "practical science" in agriculture, pursued first at our land-grant colleges, is what led to the abundance of our present day agriculture, which enables us to avoid famine and feed half the world. Moreover, it was academic freedom at land-grant colleges that enabled individual scientists to make great discoveries and put them to good use under our free enterprise system.

And so we see that our nation was blessed with thousands upon thousands of gifted young people who pursued higher education at "poor boy" or "cow" colleges. They enriched not only America but the entire world.

REASON FOR DROPOUTS

When Chauncey M. Depew, celebrated his 93rd birthday in 1927, he said, "When I graduated from college, it was either the law, the ministry or medicine for the graduate. Today there are 3,000 occupations upon to the college graduate."

Now in 1969 there are many more than 3,000 occupations open to trained young people at the age of 18. But 88 per cent of them are untrained in elementary and secondary schools for any occupation except pursuit of an academic education which two-thirds do not pursue because they do not wish to, or cannot afford to, or are not mentally able to.

Obviously, our elementary and secondary public education system is out-of-kilter with most young people's callings, needs and desires. Obviously, that is why at least 25 per cent drop out of high school. That is a very high rate, one that our nation cannot afford. After all, if any business in America lost 25 per cent of its customers it would go broke.

Nevertheless, today, as we move into the 1970's, all classes of our citizenry, as in the 1850's, are contributing to an education system "securely entrenched in both public and private support that has no relation to the resources of the country and the objectives of the great mass of the people."

SPUTNIK SCARE

Our misfit public school system was snobbish and undemocratic enough in the early 1950's to guarantee a future social upheaval in our nation; but in 1957 it was made infinitely worse when the Soviet Union launched Sputnik into space. Hysterical over what was supposed to be Soviet superiority in science and education, many of our national leaders embarked on what might be called the Sputnikization of American public education. Immediately, there arose the demand that every boy and girl should go to college in order that our nation could meet a need for nuclear physicists and other advanced scientists.

MEANWHILE, ON EARTH

This Sputnikization took place at a time when masses of our agricultural workers left newly automated farms in the South, and flocked North to the cities to find employment. A large percentage of these farm workers were Negroes who spoke a dialect, had little basic education, and suffered from all the handicaps of new emigrés plus the problems of ethnic differences and political disadvantages. At the same time, in many urban communities, there was an influx of Spanish-speaking emigrés from Puerto Rico and Mexico. What the new minority groups in cities most needed was job-training to become economically self-sustaining. What they received in public school was impractical, college-oriented academic training. And the law forced them to remain imprisoned in the academic schools until the age of 16 in 37 states, 17 and 18 in the others.

As captives, the children of the new emigrés became saddest victims of a misfit school system. The dropout rate soared; so did juvenile delinquency and crime rates.

Simultaneously, there occurred a wave of intellectual and emotional sentimentality that affirmed civil rights by pretending all children are alike except for differences in environment. Though no two blades of grass or petals on a rose are alike, it was preached and propagandized that all children could be taught in school, willy-nilly, to pass college entrance exams and go on to a higher academic education.

Because elementary and secondary public education in our big cities is largely irrelevant to the needs of at least 85 per cent of urban youth, there has arisen a social situation that threatens to bring the nation down. Our cities are rife with violence mostly brought on by the frustrations of rootless, goal-less, untrained young people easily misled by agitators.

The social, economic and intellectual pressures being exerted on masses of young people in overcrowded urban schools to acquire a college education are cruel and undemocratic in the extreme. Literally, they cannot take it. Dr. T. Campbell Goodwin, pediatrician and Assistant Commissioner for Children's Services in the New York State Department of Mental Hygiene, says that today state mental institutions are crowded with children falsely labeled as "retarded" or "problem cases."

On August 9, 1967, *The Christian Science Monitor* said in an editorial:

"What's wrong with a good vocational education and a technical high school diploma? Why should it be considered, as it so often is, inferior to a college preparatory course?

"A survey made by an Ohio educator in his state found 75 per cent of parents and students desiring vocational education in the schools.

"Throughout the United States, and in some other industrialized countries, vocational education has long been a stepchild. Only the academic curriculum has had prestige. The boy (or girl) who turns away from college to train for a job too often loses status in the eyes of his teachers and companions. The high school which boasts of the high proportion of its graduates going to college is disappointed in him.

"The time has come to wipe out these snobberies. One way to do this is to provide much better vocational education than is now offered."

Yet, on December 5, 1967, the *New York Post* reported, "The Board of Education today imposed the death sentence on most of the city's [New York City's] vocational schools. The action, part of a change-over to four-year comprehensive (academic plus vocational) high schools, ends two years of bitter debate within the school system. . . . [Schools Superintendent] Donovan last spring urged the board to drop plans for a single system of comprehensive schools on grounds that they posed 'major difficulties' in terms of facilities, programs, equipment and personnel. The board, overruling Donovan's arguments and earlier threats of rebellion from principals' associations, said today that its 24 'multi-trade' vocational schools, housing 33,000 students, would be phased out or converted . . . within the next eight years."

EDUCATION FOR THE FUTURE

It is the opinion of the *Christian Science Monitor* that, "The era of upgraded vocational education for all who want it is overdue." That was the opinion of the Frontiers of Science Conference in Oklahoma City, January 1969, at which inventors and manufacturers of our space and oceanography technology, of the "picture-phone" and other great new scientific endeavors stressed the national need for trained technicians, mechanics and service personnel.

In July 1967, *Lloyd's Bank Review* carried an article by Gerard Colley, Senior Economist at the Battele Memorial Institute, Geneva, Switzerland, who pointed out, "Tourism is today one of the fastest-growing sectors in the world economy."

Does anyone deny that with the advent of mass national and international air travel there is necessary a huge number of trained technical, mechanical and service personnel to fill jobs in airports, hotels, eating places, museums, parks, cultural and entertainment centers, banks, shops and markets? Does anyone doubt that service and technical personnel will be needed not only to foster tourism in the developed and developing nations, but also to build and man 21st century space and outer planetary stations and underseas colonies on the ocean floor?

THE REAL LAG

Faster than automation eliminates some jobs, the development of science and technology creates new ones. *The employment "lag" is in trained people, not available jobs.*

As all this becomes more and more evident, there is a change even in the New York City educational attitude. On May 29, 1969, the *New York Times* headlined "Dispute Over Vocational Schools Here Revived," pointed out that city vocational schools "have been largely free of the student unrest that has troubled many academic schools," and went on to say that many youths in the vocational schools "are quick to express their satisfaction."

This student satisfaction in all vocational and technical schools is being expressed in most graduates' sincere desire to go on to higher education in their chosen fields of work. It is very difficult to stifle the eagerness to learn of a young person studying a subject of genuine interest well suited to his or her individual abilities. Very often, along with students' progress in manual or artistic skills there is born a keen desire for more academic achievement.

Since 99 per cent of young Americans between the ages of six and seventeen are in elementary and secondary schools, it is there that they should be able to find opportunities rescuing them from the variables and early vicissitudes of home environment. Children are not of one mold and they must not be cast into a school system of one mold.

The Founding Fathers who drafted our Educational Bill of Rights in the mid-19th century and created the land-grant colleges were aware of this truth when they revolutionized higher education in America. Now in 1969, we must have Founding Fathers with courage and foresight enough to revolutionize the elementary and secondary education, adapting it to the children's real needs and freeing it from the fetters of academic intellectual snobbery and the dictates of an academic hierarchy and bureaucracy.

WE NEED NEW "IMMORTAL ACT"

In 1962, Allan Nevins, historian for the Civil War Centennial Commission, wrote a paper on "The Origins of the Land-Grant Colleges and State Universities, a Brief Account of the Morrill Act of 1862 and Its Results." Nevins began thus:

"It was an immortal moment in the history of higher education in America and the world when, on July 2, 1862, Abraham Lincoln lifted his pen and signed the College Land-Grant Act, of which Justin S. Morrill of Vermont was the principal author."

In 1862, when Morrill was asked why he had led the fight for the Act that bears his name, he replied, "Being myself the son of a hardfisted blacksmith . . . who felt his own deprivation of schools (never having spent but six weeks inside of a schoolhouse), I could not overlook mechanics in any measure intended to aid the industrial classes in the procurement of an education that might exalt their usefulness."

Now in our century, which is so full of good hope even while it manifests so many human disappointments and fears, can we deny a majority of our youth the opportunity to procure an education exalting their usefulness to themselves and to the society in which they live?

Webster's Dictionary defines the verb "to exalt" as "to raise high; elevate, raise in rank, power, or character; to elevate by praise or in estimation."

In 1862, Abraham Lincoln exalted American higher education by making it wider and better suited to the individual talents and needs of the people. Let us hope that by 1972, another American President will have lifted his pen to exalt our elementary and secondary education by making it wider, by granting to vocational/technical schools both status and funds equal to those of academic schools, by according to vocational and technical education teachers with practical know-how the same degree of prestige enjoyed by academic teachers, and thus creating a 20th century education Bill of Rights for all of American's children.

## CRITICISM A TWO-WAY STREET

Mr. CURTIS. Mr. President, I would not want to live in a country where officeholders could not be criticized. It is a two-way street, however. Unless officeholders can criticize the press, the public is deprived of a full discussion on the issues.

I ask unanimous consent to have printed in the RECORD an editorial entitled "Fair Exchange," published in the Norfolk (Nebr.) Daily News of November 22, 1969.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FAIR EXCHANGE

Even before Vice President Spiro Agnew provided some "equal time" criticism for newspapers after dealing with the TV networks, a prominent editor rose to claim that the Nixon administration was trying to muzzle the media.

But when Spiro says that's not true, and Herb Klein and other administration spokesmen chime in, we do not allow our traditionally skeptical newspaper nature to disbelieve them. Many in private and public life would like to influence the news, to change it, to make it more responsive to a particular point of view, but there are few Americans with a dangerous disregard for the value of a free press.

Norman Isaacs, the executive editor of the Louisville Courier-Journal and Times, and also president of the American Society of Newspaper Editors, accused the administration of undertaking a campaign for "some sort of covert control" of both newspapers and broadcast stations. It is an unfortunate reaction when critics of the media arise.

They are put in the position of attacking a free press, rather than criticizing what the free press does occasionally that one thinks is wrong.

Mr. Agnew has made it clear he believes in no censorship, no control; but he wants to criticize the press just as it criticizes politicians. That ought to be fair enough.

## ANNIVERSARY OF THE ADOPTION OF THE HUMAN RIGHTS CONVENTION ON GENOCIDE

Mr. PROXMIRE. Mr. President, on December 11, 1948, the General Assembly of the United Nations adopted the Human Rights Convention on Genocide during its Paris session.

The text of the convention confirms that genocide is a crime under international law, whether committed in time of peace or war. Of even greater importance, the convention states that all persons committing genocide shall be punished, be they constitutionally responsible officials, or private individuals. Though genocidal crimes are not to be confused with political crimes, those guilty will be subject to the rulings of their competent national court, or, if possible, an international penal tribunal.

Over 70 nations have ratified the Genocide Convention since 1948. The United States has not.

On June 16, 1949, the convention outlawing genocide was submitted to the Senate by President Truman. Public hearings on the convention were held by the Foreign Relations Committee in January and February of 1950. Although the subcommittee reported favorably on the convention, it became stalled in full committee and remained on the table at the time the 81st Congress adjourned.

On this day, the anniversary of the adoption of the Genocide Convention by the General Assembly of the United Nations, I once again ask this Chamber to recognize the importance of this matter. How can it be that this Nation, which is founded on the principle of life and liberty for all, not think it scandalous that we have not affirmed this principle for all peoples throughout the world? I urge the Senate to immediately consider and move toward ratification of this convention.

## THE DICTATORIAL JUNTA IN GREECE

Mr. MOSS. Mr. President, our tragic involvement in Vietnam and such explosive events as those taking place in the Middle East overshadow developments of great significance in other parts of the world. One such area is Greece, where a dictatorial junta continues to rule that brave and freedom-loving people.

A few days ago, I was visited by the former Greek Minister, Mr. Constantine Mitsotakis, one of the best-known personalities in the postwar history of Greece. Today he is engaged in the struggle to restore parliamentary democracy in his native land. A resistance fighter against the Germans in World War II, Constantine Mitsotakis was first elected M.P. for Chania at the age of 28. From then on he was continuously elected for the Centre Party. He has served in the Papandreou government as Economic Minister in 1965 and 1966. After the colonels' coup, he was arrested and imprisoned, but succeeded in escaping in 1968 and is living outside Greece.

In our discussion, Mr. Mitsotakis emphasized several points which he considers of particular significance concerning the situation in Greece today—points which I feel it is important for the Senate to understand.

First. Perhaps of major concern, Constantine Mitsotakis believes that the next few months—possibly 3—present the last opportunity for a restoration of a democratic government in Greece without a bloodbath. Moreover, he is certain that, given the history and character of the Greek people, a future attempt will be made to force out the colonels' government even if that means a bloody revolution.

Second. Also, he considers the present attitude of the United States to be one of the most powerful factors in maintaining the junta in office. Even the Greek military, he believes, does not favor the junta, but rather tolerates it from belief that it enjoys the support of the Pentagon.

Third. Mr. Mitsotakis believes that the initiative taken at the end of September by the former conservative Greek Prime Minister, Constantine Karamanlis, offering his personal cooperation for the restoration of normality and the safeguard of order and security, creates an opportunity for restoration of parliamentary rule. Mr. Mitsotakis was a liberal opponent of the conservative E.R.E. government—under Mr. Karamanlis—while free debate prevailed. But from the first moment of his escape from Greece, Mr. Mitsotakis placed his services at the disposal of Mr. Karamanlis and declared publicly the need for the political world to rally around Mr. Karamanlis and support his leadership. Mr. Mitsotakis told me he believes that such a movement can succeed only if the junta is denounced by the United States and other nations of the free world.

We can sympathize, I am sure, with the plight of the citizens of Greece, who endured so much during and after World War II to establish self-government. Tribulations of the more distant past resulted in the immigration of thousands of Greeks to the United States. Many went to my State of Utah—principally young men—to work on railroad construction gangs and in the mines. Substantial sums of money earned through this hard labor were sent back to the homeland to assist needy relatives. Homes, families, and business enterprises were begun. Today, the descendants of these immigrants are among our most respected families and are most active citizens of Utah.

It is now 2½ years since the colonels' regime crushed self-government in Greece. During that time, their government has apparently failed to gain even a minority of supporters. Repeated statements that the regime would be regularized by elections have not been redeemed and restoration of parliamentary rule in any form appears to be far off.

It must be remembered that America, applying the Truman doctrine, allotted some $3 billion to Greece to counteract a Communist threat. Thus we succeeded, without the loss of a single soldier, in preventing Communist expansion in Europe. In this struggle, all Greeks were united and the bloody war was successfully prosecuted without even temporarily suspending parliamentary government.

As Senators may recall, December 12 will see a meeting of the Foreign Ministers of 18 nations of the Council of Europe. It appears that the Council will expel Greece, based upon a report of the European Commission for Human Rights, written after more than 2 years of investigation.

If the Council takes such action or if strong support for expulsion is at the meeting, the United States should surely reassess its position toward the Greek dictatorship. And such a review should take place soon—before the opportunities which appear to be present for the restoration of a popularly based parliamentary regime have passed.

Mr. President, a number of editorials and news reports have been published in the press recently concerning the Greek situation. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, Nov. 26, 1969]

GREEKS EXTEND EXILE FOR 5

ATHENS.—Five former members of parliament considered security threats by the army-backed Greek government were committed to an additional year in exile under a government decision today, informed sources said here.

The five men have been in exile in remote villages and islands for more than two years. They were deported after the army seized power in Greece in April, 1967.

The sources named the five former members of the Center Union Party—a powerful party before the army takeover—as Ioannis Charalambopoulos, Ioannis Papaspyrou, Panayotis Katsikopoulos, Constantine Koniotakis and Ioannis Alevars.

[From the New York Times, Nov. 30, 1969]

ATHENS HERALDS POLITICAL REFORM—LAW IS DRAFTED ALLOWING FORMATION OF PARTIES

ATHENS.—The army-backed Greek Government announced today that it had drafted a law establishing rules for the formation of political parties, which are now banned under martial law.

The draft would be one of 18 "institutional laws" that are to take effect only when full constitutional rule, suspended since April, 1967, is restored.

The Government has pledged to have the 18 draft laws ready by the end of this year, but refuses to commit itself to a timetable for the restoration of the suspended articles of the Constitution and the lifting of martial law.

Today's announcement, which concerns one legal step in a lengthy procedure for the final ratification of the "institutional laws," was seen in part as an effort to placate Greece's critics abroad.

Criticism of the Greek authorities for their failure to restore democracy, more than two and one-half years after seizing power, is expected to reach a climax in the next two weeks when Western foreign ministers meet in Brussels for the North Atlantic Treaty Organization winter session and later in Paris for the meeting of the 18-nation Council of Europe.

FURTHER GESTURES EXPECTED

Diplomats here expected the Athens authorities to make further gestures to demonstrate their good faith, including the release of some of their 2,000 political prisoners.

These gestures were expected particularly before the Council of Europe meeting on Dec. 12, which is to vote on a motion for the suspension of Greece's membership.

The Athens leaders are eager to demonstrate their goodwill in view of the impression that will be created by the report of the European Commission on Human Rights which, after a two-year study, is said to have reached the conclusion that Greece had tolerated the torturing of political prisoners and that the danger of an imminent Communist take-over invoked by the military to seize power in April, 1967, did not really exist.

The report is still secret and the Council of Europe is bound by its statutes not to discuss it or take any action on it before a three-month cooling-off period has elapsed.

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INQUIRY ON GREECE REPORTS TORTURES—EUROPE COUNCIL REPORT ALSO FINDS THE MILITARY REGIME BARS MANY BASIC RIGHTS

(By Alvin Shuster)

LONDON.—The European Commission for Human Rights has concluded that Greece's military-backed Government allowed torture of political prisoners and denied many fundamental human rights.

Its 1,200-page report, the result of more than two years of investigation, found that torture and ill-treatment were "an administrative practice" that was "officially tolerated." It charged that Greek authorities had taken no effective steps to stop the practices.

The commission, an agency of the 18-nation Council of Europe, also found that, contrary to contentions of the Greek regime, there was no danger of a Communist takeover at the time the army colonels seized power on April 21, 1967, and imposed martial law. It is still in effect.

"There is evidence indicating that it [a Communist takeover] was neither planned at that time nor seriously anticipated by either the military or police authorities," the commission said.

Its still-confidential report, in four volumes, is likely to bolster the case of governments that will push for the expulsion of Greece when the ministers of the Council of Europe meet in Paris on Dec. 12. The council has postponed action awaiting the commission's findings, which have now been submitted to the member nations.

Apart from the blow to Athens' prestige, expulsion from the Council would also mean removal of Greece from the Parliament of Europe, which sits in Strasbourg and prepares social and economic programs for its members.

BRITAIN TO BACK EXPULSION

Britain has decided to vote against the regime at the meeting and is trying to influence others to do so. The United States, although not a member of the council, has indicated concern about Greece's expulsion, fearing, in part, that it might lead to pressure to expel her from the North Atlantic Treaty Organization as well.

Some United States officials also worry that such council action might lead the colonels, out of pique, to withdraw from participation in NATO.

Greek leaders have sought to give the impression of movement toward democracy. They are expected to defend themselves at next month's meeting by citing steps they have taken, including recent talk of a still-vague timetable for the restoration of representative government.

But the regime will be presenting its argument against the background of the most detailed and official condemnation of its actions yet. The report represents the efforts of lawyers who took hundreds of hours of testimony and even traveled to Greece for on-the-scene investigation. Some have called their work the weightiest international legal inquiry since the Nuremberg trial of war criminals after World War II.

Technically, the council cannot take any steps on the basis of the report until three months after its submission. But such countries as Britain, Norway, Sweden and Denmark believe there are sufficient grounds for action now anyway.

CHARTER VIOLATION CHARGED

The conclusions—that the use of torture had been established "beyond doubt," that human freedoms are violated and that no Communist threat existed at the time of the coup—go to the heart of the case. The report concludes that the Greek regime has thus violated the conditions of membership, in particular Article 3.

That article in the charter of the council, founded 20 years ago, states that members "must accept the principles of the rule of law and of the enjoyment by all persons within its jurisdiction of human rights and fundamental freedoms."

Such rights may be suspended under the charter in "time of peril of other public emergency threatening the life of the nation," but the commission found that these conditions did not exist at the time of the coup.

The report said that while there was a period of "political instability and tension" in Greece, this did not constitute a "public emergency." While there were demonstrations in the streets, it said, the situation did "not differ markedly from that in many other countries in Europe."

It also rejected the Greek Government's argument that continued suspension of rights was necessary because of bomb incidents and the growth of "illegal organizations."

"The commission does not find, on the evidence before it," it said, "that either factor is beyond the control of the public authorities using normal measures, or that they are on a scale threatening the life of the Greek nation."

CONFRONTED GREEK AUTHORITIES

The report said that competent Greek authorities, "confronted with numerous and substantial complaints and allegations of torture and ill-treatment," failed to take any effective steps to investigate them or to insure remedies for "any such complaints or allegations found to be true."

Moreover, the report said that Greeks were being denied such fundamental rights as freedom of expression, association, a fair trial, and free elections at regular intervals. Such rights, it noted, are required under the council's charter.

The report, prepared by a subcommission of the Human Rights Commission, was adopted by the parent group earlier this month. It was submitted to the member countries nine days ago.

The council, primarily an advisory organization, was organized to further political, social and economic unity of Europe. Its other members are Austria, Belgium, Cyprus, France, West Germany, Iceland, Ireland, Italy, Luxembourg, Malta, the Netherlands, Switzerland and Turkey.

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[From the Washington (D.C.) Post, Nov. 30, 1969]

AMBASSADOR TO ATHENS—CONTEMPTUOUS REMARKS ABOUT U.S. KEEPING AMERICAN ENVOY'S CHAIR VACANT IN ATHENS

(By Rowland Evans and Robert Novak)

Contemptuous remarks about the U.S. by a high Greek official are producing two wholly unexpected side effects: Keeping the American ambassador's chair in Athens vacant a bit longer and worsening relations between the State Department and the Senate Foreign Relations Committee.

Moreover, the indiscretion of Panayiotis Pipinellis, Foreign Minister of the Greek military dictatorship, might just tip the balance against full resumption of U.S. military aid to Greece.

At issue is a top-secret briefing by Pipinellis for Greek ambassadors in Western Europe delivered at Bad Schniznach, Switzerland, on Aug. 26. Two weeks ago, we reported from a verbatim account of that briefing that Pipinellis referred to the U.S. as a "so-called democracy" not to be trusted.

At that point, the Senate Foreign Relations Committee was ready to recommend confirmation of Foreign Service officer Henry J. Tasca, nominated on Sept. 9 by President Nixon for the long vacant Athens post. But when Sen. J. W. Fulbright of Arkansas heard of the Pipinellis document he informed the State Department that his committee would not act on Tasca until it had a chance to study the Pipinellis document.

The State Department went into a classic diplomatic stall. In response to three separate telephone calls from Fulbright aides, it curiously pleaded inability to locate a copy of the briefing—curious because a copy was actually in the State Department's hands before we obtained ours. Vexed with the State Department, Fulbright finally obtained a copy through private channels.

That means Tasca may not get confirmed before the new year. More important, the effort of Sen. Claiborne Pell of Rhode Island to put a rider on the foreign aid bill barring military assistance to Greece is strengthened.

In addition to Pipinellis' assault on U.S. style democracy, he belittled Mr. Nixon's Vietnam and defense policies.

"We all thought that, after the Republican victory, there would be greater stress on rearmament and on strengthening the world's defenses," Pipinellis said. "But the real situation has proved quite different. Mr. Nixon went to the Far East without, as it seems, having decided any other concrete program than a declaration to all Asians that America is returning to a policy of falling back to home."

News of U.S. troop pullouts "has been heard with disbelief," Pipinellis said, sarcastically referring to a $5 billion U.S. defense cutback as "good news."

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[From the Washington (D.C.) Post, Nov. 29, 1969]

KEEPING THE HEAT ON THE ATHENS JUNTA

The foreign ministers of 18 nations in the prestigious Council of Europe are to meet Dec. 12 to decide whether to throw Greece out. They should. The ruling junta in Athens has, as charged, violated human rights and blocked parliamentary rule. An organization of the council's idealistic purposes which countenanced the junta would forfeit public

respect. As long as there seemed a chance that the colonels might pick their way back toward democracy, the council could reasonably suspend judgment. But the officers have made it plain they do not intend to relinquish power voluntarily. They are sapping the Greek economy and, by their clumsiness and terror, turning the public's earlier apathy into opposition. Their isolation by the Council of Europe could add an important increment of pressure on their position at home.

After the April, 1967, coup, and especially after the King's abortive countercoup that December, Greek politicians were in disarray and many observers feared there was no real and acceptable alternative to military rule. This autumn, however, Constantine Caramanlis, a widely respected former premier who had gone into exile, managed to organize the responsible political elements into a standby coalition; he offered himself as head of a provisional government of national unity. Mr. Caramanlis called on the junta to step down; otherwise, he said, other officers should "appreciate their duty"—that is, oust them. For now, the colonels remain in power. But those who oppose them can work with confidence that constitutionalism, not chaos, lies beyond.

Though the United States has taken pains to stay at arm's length from the colonels, the 20-year record of deep American involvement in Athens has given wide currency in Greece to a curious myth. This myth holds that Washington sustains the junta and that, if it chose, Washington could bring it down. Bringing down the colonels is not Washington's duty, or right. But denying them crucial support is: military aid is one kind of crucial support.

Two administrations have withheld major military aid since the coup, except for a brief period last year when jitters about the Soviet invasion of Czechoslovakia took precedence over distaste for the Athens regime. By Senator Pell's calculation, as much as $263 million in aid has backed up. In remarks not fully appreciated by the junta's American critics, the Nixon administration states that Greece has "scrupulously fulfilled" its NATO obligations—but *without* the military aid. The critics have been alarmed by a Pentagon chart listing Greece as having bought $33 million worth of arms in 1969, as against $24 million in the preceding *six* years. Inquiry reveals, however, that the $33 million figure includes $27 million for deals that fell through. The colonels are furious. The United States should do nothing to bring them joy.

## JOBS NOW, INC.—LOUISVILLE, KY.

Mr. COOK. Mr. President, I invite the attention of Senators to the outstanding community relations work being done in my hometown of Louisville by a corporation called Action Now, Inc., under the able direction of George T. Underhill, Jr.

Action Now, Inc., represents the involvement of the private sector in the problems of the underprivileged. It does not in any way compete with Federal, State or local agencies. Rather it attempts to complement and aid them. Its primary purpose is to tap one of the city's largest resources—successful management. The directors of Action Now, Inc., are drawn from the Louisville business community, black and white. They have much to offer that cannot be duplicated in a Government agency: Their time is unstructured, they are familiar with their city's problems, they have a vested interest in those problems.

Action Now is a privately financed, nonprofit organization designed to function as its name implies—to stimulate jobs, housing, and business experience for the disadvantaged. Its three companies function in the areas of job procurement, Jobs Now; adequate housing, Housing Now; and business advice and guidance, Economic Development Now.

Jobs Now is an employment agency only for the hard-core unemployed, including parolees. It has a particularly practical approach to job training which avoids the pitfalls of other such programs. No one is processed through training unless a specific job awaits him at the end of the program. The agency thus enlists a strong commitment from industry—willingness to lower entry-level standards and to work with the hard-core individual. Training includes orientation toward how to succeed on the job; for example, explaining what sort of behavior will be expected and rewarded. A job counselor is assigned to each prospective employee for the period of 1 year, during which time they meet at least once a week to anticipate problems which may interfere with work performance. Job counselors are ghetto products who, in contrast to their counselees, have had successful work experience. Group counseling is used whenever possible, because the hard-core individual more readily opens up to his own peers.

Perhaps the most important service that Jobs Now provides and one that is probably overlooked by other employment facilities is supervisor training. This takes the form of informal group discussion of problems of working with the hard-core unemployed by the supervisors on the job. A significant index of the success of this approach is that companies using this training have not only improved their retention rate of the hard-core dramatically, but they have also reduced the turnover of all employees in entry-level jobs.

Housing Now acts as a technical consultant to religious, civic, and other nonprofit groups. It aims to stimulate new housing for low-to-moderate-income families and the rehabilitation of blighted areas, by helping to arrange financing and construction. It also encourages homeownership by the underprivileged, which provides a sense of personal responsibility and stimulates better community spirit. Projects currently in process represent approximately 1,000 units with an estimated cost of $15 million.

Economic Development Now actively recruits potential disadvantaged-owned businesses, and then provides thorough, professional marketing advice. The board of advisers selects for study only those businesses with a potential for viability and opportunities for employment. It helps develop specific financing, train management, and stays with the business until successful. Perhaps most important, it publicizes and promotes its programs in the community in order to enlist full community participation.

## McCOOK, NEBR., DAILY GAZETTE CLOSES PAGES TO X-RATED MOVIES

Mr. CURTIS. Mr. President, our whole Nation should be grateful to the people who are speaking up for decency and order.

On November 19, 1969, the McCook Daily Gazette at McCook, Nebr., carried an editorial reciting that its pages were closed to X-rated movies. I commend them for it. Because I think the editorial deserves a place in the CONGRESSIONAL RECORD, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the McCook Daily Gazette, Nov. 19, 1969]

GAZETTE CLOSES PAGES TO X-RATED MOVIES

The McCook Daily Gazette is hereby joining those newspapers across the nation who are refusing to advertise the X-rated movies.

The movie shown last week at the Fox Theater is the first ever shown in McCook to rate the X classification under the new Hollywood system for openly filming and advertising not only questionable material but what some consider detrimental to the moral well being.

Even movies carrying the R (restricted) rating are far from a compliment to the film industry and Hollywood.

Newspaper people are not noted for a "holier than thou" attitude and can generally roll with the tide of change and adjustment, but it is extremely difficult to see how the Hollywood trend today under the disguise of "realism" can be good for society in any stretch of the imagination.

Walt Disney Studios are an exception to the Hollywood trend and we salute them. Likewise, the local theater management is not to blame since it has only limited control over film selection.

The moral decay is not confined to the screen but can be found at most newsstands and the U.S. mail is full of it. Our elected officials must find a way of stopping this.

Pornography flows through the mails with return addresses, indicating absolutely no fear of prosecution. Why? We frankly don't know. The freedom of press guarantee has been used as an alibi in some cases but what is commonplace in the mails today has absolutely nothing to do with freedom of the press and any judge would have difficulty making anyone believe there is a grey area to hide behind.

This newspaper can not stop this rage in our nation or even in McCook but we can and are preventing the film industry from using our pages to advertise X rated movies in the future.

## GRAZING FEES—II

Mr. METCALF. Mr. President, yesterday I called the attention of the Senate to the inability of the Secretary of the Interior to provide in 15 days the information regarding grazing fees on which he has given the public 30 days in which to comment.

Fortunately, the resolution of the Senate Committee on Interior and Insular Affairs, to which I referred yesterday, was also directed to the Secretary of Agriculture.

The committee has received, and within the time specified, "A Review of the Forest Service Grazing Fee System as Implemented in 1969 on National Forests in the 11 Western States, South Dakota and Nebraska." Prepared in November 1969 by Chief Edward P. Cliff of the U.S. Forest Service, it will be helpful to those seriously concerned with the management of our public lands as they prepare comments on Secretary

Hickel's tentative conclusion not to increase grazing fees on the public lands for 1970. I therefore ask unanimous consent that this report and its appendices be printed at this point in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

A REVIEW OF THE FOREST SERVICE GRAZING FEE SYSTEM AS IMPLEMENTED IN 1969 ON NATIONAL FORESTS IN 11 WESTERN STATES, SOUTH DAKOTA AND NEBRASKA

(By Edward P. Cliff, Chief, Forest Service, USDA, November 1969)

PURPOSE

By its August 7, 1969, resolution, the Senate Committee on Interior and Insular Affairs requested a comprehensive review of the grazing fee schedules as announced January 14, 1969. The review was to include consideration of whether the public interest and equity, as well as the intent of the Congress as expressed in specified Acts, are reflected in the criteria and methods used. The Acts to which the Resolution referred are the Taylor Grazing Act and Title V of Public Law 137, 82nd Congress (65 Stat. 268, 290), the Independent Offices Appropriation Act of 1952. This report presents findings of a review of the Forest Service grazing fees system in 1969.

FEE AUTHORITIES AND POLICIES

User charges for livestock grazing on Federal lands in the National Forest System are established by the Secretary of Agriculture under authorities that flow to him through provision of the Organic Administration Act of 1897 as well as the 1952 Act cited above and other authorities. No provision in the law gives direction specific to grazing fees on the National Forests. In this respect the Department of Agriculture is different from the Department of the Interior which does have specific statutory direction about grazing fees. Under Section 3 of the Taylor Grazing Act (48 Stat. 1269, as amended by the Act of August 6, 1947, 61 Stat. 790, 43 USC [1964 ed.] sec. 315b), the Secretary of the Interior is authorized to issue grazing permits upon payment of reasonable fees and is given therein further direction about fees.

Title V of the Independent Offices Appropriation Act of 1952 sets forth Congressional direction applicable to the establishment of user charges for grazing on the Federal lands in the National Forest System (Appendix A).

In response to a long history of looking at user charges, some of which went back to 1947, the Bureau of the Budget in 1957 set forth in a BOB Bulletin general policies for developing an equitable and uniform system of charges for certain Government services and property. Policies of the 1957 Bulletin were incorporated into Circular A–25, the September 23, 1959, policy directive on User Charges by the Bureau of the Budget. The general policy of Circular A–25 was amplified in a 1964 "Natural Resources User Charges" report that spelled out general principles to follow in establishing user charges. Principles specific to establishment of grazing fees were presented in the 1964 BOB report.

Circular A–25 and the 1964 Report specified that fair market value should be obtained where federally owned resources or property are leased or sold. The 1964 BOB report restated the policy that the recipient of special benefits that accrue from the use of federal resources to identifiable recipients above and beyond those that accrue to the public at large generally should pay a reasonable charge for the resource used. That basic concept is believed to have been an endorsement of Title V of the Independent Offices Appropriation Act of 1952.

In transmitting the 1965 budget to the Congress, the President said, "Many Federal Government programs furnish specific, identifiable benefits to the individuals and businesses using them. Equity to all taxpayers demands that those who enjoy the benefits should bear a greater share of the costs."

THE FEE SYSTEM

Under the authority above noted the Secretary of Agriculture set forth the new fee system for the National Forest System in a Regulation (36 CFR 231.5), published January 14, 1969, in the Federal Register. (Appendix B). This system has been in effect during 1969 on the 97 National Forests in the 11 Western States, South Dakota and Nebraska. It will raise grazing fees to fair market value in 10 equal annual steps.

As announced by the Bureau of the Budget on January 14, 1969, the grazing fees decision was made using data obtained in 1966 from a westernwide survey of some 10,000 farmers and ranchers, and bankers and other representatives of lending institutions. The basis for the method used in the survey was a series of studies that extended back to about 1961. The Bureau of the Budget provided policy direction and guidelines that had their basis in Title V of the Independent Offices Appropriation Act of 1952 referred to above.

The formulation of the 1966 Western Livestock Grazing Survey, the analysis of the data thereby produced, the design of the grazing fee formula, and the implementation schedule announced on January 14, 1969, were all guided by the Congressional mandate and Executive principles previously discussed.

The general principle of the new grazing fees system was establishment and recovery of fair market value for the Government. The system recognized that immediate, full imposition of a fair market value charge could have an adverse impact on the users and, thus, set forth a schedule that would take ten years to arrive at the fair market value level. This was considered to be the reasonable period of time called for in the policy guidelines. It was considered to be in line with the 1952 Act which prescribes fairness and equity.

The system placed into effect in 1969 further employs the principle of uniformity in the basis for grazing fees charges among the several Federal agencies that administer public lands for grazing. Under the new system, a common set of guidelines and procedures was used to arrive at the basis for grazing fees on the National Forests and on the Federal lands administered by the Bureau of Land Management and a uniform fair market value fee level was established. The fee system is fully intended to provide a fair return to the Government and equitable treatment to the users.

THE FEES SYSTEM IN REVIEW

One of our concerns throughout the past ten years of fees studies, surveys, and analyses and evaluation, has been that of equity to the user while attempting to find a fee system that also is equitable to the Federal Government. We have believed that the system now in effect is such a system. As I pointed out to the Public Lands Subcommittee of the Senate Interior and Insular Affairs Committee on February 27, 1969, "Our overriding concern has been to sympathetically and responsibly weigh impacts . . .", upon the permittees. Our concern, as does the Committee's, continues. Thus, we have been reviewing the fees system in several respects.

We are trying to determine whether or not differences exist from place to place that are great enough to justify continuation of a variable fee system that may be more equitable than the one fee level which all National Forest fees will reach in 1978. In addition the Department is interested in giving special considerations to problems of small livestock operators in low-income areas. The Forest Service has many of this kind of operator. In F.Y. 1970 we are placing emphasis on improving grazing opportunities to low-income area permittees using a small increase in our range appropriations.

Conservation groups supported the decision as did eastern and some western farmers and ranchers who do not share in the privilege to graze livestock on the National Forests. However, the revision initially was protested strongly by a number of livestock permittees who indicated that increases in fees under the new system will put them out of business. Strength of the protest, as well as the support, is evidenced in the records of the Hearings before the Subcommittees on Public Lands of the Senate and House Committees on Interior and Insular Affairs[1] and litigation in Utah and New Mexico. The grazing fees matter also was discussed to some degree in hearings and meetings of the Advisory Council to and before the Public Land Law Review Commission during the year.

The January 14, 1969, Regulation was challenged by that segment of the livestock industry using public lands through a suit filed against the Secretary of Interior in the U.S. District Court for Utah. Suits were also filed against both the Secretary of Interior and the Secretary of Agriculture[2] in the U.S. District Court for New Mexico. Injunctive relief was sought against the regulations in each suit. In all instances, the Courts dismissed the cases in favor of the Secretaries.

In the New Mexico District Court case the Court ruled that "It has not been shown that the Secretaries have failed to consider all the factors as directed by Congress. They have acted within the area of discretion and judgment committed to them by law in promulgating the new regulations . . . ."

The New Mexico case has been appealed to the United States Tenth Circuit Court of Appeals and will probably be heard in 1970.

Because of the protests to the current fee schedule and the expressed concern of Congress, our concern has extended to specific individual user groups for whom the new fee has been predicted to be an excessive burden. Therefore, in line with the Committee's resolution, we have made an extensive search of our records and other sources of information to determine the degree to which the current fee schedule has been responsible for causing economic hardships.

In making this review we sought to determine if, because of the new fee schedule, (a) permittees are in fact being put out of business as alleged and to what degree permittees are declaring bankruptcy, (b) permittees are waiving permits back to the Forest Service or permit transfers are continuing, (c) permittees have been refused mortgages or if their ability to obtain loans has been reduced, (d) the permit is still used as collateral and to what extent, (e) permittees refused to pay their fees or paid under protest, (f) permittee cooperative contributions to structural and non-structural improvements and maintenance on the National Forests have been reduced.

The setting for our review is the fee sys-

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[1] *Grazing Fees on Public Lands:* Hearings before the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs, United States Senate, 91st Congress, 1st Session, February 27 and 28, 1969. U.S. Government Printing Office, 1969, and *Review of Grazing Fees:* Hearings before the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs, House of Representatives, 91st Congress, 1st Session, March 4 and 5, 1969. Serial No. 91–1, U.S. Government Printing Office, 1969.

[2] Pankey Land and Cattle Co. v. Clifford M. Hardin, Secretary of Agriculture, Civil No. 7870, in the U.S. District Court for the District of New Mexico.

tem as it has been in effect. A summary of 1969 grazing fees on the Western National Forests provides that setting.

1969 GRAZING FEES

In 1969, National Forest cattle fees averaged 1 cent higher than they would have been under the old system. The old fees were hitched to livestock prices and, since average prices paid to farmers and ranchers in 1968 were up from 1967, the increase would have been reflected in 1969. However, averages do not tell the whole story.

Forest Service grazing fees varied widely from place to place under the system in effect from 1931 through 1968. Under the new system, this variability will continue, although decreasing as fees approach the fair market value for 1978. In 1969 National Forest fees for cattle varied from 31 cents to $1.25; under the old system they would have varied from 22 cents to $1.90. Sixty percent of the Forest Service grazing users on the Western National Forests paid the same fee or less in 1969 than they would have paid under the old system. However, fees in 1969 increased for the remaining 40 percent of the cattle permittees over what they would have paid under the old system. These increases varied from 1 cent to 9 cents per animal unit month, with the greatest increases where fees have been the lowest.

Sheep fees on the National Forests in 1969 varied from 6¼ cents to 25 cents per sheep month. One sheep fee rate was decreased 17¼ cents per sheep month from what it would have been under the old system. The remaining sheep fees increased, when compared against the 1969 fees under the old system, by from ¼ to 2¼ cents per sheep month.

FEES IMPACTS

Our review of data from the 97 National Forests in the 11 Western States and South Dakota and Nebraska and other sources disclosed the following:

(a) Out of almost 15,000 permits affected by the new fees system, only six (6) relinquished their permit due to ranch liquidation and bankruptcy. This is about 4/100 of one percent of all permits. In none of these six relinquishments was there any indication that the new fees schedule played any part in the foreclosure. Economic Research Service data relating to farm title transfers shows that forced sales as a percentage of all classes of title transfers did not change for 1969 in the Mountain and Pacific Regions, as compared with previous years.[3]

(b) *The new fee system has had no effect on the movement of permits in 1969.* Total number of permits transferred from one rancher to another has been about the same as in recent years. In 1969 through October, 694 permits (4.6 percent of all permits) were transferred—586 of which were cattle permits. This is from a 1969 total of slightly less than 15,000 permits. This compares with a 5-year (1961–1965) average of 624 transferred annually (4.2 percent of all permits)—534 of which were cattle. Permits transferred in 1969 ranged in size from 1 to 1,283 cattle and from 25 to 6,207 sheep. Transfers were reported on almost every National Forest. Thus, it would appear that demand for Forest Service grazing permits at the normal supply rate was unaffected by the fees decision.

(c) *There were 368 escrow waivers of Forest Service permit privileges filed in 1969.*[4] Although data for full comparison with prior years is not readily available, it is believed that there is essentially no change in 1969 from previous years in number, size and tenure of loans to Forest Service permittees as evidenced by escrow waivers filed.

Sheep and cattle permittees of all size classes obtained loans in 1969 (Appendix C). Half of the 368 mortgages issued to Forest Service permittees in 1969 for which we have records were for $50,000 or more. Minimum mortgage value was for $1,000 to be loaned annually; maximum value was $2,540,000. Simple average value was $117,073. Total value of all mortgages initiated in 1969 as of November 1, 1969, was $42,848,866.

The proportion of all loans made to Forest Service permittees in 1969 by the Federal Land Banks and other banks and savings and loan institutions remained essentially the same as loans of record in 1967 (Appendix D). Proportion of loans by insurance companies decreased significantly while Farmers Home Administration, Production Credit Association, and loans made by individuals increased greatly. If this decrease in insurance company loans and increase in loans by individuals is in fact a change from typical annual loans, it more than likely is a reflection of increased interest rates charged by insurance companies.

(d) *The question of degree of use of permit value as partial collateral is difficult to answer.* Loans are normally made following an appraisal of the value of the total operation and the net earning capabilities of the operator. An appraisal of the operation encompasses the total ranch operation. That portion of the operation dependent upon National Forest lands, called assured lands, is discounted due to the risk of change of number of animals permitted. The amount of discount varies with each operation and is dependent upon several factors, mostly including past history of the operation and the operator. The fact is that the grazing privilege is considered part of the total ranch operation and is, after discounting, considered in determining the total amount of loan to be transacted. Since the recent fees decision in no way alters the grazing privilege itself, the higher fee will have no effect on this portion of the ranch value appraisal. The net-income portion of the appraisal is the area where higher fees may affect the total amount of mortgage. The estimated net income measures the rancher's ability to repay the loan. As fees are increased with no income-compensating factor, this estimated net income will be reduced. From the records available, comments from our field people, and discussions with lending personnel, the fees increase in 1969 has apparently had no measurable effect on the lending industry's willingness to make loans to permittees nor on the amount of such loans.

(e) *Less than 1 percent of all permittees (119 permittees) paid their fees under protest to the new fees system.* Many of these 119 protests, 80 percent of which originated in the Southwest, were declared by the permittee writing on his fee bill the following statement as encouraged by National and State livestock organizations: "This payment is made without waiver of any rights which the permittee may have to seek refund in the event it is eventually determined that the increased grazing fees represented by your statement are invalid." Others simply wrote, "paid under protest." There were no reports of permittees refusing to pay their fees in 1969 for any reason.

(f) *Of all 97 National Forests on which the new fee schedule is effective in 1969, only one reported any decrease in permittee cooperation.* This one occurrence is an isolated case consisting of one permittee. Most Forests reported no noticeable change in cooperation. Several reported an increase in permittee cooperation toward structural and non-structural improvements and maintenance in 1969.

(g) *A review of lease rates charged by States and large corporations showed that in 1969 almost every lease rate was higher than actual Forest Service fees.* Most charges were higher than the $1.25 fair market value. The lowest lease rates charged include the State of Montana charge of 76 cents per animal unit month and the State of Utah charges ranging from 55 cents to $1.37 per animal unit month. Most lease rates ranged from $1.00 to $2.50 per AUM.

(h) *In the Western States 15 corporations based their lease rates directly on Forest Service fees.* Three of these charged fees determined under the previous Forest Service fee system due to lack of time to change the agreement. The other 12 corporations have land intermingled with or adjacent to National Forest lands and allow their land to be managed by the Forest Service. Fees on these lands in 1969 were the same as on National Forest land. Collectively these corporation lands total 596,000 acres which are managed along with 47 Forest Service management units.

(i) *Although several States are in the process of revising their grazing fee schedules and many plan a fee increase in 1970, only Idaho is planning to increase its fees due to the increase in Forest Service fees.*

(j) Outside of the corporations in (h) above that use the Forest Service fee as a basis of charge, *there is no indication of any other corporations that will adjust their fees in 1970 due to the Forest Service fees increase.* The few corporations which stated that they do intend to increase fees in 1970 also stated the changes are due to factors other than the Forest Service fees change.

(k) *We asked the Farmers Home Administration and the Farm Credit Administration of the U.S. Department of Agriculture if they had denied credit to permittees or modified their credit facilities as a result of the fee system change.* The Farmers Home Administration reports that it has encountered no cases where FHA credit has been denied due to the grazing fees announced January 14, 1969. The Farmers Home Administration further reported that the number of requests for farm purchase loans continues to exceed the funds available for these loans, indicating the demand for loans continues. The amount loaned to date in 1969 in the 11 Western States exceeds the amount loaned in 1968. Responses from James V. Smith, Administrator, Farmers Home Administration, and Edwin A. Jaenke, Governor, Farm Credit Administration, are included in the Appendix. (Appendixes E and F).

SUMMARY AND CONCLUSIONS

The grazing fee system put into effect in 1969 on National Forests in the 11 Western States, South Dakota and Nebraska utilized administrative policies and principles that have their basis in Title V of the Independent Offices Appropriation Act of 1952 (P.L. 137; 82nd Congress; 65 Stat. 268, 290).

Under a regulation of the Secretary of Agriculture, fees are to attain fair market value level in equal annual increments over a ten-year period. Protests against the new system were made by members of the livestock industry; conservation groups and many individuals supported the new system.

In lawsuits seeking injunctive relief from the fees regulations, the U.S. District Court for New Mexico found that the actions on grazing fees were not beyond the authority delegated by Congress to the Secretaries and that the Secretaries had taken into account the required items as directed by Congress.

[3] Farm Real Estate Market Developments, ERS, USDA, CD–73, August 1969.

[4] The Forest Service has an arrangement with the Farm Credit Administration and Farmers Home Administration, also used by other lenders, by means of which the lender can be advised of Forest Service management decisions that may affect the size of a Forest service grazing permit issued to the permittee who has an operational or other loan with his permitted livestock or base property used as collateral. The form of record is held in Forest Service files and is called an escrow waiver. Change in number, size, and tenure of loans to Forest Service permittees is an index to the degree to which the new grazing fee system has affected the ability of the rancher to obtain operational and other financing.

Prices paid in the private forage market are still considerably above those charged for use of the public land resource. The percent of forced sales in the farm real estate market for 1969 has not changed. The number of loans and total amount loaned to agriculture-related industries in the 11 Western States has increased for 1969 and the rancher income has improved over previous years.

FHA loan credit has not been denied due to the new grazing fees. Federal Land Bank System policy in regard to lending on ranches dependent on permits has not been changed as a result of the fees increase in that the capacity provided by the grazing permit is still being recognized. Ranchers using private lands are able to function economically even though paying lease rates much higher than the public lands fee scheduled for 1978.

In our judgment the criteria used in arriving at the new system on the National Forests do, in fact, conform to criteria established by Congress in Title V of Public Law 137, 82d Congress (65 Stat. 268, 290).

A fee system is in effect that will return the Federal Government fair market value for the grazing privilege. It considers public equity. The grazing user, with his tenure of use unaffected by the fees decision, remains essentially in the same position insofar as his ability to secure operational and other loans is concerned. Forest Service grazing permits continue in demand with the rate of transfer essentially the same as in the 5-year period 1961–1965.

Evaluation of extensive information collected from the 97 National Forest areas throughout the 11 Western States and in South Dakota and Nebraska and other sources strongly indicates that the public interest and equity are being served under the new grazing fee system.

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APPENDIX A

TITLE V—FEES AND CHARGES

It is the sense of the Congress that any work, service, publication, report, document, benefit; privilege, authority, use, franchise, license, permit, certificate, registration, or similar thing of value or utility performed, furnished, provided, granted, prepared, or issued by any Federal agency (including wholly owned Government corporations as defined in the Government Corporation Control Act of 1945) to or for any person (including groups, associations, organizations, partnerships, corporations, or businesses), except those engaged in the transaction of official business of the Government, shall be self-sustaining to the full extent possible, and the head of each Federal agency is authorized by regulation (which, in the case of agencies in the executive branch, shall be as uniform as practicable and subject to such policies as the President may prescribe) to prescribe therefor such fee, charge, or price, if any, as he shall determine, in case none exists, or redetermine, in case of an existing one, to be fair and equitable taking into consideration direct and indirect cost to the Government, value to the recipient, public policy or interest served, and other pertinent facts, and any amount so determined or redetermined shall be collected and paid into the Treasury as miscellaneous receipts: *Provided*, That nothing contained in this title shall repeal or modify existing statutes prohibiting the collection, fixing the amount, or directing the disposition of any fee, charge or price: *Provided further*, That nothing contained in this title shall repeal or modify existing statutes prescribing bases for calculation of any fee, charge or price, but this proviso shall not restrict the redetermination or recalculation in accordance with the prescribed bases of the amount of any such fee, charge or price.

APPENDIX B

TITLE 36—PARKS, FORESTS, AND MEMORIALS

CHAPTER II—FOREST SERVICE, DEPARTMENT OF AGRICULTURE

PART 231—GRAZING

*Grazing fees*

Part 231 of Title 36, Code of Federal Regulations, as revised in the FEDERAL REGISTER, volume 33, No. 56, page 4802, dated March 21, 1968, is further revised as follows:

Section 231.5, *Grazing fees*, is revised to read as follows:

§ 231.5 Fees, payments, and refunds or credits.

(a) *Fees.* (1) Fees will be charged for all livestock grazing upon or crossing National Forest System lands or other lands under Forest Service control except such livestock as may be grazed free of charge under paragraph (b) (6) and (7) of § 231.3. Such fees will be based on general governmental policy as established by Bureau of the Budget Circular A–25 of September 23, 1959, which directs that a fair market value be obtained for all services and resources provided the public through establishment of a system of reasonable fee charges, and that the users be afforded equitable treatment. This policy precludes a monetary consideration in the fee structure for any permit value that may be capitalized into the permit holders' private ranching operations.

(2) Fair market value is defined as the difference between total costs of operating on private leased grazing lands and total nonfee costs of operating on National Forest System lands. These costs include lost animals, veterinary services, moving livestock to and from permitted areas, herding, salt and feeding, travel to and from permitted areas, water, horses, fence and water maintenance, development depreciation, and other miscellaneous costs. In addition the private costs include the private lease rates.

(3) A base fee of $1.23 per cow month for the National Forests in the six Western Forest Service Regions is derived from the comprehensive survey conducted by the Department of Agriculture's Statistical Reporting Service in 1966. This 1966 base of $1.23 is a sliding base adjusted annually against an index of private land grazing lease rates as determined by the Economic Research Service for the year preceding the fee year (Annual Forage Value Index). If significant differences in fair market values are determined to exist for various geographical areas or because of differences in the quality of the range environment, these differences will be incorporated into the basic fee structure for National Forest System lands. Fair market value base rates will be developed through similar studies for other National Forests, the National Grasslands, and Land Utilization Projects. Current base rates and procedures will apply for these lands until new base rates are established.

(4) Conversion to the 1966 base rates for the Western National Forests will be carried out during a 10-year period beginning in 1969. The difference between the fees paid in 1966 and the 1966 base rate of $1.23 will be made in installments of 10 percent per year for a 10-year period. Increases or decreases in the base rate because of changes in the index of private land grazing leases will be made annually. Changes derived from this index between 1966 and 1968 increase the base by $0.02 to $1.25 per cow month in 1969. Fees which have previously been established through appraisals and are currently above the 1966 base rate will be reduced to $1.25 per cow month in 1969. Fees which have been established by competitive bid will remain unchanged during the period specified in the bid.

(5) The fair market value is based on one (1) animal month of grazing by a mature cow. Five (5) sheep are considered as equivalent to one cow.

(6) No charge will be made for animals under 6 months of age at the time of entering National Forest System lands and other lands under Forest Service control which are the natural increase of the livestock upon which fees are paid or for those born during the season for which the permit is allowed: *Provided*, That the full fee may be charged for all weaned calves and colts regardless of age and for such animals as will become 12 months of age during the permitted period of use.

(7) No additional charge will be made for the privilege of lambing upon National Forest System lands or other lands under Forest Service control.

(8) Pack and saddle animals may be charged for at a special rate, and a minimum permit charge established for such use.

(9) The fees for crossing privileges will conform with the rates established for other livestock under paid permit. Where practicable, crossing fees for permitted livestock will be covered in the regular grazing fee and the crossing period covered in the regular grazing period.

(b) *Payments.* (1) Grazing fees are payable in advance of the opening date of the grazing period unless otherwise authorized by the Chief, Forest Service.

(2) Crossing fees are payable in advance of the livestock entering National Forest System lands or other lands under Forest Service control.

(c) *Refunds or credits.* (1) Refunds or credits may be allowed under justifiable conditions and circumstances as the Chief, Forest Service, may specify.

(Sec. 1, 30 Stat. 35, as amended, sec. 1, 33 Stat. 628; 16 U.S.C. 551, 472; sec. 32, 50 Stat. 525, as amended; 7 U.S.C. 1011)

*Effective date.* This revision shall become effective on the date of its publication in the FEDERAL REGISTER.

ORVILLE L. FREEMAN,
*Secretary of Agriculture.*

JANUARY 10, 1969.

[F.R. Doc. 69–524; Filed, Jan. 13, 1969; 8:49 a.m.]

APPENDIX C

NUMBER OF ESCROW WAIVERS INITIATED JAN. 1, TO OCT. 31, 1969 BY SIZE OF PERMIT AND TOTAL AMOUNT OF MORTGAGE, CATTLE AND SHEEP, NATIONAL FORESTS, REGIONS 1-6

| Size of permit | Total amount of mortgage (dollars) | | | | | | |
|---|---|---|---|---|---|---|---|
| Number of head permitted | Less than 25,000 | 25,000 to 49,999 | 50,000 to 99,999 | 100,000 to 249,999 | 250,000 to 999,999 | 1,000,000 and over | Total |
| Number cattle permittees: | | | | | | | |
| 1 to 40 | 25 | 15 | 7 | 3 | 0 | 0 | 50 |
| 41 to 100 | 35 | 28 | 21 | 11 | 8 | 1 | 104 |
| 101 to 250 | 15 | 26 | 26 | 19 | 6 | 0 | 92 |
| 251 to 1,000 | 1 | 5 | 18 | 13 | 13 | 4 | 54 |
| 1,001 and over | 0 | 0 | 3 | 0 | 3 | 0 | 6 |
| Total | 76 | 74 | 75 | 46 | 30 | 5 | 306 |

APPENDIX C

NUMBER OF ESCROW WAIVERS INITIATED JAN. 1, TO OCT. 31, 1969 BY SIZE OF PERMIT AND TOTAL AMOUNT OF MORTGAGE, CATTLE AND SHEEP, NATIONAL FORESTS, REGIONS 1-6

| Size of permit | Total amount of mortgage (dollars) | | | | | | |
|---|---|---|---|---|---|---|---|
| Number of head permitted | Less than 25,000 | 25,000 to 49,999 | 50,000 to 99,999 | 100,000 to 249,999 | 250,000 to 999,999 | 1,000,000 and over | Total |
| Number sheep permittees: | | | | | | | |
| 1 to 200 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| 201 to 500 | 9 | 1 | 0 | 2 | 0 | 0 | 12 |
| 501 to 1,250 | 7 | 9 | 2 | 2 | 2 | 0 | 22 |
| 1,251 to 5,000 | 1 | 4 | 6 | 5 | 9 | 0 | 25 |
| 5,001 and over | 0 | 0 | 0 | 0 | 2 | 0 | 2 |
| Total | 20 | 14 | 8 | 9 | 13 | 0 | 64 |
| Grand total | 95 | 88 | 83 | 55 | 43 | 5 | [1] 370 |

[1] Of the 368 actual escrow waivers filed, 2 did not have the total amount of mortgage shown and 4 were based on both cattle and sheep permits.

APPENDIX D

LOANS TO FOREST SERVICE PERMITTEES AS A MATTER OF RECORD [1] IN 1967 AND NEW LOANS OBTAINED IN 1969, BY LENDER OR LENDER GROUP

(Forest Service permittees on National Forests in the 11 Western States and South Dakota and Nebraska)

| Lender | Loans as of 1967 (percent) | Loans obtained in 1969 (percent) |
|---|---|---|
| Federal Land Bank | 38 | 37 |
| Insurance Companies | 38 | 19 |
| Farmers Home Administration | 3 | 9 |
| Production Credit Association | 1 | 3 |
| Individuals and other non-institutional | 17 | 30 |
| Banks, and savings and loan institutions | 3 | 2 |

[1] From escrow waiver records in Forest Service files.

APPENDIX E

U.S. DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
*Washington, D.C., November 17, 1969.*

Subject: Grazing Fees Schedules Review, Senate Committee on Interior and Insular Affairs.

To: Edward P. Cliff, Chief, Forest Service.

We have reviewed the material attached to your memorandum of November 10.

The Farmers Home Administration makes loans to individuals and groups which involve, in many cases, Forest Service grazing permits.

We have encountered no cases to date where FHA credit has been denied due to the grazing fees announced January 14, 1969. In fact, the revised fee schedule may enable family-type farmers a better opportunity to secure grazing permits.

We have not modified our regulations as a result of this increase as each loan, individual or group, must be determined economically feasible before it can be approved. If the increased grazing fees would cause a loan request not to be feasible, then the proposal would have been very marginal anyway.

We have nothing adverse to report.

JAMES V. SMITH,
*Administrator.*

APPENDIX F

To: Edward P. Cliff, Chief, Forest Service, USDA.

From: E. A. Jaenke, Governor, Farm Credit Administration.

Subject: Senate Committee Grazing Fees Resolution.

This is in reply to your November 10 memorandum in regard to the impact on the ranch lending policies of the Farm Credit System caused by the increased grazing fees on the public lands. We do not have the specific information you requested on denied loan applications, and the question you pose in light of only one year's experience with the new fee schedule is a difficult one. There are, however, a few general observations that might be helpful. Ranch real estate loans would be the most directly affected so these comments apply to the land banks' lending.

1. There do not seem to be any indications at this time that ranchers are being denied credit due to increased grazing fees or because the permit values have been discounted as collateral for loans. Good livestock prices over the past few years have more than compensated for the increase and it is difficult to say what the effect might have been with lower cattle prices. However, it does not appear that it would have affected any but the most marginal cases.

2. The Land Bank System policy in regard to lending on ranches dependent on permits has not been changed as a result of the fee increase in that the capacity provided by the permit grazing is still being recognized. It should be noted, however, that in our normal value appraisal process the value of the portion of the ranch capacity provided by permit grazing has always been discounted to take care of the additional risk. The present levels of land bank ranch appraisal standards were set in May 1968. These levels were reviewed in the Spring of 1969 and were left essentially the same. Changes that were made were not related to the fee issue. The Farm Credit Administration plans to continue to make an annual review of the land bank ranch lending standards.

3. In lending on ranches dependent on permit grazing, the land banks are just as concerned about the outlook for the tenure and stability of the permits as the fees charged. Any uncertainty in this regard would very likely have as great or greater effect on ranch prices and financing as would the increased fees.

4. On the basis of the information we have, the sales price of ranches heavily dependent on permit grazing has been relatively static for several years and no change in this situation has been noted since the fee schedule was announced. Nearly the same situation exists in completely fee-owned ranches; however, there probably has been more upward movement of prices on these properties especially in the central and northern plains.

Since the process of appraisal and lending is complicated by so many factors, all the way from the applicant's management ability to the organization of his ranch, it is very difficult to isolate the effect of the increased grazing fees. One thing is certain, however, and that is, anything that increases a rancher's expense will eventually affect his ability to repay and the lender's willingness to loan unless he can take up the slack through efficiencies in his operation. This, of course, applies to all other cost factors in a ranch operation as well as grazing fees. For example, real estate tax increases on some ranch properties may be more significant than the increased grazing fees.

As you know we have watched the developments on the grazing fee issue very carefully and will continue to do so. It will be our policy to make adjustments as they are needed; however, we plan to continue giving consideration to the leasehold benefits of public land grazing permits in our valuation and lending process.

Mr. METCALF. Mr. President, included in this report is a letter of November 17, from the Administrator of the Farmers Home Administration advising the Chief of the Forest Service that they "have encountered no cases to date where FHA credit has been denied due to the grazing fees announced January 14, 1969," and further, "we have nothing adverse to report."

Also included in the report is a memorandum of November 21 from the Governor of the Farm Credit Administration advising the Chief of the Forest Service:

There do not seem to be any indications at this time that ranchers are being denied credit due to increased grazing fees or because the permit values have been discounted as collateral for loans.

The Land and Bank System policy . . . has not been changed as a result of the fee increase.

Any uncertainty (about the outlook for the tenure and stability of the permits) would very likely have as great or greater effect on ranch prices and financing as would the increased fees.

. . . The sales price of ranches heavily dependent on permit grazing has been relatively stable for several years and no change in this situation has been noted since the fee schedule was announced.

In turn, the Chief of the Forest Service observed:

The U.S. District Court for New Mexico found that the actions on grazing fees were not beyond the authority delegated by the Congress to the Secretaries (of Agriculture and Interior) and that the Secretaries had taken into account the required items as directed by the Congress.

Prices paid in the private forage market are still considerably above those charged for use of the public land resource. The percent of forced farm sales in the farm real estate market for 1969 has not changed. The number of loans and total amount lent to agriculture-related industries in the 11 Western States has increased for 1969 and ranch income has improved over previous years.

Ranchers using private lands are able to function economically even though paying lease rates much higher than the public land fee schedulec for 1978.

The grazing user, with his tenure of use unaffected by the fees decisions, remains essentially in the same position insofar as his ability to secure operational and other loans is concerned. Forest Service grazing permits continue in demand with the rate of transfer essentially the same as in the 5 year period 1961–1965.

Evaluation of extensive information collected from the 97 National Forest areas throughout the 11 Western States, South Dakota and Nebraska and other sources strongly indicate that the public intent and equity are being served under the new grazing fee system.

If, on November 25, Secretary of the Interior Hickel had had such a report before him I wonder if he would have concluded that the Interior Department should not continue with the schedule of grazing fees announced January 14, 1969.

On December 7, the Washington Post,

discussing Nixon administration themes for 1970, reports that Secretary Hickel "has also recommended the establishment of a new Cabinet department that would be known as the Department of Natural Resources and Environment."

As a cosponsor of the Moss bill to provide such a department, I believe it might better serve the public interest than what has been demonstrated in this area by the Secretary of the Interior to date.

## THE ROLE OF THE ARTS IN OUR COUNTRY

Mr. PERCY. Mr. President, on Thursday Congress received a most thought-provoking message from President Nixon regarding the role of the arts in our country. It requested $40 million, almost double the current amount, for the National Foundation on the Arts and Humanities in the next fiscal year. The President noted that few investments we could make would give us so great a return in human understanding, human satisfaction and the essential qualities of spiritual fulfillment.

I particularly wish to commend the President for his appointment of Miss Nancy Hanks as Chairman of the Arts Foundation. It is indeed a distinguished appointment, in keeping with that of her predecessor, the able Roger Stevens.

I fully agree with President Nixon that our Nation has a responsibility to encourage the arts and humanities. The judgment of history is passed not upon a nation's gross national product but upon the quality of its life. Art must be an integral part of our lives.

How many young Americans, whose natural talents and abilities could have led them into long and productive lives in the arts, have been forced to turn to other professions by the economic pressures of our society?

How many hundreds of potentially accomplished singers have grown discouraged and dropped from the ranks of those studying opera because they could not afford the risks of foreign bookings or study?

How many potential poets have we lost to the ranks of business and industry because our publishing houses cannot afford to publish poetry?

And, how do these losses—in talent and in inspiration—affect our lives as a people, and our purpose as a nation?

The effect, I think, is great. We need those who create beauty; we need those men and women who confront the reality of our lives, and tell us the truth as we see it.

The work of a great artist can make us see. It can give man the reflective calm, the inspired reason to change his life, and the lives of others, for the better.

The desire in America to participate in and appreciate the arts will be a strong and enduring force in the coming decade.

Recent studies of the economic problems of the performing arts, conducted for the Rockefeller Brothers Fund and the 20th-Century Fund, have done much to clarify the steps we must take if we wish to encourage the arts and artists in our country. The two reports offer conclusive evidence that massive new support must be found for music, the theater, and the dance.

Almost without exception, the price of admission to such a performance is insufficient to cover the cost of production—the prorated cost, per person, for providing that one performance on that one night. The answer, I have often heard, is simply to raise the price of tickets to cover the total cost of a performance.

It should be obvious that such increases would put the performing arts beyond the reach of an important part of their present audience. The result would be an elite theater or opera, an exclusive symphony orchestra from which many middle-income and all low-income families, young people, and students would be barred. So, quite clearly, raising ticket prices is not the answer.

My own feeling, as that of President Nixon, is that the best answer lies in a combination effort between the private and public sector of our economy.

The President has made it clear that the Federal Government cannot and should not seek to substitute public money for essential private sources of continuing support. Nevertheless, an urgent and growing need exists, as a result of the acute financial crisis in which many privately supported cultural institutions now find themselves, for Federal stimulus and assistance.

The National Foundation on the Arts and Humanities plays this role with great skill and diligence. Since its formation in 1965, the Foundation has proved itself to be innovative and productive. Despite limited funding, the two endowments which make up the Foundation have judiciously initiated new programs of great benefit to individual artists and humanists, to performing arts and organizations—and through them to our entire country.

I am well aware of the severe budget restraints imposed by the inflationary climate and other pressing spending priorities. Despite these restraints, the President has called for a renewed impetus to the understanding and appreciation of the arts in America. I fully support him in that goal and I agree that it bears a compelling claim upon our resources.

Now the challenge and responsibility to make the President's goals a reality falls upon Congress. The encouragement of the arts and artists must not be ignored when we draw up our list of national priorities and work on the new budget.

The relatively modest budget request of the President for the National Foundation on the Arts and Humanities is an investment in understanding the spirit of man, and encouragement to that spirit to grow and express itself. It is the quality of that expression that measures the quality of our way of life. The commitment the President is asking Congress to make is not a commitment made in the name of luxury but in the name of excellence and, ultimately, of necessity to the good life in America.

## IN HONORED GLORY

Mr. BYRD of West Virginia. Mr. President, in former halcyon days, it was our custom, nationally and individually, to devote 1 day a year to reflecting upon the tremendous sacrifice and contribution to our national welfare made by those Americans who have fallen in the service of their country. In these troubled times, however, quite rightfully, those cherished men are seldom out of our thoughts.

With this in mind, I ask unanimous consent that the Veterans' Day address, given by the Reverend Mr. John F. Streng, pastor of St. James Evangelical Lutheran Church, before the Wheeling, W. Va., Rotary Club on November 11, 1969, be printed in the RECORD. This speech, which has been widely acclaimed by those who heard it, gives us further food for thought about those valiant men who have given their all, in the past and in more recent days.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

IN HONORED GLORY

(By Rotarian John F. Streng, pastor, St. James Lutheran Church)

A grateful nation pauses this day to pay its annual respect to Americans everywhere who served their country and those who gave their life to perpetuate our land of the free and home of the brave! In thousands of city squares, civic centers, and cemeteries, special ceremonies are being observed. This is the day when the militant minority is shamed into silence, and the silent majority proudly pledges allegiance to the flag and the Republic for which it stands! This is the day when for one fleeting hour symbols of sacrifice and valor take precedence over crude banners whose aim is to divide and conquer.

It was an inspired idea to deposit the body of an unrecognized soldier in the hillside memorial in Arlington National Cemetery. Millions have visited the hallowed spot. Several comrades of subsequent combat zones have joined that lonely first Unknown Soldier. To this day the most stirring military pageantry for peace centers not around world-acclaimed heroes whose name everyone reverently repeats, but upon young martyrs whose names are known only to God!

These All-Americans resting from their labors deserve our tribute today. The simple inscription chiseled into the tomb of the Unknown Soldier has inspired millions: "HERE RESTS IN HONORED GLORY AN AMERICAN SOLDIER KNOWN BUT TO GOD!" He was a young man in the prime of life. That gleaming white cenotaph rallied all races and classes to hallow American ideals and integrate PATRIOTISM into one nation, indivisible, under God. Underneath that half-acre lie the crushed remains of men who were burned crisp in the heat and hell of battle instead of burning their draft cards to save their unkempt bearded and beaded bodies for softer living.

The comrades we honor today fought, bled, and many died that equal and exact justice might prevail. Their patriotism is the criterion for peace on earth and goodwill among men. For their service and sacrifice they merit a nation's everlasting tribute within the communion and bivouac of the dead!

From those guarded gravesides, America's eyes will scan the sloping knolls completely immersed in row on row of white crosses and the Star of David. And beyond, in massive orbiting sweep, an international panorama discloses 95 similar military cemeteries and 28 final rest arenas throughout the world.

What a breath-taking array of divisions of muted martyrs hallowing American freedom;

Those memorable mounds were everywhere carved out of the good earth to cradle courageous Crusaders for liberty who remained true to their country above and beyond the call of duty. They have thrown to us the torch that will light the way to a more peaceful tomorrow! Without exception each day continues to record the rythmic step of military details accompanying creaking caissons rolling past Washington city memorials to the cross-crowned arteries of Arlington adding new mounds at the rate of 110 per week. The unbroken assembly line of heroes perpetuates America's date with destiny!

In muffled cadence this international chorus echoes the stirring requiem of John McCrae: "We are the dead! Short days ago we lived, felt dawn, saw sunset glow; loved and were loved; and now we lie between these crosses row on row! Scarce heard amid the guns below. Take up your quarrel with the foe. To you from falling hands we throw the torch. 'Tis yours to hold it high. If you break faith with us who die, we shall not sleep tho poppies grow in Flanders Field!" Must America be pre-occupied only with sports, recreation, the cost of living, the stock market? The cost of dying equals all of these and the Word of the Lord in Judgement over miscarriage of justice, plus the handwriting on the world's wall scribbled in tainted blood has a serious message.

These brave heroes changed the course of history and freedom's holy light in our favor. They accepted death in the prime of a promising career. Their patriotism was not hidden behind the 5th amendment, the 5th column, or the 5th dimension. They did not defect in the hour of crisis. They were not midget politicians in a day when giants of the earth were needed. They fomented no turncoat philosophy when the life and breath of their buddies depended upon them! No hero's blood is ever shed in vain! Gallant men never hesitate to secure libery in hot blood and cold steel.

Nor shall America vacillate NOW as we for the 2nd time in 500 years enter the threshhold of new frontiers, this time so vast and inconceivable in space that none but the Almighty Creator of Heaven and earth has the answer.

National problems always rise to the level of the patriotism of the people! Our obligation is to posterity. The character of youth is always moulded by their elder's example! When radical voices in other lands, whose very lives are spared because of American military protection, keep shouting unprintable invectives, and chorusing: "Yankee go home", let us point to the uncounted knolls of heroic Yankees on their soil reminding them why their saviors cannot come home.

Now is the time for all parents, teachers, officials, and good citizens, to make sure that American youth memorizes the pledge of allegiance, the preamble to both the Declaration of Independence and the Constitution of the U.S.A. No philosophy of education is so critical today as to try and strengthen American freedom. Let us cease all this irresponsible dialogue about black and white power. Our constitution is printed in black letters on white paper; it takes both black and white piano keys and musical notes to play the Star Spangled Banner. No one ever questions this! Let us speak only of red, white and blue power, for these colors are guaranteed not to run, not for anybody!

On Gettysburg's colorful countryside burns an eternal flame symbolizing a nation's devotion far beyond triumphal arches and skyscraper shafts. Its warmth inspires all who cluster at its base and read its messages. Not since the Civil War on whose battleground the memorial rises, has the issue of whether this nation or any other nation, conceived in liberty, can long endure, been so in doubt and dissent. When statesmanship is crucified on the cross of gold and greed and the double-pronged promises of the demagogue are highly exalted, the moral fibre of the nation is afflicted with cancerous fissures of communism and kindred anti-American philosophies.

The problem of patriotism is as old as free man. Let tension be cultivated! America was born in revolution. Tension means 'stretching'. When patriotism is stretched aroused citizens rise in holy wrath to declare their convictions at the public poll, in the press, and on the plaza. Our God-given nation is not ready to fold prematurely because of a few uprisings whose leaders gallop from campus to Congress on borrowed time and talents. History's Paul Reveres have been riding herd since colonial days! Two recent horsemen of another stripe are assuming apocalyptic proportions: James Forman demands 'reparatory' retaliation; and Dennis Banks, full-blooded South Dakota Indian tells a U.S. senate committee: "Our state is the most racist of all where the white man spells 'justice'—'just us'. This two-fold confrontation symbolizes a national trend blending culture and religion in ferment.

Frantic superpatriots plead that we should light candles of conciliation, NOW. That candle has always been lit. They are unaware of the explosive powder kegs of carelessness, apathy, fanaticism and bigotry planted everywhere. The catalog of American martyrs has grown too painful to rehearse. We must not allow moratorium marchers to monopolize the reading of Vietnam heroes. Our city-square honor rolls and scrolls have remembered them in honored glory for years! Fragmented, polarized American citizenship is an import that must not be nourished.

Man's oldest records are blood-stained documents. Memorials are representative of deserved recognition but it takes more than marble and marches to preserve human freedom. It is to the everlasting credit of America's veteran groups and hundred organizations that the true meaning of this day is perpetuated. Representatives of many faiths and cultures today invoke the ancient blessing of the Almighty: "The Lord lift His countenance upon thee and give thee peace!" What does this mean to millions? Veterans day in charge of those under arms in behalf of those who laid down their arms to protect those yet in arms, urges unqualified loyalty and obedience to God and country! Human sacrifice is no statistic. Liberty lies in the hearts of people; if it dies there is no law that can save it. Let those who protest loud and long against yesteryear's time-honored slogans know that this modernizated word: "Peace" which they throw around loud and loosely, means nothing unless it is sealed in blood. There has been no time in history when it meant anything else!

In the Arlington Cemetery museum display room is this Rotary International plaque: "To the glorious memory of the gallant deed of the American forces who gave their full measure of devotion and service in the world wars". Our Rotary motto being: "service above self!" dispenses upon us a duty in this area that we must recognize.

Whether we stand amid Arlington's 420-acre solemn stillness where the 130,000th serviceman's body was recently interred; or whether we visit last week's battle hero in some local or nearby cemetery, or visit some paralytic veteran who will never walk again, our tribute is the same resolve, namely: "Peace with honor!" Whether we recall the ancient battle prophecy of Joshua, Israel's venerable military general of long ago when he said: "Let these stones forever be a memorial to you!", or whether we recall the inscription on the Bastogne, Belgium, war memorial: "Seldom has so much American blood been shed in a single action", the call for eternal vigilance is the same. Human blood is the price of liberty in every generation and there is no short cut to freedom.

What is Americanism? It is many dialects blended into one language; many avenues of prosperity converging into one way of life; many types of service forged into one loyalty. It is the sacred assumption that government rests upon the consent of the governed!

Let us boldly, and if necessary, bitterly, meet all carping criticism of our country with restrained loyalty. Who are these self-appointed foreign free-loaders to employ our American free speech privilege to gripe about America? There's nothing wrong with the U.S.A. that a good dose of democracy and old fashioned patriotism cannot cure in a hurry. Alien axe-grinders are welcome to one-way no-return tickets any time they wish apply.

John Stuart Mills said: "A people may prefer free government. But if from indolence, carelessness, or want of public spirit they are unequal to the exertions necessary for preserving it; if they will not fight for it; if they can be induced to lay their liberty at the feet of even a great man and trust him with powers enabling him to subvert their institutions—in all these cases the people are unfit for Liberty!

Jesus of Nazareth, universally acclaimed Prince of Peace, once said: "Greater love had no man that to lay down his life for his friends!" Since currently some militant youth and adults moratorium masses and peace preachers extol LOVE as life's highest aim, let them demonstrate their love by personally defending with their lives, government of the people, by the people, and for the people. "In God we trust" is no mere motto; it is America's confession of her most holy faith!

Let no one mar or minimize the sacred preamble to our Declaration of Independence! It is a hallmark of fame second to none in human history.

May it be your good fortune to walk slowly and solemnly down the verdant lush carpet on Mount Vernon's slopes leading to the cenotaph housing the remains of George and Martha Washington. When the courteous guard permits you to look thru the iron lattice entrance gate you will be awestruck by the simple head inscription carved in perpetual marble: "I am the Resurrection and the Life, saith the Lord; he that believeth in me tho he were dead yet shall he live!" Of this solid eternal moral fibre was our nation born. May we be given courage to sustain it!

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## STRENGTHENING ELECTIVE ASCS COUNTY COMMITTEES

Mr. BAYH. Mr. President, this weekend the National Association of Farmer-Elected Committeemen is holding its 1969 national convention in St. Louis. These elected county ASCS committeemen meet this year under a cloud of concern over a pattern of action by the Washington bureaucrats in ASCS which raises questions about their attitude toward the committee system.

A number of directives and actions taken recently throughout the country give rise to the suspicion that the ASCS Washington officials are seeking to downgrade the autonomy and importance placed in the elective county committees. There may be rational answers to these questions other than the dilution of the committees' role in farm policy.

But I am concerned. Because I believe the county committee system of administration is essential to the confidence and the grassroots support of this program by the farmer. Without this confidence and without this local control,

American agriculture is headed for trouble.

Industrial workers have their unions. Businesses have their trade associations. But the primary involvement by farmers in directing farm programing is the locally elected county committee.

I am concerned. Farmers in my State are concerned. And farmers across the country are concerned when they see the autonomy and importance of this last vestige of local control being chipped away.

In my State, farmers are concerned when they hear that suddenly local committee decisions on adjustments to the conservation reserve must be approved individually by the farm fieldmen. This gives ASCS employees authority to veto the elective committee decisions, removing this important responsibility from local control.

They are alarmed when they learn a majority of the county committees have been informed that they are meeting too regularly. Analyses of workloads have been made and a few men sitting in Indianapolis or Washington are telling the committees how much time they need to work. I do not think they know the local problems well enough to do that. The county committeemen are not getting rich off of their meetings. They are paid $25 a day when they meet and 9 cents a mile travel expense. If a farm committeeman loses a hog or has some other preventable accident happen while meeting one day, his salary for a few months is lost. Most committeemen work as little time as possible with the office and they lose money doing this public service. They are completely responsible for the activities of the office and the administration of the full time staff. It is pennywise and pound foolish to set stringent limits on their meeting times.

The committeemen are not pleased to learn that they have to secure permission from Washington to meet with other county units outside of their county. There is much need for coordination and the exchange of ideas that take place several times each year. The committees in my State have been getting together on a regional basis with State officials to discuss their mutual problems. These are not holiday excursions. These are working sessions that now require approval all the way from Washington.

My constituent farmers in Indiana have expressed for me their concern over these recent actions and directives and they report hearing similar stories from other States. I express my own concern about this, too. Because we must give the farmer an avenue to express his personal influence over the administration of programs that affect his income. I hope the ASCS is not moving away from a strong, local, elected committee system. I would hope the ASCS would be moving to encourage additional participation.

And I hope the Department of Agriculture will soon provide Congress and the American farmer an inkling of what it proposes for a 1970 program. Too many times in the past the farm programs have been proposed and enacted after the crops are in the fields. It is already late for proper farm planning. I urge the Department to present a program for 1970 promptly, so that it can be properly considered and allow time for the farmer to plan appropriately.

## FULL FUNDING OF HEALTH PROGRAMS

Mr. CRANSTON. Mr. President, last Thursday I appeared before the Labor-HEW Subcommittee of the Senate Appropriations Committee to express my strong conviction about the urgency of providing a level of funding for medical research and health manpower programs which adequately reflects the great need in these areas today. I am deeply concerned that we will find ourselves either standing still or even reducing our efforts in many vital areas if funds are appropriated at the levels requested in the administration budget or the House-passed appropriations bill.

The benefits of past investments in basic and applied health research, as well as the future supply of doctors, nurses, researchers, and teachers, are imperiled by the reductions proposed for seven of our important National Institutes of Health, for the chronic disease and clinical research center programs, and for various programs affecting the education and training of health manpower at all levels.

I have received more than 700 letters, cards, and telegrams from California citizens expressing their deep concern about the effect of the proposed budget requests. In San Marian County, Calif., a number of parents and friends of children who are suffering from cancer have formed an organization called the Candlelighters, in memory of Eleanor Roosevelt, of whom Adlai Stevenson said, "She would rather light a candle than curse the darkness." The Candlelighters have collected about 10,000 names on petitions protesting the proposed cutback in funds for the National Cancer Institute.

One of those who helped organize the Candlelighters is Dr. Richard W. Wolk, a family doctor in San Rafael, whose 9-year-old son, Brian, is stricken with leukemia. Dr. Wolk also testified before the Appropriations Subcommittee last Thursday. His courageous and moving statement was a most effective reminder to all who heard it of the dramatic human dimension of the problems we are discussing.

I would like to read briefly from Dr. Wolk's letter to me:

> As you know, bio-medical researchers across the country have already experienced a cut of five to twenty percent of their funds. The administration's economy drive will force the closing of at least nineteen clinical research centers.
>
> At this critical time in cancer research we need an increase in appropriations; yet President Nixon wishes to cut them. You can well imagine the emotional response that this evokes from those of us who have children afflicted with cancer. The hope that a cure is imminent is not a delusion. We trust that you share this hope. The best expression of concern that you and your fellow senators can offer us is legislation providing expanded appropriations for the National Cancer Institute.

Mr. President, how can you respond to the parents of cancer-stricken children? Or to the young nurse in San Francisco, dying of cancer, who wrote to the President: "We who are afflicted with such diseases as leukemia and cancer live only in the hope that a cure can be found in time, and by cutting off the great Federal allotment to this cause you have greatly jeopardized our hopes of a breakthrough."

How can you explain to a parent whose child is dying of leukemia that this Nation can spend $100 million to refurbish a battleship for exactly 1 month's use in Vietnam before being returned to the mothball fleet but cannot find $9.7 million to keep alive the chronic disease control program of HEW's Health Services and Mental Health Administration?

What can you say to those who compare the enormous cost overruns on a single defense contract to the reduced funds available for research in cancer, heart disease, multiple sclerosis, or mongoloidism?

How can you explain that this Nation can find billions of dollars for the controversial ABM but finds it necessary to close down 19 of the 93 clinical research centers supported by the National Institutes of Health?

The administration's priorities are badly out of order when a cutback in vital medical research is authorized at a moment in our history when there has never been greater recognition of the potential for alleviating human misery from disease or a greater opportunity for finding new cures.

The Nixon budget requests an increase of only 9 percent for fiscal year 1970 over the 1969 comparable appropriations for the National Institutes of Health, the Health Services and Mental Health Administration, and the Consumer Protection and Environmental Health Service. This amount will not enable these agencies to move in any significant way against the vast problems of which I have spoken today. Because of inflation they will not even be able to maintain past momentum in too many cases. Previous gains can be seriously undermined or nullified not only by budget cuts, but also by a static level of appropriations in a time of inflation, when each dollar appropriated has declined in real value.

Furthermore, the extent of real "savings" in Federal outlays which will result from the administration's actions is dubious. Increased health costs and a further decline in the general quality of health care will be the price to be paid, offsetting any temporary savings. The consequences, long range and short range, of postponing the provision of really adequate resources for basic and applied health research, health manpower training and health facilities construction must be fully and carefully evaluated.

President Nixon has warned of an impending "massive health crisis." HEW Secretary Finch and Assistant Secretary for Health Affairs Egeberg, in a joint report last July, said the situation with respect to our already overburdened health care system was becoming increasingly grave and we would be faced with "a breakdown in the delivery of health care unless immediate concerted action is

taken by government and the private sector."

The administration is obviously aware of the vast need for improved health care among all segments of our population. The recognition and the rhetoric is there, but the money is not forthcoming. There are grave inconsistencies between the administration's public statements and the budget requests for the agencies and institutes which must meet these needs. The budget requests for all programs of the National Institutes of Health—which call for an increase of only 5 percent over 1969—are hardly an appropriate response to the administration's own call for "immediate concerted action—by the Government and the private sector."

And in the vital research area, the administration has proposed a cut of $30 million from the fiscal year 1969 Research Institutes appropriation.

In stark contrast, Dr. William McElroy, Director of the National Science Foundation, estimates that inflation in research amounts to about 15 percent a year: About 5 percent from normal inflation costs; 5 percent from the increased sophistication and complexity of research, which demand more expensive equipment and methods; and another 5 percent from increasing salaries because so many of the researchers are young scientists. In this context, a simple 5-percent increase is virtually a step backward.

The Nixon administration has requested appropriations below the 1969 level for eight major programs of the National Institutes of Health: The National Cancer Institute, National Heart Institute, National Institute of Dental Research, National Institute of Arthritis and Metabolic Diseases, National Institute of Neurological Diseases and Stroke, National Institute of Allergy and Infectious Diseases, National Institute of General Medical Sciences, and the General Research and Services program. Research projects which has involved many years of preliminary work may now have to be halted because of this foolhardy move. For example:

The Los Angeles Children's Hospital Clinical Research Center provides vital services to some 200 children and is the primary research resource for the University of Southern California's Department of Pediatrics. In other words, not only will the children and parents suffer as a result of this closing, but a major hospital and a university medical school will be deprived of its major research funds and facilities in this vital area.

Clinical research centers play a major role in the crucial final stage of medical research, the phase in which new ideas, drugs, and devices which have been tested in the laboratory are applied to the improvement of actual patient care. Yet, 20 percent of the 93 centers operated under grants from the Division of Research Resources of NIH are to be phased out at the end of this year.

Almost 400 primates which have been under experimental study in the virus program of the National Cancer Institute during the past 5 years are scheduled to be destroyed just as researchers are isolating certain viruses that may cause cancer in man.

The Framingham heart study, in Framingham, Mass., is to be phased out at the end of the current fiscal year because of lack of funds. The data accumulated over the past 20 years in this internationally known project represent an unparalleled source of information on not only heart disease but also on a wide variety of other conditions, such as stroke, arthritis, high blood pressure, diabetes, lung disease, and blood cholesterol.

In Washington, D.C., the pioneering work of Dr. Mary Coleman, a pediatric neurologist at Children's Hospital, with young victims of Down's Syndrome, or mongoloidism, may be curtailed by cutbacks in research funds.

However, not only human lives are directly at stake in these NIH cuts. The future of medical education itself is also very much involved, for research and education are inextricably linked in our medical colleges.

I would like at this point to quote from a speech given recently by Dr. Daniel Steinberg, professor of medicine in the Division of Metabolic Disease at the University of California, San Diego. Dr. Steinberg is chairman of the Council on Arteriosclerosis of the American Heart Association, and in his chairman's address given at the American Heart Association meeting on November 12 he has excellently illustrated this close relationship between medical research and education:

> The last point I want to make is one I had to leave the NIH to appreciate. Having recently immersed myself deeply in the complexities of developing and operating a medical school, I can see with perhaps a fresh eye something fundamentally important about the structure of the academic center of medicine. This is probably familiar to most of you and yet it is something the legislator may not easily understand. And that is the absolute interdependence of the several functions—at least 7—of a modern medical center: (1) medical student training; (2) house staff training; (3) continuing education for physicians; (4) delivery of medical care; (5) graduate student training; (6) postgraduate research and specialty training; and, finally, (7) research. Secretary Egeberg called for in their July report, which said in part: "we will ask and challenge the deans and faculties of the medical schools and all who are involved in the education and training of professional manpower to find new ways to expand the number of persons they are training. . . .

This enormous need for expanded training of health personnel will not be met by the administration's proposed budget for NIH health manpower programs for fiscal year 1970. President Nixon requested $25 million for health profession student loans in fiscal year 1970, less than half the authorized amount of $55 million and 50-percent lower than was expended in fiscal 1969. This will have an especially detrimental effect on the ability of medical schools to admit students from minority and disadvantaged groups. Entering medical students, for example, must buy approximately $1,500 worth of books and equipment; without adequate student loans medical schools may have little option but to admit only the wealthier students.

Some medical schools already have announced they will not be able to increase the number of their students because of the cuts in the NIH student loan program. And this comes at a time when this Nation is still so short of doctors it must rely on the importation each year of more than 2,000 doctors from foreign countries—which can ill afford to lose physicians—in order to avoid a complete breakdown of the medical care system.

In other actions affecting the training of health personnel:

Health manpower scholarship funds were cut back to the 1969 level of $17,719,000 by the House from the Nixon request level of $28 million, a commendable $10 million increase over fiscal year 1969, but still $17.7 million below the fiscal year 1970 authorization figure.

Fiscal year 1969 funding levels were barely maintained in the 1970 request for NIH programs of institutional aid for schools of public health and for health manpower traineeships. And in spite of an extremely critical shortage of nurses, in addition to the inadequate levels requested for loans and scholarships, no increase has been requested for NIH programs of institutional aid to schools of nursing or for construction of health, education, research, and library facilities for nursing. In these area, we are, at best, standing still.

Moreover, we cannot measure our health needs by the fiscal year 1969 level of appropriations, for the pattern of substantial underfunding of all health programs over the past 5 years has brought us to a critical juncture. Authorization levels approved by the Congress provide a more accurate reflection of existing needs than past appropriations.

For example, in those NIH programs for which specific authorization levels were established by Congress, 1970 authorizations total $523 million, of which less than 60 percent, or $305 million, has been requested by the administration. This amount is clearly inadequate in the context of the impending "massive health crisis."

And not only NIH, but also the Health Services and Mental Health Administration is faced with 1970 appropriations requests equal to or below the 1969 levels as a result of either the Nixon budget request or cuts by the House. These include training grants for mental health manpower, new institutional support for community mental health center staffing, and project grants for comprehensive health planning and services.

Also cut below the 1969 comparable appropriation level are the important programs of migrant health services, regional medical programs, communicable disease control, and hospital construction under the Hill-Burton act.

Those programs of the Health Services and Mental Health Administration for which specific 1970 authorizations are set would, if fully funded, require appropriations of $834 million. The Nixon budget request for these programs was $468 million, or only slightly more than 50 percent.

The United States ranks behind 19

other nations in male life expectancy at birth, and we are sixth in the world in deaths among males aged 40–60 who die of the major category of killer diseases known as heart-cancer-stroke. Is this a reason to virtually eliminate the applied research efforts of the regional medical program's chronic disease control program, which includes the heart-cancer-stroke projects?

Yet, HEW requested $130 million for RMP for fiscal year 1970, the Nixon budget reduced that to $100 million, and the House reduced it again to $76 million.

Other RMP chronic disease control programs, in addition to the heart-cancer-stroke projects, which will be phased out are those in arthritis and diabetes; neurologic and sensory disease, such as Parkinson's disease and multiple sclerosis; and respiratory disease, such as pulmonary emphysema.

The Nation's top scientists, including the President's own science adviser, Dr. Lee A. DeBridge, have warned that our country's future is endangered unless we increase research into disease, pollution, and other problems involving our highly technical society. For although we have conquered space and seen visions of worlds beyond this world, we are at the same time witnessing the destruction of this planet through the pollution of our atmosphere, streams, soil, and oceans. We are threatening the lives of millions with this reckless assault on our environment, but the administration has actually requested an overall increase for environmental health services of only $217,000, or less than 1 percent. This is ironic at a time when we are beginning to learn of the close and deadly relationship between air pollution and serious diseases, such as emphysema.

Can anyone really doubt the enormous dimensions of the need for medical research, training, and construction and for environmental health services? Then how can we also accept this administration's ill-considered response to these vital needs?

I plead with all of you. I plead with our President, to pause for a moment and think about the future of this Nation, and indeed, this planet. I ask you and I ask our President to again review our budget and our priorities and see whether we are doing enough to insure the physical and mental health of our Nation. I do not believe we are. We can and must do more if we are to respond effectively to the "massive health crisis" which has been predicted.

Mr. President, I ask unanimous consent that Dr. Wolk's eloquent statement of December 4 and several representative letters I have received from concerned constituents be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF DR. RICHARD WOLK

Mr. Chairman and members of the committee, I appreciate this opportunity to testify before this committee today.

Shortly before I left San Francisco, one of my medical colleagues said to me, "Give 'em hell, Dick!" Well, I have no intention of doing that. You gentlemen receive enough hell as it is!

Since our children have no lobby to represent them, it is my responsibility to inform you of the needs of cancer stricken children and their families. It is your responsibility to appropriate the funds necessary to satisfy those needs.

Although I will confine my remarks to the problems of childhood cancer, much of what I have to say can also apply to the million Americans now under treatment for cancer.

I have taken the liberty of providing you with copies of a letter sent to President Nixon by the Candlelighters. This letter contains statistical data that you may find useful.

I am also circulating among you, a photograph album of our children, some of whom are already dead. This is to illustrate that we are talking about human beings, not just abstract figures.

I claim no expertise in the field of biomedical research, and I know very little about financing this research. That is your job.

I am a practicing family physician in San Rafael, California. In the course of my practice, I have had my share of experience with the calamity and suffering that cancer inflicts upon families. For it is true that when cancer strikes a family member, the entire family has it.

Since last February, I have become especially qualified to attest to this tragedy, because it was then that my nine year old son, Brian, was afflicted with acute leukemia.

Because the reactions of other Candlelighters have been similar to ours, I will tell you about our initial experience with this situation.

When we first learned that Brian had what the doctor termed "a fatal illness," my wife and I went through all the grief that people usually feel when they have lost a loved one. Perhaps this feeling was more intense, since, in this case, it was a bright child who so reveled in the joys of life that we knew his future would certainly be a happy one.

Our initial grief was tempered by the fact that our son's life could be prolonged with various drugs.

It is at this point that parents of such children must make a very basic decision: to treat or not to treat.

Some parents have felt that no treatment was more merciful than prolonging the life of a doomed child. Most parents elect treatment on the basis that some additional life is better than none at all.

Without treatment, we knew that Brian would die within two months. With treatment he could live two or three years. We elected treatment.

Once this decision is made, we parents commit ourselves and our children to what is often a very difficult road. For when the children are not suffering from their disease, they are frequently suffering from the untoward side effects of their therapy.

Their medications, though usually life-sustaining, reduce their natural resistance to ever-lurking infections, which sometimes end the child's life before their disease does.

In leukemia, the children undergo countless blood tests, bone marrow taps, injections, transfusions, and spinal taps. Somehow, these brave little people withstand all this better than the parents do.

In other forms of childhood malignancy, such as brain cancer, the course is usually more horrifying; and these children and their families suffer agonies that few people will ever experience in a whole lifetime.

So why, as parents, do we try to prolong our children's lives? What gives us the strength to fight this miserable disease?

Well, it is an uncanny mixture of faith, hope, and love. Our children's trusting love gives us the power to nurture them, to comfort them, and to protect them. Our children's hope, that they can be as healthy as their playmates, gives us energy to work toward that goal. And we parents have faith that this nation's biomedical technology will soon produce more effective control for childhood cancer. If not for our children, perhaps intensive research can provide help for those five thousand other American school children who might otherwise die in 1970.

More intensive biomedical research costs more money! We have learned that federally funded research is being seriously held back by budgetary cuts. In considering H.R. 13111, you gentlemen have heard plenty of testimony substantiating this.

As you consider this bill, I want you to think of how these cuts affect those of us who are intimately involved in a life or death struggle with childhood cancer.

We Candlelighters find little assurance from the present level of federal funding for cancer research.

At the present time, one-third of the *approved* research projects are lacking funds altogether. The remaining two-thirds are laboring under a ten to twenty percent cut in funds.

The reduction of research capability is further compounded by a ten percent inflationary bite.

As a result, some projects are seriously crippled, others abandoned, and some research teams are economically forced to disperse.

An appropriation at the 180 million level will perpetuate this crisis.

Ironically, the budget cuts come at a time when our researchers are at the threshold of important breakthroughs in the medical treatment and control of cancer.

We are all concerned with the staggering news that we have sustained 300,000 American casualties in Vietnam. Fifty thousand of these died.

During the course of this war, this country has lost four million of its citizens from cancer; and 35,000 of these were school children.

Look at *this* costly war here at home! Yet, the House recently passed H.R. 13111, calling for a reduction in cancer research expenditures, as the Nixon administration requested. Gentlemen, I ask that in fiscal 1970 Congress satisfy the demands for expenditure control and tax relief in an area of lower national priority.

Placed before you are petitions bearing thousands of signatures of ordinary people who are concerned with the fact that cancer is killing more American school children annually than any other disease.

They know that until effective prevention and control is achieved by biomedical research, one out of four Americans will eventually develop cancer.

They endorse the Candlelighters' plea that the funds for cancer research be increased by at least twenty percent in fiscal 1970.

Some felt that the cost of *medical* weaponry was a *bargain* compared to the cost of our nation's military weaponry. Others felt that they would rather see the money spent for medical research than for going to the moon.

These petitions are but a sampling of public opinion obtained by our group over a two-week period. Please heed their message!

In closing, I'd like to relate what my boy told me on Thanksgiving when I asked him what he was most thankful for. He replied, "I am thankful for being myself. I am thankful for my parents and for my friends. I am thankful for my health."

Gentlemen, our children have a right to no less! It is up to you to assure that right.

Thank you. I welcome questions at this time.

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DEAR ALAN: Thank you much for your letter of Oct. 13, relative to cuts in medical research. It will be too late for Doug, as you see by the enclosed. But concerned action may help prevent deaths of thousands of others.

Perhaps you would consider entering the letter in the Congressional Record? We are sending out 300 to organizations, medical auxiliaries, churches, etc., hoping some may take appropriate action. To be more moved by budget pleas for instruments of destruction than by humanitarian pursuits is horribly inhuman. What has become of "promote the general welfare?"

KAY BLACK.

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URGENT: THE ISSUE IS SAVING LIVES

Millions of Americans face premature death if the budget cut proposed by President Nixon in health research funds is allowed to pass. Programs now underway in various divisions of the National Institute of Health will be halted or seriously crippled.

Affected will be studies of vital importance in these NIH departments: Cancer; Heart; Arthritis & Metabolic Diseases; Strokes & Neurological Diseases; Allergy & Infectious Diseases; Dental Research, and General Medical Sciences.

In the last fiscal year, the sum of $634 million was allocated for *all* NIH health research grants. Of this, less than $186 million went for cancer studies. Yet it is proposed to whittle this trivial amount (less than $1 per citizen) though inflation already reduces it by about 10 percent.

In 1938, 320,000 Americans died of cancer. To date for 1969, it is estimated 940,000 persons are under care for this affliction.

We are informed that concerned citizens should notify the President and Secretary Robert Finch, Dept. of Health-Education-Welfare, that we object to such flagrant indifference to the welfare of the nation; and that we want NIH appropriations set at a level allowing concerted attack upon major human afflictions.

*The time factor is critical.* The Senate Appropriations Committee is expected to present a bill early in November. Even should it provide better funding, unless the administration chooses to spend the money there would be no benefit. Thus, postcards, letters, telegrams should go to Washington immediately.

What possible question of priority can be argued in weighing the conquest of disease against such frivolous non-essentials as the supersonic transport, going to Mars and the stockpiling of biological warfare agents?

Our son, Douglas, died October 18 of a type of cancer which often attacks young people. We ask you, in the name of humanity, in the hope you may help prevent such grief among your own family and friends, to join us in informing our leaders of the real values the American people wish our government to represent. We believe that at the top of the list would be compassion and sensitivity to the preservation and enhancement of life.

Mr. and Mrs. C. W. BLACK.

MODESTO, CALIF.

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UNIVERSITY OF CALIFORNIA, SAN FRANCISCO MEDICAL CENTER,
*San Francisco, Calif., November 7, 1969.*

Hon. ALAN CRANSTON,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR CRANSTON: I am writing to bring to your attention my growing concern regarding the reduction in federal funds to support health professions education and medical research in California. I am attaching a copy of the recent Los Angeles Times article by Mr. Harry Nelson, which describes the situation in the Los Angeles area. Equally serious problems exist in the Bay Area and in other parts of the state where medical research is being conducted.

While I was in the Department of Health, Education, and Welfare we found it necessary to restrict the growth of support for biomedical research in fiscal year 1968 and again in fiscal year 1969. This is the third year that funds for research have not been increased and inflation has increased the cost of research by at least 5 percent per year. This means a decreasing research base. I believe the consequences of these reductions are becoming increasingly serious.

I am also deeply concerned, as I know you are, with the problems of health manpower in California. The present authorizations, under the Health Manpower Act of 1968, for health manpower development need to be fully funded if we are to begin to meet the rising demand for more physicians, dentists and other key health personnel. This is most critical because of the growing demand for health care and the shortages which exist everywhere. Our physicians are overworked and in many areas hospitals and other health care institutions are forced to limit their services because of shortages of nurses and other critical health personnel.

The funds appropriated by the House of Representatives under the Health Manpower Act have been far below the authorized levels. The House action has, I believe, been essentially as follows:

Institutional support: authorized $192 million, approved by the House $128.9 million;

Traineeships (public health, allied health, nursing): authorized $30 million, approved by the House, $20.7 million;

Student loans: authorized $55 million, approved by the House $34.9 million;

Construction of health professions schools: authorized $205 million, approved by the House, $126.1 million;

Health research facilities construction: authorized $20 million, approved by the House, zero;

Medical libraries construction: authorized $10 million, approved by the House, zero.

It is not only the House action, however, but rather the priorities reflected in the expenditure controls imposed by the Bureau of the Budget that are creating very serious problems, particularly in the student loan area. I am attaching a detailed list of the extent of medical school student loan cutbacks and their impact on California schools and other institutions. The impact on our dental students has been even more severe than on our medical students and we have been able to meet only a limited amount of their needs through student loans and grants.. The loan shortage is the most critical one in the whole health manpower area and I hope it will be corrected by the Senate. An additional problem related to loans under the Health Manpower Act and those under the federally guaranteed private loans is the limit on these loans ($1,500 per academic year) and the high rate of interest that must be paid beginning one year after graduation.

I am attaching materials related directly to our campus and the financial needs here. These are, however, typical of the other institutions in California and other health professions schools through the country. I hope this material will be helpful in your considerations of these serious problems.

I am well aware of your deep interest in these matters and of your special concern for the problems of the veteran. I would be very pleased to have you visit us here at the Medical Center or at the Fort Miley Veterans Administration Hospital, where we have joined with the VA in developing outstanding programs of patient care, education and research.

In addition to the attachments noted above, I am including a brief article on the recent statement by Dr. Roger Egeberg on the problems of alcoholism. I hope we might also discuss this during your visit.

With best personal wishes.

Sincerely yours,

PHILIP R. LEE, M.D.,
*Chancellor.*

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LOS ANGELES COUNTY FEDERATION OF LABOR, AFL–CIO,
*Los Angeles, Calif., October 27, 1969.*

Hon. RICHARD M. NIXON,
*President, United States of America,*
*Washington, D.C.*

DEAR MR. PRESIDENT: I am writing to you to express our concern with the cutting off of funds from the Clinical Research Center of the Children's Hospital Center in Los Angeles and to ask that steps be taken to restore the full appropriation voted by Congress.

This Center, one of the nineteen Research Centers, has been doing outstanding work in the field of combating children's diseases. Its closure would cause great harm to this important area of research because, as far as we are aware, no other agency is equipped to pick up the activity. Many children who just a few years ago were doomed to lifelong invalidism or an early place in the vital statistics tables can now look forward to healthy and productive lives as a result of the work done in these research institutes.

I feel very strongly that our young people constitute a resource which we must cherish, and that funds to insure their well-being continue to be expended.

Respectfully yours,

SIGMUND ARYWITZ,
*Executive Secretary.*

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GLENDALE, CALIF., CHAPTER OF THE AMERICAN ASSOCIATION OF RETIRED PERSONS,
*Burbank, Calif., November 7, 1969.*

Hon. ALAN CRANSTON,
*U.S. Senate,*
*Washington, D.C.*

MY DEAR MR. CRANSTON: As one of a group of retired persons, I would like to urge you to use your influence to have the Senate Appropriations Committee, and the entire Senate, approve the measure to provide funds to finance the Health Research Facilities Construction Program. I understand that $20 million for the current fiscal year (1970) was authorized by Congress, but it still requires favorable action in the appropriation of the money.

I am particularly interested in the Federal matching funds for the Ethel Percy Andrus Gerontology Center planned for construction at the University of Southern California at Los Angeles. This project would not be a 100% Federal "give-away", since private citizens and organizations such as ours are engaged in raising $2 million toward the cost of this particular research facility.

While there are many demands for Federal funds, all the way from SST to Outer Space Exploration, I feel the approval of funds for the Health Research Facilities Construction Program would be a worthwhile investment of government money for the health of all the citizens of the country.

Thank you for your consideration of this matter.

Sincerely,

J. HENRY NIEBANCK,
*President, Glendale Chapter No. 258, American Association of Retired Persons.*

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LOS ANGELES COUNTY FEDERATION OF LABOR, AFL–CIO,
*Los Angeles, Calif., October 27, 1969.*

Hon. ALAN B. CRANSTON,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR CRANSTON: Enclosed is a copy of a letter I have written to President Nixon regarding restoration of funds for the Children's Hospital Clinical Research Center in Los Angeles.

I would appreciate your taking what steps are possible to support this position.

Sincerely yours,

SIGMUND ARYWITZ,
*Executive Secretary.*

ROHNERT PARK, CALIF.,
*November 6, 1969.*

Hon. ALAN CRANSTON,
*U.S. Senator,*
*Washington, D.C.*

DEAR SENATOR CRANSTON: This letter is being sent to you with a dual purpose. Firstly, you are to be commended for the action you so swiftly took in having the letter written by Mr. Sheldon Rosenthal of San Francisco, regarding the H.E.W. cut backs on Disease Research Projects, read on the floor and made part of the Congressional Record on October 14, 1969. Your introductory speech before you read the letter was full of compassion and understanding to the fullest extent. I have shown a copy of this Congressional Record to many people, and they have all been greatly impressed. Compliments are due you, and my sincere, deep gratitude is extended to you.

Secondly, I would like not only to confirm all that Mr. Rosenthal so eloquently stated in his letter, but I would like to enter my own plea for not only a reversal of the decision to cut back funds for such worthy Research Projects, but to try to make more funds available to the Medical Scientists who are so dilegently trying to forge ahead in seeking causes and remedies for some of the maladies that have been cutting short the productive lives of so many who are afflicted. It doesn't seem fair that the lives of so many human beings are being jeopardized by cut backs or curtailment of any kind of Federal funds to carry on research by the Medical Scientists who are dedicated to try their utmost to procure a break through on some of these dread diseases. They cannot continue this difficult task without the necessary funds being made available to them.

Tho I know a great many people who feel just as keenly about this situation as Mr. Rosenthal and I do, somehow people become complacent and lax when it comes to actually writing to the people we elect to office, about vital matters, especially when they or members of their families are not personally afflicted.

Since Mr. Rosenthal's wife is my only daughter, it is natural that I would feel the need for research funds more keenly than an unconcerned person, but every human being's life is worth saving, so *please,* use all the pressure at your command to see that the situation is rectified and funds be made available for Medical Research.

It is heart rending to stand by and watch a dearly loved one's strength and capabilities ebb away after having been such an active, productive, capable individual. People who know my daughter Sylvia marvel at her fortitude and cheerful attitude, in spite of her adverse state of health. With every fiber of her mind and body she tries to keep abreast of current happenings and to do things for herself, which at times is a herculean task. She hasn't been as fortunate as some to have a remission in her illness.

The one redeeming feature in my situation is that my daughter Sylvia is blessed with such a steadfast, devoted, and concerned husband as Sheldon Rosenthal. One could not ask for a finer human being, nor a more devoted father to his wonderful two children. I could not love him more if he were my own son.

May all your efforts in this endeavor for more medical research funds be fruitful. In my estimation, it is a more worth while project than sending men to the Moon, and much less expensive.

Bless you for your kind consideration, and thank you for taking time to read this.

Gratefully yours,

EVELYN KAMNIN.

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NEWHALL, CALIF.

Senator ALAN CRANSTON,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR CRANSTON: This is an appeal to you to help save my child's life and the lives of untold children and adults.

My son is a victim of a fatal brain disease; however, the disease will not be fatal for long. Biochemists at UCLA think they have found a cure; all that is needed is more testing before it can be used in humans. My child will very possibly be the first to be saved from this disease.

The breakthrough in a cure has come just this past year; had there been no research last year my family would have no medical hope at all.

If research clinics are closed around the United States our story will be told over and over again. Because of the cutback in funds to the National Institute of Health, nineteen research centers in the country will be closed; including UCLA and Children's Hospital in the Southland.

I beg of you to bring the situation to the attention of your peers. Snuffing out millions of lives is a tall price to pay for the sake of economy. Surely there is a better way.

Sincerely,

Mrs. THOMAS RAYBURN.

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MILL VALLEY, CALIF.,
*November 8, 1969.*

Hon. ALAN CRANSTON,
*U.S. Senate, Senate Office Building, Washington, D.C.*

DEAR SENATOR CRANSTON: I am the mother of a beautiful and bright four year old girl—she has leukemia. She has been ill for two years now and according to statistics, she may have another year of life. So far her tiny body has had to tolerate blood transfusions, 11 spinal taps and injections, excruciating headaches, 2 bone marrow tests, 208 intermuscular injections, ulcers, baldness, vomiting and numerous infections. All of these problems and many more are experienced by all leukemic children in the course of trying to keep them alive in hopes of a research breakthrough.

During the past two years of my daughter's treatment, I have seen six children die from leukemia. I have witnessed the devestation wrought by these illnesses and deaths. Can you imagine how we feel when we hear that our government plans to cut research funds? Or that such things as moon exploration, wars and supersonic jets take priority?

In a nation such as ours, the health and welfare of the people has to come first! As one of our nation's leaders, you have the power to help. Cancer research is making great strides forward—it cannot be slowed-down at this crucial time. Therefore, I urge you to give your full support to the restoration and expansion of National Cancer Institute research funds for fiscal 1970.

Very Respectfully,

NANCY K. ROACH.

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LOCKHEED AIRCRAFT CORP.,
*Burbank, Calif., October 29, 1969.*

Hon. ALAN CRANSTON,
*U.S. Senate,*
*New Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR CRANSTON: As President of the National Multiple Sclerosis Society, I was very much impressed with your expression of concern for the decline of federal support for scientific and medical research as reported in the Congressional Record for October 14, 1969.

I share the concern expressed by Mr. Sheldon Rosenthal of San Francisco in his letter to you about our failure to find a cure for multiple sclerosis. My wife also is a multiple sclerosis patient.

The human loss from multiple sclerosis is very real. Two out of every three multiple sclerosis patients come from the nation's work force. Multiple sclerosis creates a two billion dollar annual economic loss to the nation.

Prospects for meaningful advances in the fight against M. S. have recently improved abruptly and dramatically. For this reason, the National Multiple Sclerosis Society has set forth this year on a campaign which will enable us to invest $10 million over a five year period to speed up the search for an answer to multiple sclerosis.

Our Society feels that research is the key to the solution to this and other health diseases, but we cannot do it alone. Our present fund raising campaign for research was predicated upon the plans of the Department of Health, Education and Welfare to expend considerable amounts of money on multiple sclerosis research. Although the Society will continue its efforts, I was disappointed to hear that this government research might be reduced.

Sincerely,

D. J. HAUGHTON.

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SAN MATEO, CALIF.,
*December 4, 1969.*

Hon. ALAN CRANSTON,
*U.S. Senate,*
*Washington, D.C.*

DEAR MR. CRANSTON: I am writing this letter in the hopes you can do something in Congress toward getting more money spent on research, rather than the cut-back that is planned, for cancer and more specifically for leukemia. I read in the paper this evening that you have already heard from Dr. Wolk from San Rafael and I'd like to reaffirm his plea from the bottom of my heart.

Six weeks ago, my child died of leukemia and during our two-year ordeal we were clinging to the knowledge that thousands of dollars were being poured into research for this dreaded disease and that our child would be the lucky one for which the cure was found. I know this is the hope of all such parents and somehow it seems inhuman for the Government to cut back this much-needed expenditure when unlimited funds are available to go to the moon.

Our seven year old is at peace now and that cure can't help her, but I plead with our representatives in Washington to give careful thought to their priortiies—5,000 children will die of leukemia in 1970—allow the parents of these children hope. Polio was conquered through one big effort in research, surely the same effort is needed for leukemia?

Please do all you can to push a bill through that will allow these dedicated researchers to continue their important task.

Sincerely,

BRENDA COMERFORD.

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Hon. ALAN CRANSTON,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR CRANSTON: My name is Martin Monica and I am 14. I had a kidney transplant October 14, 1969. I was lucky to have it because there has been a cut in the money. Now a lot of people will die who need a transplant or need to go on the kidney machine.

What can you do to increase the money? Dr. Samuel Kovntz, the transplant doctor at University of California, San Francisco only has money for a few this year. There isn't enough money for kidney machines for everyone who needs it either.

It's sad to suffer from a renal disease and to know there's no hope, no help because there is no money.

Your Friend,

MARTIN MONICA.

## SEGREGATION IN THE SCHOOL DISTRICTS OF CALIFORNIA

Mr. STENNIS. Mr. President, California, according to the HEW's IBM statistics based on the 1968 national school survey, has 4,284,304 students in elementary and secondary schools. Of these, 3,172,686, or 74.1 percent, are white; 613,074, or 14.3 percent, are Spanish American; 382,525, or 8.9 percent, are Negro students; 103,547, or 2.4 percent, are classified as Orientals; and 12,472, or 0.3 percent, are American Indians.

This is the first State on which I have presented HEW's IBM data where there are two minority groups—Spanish Americans and Negroes—which appear in numerous school districts throughout the State that have one or more schools with minority group enrollment of 80 percent or above.

There are 57 cities, or school districts, in the State of California which have one or more schools with minority group student enrollment of 80 percent or above. Some are relatively small districts, and others involve large cities. In these 57 school districts, there are 413 schools where the minority group enrollment is 80 percent or above.

There are 19 of these 57 districts where the schools having from 80 to 100 percent minority enrollment are predominantly Negro and 26 districts where schools which exceed 80 percent minority enrollment are predominantly Spanish American. There are only 12 districts of the 57 where there is a substantial percentage of both Negroes and Spanish Americans in the schools with 30 percent and above minority group enrollment.

However, whether these districts have been following the concept of neighborhood schools; whether they have vestiges of a dual system; whether they have been gerrymandered; or whether the composition of the racial makeup is entirely accidental—there are a great many of them that are highly segregated.

Of the 382,525 Negro students in California, 8.9 percent of total enrollment; 321,383, or 84.5 percent of total Negro enrollment, are in 57 school districts which have one or more schools with a minority enrollment of 80 percent or above, and 239,009, or 62.5 percent of all Negro students in California, are actually in schools in these 57 districts that are 80 percent to 100 percent minority segregated; 321,383, or 52.4 percent, of the total Spanish American enrollment in the State of California are in these same 57 school districts that have one or more schools with a total minority enrollment of 80 percent or above. However, only 120,595, or 19.6 percent, of the total State enrollment of Spanish Americans, are actually in schools that are 80 percent to 100 percent minority segregated.

Let us analyze Los Angeles, the largest city in California, where the numbers of Spanish Americans and Negroes are about equal.

According to HEW's IBM data for 1968, there was a total enrollment of 653,549 students in 591 schools. The total white student enrollment was 350,909, or 53.7 percent of total enrollment, and there were 147,738 Negro students, or 22.6 percent of the total; 130,450, or 20 percent, Spanish-American students; and a total of other minorities of 24,452, or 3.8 percent.

There are 22 schools with total enrollment of 23,493 which are 100 percent minority segregated. In these 22 schools there are 22,717 Negroes, or 15.3 percent of the city's total Negro enrollment; 737, or 0.5 percent of the total Spanish American enrollment; 36 students of other minorities; and two white students.

There are 48 schools with a total enrollment of 65,877, which are 99 percent to 99.9 percent minority segregated; 54,330 Negro students, or 36.7 percent of the city's total Negro student enrollment, attend these 48 schools along with 10,321 Spanish-American students, 7.9 percent of the city's total Spanish-American enrollment; 831, or 3.6 percent of the city's total of other minority group students; and 345 white students, or 0.098 percent of the city's total white student enrollment. There are another 26 schools with a total enrollment of 34,725, which are 98 percent to 98.9 percent minority segregated. This enrollment consists of 23,995 Negro students, or 16.2 percent of the city's total Negro enrollment; 9,169 Spanish-American students, or 7 percent of the city's total Spanish-American enrollment; 1,048 students of other minority groups, or 4.2 percent of the city's total of other minority group enrollment; and 511 white students, or 0.1 percent of the city's total white student enrollment.

To recap, there are 96 schools in Los Angeles where the minority enrollment is 98 percent to 100 percent of the total enrollment in these schools—124,095—which is 19 percent of the total enrollment of all the city's schools. In these 96 schools that are 98 percent to 100 percent minority segregated, there are 101,043 Negro students, or 68 percent of all Negro students enrolled in the city's schools; 20,228, or 15.5 percent, of the city's total enrollment of Spanish-American students; 1,965 students of other minority groups, or 8.3 percent of the total enrollment of students of other minority groups; and 860 white students, or 0.2 percent of the city's total white student enrollment.

There are another 54 schools with an enrollment of 62,604, which are 90 percent to 98 percent minority segregated, and which are attended by: 21,636 Negro students, or 14.6 percent of the city's total Negro student enrollment; 26 percent of the city's total Spanish American enrollment; 16.6 percent of the city's total enrollment of other minority group students; and 0.8 percent of the city's total white enrollment. In other words, there are 150 schools that are 90 percent to 100 percent minority segregated, where 122,678 Negroes, or 83 percent of the city's total Negro enrollment, attend. There are another 29 schools with 80 percent to 90 percent minority enrollment, where the total enrollment of 29,433 is made up of 7,594 Negroes, 14,871 Spanish Americans, 2,572 students of other minority groups, and 4,396 white students.

To recap, there are 179 schools in Los Angeles that are 80 percent to 100 percent minority segregated, with an aggregate enrollment of 216,132, or 33 percent of the city's total enrollment, composed of 130,272 Negro students, or 88.1 percent of the city's total Negro enrollment; 69,088, or 52.9 percent, of the city's total Spanish American enrollment; 8,608 students of other minority groups, or 35 percent of the city's total enrollment of other minority groups, and 8,164 white students, or 2.3 percent of the city's total white student enrollment.

Of the city's total white student enrollment, only 27,037, or 7.7 percent of the city's total white enrollment, are attending schools that have 50 percent to 100 percent minority student enrollment. The total Spanish American students in the 50 percent to 100 percent minority student enrollment schools is 87,750, or 67.2 percent of the city's total Spanish American enrollment, and 69,088 of these are in schools from 80 percent to 100 percent minority segregated, and 18,662 are in schools where the minority enrollment is 50 percent to 80 percent.

In taking a look at the white majority schools, there are 77 such schools that have no Negroes at all enrolled and another 82 which have either one or two Negroes enrolled in each school.

A similar analysis could be made in any number of other school districts in California. For example:

In Oakland, which has a total enrollment of 64,105, 30.9 percent of which are white; 8.2 percent are Spanish American; and 55.2 percent, or 35,386, are Negro, there are 39 schools with 27,292 Negro students, or 77.1 percent of the city's total Negro student enrollment, which are minority segregated between 80 and 100 percent. Three of these schools are 100-percent minority segregated; 10 are from 99- to 99.7-percent minority; 16 are 90- to 99-percent minority; and 10 are 80- to 90-percent minority segregated.

In Fresno, where the Negro student enrollment of 5,251 is only 9 percent of the city's total enrollment, 4,023, or 76.6 percent, of the city's total Negro enrollment are in eight schools along with 1,261 Spanish Americans, that are 93.9- to 100-percent minority segregated.

San Francisco, with a total school enrollment of 94,154, of which 41.2 percent are white; 27.5 percent are Negro; 18.1 percent are oriental; and 13 percent are Spanish American, has seven schools where the Negro enrollment is 99 to 100 percent, and 29 schools where the minority enrollment is 90 to 100 percent.

Richmond, Calif., which has a total enrollment of 43,123, of which 67.6 percent are white; 24.2 percent are Negro; 5.2 percent are Spanish American; and 2.9 percent are oriental, and 0.1 percent are American Indians, has five schools with a total enrollment of 3,856, which are attended by 3,627 Negroes, or 34.8 percent of the city's total Negro enrollment, and which are 95- to 100-percent minority segregated.

I ask unanimous consent that information relating to California be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

CALIFORNIA STATE TOTAL

[Number of districts: 511. Representing: 725. Number of schools: 6,098. Representing: 6,600]

| | American Indian | Negro | Oriental | Spanish American | Minority total | Others | Total |
|---|---|---|---|---|---|---|---|
| Students | 12,472 | 382,525 | 103,547 | 613,074 | 1,111,618 | 3,172,686 | 4,284,304 |
| Representing | 13,986 | 387,978 | 105,656 | 646,282 | 1,153,903 | 3,323,478 | 4,477,381 |
| Teachers | 182 | 7,684 | 3,499 | 3,585 | 14,950 | 149,444 | 164,394 |
| Representing | 192 | 7,798 | 3,567 | 3,769 | 15,325 | 156,948 | 172,263 |

CALIFORNIA STATE TOTAL

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT

DISTRICT: SAN FRANCISCO UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 156. REPRESENTING: 156. CITY: SAN FRANCISCO. COUNTY: 38. ASSURANCE: 441

| | Students— | | | | | | | | Teachers— | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| School | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | To |
| Number | 171 | 25,923 | 17,019 | 12,217 | 55,330 | 38,824 | 94,154 | | 0 | 322 | 267 | 80 | 669 | 3,553 | 4,222 |
| Percent | 0.2 | 27.5 | 18.1 | 13.0 | 58.8 | 41.2 | 100.0 | | 0.0 | 7.6 | 6.3 | 1.9 | 15.8 | 84.2 | 100.0 |
| Northridge Childrens Center (23) | 0 | 26 | 0 | 0 | 26 | 0 | 26 | (100.0) | 0 | 5 | 0 | 0 | 5 | 1 | 6 |
| Hunters Point 2 Annex (101) | 0 | 44 | 0 | 0 | 44 | 0 | 44 | (100.0) | 0 | 1 | 0 | 0 | 1 | 1 | 2 |
| Westside Childrens Center (29) | 0 | 40 | 0 | 0 | 40 | 0 | 40 | (100.0) | 0 | 2 | 1 | 0 | 3 | 2 | 5 |
| Burnett (65) | 5 | 495 | 11 | 28 | 539 | 4 | 543 | (99.3) | 0 | 6 | 0 | 0 | 6 | 16 | 22 |
| Golden Gate (93) | 0 | 608 | 19 | 0 | 627 | 5 | 632 | (99.2) | 0 | 7 | 4 | 1 | 12 | 25 | 37 |
| I. M. Scott (103) | 2 | 104 | 2 | 16 | 124 | 1 | 125 | (99.2) | 0 | 4 | 0 | 0 | 4 | 2 | 6 |
| Hunters Point (102) | 0 | 259 | 0 | 2 | 261 | 3 | 264 | (98.9) | 0 | 1 | 1 | 0 | 2 | 9 | 11 |
| Commodore Stockton Annex 2 (73) | 0 | 2 | 282 | 0 | 284 | 5 | 289 | (98.3) | 0 | 1 | 2 | 0 | 3 | 4 | 7 |
| Benjamin Franklin Junior High (43) | 0 | 781 | 49 | 10 | 840 | 15 | 855 | (98.2) | 0 | 11 | 0 | 1 | 12 | 48 | 60 |
| Commodore Stockton (72) | 0 | 7 | 865 | 1 | 873 | 18 | 891 | (98.0) | 0 | 0 | 8 | 0 | 8 | 27 | 35 |
| Jean Parker (104) | 0 | 2 | 588 | 10 | 600 | 13 | 613 | (97.9) | 0 | 0 | 7 | 0 | 7 | 14 | 21 |
| Sir Francis Drake and Sir Francis Drake Annex (141) | 0 | 744 | 0 | 11 | 755 | 21 | 776 | (97.3) | 0 | 3 | 7 | 1 | 11 | 25 | 36 |
| Jedediah Smith (105) | 0 | 432 | 5 | 3 | 440 | 13 | 453 | (97.1) | 0 | 8 | 3 | 0 | 11 | 11 | 22 |
| Ortega (128) | 0 | 518 | 16 | 11 | 545 | 17 | 562 | (97.0) | 0 | 3 | 1 | 0 | 4 | 20 | 24 |
| Raphael Weill Children's Center (26) | 0 | 26 | 0 | 1 | 27 | 1 | 28 | (96.4) | 0 | 3 | 0 | 1 | 4 | 4 | 8 |
| Jedediah Smith Annex (106) | 1 | 237 | 0 | 4 | 242 | 10 | 252 | (96.0) | 0 | 2 | 1 | 0 | 3 | 9 | 12 |
| Anza (59) | 2 | 420 | 21 | 3 | 446 | 20 | 466 | (95.7) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Bay View (61) | 0 | 530 | 24 | 12 | 566 | 28 | 594 | (95.3) | 0 | 6 | 1 | 0 | 7 | 18 | 25 |
| Sheridan (139) | 0 | 545 | 14 | 26 | 585 | 31 | 616 | (95.0) | 0 | 2 | 0 | 0 | 2 | 22 | 24 |
| Pelton Junior High (52) | 1 | 1,000 | 12 | 41 | 1,054 | 60 | 1,114 | (94.6) | 0 | 8 | 4 | 2 | 14 | 57 | 71 |
| John Muir (109) | 4 | 740 | 17 | 22 | 783 | 45 | 828 | (94.6) | 0 | 9 | 4 | 0 | 13 | 28 | 41 |
| Brete Harte (63) | 0 | 500 | 15 | 16 | 531 | 31 | 562 | (94.5) | 0 | 5 | 2 | 1 | 8 | 15 | 23 |
| Spring Valley (142) | 0 | 4 | 618 | 4 | 626 | 39 | 665 | (94.1) | 0 | 0 | 5 | 0 | 5 | 20 | 25 |
| Hunters Point I (100) | 3 | 131 | 0 | 0 | 134 | 9 | 143 | (93.7) | 0 | 0 | 2 | 0 | 2 | 2 | 4 |
| John Swett (110) | 1 | 326 | 14 | 7 | 348 | 29 | 377 | (92.3) | 0 | 3 | 3 | 0 | 6 | 11 | 17 |
| Commodore Stockton Children's Center (14) | 0 | 1 | 33 | 0 | 34 | 3 | 37 | (91.9) | 0 | 2 | 2 | 0 | 4 | 7 | 11 |
| Emerson (82) | 0 | 320 | 16 | 6 | 342 | 32 | 374 | (91.4) | 0 | 2 | 1 | 0 | 3 | 14 | 17 |
| Laguna-Golden Gate Children's Center (21) | 0 | 20 | 0 | 0 | 20 | 2 | 22 | (90.9) | 0 | 1 | 0 | 0 | 1 | 5 | 6 |
| Gough-Page Children's Center (19) | 0 | 42 | 1 | 6 | 49 | 5 | 54 | (90.7) | 0 | 3 | 1 | 0 | 4 | 6 | 10 |
| Andrew Jackson (58) | 1 | 336 | 47 | 14 | 398 | 45 | 443 | (89.8) | 0 | 3 | 1 | 0 | 4 | 11 | 15 |
| Fremont (88) | 0 | 342 | 20 | 33 | 395 | 50 | 445 | (88.8) | 0 | 4 | 3 | 0 | 7 | 12 | 19 |
| Guidance Service Centers (9) | 0 | 73 | 1 | 3 | 77 | 11 | 88 | (87.5) | 0 | 1 | 2 | 0 | 3 | 12 | 15 |
| Starr King (143) | 0 | 432 | 5 | 69 | 506 | 73 | 579 | (87.4) | 0 | 3 | 4 | 0 | 7 | 19 | 26 |
| Farragut (85) | 0 | 384 | 38 | 23 | 445 | 75 | 520 | (85.6) | 0 | 1 | 0 | 1 | 2 | 16 | 18 |
| Garfield (89) | 0 | 0 | 419 | 7 | 426 | 72 | 498 | (85.5) | 0 | 2 | 5 | 0 | 7 | 14 | 21 |
| Raphael Weill (135) | 2 | 506 | 81 | 5 | 594 | 117 | 711 | (83.5) | 0 | 9 | 1 | 0 | 10 | 25 | 35 |
| Dudley Stone (78) | 10 | 492 | 50 | 23 | 575 | 120 | 695 | (82.7) | 0 | 3 | 1 | 0 | 4 | 24 | 28 |
| Hawthorne (98) | 3 | 34 | 38 | 547 | 622 | 140 | 762 | (81.6) | 0 | 1 | 1 | 1 | 3 | 29 | 32 |
| Sunnydale Children's Center (28) | 0 | 22 | 0 | 0 | 22 | 5 | 27 | (81.5) | 0 | 3 | 0 | 0 | 3 | 5 | 8 |
| McKinley (124) | 0 | 412 | 82 | 64 | 558 | 127 | 685 | (81.5) | 0 | 3 | 4 | 0 | 7 | 18 | 25 |
| Bessie Carmichael (62) | 0 | 95 | 153 | 106 | 354 | 85 | 439 | (80.6) | 0 | 4 | 3 | 1 | 8 | 13 | 21 |
| Francisco Junior High (45) | 1 | 47 | 793 | 30 | 871 | 210 | 1,081 | (80.6) | 0 | 2 | 10 | 3 | 15 | 46 | 61 |
| Hidden Valley (5) | 0 | 44 | 2 | 3 | 49 | 13 | 62 | (79.0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Lincoln (118) | 0 | 68 | 29 | 5 | 102 | 28 | 130 | (78.5) | 0 | 1 | 0 | 0 | 1 | 5 | 6 |
| Samuel Gompers High School | 0 | 127 | 163 | 158 | 448 | 123 | 571 | (78.5) | 0 | 2 | 4 | 2 | 8 | 30 | 38 |
| Marshall Annex (123) | 1 | 72 | 47 | 237 | 357 | 101 | 458 | (77.9) | 0 | 2 | 2 | 0 | 4 | 17 | 21 |
| Marshall (122) | 3 | 94 | 53 | 234 | 384 | 109 | 493 | (77.9) | 0 | 1 | 0 | 3 | 4 | 19 | 23 |
| Washington Irving (152) | 2 | 10 | 236 | 5 | 253 | 76 | 329 | (76.9) | 0 | 0 | 5 | 0 | 5 | 10 | 15 |
| Corbett (74) | 0 | 71 | 40 | 52 | 163 | 49 | 212 | (76.9) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Everett Junior High (44) | 3 | 742 | 156 | 419 | 1,320 | 398 | 1,718 | (76.8) | 0 | 8 | 1 | 3 | 12 | 77 | 89 |
| Galileo High (33) | 0 | 346 | 1,627 | 130 | 2,103 | 644 | 2,747 | (76.6) | 0 | 4 | 7 | 2 | 13 | 114 | 127 |
| Hancock (97) | 1 | 73 | 205 | 27 | 306 | 97 | 403 | (75.9) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Commodore Stockton Annex, Childrens Center (15) | 0 | 0 | 22 | 0 | 22 | 7 | 29 | (75.9) | 0 | 2 | 1 | 0 | 3 | 1 | 4 |
| Horace Mann Junior High (47) | 5 | 220 | 61 | 704 | 990 | 333 | 1,323 | (74.8) | 0 | 2 | 2 | 3 | 7 | | 64 |
| Potrero Terrace Childrens Center (25) | 0 | 22 | 1 | 0 | 23 | 8 | 31 | (74.2) | 0 | 3 | 0 | 0 | 3 | 4 | 7 |
| Paul Revere (131) | 0 | 175 | 89 | 192 | 456 | 167 | 623 | (73.2) | 0 | 2 | 1 | 1 | 4 | 15 | 19 |
| Bryant (64) | 4 | 54 | 23 | 285 | 366 | 136 | 502 | (72.9) | 0 | 1 | 1 | 0 | 2 | 17 | 19 |
| Candlestick Cover (67) | 0 | 157 | 21 | 25 | 203 | 80 | 283 | (71.7) | 0 | 0 | 1 | 0 | 1 | 11 | 12 |
| Marina Junior High (51) | 1 | 71 | 1,130 | 39 | 1,241 | 493 | 1,734 | (71.6) | 0 | 2 | 6 | 1 | 9 | 78 | 87 |
| John McLaren (108) | 15 | 446 | 38 | 85 | 584 | 239 | 823 | (71.0) | 0 | 3 | 2 | 2 | 7 | 26 | 33 |
| Daniel Webster (75) | 2 | 247 | 30 | 73 | 352 | 147 | 499 | (70.5) | 0 | 4 | 3 | 1 | 8 | 15 | 23 |
| Gough (1) | 0 | 16 | 6 | 10 | 32 | 14 | 46 | (69.6) | 0 | 0 | 0 | 1 | 1 | 5 | 6 |
| Youth Guidance Center (6) | 1 | 118 | 7 | 30 | 156 | 70 | 226 | (69.0) | 0 | 1 | 1 | 0 | 2 | 11 | 13 |
| Log Cabin (4) | 0 | 46 | 3 | 8 | 57 | 26 | 83 | (68.7) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Polytechnic High (37) | 1 | 938 | 75 | 140 | 1,154 | 540 | 1,694 | (68.1) | 0 | 5 | 3 | 1 | 9 | 74 | 83 |
| S. B. Cooper (138) | 0 | 35 | 210 | 11 | 256 | 120 | 376 | (68.1) | 0 | 0 | 4 | 0 | 4 | 11 | 15 |
| Portola Junior High (53) | 0 | 536 | 92 | 137 | 765 | 362 | 1,127 | (67.9) | 0 | 13 | 6 | 0 | 19 | 45 | 64 |
| James Denman Junior High (48) | 0 | 688 | 56 | 166 | 910 | 437 | 1,347 | (67.6) | 0 | 6 | 3 | 0 | 9 | 55 | 64 |
| Visitacion Valley Annex (151) | 0 | 82 | 25 | 19 | 126 | 61 | 187 | (67.4) | 0 | 1 | 1 | 0 | 2 | 4 | 6 |
| Development Center for Handicapped Children (8) | 0 | 20 | 3 | 14 | 37 | 18 | 55 | (67.3) | 0 | 2 | 1 | 0 | 3 | 4 | 7 |
| San Miguel (137) | 1 | 344 | 46 | 96 | 487 | 237 | 724 | (67.3) | 0 | 4 | 1 | 0 | 5 | 17 | 22 |
| Visitacion Valley Junior High (56) | 0 | 148 | 24 | 52 | 224 | 113 | 337 | (66.5) | 0 | 1 | 2 | 1 | 4 | 17 | 21 |
| Le Conte (117) | 2 | 120 | 77 | 373 | 572 | 290 | 862 | (66.4) | 0 | 2 | 3 | 0 | 5 | 23 | 28 |
| Mission High (36) | 5 | 487 | 176 | 784 | 1,452 | 755 | 2,207 | (65.8) | 0 | 6 | 10 | 4 | 20 | 95 | 115 |
| Woodrow Wilson High (38) | 0 | 973 | 62 | 235 | 1,270 | 695 | 1,965 | (64.6) | 0 | 3 | 4 | 0 | 7 | 83 | 90 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SAN FRANCISCO UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 156. REPRESENTING: 156. CITY: SAN FRANCISCO. COUNTY: 38. ASSURANCE: 441—Con.

| School | Students— | | | | | | | Weight: 1.0 | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Page-Broderick Children's Center (24) | 0 | 39 | 0 | 1 | 40 | 22 | 62 | (64.5) | 0 | 3 | 0 | 0 | 3 | 6 | 9 |
| Candlestick Cove Children's Center (13) | 0 | 14 | 0 | 0 | 14 | 8 | 22 | (63.6) | 0 | 1 | 0 | 1 | 2 | 3 | 5 |
| Roosevelt Junior High (55) | 2 | 299 | 282 | 42 | 625 | 387 | 1,012 | (61.8) | 0 | 3 | 3 | 0 | 6 | 44 | 50 |
| Sanchez (136) | 2 | 62 | 118 | 342 | 524 | 331 | 855 | (61.3) | 0 | 3 | 4 | 2 | 9 | 23 | 32 |
| Frank McCoppin (87) | 2 | 53 | 253 | 22 | 330 | 211 | 541 | (61.0) | 0 | 0 | 2 | 0 | 2 | 15 | 17 |
| Mission Children's Center (22) | 1 | 8 | 2 | 21 | 32 | 21 | 53 | (60.4) | 0 | 0 | 1 | 1 | 2 | 8 | 10 |
| Grattan (95) | 1 | 231 | 40 | 22 | 294 | 195 | 489 | (60.1) | 0 | 2 | 3 | 1 | 6 | 10 | 16 |
| Redding (134) | 3 | 46 | 186 | 22 | 257 | 173 | 430 | (59.8) | 0 | 0 | 4 | 0 | 4 | 12 | 16 |
| Junipero Serra (111) | 0 | 65 | 43 | 208 | 316 | 215 | 531 | (59.5) | 0 | 2 | 2 | 0 | 4 | 14 | 18 |
| Homebound (10) | 0 | 124 | 20 | 17 | 161 | 112 | 273 | (59.0) | 0 | 4 | 0 | 1 | 5 | 34 | 39 |
| Sunshine-Orthopedic (3) | 0 | 50 | 29 | 20 | 99 | 71 | 170 | (58.2) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Excelsior (83) | 0 | 29 | 26 | 147 | 202 | 146 | 348 | (58.0) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Sherman (140) | 0 | 52 | 294 | 109 | 455 | 334 | 789 | (57.7) | 0 | 0 | 3 | 0 | 3 | 26 | 29 |
| Argonne (60) | 0 | 22 | 284 | 21 | 327 | 247 | 574 | (57.0) | 0 | 1 | 3 | 0 | 4 | 15 | 19 |
| El Dorado (81) | 0 | 58 | 20 | 34 | 112 | 86 | 198 | (56.6) | 0 | 1 | 0 | 0 | 1 | 5 | 6 |
| Fairmount (84) | 1 | 60 | 86 | 327 | 474 | 366 | 840 | (56.4) | 0 | 0 | 4 | 0 | 4 | 27 | 31 |
| Longfellow (119) | 2 | 43 | 109 | 213 | 367 | 297 | 664 | (55.3) | 0 | 1 | 1 | 0 | 2 | 18 | 20 |
| Excelsior Children's Center (17) | 0 | 8 | 1 | 4 | 13 | 11 | 24 | (54.2) | 0 | 4 | 0 | 0 | 4 | 5 | 9 |
| Louise M. Lombard (2) | 0 | 23 | 26 | 24 | 73 | 66 | 139 | (52.5) | 0 | 1 | 0 | 1 | 2 | 12 | 14 |
| Cabrillo (66) | 0 | 15 | 198 | 20 | 233 | 211 | 444 | (52.5) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Sarah B Cooper (27) | 0 | 2 | 7 | 3 | 12 | 11 | 23 | (52.2) | 0 | 1 | 1 | 0 | 2 | 6 | 8 |
| Visitacion Valley (150) | 3 | 226 | 132 | 116 | 477 | 447 | 924 | (51.6) | 0 | 4 | 2 | 0 | 6 | 26 | 32 |
| George Peabody (91) | 0 | 46 | 117 | 31 | 194 | 189 | 383 | (50.7) | 0 | 1 | 0 | 2 | 3 | 11 | 14 |
| Balboa High (32) | 1 | 655 | 108 | 441 | 1,205 | 1,189 | 2,394 | (50.3) | 0 | 4 | 3 | 2 | 9 | 101 | 110 |
| Diamond Heights (76) | 0 | 102 | 90 | 109 | 301 | 303 | 604 | (49.8) | 0 | 1 | 0 | 1 | 2 | 18 | 20 |
| George Washington High (34) | 3 | 389 | 883 | 120 | 1,395 | 1,421 | 2,816 | (49.5) | 0 | 0 | 3 | 2 | 5 | 122 | 127 |
| Patrick Henry (130) | 5 | 46 | 18 | 172 | 241 | 256 | 497 | (48.5) | 0 | 1 | 1 | 0 | 2 | 15 | 17 |
| Sunnyside (144) | 4 | 91 | 52 | 107 | 251 | 268 | 519 | (48.4) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Geary (90) | 3 | 29 | 48 | 11 | 91 | 100 | 191 | (47.6) | 0 | 0 | 1 | 1 | 2 | 5 | 7 |
| Luther Burbank Junior High (50) | 2 | 349 | 153 | 359 | 863 | 956 | 1,819 | (47.4) | 0 | 8 | 2 | 3 | 13 | 70 | 83 |
| Lafayette (113) | 0 | 56 | 300 | 29 | 385 | 436 | 821 | (46.9) | 0 | 1 | 3 | 0 | 4 | 24 | 28 |
| Hillcrest (99) | 4 | 54 | 98 | 136 | 292 | 334 | 626 | (46.6) | 0 | 1 | 1 | 0 | 2 | 21 | 23 |
| James Lick Junior High (49) | 2 | 61 | 74 | 416 | 553 | 671 | 1,224 | (45.2) | 0 | 3 | 1 | 5 | 9 | 50 | 59 |
| Presidio Junior High (54) | 0 | 109 | 556 | 68 | 733 | 902 | 1,635 | (44.8) | 0 | 4 | 3 | 2 | 9 | 62 | 71 |
| Edison (79) | 5 | 33 | 81 | 312 | 431 | 537 | 968 | (44.5) | 0 | 0 | 5 | 0 | 5 | 27 | 32 |
| Monroe (126) | 0 | 47 | 74 | 221 | 342 | 432 | 774 | (44.2) | 0 | 1 | 2 | 0 | 3 | 23 | 26 |
| Sutro Annex (146) | 1 | 3 | 39 | 3 | 46 | 61 | 107 | (43.0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| E. R. Taylor (80) | 0 | 182 | 68 | 123 | 373 | 496 | 869 | (42.9) | 0 | 0 | 2 | 0 | 2 | 27 | 29 |
| Aguna Honda (114) | 0 | 55 | 77 | 39 | 171 | 231 | 402 | (42.5) | 0 | 1 | 0 | 1 | 2 | 12 | 14 |
| John O'Connell High (40) | 2 | 68 | 10 | 140 | 220 | 300 | 520 | (42.3) | 0 | 3 | 1 | 0 | 4 | 48 | 52 |
| Cleveland (69) | 9 | 41 | 58 | 110 | 218 | 319 | 537 | (40.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Lowell High (35) | 2 | 99 | 745 | 110 | 956 | 1,512 | 2,468 | (38.7) | 0 | 3 | 0 | 4 | 7 | 98 | 105 |
| Aptos Junior High (42) | 1 | 364 | 72 | 70 | 507 | 857 | 1,364 | (37.2) | 0 | 4 | 3 | 1 | 8 | 54 | 62 |
| Glen Park (92) | 1 | 40 | 50 | 104 | 195 | 333 | 528 | (36.9) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| Guadalupe (96) | 4 | 17 | 56 | 124 | 201 | 372 | 573 | (35.1) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Mark Twain (121) | 0 | 37 | 70 | 30 | 137 | 257 | 394 | (34.8) | 0 | 1 | 1 | 0 | 2 | 11 | 13 |
| Kate Kennedy (112) | 2 | 20 | 9 | 91 | 122 | 229 | 351 | (34.8) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Sutro (145) | 1 | 28 | 96 | 4 | 129 | 245 | 374 | (34.5) | 0 | 0 | 1 | 0 | 1 | 13 | 14 |
| Columbus (70) | 3 | 10 | 78 | 38 | 129 | 248 | 377 | (34.2) | 0 | 1 | 0 | 0 | 1 | 12 | 13 |
| Alamo (156) | 0 | 54 | 156 | 39 | 249 | 504 | 753 | (33.1) | 0 | 0 | 5 | 2 | 7 | 17 | 24 |
| Residential Centers (11) | 2 | 24 | 4 | 19 | 49 | 104 | 153 | (32.0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Alvarado (57) | 4 | 42 | 45 | 132 | 223 | 485 | 708 | (31.5) | 0 | 1 | 0 | 0 | 1 | 27 | 28 |
| Yerba Buena (155) | 0 | 64 | 26 | 11 | 101 | 222 | 323 | (31.3) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Jefferson (107) | 0 | 49 | 101 | 17 | 167 | 382 | 549 | (30.4) | 0 | 1 | 1 | 0 | 2 | 16 | 18 |
| Lakeshore (115) | 1 | 18 | 24 | 74 | 117 | 270 | 387 | (30.2) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Noriega Home (127) | 0 | 24 | 31 | 12 | 67 | 157 | 224 | (29.9) | 0 | 1 | 0 | 0 | 1 | 7 | 8 |
| Twin Peaks (148) | 0 | 31 | 23 | 10 | 64 | 151 | 215 | (29.8) | 0 | 1 | 0 | 0 | 1 | 7 | 8 |
| Lawton (116) | 1 | 84 | 81 | 15 | 181 | 428 | 609 | (29.7) | 0 | 1 | 3 | 0 | 4 | 22 | 26 |
| Douglas (77) | 0 | 9 | 23 | 61 | 93 | 222 | 315 | (29.5) | 0 | 1 | 2 | 1 | 4 | 7 | 11 |
| R. L. Stevenson (135) | 0 | 9 | 45 | 88 | 142 | 344 | 486 | (29.2) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Commodore Sloat (71) | 0 | 170 | 34 | 30 | 234 | 590 | 824 | (28.4) | 0 | 1 | 0 | 0 | 1 | 28 | 29 |
| Francis Scott Key (86) | 1 | 49 | 101 | 45 | 196 | 506 | 702 | (27.9) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Herbert Hoover Junior High (46) | 0 | 211 | 164 | 60 | 435 | 1,137 | 1,572 | (27.7) | 0 | 2 | 2 | 3 | 7 | 65 | 72 |
| Winfield Scott (154) | 3 | 95 | 25 | 12 | 135 | 355 | 490 | (27.6) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| Grant (94) | 1 | 91 | 27 | 14 | 133 | 380 | 513 | (25.9) | 0 | 0 | 1 | 0 | 1 | 18 | 19 |
| Ulloa (149) | 1 | 34 | 70 | 36 | 141 | 404 | 545 | (25.9) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| A. P. Giannini Junior High (41) | 2 | 176 | 133 | 79 | 390 | 1,146 | 1,536 | (25.4) | 0 | 3 | 3 | 2 | 8 | 66 | 74 |
| Miraloma (125) | 0 | 71 | 46 | 18 | 135 | 400 | 535 | (25.2) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Parkside (129) | 0 | 6 | 58 | 74 | 138 | 425 | 563 | (24.5) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Yerba Buena Children's Center (30) | 0 | 5 | 3 | 1 | 9 | 28 | 37 | (24.3) | 0 | 3 | 1 | 0 | 4 | 6 | 10 |
| Madison (120) | 0 | 30 | 82 | 1 | 113 | 365 | 478 | (23.6) | 0 | 1 | 1 | 0 | 2 | 15 | 17 |
| Argonne Children's Center (12) | 0 | 2 | 0 | 3 | 5 | 18 | 23 | (21.7) | 0 | 0 | 2 | 0 | 2 | 3 | 5 |
| Abraham Lincoln High (31) | 3 | 284 | 145 | 96 | 528 | 2,117 | 2,645 | (20.0) | 0 | 4 | 3 | 2 | 9 | 112 | 121 |

DISTRICT: LODI UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 27. REPRESENTING: 27. CITY: LODI. COUNTY: 39. SAN JOAQUIN

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 22 | 18 | 381 | 1,251 | 1,672 | 10,180 | 11,852 | | 0 | 1 | 2 | 4 | 7 | 455 | 462 |
| Percent | 0.2 | 0.2 | 3.2 | 10.6 | 14.1 | 85.9 | 100.0 | | 0.0 | 0.2 | 0.4 | 0.9 | 1.5 | 98.5 | 100.0 |
| J. A. Terminous (22) | 0 | 0 | 0 | 39 | 39 | 6 | 45 | (86.7) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Venice-Mandeville (25) | 0 | 0 | 0 | 19 | 19 | 7 | 26 | (73.1) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Houston (9) | 0 | 0 | 34 | 186 | 220 | 205 | 425 | (51.8) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Turner-Ray (23) | 0 | 0 | 6 | 55 | 61 | 118 | 179 | (34.1) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Alpine-Bruella-Victor (1) | 0 | 0 | 10 | 90 | 100 | 194 | 294 | (34.0) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Edison Children's Center (16) | 0 | 3 | 1 | 6 | 10 | 41 | 51 | (19.6) | 0 | 2 | 0 | 0 | 2 | 7 | 9 |
| Francis Scott Key Children's Center (18) | 0 | 3 | 1 | 2 | 6 | 25 | 31 | (19.4) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| Jefferson Children's Center (20) | 0 | 3 | 1 | 2 | 6 | 26 | 32 | (18.8) | 0 | 0 | 1 | 0 | 1 | 5 | 6 |
| Treasure Isl & Treasure Island Annex (147) | 0 | 28 | 20 | 26 | 84 | 367 | 451 | (18.6) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Clarendon (68) | 0 | 12 | 38 | 31 | 81 | 355 | 436 | (18.6) | 0 | 0 | 3 | 0 | 3 | 13 | 16 |
| Children's San Fran Shriners Hospital (7) | 0 | 4 | 1 | 6 | 11 | 49 | 60 | (18.3) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| P. A. Hearst Home (132) | 0 | 3 | 19 | 5 | 27 | 128 | 155 | (17.4) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| West Portal (153) | 0 | 6 | 61 | 27 | 94 | 695 | 789 | (11.9) | 0 | 0 | 2 | 1 | 3 | 23 | 26 |
| Harmony Grove Tokay Colony (7) | 0 | 4 | 2 | 95 | 101 | 210 | 311 | (32.5) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Henderson (8) | 0 | 0 | 10 | 39 | 49 | 103 | 152 | (32.2) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Woodbridge (27) | 0 | 1 | 9 | 118 | 128 | 377 | 505 | (25.3) | 0 | 0 | 0 | 1 | 1 | 15 | 16 |
| Live Oak (13) | 0 | 1 | 8 | 86 | 95 | 301 | 396 | (24.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Venice-King (24) | 0 | 0 | 0 | 3 | 3 | 11 | 14 | (21.4) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Elkhorn (3) | 0 | 1 | 7 | 15 | 23 | 112 | 135 | (17.0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Morada Middle (19) | 0 | 3 | 15 | 34 | 52 | 284 | 336 | (15.5) | 0 | 0 | 0 | 1 | 1 | 11 | 12 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: LODI UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 27. REPRESENTING: 27. CITY: LODI. COUNTY: 39. SAN JOAQUIN—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Lincoln Elementary (12) | 2 | 0 | 10 | 23 | 35 | 208 | 243 | (14.4) | 0 | 0 | 0 | 0 | 0 | 7 | 6 |
| Lakewood Elementary (10) | 1 | 0 | 13 | 46 | 60 | 436 | 496 | (12.1) | 0 | 0 | 0 | 0 | 0 | 16 | 13 |
| North Campus Continuation (21) | 0 | 0 | 0 | 2 | 2 | 15 | 17 | (11.8) | 0 | 0 | 0 | 0 | 0 | 3 | 9 |
| Leroy Nichols (14) | 0 | 1 | 14 | 47 | 62 | 466 | 528 | (11.7) | 0 | 0 | 0 | 0 | 0 | 19 | 16 |
| Needham Elementary (20) | 6 | 0 | 23 | 25 | 54 | 419 | 473 | (11.4) | 0 | 0 | 1 | 0 | 1 | 15 | 19 |
| Lodi Senior Elementary (18) | 0 | 0 | 49 | 62 | 111 | 872 | 983 | (11.3) | 0 | 0 | 0 | 0 | 0 | 39 | 31 |
| Lockeford-Clements (15) | 0 | 0 | 0 | 34 | 34 | 285 | 319 | (10.7) | 0 | 0 | 0 | 0 | 0 | 11 | 14 |
| Lodi High, East Campus (16) | 0 | 3 | 63 | 84 | 150 | 1,449 | 1,599 | (9.4) | 0 | 1 | 0 | 0 | 1 | 83 | 81 |
| George Washington (6) | 9 | 0 | 14 | 29 | 52 | 548 | 600 | (8.7) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Garfield Elementary (5) | 4 | 0 | 6 | 20 | 30 | 331 | 361 | (8.3) | 0 | 0 | 0 | 0 | 0 | 11 | 18 |
| Davis Elementary (2) | 0 | 1 | 16 | 28 | 45 | 530 | 575 | (7.8) | 0 | 0 | 0 | 0 | 0 | 18 | 16 |
| Lodi High, west campus (17) | 0 | 3 | 48 | 52 | 103 | 1,735 | 1,838 | (5.6) | 0 | 0 | 1 | 2 | 3 | 83 | 87 |
| Erma B. Reese (4) | 0 | 0 | 16 | 11 | 27 | 513 | 540 | (5.0) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Lawrence (11) | 0 | 0 | 0 | 7 | 7 | 145 | 152 | (4.6) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Vinewood Elementary (26) | 0 | 0 | 8 | 2 | 10 | 300 | 310 | (3.2) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| DISTRICT: STOCKTON UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 43. REPRESENTING: 43. CITY: STOCKTON. COUNTY: 39 | | | | | | | | | | | | | | | |
| Number | 67 | 4,512 | 1,299 | 6,663 | 12,541 | 19,555 | 32,096 | | 0 | 73 | 47 | 50 | 170 | 1,155 | 1,325 |
| Percent | 0.2 | 14.1 | 4.0 | 20.8 | 39.1 | 60.9 | 100.0 | | 0.0 | 5.5 | 3.5 | 3.8 | 12.8 | 87.2 | 100.0 |
| Van Buren (30) | 0 | 446 | 1 | 207 | 654 | 55 | 709 | (92.2) | 0 | 6 | 2 | 2 | 10 | 19 | 29 |
| Taft (27) | 1 | 161 | 2 | 124 | 288 | 47 | 335 | (86.0) | 0 | 3 | 3 | 1 | 7 | 8 | 15 |
| Lafayette (18) | 0 | 29 | 72 | 95 | 196 | 45 | 241 | (81.3) | 0 | 1 | 1 | 0 | 2 | 8 | 10 |
| Garfield (9) | 1 | 315 | 4 | 176 | 496 | 122 | 618 | (80.3) | 0 | 2 | 1 | 0 | 3 | 26 | 29 |
| Washington (32) | 1 | 148 | 7 | 160 | 316 | 79 | 395 | (80.0) | 0 | 1 | 0 | 4 | 5 | 6 | 11 |
| Edison Senior High (41) | 2 | 603 | 194 | 638 | 1437 | 367 | 1804 | (79.7) | 0 | 5 | 2 | 4 | 11 | 77 | 88 |
| Fair Oaks (7) | 1 | 211 | 3 | 252 | 467 | 123 | 590 | (79.2) | 0 | 2 | 2 | 1 | 5 | 20 | 25 |
| Burbank (3) | 0 | 90 | 0 | 137 | 227 | 60 | 287 | (79.1) | 0 | 2 | 0 | 0 | 2 | 10 | 12 |
| Jackson (15) | 0 | 90 | 120 | 229 | 439 | 119 | 558 | (78.7) | 0 | 1 | 3 | 0 | 4 | 21 | 25 |
| McKinley (20) | 1 | 194 | 17 | 270 | 482 | 165 | 647 | (74.5) | 0 | 3 | 1 | 1 | 5 | 25 | 30 |
| Marshall Junior High (36) | 2 | 360 | 115 | 445 | 922 | 327 | 1249 | (73.8) | 0 | 7 | 1 | 1 | 9 | 47 | 56 |
| Monroe (21) | 1 | 175 | 7 | 160 | 343 | 125 | 468 | (73.3) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Taylor (28) | 2 | 236 | 9 | 382 | 629 | 239 | 868 | (72.5) | 0 | 3 | 2 | 1 | 6 | 32 | 38 |
| Nightingale (23) | 0 | 138 | 1 | 102 | 241 | 108 | 349 | (69.1) | 0 | 3 | 2 | 0 | 5 | 13 | 18 |
| Grant (10) | 2 | 43 | 13 | 111 | 169 | 91 | 260 | (65.0) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Hamilton Junior High (35) | 0 | 534 | 70 | 334 | 938 | 573 | 1,511 | (62.1) | 0 | 5 | 2 | 3 | 10 | 56 | 66 |
| Hazelton (13) | 0 | 45 | 28 | 173 | 246 | 154 | 400 | (61.5) | 0 | 0 | 2 | 2 | 4 | 10 | 14 |
| Continuation High (39) | 0 | 29 | 1 | 50 | 80 | 70 | 150 | (53.3) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Oxford Street (24) | 0 | 24 | 4 | 30 | 58 | 64 | 122 | (47.5) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Roosevelt (26) | 6 | 86 | 8 | 195 | 295 | 375 | 670 | (44.0) | 0 | 5 | 2 | 1 | 8 | 17 | 25 |
| Jefferson (16) | 2 | 16 | 3 | 158 | 179 | 257 | 436 | (41.1) | 0 | 2 | 1 | 0 | 3 | 19 | 22 |
| Franklin Senior High (42) | 5 | 261 | 24 | 458 | 748 | 1,158 | 1,906 | (39.2) | 0 | 2 | 0 | 5 | 7 | 72 | 79 |
| Fremont Junior High (34) | 4 | 128 | 17 | 332 | 481 | 922 | 1,403 | (34.3) | 0 | 3 | 0 | 7 | 10 | 54 | 64 |
| Schneider Vocational (40) | 0 | 20 | 7 | 58 | 85 | 214 | 299 | (28.4) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| August (2) | 0 | 0 | 2 | 130 | 132 | 447 | 579 | (22.8) | 0 | 0 | 1 | 1 | 2 | 20 | 22 |
| Fillmore (8) | 2 | 9 | 6 | 87 | 104 | 374 | 478 | (21.8) | 0 | 1 | 2 | 1 | 4 | 15 | 19 |
| Grunsky (11) | 1 | 0 | 1 | 65 | 67 | 288 | 355 | (18.9) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Harrison (12) | 0 | 2 | 7 | 42 | 51 | 253 | 304 | (16.8) | 0 | 1 | 2 | 0 | 3 | 8 | 11 |
| Montezuma (22) | 2 | 14 | 6 | 83 | 105 | 524 | 629 | (16.7) | 0 | 1 | 1 | 1 | 3 | 17 | 20 |
| El Dorado (5) | 4 | 15 | 38 | 92 | 149 | 765 | 914 | (16.3) | 0 | 0 | 1 | 0 | 1 | 28 | 29 |
| Tyler (29) | 1 | 4 | 30 | 68 | 103 | 542 | 645 | (16.0) | 0 | 0 | 1 | 0 | 1 | 21 | 22 |
| Victory (31) | 1 | 3 | 38 | 50 | 92 | 526 | 618 | (14.9) | 0 | 0 | 1 | 0 | 1 | 21 | 22 |
| Wilson (33) | 0 | 4 | 34 | 43 | 81 | 469 | 550 | (14.7) | 0 | 0 | 0 | 1 | 1 | 16 | 17 |
| Adams (1) | 1 | 2 | 26 | 48 | 77 | 454 | 531 | (14.5) | 0 | 0 | 2 | 0 | 2 | 21 | 23 |
| Elmwood (6) | 3 | 2 | 1 | 103 | 109 | 664 | 773 | (14.1) | 0 | 2 | 1 | 0 | 3 | 28 | 31 |
| Hoover (14) | 5 | 11 | 40 | 64 | 120 | 769 | 889 | (13.5) | 0 | 1 | 2 | 0 | 3 | 31 | 34 |
| Pulliam (25) | 0 | 7 | 14 | 35 | 56 | 386 | 442 | (12.7) | 0 | 2 | 1 | 1 | 4 | 14 | 18 |
| Stockton Junior High (37) | 2 | 20 | 57 | 115 | 194 | 1,425 | 1,619 | (12.0) | 0 | 1 | 0 | 8 | 9 | 59 | 68 |
| Stagg Senior High (43) | 11 | 13 | 135 | 164 | 323 | 2,526 | 2,849 | (11.3) | 0 | 3 | 1 | 4 | 8 | 109 | 117 |
| Madison (19) | 0 | 3 | 32 | 35 | 70 | 550 | 620 | (11.3) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Cleveland (4) | 0 | 4 | 9 | 39 | 52 | 422 | 474 | (11.0) | 0 | 1 | 2 | 0 | 3 | 17 | 20 |
| Webster Junior High (38) | 0 | 7 | 81 | 79 | 167 | 1,407 | 1,574 | (10.6) | 0 | 0 | 1 | 0 | 1 | 61 | 62 |
| Kennedy (17) | 3 | 10 | 15 | 45 | 73 | 905 | 978 | (7.5) | 0 | 1 | 1 | 0 | 2 | 27 | 29 |
| DISTRICT: RAVENSWOOD CITY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 12. REPRESENTING: 12. CITY: PALO ALTO. COUNTY: 41. SAN MATEO | | | | | | | | | | | | | | | |
| Number | 2 | 4,196 | 104 | 215 | 4,517 | 978 | 5,495 | | 0 | 58 | 3 | 0 | 61 | 163 | 224 |
| Percent | 0.0 | 76.4 | 1.9 | 3.9 | 82.2 | 17.8 | 100.0 | | 0.0 | 25.9 | 1.3 | 0.0 | 27.2 | 72.8 | 100.0 |
| Belle Haven (1) | 0 | 790 | 1 | 12 | 803 | 3 | 806 | (99.6) | 0 | 9 | 0 | 0 | 9 | 21 | 30 |
| Garden Oaks (4) | 0 | 337 | 8 | 20 | 365 | 13 | 378 | (99.6) | 0 | 9 | 0 | 0 | 9 | 11 | 20 |
| Runnymede (11) | 0 | 291 | 23 | 38 | 352 | 26 | 378 | (93.1) | 0 | 3 | 0 | 0 | 3 | 11 | 14 |
| Brentwood (2) | 0 | 553 | 33 | 38 | 624 | 48 | 672 | (92.9) | 0 | 6 | 0 | 0 | 6 | 21 | 27 |
| Costano (3) | 0 | 552 | 10 | 21 | 583 | 45 | 628 | (92.8) | 0 | 4 | 0 | 0 | 4 | 21 | 25 |
| Green Oaks (5) | 1 | 337 | 4 | 20 | 362 | 39 | 401 | (90.3) | 0 | 8 | 0 | 0 | 8 | 12 | 20 |
| Kavanaugh (7) | 0 | 675 | 2 | 26 | 703 | 78 | 781 | (90.0) | 0 | 10 | 0 | 0 | 10 | 18 | 28 |
| Ravenswood (10) | 0 | 65 | 2 | 0 | 67 | 19 | 86 | (77.9) | 0 | 1 | 1 | 0 | 2 | 2 | 4 |
| Menlo Oaks (8) | 0 | 157 | 3 | 14 | 174 | 91 | 265 | (65.7) | 0 | 2 | 1 | 0 | 3 | 10 | 13 |
| O'Connor (9) | 1 | 174 | 4 | 10 | 189 | 116 | 305 | (62.0) | 0 | 3 | 0 | 0 | 3 | 8 | 11 |
| Willow (12) | 0 | 185 | 10 | 4 | 199 | 214 | 413 | (48.2) | 0 | 1 | 1 | 0 | 2 | 16 | 18 |
| James Flood (6) | 0 | 80 | 4 | 12 | 96 | 286 | 382 | (25.1) | 0 | 2 | 0 | 0 | 2 | 12 | 14 |
| DISTRICT: SEQUOIA UNION HIGH SCHOOL DISTRICT. NUMBER OF SCHOOLS: 7. REPRESENTING: 7. CITY: REDWOOD CITY. COUNTY: 41. | | | | | | | | | | | | | | | |
| Number | 9 | 1,351 | 182 | 475 | 2,017 | 10,326 | 12,343 | | 0 | 17 | 7 | 9 | 33 | 547 | 580 |
| Percent | 0.1 | 10.9 | 1.5 | 3.8 | 16.3 | 83.7 | 100.0 | | 0.0 | 2.9 | 1.2 | 1.6 | 5.7 | 94.3 | 100.0 |
| Ravenswood High (3) | 0 | 871 | 30 | 28 | 929 | 68 | 997 | (93.2) | 0 | 8 | 1 | 1 | 10 | 53 | 63 |
| Redwood Continuation High (4) | 0 | 32 | 0 | 1 | 33 | 58 | 91 | (36.3) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Menlo-Atherton High (2) | 3 | 325 | 34 | 91 | 453 | 1,498 | 1,951 | (23.2) | 0 | 7 | 2 | 3 | 12 | 84 | 96 |
| Sequoia High (6) | 3 | 111 | 41 | 219 | 374 | 2,097 | 2,471 | (15.1) | 0 | 0 | 3 | 0 | 3 | 101 | 104 |
| Carlmont High (1) | 0 | 2 | 34 | 76 | 112 | 2,185 | 2,297 | (4.9) | 0 | 0 | 1 | 1 | 2 | 101 | 103 |
| Woodside High (7) | 0 | 1 | 25 | 34 | 60 | 2,227 | 2,287 | (2.6) | 0 | 1 | 0 | 2 | 3 | 96 | 99 |
| San Carlos High (5) | 3 | 9 | 18 | 26 | 56 | 2,193 | 2,249 | (2.5) | 0 | 1 | 0 | 2 | 3 | 105 | 108 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: GUADALUPE UNION SCHOOL DISTRICT. NUMBER OF SCHOOLS: 2. REPRESENTING: 4. CITY: GUADALUPE. COUNTY: 42. SANTA BARBARA

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 8 | 79 | 639 | 726 | 133 | 859 | | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Percent | 0.0 | 0.9 | 9.2 | 74.4 | 84.5 | 15.5 | 100.0 | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 100.0 |
| Main Street School (1) | 0 | 1 | 18 | 190 | 209 | 24 | 233 | (89.7) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Guadalupe School (2) | 0 | 7 | 61 | 449 | 517 | 109 | 626 | (82.6) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |

DISTRICT: SANTA BARBARA SCHOOL DISTRICT. NUMBER OF SCHOOLS: 21. REPRESENTING: 21. CITY: SANTA BARBARA. COUNTY: 42.

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 20 | 677 | 202 | 3,741 | 4,640 | 12,852 | 17,492 | | 1 | 7 | 5 | 30 | 43 | 738 | 781 |
| Percent | 0.1 | 3.9 | 1.2 | 21.4 | 26.5 | 73.5 | 100.0 | | 0.1 | 0.9 | 0.6 | 3.8 | 5.5 | 94.5 | 100.0 |
| Franklin (3) | 0 | 167 | 9 | 494 | 670 | 82 | 752 | (89.1) | 0 | 2 | 0 | 1 | 3 | 26 | 29 |
| Lincoln (7) | 0 | 40 | 6 | 195 | 241 | 32 | 273 | (88.3) | 0 | 0 | 0 | 2 | 2 | 10 | 12 |
| Wilson Elementary (13) | 2 | 29 | 5 | 173 | 209 | 147 | 356 | (58.7 | 0 | 0 | 0 | 1 | 1 | 13 | 14 |
| Cleveland Elementary (2) | 2 | 55 | 9 | 131 | 197 | 198 | 395 | (49.9) | 0 | 0 | 0 | 1 | 1 | 15 | 16 |
| Harding (5) | 1 | 16 | 11 | 288 | 316 | 376 | 692 | (45.7) | 0 | 0 | 1 | 2 | 3 | 24 | 27 |
| Santa Barbara Junior High (18) | 0 | 98 | 15 | 419 | 532 | 688 | 1,220 | (43.6) | 1 | 2 | 1 | 11 | 15 | 50 | 65 |
| McKinley (8) | 0 | 24 | 4 | 186 | 214 | 325 | 539 | (39.7) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Santa Barbara High (19) | 5 | 115 | 33 | 600 | 753 | 1,677 | 2,430 | (31.0) | 0 | 1 | 1 | 4 | 6 | 107 | 113 |
| La Cuesta High (17) | 0 | 6 | 0 | 23 | 29 | 65 | 94 | (30.9) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Garfield Elementary (4) | 3 | 18 | 1 | 77 | 99 | 249 | 348 | (28.4) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Monroe Elementary (9) | 1 | 33 | 8 | 116 | 158 | 442 | 600 | (26.3) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| La Cumbre Junior High (20) | 1 | 31 | 19 | 282 | 333 | 1,032 | 1,365 | (24.4) | 0 | 0 | 0 | 3 | 3 | 66 | 69 |
| Washington (12) | 0 | 15 | 8 | 55 | 78 | 396 | 474 | (16.5) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Jefferson Elementary (6) | 2 | 0 | 0 | 49 | 51 | 278 | 329 | (15.5) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Goleta Valley Junior High (14) | 0 | 3 | 15 | 160 | 178 | 1,083 | 1,261 | (14.1) | 0 | 0 | 0 | 3 | 3 | 61 | 64 |
| Adams Elementary (1) | 3 | 13 | 6 | 48 | 70 | 440 | 510 | (13.7) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Peabody (10) | 0 | 5 | 2 | 38 | 45 | 391 | 436 | (10.3) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Dos Pueblos High (16) | 0 | 7 | 17 | 156 | 180 | 1,673 | 1,853 | (9.7) | 0 | 1 | 1 | 1 | 3 | 75 | 78 |
| Roosevelt Elementary (11) | 0 | 0 | 3 | 39 | 42 | 394 | 436 | (9.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Lo Colina Junior High (21) | 0 | 1 | 15 | 95 | 111 | 1,272 | 1,383 | (8.0) | 0 | 0 | 0 | 1 | 1 | 65 | 66 |
| San Marcos Senior High (15) | 0 | 1 | 16 | 117 | 134 | 1,612 | 1,746 | (7.7) | 0 | 0 | 1 | 0 | 1 | 79 | 80 |

DISTRICT: ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 24. REPRESENTING: 24. CITY: SAN JOSE. COUNTY: 43. SANTA CLARA

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 50 | 1,341 | 260 | 6,721 | 8,372 | 7,190 | 15,562 | | 0 | 42 | 39 | 17 | 98 | 477 | 575 |
| Percent | 0.3 | 8.6 | 1.7 | 43.2 | 53.8 | 46.2 | 100.0 | | 0.0 | 7.3 | 6.8 | 3.0 | 17.0 | 83.0 | 100.0 |
| San Antonio (18) | 4 | 46 | 1 | 393 | 444 | 45 | 489 | (90.8) | 0 | 3 | 0 | 0 | 3 | 16 | 19 |
| Mayfair (13) | 0 | 125 | 0 | 436 | 561 | 118 | 679 | (82.6) | 0 | 3 | 2 | 3 | 8 | 18 | 26 |
| Mildred Goss (7) | 6 | 117 | 10 | 357 | 490 | 191 | 681 | (72.0) | 0 | 3 | 1 | 2 | 6 | 17 | 23 |
| Richard E. Conniff (3) | 0 | 9 | 1 | 312 | 322 | 133 | 455 | (70.8) | 0 | 1 | 0 | 1 | 2 | 14 | 16 |
| Lee Mathson (12) | 3 | 110 | 10 | 503 | 626 | 281 | 907 | (69.0) | 0 | 7 | 3 | 2 | 12 | 28 | 40 |
| Grandin H. Miller (11) | 2 | 67 | 5 | 330 | 404 | 205 | 609 | (66.3) | 0 | 3 | 1 | 0 | 4 | 17 | 21 |
| Clyde Arbuckle (1) | 3 | 114 | 7 | 285 | 409 | 220 | 629 | (65.0) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Ben Painter (22) | 2 | 24 | 25 | 182 | 233 | 129 | 362 | (64.4) | 0 | 1 | 1 | 0 | 2 | 10 | 12 |
| O. S. Hubbard (8) | 6 | 85 | 7 | 313 | 411 | 250 | 661 | (62.2) | 0 | 2 | 1 | 0 | 3 | 20 | 23 |
| Harry E. Slonaker (21) | 2 | 114 | 5 | 233 | 354 | 236 | 590 | (60.0) | 0 | 3 | 2 | 0 | 5 | 18 | 23 |
| A. J. Dorsa (5) | 2 | 53 | 9 | 355 | 419 | 362 | 781 | (53.6) | 0 | 1 | 2 | 0 | 3 | 23 | 26 |
| Lester Shields (19) | 3 | 28 | 24 | 273 | 328 | 292 | 620 | (52.9) | 0 | 1 | 2 | 2 | 5 | 17 | 22 |
| C. L. Fischer (6) | 2 | 102 | 17 | 500 | 621 | 577 | 1,198 | (51.8) | 0 | 3 | 5 | 3 | 11 | 41 | 32 |
| Pala (23) | 3 | 44 | 2 | 198 | 247 | 240 | 487 | (50.7) | 0 | 3 | 0 | 0 | 3 | 18 | 21 |
| Lyndale (10) | 1 | 24 | 5 | 252 | 282 | 307 | 589 | (47.9) | 0 | 1 | 1 | 1 | 3 | 21 | 24 |
| Sylvia Cassell (2) | 0 | 54 | 12 | 253 | 319 | 392 | 711 | (44.9) | 0 | 0 | 1 | 0 | 1 | 22 | 23 |
| Horace Cureton (4) | 0 | 14 | 10 | 266 | 290 | 360 | 650 | (44.6) | 0 | 1 | 1 | 0 | 2 | 19 | 21 |
| William L. Sheppard (20) | 2 | 22 | 38 | 338 | 400 | 515 | 915 | (43.7) | 0 | 1 | 3 | 2 | 6 | 36 | 42 |
| Donald J. Meyer (15) | 3 | 76 | 18 | 273 | 370 | 477 | 847 | (43.7) | 0 | 1 | 3 | 0 | 4 | 22 | 26 |
| William R. Rogers (16) | 4 | 52 | 14 | 162 | 232 | 354 | 586 | (39.6) | 0 | 2 | 3 | 0 | 5 | 16 | 21 |
| Thomas P. Ryan (17) | 0 | 30 | 10 | 216 | 256 | 517 | 773 | (33.1) | 0 | 0 | 1 | 1 | 2 | 21 | 23 |
| Millard E. McCullam (14) | 0 | 8 | 14 | 173 | 195 | 440 | 635 | (30.7) | 0 | 0 | 4 | 0 | 4 | 19 | 23 |
| Linda Vista (9) | 2 | 23 | 16 | 118 | 159 | 542 | 701 | (22.7) | 0 | 0 | 2 | 0 | 2 | 23 | 25 |
| Mt. Hamilton (24) | 0 | 0 | 0 | 0 | 0 | 7 | 7 | (0.0) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |

DISTRICT: SAN JOSE UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 51. REPRESENTING: 51. CITY: SAN JOSE. COUNTY: 43. SANTA CLARA

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 57 | 534 | 831 | 9,954 | 11,376 | 24,041 | 35,417 | | 2 | 26 | 44 | 40 | 112 | 1,290 | 1,402 |
| Percent | 0.2 | 1.5 | 2.3 | 28.1 | 32.1 | 67.9 | 100.0 | | 0.1 | 1.9 | 3.1 | 2.9 | 8.0 | 92.0 | 100.0 |
| Longfellow (23) | 0 | 0 | 0 | 146 | 146 | 10 | 156 | (93.6) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Gardner (15) | 0 | 13 | 2 | 601 | 616 | 81 | 697 | (88.4) | 0 | 0 | 1 | 0 | 1 | 24 | 25 |
| Mann, Horace (25) | 1 | 33 | 22 | 383 | 439 | 121 | 560 | (78.4) | 0 | 1 | 2 | 0 | 3 | 17 | 20 |
| Grant (14) | 5 | 42 | 41 | 586 | 674 | 199 | 873 | (77.2) | 0 | 1 | 4 | 1 | 6 | 27 | 33 |
| Selma Olinder (26) | 0 | 21 | 2 | 525 | 548 | 163 | 711 | (77.1) | 0 | 3 | 3 | 1 | 7 | 20 | 27 |
| Washington (34) | 0 | 7 | 4 | 709 | 720 | 220 | 940 | (76.6) | 1 | 2 | 3 | 0 | 6 | 26 | 32 |
| Anne Darling (11) | 0 | 58 | 5 | 473 | 536 | 165 | 701 | (76.5) | 0 | 1 | 2 | 3 | 6 | 18 | 24 |
| Belden (5) | 2 | 16 | 52 | 254 | 324 | 100 | 424 | (76.4) | 0 | 0 | 2 | 0 | 2 | 11 | 13 |
| Woodrow Wilson (43) | 1 | 10 | 7 | 517 | 535 | 175 | 710 | (75.4) | 0 | 3 | 0 | 6 | 9 | 35 | 44 |
| Peter Burnett (37) | 0 | 31 | 59 | 427 | 517 | 198 | 715 | (72.3) | 0 | 1 | 2 | 2 | 5 | 35 | 40 |
| Jefferson (20) | 3 | 18 | 14 | 291 | 326 | 127 | 453 | (72.0) | 0 | 0 | 1 | 0 | 1 | 12 | 13 |
| Theodore Roosevelt (42) | 3 | 45 | 36 | 618 | 702 | 275 | 977 | (71.9) | 0 | 3 | 2 | 5 | 10 | 44 | 54 |
| San Jose (48) | 5 | 62 | 81 | 908 | 1,056 | 434 | 1,490 | (70.9) | 0 | 1 | 1 | 2 | 4 | 63 | 67 |
| Empire Gardens (12) | 3 | 6 | 14 | 166 | 189 | 130 | 319 | (59.2) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| College Park (9) | 0 | 7 | 6 | 161 | 174 | 145 | 319 | (54.5) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Lowell (24) | 0 | 9 | 7 | 230 | 246 | 210 | 456 | (53.9) | 0 | 0 | 0 | 1 | 1 | 14 | 15 |
| YWCA Special Class for Physically Handicapped Girls (51) | 0 | 2 | 0 | 7 | 9 | 8 | 17 | (52.9) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Hester (19) | 0 | 4 | 7 | 222 | 233 | 231 | 464 | (50.2) | 0 | 0 | 2 | 1 | 3 | 16 | 19 |
| Bascom (4) | 2 | 2 | 0 | 115 | 119 | 142 | 261 | (45.6) | 0 | 0 | 1 | 1 | 2 | 6 | 8 |
| Edison (44) | 1 | 0 | 1 | 13 | 15 | 18 | 33 | (45.5) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Walter L. Bachroot (3) | 1 | 1 | 43 | 54 | 99 | 127 | 226 | (43.8) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Broadway (7) | 0 | 0 | 6 | 219 | 225 | 310 | 535 | (42.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Abraham Lincoln (46) | 3 | 11 | 40 | 424 | 478 | 767 | 1,245 | (38.4) | 0 | 1 | 0 | 1 | 2 | 51 | 53 |
| Merritt Trace (32) | 4 | 11 | 19 | 94 | 128 | 297 | 425 | (30.1) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Herbert Hoover (39) | 0 | 5 | 9 | 214 | 228 | 552 | 780 | (29.2) | 0 | 0 | 2 | 2 | 4 | 34 | 38 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SAN JOSE UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 51. REPRESENTING: 51. CITY: SAN JOSE. COUNTY: 43. SANTA CLARA—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hacienda (16) | 8 | 4 | 7 | 35 | 54 | 203 | 257 | (21.0) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Glen River (28) | 0 | 1 | 13 | 86 | 100 | 376 | 476 | (21.0) | 0 | 0 | 1 | 0 | 1 | 13 | 14 |
| Willow Glen Elementry (36) | 0 | 5 | 11 | 99 | 115 | 508 | 623 | (18.5) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Canos (8) | 0 | 1 | 0 | 30 | 31 | 158 | 189 | (16.4) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Willow Glen (50) | 0 | 12 | 26 | 263 | 301 | 1,597 | 1,898 | (15.9) | 1 | 0 | 0 | 1 | 2 | 79 | 81 |
| Benjamin Cory (10) | 0 | 0 | 9 | 59 | 68 | 442 | 510 | (13.3) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Almaden (2) | 0 | 3 | 9 | 83 | 95 | 627 | 722 | (13.2) | 0 | 1 | 0 | 1 | 2 | 21 | 23 |
| Allen (1) | 0 | 0 | 16 | 47 | 63 | 455 | 518 | (12.2) | 0 | 0 | 3 | 0 | 3 | 14 | 17 |
| Hammer (17) | 2 | 1 | 10 | 66 | 79 | 606 | 685 | (11.5) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Erikson (13) | 0 | 1 | 6 | 35 | 42 | 300 | 372 | (11.3) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| John Muir (41) | 4 | 7 | 32 | 138 | 181 | 1,424 | 1,615 | (11.2) | 0 | 0 | 0 | 5 | 5 | 72 | 77 |
| Booksin (6) | 0 | 8 | 29 | 69 | 106 | 923 | 1,029 | (10.3) | 0 | 0 | 1 | 1 | 2 | 30 | 32 |
| Kirk (21) | 1 | 18 | 20 | 80 | 119 | 1,052 | 1,171 | (10.2) | 0 | 0 | 2 | 0 | 2 | 34 | 36 |
| Edwin Markham (41) | 1 | 16 | 23 | 123 | 163 | 1,514 | 1,677 | (9.7) | 0 | 0 | 1 | 0 | 1 | 84 | 85 |
| Pioneer (47) | 3 | 5 | 34 | 81 | 123 | 1,340 | 1,463 | (8.4) | 0 | 2 | 0 | 0 | 2 | 54 | 56 |
| Glen Lincoln (22) | 1 | 5 | 3 | 21 | 30 | 336 | 366 | (8.2) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Bret Harte (38) | 0 | 5 | 16 | 75 | 96 | 1,143 | 1,239 | (7.7) | 0 | 2 | 4 | 2 | 8 | 51 | 59 |
| Valley View (33) | 2 | 6 | 16 | 52 | 76 | 920 | 996 | (7.6) | 0 | 0 | 3 | 0 | 3 | 28 | 31 |
| Reed (27) | 1 | 11 | 31 | 55 | 98 | 1,191 | 1,289 | (7.6) | 0 | 0 | 0 | 0 | 0 | 41 | 41 |
| Terrell (31) | 0 | 4 | 11 | 7 | 22 | 359 | 381 | (5.8) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Williams (35) | 0 | 0 | 13 | 9 | 22 | 382 | 404 | (5.4) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Leland (45) | 0 | 1 | 1 | 36 | 38 | 754 | 792 | (4.8) | 0 | 0 | 0 | 1 | 1 | 34 | 35 |
| Henderson (18) | 0 | 2 | 9 | 10 | 21 | 539 | 560 | (3.8) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Schallenberger (29) | 0 | 3 | 4 | 11 | 18 | 570 | 588 | (3.1) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Simonds (30) | 0 | 1 | 5 | 27 | 33 | 1,077 | 1,110 | (3.0) | 0 | 1 | 1 | 0 | 2 | 32 | 34 |
| San Jose Regional Vocational Center (49) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (0.0) | 0 | 0 | 0 | 3 | 3 | 17 | 20 |
| DISTRICT: PAJARO VALLEY UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 22. REPRESENTING: 22. CITY: WATSONVILLE. COUNTY: 44. SANTA CRUZ | | | | | | | | | | | | | | | |
| Number | 16 | 46 | 548 | 3,519 | 4,129 | 7,997 | 12,126 | ---------- | 1 | 0 | 10 | 11 | 22 | 429 | 451 |
| Percent | 0.1 | 0.4 | 4.5 | 29.0 | 34.1 | 65.9 | 100.0 | ---------- | 0.2 | 0.0 | 2.2 | 2.4 | 4.9 | 95.1 | 100.0 |
| J. W. Linscott (10) | 0 | 10 | 20 | 129 | 159 | 24 | 183 | (86.9) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| W. R. Radcliff (16) | 0 | 1 | 13 | 205 | 219 | 75 | 294 | (74.5) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Pajaro Annex (15) | 0 | 1 | 10 | 158 | 169 | 84 | 253 | (66.8) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Pajaro (14) | 2 | 0 | 17 | 163 | 182 | 126 | 308 | (59.1) | 0 | 0 | 0 | 1 | 1 | 11 | 12 |
| Mintie White (13) | 0 | 2 | 32 | 228 | 262 | 216 | 478 | (54.8) | 0 | 0 | 0 | 1 | 1 | 14 | 15 |
| E. A. Hall (7) | 0 | 3 | 52 | 307 | 362 | 310 | 672 | (53.9) | 0 | 0 | 2 | 0 | 2 | 23 | 25 |
| Calabasas (5) | 4 | 0 | 29 | 137 | 170 | 171 | 341 | (49.9) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| T. S. MacQuiddy (11) | 0 | 6 | 36 | 158 | 200 | 265 | 465 | (43.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| H. A. Hyde (9) | 2 | 0 | 28 | 151 | 181 | 244 | 425 | (42.6) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Hall District (8) | 0 | 0 | 13 | 245 | 258 | 354 | 612 | (42.2) | 0 | 0 | 0 | 1 | 1 | 19 | 20 |
| Freedom (6) | 1 | 1 | 37 | 236 | 275 | 392 | 667 | (41.2) | 0 | 0 | 1 | 1 | 2 | 21 | 23 |
| Salsipuedes (19) | 0 | 2 | 23 | 196 | 221 | 439 | 660 | (33.5) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Amesti (1) | 2 | 2 | 13 | 129 | 146 | 339 | 485 | (30.1) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Rolling Hills (18) | 0 | 0 | 26 | 125 | 151 | 359 | 510 | (29.6) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Watsonville High (21) | 2 | 16 | 169 | 739 | 926 | 2,309 | 3,235 | (28.6) | 0 | 0 | 5 | 4 | 9 | 125 | 134 |
| Continuation High (22) | 0 | 0 | 0 | 9 | 9 | 28 | 37 | (24.3) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Bradley (4) | 0 | 0 | 1 | 89 | 90 | 300 | 390 | (23.1) | 1 | 0 | 2 | 0 | 3 | 11 | 14 |
| Aromas (3) | 2 | 0 | 12 | 65 | 79 | 269 | 348 | (22.7) | 0 | 0 | 0 | 1 | 1 | 11 | 12 |
| Aptos (2) | 0 | 2 | 10 | 13 | 25 | 402 | 427 | (5.9) | 0 | 0 | 0 | 1 | 1 | 17 | 18 |
| Valencia (20) | 0 | 0 | 2 | 12 | 14 | 308 | 322 | (4.3) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Mar Vista (12) | 0 | 0 | 3 | 19 | 22 | 512 | 534 | (4.1) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Rio Del Mar (17) | 1 | 0 | 2 | 6 | 9 | 471 | 480 | (1.9) | 0 | 0 | 0 | 1 | 1 | 17 | 18 |
| DISTRICT: PATTERSON UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 6. REPRESENTING: 8. CITY: PATTERSON. COUNTY: 50. STANISLAUS COUNTY | | | | | | | | | | | | | | | |
| Number | 1 | 23 | 21 | 1,086 | 1,131 | 1,020 | 2,151 | ---------- | 0 | 0 | 0 | 3 | 3 | 84 | 87 |
| Percent | 0.0 | 1.1 | 1.0 | 50.5 | 52.6 | 47.4 | 100.0 | ---------- | 0.0 | 0.0 | 0.0 | 3.4 | 3.4 | 96.6 | 100.0 |
| Grayson (4) | 0 | 9 | 0 | 271 | 280 | 26 | 306 | (91.5) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Rising Sun (3) | 0 | 1 | 3 | 189 | 193 | 43 | 236 | (81.8) | 0 | 0 | 0 | 1 | 1 | 7 | 8 |
| Northmead (1) | 0 | 3 | 6 | 195 | 204 | 239 | 443 | (46.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Las Palmas (2) | 1 | 1 | 8 | 275 | 285 | 372 | 657 | (43.4) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Patterson High (6) | 0 | 5 | 4 | 156 | 165 | 329 | 494 | (33.4) | 0 | 0 | 0 | 2 | 2 | 23 | 25 |
| Harney (5) | 0 | 4 | 0 | 0 | 4 | 11 | 15 | (26.7) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| DISTRICT: TULARE CITY ELEMENTARY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 8. REPRESENTING: 8. CITY: TULARE. COUNTY: 54. TULARE | | | | | | | | | | | | | | | |
| Number | 12 | 403 | 28 | 1,223 | 1,666 | 2,887 | 4,553 | ---------- | 0 | 8 | 2 | 15 | 25 | 141 | 166 |
| Percent | 0.3 | 8.9 | 0.6 | 26.9 | 36.6 | 63.4 | 100.0 | ---------- | 0.0 | 4.8 | 1.2 | 9.0 | 15.1 | 84.9 | 100.0 |
| Lincoln Elementary (4) | 1 | 125 | 4 | 189 | 319 | 34 | 353 | (90.4) | 0 | 2 | 1 | 3 | 6 | 12 | 18 |
| Wilson Elementary (2) | 3 | 51 | 0 | 104 | 158 | 183 | 341 | (46.3) | 0 | 1 | 0 | 2 | 3 | 10 | 13 |
| Roosevelt Elementary (6) | 2 | 77 | 1 | 243 | 323 | 384 | 707 | (45.7) | 0 | 1 | 0 | 4 | 5 | 19 | 24 |
| Alice G. Mulcahy (7) | 3 | 52 | 1 | 203 | 259 | 373 | 632 | (41.0) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Maple Avenue Elementary (8) | 2 | 49 | 0 | 230 | 281 | 416 | 697 | (40.3) | 0 | 2 | 0 | 2 | 4 | 22 | 26 |
| Cherry Avenue School (5) | 1 | 28 | 8 | 91 | 128 | 398 | 526 | (24.3) | 0 | 1 | 0 | 2 | 3 | 16 | 19 |
| Frank Kohn (1) | 0 | 15 | 7 | 110 | 132 | 561 | 693 | (19.0) | 0 | 0 | 1 | 2 | 3 | 19 | 22 |
| Garden Avenue Elementary (3) | 0 | 6 | 7 | 53 | 66 | 538 | 604 | (10.9) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| DISTRICT: VISALIA UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 24. REPRESENTING: 24. CITY: VISALIA. COUNTY: 54. TULARE COUNTY | | | | | | | | | | | | | | | |
| Number | 40 | 116 | 116 | 2,540 | 2,812 | 9,434 | 12,246 | ---------- | 0 | 1 | 5 | 15 | 21 | 472 | 493 |
| Percent | 0.3 | 0.9 | 0.9 | 20.7 | 23.0 | 77.0 | 100.0 | ---------- | 0.0 | 0.2 | 1.0 | 3.0 | 4.3 | 95.7 | 100.0 |
| Crowley Elementary (2) | 0 | 6 | 5 | 275 | 286 | 30 | 316 | (90.5) | 0 | 1 | 0 | 3 | 4 | 9 | 13 |
| Webster Elementary (18) | 2 | 25 | 0 | 169 | 196 | 31 | 227 | (86.3) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Goshen Elementary (6) | 0 | 16 | 0 | 250 | 266 | 220 | 486 | (54.7) | 0 | 0 | 0 | 2 | 2 | 16 | 18 |
| Highland Elementary (7) | 2 | 3 | 0 | 109 | 114 | 132 | 246 | (46.3) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: VISALIA UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 24. REPRESENTING: 24. CITY: VISALIA. COUNTY: 54. TULARE COUNTY—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Green Acres Intermediate (21) | 3 | 6 | 7 | 195 | 211 | 290 | 501 | (42.1) | 0 | 0 | 0 | 1 | 1 | 20 | 21 |
| Houston Elementary (8) | 0 | 11 | 5 | 166 | 182 | 260 | 442 | (41.2) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Redwood High (22) | 3 | 26 | 15 | 604 | 648 | 1,109 | 1,757 | (36.9) | 0 | 0 | 3 | 4 | 7 | 72 | 79 |
| Visalia Continuation High (24) | 0 | 0 | 0 | 16 | 16 | 36 | 52 | (30.8) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Fairview Elementary (5) | 0 | 7 | 3 | 125 | 135 | 370 | 505 | (26.7) | 0 | 0 | 1 | 1 | 2 | 15 | 17 |
| Elbow Elementary (3) | 1 | 1 | 0 | 25 | 27 | 78 | 105 | (25.7) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Elbow Creek—Taurusa Chatham Elementary (4) | 2 | 0 | 1 | 71 | 74 | 231 | 305 | (24.3) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Union Elementary (15) | 7 | 0 | 1 | 53 | 61 | 258 | 319 | (19.1) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Washington Elementary (17) | 6 | 3 | 5 | 36 | 50 | 256 | 306 | (16.3) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Mineral King Elementary (10) | 1 | 1 | 5 | 105 | 112 | 624 | 736 | (15.2) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Ivanhoe Elementary (9) | 6 | 0 | 11 | 47 | 64 | 499 | 563 | (11.4) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Packwood Elementary (12) | 0 | 0 | 0 | 10 | 10 | 80 | 90 | (11.1) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Willow Glen Elementary (19) | 0 | 0 | 7 | 24 | 31 | 270 | 301 | (10.3) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Veva Blunt-Linwood (16) | 0 | 0 | 7 | 41 | 48 | 435 | 483 | (9.9) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Mountain View (11) | 1 | 2 | 4 | 50 | 57 | 596 | 653 | (8.7) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Conyer Elementary (1) | 0 | 1 | 4 | 28 | 33 | 499 | 532 | (6.2) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Southwest Elementary (14) | 1 | 5 | 0 | 7 | 13 | 198 | 211 | (6.2) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Mount Whitney High (23) | 2 | 3 | 13 | 87 | 105 | 1,707 | 1,812 | (5.8) | 0 | 0 | 0 | 2 | 2 | 83 | 85 |
| Royal Oaks Elementary (13) | 1 | 0 | 14 | 15 | 30 | 501 | 531 | (5.6) | 0 | 0 | 1 | 0 | 1 | 19 | 20 |
| Divisadero Intermediate (20) | 2 | 0 | 9 | 32 | 43 | 724 | 767 | (5.6) | 0 | 0 | 0 | 2 | 2 | 34 | 36 |

DISTRICT: OXNARD SCHOOL DISTRICT NUMBER OF SCHOOLS: 14. REPRESENTING: 14. CITY: OXNARD. COUNTY: 56. VENTURA

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 11 | 1,144 | 202 | 3,839 | 5,196 | 3,943 | 9,139 | | 1 | 22 | 9 | 9 | 41 | 303 | 344 |
| Percent | 0.1 | 12.5 | 2.2 | 42.0 | 56.9 | 43.1 | 100.0 | | 0.3 | 6.4 | 2.6 | 2.6 | 11.9 | 88.1 | 100.0 |
| Ramona (9) | 0 | 74 | 1 | 519 | 594 | 10 | 604 | (98.3) | 0 | 2 | 1 | 0 | 3 | 20 | 23 |
| Juanita (8) | 0 | 82 | 0 | 490 | 572 | 10 | 582 | (98.3) | 1 | 3 | 0 | 2 | 6 | 16 | 22 |
| Rose Avenue (13) | 0 | 244 | 0 | 466 | 710 | 78 | 788 | (90.1) | 0 | 3 | 1 | 1 | 5 | 23 | 28 |
| Driffill (7) | 0 | 85 | 15 | 396 | 496 | 246 | 742 | (66.8) | 0 | 3 | 2 | 0 | 5 | 19 | 24 |
| McKinna (5) | 0 | 205 | 4 | 184 | 393 | 196 | 589 | (66.7) | 0 | 4 | 1 | 0 | 5 | 22 | 27 |
| John C. Fremont (1) | 0 | 106 | 34 | 484 | 624 | 395 | 1,019 | (61.2) | 0 | 1 | 0 | 1 | 2 | 40 | 42 |
| Elm Street (3) | 0 | 13 | 10 | 198 | 221 | 192 | 413 | (53.5) | 0 | 0 | 1 | 1 | 2 | 12 | 14 |
| Haydock (2) | 0 | 92 | 23 | 302 | 417 | 381 | 798 | (52.3) | 0 | 2 | 0 | 2 | 4 | 31 | 35 |
| Kamala (14) | 0 | 140 | 8 | 172 | 320 | 429 | 749 | (42.7) | 0 | 2 | 0 | 0 | 2 | 24 | 26 |
| Harrington (6) | 0 | 25 | 4 | 169 | 198 | 298 | 496 | (39.9) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Brittell (12) | 4 | 4 | 16 | 140 | 164 | 247 | 411 | (39.9) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Marina West (11) | 8 | 48 | 16 | 144 | 214 | 514 | 728 | (29.4) | 0 | 1 | 1 | 0 | 2 | 24 | 26 |
| Sierra Linda (4) | 1 | 20 | 17 | 86 | 144 | 491 | 635 | (22.7) | 0 | 0 | 0 | 2 | 2 | 22 | 24 |
| Curren (10) | 0 | 6 | 34 | 89 | 129 | 456 | 585 | (22.1) | 0 | 1 | 2 | 0 | 3 | 18 | 21 |

DISTRICT: BERKELEY UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 33. REPRESENTING: 33. CITY: BERKELEY. COUNTY: 1. ALAMEDA

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 19 | 6,917 | 1,193 | 540 | 8,669 | 7,535 | 16,204 | | 2 | 119 | 32 | 19 | 172 | 602 | 774 |
| Percent | 0.1 | 42.7 | 7.4 | 3.3 | 53.5 | 46.5 | 100.0 | | 0.3 | 15.4 | 4.1 | 2.5 | 22.2 | 77.8 | 100.0 |
| St. Mark's Class for Pregnant Girls (22) | 0 | 15 | 0 | 0 | 15 | 0 | 15 | (100.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Washington Elementary (15) | 0 | 286 | 54 | 32 | 372 | 208 | 580 | (64.1) | 0 | 3 | 3 | 0 | 6 | 15 | 21 |
| Jefferson Elementary (8) | 0 | 255 | 122 | 46 | 423 | 247 | 670 | (63.1) | 0 | 3 | 3 | 0 | 6 | 19 | 25 |
| Edison Parent Nursery (25) | 0 | 23 | 4 | 1 | 28 | 17 | 45 | (62.2) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| East Campus-Berkeley High (21) | 0 | 197 | 1 | 6 | 204 | 125 | 329 | (62.0) | 0 | 4 | 0 | 0 | 4 | 15 | 19 |
| Grove Parent Nursery (27) | 0 | 21 | 4 | 1 | 26 | 16 | 42 | (61.9) | 0 | 1 | 0 | 0 | 1 | 1 | 2 |
| Franklin Elementary (5) | 0 | 371 | 126 | 57 | 554 | 352 | 906 | (61.1) | 0 | 9 | 0 | 0 | 9 | 27 | 36 |
| Le Conte Elementary (10) | 3 | 197 | 21 | 9 | 230 | 169 | 399 | (57.6) | 0 | 4 | 1 | 0 | 5 | 12 | 17 |
| Longfellow Elementary (12) | 1 | 486 | 69 | 18 | 574 | 425 | 999 | (57.5) | 0 | 5 | 1 | 0 | 6 | 34 | 40 |
| West Campus-Berkeley High (19) | 2 | 480 | 90 | 34 | 606 | 459 | 1,065 | (56.9) | 0 | 10 | 3 | 4 | 17 | 42 | 59 |
| Whittier Elementary (16) | 0 | 236 | 31 | 13 | 280 | 220 | 500 | (56.0) | 0 | 3 | 1 | 0 | 4 | 15 | 19 |
| Whittier Children's Center (32) | 0 | 20 | 0 | 0 | 20 | 16 | 36 | (55.6) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Willard Junior High (18) | 2 | 430 | 39 | 25 | 496 | 410 | 906 | (54.7) | 1 | 11 | 2 | 1 | 15 | 45 | 60 |
| West Berkeley Children's Center (31) | 0 | 26 | 2 | 2 | 30 | 25 | 55 | (54.5) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Martin Luther King, Jr., Children's Center (28) | 0 | 18 | 1 | 0 | 19 | 16 | 35 | (54.3) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Berkeley High (20) | 1 | 1,252 | 325 | 95 | 1,673 | 1,498 | 3,171 | (52.8) | 0 | 15 | 4 | 5 | 24 | 163 | 187 |
| Emerson Elementary (4) | 1 | 167 | 12 | 2 | 182 | 166 | 348 | (52.3) | 0 | 3 | 3 | 0 | 6 | 7 | 13 |
| Martin Luther King Junior High (17) | 0 | 548 | 97 | 66 | 711 | 662 | 1,373 | (51.8) | 0 | 13 | 0 | 7 | 20 | 67 | 87 |
| Hillside Primary (7) | 0 | 87 | 6 | 0 | 93 | 87 | 180 | (51.7) | 1 | 0 | 0 | 0 | 1 | 5 | 6 |
| Lincoln Elementary (11) | 2 | 353 | 42 | 9 | 406 | 382 | 788 | (51.5) | 0 | 5 | 3 | 2 | 10 | 19 | 29 |
| Franklin Parent Nursery (26) | 0 | 68 | 4 | 4 | 76 | 72 | 148 | (51.4) | 0 | 4 | 1 | 0 | 5 | 3 | 8 |
| Thousand Oaks Elementary (14) | 2 | 274 | 25 | 37 | 338 | 340 | 678 | (49.9) | 0 | 5 | 3 | 0 | 8 | 16 | 24 |
| Trainable Mentally Retarded Classes (23) | 0 | 24 | 0 | 1 | 25 | 26 | 51 | (49.0) | 0 | 2 | 0 | 0 | 2 | 3 | 5 |
| Cragmont Elementary (2) | 4 | 281 | 31 | 27 | 343 | 359 | 702 | (48.9) | 0 | 6 | 1 | 0 | 7 | 19 | 26 |
| Cragmont Primary (3) | 0 | 43 | 8 | 4 | 55 | 60 | 115 | (47.8) | 0 | 1 | 1 | 0 | 2 | 3 | 5 |
| Hillside Elementary (6) | 0 | 170 | 16 | 7 | 193 | 221 | 414 | (46.6) | 0 | 5 | 0 | 0 | 5 | 10 | 15 |
| Columbus Elementary (1) | 1 | 258 | 34 | 23 | 316 | 375 | 691 | (45.7) | 0 | 2 | 2 | 0 | 4 | 21 | 25 |
| U. C. Child Study Center Parent Nursery (30) | 0 | 27 | 5 | 1 | 33 | 41 | 74 | (44.6) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Oxford Elementary (13) | 0 | 113 | 8 | 16 | 137 | 173 | 310 | (44.2) | 0 | 3 | 0 | 0 | 3 | 10 | 13 |
| John Muir Elementary (9) | 0 | 181 | 10 | 1 | 192 | 245 | 437 | (43.9) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| East Campus Parent Nursery (24) | 0 | 4 | 1 | 0 | 5 | 18 | 23 | (21.7) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Martin Luther King, Jr., Parent Nursery (29) | 0 | 4 | 4 | 3 | 11 | 68 | 79 | (13.9) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Willard Parent Nursery (33) | 0 | 2 | 1 | 0 | 3 | 37 | 40 | (7.5) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |

DISTRICT: OAKLAND UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 89. REPRESENTING: 89. CITY: OAKLAND. COUNTY: 1. ALAMEDA

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 314 | 35,386 | 3,326 | 5,241 | 44,267 | 19,835 | 64,102 | | 0 | 574 | 96 | 50 | 720 | 1,917 | 2,637 |
| Percent | 0.5 | 55.2 | 5.2 | 8.2 | 69.1 | 30.9 | 100.0 | | 0.0 | 21.8 | 3.6 | 1.9 | 27.3 | 72.7 | 100.0 |
| McClymonds High (3) | 0 | 1,041 | 0 | 10 | 1,051 | 0 | 1,051 | (100.0) | 0 | 26 | 2 | 10 | 38 | 18 | 56 |
| Willow Manor Elementary (88) | 0 | 229 | 2 | 3 | 234 | 0 | 234 | (100.0) | 0 | 5 | 0 | 0 | 5 | 4 | 9 |
| Ralph Bunche (27) | 0 | 391 | 0 | 13 | 404 | 0 | 404 | (100.0) | 0 | 10 | 1 | 0 | 11 | 8 | 19 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: OAKLAND UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 89. REPRESENTING: 89. CITY: OAKLAND. COUNTY: 1. ALAMEDA—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Santa Fe (75) | 0 | 905 | 12 | 4 | 921 | 3 | 924 | (99.7) | 0 | 10 | 1 | 0 | 11 | 20 | 31 |
| Lowell Junior High (17) | 2 | 792 | 0 | 5 | 799 | 3 | 802 | (99.6) | 0 | 13 | 0 | 1 | 14 | 30 | 44 |
| Herbert Hoover Junior High (15) | 1 | 616 | 1 | 1 | 619 | 3 | 622 | (99.5) | 0 | 17 | 1 | 0 | 18 | 16 | 34 |
| Prescott Elementary (72) | 0 | 759 | 2 | 25 | 786 | 4 | 790 | (99.5) | 0 | 16 | 0 | 0 | 16 | 23 | 39 |
| Woodland Elementary (89) | 0 | 531 | 5 | 47 | 583 | 3 | 586 | (99.5) | 0 | 11 | 0 | 2 | 13 | 15 | 28 |
| Golden Gate Elementary (44) | 1 | 697 | 2 | 8 | 708 | 4 | 712 | (99.4) | 0 | 12 | 0 | 0 | 12 | 22 | 34 |
| Cole Elementary (32) | 0 | 434 | 2 | 7 | 443 | 3 | 446 | (99.3) | 0 | 12 | 1 | 0 | 13 | 10 | 23 |
| James Madison Junior High (18) | 0 | 873 | 0 | 10 | 883 | 6 | 889 | (99.3) | 0 | 25 | 0 | 0 | 25 | 12 | 37 |
| Durant (37) | 1 | 794 | 7 | 4 | 806 | 6 | 812 | (99.3) | 0 | 13 | 3 | 0 | 16 | 18 | 34 |
| Lafayette Elementary (53) | 1 | 647 | 3 | 26 | 677 | 7 | 684 | (99.0) | 0 | 14 | 2 | 0 | 16 | 16 | 32 |
| Clawson (31) | 0 | 615 | 7 | 6 | 628 | 7 | 635 | (98.9) | 0 | 9 | 1 | 0 | 10 | 21 | 31 |
| Longfellow (59) | 0 | 557 | 5 | 10 | 572 | 7 | 579 | (98.8) | 0 | 9 | 1 | 0 | 10 | 12 | 22 |
| Brookfield (26) | 0 | 998 | 4 | 21 | 1,023 | 13 | 1,036 | (98.7) | 0 | 8 | 0 | 0 | 8 | 28 | 36 |
| Highland Elementary (48) | 0 | 956 | 0 | 65 | 1,021 | 14 | 1,035 | (98.6) | 0 | 19 | 2 | 0 | 21 | 27 | 48 |
| Woodrow Wilson Junior High (23) | 2 | 663 | 10 | 3 | 678 | 13 | 691 | (98.1) | 0 | 14 | 0 | 0 | 14 | 21 | 35 |
| Washington (84) | 0 | 648 | 15 | 3 | 666 | 14 | 680 | (97.9) | 0 | 8 | 2 | 1 | 11 | 15 | 26 |
| Lockwood Elementary (58) | 3 | 1,260 | 13 | 120 | 1,396 | 36 | 1,432 | (97.5) | 0 | 27 | 5 | 0 | 32 | 35 | 67 |
| Dag Hammarskjold (46) | 0 | 397 | 0 | 6 | 403 | 11 | 414 | (97.3) | 0 | 10 | 0 | 0 | 10 | 7 | 17 |
| Havenscourt Junior High (14) | 2 | 979 | 8 | 96 | 1,085 | 41 | 1,126 | (96.4) | 0 | 26 | 1 | 1 | 28 | 27 | 55 |
| Elmhurst Junior High (10) | 2 | 822 | 24 | 93 | 941 | 49 | 990 | (95.1) | 0 | 10 | 1 | 1 | 12 | 34 | 46 |
| Stonehurst Elementary (79) | 2 | 866 | 8 | 103 | 979 | 60 | 1,039 | (94.2) | 0 | 12 | 3 | 0 | 15 | 24 | 39 |
| Roosevelt Junior High (21) | 15 | 534 | 51 | 203 | 803 | 53 | 856 | (93.8) | 0 | 10 | 0 | 4 | 14 | 34 | 48 |
| Castlemont High (1) | 0 | 2,291 | 34 | 78 | 2,403 | 170 | 2,573 | (93.4) | 0 | 31 | 3 | 2 | 36 | 80 | 116 |
| Webster (85) | 1 | 1,044 | 5 | 91 | 1,141 | 86 | 1,227 | (93.0) | 0 | 7 | 1 | 0 | 8 | 30 | 38 |
| Edwin Markham (62) | 3 | 581 | 7 | 43 | 634 | 60 | 694 | (91.4) | 0 | 6 | 3 | 0 | 9 | 16 | 25 |
| Garfield (42) | 21 | 532 | 46 | 178 | 777 | 77 | 854 | (91.0) | 0 | 7 | 5 | 1 | 13 | 20 | 33 |
| Sobrante Park Elementary (78) | 0 | 640 | 8 | 40 | 688 | 77 | 765 | (89.9) | 0 | 8 | 0 | 0 | 8 | 21 | 29 |
| Lincoln (57) | 1 | 20 | 203 | 66 | 290 | 35 | 325 | (89.2) | 0 | 3 | 3 | 0 | 6 | 9 | 15 |
| Whittier (86) | 9 | 558 | 13 | 170 | 750 | 93 | 843 | (89.0) | 0 | 9 | 0 | 0 | 9 | 23 | 32 |
| Manzanita Elementary (61) | 3 | 731 | 48 | 148 | 930 | 132 | 1,062 | (87.6) | 0 | 11 | 4 | 0 | 15 | 25 | 40 |
| Oakland Technical High (5) | 3 | 1,234 | 239 | 216 | 1,692 | 323 | 2,015 | (84.0) | 0 | 15 | 2 | 2 | 19 | 69 | 88 |
| Franklin (40) | 19 | 381 | 67 | 161 | 628 | 138 | 766 | (82.0) | 0 | 3 | 2 | 0 | 5 | 25 | 30 |
| Lazear Elementary (56) | 16 | 161 | 1 | 184 | 362 | 83 | 445 | (81.3) | 0 | 5 | 2 | 5 | 12 | 10 | 22 |
| Melrose (65) | 2 | 221 | 4 | 60 | 287 | 68 | 355 | (80.8) | 0 | 3 | 1 | 0 | 4 | 13 | 17 |
| E. Morris Cox (34) | 2 | 744 | 32 | 199 | 977 | 236 | 1,213 | (80.5) | 0 | 10 | 1 | 0 | 11 | 42 | 53 |
| Dewey High (7) | 5 | 150 | 1 | 44 | 200 | 49 | 249 | (80.3) | 0 | 4 | 0 | 1 | 5 | 10 | 15 |
| Frick Junior High (11) | 4 | 674 | 34 | 78 | 790 | 224 | 1,014 | (77.9) | 0 | 5 | 2 | 0 | 7 | 35 | 42 |
| Bella Vista (25) | 17 | 576 | 129 | 96 | 818 | 253 | 1,071 | (76.4) | 0 | 7 | 1 | 0 | 8 | 30 | 38 |
| Peralta Elementary (70) | 0 | 203 | 12 | 12 | 227 | 72 | 299 | (75.9) | 0 | 2 | 1 | 0 | 3 | 8 | 11 |
| Toler Heights Elementary (83) | 0 | 92 | 4 | 3 | 99 | 35 | 134 | (73.9) | 0 | 1 | 0 | 0 | 1 | 2 | 3 |
| Terrace Park (81) | 0 | 83 | 7 | 22 | 112 | 40 | 152 | (73.7) | 0 | 0 | 2 | 0 | 2 | 13 | 15 |
| Parker (69) | 7 | 383 | 21 | 46 | 457 | 181 | 638 | (71.6) | 0 | 3 | 0 | 0 | 3 | 17 | 20 |
| Emerson (39) | 9 | 326 | 25 | 59 | 419 | 215 | 634 | (66.1) | 0 | 2 | 1 | 0 | 3 | 21 | 24 |
| Westlake Junior High (22) | 3 | 261 | 174 | 103 | 541 | 283 | 824 | (65.7) | 0 | 6 | 1 | 1 | 8 | 29 | 37 |
| John Marshall (63) | 0 | 169 | 17 | 28 | 214 | 117 | 331 | (64.7) | 0 | 1 | 2 | 0 | 3 | 8 | 11 |
| Fremont High (2) | 17 | 737 | 95 | 314 | 1,163 | 663 | 1,826 | (63.7) | 0 | 9 | 0 | 0 | 9 | 72 | 81 |
| Oakland High (4) | 1 | 736 | 433 | 205 | 1,375 | 809 | 2,184 | (63.0) | 0 | 9 | 6 | 4 | 19 | 75 | 94 |
| Grant High (8) | 0 | 134 | 1 | 37 | 172 | 103 | 275 | (62.5) | 0 | 3 | 0 | 1 | 4 | 13 | 17 |
| Development Center for Handicapped Minors (36) | 0 | 28 | 2 | 2 | 32 | 21 | 53 | (60.4) | 0 | 2 | 0 | 0 | 2 | 4 | 6 |
| Claremont Junior (9) | 0 | 401 | 16 | 11 | 428 | 297 | 725 | (59.0) | 0 | 2 | 1 | 0 | 3 | 29 | 32 |
| Hawthorne (47) | 23 | 144 | 21 | 136 | 324 | 239 | 563 | (57.5) | 0 | 2 | 2 | 1 | 5 | 20 | 25 |
| Alexander Hamilton Junior High (12) | 14 | 344 | 56 | 300 | 714 | 560 | 1,274 | (56.0) | 0 | 7 | 1 | 2 | 10 | 45 | 55 |
| Horace Mann (60) | 15 | 186 | 25 | 100 | 326 | 270 | 596 | (54.7) | 0 | 1 | 1 | 0 | 2 | 17 | 19 |
| McChesney Junior High (19) | 2 | 264 | 218 | 78 | 562 | 527 | 1,089 | (51.6) | 0 | 3 | 1 | 4 | 8 | 39 | 47 |
| Charles P. Howard (50) | 2 | 237 | 27 | 24 | 290 | 273 | 563 | (51.5) | 0 | 1 | 2 | 0 | 3 | 16 | 19 |
| Jefferson (51) | 30 | 158 | 45 | 225 | 458 | 455 | 913 | (50.2) | 0 | 1 | 2 | 0 | 3 | 31 | 34 |
| Crocker Highlands (35) | 0 | 233 | 58 | 2 | 293 | 296 | 589 | (49.7) | 0 | 2 | 1 | 0 | 3 | 17 | 20 |
| Cleveland Elementary (33) | 9 | 18 | 152 | 19 | 198 | 203 | 401 | (49.4) | 0 | 2 | 1 | 0 | 3 | 11 | 14 |
| Edison Elementary (38) | 8 | 59 | 35 | 45 | 147 | 155 | 302 | (48.7) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| Charles A. Whitton (87) | 0 | 34 | 6 | 12 | 52 | 57 | 109 | (47.7) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| King Junior High (16) | 3 | 358 | 22 | 27 | 410 | 456 | 866 | (47.3) | 0 | 5 | 0 | 0 | 5 | 30 | 35 |
| Maxwell Park (64) | 1 | 129 | 41 | 31 | 202 | 275 | 477 | (42.3) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Burckhalter Elementary (29) | 0 | 104 | 9 | 37 | 150 | 217 | 367 | (40.9) | 0 | 3 | 0 | 0 | 3 | 10 | 13 |
| Luther Burbank (28) | 0 | 57 | 10 | 33 | 100 | 180 | 280 | (35.7) | 0 | 1 | 1 | 0 | 2 | 8 | 10 |
| Sherman Elementary (77) | 6 | 54 | 4 | 36 | 100 | 195 | 295 | (33.9) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Lakeview (54) | 1 | 57 | 87 | 23 | 168 | 355 | 523 | (32.1) | 0 | 1 | 1 | 0 | 2 | 15 | 17 |
| Allendale (24) | 7 | 48 | 38 | 63 | 156 | 385 | 541 | (28.8) | 0 | 2 | 3 | 1 | 6 | 11 | 17 |
| Fruitvale Elementary (41) | 7 | 29 | 40 | 100 | 176 | 513 | 689 | (25.5) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| Sequoia (76) | 0 | 55 | 32 | 39 | 126 | 376 | 502 | (25.1) | 0 | 1 | 1 | 0 | 2 | 12 | 14 |
| Henry J. Kaiser, Jr. Elementary (52) | 0 | 36 | 5 | 7 | 48 | 166 | 214 | (22.4) | 0 | 1 | 0 | 0 | 1 | 6 | 7 |
| Glenview (43) | 2 | 41 | 66 | 45 | 154 | 541 | 695 | (22.2) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Skyline High (6) | 0 | 256 | 118 | 98 | 472 | 1,928 | 2,400 | (19.7) | 0 | 3 | 2 | 3 | 8 | 86 | 94 |
| Bret Harte Junior High (13) | 1 | 58 | 74 | 52 | 185 | 829 | 1,014 | (18.2) | 0 | 0 | 1 | 0 | 1 | 36 | 37 |
| Laurel (55) | 7 | 8 | 36 | 28 | 79 | 383 | 462 | (17.1) | 0 | 1 | 2 | 0 | 3 | 13 | 16 |
| Redwood Heights (73) | 0 | 34 | 25 | 6 | 65 | 330 | 395 | (16.5) | 0 | 0 | 1 | 0 | 1 | 12 | 13 |
| Piedmont Avenue (71) | 0 | 11 | 17 | 23 | 51 | 269 | 320 | (15.9) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Grass Valley Elementary (45) | 0 | 29 | 15 | 8 | 52 | 283 | 335 | (15.5) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Montera Junior High (20) | 0 | 135 | 35 | 13 | 183 | 1,016 | 1,199 | (15.3) | 0 | 4 | 2 | 0 | 6 | 36 | 42 |
| John Swett (80) | 0 | 6 | 11 | 16 | 33 | 190 | 223 | (14.8) | 0 | 1 | 0 | 0 | 1 | 7 | 8 |
| Anthony Chabot (30) | 1 | 26 | 16 | 6 | 49 | 313 | 362 | (13.5) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Rockridge Elementary (74) | 0 | 21 | 4 | 13 | 38 | 249 | 287 | (13.2) | 0 | 1 | 0 | 1 | 2 | 8 | 10 |
| Carl Munck (68) | 0 | 11 | 34 | 6 | 51 | 365 | 416 | (12.3) | 0 | 1 | 0 | 0 | 1 | 12 | 13 |
| Joaquin Miller (66) | 0 | 28 | 24 | 2 | 54 | 474 | 528 | (10.2) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Thornhill Elementary (82) | 0 | 9 | 23 | 1 | 33 | 427 | 460 | (7.2) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Montclair (67) | 0 | 10 | 33 | 0 | 43 | 564 | 607 | (7.1) | 0 | 1 | 0 | 1 | 2 | 18 | 20 |
| Hillcrest Elementary (49) | 0 | 4 | 5 | 1 | 10 | 221 | 231 | (4.3) | 0 | 1 | 0 | 0 | 1 | 5 | 6 |

DISTRICT: PITTSBURG UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 13. REPRESENTING: 13. CITY: PITTSBURG. COUNTY: 7. CONTRA COSTA

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 13 | 1,827 | 249 | 1,409 | 3,498 | 3,498 | 6,996 | ---------- | 0 | 16 | 7 | 14 | 37 | 313 | 350 |
| Percent | 0.2 | 26.1 | 3.6 | 20.1 | 50.0 | 50.0 | 100.0 | ---------- | 0.0 | 4.6 | 2.0 | 4.0 | 10.6 | 89.4 | 100.0 |
| El Pueblo—closed and spread out in Sept. (1) | 0 | 266 | 0 | 0 | 266 | 3 | 269 | (98.9) | 0 | 2 | 1 | 1 | 4 | 9 | 13 |
| Continuation (10) | 0 | 22 | 0 | 8 | 30 | 4 | 34 | (88.2) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: PITTSBURG UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 13. REPRESENTING: 13. CITY: PITTSBURG. COUNTY: 7. CONTRA COSTA—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Central Junior High (8) | 1 | 357 | 3 | 179 | 540 | 122 | 662 | (81.6) | 0 | 1 | 0 | 2 | 3 | 36 | 39 |
| Marina Elementary (5) | 0 | 345 | 12 | 212 | 569 | 145 | 714 | (79.7) | 0 | 4 | 0 | 0 | 4 | 26 | 30 |
| Village Elementary (7) | 0 | 133 | 1 | 76 | 210 | 120 | 330 | (63.6) | 0 | 2 | 0 | 1 | 3 | 16 | 19 |
| Pittsburg Senior High (13) | 1 | 241 | 34 | 184 | 460 | 364 | 824 | (55.8) | 0 | 1 | 1 | 1 | 3 | 48 | 51 |
| Pittsburg Senior High-South Campus (12) | 0 | 101 | 20 | 99 | 220 | 199 | 419 | (52.5) | 0 | 1 | 0 | 1 | 2 | 24 | 26 |
| Parkside Elementary (6) | 8 | 42 | 85 | 135 | 270 | 275 | 545 | (49.5) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Los Medanos Elementary (4) | 0 | 104 | 37 | 88 | 229 | 322 | 551 | (41.6) | 0 | 0 | 0 | 2 | 2 | 18 | 20 |
| Pittsburg Evening High (11) | 3 | 121 | 12 | 116 | 252 | 501 | 753 | (33.5) | 0 | 1 | 2 | 2 | 5 | 43 | 48 |
| Hillview Junior High (9) | 0 | 57 | 36 | 155 | 248 | 528 | 776 | (32.0) | 0 | 1 | 0 | 3 | 4 | 33 | 37 |
| Highlands Elementary (3) | 0 | 20 | 9 | 87 | 116 | 510 | 626 | (18.5) | 0 | 0 | 3 | 1 | 4 | 18 | 22 |
| Heights Elementary (2) | 0 | 18 | 0 | 70 | 88 | 405 | 493 | (17.8) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |

DISTRICT: RICHMOND UNIFIED. NUMBER OF SCHOOLS: 62. REPRESENTING: 62. CITY: RICHMOND. COUNTY: 7. CONTRA COSTA

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 59 | 10,424 | 1,231 | 2,253 | 13,967 | 29,156 | 43,123 | ---------- | 3 | 172 | 78 | 11 | 264 | 1,404 | 1,668 |
| Percent | 0.1 | 24.2 | 2.9 | 5.2 | 32.4 | 67.6 | 100.0 | ---------- | 0.2 | 10.3 | 4.7 | 0.7 | 15.8 | 84.2 | 100.0 |
| Verde Elementary (44) | 0 | 534 | 0 | 18 | 552 | 0 | 552 | (100.0) | 0 | 9 | 0 | 0 | 9 | 12 | 21 |
| Coronado Elementary (8) | 0 | 609 | 2 | 10 | 621 | 2 | 623 | (99.7) | 0 | 11 | 1 | 0 | 12 | 17 | 29 |
| Peres Elementary (31) | 0 | 891 | 0 | 75 | 966 | 11 | 977 | (98.9) | 0 | 16 | 3 | 0 | 19 | 20 | 39 |
| Pullman Elementary (33) | 3 | 785 | 5 | 20 | 813 | 25 | 838 | (97.0) | 0 | 8 | 2 | 0 | 10 | 29 | 39 |
| Nystrom Elementary (29) | 1 | 808 | 0 | 13 | 822 | 44 | 866 | (94.9) | 0 | 16 | 1 | 0 | 17 | 23 | 40 |
| Cortez Elementary (9) | 0 | 427 | 5 | 18 | 450 | 55 | 505 | (89.1) | 0 | 5 | 1 | 0 | 6 | 17 | 23 |
| Roosevelt Junior High (61) | 2 | 468 | 4 | 50 | 524 | 102 | 626 | (83.7) | 0 | 6 | 2 | 0 | 8 | 27 | 35 |
| Stege Elementary (40) | 0 | 466 | 19 | 10 | 495 | 136 | 631 | (78.4) | 0 | 7 | 2 | 0 | 9 | 14 | 23 |
| Lincoln Elementary (24) | 4 | 240 | 3 | 131 | 378 | 129 | 507 | (74.6) | 0 | 5 | 0 | 0 | 5 | 16 | 21 |
| Kennedy High (55) | 3 | 1,150 | 85 | 78 | 1,316 | 942 | 2,258 | (58.3) | 0 | 10 | 3 | 0 | 13 | 85 | 98 |
| Balboa Elementary (2) | 0 | 40 | 40 | 23 | 103 | 103 | 206 | (50.0) | 0 | 1 | 1 | 0 | 2 | 5 | 7 |
| Lake Elementary (23) | 0 | 211 | 7 | 26 | 244 | 320 | 564 | (43.3) | 0 | 8 | 0 | 0 | 8 | 14 | 22 |
| Washington Elementary (46) | 12 | 159 | 2 | 3 | 176 | 256 | 432 | (40.7) | 0 | 3 | 1 | 0 | 4 | 10 | 14 |
| Downer Junior High (52) | 2 | 304 | 11 | 122 | 439 | 656 | 1,095 | (40.1) | 0 | 7 | 4 | 1 | 12 | 36 | 48 |
| Alvarado Elementary (1) | 0 | 75 | 42 | 60 | 177 | 265 | 442 | (40.0) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Richmond Senior High-North Campus (59) | 0 | 292 | 18 | 115 | 425 | 642 | 1,067 | (39.8) | 0 | 4 | 3 | 0 | 7 | 35 | 42 |
| Portola Junior High (58) | 0 | 454 | 116 | 52 | 622 | 1,039 | 1,661 | (37.4) | 0 | 5 | 3 | 1 | 9 | 65 | 74 |
| Adams Junior High (49) | 2 | 322 | 59 | 20 | 403 | 706 | 1,109 | (36.3) | 0 | 5 | 2 | 0 | 7 | 42 | 49 |
| Helms Junior High (54) | 3 | 377 | 31 | 90 | 501 | 885 | 1,386 | (36.1) | 0 | 5 | 5 | 0 | 10 | 54 | 64 |
| Richmond Senior High-South Campus (60) | 2 | 361 | 30 | 122 | 515 | 1,005 | 1,520 | (33.9) | 0 | 5 | 2 | 2 | 9 | 54 | 63 |
| El Monte Elementary (13) | 0 | 57 | 55 | 2 | 114 | 226 | 340 | (33.5) | 0 | 1 | 1 | 0 | 2 | 10 | 12 |
| Cameron Elementary (6) | 0 | 8 | 1 | 5 | 14 | 28 | 42 | (33.3) | 0 | 1 | 0 | 0 | 1 | 3 | 4 |
| Bayview Elementary (3) | 4 | 146 | 3 | 76 | 229 | 522 | 751 | (30.5) | 0 | 2 | 5 | 0 | 7 | 24 | 31 |
| Madera Elementary (25) | 0 | 71 | 32 | 6 | 109 | 263 | 372 | (29.3) | 0 | 1 | 1 | 1 | 3 | 9 | 12 |
| Ford Elementary (17) | 0 | 101 | 10 | 36 | 147 | 363 | 510 | (28.8) | 0 | 1 | 1 | 0 | 2 | 13 | 15 |
| Vista Hills (45) | 0 | 26 | 19 | 11 | 56 | 139 | 195 | (28.7) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Grant Elementary (18) | 0 | 112 | 2 | 47 | 161 | 426 | 587 | (27.4) | 1 | 0 | 0 | 0 | 1 | 18 | 19 |
| Castro Elementary (7) | 0 | 11 | 95 | 38 | 144 | 414 | 558 | (25.8) | 0 | 1 | 1 | 0 | 2 | 16 | 18 |
| Woods Elementary (48) | 2 | 23 | 3 | 56 | 84 | 250 | 334 | (25.1) | 0 | 0 | 1 | 0 | 1 | 9 | 10 |
| Fairmont Elementary (16) | 0 | 15 | 47 | 46 | 108 | 367 | 475 | (22.7) | 0 | 0 | 2 | 0 | 2 | 14 | 16 |
| El Portal Elementary (14) | 0 | 42 | 29 | 66 | 137 | 487 | 624 | (22.0) | 0 | 2 | 1 | 0 | 3 | 18 | 21 |
| El Cerrito Senior High (53) | 0 | 228 | 95 | 43 | 366 | 1,379 | 1,745 | (21.0) | 0 | 4 | 1 | 0 | 5 | 64 | 69 |
| Mira Vista Elementary (26) | 0 | 72 | 80 | 33 | 185 | 707 | 892 | (20.7) | 0 | 2 | 1 | 0 | 3 | 26 | 29 |
| Fairmeade Elementary (15) | 0 | 67 | 38 | 40 | 145 | 563 | 708 | (20.5) | 0 | 2 | 1 | 0 | 3 | 21 | 24 |
| Belding Elementary (4) | 2 | 32 | 6 | 82 | 122 | 551 | 673 | (18.1) | 0 | 0 | 3 | 0 | 3 | 22 | 25 |
| Del Mar Elementary (10) | 0 | 25 | 36 | 3 | 64 | 316 | 380 | (16.8) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Broadway Elementary (5) | 0 | 0 | 13 | 63 | 76 | 380 | 456 | (16.7) | 0 | 2 | 2 | 0 | 4 | 12 | 16 |
| Dover Elementary (11) | 0 | 14 | 5 | 79 | 98 | 538 | 636 | (15.4) | 0 | 2 | 2 | 0 | 4 | 19 | 23 |
| Murphy Elementary (28) | 2 | 53 | 4 | 25 | 84 | 465 | 549 | (15.3) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Wilson Elementary (47) | 0 | 49 | 10 | 21 | 80 | 448 | 528 | (15.2) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Serra Elementary (36) | 0 | 7 | 13 | 18 | 38 | 221 | 259 | (14.7) | 0 | 0 | 1 | 0 | 1 | 7 | 8 |
| Riverside Elementary (35) | 2 | 45 | 14 | 11 | 72 | 492 | 564 | (12.8) | 0 | 1 | 1 | 0 | 2 | 16 | 18 |
| Sheldon Elementary (37) | 1 | 36 | 2 | 7 | 46 | 369 | 415 | (11.1) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Pincle Valley High (57) | 0 | 110 | 14 | 76 | 200 | 1,606 | 1,806 | (11.1) | 0 | 3 | 3 | 1 | 7 | 63 | 70 |
| Harding Elementary (19) | 0 | 15 | 19 | 3 | 37 | 318 | 355 | (10.4) | 0 | 1 | 1 | 0 | 2 | 12 | 14 |
| Crespi Junior High (50) | 0 | 39 | 12 | 57 | 108 | 1,114 | 1,222 | (8.8) | 0 | 1 | 2 | 1 | 4 | 50 | 54 |
| Collins Elementary (32) | 4 | 0 | 7 | 24 | 35 | 551 | 586 | (6.0) | 0 | 0 | 0 | 1 | 1 | 19 | 20 |
| Kensington Elementary (21) | 0 | 8 | 24 | 0 | 32 | 542 | 574 | (5.6) | 0 | 0 | 0 | 1 | 1 | 17 | 18 |
| Kerry Hills Elementary (22) | 4 | 0 | 1 | 39 | 44 | 767 | 811 | (5.4) | 0 | 1 | 3 | 0 | 4 | 23 | 27 |
| Pinole Junior High (56) | 3 | 2 | 4 | 29 | 38 | 664 | 702 | (5.4) | 0 | 1 | 1 | 0 | 2 | 25 | 27 |
| De Anza Senior High (51) | 0 | 21 | 13 | 46 | 80 | 1,503 | 1,583 | (5.1) | 0 | 0 | 3 | 0 | 3 | 57 | 60 |
| Shannon Elementary (38) | 1 | 2 | 11 | 12 | 26 | 528 | 554 | (4.7) | 0 | 1 | 1 | 0 | 2 | 15 | 17 |
| Rancho Elementary (34) | 0 | 0 | 2 | 16 | 18 | 376 | 394 | (4.6) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Montalvin Manor Elementary (27) | 0 | 3 | 3 | 21 | 27 | 657 | 684 | (3.9) | 0 | 0 | 0 | 1 | 1 | 24 | 25 |
| Stewart Elementary (41) | 0 | 2 | 3 | 11 | 16 | 440 | 456 | (3.5) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Ellerhorst Elementary (12) | 0 | 3 | 7 | 12 | 22 | 665 | 687 | (3.2) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Hillview Elementary (20) | 0 | 3 | 2 | 3 | 8 | 254 | 262 | (3.1) | 0 | 1 | 0 | 0 | 1 | 7 | 8 |
| El Sobrante Elementary (39) | 0 | 0 | 5 | 11 | 16 | 511 | 527 | (3.0) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Tara Hills Elementary (42) | 0 | 2 | 9 | 15 | 26 | 835 | 861 | (3.0) | 0 | 0 | 2 | 0 | 2 | 25 | 27 |
| Olinda Elementary (30) | 0 | 1 | 2 | 5 | 8 | 270 | 278 | (2.9) | 0 | 1 | 0 | 1 | 2 | 7 | 9 |
| Valley View Elementary (43) | 0 | 0 | 2 | 3 | 5 | 318 | 323 | (1.5) | 0 | 1 | 1 | 0 | 2 | 8 | 10 |
| Gompers Senior High (62) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (0.0) | 2 | 0 | 0 | 0 | 2 | 10 | 12 |

DISTRICT: FRESNO CITY UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 74. REPRESENTING: 74. CITY: FRESNO COUNTY: 10. FRESNO

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 140 | 5,251 | 947 | 11,148 | 17,486 | 40,748 | 58,234 | ---------- | 1 | 32 | 28 | 52 | 113 | 2,092 | 2,295 |
| Percent | 0.2 | 9.0 | 1.6 | 19.1 | 30.0 | 79.0 | 100.0 | ---------- | 0.0 | 1.5 | 1.3 | 2.4 | 5.1 | 94.9 | 100.0 |
| George Washington Carver (50) | 0 | 593 | 0 | 5 | 598 | 0 | 598 | (100.0) | 0 | 1 | 1 | 4 | 6 | 22 | 28 |
| Franklin (61) | 0 | 530 | 2 | 191 | 723 | 2 | 725 | (99.7) | 0 | 3 | 0 | 1 | 4 | 27 | 31 |
| Kirk (69) | 0 | 548 | 4 | 89 | 641 | 4 | 645 | (99.4) | 0 | 1 | 1 | 0 | 2 | 29 | 31 |
| Irwin Junior High (3) | 0 | 493 | 2 | 103 | 598 | 4 | 602 | (99.3) | 0 | 2 | 2 | 1 | 5 | 21 | 26 |
| Columbia (52) | 0 | 411 | 0 | 101 | 512 | 5 | 517 | (99.0) | 0 | 2 | 1 | 0 | 3 | 20 | 23 |
| Lincoln Elementary (73) | 0 | 355 | 47 | 385 | 787 | 9 | 796 | (98.9) | 0 | 3 | 2 | 2 | 7 | 29 | 36 |
| Thomas A. Edison High (12) | 0 | 878 | 1 | 203 | 1,082 | 14 | 1,096 | (98.7) | 0 | 5 | 2 | 5 | 12 | 54 | 66 |
| Teilman Elementary (40) | 0 | 215 | 2 | 184 | 401 | 26 | 427 | (93.9) | 0 | 0 | 0 | 2 | 2 | 17 | 19 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: FRESNO CITY UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 74. REPRESENTING: 74. CITY: FRESNO COUNTY: 10. FRESNO—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Emerson (57) | 1 | 40 | 0 | 132 | 173 | 58 | 231 | (74.9) | 0 | 0 | 1 | 0 | 1 | 9 | 10 |
| Calwa Elementary (49) | 4 | 4 | 1 | 582 | 591 | 219 | 810 | (73.0) | 0 | 0 | 1 | 1 | 2 | 27 | 29 |
| Aynesworth Elementary (44) | 0 | 5 | 3 | 227 | 235 | 95 | 330 | (71.2) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Winchell Elementary (21) | 0 | 26 | 3 | 602 | 631 | 352 | 983 | (64.2) | 0 | 1 | 0 | 0 | 1 | 26 | 37 |
| Jefferson (68) | 9 | 28 | 3 | 390 | 430 | 260 | 690 | (62.3) | 0 | 0 | 0 | 1 | 1 | 27 | 28 |
| Sequoia Junior High (5) | 4 | 112 | 13 | 613 | 742 | 470 | 1,212 | (61.2) | 1 | 1 | 0 | 2 | 4 | 37 | 41 |
| Lowell Elementary (74) | 2 | 48 | 4 | 218 | 272 | 186 | 458 | (59.4) | 0 | 1 | 0 | 1 | 2 | 17 | 19 |
| Frank N. Lane Elementary (72) | 7 | 117 | 14 | 407 | 545 | 516 | 1,061 | (51.4) | 0 | 0 | 1 | 1 | 2 | 36 | 38 |
| Chester Rowell (38) | 11 | 17 | 2 | 370 | 400 | 399 | 799 | (50.1) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Figarden Elementary (60) | 0 | 0 | 0 | 60 | 60 | 60 | 120 | (50.0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Webster Elementary (19) | 0 | 18 | 3 | 291 | 312 | 325 | 637 | (49.0) | 0 | 0 | 0 | 1 | 1 | 21 | 22 |
| Dailey Annex (54) | 1 | 2 | 0 | 21 | 24 | 34 | 58 | (41.4) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Jane Addams Elementary-Junior High (43) | 2 | 25 | 11 | 227 | 265 | 376 | 641 | (41.3) | 0 | 0 | 2 | 2 | 4 | 20 | 24 |
| Sunshine (24) | 0 | 8 | 0 | 15 | 23 | 33 | 58 | (41.1) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Cooper Junior High #70 (26) | 2 | 61 | 20 | 312 | 395 | 600 | 995 | (39.7) | 0 | 1 | 1 | 0 | 2 | 33 | 35 |
| Dewolf High (2) | 0 | 19 | 1 | 50 | 70 | 110 | 180 | (38.9) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Theodore Roosevelt High (15) | 2 | 50 | 24 | 794 | 870 | 1,617 | 2,487 | (35.0) | 0 | 1 | 0 | 2 | 3 | 100 | 103 |
| Jackson (67) | 0 | 10 | 3 | 157 | 170 | 321 | 491 | (34.6) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| John Muir (32) | 0 | 4 | 6 | 198 | 208 | 435 | 643 | (32.3) | 0 | 0 | 1 | 1 | 2 | 17 | 19 |
| Yosemite Junior High (10) | 4 | 12 | 15 | 382 | 413 | 913 | 1,326 | (31.1) | 0 | 0 | 0 | 1 | 1 | 43 | 44 |
| Fort Miller Junior High (27) | 19 | 98 | 56 | 150 | 323 | 767 | 1,090 | (29.6) | 0 | 0 | 0 | 1 | 1 | 37 | 38 |
| John Burroughs (48) | 0 | 4 | 6 | 228 | 238 | 578 | 816 | (29.2) | 0 | 0 | 1 | 0 | 1 | 29 | 30 |
| Mayfair (31) | 6 | 4 | 9 | 156 | 175 | 449 | 624 | (28.0) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Wawona Junior High (9) | 1 | 41 | 5 | 146 | 193 | 592 | 785 | (24.6) | 0 | 2 | 0 | 1 | 3 | 25 | 28 |
| T. L. Heaton (64) | 1 | 24 | 0 | 117 | 142 | 448 | 590 | (24.1) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Fresno High (1) | 3 | 79 | 68 | 453 | 603 | 1,930 | 2,533 | (23.8) | 0 | 0 | 0 | 2 | 2 | 103 | 105 |
| Lafayette Elementary (71) | 0 | 7 | 2 | 105 | 114 | 404 | 518 | (22.0) | 0 | 2 | 0 | 1 | 3 | 15 | 18 |
| Frank Homan Elementary (66) | 2 | 0 | 40 | 86 | 128 | 463 | 591 | (21.7) | 0 | 0 | 1 | 1 | 2 | 19 | 21 |
| John C. Fremont (62) | 3 | 4 | 14 | 79 | 100 | 366 | 466 | (21.5) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Alice Birney (46) | 0 | 10 | 10 | 100 | 120 | 490 | 610 | (19.7) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Alexander Hamilton Junior High (28) | 1 | 28 | 29 | 141 | 199 | 898 | 1,097 | (18.1) | 0 | 0 | 0 | 1 | 1 | 38 | 39 |
| Woodrow Wilson (20) | 4 | 13 | 12 | 171 | 200 | 903 | 1,103 | (18.1) | 0 | 0 | 0 | 0 | 0 | 40 | 40 |
| Roeding (37) | 0 | 0 | 13 | 87 | 100 | 490 | 590 | (16.9) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| George W. Turner Elementary (42) | 0 | 4 | 16 | 62 | 82 | 404 | 486 | (16.9) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Norseman (33) | 6 | 5 | 12 | 86 | 109 | 547 | 656 | (16.6) | 0 | 0 | 0 | 1 | 1 | 25 | 26 |
| A. G. Wishon (22) | 1 | 4 | 11 | 55 | 71 | 363 | 434 | (16.4) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Holland (65) | 15 | 14 | 3 | 121 | 153 | 853 | 1,006 | (15.2) | 0 | 0 | 1 | 0 | 1 | 33 | 34 |
| A. D. Ewing (59) | 0 | 11 | 7 | 103 | 121 | 716 | 837 | (14.5) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Ernie Pyle Eelmentary (35) | 1 | 4 | 22 | 61 | 88 | 566 | 654 | (13.5) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Home Instruction—Individual Instruction (16) | 0 | 2 | 0 | 5 | 7 | 47 | 54 | (13.0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Kings Canyon Junior High (4) | 4 | 15 | 22 | 101 | 142 | 960 | 1,102 | (12.9) | 0 | 0 | 0 | 2 | 2 | 39 | 41 |
| Tenaya Junior High (7) | 1 | 27 | 25 | 64 | 117 | 926 | 1,043 | (11.2) | 0 | 0 | 1 | 0 | 1 | 33 | 34 |
| Scandinavian (39) | 0 | 0 | 14 | 53 | 67 | 532 | 599 | (11.2) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Lucius Powers Elementary (34) | 0 | 2 | 0 | 48 | 50 | 404 | 454 | (11.0) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Morris E. Dailey (53) | 4 | 1 | 5 | 56 | 66 | 534 | 600 | (11.0) | 0 | 0 | 1 | 0 | 1 | 19 | 20 |
| Easterby Elementary (56) | 0 | 3 | 18 | 60 | 81 | 667 | 748 | (10.8) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Robinson Elementary (36) | 2 | 6 | 9 | 72 | 89 | 754 | 843 | (10.6) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Manchester Elementary (30) | 0 | 8 | 12 | 27 | 47 | 422 | 469 | (10.0) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| McLane High (14) | 0 | 55 | 67 | 153 | 275 | 2,491 | 2,766 | (9.9) | 0 | 0 | 1 | 2 | 3 | 109 | 112 |
| Edwin C. Kratt (70) | 0 | 0 | 5 | 37 | 42 | 382 | 424 | (9.9) | 0 | 0 | 2 | 0 | 2 | 12 | 14 |
| Del Mar (55) | 0 | 4 | 1 | 38 | 43 | 392 | 435 | (9.9) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Vinland (18) | 0 | 12 | 10 | 48 | 70 | 643 | 713 | (9.8) | 0 | 0 | 0 | 1 | 1 | 25 | 26 |
| Centennial (51) | 3 | 6 | 28 | 43 | 80 | 738 | 818 | (9.8) | 0 | 0 | 1 | 1 | 2 | 26 | 28 |
| Sierra Junior High (6) | 5 | 12 | 18 | 98 | 133 | 1,231 | 1,364 | (9.8) | 0 | 0 | 0 | 3 | 3 | 45 | 48 |
| Frank W. Thomas Elementary (41) | 4 | 6 | 11 | 45 | 66 | 983 | 1,049 | (6.3) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Ruth Gibson (63) | 0 | 5 | 27 | 6 | 38 | 571 | 609 | (6.2) | 0 | 0 | 0 | 1 | 1 | 19 | 20 |
| Carroll Baird (45) | 0 | 0 | 13 | 20 | 33 | 520 | 553 | (6.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| James M. Malloch (29) | 0 | 0 | 7 | 9 | 16 | 267 | 283 | (5.7) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Bullard High (11) | 0 | 20 | 25 | 37 | 82 | 1,372 | 1,454 | (5.6) | 0 | 0 | 1 | 1 | 2 | 54 | 56 |
| Bullard Elementary (47) | 0 | 9 | 10 | 11 | 30 | 502 | 532 | (5.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Wolters Elementary (23) | 2 | 3 | 22 | 25 | 52 | 975 | 1,027 | (5.1) | 0 | 0 | 1 | 2 | 3 | 35 | 38 |
| Tioga Junior High (8) | 1 | 11 | 13 | 88 | 113 | 1,108 | 1,221 | (9.3) | 0 | 0 | 0 | 2 | 2 | 40 | 42 |
| Ahwahnee Junior High (25) | 1 | 20 | 18 | 37 | 76 | 748 | 824 | (9.2) | 0 | 0 | 0 | 1 | 1 | 30 | 31 |
| Hoover High (13) | 0 | 36 | 34 | 90 | 160 | 1,735 | 1,895 | (8.4) | 0 | 2 | 0 | 0 | 2 | 76 | 78 |
| Lief Ericson (58) | 0 | 0 | 8 | 20 | 28 | 404 | 432 | (6.5) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Viking (17) | 1 | 5 | 6 | 41 | 53 | 770 | 823 | (6.4) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| DISTRICT: MENDOTA UNION ELEMENTARY SCHOOL DISTRICT. NUMBER OF SCHOOL: 3. REPRESENTING: 4. CITY: MENDOTA. COUNTY: 10. FRESNO | | | | | | | | | | | | | | | |
| Number | 4 | 34 | 5 | 1,121 | 1,164 | 279 | 1,443 | | 0 | 0 | 0 | 2 | 2 | 53 | 55 |
| Percent | 0.3 | 2.4 | 0.3 | 77.7 | 80.7 | 19.3 | 100.0 | | 0.0 | 0.0 | 0.0 | 3.6 | 3.6 | 96.4 | 100.0 |
| McCabe Sr Elementary (3) | 2 | 3 | 0 | 253 | 258 | 52 | 310 | (83.2) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Washington (1) | 1 | 18 | 1 | 432 | 452 | 101 | 553 | (81.7) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |
| McCabe Elementary (2) | 1 | 13 | 1 | 436 | 545 | 126 | 580 | (78.3) | 0 | 0 | 0 | 1 | 1 | 19 | 20 |
| DISTRICT: SANGER UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 13. REPRESENTING: 13. CITY: SANGER. COUNTY: 10. FRESNO COUNTY | | | | | | | | | | | | | | | |
| Number | 16 | 4 | 197 | 3,449 | 3,666 | 2,711 | 6,377 | | 0 | 0 | 3 | 11 | 14 | 217 | 231 |
| Percent | 0.3 | 0.1 | 3.1 | 54.1 | 57.5 | 42.5 | 100.0 | | 0.0 | 0.0 | 1.3 | 4.8 | 6.1 | 93.9 | 100.0 |
| Wilson Elementary (12) | 7 | 0 | 9 | 392 | 408 | 63 | 471 | (86.6) | 0 | 0 | 0 | 1 | 1 | 14 | 15 |
| Jefferson Elementary (6) | 0 | 0 | 4 | 306 | 310 | 50 | 360 | (86.1) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Del Rey Elementary (3) | 0 | 1 | 11 | 357 | 369 | 61 | 430 | (85.8) | 0 | 0 | 0 | 1 | 1 | 13 | 14 |
| Lincoln (7) | 0 | 0 | 1 | 336 | 337 | 107 | 444 | (75.9) | 0 | 0 | 0 | 1 | 1 | 14 | 15 |
| Madison (9) | 0 | 0 | 19 | 300 | 319 | 135 | 454 | (70.3) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Washington (13) | 0 | 0 | 14 | 375 | 389 | 192 | 581 | (67.0) | 0 | 0 | 1 | 2 | 3 | 21 | 24 |
| Taft Elementary (10) | 0 | 0 | 4 | 102 | 106 | 87 | 193 | (54.9) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Sanger High (2) | 4 | 0 | 72 | 781 | 857 | 848 | 1,705 | (50.3) | 0 | 0 | 2 | 5 | 7 | 65 | 72 |
| Lone Star (8) | 0 | 0 | 23 | 138 | 161 | 216 | 377 | (42.7) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Jackson Elementary (5) | 0 | 0 | 21 | 132 | 153 | 211 | 364 | (42.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Centerville Elementary (1) | 1 | 0 | 8 | 124 | 133 | 203 | 336 | (39.6) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Fairmont (4) | 4 | 3 | 5 | 80 | 92 | 338 | 430 | (21.4) | 0 | 0 | 0 | 1 | 1 | 13 | 14 |
| John S. Wash (11) | 0 | 0 | 6 | 26 | 32 | 200 | 232 | (13.8) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SELMA UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 14. REPRESENTING: 19. CITY: SELMA. COUNTY: 10. FRESNO COUNTY

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 6 | 67 | 120 | 2,161 | 2,354 | 1,715 | 4,069 | ..... | 0 | 0 | 1 | 9 | 10 | 149 | 159 |
| Percent | 0.1 | 1.6 | 2.9 | 53.1 | 57.9 | 42.1 | 100.0 | ..... | 0.0 | 0.0 | 0.6 | 5.7 | 6.3 | 93.7 | 100.0 |
| Edgecomb Center Kindergarten (1) | 0 | 2 | 0 | 48 | 50 | 4 | 54 | (92.6) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Selma Continuation High (13) | 0 | 0 | 0 | 11 | 11 | 1 | 12 | (91.7) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Washington (5) | 2 | 2 | 2 | 227 | 233 | 27 | 260 | (89.6) | 0 | 0 | 0 | 1 | 1 | 8 | 9 |
| Eric White (12) | 0 | 11 | 11 | 293 | 315 | 62 | 377 | (83.6) | 0 | 0 | 0 | 1 | 1 | 12 | 13 |
| Thomas Jefferson (11) | 0 | 11 | 1 | 118 | 130 | 29 | 159 | (81.8) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Indianola (7) | 0 | 5 | 22 | 214 | 241 | 141 | 382 | (63.1) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Roosevelt (6) | 1 | 11 | 13 | 302 | 327 | 218 | 545 | (60.0) | 0 | 0 | 0 | 3 | 3 | 20 | 23 |
| Franklin (9) | 0 | 0 | 1 | 34 | 35 | 26 | 61 | (57.4) | 0 | 0 | 0 | 1 | 1 | 2 | 3 |
| Selma High (4) | 0 | 20 | 32 | 518 | 570 | 567 | 1,137 | (50.1) | 0 | 0 | 1 | 3 | 4 | 46 | 50 |
| Garfield (2) | 2 | 0 | 2 | 110 | 114 | 129 | 243 | (46.9) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Terry (14) | 0 | 0 | 27 | 67 | 94 | 117 | 211 | (44.5) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Andrew Jackson (8) | 1 | 5 | 4 | 128 | 138 | 190 | 328 | (42.1) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Woodrow Wilson (10) | 0 | 0 | 5 | 87 | 92 | 183 | 275 | (33.5) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Lincoln Park Kindergarten (3) | 0 | 0 | 0 | 4 | 4 | 21 | 25 | (16.0) | 0 | 0 | 0 | 0 | 0 | 1 | 2 |

DISTRICT: BRAWLEY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 7. REPRESENTING: 7. CITY: BRAWLEY. COUNTY: 13. IMPERIAL

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 6 | 164 | 27 | 2,128 | 2,325 | 1,454 | 3,779 | ..... | 0 | 1 | 6 | 14 | 21 | 122 | 143 |
| Percent | 0.2 | 4.3 | 0.7 | 56.3 | 61.5 | 38.5 | 100.0 | ..... | 0.0 | 0.7 | 4.2 | 9.8 | 14.7 | 85.3 | 100.0 |
| Miguel Hidalgo (2) | 0 | 54 | 0 | 624 | 678 | 15 | 693 | (97.8) | 0 | 0 | 3 | 4 | 7 | 21 | 28 |
| J. W. Oakley (1) | 1 | 58 | 1 | 519 | 579 | 50 | 629 | (92.1) | 0 | 1 | 1 | 3 | 5 | 20 | 25 |
| Soroptimist (4) | 0 | 1 | 1 | 6 | 8 | 4 | 12 | (66.7) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Barbara Worth (3) | 2 | 31 | 4 | 410 | 447 | 294 | 741 | (60.3) | 0 | 0 | 0 | 5 | 5 | 22 | 27 |
| Ruth Reid (5) | 1 | 9 | 8 | 272 | 290 | 209 | 499 | (58.1) | 0 | 0 | 1 | 0 | 1 | 18 | 19 |
| Phil Swing (7) | 0 | 11 | 3 | 208 | 222 | 442 | 664 | (33.4) | 0 | 0 | 1 | 1 | 2 | 22 | 24 |
| Myron D. Witter (6) | 2 | 0 | 10 | 89 | 101 | 440 | 541 | (18.7) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |

DISTRICT: CALEXICO UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 8. REPRESENTING: 8. CITY: CALEXICO. COUNTY: 13. IMPERIAL

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 21 | 52 | 3,427 | 3,500 | 420 | 3,920 | ..... | 0 | 2 | 0 | 23 | 25 | 138 | 163 |
| Percent | 0.0 | 0.5 | 1.3 | 87.4 | 89.3 | 10.7 | 100.0 | ..... | 0.0 | 1.2 | 0.0 | 14.1 | 15.3 | 84.7 | 100.0 |
| Continuation High (1) | 0 | 0 | 0 | 12 | 12 | 0 | 12 | (100.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Sheridan Elementary (8) | 0 | 1 | 0 | 220 | 221 | 8 | 229 | (96.5) | 0 | 0 | 0 | 1 | 1 | 9 | 10 |
| Jefferson Elementary (6) | 0 | 3 | 11 | 600 | 614 | 38 | 652 | (94.2) | 0 | 1 | 0 | 4 | 5 | 20 | 25 |
| Hoffman Elementary (4) | 0 | 0 | 1 | 119 | 120 | 8 | 128 | (93.8) | 0 | 0 | 0 | 1 | 1 | 3 | 4 |
| De Anza Junior High (5) | 0 | 4 | 3 | 586 | 593 | 68 | 661 | (89.7) | 0 | 0 | 0 | 4 | 4 | 26 | 30 |
| Calexico High (2) | 0 | 7 | 18 | 989 | 1,014 | 118 | 1,132 | (89.6) | 0 | 0 | 0 | 7 | 7 | 41 | 48 |
| Dool (3) | 0 | 2 | 14 | 474 | 490 | 87 | 577 | (84.9) | 0 | 1 | 0 | 2 | 3 | 20 | 23 |
| Rockwood (7) | 0 | 4 | 5 | 427 | 436 | 93 | 529 | (82.4) | 0 | 0 | 0 | 4 | 4 | 17 | 21 |

DISTRICT: EL CENTRO SCHOOL DISTRICT. NUMBER OF SCHOOLS: 9. REPRESENTING: 9. CITY: EL CENTRO COUNTY: 13. IMPERIAL

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 6 | 330 | 68 | 1,401 | 1,805 | 2,412 | 4,217 | ..... | 0 | 19 | 3 | 6 | 28 | 120 | 148 |
| Percent | 0.1 | 7.8 | 1.6 | 33.2 | 42.8 | 57.2 | 100.0 | ..... | 0.0 | 12.8 | 2.0 | 4.1 | 18.9 | 81.1 | 100.0 |
| Washington (8) | 0 | 197 | 17 | 317 | 531 | 4 | 535 | (99.3) | 0 | 12 | 0 | 0 | 12 | 9 | 21 |
| Lincoln (6) | 2 | 1 | 13 | 191 | 207 | 183 | 390 | (53.1) | 0 | 1 | 0 | 1 | 2 | 13 | 15 |
| Harding (3) | 0 | 15 | 9 | 188 | 212 | 217 | 429 | (49.4) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| McKinley (7) | 0 | 14 | 0 | 210 | 224 | 275 | 499 | (44.9) | 0 | 2 | 1 | 0 | 3 | 16 | 19 |
| Kennedy Jr. High (5) | 1 | 5 | 3 | 109 | 118 | 149 | 267 | (44.2) | 0 | 0 | 0 | 3 | 3 | 7 | 10 |
| Wilson Jr. High (9) | 3 | 86 | 6 | 198 | 293 | 431 | 724 | (40.5) | 0 | 1 | 1 | 2 | 4 | 15 | 19 |
| Desert Garden (2) | 0 | 6 | 4 | 93 | 103 | 420 | 523 | (19.7) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| De Anza (1) | 0 | 2 | 3 | 41 | 46 | 275 | 321 | (14.3) | 0 | 1 | 1 | 0 | 2 | 9 | 11 |
| Hedrick (4) | 0 | 4 | 13 | 54 | 71 | 458 | 529 | (13.4) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |

DISTRICT: BAKERSFIELD CITY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 34. REPRESENTING: 34. CITY: BAKERSFIELD. COUNTY: 15. KERN

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 42 | 3,639 | 149 | 5,326 | 9,156 | 15,165 | 24,321 | ..... | 1 | 26 | 5 | 19 | 51 | 775 | 826 |
| Percent | 0.2 | 15.0 | 0.6 | 21.9 | 37.6 | 62.4 | 100.0 | ..... | 0.1 | 3.1 | 0.6 | 2.3 | 6.2 | 93.8 | 100.0 |
| Potomac (22) | 2 | 630 | 0 | 346 | 978 | 0 | 978 | (100.0) | 0 | 5 | 0 | 0 | 5 | 26 | 31 |
| Lincoln Junior High (32) | 0 | 363 | 0 | 295 | 658 | 2 | 660 | (99.7) | 0 | 3 | 0 | 2 | 5 | 25 | 30 |
| Fremont (7) | 0 | 496 | 0 | 298 | 794 | 3 | 797 | (99.6) | 0 | 5 | 0 | 0 | 5 | 21 | 26 |
| Colonel Baker (1) | 1 | 400 | 0 | 447 | 848 | 15 | 863 | (98.3) | 1 | 3 | 1 | 1 | 6 | 26 | 32 |
| Casa Loma (2) | 0 | 550 | 1 | 55 | 606 | 52 | 658 | (92.1) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| McKinley (14) | 0 | 578 | 15 | 209 | 802 | 130 | 932 | (86.1) | 0 | 2 | 0 | 1 | 3 | 28 | 31 |
| Mount Vernon (15) | 0 | 71 | 0 | 853 | 924 | 233 | 1,157 | (79.9) | 0 | 2 | 0 | 1 | 3 | 32 | 35 |
| Jefferson (11) | 0 | 0 | 0 | 442 | 442 | 149 | 591 | (74.8) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Williams (27) | 3 | 9 | 0 | 452 | 464 | 353 | 817 | (56.8) | 0 | 0 | 1 | 0 | 1 | 24 | 25 |
| Emerson Junior High (30) | 1 | 213 | 8 | 84 | 306 | 346 | 652 | (46.9) | 0 | 0 | 1 | 0 | 1 | 26 | 27 |
| Peter Pan (19) | 0 | 25 | 1 | 15 | 41 | 51 | 92 | (44.6) | 0 | 0 | 1 | 0 | 1 | 7 | 8 |
| Sierra Junior High (33) | 0 | 19 | 0 | 272 | 291 | 458 | 749 | (38.9) | 0 | 0 | 0 | 1 | 1 | 23 | 24 |
| Golden State Junior High (31) | 4 | 163 | 6 | 65 | 238 | 416 | 654 | (36.4) | 0 | 0 | 0 | 2 | 2 | 24 | 26 |
| Washington Junior High (34) | 1 | 4 | 6 | 291 | 302 | 541 | 843 | (35.8) | 0 | 0 | 0 | 2 | 2 | 30 | 32 |
| Noble (18) | 1 | 3 | 3 | 284 | 291 | 632 | 923 | (31.5) | 0 | 0 | 1 | 0 | 1 | 29 | 30 |
| College Heights (4) | 0 | 2 | 3 | 99 | 104 | 451 | 555 | (18.7) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Franklin (6) | 3 | 16 | 22 | 67 | 108 | 495 | 603 | (17.9) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Wayside (25) | 0 | 59 | 5 | 105 | 169 | 895 | 1,064 | (15.9) | 0 | 1 | 0 | 1 | 2 | 30 | 32 |
| Pioneer Drive (21) | 2 | 5 | 4 | 101 | 112 | 691 | 803 | (13.9) | 0 | 0 | 0 | 1 | 1 | 23 | 24 |
| Horace Mann (13) | 8 | 0 | 0 | 107 | 115 | 763 | 878 | (13.1) | 0 | 0 | 0 | 1 | 1 | 28 | 29 |
| William Penn (20) | 0 | 10 | 5 | 41 | 56 | 400 | 456 | (12.3) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Longfellow (12) | 0 | 9 | 3 | 76 | 88 | 665 | 753 | (11.7) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Voorhies (24) | 4 | 0 | 0 | 32 | 36 | 309 | 345 | (10.4) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Roosevelt (23) | 1 | 6 | 12 | 39 | 58 | 651 | 709 | (8.2) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Hort (10) | 0 | 0 | 0 | 34 | 34 | 423 | 457 | (7.4) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: BAKERSFIELD CITY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 34. REPRESENTING: 34. CITY: BAKERSFIELD. COUNTY: 15. KERN—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Harding (8) | 3 | 4 | 14 | 32 | 53 | 680 | 733 | (7.2) | 0 | 0 | 0 | 1 | 1 | 24 | 25 |
| Frank West (26) | 0 | 0 | 9 | 46 | 55 | 839 | 894 | (6.2) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Castro Lane (3) | 0 | 0 | 1 | 30 | 31 | 584 | 615 | (5.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Munsey (16) | 5 | 0 | 11 | 20 | 36 | 720 | 756 | (4.8) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Compton Junior High (28) | 2 | 0 | 5 | 30 | 37 | 922 | 959 | (3.9) | 0 | 0 | 0 | 2 | 2 | 38 | 40 |
| Nichols (17) | 0 | 2 | 5 | 29 | 36 | 920 | 956 | (3.8) | 0 | 0 | 0 | 2 | 2 | 30 | 32 |
| Curran Junior High (29) | 1 | 0 | 4 | 16 | 21 | 573 | 594 | (3.5) | 0 | 0 | 0 | 1 | 1 | 23 | 34 |
| Eissler (5) | 0 | 2 | 4 | 8 | 14 | 436 | 450 | (3.1) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Harris (9) | 0 | 0 | 2 | 6 | 8 | 367 | 375 | (2.1) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| DISTRICT: DELANO UNION ELEMENTARY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 6. REPRESENTING: 6. CITY: DELANO. COUNTY: 15. KERN | | | | | | | | | | | | | | | |
| Number | 3 | 170 | 26 | 1,598 | 1,797 | 1,441 | 3,238 | | 0 | 4 | 1 | 3 | 8 | 109 | 117 |
| Percent | 0.1 | 5.3 | 0.8 | 49.4 | 55.5 | 44.5 | 100.0 | | 0.0 | 3.4 | 0.9 | 2.6 | 6.8 | 93.2 | 100.0 |
| Valle Vista (6) | 0 | 39 | 0 | 246 | 285 | 11 | 296 | (96.3) | 0 | 1 | 0 | 1 | 2 | 7 | 9 |
| Fremont (3) | 0 | 91 | 0 | 668 | 759 | 96 | 855 | (88.8) | 0 | 2 | 0 | 1 | 3 | 33 | 36 |
| Albany Park (5) | 0 | 20 | 0 | 141 | 161 | 72 | 233 | (69.1) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Del Vista (2) | 0 | 8 | 8 | 181 | 197 | 395 | 592 | (33.3) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Cecil Avenue (1) | 3 | 8 | 14 | 232 | 257 | 561 | 818 | (31.4) | 0 | 1 | 0 | 1 | 2 | 29 | 31 |
| Terrace (4) | 0 | 4 | 4 | 130 | 138 | 306 | 444 | (31.1) | 0 | 0 | 1 | 0 | 1 | 13 | 14 |
| DISTRICT: COMPTON CITY ELEMENTARY. NUMBER OF SCHOOLS: 20. REPRESENTING: 20. CITY: COMPTON. COUNTY: 19. LOS ANGELES | | | | | | | | | | | | | | | |
| Number | 44 | 11,725 | 50 | 2,245 | 14,064 | 2,343 | 16,407 | | 0 | 368 | 13 | 4 | 385 | 208 | 593 |
| Percent | 0.3 | 71.5 | 0.3 | 13.7 | 85.7 | 14.3 | 100.0 | | 0.0 | 62.1 | 2.2 | 0.7 | 64.9 | 35.1 | 100.0 |
| George Washington (19) | 0 | 955 | 0 | 95 | 1,050 | 0 | 1,050 | (100.0) | 0 | 36 | 0 | 0 | 36 | 4 | 40 |
| Caldwell Street (2) | 0 | 937 | 3 | 9 | 949 | 0 | 949 | (100.0) | 0 | 24 | 0 | 2 | 26 | 5 | 31 |
| General Rosecrans (17) | 0 | 387 | 0 | 233 | 620 | 0 | 620 | (100.0) | 0 | 16 | 1 | 1 | 18 | 14 | 32 |
| Ardella B. Tibby (18) | 0 | 1,054 | 0 | 45 | 1,099 | 1 | 1,100 | (99.9) | 0 | 24 | 4 | 0 | 28 | 9 | 37 |
| Charles W. Bursch (1) | 0 | 826 | 0 | 0 | 826 | 1 | 827 | (99.9) | 0 | 23 | 0 | 0 | 23 | 5 | 28 |
| Clarence A. Dickison (3) | 0 | 853 | 0 | 136 | 989 | 6 | 95 | (99.4) | 0 | 21 | 0 | 0 | 21 | 12 | 33 |
| El Segundo (4) | 0 | 1,009 | 0 | 6 | 1,015 | 10 | 1,025 | (99.0) | 0 | 29 | 0 | 0 | 29 | 12 | 41 |
| 139th Street (14) | 0 | 239 | 1 | 9 | 249 | 3 | 252 | (98.8) | 0 | 10 | 0 | 0 | 10 | 1 | 11 |
| Henry W. Longfellow (12) | 0 | 1,093 | 0 | 16 | 1,109 | 20 | 1,129 | (98.2) | 0 | 32 | 3 | 0 | 35 | 5 | 40 |
| Thomas Jefferson (7) | 0 | 170 | 0 | 444 | 614 | 15 | 629 | (97.6) | 0 | 14 | 1 | 0 | 15 | 4 | 19 |
| Laurel Street (10) | 0 | 460 | 6 | 31 | 497 | 13 | 510 | (97.5) | 0 | 11 | 0 | 0 | 11 | 6 | 17 |
| Abraham Lincoln (11) | 1 | 628 | 5 | 116 | 750 | 30 | 780 | (96.2) | 0 | 15 | 1 | 0 | 16 | 11 | 27 |
| Ralph W. Emerson (5) | 3 | 677 | 8 | 158 | 846 | 62 | 908 | (93.2) | 0 | 17 | 2 | 0 | 19 | 12 | 31 |
| Park Village (15) | 0 | 496 | 0 | 26 | 522 | 39 | 561 | (93.0) | 0 | 13 | 0 | 0 | 13 | 7 | 20 |
| Robert F. Kennedy (9) | 0 | 774 | 2 | 100 | 876 | 81 | 957 | (91.5) | 0 | 27 | 0 | 1 | 28 | 11 | 39 |
| Augusta A. Mayo (13) | 0 | 432 | 9 | 169 | 610 | 108 | 718 | (85.0) | 0 | 12 | 0 | 0 | 12 | 12 | 24 |
| Frances Willard (20) | 16 | 218 | 0 | 187 | 421 | 133 | 554 | (76.0) | 0 | 11 | 0 | 0 | 11 | 9 | 20 |
| Colin P. Kelly (8) | 8 | 310 | 7 | 198 | 523 | 703 | 1,226 | (42.7) | 0 | 11 | 1 | 0 | 12 | 30 | 42 |
| Theodore Roosevelt (16) | 16 | 152 | 9 | 183 | 360 | 681 | 1,041 | (34.6) | 0 | 14 | 0 | 0 | 14 | 28 | 42 |
| Stephen C. Foster (6) | 0 | 55 | 0 | 84 | 139 | 437 | 576 | (24.1) | 0 | 8 | 0 | 0 | 8 | 11 | 19 |
| DISTRICT: COMPTON UNION HIGH SCHOOL DISTRICT. NUMBER OF SCHOOLS: 11. REPRESENTING: 11. CITY: COMPTON. COUNTY: 19. LOS ANGELES | | | | | | | | | | | | | | | |
| Number | 20 | 12,439 | 68 | 1,656 | 14,183 | 1,518 | 15,701 | | 1 | 280 | 13 | 17 | 311 | 346 | 657 |
| Percent | 0.1 | 79.2 | 0.4 | 10.5 | 90.3 | 9.7 | 100.0 | | 0.2 | 42.6 | 2.0 | 2.6 | 47.3 | 52.7 | 100.0 |
| Willowbrook Junior High (11) | 0 | 1,129 | 2 | 35 | 1,166 | 0 | 1,166 | (100.0) | 0 | 30 | 0 | 1 | 31 | 23 | 54 |
| Centennial Senior High (1) | 0 | 2,034 | 2 | 36 | 2,072 | 0 | 2,072 | (100.0) | 0 | 42 | 2 | 3 | 47 | 40 | 87 |
| Vanguard Junior High (8) | 0 | 1,299 | 5 | 33 | 1,337 | 1 | 1,338 | (99.9) | 0 | 30 | 2 | 1 | 33 | 22 | 55 |
| Bunche Junior High (5) | 0 | 827 | 2 | 276 | 1,106 | 3 | 1,109 | (99.7) | 0 | 29 | 2 | 2 | 33 | 15 | 48 |
| Compton Senior High (2) | 1 | 2,615 | 21 | 121 | 2,758 | 12 | 2,770 | (99.6) | 1 | 47 | 3 | 5 | 56 | 68 | 124 |
| Enterprise Junior High (6) | 0 | 1,297 | 3 | 68 | 1,368 | 7 | 1,375 | (99.5) | 0 | 29 | 3 | 1 | 33 | 22 | 55 |
| Walton Junior High (9) | 0 | 1,228 | 6 | 49 | 1,283 | 10 | 1,293 | (99.2) | 0 | 27 | 0 | 0 | 27 | 26 | 53 |
| Roosevelt Junior High (7) | 0 | 973 | 8 | 213 | 1,194 | 132 | 1,326 | (90.0) | 0 | 24 | 0 | 1 | 25 | 28 | 53 |
| Compton Senior High (3) | 0 | 44 | 0 | 10 | 54 | 21 | 75 | (72.0) | 0 | 3 | 0 | 0 | 3 | 1 | 4 |
| Dominguez Senior High (4) | 11 | 736 | 12 | 539 | 1,298 | 712 | 2,010 | (64.6) | 0 | 11 | 0 | 2 | 13 | 68 | 81 |
| Whaley Junior High (10) | 7 | 257 | 7 | 276 | 547 | 620 | 1,167 | (46.9) | 0 | 8 | 1 | 1 | 10 | 33 | 43 |
| DISTRICT: ENTERPRISE CITY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 4. REPRESENTING: 5. CITY: COMPTON. COUNTY: 19. LOS ANGELES | | | | | | | | | | | | | | | |
| Number | 1 | 2,660 | 4 | 261 | 2,926 | 54 | 2,980 | | 0 | 93 | 1 | 1 | 95 | 16 | 111 |
| Percent | 0.0 | 89.3 | 0.1 | 8.8 | 98.2 | 1.8 | 100.0 | | 0.0 | 83.8 | 0.9 | 0.9 | 85.6 | 14.4 | 100.0 |
| Ralph Bunche (4) | 0 | 822 | 0 | 16 | 838 | 5 | 843 | (99.4) | 0 | 24 | 1 | 0 | 25 | 5 | 30 |
| Mark Twain (2) | 0 | 684 | 1 | 80 | 765 | 5 | 770 | (99.4) | 0 | 23 | 0 | 0 | 23 | 4 | 27 |
| Mc Kinley (1) | 0 | 588 | 1 | 33 | 622 | 12 | 634 | (98.1) | 0 | 25 | 0 | 1 | 26 | 2 | 28 |
| Pioneer Elementary (3) | 1 | 566 | 2 | 132 | 701 | 32 | 733 | (95.6) | 0 | 21 | 0 | 0 | 21 | 5 | 26 |
| DISTRICT: INGLEWOOD UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 20. REPRESENTING: 20. CITY: INGLEWOOD COUNTY: 19. LOS ANGELES | | | | | | | | | | | | | | | |
| Number | 56 | 1,881 | 253 | 1,173 | 3,363 | 10,162 | 13,525 | | 0 | 16 | 14 | 11 | 41 | 491 | 532 |
| Percent | 0.4 | 13.9 | 1.9 | 8.7 | 24.9 | 75.1 | 100.0 | | 0.0 | 3.0 | 2.6 | 2.1 | 7.7 | 92.3 | 100.0 |
| Daniel Freeman (5) | 2 | 358 | 12 | 11 | 383 | 74 | 457 | (83.8) | 0 | 2 | 0 | 0 | 2 | 16 | 18 |
| Warren Lane Elementary (11) | 0 | 365 | 9 | 21 | 395 | 189 | 584 | (67.6) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Clyde Woodworth (20) | 4 | 327 | 16 | 193 | 540 | 501 | 1,041 | (51.9) | 0 | 1 | 1 | 0 | 2 | 27 | 29 |
| Monroe Junior High (13) | 3 | 315 | 17 | 82 | 417 | 556 | 973 | (42.9) | 0 | 1 | 1 | 2 | 4 | 40 | 44 |
| Morningside High (14) | 9 | 425 | 29 | 139 | 602 | 1,246 | 1,848 | (32.6) | 0 | 5 | 3 | 6 | 14 | 75 | 89 |
| Opportunity High (16) | 1 | 6 | 0 | 5 | 12 | 42 | 54 | (22.2) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Oak Street (15) | 7 | 5 | 11 | 75 | 98 | 432 | 530 | (18.5) | 0 | 2 | 1 | 0 | 3 | 17 | 20 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: INGLEWOOD UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 20. CITY: INGLEWOOD. COUNTY: 19. LOS ANGELES—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| W. Claude Hudnall (7) | 0 | 0 | 5 | 28 | 33 | 150 | 183 | (18.0) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Center Park (3) | 7 | 1 | 23 | 147 | 178 | 855 | 1,033 | (17.2) | 0 | 2 | 2 | 3 | 7 | 27 | 34 |
| James Kew (10) | 1 | 15 | 1 | 15 | 32 | 156 | 188 | (17.0) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Centinela (1) | 1 | 18 | 15 | 102 | 136 | 716 | 852 | (16.0) | 0 | 0 | 2 | 0 | 2 | 25 | 27 |
| Andrew Bennett (2) | 1 | 20 | 10 | 18 | 49 | 270 | 319 | (15.4) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Highland Elementary (6) | 4 | 0 | 10 | 47 | 61 | 376 | 437 | (14.0) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Wm. H. Kelso (9) | 0 | 2 | 6 | 28 | 36 | 310 | 346 | (10.4) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Beulah Payne (19) | 7 | 0 | 2 | 17 | 26 | 233 | 259 | (10.0) | 0 | 1 | 0 | 0 | 1 | 8 | 6 |
| Crozier Junior High (4) | 2 | 4 | 27 | 70 | 103 | 947 | 1,050 | (9.8) | 0 | 0 | 1 | 0 | 1 | 43 | 44 |
| Orthopedic (17) | 2 | 1 | 1 | 3 | 7 | 70 | 77 | (9.1) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Inglewood High (8) | 5 | 8 | 41 | 157 | 211 | 2,113 | 2,324 | (9.1) | 0 | 0 | 0 | 0 | 0 | 98 | 98 |
| La Tijera (12) | 0 | 7 | 4 | 14 | 25 | 324 | 349 | (7.2) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Frank D. Parent (18) | 0 | 4 | 14 | 1 | 19 | 602 | 621 | (3.1) | 0 | 0 | 2 | 0 | 2 | 19 | 21 |

DISTRICT: LONG BEACH UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 78. REPRESENTING: 78. CITY: LONG BEACH. COUNTY: 19. LOS ANGELES

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 60 | 5,489 | 1,222 | 3,840 | 10,611 | 61,454 | 72,065 | ..... | 1 | 86 | 34 | 28 | 149 | 2,506 | 2,655 |
| Percent | 0.1 | 7.6 | 1.7 | 5.3 | 14.7 | 85.3 | 100.0 | ..... | 0.0 | 3.2 | 1.3 | 1.1 | 5.6 | 94.4 | 100.0 |
| Theodore Roosevelt (69) | 3 | 679 | 7 | 37 | 726 | 174 | 900 | (80.7) | 0 | 7 | 0 | 1 | 8 | 22 | 30 |
| Peter H. Burnett (32) | 0 | 568 | 6 | 41 | 615 | 165 | 780 | (78.8) | 0 | 2 | 0 | 0 | 2 | 21 | 23 |
| John G. Whittier (77) | 1 | 587 | 1 | 62 | 651 | 199 | 850 | (76.6) | 0 | 10 | 1 | 0 | 11 | 22 | 33 |
| Abraham Lincoln (54) | 0 | 424 | 1 | 94 | 519 | 253 | 772 | (67.2) | 0 | 4 | 1 | 0 | 5 | 25 | 30 |
| Benjamin Franklin (3) | 0 | 414 | 7 | 45 | 466 | 253 | 719 | (64.8) | 0 | 5 | 0 | 1 | 6 | 30 | 36 |
| James A. Garfield (42) | 0 | 419 | 264 | 183 | 866 | 773 | 1,639 | (52.8) | 0 | 6 | 5 | 1 | 12 | 43 | 55 |
| Elizabeth A. Hudson (48) | 0 | 97 | 14 | 63 | 174 | 156 | 330 | (52.7) | 0 | 2 | 0 | 0 | 2 | 9 | 11 |
| John Muir (63) | 1 | 290 | 157 | 215 | 663 | 598 | 1,261 | (52.6) | 0 | 2 | 2 | 0 | 4 | 38 | 42 |
| William Logan Stephens (13) | 1 | 238 | 140 | 175 | 554 | 646 | 1,200 | (46.2) | 0 | 2 | 1 | 1 | 4 | 44 | 48 |
| Signal Hill (70) | 0 | 141 | 0 | 42 | 183 | 261 | 444 | (41.2) | 0 | 2 | 0 | 1 | 3 | 16 | 19 |
| Robert Louis Stevenson (71) | 1 | 106 | 5 | 60 | 172 | 317 | 489 | (35.2) | 0 | 2 | 1 | 0 | 3 | 18 | 21 |
| Eugene Field (39) | 0 | 97 | 38 | 50 | 185 | 343 | 528 | (35.0) | 0 | 3 | 1 | 0 | 4 | 12 | 16 |
| Polytechnic (20) | 1 | 614 | 153 | 256 | 1,024 | 1,905 | 2,929 | (35.0) | 0 | 6 | 2 | 2 | 10 | 108 | 118 |
| Daniel Webster (76) | 4 | 53 | 42 | 122 | 221 | 431 | 652 | (33.9) | 0 | 0 | 1 | 0 | 1 | 24 | 25 |
| George Washington (14) | 0 | 163 | 11 | 105 | 279 | 602 | 881 | (31.7) | 0 | 2 | 0 | 0 | 2 | 39 | 41 |
| Avalon (24) | 0 | 0 | 2 | 86 | 88 | 338 | 426 | (20.7) | 0 | 0 | 0 | 1 | 1 | 20 | 21 |
| William Cullen Bryant (28) | 7 | 2 | 1 | 52 | 62 | 263 | 325 | (19.1) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Florence Nightingale (66) | 1 | 11 | 3 | 7 | 22 | 95 | 117 | (18.8) | 0 | 0 | 0 | 1 | 1 | 10 | 11 |
| Long Beach Evening High (15) | 0 | 27 | 4 | 21 | 52 | 236 | 288 | (18.1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clara Barton (25) | 1 | 90 | 0 | 99 | 190 | 864 | 1,054 | (18.0) | 0 | 1 | 0 | 0 | 1 | 42 | 43 |
| Walter H. Boyd (16) | 0 | 29 | 0 | 6 | 35 | 165 | 200 | (17.5) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Charles Evans Hughes (7) | 0 | 156 | 8 | 18 | 182 | 918 | 1,100 | (16.5) | 0 | 2 | 1 | 1 | 4 | 44 | 48 |
| Thomas A. Edison (37) | 1 | 28 | 9 | 68 | 106 | 576 | 682 | (15.5) | 0 | 3 | 0 | 0 | 3 | 25 | 28 |
| Will J. Reid (21) | 0 | 32 | 0 | 2 | 34 | 194 | 228 | (14.9) | 0 | 1 | 0 | 0 | 1 | 12 | 13 |
| Benjamin F. Tucker (74) | 0 | 8 | 3 | 4 | 15 | 92 | 107 | (14.0) | 0 | 0 | 1 | 0 | 1 | 9 | 10 |
| Robert E. Lee (53) | 4 | 4 | 4 | 82 | 94 | 584 | 678 | (13.9) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Charles A. Lindbergh (9) | 5 | 27 | 5 | 63 | 100 | 924 | 1,024 | (9.8) | 0 | 1 | 0 | 0 | 1 | 44 | 45 |
| John A. Sutter (72) | 0 | 0 | 3 | 53 | 56 | 529 | 585 | (9.6) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Frances E. Willard (78) | 0 | 2 | 8 | 35 | 45 | 433 | 478 | (9.4) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Jane Addams (23) | 0 | 7 | 8 | 72 | 87 | 842 | 929 | (9.4) | 0 | 2 | 1 | 0 | 3 | 28 | 31 |
| Ulysses S. Grant (44) | 3 | 11 | 16 | 89 | 119 | 1,158 | 1,277 | (9.3) | 0 | 1 | 0 | 0 | 1 | 39 | 40 |
| William McKinley (61) | 0 | 18 | 12 | 49 | 79 | 791 | 870 | (9.1) | 0 | 0 | 1 | 0 | 1 | 27 | 28 |
| Charles A. Buffdum (29) | 0 | 7 | 4 | 27 | 38 | 386 | 424 | (9.0) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Alice M. Birney (26) | 0 | 3 | 13 | 31 | 47 | 478 | 525 | (9.0) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Lafayette (52) | 0 | 10 | 12 | 24 | 46 | 480 | 526 | (8.7) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Thomas Starr King (51) | 2 | 5 | 13 | 40 | 60 | 796 | 856 | (7.0) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Oliver Wendell Holmes (47) | 2 | 0 | 17 | 33 | 52 | 700 | 752 | (6.9) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Luther Burbank (30) | 2 | 2 | 6 | 31 | 41 | 598 | 639 | (6.4) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| James Monroe (62) | 0 | 0 | 7 | 41 | 48 | 770 | 818 | (5.9) | 0 | 0 | 1 | 0 | 1 | 26 | 27 |
| Douglas MacArthur (58) | 3 | 1 | 7 | 39 | 50 | 817 | 867 | (5.8) | 0 | 0 | 1 | 0 | 1 | 26 | 27 |
| John Marshall (10) | 1 | 3 | 3 | 70 | 77 | 1,262 | 1,339 | (5.8) | 0 | 2 | 0 | 0 | 2 | 49 | 51 |
| John Burroughs (33) | 0 | 5 | 6 | 4 | 15 | 249 | 264 | (5.7) | 0 | 1 | 0 | 1 | 2 | 8 | 10 |
| Hubert H. Bancroft (1) | 0 | 1 | 5 | 73 | 79 | 1,321 | 1,400 | (5.6) | 0 | 0 | 0 | 0 | 0 | 53 | 53 |
| Los Cerritos (56) | 0 | 0 | 8 | 12 | 20 | 364 | 384 | (5.2) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Alexander Hamilton (4) | 0 | 10 | 6 | 49 | 65 | 1,188 | 1,253 | (5.2) | 0 | 0 | 1 | 1 | 2 | 47 | 49 |
| Mark Twain (75) | 0 | 11 | 8 | 26 | 45 | 835 | 880 | (5.1) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| James Whitcomb Riley (68) | 0 | 0 | 4 | 36 | 40 | 761 | 801 | (5.0) | 0 | 0 | 1 | 0 | 1 | 27 | 28 |
| Thomas Jefferson (8) | 2 | 4 | 7 | 47 | 60 | 1,171 | 1,231 | (4.9) | 0 | 2 | 0 | 0 | 2 | 44 | 46 |
| George Washington Carver (34) | 1 | 0 | 1 | 31 | 33 | 654 | 687 | (4.8) | 0 | 0 | 0 | 1 | 1 | 20 | 21 |
| Eugene Tincher (73) | 1 | 6 | 11 | 38 | 56 | 1,158 | 1,214 | (4.6) | 0 | 1 | 1 | 0 | 2 | 37 | 39 |
| John C. Fremont (40) | 4 | 5 | 2 | 8 | 19 | 393 | 412 | (4.6) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| James Madison (59) | 0 | 0 | 6 | 28 | 34 | 720 | 754 | (4.5) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Cecil B. De Mille (2) | 0 | 1 | 2 | 64 | 67 | 1,419 | 1,486 | (4.5) | 0 | 1 | 1 | 2 | 4 | 57 | 61 |
| Henry W. Longfellow (55) | 1 | 7 | 15 | 5 | 28 | 604 | 632 | (4.4) | 1 | 2 | 2 | 0 | 5 | 25 | 30 |
| Grover Cleveland (35) | 0 | 0 | 7 | 38 | 45 | 973 | 1,018 | (4.4) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Ellwood P. Cubberley (36) | 0 | 2 | 3 | 42 | 47 | 1,031 | 1,078 | (4.4) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| David Starr Jordan (17) | 1 | 17 | 11 | 71 | 100 | 2,242 | 2,342 | (4.3) | 0 | 1 | 2 | 1 | 4 | 86 | 90 |
| Leland Stanford (12) | 0 | 0 | 5 | 59 | 64 | 1,479 | 1,543 | (4.1) | 0 | 0 | 0 | 1 | 1 | 58 | 59 |
| Lakewood (18) | 1 | 0 | 6 | 138 | 145 | 3,713 | 3,858 | (3.8) | 0 | 1 | 0 | 4 | 5 | 134 | 139 |
| David Burcham (31) | 0 | 2 | 2 | 20 | 24 | 644 | 668 | (3.6) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Charles F. Kettering (50) | 0 | 6 | 5 | 5 | 16 | 430 | 446 | (3.6) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Florence Bixby (27) | 0 | 5 | 1 | 14 | 20 | 573 | 593 | (3.4) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Bret Harte (45) | 0 | 1 | 2 | 21 | 24 | 690 | 714 | (3.4) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| William F. Prisk (67) | 0 | 0 | 6 | 15 | 21 | 634 | 655 | (3.2) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Woodrow Wilson (22) | 1 | 16 | 13 | 67 | 97 | 2,938 | 3,035 | (3.2) | 0 | 1 | 1 | 2 | 4 | 112 | 116 |
| Walter B. Hill (5) | 0 | 6 | 4 | 23 | 33 | 1,040 | 1,073 | (3.1) | 0 | 0 | 0 | 0 | 0 | 45 | 45 |
| Herbert Hoover (6) | 1 | 0 | 4 | 29 | 34 | 1,129 | 1,163 | (2.9) | 0 | 0 | 0 | 0 | 0 | 44 | 44 |
| Horace Mann (60) | 1 | 0 | 3 | 10 | 14 | 466 | 480 | (2.9) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Samuel Gompers (43) | 0 | 0 | 3 | 25 | 28 | 960 | 988 | (2.8) | 0 | 0 | 1 | 0 | 1 | 32 | 33 |
| Minnie Gant (4) | 1 | 3 | 2 | 11 | 17 | 600 | 617 | (2.8) | 0 | 1 | 0 | 1 | 2 | 18 | 20 |
| Douglas A. Newcomb (65) | 0 | 0 | 17 | 7 | 24 | 917 | 941 | (2.6) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Robert A. Millikan (19) | 0 | 2 | 12 | 81 | 95 | 3,839 | 3,934 | (2.4) | 0 | 2 | 0 | 3 | 5 | 142 | 147 |
| Helen Keller (49) | 0 | 1 | 0 | 17 | 18 | 730 | 748 | (2.4) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Patrick Henry (46) | 0 | 2 | 4 | 13 | 19 | 790 | 809 | (2.3) | 0 | 0 | 1 | 0 | 1 | 26 | 27 |
| Ralph Waldo Emerson (38) | 1 | 0 | 6 | 6 | 13 | 636 | 649 | (2.0) | 0 | 0 | 0 | 1 | 1 | 21 | 22 |
| Will Rogers (11) | 0 | 0 | 2 | 11 | 13 | 756 | 679 | (1.7) | 0 | 0 | 1 | 0 | 1 | 31 | 32 |
| James Russell Lowell (57) | 0 | 3 | 6 | 4 | 13 | 775 | 788 | (1.6) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Naples (64) | 0 | 0 | 3 | 0 | 3 | 267 | 270 | (1.1) | 0 | 0 | 1 | 0 | 1 | 8 | 9 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: LOS ANGELES UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 591. REPRESENTING: 591. CITY: LOS ANGELES. COUNTY: 19. LOS ANGELES

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1,204 | 147,738 | 23,248 | 130,450 | 302,640 | 350,909 | 653,549 | | 13 | 3,435 | 989 | 646 | 5,083 | 18,746 | 23,829 |
| Percent | 0.2 | 22.6 | 3.6 | 20.0 | 46.3 | 53.7 | 100.0 | | 0.1 | 14.4 | 4.2 | 2.7 | 21.3 | 78.7 | 100.0 |
| 109th Street Elementary (354) | 0 | 715 | 3 | 17 | 735 | 0 | 735 | (100.0) | 0 | 23 | 0 | 0 | 23 | 7 | 30 |
| South Park Elementary (370) | 1 | 1,212 | 4 | 20 | 1,237 | 0 | 1,237 | (100.0) | 0 | 33 | 0 | 1 | 34 | 10 | 44 |
| South Health Center Branch Class of Widney High (153) | 0 | 74 | 0 | 0 | 74 | 0 | 74 | (100.0) | 0 | 0 | 1 | 0 | 1 | 3 | 4 |
| Jordan Senior High (26) | 0 | 1,866 | 1 | 50 | 1,917 | 0 | 1,917 | (100.0) | 0 | 50 | 2 | 5 | 57 | 35 | 92 |
| Trinity Street Elementary (313) | 0 | 930 | 2 | 24 | 956 | 0 | 956 | (100.0) | 0 | 26 | 0 | 1 | 27 | 10 | 37 |
| 52d Street Elementary (282) | 2 | 1,467 | 2 | 33 | 1,504 | 0 | 1,504 | (100.0) | 0 | 30 | 2 | 0 | 32 | 16 | 48 |
| 96th Street Elementary (351) | 0 | 953 | 0 | 6 | 959 | 0 | 959 | (100.0) | 0 | 35 | 0 | 0 | 35 | 5 | 40 |
| Carver Junior High (37) | 0 | 2,102 | 0 | 12 | 2,114 | 0 | 2,114 | (100.0) | 0 | 51 | 3 | 4 | 58 | 37 | 95 |
| Holmes Avenue Elementary (288) | 0 | 685 | 0 | 11 | 696 | 0 | 695 | (100.0) | 0 | 16 | 1 | 8 | 25 | 0 | 25 |
| Compton Avenue Elementary (324) | 0 | 685 | 0 | 10 | 695 | 0 | 695 | (100.0) | 0 | 14 | 0 | 0 | 14 | 11 | 25 |
| 93d Street Elementary (352) | 0 | 1,431 | 2 | 59 | 1,492 | 0 | 1,492 | (100.0) | 0 | 30 | 0 | 0 | 30 | 18 | 48 |
| 116th Street School Elementary (196) | 0 | 772 | 0 | 11 | 783 | 0 | 783 | (100.0) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| SE Health Ctr Brch Class of Widney High (154) | 0 | 42 | 0 | 0 | 42 | 0 | 42 | (100.0) | 0 | 1 | 0 | 0 | 1 | 1 | 2 |
| Garden Gate Senior High (49) | 0 | 53 | 0 | 0 | 53 | 0 | 53 | (100.0) | 0 | 7 | 0 | 0 | 7 | 2 | 9 |
| Weigand Ave. Elementary (376) | 0 | 626 | 0 | 82 | 708 | 0 | 708 | (100.0) | 0 | 26 | 0 | 0 | 26 | 7 | 33 |
| Budlong Ave. Elementary (275) | 1 | 1,497 | 10 | 68 | 1,576 | 0 | 1,576 | (100.0) | 0 | 28 | 3 | 0 | 31 | 23 | 54 |
| Nevin Ave. Elementary (301) | 0 | 533 | 0 | 65 | 598 | 0 | 598 | (100.0) | 0 | 24 | 0 | 0 | 24 | 1 | 25 |
| 102nd Street Elementary (355) | 1 | 1,316 | 2 | 80 | 1,399 | 0 | 1,399 | (100.0) | 1 | 42 | 2 | 0 | 45 | 6 | 51 |
| 92nd Street Elementary (349) | 0 | 1,159 | 1 | 78 | 1,238 | 0 | 1,238 | (100.0) | 0 | 30 | 1 | 2 | 33 | 23 | 56 |
| Marengo Health Center Branch Class Widney High (152) | 0 | 0 | 0 | 21 | 21 | 0 | 21 | (100.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Markham Junior High (12) | 2 | 2,312 | 0 | 68 | 2,382 | 1 | 2,383 | (100.0) | 0 | 54 | 4 | 7 | 65 | 28 | 93 |
| Locke Senior High (27) | 0 | 2,287 | 2 | 23 | 2,312 | 1 | 2,313 | (100.0) | 0 | 53 | 2 | 1 | 56 | 61 | 117 |
| Western Ave. Elementary (320) | 0 | 1,274 | 5 | 30 | 1,309 | 1 | 1,310 | (99.9) | 0 | 29 | 3 | 0 | 32 | 16 | 48 |
| 111th Street Elementary (353) | 0 | 1,121 | 0 | 11 | 1,132 | 1 | 1,133 | (99.9) | 0 | 30 | 0 | 0 | 30 | 11 | 41 |
| 112th Street Elementary (357) | 0 | 1,042 | 0 | 0 | 1,042 | 1 | 1,043 | (99.9) | 0 | 36 | 1 | 0 | 37 | 9 | 46 |
| Fremont Senior High (23) | 0 | 2,985 | 2 | 88 | 3,075 | 3 | 3,078 | (99.9) | 0 | 36 | 4 | 3 | 43 | 86 | 129 |
| Drew Junior High (6) | 0 | 1,701 | 2 | 41 | 1,744 | 2 | 1,746 | (99.9) | 0 | 52 | 3 | 1 | 56 | 28 | 84 |
| Wadsworth Ave. Elementary (319) | 0 | 1,182 | 0 | 11 | 1,193 | 2 | 1,195 | (99.8) | 0 | 28 | 0 | 0 | 28 | 14 | 42 |
| Grape Street Elementary (333) | 0 | 975 | 1 | 42 | 1,018 | 2 | 1,020 | (99.8) | 0 | 33 | 0 | 0 | 33 | 6 | 39 |
| Ascot Avenue Elementary (273) | 0 | 1,006 | 0 | 7 | 1,013 | 2 | 1,015 | (99.8) | 0 | 36 | 0 | 0 | 36 | 8 | 44 |
| Gompers Junior High (9) | 2 | 2,290 | 3 | 50 | 2,345 | 5 | 2,350 | (99.8) | 0 | 57 | 2 | 3 | 62 | 55 | 117 |
| 99th Street Elementary (348) | 0 | 876 | 2 | 12 | 890 | 2 | 892 | (99.8) | 0 | 27 | 0 | 0 | 27 | 1 | 28 |
| Manhattan Place Elementary (342) | 0 | 875 | 4 | 4 | 883 | 2 | 885 | (99.8) | 0 | 20 | 0 | 0 | 20 | 10 | 30 |
| Harte Junior High (10) | 1 | 2,212 | 9 | 58 | 2,280 | 6 | 2,286 | (99.7) | 0 | 36 | 6 | 1 | 43 | 52 | 95 |
| 49th Street Elementary (284) | 0 | 1,070 | 0 | 4 | 1,074 | 3 | 1,077 | (99.7) | 0 | 14 | 5 | 0 | 19 | 18 | 37 |
| 118th Street Elementary (192) | 1 | 1,006 | 3 | 29 | 1,039 | 3 | 1,042 | (99.7) | 0 | 21 | 6 | 0 | 27 | 16 | 43 |
| Parmelee Avenue Elementary (360) | 3 | 1,156 | 0 | 144 | 1,303 | 4 | 1,307 | (99.7) | 0 | 35 | 3 | 0 | 38 | 8 | 46 |
| 97th Street Elementary (350) | 0 | 1,340 | 8 | 98 | 1,146 | 5 | 1,451 | (99.7) | 0 | 35 | 3 | 0 | 38 | 9 | 47 |
| Russell Elementary (365) | 0 | 1,309 | 4 | 48 | 1,361 | 5 | 1,366 | (99.6) | 0 | 38 | 1 | 0 | 39 | 12 | 51 |
| 36th Street Elementary (580) | 0 | 782 | 10 | 8 | 800 | 3 | 803 | (99.6) | 0 | 13 | 2 | 0 | 15 | 12 | 27 |
| Hooper Avenue Elementary (289) | 0 | 1,585 | 3 | 9 | 1,597 | 6 | 1,603 | (99.6) | 0 | 34 | 2 | 0 | 36 | 20 | 56 |
| 61st Street Elementary (308) | 0 | 1,002 | 0 | 14 | 1,016 | 4 | 1,020 | (99.6) | 0 | 23 | 1 | 1 | 25 | 14 | 39 |
| 20th Street Elementary (314) | 0 | 464 | 0 | 12 | 476 | 2 | 478 | (99.6) | 0 | 13 | 0 | 0 | 13 | 5 | 18 |
| Jefferson Senior High (52) | 0 | 2,038 | 4 | 47 | 2,089 | 9 | 2,098 | (99.6) | 0 | 46 | 3 | 5 | 54 | 40 | 94 |
| Cienega Elementary (552) | 1 | 1,069 | 21 | 26 | 1,117 | 5 | 1,122 | (99.6) | 0 | 13 | 1 | 1 | 15 | 28 | 43 |
| Avalon Gardens Elementary (160) | 0 | 443 | 0 | 0 | 443 | 2 | 445 | (99.6) | 0 | 3 | 1 | 0 | 4 | 10 | 14 |
| Muir Junior High (113) | 1 | 2,118 | 11 | 34 | 2,164 | 10 | 2,174 | (99.5) | 0 | 55 | 7 | 3 | 65 | 41 | 106 |
| Main Street Elementary (296) | 2 | 1,205 | 0 | 14 | 1,221 | 6 | 1,227 | (99.5) | 0 | 22 | 2 | 0 | 24 | 18 | 42 |
| Ann Street Elementary (272) | 1 | 169 | 4 | 221 | 395 | 2 | 397 | (99.5) | 0 | 5 | 2 | 1 | 8 | 9 | 17 |
| Foshay Junior High (108) | 0 | 2,190 | 143 | 64 | 2,397 | 14 | 2,411 | (99.4) | 0 | 51 | 5 | 4 | 60 | 38 | 98 |
| 28th Street Elementary (315) | 0 | 708 | 37 | 250 | 995 | 6 | 1,001 | (99.4) | 0 | 26 | 4 | 0 | 30 | 10 | 40 |
| Bethune Junior High (35) | 0 | 1,585 | 0 | 34 | 1,619 | 10 | 1,629 | (99.4) | 0 | 27 | 1 | 2 | 30 | 36 | 66 |
| Edison Junior High (38) | 0 | 1,403 | 1 | 168 | 1,572 | 10 | 1,582 | (99.4) | 0 | 42 | 3 | 1 | 46 | 30 | 76 |
| La Salle Avenue Elementary (337) | 0 | 1,315 | 16 | 33 | 1,364 | 9 | 1,373 | (99.3) | 0 | 24 | 2 | 0 | 26 | 17 | 43 |
| 37th Street Elementary (312) | 1 | 1,465 | 13 | 59 | 1,538 | 11 | 1,549 | (99.3) | 0 | 24 | 6 | 0 | 30 | 20 | 50 |
| Manchester Avenue Elementary (341) | 0 | 1,987 | 7 | 65 | 2,059 | 16 | 2,075 | (99.2) | 0 | 48 | 0 | 1 | 49 | 19 | 68 |
| Marvin Avenue Elementary (567) | 0 | 1,201 | 46 | 16 | 1,263 | 10 | 1,273 | (99.2) | 0 | 14 | 2 | 0 | 16 | 26 | 42 |
| 68th Street Elementary (307) | 0 | 1,321 | 3 | 48 | 1,372 | 11 | 1,383 | (99.2) | 0 | 30 | 0 | 0 | 30 | 14 | 44 |
| San Pedro Street Elementary (305) | 0 | 234 | 67 | 313 | 614 | 5 | 619 | (99.2) | 0 | 14 | 2 | 1 | 17 | 12 | 29 |
| Ritter Elementary (364) | 0 | 458 | 0 | 29 | 487 | 4 | 491 | (99.2) | 0 | 15 | 0 | 0 | 15 | 4 | 19 |
| Mann Junior High (110) | 1 | 2,274 | 25 | 36 | 2,336 | 20 | 2,356 | (99.2) | 0 | 48 | 2 | 1 | 51 | 33 | 84 |
| Normandie Avenue Elementary (302) | 1 | 1,309 | 31 | 35 | 1,376 | 12 | 1,388 | (99.1) | 0 | 34 | 3 | 0 | 37 | 11 | 48 |
| Belvedere Junior High (34) | 1 | 20 | 34 | 2,076 | 2,131 | 19 | 2,150 | (99.1) | 0 | 6 | 7 | 16 | 29 | 69 | 98 |
| Alta Loma Elementary (536) | 4 | 978 | 40 | 48 | 1,070 | 10 | 1,080 | (99.1) | 0 | 13 | 1 | 0 | 14 | 21 | 35 |
| Vaughn Street Elementary (482) | 0 | 775 | 0 | 79 | 854 | 8 | 862 | (99.1) | 0 | 8 | 1 | 0 | 9 | 22 | 31 |
| Virginia Road Elementary (582) | 0 | 774 | 39 | 3 | 816 | 8 | 824 | (99.0) | 0 | 10 | 0 | 0 | 10 | 17 | 27 |
| 1st Street Elementary (233) | 0 | 17 | 102 | 695 | 814 | 8 | 822 | (99.0) | 0 | 5 | 0 | 2 | 7 | 19 | 26 |
| Marianna Avenue Elementary (252) | 0 | 0 | 0 | 497 | 497 | 5 | 502 | (99.0) | 0 | 5 | 1 | 2 | 8 | 4 | 12 |
| Malabar Street Elementary (251) | 4 | 13 | 46 | 1,308 | 1,371 | 14 | 1,385 | (99.0) | 1 | 3 | 1 | 6 | 11 | 36 | 47 |
| Garfield Senior High (50) | 1 | 8 | 110 | 3,403 | 3,522 | 37 | 3,559 | (99.0) | 0 | 9 | 7 | 24 | 40 | 123 | 163 |
| Menlo Avenue Elementary (298) | 1 | 989 | 33 | 59 | 1,082 | 12 | 1,094 | (98.9) | 0 | 19 | 2 | 0 | 21 | 16 | 37 |
| Brooklyn Avenue Elementary (219) | 1 | 6 | 5 | 888 | 900 | 10 | 910 | (98.9) | 0 | 5 | 3 | 6 | 14 | 30 | 44 |
| Adams Junior High (33) | 3 | 1,285 | 60 | 302 | 1,650 | 19 | 1,669 | (98.9) | 1 | 24 | 9 | 5 | 39 | 44 | 83 |
| 75th Street Elementary (367) | 2 | 1,710 | 7 | 67 | 1,786 | 21 | 1,807 | (98.8) | 0 | 40 | 1 | 1 | 42 | 19 | 61 |
| Hammel Street Elementary (242) | 0 | 5 | 3 | 1,226 | 1,234 | 15 | 1,249 | (98.8) | 0 | 9 | 5 | 2 | 16 | 19 | 35 |
| Manual Arts Senior High (125) | 2 | 2,467 | 112 | 118 | 2,699 | 34 | 2,733 | (98.8) | 0 | 49 | 10 | 3 | 62 | 69 | 131 |
| 24th Street Elementary (581) | 0 | 1,556 | 11 | 68 | 1,635 | 21 | 1,656 | (98.7) | 0 | 19 | 5 | 2 | 26 | 28 | 54 |
| Figueroa Street Elementary (180) | 2 | 1,087 | 7 | 71 | 1,167 | 15 | 1,182 | (98.7) | 0 | 14 | 1 | 0 | 15 | 22 | 37 |
| Angeles Mesa Elementary (538) | 0 | 1,011 | 15 | 32 | 1,058 | 14 | 1,072 | (98.7) | 0 | 9 | 5 | 1 | 15 | 18 | 33 |
| 107th Street Elementary (356) | 0 | 1,460 | 1 | 33 | 1,494 | 20 | 1,514 | (98.7) | 0 | 34 | 0 | 0 | 34 | 16 | 50 |
| Mount Vernon Junior High (112) | 3 | 1,645 | 205 | 75 | 1,928 | 26 | 1,954 | (98.7) | 0 | 48 | 4 | 2 | 54 | 23 | 77 |
| Crenshaw Senior High (119) | 0 | 2,321 | 98 | 41 | 2,460 | 35 | 2,495 | (98.6) | 0 | 47 | 6 | 3 | 56 | 50 | 106 |
| Belvedere Elementary (216) | 0 | 0 | 8 | 1,053 | 1,061 | 16 | 1,077 | (98.5) | 0 | 5 | 3 | 2 | 10 | 27 | 37 |
| 42d Street Elementary (560) | 1 | 675 | 73 | 11 | 760 | 12 | 772 | (98.4) | 0 | 9 | 2 | 0 | 11 | 13 | 24 |
| Miramonte Elementary (300) | 0 | 1,314 | 10 | 340 | 1,664 | 27 | 1,691 | (98.4) | 0 | 41 | 0 | 1 | 42 | 15 | 57 |
| Rowan Avenue Elementary (259) | 1 | 1 | 13 | 1,448 | 1,463 | 25 | 1,488 | (98.3) | 0 | 4 | 8 | 6 | 18 | 31 | 49 |
| 122nd Street Elementary (198) | 1 | 894 | 1 | 40 | 936 | 16 | 952 | (98.3) | 0 | 21 | 3 | 0 | 24 | 13 | 37 |
| Albion Street Elementary (270) | 0 | 19 | 7 | 436 | 462 | 8 | 470 | (98.3) | 0 | 3 | 4 | 0 | 7 | 13 | 20 |
| Breed Street Elementary (217) | 1 | 26 | 29 | 453 | 509 | 9 | 518 | (98.3) | 0 | 3 | 0 | 4 | 7 | 14 | 21 |
| Euclid Avenue Elementary (230) | 0 | 1 | 18 | 977 | 996 | 18 | 1,014 | (98.2) | 0 | 7 | 10 | 2 | 19 | 14 | 33 |
| Sixth Avenue Elementary (577) | 1 | 936 | 177 | 19 | 1,133 | 21 | 1,154 | (98.2) | 0 | 13 | 1 | 0 | 14 | 25 | 39 |
| Santa Barbara Elementary (306) | 0 | 1,301 | 111 | 28 | 1,440 | 27 | 1,467 | (98.2) | 0 | 20 | 6 | 0 | 26 | 26 | 52 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: LOS ANGELES UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 591. REPRESENTING: 591. CITY: LOS ANGELES. COUNTY 19—Continued

| School | Students— | | | | | | | | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Filmore Street Elementary (447) | 1 | 911 | 3 | 31 | 946 | 18 | 964 | (98.1) | 0 | 9 | 0 | 0 | 9 | 27 | 36 |
| Ford Boulevard Elementary (234) | 0 | 0 | 2 | 1,303 | 1,305 | 25 | 1,330 | (98.1) | 0 | 4 | 5 | 3 | 12 | 30 | 42 |
| Sixty-Sixth Street Elementary (309) | 1 | 1,227 | 4 | 31 | 1,263 | 25 | 1,288 | (98.1) | 0 | 32 | 1 | 1 | 34 | 14 | 48 |
| Seventy-Fourth Street Elementary (368) | 0 | 1,148 | 14 | 19 | 1,181 | 24 | 1,205 | (98.0) | 0 | 14 | 1 | 2 | 17 | 22 | 39 |
| Eastman Avenue Elementary (228) | 0 | 0 | 4 | 1,447 | 1,451 | 32 | 1,483 | (97.8) | 0 | 8 | 4 | 10 | 22 | 29 | 51 |
| Harrison Elementary (243) | 1 | 8 | 11 | 964 | 984 | 22 | 1,006 | (97.8) | 0 | 8 | 5 | 1 | 14 | 23 | 37 |
| Evergreen Avenue Elementary (231) | 5 | 2 | 40 | 1,057 | 1,104 | 26 | 1,130 | (97.7) | 0 | 1 | 8 | 4 | 13 | 29 | 42 |
| Ninety-Fifth Street Elementary (347) | 3 | 1,647 | 11 | 120 | 1,781 | 42 | 1,823 | (97.7) | 0 | 23 | 2 | 0 | 25 | 32 | 57 |
| Hollenbeck Junior High (40) | 9 | 293 | 139 | 1,973 | 2,414 | 59 | 2,473 | (97.6) | 0 | 10 | 14 | 11 | 35 | 71 | 106 |
| Roosevelt Senior High (57) | 12 | 218 | 248 | 2,766 | 3,244 | 92 | 3,336 | (97.2) | 0 | 10 | 10 | 16 | 36 | 102 | 138 |
| Burnside Avenue Elementary (546) | 0 | 936 | 32 | 15 | 983 | 28 | 1,011 | (97.2) | 0 | 10 | 0 | 0 | 10 | 22 | 32 |
| Graham Elementary (332) | 9 | 490 | 7 | 647 | 1,153 | 33 | 1,186 | (97.2) | 0 | 24 | 2 | 0 | 26 | 12 | 38 |
| Dublin Avenue Elementary (557) | 1 | 449 | 191 | 16 | 657 | 19 | 676 | (97.2) | 0 | 4 | 6 | 0 | 10 | 12 | 22 |
| City Terrace Elementary (222) | 0 | 0 | 23 | 718 | 741 | 22 | 763 | (97.1) | 0 | 4 | 2 | 8 | 14 | 9 | 23 |
| Bridge Street Elementary (218) | 0 | 4 | 9 | 453 | 466 | 14 | 480 | (97.1) | 0 | 4 | 0 | 2 | 6 | 11 | 17 |
| Ramona Senior High (56) | 0 | 9 | 0 | 57 | 66 | 2 | 68 | (97.1) | 0 | 2 | 0 | 0 | 2 | 8 | 10 |
| Humphreys Avenue Elementary (245) | 0 | 3 | 3 | 1,077 | 1,083 | 33 | 1,116 | (97.0) | 0 | 9 | 5 | 1 | 15 | 21 | 36 |
| Lorena Street Elementary (249) | 0 | 2 | 33 | 975 | 1,010 | 31 | 1,041 | (97.0) | 0 | 5 | 5 | 2 | 12 | 24 | 36 |
| Raymond Avenue Elementary (363) | 0 | 1,538 | 15 | 47 | 1,600 | 50 | 1,650 | (97.0) | 1 | 28 | 0 | 0 | 29 | 27 | 56 |
| Arlington Heights Elementary (539) | 0 | 747 | 147 | 63 | 957 | 31 | 988 | (96.9) | 0 | 9 | 4 | 1 | 14 | 19 | 33 |
| Soto Street Elementary (266) | 0 | 4 | 6 | 395 | 405 | 14 | 419 | (96.7) | 0 | 0 | 0 | 3 | 3 | 12 | 15 |
| Dorsey Senior High (120) | 0 | 1,738 | 512 | 29 | 2,279 | 81 | 2,360 | (96.6) | 0 | 23 | 8 | 5 | 36 | 70 | 106 |
| Sheridan Street Elementary (262) | 0 | 0 | 47 | 1,098 | 1,145 | 41 | 1,186 | (96.5) | 0 | 5 | 4 | 2 | 11 | 28 | 39 |
| Utah Street Elementary (268) | 4 | 727 | 2 | 546 | 1,279 | 47 | 1,326 | (96.5) | 0 | 12 | 1 | 4 | 17 | 27 | 44 |
| Stevenson Junior High (44) | 3 | 14 | 32 | 1,842 | 1,891 | 71 | 1,962 | (96.4) | 0 | 10 | 6 | 15 | 31 | 29 | 60 |
| Griffin Avenue Elementary (241) | 1 | 3 | 11 | 446 | 461 | 18 | 479 | (96.2) | 0 | 2 | 1 | 0 | 3 | 16 | 19 |
| Woodcrest Elementary (212) | 5 | 1,626 | 5 | 95 | 1,731 | 72 | 1,803 | (96.0) | 0 | 16 | 5 | 1 | 22 | 35 | 57 |
| Washington Senior High (31) | 0 | 2,405 | 84 | 164 | 2,653 | 122 | 2,765 | (95.9) | 0 | 29 | 3 | 6 | 38 | 89 | 127 |
| 59th Street Elementary (329) | 0 | 896 | 9 | 25 | 930 | 40 | 970 | (95.9) | 0 | 12 | 4 | 0 | 16 | 14 | 30 |
| Gates Street Elementary (237) | 1 | 1 | 49 | 772 | 823 | 37 | 860 | (95.7) | 0 | 0 | 5 | 4 | 9 | 19 | 28 |
| Century Park Elementary (170) | 0 | 1,042 | 7 | 26 | 1,075 | 50 | 1,125 | (95.6) | 0 | 13 | 1 | 0 | 14 | 23 | 37 |
| Castelar Elementary (276) | 0 | 3 | 390 | 183 | 576 | 27 | 603 | (95.5) | 0 | 3 | 3 | 0 | 6 | 14 | 20 |
| Hillside Elementary (244) | 0 | 2 | 10 | 483 | 495 | 24 | 519 | (95.4) | 0 | 4 | 0 | 0 | 4 | 12 | 16 |
| Lincoln Senior High (53) | 36 | 57 | 93 | 2,683 | 2,869 | 141 | 3,010 | (95.3) | 0 | 6 | 10 | 13 | 29 | 122 | 151 |
| Florence Avenue Elementary (331) | 1 | 111 | 4 | 930 | 1,046 | 53 | 1,099 | (95.2) | 0 | 12 | 2 | 0 | 14 | 22 | 36 |
| West Vernon Avenue Elementary (321) | 1 | 822 | 5 | 64 | 892 | 47 | 939 | (95.0) | 0 | 25 | 3 | 0 | 28 | 13 | 41 |
| Riggin Elementary (257) | 0 | 10 | 0 | 837 | 847 | 45 | 892 | (95.0) | 0 | 7 | 4 | 6 | 17 | 19 | 36 |
| Griffith Junior High (39) | 2 | 5 | 97 | 1,610 | 1,714 | 92 | 1,806 | (94.9) | 0 | 6 | 8 | 11 | 25 | 60 | 85 |
| Coliseum Street Elementary (555) | 0 | 147 | 426 | 1 | 574 | 31 | 605 | (94.9) | 0 | 4 | 0 | 0 | 4 | 14 | 18 |
| Huntington Drive Elementary (246) | 1 | 15 | 3 | 749 | 768 | 43 | 811 | (94.7) | 0 | 4 | 0 | 0 | 4 | 23 | 27 |
| Soland Avenue Elementary (265) | 0 | 0 | 58 | 125 | 183 | 11 | 194 | (94.3) | 0 | 1 | 1 | 0 | 2 | 6 | 8 |
| Hillcrest Drive Elementary (563) | 1 | 1,019 | 27 | 19 | 1,066 | 65 | 1,131 | (94.3) | 0 | 11 | 0 | 1 | 12 | 24 | 36 |
| Murchison Street Elementary (256) | 6 | 74 | 11 | 1,152 | 1,243 | 77 | 1,320 | (94.2) | 0 | 16 | 5 | 4 | 25 | 34 | 59 |
| Audubon Junior High (103) | 0 | 1,492 | 489 | 32 | 2,013 | 126 | 2,139 | (94.1) | 0 | 22 | 5 | 2 | 29 | 57 | 86 |
| Glen Alta Elementary (239) | 0 | 22 | 12 | 362 | 396 | 28 | 424 | (93.4) | 0 | 2 | 0 | 0 | 2 | 12 | 14 |
| Lillian Street Elementary (292) | 7 | 118 | 4 | 458 | 587 | 43 | 630 | (93.2) | 0 | 9 | 3 | 0 | 12 | 14 | 26 |
| Cortez Street Elementary (279) | 7 | 17 | 57 | 955 | 1,036 | 80 | 1,116 | (92.8) | 0 | 5 | 6 | 1 | 12 | 26 | 38 |
| Robert Hill Lane (247) | 0 | 0 | 167 | 177 | 344 | 27 | 371 | (92.7) | 0 | 0 | 1 | 0 | 1 | 10 | 11 |
| McKinley Avenue Elementary (343) | 2 | 1,020 | 3 | 30 | 1,055 | 83 | 1,138 | (92.7) | 0 | 26 | 2 | 0 | 28 | 10 | 38 |
| Magnolia Avenue Elementary (295) | 6 | 154 | 74 | 780 | 1,014 | 84 | 1,098 | (92.3) | 0 | 5 | 5 | 1 | 11 | 27 | 38 |
| 2d Street Elementary (261) | 31 | 108 | 23 | 602 | 764 | 67 | 831 | (91.9) | 0 | 4 | 3 | 1 | 8 | 20 | 28 |
| Norwood Street Elementary (303) | 4 | 204 | 9 | 426 | 643 | 62 | 705 | (91.2) | 0 | 7 | 4 | 0 | 11 | 12 | 23 |
| Hyde Park Elementary (335) | 2 | 695 | 11 | 35 | 743 | 72 | 815 | (91.2) | 0 | 15 | 2 | 0 | 17 | 9 | 26 |
| 4th Street Elementary (235) | 0 | 0 | 22 | 1,004 | 1,026 | 102 | 1,128 | (91.0) | 0 | 5 | 3 | 2 | 10 | 24 | 34 |
| Nightingale Junior High (43) | 5 | 65 | 186 | 1,058 | 1,314 | 131 | 1,445 | (90.9) | 0 | 9 | 4 | 3 | 16 | 56 | 72 |
| El Sereno Elementary (229) | 0 | 10 | 5 | 768 | 783 | 82 | 865 | (90.5) | 0 | 2 | 5 | 0 | 7 | 20 | 27 |
| Aragon Avenue Elementary (215) | 4 | 2 | 6 | 626 | 638 | 69 | 707 | (90.2) | 0 | 0 | 1 | 1 | 2 | 18 | 20 |
| Windsor Hills Elementary (590) | 0 | 662 | 32 | 7 | 701 | 77 | 778 | (90.1) | 0 | 5 | 1 | 0 | 6 | 17 | 23 |
| Vermont Avenue Elementary (317) | 2 | 806 | 28 | 228 | 1,064 | 123 | 1,187 | (89.6) | 0 | 19 | 2 | 1 | 22 | 17 | 39 |
| Multnomah Street Elementary (255) | 1 | 0 | 50 | 319 | 370 | 45 | 415 | (89.2) | 0 | 5 | 0 | 1 | 6 | 10 | 16 |
| 54th Street Elementary (559) | 0 | 661 | 49 | 29 | 739 | 90 | 829 | (89.1) | 0 | 8 | 1 | 0 | 9 | 17 | 26 |
| Wilmington Park Elementary (211) | 0 | 180 | 9 | 759 | 948 | 119 | 1,067 | (88.8) | 0 | 2 | 2 | 3 | 7 | 29 | 36 |
| Farmdale Elementary (232) | 0 | 4 | 112 | 672 | 788 | 99 | 887 | (88.8) | 0 | 1 | 4 | 2 | 7 | 21 | 28 |
| Pacoima Elementary (467) | 4 | 752 | 9 | 587 | 1,352 | 171 | 1,523 | (88.8) | 0 | 4 | 1 | 0 | 5 | 41 | 46 |
| West Athens Elementary (209) | 5 | 915 | 118 | 112 | 1,150 | 146 | 1,296 | (88.7) | 0 | 3 | 2 | 0 | 5 | 37 | 42 |
| Jackson Senior High (51) | 1 | 46 | 1 | 162 | 210 | 28 | 238 | (88.2) | 0 | 3 | 0 | 1 | 4 | 23 | 27 |
| Loreto Street Elementary (250) | 2 | 1 | 12 | 452 | 467 | 66 | 533 | (87.6) | 0 | 1 | 2 | 3 | 6 | 12 | 18 |
| Hobart Boulevard Elementary (287) | 1 | 298 | 263 | 392 | 954 | 140 | 1,094 | (87.2) | 0 | 10 | 6 | 0 | 16 | 19 | 35 |
| 10th Street Elementary (310) | 25 | 9 | 22 | 627 | 683 | 103 | 786 | (86.9) | 0 | 7 | 2 | 4 | 13 | 19 | 32 |
| McDonnell Avenue Crippled Elementary (137) | 0 | 31 | 9 | 109 | 149 | 24 | 173 | (86.1) | 0 | 5 | 0 | 0 | 5 | 9 | 14 |
| Queen Anne Place Elementary (572) | 0 | 172 | 146 | 80 | 398 | 66 | 464 | (85.8) | 0 | 3 | 1 | 0 | 4 | 11 | 15 |
| Dorris Place Elementary (226) | 0 | 3 | 79 | 393 | 475 | 79 | 554 | (85.7) | 0 | 1 | 1 | 0 | 2 | 15 | 17 |
| 32d Street Elementary (311) | 1 | 192 | 43 | 162 | 398 | 67 | 465 | (85.6) | 0 | 4 | 1 | 0 | 5 | 10 | 15 |
| Ross Senior High (58) | 1 | 19 | 0 | 8 | 28 | 5 | 33 | (84.8) | 0 | 2 | 1 | 0 | 3 | 6 | 9 |
| San Fernando Elementary (473) | 0 | 15 | 5 | 830 | 850 | 153 | 1,003 | (84.7) | 0 | 1 | 0 | 3 | 4 | 32 | 36 |
| Los Angeles Senior High (124) | 6 | 1,862 | 481 | 310 | 2,659 | 481 | 3,140 | (84.7) | 0 | 23 | 10 | 3 | 36 | 107 | 143 |
| Broadway Elementary (544) | 3 | 457 | 0 | 318 | 778 | 142 | 920 | (84.6) | 0 | 3 | 0 | 1 | 4 | 30 | 34 |
| Berendo Junior High (105) | 4 | 228 | 156 | 684 | 1,072 | 202 | 1,274 | (84.1) | 0 | 15 | 7 | 5 | 27 | 29 | 56 |
| Wilson Senior High (59) | 3 | 28 | 262 | 2,687 | 2,980 | 568 | 3,548 | (84.0) | 0 | 6 | 14 | 7 | 27 | 120 | 147 |
| Telfair Avenue (479) | 3 | 130 | 21 | 812 | 966 | 206 | 1,172 | (82.4) | 0 | 1 | 0 | 0 | 1 | 35 | 36 |
| Sierra Park Elementary (263) | 4 | 4 | 33 | 959 | 1,000 | 219 | 1,219 | (82.0) | 0 | 2 | 1 | 6 | 9 | 29 | 38 |
| Dacotah Street Elementary (223) | 2 | 37 | 10 | 679 | 728 | 163 | 891 | (81.7) | 0 | 1 | 5 | 5 | 11 | 20 | 31 |
| Belmont Senior High (45) | 19 | 131 | 442 | 1,572 | 2,164 | 489 | 2,653 | (81.6) | 0 | 10 | 7 | 5 | 22 | 93 | 115 |
| Ambler Avenue Elementary (157) | 2 | 437 | 10 | 11 | 460 | 110 | 570 | (80.7) | 0 | 6 | 2 | 0 | 8 | 10 | 18 |
| Rosemont Avenue Elementary (304) | 4 | 115 | 102 | 541 | 762 | 183 | 945 | (80.6) | 0 | 9 | 3 | 1 | 13 | 18 | 31 |
| Vernon City Elementary (318) | 0 | 45 | 1 | 146 | 192 | 47 | 239 | (80.3) | 0 | 4 | 1 | 0 | 5 | 4 | 9 |
| Sierra Vista Elementary (264) | 1 | 16 | 5 | 231 | 253 | 62 | 315 | (80.3) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Harbor South Elementary TMR (131) | 0 | 93 | 5 | 21 | 119 | 30 | 149 | (79.9) | 0 | 4 | 0 | 0 | 4 | 11 | 15 |
| Dayton Heights Elementary (280) | 2 | 20 | 151 | 164 | 337 | 88 | 425 | (79.3) | 0 | 0 | 2 | 0 | 2 | 12 | 14 |
| Metropolitan Senior High (55) | 0 | 259 | 1 | 51 | 311 | 83 | 394 | (78.9) | 0 | 4 | 1 | 1 | 6 | 15 | 21 |
| Pacific Boulevard (140) | 0 | 88 | 3 | 125 | 216 | 60 | 276 | (78.3) | 0 | 11 | 2 | 0 | 13 | 16 | 29 |
| Washington Boulevard (144) | 4 | 135 | 17 | 67 | 223 | 67 | 290 | (76.9) | 0 | 5 | 0 | 1 | 6 | 16 | 22 |
| Logan Street Elementary (294) | 4 | 11 | 54 | 596 | 665 | 206 | 871 | (76.3) | 0 | 2 | 4 | 0 | 6 | 24 | 30 |
| Latona Avenue Elementary (248) | 3 | 1 | 11 | 327 | 342 | 109 | 451 | (75.8) | 0 | 1 | 0 | 2 | 3 | 12 | 15 |
| Gravois Avenue Elementary (240) | 1 | 13 | 24 | 263 | 301 | 97 | 398 | (75.6) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Union Avenue Elementary (316) | 3 | 42 | 66 | 442 | 553 | 182 | 735 | (75.2) | 0 | 2 | 7 | 1 | 10 | 13 | 23 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: LOS ANGELES UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 591. REPRESENTING: 591. CITY: LOS ANGELES. COUNTY 19—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Haddon Avenue Elementary (451) | 1 | 33 | 7 | 891 | 932 | 308 | 1,240 | (75.2) | 1 | 0 | 0 | 0 | 1 | 39 | 40 |
| Wilshire Crest Elementary (588) | 0 | 392 | 59 | 31 | 482 | 160 | 642 | (75.1) | 0 | 3 | 2 | 0 | 5 | 15 | 20 |
| Clay Junior High (3) | 9 | 1,228 | 185 | 194 | 1,616 | 537 | 2,153 | (75.1) | 0 | 14 | 8 | 2 | 24 | 69 | 93 |
| Omelveny Elementary (465) | 1 | 43 | 8 | 591 | 643 | 214 | 857 | (75.0) | 0 | 1 | 1 | 3 | 5 | 26 | 31 |
| Pasteur Junior High (115) | 0 | 1,067 | 65 | 32 | 1,164 | 430 | 1,594 | (73.0) | 0 | 14 | 7 | 1 | 22 | 48 | 70 |
| Normont Elementary Normonte (191) | 6 | 232 | 34 | 267 | 539 | 204 | 743 | (72.5) | 0 | 6 | 4 | 1 | 11 | 22 | 33 |
| Westminster Avenue Elementary (586) | 8 | 410 | 5 | 306 | 729 | 277 | 1,006 | (72.5) | 0 | 3 | 1 | 1 | 5 | 31 | 36 |
| Virgil Junior High (117) | 6 | 86 | 136 | 903 | 1,131 | 430 | 1,561 | (72.5) | 0 | 9 | 8 | 3 | 20 | 42 | 62 |
| Nora Sterry Elementary (578) | 1 | 0 | 193 | 207 | 401 | 162 | 563 | (71.2) | 0 | 0 | 2 | 0 | 2 | 17 | 19 |
| Hoover Street Elementary (290) | 8 | 23 | 79 | 297 | 407 | 165 | 572 | (71.2) | 0 | 3 | 4 | 0 | 7 | 11 | 18 |
| Bandini Branch Elementary (162) | 0 | 63 | 6 | 148 | 217 | 89 | 306 | (70.9) | 0 | 0 | 1 | 0 | 1 | 10 | 11 |
| Barton Hill Elementary (163) | 3 | 248 | 42 | 416 | 709 | 292 | 1,001 | (70.8) | 0 | 3 | 0 | 2 | 5 | 29 | 34 |
| San Fernando Senior High (98) | 6 | 727 | 61 | 1,174 | 1,968 | 866 | 2,834 | (69.4) | 0 | 3 | 0 | 5 | 8 | 102 | 110 |
| Joseph Pomeroy Widney Crippled High (147) | 4 | 207 | 14 | 149 | 374 | 169 | 543 | (68.9) | 0 | 13 | 2 | 0 | 15 | 26 | 41 |
| Hawaiian Avenue Elementary (186) | 1 | 150 | 174 | 502 | 827 | 386 | 1,213 | (68.2) | 0 | 4 | 3 | 4 | 11 | 31 | 42 |
| C.Morley Sellery Crippled Elementary (142) | 0 | 125 | 9 | 27 | 161 | 76 | 237 | (67.9) | 0 | 2 | 2 | 1 | 5 | 15 | 20 |
| Lockwood Avenue Elementary (293) | 1 | 97 | 100 | 157 | 355 | 169 | 524 | (67.7) | 0 | 1 | 2 | 1 | 4 | 12 | 16 |
| San Fernando Junior High (81) | 0 | 359 | 24 | 855 | 1,238 | 615 | 1,853 | (66.8) | 0 | 7 | 1 | 5 | 13 | 66 | 79 |
| Middleton Street Elementary (344) | 2 | 0 | 10 | 533 | 545 | 272 | 817 | (66.7) | 0 | 2 | 0 | 0 | 2 | 24 | 26 |
| Elysian Heights Elementary (281) | 1 | 13 | 57 | 246 | 317 | 159 | 476 | (66.6) | 0 | 0 | 1 | 2 | 3 | 11 | 14 |
| Marlton Deaf Elementary & Junior High (135) | 0 | 112 | 15 | 65 | 192 | 98 | 290 | (66.2) | 0 | 6 | 1 | 0 | 7 | 32 | 39 |
| Commonwealth Avenue Elementary (278) | 3 | 19 | 71 | 266 | 359 | 187 | 546 | (65.8) | 0 | 3 | 1 | 3 | 7 | 10 | 17 |
| Mayberry Street Elementary (297) | 0 | 2 | 40 | 179 | 221 | 116 | 337 | (65.6) | 0 | 1 | 2 | 1 | 4 | 6 | 10 |
| Cimarron Avenue Elementary (172) | 0 | 466 | 31 | 25 | 522 | 284 | 806 | (64.8) | 0 | 4 | 2 | 0 | 6 | 23 | 29 |
| Glassell Park Elementary (238) | 0 | 6 | 26 | 440 | 472 | 258 | 730 | (64.7) | 0 | 1 | 1 | 0 | 2 | 22 | 24 |
| Maclay Junior High (68) | 1 | 674 | 12 | 274 | 961 | 529 | 1,490 | (64.5) | 0 | 4 | 1 | 1 | 6 | 58 | 64 |
| Huntington Park Senior High (25) | 15 | 177 | 16 | 1,032 | 1,240 | 712 | 1,952 | (63.5) | 0 | 3 | 1 | 4 | 8 | 76 | 84 |
| Gardena Elementary (182) | 4 | 237 | 229 | 139 | 609 | 351 | 960 | (63.4) | 0 | 2 | 6 | 1 | 9 | 23 | 32 |
| Venice Health Ctr. Branch Windey High (155) | 0 | 10 | 0 | 2 | 12 | 7 | 19 | (63.2) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Crescent Heights Boulevard Elementary (556) | 0 | 377 | 22 | 23 | 422 | 248 | 670 | (63.0) | 0 | 6 | 0 | 0 | 6 | 16 | 22 |
| Bandini Street Elementary (161) | 0 | 63 | 7 | 173 | 243 | 147 | 390 | (62.3) | 0 | 1 | 1 | 1 | 3 | 9 | 12 |
| Orthopaedic Hosp. Brch. Class of Wash. Blvd. (146) | 0 | 4 | 0 | 9 | 13 | 8 | 21 | (61.9) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Allesandro Elementary (271) | 1 | 4 | 18 | 286 | 309 | 194 | 503 | (61.4) | 0 | 2 | 3 | 0 | 5 | 10 | 15 |
| Denker Avenue Elementary (175) | 1 | 4 | 537 | 310 | 852 | 549 | 1,401 | (60.8) | 0 | 1 | 10 | 0 | 11 | 33 | 44 |
| Braddock Avenue Elementary (322) | 4 | 86 | 86 | 424 | 600 | 423 | 1,023 | (58.7) | 0 | 3 | 2 | 0 | 5 | 29 | 34 |
| Gage Junior High (8) | 5 | 38 | 13 | 809 | 865 | 614 | 1,479 | (58.5) | 0 | 5 | 3 | 4 | 12 | 45 | 57 |
| Broadacres Avenue Elementary (165) | 0 | 424 | 17 | 62 | 503 | 360 | 863 | (58.3) | 0 | 7 | 5 | 0 | 12 | 16 | 28 |
| Amestoy Elementary (158) | 0 | 2 | 355 | 114 | 471 | 345 | 816 | (57.7) | 0 | 0 | 7 | 0 | 7 | 11 | 18 |
| Peary Junior High (14) | 6 | 531 | 801 | 354 | 1,692 | 1,361 | 3,053 | (55.4) | 0 | 9 | 12 | 3 | 24 | 93 | 117 |
| Baldwin Hills Elementary (540) | 1 | 271 | 205 | 64 | 541 | 445 | 986 | (54.9) | 0 | 4 | 2 | 1 | 7 | 24 | 31 |
| Banning Senior High (19) | 11 | 249 | 75 | 918 | 1,253 | 1,048 | 2,301 | (54.5) | 0 | 4 | 3 | 7 | 14 | 89 | 103 |
| Micheltorena Street Elementary (299) | 0 | 13 | 171 | 251 | 435 | 369 | 804 | (54.1) | 0 | 1 | 6 | 1 | 8 | 17 | 25 |
| Clifford Elementary (277) | 0 | 3 | 17 | 123 | 143 | 122 | 265 | (54.0) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |
| 153d Street Elementary (195) | 2 | 50 | 190 | 85 | 327 | 279 | 606 | (54.0) | 0 | 0 | 2 | 0 | 2 | 22 | 24 |
| Sharp Avenue Elementary (475) | 3 | 33 | 12 | 623 | 671 | 579 | 1,250 | (53.7) | 0 | 1 | 0 | 0 | 1 | 37 | 38 |
| Annalee Avenue Elementary (159) | 0 | 262 | 52 | 55 | 369 | 327 | 696 | (53.0) | 0 | 6 | 2 | 0 | 8 | 15 | 23 |
| Cabrillo Avenue Elementary (166) | 1 | 27 | 17 | 353 | 398 | 355 | 753 | (52.9) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Fletcher Drive Elementary (283) | 16 | 0 | 20 | 267 | 303 | 272 | 575 | (52.7) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |
| Wilton Place Elementary (589) | 0 | 113 | 75 | 62 | 250 | 225 | 475 | (52.6) | 0 | 3 | 0 | 1 | 4 | 11 | 15 |
| Fries Avenue Elementary (181) | 4 | 20 | 39 | 556 | 619 | 592 | 1,211 | (51.1) | 0 | 1 | 0 | 0 | 1 | 42 | 43 |
| Short Avenue Elementary (369) | 1 | 5 | 244 | 337 | 587 | 567 | 1,154 | (50.9) | 0 | 0 | 4 | 0 | 4 | 30 | 34 |
| Shriners Hospital Branch Class of Washington Boulevard (145) | 0 | 1 | 0 | 12 | 13 | 13 | 26 | (50.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Wilmington Health Center Branch Widney High (156) | 0 | 6 | 1 | 4 | 11 | 11 | 22 | (50.0) | 0 | 1 | 0 | 0 | 1 | 1 | 2 |
| Gardena Senior High (24) | 5 | 457 | 733 | 368 | 1,563 | 1,571 | 3,134 | (49.9) | 0 | 3 | 8 | 5 | 16 | 113 | 129 |
| Frances Blend Blind Elementary (130) | 0 | 37 | 5 | 21 | 63 | 64 | 127 | (49.6) | 0 | 2 | 1 | 0 | 3 | 12 | 15 |
| Stoner Avenue Elementary (373) | 4 | 122 | 83 | 341 | 550 | 560 | 1,110 | (49.5) | 0 | 5 | 1 | 1 | 7 | 28 | 35 |
| Wilmington Junior High (17) | 6 | 105 | 52 | 907 | 1,070 | 1,093 | 2,163 | (49.5) | 0 | 4 | 3 | 2 | 9 | 74 | 83 |
| 135th Street Elementary (197) | 2 | 52 | 174 | 169 | 397 | 406 | 803 | (49.4) | 0 | 1 | 4 | 0 | 5 | 20 | 25 |
| King Junior High (42) | 4 | 63 | 278 | 603 | 948 | 982 | 1,930 | (49.1) | 0 | 2 | 5 | 0 | 7 | 68 | 75 |
| Gulf Avenue Elementary (183) | 7 | 6 | 52 | 657 | 722 | 749 | 1,471 | (49.1) | 0 | 2 | 3 | 1 | 6 | 41 | 47 |
| Monte Vista Street Elementary (253) | 4 | 1 | 10 | 272 | 287 | 299 | 586 | (49.0) | 0 | 4 | 0 | 1 | 5 | 13 | 18 |
| Leapwood Avenue (187) | 0 | 109 | 176 | 112 | 397 | 416 | 813 | (48.8) | 0 | 1 | 5 | 0 | 6 | 19 | 25 |
| Bushnell Way Elementary (221) | 0 | 2 | 39 | 247 | 288 | 302 | 590 | (48.8) | 0 | 0 | 1 | 0 | 1 | 16 | 17 |
| Aldama Elementary (213) | 0 | 2 | 10 | 262 | 274 | 300 | 574 | (47.7) | 0 | 3 | 1 | 0 | 4 | 16 | 20 |
| Montague Street Elementary (461) | 0 | 11 | 42 | 408 | 461 | 514 | 975 | (47.3) | 0 | 2 | 0 | 0 | 2 | 35 | 37 |
| Irving Junior High (41) | 3 | 8 | 49 | 565 | 625 | 697 | 1,322 | (47.3) | 0 | 1 | 3 | 3 | 7 | 47 | 54 |
| Loma Vista Avenue Elementary (339) | 12 | 1 | 5 | 355 | 373 | 424 | 797 | (46.8) | 0 | 0 | 1 | 1 | 2 | 23 | 25 |
| Pacoima Junior High (76) | 5 | 64 | 40 | 836 | 945 | 1,076 | 2,021 | (46.8) | 0 | 3 | 5 | 3 | 11 | 74 | 85 |
| Alexandria Avenue Elementary (379) | 5 | 22 | 45 | 238 | 310 | 363 | 673 | (46.1) | 0 | 1 | 0 | 1 | 2 | 18 | 20 |
| Glenfeliz Boulevard Elementary (286) | 2 | 1 | 13 | 216 | 232 | 275 | 507 | (45.8) | 0 | 2 | 1 | 0 | 3 | 14 | 17 |
| Childrens Hospital & Rehabilitation Center (141) | 0 | 10 | 3 | 7 | 20 | 24 | 44 | (45.5) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| 186th Street Elementary (193) | 0 | 2 | 376 | 201 | 579 | 695 | 1,274 | (45.4) | 0 | 1 | 9 | 0 | 10 | 30 | 40 |
| Playa Del Rey Elementary (362) | 0 | 10 | 146 | 79 | 235 | 284 | 519 | (45.3) | 0 | 0 | 2 | 0 | 2 | 14 | 16 |
| Atwater Avenue Elementary (274) | 1 | 1 | 27 | 201 | 230 | 278 | 508 | (45.3) | 0 | 0 | 3 | 0 | 3 | 15 | 18 |
| Brocton Avenue Elementary (545) | 2 | 3 | 100 | 140 | 245 | 306 | 551 | (44.5) | 0 | 1 | 3 | 0 | 4 | 15 | 19 |
| Cooper Senior High (22) | 0 | 2 | 0 | 18 | 20 | 25 | 45 | (44.4) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Marina Del Rey Junior High (11) | 4 | 78 | 245 | 392 | 719 | 904 | 1,623 | (44.3) | 0 | 2 | 0 | 2 | 4 | 59 | 63 |
| Franklin Senior High (48) | 6 | 10 | 42 | 841 | 899 | 1,153 | 2,052 | (43.8) | 0 | 0 | 6 | 6 | 12 | 78 | 90 |
| Sylvan Park Elementary (425) | 3 | 4 | 3 | 214 | 224 | 291 | 515 | (43.5) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Pacoima Health Center Branch Class Miller High (139) | 0 | 11 | 0 | 2 | 13 | 17 | 30 | (43.3) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Aggeler Senior High (87) | 2 | 12 | 0 | 26 | 40 | 54 | 94 | (42.6) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| 15th Street Elementary (179) | 2 | 6 | 29 | 333 | 370 | 519 | 889 | (41.6) | 0 | 0 | 0 | 2 | 2 | 26 | 28 |
| Marshall Senior High (54) | 2 | 47 | 338 | 518 | 905 | 1,308 | 2,213 | (40.9) | 0 | 1 | 3 | 3 | 7 | 83 | 90 |
| El Dorado Avenue Elementary (443) | 0 | 3 | 2 | 192 | 197 | 298 | 495 | (39.8) | 0 | 0 | 0 | 1 | 1 | 14 | 15 |
| Yorkdale Elementary (269) | 4 | 1 | 6 | 179 | 190 | 291 | 481 | (39.5) | 0 | 1 | 1 | 0 | 2 | 13 | 15 |
| Del Amo Elementary (174) | 3 | 74 | 57 | 290 | 424 | 652 | 1,076 | (39.4) | 0 | 2 | 3 | 1 | 6 | 28 | 34 |
| Ramona Elementary (413) | 3 | 8 | 55 | 197 | 263 | 405 | 668 | (39.4) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Mount Washington Elementary (254) | 7 | 11 | 53 | 56 | 127 | 199 | 326 | (39.0) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Burbank Junior High (36) | 8 | 18 | 50 | 620 | 696 | 1,112 | 1,808 | (38.5) | 0 | 4 | 1 | 1 | 6 | 67 | 73 |
| Mark Twain Junior High (111) | 6 | 282 | 23 | 409 | 720 | 1,176 | 1,896 | (38.0) | 0 | 6 | 2 | 4 | 12 | 67 | 79 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: LOS ANGELES UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 591. REPRESENTING: 591. CITY: LOS ANGELES. COUNTY 19—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Morningside Elementary (462) | 3 | 15 | 5 | 241 | 264 | 433 | 697 | (37.9) | 0 | 1 | 2 | 0 | 3 | 18 | 21 |
| Dyer Street Elementary (442) | 2 | 3 | 7 | 405 | 417 | 685 | 1,102 | (37.8) | 0 | 1 | 1 | 1 | 3 | 32 | 35 |
| Carnegie Junior High (2) | 1 | 284 | 122 | 397 | 804 | 1,323 | 2,127 | (37.8) | 0 | 3 | 4 | 2 | 9 | 72 | 81 |
| Airport Junior High (1) | 1 | 392 | 38 | 48 | 479 | 796 | 1,275 | (37.6) | 0 | 2 | 1 | 0 | 3 | 46 | 49 |
| Stanford Avenue Elementary (371) | 6 | 1 | 6 | 284 | 297 | 494 | 791 | (37.5) | 0 | 2 | 1 | 0 | 3 | 21 | 24 |
| Harlan Shoemaker (143) | 0 | 4 | 4 | 60 | 68 | 115 | 183 | (37.2) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Catskill Avenue Elementary (169) | 2 | 6 | 57 | 562 | 627 | 1,080 | 1,707 | (36.7) | 0 | 0 | 3 | 2 | 5 | 48 | 53 |
| Miles Avenue Elementary (345) | 2 | 1 | 15 | 346 | 364 | 648 | 1,012 | (36.0) | 0 | 1 | 1 | 0 | 2 | 27 | 29 |
| Park Western Place Elementary (199) | 8 | 29 | 21 | 218 | 276 | 509 | 785 | (35.2) | 0 | 1 | 1 | 1 | 3 | 22 | 25 |
| Liberty Boulevard Elementary (338) | 6 | 0 | 6 | 226 | 238 | 442 | 680 | (35.0) | 0 | 0 | 2 | 0 | 2 | 18 | 20 |
| Annandale Elementary (214) | 2 | 6 | 12 | 129 | 149 | 289 | 438 | (34.0) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Dana Junior High (4) | 8 | 165 | 40 | 583 | 796 | 1,554 | 2,350 | (33.9) | 0 | 0 | 1 | 2 | 3 | 90 | 93 |
| Mary E. Bennett Deaf Elementary (129) | 0 | 3 | 8 | 36 | 47 | 94 | 141 | (33.3) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Coeur Dalene Elementary (554) | 2 | 2 | 12 | 201 | 217 | 434 | 651 | (33.3) | 0 | 0 | 2 | 0 | 2 | 19 | 21 |
| Richland Avenue Elementary (573) | 0 | 0 | 56 | 123 | 179 | 366 | 545 | (32.8) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Venice Senior High (128) | 12 | 235 | 247 | 662 | 1,156 | 2,386 | 3,542 | (32.6) | 0 | 1 | 3 | 2 | 6 | 133 | 139 |
| Fishburn Avenue Elementary (330) | 7 | 1 | 3 | 237 | 248 | 512 | 760 | (32.6) | 0 | 4 | 0 | 2 | 6 | 17 | 23 |
| Santa Monica Boulevard Elementary (419) | 3 | 4 | 6 | 113 | 126 | 262 | 388 | (32.5) | 0 | 2 | 0 | 0 | 2 | 13 | 15 |
| Buchanan Street Elementary (220) | 0 | 2 | 12 | 179 | 193 | 404 | 597 | (32.3) | 0 | 0 | 1 | 1 | 2 | 16 | 18 |
| Towne Avenue Elementary (206) | 5 | 1 | 110 | 214 | 330 | 695 | 1,025 | (32.2) | 0 | 7 | 4 | 1 | 12 | 22 | 34 |
| Roscoe Elementary (418) | 4 | 0 | 35 | 219 | 258 | 544 | 802 | (32.2) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Van Deene Avenue Elementary (208) | 0 | 0 | 56 | 289 | 345 | 728 | 1,073 | (32.2) | 0 | 2 | 7 | 1 | 10 | 23 | 33 |
| Van Nuys Elementary (430) | 1 | 2 | 3 | 159 | 165 | 353 | 518 | (31.9) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Booth Memorial Salvation Army Home (148) | 3 | 9 | 0 | 8 | 20 | 44 | 64 | (31.3) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Bonita Street Elementary (164) | 5 | 1 | 67 | 338 | 411 | 910 | 1,321 | (31.1) | 0 | 3 | 3 | 1 | 7 | 34 | 41 |
| Los Feliz Elementary (409) | 0 | 20 | 55 | 86 | 161 | 357 | 518 | (31.1) | 0 | 0 | 1 | 0 | 1 | 17 | 18 |
| Shriners Hospital Branch Class Widney High (151) | 0 | 0 | 1 | 3 | 4 | 9 | 13 | (30.8) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Carson Street Elementary (168) | 3 | 10 | 70 | 363 | 446 | 1,011 | 1,457 | (30.6) | 0 | 0 | 4 | 1 | 5 | 43 | 48 |
| Webster Junior High (118) | 2 | 98 | 183 | 196 | 479 | 1,086 | 1,565 | (30.6) | 0 | 2 | 2 | 1 | 5 | 53 | 58 |
| Dodson Junior High (5) | 0 | 127 | 52 | 382 | 561 | 1,274 | 1,835 | (30.6) | 0 | 1 | 9 | 1 | 11 | 60 | 71 |
| Corona Avenue Elementary (325) | 20 | 1 | 6 | 330 | 357 | 818 | 1,175 | (30.4) | 0 | 0 | 1 | 0 | 1 | 37 | 38 |
| 156th Street Elementary (194) | 0 | 0 | 94 | 36 | 130 | 306 | 436 | (29.8) | 0 | 0 | 0 | 1 | 1 | 14 | 15 |
| Garvanza Elementary (236) | 0 | 1 | 9 | 230 | 240 | 565 | 805 | (29.8) | 0 | 1 | 2 | 0 | 3 | 21 | 24 |
| Ivanhoe Elementary (291) | 0 | 6 | 86 | 30 | 122 | 294 | 416 | (29.3) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Chapman Elementary (171) | 2 | 0 | 108 | 74 | 184 | 474 | 658 | (28.0) | 0 | 0 | 4 | 0 | 4 | 16 | 20 |
| Selma Avenue Elementary (421) | 2 | 4 | 8 | 68 | 82 | 213 | 295 | (27.8) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Fenton Avenue Elementary (445) | 3 | 181 | 17 | 109 | 310 | 807 | 1,117 | (27.8) | 0 | 2 | 1 | 0 | 3 | 31 | 34 |
| San Pascual Avenue Elementary (260) | 0 | 4 | 18 | 77 | 99 | 258 | 357 | (27.7) | 0 | 0 | 1 | 0 | 1 | 11 | 12 |
| Heliotrope Avenue Elementary (334) | 8 | 1 | 9 | 169 | 187 | 491 | 678 | (27.6) | 0 | 0 | 0 | 1 | 1 | 21 | 22 |
| Carson Senior High (21) | 27 | 35 | 202 | 547 | 811 | 2,133 | 2,944 | (27.5) | 1 | 2 | 7 | 5 | 15 | 85 | 100 |
| James J. McBride Crippled Elementary (136) | 1 | 25 | 6 | 19 | 51 | 136 | 187 | (27.3) | 0 | 1 | 1 | 0 | 2 | 13 | 15 |
| Burroughs Junior High (106) | 0 | 342 | 125 | 62 | 529 | 1,423 | 1,952 | (27.1) | 0 | 4 | 3 | 1 | 8 | 65 | 73 |
| Victoria Avenue Elementary (375) | 2 | 0 | 3 | 203 | 208 | 564 | 772 | (26.9) | 0 | 0 | 1 | 0 | 1 | 23 | 24 |
| San Pedro Senior High (29) | 7 | 130 | 55 | 564 | 756 | 2,081 | 2,837 | (26.6) | 0 | 2 | 2 | 4 | 8 | 96 | 104 |
| Vine Street Elementary (432) | 2 | 15 | 17 | 101 | 135 | 372 | 507 | (26.6) | 0 | 0 | 1 | 1 | 2 | 14 | 16 |
| Hart Street Elementary (506) | 4 | 1 | 9 | 236 | 250 | 707 | 957 | (26.1) | 0 | 0 | 0 | 2 | 2 | 30 | 32 |
| Cahuenga Elementary (385) | 2 | 4 | 33 | 83 | 122 | 347 | 469 | (26.0) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| South Gate Junior High (15) | 7 | 94 | 8 | 467 | 576 | 1,658 | 2,234 | (25.8) | 0 | 4 | 2 | 1 | 7 | 78 | 85 |
| White Junior High (16) | 2 | 4 | 132 | 597 | 735 | 2,144 | 2,879 | (25.5) | 0 | 1 | 6 | 4 | 11 | 98 | 109 |
| Toland Way Elementary (267) | 2 | 0 | 32 | 149 | 183 | 538 | 721 | (25.4) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Halldale Avenue Elementary (184) | 0 | 11 | 116 | 100 | 227 | 670 | 897 | (25.3) | 0 | 1 | 0 | 0 | 1 | 28 | 29 |
| Nimitz Junior High (13) | 21 | 6 | 10 | 455 | 492 | 1,456 | 1,948 | (25.3) | 0 | 4 | 1 | 4 | 9 | 66 | 75 |
| Charles Leroy Lowman Crippled Elementary Grades (134) | 0 | 11 | 2 | 57 | 70 | 211 | 281 | (24.9) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Emerson Manor Elementary (328) | 1 | 66 | 2 | 20 | 89 | 273 | 362 | (24.6) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Grant Elementary (400) | 3 | 3 | 12 | 91 | 109 | 335 | 444 | (24.5) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Sylmar Senior High (99) | 2 | 105 | 21 | 493 | 621 | 1,913 | 2,534 | (24.5) | 0 | 0 | 3 | 4 | 7 | 92 | 99 |
| Arminia Street Elementary (381) | 3 | 3 | 39 | 159 | 204 | 632 | 836 | (24.4) | 0 | 0 | 0 | 1 | 1 | 25 | 26 |
| Fernangeles Elementary (446) | 2 | 6 | 50 | 170 | 228 | 707 | 935 | (24.4) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Meyler Street Elementary (190) | 2 | 1 | 69 | 279 | 351 | 1,102 | 1,453 | (24.2) | 0 | 0 | 0 | 0 | 0 | 44 | 44 |
| 232nd Place Elementary (207) | 5 | 1 | 42 | 204 | 252 | 799 | 1,051 | (24.0) | 0 | 2 | 3 | 1 | 6 | 26 | 32 |
| Purche Avenue Elementary (202) | 1 | 123 | 88 | 45 | 257 | 818 | 1,075 | (23.9) | 0 | 2 | 3 | 2 | 7 | 27 | 34 |
| Van Ness Avenue Elementary (429) | 0 | 5 | 32 | 76 | 113 | 360 | 473 | (23.9) | 0 | 1 | 1 | 0 | 2 | 15 | 17 |
| Harbor City Elementary (185) | 2 | 2 | 22 | 171 | 197 | 628 | 825 | (23.9) | 0 | 0 | 0 | 2 | 2 | 25 | 27 |
| S. Gate Senior High (30) | 5 | 64 | 10 | 346 | 425 | 1,360 | 1,785 | (23.8) | 0 | 1 | 3 | 6 | 10 | 67 | 77 |
| Dolores Street Elementary (175) | 2 | 19 | 56 | 309 | 386 | 1,255 | 1,641 | (23.5) | 0 | 0 | 7 | 0 | 7 | 45 | 52 |
| Narbonne Senior High (28) | 4 | 98 | 105 | 386 | 593 | 1,933 | 2,526 | (23.5) | 0 | 2 | 5 | 2 | 9 | 101 | 110 |
| Eagle Rock Senior High (47) | 2 | 9 | 45 | 487 | 543 | 1,784 | 2,327 | (23.3) | 0 | 2 | 3 | 1 | 6 | 88 | 94 |
| Camellia Avenue Elementary (386) | 3 | 4 | 28 | 184 | 219 | 720 | 939 | (23.3) | 0 | 0 | 1 | 0 | 1 | 29 | 30 |
| Fleming Junior High (7) | 5 | 106 | 90 | 289 | 490 | 1,644 | 2,134 | (23.0) | 0 | 5 | 6 | 1 | 12 | 70 | 82 |
| Oscheola Elementary (466) | 0 | 10 | 23 | 106 | 139 | 470 | 609 | (22.8) | 0 | 2 | 0 | 1 | 3 | 16 | 19 |
| Le Conte Junior High (109) | 3 | 48 | 63 | 244 | 358 | 1,229 | 1,587 | (22.6) | 0 | 3 | 5 | 1 | 9 | 64 | 73 |
| Lankershim Elementary (406) | 2 | 5 | 5 | 102 | 114 | 393 | 507 | (22.5) | 0 | 1 | 1 | 0 | 2 | 18 | 20 |
| Caroldale Avenue Elementary (167) | 1 | 1 | 53 | 170 | 225 | 803 | 1,028 | (21.9) | 0 | 0 | 6 | 1 | 7 | 25 | 32 |
| Park Avenue Elementary (359) | 18 | 0 | 4 | 198 | 220 | 797 | 1,017 | (21.6) | 0 | 0 | 1 | 0 | 1 | 33 | 34 |
| Point Fermin Elementary (200) | 3 | 11 | 21 | 79 | 114 | 418 | 532 | (21.4) | 0 | 0 | 0 | 1 | 1 | 15 | 16 |
| Walgrove Avenue Elementary (583) | 0 | 3 | 22 | 280 | 305 | 1,126 | 1,431 | (21.3) | 0 | 1 | 0 | 0 | 1 | 44 | 45 |
| Bell Senior High (20) | 11 | 7 | 8 | 299 | 325 | 1,200 | 1,525 | (21.3) | 0 | 2 | 1 | 2 | 5 | 66 | 71 |
| State Street Elementary (372) | 4 | 0 | 7 | 163 | 174 | 648 | 822 | (21.2) | 0 | 0 | 3 | 0 | 3 | 23 | 26 |
| Gridley Street Elementary (450) | 0 | 2 | 5 | 140 | 147 | 549 | 696 | (21.1) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Elizabeth Street Elementary (327) | 27 | 0 | 20 | 316 | 363 | 1,380 | 1,743 | (20.8) | 1 | 3 | 1 | 1 | 6 | 48 | 54 |
| Sun Valley Junior High (84) | 5 | 7 | 46 | 311 | 369 | 1,418 | 1,787 | (20.6) | 1 | 0 | 1 | 2 | 4 | 63 | 67 |
| St. Anns Maternity Home (150) | 0 | 6 | 0 | 7 | 13 | 50 | 63 | (20.6) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Olive Vista Junior High (75) | 8 | 4 | 30 | 424 | 466 | 1,843 | 2,309 | (20.2) | 0 | 3 | 2 | 0 | 5 | 80 | 85 |
| Charnock Road Elementary (551) | 3 | 1 | 29 | 116 | 149 | 590 | 739 | (20.2) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Hamilton Senior High (122) | 0 | 452 | 77 | 68 | 597 | 2,373 | 2,970 | (20.1) | 0 | 9 | 5 | 1 | 15 | 108 | 123 |
| Delevan Drive Elementary (225) | 1 | 2 | 20 | 120 | 143 | 571 | 714 | (20.0) | 0 | 0 | 1 | 0 | 1 | 21 | 22 |
| San Jose Street Elementary (474) | 0 | 11 | 43 | 149 | 203 | 820 | 1,023 | (19.8) | 0 | 1 | 1 | 0 | 2 | 32 | 34 |
| Hollywood Senior High (123) | 22 | 46 | 72 | 321 | 461 | 1,873 | 2,334 | (19.8) | 0 | 2 | 3 | 2 | 7 | 94 | 101 |
| President Avenue Elementary (201) | 2 | 19 | 67 | 56 | 144 | 592 | 736 | (19.6) | 0 | 0 | 3 | 0 | 3 | 21 | 24 |
| Franklin Avenue Elementary (285) | 1 | 7 | 49 | 30 | 87 | 379 | 466 | (18.7) | 0 | 1 | 2 | 1 | 4 | 10 | 14 |
| Canoga Park Elementary (492) | 1 | 1 | 9 | 206 | 217 | 961 | 1,178 | (18.4) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Seventh Street Elementary (203) | 1 | 0 | 9 | 111 | 121 | 558 | 679 | (17.8) | 0 | 1 | 2 | 0 | 3 | 18 | 21 |
| Herrick Avenue Elementary (454) | 0 | 3 | 9 | 97 | 109 | 509 | 618 | (17.6) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: LOS ANGELES UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 591. REPRESENTING: 591. CITY: LOS ANGELES. COUNTY 19—Continued

| School | Students— | | | | | | | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Woodlawn Avenue Elementary (378) | 9 | 1 | 4 | 167 | 181 | 853 | 1,034 | (17.5) | 1 | 1 | 0 | 1 | 3 | 29 | 32 |
| Beethoven Street Elementary (541) | 2 | 1 | 20 | 138 | 161 | 772 | 933 | (17.3) | | 2 | 0 | 0 | 2 | 24 | 26 |
| Oxnard Street Elementary (412) | 1 | 3 | 12 | 174 | 190 | 929 | 1,119 | (17.0) | 0 | 1 | 0 | 0 | 1 | 34 | 35 |
| Anchorage Street Elementary (537) | 3 | 1 | 7 | 58 | 69 | 338 | 407 | (17.0) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Dominguez Elementary (177) | 3 | 0 | 10 | 119 | 132 | 648 | 780 | (16.9) | 0 | 1 | 1 | 0 | 2 | 22 | 24 |
| Victory Boulevard Elementary (431) | 2 | 2 | 12 | 134 | 150 | 750 | 900 | (16.7) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| University Senior High (127) | 6 | 44 | 230 | 227 | 507 | 2,559 | 3,066 | (16.5) | 0 | 3 | 3 | 1 | 7 | 107 | 114 |
| Brainard Avenue (437) | 1 | 36 | 12 | 64 | 113 | 590 | 703 | (16.1) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Francis Polytechnic Senior High (92) | 8 | 9 | 109 | 473 | 599 | 3,136 | 3,735 | (16.0) | 0 | 4 | 4 | 8 | 16 | 135 | 151 |
| Fair Avenue Elementary (396) | 1 | 2 | 5 | 141 | 149 | 783 | 932 | (16.0) | 0 | 0 | 1 | 0 | 1 | 27 | 28 |
| Sylmar Elementary (478) | 0 | 5 | 21 | 111 | 137 | 722 | 859 | (15.9) | 0 | 1 | 1 | 0 | 2 | 25 | 27 |
| Beachy Avenue Elementary (436) | 4 | 1 | 9 | 119 | 133 | 703 | 836 | (15.9) | 0 | 0 | 0 | 1 | 1 | 25 | 26 |
| Glenwood Elementary (399) | 0 | 0 | 13 | 151 | 164 | 878 | 1,042 | (15.7) | 1 | 1 | 0 | 0 | 2 | 30 | 32 |
| Rockdale Elementary (258) | 0 | 0 | 4 | 41 | 45 | 241 | 286 | (15.7) | 0 | 0 | 1 | 0 | 1 | 8 | 9 |
| Leland Street Elementary (188) | 0 | 2 | 19 | 103 | 124 | 668 | 792 | (15.7) | 0 | 1 | 1 | 0 | 2 | 23 | 25 |
| Ve na Avenue Elementary (483) | 2 | 9 | 4 | 102 | 117 | 633 | 750 | (15.6) | 0 | 0 | 0 | 1 | 1 | 22 | 23 |
| San Gabriel Avenue Elementary (366) | 0 | 0 | 0 | 85 | 85 | 474 | 559 | (15.2) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Noble Avenue Elementary (464) | 0 | 3 | 4 | 125 | 132 | 743 | 875 | (15.1) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Lomita Elementary (189) | 1 | 1 | 24 | 161 | 187 | 1,053 | 1,240 | (15.1) | 0 | 0 | 0 | 0 | 0 | 39 | 39 |
| Liggett Street Elementary (459) | 3 | 1 | 8 | 82 | 94 | 537 | 631 | (14.9) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Tweedy Elementary (374) | 11 | 0 | 1 | 59 | 71 | 406 | 477 | (14.9) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Mar Vista Elementary (568) | 1 | 75 | 16 | 49 | 141 | 822 | 963 | (14.6) | 0 | 1 | 2 | 0 | 3 | 29 | 32 |
| Byrd Junior High (60) | 6 | 2 | 53 | 162 | 223 | 1,305 | 1,528 | (14.6) | 1 | 1 | 0 | 3 | 5 | 55 | 60 |
| Palms Elementary (571) | 0 | 0 | 9 | 58 | 67 | 399 | 466 | (14.4) | 0 | 0 | 1 | 0 | 1 | 14 | 15 |
| Overland Avenue Elementary (569) | 0 | 53 | 10 | 16 | 79 | 490 | 569 | (13.9) | 0 | 2 | 1 | 0 | 3 | 15 | 18 |
| Shenandoah Street Elementary (576) | 0 | 60 | 14 | 55 | 129 | 809 | 938 | (13.8) | 0 | 1 | 1 | 0 | 2 | 26 | 28 |
| Vinedale Elementary (484) | 3 | 0 | 10 | 44 | 57 | 360 | 417 | (13.7) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Florence Crittendon Maternity Home (149) | 0 | 2 | 1 | 2 | 5 | 32 | 37 | (13.5) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Hancock Park Elementary (562) | 0 | 72 | 13 | 8 | 93 | 596 | 689 | (13.5) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Grand View Boulevard Elementary (561) | 4 | 3 | 38 | 95 | 140 | 903 | 1,043 | (13.4) | 0 | 2 | 2 | 0 | 4 | 30 | 34 |
| Van Nuys Junior High (86) | 3 | 8 | 15 | 189 | 215 | 1,391 | 1,606 | (13.4) | 0 | 0 | 0 | 0 | 0 | 66 | 66 |
| Laurel Elementary (565) | 0 | 51 | 6 | 44 | 101 | 670 | 771 | (13.1) | 0 | 2 | 1 | 0 | 3 | 20 | 23 |
| Burton Street Elementary (384) | 0 | 1 | 1 | 45 | 47 | 315 | 362 | (13.0) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Paseo Del Rey Elementary (361) | 0 | 60 | 12 | 17 | 89 | 622 | 711 | (12.5) | 0 | 0 | 2 | 0 | 2 | 21 | 23 |
| Eagle Rock Elementary (227) | 1 | 0 | 22 | 76 | 99 | 704 | 803 | (12.3) | 0 | 1 | 1 | 0 | 2 | 25 | 27 |
| Clover Avenue Elementary (553) | 0 | 18 | 25 | 29 | 72 | 524 | 596 | (12.1) | 0 | 4 | 0 | 1 | 5 | 15 | 20 |
| Coldwater Canyon Avenue Elementary (391) | 1 | 2 | 9 | 116 | 128 | 950 | 1,078 | (11.9) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Taper Avenue Elementary (205) | 0 | 64 | 35 | 70 | 169 | 1,257 | 1,426 | (11.9) | 0 | 1 | 3 | 1 | 5 | 35 | 40 |
| Plummer Elementary (471) | 0 | 16 | 11 | 42 | 69 | 514 | 583 | (11.8) | 0 | 0 | 1 | 0 | 1 | 17 | 18 |
| Harding Street Elementary (452) | 0 | 11 | 17 | 42 | 70 | 547 | 617 | (11.3) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |
| Eshelman Avenue Elementary (178) | 0 | 6 | 27 | 71 | 104 | 825 | 929 | (11.2) | 0 | 2 | 0 | 0 | 2 | 30 | 32 |
| Hubbard Street Elementary (455) | 4 | 9 | 20 | 128 | 161 | 1,323 | 1,484 | (10.8) | 0 | 4 | 1 | 1 | 6 | 39 | 45 |
| Canterbury Avenue Elementary (438) | 1 | 0 | 38 | 97 | 136 | 1,124 | 1,260 | (10.8) | 0 | 0 | 1 | 0 | 1 | 38 | 39 |
| Rosewood Avenue Elementary (575) | 0 | 24 | 7 | 22 | 53 | 442 | 495 | (10.7) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Reseda Elementary (522) | 1 | 0 | 8 | 69 | 78 | 654 | 732 | (10.7) | 0 | 0 | 1 | 0 | 1 | 21 | 22 |
| Wright Junior High (18) | 3 | 126 | 20 | 23 | 172 | 1,492 | 1,664 | (10.3) | 0 | 0 | 0 | 0 | 0 | 63 | 63 |
| Vintage Street Elementary (485) | 1 | 3 | 6 | 97 | 107 | 931 | 1,038 | (10.3) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Gardner Street Elementary (397) | 1 | 9 | 10 | 49 | 69 | 611 | 680 | (10.1) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Palms Junior High (114) | 0 | 97 | 11 | 52 | 160 | 1,438 | 1,598 | (10.0) | 0 | 1 | 4 | 3 | 8 | 45 | 53 |
| Emerson Junior High (107) | 0 | 116 | 33 | 33 | 182 | 1,637 | 1,819 | (10.0) | 0 | 0 | 2 | 0 | 2 | 65 | 67 |
| Strathern Street Elementary (424) | 1 | 0 | 18 | 73 | 92 | 849 | 941 | (9.8) | 0 | 3 | 0 | 0 | 3 | 26 | 29 |
| Cantara Street Elementary (493) | 4 | 3 | 5 | 89 | 101 | 938 | 1,039 | (9.7) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Cheremoya Avenue Elementary (389) | 0 | 17 | 15 | 23 | 55 | 512 | 567 | (9.7) | 0 | 1 | 2 | 0 | 3 | 15 | 18 |
| Joaquin Miller Crippled High (138) | 0 | 2 | 1 | 19 | 22 | 206 | 228 | (9.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Cohasset Street Elementary (309) | 0 | 0 | 9 | 41 | 50 | 471 | 521 | (9.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Toluca Lake Elementary (426) | 2 | 6 | 10 | 62 | 80 | 755 | 835 | (9.6) | 0 | 0 | 0 | 1 | 1 | 24 | 25 |
| Pinewood Avenue Elementary (469) | 2 | 2 | 9 | 83 | 96 | 925 | 1,021 | (9.4) | 0 | 0 | 2 | 0 | 2 | 30 | 32 |
| White Point Elementary (210) | 1 | 1 | 10 | 40 | 52 | 512 | 564 | (9.2) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Chatsworth Park Elementary (495) | 1 | 3 | 8 | 48 | 60 | 597 | 657 | (9.1) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| 98th Street Elementary (346) | 0 | 2 | 5 | 19 | 26 | 266 | 292 | (8.9) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Bancroft Junior High (104) | 1 | 14 | 27 | 102 | 144 | 1,507 | 1,651 | (8.7) | 0 | 3 | 7 | 1 | 11 | 55 | 66 |
| Roscomare Road Elementary (574) | 4 | 23 | 17 | 1 | 45 | 472 | 517 | (8.7) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Columbus Junior High (61) | 1 | 5 | 22 | 174 | 202 | 2,119 | 2,321 | (8.7) | 0 | 0 | 1 | 1 | 2 | 83 | 85 |
| Fairfax Senior High (121) | 0 | 133 | 38 | 77 | 248 | 2,618 | 2,866 | (8.7) | 0 | 1 | 1 | 3 | 5 | 108 | 113 |
| Napa Street Elementary (513) | 0 | 0 | 9 | 88 | 91 | 1,024 | 1,121 | (8.7) | 0 | 0 | 1 | 1 | 2 | 30 | 32 |
| Fullbright Avenue Elementary (502) | 3 | 0 | 20 | 58 | 81 | 857 | 938 | (8.6) | 0 | 1 | 1 | 0 | 2 | 27 | 29 |
| Pomelo Drive Elementary (520) | 0 | 18 | 0 | 23 | 41 | 437 | 478 | (8.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Bassett Street Elementary (382) | 2 | 0 | 7 | 75 | 84 | 902 | 986 | (8.5) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Valerio Street Elementary (427) | 2 | 0 | 2 | 49 | 53 | 570 | 623 | (8.5) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| Carthy Center Elementary (549) | 0 | 41 | 11 | 7 | 59 | 638 | 697 | (8.5) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Emelita Street Elementary (500) | 3 | 1 | 5 | 33 | 42 | 459 | 501 | (8.4) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Apperson Street Elementary (434) | 1 | 9 | 4 | 48 | 62 | 689 | 751 | (8.3) | 0 | 0 | 1 | 0 | 1 | 23 | 24 |
| Oakdale Avenue Elementary (517) | 0 | 0 | 4 | 51 | 55 | 620 | 675 | (8.1) | 0 | 0 | 0 | 1 | 1 | 23 | 24 |
| Melrose Avenue Elementary (410) | 0 | 2 | 5 | 34 | 41 | 466 | 507 | (8.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Porter Junior High (78) | 0 | 7 | 25 | 140 | 172 | 2,005 | 2,177 | (7.9) | 0 | 0 | 0 | 0 | 0 | 83 | 83 |
| Winnetka Avenue Elementary (533) | 5 | 4 | 2 | 69 | 80 | 939 | 1,019 | (7.9) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Prairie Street Elementary (521) | 1 | 23 | 11 | 16 | 51 | 602 | 653 | (7.8) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Melvin Avenue Elementary (512) | 0 | 0 | 8 | 62 | 70 | 839 | 909 | (7.7) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Lassen Elementary (458) | 1 | 0 | 26 | 36 | 63 | 756 | 819 | (7.7) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Anatola Avenue Elementary (380) | 0 | 0 | 1 | 31 | 32 | 386 | 418 | (7.7) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Sutter Junior High (85) | 2 | 3 | 15 | 134 | 154 | 1,894 | 2,048 | (7.5) | 0 | 0 | 0 | 1 | 1 | 81 | 82 |
| Blythe Street Elementary (488) | 1 | 3 | 6 | 43 | 53 | 663 | 716 | (7.4) | 1 | 0 | 0 | 0 | 1 | 21 | 22 |
| West Hollywood Elementary (585) | 0 | 6 | 5 | 14 | 25 | 316 | 341 | (7.3) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Langdon Avenue Elementary (457) | 0 | 1 | 10 | 42 | 53 | 693 | 746 | (7.1) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Bryson Avenue Elementary (323) | 0 | 1 | 1 | 48 | 50 | 661 | 711 | (7.0) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Shirley Avenue Elementary (524) | 1 | 2 | 10 | 63 | 76 | 1,006 | 1,082 | (7.0) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Crestwood Street Elementary (173) | 0 | 1 | 17 | 58 | 76 | 1,013 | 1,089 | (7.0) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| Germain Street Elementary (504) | 0 | 4 | 17 | 42 | 63 | 844 | 907 | (6.9) | 0 | 1 | 0 | 2 | 3 | 25 | 28 |
| Danube Avenue Elementary (440) | 0 | 3 | 9 | 38 | 50 | 676 | 726 | (6.9) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Gault Street Elementary (398) | 0 | 2 | 6 | 49 | 57 | 784 | 841 | (6.8) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Northridge Junior High (74) | 4 | 8 | 9 | 122 | 143 | 1,971 | 2,114 | (6.8) | 0 | 0 | 0 | 0 | 0 | 79 | 79 |
| Bellagio Road Elementary (542) | 1 | 35 | 4 | 7 | 47 | 652 | 699 | (6.7) | 0 | 1 | 0 | 0 | 1 | 21 | 22 |
| Van Gogh Street Elementary (481) | 0 | 7 | 21 | 7 | 35 | 486 | 521 | (6.7) | 0 | 0 | 1 | 0 | 1 | 16 | 17 |
| Haskell Elementary (453) | 0 | 0 | 11 | 44 | 55 | 765 | 820 | (6.7) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Rio Vista Elementary (416) | 1 | 3 | 16 | 30 | 50 | 697 | 747 | (6.7) | 0 | 1 | 0 | 0 | 1 | 22 | 23 |
| Canoga Park Senior High (89) | 4 | 4 | 22 | 221 | 251 | 3,541 | 3,792 | (6.6) | 0 | 0 | 1 | 4 | 5 | 151 | 156 |
| Saticoy Elementary (420) | 0 | 3 | 19 | 64 | 86 | 1,219 | 1,305 | (6.6) | 0 | 2 | 0 | 0 | 2 | 43 | 45 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: LOS ANGELES UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 591. REPRESENTING: 591. CITY: LOS ANGELES. COUNTY 19—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hazeltine Avenue Elementary (401) | 1 | 0 | 3 | 63 | 67 | 985 | 1,052 | (6.4) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Chandler Elementary (388) | 1 | 6 | 11 | 43 | 61 | 918 | 979 | (6.2) | 0 | 1 | 0 | 1 | 2 | 28 | 30 |
| Westwood Elementary (587) | 0 | 5 | 15 | 18 | 38 | 576 | 614 | (6.2) | 0 | 1 | 1 | 0 | 2 | 17 | 19 |
| Reseda Senior High (97) | 2 | 6 | 12 | 139 | 159 | 2,411 | 2,570 | (6.2) | 0 | 0 | 2 | 4 | 6 | 95 | 101 |
| Dahlia Heights Elementary (224) | 0 | 0 | 3 | 21 | 24 | 365 | 389 | (6.2) | 0 | 0 | 1 | 1 | 2 | 10 | 12 |
| Newcastle Elementary (516) | 0 | 0 | 3 | 31 | 34 | 518 | 552 | (6.2) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Garden Grove Avenue Elementary (503) | 0 | 3 | 1 | 20 | 24 | 370 | 394 | (6.1) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Reed Junior High (80) | 2 | 14 | 19 | 92 | 127 | 1,960 | 2,087 | (6.1) | 0 | 0 | 1 | 4 | 5 | 74 | 79 |
| Third Street Elementary (579) | 0 | 4 | 15 | 18 | 37 | 584 | 621 | (6.0) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| Collins Street Elementary (497) | 2 | 6 | 9 | 17 | 34 | 539 | 573 | (5.9) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Tulsa Street Elementary (480) | 2 | 12 | 7 | 59 | 80 | 1,308 | 1,388 | (5.8) | 0 | 0 | 0 | 0 | 0 | 43 | 43 |
| Capistrano Avenue Elementary (494) | 1 | 3 | 23 | 47 | 74 | 1,220 | 1,294 | (5.7) | 0 | 0 | 0 | 0 | 0 | 40 | 40 |
| Nevada Avenue Elementary (515) | 0 | 4 | 24 | 23 | 51 | 841 | 892 | (5.7) | 0 | 0 | 0 | 0 | 0 | 27 | 27 |
| Van Nuys Senior High (101) | 1 | 2 | 10 | 154 | 167 | 2,760 | 2,927 | (5.7) | 0 | 1 | 0 | 2 | 3 | 115 | 118 |
| Dixie Canyon Avenue Elementary (393) | 3 | 3 | 15 | 32 | 53 | 881 | 934 | (5.7) | 0 | 0 | 2 | 0 | 2 | 27 | 29 |
| Sunland Elementary (477) | 0 | 0 | 15 | 48 | 63 | 1,055 | 1,118 | (5.6) | 0 | 0 | 1 | 0 | 1 | 33 | 34 |
| Sequoia Junior High (83) | 3 | 4 | 11 | 88 | 106 | 1,776 | 1,882 | (5.6) | 0 | 0 | 1 | 1 | 2 | 74 | 76 |
| Plainview Avenue Elementary (470) | 4 | 0 | 2 | 54 | 60 | 1,008 | 1,068 | (5.6) | 0 | 0 | 1 | 0 | 1 | 31 | 32 |
| North Hollywood Senior High (96) | 5 | 8 | 12 | 107 | 132 | 2,243 | 2,375 | (5.6) | 1 | 0 | 0 | 2 | 3 | 90 | 93 |
| Mount Gleason Junior High (71) | 4 | 2 | 21 | 81 | 108 | 1,840 | 1,948 | (5.5) | 0 | 0 | 1 | 0 | 1 | 73 | 74 |
| Fulton Junior High (62) | 0 | 2 | 7 | 90 | 99 | 1,700 | 1,799 | (5.5) | 0 | 2 | 1 | 2 | 5 | 66 | 71 |
| Chase Street Elementary (439) | 0 | 0 | 7 | 28 | 35 | 607 | 642 | (5.5) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Limerick Avenue Elementary (510) | 0 | 5 | 6 | 47 | 58 | 1,008 | 1,066 | (5.4) | 0 | 0 | 2 | 0 | 2 | 31 | 33 |
| Burbank Boulevard Elementary (383) | 2 | 1 | 10 | 25 | 38 | 662 | 700 | (5.4) | 0 | 0 | 0 | 1 | 1 | 20 | 21 |
| Warner Avenue Elementary (584) | 0 | 16 | 13 | 7 | 36 | 633 | 669 | (5.4) | 0 | 1 | 1 | 0 | 2 | 19 | 21 |
| Westport Heights (377) | 0 | 0 | 8 | 27 | 35 | 623 | 658 | (5.3) | 0 | 0 | 2 | 0 | 2 | 19 | 21 |
| Superior Street Elementary (526) | 2 | 4 | 12 | 29 | 47 | 839 | 886 | (5.3) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Justice Street Elementary (509) | 1 | 8 | 16 | 28 | 53 | 952 | 1,005 | (5.3) | 0 | 0 | 1 | 0 | 1 | 30 | 31 |
| Osage Avenue Elementary (358) | 0 | 2 | 5 | 34 | 41 | 738 | 779 | (5.3) | 0 | 0 | 0 | 1 | 1 | 22 | 23 |
| Calahan Street Elementary (490) | 1 | 0 | 11 | 27 | 39 | 710 | 749 | (5.2) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Stagg Street Elementary (423) | 0 | 0 | 3 | 34 | 37 | 678 | 715 | (5.2) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Stonehurst Avenue Elementary (476) | 2 | 0 | 8 | 23 | 33 | 611 | 644 | (5.1) | 0 | 0 | 1 | 0 | 1 | 19 | 20 |
| Verdugo Hills Senior High (102) | 3 | 8 | 20 | 90 | 121 | 2,244 | 2,365 | (5.1) | 0 | 0 | 2 | 4 | 6 | 89 | 95 |
| Sven Lokrantz Crippled Elementary (132) | 0 | 3 | 3 | 6 | 12 | 223 | 235 | (5.1) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| James Monroe Senior High (95) | 2 | 5 | 27 | 176 | 210 | 3,972 | 4,182 | (5.0) | 0 | 1 | 2 | 3 | 6 | 157 | 163 |
| Sunny Brae Avenue Elementary (525) | 0 | 0 | 9 | 50 | 59 | 1,118 | 1,177 | (5.0) | 0 | 0 | 0 | 3 | 3 | 30 | 33 |
| Rhoda Street Elementary (415) | 0 | 0 | 6 | 30 | 36 | 691 | 727 | (5.0) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Granada Elementary (449) | 0 | 0 | 5 | 32 | 37 | 711 | 748 | (4.9) | 0 | 0 | 0 | 1 | 1 | 23 | 24 |
| Sepulveda Junior High (82) | 0 | 4 | 16 | 80 | 100 | 1,946 | 2,046 | (4.9) | 0 | 1 | 1 | 1 | 3 | 75 | 78 |
| Ranchito Avenue Elementary (414) | 1 | 0 | 3 | 19 | 23 | 450 | 473 | (4.9) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Wonderland Avenue Elementary (591) | 0 | 11 | 4 | 4 | 19 | 372 | 391 | (4.9) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Balboa Boulevard Elementary (435) | 0 | 0 | 12 | 14 | 26 | 523 | 549 | (4.7) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Gledhill Street Elementary (448) | 0 | 0 | 12 | 29 | 41 | 829 | 870 | (4.7) | 0 | 0 | 1 | 0 | 1 | 26 | 27 |
| Cleveland Senior High (91) | 2 | 2 | 12 | 121 | 137 | 2,841 | 2,978 | (4.6) | 0 | 0 | 2 | 6 | 8 | 105 | 113 |
| Colfax Avenue Elementary (392) | 5 | 2 | 7 | 22 | 36 | 764 | 800 | (4.5) | 0 | 0 | 1 | 0 | 1 | 24 | 25 |
| Nestle Avenue Elementary (514) | 1 | 6 | 8 | 20 | 35 | 746 | 781 | (4.5) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Madison Junior High (69) | 2 | 1 | 20 | 79 | 102 | 2,248 | 2,350 | (4.3) | 0 | 0 | 2 | 0 | 2 | 86 | 88 |
| Vanalden Avenue Elementary (530) | 6 | 0 | 2 | 24 | 32 | 708 | 740 | (4.3) | 0 | 0 | 1 | 0 | 1 | 23 | 24 |
| Mountain View Elementary (463) | 0 | 0 | 4 | 32 | 36 | 801 | 837 | (4.3) | 0 | 0 | 1 | 0 | 1 | 25 | 26 |
| Kittridge Street Elementary (404) | 3 | 0 | 3 | 29 | 35 | 779 | 814 | (4.3) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Enadia Way Elementary (510) | 0 | 7 | 27 | 14 | 48 | 1,072 | 1,120 | (4.3) | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| Encino Elementary (394) | 0 | 12 | 8 | 13 | 33 | 751 | 784 | (4.2) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Sherman Oaks Elementary (422) | 0 | 8 | 20 | 24 | 52 | 1,185 | 1,237 | (4.2) | 0 | 0 | 1 | 0 | 1 | 37 | 38 |
| Erwin Street Elementary (395) | 2 | 0 | 6 | 35 | 43 | 984 | 1,027 | (4.2) | 0 | 1 | 0 | 0 | 1 | 31 | 32 |
| Bertrand Avenue Elementary (487) | 0 | 0 | 3 | 12 | 15 | 345 | 360 | (4.2) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Calvert Street Elementary (491) | 0 | 17 | 1 | 12 | 30 | 690 | 720 | (4.2) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Ernest Lawrence Junior High (67) | 4 | 9 | 7 | 44 | 64 | 1,512 | 1,576 | (4.1) | 0 | 0 | 1 | 0 | 1 | 59 | 59 |
| El Oro Way Elementary (444) | 0 | 8 | 8 | 9 | 25 | 609 | 634 | (3.9) | 0 | 1 | 1 | 0 | 2 | 18 | 20 |
| Lemay Street Elementary (407) | 1 | 1 | 0 | 24 | 26 | 634 | 660 | (3.9) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Lockhurst Drive Elementary (511) | 0 | 2 | 7 | 37 | 46 | 1,143 | 1,189 | (3.9) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Brentwood Elementary (543) | 0 | 4 | 30 | 15 | 49 | 1,221 | 1,270 | (3.9) | 0 | 3 | 1 | 0 | 4 | 36 | 40 |
| Haynes Street Elementary (507) | 4 | 0 | 18 | 26 | 48 | 1,207 | 1,255 | (3.8) | 0 | 0 | 0 | 0 | 0 | 38 | 38 |
| Mulholland Junior High (72) | 3 | 2 | 13 | 53 | 71 | 1,819 | 1,890 | (3.8) | 0 | 3 | 1 | 2 | 6 | 71 | 77 |
| Lorne Street Elementary (408) | 0 | 1 | 11 | 16 | 28 | 741 | 769 | (3.6) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Welby Way Elementary (531) | 2 | 4 | 10 | 28 | 44 | 1,167 | 1,211 | (3.6) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Kester Avenue Elementary (403) | 1 | 4 | 6 | 27 | 38 | 1,012 | 1,050 | (3.6) | 0 | 0 | 1 | 0 | 1 | 31 | 32 |
| Parthenia Street Elementary (468) | 1 | 0 | 4 | 26 | 31 | 835 | 866 | (3.6) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Knollwood Elementary (456) | 1 | 2 | 7 | 28 | 38 | 1,031 | 1,069 | (3.6) | 0 | 0 | 0 | 1 | 1 | 21 | 32 |
| Tarzana Elementary (527) | 1 | 1 | 4 | 13 | 19 | 518 | 537 | (3.5) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Henry Junior High (64) | 5 | 10 | 25 | 49 | 89 | 2,433 | 2,522 | (3.5) | 0 | 0 | 0 | 0 | 0 | 93 | 93 |
| Chatsworth Senior High (90) | 2 | 6 | 17 | 79 | 104 | 2,950 | 3,054 | (3.4) | 0 | 1 | 6 | 5 | 12 | 108 | 120 |
| Devonshire Elementary (499) | 0 | 2 | 12 | 16 | 30 | 851 | 881 | (3.4) | 0 | 0 | 1 | 0 | 1 | 25 | 26 |
| Portola Junior High (79) | 1 | 9 | 11 | 52 | 73 | 2,115 | 2,188 | (3.3) | 0 | 0 | 2 | 3 | 5 | 75 | 80 |
| Darby Avenue Elementary (498) | 0 | 3 | 14 | 22 | 39 | 1,148 | 1,187 | (3.3) | 0 | 0 | 0 | 0 | 0 | 36 | 36 |
| Mayall Street Elementary (460) | 0 | 7 | 7 | 24 | 38 | 1,119 | 1,157 | (3.3) | 0 | 1 | 0 | 0 | 1 | 35 | 36 |
| Granada Hills Senior High (93) | 0 | 13 | 31 | 103 | 147 | 4,366 | 4,518 | (3.3) | 0 | 0 | 2 | 4 | 6 | 162 | 168 |
| Canyon Elementary (548) | 0 | 2 | 0 | 12 | 14 | 417 | 431 | (3.2) | 0 | 0 | 0 | 2 | 2 | 11 | 13 |
| Westchester Senior High (32) | 6 | 15 | 20 | 44 | 85 | 2,560 | 2,645 | (3.2) | 0 | 3 | 1 | 3 | 7 | 97 | 104 |
| Serrania Avenue Elementary (523) | 1 | 4 | 6 | 13 | 24 | 726 | 750 | (3.2) | 0 | 0 | 1 | 0 | 1 | 22 | 23 |
| Kenter Canyon Elementary (564) | 0 | 0 | 13 | 3 | 16 | 489 | 505 | (3.2) | 0 | 1 | 0 | 6 | 1 | 15 | 16 |
| Nobel Junior High (73) | 0 | 3 | 28 | 48 | 79 | 2,439 | 2,518 | (3.1) | 0 | 0 | 0 | 0 | 0 | 88 | 88 |
| South Shores Elementary (204) | 0 | 1 | 7 | 9 | 17 | 525 | 542 | (3.1) | 0 | 0 | 0 | 1 | 1 | 16 | 17 |
| Holmes Junior High (65) | 4 | 0 | 11 | 42 | 57 | 1,829 | 1,886 | (3.0) | 0 | 0 | 1 | 0 | 1 | 71 | 72 |
| Topeka Drive Elementary (529) | 0 | 0 | 11 | 8 | 19 | 614 | 633 | (3.0) | 0 | 0 | 1 | 0 | 1 | 19 | 20 |
| Riverside Drive Elementary (417) | 0 | 0 | 10 | 18 | 28 | 944 | 972 | (2.9) | 0 | 0 | 1 | 0 | 1 | 30 | 31 |
| Kentwood Elementary (336) | 0 | 0 | 4 | 14 | 18 | 613 | 631 | (2.9) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |
| Rinaldi Street Elementary (472) | 3 | 0 | 11 | 15 | 29 | 994 | 1,023 | (2.8) | 0 | 1 | 1 | 0 | 2 | 30 | 32 |
| Canfield Avenue Elementary (547) | 0 | 3 | 7 | 5 | 15 | 518 | 533 | (2.8) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Highlander Road Elementary (508) | 1 | 0 | 8 | 7 | 16 | 557 | 573 | (2.8) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Castle Heights Elementary (550) | 0 | 2 | 3 | 17 | 22 | 779 | 801 | (2.7) | 0 | 0 | 1 | 0 | 1 | 24 | 25 |
| Fairburn Avenue Elementary (558) | 0 | 3 | 8 | 2 | 13 | 465 | 478 | (2.7) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| John B. Monlux Elementary (411) | 0 | 0 | 11 | 9 | 20 | 720 | 740 | (2.7) | 0 | 0 | 1 | 0 | 1 | 23 | 24 |
| Grant Senior High (94) | 0 | 3 | 18 | 73 | 94 | 3,539 | 3,633 | (2.6) | 0 | 2 | 2 | 5 | 9 | 129 | 138 |
| Hale Junior High (63) | 0 | 6 | 12 | 38 | 56 | 2,163 | 2,219 | (2.5) | 0 | 0 | 0 | 0 | 0 | 81 | 81 |
| Millikan Junior High (70) | 0 | 1 | 14 | 38 | 53 | 2,063 | 2,116 | (2.5) | 0 | 0 | 2 | 0 | 2 | 77 | 79 |
| Valley View Elementary (428) | 0 | 2 | 3 | 3 | 8 | 315 | 323 | (2.5) | 0 | 0 | 0 | 1 | 1 | 9 | 10 |
| Special Education Center Branch SVEN Lokrantz (133) | 0 | 1 | 0 | 1 | 2 | 79 | 81 | (2.5) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: LOS ANGELES UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 591. REPRESENTING: 591. CITY: LOS ANGELES. COUNTY 19—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Wilbur Avenue Elementary (532) | 7 | 0 | 4 | 14 | 25 | 991 | 1,016 | (2.5) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Hamlin Street Elementary (505) | 3 | 1 | 7 | 11 | 22 | 873 | 895 | (2.5) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Beckford Avenue Elementary (486) | 0 | 2 | 13 | 11 | 26 | 1,049 | 1,075 | (2.4) | 0 | 0 | 1 | 0 | 1 | 32 | 33 |
| Parkman Junior High (77) | 2 | 4 | 5 | 28 | 39 | 1,583 | 1,622 | (2.4) | 0 | 0 | 1 | 1 | 2 | 58 | 60 |
| Hesby Street Elementary (402) | 0 | 0 | 10 | 7 | 17 | 726 | 743 | (2.3) | 0 | 0 | 0 | 0 | 0 | 24 | 24 |
| Hughes Junior High (66) | 3 | 3 | 12 | 27 | 45 | 1,934 | 1,979 | (2.3) | 0 | 0 | 0 | 1 | 1 | 73 | 74 |
| Woodlake Avenue Elementary (534) | 0 | 0 | 12 | 9 | 21 | 937 | 958 | (2.2) | 0 | 0 | 2 | 0 | 2 | 28 | 30 |
| Marquez Elementary (566) | 0 | 2 | 11 | 7 | 20 | 932 | 952 | (2.1) | 0 | 1 | 1 | 0 | 2 | 27 | 29 |
| Revere Junior High (116) | 0 | 9 | 16 | 24 | 49 | 2,320 | 2,369 | (2.1) | 0 | 0 | 1 | 2 | 3 | 85 | 88 |
| Pacific Palisades Elementary (570) | 2 | 0 | 10 | 3 | 15 | 721 | 736 | (2.0) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Carpenter Avenue Elementary (387) | 0 | 3 | 4 | 5 | 12 | 605 | 617 | (1.9) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Palisades Senior High (126) | 1 | 10 | 18 | 15 | 44 | 2,268 | 2,312 | (1.9) | 0 | 2 | 2 | 2 | 6 | 81 | 87 |
| Taft Senior High (100) | 2 | 3 | 11 | 59 | 75 | 3,932 | 4,007 | (1.9) | 0 | 0 | 2 | 6 | 8 | 138 | 146 |
| Andasol Avenue Elementary (433) | 1 | 2 | 7 | 6 | 16 | 846 | 862 | (1.9) | 0 | 0 | 0 | 1 | 1 | 27 | 28 |
| Platt Ranch Elementary (519) | 0 | 1 | 7 | 6 | 14 | 755 | 769 | (1.8) | 0 | 0 | 1 | 1 | 2 | 22 | 24 |
| Birmingham Senior High (88) | 1 | 2 | 10 | 51 | 64 | 3,496 | 3,560 | (1.8) | 0 | 0 | 2 | 4 | 6 | 142 | 148 |
| Loyola Village Elementary (340) | 0 | 0 | 1 | 7 | 8 | 467 | 475 | (1.7) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Calabash Street Elementary (489) | 0 | 3 | 7 | 6 | 16 | 944 | 960 | (1.7) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Woodland Hills Elementary (535) | 0 | 2 | 2 | 10 | 14 | 826 | 840 | (1.7) | 0 | 0 | 0 | 0 | 0 | 26 | 26 |
| Dearborn Street Elementary (441) | 1 | 0 | 3 | 3 | 7 | 427 | 434 | (1.6) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Lanai Road Elementary (405) | 0 | 0 | 8 | 7 | 15 | 939 | 954 | (1.6) | 0 | 1 | 0 | 0 | 1 | 29 | 30 |
| Oso Avenue Elementary (518) | 0 | 0 | 2 | 8 | 10 | 634 | 644 | (1.6) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Cowan Avenue Elementary (326) | 0 | 0 | 0 | 8 | 8 | 588 | 596 | (1.3) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Topanga Elementary (528) | 0 | 0 | 4 | 0 | 4 | 317 | 321 | (1.2) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Collier Street Elementary (496) | 0 | 0 | 3 | 6 | 9 | 729 | 738 | (1.2) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| California Senior High (46) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (0.0) | 0 | 9 | 0 | 0 | 9 | 8 | 17 |

DISTRICT: LOS NIETOS ELEMENTARY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 5. REPRESENTING: 5. CITY: SANTA FE SPRINGS. COUNTY: 19. LOS ANGELES

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Numbers | 3 | 6 | 29 | 1,927 | 1,965 | 1,085 | 3,050 | | 0 | 3 | 9 | 6 | 18 | 91 | 109 |
| Percent | 0.1 | 0.2 | 1.0 | 63.2 | 64.4 | 35.6 | 100.0 | | 0.0 | 2.8 | 8.3 | 5.5 | 16.5 | 83.5 | 100.0 |
| Rancho Santa Gertrudes (4) | 0 | 1 | 0 | 486 | 485 | 82 | 568 | (85.6) | 0 | 1 | 2 | 2 | 5 | 15 | 20 |
| Aeolian (1) | 1 | 2 | 1 | 518 | 522 | 150 | 672 | (77.7) | 0 | 0 | 2 | 2 | 4 | 20 | 24 |
| Los Nietos Intermediate School (2) | 0 | 0 | 2 | 435 | 437 | 207 | 644 | (67.9) | 0 | 0 | 1 | 0 | 1 | 20 | 21 |
| Wallace S. Wiggins (5) | 0 | 0 | 7 | 207 | 214 | 206 | 420 | (51.0) | 0 | 1 | 2 | 1 | 4 | 16 | 20 |
| Ada S. Nelson (3) | 2 | 3 | 19 | 282 | 306 | 440 | 746 | (41.0) | 0 | 1 | 2 | 1 | 4 | 20 | 24 |

DISTRICT: MONROVIA UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 10. REPRESENTING: 10. CITY: MONROVIA. COUNTY: 19. LOS ANGELES

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 9 | 911 | 76 | 528 | 1,524 | 5,594 | 7,118 | | 1 | 14 | 2 | 4 | 21 | 256 | 277 |
| Percent | 0.1 | 12.8 | 1.1 | 7.4 | 21.4 | 78.6 | 100.0 | | 0.4 | 5.1 | 0.7 | 1.4 | 7.6 | 92.4 | 100.0 |
| Huntington Elementary (3) | 0 | 334 | 0 | 39 | 373 | 0 | 373 | (100.0) | 0 | 5 | 0 | 0 | 5 | 13 | 18 |
| Santa Fe Elementary (6) | 3 | 175 | 17 | 111 | 306 | 602 | 908 | (33.7) | 0 | 2 | 0 | 0 | 2 | 31 | 33 |
| Moncon High (10) | 0 | 8 | 0 | 6 | 14 | 39 | 53 | (26.4) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Wild Rose Elementary (7) | 1 | 54 | 7 | 80 | 142 | 429 | 571 | (24.9) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Clifton Intermediate (8) | 2 | 129 | 6 | 70 | 207 | 784 | 991 | (20.9) | 0 | 4 | 0 | 1 | 5 | 35 | 40 |
| Monroe Elementary (4) | 0 | 7 | 15 | 76 | 98 | 491 | 589 | (16.6) | 0 | 0 | 2 | 2 | 4 | 18 | 22 |
| Monrovia High (9) | 1 | 204 | 18 | 100 | 323 | 1,684 | 2,007 | (16.1) | 1 | 2 | 0 | 0 | 3 | 81 | 84 |
| Bradoaks Elementary (1) | 0 | 0 | 3 | 16 | 19 | 402 | 421 | (4.5) | 0 | 0 | 0 | 1 | 1 | 13 | 14 |
| Plymouth Elementary (5) | 1 | 0 | 8 | 14 | 23 | 579 | 602 | (3.8) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Mayflower Elementary (2) | 1 | 0 | 2 | 16 | 19 | 584 | 603 | (3.2) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |

DISTRICT: MONTEBELLO UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 26. REPRESENTING: 26. CITY: MONTEBELLO. COUNTY: 19. LOS ANGELES COUNTY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 241 | 10 | 1,118 | 12,206 | 13,575 | 12,515 | 26,090 | | 0 | 2 | 59 | 67 | 128 | 821 | 949 |
| Percent | 0.9 | 0.0 | 4.3 | 46.8 | 52.0 | 48.0 | 100.0 | | 0.0 | 0.2 | 6.2 | 7.1 | 13.5 | 86.5 | 100.0 |
| Montebello Gardens Elementary (12) | 0 | 0 | 2 | 494 | 496 | 15 | 511 | (97.1) | 0 | 0 | 0 | 2 | 2 | 14 | 16 |
| Winter Gardens Elementary (19) | 1 | 0 | 4 | 641 | 646 | 44 | 690 | (93.6) | 0 | 0 | 4 | 4 | 8 | 16 | 24 |
| Montebello Park (13) | 0 | 0 | 10 | 737 | 747 | 85 | 832 | (89.8) | 0 | 0 | 1 | 3 | 4 | 21 | 25 |
| Eastmont Elementary (5) | 0 | 1 | 9 | 854 | 864 | 100 | 964 | (89.6) | 0 | 0 | 1 | 1 | 2 | 27 | 29 |
| Bandini Elementary (1) | 0 | 0 | 0 | 495 | 495 | 68 | 563 | (87.9) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Eastmont Junior High (21) | 2 | 0 | 15 | 1,021 | 1,038 | 208 | 1,246 | (83.3) | 0 | 0 | 4 | 6 | 10 | 46 | 56 |
| Rosewood Park Elementary (15) | 2 | 0 | 2 | 315 | 319 | 72 | 391 | (81.6) | 0 | 0 | 3 | 3 | 6 | 13 | 19 |
| Fremont Elementary (6) | 0 | 2 | 5 | 364 | 371 | 186 | 557 | (66.6) | 0 | 0 | 3 | 1 | 4 | 16 | 20 |
| Bella Vista Elementary (2) | 0 | 0 | 95 | 490 | 585 | 299 | 884 | (66.2) | 0 | 0 | 3 | 2 | 5 | 25 | 30 |
| Grandview Elementary (8) | 0 | 0 | 101 | 422 | 523 | 309 | 832 | (62.9) | 0 | 1 | 1 | 3 | 5 | 23 | 28 |
| Vail Continuation High (26) | 0 | 0 | 0 | 87 | 87 | 57 | 144 | (60.4) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| Montebello Junior High (22) | 2 | 1 | 68 | 945 | 1,016 | 733 | 1,749 | (58.1) | 0 | 0 | 2 | 3 | 5 | 65 | 70 |
| Greenwood Elementary (9) | 2 | 1 | 47 | 717 | 767 | 589 | 1,356 | (56.6) | 0 | 0 | 4 | 2 | 6 | 36 | 42 |
| Potrero Heights Elementary (14) | 0 | 1 | 105 | 261 | 387 | 299 | 686 | (56.4) | 0 | 0 | 2 | 1 | 3 | 18 | 21 |
| Washington Elementary (17) | 0 | 0 | 26 | 411 | 437 | 359 | 796 | (54.9) | 0 | 0 | 2 | 1 | 3 | 23 | 26 |
| Montebello Senior High (25) | 7 | 3 | 208 | 1,615 | 1,833 | 1,567 | 3,400 | (53.9) | 0 | 0 | 2 | 11 | 13 | 126 | 139 |
| La Merced Elementary (10) | 0 | 1 | 107 | 333 | 441 | 410 | 851 | (51.8) | 0 | 0 | 0 | 3 | 3 | 23 | 26 |
| Wilcox Elementary (18) | 0 | 0 | 134 | 163 | 297 | 291 | 588 | (50.5) | 0 | 0 | 4 | 0 | 4 | 17 | 21 |
| Schurr Junior High (23) | 1 | 0 | 135 | 417 | 553 | 606 | 1,159 | (47.7) | 0 | 0 | 2 | 3 | 5 | 43 | 48 |
| Bell Gardens Senior High (24) | 19 | 0 | 7 | 300 | 326 | 936 | 1,262 | (25.8) | 0 | 0 | 0 | 3 | 3 | 53 | 56 |
| Bell Gardens Elementary (3) | 54 | 0 | 12 | 282 | 348 | 1,098 | 1,446 | (24.1) | 0 | 1 | 3 | 4 | 8 | 29 | 47 |
| Suva Elementary (16) | 38 | 0 | 4 | 278 | 320 | 1,113 | 1,433 | (22.3) | 0 | 0 | 8 | 3 | 11 | 36 | 47 |
| Colmar Elementary (4) | 37 | 0 | 11 | 182 | 230 | 915 | 1,145 | (20.1) | 0 | 0 | 6 | 0 | 6 | 30 | 36 |
| Bell Gardens Junior High (20) | 46 | 0 | 7 | 232 | 285 | 1,308 | 1,593 | (17.9) | 0 | 0 | 2 | 8 | 10 | 59 | 69 |
| Live Oak Primary (11) | 10 | 0 | 3 | 32 | 45 | 231 | 276 | (16.3) | 0 | 0 | 2 | 0 | 2 | 8 | 10 |
| Garfield Elementary (7) | 20 | 0 | 1 | 98 | 119 | 617 | 736 | (16.2) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: PASADENA SCHOOL DISTRICT OF LOS ANGELES COUNTY. NUMBER OF SCHOOLS: 40. REPRESENTING: 40. CITY: PASADENA. COUNTY: 19. LOS ANGELES

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 28 | 8,691 | 934 | 2,405 | 12,058 | 19,201 | 31,259 | | 0 | 120 | 15 | 12 | 147 | 1,044 | 1,191 |
| Percent | 0.1 | 27.8 | 3.0 | 7.7 | 38.6 | 61.4 | 100.0 | | 0 | 10.1 | 1.3 | 1.0 | 12.3 | 87.7 | 100.0 |
| Grover Cleveland Elementary (7) | 0 | 479 | 6 | 15 | 500 | 13 | 513 | (97.5) | 0 | 7 | 1 | 0 | 8 | 11 | 19 |
| George Washington Elementary (28) | 1 | 1,036 | 18 | 47 | 1,102 | 47 | 1,149 | (95.9) | 0 | 13 | 0 | 0 | 13 | 24 | 37 |
| George Washington Junior High (34) | 0 | 1,057 | 99 | 57 | 1,213 | 62 | 1,275 | (95.1) | 0 | 20 | 0 | 0 | 20 | 38 | 58 |
| Abraham Lincoln Elementary (17) | 1 | 738 | 15 | 79 | 833 | 49 | 882 | (94.4) | 0 | 13 | 4 | 0 | 17 | 12 | 29 |
| Andrew Jackson Elementary (15) | 0 | 548 | 77 | 30 | 655 | 45 | 700 | (93.6) | 0 | 5 | 0 | 0 | 5 | 18 | 23 |
| Benjamin Franklin Elementary (11) | 3 | 475 | 14 | 37 | 529 | 61 | 590 | (89.7) | 0 | 8 | 1 | 0 | 9 | 13 | 22 |
| James Madison Elementary (21) | 1 | 596 | 17 | 144 | 758 | 176 | 934 | (81.2) | 0 | 10 | 0 | 0 | 10 | 19 | 29 |
| Audubon Elementary (4) | 0 | 374 | 25 | 40 | 439 | 158 | 597 | (73.5) | 0 | 2 | 0 | 0 | 2 | 17 | 19 |
| James A. Garfield Elementary (12) | 3 | 81 | 10 | 104 | 198 | 85 | 283 | (70.0) | 0 | 2 | 0 | 1 | 3 | 7 | 10 |
| Thomas Edison Elementary (9) | 4 | 322 | 21 | 49 | 396 | 210 | 606 | (65.3) | 0 | 1 | 1 | 0 | 2 | 18 | 20 |
| John Muir High (37) | 2 | 717 | 157 | 110 | 986 | 961 | 1,947 | (50.6) | 0 | 4 | 1 | 0 | 5 | 86 | 91 |
| Foothill (Continuation) High (39) | 0 | 91 | 0 | 26 | 117 | 123 | 240 | (48.8) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| The Sycamores (5) | 0 | 1 | 0 | 3 | 4 | 5 | 9 | (44.4) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Roosevelt School for Handicapped Children (24) | 0 | 42 | 6 | 11 | 59 | 80 | 139 | (42.4) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| William McKinley Elementary (22) | 0 | 46 | 5 | 50 | 101 | 154 | 255 | (39.6) | 0 | 3 | 0 | 0 | 3 | 7 | 10 |
| William McKinley Junior High (33) | 1 | 236 | 52 | 169 | 458 | 702 | 1,160 | (39.5) | 0 | 4 | 0 | 1 | 5 | 45 | 50 |
| Blair High (36) | 3 | 311 | 59 | 180 | 553 | 888 | 1,441 | (38.4) | 0 | 6 | 1 | 3 | 10 | 57 | 67 |
| Charles W. Eliot Junior High (31) | 1 | 497 | 38 | 73 | 609 | 1,118 | 1,727 | (35.3) | 0 | 7 | 2 | 0 | 9 | 62 | 71 |
| Loma Alta Elementary (19) | 0 | 155 | 9 | 22 | 186 | 354 | 540 | (34.4) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Altadena Elementary (2) | 0 | 197 | 26 | 56 | 279 | 578 | 857 | (32.6) | 0 | 3 | 0 | 0 | 3 | 23 | 26 |
| Thomas Jefferson Elementary (16) | 0 | 36 | 26 | 145 | 207 | 581 | 788 | (26.3) | 0 | 1 | 0 | 0 | 1 | 27 | 28 |
| Henry W. Longfellow Elementary (20) | 0 | 122 | 44 | 123 | 289 | 814 | 1,103 | (26.2) | 0 | 3 | 0 | 1 | 4 | 30 | 34 |
| Alexander Hamilton Elementary (14) | 0 | 3 | 18 | 100 | 121 | 513 | 634 | (19.1) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| John Marshall Junior High (32) | 2 | 127 | 29 | 152 | 310 | 1,457 | 1,767 | (17.5) | 0 | 1 | 0 | 0 | 1 | 69 | 70 |
| Allendale Elementary (1) | 1 | 0 | 16 | 65 | 82 | 395 | 477 | (17.2) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Pasadena High (38) | 0 | 334 | 54 | 143 | 531 | 2,891 | 3,422 | (15.5) | 0 | 3 | 0 | 4 | 7 | 141 | 148 |
| Arroyo Seco Elementary (3) | 0 | 10 | 0 | 12 | 22 | 120 | 142 | (15.5) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| 5 Acres (40) | 0 | 1 | 0 | 0 | 1 | 7 | 8 | (12.5) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Eugene Field Elementary (10) | 0 | 0 | 6 | 62 | 68 | 484 | 552 | (12.3) | 0 | 0 | 1 | 0 | 1 | 16 | 17 |
| Frances E. Willard Elementary (30) | 0 | 6 | 14 | 63 | 83 | 744 | 827 | (10.0) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| George Ellery Hale Elementary (13) | 0 | 12 | 7 | 29 | 48 | 432 | 480 | (10.0) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Sierra Madre Elementary (26) | 0 | 0 | 10 | 38 | 48 | 513 | 561 | (8.6) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Wilson Junior High (35) | 1 | 5 | 21 | 84 | 111 | 1,307 | 1,418 | (7.8) | 0 | 1 | 0 | 1 | 2 | 56 | 58 |
| Luther Burbank Elementary (6) | 1 | 9 | 6 | 24 | 40 | 504 | 544 | (7.4) | 0 | 0 | 2 | 0 | 2 | 16 | 18 |
| Daniel Webster Elementary (29) | 0 | 20 | 6 | 22 | 48 | 658 | 706 | (6.8) | 0 | 1 | 0 | 0 | 1 | 22 | 23 |
| Sierra Mesa Elementary (27) | 2 | 0 | 2 | 19 | 23 | 434 | 457 | (5.0) | 0 | 0 | 1 | 0 | 1 | 13 | 14 |
| San Rafael Elementary (25) | 0 | 1 | 7 | 9 | 17 | 411 | 428 | (4.0) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Don Benito Elementary (8) | 0 | 3 | 8 | 10 | 21 | 527 | 548 | (3.8) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Linda Vista Elementary (18) | 0 | 2 | 4 | 1 | 7 | 202 | 209 | (3.3) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Arthur Amos Noyes Elementary (23) | 1 | 1 | 2 | 2 | 6 | 338 | 344 | (1.7) | 0 | 0 | 0 | 1 | 1 | 9 | 10 |

DISTRICT: POMONA UNIFIED SCHOOL DISTRICT NUMBER OF SCHOOLS: 30. REPRESENTING: 30. CITY: POMONA COUNTY: 19. LOS ANGELES

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 36 | 3,495 | 125 | 3,316 | 6,974 | 15,601 | 22,575 | | 0 | 53 | 7 | 17 | 77 | 722 | 799 |
| Percent | 0.2 | 15.5 | 0.6 | 14.7 | 30.9 | 69.1 | 100.0 | | 0.0 | 6.6 | 0.9 | 2.1 | 9.6 | 90.4 | 100.0 |
| North San Antonio (15) | 0 | 566 | 0 | 31 | 597 | 73 | 670 | (89.1) | 0 | 8 | 0 | 2 | 10 | 16 | 26 |
| Madison Elementary (13) | 1 | 209 | 7 | 409 | 626 | 134 | 760 | (82.4) | 0 | 2 | 0 | 2 | 4 | 20 | 24 |
| Hamilton Elementary (7) | 0 | 124 | 0 | 297 | 421 | 130 | 551 | (76.4) | 0 | 3 | 0 | 1 | 4 | 14 | 18 |
| Lexington (11) | 0 | 431 | 5 | 129 | 565 | 205 | 770 | (73.4) | 0 | 5 | 0 | 0 | 5 | 13 | 18 |
| Arroyo Elementary (3) | 0 | 572 | 6 | 86 | 664 | 324 | 988 | (67.2) | 0 | 4 | 0 | 0 | 4 | 29 | 33 |
| Garey High (28) | 1 | 184 | 6 | 293 | 484 | 621 | 1,105 | (43.8) | 0 | 1 | 0 | 1 | 2 | 41 | 43 |
| Fremont Junior High (23) | 0 | 225 | 12 | 320 | 557 | 731 | 1,288 | (43.2) | 0 | 3 | 2 | 2 | 7 | 42 | 49 |
| Park Avenue High (29) | 1 | 42 | 0 | 39 | 82 | 108 | 190 | (43.2) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Washington (19) | 2 | 18 | 2 | 246 | 268 | 361 | 629 | (42.6) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Marshall Junior High (24) | 1 | 209 | 5 | 103 | 318 | 605 | 923 | (34.5) | 0 | 3 | 0 | 0 | 3 | 33 | 36 |
| Theodore Roosevelt Elementary (17) | 0 | 17 | 0 | 173 | 190 | 408 | 598 | (31.8) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Palomares Junior High (25) | 4 | 218 | 0 | 43 | 265 | 617 | 882 | (30.0) | 0 | 3 | 0 | 0 | 3 | 33 | 36 |
| Leroy Allison Elementary (2) | 2 | 106 | 3 | 33 | 144 | 380 | 524 | (27.5) | 0 | 2 | 0 | 1 | 3 | 16 | 19 |
| Casa Colina (4) | 0 | 0 | 0 | 5 | 5 | 14 | 19 | (26.3) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Kellogg Elementary (9) | 0 | 84 | 6 | 52 | 142 | 432 | 574 | (24.7) | 0 | 0 | 0 | 2 | 2 | 17 | 19 |
| Ganesha High (27) | 1 | 169 | 3 | 149 | 322 | 988 | 1,310 | (24.6) | 0 | 2 | 0 | 0 | 2 | 48 | 50 |
| Westmont Elementary (20) | 0 | 7 | 4 | 136 | 147 | 530 | 677 | (21.7) | 0 | 3 | 0 | 1 | 4 | 19 | 23 |
| Louisa May Alcott Elementary (1) | 9 | 8 | 2 | 138 | 157 | 632 | 789 | (19.9) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| Simons Junior High (26) | 0 | 13 | 5 | 147 | 165 | 720 | 885 | (18.6) | 0 | 2 | 2 | 1 | 5 | 29 | 35 |
| San Jose Elementary (18) | 3 | 37 | 12 | 25 | 77 | 420 | 497 | (15.5) | 0 | 0 | 0 | 0 | 0 | 18 | 14 |
| Philadelphia Elementary (16) | 3 | 6 | 5 | 149 | 163 | 913 | 1,076 | (15.1) | 0 | 0 | 1 | 0 | 1 | 34 | 38 |
| Pomona High (30) | 2 | 178 | 5 | 59 | 244 | 1,382 | 1,626 | (15.0) | 0 | 3 | 0 | 2 | 5 | 58 | 63 |
| Harrison (8) | 0 | 29 | 5 | 38 | 72 | 567 | 639 | (11.3) | 0 | 1 | 1 | 0 | 2 | 19 | 21 |
| Lincoln Elementary (12) | 0 | 1 | 2 | 48 | 51 | 426 | 477 | (10.7) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Yorba Elementary (21) | 0 | 0 | 5 | 22 | 27 | 279 | 306 | (8.8) | 0 | 0 | 1 | 0 | 1 | 9 | 10 |
| Montvue Elementary (14) | 4 | 16 | 8 | 29 | 57 | 612 | 669 | (8.5) | 0 | 2 | 0 | 0 | 2 | 21 | 23 |
| Emerson Junior High (22) | 1 | 28 | 8 | 38 | 75 | 922 | 997 | (7.5) | 0 | 1 | 0 | 2 | 3 | 36 | 39 |
| Kingsley Elementary (10) | 1 | 0 | 4 | 43 | 48 | 757 | 805 | (6.0) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Golden Springs Elementary (6) | 0 | 0 | 3 | 28 | 31 | 717 | 748 | (4.1) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Diamond Point Elementary (5) | 0 | 0 | 2 | 8 | 10 | 593 | 603 | (1.7) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |

DISTRICT: WILLOWBROOK SCHOOL DISTRICT. NUMBER OF SCHOOLS: 5. REPRESENTING: 5. CITY: LOS ANGELES. COUNTY 19

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1 | 3,160 | 9 | 243 | 3,413 | 8 | 3,421 | | 0 | 100 | 0 | 0 | 100 | 7 | 107 |
| Percents | 0.0 | 92.4 | 0.3 | 7.1 | 99.8 | 0.2 | 100.0 | | 0.0 | 93.5 | 0.0 | 0.0 | 93.5 | 6.5 | 100.0 |
| John F. Kennedy (4) | 0 | 549 | 1 | 28 | 578 | 0 | 578 | (100.0) | 0 | 16 | 0 | 0 | 16 | 2 | 18 |
| Lincoln (5) | 0 | 670 | 0 | 15 | 685 | 1 | 686 | (99.9) | 0 | 21 | 0 | 0 | 21 | 1 | 22 |
| Marian Anderson (1) | 0 | 607 | 0 | 170 | 777 | 2 | 779 | (99.7) | 0 | 22 | 0 | 0 | 22 | 2 | 24 |
| George Washington Carver (2) | 1 | 675 | 0 | 1 | 677 | 2 | 679 | (99.7) | 0 | 20 | 0 | 0 | 20 | 2 | 22 |
| Martin Luther King (3) | 0 | 659 | 8 | 29 | 696 | 3 | 699 | (99.6) | 0 | 21 | 0 | 0 | 21 | 0 | 21 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: EL RANCHO UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 19. REPRESENTING: 19. CITY: PICO RIVERA. COUNTY: 19 LOS ANGELES COUNTY

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 15 | 5 | 100 | 9,822 | 9,942 | 6,503 | 16,445 | ..... | 2 | 17 | 23 | 65 | 107 | 529 | 636 |
| Percent | 0.1 | 0.0 | 0.6 | 59.7 | 60.5 | 39.5 | 100.0 | ..... | 0.3 | 2.7 | 3.6 | 10.2 | 16.8 | 83.2 | 100.0 |
| Pio Pico Elementary (12) | 0 | 0 | 1 | 340 | 341 | 18 | 359 | (95.0) | 0 | 1 | 0 | 4 | 5 | 11 | 16 |
| El Rancho Continuation (18) | 0 | 0 | 1 | 64 | 65 | 15 | 80 | (81.3) | 0 | 0 | 0 | 1 | 1 | 2 | 3 |
| North Park Jr. High (4) | 0 | 0 | 6 | 889 | 895 | 208 | 1,103 | (81.1) | 1 | 0 | 2 | 6 | 9 | 36 | 45 |
| North Ranchito Elementary (10) | 0 | 0 | 4 | 902 | 906 | 222 | 1,128 | (80.3) | 0 | 3 | 2 | 4 | 9 | 31 | 40 |
| Durfee Elementary (7) | 0 | 0 | 3 | 460 | 463 | 121 | 584 | (79.3) | 1 | 0 | 0 | 2 | 3 | 18 | 21 |
| Eugene A. Obregon (11) | 0 | 0 | 0 | 492 | 492 | 139 | 631 | (78.0) | 0 | 0 | 0 | 3 | 3 | 17 | 20 |
| South Ranchito Elementary (16) | 0 | 0 | 6 | 620 | 626 | 274 | 900 | (69.6) | 0 | 1 | 1 | 2 | 4 | 24 | 28 |
| Valencia Elementary (17) | 0 | 0 | 6 | 558 | 564 | 278 | 842 | (67.0) | 0 | 0 | 0 | 2 | 2 | 24 | 26 |
| Meller Jr. High (3) | 0 | 0 | 6 | 534 | 540 | 340 | 880 | (61.4) | 0 | 0 | 0 | 5 | 5 | 32 | 37 |
| Rio Vista Elementary (13) | 4 | 0 | 5 | 432 | 441 | 323 | 764 | (57.7) | 0 | 0 | 1 | 0 | 1 | 26 | 27 |
| Lawrence T. Magee Elementary (8) | 0 | 0 | 7 | 390 | 397 | 322 | 719 | (55.2) | 0 | 0 | 1 | 2 | 3 | 22 | 25 |
| Rivera Elementary (14) | 2 | 0 | 3 | 359 | 364 | 315 | 679 | (53.6) | 0 | 0 | 2 | 2 | 4 | 19 | 23 |
| Maizeland Elementary (9) | 2 | 3 | 5 | 220 | 230 | 200 | 430 | (53.5) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| El Rancho Adult School (19) | 1 | 1 | 12 | 970 | 984 | 893 | 1,877 | (52.4) | 0 | 3 | 1 | 8 | 12 | 63 | 75 |
| El Rancho High School (1) | 2 | 1 | 15 | 1,508 | 1,526 | 1,400 | 2,926 | (52.2) | 0 | 4 | 5 | 10 | 19 | 108 | 127 |
| Rivera Junior High School (5) | 2 | 0 | 3 | 312 | 317 | 303 | 620 | (51.1) | 0 | 2 | 2 | 7 | 11 | 17 | 28 |
| Osburn Burke Junior High School (2) | 0 | 0 | 2 | 329 | 331 | 399 | 730 | (45.3) | 0 | 1 | 1 | 3 | 5 | 27 | 32 |
| Alice M. Birney Elementary School (6) | 2 | 0 | 10 | 313 | 325 | 464 | 789 | (41.2) | 0 | 1 | 2 | 1 | 4 | 25 | 29 |
| Selby Grove School (15) | 0 | 0 | 5 | 130 | 135 | 269 | 404 | (33.4) | 0 | 1 | 3 | 3 | 7 | 11 | 18 |

DISTRICT: MERCED CITY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 13. REPRESENTING: 13. CITY: MERCED. COUNTY: 24. MERCED

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 19 | 703 | 52 | 1,706 | 2,480 | 4,435 | 6,915 | ..... | 3 | 9 | 1 | 18 | 31 | 230 | 261 |
| Percent | 0.3 | 10.2 | 0.8 | 24.7 | 35.9 | 64.1 | 100.0 | ..... | 1.1 | 3.4 | 0.4 | 6.9 | 11.9 | 88.1 | 100.0 |
| Galen Clark (2) | 0 | 256 | 5 | 328 | 589 | 31 | 620 | (95.0) | 2 | 4 | 0 | 3 | 9 | 15 | 24 |
| Tenaya (10) | 0 | 218 | 0 | 426 | 644 | 105 | 749 | (86.0) | 1 | 2 | 0 | 4 | 7 | 23 | 30 |
| Preschool Center (1) | 0 | 19 | 0 | 28 | 47 | 11 | 58 | (81.0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Margaret Sheehy (13) | 1 | 178 | 2 | 337 | 518 | 145 | 663 | (78.1) | 0 | 2 | 0 | 1 | 3 | 21 | 24 |
| Franklin (4) | 8 | 7 | 2 | 76 | 93 | 347 | 440 | (21.1) | 0 | 0 | 0 | 2 | 2 | 15 | 17 |
| John C. Fremont (3) | 0 | 1 | 12 | 64 | 77 | 302 | 379 | (20.3) | 0 | 0 | 0 | 1 | 1 | 12 | 13 |
| Ada Givens (8) | 0 | 3 | 3 | 97 | 103 | 424 | 527 | (19.5) | 0 | 1 | 0 | 2 | 3 | 16 | 19 |
| John Muir (12) | 1 | 10 | 1 | 76 | 88 | 457 | 545 | (16.1) | 0 | 0 | 0 | 1 | 1 | 20 | 21 |
| Herbert Hoover (5) | 6 | 4 | 4 | 86 | 100 | 571 | 671 | (14.9) | 0 | 0 | 1 | 3 | 4 | 28 | 32 |
| Charles Wright (6) | 0 | 0 | 7 | 78 | 85 | 537 | 622 | (13.7) | 0 | 0 | 0 | 1 | 1 | 19 | 20 |
| Luther Burbank (7) | 0 | 3 | 12 | 49 | 64 | 554 | 618 | (10.4) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Rudolph Rivera (9) | 1 | 3 | 2 | 33 | 39 | 438 | 477 | (8.2) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Donn B. Chenoweth (11) | 2 | 1 | 2 | 28 | 33 | 513 | 546 | (6.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |

DISTRICT: SALINAS CITY ELEMENTARY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 12. REPRESENTING: 12. CITY: SALINAS. COUNTY: 27. MONTEREY COUNTY ASSURANCE: 441

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 18 | 119 | 329 | 1,706 | 2,172 | 4,401 | 6,573 | ..... | 1 | 4 | 6 | 7 | 18 | 214 | 232 |
| Percent | 0.3 | 1.8 | 5.0 | 26.0 | 33.0 | 67.0 | 100.0 | ..... | 0.4 | 1.7 | 2.6 | 3.0 | 7.8 | 92.2 | 100.0 |
| Boronda (20) | 2 | 10 | 27 | 155 | 194 | 48 | 242 | (80.2) | 0 | 1 | 2 | 0 | 3 | 6 | 9 |
| Sherwood (12) | 0 | 27 | 32 | 483 | 542 | 231 | 773 | (70.1) | 1 | 0 | 0 | 0 | 1 | 28 | 29 |
| Roosevelt (11) | 11 | 17 | 28 | 294 | 350 | 339 | 689 | (50.8) | 0 | 1 | 0 | 2 | 3 | 20 | 23 |
| Lincoln Elementary (5) | 0 | 37 | 24 | 190 | 251 | 323 | 574 | (43.7) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |
| Ashton (1) | 0 | 2 | 2 | 5 | 9 | 12 | 21 | (42.9) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Loma Vista (6) | 0 | 3 | 37 | 72 | 112 | 283 | 395 | (28.4) | 0 | 0 | 1 | 0 | 1 | 12 | 13 |
| El Gabilan (3) | 1 | 11 | 13 | 158 | 183 | 570 | 753 | (24.3) | 0 | 1 | 0 | 2 | 3 | 23 | 26 |
| Los Padres (7) | 0 | 1 | 8 | 61 | 70 | 224 | 294 | (23.8) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Natividad (10) | 0 | 5 | 67 | 80 | 153 | 500 | 652 | (23.3) | 0 | 0 | 0 | 1 | 1 | 23 | 24 |
| Henry F. Kammann (4) | 3 | 4 | 31 | 111 | 149 | 711 | 860 | (17.3) | 0 | 1 | 2 | 1 | 4 | 26 | 30 |
| Mission Park (8) | 1 | 1 | 41 | 84 | 127 | 691 | 818 | (15.5) | 0 | 0 | 1 | 0 | 1 | 27 | 28 |
| Monterey Park (9) | 0 | 1 | 19 | 13 | 33 | 469 | 502 | (6.6) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |

DISTRICT: SOLECAD UNION SCHOOL DISTRICT. NUMBER OF SCHOOLS: 2. REPRESENTING: 3. CITY: SOLEDAC. COUNTY: 27 MONTEREY

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 5 | 9 | 1,077 | 1,091 | 279 | 1,370 | ..... | 0 | 0 | 3 | 2 | 5 | 41 | 46 |
| Percents | 0.0 | 0.4 | 0.7 | 78.6 | 79.6 | 20.4 | 100.0 | ..... | 0.0 | 0.0 | 6.5 | 4.3 | 10.9 | 89.1 | 100.0 |
| San Vicente (1) | 0 | 3 | 6 | 19 | 528 | 127 | 655 | (80.6) | 0 | 0 | 1 | 0 | 1 | 21 | 22 |
| Main Street (2) | 0 | 2 | 3 | 558 | 563 | 152 | 715 | (78.7) | 0 | 0 | 2 | 2 | 4 | 20 | 42 |

DISTRICT: FULLERTON ELEMENTARY SCHOOL DISTRICT. NUMBER OF SCHOOLS: 21. REPRESENTING: 21. CITY: FULLERTON. COUNTY: 30. ORANGE

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 18 | 123 | 163 | 1,208 | 1,512 | 11,732 | 13,244 | ..... | 2 | 4 | 7 | 10 | 23 | 460 | 483 |
| Percent | 0.1 | 0.9 | 1.2 | 9.1 | 11.4 | 88.6 | 100.0 | ..... | 0.4 | 0.8 | 1.4 | 2.1 | 4.8 | 95.2 | 100.0 |
| Maple Avenue (19) | 0 | 55 | 0 | 235 | 290 | 4 | 294 | (98.6) | 0 | 1 | 0 | 1 | 2 | 10 | 12 |
| Ford Avenue (5) | 0 | 5 | 5 | 64 | 74 | 400 | 474 | (15.6) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Nicolas Junior High (10) | 0 | 1 | 10 | 138 | 149 | 898 | 1,047 | (14.2) | 0 | 0 | 2 | 2 | 4 | 45 | 49 |
| Valencia Park (17) | 0 | 0 | 2 | 109 | 111 | 732 | 843 | (13.2) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Fern Drive (4) | 11 | 4 | 12 | 42 | 69 | 462 | 531 | (13.0) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Pacific Drive (12) | 0 | 4 | 12 | 88 | 104 | 701 | 805 | (12.9) | 0 | 0 | 0 | 2 | 2 | 25 | 27 |
| Wilshire Junior High (18) | 0 | 12 | 4 | 98 | 114 | 779 | 893 | (12.8) | 1 | 0 | 1 | 0 | 2 | 35 | 37 |
| Richman Elementary (14) | 0 | 7 | 8 | 101 | 116 | 814 | 930 | (12.5) | 0 | 0 | 0 | 0 | 0 | 32 | 32 |
| Woodcrest Special Education Unit (21) | 0 | 0 | 0 | 7 | 7 | 54 | 61 | (11.5) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Commonwealth (3) | 1 | 4 | 12 | 56 | 73 | 585 | 658 | (11.1) | 0 | 0 | 0 | 1 | 1 | 22 | 23 |
| Raymond (13) | 0 | 8 | 11 | 52 | 71 | 600 | 671 | (10.6) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Woodcrest (20) | 1 | 1 | 5 | 28 | 36 | 437 | 473 | (7.6) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Orangethorpe (11) | 1 | 0 | 13 | 45 | 59 | 753 | 812 | (7.3) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Beechwood Elementary School (2) | 0 | 0 | 10 | 6 | 16 | 258 | 274 | (5.8) | 0 | 0 | 0 | 1 | 1 | 8 | 9 |
| Ladera Vista Junior High (8) | 1 | 5 | 8 | 52 | 66 | 1,078 | 1,144 | (5.8) | 0 | 0 | 0 | 3 | 3 | 43 | 46 |
| Rolling Hills (15) | 0 | 1 | 13 | 20 | 34 | 559 | 593 | (5.7) | 1 | 0 | 0 | 0 | 1 | 20 | 21 |
| Acacia (1) | 0 | 3 | 5 | 24 | 32 | 546 | 578 | (5.5) | 0 | 0 | 2 | 0 | 2 | 18 | 20 |
| Golden Hill (6) | 1 | 9 | 3 | 14 | 27 | 522 | 549 | (4.9) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Laguna Road (9) | 0 | 3 | 12 | 10 | 25 | 559 | 584 | (4.3) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Sunset Lane (16) | 1 | 1 | 11 | 12 | 25 | 581 | 606 | (4.1) | 0 | 0 | 1 | 0 | 1 | 20 | 21 |
| Hermosa Drive (7) | 0 | 0 | 7 | 7 | 14 | 410 | 424 | (3.3) | 0 | 0 | 1 | 0 | 1 | 13 | 14 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SANTA ANA UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 32. REPRESENTING: 32. CITY: SANTA ANA. COUNTY: 30

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 52 | 2,066 | 258 | 8,117 | 10,493 | 17,498 | 27,991 | | 0 | 23 | 5 | 21 | 49 | 933 | 982 |
| Percent | 0.2 | 7.4 | 0.9 | 29.0 | 37.5 | 62.5 | 100.0 | | 0.0 | 2.3 | 0.5 | 2.1 | 5.0 | 95.0 | 100.0 |
| James Monroe (15) | 1 | 25 | 4 | 333 | 363 | 13 | 376 | (96.5) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Franklin Elementary (3) | 1 | 140 | 1 | 398 | 540 | 53 | 593 | (91.1) | 0 | 2 | 0 | 1 | 3 | 16 | 19 |
| McKinley (13) | 1 | 34 | 2 | 352 | 389 | 85 | 474 | (82.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| John C. Fremont (4) | 0 | 119 | 13 | 590 | 722 | 159 | 881 | (82.0) | 0 | 3 | 0 | 0 | 3 | 23 | 26 |
| Monte Vista (17) | 4 | 542 | 12 | 397 | 955 | 344 | 1,299 | (73.5) | 0 | 5 | 2 | 0 | 7 | 33 | 40 |
| Edison Elementary (2) | 7 | 5 | 9 | 655 | 676 | 277 | 953 | (70.9) | 0 | 0 | 1 | 0 | 1 | 31 | 32 |
| Lowell (10) | 0 | 87 | 4 | 294 | 385 | 164 | 549 | (70.1) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Lincoln Elementary (9) | 0 | 328 | 10 | 166 | 504 | 273 | 777 | (64.9) | 0 | 1 | 0 | 1 | 2 | 23 | 25 |
| Roosevelt Elementary (19) | 1 | 14 | 5 | 268 | 288 | 161 | 449 | (64.1) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| John Muir Elementary (18) | 0 | 1 | 4 | 179 | 184 | 117 | 301 | (61.1) | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Lathrop Junior High (25) | 3 | 28 | 9 | 602 | 642 | 695 | 1,337 | (48.0) | 0 | 1 | 0 | 3 | 4 | 47 | 51 |
| Smedley Junior High (27) | 1 | 287 | 3 | 553 | 844 | 937 | 1,781 | (47.4) | 0 | 3 | 0 | 0 | 3 | 65 | 68 |
| Kenneth E. Mitchell (14) | 0 | 7 | 2 | 23 | 32 | 40 | 72 | (44.4) | 0 | 1 | 0 | 0 | 1 | 6 | 7 |
| Mountain View High (16) | 2 | 18 | 3 | 62 | 85 | 126 | 211 | (40.3) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Santa Ana High (30) | 1 | 81 | 23 | 679 | 784 | 1,530 | 2,314 | (33.9) | 0 | 2 | 0 | 3 | 5 | 82 | 87 |
| James Madison (11) | 7 | 17 | 27 | 208 | 259 | 576 | 835 | (31.0) | 0 | 0 | 0 | 1 | 1 | 30 | 31 |
| Valley High (31) | 2 | 175 | 2 | 246 | 425 | 1,002 | 1,427 | (29.8) | 0 | 1 | 0 | 2 | 3 | 57 | 60 |
| Sierra Elementary (21) | 0 | 18 | 0 | 146 | 164 | 411 | 575 | (28.5) | 0 | 0 | 0 | 1 | 1 | 20 | 21 |
| Diamond (1) | 0 | 2 | 4 | 221 | 227 | 594 | 821 | (27.6) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Spurgeon Elementary (22) | 0 | 4 | 0 | 119 | 123 | 322 | 445 | (27.6) | 0 | 0 | 0 | 1 | 1 | 15 | 16 |
| Wilson (24) | 1 | 20 | 6 | 140 | 167 | 444 | 611 | (27.3) | 0 | 0 | 0 | 2 | 2 | 18 | 20 |
| Glenn L. Martin (12) | 2 | 25 | 7 | 211 | 245 | 761 | 1,006 | (24.4) | 0 | 1 | 0 | 0 | 1 | 31 | 32 |
| Saddleback High (29) | 3 | 7 | 10 | 256 | 276 | 869 | 1,145 | (24.1) | 0 | 0 | 0 | 2 | 2 | 47 | 49 |
| Willard Junior High (28) | 3 | 45 | 10 | 237 | 295 | 1,068 | 1,363 | (21.6) | 0 | 0 | 0 | 2 | 2 | 45 | 47 |
| McFadden Junior High (26) | 3 | 10 | 8 | 256 | 277 | 1,129 | 1,406 | (19.7) | 0 | 1 | 0 | 2 | 3 | 48 | 51 |
| George Washington (23) | 0 | 1 | 13 | 133 | 147 | 912 | 1,059 | (13.9) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Herbert Hoover Elementary (6) | 0 | 2 | 9 | 61 | 72 | 509 | 581 | (12.4) | 0 | 0 | 1 | 0 | 1 | 17 | 18 |
| Carl Harvey (5) | 1 | 0 | 0 | 10 | 11 | 79 | 90 | (12.2) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Jefferson Elementary (8) | 0 | 5 | 17 | 82 | 104 | 860 | 964 | (10.8) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Andrew Jackson (7) | 4 | 4 | 9 | 102 | 119 | 1,003 | 1,122 | (10.6) | 0 | 0 | 0 | 0 | 0 | 34 | 34 |
| John Adams (32) | 4 | 5 | 15 | 102 | 126 | 1,129 | 1,255 | (10.0) | 0 | 0 | 1 | 0 | 1 | 39 | 40 |
| Santiago Elementary (20) | 0 | 10 | 17 | 36 | 63 | 856 | 919 | (6.9) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |

DISTRICT: COACHELLA SCHOOL DISTRICT. NUMBER OF SCHOOLS: 4. REPRESENTING: 5. CITY: COACHELLA. COUNTY: 33. RIVERSIDE

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 34 | 13 | 1,753 | 1,800 | 411 | 2,211 | | 0 | 0 | 0 | 2 | 2 | 75 | 77 |
| Percent | 0.5 | 1.5 | 0.6 | 79.3 | 81.4 | 18.6 | 100.0 | | 0.0 | 0.0 | 0.0 | 2.6 | 2.6 | 97.4 | 100.0 |
| Peter Pendleton (3) | 0 | 7 | 3 | 486 | 496 | 101 | 597 | (83.1) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Valley View (2) | 0 | 15 | 0 | 426 | 441 | 95 | 536 | (82.3) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Palm View (4) | 0 | 2 | 1 | 370 | 373 | 89 | 462 | (80.7) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Dateland (1) | 0 | 10 | 9 | 471 | 490 | 126 | 616 | (79.5) | 0 | 0 | 0 | 2 | 2 | 20 | 22 |

DISTRICT: DESERT SANDS UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 12. REPRESENTING: 12. CITY: INDIO. COUNTY: 33. RIVERSIDE

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 19 | 275 | 62 | 2,227 | 2,583 | 4,674 | 7,258 | | 2 | 6 | 1 | 5 | 14 | 252 | 266 |
| Percent | 0.3 | 3.8 | 0.9 | 30.7 | 35.6 | 64.4 | 100.0 | | 0.8 | 2.3 | 0.4 | 1.9 | 5.3 | 94.7 | 100.0 |
| Martin Van Buren (7) | 0 | 12 | 0 | 275 | 287 | 21 | 308 | (93.2) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Theodore Roosevelt (6) | 0 | 60 | 0 | 257 | 317 | 70 | 387 | (81.9) | 0 | 2 | 0 | 1 | 3 | 10 | 13 |
| Herbert Hoover (2) | 16 | 58 | 8 | 220 | 302 | 276 | 578 | (52.2) | 0 | 1 | 0 | 1 | 2 | 18 | 20 |
| Dwight D. Eisenhower (1) | 0 | 8 | 5 | 295 | 308 | 293 | 601 | (51.2) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Wilson Middle (11) | 0 | 4 | 5 | 162 | 171 | 287 | 458 | (37.3) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Thomas Jefferson Middle (9) | 0 | 28 | 10 | 150 | 188 | 324 | 512 | (36.7) | 1 | 0 | 1 | 0 | 2 | 20 | 22 |
| Indio High (12) | 0 | 61 | 21 | 473 | 555 | 1,367 | 1,922 | (28.9) | 1 | 3 | 0 | 2 | 6 | 75 | 81 |
| Andrew Jackson (3) | 2 | 14 | 2 | 184 | 202 | 503 | 705 | (28.7) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| John F. Kennedy (4) | 1 | 30 | 8 | 79 | 118 | 495 | 613 | (19.2) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Abraham Lincoln (5) | 0 | 0 | 2 | 58 | 60 | 354 | 414 | (14.5) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| George Washington (8) | 0 | 0 | 1 | 58 | 59 | 437 | 496 | (11.9) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Palm Desert Middle (10) | 0 | 0 | 0 | 16 | 16 | 247 | 263 | (6.1) | 0 | 0 | 0 | 1 | 1 | 9 | 10 |

DISTRICT: DEL PASO HEIGHTS ELEMENTARY. NUMBER OF SCHOOLS: 5. REPRESENTING: 7. CITY: SACRAMENTO. COUNTY: 34. SACRAMENTO

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 2 | 1,377 | 3 | 218 | 1,600 | 334 | 1,934 | | 0 | 33 | 0 | 4 | 37 | 56 | 93 |
| Percent | 0.1 | 71.2 | 0.2 | 11.3 | 82.7 | 17.3 | 100.0 | | 0.0 | 35.5 | 0.0 | 4.3 | 39.8 | 60.2 | 100.0 |
| North Avenue (3) | 2 | 470 | 0 | 42 | 514 | 33 | 547 | (94.0) | 0 | 13 | 0 | 0 | 13 | 15 | 28 |
| Fairbanks (2) | 0 | 462 | 3 | 35 | 500 | 89 | 589 | (84.9) | 0 | 6 | 0 | 0 | 6 | 19 | 25 |
| Del Paso Heights Elementary (1) | 0 | 272 | 0 | 63 | 335 | 66 | 401 | (83.5) | 0 | 8 | 0 | 3 | 11 | 11 | 22 |
| Morey Avenue (5) | 0 | 123 | 0 | 38 | 161 | 72 | 233 | (69.1) | 0 | 4 | 0 | 1 | 5 | 5 | 10 |
| Garden Valley (4) | 0 | 50 | 0 | 40 | 90 | 74 | 164 | (54.9) | 0 | 2 | 0 | 0 | 2 | 6 | 8 |

DISTRICT: SACRAMENTO CITY UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 77. REPRESENTING: 77. CITY: SACRAMENTO. COUNTY: 34.

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 38 | 7,324 | 4,236 | 6,184 | 17,782 | 34,763 | 52,545 | | 0 | 97 | 53 | 18 | 168 | 1,769 | 1,937 |
| Percent | 0.1 | 13.9 | 8.1 | 11.8 | 33.8 | 66.2 | 100.0 | | 0.0 | 5.0 | 2.7 | 0.9 | 8.7 | 91.3 | 100.0 |
| Camellia Elementary (25) | 0 | 259 | 0 | 34 | 293 | 21 | 314 | (93.3) | 0 | 4 | 0 | 0 | 4 | 9 | 13 |
| William Land Elementary (75) | 1 | 54 | 182 | 91 | 328 | 75 | 403 | (81.4) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Lincoln Junior High (14) | 1 | 74 | 82 | 153 | 310 | 75 | 385 | (80.5) | 0 | 2 | 2 | 0 | 4 | 16 | 29 |
| Donner Elementary (31) | 1 | 249 | 6 | 47 | 303 | 101 | 404 | (75.0) | 0 | 4 | 0 | 0 | 4 | 12 | 16 |
| Lincoln Elementary (50) | 0 | 42 | 20 | 56 | 118 | 44 | 162 | (72.8) | 0 | 1 | 0 | 1 | 2 | 9 | 11 |
| Elder Creek Elementary (35) | 0 | 115 | 3 | 109 | 227 | 95 | 322 | (70.5) | 0 | 2 | 1 | 1 | 4 | 11 | 15 |
| Oak Ridge Elementary (60) | 0 | 198 | 9 | 145 | 352 | 160 | 512 | (68.8) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Ethel Phillips Elementary (38) | 0 | 193 | 11 | 190 | 394 | 200 | 594 | (66.3) | 0 | 5 | 0 | 0 | 5 | 17 | 22 |
| Jedediah Smith Elementary (46) | 0 | 115 | 23 | 206 | 344 | 190 | 534 | (64.4) | 0 | 0 | 3 | 0 | 3 | 16 | 19 |
| Newton Booth Elementary (58) | 3 | 63 | 65 | 76 | 207 | 148 | 355 | (58.3) | 0 | 4 | 2 | 0 | 6 | 10 | 16 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SACRAMENTO CITY UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 77. REPRESENTING: 77. CITY: SACRAMENTO. COUNTY: 34—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Washington Elementary (74) | 3 | 17 | 3 | 99 | 122 | 89 | 211 | (57.8) | 0 | 2 | 0 | 1 | 3 | 11 | 14 |
| Riverside Elementary (67) | 0 | 10 | 173 | 20 | 203 | 154 | 357 | (56.9) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| Marshall Elementary (57) | 1 | 99 | 3 | 75 | 178 | 138 | 316 | (56.3) | 0 | 1 | 0 | 2 | 3 | 8 | 11 |
| Fruitridge Elementary (41) | 3 | 240 | 30 | 142 | 415 | 322 | 737 | (56.3) | 0 | 3 | 0 | 0 | 3 | 20 | 23 |
| Bret Harte Elementary (23) | 5 | 181 | 12 | 77 | 275 | 229 | 504 | (54.6) | 0 | 1 | 1 | 0 | 2 | 17 | 19 |
| California Junior High (8) | 0 | 231 | 122 | 111 | 464 | 450 | 914 | (50.8) | 0 | 0 | 1 | 1 | 2 | 36 | 38 |
| Maple Elementary (54) | 0 | 34 | 11 | 112 | 157 | 154 | 311 | (50.5) | 0 | 2 | 1 | 0 | 3 | 8 | 11 |
| Sacramento Senior High (5) | 1 | 485 | 251 | 436 | 1,173 | 1,193 | 2,366 | (49.6) | 0 | 3 | 0 | 2 | 5 | 95 | 100 |
| Sutterville Elementary (70) | 0 | 47 | 227 | 26 | 300 | 316 | 616 | (48.7) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| American Legion High (6) | 0 | 64 | 0 | 49 | 113 | 120 | 233 | (48.5) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| John Cabrillo Elementary (48) | 0 | 71 | 181 | 22 | 274 | 302 | 576 | (47.6) | 0 | 0 | 2 | 0 | 2 | 15 | 17 |
| Woodbine Elementary (76) | 0 | 58 | 1 | 105 | 164 | 184 | 348 | (47.1) | 0 | 2 | 0 | 0 | 2 | 13 | 15 |
| Joaquin Miller Junior High (11) | 0 | 104 | 198 | 139 | 441 | 514 | 955 | (46.2) | 0 | 2 | 2 | 1 | 5 | 38 | 43 |
| Preschool (77) | 0 | 187 | 86 | 147 | 420 | 492 | 912 | (46.1) | 0 | 2 | 1 | 1 | 4 | 28 | 32 |
| Peter Lassen Junior High (15) | 1 | 279 | 39 | 168 | 487 | 599 | 1,086 | (44.8) | 0 | 5 | 1 | 0 | 6 | 41 | 47 |
| John Muir Elementary (52) | 0 | 29 | 4 | 17 | 50 | 62 | 112 | (44.6) | 0 | 2 | 0 | 0 | 2 | 9 | 11 |
| Fremont Elementary (40) | 0 | 48 | 21 | 56 | 125 | 155 | 280 | (44.6) | 0 | 1 | 0 | 0 | 1 | 9 | 10 |
| Sutter Junior High (17) | 1 | 32 | 73 | 182 | 288 | 401 | 689 | (41.8) | 0 | 1 | 0 | 0 | 1 | 28 | 29 |
| Alice Birney Elementary (19) | 0 | 111 | 114 | 11 | 236 | 330 | 566 | (41.7) | 0 | 1 | 1 | 0 | 2 | 17 | 19 |
| Will C. Wood Junior High (18) | 0 | 222 | 20 | 151 | 393 | 550 | 943 | (41.7) | 0 | 1 | 1 | 1 | 3 | 39 | 42 |
| Hollywood Park Elementary (43) | 0 | 77 | 93 | 58 | 228 | 331 | 559 | (40.8) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| H. W. Harkness Elementary (42) | 0 | 187 | 99 | 55 | 341 | 531 | 872 | (39.1) | 0 | 2 | 0 | 0 | 2 | 26 | 28 |
| Coloma Elementary (29) | 1 | 69 | 10 | 49 | 129 | 215 | 344 | (27.5) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Earl Warren Elementary (32) | 1 | 45 | 13 | 111 | 170 | 288 | 458 | (37.1) | 0 | 2 | 0 | 0 | 2 | 17 | 19 |
| O. K. McClatchy Senior High (1) | 0 | 119 | 424 | 193 | 736 | 1,292 | 2,028 | (36.3) | 0 | 0 | 1 | 1 | 2 | 78 | 80 |
| John D. Sloat Elementary (49) | 2 | 114 | 16 | 46 | 178 | 351 | 529 | (33.6) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Caroline Wenzel Elementary (26) | 0 | 3 | 29 | 90 | 122 | 242 | 364 | (33.5) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Sam Brannan Junior High (16) | 0 | 103 | 243 | 33 | 379 | 753 | 1,132 | (33.5) | 0 | 1 | 4 | 0 | 5 | 38 | 43 |
| Collis P. Huntington Elementary (28) | 0 | 10 | 85 | 58 | 153 | 305 | 458 | (33.4) | 0 | 2 | 0 | 1 | 3 | 13 | 16 |
| Bear Flag Elementary (21) | 0 | 60 | 87 | 24 | 171 | 346 | 517 | (33.1) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Mark Hopkins Elementary (55) | 0 | 113 | 21 | 60 | 194 | 437 | 631 | (30.7) | 0 | 1 | 2 | 0 | 3 | 16 | 19 |
| Pony Express Elementary (66) | 0 | 18 | 120 | 61 | 199 | 459 | 658 | (30.2) | 0 | 1 | 2 | 0 | 3 | 18 | 21 |
| Charles M. Goethe Junior High (9) | 1 | 200 | 92 | 95 | 388 | 901 | 1,289 | (30.1) | 0 | 2 | 1 | 0 | 3 | 50 | 53 |
| Tahoe Elementary (71) | 0 | 74 | 15 | 42 | 131 | 314 | 445 | (29.4) | 0 | 0 | 1 | 0 | 1 | 14 | 15 |
| John Bidwell Elementary (47) | 3 | 88 | 66 | 63 | 220 | 529 | 749 | (29.4) | 0 | 2 | 2 | 0 | 4 | 19 | 23 |
| Phoebe Hearst Elementary (65) | 1 | 97 | 7 | 47 | 152 | 376 | 528 | (28.8) | 0 | 2 | 0 | 0 | 2 | 16 | 18 |
| Freeport Elementary (39) | 0 | 124 | 43 | 82 | 249 | 621 | 870 | (28.6) | 0 | 2 | 2 | 0 | 4 | 23 | 27 |
| John F. Morse Elementary (51) | 1 | 55 | 20 | 9 | 85 | 219 | 304 | (28.0) | 0 | 1 | 1 | 0 | 2 | 8 | 10 |
| Sierra Elementary (69) | 0 | 71 | 9 | 36 | 116 | 311 | 427 | (27.2) | 0 | 0 | 1 | 0 | 1 | 12 | 13 |
| John F. Kennedy Senior High (3) | 0 | 165 | 174 | 72 | 411 | 1,161 | 1,572 | (26.1) | 0 | 1 | 1 | 0 | 2 | 55 | 57 |
| David Lubin Elementary (33) | 0 | 61 | 4 | 50 | 115 | 330 | 445 | (25.8) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| John H. Still Junior High (12) | 0 | 105 | 21 | 43 | 169 | 505 | 674 | (25.1) | 0 | 1 | 1 | 0 | 2 | 25 | 27 |
| A. M. Winn Elementary (20) | 0 | 99 | 12 | 12 | 123 | 380 | 503 | (24.5) | 0 | 1 | 0 | 0 | 1 | 17 | 18 |
| Ethel I. Baker Elementary (37) | 0 | 49 | 28 | 74 | 151 | 490 | 641 | (23.6) | 0 | 0 | 1 | 0 | 1 | 20 | 21 |
| Theodore Judah Elementary (72) | 0 | 58 | 11 | 46 | 115 | 376 | 491 | (23.4) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Joseph Bonnheim Elementary (53) | 0 | 38 | 57 | 123 | 218 | 724 | 942 | (23.1) | 0 | 1 | 1 | 0 | 2 | 28 | 30 |
| Luther Burbank Senior High (4) | 0 | 164 | 88 | 249 | 501 | 1,676 | 2,177 | (23.0) | 0 | 3 | 0 | 0 | 3 | 80 | 83 |
| Hiram Johnson Senior High (2) | 0 | 256 | 78 | 269 | 603 | 2,024 | 2,627 | (23.0) | 0 | 1 | 1 | 2 | 4 | 93 | 97 |
| Kit Carson Junior High (13) | 0 | 127 | 23 | 63 | 213 | 729 | 942 | (22.6) | 0 | 2 | 0 | 0 | 2 | 40 | 42 |
| Nicholas Elementary (59) | 2 | 88 | 18 | 77 | 185 | 635 | 820 | (22.6) | 0 | 2 | 0 | 0 | 2 | 22 | 24 |
| El Dorado Elementary (36) | 0 | 35 | 10 | 28 | 73 | 253 | 326 | (22.4) | 0 | 0 | 1 | 0 | 1 | 11 | 12 |
| Caleb Greenwood Elementary (24) | 2 | 89 | 6 | 24 | 121 | 425 | 546 | (22.2) | 0 | 1 | 0 | 1 | 2 | 15 | 17 |
| Clayton B. Wire Elementary (27) | 0 | 37 | 13 | 46 | 96 | 351 | 447 | (21.5) | 0 | 1 | 0 | 0 | 1 | 12 | 13 |
| Pacific Elementary (62) | 0 | 30 | 14 | 67 | 111 | 461 | 572 | (19.4) | 0 | 0 | 1 | 0 | 1 | 17 | 18 |
| Edward Kemble Elementary (34) | 0 | 104 | 18 | 32 | 154 | 657 | 811 | (19.0) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |
| Bowling Green Elementary (22) | 0 | 45 | 30 | 35 | 110 | 492 | 602 | (18.3) | 0 | 0 | 2 | 0 | 2 | 18 | 20 |
| Peter Burnett Elementary (64) | 0 | 45 | 8 | 48 | 101 | 470 | 571 | (17.7) | 0 | 2 | 0 | 0 | 2 | 15 | 17 |
| Crocker Elementary (30) | 0 | 6 | 41 | 15 | 62 | 320 | 382 | (16.2) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Mark Twain Elementary (56) | 0 | 27 | 11 | 96 | 134 | 693 | 827 | (16.2) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Fern Bacon Junior High (10) | 1 | 63 | 30 | 109 | 203 | 1,093 | 1,296 | (15.7) | 0 | 1 | 1 | 2 | 4 | 45 | 49 |
| Albert Einstein Junior High (7) | 2 | 42 | 23 | 34 | 101 | 789 | 890 | (11.3) | 0 | 2 | 2 | 0 | 4 | 29 | 33 |
| Thomas Jefferson Elementary (73) | 0 | 8 | 17 | 29 | 54 | 493 | 547 | (9.9) | 0 | 0 | 1 | 0 | 1 | 16 | 17 |
| Hubert H. Bancroft Elementary (44) | 0 | 5 | 16 | 23 | 44 | 477 | 521 | (8.4) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Parkway Elementary (63) | 0 | 18 | 4 | 17 | 39 | 621 | 660 | (5.9) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Sequoia Elementary (68) | 0 | 5 | 16 | 24 | 45 | 744 | 789 | (5.7) | 0 | 0 | 1 | 0 | 1 | 23 | 24 |
| O. W. Erlewine Elementary (61) | 0 | 8 | 1 | 9 | 18 | 313 | 331 | (5.4) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Isador Cohen Elementary (45) | 0 | 9 | 2 | 6 | 17 | 397 | 414 | (4.1) | 0 | 0 | 0 | 0 | 0 | 12 | 13 |

DISTRICT: BARSTOW UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 21. REPRESENTING: 21. CITY: BARSTOW. COUNTY: 36. SAN BERNARDINO

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 292 | 741 | 129 | 2,413 | 3,575 | 7,154 | 10,729 | | 1 | 18 | 2 | 14 | 35 | 412 | 447 |
| Percent | 2.7 | 6.9 | 1.2 | 22.5 | 33.3 | 66.7 | 100.0 | | 0.2 | 4.0 | 0.4 | 3.1 | 7.8 | 92.2 | 100.0 |
| Waterman (12) | 31 | 51 | 0 | 131 | 213 | 31 | 244 | (87.3) | 0 | 2 | 0 | 0 | 2 | 8 | 10 |
| Kelso (4) | 11 | 0 | 0 | 20 | 31 | 9 | 40 | (77.5) | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Henderson (10) | 6 | 75 | 7 | 193 | 281 | 309 | 590 | (47.6) | 0 | 3 | 0 | 0 | 3 | 21 | 24 |
| East Barstow (8) | 9 | 109 | 14 | 33 | 165 | 233 | 398 | (41.5) | 1 | 1 | 0 | 1 | 3 | 13 | 16 |
| Thomson (13) | 16 | 14 | 5 | 153 | 188 | 267 | 455 | (41.3) | 0 | 0 | 0 | 1 | 1 | 16 | 17 |
| Daggett (7) | 65 | 32 | 4 | 36 | 137 | 196 | 333 | (41.1) | 0 | 1 | 0 | 1 | 2 | 13 | 15 |
| Montara (21) | 16 | 64 | 20 | 159 | 259 | 408 | 667 | (38.8) | 0 | 3 | 1 | 1 | 5 | 22 | 27 |
| John F. Kennedy High (19) | 32 | 120 | 11 | 288 | 451 | 753 | 1,204 | (37.5) | 0 | 1 | 0 | 4 | 5 | 50 | 55 |
| Crestline (6) | 7 | 7 | 2 | 179 | 195 | 354 | 549 | (35.5) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Barstow Intermediate (11) | 19 | 79 | 6 | 319 | 423 | 858 | 1,281 | (33.0) | 0 | 1 | 0 | 1 | 2 | 50 | 52 |
| Lenwood (15) | 9 | 3 | 3 | 130 | 145 | 313 | 458 | (31.7) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Skyline North (14) | 0 | 28 | 4 | 89 | 121 | 274 | 395 | (30.6) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Barstow High (18) | 21 | 42 | 9 | 353 | 425 | 1,054 | 1,479 | (88.7) | 0 | 1 | 1 | 4 | 6 | 68 | 74 |
| Fort Irwin (9) | 5 | 69 | 13 | 19 | 106 | 290 | 396 | (26.8) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Yermo (17) | 12 | 11 | 10 | 81 | 114 | 387 | 501 | (22.8) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Ingels (16) | 1 | 3 | 10 | 47 | 61 | 209 | 270 | (22.6) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Cameron (5) | 1 | 23 | 11 | 119 | 154 | 554 | 708 | (21.8) | 0 | 2 | 0 | 0 | 2 | 22 | 24 |
| Hinkley (20) | 17 | 11 | 0 | 52 | 80 | 368 | 448 | (17.9) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Mount Pass (3) | 4 | 0 | 0 | 7 | 11 | 73 | 84 | (13.1) | 0 | 0 | 0 | 1 | 1 | 2 | 3 |
| Newberry (1) | 10 | 0 | 0 | 5 | 15 | 111 | 126 | (11.9) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Baker (2) | 0 | 0 | 0 | 0 | 0 | 103 | 103 | (0.0) | 0 | 0 | 0 | 0 | 0 | 4 | 4 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: COLTON JOINT UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 20. REPRESENTING: 20. CITY: COLTON. COUNTY: 36 SAN BERNARDINO

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 24 | 64 | 49 | 4,349 | 4,486 | 7,620 | 12,106 | ---------- | 2 | 12 | 3 | 9 | 26 | 440 | 466 |
| Percent | 0.2 | 0.5 | 0.4 | 35.9 | 37.1 | 62.9 | 100.0 | ---------- | 0.4 | 2.6 | 0.6 | 1.9 | 5.6 | 94.4 | 100.0 |
| Woodrow Wilson (18) | 0 | 6 | 2 | 495 | 503 | 17 | 520 | (96.7) | 0 | 0 | 0 | 2 | 2 | 22 | 24 |
| George Washington (17) | 0 | 0 | 0 | 130 | 130 | 63 | 193 | (67.4) | 0 | 0 | 0 | 0 | 0 | 8 | 8 |
| Abraham Lincoln (12) | 0 | 2 | 1 | 377 | 380 | 216 | 596 | (63.8) | 0 | 0 | 1 | 1 | 2 | 19 | 21 |
| San Salvadore (2) | 0 | 1 | 1 | 75 | 77 | 46 | 123 | (62.6) | 0 | 2 | 0 | 0 | 2 | 8 | 10 |
| William McKinley (13) | 3 | 10 | 5 | 389 | 407 | 265 | 672 | (60.6) | 0 | 1 | 0 | 0 | 1 | 20 | 21 |
| Colton Junior High (4) | 2 | 5 | 0 | 502 | 509 | 376 | 885 | (57.5) | 0 | 0 | 0 | 1 | 1 | 37 | 38 |
| U. S. Grant (9) | 0 | 5 | 2 | 318 | 325 | 265 | 590 | (55.1) | 0 | 1 | 1 | 1 | 3 | 17 | 20 |
| Colton High (1) | 1 | 5 | 5 | 928 | 939 | 1,178 | 2,117 | (44.4) | 0 | 0 | 0 | 3 | 3 | 77 | 80 |
| Dr. Paul J. Rogers (14) | 0 | 1 | 3 | 217 | 221 | 299 | 520 | (42.5) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Alice Birney (6) | 2 | 0 | 0 | 110 | 112 | 243 | 355 | (31.5) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Ruth Grimes (10) | 0 | 5 | 0 | 130 | 135 | 346 | 481 | (28.1) | 0 | 2 | 0 | 1 | 3 | 17 | 20 |
| Walter Zimmerman (19) | 0 | 3 | 2 | 123 | 128 | 450 | 578 | (22.1) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Terrace Hills Junior High (5) | 0 | 0 | 1 | 83 | 84 | 336 | 420 | (20.0) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Barton (3) | 0 | 6 | 4 | 49 | 59 | 491 | 550 | (10.7) | 0 | 3 | 0 | 1 | 4 | 13 | 17 |
| Arrowhead (2) | 1 | 12 | 1 | 24 | 38 | 328 | 366 | (10.4) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Vermont (41) | 0 | 7 | 0 | 44 | 51 | 468 | 519 | (9.8) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| Newmark (32) | 1 | 32 | 0 | 32 | 65 | 618 | 683 | (9.5) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Del Rosa (12) | 0 | 26 | 1 | 52 | 79 | 926 | 1,005 | (7.9) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Parkside (33) | 1 | 28 | 0 | 11 | 40 | 548 | 588 | (6.8) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| Fairfax (14) | 1 | 2 | 5 | 32 | 40 | 582 | 622 | (6.4) | 0 | 2 | 0 | 0 | 2 | 17 | 19 |
| Hillside (17) | 0 | 13 | 8 | 21 | 42 | 695 | 737 | (5.7) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Cajon (7) | 0 | 0 | 0 | 3 | 3 | 164 | 167 | (1.8) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |

DISTRICT: REDLANDS UNIFIED SHCOOL DISTRICT. NUMBER OF SCHOOLS: 19. REPRESENTING: 19. CITY: REDLANDS. COUNTY: 36. SAN BERNARDINO

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 40 | 305 | 58 | 2,198 | 2,601 | 9,715 | 12,316 | ---------- | 1 | 7 | 3 | 9 | 20 | 441 | 461 |
| Percent | 0.3 | 2.5 | 0.5 | 17.8 | 21.1 | 78.9 | 100.0 | ---------- | 0.2 | 1.5 | 0.7 | 2.0 | 4.3 | 95.7 | 100.0 |
| Lincoln (7) | 0 | 53 | 0 | 242 | 295 | 46 | 341 | (86.5) | 0 | 0 | 0 | 1 | 1 | 11 | 12 |
| Lugonia (8) | 0 | 37 | 1 | 385 | 423 | 453 | 876 | (48.3) | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| Henry G. Clement Junior High (15) | 0 | 24 | 1 | 228 | 253 | 431 | 684 | (37.0) | 0 | 0 | 0 | 1 | 1 | 29 | 30 |
| Cram (3) | 0 | 0 | 0 | 41 | 41 | 75 | 116 | (35.3) | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| O.H. Henry G. Clement Junior High (16) | 0 | 3 | 1 | 17 | 21 | 41 | 62 | (33.9) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| Redlands Continuation High (1) | 0 | 1 | 0 | 22 | 23 | 45 | 68 | (33.8) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| Mission (11) | 5 | 7 | 4 | 92 | 108 | 285 | 393 | (27.5) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Victoria Elementary (14) | 0 | 3 | 5 | 112 | 120 | 325 | 445 | (27.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Smiley Elementary (13) | 0 | 12 | 5 | 164 | 181 | 601 | 782 | (23.1) | 0 | 1 | 0 | 0 | 1 | 27 | 28 |
| Franklin (5) | 0 | 13 | 1 | 94 | 108 | 370 | 478 | (22.6) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| McKinley Elementary (10) | 1 | 35 | 3 | 56 | 95 | 354 | 449 | (21.2) | 0 | 1 | 1 | 0 | 2 | 13 | 15 |
| Edward M. Cope Junior High (17) | 13 | 52 | 4 | 183 | 252 | 952 | 1,204 | (20.9) | 0 | 1 | 0 | 3 | 4 | 44 | 48 |
| Redlands Senior High (19) | 15 | 51 | 16 | 352 | 434 | 2,245 | 2,679 | (16.2) | 1 | 2 | 1 | 2 | 6 | 103 | 109 |
| Mentone Elementary (12) | 2 | 2 | 1 | 54 | 59 | 312 | 371 | (15.9) | 0 | 0 | 0 | 1 | 1 | 12 | 13 |
| Crafton (2) | 4 | 5 | 3 | 73 | 85 | 693 | 778 | (10.9) | 0 | 1 | 0 | 0 | 1 | 27 | 28 |
| Moore Junior High (18) | 0 | 5 | 4 | 58 | 67 | 1,064 | 1,131 | (5.9) | 0 | 1 | 0 | 1 | 2 | 41 | 43 |
| Kimberly Elementary (6) | 0 | 2 | 6 | 18 | 26 | 869 | 895 | (2.9) | 0 | 0 | 1 | 0 | 1 | 25 | 26 |
| Mariposa Elementary (9) | 0 | 0 | 3 | 7 | 10 | 510 | 520 | (1.9) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Fallsville Elementary (4) | 0 | 0 | 0 | 0 | 0 | 44 | 44 | (0.0) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |

DISTRICT: SAN BERNARDINO CITY UNIFIED SCHOOL DIST. NUMBER OF SCHOOLS: 58. REPRESENTING: 58. CITY: SAN BERNARDINO. COUNTY: 36

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 59 | 5,584 | 190 | 7,217 | 13,050 | 25,338 | 38,388 | ---------- | 2 | 87 | 3 | 48 | 140 | 1,249 | 1,389 |
| Percent | 0.2 | 14.5 | 0.5 | 18.8 | 34.0 | 66.0 | 100.0 | ---------- | 0.1 | 6.3 | 0.2 | 3.5 | 10.1 | 89.9 | 100.0 |
| Alessandro (1) | 0 | 176 | 0 | 205 | 381 | 1 | 382 | (99.7) | 0 | 3 | 0 | 1 | 4 | 12 | 16 |
| Ramona (34) | 0 | 254 | 0 | 305 | 559 | 4 | 563 | (99.3) | 0 | 2 | 0 | 4 | 6 | 17 | 23 |
| Rio Vista (36) | 0 | 446 | 0 | 37 | 483 | 4 | 487 | (99.2) | 0 | 3 | 0 | 0 | 3 | 16 | 19 |
| Mt. Vernon (29) | 0 | 220 | 1 | 389 | 610 | 7 | 617 | (98.9) | 0 | 5 | 1 | 0 | 6 | 20 | 26 |
| Franklin Junior High (50) | 0 | 356 | 1 | 192 | 549 | 7 | 556 | (98.7) | 0 | 1 | 0 | 1 | 2 | 26 | 28 |
| Roosevelt (37) | 0 | 241 | 2 | 557 | 800 | 14 | 814 | (98.3) | 0 | 7 | 0 | 1 | 8 | 23 | 31 |
| Muscott (30) | 0 | 342 | 0 | 51 | 393 | 13 | 406 | (96.8) | 0 | 4 | 0 | 0 | 4 | 13 | 17 |
| California (8) | 0 | 465 | 0 | 44 | 509 | 17 | 526 | (96.8) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Harding (15) | 0 | 44 | 2 | 227 | 273 | 29 | 302 | (90.4) | 0 | 2 | 0 | 1 | 3 | 10 | 13 |
| Burbank (6) | 0 | 73 | 1 | 185 | 259 | 86 | 345 | (75.1) | 0 | 2 | 0 | 2 | 4 | 10 | 14 |
| Sturges Junior High (55) | 7 | 87 | 3 | 425 | 522 | 206 | 728 | (71.7) | 0 | 3 | 0 | 3 | 6 | 24 | 30 |
| Urbita (40) | 0 | 0 | 0 | 191 | 191 | 76 | 267 | (71.5) | 0 | 0 | 0 | 1 | 1 | 7 | 8 |
| Richardson Junior High (54) | 1 | 86 | 3 | 239 | 329 | 138 | 467 | (70.4) | 1 | 0 | 0 | 1 | 2 | 18 | 20 |
| Jefferson (19) | 0 | 44 | 2 | 121 | 167 | 82 | 249 | (67.1) | 0 | 2 | 0 | 0 | 2 | 8 | 10 |
| Waterman Gardens (44) | 1 | 3 | 0 | 15 | 19 | 10 | 29 | (65.5) | 0 | 1 | 0 | 0 | 1 | 1 | 2 |
| Lytle Creek (24) | 0 | 10 | 1 | 272 | 283 | 159 | 442 | (64.0) | 0 | 0 | 0 | 5 | 5 | 13 | 18 |
| Metcalf Special (26) | 0 | 33 | 0 | 27 | 60 | 47 | 107 | (56.1) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |
| Riley (35) | 0 | 16 | 5 | 127 | 148 | 132 | 280 | (52.9) | 0 | 0 | 0 | 1 | 1 | 8 | 9 |
| Conrad Continuation High (48) | 0 | 9 | 0 | 12 | 21 | 20 | 41 | (51.2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lyman (23) | 0 | 58 | 1 | 115 | 174 | 176 | 350 | (49.7) | 1 | 0 | 0 | 0 | 1 | 13 | 14 |
| Fremont Junior High (51) | 0 | 304 | 0 | 62 | 366 | 395 | 761 | (48.1) | 0 | 3 | 0 | 2 | 5 | 33 | 38 |
| Muscoy (31) | 0 | 214 | 0 | 94 | 308 | 336 | 644 | (47.8) | 0 | 8 | 0 | 0 | 8 | 18 | 26 |
| San Bernardino High (57) | 1 | 521 | 4 | 539 | 1,065 | 1,393 | 2,458 | (43.3) | 0 | 3 | 0 | 4 | 7 | 91 | 98 |
| Cunrad Junior High (47) | 0 | 22 | 0 | 10 | 32 | 56 | 88 | (36.4) | 0 | 0 | 0 | 1 | 1 | 2 | 3 |
| Curtis Junior High (48) | 2 | 114 | 8 | 229 | 353 | 679 | 1,032 | (34.2) | 0 | 0 | 0 | 1 | 1 | 39 | 40 |
| Monterey (28) | 4 | 39 | 7 | 147 | 197 | 441 | 638 | (30.9) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Pacific High (56) | 5 | 164 | 16 | 581 | 766 | 1,771 | 2,537 | (30.2) | 0 | 0 | 1 | 2 | 3 | 93 | 96 |
| Wilson (43) | 0 | 53 | 0 | 51 | 104 | 296 | 400 | (26.0) | 0 | 1 | 0 | 2 | 3 | 16 | 14 |
| Cole (9) | 1 | 71 | 9 | 68 | 149 | 463 | 612 | (24.3) | 0 | 1 | 0 | 0 | 1 | 13 | 19 |
| Lankershim (21) | 0 | 33 | 2 | 91 | 126 | 419 | 545 | (23.1) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Arrowview Junior High (45) | 1 | 76 | 2 | 157 | 236 | 802 | 1,038 | (22.7) | 0 | 0 | 0 | 1 | 1 | 38 | 39 |
| Kendall (20) | 2 | 27 | 1 | 19 | 49 | 169 | 218 | (22.5) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Lincoln (22) | 4 | 15 | 2 | 62 | 83 | 304 | 387 | (21.4) | 0 | 1 | 0 | 0 | 1 | 11 | 12 |
| Hunt (18) | 2 | 53 | 9 | 77 | 141 | 531 | 672 | (21.0) | 0 | 1 | 0 | 1 | 2 | 20 | 22 |
| Thompson (39) | 0 | 53 | 3 | 73 | 129 | 550 | 679 | (19.0) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Warm Springs (42) | 7 | 59 | 13 | 88 | 167 | 751 | 918 | (18.2) | 0 | 0 | 0 | 2 | 2 | 26 | 28 |
| Eliot (13) | 0 | 16 | 4 | 61 | 81 | 388 | 469 | (17.3) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Cypress (10) | 0 | 41 | 5 | 87 | 133 | 656 | 789 | (16.9) | 0 | 2 | 0 | 0 | 2 | 23 | 25 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS. 58. REPRESENTING: 58. CITY; SAN BERNARDINO. COUNTY: 36—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| San Gorgonio High (58) | 4 | 157 | 15 | 192 | 368 | 1,858 | 2,226 | (16.5) | 0 | 1 | 0 | 4 | 5 | 72 | 77 |
| Sterling (38) | 1 | 32 | 2 | 36 | 71 | 416 | 487 | (14.6) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| Marshall (25) | 1 | 20 | 2 | 43 | 66 | 387 | 453 | (14.6) | 0 | 1 | 1 | 1 | 3 | 11 | 14 |
| Highland Junior High (53) | 3 | 58 | 14 | 110 | 185 | 1,113 | 1,298 | (14.3) | 0 | 2 | 0 | 0 | 2 | 44 | 46 |
| Davidson (11) | 1 | 15 | 7 | 59 | 82 | 501 | 583 | (14.1) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |
| Mitchell (27) | 3 | 56 | 3 | 25 | 87 | 537 | 624 | (13.9) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Del Vallejo Junior High (49) | 1 | 78 | 6 | 108 | 193 | 1,234 | 1,427 | (13.5) | 0 | 1 | 0 | 1 | 2 | 50 | 52 |
| Bradley (5) | 0 | 15 | 0 | 46 | 61 | 422 | 483 | (12.6) | 0 | 1 | 0 | 0 | 1 | 15 | 16 |
| Golden Valley Junior High (52) | 0 | 92 | 8 | 55 | 155 | 1,213 | 1,368 | (11.3) | 0 | 3 | 0 | 3 | 6 | 48 | 54 |
| Highland-Pacific (16) | 1 | 32 | 7 | 31 | 71 | 567 | 638 | (11.1) | 0 | 2 | 0 | 1 | 3 | 17 | 20 |
| Belvedere (4) | 2 | 65 | 0 | 12 | 79 | 642 | 721 | (11.0) | 0 | 2 | 0 | 0 | 2 | 20 | 22 |
| Crestmore Elementary (7) | 6 | 10 | 4 | 72 | 92 | 407 | 499 | (18.4) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Bloomington Junior High (3) | 6 | 2 | 7 | 93 | 108 | 586 | 694 | (15.6) | 0 | 0 | 0 | 0 | 0 | 29 | 29 |
| Bloomington High (20) | 2 | 3 | 5 | 170 | 180 | 980 | 1,160 | (15.5) | 2 | 1 | 0 | 0 | 3 | 47 | 50 |
| Gerald A. Smith (15) | 0 | 6 | 2 | 51 | 59 | 333 | 392 | (15.1) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Mary B. Lewis (11) | 2 | 0 | 4 | 38 | 44 | 351 | 395 | (11.1) | 0 | 1 | 0 | 0 | 1 | 14 | 15 |
| Terrace View (16) | 0 | 0 | 4 | 19 | 23 | 358 | 381 | (6.0) | 0 | 0 | 1 | 0 | 1 | 12 | 13 |
| Grand Terrace (8) | 0 | 0 | 1 | 29 | 30 | 505 | 535 | (5.6) | 0 | 1 | 0 | 0 | 1 | 18 | 19 |

DISTRICT: VICTOR SCHOOL DISTRICT. NUMBER OF SCHOOLS: 7. REPRESENTING: 9. CITY: VICTORVILLE. COUNTY: 36. SAN BERNARDINO

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 0 | 156 | 19 | 312 | 487 | 1,689 | 2,176 | ..... | 0 | 8 | 1 | 0 | 9 | 65 | 74 |
| Percent | 0.0 | 7.2 | 0.9 | 14.3 | 22.4 | 77.6 | 100.0 | ..... | 0.0 | 10.8 | 1.4 | 0.0 | 12.2 | 87.8 | 100.0 |
| Eva Dell (3) | 0 | 51 | 0 | 27 | 78 | 1 | 79 | (98.7) | 0 | 1 | 0 | 0 | 1 | 2 | 3 |
| Victor (6) | 0 | 38 | 5 | 81 | 124 | 95 | 219 | (56.6) | 0 | 1 | 0 | 0 | 1 | 6 | 7 |
| Irwin (4) | 0 | 20 | 4 | 105 | 129 | 350 | 479 | (26.9) | 0 | 2 | 0 | 0 | 2 | 14 | 16 |
| Village Elementary (7) | 0 | 13 | 2 | 14 | 29 | 108 | 137 | (21.2) | 0 | 1 | 1 | 0 | 2 | 4 | 6 |
| Park View Elementary (5) | 0 | 15 | 1 | 49 | 65 | 437 | 502 | (12.9) | 0 | 1 | 0 | 0 | 1 | 16 | 17 |
| Del Rey (1) | 0 | 19 | 6 | 35 | 60 | 586 | 646 | (9.3) | 0 | 2 | 0 | 0 | 2 | 18 | 20 |
| Desert Knolls Elementary (2) | 0 | 0 | 1 | 1 | 2 | 112 | 114 | (1.8) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |

DISTRICT: NAT'L SCHOOL DISTRICT OF SAN DIEGO COUNTY. NUMBER OF SCHOOLS: 9. REPRESENTING: 9. CITY: NATIONAL CITY. COUNTY: 37. SAN DIEGO

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 28 | 114 | 132 | 1,804 | 2,078 | 3,015 | 5,093 | ..... | 0 | 1 | 1 | 6 | 8 | 153 | 161 |
| Percent | 0.5 | 2.2 | 2.6 | 35.4 | 40.8 | 59.2 | 100.0 | ..... | 0.0 | 0.6 | 0.6 | 3.7 | 5.0 | 95.0 | 100.0 |
| Kimball (3) | 0 | 2 | 0 | 309 | 311 | 52 | 363 | (85.7) | 0 | 0 | 0 | 3 | 3 | 9 | 12 |
| Highland (5) | 0 | 3 | 8 | 150 | 161 | 200 | 361 | (44.6) | 0 | 0 | 0 | 1 | 1 | 10 | 11 |
| Central (1) | 0 | 4 | 17 | 235 | 256 | 365 | 621 | (41.2) | 0 | 0 | 1 | 0 | 1 | 18 | 19 |
| Las Palmas (4) | 14 | 0 | 20 | 164 | 198 | 308 | 508 | (39.1) | 0 | 1 | 0 | 0 | 1 | 13 | 14 |
| El Toyon (2) | 4 | 82 | 25 | 261 | 372 | 580 | 952 | (39.1) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Ira Harbison (7) | 1 | 2 | 29 | 195 | 227 | 357 | 584 | (38.9) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |
| Olivewood (8) | 1 | 10 | 12 | 149 | 172 | 290 | 462 | (37.2) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Lincoln Acres (6) | 7 | 6 | 11 | 209 | 233 | 458 | 691 | (33.7) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| Palmer Way (9) | 1 | 5 | 10 | 132 | 148 | 405 | 553 | (26.8) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |

DISTRICT: SAN DIEGO UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 155. REPRESENTING: 155. CITY: SAN DIEGO. COUNTY: 37. SAN DIEGO

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 211 | 15,004 | 2,555 | 12,981 | 30,751 | 98,163 | 128,914 | ..... | 1 | 190 | 29 | 97 | 317 | 4,571 | 4,888 |
| Percent | 0.2 | 11.6 | 2.0 | 10.1 | 23.9 | 76.1 | 100.0 | ..... | 0.0 | 3.9 | 0.6 | 2.0 | 6.5 | 93.5 | 100.0 |
| Logan Elementary (113) | 0 | 448 | 10 | 287 | 745 | 7 | 752 | (99.1) | 0 | 1 | 0 | 1 | 2 | 36 | 38 |
| David Crockett Elementary (65) | 0 | 294 | 15 | 94 | 403 | 5 | 408 | (98.8) | 0 | 0 | 0 | 2 | 2 | 16 | 18 |
| Stockton Elementary (142) | 0 | 843 | 4 | 76 | 923 | 16 | 939 | (98.3) | 0 | 5 | 0 | 0 | 5 | 31 | 36 |
| Baker Elementary (41) | 0 | 336 | 33 | 57 | 426 | 10 | 436 | (97.7) | 0 | 4 | 0 | 1 | 5 | 14 | 19 |
| Abraham Lincoln Senior High (27) | 0 | 899 | 45 | 151 | 1,095 | 33 | 1,128 | (97.1) | 0 | 7 | 2 | 2 | 11 | 57 | 68 |
| Emerson Elementary (74) | 0 | 441 | 22 | 172 | 635 | 20 | 655 | (96.9) | 0 | 1 | 0 | 1 | 2 | 25 | 27 |
| Henry C. Johnson Elementary (102) | 0 | 356 | 4 | 16 | 376 | 12 | 388 | (96.9) | 0 | 3 | 0 | 0 | 3 | 12 | 15 |
| Valencia Park Elementary (148) | 0 | 611 | 4 | 29 | 644 | 21 | 665 | (96.8) | 0 | 5 | 0 | 0 | 5 | 20 | 25 |
| Harley E. Knox Elementary (107) | 0 | 596 | 29 | 41 | 666 | 29 | 695 | (95.8) | 0 | 4 | 0 | 0 | 4 | 22 | 26 |
| Samuel Gompers Junior High (7) | 0 | 715 | 27 | 139 | 881 | 45 | 926 | (95.1) | 0 | 8 | 0 | 1 | 9 | 44 | 53 |
| Bandini Elementary (43) | 0 | 193 | 10 | 65 | 268 | 14 | 282 | (95.0) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |
| Memorial Junior High (12) | 5 | 840 | 26 | 582 | 1,453 | 83 | 1,536 | (94.6) | 0 | 11 | 0 | 6 | 17 | 77 | 94 |
| Cholias Elementary (62) | 3 | 448 | 35 | 130 | 616 | 38 | 654 | (94.2) | 0 | 3 | 0 | 0 | 3 | 24 | 27 |
| James Russell Lowell Elementary (116) | 14 | 38 | 5 | 354 | 411 | 27 | 438 | (93.8) | 0 | 1 | 0 | 4 | 5 | 15 | 20 |
| Kennedy Elementary (106) | 0 | 719 | 1 | 48 | 768 | 53 | 821 | (93.5) | 0 | 3 | 0 | 0 | 3 | 35 | 38 |
| Francis Mead Elementary (122) | 0 | 248 | 23 | 102 | 373 | 26 | 399 | (93.5) | 0 | 3 | 0 | 0 | 3 | 10 | 13 |
| Luther Burbank Elementary (55) | 0 | 178 | 6 | 149 | 333 | 24 | 357 | (93.3) | 0 | 3 | 0 | 1 | 4 | 12 | 16 |
| Sherman Elementary (138) | 0 | 461 | 3 | 380 | 844 | 100 | 944 | (89.4) | 0 | 8 | 0 | 1 | 9 | 37 | 46 |
| Balboa Elementary (42) | 0 | 369 | 56 | 494 | 919 | 136 | 1,055 | (87.1) | 0 | 8 | 2 | 4 | 14 | 33 | 47 |
| Wright Brothers Junior-Senior High (35) | 0 | 84 | 2 | 22 | 108 | 21 | 129 | (83.7) | 0 | 3 | 0 | 0 | 3 | 13 | 16 |
| Fulton Elementary (87) | 0 | 526 | 7 | 30 | 563 | 126 | 689 | (81.7) | 0 | 1 | 0 | 0 | 1 | 23 | 24 |
| Webster Elementary (150) | 0 | 216 | 8 | 39 | 263 | 67 | 330 | (79.7) | 0 | 2 | 0 | 0 | 2 | 9 | 11 |
| Horton Elementary (99) | 0 | 293 | 52 | 40 | 385 | 162 | 547 | (70.4) | 0 | 4 | 2 | 0 | 6 | 14 | 20 |
| San Diego High (33) | 7 | 462 | 66 | 737 | 1,272 | 970 | 2,242 | (56.7) | 0 | 6 | 2 | 5 | 13 | 93 | 106 |
| O'Farrell Junior High (15) | 2 | 623 | 49 | 262 | 936 | 932 | 1,868 | (50.1) | 0 | 9 | 1 | 2 | 12 | 77 | 89 |
| Central Elementary (60) | 1 | 152 | 14 | 152 | 319 | 339 | 658 | (48.5) | 0 | 1 | 1 | 0 | 2 | 23 | 25 |
| Encantu Elementary (75) | 4 | 161 | 34 | 306 | 505 | 642 | 1,147 | (44.0) | 0 | 0 | 0 | 0 | 0 | 40 | 40 |
| E. R. Snyder Continuation High (34) | 0 | 72 | 1 | 93 | 166 | 226 | 392 | (42.3) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Samuel F. B. Morse (31) | 5 | 411 | 74 | 328 | 818 | 1,147 | 1,965 | (41.6) | 0 | 7 | 2 | 4 | 13 | 77 | 90 |
| Fremont Elementary (86) | 0 | 42 | 6 | 57 | 105 | 152 | 257 | (40.9) | 0 | 1 | 0 | 1 | 2 | 7 | 9 |
| Fairhaven Elementary (77) | 0 | 67 | 0 | 37 | 104 | 157 | 261 | (39.8) | 0 | 2 | 2 | 0 | 4 | 18 | 22 |
| Washington Elementary (149) | 1 | 6 | 20 | 116 | 143 | 220 | 363 | (39.4) | 0 | 1 | 0 | 0 | 1 | 12 | 13 |
| Annie B. Keller Elementary (105) | 0 | 49 | 9 | 108 | 166 | 271 | 437 | (38.0) | 0 | 2 | 0 | 0 | 2 | 12 | 14 |
| Linda Vista Elementary (111) | 1 | 110 | 53 | 159 | 323 | 536 | 859 | (37.6) | 0 | 0 | 0 | 0 | 0 | 31 | 31 |
| Bell Junior High (3) | 4 | 181 | 23 | 133 | 341 | 719 | 1,060 | (32.2) | 0 | 6 | 0 | 0 | 6 | 51 | 57 |
| Brooklyn Elementary (54) | 1 | 23 | 35 | 270 | 329 | 695 | 1,024 | (32.1) | 0 | 2 | 0 | 2 | 4 | 30 | 34 |
| Paradise Hills Elementary (129) | 5 | 94 | 48 | 142 | 289 | 626 | 915 | (31.6) | 0 | 2 | 0 | 1 | 3 | 27 | 30 |
| Clara Barton Elementary (45) | 4 | 67 | 35 | 48 | 154 | 370 | 524 | (29.4) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Rev. Development Center for Handicapped Minors (1) | 0 | 9 | 0 | 8 | 17 | 43 | 60 | (28.3) | 0 | 0 | 0 | 2 | 2 | 5 | 7 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SAN DIEGO UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 155. REPRESENTING: 155. CITY: SAN DIEGO. COUNTY: 37 SAN DIEGO.—Continued

| School | Students— | | | | | | | Teachers— | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
| Elizabeth Freese Elementary (85) | 0 | 113 | 24 | 94 | 231 | 606 | 837 | (27.6) | 0 | 3 | 0 | 1 | 4 | 24 | 28 |
| Kit Carson Elementary (58) | 3 | 92 | 37 | 143 | 275 | 725 | 1,000 | (27.5) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Roosevelt Junior High (18) | 6 | 109 | 44 | 286 | 445 | 1,212 | 1,657 | (26.9) | 0 | 1 | 0 | 2 | 3 | 70 | 73 |
| Oliver Hazard Perry Elementary (130) | 1 | 165 | 54 | 78 | 298 | 844 | 1,142 | (26.1) | 0 | 9 | 0 | 1 | 10 | 25 | 35 |
| John James Audubon Elementary (40) | 2 | 43 | 29 | 155 | 229 | 671 | 900 | (25.4) | 0 | 3 | 0 | 0 | 3 | 25 | 28 |
| Oak Park Elementary (126) | 0 | 77 | 15 | 57 | 149 | 443 | 592 | (25.2) | 0 | 0 | 0 | 0 | 0 | 19 | 19 |
| Daniel Boone Elementary (53) | 0 | 33 | 61 | 112 | 206 | 683 | 889 | (23.2) | 0 | 0 | 0 | 0 | 0 | 28 | 28 |
| Sunshine School (144) | 1 | 15 | 0 | 18 | 34 | 114 | 148 | (23.0) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| George Dewey Elementary (72) | 0 | 87 | 18 | 14 | 119 | 400 | 519 | (22.9) | 0 | 1 | 1 | 0 | 2 | 18 | 20 |
| Mark Twain Elementary (147) | 0 | 7 | 12 | 51 | 70 | 245 | 315 | (22.2) | 0 | 0 | 0 | 1 | 1 | 8 | 9 |
| Robert E. Lee Elementary (110) | 1 | 35 | 28 | 186 | 250 | 949 | 1,199 | (20.9) | 0 | 2 | 0 | 1 | 3 | 35 | 38 |
| John J. Montgomery Junior High (13) | 2 | 135 | 16 | 181 | 334 | 1,322 | 1,656 | (20.2) | 0 | 2 | 0 | 2 | 4 | 70 | 74 |
| Chesterton Elementary (61) | 0 | 93 | 16 | 21 | 130 | 521 | 651 | (20.0) | 0 | 1 | 1 | 0 | 2 | 0 | 2 |
| Woodrow Wilson Junior High (20) | 3 | 77 | 32 | 251 | 363 | 1,484 | 1,847 | (19.7) | 0 | 1 | 0 | 2 | 3 | 71 | 74 |
| Angier Elementary (39) | 1 | 147 | 42 | 57 | 247 | 1,013 | 1,260 | (19.6) | 0 | 1 | 0 | 1 | 2 | 39 | 41 |
| Cabrillo Elementary (56) | 0 | 1 | 12 | 97 | 110 | 457 | 567 | (19.4) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Horace Mann Junior High (10) | 4 | 181 | 34 | 236 | 455 | 2,043 | 2,498 | (18.2) | 0 | 2 | 1 | 2 | 5 | 96 | 101 |
| Andrew Jackson Elementary (100) | 4 | 49 | 14 | 46 | 113 | 540 | 653 | (17.3) | 0 | 0 | 0 | 0 | 0 | 22 | 22 |
| John Marshall Elementary (120) | 0 | 6 | 17 | 71 | 94 | 452 | 546 | (17.2) | 0 | 0 | 0 | 1 | 1 | 16 | 17 |
| Alice Birney Elementary (52) | 1 | 8 | 18 | 80 | 107 | 515 | 622 | (17.2) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Edison Elementary (73) | 0 | 2 | 8 | 68 | 78 | 384 | 462 | (16.9) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Euclid Elementary (76) | 3 | 10 | 15 | 80 | 108 | 583 | 691 | (15.6) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| McKinley Elementary (117) | 2 | 0 | 29 | 106 | 137 | 742 | 879 | (15.6) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Herbert Hoover High (24) | 10 | 63 | 32 | 229 | 334 | 1,871 | 2,205 | (15.1) | 1 | 2 | 0 | 0 | 3 | 87 | 90 |
| Stephen Watts Kearny High (25) | 10 | 138 | 45 | 188 | 381 | 2,153 | 2,534 | (15.0) | 0 | 3 | 1 | 0 | 4 | 100 | 104 |
| Carver Elementary (59) | 0 | 1 | 1 | 52 | 54 | 309 | 363 | (14.9) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| La Jolla Elementary (109) | 0 | 17 | 3 | 79 | 99 | 588 | 687 | (14.4) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Garfield Elementary (89) | 0 | 1 | 8 | 64 | 73 | 452 | 525 | (13.9 | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Silver Gate Elementary (139) | 0 | 56 | 2 | 26 | 84 | 524 | 608 | (13.8) | 0 | 0 | 1 | 0 | 1 | 20 | 21 |
| Prog for Physically Handicapped (2) | 0 | 8 | 0 | 5 | 13 | 84 | 97 | (13.4) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sequoia Elementary (136) | 10 | 1 | 28 | 107 | 146 | 946 | 1,092 | (13.4) | 0 | 0 | 0 | 0 | 0 | 37 | 37 |
| Alexander Hamilton Elementary (94) | 0 | 12 | 17 | 85 | 114 | 746 | 860 | (13.3) | 0 | 1 | 0 | 0 | 1 | 28 | 29 |
| Jefferson Elementary (101) | 1 | 1 | 15 | 63 | 80 | 531 | 611 | (13.1) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Florence Elementary (81) | 0 | 3 | 10 | 47 | 60 | 429 | 489 | (12.3) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Midway Junior-Senior High (29) | 1 | 12 | 1 | 21 | 35 | 251 | 286 | (12.2) | 0 | 0 | 0 | 1 | 1 | 23 | 24 |
| Rowan Elementary (134) | 0 | 9 | 6 | 30 | 45 | 328 | 373 | (12.1) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Macdowell Elementary (118) | 2 | 3 | 30 | 79 | 114 | 836 | 950 | (12.0) | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| Bay Park Elementary (46) | 1 | 1 | 10 | 61 | 73 | 558 | 631 | (11.6) | 0 | 1 | 0 | 1 | 2 | 18 | 20 |
| Rolando Park Elementary (132) | 0 | 0 | 11 | 39 | 50 | 384 | 434 | (11.5) | 0 | 0 | 0 | 1 | 1 | 12 | 13 |
| Nathaniel Hawthorne Elementary (96) | 0 | 12 | 20 | 66 | 98 | 765 | 863 | (11.4) | 0 | 1 | 1 | 0 | 2 | 29 | 31 |
| Collier Junior High (4) | 0 | 30 | 18 | 54 | 102 | 818 | 920 | (11.1) | 0 | 0 | 1 | 1 | 2 | 40 | 42 |
| Robert Louis Stevenson Elementary (141) | 3 | 0 | 23 | 57 | 83 | 674 | 757 | (11.0) | 0 | 1 | 0 | 0 | 1 | 26 | 27 |
| Foster Elementary (83) | 3 | 3 | 7 | 56 | 69 | 570 | 639 | (10.8) | 0 | 1 | 0 | 0 | 1 | 19 | 20 |
| Ocean Beach Elementary (127) | 2 | 0 | 16 | 60 | 78 | 655 | 733 | (10.6) | 0 | 0 | 1 | 0 | 1 | 22 | 23 |
| Adams Elementary (36) | 2 | 0 | 17 | 59 | 78 | 659 | 737 | (10.6) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Crown Point Elementary (66) | 1 | 5 | 9 | 47 | 62 | 537 | 599 | (10.4) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Will C. Crawford High (22) | 7 | 88 | 46 | 166 | 307 | 2,698 | 3,005 | (10.2) | 0 | 0 | 1 | 1 | 2 | 111 | 113 |
| Taft Junior High (19) | 4 | 33 | 31 | 83 | 151 | 1,419 | 1,570 | (9.6) | 0 | 1 | 0 | 1 | 2 | 62 | 64 |
| Lafayette Elementary (108) | 2 | 14 | 17 | 47 | 80 | 763 | 843 | (9.5) | 0 | 2 | 0 | 0 | 2 | 32 | 34 |
| Bayview Terrace Elementary (47) | 0 | 27 | 6 | 33 | 66 | 651 | 717 | (9.2) | 0 | 1 | 0 | 0 | 1 | 22 | 23 |
| Point Loma High (32) | 2 | 34 | 9 | 153 | 198 | 1,959 | 2,157 | (9.2) | 0 | 0 | 1 | 1 | 2 | 87 | 89 |
| Beale Elementary (48) | 0 | 5 | 13 | 28 | 46 | 462 | 508 | (9.1) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Whittier Elementary (154) | 1 | 3 | 6 | 34 | 44 | 443 | 487 | (9.0) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Louisa M. Alcott Elementary (37) | 3 | 0 | 22 | 47 | 72 | 763 | 835 | (8.6) | 0 | 0 | 0 | 1 | 1 | 26 | 27 |
| Wegeforth Elementary (151) | 0 | 11 | 15 | 32 | 58 | 616 | 674 | (8.6) | 0 | 1 | 0 | 1 | 2 | 19 | 21 |
| Barnard Elementary (44) | 1 | 0 | 11 | 26 | 38 | 409 | 447 | (8.5) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| Eugene Field Elementary (79) | 0 | 0 | 15 | 42 | 57 | 618 | 675 | (8.4) | 0 | 1 | 0 | 0 | 1 | 24 | 25 |
| Charles A. Lindbergh Elementary (112) | 3 | 8 | 32 | 61 | 104 | 1,138 | 1,242 | (8.4) | 0 | 0 | 0 | 0 | 0 | 45 | 45 |
| Kate Douglas Wiggin Elementary (155) | 1 | 2 | 16 | 15 | 34 | 382 | 416 | (8.2) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| Einstein Junior High (6) | 3 | 3 | 25 | 126 | 157 | 1,803 | 1,960 | (8.0) | 0 | 0 | 0 | 1 | 1 | 81 | 82 |
| George W. Marston Junior High (11) | 5 | 6 | 26 | 147 | 184 | 2,126 | 2,310 | (8.0) | 0 | 2 | 0 | 3 | 5 | 84 | 89 |
| Dana Junior High (5) | 0 | 7 | 5 | 69 | 81 | 937 | 1,018 | (8.0) | 0 | 3 | 0 | 1 | 4 | 37 | 41 |
| Darnall Elementary (69) | 0 | 3 | 0 | 31 | 34 | 396 | 430 | (7.9) | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Ellwood P. Cubberley Elementary (67) | 1 | 2 | 22 | 29 | 54 | 645 | 699 | (7.7) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Jones Elementary (103) | 1 | 9 | 33 | 39 | 82 | 1,016 | 1,098 | (7.5) | 0 | 1 | 0 | 1 | 2 | 33 | 35 |
| Pete W. Ross Elementary (133) | 1 | 12 | 13 | 31 | 57 | 739 | 796 | (7.2) | 0 | 0 | 0 | 1 | 1 | 25 | 26 |
| Loma Portal Elementary (114) | 2 | 1 | 22 | 28 | 53 | 693 | 746 | (7.1) | 0 | 0 | 0 | 1 | 1 | 21 | 22 |
| Marie Curie Elementary (68) | 1 | 0 | 16 | 42 | 59 | 793 | 852 | (6.9) | 0 | 0 | 0 | 1 | 1 | 27 | 28 |
| James Madison High (28) | 9 | 5 | 29 | 147 | 190 | 2,589 | 2,779 | (6.8) | 0 | 1 | 1 | 1 | 3 | 102 | 105 |
| Benjamin Franklin Elementary (84) | 0 | 6 | 8 | 19 | 33 | 450 | 483 | (6.8) | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Hale Junior High (8) | 4 | 15 | 27 | 80 | 126 | 1,727 | 1,853 | (6.8) | 0 | 1 | 0 | 3 | 4 | 71 | 75 |
| Belle Benchley (50) | 0 | 1 | 3 | 11 | 15 | 209 | 224 | (6.8) | 0 | 0 | 0 | 0 | 0 | 7 | 7 |
| Fletcher Elementary (80) | 0 | 7 | 13 | 21 | 41 | 588 | 629 | (6.5) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Walt Whitman Elementary (153) | 1 | 2 | 15 | 43 | 61 | 877 | 938 | (6.5) | 0 | 0 | 0 | 1 | 1 | 29 | 30 |
| Hardy Elementary (95) | 0 | 28 | 1 | 2 | 31 | 448 | 479 | (6.5) | 0 | 0 | 0 | 2 | 2 | 13 | 15 |
| Martha Farnum Elementary (78) | 0 | 7 | 7 | 11 | 25 | 373 | 398 | (6.3) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |
| Beale Elementary (49) | 0 | 0 | 0 | 1 | 1 | 15 | 16 | (6.3) | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Clay Elementary (63) | 0 | 2 | 0 | 20 | 22 | 331 | 353 | (6.2) | 0 | 0 | 0 | 0 | 0 | 11 | 11 |
| Juarez Elementary (104) | 0 | 0 | 14 | 23 | 37 | 562 | 599 | (6.2) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |
| Oliver Wendell Holmes Elementary (98) | 0 | 0 | 17 | 19 | 36 | 553 | 589 | (6.1) | 0 | 0 | 0 | 0 | 0 | 18 | 18 |
| Clairemont High (21) | 5 | 7 | 15 | 105 | 132 | 2,054 | 2,186 | (6.0) | 0 | 0 | 0 | 1 | 1 | 91 | 92 |
| Hans Christian Andersen (38) | 2 | 7 | 9 | 20 | 38 | 614 | 652 | (5.8) | 0 | 0 | 0 | 0 | 0 | 20 | 20 |
| Cadman Elementary (57) | 3 | 6 | 12 | 27 | 48 | 782 | 830 | (5.8) | 0 | 0 | 0 | 0 | 0 | 25 | 25 |
| Torrey Pines Elementary (146) | 0 | 1 | 3 | 12 | 16 | 267 | 283 | (5.7) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Pacific Beach Elementary (128) | 2 | 2 | 4 | 26 | 34 | 579 | 613 | (5.5) | 0 | 0 | 0 | 1 | 1 | 18 | 19 |
| Grantville Elementary (92) | 0 | 2 | 2 | 13 | 17 | 296 | 313 | (5.4) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| Sunset View Elementary (143) | 0 | 0 | 5 | 18 | 23 | 402 | 425 | (5.4) | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| John D. Spreckels Elementary (140) | 0 | 0 | 12 | 10 | 22 | 385 | 407 | (5.4) | 0 | 1 | 0 | 0 | 1 | 10 | 11 |
| Longfellow Elementary (115) | 1 | 1 | 9 | 16 | 27 | 477 | 504 | (5.4) | 0 | 1 | 0 | 1 | 2 | 14 | 16 |
| Kate Sessions Elementary (137) | 1 | 12 | 13 | 19 | 45 | 806 | 851 | (5.3) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Grant Elementary (91) | 0 | 0 | 8 | 30 | 38 | 681 | 719 | (5.3) | 0 | 0 | 0 | 0 | 0 | 21 | 21 |
| Forward Elementary (82) | 0 | 1 | 4 | 34 | 39 | 716 | 755 | (5.2) | 0 | 0 | 0 | 2 | 2 | 23 | 25 |
| Mission Bay High (30) | 1 | 9 | 8 | 50 | 68 | 1,278 | 1,346 | (5.1) | 0 | 0 | 0 | 0 | 0 | 53 | 53 |
| Muirlands Junior High (14) | 0 | 15 | 7 | 30 | 52 | 1,011 | 1,063 | (4.9) | 0 | 1 | 0 | 0 | 1 | 42 | 43 |
| Cleveland Elementary (64) | 0 | 2 | 6 | 21 | 29 | 617 | 646 | (4.5) | 0 | 0 | 1 | 0 | 1 | 19 | 20 |
| George Gershwin Primary (90) | 0 | 1 | 6 | 4 | 11 | 238 | 249 | (4.4) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Pacific Beach Junior High (16) | 2 | 17 | 12 | 32 | 63 | 1,380 | 1,443 | (4.4) | 0 | 1 | 0 | 2 | 3 | 55 | 58 |

CALIFORNIA STATE TOTAL—Continued

B SERIES—SYSTEMS WITH AT LEAST 1 SCHOOL WITH MINORITY GROUP ENROLLMENT OVER 80 PERCENT—Continued

DISTRICT: SAN DIEGO UNIFIED SCHOOL DISTRICT. NUMBER OF SCHOOLS: 155. REPRESENTING: 155. CITY: SAN DIEGO. COUNTY: 37 SAN DIEGO.—Continued

| School | Students— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total | Weight: 1.0 | Teachers— American Indians | Negro | Oriental | Spanish-American | Minority total | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Pershing Junior High (17) | 0 | 7 | 6 | 54 | 67 | 1,566 | 1,633 | (4.1) | 0 | 0 | 0 | 2 | 2 | 60 | 62 |
| Weinberger Elementary (152) | 0 | 1 | 5 | 21 | 27 | 655 | 682 | (4.0) | 0 | 0 | 0 | 1 | 1 | 19 | 20 |
| Myron B. Green Elementary (93) | 1 | 1 | 5 | 15 | 22 | 535 | 557 | (3.9) | 0 | 0 | 0 | 1 | 1 | 17 | 18 |
| La Jolla High (26) | 0 | 7 | 4 | 31 | 42 | 1,060 | 1,102 | (3.8) | 0 | 0 | 0 | 3 | 3 | 41 | 44 |
| Mission Beach Elementary (123) | 0 | 0 | 1 | 5 | 6 | 159 | 165 | (3.6) | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| John G. Marvin Elementary (121) | 0 | 2 | 7 | 20 | 29 | 783 | 812 | (3.6) | 0 | 1 | 0 | 0 | 1 | 25 | 26 |
| Lyman Judson Gage Elementary (88) | 1 | 2 | 18 | 29 | 50 | 1,366 | 1,416 | (3.5) | 0 | 2 | 0 | 1 | 3 | 43 | 46 |
| Bird Rock Elementary (51) | 0 | 0 | 6 | 7 | 13 | 379 | 392 | (3.3) | 0 | 0 | 0 | 0 | 0 | 12 | 12 |
| James Whitcomb Riley Elementary (131) | 0 | 2 | 5 | 22 | 29 | 858 | 887 | (3.3) | 0 | 2 | 0 | 0 | 2 | 24 | 26 |
| Montezuma Elementary (124) | 0 | 3 | 1 | 5 | 9 | 274 | 283 | (3.2) | 0 | 0 | 0 | 0 | 0 | 9 | 9 |
| Lewis Junior High (9) | 1 | 5 | 7 | 31 | 44 | 1,370 | 1,414 | (3.1) | 0 | 0 | 0 | 0 | 0 | 55 | 55 |
| May Scott Marcy Elementary (119) | 0 | 0 | 7 | 12 | 19 | 743 | 762 | (2.5) | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| Patrick Henry High (23) | 2 | 8 | 6 | 25 | 41 | 1,690 | 1,731 | (2.4) | 0 | 0 | 0 | 1 | 1 | 64 | 65 |
| William P. Toler Elementary (145) | 0 | 0 | 3 | 6 | 9 | 400 | 409 | (2.2) | 0 | 0 | 1 | 0 | 1 | 15 | 16 |
| Stephen Decatur Elementary (71) | 0 | 0 | 3 | 4 | 7 | 477 | 484 | (1.4) | 0 | 0 | 0 | 0 | 0 | 16 | 16 |
| De Anza Elementary (70) | 0 | 0 | 1 | 2 | 3 | 299 | 232 | (1.3) | 0 | 0 | 1 | 0 | 1 | 8 | 9 |
| Hearst Elementary (97) | 0 | 0 | 1 | 4 | 5 | 685 | 690 | (0.7) | 0 | 1 | 1 | 0 | 2 | 19 | 21 |
| Scripps Elementary (135) | 0 | 0 | 1 | 0 | 1 | 265 | 266 | (0.4) | 0 | 1 | 0 | 0 | 1 | 8 | 9 |
| John Muir Elementary (125) | 0 | 0 | 0 | 0 | 0 | 159 | 159 | (0.0) | 0 | 0 | 0 | 0 | 0 | 5 | 5 |

DISTRICT: SAN YSIDRO SCHOOL DISTRICT. NUMBER OF SCHOOLS: 3. REPRESENTING: 6. CITY: SAN YSIDRO. COUNTY: 37. SAN DIEGO

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1 | 1 | 4 | 861 | 867 | 153 | 1,020 | | 0 | 0 | 1 | 3 | 4 | 41 | 45 |
| Percent | 0.1 | 0.1 | 0.4 | 84.4 | 85.0 | 15.0 | 100.0 | | 0.0 | 0.0 | 2.2 | 6.7 | 8.9 | 91.1 | 100.0 |
| Willow (1) | 0 | 0 | 0 | 348 | 348 | 47 | 395 | (88.1) | 0 | 0 | 1 | 2 | 3 | 14 | 17 |
| Beyer (3) | 0 | 1 | 3 | 249 | 253 | 48 | 301 | (84.1) | 0 | 0 | 0 | 1 | 1 | 13 | 14 |
| Sunset (2) | 1 | 0 | 1 | 264 | 266 | 58 | 324 | (82.1) | 0 | 0 | 0 | 0 | 0 | 14 | 14 |

## LAND REFORM IN VIETNAM

Mr. MAGNUSON. Mr. President, I ask unanimous consent that an important article on land reform in Vietnam be printed in the RECORD. Recently, I introduced Senate Resolution 290, which deals with the important subject of land reform in Vietnam. Roy L. Prosterman, associate professor of law at the University of Washington Law School, is a leading expert in land reform. Professor Prosterman has made one trip under private grant to Vietnam and two trips as the land law consultant to Stanford Research Institute under a Government-sponsored project.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAND REFORM IN VIETNAM

(By Roy L. Prosterman)

Old Vietnamese Proverb: "He should own the land who rubs it between his hands each season."

Joseph Alsop, in the New Yorker, June 25, 1955: "The Vietminh could not possibly have carried on the resistance [against the French] for one year, let alone nine years, without the people's strong, united support."

President Nguyen Van Thieu in a speech delivered January 18, 1968: "In the Social Reconstruction mission, Land Reform as is natural has to be placed on the top line. . . . Nevertheless, we must bravely acknowledge that, until now, the results obtained are lowest in consideration of its goal and its requirements."

It should be in no way surprising that in a country where the bulk of the population—still 60 per cent today—is dependent on the land as its sole source of livelihood (as has been the case in Vietnam for at least 2,000 years) the question of land tenure should assume gigantic proportions.[1] Tenure imbalance strikes at the very base of the country's economic and political stability. Historically, breaking up large holdings and transferring them to individual small owners was a means of power consolidation by new Vietnamese royal dynasties. Even as late as the first decades of the nineteenth century, Nguyen Anh, who founded the last dynasty, set about breaking up large feudal landholdings in Vietnam. This policy was pursued by his successor, who acceeded to the throne in 1820. The advent of French colonialism in the 1860's was accompanied by dramatic changes.

It is estimated that between 1880 and 1930 the land area devoted to rice in the fertile, southern region of Vietnam then known as Cochinchina (which included, in particular, the Mekong Delta region south of Saigon), grew by at least 400 per cent, with resulting increased yields. Yet, by 1930, the position of the Vietnamese peasant in the economy had so deteriorated that his situation was worse than it had been prior to French intrusion. Land was sold at absurdly cheap prices to colonialists who amassed vast holdings; the rice that could have put an end to peasant starvation was extracted through land rents and was exported, rather than made available to the indigenous population. The rough figures that are available indicate that during the 1930's some 57 per cent of the rural population of Cochinchina was landless.

As Joseph Buttinger, a leading Western historian of Vietnam, summed it up in *Vietnam: A Dragon Embattled*,[2] "the rural masses became as dependent on the rich landowners as the serfs of medieval Europe had been on their feudal lords."

After a third visit to Vietnam, in September, 1969, I had to conclude that the final word on success or failure of land reform as a program bearing on the conflict could not—quite—be written yet. Like Pearl lashed to the rail, and then rescued, this quintessential program had been up again and down again so many times over the last 15 years that even a week's lead time before publication might find one badly out of date. But at least for one sparkling moment, starting in May, 1969, and lasting at least through mid-fall, land reform was definitely "up" again. Whether or not the Vietnamese Senate or President Nguyen Van Thieu himself utilizes far reaching amendment powers to restore Thieu's genuinely excellent legislative proposal (after its evisceration at the hands of the lower house at the start of September), it would still be true that 1969 was the best year ever for South Vietnamese land reform. Unfortunately, this is not really saying much. Without a good bill to effect the transfer of privately owned lands, plus vigorous enforcement of the legislation and of programs begun earlier this year, South Vietnam will lose what is very likely her last chance to make sense out of this most basic of all "pacification" programs, and to acquire the leverage this might supply for a political settlement broadly satisfactory to various shades of American opinion.

### LAND TENURE PATTERN

That the land problem is near the root of the conflict—as it was, for example, in China and in Cuba—has long been clear to most careful and scholarly observers; it is a point on which there has been close agreement among Bernard Fall (land reform is "as essential to success as ammunition for howitzers—in fact, more so"), Buttinger, Douglas Pake, and many, many others. Today, at least three-fifths of South Vietnam's population of about 17 million is rural and derives a livelihood chiefly from rice farming. About three-fifths of this rural population lives in the Mekong Delta, south of Saigon, where 80 per cent of the country's rice is produced. Most of the remaining two-fifths of the farmers live in a narrow belt of riceland running up the coast—the area known as the Central Lowlands.

The tenure pattern under which the bulk of these farmers live and gain their sustenance is not fundamentally changed from

[1] The author has just returned from his third extended trip to Vietnam to review progress in the land-reform area. This trip was taken under private grant, while the two earlier ones were made as the land-law consultant to the Stanford Research Institute survey of land tenure in Vietnam, undertaken for AID in 1967–68.

[2] (New York: Frederick A. Praeger, 1967).

that shown in the 1960–1961 Agricultural Census of South Vietnam, as confirmed by field work by the Stanford Research Institute (S.R.I.) in which I participated at the end of 1967. During the critical period of the conflict's development in the early 1960's only 257,000 out of 1,175,000—or 23 per cent—of the Mekong Delta's farming families owned all the land they worked. Their average holding was four and one-half acres. Another 334,000 families, or 28.5 per cent of the total, tilled six acres—four of which were rented, while 521,000 families, roughly 44 per cent, farmed an average of three and one-half acres of land that was *totally* rented. Thus, in the Delta, more than seven farming families out of 10 (44 per cent+28.5 per cent=72.5 per cent) were substantially dependent on tenant farming.

The massive dislocation of the war has reduced the rural population from 75 to 80 per cent to the current 60 per cent figure, and the exodus to the cities was probably proportionately greater among those who had no land of their own. But the 1967 field work showed that at least 60 per cent of the Delta's agricultural population, in the relatively secure areas (where the field work could be carried on), remained without ownership of land, and the size of holdings and conditions of tenure remained unchanged. In its percentage of landlessness, the Mekong Delta thus qualified as one of the four worst areas of the world—along with the Huk country of Central Luzon, Java, and northeastern Brazil—and equalled or exceeded pre-revolutionary China, Russia and Cuba.

The S.R.I. field work—the major portion of which consisted of nearly one thousand hour-long interviews with Mekong Delta residents, carefully randomized, and using an extensively pretested set of questions and Vietnamese interviewers under American supervisors—uncovered further details, although most of these simply confirmed the accurate appraisals which had already been available for more than a decade. In the Delta, landlords supply virtually no inputs: no credit, seeds, implements, fertilizer or advice. They collect rents—typically one-third to one-half of the gross crop, and sometimes even more. The landlords of roughly half the tenanted land are absentees, so rent collection becomes an annual foray either by them or by agents—often local officials or military men who get a cut of what they collect.

Tenants can usually be evicted at will. They are held responsible for most, or all, of the rent even when their crops fail, for the rent is calculated in advance on an *estimate* of the gross crop. Thus, after major flooding reduced the harvest of 1966–67—the Delta harvest period is from December to February—many tenants were held for rents that exceeded 75 per cent of their actual production. Should a tenant be unable to pay his rent, he is confronted with interest rates on the unpaid portion that *average* 60 per cent a year, and which in one case out of five exceed 120 per cent a year.

The situation is no better in the Central Lowlands. As the 1960–1961 census showed, the typical family—403,000 out of 695,000—lived on a two-acre farm, one acre of which was rented. About 74,000 families held rented land only, their average holding being one and one-tenth acres. Rents on the tenanted or share-cropped portion of lands in the Central Lowlands generally are 50 per cent of the gross crop, although here the actual crop is the measure more often than an estimate made in advance. Security of tenure, however, is as nonexistent as it is in the Delta.

These land-tenure figures can be given some perspective by noting that South Vietnamese calculations indicate that once the rents go much above one-fifth of the crop, even a three and one-half acre Delta plot (the average for the 44 per cent of families that the census showed to be living wholly on rented land) does not produce enough rice to keep the average six-person household at recommended minimum sustenance levels.

The typical Central Lowlands mixed-tenure holding, as indicated, averages only two acres, one-half of which is rented.

A further finding of the S.R.I. study, contrary to a vast amount of conventional wisdom found in Saigon offices (but generally not found out in the field), was that the tenant farmers of the Mekong Delta—in an open-ended question with multiple responses allowed—regarded land ownership as a paramount concern five times as frequently as they regarded physical security as a paramount concern, and rated agricultural credit as a paramount concern four times as frequently as security.

### THE VIETCONG PROGRAM

All the above data, however, relates to "tenancy" as it exists in areas under South Vietnamese government control. In areas where the Vietcong are in control, they have offered only one substantive program: land reform. The program has deep roots, adumbrated in the Joseph Alsop quotation that begins this article.

By the time that the Geneva Conference was convened in 1954, the Vietminh ruled 60 to 90 per cent of what is now South Vietnam. Their support by the rural population had accounted in substantial part for the crucial advantage that had enabled them to overcome the superior arms and manpower of the French. In their struggle, they had built their broad base of support on the strong foundation of anticolonial nationalism, and they had added to this (even more concretely than the Algerian rebels were to do a few years later) the attraction of land-tenure reform for the mass of the peasantry.

Beginning in 1945, in areas that they controlled, the Vietminh had enforced strict limitations on rent and interest rates. Lands held by the French, communal lands, and the land of "traitors" were confiscated and given to the poorer peasants. Beginning in 1953, the Vietminh undertook the second, more sweeping phase of their land reform program, under a classification system similar to that which had been employed by the Communist Chinese ("landlord," "rich peasant," "middle peasant," "poor peasant" and "agricultural worker"). In its first stage of implementation this system was aimed at taking land from the first two groups and giving it to the last two. Wherever it was applied, the program utterly transformed the village social structure.

The sad history of the post-1954 years can only be briefly sketched here. The North Vietnamese moved to a stage featuring bloody village "trials" of the landlords and—very broadly defined—"rich peasants" (100,000 died, according to the best estimates), and then to collectivization. President Ngo Dinh Diem missed the chance to carry out a competitive democratic land reform, on models such as those of Mexico, Japan, Taiwan, Bolivia or South Korea (all of which had inaugurated sweeping land reforms before 1954). Instead, he adopted a law that was blatantly impossible to administer, attempting to control the landlord-tenant relationship—actually *restoring* the landlord-tenant relationship for hundreds of thousands of families in formerly Vietminh-controlled areas who had thought the land was now theirs—plus an extremely mild law regulating the acquisition of large holdings. The latter allowed retention of 247 acres (eventually raised to 284 in most cases), which was at least 30 times greater than the "retention limits" in the successful Asian land reform programs of Japan, South Korea and—ten years too late—Taiwan. It also suffered from multiple administrative defects.[3] Diem's program ground to a final halt in 1961, with benefits for only one out of ten tenant families. Local officials were allowed to retain and rent out the best of the acquired lands.

This left two great groups identifying the Communists with land reform and Saigon with the interests of the landed oligarchy:

About one million peasants who remained under Vietminh control even in Diem's heyday, and who continued to live under the economic and social transformations wrought by "first stage" (i.e., precollectivization) Communist land reform.

The great mass of tenant farmers who returned to Diem's control, who not only gained no benefits from Diem's unworkable laws, but actually found the government reestablishing a relationship that the Vietminh had already sundered.

Under the circumstances, it was not only logical but virtually inevitable that at the end of the 1950's the Vietcong should become the active successors of the Vietminh, building popular support throughout the countryside with the promise of the maintenance and extension of the Vietminh land reforms.

Saigon's response, from 1961 onward, not only totally omitted any competitive land reform measures, but from late 1965 onward actually involved the elaboration of decrees which justified the ultimate, very common "pacification" process by which the American innocents, having "secured" a village and moved on, were followed by the landlords riding in on the jeeps with "ARVN" (the South Vietnamese Army) to reassert control over their former lands. Not surprisingly, but very tragically indeed, many Americans have died at the hands of enraged peasants who have associated them with "pacification" in this, its completed, sense.

Unfortunately, the role of AID[4] and the United States State Department in all of this was pusillanimous. Starting with clear marching orders from President Dwight Eisenhower and those at the top in 1954 that made support for land reform a matter of high priority, working-level officials allowed themselves to be backed off step by step from a workable program by the clear signs of hostility emanating from major segments of the ruling elite. During 1960–65, the United States Mission obligingly failed to have present in Vietnam even one full-time official dealing with the land reform problem, and a plethora of rationalizations sprang up about the need to rely on the landlord class for political stability. In the case of some officials, all these rationalizations stubbornly failed to give way even when the house of cards collapsed in the early 1960's and the preeminent role of the peasants in supporting the rebellion became clear.

### PEASANT SUPPORT FOR THE WAR

It is this deeply rooted peasant support which has given the Vietnamese conflict the very strong "insurrection" or "civil war" flavor which it still retains, despite the highly publicized infusions of manpower from the North which began in 1965. The measures of this peasant support are not hard to find. In March, 1968, *The New York Times* noted that the Vietcong had been steadily able to recruit 5,000 to 7,000 men a month. Lieutenant Colonel William Corson, former head of the Marine's Combined Action Platoons (CAP) program, writing in the summer of 1968, noted that some three-fifths of these Vietcong recruits could be regarded as volunteers of "soft-sell" enlistees. The common appeal in wide areas where Vietcong land re-

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[3] One example: regulations ultimately gave landlords eight years in which to prove "preordinance" transfers to others that brought their holdings below the point where the law took hold; transfers to relatives and strawmen were common; and the author has met Vietnamese who openly admit that they still "own" over 2,000 acres.

[4] The United States Agency for International Development.

form was in effect was "The movement has given you land, give us your son."

*Newsweek*, on January 1, 1968, reported that 377,000 men were bearing arms against the United States and South Vietnamese forces, of whom only one-sixth were North Vietnamese. *The New York Times* on March 19, 1968, offered official estimates of all five categories of enemy strength, in which the North Vietnamese were said to play an even smaller role (See Table I).

Estimates made during my 1969 visit were that the North Vietnamese "main force" component was up, and that of southern recruits was down; in the local level southerners were still functioning in large numbers. The vitally important category of southern "cadres" or "V.C.I." (Vietcong infrastructure) had been somewhat depleted by the Communists' chosen tactics during *Tet*, but since then had hardly been touched. These V.C.I. do the recruiting, arrange the reconnaissance, obtain the porters and, by establishing supply and ammunition depots at intervals of about a day's march, prepare the way for main force actions—a *sine quo non* of these actions, since the main force units cannot carry with them the supplies and ammunition needed for their attacks. Moreover, despite well-reported "battles," it was doggedly, tragically true that over one-half of American casualties were the result of such essentially local guerrilla activities as the planting of mines and booby traps (and the mute silence of the villagers as they watched Americans walk into them).

The one bright spot in the picture was that fresh Vietcong recruitment had fallen to about 3,500 men a month, apparently through a combination of the loss of senior cadres at *Tet*, the spread of knowledge that main force units have been using southern recruits at the "first wave," and the first important stirrings of land reform under Nguyen Van Thieu, including an important effort to prevent landlords from returning to reclaim their lands in "pacified" villages.

The final part of this history—which was still undergoing almost daily changes as I was writing this—has involved the process by which the Thieu government appears, at last, and perhaps too late, to have embraced a really sweeping and workable program of land reform. The bizarre reality, of course, is that while the Communists have successfully billed themselves in Vietnam (and elsewhere) as "land reformers," genuine democratic land reform does not take a back seat to Communist land reforms by any means. Quite the contrary: the collectivization which has been the universal "second stage" of Communist land reform promises that have led to successful revolutions has been an economic disaster vastly distasteful to the peasantry, while the half-dozen successful non-Communist land reforms of this century[5] have led to major increases in agricultural production and have furnished a bulwark of political stability—including assistance in defeating attempts to start guerrilla movements in Bolivia and South Korea by depriving the would-be revolutionaries of their "gut" issue.

TABLE I: ENEMY STRENGTH

| | National intelligence estimate | C.I.A. estimate |
|---|---|---|
| 1. Main force units | 118,000 | 160,000 |
| North Vietnam | 54,000 | 80,000 |
| Viet Cong | 64,000 | 80,000 |
| 2. Village guerrilla platoons and squads | 70,000-90,000 | 100,000-120,000 |
| 3. "Irregular" or self-militia | 150,000 | 100,000 |
| 4. Administrative and logistic apparatus | 35,000-40,000 | 75,000-80,000 |
| 5. Political cadres | 75,000-85,000 | 80,000-120,000 |

[5] In Mexico, Japan, South Korea, Taiwan, Bolivia and Iran, in that order, perhaps soon to be followed by Peru.

THIEU'S LAND REFORM PROGRAM

The first signs of real movement came from the South Vietnamese. President Thieu, speaking to a gathering of provincial land-affairs officials on January 18, 1968, just before the *Tet* offensive, had made the statement quoted at the beginning of this article.

Over the following months, the *Tet* offensive, the Johnson announcement of a bombing halt, the start of talks in Paris and the presidential campaign of Minnesota Senator Eugene McCarthy all supplied additional shocks to the Vietnamese, and major elements of a land reform program began to take shape.

First of all, distribution of the choice lands taken by Diem but never distributed began in earnest. Procedures were simplified with the help of United States land reform advisers so that village-level committees could approve the applications made by the present cultivators and hand out deeds in under a week, and a tremendous boost was given the program when President Thieu decreed at the start of July, 1969, that henceforth the distribution would be free and that former recipients would be freed from their payment obligations. The distribution over the two years sharply accelerated:

TABLE II. LAND DISTRIBUTION, 1968–1969

January–June, 1968—20,000 acres distributed.

July–December, 1968—40,000 acres distributed.

January–August, 1969—90,000 acres distributed.

September–December, 1969 (est.)—90,000 acres distributed.

In 1969, an estimated 50,000 families will receive these government-owned lands.

Second, a temporary end, at least, was brought to "negative land reform." In September, 1968, Thieu declared that the processes by which landlords evicted occupants and collected rents in newly "secured" areas would be ended. Very likely, he had the forthcoming "accelerated pacification" drive in mind: if the process of planting the flag, at least in daytime, in additional villages, were to be accompanied by the customary inflow of returning landlords, the results for Saigon would be politically—and perhaps military—disastrous. This declaration was followed by three decrees:

One in November, 1968, that prohibited officials or soldiers in newly secured villages from reinstalling landlords or helping to collect rents;

A second in February, 1969, that extended the prohibition to the private landlords themselves and made it effective until February, 1970;

And a third in April, that made the earlier prohibitions countrywide, apparently in anticipation that landlords in more secure areas might try to evict tenants and resume personal occupation in contemplation of further land reform measures.

My just-concluded field work persuades me that the countrywide occupancy "freeze" is being widely adhered to. It has been well publicized; it involves a highly visible action if it is violated; and in areas where the new local-force units ("Popular Forces," "Regional Forces," and "Local Self Defense Forces") have received some 500,000 rifles, the South Vietnamese Army (ARVN) can no longer trample on peasants' legal rights with impunity. The rent "freeze" (supposedly at a zero level in newly secured areas) involves more clandestine violations, and appears to be only spottily effective.

Third, there was an almost disastrous decision in February, 1969, to design the biggest, final part of the program—involving transfer of some, most, or all of the 3,000,000 acres of privately owned lands that are farmed by tenants—as a "voluntary" purchase program. This would have merely *urged* landlord transfers for 2 to 3 years and then would have "required" them only when the administrators could determine (with the land records for three out of eight villages totally destroyed) that a landlord held more than 37, or perhaps 75, acres. Fortunately, President Thieu took a personal hand, which resulted in the scrapping of the "voluntary" plan, the sacking of the land reform minister, and the drafting of the sweeping "Land to the Tiller" bill and its presentation, in early July, to the lower house. This bill would affect all of the 3,000,000 acres of land that are cultivated by tenants or non-owners, and would make *all* Vietnamese peasants the owners of the land they till. The regime of tenant farming for a million families would be ended in a drastically simplified and rapid way:

All land not tilled by the owner would be affected (so there would be no need to apply a "retention limit" under which each owner would have to make a "declaration" of how much he owns, with the onus on the administrators to find out if he is lying).

The peasant tilling the land would receive it *free* (so there would be no occasion for corrupt administrators to dun the peasant for payments and the message would be the simplest possible: you don't pay anything to anybody).

The effect would be *nationwide* (so that peasants tilling land in insecure areas could nevermore be goaded to support the Vietcong with the threat that landlords would otherwise return: "negative land reform" would be gone for good).

Confirmation of title would come via a highly simplified village-level application procedure, involving only a few days' delay, and requiring neither the shifting of families, the shifting of present boundaries, nor the resurveying of the land.

Landlords would be fully compensated (20 percent in cash, 80 percent in 8-year inflation-adjusting bonds). The total cost would be $400 million, equal to between five and six days' cost of the war.

The bill, in fact, represents one of the great non-Communist land reforms of the twentieth century, even more sweeping, for example, than those of Japan and South Korea. The "Land to the Tiller" program, however, is now in deep political trouble, the basic difficulty being that the South Vietnamese landlords do not trust the bonds. Because of this, they combined their influence in the lower house with another group that sees opposition (shortsightedly would be an understatement) as a way of preventing Thieu from increasing his political power. This combined opposition eviscerated the bill—putting in a 37-acre "retention limit" and adding that only "legal" occupants could receive land—and even then added a provision boosting the cash portion of compensation for the landlords from 20 percent to 60 to 70 percent.

Now the upper house is considering the bill. In a heartening demonstration of firmness, President Thieu has asked to have it amended to its original strong version. Under Vietnamese law, the upper house amendments, if any, will prevail unless overridden by two-thirds of the total membership of the lower house. Even then President Thieu can amend and will prevail, unless his amendments are overridden by a majority of the joint membership of the two houses. Thus, for the moment, with President Thieu's continued exhibition of firmness, land reform is "up" again after its lower house drubbing.

But whether the upper house amends and—if not—whether President Thieu amends and is not overridden, now depend crucially on the credibility of the compensation to the landlords.

As this was written, pressures appeared to be building for a United States declaration of financial support for the program—consistent with President Richard Nixon's strong general statement of support for the program

in the Midway communiqué of June, 1969. Whether such a statement is made may well be decisive in determining whether, as this is being read, the mass of South Vietnamese peasants are finally becomng owner-farmers, or whether the chance to achieve an impact during the 1969 main Delta harvest period (December to February) has been missed. If, finally, land reform goes "down" again, it may well be for the final count.

## THE U.S. AMBASSADOR TO GREECE

Mr. GOODELL. Mr. President, I have requested Senate Majority Leader MANSFIELD to place a hold on the consideration of the nomination of Henry J. Tasca to be U.S. Ambassador to Greece.

My reason is that I believe this is not the propitious moment for the United States to send an ambassador to Greece—not that I have any reservations concerning Mr. Tasca's qualifications.

Mr. President, I ask unanimous consent that a statement I issued yesterday explaining the reasons for my action be printed in the RECORD, as well as an editorial on this subject which appeared in today's New York Times.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

GOODELL REQUESTS SENATE TO DEFER NOMINATION OF AMBASSADOR DESIGNATE TO GREEK MILITARY DICTATORSHIP

I have requested Senate Majority Leader Mansfield to hold up consideration of the nomination of Henry J. Tasca to be our Ambassador to Greece.

My reason is not that I have any reservations concerning Mr. Tasca's qualifications. He is, by all accounts, an able diplomat who is fully qualified to hold ambassadorial rank.

I have taken this action because I think it is not advisable at the present moment for the United States to send an ambassador to the Greek dictatorship.

I recognize that it is often desirable to have full representation in countries with whose policies we fundamentally disagree. Diplomatic communication is important between countries having different political systems.

This, however, is a delicate moment.

The Council of Europe is about to consider a motion to suspend or expel the Greek regime from membership because of its violations of the basic human rights of Greek citizens.

The Administration has been urging the Greek regime to adopt more democratic policies.

The Senate Foreign Relations Committee, I am pleased to note, has decided against authorizing any military aid to Greece.

There are signs that the forces behind the Greek junta might respond to these and other pressures for reform.

I am hopeful that the temporary withholding of an ambassador would be an additional signal of our displeasure with the dictatorship's present practices and might encourage responsible elements in Greece to press for more democratic and humane policies.

I am fearful that the dispatch of an ambassador at this time—two days before the Council of Europe meets to consider the suspension or expulsion of Greece—would be particularly ill-timed. It could be misconstrued in Europe as a gesture of support for the junta and its present course; and intrude ourselves gratuitously in a decision that should be made by the Europeans themselves.

I note also, that we have not even nominated an ambassador to Sweden. Many in that country apparently believe that we have not done so because we are displeased with the Swedish government's position on Vietnam. I do not know if this is the case. Whatever happens, we must certainly avoid giving the impression that we are more concerned over Swedish views on Vietnam than we are over totalitarian practices in Greece.

In summary, I am proposing a temporary hold on the nomination because I believe this is the wrong moment to send an ambassador; and also to emphasize our disapproval of the Greek junta's present policies and encourage responsible forces for change in Greece.

A police state now reigns in Greece, the birthplace of democracy. Government by terror and by torture rules in the land which first conceived of government by consent of the governed.

The Human Rights Commission of the Council of Europe, after extensive investigation, has found that torture and ill-treatment of political prisoners amounted to an "administrative practice" that has been "officially tolerated" by Greek government authorities. The Commission specifically reported 213 cases in which it had found evidence of torture—including a number of cases in which evidence of torture was found to be conclusive.

In addition to torture, the Commission found the Greek junta guilty of widespread abuses of civil and personal rights.

The Commission also exploded the fiction propagated by the junta that its seizure of power and subsequent rule was justified by the threat of a Communist takeover. After reviewing the evidence, it found there was no substance to the junta's claims that a Communist coup was imminent in 1967.

At this critical moment, it is imperative that we do nothing that can be misinterpreted by the Greek dictatorship and other nations as an endorsement of the junta's present policies.

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[From the New York Times, Dec. 11, 1969]

THE GREEK JUNTA ON TRIAL

Membership in the Council of Europe is restricted by its statute to countries that "accept the principles of the rule of law" and enjoyment by all citizens of "human rights and fundamental freedoms." Foreign ministers of the eighteen members vote in Paris tomorrow on a resolution adopted by a huge majority of the Council's Consultative Assembly demanding the ouster of Greece "for serious violations of the conditions of membership."

The ministers will have before them a 1,200-page report by the European Commission on Human Rights that details many cases of torture of political prisoners by the Greek junta. They will also doubtless consider the uncovering by a respected British reporter of what appears to be a top-secret document, signed by the Director-General of the Greek Foreign Ministry, involving Premier Papadopoulos himself in a right-wing plot to stage a military coup in Italy.

In these circumstances, Senator Goodell has acted responsibly in asking Majority Leader Mansfield to delay a vote on the confirmation of Henry J. Tasca as United States Ambassador to Athens. As Mr. Goodell makes clear, this is no reflection on Mr. Tasca; nor is it an effort to keep the ambassadorship in Athens vacant indefinitely because of disapproval of the junta.

It is simply that for the Senate to confirm Mr. Tasca on the eve of the Council's vote would be interpreted as an attempt by Washington to pressure undecided Governments to keep Greece in the fold. The United States is already being accused of trying to influence the Council's decision in favor of the junta. A brief delay will not damage Mr. Tasca's standing with the colonels; indeed, it may enhance his influence if the delay helps persuade them that the United States is genuinely concerned at their failure to to move Greece back toward freedom and democracy.

## THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 581, 594, 595, 596, 597, 598, and 599.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PUBLIC HEALTH TRAINING

The Senate proceeded to consider the bill (S. 2809), to amend the Health Service Act so as to extend for an additional period the authority to make formula grants to schools of public health, which had been reported from the Committee on Labor and Public Welfare with amendments, on page 2, after line 5, insert a new section, as follows:

SEC. 2. Section 309(a) of the Public Health Service Act is amended by striking out "and $12,000,000 for the fiscal year ending June 30, 1971" and inserting in lieu thereof: "$15,000,000 for the fiscal year ending June 30, 1971, $18,000,000 for the fiscal year ending June 30, 1972, $21,000,000 for the fiscal year ending June 30, 1973, $24,000,000 for the fiscal year ending June 30, 1974, and $27,000,000 for the fiscal year ending June 30, 1975".

And, after line 13, insert a new section, as follows:

SEC. 3. Section 306(a) of the Public Health Service Act is amended by striking out "and $14,000,000 for the fiscal year ending June 30, 1971" and inserting in lieu thereof: "$14,000,000 for the fiscal year ending June 30, 1971, $18,000,000 for the fiscal year ending June 30, 1972, $22,000,000 for the fiscal year ending June 30, 1973, $26,000,000 for the fiscal year ending June 30, 1974, and $30,000,000 for the fiscal year ending June 30, 1975".

So as to make the bill read:

S. 2809

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 309(c) of the Public Health Service Act is amended by striking out "$5,000,000 for the fiscal year ending June 30, 1968, $6,000,000 for the fiscal year ending June 30, 1969, and $7,000,000 for the fiscal year ending June 30, 1970" and inserting in lieu thereof: "$7,000,000 for the fiscal year ending June 30, 1970, $9,000,000 for the fiscal year ending June 30, 1971, $12,000,000 for the fiscal year ending June 30, 1972, $15,000,000 for the fiscal year ending June 30, 1973, $18,000,000 for the fiscal year ending June 30, 1974, and $20,000,000 for the fiscal year ending June 30, 1975".

SEC. 2. Section 309(a) of the Public Health Service Act is amended by striking out "and $12,000,000 for the fiscal year ending June 30, 1971" and inserting in lieu thereof: "$15,000,000 for the fiscal year ending June 30, 1971, $18,000,000 for the fiscal year ending June 30, 1972, $21,000,000 for the fiscal year ending June 30, 1973, $24,000,000 for the fiscal year ending June 30, 1974, and $27,000,000 for the fiscal year ending June 30, 1975".

SEC. 3. Section 306(a) of the Public Health Service Act is amended by striking out "and $14,000,000 for the fiscal year ending June 30, 1971" and inserting in lieu thereof: "$14,000,000 for the fiscal year ending June 30, 1971, $18,000,000 for the fiscal year ending June 30, 1972, $22,000,000 for the fiscal year ending June 30, 1973, $26,000,000 for the fiscal year ending June 30, 1974, and $30,000,000 for the fiscal year ending June 30, 1975".

Mr. YARBOROUGH. Mr. President, today a high rate of infant mortality is the major reason why the United States lags behind other major countries in longevity. Prenatal and infant care and

nutrition education needed to reduce our infant mortality rate are essentially public health problems. So are the long-term chronic illnesses of age becoming a new domain for public health inquiry and control.

Increased urbanization and acceptance of public responsibility for new health services to the population have expanded the need for personnel trained in protecting the public health. For many years agencies concerned with community health problems have been faced by shortages of professional personnel with public health training, including physicians, nurses, and sanitarians.

Approximately 5,400 positions in State and local health departments are currently vacant or filled by individuals lacking appropriate training. This represents one-third of the total positions that require advanced training in public health. Many such jobs are also going unfilled in voluntary public health agencies and on university faculties. If the need for graduates with training in public health methods and specialties continued to expand at the same rate between now and the early 1970's as it did between 1962 and 1967, the current deficit in trained manpower will more than triple in size by 1975.

Thus, earlier this year I introduced S. 2809, to extend the program of formula grants to schools of public health. As reported by the Committee on Labor and Public Welfare, S. 2809 would extend until June 30, 1975, three authorities of the Public Health Service that have as their objective the training of additional and better-prepared public health personnel. The provisions of this bill as amended by the committee have the support of the Association of Schools of Public Health, the American Public Health Association, and the Association of State and Territorial Health Officers.

The bill, as amended, would extend the existing programs of formula grants for schools of public health, section 309 (c) of the Public Health Service Act; project grants for graduate training in public health, section 309(a) of the Public Health Service Act; and traineeships for professional public health personnel, section 306 of the Public Health Service Act.

These three programs are not new. The traineeships were authorized in 1957, the formula grants in 1958 and the project grants in 1960.

S. 2809, as reported, would authorize the following appropriations:

For traineeships, $18 million for 1972; $22 million for 1973; $26 million for 1974; and $30 million for 1975,

For project grants, $15 million for 1971; $18 million for 1972; $21 million for 1973; $24 million for 1974; and $27 million for 1975,

For formula grants, $9 million for 1971; $12 million for 1972; $15 million for 1973; $18 million for 1974; and $20 million for 1975.

Mr. President, the 16 schools of public health, nine of which are in State universities, have the responsibility for providing graduates capable of duty in the health services of all the 50 States, the territories, and the Federal Government, as well as for international activities. They are analagous to national service academies in that they must prepare students for public service anywhere in the country. Ninety percent of their graduates enter public service and hold key posts in local, city, State, National, and international agencies, and the character of professional leadership in the teaching of public health in the United States has been reflected in the frequency with which faculty members are called on for consultation abroad.

Mr. President, because this bill is vitally important to the training and better preparation of public health personnel, I recommend that this bill pass the Senate.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–586), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SUMMARY

As reported by the Committee on Labor and Public Welfare, S. 2809 would extend until June 30, 1975, three authorities of the Public Health Service that have as their objective the training of additional and better-prepared public health personnel. The provisions of this bill as amended by the committee have the support of the Association of Schools of Public Health, the American Public Health Association, and the Association of State and Territorial Health Officers.

The bill, as amended, would extend the existing programs of formula grants for schools of public health, section 309(c) of the Public Health Service Act, project grants for graduate training in public health, section 309(a) of the Public Health Service Act, and traineeships for professional public health personnel, section 306 of the Public Health Service Act.

These three programs are not new. The traineeships were authorized in 1957, the formula grants in 1958 and the project grants in 1960.

AMENDMENTS

As introduced, S. 2809 would have extended and expanded the existing program of formula grants for graduate schools of public health under section 309(c) of the Public Health Service Act that is scheduled to expire on June 30, 1970.

These formula grants are one of three basic, closely related sources of support for the training of public health personnel. The other two are section 306 of the Public Health Service Act that authorizes appropriations for traineeships for professional public health personnel and section 309(a) of the Public Health Service Act that authorizes appropriations for project grants for graduate training in public health. Both of the latter two authorizations expire June 30, 1971.

The common objective of these formula grants, project grants, and traineeships is to increase the supply of well-trained public health personnel. These sources of financial support are closely related.

It is recommended, therefore, that the formula grants, project grants, and traineeships be given a common expiration date of June 30, 1975.

THE PROBLEM

Advancing urbanization and acceptance of public responsibility for new health services to the population have expanded the need for personnel trained in protecting the public health. For many years agencies concerned with community health programs have been faced by shortages of professional personnel with public health training—including physicians, nurses, and sanitarians.

In recent years the shortages have become more severe than ever before as new concepts of the role of public health have evolved. New responsibilities have been given State and local health departments. Some years ago the control of infectious diseases represented the major role of health departments. Today immunization programs are a relatively small but none the less important aspect of the activities of health departments and these activities require highly specialized and trained public health personnel. Among the new responsibilities are comprehensive health planning, health and medical care administration; environmental management in the areas of air, water, and land; population and family planning; chronic disease control; and licensure of health care facilities.

Approximately 5,400 positions in State and local health departments are currently vacant or filled by individuals lacking appropriate training. This represents one-third of the total positions that require advanced training in public health. Many such jobs are also going unfilled in voluntary public health agencies and on university faculties. If the need for graduates with training in public health methods and specialties continues to expand at the same rate between now and the early 1970's as it did between 1962 and 1967, the current deficit in trained manpower will more than triple in size by 1975.

To meet the need for training more public health personnel, many educational institutions—such as schools of public health, engineering, and nursing; departments of preventive medicine and dentistry; and other institutions which provide special public health training—must continue to expand their enrollment capacity. Such expansion will require additional highly specialized faculty and supportive staff.

BACKGROUND

The formula grants for graduate schools of public health assist in providing comprehensive programs of graduate training in public health professions. These grants are awarded on a formula basis. The formula provides that one-third of the total appropriations be divided among the schools equally. The remaining two-thirds is divided among the schools according to the number of Federally sponsored students enrolled. Formula grants are entitlement grants available only to the accredited schools of public health which the schools can use for administrative and direct educational purposes. They reflect the unique situation of these schools as a national resource with a substantial proportion of federally sponsored students.

The project grants are available to support graduate public health training proposals recommended by the National Advisory Public Health Training Council as having a high national priority after competitive review. The grants are used for projects related to development, innovation, and otherwise for strengthening and expanding graduate public health curriculums in colleges and universities including schools of public health, medical and dental schools, engineering colleges, schools of nursing, and similar institutions.

Traineeships for professional public health personnel are awarded through grants to individuals and grants to training institutions which then select the individuals to receive support.

*Formula grants*

The program of formula grants for graduate schools of public health was originally enacted in 1958 as Public Law 85–544. It provided the first formal recognition by Congress of the Federal responsibility for schools of public health as a national resource. At that time there were 11 schools of public

health eligible for grants. Since that time five new schools of public health have been accredited and several more are in various stages of development. Proposals to establish new schools of public health are under consideration in Alabama, Illinois, Ohio, and Washington.

At the present time, schools of public health are located at the following universities:

California (Berkeley), California (Los Angeles), Columbia, Harvard, Hawaii, Johns Hospital, Loma Linda, Michigan, Minnesota, North Carolina, Oklahoma, Pittsburgh, Puerto Rico, Texas, Tulane, and Yale.

The authorization for appropriations has increased from $1 million in 1958 to $7 million in 1970.

It must be emphasized that the 16 schools of public health, nine of which are in State universities, have the responsibility for providing graduates capable of duty in the health services of all the 50 States, the territories and the Federal Government, as well as for international activities of the United States and the international agencies. Thus, each school has had to be concerned with an area far beyond that of its ordinary university range of influence. It has been pointed out that the schools of public health are analogous to national service academies in that they must prepare students for public service anywhere in the country. This point is particularly significant in the State schools since State legislatures, faced with mounting costs in all fields, customarily sharply restrict out-of-State registrants.

More than 90 percent of the graduates of schools of public health enter public service and hold the key posts in local, city, State, National, and international agencies. The character of professional leadership in the teaching of public health in the United States has been reflected in the frequency with which faculty members are called on for consultation abroad. Moreover, schools of public health on the American pattern have been formed in many countries elsewhere in the world, thus making it possible for students of those countries to see more directly applied the principles taught in our schools of public health.

Schools of public health have found it necessary to enlarge faculty to bring new skills in order to pay proper attention to the many teaching programs which have had to be added. Some index of the scope of a school of public health in 1969 may be gained from listing the programs of study offered at the school of public health of the University of Michigan:

Air Pollution, Biostatics, Chronic Diseases, Adult Health and aging, Dental Public Health, Environmental Health—Food Contact, Environmental Health—General, Environmental Health—Water Contact, Epidemiology, Health Education, and Health Planning.

Hospital Administration, Industrial Hygiene, Maternal and Child Health, Medical Care Organization, Mental Health, Nutrition, Occupational Medicine, Population Planning, Public Health Administration, Public Health Laboratory Practice, Public Health Nursing, and Radiological Health.

A study conducted by the Association of Schools of Public Health covering the years since the formula grant legislation was approved disclosed the following improvements since 1958:

A doubling in the number of graduate degrees awarded;

A tripling in the number of students enrolled;

An increase in the number of accredited schools from 11 to 16;

A tripling in the number of federally sponsored students attending schools of public health; and

The addition of hundreds of courses in the schools to meet the health needs of our changing society.

This study also showed that formula grants met only 12 percent of the total costs of basic operations and teaching in 1968 as compared to 16 percent in 1963.

This same study revealed that the existing 16 schools of public health estimated that substantial increases in the formula grants would be required. To meet expanding student enrollments, teaching programs, and increases in basic operating costs they estimated the need for the following appropriations in formula grants:

| | |
|---|---|
| Fiscal year 1971 | $12,500,000 |
| Fiscal year 1972 | 16,800,000 |
| Fiscal year 1973 | 21,600,000 |

*Project grants*

The program of project grants for graduate training in public health was originally enacted in 1960 as Public Law 86–720. The legislation was extended in 1964 and the authorization for appropriations has been increased from $2 million in 1961 to $8.5 million in 1970. The major change in the legislation came in 1964 when the eligibility for grants was broadened from schools of public health, engineering, and nursing which provide graduate or specialized training in public health to include all public or private nonprofit institutions which provide such training.

This program, coupled with the student traineeships authorized in section 306 of the Public Health Service Act, has made a significant contribution to the expansion and improvement of public and community health training throughout the country, and to increasing the numbers of trained public health specialists so badly needed in today's society. It has made possible:

(a) special innovative programs in schools of public health to provide them with the capacity to become balanced centers of public health training and major public health consultative and investigative resources for the Federal, State, and local governments;

(b) the initiation of specialized preventive medicine and public health graduate training programs in schools of nursing to prepare well-qualified nurses for public health nursing positions;

(c) the strengthening and broadening of graduate training programs in environmental public health engineering so critical in view of contemporary problems of urban environmental hazards; and

(d) the development, expansion and strengthening of programs of community-preventive medicine and dentistry in medical and dental schools with the result of making young physicians and dentists more aware of careers in public health.

During the period from fiscal year 1961, when the program was initiated, through fiscal year 1968, 779 project grant awards were made: 270 in schools of public health, 156 in schools of nursing, and 189 in schools of engineering. Effective with fiscal year 1965 eligibility for the grants was extended to departments of medicine and dentistry. In fiscal years 1965 through 1968, 112 grants were awarded in schools of medicine, and 52 in schools of dentistry.

The 1968 awards represent 15 major curriculum areas, including medical care economics and administration, public health nursing, environmental health, chronic disease, and preventive medicine and dentistry. These projects are often administered in conjunction with public health traineeship grants, which provide support for students trained in these specialized areas.

During the period 1961–65, 49 new faculty positions had been added through this program, including such disciples as air pollution engineering, pharmacology, environmental chemistry, bioengineering, environmental biology, and microbiology.

In schools of medicine, the project grants have been used to revise curricula in departments of preventive medicine. In 1967 alone, approximately 5,000 medical students were exposed to the expanded teaching of preventive and community medicine.

TABLE 1.—SUMMARY OF PROJECT GRANTS FOR GRADUATE PUBLIC HEALTH TRAINING AWARDED IN FISCAL YEAR 1968

| Type of school | Number of schools awarded grants | Number of grants | Amount of grants |
|---|---|---|---|
| Total | 91 | 124 | $4,498,950 |
| Public health | 14 | 43 | 1,880,816 |
| Nursing | 13 | 14 | 419,989 |
| Engineering | 13 | 14 | 284,294 |
| Medicine | 34 | 36 | 1,286,658 |
| Dentistry | 17 | 17 | 627,193 |

*Traineeships*

The program of traineeships for professional public health personnel was originally enacted in 1956 as Public Law 84–911. The legislation was extended in 1959, 1960, and 1964. The annual authorization for appropriations was increased to $10 million for 1968, 1969, and 1970.

Since the program was initiated, the number of long-term academic traineeships awarded has increased to more than 1,500 annually. In addition, the program has been expanded to provide support for short-term training to upgrade and develop special professional skills for approximately 4,500 trainees annually, 70 residencies in preventive medicine and dentistry, and 600 medical and dental apprenticeships each year. By the end of fiscal year 1969, more than 12,000 individuals had received long-term academic training, 47,000 short-term training, 223 residency awards and 2,135 apprenticeship awards.

The primary objective of traineeships for full-time graduate training in public health has been to increase the numbers of adequately trained public health professionals. Categories and number supported to date include physicians (822) dentists (307), nurses (4,450), engineers (1,180), sanitarians (449), veterinarians (127), social workers (46), health educators (928), dental hygienists (92), administrators (1,077), and others. Special emphasis has been placed on training for new and developing program areas such as medical care administration, family planning, and environmental health. These programs have succeeded in attracting greater numbers of increasingly able students to public health training and careers. Of 3,800 past trainees who were surveyed in preparation for the Third National Conference on Public Health Training, approximately 2,400 or 63 percent are now working in public health, the majority in State and local health departments. About 5 percent are in Federal programs and an additional 7 percent (280) are still in school. Of the remainder, a significant number are housewives, many of whom plan to return to service in public health.

In addition to staffing traditional public health programs in official and voluntary agencies, these trainees constitute a crucial manpower source for such recently enacted programs as Medicare, the Appalachian and urban health centers authorized through OEO and HUD programs, comprehensive health planning, air and water pollution control, and solid wastes.

The primary purposes of traineeship support for short-term training have been to upgrade the skills of public health personnel working in the field, and to update their knowledge in areas essential to new or ongoing public health programs. This grant program has been widely and enthusiastically utilized by official and voluntary health agencies, professional organizations, and academic institutions.

Traineeship support for apprenticeship as-

signments was designed to provide medical, dental, and osteopathic students with an exposure to public health programs in order to attract them to careers in public health and/or to prepare them for constructive participation in community health programs as private practitioners. This program has been highly successful in arousing tremendous enthusiasm in the medical schools and the communities involved. An important byproduct of the apprenticeship training program has been the contributions of these trainees to more than 150 projects to which they have been assigned during their apprenticeships.

Traineeship support for residency training in the public health specialties for physicians and dentists is intended to increase the numbers of teachers of preventive medicine and dentistry and of well-trained public health physicians and dentists, particularly for leadership positions in local and State public health programs.

In fiscal year 1969 approved applications will exceed available funds by approximately $6,025,000. This backlog will include $6 million for approved long-term traineeships which would have supported 1,330 trainees. In the area of short-term training, the backlog will amount to $25,000 which would have provided training to an estimated 165 professional health workers.

TABLE 2.—TRAINEESHIPS FOR PROFESSIONAL PUBLIC HEALTH PERSONNEL, SEC. 306, PUBLIC HEALTH SERVICE ACT

[Number of trainees by type of program, 1957–69]

| Year | Type of program | | | | |
|---|---|---|---|---|---|
| | Long term | Residency | Apprenticeships | Short term | Total |
| 1957 | 363 | | | | 365 |
| 1958 | 665 | | | | 663 |
| 1959 | 654 | | | | 654 |
| 1960 | 634 | | | | 634 |
| 1961 | 607 | | | | 607 |
| 1962 | 568 | | | | 568 |
| 1963 | 1,054 | | | 1,482 | 2,536 |
| 1964 | 1,092 | | | 3,534 | 4,626 |
| 1965 | 1,057 | | 119 | 5,440 | 6,616 |
| 1966 | 1,314 | 24 | 333 | 10,081 | 11,752 |
| 1967 | 1,361 | 61 | 498 | 12,000 | 13,920 |
| 1968 | 1,300 | 70 | 600 | 10,000 | 11,970 |
| 1969 | 1,392 | 68 | 585 | 4,456 | 6,501 |
| Total | 12,061 | 223 | 2,135 | 46,933 | 61,412 |

AUTHORIZATION FOR APPROPRIATIONS

Since 1967 the actual appropriations for formula grants for schools of public health, project grants for graduate training in public health and traineeships for professional public health personnel have lagged far behind the authorizations for appropriations. In 1969, for example, only 70 percent of the authorized appropriations were actually approved. With this consideration, the authorizations of S. 2809 are set forth below:

AUTHORIZATION FOR APPROPRIATIONS

[In millions of dollars]

| Program and PHS Act section | 1971 | 1972 | 1973 | 1974 | 1975 |
|---|---|---|---|---|---|
| Sec. 306, traineeships | | 18 | 22 | 26 | 30 |
| Sec. 309(a), project grants | [1] 3 | 18 | 21 | 24 | 27 |
| Sec. 309(c), formula grants | 9 | 12 | 15 | 18 | 20 |
| Total | 12 | 48 | 58 | 68 | 77 |

[1] S. 2809 would increase the 1971 authorization for project grants from $12,000,000 to $15,000,000.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Public Health Service Act so as to extend for an additonal period the authority to make formula grants to schools of public health, project grants for graduate training in public health and traineeships for professional public health personnel."

## THE MIGRATORY FARM LABOR PROBLEM IN THE UNITED STATES

The resolution (S. Res. 283) authorizing the printing of additional copies of "The Migratory Farm Labor Problem in the United States" was considered and agreed to, as follows:

S. RES. 283

*Resolved*, That there be printed, for the use of the Committee on Labor and Public Welfare, two thousand nine hundred additional copies of the 1969 report of its Subcommittee on Migratory Labor entitled "The Migratory Farm Labor Problem in the United States" (Senate Report Numbered 91–83, Ninety-first Congress).

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–598), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senate Resolution 283 would authorize the printing for the use of the Committee on Labor and Public Welfare of 2,900 additional copies of the 1969 report of its Subcommittee on Migratory Labor entitled "The Migratory Farm Labor Problem in the United States" (S. Rept. No. 91–83).

The printing-cost estimate, supplied by the Public Printer, is as follows:

*Printing-cost estimate*

| | |
|---|---|
| Back to press, first 1,000 copies | $796.41 |
| 1,900 additional copies, at $206.34 per 1,000 | 392.04 |
| Total estimated cost, Senate Resolution 283 | 1,188.45 |

## MARY K. DURISOE

The resolution (S. Res. 295) to pay a gratuity to Mary K. Durisoe was considered and agreed to, as follows:

S. RES. 295

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary K. Durisoe, widow of John E. Durisoe, an employee of the Senate at the time of his death, a sum equal to eight months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

## JAMES H. NEWMAN, SR.

The resolution (S. Res. 296) to pay a gratuity to James H. Newman, Sr., was considered and agreed to, as follows:

S. RES. 296

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to James H. Newman, Senior, father of James H. Newman, an employee of the Senate at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

## REPORT OF PROCEEDINGS OF THE 44TH BIENNIAL MEETING, CONVENTION OF AMERICAN INTRUCTORS OF THE DEAF

The concurrent resolution (S. Con. Res. 47) authorizing the printing of the report of the proceedings of the 44th biennial meeting of the Convention of American Instructors of the Deaf as a Senate document which had been reported from the Committee on Rules and Administration, with an amendment in line 6, after the word "that", strike out "six" and insert "five"; so as to make the concurrent resolution read:

S. CON. RES. 47

*Resolved by the Senate (the House of Representatives concurring)*, That the report of the proceedings of the forty-fourth biennial meeting of the Convention of American Instructors of the Deaf, held in Berkeley, California, June 20–27, 1969, be printed with illustrations as a Senate document; and that *five* thousand additional copies be printed and bound for the use of the Joint Committee on Printing.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–599), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 47 as referred would provide (1) that the report of the proceedings of the 44th biennial meeting of the Convention of American Instructors of the Deaf, held in Berkeley, Calif., June 20–27, 1969, be printed with illustrations as a Senate document; and (2) that 6,000 additional copies of such document be printed and bound for the use of the Joint Committee on Printing.

The Committee on Rules and Administration has amended Senate Concurrent Resolution 47 by reducing the number of additional copies to be printed from 6,000 to 5,000, the quantity customarily provided biennially.

## ADDITIONAL COPIES OF THE 1969 REPORT OF THE SENATE SPECIAL SUBCOMMITTEE ON INDIAN EDUCATION

The concurrent resolution (S. Con. Res. 50) authorizing the printing of additional copies of the 1969 report of the Senate Special Subcommittee on Indian Education was considered and agreed to, as follows:

S. CON. RES. 50

*Resolved by the Senate (the House of Representatives concurring)*, That there be printed for the use of the Senate Committee on Labor and Public Welfare three thousand additional copies of the 1969 report of its Special Subcommittee on Indian Education entitled "American Indian Education: A National Tragedy—A National Challenge" (Senate Report 91–501).

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–600), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 50 would authorize the printing for the use of the Senate Committee on Labor and Public Welfare of 3,000 addtional copies of the 1969 report of its Special Subcommittee on Indian Education entitled "American Indian Education: A National Tragedy—A National Challenge" (S. Rept. 91–501).

This proposal is identical to that contained in Senate Resolution 293, referred to the Committee on Rules and Administration on December 9, 1969. Since the concurrence of the House of Representatives is required on proposals to print additional copies costing in excess of $1,200 (44 U.S.C. 703), the Committee on Rules and Administration is expressing its approval of this proposal by reporting out this original concurrent resolution in lieu of Senate Resolution 293.

The printing-cost estimate, supplied by the Public Printer, is as follows:

*Printing-cost estimate*

| | |
|---|---|
| Back to press, 1st 1,000 copies | $1,315.29 |
| 2,000 additional copies, at $373.81 per thousand | 747.62 |
| Total estimated cost, S. Con. Res. 50 | 2,602.91 |

## A GUIDE TO STUDENT ASSISTANCE

The concurrent resolution (H. Con. Res. 345) providing for printing as a House document "A Guide to Student Assistance" was considered and agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–601), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 345 would provide (1) that there be printed as a House document "A Guide to Student Assistance," prepared by the House Committee on Education and Labor; and (2) that there be printed 62,200 additional copies of such document, of which 43,900 would be for the use of the House of Representatives (100 per Member), 10,300 would be for the use of the Senate (100 per Member), 4,000 would be for the use of the House Committee on Education and Labor, and 4,000 would be for the use of the Senate Committee on Labor and Public Welfare. Copies of the document would be prorated to Members of the Senate and the House of Representatives for a period of 60 days, after which the unused balances would be distributed by the respective Senate and House Document Rooms.

## OUR FLAG

The concurrent resolution (H. Con. Res. 407) to authorize the printing as a House document the pamphlet entitled "Our Flag" was considered and agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–602), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 407 would provide (1) that the publication entitled "Our Flag," published by the Office of the Armed Services Information and Education, Department of Defense, be printed with illustrations as a House document; and (2) that there be printed 271,000 additional copies of such document, of which 219,500 would be for the use of the House of Representatives (500 per Member), and 51,500 would be for the use of the Senate (500 per Member).

The printing-cost estimate, supplied by the Public Printer, is as follows:

*Printing-cost estimate*

| | |
|---|---|
| To print as a document (1,500 copies) | $2,832.00 |
| 271,000 additional copies, at $53.56 per thousand | 14,514.76 |
| Total estimated cost, H. Con. Res. 407 | 17,346.76 |

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar and brings us to the pending business, and I thank the distinguished chairman of the Foreign Relations Committee for permitting me to proceed with the consideration of the bills on the calendar.

## FOREIGN ASSISTANCE ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 14580) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. FULBRIGHT. Mr. President, I derive no pleasure in presenting the foreign aid bill to the Senate. It is submitted to the Senate not with enthusiasm, but with reluctance. And, speaking for myself only, the committee's endorsement of the bill now before the Senate should not be taken as a vote of confidence in foreign aid as presently constituted. This is a stop-gap bill only—and no more—pending the development of a new, more workable program.

The House approved major substantive changes in the foreign aid program.

The Foreign Relations Committee, however, is submitting an amendment which does not authorize new programs but continues the existing programs at approximately the same level as last year.

Last year Congress appropriated foreign aid funds totaling $1.7 billion for both economic and military assistance; this year the Senate bill authorizes appropriations of $1.9 billion. This slight increase is, at worst, a vote of reluctant acceptance of the existing foreign aid program. At best, it is a tranquilizer. At its best or at its worst, I am reluctant to support most of the bilateral aspects of the aid program—even at the level of funding provided for last year.

Mr. President, prior to the committee's final action on the bill, I proposed a continuing resolution for the purpose of carrying existing programs forward while, at the same time, providing that they be phased out by December 31, 1970. I appreciate the novelty of this suggestion in terms of our traditional legislative procedure and I understand why my proposal was not accepted. Nevertheless, the concept of a continuing resolution this year was not without a rationale. The 1970 fiscal year is almost half gone and much has happened to change the frame of reference for foreign aid legislation since the President's message to Congress on May 28.

Domestically, inflation has continued unchecked—to such a degree that the President has announced he could not accept the tax reform bill as passed by the Senate. The stock market—as the Nation's single most important measure of our fiscal and economic well-being—continues to set new record lows, and our balance-of-payments situation has continued its downward slide, with a record deficit this year approaching $10 billion, twice as large a deficit as that for any previous year in the postwar period. This situation has forced considerable retrenchment on much needed domestic programs.

On the international front, the new administration is still in the throes of reappraisals stretching from Asia to the Middle East. If "Vietnamization" works, the economic bill for reconstruction in Vietnam will be big. The report of the World Bank's Commission on International Development, headed by Lester Pearson, has been made public, but its costs have not been assessed.

Finally, the President has initiated a reappraisal of the entire foreign program and, by law, has been requested to submit his findings and recommendations to Congress no later than March 31, 1970—less than 4 months away.

In short, time and events have rendered the President's 1970 foreign aid proposals obsolete. Under these circumstances, it seems to me that for Congress to pass any substantive foreign aid bill at this point would be putting the cart before the horse.

Mr. President, year after year, the Committee on Foreign Relations has attempted to bring about needed reforms in foreign aid, but with little practical effect. Experience has shown that the only means left to bring about significant reform is to phase out the existing program and start afresh.

Four years ago, the Senate decided to do that. It voted to terminate the aid program so that fundamental reappraisals might provide not only a rationale for the program, but programs consistent with the lessons we have learned—programs which would not perpetuate the errors of the past. Unfortunately, the House did not accept the Senate's proposal and the program has stumbled along for 4 more years—finally developing a pattern of incipient danger to the legislative process itself. This is the pattern of authorizing and appropriating funds for specific foreign countries and projects. I fear we have come to the point where some lobbyists for foreign governments are more effective in promoting their special projects than Members of this body are in promoting projects for their own States and districts. The foreign aid bill which the Senate received from the other body had earmarked $155

million—as much as we spend on some Government departments—for projects of a size and type which no Member of Congress could hope to get for his own constituency, especially without the approval of the Bureau of the Budget—the administration, in effect.

What Member of this body could with equal ease get $50 million more than the President requested for his State—as was the case with South Korea? What Member could get $54.5 million more than the President requested—as was the case with Taiwan? What Member could get $50.5 million more than the President requested—as was the case with Israel?

Senators know how exceedingly difficult it is for them to get money, in any size or of any consequence, for their own States without the support of the administration.

These amounts were earmarked in the foreign aid bill that came to the Senate from the other body. The Committee on Foreign Relations removed some of these unrequested authorizations; but I expect the final bill will contain funds for these purposes.

To shed a little more light on this issue, I am sure some of my colleagues will recall having received last year a letter from a Minister of Defense of an allied nation calling upon Senators to give their support for an additional $100 million in military assistance for his country. An additional $50 million has now been authorized for South Korea by the House—as I say, without budgetary approval by the administration. I fail to see how lobbying activities of this kind differ in any practical way from the finagling that went on behind the scenes to secure $28 million for building the so-called freedom fighter—also without the recommendation of the Budget. This project is to lay the groundwork for providing certain countries with fighter aircraft which they otherwise could not afford.

Mr. AIKEN. Mr. President, does the Senator care to discuss these matters as he goes along, or does he wish to be unmolested until he completes his statement?

Mr. FULBRIGHT. A Senator can interrupt at any time. I am always honored to yield to the Senator from Vermont.

Mr. AIKEN. I was interested in the Senator's statement as to the effectiveness of foreign lobbyists. I know foreign lobbyists are not backward, and some of the ambassadors from foreign countries are not backward, in encouraging us to spend money in their countries; but I would say, in the long run, it is the American concerns, the industrialists, that are more effective.

When the Senator refers to the $54 million which the House put in the bill for planes for Taiwan, I am satisfied it was the people who expected to manufacture those planes who were successful in getting that item inserted.

I can assure the Senator that, as far as I am concerned, the bill will not contain that item of $54 million, which was not asked for by the foreign government, and was not asked for by our own Government, but was slipped into the House bill. I feel quite sure it was American industrial concerns that did that.

The same may be true of South Korea, although the South Korean Government has fared very well at the hands of the U.S. Government, and they want to fare better, of course. There again we have to put the blame or responsibility on our own people to a greater extent than we do on the foreign people.

I want to assure the Senator that as as far as I am concerned, these funds, which our own executive branch did not ask for and even the foreign government did not ask for, will not be in the bill. I would rather have no bill than to have industrial concerns running our foreign aid program, because the trouble with the foreign aid program now is that these interests have really converted it, in large part, to a subsidy for American industry. I can hardly blame the foreign countries for that.

Mr. FULBRIGHT. I will say to the Senator that, while I am quite sure the companies directly involved have probably expressed themselves, I am not quite prepared to say that the foreign countries did not ask for the military aid. I can assure the Senator, for example, that I myself received a letter from the Government of South Korea last year, suggesting, asking, or pleading for additional funds, which was something I had never experienced before. This was a letter addressed to me, which came from the Ministry of National Defense of the Republic of Korea.

Mr. AIKEN. What date was that?

Mr. FULBRIGHT. This was last year, February of 1968.

Mr. AIKEN. Yes. Well, I am sure they still want all the assistance they can get.

Mr. FULBRIGHT. I do not think the Senator is quite accurate in saying foreign governments have not asked for assistance.

Mr. AIKEN. That may be true on an informal basis but I believe that officially there was no request on the matter.

Mr. FULBRIGHT. I think they have asked for it. In the hearings on Taiwan, if the Senator remembers, there was the evidence of the enlargement of their bases, for no apparent purpose other than to get ready to receive planes which only the United States could have furnished. There had been no public statement in the press, but I think the meaning of it was quite clear. They were not going to spend that amount of money for any other reason. They were expecting those additional planes.

I believe the press also reported—I think I read it in the newspapers—that Members of the House of Representatives who visited Mr. Chiang Kai-shek last summer were the ones who sponsored the amendment in the House of Representatives. It was not in the administration bill to supply those planes.

Mr. AIKEN. But as I said earlier officially we have no request from the Government of Taiwan for those planes, and no request from the U.S. Government to furnish the planes.

Mr. FULBRIGHT. That is not unusual. I do not know of any lobbyist who operates through official channels in that respect. Their influence has become very powerful, a fact which I deplore.

In the foreign aid bill, we do not attempt to write into the legislation itself the specific countries to which the aid will go. There have been a few exceptions where we have been overruled because of the persuasiveness of certain Senators. But the practice has been, I think the Senator will agree, not to specify in the legislation itself the country, and just how much is for what. But there have been some exceptions.

Mr. AIKEN. Yes. Although the committee cut the request of the administration and the authorization of the House of Representatives down $226 million, I have had no protest on that from our own executive branch, up to this point.

Mr. FULBRIGHT. Well, I have not received any protest, either. I imagine one reason for the lack of protest is that, as I was told a few minutes ago, the House of Representatives passed its own appropriation bill by a margin of only five votes. In fact, the Senator from Vermont told me that.

Mr. AIKEN. Yes. I agree with the Senator.

Mr. FULBRIGHT. So the administration probably was very lucky to get a bill at all.

Mr. AIKEN. Yes. I believe the program as presently constituted cannot last more than a year or so longer. We are in the very unhappy situation, here in the United States, of not being satisfied with what we have and not knowing just what we want. I think we will have to extend the present program for 1 year. I would like to see technical assistance carried on for 2 years, but I believe I was outvoted by the committee on that, and this measure simply extends the program until next July, and before that time we shall have to decide what we want to do in the future.

We cannot just sever connections with every country in the world all at once, but we can, I hope, work out a program which will make our foreign aid program more acceptable to the people of the United States, and possibly to the people of the other countries as well.

Mr. FULBRIGHT. I have certainly never suggested, and I do not know of anyone who has suggested, that we cut off all relations with the other nations of the world. But there is a difference of opinion, and I think a legitimate difference, as to how we should give aid and assistance to other countries.

I, myself, have advocated for some years that it be given primarily, except for very limited items, through international institutions such as are outlined and referred to on page 4 of the committee report: The Inter-American Development Bank, the Asian Development Bank, and the International Development Association.

The World Bank is not listed there, but it is, of course, the parent organization of the International Development Association.

I have at various times given explanations of my reasons for that position. At least I know what I would like to see. It is true that in the Senate, and in the Government as a whole, there is considerable division about what the majority want in the way of an aid program.

The Pearson commission has made its report. We really have not had time to digest it; it is a very recent report. The President is authorized, in fact he is requested—or his task force is—to report on March 31, 1970, and make its recommendations with respect to foreign aid in general.

I would hope that the next session of this Congress, with the recommendations of the administration, will determine that a new approach on this whole problem would be in order; and I hope a start can be made before the end of this fiscal year. That was one of the main reasons why I recommended a continuing resolution.

Mr. AIKEN. Again, I think there is very little disagreement in the committee that we could and should do more of this work through the international multilateral agencies. However, we should not give up all bilateral programs, because, as I understand it, the multilateral agencies sometimes take a long, long time to make arrangements with the country which needs their help, whereas in bilateral arrangements, it can be done more quickly. That is one advantage of bilateral aid.

However, we should do more through the multilateral agencies, and I think that is the opinion of nearly every member of our committee.

Mr. FULBRIGHT. I hope that is true, and I hope that we can move in that direction.

As to responding quickly in the case of emergencies, if the Senator from Vermont is talking of taking action in such cases, that is one thing. But the development loan program, and the like, are not for emergencies. We are supposed to make careful surveys of the needs of each country. I do not know that there is any substantial difference in these ongoing programs, particularly in development lending, between the multilateral banks' procedures and AID's.

Contingency items, of course, are different. We have always had programs of relief for acts of God, floods, fires, and earthquakes. But that is another matter. I think we could meet those problems, which are different from the ones I am talking about.

The incipient danger to our legislative process in all this is that other nations, seeing the success of some nations in tapping the American till, will seek to do the same for themselves. The examples I have cited surely will not be lost on others. It will only be a question of time until we will be persuaded by other lobbies to take care of their clients.

This practice could become standard operating procedure and, in effect, we will have acquired foreign constituencies of our own. As the number of these constituencies grows, we can expect to receive more offers of friendship and solidarity, more offers of special favors, more offers of expense paid trips—and more pressures from the agents of foreign governments, which may or may not be representing the real interest of their people.

As a part of this developing pattern, it has become increasingly apparent to me in recent months that far too many of our officials abroad tend to represent the country to which they are assigned as effectively as they represent the United States. Aid has become an indispensable crutch for diplomacy—no aid, no influence. As a result, career diplomats who often thought of aid programs as too grubby for career advancement are now in the position of having to make the best case they can for the aid-receiving country to which they are accredited. Their position is not unlike a lawyer-client relationship, in that they are expected to defend any aid request regardless of their client's need or, for that matter, the legitimate interests of the United States.

In making these observations, I only wish to point to the indications that representatives of some foreign nations are able to muster legislative support for their purposes—purposes which have the effect of taking needed money from domestic programs for support of questionable projects abroad.

Is it more important to have a desalting plant in the Middle East than in our own Southwest? Is it more important to provide $54 million worth of fighter aircraft to one government and $50 million for an air squadron to another than to have this amount available for perfecting antipollution techniques, or cancer research, or education, or cleaning and rehabilitating our cities?

In the bill the House sent over, these and similar questions were answered in the affirmative.

Mr. President, these actions are an indication that our foreign aid program is based on a bankrupt and outdated policy of dollar diplomacy which mires the United States ever deeper in the political affairs of aid recipients while, at the same time, forcing us to cut back on programs to meet the needs of our own citizens. And any Senator with doubts about the entangling character of bilateral aid should read the transcripts of the revealing hearings on the Philippines, Laos, Thailand, and Taiwan chaired by the senior Senator from Missouri.

Most regretfully there is another aspect of foreign aid that is disturbing. It is that the aid program is becoming a symbol of the confusion that pervades our foreign policy. One would never know what this Nation stands for by studying the bill which the House has acted upon and which is now before us.

The stated policy purposes of the aid program include such phrases as "freedom of the press," "freedom of information," and "freedom of religion." There is in the policy statement strong objection to ignorance, hunger, despair, aggression, and subversion.

But what of the reality? The reality is that aid in large part is an instrument for maintaining the status quo by supporting dictatorships—with the support couched in terms of maintaining economic and political stability. I will not name the countries enjoying the fruits of our questionable stabilization efforts; but I challenge anyone to go through the list and deny that about half of them are dictatorships. In short, our aid program has become—despite the best of intentions—an instrument for the perpetuation of the political status quo—whether that be in the Middle East, the Far East, Latin America, or Africa.

But no matter how serious the shortcomings of the aid program, sheer inertia seems capable of keeping the present program moving indefinitely in the same rut. No businessman would attempt to carry on business as usual with an enterprise which was failing; he would salvage what he could and start afresh. It is time for Congress to exhibit a similar degree of prudence and recognize that dollars are not a substitute for a sound foreign policy.

I believe most of us realize that our national priorities are confused. Part of the distortion comes from foreign aid programs which too often attempt to remake the societies of ancient lands in the American image—at the expense of the social needs of our own Nation.

Mr. President, to sum up, I think it is remarkable that the committee reported out any foreign aid bill this year. Our present program has run out of steam. We know it is inadequate in amount—that we should do more to promote development—but it has not been our inclination to put more money into programs which are inadequate in conception and distorted in practice. The majority, I believe, felt that, in the absence of an immediate and viable alternative, it was best to continue the existing program—with the understanding that a new program would be forthcoming next year.

I do not wish to conclude these brief remarks without indicating the direction in which I believe foreign aid programs should move if they are to have support in the Nation and in the Congress.

In the first place, as a matter of principle, I believe the developed, wealthy nations should give economic assistance to the impoverished and underdeveloped countries. This is not only humanitarian in motivation, but is in the financial and political interest of the developed industrial countries.

Second, I believe the bulk of economic assistance should be extended through multilateral institutions such as the World Bank, the International Development Association, and consortia devoted to specific projects. Multilateral institutions can maximize the economic controls necessary to sustained development and minimize the political interference in sovereign nations conscious of their national identity.

Third, I believe it essential that bilateral aid be kept at a minimum and when it is provided that it be used to support projects rather than governments. Bilateral aid which is extended to governments unavoidably involves the benefactor nation in the internal politics of the recipient nation—and involvement in the internal politics of any nation is the first step toward involvement in civil strife which may be expected in countries struggling toward nationhood.

Fourth, I believe it essential that military assistance be limited and eventually terminated. Any country which receives grant military assistance from another is accepting interference in the most

delicate area of its sovereignty. It is not for the United States to tell a country that it needs tanks, or aircraft, or missiles. Items a nation needs for its national defense should be purchased from its own treasury. If it spends too much for defense or for prestigious weapons, it is to be expected that multilateral sources of economic aid would dry up.

There has been some slight movement in recent years in the directions I have suggested. It seems to me, however, that the new administration has opportunity to build an aid program which can find some stability in public support and which will serve the long-term interests of the United States. It will not be able to do so by packaging the shibboleths of the past in new boxes with new wrappings and ribbons. It is the substance which must be changed. If the opportunity is not grasped now, I believe we can only anticipate further erosion of the foreign aid program.

Mr. President, I yield the floor.

AMENDMENT NO. 422

Mr. MUSKIE. Mr. President, on behalf of myself and Senators MAGNUSON, PACKWOOD, HART, CRANSTON, DODD, and JACKSON, I introduce today an amendment to the Foreign Assistance Act of 1969. This amendment would authorize U.S. assistance, at a level of $80 million a year for 4 years, and is designed to encourage positive action by the Government of South Vietnam in enacting a program of land reform.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. Mr. President, I ask unanimous consent that an article entitled "Land Reform in Vietnam," written by Dr. Roy L. Prosterman, and published in the current issue of Southeast Asia be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. MUSKIE. Mr. President, last July President Thieu of the Republic of South Vietnam initiated legislation calling for a broad program of land reform in South Vietnam. The major provision of this "land to the tillers" bill are as follows:

First. All land not tilled directly by the landowner would be affected, on a nationwide basis—approximately 3 million acres.

Second. The peasant tilling the land would receive it free. Any large landowner who has directly tilled his land in the past would receive the right to retain a certain portion of this land with the condition that he must directly cultivate within 2 years from promulgation of this law.

Third. Landlords would be fully compensated by the South Vietnamese Government, on a ratio of 20 percent cash and 80 percent 8-year inflation-adjusting bonds. Total cost would be $400 million.

Fourth. Reapportioned land would be distributed to every farming family for each of which the maximum would be 5 hectares in South Vietnam and 3 hectares in Central Vietnam.

Fifth. Recipients would include those who have fled from the countryside and wish to return to their villages.

Sixth. The Government of South Vietnam would encourage the establishment of farm cooperatives to facilitate the improvement of agricultural methods.

Due to a widespread lack of confidence in the value of these bonds to be offered as compensation, South Vietnamese landowners exerted sufficient pressure for the bill to be rendered virtually ineffective by the lower house of the South Vietnamese Legislature in early September. Unless an immediate effort is made to assure the landlords that a substantial proportion of the bonds can be turned into productive resources, it is likely that similar action will be taken in the Upper House which is cosidering the bill at the present time.

I believe that such reform is essential to the development of a viable, free society in South Vietnam. Currently, more than 100,000 landlord families own land cultivated by some 1 million tenant farmer families who pay one-third to one-half of their crop in rent. Massive land reform would go far toward giving the peasants, who constitute by far the largest single group in South Vietnamese society, a stake in the preservation of their country, and toward discouraging the recruitment of an estimated 40,000 peasants a year into the Vietcong.

The 1969–70 Mekong Delta rice harvest is now beginning, and will last until February. It is essential that action be taken now, before the collection of rents from this season's harvest, if the full impact of reform is to be felt.

Therefore, I propose the following amendment, in support of meaningful land reform in South Vietnam. The main provisions are as follows:

First, that U.S. support be authorized at a level of $80 million a year for 4 years, for a total of $320 million, such funds to be used for the purchase of certain U.S. nonluxury commodities—principally agricultural goods such as seed, fertilizer, and farm machinery, as approved by the President. Specified commodities are to be used in direct exchange for those bonds issued by the South Vietnamese Government as compensation for confiscated lands.

Second, that small landowners have access to the bonds on a basis proportionately equal to the larger landowners.

Third, that import duties and other taxes on imported goods be waived for commodities brought in under this amendment, as well as permits or licenses to import.

The total cost of my proposal is equal to the cost of about 4 days of the present war in Vietnam. A successful land reform program could shorten the war by many more than 4 days.

Mr. President, I urge my colleagues to support this proposal. It has been my conviction for a long time, one which I have expressed from time to time on the floor of the Senate, that we cannot really wind this war down unless in some way we can find a political solution to the problem represented by South Vietnam. I think that a political solution involves inevitably a broadening of the base of political support for the Government of South Vietnam—the present one or one which succeeds it as a result of free elections. I think land reform which would give the people of South Vietnam a stake in things as they are could do a great deal to encourage and promote the development of a viable political solution.

The PRESIDING OFFICER. The amendment will be received, and printed, and will lie on the table.

EXHIBIT 1

AMENDMENT NO. 422

On page 87 insert:

"SEC. 108. VIETNAMESE LAND REFORM.—(a) The success of land reform programs in Vietnam is a material factor in the future political and economic stability of that nation, and the speed with which such programs are given effect may have consequences with regard to the termination of hostilities there. In order to support and encourage Vietnamese land reform programs, the President may make grants to the Government of Vietnam, out of funds appropriated pursuant to this section, for the purchase and shipment to Vietnam of goods and commodities, manufactured or produced in the United States, which, by their introduction into the Vietnamese economy, will contribute to sound economic development in Vietnam. Such goods and commodities (1) shall be of a type approved by the President for such programs; (2) shall include goods suitable for business inventories in nonluxury enterprises; (3) shall be exchanged for bonds issued by the Government of Vietnam to compensate landowners whose lands are transferred to other persons under such programs; and (4) shall be selected by any such landowner to whom a bond has been issued or by any other person or entity validly holding, according to Vietnamese law, any such bond.

"(b) In order to carry out the provisions of this section, there are authorized to be appropriated $80,000,000 for the fiscal year 1970, and the same amount for each of the three succeeding fiscal years.

"(c) The provisions of this section shall not be effective unless—

"(1) on or before February 1, 1970, there is enacted by the Government of Vietnam a law providing for the transfer of substantially all land used for the cultivation of rice, which is not under cultivation by the owner thereof from the owner of such land to the person who lives on such land actively cultivates it, or, if the land is suitable for such cultivation but is not being cultivated, to the person living on such land;

"(2) on or before February 10, 1970, the President certifies to the Congress that such Vietnamese law or decree is in such form and is being administered in such manner that the substantial proportion of rents otherwise collectible in connection with the Mekong Delta rice harvest from December, 1969, through February, 1970, will not be collected;

"(3) the Vietnamese law or decree carrying out the program set out in paragraph (1) of this subsection provides a means of compensating, at the fair market value, those landowners whose lands are transferred under the provisions of such law to other persons, such compensation to include bonds redeemable for goods and commodities as provided under subsection (a) and such bonds, whether all or part of the compensation provided, are being made available on a nondiscriminatory basis, as to maturity dates and forming the same percentage of compensation paid to such landowners having holdings of various sizes;

"(4) all import duties and other taxes on imported commodities are waived or suspend-

ed by the Government of Vietnam with regard to goods and commodities brought into Vietnam under the authority of this section; and

"(5) no permit or license to import is required, in connection with such goods and commodities, of former land owners who hold bonds issued in accordance with paragraph (3) of this subsection."

On page 87, line 11, strike out "Sec. 108." and insert in lieu thereof "Sec. 109."

EXHIBIT 2

LAND REFORM IN VIETNAM

(By Roy L. Prosterman, associate professor of law, University of Washington School of Law)

It should be in no way surprising that in a country where the bulk of the population—still 60 per cent today—is dependent on the land as its sole source of livelihood (as has been the case in Vietnam for at least 2,000 years) the question of land tenure should assume gigantic proportions.* Tenure imbalance strikes at the very base of the country's economic and political stability. Historically, breaking up large holdings and transferring them to individual small owners was a means of power consolidation by new Vietnamese royal dynasties. Even as late as the first decades of the nineteenth century, Nguyen Anh, who founded the last dynasty, set about breaking up large feudal landholdings in Vietnam. This policy was pursued by his successor, who acceded to the throne in 1820. The advent of French colonialism in the 1860's was accompanied by dramatic changes.

It is estimated that between 1880 and 1930 the land area devoted to rice in the fertile, southern region of Vietnam then known as Cochinchina (which included, in particular, the Mekong Delta region south of Saigon), grew by at least 400 per cent, with resulting increased yields. Yet, by 1930, the position of the Vietnamese peasant in the economy had so deteriorated that his situation was worse than it had been prior to French intrusion. Land was sold at absurdly cheap prices to colonialists who amassed vast holdings; the rice that could have put an end to peasant starvation was extracted through land rents and was exported, rather than made available to the indigenous population. The rough figures that are available indicate that during the 1930's some 57 per cent of the rural population of Cochinchina was landless.

As Joseph Buttinger, a leading Western historian of Vietnam, summed it up in *Vietnam: A Dragon Embattled*,[1] "the rural masses became as dependent on the rich landowners as the serfs of medieval Europe had been on their feudal lords."

After a third visit to Vietnam, in September, 1969, I had to conclude that the final word on success or failure of land reform as a program bearing on the conflict could not—quite—be written yet. Like Pearl lashed to the rail, and then rescued, this quintessential program had been up again and down again so many times over the last 15 years that even a week's lead time before publication might find one badly out of date. But at least for one sparkling moment, starting in May, 1969, and lasting at least through midfall, land reform was definitely "up" again. Whether or not the Vietnamese Senate or President Nguyen Van Thieu himself utilizes far reaching amendment powers to restore Thieu's genuinely excellent legislative proposal (after its evisceration at the hands of the lower house at the start of September), it would still be true that 1969 was the best year ever for South Vietnamese land reform. Unfortunately, this is not really saying much. Without a good bill to effect the transfer of privately owned lands, plus vigorous enforcement of the legislation and of programs begun earlier this year, South Vietnam will lose what is very likely her last chance to make sense out of this most basic of all "pacification" programs, and to acquire the leverage this might supply for a political settlement broadly satisfactory to various shades of American opinion.

LAND TENURE PATTERN

That the land problem is near the root of the conflict—as it was, for example, in China and in Cuba—has long been clear to most careful and scholarly observers; it is a point on which there has been close agreement among Bernard Fall (land reform is "as essential to success as ammunition for howitzer's—in fact, more so"), Buttinger, Douglas Pike, and many, many others. Today, at least three-fifths of South Vietnam's population of about 17 million is rural and derives a livelihood chiefly from rice farming. About three-fifths of this rural population lives in the Mekong Delta, south of Saigon, where 80 per cent of the country's rice is produced. Most of the remaining two-fifths of the farmers live in a narrow belt of riceland running up the coast—the area known as the Central Lowlands.

The tenure pattern under which the bulk of these farmers live and gain their sustenance is not fundamentally changed from that shown in the 1960–1961 Agricultural Census of South Vietnam, as confirmed by field work by the Stanford Research Institute (S.R.I.) in which I participated at the end of 1967. During the critical period of the conflict's development in the early 1960's only 257,000 out of 1,175,000—or 23 per cent—of the Mekong Delta's farming families owned all the land they worked. Their average holding was four and one-half acres. Another 334,000 families, or 28.5 per cent of the total, tilled six acres—four of which were rented, while 521,000 families, roughly 44 per cent, farmed an average of three and one-half acres of land that was *totally* rented. Thus, in the Delta, more than seven farming families out of 10 (44 per cent+28.5 per cent=72.5 per cent) were substantially dependent on tenant farming.

The massive dislocation of the war has reduced the rural population from 75 to 80 per cent to the current 60 per cent figure, and the exodus to the cities was probably proportionately greater among those who had no land of their own. But the 1967 field work showed that at least 60 per cent of the Delta's agricultural population, in the relatively secure areas (where the field work could be carried on), remained without ownership of land, and the size of holdings and conditions of tenure remained unchanged. In its percentage of landlessness, the Mekong Delta thus qualified as one of the four worst areas of the world—along with the Huk country of Central Luzon, Java, and northeastern Brazil—and equalled or exceeded pre-revolutionary China, Russia and Cuba.

The S.R.I. field work—the major portion of which consisted of nearly one thousand hour-long interviews with Mekong Delta residents, carefully randomized, and using an extensively pretested set of questions and Vietnamese interviewers under American supervisors—uncovered further details, although most of these simply confirmed the accurate appraisals which had already been available for more than a decade. In the Delta, landlords supply virtually no inputs: no credit, seeds, implements, fertilizer or advice. They collect rents—typically one-third to one-half of the gross crop, and sometimes even more. The landlords of roughly half the tenanted land are abstentees, so rent collection becomes an annual foray either by them or by agents—often local officials or military men who get a cut of what they collect.

Tenants can usually be evicted at will. They are held responsible for most, or all, of the rent even when their crops fail, for the rent is calculated in advance on an *estimate* of the gross crop. Thus, after major flooding reduced the harvest of 1966–1967—the Delta harvest period is from December to February—many tenants were held for rents that exceeded 75 per cent of their actual production. Should a tenant be unable to pay his rent, he is confronted with interest rates on the unpaid portion that *average* 60 per cent a year, and which in one case out of five exceed 120 per cent a year.

The situation is no better in the Central Lowlands. As the 1960–1961 census showed, the typical family—403,000 out of 695,000—lived on a two-acre farm, one acre of which was rented. About 74,000 families held rented land only, their average holding being one and one-tenth acres. Rents on the tenanted or share-cropped portion of lands in the Central Lowlands generally are 50 per cent of the gross crop, although here the actual crop is the measure more often than an estimate made in advance. Security of tenure, however, is as nonexistent as it is in the Delta.

These land-tenure figures can be given some perspective by nothing that South Vietnamese calculations indicate that once the rents go much above one-fifth of the crop, even a three and one-half acre Delta plot (the average for the 44 per cent of families that the census showed to be living wholly on rented land) does not produce enough rice to keep the average six-person household at recommended minimum sustenance levels.

The typical Central Lowlands mixed-tenure holding, as indicated, averages only two acres, one-half of which is rented.

A further finding of the S.R.I. study, contrary to a vast amount of conventional wisdom found in Saigon offices (but generally not found out in the field), was that the tenant farmers of the Mekong Delta—in an open-ended question with multiple responses allowed—regarded land ownership as a paramount concern five times as frequently as they regarded physical security as a paramount concern, and rated agricultural credit as a paramount concern four times as frequently as security.

THE VIETCONG PROGRAM

All the above data, however, relates to "tenancy" as it exists in areas under South Vietnamese government control. In areas where the Vietcong are in control, they have offered only one substantive program: land reform. The program has deep roots, adumbrated in the Joseph Alsop quotation that begins this article.

By the time that the Geneva Conference was convened in 1954, the Vietminh ruled 60 to 90 per cent of what is now South Vietnam. Their support by the rural population had accounted in substantial part for the crucial advantage that had enabled them to overcome the superior arms and manpower of the French. In their struggle, they had built their broad base of support on the strong foundation of anticolonial nationalism, and they had added to this (even more concretely than the Algerian rebels were to do a few years later) the attraction of land-tenure reform for the mass of the peasantry.

Beginning in 1945, in areas that they controlled, the Vietminh had enforced strict limitations on rent and interest rates. Lands held by the French, communal lands, and the land of "traitors" were confiscated and given to the poorer peasants. Beginning in 1953, the Vietminh undertook the second, more sweeping phase of their land reform program, under a classification system similar to that which had been employed by the Communist Chinese ("landlord," "rich peasant," "middle peasant," "poor peasant" and

*The author has just returned from his third extended trip to Vietnam to review progress in the land-reform area. This trip was taken under private grant, while the two earlier ones were made as the land-law consultant to the Stanford Research Institute survey of land tenure in Vietnam, undertaken for AID in 1967–1968.

[1] (New York: Frederick A. Praeger, 1967).

"agricultural worker"). In its first stage of implementation this system was aimed at taking land from the first two groups and giving it to the last two. Wherever it was applied, the program uttterly transformed the village social structure.

The sad history of the post-1954 years can only be briefly sketched here. The North Vietnamese moved to a stage featuring bloody village "trials" of the landlords and—very broadly defined—"rich peasants" (100,000 died, according to the best estimates), and then to collectivization. President Ngo Dinch Diem missed the chance to carry out a competitive democratic land reform, on models such as those of Mexico, Japan, Taiwan, Bolivia or South Korea (all of which had inaugurated sweeping land reforms before 1954). Instead, he adopted a law that was blatantly impossible to administer, attempting to control the landlord-tenant relationship—actually *restoring* the landlord-tenant relationship for hundreds of thousands of families in formerly Vietminh-controlled areas who had thought the land was now theirs—plus an extremely mild law regulating the acquisition of large holdings. The latter allowed retention of 247 acres (eventually raised to 284 in most cases), which was at least 30 times greater than the "retention limits" in the successful Asian land reform programs of Japan, South Korea and—ten years too late—Taiwan. It also suffered from multiple administrative defects.[2] Diem's program ground to a final halt in 1961, with benefits for only one out of ten tenant families. Local officials were allowed to retain and rent out the best of the acquired lands.

This left two great groups identifying the Communists with land reform and Saigon with the interests of the landed oligarchy:

About one million peasants who remained under Vietminh control even in Diem's heyday, and who continued to live under the economic and social transformations wrought by "first stage" (i.e., precollectivization) Communist land reform.

The great mass of tenant farmers who returned to Diem's control, who not only gained no benefits from Diem's unworkable laws, but actually found the government reestablishing a relationship that the Vietminh had already sundered.

Under the circumstances, it was not only logical but virtually inevitable that at the end of the 1950's the Vietcong should become the active successors of the Vietminh, building popular support throughout the countryside with the promise of the maintenance and extension of the Vietminh land reforms.

Saigon's response, from 1961 onward, not only totally omitted any competitive land reform measures, but from late 1965 onward actually involved the elaboration of decrees which justified the ultimate, very common "pacification" process by which the American innocents, having "secured" a village and moved on, were followed by the landlords riding in one the jeeps with "ARVN" (the South Vietnamese Army) to reassert control over their former lands. Not surprisingly, but very tragically indeed, many Americans have died at the hands of enraged peasants who have associated them with "pacification" in this, its completed, sense.

Unfortunately, the role of AID[3] and the United States State Department in all of this was pusillanimous. Starting with clear marching orders from President Dwight Eisenhower and those at the top in 1954 that made support for land reform a matter of high priority, working-level officials allowed themselves to be backed off step by step from a workable program by the clear signs of hostility emanating from major segments of the ruling elite. During 1960–1965, the United States Mission obligingly failed to have present in Vietnam even one full-time official dealing with the land reform problem, and a plethora of rationalizations sprang up about the need to rely on the landlord class for political stability. In the case of some officials, all these rationalizations stubbornly failed to give way even when the house of cards collapsed in the early 1960's and the preeminent role of the peasants in supporting the rebellion became clear.

TABLE I.—ENEMY STRENGTH

| | National intelligence estimate | CIA estimate |
|---|---|---|
| (1) Main force units | [1] 118,000 | [2] 150,000 |
| (2) Village guerrilla platoons and squads | 70,000–90,000 | 100,000–120,000 |
| (3) "Irregular" or self-defense militia | 150,000 | 100,000 |
| (4) Administrative and logistic apparatus | 35,000–40,000 | 75,000–80,000 |
| (5) Political cadres | 75,000–85,000 | 80,000–120,000 |

[1] 54,000 North Vietnamese; 64,000 Vietcong.
[2] 80,000 North Vietnamese; 80,000 Vietcong.

PEASANT SUPPORT FOR THE WAR

It is this deeply rooted peasant support which has given the Vietnamese conflict the very strong "insurrection" or "civil war" flavor which it still retains, despite the highly publicized infusions of manpower from the North which began in 1965. The measures of this peasant support are not hard to find. In March, 1968, *The New York Times* noted that the Vietcong had been steadily able to recruit 5,000 to 7,000 men a month. Lieutenant Colonel William Corson, former head of the Marine's Combined Action Platoons (CAP) program, writing in the summer of 1968, noted that some three-fifths of these Vietcong recruits could be regarded as volunteers or "soft-sell" enlistees. The common appeal in wide areas where Vietcong land reform was in effect was "The movement has given you land, give us your son."

*Newsweek*, on January 1, 1968, reported that 377,000 men were bearing arms against the United States and South Vietnamese forces, of whom only one-sixth were North Vietnamese. *The New York Times* on March 19, 1968, offered official estimates of all five categories of enemy strength, in which the North Vietnamese were said to play an even smaller role (see Table I).

Estimates made during my 1969 visit were that the North Vietnamese "main force" component was up, and that of southern recruits was down; on the local level southerners were still functioning in large numbers. The vitally important category of southern "cadres" or "V.C.I." (Vietcong infrastructure) had been somewhat depleted by the Communists' chosen tactics during *Tet*, but since then had hardly been touched. These V.C.I. do the recruiting, arrange the reconnaissance, obtain the porters and, by establishing supply and ammunition depots at intervals of about a day's march, prepare the way for main force actions—a *sine qua non* of these actions, since the main force units cannot carry with them the supplies and ammunition needed for their attacks. Moreover, despite well-reported "battles," it was doggedly, tragically true that over one-half of American casualties were the result of such essentially local guerrilla activities as the planting of mines and booby traps (and the mute silence of the villagers as they watched Americans walk into them).

The one bright spot in the picture was that fresh Vietcong recruitment had fallen to about 3,500 men a month, apparently through a combination of the loss of senior cadres at *Tet*, the spread of knowledge that main force units have been using southern recruits as the "first wave," and the first important stirrings of land reform under Nguyen Van Thieu, including an important effort to prevent landlords from returning to reclaim their lands in "pacified" villages.

The final part of this history—which was still undergoing almost daily changes as I was writing this—has involved the process by which the Thieu government appears, at last, and perhaps too late, to have embraced a really sweeping and workable program of land reform. The bizarre reality, of course, is that while the Communists have successfully billed themselves in Vietnam (and elsewhere) as "land reformers," genuine democratic land reform does not take a back seat to Communist land reforms by any means. Quite the contrary; the collectivization which has been the universal "second stage" of Communist land reform promises that have led to successful revolutions has been an economic disaster vastly distasteful to the peasantry, while the half-dozen successful non-Communist land reforms of this century[4] have led to major increases in agricultural production and have furnished a bulwark of political stability—including assistance in defeating attempts to start guerrilla movements in Bolivia and South Korea by depriving the would-be revolutionaries of their "gut" issue.

THIEU'S LAND REFORM PROGRAM

The first signs of real movement came from the South Vietnamese. President Thieu, speaking to a gathering of provincial land-affairs officials on January 18, 1968, just before the *Tet* offensive, had made the statement quoted at the beginning of this article.

Over the following months, the *Tet* offensive, the Johnson announcement of a bombing halt, the start of talks in Paris and the presidential campaign of Minnesota Senator Eugene McCarthy all supplied additional shocks to the Vietnamese, and major elements of land reform program began to take shape.

First of all, distribution of the choice lands taken by Diem but never distributed began in earnest. Procedures were simplified with the help of United States land reform advisers so that village-level committees could approve the applications made by the present cultivators and hand out deeds in under a week, and a tremendous boost was given the program when President Thieu decreed at the start of July, 1969, that henceforth the distribution would be free and that former recipients would be freed from their payment obligations. The distribution over the two years sharply accelerated:

TABLE II.—*Land Distribution, 1968–69*

[Acres distributed]

| | |
|---|---|
| January to June 1968 | 20,000 |
| July to December 1968 | 40,000 |
| January to August 1969 | 90,000 |
| September to December 1969 (estimate) | 90,000 |

In 1969, an estimated 50,000 families will receive these government-owned lands.

Second, a temporary end, at least, was brought to "negative land reform." In September, 1968, Thieu declared that the processes by which landlords evicted occupants and collected rents in newly "secured" areas would be ended. Very likely, he had the forthcoming "accelerated pacification" drive in mind: if the process of planting the flag, at least in daytime, in additional villages, were to be accompanied by the customary

[2] One example: regulations ultimately gave landlords eight years in which to prove "pre-ordinance" transfers to others that brought their holdings below the point where the law took hold; transfers to relatives and strawmen were common; and the author has met Vietnamese who openly admit that they still "own" over 2,000 acres.

[3] The United States Agency for International Development.

[4] In Mexico, Japan, South Korea, Taiwan, Bolivia and Iran, in that order, perhaps soon to be followed by Peru.

inflow of returning landlords, the results for Saigon would be politically—and perhaps militarily—disastrous. This declaration was followed by three decrees:

One in November, 1968, that prohibited officials or soldiers in newly secured villages from reinstalling landlords or helping to collect rents;

A second in February, 1969, that extended the prohibition to the private landlords themselves and made it effective until February, 1970;

And a third in April, that made the earlier prohibitions countrywide, apparently in anticipation that landlords in more secure areas might try to evict tenants and resume personal occupation in contemplation of further land reform measures.

My just-concluded field work persuades me that the countrywide occupancy "freeze" is being widely adhered to. It has been well publicized; it involves a highly visible action if it is violated; and in areas where the new local-force units ("Popular Forces," "Regional Forces," and "Local Self Defense Forces") have received some 500,000 rifles, the South Vietnamese Army (ARVN) can no longer trample on peasants' legal rights with impunity. The rent "freeze" (supposedly at a zero level in newly secured areas) involves more clandestine violations, and appears to be only spottily effective.

Third, there was an almost disastrous decision in February, 1969, to design the biggest, final part of the program—involving transfer of some, most, or all of the 3,000,000 acres of privately owned lands that are farmed by tenants—as a "voluntary" purchase program. This would have merely urged landlord transfers for 2 to 3 years and then would have "required" them only when the administrators could determine (with the land records for three out of eight villages totally destroyed) that a landlord held more than 37, or perhaps 75, acres. Fortunately, President Thieu took a personal hand, which resulted in the scrapping of the "voluntary" plan, the sacking of the land reform minister, and the drafting of the sweeping "Land to the Tiller" bill and its presentation, in early July, to the lower house. This bill would affect *all* of the 3,000,000 acres of land that are cultivated by tenants or non-owners, and would make *all* Vietnamese peasants the owners of the land they till. The regime of tenant farming for a million families would be ended in a drastically simplified and rapid way:

All land not tilled by the owner would be affected (so there would be no need to apply a "retention limit" under which each owner would have to make a "declaration" of how much he owns, with the onus on the administrators to find out if he is lying).

The peasant tilling the land would receive it *free* (so there would be no occasion for corrupt administrators to dun the peasant for payments and the message would be the simplest possible: you don't pay anything to anybody).

The effect would be *nationwide* (so that peasants tilling land in insecure areas could nevermore be goaded to support the Vietcong with the threat that landlords would otherwise return: "negative land reform" would be gone for good).

Confirmation of title would come via a highly simplified village-level application procedure, involving only a few days' delay, and requiring neither the shifting of families, the shifting of present boundaries, nor the resurveying of the land.

Landlords would be fully compensated (20 percent in cash, 80 percent in 8-year inflation-adjusting bonds). The total cost would be $400 million, equal to between five and six days' cost of the war.

The bill, in fact, represents one of the great non-Communist land reforms of the twentieth century, even more sweeping, for example, than those of Japan and South Korea. The "Land to the Tiller" program, however, is now in deep political trouble, the basic difficulty being that the South Vietnamese landlords do not trust the bonds. Because of this, they combined their influence in the lower house with another group that sees opposition (shortsightedly would be an understatement) as a way of preventing Thieu from increasing his political power. This combined opposition eviscerated the bill—putting in a 37-acre "retention limit" and adding that only "legal" occupants could receive land—and even then added a provision boosting the cash portion of compensation for the landlords from 20 percent to 60 to 70 percent.

Now the upper house is considering the bill. In a heartening demonstration of firmness, President Thieu has asked to have it amended to its original strong version. Under Vietnamese law, the upper house amendments, if any, will prevail unless overridden by two-thirds of the total membership of the lower house. Even then President Thieu can amend and will prevail, unless his amendments are overridden by a majority of the joint membership of the two houses. Thus, for the moment, with President Thieu's continued exhibition of firmness, land reform is "up" again after its lower house drubbing.

But whether the upper house amends and—if not—whether President Thieu amends and is not overridden, now depend crucially on the credibility of the compensation to the landlords.

As this was written, pressures appeared to be building for a United States declaration of financial support for the program—consistent with President Richard Nixon's strong general statement of support for the program in the Midway communique of June, 1969. Whether such a statement is made may well be decisive in determining whether, as this is being read, the mass of South Vietnamese peasants are finally becoming owner-farmers, or whether the chance to achieve an impact during the 1969 main Delta harvest period (December to February) has been missed. If, finally, land reform goes "down" again, it may well be for the final count.

Mr. AIKEN. Mr. President, if I had not heard the Senator from Maine read the proposed amendment, I would not have believed it; because I had been told for the last 6 or 8 years, through the Kennedy and the Johnson administrations, that the purpose of our presence in South Vietnam was to provide self-determination for the people of that country. It was for that purpose, we sent in nearly 550,000 American military men.

I do not believe we can give the South Vietnamese self-determination by writing their legislation for them almost in detail. Of course, they need land reform. So do many other countries in the world—some not too far from South Vietnam. But unless we are willing to keep an enormous Army there for the foreseeable future, we cannot force self-determination on South Vietnam, according to our ideas of what self-determination should be.

As a matter of fact, the Legislature of South Vietnam now has land reform legislation before it. They expected to have it consummated by the first of January. I understand that February will be a more likely date for the completion of this land reform program.

It seems almost the acme of arrogance for us to undertake to tell the South Vietnamese people in what way they should divide their land among the producers, what the customs duties or the taxes should be, what they export, and so forth. It would be almost—well, in fact, it would be total insolence on our part, when we are there for the purpose of securing for them the right of self-determination, to say now, "We will write your laws; we will tell you how you are going to do this, how you are going to do that."

Unless we want to keep a half million men there for a long, long time, we had better let them decide for themselves what they want to do, because we cannot force them. We have prevented self-determination in South Vietnam by the presence of a half million American soldiers, and I do not want to go any further in that direction.

In another area some of our people believe we should tell Greece what it should do and how it should run its government. Others say we have to tell Sweden how it should run its affairs; otherwise, we will find a way to punish Sweden through some of our legislation. Some people would like to use our Committee on Foreign Relations for that purpose.

I will have a little more to say on this subject tomorrow, if we do not finish this bill tonight.

Mr. FULBRIGHT. Mr. President, I want to ask the Senator from Maine some questions.

Mr. MUSKIE. May I respond first to the Senator from Vermont?

Mr. FULBRIGHT. Yes.

Mr. MUSKIE. Mr. President, I have the utmost respect for my distinguished colleague from New England, the Senator from Vermont, but it is obvious to me, from the criticisms he has enunciated, that he did not listen to what I was saying.

The proposal I have made is not a proposal to dictate legislation to the assembly of South Vietnam. My proposal is geared to the fact—which is subsantiated by the Senator's observation—that legislation is pending in the legislature of South Vietnam. It is my purpose to encourage the enactment of this legislation. Whether they do or not is, of course, for them to decide.

Mr. President, I wish to say to my good friend from Vermont that we spend hundreds of millions of dollars every year to assist the Government of South Vietnam and the people of South Vietnam to shore up their economy, to shore up their currency so that it does not run away completely, to provide food, and to pay for food. I assume that as long as we are there we will be spending more than the $80 million a year I am talking about. All I am saying in the amendment is, "Let us use this $80 million a year to provide a way for the South Vietnamese to reassure the landlords, who are the object of their own legislation, that what they offer will be paid for." It would be American money in any case.

I am undertaking to do two things: First, to express our concern that the South Vietnamese Government will move ahead with land reform; and second, to funnel a small portion of the aid we give them anyway to provide them means for paying the landlords under their land reform legislation.

I have not dictated anything here. Anyone who reads force into this meas-

ure cannot read the English language. There is nothing compulsory or compulsive about the legislation in any way. Nothing would spell out the kind of land reform they should have. This amendment is entirely geared to the proposal for land reform which is now pending in the assembly in Saigon, which one house has already considered and defeated, and which the other house may very well defeat because there is not a credible means for payment to the landlords. This is why the landlords organized to defeat the legislation. I would like to see that legislation pass, if the assembly wishes to pass it. The only roadblock is a credible means of paying the landlords.

I suggest this means, which they can take advantage of or not if they wish, would establish a credible way to proceed.

Mr. AIKEN. Does the Senator think we should give them $80 million regardless of the nature of the land reform program, or does the Senator from Maine think we should just give the South Vietnamese the money and let them carry out land reform as they saw fit, regardless of what their land reform program might be?

Mr. MUSKIE. I do not know what the Senator means by "regardless."

Mr. AIKEN. I understand the Senator.

Mr. MUSKIE. May I say to the Senator from Vermont——

Mr. AIKEN. Surely.

Mr. MUSKIE. We have geared this explicitly to the bill that is pending there. We are not trying to write another one. We have geared this to the bill pending there.

Mr. AIKEN. Regardless of what the South Vietnamese legislature decides on?

Mr. MUSKIE. If they take away its substance, I assume we would not be interested in paying for it. We are not dictating what it should be, but we have the right to pass judgment on what money we pay to support it.

Mr. AIKEN. We have? I read the amendment and it is clearly inferred if the South Vietnam legislators enact the kind of land reform we approve they would get the $80 million; but if they do not suit us they do not get the $80 million.

If that is not one of the worst forms of aggression we could practice in a small country I do not know what it would be. We tell them what kind of legislation to enact and at the same time we hold out self-determination for them as the reason we have 500,000 men there and when we did have 500,000 men there there was no possible chance for self-determination because we determined everything for them. I would like to get away from the state of affairs where we prevent self-determination through the weight of our intervention.

Mr. MUSKIE. If the Senator were to project the principle which he just enunciated to the fullest extent, he would vote against any appropriation bill to provide a dollar in support of our military effort in South Vietnam. He would vote against any appropriation bill for any of the economic purposes for which we give aid to South Vietnam because in these two ways we are making an impact on that country which deprives them of the option they would have if we were not there. We are there, and we are making an impact every day at the rate of millions for the cost of the war and other appropriations that deprive them of options.

All I say to the Senate and to the distinguished Senator from Vermont is that now we be a little more precise in indicating the ways in which our money should be used. We would like to encourage land reform. We would like to encourage the kind of land reform that is represented by their present bill.

With the proper encouragement it can be enacted. As I understand from reports I get back from South Vietnam, it could be enacted this month or next month. If it is enacted this month or next month before the harvest has to be shared with landlords, this might expedite the end of the fighting there.

Already we are spending hundreds of millions of dollars in ways that the South Vietnamese do not control in South Vietnam, militarily and economically. I do not see why we should have this sudden surge of conscience today, in connection with a little more precise indication of our hopes for them than is represented in the bill.

Mr. AIKEN. Until we can be a little more effective in bringing out reforms here in our own country, we better not be too insistent on reforms in other countries. We had a chance, in the last 2 weeks, to enact a reform in this country and we did not do a very good job.

If I had my way, we would never have sent 500,000 men there to enforce self-determination on the South Vietnamese, but I did not have my way. In fact, after I advised President Johnson that he should change his policy, he sent 230,000 more men there instead of taking my advice. He thought he was doing the right thing at the time, but it turned out he was not. The worst thing we can do now is to undertake to tell people or governments of a hundred small countries how they should run their affairs in detail.

Mr. MUSKIE. I am not telling 100 small countries.

Mr. AIKEN. When it is said, "You do not get the money unless you approve what we approve," that is aggression.

Mr. MUSKIE. On the floor of the Senate every day we give advice to the Government of South Vietnam to broaden their bases, to get rid of that group, or respond to another group. They have been the recipients of free advice from us, who control the purse strings, for many, many years, not only with respect to minor political actions as this one, but in much broader areas.

We are confronted with a condition, not a theory. Our obligation is to get out. The Senator from Vermont has not supported the idea of unilateral withdrawal from Vietnam. He has recognized in the many statements he makes that our problem is to phase out in an orderly withdrawal as quickly as possible. Our orderly withdrawal means having some impact on decisions they make as well as decisions we make.

The Vietnamization policy is an American decision which we are imposing on them. We are saying to them: Prepare to take over this war militarily, because we are pulling out. As far as I know, the Senator from Vermont has not opposed the Vietnamization policy of this administration. If that does not represent pressure on South Vietnam with respect to the way they conduct the war and end it, then I should like to know what it is.

All I am asking is a relatively minor amendment to try to move, by inducement and not force, the South Vietnamese Government along the road toward justice for South Vietnamese peasants. The Vietnamization policy is not going to work unless the government we leave behind is prepared to do justice to its people. If we can apply pressure to that government to take over the military conduct of the war, then, it seems to me, it is legitimate for us to offer an inducement to that government to broaden its political base. Why the one is so acceptable and this one is so abhorrent to the Senator from Vermont, I find difficult to understand.

Mr. AIKEN. I think it would be better if we devoted our energies toward getting approval of the Dickey-Lincoln Dam, which is far more important in New England than the land reform program.

Mr. MUSKIE. It is important to my people in New England that we stop the killing and the dying in South Vietnam. If we are going to do that, we have got to be concerned not only with the Vietnamization of the military efforts of the South Vietnamese but also with whether what we leave behind will be a viable political situation for the people of South Vietnam. That means concerning ourselves not only with the fighting in the war, until our troops can come home, but to get down to work with them to develop an economy in South Vietnam.

I think we are inevitably involved in this decision. I would be amazed if we did not have something to do through our ambassador there, through our foreign aid mission there, with the fact that there is a bill dealing with land reform now pending in the South Vietnamese Assembly. I would be amazed if we did not have something to do with that, because we have been pressing, under the Kennedy administration, under the Johnson administration, and now under this administration, our political points of view upon the government in Saigon. This is just another one.

Mr. AIKEN. Well, there is a difference between withdrawing troops and sending men in, that is all I would say.

Mr. MUSKIE. We are telling them what to do with their own troops. We are telling them that they had better get ready for our withdrawal. That is the way I understand the Vietnamization policy of the present administration.

Mr. FULBRIGHT. Mr. President, will the Senator from Maine yield?

Mr. MUSKIE. I yield.

Mr. FULBRIGHT. I hesitate to get involved in this discussion between two very articulate and learned New Englanders. Maybe I should be quiet, but I thought, if the Senator will allow just a question or two, that I would like to point out there is $420 million for supporting assistance in the bill. The lion's share of these funds is to be used for the Vietnamization program. If this is a matter in which they are seriously in-

terested, why can that money not be used for this purpose?

I must say that I share somewhat the Senator's concern about intervening in Vietnam. If we are seriously getting out—and I would like to say to the Senator that I am serious about getting out—I did not propose Vietnamization and I am not at all convinced that Vietnamization means that we will be able to get out, but I do not question the motives or the sincerity of the administration. I merely question the judgment, taking into account all the circumstances of human nature, and so forth, and whether this can result in what they think they can achieve by it. That is not to say that they do not mean what they say. I am not trying to put it on that basis. I am simply putting it as a political matter; namely, will it result in a situation in which we can withdraw?

My objective is to withdraw.

As to land reform in Vietnam, one of the first men I ever talked to was Gen. Edward Lansdale. There were others. There was one man there before him named Wolf Ladajinsky? This is not a new subject they have been playing around with. My understanding is that the dominant political figures in South Vietnam politics are landlords, and, therefore, they are not very sympathetic to this subject. I would really question as a practical matter, in a sense, our holding out a special bait for them. If they have any desire to do it, why can they not do it out of the money already in the bill? That money is there to assist them.

Please understand that I am not advocating this. I do not like this bill. I am only asking a question, for the Senator to explain what his attitude is toward it. I do not like the continuation of this program in Vietnam. I would like to take those measures which would bring about a political solution at the earliest possible moment, a solution modeled after the French solution in Vietnam in 1954. But the administration is choosing a different route. They think they have the support to do it.

I only say this by way of making my own position clear, that I would like to do anything to promote our leaving Vietnam, and to do any reasonable thing to bring that about. The Senator seems to be saying that this would hasten the time when we could depart. I do not quite understand that connection at all. I wish the Senator would enlighten me a little more about these points.

Mr. MUSKIE. Mr. President, if I used the word "would," and I might have, but I do not recall that I expressed a certainty I do not feel.

I do not know how anyone can feel any certainty about what is going to happen in South Vietnam. In my judgment, and in the judgment of many Senators in this Chamber, and those who have been close to the Vietnamese story for a long time, land reform is the critical element in the development of a popularly based—not popularly chosen—but a popularly based government in South Vietnam.

I remember, when I first went to Vietnam on a mission, which included the distinguished Senator from Vermont (Mr. AIKEN) and the Senator from Montana (Mr. MANSFIELD) in October and November of 1965, that Ambassador Lodge was our Ambassador there. He met us at Bangkok and flew down with us to Saigon. On the way, he briefed us on the critical situation in Vietnam. Ky and Thieu had just taken over the government within a few weeks of that time.

I remember what Ambassador Lodge emphasized most was the need for land reform in Vietnam. He certainly undertook the political education of Ky and Thieu and made it the top of the agenda. That was true not only of Ambassador Lodge, but also of the American AID team and everyone concerned with the problem of developing the economic and political viability of South Vietnam.

"Land reform. Achieve land reform" was the cry, and we would at least make a start along the road toward political viability in South Vietnam. Ever since that time, land reform has been the top agenda for everyone concerned with building political viability there.

The second point I should like to make, in responding to the Senator's question, is that maybe there are sums in the bill other than this one, that could be used. If there are, I would have no objection to setting them safely in the bill, but tied to the objective stated in my amendment.

It is my impression that this bill represents the rock bottom figure for foreign aid and that it probably represents a pretty tight list of projects and priorities.

I am not a member of the Senator's committee.

Mr. FULBRIGHT. There is much too much money for the military, I fear, but that is another matter.

Mr. MUSKIE. I do not know what the point is. I do not know what the list of priorities is.

Mr. FULBRIGHT. It is too much money for the military. There is no doubt of that, but——

Mr. MUSKIE. I could be persuaded by the Senator——

Mr. FULBRIGHT. Perhaps I have not made myself clear. I have not questioned what our Ambassador said; but why is it, if this has been true and if it has any substance, that the Vietnamese have not done anything about land reform? We have poured an awful lot of money in there over the past few years.

Mr. MUSKIE. One of the greatest criticisms I have directed at the government in Saigon, as well as the distinguished Senator from Arkansas himself, and others, is that that government is not responsive to its people.

Mr. FULBRIGHT. That is right.

Mr. MUSKIE. I must say I have shared that conviction. So if it has not moved in this field, one of the reasons may well be a lack of feeling of urgency about this objective. That does not make it a less valid objective. This may be part of the reason why some of the money we have sent there in the past has not been devoted to this purpose. We are faced with the choice of doing it through political instruments of our own choice. The question we have to face—the one I faced as I considered this amendment—is whether, notwithstanding the shortcomings of the Government and the difficulties of achieving social justice, we should not make this effort at least to try to stimulate the Government to move in that direction, especially in view of the fact that, at long last, after a lot of argument about it, there is a bill pending in the legislature in South Vietnam that our experts on Vietnamese land reform tell me is sound.

With that bill pending, with the South Vietnamese having taken the initiative, and the one obstacle being the reluctance on the part of landlords because of lack of credibility in the means to pay for it, it appeared to me the foreign aid bill might be one way to nail down that credibility on a step that has come so slowly and so late in South Vietnam.

I do not expect to sell any proposition dealing with Vietnam quickly. We divide very quickly and very deeply and very violently on this subject, in so many ways.

I did not really believe the subject of land reform would be a subject of deep division here, but maybe it will be, even here on the Senate floor. And I am not wedded to this formula——

Mr. FULBRIGHT. The Senator misunderstood my question. I am not arguing the value of land reform. I very deeply question our Government, under these circumstances, or any other circumstances, undertaking any land reform development over there. My objective is to leave Vietnam to the Vietnamese at the earliest possible moment. I thought the Senator suggested—maybe I used the wrong word—that perhaps this would in some way speed up the process. If that is not true, I misunderstood.

If it had any validity, I would be much more interested. If, on the other hand, it is the beginning of a process of giving them this idea and paying them to take it, I would question very much that kind of an approach, because I do not think we have a long-term role to play there as a guiding mentor. I do not think that is the proper role for us there.

Mr. MUSKIE. I do not think this needs any long-term role——

Mr. FULBRIGHT. The Senator said 4 years.

Mr. MUSKIE. The action, if any, taken could be taken in the next month or two. Thereafter, it would be a question of meeting our payments.

Mr. FULBRIGHT. The Senator wants to make a commitment that goes on for 4 years. Did he not say so?

Mr. MUSKIE. I take it the commitment was made by President Johnson in his Johns Hopkins speech to commit $1 billion of American money for the development of all Vietnam at the end of the war. I do not know whether that commitment has any validity. I know the Senator has very deep reservations about commitments, and I joined in the resolution which his committee produced to inhibit that sort of thing.

Nevertheless, it seems to me, looking toward the end of the war in South Vietnam—and we hope it will end before our troops are withdrawn, but that ought not to delay their withdrawal—the resolution of present difficulties in Vietnam is inevitably going to involve economic as-

sistance on our part after the fighting ends.

I may be wrong. The Senator is chairman of a committee that has great influence in this area and maybe we can get out without spending another nickel——

Mr. FULBRIGHT. No; I do not think that is advisable.

Mr. MUSKIE. If it is not, if we are going to talk about economic commitment after the war, then the Senator's question directed at my amendment is irrelevant.

Mr. FULBRIGHT. I do not think the Senator should be quite so impatient. I do not believe the Senator submitted this amendment to the committee. As a matter of fact, the first time I heard of the Senator's sponsorship was in a letter received today. Does the Senator really expect us to receive and accept an amendment of such far-reaching importance without any hearings or consideration other than a short debate on this floor?

Mr. MUSKIE. The Senator from Maine has been in this body long enough not to expect anything. I am simply responding to the Senator's question. Does the Senator expect to ask a question and not get an answer? The Senator asked me whether this amendment, because it involves a payout over 4 years, did not commit us to a long-term commitment in Vietnam. I say no, not militarily. This does not have the effect of prolonging our military involvement. All it does is set in motion, or try to set in motion, an economic policy in South Vietnam which might contribute to a resolution of the war and of political difficulties which have divided the country. There is no guarantee that it will. But it certainly does not add to our long-term military commitment. It does not tend to stretch it out. All it does, and all that it is intended to do, is to stimulate certain activities in South Vietnam on land reform and to encourage them.

I know it is going to be difficult to sell it to the Senate. I have already today picked up six cosponsors. I would like to have had the amendment ready to submit to the Foreign Relations Committee, but, unfortunately, the idea was not suggested early enough for me to do it. I wanted to get the advice of people who know the land situation in South Vietnam, and we just finished drafting the amendment in the last few days.

I understand the difficulty of selling it, and I probably will not succeed; but I hope I am offering it to focus the attention of the government in Saigon, at least, on the concern of at least seven Senators that they move ahead with the land reform program.

If the U.S. Senate is enough taken by this suggestion to approve it, fine. I would feel a certain satisfaction in this effort. I do not have any exaggerated ideas about the possibility of selling it, but I am going to do my best to sell it.

Mr. FULBRIGHT. The Senator is within his rights to offer any amendment he wants, and the objective is a worthy one. May I ask the Senator to illustrate what he has in mind? How much does he expect to pay for the land and how is he going to see to it that the money goes for this purpose and is not siphoned off for another purpose? In the course of the pacification program in the past, I am quite sure efforts were made to bring about land reform, but I have never heard any good, solid evidence that any success was achieved in that direction.

Mr. MUSKIE. I have not suggested, nor do I think I would be in a position to suggest, what the price per unit of land might be. The estimates as to the overall cost were given to me. Incidentally, may I suggest to the Senator from Arkansas that he read an article I placed in the RECORD earlier, written by Roy L. Prosterman, and published in the magazine Southeast Asia? Mr. Prosterman is associate professor of law in the University of Washington School of Law. The article contains a great deal of useful information. I thought it might answer some of the Senator's questions.

Mr. FULBRIGHT. Is not he the one who suggested the multinational guarantee of bonds to be issued, not by the United States, but by a multinational agency, such as the World Bank? That is a very different proposal from our undertaking, which is a part of the bill.

Mr. MUSKIE. I do not recall that point. I am not suggesting that my amendment is a Prosterman amendment. All I am saying is that the insights with respect to the land reform program, contained in his article, are, I think, of interest and are useful. If I had some way of promoting multilateral guarantees of these bonds, I would use this means. The only means available to me is the foreign aid bill.

Mr. PELL. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. PELL. One thought went through my mind as I was reading the amendment of the Senator from Maine. I was wondering whether, instead of having $80 million of new funds authorized, he would consider a perfecting amendment to include his item in the $440 million of support money already programed for Vietnam. That would mean no new funds.

Mr. MUSKIE. As I said earlier in colloquy with the Senator from Arkansas, it may be that funds are already provided in the bill that could be applied to this purpose. I would have no objection to undertaking to go along with that. However, the Senator from Rhode Island, being a member of the Committee on Foreign Relations, would know better than I whether the funds to which he refers are already committed to specific projects of high priority. If not, I would be perfectly happy to go along with his suggestion.

Mr. PELL. Mr. President, I think the administration is of the view that it has already earmarked all the authorized funds. However, Congress can and should declare its intent and its priorities, such a statement of priorities, in this regard would afford help and guidance to the administration. But I would leave this thought with the proposer of the amendment.

Mr. MUSKIE. I thank the Senator from Rhode Island.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

AMENDMENT NO. 424

Mr. JAVITS. Mr. President, in behalf of myself and other Senators—I think the total number is 18—I send to the desk an amendment, and ask that it be printed under the rule.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. JAVITS. I ask unanimous consent that the amendment be printed in the RECORD, and I will soon submit a short statement explaining the details of the amendment, under the subtitle "Overseas Private Investment Corporation."

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 424) is as follows:

AMENDMENT NO. 424

Insert, after line 24 on page 85, the following new section 105, and renumber subsequent sections accordingly:

"SEC. 105. Chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to Development Assistance is amended by deleting Title III and Title IV and substituting in lieu thereof the following new Titles therefor:

"'TITLE III—HOUSING GUARANTIES

"'HOUSING GUARANTIES

"'SEC. 221. In order to facilitate and increase the participation of private enterprise in furthering the development of the economic resources and productive capacities of less developed friendly countries and areas, and promote the development of thrift and credit institutions engaged in programs of mobilizing local savings for financing the construction of self-liquidating housing projects and related community facilities, the President is authorized to issue guaranties, on such terms and conditions as he shall determine, to eligible investors as defined in section 328(c), assuring against loss of loan investments for self-liquidating housing projects. The total face amount of guaranties issued hereunder, outstanding at any one time, shall not exceed $130,000,000. Such guaranties shall be issued under the conditions set forth in section 222(b).

"'HOUSING PROJECTS IN LATIN AMERICAN COUNTRIES

"'SEC. 222. (a) The President shall assist in the development in the American Republics of self-liquidating housing projects, the development of institutions engaged in Alliance for Progress programs, including cooperatives, free labor unions, savings and loan type institutions, and other private enterprise programs in Latin America engaged directly or indirectly in the financing of home mortgages, the construction of homes for lower income persons and families, the increased mobilization of savings and improvement of housing conditions in Latin America.

"'(b) To carry out the purposes of subsection (a), the President is authorized to issue guaranties, on such terms and conditions as he shall determine, to eligible investors, as defined in section 238(c), assuring against loss of loan investment made by such investors in—

"'(1) private housing projects in Latin America of types similar to those insured by the Department of Housing and Urban Development and suitable for conditions in Latin America;

"'(2) credit institutions in Latin America engaged directly or indirectly in the financing of home mortgages, such as savings and loan institutions and other qualified investment enterprises;

"'(3) housing projects in Latin America

for lower income families and persons, which projects shall be constructed in accordance with maximum unit costs established by the President for families and persons whose incomes meet the limitations prescribed by the President;

"'(4) housing projects in Latin America which will promote the development of institutions important to the success of the Alliance for Progress, such as free labor unions, cooperatives, and other private enterprise programs; or

"'(5) housing projects in Latin America 25 per centum or more of the aggregate of the mortgage financing for which is made available from sources within Latin America and is not derived from sources outside Latin America, which projects shall, to the maximum extent practicable, have a unit cost of not more than $8,500.

"'(c) The total face amount of guaranties issued hereunder or heretofore under Latin American housing guaranty authority repealed by the Foreign Assistance Act of 1969, outstanding at any one time, shall not exceed $550,000,000: *Provided*, That $325,000,000 of guaranties may be used only for the purposes of subsection (b)(1).

"'GENERAL PROVISIONS

"'SEC. 223. (a) A fee shall be charged for each guaranty issued under section 221 or section 222 in an amount to be determined by the President. In the event the fee to be charged for such type of guaranty is reduced, fees to be paid under existing contracts for the same type of guaranty may be similarly reduced.

"'(b) The amount of $50,000,000 of fees accumulated under prior investment guaranty provisions repealed by the Foreign Assistance Act of 1969, together with all fees collected in connection with guaranties issued hereunder, shall be available for meeting necessary administrative and operating expenses of carrying out the provisions of this Title and of prior housing guaranty provisions repealed by the Foreign Assistance Act of 1969 (including, but not limited to expenses pertaining to personnel, supplies, and printing), subject to such limitations as may be imposed in annual appropriation Acts; for meeting management and custodial costs incurred with respect to currencies or other assets acquired under guaranties made pursuant to section 221 or section 222 or heretofore pursuant to prior Latin American and other housing guaranty authorities repealed by the Foreign Assistance Act of 1969, and to pay the cost of investigating and adjusting (including costs of arbitration) claims under such guaranties; and shall be available for expenditure in discharge of liabilities under such guaranties until such time as all such property has been disposed of and all such liabilities have been discharged or have expired, or until all such fees have been expended in accordance with the provisions of subsection (b).

"'(c) Any payments made to discharge liabilities under guaranties issued under section 221 or section 222 or heretofore under prior Latin American or other housing guaranty authorities repealed by the Foreign Assistance Act of 1969, shall be paid first out of fees referred to in subsection (b) (excluding amounts required for purposes other than the discharge of liabilities under guaranties) as long as such fees are available, and thereafter shall be paid out of funds, if any, realized from the sale of currencies or other assets acquired in connection with any payment made to discharge liabilities under such guaranties as long as funds are available, and finally out of funds hereafter made available pursuant to subsection (e).

"'(d) All guaranties issued under section 221 or section 222 or heretofore under prior Latin American or other housing guaranty authority repealed by the Foreign Assistance Act of 1969 shall constitute obligations, in accordance with the terms of such guaranties, of the United States of America and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"'(e) There is hereby authorized to be appropriated to the President such amounts, to remain available until expended, as may be necessary from time to time to carry out the purposes of this title.

"'(f) In the case of any loan investment guaranteed under section 221 or section 222, the agency primarily responsible for administering part I shall prescribe the maximum rate of interest allowable to the eligible investor, which maximum rate shall not be less than one-half of 1 per centum above the then current rate of interest applicable to housing mortgages insured by the Department of Housing and Urban Development. In no event shall the agency prescribe a maximum allowable rate of interest which exceeds by more than 1 per centum the then current rate of interest applicable to housing mortgages insured by such Department. The maximum allowable rate of interest under this subsection shall be prescribed by the agency as of the date the project covered by the investment is officially authorized and, prior to the execution of the contract, the agency may amend such rate at its discretion, consistent with the provisions of subsection (f).

"'(g) Housing guaranties committed, authorized or outstanding under prior housing guaranty authorities repealed by the Foreign Assistance Act of 1969 shall continue subject to provisions of law originally applicable thereto and fees collected hereafter with respect to such guaranties shall be available for the purposes specified in subsection (b).

"'(h) No payment may be made under any guaranty issued pursuant to this Title for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

"'(i) The authority of section 221 and subsection 222 shall continue until June 30, 1972.

"'TITLE IV—OVERSEAS PRIVATE INVESTMENT CORPORATION

"'CREATION, PURPOSE, AND POLICY

"'SEC. 231. To mobilize and facilitate the participation of United States private capital and skills in the economic and social progress of less developed friendly countries and areas, thereby complementing the development assistance objectives of the United States, there is hereby created the Overseas Private Investment Corporation (hereinafter called the Corporation), which shall be an agency of the United States under the policy guidance of the Secretary of State.

"'In carrying out its purpose, the Corporation, utilizing broad criteria, shall undertake—

"'(a) to conduct its financing operations on a self-sustaining basis, taking into account the economic and financial soundness of projects and the availability of financing from other sources on appropriate terms;

"'(b) to utilize private credit and investment institutions and the Corporation's guaranty authority as the principal means of mobilizing capital investment funds;

"'(c) to broaden private participation and revolve its funds through selling its direct investments to private investors whenever it can appropriate do so on satisfactory terms;

"'(d) to conduct its insurance operations with due regard to principles of risk management including, when appropriate, efforts to share its insurance risks;

"'(e) to utilize, to the maximum practicable extent consistent with the accomplishment of its objectives, the resources and skills of small business and to provide facilities to encourage its full participation in the programs of the Corporation;

"'(f) to encourage and support only those private investments in less developed friendly countries and areas which are sensitive and responsive to the special needs and requirements of their economies, and which contribute to the social and economic development of their people;

"'(g) to consider in the conduct of its operations the extent to which less developed country governments are receptive to private enterprise, domestic and foreign, and their willingness and ability to maintain conditions which enable private enterprise to make its full contribution to the development process;

"'(h) to foster private initiative and competition and discourage monopolistic practices;

"'(i) to further to the greatest degree possible, in a manner consistent with its goals, the balance of payments objectives of the United States;

"'(j) to conduct its activities in consonance with the activities of the agency primarily responsible for administering part I and the international trade, investment and financial policies of the United States Government;

"'(k) to advise and assist, within its field of competence, interested agencies of the United States and other organizations, both public and private, national and international, with respect to projects and programs relating to the development of private enterprise in less developed countries and areas.

"'CAPITAL OF THE CORPORATION

"'SEC. 232. The President is authorized to pay in as capital of the Corporation, out of dollar receipts made available through the appropriation process from loans made pursuant to this part or pursuant to predecessor authority contained in provisions repealed by the Foreign Assistance Act of 1969 and from loans made under the Mutual Security Act of 1954, as amended, for the fiscal year 1970, not to exceed $20,000,000 and for the fiscal year 1971 not to exceed $20,000,000. Upon the payment of such capital by the President, the Corporation shall issue an equivalent amount of capital stock to the Secretary of the Treasury.

"'ORGANIZATION AND MANAGEMENT

"'SEC. 233. (a) STRUCTURE OF THE CORPORATION.—The Corporation shall have a Board of Directors, a President, an Executive Vice President, and such other officers and staff as the Board of Directors may determine.

"'(b) BOARD OF DIRECTORS.—All powers of the Corporation shall vest in and be exercised by or under the authority of its Board of Directors ("the Board") which shall consist of eleven Directors, including the Chairman, with six Directors constituting a quorum for the transaction of business. The Administrator of the Agency for International Development shall be the Chairman of the Board, ex officio. Six Directors (other than the President of the Corporation, appointed pursuant to subsection (c) who shall also serve as a Director) shall be appointed by the President of the United States, by and with the advice and consent of the Senate and shall not be officials or employees of the Government of the United States. At least one of the six Directors appointed under the preceding sentence shall be experienced in small business, one in organized labor, and one in cooperatives. Each such Director shall be appointed for a term of no more than three years. The terms of no more than two such Directors shall expire in any one year. Such Directors shall serve until their successors are appointed and qualified and may be reappointed.

"'The other Directors shall be officials of the Government of the United States, designated by and serving at the pleasure of the President of the United States.

"'All Directors who are not officers of the Corporation or officials of the Government of the United States shall be compensated at a rate equivalent to that of level IV of the Executive Schedule (5 U.S.C. 5315) when actually engaged in the business of the Corporation and may be paid per diem in lieu of subsistence at the applicable rate prescribed in the standardized Government travel regulations, as amended from time to time, while away from their homes or usual places of business.

"'(c) PRESIDENT OF THE CORPORATION.—The President of the Corporation shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall serve at the pleasure of the President. In making such appointment, the President shall take into account private business experience of the appointee. The President of the Corporation shall be its Chief Executive Officer and responsible for the operations and management of the Corporation, subject to bylaws and policies established by the Board.

"'(d) OFFICERS AND STAFF.—The Executive Vice President of the Corporation shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall serve at the pleasure of the President. Other officers, attorneys, employees, and agents shall be selected and appointed by the Corporation, and shall be vested with such powers and duties as the Corporation may determine. Of such persons employed by the Corporation, not to exceed thirty-five may be appointed, compensated or removed without regard to the Civil Service laws and regulations: *Provided,* That under such regulations as the President of the United States may prescribe, officers and employees of the United States Government who are appointed to any of the above positions may be entitled, upon removal from such position, except for cause, to reinstatement to the position occupied at the time of appointment or to a position of comparable grade and salary. Such positions shall be in addition to those otherwise authorized by law, including those authorized by section 5108 of title 5 of the United States Code.

"'INVESTMENT INCENTIVE PROGRAMS

"'SEC. 234. The Corporation is hereby authorized to do the following:

"'(a) INVESTMENT INSURANCE.—(1) To issue insurance, upon such terms and conditions as the Corporation may determine, to eligible investors assuring protection in whole or in part against any or all of the following risks with respect to projects which the Corporation has approved—

"'(A) inability to convert into United States dollars other currencies, or credits in such currencies, received as earnings or profits from the approved project, as repayment or return of the investment therein, in whole or in part, or as compensation for the sale or disposition of all or any part thereof;

"'(B) loss of investment, in whole or in part, in the approved project due to expropriation or confiscation by action of a foreign government; and

"'(C) loss due to war, revolution or insurrection.

"'(2) Recognizing that major private investments in less developed friendly countries or areas are often made by enterprises in which there is multinational participation, including significant United States private participation, the Corporation may make such arrangements with foreign governments (including agencies, instrumentalities or political subdivisions thereof) or with multilateral organizations for sharing liabilities assumed under investment insurance for such investments and may in connection therewith issue insurance to investors not otherwise eligible hereunder: *Provided, however,* That liabilities assumed by the Corporation under the authority of this subsection shall be consistent with the purposes of this title and that the maximum share of liabilities so assumed shall not exceed the proportionate participation by eligible investors in the total project financing.

"'(3) Not more than 10 per centum of the total face amount of investment insurance which the Corporation is authorized to issue under this subsection shall be issued to a single investor.

"'(b) INVESTMENT GUARANTIES.—To issue to eligible investors guaranties of loans and other investments made by such investors assuring against loss due to such risks and upon such terms and conditions as the Corporation may determine: *Provided, however,* That such guaranties on other than loan investments shall not exceed 75 per centum of such investment: *Provided, further,* That except for loan investments for credit unions made by eligible credit unions or credit union associations, the aggregate amount of investment (exclusive of interest and earnings) so guaranteed with respect to any project shall not exceed, at the time of issuance of any such guaranty, 75 per centum of the total investment committed to any such project as determined by the Corporation, which determination shall be conclusive for purposes of the Corporation's authority to issue any such guaranty: *Provided, further,* That not more than 25 per centum of the total face amount of investment guaranties which the Corporation is authorized to issue under this subsection shall be issued to a single investor.

"'(c) DIRECT INVESTMENT.—To make loans in United States dollars repayable in dollars or loans in foreign currencies (including, without regard to section 1415 of the Supplemental Appropriation Act, 1953, such foreign currencies which the Secretary of the Treasury may determine to be excess to the normal requirements of the United States and the Director of the Bureau of the Budget may allocate) to firms privately owned or of mixed private and public ownership upon such terms and conditions as the Corporation may determine. The Corporation may not purchase or invest in any stock in any other corporation, except that it may (1) accept as evidence of indebtedness debt securities convertible to stock, but such debt securities shall not be converted to stock while held by the Corporation, and (2) acquire stock through the enforcement of any lien or pledge or otherwise to satisfy a previously contracted indebtedness which would otherwise be in default, or as the result of any payment under any contract of insurance or guaranty. The Corporation shall dispose of any stock it may so acquire as soon as reasonably feasible under the circumstances then pertaining.

"'No loans shall be made under this section to finance operations for mining or other extraction of any deposit of ore, oil, gas, or other mineral.

"'(d) INVESTMENT ENCOURAGEMENT.—To initiate and support through financial participation, incentive grant, or otherwise, and on such terms and conditions as the Corporation may determine, the identification, assessment, surveying and promotion of private investment opportunities, utilizing wherever feasible and effective the facilities of private organizations or private investors: *Provided, however,* That the Corporation shall not finance surveys to ascertain the existence location, extent or quality, or to determine the feasibility of undertaking operations for mining or other extraction, of any deposits of ore, oil, gas or other mineral. In carrying out this authority, the Corporation shall coordinate which such investment promotion activities as are carried out by the Department of Commerce.

"'(e) SPECIAL ACTIVITIES.—To administer and manage special projects and programs, including programs of financial and advisory support which provide private technical, professional or managerial assistance in the development of human resources, skills, technology, capital savings and intermediate financial and investment institutions and cooperatives. The funds for these projects and programs may, with the Corporation's concurrence, be transferred to it for such purposes under the authority of section 632(a) or from other sources, public or private.

"'ISSUING AUTHORITY, DIRECT INVESTMENT FUND AND RESERVES

"'SEC. 235. (a)(1) The maximum contingent liability outstanding at any one time pursuant to insurance issued under section 234(a) shall not exceed $7,500,000,000.

"'(2) The maximum contingent liability outstanding at any one time pursuant to guaranties issued under section 234(b) shall not exceed in the aggregate $750,000,000, of which guaranties of credit union investment shall not exceed $1,250,000: *Provided,* That the Corporation shall not make any commitment to issue any guaranty which would result in a fractional reserve less than 10 per centum of the maximum contingent liability then outstanding against guaranties issued or commitments made pursuant to section 234(b) or similar predecessor guaranty authority.

"'(3) The Congress, in considering the budget programs transmitted by the President for the Corporation, pursuant to section 104 of the Government Corporation Control Act, as amended, may limit the obligations and contingent liabilities to be undertaken under section 234(a) and (b), as well as the use of funds for operating and administrative expenses.

"'(4) The authority of section 234(a) and (b) shall continue until June 30, 1974.

"'(b) There shall be established a revolving fund, known as the Direct Investment Fund, to be held by the Corporation. Such fund shall consist initially of amounts made available under section 232, shall be available for the purposes authorized under section 234(c), shall be charged with realized losses and credited with realized gains and shall be credited with such additional sums as may be transferred to it under the provisions of section 236.

"'(c) There shall be established in the Treasury of the United States an Insurance and Guaranty Fund, which shall have separate accounts to be known as the Insurance Reserve and the Guaranty Reserve, which reserves shall be available for discharge of liabilities, as provided in section 235(d), until such time as all such liabilities have been discharged or have expired or until all such reserves have been expended in accordance with the provisions of this section. Such Fund shall be funded by: (1) the funds heretofore available to discharge liabilities under predecessor guaranty authority (including housing guaranty authorities), less both the amount made available for housing guaranty programs pursuant to section 223(b) and the amount made available to the Corporation pursuant to section 234(e); and (2) such sums as shall be appropriated pursuant to section 235(f) for such purpose. The allocation of such funds to each such Reserve shall be determined by the board after consultation with the Secretary of the Treasury. Additional amounts may thereafter be transferred to such reserves pursuant to section 236.

"'(d) Any payments made to discharge liabilities under investment insurance issued under section 234(a) or under similar predecessor guaranty authority shall be paid first out of the insurance reserve, as long as such reserve remains available, and thereafter out of funds made available pursuant to section 235(f). Any payments made to discharge liabilities under guaranties issued under section 234(b) or under similar predecessor guaranty authority shall be paid first out of the guar-

anty reserve as long as such reserve remains available, and thereafter out of funds made available pursuant to section 235(f).

"'(e) There is hereby authorized to be transferred to the Corporation at its call, for the purposes specified in section 236, all fees and other revenues collected under predecessor guaranty authority from December 31, 1968, available as of the date of such transfer.

"'(f) There is hereby authorized to be appropriated to the Corporation, to remain available until expended, such amounts as may be necessary from time to time to replenish or increase the Insurance and Guaranty Fund or to discharge the liabilities under insurance and guaranties issued by the Corporation or issued under predecessor guaranty authority.

"'INCOME AND REVENUES

"'SEC. 236. In order to carry out the purposes of the Corporation, all revenues and income transferred to or earned by the Corporation, from whatever source derived, shall be held by the Corporation and shall be available to carry out its purposes, including without limitation—

"'(a) payment of all expenses of the Corporation, including investment promotion expenses;

"'(b) transfers and additions to the insurance or guaranty reserves, the Direct Investment Fund established pursuant to section 235 and such other funds or reserves as the Corporation may establish, at such time and in such amounts as the board may determine; and

"'(c) payment of dividends, on capital stock, which shall consist of and be paid from net earnings of the Corporation after payments, transfers and additions under subsections (a) and (b) hereof.

"'GENERAL PROVISIONS RELATING TO INSURANCE AND GUARANTY PROGRAMS

"'SEC. 237. (a) Insurance and guaranties issued under this title shall cover investment made in connection with projects in any less developed friendly country or area with the government of which the President of the United States has agreed to institute a program for insurance or guaranties.

"'(b) The Corporation shall determine that suitable arrangements exist for protecting the interest of the Corporation in connection with any insurance or guaranty issued under this title, including arrangements concerning ownership, use, and disposition of the currency, credits, assets, or investments on account of which payment under such insurance or guaranty is to be made, and any right, title, claim or cause of action existing in connection therewith.

"'(c) All guaranties issued prior to July 1, 1956, all guaranties issued under sections 202(b) and 413(b) of the Mutual Security Act of 1954, as amended, all guaranties heretofore issued pursuant to prior guaranty authorities repealed by the Foreign Assistance Act of 1969, and all insurance and guaranties issued pursuant to this title shall constitute obligations, in accordance with the terms of such insurance or guaranties, of the United States of America and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"'(d) Fees shall be charged for insurance and guaranty coverage in amounts to be determined by the Corporation. In the event fees to be charged for investment insurance or guaranties are reduced, fees to be paid under existing contracts for the same type of guaranties or insurance and for similar guaranties issued under predecessor guaranty authority may be reduced.

"'(e) No insurance or guaranty of an equity investment shall extend beyond twenty years from the date of issuance.

"'(f) No insurance or guaranty issued under this title shall exceed the dollar value, as of the date of the investment, of the investment made in the project with the approval of the Corporation plus interest, earnings or profits actually accrued on said investment to the extent provided by such insurance or guaranty.

"'(g) No payment may be made under any guaranty issued pursuant to this title for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

"'(h) Insurance or guaranties of a loan or equity investment of an eligible investor in a foreign bank, finance company or other credit institution shall extend only to such loan or equity investment and not to any individual loan or equity investment made by such foreign bank, finance company or other credit institution.

"'(i) Claims arising as a result of insurance or guaranty operations under this title or under predecessor guaranty authority may be settled, and disputes arising as a result thereof may be arbitrated with the consent of the parties, on such terms and conditions as the Corporation may determine. Payment made pursuant to any such settlement, or as a result of an arbitration award, shall be final and conclusive notwithstanding any other provision of law.

"'(j) Each guaranty contract executed by such officer or officers as may be designated by the board shall be conclusively presumed to be issued in compliance with the requirements of this Act.

"'(k) In making a determination to issue insurance or a guaranty under this title, the Corporation shall consider the possible adverse effect of the dollar investment under such insurance or guaranty upon the balance of payments of the United States.

"'DEFINITIONS

"'SEC. 238. As used in this title—

"'(a) the term "investment" includes any contribution of funds, commodities, services, patents, processes, or techniques, in the form of (1) a loan or loans to an approved project, (2) the purchase of a share of ownership in any such project, (3) participation in royalties, earnings, or profits of any such project, and (4) the furnishing of commodities or services pursuant to a lease or other contract;

"'(b) the term "expropriation" includes, but is not limited to, any abrogation, repudiation, or impairment by a foreign government of its own contract with an investor with respect to a project, where such abrogation, repudiation, or impairment is not caused by the investor's own fault or misconduct, and materially adversely affects the continued operation of the project;

"'(c) the term "eligible investor" means: (1) United States citizens; (2) corporations, partnerships, or other associations including nonprofit associations, created under the laws of the United States or any State or territory thereof and substantially beneficially owned by United States citizens; and (3) foreign corporations, partnerships, or other associations wholly owned by one or more such United States citizens, corporations, partnerships, or other associations: *Provided, however,* That the eligibility of such foreign corporation shall be determined without regard to any shares, in aggregate less than 5 per centum of the total of issued and subscribed share capital, required by law to be held by other than the United States owners: *Provided further,* That in the case of any loan investment a final determination of eligibility may be made at the time the insurance or guaranty is issued; in all other cases, the investor must be eligible at the time a claim arises as well as at the time the insurance or guaranty is issued; and

"'(d) The term "predecessor guaranty authority" means prior guaranty authorities (other than housing guaranty authorities) repealed by the Foreign Assistance Act of 1969, sections 202(b) and 413(b) of the Mutual Security Act of 1954, as amended, and section 111(b)(3) of the Economic Cooperation Act of 1948, as amended (exclusive of authority relating to informational media guaranties).

"'GENERAL PROVISIONS AND POWERS

"'SEC. 239. (a) The Corporation shall have its principal offices in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident thereof.

"'(b) The President shall transfer to the Corporation, at such times as he may determine, all obligations, assets and related rights and responsibilities arising out of, or related to, predecessor programs and authorities similar to those provided for in section 234 (a), (b), and (d). Until such transfer, the agency heretofore responsible for such predecessor programs shall continue to administer such assets and obligations, and such programs and activities authorized under this title as may be determined by the President.

"'(c) The Corporation shall be subject to the applicable provisions of the Government Corporation Control Act, except as otherwise provided in this title.

"'(d) To carry out the purposes of this title, the Corporation is authorized: To adopt and use a corporate seal, which shall be judicially noticed; to sue and be sued in its corporate name; to adopt, amend, and repeal bylaws governing the conduct of its business and the performance of the powers and duties granted to or imposed upon it by law; to acquire, hold or dispose of, upon such terms and conditions as the Corporation may determine, any property, real, personal, or mixed, tangible or intangible, or any interest therein; to invest funds derived from fees and other revenues in obligations of the United States and to use the proceeds therefrom, including earnings and profits, as it shall deem appropriate; to indemnify directors, officers, employees and agents of the Corporation for liabilities and expenses incurred in connection with their Corporation activities; to require bonds of officers, employees, and agents and pay the premiums therefor; notwithstanding any other provision of law, to represent itself or to contract for representation in all legal and arbitral proceedings; to purchase, discount, rediscount, sell, and negotiate, with or without its endorsement or guaranty, and guarantee notes, participation certificates, and other evidence of indebtedness (provided that the Corporation shall not issue its own securities, except participation certificates for the purpose of carrying out section 231 (c)); to make and carry out such contracts and agreements as are necessary and advisable in the conduct of its business; to exercise the priority of the Government of the United States in collecting debts from bankrupt; insolvent or decedents' estates; to determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government Corporations; to take such actions as may be necessary or appropriate to carry out the powers herein or hereafter specifically conferred upon it.

"'(e) The Auditor-General of the Agency for International Development (1) shall have the responsibility for planning and directing the execution of audits, reviews, investigations, and inspections of all phases of the Corporation's operations and activities and (2) shall conduct all security activities of the Corporation relating to personnel and the control of classified material. With respect to his responsibilities under this subsection, the Auditor-General shall report to the Board of Directors of the Corporation. The agency primarily responsible for administering part I shall be reimbursed by the Corporation for all expenses incurred by the Auditor-General in connection with his responsibilities under this subsection.

"'(f) In order to further the purposes of the Corporation there shall be established an Advisory Council to be composed of such representatives of the American business community as may be selected by the chairman of the board. The president and the board of the Corporation shall, from time to time, consult with such Council concerning the objectives of the Corporation. Members of the Council shall receive no compensation for their services but shall be entitled to reimbursement in accordance with section 5703 of title 5 of the United States Code for travel and other expenses incurred by them in the performance of their functions under this section.

"'AGRICULTURAL CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT PROJECTS

"'SEC. 240. (a) It is the sense of the Congress that in order to stimulate the participation of the private sector in the economic development of less developed countries in Latin America, the authority conferred by this section should be used to establish pilot programs in not more than five Latin American countries to encourage private banks, credit institutions, similar private lending organizations, cooperatives, and private nonprofit development organizations to make loans on reasonable terms to organized groups and individuals residing in a community for the purpose of enabling such groups and individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. Agricultural credit and assistance for self-help community development projects should include, but not be limited to, material and such projects as wells, pumps, farm machinery, improved seed, fertilizer, pesticides, vocational training, food industry development, nutrition projects, improved breeding stock for farm animals, sanitation facilities, and looms and other handicraft aids.

"'(b) To carry out the purposes of subsection (a), the Corporation is authorized to issue guaranties, on such terms and conditions as it shall determine, to private lending institutions, cooperatives, and private nonprofit development organizations in not more than five Latin American countries assuring against loss of not to exceed 25 per centum of the portfolio of such loans made by any lender to organized groups or individuals residing in a community to enable such groups or individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. In no event shall the liability of the United States exceed 75 per centum of any one loan.

"'(c) The total face amount of guaranties issued under this section outstanding at any one time shall not exceed $15,000,000. Not more than 10 per centum of such sum shall be provided for any one institution, cooperative, or organization.

"'(d) The Inter-American Social Development Institute shall be consulted in developing criteria for making loans eligible for guaranty coverage under this section.

"'(e) The guaranty reserve established under section 325(c) shall be available to make such payments as may be necessary to discharge liabilities under guaranties issued under this section.

"'(f) Notwithstanding the limitation contained in subsection (c) of this section, foreign currencies owned by the United States and determined by the Secretary of the Treasury to be excess to the needs of the United States may be utilized to carry out the purposes of this section, including the discharge of liabilities incurred under this subsection. The authority conferred by this subsection shall be in addition to authority conferred by any other provision of law to implement guaranty programs utilizing excess local currency.

"'(g) The Corporation shall, on or before January 15, 1972, make a detailed report to the Congress on the results of the pilot program established under this section, together with such recommendations as it may deem appropriate.

"'(h) The authority of this section shall continue until June 30, 1972.

"'REPORTS TO THE CONGRESS

"'SEC. 240A. (a) After the end of each fiscal year, the Corporation shall submit to the Congress as complete and detailed report of its operations during such fiscal year.

"'(b) Not later than March 1, 1974, the Corporation shall submit to the Congress an analysis of the possibilities of transferring all or part of its activities to private United States citizens, corporations or other associations.

"'SEC. 2. Chapter I of part II of the Foreign Assistance Act of 1961, as amended, which relates to general provisions is amended in Section 610, which relates to transfers between accounts, as follows:

"'(1) In paragraph (a) insert after the words "funds made available for any provision of this Act" the first time they appear the words "(except funds made available pursuant to title IV of chapter 2 of part I)".

"'SEC. 3. Section 101 of the Government Corporation Control Act, as amended (59 Stat. 597; 31 U.S.C. 846), is amended by deleting "Development Loan Fund;" and substituting therefor "Overseas Private Investment Corporation;".

"'SEC. 4. Chapter 53, subchapter II of title 5 of the United States Code is amended as follows:

"'(a) Section 5314, which relates to level II of the Executive Schedule, is amended by adding thereto the following: "(54) President, Overseas Private Investment Corporation."

"'(b) Section 5315, which relates to level IV of the Executive Schedule, is amended by adding thereto the following: "(92) Executive Vice President, Overseas Private Investment Corporation."

"'(c) Section 5316, which relates to level V of the Executive Schedule, is amended by adding thereto the following: "(128) Auditor-General of the Agency for International Development; (129) Vice Presidents, Overseas Private Investment Corporation (3)."'"

Mr. JAVITS. The sponsors, in addition to myself, are the Senator from Colorado (Mr. ALLOTT), the Senator from Utah (Mr. BENNETT), the Senator from Massachusetts (Mr. BROOKE), the Senator from California (Mr. CRANSTON), the Senator from Kansas (Mr. DOLE), the Senator from Hawaii (Mr. FONG), my colleague from New York (Mr. GOODELL), the Senator from Michigan (Mr. HART), the Senator from Wyoming (Mr. MCGEE), the Senator from Iowa (Mr. MILLER), the Senator from Rhode Island (Mr. PELL), the Senators from Pennsylvania (Mr. SCOTT and Mr. SCHWEIKER), the Senator from Illinois (Mr. SMITH), the Senator from Alaska (Mr. STEVENS), and the Senator from New Jersey (Mr. WILLIAMS).

Mr. President, I shall not endeavor to discuss this amendment in detail tonight, except to state that I told the cosponsors I would call the amendment up if the question of substantive amendments was opened in connection with the bill, as it apparently has been now, since I am a member of the committee.

This amendment was submitted to the committee. It was very completely discussed and, by an evenly divided vote, the committee decided not to include it in the bill as brought to the floor.

Mr. PELL. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PELL. I have great sympathy, as a cosponsor, for the amendment of the Senator from New York. It is an adventurous, exciting new idea for trying to harness the forces of private business. The concept seems very valid, and I am happy to support the Senator's amendment.

Mr. JAVITS. I am grateful to my colleague from Rhode Island.

Mr. FULBRIGHT. Mr. President, will the Senator yield to me for a question?

Mr. JAVITS. Certainly.

Mr. FULBRIGHT. We all know the circumstances under which we were operating. I was wondering, if the Senator is not prepared to do it now, whether tomorrow we could obtain some limitation of time on all amendments, in order to try to accommodate the leadership and all of the necessities. Since the Senator's is one of the important amendments, I inquire at this point what his thoughts are about it. Would he be willing to agree to a limitation of time?

Mr. JAVITS. Mr. President, I could not at this moment, for this reason: I would have to canvass the cosponsors to find out how much time they would want, if any.

Mr. FULBRIGHT. I would be willing to do that, because, obviously, as the Senator well knows, we are getting into difficulties.

I am only inquiring now if all those who do have amendments would try to come to some agreement tomorrow. The majority leader will make the formal request, I suppose.

Mr. AIKEN. It is almost going to be necessary to complete action on this measure tomorrow, if we are to get a bill this year, I would think.

Mr. JAVITS. I think my colleagues know my feeling about that, and I shall do my utmost to cooperate, but I do need to canvass the cosponsors to find out who needs time.

Mr. President, we will discuss this matter in depth tomorrow, but I do urge Senators to look at the RECORD and consider this proposal.

One further point: I have submitted the amendment in precisely the form in which it passed the other body, without any changes whatever, so that there need be no argument on the question of whether or not there is any difference between the concept as presented here and as it emerged from the committee and went to the floor and was passed by the House of Representatives, precisely based upon the rather extensive hearings which they held. That is why I have submitted their version exactly as it is in the House bill.

I might also add that no new appropriations for this matter are required, other than capital for investment guarantee. Experience and history have shown that this is strictly capital, and that the operation makes money rather than losing it.

There is a capital fund of $40 million provided, which is only a reuse of money which is repaid from indebtedness contracted in development loans under the foreign aid bill, and reuse of

those repayments should be all of the capitalizing required.

## S. 3238—INTRODUCTION OF A BILL AMENDING THE NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES ACT OF 1965, AS AMENDED

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, the legislation sent to the Congress by the administration to extend the authority of the National Foundation on the Arts and Humanities for an additional 3 years after its expiration on June 30, 1970. Joining in the sponsorship of this measure are the distinguished chairman of the Special Subcommittee on Arts and Humanities (Mr. PELL) the other members of that subcommittee, Senators CRANSTON, MURPHY, and NELSON.

I am heartened by the fact that the President indicated in his message on this bill, entitled "Expressing the American Spirit," that he is proposing an expenditure of $40 million in new funds for fiscal year 1971 for the Arts and Humanities Endowments, which is virtually double the current year's level. Such a level of funding will demonstrate that the Nation recognizes the unique qualities of these agencies. They have utilized Federal "seed money" to produce substantial increases in support for the arts and humanities from non-Federal sources. Each Federal dollar for the arts, for example, has produced nearly $3 overall, in private, State, and local government support.

The Arts and the Humanities Endowments, which comprise the National Foundation on the Arts and Humanities, complement each other in their activities and objectives. They are closely interrelated and merit like emphasis. This bill carries forward that policy established by the Congress in 1965 when the authorizing legislation was first written into law.

As Americans, we hope that our people and our Nation will be recorded in history for more than our accomplishments, excellent as they are, in the fields of space, electronics, and other aspects of scientific and technological accomplishment. The land that produced inventors and scientists, explorers and pioneers, industrialists and builders, also has given the world playwrights and composers, scholars and philosophers, and writers, poets, musicians, and artists of enduring renown. Our memorial to the generations to come will be not alone the magnificient libraries we have constructed, but the books we have written to fill them. We will be remembered not for our splendid museums and concert halls, but for our scholars, our artists, and our musicians whose works are memorialized in them. This legislation gives strength to that legacy.

In addition to extending the authorization for 3 years, the bill also provides:

That the portions of the act relating to the tenure of the chairman of the two endowments are amended so that after his 4-year term has expired, each chairman may continue to serve until his successor has been appointed and qualified;

That an executive committee be established for each endowment;

That advance and progress payments may be made to facilitate the establishment of programs by inadequately funded agencies; and that the humanities endowment have authority to make contracts;

That the compensation of the members of each National Council be increased from $75 daily to the rate for a GS–18.

I understand that the President's message entitled "Expressing the American Spirit" will automatically be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3238) to amend the National Foundation on the Arts and Humanities Act of 1965, as amended, introduced by Mr. JAVITS, for himself and other Senators, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

## S. 3239—INTRODUCTION OF A BILL TO PERMIT GNMA TO PURCHASE SECTION 236 MORTGAGES IN EXCESS OF STATUTORY LIMITS

Mr. JAVITS. Mr. President, I introduce, for myself and Senator GOODELL, for appropriate reference, a bill which would permit the Government National Mortgage Association to purchase section 236 mortgages in excess of the Association's statutory limits which reflect the effect of local tax abatement programs. Presently, section 221(d)(3) projects are excepted from these unit cost limitations under these circumstances.

Present construction costs are so high in New York City and other high cost areas that the present $17,500 per unit limit will preclude GNMA from purchasing section 236 mortgages in these areas and will seriously inhibit the flow of funds into the construction of low- and moderate-income housing under this important Federal program.

Under present law low- and moderate-income housing constructed under the below-market interest rate—BMIR—section 221(d)(3) program can exceed the $17,500 limit if the project is receiving tax abatement and the resulting rents are comparable to those in projects whose per unit cost is under $17,500. This provision was intended to reflect the reduced rents which occur when a locality established a tax abatement program for low- and middle-income as housing, as New York City has. I am advised by the acting administrator of the New York City Housing and Development Administration that without this provision no 221(d)(3) projects would have been constructed in New York City.

The Congress authorized the section 236, rental assistance, program in 1968, and this program of interest subsidies is gradually replacing the 221(d)(3) program as the primary Federal program for low- and moderate-income housing. However, the Congress has not amended the GNMA legislation so as to extend its power to purchase 236 mortgages in excess of the statutory cost limitations when the project receives tax abatement. Unless this oversight is corrected the private financing and the construction of these projects in high cost areas, where tax abatement programs are established, will be inhibited, for it will not be possible for GNMA to purchase these mortgages from private lenders.

I understand that construction costs in New York City are in excess of $25,000 per unit. Unless this provision of GNMA legislation is amended in the manner set forth in this bill, GNMA would be unable to purchase these mortgages and the plans of New York City to construct almost 9,000 units under this program will be jeopardized. It should be noted that the provisions in the Senate- and House-passed housing bills of 1969—now in conference—to increase GNMA's purchasing authority to $20,000 or $22,000 will adequately not affect this situation.

Mr. President, I hope that the Senate will be able to act favorably on this important amendment to GNMA's existing authority in the very near future.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3239) to amend section 302(b) of the National Housing Act, introduced by Mr. JAVITS (for himself and Mr. GOODELL), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 3239

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second sentence of section 302(b) of the National Housing Act is amended by inserting after "(1)" the following: "is insured under section 236 or".

## SERIOUS FINANCIAL CRISIS IN OUR COUNTRY'S MEDICAL SCHOOLS

Mr. JAVITS. Mr. President, I have become increasingly concerned with the serious financial crisis confronting the medical schools of our Nation. At the very time when the shortage of physicians to meet the health needs of our people has become so critical, our medical schools have experienced serious cutbacks in their sources of public funds.

Institutional aid, construction assistance, research, loan and scholarship funds, have all been severely cut back below authorization by the Federal Government. At the same time the rising costs of quality education strain medical resources even further.

I recently introduced for myself and 23 other Senators, S. 3150, a bill that would authorize an additional $100,000,000 in grants as a form of emergency relief to our Nation's medical and dental schools, many of which are in great financial distress and in danger of being forced to curtail teaching and research programs or to close down altogether.

Many prominent medical educators and organizations—including the Association of American Medical Colleges,

the American Dental Association, and the American Association of Dental Schools—have supported my assertion of the need for such a bill.

The thoughtful testimony of Dr. George James, dean of the Mount Sinai School of Medicine of the City University of New York, before the Senate Appropriations Subcommittee on Departments of Labor and Health, Education, and Welfare and Related Agencies on December 2, 1969, speaks, in large part, to the problems of new medical schools. I ask unanimous consent that this testimony be inserted in the RECORD at the conclusion of my remarks.

Despite, I understand, many difficulties, the Mount Sinai School of Medicine will graduate its first class on May 27, 1970, culminating 10 years of planning and hard work by Mr. Gustave L. Levy, chairman of the board of the Mount Sinai Medical Center, Mr. Joseph Klingenstein, chairman emeritus; and many other devoted trustees. The magnitude of their achievement is underscored by the fact that Mount Sinai is only the second school of medicine established under private auspices in New York City since 1897. In 1972, when its Annenberg Building is fully constructed, the Mount Sinai School of Medicine will be in a position to graduate 100 students each year as Mount Sinai's contribution to the Nation's critical shortage of physicians. Its first commencement on May 27, therefore, is an event of considerable importance to our Nation's health and is no small tribute to the high quality of leadership manifested by Dr. George James and the trustees of this vital institution.

Mr. President, I ask unanimous consent to have printed in the RECORD excerpts from the testimony of Dr. George James before the Senate Appropriations Subcommittee on Departments of Labor, Health, Education, and Welfare and related agencies.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM TESTIMONY OF DR. GEORGE JAMES BEFORE SENATE APPROPRIATIONS SUBCOMMITTEE ON DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES

I am Dr. George James, President of the Mount Sinai Medical Center and President and Dean of the Mount Sinai School of Medicine, of the City University of New York. Before I undertook my present position, I was Commissioner of Health for the City of New York. In 1964–65, I was Chairman of the President's Task Force on Health I have served as President of the National Health Council and Chairman of the Review Committee for Regional Medical Programs. I am here this afternoon to make some comments on the problems relating to the medical care product produced in the United States. I wish to discuss the end to emphasize preventive medical services and the necessity for research in solving our health care problems of today. I wish to emphasize also the need to educate all types of health manpower for the future. All of these goals demand a great deal of support-governmental support. I am especially interested in the problems of medical education, and most anxious to urge governmental support of new private medical schools in the United States.

If we are to achieve our goal of a high quality delivery of health care system we must begin by funding existing health programs to full authorization. Those programs will open end appropriation should be funded at least 10 percent above last year's figure to allow for inflation. As President Nixon has stated, the nation is faced with a breakdown in the delivery of health care. One way to help prevent this from happening is to adequately fund the programs we have developed and in the process give particular attention to the full funding in the Fall expenditure by the administration of health manpower funds.

I would like to insert for the record an analysis of the health manpower programs and the difficulties they face. In the analysis certain recommendations are made:

(1) That the Senate restore the $4.7 million in the Health Professions Scholarship Program.

(2) That the Senate fund the full authorization of the $35 million for Health Professions Student Loan Program.

(3) The Senate restore $5.5 million in scholarship aid for nurses and add an additional $4.6 million in loan money to at least equal the loan money available in 1969.

(4) The Senate vote full authorization of $10 million for Graduate Public Health Traineeships instead of $8 million, the budget figure which has remained the same since 1967.

(5) The Senate fully fund the Nursing and Allied Health Traineeships.

(6) The Senate fully fund the educational improvement grants of $117 million rather than accept the $101.4 million budget request.

(7) The Senate adequately fund Nursing Institutional Aid now authorized at $35 million rather than the $7 million House passed figure.

(8) The Senate adequately fund Schools of Public Health. Project Grants are authorized at $8.5 million for fiscal year 1970, but the House passed figure is $4.9 million. Formula grants are authorized at $7 million for fiscal year 1970 and the House passed figure is $4.5 million.

(9) The Senate adequately fund Allied Health Institutional Aid. Basic Improvement Grants, authorized at $20 million, have received $9.7 million in House action. Developmental grants, authorized at $5 million received $1.2 million in health acts.

(10) The Senate adequately fund all construction programs in the Health Professions.

I am especially concerned with the problems of new and developing schools of medicine. Mount Sinai faces an enormous task in building excellence into a new school and one of the basic problems is money. I insert for the record a letter I recently sent to Dr. Kenneth M. Endicott who will be very influential in shaping future U.S. Health Manpower Programs.

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NOVEMBER 21, 1969.

Dr. KENNETH M. ENDICOTT,
*Director, National Cancer Institute,*
*National Institutes of Health,*
*Bethesda, Md.*

DEAR DR. ENDICOTT: In accordance with your verbal request to me at the Cincinnati A.A.M.C. meeting, I am pleased to send you this analysis of the special needs of new privately funded schools.

It is generally agreed that federal funds to support the capital and operating costs of education are needed by medical schools to create economic incentives for the schools to expand enrollment while maintaining or improving their quality of training. As a result of sustained pressure from the federal and state governments as well as from the private sector, many new medical schools have been founded in the United States during the past twenty years. Their development was fostered and stimulated by the Department of Health, Education and Welfare, organized medicine, foundations and universities. Most of the schools that were developed were state schools that were funded and built by their state legislatures with strong financial support from the Federal Government.

Of the seventeen medical schools which opened after 1950, thirteen are state schools. Only four new private medical schools have been created since 1950; University of Miami School of Medicine, in 1952, Albert Einstein College of Medicine of Yeshiva University accepted its first class in 1955, Pennsylvania State University College of Medicine at Hershey in 1967, and Mount Sinai School of Medicine of City University of New York in 1968. Five additional schools have been established but have not as yet accepted students. All of these are state schools.

The small number of new private schools suggests the prohibitive financial investment that must be made to build a school of medicine and the enormous challenge to the private sector. New private schools grapple with the problem of finances as best they can. The medical school at Hershey, Pennsylvania was underwritten by a large endowment from a private foundation. Furthermore, the Pennsylvania State Legislature has committed itself to substantial and continuing support for medical education.

Another route was taken by Mount Sinai. The staff of the Mount Sinai Hospital recognized the need for more doctors and felt that the clinical excellence of their institution could give birth to a new and high quality institution of learning. The trustees of the Mount Sinai Hospital undertook the task of raising private money to begin the medical school, after receiving reasonable assurances that strong financial support from the Federal Government would be forthcoming.

At that time a strong academic affiliation was established with the City University of New York. This was not a financial arrangement but rather a cooperative agreement between the two institutions.

THE PROBLEMS OF A NEW SCHOOL

I can best describe the problems of a new private medical school by using Mount Sinai as an example. Following the usual period of preparation a decision was made to admit small first and third year classes in 1968. Thus a $7,000,000 building was developed to house these students, and the cost was borne entirely by private contributors. As a result of this decision, in the latter part of 1966, and 1967, Mount Sinai began the recruitment of basic sciences faculty and the development of interim facilities to accept these classes. Coincidentally with this decision a sharp curtailment of funds occurred from both the private and public sectors. The trustees had already committed themselves to construct a large medical school for classes many times the size of its present efforts. The decrease in available funds affected the medical school on four basic levels: Construction, Endowment, Operating Funds and Research Capabilities:

(1) Construction: must be provided if a new school such as Mount Sinai is to succeed. This is in contrast to established institutions where major new construction, while often desirable, is rarely crucial for the maintenance or even the moderate expansion of existing programs.

Although we were awarded a construction grant by the government, this must be matched by millions of dollars of private funds. The state, unlike its great support for state medical schools, awarded us an amount equal to 1/20 of the estimated final cost of the building. Fund raising is more difficult in a time of inflation. Construction costs rise even more rapidly in such a period and seem always to outpace the most strenuous money gathering efforts. It is estimated that construction costs have risen at least 50% in the last few years. However, federal contribution does not increase because of this inflation. It is estimated that the federal grant will cover less than 30% of the final

cost of the building. Thus, the full impact of increased cost at Mount Sinai has to be borne by the private sector.

(2) Endowments of a private medical school: Endowment money is a private medical school's equivalent to a state school's two million to six million annual appropriations. It establishes the required hard money base without which no school can operate. Endowment funds at a new school like Mount Sinai must be raised in addition to, and concurrently with, monies for construction and operations. This source of future "hard money" support, however, must be sought now from the same pool of private contributors whose support is needed for present construction and operations.

(3) Operating funds: The initial years of a new medical school's existence are more costly than those of an established school. Mount Sinai, for example, was compelled to match its very excellent clinical faculty with one which was equally distinguished in the basic sciences. This was done in support of the firm commitment by the Board of Trustees to develop a total institution dedicated to high quality academic medical education. The recruitment of a person of high scientific reputation as chairman or as a senior member of a basic science department, requires extra funds to be provided to allow him to bring his junior colleagues with him. Such an arrangement is essential to the mature scientists who must continue the ongoing scientific investigations of their teams. Since it takes these investigators a while to become established and to apply for independent money, all of their salaries, equipment and supplies must be imposed upon the regular operating budget of Mount Sinai during the first few years. These *start-up* funds are most difficult to secure from private sources since contributors are more reluctant to give money for intangibles which carry no memoralization, special titles or permanence.

(4) The development of research capabilities: is now overwhelming because of the tightening of NIH funds and the difficulties of transferring grants and equipment from an established to a new institution. At a time when funds are most urgently needed to encourage scientific investigation and to attract promising young scientists into full time positions, the tremendous cutbacks once again make it imperative that Mount Sinai use more of its private funds to pay for faculty and the equipment and supplies they require. These men must be given at least the same quality and quantity of resources at our school as they had at the institutions they left behind.

New schools of medicine are therefore faced with a staggering problem of finding money—big money—for the "start-up" operation of the school, the planning and construction of physical facilities, the maintenance of research, and the establishment of an adequate endowment program to guarantee the continued successful operation of the school.

Therefore, all of the problems relating to financial stringency fall with particular severity upon the private medical schools, as they do not have a ready mechanism for receiving increased appropriations from state legislatures. The trustees at Mount Sinai have already committed themselves to raise at least a hundred million dollars for construction and seed money to begin the operation of a medical school. It is indeed, difficult to expect them at this time to do still more:

The problem of the private giver is further complicated by the uncertainties of the new tax law being debated in Congress. Financial problems are further compounded here since the average yearly cost of educating a medical student is higher in New York City than anywhere else. In addition, Mount Sinai School of Medicine has undertaken an "all expenses paid" program for black medical students. Of the 40 1st year students admitted in September 1969, 4 are in this program.

As a result of our present inability to meet these increased and unanticipated financial needs through the private sector alone, Mount Sinai has found that it must now borrow from its building fund to cover the day by day operating costs of the medical school. This source of support will not be available when we begin our major building program in the Spring of 1970.

On the national scene private philanthropy may become reluctant to support medical schools if potential private donors feel they will be personally committing themselves to a number of increasing and overwhelming financial obligations. Yet, the need to provide private capital can be one of the most important ingredients in the development of new schools of medicine. There are other hospitals like the Mount Sinai Hospital which could develop medical schools of excellence. These schools would not need to "steal" clinical science faculty from established schools because they could utilize their existing large and high quality cadres of both full time and part time physicians. Nor does the recruitment of a basic science faculty provide obstacles. There is no shortage of basic science faculty who can be recruited, although in some cases the organization of the traditional disciplines may be changed.

We cannot however, expect such new medical schools to develop under private auspices alone. The Federal Government must work closely with the private sector to provide start-up sustenance toward the development and on-going maintenance of the best in modern medical education.

The Delivery of Health Services is another firm commitment of many medical schools. In this spirit, most medical schools have begun to assume a vital leadership role in improving the nation's health care system. The Mount Sinai School of Medicine, for instance, has started to immerse itself more completely in the pressing health needs of its "community patients". Central to this concept is the necessity for an appropriate balance between service, teaching and research activities which are essential to the individual patient—and the community as well—to deliver the finest medical care possible within this university medical setting. The community which surrounds Mount Sinai School of Medicine, East Harlem, with its population of 218 thousand deprived people, regards our medical center as one of the basic resources in time of sickness, accident or emergency. This blighted area with its high percentage of old dilapidated tenement buildings has only 16 practicing physicians. This indeed underscores the wide need for all phases of Mount Sinai's health care programs and personnel. Concomitant with this increase in responsibility to the community are the severe cutbacks in medicaid payments, and in New York, the provisions of the recently enacted New York State cost control legislation.

We must remember that medical schools almost always are closely intertwined with teaching hospitals. The faculty of the one is largely the medical staff of the other. Financial loss to the one hurts the other; financial benefits to the one, benefit the other. The reason that I stress this point is that of the nearly 100 Schools of Medicine in this country almost all depend—to varying degrees and in differing ways—on the professional fee-earning potential of their clinical faculty for part of their income. At Mount Sinai, Medicare and Medicaid fees make up a significant component of the School's income. The School, having admitted its first student classes in September 1968, is still in its formative period. Admittedly, this is not a truly representative time. Still, for the fiscal year ending June 30, 1969, the financial plan was predicated on 30% of school income coming from this source. This is no longer true because of the drastic cuts in Medicaid.

RESPONSIBILITY FOR EDUCATION IN THE HEALTH SCIENCES

The President's Commission on Health Manpower stated that the education of health professionals is more than that of meeting the future manpower requirements of doctors and nurses. They indicated that the great increases in productivity of health professionals have resulted mainly from increased use of ancilliary personnel. This fact, coupled with the sharply increasing demand for health care by our citizens requires new priorities for the physician. To make more efficient use of his time he must use large numbers of allied health workers as an extension of his own diagnostic and therapeutic effort.

This automatically expands the possibility of the physician to see that a patient's social, economic, psychological, vocational and other needs are met. It is now well recognized that he cannot meet this tremendous task singlehandedly: that is why there is immediate need to *develop many categories of qualified non-physician health personnel, who in cooperation with the physician, will render more comprehensive services in the community.*

Thus medical care for the future requires the active collaboration among persons skilled in many disciplines and professions. Schools for allied health professions with close ties to schools of medicine are therefore essential if we are to train our new physicians to work with the allied health professional in new and effective ways in order to meet the manpower needs of comprehensive care. *The Master Plan of the City University of New York,* for instance, indicates a major commitment in the allied health field, and the Mount Sinai School of Medicine is recognized as the apex of this health profession's complex. The numerous programs in the health professions are dependent upon the participation of the Mount Sinai School of Medicine faculty which already is giving several hundreds of thousands of dollars worth of "free" teaching effort per year to this rapidly developing program. The University's arm for baccalaureate education in the health field is the Hunter College Institute of Health Sciences. Several programs have developed at the junior college level, especially Hostos Junior college which will be primarily devoted to training health professionals. A baccalaureate degree program in nursing, and a masters program in Health Care Administration which is now underway are both part of Mount Sinai's role in the education of health professionals.

Continuing medical education is another responsibility of every medical school. The Millis report published in 1966 stated:

"Medical knowledge has been growing so rapidly that no practitioner can safely rely on what he learned as a student, or consider his own resources as adequate for optimal patient care. It is now widely agreed that for a physician to remain highly competent his education must not terminate at the end of a formal residency, but must continue as long as he practices. Yet many physicians isolate themselves from the kind of continuing education that comes from daily contact with other physicians, and far too many fail to take adequate advantage of available refresher courses."

Thus every medical school should have a well planned, well structured curriculum for the post graduate education of the practicing physicians in its community. At Mount Sinai for example, in the '68–'69 academic year, our Post Graduate School conducted 72 courses which were attended by more than 1,400 practicing physicians.

CONCLUSION

New schools of medicine are therefore faced with a staggering problem of finding money for the "start-up" operation of the school, for the planning and construction of physical facilities and for the establishment of an adequate endowment program to guarantee the continued successful operation of the school—all at the same time. New *private* medical schools for the reason cited throughout this review have an especially difficult problem. The *Mount Sinai School of Medicine* is one such school. Its experiences will be an indication of what potential private medical schools must expect to face. Collectively, they have the potential to raise hundreds of millions in private capital on behalf of medical education. Their problems however, do need special consideration and attention if they are to have the opportunity to do this.

I will be pleased to answer any questions you would like to raise about this highly significant problem of the adequate federal funding for new medical school with particular reference to new private medical schools.

Sincerely,

GEORGE JAMES, M.D.,
*President and Dean.*

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## FEDERAL REGULATION OF PRIVATE PENSION SYSTEMS

Mr. JAVITS. Mr. President, I have for several years been the sponsor of legislation to establish a comprehensive system of Federal regulation of private pension plans, again introducing the measure this year as S. 2167.

I am pleased, therefore, that the committee on labor and social security legislation of the Association of the Bar of the city of New York has just issued a report on this subject and concluded that comprehensive legislation in this field is, in fact, needed, much along the lines of my bill.

The general tenor of the committee's report is that:

We therefore support legislation which would establish a more certain correlation between what employees reasonably expect from a pension plan, and what they actually get.

On the subject of vesting, the report concludes:

We therefore recommend the establishment by federal legislation of minimum vesting standards through "graduated vesting" not just for a transition period (as the Wirtz proposal provided) but as a permanent part of the vesting standard. Rather than have a worker's pension vest 100% after 10 or 15 years (but be forfeited entirely if he loses his job one day too soon), we believe his pension should vest to the extent, for example, of 10% after 6 years of work and 10% thereafter—as is provided in the current bill (S. 2167) introduced by Senator Javits.

On the subject of funding, the report supports a minimum standard of 30-year funding, which I think is a good standard, although slightly more liberal than the 25-year standard in my bill.

The report, among other things, also supports the establishment of Federal pension plan reinsurance and Federal fiduciary standards for pension trustees—both features which I have included in my bill.

And most significantly, the report supports the concept of consolidated enforcement:

We endorse, therefore, the concept embodied in both Javits bills that a single agency should handle enforcement of all these requirements, perhaps issuing one qualifying certificate sufficient to establish compliance with all vesting, funding and reinsurance requirements, and which would also when attached to a tax return, be deemed proof of qualification for tax purposes as well, thus relieving the Treasury of the burden of policing the operations of private pension plans.

Mr. President, the matter is, of course, not without controversy; and the report reflects a brief dissenting opinion. But the report as a whole is in my judgment an excellent analysis of the subject, and its conclusions are well reasoned and worth our serious consideration.

I ask unanimous consent, therefore, that the report, which was printed in the November 1969 issue of the record of the Association of the Bar of the City of New York, volume 24, No. 8, pages 523 to 533, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMITTEE REPORT—PROPOSED FEDERAL REGULATION OF PRIVATE PENSION SYSTEMS

(By the Committee on Labor and Social Security Legislation)

The rapid growth of private pension systems in the past few decades (to the point where participants number approximately 25 million and reserve assets are estimated to total over $100 billion [1]) has generated substantial public interest in their structure and operations—and in the proper role of government in their regulation. Up to now the governmental role with respect to private pension plans has been limited chiefly to tax qualifications years to establish a more comprehensive scheme of federal pension regulations, widely disseminated among numerous different governmental regulatory departments. Several legislative proposals have been advanced in the last few years to establish a more comprehensive scheme of federal pension regulation.

During the 90th Congress, a bill endorsed by President Johnson was introduced which would have established federal fiduciary standards for trustees of private pension plans;[2] and a bill to establish minimum federal standards of vesting and funding and to establish a federal pension reinsurance program was introduced at the behest of then Secretary of Labor Wirtz.[3] A more comprehensive measure which would have established federal fiduciary standards, vesting and funding standards, a reinsurance program and central pension regulation under a new Federal Pension Commission was advanced by Senator Javits.[4] These bills or versions of them have been reintroduced into the 91st Congress and have been referred to appropriate committees for consideration.[5]

The legislative proposals have been put forward despite the facts that (1) the private pension plan system is built on top of a governmentally-operated Social Security System which is a foundation for voluntary experiments; (2) private plans and their amendments must be reported under the Welfare and Pension Plans Disclosure Act;[6] and (3) private plans which are jointly administered by employers and unions are limited to proper purposes by the criminal anti-bribery provisions of Section 302 of the Taft-Hartley Act.[7]

These facts are formidable. The intrusion of national government into the processes of voluntary, private supplementation to a governmental program is not a welcome development, especially when the supplementation is rich with a vast number of different plans, each created and developed in accordance with individual institutional needs, pressures and balances. The gigantic sums of money involved add to the instinctive caution. Nevertheless, we conclude that experience has shown federal regulation to be necessary, and that such regulation should extend beyond jointly-administered plans to include employer-administered plans as well. We believe there is a need for minimum federal standards for all pension plans—vesting-funding standards, fiduciary standards, and a basic reinsurance requirement (as well as certain other requirements discussed below)—in order to provide protection to the average pensioner, who too often finds himself without the security he had for many years expected and labored to achieve.

We are aware that such standards and requirements will raise the cost of private plans, almost certainly so much as to hinder, if not totally prevent, the continuance of the steady rise in benefits promised to employees (and currently being actually received by many retirees). We are also aware that federal minimum standards may well become fixed ceilings for negotiators in collective bargaining. But here, again, we conclude that the assurance of promised and expected retirement benefits makes the price worth paying.

In general, our conclusion means only that the desirability of the goal seems to us to outweigh the disadvantages inherent in securing it. Those disadvantages do not disappear once the conclusion is reached; they endure in their importance and serve as warning signals against undue tinkering.

I. THE NEED FOR REGULATION

The basis for our recommendations lies not only in certain dramatic and nationally-noticed events in recent years, but also in less-dramatic disappointed expectations which have been occurring in the private pension plan system.

The most notable of these pension disasters was the closing of the Studebaker South Bend plant in 1964 and the termination of its pension plan mid-way in its 30-year funding period. Upon termination, arrangements were made for the payment of full pensions to 3600 persons who were retired or who had reached age 60, but 4000 employees between the age of 40 and 59 and with "vested" rights received only 15% of their pension equities, and 2900 employees, under age 40, received nothing.[8] The Studebaker termination is by no means an isolated case. A recent Bureau of Labor Statistics study[9] shows a marked increase in plan terminations during the period 1955–65. Over that 11 year period, 8100 retirement plans terminated. These covered some 225,000 people at the time of termination. Thus, approximately 20,000 persons per year were affected. The study could not estimate, because of lack of data, the number of affected employees who sustained a loss or diminution of pension "rights" under each terminated plan, but we consider it a fair judgment that the proportion was substantial.

Termination of pension plans prior to expiration of the funding period has not been the only source of disappointment. Job turnover prior to vesting is sufficiently frequent to constitute a substantial factor in actuarial assumptions; after many years, a long-service employee may lose his job, or move to another city and another employer, with the result that his pension "rights" have been forfeited because he did not work continuously for the same employer, as required by the plan, until the vesting date.[10] And no one can reasonably predict the future impact upon the soundness of a plan (and an employee's pension rights) from actions of administrators and trustees who have succumbed to the temptations of personal power and aggrandizement offered by dominion over huge sums of money.

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Footnotes at end of article.

Many pension plans, of course, are soundly financed and fairly structured. Yet many are not. Thus, while many workers actually receive a private pension, others expect to receive one, may have worked the better part of a lifetime "under" a private pension plan, and yet receive little or nothing at retirement age. We therefore support legislation which would establish a more certain correlation between what employees reasonably expect from a pension plan, and what they actually get.

II. PROPOSALS

*A. Vesting and funding*

*Vesting* is the granting of an irrevocable right to an employee to receive in the future, starting usually at a specified retirement age, pension benefits earned through his past employment.

*Funding* is the accumulation of assets (in the hands of a trustee, insurance company or the like) earmarked for the payment of pensions promised by a pension plan.

A majority of pension plans now in existence already provide some sort of pre-retirement vesting. Current funding requirements, under Internal Revenue Service rules for continued qualification, require only that employer contributions to the pension fund be sufficient (subject to exceptions not here relevant) (1) to permit current payment of plan benefits, and (2) to prevent any increase in unfunded past service cost. There is no obligation to fund the principal of initial past service liabilities.

The 1965 Cabinet Committee Report, which has come to be the starting point for most discussions of pension plan regulation, recommended "some reasonable measure of vesting," [11] and suggested, as a possible minimum standard, fifty percent vesting after 15 years of service and full vesting after 20 years.[12] As to funding, the Cabinet Committee Report recommended that past service liabilities be funded over the average work life of employees, but not more than 30 years.[13]

The bill recommended by former Secretary of Labor Wirtz would have put the standard at 10-year vesting (10 years of employment after the age of 25) and would have established a 25-year funding standard.[14] The Javits bill would have required full 15-year vesting at age 45 and 25-year funding.[15]

1. *Vesting.* Senator Yarborough, introducing the bill proposed by former Secretary Wirtz, stated that there are 12 million employees working under plans without 10-year vesting, and that 3 million of these will, in the absence of legislation, never get benefits from their plans.[16] We think the problem is more severe, for these 3 million (and others) may very well go from plan to plan, forfeiting pension after pension, because they are too mobile ever to vest.

Legislative "vesting" requirements represent a decision in favor of fundamental fairness over contract rights—not unlike the "overreaching" grounds on which courts have voided provisions of certain commercial contracts. The basic consideration is essentially the same—is a man entitled to more than he is actually promised, particularly when he is made fully aware of the limitations of that promise at the time of its making? The question is made more difficult to answer affirmatively when it is also shown that the employer's promise has been precisely so limited in exchange for higher benefits in the plan or higher wage rates in general.

Still, the contractual argument does not sufficiently reflect the actual. The individual worker does not normally take or refuse a job depending on all the niceties of its fringe benefit provisions, however clearly spelled out to him. And unions (which represent a minority of our work force in any event) cannot be depended upon invariably to protect this particular employee interest—for they are constantly tempted, as institutions, to produce and display to their constituents higher dollar figures rather than sober analyses of the attainment of a greater degree of security. Nor can employers be looked to as protectors of the individual's expectations: predictably, they often either accede to union demands for higher dollar benefits (in lieu of reducing a vesting period) or, if unorganized, set up plans on their own with "late" vesting provisions—their goals being both to retain a stable work force and to minimize costs. The consequence is that the early vesting interest of an employee tends to be over-ridden by other pressures in the process of private decision-making, and needs independent legislative support.

In addition, there is a serious question whether our society gains from a non-mobile, blue-collar work force. "Late" vesting, were it to perform as substantial a part of a wage-earner's motivation and life-style as the proponents of the contractual argument in effect urge it should, fosters the adherence to a job with a particular employer beyond the degree which may be desirable for American society. Ample security for retirement age is a highly desirable goal, but we would seek it without encouraging the proliferation of already strong bonds between employer and employee which might tend to obstruct the operation of a free enterprise economy and culture. We reach this conclusion notwithstanding the realization that an employer's interest in retaining the services of employees—particularly higher-level supervisory employees—can be both legitimate and substantial. But we do not believe that interest should outweigh the wage-earner's—especially since an employer has available to him other methods by which to tie executives to his business.

We therefore recommend the establishment by federal legislation of minimum vesting standards through "graduated vesting" not just for a transition period (as the Wirtz proposal provided) but as a permanent part of the vesting standard. Rather than have a worker's pension vest 100% after 10 or 15 years (but be forfeited entirely if he loses his job one day too soon), we believe his pension should vest to the extent, for example, of 10% after 6 years of work and 10% per year thereafter—as is provided in the current bill (S. 2167) introduced by Senator Javits. Under this method, full vesting would occur after 15 years and lesser vested rights would obtain prior thereto once the employee had worked for his employer for several years.

At the same time, we note that these proposals may more easily be made applicable to plans created after the effective date of new legislation, while retroactive application could too radically alter the nature of an original bargain; we therefore recommend that only years of service worked after the effective date of new legislation be credited toward the new vesting requirement.

2. *Funding.* The arguments for and against minimum federal funding standards echo those made with regard to vesting. There are, however, two additional considerations: (1) it is difficult to assume that an individual employee is sufficiently able to comprehend (and base his employment decisions upon) the various nuances of funding procedures: and (2) benefit failures from inadequacies of funding can occur despite an employee's total loyalty to his job and his employer, a situation not quite so frequent in late vesting situations. These facts render it easier to conclude that governmental funding standards should be created.

We therefore support the proposal that minimum funding standards should be imposed and, in this regard, believe a 30-year funding period to be appropriate.

We recommend as a further requirement that the cost of future increases in benefits or liberalization of eligibility standards be funded separately so as not to weaken the funding of benefits previously granted.[17] For example, assume a plan (1) originally providing for a $100 per month pension, fully vested after 15 years; (2) granting full credit for years of past service rendered before adoption of the plan on commencement of funding; and (3) planned to take 25 years for funding of the deficiency created by past credited service. After the plan has been in operation for 20 years, that liability may be almost fully funded, and the employer (or union, or both) may decide to raise benefits to $150 per month and/or vest benefits after 10 years. The change will necessitate an increase in contributions to the plan, not only to pay increased current service costs, but also to fund the new liability created by new past credited service at a higher benefit level. If the funding of the original past service liability is combined with the funding of the increased benefits and liberalized vesting, neither will be fully funded for another 25 years. If, in the interim, the plan terminates, the latest benefit and vesting liberalization may result in partial forfeiture of the original vested benefit which would have been fully funded if the plan had not been amended. The example sufficiency proves, we believe, the validity of a separate funding requirement.

*B. Adjustments of existing plans*

We consider that the most worrisome problem presented by federal standards—particularly in vesting and funding—is that of adjustment of existing plans.

We are not overly troubled by changes which would be required of unilateral employer plans covering unorganized workers. We do not make light of the inevitable increase in the employer's costs, but we are aware that in such circumstances the employer has great flexibility in revising his labor cost "package" so as to minimize the impact of the proposed legislation.

The collective management-union bargain is another matter. Realistically, vesting and funding revisions to meet federal standards cannot in the usual situation be politically "sold" to a union's constituency as a substantial improvement no matter how large the added costs may prove to be. It is not easy to recommend changes for which no political "credit" from employees is received; for no matter how appreciative of the employer's problem, union negotiators are unlikely to risk rejection by their members, and many employers in consequence will be faced with added pension costs separate and apart from economic demands which a union's leadership will consider the minimum necessary to secure ratification.

This problem has no ready solution known to us. It has been, in our judgment, the chief reason for opposition by both management and union groups to proposed federal standards.

The remedy most frequently proposed is that of added time. For example, the current Javits bill would allow an extra 10 years for funding past service liabilities in existing plans, and the Wirtz bill proposed transitional periods for both vesting and funding. We have no quarrel with provisions for added time—indeed, we consider them necessary; we observe, however, that the lack of political credit with employees might often mean that collective bargains would be struck without changes in pension standards right up to the deadline date; only then are negotiators normally willing to face up to the issue and consider it a factor in the bargain which must be handled with something other than a determination to decide it "next time around."

For that reason, we suggest, with hesitance, a device to work in conjunction with added time. We discuss below the creation for other purposes of a federal pension agency; we would charge that agency with a special

Footnotes at end of article.

function in this area: the issuance of orders to cease making benefit payments and promising benefits if federal standards are not absorbed into a plan by a certain date. Such orders would have the immediate effect of bolstering negotiators on both sides, for employees would be aware that a governmental authority had stepped into their specific collective relationship and had ordered changes made. The employer and the union leaders would be better enabled to explain the reasons for, and the effects of, the changes and would have a ready scapegoat for their actions.

This would by no means cure the problem completely. And we are, as noted, hesitant to recommend the arming of a new national agency with cease and desist power over thousands of plans and millions of covered employees—especially when the grant of that power is recommended for indirect reasons. Yet, the problem is of sufficient importance to warrant suggested solutions shaped to its cause; we are not aware of any other suggestion addressed to the core question of rank-and-file acceptance of the bargaining which a new statute would mandate.

*C. Exemptions for particular plans*

The current Javits bill allows a longer funding period for certain multi-employer plans. Previous discussion of multi-employer plans has involved broader suggestions, namely that they be exempted entirely from federal standards or be enabled to seek qualified exemption because the continuity of the industry (as distinct from individual companies) is sufficient to give them a stability rendering unnecessary the proposed vesting and funding requirements.

We foresee more harm than good in creating an exemption for multiemployer plans. Whether they are financially more stable and are in the course of developing their own forms of intra-locality or intra-industry "portability" * seems basically irrelevant. If they are thereby entitled to fall outside regulation (and thus able to promise higher benefits to covered employees than the same costs would provide to employees covered by regulated plans) an unjustified discrimination will have been created. National companies like General Motors or area firms like Consolidated Edison could reasonably argue that their financial history and position was ample proof that their plans were safe, and that they and their employees were being forced into needlessly costly formulae.

A small minority of this Committee would avoid such "discrimination" and allow the administering agency to relax or eliminate the minimum funding standard when it considers a single employer or a group of employers strong and stable enough to warrant it. It is argued that the standard otherwise becomes too rigid and formalistic when applied to existing plans.

We believe most of the arguments for that position are considered and rejected elsewhere in this Report. At this point, we raise an additional factor, namely, the goal of efficient administration. Putting to one side our disbelief that a group of economists could be gathered having either the ability or the inclination to foretell with exactitude the economic future of a company or an industry, we question the wisdom of charging an agency with such responsibilities. It would be flooded with individual applications and would spend far too much of its time studying those applications in order to determine eligibility for exemption.

We conclude, therefore, that there should be no exemption for any type of plan.

*D. Reinsurance and fiduciary standards*

We are in favor of a federal reinsurance program with respect to the payment of pensions earned under private plans. We would confine the insurance (so as to lower premium charges) to protection against the contingency of a plan termination upon the employer going out of business before achieving full funding—as occurred at Studebaker's South Bend plant. The cost of this program would be funded by a compulsory insurance premium payable by each plan based upon the amount of its own individual unfunded past credited service. So that premium costs can be kept within reasonable limits (and to avoid subsidization of the profligate by the prudent) we believe an insurance program should not be established unless all plans are made subject simultaneously to the substantive and other standards recommended in this Report. As respects existing plans, this would involve delay in their insurance coverage until they are brought into line.

Federal fiduciary standards also seem necessary. A number of recent disclosures, documented in Congressional and other inquiries,[18] have revealed serious inadequacies not only in existing federal regulation but in state trust law as well.[19] Legislation should impose standards broad enough to include misuse of a pension fund by employers and unions as well as by trustees.

In addition, we believe that any legislation establishing minimum standards for pension plans should include certain simple, fundamental mechanisms to help assure that a legal right to a pension can, as a practical matter, be converted into a pension in fact. In particular, we recommend, first, that the federal courts be given jurisdiction to enforce rights** under pension plans (as they now have jurisdiction under Section 301 of the Taft-Hartley Act to enforce collective bargaining agreements); second, that to facilitate such enforcement each plan, trustee, and administrator be required to designate some agent (perhaps the Secretary of Labor) to receive service of process; and third, that every employer and plan administrator be required to furnish to each employee who leaves a job after having earned a vested pension right some standard form of notice akin to an income tax "W–2" setting forth the amount and terms of the employee's pension, the age when he becomes entitled to receive it, who holds the money, and how, when and to whom to apply for benefits.

We also favor the proposals that there be licensing of actuaries.

*E. Consolidated enforcement*

The major share of regulatory jurisdiction over pension plans is now held by the Treasury Department, which decides whether a plan "qualifies" under Section 401 of the Internal Revenue Code, and the extent to which contributions to the Plan are therefore tax deductible. Other regulations administered elsewhere concern bonding and the filing of information forms under the Welfare and Pension Plans Disclosure Act (Labor Department), qualification under securities laws (SEC), qualification to exclude contributions from the "regular rate" so as not to have to pay a "pension and a half" for overtime (Labor Department, Wage and Hour Division), and compliance with the anti-bribery provisions of Section 302(c) of the Labor-Management Relations Act (Justice Department).

If, as we recommend, a substantial increase in federal regulation is added to the foregoing (*e.g.*, vesting and funding standards, fiduciary standards, reinsurance), there will be a clear need for all regulation to be consolidated. We endorse, therefore, the concept embodied in both Javits' bills that a single agency should handle enforcement of all these requirements, perhaps issuing one qualifying certificate sufficient to establish compliance with all vesting, funding and reinsurance requirements, and which would also, when attached to a tax return, be deemed proof of qualification for tax purposes as well, thus relieving the Treasury of the burden of policing the operation of private pension plans.

CONCLUSION

Comprehensive federal regulation of pension plans has been shown by actual experience to be necessary. Despite that evidence, regulation has hitherto expired in the Congress, primarily, we believe, because important segments of management and labor fear disruptive effects on existing plans and have expressed their fears in Washington. The deep disappointments suffered by individual employees tend to be underemphasized in such a situation, particularly when a legislator is led by a continuously expanding economy to conclude that those disappointments are not likely to reoccur. We believe that prudence calls for a different conclusion. If a lengthy recession occurs or a single industry founders for reasons particular to it, the effects can be catastrophic. Likewise, the adverse impact of legislation on existing plans is continuously augmented as more and more millions of employees become covered under plans, and more and more benefits are promised to them. We agree that the impact will be disruptive to some degree; but we perceive no rationality to delaying regulation until private plans cover the entire work force of the country, and by that fact alone predetermine a negative legislative judgment. Once it is clear that Congress should act, it seems to us just as clear that it should act promptly.

DISSENTING OPINION ***

The Committee Report is directed to an extremely complex subject, and the effect which the legislation proposed in the Report would have on employers and employees under private pension plans is unknown. It is questionable whether the Committee had before it sufficient factual material or studies, or data relating to costs or expenses of its proposals to warrant making many of the recommendations the Committee has made. Accordingly, dissent is taken from the issuance of a Report on proposed federal regulation without further study.

COMMITTEE ON LABOR AND SOCIAL SECURITY LEGISLATION (1968–69)

Arthur Mermin, *Chairman;* David I. Ashe, Joseph Barbash, Mark K. Benenson, Saul Z. Cohen, Frank Cummings, Emanuel Dannett, Bernard Gold, Morris P. Glushien, Stanley D. Halperin, Samuel M. Kaynard, Ida Klaus, Jack L. Kroner, Jerome Lefkowitz, Everett E. Lewis, Ivan C. McLeod, James M. Nabrit III, Peter M. Panken, Asher W. Schwartz, Herbert D. Schwartzman, Peter Seitz, Michael I. Sovern, Evan J. Spelfogel, William P. Witman, Sidney A. Wolff.

FOOTNOTES

*There has been much discussion during the debate on pension regulation with respect to "portability." The suggestions are generally for a central federal clearing house for pension credits, which could be transferred from one pension plan to another. The Committee believes that early graduated vesting sufficiently handles the situation so that a necessarily cumbersome federal "clearing house" for portability may not be necessary, and should not be created, at least for the present.

**We refer to individual rights of the employee or his beneficiaries such as to a stated pension amount, or to obtain information with respect to vesting or how, when and to whom to apply for benefits—but not to enforce fiduciary obligations as such. This latter would be better left to an administrative agency.

***The Committee has instituted as an experiment a method of signing its Reports whereby the adoption of a Report by a majority of a quorum present at a meeting will result in all Committee members being listed

in support of the Report; a dissent may be written by any member but will be anonymous.

[1] 1968 Senate Pension Hearings, *infra*, note 10, at 216–17. While private pension plans have existed longer than Social Security, the real growth of private plans—their reserve assets, coverage and benefits—has been a comparatively recent phenomenon. In 1940, only 4.1 million Americans were working in pension-plan-covered employment, and only 160,000 beneficiaries were drawing pensions. Reserve assets of these plans in 1940 were $2.4 billion; contributions were flowing in at an annual rate of $310 million; and benefits were being paid out at a rate of $140 million per year.

But by 1962, the number of participants had grown from 4.1 million to 23.1 million; the number of those drawing pensions had risen from 160,000 to over 2 million; reserve assets had grown from $2.4 billion to $63.5 billion; annual contributions had risen from $310 million to $5.9 billion; and benefits flowing out of pension plans had risen from $140 million to $2.24 billion. See *Public Policy & Private Pension Program, A Report to the President on Private Employee Retirement Plans by the President's Committee on Corporate Pension Funds & Other Private Retirement & Welfare Programs*, App. A, Table I (Jan. 1965) (hereinafter cited as *"1965 Cabinet Committee Report"*).

By 1967, reserve assets had reached at least $90 billion. *"To Protect the American Consumer,"* Message to the Congress from President Johnson, February 16, 1967. More recent data puts the total at $103.4 billion, estimated by the SEC as of the end of 1967. Daily Labor Report, No. 85, April 30, 1968, at page B–3.

[2] S. 1024, 90th Cong., 1st Sess. (1967) (Sen. Yarborough); H.R. 5741, 90th Cong., 1st Sess. (1967); H.R. 6498, 90th Cong., 1st Sess. (1967), reintroduced in 1969 by Congressman Dent as H.R. 1046, 91st Cong., 1st Sess. (1969), and as H.R. 6204 with additional sponsors (see footnote 5 below).

[3] S. 3421, 90th Cong., 2nd Sess. (1968) (Sen. Yarborough), reintroduced by Congressman Dent as H.R. 1045, 91st Cong., 1st Sess. (1969).

[4] S. 1103, 90th Cong., 1st Sess. (1967) (Sen. Javits). Senator Javits has very recently introduced in the 91st Cong. a still more comprehensive measure, S. 2167.

[5] H.R. 192, 91st Cong., 1st Sess. (1969) (Rep. Eilberg); H.R. 2080, 91st Cong., 1st Sess. (1969) (Rep. Helstoski); H.R. 6204, 91st Cong., 1st Sess. (1969) (Rep. Dent, *et al.*); and see footnote 4, *supra*.

[6] 72 Stat. 997, as amended (1958), 29 U.S.C. §§ 301–309.

[7] 61 Stat. 157, as amended (1947), 29 U.S.C. § 186.

[8] *Private Pension Plans, Hearings Before the Fiscal Policy Subcommittee, Joint Economic Committee*, 89th Cong., 2nd Sess., pt. I., at 126–27 (1966).

[9] Beier, *Termination of Pension Plans*, Monthly Labor Review, June 1967, p. 26.

[10] *Pension and Welfare Plans, Hearings on S. 3421, S. 1024, S. 1103 and S. 1255, Before the Subcommittee on Labor, Committee on Labor and Public Welfare, United States Senate*, 90th Cong., 2nd Sess. 237–49 (1968) (letters from disappointed pension claimants, submitted as exhibits to the testimony of Assistant Secretary of Labor Donahue). (These hearings are elsewhere cited at *"1968 Senate Pension Hearings"*.)

[11] *1965 Cabinet Committee Report, supra* note 1, at 42.

[12] *Ibid.*

[13] *Id.* at 52.

[14] S. 3421, 90th Cong., 2nd Sess. (1968).

[15] S. 1103, 90th Cong., 1st Sess. (1967). Senator Javits also proposed as an alternative 50% vesting after 10 years, increasing by 5% each additional year so as to achieve total vesting after 20 years' service. His current bill (see fn. 4 *supra*) provides for full vesting after 15 years, achieved by a 10% vesting after 6 years and an additional 10% for each year of service thereafter.

[16] CONGRESSIONAL RECORD, vol. 114, pt. 9, p. 11544. See also *1968 Senate Pension Hearings, supra* note 10, at 271.

[17] S. 3421, 90th Cong., 2nd Sess. § 201(d), (Sen. Yarborough) would make this an optional standard.

[18] *E.g.*, S. Rept. No. 1348, 89th Cong., 2nd Sess. (1966); *1968 Senate Pension Hearings, supra* note 10, at 226–230.

[19] See Elliott, *Federal Fiduciary Standards for Welfare and Pension Plans* (Ass'n of Life Insurance Counsel, 1968).

## SECRETARY WALTER J. HICKEL—1 YEAR LATER

Mr. STEVENS. Mr. President, a year ago today at the Shoreham Hotel President Nixon announced his Cabinet nominations—among them Alaska's Governor, Walter J. Hickel, as Secretary of the Interior.

There were few of them who believed that a man from a State far from the geographical mainstream of the rest of the country and the turmoil of urban centers could do an effective job as guardian of the human and natural resources of the entire United States.

The hearings on his confirmation were grueling—the Secretary was before our committee for 5 days of intensive questioning—and he handled himself with more finesse and awareness of the problems facing his new department than many had expected.

Now, a year has passed since those controversial hearings. The skeptical have been proved wrong.

Through the efforts of Secretary Hickel the public has become aware that conservation means the wise and proper use of our natural resources. Our resources are valuable only as long as they are used without abuse.

In accordance with this theme Secretary Hickel has directed his efforts toward cleaning up the environment with a particular emphasis on water pollution. He has stated that "We must stop simply reacting to problems. We must start anticipating them." Secretary Hickel has anticipated the serious water pollution crisis that will be upon us if action is not taken and has applied stringent new water standards throughout the United States. Next Wednesday the Secretary will conduct a "Save Lake Michigan Seminar" in Chicago to discuss with the Governor of Illinois and leading scientists the most effective and expedient means to eliminate water pollution in that Great Lake.

Secretary Hickel has applied new and tough restrictions on offshore oil leasing after the Santa Barbara incident.

The Secretary believes that the Federal Government must acquire more land to provide recreational opportunities in and near our large centers of population—a program he calls "Parks to the People." The pilot project proposal is located in New York City and New Jersey. Called Gateway National Recreation Area because of its location near New York Harbor, this recreational area would cover 20,000 acres and provide five water oriented sites for recreation. The area would be accessible to 10 million people and be particularly beneficial for children from ghettos who have never had access to facilities of this kind.

The State of Alaska has become the center of attention for conservationists because of the new oil discoveries which many feel threaten the State's existence as the last unexploited wilderness State. The Secretary has required stipulations for the pipeline which will carry the oil from the north slope to southern ports that set forth stringent standards for the protection of the environment. The stipulations call for hiring of Alaska natives to build the pipeline, for the presubmission of certain construction plans and methods to the department, for department control and veto, but with means of appeal. In these stipulations the department retains control of its conservation interests while TAPS retains responsibility for the project.

At his hearings last January, the Secretary agreed to retain the land freeze in Alaska until settlement of the Alaska native land claims issue. Secretary Hickel formulated at the national level a generous and equitable formula for the settlement of the Alaska native land claims; a settlement which would bring justice to a group of Alaskans who have been waiting for justice for 102 years.

I think that Secretary Hickel has shown during his 1 year in office that he is concerned about our human and natural resources. He understands that the care which he and his department insures for the natural wealth and beauty of our country will be reflected in the quality of our lives.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Natural Resource Goals," prepared by Secretary of the Interior Hickel, and published in the Aerospace Journal for the fall of 1969.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATURAL RESOURCE GOAL

(By Walter J. Hickel, Secretary of the Interior)

In 1907, President Theodore Roosevelt said that the conservation and proper use of our natural resources constitutes the fundamental problem which underlies almost every other problem of our national life.

Because of the growth of resource problems which President Roosevelt foresaw far ahead of his time, this statement is even more true today.

In dealing with what President Nixon has called the greatest threat to our environment in our history, we must be sure we set our goals wisely and move to reach them vigorously and promptly.

The Department of the Interior has, as one of its most important responsibilities, the management of natural resources throughout our nation. These responsibilities also extend to our oceans.

I believe we must look ahead to the year 2000 and ask what problems we will face by then. We must stop simply "reacting" to problems. We must start anticipating them.

Our natural resources should be catalogued and inventoried, both in general and specifically, for various uses, whether for preservation for beauty, or as resources for development to accommodate people.

The resources in and under the ocean are also going to have to be catalogued. And we are going to have to have a stronger program in oceanography before we really understand what's out there and how best to utilize it.

There will be areas for the mining of hard minerals and areas for oil, and areas to be set aside for other uses. We should take a hard, visionary look at the resources of our vast continental shelf. We must come up with a long range program that's not only in the interests of the people of America, but literally for all the people of the world.

One of our most important priorities must be coping with pollution of water.

Next year we plan to present a far-reaching analysis to Congress to provide for a really major anti-pollution program. We cannot afford "piecemeal" planning.

What we should strive for is to get started now with a payment schedule for pollution control spread over the next 30 years.

What government should do is encourage understanding that pollution costs money and that measures to prevent air and water pollution and help clean up the environment *make* money.

When we consider our cities, we're looking at man-made, natural, and human resources, and all can be damaged or even destroyed by pollution. Even sweet, pure rainfall on a city which has a quarter of its surface covered with asphalt or concrete can create environmental problems.

Government must enlighten management, and set down regulations where the government is involved. It has to do this—even to itself. Some of the real polluters of air and water are government installations.

On federal lands, projects and leases—both onshore and offshore—we have to set regulations that are attainable. And then, as technology makes it possible, we can tighten up the regulations. We cannot have a program that says we're going to have mountain pure water tomorrow in the Hudson River. It's just not attainable. We must first undo the wrong that has been done, then set guidelines and then encourage the cities and industry to comply.

We also need a planned program for the future to conserve our wilderness areas and parks.

We've got to look ahead far enough, to the press of population in the year 2000 and even beyond, to what's going to be—or should be—developed; what's going to be used for the "pleasure of living," and the "pleasures of viewing." Until we do that, I fear we're going to have development on a "catch-as-catch-can" basis.

The federal government needs to acquire more land to provide recreational opportunities in and near our large centers of population.

An example is what we are doing at Breezy Point, Sandy Hook and Jamaica Bay in New York City to develop a Gateway National Recreation Area to provide unique recreational areas, and areas of wildlife and natural beauty.

This particular project will be immediately accessible to roughly ten million people. A person won't have to take two weeks to get out and rejuvenate his mind and body. Here he can do it over a weekend, or in an evening, or a day.

The federal government has an obligation to its "investors"—our millions of citizens.

Consider the grazing lands in the Great West.

We cannot expect continually to receive revenues from those lands without harming the environment.

We're going to have to determine what are the best uses for these lands.

I think we can find areas where land is not utilized to its highest degree and we can improve on nature by reclamation, irrigation and flood control projects. Then we can have both virgin wilderness, plus greenbelt areas and forests where we can harvest our timber on a true sustained yield basis.

One of the real steps in this direction has been the Public Land Law Review Commission, which is to report in June 1970. It is to come up with recommendations as to how we can best use the public lands we have left.

In general, I believe the problems connected with resources should be kept in one department. In Interior, we have both natural resources and human resources. We have all the Indian problems—Indian, Eskimo and Aleut.

The government has become a crutch to the Indian, and we must allow our Indian citizens to make more of their own decisions concerning education, for example. We should allow them not only to make decisions as to what they think is best, but allow them the privilege of making mistakes, so they'll learn by those mistakes. We have got to have more communication between those in the Bureau of Indian Affairs, and those on the reservations.

In some way we're going to have to "cut the cord," so to speak, and encourage the Indian to become more involved, more independent.

It is not only in connection with our responsibilities for our Indian citizens, of course, that we are dealing with human problems. In handling all of our missions we must focus not on just the resource—but on what the resource can mean to us in building a better life for the people of our country and of the world.

As President Nixon has said, together we have damaged the environment and together we can improve it.

We are working to meet the urgent resource challenges of the seventies with the conviction that what is required is a strategy of quality for the future to match the strategy of quantity of the past.

Our natural resources are the base on which life itself depends. Our stewardship—the care we take of this natural wealth and beauty—will be reflected in the overall quality of our lives.

## THE 1,000 CONSECUTIVE ROLLCALL VOTES BY SENATOR PROXMIRE

Mr. BYRD of West Virginia. Mr. President, I call to the attention of the Senate the remarkable attendance record of the distinguished senior Senator from Wisconsin (Mr. PROXMIRE).

Earlier today, on the passage of the District of Columbia appropriation bill, which he so ably managed as chairman of the Appropriations Subcommittee on the District of Columbia, Senator PROXMIRE's vote was his 1,000th consecutive rollcall.

The Senator from Wisconsin has not missed voting on a rollcall since April of 1966, a period of over 3½ years.

All Senators are aware of the great service rendered by the Senator through his work on several important committees and subcommittees, and I know that all Senators join me in saluting Mr. PROXMIRE on his splendid achievement in having cast 1,000 consecutive rollcall votes.

I compliment the Senator on this truly outstanding performance, of which he and the people of Wisconsin may justly be proud.

## PENDING BUSINESS

Mr. BYRD of West Virginia. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is H.R. 14580.

## ADJOURNMENT TO 10 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 54 minutes p.m.) the Senate adjourned until tomorrow, Friday, December 12, 1969, at 10 o'clock a.m.

## NOMINATIONS

Executive nominations received by the Senate December 11, 1969:

### U.S. ATTORNEY

Gerald J. Gallinghouse, of Louisiana, to be U.S. attorney for the eastern district of Louisiana for the term of 4 years vice Louis C. LaCour.

## CONFIRMATIONS

Executive nominations confirmed by the Senate, December 11, 1969:

### IN THE AIR FORCE

The following officers to be placed on the retired list, in the grade of lieutenant general, under the provisions of section 8962, title 10, of the United States Code:

Lt. Gen. Arthur C. Agan [redacted] FR (major general, Regular Air Force), U.S .Air Force.

Lt. Gen. Benjamin O. Davis, Jr., [redacted] FR (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. Robert J. Friedman, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

### IN THE ARMY

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army, under provisions of title 10, United States Code, sections 593(a) and 3392:

*To be major general*

Brig. Gen. Joseph G. May [redacted] Adjutant General's Corps.

Brig. Gen. LaClair A. Melhouse, [redacted] Adjutant General's Corps.

### IN THE NAVY

Rear Adm. Evan P. Aurand, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

### DISTRICT OF COLUMBIA GOVERNMENT

Graham W. Watt, of Ohio, to be Assistant to the Commissioner of the District of Columbia.

### U.S. MARSHALS

Emmett E. Shelby, of Florida, to be U.S. marshal for the northern district of Florida for the term of 4 years.

Charles D. Loos, of Indiana, to be U.S. marshal for the southern district of Indiana for the term of 4 years.

### IN THE AIR FORCE

The nominations beginning Jackie L. Slaughter, to be captain, and ending Homer M. Vernon, Jr., to be 2d, lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 5, 1969.

### IN THE ARMY

The nominations beginning Walter A. Divers, Jr., to be 1st lieutenant, and ending Charles W. Zimmerman, to be 2d lieutenant,

which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 20, 1969.

IN THE NAVY

The nominations beginning George E. Balyeat, to be captain, and ending Daniel F. Kenney III, to be ensign which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 7, 1969;

Cmdr. Charles Conrad, Jr., Cmdr. Richard F. Gordon, Jr., and Cmdr. Alan L. Bean for permanent promotion to the grade of captain in the Navy;

Lt. Cmdr. Donald W. Stauffer for appointment to the grade of commander while serving as leader of the U.S. Navy Band; and

The nominations beginning James Robert Abbey, to be lieutenant commander, and ending Sarah A. Zalesky, to be lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 1, 1969.

IN THE MARINE CORPS

The nominations beginning Barbara J. Lee, to be lieutenant colonel, and ending Harriet T. Wendel, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 7, 1969;

The nominations beginning James A. Albright, to be 2d lieutenant, and ending Larry A. Sunn, to be 2d lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 17, 1969; and

The nominations beginning John E. Ailes, to be chief warrant officer (W–4), and ending Frank C. Zubiate, to be chief warrant officer (W–2), which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 1, 1969.

# HOUSE OF REPRESENTATIVES—*Thursday, December 11, 1969*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*God is the strength of my heart.*—Psalm 73: 26.

Eternal Father, from whom we come and unto whom our spirits return, we bow our heads in adoration and gratitude before Thee. We thank Thee for every gift of Thy grace which lifts us and guides us, making us better men and better women.

We need Thy strengthening presence to support us through these troubled days, to keep our hearts free from the bitter spirit of hate and resentment, and to keep them filled with the happy spirit of love and good will.

We pray for our Nation and for the nations of the world. May the angels' song of good will among men be heard again and may the earth send back the song which now the angels sing. Led by Thy spirit, help us to live together in peace and with good will in all our hearts; through Jesus Christ, our Lord. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## REQUEST FOR PERMISSION FOR HOUSE COMMITTEE ON BANKING AND CURRENCY TO SIT DURING GENERAL DEBATE TODAY

(Mr. PATMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the House Committee on Banking and Currency may sit today during general debate to continue marking up H.R. 15091.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object.

The SPEAKER. The gentleman from Texas is proceeding under his 1-minute request. Will the gentleman from Texas read his request, please.

Mr. PATMAN. Mr. Speaker, I will finish the statement and then I will repeat the request.

Mr. Speaker, this is a vital piece of legislation which, if enacted, would help to lower interest rates and fight inflation, and would provide significant assistance to the homebuilding industry and the home mortgage market so that our people can secure adequate housing.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Mr. Speaker, I will appreciate it if the gentleman will wait until I have finished a sentence.

Mr. Speaker, this bill will be of significant importance to the small businessmen of our country since it would provide funding for small businesses through the Small Business Administration, and would provide the President with the necessary discretionary authority to curtail unnecessary business investment and consumer expenditures. Portions of this legislation expire December 22 and, unless the committee can finish its work in marking up this legislation, we can look for serious and severe disruptions within the financial community.

Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, I am sure everything the distinguished Committee on Banking and Currency does is important, but the question I wanted to ask is: Has this request been cleared with the minority?

Mr. PATMAN. We have not had an opportunity to do so.

Mr. GROSS. Then, Mr. Speaker, I ask that the gentleman withdraw his request at this time, or I will object.

Mr. PATMAN. Then the gentleman will just have to object. If the request is withdrawn it would not be possible to get another one granted in time to permit the Committee on Banking and Currency to meet today, as requested during general debate. There is only 1½ hours of general debate remaining. The Committee of the Whole House will go into general debate almost immediately and another request cannot be made until it is over.

Mr. GROSS. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

## PERMISSION FOR SUBCOMMITTEE ON COMMERCE AND FINANCE, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, TO SIT DURING GENERAL DEBATE TODAY

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Commerce and Finance of the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object—and I apologize for being a little late—let me look at a note. Is the request to permit the two subcommittees of the Committee on Interstate and Foreign Commerce to sit during general debate?

Mr. MOSS. Mr. Speaker, this is a request for one of the two subcommittees, yes.

Mr. GERALD R. FORD. Mr. Speaker, according to my note, I will say to the gentleman from California, the ranking Republican on the full committee has no objection to this request.

Mr. MOSS. Mr. Speaker, that is correct. I have just been informed of that.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## PERMISSION FOR SUBCOMMITTEE ON COMMUNICATIONS AND POWER, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Communications and Power of the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## PERMISSION FOR SUBCOMMITTEE ON ADVANCED RESEARCH AND TECHNOLOGY, COMMITTEE ON SCIENCE AND ASTRONAUTICS, TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Advanced Research and Technology of the Committee on Science and Astronautics may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 314]

| | | |
|---|---|---|
| Anderson, Tenn. | Gaydos | Pepper |
| Ashley | Giaimo | Powell |
| Baring | Green, Pa. | Pryor, Ark. |
| Blatnik | Hays | Reifel |
| Byrne, Pa. | Hébert | Riegle |
| Cabell | Hosmer | Rivers |
| Cahill | Howard | Rosenthal |
| Casey | Hull | Ruppe |
| Clark | Karth | Ryan |
| Conyers | Keith | St. Onge |
| Cunningham | Kirwan | Sandman |
| Dawson | Kyl | Scheuer |
| Edwards, Calif. | Landrum | Steiger, Ariz. |
| Eilberg | Lipscomb | Stratton |
| Fascell | Long, La. | Tunney |
| Flood | McClure | Udall |
| Ford, William D. | Mailliard | Ullman |
| Fountain | Miller, Calif. | Utt |
| Frelinghuysen | Moss | Van Deerlin |
| Fulton, Tenn. | Murphy, N.Y. | Vander Jagt |
| Gallagher | O'Hara | Whalley |
| | O'Neill, Mass. | |
| | Ottinger | |

The SPEAKER. On this rollcall 368 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## PERMISSION FOR COMMITTEE ON PUBLIC WORKS TO FILE REPORT ON H.R. 15166, AUTHORIZING ADDITIONAL APPROPRIATIONS FOR FLOOD CONTROL, NAVIGATION, AND OTHER PURPOSES

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a report on the bill (H.R. 15166) authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. GROSS. Well, Mr. Speaker, reserving the right to object, what is this bill?

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I want to say to the gentleman that this is a bill authorizing additional appropriations for the prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and other purposes.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

## PERSONAL EXPLANATION

Mr. FUQUA. Mr. Speaker, on rollcall No. 312 I was inadvertently absent. Had I been present I would have voted "nay."

## WINNINGEST COACH IS NOT BRYANT, VAUGHT, HOWARD—IT IS GAITHER

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, an article by United Press International this morning concerning the retirement of Clemson's coach, Frank Howard, carried a very serious error in accuracy.

I am calling this to their attention in this fashion, for quite often this error is made. It concerns the winningest football coach in the land.

The article listed the three winningest coaches as being Bear Bryant, of Alabama, 193; Johnny Vaught, of Mississippi, 177; and Frank Howard, of Clemson, 165.

I am not getting into any arguments about the No. 1 team in the Nation, but I do claim the title of the winningest coach in football to be Alonzo S. "Jake" Gaither.

He has garnered 203 victories.

Now in all fairness, the UPI and all others covering sports should recognize that achievement.

Here is the man who has produced sensational Rattlers' teams with stars such as Willie Gallimore and Bob Hayes. Floridians are proud of our school and more than proud—boastful about "Jake" Gaither.

This in nowise is a discredit to Coaches Bryant, Vaught, or Howard. They are a credit to the game and I admire each of them for their contributions to college football and to young people. Rather than being a discredit to them, it only emphasizes that much more what an accomplishment the Gaither record really is.

But, in this centennial year of college football, let us get one thing straight.

The winningest coach in football—and he has held the title for some time—is "Jake" Gaither of Florida A. & M. University of Tallahassee, Fla.

## EXCELLENT PROGNOSTICATING

(Mr. WRIGHT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WRIGHT. Mr. Speaker, I understand that one or more Members have raised some question today as to the efficacy of the choice by the President of the United States in awarding a plaque to the No. 1 football team in the Nation, the University of Texas Longhorns. Modesty forbids my responding at great length upon that matter, and modesty, of course, is a virtue for which all of us who ever attended the University of Texas are well and widely known, but I should like to call the attention of the membership to the fact that the President is, in his own right, a very noteworthy and demonstrably able football prognosticator.

Prior to the Texas-Arkansas game on last Saturday, the President, in attempting to analyze what might happen, told a group of Members of the House from Arkansas and from Texas that, first, he did not believe any points were warranted between the two teams. As you will recall, the score was separated by 1 point only.

He said, second, that he believed Arkansas might have a faster team, and that he would expect they would score, and probably would score first. This happened precisely in that fashion.

And finally the President predicted that in his judgment if Texas should win the game it would have to do so in the fourth quarter. It was uncanny, the accuracy of President Nixon's predictions prior even to the start of the game.

So I suggest to those who have some doubts as to the President's ability to pick the No. 1 team, that this is further proof of the fact that in his own right Mr. Nixon is a great football prognosticator. He knows a No. 1 team when he sees it.

## PROJECTED PRIZEFIGHT BY CASSIUS CLAY AN INSULT TO PATRIOTIC AMERICANS

(Mr. MICHEL asked and was given permisison to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, Cassius Clay is in the news again. Members will recall that on June 20, 1967, he was convicted and sentenced to 5 years in prison and fined $10,000 for willfully failing to submit to the draft. His case was appealed, sent back to the district court for a hearing to determine whether his conviction had been secured as a result of evidence by electronic surveillance. On July 14, 1969, the district court found that the monitored conversations bore no relation to any evidence used by the Government in securing Clay's conviction. He was resentenced, and released on $5,000 bond, pending an appeal to the Fifth Circuit Court of Appeals.

Now I see, Mr. Speaker, where he has been given the green light to enter the ring in Florida and resume his pugilistic career. I consider it an affront to every GI in service to allow Mr. Cassius, who had feet of Clay, when faced with the prospect of serving his country, to drag down another fat paycheck of some $300,000 or more from the ring. It is another black eye for professional boxing and a "low blow" from the promoters of the fight. I think it is disgraceful.

It should be recalled that Mr. Clay gave as one of his "excuses" for not wanting to be drafted that he was in reality a minister and that even boxing was antagonistic to his religion. Apparently he is willing to fight anyone but the Vietcong.

Clay has been stripped of his heavyweight title for dodging the draft, and I consider it an insult to patriotic Americans everywhere to permit his reentry into the respected ranks of boxing.

## THE NO. 1 TEAM

(Mr. KLUCZYNSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLUCZYNSKI. Mr. Speaker, I am very much impressed with the remarks made by the gentleman from Texas (Mr. WRIGHT). Texas is a heck of a good team, and I have seen the cream of the crop

yesterday when the Texas delegation had the football players here at a reception.

However, I understand they are going to meet with the Fighting Irish, and they had better look out for themselves with all those Poles, Lithuanians, and Bohemians on that Irish team.

Mr. PICKLE. If the gentleman will yield, how does this Irishman spell KLUCZYNSKI?

Mr. KLUCZYNSKI. It is easier to spell KLUCZYNSKI than it is to spell PICKLE backward.

## LEGISLATION EXTENDING THE NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

(Mr. MAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAYNE. Mr. Speaker, the President's message to Congress asking for a 3-year extension of legislation creating the National Foundation on the Arts and the Humanities shows his keen awareness of the Foundation's great potential for stimulating and improving America's cultural life. The President has very accurately stressed the urgent need for protecting and improving our cultural environment and has realistically defined the Federal role in attaining this objective as supportive rather than primary. The substantial additional funds requested for the Foundation in the message prove that this administration is not just working for our country's material progress which is, of course, very important, but also has a deep concern for things of the spirit. I was particularly impressed by the statement that culture is not the exclusive property of big cities, but belongs to all Americans in every region and community.

The President made a most propitious beginning in this area last September by naming the highly capable and experienced Nancy Hanks, president of the Associated Councils of the Arts, as the new Chairman of the National Council on the Arts. In his message yesterday he demonstrated that Miss Hanks will have his full backing in developing an effective program. I believe this message will meet with the country's approval and the Congress should move promptly to implement it.

## TRIBUTE TO JAMES FREE

(Mr. BEVILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEVILL. Mr. Speaker, for a number of years, Mr. James Free has served as Washington correspondent for the Birmingham News, of Birmingham, Ala. Prior to this, Jim served as Washington correspondent for the Chicago Sun, and staff writer for the Washington Evening Star and Richmond Times Dispatch. Throughout this time, Jim Free has distinguished himself as a journalist of the highest caliber.

Mr. Speaker, I would like to take this time to offer a well-deserved tribute to Jim.

In an age when the volume of legislative work before Congress is staggering, Jim Free continues daily to effectively come up with the most important happening in the Nation's Capital. He has an instinctive gift for sifting through the mass of material and turning out informative, interesting articles. His ability and thoroughness undoubtedly place him among the most talented correspondents in Washington, D.C.

Needless to say, many awards and tributes have come his way. But Jim continues his steady course, keeping his perspective and objectivity.

Today our society needs, indeed must have, a truthful, comprehensive and intelligent account of the days' events in a form that gives them meaning and understanding. Thanks to correspondents like Jim Free, this is possible.

Through the efforts of these dedicated journalists, the press today remains a vigorous and vital institution. They are helping to forge a better understanding between the people and their government. And for this we should all be grateful.

## PROVIDING FOR PRINTING OF PROCEEDINGS INCIDENT TO PRESENTATION OF PORTRAIT OF SAMUEL N. FRIEDEL

Mr. DENT. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 741) on the resolution (H. Res. 744) providing for the printing of the proceedings in the Committee on House Administration incident to the presentation of a portrait of the Honorable SAMUEL N. FRIEDEL, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 744

*Resolved,* That the transcript of the proceedings in the Committee on House Administration of October 6, 1969, incident to the presentation of a portrait of the Honorable Samuel H. Friedel to the Committee on House Administration be printed as a House document with illustrations and binding in such style as may be directed by the Joint Committee on Printing.

SEC. 2. In addition to the usual number, there shall be printed two hundred and fifty copies of such document for the use of the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## AUTHORIZING PRINTING OF MANUSCRIPT ENTITLED "SEPARATION OF POWERS AND THE INDEPENDENT AGENCIES: CASES AND SELECTED READINGS"

Mr. DENT. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 742) on the Senate concurrent resolution (S. Con. Res. 44) to authorize printing of the manuscript entitled "Separation of Powers and the Independent Agencies: Cases and Selected Readings," as a Senate document, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 44

*Resolved by the Senate (the House of Representatives concurring)* That the manuscript entitled "Separation of Powers and the Independent Agencies: Cases and Selected Readings", prepared for the Subcommittee on Separation of Powers of the Senate Committee on the Judiciary by the Legislative Reference Service of the Library of Congress, be printed as a Senate document.

SEC. 2. There shall be printed for the use of the Senate Committee on the Judiciary one thousand additional copies of the document authorized by Section 1 of this concurrent resolution.

With the following committee amendment:

Strike out section 2 and substitute in lieu thereof a new section 2 as follows:

"SEC. 2. There shall be printed six thousand additional copies of the document authorized by Section 1 of this concurrent resolution of which one thousand shall be for the use of the Senate Committee on the Judiciary, and five thousand shall be for the use of the House of Representatives."

The committee amendment was agreed to.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

## AUTHORIZING THE PRINTING OF A REPORT ENTITLED "HANDBOOK FOR SMALL BUSINESS" AS A SENATE DOCUMENT

Mr. DENT. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 743) on the Senate concurrent resolution (S. Con. Res. 46) authorizing the printing of a report entitled "Handbook for Small Business" as a Senate document, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 46

*Resolved by the Senate (the House of Representatives concurring),* That a publication of the Senate Select Committee on Small Business entitled "Handbook for Small Business, 3rd Edition, 1969," explaining programs of Federal departments, agencies, offices, and commissions of benefit to small business and operating pursuant to various statutes enacted by the Congress, be printed with illustrations as a Senate document; and that there there be printed twenty-eight thousand two hundred additional copies of such document, of which twenty-three thousand two hundred copies shall be for the use of the Senate Select Committee on Small Business, and five thousand copies shall be for the use of the House Select Committee on Small Business.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

## EXTENSION OF VOTING RIGHTS ACT OF 1965

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for further consideration of the bill (H.R. 4249) to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for further consideration of the bill H.R. 4249, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from New York (Mr. CELLER) had 59 minutes remaining, and the gentleman from Ohio (Mr. McCULLOCH) had 1 hour and 1 minute remaining.

The Chair recognizes the gentleman from Ohio.

Mr. McCULLOCH. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, let us not tamper with success.

The Voting Rights Act of 1965 is the most effective civil rights law on voting rights enacted in our history. It has proven itself seven times as effective as our three prior attempts combined. Under its protection, between eight hundred thousand and a million blacks have registered to vote.

No one can deny that the Voting Rights Act of 1965 works. No one can deny that there was and still is a glaring need for this legislation. No one can deny in view of South Carolina against Katzenbach, that the Congress has the power to enact such legislation.

In 1965, the House overwhelmingly adopted this legislation. The vote was 328 to 74.

Today, we consider H.R. 4249 which would extend sections 4 and 5 of the Voting Rights Act for an additional 5 years. The bill would thus restore the Voting Rights Act to its original legislative form. When the act was originally introduced as H.R. 6400 of the 89th Congress, it was thought that 10 years would be needed to overcome the effects of centuries of discrimination. No evidence was offered to contradict the 10-year estimate of the Justice Department. However, in order to gain the votes necessary for cloture in the other body, a compromise was reached and "10 years" was changed to "5 years."

Experience has proved that the original estimate was correct.

The South has not to any appreciable extent suffered a change of heart. Progress has been made only by impact of Federal law and not through generosity of spirit. In hearings before the Judiciary Committee, the Civil Rights Commission testified:

> The history of white domination in the South has been one of adaptiveness, and the passage of the Voting Rights Act and the increased black registration that followed has resulted in new methods to maintain white control of the political process.

What are these new methods by which the South achieves an old goal? Here are just a few:

Boundary lines are gerrymandered to dilute black voting strength;

Elections are switched to an at-large basis;

Counties are consolidated;

Elective offices are abolished where blacks have a chance of winning;

The appointment process is adopted in lieu of the elective process;

Polling places where a large turnout of black voters is expected are changed at the 11th hour;

Election officials suddenly decide to "go fishing" when blacks come to file or to register; and

Economic and physical intimidations are employed. Yes, it is still happening down South.

Will all this be put to an end by simply abolishing literacy tests? I ask the supporters of the administration bill in all sincerity, how can we solve the problem of discrimination against the southern black voter by doing less?

Our goal is full enjoyment of the right to vote for all Americans. That goal is not secured by outlawing only one method of discrimination while allowing the other hundreds of ways to take their toll.

Every day in the South we witness a new way to discriminate. But the administration bill would attack only one—the use of literacy tests. All the rest is retreat.

If a dam has a hundred holes and you fix one, the water still comes through. That is why the attorney general of Mississippi prefers the administration bill to the committee bill.

Whereas the administration bill attacks literacy-test discrimination, the committee bill attacks all methods of discrimination.

Section 4 of the act attacks the discriminatory use of literacy tests. Section 5 of the act attacks all the other ingenious methods of discrimination in voting.

The administration bill would ban literacy tests whether or not employed to discriminate on the basis of race or color. Under section 4 of the act, any jurisdiction covered by the formula can prove that it does not discriminate and be removed from coverage. The administration criticizes the act because the burden of proof is placed upon the local jurisdiction. But ironically, the administration bill would not even allow such a jurisdiction the opportunity to prove its innocence. Rather, the administration bill irrefutably presumes guilt.

Thus, while the act permitted Wake County, N.C., for example, to prove that its literacy test was not employed in a discriminatory manner and thus escape coverage, the administration bill would force Wake County to stop using literacy tests, even though they were constitutionally proper. The same would be true for counties in Idaho and Arizona as well as the entire State of Alaska, all of whom have been exculpated by court decree. Constitutional State laws constitutionally applied would be outlawed. Why?

I ask you, Why?

Is this an example of the new federalism? Where does Congress get the power to strike down valid State laws for no reason? What is the Federal interest that is being vindicated?

Section 5 of the act is a remedy aimed at all the other forms of discrimination in voting. The administration bill—as Father Hesburgh, Chairman of the Civil Rights Commission, said—would "gut" this key provision of the act. It would be, he said, "a distinct retreat."

Section 5 now requires that a jurisdiction covered by section 4 must clear new voting laws and practices with the Attorney General as the district court in the District of Columbia before they become effective. The administration bill would in effect repeal section 5 and replace it with a remedy already proven to be a failure in the South, that of case-by-case litigation.

First. The turtle pace of litigation is simply too slow to catch up with rapid changes in voting laws and practices that regularly occur in the South, especially just before elections. Section 5 would not allow the rules of an election to be changed at the last minute, for it delays the effective date of a new change for 60 days unless the Attorney General or the district court previously approve the change. As the Supreme Court said in *South Carolina* v. *Katzenbach*, 383 U.S. 301 (1966):

> After enduring nearly a century of systematic resistance to the Fifteenth Amendment, Congress might well decide to shift the advantage of time and inertia from the perpetrators of the evil to its victims.

Second. Without section 5, the Justice Department would not be promptly and regularly apprised of changes in voting laws and practices. This would be particularly unfortunate because under the administration bill the Justice Department would be responsible for finding discrimination and suing to enjoin it.

Third. The preclearance procedure—and this is critical—serves psychologically to control the proliferation of discriminatory laws and practices because each change must first be federally reviewed. Thus section 5 serves to prevent discrimination before it starts.

Fourth. The burden of proof under section 5 is rightfully placed upon the jurisdiction to show that the new voting law or procedure is not discriminatory. As in tort law, when circumstances give rise to an inference that there has been misconduct, the party that has access to the facts is called upon to rebut the inference and show that its conduct was proper. Under the administration proposal the burden of proof would be taken from those who knew most and shifted to those who knew least. It would be taken, to paraphrase the Court from the perpetrators of evil and shifted to their victims.

Fifth. Under section 5 it is the district court for the District of Columbia that hears the case. This is not unusual, for the defendant, the United States, resides here. Beyond that, there are certain definite advantages:

The decisions reflect an attitude friendly to the cause of civil rights;

The decisions are rendered without unnecessary delay; and

The decisions are uniform. Under the administration bill all these advantages are lost.

Sixth. Section 5 now permits private citizens to police the local jurisdictions. This was not clear until last March when the Supreme Court handed down the Allen decision. Thus, if the State government and the Federal Government forget that section 5 exists, an interested citizen can compel the jurisdiction to obey sec-

tion 5 and enjoin the new law or practice, not because it is discriminatory but because it was not cleared under section 5.

The Supreme Court in Allen perceived the need for private enforcement. The Court said:

> The achievement of the Act's laudable goal would be severely hampered, however, if each citizen were required to depend solely on litigation instituted at the discretion of the Attorney General.

The Attorney General testified that the administration bill would not authorize private suits under section 5.

Upon analysis, the administration bill sweeps broadly into areas where the need is slight and retreats from areas where the need is great. On the one hand, it bans literacy tests in States from which neither the Justice Department nor the U.S. Commission on Civil Rights, nor the NAACP, nor the ACLU have yet received a single complaint. On the other hand, it drastically relaxes the Federal attack on discrimination in States where the evidence shows that there is unflagging dedication to the cause of creating an ever more sophisticated "legal" machinery for discriminating against the black voter.

This is the heart of the issue. The administration bill—as I advised the Attorney General when he testified before the committee—creates a remedy for which there is no wrong and leaves grievous wrongs without adequate remedy. And I ask you now as I did ask him then, what kind of civil rights bill is that?

It is a weaker bill. It is a retreat. I do not know and I do not care what motives generated the administration bill. I simply read the language and judge its effect. As one who has fought long and hard for civil rights and human rights over the years, I must say that the administration bill is a bad bill. It is advertised as a strong civil rights bill. But actually, it is a sheep in wolves' clothing.

The Voting Rights Act of 1965 does not affect all States and all localities and all people equally. No remedy ever does. The act does attempt to secure the right to vote on a uniform basis. The standard is the same for all: Section 2 forbids discrimination in voting on the basis of race in every nook and cranny of this country. Section 3 establishes a judicial remedy equally applicable in all parts of the country. However, experience with the judicial remedies legislated in 1957, 1960, and 1964 has made clear that they are far too weak to achieve the goals in certain parts of the country. In those areas, to secure the goal of equal voting rights, a stronger remedy was needed. Sections 4 and 5 of the act reflect that need.

There is nothing in reason or authority which requires that a remedy treat all alike. We do not put all men in jail because some commit a crime. We do not give flood relief to everyone because one locality experiences a flood. We do not give food stamps to everyone because some are poor.

Likewise, we should not suspend all literacy tests on evidence that some discriminate on the basis of race. Likewise, we should not require every jurisdiction to clear its voting laws and practices with the Attorney General because some jurisdictions have shown a pattern of racial discrimination.

No, we should aim the remedy at the need, as we have always done. The Voting Rights Act of 1965 is in that tradition.

H.R. 4249 is founded on the facts stated by the Attorney General in his testimony—the undeniably crying need for strong remedies in the covered States and the total absence of complaints in the noncovered States.

Renew or retreat—that is the choice. Let us move forward together.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. ROGERS of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, I am pleased and honored to follow the gentleman from Ohio (Mr. MCCULLOCH).

Mr. WAGGONNER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Seventy-one Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 315]

| | | |
|---|---|---|
| Ashley | Gallagher | O'Konski |
| Baring | Giaimo | Ottinger |
| Buchanan | Griffiths | Powell |
| Byrne, Pa. | Gubser | Pryor, Ark. |
| Cahill | Harsha | Rees |
| Carey | Hawkins | Reid, N.Y. |
| Celler | Hays | Reifel |
| Chamberlain | Hébert | Riegle |
| Chisholm | Hosmer | Rivers |
| Clark | Hull | Ruppe |
| Clay | Keith | Scheuer |
| Conyers | King | Sikes |
| Daniel, Va. | Kirwan | Sisk |
| Dawson | Kyl | Stokes |
| Dickinson | Landrum | Teague, Tex. |
| Diggs | Lipscomb | Thompson, N.J. |
| Edwards, Calif. | Long, La. | Utt |
| Eilberg | Mailliard | Vander Jagt |
| Evins, Tenn. | Marsh | Waldie |
| Fascell | Moorhead | Weicker |
| Fisher | Moss | Whalley |
| Flood | Nedzi | Wilson, Charles H. |
| Foreman | Nichols | |
| Fulton, Tenn. | | |

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 4249, and finding itself without a quorum, he had directed the roll to be called, when 364 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from California (Mr. CORMAN), is recognized.

Mr. CORMAN. Mr. Chairman, I am pleased to follow the gentleman from Ohio (Mr. MCCULLOCH). It has been my privilege to follow his leadership in civil rights legislation for the past 7 years.

This matter is of the utmost importance to this Nation. There is no greater problem than that which has plagued us for all of our time as a nation; a lack of equal justice for all Americans. There have been many important legislative steps taken in the past 12 years to end racial injustice. They have always been bipartisan. They have always been the handiwork of the gentleman from New York (Mr. CELLER), and the gentleman from Ohio (Mr. MCCULLOCH), and supported by a broad cross-section of concerned Americans on both sides of the aisle. And that is as it should be.

After all, the Republican Party was founded out of racial crisis by Abraham Lincoln. Turning to my own party, starting with the Presidency of Franklin Delano Roosevelt, a new dimension was given to American equality, and that dimension has grown consistently under four Democratic Presidents. And no one will ever be able to overstate the great contribution made in this area by President Eisenhower when he appointed the Republican Governor from my State, Earl Warren, to serve as Chief Justice. So it is fitting that today on a bipartisan basis, we continue a very important part of civil rights legislation for another 5 years.

We have a new element to consider today. We have a new Attorney General, and he opposes continuing this legislation. He has a counterproposal. I have been interested in the Attorney General, and I have read a little bit about him. I read in the New Yorker magazine that a lawyer who heard the Attorney General at the ABA convention said he wondered how the Attorney General could continue to describe himself as a moderate. I quote the lawyer who observed him:

> Apparently he just puts himself down as being in the center and then places everyone else to the left or to the right.

Mr. Chairman, I think I have found the Attorney General's position in civil rights. There are some folks who say that Negroes ought to ride in the back of the bus, and there are others who say that Negroes should be allowed to vote, and the Attorney General apparently rejects both of those extremes. His proposal would effectively deny to well over 1 million Americans needed protection of their right to participate in their Government.

If we are to work our way out of the abrasive conflicts of our time with any degree of peace and tranquillity, every American is going to have to understand that he has an equal right with each other American to participate in public decisions.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Chairman, to help my understanding of the arguments raised by my distinguished colleague from California (Mr. CORMAN) would the gentleman be specific in telling me and the other Members of the body in what way the Attorney General's proposal would deny other Americans the right to vote.

Mr. CORMAN. Yes, sir. The key part of the Voting Rights Act is that States may not change their voting laws without submitting them first to the Attorney General and making them public, and the Attorney General then has 60 days to—in a real sense—veto them.

One need only review the record of the Civil Rights Commission to see the great ingenuity of those of the Deep

South who have prevented Negroes from voting for a century, to see that they can easily devise new methods if this safeguard is removed. This is the bar against denying the Negro in the South the right to vote. Just remove that bar, and we remove the Negro from the registration roll and we remove him from the polling place.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I was wondering if the gentleman has any concern at all for another principle of our Federal Government, known as our federal system, in passing a law which requires that before a State law can go into effect, whether it has been challenged or not, the State must come here and get Federal permission.

Mr. CORMAN. I understand the question.

Yes, sir. I have no concern at all, considering what was being done in the Deep South, what unconstitutional, un-American, and immoral conduct was used in the South to deny Negroes the right to vote. It does not bother me a bit that the Federal Government has stopped that conduct.

I would like to say to those who question whether there is any real difference in these two bills, all I ask is for them to look at the players today. Look at who is supporting the administration bill and look at who is supporting the continuation of the existing voting rights law. One cannot in good conscience have any question left about what he will do if he believes in protecting the rights of American citizens.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Georgia.

Mr. FLYNT. Did I correctly understand the gentleman to say if this law were made applicable to all 50 States that certain Southern States could pass laws denying citizens the right to vote?

Mr. CORMAN. I understand the gentleman's question.

Mr. FLYNT. Did I understand the gentleman correctly?

Mr. CORMAN. There is no real similarity between these two bills. They are completely different in the key point. The key point is whether or not Federal power can effectively stop the States from changing their voting laws for discriminatory purposes. That is the only issue. That is not being proposed by the Attorney General to be extended to all the States. That is to be repealed by the Attorney General's proposal that will end the rights of hundreds of thousands of Negroes to vote.

Mr. FLYNT. I wonder if the gentleman would answer my question: Did he make the statement as I understood him to make it?

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. ROGERS of Colorado. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CORMAN. Yes, sir; that is my position.

Mr. FLYNT. Would not the law applying to those six States and parts of three other States still apply to them?

Mr. CORMAN. No, sir; it would not. That is my great concern. That one effective barrier which is the real protection of the Negro's right to vote would be gone.

Mr. ROGERS of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama (Mr. FLOWERS).

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield in order that I may answer the gentleman who just preceded him on a very important point as to whether the Government has the right to come in and enjoin any unfair voting laws?

Mr. FLOWERS. I have only 5 minutes. If the gentleman would allow me to yield at the conclusion of my remarks I would be happy to do so then.

Mr. Chairman, I trust my distinguished and able committee chairman, the gentleman from New York, will not think me ungrateful or discourteous if I refrain from the usual commendations to him for his effective and, up to this point, highly successful work on this particular bill.

And the same goes for the distinguished gentleman from Ohio, the ranking minority member.

The mountain of civil rights legislation that we already have is recognition enough, and it is no small wonder that many citizens of the South wonder when the shackles will be removed.

The committee bill asks for another 5 years. It might as well seek a perpetual existence so far as its damage to the rights of the seven Southern States is concerned.

Some may ask, when is the South going to come back into the Union? I would pose the question differently: When are you going to let us back in?

At the beginning I wish to make crystal clear my determination to defend and protect the right of every qualified voter in the United States to cast his ballot freely for the candidates of his choice and to have that ballot counted exactly as cast.

If the pending legislation went only to the protection of such rights and applied equally to all States throughout the Nation, then I would not be here in opposition today. However, Mr. Chairman, the bill presently under consideration is not molded with such a noble purpose in mind. It seeks to double the life of one of the most discriminatory and prejudicial laws ever enacted or conceived in the Halls of Congress.

The Voting Rights Act of 1965 was directed at seven Southern States and is a glaring example of political expediency at its worst. Once again the South has become the favorite whipping boy.

It seems odd to me that some who can feel so strongly about an extension of this 1965 act yet can be so adamant and sanctimonious in their opposition to a national application of the same principles.

If such legislation is so good for one section of our great Nation, why should not all sections be allowed to drink from the same cup? To extend this act at the present time will only further compound its inherent inequities in several specific areas.

Mr. MIKVA. Mr. Chairman, will the gentleman yield for one question?

Mr. FLOWERS. First permit me to finish my statement and then I shall yield to the gentleman.

Mr. Chairman, a mere extension of the Voting Rights Act of 1965 predicated upon statistics compiled in the 1964 presidential election would, in my judgment, place this Congress in the position of knowingly disregarding the 1968 election to the detriment of at least five States presently covered by the act. The use of outdated statistics cannot be justified by any system of logic. In 1965, Congress said that the act should apply only in those States where less than 50 percent of the voting age population turned out for the 1964, the most recent, presidential election. Continuing the existence of this act for an additional 5 years while retaining a base which is already 5 years old would be completely irresponsible. The fact that five of the seven States originally covered and included under this oppressive section of the act have now passed the 50-percent requirement is completely overlooked.

It would seem to me that any new voting rights law that is passed should recognize the progress in voter participation occurring between the 1964 and 1968 presidential election. Here, again, is where the bill before us fails. Alabama had 343,000 more people voting in 1968 and yet it would give them no credit. Georgia had 97,000 more people voting in 1968 and they would be ignored. Louisiana had some 201,000 more people voting in 1968 and it would push them aside. Mississippi had some 245,000 additional persons participating and the bill says they should not be considered; South Carolina had 142,000 additional people casting ballots and they would not be given recognition. Virginia had 317,000 more electors participating and it would ignore them. North Carolina had an additional 162,000 electors participating and yet they would be treated as if they did not exist.

Second, the Voting Rights Act of 1964 requires that States covered by said act must submit every proposed change in their election process to the Attorney General or the Federal district court in Washington for prior approval. This is a particularly onerous burden because the 1970 census and recent Supreme Court rulings will probably require the passage of reapportionment and redistricting acts in all seven States. It would be difficult, if not impossible, to effect the required changes in district lines if the legislators must attempt to perform their duties while shuffling teams of attorneys back and forth to the Nation's Capital in order to make certain that it is permissible to use the left bank of a particular river instead of a certain section line in redefining the boundaries of one of their State's districts. I should

think that even the least advocate of States rights would prefer to take their chances in this regard with their own internal State processes instead of in the Federal district court in Washington, D.C.

Mr. Chairman, in my judgment, an extension of the 1965 Voting Rights Act would be unconstitutional.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. ROGERS of Colorado. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. FLOWERS. Mr. Chairman, I am aware of the fact that the act has been upheld in the courts and the probability certainly exists for a similar stamp of approval for an extension. However, I do not believe that the Supreme Court alone is charged with the duty of interpreting the Constitution. Our oaths of office make it abundantly clear that Members of Congress should not vote for legislation which, in their judgment, is unconstitutional. The treating of any one State or any one region in a manner different from that of other States and other regions is not permitted under the Constitution; yet the passage of this bill will continue to single out and oppress one section of our Nation, the South, in a manner that is patently unconstitutional and discriminatory. Whatever happened to the rights of our States?

Mr. Chairman, in conclusion, I wish to make it clear once again that I feel deeply that this Congress should defend and protect the right of every qualified voter in the United States to cast his ballot freely for the candidates of his choice and have that ballot counted exactly as cast. However, this legislation is not so designed and cannot be so construed. Therefore, I urge the defeat of H.R. 4249.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from Illinois.

Mr. MIKVA. Would the gentleman show me where in the bill, where in the original act, any States are mentioned by name?

Mr. FLOWERS. They might as well have been mentioned by name because they are mentioned by percentages that are listed in the 1964 voter registration in each State as the gentleman well knows. It is public knowledge now as to which of our States are covered by the discriminatory sections 4 and 5 of the bill.

Mr. McCULLOCH. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia (Mr. POFF).

Mr. POFF. Mr. Chairman, I support the substitute in the Committee of the Whole. If it loses in the Committee of the Whole I shall support the substitute in the motion to recommit. If it prevails in the motion to recommit, I will support the substitute on passage.

Mr. Chairman, I believe in the Constitution. I believe in all parts of the Constitution and that includes specifically and precisely the 15th amendment of the Constitution. It is a part of the supreme law of the land. The language is unequivocal and it means what it says.

What it says is that citizens will not be denied the right to vote and that right will not be abridged on account of race, color or previous condition of servitude.

Congress has decided that the appropriate legislation to enforce the 15th amendment was the Voting Rights Act of 1965. That is a fact. Moreover, the courts have decided that what Congress did was appropriate legislation, and that the Voting Rights Act of 1965 is constitutional. That is a fact. And it profits nothing to try to gainsay these facts.

So, really, what is involved in this debate Mr. Chairman, is if we agree that the Congress has the power and has exercised the power, and the exercise of the power has been approved by the courts—then is it wise for the Congress to continue to exercise its power in this manner for another 5 years?

In order to answer that question I suggest that it is important that we understand what is in the law which the committee bill proposes to extend.

Parenthetically, I think it should be made clear at the outset that the word "extension" is a malapropism, and does not quite fit the situation here. It is more accurate to say that on August 5, 1970, without further action by the Congress, the functional utility of two sections of the Voting Rights Act will come to an end, because at that point 5 years will have passed in which the States that were triggered under section 4 did not use a literacy test, and therefore upon petition to the court can escape coverage of section 5.

It is not quite accurate even to say that, because when the State which is covered today brings the lawsuit in August, as it is required under the present law to do, the act provides further that the court will retain jurisdiction of that suit for an additional 5 years. That means that upon motion of the Attorney General it is possible for the court to reopen the case without benefit of additional pleadings, except a motion by the Attorney General.

So it is fair to say that while a State now covered may escape coverage, it will remain under probation—it will not be able to change its voting laws and apply them in a discriminatory fashion, and the court would have the power promptly to disapprove the law which the State has passed.

I think it is critically important that we understand that.

What is in the act? The act contains 19 sections, 17 of which are permanent law and apply in every jurisdiction in all 50 States. Only two sections are not permanent. Those are sections 4 and 5.

Section 4 is the so-called automatic trigger section, which has already been explained, and I shall not consume time by repeating that.

Section 5 is the section which is triggered and spells out the consequences which flow from coverage under the trigger. The consequence is that the State covered by the trigger, a trigger which is mathematical, and which requires no determination of discrimination by the court or any other person, cannot change any part of its constitution or its statutory law that concerns elections without first getting the approval of the Attorney General or, in the alternative, the approval of the District Court of the District of Columbia.

This means that a State which is covered today cannot pass a redistricting statute following the 1970 census without the prior permission of the Attorney General of the United States or the District Court in the District of Columbia. These are the consequences of coverage under the automatic trigger.

Now, is it wise to extend such a law for an additional 5 years? I most earnestly submit that it is unwise. It is unwise to impose a legal presumption of guilt simply because a particular State has a lower voter turnout than a sister State.

I suggest that it is unwise to base such an absolute legal presumption upon election returns that are 5 years old. To do so simply ignores the dramatic progress that these States have made—even though under the lash of this law—and this amounts to a penalty rather than a reward for progress.

I think it is unwise to offer State sovereignty by requiring prior Federal approval of new State laws. The danger is not only in the area with which we are concerned today. If viewed as a precedent, it could be extended to other areas of law in the future.

Finally, I suggest it is unwise to regionalize this country, because whatever regionalizes this country divides this country.

Now I think it is proper to consider what is in the substitute to be offered by the distinguished minority leader. I shall not take the time to describe the contents definitively at this point. But I will try by summary to explain its essential components.

The substitute would make nationwide a temporary suspension, as distinguished from a permanent ban on literary tests.

It would make nationwide residence standards for voting in presidential elections in order to protect those who may move from one State to another.

Third, it would make nationwide the authority of the Attorney General to station both examiners and observers in any precinct in any jurisdiction in any State in the Union.

It would make nationwide the authority of the Attorney General to bring preventive injunction suits in any jurisdiction in any State upon the proper legal predicate.

Finally, it would establish a nationwide commission which would study the true impact of literacy tests upon minority voter participation and the impact of voter fraud.

Now, Mr. Chairman, I suggest that the vice of sections 4 and 5 in present law is not so much that it suspends literacy tests. The vice is that it is promiscuous in its application. It covers some States that are innocent and it fails to cover some States which are guilty.

If I may be permitted to cite as an ex-

ample my own State. Although Virginia is covered and presumed guilty, every report of the Civil Rights Commission has found Virginia innocent of voter discrimination in the period covered by this study. Since Virginia has been covered under the 1965 act, not a single Federal registrar has been sent into a single precinct, in a single election anywhere in the State of Virginia.

The same is true of Federal observers.

It is also interesting in that regard, I think, to understand that although Virginia has changed several of her voting laws since she has been covered under the act, none have been disapproved.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCULLOCH. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. POFF. So you might properly ask, Why does not Virginia simply bring a lawsuit and escape coverage?

Let me explain, and I consider this to be vitally important to a proper understanding of the effect of sections 4 and 5—and every lawyer understands it is almost impossible to marshal evidence necessary to establish a negative—and that is particularly true when that negative is "not guilty."

For Virginia to establish that negative, it would be necessary for her to assemble verbal or documentary evidence from 765 general and precinct registrars in over 2,000 precincts, and to show by that evidence that there has not been any substantial racial discrimination on account of race in voting in any election—State, Federal, national, general or primary, in any precinct in the State of Virginia.

I say that this is a physical and practical impossibility. That is why we cannot escape.

Now you might also ask, if Virginia is innocent, why should Virginia be under the coverage under the act for another 5 years? My colleagues, that is just a little difficult to articulate.

You know, it has been said by someone—I cannot recall who—that Virginia is not so much a State as a state of mind.

Virginians are proud—they are independent—and we are shamed by the status unfairly thrust upon us by a Federal law which presumes us to be guilty when all of the evidence is to the contrary.

Virginians take offense at the fact that we are not entrusted to amend our own constitution. It was in Virginia where the first democratic legislature in the New World convened. It was sons of Virginians who contributed so much to the deeds and the documents of independence and the Union.

It is, I say, painful that we are not permitted to change our own voting laws without the prior approval of a Federal official or a Federal court.

Mr. Chairman, my plea then is for Virginia. My plea is for her sister States. But in a larger and more meaningful sense, my plea is for the Nation. I think it is time that we laid aside the old shibboleths and subdued the old passions and understood the new realities, discard the old discrimination, and began again to live together as one nation—all under the same law.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Chairman, literacy tests are not the issue.

Residency is not the issue.

Regionalism is not the issue.

The question is whether enough black people have been registered and are now voting in those States that used to keep them from voting. Some say too many are voting and we ought to reverse the trend. Some are more tolerant and say, "No, we have just the right amount—but no more."

And what the substitute really does is put the Federal Government back where it was for 100 years in the voting business—playing the futile game of "chase the legislature." And that is like chasing the rabbit at the dog races. The purpose of the game is to chase—but never to catch. And a whole series of cases in the thirties and forties established the rules of the game beyond any peradventure—chase but never catch. One series of such cases were known as the Nixon cases.

And if the substitute is adopted, forget about literacy or residency—those are the biggest set of falsies ever put upon a civil rights bill. The game will be played thusly: Let us impose a filing fee of $1,000 for everybody who wants to run for a local city council. The Attorney General will then file a case and 5 years later action will strike it down. In the meantime, back at the statehouse, they will pass a new law changing the filing fee to $995 or if it is a progressive legislature, it will abandon that route and say instead that you need 25,000 signatures on a nominating petition—or that all petitions must be filed at the State capitol—or that some offices are abolished—or you name it.

I did not make this game up. It has been played for 100 years in this country. Those cases I referred to earlier proved that in every instance, the legislature can run faster than the Attorney General. By removing the plenary jurisdiction of the Attorney General to review all changes in the election laws of those States found to have discriminated by the then in vogue format of literacy tests, we set the rabbit free to outrun us again.

It has been said that the Attorney General will be required to again go after the States which do discriminate one by one. That is not accurate; he will go after them none by none.

Then there is a related game which the administration substitute asks us to play. It is called "let us study the problem a little longer." In this case I am not sure why it is necessary to establish a National Advisory Commission on Voting Rights, since the assumption underlying its alternative is that there are no voting problems anyway. But section 7 of the administration substitute does put us back in the study commission game. What makes this new game particularly confusing is that title VIII of the 1964 Civil Rights Act already authorizes a Commission to study voting registration and statistics. But this authorization has never been funded. In fact, this administration—which wants to play the "study the problem" game—did not even ask for appropriations this year to fund the voting study which has been authorized since 1964. So it might appear to some skeptical players of the "study the problem" game that this new proposal is not even a good faith invitation to play. Two authorizations are not the equivalent of one appropriation.

If this substitute is adopted, this will be known as the "Too Many Blacks Are Voting Act of 1969." That is the way it will be interpreted, because that is the way it is going to work.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from California.

Mr. WIGGINS. One of the significant features of the substitute is the right of the Attorney General to obtain injunctive relief. I am sure the gentleman is aware of that. If that right is used, and I would expect it to be used, this problem of chasing the legislature could be solved.

Mr. MIKVA. The point is that he has had the injunctive relief provision in the cases I am talking about. There was an injunction issued against the Texas registrar to keep him from enforcing that law.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CELLER. Mr. Chairman, I yield the gentleman an additional 5 minutes.

Mr. MIKVA. The difference, if I may pursue this with the gentleman from California, is that one cannot enjoin all conduct unless he wants to give that power which was given to the Attorney General in the 1965 act—plenary power to say that where the States fall within a certain category by the mathematics of the 1965 act; at that point, all the voting laws of an offending State will be subject to review by the Attorney General.

I would put it to the gentleman from California: Do you not trust the Attorney General?

Mr. WIGGINS. Yes; I do trust the Attorney General in his faithful enforcement of the law, including section 3 of the present law, which does give the court the power to review prospectively any changes in any State that might work to the discrimination of any voter.

I really think that the argument historically has been sound, but in practical effect the States, if they seek to make changes in their laws to discriminate against Negroes, have never yet come to the Attorney General to present their laws for his approval.

The Attorney General now must proceed on a case-by-case basis to test the laws.

Mr. MIKVA. I would respectfully disagree with the gentleman from California. We heard complaints, in fact, by the distinguished gentleman from Virginia and others, that in fact they cannot make the changes now.

I did not make up the rules of this

game. The cases I referred to earlier prove that in every instance the legislature can run faster than the Attorney General.

The substitute would put the Attorney General back in the bag of chasing such laws one by one in those cases where the courts must find as an affirmative fact that the State has in fact used the law to discriminate; most of the laws in the 1930's and 1940's had some degree of fairness on their face. It was the way the laws were being applied, or the peculiarities of their application, which made for an unfair voting procedure.

I say to you, it is not a case of putting the Attorney General back in the bag of catching them one by one; it is catching them none by none; because during the 20 or 30 or 40 years of attempted enforcement of the Constitution and the statutes of the United States to protect black people in their voting down South we did not register and vote a bag full of voters down South. The gentleman knows it.

In the 5 years since this bill has been passed hundreds of thousands of black people have been made eligible to vote and have voted.

I suggest, what is wrong with that?

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I am glad to yield to the gentleman from Indiana.

Mr. DENNIS. The first thing I wanted to suggest to the gentleman was that a minute ago here in some of his illustrations he was referring to matters which came up in the State of Texas. I am sure the gentleman is well aware that the formula under sections 4 and 5 is so drawn that it does not apply to the State of Texas and would not affect that.

Mr. MIKVA. It does not apply to the State of Texas.

Mr. DENNIS. Is that correct?

Mr. MIKVA. That is correct.

I talked about the Nixon progeny because I was struck by the name and the fact that this one poor voter was caught for 10 years in the toils of that legislature and never did get the right to vote.

Mr. DENNIS. To pass from that, will the gentleman yield further?

Mr. MIKVA. I yield for a question.

Mr. DENNIS. The gentleman, I know, is aware that all we are talking about is extending sections 4 and 5 of the 1965 act. The rest of the sections remain in force. The gentleman is also aware, of course, that under section 3 in any court proceeding brought by the Attorney General of the United States the court as a part of its judgment may suspend literacy tests and, retaining jurisdiction, the court, again, may require this prior approval of new laws. Is that right?

Mr. MIKVA. May I say to the gentleman from Indiana, if you want to suggest that somehow we have acquired a new wisdom which we did not have for the last 50 years, I disagree. The courts can do something they have always had the power to do, and the Attorney General has always had the power to do—but when you go on the ad hoc basis, one by one, you cannot keep up with the game.

I decline to yield further at this time.

The substitute also has another gamesmanship feature in it. There is not any problem, but the substitute says "We ought to study the 'no problem.'"

Now, I find that fascinating because you know what? Since 1964, as I recall, we have had a commission which was supposed to study the voting rights and laws of the various parts of the country.

Title VIII of the 1964 Civil Rights Act specifically authorized the Commission to study voting rights but you know what? We never funded that Commission, and the current budget does not fund that Commission. So, we have another kind of game now going on with reference to the funding of the Commission, which represents a new way of playing the appropriations game.

But, Mr. Chairman, we are not going to make any progress by studying the problem because about 100 years of Supreme Court literature shows that the offenders will avoid facing up to the situation until the Attorney General forces them to correct it.

Mr. McCULLOCH. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. First, Mr. Chairman, I want to say quite frankly that I do not impung the motives of those who are sponsoring and supporting the substitute bill, I do not impute to the administration or to my leader any aim or desire to accomplish any retrogression or other dire effects which might flow from the legislation which he is proposing.

However, I want to comment upon the inadequacy and ineffectiveness of the proposed substitute bill and I want to urge strongly that the Members of this body—primarily I am addressing myself to members of my party on this side of the aisle—give strong support to the extension of this law as you did in 1965 to the original enactment of this law.

Mr. Chairman, my primary interest in the Voting Rights Act is to help assure equal voting rights for all citizens of our Nation without discrimination because of race or color. The 1965 Voting Rights Act—which passed the House of Representatives by the overwhelming margin of 328 to 74, and in the other body, by a margin of 79 to 18—reflected then the purpose and determination of the Congress to end the discrimination against voters solely on the basis of their race or color.

There is no question but that the provisions to summarily strike down the literacy tests and all other local and State laws which might be interpreted as tests or devices for discrimination—was both a harsh and a courageous step for the Congress to take. The 1965 act did not name any specific States, but by establishing a measure or standard for determining discrimination, the act became applicable to only six Southern States—namely, Alabama, Georgia, Louisiana, Mississippi, South Carolina, Virginia, and 26 counties in North Carolina.

Of course, the arguments that were made to this legislation when enacted in 1965 may be presented again at this time and they seem to be the same arguments directed against this simple extension of the law. Perhaps those arguments will seem more persuasive now because of the progress in increased Negro registrations in the areas affected by the 1965 law. I am generally satisfied with the benefits which have been derived under the 1965 act. Indeed, I think it was too much to hope that the registering and voting by Negroes would equal that of whites at the end of the 5-year period—August 1970.

It is my understanding that, when originally proposed, the Voting Rights Act contemplated a 10-year life, and the 5-year term was a compromise.

I have gone over the testimony in the other body and the testimony there was with reference to a 10-year period. The only reason that period of time was reduced from 10 years to 5 years was in order to bring about in the other body a favorable vote on the subject of cloture and there was no objection which indicated that the objectives of the Act would be fulfilled at the end of the 5-year period.

There was no consideration given to the point that the 5-year period was adequate or that the 10-year period was too long, but solely that reduction of the period in which the bill would be effective would enable the sponsors to secure a cloture vote and consequently a consideration of the Voting Rights Act at the 1965 session.

It seems to me that this militates strongly against abandoning the existing Voting Rights Act at this time and substituting an untried and clearly less effective tool in its place.

Let us recognize—as the Attorney General himself has recognized—that substantial progress has occurred under the 1965 law. Indeed, in recent months the validity of the 1965 act appears to have had a particular impact. Consider section 5 of the present law which requires that in those States and counties where literacy tests and other practices are nullified, all statutes and ordinances are required to be submitted by the chief legal officer of the State in question to the Attorney General with the proviso that if the Attorney General shall interpose an objection within 60 days, the State or local requirement shall not be effective unless a declaratory judgment in the district court in the District of Columbia shall first be obtained—section 5.

With regard to this part of the bill, it is noted in the hearings that up to June 30, 1969, 313 such enactments have been submitted to the Attorney General, 283 resulted in no objection whatever. However, of the 10 enactments to which objections have been filed, six of the objected to changes have occurred this year. Also there were 32 such enactments pending at the time this summary was made, page 308 of the hearings.

In other words, the measure which we are seeking here to extend has immediate and current application. The requirements of the law are needed now and in the immediate future. For how long I do not know, I cannot say with certainty. However, I am satisfied to rely on the original judgment expressed at the time the Voting Rights Act was passed in 1965,

and I will say with all candor that if the progress at the end of an additional 5 years is as good as the progress we have made during the original 4 years, I see no reason whatsoever why the statute should not be permitted then to expire, but not now.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I thank the gentleman for yielding, and I want to commend the gentleman for the statement he has made. I support the extension of the Voting Rights Act of 1965, without amendments. I would like first to commend the fine work of the Judiciary Committee and especially the leadership of its distinguished ranking Republican member, the gentleman from Ohio (Mr. McCULLOCH), the gentle knight in the battle for human rights. Judge Higanbotham, a member of the Eisenhower Commission on Violence, recently praised Mr. McCULLOCH's deeds as "great profiles in courage to all men interested in equal justice under law." I could not agree more. No Member of Congress has a better grasp of the legal and human problems of civil rights enforcement, and no Republican better embodies the historic commitment of the Republican Party to protecting the human rights of all.

My position on the extension of the act may be stated in a sentence: The act is working, but the job is not done. Sections 4 and 5, which provide special remedies for the denial of voting rights in certain States, seem to me to have the considerable merit of commonsense. It is not unreasonable discrimination to provide special solutions for special problems. Great progress in the area of voting rights has been made, to be sure, but there has not been enough to refute the continued need for a regional remedy. The real issue in the Voting Rights Act is first-class citizenship, not second-class States.

And so I conclude with Mr. McCULLOCH, that we should not "tamper with success." Let us not clutter up good legislation with amendments that are either ill-considered or downright superfluous distractions from the real task at hand.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. RYAN).

Mr. RYAN. Mr. Chairman, the right to vote is fundamental to our democracy. Yet for almost 100 years after the adoption of the 15th amendment, which provided that the right to vote should not be denied or abridged on account of race, color, or previous condition of servitude, millions of black American citizens were denied that previous right. Finally, in 1965 after the conscience of the Nation had been aroused by violence, brutality and murder perpetrated upon those who sought to register and vote, or to help others to do so, the Voting Rights Act of 1965 was enacted.

Previous legislative attempts in 1957 and again in 1960 to protect the right to vote had failed to end racial discrimination in the electoral process in the Southern States because in the earlier legislation it depended upon case-by-case litigation, which was costly, time consuming and produced insignificant results.

Selma dramatized not only the extent of the deprivation of the right to vote but the unconscionable methods used to disenfranchise Negroes in the South.

In 1965 the Congress overwhelmingly adopted the Voting Rights Act. The House passed the bill by a 328-to-74 vote; the Senate by a 79-to-18 margin.

H.R. 4249 extends the key remedies of the act for an additional 5 years beyond August 1970 at which time States subject to its coverage would otherwise be able to obtain exemption. It is similar to H.R. 7510, which I introduced.

The Voting Rights Act of 1965 provided three essential remedies for enforcing the right to vote in jurisdictions covered by the statutory formula. States or political subdivisions in which fewer than 50 percent of the voting-age population were registered for or voted in the 1964 presidential election.

First, the suspension of literacy tests and devices.

Second the appointment of Federal examiners and observers. The act gave the Attorney General the power to certify to the Civil Service Commission for the appointment of Federal examiners and observers in those jurisdictions covered in order to insure full voter participation. The duty of examiners is to prepare lists of qualified voter applicants. The observers have the task of monitoring the casting and the counting of ballots.

Third, the prohibition against the enforcement of new voting rules or practices without Federal review to determine whether their use would perpetuate voting discrimination. Section 5 of the act requires either that a determination be made by the U.S. District Court for the District of Columbia that the new rules or procedures are not racially discriminatory in purpose or effect or, that the new proposals have been submitted to the Attorney General and not objected to, by him, within 60 days.

As the 1968 report of the U.S. Commission on Civil Rights, entitled "Political Participation," and reports gathered by the Southern Regional Council show, substantial progress has been made as a result of the 1965 legislation. Six States are covered in full by the Voting Rights Act—Alabama, Georgia, Louisiana, Mississippi, South Carolina, and Virginia. And 39 counties in North Carolina are covered.

During the period between August 1965 and the summer of 1968, registration of black voters in these six States increased from 856,000 in 1965 to 1,596,000. These figures in themselves demonstrate the progress which has been made under the provisions of the Voting Rights Act.

As has been pointed out in the testimony of the U.S. Civil Rights Commission, not all of this increase can be attributed to the Voting Rights Act alone. Extensive voter registration drives by civil rights groups and other citizens' organizations have significantly aided in the achievement of this increase. Nevertheless, it is clear that the efforts of these groups and the resulting increase in black registration would not have been possible without the protection and provisions of the 1965 legislation.

Before the Voting Rights Act was adopted, only 31 percent of the voting-age blacks in the 13 States of the old Confederacy were registered to vote. As of the summer of 1968, 62 percent were registered.

A significant disparity still remains between white and black political participation.

According to figures compiled by the voter registration project of the Southern Regional Council, while 62 percent of voting-age blacks are now registered to vote in these 13 States, 78 percent of the white voting-age population is registered, a difference of 16 percent. In the six States directly covered by the 1965 act, only 57 percent of the black voting-age population is registered, as opposed to 79 percent of the white voting-age population, a difference of 22 percent.

The following is a breakdown of the increases in the six States, which are fully covered, and also North Carolina:

In Alabama, before the passage of the act, 69.2 percent of the eligible white voters were registered, but only 19.3 percent of the eligible black voters were registered. In 1969, white registration rose to 94.6 percent; black registration to 61.3 percent.

In Georgia, 62.6 percent of the eligible white voters were registered before the act; 27.4 percent of the black eligibles were registered. This figure increased to 88.5 percent for whites and 60.4 percent for blacks in 1969.

Louisiana's white registration of eligible voters, before the act's passage, was 80.5 percent the black registration was 31.6 percent. In 1969, white registration rose to 87.1 percent; black registration to 60.8 percent.

In Mississippi, before the act, white registration was 69.9 percent of the eligible voters, while black registration was 6.7 percent. In 1969, white registration increased to 89.8 percent; black registration to 66.5 percent.

In North Carolina, white registration before passage of the act was 96.8 percent of those eligible to vote; the black registration was 46.8 percent. In 1969, white registration was 78.4 percent; black was 53.7 percent.

In South Carolina, before the passage of the act, 75.7 percent of the whites eligible to vote were registered; 37.3 percent of the blacks were registered. In 1969, white registration was 71.5 percent; black registration was 54.6 percent.

And in Virginia, before the act, 61.1 percent of the white eligibles and 38.3 percent of the black eligibles were registered to vote. By 1969, white voter registration was 78.7 percent; black registration was 59.8 percent.

I include at this point in the RECORD tables showing the statistics on the registration of black and white voters before and after the 1965 act:

TABLE I

| State | Negro voter population [1] | Negro Preact registration | Percent registered | Fall 1969 Negro registration | Percent registered |
|---|---|---|---|---|---|
| Alabama | 481, 220 | 92, 737 | 19. 3 | 295, 000 | 61. 3 |
| Arkansas | 192, 629 | 77, 714 | 40. 4 | 150, 000 | 77. 9 |
| Florida | 470, 261 | 240, 616 | 51. 2 | 315, 000 | 67. 0 |
| Georgia | 612, 875 | 167, 663 | 27. 4 | 370, 000 | 60. 4 |
| Louisiana | 514, 589 | 164, 601 | 31. 6 | 313, 000 | 60. 8 |
| Mississippi | 422, 273 | 28, 500 | 6. 7 | 281, 000 | 66. 5 |
| North Carolina | 550, 929 | 258, 000 | 46. 8 | 296, 000 | 53. 7 |
| South Carolina | 371, 104 | 138, 544 | 37. 3 | 203, 000 | 54. 6 |
| Tennessee | 313, 873 | 218, 000 | 69. 5 | 289, 000 | 92. 1 |
| Texas | 649, 512 | | | 475, 000 | 73. 1 |
| Virginia | 436, 718 | 144, 259 | 38. 3 | 261, 000 | 59. 8 |
| Total | 5, 015, 933 | 1, 530, 634 | 35. 5 | 3, 248, 000 | 64. 8 |

[1] Source of population data is the 1960 census.

Source of preact figures—U.S. Commission on Civil Rights, Political Participation, Washington, D.C., May 1968.

Source of 1969 figures—Voter Education Project, Southern Regional Council, Atlanta, Ga., December 1969.

TABLE II

| State | White voter population [1] | White preact registration | Percent registered | Fall 1969 white registration | Percent registered |
|---|---|---|---|---|---|
| Alabama | 1, 353, 122 | 935, 695 | 69. 2 | 1, 280, 000 | 94. 6 |
| Arkansas | 848, 393 | 555, 944 | 65. 5 | 694, 000 | 81. 6 |
| Florida | 2, 617, 438 | 1, 958, 499 | 74. 8 | 2, 465, 000 | 94. 2 |
| Georgia | 1, 796, 963 | 1, 124, 415 | 62. 6 | 1, 590, 000 | 88. 5 |
| Louisiana | 1, 289, 216 | 1, 037, 184 | 80. 5 | 1, 123, 000 | 87. 1 |
| Mississippi | 751, 266 | 525, 000 | 69. 9 | 672, 000 | 89. 8 |
| North Carolina | 2, 005, 955 | 1, 942, 000 | 96. 8 | 1, 572, 000 | 78. 4 |
| South Carolina | 895, 147 | 677, 914 | 75. 7 | 640, 000 | 71. 5 |
| Tennessee | 1, 779, 018 | 1, 297, 000 | 72. 9 | 1, 637, 000 | 92. 0 |
| Texas | 4, 884, 765 | | | 3, 020, 000 | 61. 8 |
| Virginia | 1, 876, 167 | 1, 070, 168 | 61. 1 | 1, 476, 000 | 78. 7 |
| Total | 20, 097, 450 | 11, 123, 816 | 73. 4 | 16, 169, 000 | 80. 4 |

[1] Source of population data is the 1960 census.

Note: Source of preact figures—U.S. Commission on Civil Rights, Political Participation, Washington, D.C., GPO CR1.2:P75/3, May 1968.

Source of 1969 figures—Voter Education Project, Southern Regional Council, Atlanta, Ga., December 1969.

As the statistics indicate, much remains to be done before the barriers of 100 years are completely eliminated and all citizens are free to participate in the political process on an equal basis.

Another measure of the progress attained under the Voting Rights Act is the increase in black elected officials in the South. Before 1965, there were approximately 78 elected black public officials in the South. Today there are 528. However, much remains to be done in this area also. While 19 black legislators now have been elected in the legislatures of the covered States, no black legislator has yet been elected in Alabama or South Carolina, and only two have been elected in Virginia and one has been elected in Louisiana, Mississippi, North Carolina, respectively.

I include at this point in the RECORD a table prepared by the Southern Regional Council showing black elected officials in the Southern States:

BLACK ELECTED OFFICIALS IN THE SOUTHERN STATES

| | Alabama | Arkansas | Florida | Georgia | Louisiana | Mississippi | North Carolina | South Carolina | Tennessee | Texas | Virginia | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Legislators: | | | | | | | | | | | | |
| State Senate | | | | 2 | | | | | 2 | 1 | | 5 |
| State House | | | 1 | 12 | 1 | 1 | 1 | | 6 | 2 | 2 | 26 |
| Total | | | | | | | | | | | | 31 |
| City officials: | | | | | | | | | | | | |
| Mayor | 4 | 4 | 1 | | 3 | 3 | 2 | 2 | | | | 19 |
| City council-vice mayor | 37 | 9 | 28 | 15 | 19 | 30 | 43 | 22 | 8 | 10 | 18 | 239 |
| Civil Service Board | | | 1 | | | | | | | | | 1 |
| Total | | | | | | | | | | | | 259 |
| County Officials: | | | | | | | | | | | | |
| County governing board | 6 | | 1 | 5 | 10 | 4 | 1 | 4 | 6 | | 2 | 39 |
| County administration | 2 | | | 1 | | 1 | | | | | | 4 |
| Election commission | | | | | | 15 | | | | | | 15 |
| Total | | | | | | | | | | | | 58 |
| Law enforcement officials: | | | | | | | | | | | | |
| Judge, District Court | | | | | | | 1 | | 1 | | | 2 |
| Sheriff | 1 | | | | | | | | | | | 1 |
| Coroner | 1 | | | | | 2 | | | | | | 3 |
| Town marshal | | | 1 | | 4 | 1 | | | | | | 6 |
| Magistrate | | | | | | | | 4 | | | | 4 |
| Constable | 6 | | 1 | | 9 | 6 | | | 3 | | | 25 |
| Justice of the peace | 19 | 4 | | | 9 | 9 | | | 1 | | 6 | 48 |
| Total | | | | | | | | | | | | 89 |
| School Board Officials: School Board Members | 7 | 37 | 1 | 7 | 9 | 6 | 10 | 2 | 3 | 9 | | 91 |
| Total | 83 | 54 | 35 | 42 | 64 | 78 | 58 | 34 | 30 | 22 | 28 | 528 |

Source: Voter Education Project, Southern Regional Council.

An additional factor to be noted is that most of the black public officials elected in the South are concentrated in small communities, where the majority of the population is black. In Mississippi, for example, only two black public officials have been elected in communities where blacks constitute a minority of the population, and in those communities the black population in 1960 was over 40 percent.

Beyond the work which needs to be done to bring black voter registration into conformity with white registration and to enable black citizens to share political power in communities where they do not constitute an absolute majority, there are other obstacles to the securing of equal voting rights which must be rooted out and eliminated. Intimidation of potential black voters, while perhaps less drastic than it was 4 years ago, remains an all too common barrier to full political participation by blacks. The Southern Regional Council, which has sponsored over 100 voter registration drives in several areas of the South, has received numerous reports that Negroes still fear economic reprisal if they register to vote, including being fired, evicted from their homes, or removed from the welfare rolls.

There is also the threat of physical retaliation as well as other coercive tactics used to discourage registration.

Reports filed with the voter education project also tell of irregular election maneuvering in several counties covered by the Voting Rights Act, including registrars maintaining short or irregular hours, or arbitrarily closing their offices without notice. Other reports tell of various sorts of chicanery being used to keep Negroes from voting, and of Negroes being treated contemptuously by local white registrars.

Although many of these incidents are less dramatic than the mass arrests and blatant disregard of rights which created headlines a few years ago, nonetheless they reveal that the struggle for equal rights is far from won. Much has been done to erase long standing obstacles to full political participation by black voters

in the political process; but much remains to be done before the last vestiges of discrimination and inequality will be rooted out.

Although I believe that the Attorney General should have used his power to cause the appointment of Federal examiners more often than he has, nevertheless Federal examiners have been effective where they have been assigned.

According to the Civil Rights Commission:

As of March 1, 1969, examiners had been sent to 58 counties in five Southern States. Examiners in these counties had listed to vote a total of 167,364 persons, including 157,567 nonwhites and 9,797 whites. (Hearings before Subcommittee No. 5 of the Committee on the Judiciary on H.R. 4249, H.R. 5538 and H.R. 7510).

Greater and more effective use should be made of Federal examiners and observers. While 740,000 Negroes had been registered as of the summer of 1968, only 158,000 of these were registered by Federal examiners.

Federal observers had been appointed to monitor elections in five states, as of December 1968: Alabama, Georgia, Louisiana, Mississippi, and South Carolina.

In Alabama, five elections have been covered by Federal observers. In Georgia, two elections have been monitored by Federal observers. In Louisiana, the number of elections to which Federal observers have been appointed are nine. In Mississippi, 10 elections have been covered by Federal observers. And in South Carolina, five elections have been covered by Federal observers.

The numerous incidents of local harassment of blacks attempting to register and discrimination against black poll watchers documented in the "Political Participation" report of the Commission on Civil Rights clearly points out the continued need for Federal examiners and observers. As long as fear and memories of past discrimination make black citizens reluctant to register with local officials, the presence of Federal officials will be required. As long as local officials continue to harass and intimidate potential black voters, it will be necessary for the Federal Government to insure that all citizens—regardless of race—have an equal opportunity to participate in the political process.

If the Voting Rights Act of 1965 is not extended, the covered States will be able to escape after August 1970. They will be freed from the three key provisions of the act which have made possible the dramatic increase in black registration—the suspension of tests and devices, the appointment of Federal examiners and observers, and Federal approval of any changes in election laws.

If section 4 of the Voting Rights Act is allowed to expire, a State could resume the use of literacy tests and other devices. None of the States covered by the act has repealed its literacy test.

If section 4 is allowed to expire, Federal examiners and observers could not be sent into a State by direction of the Attorney General.

If section 5 is allowed to expire, a State would not be required to obtain the approval of the U.S. district court, or the acquiescence of the Attorney General before putting into effect changes in voting laws or precedures.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from Indiana.

Mr. DENNIS. That is a point which gives me concern. Like the gentleman from New York, I come from a State where we have no problems about voting and color and race is irrelevant, and I certainly subscribe to that doctrine, as the gentleman from New York does.

The question is as to the method of approach—whether we use the triggering procedure of sections 4 and 5 or whether we use the more normal procedure of having the Government go into court and prove a case of discrimination.

Now on this point, where a State has to go, ahead of time before there is any complaint at all, and get the Federal Government to approve a law—as a lawyer, and I know the gentleman is a good lawyer—that troubles me.

I wonder what the gentleman's comment would be on this statement that Mr. Justice Black made in his opinion in the case where this act was before the Court.

Justice Black said:

Certainly if all the provisions of our Constitution which limit the power of the Federal Government and reserve other power to the States are to mean anything, they mean at least that the States have power to pass laws and amend their constitutions without first sending their officials hundreds of miles away to beg Federal authorities to approve them * * *. I cannot help but believe that the inevitable effect of any such law which forces any one of the States to entreat Federal authorities in faraway places for approval of local laws before they can become effective is to create the impression that the State or States treated in this way are little more than conquered provinces. And if one law concerning voting can make the States plead for this approval by a distant Federal court or the U.S. Attorney General, other laws on different subjects can force the States to seek the advance approval not only of the Attorney General but of the President himself or any other chosen members of his staff.

I will say to the gentleman that I am concerned about this not only in this field of voting rights, but as to what is going to be done in cases, perhaps under the 14th amendment, as to the powers of our States—your State and mine—in various fields—to pass legislation without prior Federal approval.

I would like to hear the gentleman comment on that.

Mr. RYAN. I believed that section 5 was constitutional when it was adopted by this Congress; and it has been held constitutional in South Carolina against Katzenbach, the case from which the gentleman quoted the words of Mr. Justice Black.

Mr. Dennis. That is not my question. I know that the 1965 act has been held constitutional. But what about the philosophy of it?

Mr. RYAN. Let me finish—it was adopted by this Congress in order to meet a very specific problem and that was the fact that the States of the South which sought to disenfranchise black voters had resorted continually to all kinds of ingenious devices to prevent people from registering and voting, to dilute their vote, if they were permitted to vote, and to prevent black candidates.

It was essential for the Congress to act—and the Congress did act. I believe that section 5 should be continued.

Mr. DENNIS. What the gentleman is saying, in effect, is that he feels the situation was so bad that even if the remedy may be bad, that we should do this.

Mr. RYAN. I do not agree that it is a bad remedy. I believe it is an appropriate remedy, which has been effective, and it should be continued.

If the Voting Rights Act of 1965, as presently written, is allowed to expire, the evidence is convincing that State legislatures will change or consolidate districts, dilute the strength of the black vote, abolish offices, and use other methods to prevent black candidates from running for office. That is going to happen just as sure as I am standing here.

Mr. DENNIS. Does the gentleman have any concern at all about the potentials of this as a precedent, in other than the field of voting rights, as to the rights of the States to legislate without coming down here to get permission to do so?

Mr. RYAN. Throughout the history of the civil rights struggle, the States rights argument has been used as the rationale to forestall effective Federal action—both legislative and executive. What should be of concern is the enforcement of constitutional guarantees and the protection of human rights. Section 5 was designed to prevent States from adopting new voting procedures for the purpose of denying the vote. Without this requirement of advance Federal review, a voter could be deprived of his vote without a remedy, for after an election it would be of little avail to obtain a court decision in his favor. Time is of the essence in voting rights, and that factor, among others, justifies the requirement.

Under the 15th amendment Congress has the power to enact appropriate legislation. That is what we should continue to do.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman.

Mr. SCHEUER. Mr. Chairman, I would like to ask the gentleman from Indiana who was just asking some questions of the gentleman from New York (Mr. RYAN) about States rights—whether he was concerned by the intervention of the Federal Government into areas normally controlled by the States when the Congress passed the flag bill—and when Congress passed the bill mandating the colleges and universities to deal punitively with students who were involved in demonstrations. Did the gentleman from Indiana exhibit any heartfelt concern about the invasion of States rights then on those two occasions?

Mr. DENNIS. May I state for the gentleman's information that the gentleman from Indiana always has a heartfelt interest when it comes to States rights, although I do not recall that I took the floor on those occasions.

Mr. SCHEUER. I thank my colleague.

Mr. RYAN. I was pointing out the possible consequences if the act is not extended.

A State which escapes from the act would be able to require the re-registration of all voters, disenfrancising the thousands of black voters who secured the right to vote under the Voting Rights Act of 1965. The painful process of registration would have to be repeated in the face of renewed threats of economic or even physical retaliation and without the presence of Federal examiners. Black political participation could well return to its former low levels.

To be sure there would be court challenges. But a return to the former case-by-case method would be intolerable. Elections would come and go during the course of litigation.

Without section 5 of the 1965 act which requires Federal approval of any change in voting qualifications, standards, practices, or procedures different from those in effect on November 1, 1964, there is little doubt that the States and localities would resort to various ways to dilute the black vote and to defeat black candidates. The U.S. Commission on Civil Rights has documented a number of changes already attempted.

One example is switching from district elections to at-large elections. By doing this, districts which contain a high density of black voters are combined with white districts which can numerically out poll them. This device has been used for local elections in Alabama and Mississippi.

Another manner used to dilute the black vote is the consolidation of counties which have black voting majorities with counties which have white voting majorities. Mississippi also made use of this method, through the introduction and passage of an amendment permitting the legislature by a two-thirds vote to consolidate adjoining counties. Previously, this could only be done if a majority of voters within the counties to be consolidated approved.

Reapportionment and redistricting measures have been another method for diluting the black vote in the South. This device has been used in the past by both Alabama and Mississippi.

In addition, the full slate voting requirement has caused a weakening of black vote. This requires a voter to cast a vote for each position to be filled. If the voter does not vote the full slate, his ballot is void. Thus, the black voter may have to vote for a white candidate in order for his vote for a black candidate to count or his ballot will be void. Either way, his vote is diluted.

A variety of discriminatory tactics have been used to harass and obstruct black voters—refusal to assist or permit assistance to illiterate voters, giving inadequate or erroneous instructions, disqualification of black ballots on technical grounds, denial of equal rights to vote absentee, discriminatory location of voting places, and segregated voting facilities and voter lists.

In Mississippi, Alabama, Georgia, Louisiana, and South Carolina the names of black registrants were either excluded from the official voter lists or they were listed with incorrect party designations.

Then there are the methods used to prevent blacks from either becoming candidates or obtaining office.

One very simple way is to abolish the office. On several occasions, the office of justice of the peace has been "reevaluated" when a black candidate has filed for the office, and the decision has been that the office is no longer necessary.

Another way to keep blacks from being elected to public office has been to extend the terms of incumbent white officials. Such an extension of terms was made in Bullock County, Ala., 2 weeks before the passage of the Voting Rights Act. The law has since been declared unconstitutional by a Federal court.

Substituting appointment for election is another method used to prevent the election of blacks. This device has been primarily used to keep in office superintendents of education in counties in Mississippi.

In Alabama an increase in filing fees has been used to preclude blacks from running for office. For example, the fee for sheriff was raised from $50 to $500; for member of the board of education from $10 to $100.

In Lowndes County, Ala., where 80 percent of the population is black, and the per capita income is $507 a year—it is virtually impossible for any black to run for either office.

Still another method is not to provide adequate polling facilities, such as in Louisiana, where in 1966 a candidate for alderman was defeated because one polling place was provided in the precinct with a black majority.

The State of Mississippi had added requirements to the qualifications for candidates in order to prevent blacks from running for office, including increased signatures for nominating petitions, a requirement that each elector personally sign the petition and include his polling place and county, a requirement that independent candidates file their petitions on the day before or the day of the primary, and the disqualification of anyone who has voted in a primary election from running as an independent in the general election.

In several Southern States, including Alabama, Arkansas, Georgia, and Mississippi, blacks have been prevented from running for public office because public and party officials have either failed or refused to provide them with pertinent information about the offices and elections involved.

In Mississippi, another method used to prevent prospective black candidacies or to harass prospective candidates has been to withhold or delay the necessary certification of the nominating petition.

And if all else fails and a black candidate is elected, there is always the last ditch effort of imposing barriers to his assuming office. In Mississippi, this has been achieved because of the difficulty black electees had in obtaining the bonds necessary to cover any losses they might incur.

It should be obvious that the white power structure does not intend willingly to relinquish its control. If the Voting Rights Act is permitted to expire, the Federal Government will no longer have the authority to help make the 15th amendment a reality for millions of black Americans.

The experience of the past 4 years under the Voting Rights Act has shown the voting potential which existed in the South, but which had been untapped because of 100 years of discrimination.

If our Nation had lived up to the Constitution and the 15th amendment, if human rights had been placed ahead of States rights, then the act of 1965 would have been unnecessary.

But it was necessary, and it has been effective. It must not be permitted to lapse, for it protects the precious right to vote without which "other rights, even the most basic, are illusory," as the U.S. Supreme Court stated in Wesberry against Sanders.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCULLOCH. Mr. Chairman, I yield to the gentleman from Virginia (Mr. BROYHILL) for whatever time it requires to make a unanimous consent request.

Mr. BROYHILL of Virginia. Mr. Chairman, I rise in opposition to H.R. 4249, to continue in full force and effect the provisions of the so-called Voting Rights Act of 1965. That act is a perfect example of a practice we have seen all too frequently during the last decade, of attaching a glorifying name to a bad bill to disguise its true purpose.

The purpose of the Voting Rights Act of 1965, and of the bill to extend it today, quite simply is to force Federal registrars upon Southern States, including my own State of Virginia. It arbitrarily assumes that racial discrimination exists and suspends tests and devices as conditions for voter registration in States or counties where fewer than 50 percent of persons of voting age are registered or have voted, then assigns Federal examiners to supervise the registration of voters and the conduct of elections in those States.

Article I, section 2, of the Constitution, and the 17th amendment, vest in the States the right to establish the qualifications of voters. The 15th amendment requires that whatever standards are established be not racially discriminatory and that such standards be uniformly applied. Thus, while Congress has authority to enforce the 15th amendment by appropriate legislation, it has no authority to do so by denying certain States their right to set qualifications and permitting others to do so. It cannot be proper to enforce one right guaranteed by the Constitution by taking away from a select group of States another right also guaranteed.

The indicators of racial discrimination in the 1965 act which were used to trigger the suspension of tests and other voting requirements and open the way for appointment of Federal examiners, were that fewer than 50 percent of age-eligible persons were registered or voted in 1964. They did not by any means constitute conclusive evidence of discrimination. Fewer than 50 percent of age-eligible persons vote in Virginia, but the U.S. Commission on Civil Rights has

reported that there is no evidence of racial discrimination in Virginia's voting process. Further, in the absence of any complaints, not a single Federal registrar has been sent into a precinct, county, or city of Virginia, nor have Federal observers been dispatched to oversee our elections. Yet, under provisions of the act my State stands year after year under threat that the provisions of the act may be invoked, and in such event we would be forced to seek a judgment in the Federal District Court for the District of Columbia to prove that any tests or devices utilized as requirements for voting eligibility have not been used as a means of racial discrimination during the previous 5 years. This means that our States are presumed guilty, on the basis of arbitrary criteria, until they prove themselves innocent, in contradiction of a fundamental principle of justice. Further, by requiring these few States to seek approval of the Federal District Court for the District of Columbia before making any change in qualifications or procedures for voting we not only deny them the right to set qualifications but also violate the principle of separation of the legislative and judicial powers.

Finally, the 1965 act is most remarkable for the many kinds of voting fraud and abuse it ignores throughout the Nation in a determined effort to penalize a small section for imagined discrimination. I would be the first to support election reform which would guarantee that every would-be voter can cast his vote without fear or intimidation; and which would also guarantee that his vote would not be diluted by fraudulent votes cast by others. We do need guarantees against election fraud. We need stronger and more consistent prosecution of those who perpetrate fraud when they are discovered. But the 1965 act does not carry these guarantees, and we only attempt to fool the American people if we pretend we provide these guarantees by passing a 5-year extension of an unfair and discriminatory measure. Mr. Speaker, I urge defeat of this legislation unless it is amended by the substitute, H.R. 12695, which will be offered later today.

If it is fitting and proper to abolish literacy tests as a qualification in six or seven States of this Union, then why is it not fitting and proper to abolish these tests in all 50 States?

I do not think literacy tests are bad. On the contrary I think literacy tests are essential to help assure an informed and responsible electorate. But if we are to impose any law on any State, on any subject, we must make certain that such law is equally applicable to all States and all citizens. How can we abolish one form of alleged discrimination by enacting a new law which is even more discriminatory?

Mr. Chairman, my State of Virginia is in the process of updating and improving our voting laws. We are planning to do this by two approaches. One would require an amendment to our State constitution which must be approved by two sessions of the State legislature and then by the voters of the State. The other approach would simply require the approval of one session of the legislature and the Governor similar to any other change in State law.

The irony of this, Mr. Chairman, is that after all this planning and work has been completed we will have to come to Washington, hat in hand, and ask the U.S. Attorney General or the Federal courts for their approval. How degrading can we get? Are not the people of Virginia capable of determining for themselves how they want their voting laws changed?

In order to show the Members of the House how ridiculous this can be, I should like to list what we have proposed as changes in the voting laws of the State of Virginia and the status of the situation under both methods.

First the list of proposed changes which would require a constitutional amendment:

A. Reduce residency requirement for all elections from one year to six months.

B. Remove all reference to requirement that capitation tax be paid—although voided by court the language is still in Va. constitution.

C. Provide that a person who does not vote once within four calendar years shall be *automatically* purged from registration books.

D. Gives legislature right to further reduce by law at a later date the residence requirement for Presidential elections.

E. Requires a person to have both a legal residence and a domiciliary residence in order to vote by absentee ballot from out of state.

The list of changes proposed by the Legislative Advisory Committee of our State legislature which requires only the approval of the State legislature and the Governor are:

A. Moves primary for all except city elections to September. Requires conventions to be held within 30 days in advance of primary.

B. Require strict reporting of campaign contributions including a person who might spend money for candidate without candidates permission or knowledge. All contributing over $50 must be listed individually—those below may be lumped.

C. Requires a computerized voter list including central state office master tape.

D. Requires voting machines to be used throughout state.

E. Requires every county and city to have a central registrar with an office open at regular office hours.

The proposed constitutional amendments have been approved by a special session of our legislature this past summer and will be submitted to the January-February 1970 session for final legislative action before submission to voters for approval in the November 1970 election.

The second proposal will be submitted to the January-February 1970 session of the legislature for approval and adoption.

These proposals do not discriminate against anyone on the basis of race, color, creed, or religion, and it should not be necessary to get permission of the Federal Government to adopt them.

The defeat of H.R. 4249 or the adoption of the substitute, H.R. 12695, will make such prior approval of the Federal Government unnecessary. I again urge the defeat of H.R. 4249 and the adoption of H.R. 12695.

Mr. McCULLOCH. Mr. Chairman, I now yield to the gentleman from Michigan (Mr. HUTCHINSON) 2 minutes.

Mr. HUTCHINSON. Mr. Chairman, the constitutional basis of the Voting Rights Act of 1965 was the 15th amendment. The constitutional basis for the proposed substitute to be offered by the gentleman from Michigan (Mr. GERALD R. FORD) troubles me, frankly.

Apparently the constitutional basis of the substitute is a much broader construction of constitutional power than even the courts have yet definitely accepted. Every provision of the Voting Rights Act of 1965 is based upon the theory of implementing the 15th amendment. As I read the substitute, on the other hand, all of these tests and devices are to be suspended nationwide, not on any basis of implementing the 15th amendment, not on any basis of protecting the people's right to vote regardless of race or color, but rather on the theory that whatever the Congress deems to be appropriate legislation in the field of voting rights can supersede admittedly constitutional State law on the qualifications to vote on the idea that the Federal power is supreme over the State power, and so if legislation is appropriate, it can be upheld even though it supersedes otherwise constitutional State power.

This disturbs me. Particularly am I disturbed because this theory is being applied to set aside the residency requirements of the State so far as voting for the President and Vice President is concerned.

The idea is that we can set aside all these residency requirements as an appropriate use of the enforcement power of Congress under the 14th amendment or the 15th amendment or any other of the several amendments relative to voting rights in the Constitution.

I say if the Congress may by statute suspend residency requirements of the States, we can by statute provide how old a citizen must be to vote for the President or Vice President, and we can go further and say that in order to vote for President or Vice President, every election board in every precinct shall be composed in a certain way, and the vote shall be tabulated in a certain way.

The end result is that we will be simply creating a national election system, completely destroying the powers of the States in the election process.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, I think I have the credentials as a southerner with respect to geography, heritage, and vernacular. I do not think there is any particular ideology which is the single southern orthodoxy, however.

I wish to comment on this bill and the amendment which is to be offered in the form of a substitute and also to comment about legislation of this general type.

Two faults have marked penal social legislation, in my opinion. One is that it too frequently shoots at old and infirm inequities when new and virulent ones are emerging. The second is that it applies its principle of law a case at a time.

Thus the wolf is caught, flayed, its hide taken in, and the bounty collected, while whole herds of sheep are being devoured.

I am speaking from some experience. It happens to have been in the State of Texas where both of the Nixon cases, that is, Nixon against Herndon and Nixon against Condon, and where Smith against Allright all arose between the years 1927 and 1943. It was during this long drawn-out period that Negroes in my State were seeking their rightful participation at the polls.

Fortunately, by the time of the passage of this act, Texas did not fall in the category of having less than 50 percent registered or 50 percent voting in the 1964 election. It was not because Texas was not in the South or because Texas was a border State. It was because of the rule of the act, which has nothing to do with geography, that Texas escaped inclusion in sections 4 and 5 of the act. The formula of the act is not regional. It is with respect to performance.

I am tired of hearing the attack that this statute is regional. It is not regional if a State in the region has escaped the formula for inclusion. I want to say quite frankly one of the reasons Texas escaped that formula is because approximately one-third of the population belongs to two minorities.

About one-fifth of the population is Mexican-American.

About one-sixth of the population is Negro.

Those proportions have changed from the one side to the other in the last 10 years.

But we have not had the deep-seated prejudices in my State with respect to the Mexican-American minority. Beside that, the Mexican-American minority in some counties, as is quite notable from some elections in the past, had an actual majority and had to be listened to politically. Therefore, it formed a bridge to ward recognition of minority rights and we escaped because of that bridge and because of that performance.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield for an observation?

Mr. ECKHARDT. I am glad to yield to my distinguished colleague.

Mr. McCULLOCH. I am very glad to hear the statement which is being made. I should like to make a statement for the RECORD. The summer-fall 1969 figures showed that 73.1 percent of the black people in Texas are registered to vote.

Mr. ECKHARDT. I thank my colleague. I am proud of that record.

Mr. McCULLOCH. And 61.8 percent of the white people are registered to vote. More of the black people are registered than whites in Texas.

Mr. WATSON. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I am delighted to yield to my colleague from South Carolina.

Mr. WATSON. The gentleman knows the high regard I have for his ability.

With reference to the discussion as to whether or not this is a regional measure, if it is not a regional measure, then, at the end of the 5-year period, next year in August, why would not the proponents of this measure allow those five Southern States which have met the 50-percent requirement to come out from under the law? Why would not the proponents let them get out from under?

Mr. ECKHARDT. I am glad the gentleman made that comment at this time, because it does lead into the rest of my remarks.

The situation is simply this: that when the presumption of discrimination with respect to race fell upon those States which had not accomplished the 50-percent level it became necessary to give a period of time in which those States could have Federal surveillance exercised over them in order to be assured that the electorate would sufficiently grow so that ultimately the vote and the political pressure in the State would protect the honesty of the electorate in that State and the control of that State.

Here is what happened in my State, and here is how this thing was ultimately cleared up. Here are the dangers that can exist today if this law is not continued.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CELLER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ECKHARDT. Though we had met these needs at an early date we had not met the standards of the Brown decision of 1954.

I recall my courageous colleague in this House, the distinguished gentleman from Texas (Mr. GONZALEZ), conducting the longest filibuster in history attacking nine of the same type of laws which are used in order to defeat voting rights which were then proposed to defeat the rights of Negro citizens and children to attend the schools.

If we should permit an attack on an old inequity to be substituted for a bill which effectively attacks a continuing inequity, we would abolish that protection, that continual surveillance, over those legislatures which have infinite innovative capacity to devise processes of foot-dragging against putting into effect voting rights.

Mr. CELLER. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. FARBSTEIN).

Mr. FARBSTEIN. Mr. Chairman, the amendment we have before us is based upon the recommendations made by the Attorney General, John Mitchell, before the Judiciary Committee, and represents the administration alternative to a simple 5-year extension of the 1965 Voting Rights Act. It would appear to me that this proposal is strictly political in its motivation and that the administration is less concerned about voting rights than it is in wooing the South as part of its grand southern strategy. This proposal would serve to retard the progress in black voter registration that has come about as a result of the 1965 act. For that reason, I shall vote against it and vote for a simple 5-year extension of the current law.

The Voting Rights Act of 1965 includes provisions suspending literacy tests and devices used by Southern States to prevent black voter registration. It empowers the Attorney General to appoint Federal examiners and observers in areas where there is evidence of violation of the 15th amendment due to manipulation of the registration system. The examiners prepare lists of eligible voter applicants whom State officials are required to register. The act also prohibits States and political subdivisions, in which literacy test suspensions are in effect, from enforcing new voting procedures which have the object of preventing black voter registration.

It has been the most effective piece of civil rights legislation in our Nation's history. Since enactment of the 1965 act, in the five States where Federal examiners have been appointed, black registration has jumped from 29 percent to 52 percent. More than 2 million have been enfranchised and 463 Negroes have been elected to public office. Despite this success, black voter registration is still low in numerous counties within these States. The voting problems at which the 1965 act were directed have not been fully solved. With key provisions of this act due to expire in August 1970, it is feared that September 1970 will see massive reregistration drives to deny voting rights already won, as well as deprive the relief still denied thousands in States and localities now covered.

The Nixon substitute would dissipate the effectiveness of the Voting Rights Act by applying standards irrelevant to the civil rights issue and by shifting the focus of enforcement away from those States where abuse exists. The black citizens of the five Southern States now covered would be left to their own devices as Federal enforcement officials were pulled out. I can see no reason for not passing a simple 5-year extension of the act as it is now constituted especially in view of the fact that it has performed the functions with great efficacy. Certainly the proposed substitute does nothing to improve upon the law.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. COHELAN).

Mr. COHELAN. Mr. Chairman, I would like to express my firm support for extension of the Voting Rights Act of 1965 as is, without amendments. I feel that this is not the proper time for considering change of this very important law, for the suggested changes are not as immediately pressing as extending the act in its present form.

The enactment of the Voting Rights Act of 1965 was a milestone in positive legislation designed to assure equal rights to all of our citizens. It was a long, hard-fought battle here in Congress and outside in the southern battlefields. We all remember the controversies and heated debates on the floor in securing passage of this act. We should never forget the violence, terror, bloodshed, and sacrificing of human victims that accompanied enforcement of this law. Medgar Evers was gunned down by an assassin; Vernon Dahmer, a local worker in voter registration drive was murdered by arsonists who firebombed his home and grocery store; Viola Liuzzo and Jonathan Daniels, civil rights volunteers, were shot and killed by terrorists. These are but a few who come to mind immediately. We

all know there are countless others who were victims of shootings, burnings, and other terrorists activities.

We paid a very high price to guarantee "freedom and justice for all" and we are now beginning to see some of our efforts. Recent statistics indicate that there are now over 1 million Negroes newly registered to vote in the South, a notable increase since 1965. We also see 400 Negroes who were elected to public office in the several southern regions covered by the present law.

These statistics are heartening, but let us not be misled by them. The strides made in increasing Negro voter registration and in the number of Negroes holding public office are only the result of a strictly enforced law. We would be naive to think otherwise. The 4 years that have elapsed since the enactment of the Voting Rights Act of 1965 is certainly no length of time in which deep-rooted, century-old attitudes of prejudice and hate can be erased forever. Other civil rights legislation which has been on the books long before 1965 is proof of this fact. This is the main reason why we cannot seriously consider any changes to the Voting Rights Act at this time.

The proposed nationwide ban on literacy tests would perhaps lend a more equitable and juridical character to the Voting Rights Act. There can be no doubt, however, of the very strong need for this legislation in the southern region of our country. That need should not be jeopardized by grandiose extension now.

The administration's proposed amendment which would eliminate the requirement that all States and counties automatically submit changes in their voting laws to the Department of Justice and which would subsequently place authority and responsibility for these matters with State governments is an idea of some merit. However, I am not convinced that the Justice Department is unable to handle this reviewing and screening process nor am I convinced that the States covered by the present legislation did not adhere to the requirement of prior approval of voting law changes by the Department or Justice. It may well be that their compliance with this section of the law was not voluntary. In any case, there is evidence which indicates that there have been over 400 instances in the past 4 years where voting law changes were enacted in State legislatures and some, upon submission to the Justice Department, were found to be discriminatory in nature and were vetoed as proscribed by law.

These are just two instances which underscore the necessity of long and thoughtful study of these questions before any change is attempted. They also indicate the extreme and heated controversy that will undoubtedly ensue should the administration press for adoption of these amendments. There is a real possibility that the proposed administration changes might weaken the present law. We cannot let this happen.

Mr. Chairman, I urge our immediate attention to this most critical matter. We must do all that we can to assure the extension of the Voting Rights Act without change. Only then, when we are certain that the present law is out of danger, can we begin reasoned consideration of the administration's proposals.

Mr. McCULLOCH. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. Mr. Chairman, the Voting Rights Act of 1965 was intended to effectively end the practice of racial discrimination in voting in this Nation. There has since been an awakening of the public to the fact that civil rights, voting rights, and human rights are not a local or regional matter—they are both constitutionally and practically a concern of all parts of the country.

The bill H.R. 4249 was sent to the Congress simply to extend the present law's provisions for another 5 years. The application of the law to only a few areas of the entire Nation was retained. I believe that the law needs improvement and it certainly should be applied to any area where there is constitutionally improper discrimination, not just in the handful of States and counties presently covered.

Particularly with respect to literacy tests, the scope of the law should be nationwide. Why voter-hampering literacy tests should be permitted in some parts of the country and not in others is a distinction which fails to stand the test of logic. There has been a skyrocketing of Negro voter registration in all Southern States since the enactment of the Voting Rights Act. It is not necessary to single out any particular States, but Negro voter registration has doubled, tripled, and increased tenfold, and, in this regard, the Voting Rights Act is an unquestioned success. I am convinced it could be successful nationwide, not just in seven States.

I do not want to weaken the current law that now applies to the seven Southern States, and in my opinion the administration substitute that I expect will be offered does dilute the effectiveness of the present law. It shifts the initial responsibility of the presently covered States from those States in seeking relief from coverage under the act and imposes a duty on the Attorney General to initiate action against States that he believes to be discriminatory. It further would change the forum in such cases from the district court in the District of Columbia to other Federal district courts. There have been cases delayed in other civil rights matters.

The United Auto Workers' Union has testified in support of a nationwide literacy test ban and in support of the effective protections of the 14th and 15th amendments to our Constitution. The American Civil Liberties Union supports eliminating literacy tests throughout the country and eliminating residency requirements which bar voting in presidential elections. The U.S. Commission on Civil Rights has recommended that Congress forbid the application of literacy tests nationwide. These and the comments of many others are documented in the hearings of the Judiciary Committee. With support such as this, I was disappointed when the amendment which I offered in committee to add a literacy test ban in addition to the present provisions of the Voting Rights Act was defeated. I shall continue to press for the same treatment nationwide with respect to literacy tests and other devices which disenfranchise voters.

President Nixon and Attorney General Mitchell offered some suggested changes in proposed legislation, sent to Congress as a substitute for the simple 5-year extension of the present localized law. In brief, the Nixon administration had suggested a nationwide ban on all literacy tests or devices, not in just a few States, but in all States. The committee's recommendation does not contain it. Second, the President suggested abolition of State residency requirements for voting in presidential elections. My colleague, CLARK MACGREGOR, has championed such a proposal, but again, the committee bill contains nothing of the sort. Third suggested was power for the Attorney General to dispatch voting examiners and observers anywhere in the Nation where voter disfranchisement was suspected, but this also was deleted. Also refused were suggestions to give nationwide authority to the Attorney General to start voting rights suits and to create a Presidential commission to study voting discrimination and other corrupt practices.

I support these recommendations in principle, and I hope they can be effected without weakening the present law or by separate legislation initiated and acted upon in the near future. I am aware that the chairman has indicated his willingness to hold separate hearings early next year. This may be the proper vehicle. I am also aware that my friend the distinguished ranking Republican, the gentleman from Ohio (Mr. McCULLOCH) has been pushing for comprehensive election and vote reform. Obviously these equalizing suggestions are more complicated than their mere recital would indicate. However, I feel that the subject is of such importance that the committee should devote the necessary time and energy to a thorough study of these proposals. I sincerely hope that such action can be undertaken by the committee as soon as possible.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, the Voting Rights Act of 1965 became Public Law 89–110 on August 6, 1965. It was then I believe actually intended to be discriminatory legislation against the South under the guise of providing equal protection under the law. It is indeed today discriminatory legislation, because it does not provide equal protection under the law for all our citizens. It is the most vindictive, unfair, and unconstitutional legislation passed by the U.S. Congress since Reconstruction days and you know it.

I said at that time if this Congress could agree on reasonable legislation which had equal application to all our people that I could in good conscience support such legislation. I believe every qualified citizen should be a part of the democratic process.

I was very much amused yesterday, having heard the arguments in 1965,

when Mr. MADDEN, the ranking member on the Committee on Rules handling the rule here on the floor began his remarks by saying that changes enacted in the Federal laws to eliminate discrimination in voting procedures in certain areas, primarily in the South, had failed to carry out protection for these disenfranchised citizens.

Now, in his use of the word "primarily" the connotation is to me that he himself was admitting that disenfranchisement had occurred in other parts of the United States than just the South, and you know it has.

I was further not just amused, but surprisingly amused, when he said something that he did not intend to say, and perhaps yet does not even realize that he said it, because if he meant what he said yesterday then he would walk down in this well and he would say "I am going to support the substitute, or some change to the proposed law and its continuation," because he said on page 38124 of the RECORD, and listen to me, please:

States that have in good faith eliminated discrimination in voting—as evidenced in 1968 results, compared to those of 1964—should no longer be punished for past wrongs.

Now this simply said that where no discrimination exists today, this law as it is presently written should not apply. He was and is absolutely right.

I defy and I challenge anybody in this House of Representatives to take a position otherwise—to deny that his statement means anything else or that what he advocates should not be done.

Now I have had some firsthand experience in discrimination as provided for in the existing law. Time does not permit me to talk at length about this bill, so I want to tell you about something that actually happened after we passed this law. No law has ever been more abused.

On March 25, 1967, the then Attorney General—and thank God he is not the Attorney General of the United States any more—Ramsey Clark who is not qualified to practice divorce law or get out of the rain sent Federal registrars into three parishes in my Fourth Congressional District in Louisiana. The parishes of Bossier, Caddo, and De Soto.

I called Mr. Clark from Louisiana during Easter recess on the telephone about having sent these registrars there, and I later met with him, I believe it was on April 4, just a few days later in 1967 about this matter.

At the time of our meeting, which I arranged, in attendance at this meeting there was—Mr. Clark; an assistant of his, Mr. Doar; and the two Senators from Louisiana, Senator ELLENDER and Senator LONG, and myself.

I asked Mr. Clark then if he had complied with the law in sending Federal registrars into Louisiana—that is, had he received the 20 complaints which were required. He said, "No."

I said, "Have you had complaints about discrimination in voter registration and in voting in these parishes in Louisiana?"

He said, "No." Do not go away yet.

I asked then why on earth he had sent Federal registrars to Louisiana and what justification he had. I then proceeded with factual records to show him that there was no discrimination.

I was then amazed to have the Attorney General say to me:

Look, I do not even allege discrimination in any phase of the voting machinery or the voting process in the three parishes to which you refer and where I sent Federal registrars.

He said:

I know that anybody who wants to register and vote can register and vote without fear of discrimination or being coerced in any way.

I said:

Then, Mr. Attorney General, why on earth have you sent Federal registrars into these parishes?

He said, and please listen to me:

I want to register more Negroes.

He wanted, he said, to make it convenient.

How brazen can you be? He used Federal employees, Government automobiles, and tax dollars for this purpose. I asked further if he was going to accommodate and register any whites under any circumstances and his answer was "No, I am only going to register more Negroes." He also made these amazing statements to the Governor and attorney general of Louisiana by telephone and the attorney general of Louisiana has sworn affidavits from each of us on file to attest to this.

Well, I do not know how many of you really know what the voting rights law of 1965 says under section 6 which was his verbally stated and written authority for sending them there. Let me read it to you. It is as follows:

SEC. 6. Whenever (a) a court has authorized the appointment of examiners pursuant to the provisions of section (3) (a), or (b) unless a declaratory judgment has been rendered under section 4(a), the Attorney General certifies with respect to any political subdivision named in, or included within the scope of, determinations made under section 4(b) that (1) he has received complaints in writing from twenty or more residents of such political subdivision alleging that they have been denied the right to vote under color of law on account of race or color, and that he believes such complaints to be meritorious, or (2) that in his judgment (considering, among other factors, whether the ratio of nonwhite persons to white persons registered to vote within such subdivision appears to him to be reasonably attributable to violations of the fifteenth amendment or whether substantial evidence exists that bona fide efforts are being made within such subdivision to comply with the fifteenth amendment), the appointment of examiners is otherwise necessary to enforce the guarantees of the fifteenth amendment,

In other words, he admitted that nobody had complained. He had admitted that it was not necessary to send the examiners there because nobody was being denied the right to register and to vote. So he went beyond the intent of the law. He abused the law. He abused the people of Louisiana. He should have been trying to do something about election fraud. The law requires it but, oh no—too much of the fraud in our elections occurs outside the South. It is even worse to not count a vote after it is cast than it is to hinder registration and voting.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I am happy to yield to the distinguished chairman, the gentleman from New York (Mr. CELLER).

Mr. CELLER. Is it the gentleman's intention to support the so-called Mitchell-Ford substitute?

Mr. WAGGONNER. Absolutely, because it is better. It has its faults with which I disagree but it is at least fair. What has been "sauce for the goose" will now be "sauce for the gander."

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman.

Mr. ECKHARDT. Is the distinguished gentleman in the well familiar with the fact that section 6 of the Voting Rights Act, the one that provides for the registrars or examiners, exists also in the Nixon substitute?

Mr. WAGGONNER. Section 6?

Mr. ECKHARDT. Yes.

Mr. WAGGONNER. Yes, it does, but this triggering device that the present law uses does not exist in this substitute in the same manner as it exists in the present bill.

Mr. ECKHARDT. Furthermore, the gentleman I believe has mentioned here that the law is regional in effect. Is the gentleman familiar——

Mr. WAGGONNER. Yes, I am familiar with it and let me tell you, I know this law.

Mr. ECKHARDT. May I complete my question.

Mr. WAGGONNER. Your question was—am I familiar with the regional effect—yes—and that is my complaint.

Mr. ECKHARDT. But also in section 3 of the act which provides for triggering this law can apply in Chicago or Detroit or anywhere.

Mr. WAGGONNER. That is not what I am talking about. He wrongly sent these people under section 6 into Louisiana. I am not talking about section 3, I am talking about section 6. The law has not been violated by anyone but Ramsey Clark.

Mr. ECKHARDT. But section 3 activates section 6.

Mr. WAGGONNER. The gentleman has had his time, I refuse to yield further.

Mr. Chairman, the Attorney General admitted that there was no discrimination in voting procedures in Bossier, Caddo, and De Sota Parishes, La.

The ranking member on the Committee on Rules on the Democratic side says that if there is no discrimination, this law should not apply. But you intend for it to apply.

My friends, there was no discrimination in a single one of these parishes, I do not have the time to go into all three fully. But on July 31, 1965, before this act became law, there were 4,306 Negroes registered in Caddo Parish.

When Ramsey Clark sent Federal registrars into Louisiana, there were in this same parish 12,329 Negroes registered. There was no discrimination. There is no discrimination. They all were complying with the law and still are.

Whipping a dead cat does not accomplish anything in this country. You

have to quit whipping the South. What else am I talking about? Do not tell me the South is not still being whipped. I have here an article from the Paterson, N.J., newspaper of November 20, last, in which there is an article which quotes the superintendent of schools there. He says they will never in that school district hire a teacher with a southern accent. Now, this is discrimination too. I know the Members abhor my saying it, but the South is still being discriminated against for something for which there is no justification and it is continued vindictively. What other basis exists for your actions? The answer, of course, is none and you know it. You ought to hang your head in shame.

Mr. McCULLOCH. Mr. Chairman, I yield the gentleman from Connecticut (Mr. MESKILL) 2 minutes.

Mr. MESKILL. Mr. Chairman, first I would like to make a remark in answer to an insinuation by the gentleman from California (Mr. CORMAN), when he referred to the substitute and what its real purpose was by saying we should notice who the players are and then make up our own minds. I would like to consider myself as one of the players in favor of the substitute. I know the gentleman from California (Mr. WIGGINS) is another one of the players, as is the gentleman from Michigan (Mr. GERALD R. FORD). None of us are what could be called southerners, and none of us are from States which would be adversely affected by sections 4 and 5 of the act, which is what is before us today.

Mr. Chairman, we are not debating the extension of the Voting Rights Act of 1965 today, we are only debating the extension of two of the 19 sections of the Voting Rights Act of 1965.

The other 17 sections of the act will remain law fully and indefinitely without any further congressional action. The two sections we are concerned with are sections 4 and 5. These are the temporary sections. These are the sections which will expire on August 5, 1970, unless extended.

In order to make an intelligent evaluation on the need to extend the temporary sections, we must fully understand the content of the permanent provisions of the Voting Rights Act of 1965.

Under the permanent provisions of the Voting Rights Act: First, when the Attorney General brings a suit under the 15th amendment to protect voting rights against racial discrimination, the court is empowered to enter either an interlocutory order or a final judgment requiring the Civil Service Commission to appoint Federal examiners to register voters; second, in such suit, the court is empowered to suspend the use of literacy tests "for such period as it deems necessary"; third, in such suit, the court retains jurisdiction "for such period as it may deem appropriate" and during that period, the State cannot implement any change in its voting laws until the court determines that the new law will not have the purpose or effect of racial discrimination or until the Attorney General of the United States has filed, within 60 days after submission, to object to the new law; fourth, when Federal examiners have been appointed under such suit, the Attorney General may require the Civil Service Commission to send Federal observers to the local voting precinct to oversee the process of voting and the tabulation of votes; fifth, no State may enforce a literacy test with respect to a registrant who has completed the sixth grade in a non-English-speaking school; sixth, criminal penalties of 5 years in jail or a $5,000 fine, or both, can be imposed upon anyone convicted of depriving, attempting to deprive, or conspiring to deprive any person of his voting rights on account of race or for destroying, defacing, multilating, or altering ballots or official records; and, seventh, the Attorney General is empowered to bring a suit for an injunction when he has reasonable grounds to believe that any person is about to engage in any act prohibited by the Voting Rights Act.

Two facts should be remembered with respect to these permanent provisions of the Voting Rights Act: First, all are permanent law; and, second all apply to all jurisdictions in all 50 States.

The only provisions which are temporary are sections 4 and 5. The only provisions which apply to less than all the States are sections 4 and 5.

Section 4 applies to those States with literacy tests where less than 50 percent of the voting-age population was registered or less than 50 percent voted in the 1964 presidential election. This mathematical formula also covers individual counties in States with literacy tests, even when statewide figures exceed 50 percent registration of voter turnout. Section 4 triggers section 5. If a State or county falls within the provisions of section 4, section 5 automatically applies.

Section 5 provides that such a State cannot legislate new voting laws until it has either: first, brought a suit in the district court for the District of Columbia and proved that the new law does not have the purpose or effect of racial discrimination; or second, submitted the new law to the Attorney General of the United States and persuaded him for a period of 60 days not to interpose an objection. The thrust of sections 4 and 5 are based on two hypotheses: first, an arbitrary 50-percent voter registration or voter turnout has been determined to indicate that racial discrimination exists which denies qualified citizens the right to vote; and second, literacy tests are the vehicle for the discriminatory practices. While there may be some logic in these hypotheses, they have not been tested to my satisfaction. As sections 4 and 5 are written, they are not even consistent. Texas only had 44-percent voter participation.

If the mathematical formula is valid, one could conclude that discriminatory practices exist, and yet Texas is exempt from the provisions of sections 4 and 5 because Texas does not have a literacy test. Virginia falls below the 50-percent figure and is subject to the provisions of section 5, even though the Civil Rights Commission has stated that the absence of complaints to the Commission, actions by the Justice Department, private litigation, or other indications of discrimination lead it to conclude that Negroes appear to encounter no significant racially motivated impediments to voting in Virginia.

The escape clause mechanism of section 4 and escape coverage of section 5 offer little help. It is practically impossible to conclusively prove an absolute negative.

I represent a State which has a literacy test as a qualification for voting. I feel certain that in Connecticut the literacy test is not a racially motivated impediment to voting. Nevertheless, under the permanent provisions of the Voting Rights Act, the literacy tests could be suspended for such period as the court deems necessary if the Attorney General were to bring a suit under the 15th amendment to protect voting rights against racial discrimination. This is as it should be. This is evenhanded treatment. I must agree with the dissent of Mr. Justice Black in the case of *South Carolina* v. *Katzenbach*, 383 U.S. 301, 358:

> Section 5, by providing that some of the States cannot pass State laws or adopt State constitutional amendments without first being compelled to beg Federal authorities to approve their policies, so distorts our constitutional structure of government as to render any distinction drawn in the Constitution between State and Federal power almost meaningless. One of the most basic premises upon which our structure of government was founded was that the Federal Government was to have certain specific and limited powers and no others, and all other power was to be reserved either to the States respectively, or to the people. Certainly if all the provisions of our Constitution which limit the power of the Federal Government and reserve other power to the States are to mean anything, they mean at least that the States have power to pass laws and amend their constitutions without first sending their officials hundreds of miles away to beg Federal authorities to approve them * * *. I cannot help but believe that the inevitable effect of any such law which forces any one of the States to entreat Federal authorities in faraway places for approval of local laws before they can become effective is to create the impression that the State or States treated in this way are little more than conquered provinces. And if one law concerning voting can make the States plead for this approval by a distant Federal court or the U.S. Attorney General, other laws on different subjects can force the States to seek the advance approval not only of the Attorney General but of the President himself or any other chosen members of his staff.

Mr. Chairman, I will support the substitute which will be offered by the gentleman from Michigan (Mr. GERALD R. FORD), which provides for evenhanded treatment of all States, instead of extending until 1975 a ban on literacy tests in States, five of which have made sufficient progress by 1968 so that under the criteria of the original act, would no longer be covered by the trigger provisions.

It provides—

First, a nationwide ban on literacy tests and similar devices until January 1, 1974;

Second, nationwide authority for the Attorney General to assign Federal examiners to register voters and to send Federal observers to monitor the conduct of elections;

Third, establishment of a Presidential Commission to be known as the National Advisory Commission on Voting Rights,

to study the effects of literacy tests and the impact of fraud or corrupt practices on voting and to report and make recommendations to the President and Congress by January 15, 1973;

Fourth, establishment of uniform residency requirements for voting for President and Vice President of the United States; and

Fifth, in lieu of the present provisions of section 5 of the act, nationwide authority for the Attorney General to initiate voting rights lawsuits to challenge discriminatory voting laws and practices.

I believe it is time we stopped fragmenting our country. It is time we stopped presuming that one section of the country is innocent until proven guilty and another section is guilty until proven innocent. The Civil War is over. Let us get on with the business at hand.

Mr. McCULLOCH. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Chairman, before I get into my remarks which are prepared, I want to comment on a couple items which are misconceptions and which should be straightened out.

One misconception, which has been mentioned in the remarks of several previous speakers, is to the effect that the administration substitute bill creates a remedy for which there is no wrong, and other speakers have said it is much like building a dam in Idaho to prevent a flood in Mississippi. The implication is that the present strictures applicable to some of the Southern States would under the administration's bill be extended nationwide. That, of course, is not true. The administration bill does not treat the rest of the Nation like the South, but rather it treats the South like the rest of the Nation. So if there are any gentlemen on either side of the aisle who are fearful of the administration bill for the reason that it would impose these very stringent and in many ways discriminatory rules on their States, fear not, for that is not the purpose of the administration bill.

A second item I wish to comment on particularly is the dramatic increase in the number of registered black voters in the South which is attributed to sections 4 and 5 of the Voting Rights Act. I doubt if that is true. I think that much credit has to be given to the Voting Rights Act for this dramatic increase in registration, but not through the triggering paragraph, not to paragraph 5, which requires a prior approval of voting procedures. In my view the increase in registration is caused primarily as the result of the intensive registration drives conducted by civil rights groups throughout the South and by the aggressive use of observers and examiners under section 6 of the act. Indeed, there has been, I might say, a dramatic increase in black registration in States other than the six in the South. Texas, for example, is a State in which there has been a dramatic increase in registration notwithstanding the fact that it is not covered under sections 4 and 5.

A third point I wish to make is this, and I ask Members to please listen to me well on this point.

There is no doubt that a case-by-case approach to the problem of equal voting rights has not worked in the past. It is the realization of that fact which triggered the Voting Rights Act of 1965. But do not be misled. The Voting Rights Act of 1965 has eliminated the case-by-case approach to the solution of problems.

Let me tell the way it works according to the testimony. If a State covered by the act, one of the Southern States, wishes to change a voting procedure, it is supposed to go to the Attorney General or file an action before a three-judge district court in the District of Columbia. Many States have presented innocuous, innocent little changes in their voting procedures to the Attorney General, and the Attorney General has consented to them in all cases but 10.

But do Members know what has happened? When States wish to enact insidious discriminatory practices such as removing an office or changing voting boundaries, when they really intend to discriminate, they do not go to the Attorney General at all, and the Attorney General then must revert to a case-by-case attack upon these discriminatory practices. That is the truth.

What I am saying is that if we seek a blanket approach to the problems of ending discrimination wherever it may be found we are not going to achieve it by a simple continuation of sections 4 and 5.

Mr. McCULLOCH. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, the issues we face today on this matter before us are very important and very fundamental, and they are issues which are charged with very genuine emotion on both sides of the case.

I may say that as far as I am concerned I respect that feeling and emotion on the part of all concerned.

For me personally, the issues posed here are very difficult to vote upon because to my way of thinking we have one of these hard cases where two good principles collide. On the one hand we have the principle that every man should be able to vote regardless of race and color. I subscribe to that as firmly as anybody in this House. And I know that right has been denied him in some cases in this country, and I object very strongly to such denial. I did not grow up under those circumstances. Everybody votes where I come from.

On the other hand, I also believe in our federal system of government. As a lawyer, and as an American, it is exceedingly hard for me, even in order to reach a concededly bad situation, to support a law which actually requires one of the States of this Union to come down here to Washington and get prior permission before it can put its own legislation into effect.

Therefore, these two good principles clash here. A man just has to resolve the problem by his own individual decision. I do not quarrel with anybody who resolves it one way or the other in good faith.

I have already indicated my difficulties with the committee extension of sections 4 and 5 of the act of 1965, and the fact that I tend to prefer the more conventional legal approach, through the courts and applied equally all over the country, of the administration substitute. But I do not want to give the impression that I believe the substitute is perfect.

In addition to that approach, which I believe is sound, it has been loaded down with various provisions unnecessary to the main thrust of the bill to which I personally object. I agree with my distinguished chairman, the gentleman from New York, that the provision abolishing literacy tests all over the country is in all probability unconstitutional. It has been so held in the Northampton case by the Supreme Court of the United States, and I do not believe that case has been overruled. So I do not believe that the nationwide ban of literacy tests is a valid, constitutional provision in the administration bill. Because I do not, at the appropriate time I am going to offer an amendment here to take that provision out of the administration bill. I believe it would be a cleaner bill and one I could vote for with a better conscience if that provision were removed.

Mr. McCULLOCH. Mr. Chairman, I yield the last 4 minutes on this side to the gentleman from New Jersey (Mr. SANDMAN).

Mr. SANDMAN. Mr. Chairman and my colleagues, what I see happening here today reminds me to a large extent of what we do back in my party in my State back home. We seem to follow a policy there that, whenever we do something that succeeds and is worth while, we stop doing it. This has led to a catastrophe from time to time.

Mr. Chairman, in this case we have a law which has been successful. In this case we have a law which has allowed some States that have been accused of doing things that are not what we like to see done rectified. I think it is to the credit of those seven States while this law has been in effect during these last 5 years that there have been great strides made to stop discrimination in the field of voting rights and I think those States deserve a great deal of credit. I do not see any harm done to those States or any other States, if this law is extended and I think it should be extended. I do not think we are going to do any damage to those States. I do not think we are being unfair to those States. I think it is altogether wrong, as my friend from Virginia said, that, in Virginia, which is the cradle of all the good things that have happened to this country, that as a State it cannot enact a law as a matter of State law unless it is first approved by the Federal Government. This I think is wrong and he is right when he says that it is wrong. I would like to see that done away with. I believe eventually it will be done away with.

Mr. Chairman, I listened to my friend, the gentleman from Louisiana, and there is no man for whom I have more regard than the gentleman. I can understand his feelings. I do not believe it is right that the Federal Government should have a right to give the Attorney General such vast powers. I think it is far better for the States to decide for themselves what the States want to do. For a lifetime I have supported the home rule theory that the States should be

able to do those things, and I would like to see that done.

Mr. Chairman, I think it is altogether wrong that there should be a Federal law which imposes a residency requirement upon all 50 States. I think it is best decided by the State and I would like to see it decided by the State. But, correspondingly, I can hardly believe it is right for the State of Mississippi, for example, to require a 2-year residency in order to vote for the President of the United States or anyone else. I think 2 years is a little too long. In that State you have to be a resident of the precinct and county for 1 year. If you moved during that period of time you could not vote for anyone. This I do not think is right either and in some way we have to reach a medium and I think the committee bill is the best vehicle we have, to reach that medium.

I hope that in the extension of this bill all of these things of which none of us approve will be rectified. I think this is our best opportunity and for this reason as a member of the Committee on the Judiciary—and I heard all the testimony and studied it for hours as our chairman has and as our ranking Republican leader on that committee has and I support the committee position. It is the only sound position that we can take today.

Therefore, Mr. Chairman, I urge an overwhelming vote in support of the committee bill.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. SANDMAN. I yield to the gentleman from New York.

Mr. REID of New York. I thank the gentleman for yielding and I rise in support of H.R. 4249, the extension of the Voting Rights Act of 1965, without amendment, and in opposition to the substitute which in my judgment would represent a tragic and devastating backward step.

To fail to extend the Voting Rights Act as is would be an invitation to a number of States to resume and step up certain discriminatory practices which are repugnant to all men of conscience.

To fail to extend the Voting Rights Act as is would be to betray the principles for which many Americans fought and for which some died—Martin Luther King, Jr., Medgar Evers, Mickey Schwerner, James Chaney, Andy Goodman, and others.

The purpose of the Voting Rights Act of 1965 was to secure full enfranchisement and the right to participate fully in political activities for all citizens. Considerable progress has been made toward that goal in the Southern States, but there is indisputable evidence that as one type of discrimination is eliminated, yet another barrier to political participation is created by the warped imaginations of those who seek to prevent the Negro from assuming an active role in politics.

Rev. Theodore M. Hesburgh, who has served on the Civil Rights Commission for 12 years and is now its chairman, has written that "the administration's substitute is a much weaker bill." He continues:

> I do fear that many Members of Congress feel that the voting problems at which the 1965 Act was directed have been solved. They have not. The Fifteenth Amendment remains to be fully implemented. We cannot retreat on this front. If we do, we run the risk of endangering the faith of many of our people in the ability of our Government to meet the legitimate expectations of its citizens.

There are three central remedies under the Voting Rights Act: First, suspension of literary tests and similar devices, second, prohibition against enforcement of new voting regulations pending Federal review to determine whether their use would perpetuate voting discrimination, and, third, assignment of Federal examiners to list qualified applicants to vote and assignment of Federal observers to monitor the conduct of elections. The statutory formula, which determines those jurisdictions to be covered by these provisions, applies to those States and political subdivisions which, on November 1, 1964, maintained a literacy test or similar device as a prerequisite to registering to vote, and in which less than 50 percent of the residents of voting age were registered on that date or voted in the 1964 presidential election.

The act, therefore, presently applies to the States of Alabama, Georgia, Louisiana, Mississippi, South Carolina, and Virginia; and Yuma County, Ariz.; Honolulu County, Hawaii; and 39 counties in the State of North Carolina.

Under the terms of the act, a covered jurisdiction could obtain exemption from the provisions of the act in August 1970 by obtaining a declaratory judgment in the District Court for the District of Columbia, based on the showing that no test or device has been used in that State or subdivision during the preceding 5 years for the purpose or with the effect of denying the vote, because of race or color. What this means is that covered jurisdictions could use the fruits of the past 5 years in order to obtain an exemption from the act and return to their pre-1965 practices. As Chairman CELLAR pointed out in testimony before the Rules Committee:

> Unfortunately, the record shows that substantial dangers remain, that the accomplishments of the past four years are delicate and will be erased if a continued Federal presence is not assured.

Federal examiners have been appointed in certain counties in Alabama, Georgia, Louisiana, Mississippi, and South Carolina, and in those five States Negro registration has risen from approximately 29 percent of the Negro voting-age population to 52 percent.

Roy Wilkins, chairman of the Leadership Conference on Civil Rights, has pointed out that—

> The Voting Rights Act in less than four years has demonstrated its immense value. It has brought more than 800,000 voters to the rolls in states that have traditionally sought to disenfranchise minority group members. It is directly responsible for the election of about 400 Negro officials in communities that have had no Negro officeholders since Reconstruction.

This is, indisputably, dramatic progress and, some critics of the law would argue, sufficient progress to put those States over the 50 percent triggering mechanism in the statutory formula. I would submit that the job is not yet finished, that Negro registration is nowhere nearly as high as it should be and that as registration goes up, harassments to running for office and voting also go up. This, I believe, is clear evidence that the Voting Rights Act must be continued for another 5 years. To do otherwise will be to permit the States of the South to return to their discriminatory practices, with the resultant waste of years of effort and lost lives.

What is the clear evidence supporting extension of the Voting Rights Act? First, registration figures indicate that Negro registration in Mississippi has increased from 6.7 percent to 59.4 percent since the Voting Rights Act. But 92 percent of eligible Mississippi whites are also registered, and that is a disparity plainly indicating that there are many, many more Negroes in Mississippi who could be voting but are not. There are similar gaps between Negro and white registration in other Southern States, and, especially, in individual counties and political subdivisions. In Alabama, for example, less than 50 percent of voting age Negroes are registered in 27 out of 67 counties.

Second, there continues to be harrassment of Negroes who wish to register and to vote, and several jurisdictions have undertaken new, unlawful ways to diminish the Negroes' franchise and to defeat Negro candidates. A Civil Rights Commission study of May 1968, entitled "Political Participation," details obstacles to Negro participation in the electoral and political processes. The chapter headings speak eloquently for themselves: "Diluting the Negro Vote," "Preventing Negroes from Becoming Candidates or Obtaining Office," "Discrimination Against Negro Registrants," "Exclusion of and Interference with Negro Poll Watchers," "Vote Fraud, Discriminatory Selection of Election Officials," and "Intimidation and Economic Dependence."

Some of the particularly offensive practices discussed in detail include exorbitant filing fees, switching to at-large elections when Negro strength is concentrated in certain districts, abolishing or making appointive offices sought by Negro candidates, and lengthening the terms of incumbents. Sometimes, if a voter does not cast ballots for a number of candidates equal to the number of positions to be filled—as in a school board election, for example—his ballot is not counted at all, thus forcing Negroes to vote for white candidates if they want their votes for Negro candidates to be counted. "Full-slate voting," as this is called, dilutes the effect of their vote for the Negro candidate.

As recently as June of this year, a report by the Civil Rights Commission on the May 13, 1969, municipal elections in Mississippi states that "not one black candidate in a county where Federal observers were present believed the election would have been run in an honest manner were it not for the presence of these observers."

The report recounts incidents in which black citizens feared white economic reprisals if they registered to vote, or situa-

tions in which the city clerk was not available to register voters except at the most inconvenient hours for working people, or, in fact, charges of a county clerk making a crippled black woman stand and walk around for 15 minutes while she was being registered to vote. Polling places were changed without publicity, names on registration lists marked as already voted when in fact they did not, names simply removed from the list, and registration lists made inaccessible in advance of the election in order to discourage challenges of unqualified voters and the legitimate defense of those challenged unjustly.

The Voting Rights Act requires that covered States clear their new voting statutes and practices with the Attorney General or the Federal District Court for the District of Columbia, and, in fact, Attorney General Mitchell disapproved of a number of proposed changes in Mississippi and Louisiana last summer. Yet, as the distinguished ranking minority member of the Committee on the Judiciary (Mr. McCULLOCH) observed on July 2, the administration bill proposes to eliminate that requirement of the law "in the face of spellbinding evidence of unflagging southern dedication to the cause of creating an ever more sophisticated legal machinery for discriminating against the black voter." To give the Attorney General nationwide authority to bring voting rights suits to challenge discriminatory practices and laws, as the administration bill proposes, would move the struggle to obtain electorial justice from the ballot box to the courtroom—with its attendant delays—and thereby vitiate the very success of the Voting Rights Act.

Further, in testimony before the Judiciary Committee, the Attorney General indicated that he did not need additional attorneys in the Civil Rights Division. There is, however, substantial evidence that this division is undermanned now, not to speak of the increase in litigation likely to result from the substitute bill.

Surely, there is ample need for continued and even more vigorous efforts on the part of the Federal Government to insure justice in southern elections. Indeed, the Civil Rights Commission report on the Mississippi elections makes several recommendations about strengthening the effectiveness of Federal examiners and observers. I cannot express more cogently than the distinguished gentleman from Ohio my objections to the administration bill. "As I understand the provisions of the administration bill which pertain to the heart of this controversy," Mr. McCULLOCH said in July, "they sweep broadly into those areas where the need is least and retreat from those areas where the need is greatest."

This Nation made a solemn commitment in 1870 that "the right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude." Ninety-five years later we passed legislation to implement that promise. It would be the most callous act if we were to mark the 100th anniversary of the 15th amendment by acquiescing in the Southern States' continued pursuit of Negro subjugation and discrimination. There have been no complaints from the 14 other States outside the South which have literacy tests and other devices, yet there continue to be small-minded men in the South who persist in devising ever more subtle forms of voting discrimination. That is where Federal resources must be concentrated; that is where the job must be done.

Mr. Chairman, I urge support of the committee bill and defeat of the administration substitute.

Mr. CELLER. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from New York (Mrs. CHISHOLM).

Mrs. CHISHOLM. Mr. Chairman, I think it is very important for us to recognize that many of us have heard the statement before that eternal vigilance is the price that we pay for freedom. I think that until a large segment of our population in this Nation is assured that there will no longer be this type of discrimination but have the assurance of human rights which have been denied them by certain groups that we should extend the Voting Rights Act of 1965.

I think it has already been pointed out how effective this act has been in terms of giving hope to a large number of the black citizens of this country. And until we know by deeds and actions, and not by words and jargon, that there is no need any longer for vigilance, the Voting Rights Act of 1965 must be extended.

I think we do recognize that there is change going on in our Nation, and that those of us who have been speaking about making the world safe for democracy must be quite sure that we make America safe for all of its citizens, regardless of race, color, or creed, within its borders.

I know, Mr. Chairman, that in many instances those of us who have been the beneficiaries of the status quo find it most difficult to realize that in this day and in this age certain voices in America are now saying that we are through with gradualism and we are through with tokenism, and we want our full share of the American dream that everyone so unequivocally speaks about.

So, Mr. Chairman, I ask and urge that we extend the Voting Rights Act of 1965, recognizing that the day has come in America when black and white will be given the fullest privileges. Let us hope that in the very near future we will not have to have any special devices or acts in order to assure a certain segment of our population in these United States that justice is theirs in the fullest sense of the word.

Mr. CELLER. Mr. Chairman, I yield myself such time as I have remaining.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. CELLER. Mr. Chairman, I want to say at the closing of this debate that great credit is due to those areas that have been affected materially by this bill. I think that we must indeed give an accolade to many of the leaders of those communities, because many, many thousands of Negros have been enabled to be placed on the registration rolls, and have voted, and many hundreds of Negros are now holding public offices.

I think this is a very creditable performance, and I do not think there is any need to castigate anyone or any particular community. On the contrary, I think a great deal of praise is due, and we would be derelict in our duty if we did not offer that praise.

However, despite that cooperation of many local officials, much remains to be done. Prejudices die hard, and prejudice has been the cause of most of the difficulty over the century, ingrown, and endemic, and the law has helped destroy those prejudices. It cannot obliterate them completely, but it does help, and the Voting Rights Act of 1965 undoubtedly has helped. I think an extension of the act will to a greater degree cause the people of those affected areas to in a more material way hearken to the old voice of Leviticus proclaiming liberty throughout the land to all the inhabitants thereof.

See how wise Leviticus was. He did not simply say "Proclaim liberty throughout the land," he emphasized to all the inhabitants thereof.

I believe that the Mitchell amendment that is going to be offered does away with the so-called trigger arrangement and tears the very heart out of the act of 1965. I would like just briefly to refer to a statement made by Father Hesburgh in a recent letter to the Attorney General. He said:

> To eliminate existing protection against manipulative changes in voting laws is in no sense an advance in protection of the voting rights of American citizens. It is a distinct retreat. It is an open invitation to those States which denied the vote to minority citizens in the past to resume doing so in the future, through insertion of disingenuous technicalities and changes in their election laws.

As Father Hesburgh says, this substitute amendment rips out the trigger provisions—heart of the 1965 act. If you do that then you open the door of the past, and you close the door to the future.

I do not think we want to do that.

In addition thereto, another great weakening of the proposals, is doing away with the preclearance provisions dealing with new voting laws or practices. That has been of material value to protecting the vote and of the franchise to the Negro.

It is interesting to note what the record of the South has been with reference to preclearance of new election laws. Of the 421 submissions, 20 have been objected to by the Attorney General. In other words, in general the communities affected have realized that it is essential to make progress and to adhere to the general principles of the 1965 act and submit changes in election laws in accordance with provisions of the act of 1965.

The requirement of preclearance is vital today. It will be essential in the future.

Since May 21, 1969, the Department of Justice has objected to 14 changes in the voting laws of Alabama, Louisiana, and Mississippi.

This record alone in 1969 clearly demonstrates the vital need for section 5 preclearance procedures.

When you consider the thousands of

communities and municipalities and boards and councils in the areas affected that are constantly promulgating new laws and changes in voting statutes that may affect Negroes and other minorities, how in thunder can the Department of Justice police all those changes? It could not possibly do it. Therefore, we provided in the 1965 act that if there are any changes, there should be notice given to the Attorney General.

If he approves the change, well and good. If he disapproves the change, then the municipality or State authority can go to the court and appeal the decision.

This procedure has worked. Now that is all going aglimmering under this Mitchell-Ford substitute.

Mr. Chairman, for these reasons and others, I do hope that the substitute will not prevail.

Mr. BEVILL. Mr. Chairman, I believe that to extend the Voting Rights Act of 1965 for another 5 years would perpetuate a law which is unjust in its terms and unequal in its application. As a nation we are committed to the principle of equal justice under law for all our citizens. The 15th amendment to the Constitution states:

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

It does not say, "The right of citizens of the United States to vote shall not be denied or abridged by the States of Alabama, Georgia, Louisiana, Mississippi, South Carolina, and Virginia, 39 counties in North Carolina, one county in Arizona, and one county in Hawaii, on account of race, color, or previous condition of servitude."

The fact is that the Voting Rights Act of 1965 was drawn making one law for one section of the Nation, and another law for the rest. The criteria by which States have been brought under the jurisdiction of the law were chosen arbitrarily and are largely irrelevant to the basic problem of illegal discrimination in registration and voting. The 1965 act did not seek to ban literacy tests in all States; it did not question the legality of State and county statutes requiring literacy tests for voter registration at all. Only in States and countries in which less than 50 percent of th total voting age population was registered to vote or voted in the November 1964 election were literacy tests to be suspended. And to these States and counties only does the Attorney General have the power to send Federal examiners and election observers. These States and counties only are prohibited from adopting new voting laws or procedures without the approval of the Attorney General or the U.S. District Court for the District of Columbia.

As a matter of public policy, it seems to me that Congress has a duty to assure that all citizens have equal rights to vote and that all State governments have equal rights to impose, or to be prohibited from imposing, certain voting restrictions. Yet we are today faced with a situation in which illiterate citizens in seven States have a right to vote, while illiterate citizens in 34 States can be barred from the polls by literacy tests. Conversely, the State governments of seven States are denied the ability to impose a literacy test while the State governments of the other 43 States have that right.

Mr. Chairman, if the Voting Rights Act is good for Mississippi, Alabama, and Georgia, it is aslo good for New York, Delaware, and Oregon. I do not believe there is a single Member of Congress who would not support a voting rights bill that protects the rights of every American, if that legislation gives preference to none, provides protection for all, and treats each State on an equal basis.

The extension of the present Voting Rights Act completely ignores the substantial progress in voter registration and participation that has been made. It would continue the punishment of my State and the other States affected on the basis of figures from the 1964 presidential elections which today are simply no longer relevant. In fact, the simple substitution of the results of the 1968 presidential election would eliminate from the provisions of this law all but two of the States now affected by it which have not been exempted by court order.

Today, 800,000 Negroes have been registered in the seven States covered by the 1965 act. More than 50 percent of the eligible Negroes are registered in every State covered by the act. Whatever disparities existed in 1965, these no longer provide a valid justification for applying one law to one section of our Nation, and another to the rest.

Today there is very little difference between the percentage of eligible Negroes registered in, say, Louisiana—a State covered by the 1965 act—and Florida, which is not covered. There are 15 counties in Florida where less than 50 percent of the eligible Negro electorate was registered in 1968, but only 13 in Louisiana. There are dozens of counties in Texas where less than half of the eligible electorate voted in 1968, but only nine in Alabama. The total 1968 voter turnout in South Carolina was proportionately higher in the heavily Negro lowland counties than in the overwhelmingly white Piedmont counties. A higher percentage of voting-age Negroes went to the polls in the Deep South than in Watts or Washington. Little more than one-third of the voting-age Negro population cast 1968 ballots in New York City's Manhattan, the Bronx, or Brooklyn, and this amounted to only one-half the local white turnout ratio. A higher percentage of Negroes vote in Philadelphia and Chicago, where there are no literacy tests, than in majority Negro neighborhoods in New York City and Los Angeles.

There are large numbers of illiterate members of minority groups in most of the big northern cities, and surely these have just as much right to the protection of a Voting Rights Act as citizens in the seven States presently covered. Surely those who have experienced the segregated, substandard education of northern city ghettos have the same right to the protection of the law as citizens of the Southern States.

Mr. Chairman, it is high time that we should correct the glaring inequities of this law. The evidence clearly demonstrates that it would be unjust to the people and unfair to the States to extend the Voting Rights Act, without change, for 5 years. We cannot pretend to believe in the principles of equal rights and equal justice under law if we pass laws which apply to one section of the Nation, but not to the rest. To do so is to perpetuate the most blatant sort of hypocrisy and injustice.

Mr. MONTGOMERY. Mr. Chairman, I feel compelled to speak out against any extension of the Voting Rights Act. The Voting Rights Act was discriminatory when it was passed, has been enforced in a discriminatory manner for the last 4 years, and will continue to be discriminatory unless changes are made in the law. To provide an extension of this infamous piece of legislation without change will only serve as a mockery of justice.

The extension, as reported by the Judiciary Committee, seeks to single out one section of our great country as a scapegoat for so-called past sins that have been committed throughout the land.

If literacy tests are illegal in one State, why should they not be illegal in all 50 States? If this Congress is supposedly trying to protect the voting rights of people in one specific area of the Nation, why not protect the voting rights of all people in all areas of the Nation?

If this Chamber passes the extension of the Voting Rights Act as recommended by the Judiciary Committee, we will be telling the Nation that voter discrimination can continue to flourish in New York, Chicago, California, and other parts of the country, but this same alleged discrimination will be stamped out with the oppressive heel of the Federal bureaucracy in the South. I realize this might be the politically expedient course to follow for some people, but is this the course of equal justice throughout America?

I would urge my colleagues to answer these questions with truthfulness and honesty before they cast their vote.

Mr. ANNUNZIO. Mr. Chairman, the Voting Rights Act of 1965 has begun to change the political picture in the South. It has made it possible for the Federal Government to give effective protection to black Americans' right to vote which the 15th amendment guarantees.

Congress undertook to protect voting rights by the Civil Rights Acts of 1957 and 1960 and by title I of the Civil Rights Act of 1964. All of this legislation was intended to facilitate judicial protection of voting rights. None of this legislation made possible any significant increase in Negro registration and voting in the Southern States because case-by-case litigation in the courts was too slow and because registration officials had ways of circumventing court orders forbidding discrimination.

Congress undertook a different approach in 1965—the approach by administrative instead of judicial enforcement of voting rights. The Voting Rights Act of 1965 takes away from registration officials the power to use literacy tests and

other devices to prevent Negroes from registering. It empowers the Attorney General to provide for the registration of voters by Federal examiners in counties where Negroes still encounter resistance to the exercise of voting rights despite suspension of tests and devices. It authorizes the Attorney General to send election observers to ensure that registered voters are permitted to vote and that their votes are counted. And it forbids States and counties covered by the Act to put into effect any new voting laws without approval of the Federal district court for the District of Columbia or of the Attorney General.

Since passage of the Voting Rights Act of 1965 about 800,000 black Americans have registered to vote in Alabama, Georgia, Louisiana, Mississippi, and South Carolina. Prior to the act, only 29 percent of Negroes of voting age in these States were registered to vote; 52 percent of them are registered today.

And because thousands of new black voters are going to the polls today hundreds of black candidates have been elected to public office in the Southern States. And at the same time white candidates and officeholders will have to increasingly respond to the needs and just demands of Negro voters if they wish to be elected or to stay in office.

In December 1968, Mr. Vernon E. Jordan, Jr., director of the voter education project of the Southern Regional Council, stated:

> Three years ago, just after passage of the Voting Rights Act of 1965, the Southern Regional Council compiled a list of Negro officeholders in the South. The list totalled just over 70 names.
>
> Today, counting some 80 black candidates elected for the first time in the November fifth general election, the list totals over 380 names. The roster thus is more than five times as large today as it was just three years ago.
>
> This dramatic increase is one of the more significant developments in Southern politics today. Not even the fact that five Southern states gave George Wallace his only electoral votes can overshadow the deepening involvement of black Southerners in the region's political process.

By July of 1969, the number of black elected officeholders had increased again from 380 to 473.

It is imperative, Mr. Chairman, that the most essential provisions of the Voting Rights Act—suspension of literacy tests and devices, required Federal approval of new voting laws, Federal examiners, and election observers—remain in effect.

H.R. 4249 as reported by the Judiciary Committee would extend these provisions for 5 more years. Black citizens in the Southern States urgently need to have this Federal protection of their right to vote continued in effect for another 5 years. In its 1968 report, entitled "Political Participation," the Civil Rights Commission has given us extensive evidence of continuing resistance to Negro voting.

The distinguished chairman of the Judiciary Committee, the gentleman from New York (Mr. CELLER), deserves the greatest praise for rejecting, together with a majority of the committee members, proposed amendments to H.R. 4249. A nationwide ban on literacy tests for voter registration is obviously unnecessary. The Voting Rights Act focuses on the Southern States because they alone have disfranchised the Negro. To no longer require States and counties covered by the act to seek prior Federal approval of new voting laws would surely endanger minority voting rights or the effectiveness of minority votes.

Therefore, I urge immediate enactment of H.R. 4249.

Mr. TUNNEY. Mr. Chairman, I urge the adoption of H.R. 4249 without amendment, to extend the ban on literacy tests and other devices for another 5 years, until August 1975, in States covered by the Voting Rights Act. Continuance of this legislation is essential to assure that the right to vote is not denied any citizen on the basis of race or color.

The success of our institutions is critically dependent on our ability to express grievances, and to effect necessary change at the polls. We must make sure that this power is conferred equally on white and Negro voters.

Since 1965, the Civil Rights Commission reports that an additional 740,000 Negroes had been registered in States covered by the Voting Rights Act by the summer of 1968. The gains have been significant, but there are still 176 counties and parishes in six covered States where less than half the voting-age Negroes are registered. In 79 of these areas, less than 35 percent are registered. There is clearly much more to be done.

The most obvious sign of this is the fact that white registration is a much larger percentage of the voting-age population. The Civil Rights Commission reports that 59.4 percent of the voting-age Negroes in Mississippi are now registered, but for whites the figure is 92.4 percent. The proportion of registered whites is 55 percent greater than the proportion of registered blacks. In Alabama it is 45 percent greater. In Georgia it is 51 percent greater. In Louisiana, the discrepancy is 57 percent. We must continue our efforts to close these gaps.

Several States covered by the act have devised new techniques to forestall the election of Negro-supported candidates, and to prevent Negroes from effectively exercising their vote. Such devices have ranged from increasing filing fees to extending terms of office of white incumbents. They have included making certain offices appointive or abolishing them entirely, to avoid election of Negro candidates. In some instances information concerning election requirements has been withheld. Where Negro voting strength has grown, at-large elections and consolidated districts have been proposed to dilute black voting power. Last spring the Attorney General faced the necessity of objecting to three amendments to the Mississippi election laws which would have made it tougher for independents to run, and which would have permitted appointment or at-large election of certain officials.

The present Voting Rights Act prohibits States and counties from making any changes in their voting laws, without first obtaining the approval of the Attorney General or the District Court for the District of Columbia. The Supreme Court has made clear that private parties can challenge the enforcement of new local voting laws which have not been submitted as required by section 5.

This protection is the crux of the Voting Rights Act. Before 1965, the Attorney General had the power to sue to enjoin discriminatory voting laws. This method of enforcement proved to be a slow, expensive, and ineffective way of extending to Negroes the right to vote which, supposedly, they were given in 1870. Department of Justice attorneys expended as many as 6,000 man-hours in a single case to achieve minimal results.

Modifications in the Voting Rights Act proposed by the administration would scrap section 5. Despite the rhetoric of the administration proposals, emphasizing uniform national standards for literacy tests, residency, and the dispatch of Federal voting examiners, the plain purpose is to eviscerate the Voting Rights Act. If the burden is placed on the Justice Department to identify new forms of discrimination and to send teams of attorneys into the field to litigate a Negro's right to vote, protection will be uneven and slow in coming. I recall the remark of the Assistant Attorney General for Civil Rights to the effect that he did not have the manpower to go out and enforce full and immediate school desegregation, even if the Supreme Court ordered it. If that is the case, the Department of Justice certainly lacks the manpower to take on new responsibilities to attack a host of new voting laws in the South. I believe strongly that we must retain section 5 in its present form, and require States and counties to clear in advance any proposed amendments to election laws.

It is noteworthy that although changes in election laws have been attempted since the passage of the Voting Rights Act, no State has moved to repeal its literacy test, the discriminatory effect of which the act was designed to prevent.

The administration's suggestion that literacy tests be banned across the Nation, and that residency requirements be uniform, may be good ones, but I cannot see how they have a place in the pending legislation. The Voting Rights Act is directed at the eradication of racial discrimination in voting. Use of literacy tests outside the South has not been the subject of complaints of voting discrimination on the basis of race. Similarly, residence requirements have not been shown to be techniques for depriving Negroes of their franchise.

These subjects should be raised and debated in separate legislation. In the meantime, we should not hesitate in reaffirming the purposes of the Voting Rights Act of 1965. I urge others to join me in voting for a simple 5-year extension of that act.

Mr. BRASCO. Mr. Chairman, I rise in support of the extension of the Voting Rights Act of 1965 for another 5 years. This act was designed to enforce the 15th amendment to the Constitution and to alleviate blatant discrimination in our country's electoral process.

Prior to the passage of the Voting

Rights Act of 1965, a succession of legislative and judicial pronouncements had proven totally ineffective to deal with historic and deep-rooted voting denials. The case-by-case litigation approach mandated in the 1957 act was met by massive State and local resistance. Certain States initiated new procedures designed to block any gains made through judicial decision. Most common among these procedures was the racially discriminatory use of literacy tests.

The key provisions of the 1965 Voting Rights Act are—

The suspension of tests and devices as registration requirements in certain covered jurisdictions where there is causal relationship between their use and the denial of the right to vote.

The prohibition against enforcement in covered jurisdictions of new voting regulations without Federal approval.

The assignment of Federal examiners in covered jurisdictions to list qualified applicants for voting and monitors for elections.

Mr. Chairman, the proof of the effectiveness of these provisions lies in the nearly 2 million Negro voters who were added to the election rolls in the South, in the 463 elected Negro officeholders, and in the many changes which have taken place as a result of greater participation by Negroes in the political life of our communities, cities, States, and Nation.

All who shaped and supported the 1965 act can rightfully point with pride to one of the great legislative accomplishments of this decade. The passage of that act was as politically and morally correct then as it is now.

Mr. Chairman, that is why I urge its passage intact, and oppose the administration's substitute bill which I believe to be weaker.

While I do agree with the administration that general electoral reforms are long overdue, I do not believe they should be tied to the extension of the voting rights bill because the effect would be to dilute and confuse the enforcement of 15th amendment rights with general reforms based on other considerations.

Mr. HELSTOSKI. Mr. Chairman, it is my firm opinion that if we fail to approve H.R. 4249, which provides for a 5-year extension of the Voting Rights Act of 1965, we will be doing a grave disservice to our people and their Government.

H.R. 4249 is a good and necessary bill. To the contrary a bill sought by the administration, H.R. 12695, is an unnecessary and weak bill. It would drive us many steps backward in the moving effort to give people in certain areas of the Nation a right so long denied to them. It is the right to vote.

Countless testimony has been given to bear out what I have said and none has been more compelling than that presented to the House yesterday by the Reverend Theodore H. Hesburgh, president of Notre Dame University and Chairman of the U.S. Commission on Civil Rights, through the gentleman from Indiana (Mr. MADDEN).

I expect that all of us have received similar letters from Father Hesburgh, and I would suggest that we all read and reread his views on the legislation we are considering and his report on the good that has come from the Voting Rights Act of 1965.

Father Hesburgh has made a strong and compelling case for enactment of H.R. 4249, and it is my hope that we will approve it by an overwhelming majority.

Mr. THOMSON of Wisconsin. Mr. Chairman, the facts about voting in the cold light of December 1969 are very different from those of the hot summer of 1965 when voting rights was last considered here. The gains have been impressive. Pursuant to the 1965 act the Department of Justice has sent examiners and observers into 64 counties in the South. Since August 6, 1965, when literacy tests were suspended, over 800,000 Negro voters have been registered in the seven States covered by the act. More than 50 percent of eligible Negro citizens are now registered in every Southern State. More than 375 voting laws have been submitted to the Attorney General for approval. Four hundred blacks have been elected to State and local offices throughout the South.

These are all real gains for minority citizens who before 1965 had never had the opportunity to vote or hold elective office. The 1965 act works; more than 4 years of experience with it proves that. But it is not perfect. That is why I resist the effort to simply extend its life until 1975. Why not expand its coverage, strengthen its enforcement machinery, cure its defects? I say there is no reason why not. And that is why I support the amendment now under consideration. It is a carefully considered package which would do all the things I have suggested.

Primarily, it will blanket the Nation with the same protection the present act reserves for one region. Why should minority citizens in Harlem and Watts or Roxbury or Hartford be denied the same protection as blacks in Alabama or Georgia? They should not. No one can argue the opposite. The amendment will see that they are not: Literacy tests will be banned nationwide, voting observers and examiners will be able to function in all 50 States, voting rights suits will be able to be brought in any Federal district court. These are all constructive and desirable reforms that the amendment will accomplish which the committee bill would not.

Now is the time to make these reforms, not 5 or 10 years from now. The 1965 act has started the momentum for action which these amendments will carry out. We are not scraping the tested provisions of the old law as some have suggested, we are adding to them new ones which will guarantee to all the rights set forth in the 15th amendment.

The amendment proposes useful, workable reforms which this Nation needs. The President and the Attorney General have suggested a sound approach to voting rights reform. Those proposals, embodied in the amendment now under consideration, deserve the support of everyone in this body. They have mine.

Mr. RHODES. Mr. Chairman, I urge adoption of H.R. 12695, the nationwide voting rights bill.

This bill would give nationwide protection to the right to vote. Its coverage would not be limited to the States and counties covered by the 1965 act.

I wish to comment specifically on one provision of H.R. 12695, which would make an important change in our national voting laws. Under this bill, no residency requirement could be applied in an election for President and Vice President. A person otherwise qualified to vote who has resided in a State since September 1 of the election year would be permitted to vote in that State. A person changing his residence after September 1 would be permitted to vote in the State from which he moved.

This is a key provision. In my view, there is absolutely no justification for imposing State and local residency requirements with regard to presidential elections. The U.S. Bureau of the Census estimates that in the 1968 presidential election more than 5.5 million persons were unable to vote because they could not meet local residency requirements.

This is manifestly unfair. These residency requirements deprive a large segment of the population of its right to express its wishes as to the man who will lead the country.

I can understand that a residency requirement might be reasonable for local elections. It would give the new resident sufficient time to familiarize himself with local issues. But there is no need for a residency requirement in presidential elections. The issues in presidential elections are nationwide in scope and the issues are widely disseminated on a nationwide basis. The fact that a person moves from one State to another has no bearing as to whether he can intelligently vote for President and Vice President.

The U.S. Supreme Court recently refused to rule in a case challenging the constitutionality of State residency requirements for voting for President. The name of that case is Hall against Beals. Since the Court has not decided the matter, it is up to the Congress to pass legislation which would remove this inequity and give all of the people in this country the right to vote for President.

Mr. BROWN of Ohio. Mr. Chairman, in recent years many efforts have been made to overcome so-called sectionalism in our country. To make us what the pledge to the flag says one Nation under God, indivisible, with justice for all.

But sometimes we lose sight of that goal.

Certainly that was a problem in the otherwise needed Civil Rights Act of 1965 and that will be the case to a greater degree now if we simply extend it.

Mr. Chairman, we cannot make this one nation, indivisible, if we deliberately divide it by saying in some places we will insure the rights of voters, but in other places we will not.

Mr. Chairman, where is the "justice for all" if we say to those who live in the South, "we will insure your right to vote," while we say to those in the North and the Midwest and the West, "your right to vote is not important."

Regardless of the well-meaning intention of those supporters of the judiciary bill to right wrongs in the South, it is equally important to right wrongs elsewhere.

That is what the nationwide substitute

offered by the minority leader, H.R. 12695 seeks to do by insuring nationwide equal voting rights for all our citizens.

Mr. Chairman, in the name of equality and justice we can do no less. We have confidence that the administration will diligently administer 12695 with even-handed justice throughout America.

Mr. DONOHUE. Mr. Chairman, I most earnestly urge my colleagues here to, and I hope they will, promptly and overwhelmingly adopt this measure before us, H.R. 4249, to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices, without any crippling changes or extended delay.

Mr. Chairman, we all remember the Voting Rights Act of 1965 was designed to enfrancise millions of citizens who had not been able to secure their 15th amendment rights under prior congressional enactments. Congressional efforts in 1957, 1960, and 1964 to banish racial discrimination in voting proved seriously inadequate. Federal remedies took the form of expedited Federal court litigation, but court orders were ineffectual in overcoming massive and widespread violations of the 15th amendment. Intransigence and dilatory tactics largely neutralized the litigating effort of the Federal Government. By 1965, it was conclusively demonstrated to the Congress that exclusive reliance on judicial remedies had cost aggrieved parties an inordinate amount of time and effort. Litigation was time consuming and the progress it yielded in 8 years, from 1957 to 1965, was insignificant. For example, during this period Negro voter registration had only risen 2.2 percent in Mississippi. An effective Federal solution was imperative.

The Voting Rights Act of 1965 was the Federal response. Based upon the experience of the past 4 years, it is my judgment that the act has been a marked success. Over 1 million Negroes have become enrolled voters for the first time.

Four hundred Negroes today hold local and State legislative office in the States of Alabama, Georgia, Louisiana, Mississippi, South Carolina, North Carolina, and Virginia, where 4 years ago the number was insignificant.

Although the act has made dramatic progress possible, the records of the U.S. Commission on Civil Rights indicate that the gains are "fragile" and the protections of th 1965 act must be continued if we are to secure the gains made thus far.

The administration, through Attorney General Mitchell, is now offering an alternative proposal to eliminate the "regional" character of the 1965 act. We should not support efforts to weaken or dilute the effective provisions of the Voting Rights Act. Instead, we should endorse a simple extension of 5 years of the Voting Rights Act as presently constituted.

I am pleased to note that Father Theodore M. Hesburgh, president of Notre Dame University, and Chairman of the U.S. Commission on Civil Rights, similarly endorses an extension of the Voting Rights Act. I share his view that a continuation of the effective voting rights protections contained in the 1965 act remain essential to make the promise of the 15th amendment a reality.

Mr. CLAY. Mr. Chairman, during the debates on extension of the Voting Rights Act of 1965 the Members of this House will hear—and have heard—many arguments for and against this excellent piece of legislation. The Voting Rights Act has been a most effective law in terms of delivering what it promises—the right to register and to vote as guaranteed by the 15th amendment. But, I want to remind the Members that in less than 9 months the 800,000 black voters registered under the 1965 act face the specter of the return of white supremacy at the voting registrar's office.

On August 6, 1970—next summer—the States and counties now covered by the Voting Rights Act will have no further legal obligation to adhere to this law. When that day arrives, Mr. Chairman, if we do not extend the life of this act, we will see the return of Mississippi's infamous constitutional interpretation literacy test—which is still on the books in that State. We shall see the purging of black voters from the rolls through wholesale reregistration of voters. We shall see ingenious State legislatures, county boards, and city councils invent new ways to disfranchise black voters by changing election laws, by developing new procedures, by drawing political boundary lines, by devising new methods of electing various officeholders, unchecked by the powers of the Attorney General as provided in section 5 of the Voting Rights Act.

In 95 years the advocates of white political supremacy have not yet exhausted all the ingenious tricks and devices at their command to keep black folk from voting. The Voting Rights Act of 1965 with all its strong provisions was the only—and I repeat—the only time white supremacy in the registrar's office and at the polling places was stopped and the only time in our history that guarantees of the 15th amendment were given full effect.

We have fought hard for that act. As Federal Judge Leon Higginbotham said last Monday, "When one has been on the receiving end and deprived of rights it gives you a different perspective than one who has not had to fight for them."

The Voting Rights Act of 1965 was the direct result of a great upsurge of moral indignation in this country, 7 years of litigation by the Justice Department had produced only 36,000 new black voters on the rolls. Black people and white people had died attempting to register or for their efforts in urging black people to register. Only after Dr. Martin Luther King crossed a bridge at Selma, Ala., was the act passed. Within weeks, thousands of black voters were on the registration rolls. The numbers grew to over 700,000. Today, over 3 million blacks are registered in the South. There are 463 black officeholders

We cannot permit this progress to be reversed. There are still 3½ million black people in the South not registered. The Voting Rights Act of 1965 must be extended with all of its protective provisions intact for another 5 years.

The Voting Rights Act must not be diluted, must not be confused in its purpose to enforce the 15th amendment where it needs enforcing—in those States and counties covered by the act. I think the Members of the House should be reminded that the people who complain most bitterly about the Voting Rights Act of 1965 are the same people who most bitterly resisted the honest, peaceful, legitimate, efforts of black men and women to register under the laws of those States—as those laws were written. They were willing to interpret Mississippi's infamous constitution. They were willing to demonstrate their literacy, but those States and counties by their perversion of fair democratic process demonstrated their intent to prevent any black man or woman from registering. White grade-school dropouts, serving as registrars repeatedly denied black doctors, black lawyers, and black Ph. D's the right to vote by declaring them illiterate.

Since the courts could not protect the right to vote, Congress stepped in and did the job. History and experience show that the protections of the Voting Rights Act must be continued for another 5 years.

Mr. STEIGER of Wisconsin. Mr. Chairman, today we are debating one of the most crucial questions we have faced all session. If this Nation is to be truly democratic then every one of our citizens must be afforded the chance to choose for himself those who shall govern. Lord Holt, the famous British jurist, once called the franchise "a most transcendent thing." All in this Chamber, I know, agree with him.

To see that the franchise is given to all in this Nation is that task we should set for ourselves today. The 15th amendment made a start toward this goal; the 1965 Voting Rights Act made it a reality in some States. Today we have the opportunity to complete the task. The vehicle for this is the amendment now on the floor. It would extend to all the tested protection the 1965 act reserves for a few.

Basically, this is a nationwide version of the 1965 act. The ban on literacy tests is extended from eight States to 50, the power to send Federal voting examiners and observers is made national not regional, the Attorney General is given nationwide power to institute voting rights suits and void discriminatory voting laws, residency requirements are severely limited, and a Voting Rights Commission is created to look into all the facts on this subject and make recommendations for permanent legislation.

The amendment would provide a package of cures for disenfranchisement rather than simply extending the old law for an additional term. The amendment is constructive and innovative, building on the experience of the 1965 act; the committee bill is static and unresponsive, adding nothing new to the legal ability of the Justice Department to attack violations of the 15th amendment.

While I strongly endorse the entire amendment, I think section 2(b) is of vital importance.

Millions of people in the United States change their residence each year. Any legislation dealing with voting rights must face the problem of insuring that these people are eligible to vote. Accord-

ing to the Bureau of the Census, in 1968 more than 5.5 million citizens were unable to vote because they could not meet residency requirements prior to election day.

A residency requirement may be reasonable for local election to insure that the new voter has sufficient time to familiarize himself with local issues. But such requirements have no relevance to Presidential elections where issues and news coverage is nationwide. How can we permit the stationary citizen his role in national elections, while denying it to those who exercise their right to move freely from one area to another? The answer is that we should not.

Section 2(b) provides that a citizen otherwise qualified to vote under the laws of a State cannot be denied his vote for President and Vice President in that State if he resided in the State since September 1 next preceding the election If he changes his residence subsequent to September 1, his vote is protected in the State from which he moved.

This section—along with all the other portions of the amendment—are vital pieces of legislation which will bring to millions a vote they are not now permitted to exercise. The amendment builds on the 1965 act, it improves, it strengthens it. I support the amendment fully; I hope a majority of the Members of this body agree. This is a good proposal and a fair one. It deserves our approval.

Mr. FOUNTAIN. Mr. Chairman, we are not debating what is described as a 5-year extension of the so-called Voting Rights Act. This is not precisely accurate. The Voting Rights Act of 1965 is composed of 19 sections, 17 of which are permanent legislation. Only two sections of the act—sections 4 and 5—will expire or become inoperative on August 5, 1970.

So what we are really debating is the extension of sections 4 and 5 of the Voting Rights Act.

Equal justice under the law, however difficult to achieve, has always been a high and shining ideal of our land, but if the Ford amendment is not passed, you will ensure that only the same few States in the South will be subject to this law, while the vast majority are not.

Notwithstanding the professed high purpose of extending the act in its present form, allegedly to protect the right of every qualified voter to vote—the result will be discriminatory against most of the Southland.

Let me say that, of course, every qualified voter should have the right to cast his ballot for anyone he chooses. This is a fundamental right, guaranteed by the Constitution. No thinking person would dispute that fact.

However, I am opposed to the extension of this act in its present form. It presumes that we in the South have been guilty of discrimination without even a semblance of a trial. But, the question now is not whether the Voting Rights Act of 1965 was proper and necessary legislation. I do not think it was necessary, but our unusual Supreme Court has said that the act is constitutional. For the life of me. I cannot understand how intelligent and responsible men could have reached such a decision. Nonetheless, they did.

The basic question now before us is whether or not to enact the so-called Ford amendment which would, to a substantial degree, right a terrible wrong done when the existing act, applying primarily to the South, was passed.

The Ford amendment has already been ably explained by a number of speakers ahead of me, including in particular the distinguished gentleman from Virginia (Mr. POFF). It provides for equal treatment of all 50 States under the law. While extending the existing law to all 50 States, it also includes other provisions which place the burden of proof upon the Federal Government to determine whether or not discrimination exists in a specific case. No longer will a State have the impossible task of proving a negative—that it has not discriminated against voters.

In other words, my people will no longer be presumed guilty of discrimination because less than 50 percent of them were registered, or voted in the 1964 presidential election. That so-called triggering device, grossly unfair to the South, will be eliminated. If there is discrimination or election fraud anywhere in the Nation, the Attorney General will have the right to initiate voting rights lawsuits to challenge the so-called discriminatory laws and practices.

Why should we not extend the coverage of the entire act to all 50 States. If the results of the act have been salutary, then let all Americans have the benefit of the same legislation. Otherwise, this Congress will be guilty of the same rank discrimination which it has too long in too many ways, practiced against the people of the South.

If the Ford amendment is not adopted, or if other appropriate amendments making the law applicable to all States alike are not adopted, then it would appear to me entirely reasonable and proper to let sections 4 and 5 of the original Voting Rights Act of 1965 expire in 1970 as per its own terms.

Why should we extend section 4 for another 5 years when it penalizes a State simply because fewer of its citizens chose to participate in the general election of 1964. The 1964 election returns used as the basis for figuring are completely outdated by now.

I would like to point out that many more North Carolinians turned out to vote in 1968's presidential election than they did in 1964—the base year in the original act. As a matter of fact, 162,000 more people voted in North Carolina last year.

Why should 39 counties in North Carolina continue to be forced to remove all reasonable voter qualifications while 61 other Tar Heel counties are unaffected?

Why should we extend section 5 of the act when it serves no other purpose than to center judicial authority for one special law in one place—Washington, D.C.?

Why should States which have already received whatever salutary effects the original congressional backers intended be forced to add more cases to the judicial overload which already exists in the Nation's Capital?

Mr. Chairman, the existing law is punitive and discriminatory against all of the people I represent. It questions their integrity and fairness, and reverses the traditional presumption of innocence provided under our laws. Without a hearing, it finds 39 counties in my State guilty of discrimination and 61 not guilty. Is this really America?

In short, let us make this act applicable nationwide or let us leave it alone and let it expire. Only by so doing will we be taking the proper course. Even the Ford amendment will not make the legislation satisfactory, but it will be treating all States alike. For this reason, and because it is the only way to prevent extension of this law in its present discriminatory form, I support the Ford amendment.

Mr. LEGGETT. Mr. Chairman, the right to vote, the right to select our own leaders, is the most fundamental of all rights in our free, democratic system of government. It is a right which Thomas Jefferson described as the "ark of our safety."

It is a right which indisputably must be extended to every American citizen. The 15th amendment of the Constitution provides:

> The right of the citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color or previous condition of servitude.

It directs that—

> Congress shall have the power to enforce this Article by appropriate legislation.

A century after the passage of this amendment many of our fellow citizens are still being unconstitutionally disenfranchised because of their race and color.

Prior to the adoption of the Voting Rights Act in 1965, the Congress passed "appropriate legislation" six times trying to eradicate this deep and unjust flaw in our American democracy. None of these Federal enactments were effective.

The passage of the Voting Rights Act finally gave the Federal Government a good, strong law to help end discrimination in our land. It gave the Federal Government the requisite power to intervene in States, localities, and counties where voting rights have been manifestly denied Americans.

It was designed to deal with the principal means State and local governments had used to frustrate the effective implementation of the 15th amendment.

At the core of the Voting Rights Act—and the key to its effectiveness—is its automatic trigger. These provisions suspend the use of literacy tests and other devices in any jurisdiction in which less than 50 percent of the persons of voting age residing therein were registered on November 1, 1964, or that less than 50 percent of such persons voted in the 1964 presidential election.

Such tests and devices were to be suspended unless it could be shown in a declaratory judgment proceeding that, during the preceding 5 years they had

not been used to deny or abridge the right on vote on the grounds of race or color. No such declaratory judgment could issue, however, with respect to any plaintiff for 5 years after the final judgment of any Federal court had been entered—other than the denial of a declaratory judgment—determining that denials or abridgements of the right to vote on account of race or color through the use of such tests or devices have occurred anywhere in the plaintiff's jurisdiction.

Mr. Chairman, I am satisfied that this Act has passed the important test of constitutionality and stands as a milestone in enfranchising all Americans.

In *South Carolina* v. *Katzenbach*, 383 U.S. 301 (1966) the U.S. Supreme Court sustained the Voting Rights Act as a valid means of effectuating the commands of the 15th amendment. Its comments underscore the rationale of the legislation:

> Congress had learned that substantial voting discrimination presently occurs in certain sections of the country, and it knew no way of accurately forecasting whether the evil might spread elsewhere in the future. In acceptable legislative fashion, Congress chose to limit its attention to the geographic areas where immediate action seemed necessary.

Under its terms, the Voting Rights Act presently affects the voting qualifications and practices of the following jurisdictions: The States of Alabama, Georgia, Louisiana, Mississippi, South Carolina, and Virginia; and Yuba County, Arizona; Honolulu County, Hawaii, and 39 counties in the State of North Carolina.

Since enactment in 1965, 64 counties or parishes in five States have been designated for the appointment of Federal voting examiners who are authorized to list qualified applicants to vote. Federal election observers, who can be assigned under the act only in counties designated for examiners, have served in five elections in Alabama, two in Georgia, 10 in Louisiana, 12 in Mississippi, and five in South Carolina. The presidential election of November 1968, the only such election held under the Voting Rights Act, witnessed the assignment of some 530 Federal observers in 24 counties and parishes in Alabama, Georgia, Mississippi, Louisiana, and South Carolina.

Negro registration in the five States where Federal examiners have been appointed—Alabama, Georgia, Louisiana, Mississippi, and South Carolina—has risen from approximately 29 percent to approximately 52 percent of the Negro voting-age population. This rise in nonwhite registration has been accompanied by an increase in Negro voting participation and in the number of Negro officeholders and legislators. Although registration progress has been dramatic under the act, especially when compared to registration gains achieved under earlier voting rights legislation, significant disparities continue between white and nonwhite registration in areas covered by the act.

I urge the renewal of the Voting Rights Act for a period of 5 years. I support the passage of H.R. 4249. Much has yet to be done.

Resistance to progress in enfranchisement of qualified Americans has been far more subtle and far more effective than we have thought possible. An amazingly ingenious arsenal of barriers to circumvent the basic right to vote has been created and perfected:

Legislative districts have been racially gerrymandered.

The terms of office of incumbent white officers have been extended.

Elections have been switched to an "at large" basis.

Counties have been consolidated.

Full-slate voting has been instituted.

Elective offices have been abolished where Negroes had a chance to win.

The appointment process has been substituted for the elective process.

Negro poll watchers have been excluded and interfered with.

There has been a refusal to provide or allow adequate assistance for illiterate Negro voters.

Election officials have withheld necessary information for voting or running for office.

Bonding companies have been reluctant to bond Negroes who had managed to win an election.

There has been discriminatory purging or failure to purge voter lists.

There has been discrimination in the selection of election officials.

There has been disqualification of Negro ballots on technical grounds.

There has been harassment of Negro voters, poll watchers, and campaign workers.

There has been a host of physical and economic intimidations.

In urging the extension of the Voting Rights Act of 1965, I must also urge my colleagues to vote down any and all amendments which will be offered to amend its provisions.

An amendment to substitute a Nixon administration bill will be offered today. It has been characterized as "a sophisticated but nonetheless deadly way of thwarting the progress we have made." This Justice Department bill has not fooled Representative WILLIAM MCCULLOCH, ranking Republican on the House Judiciary Committee and a stalwart champion of civil rights who said he favors a simple extension of the present law.

I also support this simple extension.

Mr. ROTH. Mr. Chairman, it has been said that "the ballot box is the great anvil of democracy, where government is shaped by the will of the people."

The right to vote is an essential right. Under our Government of, by, and for the people, the right to vote is perhaps the most basic right of all.

Many of our citizens, unfortunately, have been denied this right by any number of means. The voting rights bill of 1965 has made tremendous progress in removing these unjust barriers, and has given means of political influence to people too long denied them. It is essential, then, Mr. Chairman, that Congress extend the Voting Rights Act. It would be unconscionable to retreat on the promise of full participation in our political processes, a promise implicit in the Voting Rights Act of 1965.

In addition, I urge that the Congress eliminate residency requirements as a barrier to voting for the President and Vice President. I firmly believe that each State should have the right, within the limits of the Constitution, to establish voting requirements for State and local elections. At the same time, I am concerned that an increasing number of our citizens are disfranchised from voting in the presidential elections because of increased mobilization of our population. It is estimated that approximately 5½ million Americans are denied the right to vote for the President because they have moved from one State to another. There are, of course, good reasons why a new resident might not have familiarity with State or local conditions and candidates, but the same considerations do not apply to a presidential election.

Mr. Chairman, to deny one the right to vote not only limits our democracy but diminishes our concept of citizenship. The sense of belonging and of participating is a vital aspect of such citizenship.

Because the right to vote is so essential to the future of America and for all our citizens, I urge Congress to vote immediately to extend the Voting Rights Act of 1965. Let us do our part to see that all enjoy the full benefits of democracy, for it is through the ballot box that democracy draws its strength, renews its processes, and assures its survival.

Mr. BUCHANAN. Mr. Chairman, I rise in support of the Ford substitute and in opposition to the committee bill to extend the Voting Rights Act of 1965. A simple extension of the 1965 Voting Rights Act would mark the continuation of a double standard of Federal law, against which I testified before the Judiciary Committee prior to its original passage and which I continue to oppose.

It would not be right to use one measuring rod in New York and an entirely different one in Alabama; to have one system of weights and measures in Illinois and another in Mississippi, and to have the above required by Federal law. It is equally wrong to have one standard for the registration of voters required in only seven States with the other 43 exempt from such requirements. As the law now stands a person registered to vote in my district under the requirement of Federal law could well be immediately disenfranchised upon moving to New York because he could not pass the literacy requirements of that State.

The Ford substitute would make the law apply equally to all the States. Under the 1965 act the officials of the seven States affected are in the position of being guilty until their innocence is proven. The Ford substitute would follow the traditional American system of assumed innocence until guilt is proved.

Through the years there have been many instances of alleged irregularities in elections certainly not confined to any region of the country. The President's proposals, as placed before the House by the distinguished minority leader, would provide a means for appropriate Federal action to combat such corruption all across the Nation.

It is strange that anyone can still believe that problems of Negro rights, discrimination, and desegregation are confined to the South in our time. The worst civil disturbances have been in non-

Southern cities. Resistance to open housing is apparently as strong in Chicago as in the South. Resistance to school desegregation apparently exists wherever there is a large concentration of nonwhite population. There is ample evidence of discrimination outside the South in the above, in employment practices, and in other fields. While not as open and above board as the old segregation laws of the South, widespread discrimination has existed in more subtle and sophisticated ways which have had substantially the same end results.

There is evidence that while five of the seven States covered by the 1955 act would no longer fail to meet the standards of voter registration and participation established by that act, were today the effective date on which the formula was applied, there are ghetto areas and in some cases whole counties which could not meet the requirements of the formula should it be applied to the other 43 States. Nor is it to my mind a decisive argument, even if it be true, that the problem of voting rights has been greatest in the South. The problem of organized crime is far greater in Chicago and New York than in Birmingham. Yet when we pass legislation to combat organized crime, I would be the first to oppose a bill which applied only to Chicago and New York and did not attempt to meet whatever problem might exist in the present or future in my own city or State. When it comes to voting irregularities there are those who allege that there have been difficulties even in the great State of Texas, which is exempt from this act in spite of some 16 or 17 counties in that State which failed to meet the requirements of the formula in 1965. Voting irregularities have even been alleged to occur within at least one county of the great State of Illinois. I favor law which would combat this evil everywhere and all the time.

Mr. Chairman, we have on Constitution and one Bill of Rights. The Constitutional rights of a citizen of this Republic cannot lawfully be abrogated by a government at any level in any State of this Union. The constitutional rights of the people compose the very heart of the Constitution. Censequently, it is the duty of the Congress to work toward the protection of these rights in all 50 of the States. The 15th amendment to the Constitution provides that:

> The right of citizens of the United States to vote shall not be denied or abridged by the Unied States or by any State on account of race, color, or previous condition of servitude.

It further states that—

> The Congress shall have the power to enforce this article by appropriate legislation.

I fully support the purposes of this amendment. If legislation is, therefore, deemed necessary to protect the voting rights of American citizens guaranteed by this amendment let it be truly national legislation which protects all the people and the people in every State.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 4249 as reported out by the House Judiciary Committee, which provides for a 5-year extension of three key provisions of the Voting Rights Act of 1965.

I am strongly opposed to the proposed administration substitute which I believe substantially weakens the three key remedies for abolishing discrimination in voting set up by the Voting Rights Act of 1965. Though on the surface the Administration proposal seems to work toward the lauditory goal of extending the remedy provisions nationwide, upon closer scrutiny it has the practical effect of diluting and even crippling the effort to abolish discrimination in voting where it is needed most.

First of all, the administration substitute proposes a blanket nationwide ban on literacy tests and similar devices until January 1, 1974. The literacy test question is an extremely complex one. In some States such as my own State of New York, a minimal literacy test has been proved necessary in dealing with large cultural groups whose main language is other than English. The literacy test ban question has been hotly debated in the past and should be considered separately on its own merits. Tacking a literacy test ban onto this bill severely jeopardizes the passage of the Voting Rights Act extension.

The literacy test ban provision as it now stands in the Voting Rights Act of 1965 applies only where a causal relationship can clearly be shown to exist between use of a test and low nonwhite voter participation. In seven States in the South, such a relationship has been shown; there is no evidence that this situation exists elsewhere. If evidence were to emerge in the future that use of literacy tests and other devices in other States are discriminatory under section 3 of the Voting Rights Act, the Attorney General has the authority to bring suit to enforce the 15th amendment. So a nationwide literacy test ban is essentially unnecessary.

The administration substitute also proposes to extend the use of observers and examiners nationwide. Again I ask, where is the evidence that there is a need other than in the seven Southern States?

Testimony of Clarence Mitchell of the NAACP, and officials of the voter education project of the Southern Regional Council before the House Judiciary Committee clearly indicates that the problem of disenfranchisement of minority groups in the South still has not been solved. The Votings Rights Act of 1965 went a long way in correcting voting discrimination, but a continued concentrated effort is still needed there. If the administration were sincere about ending voting discrimination nationwide, it would need a great deal of money and manpower to discover the relatively few, minor instances of disenfranchisement outside the seven Southern States. With the Vietnam war and the inflationary situation, those resources are not available. So the ultimate effect of this provision will be to take the pressure off the South and, through lack of examiner and observer manpower, let it drift back to pre-1965 practices. We cannot let that happen.

The administration provision for a Presidential Commission to study voting discrimination and corrupt voting practices can be quickly dismissed by quoting my distinguished colleague, the gentleman from Ohio (Mr. McCULLOCH) who asked at the hearings on this bill why the Civil Rights Commission cannot perform the same task at lesser expense?

The administration substitute proposes uniform residency requirements. Again, this is lauditory on the surface and in principle, but I suggest this is not the proper time to consider the question in light of the residency requirement case now pending before the Supreme Court questioning the constitutionality of such State laws. After the case has been decided will be the proper time to consider this important issue separately. It is a controversial issue affecting long held State perogatives and its consideration now could also jeopardize the passage of H.R. 4249.

Finally, the most damaging provisions of the Administration substitute—the elimination of preclearance requirements. This provision would critically weaken the Voting Rights Act by shifting the burden of proof to the Government in evaluating electoral legislation cleverly designed to thwart Negro voting. It would mean a return to dependence upon the slow litigation process which has shown to be so ineffective and regressive in the past.

In 1965, I enthusiastically supported the original voting rights legislation, noting that "in the achievement of equal opportunities nothing is more important than the guarantee of the franchise." I feel obligated to oppose any amendment to the Voting Rights Act which will subvert this American goal or make it more difficult to achieve.

Mr. GILBERT. Mr. Chairman, I heartily endorse the Judiciary Committee's bill to extend the Voting Rights Act of 1965 by 5 more years. I endorse it because it is right and because it is one of the pieces of legislation enacted during the last administration whose effectiveness has been demonstrated over and again. In the six States fully covered under this legislation, Negro registration has increased from 877,000 in 1965 to 1.6 million today. In the areas covered by the act, nearly 400 black officials have been elected. What these figures demonstrate, Mr. Chairman, is that the democratic process has at last been made available to a substantial body of Americans to whom it was so long denied. We cannot ignore that achievement.

I think it would be highly injurious to weaken the enforcement provisions of the 1965 act, as the administration's bill proposes to do. It would be a step backward in civil rights. Therefore, I am going to vote against the administration substitute bill.

Mr. MANN. Mr. Chairman, may I preface my remarks by stating that I feel that any legislation we enact must encourage as many citizens as possible to vote and must discourage the application of unreasonable legal requirements. As I understand it, this is the position of the administration and, for that matter, was the intent of the Voting Rights Act of 1965.

I must take issue, however, with my fellow Judiciary Committee members in

approving 5-year extension of the Voting Rights Act of 1965. The 1965 act provided for suspension of literacy tests and devices in States and counties where such tests were utilized and where less than 50 percent of the total voting-age population was registered to vote or voted in the November 1964 election. The effect of that legislation was to declare invalid the literacy requirements of Mississippi, Louisiana, Alabama, Georgia, South Carolina, Virginia, and 39 counties in North Carolina. Some 13 States, including Connecticut and New York, which have literacy tests were exempted because they met the 50-percent requirement. Likewise, States such as Arkansas and Texas, which fell short of the 50-percent requirement but had no literacy tests, were exempted. States such as North Carolina, which had an overall average of 51.8 percent but had counties which fell under the 50-percent figure, came under the 1965 act because it had a literacy requirement, whereas States like Tennessee, where 22 out of 95 counties had less than 50 percent, were exempted due to the absence of a literacy test.

Is discrimination on the basis of literacy more acceptable in Connecticut and New York than it is in Louisiana or South Carolina? Or, as my colleague from Alabama (Mr. ANDREWS) inquired:

> If a moron is going to be permitted to vote in Alabama, why shouldn't a moron be permitted to vote in New York?

In 1966, 21 persons in the town of New Haven, Conn., and 574 persons in New York were disenfranchised because they failed to pass literacy tests. Due to the discriminatory nature of the Voting Rights Act of 1965, these same so-called illiterates, having otherwise met local residency requirements, could have registered to vote in Louisiana or South Carolina. While I grant that these figures are not significant quantitatively speaking, they do illustrate a principle; namely, that the Voting Rights Act of 1965 sanctions disenfranchisement for reasons of illiteracy in some States, while condemning it in others. It also implies that the seven affected States are guilty of using their literacy tests to deny nonwhites the right to vote, while the other 13 States having literacy tests are supposedly innocent of any such implication.

I have listened with some amusement to those who argue that this act is not regionally discriminatory. They say that the act is nationwide in scope, and that it just so happens that the statistics of the formula resulted in its application to the seven Southern States. Well, it just so happens that the statistics upon which the formula is based were known at the time the act was passed in 1965. It was equally well known at that time that the formula would result in the regional effect which they now attempt to claim was unintentional. I want to repeat the idea expressed by several here today that whatever regionalizes this country divides this country.

I started these remarks with the statement that I wanted to encourage the exercise of the franchise by as many of our citizens as possible. The Attorney General of the United States in testimony before the House Judiciary Committee, said:

> Little more than one-third of the voting-age Negro population cast 1968 ballots in Manhattan, the Bronx, or Brooklyn, New York City, and this amounted to only one-half the local white turnout.
>
> I consider these statistics to be proof that extension of the voting rights legislation aimed at the entire States of Virginia, South Carolina, Georgia, Alabama, Mississippi, Louisiana, and 39 counties of North Carolina is unreasonable today, however well intentioned it might have appeared in the past.

I suggest to my colleagues that it is unreasonable today to continue to aim this act at the Southern States. Let every American, including the Puerto Rican in New York and the Negro in the North, enjoy the benefits of the 15th amendment. The substitute bill is designed to apply the law fairly to all 50 States of the Nation. I am hopeful that today conscience and reason will prevail over expediency, and that you will support the substitute.

Mr. RARICK. Mr. Chairman, we are asked by the Committee on the Judiciary to extend for another 5 years the travesty on justice called the Voting Rights Act of 1965.

At the same time we will be given an opportunity to make the effects of this law felt throughout the length and breadth of the land—not just in the "conquered provinces" of the South.

As plain political retribution, and in an effort to load the voting rolls of certain Southern States with large numbers of patently unqualified individuals, who would react like puppets to the machinations of the left, this so-called Voting Rights Act was passed.

It cleverly utilized a bizarre formula relating the votes cast in the 1964 presidential election to the voting registration in the jurisdiction, to someone's idea of what the voting registration should have been at the time. And by the time the mystical formula was applied, only the States which had cast their electoral votes for Senator GOLDWATER were placed under Federal supervision.

Now that the act is due to be extended for 5 years, it has been suggested that the formula be applied to the 1968 presidential election, instead of the 1964 election, but the proponents of Federal oversight disapprove, pointing out that most of the Southern States currently penalized would be relieved of their present Federal supervision.

We are told in a carefully worded letter by the Chairman of the Civil Rights Commission that it is responsible for the addition of some 2 million Negro voters in the South. I am personally familiar with some of these additions. As district judge of the 20th Judicial District of Louisiana, the grand jury returned to me the indictments found against two of the newly enfranchised Negroes—one of whom had been led to declare on his oath that he had never been registered elsewhere when he was then and there registered in an adjoining parish, and another who was recognized as a recently released felon from the State penitentiary.

I insert Father Hesburgh's appeal to morality at this point in my remarks, reminding our colleagues that this is the same gentleman who, as president of Notre Dame University, has just added to its board for the supervision of the education of our young people, a convicted sex pervert, a convicted felon, a draft dodger, and an admitted onetime Communist who still travels with the same comrades:

U.S. COMMISSION ON CIVIL RIGHTS,
*Washington, D.C.*

HON. JOHN R. RARICK,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. RARICK: This week the House of Representatives will vote on the extension of the Voting Rights Act of 1965 for another five years. The Commission on Civil Rights has amply documented the need for a simple extension of the Voting Rights Act with all of its protective provisions intact. The Administration's substitute is a much weaker bill. It is the judgment of the Commission that general electoral reforms should not be tied with the extension of the Voting Rights Act because the effect would be to dilute and confuse enforcement of Fifteenth Amendment rights with general reforms based on other considerations.

I have been a Member of the Commission on Civil Rights since 1957 when the original Commissioners were appointed by our late President Eisenhower. From my perspective of 12 years on the Commission, I think I can say that there has been no more effective piece of civil rights legislation than the Voting Rights Act of 1965. Prior to the passage of that statute, a succession of legislative and judicial pronouncements had proven totally ineffective to deal with historic and deep-rooted voting denials.

The Members of Congress of both parties who shaped and supported the 1965 Act can rightfully point with pride to one of the great legislative accomplishments of this decade. Their proof lies in the nearly two million newly enfranchised Negro voters in the South, in the 463 elected Negro office holders, and in the many changes which have taken place as a result of greater participation by Negroes in the political life of their communities, cities, States and Nation. The passage of that Act was one of political and moral correctness.

I do fear that many Members of Congress feel that the voting problems at which the 1965 Act was directed have been solved. They have not. The Fifteenth Amendment remains to be fully implemented. We cannot retreat on this front. If we do, we run the risk of endangering the faith of many of our people in the ability of our Government to meet the legitimate expectations of its citizens.

Sincerely yours,
THEODORE M. HESBURGH,
*Chairman.*

An item in yesterday's Washington Post, by-lined and in all probability not published elsewhere, is timely in connection with our consideration of this measure. We have heard the sobs of the left for the poor disenfranchised District of Columbia, despite the fact that the District will always be a Federal dependent. Recently the residents of the District of Columbia—the model city, the shining example for the Nation—for which Congress has unquestioned responsibility, had an election.

This election was an unmitigated disaster to the left, both in the rejection of their candidates and in the sorry performance of their showcase electorate.

About 12 percent of the registered voters bothered to vote. Only about half

of the supposedly eligible voters in the District have bothered to register. This means that about 6 percent of those who might have participated in the only election for local officers took the trouble to vote.

But total disaster overtook the theorists when it turned out that of those who did vote, some 70 percent were white. What can be the explanation for an election, under total Federal supervision, in the Nation's Capital, where the population some 80 percent Negro, and less than 2 percent of the eligible nonwhites voted?

How much more federally supervised can you get?

The chairman of the District of Columbia Democratic Central Committee, an experienced attorney from the Department of Justice, has concrete recommendations to correct this situation. He recommends lowering the voting age to 18, providing free television and radio time for candidates, and income tax credits for political contributions—but nowhere does this expert recommend Federal watchdogs to assure that everyone eligible to vote does vote whether he wants to or not.

Mr. Chairman, I have long believed that the voting privilege includes an absolute right not to vote. Many individuals find themselves not offered an intelligent choice and other realize that they do not have sufficient understanding of the issues to cast a ballot. In such cases their conscience leads them to decline to participate. This, in effect, gives their consent and approval to the selection made by the majority of the voters. Such an omission may give statistical troubles to bureaucrats but it certainly is not the type of national emergency which should make anyone consider drastic legislation of doubtful constitutionality to deny to such citizens their right not to vote—simply to keep the bookkeeping neat.

I insert a news reports describing the election in the District at this point:

[From the Washington Post, Dec. 10, 1969]

DEMOCRATS PROPOSE VOTING LAW CHANGES

(By Paul Hodge)

The D.C. Democratic Central Committee last night recommended wide-ranging revisions in Washington's election laws.

The committee's proposals include free television and radio time for school board candidates, tax credits of "perhaps $10" for political contributions and lowering of the voting age to 18.

The proposals stem from what Committee Chairman Bruce Torris called a "disastrous" school board election in which only 12 per cent of the registered voters cast ballots. The board of election already has called for suggestions on how to increase participation in the city's only local election.

Only 25,000 voted Nov. 4 out of some 200,000 registered voters. There are about 350,000 to 400,000 in the District eligible to vote, the elections board estimates.

Terris said the Nov. 4 election was "tragic, because about 70 per cent of those voting were white in a city where 90 per cent of the children are black."

The Democrats will soon present detailed recommendations to the election board, Terris said. Other proposals will include slate vote in the school board primaries (to help identify candidates for voters) and unlimited campaign expenditures (the elections board is considering limited costs to about $5,000 per candidate).

The tax-credit proposal is similar to one considered nationally for presidential candidates, Terris said.

The proposal for free time on TV and radio, "say perhaps 10 minutes per candidate," Terris said, is also similar to proposals for presidential elections.

In the course of debate I have been pleased to hear Members on the other side of the aisle indicate their fear that if this measure were broadened to cover all 50 States, as suggested in the administration substitute, it would probably be declared unconstitutional.

We in the South, who have suffered under the tyranny imposed by this act, have long known it to be in flagrant violation of the Constitution. Unfortunately, the caliber of the Federal judiciary in the South is such that determinations of this question have been political and not legal in every instance. I agree with our friends on the other side of the aisle that if this measure is applied to the entire country it will be declared unconstitutional—as it should have been 5 years ago.

I intend to cast my vote to make this measure equally applicable to all citizens of the United States. I do so in the hope that the clear and present danger of Federal intervention in the local election machinery in all parts of the country will alert Members to this act's nauseating suppression of basic rights. The destruction of the local franchise has always been the first act of the totalitarian.

In the event that the amended bill becomes law, I sincerely hope that some of my newly effected friends will take prompt steps to test the constitutionality of the law in a forum whose judgment is not subject to review by the Fifth Circuit Court of Appeals. Nevertheless, Mr. Chairman, because two wrongs do not make a right, I cannot vote for either the original bill or the substitute on final passage, because I know that neither give any rights but that they actually prevent the exercise of rights plainly protected by the Constitution. Five years ago this bill was unconstiutional and immoral. The passage of time has not healed either defect, nor will its extension to all of our sister States. I must oppose its adoption.

Mr. BINGHAM. Mr. Chairman, in the course of my earlier remarks during the debate on this bill, I mentioned the literacy test provision of the administration substitute. I did not mean to imply that I support or sanction the use of literacy tests in New York. On the contrary, I have consistently opposed such tests, and will continue to do so. There is no question that such tests, even when formulated and administered with care and without malice, impose unjustifiable restraints on the right of every citizen to vote and to participate in the political process.

However, I feel that we should concentrate the limited Federal resources available to enforce the voting rights legislation on ending the use of literacy tests in those areas of the country where their effect on political participation is most direct, severe, and regressive. As a practical matter, this seems infinitely more sensible to me than dissipating our efforts by trying to police with Federal resources election systems in areas like New York where the negative effects of literacy tests are much less clear and great than in other areas of the country covered by the current voting rights legislation. We cannot afford to risk losing the gains we have made in the South by spreading out investigative and enforcement resources too thin.

Mr. HALPERN. Mr. Chairman, the whole effort of Congress, of the Justice Department, and of the Federal courts in enacting and enforcing the Civil Rights Act of 1957, 1960, title I of the Civil Rights Act of 1964, and the Voting Rights Act of 1965 has been aimed at securing for black Americans in the Southern States the right to vote guaranteed them by the 15th amendment. The approach to protecting voting rights prior to 1965 was judicial. The attempt to protect voting rights by recourse to the courts on a case-by-case basis had little success because litigation is too time consuming, and because local registration officials—who were determined to prevent Negroes from voting—usually had other ways of keeping black applicants off the registration rolls after the courts had enjoined specific discriminatory practices.

In passing the Voting Rights Act of 1965, Congress bypassed the judicial approach and abolished the very means by which local registration officials nullified the efficacy of court orders. It did this by suspending literacy tests and devices as conditions for voter registration in States and counties covered by the triggering criteria of section 4(b), by authorizing Federal examiners to list eligible voters in each of these counties where voting rights are still denied, by authorizing Federal observers to insure the fair conduct of elections, and by requiring covered States and political subdivisions to submit new voting laws for approval to the Federal District Court for the District of Columbia or to the U.S. Attorney General in order to prevent covered jurisdictions from impairing 15th amendment rights by discriminatory legislation.

The Voting Rights Act of 1965 has proven tremendously effective. Since its enactment, approximately 800,000 Negro citizens have become registered voters in Alabama, Georgia, Louisiana, Mississippi, and South Carolina. Prior to passage of the act, 29 percent of age-eligible Negroes in these States were registered; 52 percent are registered today. According to the Southern Regional Council there were 70 Negro elected officeholders in the South in 1965 shortly after passage of the Voting Rights Act; today there are 473. Negroes in the South have reason to hope that they can make their presence felt in the democratic political process.

If the House should reject H.R. 4249 as a simple extension of the Voting Rights Act for an additional 5 years and pass instead the administration substitute, it would jeopardize the tremendous gains in political rights achieved over the past 4 years.

There is surely no need to suspend literacy tests for voter registration in the

12 States not now covered by the act which administer such tests. Can it be imagined that if voter discrimination based on race or color occurred in these 12 States that there would have been no complaints to the Civil Rights Commission or lawsuits brought by the NAACP? There have been no complaints or lawsuits coming from any of these States. The Southern States and the Southern States alone have sought to prevent Negroes from voting, and protective legislation is needed today and will be needed tomorrow to insure political liberty in the South.

Federal examiners have been sent to 64 counties in the South. Is it imaginable that the Justice Department should find it necessary to send examiners into any county in any of the 12 States, for example, which presently have literacy tests—to send examiners into Alaska, Massachusetts, or Delaware? The suggestion reflects the absurdity of the substitute amendment proposed by the administration.

Suspension of literacy tests in Connecticut might not endanger voting rights in Mississippi, but elimination of the requirement that presently covered States submit new voting laws for prior Federal approval before putting them into effect would certainly endanger voting rights throughout the South. The Nixon-Mitchell substitute replaces this requirement with authorization for the Attorney General to ask the Federal courts to enjoin the application of new voting laws which would be racially discriminatory. The substitute amendment would thus replace administrative enforcement which is the only kind of approach which has succeeded in protecting voting rights with judicial enforcement which was the approach of the civil rights acts prior to 1965 and which failed.

If the substitute amendment should become law, Southern States would be free to enact laws designed to prevent Negroes from voting or to lessen their voting power or to prevent Negro candidates from getting into office and the Attorney General could not immediately put a stop to the enforcement of such laws. He would have first to go into court and initiate a process so time consuming that elections might occur in the meanwhile and Negroes might suffer denial or abridgment of voting rights.

The Civil Rights Commission, in its 1968 report, "Political Participation," warned us that the Southern States still aim to prevent Negroes from exercising proportionate electoral power. The Commission stated:

> In areas where registration has increased, we have moved into a new phase of the problem. Political boundaries have been changed in an effort to dilute the newly gained voting strength of Negroes. Various devices have been used to prevent Negroes from becoming candidates or obtaining office. Discrimination has occurred against Negro registrants at the polls and discriminatory practices—ranging from the exclusion of Negro poll watchers to discrimination in the selection of election officials to vote fraud—have been pursued which violate the integrity of the electoral process.

In the face of this evidence, the substitute bill would deprive the Federal Government of the most effective kind of check on voting laws which the Southern States might enact.

The issue is this, Mr. Chairman: Will Congress continue to give effective protection of voting rights or will it permit abridgment of the democratic process? Current polarizing tendencies in our country might well be reinforced by lessened Federal protection of voting rights.

Mr. CONYERS. Mr. Chairman, history is watching us. History will deliberate on our actions today, and when this era has passed and the emotions have died down, history will render judgment on this Congress and what it has done. And history is an empirical, unemotional and merciless judge. What verdict will it reach on our consideration of the Voting Rights Act of 1969?

Today, we must consider two alternatives. To give a 5-year extension to sections 4 and 5 of the Voting Rights Act of 1965 or pass the administration backed substitute. How do these alternatives differ? A three-point answer is required. The administration substitute would suspend literacy tests nationwide while extension of the Voting Rights Act would continue the suspension of these tests only in the six States and part of a seventh covered by the act.

I agree with Attorney General Mitchell that literacy tests are not justifiable. In my judgment, they should be abolished. Every State should be prohibited from using this and similar devices as a prerequisite to the right to vote in any election. But one thing surprises me. In 1965, when I urged moving toward abolishing literacy tests, some of my colleagues thought the idea scandalous. Yet today, many of these same gentlemen are seemingly supporting that very move. Their new found free thinking on this matter is extremely interesting.

The principal basis for such action is the 14th amendment which prohibits any State from denying any of its citizens equal protection of the laws.

The principle constitutional base for the Voting Rights Act is the 15th amendment. Therefore, separate legislation is required to properly legislate against literacy tests on a nationwide basis. In that regard, five of my colleagues and I have introduced a separate piece of legislation, H.R. 15146, to abolish these tests nationwide. But the careful deliberation we must give to any such legislative action must not obscure or obstruct the extension of the Voting Rights Act. And that is exactly what is being done today. The debate on literacy tests is designed to throw a cloud around the two remaining major differences in the alternatives we are considering. Under the present Voting Rights Act, the U.S. Attorney General may direct the U.S. Civil Service Commission to appoint Federal examiners to list eligible voters if he has received 20 meritorious written complaints alleging voter discrimination. This power is eliminated in the administration substitute. There would be no provision for administrative appointment. The Attorney General would have to petition in court for the appointment of examiners. What kind of effective relief to those disenfranchised by fraudulent election procedures can be given years after the fact? In the absence of examiners, what process on the local level will give the Attorney General "reason to believe" racially discriminatory voting practices have been enacted or are being administered? The reliance on appointed examiners is a return to the ineffective, arduous procedures in effect prior to 1965. We should certainly not revert to a procedure already found wanting.

The third difference of major consequence between the present and proposed measures is the elimination of section 5 from the Voting Rights Act of 1965 provided by the administration substitute. The States covered by the present act would not be required to first obtain the approval of the Attorney General or a declaratory judgment from the District Court of the District of Columbia before implementing new voting qualifications or procedures. The burden of proof for any wrongdoing would then be on the Attorney General. This would force a return to the case-by-case, county-by-county approach through the courts which has proved so slow and inadequate in the past.

What is the net effect of these differences? If accepted, the administration substitute, most obviously, would be a clear impediment to the enforcement of our constitutionally guaranteed right to the vote, and would obstruct access to the ballot for those millions of Americans who are still disenfranchised. To support such a move, my colleagues must believe that the clear and present evil that required our action in 1965 has been removed. You must believe there is no longer any injustice to correct. You must believe that Southern public officials will not make every effort to disenfranchise those black people already on the voting rolls and to hinder in every way those still attempting to become listed. This is the most important question to consider in this entire debate: Do you believe there is no racially motivated voter discrimination now being practiced and that there is no probability or inclination on the part of Southern public officials to practice or support such discrimination? In short, is full voter equality a reality? This question cannot possibly be answered affirmatively. The evidence is overwhelming. Can the South, in 4 years, have so clearly reversed the effect of their 100-year history of voter discrimination and racial injustice? If this be fact, then there is every justification for not extending the Voting Rights Act in its present form. All could agree on the administration substitute. But practices so institutionalized, so built in and deeply imbedded into the fabric of a society, do not vanish that easily, even though we wish that they could.

We must look at the facts, regard the evidence. Even under present enforcement provisions there are still 185 counties where less than 50 percent of the eligible black Americans have been registered to vote. In the entire State of Alabama the percentage is only slightly above a majority, 51 percent; in Georgia, 52.6 percent; in South Carolina, 51.2 percent. In Mississippi, the percentage is 59.8 percent; in Louisiana, it is 58.9 percent; in Virginia, it is 55.6 percent. In

the 6½ States covered by the 1965 act, only 57 percent of the black voting-age population is registered. This must be compared to the 79 percent of the white voting-age population that is registered, a difference of 22 percent. Federal examiners have only been assigned to 58 of the 517 counties in all the 6½ States covered by the present law.

Since these are the figures presently, there can be little confidence in the future if the Voting Rights Act is not extended. Equality will be further impeded. I do not believe we have gone far enough. At least 2 million black Americans remain who are not allowed to exercise their right to vote. Many more who do vote suffer harassment and intimidation. In my judgment, the Voting Rights Act must not only be extended, but strengthened. It should be made more effective, not less. The enforcement provisions should be more automatic. Assurance of voting rights even now depends too much on the discretion of the Attorney General. The Voting Rights Act should allow door-to-door registration and class-action litigation. It should be strengthened to the extent that all Americans, black as well as white, are truly guaranteed their right to freely cast a secret ballot in any and all elections. Partial democracy is no democracy at all.

But there are those in this body who are saying that enough progress has been made. My colleague from Michigan (Mr. GERALD R. FORD) is the sponsor of the administration substitute. He says that black people have been included in the southern political process to such a great extent that the State legislatures will not reverse the trend. Let me remind Mr. FORD that there is only one black legislator in Louisiana. There is only one black legislator in Mississippi. There is only one black legislator in North Carolina. There is only one black legislator in Virginia. There are none in Alabama or South Carolina.

The argument from the gentleman from Michigan cannot be considered seriously. To the contrary, in one current example, the Georgia State Legislature is now attempting to merge the city of Atlanta into the surrounding Fulton County and thereby severely curtail the ballot power of the black citizens of that city. These voters recently reversed the political order of the last generation by electing a liberal white mayor and a liberal, black vice mayor. This recent political event shows that abolition of the city of Atlanta is an obviously discriminatory change in voting procedure.

The democratic process in the South is well described by the former Assistant Attorney General in charge of the Civil Rights Division, Mr. Burke Marshall. He has said:

> When the will to keep Negro registration to a minimum is strong, and the routine of determining whose applications are acceptable is within the discretion of local officials, the latitude for discrimination is almost endless. The practices that can be used are virtually infinite.

The most obvious tactic that will be used is requiring reregistration of all voters. Then all manner of contrived and hypocritical efforts will be made to prevent black people from returning to their rightful place on the voting rolls. A number of localities in the South—West Feliciana Parish in Louisiana being prominent among them—already have instituted procedures requiring reregistration.

If the U.S. House of Representatives today accepts the Nixon administration substitute amendment, it will see tomorrow the injustices it has perpetrated. All America will suffer. For when freedom is denied for some, no one is truly free to enjoy it. Wendell Willkie, a Republican, once stated:

> Freedom is an indivisible word. If we want to enjoy it, and fight for it, we must be prepared to extend it to everyone, whether they are rich or poor, whether they agree with us or not, no matter what their race or the color of their skin.

History and the country are watching. How will we decide? The law is already on the books. All we have to do is extend it. I urge my colleagues to do no less.

The CHAIRMAN. The time of the gentleman from New York (Mr. CELLER) has expired.

All time has expired.

The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4(a) of the Voting Rights Act of 1965 (79 Stat. 438; 42 U.S.C. 1973(a)) is amended as follows:

In the first and third paragraphs, after the words "during the", strike the word "five" and substitute the word "ten".

In the first paragraph, after the words "a period of", strike the word "five" and substitute the word "ten".

SUBSTITUTE AMENDMENT OFFERED BY MR. GERALD R. FORD

Mr. GERALD R. FORD. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. GERALD R. FORD: On page 1, strike all after the enacting clause and insert in lieu thereof the following:

"That this Act shall be known as the "Voting Rights Act Amendments of 1969."

"SEC. 2. Section 4 of the Voting Rights Act of 1965 (79 Stat. 438; 42 U.S.C 1973b) is amended as follows:

"(a) Strike subsection (a) and substitute the following:

"'(a)(1) Prior to January 1, 1974, no citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device.'

"(b) Strike subsection (b) and designate present subsection (c) as (a)(2).

"(c) Strike subsections (d) and (e) and add the following as subsection (b):

"'(b)(1) No citizen of the United States who is otherwise qualified to vote in any State or political subdivision in any election for President and Vice President of the United States shall be denied the right to vote in any such election for failure to comply with a residence or registration requirement if he has resided in that State or political subdivision since the 1st day of September next preceding the election and has complied with the requirements of registration to the extent that they provide for registration after that date.

"'(2) If such citizen has begun residence in a State or political subdivision after the 1st day of September next preceding an election for President and Vice President of the United States and does not satisfy the residence requirements of that State or political subdivision, he shall be allowed to vote in such election: (A) in person in the State or political subdivision in which he resided on the last day of August of that year if he had satisfied, as of the date of his change of residence, the requirements to vote in that State or political subdivision; or (B) by absentee ballot in the State or political subdivision in which he resided on the last day of August of that year if he satisfies, but for his nonresident status and the reason for his absence, the requirements for absentee voting in that State or political subdivision.

"'(3) No citizen of the United States who is otherwise qualified to vote by absentee ballot in any State or political subdivision in any election for President and Vice President of the United States shall be denied the right to vote in such election because of any requirement of registration that does not include a provision for absentee registration.

"'(4) "State" as used in this subsection includes the District of Columbia.'

"SEC. 3. Section 5 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973c) is amended to read as follows:

"'SEC. 5. (a) Whenever the Attorney General has reason to believe that a State or political subdivision has enacted or is seeking to administer any voting qualification or prerequisite to voting, or standard, practice or procedure with respect to voting which has the purpose or effect of denying or abridging the right to vote on account of race or color, he may institute for the United States, or in the name of the United States, an action in a district court of the United States, in accordance with sections 1391 through 1393 of title 28, United States Code, for a restraining order of a preliminary or permanent injunction, or such other order as he deems appropriate.

"'(b) An action under this section shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall be to the Supreme Court.'

"SEC. 4. Section 6 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973d) is amended by striking the words 'unless a declaratory judgment has been rendered under section 4(a)' and by striking, immediately after the words 'political subdivision,' the words 'named in, or included within the scope of, determinations made under section 4(b).'

"SEC. 5. Section 8 of the Voting Rights Act of 1965 (79 Stat. 441; 42 U.S.C. 1973f) is amended by striking the words 'Whenever an examiner is serving under this Act in any political subdivision the Civil Service Commission may' and substituting the following:

"'Whenever the Attorney General determines with respect to any political subdivision that in his judgment the designation of observers is necessary or appropriate to enforce the guarantees of the fifteenth amendment, the Civil Service Commission shall.'

"Section 8 is further amended by adding the following sentence at the end thereof:

"'A determination of the Attorney General under this section shall not be reviewable in any court.'

"SEC. 6. Section 14 of the Voting Rights Act of 1965 (79 Stat. 445; 42 U.S.C. 1931l) is amended by striking subsections (b) and (d) and designating subsection (c) as (b).

"SEC. 7. The Voting Rights Act of 1965 (79 Stat. 437; 42 U.S.C. 1973) is amended by redesignating sections 17, 18, and 19 as sections 18, 19, and 20, respectively, and inserting the following new section:

"'SEC. 17. (a) There is hereby created a temporary Commission, to be known as the National Advisory Commission on Voting Rights (hereafter called the Commission),

which will be composed of not more than nine members who shall be appointed by the President. The President shall designate one member to serve as Chairman.

"'(b) The Commission shall undertake to make a study of the effects upon voting and voter registration of laws restricting or abridging the right to vote, including laws making residence, economic status or passage of literacy tests and other tests or devices a prerequisite to voting. The Commission shall also study the impact of fraudulent and corrupt practices upon voting rights. The Commission shall conduct such hearings as it deems appropriate and shall consult with the Attorney General, the Secretary of Commerce, and the Civil Rights Commission, and with such other persons and agencies as it deems appropriate. The Commission shall report to the President and the Congress, not later than January 15, 1973, the results of its study and make its recommendations for legislative or other action to protect the right to vote. The Commission shall cease to exist thirty days following the submission of its report.

"'(c) As soon as practicable following enactment of this statute and after consultation with the Attorney General and the Civil Rights Commission, the Secretary of Commerce shall make special surveys, in States which utilize literacy and other tests or devices, and in other States, to collect data regarding voting in presidential and other elections, by race, national origin, and income groups. The Secretary of Commerce shall transmit this data, together with other pertinent data from the Nineteenth Decennial Census, to the Commission.

"'(d) The Commission is authorized to request from any executive department or agency any information and assistance deemed necessary to carry out its functions under this section. Each department or agency is authorized, to the extent permitted by law and within the limits of available funds, to cooperate with the Commission and to furnish information and assistance to the Commission.

"'(e) Members of the Commission who are Members of Congress or in the executive branch of the Government shall serve without additional compensation, but shall be permitted travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons intermittently employed. Other members of the Commission shall be entitled to receive compensation at the rate now or hereafter provided for GS–18 of the General Schedule for employees for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Commission. While traveling on official business in performance of services for the Commission members of the Commission shall be allowed expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons intermittently employed. The Commission shall have an Executive Director who shall be designated by the President and shall receive such compensation as he may determine, not in excess of the maximum rate now or hereafter provided for GS–18 of the General Schedule under section 5332 of title 5, United States Code. The Commission is authorized to appoint and fix the compensation of such other personnel as may be necessary to perform its functions. The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.'

"SEC. 8. The provisions of this Act shall become effective on August 6, 1970, except that Section 7 shall become effective immediately."

Mr. GERALD R. FORD (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of the amendment in the nature of a substitute be dispensed with and that it be printed in the RECORD.

Mr. CELLER. Mr. Chairman, is the substitute amendment identical to the bill, H.R. 12695?

Mr. GERALD R. FORD. The answer is in the affirmative.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan to dispense with the further reading of the amendment.

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized.

(Mr. GERALD R. FORD asked and was given permission to proceed for an additional 5 minutes.)

Mr. GERALD R. FORD. Mr. Chairman, at the outset let me read for the benefit of the Members a letter which I received yesterday from the President of the United States.

THE WHITE HOUSE,
*Washington, D.C., December 10, 1969.*

Hon. GERALD R. FORD,
*Minority Leader of the U.S. House of Representatives, Washington, D.C.*

DEAR JERRY: I am aware that the House is considering a five-year extension of the Voting Rights Act of 1965, and alternatively, as an amendment, the Administration-proposed nationwide voting rights bill, H.R. 12695.

I strongly believe that the nationwide bill is superior because it is more comprehensive and equitable. Therefore, I believe every effort must be made to see that its essence, at least, prevails.

I would stress two critical points:

1. Instead of simply extending until 1975 the present Voting Rights Act, which bans literacy tests in only seven states, as the Committee bill would do, the nationwide bill would apply to all states until January 1, 1974. It would extend protection to millions of citizens not now covered and not covered under the Committee bill.

2. H.R. 12695 assures that otherwise qualified voters would not be denied the right to vote for President merely because they changed their state of residence shortly before a national election.

In short, the nationwide bill would go a long way toward insuring a vote for all our citizens in every state. Under it those millions who have been voteless in the past and thus voiceless in our government would have the legal tools they need to obtain and secure the franchise. Justice requires no less.

For certainly an enlightened national legislature must admit that justice is diminished for any citizen who does not have the right to vote for those who govern him. There is no way for the disenfranchised to consider themselves equal partners in our society.

This is true regardless of state or geographical location.

I urge that this message be brought to your colleagues, and I hope they will join in our efforts to grant equal voting rights to all citizens of the United States.

Sincerely,

RICHARD NIXON.

Mr. Chairman, I would like to make three basic points. Section I of the 15th amendment to the Constitution reads as follows:

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

In my humble opinion, Mr. Chairman, the Nationwide Voting Act would achieve that result far more effectively than the existing law which is proposed for extension. Let me take one illustration. Under the existing law and sections 4(a) and 4(b) seven States are under what is called the triggering device. Those seven States have automatically, in effect, examiners to register prospective voters and observers to make certain that the voting is carried out in accordance with the law. Those seven States, even after they have met the criteria established in the 1964 election, have the same onus to bear—exactly the same onus to bear. Five of those seven States have met the criteria of the 1965 act predicated on the presidential election of 1964.

Under the existing law and that which is proposed to be extended by the committee, 12 other States that still have a literacy test are not faced with that burden. A total of 43 States in effect are not faced with that burden of having automatic Federal examiners and Federal observers sent in to check on local officials.

I think that is unfair. I think that is inequitable.

Let us take a look at the proposed nationwide bill. Under this proposal, which I am offering as an amendment, the Attorney General can send to any local jurisdiction, to any State, Federal examiners to help in the registration or observers to make certain and to make positive that the election is carried out fairly and equitably for every citizen.

In my honest opinion it is unfair and unjust under the 15th amendment to discriminate against seven States, and particularly the five States which have met the criteria that were established in the 1965 act.

Another concept that is dear, I think, to all Americans is the presumption of innocence. A person in our society is innocent until proven guilty. It seems to me if a person is innocent until proven guilty, then a State ought to be innocent until proven guilty. Under the existing law seven States are presumed guilty until they prove their innocence. Those seven States in good faith have participated in the registration of approximately 1 million who were not heretofore registered. Five of those States have met the criteria that were established in the 1965 act. Yet they still have the burden of proof and they are still considered to be guilty.

Let me make this analogy if I may. Take a track meet, a high jump. The track officials establish a 6-foot height and say that if contestants jump 6 feet, they have made it. Well, everybody who jumps 6 feet in good conscience under the rules established ought to be given credit for qualifying.

Under the existing law and the proposed extension recommended by the committee, five of the seven States which have done what the Congress told them to do are still considered unqualified. They still have to prove their innocence, contrary to any established concept I know of in this country.

The nationwide bill says that the Attorney General can move in when he has evidence, and he can go against any local jurisdiction or any State, but the Attorney General has the burden of proof

to establish for sure that the jurisdiction, whether it is local or State, is denying or abridging the right to vote. In other words, under our bill we use the basic concept that a person or a political subdivision or a State is innocent until proven guilty.

The third point is retrogression. I have heard some people say, "If we do not pass the existing law there will be retrogression, backsliding."

Let me say this: the most influential power against backsliding is the fact that 1 million people in this region have been registered to vote over the past 4 years. That is people power—people power. Every one of us in this Chamber understands people power. If we do not, we had better.

The people who have been registered will not permit backsliding.

Let me make this point: even if there were that danger or that threat—which I do not think there is—the Attorney General has power and authority under the bill I have offered as an amendment to move into any local jurisdiction, any State, and prevent the authorities in either case from taking action that would permit or result in backsliding.

So we have people power on the one hand and the power of the U.S. Attorney General on the other. He has the authority to move in to take affirmative action to prevent by injunctive relief any change in precinct lines, change in registration laws, to make sure the votes are counted. The Attorney General has plenty of power to prevent backsliding.

Furthermore, the Attorney General has a pretty accurate poll.

Every 4 years in a real national election he can determine by how people vote in any precinct or any State, whether or not the criteria of the 1965 act have been violated.

Let me make one other observation. Under my proposal there is the provision which would establish a nationwide residency requirement so that individuals in our society who, for one reason or another, move from one State to another do not lose their right to vote for President of the United States. An individual in a mobile society such as that in which we live ought not to be penalized for actions he must undertake beyond his control. He ought to be able to vote for the President of the United States, whether he moves from Michigan to California or Florida to Alaska. He should not be precluded and prevented from exercising the franchise.

I am amazed that the committee bill did not recognize that absolute need and necessity.

Yes, Mr. Chairman, for the reasons I have given and others that have been stated during the course of this debate, I strongly hope that the amendment in the form of a substitute, for the nationwide voting rights bill, is approved.

Mr. CELLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I listened with a great deal of interest to the statement of the distinguished minority leader that 4 years is enough to bring about a remedy as far as disenfranchisement of certain minorities is concerned. Just think of it. Four years, after a century of repression. Four years, after a century of disenfranchisement. Is 4 years enough? I question that, indeed. That is a case of extreme foolish optimism. Four years is not enough. We have sufficient proof to indicate that.

The Commission on Civil Rights says that despite the progress, however, it is clear that we are still a long way from the goal of full enfranchisement of Negro citizens.

As this report discloses many problems remain in securing to the Negroes of the South the opportunity to participate equally with white citizens in voting and political activity. There remain areas where the number of Negroes registered to vote is disproportionately low. Some Negroes are still discouraged by past discrimination. Many reside in counties and parishes which have not been designated for Federal examiners. In areas where there have been registrars registration has increased and that we have moved into a new phase of voting discrimination. Political boundaries have been changed in an effort to dilute the newly gained vote of the Negro and other devices have been adopted.

There are various subtle and disingenuous methods used to continue to disenfrancise Negroes.

So, Mr. Chairman, work remains to be done. If you take away the so-called trigger which is the real result of the substitute—and I do not believe it is the voice of "Gerald" but the hand of "John" that is involved in this substitute.

There is more in it than meets the eye. It is purely political. Let us not forget that. Those who are now voting for this substitute in the main, voted for the act of 1965. Now there is suddenly a change of heart because there is a sudden change in the political atmosphere.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes, I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. Is the gentleman aware of the fact that the Attorney General testified at the hearings that there is a higher percentage ratio of Negroes registered in the South than in the gentleman's own State of New York?

Mr. CELLER. I asked the Attorney General that, to give me proof as to whether or not there was a single case in my own State where a Negro was denied the right to vote because of his race or color. He could not give me one single example. He presented no record at all with reference to voting discrimination in the State of New York insofar as Negroes or Puerto Ricans are concerned.

Mr. THOMPSON of Georgia. Perhaps the gentleman from New York misunderstood my question.

Mr. CELLER. We encourage the Negro vote to the extent that we have a district with a Negro Congresswoman. Mrs. CHISHOLM represents that district. Do you call that discrimination?

Mr. THOMPSON of Georgia. No, but I was talking about——

Mr. CELLER. We call that respect for the Negro vote.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Just a minute. You asked for it and you are going to get it.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. CELLER was allowed to proceed for 5 additional minutes.)

Mr. CELLER. In addition thereto, there is a Puerto Rican president of the Borough of Bronx. There are more Puerto Ricans in the Borough of Bronx than there are in San Juan, P.R. Do you think there is evidence of discrimination against Puerto Ricans in the city of New York, in view of the election of a Puerto Rican? We encourage the Puerto Rican vote as we encourage the Negro vote.

Mr. THOMPSON of Georgia. Mr. Chairman, if the gentleman will yield, I would like for the gentleman to answer my question.

Mr. CELLER. In my own district, I have a great many Negroes, and I do all and sundry things to encourage registration and voting, as do all my colleagues of the New York delegation.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield in order that I may get an answer to my question? I am afraid the gentleman has got off on a tangent.

The CHAIRMAN. Will the gentleman from New York yield to the gentleman from Georgia?

The gentleman refuses to yield at this time.

Mr. CELLER. Mr. Chairman, the gentleman from Michigan spoke about burden of proof. Let me tell you about burden of proof, and let me quote from a Supreme Court decision, given the history in some States of repression of any attempts by black people to gain political power, and the greater familiarity of the State with the purpose and effect of its legislation the burden of proof should be on the States "covered" by the act.

As the Supreme Court observed:

> After enduring nearly a century of widespread resistance to the 15th Amendment, Congress has marshalled an army of potent weapons against the evil, with authority in the Attorney General to employ effectively. *South Carolina* v. *Katzenbach* 383 U.S. 301. (1966)

Thus, the burden is where it belongs. It is impossible for an Attorney General to keep abreast of each and every election law change. The States and counties involved are in the best position to explain their laws. If they are changing their statutes or laws with reference to voting they should come forward and submit them for Federal review before the laws can be enforced. That is where the burden should lie and the burden must continue to lie. It would be a disaster to the Voting Rights Act of 1965 if we repeal that requirement. We would then have a situation of case-by-case litigation.

The record of the past shows it is almost impossible for the Attorney General to institute effective remedies to end voting discrimination by proceeding case by case; it is a slow, snail's process. One case took 4 years to develop, and meanwhile there were any number of elections. The verdict was in favor of the petitioner after 4 years. What good was

the judgment after the elections were over? Once an election has passed, interference with the right to vote is irremediable. The case-by-case approach was tried in the areas now covered by the act. It encountered delay and intransigence. The progress it yielded was miniscule. To abandon the automatic remedies of the act, in favor of court litigation, is to revert to the inadequate protections of the past, and jeopardize the gains in voter registration thus far achieved. I again say that I believe that the substitute should not be approved by this Committee.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. ANDERSON of Illinois was allowed to proceed for an additional 5 minutes.)

Mr. ANDERSON of Illinois. Mr. Chairman, I do not lightly embark upon a course which places me in conflict with the present administration, and also with the gentleman from Michigan who addressed the House a few minutes ago, but I believe that there are overriding causes in this case that make that position, unenviable as it may be, the only course which I in good conscience can follow.

We have heard it explained that the so-called Nationwide Voting Act would more effectively implement the guarantees of the 15th amendment than would the extension of the present act, this despite the overwhelming evidence in the record before us that more than 1 million people have been added to the rolls in a short period since the enactment of this statute in 1965.

I pointed out when I had a few minutes yesterday that we run a grave constitutional risk of the invalidation of this entire statute under the decision in the Lassiter case.

There has been another point made that a State ought to be presumed innocent and not guilty, but again the fact of the matter is that the record is overwhelmingly clear that the whole purpose behind the enactment of this statute in 1965 was that for historical reasons, for cultural and educational reasons, we were trying to rifle in on those areas where the problem was the greatest.

And I ask you what is the purpose of section 5—which I agree with the gentleman from California is the very heart and soul of this statute? The purpose of section 5 is not to punish; it is to deter. It is to serve notice upon those who would use sophisticated methods, who would, by the adoption of various strategems seek to change voter practices and procedures either by altering boundary lines, by abolishing districts, by changing districts, by changing election to selection, and by changing filing fees—and you could go on and on—it is to deter.

The whole purpose of section 5 is to deter that kind of illegal conduct—not to punish. If their hands are in fact clean—if they come before the Attorney General—the present Attorney General of the United States, with clean hands, with any legitimate change that they desire to make in their voting procedures, I have every reason to believe—I have every confidence that the Attorney General will grant the proposed change and that there will not even be the necessity to go before the District Court here in the District of Columbia to ratify that particular change.

I think the fact remains that the testimony which was adduced at the hearings—I think if my memory serves me correctly there were days and days of hearings, when this statute was enacted in 1965—I think there were 67 witnesses and the bill was debated for 3 full days here on the floor of this House and I think for 26 days in the other Chamber. If you read the record of those debates and if you read the record of the hearings, I think the evidence is there as to why we took this action.

Again I repeat—it was not to punish and not to single out with opprobrium and for no good reason, certain areas of this country—but rather to try to guarantee to every citizen that precious right that we all enjoy—the right to choose and the right to vote.

In the decision that the Supreme Court made, which affirmed the constitutionality of this statute, the Court said, and I am quoting:

> Voting suits are unusually onerous to prepare. Sometimes they require as much as 6,000 man hours that must be spent combing through registration records, in preparation for control, and litigation has been exceedingly slow in part because of ample opportunities to delay afforded voting officials and others involved in these cases.

Mr. Chairman, it was to get away from that kind of case by case method of adjudication, that were not effective under the 1957, 1960 and 1964 acts that we adopted the voting rights act of 1965.

We have some people, I think, in this Chamber who are suffering from a gander complex. They tell me that what is sauce for the goose must be sauce for the gander. They say if this statute is so good, let us extend it nationwide.

Well, again, quite aside from the constitutional problems that that point of view raises, I would repeat that there is nothing so very strange about trying to rifle in on a particular problem by acting in a simple, rational manner.

I remember when we passed the economic development act. I remember when we passed the area redevelopment administration act.

What did we do there? We used an unemployment factor. We used that as a trigger in an effort to pinpoint the impact of this legislation in those areas of the country where the need was the greatest.

I believe, Mr. Chairman, that is all we are trying to do in asking for the extension of the present act—and that is to focus on those areas where the need is the greatest.

This Chamber has resounded, and will resound I suppose for some hours yet, with the injured and anguished feelings of wounded State pride. Some even say that what we seek to do does violence to the very concept of federalism.

I would offer simply this thought in concluding, against these outraged cries of wounded State pride, I think on the other side of the scales of justice we ought to place in the balance perhaps the rights of people—the rights of people to exercise what the Congress and the Constitution gave them a century ago in the 15th amendment.

I think if justice is truly that blindfolded Goddess that she is portrayed to be, then I think that in our hearts we will have to admit that the equities lie with those who want to see us complete a job that this Congress began in 1965.

I realize that there are those today who put this matter in quite a different perspective and who believe that the paramount issue before this Chamber is the question of equality among the States.

It seems to me there is a larger and an even more important question that confronts us—and that is that we try to do those things which will assure equality among the citizens of each and every State. To me that is far more important than even the question of the sovereign equality of the several States.

Mr. Chairman, I hope that the substitute amendment is defeated.

I must now yield to my colleague, the gentleman from New York (Mr. FISH) to whom I had earlier promised I would yield.

Mr. FISH. Mr. Chairman, I congratulate the gentleman in the well and associate myself with his remarks as one of the original sponsors of the committee bill.

Mr. Chairman, there is little to add to the statement of the gentleman from Illinois (Mr. ANDERSON). I find it fitting in this debate on human rights that a Republican from Illinois reminds us that we still stand in the tradition of Lincoln.

The Voting Rights Act of 1965 has worked. There has been a significant increase in the number of Negro citizens registered, voting, and running for office. But full equality is far from a reality, and Federal protection is still needed. A dilution of the simple extension of the 1965 act would represent a retreat.

The evidence of continued efforts to frustrate Negro registration indicates that the job can best be completed by a 5-year extension of the existing legislation. I cannot accept legislation which dilutes the main thrust of the 1965 act, the present sections 4 and 5. It is interesting to note, Mr. Chairman, that the original legislation drafted in 1965 calls for a 10-year lifetime, and that this period was reduced to 5 years solely to gain a political compromise to break the filibuster against the bill in the other Chamber.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, I am almost persuaded now to ask two questions, since I heard the gentleman's concluding statements, but I will ask the last question first in case we do not have time for the first.

Mr. Chairman, will the gentleman tell me how he can reconcile his closing statement and provide equality for all citizens if we do not provide equality for the States, how can we provide equality for the people in the States if the States themselves are not treated equally?

Mr. ANDERSON of Illinois. Because, my friend, in our country the sovereignty resides not in the States, but the sovereignty resides in the people. What we are trying to do in this legislation is to make sure that sovereignty will be exercised fairly and without any reference to color or race or previous condition of servitude. That is all we seek to do.

Mr. RODINO. Mr. Chairman, I rise in opposition to the proposed amendment which incorporates the administration's alternative to a simple extension of the Voting Rights Act of 1965.

I urge rejection of this amendment because I believe it proposes remedies for wrongs which have not been established. Many of its complex provisions are of doubtful constitutionality. Most importantly, it is an inadequate, regressive alternative to the Voting Rights Act of 1965.

The substitute eliminates the trigger or formula of the Voting Rights Act and in its place proposes a 4-year nationwide ban on literacy tests. Unlike the present act, it does not give the States affected an opportunity to establish that their tests have not been used to discriminate. This fact, coupled with the lack of any evidence or complaint of discriminatory use of such tests, renders the constitutionality of the entire proposal highly dubious.

The administration's proposal scuttles the automatic administrative remedies of the act. It scraps the requirement that new voting laws or new election practices require Federal review before they may be implemented. The administration's alternative would be to authorize suits by the Attorney General to challenge discriminatory voting practices. The Attorney General already possesses such authority. The amendment is a redundancy; it is superfluous.

It cuts out from the Voting Rights Act a remedy which may make all the difference in the next few years as to whether or not the gains thus far realized will remain secure. It proposes a return to the case-by-case, county-by-county litigation approach which gave rise to the Voting Rights Act in the first place.

To those who attack the Voting Rights Act as "regional legislation," I ask: Has fear characterized voting and efforts to vote throughout the Nation, or has it been focused in certain regions? Has segregation in travel, recreation, education, and hospital care, as well as voting, been embodied in statutes and ordinances in areas where the formula of the Act does not apply? Of course not. We must not apologize because certain remedies of this Act focus on certain regions of the country.

Lest our memories be too short, it may be appropriate to recall a few words from a Supreme Court decision in 1965 in United States against Louisiana:

> As the evidence showed, colored people, even some with the most advanced education and scholarship, were declared by voting registrars with less education to have an unsatisfactory understanding of the constitution of Louisiana or of the United States. This is not a test but a trap, sufficient to stop even the most brilliant man on his way to the voting booth. The cherished right of people in a country like ours to vote cannot be obliterated by the use of laws like this, which leaves the voting fate of a citizen to the passing whim or impulse of an individual registrar. Many of our cases have pointed out the invalidity of laws so completely devoid of standards and restraints.

The administration proposal assumes that the stringent remedies of the act are no longer needed. Instead of focusing on those areas where the public policy and tradition had fostered voting discrimination, the substitute applies the remedies across the land without a prior judicial proceeding. But can and should we automatically interfere with the rights of all States to set voter qualifications? No evidence, no record of complaints of voter discrimination have been offered. Why should we authorize the Attorney General to appoint Federal examiners to register voters in Portland, Maine, Seattle, Wash., or Fresno, Calif., without any evidence at all of voting discrimination?

How can we constitutionally ban literacy tests in New Hampshire, Oregon, or Wyoming without any evidence or complaints of discrimination due to literacy tests?

Other provisions of the administration proposal authorize special voter surveys and create a presidential commission on voting. These provisions are entirely superfluous and duplicate existing law. Other provisions which would establish minimum residency requirements for voting in presidential elections also affects absentee voting and registration requirements under State law. They pose complicated questions of practical application and raise serious doubts as to their constitutional validity.

For all these reasons and particularly because the proposed amendment would jeopardize the progress we have thus far achieved in opening voter rolls to all, irrespective of race or color, I must express my full and complete opposition to it.

I urge my colleagues to reject the amendment.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

AMENDMENT OFFERED BY MR. DENNIS TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. GERALD R. FORD

Mr. DENNIS. Mr. Chairman, I offer an amendment to the substitute offered by the gentleman from Michigan (Mr. GERALD R. FORD).

The Clerk read as follows:

> Amendment offered by Mr. DENNIS to the substitute amendment offered by Mr. GERALD R. FORD: Page 1, line 7, strike out the words "and substitute the following", and strike out lines 8, 9, and 10 in their entirety.
>
> Page 2, line 2, strike out the figure "(2)".

Mr. DENNIS. Mr. Chairman this amendment does just one thing. It strikes from the substitute the following language:

> Prior to January 1, 1974, no citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device . . .

In other words, it removes from the administration bill the nationwide suspension of literacy tests. It otherwise leaves the substitute administration proposal exactly as it now is.

I support the substitute. I have already indicated to the Committee in my previous remarks that I much prefer its approach, or proceeding through the courts having the Attorney General required to prove a case of discrimination, and treating all of the country alike, in the traditional way that the substitute does, to the drastic remedies of sections 4 and 5 of the 1965 Act, which the committee bill seeks to extend.

But the substitute is not perfect, and I want to improve it. The main reason I want to take out this nationwide prohibition of literacy tests is not so much because I believe in the test, although, if it is fairly administered, there is a good case one can make for it, but because I believe it is very plainly unconstitutional to try to say to the several States of the Union that they cannot prescribe such a test if they want to, assuming that they do not apply it in any discriminatory manner.

The reason why I say that is not just off the cuff as a lawyer but because the Supreme Court of the United States has so squarely decided on one occasion, in the case of *Lassiter* v. *Northampton County Board of Election*, 360 U.S. 45. They had that very question before the Court.

The Court pointed out, Mr. Chairman, that the several States have wide jurisdiction as to proper voting qualifications such as residence, age, and so on, which they can properly prescribe for voting laws if they are applied equally and fairly to all citizens alike. The court said this in a case where there was a challenge to a literacy test where no discrimination was shown.

The Court said the following:

> The ability to read and write likewise has some relation to standards designed to promote intelligent use of the ballot. Literacy and illiteracy are neutral on race, creed, color, and sex, as reports around the world show. Literacy and intelligence are obviously not synonymous. Illiterate people may be intelligent voters. Yet in our society where newspapers, periodicals, books, and other printed matter canvass and debate campaign issues, a State might conclude that only those who are literate should exercise the franchise.
>
> Of course a literacy test, fair on its face, may be employed to perpetuate that discrimination which the 15th Amendment was designed to uproot. No such influence is charged here. . . .
>
> The present requirement, applicable to members of all races, is that the prospective voter "be able to read and write any section of the Constitution of North Carolina in the English language." That seems to us to be one fair way of determining whether a person is literate, not a calculated scheme to lay spring for the citizen. Certainly we cannot condemn it on its face. . . .

They upheld the State law and so far as I know that is still the law.

Mr. ROGERS of Colorado. Mr. Chairman will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Do I understand that the decision to which the gentleman has referred is the Lassiter decision which, in effect, said that the State of North Carolina could insist upon a literacy test? That was in 1960 and that decision has not been set aside in subsequent decisions.

Mr. DENNIS. As the gentleman knows we have the Katzenbach decision and the

Gaston County decision but neither of them overrule that case.

Mr. ROGERS of Colorado. Mr. Chairman, if the gentleman will yield further, the Katzenbach case and the others were based on the Voting Rights Act of 1965 where in section 2 thereof it was provided that there shall not be imposed or applied by any State or political subdivision any act to deny or abridge the right of any citizen of the United States to vote on account of race or color.

Mr. DENNIS. The gentleman is correct.

Mr. ROGERS of Colorado. The basis for the Voting Rights Act of 1965 was on race and color and that is what the gentleman's amendment deals with, that if there is discrimination because of race or color as provided in section 2, your amendment will eliminate the obnoxious features at least of this section of the Voting Rights Act, the one limiting this bill and its extension and the substitute to race and color; that is, if there no discrimination. But the literacy tests by the State would still stand.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. ROGERS of Colorado. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

Mr. THOMPSON of Georgia. Mr. Chairman, reserving the right to object, I know there are many people that do want to be heard. I have been here since 10 o'clock this morning and have not been given time. I would like assurance from the chairman of the committee that there will be no effort to cut off debate at a later time if we do have these extensions.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. Yes, I yield to the gentleman from New York.

Mr. CELLER. I cannot give any assurance that debate will or will not be cut off. It depends upon the exigencies as they arise. The gentleman would not want me to do that.

Mr. THOMPSON of Georgia. I was wondering if the chairman himself would offer such a limitation on debate?

Mr. CELLER. I do not know what situation will develop. Let us wait and see.

Mr. THOMPSON of Georgia. Mr. Chairman, I object.

Mr. ROGERS of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to H.R. 12695 and I yield to the gentleman from Indiana in order that he may proceed.

Mr. DENNIS. Mr. Chairman, I shall not take the 5 additional minutes, but what I want to say to the gentleman from Colorado and to the Committee is that what I am saying is that a literacy test as such, assuming it is fairly administered, is not unconstitutional, and the Court has so held. Therefore, I think the part I am trying to take out of the substitute bill is an unconstitutional part and that is why I am trying to get it out.

If we succeed in doing that and the Ford amendment should pass, then the suspension of literacy tests will not exist anywhere in the country. But I would call the attention of this body to the fact that you still have section 3 of the act of 1965, which provides that when the Attorney General gets a decree to enforce voting rights, that as part of that decree, the Court can suspend literacy tests in the decree if the court sees fit. That seems to me to be a proper way to operate.

What I am saying to you is that by supporting this amendment you get a clean voting rights enforcement enactment, by proceeding in a proper and responsible way to enforce voting rights without loading the measure down with extraneous, and, as I believe, unconstitutional provisions.

Mr. ROGERS of Colorado. Mr. Chairman, the administration proposal would suspend literacy tests and other similar devices anywhere in the United States until January 1, 1974.

EXISTING LAW

Under the Voting Rights Act of 1965, literacy tests are suspended in six States—Alabama, Georgia, Louisiana, Mississippi, South Carolina, and Virginia—and in 39 counties in North Carolina. In addition to these seven Southern States, 12 other States have a constitutional or statutory provision requiring some showing of literacy as a precondition to voting. These are: Alaska, Arizona, California, Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New York, Oregon, Washington, and Wyoming.

Under existing decisions the right to vote may be conditioned on a literacy test so long as it is not applied in a discriminatory fashion.[1]

COMMENT

First. The proposed nationwide ban is in no sense an effective substitute for the existing provisions of the Voting Rights Act which focus on areas in which a substantial record of voting discrimination has been established. There has been no evidence demonstrating the denial or abridgement of the right to vote on the basis of race or color because of literacy tests in the 12 States not now subject to automatic literacy test suspension. Moreover, no lawsuits have been instituted by individuals, civil rights groups, or the Federal Government challenging the purpose or effect of such literacy tests.

Second. The Attorney General is empowered under existing law—section 3 of the Voting Rights Act—to challenge the efficacy of literacy tests anywhere in the Nation. Should the Government succeed in challenging the validity of a literacy test, there is no reason to believe that a proliferation of litigation will ensue since the States in question historically have not pursued policies of voting discrimination on the basis of race or color.

Third. The administration proposal would arbitrarily prohibit the application of all literacy tests without affording any State or political subdivision an opportunity to establish to the satisfaction of a Federal court that in fact the application of such a literacy test does not discriminate on the basis of race or color. The Voting Rights Act of 1965, of course, does enable jurisdictions covered by the automatic suspension an opportunity to be released from the act.

Fourth. The administration proposal would have the curious impact of suspending the use of literacy tests in several areas which have been released by judgment in lawsuits from the suspension of such tests under the Voting Rights Act of 1965. These jurisdictions include: Wake County, N.C.; Apache, Navajo, and Coconino Counties, Ariz.; the State of Alaska; and Elmore County, Idaho.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Colorado. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. Mr. Chairman, the gentleman named the States and counties affected by the criteria of the 1965 Voting Rights Act.

Mr. ROGERS of Colorado. That is right.

Mr. ANDREWS of Alabama. Was there any coincidence in the fact that those States and counties voted for GOLDWATER?

Mr. ROGERS of Colorado. I, of course, do not believe that we considered whether they voted for GOLDWATER, but we did consider as to whether or not there was a certain percentage of people of a certain color who had not voted in the States that I named. And that was the overwhelming evidence that I had reference to that caused the enactment of the 1965 Voting Rights Act.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield further?

Mr. ROGERS of Colorado. I yield further to the gentleman from Alabama.

Mr. ANDREWS of Alabama. Mr. Chairman, does the gentleman think it is right to permit a moron to vote in one of these six States, and not permit him to vote in New York?

Mr. ROGERS of Colorado. The question is whether or not he is discriminated against.

Mr. ANDREWS of Alabama. Just one moment.

Mr. ROGERS of Colorado. Wait a minute.

Mr. ANDREWS of Alabama. That was not my question.

Mr. ROGERS of Colorado. The question asked by the gentleman relates to the Voting Rights Act, does it not?

Mr. ANDREWS of Alabama. That is correct.

Mr. ROGERS of Colorado. The Voting Rights Act of 1965 prohibits discrimination in voting on the basis of color or race. It enforces the 15th amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMPSON of Georgia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I regret that unfortunately this debate seems to be degenerating into somewhat of an emotional state. Unfortunately, in an emotional air we

[1] In *Gaston County* v. *United States*, — U.S. —, decided June 2, 1969, the Court suggested that a literacy test may have the effect of denying the right to vote on the basis of race or color when applied to persons who have been subjected to inferior and unequal educational opportunity.

cannot always look at the equities of the situation.

Those Members who were here earlier to hear the gentleman from Virginia (Mr. POFF), I am sure recognized that as he gave his statement it was perhaps one of the best statements that has been given. I certainly do. Although, of course, it favored my position, I believe it was one of the fairest and clearest statements that has been made. It had no prejudice involved in it. There was no attempt to villify the South because of course the gentleman is from the South, but he did give a clear and concise presentation of what this act is all about.

Before I get into my main subject I would like to answer a question that the chairman of the Committee on the Judiciary asked me when he had the floor, and I asked him to yield.

He asked if I felt that he was prejudiced against Puerto Ricans.

If you look at the hearings on page 58 you will see where the chairman makes the statement that he voted against an amendment which would allow Puerto Ricans to vote who had a sixth-grade education in Spanish, but were not literate in English.

He says:

I am aware of that amendment, and I am afraid to confess that I voted against it.

I think perhaps that speaks for itself.

Another point that the chairman made on the same page when questioned by Mr. Glickstein, the civil rights commissioner, about literacy tests being used to discriminate he states:

I admit that with a jungle of literacy tests, it may be very easy to discriminate. In that sense, I would agree with you, but only in that sense.

These, of course, are statements of the chairman.

So certainly literacy tests may be used to discriminate not only in the South but in New York.

But the most important point I was attempting to make during the time that I asked the gentleman to yield is this point. In the State of New York there is a lower ratio of Negroes registered to vote than in the South. Is this because there are now no literacy test in the South but New York is free to invoke such test?

Mr. LOWENSTEIN. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. I yield to the gentleman.

Mr. LOWENSTEIN. Do you maintain that prior to the enactment of the Voting Rights Act there was no discrimination against black voters in the South?

Mr. THOMPSON of Georgia. Certainly not—there has been discrimination and there is no way that it can be condoned. However, let me say this.

We in this body should not look at the past and try to punish for past sins, but we should look at the present and the future of this country and try to do what is right for all citizens.

Mr. LOWENSTEIN. I agree.

Mr. THOMPSON of Georgia. Whether it be Georgia, Alabama, or New York State.

If the gentleman will allow me to continue, the point I believe I made was that simply there was a higher percentage of voting-age Negroes who went to the polls in the Deep South than in New York.

Further, from the testimony of the Attorney General on page 227 of the report—a higher percentage of voting-age Negroes went to the polls in the Deep South than in Watts or Washington, D.C., in the past presidential election.

Little more than one-third of the Negro voting-age population in Manhattan, the Bronx, Brooklyn, New York City, cast their votes in the presidential election.

So, surely, when we talk on an emotional basis about the fact that there may not have been the turnout in the South that there was in other areas, there are other areas of the country that we have not had the turnout as well.

But let me get to some of the basis of the voting rights.

Mr. LOWENSTEIN. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. I yield to the gentleman.

Mr. LOWENSTEIN. Of course, low voter turnouts can result from several different causes. I would be interested to know if it is your contention that in an area where there is a low turnout of voters for reasons not connected with discrimination, that that makes a situation equivalent to one where the low turnout is due to people being denied the right to vote because of their race? That question is central to the gentleman's point, since no one has alleged, much less produced evidence, that racial discrimination is the cause of the low voter turnouts that mar elections in some northern cities.

I agree that efforts should be made to increase voter participation wherever it is low, but that is not the purpose of this law. The purpose of this law is to make it possible for people to vote who wish to, to end racial barriers to the use of the franchise. Goodness knows, we have problems in New York about voter turnout—and about many other things—but these are not the problems this particular act is supposed to cure.

Mr. THOMPSON of Georgia. I believe I understand the gentleman's question and the gentleman can have his say when he gets 5 minutes.

Mr. LOWENSTEIN. I am simply asking the gentleman a question.

Mr. THOMPSON of Georgia. I do not condone discrimination any place, wherever it may occur. But I certainly feel that all laws should be applied equally and evenly throughout the United States.

In New York State there may be discrimination or there may not—I am not making that charge. But I am making the charge that there is a lower percentage of Negroes registered to vote in New York than in the entire South, on the basis of the current figures.

Mr. MACGREGOR. Mr. Chairman, I move to strike out the last word. I rise in opposition to the amendment offered by the gentleman from Indiana (Mr. DENNIS).

Mr. Chairman, the rights of citizenship, in December 1969, should be freely offered to those for whom the danger of alienation from society is most severe—because they have been discriminated against in the past, because they are poor, and because they are undereducated. As responsible citizenship does not necessarily imply literacy, so responsible voting does not necessarily imply an education. Thus, it would appear that the literacy test is, at best, an artificial and unnecessary restriction on the right to vote.

State officials have advised that in some of the States—for example, Delaware and Oregon—literacy requirements are no longer enforced or are enforced only sporadically.

Moreover, there is information that in many of these States the literacy test is not applied uniformly, but is applied at the discretion of local election officials. This lack of uniformity would appear to violate section 101 of the Civil Rights Act of 1964.

The Supreme Court appeared to tell us in the case of Gaston County against the United States that any literacy test would probably discriminate against Negroes in those States which have, in the past, failed to provide equal educational opportunities for all races.

Many Negroes, who have received inferior educations in these States, have moved all over the Nation.

The Bureau of the Census estimates that, between 1940 and 1968, net migration of nonwhites from the South totaled more than 4 million persons. Certainly, it may be assumed that part of that migration was to those Northern and Western States which employ literacy tests now or could impose them in the future; and that, as was true in Gaston County, the effect of these tests is to further penalize persons for the inferior education they received previously.

Thus, following the Supreme Court's reasoning, it would appear inequitable for a State to administer a literacy test to such persons because they would still be under the educational disadvantage offered in a State which had legal segregation.

Furthermore, the Office of Education studies and Department of Justice lawsuits have alleged that areas outside of the South have provided inferior education to minority groups. Following the general reasoning of the Supreme Court in the Gaston County case, any literacy test given to a person who has received an inferior public education would be just as unfair in a State not covered by the 1965 act.

As a matter of public policy, it seems to me that Congress has an interest in assuring that all citizens have equal rights to vote and that all State governments have equal rights to impose or to be prohibited from imposing certain voting restrictions.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. MACGREGOR. I yield to my distinguished colleague from Illinois.

Mr. RAILSBACK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I concur with the remarks of the gentleman. Despite the fact that I do not intend to support the Ford substitute, I think this is one section in that substitute which is excellent.

in other words, nationalizing the knocking out of all literacy tests.

Mr. Chairman, is it not also true, I ask the gentleman, that in the State of New York and some other States perhaps the mere fact that there is a literacy test is enough to cause some people without much education to not want to submit to the test?

Mr. MACGREGOR. Yes; particularly the blacks from the South.

Mr. Chairman, I thank the gentleman from Illinois for his comments.

Let me remind the Members that the National Association for the Advancement of Colored People and the American Civil Liberties Union and President Kennedy's National Commission on Registration and Voting have all urged the elimination of literacy tests as a precondition to voting. They have not just urged that they be eliminated in the South, but they have urged that they be eliminated nationwide.

Mr. CELLER. Mr. Chairman, I ask unanimous consent that all debate on the so-called Dennis amendment conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. HANNA).

Mr. HANNA. Mr. Chairman, I take this time to ask the chairman of the committee some questions.

May I ask the chairman of the committee, the gentleman from New York, am I correct in understanding the situation that exists in regard to the Dennis amendment; assuming that we pass the Dennis amendment, the remainder of what is in the Ford substitute is then only in the main consisting of two things: First, it would take out that section of the existing law where the burden of proof is on the Southern States, those which originally had the majority of the problem with reference to colored population?

Mr. CELLER. Mr. Chairman, I think that is correct, but it does go beyond that.

Mr. HANNA. The second thing it would keep in is the point about allowing all the citizens of the United States to vote for President or Vice President regardless of the fact that they may have moved rather recently. Is that not also still in the Ford substitute?

Mr. CELLER. I do not think it goes as far as that absolutely. I think there are certain restrictions involved.

Mr. HANNA. As I recall the reading of the letter by Mr. GERALD R. FORD, two things seemed very clear in the letter. They were that the President was for this business of letting all citizens, whether they had moved or not before the election, vote for President and Vice President. That is one point he was for.

The second thing the President was for was the business of letting all citizens vote regardless of the fact that there might be some literacy tests or some other types of tests in a given State under the election laws. Those two things the President made very clear in the letter. I do not believe he was very clear about any other points, but he made those two points. I ask the question, assuming we could clear the question of constitutionality of Federal law about this business of putting a 5-year moratorium on literacy tests, would the gentleman from New York be averse to those two aspects?

Mr. CELLER. Mr. Chairman, I am averse. I want a simple renewal of the Voting Rights Act of 1965, without any ands, buts, or moreovers. I think the country is entitled to renewal of that act without any sham.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Chairman, I rise in opposition to H.R. 4249 because it is based upon conditions as they existed in 1964 rather than the present time and would ban acts in some States that are permitted in others. It seems to me that if a given act such as literacy tests are invalid under Federal law in one State, they should be invalid in all.

The Attorney General has recognized this in recommending to the Congress a proposal which, among other things, bans literacy tests and similar devices throughout the country until an advisory commission has an opportunity to investigate the matter and to report back to the President and to the Congress. Certainly, I think this is much more sound than a straight 5-year extension of an act without any weight or consideration being given to any change in the circumstances in the individual States.

Mr. Chairman, I believe every Member of this House supports the 15th amendment and would look with disfavor on any action by a State or political subdivision which would deny the right to vote to any American on the basis of his color or his race. Furthermore, I believe that all sections of our country have arrived at the place where there will be no denial by any government unit of the right to vote on this basis. But, if this is not true, it still seems reasonable to have laws on the subject equally applicable to all parts of the country. Therefore, I urge your support of the administration's proposal.

You have heard the statement that no individual should be above the law and no individual below the law, and I submit that we can go somewhat further and say that no State should be above or below but that a Federal law should be uniform throughout the country.

I wonder, however, Mr. Chairman, if some of the people favoring this legislation are not attempting to make a whipping boy out of the South and to impose restrictions upon the South which they are unwilling to accept for their own State. This is regional legislation which I understand was recommended by former Attorney General Ramsey Clark before he left office. It could well have the effect of driving some of our Democratic colleagues from the South into the Republican Party. They might be more appreciated and more comfortable there. It will certainly have the effect of hastening the rebuilding of a strong Republican Party in the South. So, from a selfish political point of view, let me urge the northern Democrats to be as harsh, to be as oppressive as possible in their northern strategy. By making the South a whipping boy, conjuring up or magnifying southern problems, you may be able to get more votes in the North. But you will be helping us rebuild a strong Republican Southland. Your efforts are appreciated.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. Mr. Chairman, I rise in opposition to the Dennis amendment which, as I understand it, would have the effect of removing from the substitute offered by the gentleman from Michigan (Mr. GERALD R. FORD) the suspension of literacy tests. It does not have anything to do with the residency requirements.

There has been a great deal said about the need for this in the South but no need existing in the North. I believe we ought to be perfectly fair and reveal some other information which I came across, which was submitted by the Attorney General.

In the nine northern big-city States—Massachusetts, New York, New Jersey, Pennsylvania, Ohio, Michigan, Illinois, Missouri, and California—there were only 10 congressional districts where less than 100,000 votes were cast for Congress in 1968.

Of those 10, one was in California and eight were in the State of New York. These nine California and New York districts—the 21st in California; the 11th, 12th, 14th, 18th, 19th, 20th, 21st, and 22d in New York—included most or part of all of the major Negro ghetto areas—Watts, Harlem, Brownsville, Ocean Hill, Bedford-Stuyvesant, and the south Bronx.

In the largely Negro Watts congressional district in California, the 21st, only 95,000 persons voted in 1968, less than half the turnout in the average white congressional district.

It seems perfectly clear to me that when we debate today, and try to focus attention on vote frauds, on literacy or the need for banning literacy tests in one part of the country, we are deceiving ourselves.

If there is a proper way to include the entire 50 States in vote and election reform it should be done. It is my sincere hope that the chairman meant what he said, that he would give us early hearings if we do not get the job done today, to look at all the States. That is what we should be doing.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. DENNIS) to the substitute amendment offered by the gentleman from Michigan (Mr. GERALD R. FORD).

The amendment to the substitute amendment was rejected.

Mr. MIKVA. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, a lot has been said about literacy tests. I believe the Members present on the House floor ought to take a little look at what the proposed substitute would do to the residency laws of their States. And because a part of the proposed substitute or the Ford amendment deals with making uniform residency requirements, this is a special matter which I could personally favor. I think in the national elections people ought to be allowed to vote notwith-

standing the fact that they may have moved in sometime prior to the time that the existing State law allows. However, this amendment was considered by the committee but was rejected for some reasons which I think are sound and which I think ought to be brought to the attention of the House.

First of all, there are some serious doubts concerning the authority of the Congress to approve a residency requirement for voting in presidential elections. There is no clear-cut decision that says Congress has that power.

Now, in addition to the questions concerning the constitutional validity of the amendment, there are a lot of reservations about the language in this particular proposal. I think it is clear that the proponents of the amendment intend for people to vote only for President and Vice President. However, as I read the language on page 2, I think that language possibly could be construed to mean that, in an election year when a President and Vice President were to be elected, a voter would be allowed to vote for all of the offices that were up in that election.

I cite that as another example of very technical language going into such troublesome constitutional seas and feel that it should not be brought to the floor of the House without full and deliberate consideration.

Mr. HANNA. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from California.

Mr. HANNA. In the State of California when the President is up for consideration in the 4-year period in that same election, the people would be selecting all of the assemblymen for the lower body of the house in the State and half of the senators and all of the Congressmen. Is it the gentleman's interpretation of the language that they get to vote in that election and that, in effect, this section would provide for them the right to vote for everyone even though they had moved out of the State?

Mr. MIKVA. The States involved in such restriction include Alabama, Arkansas, Delaware, Indiana, Iowa, Kentucky, Mississippi, Montana, Nevada, New York, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia, and Wyoming.

In all of these States the present residency restrictions would be seriously affected.

In many States, I might point out to those of you who do not have absentee voting laws, I think they would be required to have an absentee voting system, or the Federal Government would have to run one for you, because the language says that absentee votes must be allowed.

I cite this again in support of my fundamental position on a uniform residency requirement for the election of President and Vice President. I favor it and I hope that the Committee on the Judiciary will at some future time consider such a proposal just as I hope it will consider the question of national literacy tests.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. If the requirements set forth in the substitute should be adopted, they would preempt the field and set aside all the State laws in that field; is that right?

Mr. MIKVA. Absolutely, in terms of elections.

Mr. ROGERS of Colorado. Mr. Chairman, if the gentleman will yield further, there are certain States that permit election for President and Vice President even though you have just moved into the State a couple of days before the election. That law would be set aside?

Mr. MIKVA. That is correct.

Mr. ROGERS of Colorado. And it would then go back to the 1st of September of that election year because it preempts the field and sets aside the State law?

Mr. MIKVA. I would answer the gentleman that I interpret the bill that way as it is proposed to be amended.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from New York.

Mr. CELLER. Under the residency provisions of the substitute if a citizen moves into a State after September 1 and does not meet residency requirements for voting, he is given the right to vote in his former State of residence either in person or by absentee ballot. Twenty-nine States today permit new residents to vote for President and Vice President although they may arrive in the State after September 1.

What will assure that a new resident will not vote twice—once in his new State of residence, and a second time in his former State of residence? What machinery is prescribed in this so-called substitute to protect against dual voting? The answer is none.

The difficulty is that the opportunity for "double voting" is provided, but no safeguards against the practice are established.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CELLER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will yield to the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. I would like to answer that I agree with the gentleman completely that there is no machinery. Indeed, as I read the bill I do not believe it is even prohibited. I believe it is a sort of a Scout's honor proposition that you will not vote twice, but I do not read anything in the bill that would prohibit it at all.

Mr. CELLER. The States themselves would have to deal with the enforcement, and not the Federal Government; and would the States enforce it, or could they enforce it?

Mr. MIKVA. I do not see how they could enforce it, because they would not even have access to whether a person had voted in another State, or vice versa.

Mr. CELLER. In other words, is it not also true that the secretary of state or the attorney general of a State would be involved and would have to know all of the voting laws and residency requirements in every State in the Union; is that correct?

Mr. MIKVA. That is correct.

Mr. CELLER. In order for them to proceed with logic and simplicity in the matter.

Mr. MIKVA. In addition he would have to know who has moved in and out, and when they moved in and out in terms of whether or not they would be eligible to vote so that they would not vote twice.

Mr. CELLER. Is that not another emphatic objection to the so-called Ford-Mitchell substitute?

Mr. MIKVA. I would agree with the gentleman from New York, and that is also another example as to why we should hold hearings in order to perfect the legislative draftsmanship.

Mr. CELLER. Was that not also because of the fact that nothing of that sort was presented before the Committee on the Judiciary by either the Attorney General or anyone connected with him?

Mr. MIKVA. That is correct.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BIESTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that most of the Members of the Committee share some of the concerns which this Member shares about legislation which is capable of being characterized as regional in nature. But, it seems to me that we make a mistake if we consider rights and responsibilities in our Federal system pursuant to an institutional focus only. I think the remarks of the gentleman from Illinos (Mr. ANDERSON) earlier today made an effort, and successfully, to establish the proposition that those rights are only in clear focus when they are brought sharply to bear on the rights and responsibilities of individuals, and not on the rights and privileges of institutions.

For example, an individual in this country has certain responsibilities to his State. Among them are, of course, paying taxes, obeying the police powers, and the State laws.

He has further responsibilities to his Federal Government, among those are his payment of Federal taxes, the obeying of Federal laws and, of course, his Federal military service.

Thus an individual experiences his responsibilities to both institutions, both at the State level and at the Federal level. By the same token each of those institutions at both levels owe him certain rights and guarantee him certain rights. At the Federal level it guarantees by the 15th amendment his right to assume a citizen's participation in American political life by the franchise. And we do not arrogate to ourselves in this body any new or special capacity or privilege when we seek to implement that right successfully.

Nevertheless——

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BIESTER. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Mr. Chari-

man, I thank the gentleman for yielding, and in view of what the gentleman has mentioned, may I direct your attention to page 3 of the substitute bill dealing with the question of absentee voting?

Now we know there are a certain number of States that do not have absentee voting. Yet, in section 3 on page 3 it says that they shall be entitled to vote by absentee ballot. How do you propose that those States that do not have absentee voting, how do you propose that they should vote?

Mr. BIESTER. I suggest to the gentleman that he save that question for one who supports the substitute—I do not.

Mr. Chairman, it seems to me we also face in the minds of those people who look to our institutions for the protection of their rights a very disturbing challenge.

Young black people in this country are caught, including those who have served honoraby in Vietnam, between the constant challenge of an insufficiently responsive society on the one hand, and militants who sow hate and separatism on the other.

These young people want to see the American political system work. They want to be able to tell the militants that the system works and that the future of black people in America lies within the free, fully franchised political life of America. They offer us faith in one America, and we must return that faith in kind.

Mr. Chairman, rights live only in the sure knowledge of their vindication. Let us, with this extension, continue that sure knowledge.

The disinguished minority leader has said that the States in question were asked to jump 6 feet and they jumped 6 feet.

I respectfully suggest that they did not jump 6 feet, they were dragged 6 feet.

Mr. WATSON. Mr. Chairman, will the gentleman yield?

Mr. BIESTER. I yield to the gentleman.

Mr. WATSON. Since you say that they did not jump but they were dragged 6 feet—in either event they made the 6 feet; did they not?

Mr. BIESTER. They made just 6 feet.

Mr. WATSON. That was all required and yet you do not reward them for that?

Mr. BIESTER. They made just 6 feet and they have to do more—if you changed the figure from 50 percent to 55 percent, they still would have to do more, they would still be covered.

Mr. WATSON. As I understand, with the standards set in the 1965 act, they made it but now you refuse to give them credit for it, but will change the requirements.

Mr. BIESTER. We will give them credit and we will ask them to do more. In fact, one of the States in question just made it with 50.

Mr. Chairman, I urge the rejection of the substitute amendment and urge the adoption of the committee bill.

Mr. WIGGINS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to speak primarily on a single subject because I detect a certain undercurrent of discontent on one side of the aisle about the substitute bill.

The point is the literacy test on a nationwide basis. I realize a great many Members feel that a literacy test is worthwhile and they may be reluctant to accept the substitute for this reason.

I want to say I have a great deal of empathy with you because I too feel there is merit in the literacy tests.

The shining goal which we seek to achieve, I think, is maximum participation by qualified voters.

We will not be a better Nation by encouraging political participation by those barely able to discern the difference between a polling booth and an outhouse.

States should be able to enact reasonable tests of competency to vote and those tests must be applied in a nondiscriminatory manner. Literacy as well as age can be such a reasonable test.

Therefore, I would prefer the continuance of reasonable and fairly administered literacy tests by those States which choose to do so.

But the Supreme Court has declared the rule in the Gaston case to be the law of the land. That case casts doubt on all remaining literacy tests in the 20 States now applying such tests.

Since Gaston is the law, I am reluctantly prepared to accept the abolition of literacy tests and urge my colleagues to do likewise.

In summary and in conclusion, the substitute bill is better than the 1965 act we now have.

It is constructive that any law be applied uniformly. It is constructive to deal with the subject of State residence requirements in presidential elections.

It is constructive to extend the power of the Attorney General to place examiners in any State, not just a few, and obtain injunctions in appropriate cases to prevent discrimination in voting.

Mr. Chairman, I urge the adoption of the substitute offered by the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman.

Mr. PELLY. Mr. Chairman, I favor an extension of the Voting Act of 1965, and oppose the substitute. To begin with, I think the Voting Rights Act has been effective and I do not think this is any time to take a step backward. In other words, nearly 1 million persons have been added to the voting rolls since 1965 when this act was passed with my support.

Unfortunately, discrimination in voting rights still continues. It does more so in the South, but I do not wish to punish the people of any State. I just want to end discrimination where it exists.

The Commission on Civil Rights recommends continuation of this act and it has the support of other groups, including the AFL–CIO and the NAACP.

Mr. Chairman, let us not jeopardize the progress made in America in the past few years. Let us stand firm and, if we take any action at all, let us apply the same protection to minority citizens under this law, which applies to certain Southern States, to all the States of the Union.

Mr. POFF. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I express the hope that we will soon come to grips with the vote on the pending substitute.

I believe it would be in order at this time if the chairman would try to determine how many Members would like to address themselves to the question before the Committee and see if it is possible to agree on a time to close debate on this amendment.

Mr. CELLER. Mr. Chairman, I ask unanimous consent that all debate on the so-called Ford substitute, and all amendments thereto, conclude at 4 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WATSON. Mr. Chairman, reserving the right to object, I wonder if the able gentleman from New York, the chairman of the committee, will extend the time a little beyond that? There are many of us who have been seeking recognition who are not on the committee.

Mr. CELLER. Mr. Chairman, I will extend the time in the request to 5 minutes after 4 o'clock.

The CHAIRMAN. The gentleman from New York asks that all debate on the Ford amendment and all amendments thereto conclude at 4:05.

Mr. POFF. Mr. Chairman, reserving the right to object, may I ask is all this time coming out of my 5 minutes?

The CHAIRMAN. It will.

Mr. POFF. Mr. Chairman, I withdraw my reservation of objection.

Mr. GERALD R. FORD. Mr. Chairman, reserving the right to object, will the gentleman from New York, the chairman of the committee, amend the request to 4:15 and let the gentleman from Virginia make up the time he has lost on this discussion?

Mr. CELLER. Mr. Chairman, I amend the request to ask that all debate on the Ford substitute amendment and all amendments thereto conclude at 4:15.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. POFF. Mr. Chairman, first I would like to pay tribute to the committee and to this House. I am proud of the tenor the debate has taken. I am proud to be a member of the great Committee on the Judiciary. I am proud to have an opportunity to try to influence a decision which will be of great consequence to this Nation. Our decision should be made carefully.

Time will permit me to review only briefly the details of the Ford substitute. As indicated in the general debate, in five particulars the Ford substitute is nationwide in character and in impact.

First, the Ford substitute provides a nationwide literacy test suspension until January 1, 1974. I emphasize that it is not a nationwide test ban, but a nationwide test suspension. During the interval the nationwide Commission which

will be appointed under the Ford substitute will study the impact of literacy tests and other devices upon voter participation by minority groups. At the conclusion of that time, the Commission will report to the Congress its recommendations for additional legislation.

Second, the Ford substitute provides nationwide residency requirements for voting in presidential elections. In a colloquy a moment ago, it was indicated some of the language in section 5 of the substitute may be ambiguous. To the extent that it is ambiguous, I believe it is possible to cure the ambiguity by legislative history. To the extent it is impossible to do that, I suggest that the substitute in its present form is not the final posture the legislation will assume before it goes to the President's desk. It is now nothing but a vehicle, and the Congress in its two bodies and in the conference committee will have ample opportunity to work its will upon the final product.

Third, the Ford substitute provides nationwide authority for the Attorney General to station examiners and observers in every precinct in every jurisdiction in each of the 50 States. It is important to emphasize that the present Voting Rights Act does not give the Attorney General equivalent authority, and the substitute makes it possible for the Attorney General on his own motion, after receipt of the required complaints, to dispatch either the examiner in advance of the election or the observer on election day to make certain that no racial discrimination in the voting process is practiced.

Fourth, the Ford substitute makes nationwide the authority for the Attorney General to bring preventive injunction suit to prevent voter discrimination either by an individual or by a State or municipality. This, I submit, is a perfect answer to the argument that has been made repeatedly that the States presently covered by the Voting Rights Act may, after coverage of section 5 is lifted, return to their old discriminatory practices.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

The Chair has noted the Members standing at the time the request for a time limitation was made, and each Member will be recognized for approximately 1½ minutes.

Mr. ARENDS. Mr. Chairman, I ask unanimous consent that my time be allocated to the gentleman from Virginia (Mr. POFF).

Mr. TALCOTT. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

The Chair recognizes the gentleman from Illinois (Mr. ARENDS).

Mr. ARENDS. Mr. Chairman, I yield to the gentleman from Virginia (Mr. POFF) for a question or a statement.

Mr. POFF. Mr. Chairman, I had just finished saying that the substitute offered by the gentleman from Michigan (Mr. GERALD R. FORD) makes it possible for the Attorney General to bring, in any jurisdiction in any of the 50 States, a preventive injunction suit. This, I suggest, is a perfect answer to the fear expressed repeatedly that once the States presently covered are allowed to escape coverage they will somehow backslide into old ways and begin again the discriminatory practices which preceded the 1965 Voting Rights Act.

Finally, Mr. Chairman, the thing which I believe is really at issue here today is the course this Nation intends to take. I most earnestly submit to this body that this Nation at this crucial time should not be compartmentalized. It should not be sectionalized. It should not be regionalized. At this critical time this Nation should be reunited.

When we speak of reuniting America we must all yield and all agree that old shibboleths, old passions and old prejudices must pass away.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from California (Mr. HANNA).

Mr. HANNA. Mr. Chairman, I should like to reemphasize to the Members that the measure we have before us has these problems connected with it. If Members will just read the language of the measure they are asked to vote upon—and whether it can be changed by some other body I leave to their discretion—the way we are going to vote on it is that it now provides that in the election in which the President and the Vice President are up it would give rights that do not exist under State laws in many of the States of the United States. It is going to preempt the existing laws insofar as those elections are concerned.

I suggest that, just as in my own State, it will affect voting on State officers and State issues. It will allow those who have moved out of the State to get involved in the total election.

Second, the problem has been drawn about how this is going to affect absentee voting. It will seriously affect absentee voting. It will give the possibility that we are going to have dual voting by the people who have moved.

I suggest that any measure which has these kinds of problems connected with it should be defeated.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Ohio (Mr. TAFT).

Mr. TAFT. Mr. Chairman, I rise in opposition to the amendment and in support of the bill as it was reported by the committee.

It seems to me there is something unique about the right to vote which ought to be mentioned here today. With many civil rights it is true, inevitably, that the claimed rights or at least the permissible conduct of others is affected by the granting of or the withholding of the rights of some other individual. That is not true of the right to vote.

For that reason it seems to me the very strictest requirements can and should be put upon protecting the right of each citizen of this country to vote.

The law we have passed does this. We do not know whether the amendment, should it be passed, would really work. I have my doubts, and I have heard doubts expressed by many other Members today.

We should not risk this. We should not take the chance that we would in some way hinder the progress and create the tremendous frustrations and the tremendous moral decay, which I believe could occur if there should be a backsliding on the progress we have made in this field.

If there are other nationwide concerns to which we should attend, it should be done in other legislation and should not be permitted to jeopardize the present requirements that have operated so successfully to strike at the problem where it lived in its most flagrant form.

I ask for the defeat of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. DOWDY).

Mr. DOWDY. Mr. Chairman, I am in agreement with the statements that have been made, that every American must have an equal right to vote, and that the right to vote is the cornerstone of our Republic. However, I fear that in the light and under the circumstances those statements have been here made, they were sanctimonious piety.

Much has been said about discrimination on the part of several States. In fact, the 1965 Voting Rights Act is highly discriminatory, because it discriminated against six or seven of the States of the Union, leaving the remainder of the 50 States entirely without its scope, though many of them were just as guilty of discrimination. I believe some 12 or 14 discriminate against Puerto Ricans, including the State of New York. But the Members from those States call upon the heavens to protect them when any mention is made that the same law should apply to their States, as they wish to apply against a few of the States of the South.

And here in this debate, those same Members desire to compound the discrimination. They now want to continue the same discrimination, and compound it by reference to the 1960 census and the 1964 election. They know the reforms have been accomplished in the six or seven States, but in their hatred for the people of those States, they would not bring the law up to date. We will have a new census next year, before the present voting rights law expires; why not base a new law on the new census? We have had several elections including another presidential election since 1964—why base present actions on days long past—or why not revert to a date during Reconstruction days?

This committee bill would not apply to my State of Texas, but understandably, the southern people—not Virginians alone—are sensitive on this issue. They feel, with justice, that there are two classes of law in the United States—one for them—and another for the people of other States. And they can point to the unequal application of this voting rights law as proof evident. This law was framed to apply to them, and to them alone. The law is not concerned with violation of voter rights or voting fraud anywhere else. Mr. Chairman, it is intolerable and outrageous to have a double standard of law in a representative republic.

The hypocrisy in the committee bill is evidence in that it purports to relieve only the citizens and authorities of a few States from discrimination. Why should

the law not be the same for all 50 States, and apply equally to them? Any law passed by this Congress should apply equally and uniformly to all of the States. The evidence of this hypocrisy is more so, in that the committee bill proposes to reach back to the 1964 election, rather than the more recent 1968 election. Otherwise, the newer date would be adopted, and the bill extended to protect the citizens of all States. If we are to legislate in this field, why should we not extend it to cover the multiplied thousands of eligible voters who are omitted from the 1965 act, and who are excluded from the committee bill?

Mr. Howard Glickstein, the general counsel and acting staff director of the U.S. Commission on Civil Rights testified during the hearings on this bill in May of this year. He then stated:

> It would be very incongruous to have a literacy test being administered in one county, and in a neighboring county there was no literacy test.

It is just as incongrous as well as discriminatory to bar literacy tests in six or seven States in the Union, and permit such literacy tests in the remaining States.

I am fundamentally against intrusion by the Federal Legislature into matters reserved to the State legislatures by the U.S. Constitution. However, if this bill is amended by the substitute which has been proposed here, I will be inclined to support it.

Otherwise, I must oppose the bill, as I am fundamentally opposed to discrimination involving any legal rights, including the right to vote.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. Mr. Chairman, I rise in support of the Ford amendment.

Mr. Chairman, when Congress passed the Voting Rights Act of 1965, it marked a new low in mockery of the Constitution and was clearly one of the darkest hours for this Nation since Reconstruction.

That was 5 years ago. Now the Congress is being asked to compound its earlier mistake by giving the act a new 5-year extension. Surely this punitive and purely sectional legislation is not going to stay on the books. Surely, somewhere during the course of history, Congress will abandon the notion that the end justifies any means and return to the Constitution as a basis for legislation.

The 1965 Voting Rights Act should die, just as the discriminatory legislation of Reconstruction Congresses passed on, and for two very basic and most important reasons.

First, the act was a carefully planned plot by the Johnson administration to deprive seven Southern States, and only those, of the simple right of equal application of the law.

State laws requiring literacy and moral character as conditions for registering to vote are suspended. Does this mean all State laws, Mr. Chairman? Oh no, it applies only in States which had less than 50 percent of its voting-age residents registered to vote on November 1, 1964, or in which less than 50 percent voted in the general election of 1964.

By no coincidence, the only States affected were Alabama, Alaska, Georgia, Louisiana, Virginia, Mississippi, South Carolina, and 26 counties in North Carolina and one in Arizona, Idaho, and Hawaii. And here it is 1969, and the Judiciary Committee wants to use a 1965 formula for another 5 years. How long will this body engage in punitive legislation?

Other States go right on using literacy tests and minimum education grade levels, and very probably anything else that they want to use. They do not worry about the Federal Government stepping in and running their elections, harassing and insulting their local voting officials. The Federal Government is preoccupied with seven of 50 States, and if this act is extended, the honeymoon can just keep right on going, and for seven States, the bondage will likewise go on and on.

Under the 1965 act, the Justice Department is permitted to conduct voter registration drives in various counties in a State. The counties are selected by the Attorney General on the basis of the relative lack of integrity of election officials, and considering the quality of the Attorneys General in the past, leaving such matters to his discretion is foolish indeed.

It might be proper to mention that funds used by the Justice Department to pay its "army of occupation" are Federal funds—part of which, of course, are provided by the very States now being used as whipping boys. The whole setup is constitutionally corrupt and outrageous.

The second major reason that the 1965 Voting Rights Act should pass from the scene is that it is unconstitutional—the most important consideration, if we still consider ourselves in the business of passing laws that do not depart from the Constitution.

The establishment of requirements for voting constitutionally lies within the province of the States. In passing this law, the Federal Government is deliberately infringing on the rights of the States.

The Voting Rights Act of 1965 gives the Attorney General the power to veto State legislation, in those few selected States, that in any way amends or modifies existing laws or which enacts any new regulations regarding any aspect of the election processes.

Therefore, these Southern States must come to Washington hat-in-hand to get Justice Department approval before any of these State laws can take effect. In other words, the 1965 Voting Rights Act presumes that State legislatures cannot be trusted to handle the duties given them by the U.S. Constitution.

The States' right to set residency requirements for voting should also be maintained. Let us remember, we vote for the President of the United States by States, and it is perfectly sensible that each State determine when a resident of that State is entitled to vote. The rights of the States have suffered enough, without further abuse by extending the 1965 Voting Rights Act.

Mr. Chairman, because of the 1965 Voting Rights Act, Alabama and other Southern States have been singled out for special harassment and humiliation. In the name of decency, civility, and indeed democracy, the act should die. The Civil War ended about a century ago. It is time that Reconstruction ended too.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Chairman, I want to say quite candidly and frankly that there is no recrimination involved in this legislation. The only purpose of the committee bill is to extend the existing legislation for a period of 5 years in order to provide all Americans with an equal right to vote.

Mr. Chairman, I think the Ford substitute is aptly named a substitute. However, it would substitute virtually nothing for something which has been demonstrated to be effective.

With reference to Negro registrations in the States which have been subject to the triggering provisions of the 1965 act, they have increased dramatically. For instance, in the State of Mississippi, Negro registrations have risen from 6.8 percent to 56 percent, and comparable improvements have been made in many other States.

With reference to legislation which has been objected to by the Attorney General, well, there are more measures that have been objected to in 1969 than in any previous year.

Mr. Chairman, we need this legislation extended now more than any other one thing.

The original legislation was recommended for a period of 10 years. That is the period of time for which we need it. So the 5-year extension is consistent with the original intent. Therefore, Mr. Chairman, I urge the overwhelming support of this bill on the part of the Members as they supported the 1965 Voting Rights Act.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. JACOBS).

Mr. JACOBS. Mr. Chairman, those who are familiar with police work know that the concept of selective law enforcement is well established and effective in the fight against crime. I think this really describes the difference between the substitute and the bill which has been reported by the committee.

Selective law enforcement means that you go where the crime is being committed and concentrate law enforcement efforts in that area, rather than spread the effort thin.

Mr. Chairman, I had occasion when I was a police officer to persuade the county commission in my area to put a stop sign at a dangerous intersection where we were averaging five personal injury accidents a month. For about a year after the stop sign was installed there were no personal injury accidents at that intersection. Then some irate citizen, who was arrested for running the stop sign and who had considerable in-

fluence with the county commissioner, prevailed upon the commission to repeal the ordinance setting up the stop sign and it was taken down. The personal injury accidents resumed just as before.

That is the real "southern strategy" scheme of the administration substitute.

There is only limited law enforcement personnel in the Justice Department and that personnel should be used where everybody knows the problem exists.

When the fire department is fighting a big fire at the lumber company, you do not send half the firemen down the street to the asbestos plant.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, the act of 1965 is very clearly an act to advance Negro voting rights. One need to read no further than the first sentence of the act to determine that. It is pretty hard to argue with success. The act has worked.

It is interesting to me to note that during the discussion today of the amendment in the nature of a substitute, now pending before us, not one of the advocates of this amendment has argued that it would do a better job than the committee bill in advancing the voting rights of Negroes. Therefore, my question is this: Why should we risk a step backward when we can be assured of continued further progress?

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. MCCULLOCH).

Mr. MCCULLOCH. Mr. Chairman, obviously my remarks will be brief.

I want to read a few words by the Very Reverend Father Theodore Hesburgh, president of Notre Dame and longtime member of the Commission on Civil Rights, from its very beginning, and the Chairman thereof, appointed as Chairman by the President.

This is a letter that was sent to the Attorney General under date of June 28:

DEAR MR. ATTORNEY GENERAL: I am writing to express my deep concern about the amendments to the Voting Rights Act which you proposed to the Subcommittee of the House Judiciary Committee on Thursday, June 26, 1969. The Commission staff is preparing a more detailed analysis which will be provided to you.

Your fourth proposal—to eliminate existing protection against manipulative changes in voting laws—is in no sense an advance in protection of the voting rights of American citizens. It is a distinct retreat. It is an open invitation to those states which denied the vote to minority citizens in the past to resume doing so in the future, through insertion of disingenuous technicalities and changes in their election laws.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New York (Mr. FISH).

Mr. FISH. Mr. Chairman, I ask unanimous consent that the time allotted to me may be yielded to the gentleman from Ohio.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. TALCOTT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. FISH. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. MCCULLOCH. I thank the gentleman.

Mr. Chairman, continuing reading from the letter by Father Hesburgh to the Attorney General:

Under the present act, they cannot make such changes without prior approval of the United States District Court for the District of Columbia or of the Justice Department. Even so, at least one municipality in Mississippi's election last month changed election procedures without approval and in violation of the law, a defiance which your statement recognizes has not been unusual.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Michigan (Mr. HUTCHINSON).

Mr. MCCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. HUTCHINSON. I yield to the gentleman from Ohio.

Mr. MCCULLOCH. Mr. Chairman, again continuing with the letter from Father Hesburgh to the Attorney General:

Your proposed alternative would turn back the clock to 1957, relying on the slow process of litigation to try to keep up with rapidly enacted changes in the laws. It would mean that the Department of Justice would not have notice of such changes before they went into effect. The inadequacy of litigation as the sole technique of protecting the right to vote was recognized by Congress when it passed the Voting Rights Act of 1965. Now is not the time to gut one of the act's key provisions.

I am also disturbed by our fifth proposal, which would add to the United States Govment yet another new Federal commission, this one called a "national advisory commission," to concern itself with voting discrimination and corrupt practices relating to voting.

You state that this new agency would be set up to study the effects which literacy tests have on minority groups, to study the problem of election frauds, and to report to Congress its findings and recommendations for any new legislation pertaining to the right to vote.

I am unable to understand what purpose such a new commission would serve that is not already within the authority granted by the Congress to the United States Commission on Civil Rights. The Commission on Civil Rights is, as you know, a bipartisan, independent agency, proposed by President Eisenhower and Attorney General Brownell in 1956 and established by Congress in 1957. Attorney General Brownell said at that time:

"When there are charges that by one means or another the vote is being denied, we must find out all of the facts—the extent, the methods, the results . . . The study should be objective and free from partisanship."

Under its statute, as amended, the Commission on Civil Rights has been directed to—

"Investigate allegations, made in writing and under oath or affirmation, that citizens of the United States are unlawfully being accorded or denied the right to vote, or to have their votes properly counted, in any election of presidential electors, Members of the United States Senate, or of the House of Representatives, as a result of any patterns or practice of fraud or discrimination in the conduct of such election . . ." 78 Stat. 251, 42 U.S.C. 1975c(a)(5).

Thus the Commission on Civil Rights has an ample mandate to investigate fraud in such elections, as well as to—

"Investigate allegations in writing and under oath or affirmation that certain citizens of the United States are being deprived of their right to vote and have that vote counted by reason of their color, race, religion, or national origin . . ." 71 Stat, 635, as amended, 42 U.S.C. 1975c(a)(1).

The Commission has been vigorous over the years in investigating denials of the franchise and fraudulent election processes. Indeed, it was work by this Commission which helped lay the factual base for the Civil Rights Act of 1960 and 1964 as well as the 1965 Voting Rights Act. Our investigations have not been confined to cases of election fraud which involve discrimination against members of minority groups, though we have consistently found that the most flagrant frauds and abuses were directed against minorities.

Our investigations have not flagged. You have been provided a copy of a recent staff memorandum on the May 1969 elections in Mississippi. The Commission's numerous hearings and reports are filled with the results of our research on voting. Our publications which deal especially with voting rights include:

"Political Participation (1968); The Voting Rights Act of 1965: The First Months (1965); Voting in Mississippi (1965); Report of the Commission (1959).

The Commission's budget proposal for fiscal year 1970 already requests funds for a study of political participation of minority groups outside the south.

The Commission on Civil Rights, as you know, has recommended abolition of literacy requirements for voting throughout the nation. I gather from your testimony that you agree. Certainly, however, this recommendation would not prevent the Commission from re-examining that question thoroughly and with an open mind if Congress so desires.

It is generally conceded that the Commission on Civil Rights has developed great expertise in investigating complaints of violations of voting rights and in recommending steps for their correction. Indeed, the document on voting complaints outside the states covered by the 1965 Act, which you submitted for the record of the subcommittee, was a staff paper of this Commission. It would be totally incongruous to establish a new body, staff it, and fund it in order to duplicate the tasks which the Commission on Civil Rights was established under President Eisenhower to perform and continues to perform.

President Nixon on January 30 spoke of the need for—

"Cutting expenditures, increasing efficiency in Government operations, abolishing unnecessary agencies and eliminating duplication of efforts."

At a time when funds for all domestic programs are severely limited, and when the President in April asked his Advisory Council on Executive Organization to look for ways to eliminate duplication and waste, it would make no sense to spend millions of dollars, lose valuable start-up and staffing time, and add still another agency to the Federal bureaucracy to do a job that, to the extent our funds permit, is already being done. If more effort needs to be put forth, the Commission on Civil Rights stands ready to use its skilled staff and years of experience, to the extent Congress will provide the money. This nation should not waste the limited domestic funds which are available. I hope you will withdraw the proposal.

Sincerely yours,

THEODORE M. HESBURGH,
*Chairman.*

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr.

Chairman, the bill that we passed in 1965, was by far the most successful civil rights bill enacted in the history of the United States. The Committee on the Judiciary met in May, June, and July, and civil rights organization leadership, the Conference of Civil Rights consisting of 125 organizations, organizations of labor, the U.S. Commission on Civil Rights, and others, all testified before the Committee on the Judiciary, or sent statements in full support of the measure. And then, of course, the committee itself gave great bipartisan support to this extension of the 1965 act.

The problem, of course, is the proposal of the Attorney General known as the Ford bill, and the administration bill. Here again, civil rights organizations throughout the country and all minority groups consider the bill a disaster.

I also consider it a disaster, and I think that the colloquy that we have had here also indicates that it would be a disaster.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Minnesota (Mr. MACGREGOR).

Mr. MACGREGOR. Mr. Chairman, as a member of the Committee on the Judiciary for some 9 years now, I truly regret that I cannot vote for the Ford substitute.

I use the expression "regret" because of the high regard I have for the minority leader, but more importantly I use the word "regret" because there are very meritorious provisions contained within the Ford substitute.

Specifically, that part of the substitute which would suspend nationwide all literacy tests for a period of 5 years is badly needed. Second, that part of the substitute which would establish uniform residency requirements for voting for President and Vice President of the United States is highly desirable.

I truly hope that these two features can be written into the law of the land following hearings by the House Committee on the Judiciary early next year.

I have sought for months to fashion a bill which would extend section 4 and section 5 of the Voting Rights Act of 1965 and incorporate the best features of the substitute. I regret that I have been unable to do so.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. BURLISON).

Mr. BURLISON of Missouri. Mr. Chairman, my vote will be cast against a straight and simple extension of the Voting Rights Act of 1965 and in favor of the administration substitute. I take this opportunity to briefly point out a couple of pertinent matters.

First, after observing elections in my district for three decades, I can say without fear of contradiction, a higher percentage of Negroes than whites vote there. Certainly this is no criticism of my Negro friends and constituents. Rather, is a commendation to them. I would vigorously contest any effort of intimidation or discrimination against them.

Next, it should be emphasized that I oppose literacy tests as a criteria for voter eligibility. In my opinion a lack of formal education does not deprive a citizen of the requisite judgment for casting an intelligent vote. I believe in applying this philosophy to all the States of the Union and not to those only of a particular region, and I would protect the vote of the unschooled citizen, whether he be black, white, red, or brown. The vehicle to do this is the substitute and not a simple extension.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. THOMPSON).

Mr. THOMPSON of Georgia. Mr. Chairman, the issue to be settled here today is one of whether or not the laws of the United States are going to apply evenly throughout the United States and whether a person is going to have a remedy available to him if he maintains that he is being discriminated against because of race, creed, or color, regardless of his place of residency. Not only whether he has a right of remedy if he is in the South but whether he also has a right of remedy in New York or Chicago or any other area.

I cannot help but feel that some of the resistance to this legislation may stem from the fact that some of the cities in the North may be somewhat concerned about having Federal voting registrars come into their areas.

I think it may be healthy if we had a situation where Federal voting observers did observe some elections in Chicago, New York and possibly not just based on race as related to this bill but on other factors as well.

Mr. Chairman, I urge the substitute be accepted by the House.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, I want my southern colleagues to listen to this: If they believe that this amendment limits the right of the Attorney General to exercise surveillance over their States, please harken to this.

The amendment provides in section 4 on page 4 that section 6 of the act be changed in order to permit the Attorney General of the United States to send examiners into any State in the Union.

This includes Texas and Florida which are not presently covered, and not just for 5 years, as section 4 and section 5 provide in the present act—but permanently. Now if you want the period in which there may be surveillance over elections to exist from now on forever until you repeal the act, then go ahead and enact the provision that permits the Attorney General to supervise your elections without the necessity of a court order — permanently — permanently — and not for 5 years—and not because there has been some showing of a presumption of discrimination because of low levels of registration and voting.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. LOWENSTEIN).

Mr. LOWENSTEIN. Mr. Chairman, I want to yield to the gentleman from Texas (Mr. ECKHARDT) so he can complete his line of argument. As most Members are aware, he has one of the finest legal minds in Congress, and all of us benefit enormously when he shares his experience and wisdom with us.

Before I yield, I want simply to suggest that this is an especially inappropriate moment to pass the first civil rights bill in our history that will weaken the statutory basis for enforcing civil rights. In this case the right that will be damaged is perhaps as basic as any in a free society: the right to vote. That is exactly what will happen if we adopt the substitute motion. And that is why Members who have carved their careers out of total resistance to the very idea of Federal legislation to protect voting—or any other—rights, are now to be found battling tooth and nail for what we are told is really an extension of the Voting Rights Act.

I include in the RECORD at this point a staff report of the U.S. Commission on Civil Rights. This report, prepared under the direction of the diligent and brilliant staff director Mr. Howard Glickstein, illustrates why the 1965 act should be extended. It is objective and points out problems in the administration of the act, but anyone who reads it with an open mind will have to realize that the need for such a law is far from ended.

The material follows:

U.S. COMMISSION ON CIVIL RIGHTS STAFF REPORT ON MAY 13, 1969, MUNICIPAL ELECTIONS IN MISSISSIPPI

Primary elections were held on May 13, 1969 by numerous Mississippi municipalities to choose candidates for the June 3, 1969 general election. The U.S. Commission on Civil Rights sent two attorneys to the state for a week to observe the elections and speak with many of the black candidates who sought political office and their supporters.

On May 13, 1969 Commission staff attorneys observed the conduct of the election in Fayette, Jefferson County; Woodville, Wilkinson County; Gloster, Amite County, Lexington, Durant, Goodman, and Pickens, Holmes County; and Belzoni, Humphreys County. Commission staff visited the polling places throughout the day and kept in contact with black candidates and their supporters in these cities. The rest of the week they spoke with black candidates and their supporters in other Mississippi towns. In all they spoke with black candidates or their campaign workers in 20 towns scattered among a total of 15 counties.

Most of the black candidates interviewed, regardless of whether they won or lost and regardless of whether they believed the election had been fair, believed that there would not have been as fair an election had it not been for the presence of the Federal Observers and the presence of numerous lawyers and others serving as poll watchers. Although there were criticisms of the manner in which the Federal Observers carried out their duties, not one black candidate in a county where Federal Observers were present believed the election would have been run in an honest manner were it not for the presence of these observers. In counties where Federal Observers were not present, there was a division of opinion as to whether there had been an honest election.

For convenience in reporting, the problems uncovered have been divided into four general areas:

1. Registration to vote.
2. Qualification as a candidate.
3. The conduct of the election.
4. The role of Federal Observers.

REGISTRATION TO VOTE

In many of the towns visited by the Commission staff, it was reported that black persons no longer have fears of adverse consequences if they register to vote. This was not true everywhere, however. In Woodville, for

example, a black candidate stated that people were still afraid to register to vote in Wilkinson County. As an example of the fear that still exists in the Woodville area, he noted that when three college students from Michigan State University who served as poll watchers for black candidates during the election had to leave the town very late at night, local black residents insisted that they be escorted to McComb by the Deacons of Defense. In Itta Bena there were reports of threats to bomb a black candidate's headquarters the night before the election. A guard was placed around the headquarters by local black persons the entire night. It was also noted in Woodville that several candidates who had held jobs either with the school system or the county had recently lost their jobs as a result of seeking elective office or because they were actively involved with the NAACP. Their contracts were not renewed after their involvement had become common knowledge.

A black candidate in Moorhead, in Sunflower County, stated that some black persons were afraid to register to vote for fear that white persons would take economic reprisals against them. A similar reluctance to register was reported in rural areas of Quitman County by a black candidate for office in Marks.

Problems in registering to vote for the city elections were widespread. Difficulties were reported in Summit, Pike County; Bolton and Edwards, Hinds County; Clarksdale, Coahoma County; Durant, Lexington and Goodman, Holmes County and Leland, Washington County.

A black candidate for office in Summit stated that black persons desiring to vote had difficulty in finding the Summit city clerk in order to register with him. Under Mississippi law, a voter must register with the county registrar and with the city clerk in order to vote in municipal elections. Section 3211 of the Mississippi Code provides that the registrar "shall register the electors of his county at any time" and section 3374–61 makes this provision applicable to municipal clerks, who act as registrars for municipal elections. Until the deadline for registering for the primary election had passed, the city clerk in Summit, who has another full-time job, was only available for registration between 3 p.m. and 7 p.m. on Tuesdays and Wednesdays. In the future, however, the clerk in Summit has reportedly agreed to register voters at any time, except on Sunday. Pike, the county in which Summit is located, has not been designated for Federal Examiners. It was reported that the town clerk in Edwards is in his office only from 9 a.m. to 11 a.m. Monday through Friday. Thus, it is very difficult for people who work during the day to register in the city.

In several of the towns noted above, county clerks did not inform the newly registered voters that it was necessary for him to register in the city as well. Thus, large numbers of black persons were unable to vote in municipal elections because they had not registered in the city, even though they had registered at the county courthouse.

In one town where no primary was held, but where black candidates were running as independents, two black voters alleged that the city clerk was present when they registered with the county clerk, and that he told them he would take care of the city registration for them. He did not, however, and their ballots were challenged. One black voter was told by the same city clerk, when she saw him in 1966 after having been listed by the Federal Examiner, that she already was on the city books. Her name, however, was not on the list and thus her ballot was challenged.

In another town, witnesses reported that the county clerk harassed black persons who attempted to register with her. In July 1968, a local civil rights volunteer took a crippled black woman and four other black persons (two to register, and two to help the crippled woman) to the clerk's office. The clerk refused to allow the crippled woman to sit while she was registering, instead forcing her to walk from table to table for different parts of the registration process. This took about 15 minutes, the clerk asserting that, after all, the woman would have to stand while voting. On two occasions—July 1968 and February 1969—this clerk allegedly sent a deputy out to buy spray deodorizer while black persons were being registered.

Another widespread problem was that a large number of names listed by the Federal Examiners were not placed on the city rolls. As a consequence many persons who had been listed by the Federal Examiners had their ballots challenged, while others, anticipating challenge, did not cast ballots at all. Such problems were reported in Woodville, Wilkinson County; Vicksburg, Warren County; Edwards and Bolton, Hinds County; Clarksdale and Jonestown, Coahoma County; Itta Bena, Leflora County; Marks, Quitman County; and Lexington, Durant and Goodman, Holmes County. In some of these cases the Federal Examiners failed to transmit the names of persons listed by them to the appropriate city officials.

In March, local campaign workers discovered that the names of 150 black persons in Itta Bena who had registered with the Federal Examiner were not on the city lists. This was brought to the attention of the Civil Service Commission office in Jackson. That office allegedly was able to get 108 of the names placed on the city books for the elections, but apparently determined or assumed that the 42 others lived outside Itta Bena. At the May 13 primary, an additional 12 black persons were allegedly turned away because they were not on the city lists, although they too had been listed by the Federal Examiner.

In one town, persons listed by the Federal Examiner, but whose names were not on the registration books, were permitted to cast challenged votes. When a ballot is challenged, the Democratic Executive Committee decides whether to count it. The chairman of the Democratic Executive Committee in that town is alleged to have said, in reference to challenges by poll watchers for black candidates: "Let them challenge all they want because the challenge comes through me and I will handle them the way I want."

When the Federal Examiner arrived in Holmes County in March, he apparently made no effort to publicize his presence. Commission staff talked to many local black persons—candidates and campaign managers as well as voters—who did not know he was in Lexington until his presence was discovered by accident on his last day there. Predictably, he did not list anyone during his visit to Lexington.

Lack of such publicity was a widespread problem throughout Mississippi. Little or no advance publicity was given in any of the counties. While some civil rights leaders were apparently informed of the presence of Federal Examiners, in most cases nothing else was done. As could be expected, few persons were listed by the examiners. A list showing the counties in Mississippi where examiners were sent and the number of persons listed is attached.

QUALIFICATION AS A CANDIDATE

In several towns primaries were not held even though black candidates had sought to run and thought they had qualified. The absence of a Democratic Party Executive Committee in those communities required candidates to use a different procedure for qualifying and the black candidates were not informed of this procedure.

In Friars Point, for example, where the Justice Department subsequently on May 17 filed a suit, black candidates sought to qualify for the primary by filing their papers with the County Democratic Party Executive Committee. The local newspapers allegedly reported that the black candidates had qualified for the primary. Shortly before the primary, however, it was announced that the black candidates had not qualified for the primary, because they allegedly had not complied with certain statutory requirements. Despite the fact that they had allegedly filed their papers several weeks before the deadline for qualifying either in the Democratic primary or as independents, they were not notified that they had not qualified until after these deadlines had passed. The Justice Department suit charged that "without general notice to the public [the defendants] altered the procedure for qualifying." This was done without obtaining the approval of the Attorney General as required by Section 5 of the Voting Rights Act of 1965.

In Centerville several black persons attempted to qualify to run in the May 13 primary for city positions. They filed the required notice with the city clerk in Centerville and with the Secretary of the Democratic Committee in Woodville. They were told by the clerk at the town hall in Centerville that the town did not have a primary election. They were not told, however, that there was a procedure for obtaining a primary election. To run in a municipal primary in a town without a Municipal Executive Committee it is necessary to petition the Chairman of the County Executive Committee to call a special meeting of registered voters. At this meeting a temporary Executive Committee is elected. This Committee runs the primary election. They learned from civil rights lawyers in Jackson, however, that even though they were unable to run in the Democratic primary they could qualify as independents if they obtained signatures from 75 registered voters. Three candidates were able to get the necessary signatures, even though they learned of this possibility the day before the filing deadline. Thus they were able to get on the ballot for the June general election. In North Carrollton, in Carroll County, and Pickens, in Holmes County, black candidates attempting to qualify as Democrats were told there was no primary and therefore had to qualify as independents. As in Centerville they were not told there was a procedure by which a primary could be held.

A black candidate in one town in Hinds County, however, was unable to qualify for election because she was unaware of the proper procedures to follow. She allegedly filed her papers to run for office with the town clerk before the filing deadline. Someone, however, told her that she had to take the papers to the Mayor. She returned to the town clerk, obtained her papers from him and took them to the Mayor who informed her that he had nothing to do with the election. She then went back to the clerk's office, but he had left. She returned the next day and gave the papers to the clerk, but was told that she was one day past the deadline and, therefore, the clerk refused to put her on the ballot.

In Woodville, black voters were totally excluded from a second unofficial "white primary." All the black candidates for the Democratic primary were defeated. However, black and white persons had qualified as independent candidates for mayor and alderman. Thus, there was a possibility that the white vote would be split since there were two white candidates and one black candidate for mayor and eight white and one black candidates for the five alderman positions. To avoid this, the county White Citizens Council sent a letter to all white voters asking them which white candidates they believed should withdraw from the race. They apparently were at least partially successful, as it was reported that one of the white candidates for mayor had withdrawn his name. A copy of the letter is attached to this report. In contrast to the tone of the letter, a campaign poster is attached illustrating the slogan used by several black candidates in the area: "Don't vote for a black man. Or a white man.

Just a good man. . . . Doesn't that sound good."

In Canton, some black candidates qualified to run in the Democratic primary; others running as independents will appear on the ballot in the June 3 general election. The city, however, allegedly redistricted the municipal boundaries eliminating a large number of black persons and adding a number of white residents. The city did not, as required by the Voting Rights Act of 1965 submit these changes to the Attorney General or the District Court in Washington, D.C. for approval. A suit was brought in Federal court and on May 10, 1969 the holding of a primary and general election was enjoined.

THE CONDUCT OF THE ELECTION

On the day of the primary, election irregularities occurred in a large number of communities in which black candidates ran.

Among the most frequent irregularities were restrictions upon the activities of poll patchers for black candidates. Title 14, section 3128 of the Mississippi Code states:

"Each candidate shall have the right, either in person or by a representative to be named by him, to be present at the polling place, and the managers shall provide him or his representative with a suitable position from which he or his representative may be able to carefully inspect the manner in which the election is held."

Despite this provision, election officials in Marks allegedly required poll watchers representing the black candidates to sit over 20 feet from the election tables. From that distance, they could not see enough of what was happening to do more than tally the ballots voted. In Jonestown, the election officials at first challenged the right of the student volunteer poll watcher to be there. After reportedly telephoning an outside source, the officials allowed these poll watchers to remain, but seated them so far back of the polling place, at the insistence of the manager, that they could not see the names on the books and thus could not carry out all of the normal functions of poll watchers. In Leland, where no Federal Observers were present, the election officials also allegedly required poll watchers for the black candidates to stand so far away from the tables that they were unable to check the qualifications of voters. And, although section 3164 of the Code specifically provides that candidates and their representatives have the right to observe and inspect the counting of the ballots, the poll watchers in Clarksdale were not allowed near the machines or tally tables during the tally of votes. They protested, but were not allowed closer.

Although many municipalities across the State had black election officials working at the polling places, only a few had more than a token number of black persons, and the black persons working in the polling places were under the supervision of the white election managers. In Woodville, Clarksdale, and other cities, white election managers were reluctant to render assistance to illiterates, although the courts have held that the Voting Rights Act of 1965 requires that this assistance be given, and that illiterates be informed of its availability. *United States* v. *Louisiana*, 265 F. Supp. 703 (1966), *aff'd per curiam*, 386 U.S. 270 (1967). In Vicksburg, a black election official was told that she could not help illiterates who asked for her assistance in voting. She was told that the election manager would appoint someone to assist illiterates needing assistance. He invariably appointed one of the operators of the voting machines, all of whom were white, despite the voters' requests that a black election official assist them.

In Lexington, a black election official is reported to have told a student poll watcher that the election officials had been instructed not to give or offer help to voters until the voter needing assistance asked them. In polling places throughout the State, illiterate voters frequently seemed unaware that assistance was available, but quickly asked for it when poll watchers for the black candidates informed them of its availability. Instructions such as those allegedly given in Lexington deprive such voters of the means of voting as they wish.

Sec. 3272 of the Mississippi Code provides that voters who are blind or disabled "shall have the assistance of one of the managers or other person of his own selection" in the marking of his ballot. In one instance in Vicksburg, however, a poll watcher reported that a blind woman was denied assistance by the "person of her choosing"—her black sister. A white official insisted on casting her ballot for her.

In Itta Bena, white election officials assisting illiterates reportedly tried to influence the illiterates not to vote for the black candidates. It was also reported in Vicksburg, where no Federal Observers were present, that black voters who did not request assistance often had white election officials entering their booth under the pretense of giving assistance.

In Itta Bena, an armed white deputy sheriff, apparently there to maintain order, sat between the two tables being used for the election, allegedly harassing black persons. As a result, some left without voting. The election officials made no effort to moderate his conduct. Also in that city, a white election official allegedly demanded that four black women give her their marked ballots, rather then place them in the box. The women now fear that their ballots were never counted.

In Vicksburg, one of the polling places for a largely-black area was reportedly changed without publicity. When black persons showed up at their regular polling place to vote, the election officials stated that there had been a change, but refused to aid the voters in finding their proper voting place. As a consequence, many of these persons did not vote. In Greenwood, one black voter was not allowed to vote until she had "hounded" the election officials for several minutes, although her name was on the voting lists.

In Clarksdale, four black persons attempted to vote, but were turned away because their names were already marked as having voted. One of the student volunteers felt that some of these instances were explained by there being more than one person with the same name registered but the name appeared on the lists only once. At first, the election officials refused to permit the casting of a challenged ballot; later, they relented. A white voter in this situation was allegedly allowed to vote by machine upon his oral statement that he had not already voted. The officials ignored the challenge of the student volunteers. After that, a black voter in the same situation was also permitted to vote by machine.

A slightly different variation occurred in Vicksburg. A number of voters of a predominantly black ward, and presumably also some in predominantly white wards, were unable to find their names on any books; their names had apparently been dropped for some reason. When a poll watcher at this ward requested that these persons be permitted to cast challenged ballots he reportedly was told that this was not the custom in Vicksburg, apparently because the city used machines. It was not until 1:30 p.m., six and a half hours after the polls had opened, that paper ballots were furnished for those persons whose right to vote had been challenged, notwithstanding sec. 3170 of the Mississippi Code which clearly establishes the procedure for the challenging of ballots.

In Lexington, local officials of the municipal Democratic Executive Committee allegedly purged the names of 83 black persons and 67 white persons from the poll books shortly before the election. An overwhelming majority of black voters in Holmes County had registered by being listed by the Federal Examiner. Although the local officials refused to give a list of those purged to representatives of the black candidates, it is likely that most of the blacks purged from the poll books had been listed by the Federal Examiner. Sections 7 and 9 of the Voting Rights Act of 1965 establish an exclusive procedure, including provision for a prompt hearing, by which allegedly unqualified voters listed by a Federal Examiner may be removed from a list. Even if intended in good faith, the alleged purge of the names of black voters from the poll books violated the procedural safeguards provided by the Voting Rights Act.

To challenge unqualified voters effectively, a candidate normally needs to be able to inspect the poll books some time in advance of the election, searching for names of persons still on them who are not currently qualified to vote. Sec. 3211 of the Mississippi Code requires that the "registrar shall keep his books open at his office," and sec. 3374–61 renders this provision applicable to municipal clerks. In one town in Holmes County, a black representative of the local black candidates stated that he had on three occasions attempted to see the voter registration books maintained by the city clerk in the clerk's office at a local bank. On each of these occasions, access to the books was allegedly denied, on the ground that business was too pressing. When white volunteers came to look at the books the day before the election, however, the clerk produced them at once.

In Edwards, Mississippi the chairman and and a few of the other members of the Municipal Democratic Executive Committee met without informing the black members of the committee. At this meeting they appointed a number of Negroes closely aligned with the white power structure in the city to serve as election officials and to aid illiterate persons in voting.

The Commission staff was unable to document an earlier report from Vicksburg that election officials had told hundreds of black voters that it was unnecessary to vote for two candidates, that they could cast a single ballot for the black candidates. This would have been contrary to the full slate requirement, and such ballots would not be counted.

THE ROLE OF FEDERAL OBSERVERS

Notwithstanding the general agreement among the black candidates interviewed, that the May 13 primary would have been far more unfair if the Federal Observers and volunteer student and lawyer poll watchers had not been present, there were serious problems arising from the manner in which some of the Federal Observers conducted themselves and from the policies under which they operated.

In Clarksdale, for instance, the Federal Observers frequently did not observe the assistance being given to illiterate black voters. In Goodman, they stationed themselves in a location from which it was impossible to see several of the voting booths, and consequently did not know when black voters in that part of the polling place needed assistance or when it was being given to them. Seats from which they could have observed all of the events in the polling place were available. In Woodville, the volunteer poll watchers on several occasions suggested to black voters needing assistance that Federal Observers were present, and asked if the voters wanted an observer present while they received assistance in casting their vote. At least one observer, when told by a poll watcher that a voter desired him to observe, stated "If the voter wants me, tell him to come over and get me."

In that town, a volunteer poll watcher—an out-of-state attorney—charged that the Federal Observers did not bother writing up a report of an incident in which a black

woman was handed a ballot, walked over toward the booth, but appeared uncertain about what she should do. As she approached the table an election official reportedly took the unmarked ballot out of her hand and placed it in the box. Despite vocal protests by poll watchers about this matter, the observers apparently felt the issue was too frivolous to report. During the counting of the ballots, a Commission staff attorney noticed that the Federal Observers, at first, were making a brief notation as to the reason each time there was a ballot on which votes were not counted. Later in the evening, however, he noticed that they appeared to have lost their interest, and failed to do this on several occasions.

Black candidates and poll watchers at the Woodville election were extremely critical of the role of the Federal Observers. One student from Michigan State University, a poll watcher for one of the black candidates, charged that the Federal Observers challenged their right to observe the election. After the poll watchers showed them the Mississippi statute which did not prohibit out-of-state people from acting as poll watchers, the Federal Observers challenged their right to stand near the table where the ballots and ballot box were kept. In both instances the local election officials upheld the right of the poll watchers.

The Commission in its 1968 *Political Participation* report criticized the Department of Justice policy of "keeping the Federal presence as inconspicuous as possible" when observers were sent into polling places. It recommended that the Attorney General "should announce publicly in advance of the election that Federal Observers will be present and should assure that the observers are identified as Federal officials."

This recommendation has never been implemented, and the Department kept secret, until the last minute, the cities and polling places in which Federal Observers would be present for the May 13 election. The reasons stated by the Commission for its stand in 1968, however, remain true today:

"The subdivisions where the assignment of observers is warranted are those in which there is a likelihood of discrimination at the polls. It is important for Negro voters in these subdivisions to know that observers will be present to deter local election officials from subjecting Negroes who attempt to vote to discrimination and the harassment, indignity, and humiliation which accompany it."

The Commission's recommendation that the observers be identified as Federal officials has, similarly, not been implemented. Across the State during the May 13 election, Federal Observers failed to identify themselves by word or by kind of sign or official insignia. In its 1968 report, the Commission stated that "identification of the observers [would] serve to confirm to Negro voters that they will be afforded comparable treatment with other citizens at the polls." Without identification of the observers and advance notice of their presence, black voters feel no such assurance. In one community visited by a Commission staff attorney, a black candidate did not know, two days after the election, whether a Federal Observer had been present. In Itta Bena, poll watchers for the black candidates knew that Federal Observers were present, but did not know which of the white persons standing about they were.

In its 1968 report, the Commission recommended that the Attorney General should "instruct Federal Observers that they have a duty to point out to local election officials irregularities affecting Negro voters . . ." One of the reasons for this recommendation was that, under the Department of Justice policy that observers should take "only such steps as may be necessary to fulfill the observational functions," and that the irregularities they observe should be reported first to the captain of the observer team, and then to a Department of Justice attorney, who will take it up with election officials, [m]uch or all of the election day may elapse . . . before the matter is settled."

In the May 13 primary, the Federal Observers acted only as passive recorders of events, refusing at all times to speak to the election officials about even the most blatant discrimination against black voters. A Commission staff attorney in Woodville was informed by a lawyer from the Civil Rights Division of the Department of Justice that it was Department policy that the Federal Observers were to speak with no one.

This meant that no Federal agent monitoring the election would speak to local officials about even the most obvious irregularities until the Justice Department attorney assigned to that county or pair of counties returned to the particular polling place. In Itta Bena, this process allegedly took three hours from the first time an irregularity was brought to the attention of the Federal Observers by local poll watchers—at which time the observers admitted that the black voter turned away was fully qualified to vote—to the time when the Justice Department attorney arrived. In that time, a total of 26 voters in that situation had been turned away. Local candidates and their poll watchers were given no information telling them how to get in touch with Department representatives more quickly.

Neither the observers nor the local election officials informed voters that they could have assistance in voting and that Federal Observers could watch the assistance being given. Only if a voter asked for such assistance or if he was unable to write his name was he told that such assistance was available. Since many illiterates are able to write their names but not able to read and understand the ballot, this limited provision of information left many black voters, needing assistance, ignorant of the possibility that assistance could be given and that Federal Observers could watch it as it was being given.

Although the stated policy was that the observers should talk with no one, a Commission staff attorney saw the observers in Woodville engage in animated conversation with the white election officials on numerous occasions. They did not seem to speak with poll watchers, black candidates or any local black people, however. Two observers there also refused to speak to the Commission staff attorney when he asked one for the number of persons who had voted and the other—the one who had allegedly challenged the right of the poll watchers for the black candidates to be there—for his name.

Some of the local black persons understandably felt that the observers were in sympathy with the white community. At one point in the afernoon, several poll watchers and at least one black candidate asked the Commission staff attorney if he could not get the Federal Observers out of the balloting place. On reflection later, however, these same persons agreed that there would have been widescale fraud but for the mere fact of the observers' presence.

SUMMARY

The election of some black persons to municipal office in Mississippi is evidence that some changes have occurred in Mississippi since the passage of the Voting Rights Act of 1965. Even with these victories, however, virtually all cities and towns in Mississippi will still be governed by all-white local governments.

Interviews with observations by staff attorneys suggest that this is in part due to the following:

1. Many black persons in Mississippi still fear economic or other reprisals if they register to vote or openly support black candidates.

2. Officials in some cases have made registration difficult for black persons by narrowly limiting hours for registration, by failing adequately to inform applicants of procedures required to vote in municipal elections, and in some cases by actually misinforming them as to these requirements.

3. Black persons continue to be excluded from serving as election officials in most areas of the State surveyed.

4. Officials sometimes failed to assist or misinformed black candidates seeking to obtain places on the ballot, and some were unable to run in the primary as a result.

5. The Voting Rights Act of 1965 establishes procedures to be followed before local officials change election requirements or procedures or remove from the poll books persons listed by the Federal Examiners. In many instances throughout Mississippi, local officials took such actions without observing the Act or any of the procedural safeguards provided by the election laws of the State of Mississippi.

6. The Federal Government neglected to take adequate steps to inform citizens of the presence of Federal Examiners and thus examiners listed relatively few voters in recent months.

7. Some Federal Examiners failed to transmit the names of persons listed by them to city voting officials, and as a result many black voters throughout the State had their ballots challenged or were turned away from the polls.

8. Although most black candidates believed that the mere presence of Federal Observers improved the honesty of election procedures, a number of election irregularities occurred even where Federal Observers were present.

9. The effectiveness of Federal Observers was limited by their failure to make their presence known to voters and by their failure to intervene at once when irregularities were observed.

U.S. GOVERNMENT MEMORANDUM

APRIL 3, 1969.

From: David H. Hunter.

Subject: Mississippi Voter Registration.

Federal Examiners were in Mississippi to list persons to vote on four Saturdays in March. This was the only listing in Mississippi by Federal Examiners in 1969 prior to the holding of the municipal elections. A hyphen is used to indicate that no Federal Examiner was in the county on that date. The results are as follows:

| County | Mar. 8 | Mar. 15 | Mar. 22 | Mar. 29 | Total |
|---|---|---|---|---|---|
| Amite | 0 | 0 | 5 | - | 5 |
| Benton | - | 0 | 0 | - | 0 |
| Carroll | 0 | 1 | 1 | - | 2 |
| Clay | 0 | 0 | 0 | - | 0 |
| Coahoma | - | 0 | 0 | - | 0 |
| De Soto | - | 0 | 0 | - | 0 |
| Forrest | - | 0 | 0 | - | 0 |
| Franklin | - | 0 | 17 | 10 | 27 |
| Hinds | 0 | 35 | 43 | 80 | 158 |
| Holmes | 0 | 0 | 0 | - | 0 |
| Humphreys | - | 11 | 14 | 1 | 26 |
| Jasper | - | 2 | 1 | - | 3 |
| Jefferson | - | 8 | 0 | - | 8 |
| Jefferson Davis | - | 0 | 1 | - | 1 |
| Jones | - | 2 | 2 | - | 4 |
| Leflore | 22 | 58 | 78 | 108 | 266 |
| Madison | 0 | 19 | 68 | 68 | 155 |

| County | Mar. 18 | Mar. 15 | Mar. 22 | Mar. 29 | Total |
|---|---|---|---|---|---|
| Marshall | 0 | 3 | 0 | | 3 |
| Neshoba | | 2 | 1 | | 3 |
| Newton | | 0 | 2 | | 2 |
| Noxubee | | 0 | 42 | 30 | 72 |
| Oktibbeha | | 37 | 15 | 13 | 65 |
| Rankin | | 0 | 0 | | 0 |
| Sharkey | | 9 | 18 | 10 | 37 |
| Simpson | 2 | 0 | 25 | 25 | 52 |
| Walthall | | 13 | 5 | 22 | 40 |
| Warren | | 12 | 8 | 16 | 36 |
| Wilkinson | | 16 | 11 | 1 | 28 |
| Winston | | 0 | 8 | 5 | 13 |
| Total | 24 | 228 | 365 | 389 | 1,006 |

MAY 20, 1969.

DEAR FELLOW CITIZEN OF WOODVILLE: Your local Citizens Council is gravely concerned about the political prospects in the Woodville Municipal General Election which will be held on June 3rd, and we feel sure that you, as a public spirited white citizen, are equally concerned.

First, may we emphasize the fact that we have no axes to grind nor political fortunes to favor or oppose as to individuals, but are taking this action purely and simply to endeavor to insure that white officials are elected on June 3rd.

As you doubtless know, the present prospects in the Mayor's race present two white candidates and one negro candidate. In the Alderman race, there are eight white candidates and one negro. In both instances, the negroes are thus virtually assured of election.

We feel that forgetting personal ambitions or desires, some of the white candidates should withdraw so that there will be only one white candidate for each office. It is our understanding that some of the candidates are agreeable to this, provided it can be ascertained which ones the majority of the white voters favor.

In an attempt to determine the wishes of the white voters of Woodville, we are therefore, conducting a "straw vote" election which we feel will be of tremendous assistance in working out a compromise—provided you, the voters, co-operate by taking part.

We are enclosing herewith an unofficial ballot which we ask that you mark in private, seal in the enclosed envelope, and return immediately by mail. You will note from the enclosure that there is no way your ballot can be identified, and your vote will thus be secret. As soon as possible, since the deadline for printing the Official Ballot is very near, we will open these envelopes and tabulate the vote—in the presence of all candidates or their representatives. From the resulting tally, we hope to be able to effect a compromise settlement of this grave issue which faces us all.

Please do not delay. Time is of the essence. Please mark and return the enclosed ballot today.

May we thank you in advance for your co-operation, and again assure you that our only motive in undertaking this project is public service in what we feel is the best interests of the Town of Woodville.

Sincerely,

WILKINSON COUNTY CITIZEN COUNCIL.

STRAW BALLOT

(*Not an Official Ballot)

FOR MAYOR—TOWN OF WOODVILLE

(Vote for One)

W. H. Catchings ( )
Marvin N. Lewis ( )

FOR ALDERMAN—TOWN OF WOODVILLE

(Vote for Four)

J. M. (Mac) Best ( )
Thomas M. Bryan ( )
Pat Cavin ( )
Cage Chisholm ( )
H. B. Curry ( )
Anthony David ( )
James (Jabbo) Herrington ( )
Brandon Inman ( )

(*NOTE.—This is not an Official Ballot, but merely an attempt by the Citizens Council to ascertain the candidates preferred by the majority of the white voters of Woodville. See letter attached.)

Mr. ECKHARDT. Mr. Chairman, if I am not correct about this, I should like to be corrected.

As a matter of fact, I heard the gentleman from Virginia (Mr. POFF) rise on the floor a minute ago and state quite correctly that section 3 of the act is a permanent provision of the act and only permits the Attorney General after an action in court to bring action to appoint examiners.

This does not now apply all over the United States under the present act, but it would apply nationwide under the act as amended.

Under the present act in sections 4 and 5, it limits the authority of the Attorney General to appoint examiners, as provided in section 6 to the situation where registration and voting were below 50 percent in the 1964 election.

A court order has nearly always been required as a matter of practice and a court order would have to be obtained after the conclusion of the 5-year period.

But under the amendment, no court order would be required and examiners and registrars could ride all over the United States through the South, the North, and all over and apply their surveillance to elections throughout the country. Though I am willing to apply somewhat drastic cures to drastic ills, I do not believe it desirable to grant permanent authority to an appointive official to ride herd over elections all over the country—even though there is no inkling of wrongdoing or discrimination.

The special temporary authority under sections 4 and 5 of the existing act was an authority granted in a special circumstance where well established evidences of enormous abuse had been adduced. The authority, as has been pointed out, was limited in time and territory. But the authority granted in this amendment is broad and permanent. I am not willing to so extend the authority of an appointive office without the guidance or limitation of a court.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. BIESTER).

Mr. BIESTER. Mr. Chairman, we are nearing the end of debate on the substitute and it seems to me the most important thing we should recall is that the enforcement section of the voting rights bill is the heart of the subject.

What we would be requiring those presently disenfranchised in the States covered by the bill to do—were we to adopt the substitute—would be to put them back in the game of catchup football. I urge defeat of the substitute.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. WAGGONNER.)

Mr. WAGGONNER. Mr. Chairman, the gentleman from Texas (Mr. ECKHARDT) attempts to strike fear in the hearts of southerners by painting a picture attempting to portray the awful things that will happen if the Members vote for this substitute and give the U.S. Attorney General authority to do in all States what can be done now in only a few Southern States.

Let me tell the gentleman from Texas (Mr. ECKHARDT), as a southerner, this is exactly what we want to do. We want to spread the blessings around. Since we have been chosen for special blessings because we are southerners, we want everyone else to enjoy those blessings, everyone who thinks they have been so good for us. This is exactly what we want to do. If the present law is so good why not let it apply to everyone and all States alike.

We want others to see how high-handed and unfair people like Ramsey Clark as Attorney General of the United States have been. We want others to feel the wrath of these people who ignore the law and abuse States who live within the law.

We feel if they feel this, they will come back and write some different and fair-minded legislation. When other people are discriminated against as we have been, then, perhaps something will be done. Vote for the substitute. Treat everyone fairly. I believe the present Attorney General will administer the law with equity. I believe he is a fair-minded man.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, I yield to the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Chairman, I am grateful to the gentleman from Indiana for yielding.

Mr. Chairman, I would like to make this observation and comment. If we are interested in maximizing the opportunity for people to register and to vote in all 50 States, then we should support the substitute amendment which I offered.

I might say to those who have been most vigorous in their advocacy of increasing registration and voting for Negroes, I believe that if we really believe that, then we can maximize it in all 50 States by my substitute. But the principal point is that I feel what we ought to do is to treat all States alike and all people alike. That is what the substitute does.

One other observation: As I said in my remarks yesterday and today, there is a deeply imbedded principle in our philosophy, in our American heritage, that one is presumed innocent until he is proven guilty. The law that has been on the statute books turns that around and has presumed seven States guilty until they were able to prove their innocence. Five of them, on the criteria we established 5 years ago, have proven that innocence. I think it is unfair and it is

inequitable to keep them in continuous servitude for another 5 years.

Mr. Chairman, I therefore believe that the way to remedy it is not to make the other 43 States be in the same condition, but to make the seven equally treated with the other 43. I strongly believe that the nationwide legislation which I have offered to this body should be approved, and all States and all people will be treated one and the same.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield for a question?

Mr. GERALD R. FORD. I yield to the gentleman from Ohio.

Mr. McCULLOCH. Mr. Chairman, would the gentleman from Michigan please tell us how his substitute would maximize the registration of blacks in the States affected, using my own State, about which I know. How would the legislation maximize that in Ohio?

The CHAIRMAN. The time of the gentleman from Michigan has expired. The Chair recognizes the gentleman from South Carolina (Mr. WATSON).

Mr. WATSON. Mr. Chairman, earlier the distinguished chairman of the Judiciary Committee quoted the prophet Leviticus when he said: "Proclaim liberty throughout the land and to all the people," but yet the gentleman said we should protect that liberty to vote only in six Southern States.

The question is not whether or not we are going to protect the voting right of the black American for under the substitute those rights would be protected. The question is whether or not we are going to protect that voting right in every State of the Nation. We have to resolve this question in our mind.

If the Members believe that we should continue a discriminatory piece of legislation and reward those six Southern States who have tried, whether they were dragged there or voluntarily went there, by putting them under 5 years of additional servitude, then they can vote for the proposal as it is.

But your constituents back home will ask: Why do you demand to protect the rights of the black man in the South but do not support a measure to give the same protection to the black man in your district in the North? That is the question one has to ask.

Mr. Chairman, I am strongly against any Federal voting standards, inasmuch as the Constitution provides that qualifications of electors are the prerogative of the individual States. But, if the 1965 Voting Rights Act is to be extended, it must be expanded so as to apply to all States of the Nation rather than six Southern States, including my beloved South Carolina.

In my judgment, if the present law is not broadened to include every State in the Union, then most certainly that in itself would be an admission that the 1965 act was conceived in vengeance, passed in prejudice, and continued in hypocrisy. As our able minority leader said when he was supporting his substitute which would remove this yoke from the neck of the Southern States, "there should be no second-class citizen in America and neither should there be a second-class State." For the proponents of the simple 5-year extension of this entirely southern measure to quote from the Civil Rights Commission in justification of their position is to rely upon a source which will never be satisfied unless the South is totally severed from the Nation.

Then, too, it is inconceivable that some of our colleagues from the North are so zealous in demanding rights for the black man in the South while denying those same rights to the black man in the other sections of the Nation.

Certainly the garnering of a vote is not so important to anyone as to warrant making the South the whipping boy of the Nation. We are proud people, and while the Federal lashes may be applied to our backs, they will never make us succumb to admitting the constitutionality of an unconstitutional measure.

The most incredible aspect of the whole argument is that while it is an admitted fact that my State and four other Southern States have met the 50-percent qualification in the last 1968 general election, the authors of the straight 5-year extension refuse to use the latest election figures, continuing to insist upon the use of the 1964 election results.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. RYAN).

Mr. RYAN. Mr. Chairman, the question before the House is whether or not the key provisions of the Voting Rights Act of 1965 shall be scrapped—whether or not the clock shall be turned back to the days when there was wholesale discrimination in the right to vote and no effective remedy.

A big point has been made about the fact that certain States had voting participation in the 1968 presidential election of a little more than 50 percent. This turnout reflects the impact of the act and should not be used to escape the very provisions which made it possible.

I refer the Members of this Committee to page 4 of the report, which points out that in many counties in these States, less than 50 percent of the voting-age blacks are registered.

In 1968, for example, in Alabama, less than 50 percent of those of voting age were registered in 27 of 67 counties. In five counties the black registration was less than 35 percent.

So it goes in Georgia, Mississippi, and South Carolina.

The report states at page 4:

> Although statewide totals do reflect increases, a substantial number of counties still disclose extremely low Negro registration. For example, in Alabama, less than 50 percent of Negroes of voting age are registered in 27 of 67 counties; in five counties, Negro registration is less than 35 percent; in Georgia, less than 50 percent of Negroes of voting age are registered in 68 of 152 counties; in 27 counties it is less than 35 percent; in Mississippi, less than 50 percent of Negroes of voting age are registered in 24 of 82 counties; in six counties it is less than 35 percent; in South Carolina, less than 50 percent of Negroes of voting age are registered in 23 of 46 counties; in three counties it is less than 35 percent.

**It is important for us to continue section 4 and section 5 so that the right of people to vote will be protected in those areas.**

The Ford substitute, which fits neatly into the administration's southern strategy, eliminates the automatic features of the 1965 act which have made it effective. By removing section 5, this retrogressive proposal opens the door wide to all of the old stratagems and maneuvers which were employed to deny access to the ballot box to black Americans.

If the administration were really concerned about protecting the right to vote nationwide, then it would urge extension of the 1965 act instead of using its power to cripple it. The Attorney General could have advocated an extension of the essential remedies combined with a complete ban on literacy tests. Why did he not? The Department of Justice easily could have drafted such legislation.

I have always opposed literacy tests in every part of the country. I first introduced legislation to abolish literacy tests during my first term in the 87th Congress, H.R. 8901, and I reintroduced legislation in the 88th Congress, H.R. 6029, and the 89th Congress, H.R. 2477. In this Congress I am a sponsor of H.R. 15146, along with the gentleman from Michigan (Mr. CONYERS). The chairman of the Judiciary Committee has assured us that the Judiciary Committee will hold hearings early in the next session of this Congress. Legislation banning literacy tests should be enacted in addition to the present Voting Rights Act. The vice of the Ford substitute is that it weakens the present law. For that reason it is opposed by the U.S. Commission on Civil Rights which said:

> The administration's substitute is a much weaker bill.

Roy Wilkins, director of the NAACP, who is also chairman of the Leadership Conference on Civil Rights, which comprises 125 national organizations, has written to Members of Congress urging defeat of the substitute.

Now is no time to retreat. The Voting Rights Act of 1965 should be extended.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Chairman, we are dealing today perhaps with the most vital and basic and fundamental right of all; that is, the right to vote in this great land of ours.

Extension of the Voting Rights Act of 1965 will serve as our legal and moral commitment — necessary and unimpeachable—to the cause of equal rights.

While the administration proposal in the substitute contains some excellent points which should be studied carefully by the Judiciary Committee, it also contains one point that guts the enforcement provisions of the Voting Rights Act of 1965.

If we vote for the substitute today we can properly be accused of gutting the Voting Rights Act that guarantees this most fundamental civil right of all, the right to vote.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado (Mr. ROGERS).

Mr. ROGERS of Colorado. Mr. Chairman, I yield to my colleague from Colorado (Mr. EVANS).

Mr. EVANS of Colorado. Mr. Chair-

man, I rise in opposition to the substitute and in support of the committee bill.

Why is it that the President, the minority leader and others want to let these sections of the 1965 Voting Rights Act expire?

To find the answer we should look at the effect of these sections during their existence over the last 4 years. We all know that the effect of these sections has been to allow and encourage more registration and more voting of Negroes in the last 4 years, in some States, than at any time since the Civil War? Is is as simple as that.

This has been true because the burden of proof has been placed upon States, rather than on individuals, under certain circumstances, to show that the laws, rules, and procedures of the State do not discriminate.

Well, then, who complains of these sections and why? First, those who believe the dignity and sovereignty of their State has been diminished by their operation. And, second, those who fear and do not want Negroes to register and vote.

Therefore, I must conclude that the purpose of the position urged by the President and by the minority leader, Mr. FORD, is to encourage those who would like to return to the old ways of discrimination to believe that they may begin again to reconstitute the disadvantages and impediments to the registration and voting of Negroes in their States.

Mr. ROGERS of Colorado. Mr. Chairman, may I point out that the substitute was introduced on July 9, 1969, and that the hearings in connection with this legislation had been concluded on July 1, before the committee recessed the substitute. No one had an opportunity to cross-examine witnesses in connection with the language of the proposal. Hence I believe it is not proper that we should adopt it at this time.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Colorado. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I want to express my support for H.R. 12695, the proposed "Nationwide Voting Rights Act of 1969."

We must, in my opinion, broaden the coverage of the Voting Rights Act of 1965. The bill reported by the Judiciary Committee (H.R. 4249) would merely keep in force for an additional 5 years the provisions of the 1965 act. In contrast, the bill which I support would afford nationwide protection of the right to vote.

A key feature of the nationwide bill is the provision suspending the use of all literacy tests. Perhaps, at one time there was justification for making literacy a prerequisite for registering to vote. However, there is no longer a proper basis for such a requirement. Radio and television are available to the overwhelming majority of households and give broad coverage to elections and to public questions generally. We are no longer dependent upon the printed page as the sole source of information regarding candidates and issues.

Most States have either abolished the literacy test or have never made the ability to read a precondition for voting. H.R. 12695 would suspend literacy tests in the 20 States which retain such a requirement. I submit that this measure embodies a proper concern for the rights of the undereducated, in whatever part of the United States they may reside.

I urge the adoption of H.R. 12695, the substitute nationwide voting rights bill offered by Mr. FORD.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Washington (Mr. MEEDS).

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. TALCOTT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. GIBBONS. I will use the time, then, Mr. Chairman.

The CHAIRMAN. The gentleman from Florida is recognized.

Mr. GIBBONS. Mr. Chairman, I guess I am about as southern as anyone in this Chamber by geography and by heritage, but I cannot support the substitute proposed by the gentleman from Michigan (Mr. GERALD R. FORD), though I must admit it looked rather attractive the first couple of times I looked at it.

Down in my part of the country, ever since I have been big enough to know anything about it, we have not been discriminating against the right of Negroes to vote. We have encouraged them to vote and to register. Our elections have been conducted honestly.

I regret that my other colleagues from some areas of the South find themselves in a bind, so they cannot meet the nationwide test of just 50 percent of the people in their own jurisdictions being registered and able to vote. I hope this deficiency will soon be remedied. In the meantime, I doubt that the Ford substitute will be of much help.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Chairman, I rise in opposition to the substitute amendment.

I was particularly struck by the argument of the distinguished minority leader when he offered his substitute. If I correctly understand that argument, it was that the Attorney General could move in, that the Attorney General would have the power to do this and to do that.

Before we turn over this vast power and authority to the Attorney General I believe we ought to examine his track record in similar areas where he presently has such power and authority.

Mr. Chairman. on August 25 of this year the Attorney General had the power and authority to move into the 33 Mississippi cases and ask for immediate implementation of HEW plans. He did not do so. Instead, through his deputies he moved for a delay.

Mr. Chairman, on October 29, he had the power and authority to appear before the U.S. Supreme Court in Holmes against Alexander and speak out for immediate integration of 16 of the 33 Missisippi school districts. What did he do? He had his deputies appear and seek further delay.

To the great credit of the Supreme Court they disagreed unanimously with his position and the case was remanded to the Fifth Circuit Court with instruction of immediate integration.

Mr. Chairman, thereafter the Attorney General had the power and authority to appear before the Fifth Circuit Court and move for immediate integration of the 33 school districts in the consolidated cases. In all instances there were plans for integration before the court.

How did the Attorney General exercise this power and authority? He instructed his deputies to urge of the court further delay and further planning. This despite the holding of the U.S. Supreme Court in Holmes against Alexander requiring immediate integration. In fact the Supreme Court specifically set forth that the plans of the 16 districts before the court in that case could be implemented immediately.

Again the Attorney General found himself on the wrong side of a court order requiring haste in integration as the Fifth Circuit Court ordered immediate implementation of 26 of the 33 plans.

Further, Mr. Chairman, immediately after the decision in Holmes against Alexander the Attorney General had the power and authority to move in hundreds of cases before various courts in the South, where there are plans filed, for immediate implementation of those plans. This could be done by simply filing so-called "Holmes" motions. My latest information is that there have been a number of these motions prepared for nearly a month but still they have not been approved for filing by the Attorney General.

I submit that if we pass this substitute which gives the Attorney General new powers and authority in the field of civil rights and then sit back and wait for him to exercise that power and authority we may have a long wait.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, the record is clear that the substitute, if adopted, would repeal necessary portions of the 1965 Voting Rights Act.

I call to your attention some rhetoric which we have heard here this afternoon. The distinguished minority leader said he does not want to keep those five States in servitude any longer. That sentiment was echoed by the gentleman from South Carolina (Mr. WATSON).

Mr. Chairman, for heaven's sake, is it to be considered servitude if we require States to let all their citizens vote regardless of their race or color? What kind of nonsense is that?

Mr. Chairman, the minority leader who proposed the Mitchell substitute tells us that in his opinion it does a better job of promoting voting rights than does the 1965 Voting Rights Act. That opinion is apparently shared by the gentleman from Louisiana (Mr. WAGGONNER). It is, however, vigorously opposed by Mr.

CELLER and Mr. MCCULLOCH and Father Hesburgh, president of the Civil Rights Commission, and by every element of the leadership conference, an association of organizations responsible for so much public support for civil rights legislation in the past.

Oh, yes, by way of postscript, the architect of this great substitute was, I understand, Attorney General Mitchell; architect of the "southern strategy" alluded to a few moments ago by the gentleman from Virginia (Mr. SCOTT). That "southern strategy" is the theory of some Republicans that if they turn their backs on racial justice, if they pander to segregation and discrimination, that they can somehow build a national party of majority stature. Such a tactic is immoral, unconscionable, patently destructive to the Nation, and in the long run, doomed to failure. It will, I am confident, be rejected by an overwhelming number of Americans, both Democrats and Republicans. The gentleman who proposes the substitute gives us a glowing report of the good faith of the States covered since 1965 by the voting rights bill. How naive does he take us to be? Where was that good faith in the 5 years before Federal intervention, 5 years during which black Americans were fired from their jobs, driven from their homes and assaulted and in some instances killed to prevent their exercising their right to vote. And where will that good faith be if the minority leader succeeds in destroying the law which has given those black Americans access to the ballot box. He knows and I know that it will be precisely the same good faith that was experienced before 1965.

Mr. Chairman, the gentleman from Connecticut (Mr. MESKILL) took exception to an earlier suggestion I made that one should look at the players in deciding which side to support in this controversy. With all due respects to my distinguished colleague from Connecticut, I was not referring to him. I did not have him in mind as one I look to for guidance in evaluating civil rights legislation.

I must say when I see the gentleman from Ohio (Mr. MCCULLOCH) and the gentleman from New York (Mr. CELLER) opposed by the coalition of the minority leader and the gentleman from Louisiana (Mr. WAGGONNER), I am really in no doubt about who is for racial justice and who is against it.

I urge rejection of the Ford substitute. Its passage would represent the first step backwards in a century in civil rights legislation.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. CELLER) to close debate.

Mr. CELLER. Mr. Chairman, what we want to do with reference to this amendment is to prevent color voting. We want voting to become colorblind.

Mr. Chairman, the Attorney General can go anywhere in the country he chooses and attack voting discrimination. Under the 1965 act he is authorized to institute suits to protect against impairment of the 15th amendment rights. But not a single suit has been started under that provision of the law. We specifically asked if he had started any suits and he said, "No."

Therefore, Mr. Chairman, the decision is plain. There has been voting discrimination in the areas where the triggering device does not apply. Therefore, as I see it, there is no need to change or alter the triggering device and adopt the substitute which has been offered by the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. COLMER. Mr. Chairman, for nearly 5 years seven once sovereign States have been treated by the Federal Government as if they were conquered provinces.

An unprecedented and grievous invasion of the sovereignty of seven States out of the 21 States in the country at large that had some form of literacy test for voters in 1964. This deliberate discrimination was tailored, through a completely arbitrary, contrived "automatic triggering device," to fit only these seven States located in one region of our country. Although this "trigger" was based on conditions that prevailed in 1964 that no longer prevail, legislation is pending before us (H.R. 4249) that would expand and compound this inequality.

If this bill reported by the House Judiciary Committee should be adopted, a Negro in New York will continue to be subject to a literacy test while a Negro in Mississippi will not.

Its passage will mean that a Negro in one North Carolina county will continue to take a literacy test while a second Negro living a mile away in another North Carolina county will be exempt from such a test.

This is ridiculous. If the Federal Government is going to ban literacy tests, why should this not apply in all States?

The distinguished chairman of the Judiciary Committee attempts to brush this question aside by asserting that there is no discrimination in voting outside the States covered by the 1965 act. And yet on page 296 of the hearings of Subcommittee No. 5 of the House Committee on the Judiciary the following paragraph appears:

> Consider the 1968 voter turnout in the New York ghettoes. In the core ghetto of Harlem, Bedford-Stuyvesant, the South Bronx and Brownsville-Ocean Hill, six nearly all-Negro assembly districts (55th, 56th, 70th, 72nd, 77th, and 78th) cast an average of only 18,000 votes in 1968 despite 1960 Census eligible voter population of 45,000-55,000. On average, less than 25,000 voters were registered in these districts.

On the same page of the hearings Mr. CELLER acknowledged that parts of Bedford-Stuyvesant, Ocean Hill, and Brownsville were in his district.

On the other hand, in the Fifth Mississippi District of 16 counties five counties are reported to have 100-percent nonwhite registration. Only four counties are below 50 percent, ranging from 45.1 to 49.9 percent. This information comes from a U.S. Civil Rights Commission study called "Political Participation—1968."

Further, on page 278 of the hearings appears a statement that a higher percentage of Negroes voted in South Carolina and Mississippi than in Watts or Harlem—245,000 more people voted in Mississippi in 1968 than in 1964.

In the light of these recent figures how can anyone defend the Judiciary Committee's proposal to broaden and make even more harsh the patent inequality of the 1965 act?

If 1968 is substituted for 1964 in the arbitrary formula for coverage under the Voting Rights Act, several most interesting facts and possibilities arise:

First. Only Georgia and South Carolina had a vote in the 1968 election of less than 50 percent. The other five States now under the original act would no longer be covered.

Second. Several nearly all-Negro assembly districts in New York and probably in many other northern cities would fail to meet the standards set in section 4(b) of the 1965 act. It would be found that some had less than 50 percent of the persons of voting age registered on November 1, 1968, and that some voted less than 50 percent of such persons in the 1968 presidential election.

Maybe it was the possible consequences of such a speculation that prompted the following outburst of the distinguished chairman of the Judiciary during the hearings:

> Will you agree that the proposal offered in this amendment by the Administration would be replete with all manner and kind of difficulties and make it extremely hazardous as to whether it would pass the Congress?
>
> For example, powers sought by the Attorney General to go into every nook and cranny in every State to supervise—and that it is a word I use advisely—the registration and election and the procedures attendant thereupon, in every State of the Union.
>
> Do you think the Congress would stand for such an intrusion in every State of the Union?

This cry of outrage, which will be found on page 246 of the hearings, is very revealing in several respects:

First, it acknowledges, possibly unconsciously, the political nature of the whole voting rights proposal. The only conclusion I can draw from this quotation is that the distinguished chairman feels that, while Northern and Western Congressmen are perfectly willing to invade the sovereignty of Southern States, they would not stand for such an intrusion in their own States, and this would make passage of a new voting rights bill "extremely hazardous." The position of the distinguished chairman would seem to reflect upon the sense of justice of our colleagues from the North and the West.

Second, it puts into words, possibly better than I could, the resentment that those of us who represent Southern States feel toward legislation authorizing the Attorney General, whoever he may be at the moment, to "go into every nook and cranny" of our States to supervise the registration and election and the procedures attendant thereupon. The gentleman from New York has made a more persuasive argument than I could against this whole concept of treating sovereign States as if they were conquered provinces.

I cannot believe that our colleagues from regions outside the South subscribe to a policy of unequal treatment by the

Federal Government of States and citizens of these United States.

AN ALTERNATIVE

On the other hand, the administration bill, H.R. 12695, has a paramount virtue: it utilizes a nationwide approach, thereby treating every State and every citizen, wherever he may reside, equally.

In brief, this bill has the following provisions:

First. A nationwide ban on literacy tests until January 1, 1974.

Second. Nationwide restrictions on residency requirements for presidential elections.

Third. Attorney General to have nationwide authority to dispatch voting examiners and observers.

Fourth. Attorney General to have nationwide authority to start voting rights lawsuits to freeze discriminatory voting laws.

Fifth. President to appoint a national advisory commission to study voting discrimination and other corrupt practices.

Whether one subscribes in full to each and every one of these provisions, certainly one must concede that it strives for equality, a very worthy objective that does not characterize the Judiciary Committee's bill.

OUT-OF-DATE FIGURES AND HEARSAY

I want to comment very briefly on some arguments made in support of the committee's bill, H.R. 4249.

When all other arguments fail them, the proponents refer to a study of the U.S. Commission on Civil Rights called "Political Participation." They present its "findings" as gospel truth, whereas even the most cursory perusal of this publication reveals that its conclusions are based upon out of date or completely unofficial figures and hearsay "facts."

This questionable basis is made clear by the following:

The publication was issued in May 1968, before conventions were held and before congressional and presidential races.

It uses 1960 census figures and figures furnished by unofficial and biased organizations. One example of its sources is V.E.P. News, September 1967.

The footnotes show plainly the hearsay nature of various charges made.

APATHY AND PRESSURE ORGANIZATIONS

Finally, I would raise this question: How does one explain an average turnout of 18,000 voters in 1968 in nearly all-Negro assembly districts in New York City that had an eligible voter population according to the 1960 census of 45,000 to 55,000? Or a 12-percent turnout in a District of Columbia School Board election?

As indicated above, the figures of the 1960 census are not up to date. But does that explain the low turnout? Or is it apathy? Or possibly lack of organized drives by such organizations as the NAACP or the SCLC?

Is the real reason for a low turnout in New York City different from a low turnout in Mississippi in 1964?

Mr. Chairman, this action which the proponents of this bill are advocating reminds me of my knowledge of history following the unfortunate fratricidal strife between the States and the aftermath thereof. I recall that the Congress control at that time, by the so-called North which had prevailed in that strife, made fiery speeches and attempted, in some instances succeeded, in enacting legislation to punish the Southern States. As I have listened to this debate, I have been impressed by the continuous reference to the South as the aggressor in denying the right to all citizens of the United States. In fact, as the debate progressed and some of my so-called northern friends addressed the House, I was thankful that in those days of punitive legislation we had Thaddeus Stevens instead of some of these present-day legislators.

I have already attempted to show the lack of consistency in the positions taken by some of the advocates of continuing this iniquitous bill. But I was amazed when I heard my friend and colleague, a member of my committee, the very able and eloquent gentleman from Illinois (Mr. ANDERSON), raise a question of the constitutionality of making his administration's bill the law and I quote him, as follows:

> I think there is grave constitutional doubts as to whether or not you can simply ban these tests all over the country without any reference at all to whether or not they have ever been used as a matter of fact to attempt to discriminate against somebody in voting because of his race or because of his color.

Knowing him as I do, as a student of the law and the Constitution, I repeat, I am amazed that he should take such a position. Conversely, I would think that the present law, which he desires to perpetuate—namely making the provisions of the law applicable only to a few States or its citizens, would raise the question of constitutionality rather than making it applicable to all the States.

Mr. Chairman, and that brings me to another point. I asked my friend the very distinguished gentleman from New York (Mr. CELLER), when he was before my Committee on Rules requesting a rule to bring the bill to the floor, when the unfortunate War Between the States was going to end. We in the South, in spite of that strife of more than a hundred years ago, are members of the Union. Whatever might have been the merits of the position of the Southern States, we are now members of the sisterhood of the States, and desire to continue to be so. It would seem to me that, after more than a century, this division should end. This is regional legislation aimed at a particular section of the country and is certainly not in line with the desire to have a reunited country. Regional legislation is divisive. And, certainly with all the problems that confront us, both upon domestic and foreign fronts, we should be united. Therefore, Mr. Chairman, I decry the further efforts to divide this country by a continuation of this type of legislation.

Finally, Mr. Chairman, while I do not subscribe to doctrine, as set out in the administration's bill providing for repeal of literacy tests in any or all of the States, I do feel that if it is to be applicable to a portion of our States, then it should be made applicable to all.

Therefore, I support the bill advocated by President Nixon and sponsored by the able gentleman from Michigan, the minority leader, but I must confess that I do so on the basis that it is the lesser of evils.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. GERALD R. FORD).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GERALD R. FORD. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers, Mr. GERALD R. FORD and Mr. ROGERS of Colorado.

The Committee divided, and the tellers reported that there were—ayes 189, noes 165.

So the substitute amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the Chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4249) to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices, pursuant to House Resolution 714, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

PARLIAMENTARY INQUIRY

Mr. CELLER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. CELLER. Mr. Speaker, I am sure that Members would like to know what the status of the bill will be, if the substitute bill is defeated on rollcall vote.

The SPEAKER. In response to the parliamentary inquiry, if the situation arises where the amendment is rejected, then the matter pending before the House will be the bill reported out of the Committee on the Judiciary.

The question is on the amendment.

Mr. CELLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas, 208, nays 204, not voting 21, as follows:

[Roll No. 316]

YEAS—208

| | | |
|---|---|---|
| Abbitt | Blanton | Bush |
| Abernethy | Boggs | Byrnes, Wis. |
| Adair | Bow | Cabell |
| Alexander | Bray | Caffery |
| Anderson, Tenn. | Brinkley | Camp |
| | Brock | Carter |
| Andrews, Ala. | Broomfield | Casey |
| Arends | Brotzman | Cederberg |
| Ashbrook | Brown, Mich. | Chamberlain |
| Aspinall | Brown, Ohio | Chappell |
| Ayres | Broyhill, N.C. | Clancy |
| Baring | Broyhill, Va. | Clausen, Don H. |
| Belcher | Buchanan | |
| Berry | Burke, Fla. | Clawson, Del |
| Betts | Burleson, Tex. | Collier |
| Bevill | Burlison, Mo. | Collins |
| Blackburn | Burton, Utah | Colmer |

Corbett
Cramer
Crane
Cunningham
Daniel, Va.
Davis, Ga.
Davis, Wis.
Delaney
Denney
Dennis
Derwinski
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Edwards, La.
Erlenborn
Eshleman
Evins, Tenn.
Fisher
Flowers
Flynt
Ford, Gerald R.
Foreman
Fountain
Frey
Fuqua
Galifianakis
Gettys
Goldwater
Goodling
Green, Oreg.
Griffin
Gross
Grover
Gubser
Hagan
Haley
Hall
Hammer-schmidt
Hansen, Idaho
Harsha
Hastings
Hébert
Henderson
Hogan
Hull
Hunt
Ichord
Jarman
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Kee
King
Kleppe
Kuykendall
Landgrebe
Landrum
Langen
Latta
Lennon
Lloyd
Lujan
Lukens
McClure
McEwen
McMillan
Mahon
Mann
Marsh
Martin
Mathias
May
Mayne
Meskill
Michel
Miller, Ohio
Mills
Minshall
Mize
Montgomery
Morton
Myers
Natcher
Nelsen
Nichols
O'Neal, Ga.
Passman
Pettis
Pickle
Poage
Poff
Pollock
Preyer, N.C.
Price, Tex.
Pryor, Ark.
Quie
Quillen
Rarick
Reid, Ill.
Rhodes
Rivers
Roberts
Rogers, Fla.
Roudebush
Ruth
Satterfield
Saylor
Schadeberg
Scherle
Scott
Sebelius
Shriver
Skubitz
Slack
Smith, Calif.
Snyder
Springer
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Ullman
Waggonner
Wampler
Watkins
Watson
Watts
Weicker
Whalley
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wold
Wright
Wyatt
Wydler
Wylie
Wyman
Young
Zion
Zwach

NAYS—204

Adams
Addabbo
Albert
Anderson, Calif.
Anderson, Ill.
Annunzio
Ashley
Barrett
Beall, Md.
Bell, Calif.
Bennett
Biaggi
Biester
Bingham
Blatnik
Boland
Bolling
Brademas
Brasco
Brooks
Brown, Calif.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Carey
Celler
Chisholm
Clark
Clay
Cleveland
Cohelan
Conable
Conte
Conyers
Corman
Coughlin
Cowger
Culver
Daddario
Daniels, N.J.
de la Garza
Dellenback
Dent
Diggs
Dingell
Donohue
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Esch
Evans, Colo.
Fallon
Farbstein
Feighan
Findley
Fish
Flood
Foley
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Gallagher
Garmatz
Gaydos
Giaimo
Gibbons
Gilbert
Gonzalez
Gray
Green, Pa.
Griffiths
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Horton
Howard
Hungate
Hutchinson
Jacobs
Johnson, Calif.
Karth
Kastenmeier
Kazen
Keith
Kluczynski
Koch
Kyros
Leggett
Long, Md.
Lowenstein
McCarthy
McClory
McCloskey
McCulloch
McDade
McDonald, Mich.
McFall
McKneally
Macdonald, Mass.
MacGregor
Madden
Matsunaga
Meeds
Melcher
Mikva
Miller, Calif.
Minish
Mink
Mollohan
Monagan
Moorhead
Morgan
Morse
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Hara
O'Konski
Olsen
Ottinger
O'Neill, Mass.
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pike
Pirnie
Podell
Price, Ill.
Pucinski
Railsback
Randall
Rees
Reid, N.Y.
Reuss
Riegle
Robison
Rodino
Roe
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roybal
Ryan
St Germain
St. Onge
Sandman
Scheuer
Schwengel
Shipley
Sisk
Smith, Iowa
Smith, N.Y.
Stafford
Staggers
Stanton
Steed
Stokes
Stratton
Sullivan
Symington
Taft
Thompson, N.J.
Tiernan
Tunney
Udall
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
White
Widnall
Wilson, Charles H.
Wolff
Yates
Yatron
Zablocki

NOT VOTING—21

Andrews, N. Dak.
Cahill
Dawson
Eilberg
Fascell
Fulton, Tenn.
Hays
Hosmer
Jones, Tenn.
Kirwan
Kyl
Lipscomb
Mailliard
Powell
Purcell
Reifel
Ruppe
Schneebeli
Teague, Tex.
Utt
Vander Jagt

So the amendment was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Purcell for, with Mr. Andrews of North Dakota against.

Mr. Lipscomb for, Mr. Fascell against.

Mr. Teague of Texas for, with Mr. Eilberg against.

Mr. Utt for, with Mr. Cahill against.

Mr. Hosmer for, with Mr. Schneebeli against.

Until further notice:

Mr. Kirwan with Mr. Reifel.

Mr. Fulton of Tennessee with Mr. Ruppe.

Mr. Hays with Mr. Mailliard.

Mr. Kyl with Mr. Vander Jagt.

Mr. Dawson with Mr. Powell.

Mr. CORBETT changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

PARLIAMENTARY INQUIRY

Mr. EDWARDS of California. Mr. Speaker, a parliamentary inquiry: has a motion to recommit been made?

The SPEAKER. The Chair will state that a motion to recommit comes too late at this stage. The Chair has already put the question on the passage of the bill and announced that the ayes appeared to have it.

Mr. CELLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 234, nays 179, not voting 20, as follows:

[Roll No. 317]

YEAS—234

Abernethy
Adair
Addabbo
Alexander
Anderson, Tenn.
Andrews, Ala.
Arends
Ashbrook
Aspinall
Ayres
Baring
Beall, Md.
Belcher
Bell, Calif.
Bennett
Berry
Betts
Bevill
Blackburn
Blanton
Boggs
Bow
Bray
Brinkley
Brock
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burlison, Mo.
Burton, Utah
Bush
Byrnes, Wis.
Cabell
Camp
Carter
Casey
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Collins
Colmer
Conable
Corbett
Cowger
Cramer
Crane
Cunningham
Daniel, Va.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denney
Dennis
Dent
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Dwyer
Edwards, Ala.
Edwards, La.
Erlenborn
Eshleman
Evins, Tenn.
Flowers
Flynt
Ford, Gerald R.
Foreman
Fountain
Frelinghuysen
Frey
Fulton, Pa.
Fuqua
Galifianakis
Garmatz
Gettys
Gibbons
Goldwater
Goodling
Gray
Green, Oreg.
Griffin
Gross
Grover
Gubser
Haley
Hall
Hamilton
Hammer-schmidt
Hansen, Idaho
Harsha
Hastings
Henderson
Hogan
Hull
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Kee
Keith
King
Kleppe
Kuykendall
Landgrebe
Landrum
Langen
Latta
Lennon
Lloyd
Lujan
Lukens
McCloskey
McClure
McDade
McDonald, Mich.
McEwen
McKneally
McMillan
MacGregor
Mahon
Mann
Marsh
Martin
Mathias
May
Mayne
Meskill
Michel
Miller, Ohio
Mills
Minshall
Mize
Mollohan
Montgomery
Morton
Myers
Natcher
Nelsen
Nichols
O'Konski
O'Neal, Ga.
Pepper
Pettis
Pickle
Pirnie
Poff
Pollock
Preyer, N.C.
Price, Tex.
Pryor, Ark.
Quie
Quillen
Railsback
Reid, Ill.
Rhodes
Rivers
Roberts
Rogers, Fla.
Roth
Roudebush
Ruth
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schwengel
Scott
Sebelius
Shipley
Shriver
Sikes
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Snyder
Springer
Stafford
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Ullman
Waggonner
Wampler
Watkins
Watson
Watts
Weicker
Whalley
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Young
Zion
Zwach

NAYS—179

Abbitt
Adams
Albert
Anderson, Calif.
Anderson, Ill.
Annunzio
Ashley
Barrett
Biaggi
Biester
Bingham
Blatnik
Boland
Bolling
Brademas
Brasco
Brooks
Brown, Calif.
Burke, Mass.
Burleson, Tex.
Burton, Calif.
Button
Byrne, Pa.
Caffery
Carey
Celler
Chisholm
Clay
Cohelan
Conte
Conyers
Corman
Coughlin
Culver
Daddario
Daniels, N.J.
Davis, Ga.
Diggs
Dingell
Donohue
Dowdy
Dulski
Eckhardt
Edmondson
Edwards, Calif.
Esch
Evans, Colo.
Fallon
Farbstein
Feighan
Findley
Fish
Fisher
Flood
Foley
Ford, William D.
Fraser
Friedel
Gallagher
Gaydos
Giaimo
Gilbert
Gonzalez
Green, Pa.
Griffiths
Gude
Hagan
Halpern
Hanley
Hanna
Hansen, Wash.
Harrington
Harvey
Hathaway
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Horton
Howard
Hungate
Johnson, Calif.

| | | |
|---|---|---|
| Karth | Nedzi | Roybal |
| Kastenmeier | Nix | Ryan |
| Kazen | Obey | St Germain |
| Kluczynski | O'Hara | St. Onge |
| Koch | Olsen | Scheuer |
| Kyros | O'Neill, Mass. | Sisk |
| Leggett | Ottinger | Smith, N.Y. |
| Long, La. | Passman | Staggers |
| Long, Md. | Patman | Stanton |
| Lowenstein | Patten | Steed |
| McCarthy | Pelly | Steiger, Ariz. |
| McClory | Perkins | Stokes |
| McCulloch | Philbin | Stratton |
| McFall | Pike | Sullivan |
| Macdonald, Mass. | Poage | Symington |
| Madden | Podell | Taft |
| Matsunaga | Price, Ill. | Teague, Tex. |
| Meeds | Pucinski | Thompson, N.J. |
| Melcher | Randall | Tiernan |
| Mikva | Rarick | Tunney |
| Miller, Calif. | Rees | Udall |
| Minish | Reid, N.Y. | Van Deerlin |
| Mink | Reuss | Vanik |
| Monagan | Riegle | Vigorito |
| Moorhead | Robison | Waldie |
| Morgan | Rodino | Whalen |
| Morse | Roe | Wilson, Charles H. |
| Mosher | Rogers, Colo. | Wolff |
| Moss | Rooney, N.Y. | Yates |
| Murphy, Ill. | Rooney, Pa. | Yatron |
| Murphy, N.Y. | Rosenthal | Zablocki |
| | Rostenkowski | |

NOT VOTING—20

| | | |
|---|---|---|
| Andrews, N. Dak. | Hays | Powell |
| Cahill | Hosmer | Purcell |
| Dawson | Jones, Tenn. | Reifel |
| Eilberg | Kirwan | Ruppe |
| Fascell | Kyl | Schneebeli |
| Fulton, Tenn. | Lipscomb | Utt |
| | Mailliard | Vander Jagt |

So the bill was passed.

The clerk announced the following pairs:

On this vote:

Mr. Purcell for with Mr. Andrews of North Dakota against.
Mr. Utt for with Mr. Eilberg against.
Mr. Lipscomb for with Mr. Dawson against.
Mr. Hosmer for with Mr. Kirwan against.

Until further notice:

Mr. Kyl with Mr. Fascell.
Mr. Ruppe with Mr. Mailliard.
Mr. Hays with Mr. Schneebeli.
Mr. Reifel with Mr. Vander Jagt.

Mr. HOLIFIELD changed his vote from "yea" to "nay."

Mr. HAMILTON changed his vote from "nay" to "yea."

Mr. HECHLER of West Virginia changed his vote from "yea" to "nay."

Mr. BROYHILL of Virginia changed his vote from "nay" to "yea."

Mr. COUGHLIN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks and include extraneous matter on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 2208. An act for the relief of James Hideaki Buck;

H.R. 4560. An act for the relief of Sa Cha Bae;

H.R. 5133. An act for the relief of Pagona Anomerianaki;

H.R. 6600. An act for the relief of Panagiotis, Georgia, and Constantina Malliaras;

H.R. 10156. An act for the relief of Lidia Mendola; and

H.R. 11503. An act for the relief of Wylo Pleasant, doing business as Pleasant Western Lumber Co. (now known as Pleasant's Logging and Milling, Inc.).

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 13270. An act to reform the income tax laws.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 13270) entitled "An act to reform the income tax laws, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. ANDERSON, Mr. GORE, Mr. TALMADGE, Mr. BENNETT, Mr. CURTIS and Mr. MILLER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13763) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes."

The message also announced that the Senate agrees to the House amendment to the Senate amendment numbered 37.

## SUPPLEMENTAL APPROPRIATIONS, 1970

Mr. MAHON, from the Committee on Appropriations, reported the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes (Rept. No. 91–747), which was read a first and second time, and referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. BOW reserved all points of order on the bill.

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on this measure be limited to not to exceed 30 minutes, the time to be equally divided and controlled by the gentleman from Ohio (Mr. BOW) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BOW. Mr. Speaker, reserving the right to object, I realize the hour is late, and that Members would like to leave, but it seems to me on a supplemental bill of this size that general debate of 30 minutes is quite short. I would ask my chairman if he would ask for an hour of debate, and if we do not take it, fine, but it seems to me some Members may want to be heard on it, and it seems to me we should have some time for Members to speak if they care to.

Mr. MAHON. Mr. Speaker, I modify my request to ask that the time for general debate be not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Ohio and myself.

Mr. BOW. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15209, with Mr. O'HARA in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. BOW) will be recognized for 30 minutes.

The chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. GUBSER).

(By unanimous consent, Mr. GUBSER was allowed to speak out of order.)

SUBCOMMITTEE INVESTIGATION OF MYLAI INCIDENT

Mr. GUBSER. Mr. Chairman, I am currently serving as a member of the Investigating Subcommittee of the Armed Services Committee, which is looking into the Army's handling and reporting of events connected with the so-called Mylai incident. In order to be impeccably responsible and completely objective, we as members of the committee have made no statements to the press because we have not heard all the evidence.

Today, on the first page of the Evening Star, I read an article by James Doyle which reads as follows in part:

A helicopter pilot has told members of the House Armed Services Committee that he trained his guns on American soldiers.

Later in the article it says:

He told the congressmen that when he landed he got in an argument with the platoon leader on the scene.

Mr. Chairman, I have been present at every single meeting of these hearings, and I say to you on my honor as a member of the U.S. House of Representatives that these statements are not true.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, as one

who was also present, I concur with the distinguished gentleman from California. The statement in the article is false.

Mr. GUBSER. Mr. Chairman, I thank the gentleman from Missouri.

Mr. GROSS. Mr. Chairman, would the gentleman yield to clarify, before he starts consideration of the bill. We are dealing now with a committee print which carries no number, but the committee print of the report shows "No. 91–747." Is that correct? Is there a printed numbered bill?

Mr. MAHON. Mr. Chairman, the number of the bill is H.R. 15209, which has been reported and filed. The bill is available on this table and on the table on the other side of the aisle and in the regular places near the Speaker's table. And so is the report.

The gentleman has a copy. It was not parliamentarily possible for us to file it earlier today during consideration of the voting rights bill, so there was some delay in getting the number.

This is the final supplemental bill, and the copy the gentleman has is what is now before us.

Mr. GROSS. There is nothing else to supersede what we have here?

Mr. MAHON. The gentleman is entirely correct.

Mr. GROSS. I thank the gentleman.

SUMMARY OF THE BILL

Mr. MAHON. Mr. Chairman, this supplemental bill is the final appropriation bill of the year to be presented to the House. It concludes the appropriations business of the House except, of course, for the consideration and disposition of conference reports on several bills pending in conference or in the other body.

If Members will turn to page 2 of the committee report, they can see at a glance the major features of the pending bill. It is a relatively modest supplemental bill. Something between 75 and 80 percent of the total in the bill relates in one way or another to the effects of Hurricane Camille last August. Briefly:

The committee considered estimates for new budget—obligational—authority aggregating $298,547,261 as contained in House Document No. 91–199, of November 24, and Senate Document No. 91–33, of September 15, the latter containing an estimate of $8,380,000 not previously acted upon.

The committee recommends a total of $235,057,761 in the accompanying bill, a reduction of $63,489,500, or about 21 percent.

The committee actions on the various budget requests are explained in the applicable chapters of the report. But in summary may I say that of the $235,057,761 new budget authority in the bill, $175,000,000, or about 75 percent of the total, is for disaster relief loans under the Small Business Administration to supply replacement of funds drawn down largely on account of the devastation caused by Hurricane Camille. There are, in other accounts in the bill, about $7,958,000 also associated with Hurricane Camille damage in August, 1969.

About 6 percent of the total, or $15,323,261 is in the bill for claims and judgments.

Another 4 percent—$9,350,000—is in the bill for law enforcement in the Treasury Department, primarily in connection with control of smuggling of marihuana and narcotics.

About 3 percent of the total of the bill, $7,500,000 is for additional construction of the John F. Kennedy Center for the Performing Arts.

Nearly 6 percent of the total, or $13,500,000 is for accelerated development of the Trust Territory of the Pacific Islands and for Indian education and welfare services.

In respect to the item for claims and judgments, I anticipate that an amendment will be offered by the gentleman from Oklahoma (Mr. EDMONDSON), increasing the amount for judgments, relating to an Indian Claims Commission award. I am advised that a budget estimate for that is on its way to the Capitol.

This is a relatively small supplemental. It does have a number of items in it. The great bulk of the total recommended is for emergencies of one sort or another, including additional requirements brought about by Hurricane Camille of last August.

Mr. HALL. Mr. Chairman, will the gentleman yield?

KENNEDY CENTER FOR PERFORMING ARTS

Mr. MAHON. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I appreciate the gentleman's statement and I certainly appreciate his yielding to me. I appreciate his coming to me yesterday and providing me in advance with a copy of the committee print. I understand that this is what is under current consideration.

The last statement the gentleman made I can only paraphrase. After explaining the main items he said that there were only lesser amounts outside of the emergencies and outside of the budget and so forth, which bothers me a little bit based on what my study has revealed in the bill under chapter 3, Department of the Interior and Related Agencies, lines 7 through 18, for additional expenses to enable the Board of Trustees of the John F. Kennedy Center for the Performing Arts to carry out the purposes of the act of September 2, 1958.

Does the gentleman consider this an emergency or a matter of deficiency or properly in a supplemental appropriation bill to be considered here at this time of night? Is it still presided over by the same gentlemen, "Mr. R. Stevens," "Mr. B. Keeney," or whatever the name is, the gentleman who put out all of the grants for the arts center for the mating dance of the butterfly on the Amazon, and the study of "architecture" by the gentleman from Santa Barbara, the University of California?

Is this what we are adding $7.5 million on, and must these funds be matched?

Those are quite a number of questions, but I am amazed to find this in a supplemental or deficiency appropriation bill.

Mr. MAHON. In response to the gentleman, the Kennedy Center has sustained a cost overrun of considerable magnitude. The building has been under construction for some time. The Congress has just recently approved the authorization of these additional funds, which are supposed to finish the structure.

President Nixon has sent up a budget request for $7,500,000, representing this to be an emergency, because if the funds are not made available to proceed there will be a slowdown in the work and an accumulation of additional costs.

While the committee realized this was a matter which would be somewhat controversial, we saw no other alternative under all the circumstances than to provide the funds which had been requested. This is to be the last installment.

Mr. HALL. Mr. Chairman, if the gentleman will yield further, I realize that over the vote of some of us it was authorized on September 2. In fact, I think there was a little more authorized than this. But the distinguished gentleman, the chairman of the Committee on Appropriations, is telling me that we have overruns in the arts and humanities and in the cultural area just as we have overruns in the military and industrial production? Is a fair figure of 43 percent to which the gentleman referred correct insofar as this matter is concerned?

Mr. MAHON. I referred to that overrun a few days ago, it is 43 percent. As you know, and as the committee report on page 13 states, these funds would be matched by private contributions.

Mr. HALL. Mr. Chairman, would the gentleman go a little further and advise us whether those same men that were in charge—that were put in charge originally—have been rather loose with the grants and loose with the overruns as well as loose with the construction? Referring the gentleman again to my first question, can the gentleman answer whether in his opinion this is a true emergency or not?

Mr. MAHON. Under the circumstances I think it could be called an actual emergency.

Mr. GRAY. Mr. Chairman, will the gentleman from Texas yield to me for the purpose of responding to the question which has been propounded by the gentleman from Missouri (Mr. HALL)?

Mr. MAHON. I yield to the gentleman.

Mr. GRAY. If I may have the attention of the gentleman from Missouri, I would like to state that the overrun at the John F. Kennedy Center is being investigated by the General Services Administration as well as the Department of Justice. The matter is being looked into at the request of our Committee on Public Works and the very distinguished minority leader, the gentleman from Michigan (Mr. FORD), who raised a question about this when the authorizing committee brought out the bill. If there is any wrongdoing in the overruns of cost, it certainly will be brought out. However, as the gentleman knows and has been pointed out, this money is needed because the building is 61 percent complete and it will cost another $10 million if they stop construction at this point. So, we must go ahead and advance it although we may be able to recoup some of this overrun.

Mr. HALL. I note that the gentleman from Illinois is dressed in formal attire and, perhaps, he is planning to attend a function at the Center, and I appreciate

this. I am glad though that we are looking into this overrun. I do not wish to be characterized as one being against culture, but the question is, why is it an emergency.

Second, why does the Federal taxpayer have to pick up the tab for a mistake made by someone else, first in the selection of the site and, second, dealing with the contracts during a period of time when labor costs are mounting and are spiraling, during an inflationary period?

It looks to me like there has been a serious question of judgment with reference to this matter.

Would not the gentleman agree with me that an amendment would be in order to take this out of the supplemental appropriation bill?

Mr. GRAY. Mr. Chairman, if the gentleman from Texas will yield further, the original authorizing legislation called for a 50–50 matching basis; that is, for every dollar of private contribution, we would put up 1 Federal dollar. This is a bargain. I wish all buildings were built this way for the Federal Government.

Mr. HALL. Mr. Chairman, if the gentleman will let me correct the record right there, the original legislation which we passed—and I was here—we were promised by many people that it would never cost the Federal taxpayer 1 cent because the funds would be donated and collected and raised in any manner that anyone else raises such private funds, but they came back the second time and secured additional funds over the vote of many Members of this body, especially in view of the matching fund question. Is that the history of the situation?

Mr. GRAY. I stand corrected. The 1958 act which was the original act was based upon private contributions alone. However, after President Kennedy was killed, in 1963, the Congress did set up a matching formula. This is the only national monument to President Kennedy. The overruns were $15 million and all we did was to authorize $7.5 million in order to keep our commitment.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. MINSHALL. The gentleman realizes as a helicopter pilot and one who can operate in all directions—up and down and back and forth—I would like to ask the gentleman: How does one recoup overruns? If you solve this, you have got it made.

Mr. GRAY. Mr. Chairman, if the gentleman will yield further, I do not want to take too much time but, actually, what happened was that the architects made an error in judgment in estimating the cost of the project. Second, after the site was selected we had the advent of the jet service at National Airport and they had to go in and restrengthen the steel supporting structure because it is in the flyway of National Airport; both for sound and strength.

Some have said that the architect made a mistake and, therefore, the Department of Justice is now investigating to see whether or not they did make a mistake, and if they did, some of this cost will be charged to them.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Florida.

ALASKAN PIPELINE

Mr. ROGERS of Florida. Mr. Chairman, I want to commend the committee and particularly the gentlewoman from Washington State for cooperating with the Committee on Merchant Marine and Fisheries and especially the Fish and Wildlife Subcommittee with reference to a question which has been raised in our hearings dealing with the problem that a pipeline would be built by the oil companies across Alaska and the territory of the United States.

And all of the expense attendant upon that was going to have to be borne by the taxpayers to take care of those reports and those inspections, and investigations as to the effect on the wildlife, and we do not believe that ought to be done, it ought to be borne by the pipeline company. And we see that language is in the committee report which I know the gentlewoman from Washington (Mrs. HANSEN) has been most responsible for, and I want to commend the gentlewoman for that, and also the committee, and that they will continue to see that in these negotiations the proper fees for reimbursement purposes are made.

Again I commend the gentlewoman, and also the Committee on Appropriations, and I hope that they will follow it up, as I am sure that they will.

Mrs. HANSEN of Washington. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I will yield to the gentlewoman from Washington, who chairs the subcommittee that heard this item.

Mrs. HANSEN of Washington. Mr. Chairman, may I say to the distinguished gentleman from Florida that we have followed upon the report and, as a result of our hearings, received a letter from Under Secretary Train, the essence of which says:

> The Solicitor has advised me that, to the extent this Department reasonably incurs supervisory and other associated costs which are necessitated by the unique problems presented by the TAPS project and which are not expenses which this Department otherwise would incur in the normal operations, there is adequate statutory authority for us to charge such reasonable costs to TAPS.

Then he goes on:

> It is my opinion that you have the discretionary authority, under the appropriate circumstances, to impose on a pipeline right-of-way applicant reasonable charges to reimburse the Department for expenses necessarily incurred by it in connection with the application and the subject matter thereof.

Mr. ROGERS of Florida. Mr. Chairman, I thank the gentlewoman from Washington.

Mr. MAHON. Mr. Chairman, I yield to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to commend the gentleman from Texas and the distinguished gentlewoman from Washington for the outstanding job they have done in assuring that the costs that have been mentioned insofar as protecting the ecology and environment in connection with the Trans-Alaska Pipeline project will be borne by the pipeline company itself rather than by the taxpayers.

As the gentleman from Florida indicated, this was a matter of grave concern in our Subcommittee on Fisheries and Wildlife of the Merchant Marine and Fisheries Committee, and we had Secretary Train and other Department of Interior representatives before us to brief us. Subsequently, a letter was sent, signed by a number of Members of the House, including the gentlewoman from Washington, to the Secretary of the Interior stressing our position that these matters should be borne by the pipeline company.

Again I wish to commend the gentlewoman from Washington, and it is also my hope that she and the distinguished Committee on Appropriations will be most vigorous in insuring that the Department of the Interior in its negotiations insist on these matters being carried out as suggested.

I do not know if the pipeline companies have signed the stipulations, but I would point out, and I would hope the gentlewoman will comment on this, that it is my impression that none of the conglomerate companies have signed the stipulations. I wonder if the gentlewoman from Washington has any comment on that?

Mrs. HANSEN of Washington. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentlewoman from Washington.

Mrs. HANSEN of Washington. The record will show that there have been no stipulations actually agreed to in writing by any of the oil companies involved.

COMMISSION ON GOVERNMENT PROCUREMENT

Mr. MAHON. Mr. Chairman, I yield to the gentleman from California (Mr. HOLIFIELD).

Mr. HOLIFIELD. Mr. Chairman, on page 8 of the report the matter of the Government procurement appropriation is commented on. I want to thank the committee for making the initial appropriation, and to call to the attention of the Chairman that the committee has approved the purpose of this matter, but due to the lateness of the year they cut the budget estimate by $2 million, but that is in no way to be considered as being in opposition to the commission. As soon as the commission is appointed, and the plans properly presented, we will have the opportunity to come before the committee for an additional appropriation.

Mr. Chairman, I thank the gentleman for yielding.

Mr. MAHON. Mr. Chairman, I yield to the gentleman from Tennessee (Mr. EVINS).

Mr. EVINS of Tennessee. Mr. Chairman, I thank the gentleman for yielding. The purpose of the commission has been approved, but because of the lateness of the year we did not feel that full funding was necessary. We can take a look at it again next year.

We think there is a sufficient amount in the bill to get it organized and get the planning underway.

Mr. Chairman, I thank the gentleman for yielding.

CONGRESSIONAL SUMMER INTERNS

Mr. MAHON. Mr. Chairman, the gentleman from Alabama (Mr. ANDREWS), the chairman of the Legislative Subcommittee, would wish to point out what the committee has recommended in the bill in regard to the congressional summer intern program.

Mr. ANDREWS of Alabama. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I think we have made a satisfactory resolution of the question of allowances for summer interns. There is no added money in the bill for this purpose, but we are recommending an additional place in each Member's office. We have provided language which will permit Members to increase the number of employees during the summer months. Quoting from the committee report:

The committee is proposing a new arrangement with respect to financing the cost of congressional summer interns. It would increase—by one—the maximum allowable number of employees in a Member's office (during 2½ months of the 3-month period June 1–August 31 each year) so as to fully accommodate the personnel provisions of House Resolution 416 of the 89th Congress, but without adding to the maximum basic clerk-hire monetary allowance now authorized for the offices.

Under the provision, the many Members who have been employing one or more congressional summer interns on their regular office clerk-hire roll could continue to do so next summer within the limits permitted by H. Res. 416, but without impinging upon the limit now imposed by law on the number of clerks otherwise authorized to them. The cost, however—which is limited by H. Res. 416 to not over $750 *gross* per Member each summer—would be chargeable against the aggregate *basic* allowance of $34,500 now authorized for congressional districts of less than 500 thousand constituents and $37,000 for districts above that. This absorption should not be a strain on office budgets in view of the additional allowance of $2,500 *basic* voted last June in H. Res. 357.

The restriction in the regular annual appropriation bill against use of the contingent fund would continue.

Mr. MAHON. Mr. Chairman, I thank the gentleman for his statement.

Mr. Chairman, I do not have any requests for further time at the moment.

The CHAIRMAN. The gentleman from Texas has consumed 21 minutes.

Mr. BOW. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I may say that in most details we support this supplemental appropriation bill.

I was delighted that my good friend, the gentleman from Missouri, Dr. HALL, took care of the Kennedy Center. I tried to do it a few months ago in the authorization bill and ended up by his having to take care of me.

I should like to discuss it in much more detail, but fearful that I may have to call upon him again, I shall not do it.

I think this item certainly should be investigated. I am delighted that the gentleman from Illinois (Mr. GRAY) thinks he is going to recoup—but I do not think he is going to recoup.

My opinion, in spite of some of the testimony in the hearings, is that this is the end and there will not be any more.

They did make the statement in the hearings that there would be no more Federal funds for construction. I do not know what that means. But I would assume that this item is going to be with us for a long, long time.

I think a very careful study should be made of the entire situation down there. It should be investigated very carefully and I would support the good doctor's amendment, if he offers one.

Otherwise, I think this is a good bill.

Mr. Chairman, most of the details are well explained in the report.

Mr. Chairman, I have no requests for time that I know of on this side.

The CHAIRMAN. The gentleman from Ohio has consumed 2 minutes.

Mr. MAHON. Mr. Chairman, I have no further requests for time and ask that the Clerk read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SMITHSONIAN INSTITUTION

THE JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

For additional expenses, not otherwise provided, necessary to enable the Board of Trustees of the John F. Kennedy Center for the Performing Arts to carry out the purposes of the Act of September 2, 1958 (72 Stat. 1698), as amended, including construction, to remain available until expended, such amounts which in the aggregate will equal gifts, bequests, and devises of money, securities and other property received by the Board for the benefit of the John F. Kennedy Center for the Performing Arts under such Act, not to exceed $7,500,000.

AMENDMENT OFFERED BY MR. HALL

Mr. HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HALL: On page 5, strike out all of line 8 through 18.

Mr. HALL. Mr. Chairman, this amendment speaks for itself. It simply amputates line 7 through 18 until such time as we can have the necessary investigations that have been referred to by the distinguished gentleman from Illinois here, and know exactly how we are using, and whether or not we are properly using, the taxpayers' money—even in accordance with the authorization which was passed by the majority in good faith.

Mr. Chairman and Members of the Committee, this certainly is not an emergency. They are proceeding with the buildings. They can proceed with the donated funds, or those that are raised otherwise, with the construction, until the investigation of the Department of Justice and the investigation of the General Services Administration is completed.

This is a time of austerity, budget balancing, and emergency. Mr. Chairman, this is a time when we in Congress have placed a ceiling of expenditures on the Chief Executive of the United States. Certainly this is one area where we can defer and tighten our belts and withhold. If we, the Congress, are not going to establish the priorities by which the President shall reduce these expenditures in order to come within the amount within the appropriated funds.

Congress must not limit spending on the one hand and continue these niceties—no matter how nice they are—that are in excess of the budget. Therefore, I am in favor of removing this, without any prejudice, for the time being, as a means of saving.

I am glad to know it is under investigation. I am glad the committee has been informed that no stoppage of construction would be in order, but that there have been "overruns," and that they are being investigated. I personally hope construction will not be stalled on the basis of funds available from others, or on the contractor's responsibility. Be that as it may, our great responsibility is to the Treasury of the United States and to the taxpayers of America, and I hope this amendment does pass.

KENNEDY CENTER FOR THE PERFORMING ARTS

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the bill provides "not to exceed $7,500,000." That is for the completion of the John F. Kennedy Center. It says "not to exceed" because these funds have to be matched by private contributions before they become available. This project has been under construction for a long time. If we do not proceed now with the project, if construction is interrupted, it is estimated additional unnecessary costs will be incurred. That is the situation.

Mr. Chairman, I yield to the gentleman from Illinois (Mr. GRAY) to comment on the additional cost that may be incurred if the construction schedule is delayed.

Mr. GRAY. Mr. Chairman, I thank the gentleman from Texas for yielding.

Mr. Chairman, we went into this matter very carefully when the Subcommittee on Public Buildings and Grounds brought out the authorizing legislation. The General Services Administration testified that if we stop this project now, at 61 percent completion, and start it up again, even 1 year hence, it will cost about $12 million more.

Mr. Chairman, these are all special craftsmen. For example, over a dozen countries are supplying various hardware, including pieces of stone, various drapery materials, and chandeliers and things of this nature, and they have engaged the subcontractors to install this. If we stop now and disengage them and cancel the contracts, we will be having to start this up plus the $7½ million in this bill. So anyone who votes against this is not voting for economy. They are voting for $19.5 million instead of $7.5 million, if we go over to next year or some future date.

Mr. MAHON. Mr. Chairman, I thank the gentleman from Illinois for his contribution. It seems to me that under all the circumstances we must go forward and complete this work. I trust the project will not be delayed.

Mr. Chairman, when President Nixon submitted this supplemental budget estimate he limited it more or less to urgent items. He did not wish to have a supplemental, but he found it impossible to avoid. This is a relatively small supplemental. The President would not have included this item unless he felt compelled to do so, because the President knows this project is not popular with all Members. It has encountered considerable dif-

ficulty, but it will be best to proceed with it.

Mr. Chairman, I yield now to the distinguished Speaker of the House.

Mr. McCORMACK. Mr. Chairman, in addition to the reasons advanced by the gentleman from Texas and the gentleman from Illinois, there is a sentimental side to this appropriation. The reasons advanced seemed to me to be convincing, but I think we are justified in not overlooking the sentimental side, that this memorial is named in honor of a man whose life was drastically taken away from us by an evil-minded assassin. It is named in honor of a man whose memory will always occupy the foremost pages in American history and occupy a foremost position in the minds of Americans of all generations.

Mr. MAHON. Mr. Chairman, I thank the Speaker.

Mrs. HANSEN of Washington. Mr. Chairman, I rise in opposition to the amendment. The authorization for this additional appropriation for the John F. Kennedy Center passed the House on July 8, 1969, by a record vote of 210 yeas to 162 nays. The appropriation of funds for the Center is the next logical step in our legislative process.

Certainly I am as disappointed as any one of the cost overrun experienced in connection with this project. We went into this very thoroughly in the hearings the subcommittee conducted on this budget request. While some portion of the cost overrun may be questionable, testimony developed during the hearing indicated that certainly some part of the cost overrun was beyond the reasonable control of anyone.

The history of this project has been somewhat stormy. There has been discussion as to where it should be built, how it should be built, when it should be built, and how it should be operated.

Be that as it may, we are now faced with a situation where we have half a building standing on the shore of the Potomac. I think it would make good sense to complete it. To do otherwise, would be foolhardy.

The committee has been informed that the John F. Kennedy Center cannot be operated on a limited basis. That is to say, it is not feasible or practical to finish off the space now under construction. Witnesses further testified during the hearing that if the construction schedule is interrupted for 1 or 2 years, millions of dollars of additional costs will be incurred unnecessarily. Eliminating this item from the supplemental bill will result in no saving to the American taxpayer. Believe me, this structure is going to be completed sooner or later, and the later it is completed the more it will cost.

I make no apology whatsoever for my support of this appropriation item. This is the people's Capital. When they come here it is important that we present the best face of America, not only to natives of this land, but to visitors from all countries of the world. Certainly it will not hurt our image to be associated with "culture."

I earnestly refer all Members to the in-depth hearings we conducted on this request which begin on page 387 and run through page 422 of the printed hearings on this bill. In my opinion, the record established during that hearing warrants the support of this appropriation.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words, and rise in support of the amendment of my good friend from Missouri.

Mr. GROSS. Mr. Chairman, I, too, want to be sentimental. I want to be sentimental in behalf of the taxpayers of this country. I am not unaware and others ought not to be unaware, although they may seem to be, that we have about $370 billion of Federal debt. We have a Bureau of the Public Debt and it will need next year between $18 to $19 billion, simply to pay the annual interest on that Federal debt.

Mr. Chairman, when will some of the sentimentalists in the House of Representatives say a few words in behalf of the taxpayers? When are they going to speak out and vote in behalf of balancing the budget and stopping inflation?

Only an actual balancing of the budget will stop interest charges and inflation from going right on up. It is time for some sentimentalism in behalf of those who pay the bills.

The gentleman from Illinois (Mr. GRAY) keeps repeating that failure to approve this $7,500,000 will cost us so much more; that "we" have to do this, and "we" have to do that. Why do we have to do anything—we, the Members of Congress—by way of appropriating money for this project?

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. The gentleman recently took the lead in establishing a so-called visitor's center in Washington, and already we are being told that multimillion-dollar boondoggle is in financial trouble and will have to come to Congress for more money.

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. GRAY. I beg the gentleman's pardon, but that visitors' center is not costing the taxpayer one red cent.

Mr. GROSS. I suggest you wait until you get through with it.

Mr. GRAY. All right. Will the gentleman yield further?

Mr. GROSS. Do not stake your reputation on it here this evening, that it will not.

Mr. GRAY. Will the gentleman yield further?

Mr. GROSS. Briefly, because I have a few other things to say.

Mr. GRAY. Let me say to the gentleman, in the case of the John F. Kennedy Center, those taxpayers he is bleeding for, and for whom I bleed, have put in, as of today, $9 million more than the Federal Government. The gentleman did not tell that.

Mr. GROSS. And the taxpayers of the Nation will have about $40 million in this cultural castle if this $7,500,000 is approved.

Mr. GRAY. Thirty-two millions dollars that the American taxpayers have donated for construction of the John F. Kennedy Center to date. That is $9 million more than we have paid.

Mr. GROSS. With this money, the taxpayers of the country will have somewhere around $35 million or $40 million in it. In addition, they will be carrying the load for the tax-exempt foundation money that has gone into it.

Mr. GRAY. Twenty million dollars of which will be repaid from the bonds.

Mr. GROSS. You hope so. It will probably be just the way the bonds on the Washington stadium are being paid off. They are not. We are putting up at least 17 percent of the interest each year on the $20,000,000 worth of stadium bonds and we were told that that white elephant would not cost us any money.

Members of Congress were told that this cultural center would cost the taxpayers of the country not one dime when it was started. The gentleman admitted it a moment ago. I guess I have lived too long; have been around too long, or have too long a memory. I can remember the start of both those deals. All of us were assured it was not going to cost the taxpayers a cockeyed dime for either the cultural center or the stadium.

Do not deceive us. I know the gentleman would not do that. Do not deceive us again on propositions of this kind.

Let me tell you where they can get the money to finish the Kennedy Center. They can go out and get it where they said they were going to obtain it in the first place—from the people who are interested in this sort of thing. That is the place to get the money; that is where you said you would get it, not from all the taxpayers.

Get your hands out of the pockets of the taxpayers of the Third Congressional District of Iowa, for cultural centers and stadiums in Washington, D.C. All I ask you to do: get off the backs of my taxpayers.

The gentleman from Missouri (Mr. HALL) is to be commended for offering his amendment and attempting to save the taxpayers $7,500,000; for trying to do what he can to save this Nation from a financial crisis. Unless this kind of nonessential spending is stopped and stopped now there is nothing to save this country from a confrontation with insolvency.

Mr. Chairman, I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. HALL).

The question was taken; and on a division (demanded by Mr. HALL) there were—ayes 22, noes 54.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MEMBERS' CLERK HIRE

After June 1, 1970, but without increasing the aggregate basic clerk hire monetary allowance to which each Member and the Resident Commissioner from Puerto Rico is otherwise entitled by law, the appropriation for "Members' clerk hire" may be used for employment of a "student congressional intern" in accord with the provisions of House Resolution 416, Eighty-ninth Congress.

POINT OF ORDER

Mr. GROSS. Mr. Chairman, I make a point of order against the language on page 6, beginning with line 11 and

through line 18, as being legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman desire to be heard in support of the point of order?

Mr. GROSS. I thought I made the point of order, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. MAHON. Mr. Chairman, the Committee on Appropriations put this legislation in the bill for the purpose of accommodating Members. It is subject to a point of order, and the point of order is conceded.

The CHAIRMAN. The gentleman from Texas has conceded the point of order, and the Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

CHAPTER IX

CLAIMS AND JUDGMENTS

For payment of claims settled and determined by departments and agencies in accord with law and judgments rendered against the United States by the United States Court of Claims and United States district courts, as set forth in House Document Numbered 91–199, Ninety-first Congress, $15,323,261, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall become final and conclusive against the United States by failure of the parties to appear or otherwise: *Provided further*, That unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of the Act.

AMENDMENT OFFERED BY MR. EDMONDSON

Mr. EDMONDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDMONDSON: On page 10, line 13, strike out "$15,323,261" and insert "$24,491,433".

Mr. EDMONDSON. Mr. Chairman, I shall not take the 5 minutes allocated to me to discuss this amendment.

The able and distinquished chairman of the Committee on Appropriations explained at the outset of this bill the matter which is covered by this amendment.

It represents the sum of a judgment which was awarded under docket No. 72 and docket No. 298, to the Delaware Tribe of Indians and the absentee Delaware Tribe of Oklahoma by the Indians Claims Commission. It is a final award. It has been submitted by the Treasury Department to the Bureau of the Budget on November 19 as a final award. It is my understanding that it is to be transmitted by the Bureau of the Budget either today or tomorrow. I believe that the custom is in these cases to have the House of Representatives originate appropriations items and I have offered the amendment for that purpose.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I am happy to yield to the distinguished gentleman from Texas.

Mr. MAHON. Mr. Chairman, the gentleman from Oklahoma is correct in his statement that this is a judgment, and a final judgment. The Treasury Department and the Bureau of the Budget have approved a request which is en route to Congress for the payment of this sum.

So I have no objection to the amendment.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I am happy to yield to the gentleman from Ohio.

Mr. BOW. I have been advised by the White House that this request is on its way here. It represents a final judgment and must be paid. We on this side have no objection to acceptance of the amendment.

Mr. EDMONDSON. I thank the gentleman.

Mr. Chairman, I insert at this point in the RECORD the letter which I have received from the Treasury Department with reference to this matter.

The letter referred to follows:

THE DEPARTMENT OF THE TREASURY,
FISCAL SERVICE, BUREAU OF ACCOUNTS,
*Washington, D.C., December 5, 1969.*

Hon. ED EDMONDSON,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. EDMONDSON: This is in response to a telephone call received December 4, from Mr. Richard H. White of your staff requesting a status report concerning payment of the final award ordered by the Indian Claims Commission in favor of the Absentee Delaware Tribe of Oklahoma, et al. (Docket No. 72) and the Delaware Tribe of Indians (Docket No. 298), in the principal amount of $9,168,171.13. Our office received a certified copy of the award from the Indian Claims Commission on November 19.

We can pay such awards only from funds appropriated by the Congress specifically for this purpose. Our request for the funds needed to pay this award was sent to the Bureau of the Budget on December 4 for inclusion in the President's next request to the Congress for a supplemental appropriation. The timing of the submission of these appropriation requests by the Treasury to the Bureau of the Budget is determined by the Bureau of the Budget. We have been advised by officials of that office that our request will be forwarded to the Congress in the very near future.

As soon as the necessary funds are appropriated by the Congress, we will take prompt action to pay this award.

Very truly yours,

S. L. COMINGS,
*Comptroller.*

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The amendment was agreed to.

Mr. CONTE. Mr. Chairman, I want to say a few words about the $8.7 million the distinguished Subcommittee on the Treasury and Post Office, on which I am the ranking minority member, has recommended and the full committee has approved, for the Bureau of Customs.

The problem of drug abuse has reached critical proportions in this country. One of the best ways to put a stop to it is by halting the flow of drugs into the United States from abroad. This is precisely the very difficult job that the Bureau of Customs must carry out.

I commend them for the great efforts they are making, and for the even greater efforts they will be making in the future. The problem is perhaps not fully recognized by enough people. For example, almost all of the marihuana, all of the heroin, all of the hashish, all of the cocaine, and all of the smoking opium used in the United States is smuggled into this country. Stopping this flow, as you can imagine, is no easy job.

The profits are huge for the drug smuggler. An ounce of 50-percent-pure heroin worth $350 when it crosses the border will be cut to 16 ounces of 3-percent-pure heroin for retail distribution.

This will provide approximately 1,800 doses which will be retailed at between $5 and $10 each—for a retail total of roughly $13,500, or $40 for each $1 invested.

I know from first hand observations that the customs officials are working day in and day out, far from their families, to stop the flow across the Mexican border in Operation Intercept. Their dedication is remarkable and I commend them for it.

We have got to try to put a stop to the drug traffic crossing our borders. That is why I strongly support the committee's recommendations for enough men, money, cars, boats, planes, and all related equipment. It is one of the most worthwhile investments we can make.

The Clerk concluded the reading of the bill.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. O'HARA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes, had directed him to report the bill back to the House with an amendment, with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GROSS. Unqualifiedly and unequivocally.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill H.R. 15209, to the Committee on Appropriations wtih instructions to report the bill back forthwith with the following amendment: On page 5, strike out all of lines 7 through 18.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 142, nays 243, not voting 48, as follows:

[Roll No. 318]

YEAS—142

| | | |
|---|---|---|
| Abbitt | Edwards, Ala. | Mizell |
| Abernethy | Erlenborn | Montgomery |
| Anderson, Ill. | Eshleman | Myers |
| Andrews, Ala. | Fish | Nichols |
| Arends | Fisher | O'Konski |
| Beall, Md. | Flowers | O'Neal, Ga. |
| Belcher | Flynt | Poage |
| Bell, Calif. | Foreman | Poff |
| Berry | Fountain | Pollock |
| Betts | Frey | Price, Tex. |
| Bevill | Goldwater | Quillen |
| Blackburn | Gonzalez | Railsback |
| Bow | Goodling | Rarick |
| Bray | Griffin | Reid, Ill. |
| Brinkley | Gross | Roth |
| Brock | Gubser | Roudebush |
| Brown, Mich. | Hagan | Ruth |
| Broyhill, N.C. | Haley | Satterfield |
| Buchanan | Hall | Saylor |
| Burke, Fla. | Hammer-schmidt | Schadeberg |
| Burlison, Mo. | Hansen, Idaho | Scherle |
| Burton, Utah | Harsha | Scott |
| Bush | Hastings | Sebelius |
| Cabell | Henderson | Skubitz |
| Camp | Hogan | Smith, Calif. |
| Carter | Hunt | Snyder |
| Chappell | Hutchinson | Steiger, Ariz. |
| Clancy | Johnson, Pa. | Steiger, Wis. |
| Clawson, Del | Jones, N.C. | Stubblefield |
| Collier | Kleppe | Stuckey |
| Collins | Landgrebe | Talcott |
| Conable | Landrum | Taylor |
| Corbett | Langen | Thompson, Ga. |
| Coughlin | Latta | Waggonner |
| Cowger | Lennon | Wampler |
| Crane | Lloyd | Watkins |
| Daniel, Va. | Long, La. | Watson |
| Davis, Wis. | Lujan | Weicker |
| de la Garza | Lukens | Whalley |
| Dellenback | McClure | Whitehurst |
| Denney | McCulloch | Widnall |
| Dennis | McEwen | Wiggins |
| Derwinski | Martin | Winn |
| Devine | Meskill | Wold |
| Dickinson | Michel | Wylie |
| Dowdy | Miller, Ohio | Zion |
| Downing | Minshall | Zwach |
| Duncan | | |

NAYS—243

| | | |
|---|---|---|
| Adair | Boland | Casey |
| Adams | Bolling | Cederberg |
| Addabbo | Brademas | Chamberlain |
| Albert | Brasco | Chisholm |
| Alexander | Brooks | Clark |
| Anderson, Calif. | Brotzman | Clausen, Don H. |
| Annunzio | Brown, Calif. | Cleveland |
| Aspinall | Brown, Ohio | Cohelan |
| Ayres | Broyhill, Va. | Conte |
| Barrett | Burke, Mass. | Conyers |
| Bennett | Burleson, Tex. | Corman |
| Biaggi | Burton, Calif. | Cramer |
| Biester | Button | Culver |
| Blanton | Byrne, Pa. | Cunningham |
| Blatnik | Byrnes, Wis. | Daddario |
| Boggs | Caffery | Daniels, N.J. |
| Delaney | Carey | Dawson |
| Dent | Kyros | Reuss |
| Dingell | Leggett | Rhodes |
| Donohue | Long, Md. | Rivers |
| Dorn | Lowenstein | Roberts |
| Dulski | McClory | Robison |
| Eckhardt | McCloskey | Rodino |
| Edmondson | McDade | Roe |
| Edwards, La. | McDonald, Mich. | Rogers, Colo. |
| Esch | McFall | Rogers, Fla. |
| Evans, Colo. | McKneally | Rooney, N.Y. |
| Evins, Tenn. | Macdonald, Mass. | Rooney, Pa. |
| Farbstein | MacGregor | Rosenthal |
| Feighan | Madden | Rostenkowski |
| Findley | Mahon | Roybal |
| Flood | Mann | Ryan |
| Foley | Marsh | St Germain |
| Ford, William D. | Mathias | St. Onge |
| Fraser | Matsunaga | Sandman |
| Frelinghuysen | May | Scheuer |
| Friedel | Mayne | Schwengel |
| Fulton, Pa. | Meeds | Shipley |
| Fuqua | Melcher | Shriver |
| Galifianakis | Mikva | Sikes |
| Gallagher | Miller, Calif. | Sisk |
| Garmatz | Mills | Slack |
| Gaydos | Minish | Smith, Iowa |
| Gettys | Mink | Smith, N.Y. |
| Giaimo | Mollohan | Springer |
| Gibbons | Monagan | Stafford |
| Gilbert | Moorhead | Staggers |
| Gray | Morgan | Stanton |
| Green, Oreg. | Morse | Steed |
| Green, Pa. | Mosher | Stephens |
| Griffiths | Moss | Stokes |
| Grover | Murphy, Ill. | Stratton |
| Gude | Murphy, N.Y. | Sullivan |
| Hamilton | Natcher | Symington |
| Hanley | Nedzi | Taft |
| Hanna | Nelsen | Teague, Calif. |
| Hansen, Wash. | Nix | Teague, Tex. |
| Harrington | Obey | Thompson, N.J. |
| Harvey | O'Hara | Thomson, Wis. |
| Hathaway | Olsen | Tiernan |
| Hays | O'Neill, Mass. | Tunney |
| Hechler, W. Va. | Ottinger | Udall |
| Heckler, Mass. | Passman | Ullman |
| Helstoski | Patten | Van Deerlin |
| Hicks | Pelly | Vanik |
| Holifield | Pepper | Vigorito |
| Horton | Perkins | Waldie |
| Howard | Pettis | Watts |
| Hull | Philbin | Whalen |
| Hungate | Pickle | White |
| Ichord | Pike | Whitten |
| Jacobs | Pirnie | Williams |
| Jarman | Podell | Wilson, Charles H. |
| Johnson, Calif. | Preyer, N.C. | Wolff |
| Jonas | Price, Ill. | Wright |
| Jones, Ala. | Pryor, Ark. | Wyatt |
| Karth | Pucinski | Wydler |
| Kastenmeier | Quie | Wyman |
| Kazen | Randall | Yates |
| Kee | Rees | Yatron |
| Keith | Reid, N.Y. | Young |
| | | Zablocki |

NOT VOTING—48

| | | |
|---|---|---|
| Anderson, Tenn. | Edwards, Calif. | Lipscomb |
| Andrews, N. Dak. | Eilberg | McCarthy |
| Ashbrook | Fallon | McMillan |
| Ashley | Fascell | Mailliard |
| Baring | Ford, Gerald R. | Mize |
| Bingham | Fulton, Tenn. | Morton |
| Broomfield | Halpern | Patman |
| Cahill | Hawkins | Powell |
| Celler | Hébert | Purcell |
| Clay | Hosmer | Reifel |
| Colmer | Jones, Tenn. | Riegle |
| Davis, Ga. | King | Ruppe |
| Dawson | Kirwan | Schneebeli |
| Diggs | Kluczynski | Utt |
| Dwyer | Koch | Vander Jagt |
| | Kuykendall | Wilson, Bob |
| | Kyl | |

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Ashbrook for, with Mr. Celler against.

Mr. Colmer for, with Mr. Broomfield against.

Mr. Davis, of Georgia for, with Mr. Ashley against.

Mr. McMillan for, with Mr. Reifel against.

Mr. Utt for, with Mr. Mize against.

Mr. Bob Wilson for, with Mr. Kluczynski against.

Mr. Schneebeli for, with Mr. Ruppe against.

Mr. Hébert for, with Mr. Halpern against.

Mr. Kuykendall for, with Mr. Koch against.

Mr. King for, with Mr. Fallon against.

Mr. Hosmer for, with Mr. McCarthy against.

Until further notice:

Mr. Purcell with Mr. Andrews of North Dakota.

Gerald R. Ford with Mr. Kirwan.

Mr. Anderson of Tennessee with Mrs. Dwyer.

Mr. Bingham with Mr. Mailliard.

Mr. Fulton of Tennessee with Mr. Morton.

Mr. Baring with Mr. Lipscomb.

Mr. Patman with Mr. Kyl.

Mr. Edwards of California with Mr. Riegle.

Mr. Eilberg with Mr. Vander Jagt.

Mr. Fascell with Mr. Cahill.

Mr. Hawkins with Mr. Clay.

Mr. Diggs with Mr. Dawson.

Mr. MICHEL, Mr. RAILSBACK, Mr. COUGHLIN, and Mr. WIDNALL changed their votes from "nay" to "yea."

Mr. WYMAN, Mr. McDONALD of Michigan, Mr. AYRES, and Mr. ESCH changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

## GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the supplemental appropriation bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask further unanimous consent that all Members speaking on the bill may revise and extend their remarks and include extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

## REREFERENCE OF S. 3180 TO COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia be discharged from further consideration of the bill, S. 3180, and that the bill be rereferred to the Committee on Post Office and Civil Service.

Mr. Speaker, we have a letter from the chairman of the committee who is in accord with this request.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## APPOINTMENT OF CONFEREES ON H.R. 13270, TAX REFORM ACT OF 1969

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 13270) to reform the

income tax laws, the so-called Tax Reform Act of 1969, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. VANIK. Mr. Speaker, reserving the right to object, and I do not object at this time, I would like to reserve the right to offer a preferential motion in which I would urge that the conferees or the managers on the part of the House be instructed with respect to increasing exemptions and insisting on the House provisions on the oil and gas depletion allowances.

Mr. Speaker, will such a preferential motion be in order?

The SPEAKER pro tempore. It will be if the unanimous-consent request on the conference is agreed to.

Mr. VANIK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. MADDEN. Mr. Speaker, reserving the right to object. I might for the information of the gentleman from Ohio and the House membership state that by reason of the broadcast of the President last Monday night, telling maybe millions of people that he was going to veto the 15-percent raise in social security if it came before him and also that he was going to veto the $200 tax exemption raise I called a special meeting of the Democratic Steering Committee today. I received expressions of so much consternation and complaint by the Members on this side of the aisle and a great deal of criticism of the broadcast especially where the President referred to a veto of these bread and butter issues, we Democratic Members became alarmed. Approximately 25,500,000 recipients of social security over the Nation also became alarmed at that threat, and millions upon millions of wage earners and salary earners who are paying big taxes, were also shocked. As chairman of the Democratic Steering Committee and because of the pressure of the Members on this side I called a special meeting of the committee this afternoon during which this veto matter was taken up.

Mr. Speaker, I will read the resolution that was adopted—almost unanimously with the exception of one vote:

*Resolved*, That the House Democratic Steering Committee hereby endorses and recommends enactment of proposed legislation providing for a $200 increase in the personal income tax execption, to the House Tax Reform Bill and a 15 percent increase in Social Security Insurance System benefits effective as of January 1, 1970.

RAY J. MADDEN,
*Chairman,*
*House Democratic Steering Committee.*

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PREFERENTIAL MOTION OFFERED BY MR. VANIK

Mr. VANIK. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. VANIK moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 13270 be instructed to insist on the House provisions relating to the oil and gas depletion allowance and to provide tax relief by way of increased dependency exemptions.

Mr. VANIK. Mr. Speaker, I would like to be heard on my motion.

The SPEAKER pro tempore. The gentleman from Ohio is recognized.

Mr. VANIK. Mr. Speaker, I offer this motion to instruct the conferees in order to assure that the managers on the part of the House will stand by the House provisions on oil and gas depletion—which the Ways and Means Committee reduced to 20 percent—along with elimination of the foreign depletion allowance.

The action of the House and the Ways and Means Committee was reasonable and a minimum reduction of the special tax privilege of oil and gas. To do less would be to totally disregard one of the most urgent needs of tax reform. There can be no tax reform if oil and gas is to continue to escape a reasonable degree of taxation.

In the action of the Ways and Means Committee, we did not do very much about the intangible drilling costs—we did not do anything about the bookkeeping methods of the industry. In the Ways and Means Committee we gave oil privilege a very light touch. The other body almost totally destroyed our efforts by reducing its tax reform efforts on oil and gas to a "will of the wisp."

The 23-percent reduction of the oil depletion allowance provided by the other body is nothing at all. The testimony before the Ways and Means Committee clearly established that the average industry utilization of the oil depletion allowance is no more than 23 percent. A reduction of the depletion allowance to 23 percent is no burden at all to an industry that has more tax privilege than any other segment of American economic life.

The vote in the Ways and Means Committee on the 20-percent reduction on the depletion allowance was reported out by a vote of 18 to 7. The vote in the House was overwhelming and almost unanimous. It seems to me that the managers on the part of the House must be mindful of the House position and insist on the House provisions which constitutes a modest and reasonable approach to the oil tax issue.

Mr. Speaker, ever since I have been in this Congress I have sponsored legislation to provide for an increase of the dependency tax exemption. It is incredible to assume that any taxpayer or head of family can support his dependents within the $600 limitation. Inflation has multiplied the problems of family support.

In approaching the problem of tax justice—we must consider how a taxpayer must divide his income in supporting his dependents. Many taxpayers support dependents who would otherwise become public charges. The dependency exemption is in some measure a recognition of this fact.

There are other plans like tax credits, increased deductions, reduced tax rates, but no other alternative can so effectively operate to recognize the assumption of obligation as a matter of family life and family survival.

This year 259 Members of this body have introduced legislation to increase exemptions. Some proposals would increase dependency exemptions as much as $1,200 per dependent, which is indeed a realistic determination of what it costs to support a dependent under minimum standards today.

In the last several weeks, 233 Members of this body have signed a petition indicating their support of increased exemptions.

Among the various proposals for tax relief—I have found only two proposals which have sought a reduction of tax rates. Quite obviously an overwhelming portion of the Members of this body—prefer increased exemptions as a form of tax relief.

I do not believe we should instruct the managers of the House on the specifics of exemption relief—but the other body has reported out a proposal which can provide a good format for the final proposal. I hope the managers will consider the position of the overwhelming majority.

Mr. Speaker, I have a deep and profound respect for my distinguished chairman, the gentleman from Arkansas (Mr. MILLS). He is a man of unexcelled experience, wisdom, and dedication.

Our distinguished chairman led us through the most thorough and comprehensive review of the tax laws of our country through month after month of careful deliberation. This difficult task constitutes one of the great experiences of my life. It is an experience that occurs perhaps but once in the lifetime of a legislator.

Along with my colleagues, I have a great stake in the adoption of a fair and equitable tax bill. It would be my hope that it might not have to be done again next year—or in the next session—or in the next Congress.

If we can truly make this a tax reform bill—if we can truly provide a more equitable tax on those who have had unfair preference—if we can truly provide tax relief to those most deserving—our work may prevent the taxpayers' revolt which former Secretary of the Treasury Joe Barr said would soon occur.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. VANIK. I am happy to yield to my distinguished chairman.

Mr. MILLS. I would much prefer, of course, at all times not to go to a conference under instructions, but if I were going to this conference under instructions from my colleagues in the House there are many, many items I would have included in such a motion which the gentleman does not include in his motion. I believe that the instructions of my colleagues in the House should be to the conferees—at least to me as a conferee—that I fight as hard in the con-

ference to preserve what the House passed as I, along with my colleagues on the committee, fought to develop the bill initially in the committee and to pass it in the House.

I think my friend from Ohio has been on the Ways and Means Committee long enough to know that I do not like to labor in futility—work and work as hard as we did—and then in conference capitulate. I do not like to ask the Members of the House to go up the hill with us and take all of the heat we have taken with respect to the provisions in this bill and then ask my colleagues to march down the hill. I have never done that to you and I do not intend to do it now.

And, Mr. Speaker, if the gentleman will yield further—

Mr. VANIK. I am happy to yield further to my distinguished chairman.

Mr. MILLS. When I go to a conference I consider myself pledged when I get to conference to uphold the position of the House, not my position, but the position of the House. The position of the House in this instance is the bill that the House passed by such an overwhelming vote. We set out as the gentleman knows to do something in each area that provided a tax shelter, and we did. Some of those areas have been amended in a way that I do not like. Some of them, I understand from talking to our people who have followed their actions over there, have been improved actually by the other body, because I understand in some areas they expressed interest in strengthening tax reform provisions and in the development of additional revenue. So, you can see that there were some good amendments adopted.

Now, we will analyze those amendments and those that we believe are destructive of the bill, we will fight. I think I can assure the gentleman that is the feeling of all of those who will be conferees—I have worked with too many of them too long not to feel that all of us will be in there fighting as hard as we can fight to retain in the conference report as much of the House bill as anyone can. Furthermore, the House will have an opportunity to see the conference report and, since the conference has been asked for by them, the report will be considered first here and if it does not meet with the approval of our colleagues, we can recommit it to the conference.

So, I would like that degree of flexibility which I think we need more in this conference than any other conference I can remember ever having attended.

I would hope that my good friend, in light of this and the statement I have made and knowing of the work we did in the committee, and my intention to uphold that work, would withdraw his motion to instruct the conferees.

Mr. VANIK. Would the gentleman indicate whether or not we can expect tax relief by way of increased exemptions, because that matter was not considered in our committee?

Mr. MILLS. We did not take that topic up in the Committee on Ways and Means, as the gentleman knows. We preferred in the committee by a vote—I have forgotten what the vote was—to do it by rate reductions. The Senate on the other hand has preferred to do it by an increase in personal exemption.

I have as much interest in increased exemptions as anyone in this House. It is a question of timing with me. I do not want us to do something that will permit the President to possibly say that a Democratic-controlled Congress has made it impossible for him in the year 1970 to do anything to stop inflation. However, if we do something that will put his budget out of balance for fiscal year 1970, I daresay that would be the charge he would make. I do not want us to get into that position. I think my friend from Ohio would agree with me that any tax reductions that we finally agree to in the conference should be tax reductions that do not affect the fiscal year 1970 and, perhaps, do not affect even calendar year 1970.

There is one that is frozen insofar as 1970 is concerned that we cannot do anything about and that is the minimum standard deduction. Their change is nearly the same as ours. So there will be this change in 1970, in any event which will have an effect on revenues in the calendar year 1970.

Mr. VANIK. Am I correct in understanding the distinguished chairman and believing that it is your intention to provide some system of relief by way of increased exemptions?

Mr. MILLS. Oh, yes. We have that definitely in mind.

Mr. VANIK. Am I correct in my further understanding that the distinguished gentleman from Arkansas will insist upon the House provision which dealt with oil depletion?

Mr. MILLS. I will insist on not just that. Why does the gentleman not ask me about all of them?

Mr. VANIK. How about all of them?

Mr. MILLS. As far as I am concerned, I am going to insist on all of them, if I can get them all.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I want to commend the chairman of the Committee on Ways and Means for the work that he and his committee have done this year on bringing up tax reform. I want to correct the gentleman on a statement that he has just made.

The gentleman said that he did not want to have the President feel that a Democratic-controlled Congress resort to politics and jeopardize his legislative program. It has been my observation, and the observation of most Members on this side of the House, that when most Democratic platform issues are debated the Republican leadership and a few of the southern Democrats get together, that they can outvote us by about 15 to 20 votes, so this session is not in reality a Democratic-controlled Congress.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I wonder if the gentleman from Arkansas could tell us or give us any idea on whether he will be able to wring these concessions out of the other body by New Year's Day?

Mr. MILLS. Mr. Speaker, would the gentleman yield?

Mr. VANIK. I yield to the distinguished chairman, from Arkansas.

Mr. MILLS. Mr. Speaker, I appreciate the gentleman yielding to me.

I want to keep all my colleagues advised, as we go along on this matter. It is my understanding that we will begin our conference with the Senate on this matter at 10 o'clock next Monday morning.

I had hoped that we could begin our conference in the morning, and that we could work Saturday, but I can understand the reluctance of any Member of the other body—after having labored with this bill as long as they have—wanting to get a little bit of rest from the tax bill, at least over the weekend.

So, Mr. Speaker, I agreed to resist my own feelings and lay them aside, and accommodate the Senate Members on timing. So we will go to conference at 10 o'clock on Monday morning. That means that we may be able to have a conference report before Christmas, but it is going to be quite difficult for us to reach agreement on a conference report, to have the report filed, and to have an opportunity for the House to vote on it before Christmas.

I think my friend, the gentleman from Iowa, knows that it takes some little time for our technicians to prepare the conference report after the decisions are all completed.

Mr. GROSS. Mr. Speaker, would the gentleman yield further?

Mr. VANIK. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, one Member of the other body has described it as a Christmas tree. I just wondered if that was an accurate description.

Mr. MILLS. If the gentleman will yield further, Mr. Speaker, if it is a Christmas tree it should be all right for it to remain so through the Christmas season, even if we have to remove the trimmings after Christmas. That is a common practice, I understand.

But we intend to do some removing of these trimmings even before Christmas.

Mr. GROSS. Mr. Speaker, I thank the gentleman from Ohio for yielding.

Mr. VANIK. Mr. Speaker, I want to thank my distinguished chairman. The conferees and managers on the part of the House have our best wishes, and I ask that they speak for the average taxpayers of America who need to get some relief out of this tax program which will be before the conference.

Mr. Speaker, I withdraw my motion.

The SPEAKER. The gentleman from Ohio withdraws his preferential motion.

The Chair appoints the following conferees: Messrs. MILLS, BOGGS, WATTS, ULLMAN, BYRNES of Wisconsin, UTT, and BETTS.

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## PROVIDING FOR THE CONSIDERATION OF H.R. 12321, ECONOMIC OPPORTUNITIES ACT AMENDMENTS OF 1969

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 734 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 734

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12321) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor as an original bill for the purpose of amendment under the five-minute rule and to read such amendment in the nature of a substitute by titles instead of by sections. At the conclusion of such consideration, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments there to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 12321, the Committee on Education and Labor shall be discharged from further consideration of the bill S. 3016, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 12321 as passed by the House.

The SPEAKER. The gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield to the gentleman from Nebraska (Mr. MARTIN) 30 minutes, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 734 provides an open rule with 3 hours of general debate for consideration of H.R. 12321, Economic Opportunity Act Amendments of 1969. The resolution also provides that it shall be in order to consider the committee substitute as an original bill for the purpose of amendment and that, after passage of the House bill, it shall be in order to discharge the Committee on Education and Labor from further consideration of S. 3016, move to strike all after the enacting clause and amend it with the House-passed language.

The purpose of H.R. 12321 is to amend and extend the Economic Opportunity Act. The bill as reported contains a committee amendment which substitutes a new text for the bill and adds three new parts to emphasize and strengthen Headstart and Follow Through, the manpower training programs, Mainstream and New Careers, and the emergency food and health service program. The bill provides a 2-year extension of all programs.

The bill authorizes $1,563 million for fiscal year 1970 and such amounts as may be necessary for fiscal year 1971. In addition, there are specific authorizations for fiscal year 1970 for new features of the act, as follows:

New part E of title I—special work and career development programs—$110 million.

New title IX—special comprehensive preschool programs and programs providing for intensive followthrough education for primary schoolchildren—$578 million.

New title X—intensive programs to eliminate hunger and malnutrition—$92 million.

The areas affected by the legislation include: work training and work-study programs; urban and rural community action programs; special programs to combat poverty in rural areas; employment and investment incentives; work experience training, and day care programs; domestic volunteer service programs; special comprehensive preschool programs and programs providing for intensive followthrough education for primary schoolchildren; and intensive programs to eliminate hunger and malnutrition.

Mr. Speaker, in a bill as comprehensive as H.R. 12321, there are bound to be shortcomings as viewed by individual Members of the House, who, as we know, represent many divergent interests. As a matter of fact, I myself am not fully satisfied with certain provisions of the bill as reported and hope to offer corrective amendments at the proper time. But, all in all, the Committee on Education and Labor did a commendable job, and the bill deserves our support.

Mr. Speaker, I urge the adoption of House Resolution 734 in order that H.R. 12321 may be considered.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Speaker, does the gentleman from Hawaii know of any opposition to this rule?

Mr. MATSUNAGA. No, there is no opposition.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, as the gentleman has indicated, House Resolution 734 provides for an open rule with 3 hours of debate on the bill, H.R. 12321, to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964.

Mr. Speaker, I realize the hour is late and we do have several speakers on our side of the aisle who would like to have the opportunity to express themselves on this legislation.

This legislation has been considered in the Committee on Education and Labor for many, many months. It has been on a merry-go-round—a merry-go-round in the committee itself and climaxed by the merry-go-round which occurred on the floor of the House last Wednesday when the chairman of the committee abruptly withdrew this legislation from consideration last week.

The purpose of the bill is to extend the "war on poverty" for 2 years.

The bill authorizes considerably more money than requested in the budget for fiscal year 1970 and provides for an open-end authorization for fiscal year 1971.

Title I authorizes $1,536,000,000, whereas the budget estimate was $2,048,000,000. This reduction is due primarily to the closing of many Job Corps camps throughout the country.

Title II, which contains the programs "Operation Mainstream" and "New Careers," doubles the authorization to $110,000,000 from the $55,300,000 in the budget estimates.

Title III also has a substantial increase which provides special comprehensive preschool programs and programs providing for intensive followthrough education for primary schoolchildren is a $578,000,000 authorization versus of $389,700,000 budget estimate.

Title IV, which includes programs to eliminate hunger and malnutrition, has a 300-percent increase over the budget, increasing to $92,000,000 from $30,000,000 in the budget. Consequently, there is a total authorization in the bill of $2,343,000,000 versus a total budget estimate of $2,048,000,000.

The Education and Labor Committee conducted hearings on this legislation beginning March 24 and extending through June 2. The chairman of the committee, in testifying before the Committee on Rules, stated that he expected in 1970 to hold comprehensive hearings on all Federal manpower programs with an aim toward eliminating duplication, wasted funds, and more efficient operation of the programs.

At the present time, there is a great proliferation of Federal manpower programs. There are at least 31 different Federal programs administered by 20 different Federal offices and authorized under some dozen different laws. There is duplication of effort and waste of taxpayer's dollars in this hodgepodge of current Federal manpower programs.

The Education and Labor Committee has had the last 11 months in which to make a comprehensive study of all of our manpower programs and policies. This should have been done before the bill was marked up. Greater efficiencies and economies could have been accomplished if the Committee had taken this action. As so often happens, however, in reports from the Education and Labor Committee, such a study is promised for the following year, but the following year comes and goes and no such comprehensive study has been made.

As I pointed out, the authorization for Operation Mainstream and New Careers has been doubled in the legislation before us today. Operation Mainstream is a job creation and work training program which enables enrollees to participate in projects for the betterment or beautification of the community or area served by the program and in activities which contribute to the management, conservation, or development of natural resources, recreational areas, parks, and highways in rural areas or towns.

The report states that $60,000,000 is to be made available for Operation Mainstream activities.

You will note from the above that these are simply created jobs which do not teach a skill or train the enrollees in acquiring a skill which would be of aid in securing employment in private industry. It is exactly the same as the WPA projects which we had back in the 1930's.

It is interesting to note from the figures in the report that in 2 years of operation, the Mainstream program has provided nearly 20,000 enrollment opportunities at a Federal cost of $72,000,000. This is an average cost of $3,600 per enrollee. It might be better if we simply gave the enrollee the money, as it would save the taxpayers since we could thus eliminate the overhead or administrative expense of the program.

A program such as this which does not train the enrollee is simply a stopgap approach. This sort of program does not get to the root of the problem, which is lack of a skill.

On-the-job training programs provide permanent answers to unemployment, and a decrease in our welfare rolls. The on-the-job training programs which the Federal Government is currently operating show that the average cost per enrollee is approximately $800 against $3,600 for Operation Mainstream.

There is no justification for doubling the authorization for the Operation Mainstream and New Careers programs, and I hope that by an amendment offered on the floor that this program will be cut back at least to the Bureau of the Budget figures.

In addition, the bill before us sets up Operation Mainstream and the New Careers program in a new section of the law. Heretofore, it has always been included in title I–b. More efficient operation can be attained by not separating it from other manpower programs.

Title III of the bill authorizes $578 million to carry on the Headstart and Follow Through programs. This is a $188.3 million increase over the President's budget which is almost a 50-percent increase. Of all the programs under OEO, Headstart has had less criticism than any of the others.

Another new section of the bill would make available legal services to members of the armed forces at their request "in cases of extreme hardship" with the cost of such services to be reimbursed by the Secretary of Defense. No testimony was heard from the DOD.

The gentleman from Minnesota (Mr. QUIE), a distinguished member of the Education and Labor Committee wrote a letter to the Acting General Counsel of the Department of Defense on November 19. The Acting General Counsel replied stating:

> It would be preferable for the Department of Defense to provide this service to its personnel rather than have them using programs operated by the Office of Economic Opportunity. Accordingly, the Department of Defense recommends against the adoption of the amendment.

When the amendment to delete is offered, it also should be adopted by the House.

The bill, in title IV, authorizes $92,000,000 for fiscal year 1970 to carry out programs to eliminate hunger and malnutrition. This is a 300-percent increase over the budget figures. In view of the fact that the House recently passed legislation substantially increasing the food stamp program, it seems to me that this increase in title IV is ill-considered, ill-timed, and inappropriate.

Some features of the Economic Opportunity Program are good programs, but there is much to be desired, and I fault the Committee in not making the in-depth study this year which should have been made before this legislation came to the floor of the House. I approve the rule, but oppose the legislation as it is currently written.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. HALEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. ANNUNZIO. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The Chair is counting.

Mr. HALEY. Mr. Speaker, I withdraw my point of order.

The SPEAKER. The gentleman from Florida withdraws his point of order.

Mr. MATSUNAGA. Mr. Speaker, unless there are further requests for time on the other side——

Mr. MARTIN. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, considering the mood of the House, I would really find myself in a little bit of danger here to be standing up speaking for my full 5 minutes.

What I am going to say is that we do have a substitute, and we have worked out some accommodations with our colleagues which have not changed the substance of the substitute.

My colleague BILL AYRES has the next time, and he is going to put this in the RECORD tonight so that Members can all see it tomorrow.

If the gentleman from Illinois would like to have me yield to him, to get in a short comment on his part, I will yield, and we will try to move this along as fast as we can.

Mr. ERLENBORN. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from Minnesota correctly states that several of us on the Committee on Education and Labor have over the past several days gone over the proposed substitute, which was inserted in the RECORD last week. We have made some changes which I believe make the proposed substitute much more acceptable. I intend to support the substitute, which will be placed in the RECORD tonight by the gentleman from Ohio.

Amendments will be offered in an attempt to allow the House to work its will tomorrow, and to make further improvement in the substitute.

I thank the gentleman for yielding.

Mr. QUIE. I thank the gentleman for his comments. I would say to the gentleman that he is one of the most able members of our committee and I appreciate the help he has given us in order to enable us to come forth with a substitute which we will present to the House on tomorrow.

Mr. AYRES. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Ohio.

Mr. AYRES. Mr. Speaker, rather than take up the time of the House at this late hour, I will state that there have been certain accommodations made already. As the Members of the House know there was to have been offered last week an amendment in the nature of a substitute which the Members will find at page 36830 of the CONGRESSIONAL RECORD of December 3, 1969. The bill that will be substituted tomorrow or offered as a substitute will contain these accommodations.

Mr. Speaker, I ask unanimous consent to insert the substitute at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDMENT TO H.R. 12321 IN THE NATURE OF A SUBSTITUTE

(Offered by Mr. AYRES, to strike out everything following the enacting clause and insert in lieu thereof the following:)

That this Act may be cited as the "Economic Opportunity Act Amendments of 1969".

TITLE I—EXTENSION OF AUTHORIZATION

SEC. 101. For the purpose of carrying out programs under the Economic Opportunity Act of 1964, there is hereby authorized to be appropriated $2,048,000,000 for each of the fiscal years ending June 20, 1970, and June 30, 1971.

SEC. 102. Sections 161, 245, 321, 408, 615, and 835 of the Economic Opportunity Act of 1964 are each amended by striking out "1967" and by inserting in lieu thereof "1968". Section 523 of such Act is amended by striking out "June 30, 1968, and the two succeeding fiscal years" and by inserting in lieu thereof "June 30, 1969, and the two succeeding fiscal years".

TITLE II—STATE PARTICIPATION IN ANTI-POVERTY PROGRAMS

SEC. 201. Title II of the Economic Opportunity Act of 1964 is amended by striking out section 231 (relating to "State Agency Assistance") and by inserting at the end of the title a new part, as follows:

"PART E—PARTICIPATION OF STATES

"STATEMENT OF PURPOSE

"SEC. 250. It is the purpose of this part to provide an effective mechanism for the positive involvement of State officers, agencies, and administrative resources in the development, carrying out, and coordination of anti-poverty programs within each State, but only if and to the extent a State excercises the options set forth in this part. Accordingly, no State shall be required to establish a State Economic Opportunity Office described in section 251, or to take the further actions outlined in this part, as a condition for the support of programs under this Act in the State. In the event a State shall not choose to participate in the manner provided in this part, or is unable to satisfy the requirements for such participation set forth in this part, the Director shall continue to support eligible programs and projects in such State. However, the Director shall take every appropriate action to encourage effective State participation under this part in accordance with the finding of the Congress that such participation will strengthen the programs authorized by this Act.

"STATE AGENCY ASSISTANCE

"SEC. 251. (a) The Director shall provide financial assistance to the State Economic Opportunity Office (hereinafter referred to as the 'State Office') designated in accordance with State law, to enable such agency—

"(1) to advise the Governor of the State with respect to the policies and programs of the Office of Economic Opportunity and other resources available to combat poverty within the State, and at the request of the Governor to advise and assist him in carrying out his responsibilities under this Act;

"(2) to assist in coordinating State activities related to this title and to title VIII;

"(3) to provide technical assistance to communities and local agencies in developing and carrying out programs under this title and under title VIII;

"(4) to evaluate programs assisted under this title and under title VIII with a view to improving the capacity of their sponsors to fulfill the purposes of this Act and to utilize with maximum efficiency the financial assistance provided;

"(5) to evaluate State poverty-related programs and State administrative procedures and to develop mechanisms for making them more responsive to the needs of the poor;

"(6) to conduct financial audits of programs within the State supported under this title or under title VIII, at such times and in such a manner as to promote responsible financial management of such programs;

"(7) to mobilize and develop available resources at the State level needed to assist anti-poverty measures within the State;

"(8) to encourage the development of career opportunities for the poor within agencies of State government;

"(9) to advise and assist the Director in developing procedures and programs to promote the participation of States and State agencies under this Act; and

"(10) to advise and assist the Director, the Economic Opportunity Council established by section 631 of this Act, and the heads of other Federal agencies, in identifying problems posed by Federal statutory or administrative requirements that operate to impede effective State involvement in or coordination of programs related to this title, and in developing methods or recommendations for overcoming those problems.

"(b) The Director shall take steps as will assure that:

"(1) all applications for assistance under this title and under title VIII within a State are submitted through the State Office, and that the Office is afforded a reasonable opportunity (but not to exceed 30 days) to review such applications before transmitting them to the Director (or to his delegate) with such comments and recommendations as the State may deem appropriate;

"(2) each State Office receives advance notice of the proposed approval of any application for assistance or of the proposed funding in the State of any program, project, or other activity under any other title in this Act, and is afforded a reasonable opportunity to comment upon such proposed approval or funding; and

"(3) Each State Office receives such other information and technical assistance, and is afforded such other opportunities to play an affirmative role in the programs financed under this Act, as may be required to carry out effectively the functions specified in subsection (a).

"(c)(1) Whenever a State Office (with the concurrence of the Governor) shall recommend against the approval of an application submitted under subsection (b)(1), such application shall not be approved (or shall not be approved without changes suggested by the State Office) for funding under this title unless the Director shall have made a finding that approval of such application would strengthen the overall program plan of a local community action agency, or with respect to applications submitted by other eligible applicants, that the approval of such application would be in furtherance of the purposes of this Act.

"(2) The Director shall not delegate the resonsibility for making the finding required in paragraph (1) except to the heads of other Federal agencies, and he shall not make such finding without having first afforded the State Office notice and opportunity for a hearing.

"(d) In any grants to or contracts with State agencies, the Director shall give preference to programs or activities which are administered or coordinated by the State Offices established under subsection (a), or which have been developed by and will be carried on with the assistance of those Offices.

"(e) In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with States or State agencies for purposes of providing financial assistance to community action agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this Act.

"STATE ECONOMIC OPPORTUNITY COUNCIL

"SEC. 252. (a) Any State which desires to participate in the development and carrying out of a State developmental and coordinating program for rural and urban community action, as provided by section 253, shall establish a State Economic Opportunity Council (hereinafter referred to as the 'State Council'), appointed by the governor, which shall be broadly representative of the economic, educational, health, religious, and social services resources of the State and of the public, including persons representative of—

"(1) urban areas;

"(2) rural areas;

"(3) the poor (including representatives both of the urban and rural poor and of racial and ethnic groups in the State which experience a high incidence of poverty);

"(4) business, industry, and labor;

"(5) elected municipal officials;

"(6) elected county officials;

"(7) Federally assisted programs, such as Model Cities and manpower training, related to the problems of the poor; and

"(8) fields of professional competence (including both public and private education) in dealing with the problems of poverty.

"(b) The State Council shall advise the State Office on the development of and policy matters arising in the administration of the State developmental and coordinating programs submitted pursuant to section 253, and shall evaluate the programs, services, and activities assisted under this title and make a public report (at least annually) of the results of such evaluations.

"(c) The State Council shall prepare a long-range program plan (or, as may be appropriate from time to time, revisions of or supplements to such plan) for use of funds under sections 221 and 222 and title VIII of this Act which plan (1) is prepared in consultation with the State Office, (2) extends over a period of not less than five years and (3) taking into consideration available resources, sets forth a program of action which, in the judgment of the Council, would assure substantial progress toward achievement of the objectives of the plan.

"(d) From the sums appropriated under the authority of this Act for any fiscal year the Director shall (in accordance with regulations) pay to each State Council an amount equal to the reasonable amounts expended by it in carrying out its functions under this part in such fiscal year, except that the amount available for such purpose shall not exceed $150,000 and shall not be less than $50,000.

"STATE DEVELOPMENTAL AND COORDINATION PROGRAMS

"SEC. 253. (a) Any State desiring to carry out a developmental and coordination program for urban and rural community action shall submit to the Director (at such time and in such detail as he may specify and containing such information as he may deem necessary) an outline for such a program which—

"(1) has been prepared by the State Office in consultation with the State Council of that State and has been approved by the State Council;

"(2) designates the State Office as the sole agency for administration of the State program, or for supervision of the administration thereof by local community action agencies;

"(3) sets forth in detail the policies and procedures to be followed by the State in the distribution of funds to local community action agencies in the State and for the uses of such funds for the various programs and program components specified in sections 221 and 222, which policies and procedures assure that—

"(A) due consideration will be given to the relative needs of urban and rural areas within the State, and to the needs of various categories of persons living in poverty, in accordance with criteria supplied by the Director; and

"(B) due consideration will be given to periodic evaluations of programs, services, and activities assisted under this title;

"(4) describes how the activities and projects to be carried out under the program are related to the long-range program plan developed by the State Council pursuant to section 251(c) (except that such requirement may be waived during the first year the program is in operation);

"(5) sets forth policies and procedures satisfactory to the Director for approval of applications for assistance under sections 221 and 222 of this title and under title VIII submitted by local community action agencies and other qualified applicants, and for the review and monitoring of the program conducted by such applicants (including procedures to assure that such programs conform to the requirements of this Act);

"(6) sets forth procedures designed to improve the coordination of programs funded under this part with State-administered programs affecting the poor;

"(7) provides that any community action agency, or other public or private agency which is a qualified applicant for program assistance under this title, dissatisfied with a final action with respect to any application for funds under this title shall be given reasonable notice and opportunity for a public hearing by the State Office;

"(8) provides assurances that Federal funds made available under this part will be so used as to supplement, and to the extent possible increase the amount of State, local, and private funds that would in the absence of Federal funds be made available for programs supported under this part, and in no case supplant such State, local, and private funds;

"(9) provides assurances satisfactory to the Director that all relevant requirements of this Act shall be complied with, and provides for making such reports in such form and containing such information and affording such access thereto as the Director may reasonably require to carry out his functions under this Act; and

"(10) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to qualified applicants) under this title.

"(b)(1) The Director shall by regulation establish criteria for approval of State developmental and coordination programs submitted pursuant to subsection (a), and when he finds that such a program complies with such criteria and the requirements of this part and when he is satisfied that adequate procedures are set forth to insure that the assurances and provisions of such program

will be carried out, he shall approve such program, and the Director shall not finally disapprove any program submitted under subsection (a), or any modification thereof, without first affording the State Office reasonable notice and opportunity for a hearing.

"(2) The Director shall take such steps as he deems necessary to assure that in the formulation and carrying out of State programs there is close liaison between the State Offices and the Office of Economic Opportunity.

"(3) The Director shall take final action to approve or disapprove a State developmental and coordination program submitted under subsection (a) within ninety days after the date of its submission (or resubmission in the event it should have been withdrawn by the State), and he may not delegate the authority to approve or disapprove such programs to any other person.

"(c)(1) For any fiscal year in which any State has in operation a State developmental and coordination program approved in accordance with this part the Director shall make available to such State for carrying out the approved program the sums allotted to such States for such year under section 225 (a) and (b); *Provided, however,* That, until June 30, 1971, the Director may reserve not more than one-fourth such amount, to assist (in accordance with the provisions of this title) activities and projects in such State which are not funded under the State program, but only if the Director has determined that the failure to support such activities and projects during the period in which he may reserve funds would result in a substantial disruption of efforts directed toward the elimination of poverty in such State, or that it is necessary to assist programs authorized under section 222 of this Act.

"(2) The Director shall pay, from the amount available to the State for assistance under this part, to each State the amount required to pay the Federal share of carrying out activities and projects under the approved State program, and for administration of the State program (except that sums paid for State administration shall not exceed 5 per centum of the amount available to the State for assistance under this title in any fiscal year), and such payments may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"(3) the term "State administration" in paragraph (2) means those costs attributable to the supervision, auditing, coordination, and servicing of activities carried out under this part or to the provision of technical services (including the training of personnel needed to provide such services), and similar costs related to carrying out an approved State program, but shall not include the costs of State operation of a substantive program authorized by this Act.

"(d)(1) Whenever the Director, after reasonable notice and opportunity for hearing to the State Office administering a State program approved under subsection (a), finds that—

"(A) the State program has been so changed that it no longer complies with the provisions of subsection (a), or

"(B) in the administration of the program there is a failure to comply substantially with any such provision, "the Director shall notify such State Office that no further payments will be made to the State under the State program (or, in his discretion, that further payments to the State under the program will be limited to activities under or portions of such program not affected by such failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Director shall support eligible community action and VISTA volunteer programs in such State in accordance with other provisions of this title (except that he may support those activities under or portions of the State program not affected by such failure).

"(2) A State Office which is dissatisfied with a final action of the Director under this subsection or subsection (b) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Director may modify or set aside his action. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Director's action.

## TITLE III—TECHNICAL AND PERFECTING AMENDMENTS

### PART A—AMENDMENTS TO TITLE II ("COMMUNITY ACTION")

#### COMPOSITION OF COMMUNITY ACTION AGENCIES

SEC. 301. Section 211 of the Economic Opportunity Act of 1964 is amended as follows:

(1) Clause (3) of subsection (b) is amended to read—

"(3) the remainder of the members (which shall consist of not less than one-quarter of the total membership of such board) are appointed by the elected public officials who serve on or have representatives serving on the board, and are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community"; and

(2) the first sentence of subsection (c) is amended to read—

"Where a community action agency places responsibility for major policy determinations with respect to the character, funding, extent, and administration of and budgeting for programs to be carried on in a particular geographic area within the community in a subsidiary board, council, or similar agency, such board, council, or agency shall be broadly representative of such area, and it shall be so constituted as to assure that at least one-third of the members are public officials, appointed by the elected public officials who serve (or appoint representatives to serve) on the board of the community action agency, unless the number of such officials reasonably available or willing to serve is less than one-third of the membership of the subsidiary board."

#### COSTS OF DEFENDING LAW SUITS

SEC. 302. Section 222(a) of such Act is amended by adding to paragraph (3) (relating to "Legal Services") the following:

"Whenever a lawsuit or other legal action is initiated by a plaintiff or plaintiffs with assistance under this program, and such action results in a verdict or other outcome favorable to the defendant in such lawsuit or other legal action, and the United States shall be liable for such costs (to be paid out of funds made available for the Legal Services program) as are ordered in accordance with the law of the jurisdiction, by the court or other board or agency which has jurisdiction of the matter), the same as a private person."

#### AUTHORIZATION OF ALCOHOLIC RECOVERY PROGRAM

SEC. 303. Section 222(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(8) An 'Alcoholic Recovery' program designed to discover and bring about treatment for the disease of alcoholism. Such a program shall be community based, serve the objective of maintaining the family structure as well as recovery of the individual alcoholic, encourage the use of neighborhood facilities and the services of recovered alcoholics as program workers and emphasize the reentry of alcoholics into society rather than the institutionalization of alcoholics. Such a program shall also emphasize the coordination and full utilization of existing appropriate community services which pertain to the treatment of alcoholism and/or related disorders."

#### SPECIAL ASSISTANCE TO FAMILIES OF MEMBERS OF ARMED FORCES IN HARDSHIP CASES; PILOT PROJECTS OF ASSISTANCE FOR THE ELDERLY FOOR

SEC. 304. Section 232 of such act is amended by adding at the end thereof the following new subsections:

"(g) The Director shall conduct projects, either directly or through grants or other arrangements, under which funds available under this section will be used to raise the income levels of families of members of the Armed Forces, when such families reside in the United States and through exceptional circumstances have an income level below the poverty level (as determined by the Director), and preference shall be given to cases of greatest hardship. Projects under this subsection shall be developed jointly by the Director and the Secretary of Defense.

"(h) The Director shall also conduct, either directly or through grants or other arrangements, pilot projects under which funds available under this section will be used to raise the income levels of persons over 65 years of age above the poverty level (as determined by the Director), with preference given to cases of exceptional hardship, in order to examine and evaluate systems of income maintenance for the elderly poor as an alternative to welfare assistance."

#### TECHNICAL AMENDMENT OF GOVERNOR'S VETO PROVISION

SEC. 305. Section 242 of such Act is amended by striking out the period at the end of the first sentence and inserting:

": *Provided, however,* That this section shall not apply with respect to any application which the State Office has recommended not be approved under section 251(c)(1)."

#### AUTHORIZATION OF STATE AUDIT

SEC. 306. Section 243 of such Act is amended by adding a new subsection as follows:

"(e) The Director shall take such steps as may be necessary to insure that programs assisted under this title shall be subject to financial audit by appropriate State officials and agencies at the request of such officials and agencies, and he shall direct the governing board of each community action agency to cooperate in carrying out such audits."

### PART B—AMENDMENTS TO TITLE VI (ADMINISTRATION)

#### PROHIBITION OF POLITICAL ACTIVITY STRENGTHENED

SEC. 321. Section 603(a) of the Economic Opportunity Act of 1964 is amended to read as follows:

"(a) For purposes of chapter 15 of title 5 of the United States Code any overall community action agency which assumes responsibility for planning, developing, and coordinating community-wide antipoverty programs, or any agency assuming part or all of such responsibilities (including the administration of components of a community action program) under delegation from an overall community action agency, and receives assistance under this Act, shall be deemed to be a State or local agency."

ANTI-RIOT PROVISION STRENGTHENED

SEC. 322. Section 613 of such Act is amended to read as follows:

"SEC. 613. No individual employed or assigned by any community action agency or any other agency assisted under this Act shall (whether or not pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this Act) plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance, and the Director shall take such steps as may be necessary to assure that any individual who violates this provision is removed from his employment or assignment in programs conducted or assisted under this Act."

PROHIBITIONS ON UPWARD BOUND PROGRAMS

SEC. 323. Section 621 of such Act is amended by inserting "(a) after "Sec. 621." and by adding at the end thereof the following new subsection:

"(b) The Director shall give full effect to the intent of Congress that 'Upward Bound' programs, however described, shall be administered by the Commissioner of Education, and the Director shall not carry out or fund any program described in section 222(a)(5) (as in effect on June 30, 1969), or any comparable program, whether under the authority of that section or any other section of this Act, and whether or not carried on by or in a school, institution of higher education, penal or correctional institution, or any other agency or institution."

SEC. 324. Title VI of such Act is further amended by adding at the end of part A the following new subsections:

"EVALUATION OF PROGRAMS OF THE OFFICE OF ECONOMIC OPPORTUNITY

"SEC. 622. (a) The Director shall (1) at the time of entering into any contract or arrangement with nongovernmental organizations or individuals for the evaluation of programs or projects administered by him under this Act, or entering into any substantial modification of any existing such contract or arrangement, furnish to the Comptroller General of the United States a copy of the contract or modification thereof or a description of the arrangement or modification thereof, together with a statement of the bases upon which he considers the evaluation work involved and the estimated cost thereof justified, and upon which he has determined that it was necessary to contract or arrange with a nongovernmental organization or individual for its performance;

"(2) require each Community Action Agency designated under Section 201 of this Act, to advise him of each contract or arrangement entered into by it with nongovernmental organizations or individuals for the evaluation of programs or projects administered by it under this Act, including information regarding the purpose, cost, scope, evaluation methodology, and organizations or individuals involved in such contract or arrangement; and

"(3) furnish to the Comptroller General of the United States at the end of each calendar quarter a listing of all contracts or arrangements reported to him in accordance with paragraph (2) of this subsection during such calendar quarter, including identification of the program or project, the organization or individual, and the cost involved in each contract or arrangement.

"(b) The Comptroller General shall conduct evaluations of programs carried out under this Act, and upon request by a committee of the Congress, or to the extent personnel are available, by Members of Congress shall (1) conduct studies of existing statutes and regulations governing programs carried on under this Act, (2) review the policies and practices of Federal agencies administering such programs, (3) review the evaluation procedures adopted by such agencies carrying out such programs, (4) initiate evaluation projects of particular programs, and (5) compile data necessary to carry out the preceding functions.

"(c) In carrying out the studies and evaluations herein authorized, the Comptroller General shall give particular attention to the practice of the Office of Economic Opportunity and of Community Action Agencies designated under Section 201 of this Act of contracting with private firms, organizations, and individuals for the provision of a wide range of studies and services (such as personnel recruitment and training, program evaluation, and program administration), and shall report to the Director and to the Congress his findings with respect to the necessity for such contracts and their effectiveness in achieving the objectives of this Act.

"(d) The Comptroller General or any of his duly authorized representatives shall have access for the purpose of audit had examination to any books, documents, papers, and records that are pertinent to the financial assistance received by any agency under this Act.

"(e) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of these sections.

"PREVENTION OF CONFLICTS OF INTEREST

"SEC. 623. The Director shall issue regulations and take such other steps as may be necessary to assure that the Office of Economic Opportunity (or any other agency utilizing funds appropriated under the authority of this Act) shall not contract with, make a grant to, or enter into any other type of financial arrangement with, any individual who has been an officer or employee of the Office of Economic Opportunity or any other agency of the executive branch of the United States Government which administers funds appropriated under the authority of this Act (or with a partner of such individual, or with a firm or business organization in which such individual holds a substantial financial interest or in which he serves as an officer), within one year after such employment, for any service or activity (other than reemployment as an officer or employee of a department or agency of the United States Government) in which such person participated personally and substantially as an officer or employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise.

"PAYMENT OF DUES PROHIBITED

"SEC. 624. No funds appropriated under the authority of this Act shall be used for or on behalf of any person, organization, or agency to make any payment in the nature of dues or membership fees in any public or private organization or association.

"NEPOTISM PROHIBITED

"SEC. 625. No person shall be employed (or continue in employment( with funds appropriated under the authority of this Act in a position (1) over which a member of his immediate family exercises supervisory authority, or (2) while he or a member of his immediate family serves on a board or committee which has authority to order personnel actions affecting such position, or (3) while he is a member of his immediate family serves on a board or committee which, either by rule or practice, regularly nominates, recommends, or screens candidates for the agency or program in which such position is located. For the purposes of this section, a member of an immediate family shall include any of the following persons: husband, wife, father, mother, brother, sister, son, daughter, uncle, aunt, nephew, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law."

PART C—AMENDMENTS TO TITLE VIII ("VISTA")

RESTRUCTURING ADMINISTRATION OF PROGRAM

SEC. 331. Section 810 (a) of the Economic Opportunity Act of 1964 is amended by striking out that part of the first sentence which precedes the numbered paragraphs and by inserting in lieu thereof the following:

"The Director is authorized to make grants to State and local public agencies to recruit, select, train and assign persons to serve in full-time volunteer programs. Such programs shall be those established by the grantee agency or (upon satisfactory assurance that the work of such volunteers will be supervised by competent individuals) by other public agencies or private nonprofit organizations, which involve the assignment of volunteers to work—"

ASSISTANCE IN LEGAL SERVICES PROGRAMS

SEC. 332. Section 834 of such Act is amended by inserting at the end thereof a new subsection, as follows:

"(f) Persons serving as volunteers under this title shall provide legal services or legal counsel only as a part of a legal services program (and at the request and under the supervision of the directors of such program) supported under section 222(a)3 of this Act."

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## REQUEST FOR HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. MESKILL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. ALBERT. Mr. Speaker, would the gentleman object if I made the unanimous-consent request for the House to meet at 11 o'clock tomorrow? I think we might finish this bill.

Mr. MESKILL. I would object, Mr. Speaker.

The SPEAKER. Does the gentleman from Oklahoma make the unanimous-consent request that the House meet at 11 o'clock a.m. tomorrow?

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. MESKILL. Mr. Speaker, I object.

## EXTENSION OF THE VOTING RIGHTS ACT

(Mr. ABBITT asked and was given permission to address the House for 1 min-

ute and to revise and extend his remarks.)

Mr. ABBITT. Mr. Speaker, I am very much opposed to H.R. 4249, which would extend for another 5 years the Voting Rights Act of 1965.

When this matter was before the House for several days in 1965, it was my feeling that it was punitive legislation, designed to place restrictions on the voting machinery in certain States for the benefit of political interests in the big urban centers elsewhere in the country. It was an effort to demonstrate to certain pressure groups, for political expediency, that the Federal Government could exercise powers far beyond anything that had been used heretofore.

Four years have passed and here we are again considering the matter of voting rights, with the claim being made that this bill merely extends existing law for another 5 years. In my opinion, it was a bad law when it was enacted and its acceptability is not enhanced by extending it another 5 years.

In the first place, the basis upon which the affected States were to be brought under the act was questionable. It supposed that since less than 50 percent of the eligible voters in these particular areas did not go to the polls on election day in 1964, it was presumed that some irregularities existed. This was, of course, a ridiculous assumption and thus established in the law a premise based entirely on a presumption of guilt.

Now we have before us a bill which would continue the discrimination against those States that were considered targets in the beginning. This again is punitive legislation which ignores progress and fans the fires of indignation felt by the electorate of these States. I am even more opposed to the extension than I was to the original enactment because there is absolutely no justification for extending it another 5 years. All that has been accomplished in the last decade in increasing voter participation, and so forth is completely ignored in an effort to justify this bill.

It is interesting and revealing that many of those who are most in favor of continuing the provisions of the present law are opposed to applying it on a nationwide basis. The data used in 1965 was questionable then and has no relevance to the situation today. Yet, it is being used. This outdated data cannot be justified by any sense of logic or fairness and would not stand the test of acceptability if the shoe were on the other foot. There has been far too much punitive legislation of this type in recent years and the only way that we will ever solve the problem of protecting the rights of all is to deal fairly with everyone concerned.

I feel that if any action is to be taken at all by Congress it should seek to protect the right of every qualified voter in the United States to vote the way he chooses—not to take punitive action against a few.

The use of the 1964 figures may be questioned as a basis since there may have been all kinds of reasons why people did not choose to vote in that particular presidential election—many of which had nothing whatever to do with registration. Thousands of new voters have been registered in the affected States since 1964 and many of these voted last year. Yet, this bill proposes to continue the same penalties which grew out of the vindictive 1965 legislation. This is not fair; it is not just; and it is not in the tradition of American legal treatment.

The Southern States are being used as a lever to keep alive an issue which can be used to advantage in the big urban areas in other sections of the country, all for political expediency. I feel that we should try to get the Federal bureaucracy out of the affairs of the States and to extend a law of this type, where the need for such an extension has not been demonstrated, is beyond the realm of reasonableness.

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## QUESTIONNAIRE RESULTS IN 25TH DISTRICT OF CALIFORNIA

(Mr. WIGGINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WIGGINS. Mr. Speaker, in November of this year I mailed a questionnaire to the residents of the 25th Congressional District of California asking their views on a number of issues. The district includes the eastern portion of Los Angeles County and northern Orange County. More than 25,000 people took the time to reply, including 5,000 high school students.

It pleases me to report that the results of the poll show that the majority of the people of the district, adults and teenagers alike, support President Nixon's phased reduction of troops in Vietnam. The adults voted 71 percent in favor of the plan, the teenagers 61 percent.

In order that my colleagues and others may know the complete results of the poll, I would like to place in the RECORD my newsletter which is being sent to more than 200,000 residents this week.

The newsletter follows:

QUESTIONNAIRE RESULTS

There has been considerable discussion lately about a body of public opinion known as the "Great Silent Majority."

Proponents of controversial points of view often claim the support of a majority of Americans, knowing that the assertion is difficult to disprove. The majority by its very nature suffers in silence, since there is no acceptable way to voice its frustrations. The average person does not march in the streets even for worthy causes; nor does he occupy public buildings as a protest against bad ones. Only at election time is the voice of the majority heard and respected. Between elections, it is only possible to make informed guesses concerning public opinion, based upon samples of that opinion.

I have just concluded the second sampling of public opinion in my District this year. It is not claimed that the results represent the voice of the "Great Silent Majority," but I believe the nearly 25,000 responses to a series of seven questions to be a more reliable gauge of the majority view than the "sound of marching effete."

Here are the results.

1. *If inflation continues, should wage, price and profit controls be imposed?* Yes, 57%; no, 30%; undecided, 13%.

Although the present plans of the Nixon Administration do not include economic controls over wages, prices, and profits, it is clear that most citizens would accept these drastic restraints in order to curb inflation. Both men and women feel about the same on this issue, but a wide variance exists between age groups. The older citizens suffering the most from inflation because of fixed incomes are much more willing to accept wage, price, and profit controls than the younger citizens.

2. *To help fight inflation by reducing government spending, the President has asked cutbacks in federal construction, including several projects in the 25th District. Do you approve?* Yes, 70%; no, 22%; undecided, 8%.

My purpose in asking this question was to determine the willingness of the citizens of the 25th District to accept government economies, even when it affected our depressed construction industry.

Although the affirmative response was decisive, there was a greater degree of reluctance in Los Angeles County where the number of families dependent upon the building industry exceeds that of Orange County.

The Presidential order applied only to future construction and the number of projects involved in the 25th District is few.

3. *From what you have read about the tax reform bill, are you in general agreement with its provisions?* Yes, 48%; no, 22%; undecided, 30%.

The most important conclusion from these responses is that a great many people either do not know about the tax reform legislation or are unsure of their views. Although I know a great deal about this controversial subject, I am not sure of my views either.

The tax reform legislation considered by the Congress this year is so incredibly complex and deals with such a variety of subjects, it is nearly impossible to be satisfied with either a "yes" or "no" vote. The bill contains both tax reform aimed at closing loopholes and tax relief provisions. On balance, I am persuaded that it represents an improvement in the tax law and intend to support the measure unless unreasonable inflationary amendments are added prior to the final vote.

4. *The Congress will soon consider a new approach to the welfare problem. Initially it will cost more money than the present system, but may have the long range effect of taking people off welfare. Would you support this bill?* Yes, 66%; no, 17%; undecided, 17%.

The President's welfare proposals are well received but I believe that the support may be even greater than the figures indicate.

To many, welfare programs in any form are unacceptable. The frequent response on many returns was "Put 'em to work!" Compulsory labor may be a workable alternative to welfare when able-bodied welfare recipients are involved, but the problem becomes more complicated when the sick, the aged, and mothers of young children abandoned by their fathers are considered.

In essence, the Nixon welfare proposals require registration for work as a precondition to the receipt of benefits. The proposals deal with many facets of the problem, including uniform national benefits, vocational training, and expanded day care centers. If enacted, the program will be very expensive, but the present laws are a costly failure. It is important that a fresh approach, based upon requiring availability for work in appropriate cases, be given a fair trial.

5. *Would you favor a lottery draft law, with no student deferments, which only calls upon 18 and 19 year olds to serve?* Yes, 54%; no, 35%; undecided, 11%.

Since the preparation of the questionnaire, a form of lottery—the random selection system—has been implemented. Under the random selection system, student deferments are retained.

A true lottery system and the elimination

of student deferments as a means of achieving near equality of the obligation to serve will be considered next Spring, together with other draft proposals, including the consideration of the volunteer army concept. Uniform military training for all, without deferment, remained the preference of many citizens; but it is not likely that this proposal will be implemented for the principal reason that the number of young men available for such training far exceeds our defense needs.

This question was the only one in which substantial differences were noted between the answers given by men and women. Women, it seems, are decidedly more cool toward the lottery proposal. The differences may be occasioned by a general attitude of opposition to any form of military service, which is more commonly held by women than men.

6. *Do you support President Nixon's phased reduction of troops in Vietnam?* Yes, 71%; no, 22%; undecided, 7%.

7. *Do you support continued military assistance to South Vietnam only to the extent necessary to prevent a communist military takeover in South Vietnam?* Yes, 69%; no, 23%; undecided, 8%.

These two questions are considered together, since they both deal with Vietnam.

The first was intended to measure the acceptability of President Nixon's policies in dealing with this vexing war. Approval was quite general throughout the District, with the Los Angeles County citizens again demonstrating slightly greater "hawkish" tendencies. The only variance from the District pattern was evident in the 21–35 female age group in Orange County. In this group, the President's policies received only 51% acceptance and a 36% negative response.

Admittedly, the question was not clearcut on the war, since advocates of immediate withdrawal may have accepted "phased reduction" as a compromise in the absence of other alternatives. This possible ambiguity, however, was dispelled by the substantially identical answers received to the second Vietnam question. To that question, the dedicated "doves" could cast an unambiguous "no" response. Only the strong "hawks" believing in prompt action to achieve a military victory were frustrated by the lack of a clear opportunity to voice their views.

Public opinion trends in the District on Vietnam since July, 1967 make it plain, however, that strong hawkish views prevail.

In April, 1967, 80.5% voted to accept the risk of Red Chinese intervention and increase our military effort to include a blockade of the Port of Haiphong; 92.6% rejected a unilateral cessation of the bombing of North Vietnam.

In August, 1967, 65% supported an increase in our troop commitment, if requested by field commanders; and 67% were willing to accept the risk of Chinese intervention by advocating an invasion of North Vietnam, if necessary to achieve a military victory.

In April, 1968, 77% rejected unilateral United States withdrawal in Vietnam, if it became necessary to achieve an end to the fighting. Only 4% believed that such a withdrawal would result in "peace" in Southeast Asia. Finally, 78% urged strong military pressure during any period of negotiations.

In June, 1969, 78% recommended a resumption of the bombing of North Vietnam, if negotiations in Paris were unproductive.

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In addition to the questionnaires mailed to each postal patron in the District, approximately 5000 were circulated to high school students. Participation was entirely voluntary and included most high schools in the Los Angeles County portion of the District and the Placentia schools in Orange County.

Answers from the students were remarkably like the adult replies except in one predictable area: the draft. Hardly anyone who may be drafted likes the idea, and we all regret the necessity of involutary military service. But it is necessary, and all the demonstrations and peace symbols to the contrary will not remove the evil in the world which creates the necessity.

On Vietnam, 65% of the students supported the President's policies and 54% were willing to continue necessary military support to South Vietnam.

It may be a matter of comfort to many concerned adults that teenagers, on the whole, mirror the views of their elders. To others, this observation may prove disquieting.

* * * * *

Thank you for your continued assistance in helping me represent your views in Congress.

Sincerely yours,

CHARLES E. WIGGINS,
*Member of Congress.*

## INVITATION TO THE PRESIDENT FOR JANUARY 1 IN THE MISSOURI LOCKER ROOM AT MIAMI

(Mr. BURLISON of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURLISON of Missouri. Mr. Speaker, demonstrating the gridiron form that won him a secure spot on the Whittier College bench, the President made a daring end run to Fayetteville, Ark., a few days ago. In a brilliant display of broken field running, he sidestepped Penn State, brushed aside Missouri University and headed straight for the Texas locker room. Oh, it was heady stuff and the Texas fans loved it, but the President's score may not be enough to win. The game is not over yet. The final gun does not sound until the night of January 1.

What if Notre Dame beats Texas in the Cotton Bowl, Mississippi beats Arkansas in the Sugar Bowl, and Missouri beats Penn State in the Orange Bowl? Who then deserves the plaque, Mr. President?

Let me make myself perfectly clear. The Longhorns are an exceptional team and worthy of praise. It is just that we think the award for the final standing should be reserved until January 1. It is like giving an award for the No. 1 baseball team with the World Series yet to be played or inaugurating the President after his party's national convention.

It is interesting to note that in recent weeks the Tigers have been rated fifth and sixth in the national polls while Penn State enjoyed second and third ratings. But now we find the Miami bookmakers favoring Missouri by 2½ points. You can be sure that this prediction in Miami is not based on political expediency.

Therefore, I take this occasion, Mr. Speaker, to invite the President to the Missouri locker room in Miami at the conclusion of the game on the evening of the first to present a plaque to the Nation's No. 1 team. Only by this gesture can the President bring us together and get us to lower our voices.

My constituents, John Brown, Poplar Bluff, Mike Carroll, Ste. Genevieve, and Tom Shryock, Fredericktown, advise that they desire to associate themselves with my remarks.

## SUBSTANTIAL UTILIZATION OF ACADEMIC TALENT BY THE NIXON ADMINISTRATION

(Mr. TAFT asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. TAFT. Mr. Speaker, although it has certainly escaped widespread attention, one of the distinguishing features of the Nixon administration is the extent to which it is utilizing the talents of outstanding and respected individuals from academic life. This movement of professional personnel and ideas between government and the campus is an element of strength in our society. Responsive and effective government requires the most component men and the best ideas the Nation can provide. I am, therefore, pleased with President Nixon's extensive recruitment of academic personnel into this Republican administration. Clearly this administration is keeping open the channels of communication between itself and the intellectual community.

Persons from academic backgrounds are serving at the very highest levels in the White House in the Cabinet, and in key positions in the various departments. The following list is by no means inclusive, but I think it demonstrates the commitment of the Nixon administration to utilize the intellectual resources on our Nation's campuses.

THE WHITE HOUSE

Prof. Arthur F. Burns of Columbia University serves as counselor to the President, a position holding Cabinet rank. The former president of the National Bureau of Economic Research has made significant contributions to our understanding of business cycles. The President recently announced that he will appoint Dr. Burns to the chairmanship of the Federal Reserve System. I believe this is the first time a university professor has been appointed to this policymaking post.

Also serving as counselor to the President with special responsibilities for urban affairs is Daniel Patrick Moynihan, the sociologist who formerly served as director of the Joint Urban Center of Harvard University and MIT. Dr. Moynihan has been director of the President's Urban Affairs Council.

In the field of national security affairs, a key role is being played by Dr. Henry A. Kissinger of Harvard, the President's Assistant for National Security Affairs.

Additional distinguished academians serving at the White House include: Prof. Martin Anderson of Columbia University—Special Assistant to the President; Prof. Roger Freeman of Stanford University—Special Assistant to the President, and Prof. Richard Cooper of Yale University—an assistant to Professor Kissinger.

Earlier this month a difficult and extremely significant task was performed by Dr. Jean Mayer, the former French Resistance leader and now an international authority on hunger and nutrition. Dr. Mayer took leave from his position at Harvard University to direct the White House Conference on Food, Nutrition, and Health.

THE EXECUTIVE OFFICE OF THE PRESIDENT

In those key executive agencies of the Executive Office of the President which report directly to the President, there is also a group of distinguished intellectuals. The President's Science Advisor and head of the Office of Science and Technology is a renowned scientist, Dr. Lee A. DuBridge, who resigned the presidency of California Institute of Technology to assume his present position.

The outstanding economists on the Council of Economic Advisers are: Prof. Paul W. McCracken of the University of Michigan, Prof. Hendrik S. Houttaker of Harvard, and Dr. Herbert Stein of the Brookings Institution.

Two assistant directors of the Bureau of the Budget also have academic backgrounds. Dr. Richard Nathan came to the Bureau from the Brookings Institution and Dr. James R. Schlesinger of the Rand Corporation formerly served on the University of Virginia faculty.

CABINET DEPARTMENTS

The various Cabinet departments have also had a healthy and substantial infusion of academic talents. The most outstanding examples are Secretary of Labor George P. Shultz, the former dean of the school of business at the University of Chicago, and Secretary of Agriculture Clifford Hardin, who resigned as chancellor of the University of Nebraska to accept his current post. Each of these men has brought into his respective department a significant number of professional persons from academia. For example, in the Department of Labor, Assistant Secretary for Manpower Arnold R. Weber was formerly a professor of economics at the University of Chicago. Under Secretary George H. Hildebrand is currently on leave from the economics faculty at Cornell University.

In the Agriculture Department, the Assistant Secretary for Rural Development, Thomas Cowden, was dean of the School of Agriculture at Michigan State University, and Prof. Donald A. Pearlberg, professor of agricultural economics at Purdue University, serves as Director of Agricultural Economics.

At the Department of Defense, Roger C. Seamans, Jr., held the Jerome Clarke Hunsaker professorship at MIT prior to becoming Secretary of the Air Force, and Assistant Secretary of the Air Force Curtis Tarr was formerly president of Lawrence University. Assistant Secretary of Defense Warren Nutter came to the Department from the department of economics, University of Virginia.

Deputy Assistant Secretary of Defense, Policy Planning and National Security Council, International Security Affairs, Dr. Yuan-li Wu is on leave from the department of economics, University of San Francisco. Dr. Robert J. Pranger, Deputy Assistant Secretary of Defense for Near Eastern and South Asian Affairs, International Security Affairs, was formerly associated with the department of political science, University of Seattle. Special Assistant for International Security Affairs, Dr. William R. VanCleve is from the department of political science, University of Southern California. John S. Foster, Director of Defense Research and Engineering was formerly director of the Livermore Laboratory of the University of California and Dr. Roland F. Herbst, the Deputy Director, Strategic and Space Systems was associate director for nuclear design of the Lawrence Radiation Laboratory, University of California.

Myron Tribus, the former dean of the school of engineering at Dartmouth College, is now Assistant Secretary of Commerce for Science and Technology.

In the Department of Health, Education, and Welfare, Assistant Secretary for Health and Science Affairs is Dr. Roger Egeberg, previously dean of the medical school at the University of Southern California. Deputy Assistant Secretary for Planning, Research, and Evaluation, James F. Gallagher, was professor and director of the Institute of Research on Exceptional Children, University of Illinois. The Special Assistant to the Secretary for International Affairs is Dr. George Grassmuck, who at the time of his appointment was a professor of political science and assistant vice president of the University of Michigan. In 1960–61, Dr. Grassmuck served as Special Consultant to then Vice President Nixon and in 1960 was research director of the presidential campaign.

Prof. Paul Cherington of Harvard's School of Business Administration is an Assistant Secretary of Transportation. Dr. Secor D. Browne, professor of aeronautical engineering at MIT, served as an Assistant Secretary of Transportation and has recently been appointed Chairman of the Civil Aeronautics Board.

At the Post Office Department, Assistant Postmaster Ronald E. Lee previously served as director of the center for urban affairs at Michigan State University.

At the Department of the Treasury, Prof. Murray L. Wiedenbaum of the economics department of Washington University is Assistant Secretary for Economic Policy, and Prof. Edwin S. Cohen of the Law School, University of Virginia, is Assistant Secretary for Tax Policy. Prof. Henry Wallich of Yale University is a senior consultant to the Department.

Former Dean Erwin N. Griswold of the Harvard Law School serves as the Solicitor General in the Department of Justice.

In the Interior Department, a key policymaker is Dr. Carl McMurray, the Assistant to the Secretary and former professor of political science at Florida State University. Dr. Leslie Glasgow, Assistant Secretary for Fish and Wildlife, Parks, and Marine Resources, was on the faculty at Louisiana State University.

In the international affairs field, men from university life are also serving in this administration. For example, former president of Michigan State University John A Hannah is Administrator of AID. The U.S. Ambassador to Burundi is Thomas Melady, a professor of Afro-Asian affairs at Seaton Hall University. Dr. Glenn Olds, the U.S. Representative on the Economic and Social Council of the United Nations, was formerly dean of international studies at the State University of New York. Professor of political science and vice president of Indiana University David Derge is a member of the U.S. Advisory Committee on International, Educational, and Cultural Affairs.

Father Theodore M. Hesberg, the president of Notre Dame University, was designated by President Nixon to be Chairman of the U.S. Commission on Civil Rights, and Stephen Horn, dean of graduate studies at American University was appointed vice chairman.

Dr. William McElroy, the Director of the National Science Foundation, is a distinguished biologist from the Johns Hopkins University, who chaired the National Academy of Sciences population study committee.

Academicians are also serving as volunteers on Presidential task forces that were established to assist the administration with ideas and recommendations for 1970 and beyond. A distinguished group of college presidents are serving on the Task Force on Priorities in Higher Education chaired by President James M. Hester of New York University. Members of this task force include: President George F. Budd, Kansas State University; President James C. Fletcher, University of Utah; President Luther H. Foster, Tuskeegee Institute; Chancellor Alexander Heard, Vanderbilt University; President James A. Howard, Rockford College; President Howard W. Johnson, Massachusetts Institute of Technology; President Edward H. Levi, University of Chicago; Vice Chancellor for 2-year Colleges, Sebastian Martorana, State University of New York; President Malcolm C. Moos, University of Minnesota; Vice Chancellor for Educational Planning and Program Rosemary Park, UCLA; President John E. Sawyer, Williams College; President Paul E. Waldschmidt, University of Portland; and President John C. Weaver, University of Missouri.

Other persons from academic life serving on presidential task forces include the following:

Task Force on Problems of the Aging: Dean Walter M. Beattle, Jr., school of social work, Syracuse University; Prof. Colin D. Campbell, department of economics, Dartmouth College; Dr. Woodrow Morris, director, institute of gerontology, The State University of Iowa.

Task Force on Air Pollution: Chairman Arie Jan Haagen-Smit, professor of bio-organic chemistry, California Institute of Technology; Prof. Willard F. Libby, institute of geophysics and planetary science, UCLA; Dr. Norton Nelson, director, institute of environmental medicine, New York University; Prof. Ernest S. Starkman, department of mechanical engineering, University of California-Berkeley; Prof. John W. Tukey, department of statistics, Princeton University; and Prof. James L. Whittenberger, school of public health, Harvard University.

Task Force on Business Taxation: Prof. Dan Throop Smith, graduate school of business, Stanford University.

Task Force on Economic Growth: Chairman Neil Jacoby, professor of business and economic policy, UCLA; Prof. Moses Abramovitz, department of economics, Stanford University; Mr. Edward F. Denison, senior fellow, the Brookings Institution; Prof. John W. Kendrick, department of economics, George Washington University; Dr. Eli Shapiro, professor of financial management, Harvard University.

Task Force on Highway Safety: Vice President for Medical Affairs John Conger, University of Colorado Medical Center; Mr. Harmer E. Davis, director, institute of transportation and traffic engineering, University of California; Dr. Ross A. MacFarland, professor of public health, Harvard University.

Task Force on Low-Income Housing; Chairman Raymond J. Saulnier, department of economics, Columbia University; professor of real estate and urban land economics Leo Grebler, UCLA; Dr. George S. Sternlieb, director of urban studies center, Rutgers University; Mr. Arthur M. Weimer, special assistant to the president of Indiana University.

Task Force on Model Cities: Chairman Edward C. Banfield, department of government, Harvard University; Prof. Bernard Frieden, department of city planning, MIT; Prof. James Q. Wilson, department of government, Harvard University; Prof. James M. Buchanan, department of economics, Virginia Polytechnic Institute.

Task Force on Oceanography: Vice President John C. Calhoun, Jr., Texas A. & M. University; Prof. Emeritus Norman J. Padelford, department of political science, MIT.

Task Force on Problems of the Physically Handicapped: Dr. William A. Spencer, department of rehabilitation, Baylor College of Medicine.

Task Force on Prisoner Rehabilitation: Mr. Norval Morris, director, center for studies in criminal justice, University of Chicago.

Task Force on Science Policy: Dr. Solomon Fabricant, department of economics, New York University; Dean Robert J. Glaser, Stanford University School of Medicine; Dean Chauncey Starr, school of engineering and applied science, UCLA; Dr. H. Guyford Stever, president, Carnegie-Mellon University; Prof. Charles H. Townes, department of physics, University of California-Berkeley.

Task Force on Improving the Prospects of Small Business: Prof. Frank L. Tucker, graduate school of business administration, Harvard University.

Task Force on Urban Renewal: Prof. Richard F. Muth, department of economics, Washington University; Prof. George S. Tolley, department of economics, University of Chicago; Dr. Archibald M. Woodruff, chancellor, University of Hartford.

Task Force on Women's Rights and Responsibilities: Sister Ann Ida Gannon, B.V.M., president, Mundelein College; Dr. Alan Simpson, president, Vassar College.

Task Force on Rural Development: Dr. C. E. Bishop, vice president for research and public service programs, University of North Carolina; Dean Ray M. Kottman, college of agriculture and home economics, Ohio State University; Dr. Emiel W. Owens, department of agricultural economics, University of Minnesota; Prof. Henry A. Wadsworth, Jr., department of agricultural economics, University of Minnesota.

The impact of academicians on policy in the Nixon administration has already been substantial. They were involved in formulating the President's programs to reform the welfare system and share revenues with the States and localities. The administration Task Force on Revenue Sharing, for example, operated under the guidance of Dr. Arthur Burns and was chaired by Dr. Murray L. Wiedenbaum. Among its most active members were Dr. Richard Nathan and Dr. Martin Anderson. The revenue-sharing proposal had strong academic ties since at both the conceptual and development stage academic economists made major contributions.

This academic involvement in our public life is a healthy situation which will, I believe, assure vitality to Government and fresh approaches to public problems.

Should these gentlemen at a later date return to academic life, I would also hope that the perspectives gained from active participation in policymaking would make them even more valuable scholars, teachers, and administrators.

I take particular pride in calling attention to the desire of this Republican administration to utilize the resources and talents of the Nation's leading colleges and universities. For too long there has been a popular misconception that academic infusion into public life began and ended during the Kennedy administration. The partial list of intellectuals serving in the Nixon administration clearly demonstrates that this is not true.

Personally, I am pleased at the liaison which the Nixon administration has established with the academic community and I am confident that it will be a mutually rewarding relationship.

## VETERANS OF FAMED 100th INFANTRY BATTALION URGE REPEAL OF TITLE II

(Mr. MATSUNAGA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MATSUNAGA. Mr. Speaker, the momentum of support for legislation to repeal title II of the Internal Security Act of 1950 is developing into an avalanche, and cannot be ignored any longer.

Civic and veterans organizations throughout this Nation are rallying to the call for eliminating from our Federal statute books a law which is repugnant to our American way of life. The detention law has been called "un-American" by the New York Times, and "an abomination" by the Washington Sunday Star.

Among the many organizations seeking repeal of title II is the Club 100, an organization of veterans of the famed 100th Infantry Battalion, which eventually became the first battalion of the 442d Infantry Regiment, and which covered itself with unparalleled glory in World War II. I am pleased to offer for the RECORD a resolution which my former comrades in arms recently adopted to urge the repeal of title II:

RESOLUTION

Whereas, Americans of Japanese ancestry, from previous experience in emergency detention, recognize the danger of Sub-Title II of the Internal Security Act of 1950 (Emergency Detention Act), to the civil rights of all Americans, and

Whereas, the Emergency Detention Act provides that, during periods of "Internal security emergency", any person who "probably will engage in, or probably will conspire with others to engage in, acts of espionage or of sabotage" can be incarcerated in detention camps, and

Whereas, a person detained under the Emergency Detention Act will not be brought to trial under law, but instead will be judged by a Preliminary Hearing Officer and a Detention Review Board, where the detainee must prove his innocence but the government is not required to furnish evidence or witnesses to justify the detention, now therefore, be it

Resolved by the Club 100, an organization comprised of World War II veterans of the 100th Battalion, 442nd Regiment, that it hereby affirms it's opposition to Sub-Title II of the Internal Security Act of 1950 (Emergency Detention Act), and be it further

Resolved that in conformity with it's opposition to said Sub-Title II of the Internal Security Act of 1950, that it hereby urges the members of the 91st Congress of the United States of America to repeal said Sub-Title II of the Internal Security Act of 1950, and be it finally

Resolved that duly certified copies of this resolution shall be forwarded to the following:

(1) The President of the United States,

(2) Honorable Spiro T. Agnew, President of the Senate of the United States,

(3) Honorable John W. McCormack, Speaker of the House of Representatives,

(4) Senator Hiram L. Fong,

(5) Senator Daniel K. Inouye,

(6) Representative Spark M. Matsunaga, and,

(7) Representative Patsy T. Mink.

Dated: Honolulu, Hawaii, September 10, 1969.

HENRY M. KAWAND,
*President.*

HUBERT W. YAMAMOTO,
*Executive Secretary.*

## CLOSINGS OF SHOE FACTORIES

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, on December 8, the Brockton Daily Enterprise of Massachusetts announced the fact that the area's newest shoe factory was closing.

This is the first new shoe factory to be built in over half a century in the Brockton area, but it will close its doors permanently as of that date.

Mr. Speaker, this shoe factory was built 2½ years ago and was equipped with the most modern equipment available in the world. This company could not stand up to the low wage competition of foreign imports. They could not stand the gaff of foreign imports of footwear flooding the market here in America.

Mr. Speaker, this company had a payroll of over $1 million a year in the small community of Avon. The company purchases from other related companies amounted to over $500,000 per year.

The Plymouth Shoe Co., of Middleboro, Mass., notified its workers and the union president that they would cease production at its Middleboro plant very shortly.

There is another shoe factory that employs over 1,200 people that is expected to close its doors at the end of this year and there are rumors that three

other shoe factories are about to close their production.

Mr. Speaker, these factories are the backbone of small communities throughout the Nation. In fact in the city of New York we have those who are pressing for free trade, the city of New York employs more than 200,000 shoe workers. Yet we find in that State those who are pressing for lower and lower tariffs on footwear.

Mr. Speaker, we see these people who are wearing certain types of T-shirts, calling for boycott of grapes, but when you look at the T-shirts you find that they were made in Taiwan or Korea or Japan at a pay scale of from 14 cents to 50 cents per hour. One wonders what is happening in this country. One wonders where this country is going to be when defense spending slows down. One wonders where the people are going to get jobs.

Mr. Speaker, I am a member of the Committee on Ways and Means and I have raised my voice for the past 8 years with reference to this problem. There are orderly marketing bills pending before that committee and I want to serve notice on the chairman and the entire membership of that committee that I expect action on these bills.

It is about time we did something before an entire industry is wiped out.

Mr. Speaker, I insert at this point the item from the Brockton Daily Enterprise to which I referred earlier:

AREA'S "NEWEST" SHOE FACTORY CLOSES TODAY

(By Peter Watson)

The first new shoe factory to be built in over half a century in the Brockton area will close its doors permanently, it was announced this morning.

Herbert S. Nagle, president of the Victory Shoe Co., Inc., said today its 2½-year-old plant in Avon ceased production as of this morning.

"The closing was necessitated principally by the surge of imported shoes into this country over the past few years," Nagle said.

As a result, 165 shoe workers will be thrown out of work and a total payroll of just under $1 million will be lost to the area.

Notified of the closing, the Brotherhood of Shoe Workers and Allied Craftsman sent a telegram to President Nixon, with copies to Sens. Kennedy and Brooke, asking that every effort be made to keep the plant in operation.

"As yet we have not heard a word," Union President Kenneth W. Johnson said this morning. "It would appear the politicians in this area and even the President don't want to take action," he added.

According to Nagle, the decision to close followed consultations with high-level officials from the Dept. of Commerce.

In a prepared statement, Nagle said "after consultations with high government officials of the Dept. of Commerce it was concluded from our discussions that the future of shoe manufacturing in this area is very uncertain and that if and when any relief does come from the deluge of imported footwear it will not be of sufficient magnitude nor in sufficient time to help the small independent manufacturer.

According to statistics prepared by the National Footwear Manufacturers Assn., the present level of imports is 37 per cent of domestic production and rising every month.

Nagle noted that the total impact locally of the closing would be even greater than the loss of the Victory Shoe Co. payroll.

"Other businesses as well will be affected such as the little fellow who supplies us with soles, upper leather, laces, thread, buckles and boxes. Our total expenditures in these areas ran to approximately $500,000 per year," Nagle said.

Geared to produce men's shoes to retail from $14.95 to $25, the Avon plant had total sales of over $2 million annually to chain stores, mail order houses and other shoe manufacturing firms.

The closing of Victory Shoe marks the third factory to close in this area in the last six months.

"The day is coming soon when the congressional delegation from New England will have to answer to the shoe and leather workers, and not just with words," Nagle said.

The first modern shoe factory in the Brockton area in over 50 years, the Avon plant was a one-floor, air conditioned facility designed to produce a certain level of output each day in order to run profitably.

"Obtaining orders to maintain this level had become increasingly difficult, and we attribute this difficulty to the rising number of imports," Nagle said.

Nagle charged that the "government has shown a callous disregard to the problems of the shoe and leather industry in relation to the question of imports and the small independent manufacturer."

Nagle also charged that the giants of domestic shoe manufacturing were maintaining their profits as shoe production lagged by doing more importing.

"They make up the difference in the tremendous markups available on imported shoes, and as a result are not passing any savings on to the consumer," Nagle charged.

Union President Kenneth Johnson noted that the majority of the 165 shoeworkers to be laid off will be permanently out of work. "We can place some of them in other plants, but the older ones will probably retire and younger ones will go into other industries. Those in the middle are really in trouble," he said.

MIDDLEBORO FIRM

Meanwhile, the Plymouth Shoe Co. of Middleboro has notified its workers in a letter to the union president that it will ccase production at its Middleboro plant.

Negotiations are presently under way for the sale or leasing of the plant, however, so that shoe production may continue under a different management.

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## V-I-E-T-N-A-M

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 60 minutes.

Mr. PODELL. Mr. Speaker, the term "Vietnam" represents more than just a geographic entity. It can also serve as a mnemonic device for the organization and discussion of the issues revolving around that ongoing conflict.

"V": At one time referred to victory, "The overcoming of an antagonist or enemy." The origin is American and dates from the early 20th century: as to win the First or Second World War. Guerrilla fighting in the jungles of Vietnam has made the term obsolete.

Now stands for Vietnamization. Derived from the verb to Vietnamize. It is a tactic used when all else fails.

"I": Intervention or the limits thereof. As in: Intervene wherever freedom is threatened in the world. However, in 1962 we agreed not to intervene in Cuba; last year we agreed not to intervene in Czechoslovakia.

"E": Elections. Often used with the adjective free. Free elections: the choice between alternatives; not the affirmation of what already exists. For elections to be termed "free," the locking up of one's opponents is strictly prohibited.

"T": Tonkin Gulf resolution. Gulf of Tonkin: as in small body of water with a steep and sudden shelf. A body of water where you start with water on your kneecaps and end up with it over your head.

"N": National priorities. A collective noun; that which is supposed to be important; that which everyone discusses but no one does anything about; negatively correlated with the amount of money spent.

"A": Alienation. The estrangement of an individual; often a young person. Used derogatorily to describe a youth who sees the contradictions and hypocrises in our policies and seeks to change them.

"M": MyLai. Called an isolated incident in a war that has killed 33,215 U.S. servicemen and wounded over 250,000; that has killed 97,387 South Vietnamese and 572,041 of the enemy; that lists 300,000 as South Vietnamese civilian deaths over the last 4 years—most due to American and South Vietnamese firepower.

Thus Vietnam, mnemonic device or geographical location, continues to be the American tragedy. As the American and Vietnamese casualty figures continue to mount, the American public refuses to be placated by more optimistic pronouncements. In this case, words that have little bearing to reality have been more divisive and damaging than the truth.

Rumblings from Laos are still being denied; confirmed policy in Thailand has not been reversed. In Vietnam we were assured that we were there only to "advise." The public, therefore, has cause for questions and scepticism, and a right to unambiguous explanations.

What is sad at this late stage is the war continues to rage and still there has been no public redefinition of American policy. To retreat into isolationism as an overreaction to the tragedy would be folly and self-defeating. Yet, we have to realize that our policy of limited war and our slogan of intervention in defense of freedom can be contradictory. We supposedly intervene in defense of freedom; yet too often we have emerged supporting forces of reaction. We must have a definite policy and establish criteria for involvement, When should we send supplies? When should we send arms? When should we send men?

If we learn one thing from Vietnam, let us learn that wars in the second half of the 20th century cannot be fought with the same assumptions and the same weapons as earlier wars; numbers and objective strength are not necessarily the prerequisites for victory. Months of bombing and thousands of American lives have proven this beyond a reasonable doubt.

We have placed our hope for disengagement on Vietnamization. Will the South Vietnamese continue to fight for the Thieu-Ky regime once America leaves? Will they make use of the knowledge, the men, the machinery that America has pumped into that country? What if successful Vietnamization is not forthcoming? The administration has not

discussed this contingency. Our policy at this late date remains in doubt.

Mr. OLSEN. Mr. Speaker, will the gentleman yield?

Mr. PODELL. I yield to the gentleman from Montana.

(Mr. OLSEN asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. OLSEN. Mr. Speaker, during my 9 years here in the House of Representatives I have established a record in committee and here on the floor of the House. It has been a consistent record. I am proud of it and I have campaigned on it in the last four elections.

Last week a nationally syndicated columnist released certain allegations and implications which, if left unanswered, could cast a shadow on that record. For that reason I have asked Chairman DULSKI of the House Post Office and Civil Service Committee to release a review of my position on the legislation in question during executive committee sessions over the last 9 years. Chairman DULSKI directed counsel to prepare a summary of the previously unreported and confidential record and, with the advice and permission of my chairman, I am inserting this document in the RECORD today for the information of all of my distinguished colleagues. Let me first note, and emphasize, that I have always supported postal rate revenue measures, in committee and on the floor of the House, at least as high as those recommended by the Post Office administration, regardless of its party affiliation. I have always been satisfied that the legislation reported from my subcommittee and subsequently reported to the House by the Post Office and Civil Service Committee has resulted from fair, intensive and thoughtful deliberation on the part of our members. I thought then, and I think now, that these proposals were in the best interest of the Post Office Department and the American people.

Mr. Speaker, I do not know the source of this attempt to tarnish my record and this is not the place for speculation. The fact of the matter is, however, that in this body we have 435 Members, all of whom are bound by a system that demands that we stand for reelection every 2 years. For most of us, that means expensive campaigns—occasionally a primary campaign tossed in for good measure—and expenditures ranging from $30,000 to perhaps $100,000 every other year.

In the State of Montana, I am bound by a law which demands that I spend no more than 5 percent of my annual salary from personal funds in a single campaign. The rest must be provided by campaign contributions from thousands of well-wishers. I might note in passing that 5 percent of my salary, $2,125, would not pay for a single half page advertisement inserted in all of the newspapers in my district. And even if I were a man of independent wealth, which I am not, I would be bound by the same legal limitation upon personal spending in a campaign.

For the most part, gentlemen, the contributions received by the campaign committees, whether we are liberal or conservative, come from individuals and groups who share our political convictions and who support our views.

The question that must be asked—and answered—not only by the few under current attack or those who might be the subject of smears tomorrow or next week, but also by those who would attack is this: does a campaign contribution become a payoff when a Member of Congress votes for legislation supported by a contributor? Are we limited to contributions from those with whom we disagree? Does a contribution from AMPAC—American Medical Association—become a bribe when a Member of this body votes against medicare, or does a contribution from COPE—AFL–CIO—become a bribe when a Member votes against compulsory arbitration? If the answer to those questions is "yes," then the system cries out for a change which would protect present and future Members of this body and enable them to continue to vote their convictions free of such ominous vulnerability.

Personally, I believe now is the time for the Congress to turn its attention to consideration of some form of public campaign financing. I do not think any proposal short of public campaign financing with absolute prohibition of individual contributions to elected officials or candidates for public office will provide the protection which recent allegations indicate is necessary.

In the present situation I believe I am fortunate in being able to cite a voting record which is actually contrary to the wishes of individuals and groups who allegedly contributed to me in exchange for favors. But this is really beside the point. If my convictions and my votes had been for lower third-class mail rates over the years and if contributions in any amount from third-class users were established, what defense would I have to attacks in and out of the press regardless how unfounded these charges might be?

These are serious questions. This is a serious situation which, I submit, all of us must reckon with.

Mr. Speaker, I ask that notwithstanding the rules of the House that the following documents be inserted at this time in the CONGRESSIONAL RECORD: First, the statement I released to the press last Friday following publication of the column in question; second, the letter from Committee Counsel Charles E. Johnson transmitting a compilation of my voting record in executive committee sessions and here on the floor of the House; and third, the record compiled by Mr. Johnson at the direction of Chairman THADDEUS J. DULSKI.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The matter referred to is as follows:

PERSONAL STATEMENT FROM CONGRESSMAN ARNOLD OLSEN, DECEMBER 5, 1969

I have been engaged in public life for more than 20 years. During that time there have been many campaigns and many hundreds of well-wishers have contributed to the campaign funds.

But nobody has ever had the courage to offer a contribution in exchange for actions on my part which were contrary to my convictions. Many contributors no doubt approve of my voting record and share my views on issues. However, it is equally true that many contributors to my campaign funds have been disappointed with my position and my vote on a variety of issues.

As Attorney General of Montana I closed up very lucrative commercial gambling enterprises. Nobody attempted to bargain for favors. They didn't dare.

During the years I have served on the House Committee on Post Office and Civil Service I have consistently voted for the postal rates recommended by the Post Office Department. Sometimes I supported higher rates for 2nd, 3rd, and 4th class.

Finally, if any contributor to my campaign ever had the notion that he was buying anything, he was very much mistaken. And if anyone had ever revealed such a notion, his contribution would have been refused.

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U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
*Washington, D.C., December 8, 1969.*

Hon. ARNOLD OLSEN,
*House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN: I am enclosing a report from Mr. Dulski which I complied at his instructions and which deals with your voting record on the matter of postal rates from the time you began service on the Post Office and Civil Service Committee. Chairman Dulski has reviewed this report and approved it in its entirety.

Sincerely yours,

CHARLES E. JOHNSON,
*Chief Counsel and Staff Director.*

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U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
*Washington, D.C., December 8, 1969.*

MEMORANDUM

To: Chairman Thaddeus J. Dulski.
From: Charles E. Johnson, Chief Counsel and Staff Director.
Subject: Record of Representative Arnold Olsen on Postal Rates Applicable to Third-Class (Advertising) Mail.

The official records of the Committee on Post Office and Civil Service disclose that Representative Olsen, throughout his tenure in the Congress, has voted consistently in support of legislation to increase postage charges for the mailing of bulk third-class (advertising) mail matter.

The official records of the House of Representatives, as contained in the Congressional Record, disclose similar support by Mr. Olsen in votes in the House of Representatives.

THE 1961 POSTAL RATE INCREASE BILL

During the Committee executive sessions on the official recommendation of former Postmaster General J. Edward Day for general postal rate adjustments in August and September of 1961, the Committee had before it for official consideration H.R. 7927, in accordance with unanimous agreement shown in the minutes of Executive Session No. 13, August 17, 1961.

H.R. 7927 included, among other matters, an increase from 2½ cents to 3 cents in the minimum charge per piece for regular bulk third-class (advertising) mailings.

In Executive Session No. 17, on September 6, 1961, Mr. Lesinski offered, as a general amendment to H.R. 7927, the provisions of H.R. 9052. H.R. 9052 included, among other matters, provision for continuing the then-existing minimum charge per piece of 2½ cents for regular bulk third-class mailings, with only two exceptions. The minimum charge was to be 3 cents for any bulk third-class mail on which "time value" (pref-

erential) service was requested by the mailer and on any such mail that was not addressed to a specific individual address.

The effect of this provision in H.R. 9052, therefore, was to provide no minimum per piece increase in a very large proportion of third-class bulk mailings.

The official Committee minutes of Executive Session No. 18, on September 7, 1961, disclose that, on the record vote on adoption of the Lesinski Amendment (including the softened bulk third-class minimum charge per piece), Representative Olsen voted *No.*

A no vote, of course, was in support of the original provision of H.R. 7927, to fix the minimum charge per piece for *all* regular bulk third-class mailings at 3 cents, as recommended by former Chairman Tom Murray.

H.R. 7927, as amended, was reported by the Committee to the House of Representatives.

H.R. 7927 IN THE HOUSE OF REPRESENTATIVES

The Congressional Record discloses the following with respect to consideration of the Rule (H. Res. 464)—which, had it been adopted, would have provided for House consideration of H.R. 7927 as reported from the Committee on Post Office and Civil Service.

On September 15, 1961, a Member of the House Committee on Rules, by direction of that Committee, called up House Resolution 464 and asked for its immediate consideration.

House Resolution 464 provided for the consideration of H.R. 7927 under a *closed rule,* waiving points of order, with two hours of general debate.

The effect of the proposed closed rule was that H.R. 7927, as reported from the Committee on Post Office and Civil Service, would be subject to no amendments and, therefore, would have to be voted up or down.

At the conclusion of debate on H. Res. 464, the previous question was ordered and, on a record vote, Representative Olsen voted *No.*

The effect of a no vote in that case was to kill the proposed "closed rule," and open the way for presentation of an "open rule," under which H.R. 7927 *would be* open for amendments.

Immediately thereafter, a Member of the Committee on Rules offered an amendment to House Resolution 464 to provide for consideration of H.R. 7927 under an "open rule."

The open rule was agreed to on a voice vote.

On January 23, 1962, H.R. 7927 was called up in the House of Representatives and Chairman Tom Murray offered a substitute to restore all major provisions of the bill as originally introduced.

During the debate on the Murray substitute, Representative Olsen said:

"Now, I think that * * * the bill now before us [the Murray substitute] does not increase second or third class as much as perhaps it ought to." (Congressional Record January 23, 1962, Page H646)

The Murray substitute proposed raising the 2½ cent bulk third-class minimum per piece charge from 2½ cents to 3 cents. It was amended by the House to raise the rate to 3½ cents (CONGRESSIONAL RECORD, vol. 108, pt. 1, p. 765). This amendment was adopted on a voice vote. It was not opposed by Mr. Olsen under the five minute rule.

THE 1967 POSTAL RATE INCREASE BILL

Representative Olsen was elected Chairman of the standing Subcommittee on Postal Rates for the 90th Congress.

The former Postmaster General on April 5, 1967, submitted Executive Communication No. 610, a general postal rate increase proposal.

Chairman Dulski on the same date introduced H.R. 7977, to carry out the Postmaster General's proposal.

Subcommittee Chairman Olsen held public hearings on 21 separate hearing dates, during the period May 9 to June 28, 1967, and heard more than 100 witnesses.

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The Olsen Subcommittee then held 7 executive sessions during the period July 12 to July 27, and voted to report H.R. 7977 with a number of major improvements made by the Olsen substitute, offered in the first executive session.

The general effect of the Olsen substitute was to provide substantially greater revenues than would have resulted from the Postmaster General's official recommendation. The Olsen substitute specifically included increases in all third-class mailing rates as recommended by the Postmaster General.

At the conclusion of the Subcommittee executive sessions, the Subcommittee unanimously approved a formal motion by the Ranking Minority Member commending Chairman Olsen on his extremely able and fair handling of this legislation in the public interest.

The full Post Office and Civil Service Committee took up the Olsen Subcommittee general rate increase bill, H.R. 7977, and completed action on it after 17 executive sessions, extending over the period from August 9 to September 21, 1967.

The first official action in the first such executive session was a motion by Mr. Olsen that the full Committee report H.R. 7977, as reported by his Subcommittee—including all third-class rate adjustments requested by the Postmaster General.

At one sesssion (August 16) Mr. Olsen successfully opposed an amendment that would have struck out of his Subcommittee bill a requirement that "bills and statements of account produced by electronic data processing equipment" must pay first-class postage. Mr. Olsen offered a substitute to that amendment, specifying that all bills and statements of account must pay first-class postage when mailed, regardless of how they are produced. The Olsen substitute carried on a close record vote.

H.R. 7977, after being perfected by the Olsen subcommittee and the full Committee, provided for gross annual postal revenue increases totaling $884.1 million—*$59.2 million more than the $824.9 million requested by the Postmaster General.*

H.R. 7977 was called up in the House of Representatives October 10, 1967. Mr. Olsen strongly supported the bill, including the entire third-class mail recommendations of the Postmaster General, during the debate (CONGRESSIONAL RECORD, vol. 113, pt. 21, pp. 28416–28418).

An amendment was offered by Mr. Hechler (Page H13153) to increase the regular bulk third-class minimum charge per piece from 3.8 cents, as provided in the Committee bill, to 4.5 cents. During the debate under the five minute rule, Mr. Hechler asked unanimous consent to proceed for an additional five minutes. He was supported in this request by Mr. Olsen (CONGRESSIONAL RECORD, vol. 113, pt. 21, p. 28612).

A substitute amendment by Mr. Anderson of Illinois (Page 28614) to provide a three-phase increase in the minimum charge per piece—3.2 cents, 3.6 cents, and 3.8 cents in three successive years—was opposed by Mr. Olsen (Pages 28615–28616) and he strongly supported the Committee bill.

The Anderson substitute was defeated, 69 to 145, on a teller vote (Page 28625). The amendment by Mr. Hechler was defeated, 64 to 147, on a division (Page 28625).

CHARLES E. JOHNSON,
*Chief Counsel and Staff Director.*

## REPORT ON TRIP TO GREECE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WILLIAMS) is recognized for 10 minutes.

Mr. WILLIAMS. Mr. Speaker, during the August 1969 recess of the House, my wife, and I, in company with other Congressmen and their wives, attended the annual convention of the Pan-Arcadian Federation of America in Athens, Greece. Our visit to Athens also gave us the opportunity of visiting other parts of Greece.

Prior to our departure for Greece we were familiar with the takeover of the Greek Government by the military junta. We had read about alleged atrocities and torture of the Greek people by the present Government under the military junta, and we had read about bombings in some public places in Greece. We were generally under the impression that the country of Greece was in a rather viselike grip of a military government.

We flew directly to Athens from John F. Kennedy Airport in New York and landed in Athens at approximately 2 p.m. in the afternoon, Athens' time. We were expedited through customs at the beautiful new Athens Airport and we were directed to the restaurant area for a reception in our honor. Assistant Prime Minister Constantine Vovolinis was our host at the reception and the reception was adequately covered by the various news media.

Subsequent to the reception we proceeded to the Grand Bratagne Hotel on Constitution Square. We stayed at this hotel during our entire time in Greece and we found the accommodations to be excellent and this hotel had a most gracious atmosphere with excellent service.

During our stay in Greece we visited all of the historical spots in and around Athens. We found the Acropolis to be most interesting and informative. We were surprised to learn for the first time that the Parthenon had survived in excellent condition until the latter part of the 18th century when, at a time when Greece was occupied by the Turks, the Turks used the Parthenon as a storage place for gun powder. The Venetians were attacking the Turks and a Venetian artillery shell went through the roof of the Parthenon and exploded the gun powder. Thus, more damage was caused to the Parthenon in a few seconds than had occurred down through the centuries.

We found the Greek people to be extremely friendly, industrious, and courteous, and we made many friends in Greece. Mr. Christ Mitchell, president of the Pan-Arcadian Federation of America, made certain that our visit to Greece was most enjoyable.

We all had complete freedom of movement in Greece and no members or units of the military were in evidence, other than a few servicemen on leave. This was, of course, exactly the contrary to what we had been led to believe. Also, there is no section of Athens in which people cannot move with complete safety at any hour of the day or night.

We spent 1 day on the island of Crete and visited Khania and a NATO base in the immediate vicinity of Khania. We also visited Iraklion and the Minoan archeological site immediately south of Iraklion. It is at the Minoan archeological site that the palace of the Minos

kings has been excavated and partially restored. This palace dates back to approximately 1400 B.C. and is reputed to be the birthplace of modern civilization.

We also spent some time visiting the various Greek islands, such as Idra and Spetse, and we traveled by hydrofoil boat and cruise ship. We found the islands to be beautiful and picturesque. The Greek people use these islands as resort and vacation areas.

During our stay in Greece we had an opportunity to talk to hundreds of Greek people. Many of these people spoke English and we were even able to converse with Greeks who did not speak English as two of the Congressmen who accompanied us spoke Greek and we always had some Pan-Arcadian Federation members with us who also spoke Greek. We found the overwhelming opinion to be that the present Greek Government is doing an excellent job for the people of that country. The lot of the people of Greece is steadily improving and the present Greek Government has instituted some long-needed reforms. The progress in Greece is readily apparent through the large amount of construction that is taking place in every section of Greece that we visited.

Also, during our stay in Greece we had an opportunity to talk to George Popadopoulos, Prime Minister; Stylianos Pattakos, First Deputy Prime Minister; and Nickolas Makarezos, Minister of Economic Coordination. These men are the former Greek Army colonels who formed the military junta which took over the Greek Government in 1967.

We spent approximately 1½ hours discussing conditions in Greece with Prime Minister Popadopoulos. From our frank discussion with him we learned of the steps that the Greek Government is taking to strengthen Greece and to maintain it as a free nation. The reforms which the Greek Government is effecting are as follows:

First, a complete reorganization of the administration with training courses to improve the ability of all civil servants;

Second, an acceleration of the economic and industrial growth in Greece and a better economic return to the farmers;

Third, a more fair distribution of the tax burden with high income families and companies paying, for the first time, their fair share of taxes;

Fourth. Social services such as social insurance, welfare, and medical care are now being provided to all Greek citizens with the same retirement benefits for everyone. Prior to this reform, some Greek citizens were drawing an annual pension of 100,000 drachmas after only contributing one-half of 1 percent of their salaries. While other Greek workers had to pay 18 percent of their wages in order to get an annual pension of 2,000 drachmas. Also, hospital units and health stations are being established throughout Greece. Formerly, the hospitals and health stations were concentrated in the Athens area.

Fifth. The entire Greek educational system has been vastly improved.

Sixth. The debts owed to the Government by all farmers have been forgiven.

During our discussion with Prime Minister Popadopoulos he expressed his determination to have free elections in Greece at the earliest practical date. He stressed that the difficulties in Greece which his government is attempting to overcome developed over many years and had greatly weakened Greece. In order to see that Greece is maintained as a strong country the reforms which are being put into effect must be producing results before free elections can be held. Therefore, the Prime Minister stressed that he could not tell us exactly when free elections would be held in Greece.

When questioned about the reports of the torture of some Greek political prisoners, the Prime Minister vigorously denied them. I later learned that Congressman ROMAN PUCINSKI had visited the Island of Yaros where the prisoners were supposed to have been tortured and actually talked to the political prisoners through the Greek speaking U.S. consul. I checked with Congressman PUCINSKI upon my return to Washington and learned that he had found no evidence of any torture of prisoners, even though he had talked to the prisoners himself. Congressman PUCINSKI also informed me that the political prisoners had not even been subjected to any mistreatment at all.

While we were in Athens the U.S. 6th Fleet put into the harbor and we saw many American sailors enjoying the sights of Athens. It is interesting to note that Athens is the only port available to the U.S. 6th Fleet in the Western Mediterranean as the Turks will not permit our fleet to use the Turkish ports. This points up the fact that Greece is a most important NATO ally of this country and one of the few countries that we could rely on in that section of the world in case of any difficulty.

It is generally recognized that Greece is the cradle of democracy. However, the Greek Government that was overthrown in 1967 was anything but a democracy. Rather, it was a strong monarchy form of government.

King Constantine remained in Greece under the administration of the military junta with full pay and all other forms of remunerations for the entire royal family. Just before the referendum on the new Greek Constitution, King Constantine attempted a countercoup in an effort to overthrow the military junta When the countercoup failed, King Constantine and his family fled to Rome where they are now living in self-imposed exile. The present Greek Government continues to pay the royal family, and King Constantine and his family have a standing invitation to return to Athens, in complete safety, at any time.

Under the old Greek Constitution the King was designated as "supreme head of the state." He was commander of the Armed Forces and had the power to declare war. Also, he was authorized to enter into most types of treaties without the consent of Parliament.

Under the old Constitution the King could appoint and dismiss his ministers as he saw fit, and the King could veto any law passed by the Parliament. The King's failure to publish any such law within 2 months from the end of a parliamentary session caused the law to become null and void.

The new Greek Constitution approved by referendum on September 29, 1968, provides that the Council of Ministers must propose a declaration of war and that the King's treatymaking power can be limited by law. The new Constitution provides that the King's veto of any law passed by the Parliament may be overridden by a vote of the majority of Parliament and the King can only dismiss his government if it does not enjoy the confidence of Parliament.

This new Constitution also contains many other desirable provisions and can be the vehicle through which Greece will achieve a truly democratic form of government. Various sections of the new Constitution have already been placed into effect and the present Greek Government is constantly placing more sections of the new Constitution in effect.

Prior to the takeover of the Greek Government by the present regime, the strength of communism was steadily increasing in Greece. The reforms which the present government is placing in effect are strengthening Greece to a point where the people of Greece will be able to adequately govern themselves and have the ability to resist outside influences such as communism.

From my observations in Greece, I am confident that these conditions will be established in the near future and that the Government of Greece will become a true democracy.

In the meantime it is my considered opinion that we must be patient with the present Greek Government and make every effort to assist it in the accomplishment of its objectives.

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## COLOMBIA COLLECTING MATERIAL TO DEFEND ITS INTERESTS IN PANAMA CANAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, information of unquestionable reliability has been received that the Colombian Government has been, and still is, collecting authoritative books and documents relating to the Panama Canal, including statements in the CONGRESSIONAL RECORD. Diplomats from other Latin American countries consider that this development is highly significant.

In the Thomson-Urrutia Treaty of 1914–22 Colombia, the sovereign of the isthmus before the Panama Revolution of 1903, recognized that the title of the Panama Canal and Railroad, is vested "entirely and absolutely" in the United States of America without any encumbrances or indemnities whatsoever. The United States, in return, granted in this treaty important rights to Colombia, including toll-free transit of the Panama Canal for Colombian "troops, materials of war, and ships of war," and the use of the Panama Railroad in the event of interruption of ship transit.

In the negotiations between the United States and Panama following the 1964

Panamanian mob attacks on the Canal Zone for three recently proposed new canal treaties, which were never signed, the negotiators completely ignored the treaty rights of Colombia and that country has protested that it would defend its rights. Also the treaty interests of Great Britain under the Hay-Pauncefote Treaty were similarly disregarded. These are among the factors that led more than 100 Members of this body in the present session to introduce identical resolutions opposing any surrender by the United States of its sovereign rights over the Panama Canal to any other nation or to any international organization—House Resolutions 592, 593, 594, and so forth.

In connection with the ignoring of U.S. treaty obligations, it is important to know that the Panama Canal Reorganization Act of 1950—Public Law 841, 81st Congress—included in section 12, subparagraph 412(d) the following:

The levy of tolls is subject to the provisions of Section 1 of Article III of the treaty between the United States of America and Great Britain concluded on November 18, 1901, of Articles XVIII and XIX of the convention between the United States of America and the Republic of Panama concluded on November 18, 1903, and of Article I of the Treaty between the United States of America and the Republic of Colombia proclaimed on March 30, 1922.

In view of the facts previously enumerated, it is clear that Colombia is preparing to defend its vital interests in the Panama Canal that were ignored in the recent treaty negotiations with Panama and, at the appropriate time, to enter the controversy.

The facts also emphasize the importance for the United States, in all its actions concerning the Panama Canal, to be legally correct and not to ignore or disregard the vital treaty rights of other nations or of interoceanic commerce. Anyone who thinks that Colombia will surrender its treaty rights as regards the Panama Canal and Railroad is a "babe in treaty land."

Because the terms of the Thomson-Urrutia Treaty between the United States and Colombia and the obligations of our country thereunder are not as well known as the provisions of the other two canal treaties, I quote the full text of the treaty with Colombia, together with the notice of its publication and protocol of exchange, as follows:

[Treaty series, No. 661]

TREATY BETWEEN THE UNITED STATES AND COLOMBIA: SETTLEMENT OF DIFFERENCES

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA—A PROCLAMATION

Whereas a Treaty between the United States of America and the Republic of Colombia, for the settlement of their differences arising out of the events which took place on the Isthmus of Panama in November, 1903, was concluded by their respective Plenipotentiaries at Bogota on the sixth day of April in the year one thousand nine hundred and fourteen, which Treaty, in the English and Spanish languages, and as amended by the Senate of the United States, is word for word as follows:

Treaty between the United States of America and the Republic of Colombia for the settlement of their differences arising out of the events which took place on the Isthmus of Panama in November 1903.

The United States of America and the Republic of Colombia, being desirous to remove all the misunderstandings growing out of the political events in Panama in November 1903; to restore the cordial friendship that formerly characterized the relations between the two countries, and also to define and regulate their rights and interests in respect of the interoceanic canal which the Government of the United States has constructed across the Isthmus of Panama, have resolved for this purpose to conclude a Treaty and have accordingly appointed as their Plenipotentiaries:

His Excellency the President of the United States of America, Thaddeus Austin Thomson, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Government of the Republic of Colombia; and

His Excellency the President of the Republic of Colombia, Francisco José Urrutia, Minister for Foreign Affairs; Marco Fidel Suárez, First Designate to exercise the Executive Power; Nicolás Esguerra, Ex-Minister of State; José María González Valencia, Senator; Rafael Uribe Uribe, Senator; and Antonio José Uribe, President of the House of Representatives;

Who, after communicating to each other their respective full powers, which were found to be in due and proper form, have agreed upon the following:

*Article I*

The Republic of Colombia shall enjoy the following rights in respect to the interoceanic Canal and the Panama Railway, the title to which is now vested entirely and absolutely in the United States of America, without any incumbrances or indemnities whatever.

1.—The Republic of Colombia shall be at liberty at all times to transport through the interoceanic Canal its troops, materials of war and ships of war, without paying any charges to the United States.

2.—The products of the soil and industry of Colombia passing through the Canal, as well as the Colombian mails, shall be exempt from any charge or duty other than those to which the products and mails of the United States may be subject. The products of the soil and industry of Colombia, such as cattle, salt and provisions, shall be admitted to entry in the Canal Zone, and likewise in the island and mainland occupied or which may be occupied by the United States as auxiliary and accessory thereto, without paying other duties or charges than those payable by similar products of the United States.

3.—Colombian citizens crossing the Canal Zone shall, upon production of proper proof of their nationality, be exempt from every toll, tax or duty to which citizens of the United States are not subject.

4.—Whenever traffic by the Canal is interrupted or whenever it shall be necessary for any other reason to use the railway, the troops, materials of war, products and mails of the Republic of Colombia, as above mentioned, shall be transported on the Railway between Ancon and Cristobal or on any other Railway substituted therefor, paying only the same charges and duties as are imposed upon the troops, materials of war, products and mails of the United States. The officers, agents and employees of the Government of Colombia shall, upon production of proper proof of their official character or their employment, also be entitled to passage on the said Railway on the same terms as officers, agents and employees of the Government of the United States.

5.—Coal, petroleum and sea salt, being the products of Colombia, for Colombian consumption passing from the Atlantic coast of Colombia to any Colombian port on the Pacific coast, and vice-versa, shall, whenever traffic by the canal is interrupted, be transported over the aforesaid Railway free of any charge except the actual cost of handling and transportation, which shall not in any case exceed one half of the ordinary freight charges levied upon similar products of the United States passing over the Railway and in transit from one port to another of the United States.

*Article II*

The Government of the United States of America agrees to pay at the City of Washington to the Republic of Colombia the sum of twenty-five million dollars, gold, United States money, as follows: The sum of five million dollars shall be paid within six months after the exchange of ratifications of the present treaty, and reckoning from the date of that payment, the remaining twenty million dollars shall be paid in four annual installments of five million dollars each.

*Article III*

The Republic of Colombia recognizes Panama as an independent nation and taking as a basis the Colombian Law of June 9, 1855, agrees that the boundary shall be the following: From Cape Tiburón to the headwaters of the Rio de la Miel and following the mountain chain by the ridge of Gandi to the Sierra de Chugargun and that of Mali going down by the ridges of Nigue to the heights of Aspave and from thence to a point on the Pacific half way between Cocalito and La Ardita.

In consideration of this recognition, the Government of the United States will, immediately after the exchange of the ratifications of the present Treaty, take the necessary steps in order to obtain from the Government of Panama the despatch of a duly accredited agent to negotiate and conclude with the Government of Colombia a Treaty of Peace and Friendship, with a view to bring about both the establishment of regular diplomatic relations between Colombia and Panama and the adjustment of all questions of pecuniary liability as between the two couutries, in accordance with recognized principles of law and precedents.

*Article IV*

The present Treaty shall be approved and ratified by the High Contracting Parties in conformity with their respective laws, and the ratifications thereof shall be exchanged in the city of Bogotá, as soon as may be possible.

In faith, whereof, the said Plenipotentiaries have signed the present Treaty in duplicate nad have hereunto affixed their respective seals.

Done at the city of Bogotá, the sixth day of April in the year of our Lord nineteen hundred and fourteen.

THADDEUS AUSTIN THOMSON.
FRANCISCO JOSÉ URRUTIA.
MARCO FIDEL SUÁREZ.
NICOLAS ESGUERRA.
JOSÉ M. GONZÁLEZ VALENCIA.
RAFAEL URIBE URIBE.
ANTONIO JOSÉ URIBE.

And whereas the advice and consent of the Senate of the United States to the ratification of the said Treaty was given also with the "understanding, to be made a part of such treaty and ratification, that the provisions of section 1 of Article I of the treaty granting to the Republic of Colombia free passage through the Panama Canal for its troops, materials of war and ships of war, shall not apply in case of war between the Republic of Colombia and any other country";

And whereas the said Treaty as amended by the Senate and the above recited understanding of the Senate made a part of such Treaty have been duly ratified on both parts, and the ratifications of the two Governments were exchanged at Bogota on the first day of March, one thousand nine hundred and twenty-two;

Now, therefore, be it known that I, Warren G. Harding, President of the United States of America, have caused the said Treaty, as amended, and the said understanding, made a part thereof, to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In Testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington, this thirtieth day of March, in the year of our Lord one thousand nine hundred and twenty-two, and of the independence of the United States of America the one hundred and forty-sixth.

WARREN G. HARDING.

By the President:

CHARLES E. HUGHES,
*Secretary of State.*

PROTOCOL OF EXCHANGE

The undersigned Plenipotentiaries having met for the purpose of exchanging the ratifications of the Treaty signed at Bogota, on April 6, 1914, between the United States of America and Colombia, providing for the settlement of differences arising out of the events which took place on the Isthmus of Panama in November, 1903, and the ratifications of the Treaty aforesaid having been carefully compared and found exactly conformable to each other, the exchange took place this day in the usual form.

With reference to this exchange the following statement is incorporated in the present Protocol in accordance with instructions received:

1. In conformity with the final Resolution of the Senate of the United States in giving its consent to the ratification of the Treaty in question, the stipulation contained in the first clause of Article one by which there is ceded to the Republic of Colombia free passage of its troops, materials of war and ships of war through the Panama Canal, shall not be applicable in case of a state of war between the Republic of Colombia and any other country.

2. The said final Resolution of the Senate of the United States signifies, as the Secretary of State in effect stated in the note which he addressed to the Colombian Legation in Washington on the 3rd day of October, 1921, that the Republic of Colombia will not have the right of passage, free of tolls, for its troops, materials of war and ships of war, in case of war between Colombia and some other country, and consequently, the Republic of Colombia will be placed, when at war with another country, on the same footing as any other nation under similar conditions, as provided in the Hay-Pauncefote Treaty concluded in 1901; and that, therefore, the Republic of Colombia will not by operation of the declaration of the Senate of the United States above mentioned, be placed under any disadvantage as compared with the other belligerent or belligerents, in the Panama Canal, in case of war between Colombia and some other nation or nations. With this understanding the said Resolution has been accepted by the Colombian Congress in accordance with the dispositions contained in Article two of Law fifty-six of 1921, "by which is modified Law number fourteen of 1914" approving the Treaty.

In witness whereof, they have signed the present Protocol of Exchange and have affixed their seals thereto.

Done at Bogota, the first day of March, one thousand nine hundred and twenty-two.

HOFFMAN PHILP.
ANTONIO JOSÉ URIBE.

## INVALIDATE INCREASE IN AIR FARES

(Mr. MOSS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOSS. Mr. Speaker, today 31 of my colleagues and I asked a Federal Court of Appeals to invalidate the increase in air fares that the Civil Aeronautics Board recently permitted all domestic airlines to put into effect.

In a petition and legal memorandum filed with the Federal Court of Appeals in the District of Columbia, we said that the Civil Aeronautics Board had acted improperly and illegally in approving the fare increases. We had earlier unsuccessfully petitioned the CAB not to grant the fare increases, but instead to hold an adequate hearing to determine what were the actual needs of the airline industry.

Our motion today asked that immediate relief be granted by the court to prevent irreparable injury to the traveling public by continuation of the higher fares. Specifically, we asked the court to enter a preliminary order to protect the public while the court decides the appeal which we are taking from the CAB action.

The preliminary order requested that:

The court order the CAB to reinstate the airline fares that had prevailed prior to the recent increase;

Alternatively, the court enter a protective order requiring the airlines to make prompt refunds to passengers of all overcharges, should the court subsequently find that the present fares are illegal;

Or, as a final alternative, the court decide the challenge to the CAB's order on an expedited schedule.

The motion filed with the court today was accompanied by a 100-page memorandum, prepared by our counsel, detailing the legal arguments in support of the requests. We asked that the court hear oral argument on the motion on an expedited basis.

My colleagues who filed this motion are Hon. GLENN M. ANDERSON, THOMAS L. ASHLEY, WALTER S. BARING, GEORGE E. BROWN, JR., PHILLIP BURTON, DANIEL E. BUTTON, JEFFERY COHELAN, JAMES C. CORMAN, JOHN D. DINGELL, DON EDWARDS, RICHARD T. HANNA, AUGUSTUS F. HAWKINS, CHET HOLIFIELD, HAROLD T. JOHNSON, ROBERT L. LEGGETT, JOSEPH M. MCDADE, JOHN J. MCFALL, SPARK M. MATSUNAGA, GEORGE P. MILLER, JOSEPH G. MINNISH, PATSY T. MINK, JERRY L. PETTIS, THOMAS M. REES, PETER W. RODINO, JR., EDWARD R. ROYBAL, BERNIE SISK, CHARLES M. TEAGUE, JOHN TUNNEY, LIONEL VAN DEERLIN, JEROME R. WALDIE, CHARLES H. WILSON, and myself.

The motion and supporting material which we filed follow:

[In the U.S. Court of Appeals for the District of Columbia Circuit]

JOHN E. MOSS, ET AL., PETITIONERS, *v.* CIVIL AERONAUTICS BOARD, RESPONDENT—No. 23,627

Memorandum and support of petitioners' motion for interlocutory relief

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(ii) The decision of September 12 is in conflict with the provisions of Section 1002 (e) of the Act.
b. The Board has illegally permitted unlawful tariffs computed on the basis of its formula of September 12 to go into effect.
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Federal Aviation Act: § 102, 49 U.S.C. § 1302; § 404, 49 U.S.C. § 1374; § 1002(a), 49 U.S.C. § 1482(a); § 1002(d), 49 U.S.C. § 1482 (d); § 1002(d), 49 U.S.C. § 1482(d); § 1006, 49 U.S.C. & 1486.

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MEMORANDUM IN SUPPORT OF MOTION FOR INTERLOCUTORY RELIEF

*I. Issues presented*

A. The Issues

The instant motion presents the issue of whether interlocutory relief should be granted pending a decision on the merits that certain airline passenger tariffs currently in effect are illegal and should be rescinded. More specifically, the issues presented by the motion are as follows:

(1) Whether granting appropriate interlocutory relief from the tariffs filed pursuant to an order of the Civil Aeronautics Board

(a) is necessary to avoid defeating this Court's ultimate jurisdiction to review the Board's action, and

(b) is necessary to prevent irreparable injury to passengers who travel by air.

(2) Whether there is a strong likelihood that the Petitioners will prevail on the merits of the case they have initiated in this Court.

(3) Whether the Petitioners satisfy the remaining tests for granting interlocutory relief from administrative agency orders: that the public interest supports such relief and that the affected parties will not be treated unfairly by such relief.

B. Case Not Previously Before the Court

This case has not previously been before the Court under the same or any other title.

*II. Statutes and rule involved*

The statutes and Rule of Appellate Procedure pertaining to interlocutory relief and the statutes pertaining to the merits of this motion are set forth in Appendix A to this memorandum.

*III. Statement of the case*

This case involves the process of ratemaking—and specific rates made in this process—by the Civil Aeronautics Board (CAB). Petitioners are thirty-two Members of Congress, who intervened before the Board in the case entitled *Passenger Fare Revisions Proposed by Domestic Trunklines*, number 21322 on the Board's docket.[1] Petitioners are proceeding in their capacities as users of the airways and representatives of their respective constituencies and of other members of the public who travel by air. They contend here, as they contended before the Board, that the Board has made domestic passenger rates and allowed corresponding tariffs to go into effect in contravention of the statutory requirements of the Federal Aviation Act of 1958 and the Administrative Procedure Act.

By this motion for interlocutory relief, Petitioners seek to have set aside, pending this appeal, the tariffs embodying the fare increase granted by the Board, *or*, in the alternative, a protective order requiring the carriers to assure prompt refunds of those portions of airline fares representing the increase, should the new tariffs be invalidated when this case is heard on the merits; *or*, in the alternative, an expedited hearing of the merits of this case. Ultimately, Petitioners seek recission of the Board-made rates and corresponding tariffs and a decision indicating that the Board must adhere to the Federal Aviation Act of 1958 in determining rates.

The thrust of Petitioners' position on the merits is as follows: The Board, when it makes rates, is required to adhere to certain statutory rules. It must first find the prevailing tariffs and those proposed by the carriers to be unlawful, after proper notice is given and an appropriate hearing is held. It must then take certain substantive standards—regarding the carriers' revenue needs, the type of service they are to provide, the efficiency and economy of their operations, and the movement of air traffic—into account. Petitioners contend that the Board has made rates—although it did not proclaim that it was doing so; that it acted in violation of the statutory rules just mentioned; that the Board should not be permitted to evade or avoid its statutory duties by disclaiming an intention to make rates when it in fact does make rates, and that the rates it made were illegal and the specific tariffs based on those rates unjust and unreasonable.

Although docket 21322 was opened only last August *Passenger Fare Revisions* has been many months in developing. Several of the issues raised since August, and now presented to this Court, find their genesis in pre-August events—for example, submission by Petitioners of a 90-page complaint detailing to the Board the legal criteria and factual considerations which should govern the Board's review of passenger tariff proposals. That complaint was incorporated by reference in the Petitioners' post-August presentation to the Board, but there are other matters, not specifically brought up after August, which had a profound influence upon the decisionmaking process and outcome of *Passenger Fare Revisions*. Petitioners submit that it is essential for a proper understanding of the issues raised in this case to comprehend the factual context in which those issues were first presented, and accordingly they have prepared a summary of the background of this case, which is attached to this memorandum as Appendix B.

On August 1, 1969, United Air Lines filed for an increase in fares—the second within six months—marked to become effective on September 15, 1969. New tariffs were soon filed by American Airlines, Continental Air Lines, Eastern Air Lines and Northwest Airlines, with proposed effective dates in late September and early October.

On August 14, 1969, the Board was to hold another of its *ex parte* meetings with the carriers.[2] Having learned of this, and in light of the recent filings for fare increases, Petitioner John Moss requested that he be permitted to attend. (C 8597–98).[3] The response was a flat refusal. Chairman Crooker responded in a letter of Auust 14, 1969, that the scheduled meeting was a continuation of a prior meeting and intended to discuss matters of the domestic fare structure and fare formulas rather than fare level. Chairman Crooker stated that a transcript would be made. (C 8598).[4]

Following the meeting, the Board officially responded to the filings on August 19, 1969, with an order, 69–8–108, calling for "oral argument" on September 4, 1969, on the question of how it should react to the carriers' filings. (C 8602–03). In that order, the Board made the following announcement of its intentions:

Pursuant to section 1002 of the Federal Aviation Act (49 U.S.C. 1482), the Board may, upon its own initiative or in the light of complaints from interested persons, (a) suspend the effectiveness of the proposed tariffs pending investigation of the reasonableness of the proposed rates, (b) permit such tariffs to take effect while it is con-

Footnotes at end of article.

ducting such investigation, or (c) permit the tariffs to become effective without investigation.

The Board stated that it would not restrict argument to any specific issues, but that it was particularly interested in three questions:

1. To what extent, if any, are passenger fare increases warranted, and how should such fare increases be applied?

2. To what extent, if any, should the present promotional or discount fares be modified?

3. What effect, if any, will either the proposed tariff revisions or possible changes in promotional and discount fares have upon the movement of traffic?

No indication was given that the "argument" might be followed by an immediate decision on the merits of the pending tariffs or by a ratemaking effort by the Board. The "argument" was to be a merely preliminary presentation of views for the purpose of advising the Board as to whether it should undertake an investigation of the pending tariffs.

On August 20, 1969, Petitioners renewed the complaint that they had made earlier before the Board.[5] Their principal allegation was that:

The proposals made by the air carriers do not take into consideration any of the statutory standards set forth in the Act. More pragmatically, the Members believe that these fare proposals will further depress load factors and earnings, bring about even greater increases in cash costs, congestion and air pollution, and lead to more uneconomical and inefficient use of the nation's airports and airways, thereby further increasing the burden to the taxpayer and farepayer. (C 8603).

The results reached under the filed proposals would, Petitioners asserted, be "unjust and unreasonable." (C 8603).

In support of this position, Petitioners pointed to the Board's lack of standards which would enable the Board to make a rational interpretation of the Federal Aviation Act of 1958; [6] to the carriers' penchant for creating and employing excess capacity, to the fact that a fare increase would not stimulate additional traffic; and to the injustice of making the traveling public pay for the carriers' cost and scheduling extravagance. Petitioners concluded as follows:

The basic solution to the industry's present financial situation would . . . appear to lie not only in the air carriers exercising restraint in ordering new flight equipment and in the use of schedules of its available capacity, but more importantly in the regulation of the fare level by the Board in accordance with the statutory standards of the Act of 1958, supplemented by appropriate load factors, cash and capital cost guidelines. (C 8604).

They requested that the Board suspend and investigate all pending tariff revisions and that, if the Board should reach the opinion that such tariffs are unjust and unreasonable, the Board determine and prescribe the lawful rate to be charged. Further, Petitioners requested that the Board institute a general rate proceeding to investigate the structure of air passenger fares in order to achieve a sound foundation for arriving at fares for the future that "will at all times be reasonably related to the statutory standards of the Act of 1958, and the rules of ratemaking established by the Board. (C 8604–05).

On August 22, 1969, eight days after the Board's *ex parte* meeting with the carriers and two days after the filing of the Second Complaint, a nationally syndicated article appeared in the Washington Post stating that the Civil Aeronautics Board has indicated to the airlines they may be permitted to raise fares next month to help meet rising costs and dwindling returns. . . . The nature and amount of the increase will be determined after oral argument Sept. 4 on the fare adjustment proposals now before the Board. . . ." (C 8605). Because of this article and other indications that the Board had already reached a decision in regard to the pending traiffs, Petitioners declined to participate in the "oral argument" on September 4 (C 8605–06).[7]

They did not, however, withdraw their opposition to the pending tariffs. On September 5, 1969, Petitioner Moss, as spokesman for all the Petitioners, wrote to Chairman Crooker to remind him that the Board, in its order setting "oral argument," had indicated that it would adopt one of three specified lines of action following "oral argument" and the consideration of complaints from interested persons. (C 8606).[8] Petitioner Moss contended that the Board, "by its act in enumerating three possible courses of action in its order [precluded] any other course of action such as its usual past practice of suspending the effectiveness of the proposed tariffs and then making its position known as to other kinds of tariff proposals it would approve." Petitioner Moss urged Chairman Crooker that the Board confine itself to its statutory functions: "this form of ratemaking by treaty must come to an end. . . . It is not the duty of the Board to propose alternative fare proposals when the person proposing . . . changes cannot show that its proposed change is just and reasonable."

Chairman Crooker's response indicated that, when an order was issued, the decision of the Board might well be the very one against which Petitioner Moss had protested.

"Tariffs filed before our Order No. 69–8–108 may be approved, or the effectiveness of proposed tariffs may be suspended and the Board's position would be made known as to other kinds of tariff proposals it would approve." (C 8606).

Petitioner Moss replied on September 10, 1969.

"The Board did not hedge on the three alternatives when it set them forth in paragraph 2. It did not use the frequently utilized phrase—among others." You were very definite and precise. You sought the public guidance before determining which of the three courses of action to take. You took the initiative by establishing the ground rules. Now abiding by them would be the only means of acting in good faith by the Board.

"You *need not* circumnavigate the Act. Why do so? The Congress has delegated to the Board the authority to prescribe the lawful rates in subsection 1002(d). In point of fact, not only do you have that authority, but the Congress has mandated that the Board *shall* determine and prescribe the lawful rate if it is of the opinion that any rate is or will be unjust or unreasonable, etc.

"You have already reduced the stature of the 'oral argument' to a mere meaningless and redundant presentation of known views and opinions. You have similarly diminished the value of your own Economic Regulations by not enforcing them. Do not now further dilute the Act by attempting to sanctify permanently the policy of ratemaking by treaty." (C 8606–07).

The Board's decision, the major decision in this litigation, was rendered on September 12, 1969.[9] As Petitioner Moss had foreseen in his letter to Chairman Crooker, the Board followed "its usual past practice of suspending the effectiveness of the proposed tariffs and then making its position known as to other kinds of tariff proposals it would approve." Thus, after briefly summarizing the tariff proposals and the complaints filed by various parties, including the complaint of Petitioners, the Board found, without explanation, as follows:

"Upon consideration of the tariff proposals, the complaint and answer thereto, the statements filed prior to the oral argument and comments made thereat, and other relevant matters, the Board finds that the proposals may be unjust, unreasonable, unjustly discriminatory, unduly preferential or unduly prejudicial, or otherwise unlawful and should be investigated. The Board further concludes that the tariffs in question should be suspended pending investigation." (D 3).

The Board went on, however, to announce its "opinion that the carriers have adequately demonstrated a need for some additional revenue and would be disposed to grant an increase computed in accordance with the criteria set out below." (D 3). The sole reason given for this conclusion, in the course of the Board's entire opinion, was that "the carriers have adequately demonstrated a significant increase in costs. . . . Taking into consideration these cost pressures on the carriers, and the marked decline in earnings and profit margin since the February increase, the Board finds that a further increase in fares at this time is necessary from the standpoint of the ratemaking standards of Section 1002(e) of the Act and the need to maintain the financial vitality of the carriers as a group." (D 5, 8).

There ensued what can only be regarded as a prolonged excursus into the making of rates. After noting that it had reviewed both the fare formulas developed by its staff and circulated to the carriers *ex parte* for their comments and the formulas put forward by the carriers in their recent filings, the Board found that the formula proposed by American "produces a reasonable increase in revenues and recognizes the economics inherent in long-haul carriage." (D 4). The American formula was adopted as the Board's "model," with only one slight modification. (D 6, 7).[10] This, despite the fact that the Board had just suspended the tariff filed by American, along with the other pending tariffs, as potentially unjust or unreasonable.

The Board next considered the need for a general fare investigation in order to establish cost and load factor standards. Noting, as it had so often in the past, that a general fare investigation is a "long and complex proceeding," the Board opined that leaving the carriers in *status quo* while such an investigation was conducted might produce "serious and permanent financial damage" to some of them. (D 5). However, the Board did not simply cast aside the Petitioners' suggestion of a general fare investigation:

"Nevertheless, we have decided not to dispose of the request for a general fare investigation at this time. The complainants have raised some questions for which no fully satisfactory answer presently exists, especially the question of load factor standards, and we believe there are other important questions underlying evaluation of fare structure and level, not raised by complainants, which should be given thorough review. However, notwithstanding the existence of these questions, the condition of the industry detailed herein is sufficiently serious as to require immediate fare relief. Moreover, pending our further study of these matters, the Board is unable to conclude at this time that the additional earnings which this order will provide could be achieved by the industry through other courses of action within the carriers' control.

"For these reasons, we have determined to undertake an exploration, within the Board, of a number of matters relating to questions such as: what the appropriate rate of return on a carrier's investment should be computed; how a carrier's rate of return should be computed; should load factor standards be set and if so at what level; should there be a taper in the line haul rate and if so to what degree, what method is most appropriate for determining terminal

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Footnotes at end of article.

charges; and what is the proper differential between first-class and coach fares. At the conclusion of our consideraton of these matters, we should be in a better position to determine whether a fare investigation is appropriate and, if so, to channel such investigation along the most productive patterns so as to expedite completion of the proceeding within a reasonable time span. We expect to complete our consideration of the foregoing matters and thus be in a position to rule upon complaints' request for a fare investigation in December 1969. Accordingly, we will defer action on the complaint until that time." (D5).

The remainder of the Board's opinion is devoted to the details of its formula, which included a number of revolutionary changes in the previously obtaining fare policy:

"1. The "core" of the fare structure would henceforth be coach fares rather than first-class fares." (D7).

"2. The fixed terminal charge element [11] of passenger fares would be increased to $9.00—an increase of 80% over the level of February 20, 1969, and 200% over the January 1969 level." (D6).

"3. The mileage charge element of fares would be calculated on the basis of five 500-mile mileage blocks, with a decreasing per mile charge for each successive block." (D6).

"4. The method of reducing computed rates into published fares would be changed." (D7).

"5. A new 25% differential would be established between first-class and day-coach fares, with the first-class fares set at 125% of coach fares." (D7).

"6. The first-class rate would apply only to services which are truly first class in character and quality and therefore not to local service propeller aircraft, traditionally referred to as providing "first-class" service." (D7).

"7. A new 25% differential between night- and day-coach fares would be established, with night-coach fares set as 75% of day-coach fares." (D7).

"8. New increases in five promotional fares would be allowed." (D8).

On the basis of fiscal 1969 traffic movements, the Board estimated that its formula would produce increased revenues for the trunkline industry of 7.4% in first-class service and 3.6% in coach service. The total revenue increase was estimated to be "approximately 6.35% (assuming no diversion or loss of traffic)." But the Board hastened to add: "To the extent of any such dilution, of course, the revenue increase would be less than 6.35 percent." The Board apparently made no attempt to calculate revenue on the basis of projected 1970 traffic movements. Then, as Petitioner Moss had predicted, the Board announced its conclusion: "to permit tariff filings implementing the fare adjustments described above." (D 9).

The Board declared that it would consider fares produced by the foregoing formula as "a just and reasonable ceiling, and any fare in excess of this ceiling would be viewed *prima facie* as outside the realm of justness and reasonableness and would ordinarily be suspended and ordered investigtaed." (D 9–10). However, the Board also indicated that it would consider increases above the ceiling in special cases, provided that at least 75 days' notice was given by the filing carrier.

Finally, the Board referred to its prior remarks, in its Order 69–5–28 of May 8, 1969, regarding the absence of published joint fares between many domestic points and the need for achieving consistencies in inter-carrier connecting services. The Board noted that "passengers traveling in such markets [where one-carrier service is not available] must pay a combination of local fares, each of which reflects the February increases." (D 10). Following the Board's *ex parte* meeting with the carriers on August 14, 1969, it had granted all domestic carriers antitrust immunity and authority to discuss single-sum joint fares and open routings for such fares for a period of 90 days. The Board now announced that it was not disposed to continue the fares obtained in accordance with its formula for very long in the absence of satisfactory published joint fares. Therefore, it required that any tariff implementing its proposed formula have an expiration date of January 31, 1970, and that such tariff be accompanied by a refilling of existing (ie., pre-formula) fares with a proposed effective date of February 1, 1970. The Board thus indicated that the new increase would be reviewed at the end of January and that, if the industry had not by then arrived at satifsactory joint fares, the Board might find the pre-formula fares "just and reasonable" and fares would revert to the pre-formula level. Antitrust exemption was granted to carriers to discuss division of through fares, and the authorization of discussions among the carriers was extend to January 15, 1970.

Virtually none of the important statements and decisions in the Board's opinion found their way into its subsequent order. As a technical matter, the Board ordered only that the filed tariffs be suspended pending an investigation to determine whether they were unlawful; that the request for the institution of a general rate proceeding be deferred; that the authorization of discussions regarding joint rates be amplified and extended; and that the investigation of the filed rates be assigned to a hearing examiner. (D 11–12).

Three of the five Members of the Board concurred and dissented specially. Mr. Murphy took the position that, although some increase in fares was justified, the increase need not be so large as the Board was disposed to allow. Mr. Murphy submitted that "an increase in regular fares of 3 percent across-the-board limited to markets over 400 miles, when combined with the reductions in the fare discounts and the 4.0 percent increase granted a few short months ago, is as much as this Board can request the traveling public to assume under the present circumstances." (D Murphy). Mr. Murphy went on to criticize the formula adopted by the Board:

"I am particularly opposed to the adoption of an essentially cost-oriented fare formula. The formula produces anomalies and inequities. It ignores value of service and market elasticity. It produces drastic increases in the short haul and medium haul markets where the majority of the public travel. It decreases long haul fares where the value of service is greatest and ignores the factor of cross-subsidization inherent in a system concept of transportation. In my judgment a great deal of further study and analysis is necessary before such a sweeping and permanent regulatory standard is adopted." (D (Murphy).

Mr. Minetti would have permitted the carriers to experiment with their promotional fares but "would go no further at this time, in the absence of an investigation." (D Minetti). Mr. Minetti agreed that the industry's reported earnings did not measure up to the 10.5 percent guideline that the Board had previously set. However, he declared himself "unable to concur in accepting, without an investigation, a fare adjustment package equivalent to an increase in fare levels of over six percent, especially bearing in mind that just a little over six months ago the Board permitted a fare increase approximating four percent of the then existing level." Mr. Minetti referred to the Board's statement of May 8, 1969, that "the basic solution to the industry's present financial situation would appear to lie in exercising restraint in ordering new flight equipment and in the use of its available capacity, rather than in increasing its price to the public." He said he had "not been convinced that the foregoing statement is incorrect":

"We have very little more information today with respect to appropriate load factor standards than at the time of our earlier pronouncement, and unlike the majority, I am reluctant to entertain a general increase in coach fares until after the question of load factor standards has been squarely faced and resolved in an intensive investigation. On the contrary, I fear that the increases sanctioned today may prove to be self-defeating by causing a further drag on traffic growth and by delaying the day when the Board and the industry will come to grips with the basic causes of the industry's present difficulties. Until those causes are squarely met, we face the prospect of still further load factor declines and requests for additional fare increases." (D Minetti).

The dissent of Mr. Adams was limited to his objection to depriving local service carriers of first-class rates.

The carriers proceeded to submit new tariffs based in substance on the formula adopted by the Board.[12] The pending tariffs were withdrawn or dismissed.[13] On September 22, 1969, the Members of Congress—whose numbers had by now grown to 35—filed a "petition for reconsideration . . . with request for suspension and investigation of all tariffs filed pursuant to the Board's order of September 12." [14] The Members took issue with the Board's method of making "the most sweeping revision of airline passenger fares in its 31-year history." (C 8613).

Petitioners pointed to the number and importance of changes in fare level and fare structure that were subsumed in the Board's proposed formula, and rehearsed some of the deficiencies in the Board's opinion of September 12:

(1) Some of the issues touched upon in that opinion had not been announced by the Board in its order calling for "oral argument" and had never before been publicly considered by the carriers or the Board—either in written statements or at "oral argument." The Petitioners pointed specifically to the new provision for a "ceiling of reasonableness" and the 75-day filing requirements for tariffs rising above that ceiling. (C 8613).

(2) The Board's opinion was internally inconsistent, especially in its treatment of the tariff filed by American: the Board had first rejected that tariff, along with all the others, as potentially unjust or unreasonable; then, in the same opinion, it adopted the American formula as the "model" for its decision. (C 8613).

(3) The Board accepted a formula which it claimed was cost-oriented and related to other formulas that its staff had previously submitted to the carriers *ex parte* for comment. These staff formulas were never placed in the record, were not submitted to the industry as designed to relate fares and costs, and were never claimed, even by the staff, to relate fares to "just and reasonable" costs. The formulas in question were obviously based on certain figures for costs and load factors, but it is impossible to detect what figures were used. The figures certainly were not *prima facie* "just and reasonable." The Board itself recognized, in its opinion, that it lacks the necessary standards in these areas. (C 8613–14).

(4) The Board's proposed formula is discriminatory. The increased terminal charge falls hard upon persons traveling between points where one-carrier service is unavailable and where there is no through fare for inter-carrier connecting service. Although this matter may be resolved in the discussions among carriers that the Board authorized, there is no justification for making rates now according to a formula that fails to take

Footnotes at end of article.

the problem into account. "The Board has already found there is no reason for continuing such inequities (Order 69–5–28). The public interest therefore requires that these people should not be further penalized: that such inequities must be eradicated first. The Board can give one ratemaking factor greater weight than others, but it cannot eliminate one, even temporarily." (C 8614).

(5) The Board indicated that an increase in industry revenue is warranted and that the fares it would authorize *might* produce an increase of 6.35% *if there is no diversion or loss of traffic.* But the Board has not established what the impact of its order will be upon airline earnings or movement of traffic, and has indicated that it has no idea what the impact will be. The Board has not showed that its order will be "just and reasonable." Therefore, the Board has abused its broad, but not unlimited, discretionary powers by acting in an arbitrary and capricious manner. (C 8614).

(6) The Board has historically eschewed formal ratemaking proceedings because of their length and has rather sought to arrange rate levels through *ex parte* contacts with carriers. This policy has failed again and again to bring financial health to the industry. "If the air carriers are in financial trouble, it is in part a fault of the Board and its regulating practices." (C 8614).

Petitioners requested the Board to suspend and investigate all tariffs filed by the carriers pursuant to the Board's decision of September 12, as well as all other pending tariffs; if the Board should determine that such tariffs are unjust or unreasonable, to fix the lawful rates; to withdraw the specification that the fares produced by the mathematical formula in the opinion of September 12 will be the maximum rates to be considered "just and reasonable"; and to institute immediately a general rate proceeding to investigate the structure of domestic passenger fares. (C 8614–15). Petitioners were prepared to submit a separate application for a stay of the pending tariffs but were informed orally by the Acting Chairman of the Board that such a separate document would not be necessary, that the Petition for Reconsideration and Suspension would be treated as an application for a stay.[15]

On September 30, 1969, in Order 69–9–150, the Board denied reconsideration.[16] The Board stated that it had "given careful consideration to . . . [Petitioners'] contentions, but remains convinced that the domestic air carrier industry requires an immediate revenue increase in light of its higher cost of doing business and its earnings decline. The Board is also persuaded that there is no risk that the increases will produce excessive earnings in the foreseeable future." (F 1). It concluded that "attempts to improve the passenger fare structure should [not] be further delayed for the substantial period required for evidentiary hearing." (F 2).[17] The Board claimed "there has been general recognition of the need to overhaul the fare structure to remove its inequities and bring it more into line with cost factors," and saw its order as a "first step" toward a more rational and consistent fare structure (F 2):

"The Board intends to consider further the entire matter of domestic passenger fare structure and level, including the prior and instant requests for a full-scale formal investigation of domestic passenger fares. The Board will decide what further action is necessary and appropriate in this regard in due course." (F 2).

Members Minetti and Murphy adhered to their previously expressed views and would have suspended and investigated the tariffs filed pursuant to the Board's order of September 12 "to the extent they are inconsistent with those views." (F 4).

Footnotes at end of article.

In October the new tariffs went into effect. On November 10, Petitioners filed a timely petition in this Court for review of the Board's decisions. Motions to intervene in the case have been filed by American Airlines, Inc., Eastern Air Lines, Inc., Continental Air Lines. Inc., Trans World Airlines, Inc., Braniff Airways, Inc., and jointly by North Central Airlines, Inc., and Mohawk Airlines, Inc.

*IV. Jurisdiction and venue requirements*

The statutory provisions governing jurisdiction and venue to review orders of the CAB are set out in section 1006 of the Federal Aviation Act of 1958, 49 U.S.C. § 1486. Petitioners' petition complies with these provisions. Venue in this Court is always proper and the petition was filed within sixty days of the Board's orders of September 12, 1969, and September 30, 1969. It is settled, moreover, that users of the airways have a "substantial interest" in Board decisions affecting the rates, regulations, practices, etc., of air carriers. See *e.g., Flying Tiger Line, Inc.* v. *CAB,* 121 App. D.C. 332, 350 F. 2d 462 (D.C. 1965), *cert. denied,* 385 U.S. 945 (1966), *Transcontinental Bus System, Inc.* v. *CAB,* 383 F. 2d 466 (CA 5 1967), *cert. denied,* 390 U.S. 920 (1968).

*V. Argument*

A. Summary

Interlocutory relief in the present case is governed by three statutory provisions, a Rule of Appellate Procedure, and a series of cases many of which were decided by this Court.

The statutory jurisdiction for interlocutory relief from an order of the Board is principally granted by a provision of the Federal Aviation Act itself, 49 U.S.C. § 1486. This section of the Act provides that an appellate court may award "interlocutory relief . . . by a stay of the order or by such mandatory or other relief as may be appropriate." As such, it applies to the present appeal. Statutory jurisdiction for equitable relief pending appeal of this case is also found in the All Writs Act, 28 U.S.C. § 1651, and in Section 10(d) of the Administrative Procedure Act, 5 U.S.C. § 705.

Rule 18 of the Federal Rules of Appellate Procedure governs applications for a stay of an administrative agency order pending review. Petitioners have complied with the requirements of this Rule.[18]

Finally, Petitioners meet the standards for interlocutory relief developed by this Court in a series of cases beginning with *Virginia Petroleum Jobbers Ass'n* v. *FPC,* 104 App. D.C. 106, 259 F.2d 921 (1958). Under that line of cases, interlocutory relief will be granted upon a four-part showing: first, that Petitioners have a strong likelihood of prevailing when their case is heard on the merits; second, that irreparable injury will be caused unless interlocutory relief is granted; third, that in the equitable judgment of the Court, the parties adversely affected by the grant of interlocutory relief will not be unduly harmed; and finally, that the public interest supports the grant of interlocutory relief. These tests are met in the present case.

B. Principles of Interlocutory Review

1. The Statutory Jurisdiction: The Federal Aviation Act of 1958 provides, in section 1006(d), 49 U.S.C. § 1486(d), that a Court of Appeals reviewing a Board order may award "interlocutory relief . . . by a stay of the order or by such mandatory or other relief as may be appropriate."

In the present case the principal interlocutory relief sought is, in effect, a stay. The order requested would set aside, *pendente lite,* the tariffs filed pursuant to the Board's order of September 12 and would reinstate the fares that had previously been in effect, pending resolution of this case on the merits.

Although the new tariffs have already gone into effect beginning in the month of October, and therefore cannot be stayed *ab initio,* the effect of the order which Petitioners are seeking is to prevent the further imposition of these tariffs pending appeal; in such circumstances the order sought is still a stay, albeit a partial stay. If there were any doubt about jurisdiction in the appellate courts to enter such an order, the existence of such jurisdiction would seem particularly clear in light of the wording of the authorizing provision of the Federal Aviation Act, which speaks not only of a stay but also of "such mandatory or other relief as may be appropriate." [19]

The chronology of the present case illustrates the necessity of reading the jurisdictional grant broadly enough to allow the order which Petitioners are here seeking. The Board denied the Petitioners' Petition for Reconsideration and Suspension on September 30, 1969; the tariffs filed pursuant to the Board's September 12 order began taking effect the following day. Petitioners had virtually no time to prepare and docket a motion for a stay before the tariffs went into effect. The jurisdictional grant in the appellate courts to issue interlocutory orders should not be read so restrictively that the Board could, by carefully timing the release of its orders, prevent that jurisdiction from being exercised. Moreover, Petitioners did not have appellate counsel at the time their petition for reconsideration was denied.[20]

In addition, as set out more fully in a succeeding section of this memorandum, unless interlocutory relief can be granted by this Court, appellate jurisdiction to decide the case on the merits will in all likelihood be frustrated and Petitioners and other air travelers will suffer injury for which no redress is available. For this reason, even should 49 U.S.C. § 1486 not apply, jurisdiction may be found in the All Writs Act, 28 U.S.C. § 1651.[21]

In the event that this Court decides, for whatever reason, not to issue an order setting aside the tariffs in question, the alternative interlocutory relief requested by Petitioners—a protective order assuring air passengers that excess charges will be refunded in the event the tariffs are ultimately declared illegal, or, as a further alternative, an order expediting the hearing of this appeal and maintaining the status quo pending such appeal—seems plainly to fall within 49 U.S.C. § 1486(d) as "such mandatory or other relief as may be appropriate."

2. Rule 18 of the Federal Rules of Appellate Procedure: Applications for a stay of an order of the Board pending review in the Court of Appeals are governed by Rule 18 of the Federal Rules of Appellate Procedure. Rule 18 describes the conditions under which such applications will be received; all of these are met in the present case.

Rule 18 provides initially that "application for a stay of a decision or order of an agency pending direct review in the court of appeals shall ordinarily be made in the first instance to the agency." In the present case, the equivalent of an application for a stay was presented to the Board and was denied by the Board in its order denying reconsideration and refusing to suspend the tariffs filed pursuant to its order of September 12, 1969. During the time that Petitioners' Petition for Reconsideration and Suspension was pending, Petitioners notified the Acting Chairman that they would request a formal stay, pending appeal, of any Board order allowing the tariffs to go into effect. As set out in the attached affidavit submitted with this motion, however, Petitioners' representative was informed by the Acting Chairman of the Board that no such further motion would be necessary since the Board considered the Petition for Reconsideration and Suspension itself to be, in effect, a petition for a stay.

The remaining requirements of Rule 18 have also been met. Specifically, the reasons the Board gave in denying the petition for a

stay are set out in this memorandum and are contained in Appendix F; the reasons for the relief requested and the facts relied upon are set out in this memorandum; the relevant parts of the record have been filed along with this motion and memorandum; and reasonable notice of the motion has been given to all parties to the proceeding in this Court.

3. The Case Law Governing Interlocutory Relief: A series of decisions emanating from this Court have established the standards for granting interlocutory relief in appeals from administrative agency orders. These standards were initially set out in *Virginia Petroleum Jobbers Ass'n* v. *FPC*, 104 App. D.C. 106, 259 F2d 921 (1958). That they apply to the Board is clear from such cases as *Eastern Air Lines, Inc.* v. *CAB*, 261 F. 2d 830 (CA 2 1958), and *Airport Comm'n of Forsyth County, N.C.* v. *CAB*, 296 F2d 95 (CA 4 1961).

These cases establish a four-part test for granting interlocutory relief. In the language of the Court in the *Virginia Petroleum Jobbers* case, *supra*, 104 App. D.C. at 110, 259 F. 2d at 925, the test is as follows:

"(1) Has the petitioner made a strong showing that it is likely to prevail on the merits of its appeal?"

"(2) Has the petitioner shown that without such relief, it will be irreparably injured?"

"(3) Would the issuance of a stay substantially harm other parties interested in the proceedings?"

"(4) Where lies the public interest?"

Each of these standards is discussed below. On the facts of this case, the test which they establish is met.

C. The Four-Part Showing

1. There Is a Strong Likelihood That Petitioners Will Prevail on the Merits of This Case: Petitioners content that the Board in *Passenger Fare Revisions*, made maximum rates for domestic passenger fares; that the Board acted to do so without the proper statutory predicate of a finding that the prevailing and proposed rates were unlawful; that the Board acted without proper notice and without a fair and adequate hearing, as the Federal Aviation Act requires; and that the Board failed to heed the statutory directive to take certain factors into account when it performs its duties with respect to rates. Petitioners also contend that the Board improperly permitted tariffs contemplated in its September 12 decision and computed on the basis of its maximum rate formula to go into effect; and that the tariffs which the Board permitted to go into effect and which are in effect now are unjust and unreasonable.

For purposes of the instant motion, it is only the tariffs that are in question. But in order to present the merits of their case, Petitioners deem it necessary to set forth as well the numerous reasons why the Board's ratemaking formula is unauthorized and illegal. For although the tariffs are unlawful on their face, Petitioners' attack on them rests in part upon the fact that they are merely implementations of the formula, which were expressly contemplated and whose validity was prejudged when the Board made rates on September 12.

Petitioners recognize that the question of a proper rate structure "calls in peculiar measure for the use of that enlightened judgment which the [Board] by training and experience is qualified to form." *Mississippi Valley Barge Line Co.* v. *United States*, 292 U.S. 282, 286 (1934). They acknowledge that "if the conclusions of the . . . [Board] are in accordance with law, not arbitrary, or an abuse of discretion, and supported with adequate findings revealing a rational basis, and [are] not against public policy, its decision may not be disturbed . . . on review." *Saginaw Transfer Co.* v. *United States*, 275 F Supp. 585, 587 (E. D. Mich. 1967). See 5 U.S.C. § 706.

Petitioners submit, however, that the Board has acted in this case "in excess of statutory jurisdiction" and "short of statutory right," without observance of procedure required by law" and by an "abuse of discretion." 5 U.S.C. § 706. They contend, in short, that this is not a case for deference to administrative expertise but one in which this Court must step in to command rationality and obedience by the agency to its statutory mandate. See, *e.g.*, *American Overseas Airlines Inc.* v. *CAB*, 103 App. D.C. 41 254 F. 2d 744 (1958); *Summerfield* v. *CAB*, 92 App. D.C. 256, 207 F. 2d 207 (1953) *aff'd*, 347 U.S. 74 (17954); *Transcontinental Bus System, Inc.* v. *CAB*, 383 F. 2d 466 (CA 5 1967) *cert. denied*, 390 U.S. 920 (1968); *Trailways of New England, Inc.* v. *CAB*, 412 F. 2d 926 (CA 1 1969).

a. The Board Has Illegally Established Maximum Rates Without Finding That the Prevailing and Proposal Rates are Unlawful, Without Proper Notice, Without a Fair and Adequate Hearing, and Without Regard to the Standards Which It Must Take into Consideration in Exercising and Performing Its Powers and Duties with Respect to the Determination of Rates.

The first point in Petitioners' argument is that the Board, in its decision of September 12, made maximum rates for the domestic passenger market. Although it is incredible that Petitioners should be constrained to demonstrate *what* the administrative agency has done, such a demonstration seems necessary here because of the unorthodox and circuitous manner by which the Board has sought to achieve its aims.

Petitioners recognize that, technically, none of the eight paragraphs of verbiage following the words "it is ordered that" in the September 12 opinion sets a maximum rate. However, the lengthy discussion that preceded those words and necessarily was a part of the action taken by the Board very definitely did set such a rate. In the course of that discussion, the Board:

(1) Set forth and discussed a detailed formula for the computation of airline fares, a formula derived from a tariff submitted by a carrier and which included several major elements that were never previously found in a passenger fare structure (for example, variable rates per mile and construction of first-class fares on the basis of coach fares); (D 6,7).

(2) Briefly discussed the possible revenue yield of tariffs filed in accordance with the formula; (D 9).

(3) Paid lip service at two points to the "ratemaking criteria contained in the Federal Aviation Act of 1958"; (D 5,8).

(4) Decided expressly "to permit tariff filings implementing the fare adjustments described . . . within the 48 contiguous states effective no earlier than October 1, 1969. . . ."; (D 9).

(5) Stated that it would "consider fares produced by the formula as a 'just and reasonable' ceiling, and any fare in excess of this ceiling would be viewed *prima facie* as outside the realm of justness and reasonableness and would ordinarily be suspended and ordered investigated"; (D 9–10).

(6) Declared that fare increases above the ceiling "would be considered where strong justification was shown, and upon a tariff filing providing at least 75 days' notice to permit the Board adequate time for review of the arguments in justification"; (D 10).

(7) Strongly suggested that the carriers meet and discuss joint fares, and threatened that tariffs filed pursuant to its formula might not be permitted to continue in effect after January 31, 1970, in the absence of "the industry's conformance with the Board's findings as to the need for publication of additional joint fares at a satisfactory level. . . ." (D 10–11).

(8) Required that tariffs implementing the proposed formula have an expiration date of January 31, 1970, and that the carriers simultaneously file tariffs with preformula fares for an effective date of February 1, 1970. (D 10).

The carriers proceeded to file tariffs which were computed on the basis of the formula proposed by the Board.

The Board has, however, no authority, under the Federal Aviation Act of 1958, to "suggest" or "propose" tariffs which the carriers are expected then to file. Under section 1002(d) of the Act, 49 U.S.C. § 1482(d), the Board, in analyzing tariffs, has two choices: it may permit prevailing or proposed tariffs to have effect, or it may find such tariffs unlawful and proceed to make rates itself. Section 1002(d) establishes a procedure for making rates, and section 102(e), 49 U.S.C. § 1485(e), sets forth certain factors which the Board "shall take into consideration" in exercising and performing its powers and duties with respect to the determination of rates. The Board cannot evade these statutory mandates by the simple expedient of camouflaging the nature of its decision. When it makes rates, as it did in this case, it must take care to conform its procedures and substantive inquiry to the statutory standards.

Ratemaking is a simple, definable concept, not dependent upon the technical form in which a ratemaking decision is cast. In contrast with passing upon rates proposed by the carriers, ratemaking involves the agency in taking initiative and responsibility to set the rates itself. This is what occurred here. The formula proposed by the Board was precise, and the carriers were obviously expected to file corresponding tariffs. And, in point of fact, the carriers did file tariffs in accordance with the Board's "proposal." Finally, the Board has already applied its formula in other proceedings and has thus indicated that it intends to rely upon that formula as a general guide for its ratemaking tasks.[2] The formula has continuing validity until successfully challenged—or abandoned by the Board.

In these circumstances, Petitioners contend that the Board's decision of September 12 can only be regarded as the making of maximum rates for the domestic passenger market. Once that conclusion is reached, it becomes clear that those maixmum rates cannot be permitted to stand. For the Board has completely disregarded the procedures of section 1002(d) and the standards of section 1002(e) of the Act. It is to these contentions that the Petitioners now turn.

(i) The decision of September 12 is in flagrant violation of the provisions of section 1002(d) of the Federal Aviation Act of 1958.

The procedures for ratemaking by the Board are prescribed in section 1002(d) of the Federal Aviation Act of 1958. The section provides:

"Whenever, after notice and hearing, upon complaint, or upon its own initiative, the Board shall be of the opinion that any individual or joint rate, fare, or charge demanded, charged, collected, or received by any air carrier for interstate . . . air transportation . . . is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, the Board shall determine and prescribe the lawful rate, fare, or charge (or the maximum or minimum, or the maximum and minimum thereof) thereafter to be demanded, charged, collected, or received."

Petitioners submit that the Board has violated this statute in at least three ways.

*First: The Board failed to find that the prevailing and proposed rates were unlawful.* The Board began its September 12 opinion by finding that all of the proposals filed by the carriers (including the one filed by

Footnotes at end of article.

American) "*may be* unjust, unreasonable, unjustly discriminatory, unduly preferential or unduly prejudicial, or otherwise unlawful and should be investigated." (Emphasis supplied.) It ended that opinion with the following orders, *inter alia:*

"1. An investigation is instituted to determine whether the fares and provisions described in Appendix D attached hereto, and rules, regulations, or practices affecting such fares and provisions, are or will be, unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly prejudical, or otherwise unlawful, and if found to be unlawful to determine and prescribe the lawful fares and provisions, and rules, regulations, and practices affecting such fares and provisions;

"2. Pending hearing and decision by the Board, the fares and provisions described in Appendix D hereto are suspended and their use deferred to and including December 25, 1969, unless otherwise ordered by the Board, and that no change be made therein during the period of suspension except by order or special permission of the Board." (D 11).

The Board never found that the pending tariff proposals actually were unlawful. Between the beginning and the end of the opinion, the Board adopted as its "model" the fare formula submitted by American, a decision certainly not calculated to indicate the Board's "opinion" that such formula even might be unlawful.

Moreover, the Board did not find that the tariffs in effect at the time of its decision were in any way potentially unlawful. Indeed, it never even mentioned those tariffs—except when it threatened the carriers that if they did not arrive at satisfactory joint fares before January 31, 1970, it might find those tariffs to be just and reasonable and might take steps to reinstitute them.

This is a matter of no slight importance. The Board cannot make rates, under section 1002(d), unless it "shall be of the opinion that any individual or joint rate, fare, or charge demanded, charged, collected, or received by any air carrier for interstate . . . air transportation . . . is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial . . ." *Railway Express Agency* v. *CAB,* 100 App. D.C. 165, 243 F. 2d 422 (1957); see *Ayrshire Collieries Corp.* v. *United States,* 335 U.S. 573, 582 (1949); *Beaumont, S.L. & W. Ry. Co.* v. *United States,* 282 U.S. 74 (1930).[23] The requirement is designed to ensure that the agency will step in to make rates only after a full consideration of the carrier-made rates and a careful analysis of their lawfulness. The statutory "opinion" is "basic or quasi jurisdictional," and a condition precedent to exercise of the agency's ratemaking power. *United States* v. *Chicago M. St. P & P R. Co.,* 294 U.S. 499 (1935); see *New York* v. *United States,* 331 U.S. 284, 341 (1947); *State Corporation Comm'n* v. *United States,* 184 F. Supp. 691, 699 (D. Kan. 1959). Moreover, if the Board is of the "opinion" that the prevailing and proposed tariffs are unlawful, it must say, or at least indicate, so. See, *e.g., Burlington Truck Lines, Inc.* v. *United States,* 371 U.S. 156, 165–69 (1962); *Cantlay & Tanzola, Inc.* v. *United States,* 115 F. Supp. (S.D. Cal. 1953).

Here the Board said nothing with regard to the rates in effect at the time of its decision—except that they might be lawful on February 1, 1970. And its "opinion" with respect to the tariffs proposed by the carriers is indicated by the fact that it ordered those tariffs suspended and investigated as *potentially* unlawful while simultaneously adopting one of those tariffs as its own model. The Board never reached the "opinion" required by statute as a quasi jurisdictional predicate for the making of rates. Therefore, the maximum rates it made on September 12 must be regarded as illegal and should be rescinded.

*Second: The Board failed to give adequate notice.* The Board could not have found the pending and proposed tariffs to be unlawful, because it never gave the type of notice and held the type of hearing that are prerequisites to such a finding. In its order 69–8–108, of August 19, calling for "oral argument" on the tariff revisions filed by various carriers, the Board outlined the courses of action it might take with regard to the pending proposals:

"Pursuant to section 1002 of the Federal Aviation Act (49 U.S.C. 1482), the Board may, upon its own initiative or in the light of complaints from interested persons, (a) suspend the effectiveness of the proposed tariffs pending investigation of the reasonableness of the proposed rates, (b) permit such tariffs to take effect while it is conducting such investigation, or (c) permit the tariffs to become effective without investigations." (C 8602–03).

No mention was made of the possibility that the Board would pass on the merits of the proposed tariffs immediately following the presentation of views on September 4. Nor was any mention made of the tariffs then prevailing. Nor, finally, did the Board indicate that it might make rates immediately after it heard from the various parties.

By letter written after "oral argument" was held to Chairman Crooker of the CAB, Petitioner John Moss raised the following point:

"As both a complainant and a Member of Congress I must . . . conclude that even though the Board did not restrict the oral presentations to any specific issues, it nevertheless did, by its act in enumerating three possible courses of action in its order, preclude any other course of action such as its usual past practice of suspending the effectiveness of the proposed tariffs and then making its position known as to other kinds of tariff proposals it would approve." (C 8606).

Subsequently, after the Board's decision of September 12, Petitioners protested in their Petition for Reconsideration and Suspension that the Board had never given notice regarding certain subjects discussed in its opinion. Petitioners submitted that, as a result, some important matters resolved in that opinion, such as "the new test of reasonableness" and the "75 day filing notice," were never publicly considered at all by either the parties or the Board.

It is settled that the Board's order instituting proceedings will, in the absence of amendment, finally fix the issues. *W. R. Grace & Co.* v. *CAB,* 154 F. 2d 271 (CA 2 1946), *cert. dismissed as moot,* 332 U.S. 827 (1947); *cf. Pan American Airways, Inc.* v. *CAB,* 84 App. D.C. 96, 171 F. 2d 139 (1948) It is similarly recognized that an agency which unexpectedly alters the nature or scope of its proceedings denies basic fairness to the participants in the administrative process. *Morgan* v. *United States,* 304 U.S. 1 (1938). Moreover, the Board, like any other agency undertaking to make rates, is obligated by the Administrative Procedure Act, 5 U.S.C. § 551(4)(5) and § 553(b), to give notice of a proposed rule making, including "reference to the legal authority under which the rule is proposed" and "either the terms or substance of the proposed rule or a description of the subjects and issues involved."

But what is most important of all, the Federal Aviation Act of 1958 states plainly that prevailing and proposed rates cannot be found unlawful and agency rates cannot be made unless notice has been given. This requirement is designed to assure that the type of information necessary to pass upon and make rates will be forthcoming when the agency holds the hearing that is also required by section 1002(d).

The Board's order of August 19 was clearly inadequate and made no attempt to comply with this statute. How far it diverged from the notice which the Board itself recognizes as necessary for a ratemaking proceeding may be judged by comparing the August 19 order with the order of September 12 initiating investigation of the pending tariff proposals:

"An investigation is instituted to determine whether the fares and provisions described in Appendix D attached hereto, and rules, regulations, or practices affecting such fares and provisions, are or will be, unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and if found to be unlawful to determine and prescribe the lawful fares and provisions, and rules, regulations, and practices affecting such fares and provisions." (D 11).

This order gives fair notice of the Board's intentions to investigate the proposed tariffs and possibly make rates (even though, of course, everyone concerned knew by the time this order was issued that the Board had no such intention at all, since it had just made rates). In contrast, the order of August 19 failed to give notice of some of the most important subjects subsequently passed upon by the Board. The order was not adequate notice as required by section 1002(d), the Administrative Procedure Act, and the pertinent case law. Therefore, the maximum rates made by the Board on September 12 cannot be allowed to stand.

*Third: The Board failed to hold a full and fair hearing.* The "oral argument" ordered by the Board on August 19 was not an evidentiary hearing with opportunity for cross-examination and for a full presentation of all the facts that would be pertinent to a rational ratemaking decision. The argument consisted simply of a presentation by the carriers and other interested parties of a variety of views, most of them already known by the Board, on a range of subjects. Moreover, the value and significance of that "argument" was vitiated even before the argument was ordered by the Board's continuation of the practice of meeting *ex parte* with the carriers to discuss tariffs. Prior to such a meeting scheduled for August 14—five days before "argument" on the newly filed tariffs was ordered, and three weeks before that "argument" was held—Petitioner John Moss had requested permission, by telephone and by letter to Chairman Crooker, to attend the meeting. (C 8597–98). Permission was refused. (C 8598). The meeting was held, various matters including several of the pending tariffs were discussed, and the newspapers subsequently reported that the Board had indicated its disposition to permit the carriers to raise their fares. (C 8598–02, 8605). Petitioner Moss and the other Petitioners then refused to participate in the Board's "oral argument" on the ground that they were being denied "the right of impartial consideration of [their] views." (C 8605–06).

It appears that the question of the extent and nature of the "hearing" required by section 1002(d) of the Federal Aviation Act of 1958, prior to a finding that pending and proposed rates are unlawful and a ratemaking decision by the Board, is one that has never been resolved by the courts. It is unclear whether, pursuant to the terms of the Administrative Procedure Act, 5 U.S.C. § 556(d), the parties should have had the right to present their case "by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts." See *Morgan* v. *United States,* 298 U.S. 468 (1936); *North Carolina Natural Gas Corp.* v. *United States,* 200 F. Supp. 745 (D. Del. 1961); *Dixie Carriers* v. *United States,* 143 F. Supp. 844 (S.D. Texas 1956), *vacated as moot,* 355 U.S. 179 (1957). The "hearing" accorded by the Board prior to its decision of September 12 did not comply with this provision.[24]

Footnotes at end of article.

In any event, whether or not a full hearing was held, it is clear that the Board's "hearing" did not—and could not, after the *ex parte* meeting with the carriers of August 14—meet the standards established by the case law for a *fair* hearing. *Atchison, T. & S. F. Ry. Co.* v. *United States*, 284 U.S. 248 (1932); *ABC Air Freight Co.* v. *CAB*, 391 F. 2d 295 (CA 2 1968). Nothing is more settled in administrative law than the proposition that *ex parte* contacts between the agency and one of the parties are improper and deprive other parties of the right to basic fairness. *United Air Lines, Inc.* v. *CAB*, 114 App. D.C. 17, 309 F. 2d 238 (1962); *United Air Lines, Inc.* v. *CAB*. 408 App. D.C. 220, 281 F. 2d 53 (1960). The unfairness was particularly clear in this case because one of the Petitioners timely sought, unsuccessfully, to gain access to the *ex parte* meeting in question. And many of the topics discussed at that meeting made an appearance, in some form, in the Board's decision of September 12.

In these circumstances, Petitioners submit that they have been deprived of the type of hearing required by section 1002(d) of the Federal Aviation Act of 1958 before prevailing and proposed rates are found unlawful and new rates are made.[25] For this reason, the maximum rates set by the Board in its decision of September 12 should be deemed illegal and rescinded.

(ii) The decision of September 12 is in conflict with the provisions of section 1002(e) of the Act.

Section 1002(e) of the Federal Aviation Act of 1958, 49 U.S.C. § 1482(e), provides that the Board, "in exercising and performing its powers and duties with respect to the determination of rates for the carriage of persons or property, shall take into consideration, among other factors," the following five:

"(1) The effect of such rates upon the movement of traffic;

"(2) The need in the public interest of adequate and efficient transportation of persons and property by air carriers at the lowest cost consistent with the furnishing of such service;

"(3) Such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law;

"(4) The inherent advantage of transportation by aircraft; and

"(5) The need of each air carrier for revenue sufficient to enable such air carrier, under honest, economical, and efficient management to provide adequate and efficient air carrier service."

Congress has implicitly authorized the Board to consider other factors, such as profit element, rate base, depreciation, equipment deposits, and taxes. And the Board has explicitly considered and set standards for these items.[26]

But the Board *must* consider the factors specified in section 1002(e) whenever it undertakes to make rates.[27] It may, at its discretion, give one or more of these factors greater weight than the others, *New York* v. *United States*, 331 U.S. 284, 347 (1947), but it is powerless to eliminate completely consideration of any one of these factors. *American Overseas Airlines, Inc.* v. *CAB*, 103 App. D.C. 41, 254 F.2d 744 (1958); *Florida* v. *United States*, 292 US. 1, 7 fn. 3 (1934); *Malone Freight Lines* v. *United States*, 143 F. Supp. 913 (N.D. Ala. 1956); *Cantlay & Tanzola* v. United States, 115 F. Supp. 72 (S.D. Cal. 1953).

In its opinion of September 12, the Board ignored section 1002(e). Indeed, it made only two brief and generalized mentions of the requirements of the Federal Aviation Act of 1958, and both were for the same purpose—to justify the Board's decision to permit a fare increase because of the carriers' rising costs and declining earnings:

"To require the carriers to continue operating at present fare levels with operating costs spiraling upward would be contrary to the statutory policy and rate-making criteria contained in the Federal Aviation Act of 1958. (D 5).

"Taking into consideration these cost pressures on the carriers, and the marked decline in earnings and profit margin since the February increase, the Board finds that a further increase in fares at this time is necessary from the standpoint of the ratemaking standards of section 1002(e) of the Act and the need to maintain the financial vitality of the carriers as a group." (D 8).

The Board's decision to permit an increase in fares solely on the basis of rising costs and declining earnings is not contemplated by section 1002(e), which mentions among its factors "revenue" but not "earnings" or "profit margin," and whose only reference to "costs" is to the cost, or fare, to the passenger. Indeed, section 1002(e) is based on section 15a(2) of the Interstate Commerce Act and section 216(i) of the Motor Carrier Act which contain factors similar to those found in 1002(e). These factors were originally provided by the Congress in order to emphasize that changes in the level of earnings are not necessarily sufficient grounds for a change in rates. *Florida* v. *United States*, 292 U.S. 1 (1934). The Congress wanted to move the agencies away from a "cost-plus" theory of ratemaking and toward a requirement of adequacy and efficiency of service and economy and efficiency of management. Petitioners do not contend that the Board has necessarily considered impermissible factors in reaching its decision, but that it has so limited the factors it did consider that the most important of the mandatory factors of section 1002(e) have been completely ignored.

(1) The Board's opinion demonstrates on its face the Board's failure to consider the effect of its maximum rates on the movement of traffic, a factor which the Board must consider by reason of section 1002(e)(1). The effect of fares on the movement of traffic is basically a question of elasticity of demand.[28] It is, or should be, of crucial significance in the making of airline passenger rates, because the persistent trend toward ever higher fares threatens to price the airlines out of some travel markets. As the Supreme Court has recognized, "the raising of rates does not necessarily increase revenue. It may . . . reduce revenue instead of increasing it, by discouraging patronage." *Florida* v. *United States*, 282 U.S. 194, 214 (1931).

In its Order 69–8–108 of August 19, 1969, which called for oral presentation of views on September 4, 1969, the Board asked the parties to address themselves, among other things, to the following question:

"What effect, if any, will either the proposed tariff revisions or possible changes in promotional and discount fares have upon the movement of traffic?" (C 8603).

But the oral presentation was inconclusive. Only a few carriers spoke to the point, and they differed among themselves on the effects of the proposed tariffs.

The Board's only references in the September 12 opinion to movement of traffic indicated that it had not fully considered the question and had no idea what effect would be produced on traffic movement by tariffs computed in accordance with its formula. Thus, it opined that, as a result of the formula, "there may be a total revenue increase of approximately 6.35 percent (assuming no diversion or loss of traffic). To the extent of any such dilution, of course, the revenue increase would be less than 6.35 percent." (D 9).

The Board has no power, under the statute, to make rates while indulging in such an unverified "assumption" regarding a factor listed in section 1002(e). The effect of given rates upon the movement of traffic is determinable—or at least more nearly determinable than one would suppose from perusal of the Board's opinion—providing that a sufficient amount of relevant information is assembled and analyzed. The Board has never taken the trouble to assemble such information and has not even, in the opinion of September 12, analyzed the information it did have. No mention is made in that opinion of the arguments regarding movement of traffic that various carriers made to the Board. The Board did not, for example, say that the arguments of certain carriers had merit, while the views expressed by others were in error. If its statements are taken at their face value, it would appear that the Board reached the conclusion that a good deal of diversion would result from tariffs computed on the basis of its formula—but that it hoped it was wrong.

(2) The Board is required by section 1002(e)(2) to consider, in making rates, "the need in the public interest of adequate and efficient transportation by persons and property by air carriers at the lowest cost consistent with the furnishing of such service." This factor must have appeared too vague and elusive for the Board, for it never even acknowledged its existence in the September 12 opinion. Yet it is possible to impart a definite meaning to this provision. The factor refers to a certain desirable quality and quantity of service (adequate and efficient service) and the most economical means of providing that service. The requirement might be given a precise normative interpretation by the same means commonly used in the airline industry to judge adequacy, efficiency, and economy of service—namely, the use of percentage and numerical standards. See generally Friendly, *The Federal Administrative Agencies: the Need for Better Definition of Standards*, 75 Harv. L. Rev. 863, 1055, 1263 (1962).

One rational approach to interpreting section 1002(e)(2) would be to establish standards of adequacy and efficiency, and standards for the cost of furnishing the service, both cash cost standards (payroll, fuel, materials, other services) and noncash cost standards (depreciation and earnings or return on investment). Then, particular tariff proposals and the Board's own ratemaking efforts could be examined in the light of such standards and tariffs based on past performances departing significantly from the guidelines would not be permitted to go into effect without an extraordinary justification of their reasonableness.

In point of fact, the Board has been extremely precise in fixing noncash cost standards. In 1960, in the *General Passenger Fare Investigation*, the Board set forth detailed criteria for establishing the profit element, depreciation, the rate base, and taxes. 32 C.A.B. 291. If cash costs are maintained at reasonable levels, noncash costs (including income taxes) should comprise about twenty to twenty-five percent of the price of an average ticket.

It is very difficult to say how much they do in fact comprise, because the Board has not yet established cash cost standards, nor any standards for adequacy and efficiency of service. Load factor standards—standards indicating the percentage of available aircraft capacity which should ordinarily be sold—are generally recognized by the airline industry as one of the best measures of adequacy and efficiency.[29] They are regularly employed by the carriers in making their own economic forecasts and analyses. The Board itself has recognized that "if fair [cost and load factor] standards could be ascertained for representative periods which can be reasonably defined, it is clear the Board would be able to deal with the problem of determining appropriate fare levels much more effectively."[30] But the Board has not established such guidelines for measuring adequacy and efficiency of service—nor any others.

Footnotes at end of article.

If the Board had load factor and cost standards, it would be in a position to heed the mandate of section 1002(e)(2) in making rates. Relying upon these standards, the Board would know what a reasonable unit cost per seat sold would be. It could make rates on the basis of this figure plus a reasonable rate of return, and the airlines would be encouraged to furnish adequate and efficient service at the lowest cost. Because the Board lacks both these standards and any other rational interpretation of section 1002(e)(2), the situation is exactly the reverse of what it should be: the rate that is made by the Board plays a controlling role in setting the level of airline costs and load factors. The inevitable result is a notable lack of adequate and efficient transportation . . . at the lowest cost consistent with the furnishing of such service." [31]

It is not necessary to go through a long and complex study in order to understand why the foregoing statement is true. The airlines subject to CAB regulation are engaged in what has been referred to by economists as "monopolistic competition"—a type of economic structure in which price competition is rare.[32] Competition occurs, but under the regulated price umbrella, with the participants vying with each other in quality of service—in the air and on the ground—and quantity (frequency) of service. Since quality and quantity of service are not controlled by the Board, they are determined by the forces of competition, as soon as a price for airline fares has been determined. If the price is higher than it previously was, costs and frequency of scheduling will increase. Because the carriers are aware that they will not subsequently be held to standards of adequacy efficiency, and cost, they feel free to increase unit costs at will—with large advertising expenditures, for example, and overscheduling of their routes.[33] Their costs naturally rise, and their load factors drop.[34] Before very long, they are back before the Board with a renewed request for higher revenues. Because costs have risen and earnings have dropped, the Board—which again takes no account of the *standard* or *proper* level of costs or the *standard* or *proper* load factors, but only of the rising levels of costs in an inflationary economy and the failure of the carriers to obtain the return that is their due [35]—is disposed to raise rates again.[36] Of course, a raise in rates is not conducive to generating more traffic and may even reduce traffic.[37] And, even if the raise actually succeeds in providing additional gross revenues, these are soon largely eaten up by new costs and scheduling. With fares even higher, the carriers' breakeven point for any given service is even lower. Costs again rise and load factors again drop. The passenger is caught in this vicious circle.

The CAB does not lack cost and load factor standards for any good reason. Although the Board has recognized the need for such standards at least since 1960 [38], it has never taken the time and gone to the trouble to set them. The Board has deferred for years a general investigation of domestic passenger fares, which would presumably develop the type of information necessary to set such guidelines. It has never, in the 31 years of its history, held such a general investigation.[39]

Although Petitioners urged below that a general investigation be held in order to enable the Board to obey the mandate of the Federal Aviation Act, they take no position for purposes of the instant motion on the question whether such an investigation is necessary. Indeed, Petitioners do not even urge that the use of cost and load factor standards represents the only means of interpreting section 1002(e)(2), although it is the only means they know of. During the nine years since the Board recognized the need for cost and load factor standards, it has authorized its staff to conduct a number of cost and fare studies, some of which required a year or more to complete. The Board has never released the findings of these studies to the public, and has discussed most of them only in *ex parte* discussions with the carriers. It is conceivable that the Board has at this time a sufficient quantity of relatively reliable information to enable it to pass upon tariffs and set rates in accordance with the statute.

The important point is that the Board, in its opinion of September 12, did not comply with the statute because it did not use any of its information or any standards or anything else to determine whether the rates it was making constituted the lowest cost for furnishing transportation of persons by air in an adequate and efficient manner. Thus the Board, on September 12, emphasized the carriers' rising cost and never mentioned adequacy, efficiency, and economy of service. Petitioners had contended in their First and Second Complaints that the staff formulas upon which the carriers' tariff filings (including the filing by American) were based were not necessarily founded upon a just and reasonable input and had not been formulated by the Board's staff for the purpose of meeting the "just and reasonable," the "adequate, efficient, and economical," or any other statutory standard.

On September 12, Petitioners' Complaints were virtually ignored. The Board once again recognized that "the complainants have raised some questions for which no fully satisfactory answer presently exists, especially the question of load factor standards . . ." (D 5). The Board decided, therefore, not to dispose of the Petitioners' request for a general fare investigation and determined to undertake an exploration within the Board of a number of matters, including whether load factor standards should be set, and if so at what level:

"At the conclusion of our consideration of these matters, we should be in a better position to determine whether a fare investigation is appropriate and, if so, to channel such investigation along the most productive patterns so as to expedite completion of the proceeding within a reasonable time span." (D 5).

Once again the Board thus put off the setting of standards for another day. It made rates without such standards and without mention of or regard to adequacy and efficiency of service at the lowest cost consistent with the furnishing of such service.

Petitioners submit that, in these circumstances, the Board's maximum rates of September 12 must be considered as contrary to the provisions of the Federal Aviation Act and illegal.

(3) Section 1002(e)(5) requires the Board, in making rates, to consider "the need of each air carrier for revenue sufficient to enable such air carrier, under honest, economical, and efficient management, to provide adequate and efficient air carrier service." See *American Overseas Airlines, Inc.* v. *CAB*, 103 App. D.C. 41, 254 F. 2d 744 (1958). It is obvious, from the foregoing discussion of section 1002(e)(2), that the Board did not take this factor into consideration on September 12. It could not and did not give any consideration to "economical and efficient management" or "adequate and efficient air carrier service."

But the degree of divergence of the Board's September 12 opinion from the standard of section 1002(e)(5) bears emphasis. Throughout that opinion, the Board repeatedly stated that the carriers had demonstrated a need for "some" additional revenue. Never did the Board state *how much* additional revenue was needed by a carrier or group of carriers. Nor did the Board ever claim that the tariffs it would accept would provide the undetermined amount of additional needed revenue. It said only:

"We estimate that the fare adjustments we are prepared to accept would produce increased revenues for the trunkline industry of 7.4 percent in first-class service and 3.6 percent in coach service. Currently, about 82.6 percent of trunkline passenger miles involve travel at coach or economy fares and only about 17.4 percent at first-class fares, so that (considering the traffic "mix") such basic fares will be increased by about 4.25 percent. Further, we estimate that an annual increase in revenues equivalent to 2.1 percent may stem from adjustments in promotional fares. Thus, there may be a total revenue increase of approximately 6.35 percent (assuming no diversion or loss of traffic). To the extent of any such dilution, of course, the revenue increase would be less than 6.35 percent." (D 9).

The implication is that, after the fare increase, annual first-class revenues will be 7.4 percent more than they would otherwise be, coach revenues will be 3.6 percent greater, overall revenues 6.35 percent greater. The fact, however, is that the Board's estimates were based upon past traffic performance figures, for fiscal 1969, not upon projected future traffic levels, adjusted for changes in fares. The Board could not have considered such projections because, as noted above, it never considered the effect of the new fares it was making upon the movement of traffic. This is an important consideration, because the airline industry is a growth industry, and past revenue performances tend to provide understated predictions for the future. Significantly, the Board never stated that the revenue increase it anticipated—"approximately 6.35 percent (assuming no diversion or loss of traffic"—complies with the standards of section 1002(e)(5)).

Finally, the Board never bothered to determine the need of "each air carrier" as section 1002(e)(5) requires. It simply considered all the domestic trunklines and local service carriers as a group. With respect to the local service carriers, the Board never even made an estimate of the impact of its decision upon revenues. This fact cannot be ignored because the rates prescribed by the Board were intended to have a greater impact on short-haul fares than on long-haul fares, and therefore should effect a greater change in short-haul traffic and revenues.

As if in an attempt to excuse the higher fares it was calling upon the public to pay, the Board said:

"In light of the low level of earnings realized in the most recent periods and the inflationary cost increases being experienced by the carriers, there appears to be no prospect that the fare increases approved herein will enable the industry to reach the 10.5 percent return guideline for the immediate future." (D 9).

This issue was never in doubt. As a matter of fact, the position of the Petitioners was just the opposite, as the Board observed: "The complainants further assert that the fare proposals (D 2) will further depress load factors and earnings." Odd as it may be, the Board never even claimed that its prescribed rates would improve net earnings,[40] despite the fact that the fare increase was approved by the Board for the express purpose of reversing the carriers' earnings decline. As Petitioners have consistently maintained, earnings are not likely to increase, even if revenues do, because the Board's lack of cost and load factor standards leads the carriers to eat up additional revenue (if such additional revenue should be forthcoming) with additional costs and scheduling.

For the foregoing reasons, Petitioners submit that the Board's decision of September 12 was made without regard to at least three of the critical standards of section 1002(e) of the Federal Aviation Act of 1958.[41] Because the Board is powerless to make rates without taking such standards into consideration, the

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decision of September 12 must be reversed and the maximum rates made by the Board in that decision must be rescinded.

b. The Board Has Illegally Permitted Unlawful Tariffs Computed on the Basis of Its Formula of September 12 To Go into Effect.

Following the Board's decision of September 12, and as contemplated by that decision, the carriers filed tariffs with new fare increases based on the formula promulgated by the Board. Petitioners requested that the Board reconsider the September 12 decision and suspend and investigate all tariffs that had been filed pursuant thereto. Petitioners noted the Board's various violations of the procedural and substantive provisions of the Federal Aviation Act of 1958; the fact that the new tariffs were *prima facie* unjust and unreasonable; and, specifically, the discriminatory effect of the new tariffs upon passengers traveling in markets where one-carrier service is not available and no through fare for inter-carrier connecting service is published. Under the Board's formula and the new tariffs, such passengers are called upon to pay an increased terminal charge for each segment of their voyage, plus a higher line haul charge than they would have to pay for a voyage of the same distance made with a single carrier.[42] Petitioners submitted that "such inequities must be eradicated first," before the Board approves yet another increase in local fares. (C 8614).

The Board, in response to this attack and in a decision of September 30, opted to do nothing. It reiterated the rationale behind its decision of September 12: "the domestic air carrier industry requires an immediate revenue increase in light of its higher cost of doing business and its earnings decline." (F 1). It brushed aside Petitioners' contention that the maximum rates set and the tariffs being approved were seriously deficient under the statute:

"There has been general recognition of the need to overhaul the fare structure to remove its inequities and bring it more into line with cost factors, and by conditioning the grant of fare relief to the adoption of an improved structure, the Board believes it is acting in the public interest. This conclusion is not predicted on an assumption that the new fare structure is the optimum. Rather, we view it as a first step toward a more rational and consistent fare structure which should redound to the benefit of the traveling public and carriers alike. And, as stated in Order 69-9-68, the Board intends to consider further the entire matter of domestic passenger fare structure and level, including the prior and instant requests for a full-scale formal investigation of domestic passenger fares. The Board will decide what further action is necessary and appropriate in this regard in due course." (F 2).

In the month of October, the new tariffs went into effect. Petitioners contend that the Board erred in refusing to suspend and investigate those tariffs and in permitting them to go into effect.

At the outset, Petitioners note that this is *not* a case in which the reviewing court should defer to the Board's discretion under section 1002(a) of the Act, 49 U.S.C. § 1482 (a), to dismiss a complaint without a hearing. See, *e.g., Flying Tiger Line, Inc.* v. *CAB*, 121 App. D.C. 332, 350 F.2d 462 (1965) *cert. denied*, 385 U.S. 945 (1966); *Flight Engineers Int'l. Ass'n* v. *CAB*, 118 App. D.C. 112, 332 F.2d 312 (1964), *cert. denied*, 385 U.S. 945 (1966). This is *not* a case in which the Board has simply reached a decision, within the bounds of its discretion and unreviewable by the courts, to refuse to suspend tariffs proposed by the carriers. See, *e.g., Arrow Transportation Co.* v. *Southern Ry. Co.*, 372 U.S. 658 (1963). This, in sum, is *not* a case envisioned by the Federal Aviation Act at all.

The tariffs that went into effect in October and that remain in effect today are the direct responsibility of the Board. It set out the formula on which they are based with detail and precision in its decision of September 12—a decision which, for reasons already explained in this memorandum, was unorthodox, unauthorized, and illegal. The Board concluded in that decision that it "would be disposed to grant an increase" in fares computed in accordance with its formula. (D3). It referred again and again to "the fare formula which we would accept," (D4, 6, 9) and it called for "tariff filings implementing the fare adjustments" it had proposed. (D9, 10). Member Murphy, concurring and dissenting, referred to "the increase" which "the majority has approved." (D Murphy). Member Minetti, likewise concurring and dissenting, spoke of "accepting, without an investigation, a fare adjustment package equivalent to an increase in fare levels of over six percent." (D Minetti). The tariffs contemplated by the Board in the September 12 decision were in fact filed by the carriers, and it is those tariffs which Petitioners now claim should be rescinded.[43]

Those tariffs discriminate against a substantial segment of the traveling public and are unjust and unreasonable vis-a-vis the entirety of that public. To the Petitioners' claim of discrimination against some passengers, the Board responded on September 30 as follows: "The Congressmen site the lack of single factor fares in some markets as prejudicial to the interests of the traveling public. We agree and we have already taken action aimed at assuring the establishment of single sum fares in all markets whether served by a single carrier or not which meet a minimum traffic standard. In any event, suspension of the proposed tariffs is no solution to this problem since the pre-existing structure suffers from the same deficiency." (F2).[44] This statement, however, misses the point. The Board is forbidden by statute and case law to permit tariffs with such a deficiency to go into effect. See sections 404 and 102(c) of the Act, 49 U.S.C. § 1374 and § 1302(c) and, *e.g., Trailways of New England, Inc.* v. *CAB*, 412 F. 2d 926 (CA 1 1969). *Transcontinental Bus System, Inc.* v. *CAB*, 383 F. 2d 466 (CA 5 1967), *cert. denied*, 390 U.S. 920 (1968). It is under statutory injunction to take the necessary steps to cure the deficiency. Section 1002(d), 49 U.S.C. 1482(d). By no stretch of the imagination or the statute could the Board derive power from the Act to prescribe such discriminatory rates itself. The Board's "agreement" that the fare structure that went into effect in October is "prejudicial to the traveling public" amounts to a concession that its decision to permit such tariffs is contrary to law.

Moreover, as previously noted, those tariffs were computed on the basis of the Board's illegal formula of September 12. Petitioners have contended earlier in this memorandum, as before the Board, that tariffs thus computed are unjust and unreasonable to the traveling public; having an unpredicted effect on the movement of air traffic, having no relation to adequacy and efficiency of service, having no reference to the lowest cost consistent with the furnishing of such service, and not designed to produce, for each carrier, "revenue sufficient to enable such air carrier, under honest, economical, and efficient management, to provide adequate and efficient air carrier service." The tariffs will not resolve the earnings crisis among the carriers because they are calculated to do no such thing. They will only encourage even greater costs and scheduling, and tariff filings for still higher fares.

In these circumstances, Petitioners submit that the fare increase granted by the Board was illegal. Accordingly, Petitioners request that the Board's decision to permit those tariffs to go into effect be reversed, that the previously prevailing tariffs be reinstituted, and that the case be remanded to the Board for further proceedings. See *Transcontinental Bus System, Inc.* v. *CAB, supra.*

2. Petitioners Will Suffer Irreparable Injury Unless Interlocutory Relief Is Granted.

The second of the four criteria governing interlocutory relief from administrative orders is that such relief will only be granted when a showing is made that irreparable injury would otherwise result. If, in the present case, interlocutory relief is not granted, Petitioners and the public whom they represent in this action, *Wirtz* v. *Baldor Elec. Co.*, 119 App. D.C. 122, 138–39, 337 F.2d 518, 534–35 (1964), will suffer the clearest form of irreparable injury: (a) the jurisdiction of this Court to hear the appeal on the merits will be in serious jeopardy, because, after January 31, 1970, the Board and the carriers may have the power to render this case moot, and (b) Petitioners will be without legal recourse to recover the overcharges which are being collected under the present passenger fare tariffs.

The reason that the jurisdiction of this Court may be defeated by reason of mootness, in the absence of interlocutory relief, stems from the peculiar nature of the passenger fare tariffs which Petitioners seek to have reviewed. These tariffs were approved by the Board in September and became effective early in October. By their terms, however, the tariffs are to expire on January 31, 1970. At that time, unless the Board has approved new tariffs, the tariffs that were superseded by the tariffs presently on file (the pre-formula tariffs) will again come into effect. It is not contemplated by the Board or the carriers, however, that these former fare levels will actually be allowed to go back into effect after January 31, 1970, rather, the parties anticipate filing new tariffs[45] with, it is quite possible, still higher fares.

The short-term duration of the tariffs presently on file makes it virtually impossible, in the absence of interlocutory relief as is sought here, to obtain meaningful review of the Board's action. Under the Federal Rules of Appellate Procedure, the Board has forty days from the date on which the petition for review was filed in which to file the record with this Court. Rule 17, Federal Rules of Appellate Procedure. The Petitioners are then allowed forty days from the date on which the record is filed in which to file their brief: even if this time period were drastically compressed, however, the Board would still have thirty days after service of the Petitioners' brief in which to file its brief. Rule 31, Federal Rules of Appellate Procedure. Allowing for additional time for a reply brief and oral argument, and the period in which the Board would consider and decide the case, there would be no practical likelihood that a decision would be handed down prior to January 31, 1970. Indeed, under the time schedule as provided by the Rules, there would be little likelihood that the case would even come up for argument before that date.

Thus, by the time the case came up for decision on the merits, there would be every probability that new tariffs would then be in effect, with or without a new ratemaking effort by the Board. In this situation, a decision by this Court on the legality of the present tariffs could be rendered moot: because the present tariffs will have been superseded, the Court's decision as to their legality "would have no effect. . . ." *Southern Pilots Ass'n* v. *CAB*, 116 App. D.C. 283, 285, 323 F. 2d 288, 290 (1963), *cert. denied*, 376 U.S. 954 (1964). Moreover, if the Board undertakes by a decision prior to review on the merits of this case to alter its ratemaking formula, even Petitioners' attack upon that formula could be mooted.

If this case should become moot—and, as we set out below, even if it should not—Petitioners and the public would suffer clear

Footnotes at end of article.

irreparable injury. For unless this Court is able to review the Board's order in the present case, Petitioners are without effective judicial redress against the excess fares that are presently in force. Under an established line of cases, the federal courts do not have the power, save on direct judicial review, to pass on the lawfulness of a tariff. *Lichten* v. *Eastern Airlines, Inc.*, 189 F.2d 939 (CA 2 1951), *Vogelsang* v. *Delta Air Lines, Inc.*, 302 F.2d 709 (CA 2), *cert. denied*, 371 U.S. 826 (1962); see *T.I.M.E., Inc.* v. *United States*, 359 U.S. 464 (1959). Nor, apparently, does the Board itself have power retrospectively to find rates illegal and award reparations. *Tishman & Lipp, Inc.*, v. *Delta Air Lines*, 275 F. Supp. 471 (S.D.N.Y. 1967); see Markham & Blair, *The Effect of Tariff Provisions Filed Under the Civil Aeronautics Act*, 15 *J. Air Law & Com.* 251 (1948). And the only remaining possibility for recovering overcharges paid to the carriers under illegal tariffs, an action charging the airlines with unlawful collusion under the antitrust laws, would raise difficult and novel questions. *Compare, e.g., Pan American World Airways, Inc.* v. *United States*, 371 U.S. 296 (1963), *with Allied Air Freight, Inc.* v. *Pan American World Airways, Inc.*, 393 F.2d 441 (CA 2), *cert. denied* 393 U.S. 846 (1968), *compare Eastern Railroad Presidents Conf.* v. *Noerr Motor Freight, Inc.*, 365 U.S. 127 (1961), *with Georgia* v. *Pennsylvania RR.*, 324 U.S. 439 (1945).[46] Moreover, such an antitrust case, even if ultimately successful after protracted litigation, would in any event have little effect in remedying the Board's grossly unlawful actions.

In sum, interlocutory relief is essential for two reasons. The first is to protect the right of review in this Court: the Court "should be able to prevent irreparable injury to the parties or to the public resulting from the premature enforcement of a determination which may later be found to have been wrong. . . . [Otherwise,] judicial review would be an idle ceremony if the situation were irreparably changed before the correction could be made." *Scripps-Howard Radio, Inc.* v. *FCC*, 316 U.S. 4, 9–10 (1942); see *Delta Air Lines, Inc.* v. *CAB*, 97 App. D.C. 46, 228 F. 2d 17 (1955). Second, even if the Court's ultimate decision on the merits were not rendered moot, Petitioners and the public would have suffered irreparable injury in the interim through paying higher, illegal air fares with virtually no chance of obtaining reparations. Indeed, in the time that has gone by since the tariffs went into effect, the traveling public has already suffered such injury without the possibility of redress—and continues to suffer such injury on a day-to-day basis. See *Armour & Co.* v. *Freeman*, 113 App. D.C. 37, 304 F. 2d 404, *cert. denied*, 370 U.S. 920 (1962).

As this Court held in the *Virginia Petroleum Jobbers* case, *supra*, "the possibility that adequate compensatory or other corrective relief will be available at a later date, in the ordinary course of litigation, weighs heavily against a claim of irreparable harm." 104 App. D.C. at 110, 259, F. 2d at 925. In the circumstances of the present case, there is no such adequate relief available at a later date. Petitioners submit that, in the equitable judgment of the Court, this situation requires the grant of interlocutory relief.

3. Interlocutory Relief Would Not Cause Countervailing, Substantial Harm to Other Parties.

Should interlocutory relief be granted in this case, the carriers and the Board would not suffer what could be considered, under the Federal Aviation Act, a substantial injury.

As the only justification for a continuation of the present tariffs, the carriers will doubtless argue, as they did before the Board, that rising costs have imposed upon them a desperate need for still more revenues, revenues obtainable through the second fare increase permitted this year. But the persuasiveness of this argument is diluted, to say the least, by the failure of the carriers to show, and the Board to find: (a) that the increased fares will not result in an offsetting decrease in the use of air service; and (b) that the increased costs, to which the carriers so regularly refer, have been incurred in anything resembling a reasonable manner.

As to the effect of these rates on air traffic, a matter which the carriers have not demonstated and on which the Board has not passed, despite the Board's rule that the burden of going forward with evidence to justify a rate increase is on the applicant, 14 C.F.R. § 302.506; see *Investigation of Eastern Air Lines Air-Coach Fare Between Miami and San Juan*, 12 C.A.B. 511 (1951), Petitioners would note that during the month of October, when the new fares first went into effect, air traffic load factors fell to their lowest level in five years. *Aviation Daily*, Nov. 24, 1969, p. 133. Thus, while those members of the public who did remain air passengers suffered the injury of paying higher fares, it is not at all clear that reinstating the prior tariffs pending this litigation would cause the airlines any injury, let along significant, countervailing injury—because the higher fares have already led to a decrease in traffic.

As to the increased costs which the airlines cite as justification for a fare increase, it is worth noting that the Board itself has pointed out that the carriers have systematically been incurring costs that may well be unreasonably high. In an order suspending and investigating tariff filings on May 8, 1969, the Board noted that the airlines had persisted in buying more aircraft than their traffic forecasts would require: "the carriers have bought equipment despite (not by reason of) traffic forecasts." The Board went on to state:

"As long as the industry's load factor continues its present downward trend, and inflationary pressures persist, the carriers may find themselves in a cost-revenue squeeze despite the introduction of more efficient aircraft and the adjustment of their fares. Another significant aspect of an unnecessary increase in unused capacity is the corresponding growth in the investment base and fixed charges. On the other hand, it cannot be expected that fare increases will stimulate additional traffic. The basic solution to the industry's present financial situation would appear to lie in exercising restraint in ordering new flight equipment and in the use of its available capacity, rather than in increasing its price to the public." (C 8587–88).

In other words, the Board itself has charged that the carriers' costs are being unreasonably inflated and aircraft are regularly and uneconomically being flown while filled to far less than their capacity; that this policy has served to raise questions about the financial structures of the airlines, as well as worsen air traffic congestion; and that unless a halt is called to this practice, the airlines' justification of higher fares on the basis of their incurred costs would be open to attack. All this seems to have been forgotten by the Board in the present case.

In these circumstances, Petitioners submit that an interlocutory order of this Court withdrawing the effectiveness of the new tariffs would not occasion the substantial, countervailing injury which the *Virginia Petroleum Jobbers* case, *supra*, envisioned. Because the fare increases have not been shown by the carriers or the Board either to be just and reasonable or to represent a substantial benefit to the carriers, it may not be argued that withdrawing such increases necessarily does the carriers a substantial harm which should preclude interlocutory relief.

Finally, there would be little administrative burden involved in going back to the fares that were charged before the present tariffs went into effect. The carries would not be required to calculate, *de novo*, a complex schedule of fares—for each carrier has already used the fares which Petitioners are seeking to have reinstated, and indeed, each carrier presently has on file with the Board a tariff embodying those fares, which tariffs are scheduled to go into effect on February 1, 1970, unless superseded. Therefore, the only administrative action required of the carriers would be to notify their offices and agents of the fare structure which should go into effect—an action which they regularly take, and are equipped to take, in any event.

The above discussion relates to the principal relief sought by Petitioners: withdrawing the effectiveness of the present tariffs and substituting the tariffs which they superseded. Should the Court instead grant one of the two alternative forms of interlocutory relief which Petitioners have requested, the question of equitably assessing the possibility of undue injury to other parties would not really arise—as there would be no injury at all. The first form of alternative relief requested by Petitioners is an order that would permit the carriers to collect the new, higher fares pending litigation, but would require them promptly to pay refunds of the overcharges to passengers should the present tariffs be found to be illegal. Such an equitable order providing that the affected parties will be reimbursed for damage caused, if the Board's decision is ultimately found invalid, is well within the Court's discretion and is sanctioned by precedent. *Airport Comm'n of Forsyth County, N.C.* v. *CAB*, 296 F. 2d 95, 96–97 (CA 4 1961).

Although from Petitioners' standpoint such an order would not grant so effective relief as would an order striking the fare increases *pendente lite*, nonetheless an order assuring reimbursement to the public of overcharges, should Petitioners prevail on the merits, would have some effect in mitigating the injury which the tariffs are presently occasioning. From the carriers' viewpoint, an order requiring reimbursement of overcharges unlawfully collected, upon a finding that the tariffs are illegal, can hardly be said to impose an undue or unfair burden. Moreover, as an administrative matter, such an order would require that the airlines keep only slightly more information about passengers than they presently maintain. To comply with such an order, all that the carriers would need to do would be to keep on file the names and address of their passengers. This is little, if any, more of a burden than the present practice, for every air ticket now bears the passenger's name, and virtually every air passenger—*i.e.*, everyone who purchases tickets by check or with a credit card—already makes available to the air carrier his address.

Finally, Petitioners' third alternative form of interlocutory relief—that the Court set an expedited schedule for hearing the present appeal on the merits—could cause other parties no measurable injury at all.[47]

4. The Public Interest Counsels the Grant of Interlocutory Relief.

The present case presents the most compelling circumstances for finding that the public interest supports the grant of interlocutory relief: the present motion has been filed not on behalf of any economic interest or group of interests, but is, in effect, an action brought on behalf of the entire traveling public.

Most appeals from administrative agency orders are taken by one affected party—often itself the subject of regulation—who appeals from the agency's denial of a benefit to it, or from the agency's grant of a benefit to a competitor. Under the law of judicial review of administrative actions, the appellant in such a case is often given standing to represent the "public interest." In fact, however,

Footnotes at end of speech.

the interests of the appellant are ordinarily much narrower than that and the judgment of the administrative agency—as, for example, when the Board awards one carrier a new route rather than another—is entitled to some weight as having taken into account public interest considerations.

In the present case, no such thing has been done by the Board. Rather, the Board and the carriers have followed their consistent pattern of setting rates through *ex parte* meetings and other procedures totally lacking in statutory foundation—in which no consideration has been given to the statutory standards embodying the public interest. Petitioners seek to protect the public—the traveling public—from having to pay the unlawful fares that are now being charged. They request interlocutory relief because the illegal fares continue in effect from day to day and there is no practical means for a court or the Board to rectify past illegal tariffs. They also request interlocutory relief because there is a good possibility that, if such relief is not accorded, the tariffs in question here will expire without having ever been reviewed. Petitioners are flexible in their requests and prepared, as necessary, to accept a tailoring of the relief accorded so that the burden placed upon the carriers is kept to a minimum. That being said, it is inconceivable that the interests of the carriers in maintaining the present tariffs in effect and possibly denying Petitioners the opportunity ever to have those tariffs reviewed outweighs Petitioners' interest in obtaining some form of interlocutory relief.

In litigation involving the administration of regulatory statutes designed to promote the public interest, "the interests of private litigants must give way to the realization of public purposes." *Virginia Petroleum Jobbers Ass'n* v. *FPC, supra,* 104 App. D.C. at 110, 259 F.2d at 925. The Federal Aviation Act of 1958 is, Petitioners submit, such a statute designed to promote the public interest. See section 102 of the Act, 49 U.S.C. § 1302. Accordingly, Petitioners believe they satisfy the final requirement of the four-part showing, that the public interest lies on the side of granting interlocutory relief.

*VI. Conclusion: Relief requested*

For the reasons set out in this memorandum, Petitioners respectfully request that the Court enter an interlocutory order directing the Board to set aside the present passenger air-fare tariffs and reinstate the tariffs which they superseded, *pendente lite.*

In the alternative, Petitioners respectfully request that the Court preserve the right of passengers by air to recover overcharges, should the present tariffs be held illegal, by entering an order that would allow the air carriers to continue collecting fares under the present tariffs, but would require them promptly to repay overcharges to passengers upon an ultimate decision by this Court that such tariffs are illegal. Finally, should the Court deny the alternative relief requested above, Petitioners respectfully request that the Court establish an expedited hearing in this case, so that a decision could be rendered prior to the date on which the tariffs are scheduled to expire, January 31, 1970.

Respectfully submitted.

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FOOTNOTES

[1] Hereafter cited as *Passenger Fare Revisions.*

[2] The Board's customary response to questions of air fares, as set out in Appendix B, has been to schedule closed, *ex parte* meetings with the carriers, in which the carriers and the agency thrash out the various proposals under consideration and reach general agreement as to an appropriate course of action. Such a meeting had been scheduled for August 14, 1969, in order to discuss what the Board termed "air fare structures." This was to be the continuation of an *ex parte* meeting which the Board and carriers had commenced on July 22, 1969.

[3] The relevant portions of the record in this case have been reprinted in the Congressional Record of September 29, 1969, at H8562–16. That reprint is referred to as Appendix C, and cites to the record in that appendix will be given with the letter "C" plus a page number in the reprint.

[4] The transcript that was subseqeuntly made available reflects a lively and highly interesting discussion. (C 8598–02). With the Board members listening intently and occasionally expressing their "personal" views, the carrier representatives brought up and discussed a number of issues that were directly relevant to the pending filings and that were later to be resolved in the Board decision of September 12: adjustment of youth and other promotional fares, establishment of a more uniform fare system with a taper according to mileage, the necessity of an immediate fare increase, the tension between cost-orientation and value-of-service in making rates, the inflation problem, the desirability of a mathematical formula for calculating fares, and antitrust immunity to discuss joint fares. In addition, Chairman Crooker advised the carriers regarding the specific questions that would be of major interest to the Board when it held oral argument on the proposed tariff revisions, including several questions that were never to be announced publicly. Two of the recent filings were discussed, with the participants going off the record at one point to discuss Continental's proposal.

The fact that a transcript of this meeting was made at all is itself interesting. No such practice had earlier been followed by the Board, because of what the Chairman termed, in a letter to Congressman Moss of March 5, 1969, the "desire to encourage a freer flow of discussion." (C 8570–71). In an apparent change of heart, and following inquiries by Petitioner Moss, the Board had transcripts prepared for meetings it held with the carriers on June 16, 1969, and July 22, 1969, as well as for the August 14, 1969, meeting. (See C 8588–91, 8592–97).

[5] The Petitioners' complaint of April 21 (hereafter cited as First Complaint), which was filed in docket 20928, *Passenger Fare Revisions Proposed by American Airlines, Inc., Braniff Airways, Inc., Trans World Airlines, Inc., United Air Lines, Inc., and Western Air Lines, Inc.,* is summarized in Appendix B and found at C8571–87. This complaint was incorporated by reference in the complaint of August 20 (hereafter referred to as Second Complaint). In the interest of brevity and clarity, specific references to these documents will, insofar as possible, be deferred to the Argument section of this memorandum. The second Complaint is found at C8603–05.

[6] These standards—cost and load factor standards—are discussed in the Argument section of this memorandum. "Cost standards" are simply guidelines for determining the proper level of a carrier's cash costs. "Load factor standards" are guidelines for determining what percentage utilization of capacity—how many seats filled on a given flight—should be expected in establishing fares.

[7] Petitioner Moss was concerned about the following statement in Member John G. Adams' response to Moss's inquiries to Board members about the veracity of the newspaper article: "Following the argument, the Board, in keeping with past practice, will no doubt seek to make its position known to the carriers well enough in advance of the September 15 effective date to permit those whose filings may not be approved to notify their ticket agents of any changed situation. I would expect the Board position to be made known early in the week of September 8. (C 8605).

[8] See pp. 7–8 *supra.*

[9] The opinion of September 12 is found at C8607–13 and is attached, separately, as Appendix D to this memorandum. Citations to the opinion will be given with the letter "D" plus a page number or other reference in Appendix D.

[10] In accordance with one of the points urged by Petitioners in the First Complaint, the Board determined that its formula would be based on airport-to-airport mileage, rather than the city center-to-city center mileage employed by American.

[11] This is a charge for "getting on and geeting off"—a flat fee per voyage.

[12] All certificated, scheduled, domestic carriers subject to CAB regulation—those carries that Petitioners have served in this case—submitted tariffs. Those tariffs were identical to those proposed by the Board, with a few insignificant exceptions, such as Delta's filing for a slightly lower youth promotional fare than the Board had contemplated.

[13] The means of disposition of the tariffs that the Board suspended on September 12 is something of a mystery. Apparently, however, they are no longer pending and will not spring into effectiveness at some future date.

[14] Again, summary of this document (hereinafter referred to as the Petition for Reconsideration and Suspension) will be kept as brief as possible here, and the argument contained therein will be referred to as necessary in the Argument section of this memorandum. The Petition for Reconsideration is found at C 8613–15.

[15] An Affidavit of Richard W. Klabzuba, Petitioners' representative before the Board, which states the relevant facts with regard to this oral communication, is attached as Appendix E to this memorandum.

[16] The Board's opinion of September 30 has been attached, separately, as Appendix F to this memorandum. Cites to this opinion be given with the letter "F" plus a page number from Appendix F.

[17] The Board's comments with respect to the allegations of discrimination in the new formula were as follows:

"The Congressman cite the lack of single factor fares in some markets as prejudicial to the interests of the traveling public. We agree and we have already taken action aimed at assuring the establishment of single sum fares in all markets whether served by a single carrier or not which meet a minimum traffic standard. In any event, suspension of the proposed tariffs is no solution to this problem since the pre-existing structure suffers from the same deficiency." (F 2).

[18] As noted below, the Board regarded the Petition for Reconsideration and Suspension as an application for a stay. See p. 27 *supra;* Appendix E.

[19] See the comments of H.R. Rep. 2254, 75th Cong., 3d Sess. (April 28, 1938) at 11, discussing this provision when first enacted:

"The judicial review provision also enables the court either to stay an order or to require some affirmative act by the Authority, where necessary to give interlocutory protection to a petitioner."

Such jurisdiction is also plainly established by Section 10(d) of the Administrative Procedure Act, 5 U.S.C. § 705, which provides that an appellate court "may issue all necessary and appropriate process to postpone the effective date of an agency action or to preserve status or rights pending conclusion of the review proceedings."

[20] Counsel were secured to conduct this appeal, on a *pro bono publico* basis, only well after the tariffs had gone into effect.

[21] The Court of Appeals is the only forum available to Petitioners, since it has been held that the Federal District Courts are without jurisdiction to issue equitable decrees affecting actions of the Board. *Holman*

v. *Southern Airways, Inc.*, 210 F. Supp. 407 (N.D. Ga. 1962); see *Virginia Petroleum Jobbers Ass'n* v. *FPC*, 104 App. D.C. 106, 108, 259 F. 2d 921, 923 (1958).

[22] See *States-Alaska and Intra-Alaska Fare Increases Proposed by Alaska Airlines, Inc., Pan American World Airways, Inc., Western Air Lines, Inc.*, Docket 21599, Order of Investigation and Suspension of November 14, 1969.

[23] The Civil Aeronautics Act of 1938, the predecessor of the Federal Aviation Act of 1958, was modeled on the Interstate Commerce Act, 49 U.S.C. §§ 1 *et seq.*, and the Motor Carrier Act, 49 U.S.C. §§ 15 *et seq.* Therefore, interpretations of these prior acts are pertinent to an interpretation of the statute under consideration here.

[24] Again, that hearing should be compared with the hearing ordered by the Board on September 12—a formal proceeding before a hearing examiner. (D 11).

[25] Petitioners do not seek, as Chairman Crooker implied in a letter to Petitioner Moss (C8591-92), to bar all informal contacts between the Board and the industry. Petitioners maintain, however, that when *ratemaking* is concerned, the Board's statutory mandate plainly, and wisely, requires proceedings to be held on the record. See the discussion of this point in the "Hector Memorandum," *Problems of the CAB and the Independent Regulatory Commissions*, 69 Yale L.J. 931, 954 (1960).

[26] *General Passenger Fare Investigation*, 32 C.A.B. 291 (1960). See *Eastern Air Lines, Inc.* v. *CAB*, 111 App. D.C. 39, 294 F.2d 235, *cert. denied*, 368 U.S. 927 (1961).

[27] The Board is also required to act in compliance with the standards which apply, generally, to all of its powers and duties under the act. These standards are set forth in section 102, 49 U.S.C. § 1302.

[28] If demand is not affected by a change in rates, it is said to be "price inelastic," or insensitive to price changes. If, on the other hand, demand is significantly affected by a change in the rates, it is considered to be price sensitive or "price elastic." To the extent that the traffic market is price inelastic, an increase in fares will produce a revenue gain. But if demand is sensitive to price, higher fares will produce a smaller movement of traffic and may even have an adverse effect on revenue.

[29] Where load factors are low, where flights are going out with, for example, a 40% load, it is a reasonable inference that excess capacity is being provided and that unit costs per seat sold will be excessively high.

[30] *General Passenger Fare Investigation*, 32 C.A.B. 290, 320-21 (1960).

[31] Compare *City of Lawrence, Mass.* v. *CAB*, 343 F. 2d 583, 587 (CA 1 1965): "Standards are necessary, as Judge Friendly suggests, for reasons of fairness, to encourage the security of transactions, and to maintain the independence of the agencies; and from the failure to develop and abide by standards flow errors as are evident in this proceeding." See Friendly, *The Federal Administrative Agencies: the Need for Better Definition of Standards*, *supra*.

[32] Chamberlin, *The Theory of Monopolistic Competition*, 88 (1933). The statement made in 1948 in *Civil Aeronautics Board Policy: An Evaluation*, 57 Yale L.J. 1053, 1082, holds true today: "Board policy . . . has rendered the industry blandly unconcerned with cost." See generally Silberman, *Price Discrimination and the Regulation of Air Transportation*, 31 J. Air Law & Com. 198 (1965); Gellman, *The Regulation of Competition in United States Domestic Air Transportation: A Judicial Survey and Analysis*—II, 25 J. Air Law & Com. 148 (1958).

[34] The second major economic attribute of the airline industry is that it is a capacity-cost industry. In other words, saleable units are produced in cost increments of many units at a time—aircraft flights. In such an industry, the unit cost performance of the airlines may be altered very rapidly and substantially by changes in load factors.

[35] The Board has set this figure at 10.5 percent for the domestic trunklines as a group.

[36] It should be noted that the Board necessarily takes some costs and load factors into account in this process, whether it is aware of this fact or not. It *must* operate on the basis of some cash costs and some figure for percentage of capacity utilized. But it simply takes the historical figures representing the carriers' past performance, without judging that performance according to any guideline. And its principal inquiry in considering tariffs is into the carriers' profit levels. See *Ashlock, Government Pushing Harder for Fare Cuts*, Aviation Week and Space Technology, Vol. 83, No. 17, p. 49 (Oct. 25, 1965).

[37] See the Board's own discussion of the problem in its order of May 8. (C 8587-88).

[38] *General Passenger Fare Investigation*, 32 C.A.B. 291. See p. 64 *supra*.

[39] The fact that various reported cases of the Board bear the title of "General Passenger Fare Investigation" is misleading in the extreme. A full summary of the sundry ways in which a general investigation of passenger fares has been thwarted throughout the years is set out in Petitioners' First Complaint. As also set out in the First Complaint, the Board's consistent refusal to act has not gone without the scathing dissents of numerous individual Members. See, in particular, the dissents of Members Lee and Joseph P. Adams in *General Passenger Fare Investigation*, 17 C.A.B. 230, 239 (1953); the dissent of Member Minetti in *Trans World Airlines, Inc., Interim Fare Increases*, 26 C.A.B. 387, 401 (1958); and Member Minetti's concurrence in *Domestic Trunkline Passenger Fare Increases*, 31 C.A.B. 984, 985 (1960). Member Minetti's dissent to the Board's decision of September 12, in which he cited the need for load factor standards, referred to the Board's own references to "an unnecessary increase in unused capacity," and again called for a general investigation, also bears emphasis. (D Minetti)

[40] The Board at one point referred to "the additional earnings which this order will provide." (D 5). Whether the Board was referring to "gross earnings," which is the equivalent of revenue, or "net earnings," which is another term for income or return, is not completely clear. This is the only time the Board used the word "earnings" with reference to the future.

[41] The other two standards in sections 1002 (e) (3) and (4) are of less significance. Section 1002(e) (3) appears to refer to requirements, such as safety standards, imposed on the carriers by other legislation. Section 1002 (e) (4) refers to certain value-of-service considerations. Petitioners believe that the Board has not adhered to these standards either, which were not mentioned on September 12. However, presentation of Petitioners' position in this regard will be reserved for their brief on the merits.

[42] Such travelers are regarded, under the tariffs in question, as making two separate voyages. Therefore, in addition to paying the terminal charge more than once, they fall twice within the first, highest-priced, mileage block established by the Board.

[43] That these tariffs can only be viewed as having been filed pursuant to the Board's decision is plain not only from the fact that the tariffs were computed on the basis of the Board's formula, but from their identical expiration date—January 31, 1970—and the accompanying tariffs filed by each carrier, as the Board had directed, which would reinstate the pre-formula fares as of February 1, 1970.

[44] This statement may be contrasted with the Board's decision of May 8 in which it found "no reason for continuing such inequity." (C 8588)

[45] The Board's September 12 order makes this clear. (D 10-11).

[46] These cases raise the possibility that, because of the regulatory context, technically a violation of the Sherman Act may not have occurred. There can be little doubt, however, that the method by which pending tariffs were discussed—in *ex parte* meetings between the Board and the assembled carriers—helped to destroy any vestiges of price competition in this industry, and therefore that the competitive policies embodied in the antitrust laws were frustrated. To this extent, the Board—which itself is charged with giving consideration to competitive principles—acted in violation of its own mandate. See section 102(d) of the Act, 49 U.S.C. § 1302(d).

[47] At the same time, Petitioners are constrained to note that merely granting an expedited hearing would provide substantially less than effective relief to the traveling public, which would, as set out in the preceding section, still be required to pay higher fares during the pendency of this litigation and, presumably, any appeals from it—with no possibility of recovering overcharges when Petitioners prevailed on the merits.

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APPENDIX A

STATUTES AND RULE INVOLVED

5 U.S.C. § 551(4) (5): For the purpose of this subchapter—

(4) "rule" means the whole or a part of an agency statement of general or particular applicability and future effect designed to implement, interpret, or prescribe law or policy or describing the organization, procedure, or practice requirements of an agency and includes the approval or prescription for the future of rates, wages, corporate or financial structures or reorganizations thereof, prices, facilities, appliances, services or allowances therefor or of valuations, costs, or accounting, or practices bearing on any of the foregoing;

(5) "rule making" means agency process for formulating, amending, or repealing a rule.

§ 553(b) (c): (b) General notice of proposed rule making shall be published in the Federal Register, unless persons subject thereto are named and either personally served or otherwise have actual notice thereof in accordance with law. The notice shall include—

(1) a statement of the time, place and nature of public rule making proceedings;

(2) reference to the legal authority under which the rule is proposed; and

(3) either the terms or substance of the proposed rule or a description of the subjects and issues involved.

Except when notice or hearing is required by statute, this subsection does not apply—

(A) to interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice; or

(B) when the agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.

(c) After notice required by this section, the agency shall give interested persons an opportunity to participate in the rule making through submission of written data, views, or arguments with or without opportunity for oral presentation. After consideration of the relevant matter presented, the agency shall incorporate in the rules adopted a concise general statement of their basis and purpose. When rules are required by statute to be made on the record after opportunity for an agency hearing, sections 556 and 557 of this title apply instead of this subsection.

§ 556 (a) (d): (a) This section applied, according to the provisions thereof, to hearings required by section 553 or 554 of this

title to be conducted in accordance with this section.

(d) Except as otherwise provided by statute, the proponent of a rule or order has the burden of proof. Any oral or documentary evidence may be received, but the agency as matter of policy shall provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence. A sanction may not be imposed or rule or order issued except on consideration of the whole record or those parts thereof cited by a party and supported by and in accordance with the reliable, probative, and substantial evidence. A party is entitled to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts. In rule making or determining claims for money or benefits or applications for initial licenses an agency may, when a party will not be prejudiced thereby, adopt procedures for the submission of all or part of the evidence in written form.

§ 706: To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action. The reviewing court shall—

(1) compel agency action unlawfully withheld or unreasonably delayed; and

(2) hold unlawful and set aside agency action, findings, and conclusions found to be—

(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

(B) contrary to constitutional right, power, privilege, or immunity;

(C) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right;

(D) without observance of procedure required by law;

(E) unsupported by substantial evidence in a case subject to sections 556 and 557 of this title or otherwise reviewed on the record of an agency hearing provided by statute; or

(F) unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court.

In making the foregoing determinations, the court shall review the whole record or those parts of it cited by a party, and due account shall be taken of the rule of prejudical error.

49 U.S.C. § 1302: In the exercise and performance of its powers and duties under this chapter, the Board shall consider the following, among other things, as being in the public interest, and in accordance with the public convenience and necessity:

(a) The encouragement and development of an air-transportation system properly adapted to the present and future needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

(b) The regulation of air transportation in such manner as to recognize and preserve the inherent advantages of, assure the highest degree of safety in, and foster sound economic conditions in, such transportation, and to improve the relations between, and coordinate transportation by, air carriers;

(c) The promotion of adequate, economical, and efficient service by air carriers at reasonable charges, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices;

(d) Competition to the extent necessary to assure the sound development of an air-transportation system properly adapted to the needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

(e) The promotion of safety in air commerce; and

(f) The promotion, encouragement, and development of civil aeronautics.

§ 1373(a)(c): (a) Every air carrier and every foreign air carrier shall file with the Board, and print, and keep open to public inspection, tariffs showing all rates, fares, and charges for air transportation between points served by it, and between points served by it and points served by any other air carrier or foreign air carrier when through service and through rates shall have been established, and showing to the extent required by regulations of the Board, all classifications, rules, regulations, practices, and services in connection with such air transportation. Tariffs shall be filed, posted, and published in such form and manner, and shall contain such information, as the Board shall by regulation prescribe; and the Board is empowered to reject any tariff so filed which is not consistent with this section and such regulations. Any tariff so rejected shall be void. The rates, fares, and charges shown in any tariff shall be stated in terms of lawful money of the United States, but such tariffs may also state rates, fares, and charges in terms of currencies other than lawful money of the United States, and may, in the case of foreign air transportation, contain such information as may be required under the laws of any country in or to which an air carrier or foreign air carrier is authorized to operate.

(c) No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, specified in any effective tariff of any air carrier or foreign air carrier, except after thirty days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section. Such notice shall plainly state the change proposed to be made and the time such change will take effect. The Board may in the public interest, by regulation or otherwise, allow such change upon notice less than that herein specified, or modify the requirements of this section with respect to filing and posting of tariffs, either in particular instances or by general order applicable to special or peculiar circumstances or conditions.

§ 1374(a)(b): (a) It shall be the duty of every air carrier to provide and furnish interstate and overseas air transportation, as authorized by its certificate, upon reasonable request therefor and to provide reasonable through service in such air transportation in connection with other air carriers; to provide safe and adequate service, equipment, and facilities in connection with such transportation; to establish, observe, and enforce just and reasonable individual and joint rates, fares, and charges, and just and reasonable classifications, rules, regulations, and practices relating to such air transportation; and, in case of such joint rates, fares, and charges, to establish just, reasonable, and equitable divisions thereof as between air carriers participating therein which shall not unduly prefer or prejudice any of such participating air carriers.

(b) No air carrier or foreign air carrier shall make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, locality, or description of traffic in air transportation in any respect whatsoever or subject any particular person, port, locality, or description of traffic in air transportation to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

§ 1482(a)(d)(e): (a) Any person may file with the Administrator or the Board, as to matters within their respective jurisdictions, a complaint in writing with respect to anything done or omitted to be done by any person in contravention of any provisions of this chapter, or of any requirements established pursuant thereto. If the person complained against shall not satisfy the complaint and there shall appear to be any reasonable ground for investigating the complaint, it shall be the duty of the Administrator or the Board to investigate the matters complained of. Whenever the Administrator or the Board is of the opinion that any complaint does not state facts which warrant an investigation or action, such complaint may be dismissed without hearing. In the case of complaints against a member of the Armed Forces of the United States acting in the performance of his official duties, the Administrator or the Board, as the case may be, shall refer the complaint to the Secretary of the department concerned for action. The Secretary shall, within ninety days after receiving such a complaint, inform the Administrator or the Board of his disposition of the complaint, including a report as to any corrective or disciplinary actions taken.

(d) Whenever, after notice and hearing, upon complaint, or upon its own initiative, the Board shall be of the opinion that any individual or joint rate, fare, or charge demanded, charged, collected, or received by any air carrier for interstate or overseas air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the Service thereunder, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, the Board shall determine and prescribe the lawful rate, fare, or charge (or the maximum or minimum, or the maximum and minimum thereof) thereafter to be demanded, charged, collected, or received, or the lawful classification, rule regulation, or practice thereafter to be made effective: *Provided*, That as to rates, fares, and charges for overseas air transportation, the Board shall determine and prescribe only a just and reasonable maximum or minimum, or maximum and minimum rate, fare, or charge.

(e) In exercising and performing its powers and duties with respect to the determination of rates for the carriage of persons or property, the Board shall take into consideration, among other factors—

(1) The effect of such rates upon the movement of traffic;

(2) The need in the public interest of adequate and efficient transportation of persons and property by air carriers at the lowest cost consistent with the furnishing of such service;

(3) Such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law;

(4) The inherent advantages of transportation by aircraft; and

(5) The need of each air carrier for revenue sufficient to enable such air carrier, under honest, economical, and efficient management, to provide adequate and efficient air carrier service.

§ 1486 (a)(b)(d): (a) Any order, affirmative or negative, issued by the Board or Administrator under this chapter, except any order in respect of any foreign air carrier subject to the approval of the President as provided in section 1461 of this title, shall be subject to review by the courts of appeals of the United States or the United States Court of Appeals for the District of Columbia upon petition, filed within sixty days after the entry of such order, by any person disclosing a substantial interest in such order. After the expiration of said sixty days a petition may be filed only by leave of court upon a showing of reasonable grounds for failure to file the petition theretofore.

(b) A petition under this section shall be filed in the court for the circuit wherein the petitioner resides or has his principal place of business or in the United States Court of Appeals for the District of Columbia.

(d) Upon transmittal of the petition to the

Board or Administrator, the court shall have exclusive jurisdiction to affirm, modify, or set aside the order complained of, in whole or in part, and if need be, to order further proceedings by the Board or Administrator. Upon good cause shown and after reasonable notice to the Board or Administrator, interlocutory relief may be granted by stay of the order or by such mandatory or other reliefs as may be appropriate.

*28 U.S.C.* § 1651(a): (a) The Supreme Court and all courts established by Act of Congress may issue all writs necessary or appropriate in aid of their respective jurisdictions and agreeable to the usages and principles of law.

*5 U.S.C.* § 705: When an agency finds that justice so requires, it may postpone the effective date of action taken by it, pending judicial review. On such conditions as may be required and to the extent necessary to prevent irreparable injury, the reviewing court, including the court to which a case may be taken on appeal from or on application for certiorari or other writ to a reviewing court, may issue all necessary and appropriate process to postpone the effective date of an agency action or to preserve status or rights pending conclusion of the review proceedings.

Rule 18, Federal Rules of Appellate Procedure: Application for a stay of a decision or order of an agency pending direct review in the court of appeals shall ordinarily be made in the first instance to the agency. A motion for such relief may be made to the court of appeals or to a judge thereof, but the motion shall show that application to the agency for the relief sought is not practicable, or that application has been made to the agency and denied, with the reasons given by it for denial, or that the action of the agency did not afford the relief which the applicant had requested. The motion shall also show the reasons for the relief requested and the facts relied upon, and if the facts are subject to dispute the motion shall be supported by affidavits or other sworn statements or copies thereof. With the motion shall be filed such parts of the record as are relevant to the relief sought. Reasonable notice of the motion shall be given to all parties to the proceeding in the court of appeals. The court may condition relief under this rule upon the filing of a bond or other appropriate security. The motion shall be filed with the clerk and normally will be considered by a panel or division of the court, but in exceptional cases where such procedure would be impracticable due to the requirements of time, the application may be made to and considered by a single judge of the court.

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APPENDIX B

BACKGROUND

On March 18, 1969,[1] Trans World Airlines filed a "fare adjustment plan aimed at correcting inequities in fare structure"—in other words, a proposal for another passenger fare increase. Several other airlines soon filed similar tariff revisions. On April 21, 1969, twenty Members of Congress intervened before the Board with a lengthy, detailed complaint contending "that the proposed fares do not take into consideration any of the statutory standards of the Act and that the total effect of the rate proposal viewed in its entirety is unjust and unreasonable." (C § 572). The complainants suggested: (1) that the Board suspend and investigate the Trans World and other pending tariffs and, if it be of the opinion that such tariffs are unjust or unreasonable, that the Board determine and prescribe the lawful rate or rates; (2) that the Board institute:

A general rate proceeding to investigate the structure and construction of air passenger fares to achieve a sound foundation for determining whether such fares, should, or should not, be related to revenue-miles or revenue-hours traveled, or revenue-miles or revenue-hours traveled plus an arbitrary charge or charges, or some other factor, in order that such rates will at all times be reasonably related to the statutory standards of the Act of 1958, and rules of ratemaking established by the Board. (C)

(3) That the Board, as a part of that investigation: Determine and prescribe the national policy regarding the duty of air carriers to establish, observe, and enforce just and reasonable individual and joint through single factor rates, fares, and charges, and just and reasonable rules, regulations, and practices relating to such rates, fares, and charges, in all markets in which service by a single carrier is authorized, or in which connecting service is needed to avoid competition in excess of that necessary to assure the sound development of an air transportation system. (C)

(4) That the Board: Undertake a rulemaking procedure to amend Part 241 of Title 14 of the Code of Federal Regulations and applicable Schedules and Definitions for Purpose of this System of Accounts and Reports to require submission of revenue-hour information (e.g., available seat-hours, available ton-hours, passenger-hours flown, ton-hours flown, etc.) in order that such data will be readily available for a comprehensive and objective investigation of the fare structure. (C)

The development of the complainants' position was generally as follows:

(1) The industry fare proposals were based entirely upon "undue deviation" from the "Industry Jet Coach Regression Line"—a graph line developed by the Board on the basis of work by its staff and the rates of March 1, 1968, but updated to reflect the fare increase of February, 1969. Therefore the proposals must stand or fall, in the first instance, upon the lawfulness of that line—and then upon the lawfulness of eliminating "undue deviations" from that line.

(2) The numerical input used to construct the Industry Jet Coach Regression Line is not the product of a coherent, rational study of fare structure and appropriate fare levels. On the contrary, that input is the product of a series of ad hoc decisions of the Board in response to the vacillating tariff needs and claims of the carriers. Not only is the history of the Board's regulation of air passenger fares marked by sudden and often inexplicable reversals in position, it is similarly marked by a series of strong dissents by various Board members to the Board's ad hoc and uninformed approach to ratemaking.

(3) The Board has persistently refused to make rates through formal proceedings and according to law. Rather, it has followed the course of negotiating with the carriers, often in private *ex parte* hearings, and rendering opinions indicating the sort of tariffs it would be disposed to accept. Complex and frequent changes in horizonal and vertical fare structure have occurred with no evidentiary hearings, minimal or no Board investigation, and with policy justifications that are obscure to say the least. Further, the Board has generally established rates by reacting to the position of the carriers rather than by itself taking the initiative. The Board has grasped at straws to justify results thus reached, freely adapting studies and documents for purposes other than those for which they were prepared.

(4) The Board lacks certain crucial facts and standards which are necessary for rational ratemaking, in accordance with the statutory requirements. The Board has consistently, over the thirty-one years of its history, refused to hold the type of investigation and assemble the type of information necessary to make rates intelligently. It has deferred, again and again, a general fare investigtion, with the excuse that such a proceeding would be "time-consuming" and that an immediate need for a change of rate level had been demonstrated by the carriers.

(5) The Board has never considered the ratemaking picture as a whole and has never investigated some highly attractive approaches to making rates. Its failure, for example, to investigate the revenue-hour approach (as opposed to the revenue-mileage approach) is difficult to understand in light of its statements to the effect that fares should be closely related to costs.

(6) The Board has persisted over the years in setting rates on a cost-plus-appropriate-rate-of-return basis, despite the fact that this approach to ratemaking was superseded by the insertion of certain precise factors in the Interstate Commerce Act—factors that were incorporated in the Federal Aviation Act of 1958.

(7) The Industry Jet Coach Regression Line should not, in any event, be the controlling factor in ratemaking. That line represents merely an average of fares that are in fact charged, not an approval or endorsement of the line as the critical standard for making rates. It is settled law that the result reached in ratemaking, not the method employed, must pass statutory muster. Tariffs proposed to conform to a given formula or method are not necessarily just and reasonable even if the formula itself is acceptable. Therefore, quite apart from the fact that the components of the Industry Jet Coach Regression Line were derived by procedures which do not meet the requirements of law, and that the line is not really a formula for ratemaking, it is not necessarily true that all fares must conform to that line. Moreover, the tariffs proposed by the carriers do not conform to that line.

On May 8, 1969, the CAB issued order 69–5–28, in which it found that the proposals filed by the carriers "may be unjust, unreasonable, unjustly discriminatory, unduly preferential or unduly prejudicial, or otherwise unlawful, and should be investigated." (C 8587). The Board suspended the tariffs in question pending investigation. Announcing that it was not at this time prepared to conclude that the fare normally utilized by the carriers in developing their proposals is the most appropriate measure against which to make adjustments in the structure, the Board pointed to the "advanced stage" of its "informal investigation into cost-oriented norms" and "the expectation that an adequately tested formula may be arrived at during the time in which these proposed fares are being investigated. (C 8587). Moreover, the Board noted that the proposed tariffs had been filed less than three months after the Board had granted a fare increase estimated to approach four percent for the indusrty. It registered its concern about the presently depressed level of load factors" and agreed with the carriers' pessimistic traffic forecast, but it noted that the carriers have bought equipment despite (not by reason of) traffic forecasts." (C 8587). The Board concluded that "it cannot be expected that fare increases will stimulate additional traf-

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[1] This date marks the opening of the case designated by the Board as docket 20928, in which Petitioners formally intervened before the Board for the first time. It is a convenient point to begin a summation of "background," although matters of relevance and considerable importance had transpired previously. For example: On February 19, 1969, in docket 20696, the Board had dismissed several complaints and thus permitted a domestic passenger fare increase of 4% to go into effect. (C 8569–70). And since January of 1969, Petitioner John E. Moss had regularly taken objection, in a series of letters to CAB Chairman John H. Crooker, Jr., to the Board's practice of holding *ex parte* discussions with the carriers to discuss fares (C 8562, 8569, 8592).

fic. The basic solution to the industry's present financial situation would appear to lie in exercising restraint in ordering new flight equipment and in the use of its available capacity, rather than in increasing its price to the public."[2] (C 8588).

With respect to the relief specifically requested by the Petitioners, the Board:

(a) deferred action on the request that the Board institute a general rate proceeding, pending further informal (staff) investigation into a cost-oriented formula; (C 8588).

(b) denied the request that the Board require submission of revenue-hour information, because such information would be required under an amendment to the Board's Economic Regulations, which was then being considered. (C 8588).

(c) instituted an investigation of the fares as filed, while suspending those fares pending hearing and decision. (C 8588).

Two Members of the Board (Mr. Gillilland and Mr. Adams), who would not have suspended or investigated the fares as filed, dissented from the Board's order. (C 8588).

Prior to the prehearing conference before a trial examiner, the carriers that had filed the proposed tariffs all simultaneously took steps to withdraw them. Although the Board was not required to permit such withdrawal, it did so and the investigation of pending fares came to an end. (C 8588).

During the months of June and July, the Board met with the carriers in a series of *ex parte*, informal discussions of airline fares. These meetings constituted a continuation of the Board's past practice of conferring with the carriers frequently, on an informal basis, on a variety of subjects. Members of the Board were free to express their opinions in such meetings, and subjects such as cost levels and revenue needs, promotional fares and the merits of pending tariff applications, were amply discussed. From such meetings there had frequently evolved compromises and agreements which were then put into effect by a formal filing of new tariffs.

Petitioner John E. Moss had taken exception to this practice in correspondence with the Chairman of the CAB earlier in the year. Petitioner Moss had raised the question of the ground rules to be followed by the Board in these conferences to protect the public interest, including the opportunity provided to outside parties to participate and the maintenance of the integrity of such informal meetings. He had suggested that it might be appropriate to have outside parties attend the meetings. And he had asked whether a transcript was made of such proceedings or whether the record was limited to the post hoc "report" published by the Board, and whether the Board had issued an order granting the carriers antitrust immunity to discuss fares and file tariffs in accordance with the agreements struck at such meetings. (C 8562, 8569, 8592).

The answer of the CAB Chairman, John H. Crooker, Jr., was less than satisfactory to Petitioner Moss. Basically, Chairman Crooker defended the *ex parte* meetings on the ground that they saved the time and effort of all concerned and were authorized by the Board's general grant of power to perform such acts and to make such procedures pursuant to and consistent with the provisions of the Act as it should deem necessary to perform its powers and duties thereunder. In addition, Chairman Crooker indicated that it had not been the Board's practice to make a transcript of meetings with all the carriers and that the Board did not believe that antitrust immunity was required in order for the carriers to hold conferences with the Board. (C 8562–63, 8570–71, 8591–92).

Nonetheless, as a result of Petitioner Moss's inquiry, transcripts were made and published for the meetings held during the summer of 1969. These transcripts reveal that various subjects relating to fare structure and fare level were discussed, with each of the carriers offering its comments and the Members of the Board making known their opinions. The last of these meetings before the carriers' August filings was held on July 22 (C 8563–68, 8588–91, 8592–97).

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APPENDIX C

The material in Appendix C has been printed in the CONGRESSIONAL RECORD of September 29, 1969, at pp. 27403–27457.

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APPENDIX D

CIVIL AERONAUTICS BOARD ORDER 69–9–68

(Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 12th day of September, 1969)

Passenger fare revisions proposed by the domestic trunkline carriers—Docket 21322.

ORDER OF INVESTIGATION AND SUSPENSION

By tariff revision[1] filed August 1, 1969, and marked to become effective September 15, 1969, United Air Lines, Inc. proposed to revise its domestic passenger fares within the 48 contiguous states. Subsequently, on August 7 and 11, 1969, Eastern Air Lines, Inc. and Continental Air Lines, Inc., respectively, also filed proposed fare revisions[1] marked to become effective October 1, 1969. On August 13, 1969, American Airlines, Inc. proposed to revise its domestic passenger fares[1] effective September 27, 1969. Northwest Airlines, Inc. filed proposed revisions[1] to its domestic passenger fares on August 20, 1969, with an effective date of October 4, 1969, and Braniff Airways, Inc., on August 22, 1969, filed revisions[1] to its domestic passenger fares with an effective date on October 1, 1969.

All of the tariff revisions propose increased fares, although each of the six carriers takes a different approach to the appropriate level and structure of domestic passenger fares. With the exception of Continental and United, all of the carriers propose to adjust fares in accordance with a formula based on a fixed charge per passenger plus a variable charge based on mileage. United likewise proposes a dual element formula but with a fixed mileage charge, whereas Continental proposes instead to adjust fares by a stated percentage and/or dollar increases which may vary according to distance. All of the carriers except United propose to establish first-class fares at 125 percent of coach. United proposes a ratio of 120 percent. With regard to night coach fares, American would raise all present night coach fares by $3.00, while the other carriers would set night coach fares at a level of 75 to 85 percent of the revised jet coach fares.

Several of the carriers have proposed revisions of their domestic discount fare structure concurrently with the proposed changes in coach and first-class fares. Six carriers have proposed to reduce the Discover America discount from 25 percent to 20 percent. A number of carriers would also reduce the youth standby and children's discount from 50 to 40 percent, the youth reservation discount from 33⅓ to 20 percent, and the family fare discounts for spouses to 20 percent and for children to 33⅓ percent. The proposed fare changes heretofore described are detailed in tabular form in Appendix A of this order.

A complaint has been filed by the Honorable John E. Moss, M.C. (California), and 19 other Members of Congress requesting suspension and investigation of the proposed tariff revisions. The complainants also seek a general fare investigation to determine whether the present fare structure produces a just and reasonable fare. The complainants filed a substantially similar complaint in response to tariff revisions proposed by several of the domestic carriers in March of 1969. The Board, in ordering those tariff revisions suspended and investigated (Order 69–5–28), either disposed of or rendered moot this earlier complaint except as to the request for a general fare investigation, which was deferred pending further informal investigation by the Board's staff into a cost oriented formula for structuring fares. The complainants have incorporated, by reference, the factual justification for the earlier complaint into the instant complaint. Inasmuch as the deferred issue in the earlier complaint is included in the instant complaint, we intend our action herein to be dispositive of the open issue in the earlier complaint.

The principal contentions made by the complainants are that the Board has never established cost and load factor standards against which fares could be judged for fairness and reasonableness, and that the proposed increases should not be permitted until such standards are established and the increases weighed against those standards. The complainants further assert that the fare proposals will further depress load factors and earnings; bring about even greater increases in costs, air traffic congestion, and air pollution; lead to more uneconomical and inefficient use of the nation's airports and airways; and thereby further increase the financial burden to the taxpayers and passengers.

An answer to the complaint has been filed by American. The carrier asserts that the complaint does not set forth facts or arguments warranting a continued postponement of fare adjustments that are urgently required in light of the industry's deteriorating financial position. American alleges that the complaint fails to recognize that over the years the airlines have been able to offset the effects of inflation only by means of improved operating efficiencies, and that such an offset is no longer possible under current economic conditions; that the complainants' sole reason for opposing the fare increases is that the Board has never established standards for cash costs and load factors; and that the alleged lack of fair cash cost and load factor standards is not a valid reason for denying the proposed fare adjustments.

In response to the Board's Order, 69–8–108, setting oral argument on the general question of a fare increase, the domestic trunklines and local service carriers have filed statements of position and presented their views at the oral argument. The carriers urge that there is a pressing need for an increase in regular and promotional fares in order to meet increasing costs which are being incurred in every expense category.

Most of the domestic carriers favor the adoption of a cost-oriented formula for establishing and defining domestic normal passenger fares, provided that it produces substantial additional revenue; that it more accurately reflects the varying costs of service; and that it be administered with enough flexibility to permit deviation in market situations where justification for a departure from the formula is shown.

Several carriers while not objecting to a formula *per se*, express reservations about the formulas so far considered. They feel

[2] In addition, the Board expressed its opinion "that inconsistencies arising from the lack of published joint fares are inseparable from the inconsistencies which may exist in presently published local fares." Nothing in the tariffs as filed would have established fares for inter-carrier connecting service. Passengers traveling in markets where there is no inter-carrier published joint fare must pay a combination of local fares, which had been increased in February and which the carriers now proposed to increase once again. The Board suggested that these two aspects of the fare structure—local and joint fares—were inseparable and should be considered together. (C 8588).

Footnotes at end of article.

that further analyses should be made to refine the determination of carrier costs in different types of markets, while some are concerned that value of service may not have been adequately considered particularly in connection with short-haul fares. The criticisms of the formula approach are of varying degrees and range from advocacy of greater flexibility of application to requests for fare increases that do not change the present fare structure. The major criticisms of the formula approach are: (1) that such approach is premature at the present time; (2) that it may produce serious anomalies and inequities; (3) that its actual impact is unknown and will vary depending on the carrier and the carriers' operations; (4) that in short-haul markets, it may result in unreasonable fare increases and tend to divert traffic to other modes of transportation; and (5) that it gives no consideration to other rate-making factors such as type of traffic, competition, characteristics of the market, type of travel, and so forth.

A proposal has been made by Mohawk Airlines, Inc. for revising the present method of dividing interline fares. The division of fares proposed by Mohawk is based on the formula approach for establishing coach fares and would apportion an amount to each party to the through fare equal to the fixed, or terminal, charge in the formula, whether the through fare is a joint fare or a combination of locals, with the remainder of the fare being apportioned between the parties in accordance with the normal rate prorate.

Upon consideration of the tariff proposals, the complaint and answer thereto, the statements filed prior to the oral argument and comments made thereat, and other relevant matters, the Board finds that the proposals may be unjust, unreasonable, unjustly discriminatory, unduly preferential or unduly prejudicial, or otherwise unlawful and should be investigated. The Board further concludes that the tariffs in question should be suspended pending investigation.[2]

The Board is, however, of the opinion that the carriers have adequately demonstrated a need for some additional revenue and would be disposed to grant an increase computed in accordance with the criteria set out below. Because of the many anomalies in the existing fare structure and the somewhat tenuous relationship that existing fares on occasion bear to costs of service, we have concluded that adoption of a cost-oriented fare formula would produce a substantial improvement in the domestic fare structure. We are aware that significant objections to such a formula structure have been voiced by certain carriers, particularly with regard to the inhibiting effect it would have on managerial discretion in special situations where factors other than cost should be considered. With this in mind, we propose to allow a degree of flexibility in the application of the formula. We are also especially cognizant that the value of service considerations are highly pertinent in many markets. The fare formula which we propose, while geared to costs, does in fact give substantial recognition to value of service in both long haul and short haul markets, through retention of the concept of internal subsidy, whereby long haul fares are priced above cost plus a fair return, so as to compensate for short haul fares which must be priced somewhat below fully allocated costs in order for traffic to move.

In determining the fare formula which we would accept as providing a reasonable increase in revenue for the carriers while at the same time substantially improving the domestic passenger fare structure, we have reviewed both the formulas developed by the Board's staff, and circulated to the industry for comments earlier this year, and those formulas proposed by the carriers in the recent tariff filings. We find that the formula proposed by American produces a reasonable increase in revenues and recognizes the economies inherent in long haul carriage, actually achieving a reduction from present rates on some long haul routes, as well as the value of service limitations in short haul markets. We therefore propose to accept the basic American formula subject to certain modifications as detailed in the discussion below.

Before considering the formula in detail, however, we deem it appropriate to consider the complaint heretofore described. The complaint is based in large part on the alleged failure of the Board to establish fair cash cost standards. The Board's staff has over the past three years conducted extensive studies of carrier costs as related to the fares being charged. In addition, many carriers have conducted similar studies of their own which have been available to the Board and the staff. One of the results of the staff's study was the submission of several possible fare formulas earlier this year to the industry for comments, one of the formulas being based solely on costs of service. The American formula bears a strong correlation to this latter cost formula, although it reflects what we consider a reasonable deviation for long haul and short haul routes as previously discussed and produces a higher overall level of revenues to compensate for inflationary cost increases occurring since the staff's study of costs was made.

As set forth in a subsequent portion of this order, the carriers have adequately demonstrated a significant increase in costs, which the complainants recognize. To require the carriers to continue operating at present fare levels with operating costs spiraling upward would be contrary to the statutory policy and rate-making criteria contained in the Federal Aviation Act of 1958.[3] We are of the opinion that the formula which we are proposing, while perhaps falling short of the ideal, does offer a substantial improvement over the existing structure and its adoption would be consistent with our statutory duty.

A general fare investigation as requested by complainants is by its very nature a long and complex proceeding. To leave the carriers in *status quo* while such an investigation was conducted could result in serious and permanent financial damage to some carriers, and there is no rational method available to make a fare increase, which might be granted at the conclusion of the investigation, retroactive as can be done, for example, in a mail rate investigation.[4] Nevertheless, we have decided not to dispose of the request for a general fare investigation at this time. The complainants have raised some questions for which no fully satisfactory answer presently exists, especially the question of load factor standards, and we believe there are other important questions underlying evaluation of fare structure and level, not raised by complainants, which should be given thorough review. However, notwithstanding the existence of these questions, the condition of the industry detailed herein is sufficiently serious as to require immediate fare relief. Moreover, pending our further study of these matters, the Board is unable to conclude at this time that the additional earnings which this order will provide could be achieved by the industry through other courses of action within the carriers' control.

For these reasons, we have determined to undertake an exploration, within the Board, of a number of matters relating to questions such as: what the appropriate rate of return on a carrier's investment should be; how a carrier's rate of return should be computed; should load factor standards be set and if so at what level; should there be a taper in the line haul rate and if so to what degree; what method is most appropriate for determining terminal charges; and what is the proper differential between first-class and coach fares. At the conclusion of our consideration of these matters, we should be in a better position to determine whether a fare investigation is appropriate and, if so, to channel such investigation along the most productive patterns so as to expedite completion of the proceeding within a reasonable time span. We expect to complete our consideration of the foregoing matters and thus be in a position to rule upon complainants' request for a fare investigation in December 1969. Accordingly, we will defer action on the complaint until that time.

Complainants have also challenged the appropriateness of using a line haul rate based on aircraft mileage rather than aircraft hours. In essence, the complainants take the position that aircraft transit time between city pairs where the airport at one or both is relatively congested is greater than between similarly distant city pairs where a congestion problem does not exist. Thus, it is alleged, costs are higher between the former city pair than the latter. From this they reason that the passengers flying between the congested city pair are given an undue or unreasonable preference over passengers flying between a city pair where this problem does not exist, since the former are paying a lesser percentage of the carrier's cost for their transportation than are the latter.

We are of the view that an important goal of any fare structure is a relatively great degree of uniformity throughout the system, and we recognize that some anomalies will always result from any method of determining fares in a system as complex as the domestic air transport system. Carrying complainants' reasoning to its logical end would not only result in many different fares between different city pairs similarly distant relative to one another, but could also result in many different fares between the same city pair, depending upon the period of the day, day of the week, and so on. Moreover, the formula we propose would avoid difficulties such as long haul-short haul inconsistencies which might arise under a revenue hour approach. A much simpler approach, and one which would accomplish substantially the same result, would be a variable terminal charge based primarily on congestion but including other terminal variables, such as landing fees. This concept was proposed in several of the formulas developed by the staff and included in the previously referenced study which was distributed to the industry earlier this year. We have, however, decided not to support this relatively simple concept at this time because, even here, there are many unknown or unmeasurable variables which have not so far been reflected in determining the appropriate variation between terminals. Thus, we believe that the advantage to be gained from a variable terminal charge is presently too tenuous to outweigh the advantage in moving now to greater system-wide uniformity. We note, however, that this is one of the questions to be pursued in the explorations previously described.

Turning now to the actual formula which we propose to accept, coach fares will form the core of the fare structure from which all other fares will be based. We believe that the revenue increase produced by the American formula is appropriate as discussed hereinafter, and therefore adopt that formula for our model, to wit:

Fixed charge for all markets: $9.00 plus a variable charge based on mileage and in accordance with the following rates per mile for the applicable portions of the total mileage:

Footnotes at end of article.

*Rate per mile*

| Mileage blocks: | Cents |
|---|---|
| 0 to 500 | 6.0 |
| 501 to 1,000 | 5.6 |
| 1,001 to 1,500 | 5.2 |
| 1,501 to 2,000 | 5.0 |
| Over 2,000 | 4.8 |

Use of this formula will have the desirable result of reducing slightly some long haul fares (e.g., Los Angeles-New York from $145 to $141) which have for some time been considerably in excess of costs, while at the same time producing only moderate increases in short haul fares, thus minimizing the impact on the movement of traffic in these markets.

American has proposed that city center to city center mileage be used in computing fares. However, we are of the opinion that direct airport-to-airport mileage offers a more reasonable and rational basis for computing fares and will adopt that mileage basis for our model. We recognize that there will be instances where application of a mileage basis will be inequitable or impractical, as for example, where a carrier is required by its certificate to operate via a circuitous routing. We will permit exceptions to the rule over a particular routing where good cause is shown. Further, it is not our intent to discourage common faring of cities or of airports situated about a single city; we would expect to permit common faring under the proposed formula in much the same manner as we have heretofore, provided the mileage used bears a rational relationship to the points so common rated.[5]

The Board has concluded that it would be appropriate at this time for the industry to revert to the conventional technique of rounding computed fares up or down to the nearest dollar. The technique used in recent years was designed to add slightly more taper to the fare structure, a need which is obviated by adoption of the proposed formula.

The Board proposes that first class jet fares be set at 125 percent of the coach fare derived by the above formula, except where the first class fare is today greater than 125 percent of the proposed coach fare, in which case the present fare would be retained.[6] We have selected this level since our cost studies indicate that even with this increase, the first class fares will fall well short of fully meeting the costs of providing the service. On the other hand the Board finds merit in the contention of the carriers generally that we should move gradually toward closer cost orientation in light of value of service limitations and the impact of varying ratios on the over-all economics of dual configuration aircraft. It is the Board's intention that this fare level apply only to services which are truly first class in character and quality and not in name only. We would accept night coach fares computed at 75 percent of the new coach fares.[7] For classes of service not specifically enumerated herein, we believe that maintenance of the present dollar differential from jet coach fares provides an acceptable relationship.

With respect to the various promotional fares, the Board would permit the following reduced discounts based on the coach fares derived from the above described formula:[8]

*Type of fare and discount*

| | Percent |
|---|---|
| Discover America | 20 |
| Youth Standby | 40 |
| Youth Reservation | 20 |
| Family Plan: | |
| Children 2 to 11 | 50 |
| Children 12 to 21 | 33⅓ |

As we have previously indicated, the Board concludes that an increase in the industry's revenues is warranted. The carriers point to inflationary cost increases which have exceeded the additional revenue which they received as a result of the fare increase permitted in February. Despite that fare increase, the carrier earnings in the second quarter of 1969 were down substantially from those realized in the corresponding 1968 period. It is clear from data before the Board that payroll expenses have increased significantly since the Board permitted a fare increase to become effective last February. Labor contracts signed by a number of trunkline carriers will involve as much dollar increase in expenses as the February fare increase would yield in dollar revenue. Landing fees have risen sharply; and in the oral argument on September 4, stress was placed by Airport Operators Council, International and others on the probability of further increases. Fuel costs have escalated. Despite some progress in 1969 in alleviating airport congestion, the problem is not solved; and delays at airports impose additional payroll and fuel costs on the carriers. Increased commission rates to travel agents for various categories of domestic ticket sales were made effective as of September 1, 1969. Every trunk carrier is firmly committed to a major capital expansion program involving both new and expensive flight equipment, and major expenditures for ground property and equipment, in order to keep pace with the requirements of the public convenience and necessity and the anticipated growth in traffic. Even if projected capital expenditures of the next several years were adjusted to reflect only the bare minimum capital improvement programs to keep pace with traffic growth, assuming restoration of improved passenger load factors, the industry is confronted with a multi-billion dollar requirement for additional capital funds over and above the internally generated cash flow from depreciation and reinvested earnings prsuant to conservative dividend policies. Such additional funding requirements come at the very time when interest rates are at peak levels. Taking into consideration these cost pressures on the carriers, and the marked decline in earnings and profit margin since the February increase, the Board finds that a further increase in fares at this time is necessary from the standpoint of the rate-making standards of Section 1002(e) of the Act and the need to maintain the financial vitality of the carriers as a group.

We estimate that the fare adjustments we are prepared to accept would produce increased revenues for the trunkline industry of 7.4 percent in first-class service and 3.6 percent in coach service. Currently about 82.6 percent of trunkline passenger miles involve travel at coach or economy fares and only about 17.4 percent at first class fares, so that (considering the traffic "mix") such basic fares will be increased by about 4.25 percent.[9] Further, we estimate that an annual increase in revenues equivalent to 2.1 percent may stem from adjustments in promotional fares. Thus, there may be a total revenue increase of approximately 6.35 percent (assuming no diversion or loss of traffic). To the extent of any such dilution, of course, the revenue increase would be less than 6.35 percent. In light of the low level of earnings realized in the most recent periods and the inflationary cost increases being experienced by the carriers, there appears to be no prospect that the fare increases approved herein will enable the industry to reach the 10.5 percent return guideline for the immediate future.[10]

The Board has concluded to permit tariff filings implementing the fare adjustments described above within the 48 contiguous states effective no earlier than October 1, 1969, provided that tariffs shall be filed on not less than 14 days' notice.

In proposing that the industry now adopt a cost-oriented formula, it is not the Board's intent that its application be so rigid as to stifle fare innovation on the part of individual carrier managements. We continue to regard healthy price competition as essential both to development of the industry and the needs of the public. Accordingly, the Board intends to consider fares produced by the formula as a "just and reasonable" ceiling, and any fare in excess of this ceiling would be viewed *prima facie* as outside the realm of justness and reasonableness and would ordinarily be suspended and ordered investigated. However, increases above the ceiling would be considered where strong justification was shown, and upon a tariff filing providing at least 75 days' notice to permit the Board adequate time for review of the arguments in justification. This approach will also pertain in the case of filings proposing increases in any other fares which have not been specifically dealt with herein. On the other hand, fares proposed below the ceiling would continue to receive normal scrutiny by the Board, and the Board will not expect the above notice period for such filings.

On May 8, 1969, in an order suspending proposed passenger fare revisions the Board expressed the following view with respect to the situation stemming from the absence of published joint fares between numerous domestic points where passengers are now traveling in significant numbers:

"The Board is of the opinion that inconsistencies aarising from the lack of published joint fares are inseparable from the inconsistencies which may exist in presently published local fares. We believe that correction of both should proceed simultaneously. A significant number of passengers are today traveling in markets where one-carrier service is not available, and where no joint fare is published for inter-carrier connecting service. Passengers traveling in such markets must pay a combination of local fares, each of which reflects the February increases. Fares for these passengers, therefore, reflect a compounding of increases which the formula permitted by the Board in February 1969 was not intended to reflect. The Board finds no reason for continuing such inequity." (Order 69–5–28)

Subsequently by Order 69–8–85, dated August 15, 1969, the Board granted all domestic carriers authority to discuss single-sum joint fares and open routings for such fares for a period of 90 days from the date of the order. We consider the fare structure improvements to be derived from the formula proposed herein and increased publication of joint fares are interrelated parts of an integrated whole, and the Board is not prepared to accept one without the other.

For this reason, we will require that any tariff filed implementing the proposed formula, shall contain an expiration date of January 31, 1970. In order to insure an effective tariff after that date we will also require that such tariff filing shall be accompanied by a refiling of existing fares for a proposed effective date of February 1, 1970, so as to require the filing of a new tariff subject to review by the Board before the carriers can extend the effectiveness of the new fare filings beyond January 31, 1970. We will also extend the discussion authority granted in Order 69–8–85, which presently expires November 13, 1969, to January 15, 1970.

The Board is concerned that the present division of through fares as between long haul and short haul carriers may be resulting in an inequitable distribution of revenue to the short haul carrier. Accordingly, we will amend Order 69–8–85 to include in the discussions authorized the question of division of fares between long and short haul carriers. We favor a division which is more closely oriented toward actual costs of the respective carriers involved, and believe that there may be considerable merit in the approach proposed by Mohawk, particularly in

Footnotes at end of article.

view of the fact that the formula we are proposing will not produce fares in short haul markets which will cover the fully allocated costs of such services. We expect that a more equitable method of division will provide the short haul carriers with a significantly greater percentage benefit than will be the case with the long haul carriers, and have considered this eventuality in reaching a decision as to the level of increased revenues which we will permit. We therefore wish to make clear that in reviewing the tariffs to be filed for effectiveness on and after February 1, 1970, the Board will give great weight to the industry's conformance with the Board's findings as to the need for publication of additional joint fares at a satisfactory level, as well as to the implementation of a more satisfactory division of interline revenues that would reflect the cost and value of service considerations inherent in long haul vs. short haul pricing.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a), 403, 404, and 1002 thereof,

It is ordered that:

1. An investigation is instituted to determine whether the fares and provisions described in Appendix D attached hereto, and rules, regulations, or practices affecting such fares and provsions, are or will be, unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and if found to be unlawful to determine and describe the lawful fares and provisions, and rules, regulations, and practices affecting such fares and provisions;

2. Pending hearing and decision by the Board, the fares and provisions described in Appendix D hereto are suspended and their use deferred to and including December 25, 1969, unless otherwise ordered by the Board, and that no changes be made therein during the period of suspension except by order or special permission of the Board.

3. The request for the institution of a general rate proceeding to invstigate the structure and construction of domestic passenger fares, contained in the complaint in Docket 21326, is hereby deferred. Except to the extent deferred or granted herein the complaint in Docket 21326 is denied.

4. Order 69–8–85 be amended to the extent that the period during which discussions are authorized is extended to January 15, 1970.

5. Order 69–8–85 be further amended to add to the subject matter authorized for discussion the question of the divisions of through fares between participating carriers including specifically the actual formula for allocating such divisions;

6. The investigation be assigned for hearing before an examiner of the Board at a time and place hereafter to be designated;

7. A copy of this order will be filed with the aforesaid tariffs and served upon American Airlines, Inc., Braniff Airways, Inc., Continental Air Lines, Inc., Eastern Air Lines, Inc., Northwest Airlines, Inc., and United Air Lines, Inc., which are made parties to this proceeding; and

8. A copy of this order will also be served upon Air West, Inc., Allegheny Airlines, Inc., Delta Air Lines, Inc., Frontier Airlines, Inc., Mohawk Airlines, Inc., National Airlines, Inc., North Central Airlines, Inc., Northeast Airlines, Inc., Ozark Air Lines, Inc., Piedmont Aviation, Inc., Southern Airways, Inc., Texas International Airlines Inc., Trans World Airlines, Inc., and Western Air Lines, Inc., and upon the complainants herein, which are made parties hereto.

This order will be published in the Federal Register.

By the Civil Aeronautics Board:

HAROLD R. SANDERSON,
*Secretary.*

Vice Chairman Murphy concurred and dissented as set forth in the attached statement.

Member Minetti concurred and dissented as set forth in his attached statement.

Member Adams also concurred and dissented per his attached statement.

FOOTNOTES

[1] Revisions to Airline Tariff Publishers, Inc., Agent, Tariffs C.A.B. Nos. 90, 98, and 101.

[2] For procedural reasons the proposed tariff revisions of United Air Lines, Inc. have been ordered suspended and investigated by separate order, 69–9–30, dated September 5, 1969.

[3] See sections 102, 404, and 1002(e) thereof.

[4] In any event section 1002(g) permits the Board to suspend tariffs for a maximum period of 180 days, and a proceeding of the scope proposed by the complainants would be impossible to complete in so short a time. In this connection, we would point out that five interim fare increases were permitted during the pendency of the *General Passenger Fare Investigation* which took some 4½ years to complete.

[5] The City of Seattle, in a statement of position at the oral argument, has requested more equitable treatment vis-a-vis Portland with respect to fares between the two cities and the midwest and southwest, contending that the present disparity in fares is not justified by the mileage differential between the two cities. We believe that application of the proposed formula will alleviate this alleged inequity.

[6] Consistent with recent Board policy, and since the carriers are well along in phasing out propeller services, we will continue to permit establishment of propeller first class fares at the jet level in those markets where the carrier offers jet first class fares. Almost all trunklines have completed phasing out propeller aircraft and the other trunklines have extremely minor propeller services in relation to over-all operations.

[7] In applying this relationship, the Board will not require reductions in existing night coach fares.

[8] With respect to the contention of Northwest Airlines that discounts on discounts should be eliminated, the Board would look with favor on tariff amendments that would eliminate these practices (such as children's 50 percent discount on Discover America excursion fares).

[9] As indicated in the footnote of Appendix B, the estimated fare increase is overstated to the extent that intrastate fares currently at depressed levels are not susceptible of immediate increase to the level of the basic formula.

[10] The diminished level of net income and rate of return experienced by the industry for the 12-month period ending March 31, 1969, as compared with the prior period, is set forth in Appendix C attached.

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MURPHY, VICE CHAIRMAN, CONCURRING AND DISSENTING

While I agree that there is a need for increased revenues by some carriers to offset inflationary pressures I do not believe that the increase need be as large as the majority has approved or that the increases in the regular fares should be achieved by the application of a so-called formula.

As an interim measure I believe that an increase in regular fares of 3 percent across-the-board, limited to markets over 400 miles, when combined with the reductions in the fare discounts and the 4.0 percent increase granted a few short months ago, is as much as this Board can request the traveling public to assume under the present circumstances. In my view, such an increase would provide sufficient revenue to sustain the financial health of the carriers.

I am particularly opposed to the adoption of an essentially cost-oriented fare formula. The formula produces anomalies and inequities. It ignores value of service and market elasticity. It produces drastic increases in the short haul and medium haul markets where the majority of the public travel. It decreases long haul fares where the value of service is greatest and ignores the factor of cross-subsidization inherent in a system concept of transportation. In my judgment a great deal of further study and analysis is necessary before such a sweeping and permanent regulatory standard is adopted.

I believe that an across-the-board increase limited to markets over 400 miles would meet the immediate needs of the industry for additional revenues, would be far simpler to administer than the proposed formula and would be far more equitable to the public and the carriers than the widely varying increases contained in such a formula.

ROBERT T. MURPHY.

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MINETTI, MEMBER, CONCURRING AND DISSENTING

I concur in the majority action in suspending and investigating the tariffs before the Board. In addition, I concur in the desire of the majority to modify the basis of interline rate—prorates in recognition of the fact that the long-standing basis for division of revenue between the locals and the trunks for interline long-haul passenger trips may not reflect the conditions of today or the foreseeable future.

On the other hand, I am unable to concur in accepting, without an investigation, a fare adjustment package equivalent to an increase in fare levels of over six percent, especially bearing in mind that just a little over six months ago the Board permitted a fare increase approximating four percent of the then existing level. I agree that, on the basis of reported results, the industry's earnings are deficient if measured against a rate of return guideline of 10.5 percent on investment, and therefore I would permit reasonable increases in promotional fares if the carriers believe such adjustments to be beneficial. This would be consistent with the Board's historical policy of giving carriers considerable latitude to experiment with discount fares with a view toward maximizing their revenues while offering some reductions from normal fares. Again, I would also permit increases in first class fares to 125 percent of coach fares, since the present level of first class fares does not appear to compensate the carriers for first class service on a fully allocated cost basis. However, I would go no further at this time, in the absence of an investigation.

Only last May the Board refused to sanction another fare increase. At that time, it expressed its concern about the depressed level of load factors and pointed out that "the carriers have bought equipment despite (not by reason of) traffic forecasts."[1] As stated by the Board in its May order:[2]

"As long as the industry's load factor continues its present downward trend, and inflationary pressures persist, the carriers may find themselves in a cost-revenue squeeze despite the introduction of more efficient aircraft and the adjustment of their fares. Another significant aspect of an unnecessary increase in unused capacity is the corresponding growth in the investment base and fixed charges. On the other hand, it cannot be expected that fare increases will stimulate additional traffic. *The basic solution to the industry's present financial situation would appear to lie in exercising restraint in ordering new flight equipment and in the use of its available capacity, rather than in increas-*

[1] Order 69–5–28, May 8, 1969, page 4.

[2] *Ibid.*

*ing its price to the public."* (Emphasis added)

Although I am persuaded that the load factor problem is complex, I have not been convinced that the foregoing statement is incorrect. We have very little more information today with respect to appropriate load factor standards than at the time of our earlier pronouncement, and unlike the majority, I am reluctant to entertain a general increase in coach fares until after the question of load factor standards has been squarely faced and resolved in an intensive investigation.

On the contrary, I fear that the increases sanctioned today may prove to be self-defeating by causing a further drag on traffic growth and by delaying the day when the Board and the industry will come to grips with the basic causes of the industry's present difficulties. Until those causes are squarely met, we face the prospect of still further load factor declines and requests for additional fare increases.

G. JOSEPH MINETTI.

ADAMS, MEMBER, CONCURRING AND DISSENTING

I do not associate myself with the concept that local service carriers may not increase first class fares to the full extent of the formula, i.e., to 125% of the computed coach fare in the market. Thus I dissociate myself from the statement: "It is the Board's intention that this fare level apply only to services which are truly first class in character and quality and not in name only."

Traditionally, local service carriers have been permitted to charge a first class fare, particularly in sparse, short haul, noncompetitive markets even if their piston equipment and limited cabin amenities do not equal service in the first class compartment of more modern transcontinental trunkline jets.

Section 399.32 of the Board's Policy Statement specifically provides:

"It is the policy of the Board to permit subsidized carriers maximum freedom to experiment, in interstate and overseas air transportation, with commercial rate changes for the purpose of maximizing revenues and thereby minimizing subsidy requirements, provided the resulting rates are not otherwise unreasonable."

It seems to me that the local service carriers must be permitted to increase their first class fares, subject to the exercise of their managerial discretion as to whether the full increase on certain short haul routes might price air transportation out of the market.

JOHN G. ADAMS.

APPENDIX A.—SUMMARY OF PERTINENT ASPECTS OF DOMESTIC AIRLINE PASSENGER TARIFF FILINGS AS OF SEPT. 2, 1969

| | Jet coach | | | | | | | | Family fares | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Linehaul | | | | | | | | Children | | | |
| | Terminal charge | Mileage | Rate (cents) | Jet 1st class | Discover America (R.T.) | Youth standby | Military standby | Youth and military reservation | Spouse | 12 to 21 | 2 to 11 | Children 2 to 11 years | Night coach |
| Present discounts (percent) | | | 25 | 50 | 50 | 33⅓ | 25 | 50 | 66⅔ | 50 | | | |
| American | $9.00 | 0 to 500 | [1] 6.0 | 125 percent of jet coach [2] | [3] | 40 percent discount | [3] | [3] | [3] | [3] | [3] | [3] | +$3.00 |
| | | 501 to 1000 | 5.6 | | | | | | | | | | |
| | | 1001 to 1500 | 5.2 | | | | | | | | | | |
| | | 1501 to 2000 | 5.0 | | | | | | | | | | |
| | | Over 2000 | 4.8 | | | | | | | | | | |
| Braniff | $8.60 | 0 to 400 | [1] 6.7 | 125 percent of jet coach | 20 percent discount | [3] | [3] | 20 percent discount (youth only) | 20 percent discount | 33⅓ percent discount | 33⅓ percent discount | 33⅓ percent discount | |
| | | 401 to 1,100 | 5.8 | | | | | | | | | | |
| | | 1,101 to 1,800 | 5.2 | | | | | | | | | | |
| | | Over 1,800 | 5.0 | | | | | | | | | | |
| Continental | Adjust existing fare to stated percent of industry norm,[5] then add $2 to $9 depending on distance in markets above 400 miles. | | | 125 percent of jet coach | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | 85 percent of jet coach. |
| Eastern | $8.60 | 0 to 400 | [1] 6.7 | 152 percent of jet coach | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | 75 percent of jet coach. |
| | | 401 to 1,100 | 5.8 | | | | | | | | | | |
| | | 1,101 to 1,800 | 5.2 | | | | | | | | | | |
| | | Over 1,800 | | | | | | | | | | | |
| Northwest | Under 300 miles, $9.00 | All | 6.0 | 125 percent of jet coach | 20 percent discount [4] | 40 percent discount | [3] | [3] | 20 percent discount | 33⅓ percent discount | 33⅓ percent discount | 33⅓ percent discount | 75 percent of jet coach. |
| | 301 miles and above $10.50 | 301 to 599 | [1] 5.6 | | | | | | | | | | |
| | | 600 to 1,199 | 5.5 | | | | | | | | | | |
| | | 1,200 to 1,799 | 5.4 | | | | | | | | | | |
| | | 1,800 to 2,399 | 5.3 | | | | | | | | | | |
| | | Over 2,400 | 5.2 | | | | | | | | | | |
| United | $11.00 | All | 5.7 | 120 percent of jet coach [2] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | |

[1] Mileage rates applied on a cumulative basis.
[2] Existing ratio is used if it is higher.
[3] No change.
[4] Northwest proposes to provide that children's fares will be based on 66⅔ percent of the regular Jet coach fare instead of the Discover America fare.
[5] Between 85 and 100 percent in markets where Continental currently provides economy service, and between 92.5 and 107.5 percent in other markets.

APPENDIX C.—DOMESTIC OPERATIONS OF TRUNKLINE AND LOCAL SERVICE CARRIERS NET INCOME AFTER TAXES AND RETURN ON INVESTMENT 12-MONTH PERIODS ENDED MAR. 31 1969 AND 1968

| | Net income [1] (thousands) | | Return on investment [2] (excluding investment tax credits) (percent) | |
|---|---|---|---|---|
| | Mar. 31, 1969 | Mar. 31, 1968 | Mar. 31, 1969 | Mar. 31, 1968 |
| Domestic Trunk Carriers: | | | | |
| American | $15,227 | $46,149 | 5.33 | 6.21 |
| Braniff | 3,019 | −3,362 | 5.65 | 2.14 |
| Continental | 2,884 | 15,292 | 4.68 | 11.53 |
| Delta | 39,189 | 35,647 | 13.89 | 17.05 |
| Eastern | −20,046 | 9,057 | .70 | 4.95 |
| National | 18,149 | 21,937 | 11.03 | 15.03 |
| Northeast | −3,226 | −4,251 | −.72 | −5.81 |
| Northwest | 20,386 | 27,155 | 8.58 | 13.39 |
| TWA | −7,037 | 7,846 | .08 | 2.93 |
| United | 28,328 | 54,095 | 4.92 | 6.13 |
| Western | 1,720 | 10,053 | 3.97 | 10.19 |
| Total trunks | 98,593 | 219,618 | 4.78 | 6.93 |

| | Net income [1] (thousands) | | Return on investment [2] (excluding investment tax credits) (percent) | |
|---|---|---|---|---|
| | Mar. 31, 1969 | Mar. 31, 1968 | Mar. 31, 1969 | Mar. 31, 1968 |
| Local service carriers: | | | | |
| Air West | −$15,252 | −$4,341 | −$29.21 | −$31.50 |
| Allegheny | −6,782 | −420 | −.84 | 4.79 |
| Fontier | −8,061 | −1,966 | −4.75 | 1.62 |
| Mohawk | −4,351 | −306 | −1.22 | 3.70 |
| North Central | −1,196 | 1,619 | 3.62 | 7.50 |
| Ozark | −2,065 | 1,383 | 2.54 | 7.34 |
| Piedmont | −540 | 1,343 | 4.49 | 8.23 |
| Southern | −279 | −594 | 3.84 | −.77 |
| Texas International | −1,336 | −669 | 2.25 | 4.14 |
| Total locals | −41,052 | −8,934 | −2.00 | 2.14 |

[1] Net income after special items (including interest expense) and income taxes.
[2] Net income (excluding interest expense) as a percent of investment which has been adjusted to exclude equipment purchase deposits and unamortized discount and expense on debt.

APPENDIX B.—DOMESTIC TRUNKLINE CARRIERS, PERCENT IMPACT ON PASSENGER REVENUES

| | Normal fares | | | Discount fares | Total |
|---|---|---|---|---|---|
| | 1st class | Coach | Total | | |
| Domestic trunk carriers: | | | | | |
| American | 9.16 | 4.43 | 5.40 | 2.12 | 7.52 |
| Braniff | 7.51 | 3.89 | 4.59 | 1.51 | 6.10 |
| Continental | 5.93 | 2.33 | 2.87 | 2.25 | 5.12 |
| Delta | 5.10 | 1.89 | 2.44 | 2.13 | 4.57 |
| Eastern | 4.52 | 3.46 | 3.64 | 1.85 | 5.49 |
| National | 2.38 | 0.36 | 0.65 | 2.37 | 3.02 |
| Northeast | 2.60 | 1.91 | 1.98 | 2.02 | 4.00 |
| Northwest | 9.28 | 5.09 | 5.68 | 2.10 | 7.78 |
| Trans World | 7.10 | 3.71 | 4.30 | 2.31 | 6.61 |
| United | 9.37 | 4.03 | 5.07 | 2.13 | 7.20 |
| Western | 4.28 | [1] 4.99 | 4.93 | 2.05 | 6.98 |
| Total trunks | 7.43 | 3.58 | 4.25 | 2.10 | 6.35 |

[1] The various estimated increased percentages are overstated to the extent that intrastate fares at depressed levels may not be subject to immediate increase (in whole or in part) because of the requirements of intrastate regulatory approval. The 4.99 percent coach increase for Western is calculated on the basis of all fares being modified in accordance with the basic formula. Because of the depressed level of certain California intrastate fares in markets of heavy traffic volume and the requirement of State Commission approval of any increase, the 4.99 percent estimated coach increase for Western is clearly overstated.

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APPENDIX D

TARIFF CAB NO. 90 ISSUED BY AIRLINE TARIFF PUBLISHERS, INC., AGENT

On 66th Revised Page 10–C, in Rule 4, the provisions reading "Rule 43—Children's Fares (applicable to NW only)".

All fares, provisions, and fare cancellations on the following pages (except fares, provisions, and fare cancellations applicable to or from Hilo, Honolulu, or Canadian points, and except matter specifically excluded below):

31st and 32nd Revised Pages 13.
31st and 32nd Revised Pages 14.
30th and 31st Revised Pages 15.
30th and 31st Revised Pages 16.
18th Revised Page 19.
18th Revised Page 20.
14th Revised Page 21.
12th Revised Page 24–C.
12th Revised Page 24–D.

12th and 13th Revised Pages 42 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green).

14th and 15th Revised Pages 43 (excluding the cancellation of the fares from and to Reading).

14th and 15th Revised Pages 44 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green).

19th and 20th Revised Pages 45 (excluding the cancellation of the fares from and to Bowling Green and Reading).

19th and 20th Revised Pages 46 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

12th and 13th Revised Pages 47 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

12th and 13th Revised Pages 48 (excluding matter marked to become effective September 23, 1969).

14th and 15th Revised Pages 49 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

14th and 15th Revised Pages 50 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

15th and 16th Revised Pages 51 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

15th and 16th Revised Pages 51 (excluding the cancellation of the fares from and to Reading).

17th Revised Page 53.
17th Revised Page 54.

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TARIFF CAB NO. 98 ISSUED BY AIRLINE TARIFF PUBLISHERS, INC., AGENT

All fares, provisions, and fare cancellations on the following pages (except fares, provisions, and fare cancellations applicable to or from Hilo, Honolulu, or Canadian Points, and except matter specifically excluded below):

14th and 15th Revised Pages 25.
14th and 15th Revised Pages 26.
16th and 17th Revised Pages 27.
16th and 17th Revised Pages 28.
5th and 6th Revised Pages 28–A.
5th and 6th Revised Pages 28–B.
Original Page 28–C.
1st Revised Page 28–C.
Original Page 28–D.
1st Revised Page 28–D.
14th and 15th Revised Pages 29.
14th and 15th Revised Pages 30.
14th Revised Page 30–A.
14th Revised Page 30–B.
19th Revised Page 33.
19th Revised Page 34.
19th Revised Page 35.
18th and 19th Revised Pages 36.
14th Revised Page 36–A.
14th Revised Page 36–B.
1st Revised Page 36–C.
1st Revised Page 36–D.
17th and 18th Revised Pages 41.
17th and 18th Revised Pages 42.
15th Revised Page 42–A.
15th Revised Page 42–B.

10th, 11th and 12th Revised Pages 51 excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green).

10th, 11th and 12th Revised Pages 52 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green and Reading).

13th and 14th Revised Pages 53 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green and Reading).

13th and 14th Revised Pages 54 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

7th and 8th Revised Pages 55 (excluding matter marked to become effective tive September 23, 1969).

7th and 8th Revised Pages 56 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

9th and 10th Revised Pages 57 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

8th, 9th and 10th Revised Pages 58 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

8th and 9th Revised Pages 59 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

All fares, provisions, and fare cancellations on the following pages (except fares, provisions, and fare cancellations applicable to or from Hilo, Honolulu, or Canadian Points, and except matter specifically excluded below):

8th and 9th Revised Pages 60 (excluding the cancellation of the fares from and to Reading).

13th and 14th Revised Pages 61 (excluding the cancellation of the fares from and to Reading).

13th and 14th Revised Pages 62 (excluding the cancellation of the fares from and to Reading).

15th and 16th Revised Pages 63.

15th and 16th Revised Pages 64 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green).

12th and 13th Revised Pages 64–A (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green and Reading).

12th and 13th Revised Pages 64–B (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green and Reading).

14th and 15th Revised Pages 64–C (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

14th and 15th Revised Pages 64–D (excluding matter marked to become effective September 23, 1969).

12th and 13th Revised Pages 64–E (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

12th and 13th Revised Pages 64–F (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

10th and 11th Revised Pages 64–G (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

10th and 11th Revised Pages 64–H (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

11th and 12th Revised Pages 64–I (excluding the cancellation of the fares from and to Reading).

10th, 11th and 12th Revised Pages 64–J (excluding the cancellation of fares from and to Reading).

14th and 15th Revised Pages 64–K (excluding the cancellation of fares from and to Reading).

14th and 15th Revised Pages 64–L.
24th Revised Page 97.
24th Revised Page 98.
11th Revised Page 98–A.
11th Revised Page 98–B.
Original Page 98–D.

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TARIFF CAB NO. 101 ISSUED BY AIRLINE TARIFF PUBLISHERS, INC., AGENT

All fares, provisions, and fare cancellations on the following pages (except fares, provisions, and fare cancellations applicable to or from Hilo, Honolulu, or Canadian points, and except matter specifically excluded below):

17th and 18th Revised Pages 59.
17th and 18th Revised Pages 60.
21st and 22nd Revised Pages 61.
21st and 22nd Revised Pages 62.
24th and 25th Revised Pages 63.
24th and 25th Revised Pages 64.
18th and 19th Revised Pages 65.
27th Revised Page 67.
27th Revised Page 68.
22nd and 23rd Revised Pages 69.
22nd and 23rd Revised Pages 70.
31st Revised Page 79.
31st Revised Page 80.
31st Revised Page 81.
31st Revised Page 82.
20th and 21st Revised Pages 102.
24th, 25th and 26th Revised Pages 103.
24th, 25th and 26th Revised Pages 104.
23rd, 24th and 25th Revised Pages 105.
23rd, 24th and 25th Revised Pages 106.
17th Revised Page 107.
17th Revised Page 108.
16th and 17th Revised Pages 136.

10th and 11th Revised Pages 137 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green and Reading).

10th and 11th Revised Pages 138 (excluding

the cancellation of the fares from and to Bowling Green and Reading).

17th and 18th Revised pages 139 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green and Reading).

17th and 18th Revised Pages 140.

16th, 17th and 18th Revised Pages 141 (excluding the cancellation of the fares from and to Bowling Green and Reading).

16th, 17th and 18th Revised Pages 142 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

16th and 17th Revised Pages 143 (excluding the cancellation of the fares from and to Bowling Green and Reading).

16th and 17th Revised Pages 144 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green and Reading).

13th and 14th Revised Pages 145 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Bowling Green).

13th and 14th Revised Pages 146 (excluding the cancellation of the fares from and to Bowling Green).

11th Revised Page 147.

11th Revised Page 148.

17th and 18th Revised Pages 149 (excluding the cancellation of the fares from and to Reading).

All fares, provisions, and fare cancellations on the following pages (except fares, provisions, and fare cancellations applicable to or from Hilo, Honolulu, or Canadian Points, and except matter specifically excluded below):

17th and 18th Revised Pages 150 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

19th and 20th Revised Pages 151 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation to the fares from and to Reading).

19th and 20th Revised Pages 152.

12th Revised Page 153.

12th Revised Page 154.

14th and 15th Revised Pages 155 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

14th and 15th Revised Pages 156 (excluding the cancellation of the fares from and to Reading).

12th and 13th Revised Pages 157 (excluding the cancellation of the fares from and to Reading).

12th and 13th Revised Pages 158 (excluding matter marked to become effective September 23, 1969).

13th Revised Page 159.

13th Revised Page 160.

13th and 14th Revised Pages 161 (excluding matter marked to become effective September 23, 1969).

13th and 14th Revised Pages 162 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

12th and 13th Revised Pages 163 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

12th and 13th Revised Pages 164 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

14th and 15th Revised Pages 165 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

14th and 15th Revised Pages 166 (excluding the cancellation of the fares from and to Reading).

12th Revised Page 167.

12th Revised Page 168.

17th and 18th Revised Pages 169 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading).

All fares, provisions, and fare cancellations on the following pages (except fares, provisions, and fare cancellations applicable to or from Hilo, Honolulu, or Canadian Points, and except matter specifically excluded below):

17th and 18th Revised Pages 170 (excluding matter marked to become effective September 23, 1969, and excluding the cancellation of the fares from and to Reading)

18th and 19th Revised Pages 171.

19th Revised Page 172.

15th Revised Page 173.

15th Revised Page 174.

20th Revised Page 175.

20th Revised Page 176.

14th Revised Page 177.

14th Revised Page 178.

17th Revised Page 179.

17th Revised Page 180.

14th Revised Page 181.

14th Revised Page 182.

11th Revised Page 183.

11th Revised Page 184.

10th Revised Page 185.

21st Revised Page 246.

20th Revised Page 247.

20th Revised Page 248.

25th and 26th Revised Pages 251.

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TARIFF CAB No. 117 ISSUED BY AIRLINE TARIFF PUBLISHERS, INC., AGENT

The fares and provisions on the following pages:

10th and 11th Revised Pages 25.

10th and 11th Revised Pages 26.

7th Revised Page 29.

12th, 13th and 14th Revised Pages 31 (excluding the increase in family fare for WA).

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TARIFF CAB No. 83 ISSUED BY EASTERN AIR LINES, INC.

All fares and provisions on 15th Revised Page 7 and 14th Revised Page 8.

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TARIFF CAB No. 284 ISSUED BY EASTERN AIR LINES, INC.

All fares and provisions in the tariff.

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APPENDIX E

CIVIL AERONAUTICS BOARD ORDER 69-9-150

(Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 30th day of September, 1969)

Passenger fare revisions proposed by the Domestic Trunkline Carriers—Docket 21322.

ORDER DENYING RECONSIDERATION

By Order 69-9-68 the Board suspended and ordered investigated tariff filings proposing fare increases by several of the domestic trunkline carriers. At the same time the Board indicated its disposition to accept a moderate fare increase based on a fare formula which the Board outlined in the subject order. Petitions for reconsideration of the Board's decision have been filed by the Honorable John E. Moss, M.C. (California) and 34 other Members of Congress, and by National Airlines, Inc. requesting suspension and investigation of the tariffs which have been filed pursuant to that order. A joint petition for reconsideration has been filed by Airlift International, Inc., and The Flying Tiger Line Inc., requesting expansion of the order to include restructuring of the cargo rate structure.

Upon consideration of the petitions, the Board finds that they do not establish error in the Board's decision or present any matters that otherwise would warrant grant of the relief sought. However, certain contentions of the petitioners do appear to warrant comment.

The principal thrust of the petition filed by the Congressmen is that the Board, in proposing to permit a revenue increase based on a fare formula, failed to establish cost and load factor standards, failed to establish the effect of the proposed fares on the movement of traffic and carrier earnings, and that the fare structure and the cost basis therefor have never been subjected to the scrutiny of an evidentiary hearing. The Board has given careful consideration to these contentions, but remains convinced that the domestic air carrier industry requires an immediate revenue increase in light of its higher cost of doing business and its earnings decline. The Board is also persuaded that there is no risk that the increases will produce excessive earnings in the foreseeable future.

Nor do we believe that attempts to improve the passenger fare structure should be further delayed for the substantial period required for evidentiary hearing. There has been general recognition of the need to overhaul the fare structure to remove its inequities and bring it more into line with cost factors, and by conditioning the grant of fare relief to the adoption of an improved structure, the Board believes it is acting in the public interest. This conclusion is not predicated on an assumption that the new fare structure is the optimum. Rather, we view it as a first step toward a more rational and consistent fare structure which should redound to the benefit of the traveling public and carriers alike. And, as stated in Order 69-9-68, the Board intends to consider further the entire matter of domestic passenger fare structure and level, including the prior and instant requests for a full-scale formal investigation of domestic passenger fares. The Board will decide what further action is necessary and appropriate in this regard in due course.[1]

National's primary contention is that the proposed fare changes are no answer to the industry's financial problems and that the formula the Board had determined to accept is based solely upon cost of service and ignores value of service and price elasticity factors. National asserts that the only equitable action at this time is to permit an across-the-board increase in all fares.

National predicates its criticism of the proposed fares and fare structure on the fact that the carrier-by-carrier revenue increases do not correlate closely enough with individual carrier needs in terms of deficiency in current returns on investment. Individual carrier earnings reflect, of course, many factors other than the level of fares charged and the Board is not aware that any fare formula could be devised for this competitive industry which would have the effect of substantially equalizing the several carriers' returns on investment. In this regard, National's proposal suffers from the same deficiency that carrier attributes to the Board's formula. Moreover, the individual carriers' current earnings reflect the current structure with all its anomalies and the National proposal would merely perpetuate this situation. National's assertion that the fare structure formula adopted by the Board reflects only cost considerations and ignores value of service we believe is incorrect. The costs studies made by the Board show much higher costs in short haul markets and much lower costs in long haul markets than are reflected in the

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[1] The Congressmen cite the lack of single factor fares in some markets as prejudicial to the interests of the traveling public. We agree and we have already taken action aimed at assuring the establishment of single sum fares in all markets whether served by a single carrier or not which meet minimum traffic standards. In any event, suspension of the proposed tariffs is no solution to this problem since the pre-existing structure suffers from the same deficiency.

formula. The Board believes that the formula we have adopted strikes a reasonable balance between cost and value of service considerations.[2]

Airlift and Flying Tiger substantially reiterate the position expressed in their statement of position and oral argument that the Board should take some steps toward restructuring the domestic cargo rate structure simultaneously with the proposed passenger fare restructuring. The cargo carriers further request that the Board broaden the fare restructuring contemplated by Order 69–9–68 to include establishment of cargo rate structure guidelines, to be implemented by making the continuation of the passenger fare increases beyond January 31, 1970, contingent upon the carriers reaching agreement on such a revised cargo rate structure. We do not believe it wise to link the passenger fare structure matter to possible modification of the domestic cargo rate structure. While we would encourage the carriers to review and improve the economics of their cargo rate structure, we find no basis to make improvements in passenger fare structure contingent upon cargo rate changes.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a), 403, 404, and 1002 thereof,

It is ordered that:

1. The petitions for reconsideration of Order 69–9–68 be and they hereby are denied.

2. This order will be served upon all petitioners and interested parties in Docket 21322.

This order will be published in the Federal Register.

By the Civil Aeronautics Board:

HAROLD R. SANDERSON,
*Secretary.*

MEMBERS MURPHY AND MINETTI CONCURRING AND DISSENTING

We adhere to the views expressed in our respective concurrences and dissents to Order 69–9–68 and would suspend and investigate the tariffs filed pursuant to that order to the extent they are inconsistent with those views.

ROBERT T. MURPHY.
G. JOSEPH MINETTI.

APPENDIX F

AFFIDAVIT

Washington, District of Columbia:

Richard W. Klabzuba, being first duly sworn, deposes and says:

1. In the proceedings before the Civil Aeronautics Board entitled *Passenger Fare Revisions Proposed by Domestic Trunklines*, number 21322 on the Board's docket, I was one of the representatives of Petitioner John E. Moss and those Petitioners associated with him.

2. On September 29, 1969, I notified Acting Chairman Gillilland of the Board that, in the event that the Board should deny the Petition for reconsideration of the Board's Order of September 12, 1969, No. 69–9–68, and for suspension and investigation of the tariffs filed pursuant thereto, Petitioners would request a stay, pending appellate review, of the passenger fare tariffs scheduled to begin taking effect October 1, 1969. Pursuant to the Acting Chairman's direction, I began drafting a formal request for a stay in the event the Petition for Reconsideration and Suspension should be denied, with the purpose of filing the request for a stay with the Board that afternoon.

3. While I was drafting the request for a stay, I received a telephone call from Acting Chairman Gillilland. He informed me that he had discussed the question of a request for a stay pending appeal with the Board's General Counsel, and that the latter had advised him that the Petition for Reconsideration and Suspension would itself be regarded as requesting such a stay. The acting Chairman therefore advised me that no further papers would be necessary. Accordingly, no further papers were filed.

RICHARD W. KLABZUBA.

Subscribed and sworn to before me this 9th day of December, A.D. 1969.

NANCY E. CODICK,
*Notary Public.*

(My Commission Expires December 15, 1973.)

[2] National also objects to what it calls "regulatory coercion" with respect to the consideration of modified bases for division of interline revenues among participating carriers. The Board is not committed to any particular result but does expect the domestic industry to examine this matter in good faith. As stated in Order 69–9–68, a change in the present rate prorate method appears to be warranted by current relationships of long haul to short haul costs, and we took into account in reaching our decision the possibility that some revenue shift from long haul to short haul carriers might occur.

## UNREALISTIC MIDDLE EAST POLICY BY ROGERS

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, the very recent speech by Secretary of State Rogers on the Middle East has sent a tremor of acute apprehension through every friend of Israel in the United States. Its tenor was pro-Arab and utterly unrealistic. In effect, Israel is requested to give up all her tangible and dearly won gains in return for an Arab promise, which will probably not be forthcoming and worthless if given. The Kremlin seems to be doing rather well in terms of what the State Department is thinking.

Mr. Rogers has made a clumsy bid for Arab favor at Israel's expense. No meaningful, physical act is asked of the permanently intransigent Arab States, who are solidly backed by Moscow. Arab propaganda has shrilled again and again that the United States is anti-Arab, and Mr. Rogers has shown that this administration has been frightened by their rhetoric. So much so that it is willing to seek to bargain away Israel's right to live in its eagerness to curry Arab favor, which in turn is as worthless a commodity as can be found in the world today.

It is an outrage upon intelligence for the Secretary of State to call this new anti-Israel policy a balanced one. Since when has Nasser ever considered any agreement binding and lived up to it? Would Mr. Rogers encourage any member of his family to live in an Israel stripped of easily defensible borders and dependent upon Arab willingness to live up to such an agreement? Who will guarantee Israel's territorial integrity? President Nixon? Secretary of State Rogers?

Who will control the Arab terrorists, who have flouted all governments they come in contact with? Has the example of Lebanon and the terrorist attempt to overthrow its government been forgotten so fast? Does President Nixon ever read or listen to the bloodcurdling threats of Israel's extinction which daily emanate from the Arab world?

Israel has asked for peace constantly since she first emerged as a state in spite of Arab attempts to strangle her at birth. She has asked for face to face negotiations, in spite of the constant attempts to murder her citizens and destroy her economic well-being. Even in victory she has been magnanimous, seeking again and again only the right to live in peace. Yet, it is the very right which her circle of enemies constantly seeks to deny her.

The Soviet Union is controlling the entire Arab diplomatic position. Such familiar unwillingness to negotiate fairly seems to be having a great effect upon President Nixon and Secretary of State Rogers. Through the rhetoric comes one plain message. This administration is assuming the old familiar Eisenhower line of giving in to Russian and Arab demands as far as Israel's well-being is concerned.

Mr. Speaker, I am utterly appalled at this emerging administration policy. Israel is the only light of democracy and resistance to oppression in that area of the world. Russia delights in such American weakness. What she cannot obtain through Arab military prowess she now seeks to lay claim to through betrayal.

No one in their right mind would believe for an instant any Russian guarantee or Arab promise to be good. All they want is an Israel surrender, which will strip her of a military position she has won in unwilling combat.

Every friend of Israel in the United States and abroad has been taken aback by this outrageously pro-Arab speech by an American Secretary of State acting apparently with the approval of the President. No one can mistake it. We have in the making another Czechoslovakia. In 1938 the Czechs were ready to fight Hitler rather than go down under his heel. Britain and France betrayed the nation they had created, selling it down the river to the Nazis. The Czech Army was strong and well motivated. Its natural defensive positions were excellent. Yet, this was all given away by Chamberlain and a frightened French Government.

Mr. Speaker, Israel's leaders and friends also read history. They will not only refuse to go Czechoslovakia's way, but will stand firm. President Nixon and Mr. Rogers have taken a first step down a devious and dishonorable road. I fervently pray they retrace their steps swiftly.

Never did I think to see the day when the United States would cravenly crawl on its belly to the likes of Nasser, our worst Arab enemy, and beg for his favor at the expense of our bravest and tiniest ally. Such shame beggars description.

## OLE SINGSTAD

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, in New York on December 8 died one of the most notable figures in American engineering, construction, and transportation circles of the last half century. He was Ole Singstad, a great engineer, and known primarily as an innovator in the construction of automobile tunnels. The success of the Holland Tunnel under the Hudson

River was entirely due to his conception which provided for the ventilation of automobile exhaust and thereby guaranteed the successful operation of that facility.

A native of Norway, Mr. Singstad came to this country in 1905 and then began his noteworthy career. I had the privilege of meeting him and one could not help being impressed with his vivacity and enthusiasm even though his age was 87 when I first made his acquaintance.

His life reads like a fabulous creation of fiction and so unique was his contribution to the progress of his adopted country that I wish to include herewith the obituary article which appeared in the New York Times of December 9, 1969:

OLE SINGSTAD, 87, MASTER BUILDER OF UNDERWATER TUNNELS, IS DEAD

(By Albin Krebs)

Ole Singstad, the engineer who was regarded as "the master tunnel builder," died yesterday at Doctors Hospital. He was 87 years old and lived at 1120 Fifth Avenue.

Mr. Singstad was a designer, builder or consultant on dozens of vehicular tunnels, including the Holland, Lincoln, Queens Midtown and Brooklyn-Battery tunnels in New York, the tunnel under Baltimore Harbor and the underwater tube that connects Oakland and Alameda, Calif.

He considered his greatest achievement, in a career that spanned some 60 years, the design of the Holland Tunnel, the world's oldest underwater automobile highway, which was opened in 1927. The tunnel would not have been possible without Mr. Singstad's ingenious plan for a ventilation system to eliminate exhaust fumes. The ventilation system became the standard for vehicular tunnels the world over.

When the Holland Tunnel was put into operation, The New York Times said in an editorial: "To Ole Singstad, Holland's design engineer, fell the task of finishing an undertaking that will rank with such engineering monuments as the Panama Canal. . . . Technical history was written when the ventilation apparatus was designed."

Mr. Singstad was born in Lensvik, Norway, on June 29, 1882. His father was Knut Singstad, his mother the former Anne Auseth. After attending Aalesund Latin School, he went to the Polytechnic Institute of Trondhein, from which he received a degree in civil engineering in 1905. The same year he emigrated to the United States.

Mr. Singstad became an American citizen in 1911 and the following year married Else Johansen in Brooklyn, where he lived for more than a quarter-century.

Starting out in Norfolk, Va., as a designer of railroad structures, Mr. Singstad came to New York in 1909 to collaborate on the design of the Hudson tubes, which gave New Jersey its first underwater link with Manhattan. From 1910 to 1917 he was in charge of design for rapid transit subways and tunnels in New York and Brooklyn, including the twin rapid-transit tube from William Street and Wall Street, under the East River and Clark Street and Fulton Street, to connect with subway stations under the St. George Hotel and Borough Hall.

In 1919, when New York and New Jersey commissioned Clifford H. Holland to build the first automobile tunnel, Mr. Hammond quickly concluded that unless the problem of ventilation could be solved, a tunnel that would be safe for motor traffic was an impossibility. He went to Mr. Singstad with the problem.

After more than 2,000 tests including studies on just how much carbon monoxide fumes human beings could tolerate in a given period of time, Mr. Singstad developed plans for a circular tunnel that would enclose three tiers.

ROADWAY IN MIDDLE TIER

The middle tier was the roadway. Beneath it was a hollow space into which air could be constantly pumped and released into the roadway at intervals through ducts. The top tier was another hollow space, with ducts, through which rising gases could be sucked. The system was deemed workable, and construction on what was to be called the Holland Tunnel was begun in 1920.

Mr. Holland died before the two-tube tunnel was half-finished, and his successor, Milton H. Freeman, died soon after. Mr. Singstad took over full responsibility for finishing construction of the tunnel he had designed.

President Calvin Coolidge formally opened the tunnel on Nov. 12, 1927, by pressing a button on his yacht in the Potomac that rang a big brass bell at the tunnel entrance. Mr. Singstad kept the bell in his office for the rest of his life.

The engineer recalled some time ago that although the tunnel was opened at 4 P.M., officials, made nervous by predictions of disaster, refused to allow cars through until midnight, when traffic would be at its lowest ebb.

"I couldn't wait to enjoy my tunnel," Mr. Singstad said, "and so when the speeches were over, I set out to walk through it alone. Soon I heard a rumbling, shuffling sound in the distance. 'Good God!' I thought, 'it sounds like an ocean, like the tunnel's caved in!' I jumped up to the elevated sidewalk.

"My fears were happily unfounded. The noise came from hundreds of people who, prevented from driving through the tunnel, had parked their cars and were walking—some pushing baby carriages—through what I don't mind calling a new wonder of the world."

As chief engineer of the New York City Tunnel Authority, a position in which he served from 1935 to 1945, Mr. Singstad was a major consultant in the design of two of the three tubes of the Lincoln Tunnel. The two tubes were completed in 1937 and 1945.

His most formidable challenge was the design and construction of the Queens Midtown Tunnel under the treacherous, porous bed of the East River. It was driven through mud, glacial deposit and solid rock, at a cost of $54-million, some $4-million under the original estimate. The tunnel, 7,630 feet long, was completed in 1940.

Mr. Singstad planned and supervised construction of the $68-million Brooklyn-Battery Tunnel, which runs about two miles under New York Harbor. Construction was begun in 1940, suspended in 1943 because of the war, and completed in 1950.

CONSULTED ON MANY TUBES

Over the years, in his private practice as a civil engineer, Mr. Singstad was a designer or consultant on dozens of tunnel projects. Most of them were constructed in soft ground and under water, but some burrowed through mountains.

He was consultant engineer for the George A. Posey Tube, the first automobile tunnel built by the trench method, completed in 1928. The tube, under the Oakland, Calif., estuary, was prefabricated in sections, which were placed in a deep trench, joined together and covered with rock and sand fill.

Mr. Singstad used the same basic method to design and build the Baltimore Harbor twin tunnel, an underwater highway that eliminated one of the nation's worst north-south traffic bottlenecks.

"What we did," Mr. Singstad said, "was to build a sort of huge double-barreled shotgun, 70 feet wide and 35 feet high and a mile and a half long. We put the parts into a trench 100 feet below the water and covered the whole thing with fill."

WON BELGIAN DECORATION

Mr. Singstad, who was licensed as a civil, electrical or mechanical engineer in 17 states, was awarded the Order of the Crown by the late King Albert of the Belgians, for his design of the tunnels under the Scheldt River at Antwerp.

Through his company, now Singstad, Kehart, November & Hurka, at 17 Battery, Mr. Singstad was a consultant for vehicular tunnels for the Argentine, Chilean, Venezuelan and Norwegian Governments. He also had a hand in the design of the Callahan Tunnel under Boston Harbor and the modernization of the Sumner Tunnel in Boston. He was chief engineer and designer of the Fort Lauderdale New River Tunnel and the West Virginia Memorial Tunnel at Wheeling.

For 20 years Mr. Singstad was a visiting lecturer at Harvard University, and he also taught at New York University. He was president of the American Institute of Consulting Engineers from 1941 to 1943 and, as a committee of one, wrote what is known in his profession as "the Singstad draft" of the Canon of Ethics for Engineers, still in use.

FISHED FOR RECREATION

Mr. Singstad, although rather diminutive in size, had large, strong hands. Until last July he went to his office daily, and it was only a year ago that he had to give up his favorite pastime, dry fly-fishing for trout in mountain streams.

He recently completed a textbook, "Tunnels," to be published by John Wiley & Sons, and was the author of dozens of technical papers. He was a Knight, First Class, of the Royal Norwegian Order of St. Olav, and a Commander, Order of Merit of Chile.

For the last 20 years he had dreamed he would one day see a cross-Manhattan vehicular tunnel, linking the Queens Midtown Tunnel with the Lincoln tubes. Looking back on his construction projects, he said two years ago:

"I think we've overdone it. The city is choking itself to death with cars. The city should build more subways. We should build more rail tunnels under both the Hudson and East Rivers."

Mr. Singstad, who lived at 1120 Fifth Avenue, was widowed in 1964. He is survived by a daughter, Mrs. Henry E. Gardiner of Washington; a son, Paul of 166 E. 61st Street, and two grandchildren.

A funeral service will be held at 11 A.M. Thursday at St. Thomas Episcopal Church, Fifth Avenue and 53d Street.

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## EFFECT OF IMPORTS ON EMPLOYMENT IN THE UNITED STATES

(Mr. BOLAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. BOLAND. Mr. Speaker, imports into the United States are reaching alarming proportions. Many industries—and millions of working men and women—are threatened by this veritable tide of imported products ranging all the way from mink skins to steel. Yesterday, the Senate adopted an amendment to the tax reform bill—an amendment granting the President authority to establish limitations on imported goods. This legislation, I feel, must be enacted by the Congress.

Let me cite just a few of the New England industries menaced by foreign competition. The shoe industry—once one of New England's most healthy businesses—is virtually languishing. Forced to com-

pete with foreign shoes made cheaply—indeed, made under what most Americans would consider "sweat shop" conditions—New England's shoe factories must accept a rapidly dwindling share of the market. The textile industry, another industry that once thrived, faces similarly bleak prospects. And electronics firms, especially those that have not taken advantage of the wholesale liberalization in our tariffs by establishing plants in foreign nations, are under a kind of economic and financial seige by imports. Local 1500 of the International Brotherhood of Electrical Workers—the union at Sickles Co., in my congressional district—points out that electronic imports threaten the jobs of thousands of workers throughout the United States.

Idle debate and dithering will not help untangle this knotty problem. Legislation—legislation like that adopted yesterday in the Senate—is needed. It has been argued—convincingly, as far as some legislators are concerned—that the Senate amendment's language is far too vague and far too sweeping. The amendment would, it is suggested, give the President authority to restrict any kind of imports under any kind of circumstances. Granted, the authority granted by the amendment cannot be described as narrow and explicitly detailed. Yet, I am sure—indeed, I am convinced—that no American President would exercise such authority in a frivolous or capricious way. The President, as you all know, now has sole authority to use nuclear weapons in time of war. I am sure that no Member of Congress suspects any American President would heedlessly misuse such awesome responsibility. Nor is there any reason to suspect any American President would jeopardize this Nation's international trade position by heedless misuse of yesterday's Senate amendment.

Plainly, Mr. Speaker, imports pose a major threat to more than a few American industries. Workers are losing their jobs. Plants are shutting down. Our balance-of-payments situation, already grim, grows worse almost weekly.

It is time to act now.

The cruelest irony in New England's plight is that petroleum products—home heating oil, for example, and gasoline—are soaring in cost because of a quota system that tightly restricts the importation of cheap foreign crude oil. Trade and tariff laws do virtually nothing to protect the jobs of New England consumers or the stability of its industries. Yet, such laws—specifically, the import quota system on oil—cost these consumers quite literally billions of dollars by sheltering oil industries half a continent away in the Southwest.

Hundreds of bills have now been introduced in this Congress for the purpose of imposing quotas on imports of a large variety of merchandise—the most important being meat, textiles, steel products, shoes, oil, lead and zinc, and mink skins. In some cases our constituents have advised us of drastic reductions of production; in others, of serious retrenchments due to the fall off of orders. In all such cases we in Congress have been asked for assistance to obviate the serious consequences of excessive import. The main complaint has been that American producers and American workmen are being injured by the ever increasing flow of imports which are comprising an ever-growing percentage of our domestic consumption market.

Because we in New England, with an intensely industrialized economy, are peculiarly sensitive to fluctuations in consumer demand, I am forced to draw attention to this matter of excessive imports. In several instances—textiles, shoes, electronic products—my congressional district has been hit hard by the deleterious effects of such rising imports.

Let me draw your attention to a bill I have introduced to promote orderly trade in textile products. An excessive percentage of our domestic market is being supplanted by imported textiles. These textiles comprise not only cotton cloth, but also wool and the vast total of manmade staple fibers, filament, and filament yarns used in our textile industry.

The American Textile Manufacturers Institute has estimated that we may well have to face an import level of around 2.5 billion square yards of textiles. Actually this total will constitute around 10 percent of our domestic consumption and displace the production of about 190,000 potential American textile workers with an annual income of around $1 billion. This kind of statistic is enough to make us take notice, not only because of the displacement of workers and the loss of pay, but also the cutback such a loss entails in the general consumer market, and the shrinking of tax revenue.

Another factor that needs to be considered is the fact that this prodigious importation of foreign textiles costs us around $750 million per year and, thereby, adds seriously to our balance-of-payments deficit.

It seems to me that our textile industry has been well in the forefront of American industries in spending over $7 billion during the last 10 years for modernization of plants and production procedures. Are we going to threaten this modern, efficient capacity with underutilization by having a sizable percentage of such productive ability undercut and displaced by imports? In all fairness to the industry as a whole and its workers, I submit that we in Congress should step in and place a specific percentage on our domestic consumption which we would allow to overseas exporters.

I am particularly concerned about the welfare of our textile workers. On an average such workers receive $1.99 per hour compared to 25 cents per hour in Hong Kong whence a substantial percentage of our imports derives. In Japan the wage is 36 cents an hour—while in India it is around 14 cents. In some instances the fringe benefits paid by our textile companies to textile workers exceed the total wages paid by foreign textile mills. How can our companies and workers compete against such margins?

We must also consider that our textile industry does export. Yet, it is a fact that about 50 nations prohibit the importation of American cotton textiles and another 30 have tariffs so high as effectively to shut us out of their markets. This type of prohibition seriously cuts down the total of our textile exports. Yet in all candor we must ask why foreign nations prohibiting the importation of textiles from us, should feel that they are at liberty to dump untold millions of yards on our markets at a price we cannot meet.

Mr. Speaker, we have just over 3,000 textile plants scattered throughout this Nation. These plants buy the output of other industries. A vicious cycle is created every time we allow one of these plants to be injured. The repercussions are felt far and wide. It seems to me that the most equitable method of meeting the excessive imports and injurious competition is to assign a fixed percentage of our domestic market to imports. This will amount to a flexible quota, depending on the market, gradually increasing as our population increases.

Another industry of vital concern is the shoe industry. We have seen how shoe imports have increased very substantially during the last decade and at a distinct price advantage. Today, factory prices of our domestically produced rubber and canvas shoes average around $1.50 per pair, whereas foreign shoes of like manufacture enter this country at a price of 70 cents per pair. Even leather or part-leather shoes from overseas cost only about 50 percent of the factory price of shoes of domestic manufacture. Here a new tendency is to be seen, however. Even as the prices of our leather footwear are rising, so the prices of imported leather footwear seem to be declining.

Naturally there are various reasons for the rise in prices here at home. First is the increasing demand for footwear for our armed services—currently around 20 million pairs per year. Second, there has been an extraordinary demand for our hides and skins overseas, thereby increasing the price of leather here at home. The sad part is that much of this leather is returning here in the form of footwear. Third, is the rise in the cost of labor as compared to the rise in productivity here at home. Hourly wage rates have increased 73 percent since 1948, while productivity has risen by less than 40 percent.

Basically, shoe manufacturing entails a high percentage of handicraft work—here our workers, due to the use of sophisticated machinery, are able to produce about 50 percent higher per man-hour than in the best comparable foreign plant.

Because shoe manufacturing concerns are rather small, both here and abroad, comparable costs of production are hard to estimate. Our workers receive close to $2 per hour plus fringe benefits, whereas in Japan wages average 40 cents per hour, and 56 cents per hour in Italy. What is significant to me is the fact that Japanese exports of footwear to us increased from 2.8 million pairs in 1955 to 66 million pairs in 1965; and Italian exports rose from 1.2 million pairs in 1955 to 22.3 million pairs in 1965.

I noted before how in shoes and textiles an ever-increasing percentage of our market has been superseded by foreign imports during the last few years. Now, under the concessions granted during the latest GATT negotiations, prospects are that imports of these commodities will be greatly increased. But a worse position obtains for the electronic products.

On TV sets import duties have been reduced from 35 to 10 percent; to 11½ percent on phonographs and to 12½ percent on radios. Components have been subjected to similar cuts. TV parts from 35 to 10 percent; phonograph parts to 11½ percent and to 12½ percent on capacitors, resistors, tubes, and other components.

I am seriously alarmed at the trend of imports and the extent by which imported radios and TV receivers are undercutting our domestic manufacturers. In 1956 we imported just under 1 million radios or 6 percent of our total sales. Yet, by 1966, we imported 25.8 million units or 68 percent of our sales. The figures are even higher percentagewise for 1967 and 1968.

Although TV is a newer industry, statistics are likewise alarming. In 1961 we imported scarcely 60,000 receivers or about 1 percent of a sales total of 6.3 million sets. By 1966 we imported over 1.5 million receivers or 20 percent of a sales total of 7.7 million sets.

The picture is even worse in the electronic component industry. Here we imported during 1966 many items whose ratio of imports to U.S. production is as follows:

| | *Percent* |
|---|---|
| Receiving tubes | 27.5 |
| Record changers | 51.4 |
| Controls | 66.4 |
| Transformers | 66.6 |
| Loudspeakers | 81.2 |
| Capacitors, electrolytic | 138.3 |
| Transistors | 195.8 |

Mr. Speaker, total imports rose from $135 million to over $250 million in the period 1964–66. Such imports add nearly $150 million to our international payments deficit.

We pioneered the electronic industry. We pay the highest wages. Yet we allow our trade negotiators to dissipate our advantage by giving excessive concessions to other industrialized nations whereby they proceed to swamp our markets. Only by giving foreign producers a variable quota, based on our domestic consumption market, can we assure to ourselves an industry which will not be inundated by low-cost foreign production and one which will remain economically viable.

Mr. Speaker, I submit for the RECORD at this point copies of letters I and Congressman SILVIO O. CONTE have sent to the Tariff Commission and the President's chief trade negotiator protesting excessive electronic imports:

NOVEMBER 18, 1969.

Mr. CARL GILBERT,
*Special Representative for Trade Negotiation, Washington, D.C.*

DEAR SIR: Today we have asked the Chairman of the U.S. Tariff Commission to institute a full-scale investigation into the injurious effects of excessive imports of like or competitive products on the electronic products and components industry.

With the exception of a few minor items, all duties on electronic equipment and components were reduced by 50 percent during the last Kennedy Round negotiations at Geneva. The first two yearly reductions are now in effect and the result has been a highly disturbing increase in imports. This so-called reciprocal trade program seems to be a unilateral reduction by the United States only, since most other countries have tariffs twice as high against our electronic exports.

As you know, the electronics industry has a ratio of total payroll cost to value of shipments of over 40 percent. Yet this important labor-intensive industry suffers from vastly increased competitive imports due to greatly reduced duties.

In the case of textiles and steel, long-term import arrangements were made on a voluntary basis. Import quotas were arranged by our Government with foreign producers. I believe that you should institute discussions with foreign exporters for a specific percentage of our domestic market for negotiation similar to that arranged for steel and textiles. In New England many electronic firms are being injured by excessive imports; labor unions also indicate that the only relief that could be afforded their industry would be in the form of a long-term agreement with specific item and dollar quotas.

Your consideration of this matter and efforts to rectify an increasingly serious condition in the total electronic industry will be much appreciated.

Sincerely yours,

EDWARD P. BOLAND,
*Member of Congress.*
SILVIO O. CONTE,
*Member of Congress.*

NOVEMBER 18, 1969.

Hon. GLENN W. SUTTON,
*Chairman, U.S. Tariff Commission, Washington, D.C.*

DEAR MR. CHAIRMAN: Alarming new increases in the importation of electronic equipment pose a threat to the domestic electronic industry and the jobs of its employees. In our Congressional Districts alone—the First and Second Districts of Massachusetts—electronic imports jeopardize the jobs of thousands of workers.

Over the past few years we have received increasingly severe complaints about the expanding import competition in electronic products and components originating in Europe and Japan. Just recently, Local 1500 of the International Brotherhood of Electrical Workers in Springfield, Massachusetts, again voiced concern about rising imports—imports that are causing increasing retrenchment of workers in both segments of the electronic industry. Not only are such imports taking an ever-increasing share of the American consumer market in electronic products, but foreign tariff rates in most industrialized countries are more than twice our own, inhibiting our own exports. In fact, our deficit in electronic merchandise trade is currently running in excess of $400 million annually.

In 1968 the electronic industry testified before the House Ways and Means Committee that nearly 100,000 jobs were lost because of expanding imports of like or competitive electronic products and components. In 1967 imports rose to more than double the total of 1964. And, at the end of the first quarter of 1968, imports of consumer electronic products expressed as a share of the U.S. market were even more alarming:

[In percent]

| | |
|---|---|
| TV | 11 |
| Radios | 78 |
| Phonographs | 30 |
| Tape recorders | 85 |

The officers of the labor union at Springfield have pointed out that these percentages continue to rise steeply and that the competition is becoming increasingly injurious.

In view of the fact that the electronics industry is being undercut by excessive imports—stemming largely from the 50 percent reduction of tariffs under the latest Kennedy Round negotiations weakening an industry indispensable to our national security—we hereby request a full tariff investigation of the whole import position of the electronic products and components industry.

Your early notification of hearings leading to a justifiable remedy recommendation will be greatly appreciated.

Sincerely yours,

EDWARD P. BOLAND,
*Member of Congress.*
SILVIO O. CONTE,
*Member of Congress.*

## REMOVAL OF INCOME LIMITATIONS ON PERSONS RECEIVING SOCIAL SECURITY BENEFITS

(Mr. BLACKBURN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BLACKBURN. Mr. Speaker, recently I had the pleasure of submitting testimony to the House Ways and Means Committee regarding the removal of the income limitations placed upon those persons receiving social security benefits. As I have stated many time before I feel very strongly that if a person pays into the social security for 30 years he has a right to receive benefits to which he is entitled. If this same person had been paying into a private trust fund, he would as a matter of equity automatically receive these benefits. However, we find that this is not the situation with regard to social security. Under the law, a man can be paying into the system and upon his 61st birthday if he is earning income in the form of wages or salary over $1,680 he will have a $1 loss in benefits for every $2 he earns. President Nixon has proposed that the ceiling be raised to $1,800 which is a mere increase of $10 per month. I would like to point out to the members of this committee that because of the skyrocketing inflation racking this Nation each month a social security beneficiary loses at last 50 cents in paying power from his benefits. For the information of my colleagues, I am hereby inserting a copy of my testimony before the Ways and Means Committee in the RECORD:

TESTIMONY OF HON. BENJAMIN B. BLACKBURN

Mr. Chairman, I would like to address my remarks this morning to a provision of the Old Age Survivors and Disability Insurance program, namely the income limitation on those persons who receive Social Security benefits upon retirement at age 65. Under this provision a man cannot even consider working part-time without endangering his Social Security benefits. It seems as though dependence on society is being encouraged.

When reviewing the history of this Act, we find that the income limit was first placed in the Act when passed by Congress in 1935. The desperate economic situation at that time made it impossible for many of our young people to obtain needed employment; and in order to create more jobs, the elderly were encouraged to leave the job market by placing an earnings limitation upon the amount a person could earn from working and still receive Social Security benefits.

However, I would like to point out why this argument should not be used today. First, many highly skilled people are past age 65 yet are vitally needed to provide necessary goods and services. Secondly, eminent geriologists have pointed out that it is inadvisable for our elderly to stop work since they lose all incentive if they are left home with nothing to do. Thirdly, it is easily seen that through the use of our Social Security laws we have forced our senior citizens to live at the poverty level. For example, the average Social Security payment to an elderly person over 65 years of age is $98 per month. Given the present Social Security earnings

limitation, the maximum income a person can receive from Social Security plus outside earned income is $3456. This figure is below the poverty level; I believe that it is degrading the dignity of our senior citizens to force them to live at this meager existence under our present social insurance payments.

Recently, I received a letter from one of my constituents concerning the income limitation. I would like to read a portion of this letter into the testimony.

"I have always worked for my living and I appreciate the opportunity of doing so. But the stipulation which has been in effect of being able to earn only $140 per month without benefits being withheld puts you in an almost impossible situation. You can't get along on what you are getting from Social Security plus the $140 you are allowed to earn, but you find it is hardly worthwhile to try to earn more."

As a whole, this is how the elderly of our nation are affected by this earnings limitation. 6.6 million Social Security beneficiaries between the ages of 65 and 75 earned no income during 1968. 1.5 million Social Security beneficiaries earned an income of less than $1680 during 1968. 600,000 Social Security beneficiaries earned an income exceeding $1680 but received some Social Security benefits. 800,000 possible Social Security beneficiaries earned an income over $1680 and received no benefits.

Furthermore, Mr. Chairman, this has encouraged some of our senior citizens to evade the law. A gentleman from California sent me a letter telling me how he accomplishes this:

"Should this be necessary to outsmart an unfair law? This is how it is done. We have a verbal agreement when hired as follows: Total salary $600 per month payable $140.00 salary (allowable) and $150.00 a car and expense allowance (not counted as S.S.). This leaves a balance of $310.00 per month payable as a bonus in December in a lump sum. *To comply with the Social Security law, the December social security check is returned.*

"Next month (Jan.) being a new year, the procedure is repeated, and I can receive 11 Social Security checks and a possible yearly income of over $800 per month (less $200.00 Social Security December check returned). Income tax is declared only on salary and bonus—Social Security payments and expenses can be justified as non-taxable.

"I am sick of this subterfuge and believe, as you do, that my 20 years of top deductions entitles me to an old age of useful work without feeling like a cheat.

"Please don't give me away, but if that's the way they want it, I will use my still active mind to find every loophole possible and educate my friends to do the same."

Also, I would like to bring to the attention of the Committee a letter which I received from Mr. Wes Fleming of Dresser, Wisconsin. In his letter which is attached, Mr. Fleming explains how our senior citizens are being cheated by the income limitation.

The law states that a person cannot receive $1680 in "earned income." Earned income is defined to mean wages or income for self-employment. However, if the income is from interest or rental of real estate, it is not considered earned income. Thus, through our Social Security laws, we are discriminating against those families which would be considered middle income who have put two children through college, probably paid a mortgage on a home, and incurred one or two major illnesses. We find that these people usually do not have the money to invest in securities and other forms of income producing assets during their working years since they are usually trying to provide an adequate standard of living for their children.

There are those who will counter the arguments I have just presented by stating that the purpose of the Social Security system is to provide social insurance against the loss of income during the retirement years or disabilities. However, I feel compelled to disagree strenuously with this view. I believe that if a person pays into the system for thirty years, he has the right to receive certain benefits in return. If this person had paid into a private pension plan there would not be an income limit applied. Furthermore, if the Social Security system had been established with proper funding, it would be very difficult to justify any income limitation.

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DRESSER, WIS.,
*November 17, 1969.*

Representative BENJAMIN BLACKBURN,
*Representative from Georgia.*

HONORABLE SIR: Have just read an article in the St. Paul Pioneer Press concerning what you are trying to do for old people on Social Security. Thank you very much.

I wrote a piece to this St. Paul paper a few days ago. (So far it has not been printed). A copy of this might interest you and help you in your work.

It reads as follows:

"SOCIAL SECURITY—A HOAX AND A SWINDLE—A GOOD DEAL FOR THE WEALTHY AND THE VERY POOR, AN EXPENSIVE HEADACHE FOR THOSE IN BETWEEN WHO HAVE TO WORK TO MAKE ENDS MEET

"I am not against Social Security. The Medicare part of it is wonderful.

"What I am against is the the rotten, unfair, discriminatory laws governing the administration of Social Security.

"Social Security is 'Great Stuff' until you try to collect on it. Then you find out what it really is.

"We are a group of people past 65. We have no company pension. We have been self-employed.

"We have paid in a lot of money toward Social Security, but, because we have to work to make ends meet our Social Security is taken away from us.

"We understood, when this thing was first set up, that it was to help those past 65—whose earning capacity had diminished, that we need not expect to be able to live on it—that it would be a supplement to other income.

"That would be fine. That is the way it should be. But that isn't the way it is.

"When we have income from labor, over a lousy $1680, then they start taking our Social Security away from us. And we don't get the $1680. Only about $1344. The rest the Government takes for income and Social Security taxes.

"Even though past 65 we have to pay Social Security taxes to help people who never have worked and never intend to—while we keep on paying in but can collect nothing if we work enough to earn a modest income.

"This $1680 figure applies to those whose income is from labor. A person with a $50,000 income, if it is from interest or rent can collect the full amount of Social Security—even though his money and property has been inherited.

"No doubt this is as it should be. He has paid for it. He should have it.

"But we have paid in just as much as he has, and if we work enough to earn a modest living—then we can not collect anything.

"We want equal rights.

"They tell us that after 72 we can earn any amount and also collect Social Security.

"Big Deal! But who is going to hire us after we are 72. Most of us will be dead by that time.

"For seven years, from age 65 to 72, we are being deprived of benefits received by others which we have helped to pay for.

"We are not asking for any special privileges or special treatment. We want to earn what we are able to earn after 65 and also collect like others do. We want what we have paid for and have a right to expect.

"We have worked hard all our lives. We have paid taxes, educated our children and have helped to make this country what it is today. We have never asked for or received help from anyone.

"Now when we are old we are being kicked in the teeth.

"Most legislators ignore our problem, as do labor unions, farm organizations and chambers of commerce. Our voting strength is not great.

"People in this age group would like to keep their homes and live in the neighborhood where their friends live—in the home they have built and paid for—where the children can come home and spend a weekend once in a while.

"But with taxes, upkeep and insurance costs where they are, together with the cost of fuel, telephone, light, food and clothing—we must work to make ends meet.

"We like to keep a car for a small amount of driving. We have Doctor and medicine expenses. Medicare does not pay it all, not by quite a long ways.

"When we work enough to meet these expenses—then our Social Security payments are completely cut off.

"We have one alternative

"We can forget about meat and butter, drop our insurance, sell our home and our car, move into a small apartment and prepare to rot there. Then we could collect Social Security if we cut our earnings down to a near poverty level.

"We do not want to do this. If we had fair and equal treatment we would not have to do this.

"Why should we lose our Social Security just because our income is from Labor? Why can't we have the same treatment given people with other income. Many of us pay $100 a month or more to the government in income and Social Security taxes and lose our own Social Security payments besides.

"People who have paid in practically nothing collect $55 per month. There is talk of raising this to $80, a great vote getter. But that would not help us one bit. We cannot even collect the minimum. We cannot collect anything if we earn enough for a modest living.

"Seems like the modern way to get attention is to march, smash windows, tip over cars and burn buildings. We are rather old for that. Besides we don't believe in such tactics.

"If enough people would write their legislators it might help.

"Keep in mind that a raise in Social Security benefits will not help us. It is the amount we can earn without penalty that is killing us.

"This $1680 figure should be raised to at least $3680. Or better still let us make what we can plus Social Security. We have paid for it. If we had put that money into insurance to take care of us in our old age we would be collecting on it. They would not ask how much we were making. We would get what we had paid for and our premium payments would stop. Why should we pay in after we are 65?

"I claim the Government owes us back pay with interest for every dollar they have cheated us out of since we reached 65.

"We won't be around a lot longer. Can someone help us get a square deal?"

Rep. Blackburn: We appreciate what you are doing. I believe Hartke of Ind. and Alvin O'Konski of Wis. might give you a great lift on this.

If you consider the amount we pay in Social Security and income taxes it would almost equal the S.S. payments we should be collecting.

In other words, if we quit working and collected Social Security it would make practically no difference to the Government balance.

Very sincerely yours,

WESLEY FLEMING.

## GRAVE FAILURES IN LEADERSHIP AND INSTITUTIONS NATIONALLY HAMPER OUR HOPE FOR THE FUTURE OF OUR NATION AND THE WORLD

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VANIK. Mr. Speaker, few men in this Nation speak with such clarity and depth of perception as does John W. Gardner, chairman of the Urban Coalition and former Secretary of the Department of Health, Education, and Welfare.

Recently, Dr. Gardner delivered an address which might be considered to be the keynote for the decade we are about to begin. In this magnificent speech which he delivered at the National Press Club, Dr. Gardner points out clearly and precisely the grave failures in leadership and in institutions nationally which hamper our hope for the future of our Nation and the world.

Dr. Gardner not only appraises critically the failures and weakenesses in leadership and our governmental, industrial, and trade union institutions but goes on to point out the many and creative opportunities which exist for each, in turn, to change and thus allow the rectification of the ills which currently are paralyzing our Nation. He also calls upon the people of our country to set aside once and for all the prejudice and appeals to bigotry which plague us and get on with our business of building a creative and progressive society. He calls upon the citizens of our Nation to marshal public opinion against those in public and private life in whom rests the power to help solve our most pressing national problems and who, at present, refuse to act affirmatively.

I agree completely with Dr. Gardner that our national "passivity" which prevents positive action today can be solved. But it can only be confronted, eliminated and replaced with forward movement if the average voter-citizen begins to realize that his government should not be "managed" for him as is his pension fund or his mutual fund. When this important ingredient of vigilance and wide-scale democratic participation is absent, those who are governed can have little to say about the results stemming from the legislative and administrative actions which are negligent of the public interest.

One can have little sympathy in our democratic system for the lazy citizen-voter who simply will not take the time to participate in his government. In the absence of this creative association of citizen and government the vacuum which results produces government which is lethargic, unresponsive, and sometimes lacking a morality which prevents it from responding to a crisis of the dimension which now confronts our Nation. I commend to every Member's attention this very important address by John W. Gardner. The address is as follows:

REMARKS BY JOHN W. GARDNER, CHAIRMAN

As we enter the 1970s there are many curious aspects of our situation, but none more strange than our state of mind. We are anxious but immobilized. We know what our problems are, but seem incapable of summoning our will and resources to act.

We see the brooding threat of nuclear warfare. We know our lakes are dying, our rivers growing filthier daily, our atmosphere increasingly polluted. We are aware of racial tensions that could tear the nation apart. We understand that oppressive poverty in the midst of affluence is intolerable. We see that our cities are sliding toward disaster.

And these are not problems that stop at our borders. The problems of nuclear warfare, of population, of the environment are impending planetary disasters. We are in trouble as a species.

But we are seized by a kind of paralysis of the will. It is like a waking nightmare.

I propose that as we enter the new decade we make a heroic effort to alter both our mood and our state of inactivity. Let 1970 be a year of renewal, and during that year let us give our institutions and ourselves a jolting reappraisal and overhaul.

The place to begin is with our national leadership in both the Executive branch and the Congress. With a few notable exceptions, there has been a failure of leadership. More than any other factor, it is the missing ingredient in our situation today.

We have had failures of leadership before. But rarely before have we had the widespread distrust of our own institutions that we see today. And that distrust is not limited to radicals. Ask shopkeepers, housewives, young executives or insurance salesmen what concerns them. If you travel around the country as I do more or less continuously, you will find that there is a deep and pervasive feeling among all segments of the populace that "things aren't working"—and Washington is given a major share of the blame. When the great majority of Americans share that uneasiness, when a growing number are losing all confidence in our society, when the problems themselves are terrifyingly real, then it is immoral for our national leaders—in the Congress and the Executive branch—to temporize. It is indecent for them to let us imagine that we can solve our problems without money or that we cannot afford to tackle them. It is criminal for either Republicans or Democrats to put politics before the nation's future.

Now let me speak specifically of the President. Any judgment on the President's leadership must take into account that he came into office at a difficult time, must deal with a Congress of the opposing party, and finds his options limited by inflation and the war.

But given all that, he must do more to set a tone of urgency to which we can all respond, and more to exemplify in his own actions a determination to solve our pressing problems.

We are not—and should not become—blind followers of the leader. But only the President's clearly expressed concern and clearly stated priorities can mobilize the federal apparatus, encourage Congress to shake off its lethargy, and enable leaders in other sectors of American life to move decisively.

His greatest test is on the international front. His first task—and one cannot exaggerate its urgency—is to end the war. Even more important in the long run will be steps that must be taken to cope with the threat of nuclear warfare. His recent action with respect to biological warfare was encouraging.

On the domestic front the President must say more explicitly—and with greater urgency—what he conceives to be an appropriate strategy for dealing with the dilemmas of the cities, with equality of opportunity, with the environment and with other problems that are wracking the nation.

Not only must he propose social programs adequate to our need, but when the legislation goes to Congress he must fight as hard for it as he fought for the ABM and Judge Haynsworth.

Now let's talk about the Congress. This Congress, which has acquired a reputation for lethargy, could dispel that reputation not only by passing needed legislation but by enacting genuinely meaningful Congressional reform. Few institutions in our national life are as gravely in need of renewal as is the Congress of the United States. Renewal requires first of all measures to abolish the seniority system and to curb the abuse of power by entrenched committee chairmen.

In 1958, Congress enacted a law requiring the chief judges of federal circuit and district courts to give up their administrative duties when they reach age 70. I propose that Congress impose the same rule on its own members. The Speaker of the House is 78. Thirteen Senate and House committee chairmen are over 70, six of them over 75, two over 80. They are full of years and honors. They can serve their country best by stepping aside. That would be patriotism at its highest.

Congress must also put an end to the hypocrisy of tolerating grave conflicts of interest among its own members while attacking the same fault in others. It should pass a conflict of interest statute with teeth in it.

These flaws in Congress have been debated for years. What is new is not the weakness in the institution but the mood of questioning in the nation. If there were ever a time when it is essential that our institutions merit our respect, this is it.

And what about industry? I would propose that as we enter the 1970s industry address itself to three central issues.

First, it should make an unqualifed commitment to equality of opportunity for minority groups. Some firms have performed nobly in this respect. But the majority are still dabbling with the problem and many are engaged in outright fakery—giving lip service, preserving a public image and doing as little as possible.

Second, industry should commit itself to end pollution. Again, some farsighted business leaders have already done so, but the record of industry as a whole has been deplorable. It has lied to the public and to itself about the seriousness of the problem. We are just beginning to grasp the immense complexity—and danger—of environmental pollution. It is not wholly an industrial problem, but industry has a crucial role in it and could contribute enormously to its solution—if only by foreswearing its practice of emasculating pollution control legislation as it moves through Congress. Public anger over pollution is rising, and the time for effective action has come.

Third, industry should meet the rising tide of consumerism with constructive measures. Leaders in each industry should set standards of regard for the consumer and should be tough in demanding that the rest of their industry follow suit. If they don't they will be brought under increasingly savage criticism by a bilked and frustrated public.

Labor unions too have their tasks to accomplish—and the one that overshadows all others at the moment is to root out racial discrimination, to eliminate restrictive membership practices that deny the opportunity to work or to advance beyond menial work. I know all the arguments pro and con. I know the difficulties. But it must be done. For more than thirty years the unions have benefited enormously from the fact that America's conscience has been basically on their side. In many of the battles that had to be settled in the public forum, that fact was decisive. Today that advantage is leaking away very rapidly.

The possibilities of constructive change by the professions are enormous. Shaw said that every profession is a conspiracy against the public. Certainly every profession is deeply implicated in the institutional rigidities of the society.

The health professions must act at once to redesign the system of health services in this country. It is outworn, expensive and out-

rageously inefficient. Health professionals could modernize it. If they don't, pressures from outside, particularly from governmental initiatives, will increase enormously. Our best hope here is the ferment among young health professionals. They are eager to move.

Professionals in education must answer to much the same indictment. They preside all too complacently over a system that isn't working. They could change it, but often—as in the case of health professionals—they are obstacles to change rather than promoters of it. As for the colleges and universities, they have been jolted out of their complacency and are in an excellent position to accomplish the long-delayed overhaul of their institutions.

Let me say a word about private non-profit activities in general—cultural, civic, social service, religious, scientific and charitable organizations. Some of the worst known examples of organizational decay are in this category. And one of the gravest agents of decay is the sense of moral superiority that afflicts such institutions. Sad to say, people who believe that they are doing a noble thing are rarely good critics of their own efforts.

As we enter the 1970s, all such highminded organizations should re-examine their performance with unsparing honesty (not excluding the Urban Coalition). Let them ask whether they have spent too much time congratulating themselves. Let them ask what possible difference it would make if their organization went out of existence. Let them ask whether they are dabbling with a problem that calls for a massive assault. Let this be the year in which they ask toughminded outside critics to work with them in a no-holds-barred reappraisal of what they are doing.

Government agencies should not be exempted from such self-appraisal. They too are hampered in constructive change by the narcotic of self-congratulation. Somehow it is believed that one doesn't have to apply tough-minded criticism to noble and dedicated effort. Let each government agency honestly appraise the extent to which it has built an empire rather than served the public. And let it ask how much risk it has taken in fighting for good causes. The natural state of the bureaucracy is to be unbloody but bowed. It would look better with some honorable scars.

Now let's have a look at the person whom practically no one ever attacks, the person who holds the highest title a free society can award: citizen. What has he done to give one confidence in self-government? Not as much as one would like. Too many take a free ride as far as any distinctive effort to serve the common good. Too many are apathetic, self-absorbed and self-serving.

In a vital society the citizen has a role that goes far beyond duties at the ballot box. He must man the party machinery, support social and civic reform, provide adequate funds, criticize, demand, expose corruption and honor leaders who lead.

One thing the citizen can do—must do—is to reject fiercely and consistently all politicians who exploit fear and anger and hatred for their own purposes. He cannot rid himself entirely of those emotions. But he can rid himself of politicians who live by manipulating them. Such leaders will not move him toward a better future.

For example, pitting white ethnic minorities against black and brown minorities can only bring sorrow to both; and the politician who pursues that strategy should be rejected by both.

Polls have repeatedly shown that when all is said and done, most Americans do want to see our problems solved, including the problems of poverty, race and the quality of life. They do want to see justice done.

Another thing the citizen can do is to throw the weight of public opinion against those in the private sector who are unwilling to work toward the solution of our common problems. They should find out what major firms in their area are equal opportunity employers. Which firms are shirking on that front? Let those firms know that their failure is recognized. What firms are contributing most to pollution? Let them feel the weight of public disapproval.

Now let me say a word about the nature of the urban crisis. Too many Americans have come to equate the crisis in the cities with racial tensions—and they are tired of the race problem and wish it would go away.

It won't go away, but if it did, the urban crisis would remain. Discrimination, in some measure, touches most urban issues in this country. But such critically important issues as housing, manpower and income for the poor deeply involve white as well as black. Most of the poor are white. And one cannot blame racial tensions for our monumental traffic jams, for the inexorable advance of air and water pollution, for the breakdown in administration of the courts, for the shocking inefficiency and often corruption of municipal government.

It is true that when urban systems malfunction, minorities and the poor are hit first and hardest, but the problem is deeper and broader and ultimately affects us all.

Make no mistake about it, the urban problem is a deep-running crisis in the management of complexity and change.

In closing, let me remind you of an important thing to understand about any institution or social system, whether it is a nation or a city, a corporation or a federal agency: it doesn't move unless you give it a solid push. Not a mild push—a solid jolt. If the push is not administered by vigorous and purposeful leaders, it will be administered eventually by an aroused citizenry or by a crisis. Systemic inertia is characteristic of every human institution, but overwhelmingly true of this nation as a whole. Our system of checks and balances dilutes the thrust of positive action. The competition of interests inherent in our pluralism acts as a brake on concerted action. The system grinds to a halt between crises. Madison designed it in such a way that it simply won't move without vigorous leadership. I've often wondered why he didn't say so. Perhaps, having in mind his brilliant contemporaries, it just never occurred to him that the day might come when leadership would be lacking.

One final word—I said earlier that we perceive the dangers confronting us but are seized with a paralyzing passivity. I believe that passivity is curable. I believe that we can recover our power to act decisively—as individual citizens and as a nation. All it takes is money, guts and leadership.

## TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, in 1968, the United States led the world in the production of crude petroleum with an output of 3,329,000,000 barrels—approximately one-fourth of the world total. The State of Texas alone produced more than any other country in the world except the Soviet Union and Venezuela.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PELLY (at the request of Mr. ARENDS), for December 13 to December 18, on account of urgent personal business.

To Mr. HOSMER (at the request of Mr. GERALD R. FORD), for today and the balance of the week, on account of eye surgery.

To Mr. EILBERG (at the request of Mr. ALBERT), for today, on account of illness.

To Mr. FOUNTAIN (at the request of Mr. GRAY), for today, on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MILLER of Ohio); to revise and extend their remarks and include extraneous material:)

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. WILLIAMS, for 10 minutes, today.

Mr. LUKENS, for 5 minutes, today.

(The following Members (at the request of Mr. ROE); to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. FLOOD, for 15 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PHILBIN in five instances and to include extraneous matter.

Mr. MAHON to revise and extend remarks made in Committee of the Whole on the supplemental appropriation bill and to include extraneous matter.

Mr. COLMER to extend his remarks immediately following the last speech of the gentleman from New York (Mr. CELLER).

(The following Members (at the request of Mr. ROE) and to include extraneous matter:)

Mr. POWELL.
Mr. FISHER in three instances.
Mr. CAREY.
Mr. PATTEN.
Mr. BOLAND.
Mr. RODINO in two instances.
Mr. GONZALEZ in two instances.
Mr. BIAGGI in two instances.
Mr. HOLIFIELD.
Mr. PURCELL in two instances.
Mr. BLATNIK in two instances.
Mr. BINGHAM in three instances.
Mr. VANIK in two instances.
Mr. BYRNE of Pennsylvania.
Mr. RARICK in two instances.
Mr. HELSTOSKI in two instances.
Mr. BRADEMAS in six instances.
Mr. HAGAN in two instances.

(The following Members (at the request of Mr. MILLER of Ohio) and to include extraneous matter:)

Mr. DUNCAN.
Mr. QUILLEN in four instances.
Mr. ROUDEBUSH.
Mr. TEAGUE of California.
Mr. WYMAN in two instances.
Mr. PELLY in five instances.
Mr. REID of New York.
Mrs. HECKLER of Massachusetts.
Mr. HALPERN.
Mr. STEIGER of Wisconsin.
Mr. FISH.

Mr. MINSHALL.
Mr. BERRY in three instances.
Mr. NELSEN.
Mr. QUIE.
Mr. SCHWENGEL in three instances.
Mr. BROWN of Ohio.
Mr. STAFFORD.
Mr. ESCH.
Mr. SCHERLE.
Mr. MCDONALD of Michigan.

## ADJOURNMENT

Mr. ROE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Friday, December 12, 1969, at 12 o'clock noon.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the proper calendar, as follows:

Mr. DENT: Committee on House Administration. House Resolution 744. Resolution Providing for the printing of the proceedings in the Committee on House Administration incident to the presentation of a portrait of the Honorable Samuel N. Friedel; without amendment (Rept. No. 91-741). Ordered to be printed.

Mr. DENT: Committee on House Administration. Senate Concurrent Resolution 44. Concurrent resolution to authorize printing of manuscript entitled "Separation of Powers and the Independent Agencies: Cases and Selected Readings", as a Senate document; with an amendment (Rept. No. 91-742). Ordered to be printed.

Mr. DENT: Committee on House Administration. Senate Concurrent Resolution 46. Concurrent resolution authorizing the printing of a report entitled "Handbook for Small Business" as a Senate document; without amendment (Rept. No. 91-743). Ordered to be printed.

Mr. PERKINS: Committee on Education and Labor. H.R. 13630. A bill to extend certain expiring provisions of law relating to vocational education; without amendment (Rept. No. 91-744). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS: Committee on Armed Services. S. 59. An act to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Army, National Guard Facility, Ethan Allen, and the U.S. Army Materiel Command Firing Range, Underhill, Vt. without amendment (Rept. No. 91-745). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS: Committee on Armed Services. H.R. 12535. A bill to authorize the Secretary of the Army to release certain restrictions on a tract of land heretofore conveyed to the State of Texas in order that such land may be used for the city of El Paso North-South Freeway; without amendment (Rept. No. 91-746). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. H.R. 15209. A bill making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes; without amendment (Rept. No. 91-747). Referred to the Committee of the Whole House on the State of the Union.

Mr. FALLON: Committee on Public Works. H.R. 15166. A bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes; without amendment (Rept. No. 91-748. Referred to the Committee of the Whole House on the State of the Union.



## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Dakota:

H.R. 15195. A bill to strengthen State and local governments, to provide the States with additional financial resources to improve elementary and secondary education by returning a portion of the Federal revenue to the States; to the Committee on Ways and Means.

By Mr. AYRES (for himself, Mr. PERKINS, Mrs. GREEN of Oregon, Mr. THOMPSON of New Jersey, Mr. BELL of California, Mr. DENT, Mr. REID of New York, Mr. DANIELS of New Jersey, Mr. BRADEMAS, Mr. CAREY, Mr. DELLENBACK, Mr. HAWKINS, Mr. ESCH, Mr. HATHAWAY, Mrs. MINK, Mr. SCHEUER, Mr. MEEDS, Mr. HANSEN of Idaho, Mr. MOORHEAD, Mr. FINDLEY, Mr. HAMILTON, Mr. YATES, Mr. PODELL, Mr. REES, and Mr. SYMINGTON):

H.R. 15196. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, as amended; to the Committee on Education and Labor.

By Mr. AYRES (for himself, Mr. PERKINS, Mr. DADDARIO, Mr. PREYER of North Carolina, Mr. BROOMFIELD, Mr. PUCINSKI, and Mr. MIKVA):

H.R. 15197. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, as amended; to the Committee on Education and Labor.

By Mr. BOGGS:

H.R. 15198. A bill relating to the income tax treatment of certain sales of real property by a corporation; to the Committee on Ways and Means.

By Mr. COHELAN (for himself and Mr. SANDMAN):

H.R. 15199. A bill to provide for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by Federal and federally assisted programs and to establish uniform and equitable land acquisition policies for Federal and federally assisted programs; to the Committee on Public Works.

By Mr. DAVIS of Georgia:

H.R. 15200. A bill to end discrimination in the availability of Federal crop insurance and to authorize the appropriation of additional funds for the administration of the Federal crop insurance program; to the Committee on Agriculture.

By Mr. DELLENBACK:

H.R. 15201. A bill to amend section 1482 of title 10 of the United States Code to provide for the payment of certain expenses incident to the death of members of the Armed Forces in which no remains are recovered; to the Committee on Armed Services.

By Mr. DOWNING:

H.R. 15202. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. FOLEY:

H.R. 15203. A bill to protect interstate and foreign commerce by prohibiting the movement in such commerce of horses which are "sored," and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KYROS:

H.R. 15204. A bill to provide for the orderly marketing of articles imported into the United States, to establish a flexible basis for the adjustment by the U.S. economy to expanded trade, and to afford foreign supplying nations a fair share of the growth or change in the U.S. market; to the Committee on Ways and Means.

By Mr. LEGGETT (for himself, Mr. JOHNSON of California, and Mr. Moss):

H.R. 15205. A bill to designate the navigation lock on the Sacramento Deepwater ship channel in the State of California as the William G. Stone navigation lock; to the Committee on Public Works.

By Mr. McFALL:

H.R. 15206. A bill to authorize and foster joint rates for international transportation of property, to facilitate the transportation of such propery, and for other purposes; all to the end of developing, coordinating, and preserving all modes of transportation subject to the provisions of this Act, as well as developing and preserving port and airport gateways of the United States, necessary to meet the needs of the commerce of the United States, and of the national defense; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTS:

H.R. 15207. A bill to provide for a modification of the project for Denison Dam (Lake Texoma), Red River, Tex. and Okla., authorized by the Flood Control Act of 1938, and for other purposes; to the Committee on Public Works.

By Mr. TEAGUE of California:

H.R. 15208. A bill to provide for the payment of reasonable costs, expenses, and attorneys' fees to defendants in actions by the United States for the condemnation of real property after determination of the amount of just compensation, or after abandonment of such actions by the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. MAHON:

H.R. 15209. A bill making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes.

By Mr. DENT:

H.R. 15210. A bill to amend title 18 of the United States Code by adding a new chapter 404 to establish an Institute for Continuing Studies of Juvenile Justice; to the Committee on the Judiciary.

By Mr. FALLON:

H.R. 15211. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JACOBS:

H.R. 15212. A bill to provide comprehensive preschool education programs in the Department of Health, Education, and Welfare; to the Committee on Education and Labor.

By Mr. MONAGAN:

H.R. 15213. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 15214. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, as amended; to the Committee on Education and Labor.

By Mr. RANDALL:

H.R. 15215. A bill to make the armed robbery of gasoline stations a Federal offense; to the Committee on the Judiciary.

By Mr. RIVERS:

H.R. 15216. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with World Jamboree of Boy Scouts to be held in Japan in 1971, and for other purposes; to the Committee on Armed Services.

By Mr. RUTH:

H.R. 15217. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. BIAGGI:

H. Res. 746. Resolution to create a special

Committee on Film Classification; to the Committee on Rules.

By Mr. DEVINE:

H. Res. 747. Resolution amending the rules of the House to prohibit a single appropriation bill from carrying appropriations for more than one executive department; to the Committee on Rules.

H. Res. 748. Resolution to amend rule XXI of the Rules of the House of Representatives to require the yeas and nays in the case of final action by the House of Representatives on general appropriation bills; to the Committee on Rules.

By Mr. PERKINS (for himself and Mr. BRADEMAS):

H. Res. 749. Resolution authorizing travel for certain members of the committee on Education and Labor; to the Committee on Rules.

By Mr. RIVERS:

H. Res. 750. Resolution to provide for the further expenses of the investigation and study authorized by House Resolution 105; to the Committee on House Administration.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHAMBERLAIN:

H.R. 15218. A bill for the relief of Dr. Turan Argun; to the Committee on the Judiciary.

By Mr. COLLIER:

H.R. 15219. A bill for the relief of Maj. Michael M. Mills, U.S. Air Force; to the Committee on the Judiciary.

By Mr. CORMAN:

H.R. 15220. A bill for the relief of Mrs. In-Soon Lee Castronova; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 15221. A bill for the relief of Maria Gagliardi Paladino; to the Committee on the Judiciary.

By Mr. McKNEALLY:

H.R. 15222. A bill for the relief of Thomas R. Keefe; to the Committee on the Judiciary.

# EXTENSIONS OF REMARKS

## MEDICAL RESEARCH AND THE ATOMIC ENERGY COMMISSION

### HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. HOLIFIELD. Mr. Speaker, on several occasions in the recent past there have been statements in the record by members of the Joint Committee on Atomic Energy concerning new clinical treatments with L-dopa for several neurological diseases. The Honorable CRAIG HOSMER of California pointed to the outstanding medical efforts being supported by the Atomic Energy Commission and particularly to the work of Dr. George C. Cotzias and his colleagues at Brookhaven National Laboratory with L-dopa. Senator CLINTON ANDERSON made two statements, one concerning the use of L-dopa for Parkinson's disease and the other concerning L-dopa and dystonia musculorum deformaris, a neurological disease which affects young people.

Recently Dr. Cotzias was awarded the Albert Lasker Award for his brilliant clinical work with L-dopa. Since the Joint Committee has for a long time been interested in the team efforts at the Brookhaven National Laboratory, I wrote to Dr. Cotzias and congratulated him on behalf of myself and the other members of the Joint Committee. I received a reply from this great, but humble man. This is a real man and a real scientist and a real doctor who puts his faith in the data he records. His great efforts resulted in a true reward for all mankind. He did not sit in his laboratory scanning data others had collected, shaking his head over past failures and then doing nothing. He decided something needed to be done, and did it.

L-Dopa is a newly developed drug which has been developed and used in many clinical cases. It has given miraculous relief to persons suffering from Parkinsons disease.

Dr. Cotzias is not like the pseudoscientists and nonscientists—or to use a descriptive terminology from Orwell's book "1984"—the "unscientists" who run all over the country making strident, sensational charges about the dire results that will befall mankind because of nuclear power reactors and the Plowshare programs. It would certainly be helpful and eliminate the arousing of unnecessary fears if the unlearned would try to establish facts by performing research instead of regurgitating computer runs made on a third party's data.

I would like to place Dr. Cotzia's letter in the RECORD to indicate other areas of Atomic Energy Commission sponsored medical research from which we can expect significant benefits for all mankind. The letter follows:

BROOKHAVEN NATIONAL LABORATORY,
ASSOCIATED UNIVERSITIES, INC.
*Upton, L.I., N.Y., November 24, 1969.*

Hon. CHET HOLIFIELD,
*Chairman, Joint Committee on Atomic Energy, Congress of the United States, Washing, D.C.*

DEAR REPRESENTATIVE HOLIFIELD: My colleagues and I are deeply touched by the warm accolade in your letter of November 17. We thank both you and the members of your Committee.

The results to which you refer constitute the fruition of team work that was continued over many years. Sustaining such labor outside the complex climate provided at Brookhaven by the AEC, would have been impossible.

The main lesson from this is the following: if one wants progress with debilitating diseases, one must couple long-term, in-patient investigations with highly sophisticated laboratory research on animals, their tissues, their cells and even fragments of their cells. Such tedious and frustrating enterprise is never immediately rewarding. If the Brookhaven environment can flourish we cannot help but remain productive. The work that led to tritiated thymidine; studies of the genetic control of hypertension; of extracorporeal irradiation; of the remarkable progress toward a cure of hoof and mouth disease; of the synthesis of the first human protein (insulin), were bought at bargain prices by a small group of incredibly dedicated people here at the Medical Department at Brookhaven.

We are of course elated that our results have been confirmed and that from this thousands of patients have derived, or will derive, benefit and hope. We do not intend, however, to rest on these perishable laurels. As scientists, we accept this success as a mandate to pursue novel investigations in animals and man *with increased urgency.*

Our collective experimence and sophistication combined with, hopefully, increased financial support should further increase our effectiveness. Presently, for instance, we appear to have hit on even more fundamental processes which we are elucidating in animals before we apply them to the therapy of man. Given credits of time and money, we believe that other diseases of the brain will be ameliorated at Brookhaven. I hope you will agree that at this juncture, besides misleading you, false modesty or humility would be inexcusable.

Again, many cordial thanks for your generous letter.

Very sincerely yours,

GEORGE C. COTZIAS, M.D.

## SANDS POINT NAVAL TRAINING DEVICES CENTER

### HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. WOLFF. Mr. Speaker, as you know, many local communities are faced with overcrowded schools—the result of growing populations coupled with the all too frequent problem of lack of available land on which to build schools.

In Port Washington, which is part of the Third Congressional District, which I am proud to represent in Congress, this problem has developed. Recently, however, the General Services Administration announced that a 161-acre tract of Federal property, the former site of the Sands Point Training Devices Center will be available to bidders with the greatest need.

I am concerned with the fact that Port Washington's school system's needs are both immediate and acute.

Recently, Mr. Speaker, I received a unanimous resolution that had been passed by the residents of the affected area regarding this issue. Since I firmly feel that the Federal Government has a responsibility to meet the needs of local communities, especially in the important area of education, I would like to take this opportunity to include this resolution in the RECORD:

Whereas the Port Washington Board of Education last month released a comprehensive public school building program geared to meet the needs of an expanding school population for the next ten years; and

Whereas the key to this plan is the acquisition of 50 acres of free land from the Federal Government, part of the former site of the Sands Point Naval Training Devices Center, declared surplus by the General Services Administration last week; and

Whereas two additional parties, Nassau County and the Sands Point Country Day School, have made known their interest in the entire 161 acre tract, to the exclusion of the requirements of the Port Washington School District; and

Whereas the Port Washington School District is the only applicant combining both public and educational use, and requires only

a small portion of the over-all tract, *not* to the exclusion of the other claimants; and

Whereas petitions bearing the names of over 3,100 Port Washington residents, backing the claim of the School District to 50 acres of this site were presented to all relevant government agencies and officials in Washington, D.C., last week.

Now, therefore, be it resolved, that the Port Washington Democratic Club express its support for the Port Washington School District's claim for this land, and

Be it further resolved that the Club call upon:

1. Nassau County to relinquish their claim to the entire tract in favor of a joint application for shared usage with the Port Washington School District and one another, and

2. Senators Javits and Goodell, Congressman Wolff, Supervisor Meade, and County Executive Nickerson to support the application of the Port Washington School District, and

3. all civic, fraternal, political, and educational organizations in Port Washington to support the application of the Port Washington School District; and

4. the U.S. Department of Health, Education & Welfare and the General Services Administration to act favorably upon the application of the P.W. School District.

## VIEWS OF THE RURAL ELECTRIFICATION LEADERS

## HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. O'KONSKI. Mr. Speaker, the rural electric systems of region V of the National Rural Electric Cooperative Association held their annual meeting at Springfield, Ill., on October 1, 2, and 3, 1969.

The regional meeting was attended by over 500 farm and rural leaders. They represented 116 cooperatives, serving some 386,121 consumers in the States of Illinois, Iowa, and Wisconsin.

Under leave to extend my remarks, I am placing in the RECORD the resolutions adopted during the 3-day meetings. These resolutions reaffirm past views of the rural electrification leaders and reflect their expression of opinion on issues of current concern. It is a pleasure for me to call these significant resolutions to the attention of my colleagues and to commend region V and the National Rural Electric Cooperative Association for the vital role they are playing in our country today.

The resolutions follow:

5–1. REAFFIRMING PAST ACTIONS

Resolved, that we reaffirm our support of those resolutions contained in the document "Continuing Resolutions," distributed to the delegates at this meeting, subject to the following amendments:

Be it further resolved that we amend Continuing resolution No. 7 by substituting therefor the following:

We urge Congress to pass legislation which would prohibit the Atomic Energy Commission from issuing any license for the construction and operation of a nuclear generating station until the applicant therefor has granted to all interested parties, including other electric systems, an opportunity to participate on fair and reasonable terms in the ownership of such station, and has agreed to make the output of electricity from such station available for sale on non-discriminatory terms to all entities engaged in the distribution, transmission or sale of electric energy. We further recommend that REA take cognizance of the increasing role of nuclear generation and be prepared to approve loans for nuclear generating units where they are required to provide lowest-cost wholesale energy.

Be it further resolved, that Region V of the NRECA recommend that the Atomic Energy Commission continue to regulate, supervise and license nuclear generating stations as a nation-wide expert on behalf of all the citizens of the United States and that the several states refrain from attempting to impose duplicating regulation without the benefit of the expert experience of the Atomic Energy Commission.

5–2. LOAN FUNDS AND THE ECONOMY

Resolved, that we, the delegates of Region V:

1. Commend the President for his concern and efforts to control inflation.

2. Respectfully urge the Administration and the Congress to be cognizant of the continuing urgent needs of the rural electrification program.

3. Recognize the need for restraint in spending, but we believe it is self-evident that it is not in the national interest to financially starve the rural electric co-ops and jeopardize their ability to meet the growing demands of their member-consumers.

4. Urge the President, the Secretary of Agriculture, the Administrator of REA, and other officials to not impose additional cuts on an REA loan program that is already inadequate to meet the need for capital funds; and we further urge support for a supplemental appropriation to meet loan fund needs of the rural electrics and lower the record-high backlog of loan applications.

5. Urge the Bureau of Budget to promptly release REA loan funds appropriated by the Congress.

Be it further resolved, that we urge all possible action by the Administration and the Congress to lower the record-high level of interest rates, which add fuel to the inflationary spiral and cause financial hardship to farmers, the aged, and others, and severely restrict the construction of badly needed housing.

5–3. CFC MEMBERSHIP

Whereas, the National Rural Utilities Cooperative Finance Corporation was established as a self-help financing institution to provide funds to supplement the annual Congressional appropriation for the REA two percent interest loan program; and

Whereas, more than 500 rural electric systems have shown their support of the National Rural Utilities Cooperative Finance Corporation by qualifying as Founding Members; and

Whereas, eighty-five rural electrics in Region V have so qualified:

Now, therefore, be it resolved, that all rural electric systems in Region V are urged to apply for membership in CFC.

5–4. CO-OP PROVISION IN TAX BILL

Whereas, the House of Representatives of the U.S. Congress has passed tax legislation (H.R. 13270, Tax Reform Act of 1969) which contains provisions of a punitive nature against our fellow cooperatives; and

Whereas, this provision would not result in increased tax revenues for the federal government, but would hamper cooperatives in their efforts to maintain adequate capital for necessary improvements; and

Whereas, this provision would have a detrimental effect on our efforts to establish a cooperative financing institution to provide badly needed supplemental capital:

Now, therefore, be it resolved, that we oppose this portion of the pending tax legislation (Section 531).

5–5. INVESTMENT TAX CREDIT

Whereas, we recognize there is a basic difference in the need for continuation of the investment tax credit as between farmers and rural small business on the one hand and on the other the regulated utilities whose rates are established to cover costs:

Now, therefore, be it resolved that we urge the Senate to reinsert into the tax bill the investment tax credit provision as applicable to farmers and rural businesses.

5–6. FARM INCOME AND UNITY

Whereas, the prices received by farmers for their products have for a number of years failed to keep pace with the prices of goods and services which farmers must buy; and

Whereas, the number of farms and the farm population continue to decline, bringing about an inevitable decrease in farmer-oriented representation in the U.S. Congress and increased difficulty in securing Congressional understanding and passage of legislation of benefit to farmers and our present system of family-type agriculture; and

Whereas, during the past few years, a number of general farm organizations and commodity groups have been meeting in an effort to achieve a degree of unity on agricultural policy; and

Whereas, the present situation of low farm income and decreasing number of farm families is eroding the rural economy, thus affecting the operations of the rural electric systems; and

Whereas, rural electric systems and their national association, NRECA, having no vested interest in any of the general farm organizations or commodity groups and their policy positions, have a great potential for providing leadership in efforts to achieve unity in agriculture:

Now, therefore, be it resolved that NRECA encourage, support, participate in and, where appropriate, initiate efforts to find common ground of agreement among the membership of the various organizations in American agriculture for the purpose of developing national farm and rural policy which will benefit family-type farmers and strengthen rural communities, and which will be practical, politically realistic and generally agreed upon among farmers and their friends; and

Be it further resolved, that where possible and appropriate, we help to present the position of the farmer to the consuming public in order to achieve a greater understanding among urban consumers of their stake in national farm policy which will permit our present system of family-farm agriculture to prosper and continue to serve the good of the entire nation.

5–7. RURAL UBRAN BALANCE

Whereas, the future health and prosperity of the Nation depends upon the solution of the imbalance between rural and urban America. There can be no lasting solution unless social and economic opportunities in rural America are sufficient to stop and reverse the outmigration to the cities; and

Whereas, America's rural electric systems are prepared to contribute to the maximum extent possible manpower, know-how, and leadership in correcting the critical rural-urban imbalance:

Now, therefore, be it resolved that the Administration and the Congress give the solution to this grave domestic problem the highest priority; and

Be it further resolved, that we actively and aggressively support legislative and administrative rural development efforts, including:

1. Programs designed to provide new job opportunities including incentives for rural industrial development; vitally needed community facilities of all kinds; modern housing, and technical assistance.

2. Appointment by the President of a coordinator for rural community development on the White House staff to be charged with developing maximum cooperation and coordination among the several government

Departments and Agencies which now administer the multiplicity of programs that affect rural development.

3. Restructuring of the Federal machinery which has responsibilities for developing programs to insure maximum coordination within Departments and between Departments.

4. Continued efforts to develop and foster a national housing campaign as previously approved by the membership.

5. Removal of present restrictions and limitations which prevent the Farmers Home Administration from providing a level of home financing that realistically meets the needs of rural people.

6. Adequate funds in the form of loans and grants to enable public water supply districts and municipalities in rural areas to construct and extend water systems so that rural communities and farm areas may have services comparable to those available to urban residents.

5–8. ENVIRONMENTAL CONTROL

Whereas, population growth and increasing industrialization are placing, with every passing year, a heavier demand on our nation's natural resources, including land, water and the air we breathe; and

Whereas, public attention is being increasingly focused on the resulting problems of water and air pollution, the overcrowding of existing recreational areas and the disappearance of open land suitable for developing additional recreational areas, especially in the vicinity of our large metropolitan centers; and

Whereas, there is great need for a balanced and practical national policy in regard to environmental protection which gives due consideration to economic as well as environmental factors; and

Whereas, it is the responsibility of rural electric systems and the other segments of the electric utility industry to participate in the development and promotion of a balanced national policy in this important area;

Now, therefore, be it resolved, that we endorse the establishment, as directed by the NRECA Board, of a Subcommittee of the NRECA Standing Committee on Power and Water Resources to study the various aspects of the environmental control problem, and we pledge our assistance to that Subcommittee in the execution of this important assignment; and

Be it further resolved, that we commend the NRECA Board for authorizing the NRECA General Manager to work with other electric industry leaders as appropriate in developing effective solutions to the problems of environmental control and in other areas of mutual concern; and

Be it further resolved, that we urge Congress and the Administration to institute appropriate research and action programs to deal effectively with the growing problems of pollution and environmental control, including specifically programs to reclaim and reuse the waste products of our society.

5–9. MOBILE AND PREFABRICATED HOMES

Whereas, there is a strong trend to increasing use of mobile and prefabricated homes for year-round living, providing additional opportunities for electric service; and

Whereas, many problems are arising both for the home-owner and for NRECA member systems in the areas of safety, economics, standards and financing;

Now, therefore, be it resolved, that NRECA in cooperation with statewides and manufacturers develop a proposal which the member systems might consider for dealing with the mobile and prefabricated home problems and opportunities.

5–10. YANKEE-DIXIE

Resolved, that we reaffirm our support of the Yankee-Dixie project and urge all systems to support this endeavor.

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5–12. CO-OP MUNICIPAL COOPERATION

Whereas, rural electric cooperatives and municipal electric systems have numerous common characteristics and share many common problems;

Now, therefore, be it resolved, that rural electric cooperatives be urged to explore the possibilities of gaining strength in the wholesale power area by working together with municipal electric systems.

5–13. ACTION COMMITTEE FOR RURAL ELECTRIFICATION (ACRE)

Whereas, the rural electrification program is dependent upon public acceptance and legislative support; and

Whereas, the rural areas have experienced a decline in the number and strength of elected officials interested in rural-oriented legislation:

Now, therefore, be it resolved, that we support the Action Committee for Rural Electrification (ACRE) as a voluntary vehicle through which we as individuals can promote the interest of the rural electrification program by helping our friends in state and national office;

Be it further resolved that we urge all directors, employees and members of rural electrics to participate as individuals in our political processes.

5–14. NATIONAL CONFERENCE ON FOOD, NUTRITION AND HEALTH

Whereas, we believe that in a country with such resources as ours, every citizen should be assured an adequate, nutritious diet; that we should, indeed, be a "well-fed" nation; and

Whereas, President Nixon is planning a national Conference on Food, Nutrition and Health for the purpose of producing a national commitment to a nutritional policy which will be applicable to every economic level, with particular cognizance of the food and nutrition problems of the poor; and

Whereas, NRECA, because of the social concern of its members, has been asked to participate in the planning of this conference and in the formulating of voluntary action programs;

Now, therefore, be it resolved that the managers, directors and members of Region V be urged to participate in the national campaign to give community visibility to, and to generate electorate awareness of, the Conference recommendations during 1970.

Be it further resolved that a copy of this resolution be forwarded to Dr. Jean Mayer, Special Consultant to the President.

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## ABORTION AND POPULATION CONTROL

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## HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mrs. CHISHOLM. Mr. Speaker, yesterday I gave the following speech before the Senate Committee on Labor and Public Welfare's Subcommittee on Health as part of their hearings on population control.

I am including these remarks in the CONGRESSIONAL RECORD to serve as a reference for any of the Members or private citizens who might be interested in the issue:

STATEMENT BY MRS. CHISHOLM

For quite some time now I have been an ardent advocate of family planning. It seems to me quite obvious that whenever it is possible to do so, the limitation of the number of births should be accomplished by the utilization of contraceptive devices as a desirable method.

However, it is apparent that based on population growth statistics and the writings of many eminent demographers and scientists that the issue of overpopulation has become a most pressing one. A number of writers predict that as early as 1990 we will witness world famines whose primary cause will be linked directly to population growth.

Lawrence Lader, now executive director of the national association to repeal abortion laws has written that "Beyond the problem of economics and food supply, the brutal reality is that the world will eventually run out of space to hold a population that keeps doubling at the present rate. General Eisenhower, an *opponent* of family planning aid during his Presidency, has this to say today: '. . . since the Earth is finite in area and physical resources, it is clear that unless something is done to bring an essential equilibrium between human requirements and available supply, there is going to be in some regions not only a series of explosions but a lowering of standards for all people, including our own.' "

I am equally aware that there are many political, legal, social, moral and economic issues involved in Government-sponsored birth control programs and policies and that there have and will appear before this committee eminently more qualified and adept people than I to discuss those issues.

Therefore, I will address myself solely to some of those issues that surround the most widely used method of birth control in the world today—abortion.

Alice S. Rossi, in an excellent article in the July-August 1969 issue of *Dissent* made this most cogent comment about the word "abortion":

"Free associations to the word "abortion" would probably yield a fantastic array of emotional responses: pain, relief, murder, crime, fear, freedom, genocide, guilt, sin. Which of these associations people have no doubt reflects their age, marital status, religion or nationality. To a forty-four-year-old Japanese or Hungarian woman, the primary response might be "freedom" and "relief"; to an unmarried American college girl, "fear" and "pain"; to a Catholic priest, "murder" and "sin"; to some black militants, "genocide".

There are many ways to avoid the negative associations and connotations that surround the word. We could, for example, borrow the term advanced by the British when they recently rewrote their laws—"pregnancy termination".

I believe that that would get us closer to the heart of the issue but it would still not be close enough.

Not close enough because the basic issue—and the only real alternatives *for* the pregnant woman who does not want the child—is abortion or compulsory pregnancy. If we view the issue in this perspective we are at what one might call "ground zero".

Does our Government or any other government have the right by which to force a woman to have a child that she does not want? In Hungary, Gyorgy Peters, the chief government statistician, has answered (presumably with backing from higher officials) with an emphatic "no!" He reportedly has said "the introduction of regulations with which the state would interfere with the freedom of the parents contradicts our political and moral concepts." What then must we, as representatives of a democracy, answer to the question?

The majority of family planning advocates would be aghast if our Government were to suggest laws *requiring* the use of any contraceptive, or, as in a recent case in California, legal sterilization.

Yet it has been Government policy in this country that compels pregnant women to carry a full-term pregnancy, often against the wishes of both parents.

Dr. Garrett Hardin has, perhaps rightly, equated this situation with compulsory servitude and has said "when we recognize that

these (abortion or compulsory pregnancy) are the real operational alternatives (for the pregnant woman), the false problems created by the pseudo-alternatives disappear."

Gentlemen, if I may, I would like to now discuss some of the statistics that are pertinent to this number one method of birth control.

One: The safest method of contraception now known, if one excepts total abstinence, is supposedly the pill. But certain statistics show that even when the pill is used properly there is a failure rate of approximately one percent. Consequently, if all fertile women in the United States were using this method of contraception properly there would still be some 250,000 unwanted births.

Two: At present there are approximately 245,000 babies born illegitimately in the United States each year.

We cannot say definitely that all of the illegitimate children born each year are either unplanned or unwanted but what is clear from a comparison with the first statistic is that the same number of births, patently unwanted, would be with us each year even if information and dispensing services about the pill (or any other method) were working at the optimum level.

It is further clear that with the present laws and policies in effect, at that point we would indeed be compelling pregnancy even though the woman had attempted everything within her power, except total abstinence to prevent the pregnancy.

Shall we take another look at the illegitimacy statistic? About 41 percent of the illegitimate births are to young girls under 19 years of age. What happens to these young ladies and their children?

Society's attitude seems to be "you've had your pleasure now pay the price!" which is more immoral, granting an individual, basic right or forcing a young girl—some as young as 14 or 15—to assume the responsibilities of an adult without the privileges, rights and the opportunities? What are we doing to the mother? What are we doing to the unborn child?

There is also the fact that if a white girl gives up her child for adoption there is a good possibility that the child will be adopted. This is not the case for black and other minority-group children. When they are given up they spend most of their childhood in orphanages, public institutions and foster homes. This is, I believe, one of the prime reasons that so many black girls choose to keep their babies.

That is only a small part of the moral cost that we pay for maintaining our present attitudes. There is another reason that might appeal to you gentlemen more.

Compulsory pregnancy costs money. For a moment I would like to continue to concentrate on the illegitimacy statistic.

The number of illegitimate children on AFDC has been rising steadily. As of 1967 there were 1,100,000 on AFDC. That was 28 per cent of all children on the rolls. About ¼ to ⅓ of all illegitimate children under 18 (and in 1967 there were 4.5 million) are on the AFDC rolls. There are at present over 70,000 unwed mothers receiving aid for dependent children.

The AFDC payments range from $10.55 per recipient in Mississippi to $64.65 in New Jersey. The national average per recipient is $44.30, for the District of Columia it is $42.40. Think about it, gentlemen, the total amount paid out for these children is about $48,730,000 a year and unmarried mothers are the ones who find it most difficult to get off the Public Assistance rolls.

I have talked a great deal about illegitimacy today. I have done it purposefully because people tend to be squeamish and don't want to generally discuss the matter. I think we must discuss it and many more of the subjects that surround the abortion issue and come to grips with them. I do not believe in either sugarcoating or hiding the issues.

I would like to make one final point about illegitimacy for those of you who might be thinking about the immorality of women receiving AFDC. As I understand it, the largest increase in the AFDC rolls is coming not from those women who are now receiving public assistance but from those women who find that AFDC is the only answer to the problem of compulsory pregnancy that they face.

Before you condemn their immorality consider that there is two sides to the coin and that the government policy that we as elected officials represent is the other side of it.

Three: one can hardly discuss the issue of abortion by pointing out the inadequacy of the pill or the number of illegitimate births while ignoring legitimate but unwanted births.

A recent survey by Dr. Charles Westoff of Princeton University's office of population research reveals that 22 percent of all legitimate births in the United States are unwanted by either the husband or the wife. This in-depth study also revealed that of all economic groups the poor were most anxious about this issue. Among the poor (as classified by the social security standards) 42 per cent of all legitimate births were unwanted. The principal reason seems to be either financial or financially related e.g., crowded housing.

The plethora of studies, committees and commissions on poverty and its causes have shown beyond a doubt that there is a very high correlation between family size and the ability of the family to break the poverty cycle. The risk of poverty increases rapidly from 9% for one-child families to 42% for families with six or more children. Nearly half of the children growing up in poverty in 1966 were members of families with five children or more under 18; more than ¼ of all families with four or more children live in poverty; the risk of poverty is two and one half times that for families with three children or less.

I do not want you to think however that I am asking you to consider this aspect of family planning solely as an element of what was known as the "war on poverty". If this were the sole reason, we would indeed be waging a full scale war on the poor themselves.

No, I am suggesting that we move away from the concept of a class-oriented family planning policy. I am asking that all of those family planning services available to the middle-class, rich and white be made available and accessible to the poor, black and brown. The primary one which is not available at present, under safe and sanitary conditions, is pregnancy termination; and abortion is, as I noted, the number one method of birth control.

Why do I say that this service is not equally available, under safe and sanitary conditions, for at least minority-group poor women? In New York City, for example, well over 90% of all therapeutic abortions are performed on white women, according to the association for the study of abortion.

In January of this year an article in the *Scientific American* estimated that the ratio of therapeutic abortions per 1000 deliveries in this country was 2.6 for white women, .5 for black women and .1 for Puerto-Rican women.

One must also note that in New York City from 1960–1962 the abortion ratio in municipal hospitals was only .1 per 1000 live births. Plainly and simply, this shows that legal abortions are not readily available to the minority-group poor, in New York City at least.

There is also the financial burden that even legal abortion can and does impose. The cost of a legal abortion, mainly because the uneven laws that now govern, may cost from $500 to $1,000. The fees vary from doctor to doctor, and from State to State, but average cost with hospital expenses could well be somewhere between $500 and $700. It is obvious that none of the poor can afford this luxurious method of birth control.

But nevertheless they are the ones who most often find themselves in crucial need of it. They, of course, seek out the illegal abortionist or attempt to do it themselves. The financial cost may be as low as $30, or the average cost of a year's supply of the pill.

But it is the other cost, the human cost, that is horrifying to contemplate. Edwin Gold's study estimates that of the deaths of women related to maternity in New York City, abortion was the cause of death for only 25% of the white women while it caused 49% of the deaths of non-white women and 56% of the deaths of Puerto-Rican women.

This is at least a part of my answer to those who say that family planning is a form of genocide. What could be more like genocide than what a comparison of these statistics I just gave you portray?

Further, in 1966, Dr. Carl Goldmark, Jr., president of the New York County Medical Society, estimated that about 80% of all maternal deaths were the result of criminal abortions.

But gentlemen, let us come a bit closer to home, to Washington, that showplace of the Nation. What is the situation here?

Well, Dr. Milan Vuitch, who was the central figure in Judge Gessell's recent ruling on the District's compulsory pregnancy law, estimates that more than 20,000 abortions a year are performed in the greater Washington area. He further estimates that only 25% of them are performed in hospitals. That means that there are more than 15,000 illegal abortions performed in or near Washington.

The municipal hospitals in the District have the same anti-black, anti-poor policies in effect that I find in the New York City hospitals. D.C. General, for instance, reports 80 therapeutic abortions for last year. That is roughly .016% for the legal abortions in the greater Washington area. That figure has even more impact, I believe, when one realizes that it is only .004% of the total abortions performed, both legally and illegally, in this area.

The impact multiplies dramatically when we consider that D.C. General also reports between 800 and 1,000 incomplete abortions. Incomplete means that the abortion was induced, either by drugs, instrument or naturally, but that it did not complete naturally . . . therefore it must be completed by a physician.

In short, they expended 10 to 12 times more effort on repairing botched, non-professional surgery than they did on performing medically safe, professional surgery. That is nothing short of complete absurdity. Botched abortions are the single largest cause of maternal deaths in the United States and it is evidently going to be Government policy to keep it that way.

There are no clear statistics on exactly how many illegal abortions there are each year in this country. Estimates range from as low as 200,000 to 1.5 million. One thing that is clear however is that if we repealed our compulsory pregnancy laws the incidents would be reduced.

There are many statistics from other countries that support my contention. But in the interest of saving time let me quote instead from an article about the new British law that appeared in the Washington Post in June of last year.

"Some doctors contend the only value of the bill is to prevent the harm done by secret abortionists. They say Hungary allows abortions for anyone who wants one, and illegal operations have reportedly faded away. Czechoslovakia has a 'social clause' similar to Britain and clandestine abortions have dropped to 4,000 a year instead of 100,000."

May I point out that if there are now 1,500,000 illegal abortions in this country, a drop of the same percentage would reduce the number of illegal operations performed to about 30,000; that is only about twice as many as are now performed in the District of Columbia alone.

Gentlemen, let us look briefly at some of the countries where the compulsory pregnancy laws have been weakened or, if you prefer, where abortion laws have been liberalized:

Experience in Sweden and Denmark have shown that as legal abortions increased the death rate associated with it decreased.

In 1967 in Hungary there were 187,000 legal abortions as against 148,900 live births. Similarly Czechoslovakia's birthrate has been reduced but not as drastically as Hungary's.

Romania, after substituting a more restrictive law in 1966, discovered that their birth rate almost tripled in one year, the previous rate being 13.7 per 1,000.

It would seem that the absence of compulsory pregnancy laws alone can contribute a great deal to the control of the population growth, especially when one considers that at least the eastern bloc countries mentioned do not widely practice the more modern methods of contraception.

Of course no discussion of abortion would be complete without discussing the politically volatile issue of religious and moral concepts.

Since we are already outside of the country, let's stay there momentarily to quickly inspect the abortion rates of a few countries with large Catholic populations:

The illegal abortion rate in Uruguay is almost two and one-half times the number of annual live births.

In Roman Catholic Chile, 27 percent of the women reported that they had had abortions at one time or another.

In Roman Catholic France, the annual number of abortions equals the annual number of live births.

Coming back to this country we find that in a poll conducted in 1967, no less than 72 percent of the Catholics polled favored abortion reform, as did 83 percent of the Protestants and 98 percent of the Jewish.

No lesser a Catholic luminary than Cardinal Cushing of Boston was quoted as having said "It does not seem reasonable to me to forbid in civil law a practice that can be considered a matter of private morality."

He was of course speaking of the less traditional methods of birth control, contraceptives, but it is my belief that logical extension to abortion is now in order. That is especially true if he did, in fact, mean "A practice that can be considered a matter of private morality."

Outlawing compulsory pregnancy laws, which some of you might still prefer to call legalizing abortion, would not be forcing any doctor or hospital to perform abortions against their beliefs. By outlawing these laws we would instead be honoring the basic and individual right of a woman to terminate an unwanted pregnancy.

There are literally reams of other statistics that I might present to you gentlemen today in support of the repeal of the present compulsory pregnancy laws. However, time will not allow me to nor am I sure that it would accomplish more than muddying up the waters.

The basic underlying question in any discussion of compulsory pregnancy laws (which I choose to use rather than the term abortion laws) is what should a woman who is pregnant against *her* will do and what should the professional and public response toward her be if she chooses to terminate the pregnancy?

If the underlying thesis of family planning is to reduce even the number of wanted pregnancies, is it not illogical then to continue to force women with unwanted pregnancies to have the child? I think that it is!

## FEAR OF A BLOODBATH

## HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. FRASER. Mr. Speaker, in his November 3 speech, President Nixon said:

For the South Vietnamese, our precipitate withdrawal would inevitably allow the Communists to repeat the massacres which followed their takeover in the North 15 years before.

Douglas Pike is quoted in the Washington Post of December 7 in support of the President's view.

I include in the RECORD three other articles which consider the likelihood of a bloodbath in postwar South Vietnam. The Tran Van Dinh article especially indicates that new policies can lessen the possibility of a postwar massacre by either side.

Mr. Speaker, there is today a bloodbath in Vietnam. Our aim should be to bring it to an end by effective negotiation, by broadening the base of the South Vietnamese Government, through a creative aid program for postwar Vietnam, and if necessary, by providing asylum for those who want to leave Vietnam.

The articles follow:

[From the Washington Post, Dec. 7, 1969]

HUE SLAYINGS SEEN PATTERN IF FOE WINS

HONG KONG.—The massacre in Hue during the 24 days Communist troops occupied the city in February, 1968, was a three-phase operation, according to a U.S. authority on the Vietcong.

Douglas Pike, a Foreign Service officer whose book, "Vietcong," is generally regarded as the definitive text on the "guerrillas" organization, spent a week in Hue last month researching the mass slayings and concluded that as many as 5,800 Hue citizens may have been executed.

Pike, now stationed with the U.S. Information Service in Tokyo, is preparing a report on his findings. During a visit here, he said the massacre in Vietnam's old imperial capital "was quite impersonal."

AGAINST GROUPS

"It was not a blacklist of individuals but a blacklist of titles and positions in the old society," he said. "It was directed not against people, but against 'social units'—religious organizations, political parties and social movements like women's and youth associations."

Pike said that Phase I of the Communist campaign against Hue's civilians occurred during the first few days of the occupation, when the Vietcong did not expect to stay but wished to make an example and "break the enemy's administrative structure."

"Civilian cadres," Pike said, "accompanied by firing squads, executed key individuals to weaken governmental administration following Communist withdrawal. This was the blacklist period, the time of the drum-head court.

"Cadres with clipboards bearing lists of names and addresses summoned various 'enemies of the revolution' to kangaroo courts. Public trials usually lasted about 10 minutes, and there were no known not-guilty verdicts. Punishment, invariably execution, was meted out immediately."

"RECONSTRUCTION"

Phase II was the period of "social reconstruction." It occurred during the few days the Communist cadres believed they were permanently in Hue.

In order to "build a new social order, it was necessary to purge the old order." The "social negatives" were eliminated. Anyone who might stand in the way of the Communists' consolidating their hold and imposing their own rules was killed.

Phase III, however, was the worst. During the last week of their stay, the Communists knew they would be forced to withdraw. They were determined to leave no witnesses who might testify against them or identify the 150 clandestine Communist cadres who had "surfaced" to rule Hue.

"Most victims were killed in batches during this period. At the sand dune grave they were tied together in groups of 10 and cut down with submachine guns," Pike said.

By Pike's count, 5,800 of Hue's civilians are dead or missing, while 1,800 were hospitalized. Of approximately 75,000 persons in the city during the Communists' rule, 7,600 became casualties. Allowing wide latitude for casualties in the battle for the city, at least 5 per cent and possibly closer to 10 cent of the population were deliberately slain, he estimates.

He believes the Hue massacres were different from other Vietcong terrorism, "not only in degree but in kind." It was not the quick terror used to build Vietcong morale or to frighten the populace but the slow, intensifying terror intended to create the basis of a new government.

To Pike the lesson of Hue is clear: "If the Communists win decisively, all foreigners would be expelled from the South, particularly hundreds of newsmen. A curtain of ignorance would descend. Then the night of the long knives would begin."

[From the New Republic, Dec. 6, 1969]

THE FATE OF "OUR" VIETNAMESE AFTER WITHDRAWAL—FEAR OF A BLOODBATH

(By Tran Van Dinh)

The possibility of a "bloodbath" in South Vietnam if US troops were to swiftly withdraw has been worrying both "hawks" and "doves." But the Vietnamese likely to be the most affected by a change of regime in Saigon, or by a Communist take-over—the wealthy and powerful—do not talk much about it: they have been getting ready ever since the Tet offensive of 1968, which brought the war into their cities and their air-conditioned living rooms. A quiet exodus began, mostly to France. The price of exodus is not cheap. An exit visa costs as much as $5000; a "certificate of French citizenship" costs about $2000; illegal border crossings into Cambodia cost anywhere from $800 to $4000.

Money has been deposited in European banks. According to Allessandro Cassella of Die Weltwoche of Zurich a total of between $1.5 and $2 billion has left Vietnam in this way. According to the same journalist, President Nguyen Van Thieu has found a home for his children in Rome (where his brother is ambassador), and his wife has just purchased a house in Europe. He estimates that of 1600 Vietnamese who are legally leaving this country each month, half do not return, which means that approximately 10,000 have emigrated since the negotiations started in Paris. My own estimates are a bit higher. Those who cannot afford or who do not wish to leave, have gone through a well-planned process of accommodation with the "other side," an accommodation that reaches the highest echelons of the government. Huynh Van Trong, special assistant to President

Thieu, was arrested in July this year with 42 others on charges of having contacts with the Vietcong. They were scheduled for trial November 28. On the provincial level, as Henry A. Kissinger has noted, "tacit accommodations are not unusual in many areas such as the Mekong Delta" (Foreign Affairs, January 1969). One wonders who will be left among the prospective victims.

The here-and-now bloodbath is real, however. For the majority of Vietnamese, poor peasants in the defoliated countryside and destitute workers in the city slums, it is what they have been witnessing a long time: the search and destroy missions; the "free zone" strikes; the B52 saturation bombings; the Phoenix operation (which from December 1967 to December 1968 killed 18,393 civilian Vietcong cadres); the Song My ("Pinkville") type of breakfast massacre in which an American infantry unit allegedly shot down some hundreds of men, women and children in a captured village in the early morning of March 16, 1968; the atrocities regularly described in national magazines (Esquire, Look, The New Yorker). To talk about a future massacre against this present background is ironic, to say the least.

For me, a Vietnamese, to discuss this problem is to admit the US has a role to play in the internal affairs of Vietnam after the war. I ask myself if earlier Americans would have been impressed by the reprisal argument, if it had been raised by the British before they left American shores after the War of Independence? Would it have carried much weight if, during the Civil War, a European country had intervened on behalf of either the North or the South, and then refused to leave on the grounds that withdrawal would leave the people of the North (or the South) at the mercy of aggressors?

Nonetheless, the question needs to be discussed, if only because it is raised by many Americans whose compassion for the Vietnamese people and whose opposition to the war I do not doubt. But in doing so, we must examine two underlying myths: the first is that the "Orientals put little value on life and take killing very lightly"; the second is that reprisals are the monopoly of the Communists, whereas anti-Communists are less vengeful. The first is easily dispelled by a reading of Western history: the religious wars, the Inquisition, the lynchings, the World Wars, the American Indian and Civil Wars, Hitler's "final settlement." Anyone who has spent time in Vietnam realizes that the peasant esteems life very highly. The Oriental is no more brutal, no more casual about death than is the Occidental, irrespective of politics. Since 1945, Vietnam has gone through a revolution and revolutions are always bloody, but the blood is on all hands. Mr. Kissinger recognized this when he wrote: "It is beyond imagination that parties that have been murdering and betraying each other for 25 years could work together as a team giving joint instructions to the entire country." The French, whom the U.S. helped to fight against the Viet Minh during the first Indochinese War, murdered a large number of Vietnamese nationalists and Communists alike, in both the North and the South. In November, 1945, French artillery fire and air bombardment killed 6000 fleeing Vietnamese civilians at Haiphong. The brief Japanese occupation of Vietnam was also bloody.

Many Americans believe that the Vietnamese Catholics will be the sure victims of future reprisals. Thus, President Nixon in his address on November 3 mentioned the "million-and-a-half Catholic refugees who fled to South Vietnam when the Communists took over the North." The President's statistics were inflated. According to *Vietnam Past and Present* published in Saigon in 1956 under the patronage of the South Vietnam Department of Education and the National Commission for UNESCO (p. 374) and written by Mr. Thai Van Kiem, a Vietnamese diplomat and scholar, the total number of refugees was: 887,895 of whom 85 percent or 754,710 were Catholics.

Also, some 100,000 Vietnamese left the South for the North in 1954, several thousands of whom were Catholic. There are now about 800,000 Catholics in North Vietnam. There are Catholics in the leadership of the National Liberation Front. Those who predict the wholesale murder of Catholics by Communists sound more Catholic (and more anti-Communist) than the most anti-Communist Catholic leader in South Vietnam, Father Hoang Quynh. During the First Indochinese War, Father Hoang Quynh led a guerrilla army against the Viet Minh, and in 1954 he moved south with his faithful. Recently, he said: "If the Communists come, we will try and live and adapt here." (*Newsweek* November 24, 1969). In the last three years, he has worked out a close relationship with Venerable Tich Tri Quang, the militant Buddhist leader whom some in the US consider pro-Communist. Father Hoang Quynh knows very well that security lies in close association with your own people, not with a foreign army. In a communique on January 8, 1968, the Conference of Bishops in Vietnam appealed to "the goodwill of the government of both South and North Vietnam to build peace together: in the name of the Lord, we cry Stop." In early November this year, 93 prominent Vietnamese Catholics from France, West Germany, Canada and in Vietnam called for the immediate withdrawal of US troops. Among the signers of this appeal was Colonel Nguyen Van Chau, for several years (1957-1962) Director of Psychological Warfare of the ARVN (Army of the Republic of South Vietnam). (The colonel recently sent a letter supporting the October and November Moratoriums in the US.)

In recent months Saigon has given wide publicity to "mass executions and mass graves" in Hue, digging up bodies for the press and photographers. Yet, Colonel Ton That Khien, chief of Quang Ngai province ("Pinkville"), where the March 16, 1968 massacre of Vietnamese women and children took place, refused to dig up the bodies of the victims, saying that "they are old bodies" (*Evening Star,* November 17, 1969).

Why are the Hue bodies new and the Quang Ngai old, when they were buried at the same time? President Nixon said: "We saw the prelude of what would happen in South Vietnam when the Communists entered the city of Hue last year. During their brief rule there, there was a bloody reign of terror in which 3000 civilians were clubbed, shot to death and buried in mass graves." I was touched by the President's mention of Hue, my home town. The 1968 Tet offensive took two victims in my own family: my younger brother, a noncommissioned officer in the ARVN and a published poet, and my nephew. They were both killed not by the Vietcong but by American bombings. They were buried in a temporary grave for the reason that Hue was under siege; nobody could get out of the area to buy a coffin for decent burial. The first news I received from an official Saigon source was that my relatives were killed by the Vietcong. Only much later, when I got word from my own family, did I learn that they had been killed by the bombings. What happened in Hue is told in an account that appeared in *The Christian Century* of November 5, 1969. The author, Len E. Ackland, now a graduate student at the Johns Hopkins School of Advanced International Studies, worked and lived in Hue in 1967. He returned there after the Tet offensive of 1968 to interview the people (he speaks Vietnamese). He wrote: "When on the first day of the attack, about 20 Vietcong entered Gia Hoi (a precinct of 25,000 residents in Hue) in order to secure the area, they carried with them a list of those who were to be killed immediately as 'enemies of the people.' According to Le Ngan, director of Hue's special police, the list consisted of five names, all those of officers of special police." The Catholic priest in Gia Hoi told him that "none of his clergy or parishioners were harmed by the NLF."

When the 1968 Tet offensive started, I suggested to an acquaintance of mine whom I thought was close to the Saigon policy makers, that Hue should be declared an open city as was Rome during the Second World War, and for the same reasons. Had that been done, the loss in lives, the damage to historical sites and treasures would have been minimized. Instead of which, the ARVN (which disappeared at the first Vietcong shot) returned in force with the US Marines and planes to "destroy the city in order to save it." Hue authorities never explained why they failed to protect the people. Nor did they reveal the number of people killed by American bombings and artillery.

Few know the Vietcong better than Tran Van Dac, a Vietcong colonel who defected last year. In an interview published by the Joint US Public Affairs Office in Saigon, Tran Van Dac said: "If the Vietcong took over, they would send military officers and former civil servants to concentration camps to be reeducated, in some cases to hard labor until they become submissive. And of course, all those whose social class or former position makes them objects of suspicion would be carefully watched by the authorities. To me, the people of Vietnam and especially the peasants who have been militarily and politically trained in the last two decades by the revolutionaries would not be easily terrorized. They are tougher and much more sophisticated than their apparent apathy seems to indicate. In 1956, two years after the prestigious victory at Dien Bien Phu and the immense popularity of the late President Ho Chi Minh, the peasants in Nghe An, Ho Chi Minh's home province, revolted against the excesses of land reforms. President Ho Chi Minh admitted the mistakes publicly and took over the Secretary Generalship of the party to correct them."

If the reason for continuing the US military presence in South Vietnam is to prevent a bloodbath, then the logical thing to aim for, right now is a broad-based Saigon regime that includes Buddhists, whose nonviolent position has been always clear and consistent, the peace-minded generals such as Duong Van Minh (Big Minh) or Tran Van Don. That would be a negotiating government. The Thieu-Ky-Khiem regime is not only an obstacle to negotiations, but polarizes the situation among non-Communist elements as well. "Vietnamization," which attempts to consolidate Thieu's regime, simply increases the likelihood of reprisals.

Those who fear a Vietcong bloodbath ought to consider other possibilities too. What will happen, for example, to thousands of political prisoners (among them Truong Dinh Dzu, the runner-up in the 1967 elections and now condemned to five years at hard labor), if there is no negotiated settlement? Judging from many threats directed against the neutralists and the peace-minded by the Saigon regime, they would be liquidated by Thieu and his friends the day those leaders decided to quit the country. Thieu has already launched a campaign against his political opponents, accusing them of being Communists.

Or consider this: Senator Cranston (D, California), *Newsweek* and *Time* has referred to a Pentagon "contingency plan" to fight the South Vietnamese Army, should negotiations fail. This is not as absurd as it may seem. Anti-American feelings in the South have risen since the Paris talks. The "Vietnamization" program has brought into positions of command young ARVN officers, who, unlike the generals, have never been associated with the French army. They are products of the South Vietnamese military

schools since 1954. They are now part of an anti-Communist army, but they are not anti-nationalist; they know what is going on among their leaders, the corruption and the ineffectiveness. I know of several cases where officers of the ARVN have been demoted because of their close connection with their American advisers. General Ky himself has tried to exploit this anti-American sentiment among young officers. More than once, he has said that if he had to choose again, he "would be on the side of Ho Chi Minh." The young majors and captains do not have money in foreign banks, they are not going to leave en masse after the Americans go home. But to stay with their people, they either have to find the way to accommodate with the "other side," or prove by their actions that they are as patriotic as the Vietcong. The best proof might be to fight the US "residual force." In June of this year, two US military police who had rushed to a bar in response to complaints that a drunken US soldier was making trouble were shot to death by Colonel Nguyen Viet Can, commander of the Vietnamese airborne battalion that guards the Independence Palace. No charge was filed against the colonel. As Mr. Kissinger again rightly notes: "The Vietnamese people have lived under foreign rule for approximately half of their history. They have maintained a remarkable cultural and social cohesion by being finely attuned to the realities of power." To many Vietnamese the realities of power since the Paris talks are shifting. An attack by the ARVN against the US troops would be the final blow.

Finally, President Thieu and the U.S. Embassy in Saigon have claimed that the pacification program has been going extremely well, that the South Vietnamese government controls more than 80 percent of the population. If this were true, then over a million ARVN troops and U.S. residual forces *could* stage a real bloodbath—against the Vietcong—after the war.

I do not sit in the inner councils of the NLF. I do not know the number of Vietnamese who may be victimized once U.S. forces are withdrawn. But I am not persuaded that a bloodbath would take place if there were no U.S. troops in Vietnam, or if the Vietcong took over. I agree, however, that if only dozens of Vietnamese might be killed in the post-withdrawal period, it is the moral duty of the American people and government to find the way to protect them. In the past, the Chinese invaders always took along with them those Vietnamese who cooperated with them, and provided them with good jobs in China. The French have also been hospitable to their Vietnamese friends. If fears of reprisals are the main concern of the Administration, as President Nixon has indicated, then several steps can be taken.

Adopt Senator Charles E. Goodell's "Vietnam Disengagement Act." This would not only put a limit on the U.S. commitment in Vietnam, but would create "a powerful incentive for that government [of South Vietnam] to mobilize its forces more effectively and to seek the political strength of a broadened popular base," thus reducing the chance of wholesale reprisals.

Support Senator George McGovern's suggestion and provide funds and means to resettle, either in continental America or in Hawaii, those Vietnamese who wish to leave the country at the departure of the US troops. A bipartisan congressional committee could be formed promptly to prepare evacuation plans. Journalists, politicians and others who have expressed concern about a possible bloodbath could be invited to contribute money and effort. The US can argue at the Paris talks (or better, at a reconvened Geneva Conference) for a period of regroupment exceeding the 300 days stipulated in the 1954 Geneva Agreements. As a resident of the US, being taxed without being represented, I would suggest that the US should ask its allies to share the burden. Perhaps some Vietnamese would like to settle in Thailand, in the Philippines, in South Korea, in New Zealand. Australia needs manpower, and if Canberra can send troops to fight for the "freedom" of the Vietnamese, the Australian Parliament can change its immigration laws to admit the colored Vietnamese.

Give to the International Control Commission (ICC) temporary command of the last batch of US troops being withdrawn, thus guarding against their being assaulted by ARVN, NLF or Hanai forces.

Let the US insist on strengthening machinery to implement Article 14C of the 1954 Geneva Accords. 14C said that the parties to the agreement undertook "to refrain from any reprisals or discrimination against persons or organizations on account of their activities during the hostilities, and to guarantee their democratic liberties." These pledges are accepted in paragraph C of point 5 of the NLF 10-point program for the settlement of the war.

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[From the New York Times, Dec. 6, 1969]

TOPICS: HISTORY AND THE BLOODBATH THEORY IN VIETNAM

(By George McT. Kahn)

The Administration's most persistent argument against a rapid or complete withdrawal of American troops from Vietnam has been that a bloodbath would take place if American forces were no longer available to protect President Thieu's regime from the National Liberation Front. Others hold that even if the President's forecast were correct, the number of victims involved would not approach the number of civilians who are certain to be killed during even a few more months of fighting in South Vietnam.

But however one estimates these possibilities, it is essential that a clear distinction be made between battlefield conditions and the situation existing after an armistice. In heat-of-battle conditions both sides in the past—and probably in the future—have carried out reprisals against those identified as working for the enemy—particularly when they occupy positions in intelligence, the police, or are believed to be informers.

This was apparently an important factor in the execution of civilians at Hue, and Army spokesmen have alleged that it influenced American conduct in the massacre at Songmy. So long as a particular battle is simply one episode in a continuing series, both sides will be tempted to take punitive measures against "enemy" civilians.

Such actions will probably continue until there is a cease-fire but they should not be taken as an augury of what will happen after a settlement. This is, however, just what President Nixon suggested in his speech Nov. 3 when he equated a post-armistice situation with that of Hue in early 1968, where many civilians are reported to have been executed during three weeks of terribly intense fighting.

In asserting that Hue was a prelude of what would happen in South Vietnam suddenly left unprotected by American troops, Mr. Nixon has not only argued against withdrawal but has made it much more difficult for Americans to trust in a negotiated peace settlement.

MR. NIXON'S WRONG FACTS

Even more damaging to this prospect is the President's appalling misunderstanding of what actually happened after the 1964 Geneva armistice. He charges that with the departure of the French army from northern Vietnam, the Vietminh "murdered more than 50,000 people and hundreds of thousands more died in slave labor camps," and that on the basis of this history we must expect a similar bloodbath in the South if American forces are withdrawn before Thieu's Government can stand on its own.

The President's account is contrary to the historical record. If his advisers have studied the reports of the International Control Commission, responsible under the 1954 Geneva armistice for investigating allegations of reprisal, they must know that in the first two years following that armistice a total of nineteen complaints alleging political reprisal in the North were lodged with the Commission, only one of which involved murder. During the same period at least 214 were lodged against Diem's Government in the South, including several reports of massacres.

Although the I.C.C. did not complain that its inquiries into these allegations were hampered in the North, it soon encountered major obstructions in the South, with Saigon finally forbidding it in early 1957 from continuing such investigations there. At that time the Commission had yet to investigate thirty-five alleged incidents of political reprisal in the North as against 1,047 in the South. Many allegations could have been substantiated. We know that Diem's regime reported publicly that between 1954 and 1960 there were 48,200 alleged Communists arrested in South Vietnam.

SUPPORT—OR SOLUTION?

It was in the fall of 1956, more than two years after the Geneva Armistice, that violence occurred on a significant scale in the North. This was unconnected with the anti-French struggle and was not in reprisal against Vietnamese who had supported France against the Vietminh.

Those concerned with political reprisals might well insist that in any future Vietnam settlement the I.C.C. or its equivalent be made much stronger to insure that it is capable of investigating alleged reprisals effectively.

And any President worried about a future bloodbath in Vietnam who looks to historical precedent for instruction should be as much concerned with the actions of an American-supported regime as with those of the regime we oppose.

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[From the Christian Century, Nov. 5, 1969]

VIETNAM: THE BLOODBATH ARGUMENT—THE EVIDENCE SUGGESTS THAT HANOI WOULD NOT MOUNT MASSIVE KILLINGS AFTER TAKING POWER IN THE SOUTH

(By D. Gareth Porter and Len E. Ackland)

As pressure builds on the Nixon administration to withdraw American troops rapidly from Vietnam, proponents of the war are beginning to emphasize the argument that if the communists were allowed to gain control, there would be a massive bloodbath of noncommunist Vietnamese.

This argument is not new. Joseph Alsop invoked the bloodbath specter last May when he wrote that "at least a million South Vietnamese . . . would be doomed to prompt execution, in the event of a nationwide Communist takeover." About the same time an aide to Nixon's adviser Henry Kissinger told a group of visitors to the White House that there would certainly be a "bloodbath" if American forces pulled out of Vietnam too soon. Six weeks later Alsop raised his estimate to 1.5 million, a figure he claimed was officially accepted. And in September he warned that "too many troop withdrawals" would expose Vietnamese to massacres that would make Hué look like a "Sunday school picnic."

Like all political propaganda, these predictions are intended to inspire support for official policy rather than to increase understanding. Those of us Americans who are genuinely concerned about the Vietnamese people want sober information on the facts, not appeals to emotion. Let us therefore look at the relevant historical evidence.

Political murder is no new thing in Vietnam. The French used it consistently to destroy nationalist political movements. The Viet Minh and their successors employed

it whenever they thought it would be useful in their struggles against the French, the Americans and their internal foes. In 1945 and 1946 they systematically assassinated many potential rivals for power, and since 1956 they have killed thousands of local officials and other progovernment figures in South Vietnam.

Similarly, the Vietnam Nationalist party (V.N.Q.D.D.) had a reputation in earlier years for kidnaping and assassinating Viet Minh agents, while members of the Hoa Hao religious sect tied groups of Viet Minh together and threw them alive into canals. More recently assassination squads hired by the U.S. have sought out members of the National Liberation Front's political and administrative organization. As we said, political murder is no new thing in Vietnam.

But to predict the mass murder of former foes once the conflict has ended is quite another matter. Alsop asserts—apparently with official encouragement—that both the history of North Vietnam after the Geneva Conference of 1954 and the Communist occupation of Hué during the 1968 Tet offensive portend a policy of mass liquidation if the Communists come to power in the South. The historical record, however, does not support any such conclusion.

The 1954 Geneva agreement called for what was intended to be twofold protection from reprisals by either the Viet Minh or the French administration. First, it provided for free movement of the population between the two "temporary zones" north and south of the 17th parallel, to be effective for a year following the cease-fire. Second, it prohibited reprisals against those who collaborated with either army during the war. While there is evidence that the Hanoi government, stunned by the massive movement of population out of the northern zone, violated the accords in attempting to impede that flow, it also seems clear that there was no campaign of reprisals against pro-French elements.

I

International Control Commission reports, while not definitive, give us a reasonable account of the situation in North Vietnam after the 1954 accords. During the period from 1955 to 1961, a total of 43 complaints alleging reprisals in the North were submitted to the I.C.C. by the French and the Diem regime. Of the first 12 complaints lodged by the French High Command, the I.C.C. investigated three and dismissed all of them as unfounded. Of 41 personal petitions alleging such D.R.V. reprisals that were presented to the commission, half of them were dismissed as not falling under the reprisal provision of the accords. Although most of the I.C.C. reports do not specify the nature of the uninvestigated complaints, it appears that very few of them involved charges of murder. For example, of the 18 incidents of reprisal alleged by the French to have taken place between December 1955 and July 1956, only one involved murder.

Thus, the sum total of the allegations lodged against the D.R.V. hardly supports the "bloodbath" predictions made by Alsop *et al.* True, the movement of 750,000 to 1 million anticommunists, Catholics and other collaborators with the French to South Vietnam before July 1955 undoubtedly reduced the number who might have been punished. Nevertheless, despite the alarms often sounded about the fate of Vietnamese Catholics at the hands of the communists, 600,000 Catholics remained in the North, and there is no evidence that they were punished for their lack of pro-Viet Minh sentiment. In fact, Catholics in North Vietnam continue to exercise their religion freely, although there are limitations on their seminaries and high taxes on church lands.

Moreover, the small number of complaints against the D.R.V. must be compared with the wholesale reprisals by the Diem regime in South Vietnam against former collaborators with the Viet Minh. In 1955—violating the Geneva agreements, which were binding on his government—Diem launched an anticommunist denunciation campaign which soon acquired a frenzied momentum of its own and spiraled out of his control. No one knows how many "Viet Minh" were killed during the campaign, which lasted until 1958. It is known, however, that tens of thousands, many of them innocent of any connection with the communists, were rounded up in concentration camps. The High Command of the North Vietnamese army submitted to the I.C.C. 869 complaints, many of which alleged that Viet Minh sympathizers had been murdered.

When proponents of the bloodbath argument mention massacres in the North, they are referring not to political reprisals against former enemies of the Viet Minh but to the harshly implemented land reform program of 1955–56. The purpose of that program was to mobilize political support among the poor peasants, who were encouraged to denounce "rich landlords." As in the South, denunciations went out of control, as zealous cadres and local grudge-bearers combined to bring about massive executions and imprisonments which went far beyond what the regime had intended. Historian Joseph Buttinger, whose sympathies lay with Diem, has estimated that perhaps 10,000 or 15,000 were killed during the period, but here again no reliable estimate is available.

By mid-1956 Ho Chi Minh, aware that the program had been a disaster, admitted "errors" and promised to correct them. In October he dismissed Truong Chinh, the primary advocate of an extreme left-wing "Chinese" policy in agriculture, from both his positions as director of land reform and party secretary. In a display of public repentance the government launched a "campaign for rectification of errors" and did what it could to repair the damage. But the sharp reversal of policy did not come in time to stave off an open rebellion in Nghe An province, where hundreds of peasants were reportedly killed in the fighting. It seems doubtful that, having experienced the disaster of 1955–56, Hanoi's leadership would make the mistake of applying the same extremist policy in the South.

II

Both Alsop and the administration have exploited American horror at the executions in Hué during the 1968 communist Tet offensive to stir fears of a nationwide massacre in Vietnam following American withdrawal. But closer examination of the circumstances surrounding the executions in Hué is necessary before conclusions can be reached concerning the probability of such a grim outcome.

One of the authors of this paper lived and worked in Hué during 1967 and returned after the Tet offensive of 1968 to interview Vietnamese and reconstruct the events surrounding the N.L.F. occupation there. The focus of this research was Gia Hoi, a precinct with 25,000 residents, one-fourth of Hué's population. Gia Hoi was under uncontested N.L.F. control for 26 days—longer than any other area of the city. There the Front established a revolutionary government, provided administrative services, held public meetings and distributed weapons. The story of Gia Hoi's occupations reveals that the mass executions perpetrated there were not the result of a policy on the part of a victorious government but rather the revenge of an army in retreat.

When, on the first day of the attack, about 20 Vietcong entered Gia Hoi in order to secure the area, they carried with them a list of those who were to be killed immediately as "enemies of the people." According to Le Ngan, director of Hué's special police, the list consisted of five names, all those of officers of the special force. Four were captured and summarily killed; the fifth, Le Ngan himself, spent 21 days dodging the communists before escaping to safety.

After establishing control the Vietcong drew up a second list naming all soldiers, policemen and government functionaries and all employees of the Americans. A third list, compiled in Gia Hoi by the N.L.F. guerillas, included high school and university students, workers and servants who would probably serve the revolution once they were contacted.

III

The administration of Gia Hoi was in the hands of local N.L.F. cadres, most of them poor peasants from the countryside surrounding Hué, who obviously found the city an alien environment. The North Vietnamese troops who had a command post in Gia Hoi kept out of political matters and were by all accounts, well mannered and highly disciplined throughout their stay. Meanwhile, physicians in Gia Hoi began staffing public dispensaries and a social service committee distributed rice from a government storehouse to needy families. But the primary business of the local administration was to create political support for the new regime. Small meetings were held continuously during the following three weeks, with separate study sessions for teachers, workers and students to enable the cadres to use the most persuasive arguments on each group.

During the first week and a half of the occupation few people were killed in Gia Hoi. Some did not report to the committees and were punished as examples; others, such as special police agent Le Van Rut, were executed because they had been particularly unpopular with Hué's population. After February 9, as the fighting across the canal became more vicious and the U.S. counterattack against the Citadel began, the attitude of the N.L.F. toward those on the "reeducation" list began to change. For it became increasingly apparent that the Front would not be able to stay in Hué indefinitely. Every night for the next two weeks their cadres knocked on doors and ordered certain people to attend sessions, and almost every night new executions were carried out in the yard of the Gia Hoi high school.

On February 22 all remaining soldiers, police, functionaries and employees of the Americans were ordered to report a second time, and those who reported or were located never returned. By then the Front knew that it would have to evacuate shortly, and it was in the final three days of the occupation that most of the killing in Gia Hoi took place. On the last day those who had collaborated with the Front during its 26 days were asked if they wanted to return to the mountains with the N.L.F. troops. According to an A.R.V.N. intelligence officer, over 100 did go with the troops, but many persons who chose to remain behind were shot.

According to Ranger Captain Phan Van Phuoc, the government chief of the precinct, 60 per cent of the 350 bodies found in Gia Hoi were those of policemen and soldiers. The remainder were civil servants, employees of the Americans, members of the old right-wing Nationalist party (which had long provided cadres for the government's pacification and counterterror programs in central Vietnam), and some innocent civilians.

The Catholics were not singled out for retribution even after February 22. The Catholic priest in Gia Hoi told one of us that none of his clergy or parishioners were harmed by the N.L.F. In other parts of the city as well, priests reported that the Vietcong who approached them were "correct" though not friendly. One Benedictine priest was killed, apparently because he was chaplain to the Americans. But the murder of two French priests on February 25 was probably not carried out on orders from local

leaders, since both had been known to be friendly to the N.L.F.

Some of the killing in the final three days was apparently the result of individual acts by the Front's cadres, long suspicious of and resentful toward the city people whom they had associated with the enemy and now further embittered by defeat and by the loss of many of their comrades in the battle. A later defector from the Front, who was with the retreating Front forces in the mountains west of Hue when they held a self-criticism session, reported that they were severely criticized by their superiors for excesses which had "hurt the revolution."

Elsewhere in Hue a similar pattern was followed: the vast majority of policemen, civil servants and soldiers were initially on "re-education" rather than on "liquidation" lists, but the number of killings mounted as the military pressure on the N.L.F. and North Vietnamese increased.

The notion that the communists will mount massive killings after taking power in the South is further weakened by the testimony of Tran Van Dac, one of the highest-ranking defectors from the N.L.F. In an interview published last year by the Joint U.S. Public Affairs Office in Saigon, he explained that, if they took over, the communists would send military officers and former civil servants to "concentration camps to be re-educated" and in some cases to do hard labor, until they became "submissive." And of course, all those whose social class or former position makes them objects of suspicion would be "carefully watched" by the authorities.

Neither the earlier consolidation of power in North Vietnam, nor the occupation of Hue in 1968, nor the testimony of a high-ranking defector, supports the conclusion that Hanoi intends to bring about a "bloodbath" after achieving control in the South. Whatever the utility of eliminating government personnel during the war, the communist leadership has no interest in liquidating Saigon's military officers or civil servants. If there are political executions, the victims are most likely to be those who are highly unpopular with the citizens, such as the secret police officers on the highly selective list of "enemies of the people" in Gia Hoi.

The past offers ample evidence that long-standing hatreds can result in individual vendettas, and the highly political central Vietnamese are especially prone to such settling of old scores. If the U.S. really wishes to fulfill its moral obligation to those who fear for their safety in the absence of the American presence, it can do so easily by pledging to provide transportation to new homes for all who desire it.

The Nixon administration and its supporters appear more interested, however, in the exploitation of the bloodbath theme than in taking the practical steps to provide safety. And while they appeal to the American abhorrence of an imagined massacre, the real killing of thousands of Vietnamese and Americans goes on month after month.

## SUBSTITUTE OEO BILL INADEQUATE

### HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. SCHEUER. Mr. Speaker, I rise today to oppose the substitute OEO bill offered by my distinguished colleagues, Mr. QUIE and Mrs. GREEN. While I am aware that the poverty program has many problems, the substitute bill does not offer solutions. It merely compounds the problems.

First, the substitute measure would create 50 new bureaucracies of unequal quality across the Nation. This would result in duplication of service and multiplication of costs.

Second, the proposed OEO substitute would not assure active poverty programs in every State. While some State administrations may utilize poverty funds more constructively than a federally administered program, many Governors and State legislatures would not choose to operate meaningful programs, and these would be the States where poverty is most crushing, and where the need for innovative programs which meet the realities and work successfully are most urgently needed.

Third, even fewer funds will be channeled into the large cities because Governors and legislatures are not sympathetic to the problems of central cities, and, indeed, have compounded the plight of cities by their suburban-rural orientation.

Instead of dismantling the Office of Economic Opportunity, I would prefer to see it expanded and strengthened, because OEO has shown useful alternatives to the traditional welfare approach to poverty. Programs like Headstart, Followthrough, and my New Careers program, initiated at OEO, have become staples of the American education program.

Beginning as a poverty program, New Careers as a concept has permeated many aspects of the Nation's manpower programs.

VISTA has given many concerned young people a constructive outlet.

OEO has brought food to the hungry and legal and medical service to the indigent; new education, job skills, and employment to the aspiring poor.

A mass of 50, separate, State programs could not possibly follow in this tradition. The innovation and zeal of OEO must not be allowed to disappear.

## WASHINGTON MEDDLERS

### HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. DORN. Mr. Speaker, recently a very timely editorial appeared in the Anderson Independent, Anderson, S.C.

I commend this excellent editorial to the attention of my colleagues and to the American people:

AND NOW THE WASHINGTON MEDDLERS PREPARE FOR AN ATTACK UPON EGGS

John Harms, editor of the Kiplinger Agricultural Newsletter, warns that the next batch of "consumer protection" in the works to come out of Washington will be a campaign against eggs and already the poultry industry is madder than a wet hen about it because, say the poultrymen, nothing has been proven about the cholesterol content of hen fruit.

Speaking before the Northeastern Poultry Producers Council at Atlantic City, Editor Harms said the groundwork is under way for the blast against eggs and the White House Conference on Food, Nutrition and Health will be used as a springboard by those people who attack eggs.

The Kiplinger man said he has been informed that Jean Mayer, a special consultant to President Nixon, already has publicity campaign in the works. This, Mr. Harms said, will not be a one-shot deal but will continue to grow.

He even went so far as to say he could not be surprised to see, some day, a label that says: "Egg eating may be hazardous to your health."

Before this campaign is launched, if Mr. Harms is correct, the folks in Washington, who quite obviously are working overtime to find products to blast off about, owe it to the poultry industry to use some common sense and be sure of what they are talking about, for as we understand it even doctors are confused about how much cholesterol is in an egg and whether cholesterol is deterimental to the human body.

Let's don't have another cyclamate controversy and let's remember, too, that there are many variances of views on even cigarettes, without hard, uncontradictable facts being available.

The public is beginning to take some of this stuff with a grain of salt, which incidentally apparently has not yet been scrutinized by the headline seekers.

As the detective on TV says, just the facts, sir.

Meanwhile, we are going to keep right on eating a couple of eggs in the morning, and, if you don't mind, the bacon to go with it, crisp. And butter on the toast, please.

## "LOVE PEACE" BECOMES "HATE AMERICA"—A PSYWAR STRATEGY

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. RARICK. Mr. Speaker, most Americans, preoccupied with earning a livelihood, raising a family, and enjoying life, do not fully understand that we are at war in this country. They have been led to believe that there has to be shooting for their country to be endangered or to be at war. For this reason, they believe the present war is confined to a tiny Asian country far overseas. They do not understand that a war is being waged without shooting—a psychological war—which the enemy is daily prosecuting to the fullest right here in the United States of America.

The technique of thesis and synthesis, and the "slide-off" is most lucidly explained by J. Edgar Hoover, in his book, "Masters of Deceit," which should be studied by Americans. Most need to recognize the intentional manipulations and distortions of the "slide-off" technique used in Communist education. Education in this misapplication is a weapon of the battle.

Failing to understand the technique, many Americans do not understand the development and use of the Mylai incident as "hate America" propaganda to further confuse our people and damage our national unity against a common enemy.

The initial psychological thrust was to indoctrinate our impressionable youth in a belief that peace is imperative and must be cherished; and since war is the antithesis of peace, they must hate war.

To translate the abhorrence of war into a hatred of America, it was only

necessary to find an incident which would identify the horrors of war with our own country. The Mylai or Pinkville incident served as the vehicle for transfer for hate of the war to hate of our country.

Thus, what began as love of peace became hatred of America.

In include in my remarks an interesting report by Mr. Frank Capell in the Herald of Freedom for December 12, 1969, entitled "More Hate America Propaganda," a report by Mrs. Shirley Scheibla from Barron's for October 6, covering the Institute of Policy Studies and its co-director, Richard Barnet, and a news clipping on the moratorium:

MORE "HATE AMERICA" PROPAGANDA

The Communist take-over of the United States is proceeding along the tried-and-true lines established by the Communist take-over of Russia. The importance of the disintegration of the military was recognized by the Bolsheviks (they called it democratization) and is being accomplished in the United States Armed forces through "atrocity stories" and "incidents" discrediting our soldiers and officers fighting in Vietnam. The Green Beret "incident" did not arouse enough horror, although it did have a debilitating effect upon the morale of the Armed Forces and did force top-flight officer, Col. Reault, out of action. To accomplish what the Green Beret "incident" failed to accomplish, we now have a new "incident," the "My Lai Massacre," which seems to have many of the earmarks of a "planned incident." The photographer, whose horror pictures have shocked the world, requested that he be assigned to cover this particular action. The men were briefed by a "field paragraph" from headquarters, stating that My Lai harbored Viet Cong and North Vietnamese troops and ordering C Company to take and destroy the village. This was the first combat engagement of C Company, according to one of its members, Charles A. West of Chicago. Mr. West, a participant in the so-called "massacre," gives an entirely different story from the publicity-seekers and money-makers who have jumped into the picture with both feet, and has stated that he will testify for the defendants, Lt. Wm. Calley and Sgt. David Mitchell.

This particular can of worms was opened by a new left-wing "news" (propaganda) service called Dispatch News Service which was started in late 1968 in Taiwan by David Obst and another American, Michael Morrow, a former Dartmouth student. Obst, who is 23 years of age, went to Taiwan as a student and returned to the United States last year to study Chinese at the University of California. He is the son of a Los Angeles advertising man. Morrow went to Vietnam to seek information and was joined by Donald Luce. Others on the Dispatch staff in Saigon are Don Ronke and Dick Berliner. In Washington they have Derek Norcross who also writes "Youth Notes" for Parade. Assisting Dispatch as an "adviser" is Richard J. Barnet who has just returned from a visit to Hanoi and is co-director with Marcus Raskin of Washington's Institute for Policy Studies, a radically leftist oriented "think-tank." Michael Nussbaum of 1156—15th St. N.W., Washington, D.C. is attorney for Dispatch.

Associated with Dispatch is Seymour M. Hersch, age 32, a Washington free lance writer who began his career as a police reporter with Chicago's City News Bureau. He has spent the last few years in campaigning successfully against chemical and biological warfare. He was press secretary for Eugene McCarthy during his presidential try. Hersch reportedly has numerous Pentagon contacts and got a tip on the "massacre" story from them. With a $1,000 grant from the Philip M. Stern Foundation, financier of left-wing causes, Hersch spent two months travelling around the country tracking down ex-GI's who might have information on the "massacre," which supposedly took place in the hamlet of My Lai, village of Song My, province of Quang Ngai, March 16, 1968.

The "massacre" story begins with a man who supposedly started the whole thing when his "conscience" caused him to write a 1,500 word letter to various and sundry U.S. officials, Senators and Congressmen. Ronald Lee Ridenhour, age 23, now a student in Claremont College in California, was a door gunner on an observation helicopter assigned to the 11th Light Infantry Brigade when he first heard about the "massacre." When he was subsequently transferred to commando reconnaissance he had the opportunity to talk to soldiers in many different camps. He had first heard about Song My, nicknamed "Pinkville" because it was a Viet Cong stronghold and colored thus on Army maps, about a month after the "massacre." By June he had located four members of C Company, 1st Battalion of the 20th Infantry, 11th Light Infantry Brigade who had participated in the action on March 16, 1968 and were "willing to talk." In November, just before he returned to the United States, Ridenhour located a fifth participant. Returning to his home in Phoenix, Arizona, Ridenhour pieced together his hearsay story and by the end of March, 1969 his letter was on its way to President Nixon, Secretary Laird, and the Senators and Congressmen.

As a result of his letter, Ridenhour was interviewed by an Army investigator but, when great headlines concerning his informational coup did not burst upon the American scene, he was discouraged and contacted a "literary agent" by the name of Michael Cunningham who attempted to sell Ridenhour's story to various newspapers, magazines, news agencies and television networks with no success. Although we are assured by the news media that Ridenhour's motives in "exposing the massacre" are most honorable, we can't help agreeing with Col. Oren K. Henderson, former Commander of the 11th Brigade, who stated: "I can't believe a guy who did not participate in something, that his conscience would bother him a year later more than the men involved."

One of the first men who supplied Ridenhour with information was his good friend, Charles Gruver, age 24, now a construction worker in Tulsa, Oklahoma. That Gruver might have an ax to grind was indicated by his statement that Lt. Calley was intensely disliked by the men (Newark N.J. Star Ledger, 11/24/69). Gruver was quoted as stating that his outfit was told the village was a Viet Cong stronghold and ordered to destroy it completely. He stated: "We confiscated several weapons and took a few prisoners and later they found an underground military hospital in the village." The horror story in Life magazine of Dec. 5, 1969 does not mention these statements, the one they have picked being the following concerning a small boy: "The boy was clutching his wounded arm with his other hand while blood trickled between his fingers. He just stood there with big eyes staring around like he didn't understand. Then the captain's RTO (radio operator) put a burst of 16 (M 16) fire into him."

The story in Life was written around the "exclusive" color pictures they bought from Ronald L. Haeberle, identified as a 28-year-old Cleveland businessman who was assigned to Company C, 20th Infantry of the Americal Division, 11th Infantry Brigade as a public information Sergeant at the time of the incident. He and SP5 Jay Roberts, both of the 31st Public Information Detachment, had volunteered for this operation because "word was out that it would be 'a hot one'." Haeberle was well prepared with three cameras, one for the Army and two for himself, the Army film being in black and white and his private film being in color. When he returned from the war he lectured and showed his "horror" films around the Cleveland area without causing any excitement.

He recognized his opportunity, however, when the story of the "massacre" finally hit the news and took his pictures to Joseph Eszterhas, a reporter for the liberal Cleveland Plain Dealer. The paper printed eight of his pictures on November 20th and that same night Haeberle and Eszterhas flew to New York to go in business. They set up shop in Room 801 of the Gotham Hotel and invited bids from newspapers and magazines on the eighteen color slides. For a while it seemed that there was lots of money to be made but questions arose as to legality and ownership and such technicalities, as well as the propriety of selling rights to atrocity pictures. A package deal was made with Life for Haeberle's slides, accompanied by Eszterhas's words which were as gory as the slides. For instance: "This man was old and trembling so that he could hardly walk, he looked like he wanted to cry. When I left him I heard two rifle shots." and "Haeberle found the bodies above on a road leading from the village. 'Most were women and babies. It looked as if they tried to get away'." and "They just kept shooting at her. You could see the bones flying in the air chip by chip. . ." and "The GI fired three shots into the child. . . . The third shot put him down and body fluids came out. The GI just simply got up and walked away."

Another eyewitness who emerged was Paul David Meadlo who appeared in a televised interview with Mike Wallace on C.B.S. The "news" interview was arranged by Dispatch News Service which was reportedly paid $10,000 by C.B.S. Meadlo got nothing but has since told a prospective interviewer: "I ain't talking to nobody now unless they pay." We hope no one will pay him for we agree with Sen. Ernest F. Hollings who criticized the C.B.S. for carrying the interview, stating that Meadlo "was obviously sick" and that a man in his condition "ought not to be exposed to the entire public." In the interview Meadlo stated that Lt. Calley had ordered "about 370" villagers killed and that Meadlo himself had killed possibly "10 or 15." At the end of the interview he stated: "I see women and children in my sleep. Some days . . . some nights, I can't even sleep. I just lay there thinking about it." Meadlo, who lost a foot in action shortly after the "massacre," also thinks it is not fair that his disability pension has been reduced now that his injury has healed.

Another participant, Varnado Simpson, did not look upon the inhabitants as "civilians". He stated: "To us they were not civilians. . . . To us they were VC." At the time Simpson, from Jackson, Mississippi, was a 19-year-old assistant platoon leader.

Although newspaper headlines have screamed that "Only the Chickens were left alive," Chief WO Hugh C. Thompson, Jr. (27) of Decatur, Ga. who is now an instructor pilot at Army Aviation Center at Ft. Rucker, Ala., received the Distinguished Flying Cross for his actions as a helicopter pilot on March 16, 1968 at My Lai. The citation read: "He spotted 15 young children trying to hide in a bunker and evacuated them to secure area. Moments later he located a wounded Vietnamese child and disregarding his own safety he again landed and evacuated the child to the Quangngai hospital." Thompson is reportedly responsible for the first Army inquiry into the way the operation at My Lai had been run.

The can of worms also contained some other "atrocity" stories whose time had come. Thomas F. Loflin 3rd was an adjutant of the 88th Supply and Service Battalion at Pleiku and is now a law student at the University of North Carolina. He says he heard U.S. helicopter pilots brag about killing

South Vietnamese civilians. When he returned to the U.S. in December 1966 he wrote an article about these "atrocities" which was published in convicted pornographer, Ralph Ginzburg's Avant-Garde magazine of January 1968. Another helicopter "atrocity" was brought forth by Alan Jones (22) of Oak Forest, Illinois, a teacher at DuSable Upper Grade Center. He furnished to the Chicago Sun-Times photographs purporting to show prisoners being dropped from helicopters. The pictures were reportedly mailed to his parents, Mr. & Mrs. Karl Jones of New York City by a pilot-photographer but Jones and his parents refused to identify the photographer. The Draft System draws into the service all types, and the leftist propaganda among U.S. Servicemen is showing results.

Of course, the Communist press is loving every minute of this and having itself a field day. The Communist Daily World of Dec. 3, 1969 carried an interview with Ridenhour and a picture of Jack Levin and Lloyd Ziff, identified as two University of Pennsylvania law students. The picture shows them standing on the steps of the Capitol with a large sign which asks: "How do you shoot a baby and hear the shot 20 months later?" The Nov. 29, 1969 issue the Daily World makes some suggestions under the title of "What Can be done?" they state:

"After the disaster of Pearl Harbor, President Roosevelt appointed an extraordinary commission headed by Supreme Court Justice Roberts to probe the guilt of the U.S. military.

"Is the blow dealt the American people and the name of America by the Songmy atrocity less a disaster than was Pearl Harbor?

"A full Congressional inquiry into Songmy is called for.

"An investigation by International tribunals should be welcomed.

"The labor, peace and black—and—brown movements that have a patriotic stake in ending the war and atoning if possible for the horrors inflicted upon the Vietnamese people could establish their own tribunal.

"Above all, efforts to end the war must now be redoubled, for it is cynical hypocrisy to pretend that the war can be continued without war crimes and atrocities. This criminal U.S. aggression against the Vietnamese is one continous Songmy."

James Reston in the N.Y. Times states that "the Songmy tragedy cannot merely be left to the military and forgotten like the Green Beret affair. The President . . . has the power to create a Presidential Commission of distinguished and disinterested citizens to review the evidence free from the tug of politics. This has been done from time to time in our history, most recently in the murder of President Kennedy, and it could usefully be employed again in this case." Government lawyers are thinking in terms of a "War Crimes Tribunal." The N.Y. Times of Nov. 30, 1969 states: "Legal authorities in Washington believe that a military-civilian tribunal may have to be created if the men who were allegedly involved in a reported massacre in Vietnam but who have since been released from service are to be brought to trial. . . . The Tribunal would have some of the attributes of the type of military commissions widely employed during and after the Civil War."

It looks as if the soldiers who thought they were doing their duty in a "search and destroy" mission in a Vietcong stronghold are going to be put in the same position as the local policeman who must always be afraid of being accused of "Police Brutality" if he does his duty properly. In Vietnam it is impossible to distinguish friend from foe and waiting to find out is usually fatal. While 2 and 3 year old children are not utilized by the Viet Cong, there are untold incidents of children not much older being in their employ. Innocent-looking old men and women make booby traps and protect the Communists and therefore cannot be considered "innocent civilians." The guerrilla technique makes it impossible to identify the enemy.

Ralph De Toledano describes the action at My Lai according to the story of Charles West:

"In moving on My Lai, says Mr. West, Charlie Company was badly bloodied—with soldiers killed and wounded by snipers and booby traps. The company was pinned down by enemy fire just outside the village and took shelter in a rice paddy. When it attacked, it was met by sniper fire. When the company entered the village, they found many dead as a result of artillery shelling and bombing from the air. The only firing into groups of old men, women and children he saw occurred when military age males deliberately ran among these civilians. Eventually it was established that at least some of these were Viet Cong or NVA troops."

An official investigation was conducted by the U.S. Army shortly after the March 16, 1968 encounter and no grounds for "atrocity" stories were found. An investigation ordered by President Nguyen Van Thieu showed that reports that 527 civilians were massacred "were completely inaccurate" and actually about 20 civilians were killed in a battle for the village. A South Vietnamese communique, based on an investigation by Lt. Gen. Hoang Xuan Lam, commander of the area that includes the Village of My Lai in the Quang Ngai area where the incident allegedly occurred, stated: "More than a year ago in March 1968, an operation was launched by the Americal Division's Task Force Barker in the area of My Lai hamlet, Son My village, Son Tinh district, Quang Ngai Province, with the aim of destroying an important Communist force in that area.

"When Task Force Barker moved into that area, they met strong resistance from the enemy. . . . The result of the contact was 125 enemy killed and at the same time about 20 civilians living in the hamlet were killed by tactical air strikes and artillery while the fight was going on.

"Reports from newspapers and foreign news agency saying that 527 civilians were killed were completely inaccurate."

Col. Ton That Khien, chief of Quang Ngai Province, conducted his own investigation and said he did not believe the villagers were telling the truth when they told newsmen that Americans entered the village, herded the people from their homes and killed them with rifles and machine guns. He said he could find none who saw any massacre and said the village was dominated by the Viet Cong. The South Vietnamese Government's conclusion is that the "massacre" just never happened. They do not find Communist propaganda as convincing as others, not so well educated in Communist ways, may find it.

The man who was the Commander of the Army's 11th Brigade at the time of the alleged "massacre," Col. Oren K. Henderson, has stated recently: "Up until two weeks ago, I would have sworn it could not happen without me knowing about it. But when I start seeing TV broadcasts and hearing soldiers speak about this subject who were themselves eyewitnesses, I begin to wonder." Col. Henderson checked into the matter at the time and considered the charges to be Viet Cong propaganda, for they began bombarding the area with propaganda messages about two weeks later, claiming that the U. S. forces had killed an abnormal number of civilians. Since Communists are well known for using the "big lie," the fact that they began to push this "atrocity" story would make one wonder about its authenticity. As for the bloody photographs, none of them show Americans doing any shooting . . . for this we have but the photographer's word and we really don't know how good that is. We must remember that in the United States we have our American Cong who look as much like normal Americans as the Viet Cong look like innocent civilians.

One has but to read an analysis of the events leading up to the Communist takeover of Russia to realize that the United States is not too far away from the same terrible fate toward which its own "revolutionaries" are pushing it. Abroad and at home skillful propagandists discredited the Czarist Regime as they are now discrediting the United States. Spreading seditious propaganda among the soldiers, fighting an unpopular war, the Bolsheviks and their "liberal" agents undermined the morale of the army causing it to collapse and eventually split into two forces, one of which supported the lawful government and the other the so-called "revolution." Here and now in the United States, as in Russia immediately before the Bolsheviks (hiding behind their "liberal" stalking horses) moved in, the people are tired and frustrated by a seemingly hopeless war which we are not able, or even trying, to win but which is killing and maiming their loved ones. People are beginning to believe the seditious propaganda that our country is "sick" and eventually they will feel that it is not worth saving. In the government itself in Russia, as in America today, the "liberals" constantly criticized their own government and country, talked of elaborate "reforms" but opposed any suggested improvement because it was not enough. Many "charges" against the government were later proved to be unfounded but by then it was too late . . . the damage had been done, the government had fallen. Let us not be taken in by our "liberals" and breast-beating pacifists and defeatists as the unfortunate Russians were taken in by theirs.

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[From Barron's, Oct. 6, 1969]

THE INSTITUTE FOR POLICY STUDIES AIMS TO DISARM THE UNITED STATES

("By giving a tax exemption to an organization like the Institute for Policy Studies, our government is allowing tax exemption to support revolution." *Senator Strom Thurmond (R., S.C.), Congressional Record, December 4, 1967.*)

(By Shirley Scheibla)

WASHINGTON.—The vicious attack, in and outside of Congress, on the so-called military-industrial complex has enlisted the support of an ally as powerful in and around the nation's capital as it is unknown to the U.S. at large, an organization called the Institute for Policy Studies (IPS).

For example, IPS is represented on the staff of the Joint Economic Committee, which, under the leadership of ———, has spearheaded the assault on the Pentagon's proposed budget. An economist with the committee, Richard Kaufman, is in charge of his staff work; Mr. Kaufman also happens to be an associate fellow of IPS. IPS defines associate fellows as "part-time faculty who have led seminars, participated in social inventions, or have engaged in individual research projects supported by the Institute." It says associate fellows sometimes, but not always, receive honorariums for their work. Mr. Kaufman told Barron's he did not care to comment on whether he has received pay for his work for IPS.

Until 1967, when Mr. Kaufman went to work for the committee, it had left the military budget to the Armed Services and Appropriations Committees. Now the staff economist, undismayed by ——— recent failure to win major Senate cutbacks on military spending, including a halt to purchases of the C5A aircraft, says he is planning a five-year campaign against military spending.

OFF-THE-RECORD BRIEFINGS

Mr. Kaufman wears his two hats with careless ease. Earlier this year, in his official capacity, he invited 27 Congressional assistants

to off-the-record briefings on military spending under the auspices—and at the expense—of the Institute. They lasted several hours each, included dinner, and were held once a week for several months at the Congressional Hotel.

The Institute has arranged similar conferences for other interested groups, including the National Conference on Military Priorities; IPS officials also have worked with the Council for a Livable World (which now ranks as the third-biggest spender among U.S. lobbyists), the members of Congress for Peace Through Law, and the New National Mobilization Committee to End the War in Vietnam.

What is the Institute, and why is it so concerned with the military-industrial complex? It characterizes itself as a "think tank"; calls most of its officials "fellows," and enjoys tax exemption as an educational institution. It is supported by tax-exempt contributions from foundations, universities, colleges and individuals. And, as will be seen, it is directed by leaders of the New Left, a movement which J. Edgar Hoover, in testimony before the House Subcommittee on Appropriations, recently called "clearly subversive . . . an ever-increasing danger to our national welfare and security."

Organized six years ago, the Institute has an annual budget which currently runs to $400,000 a year. Financing has come from the Ford Foundation, Edgar Stern Family Fund, Samuel Rubin Foundation, Irving Lauck, the Institute for International Order, Milbank Foundation, "The Fontaney Corp., through the generosity of James P. Warburg," Society for the Psychological Study of Social Issues, National Board of Missions of the Presbyterian Church, Field Foundation, Cudahy Fund, Edwin Janss Foundation, Jennifer Cafritz, Walter E. Meyer and Michel Gellert.

ACTIVE FELLOWS

Support for the Institute also comes from publishers, who, according to IPS Co-Director Marcus Raskin, have printed about two dozen books and several thousand articles by its personnel. Mr. Raskin explained to Barron's that IPS furnishes an office and a salary for the fellows who perform such work, and fees and royalties go directly to them. Moreover, IPS principals serve on a number of university faculties, including those at Harvard, Duke, the University of Maryland and the University of Chicago.

IPS had its genesis in the Peace Research Institute, which began operation in Washington on April 5, 1961, with an announcement that it would serve as a private agency to undertake and stimulate research in all fields relevant to peace, security, disarmament and international order. Shortly afterward it obtained a $20,000 contract for a study for the Arms Control and Disarmament Agency.

Signed by Authur I. Waskow, now the senior fellow of IPS, the document called for an international police force to keep world peace and see that nations disarmed. The author also suggested that disputes in a disarmed world could "be settled by reference to the International Court of Justice, to various mediation services, to various organs of the United Nations, etc." A relative unknown at the time, he had come to IPS from his job as legislative assistant to ———; Mr. Waskow now has become a public figure because of his active role in demonstrations, including those at the Pentagon and the Democractic National Convention in Chicago.

JOINING FORCES

Late in 1963, the Peace Research Institute merged with the Institute for Policy Studies, which had just been founded by Marcus Raskin and Richard Barnet, who once served as deputy director of political research for the U.S. Arms Control and Disarmament Agency (Barron's, April 29, 1968). Mr. Waskow then went to work for IPS as its senior fellow.

In August of 1965, Mr. Waskow represented IPS at a meeting in Santa Barbara, Calif., at the Center for the Study of Democratic Institutions, which produced a "Call for a New Politics," a hope for a united Left in the U.S. A year later, a National Conference for a New Politics (NCNP) was held in Chicago.

Over the Labor Day weekend in 1967, Mr. Waskow attended the first NCNP convention in Chicago; subsequently he was identified on the floor of the U.S. House of Representatives as "one of the founders and leaders of the NCNP."

Mr. Raskin's Washington career began in 1960, when he served as clerk and free lance writer to several Congressmen, including ———, Herman Toll (D., Pa.), James Roosevelt (D., Calif.) and ———. Mr. Raskin soon co-authored a report with Mr. Waskow for ———. Copyrighted in 1961, it was titled "Deterrence and Reality," and, so far as can be determined, constituted the first advocacy of U.S. unilateral disarmament on Capitol Hill. Mr. Waskow subsequently expanded the report into a book, The Limits of Defense.

THE LIBERAL PAPERS

According to a press release by ———, Mr. Raskin also served as group secretary for the Liberal Papers, a collection of essays written by more than a dozen professors for a number of Democratic Congressmen, made public early in 1962. Among other things, the essays urged the U.S. to allow Russia to plug in to this country's warning defense system (DEW); recognize and admit to the United Nations Communist East Germany, Red China, North Korea and North Vietnam; unilaterally abandon nuclear tests; break up NATO; abandon Berlin and neutralize central Europe under terms proposed by Communist Poland.

With the advent of the New Frontier, Mr. Raskin was called to the White House to join the special staff of the National Security Council as an aide to McGeorge Bundy, who now heads the Ford Foundation. Mr. Raskin also served as a member of the American delegation to the 18-nation disarmament conference at Geneva.

Mr. Raskin subsequently became chairman of the Committee for the Formation of a New Party. On August 1, 1968, the Committee issued a statement by the chairman in which he said the New Party "will stand for the dismantling of an obsolete, dangerous military establishment that is over-extended and over-reaching. It will insist that there be an arms control and disarmament law in the U.S. applicable to citizen and police as well. . . . It will insist that revolution in other nations or insurgencies therein should not cause interventions and suppressions by the American military."

IN THE HEADLINES

Last January, the New Party announced it had elected Dick Gregory and James P. Dixon, president of Antioch College, as co-chairmen to succeed Mr. Raskin. Mr. Dixon is an IPS trustee, and Antioch is one of the colleges associated with the Institute. Nevertheless, Mr. Raskin remains in the headlines, primarily because of his indictment (and subsequent acquittal) on a charge of conspiring to advise draft evasion, along with Dr. Benjamin Spock and the Reverend Willian Sloan Coffin, Jr.

Since its inception, the Institute has fought military defense through "seminars," chiefly for members of Congress and their assistants. In 1967–68 (it operates on a school year), IPS held a series of conferences for Congressional assistants on "The Impact of the War on American Society." Besides Co-Director Barnet, one of the speakers was Michael Tigar, whose subject was "The War and the Draft."

Mr. Tigar is well known as a student leader of the 1964 disturbances at the University of California at Berkeley. He is a former member of the executive board of the National Capital Area Civil Liberties Union and served as attorney for members of the Students for a Democratic Society charged with seizing and occupying George Washington University's Sino-Soviet Institute in April. Last month he was jailed in Chicago on a charge of contempt of court in connection with his defense of "the Chicago eight," charged with conspiring to incite a riot during the 1968 Democratic National Convention. (The charge against Mr. Tigar has been dropped.)

STUDY ASSIGNMENTS

IPS' 1968–69 schedule for "seminars" describes the aforementioned Mr. Kaufman's assignment as "a work study project to analyze the war machine as a public-private corporate structure. Topics covered will include cost, benefits, public relations and distribution of profits." The project assignment for Mr. Kaufman in the IPS 1969–70 budget is "Defense Procurement."

——— told Barron's he had heard that Mr. Kaufman is associated with the Institute, but that he is not familiar with it. However, ——— Committee has published two essays by Milton Kotler, who the Committee itself has identified as a "Resident Fellow Institute for Policy Studies, Washington, D.C." ——— said further that he considers what Mr. Kaufman does with his time after working hours is his own business.

IPS principals seem to be very busy men. Co-Director Barnet and Trustee Hans Morgenthau, professor of history, government and international relations at the University of Chicago, are advisers to the Council for a Livable World. IPS Fellows Waskow and Leonard Rodberg, former bureau chief with the Arms Control and Disarmament Agency, have done work for it.

A Senate report has described the Council's goals as unilateral disarmament and "turning this country into a fourth-rate power at the mercy of the international wolfpack." The Council is the third highest spender of the lobbying organizations which filed reports for 1968. With outlays of $154,022 (up from $77,470 for 1967), it topped even such famous lobbying groups as the American Legion and the American Medical Association, and was outranked only by the United Federation of Postal Clerks (AFL–CIO) and the AFL–CIO.

LEADING PEACENIK

According to the same Senate document, the Council takes credit for assuring the original election victory of one of the Senate's leading peaceniks, ———, by having its membership put $22,000 into his campaign, enough to win a close contest in a sparsely populated state.

———, in turn, is vice-chairman of a group called Members of Congress for Peace Through Law. Its chairman is ———, and its members include ——— (Mr. Waskow's former employer), all three of whom have attended "seminars" at IPS headquarters.

Last July that group issued a report, labeled "personal and confidential," which said that the recommendations of the Joint Economic Committee can serve as guidelines for positive reform in military procurement. Among other things, the report called for moratoria on the construction of aircraft carriers, F–14A planes, advanced manned bombers and chemical and biological warfare centers. It also urged drastic curtailment in Sentinel-Safeguard deployment and the ABM research and development program.

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[From the Evening Star, Nov. 16, 1969]

CROWD AT MONUMENT SWAYS TO SONGS AND SPEAKERS

(By Christopher Wright)

Like a great sea lapping against the columns of government, the crowd at the Wash-

ington Monument swayed back and forth to the tune of the song. "All we are are Saying is 'Give Peace a Chance'," they sang again and again.

Throughout the afternoon, the cold wind whipped across the packed monument grounds, where the crowd of young people sat, shivered, sang, cheered and milled about as speakers ranging from U.S. senators to radical David Dellinger urged an ending to the Vietnam war.

For the most part the massive congregation was peaceful, friendly and well-organized. At one point they were told by Howard Samuels, one-time head of the Small Business Administration, "It's you who are here today—not Spiro Agnew, not Richard Nixon—who are the traditional Americans." Samuels added that they were patricipating in "a tradition of protest . . . of striving for justice in this land. You are the best in America, not the worst."

SPOCK LAUDS DISTRICT OF COLUMBIA MAYOR

Not all public officials were chastised by the moratorium speakers, however. The District's Mayor Walter Washington was praised by Dr. Benjamin Spock, who described him as "the man who put his job on the line to get us that permit" to march.

Relations between police and marchers along the route of the procession appeared unusually cordial. Near the Interior Department one officer halted the procession to allow traffic to pass. When the last car went by he told the waiting kids "Thank you," to which one blond girl replied "Thank you officer," as they went by.

At one point, early in the proceedings, when it was still possible to scale the tall metal scaffold that held the speakers and some of the sound equipment, one could see from that vantage of more than 40 feet the size of the crowd stretching away toward the Monument, speckled with flags and the colors of clothes. It seemed a vast solid body, but was in fact full of its own colonies and encampments as the marchers found ways to pass their time.

THE REVOLUTIONARY DIET

At half a dozen places amid the crowd the National Welfare Rights Organization set up metal horse tubs full of water on cinder blocks with fires underneath. Manned by heavy women, they supplied an endless number of soft hot dogs and rolls, apples and potato chips, the staples of the revolutionary diet.

When the crowd came together, it came with a rush and without warning. Dick Gregory got them on their feet when he roared: "We go on record to say, not only to the Nixon administration but to tryants all over the world, we going to see to it, there will be no more war." He roared and shouted to the microphones in a high pitch, and they were on their feet instantly, hands up and fingers V-ed giving a mighty growling cheer.

At one point, radical students waving Viet Cong flags began to shove their way toward the platform. The push mired down in the sheer numbers of the crowd and finally most of the radicals sat down under the banners with everyone else. Student marshals continuously squeezed their way between the ranks of dissidents keeping the groups separated and attempting to hold down the tension.

Folks songs of another, perhaps more hopeful, era found their way into the program. With the winter wind whipping her light blond hair Mary Travers sang "The Times They Are A-Changing" and brought the kids to their feet for yet another time.

Six years earlier—almost in another era—Mary, of the Peter, Paul and Mary group, sang the eulogies and the hopeful aspirations of the 1963 civil rights march.

Singer Arlo Guthrie, second-generation folk idol, told the crowd, "I don't think anybody needed to show up. As soon as they put the machine guns at the foot of the Capital the point was made."

Folk singer Pete Seeger and the Rev. Frederick Douglass Kirkpatrick began to sing the John Lennon-written song. "All We Are Saying Is 'Give Peace a Chance.'" Seeger asked everyone to join in, took off his coat, and started waving it in circles as he sang.

ENTIRE ASSEMBLY RISES

Others in the crowd began to wave their coats in the air, then the entire assemblage rose, waving the "V" sign from one side to the other, and started singing.

The sing-along king, Mitch Miller, joined Seeger and Kirkpatrick on the platform and helped lead the crowd and the song went on for about five minutes, ending with a rousing cheer.

Mrs. Martin Luther King, addressing a peace rally on the Monument grounds for the second time this fall, told the mass that unless the war in Vietnam is ended, "Everyone will live in stagnating slums and cities." Calling the war in Vietnam "a war that was a blunder in the first place," she accused the administration of "trying to end opposition to the war rather than the war itself."

The sentiment of the demonstrators toward the Nixon Administration was also reflected by Senate dove Charles Goodell, R-N.Y. "There are some leaders today who instead of lowering their voices, are raising strident calls to the flag, to patriotism, against communism . . . may our actions today and hereafter hasten the time when our flag once again can be used to celebrate peace and reason," Goodell said.

But the flags seen on the monument grounds today were of a different nature from the senator's theme and a different kind from those that usually ring the white Monument spire. At least one large Viet Cong flag waved in the breeze from a flagpole at the foot of the Monument.

Downtown streets were clogged with youths who moved in and out of the main rally body which packed an area from the tidal basin to the Justice Department.

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[From the Washington Post, Sept. 22, 1969]

HANOI'S USE OF AMERICAN PRESS IS MAJOR PHENOMENON OF WAR

(By Joseph Alsop)

HIEPDUC.—Hanoi's cynically astute exploitation of the American press, and the resulting anger of many Americans fighting for their country in Vietnam, have become major phenomena. Frankness is in order, and Hiepduc is a good place to begin.

Its scenery, all lofty mountains and sweetly fertile miniature valleys, and its history, which is both sad and inspiring, are Hiepduc's only stirring features. It is the most remote, least populous district in southern I Corps. It was overrun by the VC; the district town was burned, and the whole place was totally abandoned in 1965.

Only last March, about 4500 of Hiepduc's refugees, trusting in their government and its American allies, at last returned to till their fields. They now live in a new-built, tin-roofed village in the main valley. Here, on a little hill above the village amid barbed-wired entanglements, the resilient "district chief," Maj. Soan, leads his people from a "district office" that is nothing but a muddy bunker.

This is the politically, tactically and strategically ludicrous objective against which Hanoi's high command chose to launch the enemy's heaviest single ground attack this year, by two full-strength regiments of the 2d North Vietnamese Division. And this, in itself, was profoundly significant.

Sane commanders do not normally attack pimples with meat-axes. Hence the attack on Hiepduc first of all signified a remarkable decline in enemy capability and self-confidence. Whenever two whole North Vietnamese regiments were employed in the past, it was at least against a province capital, and certainly not against a lonely little village. Therefore, in the second place, the only possible aim of the attack was to make misleading headlines at home.

"District Town Overrun by VC"—one can imagine how the hoped-for headlines would have looked, and the false impression they would have conveyed. In fact, however, the attack on Hiepduc was repelled, after fearful North Vietnamese losses, by the brave men of the Americal Division, the ARVN and the Marines. But that was hardly noticed at home, since Hanoi had a bit of luck.

A long-embattled U.S. company hesitated to press forward for less than an hour, as must happen sometimes in hard fighting. The hesitation was so reported that the normally sensible James Reston, of The New York Times, wrote about a "sniff of mutiny." Later The Times sent an able young reporter to find out what had really happened. He learned that the men of the company in question were furious because it had been made to sound "like we were refusing to fight, and that wasn't so." But by then it was too late.

In sum, the real story was not told, and a basically unreal story got a great deal of notice. There was no evil intent, any more than there is evil intent behind the misreporting when Hanoi sets off fire-crackers to simulate an offensive. In these endlessly recurrent cases, the headlines read "Seventy-four places attacked in new VC offensive"—omitting the rather important fact that 70 or more of the "attacks" are a couple of hasty mortar rounds that have missed their targets.

You can better understand the bitterness of the soldiers at the front, however, if you study the background of an episode like the rather earlier excitement about "Hamburger Hill." The hill's real name is Dongapbia—the other name simply adopted for headline purposes and it dominates the strategically critical Ashau Valley.

When a North Vietnamese regiment slipped across the Laotian border and occupied Donapbia, there were in truth two choices: either get the the North Vietnamese off the hill or get ready to abandon the hard won Ashau Valley. With the valley abandoned, the North Vietnamese would have installed a forward supply system in two months and in three months, the 101st Airborne Division would have been fighting on the approaches to Hue, and would have been losing three or four times as many men, too, as the division now loses while controlling the Ashau and the border mountains.

"What do you blank blank guys think? That we risk our lives and our buddies' lives just for the hell of it?

The question was put, with considerable bitterness, by a battle-hardened young sergeant who was proud that he had helped retake Donapbia, and broadly understood the hill's importance. It seems to this reporter to pose a grave problem for the trade he has been proud to follow for going on four decades.

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## PROF. FRANCIS L. LOWENHEIM AND THE GSA—THE GSA SIDE OF THE ARGUMENT

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## HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. BUSH. Mr. Speaker, on November 25, I placed a letter in the CONGRESSIONAL RECORD from Prof. Francis L. Lowenheim of Rice University in which he charges

that the Franklin D. Roosevelt Library at Hyde Park withheld information from him. Since then the General Services Administration wrote me their side of the argument. In the interest of fairness, I submit their letter for inclusion in the RECORD at this point:

GENERAL SERVICES ADMINISTRATION,
*Washington, D.C., December 2, 1969.*

Hon. GEORGE BUSH,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. BUSH: I have read with interest your remarks in the CONGRESSIONAL RECORD for November 25, 1969, regarding charges made against the General Services Administration's Franklin D. Roosevelt Library by Dr. Francis L. Lowenheim in his letter to you of November 11, 1969.

The charges printed in this letter are repetitions or restatements of allegations made by Dr. Lowenheim on numerous occasions during the past year. All of these allegations are without foundation. To answer every charge in the portions of the letter printed in the RECORD would require many pages, but in the attached statement I have replied to a few of the most significant charges and misstatements to demonstrate their lack of substance.

I hope this will answer any questions you had with respect to this matter. If I may provide you with any further information in connection with these charges, please let me know.

Sincerely,

ROBERT L. KUNZIG,
*Administrator.*

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STATEMENT ON CHARGES AGAINST THE FRANKLIN D. ROOSEVELT LIBRARY CONTAINED IN A LETTER FROM DR. FRANCIS L. LOEWENHEIM TO REPRESENTATIVE GEORGE BUSH DATED NOVEMBER 11, 1969

The charges in this letter are repetitions or restatements of allegations made by Dr. Lowenheim on numerous occasions during the past year, all of which are without foundation. In the following paragraphs the facts are set forth to a few of the most significant errors and misstatements to demonstrate their total lack of substance.

*Topic of research.* In the very first paragraph of his letter Dr. Lowenheim states that he went to the Roosevelt Library "to put together in book form the correspondence of President Roosevelt and Professor William E. Dodd." On the contrary, Dr. Loewenheim's application to study at the Library stated his topic as "Munich—A Documentary History" and added "The documents and related materials are to illustrate the role and attitude of the United States during the Munich crisis, showing also what information about the growing German-Czech crisis, 1933–1938, was available to the United States—and, in particular, to President Roosevelt—during this period." Most of the records used by and copied for Dr. Loewenheim during the 75 hours he spent at the Library between September 1966 and February 1967 are related to his originally announced topic—Munich. Most of the Dodd items ordered by Dr. Loewenheim were not requested until February, at the very end of his visit.

*Alleged withholding of Dodd documents at the Roosevelt Library.* Dr. Loewenheim says that after "most careful search" at the Library he was unable to locate early correspondence between President Roosevelt and Professor Dodd—six letters in a single folder.

In this case, the question narrows down to whether one specific file folder in President Roosevelt's "Official File" (OF 523), containing correspondence with William E. Dodd, Ambassador to Germany, was or was not withheld from Dr. Loewenheim.

When a folder or box is requested and is charged out to a searcher, the Library records the item that is charged out. Records in the Library do not show that this particular folder on Dodd was charged out to Dr. Loewenheim.

We do not know why Dr. Loewenheim did not request this folder. He had available to him (as were available to all searchers who requested them) a numerical list of folders and an alphabetical index to the folders in the "Official File," both of which clearly indicate that OF 523 contains Dodd material. This particular folder on Dodd is also referred to on five separate cross reference sheets in another folder on Dodd in the "President's Personal File" (PPF 1043). The latter folder on Dodd was charged out to Dr. Loewenheim three times during his visits to the Library.

Two additional sources which would have been known by a scholar doing research on Dodd in 1966–67 also pointed to the folder not used by Dr. Loewenheim. One, an article by Franklin L. Ford, "Three Observers in Berlin: Rumbold, Dodd, and Francois-Poncet," in Gordan A. Craig and Felix Gilbert, eds., *The Diplomats, 1919–1939* (Princeton University Press, 1953), cites the folder OF 523 five times. The other, Robert Dallek's Ph. D. dissertation, "Roosevelt's Ambassador: The Public Career of William E. Dodd" (Columbia University, 1965), also cites folder OF 523. A copy of Dr. Dallek's dissertation is in the Roosevelt Library and is listed in the Library's card catalog under "Dodd." Dr. Loewenheim did not have Dr. Dallek's dissertation charged out to him.

When Dr. Loewenheim failed, at least ten other scholars, using the same indexes available to Dr. Loewenheim, requested and used this same folder, including two scholars who were at the Library during the same months as Dr. Loewenheim. Dr. Loewenheim did not ask Library staff members for the missing Dodd letters even once, and certainly not repeatedly, and Dr. Loewenheim gave no indication to the Library staff that he was in fact concentrating on Professor Dodd rather than on his announced topic of Munich.

*Dodd Papers at the Library of Congress.* Dr. Loewenheim does not hold the General Services Administration responsible for his inability to find, in the collection of Dodd papers in the Library of Congress, copies of the six letters he says he sought at the Roosevelt Library. Nevertheless, copies of four of the six letters are actually in the Dodd papers at the Library of Congress. It is a curious coincidence that Dr. Loewenheim was apparently no more successful in locating them than he was in locating the letters at the Roosevelt Library and that other scholars were able to find and use the four Dodd letters at the Library of Congress.

*Alleged concealment of manuscript of publication.* Dr. Loewenheim states that the manuscript compiled by Dr. Nixon "had been systematically concealed from countless scholars working at the Roosevelt Library over many years." The real facts are diametrically opposite.

1. Dr. Nixon's manuscript consisted of reproductions or transcripts of documents in the Library. The documents themselves were always in the files, except for the few hours they were being copied or checked (this was completed long before Dr. Loewenheim came to the Library), were always available for research, and were in fact used by hundreds of scholars.

2. The preparation of the manuscript for publication was announced (a) in the annual reports of the Administrator of General Services to Congress for the fiscal years 1957 and 1958; (b) by the Director of the Library in a paper read before the April 1965 annual meeting of the Mississippi Valley Historical Association, one of the two major professional historical organizations in the United States; and (c) in the *Midwest Quarterly*, VII (Autumn 1965), 53–65, which published the Director's paper. This obviously does not constitute systematic concealment.

3. The compilation was mentioned to many searchers at the Library, because the Library staff tries to bring the material in the Library's custody to the attention of a maximum number of users. No list was kept of those so informed, but among searchers who knew of the compilation before its publication were such scholars as Professor John M. Blum, of Yale University; Professor Frank Freidel, Jr., of Harvard University; and Dr. Fred L. Israel and Professor Arthur Schlesinger, Jr., of the City University of New York. Dr. Loewenheim is incorrect in stating that his attorney has requested information about such individuals from the General Services Administration; had he done so it would have been supplied promptly.

4. Dr. Loewenheim is also incorrect in characterizing the manuscript as "an absolutely indispensable guide or finding aid to the thousands of Roosevelt foreign policy documents at Hyde Park." The Roosevelt Library contains over 20 million pages of documents on hundreds of subjects, including foreign affairs, and provides many lists and indexes as finding aids to these documents. The Nixon compilation is in no sense a finding aid; it is a reproduction of the texts of 1400 selected documents on foreign affairs during the first 4 years of the Roosevelt Administration.

*Use of documents by Dr. Richard P. Traina.* The allegations regarding Dr. Traina's experiences grow out of an entirely different set of circumstances than those involving Dr. Loewenheim.

Dr. Traina wanted to see a number of documents relating to the Spanish Civil War which, among others, had been placed in files closed to research by a Committee of Three appointed in 1943 by President Roosevelt, which consisted of Samuel I. Rosenman, Harry L. Hopkins, and Grace G. Tully. Documents were placed in closed files if they fell in any one of eight categories, including investigative reports; applications and recommendations for positions; documents containing derogatory remarks about the character, loyalty, integrity, or ability of individuals; documents containing information that could be used to harass living persons or relatives of recently deceased persons; documents containing information the release of which would be prejudicial to national security; documents containing information the release of which would be prejudicial to the maintenance of friendly relations with foreign nations; and communications addressed in confidence. The Library has no choice under the conditions prescribed by President Roosevelt but to withhold documents of the categories specified.

Provisions for periodic review and release were set forth by President Roosevelt's committee under which documents in the closed files have been gradually opened. Some of the documents in which Dr. Traina was interested during his research in 1962 and 1964 were still being withheld in acordance with committee instructions but were opened after a periodic review late in 1966. Dr. Traina was sent copies of these and was given the dates of those still classified. Other documents of interest to Dr. Traina were opened after another periodic review in 1967.

Dr. Traina apparently disagrees with the judgment of the President's Committee in putting at least some of the documents in the closed files and with the pace of Library archivists in removing documents from the closed files. He does not contend that other scholars were given access to documents he did not see. The Library has no authority to release documents except in accordance with rules laid down by the Committee. In these matters, the responsibility for carrying out the wishes of the

President and his committee rests with Library archivists, and their views must prevail over those of Dr. Traina, who has no such legal responsibility.

Dr. Loewenheim is again in error in stating that withholding of material in the closed files was done by Dr. Nixon personally. At no time did Dr. Nixon serve as one of the Library archivists engaged in reviewing closed files nor did he direct the work of these archivists.

*Private publication of Foreign Affairs volumes.* The official connection between the Roosevelt Library and the volumes of *Franklin D. Roosevelt and Foreign Affairs, 1933–1937* has never been a secret as Dr. Loewenheim implies. The origin of the documents in the volumes, and the official connection of the volumes with the Franklin D. Roosevelt Library, as part of the National Archives and Records Service of the General Services Administration, are stated plainly by the title page, the foreword by the Library Director and the Archivist of the United States, and the editor's preface by Edgar B. Nixon.

Following inquiries addressed by GSA to three university presses—Harvard, Yale, and Princeton—the Harvard University Press offered to publish the volumes without cost to the Federal Government. A contract for publication of the volumes on this basis was signed on December 18, 1967, between the Archivist of the United States and the President and Fellows of Harvard College for the Harvard University Press. In addition to saving money, the contract is also advantageous to the Government because it provides for active promotion through the publisher's distribution machinery in order to achieve wide dissemination of the volumes. No factual basis has been advanced for the contention that publication of the volumes by a private publisher "raises serious questions of legality and propriety."

The printing of such volumes by a private publisher rather than by the Government Printing Office is entirely legal and proper. The Comptroller General of the United States, in a decision dated May 5, 1953 (32 Comp. Gen. 487), held that the law relating to printing in the Government Printing Office does not apply "where the *entire* cost of printing is not borne by the United States or the printing is not *exclusively* for the Government." The principle stated obviously covers the present case since none of the cost of printing is borne by the United States.

Dr. Loewenheim's attorney knew of the existence of the Comptroller General's decision as early as September 3, 1969, and at his request was provided with a copy on October 22, 1969, in both cases long before the charges in Dr. Loewenheim's letter of November 11, 1969.

*Charges in letter to New York Times Book Review.* A letter signed by Dr. Loewenheim and 19 other historians and printed in the *New York Times Book Review* for September 7, 1969, has been reprinted in the *Congressional Record* for November 25, 1969 (pages 35718–35719), together with a reply by the Archivist of the United States. Our reply was necessarily brief because of space limitations, so we offered in our reply, and we repeat our offer now, to supply full details on request.

It must be emphasized that the historians signing the letter do not charge, as Dr. Loewenheim implies, that they personally have had experiences during the past 10 years at the Roosevelt Library "including withholding of documents, concealment of the Nixon compilation, gross favoritism to certain scholars." Indeed, 12 of the 20 signers could not truthfully do so, because they have never used the Library facilities, and 4 more have not used them for the past 10 years. Only 4 signers, including Dr. Loewenheim, have actually done research at Hyde Park during the last decade.

*Dr. Loewenheim's Memorandum of Complaint.* The General Services Administration first learned informally of Dr. Loewenheim's 23-page memorandum of complaint in late January 1969 and received a copy officially with a letter from Representative Bob Eckhardt dated February 25, 1969. This letter was acknowledged March 3, 1969. If Dr. Loewenheim sent a copy of his memorandum to the National Archives and Records Service in December 1968 as he says, it was not received and of course could not have been acknowledged.

*Investigation of Charges.* Dr. Loewenheim's charges were investigated promptly between November 1968 and February 1969 as they came to the attention of GSA's National Archives and Records Service, which administers the Franklin D. Roosevelt Library. The charges were found to be without merit. Independently, GSA's Office of Audits and Compliance, at the direction of the Administrator of General Services, also investigated the charges thoroughly between February and April 1969. Its report of findings in April 1969 found no evidence of improprieties by GSA employees, and the Administrator so reported to Representative Eckhardt on April 29, 1969. A third independent investigation of Dr. Loewenheim's charges was undertaken in February 1969 by the American Historical Association's Committee on the Historian and the Federal Government, which has not yet published a report. Currently, another investigation of the matter is being conducted by an *ad hoc* committee appointed jointly by the American Historical Association and the Organization of American Historians, the two major professional historical organizations in the United States. The *ad hoc* committee consists of three eminent historians, Dr. Richard W. Leopold (Northwestern University), Dr. Alfred D. Chandler, Jr. (Johns Hopkins University), and Dr. Dewey W. Grantham, Jr. (Vanderbilt University), who have been urged to report on the charges to their respective organizations "with the greatest expedition and not later than December 20, 1969."

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## SUBSTITUTE POVERTY BILL WILL KILL VISTA

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### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. FRASER. Mr. Speaker, one of the programs most harmed by the Quie-Green substitute poverty bill is VISTA—Volunteers in Service to America.

The substitute bill would, among other things, give the responsibility for the conduct of the VISTA program to the Governors of the 50 States.

VISTA, like its partial prototype, the Peace Corps, is one of the most clearly successful Federal programs designed to attack the causes of poverty.

It is a program which has given a tremendous return on its investment; a VISTA volunteer, a dedicated, skilled man or woman who works full time, is maintained in the field for a total cost—subsistence, training, everything—of $4,400 a year.

These volunteers are the cream of young America—lawyers, business school graduates, generalists, health specialists. They live in the poverty areas on an average of $45 a week and work directly on basic problems of housing, health, and unemployment. They are among our best investments in the future of our country.

The substitute bill would wipe out the VISTA program. It would substitute 50 separate programs related only in a superficial, nominal way and it would substitute staggering duplication for efficient control.

VISTA now has seven training centers. Its recent reorganization calls for 10 regional headquarters. Its recruitment is regionalized under an overall recruiting plan. Its incoming volunteers are assigned across the Nation on the basis of which program has need for their particular skills. States with well-developed legal programs get lawyers from all over the Nation, economic development programs get the pick of the business school volunteers.

With this bill, with each State in business for itself, none of this would be remotely possible. Each State would conduct its own recruiting and selection and assignment of volunteers. The need for volunteers would be met only if there was a sufficient number of qualified volunteers within that particular State. The administrative costs would jump enormously. Instead of seven training programs there would be 50. A State with a few volunteers, 15 or 20, would still be charged with setting up a full training program, a full selection program, and a full assignment apparatus. The staff would outnumber the volunteers. There would be no national poor to draw on. The problem of matching volunteers to sponsors would be almost impossible. In a particular State there might well be a sponsor who wanted 15 health specialists and in the State the only volunteers available might all be generalists or lawyers or business school graduates. The effort to design effective programs with local sponsors would be rendered impossible. The sponsor would have to design his program not to meet the particular need in his area but to use whatever random skills were available.

A relatively new and most promising VISTA concept, the use of a volunteer team—combining the skills of, say, a lawyer, some health specialists, a business graduate, an architect or city planner, generalists—to work on the varied problems of a particular community would no longer be possible.

What would happen to VISTA if this substitute is accepted?

There are some 5,000 volunteers in the field at this moment. I assume from the language of the bill that these 5,000 would have to be sent home. Even if they were allowed to serve out their year, their projects would die rapidly, as they left, one this week, two next month. Many could not be replaced because there would be no way to replace them, until a large set up effort is made in each State.

Some 2,300 local organizations, both public and private, have asked for VISTA Volunteers across the Nation. Some 100,000 Americans have volunteered their full-time services to VISTA. Funding limitations have not permitted the program to operate at anything like this full

potential, but there are 500 projects now serving in thousands of communities in 49 States of the Union.

This whole program would die.

It could not be replaced. Each State would have to decide if it wished to take on the curious and inefficient burden of administering its own little segment. Many States would not even attempt the impossible.

Those which did would be confronted with a very limited choice of programs. The basic point of a volunteer organization like VISTA is to seek new solutions to old problems. Old solutions have proved disastrously to be no solutions at all. VISTA has, for example, developed complex and successful economic programs in conjunction with business schools and professional groups in certain cities. These programs have enabled a great many inner-city people to organize their own businesses, which support them decently and which put new life into the economy of the whole depressed area. These programs were developed for broad use, across the Nation, with different schools and different professional groups in different cities. This kind of research and development is possible only on a broad scale. At best, in a few big, rich States, such productive innovations would be duplicated needlessly; in many States the resources for such development would not be available.

The problem of recruiting would be similar. Each State would set up its own recruiting machinery. In certain population areas VISTA finds the young men and women who do not want to destroy America, but who want to work to solve its problems. Some States have several such areas. Some have few or none. The number of recruits in some States will be many times greater than the needs of that particular State. In others the need will be many times greater than the number of recruits. This would be particularly true, and particularly tragic as I have already indicated, in the most successful, most promising areas of the VISTA program: projects which emphasize the use of professionally skilled volunteers. One State may have many institutions turning out highly qualified health specialists and relatively little need for them as volunteers. In another the opposite is true.

I submit that this substitute bill would destroy what is perhaps our most effective, most efficient effort to find permanent solutions to the problems of poverty in our Nation.

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## A CALL FOR LEADERSHIP

### HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. KOCH. Mr. Speaker, in the November 4 issue of Look magazine, Theodore C. Sorensen called on the Nation's Democrats to abandon old complacency and come forth with imaginative and creative leadership. Mr. Sorensen's article is one which I believe will interest all Americans regardless of their party affiliation and, therefore, I offer it for insertion in the RECORD:

The incident at Chappaquiddick was more than human tragedy. It was a setback as well for the Democratic party. For the absence of Ted Kennedy from the 1972 race makes all the more difficult the defeat of Richard Nixon. The Democratic party once stood for energy and drive and hope. Now it is in danger of becoming a tired second-place defender of the status quo. Those of us who care not only about the party's survival but even more importantly about our children's future must do more than wring our hands. I intend to do so.

More Democratic candidates and incumbents must take the initiative and present constructive alternatives to the Nixon approach. It would be inconsistent with our philosophy to hamper the flexibility of the President's office, notwithstanding the incumbent's Republicanism. But we must fill the policy vacuum Mr. Nixon apparently intends to leave and fill it with something more than the bread-and-butter programs that have dominated Democratic platforms ever since the thirties, something more than a rehash of the domestic programs of the New Deal, Fair Deal, New Frontier and Great Society.

It is unfortunate that long years of power in Washington have committed many Democrats to a defense of big government, high taxes and centralized bureaucracy for their own sake. They pooh-pooh the concepts of individual involvement and community control as Republican slogans. They stubbornly cling to outmoded Democratic precedents: to public-welfare programs that humiliate those they should help; to farm-price programs not geared to feeding our hungry; to public-housing programs that create new slums; to payroll taxes that run counter to a progressive fiscal policy. New Deal liberalism, convinced that all wisdom stemmed from Washington, built traditional Government paternalism and handouts into LBJ's War on Poverty and opposed RFK's tax and credit incentives for attracting private business into the ghetto. For dramatic proof that the well-intentioned welfare approaches of the 1930's are inadequate for the 1970's, one need only look at the supposed "security" we have provided to the hapless American Indian.

To be sure, the Democratic party must offer new social programs: to make low-cost medical care available to all, to extend free public education beyond high school, and to erase the malnutrition and infant mortality that afflict the richest country on earth, to name only a few. But it must also offer new leadership with new perspectives—on the need to reallocate resources from military weaponry to the abolition of domestic deformities—on the need to give investments in our youth and our environment a higher priority than balancing the budget—on the need to treat the growing urban crisis as a clear and present danger to the prosperous white majority as well as to the black and poor minorities.

The Democratic party must remain the liberal party in the original sense; but the typical liberal-conservative anlayses and labels are no longer as relevant as they were.

The movement to bring government closer to the people through decentalized control of schools and other community institutions, for example, is neither "liberal" nor "conservative." While the perils of that effort are many, it is an outgrowth of the same sense of helplessness, the same resentment of a distant, patronizing authority, that has accelerated the movement toward "participatory policies."

The mammoth Bedford-Stuyvesant ghetto project initiated by Robert Kennedy with the backing of private business sought to give those who were virtually powerless a real voice in improving their lives. It ran counter to cherished liberal notions about Federal patrimony, racial integration and corporate greed, but it was in fact in the best FDR tradition of seeking radical innovations for the future to preserve the basic values of our past.

With this and other equally new and far-reaching concepts, the Democratic party can provide a nonviolent answer to those understandably impatient youth who ask whether our system can be changed through means other than violent confrontation and coercion. Some of our goals, if they are meaningful, will no doubt sound like those now being proclaimed by all kinds of militants and revolutionaries. So what if they do? We intend to achieve them peacefully, not through violence, by changing the system, not throwing it out. "We cannot afford," as Archbishop Camara of Brazil has said, "to relinquish banners which are right merely because they have been carried by wrong hands."

Departures from old entrenched positions are also required of our party in foreign policy. Because Democrats held power immediately before and during both world wars, Korea and Vietnam, many of our traditionalists retain an emotional commitment to the cold war policies of containment. Many believe that the only alternative to isolationism is for America to be a global magistrate, an international New Dealer complete with military assistance to undemocratic regimes abroad and a security-conscious military-industrial complex here at home. That must change. Our party cannot conceal its role in the mistaken escalation of the war in Vietnam. But we can call now for a bargaining and battlefield posture that rejects the illusions of the past and seeks the earliest feasible liquidation of that basically bad investment. We can discard the negative attitudes that characterized Democratic administrations on new approaches to China and Germany; and we can offer our own specific proposals for ending the East-West arms race and for building nonmilitary responses to Communism.

In both foreign and domestic policy, in short, we must shed the old liberal stereotypes. "Liberal" once meant open-minded, receptive to change, willing to try and to dare—not tied to any dogma or doctrine of the past. I do not consider myself illiberal because I am against inflation, crime, obscenity or teen-age drug abuses. Nor do I think it liberal to condone violence on the campus or in the ghetto, or to pretend that the United Nations is more than it really is. Our party, to succeed, must recapture the enthusiasm of those tuned out by last year's series of tragedies. Those young and concerned voters must be shown that a peaceful revolution is possible, and that violent confrontations are unnecessary. Only if the Democrats, nationally and locally, offer that kind of action instead of clichés can we win and deserve to win.

Reports of the party's good health, following Hubert Humphrey's surprisingly narrow loss to Richard Nixon last November, were unfortunately exaggerated. The Republican-Dixiecrat coalition emerged in control of the White House, both Houses of Congress and the governorships of the principal states. The new President, unlike the last Republican President, has both the political know-how and the determination to perpetuate his party in power. Among the industrial states of the North, on which Democratic presidential candidates must depend, Republican governors sit in all but New Jersey (which holds its election this year).

Republican governors in fact control states with two-thirds of the nation's population. Republicans, if present trends continue, could organize the Senate after the 1970 election. Republican control of the House of Representatives is a distinct possibility in 1972—

after the 1970 census enables Republican-controlled state legislatures to reapportion congressional districts. Even now, among the new and relatively new members of the House and Senate, Republicans have a two-to-one majority. Moreover, on most key issues dividing the 1968 Democratic platform from the Republicans, roughly six out of seven Southern Democratic congressmen can be expected to vote with the Republicans.

The defection of the once Solid South typifies the erosion and division that have emasculated FDR's coalition of power-brokers. Labor unions and big-city political machines can still provide important manpower and money to a Democratic candidate, as Hubert Humphrey's campaign in 1968 demonstrated. But as the members of these political, trade union and other organizations move to the suburbs, achieve economic security and make up their own minds after viewing TV, they are less influenced by a leader trying to enlist them behind some lackluster candidate. Many of these leaders are at odds with the party's young activists and intellectuals, who are in turn too often disdainful of the white nationality groups once prominent in the coalition—the Irish, Italians, Poles and others—who are in turn often resentful of the aspirations of black and Spanish-speaking groups, who can at times distrust each other. Most of the farmers who survived the agricultural revolution achieved their security and defected from the coalition long ago.

In 1968, deep-seated opposition to Nixon and Agnew had a temporarily galvanizing effect, and the patronage and other services dispensed by the party in power helped compensate for growing weaknesses. But 1968 was the last hurrah of the old Democratic coalition. For too long, its leaders had complacently counted on the loyalty of many who no longer felt they could count on the Democratic party. In 1968, some of these voters supported Wallace or fringe candidates, some stayed home, and some reluctantly voted Democratic without knowing why.

In too many places, moreover, the party had grown soft and stale. It repeatedly offered aging candidates more renowned for their past glories than for their appeal to the independent-minded, who saw no merit in automatically voting the straight Democratic ticket. Many high-quality candidates with broad appeal at the state and local level were defeated (or even discouraged from running) by party ineptitude; many ran independently of the party organization; and some ran as Republicans. In the best traditions of our party since the days of Al Smith and FDR, the national and local Democratic campaigns in 1968 were focused on those voters too hard-pressed to feel affluent or too aware of the nation's needs to feel indifferent—only to find that the affluent and the indifferent constituted, regardless of registration, a new Republican plurality.

"In stagnant pools," said Mr. Justice Holmes, "there is decay and death; in moving waters there is life and health." Unless the Democratic party moves to become a more democratic party, it faces continuing decay and decline. The 1968 election—having deprived the Democrats of much of their patronage and power, having taught them not to rely on all the big-city machines or the South, having demonstrated that the support of their middle-class members must be newly won—may prove in the long run to have been at least a partial blessing in disguise if it forces our party to cut its ties with racism and bossism and to build a new coalition from the bottom up.

The basis for the old coalition was largely class. The workingman, the relief recipient, the dirt farmer and the tenement dweller looked to the New Deal and its successors for economic salvation. The basis for the new coalition must be not only the common good but also conscience, including not only the poor but also those too recently poor to have forgotten and those too secure to feel threatened—not only realistic black and Spanish-speaking Americans but also idealistic white Americans—not only the old-time New Dealers, interested in public power and Social Security, but also their children and grandchildren, interested in black power, Vietnam and urban blight. Those in the so-called white upper middle class, including suburbanites and the well-educated and their voting-age children—once largely written off as traditional Republicans—now hold the balance of political power in the big states Largely unorganized and uncommitted, unwilling to vote by party label only, uninterested in the old-time economic issues and party history, these voters will more easily find comfort and safety in generally following the lead of their Republican fathers, employers and neighbors unless Democratic candidates can appeal to their consciences as well as their pocketbooks.

A new coalition of conscience can bring the old Democrats and new Democrats together, combining the manpower of youthful activists and part-time housewives with that of regular precinct workers, who know what it takes to keep the party functioning. It can use the energies and skills of countless numbers of young lawyers and businessmen who have expressed to me their desire to take part in elevating American politics and who have the time, money and talent to help bring that about. Nothing would be more self-defeating than to discourage their participation by surrounding the new coalition with an ideological wall so high that only the inflexible purists of the so-called New Left would be eligible for entry. Humorless militants and narrow-minded nihilists, who want freedom for the indulgence of their own moral tastes but not for the majority of Americans (whom they denounce), do *not* represent the coming wave of New Politics.

On the contrary, the most important of all Democratic party traditions—the one historic trait distinguishing it through history from other parties—is its role as a broad-based, multi-interest, internally divided political party, too diverse to be doctrinaire, too big to be unanimous.

The key word in the lexicon of the New Politics is "participation." Real political power in both parties has too often rested disproportionately in the hands of a few party officials and contributors, nearly all of them white, male, affluent, Establishment-oriented and over 50, many of them more concerned about keeping their places on the political ladder than solving the national and urban crises surrounding them.

Until we change that picture, we can hardly preach to other peoples about self-determination.

Having been in power nationally for nearly all of the last 36 years, Democrats have become too accustomed to accepting leadership from the top down and changing it too infrequently. Southern dissent inside the party was expected, but liberal dissent was considered heresy. One of the brighter spots of the dreary 1968 convention in bloody Chicago was the willingness of 40 percent of the delegates to oppose the party Establishment in voting for the minority "peace" plank. That same convention terminated most concessions to the Old South, encouraged as never before the participation of black, young and grass-roots Democrats, ended the unit-rule device by which minority voices were stilled, established one commission to modernize convention rules and established still another to insist hereafter on the democratic selection of all delegates.

These developments must continue. The frustrating sense of powerlessness that many Americans feel toward remote, impersonal institutions applies to political parties as well. I am constantly asked by dissatisfied Democrats: "What can I do?" If our party is to be responsive to its members—and we cannot otherwise succeed—it is not enough that they be "involved" stuffing envelopes or ringing doorbells, important as such activities may be.

We must formulate procedures to redistribute political power to achieve the broadest possible participation in the exercising of that power. Precinct meetings open to all must have an effective voice in the formulation of policy and in the selection of both party leaders and candidates. The notion that a few men should successfully choose the party nominee for any important office regardless of whether he reflects the will of the voters is shocking.

Through direct primaries, periodic surveys and more frequent state and national platform conventions, through more open channels of communication between party members, leaders and public officials, through increased party informational and educational activities, and through a far broader financial base of small contributions, rank-and-file Democrats can obtain new confidence in party decisions, and that kind of direct participation can produce the enthusiasm and momentum that lead to victory.

A national presidential primary would be chaotic and exorbitantly expensive without assuring as representative a choice as an overhauled convention system. It would make even more difficult the prospects of an insurgent candidate. But every presidential and every senatorial or gubernatorial nominee of our party will have greater voter confidence (and surely more workers) if his policies and appeal have first been fairly tested in a contested open primary.

All this will be to no avail, however, without high-caliber candidates at every level. We need men and women who are able to appeal to all elements in the Democratic party and to independents as well, willing to campaign hard at the grass-roots level, and more inclined to explain on TV the new and current issues than to engage in blindly partisan exaggeration. Young people and intellectuals must be involved in those campaigns, their imaginative contributions welcomed regardless of their refusal to support every Democrat or every plank in their own candidate's platform. Storefront headquarters will be more important than smoke-filled hotel rooms. A candidate's convictions, commitment and ability to inspire a majority of the voters will be more important than his acceptability to a few party leaders and donors.

Increased citizen participation does not deny the need for strong leadership. On the contrary, the very turbulence and diversity that have consistently characterized the history of the Democratic party have also made it responsive to those strong personalities who survived spirited intraparty debates and led all factions to victory.

But above all, the Democratic party must not stand still. It must not be the party of the status quo. Its leadership must not be confined to the old and the established. As Edmund Burke cried out long ago: "Applaud us when we run, console us when we fall, cheer us when we recover, but let us [press] on—for God's sake, let us [press] on."

## THREE BUFFALO OFFICIALS TESTIFY ON SMUT MAIL

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. DULSKI. Mr. Speaker, our Postal Operations Subcommittee held a further hearing today on legislation to ban the

mailing of obscene material into homes where minors reside.

This is a very difficult area of law in the light of court decisions, but it is a matter upon which Members are constantly receiving complaints from their constituents. Despite the difficulty in writing adequate law, the effort must and is being made by our subcommittee.

I commend the diligent effort by the subcommittee chairman, the gentleman from Pennsylvania (Mr. NIX), and the members of his subcommittee for their thorough and continuing investigation of this problem. I look forward to an early recommendation to the full committee.

TRIO WORKS AS TEAM

At today's hearing, I had the honor and pleasure of introducing three expert witnesses from my home city of Buffalo, N.Y., who have been working as a team in the effort to control distribution of obscene and pornographic material in the Buffalo area.

They are: Associate City Judge Theodore S. Kasler, Senior Assistant District Attorney Julian F. Kubiniec of Erie County, and Detective Sgt. Frank V. Spano in charge of the Buffalo Police Department's salacious literature squad.

The gentlemen made excellent formal presentations and then submitted to questioning by subcommittee members.

Mr. Speaker, their formal statements warrant the attention of Members and I include the texts with my remarks:

STATEMENT BY ASSOCIATE JUDGE THEODORE S. KASLER, BUFFALO, N.Y.

For the record, Mr. Chairman, I am Theodore S. Kasler, an Associate Judge of the City Court of Buffalo, New York, and I want to thank you for granting me this opportunity to address your subcommittee.

At the outset, let me indicate that my problem and that of all trial Judges, whether they be on the federal, state, county or municipal level, is in the interpretation of the obscenity laws, as governed by the interpretations of the United State Supreme Court, the various Circuit Courts of Appeal, and the various Appellate Courts on the State level.

It is also obvious to the committee that all the State laws, and even the proposed bill which is before your committee now, being number HR-10867, are synthesized from these Court decisions, and until each law is finally tested by the United States Supreme Court, no trial Court can ever be sure of its true meaning.

The nature of the problem which is the subject of the bill under consideration by your committee is one which has caused anguish to the Courts and alarm to the nation.

FRUSTRATION WITH PROGRESS

This committee is aware, Mr. Chairman, that distinguished lawyers, jurists and public officials have become discouraged at the inability of government to stop the flow of hard-core pornography through the mails and the bookstands, and its open, brazen display, regardless of age, on the stage and on the screen. It has been my experience that the public does show some concern for pornography only when it "hits home."

And, I repeat, it is only when sexually oriented advertising is received in the home that parents move into action, and then they demand immediate action from you gentlemen, from State legislators, from the Judges, and from the police.

Therefore, I commend this committee for taking action in this field, because I believe it is the function of the government to do for the people what they cannot do for themselves, or, as in this instance, what they are not inclined to do for themselves.

It is my observation that, to many parents of minors, pornography is not a reality until they are faced with it in their homes, or it is found on the persons of their children.

I have found that people have a vague idea of what hard-core pornography is, and their impression of it consists of mere nude figures.

However, on occasion, when I do take examples of the hard-core pornography which is received through the mails or which is found on the bookstands, and I describe the various sexual aberrations practiced in the movies bought by Sergeant Spano in the open market and viewed by me, only then is the full impact of obscenity brought home.

ACTION IS AFTER THE FACT

In Subsection B of Section 4012, mailing of sexually oriented advertisements, the bill places the onus on the householder to file a statement with the Postmaster General, stating that he does not want to receive any sexually oriented advertisements through the mails. This, in my opinion, places too great a burden upon the citizen.

It is simply human nature that the citizen will not be moved to action until he does receive such sexually oriented material through the mail.

But, by that time, the minors for whose protection this bill is being enacted may have already examined this material, may have replaced it, and whatever damage has been done will remain permanent.

I agree with those advocates who are urging this Congress to make it strictly unlawfull to send any sexually oriented advertisements to all classes, adults as well as juveniles.

CONSTITUTION BEING COMPROMISED

In conclusion, may I state to this committee, Mr. Chairman, that a great document like the Constitution of the United States is being compromised and degraded for the benefit of the very few, for the sole purpose of making money, and in total disregard of the consequences. May I quote from an address by Mr. Richard L. Evans, delivered from the Tabernacle in Salt Lake City, on November 9th, 1969, wherein he stated:

"Evil is greedy. Evil is pursued by many to make money. And always we ought to remember that the more profitable evil is, the more powerful it is, and the more prevalent it will become. Evil will go just as far as we let it. If we patronize it, encourage it, it will go to unlimited lengths."

It is indeed a sad commentary upon our times when cynics can use the Constitution of the United States to promote pornography for profit, and I am in full accord with the conclusions reached by Mr. Edwin A. Roberts, Jr., editor for The National Observer's Newsbook series entitled, "The Smut Rakers", under a 1966 copyright by the Dow-Jones Company, Inc., wherein he stated, at Page 127:

"Since the beginning of obscenity legislation in the United States, the cause-and-effect element has been a principal justification of relevant laws. But we might ask ourselves if such justification is necessary.

"Obscenity is more than 'controversial sex speech,' as one lawyer puts it. It is more than the 'occasion of sin' of clerical parlance. And it doesn't have to be a threat to Western civilization to be intolerable. Obscenity is a nuisance worthy of legal control because it offends the dignity, spirit, and sensibilities of civilized people. If it did nothing more than that it would be as suitable for censure as the power plant that fouls the air.

"The First Amendment? Americans may disagree on its application, but it seems at least arguable that the Founding Fathers did not consider every impression of ink upon paper to be automatically superior to all competing values."

Once again, I extend my thanks to the subcommittee for inviting us, and I am sure that I am extending the thanks of concerned people of the Niagara Frontier for having an opportunity to be heard.

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STATEMENT BY JULIAN F. KUBINIEC, SENIOR ASSISTANT DISTRICT ATTORNEY, ERIE COUNTY, N.Y.

Thank you, Mr. Chairman, at the outset, I want to thank you for affording me the opportunity to testify before your committee relating to the problem of pornography and obscenity.

For the record, Mr. Chairman, I am Julian F. Kubiniec, an Assistant District Attorney in and for the County of Erie, Buffalo, New York.

Among my other duties as an Assistant District Attorney in Erie County, I am in charge of the Obscenity Bureau in the District Attorney's office with the responsibility of prosecuting local violations and in cooperating with and assisting local law enforcement agencies in the never-ending crusade against the dissemination of pornographic and obscene materials.

On the local (county) level, convictions for the possession of and on the promotion of obscene materials are quickly becoming a rarity.

Higher court opinions have imposed a quantum of proof upon the prosecutor so burdensome that it is beginning to appear that only photos or films actually depicting sexual intercourse, sodomy, etc., are deemed to have no constitutional protection.

PROTECTED BY FIRST AMENDMENT

Yet, possession of a "stag" film, for private use in a home, have been recently cloaked with the protective mantle of the First Amendment.

In spite of these recent trends towards a complete carte blanche for the dissemination and possession of highly erotic books, films and magazines, the Supreme Court has on several occasions, reaffirmed its feeling that the States are completely free to legislate against the sale, dissemination and promotion of pornographic and obscene materials to minors.

New York State has an excellent statute prohibiting such dissemination to minors. The law is so explicit and firm that the book stores in Buffalo, which specialize in "girlie" and "nude" magazines, warn away minors with large signs displayed on their doors and windows.

In the event that a retailer is arrested for an illegal sale to a minor, the prosecution must prove that the particular book or magazine was "harmful to the minor." This element of proof requires the testimony of experts in various fields who may or may not be available to the prosecution and if so, at considerable expense.

PROTECTING MINORS

Bill 10867, which is the subject of this Committee, has as its theme the prevention of sexually-oriented material from reaching minors through the mail.

The definition spelled out in the Bill are excellent and would more than cover the types of magazines which I have brought for this committee's perusal. These magazines were purchased in retail stores in Buffalo which feature such works.

Although these retailers appear to make an effort not to sell to minors, they can nevertheless be purchased by minors through the mail.

You will note that each magazine has an advertisement touting other titles purported to be similar to the magazine in hand. The coupon may be cut out and forwarded to the publisher or distributor with the required price and the ordered magazine will then be mailed.

The proposed Bill will not prevent the mailing of such a magazine to a minor who places his order after the magazine was carelessly or deliberately passed on to him

by an adult. However, I do believe that Postmasters in the various states are aware of publishers and distributors who mail out such magazines.

Perhaps, by appropriate legislation, they could be required to prove or at least vouch that a specific mailing is not addressed to a minor.

FEEL INSPECTION CAN BE REQUIRED

I feel that publishers and distributors of magazines which portray scenes, conduct and activity as defined in this Bill can legally be required, not only to submit them to the Postal Department for inspection and categorization, but can be further required to attest that none are being mailed out to minors.

It may be impossible to prevent these publishers from running ads in their magazines (unless this can fall under the "pandering" doctrine of the Ginzburg Case) but such requirements might eliminate or seriously curtail the sale of such magazines to minors through the mail.

This would have the long range effect of making the local retailer the only major source of distribution and he can be controlled at the local level by the police as far as illegal sales to minors are concerned.

By virtue of a contempt proceeding in Erie County Court, it became public knowledge in the press that the October 1969 Grand Jury of Erie County is conducting an investigation under a new law in New York State which makes it a felony to "wholesale promote" obscene material.

LEGISLATION AIMED AT WHOLESALER

The legislation is aimed at the wholesaler who, by virtue of his operation, makes substantial profits on volume sales to various retailers.

Police investigations reveal that large shipments of highly erotic and sexually oriented magazines are shipped by air-freight to distributors by various publishers.

I believe that the Postal Department has contracts with many airlines worth millions of dollars for transporting United States mail; in fact, a recent issue of Life magazine states that air mail brings in more revenue than passengers on a per pound basis.

I propose that this committee study the feasibility of limiting or denying air mail cantracts to airlines that transport magazines and materials that meet the definitional sections of this Bill.

Although the Courts have, in a series of decisions, expanded individual rights in this area, yet their expression of serious concern for the protection of minors leaves open many roads to approach the curtailment and elimination of sexually-oriented works.

FEDERAL GOVERNMENT MUST PROTECT

The United States government must now accept the responsibility of protecting its citizens, especially the children. The Federal judiciary ignited the civl rights explosion under the First Amendment and now is the time for our Federal legislators to use every tool at their disposal to regulate the flow of material which may fall into the hands of the youth of this nation.

Smut is a national business. Magazines printed in California are wholesaled and retailed in Buffalo, New York.

This Bill proposes to stem the flow of sexually-oriented material to those families who actively indicate their disgust.

Cannot the might of the Postal Department be exerted in other legislation to reverse the interstate movement of these types of magazines?

The local prosecutor and law enforcement officer needs help and shackling the flow of obscene and pornographic material may very well be the first important step to a rededication to the moral values which we cherish.

STATEMENT BY DETECTIVE SERGEANT FRANK V. SPANO, BUFFALO, N.Y., POLICE DEPT.

Thank you, Mr. Chairman. At the outset I want to thank you for affording me the opportunity to testify before your Committee relating to pornography.

For the record, Mr. Chairman, I am Frank V. Spano, Detective Sgt. in charge of the Salacious Literature Squad of the City of Buffalo Police Department.

Although, my connection with the sending of smut through the mails, may seem remote because I am not a member of the Postal Inspection Division of the Post Office, nevertheless I am certain that I received at the Buffalo Police Department concerning smut mail, a substantial measure of the complaints, which I immediately refer to the Postal Inspectors.

May I add, that I have received excellent cooperation from the Postmaster of Buffalo, New York and the Postal Inspection Service, and this cooperation has been reciprocated by the department, by aiding in local prosecutions of obscenity cases.

PROBLEM OF ENFORCEMENT

Gentlemen, I think that I should inform you of my problem in enforcing the obscenity statutes of the State of New York in that, under Peo. vs. Rothenberg decided by the Court of Appeals of the State of New York, a police officer is not permitted to make a determination that any material is obscene.

As a result, I must purchase or view film and other obscene material and present it to a judge for determination as to its obscenity before a search warrant directing the seizure of such material or the arrest of the promoter can be ordered.

As recently as October 6, 1969 the U.S. Court of Appeals for the 2nd Circuit in the Bethview Amusement Corporation vs. William Cohn, District Attorney for Nassau County case ruled that an "adversary hearing" must be held before a search warrant and/or an arrest warrant can be issued.

These judicial decisions have made it virtually impossible to enforce the obscenity laws of the State of New York; this fine bill being H.R. 10867, is of no help to me as a police officer attempting to enforce any laws of obscenity, be they Federal or State.

POLICE OFFICERS INHIBITED

In view of the recent Supreme Court ruling which now constitutionally protects the possession of obscene and pornographic material in the home, police officers are now prohibited from making arrests for such possession and this now raises the question:

How does this obscene material get in the home?

Undoubtedly the U.S. mails will be one of the main vehicles for bringing obscene material to the attention of the "consumer."

A study of the present bill discloses that it is geared to protect the individual and his family who specifically make the effort to place their name on the "Postmasters List" indicating their desire not to receive sexually oriented advertisements.

I respectfully call this Committee's attention to the Supreme Court's ruling in the Ginzburg Case wherein it was held that a material which is advertised as having been created for the purpose of sexual stimulation, is denied the protection of the First Amendment.

SUGGEST COMMITTEE STUDY

I would suggest to this Committee that it study this aspect of the law as a solid basis for prohibiting from the mail any and all sexually oriented advertisements that key upon the aspect of sexual stimulation.

The heart of the proposed bill appears to be under Section 4012 paragraph (b) which would proscribe the mailing of such material only to those persons and families who comply with this section.

Gentlemen, do you appreciate the fact that an extensive nationwide publicity campaign would be necessary to alert the public to this protective section?

The burden is placed upon the citizen to take the first step in protecting himself from unwanted and offensive advertisements.

Assuming that he does, what is to prevent the purveyor of filth from mailing his advertisements by merely addressing it to "Occupant".

BELIEVES BILL SHOULD GO FARTHER

It is my feeling as a police officer, that this bill should go further than it does.

Under the above mentioned Ginzburg case, I feel that this Committee should make a thorough study of barring, prohibiting and refusing to deliver any and all sexually oriented advertisements that meet the test expounded in this case.

If such a prohibition were possible, then the police officers present inability to arrest the home occupant for possession of pornographic material would become moot because the main source would then be local commercial outlets rather than through the mail.

Mr. Chairman, gentlemen, I thank you for affording me this opportunity to present my views regarding this legislation.

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## NOT QUITE SO FAST ON A LAKE AIRPORT

### HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. MIKVA. Mr. Speaker, there is currently much talk in Chicago about the need for a new airport to relieve some of the congestion at O'Hare, the Nation's busiest airport, and at Midway. Although no one disputes the need for an additional airport, there are many concerned citizens who dispute the location which is currently being prominently mentioned by airport planners—in Lake Michigan.

Many of us who are concerned about what we have already done to our environment, either through negligence or purposeful pollution, dread the potential ecological effects of a lake airport, effects which at this point can only be guessed at. In light of the fact that Federal money will almost certainly have to be used in the construction of any future airport for Chicago, I think that airport planners might well want to keep in mind the words of section 16(c)(4) of the Aviation Facilities Expansion Act of 1969 which was recently passed by this House and is now before the Senate. That provision stated:

It is hereby declared to be national policy that airport development projects authorized pursuant to this part shall provide or the protection and enhancement of the Nation. In implementing this policy, the Secretary shall consult with the Secretaries of the Interior and Health, Education and Welfare with regard to the effect that such project may have on natural resources including, but not limited to, fish and wildlife, natural scenic, and recreation assets, water and air quality, and other factors affecting the en-

vironment, and shall authorize no project found to have adverse effect unless the Secretary shall render a finding, in writing, following a full and complete review, which shall be a matter of public record, that no feasible and prudent alternative exists and that all possible steps have been taken to minimize such adverse effect.

Not only do the provisions of Federal law make it unlikely that a plan for a lake airport would be judged ineligible for Federal support, but the opposition currently developing in Chicago itself should make promoters of this ill-conceived scheme think again about their plans. As an example of this growing citizen opposition, I submit for the RECORD an editorial from the November 27, 1969, edition of the Chicago Tribune. The editorial is entitled "Not Quite So Fast on a Lake Airport."

The article referred to follows:

NOT QUITE SO FAST ON A LAKE AIRPORT

William E. Downes, city aviation commissioner, no longer has any doubts about where Chicago should build the new major airport which will be needed in a few years. He wants it in Lake Michigan on a site created by building a huge dike.

Such an airport would be the most important single thing that has happened to Chicago in this century, the commissioner told the city council finance committee.

Mr. Downes is jumping the gun. Several important questions remain to be answered before anyone can say with confidence that a lake site would be the best.

Could an airport be built there at a reasonable cost? Estimates of the site cost have ranged from 250 million dollars to half a billion dollars. Estimates of the cost of a bridge or tunnel to the mainland also have varied widely. The grand total might be a billion dollars.

The airport is expected to be used by 50 million people annually. What plans have been made for moving them to and from the mainland? A four-lane roadway proposed in the original plan obviously would be inadequate. If the airport is to be off 55th street, as now suggested, Lake Shore drive is hopelessly inadequate to handle the additional vast volume of airport traffic.

Would it be necessary to build a subway tunnel directly to the Loop? If so, this would add tremendously to the cost.

Various suggestions have been made for using new kinds of high speed vehicles. Have these been invented yet, and if so how much would they cost? There is no use considering a lake site further unless a feasible transportation system can be developed.

What about water and air pollution? Not enough is known about the effect of such an airport on lake currents. The plans call for pumping sewage to the mainland, but there would be a reservoir within the airport to collect seepage thru the dike and rain runoff. How much pollution would be added to the lake in this way?

Air pollution would be the same, of course, whether the airport is in the lake or at a site south or southwest of Chicago. The lake site, however, would contribute much more pollution to the blanket of smog which often hangs over the city.

Would a lake site be as safe as one more distant from the Loop? The experts disagree on whether air traffic to and from a lake airport would interfere with the traffic patterns for O'Hare and Midway. And what about weather conditions in the lake? Some pilots contend that winter conditions would be much more hazardous there.

Studies are being made in an effort to answer most of these questions and to find solutions for the obvious difficulties. It is possible that the studies will show that the advantages of a lake airport close to downtown Chicago will outweigh its disadvantages.

Meanwhile, however, it would be prudent for city officials to withhold their judgment. This decision is indeed one of the most important to be made by the city in the next century, and no mistake should be made.

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## THE MINORITY VIEW ON MONETARY POLICY MUST BECOME THE MAJORITY VIEW

### HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. ULLMAN. Mr. Speaker, for nearly a year now this administration has relied on a highly restrictive monetary policy as its chief weapon to win the battle against inflation. As early as last June, in letters to Treasury Secretary Kennedy and Federal Reserve Board Chairman Martin, I argued that this was a most serious tactical error. We are and have been for several years now in the grip of the most pernicious kind of inflation, characterized by an alarming climb in total spending and prices. Fiscal controls—particularly the income surcharge—applied during the previous administration and continued today, have been virtually discredited as effective tools in this current period of inflation. Nor is tight money the answer. So far, this policy has produced only one clear result—the most extraordinary rise in interest rates in modern American history, up to a new historical high.

Though the housing market is drying up, farmers are badly pinched, and small and big business alike are increasingly boxed in, the administration remains wedded to this ill-fated policy. The perpetrator and grim director of this policy, the Federal Reserve Board, has clung tightly to the reins of the economy, as much unable as unwilling to ease up.

Today we still have rising prices, we still have spending moving upward, with big business planning an 11-percent increase in capital investment next year compared to this year. The only change is that thanks to tight money and high interest rates, we stand perilously close now to a serious breakdown of the economy. High interest rates are sapping the strength from the very fiber of the economy. This strength is historically based on the opportunity for all to invest in the Nation's growth. This opportunity is disappearing for many who cannot afford to pay the price on new investment. High interest rates must come down if our economy is to survive. Monetary policy must be changed now.

Mr. Speaker, I have begun to despair that the administration and the Federal Reserve Board harbor reasonable men in this matter. But an article this week in the Washington Post revives a faint hope that we may yet come to our senses in time. It observes that at least some members of the Board now believe that we are going too far with our monetary policies. It reports that these members are aware that within the area of monetary control there is more to be considered than simply money market conditions, more results to be looked for than just higher interest rates. It suggests, too, an understanding by some that as monetary policy is eased, restraint and selectivity must be exercised in directing credits to those segments of the economy in most difficulty.

I commend this article to the attention of my colleagues with the hope that the minority opinion of the Board reported therein will soon become the majority opinion, and we can turn to a more sensible solution to our economic problems:

MINORITY FEEL IT'S TOO TIGHT: MONEY MANAGERS SPLIT ON MONETARY POLICY

(By Hobart Rowen)

A basic policy split among the 12 men who manage the nation's monetary policy has emerged, and is likely to grow deeper in the next several months.

The 12 includes the seven governors of the Federal Reserve Board and five regional Federal Reserve Bank presidents who on a rotating basis represent all 12 presidents. This group forms the Federal Open Market Committee that meets in Washington about every three weeks.

A minority of the OMC feel that existing monetary policy is excessively tight, and could even lead to a financial crisis—although they think odds are against that.

But even more significantly, there is a growing belief that in deciding whether money policy should be tightened or loosened, the OMC should pay more attention to the big monetary aggregates (money supply, demand deposits, total reserves, and bank credit), and less to the traditional federal reserve concern with short-term interest rates and money market conditions.

It is a bow in the direction of Milton Friedman, but short of his single-minded focus on the sole importance of the money supply to the exclusion of other considerations.

The argument surfaced anew yesterday with publication by the Fed of OMC minutes for Sept. 9, which showed Governors Sherman J. Maisel and George Mitchell for the second month in a row dissenting from the current highly restrictive money policy.

These minutes are published with a 90-day lag. It was learned, however, that there has been no change in Fed policy—or in the majority and minor views—in the most recent sessions.

Many economists, in and out of government, and many business analysts have suggested lately that an overly tight monetary policy as being pursued by the Fed will lead to a recession in 1970.

SUPPORT FOR EXISTING POLICY

Except for Governors J. Dewey Daane and J. W. Robertson, who were absent, all of the others voted in September to continue—but not make firmer—the then existing policy. (In August, Daane and Robertson voted with the majority along similar lines of division.)

Maisel and Mitchell, argued, however, that monetary restraint in effect was actually tightening up, if the key aggregates were taken into consideration. Maisel yesterday elaborated by citing figures showing sharp contractions in the growth of the aggregate measures. For example, the most inclusive definition of money supply is showing a contraction (minus 3.1 per cent) for the second half of 1969.

Taking the monetary aggregates as a group, Maisel pointed out (along with the fact that long-term interest rates have been rising, these figures show that monetary policy has really grown tighter.

WANTS RESTRAINTS EASED

He advocates easing restraints to a level of about two-thirds the 1957–67 average, which

he would label "normal." Thus, in terms of the narrowly defined money stock, he would permit a growth of about 3 per cent, then watch it closely for any necessary adjustments.

Maisel and Mitchell fear that if the Fed keeps to present policy, it makes it more probable that when an attempt is made to reverse direction, the Fed will once again "overshoot" the necessary target and re-inflate the economy.

Maisel feels that the private markets tend to get carried away after a turn in Fed policy; in 1968, for example, actual reserves were enlarged by 50 per cent more than anyone at the Fed envisaged.

The dissenting governors think that the risk of an over-reaction would be mitigated by making the turn now, instead of engaging in a game of "chicken" with financial markets, in which the Fed says that it will not loosen up until there is a financial crisis, and the market says, in effect, that it doesn't believe the government would permit one.

There are indications that some of the presidents of the regional Fed Banks, who until now have been following the course set down by Chairman William McC. Martin, are shifting their ground toward consideration of the aggregates.

It is possible that the drift may become more pronounced after Martin leaves his post in January, after 18 years at the helm. Obviously, much will depend on the new stimulus injected by his successor, Arthur F. Burns.

Maisel said that it was possible to find four basic reasons for the Fed to shift from a sole focus on money market conditions and short-term interest rates to include more attention to the monetary aggregates: 1) the general Friedman view that insufficient weight has been given to money supply; 2) the Keynesian view that over-reliance on money policy may lead to a recession; 3) the squeeze developing on liquidity means that a prospect of a financial crisis exists; and 4) even without a general recession, monetary tightness may be causing crises in various sectors of the economy, such as housing, and state and local ability to finance necessary projects.

ALREADY GONE TOO FAR

Because there is probability that all of these arguments are true to a degree, Maisel has been insisting in private, the Board's existing policy has already gone too far. He would guide money market operations so as to pump more reserves into the system.

But the OMC so far has been focusing on the inflationary expectations in the economy. The OMC minutes for September noted that there were indications "that the rate of real economic growth was slowing, but it was agreed that the persistence of strong inflationary pressures and expectations militated against a relaxation of monetary restraint at present."

The opponents of this policy suggest that although few will say it openly, a free translation of the OMC majority's words is that a depression will be necessary to reverse inflationary expectations and to reduce prices. They (the minority) say that this is a "bad target for monetary policy."

In essence, then, the debate is over what should trigger Fed decisions to pump up or restrict the supply of money and reserves. The conventional wisdom, still being followed by the Fed, relies largely on "conditions" in the short-term money market, and on price developments; some policymakers also take balance of payments considerations into account.

MAISEL-MITCHELL ARGUMENT

The Maisel-Mitchell argument is that this standard has proved to be inadequate. More attention must be paid as well, they say, to the actual supply of money and credit in various forms.

In a speech yesterday in New York to a Business Week conference, Mitchell said "there is no doubt, in my opinion, that financial aggregates will steadily become more useful in guiding policy-makers and the judgments of those who are searching for clues to policy changes."

Like Maisel, however, he rejects the Friedman notion of tagging the money supply alone as the single determinant of policy: "I believe we are a long way from being able to specify a particular aggregate as a 'North Star' for monetary navigation."

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## THE AMERICAN FARM BUREAU

### HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. DORN. Mr. Speaker, the American Farm Bureau Federation annual meeting here in Washington this week has special significance. It marks the 50th anniversary of this great farm organization. We have a large delegation attending from my State and I welcome them on this great occasion. We have one of the finest State organizations in the country and I do want to pay special tribute to Dave Sloan, our State Farm Bureau president, our vice presidents, Sam F. Wheeler, James Williams, E. B. Funderburk, and J. P. Hodges. We appreciate our officers and directors who have been so dedicated and devoted for so many years in cooperative efforts to improve the farm industry in South Carolina. We want to also recognize our State women's chairman, Mrs. C. F. Price, of Mullins, and my warm personal friend, the Honorable E. H. Agnew, of Starr, who have contributed so much to the Farm Bureau program. On November 12, 1919, delegations from 35 States met at the Lasalle Hotel in Chicago and the American Farm Bureau Federation was founded. South Carolina was well represented at that meeting which launched a national farm organization. The Federation's growth during a half century has been tremendous and today it serves nearly 1.8 million member families in 49 States and Puerto Rico.

Mr. Speaker, we should note that the American Farm Bureau was not born as a protest organization. The Farm Bureau is a positive organization. It stands for something. It is dedicated to preserving those principles and ideals which made our Nation great. It grew from the success of county farm bureaus in helping farmers to improve their production practices and in meeting local problems. It handles its affairs in a business-minded manner. There was a recognition that while agriculture's problems varied from State to State and region to region, they were basically similar, and they wanted to do something about it.

The American economy is strong. Capital, labor, the consumer, and the food producer have made it so. Our standard of living is higher than any other country in the world—the farmers of America have played a major role in shaping our economy. With the highly mechanized farm industry we have today, we produce the major portion of the world's food. We have shared this abundance of food and fiber with our needy here in America and throughout the world. It is a tribute to the skill and knowledge of our great farming industry.

I have lived on the farm all of my life and have been an active member of the Farm Bureau for many years. I recommend the sound philosophy of this great organization to the American people:

I believe—

In the American competitive enterprise system.

That man's search for progress should be encouraged by maintenance of opportunity, not hindered by illusions of security.

That a person should be rewarded in accordance with his productive contribution to society.

That every man is entitled to own property, earn money honestly, save, invest, and spend as he chooses.

That property rights cannot be taken away without infringing on rights guaranteed by the Constitution.

That the Constitution is the basic law of the land, and that its interpretation should be in accordance with the intent of its authors.

That government should operate impartially in the interest of all.

That government's regulatory functions should be based on law.

That government should provide only minimum controls and aids.

That government should stimulate, not discourage, individual initiative.

That propagandizing by government is dangerous to the maintenance of self-government.

That monopoly, whether by government, industry, labor, or agriculture, is dangerous.

That voluntary cooperation is a part of the American system.

That all candidates for public office should state their beliefs with respect to communism, socialism, and capitalism.

Mr. Speaker, I congratulate this outstanding and patriotic organization on its 50th anniversary and wish for all the delegates who have attended the convention and for every member of the American Farm Bureau continued success.

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## WE MUST BE DOING SOMETHING RIGHT

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. TEAGUE of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article written by John Keats entitled "We Must Be Doing Something Right" which is a treatise on our generation and its accomplishments versus the coming generation. I think most Members with children will find it interesting reading.

The article follows:

WE MUST BE DOING SOMETHING RIGHT

(By John Keats)

My generation of Americans—those of us downwind of forty—licked the Depression and won the biggest, most complicated war in history. We developed flash freezing, jet

travel, Salk vaccine and put men on the moon. We also built the richest, most efficient, open and decent society the world has ever seen. We have given more people more and better jobs, opportunities, food, clothing, shelter, education, medical care and consumer goods than any nation has ever enjoyed, anywhere. These perfectly demonstrable facts suggest that we must be doing *something* right, and it just may be that we do not entirely deserve all the stones being cast at us.

Most of the contumely issues from the more intelligent and privileged members of the pimply and long-haired set, who like to imagine that we are nothing but a gaggle of bloody-minded, sexually-frustrated, gin-soaked, golf-playing, power-mad, irrational and hypocritical money-grabbers who operate a cruel and inhuman System, and who are abject failures as parents. The revolting young particularly despise those of us in the higher middle and upper classes, blaming us for (among other things) the existence of slums, the war in Viet Nam, and the pollution of our air and water. For our sins, our well-educated children say, we should all be groaning under a burden of guilt.

Having been for these past twenty years a journeyman social critic myself, I am quite aware that the poor are still with us; that peace on earth is still an ideal and not a fact; that not a few of our more prominent politicians and businessmen are short on principle and long on greed. I am all for recognizing our faults, and trying to correct them, believing that it is only wisdom to maintain, always, an intelligent dissatisfaction with our accomplishments. But it seems to me that any criticism ought to keep the accomplishments in mind. I also think it only right to examine the credentials of the critical, and to come down on our complaining young, like an office safe falling fourteen stories, whenever we catch them off base.

The Socratic method recommends itself. Whenever a distraught youngster argues, with passionate belief, that our society is sick and evil, let us inquire just which society he is talking about. The one that makes free medical care and legal advice available to the indigent? The one that believes a man to be innocent until he is proved guilty? The one working toward a six-hour work week and a guaranteed annual wage? The one that is struggling, not without success, to make the dream of equality of opportunity for everyone come true? The one that makes it possible for every bright youngster, no matter what his ancestry or economic situation, to acquire a university education? The one that is perfectly willing to listen to what a young man has to say, so long as he does not put his opinions in the form of non-negotiable demands uttered at gun-point, and which not unreasonably requires him to put up or shut up? We might ask him whether he believes that it is only young people who feel a concern for the state of the nation, and only they who are at work on the problems.

Or we might agree with him that the nation is indeed sick, and ask him what he thinks of a society that enforces the laws of peace and good order everywhere but on a college campus, and which otherwise allows children to push adults around. Or which is considering lowering the voting age to 18, instead of more sensibly raising it to 35? Is there not something sick about asking youth to make the decisions, when all societies since the dawn of time have equated age with wisdom and experience, and youth with silliness and lack of experience? We might inquire whether the angry young man would not feel happier and more secure if the generation gap were wider, and if there were a more rigid Establishment to oppose.

There are various ways to skin this particular cat, all of them involving counterattacks on the youthful critics' ground, which is that of intellectual argument. In any case, I see no reason why our generation, which has worked to build and pay for history's most unique success, should feel ashamed or defensive of its truly majestic accomplishments—and no reason at all why we should take a lot of guff from a concerned, and largely pure in heart but nonetheless wet-eared and half-baked, band of juveniles.

I will admit it is rather tiring for us to have to go on being parents when our children are now in their twenties, but there it is: they still need guidance, and papa still needs to spank, more in sorrow than in anger, in order to instill in the young a proper respect (if not a deserved awe) for what papa has done in his time. Granted, there are still faults to be remedied, but there is much to be praised, and perhaps we should acquaint the young with the war-time motto of our splendid generation: "The difficult will be done immediately; the impossible will take a little longer."

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## THE NEED FOR CORRECTIONAL REFORM

### HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. MIKVA. Mr. Speaker, on few subjects is there more widespread agreement than the need for correctional reform in the United States. All the experts and most laymen agree that our present methods of treating convicted criminals are simply inadequate to the tasks of rehabilitation and reform which are their stated goals.

An article which recently appeared in the New Republic magazine by Mr. Ronald Goldfarb emphasizes the urgent nature of correctional reform in the United States and describes the varied sources from which support for such an effort could be drawn. I have introduced a bill, H.R. 14823, the Correctional Services Improvement Act, which I believe could make a significant contribution to improving the quality of treatment which we now give convicted criminals in our jails and penal institutions. It deals with unifying the correctional effort at the Federal level, providing new and modern correctional facilities at both the State and Federal level, and improvement of correctional techniques, including expanded individualization of treatment for convicted offenders.

Because it demonstrates the near unanimity of opinion in favor of sweeping reform of our approach to corrections, and because it emphasizes that this reform will require money and effort as well as words, I insert at this point in the RECORD the article "The Conspiracy for Correctional Reform."

The article referred to follows:

THE CONSPIRACY FOR CORRECTIONAL REFORM

(By Ronald Goldfarb)

The prison system is the only American institution I can think of whose administrators do not believe in the institution they are administering.

A few years ago while attending the annual meeting of the American Correctional Association I found myself in a hospitality suite chatting with a roomful of very relaxed prison administrators. Each man ran a major penal institution someplace in the United States; all were veterans in the business; none were "bleeding hearts" or "soft" on crime. I mentioned to the warden I was sitting next to that I was writing a book about corrections and was curious to know what percentage of the people under his supervision he thought needed to be in prison.

"By what standard," he asked.

"In order to protect society from personal injury," I replied.

Only about 10 to 15 percent, he said. No one in the room disagreed with him. As I visit prisons in my travels around the country, I always ask my hosts the same question; I cannot recall a single, different answer.

President Nixon has called for the immediate and dramatic reform of our failing correction system and has set up a task force which includes such experts as Robert Kutak, Richard McGee, Dr. Karl Menninger and Professor Norval Morris. Mr. Nixon has called for comprehensive planning and the consolidation of existing corrections systems, putting more money into treatment and noninstitutional programs, juvenile and mental health programs, special facilities and new jail concepts, better training, more research. As a candidate, he had said that by standards of punishment, deterrence, or rehabilitation "our prison system is a failure" and "needs to undergo a major overhaul."

In a speech to an American Bar Association meeting in Dallas last August, our new Chief Justice, Warren E. Burger, put the power and prestige of his office behind the same cause. Pointing out that we have gone far in recent years to correct procedural inequities in the fact-finding and litigation processes, he urged that we should now pay more attention to what happens to those found guilty. "I challenge the social utility of any system of criminal justice," he said, "which allocates, as we now do, a disproportionate amount of our resources to the techniques of trials, appeals and post conviction remedies while it gravely neglects the correctional processes which follow a verdict of guilt."

Last month Dr. Milton S. Eisenhower, Chairman of the National Commission on Violence, made public that organization's finding that, ". . . Prisons and correctional facilities operate in isolation and reject public scrutiny. Programs of rehabilitation are shallow and dominated by greater concern for punishment and custody than for correction. Prison inmate work assignments usually bear little relationship to employment opportunities outside. Internal supervision is often inadequate, . . . correctional administrators are often said to be presiding over schools in crime. . . . Jails . . . are often the most appalling shame in the criminal justice system . . . notoriously ill-managed and poorly staffed. Scandalous conditions have been repeatedly reported . . . the jails have been indicted as crime breeding institutions."

After three years of exhaustive research, the Joint Commission on Correctional Manpower and Training has also issued a report concluding that: ". . . Corrections suffers from multiple problems: apathy, piecemeal programming, totally inadequate funding, and the lack of public support and understanding. . . . Corrections today is characterized by an overlapping of jurisdictions, a diversity of philosophies, and a hodgepodge of organizational structures which have little contact with one another . . . legislators continue to pass laws, executives mandate policies, and both cause large sums of money to be spent on ineffective corrective methods."

This group of 95 professional and governmental organizations advised: "The public and their legislators must understand that

there can be no solution to the isolated prisons, token program resources, and discriminatory practices, which deprive offenders of employment, education, and other opportunities are tolerated. They also must expect that as long as there is a predominance of low-paid, dead-end jobs in corrections, the field will continue to be burdened with a poor performance record."

A few years ago, a Presidential Crime Commission that had undertaken a mammoth investigation and consulted with everyone in sight, reported that: "Life in many institutions is at best barren and futile, at worst, unspeakably brutal and degrading. To be sure, the offenders in such institutions are incapacitated from committing further crimes while serving their sentences, but the conditions in which they live are the poorest possible preparation for their successful reentry into society, and often merely reinforce in them a pattern of manipulation or destructiveness."

All these prestigious authorities have joined the overwhelming majority of informed observers, professionals and commentators in concluding that our prison system is a failure and an intolerable waste.

If this is what the Administration's concern with law and order is all about, and if that concern can be translated into money and programs, we may be at long last on our way toward the kind of radical reform of corrections that we so badly need.

## HAWAII SUMO WRESTLER EXCELS IN JAPAN'S ANCIENT SPORT

### HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. MATSUNAGA. Mr. Speaker, this is the season when, throughout the Nation, millions of football fans are either jubilantly or despairingly viewing the polls to note the ranking of their favorite teams among the top 10. The same millions will, no doubt, be viewing the upcoming bowl games with equal fervor and involvement.

A sport in Japan which commands the same avid following throughout the year, as football does at this time of the year in America, is sumo wrestling.

In this regard, I think it will be of interest to my colleagues to know that a young Hawaiian from the Valley Isle of Maui, Jesse Kuhaulua, who journeyed to Japan 5 years ago to master the difficult art of sumo, is now ranked among the top 10 wrestlers in Japan.

A recent editorial in the Honolulu Star-Bulletin paid a well-deserved tribute to young Kuhaulua, who wrestles under the name of Takamiyama. Kuhaulua, or Takamiyama, is lauded not only for his athletic ability, but also for his special personal attributes of diligence and perseverance, coupled with rare humility and good humor, which have characterized his ascendency to the top ranks of Japan's most ancient and popular sport.

In an article from the Japan Times, reprinted in the Honolulu Star-Bulletin, Kuhaulua was praised as follows:

A top sumo commentator has suggested that other wrestlers should make him their model for diligent training. . . . He is a credit to the people of Hawaii and the United States.

The people of Hawaii are justly proud that athletes from the Island State continue to gain recognition in international competition. In order that my colleagues may read more about Maui's sumo star, Jesse Kuhaulua, I am pleased to submit for inclusion in the CONGRESSIONAL RECORD the editorial and reprint from the December 3, 1969 issue of the Honolulu Star-Bulletin:

[From the Honolulu Star-Bulletin, Dec. 3, 1969]

MAUI'S SUMO STAR

Jesse Kuhaulua, the Maui boy who decided to take up Japan's ancient sport of sumo wrestling, is now one of the top 10 rated wrestlers in Japan.

Since no foreigner has ever before gone so high, this is a special point of pride to Hawaii and his frends here—but so is the way he has gone about it.

Jesse, who wrestles under the name of Takamiyama, has won the attention and admiration of millions of sumo fans in Japan, who follow the television matches as avidly as Americans follow baseball or football.

What many Japanese think of him is summarized in the editorial from the English-language Japan Times reproduced on this page.

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[From the Japan Times]

KUDOS FOR JESSE KUHAULUA

When Jesse Kuhaulua first came to Japan from his native Maui five years ago and announced he was here to become a "rikishi," who of us believed that he would last out the year? After all, the world of "sumo" is a feudalistic realm all its own, which exists only in a very small corner of Japan.

The rikishi lives, eats and sleeps sumo 24 hours a day. Its foods, its customs, and its traditions are entirely foreign, even to most Japanese today.

The life of a novice is a lonely one. He is a servant and slave to his seniors. Many young Japanese tried to make a life for themselves in that strange world, but found that its trials and tribulations were not for members of their affluent generation. Nisei youngsters came from the United States to try their luck and returned home defeated by the environment.

For Jesse, or Takamiyama, it was "total immersion" on a scale which even the institution that coined the phrase may not have imagined. Who knows what loneliness and bitterness he must have suffered? But if he ever lost his sense of humor, or his dignity, the public has never been aware of it. Patiently, he has worked to improve himself and in the process, he has won the respect and liking of sumo fans all over Japan.

In the tournament just ended, he fought as a "sanyaku" for the first time. This is a particularly high ranking, and Jesse is the first non-Oriental foreigner to go up so high in this traditional Japanese sport. In winning a majority of his bouts, he proved that his "komusubi" listing was no fluke. By dint of hard training, Jesse had finally overcome a weakness in his underpinnings; he has learned not to lose his balance.

A top sumo commentator has suggested that other wrestlers should make him their model for diligent training and has predicted Jesse will go even further up the sumo ladder.

The important thing is that he has established a place for himself in the strange and difficult world of sumo. And in the process, he has made a lasting impression on the Japanese—and we can be as cynical and as snide as any other people—with his character and demeanor. He is a credit to the people of Hawaii and the United States.

## THE MADISON AVENUE APPROACH TO VIETNAM

### HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. OTTINGER. Mr. Speaker, it appears that the administration will go to just about any length to sell its Vietnam policies to the American people, and particularly to our young people. Its latest ploy, probably dreamed up by a J. Walter Thompson alumnus on the Nixon staff, was to appoint Apollo 11 astronaut Col. Michael Collins as Assistant Secretary of State with the assignment to convince youthful dissenters that they are wrong.

This appointment is a terrible injustice to Colonel Colllins, an insult to the intelligence of our young people, and just plain bad political strategy. It may still be possible for sports heroes to sell breakfast cereals, automobiles, and shaving cream, but in taking foreign policy to America's college and university campuses, it is the policy that counts, not the package.

The President was absolutely correct when he said at his news conference this week that the best way to approach young people is to treat them as adults. It is unfortunate that he did not keep that in mind when some creative genius on his staff came up with the idea of using Colonel Collins.

A perceptive editorial on the subject appeared in a recent edition of Patent Trader newspaper, in Mount Kisco, N.Y. I commend it to the attention of my colleagues, and to those at the White House who may think of the Vietnam issue as something other than an advertising campaign.

THE WRONG APPOINTMENT

The Nixon administration's latest move to handle dissent about the war in Vietnam indicates that the President and his advisers are ready to try any strategy except the one that would work: recognizing the merit of the opposition and taking steps to conciliate it.

Instead, this time, the President has drafted an authentic space hero, Col. Michael Collins, to "sell" the administration's viewpoint about the war to the nation's youth.

The effort would be ludicrous if it were not so dismaying. For his new assignment, Col. Collins, who admits to total inexperience in public affairs, has been nominated as Assistant Secretary of State for them. In his first television appearance, he charged the dissenters with a "simplistic approach" to the conflict, saying that "in many of their minds Hanoi is good, Saigon is bad." This is about as simplistic an analysis of the basic of opposition to the war as could be formulated. It is hardly likely to carry weight with a youthful dissenter whose knowledge of the origins and progress of the conflict would seem far broader than Col. Collins' own.

The dismaying aspect of the appointment is the utter lack of understanding it reveals about the makeup of millions of concerned, patriotic Americans, young and old. President Nixon ought to know that opposition arising from conscience, expressed by citizens whose interest is in seeing their country live up to its own noble principles, will not go away because an astronaut says that the war is just. To suggest that it will is to insult the intelligence and the depth of conviction of the dissenters.

## PREVENTIVE DETENTION FOR UNLAWFUL ACTS

### HON. CHARLES H. GRIFFIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. GRIFFIN. Mr. Speaker, a great deal of discussion in recent months has revolved around the issue of preventive detention for those most likely to engage in unlawful acts. In this connection, I am including as a part of my remarks a guest editorial which appeared in the Clarion Ledger of Jackson, Miss., on December 6, 1969. The editorial originally appeared in the Richmond News-Leader. I recommend this to my colleagues' attention as I believe it expresses the opinions of a great majority of our citizens who are tired of criminals being turned loose by lenient judges.

The editorial follows:

WHILE FREE ON PROBATION

Some of the talk these days around Capitol Hill centers on the thorny question of preventive detention. Is it constitutional to deprive a suspected criminal of his liberty until he can be tried when probable doubt exists that he will commit no more crimes before his trial? Or is the right of society to be protected from further criminal acts the overriding consideration? It is an issue on which reasonably minded men can disagree.

Perhaps those who doubt the need for preventive detention, pending trial, of suspected criminals might want to study a textbook case of what can happen without preventive detention. This case was headlined on the front page of the Washington Post last week. It involves a 30-year-old unemployed truck driver, Walter C. Powell, who was charged last week with a third count of murder within a six-month period. (On the same day, incidentally, the Post carried six ads for truck drivers in its help-wanted columns.)

In May, Powell was arrested and charged with robbery, but the case was not prosecuted. On June 18, a 28-year-old woman was shot to death in her Washington apartment. On June 30, Powell appeared before a U.S. District Court Judge to be sentenced on a conviction of attempted auto theft last year. The judge placed Powell on probation for three years.

Then on August 25, an elderly man was shot to death as he ran from a robbery attempt. The next day, Powell was charged with murder, not for the killing the day before, but in the June 18 case. Bail was set at $10,000 at first; Powell could not raise this amount. His lawyer petitioned for a reduction in bail, and the judge complied, setting it at $5,000 with the stipulation that, if $500 could be put in cash, Powell could be released. A friend of Powell's posted the $500, and Powell went free, after being in jail one week.

In September, a judge conducting a preliminary hearing into the June 18 slaying concluded that the charge against Powell in the June 18 slaying was justified. He recommended that Powell's bond be increased, but he had no authority to increase it himself. Powell stayed free.

On Nov. 3, a grand jury instructed Powell to appear for arraignment on the charge of murder in the Aug. 25 killing. He didn't show up, and a warrant for his arrest was issued. On Nov. 15, a 42-year-old man was killed by a robber who entered his apartment. On Nov. 19, police arrested Powell and charged him with murder in this most recent slaying. He now is being held without bond.

So during a six-month period, Powell managed to rack up three charges of murder, two of them committed while on probation for another crime. Even the most determined opponent of preventive detention should be able to learn something from this case, and the many others like it that have occurred in the nation's capital. If they refuse to believe that preventive detention has any positive factors at all, it says a great deal more about their sympathy for criminal suspects than about their concern for society's right to protect itself from being further victimized.

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## EDGAR ALLEN POE

### HON. F. EDWARD HEBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. HÉBERT. Mr. Speaker, during my 29 years in the House I have had the opportunity to insert many items in the CONGRESSIONAL RECORD, but none has given me more pleasure or satisfaction than the article I insert today.

It is a well-deserved tribute to an old and dear friend of many, many years, Edgar Allen Poe, correspondent for the Times-Picayune in New Orleans. The article, written by Mr. Craddock Goins, a longtime friend and colleague of Ed Poe, traces Poe's journalistic history.

Poe's experience runs the gamut of the journalism world, from Alabama, Mississippi, and Louisiana to the Nation's Capital. He has been in Washington for 22 years, and is one of the most respected and most reliable newsmen—a giant among pygmies—in Washington journalism circles.

At a time when the press has come under severe criticism, and I feel justly so, Ed Poe stands in exile from the group to whom the criticism is directed.

Ed Poe is one of those rare creatures in the newspaper business who knows the subject about which he writes, gets both sides of the story, and whose end result is an objective presentation.

The greatest tribute to Ed Poe, I believe, is the fact that I have never met a man who did not like him. He is a living example that Leo Durocher's adage, "Nice guys finish last," is not 100-percent correct.

I could go on for hours talking about Ed Poe, whom I have known since we both worked on New Orleans newspapers more than 30 years ago. But the article speaks for itself, and I insert it at this point in the RECORD:

[From the Times-Picayune, Dec. 6, 1969]

POE'S CAREER IS LIVING PROOF NICE GUYS DON'T FINISH LAST

(EDITOR'S NOTE.—This being the Christmas season, publication of a newsman's rhapsody about a fellow newspaperman (particularly when the latter happens to be our favorite Washington correspondent) seems in order. Mr. Goins has known Mr. Poe in New Orleans, in Jackson and in Washington when both were writing news in those cities.)

(By Craddock Goins)

WASHINGTON.—Perhaps no paper has had superior capital coverage more consistently in this century than The New Orleans Times-Picayune. That is believed by many who have known the late Paul Wooton and the unassuming chap who now walks his beat—one Edgar Allen Poe.

In his 22 years here Poe has been up front where the action is and the pressure runs high. He lists himself on the press-gallery roster as Edgar Poe, refers to himself as plain Ed and leaves the thought that he is just another Poe boy trying to get along.

Poe had to walk high and fast to match Wooton's strides. That spectacular man had kept pace with the period's public giants, including founding fathers of the National Press Club and the prestigious Gridiron Club, to rate high favor in the White House. Wooton was probably the only newsman to achieve family-friend status with the presidency. That was won by his empathy for a child in tears. This child had fallen in front of her parents apartment. As Wooton helped her up, she said her name was Margaret and "my father—boo hoo—is Senator Troo—boo hoo hoo—Trooman!"

Wooton's kindness to Margaret was so appreciated that Truman's ear was always ready when he needed information not available elsewhere. The Times-Picayune had status position on the executive's reading table.

NICEST MAN

Before going to Washington, in 1947, Edgar Poe served in The Times-Picayune's Mississippi bureau. Ten years in Jackson won him esteem for integrity and graciousness. Baton Rouge columnist Jack Gould described him in these words:

"Edgar Allen Poe was once described by my wife as 'the nicest man I ever met.' She's right. It was a privilege to work with Ed in New Orleans, Baton Rouge and Jackson, and see him help others, particularly other newsmen. He is a man of his word, a great reporter and as respected in Washington as he was there."

Mississippi's Secretary of State Heber Ladner backs that thought: "It is appropriate that you do a profile on my longtime personal friend Edgar Poe. I am glad to have the opportunity to endorse his contributions in journalism to our state, the South and the nation. Ed exemplifies the highest ideals, always sticking to truth and fact, refusing to take statements out of context to mislead the public. He reports objectively without inflicting injury."

Poe is a member of the Gridiron Club, treasurer of the White House Correspondents Association and a past president of the Washington group of Sigma Delta Chi, a journalistic body.

As a member of the Senate and House Standing Committee of Correspondents governing admission to the galleries, Poe resisted a step to bar Soviet Russia's Tass correspondent in respect for America's free-speech traditions.

FAIRNESS, ACCURACY

Two senators who have known Poe from early days are Mississippi's James O. Eastland and Louisiana's Allen J. Ellender, Ellender knew Poe from stormy days when the Senator was speaker of the Louisiana House of Representatives and believes he is "a credit to journalism, very personable, trustworthy and, unlike some Washington commentators, is not prone to exaggerate. His reputation is based upon close attention to facts. He views thorny problems incisively while presenting an objective view."

Senator Eastland could recall Poe's record from early Mississippi days: "Ed Poe is one of the finer newspapermen in Washington. He had the ability to dig out stories where other reporters often miss them. You can count on him to make an in-depth treatment of any story. His reputation for fairness and accuracy is unequalled. I am proud to call Ed my friend."

A Poe story that drew admiration from Georgia's Senator Herman Talmadge was a review of Senator Ellender's long public career. In asking for unanimous consent to

have that story published in The Congressional Record, Talmadge said: "One of the most respected newsmen in the nation's capitol is Edgar Allen Poe. He writes with balance and insight and is a credit to New Orleans and the South."

Louisiana's Senator Russell Long believes Poe is "one of the fairest, most conscientious men I have ever known. He has a tough job and he does it well. He has the ability to write and the ability to convey, an asset very important to the American republic. Ed is truly outstanding."

WAR CORRESPONDENT

One knowing Poe longest is Louisiana's First District Rep. F. Edward Hébert. He remembers when Poe was a local staffer on The Times-Picayune while Hébert was a New Orleans States deskman. "Ed Poe is one of the nicest guys I ever met," he said. "His compassion is something foreign to many newshounds. He is a mixture of good and accurate reporting and human understanding. Will Rogers said, 'I never met a man I didn't like.' Edgar could say he never met a man who didn't like him."

A tribute that touched Poe very much was never intended for publication. He received it in May, 1968, from Mrs. Ruth Lloyd Miller of Jennings, La. Congratulating him for an award from Alabama University "for outstanding political and legislative reporting," she added "a belated thank-you for something you did for me 23 years ago. It was your radio message from the USS Mississippi in Tokyo Bay that brought the first word that my husband, who had been missing, was alive."

Poe had taken time out from his Mississippi bureau assignment to be a war correspondent. He steamed from Okinawa to Tokyo Bay to cover the Japanese surrender on the USS Missouri. His Pacific reporting won commendation from Navy Secretary James Forrestal.

Poe joined The Times-Picayune in 1930 after experience on a Birmingham newspaper. In his Deep South days, he covered historic political events: the campaigns of the Longs, Theodore G. Bilbo, Pat Harrison, Hugh L. White, Martin Sennett Conner, Jimmy Morrison, Dudley LeBlanc and others. He was born in Jasper, Ala., first met printer's ink on The Mountain Eagle, a weekly edited by his grandfather, James R. Gunter. He is married to the former Frances Margaret Harwood. They have two sons, Edgar A. Jr., of Washington and Thomas L., of McLean, Va.

## MISSISSIPPI ADMITTED TO THE UNION 152 YEARS AGO TODAY

### HON. CHARLES H. GRIFFIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. GRIFFIN. Mr. Speaker, I wish to call to the House's attention that today is the 152d anniversary of the admission of the State of Mississippi to the Union.

During that period of time, Mississippi has made many substantial contributions to America. Her sons and daughters have enriched the heritage of our generation and have added to the illustrious history of our great Nation.

The citizens of Mississippi, just as those of other States, pride themselves in being patriotic Americans, grateful for the freedoms and opportunities unknown in other nations around the globe.

Mississippians have had their moments of glory and despair, neither of which swayed us from our desire of attending to the individual needs of our neighbor and the collective needs of society as a whole.

As we go into the last third of the 20th century, Mississippi looks forward to the challenges ahead with confidence and optimism. Whatever the future holds, Mississippi and Mississipians have the resourcefulness to overcome any adversity and retain their proud stand beside all true Americans.

Mississippi's natural and human resources are the greener pastures of our era. Its economic future is unbounded and I applaud the energetic efforts of my fellow citizens who are determined that Mississippi will continue its remarkable progress.

## VIEWS ON ECONOMIC TRENDS

### HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. QUILLEN. Mr. Speaker, in the past several weeks I have given serious thought to conversation and correspondence I have had with Mr. William D. Pardridge, a widely-known economist, who serves as editorial director of Economic Inequities, concerning his views on the economic trends in this Nation.

Although I do not agree with all of his conclusions, I have pointed out to Mr. Pardridge that I am hopeful the "silent majority" will become an "aroused majority" as the result of citizens like him who have spoken out about the economic plight of this country and he feels that an economic collapse is a possibility.

Mr. Pardridge comes to me highly recommended and his opinions on this most important subject are intriguing and enlightening. He is most certainly dedicated to his views and is concerned with helping solve our economic inequities.

For these purposes, I would urge that copies of my correspondence to him and his correspondence to me, in addition to an article he wrote which appeared in the Knoxville Journal, one of Tennessee's most outstanding daily newspapers, on April 21, 1969, be made available to the readers of the RECORD:

CONGRESS OF THE UNITED STATES,
*Washington, D.C., December 2, 1969.*

Mr. WILLIAM D. PARDRIDGE,
*Editorial Director, Economic Inequities, Washington, D.C.*

DEAR MR. PARDRIDGE: I appreciate your allowing me a copy of your letter to Mr. Jerry Robbins, along with your article entitled "'Inverted Colonies' America's Invention."

This editorial from the August 21, 1969, issue of the Knoxville Journal is outstanding and of great interest to me. I think you are correct in that the productive powers of America's economy are being destroyed by the eight classes of inverted colonialism which you have outlined.

I am hopeful that the "silent majority" will become an "aroused majority" as a result of those individuals like you who speak out about the socio-economic surrender which is taking place—this trend must be turned around in order to get our nation's economy back on its feet.

Your writing me is deeply appreciated, and please feel free to do so at any time.

Sincerely,

JAMES H. QUILLEN.

ECONOMIC INEQUITIES,
*Washington, D.C., December 6, 1969.*

Hon. JAMES H. QUILLEN,
*U.S. House of Representatives, Washington, D.C.*

DEAR CONGRESSMAN QUILLEN: Thank you for your letter of December 2, in which you express the hope that the "silent majority" will become an "aroused majority." You say, too, that the "socioeconomic surrender which is taking place must be turned around in order to get our nation's economy back on its feet." In many respects, your first statement is the general case for the existence of this Book-in-the-making Economic Inequities, and your second statement is the economic position this Book supports with unfashionable bare-bone analysis.

Being an interim reader of Economic Inequities, you know that one of the Book's many deliberate intentions is to halt the promiscuous expenditures of public funds on measures that boast plausibility but have no support whatsoever from plain economic logic.

This unabashed position, which is realistic in terms of getting a job done out in the open, precludes any do-gooding tax-exempt status for the Book. If "noble causes" cannot stand up in the free, business marketplace, then they are not worthy of support other than as conscience-relieving outlets. While 100% of the Book's profits do go to American colleges and universities, Economic Inequities is still very much a business-for-profit affair. The Book does not hide behind the skirts of any permissive tax laws or foundation fantasies.

This Book, you and I, want to rid our people of poverty—and this is not the usual lip-service—but there is a definite limit to what our economy can afford. It is economic madness to believe that we can give away economic goods and services that are needed to produce an ever-greater amount of economic goods and services, which ever-greater amount will enable us actually to increase social welfare on a pure increased-productivity basis.

In other words, it's as simple as the old, old saying, "You can't eat your seed corn." Nations that eat seed corn are dying Nations.

I try to make this clear in the Article from Tennessee, which was published in the Knoxville Journal. The Tennessee Article, one of fifty Articles in the Book Economic Inequities, spells out social appeasement in economic terms. This hurts on all fronts attacked. A reading of the eight or nine inverted colonies now devouring our treasures, as delineated in the Tennessee Article, would cause some to label the Book "conservative," and others to brand it "liberal." The Book is neither, for economic logic knows no color in the sociopolitical spectrum. Economic logic runs through the whole spectrum, glaring the "tilt" light whenever alleged humanitarians—in the form of greedy institutional or intellectual pressure groups—start shaming those who actually with their own hands have earned the round steak, instant mashed potatoes, and television sets portrayed as everybody's "natural rights."

Money chases high interest, and this is one of two major reasons why the stock market is on the skids, and why it won't get off the skids without crashing into the sub-basement. Stock dividends (which *are* interest) in a profit-shrinking economy cannot compete for shareholders against skyrocketing interest-rates elsewhere. Inflation itself is not the reason for a continued destruction of common-stock prices. The "worthlessness of it all" is a major reason.

The other major reason people are leav-

ing the stock market is plain fright and disenchantment with permissiveness in Vietnam, in mushrooming welfare, inflation, milktoast liberalism, and in everything else on the massive, across-the-board, giveaway philosophy of life now rampant in America.

Ours is a paper economy living on the sawdust of its own mills. In 1968, public and private new total indebtedness went up $132 Billion over the amount owed in 1967. And in that same period the Gross National Product went up only $32 Billion in corrected prices. Where's the missing $100 Billion? In the sawdust, of course.

A third reason for the stock-market collapse is to "get cash" to pay some of the past-due $132 Billion borrowed in 1968.

Who with the facts and in his right mind can say this is anything but economic disease in a trance-like society? Nobody, unless he is an ostrich or a weasel or an inexpert in unearned trappings.

Inflation, like economic employment, is composed of several or many different elements. The Government is doing nothing more than withdrawing from the inflation molecule only a single element—pure money. It is not even touching the related element of purchasing-power credit!

Professor Arthur F. Burns, the new Chairman of the Federal Reserve Board, tells the Tax Foundation (of all people!) that "civilian programs are the preponderant cause of the growth of the federal budget." Here is a whopping cause of inflation—the maldistribution of unearned income at its capital best. The U.S. is increasing this distribution instead of contracting it down to a size commensurate with pure increased productivity.

Inflation and economic employment are socio-economic phenomena that cannot be treated as iron or oxygen the way we treat and measure elements in the physical sciences. But that is how our fine-trappings "experts" in Washington and in many name-brand universities treat social problems. This is "the stuff diletantes are made of."

Inflation will be either (1) destroyed by financial collapse or (2) forced to recede to zero after, and only after, we comprehend those elements in its *non*-monetary *inner* structure. There is no other exit off the present collision course.

The U.S. today is practicing permissiveness all across the podium of social endeavor. If we continue this appeasement—and that's just what it is—then tragic economic disorder is inevitable. Unlike 1929–1933, this time socioracial upheaval will be a direct consequence of severe economic disorder.

Even though the economic bin is truly empty, way-of-life welfarists, both black and white, won't believe it, cannot believe it. You wouldn't understand, and I wouldn't understand, if our nurtured way-of-life rejected it out of inborn, spoon-fed habit.

Must we put our hard-won political and economic freedoms on the block simply *and only* because we cannot admit to gross intellectual error? Congressman Quillen, our ego, ir. plain fact, is our worst enemy.

Respectfully,

WILLIAM D. PARDRIDGE,
*Editorial Director, Economic Inequities.*

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[From the Knoxville Journal, Aug. 21, 1969]

"INVERTED COLONIES" AMERICA'S INVENTION

(By William D. Pardridge)

Inverted colonialism is a new twist in social trends and economic suicide. It could be invented only in America.

England for centuries lived high on the hog because hard-working colonials shipped choice cuts to London, where merchants distributed the goodies to all the nonworking landed gentry.

Mother Country was in the business of "Let's you and him work."

Economic wealth produced by toiling hands and natural resources overseas created banks at home, large retail houses, insurance companies, and, of course, a domestic political power that protected and enhanced its own economic life.

Today in the United States definite classes of people are developing into their own Little Mother Countries that may well live off the economic production of the working citizens of the same nation that houses the inverted colonies.

Social welfare in its many traditional forms is not expanding naturally, is not in step with increased "economic" production per capita, but is snow-balling under the guidance of an upside down invisible hand called organized effort.

Anything "economic," indeed, implies it is earned, as well as "bought and paid for."

This intelligent organized effort is working both sides of the street—on the side of the mass recipients as well as on the side of politicians, conscience-stricken businessmen, social scientists with manufactured wisdom, and push-button economists who fine-tune anything not nailed down.

At least eight definite classes of inverted colonialism are destroying the productive powers of America's Whole Economy. They are:

1. Military and space programs of supernationalistic goals and proportions. Realistic nationalistic goals are quite necessary—but not those based on this vanity of being sheriff to the world.

2. Foreign commitments of men, money, and machinery of like proportions.

3. A social-welfare inner nation that reproduces itself automatically in ever larger numbers.

4. The rising Black Economic Thrust, based on unearned capital acquisition camouflaged by legislated security and phony government interest rates.

5. The easy-credit customers who multiply like rabbits.

6. The agricultural and unemployment non-political lobbies that prey on the innocent for easy funds. These two predatory forces form a single colony in concept because they are based mainly on the motivation of something for nothing. Their economic positions are not even plausible, and their social positions are completely sterile. The other seven inverted colonies do attempt an economic, social, or political justification.

7. The deep trough of sums given to higher education for maladministration and consumption by self-styled research centers, self-styled students who belong either in vocational schools or in manufacturing plants—not liberal arts factories—and entire new academic cities to house the whole "business" of imagined genius.

8. The balloon-like government services at all municipal, state, and federal levels.

Not one of the eight inverted colonies contributes anything to the common bin of economic or productive goods and services. Each takes away huge globs of real wealth in the form of sterile expenditures that die as soon as made.

Every year, for instance, the national net private indebtedness increases at a faster rate than the total population. This in itself illustrates the national check-kiting philosophy behind all eight inverted colonies. This alone would cause classical inflation.

Honest men of national political prominence declare our huge Gross National Product proves we can support all the social luxuries of utopia. But they don't know that the total dollar value of the GNP does not represent the total goods and services available for distribution to the eight inverted colonies.

These eight bottomless pits of economic expenditures are counted at the GNP payment window as part of the very GNP advertised as our economic bank account. This is nutty.

Each of the eight inverted colonies has a powerful and aggressive political voice that screams "social need" and "economic richness." The increasing mechanization of men's minds and living habits prevents the human structure of the producing economy from fighting back.

The result is that the original economy of abundance is now becoming the central economy of scarcity, while the inverted colonies temporarily become fat, defiant, and certainly imperialistic.

When the last kited check shows up for payment, the eight colonies here at home will become more defiant and demanding. Then things may get nasty.

It has happened before in other nations at other times in other manners. It need not happen in America, if we only determine to put back what we take out of the economic capacity to produce.

This is easier said than done.

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## REMARKS OF HON. CATHERINE MAY AT THE WHITE HOUSE CONFERENCE ON FOOD, NUTRITION, AND HEALTH

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### HON. CHARLES M. TEAGUE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of my colleagues an excellent speech made by Hon. CATHERINE MAY on December 4 at the White House Conference on Food, Nutrition, and Health:

HON. CATHERINE MAY, WHITE HOUSE CONFERENCE ON FOOD, NUTRITION, AND HEALTH, DECEMBER 4, 1969

It is a great honor for me to address you at this, and last plenary session of the White House Conference on Food, Nutrition and Health. You have met here in response to a dramatic challenge—participation in the building of a sound and workable response to the stark fact that hunger and malnutrition indeed exist in the midst of the most prosperous society the world has ever known.

From this Conference, and government, business and private citizen efforts to put its recommendations into effect, will come, I believe, a massive dedication to doing what must be done to eliminate want in our land of plenty. And from it will come a reaffirmation of a most fundamental American right—the Right to Eat—and a resolve to make this Right a reality for all of our citizens.

On May sixth of this year, President Nixon sent a message to Congress outlining the dimensions of your challenge. At that time, the President said, "We have long thought of America as the most bounteous of nations. In our conquest of the most elemental of human needs, we have set a standard that is a wonder and aspiration for the rest of the world. . . . So accustomed are most of us to a full and balanced diet that, until recently, we have thought of hunger and malnutrition as problems only in far less fortunate countries."

The President went on to point out that, "We have awakened to the distressing fact that despite our material abundance and agricultural wealth, many Americans suffer from malnutrition. . . . That hunger and malnutrition should persists in a land such as ours is embarrassing and intolerable."

And it was in that same message to Congress that the President announced that he would call this Conference.

Seven months have elapsed since the day that this Conference was first proposed. During that time, Dr. Jean Mayer has done an

outstanding job of assembling experts from every corner of this land. Twenty-six separate panels of these experts have met to consider every conceivable aspect of improved nutrition. These panelists have given up weekends and summer vacations to put together the recommendations that you have reviewed and considered.

Equally important is the work that you have done in evaluating these recommendations in the light of your own knowledge and experience. This has been an enormous effort and a commendable one, and you should all be proud of your work.

Because of the hard work of all of you, this Conference is indicative of the urgency of the problems of hunger and malnutrition in our land.

And if it is good that we have taken the time to meet and deliberate, what is needed now is something more—what is needed now is a commitment on the part of all of us to act.

Certainly we in Congress have a clear duty to act. It was in recognition of this duty that 37 of my colleagues and I introduced H.R. 12222, the Food Stamp reform legislation requested by President Nixon. And, recommendations of this Conference will, I can assure you, receive prompt Congressional attention as part of our commitment to action.

And the President has a commitment to action as well. While he is still waiting and pressing for food stamp reforms, he has taken steps to expand the present Food Stamp Program as far as possible within the scope of the present law.

And I am sure that each of you here is committed to eliminating hunger and malnutrition—if you were not, you would not be here.

But the elimination of hunger and malnutrition requires a greater effort than you or I or the President, with all the best intentions in the world, can make. Because, ultimately, good nutrition requires the interest and participation of every American, wherever he or she may be.

This afternoon I would like to discuss with you the significance of this Conference to the consumer—to housewives and husbands, to the poor and the not so poor.

Each Conference panel considered a separate aspect of one question: How can Americans obtain and consume the food that best meets their own personal and family needs? The conclusions and recommendations of these panels often overlap and occasionally even conflict. But there are certain common themes that run through all of these recommendations.

One point on which there is virtual unanimity is that if you are poor it is almost impossible to be well fed. Another is that even Americans with adequate incomes can improve their nutritional status. And, finally, many of the panel recommendations point to the existence of a nutritional knowledge gap that has been created by indifference and inattention.

If we are going to look at the impact of these recommendations on the consumer, we should start with a clear understanding of the consumer we have in mind. Let me explain.

There are two consumers in each of us. One is the adventurer, seeking out products and services that are newer . . . better . . . brighter . . . bigger. It is the adventurer part of each of us that wants a more advanced color television set, a purple convertible with racing stripes, and new, exotic and exciting foods This adventurer—perhaps even radical—side of each of us even has a motto: "Down with the old, up with the new—whatever it is."

But there is a second consumer within everyone as well. That second consumer is the traditionalists—square, straight, and nonswinging—and speaks with the voice of caution and restraint. This is the consumer in each of us that looks for balance and value in life, and good health and nutrition in food, no matter how new and exciting in other respects.

This Conference has been designed to serve both of these consumer personalities—to point the way to better, more convenient, more nutritious, more available foods and diets.

But, while many of the recommendations of this Conference suggest changes in many aspects of our food system and in our own nutritional lives, I think it is important to remember at the same time that the system as it stands today is the most productive, efficient and available that the world has ever known.

I say this because there is a tendency sometimes among all of us to feel that since some changes in certain areas may result in a net "good," what existed before was necessarily "bad." This is not the case with many of the issues that came before the Conference, and as we go back to our homes and our jobs to translate this Conference into action, I hope it will be accomplished within the framework of the presentation of alternatives, and not the presentation of absolutes.

I say this because we need to recognize that there is no "typical" consumer in this diverse society of ours, and what is good for one consumer may be very much the opposite for another. As a result, it is vital to build and preserve a system that will present enough alternatives to adequately serve the wants and needs of this diversity.

As this Conference has so wisely acknowledged, efficient and pervasive as our commercial food production and distribution system is today, there are those within this diverse society of ours whom it does not and probably cannot fully serve—at least alone. An obvious example is those of the poor who are not receiving the benefits of the Food Stamp Program. Perhaps less obvious, but in many ways equally beyond the reach of our commercial food distribution system today are the aged and sick—especially in rural areas—, the blind, and many others who have, for no fault of their own, been washed ashore from the mainstream of American life.

Partnership efforts have been proposed during this Conference to bring these people into the commercial system—or to bring the commercial system to them in some cases—and this is a fine approach.

In the past, a different approach has been used.

For more than 30 years, the U.S. Department of Agriculture has been distributing the surpluses of our farms to the needy. Today, such direct commodity distribution systems are operating in more than 1,100 counties.

But such a system has its drawbacks, no matter how well motivated. As both domestic and international demands on our food supply grow, fewer and fewer foods are actually in surplus. And if man cannot live by bread alone, living on flour, cornmeal and lard isn't a big step forward.

But even if a government-operated system of food distribution could provide the variety or quality that is found in a local supermarket—which it cannot—there is still a better way. For living on government-donated foods often results in the further isolation of the poor from the rest of society, furthering the feelings of despair and personal inconsequence that our national pride should refuse to accept in any American citizen.

The recommendations of this Conference support the Administration's decision to phase out commodity distribution over a period of time in favor of the Food Stamp Program. With food stamps, poor families can use the commercial food distribution system—the corner store and the supermarket—that is used by their fellow citizens. This is the better way, not only in terms of a more varied and satisfying diet, but in terms of pride and self-esteem as well for those of our consumers who are poor.

The best way to improve the nutritional status of low income groups is to give them the means for purchasing a nutritionally adequate diet. The Food Stamp reform legislation being considered in the House of Representatives will provide every American family with enough Food Stamps to purchase a nutritionally adequate diet, at a cost not to exceed 30 percent of income. It will provide free Food Stamps for the very poorest families and will allow simultaneous operation of Food Stamp and commodity distribution programs where local communities believe that is appropriate. If all of our citizens are indeed to have the Right to Eat, these are essential beginnings. But they are only beginnings—both in terms of better nutrition and health, and in terms of a better life as well.

For while food is life's first essential and should have priority over assistance for other needs, we must look to the day when the poor can have the kind of cash assistance that will allow them a decent minimum standard of living.

We have made a start toward an adequate system of income maintenance that will replace the self-defeating and self-perpetuating welfare programs that have been with us for far too long. The President's Family Assistance proposal will provide the poor with the cash that allows them to choose, in the market place, between different products and services. And equally important, Family Assistance will eliminate the discriminations in the present welfare programs against the father who stays with his wife, and against those who are willing to work.

In reviewing the recommendations of the various panels, I find broad agreement that Food Stamps, like commodity distribution, should be an interim measure as we move toward broad and meaningful welfare reform.

While all here agree on the need for helping consumers who are poor improve their nutritional status, the recommendations of this Conference are equally important for the great mass of Americans who do not live in poverty. This is a vital point, for, as we all know, the fact that a family can obtain an adequate diet does not mean that it will.

Studies have shown that nearly two-thirds of the poor may be deficient in one or more vital nutrients. This must be eliminated, but it is at least understandable. Less understandable, but in no way less serious, is the fact that the same studies show that more than a third of those with incomes over $10,000 also show nutrient deficiencies.

While the greatest single factor in improving the nutrition of the poor is providing the means to purchase an adequate diet, obviously, more than money is needed to assure that both the poor and the middle income person will be well nourished.

The recommendations of this Conference point the way toward better surveillance and evaluation of the nutritional status of the whole nation. With better data, we will know the location of problems such as iron deficiency or iodine deficiency before they become serious and extensive.

At the same time, better nutrition education is important to every consumer, for knowledge helps the consumer to purchase more wisely.

Product labeling is important. The consumer is not better protected because there is a mass of information on every package. The more that is there, the less readable it may be. But it is very important that foods be labeled meaningfully, and recomendations of this Conference suggests ways to

help the consumer to understand a food's nutritional worth at a glance.

I think the consumer will benefit because this Conference has pointed up a nutritional knowledge gap and demanded that it be closed.

The studies of Dr. Arnold Schaefer have shown how little we know about our national nutritional status. Dr. Schaefer has discovered evidence of dietary diseases that we thought that had been completely eliminated. And, yet, he is the first to point out that our problems of malnutrition are very different from those of starving Biafra. Only continuing study will allow us to know the extent of the problem we face and the effectiveness of our attempts to deal with it.

This Conference has also focused on the prevalence of misinformation about nutrition. We cannot afford a knowledge gap that leads to great concern about a relatively minor incidence of protein deficiency, while almost ignoring major and widespread iron deficiency. Until we close the nutritional knowledge gap, we cannot be safe from food fads and misinformation.

A large part of the reason for this knowledge gap is a lack of manpower to close it. We simply do not have the trained professional or para-professional personnel to provide adequate nutrition services or teaching.

And we find that the nutrition gap extends into our medical and dental schools where students receive almost no training in the relationships between nutrition and their patients' physical and dental health.

Yet, if this lack of manpower presents a serious problem as we get to the job of making sure all of our citizens eat well, it presents an opportunity as well.

For this is an area—as some of your panels have recognized—in which concerned citizens—volunteers—can work and make an enormous contribution. And it can be done now.

For example, I learned recently that there are more than 150,000 trained home economists in our country who are not now employed. Most are busy homemakers, but they can—and should—be mobilized to help.

Closing this nutritional knowledge gap is essential, because good nutrition and good health ultimately depend on the consumer making her own decisions and basing her judgments on the information and education she receives. It cannot be done in any other way.

The problems of hunger and malnutrition require action, not just discussion, and it is quite clear that the time for that action is now. As President Nixon pointed out in his May sixth message, "Something very like the honor of American democracy is at issue. . . . The moment is at hand to put an end to hunger in America itself for all time."

The President's commitment will require continuing follow-through within the Executive Branch, and he has indicated there will be no relaxation of effort on this front.

In answer to his request for a reformed and expanded Food Stamp Program, I pledge to the President that Congress will be responsive. I make this statement as a prime sponsor of the Administration's Food Stamp Bill. I make this statement as a Member of the House Committee on Agriculture, which is now working on that bill. I make this statement in the knowledge that there is strong by-partisan support in the House of Representatives for an improved Food Stamp Program.

I am confident our Committee will present a Food Stamp Bill that is adequately financed. It will contain vast improvements in getting food to the recipients more effectively and with less red tape.

In addition to the passage of Food Stamp Reform legislation, Congress must enact the welfare reform contained in the President's *family assistance* proposal, and move to establish the Commission on Population Growth and the American Future which he has proposed.

Congress must also provide the funds for better surveillance and evaluation of our nutritional status and for better protection of the public health and safety. But the Federal Government can't do it all.

Industry has a major role to play in improving traditional foods and continuing to develop new and better products. Much of this, of course, has already been done as processors and manufacturers have risen to the challenges before them. For example, the nation's millers and bakers have just launched a major effort to further enrich the bread and rolls we all eat.

Perhaps most important, we need—and I am sure we will get—a sense of mission and dedication from industry to the task of getting the job done—done well and done now.

But, in the final analysis, our progress depends on effective action at the local and community levels. We will never make significant progress toward the elimination of hunger and malnutrition in this country without the support and concern of Mr. and Mrs. John Q. Public—without a full mobilization at the community level. And I mean the mayors, city and county officials, local organizations and service clubs, as well as individual private citizens. They are the ones who, if they will, can provide the greatest impetus to this national effort by identifying the problem areas within their communities, by determining the specific needs, and by doing what they can to see that those needs are met—in short, by committing themselves to deal with the problems immediately around them.

Ultimately, the consumer has the most important role of all to play and, given the means and the knowledge, the problems that face us today can be overcome.

We must not look at this Conference as the end, but only as the beginning.

We must take the fine work that has been done here and turn it into a positive force—a force that will assure for all time that the Right to Eat—and eat well—is one that is truly enjoyed by every American citizen.

## JAMIE L. WHITTEN RECEIVES 4–H CLUB AWARD

### HON. FRANK E. EVANS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. EVANS of Colorado. Mr. Speaker, years of devoted public service by a Member of the House of Representatives was given national recognition December 3, when my distinguished colleague, JAMIE L. WHITTEN, of Mississippi, was awarded a 1969 4–H Alumni Recognition Key Award.

He was one of eight prominent men and women awarded this solid gold key at the recent 4–H congress in Chicago.

I am told that criteria for these awards, in addition to being 4–H Club alumni, include outstanding records of accomplishment in their chosen profession and also interest in youth, civic, church or school affairs, and active support of such activities.

Certainly Mr. WHITTEN is deserving of this award; we are all familiar with his continuing support of the 4–H movement in his capacity as chairman of the subcommittee on Appropriations for Agriculture, where through the years his committee has recommended funds for the Extension Service, for 4–H Club work, and for such functions as school lunch program, soil conservation, rural electrification, loans for rural housing and waterworks, and for watershed and flood prevention programs.

I know that he and his office staff personally serve as hosts for 4–H groups visiting Washington.

Mr. WHITTEN has previously received a medal, authorized by Congress, for outstanding contributions to American agriculture. I am proud that the 4–H movement has seen fit to award him this latest honor, and am glad that it may be recorded in the proceedings of this Congress.

## THE GENERAL ELECTRIC STRIKE

### HON. JAMES A. BYRNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 11, 1969*

Mr. BYRNE of Pennsylvania. Mr. Speaker, the General Electric strike is now in its 7th week and has affected some 133,000 workers and the general public. It is most unfortunate this strike has lasted so long and continues during the Christmas season, depriving shoppers of the opportunity to purchase various General Electric products.

The Honorable Paul D'Ortona, president of the city council of Philadelphia has brought to my attention Resolution No. 187, which was adopted unanimously by the council on November 26, calling upon the General Electric Co. and the unions to immediately resume good faith collective bargaining. I am in hearty agreement with the resolution and wish to call it to the attention of my colleagues:

RESOLUTION No. 187

Calling upon the General Electric Company and the Unions representing its striking employees to immediately resume good faith and collective bargaining.

Whereas, The present strike of the employees of General Electric Company has interrupted the gainful employment of thousands of citizens of this community; and

Whereas, The continuation of this strike will have a substantial negative impact on the economic well-being of this community and all of its citizens; and

Whereas, It is essential that an early conclusion be reached in this strike, not only for the good of the employees involved and for the competitive position of General Electric Company, but also for the economic growth of this City; therefore

*Resolved, By the Council of the City of Philadelphia,* That we call upon the General Electric Company and the unions representing its striking employees to immediately resume good faith collective bargaining and to make every effort to reach an agreement that will be equitable to all concerned.

*Resolved,* That certified copies of this Resolution be forwarded to the management of the General Electric Company, and to the officers of the AFL–CIO unions representing the employees, as evidence of the sincere sentiments of this legislative body.

Certification: This is a true and correct copy of the original Resolution adopted by

the Council of the City of Philadelphia on the twenty-sixth day of November, 1969.
Attest:

PAUL D'ORTONA,
*President of City Council.*
CHARLES H. SAWYER, JR.,
*Chief Clerk of the Council.*

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MILITARY JUSTICE COMMISSION

## HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. BIAGGI. Mr. Speaker, I am in the process of drafting a bill for the formation of a House committee to conduct an exhaustive study of the process of military justice and the practices prevalent therein.

In that regard, I read a very timely and appropriate article in the December 10 edition of the Washington, D.C., Evening Star. It was written by Frank Getlein and the entire text follows:

If on a whim or a dare, you should stick up your neighborhood bank and, through inexperience or bad luck, get caught, you would be tried, eventually, not by members of your family but by total strangers.

If, as the head of a giant electrical corporation, you engaged in a criminal conspiracy with your fellow giants to cheat the government and the public at large and, like your fellow criminal at the bankrobbing level, you, too, got caught, you, too, would assuredly be prosecuted and tried by strangers rather than by members of your own firm.

In general, we adhere in this country to the idea that the administration of justice should be in the hands of people unconnected with the people charged with crime. We take this so much for granted that we can't quite grasp that there are other systems. But there are other systems. But there were and there still are.

Medieval justice was almost always administered by the local landowner, including those cases in which he or his relatives were parties. Ecclesiastical courts were set up and still operate on the principle that accusations against an authority are judged by that authority.

There is only one place we Americans maintain that sort of justice—in the armed forces. It is high time we changed it.

The case at issue is the trial, next year, of Lt. Calley for his part in the alleged My Lai massacre and the investigative procedure—a kind of trial—of the earlier reports and non-reports of the massacre.

It is entirely possible that Calley will be found guilty and given some sort of sentence. What is out of the question is that the Army itself will be seriously investigated on such points as whether the indiscriminate shooting of civilians is widespread, whether anything in our military doctrine or military practice contributes to such a condition and whether there is something about the system of reporting in the Army that prevents higher echelons from hearing unpleasant truths from lower ones.

All of these are much more important to us, taxpayers and citizens and therefore the employers of the Army, than the specific behavior of Calley, and there is no chance at all of our finding out any shred of the truth on any of such points through normal military investigative and trial procedures.

Those procedures have come to public attention quite regularly in the last year or so and they leave a great deal to be desired.

The Pueblo inquiry apparently limited itself entirely to the question of whether the captain of the ship should have gone down fighting rather than have saved his life and the lives of his crew at the cost of embarrassment to the naval command. Unasked were such questions as whether he had, in fact, been ordered to violate North Korean waters and how on earth or sea his messages of alarm were sent on the astonishing ping-pong ball course they followed.

The Green Beret murder case was simply dropped, again with no real explanation of what happened—in our name and with our funds—and why and how it happened, let alone why it was all dropped back into oblivion.

Most recently the Army has announced blandly that while its own probe is continuing, it lacks sufficient congressional-developed evidence for prosecutions in the alleged graft in the operation of Army enlisted men's clubs. As against the Army's inability to come up with evidence, Sen. Abraham Ribicoff, in Senate hearings, uncovered "conflicts of interest, bribery, kickbacks, conspiracy and other criminal actions or violations of regulations."

After awhile, the citizen and taxpayer concludes that military trials and investigations exist primarily to place the blame for anything squarely on the shoulders of the lowest ranking officer or enlisted man available, to exonerate those with higher rank and to ignore the question of whether something about the military system permits, encourages or tacitly commands the crimes investigated.

That such results should flow from a system in which the institution investigates itself should surprise no one. The same things happen in ecclesiastical courts as a matter of course and the same thing happened in feudal courts.

The difference is that, nowadays at least, one can opt out of ecclesiastical justice and even in the olden times one could join a Peasants' Rebellion or a French Revolution.

But we cannot, alas, discharge our military servants. We must therefore, devise some way, probably through Congress, to find out what they do in our name and who is really to blame for the crimes and stupidities that so regularly come to light by accident.

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C. B. DEANE

## HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 4, 1969*

Mr. TAYLOR. Mr. Speaker, American political history will record the late former Congressman Charles B. Deane of North Carolina as a man whose principles were not subject to compromise under pressure.

While the chronology of our membership in the House denied me the privilege of serving with him, I met this distinguished gentleman several years ago and immediately joined the ranks of his admirers.

House Speaker MCCORMACK, speaking in tribute, said of Mr. Deane:

He had an intense love of our country. He was a great American . . . possessed of deep faith and more so, of strong moral conviction and courage.

It has been more than a decade since Charles Deane concluded his service in Congress. Yet, he is remembered, while lesser men have been forgotten. Colleagues speak of his service reverently, admirably, as if to suggest that in it is a legacy.

Always deeply involved in the affairs of his church, Charles Deane, a Baptist and a Democrat, blended the ingredients of religion and politics into a salve which he applied to the wounds of his fellowmen.

The Nation has reason to be grateful for the devoted service which this great citizen rendered both in and out of public office.

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ADMINISTRATION'S RECORD IS ANTIVETERAN; A DISMAL SHOWING

## HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. MURPHY of New York. Mr. Speaker, service to the veterans of our Nation, their widows, and children has been—and will continue to be—the hallmark of my service in the House. I will not let lapse the high premium placed on patriotic service in our military forces in time of war. As you know, I have introduced four bills this session to meet the pressing needs of veterans and their families who are being shortchanged by inflation and proposed administration budget cuts. The shocking indifference of the Nixon administration toward the plight of our veterans is revealed by the fact that it has virtually opposed or sought to delay every major, meaningful, vital veterans legislation introduced into Congress and that includes my measures, VFW, the magazine of the prestigious Veterans of Foreign Wars, has a timely article in its December issue detailing the administration's dismal showing toward veterans.

I include the following article from VFW in the RECORD at this point:

A DISMAL SHOWING—ADMINISTRATION'S RECORD IS ANTI-VETERAN

"Veterans' benefits programs have become more than a recognition for services performed in the past. They have become an investment in the future of the veteran and his country."

Those are the words uttered by President Richard M. Nixon on June 5, 1969, setting what was hoped would be the policy of his Administration toward veterans.

His expression gave encouragement to the thousands of veterans who wanted to believe that President Nixon was a man who understood their problems and would address himself to their solution for the welfare of the nation they had fought to defend and as the acknowledgement of their service by a grateful government and people.

Those words of President Nixon last June, less than six months after taking office, sounded just grand, didn't they?

But the sorry and dismal record of his Administration up to now has proved them to be nothing more than words, well-intentioned perhaps, but empty and meaningless when compared to his performance.

In the 11 months of its life, the Nixon Administration has opposed or asked that action be delayed on virtually every piece of major, meaningful, vital veterans legislation introduced into Congress.

One of the most glaring examples of the failure of President Nixon's utterances to match what he ultimately advocated is that

of increasing GI Bill training and education allowances.

The origin of that goes back to last June when President Nixon appointed a commission to study the needs of the returning Vietnam veteran, with special emphasis on his training and education.

An interim report of that commission recommended a 13% boost in subsistence payments and President Nixon implied he would veto anything higher.

The Senate, however, approved a 46% increase. The House voted a 27% hike in the allowance.

President Nixon's attitude toward raising the GI Bill allowance for student veterans is inconceivable in light of his oft repeated concern over the failure of veterans returning from Vietnam to take advantage of the GI Bill to increase their earning power.

Reams of documentation have been provided him demonstrating that one of the principal reasons the young men are not going back to school is that they simply cannot afford it on the basis of the inadequate allowances they would receive. As a result, they are losing a million dollars a day in benefits.

When President Nixon appointed the members of that commission, there was real concern that the Veterans Administration would be controlled not by Donald E. Johnson, a former national commander of the American Legion, named Veterans Administrator by President Nixon, but by Robert Finch, secretary of Health, Education, and Welfare; or Patrick Moynihan, an urbanologist with pronounced leanings toward social planning, or Robert P. Mayo, director of the Bureau of the Budget.

Nothing has happened yet to dispel that fear and, except for a few pious pronouncements, Administrator Johnson has given little indication that he is anything more than a puppet dangling from the Bureau of the Budget's strings. The presence of men on that commission whose antipathy toward the VA and veterans benefits in general is well known gives further reason for concern that the VA will be strangled by the HEW octopus.

Further evidence of the Administration's anti-veteran stance is its refusal to permit correction of the deplorable state of many VA hospitals.

As early as last April—two months before the President uttered his noble phrases about veterans benefits—the Administration's bias began to emerge.

That was when the VA budget for the 1970 fiscal year was slashed by nearly $90 million, $78.5 million of it for hospital construction and medical operating expenses.

The House, however, restored nearly all the budget cuts in a move vital to the VA because of its increased workload resulting from the discharge of 75,000 young men each month, or a million a year, from the service, many of them in need of hospital care.

Since then, Administration antics would seem inspired by "Alice in Wonderland."

To appreciate just how ridiculous they have proved to be, it is necessary to review the events in sequence.

Former President Johnson's 1970 budget called for 4,000 new jobs in the VA's medical program, but President Nixon's revised budget in April lopped them off.

Then at his request, mind you, Congress restored these jobs. But President Nixon turned right around and cut them out again after signing the second supplemental appropriations bill for 1969.

Net result was not just the loss of 4,000 jobs, but 634 more.

Of these lost jobs, 378 were to have been assigned to VA staffs that handle education and other claims. At the same time that the Nixon Administration was cutting VA jobs to the bone there was a backlog of 600,000 cases in VA regional offices.

Recently Rep. Henry Helstoski (N.J.), a member of the House Veterans Affairs Committee, contrasted the expenditure of $830,000 in federal funds to "refurbish" Air Force One, the Presidential plane, and "additional millions of federal money on the San Clemente summer retreat and Key Biscayne winter retreat" with the slashing of $17 million from the VA for air conditioning of four veterans hospitals.

Because of the Administration negativism, VA facilities built and equipped in the past two years to meet the needs of returning veterans stand idle.

As Rep. Olin E. Teague (Texas), Chairman of the House Veterans Affairs Committee, told Congress last October:

"Here stands over $20 million of modern medicine's most advanced technological equipment—installed and waiting—to perform life-saving and life-prolonging miracles for thousands of sick veterans who are suffering with kidney disease, heart disease, blindness and numerous other ailments which require intensive medical treatment."

These facilities total 828 in all parts of the country ranging from a $592,605 intensive care unit in the Bronx to a $1,675 speech pathology program in Oteen, N.C.

Despite the Administration's consistent negativism in the field of veterans legislation, Congress has passed much needed laws broadening the scope of legislation to include hundreds of thousands who are in dire straits.

How is it possible for anyone to oppose a measure to let service-disabled veterans stay in nursing homes for nine months instead of six, if there is a need? This Administration is against such a bill now in the Senate.

Can you imagine anyone being against more money in these inflationary times for widows and children of men killed in the service? This Administration was.

Why would anyone object to providing VA medical service for the non-service-connected disabilities of a totally service-disabled veteran? The Administration did.

In spite of Administration obstructionism, Congress passed both of these bills.

Realizing that the representatives of the people were unwilling to submit to Administration dictation when the public interest was involved, President Nixon signed the two into law.

There you have it, the record of the Nixon Administration to date.

It is one that reveals shocking indifference on the part of Administrator Johnson and the Administration to the plight of the millions of men who answered their nation's call willingly, even eagerly, only to face on their return home a callousness from the Administration rarely equalled in this nation's history.

The veterans deserve and have every reason to expect better than this from an Administration pledged to their welfare.

## IS THE NEWS SLANTED?

## HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 10, 1969*

Mr. VANIK. Mr. Speaker, Vice President AGNEW recently made certain comments about biased news coverage. After reading a story in this morning's Washington Post which quoted the speech of the Vice President before the American Farm Bureau Federation, I would have to agree. No one could really have said the statement attributed to the Vice President.

After all, he could not have criticized the distinguished senior Senator from Tennessee, ALBERT GORE, for attempting to provide the average taxpayer with a modest increase in his dependency exemption, while Mr. AGNEW strongly defended the farm subsidy program and criticized those Senators who opposed such increases in the farm subsidies. The Vice President could not have meant that an increase in dependency exemption of $200 to the average taxpayer was inflationary while the yearly subsidy payment of $3,010,042 to the Boswell Farm of Corcoran, Calif., was not.

## THE FIRST TUESDAY

## HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. BERRY. Mr. Speaker, many Members of Congress witnessed the NBC documentary on their show "The First Tuesday" which was aired December 2, 1969. I appreciate it is not easy to depict both sides of the situation, but in order that Members do not obtain the impression that there is only one side to the problem of Indian integration, I insert a letter written to the National Broadcasting Co., by Ramon A. Roubideaux, an Indian lawyer living at Fort Pierre, S. Dak. Mr. Roubideaux is a highly successful lawyer and one of the top criminal defense lawyers in our State. The letter, which should be of interest to all Members, is as follows:

DEAR TONY: I saw the documentary on the Thomas White Hawk case in your "First Tuesday Show" over NBC on December 2, 1969. It very effectively revealed to the American public the poverty-stricken conditions on our Indian Reservations. The report was effective in this regard.

However, the report was disappointing in many respects. It failed to place the blame for these sub-standard conditions where it belongs, on the shoulders of the U.S. Bureau of Indian Affairs. Although the report did not specifically say so, it seemed to accuse South Dakotans by implication of discrimination and ill treatment of Indian people. This is not true and contrary to the facts. After one recovered from initial shock at these appalling conditions, one's reaction would be to support increased appropriations and activity by the very system which has failed so miserably in the past. Your report was particularly misleading and distorted because of the following truths:

1. The State of South Dakota has no responsibility whatsoever for the care of Indian people or the administration of their affairs. This is a Federal responsibility.

2. The Baxter Berry case was misrepresented. Berry was acquitted on the grounds of self defense by a jury after entering a plea of not guilty. Thomas White Hawk plead guilty to premeditated murder against the advice of his counsel. The fact the one was a white man and the other Indian was, in my opinion, immaterial.

3. Indians, as a whole, receive equal if not preferential treatment in our state courts. I speak from 20 years of experience.

4. The few cases of discrimination which occur today are the result of economic conditions and not racial status.

5. Our relations with our white neighbors may have received a severe setback because of these unfair charges.

6. Jail conditions at White River, South Dakota, while bad, must be endured by both white and Indian prisoners.

I felt very uneasy that a cold-blooded killer like White Hawk should be selected to dramatize conditions on our reservations. The failure to properly treat and diagnose his mental troubles is a situation shared in this state by both white and Indian defendants. I would think that most of our Indian and white citizens in this great state would be properly indignant with your unfair report.

Perhaps you can do better in the future.

On this same subject is a portion of a copy of a letter from Charles R. Hogue, news director of KWYR radio station in Winner, S. Dak.:

I am referring to a segment of the NBC program, "The First Tuesday in December", seen on December 2, 1969. The program dealt with the life of a convicted murderer, Thomas James White Hawk. The program, although acknowledging that the facts pointed to his guilt, was a play on the emotions of the nation for a boy brought up in poverty and neglect. Scenes in the program showed only the worst possible conditions which unfortunately do exist on the Rosebud Reservation. However, the program left the impression that nothing has been done to help the American Indian in the past 200 years.

Omitted from the program were any scenes of the 4.5 million dollar school complex at Mission, South Dakota. There were no shots of the modern Rosebud Public Health Service Hospital at Rosebud. There were no pictures of the hundreds of transitional or Rosebud "400" houses that have been built at a cost of from four to eight thousand dollars each. There was no mention of the industry that has been brought to the Rosebud Reservation to provide jobs for the Indian people. There was no mention of the legal services provided for members of the Sioux Tribe.

In essence what was left was the impression that the area and the nation is standing by and doing absolutely nothing to help these people. I would be the first to admit that many of the programs have not been handled properly and that much needs to be done. But wouldn't it have been fair for the program to have shown the people that programs are underway to see that the Thomas James White Hawk incident is not repeated.

Also, Mr. Speaker, I would insert three paragraphs from a letter by attorney Don Bierle of Yankton addressed to the National Broadcasting Co. of which I was provided with a copy. The paragraphs are as follows:

However, the presentation above referred to was not based on fact and was so prejudiced and biased that it unfairly and most tragically misrepresented what is in fact the truth. In my opinion the National Broadcasting Company betrayed every principle of its responsibility to the American public and violated every reason why the news media should be given the right and privilege of non-censorship in the presentation of its material.

The personnel who produced this show, through the inaccuracy of the information presented and the spectacular manner in which it was done demonstrated their complete incompetence and utter lack of knowledge about the Indian problem. In using the Thomas White Hawk case, which in the first instance is not even a proper foundation upon which to base presentation of Indian problems, the National Broadcasting personnel were inept and presented a most distorted picture of South Dakota and in particular completely missed the point in its approach to the problem.

I personally wish to invite NBC to South Dakota to present another documentary on the Indian problem and we will be most happy to cooperate in every respect in giving you complete access to any area of the state you wish to investigate and to any people you might wish to interview. You may wish to spend more time here than most politicians who seem to uncover answers to most problems within a few hours of visitation.

## INDEPENDENCE DAY IN TANZANIA

### HON. ADAM C. POWELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 11, 1969*

Mr. POWELL. Mr. Speaker, today the United Republic of Tanzania celebrates the eighth anniversary of the independence of Tanganyika, one of its two constituent states. Tanganyika and the island of Zanzibar joined together to form Tanzania in 1964. Tanganyika—now Tanzania—since its independence has assumed a role of leadership among its sister African republics. The President of Tanzania, Julius Nyerere, has been an outspoken African nationalist. Tanzania has also been a leader in promoting the cause of African unity.

Yet, although Tanzania has looked outward, more significantly it has looked inward and developed a realistic appraisal of its own problems and prospects. President Nyerere's Arusha Declaration in which he declared a policy of self-reliance as Tanzania's ideology for development has become a benchmark in the history of African development. Following President Nyerere's lead many African nations have adopted a policy of setting more realistic development goals in terms of their needs, assets, and prospects for external assistance.

Thus, I call upon my colleagues to join with me in wishing Tanzania a prosperous and peaceful future and in saluting that nation on this important national holiday.